

**MUNICIPAL SERVICES AGENCY**

**DEPARTMENT OF WATER RESOURCES**

| FUND CENTER | DESCRIPTION                        | ADOPTED FY 2005-06 | RECOMMENDED FY 2006-07 | NET CHANGE  | REASON FOR CHANGE   |
|-------------|------------------------------------|--------------------|------------------------|-------------|---|
| 2510000     | Water Resources (includes SAFCA)   | 33,126,697         | 31,857,242             | (1,269,455) | Net decrease is primarily due to a reduction in revenues owed to the Stormwater Utility for services rendered in 2004-05 and reductions in facility related costs associated with office moves and remodeling projects. |
| 3220001     | Stormwater Utility                 | 59,116,778         | 55,786,638             | (3,330,140) | Net decrease is primarily due to project time lines. Many multi-year projects were budgeted in Fiscal Year 2005-06.   |
| 2814000     | Beach Stone Lakes Flood Mitigation |                    | 101,700                | 101,700     | Net increase is due to establishing a formal budget for this program. Appropriations for this program remain fairly constant from year to year.   |
| 2815000     | Water Agency Zone 11A              | 26,403,350         | 25,905,710             | (497,640)   | Net decrease is primarily due to a reduction in land purchases and reimbursement payments due slowing development in this area.   |
| 2816000     | Water Agency Zone 11B              | 1,923,717          | 1,480,436              | (443,281)   | Net decrease is primarily due to a reduction in reimbursement payments and credit agreements as a result of spreading the payments over a longer time period.   |
| 2817000     | Water Agency Zone 11C              | 3,668,469          | 2,388,627              | (1,279,842) | Net decrease is primarily due to a reduction in reimbursement payments and credit agreements as a result of spreading the payments over a longer time period.   |

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|-------------|----------------------------------|--------------------|------------------------|--------------|---|
| 2818000     | No Vineyard Station Right of Way |                    | 347,672                | 347,672      | Net increase is due to establishing a formal budget for this program. Program level is dependent upon annual acquisition activities.  |
| 3066000     | Water Agency Zone 12             | 6,942,146          | 7,437,304              | 495,158      | Net increase is due to an increase in property tax revenues.  |
| 3044000     | Water Agency Zone 13             | 3,674,767          | 3,358,736              | (316,031)    | Net decrease is due to a reduction in legal services and fluctuations in study timelines.   |
| 3050000     | Water Agency Zone 40             | 110,093,454        | 81,256,346             | (28,837,108) | Net decrease is primarily due to reductions in construction services and supplies, engineering services, and land purchases related to project timelines. There was also a reduction in reimbursement payments and credit agreements as a result of spreading the payments over a longer time period. |
| 3055000     | SCWA Zone 41                     | 18,839,844         | 21,029,002             | 2,189,158    | Net increase is due to increases in construction services and supplies for various well projects, updating of the Computerized Maintenance Management System, and additional water testing requirements.  |
| 3056000     | Water Agency Financing Authority | 3,244,888          | 3,246,388              | 1,500        | Net increase is due to and increase in the bond redemption payment which is partially offset by a reduction in interest expense.  |
| 3057000     | SCWA Zone 50                     |                    | 3,575,000              | 3,575,000    | This is a new budget established for Fiscal Year 2006-07. The program is responsible for providing a safe and reliable water supply to the Metro Air Park area.   |
| 3171000     | North Vineyard Well Protection   | 70,991             | 652,480                | 581,489      | Net increase is due to an increase in development activity resulting in an increase in provision for reserve.   |