



Public Notice Pursuant to A.R.S. § 38-431.02

ARIZONA MUNICIPAL WATER USERS ASSOCIATION MANAGEMENT BOARD

MEETING NOTICE AND AGENDA

Wednesday, August 9, 2023 – 10:00 a.m.

**This meeting will be held as a Hybrid meeting.
Attendance in person is welcomed; Others may join via Zoom.**

Access this [Link](#) to join via Zoom. Meeting ID: 865 4116 3665
(Option to join by phone: 602-753-0140, same Meeting ID as above)

A. Call to Order

B. General Business—Items for Discussion and Possible Action

1. Approval of the Minutes from the June 14, 2023 Meeting
2. Schedule Next Meeting Date: September 13, 2023, 10:00 a.m.
3. Conversation with Leslie Meyers, SRP’s Chief Water Executive
4. Activities of the Governor’s Water Policy Council
5. Colorado River Conditions and Messaging
6. Funding for ADWR’s Water Management Assistance Program
7. Fiscal Year 2023 Quarterly Financial Statements – Fourth Quarter

C. Member Reports

D. Executive Director’s Report

E. Future Agenda Items

F. Adjournment

*The order of the agenda may be altered or changed by the AMWUA Management Board. Members of the AMWUA Management Board may attend in person or by internet conferencing.

More information about AMWUA public meetings is available online at www.amwua.org/what-we-do/public-meetings, or by request.

Arizona Municipal Water Users Association

MANAGEMENT BOARD

MEETING MINUTES

June 14, 2023

HYBRID MEETING

MEMBERS PRESENT

Chris Hassert, Mesa, Chair
Brian Biesemeyer, Scottsdale, Vice Chair
Kirk Beaty, Avondale
Silvana Burgos for Barbara Chappell, Goodyear
Craig Caggiano for Tara Ford, Tempe
Troy Hayes, Phoenix
John Knudson, Chandler
Jessica Marlow, Gilbert
Cape Powers, Peoria
Ron Serio, Glendale

OTHERS PRESENT

Jeannie Aguilar, AZ State Land Dept.	Brett Fleck, Peoria	Jenna Norris, Peoria
Erin Andres, Phoenix	Jake Golden, Phoenix	Jacob Perez Laurent, AMWUA
Michelle Barclay, AMWUA	Lauren Hixson, Gilbert	Diana Pina, AMWUA
Gretchen Baumgardner, Scottsdale	Simone Kjolsrud, Chandler	Tina Sleeper, Tempe
Anthony Beckham, SRP	Sara Konrad, AWBA	Martin Stiles, CAP
Paul Bergelin, AMWUA	Marisa Manheim, ASU	Warren Tenney, AMWUA
Brian Draper, Mesa	Mike Milby, CliftonLarsonAllen	Sheri Trapp, AMWUA
Sam Draper, Audubon Society	Scott Miller, APS	Theresa Ulmer, Ulmer Consulting
Kathy Ferris, AMWUA	Brad Moore, AMWUA	Stefan Walston, Gilbert
		Adam Wiechman, ASU

A. Call to Order

Mr. Hassert called the meeting to order at 10:00 a.m.

B. General Business – Items for Discussion and Possible Action

1. Approval of the Minutes from May 8, 2023 Meeting

Upon a motion made by Mr. Powers and a second by Mr. Hayes, the AMWUA Management Board unanimously approved of the May 8, 2023 meeting minutes.

2. Schedule Next Meeting Date: Wednesday, August 9, 2023 at 10:00 a.m.

3. [2023 Legislative Session](#)

Mr. Tenney reported that SB 1660 was scheduled for a third reading but never came to the floor for a vote. Mr. Tenney noted that AMWUA will continue to monitor this bill.

Mr. Barry Aarons, the Aarons Co., reported that the Legislature has recessed until July 31st following Senate confirmation hearings. Mr. Aarons reported that SB 1660 may not have the votes needed to pass through the Legislature, and attributes a reason could be the release of the Phoenix AMA Groundwater Model and attention towards groundwater use.

Mr. Aarons reported on SB 1432, the passed bill to resolve the Rio Verde Foothills situation. Mr. Aarons reported that the bill creates a stand-pipe district for service and the City of Scottsdale will sign an IGA. Mr. Aarons reported that EPCOR will work over the next 18-months to be part of a long-term solution for Rio Verde Foothills. He also reported that Senator Kaiser announced his resignation from the Legislature in the following week.

Mr. Hassert asked about the housing bill introduced. Mr. Aarons commented that he was not certain on the details at the present moment other than it had failed 11-19.

4. [Colorado River and the Lower Basin Plan](#)

Mr. Tenney reported that the Lower Basin States announced a plan for additional Colorado River reductions through 2026. Mr. Tenney stated that the reductions of this plan are modest due to the favorable hydrology and will largely be compensated by the federal government. Mr. Tenney reported on the May 24-Month Study and that Lake Powell will release 9.3 MAF in WY2023 if runoff continues as anticipated. Mr. Tenney also reported that Lake Mead will most likely end 2023 at elevation 1,067, or a Tier 1 shortage, though a dry winter could place Lake Mead back in Tier 2 by 2025. Mr. Tenney added that neither Lake Mead nor Lake Powell should reach critical levels before 2026.

Mr. Tenney reported that the Lower Basin Plan aims to conserve an additional 3 million-acre feet among the Lower Basin States through 2026, with half conserved by the end of 2024. Mr. Tenney reported that up to 2.3 MAF in System Conservation will be achieved through voluntary compensation provided through the Inflation Reduction Act. He added that remaining conservation can be compensated by other federal, state, local sources, or off-set by any intentionally created surplus (ICS). Mr. Tenney gave an overview of the breakout of reductions first shown by the Central Arizona Project (CAP). Mr. Tenney reported that this understanding of the reductions puts Arizona at conservation 1.145 MAF. Mr. Tenney noted that the Lower Basin Plan includes safety measures to allow reduced releases from Powell to Mead to protect power pool while also lowering the buffer zone triggers for preventing further declines in Mead. These triggers include developing a plan if the April 24-month study show a minimum probability Lake Mead ends the year under 1,025 feet as well as adjusting power pool and dead pool to 950 feet and 895 feet, respectively. Mr. Tenney reported that the Bureau of Reclamation has put the Draft Supplemental Environmental Impact Statement on hold and indicated that the comment period may begin again later this summer. Mr. Tenney stated that to begin the reconsultation process, the seven Basin States are encouraging Reclamation to issue a Notice of Intent for post-2026 Environmental Impact Statement by the end of June. Mr. Tenney noted that 2026 negotiations should provide a better opportunity to address further demand reductions for the overallocated Colorado River. Mr. Tenney stated that CAP indicated it will need to reconcile the 2023 rates and future rates will rise due to less water being delivered through the canal.

Mr. Serio asked how the 2.3 MAF of voluntary conservation reductions will be ensured. Mr. Tenney responded that Lower Basin negotiators are looking for more users to cover the remaining balance for voluntary reductions. Mr. Tenney added that reductions are currently proposed at face value.

Mr. Beaty asked whether Reclamation has given any indication of how long their review of the Lower Basin State Plan will take. Mr. Tenney responded that they haven't, though Reclamation's statements about the Plan are indicating that they will accept it.

Mr. Hassert asked what can be expected with the release of the August 24-month study. Mr. Tenney anticipated that Reclamation will formally announce the Tier 1 declaration, along with how the Lower Basin Plan is being put forward. Mr. Tenney noted that hopefully Reclamation will give more indication about the 2026 reconsultation process before August. Mr. Tenney clarified that the reductions shown were compiled by CAP staff and represent 3 MAF of conservation from June 2023 to the end of 2026. Mr. Powers noted that there is not any clarity to who is offering the system conservation reductions.

5. [Phoenix AMA Model: Findings and Implications](#)

Mr. Tenney gave a brief overview of the release of the Phoenix Active Management Area (AMA) Groundwater Model and reported that Paul Bergelin, AMWUA's Water Policy Advisor, will present the findings and implications of the model.

Mr. Bergelin reported on why the Department of Water Resources (ADWR) has conducted and released the model and the requirements for determining unmet demand within the Phoenix AMA over the next 100 years. Mr. Bergelin reported that the Phoenix AMA Model includes recently updated subbasin models used in previous determinations and calibrated with historic information to determine its projections. Mr. Bergelin summarized the main assumptions related to pumping and water usage used to produce projections found in the model. Mr. Bergelin reported that the model indicates 4.9 MAF of unmet demand over the next 100 years within the AMA, with 100,000 AF of this unmet demand coming from designated providers. Mr. Bergelin reported that the model found groundwater levels are expected to drop by an average of 185 feet over 100 years with the total aquifer storage loss projected to be nearly 30% of groundwater currently available under the requirements of the Groundwater Management Act. Mr. Bergelin then reported on the general implications that can be drawn from the model, including a focused list of implications for the AMWUA members.

Mr. Hassert asked for clarification on the implication that redesignation may not be granted for a full 15 years. Mr. Bergelin responded that historically a redesignation for assured water supply can be up to a period of 15 years, but it is anticipated that the 2025 redesignations will be for a ten-year period. Mr. Tenney added that the reasoning behind this is due to the uncertainty surrounding the Colorado River shortage and the Post-2026 reconsultation to see how Reclamation will decide to manage the River after 2026.

Mr. Biesemeyer stated that he believes there is consideration of cuts to Colorado River water within the AMA model in consideration to NIA. Mr. Bergelin noted that he is correct and that AMWUA is waiting for the exact percentage taken from the NIA pool.

Mr. Knudson questioned if ADWR's use of well depth is appropriate for the purposes of the model since well production is not predicated on depth. Mr. Knudson commented that drawing wells further down decreases production with the dewatering of the aquifer.

Mr. Tenney reported that the Governor initiated the Water Policy Council last month and the Council will be looking at two key areas: Rural Groundwater Issues and the Assured Water Supply program. Mr. Tenney reported that the Committee for the Assured Water Supply will address this Phoenix AMA model in two weeks. Mr. Tenney reported that he is on the Governor's Council, as well as Cynthia Campbell from the City of Phoenix and Kathy Ferris. Mr. Tenney reported that AMWUA will continue to message that the cities with Assured Water Supply Designations are in good standing.

6. [Agreement with the University of Arizona for the Smartscape Program](#)

Jacob Perez Laurent, AMWUA's Conservation Specialist, provided an overview of the historical program goals of the Smartscape Program and AMWUA's current involvement in supporting the program. Mr. Perez Laurent reported that AMWUA is proposing an increase to the annual funding amount to Smartscape from \$30,000 to \$48,000 within the agreement with the University of Arizona's Cooperative Extension. Mr. Perez Laurent reported that this increase will be used to accomplish enhanced deliverables from the Smartscape Program, including new courses, providing hybrid course options, and retaining additional staff to maintain the program in the future.

Upon a motion from Mr. Biesemeyer and a second from Mr. Knudson, the AMWUA Management Board unanimously approved to recommend adoption of the agreement with the University of Arizona to implement the Smartscape Program.

7. [Fiscal Year 2024 Proposed Budget](#)

Mr. Tenney reported that the proposed budget contains an 8.3% increase from the FY23 budget. Mr. Tenney reported that AMWUA has two vacant positions that need to be filled and there is an anticipated carry-over of \$60,000 from this year.

Mr. Biesemeyer asked if timing is right to use the carryover in order to fill the vacant positions. Mr. Tenney responded that if the budget is especially tight, it could be something to be examined.

Upon a motion from Mr. Knudson and a second from Mr. Hayes, the AMWUA Management Board unanimously approved to recommend the proposed Fiscal Year 2024 proposed budget to the AMWUA Board of Directors.

C. Member Reports

Mr. Hayes reported that the Phoenix City Council approved standards for new developments, including no longer allowing annexations during drought declaration and conservation requirements on large water users. Mr. Hayes also reported on the new water rates introduced by the City of Phoenix.

Ms. Marlow reported that the Gilbert Town Council approved \$335 million for the North Water Treatment Reconstruction. Ms. Marlow added that the entire project is projected to be complete in 2027 with a capacity of 45-60 million gallons per day (mgd).

Mr. Biesemeyer reported that the Scottsdale City Council approved of rate increases to water and wastewater services.

D. Executive Director's Report

Mr. Tenney reported that the WIFA Conservation Grant Fund Committee met to recommend on 12 out of the 65 initial conservation applications in the first round of grant funding. Mr. Tenney reported that the Committee tabled applications from Gilbert, Glendale, Phoenix, and Pima County to evaluate how the Committee reviews the grant fund cost-benefit criteria. Mr. Tenney reported that WIFA staff will convene another meeting for AMWUA to present to the Committee on municipal conservation. Mr. Tenney stated that the purpose of this Committee is to recommend applications to the Board.

Mr. Tenney reported that Harry Cooper will begin as AMWUA's Conservation Coordinator in mid-July. Mr. Cooper had previously worked for the Maricopa County Flood Control District as the manager for their landscape and conservation programs.

Mr. Tenney reported that AMWUA's contribution to the American Water Works Association (AWWA) is published in the guidebook "Designing and Evaluating Effective and Ongoing Drought Communication", which Sheri Trapp, AMWUA's Communications Manager, is credited. Mr. Tenney reported that AWWA has also asked Sheri to be a panelist for a webinar in July to share more about AMWUA's communications efforts.

E. Future Agenda Items

Mr. Biesemeyer requested an updated presentation from the Department of Environmental Quality (ADEQ) regarding the timeline for Direct Potable Reuse rulings.

Mr. Knudson requested ADEQ to speak to the Management Board on the developing investigation into aquifer water quality regarding pollutants.

F. Adjournment

Mr. Hassert adjourned the meeting at 11:24 a.m.

MANAGEMENT BOARD
INFORMATION SUMMARY
August 9, 2023

Conversation with Leslie Meyers, SRP's Chief Water Executive

ANNUAL PLAN REFERENCE

Sustainable Water Management

Promote efforts and policies that will sustain and safeguard our members' water resources and prepare for critical water management issues.

- Groundwater Management – Lead discussions and develop strategies to safeguard groundwater, including recovery's impact on the aquifer, post-2025 management issues in the AMAs, and legislation.
- Watershed Management – Work with SRP, the Nature Conservancy, and others on improving and sustaining a healthy watershed.
- Governor's Water Council – Actively protect and promote our members' perspectives.

Strategic Plan: Facilitate our Strength in Numbers, Educate – Excel as an Expert and Resource, Collaborate and Advocate for Solutions, Safeguard Water Supplies, Strengthen Groundwater Management, Prepare for Impacts of Drought & Shortage, Pursue Post-2025 Water Policy, Interconnect Disciplines

Finances & Water

Examine, analyze, and influence water positions and policies that impact our members' finances.

- SRP – Better understand the impact of SRP's long-term water costs including the expansion of Bartlett Dam.

Strategic Plan: Collaboration and Advocate for Solutions, Safeguard Water Supplies, Prepare for Impacts of Drought & Shortage, Minimize Financial Impacts

SUMMARY

SRP's Chief Water Executive, Leslie Meyers, is scheduled to meet with the AMWUA Management Board. It is an opportunity for her to share her thoughts about the Salt River Project's objectives and its role in providing water to the AMWUA cities. It is also an opportunity for the Management Board to express their perspectives on issues related with SRP.

RECOMMENDATION

The AMWUA Management Board is requested to ask questions and discuss the Salt River Project's objectives with Ms. Meyers.

MANAGEMENT BOARD

INFORMATION SUMMARY

August 9, 2023

Activities of the Governor's Water Policy Council

ANNUAL PLAN REFERENCE

Sustainable Water Management

Promote efforts and policies that will sustain and safeguard our members' water resources and prepare for critical water management issues.

- Governor's Water Council – Actively protect and promote our members' perspectives.
Strategic Plan: Facilitate our Strength in Numbers, Educate – Excel as an Expert and Resource, Collaborate and Advocate for Solutions, Safeguard Water Supplies, Strengthen Groundwater Management, Pursue Post-2025 Water Policy

SUMMARY

Governor Hobbs has established her Water Policy Council to update the tools available for managing groundwater by proposing changes to the Assured Water Supply Program and improving management of rural groundwater. The Governor is asking the Water Council to review and make recommendations by the end of 2023 that would improve challenges facing both issues. Subsequently, the Council has been divided into two committees to develop proposals for the Assured Water Supply Program and rural groundwater.

The Committee includes stakeholders intent on finding a way to continue the past pattern of developing on groundwater on the periphery of the valley to those who want to close gaps in the Assured Water Supply Program by applying the program's requirements to build-to-rent properties and industrial and commercial users. ADWR and Committee members have put forward concepts that could be developed into proposals. At this point, the discussions surrounding these concepts are still at a preliminary stage.

AMWUA staff have focused primarily on the activities of the Assured Water Supply Committee since the Assured Water Supply Program directly impacts the AMWUA municipalities.

AMWUA staff will give an overview of the activities of the Governor's Water Policy Council including discussions of the Assured Water Supply Committee.

RECOMMENDATION

The AMWUA Management Board is encouraged to ask questions and discuss the activities regarding the Governor's Water Policy Council.

MANAGEMENT BOARD
INFORMATION SUMMARY
August 9, 2023

Colorado River Conditions and Messaging

ANNUAL PLAN REFERENCE

Colorado River Transition

Assist, monitor, and coordinate the impacts of reduced Colorado River water to ensure our members' interests are forefront.

Strategic Plan: Facilitate our Strength in Numbers, Collaborate and Advocate for Solutions, Safeguard Water Supplies, Prepare for Impacts of Drought & Shortage, Minimize Financial Impact

Enhanced Communication

Advance how AMWUA conveys the municipal perspective on water, stays in front of water issues, and better communicates and personalizes the impact to the average citizen.

- Facilitate the coordination of regional messaging to ensure the public and decision-makers understand the wide range of implications of reduced Colorado River water for municipalities.

Strategic Plan: Educate – Facilitate our Strength in Numbers, Excel as an Expert and Resource, Collaborate and Advocate for Solutions, Prepare for Impacts of Drought & Shortage, Interconnect Disciplines

SUMMARY

AMWUA staff will report on the upcoming August 24-month study and preparations to communicate about it.

The August 24-month study is anticipated to show that Lake Mead will move from a Tier 2a shortage back to a Tier 1 shortage in 2024 due to the favorable hydrology from this winter. This brief reprieve in the downward decline in the elevations of Lake Mead and Lake Powell will allow the U.S. Bureau of Reclamation and the Colorado River Basin States to focus on the post-2026 reconsultation. Reclamation issued a Notice of Intent (NOI) to officially start that process to create new operating guidelines for the River post-2026 and is seeking comments on the scope of these guidelines, strategies, and other issues that should be addressed as part of the new operating guidelines.

With the August 24-month study determining the shortage tier for 2024, AMWUA staff has been preparing messaging to explain the return to a Tier 1 shortage.

RECOMMENDATION

The AMWUA Management Board is requested to ask questions and discuss the Colorado River shortage.

MANAGEMENT BOARD

INFORMATION SUMMARY

August 9, 2023

Funding for ADWR's Water Management Assistance Program

ANNUAL PLAN REFERENCE

Conservation & Efficiency

Excel as a leader in water conservation by assisting our members with strategizing their program implementation and coordinating awareness about ongoing and new conservation efforts that enhance water resource supply sustainability.

- Enhance outdoor water efficiency efforts through research of data-driven practices, promotion of enhanced outdoor watering best practices, and expansion of Smartscape Program's targeted outreach to landscapers and HOAs/property managers.
- Support innovative conservation and efficiency practices and policies for residential, commercial, industrial, and institutional sectors.
- Engage in regional, statewide and national conservation and efficiency decisions and efforts to elevate our members' programs.

Strategic Plan: Facilitate our Strength in Numbers, Educate – Excel as an Expert and Resource, Collaborate and Advocate for Solutions, Safeguard Water Supplies, Strengthen Groundwater Management, Prepare for Impacts of Drought & Shortage, Pursue Post-2025 Water Policy, Minimize Financial Impact, Interconnect Disciplines

SUMMARY

For the last three decades, ADWR's Water Management Assistance Program (WMAP) has provided monies to help develop and implement various conservation projects throughout the Phoenix AMA including for the AMWUA municipalities. Currently, the WMAP is helping to continue to finance three legacy conservation programs – Smartscape Program, Arizona Project WET, and Ag's Water Conservation Management Program as well as three individual conservation projects.

The WMAP has been able to support these conservation efforts through a portion of the monies collected through the Groundwater Withdrawal Fee, which was established as part of the 1980 Groundwater Management Act. Today, the Withdrawal Fee in the Phoenix AMA is set at \$3.25 for each acre-foot of groundwater pumped from a non-exempt well within the AMA. By statute, no more than \$2.00 can be collected for the WMAP in the Withdrawal Fee. Currently, only \$0.25 is designated to the WMAP, having been reduced from \$0.50 in 2017.

It is projected that the current \$0.25 from the Withdrawal Fee that is dedicated to the WMAP will not generate enough funds for ADWR's current conservation efforts as soon as 2025. This raises concerns

about ADWR not being able to provide future funding for Smartscape and Project WET, two programs that have helped to support overall conservation efforts of the AMWUA cities. In addition to the current projects, the WMAP would be unable to support additional conservation efforts that the AMWUA cities and other water users may want to pursue.

The Phoenix AMA Groundwater Users Advisory Council (GUAC) is scheduled to meet in September to provide their annual recommendation to the ADWR Director regarding what amount to set the Groundwater Withdrawal Fee, which includes how much would be collected for the WMAP. AMWUA staff would like to advocate for the GUAC to recommend that the ADWR Director increase the Withdrawal Fee in order to ensure adequate funding for the Water Conservation Assistance Program. This funding is needed to ensure “legacy” conservation programs continue and for additional conservation efforts to be pursued. With less Colorado River water in our future and increased pressure on groundwater – including the unmet demand shown in the 2023 Groundwater Model – the Phoenix AMA needs to ensure the WMAP has adequate funding to promote and multiply conservation efforts.

AMWUA staff will give an overview presentation about the Withdrawal Fee and ADWR’s Water Management Assistance Program.

RECOMMENDATION

The Management Board is requested to recommend to the AMWUA Board of Directors that AMWUA should advocate that the ADWR Director increase the Groundwater Withdrawal Fee to ensure that the Water Conservation Assistance Program is adequately funded to continue supporting current conservation efforts as well as fund additional future projects.

SUGGESTED MOTION

I move that the Management Board recommends that the AMWUA Board of Directors support AMWUA’s advocating that the ADWR Director increase the Groundwater Withdrawal Fee to ensure that the Water Conservation Assistance Program is adequately funded to continue supporting current conservation efforts as well as fund additional future projects.

MANAGEMENT BOARD
INFORMATION SUMMARY
August 9, 2023

AMWUA Fiscal Year 2023 Quarterly Financial Statements – Fourth Quarter

ANNUAL PLAN REFERENCE

Day-to-Day Operations

Maintain the daily operations of an effective organization and the services members rely on.

- AMWUA will continue to wisely manage its financial resources
Strategic Plan: Facilitate our Strength in Numbers, Educate - Excel as an Expert and Resource

SUMMARY

The AMWUA Statement of Revenues and Expenses for the period July 1, 2022 through June 30, 2023 and the Balance Sheet dated June 30, 2023 are presented for your information.

AMWUA actual revenue at the end of the fourth quarter is \$34,597 over year-to-date budget. This increase is due to the collection of interest revenue.

AMWUA has incurred year-to-date actual expenses that are \$78,078 under the year-to-date budget. This variance is primarily due to the savings in payroll salaries, payroll taxes and personnel due to changes in staff, as well as savings in water conservation expenses and a credit received for occupancy expenses from the prior year.

RECOMMENDATION

AMWUA staff is requesting that the AMWUA Management Board recommend to the AMWUA Board of Directors acceptance of the AMWUA quarterly financial statements for the fourth quarter as presented.

SUGGESTED MOTION

I move that the AMWUA Management Board recommend to the AMWUA Board of Directors acceptance of the AMWUA quarterly financial statements for the fourth quarter as presented.

ATTACHMENTS

- **Attachment A:** Statement of Revenues and Expenses
- **Attachment B:** Balance Sheet

ARIZONA MUNICIPAL WATER USERS ASSOCIATION

Statement of Revenues and Expenses
(Actual to Budget Comparison)
For Period July 1, 2022 through June 30, 2023

	Year-To-Date	Year-To-Date	Over(Under)	Approved	Over(Under)
	Actual	Budget	Year-To-Date	Annual	Budget
			Variance	Budget	Variance
Funding Sources					
Assessment - Water	1,266,445.00	1,266,445.00	0.00	1,266,445.00	-
Assessment - Wastewater	238,097.00	238,097.00	0.00	238,097.00	-
Water Loss Control Training Program Income	0.00	0.00	0.00	0.00	-
2022 Carryover Applied to Reduce Member Assessments	(85,001.00)	(85,001.00)	0.00	(85,001.00)	-
Interest Revenues	34,593.25	0.00	34,593.25	0.00	34,593.25
Other Revenues	3.96	0.00	3.96	0.00	3.96
Net Revenues	1,454,138.21	1,419,541.00	34,597.21	1,419,541.00	34,597.21
Operating Expenses					
Payroll (Salaries)	667,349.98	706,490.00	(39,140.02)	706,490.00	(39,140.02)
Deferred Compensation (ASRS Payments)	86,195.91	85,979.00	216.91	85,979.00	216.91
Payroll Processing, Taxes and Insurance	59,222.81	60,400.00	(1,177.19)	60,400.00	(1,177.19)
Medical and Disability Insurance	81,565.15	100,000.00	(18,434.85)	100,000.00	(18,434.85)
Cell Phone Allowance	7,020.00	8,000.00	(980.00)	8,000.00	(980.00)
Temporary Services/Receptionist	0.00	0.00	0.00	0.00	-
Legal/Consulting Services (Ferris Contract)	60,000.00	60,000.00	0.00	60,000.00	-
Legislative Services (Aarons Company-Contract)	52,920.00	52,920.00	0.00	52,920.00	-
Audit - Water	10,000.00	10,000.00	0.00	10,200.00	(200.00)
Audit - Waste Water	23,000.00	23,000.00	0.00	23,800.00	(800.00)
Website Services	0.00	5,000.00	(5,000.00)	5,000.00	(5,000.00)
Communication Services (Kossan Contract)	0.00	0.00	0.00	0.00	-
Consultant-Finance/Accounting	43,651.14	34,600.00	9,051.14	34,600.00	9,051.14
Audio/Visual Development	599.80	0.00	599.80	0.00	599.80
IT Services	4,800.00	6,000.00	(1,200.00)	6,000.00	(1,200.00)
Office Space - Lease	196,951.80	196,952.00	(0.20)	196,952.00	(0.20)
Common Area Maintenance	(3,031.02)	6,000.00	(9,031.02)	6,000.00	(9,031.02)
Telephone	6,020.63	6,000.00	20.63	6,000.00	20.63
E-Mail/Webpage/Internet	7,912.98	6,000.00	1,912.98	6,000.00	1,912.98
Travel/Conferences	6,227.24	6,000.00	227.24	6,000.00	227.24
Milage Reimbursement	1,567.85	2,750.00	(1,182.15)	2,750.00	(1,182.15)
Continuing Professional Ed	0.00	0.00	0.00	0.00	-
Staff Development	157.43	2,000.00	(1,842.57)	2,000.00	(1,842.57)
Copy Machine - Lease	3,536.92	5,200.00	(1,663.08)	5,200.00	(1,663.08)
Computer Hardware/Software	5,093.75	6,000.00	(906.25)	6,000.00	(906.25)
Office Supplies	3,402.64	5,000.00	(1,597.36)	5,000.00	(1,597.36)
Meetings	5,528.62	4,000.00	1,528.62	4,000.00	1,528.62
Outreach Efforts	5,474.87	6,500.00	(1,025.13)	6,500.00	(1,025.13)
Printing	1,061.55	1,000.00	61.55	1,000.00	61.55
Postage & Deliveries	693.96	1,000.00	(306.04)	1,000.00	(306.04)
Subscription & Reference	6,049.13	4,500.00	1,549.13	4,500.00	1,549.13
Dues & Memberships	1,538.77	3,250.00	(1,711.23)	3,250.00	(1,711.23)
Insurance	7,074.37	5,500.00	1,574.37	5,500.00	1,574.37
Equipment Maintenance	1,023.70	2,000.00	(976.30)	2,000.00	(976.30)
Water Loss Control Program	0.00	0.00	0.00	0.00	-
Water Conservation	73,853.23	81,500.00	(7,646.77)	81,500.00	(7,646.77)
Total Operating Expenses	1,426,463.21	1,503,541.00	(77,077.79)	1,504,541.00	(78,077.79)
Reserve and Contingency Funds Summary:					
Contingency Fund Balance on 06/30/23	\$600,000				
Reserve Fund Balance on 06/30/23	388,840				
Total Contingency and Reserve Funds	\$988,840				

Reserve and Contingency Funds Summary

Fund Restructuring:

On March 28, 2013 the Board of Directors established a Contingency Fund in the amount of \$600,000 with monies from AMWUA's current reserve amount. The Reserve Fund shall be the difference between AMWUA's current reserve amount and the \$600,000 used to establish the AMWUA Contingency Fund.

Arizona Municipal Water Users Association
Statement of Net Position
As of June 30, 2023

DRAFT

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

CURRENT ASSETS

1000 Petty Cash	\$	500	
1015 Compass Checking 39 1139 0592		47,677	
1025 Compass Money Market 39 1098 8939		157,203	
1030 Investment Account (LGIP)		988,840	
1050 Prepaid Expenses		53,005	
Total Current Assets		<u> </u>	\$ 1,247,225

CAPITAL ASSETS

Capital assets			
1100 Furniture & Equipment	\$	133,701	
1150 Leasehold Improvements		7,102	
1160 Right-of-use Asset - Leased buildings and improvements		1,409,508	
Total depreciable assets		<u> </u>	\$ 1,550,310
Less accumulated depreciation			
1200 Accum Depreciation Furniture	\$	(110,027)	
1250 Accum Depreciation Leasehold		(7,102)	
1265 Accumulated amortization Right-of-use asset		(281,902)	
Total accumulated depreciation		<u> </u>	\$ (399,030)
Total Capital Assets			\$ 1,151,280

OTHER ASSETS

1400 Refundable Deposits			\$ 23,500
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DEFERRED OUTFLOWS OF RESOURCES

1450 Deferred Outflow - Pension Resources			\$ 149,510
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TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

\$ 2,571,515

LIABILITIES, DEFERRED INFLOWS OR RESOURCES AND NET POSITION

CURRENT LIABILITIES

2000 Accounts Payable	\$	53,201	
2005 BBVA Compass Credit Card		3,559	
2050 Accrued Expenses		61,210	
2070 ICMA Withheld		350	
2110 Retirees Excess Benefit Clearance		2,969	
Total current liabilities		<u> </u>	\$ 121,290

NONCURRENT LIABILITIES

2210 Net Pension Liability	\$	900,987	
2230 Lease Liability		1,254,952	
Total noncurrent liabilities		<u> </u>	\$ 2,155,939

TOTAL LIABILITIES

\$ 2,277,229

DEFERRED INFLOWS OF RESOURCES

2220 Deferred Inflow-Pension Resources			\$ 64,159
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NET POSITION

Restricted net position	\$	73,686	
Unrestricted		156,441	
Total net position		<u> </u>	\$ 230,127

TOTAL LIABILITIES, DEFERRED INFLOWS OR RESOURCES AND NET POSITION

\$ 2,571,515

Substantially all required disclosures are omitted, and no assurance is provided on these financial statements.

Arizona Municipal Water Users Association
Selected Information
FOR THE YEAR ENDED JUNE 30, 2023

DRAFT

- The financial statements omit substantially all disclosures required by GAAP basis of accounting.
- The Statement of Cash Flows has been omitted.

The effects of these departures have not been determined.