

**ALTERNATIVES FOR AWBA 2015 OPERATIONS RESULTING FROM
LEGISLATIVE TRANSFERS**

S.B. 1469, Sections 69, 110 and 122 require the transfer of a total of \$1,769,000 from the Arizona Water Banking Fund for Fiscal Year 2016. The transfers will be used in support of the following:

- Reductions to ADWR General Fund Appropriation (Sec. 110) \$1,209,700
- AZ Navigable Stream Adjudication Commission:
 - Fiscal Year 2014-2015 (Sec. 122) \$ 359,300
 - Fiscal Year 2015-2016 (Sec. 69) \$ 200,000

Alternative 1 Transfers taken from all three AMA withdrawal fee subaccounts on a proportional basis

Water Banking Fund (withdrawal fees)	Estimated 2015 Revenues and Carryover	Pro Rata Share of Transfer	Transfer Amount	Reduction in Withdrawal Fee Deliveries (AF)
Phoenix AMA	\$4,800,000	67%	\$1,188,080	6,320
Pinal AMA	\$1,897,000	27%	\$469,540	3,238
Tucson AMA	\$450,000	6%	\$111,390	581

Advantages:

- All three AMA subaccounts share transfers proportional to account balance
- Water deliveries approved under the 2015 Plan of Operation are unharmed because of unanticipated carryover funds from 2014 in the Pinal and Tucson AMAs

Disadvantages:

- Reduces storage for water management purposes, which can be used for Indian firming
- Additional carryover funds in the Pinal AMA are not available for additional water storage
- Additional carryover funds in the Tucson AMA are not available for water storage or credit purchase

Alternative 2 Transfers taken from Phoenix AMA withdrawal fee subaccount as previously done

Water Banking Fund (withdrawal fees)	Transfer Amount	Reduction in Withdrawal Fee Deliveries (AF)
Phoenix AMA	\$1,769,000	9,409

Advantages:

- Water deliveries scheduled for the Phoenix AMA under the approved 2015 Plan of Operation will continue because there are funds available in the Maricopa County 4¢ tax account to offset costs
- Allows carryover funds to be used for additional water storage or credit purchases in the Pinal and Tucson AMAs where funding is limited

Disadvantages:

- Phoenix AMA absorbs the entire fund transfer
- Reduces storage for water management purposes, which can be used for Indian firming