



Santa Ana Watershed Project Authority



Fiscal Years Ending 2016 and 2017 Budget

11615 Sterling Avenue • Riverside • California • 92503
www.sawpa.org • (951) 354-4220

Table of Contents

Section 1	Budget Message/Executive Summary	1
Section 2	Budget Foreward	
	Reader's Guide to the Budget	9
	About the Agency	11
	Vision, Mission and Goals	15
	Budget and Financial Overview.....	21
Section 3	Budget Summary	25
Section 4	Combined Schedules	29
	Revenues and Expenses.....	31
	Sources and Uses of Funds	33
	Line Item Detail	41
	Cash Flow	49
	Benefit and G&A Allocations	53
	Member Contributions	59
Section 5	Revenues	63
Section 6	Debt Service	73
Section 7	Reserves	83
Section 8	Personnel	89
Section 9	Fund Budgets	93
	General Fund	99
	Enterprise Funds	107
	Planning Funds	121
	Collaborative Project Funds	131
	Grant/Contract Funds	145
	Capital Project Funds	155
Section 10	Departments	
	Organizational Chart.....	167
	Executive Management	169
	Administrative Services	171
	Finance	177
	Information Systems and Technology	181
	Engineering and Operations	185
	Water Resources and Planning.....	189
Section 11	Glossaries	
	Financial Policies	193
	Statistical and Other Information	195
	Service Area Map	197
	General Terms	199
	Acronyms & Abbreviations	203

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**Santa Ana Watershed Project Authority
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For the Biennium Beginning

July 1, 2013

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the SANTA ANA WATERSHED PROJECT AUTHORITY for its Biennium Budget beginning July 1, 2013. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device. We believe our current budget continues to conform to program requirements, and we are submitting it to the GFOA to determine its eligibility for another award.

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Section 1

Budget Message / Executive Summary

Budget Message/Executive Summary

May 19, 2015

The Honorable Board of Commissioners
Santa Ana Watershed Project Authority

Honorable Board of Commissioners:

I am pleased to present the Santa Ana Watershed Project Authority (SAWPA) Fiscal Year Ending (FYE) 2016 and 2017 operating and capital improvement budget. The development of this budget document is the result of the dedication and commitment of the SAWPA Board of Commissioners and staff. The budget provides a framework for Agency activities to meet specific challenges that we will face over the next two years. This two-year budget, which totals more than \$60 million, will implement the Agency's Strategic Plan.

During late 2010 and early 2011, SAWPA engaged in the preparation of a Strategic Plan for the organization with the participation and guidance of the Commission members and the General Managers of the Member Agencies. The objectives of the Strategic Plan are to:

- ◆ Articulate SAWPA's mandate, vision, and mission;
- ◆ Establish specific goals that would allow SAWPA to meet its mandate and mission;
- ◆ Identify key strategic issues that need to be addressed to accomplish the goals; and
- ◆ Formulate strategies and specific actions to meet the goals.

Our Agency faces many challenges in the coming years. Our Strategic Plan sets out the goals and specific actions necessary to address those challenges.

Challenges Facing the Brine Line

SAWPA will assure the long-term future viability and sustainability of the Inland Empire Brine Line (Brine Line), a disposal system for brine wastewater, by addressing the maintenance, capital improvements, protection/relocation, strategic relationships, and planning for future capacity needs in an economically sound manner. Preservation of this \$150 million system requires on-going operations and maintenance (O&M) (\$13 million annual budget) and implementation of a capital improvement program (CIP) currently valued at over \$60 million.

Brine Line Specific Near-Term Objectives

- ◆ Develop a new long-term vision and plan for the Brine Line.
- ◆ Implement the Brine Line Marketing Plan.
- ◆ Develop options to obtain capacity rights in the system through creation of lease and loan options for Commission consideration.
- ◆ Future planning for brine disposal from the Watershed.
- ◆ Develop and implement plan for remote flow monitoring system.
- ◆ Continued implementation of:
 - Sanitary Sewer Management Plan
 - Pretreatment Program
 - O & M Programs

- ◆ Manage maintenance of physical facilities and conduct pipeline inspections, clean pipelines, update the CIP, and implement an asset management program.

This budget addresses these near-term objectives as well as looks at the long-term goals of funding the CIP, establishing salt balance in the Watershed, and providing for the future needs using new technologies and innovation.

Challenges Facing the Watershed

California is facing one of the most severe droughts on record. The 2015 water year saw the highest average temperatures in 120 years of record-keeping, average precipitation was below normal in most of the State for the entire year, and the April 1st snowpack was just 5% of the average since records began in 1950. There is no way to be sure what 2016 will bring, and a continuation of the current 4-year drought is still a possibility.

Facing this possibility, Governor Brown declared a drought State of Emergency in January 2014 and directed State officials to take all necessary actions to prepare for water shortages. In an effort to combat the drought, he designated round three of Proposition 84 Integrated Regional Water Management (IRWM) as the 2014 Drought Grant, making funds available immediately for projects designed to conserve water and reduce water demand. With the state facing serious and deepening water challenges, voters approved Proposition 1, the Water Quality, Supply and Infrastructure Improvement Act of 2014. A mandated 25 percent water use reduction for cities and towns across California has also been implemented.

The Santa Ana River Watershed is facing threats to water supply and quality not only because of the drought, but also because of climate change, growing demands on the Colorado River, and the Sacramento-San Joaquin Delta vulnerability. Through the collaboration and development of regional partnerships, we'll respond to these challenges and create a sustainable Santa Ana River Watershed. Our vision is a drought-proofed, salt balanced Watershed that will support economic and environmental viability by the year 2030.

Our region is rich in agricultural history and still contains concentrations of citrus, dairy, and other agricultural areas that demand significant quantities of water. The area has a large industrial/commercial base, and the rapidly expanding population demands a large supply of water. In 2000, the Watershed required 1.6 million acre-feet of water (521 billion gallons) to meet demand; in 2030, it is projected that the Watershed will require significantly more water to meet demands. Our commitment to water use efficiency in landscape design and irrigation improvements will help us accommodate much of our population growth without additional water.

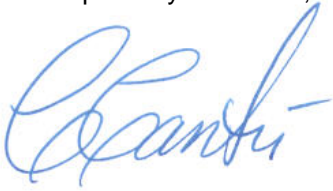
Our regional leadership has provided a model of collaboration and cooperation utilizing integrated solutions, and has been recognized by Harvard's Kennedy School of Government as one of the Top 25 Innovative Projects in the United States. SAWPA's integrated approach has been used as a template by the State of California. Our innovation has become California's new standard. When voters passed Propositions 84, IE, and 1, billions were allocated for watersheds throughout California to use this integrated approach to meet the water challenges of the 21st Century.

In an effort to address these challenges, SAWPA, its member agencies, and watershed stakeholders continue to work together under the integrated regional water management plan described as One Water One Watershed (OWOW). The last plan update, OWOW 2.0 Plan, was adopted in February 2014. Updates to the Plan will be needed to address new legislation mandating the incorporation of stormwater resource plans and more detailed evaluation of improvements needed to address certain water quality contaminants. The focus of the planning continues to be an emphasis on the implementation of system-wide regional projects and programs that address water resource needs for the future. As with the original OWOW Plan, future plan updates will need to address integrated solutions to climate change impacts; water supply reliability; water and land use coordination; water quality improvement; flood risk management; water use efficiency; water recycling; stormwater capture; environmental justice; and natural resource stewardship. Through this integration, scarce resources will be leveraged and cost

effective solutions will be developed in addressing a multiplicity of water challenges. The OWOW 2.0 Plan has helped SAWPA secure millions of dollars in grant funding from both Proposition 84 and Proposition 1, which will help us in attaining our vision for the Watershed.

We are looking forward to a year full of exciting opportunities for SAWPA and our region as a whole. I look forward to leading the Agency into the next era of integrated regional water management.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Celeste Cantú", with a stylized flourish at the end.

Celeste Cantú
General Manager

Using the Agency's Strategic Plan as a guide, this two-year budget provides the resources necessary in successful implementation of the goals and strategies outlined in the Plan. The Strategic Plan provides the Agency a strategic basis on which it can focus and work towards the future.

SAWPA's vision and mission will be advanced by the following 8 goals:

1. Achieve optimal use of local water supplies and reduce reliance on imported water.
2. Improve water quality.
3. Achieve salt balance and ensure continued cost-effective and reliable operation of the Brine Line.
4. Balance water supply needs with natural habitat protection.
5. Build public understanding and support for Watershed sustainability.
6. Facilitate incorporation of water resources management in land use planning.
7. Be a resource for compliance with Assembly Bill (AB) 32 (greenhouse gas regulations) and reducing its impact on member agencies.
8. Secure external funding for the Watershed to support accomplishing Watershed goals.

The major priorities shaping the FYE 2016 and 2017 budget are as follows:

- ◆ Develop a new long-term vision and prepare a new business plan for the Brine Line Enterprise.
- ◆ Future planning for brine disposal from the Watershed.
- ◆ Implement the Brine Line Marketing Plan.
- ◆ Comply with the Sanitary Sewer Management Plan for the Brine Line.
- ◆ Implement an effective and efficient Permitting and Pretreatment Program.
- ◆ Continue Brine Line cleaning program.
- ◆ Implement budgeted CIP projects.
- ◆ Update Brine Line CIP based on closed circuit television (CCTV) pipeline inspection and analysis.
- ◆ Continue process to collect appropriate Brine Line system O&M data, automate data storage, and facilitate analysis of activities and system performance.
- ◆ Implement OWOW 2014 Emergency Drought grant program.
- ◆ Implement the Department of Water Resources (DWR) Water-Energy Disadvantaged Communities (DAC) grant program.
- ◆ Continue roundtable efforts.
- ◆ Provide a neutral venue where complex water resource related issues can be resolved with the benefit of science and collaboration.
- ◆ Secure State Proposition 84, 1E and 1C, and Proposition 1 funding support.
- ◆ Continue other watershed planning functions.
- ◆ Continue legislative coordination and support.
- ◆ Achieve greater accountability through more measurable and specific performance indicators.
- ◆ Submit Budget and Comprehensive Annual Financial Report (CAFR) for the Government Finance Officers Association (GFOA) award program.
- ◆ Maintain stable benefit and general and administrative (G&A) allocation rates.

Budget Summary and Overview

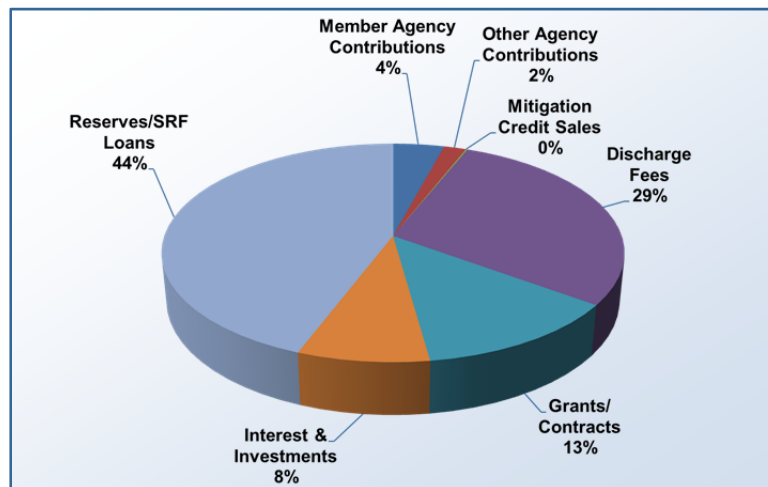
FYE 2016 and 2017 will prove to be very productive years for the Agency. This is the Agency's fifth biennial budget, and will help to continue the long-range planning effort for all Agency operations. The total combined budget for both years is \$60.2 million, which consists of \$28.2 million or 47% for operating expense, \$7.0 million or 11% for debt service, \$4.7 million or 8% for reserve contributions and \$20.4 million or 34% in Capital Program expenses. Available to cover those expenses are revenues of \$59.4 million and \$0.8 million from prior year fund balances.

Sources of Funds

The Agency's major revenue source is discharge fees from the Brine Line Enterprise. Other funding sources include grants and contracts, interest and investments, capacity sales, use of reserves/state revolving fund (SRF) loans, member and other agency contributions, and mitigation credit sales.

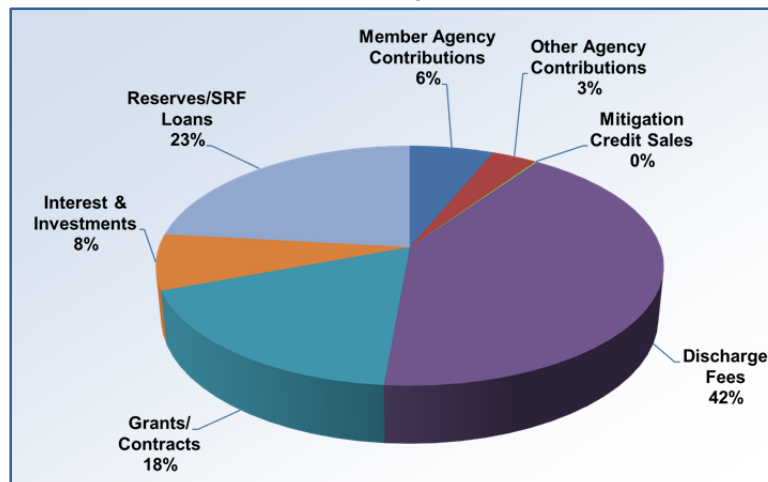
The FYE 2016 receipts of \$34.4 million include \$10.0 million in discharge fees, \$15.2 million in reserves/SRF loans, \$2.7 million in interest and investments, \$2.1 million in member and other agency contributions, \$4.2 million in grants and contracts, and \$44,490 in mitigation credit sales, which reflects a 44% increase over FYE 2015. The majority of the increased revenues can be attributed to an SRF Loan and grant funding. Total revenues included in the FYE 2016 budget are adequate to cover all projected expenses.

**Source of Funds
FYE 2016**



The FYE 2017 receipts of \$25.0 million include \$10.4 million in discharge fees, \$5.8 million in reserves/SRF loans, \$1.9 million in interest and investments, \$2.4 in member and other agency contributions, \$4.5 million in grants and contracts, and \$44,490 in mitigation credit sales, which reflects a 27% decrease over FYE 2016. The majority of the decrease can be attributed to a decrease of \$9.4 million in use of reserves/SRF loans. Total revenues included in the FYE 2017 budget are adequate to cover all projected expenses.

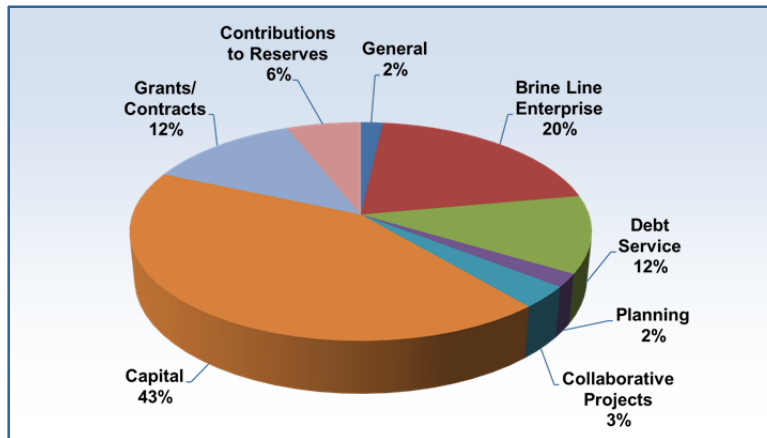
**Source of Funds
FYE 2017**



Uses of Funds

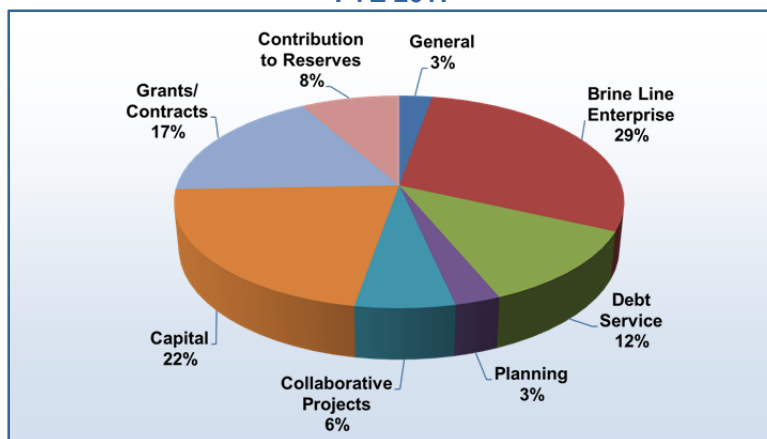
The total FYE 2016 expenses are projected to be \$34.7 million, which includes \$0.6 million for Joint Powers Authority (JPA) operations, \$7.1 million for Brine Line Enterprise operations, \$14.8 million for capital projects, \$4.0 million for debt service, \$1.1 million for collaborative projects, \$0.7 million for planning projects, \$4.3 million for grants/contracts, and \$2.1 million in contributions to reserves. Capital programs are primarily funded by reserves and SRF loans in accordance with the long range financial plan. Debt service, operation, and administration expenses are supported by discharge fees, interest and investments, and member contributions. The increase in expenses from the prior year is due to increases in the capital improvements program and Proposition 84 grants.

**Use of Funds
FYE 2016**



The total FYE 2017 expenses are projected to be \$25.5 million, which includes \$0.7 million for JPA operations, \$7.4 million for Brine Line Enterprise operations, \$5.5 million for capital projects, \$3.0 million for debt service, \$1.6 million for collaborative projects, \$0.7 million for planning projects, \$4.4 million for grants/contracts, and \$2.1 million in contributions to reserves. Capital programs are primarily funded by reserves and SRF loans in accordance with the long range financial plan. Debt service, operation and administration expenses are supported by discharge fees, interest and investments, and member contributions. The decrease in expenses from the prior year is due to decreases in the capital improvements program.

**Use of Funds
FYE 2017**

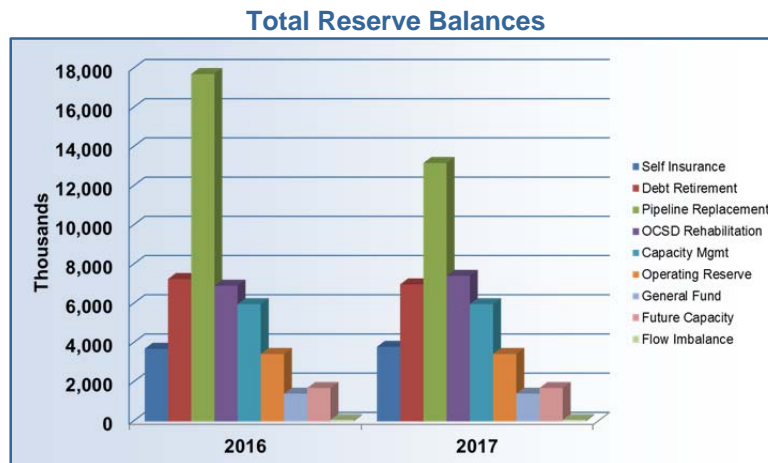


Debt Service

The outstanding debt in FYE 2016 is projected at \$22.2 million and will decrease to \$19.7 million in FYE 2017. Debt service payments are completely funded by Treasury-Strip (T-Strip) maturities, capacity loan receipts, and interest earned on the debt service fund balance. Total debt service payments to be made in FYE 2016 and 2017 are projected to be \$4.0 and \$3.0 million.

Reserves

In FYE 2016 and FYE 2017, the operating fund has total budgeted reserve contributions of \$2.3 million. Total reserves are projected to be \$48.2 million for FYE 2016 and \$43.9 million for FYE 2017. The decrease of \$4.3 million is from use of reserves to fund the CIP. The following chart shows the projected reserve balances for FYE 2016 and 2017.



Personnel

The Agency has added three full time equivalents (FTEs) to the previous staffing level of 23 FTEs. The current staffing level is at 26 FTEs. Total employment costs, which include wages and benefits, is projected to be \$4.4 million for FYE 2016 and \$4.8 million for FYE 2017, representing 12.8% and 18.7% of the Agency's total budget for each year. Overall, employment expenses are expected to increase by 4.8% (\$205,128) over the FYE 2015 budget and by 7.1% (\$317,469) for FYE 2017. The increases are based on three added positions, a 6% merit/cost of living adjustment (COLA) increase for each of the budget years, and increasing medical insurance costs.

Fund Budgets

The Agency has several funds that make up the FYE 2016 and 2017 Budget - general, enterprise, planning, collaborative projects, grants/contracts, and capital projects. Each fund is shown below with its total revenues, expenses and fund balance, if applicable.

FYE 2016 Budget

	<i>General Fund</i>	<i>Enterprise Fund</i>	<i>Planning Fund</i>	<i>Collaborative Project Fund</i>	<i>Grant/Contract Fund</i>	<i>Capital Project Fund</i>	<i>Total</i>
Revenues	\$ 617,795	\$ 13,115,839	\$ 660,000	\$ 905,616	\$ 4,298,320	\$ 14,835,389	\$ 34,432,960
Expenses	(617,795)	(13,115,839)	(667,284)	(1,127,263)	(4,298,320)	(14,835,389)	(34,661,891)
Net Income (Loss)	—	—	(7,284)	(221,647)	—	—	(228,930)
Beg. Fund Balance	—	—	52,584	1,666,114	—	—	1,718,699
End. Fund Balance	\$ —	\$ —	\$ 45,300	\$ 1,444,467	\$ —	\$ —	\$ 1,489,768

FYE 2017 Budget

	<i>General Fund</i>	<i>Enterprise Fund</i>	<i>Planning Fund</i>	<i>Collaborative Project Fund</i>	<i>Grant/Contract Fund</i>	<i>Capital Project Fund</i>	<i>Total</i>
Revenues	\$ 699,307	\$ 12,567,768	\$ 720,000	\$ 1,051,368	\$ 4,428,719	\$ 5,533,536	\$ 25,000,695
Expenses	(699,307)	(12,567,768)	(727,453)	(1,580,621)	(4,428,719)	(5,533,536)	(25,537,401)
Net Income (Loss)	—	—	(7,453)	(529,254)	—	—	(536,706)
Beg. Fund Balance	—	—	45,300	1,444,467	—	—	1,489,767
End. Fund Balance	\$ —	\$ —	\$ 37,847	\$ 915,213	\$ —	\$ —	\$ 953,061

Fund Balances

The fund balance is the difference between fund assets and liabilities. For many planning and collaborative projects, revenues may be collected in one year and the expenses may occur in another. The fund balance is a timing difference between when cash is received versus when it is spent and may be used to balance the budget from year to year.

Departments

To help achieve SAWPA's vision, each department created a staff plan in support of the Agency's overall goals and objectives. Each department developed an individual mission statement identifying key objectives to be addressed within the next two fiscal years, group goals, and measurable performance objectives. The staffing plans provide a roadmap as to how each department will contribute to achieving the Agency's goals, objectives, and ultimately, its vision.



Section 2

Budget Foreward

Reader's Guide to the Budget

Reader's Guide to the Budget

This guide is intended to help the reader understand what information is available in the budget and how it is organized. This budget document is broken down into 11 sections which are listed below. The Finance Department invites suggestions on ways to make the budget document more understandable.

The following is an explanation of the major sections of this budget:

Budget Message/Executive Summary

This section contains the General Manager's budget message and the executive summary which highlights critical issues and financial information regarding the Agency's FYE 2016 and 2017 Budget.

Budget Foreward

This section includes the categories listed below:

- **About the Agency** – This section provides an overview of the Agency and its role within the Watershed.
- **Vision, Mission and Goals** – This section sets forth the Agency vision and mission as well as the goals and strategies necessary to obtain that vision.
- **Budget and Financial Overview** – This section provides an overview of the budget development process and the accounting structure used within the Agency.

Budget Summary

This section is a high-level consolidated summary of the FYE 2016 and 2017 Budgets.

Combined Schedules

This section is a comprehensive overview of the FYE 2016 and 2017 combined budget. The combined budget consolidates all of the Agency's funds. Listed below is a description of the schedules contained in this section:

- **Combined Summary** – Combines all sources and uses of funds for all Agency funds.
- **Revenue and Expenses** – Summarizes, by fund, total budgeted revenues and expenses.
- **Sources and Uses of Funds** – Summarizes total expenses for each fund and the source of funds used to meet expenses.
- **Line Item Detail** – Summarizes line item detail expense totals for each fund type.
- **Cash Flow** – Summarizes cash flow and changes in fund balance for each fund type.
- **Benefit and G&A Allocation** – Summarizes the calculation of the Benefit and G&A Allocation rates using total general fund and benefit costs. Detailed schedules for each are included.
- **Member Contribution** – Summarizes the member contributions for each fund for FYE 2015 through 2017.

Revenues

This section details the total revenue by source for each fund and describes, in detail, each revenue source available for operating and capital expenses.

Debt Service

This section describes the Agency's debt service obligation including a listing of the outstanding debt issues; a description of the purpose of each issue; a debt service retirement schedule; and debt service requirements, including principal and interest, over the life of the outstanding debt issues.

Reserves

This section details the Agency's general reserve policy, categorizes and defines each reserve account, and lists the contributions budgeted in FYE 2016 and 2017 for each reserve account.

Personnel

This section details total staffing and employment related costs, and includes a historical detailed schedule of authorized positions and full-time equivalent employees by department.

Fund Budgets

This section describes the Agency's fund structure and includes a narrative description of each fund's initiatives, activities, and budget. The budget includes both consolidated and individual fund sources and uses statement as well as projected changes in fund balance.

Departments

This section contains staffing plans for each of the Agency's departments which includes an organizational chart, mission statements, accomplishments from the prior year, objectives for current year, core activities, and group goals for each.

Glossaries

- **Financial Policies** – Contains all current Agency policies incorporated in this budget.
- **Statistical and Other Information** – Useful information about the Agency's service area and operations.
- **General Terms** – Helps translate budget terminology into language that makes it easier to understand.
- **Acronyms and Abbreviations** – A listing of the acronyms and abbreviations used throughout the budget document.

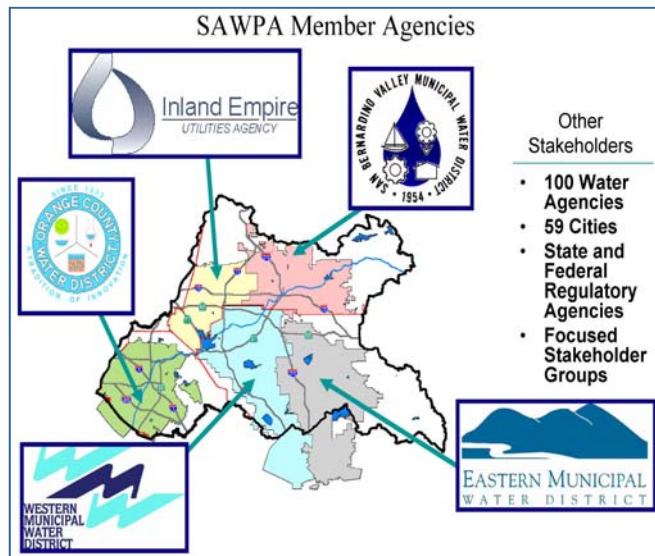
About the Agency

What is SAWPA?

SAWPA is a Joint Powers Authority (JPA) that focuses on water supply and water quality. Its stated mission is to develop and maintain regional plans, programs and projects that will protect the Santa Ana River (SAR) Basin water resources to maximize beneficial uses within the Santa Ana River Watershed (Watershed) in an economically and environmentally responsible manner. First formed in 1968 as a planning agency, SAWPA was re-formed in 1972 with a mission to plan and build facilities to protect the water quality of the Watershed. The JPA is comprised of the five largest water agencies in the Watershed: Eastern Municipal Water District (EMWD), Inland Empire Utilities Agency (IEUA), Orange County Water District (OCWD), San Bernardino Valley Municipal Water District (SBVMWD), and Western Municipal Water District (WMWD).

The Watershed spans approximately 2,840 square miles, and covers San Bernardino, Riverside, and Orange Counties as well as a small portion of Los Angeles County. It is home to over 6 million people.

The Watershed, and the State as a whole, is facing many challenges in guaranteeing sufficient, high-quality water for the ever-growing population of the region. SAWPA works with planners, water experts, design and construction engineers, and other government agencies to identify issues and develop innovative solutions to resolve many water-related problems.

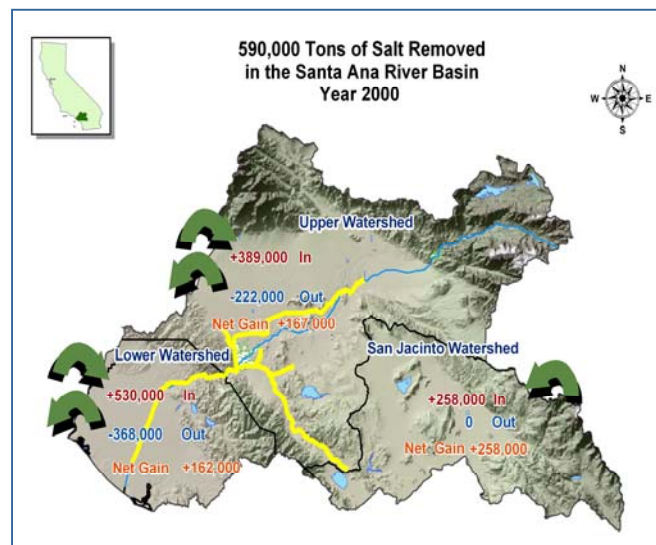


SAWPA's Regional Vision

SAWPA's vision is a sustainable Watershed that provides clean and reliable water resources for a vibrant economy and high quality of life for all, while maintaining healthy ecosystems and open-space opportunities. A successful SAWPA provides value to its member agencies and to the Watershed as a whole by facilitating collaboration across boundaries to address common goals and tackle problems that are larger than any individual entity.

Inland Empire Brine Line

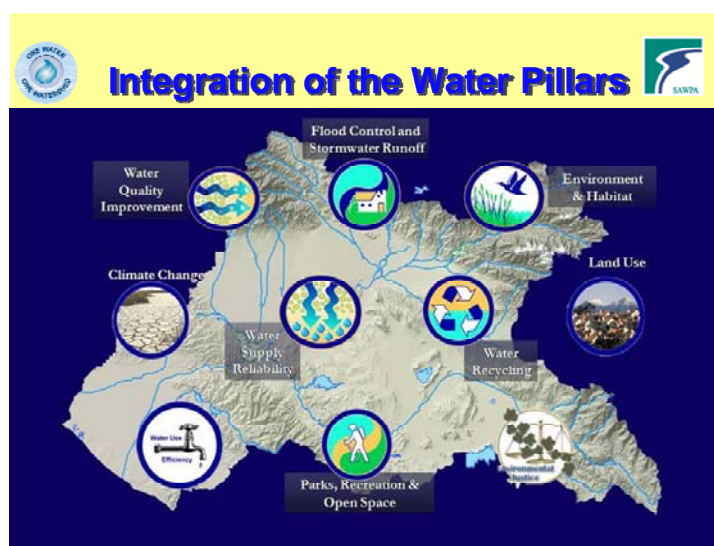
SAWPA's enterprise includes ownership and operation of the Inland Empire Brine Line (Brine Line), formerly known as the Santa Ana Regional Interceptor (SARI). The 73 mile-long regional brine line is designed to convey 30 million gallons per day (MGD) of non-reclaimable wastewater from the upper Santa Ana River Basin to the Pacific Ocean for disposal, after treatment. This 41-year old utility was built as the fundamental method of salt export for the region. Historic import of water for agricultural purposes has increased the salinity of many groundwater basins within the Watershed. Removing salt by means of the Brine Line allows the Watershed to work towards achieving salt balance – a key Watershed goal and indicator of sustainability.



Salt is removed from brackish groundwater by reverse osmosis desalters, which discharge the concentrated brine into the Brine Line. The treated water is delivered for consumption as potable water.

Integrated Regional Water Management Planning

SAWPA has been involved in watershed and integrated water resource planning since its formation. The latest updated plan adopted in February 2014 is the Santa Ana River Watershed Integrated Regional Water Management Plan (IRWMP) called the One Water One Watershed (OWOW) 2.0 Plan. Using a decentralized stakeholder involvement process as well as involving experts from all fields and areas within the Watershed, an extraordinarily collaborative and visionary plan was prepared to address water challenges over the next two decades. The Plan addresses climate change; water supply reliability; water and land use; water quality improvement; flood control and stormwater runoff; water use efficiency; water recycling; parks, recreation and open space; environmental justice; and environment and habitat. Through this integration of water resource management strategies along with workgroups (or pillars) designated for each strategy, scarce resources will be leveraged and cost effective solutions will be developed to address a multiplicity of water challenges using an integrated multi-beneficial approach.



Stakeholder Partnering

SAWPA plays an important regional role in administering a number of water quality and water supply stakeholder initiatives. These initiatives often address problems that involve other public agencies. The SAWPA Commission enjoys a rewarding position of helping people solve real problems. Since its formation, SAWPA has taken a lead role in establishing effective regional partnerships with the Regional Water Quality Control Board (RWQCB) and other stakeholders in the Watershed to address water quality and water resource issues. The following task forces and workgroups are examples of Watershed partnerships that SAWPA currently administers.

Imported Water Recharge Workgroup

On January 18, 2008, a cooperative agreement for imported water recharge entitled "Cooperative Agreement to Protect Water Quality and Encourage the Conjunctive Uses of Imported Water in the Santa Ana River Basin" was approved by the RWQCB and nine imported water recharging agencies in the Watershed. In accordance with the cooperative agreement, the recharging parties are required to complete a summary of the amount and quality of imported water recharged over a three-year period as well as a projection at six-year intervals of the ambient water quality in each groundwater management zone that is being recharged with imported water.

Basin Monitoring Program Task Force

The Basin Monitoring Program Task Force is a collaborative effort of public and private sector agencies and interests to conduct water quality evaluations in the Watershed. The task force was formed as a spinoff of the Total Inorganic Nitrogen/Total Dissolved Solids (TIN/TDS) Task Force in 2003 with the mission of implementing the monitoring requirements required as part of the original TIN/TDS Task Force effort. These monitoring requirements include a triennial update of the ambient groundwater quality, Nitrogen and TDS, throughout all the groundwater basins in the Watershed, and an annual report on the Nitrogen and TDS in the Santa Ana River (SAR) for Reaches 2, 4, and 5 and a Santa Ana River Wasteload Allocation which defines the limits of nitrogen and TDS that can be discharged by wastewater treatment plants to the river and still ensure beneficial use protection. Work is also underway to incorporate the latest Santa Ana River Watershed Wasteload Allocation for the Santa Ana River into the RWQCB's Basin Plan.



Santa Ana River Fish Conservation Task Force

The Santa Ana Sucker Conservation Team is a multi-agency task force formed by SAWPA, established to coordinate applied research, and direct efforts toward the recovery and delisting of the Santa Ana sucker fish species. Work under this task force includes conducting annual assessment of the sucker fish habitat along the Santa Ana River by volunteers and promoting projects and activities to protect and restore the sensitive species habitat. The task force includes key regulatory partners including the United States Fish and Wildlife Service (USFWS) and California Department of Fish and Wildlife.

Chino Basin (Middle Santa Ana River) TMDL Task Force

The Middle Santa Ana River (MSAR) TMDL (Total Maximum Daily Load) Task Force is a collaborative effort of public and private sector agencies and interests focused on the development of pathogen TMDLs for SAR Reach 3, its tributaries, and other water bodies in the Chino Basin area. Formed in 2007, the task force has been working on several pathogen-related activities and studies for the Chino Basin. The objectives of this task force are to implement a number of tasks identified by the RWQCB in their 2005 Amendment to the Basin Plan. The task force is working with the RWQCB in the formulation of pathogen TMDL allocation and pollutant control implementation strategies.



Stormwater Quality Standards Task Force

The Stormwater Quality Standards Task Force is a collaborative effort of public and private sector agencies and interests. The task force was formed in 2005 to assist the RWQCB in providing additional data and science in the evaluation of the REC-1 beneficial use designation and associated water quality objectives for the river. Municipal stormwater entities as well as other regulated business, industrial, and development

groups are interested in providing the best available information to update the water quality objectives. task force members performed a basin-wide assessment of existing conditions of receiving waters and existing beneficial uses supported by those waters, and identified data gaps and other areas where further assessment is needed. The task force sought to focus water quality protection efforts on those areas where beneficial uses were actually occurring, in order to maximize effectiveness. The task force produced Basin Plan Amendments and four Use Attainability Analyses that have been approved by the Regional Board, the State Water Resources Control Board, and the US Environmental Protection Agency (EPA). The task force is now working to coordinate future monitoring requirements with other monitoring programs related to TMDLs to optimize efficiency.

Emerging Constituents Program Task Force

Based on an April 2008 agreement between the RWQCB and nine local imported water recharge agencies, the signatories to the agreement agreed to develop a plan to investigate “emerging constituents” (EC) in water that is intentionally recharged to local aquifers. In general, the phrase “emerging constituents”, refers to a relatively large group of man-made chemical compounds for which the EPA and the State of California have not enacted a numeric water quality objective or a numeric translator for relevant narrative objectives, nor has the California Department of Public Health adopted a maximum Contaminant Level. To prepare this sampling program, an Emerging Constituents Program Task Force was formed among the signatories and interested parties, such as publicly owned treatment works (POTW), to design and implement a voluntary annual sampling program of emerging constituents within the source waters of the Watershed. From 2010 to 2013 the task force conducted three annual sampling reports that were submitted to the Santa Ana RWQCB. Additional regional EC monitoring may be conducted in the future as new regulations develop for protection of aquatic habitat.



Forest First

Under a 2011 Memorandum of Understanding (MOU) between SAWPA and the US Forest Service called the “Forest First” program, efforts are underway to work with downstream groundwater management agencies, flood control and water conservation districts, water supply agencies, resource agencies, and the forest service to find amicable projects that can be executed in specific areas within the forest that will have a direct effect in preserving the quality and quantity of water resources from the source or headwaters, contributing to the overall health of the Watershed. Early quantitative cost/benefit analysis studies appear to validate investment in projects such as fuels reduction, meadow restoration, chaparral type conversion, and forest road retrofitting that when implemented will help the national forest service to keep the forest healthy which will in turn promote a gain in

both the quantity and quality of available water resources. A new task force among the Forest Service and downstream agencies is under development.

SAWPA is committed to its regional vision of a sustainable Watershed that supports economic and environmental vitality, while maintaining quality of life. The Agency will continue its role as the leader in creating innovative solutions to the challenges facing our Watershed.

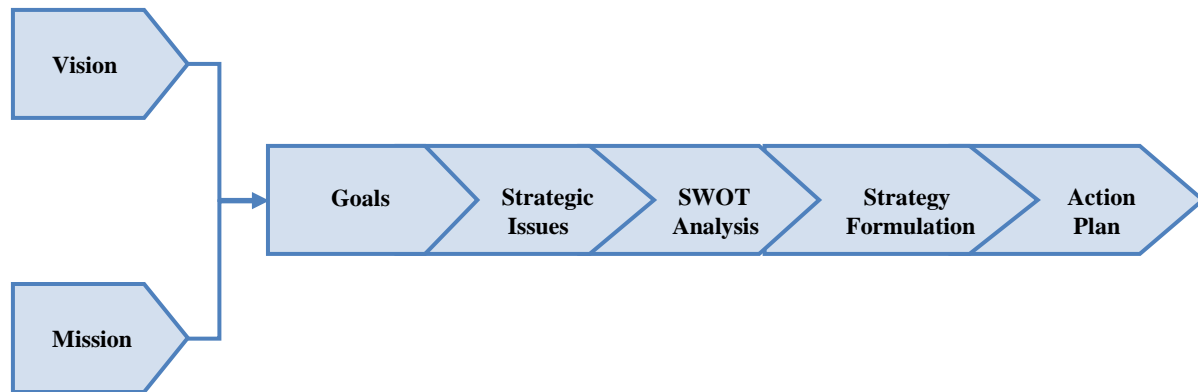
Vision, Mission and Goals

Strategic Planning

During late 2010 and early 2011, SAWPA engaged in the preparation of a Strategic Plan for the organization with the participation and guidance of the Commission members and the General Managers of the Member Agencies. The objectives of the Strategic Plan are to:

- Articulate SAWPA's mandate, vision, and mission;
- Establish specific goals that would allow SAWPA to meet its mandate and mission;
- Identify key strategic issues that need to be addressed to accomplish the goals; and
- Formulate strategies and specific actions to meet the goals.

The strategic planning process is illustrated below.



Between December 2010 and April 2011, four workshops with the Commission were conducted to review progress and receive input and guidance. These workshops were open to the public and public comments were considered. In addition to formal workshops, a number of individual interviews were held with Commissioners to discuss details. The General Managers' input was received during two of their standing regular meetings as well as individual discussions. Finally, five staff workshops were conducted to draft vision and mission statements, draft goals, identify strategic issues, and formulate draft strategies.

The following details our vision, mission, and goals as well as the strategies developed to help attain our mission and ultimately, our vision.

Our Vision

SAWPA's vision is a sustainable Santa Ana River Watershed that provides clean and reliable water resources for a vibrant economy and high quality of life for all, while maintaining healthy ecosystems and open space opportunities. A successful SAWPA provides value to its member agencies and to the Watershed as a whole by facilitating collaboration across boundaries to address common goals and tackle problems that are larger than any individual entity.

Our Mission

SAWPA strives to make the Santa Ana River Watershed sustainable through fact-based planning and informed decision-making; regional and multi-jurisdictional coordination; and the innovative development of policies, programs and projects. Our mission is accomplished through a number of specific functions:

- Maintaining peace in the Watershed.
- Facilitating conflict resolution through collaborative processes.
- Preparing an integrated watershed-wide water management plan that provides a unified vision for the Watershed.

- Operating the Inland Empire Brine Line to convey salt out of the Watershed and support economic development.
- Developing water-related initiatives, particularly those that require the participation of several entities.
- Identifying, pursuing, securing, and administering supplemental funds for the Watershed.
- Influencing legislation for the benefit of the Watershed.

Our Values

Our strategy and day-to-day operations are guided by values strongly held by our member agencies, management and staff:

Leadership in the development and advancement of a vision and plan for a sustainable Watershed, and in the incorporation of new paradigms for water and watershed planning.

Collaboration and cooperation among member agencies and other stakeholders in the Watershed toward the formulation and implementation of solutions to watershed-wide, multi-jurisdictional problems.

Creativity in the pursuit of new approaches to watershed planning, the use of new technologies, and the enhancement of a new water ethic in the Watershed.

Fact-based decision-making to identify neutral and transparent solutions that maximize the benefit to the entire Watershed.

Respect for all voices and perspectives in the Watershed to develop sound solutions and maximize consensus building.

Transparency, integrity, and professionalism to maintain the respect and trust of our partners, and to attract and retain talented and committed individuals to our organization.

Using the Agency's Vision and Mission Statement as a guide, the FYE 2016 and 2017 Budget provides the resources necessary for successful implementation of the goals and strategies listed below.

Each department created a staffing plan in support of the Agency's overall goals and strategies. Each department developed an individual mission statement, identified the objectives to be addressed within the next two fiscal years, group goals, and measurable performance objectives. The staffing plans provide a roadmap as to how each department will contribute to achieving the Agency's goals and objectives, and ultimately, its vision.

Our Goals

SAWPA's vision and mission will be advanced by the following eight goals:

1. Achieve optimal use of local water supplies and reduce reliance on imported water.
2. Improve water quality.
3. Achieve salt balance and ensure continued cost-effective and reliable operation of the Brine Line.
4. Balance water supply needs with natural habitat protection.
5. Build public understanding and support for Watershed sustainability.
6. Facilitate incorporation of water resources management in land use planning.
7. Be a resource for compliance with AB32 (greenhouse gas regulations) and reducing its impact on member agencies.
8. Secure external funding for the Watershed to support accomplishing Watershed goals.

Strategies to accomplish our goals

The following section outlines the strategies that will be pursued to achieve each goal. For each of these strategies, a series of actions is identified.

1. Achieve optimal use of local water supplies and reduce reliance on imported water

A. Advance and coordinate regional projects to achieve OWOW goals for desalination, water reuse, water use efficiency, groundwater recharge, and stormwater capture and recharge

- Update OWOW in a way that proactively promotes more multi-regional and multi-benefit projects.
- Support OWOW Pillar groups to create forums for the identification and implementation of multi-beneficial regional projects and programs.

B. Develop watershed-wide strategies and plans for conjunctive use and groundwater recharge, water use efficiency, stormwater capture and recharge, and desalination in coordination with member agencies and other suppliers

- Explore regional conjunctive use/recharge opportunities or expand existing ones in coordination with relevant parties.
- Support OWOW Pillar groups in exploring opportunities to implement regional plans and programs.
- Create forum for coordination with land use agencies on water issues.
- Update OWOW in a way that promotes “new paradigm” integrated projects.

C. Support and coordinate multi-agency initiatives that enhance the flexibility and reliability of water supply systems

- Create forum to identify and advance specific multi-beneficial regional projects and programs to address systems reliability and flexibility.

2. Improve water quality

A. Administer and support regional approaches to conform with TMDLs and Basin Plan requirements

- Prioritize upcoming TMDLs, regulatory implementation and water quality issues to anticipate future task force needs, including the creation of new task forces.
- Support efforts to implement corrective projects and programs to meet TMDLs and requirements.

B. Coordinate watershed-wide monitoring program aimed at reducing compliance costs

- Explore feasibility with relevant regulatory agencies and interested permittees.
- Prepare business case for regional monitoring.
- Develop implementation strategy.

C. Develop strategy and market basis for water quality trading

- Explore feasibility with relevant regulatory agencies.
- Prepare case studies from other regions or arenas.
- If supported by participants, develop strategy and accounting system, including identification of resources needed.

D. Promote establishing stormwater quality standards and pathogen indicators to allocate resources more efficiently

- Prepare business case for initiative.
- Prepare case studies from successful changes.
- If program seems feasible, develop strategy, including resources needed.

E. Support emerging constituents sampling program and explore public outreach program for ECs and other constituents of public concern

- Explore feasibility with interested agencies in conjunction with RWQCB.
- Identify priority constituents.

- Develop strategy, including internal resources needed.

3. Achieve salt balance and ensure continued cost-effective and reliable operation of the Brine Line

A. Support salinity management efforts and coordinate watershed-wide salt management activities

- Conduct more detailed study of salinity management plan components to better project recommended actions.
- Update OWOW in a way that promotes more additional multi-beneficial, multi-jurisdictional salt removal projects.
- Create forum to advance specific salt management projects identified in OWOW Plan.

B. Investigate alternatives for conveying future brine flows, including brine concentration and alternative discharge points

- Evaluate feasibility of future conveyance alternatives such as Brine-to-Salton Sea option.
- Promote participation among member agencies and others in the investigation of brine management activities, including brine concentration.

C. Address Brine Line rehabilitation and relocation needs

- Update Brine Line master plan.
- Rehabilitate Reaches IV-A and IV-B.
- Continue inspection and repair of pipe and access structures.
- Support Brine Line relocation efforts in Orange County (on-going Orange County Flood Control District (OCFCD) project).

D. Market the Brine Line to maximize flows from industry and other users

- Prepare business plan for the incorporation of new users (e.g. costs vs. rates and revenues).
- Refine and continue implementing marketing plan.

E. Develop solutions to minimize O&M costs of Brine Line due to solids formation and scaling

- Confirm mechanisms of scale and solids formation, identify methods to control, and consider merits of implementation.
- Make adjustments as in-line chemistry changes.
- Work to minimize O&M line cleaning efforts and overall costs to Brine Line and customer.

F. Revise financial strategies and ownership of capacity to eliminate idle capacity

- Develop Capacity Management Plan, a strategy to make capacity available to new customers while ensuring capacity is available to all investors when needed.

4. Balance water supply needs with natural habitat protection

A. Develop mechanism to provide mitigation opportunities for on-going operational activities and new construction projects in areas occupied by endangered or threatened species, or in other sensitive areas

- Develop regional permits where beneficial.
- Promote development and use of mitigation banking and regional multi-species conservation plans.
- Become regional education resource for alternatives to project-by-project mitigation programs focusing on new models developed nationally.

B. Facilitate opportunities for regional management of species and habitat

- Develop toolkit for streamlining project development process by incorporating mitigation.
- Advocate for outcome-based regulatory structures.

C. Support removal of invasive plant species by indentifying and prioritizing target species, and by securing funding for removal and habitat maintenance efforts

- Market removal of invasive species and habitat restoration opportunities as effective means for developing local water supply.
- Develop metrics for equating invasive species removal and habitat restoration to surface and groundwater supply.
- Support on-going invasive plant removal program by the Santa Ana Watershed Association (SAWA) and others.

D. Promote solutions to manage waterways to protect all beneficial uses, including management of sediment and soft-bottom channels

- Coordinate with stakeholders on on-going efforts, Watershed objectives, and possible benefits of additional regional coordination.

5. Build public understanding and support for Watershed sustainability

A. Coordinate legislative and advocacy efforts on key Watershed issues

- Expand on success of current collaborative advocacy process.
- Reach out to legislators and staff in connection with the OWOW Conference.
- Coordinate with more stakeholder groups.

B. Develop consistent messages in water issues for use by agencies in the Watershed

- Work with member agency Public Information Officers (PIO) and Legislative Directors to identify common themes and messages.

C. Publish information demonstrating the economic value to the Watershed of sustainable water resources practices and regional collaboration

- Identify and collaborate with local resources, such as Council of Governments (COG), business and trade advocacy groups, economic development agencies, and the Urban Land Institute in developing this information.

D. Establish a repository of information on water quality to assist agencies in analysis and decision-making

- Use graphical information systems (GIS) to develop Internet portal to make water resources information easily accessible to agencies and the public.

E. Help foster and brand a unique Santa Ana River Watershed identity

- Work with member agency PIOs and Legislative Directors to identify common themes and messages.

6. Facilitate incorporation of water resources management in land use planning

A. Highlight to land use agencies the inter-relationship between land use planning and water resources, and provide information to support decision-making

- Create forum for communication between water and land use agencies.
- Prepare materials emphasizing the case for incorporation of water resources considerations in general plans.
- Develop GIS tools that account for recharge and water production areas, functional floodplains, and opportunity sites for aquatic habitat and recreation.

B. Promote regional approach to stormwater permit compliance that effectively integrates water supply and integrated regional water management (IRWM) opportunities

- Develop business case and strategies for collaboration.
- Initiate conversations with regulators to develop basis for regional approach.

- Develop policies and technical basis for accounting for water efficient design in a development's water supply assessment.

C. Coordinate with land use agencies to resolve issues and avoid disputes associated with water management activities

- Create forum for communication between water and land use agencies.
- Identify potential strategies and develop framework for collaboration.
- Develop policies and technical basis for accounting for water efficient design in a development's water supply assessment.

7. Be a resource for compliance with AB32 (greenhouse gas regulations) and reducing its impact on member agencies

A. Coordinate the development of a climate action plan that addresses greenhouse gas (GHG) mitigation and adaptation to climate change providing compliance on a regular scale

- Develop understanding of how regional approach will benefit the Watershed and increase local control.
- Create forum to discuss need for the plan and eventually agree on its objectives.
- Develop participation, resource pooling, and governance for regional plan.

B. Identify opportunities for multi-agency cooperation in the development and implementation of GHG mitigation and adaptation actions

- Create forum to identify regional opportunities for mitigation and adaptation.
- Develop participation, resource pooling, and governance for the development of specific projects to meet regulatory GHG reductions.
- Develop regional resources for GHG audits and reporting templates.

8. Secure external funding for the Watershed to support accomplishing Watershed goals

A. Leverage OWOW Plan and future updates to increase the clout of the region in securing funding

- Update OWOW Plan every two years to reassess watershed needs and pursue funding.
- Identify opportunities for funding of OWOW Plan updates and project implementation beyond Proposition 84.
- Determine if regional local funding from other stakeholders, such as stormwater entities, who benefit from OWOW planning and project implementation is supported.

B. Influence state and federal legislation to increase funding for the region

- Encourage joint legislative outreach for State and Federal bills that provide additional funding for IRWM planning and project implementation.
- Provide active support to future Water Bonds to support water infrastructure in the Watershed.
- Obtain Board consensus on fee-based funding for 21st century water management, and move forward to advocate if supported.

C. Explore new funding opportunities, such as private sector and foundations

- Identify and explore new potential sources of funding.
- Expand Brine Line marketing opportunities to support further O&M activities.

Budget and Financial Overview



Budget Process

The Agency's annual budget preparation process begins in December of each year and concludes in June upon its adoption. However, the entire budget process extends beyond one year and overlaps with the preceding budget and the subsequent budget. This is the fifth time the Agency has adopted a biennial budget. Each individual year of the budget will follow this process. As shown in the diagram above, the budget process consists of four major stages. These stages occur throughout the year as follows:

- Preparation/Planning – takes place December through March.
- Integration – runs from March through May.
- Adoption – adoption of the budget usually occurs in June of each year.
- Execution/Feedback – starts from the first day of the budget year, July 1, through the entire budget year.

Preparation/Planning

The budget preparation process begins in January with the Budget Kickoff Meeting. At this meeting, management discusses the proposed budget schedule, major budget assumptions, procedures, requirements, and changes from the prior year's budget. The budget manual and forms for each fund are distributed to Department Managers to review and update goals, objectives, and performance measures; and to provide a detailed list of the prior year's accomplishments.

Integration

During the integration stage, the Finance Department consolidates all the gathered information and analyzes the budget requests as a whole. The budgets for each fund are then reviewed by the General Manager along with the Department Managers. The information is presented to the member agencies'

Chief Financial Officers (CFO) and at the SAWPA Commission Workshop for review and comment before being presented to the SAWPA Commission for adoption.

Adoption

After incorporating changes from the Commission Workshop's review of the budget, the final draft budget is presented to the Commission for adoption at the first scheduled meeting in June. Once the Commission has adopted the budget, each member agency must take the Adopted Budget to their Board for approval.

Execution/Feedback

During the fiscal year, budget-to-actual expense/capital reports are distributed to all levels of management. The SAWPA CFO is required to prepare and submit a budget variance analysis quarterly, in accordance with budget variance guidelines. Subsequently, staff presents the Agency's quarterly budget-to-actual variance to the Commission. The on-going budget review process is essential in monitoring current year operation costs. It further acts as an early warning mechanism for Department Managers when actual spending differs from amounts budgeted.

Budget Calendar

As part of the initial annual budget process, budgetary staff prepares a schedule for the development of the budget for that year. The schedule is then distributed to the Commission and management staff for their reference in submitting their data for review, approval and incorporation into the final budget.

The budget schedule for this fiscal year is as follows:

Fiscal 2015 – 2016 and 2016 – 2017 Budget Schedule

Date	Description	Responsibility
January 23, 2015	Budget Kick-off Meeting	CFO/GM
February 6, 2015	Budget Goals & Objectives Due	Department Managers
February 12, 2015	Labor Hour Distributions Due	Department Managers
February 20, 2015	Budget Assumptions & Goals Due	Department Managers
March 17, 2015	Commission Overview of Budget Goals & Objectives	CFO, GM
March 26, 2015	Budget Workshop – First Draft	CFO, Member Agency Finance Staff
April 21, 2015	Commission Budget Workshop – First Draft	GM, CFO, Department Managers
May 19, 2015	Commission Budget Presentation (Adoption by Commission)	CFO, GM, Commissioners
June 30, 2015	Budget Ratification by Member Agencies	Member Agency Boards

Level of Control and Budget Amendments

Budgetary controls are maintained to ensure compliance with the provisions embodied in the annual approved budget. The budgetary level of control, the level at which operating expenses cannot exceed the budgeted amount, is exercised at the individual department level. Administrative policies provide guidelines on budget transfers and the authorization necessary to implement transfers. Generally, there are two types of budget transfers:

Budget Adjustment

This is a transfer which does not change the total budgeted amount and does not require Commission action. Depending on the budget category affected by the transfer, approval may be granted at the General Manager or Department Manager level as follows: Department Managers have the discretion to reappportion funds between certain line items within a budgeted fund, but may not exceed total budgeted amounts for each fund. The General Manager will approve all budget adjustments.

Budget Amendment

A budget amendment is an adjustment to the total budgeted amount, which was not included in the original budget. These supplemental adjustments require formal action by the Commission.

Balanced Budget

The Agency maintains zero-based fund accounting, whereby all the revenues in excess of expenditures are transferred into reserves within the fund and all expenditures in excess of revenues are transferred from reserves within the same fund.

The Agency's budget is prepared with itemized budgets for each project within a fund. The budget is balanced with current revenues equal to or greater than current expenses. Prior year fund balances will be used when current expenses exceed current revenues.

Accounting Structure

The Agency is operated as an enterprise fund, which is an accounting entity with a self-balancing set of accounts established to record the financial position and results that pertain to a specific governmental activity. The activities of enterprise funds closely resemble those of businesses in which the purpose is to conserve and add basic resources while meeting operating expenses from current revenues. Enterprise funds account for operations that provide services on a continuous basis and are substantially financed by revenues derived from user charges.

Basis of Accounting

Basis of accounting refers to the point at which revenues and expenses are recognized in the accounts and reported in the financial statements. Revenues and expenses are recognized on the full accrual basis of accounting. In an enterprise fund, revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred, regardless of when the related cash flows take place.

Budget Basis

The operating budget for the Enterprise Fund is adopted on a basis consistent with generally accepted accounting principles (GAAP). Except as noted in the paragraph below, the basis of accounting and the budgetary basis of accounting are the same.

Under the GAAP basis of accounting, receipt of the principal portion of notes receivable; and the receipt of long-term debt proceeds, capital outlay, debt service principal payments, and investment maturities are not reported in operations but have been included in the Agency's budget. The GAAP basis of accounting also includes allocation for depreciation and amortization expenses and changes in the fair value of investments, but those items are not included in the Agency's budget.

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Section 3

Budget Summary

Santa Ana Watershed Project Authority
Budget Summary
FYE 2016 and 2017

	<i>FYE 2016 Budget</i>	<i>FYE 2017 Budget</i>
Source of Funds:		
Discharge Fees	\$ 9,977,257	\$ 10,417,136
Financing Proceeds	\$ 10,167,264	\$ 171,782
Grant Proceeds	\$ 4,221,056	\$ 4,296,934
Contributions	\$ 2,048,921	\$ 2,386,185
Other Income	\$ 5,271,175	\$ 5,849,705
Interest & Investments	\$ 2,747,287	\$ 1,878,952
Total Source of Funds	\$ 34,432,960	\$ 25,000,694
Staffing:		
Hours Allocated	57,920	57,920
FTE (based on 2080)	27.8	27.8
Use of Funds:		
Labor	\$ 3,135,315	\$ 3,323,389
Benefits	\$ 1,312,333	\$ 1,441,728
G&A Costs	\$ —	\$ —
Education & Training	\$ 64,300	\$ 65,100
Consulting & Professional Services	\$ 6,038,107	\$ 5,315,507
Operating Costs	\$ 3,122,812	\$ 3,182,001
Repair & Maintenance	\$ 954,100	\$ 986,085
Phone & Utilities	\$ 77,500	\$ 80,500
Equipment & Computers	\$ 334,110	\$ 303,760
Meeting & Travel	\$ 101,600	\$ 106,850
Other Administrative Costs	\$ 287,858	\$ 312,870
Other Expenses	\$ 229,763	\$ 302,213
Construction	\$ 12,725,000	\$ 4,750,000
Debt Service	\$ 3,965,797	\$ 3,028,588
Total Use of Funds from Operations	\$ 32,348,595	\$ 23,198,591
Contribution To/(From) Reserves:		
Pipeline Repair/Replacement Reserve	\$ 1,000,000	\$ 1,000,000
OCSD Rehabilitation Reserve	\$ 500,000	\$ 500,000
Self Insurance Reserve	\$ 100,000	\$ 100,000
Flow Imbalance Reserve	\$ —	\$ —
Debt Service Reserve	\$ 494,560	\$ 508,229
Retiree Medical Reserve	\$ 118,735	\$ 130,580
Building Repair/Replacement Reserve	\$ 100,000	\$ 100,000
Capacity Management Reserve	\$ —	\$ —
Operating Reserve	\$ —	\$ —
Total Contributions to Reserves	\$ 2,313,295	\$ 2,338,809
Total Use of Funds	\$ 34,661,890	\$ 25,537,400
Net Gain (Loss)	\$ (228,930)	\$ (536,706)
<i>Project Reimbursement (Prop 84 – Capital)</i>	<i>\$ 10,885,180</i>	<i>\$ 6,381,306</i>

Santa Ana Watershed Project Authority
Budget Summary
FYE 2011 through 2017

	<i>FYE 2011 Actuals</i>	<i>FYE 2012 Actuals</i>	<i>FYE 2013 Actuals</i>	<i>FYE 2014 Actuals</i>
Source of Funds:				
Discharge Fees	\$ 10,989,257	\$ 10,053,124	\$ 9,170,287	\$ 8,575,085
Financing Proceeds	\$ 365,226	\$ 8,673,560	\$ 412,917	\$ 156,886
Grant Proceeds	\$ 550,392	\$ 1,959,279	\$ 653,912	\$ 283,245
Contributions	\$ 2,630,940	\$ 2,181,683	\$ 2,269,861	\$ 1,924,835
Other Income	\$ 2,841,871	\$ 1,372,052	\$ 3,549,707	\$ 1,726,229
Interest & Investments	\$ 5,155,565	\$ 4,274,359	\$ 3,419,453	\$ 3,410,473
Total Source of Funds	\$ 22,533,251	\$ 28,514,057	\$ 19,476,137	\$ 16,076,752
Staffing:				
Hours Allocated	42,698	46,883	49,485	50,796
FTE (based on 2080)	20.5	22.5	23.8	24.4
Use of Funds:				
Labor	\$ 2,071,585	\$ 2,351,936	\$ 2,518,505	\$ 2,626,189
Benefits	\$ 876,278	\$ 1,031,335	\$ 978,559	\$ 1,168,867
G&A Costs	\$ (2)	\$ (2)	\$ 15,468	\$ (9,154)
Education & Training	\$ 8,761	\$ 10,977	\$ 10,324	\$ 9,543
Consulting & Professional Services	\$ 3,185,783	\$ 2,451,624	\$ 1,792,843	\$ 1,484,948
Operating Costs	\$ 5,197,768	\$ 3,864,813	\$ 2,782,209	\$ 2,390,056
Repair & Maintenance	\$ 399,334	\$ 1,130,494	\$ 764,718	\$ 780,897
Phone & Utilities	\$ 60,491	\$ 70,397	\$ 72,645	\$ 71,300
Equipment & Computers	\$ 152,547	\$ 203,076	\$ 189,095	\$ 179,233
Meeting & Travel	\$ 39,727	\$ 39,742	\$ 47,153	\$ 57,098
Other Administrative Costs	\$ 140,070	\$ 139,061	\$ 120,218	\$ 143,613
Other Expenses	\$ 397,938	\$ 254,289	\$ 396,273	\$ 285,632
Construction	\$ 1,612,068	\$ 15,433,326	\$ 401,091	\$ 256,197
Debt Service	\$ 4,535,441	\$ 4,535,440	\$ 4,535,441	\$ 4,578,511
Total Use of Funds from Operations	\$ 18,677,789	\$ 31,516,508	\$ 14,624,542	\$ 14,022,930
Contribution To/(From) Reserves:				
Pipeline Repair/Replacement Reserve	\$ 3,746,886	\$ 3,746,886	\$ 1,144,198	\$ –
OCSD Rehabilitation Reserve	\$ –	\$ –	\$ 1,742,354	\$ 55,701
OCSD Future Capacity Reserve	\$ –	\$ –	\$ 977,845	\$ –
Self Insurance Reserve	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Flow Imbalance Reserve	\$ 45,000	\$ –	\$ –	\$ –
Debt Service Reserve	\$ –	\$ –	\$ –	\$ –
Retiree Medical Reserve	\$ 152,241	\$ 153,596	\$ 140,948	\$ 43,893
Building Repair/Replacement Reserve	\$ –	\$ 50,000	\$ 50,000	\$ 100,000
Operating Reserve	\$ –	\$ –	\$ –	\$ –
Total Contributions to Reserves	\$ 4,044,127	\$ 4,050,482	\$ 4,155,345	\$ 299,594
Total Use of Funds	\$ 22,721,916	\$ 35,566,990	\$ 18,779,887	\$ 14,322,524
Net Gain (Loss)	\$ (188,665)	\$ (7,052,933)	\$ 696,250	\$ 1,754,228
<i>Project Reimbursement (Prop 50 and 84 – Capital)</i>	<i>\$ 16,093,326</i>	<i>\$ 3,471,802</i>	<i>\$ 5,347,257</i>	<i>\$ 6,820,321</i>

Santa Ana Watershed Project Authority
Budget Summary
FYE 2011 through 2017

	<i>FYE 2015 Budget</i>	<i>FYE 2015 Actuals</i>	<i>FYE 2016 Budget</i>	<i>FYE 2017 Budget</i>
Source of Funds:				
Discharge Fees	\$ 10,201,784	\$ 8,958,915	\$ 9,977,257	\$ 10,417,136
Financing Proceeds	\$ 228,376	\$ 199,241	\$ 10,167,264	\$ 221,782
Grant Proceeds	\$ 342,628	\$ 669,635	\$ 4,221,056	\$ 4,246,934
Contributions	\$ 2,490,165	\$ 2,303,480	\$ 2,048,921	\$ 2,386,185
Other Income	\$ 7,372,285	\$ 4,994,632	\$ 5,271,175	\$ 5,849,705
Interest & Investments	\$ 3,344,807	\$ 3,344,807	\$ 2,747,287	\$ 1,878,952
Total Source of Funds	\$ 23,980,045	\$ 20,470,710	\$ 34,432,960	\$ 25,000,694
Staffing:				
Hours Allocated	54,141	54,141	57,920	57,920
FTE (based on 2080)	26.0	26.0	27.8	27.8
Use of Funds:				
Labor	\$ 2,908,720	\$ 2,708,395	\$ 3,135,315	\$ 3,323,389
Benefits	\$ 1,333,800	\$ 1,240,482	\$ 1,312,333	\$ 1,441,728
G&A Costs	\$ –	\$ (132,526)	\$ –	\$ –
Education & Training	\$ 57,800	\$ 15,277	\$ 64,300	\$ 65,100
Consulting & Professional Services	\$ 2,351,749	\$ 1,605,282	\$ 6,038,107	\$ 5,315,507
Operating Costs	\$ 3,507,080	\$ 2,704,417	\$ 3,122,812	\$ 3,182,001
Repair & Maintenance	\$ 875,520	\$ 664,606	\$ 954,100	\$ 986,085
Phone & Utilities	\$ 79,650	\$ 62,471	\$ 77,500	\$ 80,500
Equipment & Computers	\$ 234,295	\$ 210,186	\$ 334,110	\$ 303,760
Meeting & Travel	\$ 91,800	\$ 35,273	\$ 101,600	\$ 106,850
Other Administrative Costs	\$ 271,253	\$ 101,085	\$ 287,858	\$ 312,870
Other Expenses	\$ 247,131	\$ 428,516	\$ 229,763	\$ 302,213
Construction	\$ 4,950,000	\$ 2,652,592	\$ 12,725,000	\$ 4,750,000
Debt Service	\$ 4,448,394	\$ 4,448,394	\$ 3,965,797	\$ 3,028,588
Total Use of Funds from Operations	\$ 21,357,192	\$ 16,744,450	\$ 32,348,595	\$ 23,198,591
Contribution To/(From) Reserves:				
Pipeline Repair/Replacement Reserve	\$ 361,659	\$ 361,659	\$ 1,000,000	\$ 1,000,000
OCSD Rehabilitation Reserve	\$ 1,000,000	\$ 1,000,000	\$ 500,000	\$ 500,000
OCSD Future Capacity Reserve	\$ –	\$ –	\$ –	\$ –
Self Insurance Reserve	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Flow Imbalance Reserve	\$ –	\$ –	\$ –	\$ –
Debt Service Reserve	\$ 1,034,000	\$ 569,327	\$ 494,560	\$ 508,229
Retiree Medical Reserve	\$ 153,415	\$ 93,506	\$ 118,735	\$ 130,580
Building Repair/Replacement Reserve	\$ 65,000	\$ 65,000	\$ 100,000	\$ 100,000
Operating Reserve	\$ –	\$ –	\$ –	\$ –
Total Contributions to Reserves	\$ 2,714,074	\$ 2,189,492	\$ 2,313,295	\$ 2,338,809
Total Use of Funds	\$ 24,071,266	\$ 18,933,942	\$ 34,661,890	\$ 25,537,401
Net Gain (Loss)	\$ (91,221)	\$ 1,536,768	\$ (228,930)	\$ (536,706)
<i>Project Reimbursement (Prop 50 and 84 – Capital)</i>	<i>\$ 3,010,380</i>	<i>\$ 6,860,120</i>	<i>\$ 10,885,180</i>	<i>\$ 6,381,306</i>

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Section 4

Combined Schedules

**Santa Ana Watershed Project Authority
Combined Summary**

Source of Funds:	Budget FYE 2016	Budget FYE 2017
Member Agency Contributions	\$ 1,430,855	\$ 1,553,879
Other Agency Contributions	\$ 618,066	\$ 832,306
Mitigation Credit Sales	\$ 44,490	\$ 44,490
Discharge Fees (Brine Line)	\$ 9,977,257	\$ 10,417,136
Grant/Contracts	\$ 4,388,320	\$ 4,468,716
Interest & Investments	\$ 2,747,287	\$ 1,878,952
Reserves/SRF Loan Proceeds (Brine Line Capital Only)	\$ 15,226,685	\$ 5,805,215
Total Revenues (Not Including Pass-Through)	\$ 34,432,960	\$ 25,000,694
Prop 84 – Capital Projects (Pass-Through)	\$ 10,885,180	\$ 6,381,306
Total Revenues/Others	\$ 45,318,140	\$ 31,382,000
Use of Funds:	Budget FYE 2016	Budget FYE 2017
General Fund	\$ 617,795	\$ 699,307
Brine Line Enterprise Fund	\$ 7,055,482	\$ 7,430,950
Debt Service	\$ 3,965,797	\$ 3,028,588
Planning Fund	\$ 667,283	\$ 727,451
Collaborative Projects Fund	\$ 1,127,263	\$ 1,580,623
Capital Projects Fund	\$ 14,835,390	\$ 5,533,536
Grant/Contracts Fund	\$ 4,298,320	\$ 4,428,716
Contribution to Reserves (Brine Line)	\$ 2,094,560	\$ 2,108,229
Total Appropriations (Not Including Pass-Through)	\$ 34,661,890	\$ 25,537,400
Prop 84 – Capital Projects (Pass-Through)	\$ 10,885,180	\$ 6,381,306
Total Appropriations	\$ 45,547,070	\$ 31,918,706
Contribution to/(Use of) Fund Balance	\$ (228,930)	\$ (536,706)

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BUDGET REVENUE

Summary

Fund		Adopted FYE 2015	Budget FYE 2016	Budget FYE 2017
100	General Fund	\$ 942,950	\$ 617,795	\$ 699,307
125	Prop 50 – Program Mgmt	\$ 51,348	\$ -	\$ -
130	Prop 84 – RI Program Mgmt	\$ 194,587	\$ 145,885	\$ 104,102
135	Prop 84 – R2 Program Mgmt	\$ -	\$ 123,264	\$ 155,760
140	Prop 84 – Drought Program Mgmt	\$ -	\$ 196,871	\$ 204,932
145	Prop 84 – 2015 Program Mgmt	\$ -	\$ 486,549	\$ 597,429
240	Brine Line Enterprise	\$ 14,849,027	\$ 13,115,839	\$ 12,567,767
320	Brine Line Protection Project	\$ 1,020,892	\$ 1,181,211	\$ 2,324,996
326	Reach V Repairs	\$ 4,947,771	\$ 13,415,393	\$ 85,124
327	Reach IV-D Corrosion Repair	\$ -	\$ 238,786	\$ 3,123,416
370	Basin Planning General	\$ 357,836	\$ 340,000	\$ 350,000
370	USBR Partnership Studies	\$ 20,050	\$ 20,000	\$ 70,000
372	Imported Water Recharge	\$ -	\$ -	\$ -
373	Watershed Mgmt (OWOW)	\$ 401,693	\$ 300,000	\$ 300,000
374	Basin Monitoring Program TF	\$ 201,651	\$ 270,557	\$ 395,151
381	SAR Fish Conservation TF	\$ 61,800	\$ 133,000	\$ 33,000
384	MSAR TMDL Task Force	\$ 350,000	\$ 340,000	\$ 340,000
386	Stormwater Quality Standards TF	\$ 101,000	\$ 50,000	\$ 150,000
387	Arundo Mgmt & Habitat Restoration	\$ 100,000	\$ 44,490	\$ 44,490
392	Emerging Constituents TF	\$ 62,050	\$ 13,000	\$ 32,500
396	Forest First	\$ 79,014	\$ 54,569	\$ 56,227
397	Energy – Water DAC Grant	\$ -	\$ 938,985	\$ 941,539
477	LESJWA Administration	\$ 238,376	\$ 177,264	\$ 181,782
504	Prop 84 Drought Projects	\$ -	\$ 2,229,502	\$ 2,243,172
Total		\$ 23,980,045	\$ 34,432,960	\$ 25,000,694

504 Prop 84 Capital Projects \$ 2,532,750 \$ 10,885,180 \$ 6,381,306

BUDGET EXPENSES

Summary

Fund		Adopted FYE 2015	Budget FYE 2016	Budget FYE 2017
100	General Fund	\$ 724,535	\$ 617,795	\$ 699,307
125	Prop 50 – Program Mgmt	\$ 51,348	\$ -	\$ -
130	Prop 84 – R1 Program Mgmt	\$ 194,587	\$ 145,885	\$ 104,102
135	Prop 84 – R2 Program Mgmt	\$ -	\$ 123,264	\$ 155,760
140	Prop 84 – Drought Program Mgmt	\$ -	\$ 196,871	\$ 204,932
145	Prop 84 – 2015 Program Mgmt	\$ -	\$ 486,549	\$ 597,429
240	Brine Line Enterprise	\$ 12,353,368	\$ 11,021,279	\$ 10,459,538
320	Brine Line Protection Project	\$ 1,020,892	\$ 1,181,211	\$ 2,324,996
326	Reach V Repairs	\$ 4,947,771	\$ 13,415,393	\$ 85,124
327	Reach IV-D Corrosion Repair	\$ -	\$ 238,786	\$ 3,123,416
370	Basin Planning General	\$ 357,836	\$ 338,534	\$ 348,350
370	USBR Partnership Studies	\$ 22,758	\$ 19,882	\$ 69,853
372	Imported Water Recharge	\$ 14,667	\$ 9,919	\$ 10,523
373	Watershed Mgmt (OWOW)	\$ 401,554	\$ 298,948	\$ 298,725
374	Basin Monitoring Program TF	\$ 122,001	\$ 178,196	\$ 739,511
381	SAR Fish Conservation TF	\$ 80,738	\$ 141,055	\$ 41,030
384	MSAR TMDL Task Force	\$ 355,706	\$ 370,220	\$ 354,456
386	Stormwater Quality Standards TF	\$ 104,359	\$ 143,878	\$ 149,546
387	Arundo Mgmt & Habitat Restoration	\$ 165,545	\$ 181,707	\$ 180,687
392	Emerging Constituents TF	\$ 122,137	\$ 57,638	\$ 59,166
396	Forest First	\$ 79,014	\$ 54,569	\$ 56,227
397	Energy – Water DAC Grant	\$ -	\$ 938,985	\$ 941,539
477	LESJWA Administration	\$ 238,376	\$ 177,264	\$ 181,782
504	Prop 84 Drought Projects	\$ -	\$ 2,229,502	\$ 2,243,172
Total		\$ 21,357,192	\$ 32,567,330	\$ 23,429,171
<i>Contributions to Reserve</i>		<i>\$ 2,714,074</i>	<i>\$ 2,094,560</i>	<i>\$ 2,108,229</i>
Total		\$ 24,071,266	\$ 34,661,890	\$ 25,537,400

504 Prop 84 Capital Projects \$ 2,532,750 \$ 10,885,180 \$ 6,381,306

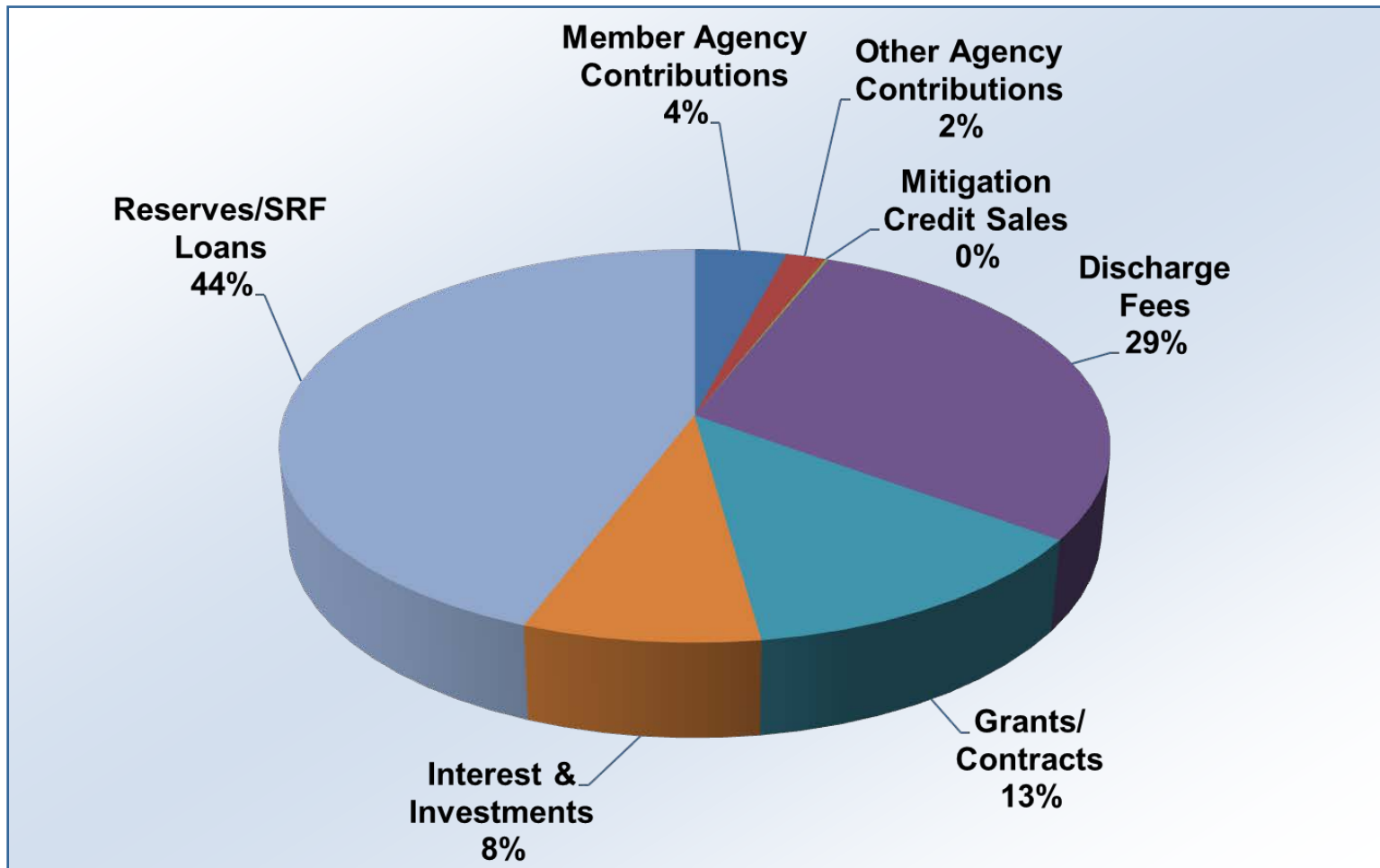
Sources and Uses of Funds

FYE 2016

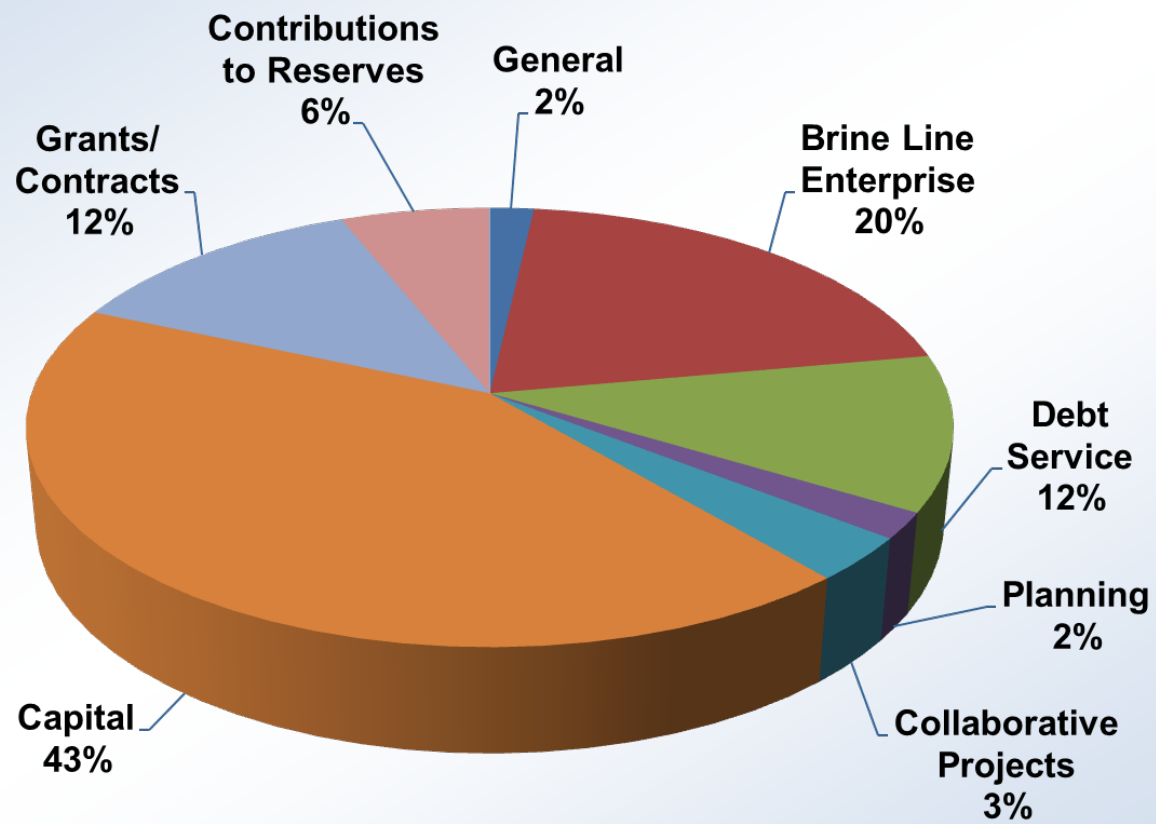
EXPENSES			REVENUES								
Total			Member Contributions	Other Agency Contributions	Mitigation Credit Sales	Discharge Fees	Reserves/ SRF Loans	Interest & Investments	Grant/ Contracts	Total	
100	General Fund	\$ 617,795	\$ 617,795	—	—	—	—	—	—	\$ 617,795	
130	Prop 84 - R1 Program Management	\$ 145,885	—	—	—	—	—	—	\$ 145,885	\$ 145,885	
135	Prop 84 - R2 Program Management	\$ 123,264	—	—	—	—	—	—	\$ 123,264	\$ 123,264	
140	Prop 84 - Drought Program Management	\$ 196,871	—	—	—	—	—	—	\$ 196,871	\$ 196,871	
145	Prop 84 – 2015 Program Management	\$ 486,549	—	—	—	—	—	—	\$ 486,549	\$ 486,549	
240	Brine Line Enterprise	\$ 13,115,839	—	—	—	\$ 9,977,257	\$ 391,295	\$ 2,747,287	—	\$ 13,115,839	
320	Brine Line Protection Project	\$ 1,181,211	—	—	—	—	\$ 1,181,211	—	—	\$ 1,181,211	
326	Reach V Repairs	\$ 13,415,393	—	—	—	—	\$ 13,415,393	—	—	\$ 13,415,393	
327	Reach IV-D Corrosion Repair	\$ 238,786	—	—	—	—	\$ 238,786	—	—	\$ 238,786	
370	Basin Planning General	\$ 338,534	\$ 340,000	—	—	—	—	—	—	\$ 340,000	
370	USBR Partnership Studies	\$ 19,882	\$ 20,000	—	—	—	—	—	—	\$ 20,000	
372	Imported Water Recharge Workgroup	\$ 9,919	—	—	—	—	—	—	—	\$ —	
373	Watershed Management (OWOW)	\$ 298,948	\$ 300,000	—	—	—	—	—	—	\$ 300,000	
374	Basin Monitoring Program Task Force	\$ 178,196	\$ 66,060	\$ 204,497	—	—	—	—	—	\$ 270,557	
381	SA River Fish Conservation	\$ 141,055	\$ 25,000	\$ 8,000	—	—	—	—	\$ 100,000	\$ 133,000	
384	MSAR TMDL Task Force	\$ 370,220	—	\$ 340,000	—	—	—	—	—	\$ 340,000	
386	Storm Water Quality Standards TF	\$ 143,878	\$ 50,000	—	—	—	—	—	—	\$ 50,000	
387	Arundo Management & Habitat Restoration	\$ 181,707	—	—	\$ 44,490	—	—	—	—	\$ 44,490	
392	Emerging Constituents Task Force	\$ 57,638	\$ 2,000	\$ 11,000	—	—	—	—	—	\$ 13,000	
396	Forest First Task Force	\$ 54,569	—	\$ 54,569	—	—	—	—	—	\$ 54,569	
397	Energy – Water DAC Grant Program	\$ 938,985	—	—	—	—	—	—	\$ 938,985	\$ 938,985	
477	LESJWA Administration	\$ 177,264	\$ 10,000	—	—	—	—	—	\$ 167,264	\$ 177,264	
504	Prop 84 Drought Projects	\$ 2,229,502	—	—	—	—	—	—	\$ 2,229,502	\$ 2,229,502	
\$ 34,661,890			\$ 1,430,855	\$ 618,066	\$ 44,490	\$ 9,977,257	\$ 15,226,685	\$ 2,747,287	\$ 4,388,320	\$34,432,960	
PASS-THROUGH											
504	Prop 84 Capital Projects	\$ 10,885,180	—	—	—	—	—	—	\$ 10,885,180	\$ 10,885,180	
Total		\$ 45,547,070									\$ 45,318,140

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Source of Funds FYE 2016 \$34,432,960



Use of Funds FYE 2016 \$34,661,890



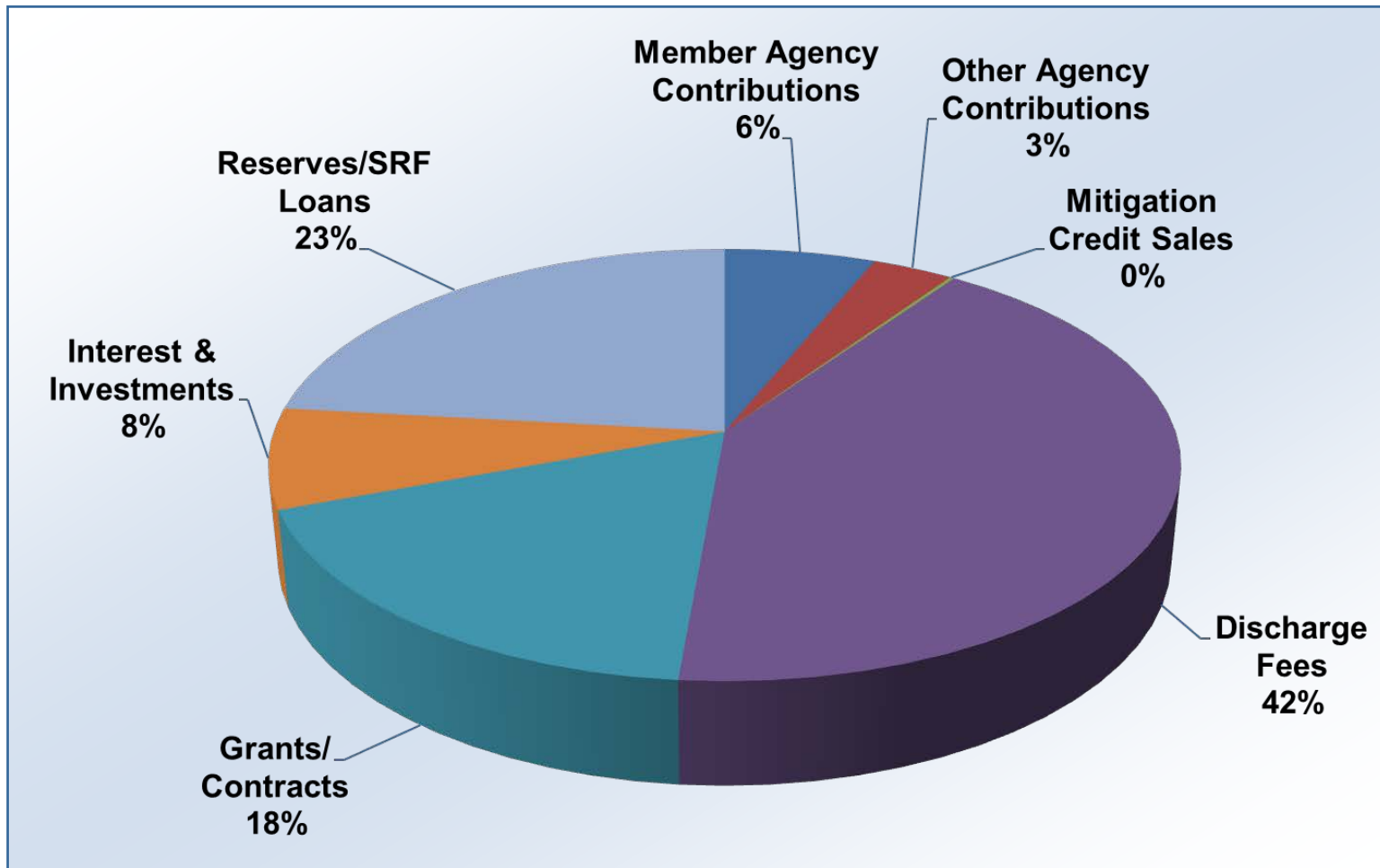
Sources and Uses of Funds

FYE 2017

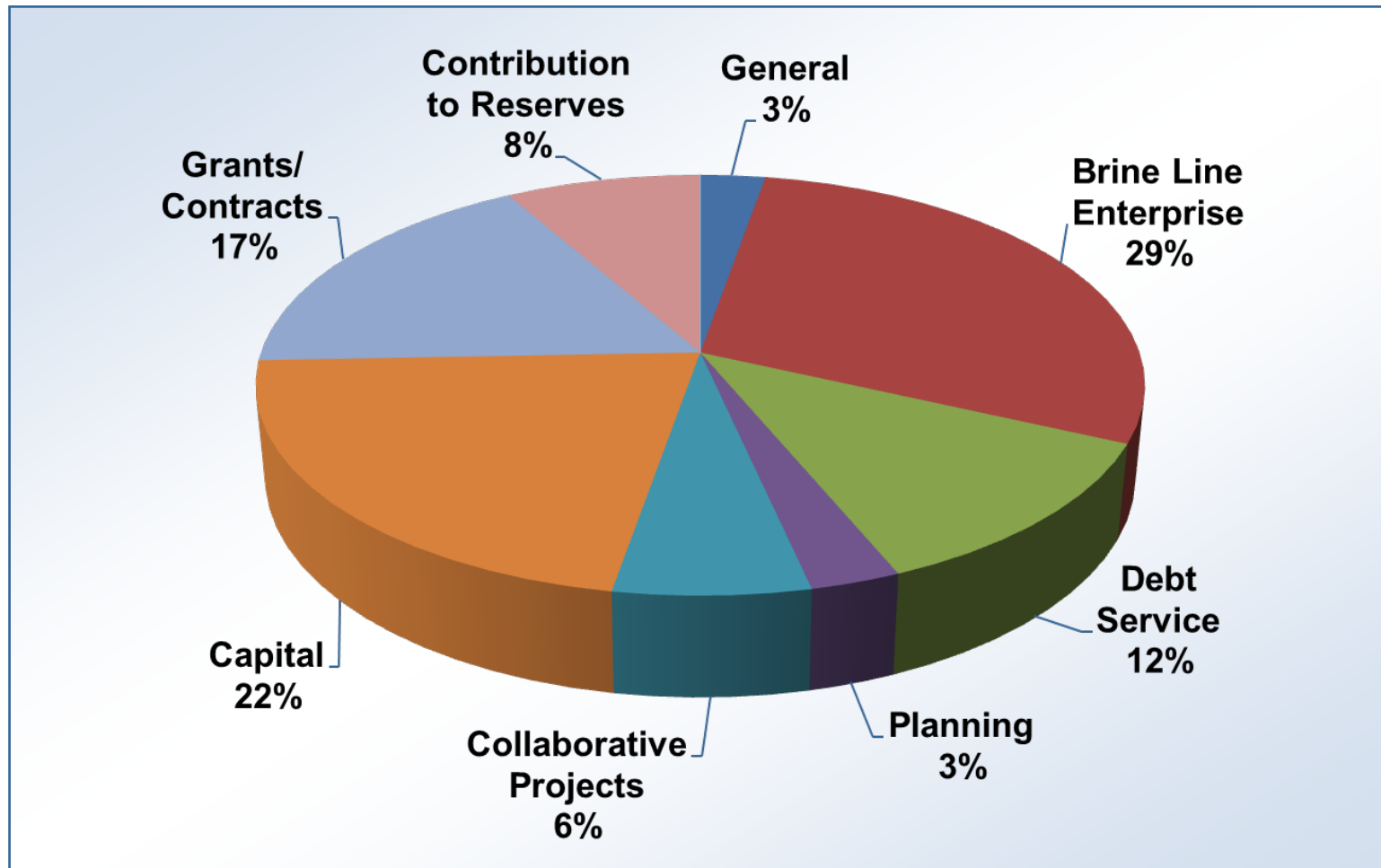
EXPENSES			REVENUES							
		Total	Member Contributions	Other Agency Contributions	Mitigation Credit Sales	Discharge Fees	Reserves/ SRF Loans	Interest & Investments	Grant/ Contracts	Total
100	General Fund	\$ 699,307	\$ 699,307	–	–	–	–	–	–	\$ 699,307
130	Prop 84 - R1 Program Management	\$ 104,102	–	–	–	–	–	–	\$ 104,102	\$ 104,102
135	Prop 84 - R2 Program Management	\$ 155,760	–	–	–	–	–	–	\$ 155,760	\$ 155,760
140	Prop 84 - Drought Program Management	\$ 204,932	–	–	–	–	–	–	\$ 204,932	\$ 204,932
145	Prop 84 – 2015 Program Management	\$ 597,429	–	–	–	–	–	–	\$ 597,429	\$ 597,429
240	Brine Line Enterprise	\$ 12,567,767	–	–	–	\$ 10,417,136	\$ 271,679	\$ 1,878,952	–	\$ 12,567,767
320	Brine Line Protection Project	\$ 2,324,996	–	–	–	–	\$ 2,324,996	–	–	\$ 2,324,996
326	Reach V Repairs	\$ 85,124	–	–	–	–	\$ 85,124	–	–	\$ 85,124
327	Reach IV-D Corrosion Repair	\$ 3,123,416	–	–	–	–	\$ 3,123,416	–	–	\$ 3,123,416
370	Basin Planning General	\$ 348,350	\$ 350,000	–	–	–	–	–	–	\$ 350,000
370	USBR Partnership Studies	\$ 69,853	\$ 20,000	–	–	–	–	–	\$ 50,000	\$ 70,000
372	Imported Water Recharge Workgroup	\$ 10,523	–	–	–	–	–	–	–	\$ –
373	Watershed Management (OWOW)	\$ 298,725	\$ 300,000	–	–	–	–	–	–	\$ 300,000
374	Basin Monitoring Program Task Force	\$ 739,511	\$ 94,572	\$ 300,579	–	–	–	–	–	\$ 395,151
381	SA River Fish Conservation	\$ 41,030	\$ 25,000	\$ 8,000	–	–	–	–	–	\$ 33,000
384	MSAR TMDL Task Force	\$ 354,456	–	\$ 340,000	–	–	–	–	–	\$ 340,000
386	Storm Water Quality Standards TF	\$ 149,546	\$ 50,000	\$ 100,000	–	–	–	–	–	\$ 150,000
387	Arundo Management & Habitat Restoration	\$ 180,687	–	–	\$ 44,490	–	–	–	–	\$ 44,490
392	Emerging Constituents Task Force	\$ 59,166	\$ 5,000	\$ 27,500	–	–	–	–	–	\$ 32,500
396	Forest First Task Force	\$ 56,227	–	\$ 56,227	–	–	–	–	–	\$ 56,227
397	Energy – Water DAC Grant Program	\$ 941,539	–	–	–	–	–	–	\$ 941,539	\$ 941,539
477	LESJWA Administration	\$ 181,782	\$ 10,000	–	–	–	–	–	\$ 171,782	\$ 181,782
504	Prop 84 Drought Projects	\$ 2,243,172	–	–	–	–	–	–	\$ 2,243,172	\$ 2,243,172
		\$ 25,537,400	\$ 1,553,879	\$ 832,306	\$ 44,490	\$ 10,417,136	\$ 5,805,215	\$ 1,878,952	\$ 4,468,716	\$25,000,694
PASS-THROUGH										
504	Prop 84 Capital Projects	\$ 6,381,306	–	–	–	–	–	–	\$ 6,381,306	\$ 6,381,306
	Total	\$ 31,918,706								
										\$ 31,382,000

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Source of Funds FYE 2017 \$25,000,694



Use of Funds FYE 2017 \$25,537,400



Line Item Detail by Fund Type
FYE 2016

EXPENSES								
Line Item Detail		Agency Wide Total	General Funds	Brine Line Enterprise Fund	Planning Funds	Collaborative Project Funds	Grant/Contract Funds	Capital Project Funds
51000	Salaries - Regular	\$ 3,135,315	\$ 1,453,592	\$ 800,427	\$ 207,728	\$ 82,221	\$ 419,310	\$ 172,037
52000	Benefits	\$ 1,312,333	\$ 608,422	\$ 335,032	\$ 86,948	\$ 34,415	\$ 175,507	\$ 72,009
53000	G&A Allocation	\$ —	\$ (2,676,922)	\$ 1,274,098	\$ 330,657	\$ 130,877	\$ 667,446	\$ 273,844
60111	Tuition Reimbursement	\$ 2,800	\$ 2,800	—	—	—	—	—
60112	Training	\$ 24,000	\$ 16,000	\$ 8,000	—	—	—	—
60113	Education	\$ 10,000	\$ 10,000	—	—	—	—	—
60114	Other Training & Education	\$ 27,500	\$ 27,500	—	—	—	—	—
60120	Audit Fees	\$ 25,100	\$ 25,100	—	—	—	—	—
60121	Consulting	\$ 5,358,007	\$ 172,500	\$ 300,000	\$ 20,000	\$ 708,900	\$ 3,011,607	\$ 1,145,000
60122	Cost of Funds	\$ —	—	—	—	—	—	—
60123	Public Outreach	\$ —	—	—	—	—	—	—
60124	Information - Stakeholder	\$ —	—	—	—	—	—	—
60125	CEQA	\$ —	—	—	—	—	—	—
60126	Temporary Services	\$ 5,000	\$ 5,000	—	—	—	—	—
60127	Studies	\$ 20,000	—	—	—	\$ 20,000	—	—
60128	Other Professional Services	\$ —	—	—	—	—	—	—
60129	Other Contract Services	\$ —	—	—	—	—	—	—
60130	Legal Fees	\$ 50,000	—	\$ 50,000	—	—	—	—
60132	Project Management Services	\$ —	—	—	—	—	—	—
60133	Employment Recruitment	\$ 5,000	\$ 5,000	—	—	—	—	—
60140	Treatment Costs	\$ 1,931,405	—	\$ 1,931,405	—	—	—	—
60141	Volumetric Costs	\$ 778,107	—	\$ 778,107	—	—	—	—
60143	Lab Costs	\$ 50,000	—	\$ 50,000	—	—	—	—
60144	Treatment Cost Other	\$ —	—	—	—	—	—	—
60145	Permit Fees	\$ 25,000	—	\$ 25,000	—	—	—	—
60148	Brine Line Operating Costs	\$ 150,000	—	\$ 150,000	—	—	—	—

Line Item Detail by Fund Type FYE 2016

EXPENSES								
Line Item Detail		Agency Wide Total	General Funds	Brine Line Enterprise Fund	Planning Funds	Collaborative Project Funds	Grant/Contract Funds	Capital Project Funds
60149	Permitting/Pre-Treatment Activities	\$ 85,000	–	\$ 85,000	–	–	–	–
60150	Facility Rent	\$ –	–	–	–	–	–	–
60151	Operations Labor	\$ –	–	–	–	–	–	–
60152	Maintenance Labor	\$ 60,000	–	\$ 60,000	–	–	–	–
60153	Materials & Supplies	\$ 32,100	\$ 2,000	\$ 30,000	–	\$ 100	–	–
60154	Safety	\$ 11,200	\$ 6,700	\$ 4,500	–	–	–	–
60165	Uniforms	\$ –	–	–	–	–	–	–
60155	Security	\$ 5,750	\$ 5,750	–	–	–	–	–
60156	Custodial Contract Services	\$ 36,900	\$ 36,900	–	–	–	–	–
60157	Landscaping Maintenance	\$ 29,000	\$ 29,000	–	–	–	–	–
60158	HVAC	\$ 8,000	\$ 8,000	–	–	–	–	–
60159	Facility Repair & Maintenance	\$ 874,450	\$ 24,450	\$ 850,000	–	–	–	–
60160	Telephone	\$ 18,000	\$ 18,000	–	–	–	–	–
60161	Cellular/Paging Services	\$ 24,000	\$ 18,500	\$ 5,500	–	–	–	–
60163	Electricity	\$ 29,500	\$ 26,500	\$ 3,000	–	–	–	–
60164	Water Services	\$ 6,000	\$ 6,000	–	–	–	–	–
60170	Equipment Expensed	\$ 42,500	\$ 15,000	\$ 27,500	–	–	–	–
60171	Equipment Rented	\$ 57,360	\$ 44,860	\$ 12,500	–	–	–	–
60172	Equipment Repair/Maintenance	\$ 7,500	\$ 5,000	\$ 2,500	–	–	–	–
60180	Computer Hardware	\$ 65,400	\$ 25,400	\$ 40,000	–	–	–	–
60181	Software	\$ 129,500	\$ 101,500	\$ 28,000	–	–	–	–
60182	Internet Services	\$ 15,600	\$ 15,600	–	–	–	–	–
60183	Computer Supplies	\$ 12,500	\$ 11,500	\$ 1,000	–	–	–	–
60184	Computer Repair/Maintenance	\$ 3,750	\$ 3,750	–	–	–	–	–
60190	Offsite Meeting/Travel Expense	\$ 29,200	\$ 13,200	\$ 2,500	\$ 2,350	\$ 400	\$ 9,750	\$ 1,000
60191	In House Meetings	\$ 6,900	\$ 5,650	\$ 1,000	\$ 50	\$ 200	–	–

Line Item Detail by Fund Type FYE 2016

EXPENSES								
Line Item Detail		Agency Wide Total	General Funds	Brine Line Enterprise Fund	Planning Funds	Collaborative Project Funds	Grant/Contract Funds	Capital Project Funds
60192	Conference Expense	\$ 65,500	\$ 55,500	\$ 3,500	\$ 6,500	–	–	–
60193	Car, Repair, Maintenance	\$ 40,000	–	\$ 40,000	–	–	–	–
60200	Dues	\$ 66,200	\$ 56,200	–	–	–	\$ 10,000	–
60201	JPA Membership Dues	\$ –	–	–	–	–	–	–
60202	Subscriptions	\$ 23,550	\$ 22,250	\$ 1,000	\$ 300	–	–	–
60203	Contributions	\$ 23,700	\$ 13,700	–	\$ 10,000	–	–	–
60210	Bank Charges	\$ 2,200	–	\$ 2,200	–	–	–	–
60211	Shipping/Postage	\$ 7,900	\$ 3,000	\$ 500	\$ 250	\$ 100	\$ 4,050	–
60212	Office Supplies	\$ 16,150	\$ 15,000	\$ 1,000	\$ 100	–	\$ 50	–
60213	Offsite Storage	\$ 7,000	\$ 7,000	–	–	–	–	–
60220	Commission Fees	\$ 46,346	\$ 46,346	–	–	–	–	–
60221	Commission Mileage Reimbursement	\$ 5,211	\$ 5,211	–	–	–	–	–
60222	Other Commission Expense	\$ 5,000	\$ 5,000	–	–	–	–	–
60230	Other Expense	\$ 44,150	\$ 10,100	\$ 10,000	\$ 2,400	50	\$ 100	\$ 21,500
60300	Contingency	\$ 25,000	\$ 10,100	–	–	–	–	–
60500	Program Expense	\$ 500	–	–	–	–	\$ 500	–
6210	Engineering	\$ 575,000	–	–	–	–	–	\$ 575,000
6212	Environmental	\$ –	–	–	–	–	–	–
6310	Construction	\$ 12,725,000	–	–	–	\$ 150,000	–	\$ 12,575,000
13005	Fixed Assets	\$ 12,500	\$ 12,500	–	–	–	–	–
80000	Building Repair/Replacement Reserve	\$ 100,000	\$ 100,000	–	–	–	–	–
80000	Retiree Medical Reserve	\$ 118,735	\$ 118,735	–	–	–	–	–
80001	Insurance Expense	\$ 192,213	\$ 50,000	\$ 142,213	–	–	–	–
80000	Pipeline Repair / Replacement	\$ 1,000,000	–	\$ 1,000,000	–	–	–	–
80000	OCSD Rehabilitation Reserve	\$ 500,000	–	\$ 500,000	–	–	–	–
80000	Self-Insurance Fund	\$ 100,000	–	\$ 100,000	–	–	–	–

Line Item Detail by Fund Type FYE 2016

EXPENSES							
Line Item Detail		Agency Wide Total	General Funds	Brine Line Enterprise Fund	Planning Funds	Collaborative Project Funds	Capital Project Funds
80000	Capacity Management Reserve	\$ -	-	-	-	-	-
80000	Debt Service Reserve	\$ 494,560	-	\$ 494,560	-	-	-
80000	Operating Reserve	\$ -	-	-	-	-	-
82002	Interest Expense	\$ -	-	-	-	-	-
20721	Debt Service	\$ 3,965,797	-	\$ 3,965,797	-	-	-
	Environmental Cleanup	\$ -	-	-	-	-	-
91000	Operating Transfers	\$ -	-	-	-	-	-
93000	Gain/Loss on Sale of Asset	\$ -	-	-	-	-	-
Sub-total		\$ 34,661,890	\$ 617,795	\$ 13,115,839	\$ 667,283	\$ 1,127,263	\$ 4,298,320

PASS-THROUGH

504	Prop 84 Capital Projects	\$ 10,885,180					
	Total	\$ 45,547,070					

Line Item Detail by Fund Type FYE 2017

EXPENSES								
Line Item Detail		Agency Wide Total	General Funds	Brine Line Enterprise Fund	Planning Funds	Collaborative Project Funds	Grant/Contract Funds	Capital Project Funds
51000	Salaries - Regular	\$ 3,323,389	\$ 1,543,505	\$ 902,634	\$ 210,954	\$ 74,182	\$ 460,650	\$ 131,464
52000	Benefits	\$ 1,441,728	\$ 669,592	\$ 391,574	\$ 91,515	\$ 32,181	\$ 199,835	\$ 57,031
53000	G&A Allocation	\$ –	\$ (2,809,885)	\$ 1,424,978	\$ 333,032	\$ 117,110	\$ 727,224	\$ 207,541
60111	Tuition Reimbursement	\$ 2,800	\$ 2,800	–	–	–	–	–
60112	Training	\$ 24,800	\$ 16,000	\$ 8,000	–	–	–	–
60113	Education	\$ 10,000	\$ 10,000	–	–	–	–	–
60114	Other Training & Education	\$ 27,500	\$ 27,500	–	–	–	–	–
60120	Audit Fees	\$ 36,500	\$ 36,500	–	–	–	–	–
60121	Consulting	\$ 4,721,507	\$ 163,500	\$ 280,000	\$ 70,000	\$ 1,196,400	\$ 3,011,607	–
60122	Cost of Funds	\$ –	–	–	–	–	–	–
60123	Public Outreach	\$ –	–	–	–	–	–	–
60124	Information - Stakeholder	\$ –	–	–	–	–	–	–
60125	CEQA	\$ –	–	–	–	–	–	–
60126	Temporary Services	\$ 5,000	\$ 5,000	–	–	–	–	–
60127	Studies	\$ 5,000	–	–	–	\$ 5,000	–	–
60128	Other Professional Services	\$ –	–	–	–	–	–	–
60129	Other Contract Services	\$ –	–	–	–	–	–	–
60130	Legal Fees	\$ 55,000	–	\$ 55,000	–	–	–	–
60132	Project Management Services	\$ 250,000	–	–	–	–	–	\$ 250,000
60133	Employment Recruitment	\$ 5,000	\$ 5,000	–	–	–	–	–
60140	Treatment Costs	\$ 1,972,250	–	\$ 1,972,250	–	–	–	–
60141	Volumetric Costs	\$ 794,751	–	\$ 794,751	–	–	–	–
60143	Lab Costs	\$ 53,000	–	\$ 53,000	–	–	–	–
60144	Treatment Cost Other	\$ –	–	–	–	–	–	–
60145	Permit Fees	\$ 52,500	–	\$ 27,000	–	–	–	\$ 25,000
60148	Brine Line Operating Costs	\$ 150,000	–	\$ 150,000	–	–	–	–

Line Item Detail by Fund Type
FYE 2017

EXPENSES								
Line Item Detail		Agency Wide Total	General Funds	Brine Line Enterprise Fund	Planning Funds	Collaborative Project Funds	Grant/Contract Funds	Capital Project Funds
60149	Permitting/Pre-Treatment Activities	\$ 50,000	–	\$ 50,000	–	–	–	–
60150	Facility Rent	\$ –	–	–	–	–	–	–
60151	Operations Labor	\$ –	–	–	–	–	–	–
60152	Maintenance Labor	\$ 60,000	–	\$ 60,000	–	–	–	–
60153	Materials & Supplies	\$ 39,000	\$ 2,000	\$ 32,000	–	\$ 5,000	–	–
60154	Safety	\$ 10,500	\$ 5,500	\$ 5,000	–	–	–	–
60165	Uniforms	\$ –	–	–	–	–	–	–
60155	Security	\$ 5,775	\$ 5,775	–	–	–	–	–
60156	Custodial Contract Services	\$ 38,460	\$ 38,460	–	–	–	–	–
60157	Landscaping Maintenance	\$ 30,500	\$ 30,500	–	–	–	–	–
60158	HVAC	\$ 8,000	\$ 8,000	–	–	–	–	–
60159	Facility Repair & Maintenance	\$ 903,350	\$ 48,350	\$ 855,000	–	–	–	–
60160	Telephone	\$ 18,000	\$ 18,000	–	–	–	–	–
60161	Cellular/Paging Services	\$ 24,500	\$ 18,500	\$ 6,000	–	–	–	–
60163	Electricity	\$ 31,500	\$ 28,000	\$ 3,500	–	–	–	–
60164	Water Services	\$ 6,500	\$ 6,500	–	–	–	–	–
60170	Equipment Expensed	\$ 30,000	\$ 16,500	\$ 13,500	–	–	–	–
60171	Equipment Rented	\$ 60,360	\$ 45,360	\$ 15,000	–	–	–	–
60172	Equipment Repair/Maintenance	\$ 8,000	\$ 5,000	\$ 3,000	–	–	–	–
60180	Computer Hardware	\$ 40,100	\$ 12,600	\$ 27,500	–	–	–	–
60181	Software	\$ 132,300	\$ 101,500	\$ 30,800	–	–	–	–
60182	Internet Services	\$ 16,000	\$ 16,000	–	–	–	–	–
60183	Computer Supplies	\$ 13,250	\$ 12,000	\$ 1,250	–	–	–	–
60184	Computer Repair/Maintenance	\$ 3,750	\$ 3,750	–	–	–	–	–
60190	Offsite Meeting/Travel Expense	\$ 33,700	\$ 13,200	\$ 3,000	\$ 2,350	\$ 400	\$ 9,750	\$ 5,000
60191	In House Meetings	\$ 7,150	\$ 5,650	\$ 1,250	\$ 50	\$ 200	–	–

Line Item Detail by Fund Type FYE 2017

EXPENSES								
Line Item Detail		Agency Wide Total	General Funds	Brine Line Enterprise Fund	Planning Funds	Collaborative Project Funds	Grant/Contract Funds	Capital Project Funds
60192	Conference Expense	\$ 66,000	\$ 55,500	\$ 4,000	\$ 6,500	–	–	–
60193	Car, Repair, Maintenance	\$ 45,000	–	\$ 45,000	–	–	–	–
60200	Dues	\$ 67,700	\$ 57,700	–	–	–	\$ 10,000	–
60201	JPA Membership Dues	\$ –	–	–	–	–	–	–
60202	Subscriptions	\$ 23,800	\$ 22,250	\$ 1,250	\$ 300	–	–	–
60203	Contributions	\$ 23,600	\$ 13,600	–	\$ 10,000	–	–	–
60210	Bank Charges	\$ 2,200	–	\$ 2,200	–	–	–	–
60211	Shipping/Postage	\$ 12,950	\$ 8,000	\$ 500	\$ 250	\$ 150	\$ 4,050	–
60212	Office Supplies	\$ 26,100	\$ 20,000	\$ 1,000	\$ 100	–	\$ 5,000	–
60213	Offsite Storage	\$ 7,000	\$ 7,000	–	–	–	–	–
60220	Commission Fees	\$ 48,663	\$ 48,663	–	–	–	–	–
60221	Commission Mileage Reimbursement	\$ 5,257	\$ 5,257	–	–	–	–	–
60222	Other Commission Expense	\$ 5,000	\$ 5,000	–	–	–	–	–
60230	Other Expense	\$ 45,100	\$ 10,100	\$ 12,500	\$ 2,400	–	\$ 100	\$ 20,000
60300	Contingency	\$ 25,000	\$ 25,000	–	–	–	–	–
60500	Program Expense	\$ 500	–	–	–	–	\$ 500	–
6210	Engineering	\$ 237,500	–	–	–	–	–	\$ 237,500
6212	Environmental	\$ –	–	–	–	–	–	–
6310	Construction	\$ 4,750,000	–	–	–	\$ 150,000	–	\$ 4,600,000
13005	Fixed Assets	\$ 80,000	\$ 25,000	\$ 55,000	–	–	–	–
80000	Building Repair/Replacement Reserve	\$ 100,000	\$ 100,000	–	–	–	–	–
80000	Retiree Medical Reserve	\$ 130,580	\$ 130,580	–	–	–	–	–
80001	Insurance Expense	\$ 197,213	\$ 55,000	\$ 142,213	–	–	–	–
81006	Pipeline Repair / Replacement	\$ 1,000,000	–	\$ 1,000,000	–	–	–	–
80000	OCSD Rehabilitation Reserve	\$ 500,000	–	\$ 500,000	–	–	–	–
80000	Self-Insurance Fund	\$ 100,000	–	\$ 100,000	–	–	–	–

Line Item Detail by Fund Type FYE 2017

EXPENSES								
Line Item Detail		Agency Wide Total	General Funds	Brine Line Enterprise Fund	Planning Funds	Collaborative Project Funds	Grant/Contract Funds	Capital Project Funds
80000	Capacity Management Reserve	\$ -	-	-	-	-	-	-
80000	Debt Service	\$ 508,229	-	\$ 508,229	-	-	-	-
80000	Operating Reserve	\$ -	-	-	-	-	-	-
82002	Interest Expense	\$ -	-	-	-	-	-	-
20721	Debt Service Reserve	\$ 3,028,589	-	\$ 3,028,589	-	-	-	-
	Environmental Cleanup	\$ -	-	-	-	-	-	-
91000	Operating Transfers	\$ -	-	-	-	-	-	-
93000	Gain/Loss on Sale of Asset	\$ -	-	-	-	-	-	-
Sub-total		\$ 25,537,400	\$ 699,307	\$ 12,567,767	\$ 727,451	\$ 1,580,623	\$ 4,428,716	\$ 5,533,536

PASS-THROUGH

504	Prop 84 Capital Projects	\$ 6,381,306						
	Total	\$ 31,918,706						

Cash Flow 2016

		<i>Fiscal Year 2015-16</i>						
	BALANCE @ June 2015	Revenues	Interest	Expenses	Reserves	Debt Service		BALANCE @ June 2016
General Fund	\$ 1,411,742	\$ 617,795	\$ —	\$ 617,795	\$ —	\$ —		\$ 1,411,742
Planning	\$ 136,313	\$ 660,000	\$ —	\$ 667,283	\$ —	\$ —		\$ 129,031
Collaborative Projects	\$ 1,666,115	\$ 905,616	\$ —	\$ 1,127,263	\$ —	\$ —		\$ 1,444,468
Grant Retention	\$ 44,760	\$ —	\$ —	\$ —	\$ —	\$ —		\$ 44,760
Brine Line Enterprise								
Self Insurance Reserve	\$ 3,602,329	\$ 100,000	\$ —	\$ —	\$ —	\$ —		\$ 3,702,329
Debt Retirement Reserve	\$ 7,650,026	\$ 3,838,282	\$ 127,515	\$ —	\$ 391,295	\$ 3,965,797		\$ 7,258,731
Pipeline Repair/Replacement	\$ 21,548,949	\$ 1,000,000	\$ —	\$ 4,835,390	\$ —	\$ —		\$ 17,713,559
OCSD Rehabilitation Reserve	\$ 6,421,184	\$ 500,000	\$ —	\$ —	\$ —	\$ —		\$ 6,921,184
OCSD Future Capacity Reserve	\$ 1,704,265	\$ —	\$ —	\$ —	\$ —	\$ —		\$ 1,704,265
Capacity Management Reserve	\$ 5,976,397	\$ —	\$ —	\$ —	\$ —	\$ —		\$ 5,976,397
Flow Imbalance Reserve	\$ 77,353	\$ —	\$ —	\$ —	\$ —	\$ —		\$ 77,353
Brine Line Operating Reserve	\$ 3,436,816	\$ 9,977,257	\$ —	\$ 7,055,482	\$ 2,094,560	\$ 827,215		\$ 3,436,816
Brine Line Enterprise	\$ 50,417,319	\$ 15,415,539	\$ 127,515	\$ 11,890,872	\$ 2,485,855	\$ 4,793,012		\$ 46,790,634
Legal Defense Fund	\$ 444,353	\$ —	\$ —	\$ —	\$ —	\$ —		\$ 444,353
TOTALS	\$ 54,120,602	\$ 17,598,950	\$ 127,515	\$ 14,303,213	\$ 2,485,855	\$ 4,793,012		\$ 50,264,988

Cash Flow 2016

Investments & Cash:		
	Actual 6/30/15	Projected 6/30/16
T-Strips	\$4,425,066	\$2,601,066
LAIF Balance	39,320,037	36,024,809
Securities - (Incl Disc/Prem)	4,061,262	5,000,000
Certificates of Deposit	2,738,894	3,000,000
Savings Account - EPA Legal	444,353	444,353
CalTRUST Investments	2,135,939	2,150,000
Grant Retention	44,760	44,760
Checking Accounts	950,291	1,000,000
	\$ 54,120,602	\$ 50,264,988

Cash Flow 2017

		Fiscal Year 2016-17						
	BALANCE @ June 2016	Revenues	Interest	Expenses	Reserves	Debt Service	BALANCE @ June 2017	
General Fund	\$ 1,411,742	\$ 699,307	\$ —	\$ 699,307	\$ —	\$ —	\$ 1,411,742	
Planning	\$ 129,031	\$ 720,000	\$ —	\$ 727,451	\$ —	\$ —	\$ 121,580	
Collaborative Projects	\$ 1,444,468	\$ 1,051,368	\$ —	\$ 1,580,623	\$ —	\$ —	\$ 915,213	
Grant Retention	\$ 44,760	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 44,760	
Brine Line Enterprise								
Self Insurance Reserve	\$ 3,702,329	\$ 100,000	\$ —	\$ —	\$ —	\$ —	\$ 3,802,329	
Debt Retirement Reserve	\$ 7,258,731	\$ 2,894,408	\$ 134,180	\$ —	\$ 271,679	\$ 3,028,588	\$ 6,987,052	
Pipeline Repair/Replacement	\$ 17,713,559	\$ 1,000,000	\$ —	\$ 5,533,536	\$ —	\$ —	\$ 13,180,023	
OCSD Rehabilitation Reserve	\$ 6,921,184	\$ 500,000	\$ —	\$ —	\$ —	\$ —	\$ 7,421,184	
OCSD Future Capacity Reserve	\$ 1,704,265	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,704,265	
Capacity Management Reserve	\$ 5,976,397	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 5,976,397	
Flow Imbalance Reserve	\$ 77,353	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 77,353	
Brine Line Operating Cash	\$ 3,436,816	\$ 10,417,137	\$ —	\$ 7,430,950	\$ 2,108,229	\$ 877,958	\$ 3,436,816	
Brine Line Enterprise	\$ 46,790,634	\$ 14,911,545	\$ 134,180	\$ 12,964,485	\$ 2,379,908	\$ 3,906,546	\$ 42,585,419	
Legal Defense Fund	\$ 444,353	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 444,353	
TOTALS	\$ 50,264,988	\$ 17,382,220	\$ 134,180	\$ 15,971,867	\$ 2,379,908	\$ 3,906,546	\$ 45,523,067	

Cash Flow 2017

Investments & Cash:		
	Projected 6/30/16	Projected 6/30/17
T-Strips	\$2,601,066	\$1,652,066
LAIF Balance	36,024,809	32,231,888
Securities - (Incl Disc/Prem)	5,000,000	5,000,000
Certificates of Deposit	3,000,000	3,000,000
Savings Account - EPA Legal	444,353	444,353
CalTRUST Investments	2,150,000	2,150,000
Grant Retention	44,760	44,760
Checking Accounts	1,000,000	1,000,000
	\$ 50,264,988	\$ 45,523,067

SUMMARY OF LABOR MULTIPLIERS

		FYE 2016	FYE 2017
		Benefits Rate	Benefits Rate
Total Employee Benefits	\$ 1,312,333	0.419	\$ 1,441,728
Total Payroll	3,135,315		3,323,389
Gross G&A Costs		3,061,922	3,259,885
<i>Less: Member Contributions</i>		<i>(385,000)</i>	<i>(450,000)</i>
G&A Costs for Distribution	\$ 2,676,922		\$ 2,809,885
		G&A Rate	G&A Rate
Direct Labor Charged	1,681,724	1.592	1,779,885
G&A Costs	2,676,922		2,809,885
Budgeted Labor Multiplier		2.011	2.013

	Actual	Budgeted
FY 2014-15 Labor Multiplier	2.176	2.028
FY 2013-14 Labor Multiplier	2.105	2.028
FY 2012-13 Labor Multiplier	2.085	2.031

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**FYE 2016
GENERAL FUND COSTS
(to be Distributed)**

G/L Acct.	Description	Budget	G/L Acct.	Description	Budget
51000	Salaries - Regular	\$ 1,385,251	60171	Equipment Rented	\$ 44,860
52000	Benefits	\$ 579,818	60172	Equipment Repair/Maintenance	\$ 5,000
60111	Tuition Reimbursement	\$ 2,800	60180	Computer Hardware	\$ 25,400
60112	Training	\$ 16,000	60181	Software/Updates/Licensing	\$ 101,500
60113	Education	\$ 10,000	60182	Internet Services	\$ 15,600
60114	Other Training & Education	\$ 27,500	60183	Computer Supplies	\$ 11,500
60120	Audit Fees	\$ 25,100	60184	Computer Repair/Maintenance	\$ 3,750
60121	Consulting - IT	\$ 57,500	60190	Offsite Meeting/Travel Expense	\$ 700
60126	Temporary Services	\$ 5,000	60191	In House Meetings	\$ 5,500
60128	Other Professional Services	\$ —	60192	Conference Expense	\$ 48,000
60129	Other Contract Services	\$ —	60200	Dues	\$ 56,200
60130	Legal Fees	\$ —	60202	Subscriptions	\$ 21,750
60133	Employment Recruitment	\$ 5,000	60203	Contributions	\$ 13,600
60153	Materials & Supplies	\$ 2,000	60211	Shipping/Postage	\$ 3,000
60154	Safety	\$ 6,700	60212	Office Supplies	\$ 15,000
60155	Security	\$ 5,750	60213	Offsite Storage	\$ 7,000
60156	Custodial Contract Services	\$ 36,900	60220	Commission Fees	\$ 46,346
60157	Landscaping Maintenance	\$ 29,000	60221	Commission Mileage Reimb.	\$ 5,211
60158	HVAC	\$ 8,000	60222	Other Commission Expense	\$ 5,000
60159	Facility Repair & Maintenance	\$ 24,450	60230	Other Expense	\$ 10,000
60160	Telephone	\$ 18,000	80000	Post Retirement Benefit	\$ 118,735
60161	Cellular / Paging Services	\$ 18,500	80001	Insurance Expense	\$ 50,000
60163	Electricity	\$ 26,500	80000	Building Repair/Replacement Reserve	\$ 100,000
60164	Water Services	\$ 6,000	13005	Fixed Assets	\$ 12,500
60170	Equipment Expensed	\$ 15,000	80000	Reserves/Contingency	\$ 25,000
<i>(Continued – next column)</i>					

<i>Total General Fund Costs</i>	\$ 3,061,922
<i>Less Interest</i>	\$ —
<i>Net General Fund Costs</i>	<u>\$ 3,061,922</u>

**FYE 2017
GENERAL FUND COSTS
(to be Distributed)**

G/L Acct.	Description	Budget	G/L Acct.	Description	Budget
51000	Salaries - Regular	\$ 1,471,280	60171	Equipment Rented	\$ 45,360
52000	Benefits	\$ 638,260	60172	Equipment Repair/Maintenance	\$ 5,000
60111	Tuition Reimbursement	\$ 2,800	60180	Computer Hardware	\$ 12,600
60112	Training	\$ 16,000	60181	Software/Updates/Licensing	\$ 101,500
60113	Education	\$ 10,000	60182	Internet Services	\$ 16,000
60114	Other Training & Education	\$ 27,500	60183	Computer Supplies	\$ 12,000
60120	Audit Fees	\$ 36,500	60184	Computer Repair/Maintenance	\$ 3,750
60121	Consulting - IT	\$ 48,500	60190	Offsite Meeting/Travel Expense	\$ 700
60126	Temporary Services	\$ 5,000	60191	In House Meetings	\$ 5,500
60128	Other Professional Services	\$ —	60192	Conference Expense	\$ 48,000
60129	Other Contract Services	\$ —	60200	Dues	\$ 57,700
60130	Legal Fees	\$ —	60202	Subscriptions	\$ 21,750
60133	Employment Recruitment	\$ 5,000	60203	Contributions	\$ 13,600
60153	Materials & Supplies	\$ 2,000	60211	Shipping/Postage	\$ 3,000
60154	Safety	\$ 5,500	60212	Office Supplies	\$ 15,000
60155	Security	\$ 5,775	60213	Offsite Storage	\$ 7,000
60156	Custodial Contract Services	\$ 38,460	60220	Commission Fees	\$ 48,663
60157	Landscaping Maintenance	\$ 30,500	60221	Commission Mileage Reimb.	\$ 5,257
60158	HVAC	\$ 8,000	60222	Other Commission Expense	\$ 5,000
60159	Facility Repair & Maintenance	\$ 48,350	60230	Other Expense	\$ 10,000
60160	Telephone	\$ 18,000	80000	Post Retirement Benefits	\$ 130,580
60161	Cellular / Paging Services	\$ 18,500	80001	Insurance Expense	\$ 55,000
60163	Electricity	\$ 28,000	80000	Building Repair/Replacement Reserve	\$ 100,000
60164	Water Services	\$ 6,500	13005	Fixed Assets	\$ 25,000
60170	Equipment Expensed	\$ 16,500	8000	Reserves/Contingency	\$ 25,000
<i>(Continued – next column)</i>					

<i>Total General Fund Costs</i>	\$ 3,259,885
<i>Less Interest</i>	\$ —
<i>Net General Fund Costs</i>	<u>\$ 3,259,885</u>

BENEFITS SUMMARY

(Distributed based on Actual Labor)

G/L Acct.	Description	Adopted FYE 2015	Budgeted FYE 2016	Budgeted FYE 2017
70101	FICA	\$ 156,735	\$ 164,717	\$ 170,703
70102	Medicare	\$ 42,607	\$ 45,897	\$ 48,624
70103	State Unemployment Insurance	\$ 6,860	\$ 6,300	\$ 7,350
70104	Worker's Compensation Insurance	\$ 67,425	\$ 55,513	\$ 77,788
70105	State Disability Insurance	\$ 26,907	\$ 21,764	\$ 22,721
70106	PERS Pension Plan - Employer	\$ 368,538	\$ 370,662	\$ 416,645
70106	PERS Pension Plan - Employee **	\$ 199,983	\$ 187,274	\$ 198,696
70111	Medical Insurance	\$ 353,616	\$ 363,995	\$ 392,150
70112	Dental Insurance	\$ 31,746	\$ 28,554	\$ 31,075
70113	Vision Insurance	\$ 6,348	\$ 7,299	\$ 7,800
70114	Life Insurance	\$ 15,754	\$ 12,092	\$ 16,513
70115	Long Term Disability Insurance	\$ 24,281	\$ 15,017	\$ 18,412
70116	Wellness Program	\$ 3,000	\$ 3,250	\$ 3,250
70120	Car Allowance	\$ 30,000	\$ 30,000	\$ 30,000
Total Benefits		\$ 1,333,800	\$ 1,312,333	\$ 1,441,728
Total Payroll		\$ 2,908,720	\$ 3,135,315	\$ 3,323,389
Benefits Rate		45.9%	41.9%	43.4%

**** Benefit Paid by SAWPA**

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MEMBER CONTRIBUTION

Summary Schedule

Member Agency Contributions		Adopted FYE 2015	Budgeted FYE 2016	Budgeted FYE 2017
Exempt from G&A Costs	Funds			
General Fund	100-00	\$ 680,000	\$ 385,000	\$ 450,000
State Lobbying	100-03	\$ 235,768	\$ 212,203	\$ 223,005
Federal Lobbying	100-04	\$ 27,182	\$ 20,592	\$ 26,302
		\$ 942,950	\$ 617,795	\$ 699,306
Planning Projects				
Basin Planning General	370-01	\$ 357,500	\$ 340,000	\$ 350,000
USBR Partnership Studies	370-02	\$ 20,000	\$ 20,000	\$ 20,000
Watershed Management (OWOW)	373	\$ 305,000	\$ 300,000	\$ 300,000
SA River Fish Conservation	381	\$ 10,000	\$ 10,000	\$ 10,000
Storm Water Quality Standards Task Force	386	\$ 50,000	\$ 50,000	\$ 50,000
LESJWA Administration	477	\$ 10,000	\$ 10,000	\$ 10,000
		\$ 752,500	\$ 730,000	\$ 740,000
Total Member Agency Contributions		\$ 1,695,450	\$ 1,347,795	\$ 1,439,306
Per Member Agency		\$ 339,090	\$ 269,559	\$ 287,861

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MEMBER CONTRIBUTION

by Agency

FYE 2016

ACTIVITY	TOTAL	IEUA	EMWD	OCWD	SBVMWD	WMWD
370 Basin Planning General	\$340,000	\$68,000	\$68,000	\$68,000	\$68,000	\$68,000
370 USBR Partnership Studies	20,000	4,000	4,000	4,000	4,000	4,000
373 Watershed Management (OWOW)	300,000	60,000	60,000	60,000	60,000	60,000
381 SA River Fish Conservation	10,000	2,000	2,000	2,000	2,000	2,000
386 Storm Water Quality Standards TF	50,000	10,000	10,000	10,000	10,000	10,000
477 LESJWA Administration	10,000	2,000	2,000	2,000	2,000	2,000
<i>Subtotal (Planning)</i>	<i>730,000</i>	<i>146,000</i>	<i>146,000</i>	<i>146,000</i>	<i>146,000</i>	<i>146,000</i>

State/Federal Lobbying	232,795	46,559	46,559	46,559	46,559	46,559
Commission/General Fund	385,000	77,000	77,000	77,000	77,000	77,000
<i>Subtotal (Administration)</i>	<i>617,795</i>	<i>123,559</i>	<i>123,559</i>	<i>123,559</i>	<i>123,559</i>	<i>123,559</i>

<i>Member Agency Contributions</i>	<i>\$1,347,795</i>	<i>\$269,559</i>	<i>\$269,559</i>	<i>\$269,559</i>	<i>\$269,559</i>	<i>\$269,559</i>
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MEMBER CONTRIBUTION

by Agency

FYE 2017

ACTIVITY	TOTAL	IEUA	EMWD	OCWD	SBVMWD	WMWD
370 Basin Planning General	\$350,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000
370 USBR Partnership Studies	20,000	4,000	4,000	4,000	4,000	4,000
373 Watershed Management (OWOW)	300,000	60,000	60,000	60,000	60,000	60,000
381 SA River Fish Conservation	10,000	2,000	2,000	2,000	2,000	2,000
386 Storm Water Quality Standards TF	50,000	10,000	10,000	10,000	10,000	10,000
477 LESJWA Administration	10,000	2,000	2,000	2,000	2,000	2,000
<i>Subtotal (Planning)</i>	<i>740,000</i>	<i>148,000</i>	<i>148,000</i>	<i>148,000</i>	<i>148,000</i>	<i>148,000</i>

State/Federal Lobbying	249,306	49,861	49,861	49,861	49,861	49,861
Commission/General Fund	450,000	90,000	90,000	90,000	90,000	90,000
<i>Subtotal (Administration)</i>	<i>699,306</i>	<i>139,861</i>	<i>139,861</i>	<i>139,861</i>	<i>139,861</i>	<i>139,861</i>

<i>Member Agency Contributions</i>	<i>\$1,439,306</i>	<i>\$287,861</i>	<i>\$287,861</i>	<i>\$287,861</i>	<i>\$287,861</i>	<i>\$287,861</i>
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Section 5

Revenues

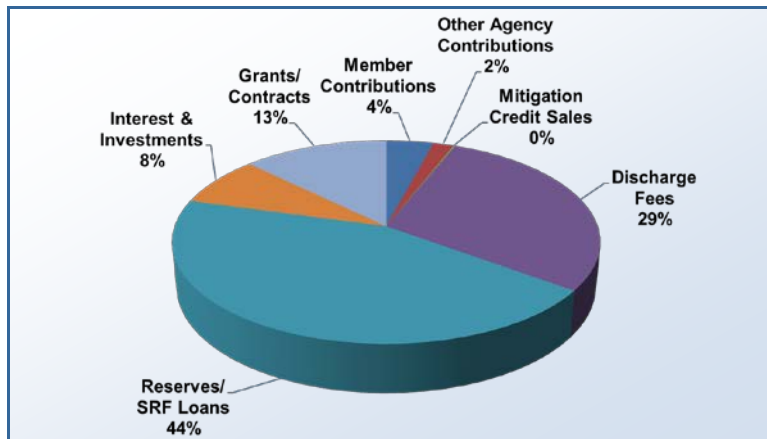
Revenues

The Agency has a variety of revenue sources available to cover operating and capital expenses. The major revenue sources are as follows:

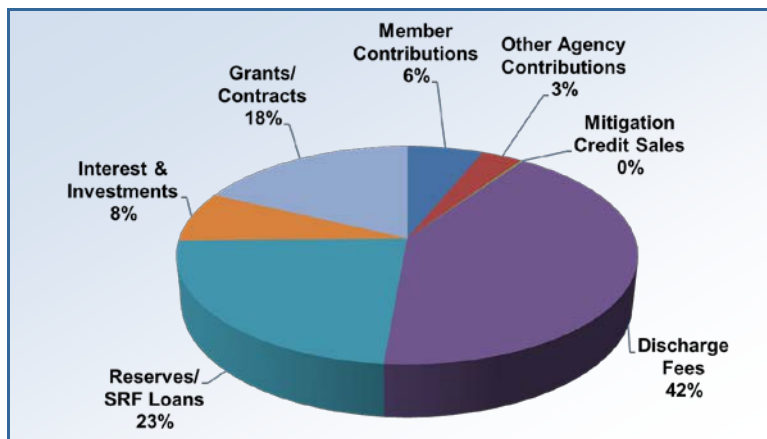
- Discharge Fees
- Reserves/SRF Loans
- Interest & Investments
- Grant/Contract Proceeds
- Contributions
- Mitigation Credit Sales

The Agency's projected revenue for FYE 2016 totals \$34.4 million, not including \$10.9 million in Proposition 84 project pass-throughs, and \$25.0 million, not including \$6.4 million in Proposition 84 project pass-throughs, for FYE 2017. Total revenue reflects the revenue sources listed above and each source is described in detail below.

**Total Revenues by Source
FYE 2016**



**Total Revenues by Source
FYE 2017**



Agency-wide revenues are projected to increase by \$10.5 million in FYE 2016, over the previous year's budget and decrease by \$9.4 million in FYE 2017.

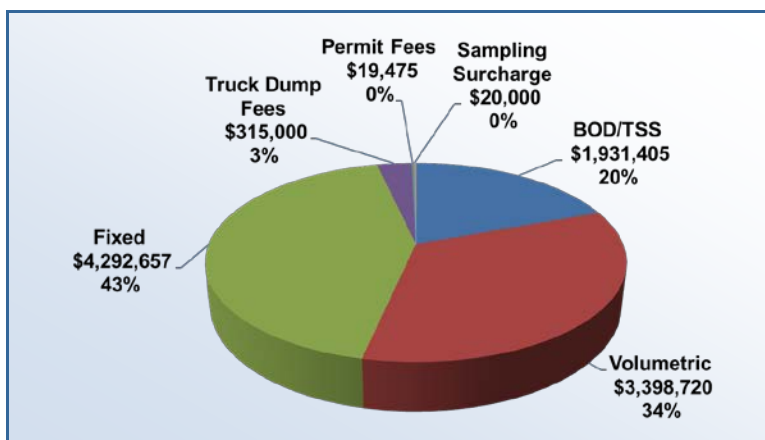
In FYE 2016, an increase in Reserves/SRF Loans is the main contributor to the increase in Agency revenues. The Reach V Repairs Project construction costs will be funded in part with SRF Loans.

Discharge Fees

The Brine Line is a non-reclaimable wastewater pipeline that provides for the export of domestic wastewater, high-salinity industrial wastewater, and desalter brine generated within the Watershed. The Brine Line carries the waste to a treatment plant operated by the Orange County Sanitation District (OCSD). After treatment, the treated effluent is discharged to the Pacific Ocean.

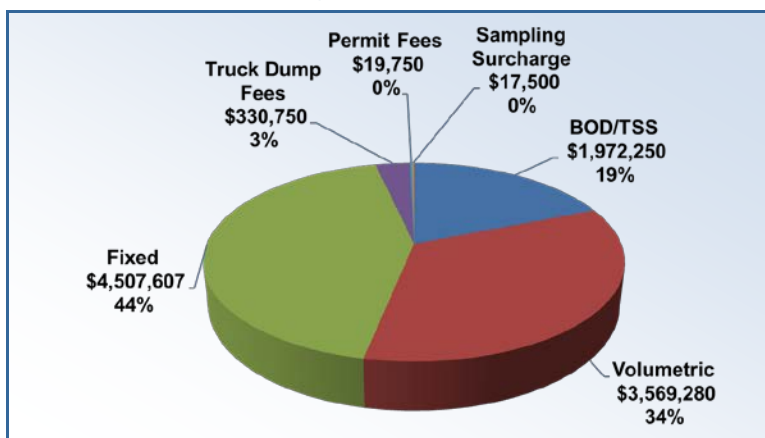
In FYE 2016, discharge fees are projected to be \$9.9 million, or approximately 29% of the Agency's total revenues.

**FYE 2016 Discharge Fees
\$9.9 Million**



In FYE 2017, discharge fees are projected to be \$10.4 million, or approximately 42% of the Agency's total revenues.

**FYE 2017 Discharge Fees
\$10.4 Million**



Agency discharge fees are comprised of revenues from the Brine Line. Several components to the discharge fees include volumetric, Biochemical Oxygen Demand (BOD)/Total Suspended Solids (TSS), fixed charges, truck discharges, emergency discharges, and permit fees.

In 2010, a rate model and long-term financial study was developed for the Brine Line. The rate structure is designed to provide sufficient revenues to cover on-going operational costs, provide funding for capital efforts, and funding for the long-term capital repair and replacement reserve program; thus, providing for the long-term financial needs of the Brine Line.

Each year, the rate model is updated and any rate changes are included in the budget. The following table represents the rates through FYE 2017.

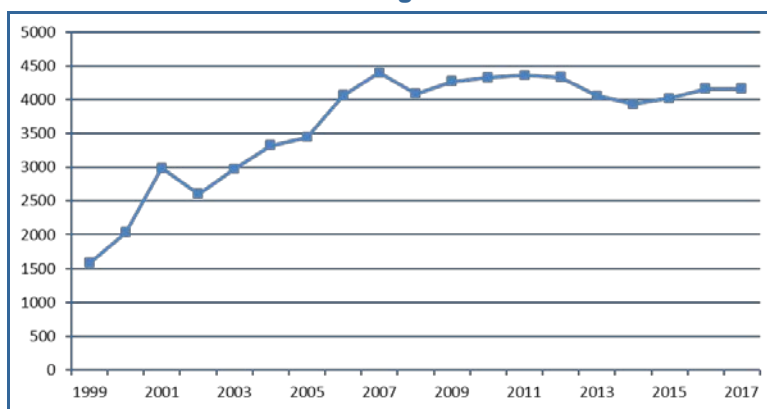
Brine Line Rates

<i>FYE</i>	<i>Flow/MG</i>	<i>BOD/1,000 lbs</i>	<i>TSS/1,000 lbs</i>	<i>Fixed Treatment</i>	<i>Fixed Pipeline</i>
2015	\$777	\$295	\$411	\$5,114	\$10,369
2016	\$817	\$301	\$420	\$5,370	\$10,888
2017	\$858	\$307	\$429	\$5,639	\$11,433

Volumetric Charges

Volumetric charges are based on million gallons (MG) of discharge into the system. Total discharge into the system is projected to be 4,160 MG for both FYE 2016 and FYE 2017. In FYE 2016 revenues from volumetric charges are projected to be \$3.4 million, or approximately 34% of the \$9.9 million projected for total discharge fees. In FYE 2017, revenues from volumetric charges are projected to be \$3.6 million, or approximately 34% of the \$10.4 million projected for total discharge fees.

Total Annual Discharge in Million Gallons



BOD/TSS Charges

BOD and TSS charges are based on the pounds of each in the discharge flow (per 1,000 lbs.). Concentration is determined by sampling conducted at each flow meter location.

In FYE 2016, BOD/TSS charges are projected to be \$1.9 million, or approximately 20% of the \$9.9 million projected for total discharge fees. In FYE 2017, BOD/TSS charges are projected to be \$1.9 million, or approximately 19% of the \$10.4 million projected for total discharge fees.

Fixed Charges

Fixed charges cover the portion of annual operating expenses that are fixed regardless of flow amount, these costs would still occur. The fixed charge is based on total owned pipeline capacity and total owned treatment and disposal capacity rights. Each month, dischargers are charged a fee based on the total

pipeline and the total treatment capacity they own in the system. Total treatment and disposal capacity rights sold and leased in the system is 17 MGD. Total purchased pipeline capacity is 32.568 MGD.

In FYE 2016, fixed charges are projected to be \$4.3 million, or approximately 43% of the \$9.9 million projected for total discharge fees. In FYE 2017, fixed charges are projected to be \$4.5 million, or approximately 44% of the \$10.4 million projected for total discharge fees.

Truck Discharge Fees

EMWD, IEUA, SBVMWD, and WMWD each operate a truck discharge station. Truck dischargers are indirect dischargers. Truck discharges are projected at 2.5 MGD per month for both FYE 2016 and 2017. The rates for truck discharge fees are shown in the table below:

<i>Waste Strength</i>	<i>BOD or TSS Concentration</i>	<i>FYE 2016</i>	<i>FYE 2017</i>
Brine	Less than 100 mg/L	\$0.010	\$0.010
Non Brine Tier 1	100 to 999 mg/L	\$0.015	\$0.015
Non Brine Tier 2	1,000 to 2,499 mg/L	\$0.032	\$0.033
Non Brine Tier 3	2,500 and higher	*	*

* Concentrations over 2,500 mg/L will be charged based on the actual concentration of the waste discharged using the following cost components: \$0.0026/gallon, \$0.694/pound of BOD, and \$0.661/pound of TSS.

In FYE 2016, truck discharge fees are projected to be \$315,000, or approximately 3% of the \$9.9 million projected for total discharge fees. In FYE 2017, truck discharge fees are projected to be \$330,750, or approximately 3% of the \$10.4 million projected for total discharge fees.

Emergency Discharge Fees

From time to time there may be emergency discharges into the system from a variety of sources. Because emergency discharges cannot be projected, they are not included as revenue in the budget.

Permit Fees

Direct dischargers are charged a \$500 permit fee for each meter in the system and liquid waste haulers are charged \$225. There are currently 34 direct connections and 11 liquid waste haulers in the system. In FYE 2016 and 2017, permit fees are projected to be \$19,475 and \$19,750, or approximately 0.19% of the \$9.9 million and \$10.4 million projected for total discharge fees.

Sampling Surcharge

Sampling Surcharges are the fees charged by OCSD for the special sampling done on Stringfellow discharges. In FYE 2016 and 2017, permit fees are projected to be \$20,000 and \$17,500, or approximately 0.20% of the \$9.9 million and 0.17% of the \$10.4 million projected for total discharge fees.

Capacity Sales

This revenue source is from the sale of pipeline or treatment capacity rights in the Brine Line system. No planned capacity sales revenues are projected for FYE 2016 and 2017.

Reserves/SRF Loans

SAWPA's Capital Improvement Program (CIP) assumes pay-as-you-go funding using reserves and excess operating cash. In FYE 2016, use of Reserves/SRF Loans is projected to be \$15.2 million, or approximately 44% of the Agency's total revenues. In FYE 2017, use of Reserves/SRF Loans is projected to be \$5.8 million, or approximately 23% of the Agency's total revenues.

Interest and Investments

In FYE 2016, interest and investment revenues are projected to be \$2.7 million, or approximately 8% of the Agency's total revenues. In FYE 2017, interest and investment revenues are projected to be \$1.9 million, or approximately 8% of the Agency's total revenues.

The Agency invests its funds in accordance with the Investment Policy as approved by the Commission on an annual basis. Temporary idle cash is invested in either Local Agency Investment Fund (LAIF), CalTRUST, or securities.

Interest

The Agency receives interest on funds invested in LAIF, CalTRUST, and Securities. The average return on those investments for FYE 2016 is projected to be 0.35% and 0.40% for FYE 2017.

Total interest for FYE 2016 is projected to be \$127,515, or approximately 4.6% of total projected interest and investment revenue of \$2.7 million. Total interest for FYE 2017 is projected to be \$134,180, or approximately 7.1% of total projected interest and investment revenue of \$1.9 million.

T-Strip Maturities

Treasury Strips (T-Strips) were purchased to provide a source of revenue to pay the SRF loan payments as they come due. Total T-Strip maturities for FYE 2016 and 2017 are projected to be \$1.8 million and \$0.95 million, or approximately 66% and 51% of total projected interest and investment revenue for each year.

Notes Receivable

SAWPA has sold capacity rights in the Brine Line under installment agreements with IEUA, SBVMWD and WMWD. The installment payments are used to repay the SRF loans. The following is a summary of future payments receivable for all installment notes:

<i>FYE</i>	<i>Interest</i>		<i>Principal</i>		<i>Total</i>
2016	\$	152,748	\$	643,024	\$ 795,772
2017	\$	114,166	\$	681,606	\$ 795,772
2018	\$	73,270	\$	722,502	\$ 795,772
2019	\$	29,920	\$	498,662	\$ 528,582
	\$	370,104	\$	2,545,794	\$ 2,915,898

In FYE 2016 and 2017, total notes receivable revenue is projected to be \$795,772, or approximately 29% and 42% of total projected interest and investment revenue for each year.

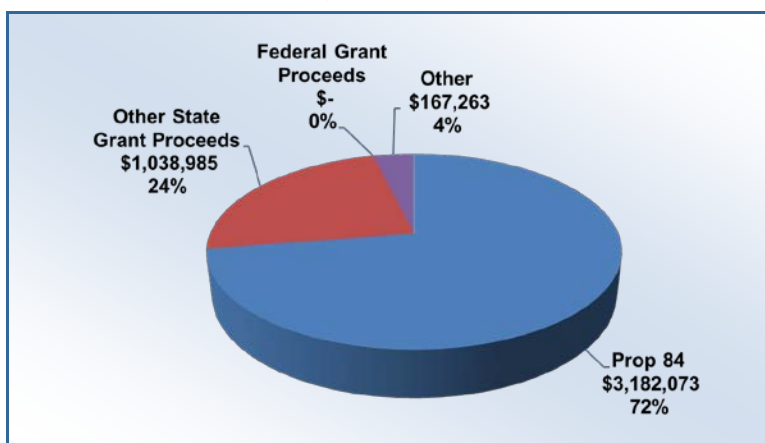
Grant/Contracts

The Agency continues to seek grants that can be obtained for work done in the Watershed. SAWPA has applied for a variety of Federal, State, and local grants.

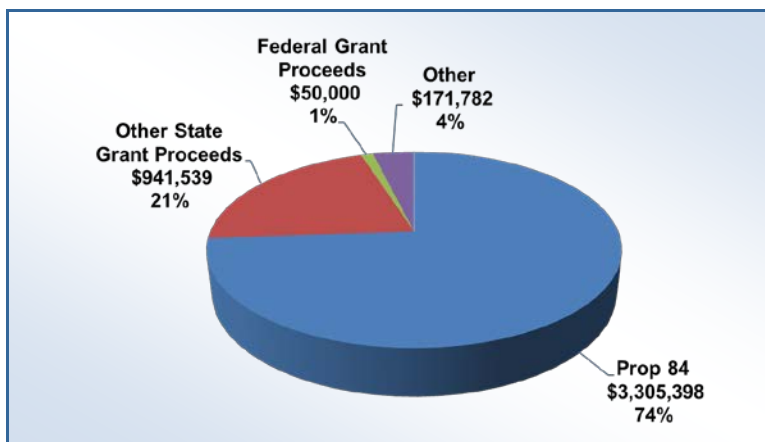
In FYE 2016, grant revenues are expected to be \$4.3 million, or approximately 13% of the Agency's total revenue. In FYE 2017, grant revenues are expected to be \$4.5 million, or approximately 18% of the Agency's total revenue.

Grant projections are based on the total expenses for eligible projects and any other programs that are eligible for grant funding. SAWPA has received several grants which are included in the FYE 2016 and 2017 budget.

**Grant Revenues
FYE 2016
\$4.2 Million**



**Grant Revenues
FYE 2017
\$4.2 Million**



Proposition 84

In 2006, Propositions 84, 1E, and 1C were approved by the voters. Under Chapter 2 of Proposition 84, \$114.0 million has been allocated to the Watershed subject to an adopted Integrated Regional Water Management Plan (IRWMP). Through the SAWPA OWOW Plan, an IRWMP for the Santa Ana River Watershed has been crafted and was instrumental in securing funds for the region. The OWOW 2.0 Plan was adopted in February 2014. SAWPA has received \$12.7 million in grant funding under Proposition 84 IRWM Round 1 implementation in August 2011, \$16.7 million in Round 2 implementation in late 2013, and \$12.3 million in grant funding from the Drought Round implementation in early 2015. \$64.3 million in grant funding under the Final Round 2015 implementation is anticipated to be available in mid-2016.

Water-Energy Grant

On June 24, 2015, SAWPA was selected to receive a grant for \$2.3 million from the DWR under the 2014 Water-Energy Grant Program to support the SAWPA Water-Energy Community Action Network (WECAN). The focus of the DWR grant program is to support disadvantaged community-focused proposals that provide substantial water and energy savings. The funding for this grant is provided by appropriated funds from the Greenhouse Gas Reduction Fund created by AB 32, the Global Warming

Solutions Act of 2006. The program total cost is \$3.0 million and includes \$520,000 in local cost share coming from Metropolitan Water District of Southern California (MWDSC) and local retail water agency turf removal rebates. The Program would bring water savings to approximately 260 homes and energy savings to approximately 1,703 homes in disadvantaged communities (DACs) in the Santa Ana River Watershed. The grant funds are targeted to assist residents in a single family residence in order to best ensure that energy and water conservation savings benefit the DAC resident. The Program is expected to kick off formally in January 2016 and be completed within two years.

Other State Grant Proceeds

SAWPA will receive Supplemental Environmental Project (SEP) funding from the Santa Ana RWQCB to help support a proposed habitat enhancement project to benefit the Santa Ana sucker fish.

Federal Grant Proceeds

SAWPA will apply for grant funding through the Bureau of Reclamation's WaterSmart Program. The WaterSmart financial assistance program is a 50-50 cost share program intended to support drought planning and projects that save water, improve energy efficiency, address endangered species, and other environmental issues.

Other

SAWPA provides administrative services for the Lake Elsinore & San Jacinto Watersheds Authority (LESJWA) JPA. Other funding proceeds are revenues received for reimbursement of those services. These funds are reimbursed from funds received by LESJWA.

Member Contributions

Contributions from member agencies are used to offset the cost of operating the Agency. Contributions are used to fund planning efforts, cover SAWPA labor costs in some agency operations and collaborative projects, and fund State and Federal lobbying efforts. In addition to the annual contribution, member agencies may decide to contribute to collaborative projects that directly affect their service areas.

In FYE 2016, member contribution revenues are projected to be \$1.4 million, or approximately 4% of the Agency's total revenues. In FYE 2017, member contribution revenues are projected to be \$1.6 million, or approximately 6% of the Agency's total revenues.

Other Agency Contributions

Other agency contributions are a source of revenue in collaborative projects and planning efforts. SAWPA administers and facilitates several stakeholder efforts. Those agencies that wish to participate in the effort contribute funds to pay for the programs.

In FYE 2016, other agency contribution revenues are projected to be \$618,066, or approximately 2% of the Agency's total revenues. In FYE 2017, other agency contribution revenues are projected to be \$832,306, or approximately 3% of the Agency's total revenues.

Mitigation Credit Sales

As part of the Proposition 13 Southern California Integrated Watershed Program (SCIWP), SAWPA purchased 100 mitigation bank units (1 unit = 1 acre) from the Riverside County Parks and Open-Space District for \$4.0 million. These units are sold to those needing riparian mitigation for projects within the region. Funds generated by the sale of units are used to support the on-going maintenance of habitat created from the SCIWP Arundo Program and for other habitat creation projects within the Watershed.

In FYE 2016, mitigation credit sales are projected to be \$44,490, or approximately 0.13% of the Agency's total revenues. In FYE 2017, mitigation credit sales are projected to be \$44,490, or approximately 0.18% of the Agency's total revenues.

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REVENUES FYE 2016

		Member Contributions	Other Agency Contributions	Mitigation Credit Sales	Discharge Fees	Reserves/ SRF Loans	Interest & Investments	Grant/ Contracts	Total FYE 2016	Actuals FYE 2015	Inc (Dcr) from Prior Year	% Change
100	General Fund	\$ 617,795	–	–	–	–	–	–	\$ 617,795	\$ 1,003,006	\$ (385,211)	(38.4%)
130	Prop 84 - R1 Program Mgmt	–	–	–	–	–	–	\$ 145,885	\$ 145,885	\$ 56,642	\$ 89,243	157.6%
135	Prop 84 – R2 Program Mgmt	–	–	–	–	–	–	\$ 123,264	\$ 123,264	\$ 100,411	\$ 22,853	22.8%
140	Prop 84 – Drought Program Mgmt	–	–	–	–	–	–	\$ 196,871	\$ 196,871	\$ 160,866	\$ 36,005	22.4%
145	Prop 84 – 2015 Program Mgmt	–	–	–	–	–	–	\$ 486,549	\$ 486,549	\$ 43,970	\$ 442,579	1,006.5%
240	Brine Line Enterprise	–	–	–	\$ 9,977,257	\$ 391,295	\$ 2,747,287	–	\$ 13,115,839	\$ 13,649,625	\$ (533,786)	(3.9%)
320	Brine Line Protection Project	–	–	–	–	\$ 1,181,211	–	–	\$ 1,181,211	\$ 106,911	\$ 1,074,300	1,004.9%
326	Reach V Repairs	–	–	–	–	\$ 13,415,393	–	–	\$ 13,415,393	\$ 3,427,617	\$ 9,987,776	291.4%
327	Reach IV-D Corrosion Repair	–	–	–	–	\$ 238,786	–	–	\$ 238,786	\$ –	\$ 238,786	100.0%
370	Basin Planning General	\$ 340,000	–	–	–	–	–	–	\$ 340,000	\$ 358,344	\$ (18,344)	(5.1%)
370	USBR Partnership Studies	\$ 20,000	–	–	–	–	–	–	\$ 20,000	\$ 81,086	\$ (61,086)	(75.3%)
372	Imported Water Recharge	–	–	–	–	–	–	–	\$ –	\$ 135	\$ (135)	(100.0%)
373	Watershed Mgmt (OWOW)	\$ 300,000	–	–	–	–	–	–	\$ 300,000	\$ 319,089	\$ (19,089)	(6.0%)
374	Basin Monitoring Program TF	\$ 66,060	\$ 204,497	–	–	–	–	–	\$ 270,557	\$ 373,024	\$ (102,467)	(27.5%)
381	SAR Fish Conservation TF	\$ 25,000	\$ 8,000	–	–	–	–	\$ 100,000	\$ 133,000	\$ 57,243	\$ 75,757	132.3%
384	MSAR TMDL Task Force	–	\$ 340,000	–	–	–	–	–	\$ 340,000	\$ 155,686	\$ 184,315	118.4%
386	Stormwater Quality Standards TF	\$ 50,000	–	–	–	–	–	–	\$ 50,000	\$ 50,376	\$ (376)	(0.7%)
387	Arundo & Habitat Restoration	–	–	\$ 44,490	–	–	–	–	\$ 44,490	\$ 15,801	\$ 28,689	181.6%
392	Emerging Constituents TF	\$ 2,000	\$ 11,569	–	–	–	–	–	\$ 13,000	\$ 38,648	\$ (25,648)	(66.4%)
396	Forest First	–	\$ 54,569	–	–	–	–	–	\$ 54,569	\$ –	\$ 54,569	100.0%
397	Energy – Water DAC Grant Project	–	–	–	–	–	–	\$ 938,985	\$ 938,985	\$ –	\$ 938,985	100.0%
477	LESJWA Administration	\$ 10,000	–	–	–	–	–	\$ 167,264	\$ 177,264	\$ 209,421	\$ (32,157)	(15.4%)
504	Prop 84 Drought Projects	–	–	–	–	–	–	\$ 2,229,502	\$ 2,229,502	\$ 269,298	\$ 1,960,204	727.9%
		\$ 1,430,855	\$ 618,066	\$ 44,490	\$ 9,977,257	\$ 15,226,685	\$ 2,747,287	\$ 4,388,320	\$ 34,432,960	\$ 20,477,199	\$ 13,955,761	68.2%

PASS THROUGH

504 Prop 84 Capital Projects

–	–	–	–	–	–	–	–	\$ 10,885,180
Total								\$ 45,318,140

REVENUES FYE 2017

		<i>Member Contributions</i>	<i>Other Agency Contributions</i>	<i>Mitigation Credit Sales</i>	<i>Discharge Fees</i>	<i>Reserves/ SRF Loans</i>	<i>Interest & Investments</i>	<i>Grant/ Contracts</i>	<i>Total FYE 2017</i>	<i>Total FYE 2016</i>	<i>Inc (Dcr) from Prior Year</i>	<i>% Change</i>
100	General Fund	\$ 699,307	–	–	–	–	–	–	\$ 699,307	\$ 617,795	\$ 81,512	13.2%
130	Prop 84 - R1 Program Mgmt	–	–	–	–	–	–	\$ 104,102	\$ 104,102	\$ 145,885	\$ (41,783)	(28.6%)
135	Prop 84 – R2 Program Mgmt	–	–	–	–	–	–	\$ 155,760	\$ 155,760	\$ 123,264	\$ 32,496	26.4%
140	Prop 84 – Drought Program Mgmt	–	–	–	–	–	–	\$ 204,932	\$ 204,932	\$ 196,871	\$ 8,061	4.1%
145	Prop 84 – 2015 Program Mgmt	–	–	–	–	–	–	\$ 597,429	\$ 597,429	\$ 486,549	\$ 110,880	22.8%
240	Brine Line Enterprise	–	–	–	\$ 10,417,136	\$ 271,679	\$ 1,878,952	–	\$ 12,567,767	\$ 13,115,839	\$ (548,072)	(4.2%)
320	Brine Line Protection Project	–	–	–	–	\$ 2,324,996	–	–	\$ 2,324,996	\$ 1,181,211	\$ 1,143,785	96.8%
326	Reach V Repairs	–	–	–	–	\$ 85,124	–	–	\$ 85,124	\$ 13,415,393	\$ (13,330,269)	(99.4%)
327	Reach IV-D Corrosion Repair	–	–	–	–	\$ 3,123,416	–	–	\$ 3,123,416	\$ 238,786	\$ 2,884,630	1,208.0%
370	Basin Planning General	\$ 350,000	–	–	–	–	–	–	\$ 350,000	\$ 340,000	\$ 10,000	2.9%
370	USBR Partnership Studies	\$ 20,000	–	–	–	–	–	\$ 50,000	\$ 70,000	\$ 20,000	\$ 50,000	250.0%
372	Imported Water Recharge	–	–	–	–	–	–	–	\$ –	\$ –	\$ –	0.0%
373	Watershed Mgmt (OWOW)	\$ 300,000	–	–	–	–	–	–	\$ 300,000	\$ 300,000	\$ –	0.0%
374	Basin Monitoring Program TF	\$ 94,572	\$ 300,579	–	–	–	–	–	\$ 395,151	\$ 270,557	\$ 124,594	46.1%
381	SAR Fish Conservation TF	\$ 25,000	\$ 8,000	–	–	–	–	–	\$ 33,000	\$ 133,000	\$ (100,000)	(75.2%)
384	MSAR TMDL Task Force	–	\$ 340,000	–	–	–	–	–	\$ 340,000	\$ 340,000	\$ –	0.0%
386	Stormwater Quality Standards TF	\$ 50,000	\$ 100,000	–	–	–	–	–	\$ 150,000	\$ 50,000	\$ 100,000	200.0%
387	Arundo & Habitat Restoration	–	–	\$ 44,490	–	–	–	–	\$ 44,490	\$ 44,490	\$ –	0.0%
392	Emerging Constituents TF	\$ 5,000	\$ 27,500	–	–	–	–	–	\$ 32,500	\$ 13,000	\$ 19,500	150.0%
396	Forest First	–	\$ 56,227	–	–	–	–	–	\$ 56,227	\$ 54,569	\$ 1,658	3.0%
397	Energy – Water DAC Grant Project	–	–	–	–	–	–	\$ 941,539	\$ 941,539	\$ 938,985	\$ 2,554	0.3%
477	LESJWA Administration	\$ 10,000	–	–	–	–	–	\$ 171,782	\$ 181,782	\$ 177,264	\$ 4,518	2.5%
504	Prop 84 Drought Projects	–	–	–	–	–	–	\$ 2,243,172	\$ 2,243,172	\$ 2,229,502	\$ 13,670	0.6%
		\$ 1,553,879	\$ 832,306	\$ 44,490	\$ 10,417,136	\$ 5,805,215	\$ 1,878,952	\$ 4,468,716	\$ 25,000,694	\$ 34,432,960	\$ (9,432,266)	(27.4%)

PASS THROUGH

504	Prop 84 Capital Projects	–	–	–	–	–	–	–	\$ 6,381,306			
	Total								\$ 31,382,000			



Section 6

Debt Service

Debt Service

The Agency's outstanding debt at the beginning of FYE 2016 will total \$25.3 million. Of the total outstanding debt, 13 SRF loans are for construction of pipelines/facilities and one note payable to OCWD for the repurchase of 2 MGD of pipeline capacity.

Impact on proposed budget

The total debt service obligations (interest and principal) included in the budget for the FYE 2016 and 2017 amounts to \$3.9 and \$3.0 million for each year, or 11% and 12% of the total budgeted expenses.

Debt Policy

The Agency has a formal debt policy that outlines the use of debt instruments and provides guidelines for the use of debt for financing SAWPA's infrastructure needs. In the past, debt financing has been used to construct the Brine Line. The Agency will limit long-term borrowing to capital improvements or projects that cannot be financed from current revenues, upon approval by the SAWPA Commission. The Agency has no legal debt limits as imposed by State or local legislation.

Future Debt Financing

In 2006, the SAWPA Commission approved, for planning purposes, a CIP totaling over \$60.0 million. The CIP will be funded by a combination of rate increases, use of reserves, pay-as-you-go, and debt financing. SAWPA received an SRF Loan totaling \$16.0 million which began repayment in December 2013. SAWPA also received SRF Loan totaling \$7.5 million for the Reach V Capital Repair Project. Total costs for the project are estimated to be \$12.6 million.

Funding

The Agency has established debt reserves to cover its debt service obligations in the amount of \$7.6 million at the beginning of FYE 2016. Of those reserves, 58%, or \$4.4 million, is held in T-Strips as restricted assets to cover debt service, and 42%, or \$3.2 million, is held in cash or short-term investments.

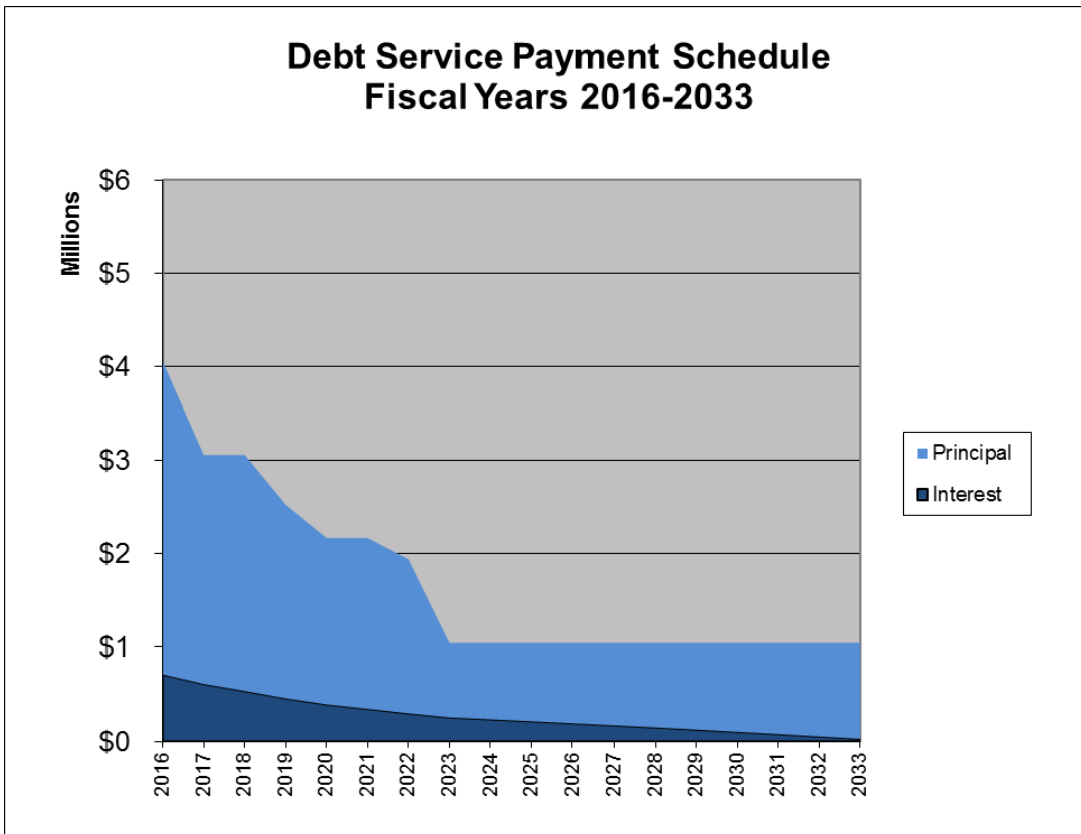
Debt Service Fund Analysis

FYE	T-Strip Maturities	Capacity Loan Receipts	From Rates	Loan Payments	Interest Earned *	Excess/(Use) Of Cash	Ending Cash Reserve Balance
	Beg. Balance						\$ 3,223,985
2016	\$ 1,824,000	\$ 795,772	\$ 1,044,000	\$ (4,054,945)	\$ 64,480	\$ (326,694)	2,897,291
2017	949,000	795,772	1,044,000	(3,060,725)	57,946	(214,007)	2,683,285
2018	949,000	795,772	1,044,000	(3,060,725)	53,666	(218,287)	2,464,998
2019	395,000	528,582	1,044,000	(2,526,801)	49,300	(509,919)	1,955,079
2020	395,000	-	1,044,000	(2,170,551)	39,102	(692,449)	1,262,630
2021	395,000	-	1,044,000	(2,170,551)	25,253	(706,298)	556,332
2022	395,000	-	1,044,000	(1,943,236)	11,127	(493,110)	63,222
2023	-	-	1,044,000	(1,044,273)	1,264	991	64,213
2024	-	-	1,044,000	(1,044,273)	1,284	1,011	65,224
2025	-	-	1,044,000	(1,044,273)	1,304	1,031	66,255
2026	-	-	1,044,000	(1,044,273)	1,325	1,052	67,307
2027	-	-	1,044,000	(1,044,273)	1,346	1,073	68,380
2028	-	-	1,044,000	(1,044,273)	1,368	1,094	69,475
2029	-	-	1,044,000	(1,044,273)	1,389	1,116	70,591
2030	-	-	1,044,000	(1,044,273)	1,412	1,139	71,729
2031	-	-	1,044,000	(1,044,273)	1,435	1,161	72,891
2032	-	-	1,044,000	(1,044,273)	1,458	1,185	74,075
2033	-	-	1,044,000	(1,044,273)	1,482	1,208	75,284
Totals	\$ 5,302,000	\$ 2,915,898	\$ 18,792,000	\$(30,474,539)	\$ 315,939	\$ (3,148,701)	\$ 75,284

* Interest earned is based on a conservative estimate of 2%

Total Debt Schedule and Graph

FYE	Interest	Principal	Total Payment	Remaining Principal
2016	\$ 716,441	\$ 3,338,504	\$ 4,054,945	\$ 22,152,302
2017	615,366	2,445,358	3,060,725	19,706,943
2018	539,727	2,520,997	3,060,725	17,185,946
2019	461,459	2,065,342	2,526,801	15,120,604
2020	395,403	1,775,147	2,170,551	13,345,457
2021	348,294	1,822,257	2,170,551	11,523,199
2022	299,932	1,643,304	1,943,236	9,879,895
2023	256,877	787,396	1,044,273	9,092,499
2024	236,405	807,868	1,044,273	8,284,631
2025	215,400	828,873	1,044,273	7,455,758
2026	193,850	850,424	1,044,273	6,605,335
2027	171,739	872,535	1,044,273	5,732,800
2028	149,053	895,220	1,044,273	4,837,580
2029	125,777	918,496	1,044,273	3,919,084
2030	101,896	942,377	1,044,273	2,976,707
2031	77,394	966,879	1,044,273	2,009,828
2032	52,256	992,018	1,044,273	1,017,810
2033	26,463	1,017,810	1,044,273	—



SRF Loan

The Brine Line construction was primarily funded by SRF loans issued by the State Water Resources Control Board (SWRCB). The Agency has 13 SRF loans. Five loans funded construction of Reach IV of the Brine Line, one loan funded Reach IV-A and IV-B Repairs, four loans funded construction for Reach V of the Brine Line (Temescal Valley Regional Interceptor (TVRI)), and three loans funded the construction of the Western Riverside County Regional Wastewater Treatment Plant.

Brine Line Construction

Reach IV

In 1995, the Brine Line upstream extension (Reach IV) to the City of San Bernardino Wastewater Treatment Plant was completed. Five SRF loans were obtained by the Agency to help construct the over \$37.0 million project.

SRF Loans

Repayment Began	Loan Amount	Interest Rate	Term	Annual Payment
12/22/93	\$ 14,758,590	3.10%	20 Years	\$ 1,001,203
09/01/94	1,775,843	3.00%	20 Years	119,701
10/04/95	6,127,405	2.70%	20 Years	403,470
11/30/96	6,828,963	3.00%	20 Years	468,372
01/10/97	7,814,181	2.80%	20 Years	526,243
Total	\$ 37,304,982			\$ 2,518,989

Debt Service Funding

To fund construction and provide a source of income to meet the debt service payments, pipeline and treatment capacity were sold to member agencies through installment loans. Payments received from the loans are used to make the debt service payments on the SRF loans.

Capacity Notes Receivable

Purchase Date	Agency	Loan Amount	Term	Annual Payment
12/08/82	EMWD	\$ 7,300,000	20 Years	\$ 365,000
12/08/82	WMWD	3,650,000	20 Years	182,500
06/22/93	SBVMWD *	9,377,368	20 Years	840,960
Total		\$ 20,327,368		\$ 1,388,460

* Total purchase of \$21,381,700, balance of \$12,004,332 paid in cash for T-Strip purchase

In 1993, the Agency purchased T-Strips for \$8,051,810 with a face value of \$17,000,000. The T-Strips began maturing in 1996 and continued through 2012. In 1995, additional purchases were made for \$8,480,296.65, with a face value of \$13,135,000. These T-Strips began maturing in 1997 and will continue through 2015. The T-Strip maturities are used as a source of income to make the debt service payments on the SRF loans. Funds of \$160,847 will be transferred to the TVRI debt service fund to help cover the projected short fall.

The following table displays the debt service funding analysis for the Brine Line portion of the debt service reserve account.

Debt Service Fund Analysis

FYE	T-Strip Maturities	Capacity Loan Receipts	Transfers	Loan Payments	Interest Earned*	Ending Reserve Cash Balance
	Beg. Balance					\$ 274,963
2016	\$ 875,000	\$ –	\$ –	\$ (994,615)	\$ 5,499	160,847
2017	–	–	(160,847)	–	–	–
Totals	\$ 875,000	\$ –	\$ (160,847)	\$ (994,615)	\$ 5,499	

* Interest earned is based on a conservative estimate of 2%

Reach IV-A and IV-B Repairs

After inspection of the unlined reinforced concrete pipe used in the construction of portions of Reach IV-A and IV-B constructed in the early 1980's, it was found that the structural integrity of those portions could be at risk. In 2012, repairs on Reach IV-A and IV-B began. Over 32,504 linear feet of pipeline along Reach IV-A and IV-B were slip lined to protect the integrity of the pipeline and another 25,023 linear feet were rehabilitated using CIPP. An SRF loan in the amount of \$15,956,864 was obtained to fund construction of the pipeline repairs.

SRF Loans

Repayment Began	Loan Amount	Interest Rate	Term	Annual Payment
12/29/13	\$ 15,956,864	2.60%	20 Years	\$ 1,034,847
Total	\$ 15,956,864			\$ 1,034,847

Debt Service Funding

To fund repayment of the SRF loan, rates will be increased to cover the entire loan payment each year.

The following table displays the debt service funding analysis for the Reach IV-A and IV-B Repairs SRF loan payments.

Debt Service Fund Analysis

FYE	Rate increases	Transfers	Loan Payments	Interest Earned*	Ending Reserve Cash Balance
	Beg. Balance				\$ 1,000,158
2016	\$ 1,044,000	\$ —	\$ (1,044,273)	\$ 20,004	1,019,889
2017	1,044,000	—	(1,044,273)	20,406	1,040,022
2018	1,044,000	—	(1,044,273)	20,808	1,060,557
2019	1,044,000	—	(1,044,273)	21,219	1,081,502
2020	1,044,000	—	(1,044,273)	21,638	1,102,867
2021	1,044,000	—	(1,044,273)	22,066	1,124,660
2022	1,044,000	—	(1,044,273)	11,127	1,135,514
2023	1,044,000	(1,072,686)	(1,044,273)	1,264	63,818
2024	1,044,000	—	(1,044,273)	1,264	64,809
2025	1,044,000	—	(1,044,273)	1,304	65,840
2026	1,044,000	—	(1,044,273)	1,325	66,892
2027	1,044,000	—	(1,044,273)	1,346	67,965
2028	1,044,000	—	(1,044,273)	1,368	69,059
2029	1,044,000	—	(1,044,273)	1,389	70,175
2030	1,044,000	—	(1,044,273)	1,412	71,314
2031	1,044,000	—	(1,044,273)	1,435	72,476
2032	1,044,000	—	(1,044,273)	1,458	73,660
2033	1,044,000	—	(1,044,273)	1,482	74,869
Totals	\$ 18,792,000	\$ (1,072,686)	\$ (18,796,918)	\$ 264,688	

* Interest earned is based on a conservative estimate of 2%

Reach V Construction

In 1992, construction of Brine Line Reach V, or the TVRI which connects EMWD's service area to the main branch of the Brine Line, was completed. Four SRF loans in the amount of \$17,107,338 were obtained to fund construction of the line.

SRF Loans

Repayment Began	Loan Amount	Interest Rate	Term	Annual Payment
09/11/01	\$ 3,373,815	2.90%	20 Years	\$ 227,182
10/05/02	5,089,798	2.70%	20 Years	338,065
10/05/02	4,187,933	2.60%	20 Years	271,592
10/05/02	4,455,792	2.60%	20 Years	289,439
Total	\$ 17,107,338			\$ 1,126,278

Debt Service Funding

To fund construction and provide a source of income to meet the debt service payments, pipeline and treatment capacity were sold to member agencies through installment loans. Payments received from the loans are used to make the debt service payments on the SRF loans.

Capacity Notes Receivable

Purchase Date	Agency	Loan Amount	Term	Annual Payment
06/19/98	IEUA	\$ 5,625,000	20 Years	\$ 267,188
01/12/99	EMWD	8,917,500	20 Years	—*
01/12/99	WMWD	5,625,000	20 Years	439,521
01/12/99	WMWD	1,875,000	20 Years	89,063
07/01/99	IEUA	3,750,000	20 Years	—**
Total	\$	25,792,500		\$ 795,772

* Paid loan balance of \$3,207,477 in July 2003, funds invested in securities

** Paid loan balance of \$3,129,106 in June 2003, funds invested in securities

In July 2000, EMWD made a payment of \$4,250,000 on their installment loan. Receipts were used to purchase T-Strips for \$4,210,739 with a face value of \$7,900,000. The T-Strips began maturing in 2001 and will continue through 2020, yielding \$395,000 annually. The T-Strip maturities are used as a source of income to make the debt service payments on the SRF loans. Funds from the other debt service accounts will be transferred to this fund to cover the projected short fall.

The following table displays the debt service funding analysis for the TVRI portion of the debt service reserve account. It includes the note payable to OCWD as part of the loan payments.

Debt Service Fund Analysis

FYE	T-Strip Maturities	Capacity Loan Receipts	Transfers	Loan Payments	Interest Earned*	Ending Reserve Cash Balance
	Beg. Balance					\$ 580,940
2016	\$ 395,000	\$ 795,772	\$ –	\$ (1,482,528)	\$ 11,619	300,802
2017	395,000	795,772	160,847	(1,482,528)	9,233	179,126
2018	395,000	795,772	–	(1,482,528)	3,583	(109,047)
2019	395,000	528,582	1,513,093	(1,482,528)	28,015	873,181
2020	395,000	–	–	(1,126,278)	17,464	159,367
2021	395,000	–	–	(1,126,278)	3,187	(568,723)
2022	395,000	–	1,072,686	(898,963)	–	–
Totals	\$ 2,765,000	\$ 2,915,897	\$ 2,746,626	\$ (9,081,629)	\$ 73,166	

* Interest earned is based on a conservative estimate of 2%

West Riverside Construction

In 1997, construction began on the Western Riverside County Regional Wastewater Treatment Plant. Three SRF loans in the amount of \$11,187,267 were obtained to fund construction of the plant. To provide a cash flow for the debt service payments, T-Strips were purchased in 1999 for \$2,431,101 with a face value of \$4,180,000. Each year, through 2018, T-Strip maturities of \$554,000 will be received to cover the debt service payments.

In 1999, SAWPA transferred ownership of the plant to the Western Riverside County Regional Wastewater Authority (WRCRWA). Because SAWPA retained ownership of the T-Strips, the Agency will continue to make a portion of the payments (\$533,924) on each of the loans through 2018. The difference between the T-Strip maturities and the debt service payments of \$20,076 per year, plus any interest earned will remain in the debt service fund and will be transferred to the TVRI debt service fund to help cover the projected short fall.

West Riverside SRF Loans

Repayment Began	Loan Amount	SAWPA's Portion %	Interest Rate	Term	SAWPA Payment Amount
02/13/99	\$ 4,750,124	100%	2.80%	20 Years	\$ 316,730
06/01/99	4,583,644	49.99%	2.80%	20 Years	153,356
06/01/99	1,853,499	51.90%	2.80%	20 Years	63,838
Total	\$ 11,187,267				\$ 533,924

The following table displays the debt service funding analysis for the West Riverside debt service reserve account.

West Riverside Debt Service Fund Analysis

FYE	T-Strip Maturities	Transfers	Loan Payments	Interest Earned*	Ending Reserve Cash Balance
	Beginning Balance				\$ 1,367,924
2016	\$ 554,000	\$ –	\$ (533,924)	\$ 27,358	1,415,358
2017	554,000	–	(533,924)	28,307	1,463,742
2018	554,000	–	(533,924)	29,275	1,513,093
2019	–	(1,513,093)	–	–	–
Totals	\$ 1,662,000	\$ (1,513,093)	\$ (1,601,771)	\$ 84,940	

* Interest earned is based on a conservative estimate of 2%

OCWD Note Payable

In 1999, the Agency repurchased 2 MGD of pipeline capacity from OCWD for \$7,500,000 in an installment note. The capacity was repurchased and then sold to EMWD. Capacity purchase installment loans are used to repay the debt service.

Note Payable

Repayment Began	Loan Amount	Interest Rate	Term	Annual Payment
01/12/99	\$ 7,500,000	6.00%	20 Years	\$ 356,250

* Original loan was for zero interest. Auditors imputed an interest rate of 6% to comply with GAAP.

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Section 7

Reserves

Reserves

General Policy

Maintaining adequate cash reserves is an essential part of sound financial management. The SAWPA Commission realizes the importance of reserves in providing reliable service to its member agencies, financing long-term capital projects, and the funding of emergencies should they arise. Interest derived from reserve balances is credited to the reserve account from which it was earned. The establishment of any new reserve account will be determined based on the following criteria:

- ◆ Purpose and need for the reserve fund;
- ◆ Availability and source of funds to maintain, replenish, or initially establish the reserve;
- ◆ Operating expenditure levels approved within the annual budget process;
- ◆ Future capital expenditure and debt service requirements of the Agency; and
- ◆ Commission approval of the reserve policy.

There are two types of reserve fund classifications:

- I. **Restricted Funds:** Restrictions on the use of these funds are imposed by an outside source such as creditors, grantors, contributors, laws, or regulations governing use. These funds are specifically governed by a written contract with SAWPA or outlined within the debt covenants of a debt financing.
- II. **Unrestricted Funds:** These funds have no externally imposed use restrictions. The use of Unrestricted Funds is at the discretion of the SAWPA Commission. Unrestricted Funds are designated for a specific purpose, which is determined by the Commission. The Commission also has the authority to redirect the use of these funds as the needs of SAWPA change.

The restricted and unrestricted funds can further be subdivided into Capital Funds and Liquidity (Operating) Funds. The Capital Funds are designated for specific purposes and utilized primarily to fund capital and asset replacement costs. The Liquidity Funds are established to safeguard SAWPA's financial viability and stability, and are funded from accumulated revenues.

Categories

For internal control purposes, SAWPA accumulates, maintains, and segregates its reserve funds into the following categories:

- ◆ Restricted and Designated Reserves;
- ◆ Board Designated Reserves;
- ◆ Board Restricted (Obligated) Reserves; and
- ◆ Contractually Restricted Reserves.

Restricted and Designated Reserves

These are reserve funds that are designated for a particular purpose and whose use is restricted to only that purpose. The Restricted and Designated Reserves consist of the Debt Retirement Reserve.

Debt Retirement Reserve

- ◆ **Definition and Purpose** – Initially established with funds received from member agencies for the purchase of pipeline capacity (30 MGD) in the Brine Line system to provide future funding on debt service payments for SRF loans required to build the Brine Line system. T-Strips were purchased with maturities to match annual principal and interest payments due on the long-term debt associated with the State loans.
- ◆ **Target Level** – The minimum balance in this reserve should be sufficient to cover anticipated debt service payments as they become due. The balance in this reserve should reflect debt service obligations for which existing or projected revenues are insufficient to cover scheduled principal and interest payments.

- ◆ **Events or Conditions Prompting the Use of the Reserves** – This reserve is utilized as needed to pay debt service payments on SAWPA's obligations. The Commission shall take action to approve annual debt service obligations of the Agency as presented in the annual budget. Any other use (debt obligations approved and entered into following adoption of the annual budget) shall require prior Commission approval before the expense of funds from this reserve.
- ◆ **Contribution for FYE 2016 and 2017** – Contributions projected to be made to this reserve are \$494,560 for FYE 2016 and \$508,229 for FYE 2017 to cover the Reach IV-A and Reach IV-B repairs annual debt service payment. It is projected that \$391,295 and \$271,679 will be used from reserves to help pay debt service for FYE 2016 and 2017, respectively.

Board Designated Reserves

These are reserve funds earmarked for the purpose of funding items such as new capital facilities, repair or replacement of existing facilities, and general operating reserves designated for a specific purpose and use by the Commission. The Board Designated Reserves are comprised of the following reserve accounts: Brine Line Operating Reserve, Pipeline Repair/Replacement Reserve, OCSD Rehabilitation Reserve, OCSD Future Capacity Reserve, Self Insurance Reserve, Capacity Management Reserve, Flow Imbalance Reserve, General Fund Operating Reserve, and the General Fund Building Reserve.

Brine Line Operating Reserve

- ◆ **Definition and Purpose** – Established to cover temporary cash flow deficiencies that occur as a result of timing differences between the receipt of operating revenue and expenditure requirements.
- ◆ **Target Levels** – Funding shall be targeted at a minimum amount equal to 90 days (i.e. 25%) of SAWPA's Brine Line Enterprise total annual operating expenditures. If SAWPA elects to issue variable rate debt, the minimum required balance in this reserve might need to be higher.
- ◆ **Events or Conditions Prompting the Use of the Reserve** – This reserve is utilized as needed to pay outstanding Brine Line Enterprise expenditures prior to the receipt of anticipated operating revenues.
- ◆ **Contribution for FYE 2016 and 2017** – No contributions are projected to be made to this reserve for FYE 2016 and 2017. Total funds in this account exceed 25% of operating expenses for both years.

Pipeline Repair/Replacement Reserve

- ◆ **Definition and Purpose** – Established to provide capital replacement funding as the Brine Line system's infrastructure (pipe) deteriorates over its expected useful life. Based on recent core sampling of the pipeline, the pipe's useful life was adjusted from an original 50 year life expectancy to an expected useful life of 75 to 100 years.
- ◆ **Target Level** – To help protect against risk associated with capital project cost overruns and emergency reserves, the most recent Brine Line Financial Study and Rate Model have identified a minimum target balance of \$10 million for this reserve. Any revenues designated for capital projects and not strictly earmarked for another fund should be deposited into this fund. To provide annual cash flow for capital projects, SAWPA should consider depositing, on an annual basis, a system reinvestment contribution into this fund, equivalent to the inflation-adjusted annual depreciation.
- ◆ **Events or Conditions Prompting the Use of the Reserve** – Through the annual budget process, staff shall recommend anticipated asset replacement projects. The Commission shall take action to approve recommended project appropriations from the replacement reserve fund. Should emergency replacement be necessary during any fiscal year, the Commission may take action to amend the budget and appropriate needed funds as required by such emergency. Expected use of reserves for Capital Projects in FYE 2016 and 2017 are projected to be \$4,835,389 and \$5,533,536. The Agency will apply for SRF loans to fund most of the project costs for the Reach V Capital Repairs Project. If the loan is received, the reserve funds will not be used.
- ◆ **Contribution for FYE 2016 and 2017** – Contributions projected to be made to this reserve are \$1,000,000 for both FYE 2016 and 2017.

OCSD Rehabilitation Reserve

- ◆ **Definition and Purpose** – Established to provide funds for SAWPA's share of capital costs associated with its proportionate share of capacity rights ownership in the SARI Line maintained by OCSD. Since these costs are expected to vary significantly in timing and size, an approach has been developed to normalize these expenditures into equal annual payments. The objective is for SAWPA to make equal annual contributions (adjusted for inflation) into this interest earning reserve fund, and then make withdrawals from this fund when payments to OCSD for the SARI Line come due. According to the Brine Line Financial Study, this approach will mitigate significant capital spikes for SAWPA.
- ◆ **Target Level** – The most recent Brine Line Financial Study has identified a minimum target level of \$1.75 million annually (adjusted for inflation). If the SARI Line capital costs are adjusted downward by OCSD, SAWPA will review the balance in this reserve and adjust its annual contribution accordingly.
- ◆ **Events or Conditions Prompting the Use of the Reserve** – This reserve is utilized as needed to pay, when due, SAWPA's share of OCSD SARI Line capital costs.
- ◆ **Contribution for FYE 2016 and 2017** – Contributions projected to be made to this reserve are \$500,000 for both FYE 2016 and 2017.

OCSD Future Capacity Reserve

- ◆ **Definition and Purpose** – Established to provide future funding as it becomes necessary for SAWPA to acquire (purchase) additional treatment capacity (minimum of 1 MGD increments) in the OCSD treatment plant facility. As incremental treatment capacity purchases are made at an agreed upon rate set by SAWPA resolution, funds would be deposited into this reserve account which can then be used to purchase treatment capacity from OCSD.
- ◆ **Target Level** – There is no minimum balance for this reserve. Its level will depend on the rate of growth and capacity sales. As capacity purchases are made, funds will be deposited in this reserve so that its balance will be sufficient to cover anticipated additional treatment plant capacity purchases as and when they come due.
- ◆ **Events or Conditions Prompting the Use of the Reserves** – This reserve may only be utilized to purchase additional treatment capacity in the OCSD plant as approved by the SAWPA Commission. Any other use of this reserve shall not occur without prior authorization from the SAWPA Commission.
- ◆ **Contribution for FYE 2016 and 2017** – No contributions are projected to be made to this reserve for FYE 2016 and 2017.

Self Insurance Reserve

- ◆ **Definition and Purpose** – Established to provide insurance protection to the Brine Line system and JPA for losses arising from property, general liability, and workers' compensation claims. The reserve level, combined with SAWPA's existing insurance policies, should adequately protect SAWPA and its member agencies in the event of a loss or claim.
- ◆ **Target Level** – The minimum balance in this reserve should be determined with SAWPA's current existing insurance policies and coverages in mind, along with the deductibles thereon, and should be maintained at a level that would adequately protect SAWPA and its member agencies. Based on FEMA guidelines, the funding in this reserve should be targeted at a minimum of two percent (2%) of SAWPA's depreciable capital assets, plus the total amount of SAWPA's existing insurance deductibles.
- ◆ **Events or Conditions Prompting the Use of the Reserve** – This reserve shall be utilized to cover out-of-pocket insurance losses experienced by the Agency. Any reimbursement received by the Agency from the insurance company as the result of a submitted claim shall be deposited back into the reserve as replenishment for the loss.
- ◆ **Contribution for FYE 2016 and 2017** – Contributions projected to be made to this reserve are \$100,000 for FYE 2016 and 2017.

Capacity Management Reserve

- ◆ **Definition and Purpose** – Established to set aside 100% of the funding derived from pipeline capacity sales to provide funds for future capacity needs within the Brine Line. As the pipeline reaches capacity, other alternatives will be needed to ensure the ability to discharge and achieve salt balance within the Watershed.
- ◆ **Target Level** – Given the nature of this reserve, there is no required minimum or maximum level. 100% of the funding derived from pipeline capacity sales should be deposited and maintained in this reserve.
- ◆ **Events or Conditions Prompting the Use of the Reserve** – This reserve shall be utilized to cover costs required to manage capacity within the pipeline, including the cost to further concentrate Brine Line flows, reduction of flows to meet capacity needs, additional pipeline capacity, additional CIP, and other changes as appropriate.
- ◆ **Contribution for FYE 2016 and 2017** – No contributions are projected to be made to this reserve for FYE 2016 and 2017.

Flow Imbalance Reserve

- ◆ **Definition and Purpose** – Established to set aside funds in the event that a meter error occurs and the discharger is over-billed. Each month, meter readings are read for each discharger and the total for all dischargers is compared to the total at meter S-01. When the total for all discharges exceeds the total at meter S-01, the difference will be calculated at the current flow rate and contributed to the reserve account.
- ◆ **Target Level** – Based on SAWPA's practice, a minimum of \$50,000 should be maintained in this reserve.
- ◆ **Events or Conditions Prompting the Use of the Reserve** – This reserve shall be utilized to refund dischargers in the event that a meter error occurs and the discharger is over-billed.
- ◆ **Contribution for FYE 2016 and 2017** – No contributions are projected to be made to this reserve for FYE 2016 and 2017.

General Fund Operating Reserve (Fund 100)

- ◆ **Definition and Purpose** – Established to provide cash flow for unbudgeted and/or unexpected expenditures and to mitigate potential delays between the time when expenditures are incurred and the time when revenues are received.
- ◆ **Target Level** – There is no minimum balance required for this reserve, although a prudent target level will be equal to 180 days of SAWPA's General Fund total budgeted operating expenditures.
- ◆ **Events or Conditions Prompting the Use of the Reserves** – This reserve is designated to maintain working capital for current operations and to meet routine cash flow needs. Upon Commission approval, this reserve may be routinely utilized by staff to cover temporary cash flow deficiencies caused by timing differences between revenues and expenditures, and extraordinary decreases in revenues and unexpected increases in expenditures.
- ◆ **Contribution for FYE 2016 and 2017** – This reserve will be funded only based on realized efficiencies in the General Fund resulting in actual year-end expenditures being under budget.

General Fund Building Reserve (Fund 100)

- ◆ **Definition and Purpose** – Established to provide for the accumulation of funds towards a building reserve set aside to cover major repair/maintenance work on SAWPA's Headquarters Office unless directed otherwise by Commission action during the annual budget process.
- ◆ **Target Level** – The minimum target level for this reserve will be \$300,000 at all times.
- ◆ **Events or Conditions Prompting the Use of the Reserves** – This reserve is designated to maintain a building repair and replacement reserve. Upon Commission approval, this reserve may be routinely utilized by staff for building-related purposes.
- ◆ **Contribution for FYE 2016 and 2017** – Contributions projected to be made to this reserve are \$100,000 for both FYE 2016 and FYE 2017.

Board Restricted (Obligated) Reserves

These are reserves set aside to meet financial commitments for services not yet fulfilled and purchases that will take place in the future. These reserves consist of the Capital Improvement Construction Reserve.

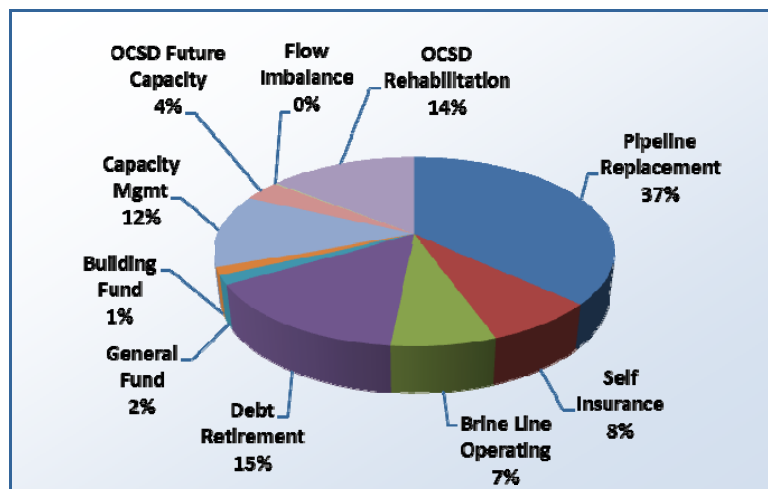
Capital Improvement Construction Reserve

- ◆ **Definition and Purpose** – Established to set aside 100% of the funding derived from bond proceeds required to support specific capital projects identified and approved by the Commission in the Agency's CIP. Through the Brine Line Rate Model, it was recommended that this reserve fund be established and maintained to guarantee cash flow availability to complete the Commission approved projects.
- ◆ **Target Level** – To be determined by the Commission.
- ◆ **Events or Conditions Prompting the Use of the Reserve** – Use of this reserve is for the sole purpose of paying for those capital expenditures identified within the Commission approved CIP Program budget. The reserve will be depleted as the approved capital projects are completed.
- ◆ **Contribution for FYE 2016 and 2017** – No contributions are projected to be made to this reserve for FYE 2016 and 2017.

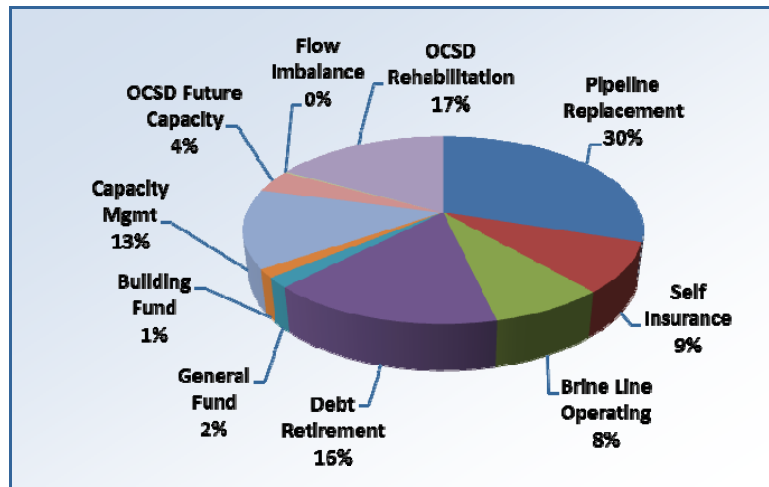
Contractually Restricted Reserves

These are funds held to satisfy limitations set by external requirements established by creditors, grant agencies or contributors, or law. Examples include stipulated bond covenants, capital improvement fees, and service deposits. There are no restricted reserve funds held at this time.

**Total Reserves/Funds
FYE 2016
\$48.2 Million**



**Total Reserves/Funds
FYE 2017
\$43.9 Million**





Section 8

Personnel

Personnel

Staffing and related employment costs are one of the primary operating expenses for the Agency. For FYE 2016, these costs will represent \$4.4 million, or approximately 12.8% of the Agency's total budget of \$34.7 million. For FYE 2017, staffing and related employment costs will represent \$4.8 million, or approximately 18.7% of the Agency's total budget of \$25.5 million. Benefit costs for FYE 2016 have decreased 1.6% from FYE 2015 and have increased by 9.9% for FYE 2017. Overall, employment expenses have increased by 4.8% (\$205,128) over the FYE 2015 budgeted expenses and have increased by 7.1% (\$317,469) for FYE 2017. The following increases are reflected in the total employment expenses:

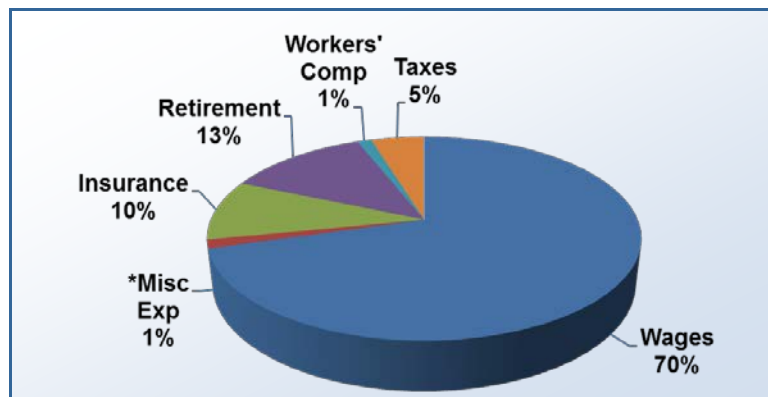
FYE 2016

- ◆ Projected increases in both insurance and taxes account for a slight increase.
- ◆ An overall six percent (6%) increase for COLA and merit pool has been budgeted and approved, that will go into effect on July 1, 2015, for an estimated cost of \$166,857.
- ◆ The budget includes three additional positions: Senior Pretreatment Specialist, Project Manager, and Grant Administrator for an estimated cost of \$457,761.
- ◆ Funds are available in the budget to be used at the General Manager's discretion for promoting and reclassification of budgeted positions.

FYE 2017

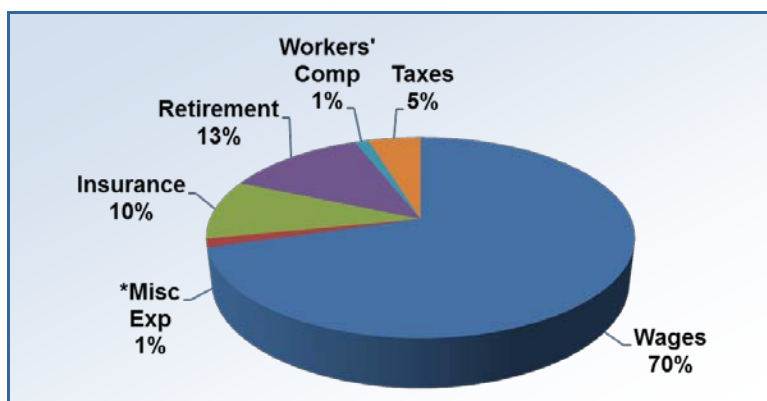
- ◆ Projected increases in both insurance and taxes account for a slight increase.
- ◆ An overall six percent (6%) increase for COLA and merit pool has been budgeted and approved, that will go into effect on July 1, 2016, for an estimated cost of \$188,074.
- ◆ A projected increase in the Agency's Workers Compensation insurance of \$22,275.
- ◆ Funds are available in the budget to be used at the General Manager's discretion for promoting and reclassification of budgeted positions.

**Employment Expenses
FYE 2016
\$4.4 million**



* Miscellaneous Expense of 1% includes State Unemployment taxes, State Disability Insurance (SDI), car allowance, and other benefits.

**Employment Expenses
FYE 2017
\$4.8 million**



* Miscellaneous Expense of 1% includes State Unemployment taxes, State Disability Insurance (SDI), car allowance, and other benefits.

The Agency provides a comprehensive benefit package to all permanent full-time employees, which includes: insurance (health, dental, vision, short- and long-term disability, and workers' compensation), sick and vacation leave, deferred compensation, and retirement benefits in the form of participation in the California Public Employees Retirement System (CalPERS). In FYE 2016 and 2017, these benefits are budgeted at \$1.3 million and \$1.4 million, or approximately 30% of employment expenses.

The following table displays total labor costs for FYE 2016 and 2017 by department.

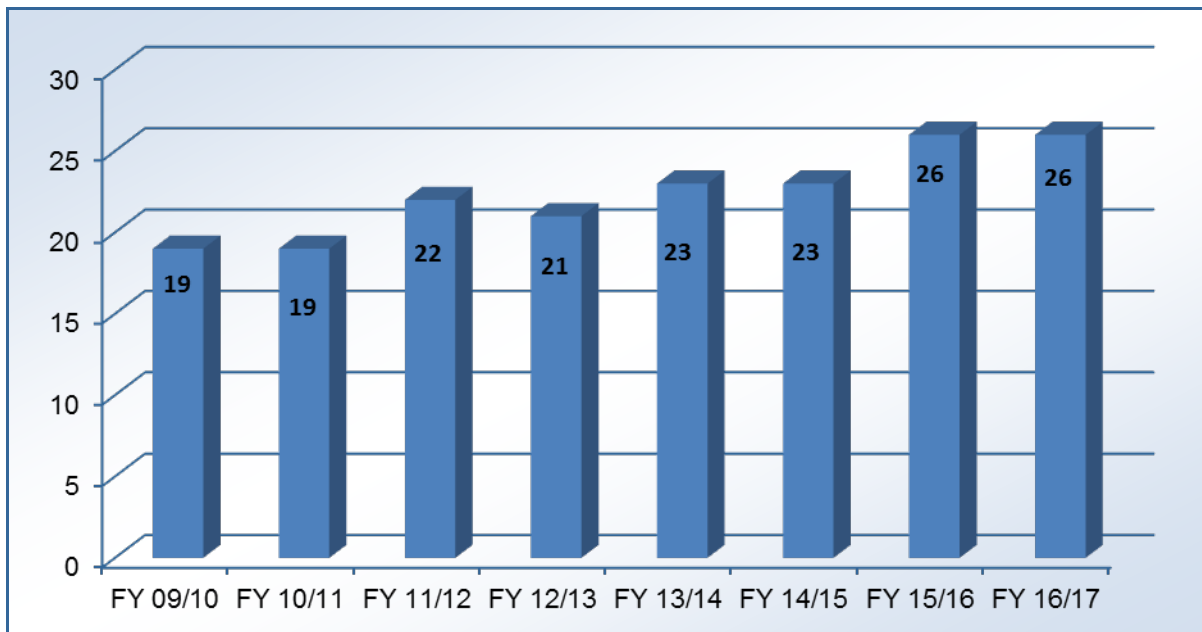
Labor Costs by Fund 2016

<i>Department</i>	<i>General</i>	<i>Brine Line</i>	<i>Planning</i>	<i>Collab. Projects</i>	<i>Capital Projects</i>	<i>Grant/Contracts</i>	<i>Total</i>
<i>Executive Mgmt</i>	\$ 365,425	\$ 52,002	\$ 10,013	\$ 14,633	\$ 4,652	\$ 31,009	\$ 477,734
<i>Admin Services</i>	231,859	81,183	13,828	12,731	11,166	24,194	374,961
<i>Finance/Accounting</i>	208,387	89,340	13,699	8,356	9,562	22,510	351,854
<i>Info and Technology</i>	330,090	21,420	7,052	–	2,839	21,300	382,701
<i>Engineering</i>	184,889	556,482	–	–	143,818	129,437	1,014,626
<i>Wtr Resources & Plan</i>	132,941	–	163,136	46,501	–	190,860	533,438
Total	\$1,453,591	\$ 800,427	\$ 207,728	\$ 82,221	\$ 172,037	\$ 419,310	\$ 3,135,315

Labor Costs by Fund 2017

Department	General	Brine Line	Planning	Collab. Projects	Capital Projects	Grant/Contracts	Total
Executive Mgmt	\$ 385,368	\$ 55,171	\$ 10,391	\$ 15,524	\$ 4,935	\$ 35,465	\$ 506,854
Admin Services	244,535	86,140	12,962	11,584	13,259	29,382	397,862
Finance/Accounting	220,848	95,248	13,075	9,143	9,408	24,808	372,530
Info and Technology	355,912	22,687	5,953	1,204	2,264	17,228	405,248
Engineering	195,980	643,388	–	–	101,598	134,750	1,075,715
Wtr Resources & Plan	140,862	–	168,573	36,727	–	219,018	565,180
Total	\$ 1,543,505	\$ 902,634	\$ 210,954	\$ 74,182	\$ 131,464	\$ 460,651	\$3,323,389

Budgeted Staffing Levels FY 09/10 – FY 16/17 (Does not include interns)



Staffing Plan

The FYE 2016 and 2017 staffing plan includes the addition of three positions – Senior Pretreatment Specialist, Project Manager, and Grant Administrator that will work on Proposition 84 and the Energy – Water DAC Grant. The following table is a summary of the Agency's budgeted positions.

Total Budgeted Position Count by Year

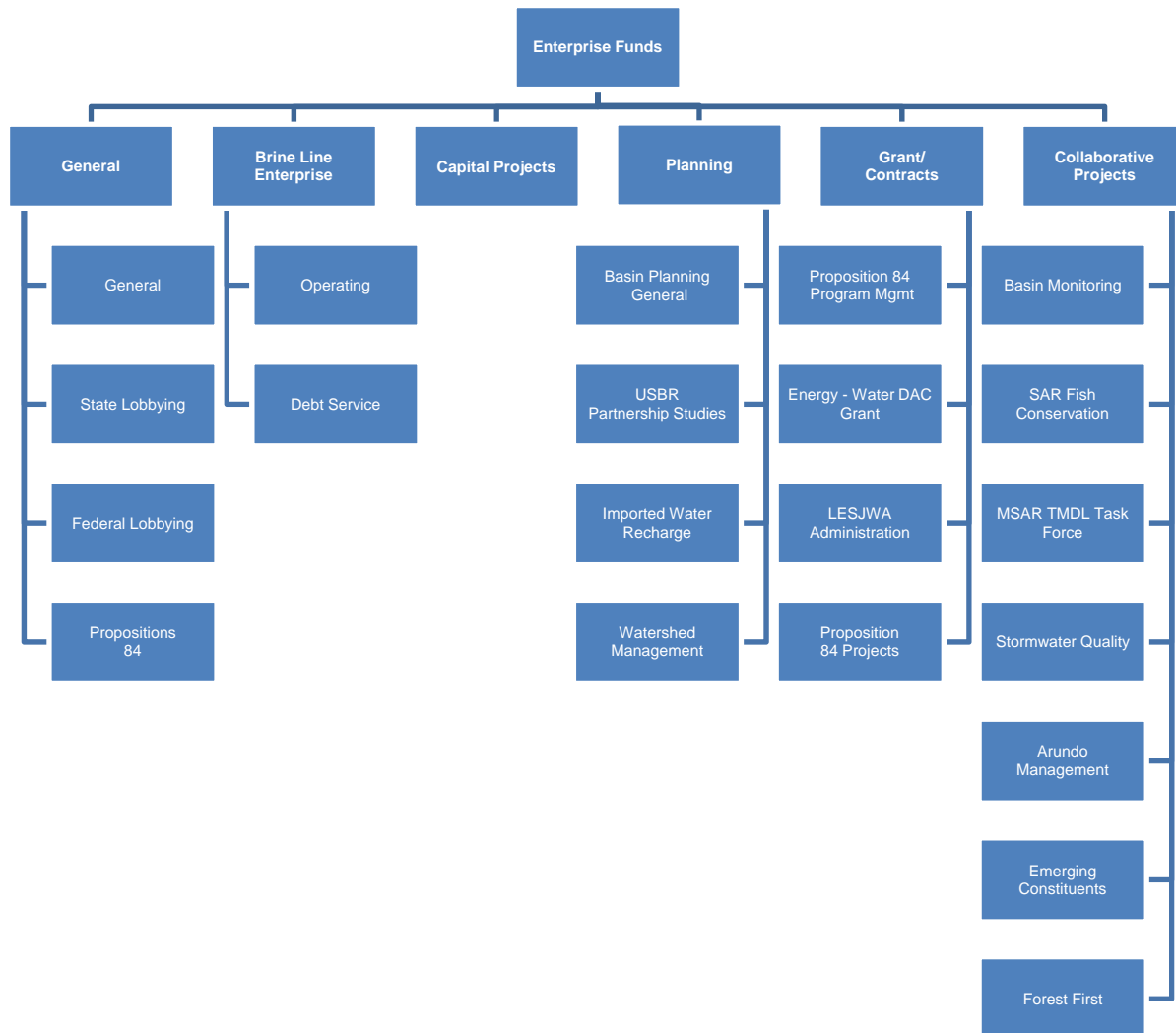
Position	FYE 2013	FYE 2014	FYE 2015	FYE 2016	FYE 2017	Department
<i>General Manager</i>	1	1	1	1	1	<i>Executive Management</i>
<i>Executive Counsel</i>	1	1	1	1	1	<i>Executive Management</i>
<i>Administrative Services Mgr</i>	1	1	1	1	1	<i>Administrative Services</i>
<i>Senior Administrative Assistant</i>	2	3	3	3	3	<i>Administrative Services</i>
<i>Administrative Assistant II</i>	1	0	0	1	1	<i>Administrative Services</i>
<i>Administrative Assistant I</i>	1	1	1	0	0	<i>Administrative Services</i>
<i>Chief Financial Officer</i>	1	1	1	1	1	<i>Finance/Accounting</i>
<i>Accountant/Project Mgr</i>	0	1	1	1	1	<i>Finance/Accounting</i>
<i>Senior Accounting Technician</i>	2	1	1	1	1	<i>Finance/Accounting</i>
<i>IS and Technology Mgr</i>	1	1	1	1	1	<i>IS and Technology</i>
<i>GIS Project Manager</i>	1	1	1	1	1	<i>IS and Technology</i>
<i>GIS Analyst II</i>	1	1	1	1	1	<i>IS and Technology</i>
<i>Engineering & Operations Mgr</i>	1	1	1	1	1	<i>Engineering & Operations</i>
<i>Program Manager</i>	1	1	1	1	1	<i>Engineering & Operations</i>
<i>Senior Project Manager</i>	0	0	0	1	1	<i>Engineering & Operations</i>
<i>Project Manager</i>	1	1	1	1	1	<i>Engineering & Operations</i>
<i>Mgr Permitting & Pretreatment</i>	0	1	1	1	1	<i>Engineering & Operations</i>
<i>Senior Pretreatment Specialist</i>	0	0	0	1	1	<i>Engineering & Operations</i>
<i>Operations Superintendent</i>	1	1	1	0	0	<i>Engineering & Operations</i>
<i>Senior Brine Line Operator</i>	0	0	0	1	1	<i>Engineering & Operations</i>
<i>Asst Operations Superintendent</i>	1	1	1	0	0	<i>Engineering & Operations</i>
<i>Brine Line Pipeline Operator II</i>	0	1	1	2	2	<i>Engineering & Operations</i>
<i>Water Res. & Planning Mgr</i>	1	1	1	1	1	<i>Water Resources & Planning</i>
<i>Program Manager</i>	1	0	0	0	0	<i>Water Resources & Planning</i>
<i>Senior Watershed Manager</i>	0	1	1	2	2	<i>Water Resources & Planning</i>
<i>Senior Watershed Planner</i>	1	1	1	0	0	<i>Water Resources & Planning</i>
<i>Grant Administrator</i>	0	0	0	1	1	<i>Water Resources & Planning</i>
Total	21	23	23	26	26	



Section 9

Fund Budgets

Fund Structure



The Agency's budget is organized on the basis of funds, each of which is considered a separate budgetary and accounting entity. Financial resources are allocated to, and accounted for, in individual funds based upon the purposes for which they are to be utilized.

The Agency develops its sources and uses of fund estimates for the annual budget in a manner that follows GAAP. Activities and projects are accounted for in Enterprise Funds. These funds are included in the Agency's financial statements and are grouped in the following fund types based on their activities: General, Brine Line Enterprise, Capital Projects, Planning, Grant/Contracts, and Collaborative Projects. All of the entities' funds are subject to appropriation and are included in this budget.

Details on each program fund's initiatives, activities, and budget are provided in the individual project budgets that follow.

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SAWPA Fund Summary - Combined	General Funds		Brine Line Enterprise Funds		Planning Funds		Collaborative Project Funds	
Source of Funds:	FYE 2016	FYE 2017	FYE 2016	FYE 2017	FYE 2016	FYE 2017	FYE 2016	FYE 2017
Discharge Fees	\$ -	\$ -	\$ 9,977,257	\$ 10,417,136	\$ -	\$ -	\$ -	\$ -
Financing Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 100,000	\$ -
Contributions	\$ 617,795	\$ 699,307	\$ -	\$ -	\$ 660,000	\$ 670,000	\$ 761,126	\$ 1,006,878
Other Income	\$ -	\$ -	\$ 391,295	\$ 271,679	\$ -	\$ -	\$ 44,490	\$ 44,490
Interest & Investments	\$ -	\$ -	\$ 2,747,287	\$ 1,878,952	\$ -	\$ -	\$ -	\$ -
Total Source of Funds	\$ 617,795	\$ 699,307	\$ 13,115,839	\$ 12,567,767	\$ 660,000	\$ 720,000	\$ 905,616	\$ 1,051,368
Staffing:								
Hours Allocated	25,567	25,603	16,400	17,055	4,278	4,096	1,465	1,203
FTE (based on 2080)	12.3	12.3	7.9	8.2	2.1	2.0	0.7	0.5
Use of Funds:								
Labor	\$ 1,453,592	\$ 1,543,505	\$ 800,427	\$ 902,634	\$ 207,728	\$ 210,954	\$ 82,221	\$ 74,182
Benefits	\$ 608,422	\$ 669,592	\$ 335,032	\$ 391,574	\$ 86,948	\$ 91,515	\$ 34,415	\$ 32,181
G&A Costs	\$ (2,676,922)	\$ (2,809,885)	\$ 1,274,098	\$ 1,424,978	\$ 330,657	\$ 333,032	\$ 130,877	\$ 117,110
Education & Training	\$ 56,300	\$ 56,300	\$ 8,000	\$ 8,800	\$ -	\$ -	\$ -	\$ -
Consulting & Professional Services	\$ 207,600	\$ 210,000	\$ 350,000	\$ 335,000	\$ 20,000	\$ 70,000	\$ 728,900	\$ 1,201,400
Operating Costs	\$ 8,700	\$ 7,500	\$ 3,114,012	\$ 3,144,501	\$ -	\$ -	\$ 100	\$ 5,000
Repair & Maintenance	\$ 104,100	\$ 131,085	\$ 850,000	\$ 855,000	\$ -	\$ -	\$ -	\$ -
Phone & Utilities	\$ 69,000	\$ 71,000	\$ 8,500	\$ 9,500	\$ -	\$ -	\$ -	\$ -
Equipment & Computer	\$ 222,610	\$ 212,710	\$ 111,500	\$ 91,050	\$ -	\$ -	\$ -	\$ -
Meeting & Travel	\$ 74,350	\$ 74,350	\$ 7,000	\$ 8,250	\$ 8,900	\$ 8,900	\$ 600	\$ 600
Other Administrative Costs	\$ 183,808	\$ 197,570	\$ 54,700	\$ 62,450	\$ 13,050	\$ 13,050	\$ 100	\$ 150
Other Expenses	\$ 87,500	\$ 105,000	\$ 142,213	\$ 197,213	\$ -	\$ -	\$ 50	\$ -
Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000	\$ 150,000
Debt Service	\$ -	\$ -	\$ 3,965,797	\$ 3,028,588	\$ -	\$ -	\$ -	\$ -
Total Use of Funds from Operations	\$ 399,060	\$ 468,727	\$ 11,021,279	\$ 10,459,538	\$ 667,283	\$ 727,451	\$ 1,127,263	\$ 1,580,623
Contribution To/(From) Reserves:								
Pipeline Repair/Replacement Reserve	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -
OCSD Rehabilitation Reserve	\$ -	\$ -	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -	\$ -
Self Insurance Reserve	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -
Debt Service Reserve	\$ -	\$ -	\$ 494,560	\$ 508,229	\$ -	\$ -	\$ -	\$ -
Retiree Medical Reserve	\$ 118,735	\$ 130,580	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Building Repair/Replacement Reserve	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Contributions to Reserves	\$ 218,735	\$ 230,580	\$ 2,094,560	\$ 2,108,229	\$ -	\$ -	\$ -	\$ -
Total Use of Funds	\$ 617,795	\$ 699,307	\$ 13,115,839	\$ 12,567,767	\$ 667,283	\$ 727,451	\$ 1,127,263	\$ 1,580,623
Net Gain (Loss)	\$ -	\$ -	\$ -	\$ -	\$ (7,283)	\$ (7,451)	\$ (221,647)	\$ (529,255)
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 136,313	\$ 129,030	\$ 1,666,115	\$ 1,444,468
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 129,030	\$ 121,580	\$ 1,444,468	\$ 915,213

SAWPA Fund Summary - Combined	Grant/Contract Funds		Capital Project Funds		Totals		
Source of Funds:	FYE 2016	FYE 2017	FYE 2016	FYE 2017	FYE 2016	FYE 2017	2-Yr Budget
Discharge Fees	\$ -	\$ -	\$ -	\$ -	\$ 9,977,257	\$ 10,417,136	\$ 20,394,393
Financing Proceeds	\$ 167,264	\$ 171,782	\$ 10,000,000	\$ -	\$ 10,167,264	\$ 171,782	\$ 10,339,046
Grant Proceeds	\$ 4,121,056	\$ 4,246,934	\$ -	\$ -	\$ 4,221,056	\$ 4,296,934	\$ 8,517,990
Contributions	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ 2,048,921	\$ 2,386,185	\$ 4,435,106
Other Income	\$ -	\$ -	\$ 4,835,390	\$ 5,533,536	\$ 5,271,175	\$ 5,849,705	\$ 11,120,880
Interest & Investments	\$ -	\$ -	\$ -	\$ -	\$ 2,747,287	\$ 1,878,952	\$ 4,626,239
Total Source of Funds	\$ 4,298,320	\$ 4,428,716	\$ 14,835,390	\$ 5,533,536	\$ 34,432,960	\$ 25,000,694	\$ 59,433,654
Staffing:							
Hours Allocated	7,420	7,770	2,790	2,193	57,920	57,920	57,920
FTE (based on 2080)	3.6	3.7	1.3	1.1	27.8	27.8	27.8
Use of Funds:							
Labor	\$ 419,310	\$ 460,650	\$ 172,037	\$ 131,464	\$ 3,135,315	\$ 3,323,389	\$ 6,458,704
Benefits	\$ 175,507	\$ 199,835	\$ 72,009	\$ 57,031	\$ 1,312,333	\$ 1,441,728	\$ 2,754,061
G&A Costs	\$ 667,446	\$ 727,224	\$ 273,844	\$ 207,541	\$ -	\$ -	\$ -
Education & Training	\$ -	\$ -	\$ -	\$ -	\$ 64,300	\$ 65,100	\$ 129,400
Consulting & Professional Services	\$ 3,011,607	\$ 3,011,607	\$ 1,720,000	\$ 487,500	\$ 6,038,107	\$ 5,315,507	\$ 11,353,614
Operating Costs	\$ -	\$ -	\$ -	\$ 25,000	\$ 3,122,812	\$ 3,182,001	\$ 6,304,813
Repair & Maintenance	\$ -	\$ -	\$ -	\$ -	\$ 954,100	\$ 986,085	\$ 1,940,185
Phone & Utilities	\$ -	\$ -	\$ -	\$ -	\$ 77,500	\$ 80,500	\$ 158,000
Equipment & Computer	\$ -	\$ -	\$ -	\$ -	\$ 334,110	\$ 303,760	\$ 637,870
Meeting & Travel	\$ 9,750	\$ 9,750	\$ 1,000	\$ 5,000	\$ 101,600	\$ 106,850	\$ 208,450
Other Administrative Costs	\$ 14,700	\$ 19,650	\$ 21,500	\$ 20,000	\$ 287,858	\$ 312,870	\$ 600,728
Other Expenses	\$ -	\$ -	\$ -	\$ -	\$ 229,763	\$ 302,213	\$ 531,976
Construction	\$ -	\$ -	\$ 12,575,000	\$ 4,600,000	\$ 12,725,000	\$ 4,750,000	\$ 17,475,000
Debt Service	\$ -	\$ -	\$ -	\$ -	\$ 3,965,797	\$ 3,028,588	\$ 6,994,385
Total Use of Funds from Operations	\$ 4,298,320	\$ 4,428,716	\$ 14,835,390	\$ 5,533,536	\$ 32,348,595	\$ 23,198,591	\$ 55,547,186
Contribution To/(From) Reserves:							
Pipeline Repair/Replacement Reserve	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 2,000,000
OCS&D Rehabilitation Reserve	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ 500,000	\$ 1,000,000
Self Insurance Reserve	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ 200,000
Debt Service Reserve	\$ -	\$ -	\$ -	\$ -	\$ 494,560	\$ 508,229	\$ 1,002,789
Retiree Medical Reserve	\$ -	\$ -	\$ -	\$ -	\$ 118,735	\$ 130,580	\$ 249,315
Building Repair/Replacement Reserve	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ 200,000
Total Contributions to Reserves	\$ -	\$ -	\$ -	\$ -	\$ 2,313,295	\$ 2,338,809	\$ 4,652,104
Total Use of Funds	\$ 4,298,320	\$ 4,428,716	\$ 14,835,389	\$ 5,533,536	\$ 34,661,891	\$ 25,537,400	\$ 60,199,290
Net Gain (Loss)	\$ -	\$ -	\$ -	\$ -	\$ (228,930)	\$ (536,706)	\$ (765,636)
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 1,802,428	\$ 1,573,498	\$ 1,802,428
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 1,573,498	\$ 1,036,792	\$ 1,036,792

SAWPA Fund Summary FYE 2017	General Fund	Brine Line Enterprise Funds	Planning Funds	Collaborative Project Funds	Grant/Contract Funds	Capital Project Funds	Total
Source of Funds:							
Discharge Fees	\$ -	\$ 10,417,136	\$ -	\$ -	\$ -	\$ -	\$ 10,417,136
Financing Proceeds	\$ -	\$ -	\$ -	\$ -	\$ 171,782	\$ -	\$ 171,782
Grant Proceeds	\$ -	\$ -	\$ 50,00	\$ -	\$ 4,246,934	\$ -	\$ 4,296,934
Contributions	\$ 699,307	\$ -	\$ 670,00	\$ 1,006,878	\$ 10,000	\$ -	\$ 2,386,185
Other Income	\$ -	\$ 271,679	\$ -	\$ 44,490	\$ -	\$ 5,533,536	\$ 5,849,705
Interest & Investments	\$ -	\$ 1,878,952	\$ -	\$ -	\$ -	\$ -	\$ 1,878,952
Total Source of Funds	\$ 699,307	\$ 12,567,767	\$ 720,00	\$ 1,051,368	\$ 4,428,716	\$ 5,533,536	\$ 25,000,694
Staffing:							
Hours Allocated	25,603	17,055	4,096	1,203	7,770	2,193	57,920
FTE (based on 2080)	12.3	8.2	2.0	0.5	3.7	1.1	27.8
Use of Funds:							
Labor	\$ 1,543,505	\$ 902,634	\$ 210,95	\$ 74,182	\$ 460,650	\$ 131,464	\$ 3,323,389
Benefits	\$ 669,592	\$ 391,574	\$ 91,51	\$ 32,181	\$ 199,835	\$ 57,031	\$ 1,441,728
G&A Costs	\$ (2,809,885)	\$ 1,424,978	\$ 333,03	\$ 117,110	\$ 727,224	\$ 207,541	\$ -
Education & Training	\$ 56,300	\$ 8,800	\$ -	\$ -	\$ -	\$ -	\$ 65,100
Consulting & Professional Services	\$ 210,000	\$ 335,000	\$ 70,00	\$ 1,201,400	\$ 3,011,607	\$ 487,500	\$ 5,315,507
Operating Costs	\$ 7,500	\$ 3,144,501	\$ -	\$ 5,000	\$ -	\$ 25,000	\$ 3,182,001
Repair & Maintenance	\$ 131,085	\$ 855,000	\$ -	\$ -	\$ -	\$ -	\$ 986,085
Phone & Utilities	\$ 71,000	\$ 9,500	\$ -	\$ -	\$ -	\$ -	\$ 80,500
Equipment & Computer	\$ 212,710	\$ 91,050	\$ -	\$ -	\$ -	\$ -	\$ 303,760
Meeting & Travel	\$ 74,350	\$ 8,250	\$ 8,90	\$ 600	\$ 9,750	\$ 5,000	\$ 106,850
Other Administrative Costs	\$ 197,570	\$ 62,450	\$ 13,05	\$ 150	\$ 19,650	\$ 20,000	\$ 312,870
Other Expenses	\$ 105,000	\$ 197,213	\$ -	\$ -	\$ -	\$ -	\$ 302,213
Construction	\$ -	\$ -	\$ -	\$ 150,000	\$ -	\$ 4,600,000	\$ 4,750,000
Debt Service	\$ -	\$ 3,028,588	\$ -	\$ -	\$ -	\$ -	\$ 3,028,588
Total Use of Funds from Operations	\$ 468,727	\$ 10,459,538	\$ 727,45	\$ 1,580,623	\$ 4,428,716	\$ 5,533,536	\$ 23,198,591
Contribution To/(From) Reserves:							
Pipeline Repair/Replacement Reserve	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
OCS&D Rehabilitation Reserve	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 500,000
Self Insurance Reserve	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Debt Service Reserve	\$ -	\$ 508,229	\$ -	\$ -	\$ -	\$ -	\$ 508,229
Retiree Medical Reserve	\$ 130,580	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 130,580
Building Repair/Replacement Reserve	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Total Contributions to Reserves	\$ 230,580	\$ 2,108,229	\$ -	\$ -	\$ -	\$ -	\$ 2,338,809
Total Use of Funds	\$ 699,307	\$ 12,567,767	\$ 727,45	\$ 1,580,623	\$ 4,428,716	\$ 5,533,536	\$ 25,537,400
Net Gain (Loss)	\$ -	\$ -	\$ (7,45	\$ (529,255)	\$ -	\$ -	\$ (536,706)
Beginning Fund Balance	\$ -	\$ -	\$ 129,03	\$ 1,444,468	\$ -	\$ -	\$ 1,573,498
Ending Fund Balance	\$ -	\$ -	\$ 121,58	\$ 915,213	\$ -	\$ -	\$ 1,036,792
<i>Project Reimb (Prop 84 Capital)</i>	\$ -	\$ -	\$ -	\$ -	\$ 6,381,306	\$ -	\$ 6,381,306
G&A Contribution	100.0%	50.71%	11.85%	4.17%	25.88%	7.39%	

SAWPA Fund Summary FYE 2016	General Fund	Brine Line Enterprise Funds	Planning Funds	Collaborative Funds	Grant/Contract Funds	Capital Project Funds	Total
Source of Funds:							
Discharge Fees	\$ -	\$ 9,977,257	\$ -	\$ -	\$ -	\$ -	\$ 9,977,257
Financing Proceeds	\$ -	\$ -	\$ -	\$ -	\$ 167,264	\$ 10,000,000	\$ 10,167,264
Grant Proceeds	\$ -	\$ -	\$ -	\$ 100,000	\$ 4,121,056	\$ -	\$ 4,221,056
Contributions	\$ 617,795	\$ -	\$ 660,00	\$ 761,126	\$ 10,000	\$ -	\$ 2,048,921
Other Income	\$ -	\$ 391,295	\$ -	\$ 44,490	\$ -	\$ 4,835,390	\$ 5,271,175
Interest & Investments	\$ -	\$ 2,747,287	\$ -	\$ -	\$ -	\$ -	\$ 2,747,287
Total Source of Funds	\$ 617,795	\$ 13,115,839	\$ 660,00	\$ 905,616	\$ 4,298,320	\$ 14,835,390	\$ 34,432,960
Staffing:							
Hours Allocated	25,567	16,400	4,278	1,465	7,420	2,790	57,920
FTE (based on 2080)	12.3	7.9	2.1	0.7	3.6	1.3	27.8
Use of Funds:							
Labor	\$ 1,453,592	\$ 800,427	\$ 207,72	\$ 82,221	\$ 419,310	\$ 172,037	\$ 3,135,315
Benefits	\$ 608,422	\$ 335,032	\$ 86,94	\$ 34,415	\$ 175,507	\$ 72,009	\$ 1,312,333
G&A Costs	\$ (2,676,922)	\$ 1,274,098	\$ 330,65	\$ 130,877	\$ 667,446	\$ 273,844	\$ -
Education & Training	\$ 56,300	\$ 8,000	\$ -	\$ -	\$ -	\$ -	\$ 64,300
Consulting & Professional Services	\$ 207,600	\$ 350,000	\$ 20,00	\$ 728,900	\$ 3,011,607	\$ 1,720,000	\$ 6,038,107
Operating Costs	\$ 8,700	\$ 3,114,012	\$ -	\$ 100	\$ -	\$ -	\$ 3,122,812
Repair & Maintenance	\$ 104,100	\$ 850,000	\$ -	\$ -	\$ -	\$ -	\$ 954,100
Phone & Utilities	\$ 69,000	\$ 8,500	\$ -	\$ -	\$ -	\$ -	\$ 77,500
Equipment & Computers	\$ 222,610	\$ 111,500	\$ -	\$ -	\$ -	\$ -	\$ 334,110
Meeting & Travel	\$ 74,350	\$ 7,000	\$ 8,90	\$ 600	\$ 9,750	\$ 1,000	\$ 101,600
Other Administrative Costs	\$ 183,808	\$ 54,700	\$ 13,05	\$ 100	\$ 14,700	\$ 21,500	\$ 287,858
Other Expenses	\$ 87,500	\$ 142,213	\$ -	\$ 50	\$ -	\$ -	\$ 229,763
Construction	\$ -	\$ -	\$ -	\$ 150,000	\$ -	\$ 12,575,000	\$ 12,725,000
Debt Service	\$ -	\$ 3,965,797	\$ -	\$ -	\$ -	\$ -	\$ 3,965,797
Total Use of Funds from Operations	\$ 399,060	\$ 11,021,279	\$ 667,28	\$ 1,127,263	\$ 4,298,320	\$ 14,835,390	\$ 32,348,595
Contribution To/(From) Reserves:							
Pipeline Repair/Replacement Reserve	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
OCS&D Rehabilitation Reserve	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 500,000
Self Insurance Reserve	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Debt Service Reserve	\$ -	\$ 494,560	\$ -	\$ -	\$ -	\$ -	\$ 494,560
Retiree Medical Reserve	\$ 118,735	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 118,735
Building Repair/Replacement Reserve	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Total Contributions to Reserves	\$ 218,735	\$ 2,094,560	\$ -	\$ -	\$ -	\$ -	\$ 2,313,295
Total Use of Funds	\$ 617,795	\$ 13,115,839	\$ 667,28	\$ 1,127,263	\$ 4,298,320	\$ 14,835,390	\$ 34,661,891
Net Gain (Loss)	\$ -	\$ -	\$ (7,28	\$ (221,647)	\$ -	\$ -	\$ (228,930)
Beginning Fund Balance	\$ -	\$ -	\$ 136,31	\$ 1,666,115	\$ -	\$ -	\$ 1,802,428
Ending Fund Balance	\$ -	\$ -	\$ 129,03	\$ 1,444,468	\$ -	\$ -	\$ 1,573,498
<i>Project Reimb (Prop 84 Capital)</i>	\$ -	\$ -	\$ -	\$ -	\$ 10,885,180	\$ -	\$ 10,885,180
G&A Contribution	100.0%	47.60%	12.35%	4.89%	24.93%	10.23%	

General Fund

The General Fund is the administrative cost center for labor, benefits, and other direct costs associated with SAWPA's efforts of operating the JPA, which are not directly allocable to the other funds. Other direct costs include operating costs, repair and maintenance of the building, technology and information systems, Commission and related expenses, and lobbying efforts. Through the general and administrative (G&A) allocation process, costs are recovered as direct labor is charged to activities and projects within other fund groups.

To help achieve the goals and objectives within the Strategic Plan, staff will focus on several critical functions within the general fund. Those functions are communication and participation throughout the Watershed, financial management and planning, and legislative efforts.

Communication and Participation

To meet SAWPA's goals, various efforts related to the newsletter, stakeholder communication, and participation in various conferences and task forces are budgeted in Fund 100. Goals include efforts to obtain further funding for the IRWMP and the following:

- ◆ Keep Watershed needs in the public's, administrations', and legislators' views.
- ◆ Continue efforts to fund local/regional water projects.
- ◆ Work to improve Watershed opportunities for proposition funding.

Financial Management and Planning

- ◆ Develop a long-range financial plan.
- ◆ Initiate development of models for other areas of SAWPA.
- ◆ Integrate the models into a framework to guide decision-making.
- ◆ Utilize model to assist in strategic goal setting and evaluation.

Legislative Efforts

The Agency's main role in legislative efforts is to coordinate with the member agencies and Watershed stakeholders to advocate for common priorities and goals in Federal, State and local legislative areas, maximizing the voice and stature of the agencies and Watershed.

Revenue and Other Funding Sources

In FYE 2016, the general fund has total budgeted revenues of \$617,795, or approximately 1.8% of the total budgeted revenue of \$34.4 million. Revenues are made up of member agency contributions.

In FYE 2017, the general fund has total budgeted revenues of \$699,307, or approximately 2.8% of the total budgeted revenue of \$25.0 million. Revenues are made up of member agency contributions.

Expenses and Other Uses of Funds

Staff continues to cut costs throughout the budget where possible. We have been able to implement a number of efficiencies throughout the Agency that help in reducing overall operating costs.

In FYE 2016, the general fund has total budgeted expenses of \$3.3 million, or approximately 10.2% of the total budgeted operating expenses of \$32.3 million. General fund expenses are projected to increase by less than 1% or \$25,068, over the FYE 2015 budget.

In FYE 2017, the general fund has total budgeted expenses of \$3.5 million, or approximately 15.1% of the total budgeted operating expenses of \$23.2 million. General fund expenses are projected to increase approximately 6.5% or \$214,475, over the FYE 2016 budget.

Of the total expenses for FYE 2016 and 2017, \$2.7 million and \$2.8 million is charged out as G&A Allocation to the Brine Line Enterprise, Planning, Collaborative Projects, Grant/Contracts, and Capital Projects Funds based on total labor dollars. After allocation of these costs, total expenses of \$617,795 (FYE 2016) and \$699,307 (FYE 2017) will be covered by member agency contributions and reserves.

FYE 2016 G&A Allocation by Fund Type

<i>Fund Type</i>	<i>G&A Allocation</i>	<i>% of Total</i>
Brine Line Enterprise	\$1,274,098	47.60%
Planning	330,657	12.35%
Collaborative Projects	130,877	4.89%
Grant/Contracts	667,446	24.93%
Capital Projects	273,844	10.23%
Total	\$2,676,922	100.00%

FYE 2017 G&A Allocation by Fund Type

<i>Fund Type</i>	<i>G&A Allocation</i>	<i>% of Total</i>
Brine Line Enterprise	\$1,424,978	50.71%
Planning	333,032	11.85%
Collaborative Projects	117,110	4.17%
Grant/Contracts	727,224	25.88%
Capital Projects	207,541	7.39%
Total	\$2,809,885	100.00%

Labor and Benefits

Total labor and benefits for FYE 2016 are projected to be \$2.1 million, or 46% of the Agency's total labor and benefits of \$4.4 million. This is an increase of 1% over last year's budget. Approximately 12.3 FTE, or 25,567 total hours will be required to perform work under this fund.

Total labor and benefits for FYE 2017 are projected to be \$2.2 million, or 46% of the Agency's total labor and benefits of \$4.7 million. This is an increase of 7% over the FYE 2016 budget. Approximately 12.3 FTE, or 25,603 total hours will be required to perform work under this fund.

Education and Training

Total education and training costs are projected to be \$56,300 for FYE 2016 and 2017. This is an increase of 10.8% over last year's budget.

Consulting and Other Professional Services

Total consulting and other professional services are projected to be \$207,600 for FYE 2016 and \$210,000 for FYE 2017. This is a decrease of 11.9% over last year's budget and an increase of 1% over the FYE 2016 budget. Planned consulting costs include network/security support, internal security audit, document imaging support, website re-design, and long-term financial plan consulting. Other professional services include temporary staffing, employment recruitment, audit, and legal services.

Operating Costs

Total operating costs are projected to be \$8,700 for FYE 2016 and \$7,500 for FYE 2017. This is an increase of 93% over FYE 2015. Costs in this category include materials, supplies, and safety. The increase mainly is due to increases associated with safety compliance.

Repair and Maintenance

Total repair and maintenance costs are projected to be \$104,100 for FYE 2016 and \$131,085 for FYE 2017. This is an increase of 3.6% over last year's budget and an increase of 25.9% over the FYE 2016 budget. This increase is the result of having delayed major repairs in the last few years in an effort to decrease costs. Costs in this category include security, custodial services, landscape maintenance, HVAC, and facility repair and maintenance.

Phone and Utilities

Total phone and utilities are projected to be \$69,000 for FYE 2016 and \$71,000 for FYE 2017. This is a decrease of 6.6% over last year's budget and an increase of 2.9% over the FYE 2016 budget. Costs in this category include electricity, water, telephone, and cell phone services.

Equipment and Computers

Total equipment and computer expenses are projected to be \$222,610 for FYE 2016 and \$212,710 for FYE 2017. This is an increase of 21.3% over last year's budget and a decrease of 4.4% over the FYE 2016 budget. The initial 21.3% increase is the result of bundling Microsoft software licenses and purchasing them in advance. Costs in this category include equipment expenses, repair/maintenance, equipment rented, and computer hardware and software.

Meeting and Travel

Total meeting and travel expenses are projected to be \$54,200 for FYE 2016 and FYE 2017. This is a decrease of 26.8% over last year's budget. Costs in this category include offsite meeting and travel, in-house meetings, and conference expenses.

Other Administrative Costs

Total other administrative costs are projected to be \$183,108 for FYE 2016 and \$186,970 for FYE 2017. This is a decrease of 3% over last year's budget and a 2.1% increase over the FYE 2016 budget. Costs in this category include dues and subscriptions, contributions, bank fees, shipping and postage, office supplies, offsite storage costs, Commission fees, mileage, and other expenses.

Other Expenses

Total other expenses are projected to be \$87,500 for FYE 2016 and \$105,000 for FYE 2017. This is a 45.8% decrease over last year's budget and an increase of 2% over the FYE 2016 budget. Contingency costs of \$160,000 were included in the FYE 2014 budget to help cover any unexpected costs that may be incurred. Costs in this category include insurance and fixed asset purchases. Details for fixed asset purchases are listed in the schedules below.

■ Fixed Assets

All capital purchases (defined by the policy as purchased items greater than \$5,000) for furniture, vehicles, computers and office equipment are capitalized and depreciated as fixed assets. In FYE 2016 and 2017, the following items have been budgeted for purchase.

FYE 2016 Fixed Asset Purchases

<i>Purchase</i>	<i>Cost</i>
Office Furniture – 2 offices	\$12,500
Total	\$12,500

FYE 2017 Fixed Asset Purchases

<i>Purchase</i>	<i>Cost</i>
Carpet Replacement	\$25,000
Total	\$25,000

Reserve Contributions

Included in the FYE 2016 and 2017 Budget, are reserve contributions of \$218,735 and \$230,580. For FYE 2016, \$118,735 is the Annual Required Contribution (ARC) for the Retiree Medical Trust and \$100,000 is for the Building Repair/Replacement. For FYE 2017, \$130,580 is the ARC for the Retiree Medical Trust and \$100,000 is for the Building Repair/Replacement.

FYE 2016 Reserve Balance

<i>Reserve</i>	<i>FYE 2015 Balance</i>	<i>Contribution</i>	<i>Interest</i>	<i>Expenses</i>	<i>FYE 2016 Balance</i>
Building Repair	\$640,235	\$100,000	\$—	\$—	\$740,235
Total	\$640,235	\$100,000	\$—	\$—	\$740,235

FYE 2017 Reserve Balance

<i>Reserve</i>	<i>FYE 2016 Balance</i>	<i>Contribution</i>	<i>Interest</i>	<i>Expenses</i>	<i>FYE 2017 Balance</i>
Building Repair	\$740,235	\$100,000	\$—	\$—	\$840,235
Total	\$740,235	\$100,000	\$—	\$—	\$840,235

In June 2004, the GASB issued Statement No. 45 (GASB 45), *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This new reporting standard will have a significant impact on the Agency. The Agency is required to complete an actuarial valuation to determine the annual cost of the outstanding obligations and commitments of the retiree medical benefit SAWPA offers its employees. An actuarial valuation will be required in FYE 2016. The Agency joined the CalPERS Trust Fund and will contribute the ARC each year.

General Fund Budget FYE 2016	General Fund Fund 100-00	State Lobbying Fund 100-03	Federal Lobbying Fund 100-04	Grant Applications Fund 100-05	Total
Source of Funds:					
Contributions	\$ 385,000	\$ 212,203	\$ 20,592	\$ –	\$ 617,795
Total Source of Funds	\$ 385,000	\$ 212,203	\$ 20,592	\$ –	\$ 617,795
Staffing:					
Hours Allocated	24,667	525	115	260	25,567
FTE (based on 2080)	11.9	0.3	0.1	0.1	12.3
Use of Funds:					
Labor	\$ 1,376,600	\$ 57,490	\$ 10,850	\$ 8,652	\$ 1,453,592
Benefits	\$ 576,196	\$ 24,063	\$ 4,542	\$ 3,621	\$ 608,422
G&A Costs Applied	\$ (2,676,922)	\$ –	\$ –	\$ –	\$ (2,676,922)
Education & Training	\$ 56,300	\$ –	\$ –	\$ –	\$ 56,300
Consulting & Professional Services	\$ 92,600	\$ 115,000	\$ –	\$ –	\$ 207,600
Operating Costs	\$ 8,700	\$ –	\$ –	\$ –	\$ 8,700
Repair & Maintenance	\$ 104,100	\$ –	\$ –	\$ –	\$ 104,100
Phone & Utilities	\$ 69,000	\$ –	\$ –	\$ –	\$ 69,000
Equipment & Computers	\$ 222,610	\$ –	\$ –	\$ –	\$ 222,610
Meeting & Travel	\$ 54,200	\$ 15,000	\$ 5,150	\$ –	\$ 74,350
Other Administrative Costs	\$ 183,108	\$ 650	\$ 50	\$ –	\$ 183,808
Other Expenses	\$ 87,500	\$ –	\$ –	\$ –	\$ 87,500
Total Use of Funds from Operations	\$ 153,992	\$ 212,203	\$ 20,592	\$ 12,273	\$ 399,060
Contribution To/(From) Reserves:					
Retiree Medical Reserve	\$ 118,735	\$ –	\$ –	\$ –	\$ 118,735
Building Repair/Replacement Reserve	\$ 100,000	\$ –	\$ –	\$ –	\$ 100,000
Total Contributions To Reserves	\$ 218,735	\$ –	\$ –	\$ –	\$ 218,735
Total Use of Funds	\$ 372,727	\$ 212,203	\$ 20,592	\$ 12,273	\$ 617,795
Net Gain (Loss)	\$ 12,273	\$ –	\$ –	\$ (12,273)	\$ –

General Fund Budget FYE 2017	General Fund Fund 100-00	State Lobbying Fund 100-03	Federal Lobbying Fund 100-04	Grant Applications Fund 100-05	Total
Source of Funds:					
Contributions	\$ 450,000	\$ 223,005	\$ 26,302	\$ –	\$ 699,307
Total Source of Funds	\$ 450,000	\$ 223,005	\$ 26,302	\$ –	\$ 699,307
Staffing:					
Hours Allocated	24,708	525	110	260	25,603
FTE (based on 2080)	11.9	0.3	0.1	0.1	12.3
Use of Funds:					
Labor	\$ 1,462,223	\$ 60,995	\$ 11,230	\$ 9,057	\$ 1,543,505
Benefits	\$ 634,331	\$ 26,460	\$ 4,872	\$ 3,929	\$ 669,592
G&A Costs Applied	\$ (2,809,885)	\$ –	\$ –	\$ –	\$ (2,809,885)
Education & Training	\$ 56,300	\$ –	\$ –	\$ –	\$ 56,300
Consulting & Professional Services	\$ 95,000	\$ 115,000	\$ –	\$ –	\$ 210,000
Operating Costs	\$ 7,500	\$ –	\$ –	\$ –	\$ 7,500
Repair & Maintenance	\$ 131,085	\$ –	\$ –	\$ –	\$ 131,085
Phone & Utilities	\$ 71,000	\$ –	\$ –	\$ –	\$ 71,000
Equipment & Computers	\$ 212,710	\$ –	\$ –	\$ –	\$ 212,710
Meeting & Travel	\$ 54,200	\$ 15,000	\$ 5,150	\$ –	\$ 74,350
Other Administrative Costs	\$ 186,970	\$ 5,550	\$ 5,050	\$ –	\$ 197,570
Other Expenses	\$ 105,000	\$ –	\$ –	\$ –	\$ 105,000
Total Use of Funds from Operations	\$ 206,434	\$ 223,005	\$ 26,302	\$ 12,986	\$ 468,727
Contribution To/(From) Reserves:					
Retiree Medical Reserve	\$ 130,580	\$ –	\$ –	\$ –	\$ 130,580
Building Repair/Replacement Reserve	\$ 100,000	\$ –	\$ –	\$ –	\$ 100,000
Total Contributions To Reserves	\$ 230,580	\$ –	\$ –	\$ –	\$ 230,580
Total Use of Funds	\$ 437,014	\$ 223,005	\$ 26,302	\$ 12,986	\$ 699,307
Net Gain (Loss)	\$ 12,986	\$ –	\$ –	\$ (12,986)	\$ –

General Funds FYE 2011 - 2017	FYE 2011 Actual	FYE 2012 Actual	FYE 2013 Actual	FYE 2014 Actual	FYE 2015 Budget	FYE 2015 Actual	FYE 2016 Budget	FYE 2017 Budget
Source of Funds:								
Contributions	\$ 889,725	\$ 847,745	\$ 948,170	\$ 923,835	\$ 942,950	\$ 942,950	\$ 617,795	\$ 699,307
Other Income	\$ 2,651	\$ –	\$ 301	\$ 955	\$ –	\$ 48,644	\$ –	\$ –
Interest & Investments	\$ 14,262	\$ 19,239	\$ 7,223	\$ 8,751	\$ –	\$ 11,412	\$ –	\$ –
Total Source of Funds	\$ 906,638	\$ 866,984	\$ 955,694	\$ 933,541	\$ 942,950	\$ 1,003,006	\$ 617,795	\$ 699,307
Use of Funds:								
Labor	\$ 1,116,245	\$ 1,226,631	\$ 1,285,008	\$ 1,316,726	\$ 1,425,534	\$ 1,310,984	\$ 1,453,592	\$ 1,543,505
Benefits	\$ 472,172	\$ 537,324	\$ 434,586	\$ 585,955	\$ 653,682	\$ 601,741	\$ 608,422	\$ 669,592
G&A Costs	\$ (1,561,024)	\$ (1,781,358)	\$ (1,945,792)	\$ (2,082,039)	\$ (2,326,699)	\$ (2,339,420)	\$ (2,676,922)	\$ (2,809,885)
Education & Training	\$ 8,441	\$ 10,583	\$ 9,102	\$ 7,146	\$ 50,800	\$ 14,974	\$ 56,300	\$ 56,300
Consulting & Professional Services	\$ 232,089	\$ 215,179	\$ 191,315	\$ 205,552	\$ 235,800	\$ 228,471	\$ 207,600	\$ 210,000
Operating Costs	\$ 4,854	\$ 5,558	\$ 10,084	\$ 4,234	\$ 4,500	\$ 3,929	\$ 8,700	\$ 7,500
Repair & Maintenance	\$ 42,757	\$ 60,048	\$ 42,966	\$ 48,347	\$ 100,520	\$ 54,573	\$ 104,100	\$ 131,085
Phone & Utilities	\$ 57,600	\$ 66,611	\$ 66,542	\$ 64,170	\$ 73,900	\$ 54,647	\$ 69,000	\$ 71,000
Equipment & Computer	\$ 136,313	\$ 173,186	\$ 167,019	\$ 151,947	\$ 183,545	\$ 188,294	\$ 222,610	\$ 212,710
Meeting & Travel	\$ 28,844	\$ 28,094	\$ 28,089	\$ 28,602	\$ 74,050	\$ 21,103	\$ 74,350	\$ 74,350
Other Administrative Costs	\$ 100,296	\$ 96,608	\$ 82,620	\$ 83,168	\$ 188,903	\$ 79,162	\$ 183,808	\$ 197,570
Other Expenses	\$ 60,616	\$ 62,965	\$ 66,662	\$ 68,446	\$ 60,000	\$ 75,537	\$ 87,500	\$ 105,000
Total Use of Funds from Operations	\$ 699,203	\$ 701,429	\$ 438,201	\$ 482,254	\$ 724,535	\$ 293,995	\$ 399,060	\$ 468,727
Contributions To/(From) Reserves:								
Retiree Medical Reserve	\$ 152,251	\$ 153,596	\$ 140,948	\$ 43,893	\$ 153,415	\$ 93,506	\$ 118,735	\$ 130,580
Building Repair/Replacement Reserve	\$ –	\$ 50,000	\$ 50,000	\$ 100,000	\$ 65,000	\$ 65,000	\$ 100,000	\$ 100,000
Total Contributions To Reserves	\$ 152,251	\$ 203,596	\$ 190,948	\$ 143,893	\$ 218,415	\$ 158,506	\$ 218,735	\$ 230,580
Total Use of Funds	\$ 851,454	\$ 905,025	\$ 629,149	\$ 626,147	\$ 942,950	\$ 452,501	\$ 617,795	\$ 699,307
Net Gain (Loss)	\$ 55,184	\$ (38,041)	\$ 326,545	\$ 307,394	\$ –	\$ 550,505	\$ –	\$ –

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Enterprise Funds

The Agency's Enterprise Fund is made up of Brine Line operations and debt service, and is funded through user fees, grants, use of reserves, and interest and investments.

Brine Line Enterprise

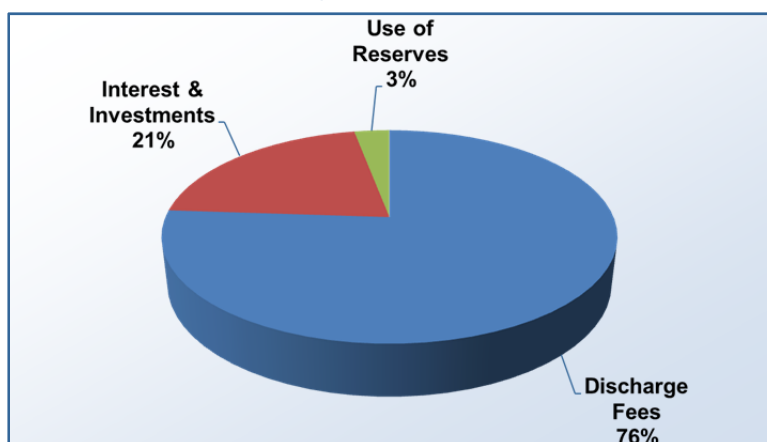
The Brine Line is a regional brine line designed to convey 30 MGD of non-reclaimable wastewater from the upper Santa Ana River Basin to the ocean for disposal, after treatment. The non-reclaimable wastewater consists of desalter concentrate, other brine wastes, and industrial wastewater. Domestic wastewater also is received on a temporary basis. To date, over 73 miles of the Brine Line have been completed.

Revenue and Other Funding Sources

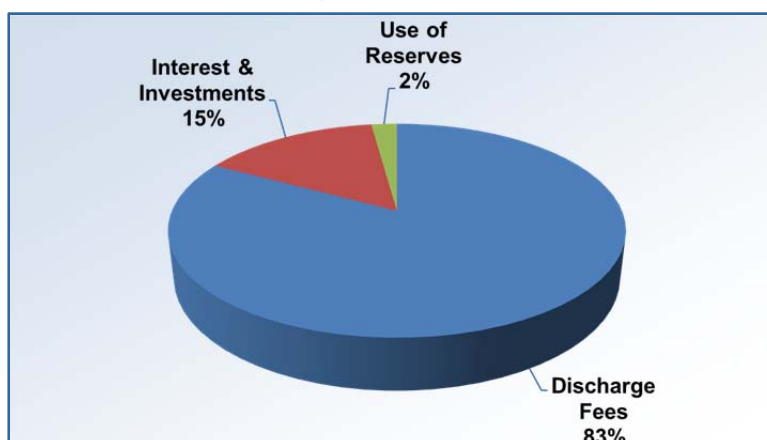
In FYE 2016, the Brine Line Enterprise has total budgeted revenues of \$13.1 million, or approximately 38% of the total budgeted revenue of \$34.4 million. Revenues are made up of \$9.9 million from discharge fees, \$2.7 million from interest and investments, and \$0.39 million from reserves.

In FYE 2017, the Brine Line Enterprise has total budgeted revenues of \$12.6 million, or approximately 50.3% of the total budgeted revenue of \$25.0 million. Revenues are made up of \$10.4 million from discharge fees, \$1.9 million from interest and investments, and \$0.27 million from reserves.

FYE 2016 Revenues
\$13.1 Million



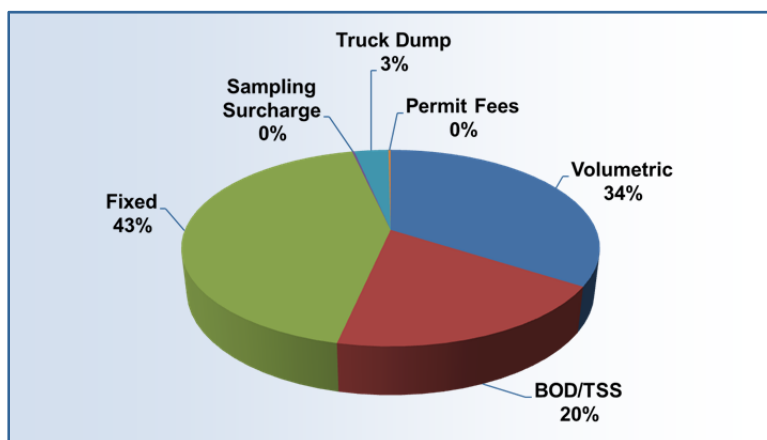
FYE 2017 Revenues
\$12.6 Million



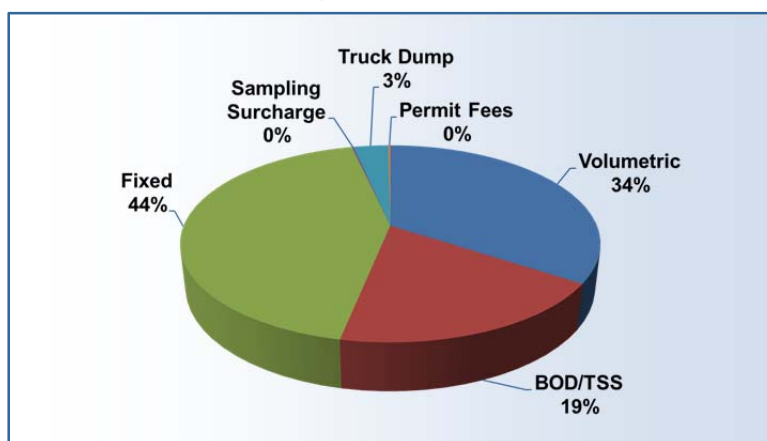
Brine Line Operating Revenues

Brine Line operating revenues include discharge fees, use of reserves, grant proceeds, and interest and investments. Total discharge fees for FYE 2016 and 2017 are projected to be \$9.9 million and \$10.4 million. Total interest and investments for FYE 2016 and 2017 are projected to be \$2.7 million and \$1.9 million. Total Use of Reserves for FYE 2016 and 2017 are projected to be \$0.39 million and \$0.27 million.

**FYE 2016 Discharge Fees
\$9.9 Million**



**FYE 2017 Discharge Fees
\$10.4 Million**



Several components make up the discharge fees: volumetric, BOD/TSS, fixed charges, truck discharge, emergency discharges, permit fees, and sampling surcharges.

A detailed narrative on each revenue source can be found in the “Revenues” section of this budget.

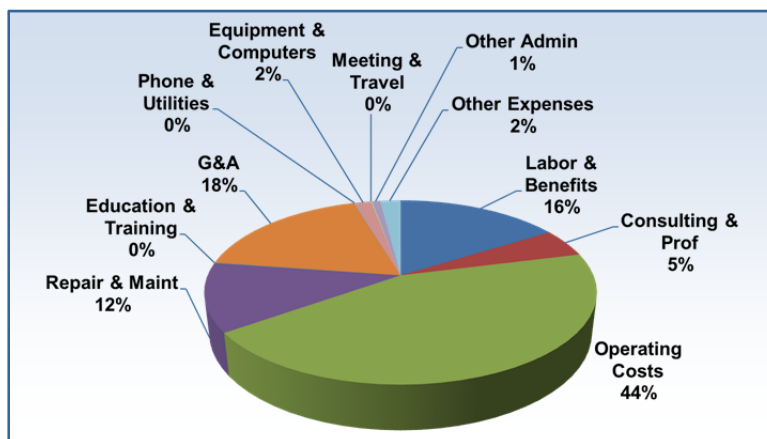
Brine Line Operating Expenses and Other Uses of Funds

In FYE 2016, the Brine Line operating fund has total budgeted expenses of \$7.1 million, or approximately 21.8% of total budgeted operating expenses of \$32.3 million.

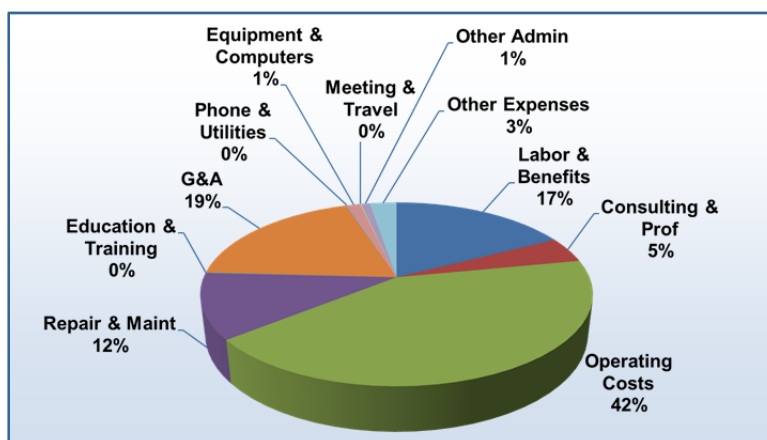
In FYE 2017, the Brine Line operating fund has total budgeted expenses of \$7.4 million, or approximately 22.9% of total budgeted operating expenses of \$32.2 million.

Brine Line Enterprise expenses are projected to decrease by \$0.8 million over the FYE 2015 budget. This is due to a decrease in projected BOD and TSS loadings and an increase in other operating costs.

FYE 2016 Total Operating Expenses \$7.1 Million



FYE 2017 Total Operating Expenses \$7.4 Million



Labor and Benefits

In FYE 2016, total labor and benefits are projected to be \$1.1 million, or approximately 25.5% of the Agency's total labor and benefits of \$4.4 million. This is an increase of 13.3% over last year's budget. The increase is based on the addition of one position for brine line operations and the addition of a Senior Permitting and Pretreatment Specialist. Approximately 7.9 FTE, or 16,400 hours are required under this fund.

In FYE 2017, total labor and benefits are projected to be \$1.3 million, or approximately 27.2% of the Agency's total labor and benefits of \$4.7 million. This is an increase of 13.9% over the FYE 2016 budget. Approximately 8.2 FTE, or 17,055 hours are required under this fund.

G&A Allocation

The G&A allocation is an allocation of general fund expenses based on the percentage of direct labor charged to the enterprise. In FYE 2016, approximately 47.6%, or \$1.3 million of general fund expenses will be paid by the Brine Line Enterprise. In FYE 2017, approximately 50.7%, or \$1.4 million of general fund expenses will be paid by the Brine Line Enterprise.

Training Costs

Training costs are projected to be \$8,000 for FYE 2016 and \$8,800 for FYE 2017. Expected training requirements are attributed to EPA and OSHA training, collection system operator testing and training, and pretreatment program training.

Consulting and Professional Services

Consulting and professional services are projected to be \$350,000 for FYE 2016, a \$265,000 decrease over FYE 2015. In FYE 2014 and 2015 consulting and professional services included a Bureau of Reclamation (BOR) Salton Sea study follow-up and the OCSD rock removal study, which were not included in the FYE 2016 budget. Consulting and professional services for FYE 2017 are projected to be \$335,000, a decrease of 4.3% over FYE 2016.

The following table shows the type of work that will be completed by consultants for the FYE 2016 and 2017.

FYE 2016 Consulting & Professional Services

<i>Work Performed</i>	<i>FYE 2016</i>
Brine Flow Projection Planning	\$ 25,000
Engineering Support	\$ 50,000
Financial Model Update	\$ 25,000
Developer Coordination – Construction Support	\$ 50,000
Scale evaluation, solids control, operations support	\$ 100,000
Traffic engineering and surveying	\$ 50,000
Legal fees	\$ 50,000
Total Consulting & Professional Services	\$ 350,000

FYE 2017 Consulting & Professional Services

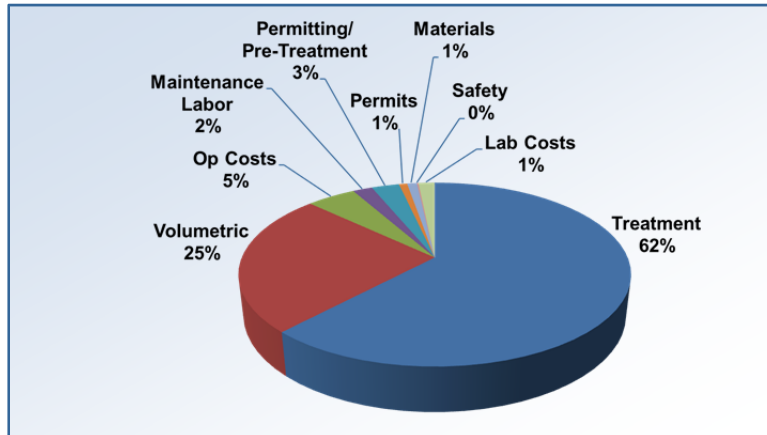
<i>Work Performed</i>	<i>FYE 2017</i>
Brine Flow Projection Planning	\$ 25,000
Engineering Support	\$ 50,000
Financial Model Update	\$ 15,000
Developer Coordination – Construction Support	\$ 50,000
Scale evaluation, solids control, operations support	\$ 100,000
Traffic engineering and surveying	\$ 40,000
Legal fees	\$ 55,000
Total Consulting & Professional Services	\$ 335,000

Operating Costs

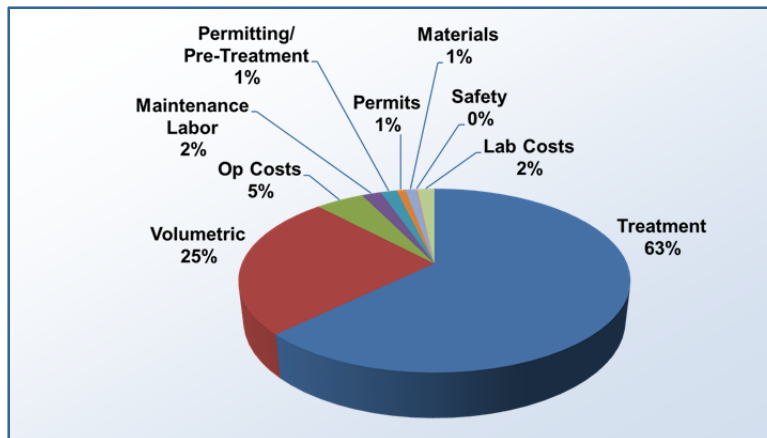
Operating costs include treatment and volumetric costs paid to OCSD, permitting and pre-treatment activities, member agency operating labor, maintenance, materials, and safety costs.

In FYE 2016, total budgeted operating costs are \$3.1 million, or approximately 44.1% of total Brine Line operating expenses. In FYE 2017, total budgeted operating costs are \$3.1 million, or approximately 42.3% of total Brine Line operating expenses.

FYE 2016 Operating Costs \$3.1 Million



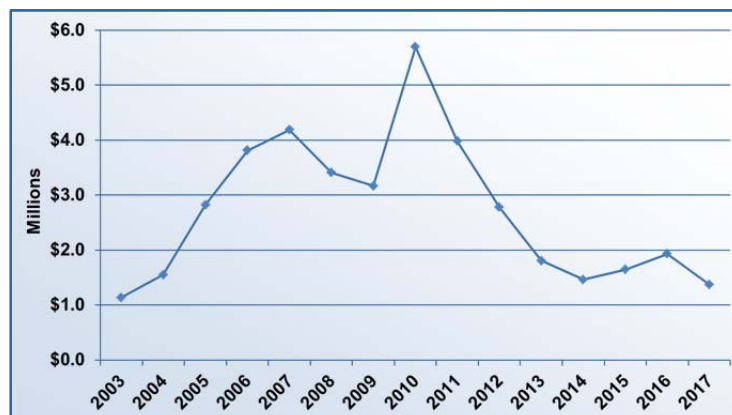
FYE 2017 Operating Costs \$3.1 Million



■ Treatment Costs

Treatment costs are the fees OCSD charges for BOD and TSS loadings based on samples taken at the meter facility located near the Orange County line. Total treatment costs are projected to be \$1.9 million for FYE 2016 and \$2.0 million for FYE 2017. Treatment costs are passed through to the dischargers.

Historical Treatment Costs



- Volumetric Costs

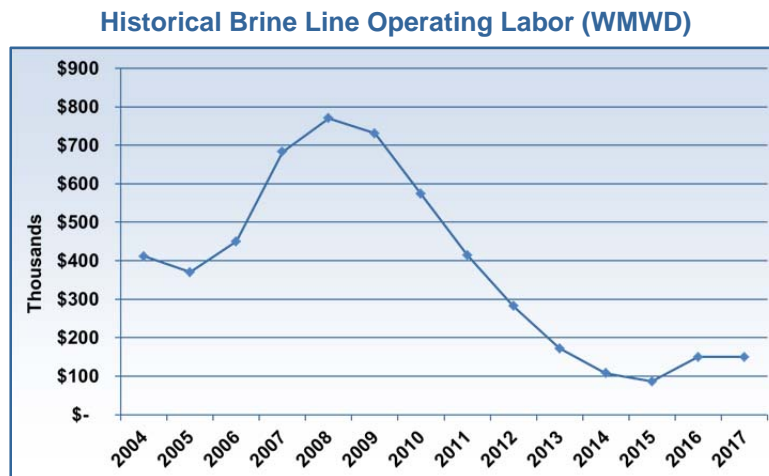
Volumetric costs are the fees OCSD charges for volume of flow at Meter S-01. Total volumetric costs are projected to be \$778,107 for FYE 2016 and \$794,751 for FYE 2017. This is a decrease of 6.8% over last year's budget and an increase of 2.1% over the FYE 2016 budget.

Last year's (FYE 2015) projected total flow was 11.8 MGD; whereas this year's projected total flow is 11.4 MGD for FYE 2016 and FYE 2017.



- Brine Line Operating Labor

Brine Line operating labor is the cost of WMWD staff for sample collection and line cleaning activities. Total Brine Line operating labor costs are projected to be \$150,000 for FYE 2016 and FYE 2017. This is a decrease of 63.8% over last year's budget. SAWPA has added another operations position and has taken on most of the work that had been done by WMWD staff. The decrease in operating labor is offset by an increase in labor and benefit costs.



- Permitting/Pre-Treatment Activities

Permitting/pre-treatment activities are the costs related to permit processing, inspections, reporting, enforcement, and the update to SAWPA Ordinance No. 7. Specialty permitting/pre-treatment consultant costs are projected to be \$85,000 for FYE 2016 and \$50,000 for FYE 2017. This is a 51.4% decrease over last year's budget and a 41.2% decrease over the FYE 2016 budget.

- Maintenance Labor

Maintenance labor is the cost associated with OCSD maintenance of Stringfellow sampling and inspections as well as maintenance done by IEUA for the portion of the Brine Line within their service territory. Total maintenance labor costs are projected to be \$60,000 for both FYE 2016 and FYE 2017. This is a decrease of 14.3% over last year's budget.

- Materials and Supplies

Material and supply costs are projected to be \$30,000 for FYE 2016 and \$32,000 FYE 2017. This is a decrease of 10% over last year's budget, and a 6.7% increase over the FYE 2016 budget.

- Safety and Permit Fees

Safety costs are projected to be \$4,500 for FYE 2016 and \$5,000 FYE 2017. Permit fees are projected to be \$25,000 for FYE 2016 and \$ 27,500 for FYE 2017.

Repair and Maintenance

Total repair and maintenance costs are projected to be \$850,000 for FYE 2016 and \$855,000 for FYE 2017. This is an increase of 9.7% over last year's budget and a 1% increase for FYE 2017. A decrease in the pipeline maintenance in Orange County accounts for the decrease in this cost category. Four miles of the pipeline was relocated in 2014. The new pipe should require less maintenance than the older existing pipe.

Phone and Utilities

Total phone and utilities are projected to be \$8,500 for both FYE 2016 and FYE 2017. This is an increase of 47.8% over last year's budget. Costs in this category include electricity and cell phone services.

Equipment and Computers

Total equipment and computers expenses are projected to be \$111,500 for FYE 2016 and \$91,050 for FYE 2017. This is an increase of 143.7% over the FYE 2015 budget and a decrease of 18.3% over the FYE 2016 budget. The increase is based on the rental of small equipment, the purchase of flow level sensors, and costs associated with the new pre-treatment software.

Meeting and Travel

Total meeting and travel expenses are projected to be \$7,000 for FYE 2016 and \$8,250 for FYE 2017. This is a 27.2% increase over last year's budget. Costs in this category include offsite meeting and travel, in-house meetings, and conference expenses.

Other Administrative Costs

Total other administrative costs are projected to be \$54,700 for FYE 2016 and \$62,450 for FYE 2017. This is an increase of 24.5% over last year's budget, with a 14.2% increase for FYE 2017. Costs in this category include car repair/maintenance, dues and subscriptions, contributions, shipping and postage, office supplies, and other expenses. The increase is based on fuel costs for three field vehicles. With SAWPA hiring a new operations position, fuel costs for an additional vehicle will be an added expense.

Other Expenses

Total other expenses are projected to be \$142,213 for FYE 2016 and \$197,213 for FYE 2017. This is a 24% decrease over last year's budget and a 38.7% increase for FYE 2017. Costs in this category include insurance and fixed asset purchases. In FYE 2017, the Agency will purchase a new vehicle and equipment for \$55,000. Details for fixed asset purchases are listed in the schedules below.

- ♦ Fixed Assets

All capital purchases (defined by the policy as purchased items greater than \$5,000) for furniture, vehicles, computers, and office equipment are capitalized and depreciated as fixed assets. In FYE 2017, the following items have been budgeted for purchase. There are no planned fixed asset purchases for FYE 2016.

FYE 2017 Fixed Asset Purchases

Purchase	Cost
Vehicle	\$45,000
Vehicle Equipment	5,000
Total	\$55,000

Reserve Contributions

Included in the FYE 2016 budget are reserve contributions of \$2,094,560; \$1,000,000 for Pipeline Repair/Replacement, \$500,000 for OCSD Rehabilitation; \$100,000 for the Self Insurance Reserve, and \$494,560 for Debt Service. For FYE 2017 reserve contributions will be \$2,108,229; \$1,000,000 for Pipeline Repair/Replacement, \$500,000 for OCSD Rehabilitation; \$100,000 for the Self Insurance Reserve, and \$508,229 for Debt Service.

FYE 2016 Reserve Contribution and Balance

Reserve	FYE 2015 Balance	Contribution	Expense	FYE2016 Balance
Self Insurance Reserve	\$ 3,602,329	\$ 100,000	\$ –	\$ 3,702,329
Pipeline Repair/Replacement Reserve	\$ 21,548,949	\$ 1,000,000	\$ 4,835,389	\$17,713,560
OCSD Rehabilitation Reserve	\$ 6,421,184	\$ 500,000	\$ –	\$ 6,921,184
OCSD Future Capacity Reserve	\$ 1,704,265	\$ –	\$ –	\$ 1,704,265
Capacity Mgmt Reserve	\$ 5,976,397	\$ –	\$ –	\$ 5,976,397
Flow Imbalance Reserve	\$ 77,353	\$ –	\$ –	\$ 77,353
Operating Reserve	\$ 3,436,816	\$ 9,977,257	\$ 9,977,257	\$ 3,436,816
Debt Retirement Reserve	\$ 7,650,026	\$ 3,965,797	\$ 4,357,092	\$ 7,258,731
Total	\$ 50,417,318	\$ 15,543,055	\$19,169,738	\$46,790,635

FYE 2017 Reserve Contribution and Balance

Reserve	FYE 2016 Balance	Contribution	Expense	FYE 2017 Balance
Self Insurance Reserve	\$ 3,702,329	\$ 100,000	\$ –	\$ 3,612,845
Pipeline Repair/Replacement Reserve	\$17,713,560	\$ 1,000,000	\$ 5,533,536	\$ 13,180,024
OCSD Rehabilitation Reserve	\$ 6,921,184	\$ 500,000	\$ –	\$ 7,421,184
OCSD Future Capacity Reserve	\$ 1,704,265	\$ –	\$ –	\$ 1,704,265
Capacity Mgmt Reserve	\$ 5,976,397	\$ –	\$ –	\$ 5,976,397
Flow Imbalance Reserve	\$ 77,353	\$ –	\$ –	\$ 77,353
Operating Reserve	\$ 3,436,816	\$ 10,417,137	\$ 10,417,137	\$ 3,436,816
Debt Retirement Reserve	\$ 7,258,731	\$ 3,028,589	\$ 3,300,268	\$ 6,987,052
Total	\$46,790,634	\$ 15,045,725	\$ 19,250,939	\$ 42,585,420

The Pipeline Repair/Replacement Reserve will fund the CIP. Total reserves needed are projected to be \$4.8 million for FYE 2016 and \$5.5 million for FYE 2017. Staff has secured SRF loans to fund approximately \$10.0 million in capital repairs.

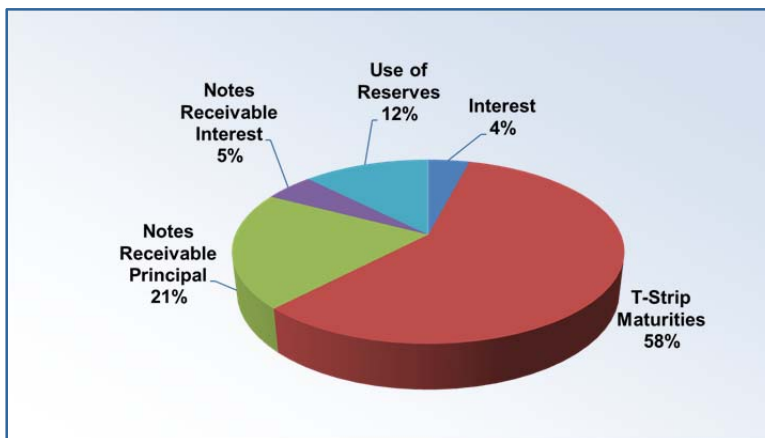
The Operating Reserve is based on 25% of total operating expenses (less OCSD volumetric and treatment costs). There are no further contributions needed to this fund due to it being fully funded.

A detailed narrative on reserve account contributions and balances can be found in the “Reserve” section of this budget.

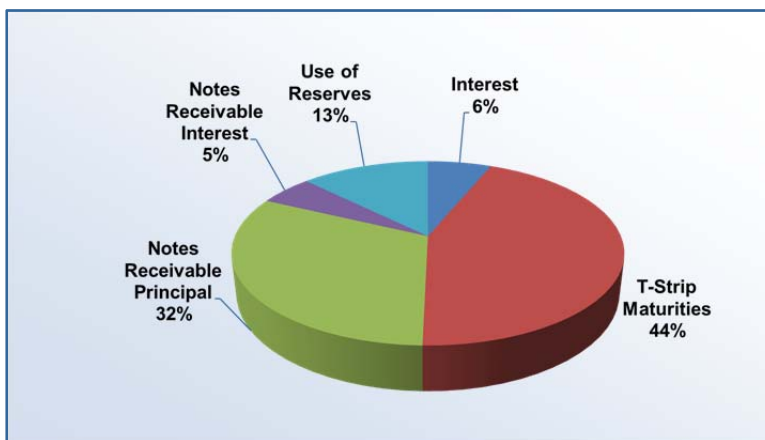
Brine Line Debt Service Revenues

Brine Line debt service revenues include interest, T-Strip maturities, and notes receivable principal and interest. Total debt service revenues for both FYE 2016 and FYE 2017 are projected to be \$2.7 million and \$1.9 million.

**FYE 2016 Debt Service Revenue
\$2.7 Million**



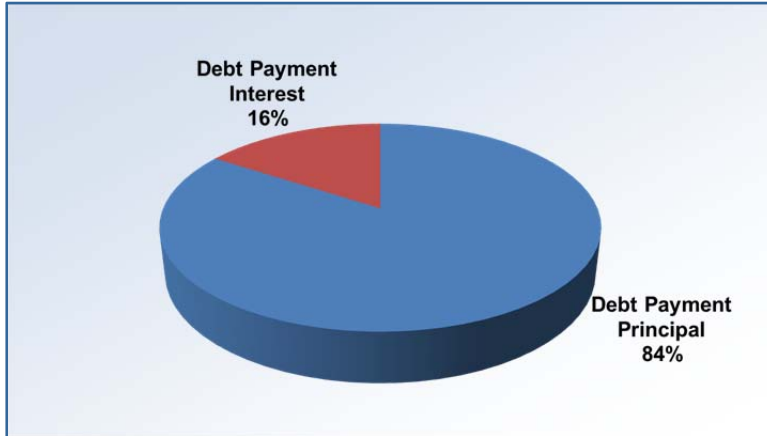
**FYE 2017 Debt Service Revenue
\$1.9 Million**



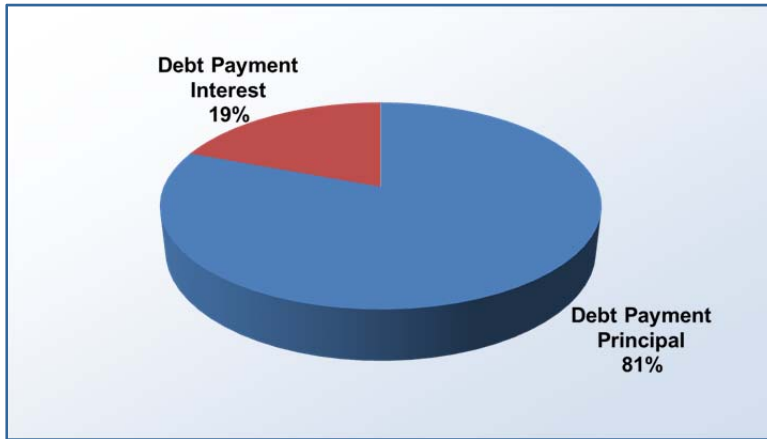
Brine Line Debt Service Expenses

Brine Line debt service expenses include debt service principal and interest payments. Total debt service payments for both FYE 2016 and FYE 2017 are projected to be \$3.9 million and \$3.0 million.

**FYE 2016 Debt Service Expense
\$3.9 Million**



**FYE 2017 Debt Service Expense
\$3.0 Million**



A detailed narrative of debt service can be found in the "Debt Service" section of this budget.

Enterprise Fund Budget FYE 2016	Brine Line Operating Fund 240	Brine Line Debt Service	Total
Source of Funds:			
Discharge Fees	\$ 9,977,257	\$ –	\$ 9,977,257
Other Income	\$ –	\$ 391,295	\$ 391,295
Interest & Investments	\$ –	\$ 2,747,287	\$ 2,747,287
Total Source of Funds	\$ 9,977,257	\$ 3,138,582	\$ 13,115,839
Staffing:			
Hours Allocated	16,400	–	16,400
FTE (based on 2080)	7.9	–	7.9
Use of Funds:			
Labor	\$ 800,427	\$ –	\$ 800,427
Benefits	\$ 335,032	\$ –	\$ 335,032
G&A Costs	\$ 1,274,098	\$ –	\$ 1,274,098
Education & Training	\$ 8,000	\$ –	\$ 8,000
Consulting & Professional Services	\$ 350,000	\$ –	\$ 350,000
Operating Costs	\$ 3,114,012	\$ –	\$ 3,114,012
Repair & Maintenance	\$ 850,000	\$ –	\$ 850,000
Phone & Utilities	\$ 8,500	\$ –	\$ 8,500
Equipment & Computer	\$ 111,500	\$ –	\$ 111,500
Meeting & Travel	\$ 7,000	\$ –	\$ 7,000
Other Administrative Costs	\$ 54,700	\$ –	\$ 54,700
Other Expenses	\$ 142,213	\$ –	\$ 142,213
Debt Service Payments	\$ –	\$ 3,965,797	\$ 3,965,797
Total Use of Funds from Operations	\$ 7,055,482	\$ 3,965,797	\$ 11,021,279
Contribution To/(From) Reserves:			
Pipeline Repair / Replacement Reserve	\$ 1,000,000	\$ –	\$ 1,000,000
OCSD Rehabilitation Reserve	\$ 500,000	\$ –	\$ 500,000
Self Insurance Reserve	\$ 100,000	\$ –	\$ 100,000
Debt Service	\$ 494,560	\$ –	\$ 494,560
Total Contributions to Reserves	\$ 2,094,560	\$ –	\$ 2,094,560
Total Use of Funds	\$ 9,150,042	\$ 3,965,797	\$ 13,115,839
Net Gain (Loss)	\$ 827,215	\$ (827,215)	\$ –
G&A Contribution	47.60%	0.00%	47.60%

Enterprise Fund Budget FYE 2017	Brine Line Operating Fund 240	Brine Line Debt Service	Total
Source of Funds:			
Discharge Fees	\$ 10,417,136	\$ –	\$ 10,417,136
Other Income	\$ –	\$ 271,679	\$ 271,679
Interest & Investments	\$ –	\$ 1,878,952	\$ 1,878,952
Total Source of Funds	\$ 10,417,136	\$ 2,150,631	\$ 12,567,767
Staffing:			
Hours Allocated	17,055	–	17,055
FTE (based on 2080)	8.2	–	8.2
Use of Funds:			
Labor	\$ 902,634	\$ –	\$ 902,634
Benefits	\$ 391,574	\$ –	\$ 391,574
G&A Costs	\$ 1,424,978	\$ –	\$ 1,424,978
Education & Training	\$ 8,800	\$ –	\$ 8,800
Consulting & Professional Services	\$ 335,000	\$ –	\$ 335,000
Operating Costs	\$ 3,144,501	\$ –	\$ 3,144,501
Repair & Maintenance	\$ 855,000	\$ –	\$ 855,000
Phone & Utilities	\$ 9,500	\$ –	\$ 9,500
Equipment & Computer	\$ 91,050	\$ –	\$ 91,050
Meeting & Travel	\$ 8,250	\$ –	\$ 8,250
Other Administrative Costs	\$ 62,450	\$ –	\$ 62,450
Other Expenses	\$ 197,213	\$ –	\$ 197,213
Debt Service Payments	\$ –	\$ 3,028,588	\$ 3,028,588
Total Use of Funds from Operations	\$ 7,430,950	\$ 3,028,588	\$ 10,459,538
Contribution To/(From) Reserves:			
Pipeline Repair / Replacement Reserve	\$ 1,000,000	\$ –	\$ 1,000,000
OCSD Rehabilitation Reserve	\$ 500,000	\$ –	\$ 500,000
Self Insurance Reserve	\$ 100,000	\$ –	\$ 100,000
Debt Service	\$ 508,229	\$ –	\$ 508,229
Total Contributions to Reserves	\$ 2,108,229	\$ –	\$ 2,108,229
Total Use of Funds	\$ 9,539,179	\$ 3,028,588	\$ 12,567,767
Net Gain (Loss)	\$ 877,958	\$ (877,958)	\$ –
G&A Contribution	50.71%	0.00%	50.71%

Enterprise Fund FYE 2011 - 2017	FYE 2011 Actual	FYE 2012 Actual	FYE 2013 Actual	FYE 2014 Actual	FYE 2015 Budget	FYE 2015 Actual	FYE 2016 Budget	FYE 2017 Budget
Source of Funds:								
Discharge Fees	\$ 10,989,257	\$ 10,053,124	\$ 9,170,287	\$ 8,575,085	\$ 10,201,784	\$ 8,958,915	\$ 9,977,257	\$ 10,417,136
Financing Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant Proceeds	\$ 23,204	\$ 7,110	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Income	\$ 155,429	\$ 710,422	\$ 3,112,392	\$ 750,393	\$ 1,303,622	\$ 1,363,669	\$ 391,295	\$ 271,679
Interest & Investments	\$ 5,123,499	\$ 4,253,447	\$ 3,404,624	\$ 3,400,034	\$ 3,343,621	\$ 3,327,041	\$ 2,747,287	\$ 1,878,952
Total Source of Funds	\$ 16,291,389	\$ 15,024,103	\$ 15,687,303	\$ 12,725,512	\$ 14,849,027	\$ 13,649,625	\$ 13,115,839	\$ 12,567,767
Use of Funds:								
Labor	\$ 475,230	\$ 586,492	\$ 699,234	\$ 804,088	\$ 897,644	\$ 829,591	\$ 800,427	\$ 902,634
Benefits	\$ 201,022	\$ 257,470	\$ 308,362	\$ 357,819	\$ 411,617	\$ 380,782	\$ 335,032	\$ 391,574
G&A Costs	\$ 776,526	\$ 928,416	\$ 1,111,782	\$ 1,272,872	\$ 1,408,152	\$ 1,301,629	\$ 1,274,098	\$ 1,424,978
Education & Training	\$ 320	\$ 394	\$ 1,222	\$ 2,397	\$ 7,000	\$ 303	\$ 8,000	\$ 8,800
Consulting & Professional Services	\$ 342,550	\$ 448,806	\$ 769,534	\$ 1,069,080	\$ 615,000	\$ 125,917	\$ 350,000	\$ 335,000
Operating Costs	\$ 5,192,912	\$ 3,859,255	\$ 2,772,125	\$ 2,384,456	\$ 3,502,480	\$ 2,700,488	\$ 3,114,012	\$ 3,144,501
Repair & Maintenance	\$ 356,577	\$ 1,070,446	\$ 721,752	\$ 732,550	\$ 775,000	\$ 608,864	\$ 850,000	\$ 855,000
Phone & Utilities	\$ 2,891	\$ 3,786	\$ 6,103	\$ 7,130	\$ 5,750	\$ 7,824	\$ 8,500	\$ 9,500
Equipment & Computer	\$ 13,679	\$ 28,504	\$ 21,632	\$ 17,286	\$ 45,750	\$ 21,892	\$ 111,500	\$ 91,050
Meeting & Travel	\$ 2,632	\$ 1,575	\$ 5,908	\$ 8,040	\$ 5,500	\$ 5,419	\$ 7,000	\$ 8,250
Other Administrative Costs	\$ 7,676	\$ 19,895	\$ 6,465	\$ 29,010	\$ 43,950	\$ 1,035	\$ 54,700	\$ 62,450
Other Expenses	\$ 351,398	\$ 211,729	\$ 288,753	\$ 215,013	\$ 187,131	\$ 342,937	\$ 142,213	\$ 197,213
Construction	\$ 80,268	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ 4,535,441	\$ 4,535,440	\$ 4,535,441	\$ 4,578,511	\$ 4,448,394	\$ 4,448,394	\$ 3,965,797	\$ 3,028,588
Total Use of Funds from Operations	\$ 12,339,122	\$ 11,952,208	\$ 11,248,313	\$ 11,478,252	\$ 12,353,368	\$ 10,775,075	\$ 11,021,279	\$ 10,459,538
Contribution To/(From) Reserves:								
Pipeline Repair / Replacement Reserve	\$ 3,746,886	\$ 1,138,367	\$ 1,144,198	\$ -	\$ 361,659	\$ 361,659	\$ 1,000,000	\$ 1,000,000
OCSD Rehabilitation Reserve	\$ -	\$ 1,802,500	\$ 1,742,354	\$ 55,701	\$ 1,000,000	\$ 1,000,000	\$ 500,000	\$ 500,000
OCSD Future Capacity Reserve	\$ -	\$ -	\$ 977,845	\$ -	\$ -	\$ -	\$ -	\$ -
Self Insurance Reserve	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Flow Imbalance Reserve	\$ 45,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Reserve	\$ -	\$ -	\$ 474,593	\$ 93,555	\$ -	\$ 378,891	\$ -	\$ -
Debt Service Reserve	\$ 60,381	\$ 31,028	\$ -	\$ 998,004	\$ 1,034,000	\$ 1,034,000	\$ 494,560	\$ 508,229
Total Contributions to Reserves	\$ 3,952,267	\$ 3,071,895	\$ 4,438,990	\$ 1,247,260	\$ 2,495,659	\$ 2,874,550	\$ 2,094,560	\$ 2,108,229
Total Use of Funds	\$ 16,291,389	\$ 15,024,103	\$ 15,687,303	\$ 12,725,512	\$ 14,849,027	\$ 13,649,625	\$ 13,115,839	\$ 12,567,767
Net Gain (Loss)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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Planning Funds

Within the Planning Fund, the primary focuses are to continue watershed-wide planning tasks of value to the member agencies and stakeholders, increase understanding and value of information on a watershed-wide basis, increase SAWPA's awareness of regional and inter-regional issues to improve planning and provide collaborative opportunities, and update the Santa Ana River Watershed IRWMP called "One Water One Watershed" (OWOW) 2.0 as needed to meet new legislation. Currently, the fund is made up of the four activities/projects listed and described below.

<i>Fund</i>	<i>Project</i>
370-01	Basin Planning General
370-02	USBR Partnership Studies
372	Imported Water Recharge Workgroup
373	Watershed Management (OWOW)

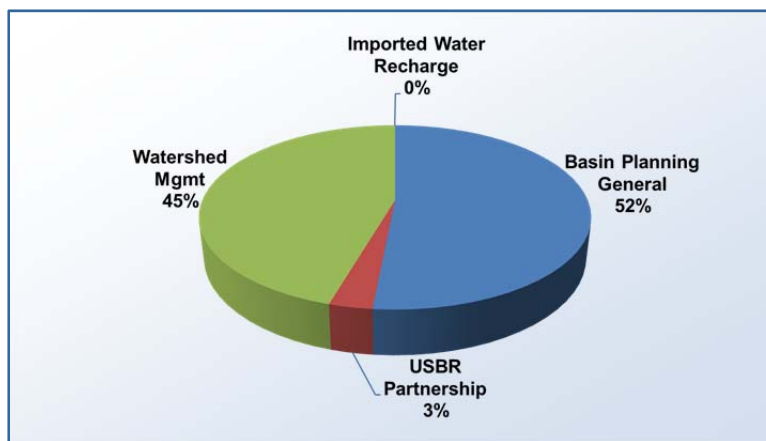
Revenue and Other Funding Sources

In FYE 2016, the planning fund has total budgeted revenues of \$0.7 million, or approximately 1.9% of the total budgeted revenue of \$34.4 million. This represents a 15.3%, or \$119,579, decrease in revenues over the FYE 2015 budget. The decrease is due to the completion of work that was funded through the planning grant from DWR for Watershed Management Plan activities.

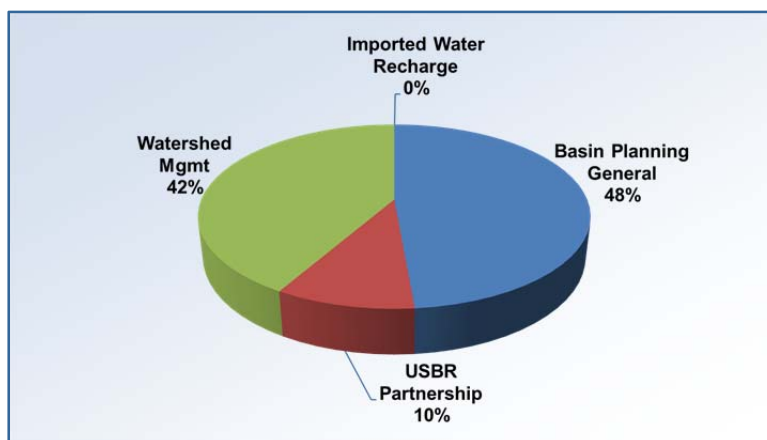
In FYE 2017, the planning fund has total budgeted revenues of \$0.7 million, or approximately 2.9% of the total budgeted revenue of \$25.0 million. This represents a 9%, or \$60,000, increase in revenues over the FYE 2016 budget.

Revenues by fund are shown in the pie charts below. The revenue source for this fund is derived from member agency contributions.

FYE 2016 Revenue by Fund
\$0.7 Million



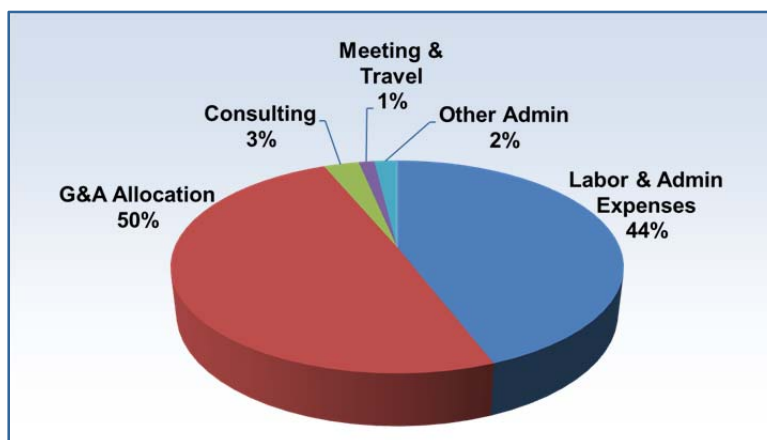
FYE 2017 Revenue by Fund
\$0.7 Million



Expenses and Other Uses of Funds

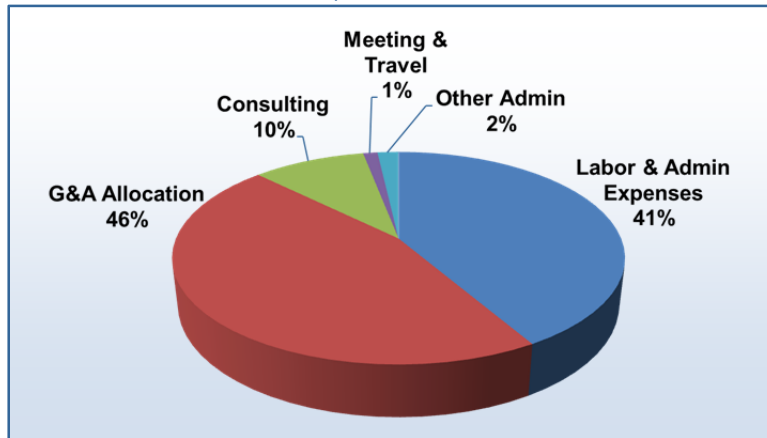
Total expenses for FYE 2016 are \$0.7 million, or approximately 2% of total budgeted operating expenses. This represents a 16.3%, or \$129,531, decrease in expenses over the FYE 2015 budget. The decrease is due to the completion of work which was funded by the planning grant from DWR for Watershed Management Plan activities.

FYE 2016 Total Expenses
\$0.7 Million



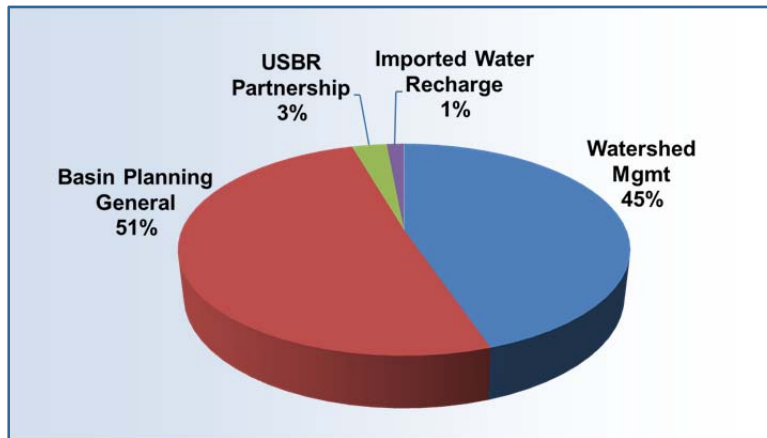
Total expenses for FYE 2017 are \$0.7 million, or approximately 3.1% of total budgeted operating expenses. This represents a 9%, or \$60,169, increase in expenses over the FYE 2016 budget. The increase is due to the BOR grant for water resource planning and water use efficiency planning and projects.

**FYE 2017 Total Expenses
\$0.7 Million**

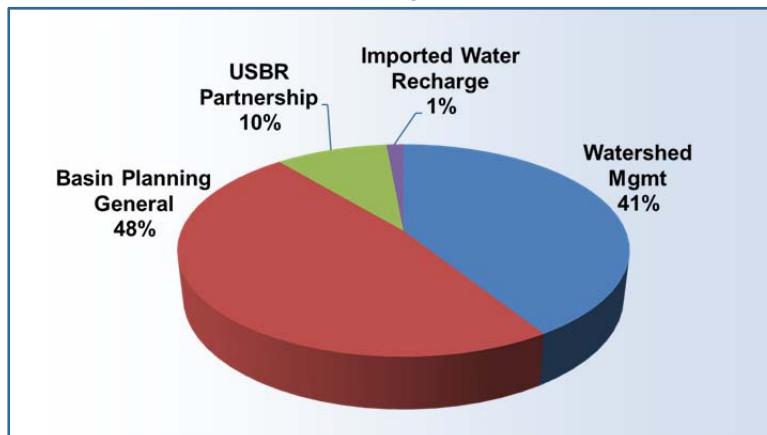


Participating in planning programs allows some of the Agency's general fund expenses to be allocated to these funds. In FYE 2016, approximately 12.35%, or \$330,657, of general fund expenses will be paid through this fund group. In FYE 2017, approximately 11.85%, or \$333,032, of general fund expenses will be paid through this fund group.

**Expenses by Fund
FYE 2016**



**Expenses by Fund
FYE 2017**



Fund Balance

The fund balance is the difference between fund assets and liabilities. For many planning projects, revenues may be collected in one year and the expenses occur in another. The fund balance is a timing difference between when cash is received versus when it is spent. The table below shows the fund balance for each planning fund.

FYE 2016 Fund Balance

<i>Fund</i>	<i>Fund Balance at 06/30/15</i>	<i>Revenues</i>	<i>Expenses</i>	<i>Fund Balance at 06/30/16</i>
370-01	\$ 14,735	\$ 340,000	\$ 338,534	\$ 16,201
370-02	\$ (6,286)	\$ 20,000	\$ 19,881	\$ (6,167)
372	\$ 30,564	\$ –	\$ 9,920	\$ 20,644
373	\$ 13,571	\$ 300,000	\$ 298,949	\$ 14,622
Total	\$ 52,584	\$ 660,000	\$ 667,284	\$ 45,300

FYE 2017 Fund Balance

<i>Fund</i>	<i>Fund Balance at 06/30/16</i>	<i>Revenues</i>	<i>Expenses</i>	<i>Fund Balance at 06/30/17</i>
370-01	\$ 16,201	\$ 350,000	\$ 348,350	\$ 17,851
370-02	\$ (6,167)	\$ 70,000	\$ 69,854	\$ (6,020)
372	\$ 20,644	\$ –	\$ 10,523	\$ 10,121
373	\$ 14,622	\$ 300,000	\$ 298,725	\$ 15,897
Total	\$ 45,300	\$ 720,000	\$ 727,452	\$ 37,850

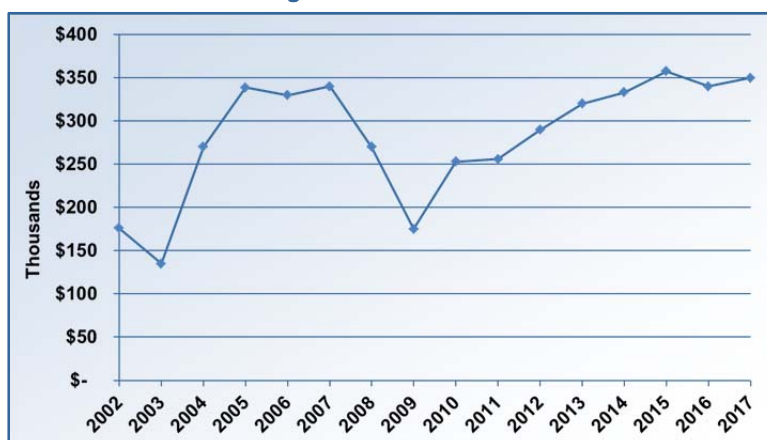
The fund balance is expected to decrease by 13.9% for FYE 2016 and decrease by 16.4% for FYE 2017. Staff has decided to utilize the existing fund balance for some projects to balance the budget each year instead of increasing member contributions to cover total expenses.

Fund 370-01 Basin Planning General

This activity consolidates planning activities that focus on inter-agency coordination and cooperation, both within the member agencies and external organizations. The project includes staff effort directed toward coordinating programs and issues with other organizations. Work under this activity continues to expand as watershed-wide activities increase. All new grant applications with the exception of Propositions 84, 1E, and 1C are prepared under this fund. This activity permits staff to remain current and knowledgeable about regulations and local agency issues and actions. This activity also funds the support of the Southern California Salinity Coalition.

In FYE 2016, total revenues are projected to be \$340,000 and \$350,000 for FYE 2017. Funding for this project is from member agency contributions. The following chart shows the history of member contributions for this fund.

Basin Planning General Member Contributions

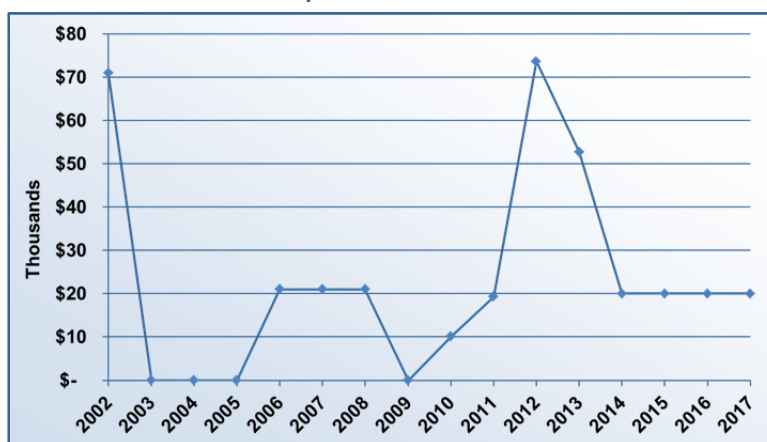


Fund 370-02 USBR (US Bureau of Reclamation) Partnership Studies

This activity covers the study activities based on funding partnerships with the USBR. Each year the USBR releases grant funding opportunities for water resource planning and water use efficiency planning and projects. Last year, grant funding for a pilot scale analysis of aerial mapping tools and measurement was competitively acquired from the USBR to support local water use efficiency in the Watershed. The federal funding typically is provided on 50%-50% cost share with the SAWPA local funding provided for the local match.

In FYE 2016 and 2017, total revenues are projected to be \$20,000 and \$70,000. Funding for this project is from member agency contributions and grant funding from the USBR. The chart below shows the history of member contributions for this fund.

USBR Partnership Studies Member Contributions



Fund 372 Imported Water Recharge Workgroup

As a result of a new tentative wastewater discharge requirements (WDR) for imported water recharge proposed by the RWQCB, a workgroup was formed to develop a regulatory alternative to the regulation. A cooperative agreement concerning nitrogen and TDS among the imported water rechargers was completed in March 2007, with provisions to implement various modeling projections for nitrogen and TDS for imported water recharge. The tentative WDR also included requirements to monitor emerging constituents, such as pharmaceuticals and personal care products, in imported water so a separate workgroup was formed to specifically address this issue.

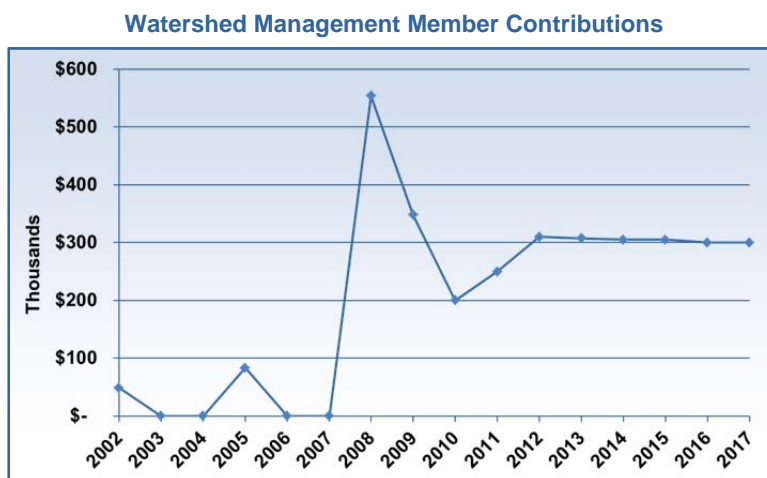
In FYE 2009, the Imported Water Recharge workgroup developed an MOU on the implementation of the cooperative agreement and compiled groundwater modeling reports for submittal to the RWQCB in July 2009. With the Agreement in place, it is anticipated that the group will meet two to three times each year in a coordination role on behalf of the signers of the cooperative agreement. There will be very limited activity for this project in the next few years.

Fund balance will be used to fund the majority of the efforts for FYE 2016 and 2017.

Fund 373 Watershed Management

This project was formed to conduct the SAWPA IRWMP OWOW Planning. The first SAWPA IRWMP report was completed in June 2002. The report was updated in June 2005 as part of the grant application for the Proposition 50, Chapter 8, of the IWRMP. In FYE 2009, a new expanded SAWPA IRWMP called the “One Water One Watershed” Plan was developed through collaboration among member agencies, sub-agencies, and other organizations under a decentralized approach. The first OWOW Plan was adopted in November 2010, and helped the region seek at least \$200 million in grant funding provided by various State water bonds passed by the voters in November 2006. For FYE 2014 and 2015, a new OWOW 2.0 Plan was completed that involved SAWPA member agencies and stakeholders throughout the Watershed. This plan was adopted in February 2014. Work under this fund includes outreach for future OWOW Call for Projects, rating, ranking, project selection as well as OWOW Plan updates due to recent state legislation affecting IRWMPs.

In FYE 2016 and FYE 2017, total revenues are projected to be \$300,000. Funding for this project is from member agency contributions. The chart below shows the history of member contributions for this fund.



Planning Fund Budget FYE 2016	Basin Planning General Fund 370-01	USBR Partnership Studies Fund 370-02	Imported Water Recharge Workgroup Fund 372	Watershed Management OWOW Fund 373	Total
Source of Funds:					
Contributions	\$ 340,000	\$ 20,000	\$ –	\$ 300,000	\$ 660,000
Total Source of Funds	\$ 340,000	\$ 20,000	\$ –	\$ 300,000	\$ 660,000
Staffing:					
Hours Allocated	2,320	120	60	1,778	4,278
FTE (based on 2080)	1.1	0.1	0.0	0.9	2.1
Use of Funds:					
Labor	\$ 107,823	\$ 6,538	\$ 3,245	\$ 90,122	\$ 207,728
Benefits	\$ 45,131	\$ 2,737	\$ 1,358	\$ 37,722	\$ 86,948
G&A Costs	\$ 171,630	\$ 10,407	\$ 5,166	\$ 143,454	\$ 330,657
Consulting & Professional Services	\$ –	\$ –	\$ –	\$ 20,000	\$ 20,000
Meeting & Travel	\$ 3,250	\$ 100	\$ 50	\$ 5,500	\$ 8,900
Other Administrative Costs	\$ 10,700	\$ 100	\$ 100	\$ 2,150	\$ 13,050
Total Use of Funds from Operations	\$ 338,534	\$ 19,882	\$ 9,919	\$ 298,948	\$ 667,283
Net Gain (Loss)	\$ 1,466	\$ 118	\$ (9,919)	\$ 1,052	\$ (7,283)
Beginning Fund Balance	\$ 98,464	\$ (6,286)	\$ 30,564	\$ 13,571	\$ 136,313
Ending Fund Balance	\$ 99,930	\$ (6,168)	\$ 20,645	\$ 14,623	\$ 129,030
G&A Contribution	6.41%	0.39%	0.19%	5.36%	12.35%

Planning Fund Budget FYE 2017	Basin Planning General Fund 370-01	USBR Partnership Studies Fund 370-02	Imported Water Recharge Workgroup Fund 372	Watershed Management OWOW Fund 373	Total
Source of Funds:					
Financing Proceeds	\$ –	\$ 50,000	\$ –	\$ –	\$ 50,000
Contributions	\$ 350,000	\$ 20,000	\$ –	\$ 300,000	\$ 670,000
Total Source of Funds	\$ 350,000	\$ 70,000	\$ –	\$ 300,000	\$ 720,000
Staffing:					
Hours Allocated	2,286	110	60	1,640	4,096
FTE (based on 2080)	1.1	0.1	0.0	0.8	2.0
Use of Funds:					
Labor	\$ 111,004	\$ 6,524	\$ 3,443	\$ 89,983	\$ 210,954
Benefits	\$ 48,155	\$ 2,830	\$ 1,494	\$ 39,036	\$ 91,515
G&A Costs	\$ 175,241	\$ 10,299	\$ 5,436	\$ 142,056	\$ 333,032
Consulting & Professional Services	\$ –	\$ 50,000	\$ –	\$ 20,000	\$ 70,000
Meeting & Travel	\$ 3,250	\$ 100	\$ 50	\$ 5,500	\$ 8,900
Other Administrative Costs	\$ 10,700	\$ 100	\$ 100	\$ 2,150	\$ 13,050
Total Use of Funds from Operations	\$ 348,350	\$ 69,853	\$ 10,523	\$ 298,725	\$ 727,451
Net Gain (Loss)	\$ 1,650	\$ 147	\$ (10,523)	\$ 1,275	\$ (7,451)
Beginning Fund Balance	\$ 99,930	\$ (6,168)	\$ 20,645	\$ 14,623	\$ 129,031
Ending Fund Balance	\$ 101,580	\$ (6,021)	\$ 10,122	\$ 15,898	\$ 121,580
G&A Contribution	6.24%	0.37%	0.19%	5.06%	11.85%

Planning Funds FYE 2011 - 2017	FYE 2011 Actual	FYE 2012 Actual	FYE 2013 Actual	FYE 2014 Actual	FYE 2015 Budget	FYE 2015 Actual	FYE 2016 Budget	FYE 2017 Budget
Source of Funds:								
Grant Proceeds	\$ –	\$ 279,314	\$ 556,219	\$ 164,467	\$ 96,693	\$ 38,448	\$ –	\$ 50,000
Contributions	\$ 527,280	\$ 673,270	\$ 680,370	\$ 682,500	\$ 682,500	\$ 682,500	\$ 660,000	\$ 670,000
Other Income	\$ 43,674	\$ 14,789	\$ 60,653	\$ –	\$ –	\$ –	\$ –	\$ –
Interest & Investments	\$ 1,859	\$ 1,302	\$ 969	\$ 945	\$ 386	\$ 386	\$ –	\$ –
Total Source of Funds	\$ 572,813	\$ 968,675	\$ 1,288,211	\$ 823,412	\$ 779,579	\$ 758,653	\$ 660,000	\$ 720,000
Use of Funds:								
Labor	\$ 174,008	\$ 235,151	\$ 327,700	\$ 277,242	\$ 229,039	\$ 174,348	\$ 207,728	\$ 210,954
Benefits	\$ 73,605	\$ 103,231	\$ 144,516	\$ 123,373	\$ 105,027	\$ 80,025	\$ 86,948	\$ 91,515
G&A Costs	\$ 284,328	\$ 372,244	\$ 521,043	\$ 438,874	\$ 359,299	\$ 273,551	\$ 330,657	\$ 333,032
Consulting & Professional Services	\$ 112,698	\$ 170,774	\$ 236,718	\$ 74,090	\$ 75,000	\$ 45,071	\$ 20,000	\$ 70,000
Operating Costs	\$ 2	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Equipment & Computer	\$ 1,633	\$ –	\$ 444	\$ 10,000	\$ 5,000	\$ –	\$ –	\$ –
Meeting & Travel	\$ 6,111	\$ 8,229	\$ 9,621	\$ 10,942	\$ 8,550	\$ 6,993	\$ 8,900	\$ 8,900
Other Administrative Costs	\$ 11,851	\$ 10,848	\$ 10,845	\$ 10,793	\$ 14,900	\$ 10,842	\$ 13,050	\$ 13,050
Other Expense	\$ 3,937	\$ 3,092	\$ 773	\$ 2,127	\$ –	\$ 919	\$ –	\$ –
Total Use of Funds from Operations	\$ 668,173	\$ 903,569	\$ 1,251,660	\$ 947,441	\$ 796,815	\$ 591,749	\$ 667,283	\$ 727,451
Net Gain (Loss)	\$ (95,360)	\$ 65,106	\$ 36,551	\$ (124,029)	\$ (17,236)	\$ 166,904	\$ (7,283)	\$ (7,451)

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Collaborative Project Funds

The Collaborative Project Fund group is comprised of funds that are administered or facilitated by SAWPA on behalf of outside agencies, cities, counties, and our member agencies. The majority of funding for the collaborative project funds comes from the participants of each program in the form of other agency contributions. Member agency contributions may be required when individual member agencies wish to participate in a project, or when the Commission has approved covering the cost of administering the project. Currently, the fund is made up of the seven activities/projects listed and described below.

<i>Fund</i>	<i>Project</i>
374	Basin Monitoring Program Task Force
381	Santa Ana River (SAR) Fish Conservation Task Force
384-01	MSAR TMDL Task Force
386	Stormwater Quality Standards Task Force
387	Arundo Management & Habitat Restoration
392	Emerging Constituents Program Task Force
394	Forest First

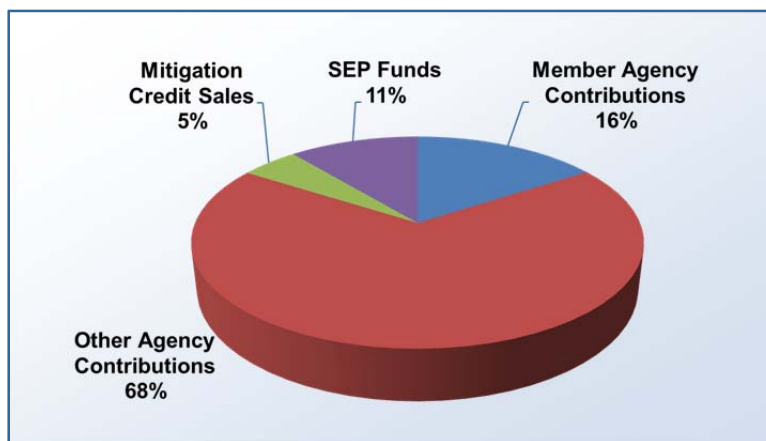
Revenue and Other Funding Sources

In FYE 2016, the collaborative project fund has total budgeted revenues of \$0.9 million, or approximately 2.6% of the total budgeted revenue of \$34.4 million. This represents a 5%, or \$0.5 million, decrease in revenues over the FYE 2015 budget. The decrease is a result of a decrease in Arundo Management & Habitat Restoration efforts as further verification is undertaken to confirm arundo removed and maintained to date.

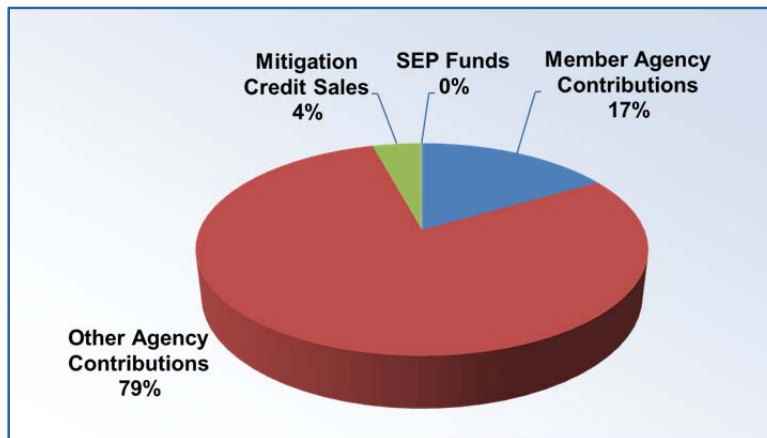
In FYE 2017, the collaborative project fund has total budgeted revenues of \$1.0 million, or approximately 4.2% of the total budgeted revenue of \$25.0 million. This represents a 16.1%, or \$145,750, increase in revenues over the FYE 2016 budget.

Revenues are made up of the categories and amounts in the following pie charts.

FYE 2016 Revenues
\$0.9 Million

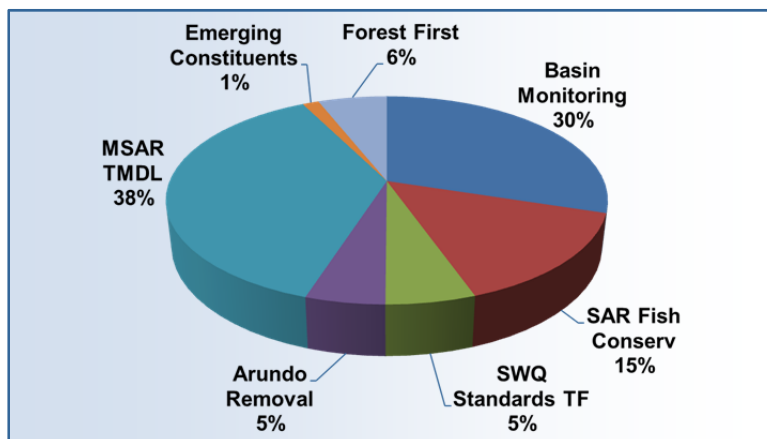


**FYE 2017 Revenues
\$1.0 Million**

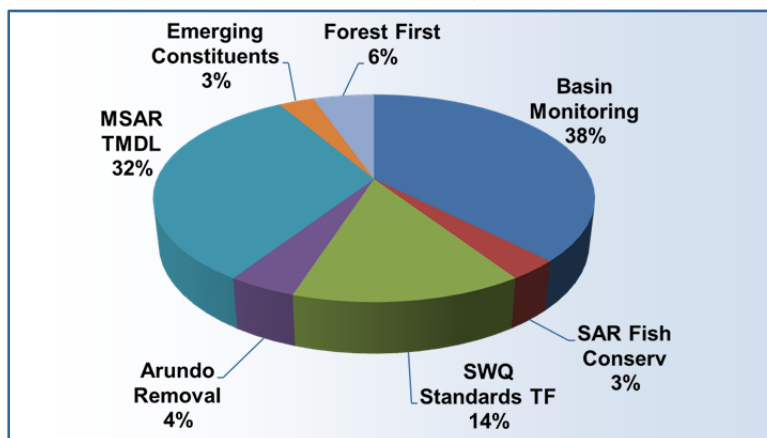


The total revenues by fund type are shown in the pie charts below.

FYE 2016 Revenue by Fund



FYE 2017 Revenue by Fund

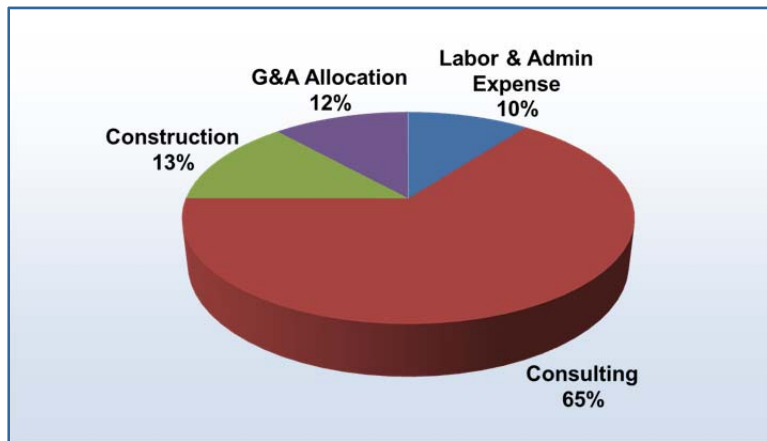


Expenses and Other Uses of Funds

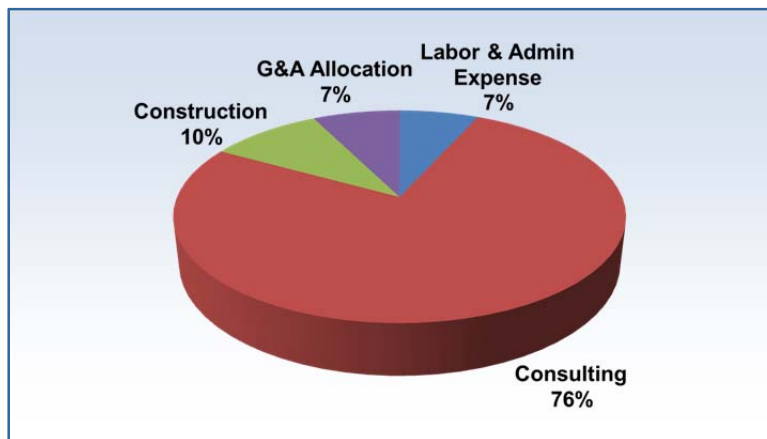
Total expenses for FYE 2016 are \$1.2 million, or approximately 3.5% of total budgeted operating expenses. This represents a 9.5%, or \$97,763, increase in expenses over the FYE 2015 budget.

Total expenses for FYE 2017 are \$1.6 million, or approximately 6.8% of total budgeted operating expenses. This represents a 40.2%, or \$453,358, increase in expenses over the FYE 2016 budget.

**FYE 2016 Total Expenses
\$1.2 Million**

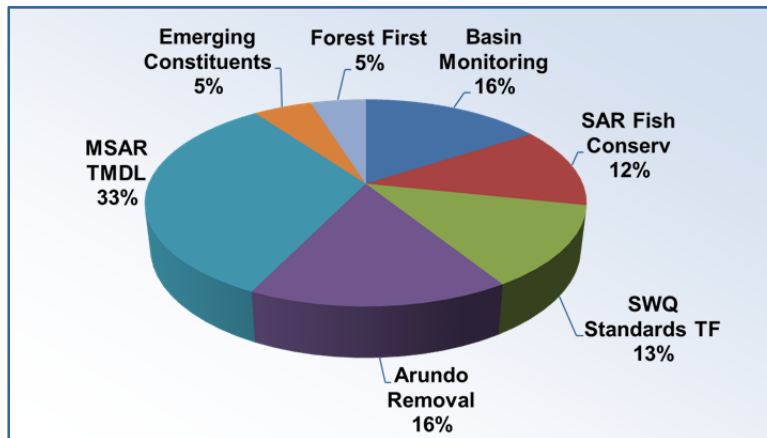


**FYE 2017 Total Expenses
\$1.6 Million**

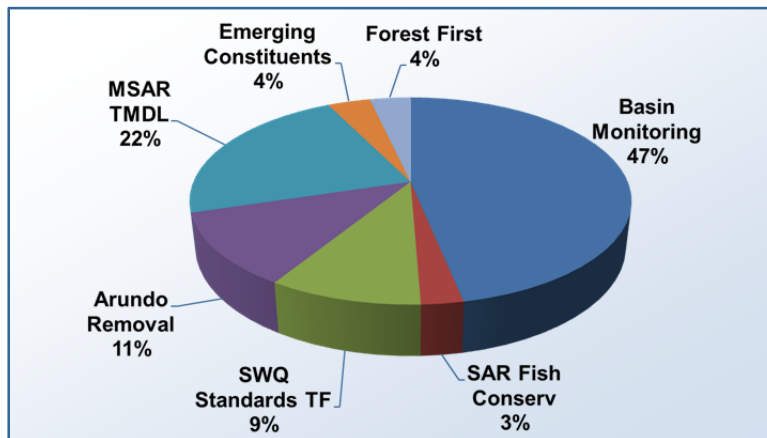


Participating in collaborative projects allows some of the Agency's general fund expenses to be allocated to these funds. In FYE 2016, approximately 4.89%, or \$130,877, of general fund expenses will be paid through this fund group. In FYE 2017, approximately 4.17%, or \$117,109, of general fund expenses will be paid through this fund group.

FYE 2016 Expenses by Fund



FYE 2017 Expenses by Fund



Fund Balance

The fund balance is the difference between fund assets and liabilities. For many collaborative projects, revenues may be collected in one year and the expenses occur in another. The fund balance is a timing difference between when cash is received versus when it is spent. The following table shows the fund balance for each planning fund.

FYE 2016 Fund Balance

<i>Fund</i>	<i>Fund Balance at 06/30/15</i>	<i>Revenues</i>	<i>Expenses</i>	<i>Fund Balance at 06/30/16</i>
374	\$ 285,394	\$ 270,557	\$ 178,197	\$ 377,755
381	\$ 70,391	\$ 133,000	\$ 141,054	\$ 62,336
384	\$ 77,430	\$ 340,000	\$ 370,220	\$ 47,210
386	\$ 92,581	\$ 50,000	\$ 143,878	\$ (1,297)
387	\$ 998,514	\$ 44,490	\$ 181,707	\$ 861,297
392	\$ 141,805	\$ 13,000	\$ 57,638	\$ 97,167
394	\$ -	\$ 54,569	\$ 54,569	\$ -
Total	\$ 1,666,114	\$ 905,616	\$ 1,127,263	\$ 1,444,467

FYE 2017 Fund Balance

<i>Fund</i>	<i>Fund Balance at 06/30/16</i>	<i>Revenues</i>	<i>Expenses</i>	<i>Fund Balance at 06/30/17</i>
374	\$ 377,755	\$ 395,151	\$ 739,511	\$ 33,394
381	\$ 62,336	\$ 33,000	\$ 41,030	\$ 54,306
384	\$ 47,210	\$ 340,000	\$ 354,456	\$ 32,753
386	\$ (1,297)	\$ 150,000	\$ 149,546	\$ (843)
387	\$ 861,297	\$ 44,490	\$ 180,686	\$ 725,101
392	\$ 97,167	\$ 32,500	\$ 59,166	\$ 70,501
394	\$ –	\$ 56,227	\$ 56,227	\$ –
Total	\$ 1,444,467	\$ 1,051,368	\$ 1,580,621	\$ 915,213

Fund 374 – Basin Monitoring Program Task Force

As part of the Nitrogen TDS Basin Plan Amendment approved by the RWQCB in January 2004, water quality monitoring requirements were required from the majority of the TIN/TDS Task Force agencies. These monitoring requirements included an update of the ambient groundwater quality throughout all the groundwater basins in the Watershed every three years and an annual report on the Nitrogen and TDS in the SAR for Reaches 2, 4, and 5. The agencies specified in the Basin Plan Amendment have elected to combine their funding and provide watershed-wide monitoring reports rather than providing separate reports for each of their separate jurisdictions.

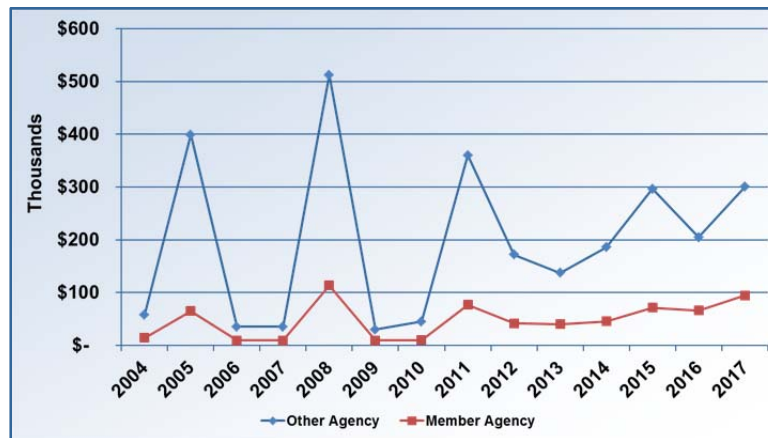
A multi-agency task force was formed and four of SAWPA's member agencies (EMWD, IEUA, WMWD and OCWD) are part of the task force. In FYE 2015, SBVMWD also agreed to become a member and funding party of the task force. SAWPA serves as the administrator for Basin Monitoring Program Task Force.

Work planned for FYE 2016 and 2017 will consist of staff work on the annual SAR monitoring report, conducting the Triennial Ambient Water Quality Update, updating the SAR Wasteload Allocation for incorporation into a new RWQCB Basin Plan Amendment, and facilitation of the task force.

In FYE 2016, total revenues are projected to be \$270,557, of which \$66,060 is being requested from member agency contributions to cover the cost of administering the program. These revenues reflect a decision by the task force made in FYE 2014 to collect funding for the triennial ambient groundwater quality update annually rather than triennially. RFPs, consultant selection and contract awards for the next update to the SAR Wasteload Allocation and Triennial Ambient Groundwater Quality Update will be conducted in FYE 2016.

In FYE 2017, total revenues are projected to be \$395,151, of which \$94,572 is being requested from member agency contributions to cover the cost of administering the program. The work on the SAR Wasteload Allocation and the Triennial Ambient Groundwater Quality Update will be conducted in FYE 2017.

Basin Monitoring Program Contributions



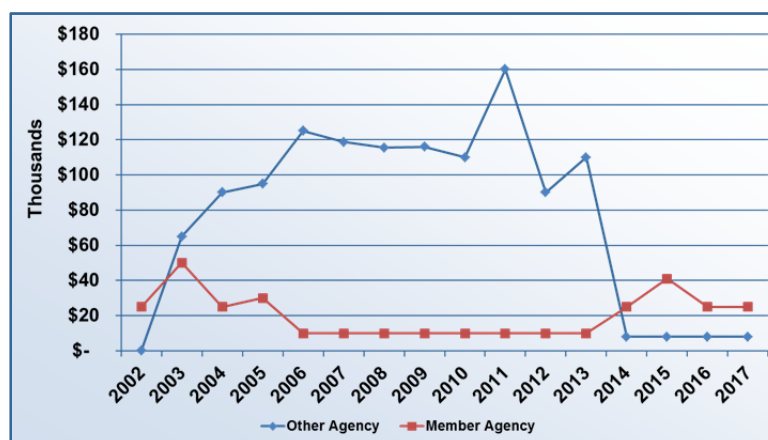
Fund 381 – SAR Fish Conservation Task Force

This multi-agency task force administered by SAWPA staff conducts applied research and efforts directed toward the recovery and delisting of the Santa Ana sucker. The activities of the fish conservation team focus on interagency coordination and cooperation, fish habitat analysis and restoration, and Federal and State permit development within member agencies and external organizations.

The Agency administers the effort with support from the SAWPA member agencies and other stakeholders to coordinate efforts to restore the Santa Ana sucker fish habitat. Projects to be implemented through the task force include enforcement support to local law officials on ATV prohibitions in the riverway, a restoration project to create sucker habitat through rock placement in the Santa Ana River using grant funds, and continuance of the annual Riverwalk to measure the habitat value of the Santa Ana River.

In FYE 2016 and 2017 total revenues are projected to be \$133,000 and \$33,000 each year, of which \$8,000 is from other agency contributions, \$25,000 is from member agency contributions, and \$100,000 is from SEP funds.

SAR Fish Conservation Contributions



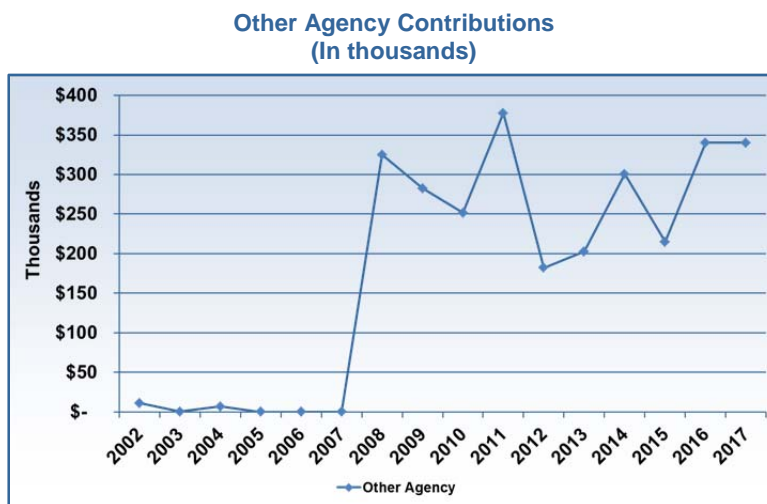
Fund 384-01 – MSAR TMDL Task Force

This activity is intended to support SAWPA's member agencies and sub-agencies in the Chino Basin and Middle Santa Ana River with reducing compliance costs associated with the pathogen TMDL for water bodies in this area by conducting joint work efforts in a multi-agency task force format. The activities by staff cover administration of a multi-agency task force and contract administration of consultant services

and SWRCB contracts. All costs for this work will be funded by the local agencies and future grant proceeds. No SAWPA member agency contributions are used for this effort.

In FYE 2016 and FYE 2017, total revenues are projected to be \$340,000 each year, which is from other agency contributions.

The chart below shows the history of other agency contributions for this fund.



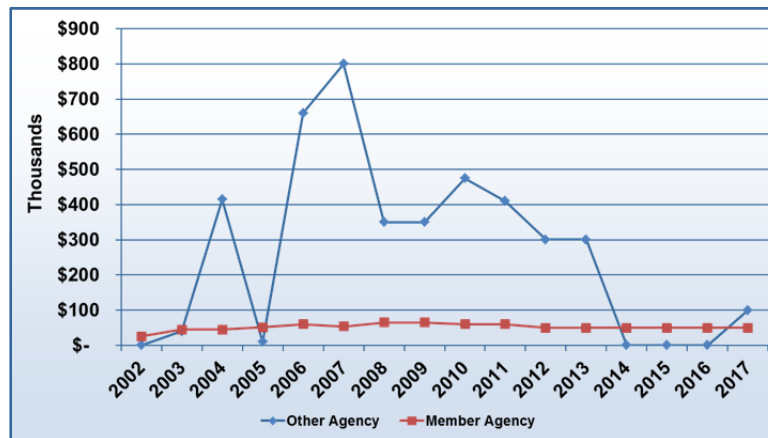
Fund 386 – Stormwater Quality Standards Task Force

This effort concludes efforts through a task force of stakeholders working together in the Watershed with the RWQCB to update REC-1 and REC-2 beneficial use designations, utilize more effective pathogen indicators, and support exemptions to regulatory compliance during storm events and for flood control segments that clearly have no recreational use or potential for future recreational use. The work of the task force provided additional data and science in the evaluation of the REC-1 beneficial use designation and associated water quality objectives for the SAR. As beneficial use designations and water quality objectives determine the allowable discharges into receiving waters, and these receiving waters are regulated by the Santa Ana RWQCB, municipal stormwater entities as well as other regulated business, industrial, and development groups are interested in providing the best available information to update the water quality objectives and designated beneficial uses of the receiving waters. The SWRCB and EPA Region 9 have now approved the adopted Santa Ana Regional Board Basin Plan Amendment that incorporates the study results, development of a Use Attainability Analysis to reclassify certain flood control segments, a high flow event waiver, and new pathogen and recreation beneficial use standards.

The task force is now embarking on implementation of the Regional Pathogen Monitoring Program defined as a requirement under the Basin Plan and a new task force agreement will be formed among the three flood control districts to administer the regional monitoring program set to be kicked off in 2016. The task force funding partners will be made up as the same funding to the original Stormwater Quality Standards Task Force including San Bernardino, Riverside, and Orange Counties. In addition to the flood control agencies funding support, member agency contributions are used to cover staff costs for administering the task force. Consultants will be used to conduct the annual monitoring program and provide technical support as needed.

In FYE 2016 and 2017, total revenues are projected to be \$50,000 and \$150,000, of which \$50,000 is from member agency contributions, and in FYE 2017, \$100,000 is from other agency contributions.

Stormwater Quality Contributions



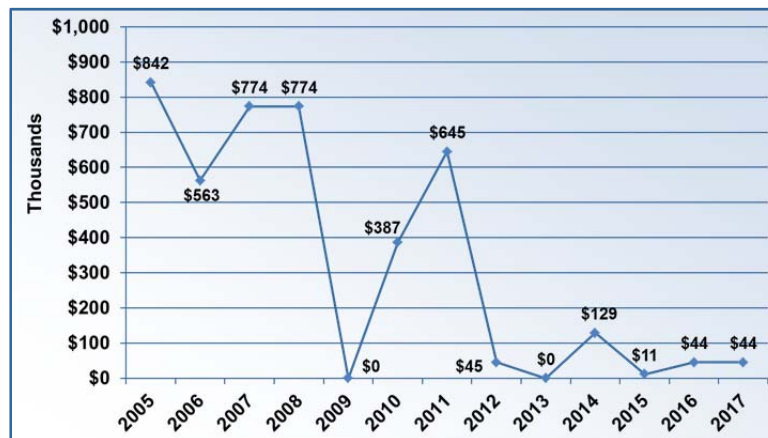
Fund 387 – Arundo Management & Habitat Restoration

This project was initiated to provide funding for Arundo removal and maintenance within the Watershed. The fund will also provide small grants for habitat restoration projects within the Watershed. Funding for this project is generated from the sale of Arundo mitigation bank credits which were purchased as part of the Proposition 13, SCIWP program. A total of 100 units were purchased for \$40,000 each, for a total of \$4.0 million.

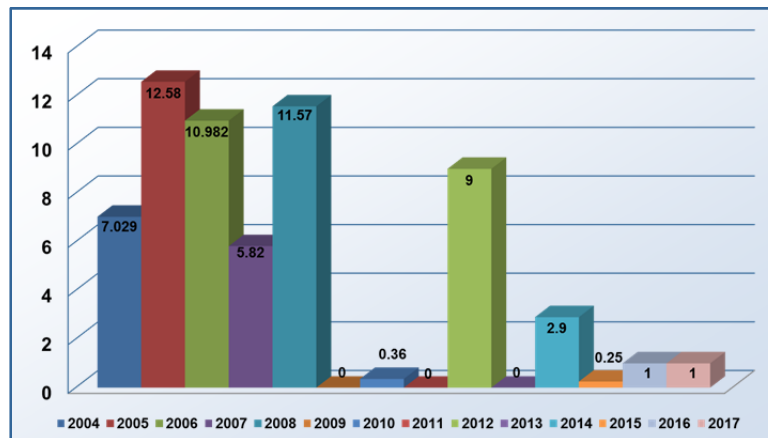
Funding should allow this project to continue through FYE 2017. Funds will be given to the original participants of the Arundo removal program and other habitat restoration projects that are approved by the SAWPA Commission.

In FYE 2016 and 2017, mitigation credit sales are projected to be \$44,490 for each year. Total units sold through FYE 2015 are 51.986, leaving 48.014 units available for sale. With renewed development in the Inland Empire, developers will need to purchase mitigation credits resulting in continued funding coming to SAWPA by the mitigation credit sales to support future non-native plant removal in the Watershed.

Total Mitigation Credit Sales



Mitigation Credit Sales in Units



Fund 392 – Emerging Constituents Program Task Force

Based on a Santa Ana RWQCB resolution accompanying the Cooperative Agreement for Imported Water Recharge signed by the RWQCB and nine imported water recharging agencies in January 2008, the signatories to the agreement agreed to develop a plan to investigate "emerging constituents" in water that is intentionally recharged to local aquifers. As follow up to the resolution and agreement, a new Emerging Constituents Program Task Force was formed among the signatories and interested parties administered by SAWPA to design and implement the proposed study of emerging constituents.

The initial investigation was divided into two phases. Phase 1 consisted of a survey of current water quality monitoring programs, regulatory issues, stakeholder concerns, analytical methods, and the state-of-the-science with respect to potential public health and environmental impacts. In December 2008, a draft report was submitted to the RWQCB and the final summary report was submitted in April 2009, characterizing the task force's preliminary findings. The next phase of work, initiated in April 2009, focused on developing an Emerging Constituents Sampling/Evaluation Plan for the RWQCB's approval. The Phase II Sampling/Evaluation Plan was submitted to the RWQCB on December 31, 2009. An annual sampling program for emerging constituents was completed and submitted to the Regional Board in 2010, 2011, 2012, and again in 2013. Thereafter the sampling program may be conducted based on emerging constituents on river habitat and ecosystems pending State Board blue ribbon panels to evaluate which constituents should be monitored. Coordinated outreach efforts continue to inform the public on the safety of drinking water in the watershed.

In FYE 2016, total revenues are projected to be \$13,000, which is from other agency and member agency contributions.

In FYE 2017, total revenues are projected to be \$32,500, which is from other agency and member agency contributions.

Fund 394 – Forest First

Under a 2011 MOU between SAWPA and the US Forest Service called the "Forest First" program, efforts are underway to work with downstream groundwater management agencies, flood control and water conservation districts, water supply agencies, resource agencies, and the Forest Service to find amicable projects that can be executed in specific areas within the forest that will have a direct effect on preserving the quality and quantity of water resources from the source of headwaters, contributing to the overall health of the Watershed. Early quantitative cost/benefit analysis studies appear to validate investment in projects such as fuels reduction, meadow restoration, chaparral type conversion and forest road retrofitting that, when implemented, will help the national forest service keep the forest healthy which will in turn promote a gain in both the quantity and quality of available water resources. A new task force among the Forest Service and downstream agencies is under development and is scheduled to start in FYE 2016 based on other agency support.

In FYE 2016, total revenues are projected to be \$54,569, all of which is from other agency contributions.

In FYE 2017, total revenues are projected to be \$56,227, all of which is from other agency contributions.

Collaborative Project Fund Budget FYE 2016	Basin Monitoring Program TF Fund 374	SAR Fish Conservation Task Force Fund 381	MSAR TMDL Task Force Fund 384-01	SWQ Standards Task Force Fund 386	Arundo Mgmt & Habitat Restoration Fund 387	Emerging Constituents Task Force Fund 392	Forest First Task Force Fund 394	Total
Source of Funds:								
Financing Proceeds	\$ –	\$ 100,000	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 100,000
Contributions	\$ 270,557	\$ 33,000	\$ 340,000	\$ 50,000	\$ –	\$ 13,000	\$ 54,569	\$ 761,126
Other Income	\$ –	\$ –	\$ –	\$ –	\$ 44,490	\$ –	\$ –	\$ 44,490
Total Source of Funds	\$ 270,557	\$ 133,000	\$ 340,000	\$ 50,000	\$ 44,490	\$ 13,000	\$ 54,569	\$ 905,616
Staffing:								
Hours Allocated	440	250	180	190	190	180	35	1,465
FTE (based on 2080)	0.2	0.1	0.1	0.1	0.1	0.1	0.0	0.7
Use of Funds:								
Labor	\$ 26,258	\$ 10,316	\$ 9,939	\$ 14,526	\$ 10,516	\$ 9,181	\$ 1,485	\$ 82,221
Benefits	\$ 10,991	\$ 4,318	\$ 4,160	\$ 6,080	\$ 4,402	\$ 3,843	\$ 621	\$ 34,415
G&A Costs	\$ 41,797	\$ 16,421	\$ 15,821	\$ 23,122	\$ 16,739	\$ 14,614	\$ 2,363	\$ 130,877
Consulting & Professional Services	\$ 99,000	\$ 109,900	\$ 340,000	\$ 100,000	\$ –	\$ 30,000	\$ 50,000	\$ 728,900
Operating Costs	\$ 100	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 100
Meeting & Travel	\$ 50	\$ 100	\$ 200	\$ 100	\$ 50	\$ –	\$ 100	\$ 600
Other Administrative Costs	\$ –	\$ –	\$ 100	\$ 50	\$ –	\$ –	\$ –	\$ 150
Construction	\$ –	\$ –	\$ –	\$ –	\$ 150,000	\$ –	\$ –	\$ 150,000
Total Use of Funds from Operations	\$ 178,196	\$ 141,055	\$ 370,220	\$ 143,878	\$ 181,707	\$ 57,638	\$ 54,569	\$ 1,127,263
Net Gain (Loss)	\$ 92,361	\$ (8,055)	\$ (30,220)	\$ (93,878)	\$ (137,217)	\$ (44,638)	\$ –	\$ (221,647)
Beginning Fund Balance	\$ 285,394	\$ 70,391	\$ 77,430	\$ 92,581	\$ 998,514	\$ 141,805	\$ –	\$ 1,666,115
Ending Fund Balance	\$ 377,755	\$ 62,336	\$ 47,210	\$ (1,297)	\$ 861,297	\$ 97,167	\$ –	\$ 1,444,468
G&A Contribution	1.56%	0.61%	0.59%	0.86%	0.63%	0.55%	0.09%	4.89%

Collaborative Project Fund Budget FYE 2017	Basin Monitoring Program TF Fund 374	SAR Fish Conservation Task Force Fund 381	MASR TMDL Task Force Fund 384-01	SWQ Standards Task Force Fund 386	Arundo Mgmt & Habitat Restoration Fund 387	Emerging Constituents Task Force Fund 392	Forest First Task Force Fund 394	Total
Source of Funds:								
Contributions	\$ 395,151	\$ 33,000	\$ 340,000	\$ 150,000	\$ –	\$ 32,500	\$ 56,227	\$ 1,006,878
Other Income	\$ –	\$ -	\$ –	\$ –	\$ 44,490	\$ –	\$ –	\$ 44,490
Total Source of Funds	\$ 395,151	\$ 33,000	\$ 340,000	\$ 150,000	\$ 44,490	\$ 32,500	\$ 56,227	\$ 1,051,368
Staffing:								
Hours Allocated	325	113	170	210	170	175	40	1,203
FTE (based on 2080)	0.2	0.1	0.1	0.1	0.1	0.1	0.00	0.5
Use of Funds:								
Labor	\$ 20,070	\$ 6,151	\$ 9,678	\$ 16,397	\$ 10,170	\$ 9,682	\$ 2,034	\$ 74,182
Benefits	\$ 8,707	\$ 2,668	\$ 4,199	\$ 7,113	\$ 4,412	\$ 4,200	\$ 882	\$ 32,181
G&A Costs	\$ 31,684	\$ 9,711	\$ 15,279	\$ 25,886	\$ 16,055	\$ 15,284	\$ 3,211	\$ 117,110
Consulting & Professional Services	\$ 674,000	\$ 22,400	\$ 325,000	\$ 100,000	\$ –	\$ 30,000	\$ 50,000	\$ 1,201,400
Operating Costs	\$ 5,000	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 5,000
Equipment & Computer	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Meeting & Travel	\$ 50	\$ 100	\$ 200	\$ 100	\$ 50	\$ –	\$ 100	\$ 600
Other Administrative Costs	\$ –	\$ –	\$ 100	\$ 50	\$ –	\$ –	\$ –	\$ 150
Construction	\$ –	\$ –	\$ –	\$ –	\$ 150,000	\$ –	\$ –	\$ 150,000
Total Use of Funds from Operations	\$ 739,511	\$ 41,030	\$ 354,456	\$ 149,546	\$ 180,687	\$ 59,166	\$ 56,227	\$ 1,580,623
Net Gain (Loss)	\$ (344,360)	\$ (8,030)	\$ (14,456)	\$ 454	\$ (136,197)	\$ (26,666)	\$ –	\$ (529,255)
Beginning Fund Balance	\$ 377,755	\$ 62,336	\$ 47,210	\$ (1,297)	\$ 861,297	\$ 97,167	\$ –	\$ 1,444,468
Ending Fund Balance	\$ 33,395	\$ 54,306	\$ 32,754	\$ (843)	\$ 725,100	\$ 70,501	\$ –	\$ 915,213
G&A Contribution	1.13%	0.35%	0.54%	0.92%	0.57%	0.54%	0.11%	4.17%

Collaborative Project Funds FYE 2011 - 2017	FYE 2011 Actual	FYE 2012 Actual	FYE 2013 Actual	FYE 2014 Actual	FYE 2015 Budget	FYE 2015 Actual	FYE 2016 Budget	FYE 2017 Budget
Source of Funds:								
Financing Proceeds	\$ -	\$ 120	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant Proceeds	\$ 3,027	\$ 12,263	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -
Contributions	\$ 1,203,935	\$ 650,668	\$ 631,321	\$ 333,000	\$ 854,715	\$ 668,030	\$ 761,126	\$ 1,006,878
Other Income	\$ -	\$ 22,023	\$ -	\$ -	\$ 100,000	\$ 11,123	\$ 44,490	\$ 44,490
Interest & Investments	\$ 15,945	\$ 9,887	\$ 6,637	\$ 743	\$ 800	\$ 7,626	\$ -	\$ -
Total Source of Funds	\$ 1,225,934	\$ 694,961	\$ 637,958	\$ 333,743	\$ 955,515	\$ 686,779	\$ 905,616	\$ 1,051,368
Use of Funds:								
Labor	\$ 112,211	\$ 92,127	\$ 89,217	\$ 106,964	\$ 121,564	\$ 60,445	\$ 82,221	\$ 74,182
Benefits	\$ 47,464	\$ 40,445	\$ 39,345	\$ 47,599	\$ 55,741	\$ 27,745	\$ 34,415	\$ 32,181
G&A Costs	\$ 183,352	\$ 145,837	\$ 141,854	\$ 169,325	\$ 190,696	\$ 94,838	\$ 130,877	\$ 117,110
Consulting & Professional Services	\$ 1,020,647	\$ 526,085	\$ 427,831	\$ -	\$ 560,449	\$ 507,154	\$ 728,900	\$ 1,201,400
Operating Costs	\$ -	\$ -	\$ -	\$ -	\$ 100	\$ -	\$ 100	\$ 5,000
Equipment & Computer	\$ 922	\$ 1,386	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Meeting & Travel	\$ 1,342	\$ 686	\$ 2,514	\$ 8,801	\$ 950	\$ 479	\$ 600	\$ 600
Other Administrative Costs	\$ 36	\$ 52	\$ 10,000	\$ 10,021	\$ -	\$ -	\$ 100	\$ 150
Other Expense	\$ (27,496)	\$ 5	\$ -	\$ -	\$ -	\$ -	\$ 50	\$ -
Construction	\$ 198,752	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ 150,000	\$ 150,000
Total Use of Funds from Operations	\$ 1,537,230	\$ 806,623	\$ 710,761	\$ 342,710	\$ 1,029,500	\$ 690,658	\$ 1,127,263	\$ 1,580,623
Net Gain (Loss)	\$ (311,296)	\$ (111,662)	\$ (72,803)	\$ (8,967)	\$ (73,985)	\$ (3,879)	\$ (221,647)	\$ (529,255)

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Grant/Contract Funds

The Grant/Contract Fund group is comprised of funds that receive State, Federal or local grants. Projects in this fund are generally funded through grant and other proceeds. Currently, the fund is made up of the seven activities/projects listed and described below.

<i>Fund</i>	<i>Project</i>
130	Proposition 84 Program Mgmt Round 1
135	Proposition 84 Program Mgmt – Round 2
140	Proposition 84 Program Mgmt – Drought Round
145	Proposition 84 Program Mgmt – Round 2015
397	DAC Grant Project
477	LESJWA Administration
504	Proposition 84 Capital Projects

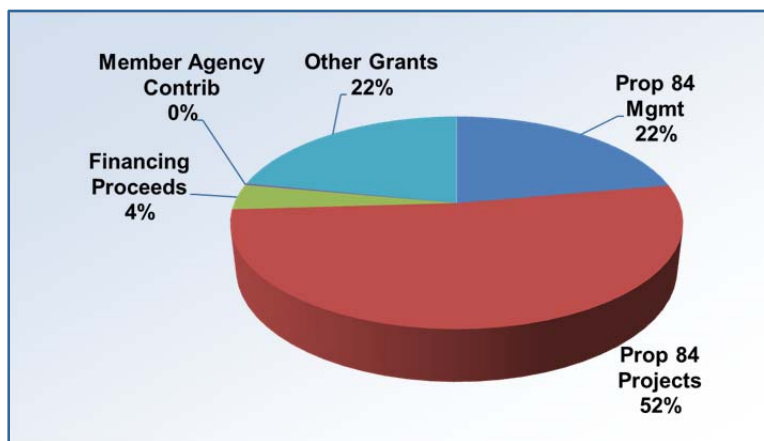
Revenue and Other Funding Sources

In FYE 2016, the grant/contract fund has total budgeted revenues of \$4.3 million, or approximately 12.5% of the total budgeted revenue of \$34.4 million. This represents a 788%, or \$3.8 million increase in revenues over the FYE 2015 budget.

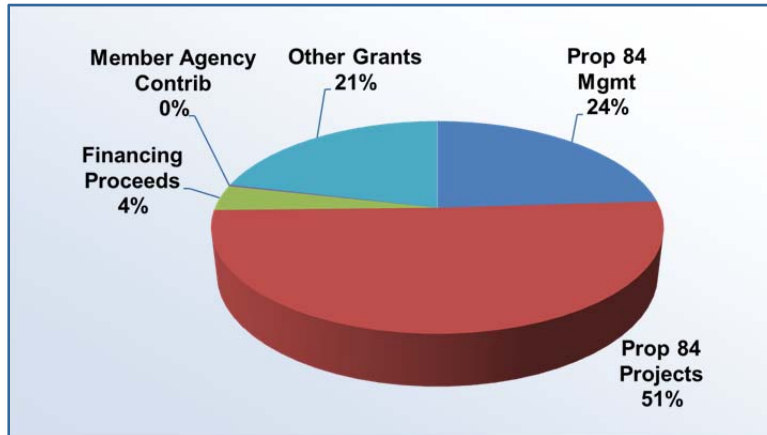
In FYE 2017, the grant/contract fund has total budgeted revenues of \$4.4 million, or approximately 17.7% of the total budgeted revenue of \$25.0 million. This represents a 3%, or \$130,399, increase over the FYE 2016 budget.

Revenues are made up of the categories and amounts in the pie charts below.

FYE 2016 Revenues
\$4.3 Million

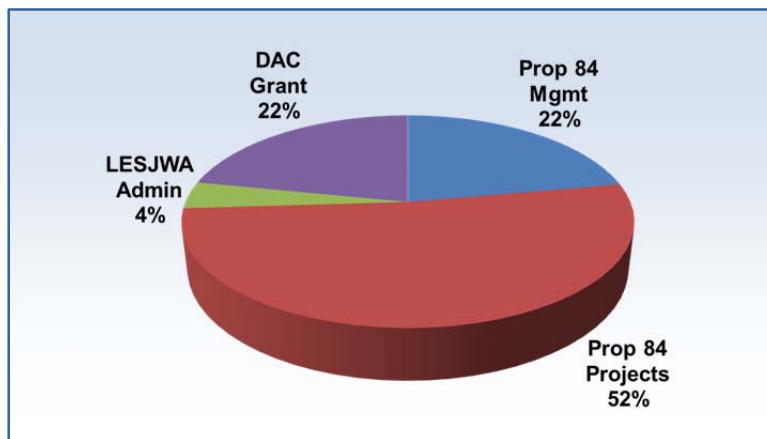


**FYE 2017 Revenues
\$4.4 Million**

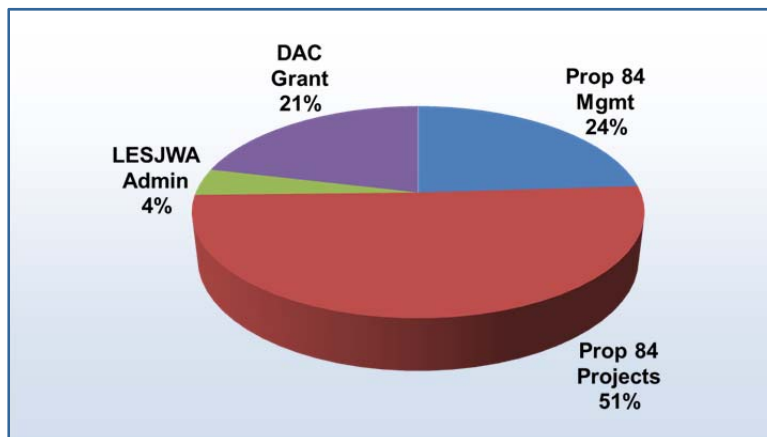


Total revenues by fund are shown in the pie charts below.

FYE 2016 Revenue by Fund



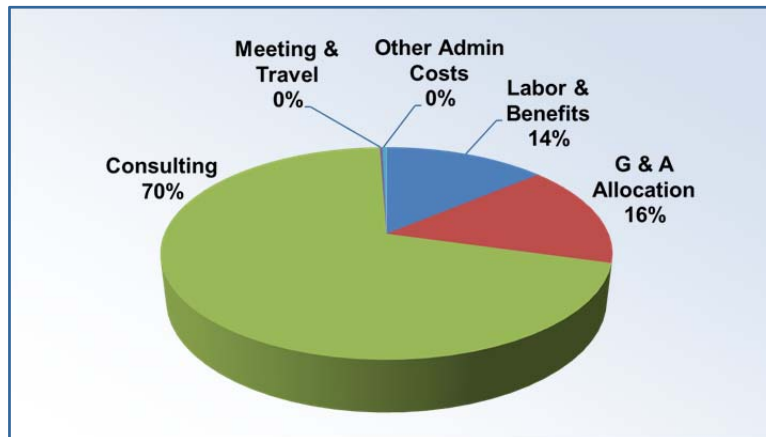
FYE 2017 Revenue by Fund



Expenses and Other Uses of Funds

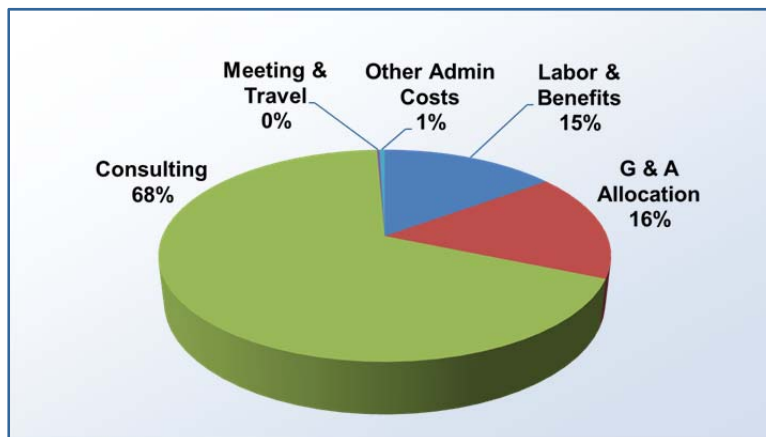
Total expenses for FYE 2016 are \$4.2 million, or approximately 13.3% of total budgeted operating expenses. This represents a 788%, or \$3.8 million, increase in expenses over the FYE 2015 budget.

FYE 2016 Expenses
\$4.2 million



Total expenses for FYE 2017 are \$4.4 million, or approximately 19.1% of total budgeted operating expenses. This represents a 3%, or \$130,399, increase in expenses over the FYE 2016 budget.

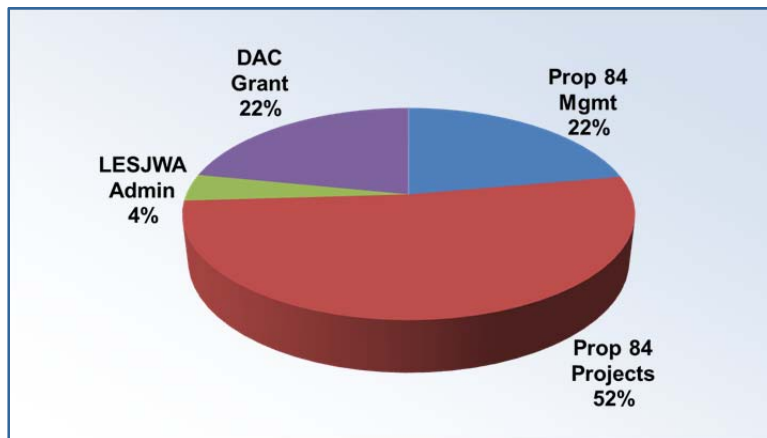
FYE 2017 Expenses
\$4.4 million



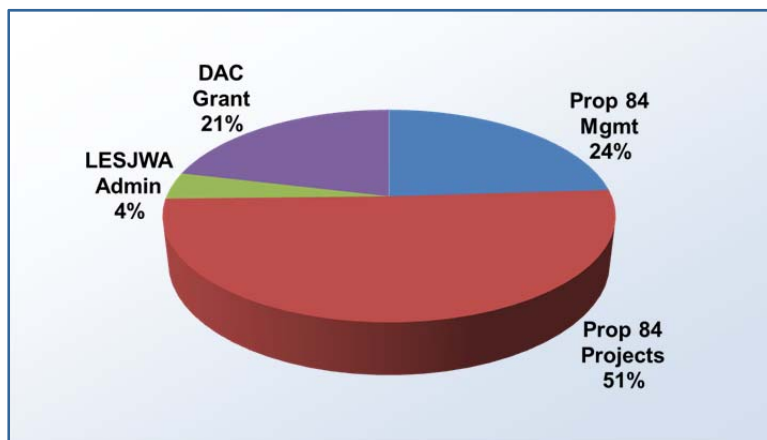
All budgeted fund expenses are eligible for reimbursement through grant funding. If the grant funding is not obtained, both revenue and expenses will be reduced in these areas.

Participating in grant/contract programs allows some of the Agency's general fund expenses to be allocated to these funds. In FYE 2016, approximately 24.9%, or \$667,446 of general fund expenses will be paid through this fund group. In FYE 2017, approximately 9.9%, or \$727,225 of general fund expenses will be paid through this fund group. If any of the grant funding is not obtained, this offset to general and administrative costs would be reduced.

FYE 2016 Expenses by Fund



FYE 2017 Expenses by Fund



Fund 130 – Proposition 84 Program Management – Round 1

In 2006, voters passed Proposition 84, which provides over \$5 billion to support various water resource needs in the State. Chapter 2 of Proposition 84, authorized \$1 billion for the IRWM Program, with \$114 million called out specifically for the SAR Watershed. Aside from the \$114 million, funds are available from other chapters in this bond. The administration of the Proposition 84 IRWM Round 1 grant will be accounted for in this fund.

In FYE 2016, both total revenues and expenses are projected to be \$145,886. In FYE 2017, both total revenues and expenses are projected to be \$104,103. Only the costs of administering the grant contract have been included in the budget.

Fund 135 – Proposition 84 Program Management – Round 2

In 2006, voters passed Proposition 84, which provides over \$5 billion to support various water resource needs in the State. Chapter 2 of Proposition 84, authorized \$1 billion for the IRWM Program, with \$114 million called out specifically for the SAR Watershed. Aside from the \$114 million, funds are available from other chapters in this bond. The administration of the Proposition 84 IRWM Round 2 grant will be accounted for in this fund.

In FYE 2016, both total revenues and expenses are projected to be \$123,263. In FYE 2017, both total revenues and expenses are projected to be \$155,760. Only the costs of administering the grant contract have been included in the budget.

Fund 140 – Proposition 84 Program Management – Drought Round

In 2006, voters passed Proposition 84, which provides over \$5 billion to support various water resource needs in the State. Chapter 2 of Proposition 84, authorized \$1 billion for the IRWM Program, with \$114 million called out specifically for the SAR Watershed. Aside from the \$114 million, funds are available from other chapters in this bond. The administration of the Proposition 84 IRWM Drought Round grant will be accounted for in this fund.

In FYE 2016, both total revenues and expenses are projected to be \$196,872. In FYE 2017, both total revenues and expenses are projected to be \$204,935. Only the cost of administering the grant contract have been included in the budget.

Fund 145 – Proposition 84 Program Management – 2015 Round

In 2006, voters passed Proposition 84, which provides over \$5 billion to support various water resource needs in the State. Chapter 2 of Proposition 84, authorized \$1 billion for the IRWM Program, with \$114 million called out specifically for the SAR Watershed. Aside from the \$114 million, funds are available from other chapters in this bond. The administration of the Proposition 84 IRWM 2015 Round grant will be accounted for in this fund.

In FYE 2016, both total revenues and expenses are projected to be \$486,550. In FYE 2017, both total revenues and expenses are projected to be \$597,429. Only the cost of administering the grant contract have been included in the budget.

Fund 397 – DAC Grant Project

On June 24, 2015, SAWPA was selected to receive a grant for \$2.3 million from DWR under the 2014 Water-Energy Grant Program to support the SAWPA Water-Energy Community Action Network (WECAN). The focus of the DWR grant program is to support disadvantaged community-focused proposals that provide substantial water and energy savings. The funding for this grant is provided by appropriated funds from the Greenhouse Gas Reduction Fund created by AB 32, the Global Warming Solutions Act of 2006. The program total cost is \$3 million and includes \$520,000 in local cost share coming from MWDSC and local retail water agency turf removal rebates. The Program will bring water savings to approximately 260 homes and energy savings to approximately 1,703 homes in disadvantaged communities (DACs) in the Santa Ana River Watershed. The grant funds are targeted to assist residents in a single family residence in order to best ensure that energy and water conservation savings benefit the DAC resident. The Program is expected to kick off formally in January 2016 and be completed within two years.

In FYE 2016, both total revenues and expenses are projected to be \$938,985. In FYE 2017, both total revenues and expenses are projected to be \$941,539. Only the cost of administering the grant contract has been included in the budget.

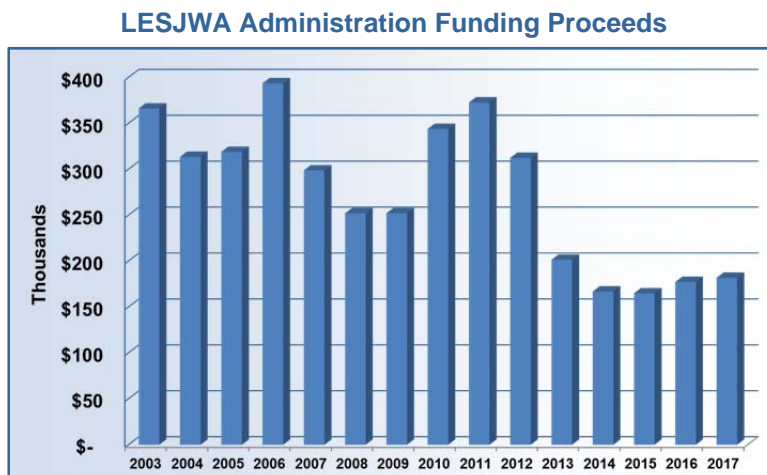
Fund 477 – LESJWA Administration

With the passage of State Proposition 13 Water Bond on March 7, 2000, \$15 million was allocated for the benefit of Lake Elsinore and San Jacinto Watersheds under the direction of a newly formed JPA called the Lake Elsinore & San Jacinto Watersheds Authority (LESJWA). SAWPA serves as the administrator for this JPA and is one of the five members, which represent the JPA Board. The Board consists of Elsinore Valley Municipal Water District (EVMWD), the City of Lake Elsinore, the County of Riverside, the City of Canyon Lake, and SAWPA. In FYE 2008, all Proposition 13 Water Bond funding for LESJWA was fully expended. Additional State grant funds and local stakeholder funding from parties of the Lake Elsinore and Canyon Lake (LE/CL) TMDL Task Force as well as the LESJWA member agencies will be used to continue the activities of the JPA and implement beneficial projects. Major activities include administering the LE/CL TMDL Task Force, developing best management practices (BMP), and continued improvement of lake quality at Lake Elsinore and Canyon Lake.

In FYE 2016, total revenues and expenses are projected to be \$177,263. This is a 25.6%, or \$61,113, decrease over the FYE 2015 budget.

In FYE 2017, total revenues and expenses are projected to be \$181,782. This is a 2.5%, or \$4,519 increase over the FYE 2016 budget.

Total funding proceeds for the administration of LESJWA are shown in the chart below.



Fund 504 – Proposition 84 – Capital Projects

In 2006, voters passed Proposition 84, which provides over \$5 billion to support various water resource needs in the State. Chapter 2 of Proposition 84, authorized \$1 billion for the IRWM Program, with \$114 million called out specifically for the SAR Watershed. Aside from the \$114 million, funds are available from other chapters in this bond. The region could see as much as \$200 million in grant funds.

Grant funding from the DWR will be provided to SAWPA under Proposition 84 Chapter 2 Round 1 - \$12.7 million, Round 2 - \$16.8 million, and the Drought Round - \$70.0 million. DWR Round 1 agreements have been executed and work on 13 projects is underway. DWR Round 2 agreements have been executed and work on 20 projects is underway. DWR Drought Round agreement has been executed and work is underway. DWR Round 2015 agreements are expected to commence in early 2016.

In FYE 2016 and FYE 2017, total revenues and expenses are projected to be \$2.2 million for the Proposition 84 Drought projects.

Grant/Contract Fund Budget FYE 2016	Prop 84 R1 Program Mgmt Fund 130	Prop 84 R2 Program Mgmt Fund 135	Prop 84 Drought Program Mgmt Fund 140	Prop 84 2015 Program Mgmt Fund 145	DAC Grant Project Fund 397	LESJWA Administration Fund 477	Prop 84 Drought Project Fund 504	Total
Source of Funds:								
Financing Proceeds	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 167,264	\$ –	\$ 167,264
Grant Proceeds	\$ 145,885	\$ 123,264	\$ 196,871	\$ 486,549	\$ 938,985	\$ –	\$ 2,229,502	\$ 4,121,056
Contributions	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 10,000	\$ –	\$ 10,000
Total Source of Funds	\$ 145,885	\$ 123,264	\$ 196,871	\$ 486,549	\$ 938,985	\$ 177,263	\$ 2,229,502	\$ 4,298,320
Staffing:								
Hours Allocated	820	680	1,130	2,940	350	950	550	7,420
FTE (based on 2080)	0.4	0.3	0.5	1.4	0.2	0.5	0.3	3.6
Use of Funds:								
Labor	\$ 47,465	\$ 39,950	\$ 64,402	\$ 160,630	\$ 18,408	\$ 55,414	\$ 33,041	\$ 419,310
Benefits	\$ 19,867	\$ 16,722	\$ 26,956	\$ 67,233	\$ 7,705	\$ 23,194	\$ 13,830	\$ 175,507
G&A Costs	\$ 75,553	\$ 63,592	\$ 102,513	\$ 255,686	\$ 29,302	\$ 88,206	\$ 52,594	\$ 667,446
Consulting & Professional Services	\$ –	\$ –	\$ –	\$ –	\$ 882,570	\$ –	\$ 2,129,037	\$ 3,011,607
Meeting & Travel	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 1,000	\$ 250	\$ 500	\$ 9,750
Other Administrative Costs	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ –	\$ 10,200	\$ 500	\$ 14,700
Total Use of Funds from Operations	\$ 145,885	\$ 123,264	\$ 196,871	\$ 486,549	\$ 938,985	\$ 177,264	\$ 2,229,502	\$ 4,298,320
Net Gain (Loss)	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Project Reimbursement (Prop 84 – Capital)	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 10,885,180	\$ 10,885,180
G&A Contribution	2.82%	2.38%	3.83.%	9.55%	1.09%	3.30%	1.96%	24.93%

Grant/Contract Fund Budget FYE 2017	Prop 84 R1 Program Mgmt Fund 130	Prop 84 R2 Program Mgmt Fund 135	Prop 84 Drought Program Mgmt Fund 140	Prop 84 2015 Program Mgmt Fund 145	DAC Grant Project Fund 397	LESJWA Administration Fund 477	Prop 84 Drought Project Fund 504	Total
Source of Funds:								
Financing Proceeds	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 171,782	\$ –	\$ 171,782
Grant Proceeds	\$ 104,102	\$ 155,760	\$ 204,932	\$ 597,429	\$ 941,539	\$ –	\$ 2,243,172	\$ 4,246,934
Contributions	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 10,000	\$ –	\$ 10,000
Total Source of Funds	\$ 104,102	\$ 155,760	\$ 204,932	\$ 597,429	\$ 941,539	\$ 181,782	\$ 2,243,172	\$ 4,428,716
Staffing:								
Hours Allocated	570	830	1,080	3,390	345	895	660	7,770
FTE (based on 2080)	0.3	0.4	0.5	1.6	0.2	0.4	0.3	3.7
Use of Funds:								
Labor	\$ 33,561	\$ 50,709	\$ 67,031	\$ 197,321	\$ 19,243	\$ 55,230	\$ 37,555	\$ 460,650
Benefits	\$ 14,559	\$ 21,998	\$ 29,078	\$ 85,600	\$ 8,348	\$ 23,960	\$ 16,292	\$ 199,835
G&A Costs	\$ 52,982	\$ 80,053	\$ 105,823	\$ 311,508	\$ 30,378	\$ 87,192	\$ 59,288	\$ 727,224
Consulting & Professional Services	\$ –	\$ –	\$ –	\$ –	\$ 882,570	\$ –	\$ 2,129,037	\$ 3,011,607
Meeting & Travel	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 1,000	\$ 250	\$ 500	\$ 9,750
Other Administrative Costs	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ –	\$ 15,150	\$ 500	\$ 19,650
Total Use of Funds from Operations	\$ 104,102	\$ 155,760	\$ 204,932	\$ 597,429	\$ 941,539	\$ 181,782	\$ 2,243,172	\$ 4,428,716
Net Gain (Loss)	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Project Reimbursement (Prop 84 – Capital)	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 6,381,306
G&A Contribution	1.89%	2.85%	3.77%	11.09%	1.08%	3.10%	2.11%	9.95%

Grant/Contract Funds FYE 2011 - 2017	FYE 2011 Actual	FYE 2012 Actual	FYE 2013 Actual	FYE 2014 Actual	FYE 2015 Budget	FYE 2015 Actual	FYE 2016 Budget	FYE 2017 Budget
Source of Funds:								
Financing Proceeds	\$ 262,199	\$ 190,455	\$ 169,466	\$ 156,886	\$ 228,376	\$ –	\$ 167,264	\$ 171,782
Grant Proceeds	\$ 32,333	\$ 69,770	\$ 97,693	\$ 118,778	\$ 245,935	\$ –	\$ 4,121,056	\$ 4,246,934
Contributions	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 668,030	\$ 10,000	\$ 10,000
Other Income	\$ –	\$ –	\$ –	\$ 21,668	\$ –	\$ –	\$ –	\$ –
Total Source of Funds	\$ 304,532	\$ 270,225	\$ 277,159	\$ 307,332	\$ 484,311	\$ 686,779	\$ 4,298,320	\$ 4,428,716
Use of Funds:								
Labor	\$ 95,186	\$ 85,417	\$ 90,022	\$ 90,635	\$ 155,606	\$ 227,427	\$ 419,310	\$ 460,650
Benefits	\$ 40,263	\$ 37,499	\$ 39,700	\$ 40,334	\$ 71,354	\$ 101,719	\$ 175,507	\$ 199,835
G&A Costs	\$ 155,534	\$ 135,215	\$ 143,135	\$ 143,479	\$ 244,101	\$ 371,190	\$ 667,446	\$ 727,224
Consulting & Professional Services	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 3,011,607	\$ 3,011,607
Meeting & Travel	\$ 798	\$ 1,158	\$ 703	\$ 376	\$ 2,750	\$ 464	\$ 9,750	\$ 9,750
Other Administrative Costs	\$ 10,295	\$ 10,273	\$ 10,216	\$ 10,090	\$ 10,500	\$ 10,010	\$ 14,700	\$ 19,650
Other Expense	\$ 41	\$ 33	\$ 38,549	\$ 46	\$ –	\$ 480	\$ –	\$ –
Construction	\$ –	\$ –	\$ 23,470	\$ –	\$ –	\$ 145,982	\$ –	\$ –
Total Use of Funds from Operations	\$ 302,117	\$ 269,595	\$ 345,795	\$ 284,961	\$ 484,311	\$ 857,273	\$ 4,298,320	\$ 4,428,716
Net Gain (Loss)	\$ 2,415	\$ 630	\$ (68,636)	\$ 22,371	\$ –	\$ (16,846)	\$ –	\$ –

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Capital Project Funds

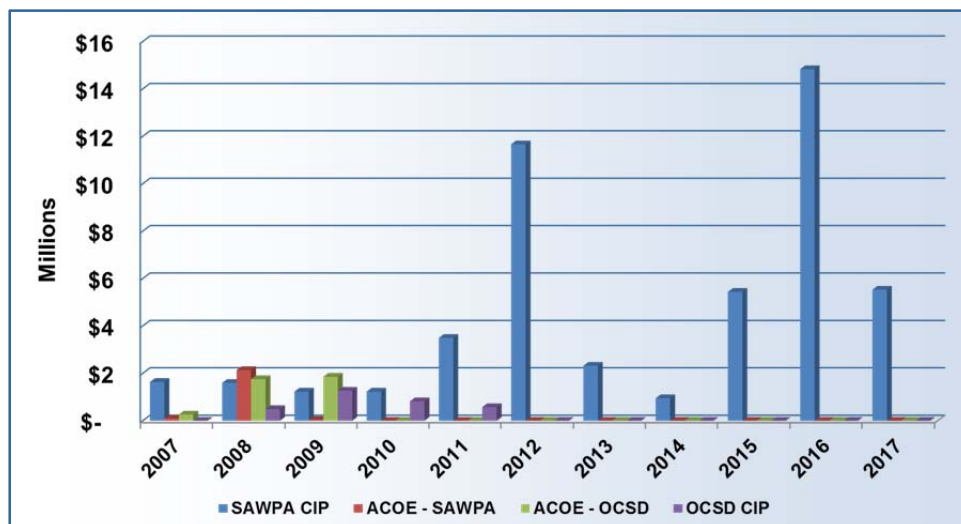
The Capital Project Fund includes projects related to the operation and maintenance of the Inland Empire Brine Line. The Brine Line is a non-reclaimable wastewater pipeline that provides for the export of domestic wastewater, high-salinity industrial wastewater, and desalter brine generated within the Watershed. The Brine Line carries the waste to a treatment plant operated by OCSD in Huntington Beach. After treatment, the treated effluent is discharged to the Pacific Ocean.

In March 2006, the SAWPA Commission approved a draft CIP for planning purposes. The CIP includes projects totaling more than \$60 million that are planned for completion by FYE 2030. The main focus of the CIP is to assure the long-term viability and sustainability of the Brine Line system by addressing on-going maintenance, capital improvements, protection/relocation, and strategic relationships. In FYE 2010, a new long-term vision and plan was developed which includes an update to the CIP.

In FYE 2016, the Agency has budgeted approximately \$14.8 million, and \$5.5 million in FYE 2017 for Capital Projects, based on the draft CIP. The draft CIP consists of the following main elements:

1. SAWPA CIP Projects
 - a. Capital Repairs (annual).
 - b. Brine Line Reach V Capital Repairs. (Begin construction in FYE 2015) Install structures to access the interior of the pipe and provide structural repairs in areas where the existing pipe is deformed.
2. OCSD actions related to the raising of Prado Dam and Reach 9 improvements by the U.S. Army Corps of Engineers (ACOE).
 - a. Costs associated with the removal of rip-rap (rock) placed by OCSD since 2005 to protect the now abandoned SARI which was located in the floodplain. This four mile long section of the SARI was relocated by OCPW in 2014.
 - b. Up to a \$10 million short-term, interest free loan based on 10% of the total project cost has been provided to OCPW to pay relocation costs. This loan is per an agreement between SAWPA and the Orange County Flood Control District (OCFCD). This loan will be repaid by OCPW using state subvention funds. If funds are not paid by 2018, interest will accrue.
3. OCSD Capital Improvement Program projects on the Brine Line through FYE 2060 (variable SAWPA cost share). Estimated at \$1.8 million per year.

**Expected Capital Improvement Plan Expenditures
Through FYE 2017**



SAWPA Capital Improvements Plan (CIP) Projects

The Brine Line stretches over 93 miles through San Bernardino, Riverside, and Orange Counties of which 73 miles is owned by SAWPA. The Brine Line upstream of Prado Dam was constructed over a 20-year period, in sections. The pipe making up the line is of varying ages with the oldest section of the line being 41 years old, and the newest being fourteen years old. The pipeline is made of varying materials, chosen for both durability and cost.

To reduce long-term costs for maintenance and the chance of a line failure, SAWPA has instituted an on-going CCTV video inspection of the line to assess the condition of the pipeline. Inspection reports note any anomalies such as pipeline cracks, de-lamination of polyvinyl chloride (PVC) liner, sags, root intrusion, and debris or material accumulation. This work also allows staff to better estimate infiltration and inflow, and plan future repair and replacement in the maintenance management program. The CIP is updated in conjunction with the CCTV program.

CIP projects under this category include lining portions of Reach V to increase the strength of the pipeline. After the catastrophic failure of the pipeline, an investigation was completed which identified portions of the pipe being oval in shape. Projects also include repair of any problems found in the CCTV inspection of the line.

ACOE Project

Several projects have been completed as a result of the ACOE Prado Dam Mainstem Project. SAWPA was required to move a portion of the Brine Line to avoid a conflict with the relocated low flow channel to the new outlet works. This work has been completed. In FYE 2015, the ACOE and the project sponsor, OCPW, relocated and protected a portion of the upper Reach IV-A Brine Line in the City of Chino (Yorba Slaughter Adobe Dike). Additional work may be required as the ACOE designs the Alcoa Flood Dike in Corona.

Protection/Relocation of the Line

OCSD owns, operates, and maintains the line west of the Orange/Riverside County line. SAWPA owns capacity rights in the line and has entered into a cost sharing agreement for the operation and maintenance of that portion of the line. Between the Orange/Riverside County line and SAVI Ranch, the Brine Line used to lie within the floodplain of the SAR before being relocated in 2014. As part of the ACOE project, the design maximum controlled release from the dam will increase from 9,300 cubic feet per second (cfs) to 30,000 cfs. As part of the project, protection of the Brine Line downstream of Prado in Riverside and Orange Counties is being provided. Over the last 15 years, OCSD has performed several protection projects installing grade stabilizers and bank protection constructed using large rock. This program is anticipated to end once the SARI mainline relocation project is complete. The SARI Mainline Project relocated the existing SARI with a new 54-inch-diameter pipeline on the south side of the river just north of and adjacent to the Riverside (91) Freeway. Construction began in October 2011 and was completed in 2014. Upon completion of the project and as part of an ACOE permit condition, OCSD is required to remove the rock from the SAR floodplain. Rock removal is anticipated to begin in FYE 2017.

OCSD CIP Projects

OCSD also has a CIP planned through FYE 2060 for their portion of the SARI line. Depending on which reach of the pipeline a project is for, SAWPA, through the cost sharing agreement for the operation and maintenance of the line, is obligated to pay a portion of the costs for this CIP; the amount of obligation varies by pipeline reach.

Impact of CIP on Operating Budget

For each of the capital projects listed above, the only impacts on the current operating budget are the staff costs involved in completing the project. Once the project is complete, there are no additional impacts to future operating budgets and there may even be a reduction to future operating and maintenance budgets.

CIP Funding

During the budget process, the rate model and CIP were updated to include FYE 2016 and 2017 budget projections. The rate model establishes reserve contributions for FYE 2016 and 2017 in the amount of \$1.5 million. Contributions to reserves and existing reserve balances will be used to fund the CIP.

In 2011, a new dynamic rate model was developed including an updated CIP for the next 25 years. Current funding options used in the rate model include pay-as-you-go, debt financing, or a combination of both. Based on the assumptions used in the model, use of reserves, rate increases, and borrowing provide the necessary funding for the long-term financial stability of the system. Over the last few years, the CIP has been funded using pay-as-you-go financing and SRF loans. CIP projects for FYE 2016 and 2017 will be funded from an SRF Loan and Agency Reserves.

Reserve Balances at FYE 2015

<i>Reserve Account</i>	<i>FYE 2015 Balance</i>
Pipeline Repair/Replacement Reserve	\$ 21,548,949
OCSD Rehabilitation Reserve	\$ 6,421,184
Capacity Management Reserve	\$ 5,976,397
Total Reserves Available for CIP	\$ 33,946,530

Reserves Available to Fund CIP through FYE 2017

<i>FYE Year</i>	<i>Beginning Reserve Balance</i>	<i>Contributions To Reserves</i>	<i>CIP Funding</i>	<i>Ending Reserve Balance</i>
2016	\$ 33,946,530	\$ 1,500,000	\$ (4,835,389)	\$ 30,611,141
2017	\$ 30,611,141	\$ 1,500,000	\$ (5,533,536)	\$ 26,577,605

A detailed description of each project included in the budget is included on the pages to follow.

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Capital Project Fund Budget FYE 2016	Brine Line Protection Project Fund 320		Reach V Repairs Fund 326	Reach IV-D Corrosion Repair Fund 327	Total			
Source of Funds:								
Financing Proceeds	\$	–	\$	10,000,000	\$	–	\$	10,000,000
Other Income	\$	1,181,211	\$	3,415,393	\$	238,786	\$	4,835,390
Total Source of Funds	\$	1,181,211	\$	13,415,393	\$	238,786	\$	14,835,390
Staffing:								
Hours Allocated		460		1,895		1,190		2,790
FTE (based on 2080)		0.2		0.9		0.2		1.3
Use of Funds:								
Labor	\$	24,486	\$	119,718	\$	27,833	\$	172,037
Benefits	\$	10,249	\$	50,110	\$	11,650	\$	72,009
G&A Costs	\$	38,976	\$	190,565	\$	44,303	\$	273,844
Consulting & Professional Services	\$	520,000	\$	1,050,000	\$	150,000	\$	1,720,000
Meeting & Travel	\$	–	\$	–	\$	1,000	\$	1,000
Other Administrative Costs	\$	12,500	\$	5,000	\$	4,000	\$	21,500
Construction	\$	575,000	\$	12,000,000	\$	–	\$	12,575,000
Total Use of Funds from Operations	\$	1,181,211	\$	13,415,393	\$	238,786	\$	14,835,390
Net Gain (Loss)	\$	–	\$	–	\$	–	\$	–
G&A Contribution		1.46%		7.12%		1.66%		10.23%

Capital Project Fund Budget FYE 2017	Brine Line Protection Project Fund 320		Reach V Repairs Fund 326		Reach IV-D Corrosion Repair Fund 327		Total
Source of Funds:							
Financing Proceeds	\$	–	\$	–	\$	–	\$ –
Other Income	\$	2,324,996	\$	85,124	\$	3,123,416	\$ 5,533,536
Total Source of Funds	\$	2,324,996	\$	85,124	\$	3,123,416	\$ 5,533,536
Staffing:							
Hours Allocated		415		440		1,338	2,193
FTE (based on 2080)		0.2		0.2		0.6	1.1
Use of Funds:							
Labor	\$	25,393	\$	26,597	\$	79,474	\$ 131,464
Benefits	\$	11,016	\$	11,538	\$	34,477	\$ 57,031
G&A Costs	\$	40,087	\$	41,989	\$	125,465	\$ 207,541
Consulting & Professional Services	\$	137,500	\$	–	\$	350,000	\$ 487,500
Operating Costs	\$	–	\$	–	\$	25,000	\$ 25,000
Meeting & Travel	\$	–	\$	–	\$	5,000	\$ 5,000
Other Administrative Costs	\$	11,000	\$	5,000	\$	4,000	\$ 20,000
Construction	\$	2,100,000	\$	–	\$	2,500,000	\$ 4,600,000
Total Use of Funds from Operations	\$	2,324,996	\$	85,124	\$	3,123,416	\$ 5,533,536
Net Gain (Loss)	\$	–	\$	–	\$	–	\$ –
G&A Contribution		1.43%		1.49%		4.47%	7.39%

Capital Project Funds FYE 2011 – 2017	FYE 2011 Actual	FYE 2012 Actual	FYE 2013 Actual	FYE 2014 Actual	FYE 2015 Budget	FYE 2015 Actual	FYE 2016 Budget	FYE 2017 Budget
Source of Funds:								
Financing Proceeds	\$ –	\$ 8,482,985	\$ 243,451	\$ –	\$ –	\$ –	\$ 10,000,000	\$ –
Grant Proceeds	\$ 491,828	\$ 1,590,822	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Other Income	\$ 2,640,117	\$ 303,381	\$ 386,361	\$ 953,213	\$ 5,968,663	\$ 3,534,528	\$ 4,835,390	\$ 5,533,536
Total Source of Funds	\$ 3,131,945	\$ 10,377,188	\$ 629,812	\$ 953,213	\$ 5,968,663	\$ 3,534,528	\$ 14,835,390	\$ 5,533,536
Use of Funds:								
Labor	\$ 98,705	\$ 126,118	\$ 27,324	\$ 30,534	\$ 79,333	\$ 105,600	\$ 172,037	\$ 131,464
Benefits	\$ 41,752	\$ 55,366	\$ 12,050	\$ 13,587	\$ 36,379	\$ 48,470	\$ 72,009	\$ 57,031
G&A Costs	\$ 161,283	\$ 199,644	\$ 43,446	\$ 48,335	\$ 124,451	\$ 165,686	\$ 273,844	\$ 207,541
Consulting & Professional Services	\$ 1,477,799	\$ 1,090,780	\$ 167,445	\$ 136,226	\$ 865,500	\$ 698,669	\$ 1,720,000	\$ 487,500
Operating Costs	\$ –	\$ –	\$ –	\$ 1,366	\$ –	\$ –	\$ –	\$ 25,000
Meeting & Travel	\$ –	\$ –	\$ 318	\$ 337	\$ –	\$ 815	\$ 1,000	\$ 5,000
Other Administrative Costs	\$ 9,916	\$ 1,385	\$ 72	\$ 531	\$ 13,000	\$ 36	\$ 21,500	\$ 20,000
Other Expenses	\$ 9,442	\$ 176,021	\$ 1,536	\$ –	\$ –	\$ 8,643	\$ –	\$ –
Construction	\$ 1,333,048	\$ 15,433,326	\$ 377,621	\$ 256,197	\$ 4,850,000	\$ 2,506,610	\$ 12,575,000	\$ 4,600,000
Total Use of Funds from Operations	\$ 3,131,945	\$ 17,082,640	\$ 629,812	\$ 487,113	\$ 5,968,663	\$ 3,534,528	\$ 14,835,390	\$ 5,533,536
Net Gain (Loss)	\$ –	\$ (6,705,452)	\$ –	\$ 466,100	\$ –	\$ –	\$ –	\$ –

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Request for Capital Funding

Project #	320-01 OC
	320-04 RC

PROJECT or EQUIPMENT INFORMATION

NAME:	Priority:	High
Brine Line Protection/Relocation, Downstream (D/S) of Prado in Orange and Riverside Counties	External Fund Potential:	Yes
DESCRIPTION:	Current Stage:	Varies
Brine Line Protection/Relocation activities D/S of Prado Dam in Orange and Riverside Counties. Orange County work completed May 2014. Riverside County work to be completed in FY16 by Riverside County Flood Control & Water Conservation District (RCFC&WCD).	Expansion %:	0%
	Replacement %:	100%
	Req'd Ext Funding %:	0%
LOCATION:	Expended to Date:	\$10.7M
Existing Brine Line between Orange County line (Green River Golf Course) and SAVI Ranch (Orange County) and Prado Dam and Orange County line (Riverside County)	Future Costs:	\$0M
	Total Project Cost:	\$10.7M

DESCRIBE PROBLEMS, EXPENSES, ETC. AS JUSTIFICATION FOR REPLACEMENT:

Orange County Public Works (OCPW) and RCFC&WCD have committed to protect the Brine Line downstream of Prado Dam as part of the ACOE's Mainstem Project. Each agency will perform the work necessary to protect the pipeline. OCPW has completed the relocation in Orange County. SAWPA loaned 10% of the project costs to OCPW. RCFC&WCD received bids to install sheet piles. Work to be completed in 2016.

All OCSD costs represent 76% of the total.

ANNUAL IMPACTS ON OPERATIONS/MAINTENANCE:

No additional impact to future operating budgets may see cost reduction to operations and maintenance costs.

Cost Estimate:	2012-13	2013-14	2014-15	2015-16	2016-17	TOTAL
CONSULTING	\$ -	\$ -	\$ 56,250	\$ 150,000	\$ 65,000	\$ 271,250
ENGINEERING, OCSD	\$ 11,031	\$ 9,331	\$ -	\$ 295,000	\$ 50,000	\$ 365,362
CONSTRUCTION	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000	\$ 1,500,000
OTHER EXPENSE	\$ -	\$ -	\$ 31	\$ 10,000	\$ 10,000	\$ 20,031
TOTALS	\$ 11,031	\$ 9,331	\$ 56,281	\$ 455,000	\$ 1,625,000	\$ 2,156,643

Escalation Rate: 3%

Request for Capital Funding

Project # 320-03

<i>PROJECT or EQUIPMENT INFORMATION</i>		
NAME:	Priority:	High
Capital Repair, Other Required Activities	External Fund Potential:	No
DESCRIPTION:	Current Stage:	Planning
Miscellaneous capital repairs that may require rapid response to prevent further deterioration, CCTV pipeline inspection performed to date reveals a number of capital repairs are required. As the system ages, additional repairs are anticipated to be needed annually.	Expansion %:	0%
	Replacement %:	100%
	Req'd Ext Funding %:	0%
LOCATION:	Expended to Date:	\$2.2M
System wide	Future Costs:	\$5.0M
	Total Project Cost:	\$7.2M

<i>DESCRIBE PROBLEMS, EXPENSES, ETC. AS JUSTIFICATION FOR REPLACEMENT:</i>
Repairs are necessary from time to time which are not known at the time annual budgets are prepared. These repairs cannot wait until a subsequent year. Such repairs include, but are not limited to:
1. Maintenance Access Structures (MAS) repair and adjustments.
2. Relocations where SAWPA does not have "prior rights".
3. Sinkhole repairs.
4. Repairs that result from CCTV pipeline inspections.

<i>ANNUAL IMPACTS ON OPERATIONS/MAINTENANCE:</i>
Failure of line or work done by others at higher cost. No additional impact to future operating budgets.

<i>Cost Estimate:</i>	<i>2012-13</i>	<i>2013-14</i>	<i>2014-15</i>	<i>2015-16</i>	<i>2016-17</i>	<i>TOTAL</i>
SAWPA LABOR	\$ 5,876	\$ 30,534	\$ 9,508	\$ 24,486	\$ 25,393	\$ 95,797
BENEFITS	\$ 2,590	\$ 13,587	\$ 4,364	\$ 10,249	\$ 11,016	\$ 41,806
G&A COSTS	\$ 9,339	\$ 48,335	\$ 14,918	\$ 38,976	\$ 40,087	\$ 151,655
ENGINEERING	\$ 11,483	\$ 119,237	\$ 24,717	\$ 75,000	\$ 137,500	\$ 367,937
CONSTRUCTION	\$ 377,621	\$ 366,099	\$ -	\$ 575,000	\$ 2,100,000	\$ 3,418,720
OTHER EXPENSE	\$ 102	\$ 2,234	\$ 91	\$ 2,500	\$ 11,000	\$ 15,927
TOTALS	\$ 407,011	\$ 580,026	\$ 53,597	\$ 726,211	\$ 2,324,996	\$ 4,091,842

Escalation Rate: 3%

Request for Capital Funding

Project # 326

PROJECT OR EQUIPMENT INFORMATION		
NAME:	Priority:	High
Reach V Capital Repairs	External Fund Potential:	Yes
DESCRIPTION:	Current Stage:	Design
Repairs necessary due to catastrophic failure of Reach V pipeline on October 18, 2011. Repairs will reduce the likelihood of future pipeline failure.	Expansion %:	0%
	Replacement %:	100%
	Req'd Ext Funding %:	0%
LOCATION:	Expended to Date:	\$4.1M
Reach V (Contracts 2,3, and 4).	Future Costs:	\$13.7M
	Total Project Cost:	\$17.8

DESCRIBE PROBLEMS, EXPENSES, ETC. AS JUSTIFICATION FOR REPLACEMENT:

On October 18, 2011, a catastrophic failure and brine spill occurred on Reach V (Contracts 2 and 3). Subsequent excavation and repair of the Brine Line in this location revealed the pipe is "out of round" or slightly oval. Extensive investigative work in the area of failure was performed to determine the quality of the original construction. Testing of the soil within the existing Brine Line trench zone and measuring the pipe ovality at several locations along Contracts 2, 3, and 4, revealed poor compaction in the trench bedding and backfill below acceptable levels, pipe deflection exceeding design standards, large cobbles in the backfill and no sand in the pipe zone. In September 2012, SAWPA convened a panel of experts to evaluate the data and investigative work completed to date. The panel concluded the pipe failure was caused by a variety of factors that combined to develop an over deflection condition and ultimately a failure at the pipe joint. The expert panel developed a list of recommended actions including conducting a risk assessment to identify potential high risk areas and pipe rehabilitation and or replacement in over-deflected areas. In May 2013, RMC Water and Environmental completed a Condition Study of the Reach V (Contracts 2, 3, and 4) Pipeline. The study included a condition assessment, risk assessment, surge analysis and cost estimate. The report concluded that replacement of the medium and high risk areas by the CIPP rehabilitation method is necessary to restore the structural integrity of the pipeline, and prevent the likelihood of a catastrophic failure. Bid documents were prepared in 2014 and a construction contract was awarded in November 2014. Construction commenced in early 2015 and is expected to be completed by Spring 2016.

ANNUAL IMPACTS ON OPERATIONS/MAINTENANCE:

Potential impacts would result from pipeline failure in close proximity to a surface water and environmentally sensitive area. Impact would include shutdown of system, disruption of businesses, residents, and commuters, expensive emergency repairs, and the need to do the total project without satisfactory planning. Fines would be likely.

Cost Estimate:	2012-13	2013-14	2014-15	2015-16	2016-17	TOTAL
SAWPA LABOR	\$ 21,451	\$ 76,750	\$ 96,604	\$ 119,718	\$ 26,597	\$ 341,120
BENEFITS	\$ 9,460	\$ 34,068	\$ 44,106	\$ 50,110	\$ 11,538	\$ 149,282
G&A COSTS	\$ 34,107	\$ 121,645	\$ 150,768	\$ 190,565	\$ 41,989	\$ 539,074
ENGINEERING	\$ 144,932	\$ 442,766	\$ 635,899	\$ 1,050,000	\$ -	\$ 2,273,597
PROJECT MANAGEMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CONSTRUCTION	\$ -	\$ -	\$ 2,506,610	\$ 12,000,000	\$ -	\$ 14,506,610
OTHER EXPENSES	\$ 1,819	\$ 2,647	\$ 9,397	\$ 5,000	\$ 5,000	\$ 26,863
TOTALS	\$ 211,769	\$ 677,875	\$ 3,443,385	\$ 13,415,393	\$ 85,124	\$ 17,836,546

Escalation Rate: 3%

Request for Capital Funding

Project # 327

PROJECT OR EQUIPMENT INFORMATION		
NAME:	Priority:	High
Reach IV-D Corrosion Repairs	External Fund Potential:	Yes
DESCRIPTION:	Current Stage:	Design
Routine inspection of Reach IV-D found extensive corrosion within the pipe invert as the T-Lok corrosion protection liner only covered 270°.	Expansion %:	0%
	Replacement %:	100%
	Req'd Ext Funding %:	0%
LOCATION:	Expended to Date:	\$0
Reach IV-D. Exact limits unknown at this time.	Future Costs:	\$5.0M
	Total Project Cost:	\$8.4M

DESCRIBE PROBLEMS, EXPENSES, ETC. AS JUSTIFICATION FOR REPLACEMENT:

Corrosion of pipe invert. Depth is to be determined but appears to be deep enough to expose reinforcing steel at some locations. T-Lok liner is turned upward threatening its effectiveness.

ANNUAL IMPACTS ON OPERATIONS/MAINTENANCE:

Investigation and protection is required soon to preserve the pipe structure.

Cost Estimate:	2012-13	2013-14	2014-15	2015-16	2016-17	TOTAL
SAWPA LABOR	\$ -	\$ -	\$ -	\$ 27,833	\$ 79,474	\$ 107,307
BENEFITS	\$ -	\$ -	\$ -	\$ 11,650	\$ 34,477	\$ 46,127
G&A COSTS	\$ -	\$ -	\$ -	\$ 44,303	\$ 125,465	\$ 169,768
CONSULTING	\$ -	\$ -	\$ -	\$ 50,000	\$ -	\$ 50,000
ENGINEERING	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ 200,000
PROJECT MANAGEMENT	\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000
CONSTRUCTION	\$ -	\$ -	\$ -	\$ -	\$ 2,500,000	\$ 2,500,000
OTHER EXPENSES	\$ -	\$ -	\$ -	\$ 5,000	\$ 34,000	\$ 39,000
TOTALS	\$ -	\$ -	\$ -	\$ 238,786	\$ 3,123,416	\$ 3,362,202

Escalation Rate: 3%



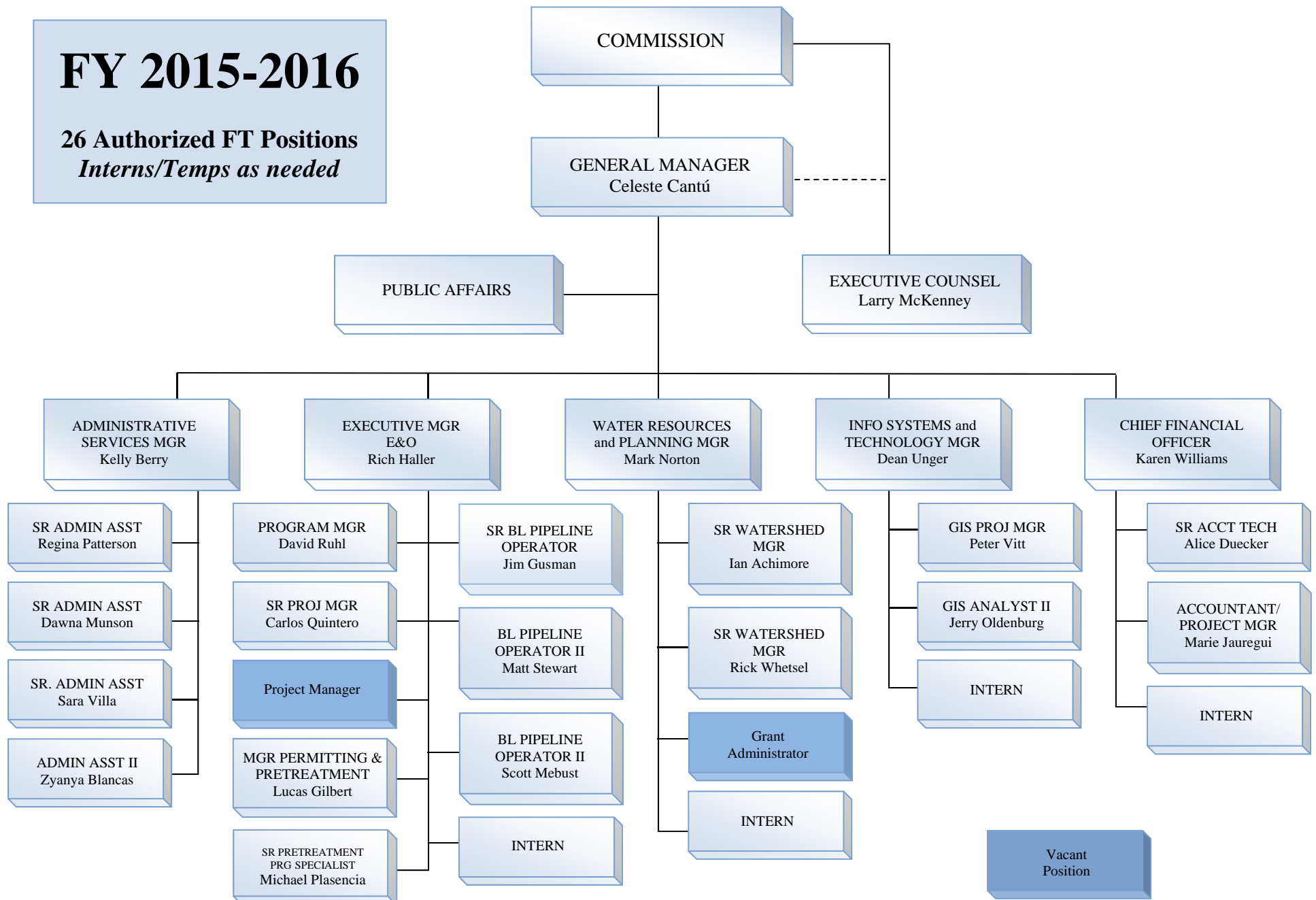
Section 10

Departments

SAWPA ORGANIZATION CHART

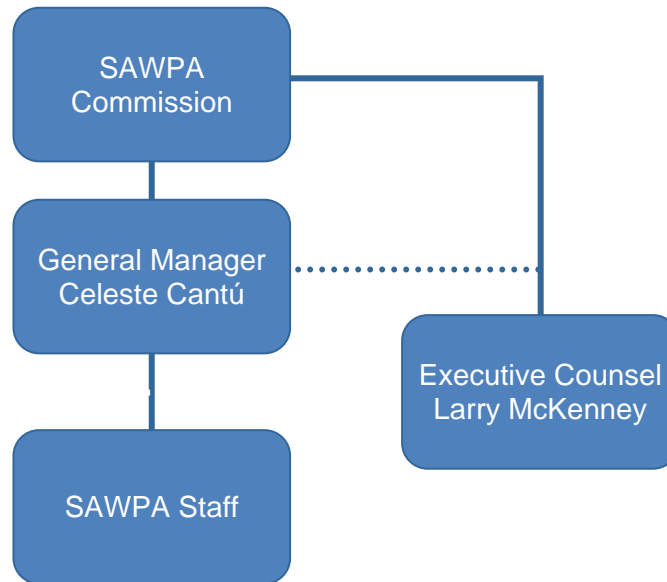
FY 2015-2016

26 Authorized FT Positions
Interns/Temps as needed



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Executive Management



Summary Information

Existing Staff – 2 FTE

- 1 – General Manager
- 1 – Executive Counsel

Mission

Lead Agency efforts and activities to implement the policies of the Commission.

Objectives for FYE 2016 and 2017

- Achieve optimal use of local water supplies and reduce reliance on imported water.
- Improve water quality.
- Improve salt balance and ensure continued cost-effective and reliable operation of the Brine Line.
- Provide assistance and coordination for response to drought emergency while also identifying opportunities for longer term water use efficiency gains.
- Balance water supply needs with natural habitat and recreational beneficial use protection.
- Build public understanding and support for Watershed resilience.
- Build on and improve relationship with OCSD and engage more directly with wastewater resource recovery agencies and organizations.
- Facilitate incorporation of water resources management in land use planning.
- Be a resource for compliance with AB32 (greenhouse gas regulations) and reducing its impact on member agencies.
- Seek sustainable funding for the Watershed to support accomplishing Watershed goals.

Salary and Benefit Costs

<i>Account Information</i>	<i>FYE 2015 Budget</i>	<i>FYE 2016 Budget</i>	<i>% Inc/ (Decr)</i>	<i>FYE 2017 Budget</i>	<i>% Inc/ (Decr)</i>
<i>Salaries and Benefits</i>	\$702,696	\$619,676	(11.8%)	\$659,122	6.4%

Core Activities

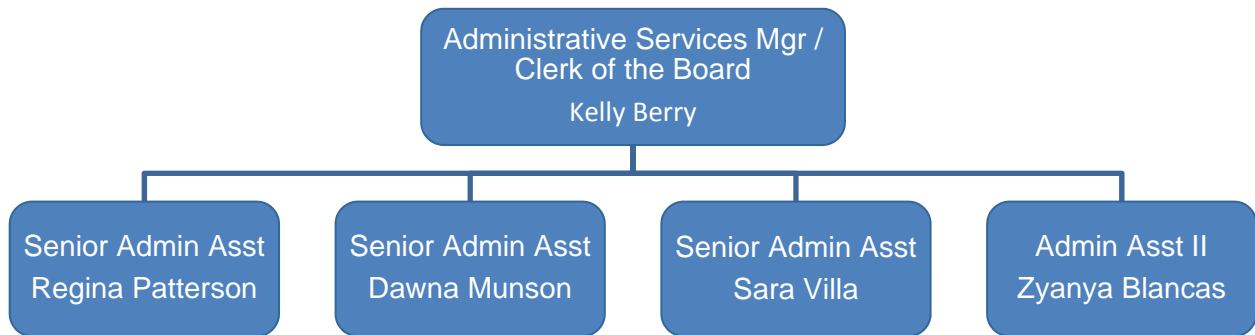
The General Manager's office is charged with directing the overall direction and activities of the SAWPA staff. The primary responsibilities relate to the Agency's overall direction and functions, as well as working with various external groups and agencies. The core activities of the office include:

- Implementing and communicating policies set by the Commission.
- Supporting Commission meetings and requests.
- Leading internal organizational efforts, administering personnel, and resolving employee issues.
- Communication with member agencies and outside organizations.
- Implementing efforts required to achieve the objectives of the strategic plan.
- Complying with contract and grant requirements.
- Coordinating legislative and information activities.
- Representing the Agency in legal business and public policy issues.

Staff Additions Needed for FYE 2016 and 2017

The prior year's budget included a Communications position. That position has been eliminated and no further additions are needed for FYE 2016 and 2017.

Administrative Services



Summary Information

Existing Staff – 5 FTE

- 1 – Administrative Services Manager/Clerk of the Board
- 1 – Senior Administrative Assistant: Engineering & Operations | Pretreatment Program
- 1 – Senior Administrative Assistant: Contracts Admin | LESJWA | Legal | Water Resources & Planning
- 1 – Senior Administrative Assistant: Water Resources & Planning | Pretreatment Program | Legal
- 1 – Administrative Assistant II: Water Resources & Planning | IS Technology | Reception | Procurement

Mission

The Administrative Services Department (ASD) exists to support the business related functions of SAWPA in relation to its member agencies, governmental and watershed-wide partnerships, LESJWA, and other stakeholder efforts. ASD handles and/or supports SAWPA's functional responsibilities; specifically, Board Administration, Executive Management, Engineering & Operations, Pretreatment, Water Resources & Planning, Human Resources, Legal, IS/Technology, Facilities Management, Procurement, Records Management, Lobbying and Legislative Efforts, Marketing, and Public Relations.

Accomplishments for FYE 2014 and 2015

- Public Meeting Administration – meeting coordination, agenda, agenda packet, memos, minutes, resolutions; website postings and updates; scanning, and importing.
 - SAWPA Commission (24 annual)
 - Project Agreement (PA) 22 Committee (12 annual)
 - OWOW Steering Committee (6 annual)
 - LESJWA Board (6 annual)
- Water Resources & Planning
 - Task Force/Roundtable Administration (45+ meetings) – coordinated meetings; prepared and distributed meeting agenda and materials; prepared relevant quarterly reports and invoices; assisted with wet/dry season reports and DWR/Regional Board submissions when applicable.
 - Assisted in updating Canyon Lake Alum Application Project; assisted with Annual Summit preparations (LESJWA).
 - Santa Ana River – provided support with graphics, formatting and distribution of water quality reports; coordinated and participated in annual river walks.
 - Organized numerous meetings, workshops, and luncheons.
 - Provided support on OWOW Proposition 84 Round 2 – Pillar Integration Meetings, Conservation Coordinators Meetings, Project Review Committee Meetings; coordinated meetings; prepared and distributed meeting agenda and materials.

- Records Management
 - ◆ Maintained onsite/offsite archival records; initiated steps to transition offsite storage.
 - ◆ Received and coordinated responses to public records requests.
 - ◆ Maintained real property files – organization and tracking of all SAWPA real estate interests and easements.
- Engineering & Operations
 - ◆ Managed Bid/Request for Proposal (RFP) process from initial phase through completion (including pre-bid and pre-construction meetings – 12); Brine Line Service Contracts (10); Reach V Rehabilitation and Improvement Project Phase 1.
 - ◆ Supported ongoing Brine Line Maintenance and Repair.
 - ◆ Emergency Response Team – Baker Street Spill: Provided onsite and follow up project management support involving SAWPA and WMWD Operations departments; assisted with RWQCB reporting.
 - ◆ Assisted with updating the Brine Line Overflow Emergency Response Plan (OERP).
 - ◆ Data management; electronic filing/indexing (OnBase; iPACS; SharePoint; Liberty).
 - ◆ Tracked and reported construction project progress – US Census Bureau.
 - ◆ Successfully completed college-level credits in project management.
 - ◆ Organized numerous meetings, workshops, and luncheons.
- Pretreatment
 - ◆ Pursuant to requirements of the MOU with OCSD, compiled data and composed monthly, quarterly, semi-annual, and annual reports (17) in implementing and enforcing the Industrial Pretreatment Program.
 - ◆ Sanitary Sewer Overflow (SSO) – maintained documentation for spill/no spill monthly CIWQS reporting (15).
 - ◆ Liquid Waste Haulers – tracked and maintained data relating to insurance, vehicles, drivers, and generator lists.
 - ◆ Prepared and maintained Wastewater Discharge Permits, including amendments and extensions, assisted with permit enforcement.
 - ◆ Pretreatment Program Workshop Meetings and Enforcement Hearings – coordinated, compiled and organized data, attended, meeting minutes, follow up.
 - ◆ Continuing preparation for anticipated EPA Pretreatment Audit.
 - ◆ Data management; electronic filing/indexing (OnBase; iPACS; SharePoint).
- Human Resources
 - ◆ Successfully completed college-level credits in human resources, risk and insurance management.
 - ◆ Initiated update of policies and procedures in adherence to applicable legislation.
- IS/Technology
 - ◆ In concert with IT staff and webmaster vendor, populated, updated and maintained the SAWPA website, including initial activities involved with website software and content upgrades, formatting new layout of webpages, creation of icons; received and provided WordPress training; continued coordination with webmaster vendor.
 - ◆ Coordinated Mitel phone system upgrade in concert with IT staff; worked with company representatives in compiling system information and features; compiled and designed training materials and coordinated training sessions; continuing customer service support role; assisted with resulting redesigned virtual fax setup.
- Facilities Management/Safety/Vehicle Maintenance
 - ◆ Building LED Lighting Project; Front Door Replacement Project; Building AC Unit Replacement Project; Pretreatment Office Space Project; Bathroom Facilities Upgrade Project; Building Janitorial Services Project: Researched companies and obtained quotes in accordance with SAWPA Procurement Policy, coordinated installation and continuing follow up work with vendors; researched, prepared and submitted paperwork for any applicable rebates.
 - ◆ Safety Committee coordination and support; maintained and revised office and vehicle safety documentation; maintained Injury and Illness Prevention Program (IIPP) pursuant to OSHA requirements; maintained inventory of SAWPA wear and safety equipment.

- ◆ Coordinated miscellaneous annual/recurring facilities maintenance, including office equipment.
- ◆ Vendor coordination and follow-up relating to upgraded facilities and security plan.
- ◆ Maintained maintenance and the Department of Motor Vehicles (DMV) registration of all agency vehicles.
- ◆ Coordinated seasonal refresh for the SAWPA Demonstration Garden and all other SAWPA landscaping, including maintenance and initiation of future landscape redesign.
- Procurement/Contracts – in support of SAWPA Programs and Projects
 - ◆ Coordinated with various contractors and suppliers to obtain numerous quotes and subsequent purchases in support of field operations.
 - ◆ Prepared General Service Agreements, Task Orders, Works Orders, Change Orders; Purchase Orders; obtained and tracked applicable insurance documentation.
 - ◆ Prepared Requests for Proposals and Requests for Qualifications (RFQs); received and processed responses.
 - ◆ Procure necessary office furniture and equipment; ensure vendor accuracy.
 - ◆ Office supplies; safety equipment and materials; hardware and tools; business cards and letterhead; parking and garden signs; awards and plaques.
 - ◆ Monthly coordination with finance staff providing accounts payable support; vendor follow up regarding invoice/quote discrepancies.
- Lobbying and Legislative Efforts
 - ◆ Scheduled weekly and bi-weekly legislative conference calls; coordinated with lobbying firm; agenda preparation.
- Marketing, Public Relations, Outreach
 - ◆ OWOW 2014 Conference, *Keeping our Cool* – worked directly with vendors and consultants in the planning, organization and staging of the October 2014 event.
 - ◆ Inland Empire Brine Line – in concert with Engineering & Operations
 - ◆ Worked directly with the production company and customers to organize video shoots at ten locations over three days for production of the Brine Line marketing video.
 - ◆ Updated Brine Line marketing materials.
 - ◆ Earth Night (WMWD) – planned and coordinated SAWPA's participation and booth activities for the April 2015 event.
 - ◆ SAWPA Website – continually revised content to reflect current events and activities; worked with department heads in revising departmental information and activities.
 - ◆ OWOW Project – created numerous outreach e-brochures on various programs and topics; assisted with planning and organization of water use workshops and preparation of educational materials.
 - ◆ Roundtable/Task Forces – created/recreated outreach materials.
 - ◆ Coordinated/hosted numerous events and tours.
 - ◆ Researched, ordered, and maintained inventory of marketing products.
 - ◆ Engagement marketing of SAWPA programs and projects via Constant Contact.
- Education and Skills Acquired
 - ◆ Human Resources – engaged with Human Resource (HR) professionals, attended CalPERS Educational Forum; attended various seminars and webinars.
 - ◆ Maintained Certified Municipal Clerk (CMC) certification; engaged with CMC professionals; attended webinars.
 - ◆ Records Information Management (RIM) – engaged with RIM professionals relating to challenges of electronic records management (working and archival), litigation holds, document recovery, e-data quality and control, and e-discovery; attended local chapter seminars.
 - ◆ Successful completion of college-level credits in human resources and project management.
 - ◆ Attended Water Education Foundation Water 101 Workshop.
 - ◆ Attended in-house Envision Sustainability classes; attended time and workload management seminar.
 - ◆ Provided advanced project management utilizing updated skills in iPACS, SharePoint, WordPress, OnBase, Liberty, Adobe Pro, Adobe LiveCycle, SmartDraw, MS Publisher, Project, Visio, OneNote, Excel, PowerPoint.

Salary and Benefit Costs

<i>Account Information</i>	<i>FYE 2015 Budget</i>	<i>FYE 2016 Budget</i>	<i>% Inc/ (Decr)</i>	<i>FYE 2017 Budget</i>	<i>% Inc/ (Decr)</i>
<i>Salaries and Benefits</i>	\$613,381	\$529,294	(13.7%)	\$565,113	6.8%

Core Activities

The ASD exists to support the business related functions of SAWPA in relation to its member agencies, governmental and watershed-wide partnerships, LESJWA, and other stakeholder efforts. The core activities of this department include:

- Provide administrative/project management support to the:
 - ◆ SAWPA Commission;
 - ◆ JPA;
 - ◆ Agency-wide departmental support;
 - ◆ Pretreatment Program;
 - ◆ LESJWA Board of Directors;
 - ◆ Legislative support;
 - ◆ OWOW/IRWMP;
 - ◆ Proposition 1 administrative support;
 - ◆ Proposition 84 administrative support;
 - ◆ Collaborative roundtable stakeholder efforts;
 - OWOW Pillars and Steering Committee;
 - PA 22 Committee – Drought Response Grant Program;
 - Stormwater Quality Standards Task Force;
 - Emerging Constituents Task Force;
 - Basin Monitoring Program Task Force;
 - Imported Water Recharge Technical Committee;
 - MSAR Watershed Pathogen TMDL Task Force;
 - Lake Elsinore and Canyon Lake TMDL Task Force;
 - Lake Elsinore and Canyon Lake Technical Advisory Committee;
 - SAR Fish Conservation Task Force;
 - Forest First Program; and
 - Sana Ana River Parkway Trail.
- Contract Administration efforts – SAWPA and LESJWA.
- Conflict of Interest Filing Official/Officer – SAWPA and LESJWA.
- Records Management, which includes recording, electronic/hard copy filing, indexing and maintaining of OnBase Records Management System, onsite/offsite archival records, and processing public information requests.
- Human Resources.
- IT Support – sawpa.org webmaster and coordination; Mitel phone system and conferencing.
- Facilities maintenance (landscaping, building maintenance, etc.).
- Maintain SAWPA's Sustainable Landscaping Garden.
- Provide coordination/support for Public Information, Outreach and Marketing efforts/events.
- Procurement.
- Monitor and coordinate safety training.
- Maintain office inventory.

Group Goals and Objectives for FYE 2016 and 2017

- Provide continued quality and professional administrative and project management support to the SAWPA Commission, JPA, Agency departments, and stakeholder outreach efforts.

- Continue cross-training of administrative staff to maintain flexibility in coverage and departmental support.
- Continue landscape refresh and redesign.
- Continue migration efforts with OnBase Data Management System.
- Continue to refine contract administration procedures and efficiencies.
- Continue completion of applicable college-level courses in departmental functions such as human resources, project management, etc.
- Attainment of HRCI/SHRM Certification in Human Resources.
- Transition offsite records storage.
- Review and update Retention and Destruction of Agency Records Policy and accompanying procedures, as applicable.
- Continue agency-wide transparency commitment; review and update open governance policies; work with Finance Department in obtaining Special District Leadership Foundation (SDLF) transparency certification.
- Review and update risk transfer protocol in accordance with Joint Powers Insurance Authority (JPIA) standards.
- Continue review and updating of policies and procedures in adherence to applicable legislation.
- Review and update policies and procedures relating to Conflict of Interest law and FPPC filings, as applicable.

Staff Additions Needed for FYE 2016 and 2017

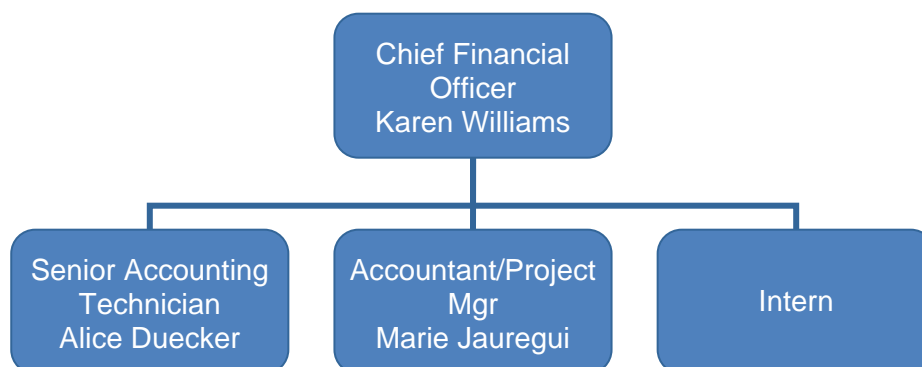
No additions are needed for FYE 2016 and 2017.

Reclassification

The Administrative Services Department may request the following reclassifications: Reclassification of one (1) Senior Administrative Assistant position to a Senior Project Specialist; reclassification of two (2) Senior Administrative Assistant positions to a Project Specialist II.

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Finance



Summary Information

Existing Staff – 3 FTE

- 1 – Chief Financial Officer
- 1 – Accountant/Project Manager
- 1 – Senior Accounting Technician
- 1 – Intern

Mission

Perform the Agency's accounting and treasury functions, manage the Agency's debt and assets, and provide financial planning and accountability.

Accomplishments for FYE 2014 and 2015

- Updated Brine Line Rate model.
- Submitted FYE 2013 and FYE 2014 Comprehensive Annual Financial Report to the GFOA and received the Certificate of Achievement for Excellence in Financial Reporting.
- Completed close out of SRF loan for the Brine Line Reach IV-A and IV-B repairs project and began repayment.
- Completed RFP for Banking Services and contracted with US Bank for all banking needs.
- Completed RFP for Classification and Compensation Study and contracted with Ralph Andersen and Associates.
- Completed Classification and Compensation Study.
- Completed and submitted an Indirect Costs Proposal to the U.S. Department of Interior for FYE 2014.
- Completed financial Audit and Project Specific audit for FYE 2013 and 2014.
- Completion and approval of FYE 2016 and 2017 Budget.

Objectives for FYE 2016 and 2017

- Build and strengthen internal accounting controls in the Agency's processes and procedures.
- Assist with the Brine Line business plan and rate model update.
- Assist in the development of a long-term financial plan for SAWPA.
- Continue to update and refine the 5-Year Financial Model.
- Provide meaningful monthly financial reports for all levels of management including the Board of Commissioners.
- Streamline processes and procedures for increased efficiency and document all procedures.
- Increase investment earnings potential.

Salary and Benefit Costs

Account Information	FYE 2015 Budget	FYE 2016 Budget	% Inc/ (Decr)	FYE 2017 Budget	% Inc/ (Decr)
Salaries and Benefits	\$500,246	\$495,846	(0.88%)	\$527,655	6.4%

Core Activities

The Finance Department is primarily responsible for all of the Agency's accounting and treasury functions as well as working with various internal and external groups and agencies. The core activities of the group are:

- Process the Agency's accounts payables and accounts receivables functions including the preparation of all vendor 1099s at year-end.
- Maintain and update the general ledger.
- Administer and process the Agency's payroll function, including the process and payment of related payroll tax payments, employee retirement and benefits payments, and any other employee-related costs administered through the payroll function. This also includes the preparation of the Agency's quarterly and year-end tax reporting and W-2s for all employees.
- Benefit Administration.
- Prepare quarterly reporting of the General Manager's and all employee's travel and expenses.
- Prepare monthly/quarterly reporting of consulting expenses.
- Monitor, track, execute, and complete all grant billings for Propositions 84; State; Federal; and other grant funding.
- Prepare all billings for member and other agency contributions.
- Prepare all Brine Line Enterprise billings and provide analysis on the operations to all levels of management.
- Provide budget versus actual variance reporting to all levels of management on a monthly basis for all project costs including labor.
- Report on a monthly basis Inter-Fund Loan transactions and balances, and annually summarize transactions for the year.
- Report on all open consulting contracts including contract amount, amount paid to date, and amount remaining for distribution to all levels of management including the Board of Commissioners.
- Monitoring and managing the Agency's cash and investments on a daily basis to meet Agency needs, including periodic review and update of the Agency's Investment Policy.
- Monitor, track, and manage all of the Agency's investments including T-Strips, LAIF, and securities to maximize earnings, at a reasonable risk, consistent with the Investment Policy.
- Monitor, track, and manage the Agency's debt service payments.
- Monitor, track, and manage the Agency's notes receivable for capacity purchases.
- Monitor, track, and maintain the Agency's reserve funds, and update the Agency's reserve policy as necessary.
- Monitor, track, and execute all work orders, purchase orders, and task orders.
- Prepare Agency's fiscal year budget for review and approval by member agencies.
- Complete quarterly Fair Political Practices Commission (FPPC) reporting.
- Prepare all year-end schedules for the external independent auditor prior to the beginning of the audit work.
- Work with external independent auditors to complete the Agency's annual audit, single audit (as necessary), and also work with outside agency auditors to fulfill any necessary audit requirements.
- Provide project accounting analysis for all of the Agency's capital projects, and work with all project managers to ensure that all project costs are properly accounted for and are within the project budget.
- Manage the Agency's fixed assets and verify proper accounting of depreciation and amortization.
- Provide accounting and administrative services for LESJWA.
- Maintain electronic filing system of accounting records in OnBase.
- Coordinate with member agencies' Chief Financial Officers.
- Insurance and Risk Management.

Group Goals for FYE 2016 and 2017

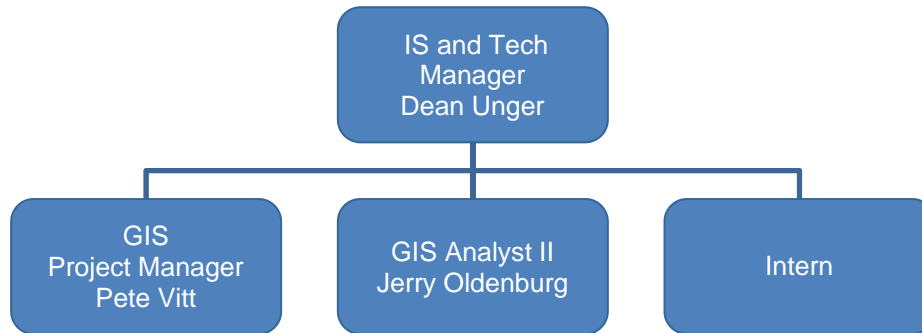
- Complete required actuarial evaluation for compliance with GASB 45 *Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions*.
- Comply with GASB 68 *Accounting and Financial Reporting for Pensions*.
- Submit FYEs 2016 and 2017 Budget to the Government Finance Officers Association's (GFOA) Distinguished Budget Presentation Awards Program.
- Submit FYE 2015 and FYE 2016 Comprehensive Annual Financial Report to the Government Finance Officers Association's CAFR Award Program.
- Submit FYE 2015 and FYE 2016 Comprehensive Annual Financial Report to the California Society of Municipal Financial Officers CAFR Award Program.
- Continue to cross-train staff in all accounting positions to provide better coverage, and to strengthen internal accounting controls with the ability to rotate staff in certain functions.
- Improve reporting and project accounting analysis for all of the Agency's capital projects, and work with all project managers to ensure that all project costs are properly accounted for and are within the project budget.
- Financial analysis and reporting – create meaningful monthly financial reports to all levels of management including the Board of Commissioners.
- Improve the quarterly reporting of budget versus actual variances to the Board of Commissioners.
- Improve the quarterly financial reporting format for the Commission Workshop.
- Continue improving the budget format used for the Agency's fiscal budget using the new BI360 budget module.
- Update Great Plains accounting software.
- Update the Brine Line Rate Model.
- Update the SAWPA 5-Year Financial Model.
- Implement the Brine Line rate changes and BOD/TSS allocation.
- Implement the Brine Line Long Range Financial Plan.
- Improve investment earnings through use of Asset Management firm.
- Administer SRF loan for Brine Line Reach V repairs project

Staff Additions Needed for FYE 2016 and 2017

No additions are needed for FYE 2016 and 2017.

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Information Systems and Technology



Summary Information

Existing Staff – 3 FTE

- 1 – IS and Tech Manager
- 1 – GIS Project Manager
- 1 – GIS Analyst II (Network Administrator)
- 1 – Intern

Mission

The mission of the Information Systems (IS) & Technology Department includes:

- Provide and maintain information that SAWPA Commissioners and staff will need in an efficient and reliable way.
- Provide and maintain systems that allow SAWPA Commissioners and staff to work as efficiently and effectively as possible.
- Provide and maintain technology that enhances internal and external communications (member agencies, other stakeholders, and the public).

Accomplishments for FYE 2014 and 2015

- Integrated Document Management System.
- Installed new pretreatment hardware and virtual servers.
- Provided continuous improvements in Agency hardware, software, and systems to maximize staff efficiency.
- Assisted with improvements in Brine Line operations and business plan implementation, including improved data management and analysis.
- Delivered additional Web GIS capabilities.
- Supported preparation of update to SAWPA IRWMP.
- Provided support for other Engineering & Operations and Planning Department projects.

Objectives for FYE 2016 and 2017

- Update Document Management System.
- Upgrade server to virtual server.
- Continuous improvements in Agency hardware, software, and systems to maximize staff efficiency.
- Assist with improvements in Brine Line operations and business plan implementation, including improved data management and analysis.

- Integrate Web GIS capabilities into more projects.
- Support preparation of update to SAWPA IRWMP.
- Provide support for other Engineering & Operations and Planning department projects.

Salary and Benefit Costs

<i>Account Information</i>	<i>FYE 2015 Budget</i>	<i>FYE 2016 Budget</i>	<i>% Inc/ (Decr)</i>	<i>FYE 2017 Budget</i>	<i>% Inc/ (Decr)</i>
<i>Salaries and Benefits</i>	\$538,615	\$540,421	(0.34%)	\$575,724	6.5%

FYE 2016 and 2017 New Initiatives/Programs

- Integrate Document Management System (OnBase) into other systems.
- GIS and Web support for OWOW plan and report card.
- Setup and Support of OWOW and PA22 Drought projects.
- The Department will support technology components of other Engineering & Operations Department initiatives such as:
 - ◆ Brine Line Dig Alert System;
 - ◆ Brine Line Maintenance Management System;
 - ◆ Pipeline cleaning mapping and data management;
 - ◆ Portable flow meter data management and analysis;
 - ◆ Continue CCTV results mapping and data management;
 - ◆ Streamlining Brine Line billing data input;
 - ◆ Development of Brine Line graphical reports;
 - ◆ Data retrieval/management of Brine Line discharge flow meter data loggers;
 - ◆ Support of hydraulic model and Capacity Management Plan analysis (updates as needed);
 - ◆ GPS support to locate Brine Line facilities; and
 - ◆ Updates to Brine Line record drawings.

Core Activities

The IS & Technology Department is responsible (either directly, or in support of other departments) for many of the Agency's day-to-day operations as well as providing the lead role or support on Agency projects. These responsibilities are summarized below.

Information Systems

- Computer network, servers, network communications, and hardware/software.
- Staff (end-user) workstations and laptops (hardware and software).
- Support computers (security, phone system, etc.).
- Printers, copiers, scanners, and associated peripherals.
- Purchase of new equipment and surplus/disposal of old equipment.
- Software purchasing/software maintenance agreements.
- Security as related to information systems.
- Backup and disaster recovery.
- Business resumption for Agency office facility.
- Planning new initiatives to support Agency needs.

Information Technology/Data Management

- Manage Agency GIS (software and data).
- Use/maintenance of SQL Server software for data management and applications support.

Cross-Department Interface

- Support of Brine Line technology needs.
- Support of other Agency projects with GIS, data management, and other technology needs.
- Support Finance Department with accounting software platform and needs.
- Work with other departments on all technology issues, activities, and solutions.

- Identify and provide technology solutions to improve efficiency and effectiveness.
- Use programming tools to provide and maintain new tools for Agency staff to better perform their tasks.
- Establish and maintain training systems for staff.

Communications

- Management of Agency phone system and teleconference bridge.
- Management of cell phones and mobile email systems.
- Management of internet connection.
- Management of email, scheduling, and related tasks.
- Coordination of technology efforts with member agency technology staff.

Records Management

- In coordination with the Administrative Services Department, develop and maintain Agency records information management (RIM) system.
- In coordination with the Administrative Services Department, develop and maintain an off-site storage process for original documents with historic or vital status in a controlled environment.
- Provide training to staff to support document upload and retrieval.
- Provide and maintain automated systems to support the electronic commission package process.

Public Information

- Management and maintenance of Agency website. Update the site as needed, and provide new features/capabilities as necessary.

Other

- Provide non-technology staff support to other departments (e.g., data analysis, preparation of presentations, technical writing, document review, etc.) as needed.
- Perform other duties as required.

Group Goals for FYE 2016 and 2017

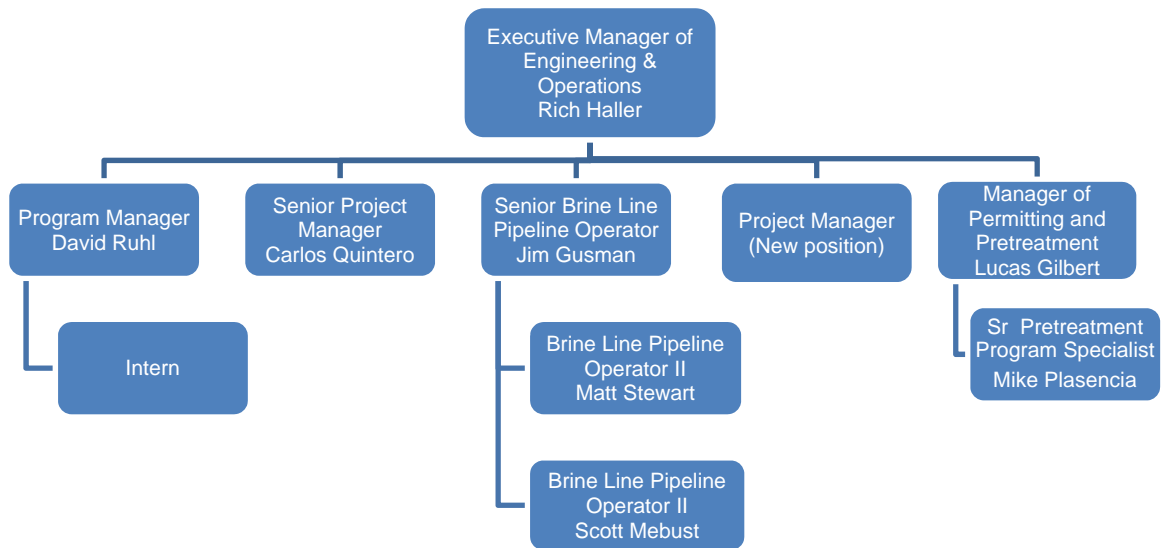
- Evaluate tools to improve Agency efficiency, including but not limited to: improve contact management systems for outreach to member agencies and the watershed community, systems to support Brine Line operations and business plans (e.g., Maintenance Management System), and developing methods to integrate operational and financial system data.
- Cross-training of individual staff in the department.
- Continued identification and implementation of ways to support the Commission and other departments in improving efficiency and effectiveness.

Staff Additions Needed for FYE 2016 and 2017

No additions are needed for FYE 2016 and 2017.

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Engineering and Operations



Summary Information

Existing Staff – 9 FTE

- 1 – Executive Manager of Engineering and Operations
- 1 – Program Manager
- 1 – Senior Project Manager
- 1 – Manager of Permitting and Pretreatment
- 1 – Project Manager (Proposition 84)
- 1 – Senior Pretreatment Program Specialist
- 1 – Senior Brine Line Pipeline Operator
- 2 – Brine Line Pipeline Operator II
- 1 – Intern

Mission

Manage the operation, maintenance, and repair of the Brine Line and the associated CIP. Implement the Proposition 84 grant funding program consisting of up to four rounds of projects.

Accomplishments for FYE 2014 and 2015

- Completed design of repairs to Reach V consisting of new access points through which trenchless Cured-In-Place Pipe is to be installed. Bid and awarded construction contract to complete work in FYE 2016. Initiated construction in January 2015.
- Initiated design of approximately one mile of Reach V pipeline to be relocated to Nichols Road.
- Continued use and refined internet based software tool to manage and record operation and maintenance (O&M) activities and track the system status (such as valves being open/closed). Information is displayed on a system map. Software is being maintained by in-house IT staff.
- Installed additional access points to Reach IV-B Upper to facilitate line cleaning. Performed end-to-end cleaning of Reach IV-B Upper in January 2015.
- Continued to implement the SAWPA pretreatment program refining and standardizing procedures and implementing the new management software (iPACS). Performed 212 on-site Discharger

inspections, 408 monitoring (or sampling) events, and reissued 29 existing permits with the concurrence of OCSD, the Control Authority.

- Created and filled a new staff position. New Senior Pretreatment Program Specialist is responsible for pre-permit and periodic inspections for approximately 86 permits, enforcement, report preparation, peer review, identifying best practices, etc.
- Continued approximate semi-annual siphon cleaning program for system siphons.
- Continued to implement the Sewer System Management Plan (SSMP) as required by the SWRCB's statewide permit.
- Applied spray-on corrosion protection at seven locations commonly referred to as Maintenance Access Structures.
- Monitored facilities during rainstorms. Performed minor repairs from erosion.
- Continued to locate facilities, particularly on Reach V, by "potholing" and updating "as-built" information. Confirmed locations of air release valves, blow-offs, and isolation valves on Reach V.
- Performed utility locations as a member of the Dig Alert network. Approximately 5,000 requests were received resulting in approximately 900 utility location markings in the field.

Objectives for FYE 2016 and 2017

Brine Line

- Planning.
 - ◆ Refine long-term plan (Salinity Management Program) which defines long-term salinity management vision and strategy, based upon recently completed documents and new information (OWOW plan, BOR Salinity Management Plan, marketing plan, SSMP, etc.).
 - ◆ Refine future flow projections and timing.
 - ◆ Continue to investigate direct ocean discharge, Salton Sea disposal options, and any other options directed by the Commission.
 - ◆ Prepare a new business plan.
 - ◆ Work with OCSD to evaluate required local limits and Ordinance changes for Brine Line reuse.
- CIP Projects.
 - ◆ Reach V Repairs. Complete construction of up to five miles of Cured-in-Place Pipe to repair Reach V.
 - ◆ Corrosion of Reach IV-D pipe invert. Evaluate extent of corrosion (depth of material lost, length/location, etc.). Identify repair method, cost, phasing of work, bypass pumping concept, and prepare bid documents. Bid and award phase 1.
 - ◆ Miscellaneous capital repairs (repair of leaking joint in Mission tunnel, install/repair MAS corrosion protection, etc).
- Right-of-Way.
 - ◆ Continue field location of pipeline through "potholing" and reviewing easement documents versus pipe as-built locations.
 - ◆ Identify potential right-of-way issues and implement corrective actions.
 - ◆ Update as-built information as required.
- Sanitary Sewer Management Plan.
 - ◆ Implement action plan.
 - ◆ Operate system in accordance with the SSMP.
 - ◆ Work to minimize the risk of a sanitary sewer overflow from a variety of causes (system operations, actions of others working around pipe, natural disaster, etc.).
- Continue to implement the permitting and pretreatment program per existing and new OCSD requirements.
- Continue to refine operations and maintenance activities to improve system performance and efficiency.
- Perform additional O&M activities with SAWPA staff including utility markings, coordination with developers and public agencies working near the line, valve maintenance, support of line cleaning, potholing and routine system inspections.
 - ◆ Support Riverside County Flood Control in the completion of bidding, contract award and construction, and turnover of the completed sheet-pile protective structure to SAWPA. Protective System to be installed along Reach IV and near Aliso Creek.

- Evaluate agency/developer requests to relocate the Brine Line or construct utilities in close proximity. Review/approve relocation/protection designs and agreements. Monitor construction.
- Alcoa Dike, Yorba Slaughter Dike Project.
 - ◆ Coordinate with ACOE during design of flood protection dikes to minimize impact to Brine Line mainline and the California Rehabilitation Center (CRC) lateral (Butterfield Road, Aburndale Road).
 - ◆ Develop and implement strategy to install facilities to protect/strengthen pipe and MASs.
- Solids Control.
 - ◆ Continue to evaluate methods to control the formation of scale and suspended solids in the pipe.
- Continue annual pipeline cleaning and CCTV inspection program.
- Complete semi-annual cleaning of Reach IV-B Upper.
- Respond to urgent and emergency repair requirements identified by CCTV and MAS inspections.
- Maintenance Management Program.
 - ◆ Continue to develop process to collect data, track requirements and evaluate effectiveness.
- Update CIP and other components of the SSMP based upon new information.
- Brine Line Rate.
 - ◆ Using the computer based financial model, evaluate and present a rate recommendation to the Commission for consideration and approval.
- Reach V Pressure Sustaining Station.
 - ◆ Work with EMWD to implement changes at the station per the existing agreement between EMWD, WMWD, and SAWPA.
- Data Automation.
 - ◆ Install several flow level and flow rate recorders with automated data feeds to begin transition to automated data collection and system monitoring.
- Marketing – implement a marketing plan to include a number of presentations to groups with an interest in salinity management.

Implementation of Grant Programs (Proposition 84)

- Develop new contracts for the Proposition 84 program (Drought Round and Final Round).
- Implement program in accordance with the contract requirements.
- Request State approval of revised project scope of work requirements and timelines when necessary.
- Complete reports and other deliverables in accordance with the contract requirements. Request time extensions when required by the constructing agency.
- Provide information on behalf of the Watershed.

Salary and Benefit Costs

<i>Account Information</i>	<i>FYE 2015 Budget</i>	<i>FYE 2016 Budget</i>	<i>% Inc/ (Decr)</i>	<i>FYE 2017 Budget</i>	<i>% Inc/ (Decr)</i>
Salaries and Benefits	\$1,257,851	\$1,444,723	14.9%	\$1,554,238	7.6%

Core Activities

The Engineering and Operations Department is primarily responsible for the following:

Brine Line

- Planning – quality, quantity projections, system finances (O&M, capital).
- Capital Improvement Program – design and construction.
- Capital repairs (based upon MAS and CCTV pipe inspections, other).
- Rate model inputs.
- Hydraulic Model. Maintain currency (calibration) of computer model. Perform calculations to evaluate the system and impacts of non-routine discharges.
- Operations.
- Sampling and inspection programs.
- Permitting and pretreatment.
- Data collection and analysis.

- Coordination/review of development plans (facility construction around Brine Line, especially Reach V).
- Temporary domestic connections.
- SSMP including Emergency Response Plan.
- Emergency discharges – coordinate with OCSD and issue permit.
- Maintain record data for system facilities – correct inaccurate information (blow-offs, airvac, etc.).
- Coordinate activities of WMWD and IEUA O&M staff.
- Utility markings (Underground Service Alert).
- Right-of-way maintenance.
- Reading and maintaining the flow meters.
- Facility maintenance.
- Brine Line Protection/Relocation in Riverside and Orange Counties.
- Brine Line Protection/Relocation at Yorba Slaughter.
- Work Plan Items.

Grant Programs

- Invoicing.
- Completion of contract deliverables.
- Contract closeout.
- Department of Finance Audit.

Group Goals for FYE 2016 and 2017

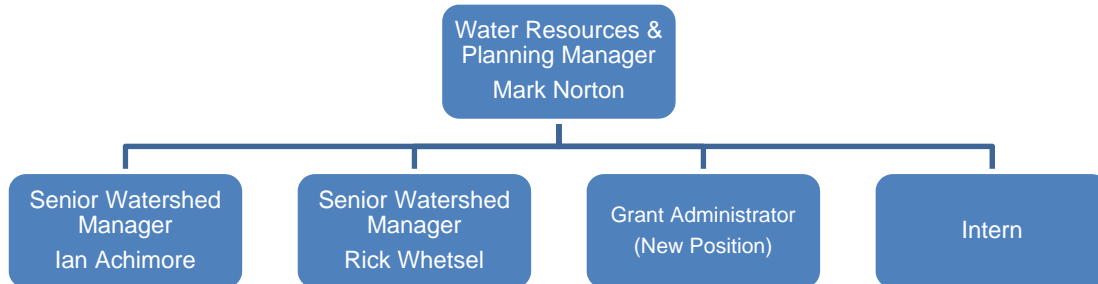
- Develop and implement a focused annual work plan to maximize efficiencies of department.
- Complete a broad range of activities. Be flexible to handle unknown tasks and changing timelines.
- Enhance department processes and increase efficiencies.

Staff Additions Needed for FYE 2016 and 2017

A new Brine Line Pipeline Operator II position was added during FYE 2014. This position assists other field staff in the completion of O&M activities performed directly by SAWPA staff. With three field staff, additional activities are being completed including confined space entry and more complex traffic control setups. A new Senior Pretreatment Program Specialist position was added during FYE 2014 to help manage and oversee the Inland Empire Brine Line permitting and pretreatment program.

Beginning in FYE 2016, a Project Manager position is required to manage the execution of the final rounds of Proposition 84 projects. The Manager will monitor implementation of the projects by the constructing agencies for compliance with the grant agreement requirements, consistency with the project description, submittal of required reports and documents, and completion of all other contract requirements.

Water Resources and Planning



Summary Information

Staff – 4 FTE

- 1 – Water Resources & Planning Manager
- 2 – Senior Watershed Managers
- 1 – Grant Administrator (New)
- 1 – Intern

Mission

Support SAWPA member agencies and Watershed stakeholders in regional and Watershed planning functions.

Accomplishments for FYE 2014 and 2015

- Conducted a successful sixth annual OWOW Conference in Riverside, CA with over 400 people in attendance.
- Initiated implementation of a three year OWOW 2014 Drought Grant Program based on a successful DWR IRWM grant of \$12.2 million to support water demand reduction in the Santa Ana River Watershed and Upper Santa Margarita Watershed. Aerial survey of the watersheds, outreach workshops with retail water agencies about conservation based water rate support, and other support tools have commenced.
- Updated the online application form for 2015 Round of Proposition 84 IRWM grant program. Updated the rating and ranking process to encourage submittal of competitive multi-benefit, multi-jurisdictional projects under OWOW. The top projects will be successfully selected for funding with support by the OWOW Steering Committee and SAWPA Commission under DWR's Proposition 84 IRWM 2015 Round Implementation funding program in support of fulfilling the OWOW Plan goals.
- Successfully applied and received a DWR Water Energy Grant for \$2.3 million to support turf removal and retrofit and other water use efficiency and energy efficiency for disadvantaged communities in the Watershed.
- Expanded the Basin Monitoring Program Task Force to include four new agencies in the watershed and thereby reduced the annual allocation for all participating agencies.
- Kicked off planning of a watershed-wide pathogen monitoring program to start in 2016 and funded by the three flood control districts in the Watershed (Orange County Flood Control District, Riverside County Flood Control and Water Conservation District, and San Bernardino County Flood Control) as well as existing participating agencies in the Middle Santa Ana River Watershed Pathogen TMDL

Task Force. The regional monitoring program was a required Regional Board and EPA implementation activity under the Stormwater Quality Standards Task Force submittal approval.

Objectives for FYE 2016 and 2017

- Facilitate preparation of the rating and ranking of OWOW projects and selection of regional water resources projects under 2015 Round of Proposition 84 IRWM Implementation program.
- Prepare grant application to secure the 2015 Proposition 84 IRWM Implementation Grant funding for approximately \$60 million for the water resource improvements for the Santa Ana River Watershed.
- Implement, through a SAWPA Committee, the 2014 IRWM Drought Response Grant program tasks and possible future watershed projects administered through a SAWPA committee based on the 2015 IRWM Grant program.
- Commence planning and grant application preparations for Proposition 1 IRWM grant funding of \$63 million for the Santa Ana River Watershed.
- Facilitate and administer existing and new multi-agency task forces to reduce costs and address regional impacts.
- Continue to provide administrative support to SAWPA collaborative roundtable groups and LESJWA to accomplish required tasks and provide necessary deliverables.
- Support planning efforts associated with the development of new regional water resource projects.
- Increase regional awareness by providing coordination support of water quality and water resources issues among SAWPA member agencies, Metropolitan Water District of Southern California (MWD), and other entities.
- Work with Regional Board, flood control and water agencies, and SAWPA IT staff on implementation of the new Santa Ana River Regional Pathogen Monitoring Program.

Salary and Benefit Costs

<i>Account Information</i>	<i>FYE 2015 Budget</i>	<i>FYE 2016 Budget</i>	<i>% Inc/ (Decr)</i>	<i>FYE 2017 Budget</i>	<i>% Inc/ (Decr)</i>
Salaries and Benefits	\$629,733	\$727,396	15.5%	\$774,024	6.4%

Core Activities

The Water Resources and Planning Department is primarily responsible for the planning functions of SAWPA and administration functions of a separate JPA, LESJWA. The core activities of the department are:

- Prepare SAWPA grant applications for future DWR IRWM Proposition 1 and DWR Water Energy Grant Programs for new water resource improvements and water demand reductions.
- Implement DWR Drought Response program tasks administered through SAWPA PA 22 Committee.
- Initiate, facilitate, and administer multi-agency workgroups and task forces including collection of all outside revenue, contract preparation, and administration of task force and consultant agreements.
- Review and provide support applicable to environmental issues related to SAWPA projects and planning.
- Provide representation of SAWPA interests in regional planning projects and activities through Southern California Salinity Coalition, MWD coordination, ACOE and BOR studies, Regional Board, State Board, and DWR.
- Administer *Arundo* removal mitigation bank and *Arundo* removal and habitat restoration contracts.
- Support SAWPA Operations and Engineering Department in Brine Line environmental reviews and planning.
- Continue administrative support for LESJWA including the following:
 - ◆ Serve as administrator for the LE/CL Nutrient TMDL Task Force;
 - ◆ Prepare all consultant and State Board Contracts, Task Orders, and Amendments;
 - ◆ Prepare all Board meeting staff reports and attachments;
 - ◆ Prepare Committee and Board agendas;

- ◆ Facilitate and administer Board meetings, task force meetings, Scoping Committee meetings, Technical Advisory Committee meetings, Public Relations Committee, and consultant coordination meetings;
- ◆ Review all invoices and assign account codes to each;
- ◆ Prepare grant proposals for funding future LESJWA and LE/CL TMDL Task Force activities; and
- ◆ Provide status report of LESJWA activities at Regional Board and LESJWA member agency governing board meetings periodically.

Group Goals for FYE 2016 and 2017

- Obtain funding from State of California Proposition 84 IRWM program for implementation of projects.
- Expand collaboration and coordination opportunities with SAWPA member agency staff and other stakeholders.
- Provide continued service to SAWPA member agencies and its stakeholders.

Staff Additions Needed for FYE 2016 and 2017

The department has been at its historical core level of three full time employees for over 25 years. One additional staff position at the grant administrator level is needed and has been budgeted to complete assigned tasks for FYE 2016 and 2017. Additionally, the department will continue to rely on a planning student intern to support the department. The FYE 2016 and 2017 budget has been prepared assuming four FTE staff and a part time intern.

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Section 11

Glossaries

Financial Policies

The following practices and policies have been established to help in the development, implementation, and analysis of the Agency's operational objectives as defined in the Vision Statement. The section below outlines these policies.

Operating Budget Policies

- The Budget will be based on the Vision Statement, its goals, and objectives.
- The Budget should be adopted prior to the end of the fiscal year.
- The Budget will consist of staffing plans, O&M, and capital projects.
- The fiscal year budget should be consistent with the 20-Year CIP, the Brine Line Business Plan, and SAWPA's Long-Term Financial Plan.
- The Budget will be prepared based on the guidelines and rating criteria of the California Society of Municipal Finance Officers (CSMFO) and the Government Finance Officers Association of the United States and Canada.
- The rate structure is revised and adopted by the Commission in the form of a resolution.
- The Budget will be balanced using current revenues and/or prior year fund balances to meet current expenses.

Revenue Policies

- Revenue estimates will be updated annually and will be based on the most current wastewater flows and growth data provided by member agencies.
- The Brine Line Rate Model will be updated annually and rates will be revised, if necessary.
- Member contributions will be based on Agency needs each year.

Debt Management

- Debt will only be issued when necessary to meet the CIP costs which exceed pay-as-you-go funding.
- Debt will not be issued to cover operating needs.
- Debt reserves will only be used to cover debt service.
- Debt reserves will be established for any new debt incurred.

Audit, Accounting and Financial Reporting

- An independent audit firm will conduct an annual audit of all Agency financial records.
- All financial records will be maintained according to GAAP and the guidance issued by the GASB.
- A single audit will be conducted by an independent auditor in conformity with Federal requirements for all grant funded programs.
- All funds use the accrual basis of accounting for both revenues and expenses.

Capital Planning and Programming

- The 20-Year CIP will be reviewed and adjusted annually.
- All projects in the CIP will be brought to the Commission for approval prior to start of the project.

Reserves

- Reserves will be established pursuant to the Commission's adopted reserve policy.
- A reserve covering at least 25% of budgeted operating costs will be maintained at all times.
- Reserve contributions will be set within the Brine Line rate model.

Cash Management/Investment Policies

- The Agency will invest temporary idle funds in investments according to the Agency's adopted investment policy.
- The Agency will encourage receipt of funds by wire transfer.
- Cash disbursements to vendors, consultants, and member agencies will generally be completed within 30 days.
- Bank balances will be maintained at a level to meet operating expenditures.

Human Resources Management

- Staff will be maintained at an appropriate level to serve the Agency's strategic goals.
- Benefit assumptions will be brought for approval prior to beginning the budget process each year.
- The compensation package will be reviewed and adjusted at least every three years based on market surveys performed either with Agency staff or an outside consulting firm.

Statistical and Other Information

General Information

Year of Formation.....	1968	Service Area.....	2,840 sq. miles
Form of Government.....	Joint Powers Authority	Service Population	Approximately 6 million
Authority.....	Section 6500 et. seq.	Miles of Pipeline	73 miles
.....	Government Code	Pipeline Capacity	30 MGD
Authorized Staff (Full-Time Equivalent).....	26	Treatment Capacity Owned	17 MGD

<i>Member Agency</i>	<i>Counties Served</i>
Eastern Municipal Water District	Riverside
Inland Empire Utilities Agency	San Bernardino and a small portion of Los Angeles
Orange County Water District	Orange
San Bernardino Valley Municipal Water District	San Bernardino and a small portion of Riverside
Western Municipal Water District	Riverside

County Information

	<i>Orange County</i>	<i>San Bernardino County</i>	<i>Riverside County</i>
Total Population (as of 2014)	3,145,515	2,112,619	2,329,271
Land Area (sq miles)	790.57	20,056.94	7,206.48
Median Family Income (2009-13)	\$75,422	\$54,090	\$56,529
Median Home Price (Nov 2013)	\$660,890	\$191,570	\$306,350
Building Permits Issued (2014)	9,291	3,405	6,761

Source: California Labor Market (www.labormarketinfo.edd.ca.gov); US Census Bureau (www.census.gov)

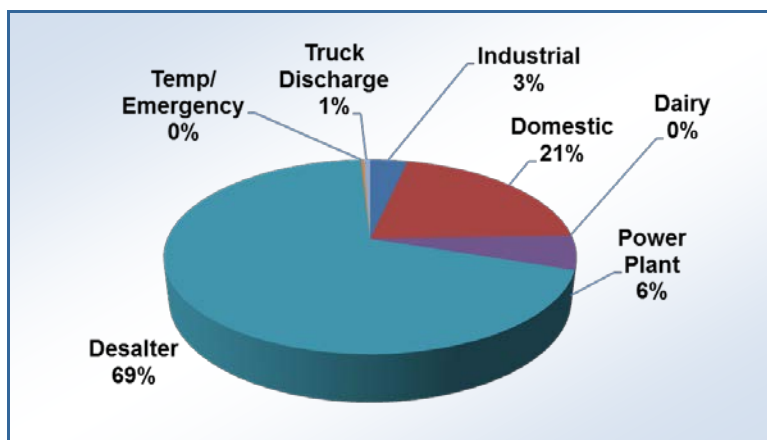
Treatment Information

Actual annual MGD of discharge by type:

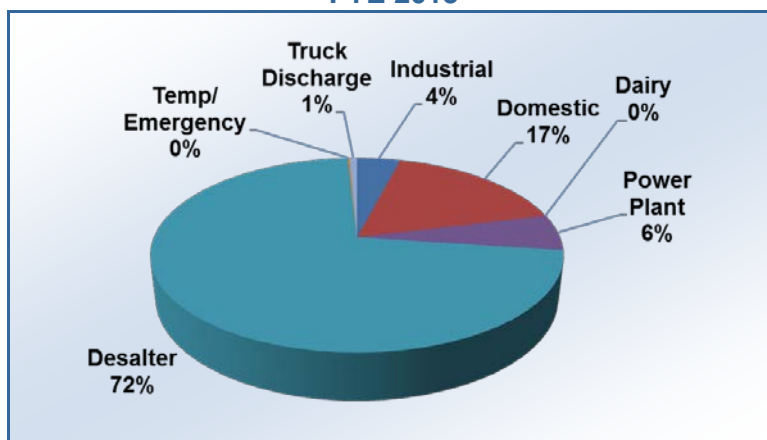
<i>Type of Discharge</i>	<i>FYE 2009</i>	<i>FYE 2010</i>	<i>FYE 2011</i>	<i>FYE 2012</i>	<i>FYE 2013</i>	<i>FYE 2014</i>	<i>FYE 2015</i>
Industrial	203.4214	203.3820	245.6435	249.2381	171.2630	167.2638	163.4954
Domestic	852.0116	908.3414	1,015.4773	1,027.1307	854.2526	817.2502	686.9780
Power Plant	222.9578	268.2640	334.4011	348.7255	267.9388	220.6970	241.5391
Desalters	2,923.6592	2,877.3705	2,702.2033	2,657.6589	2,728.7335	2,698.2170	2,894.5452
Temporary/Emergency	7.3531	18.1715	20.1418	5.0106	7.9366	10.6266	6.9285
Truck Discharge	62.5716	53.3668	43.2777	42.3407	30.6147	23.3557	27.2869
Total	4,271.9747	4,328.8962	4,361.1447	4,330.1045	4,060.7392	3,937.4103	4,020.7731

The following pie charts show the trend toward increased desalter discharge into the system. Currently, there are six desalters in the Santa Ana River Watershed with a plan for several more within the next few years.

**Discharge by Type
FYE 2014**



**Discharge by Type
FYE 2015**

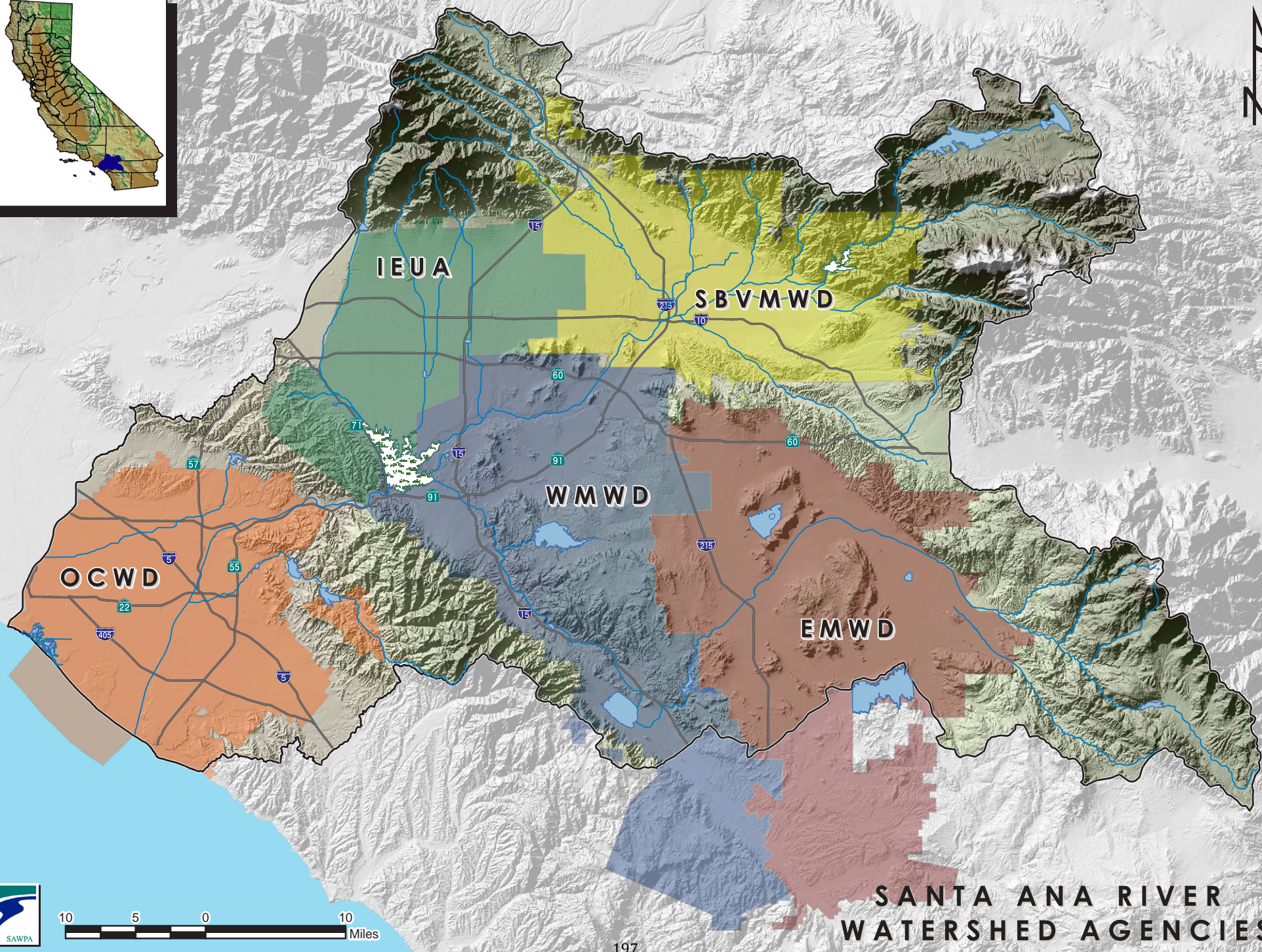
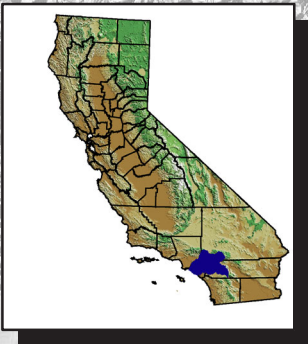


The table below shows the total pipeline and treatment & disposal capacity owned (in MGD's) by each of SAWPA's member agencies as of June 30, 2015.

<i>Agency</i>	<i>Pipeline Capacity</i>	<i>Treatment & Disposal Capacity</i>
Eastern Municipal Water District	5.946	3.548
Inland Empire Utilities Agency *	7.800	5.600
Orange County Water District	0.000	0.000
San Bernardino Valley MWD	7.188	1.089
Western Municipal Water District **	11.634	6.763
SAWPA unassigned capacity	0.000	0.000
Total	32.568	17.000

* Includes Chino Desalter I & II

** Includes Arlington Desalter



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General Terms

Acre-Foot

A unit of measurement equivalent to 359,900 gallons of water, which meets the need of two average families in and around the home for one year.

Accrual Basis Accounting

A method of accounting in which revenues are recorded when measurable and earned, and expenses are recognized when a good or service is used.

Annual Required Contribution

The employer's periodic required contribution to a defined benefit Other Post Employment Benefits (OPEB) plan, calculated in accordance with the parameters.

Appropriation

A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes.

Asset

A probable future economic benefit obtained or controlled by a particular entity as a result of past transactions or events.

Biennial Budget

A budget applicable to two individual fiscal years.

Bond

A written promise to pay a specific sum of money (called principal or face value), at a specific date or dates in the future (called maturity date(s)) along with periodic interest paid at a specified interest rate.

BOR

A public agency whose primary goal is to manage, develop, and protect water as well as related resources in an environmentally and economically sound manner in order to meet the increasing water demands of the Western States.

Brine Line (formerly known as SARI Line)

A regional brine line, designed to convey 30 MGD of non-reclaimable wastewater from the upper Santa Ana River basin to the ocean for disposal, after treatment.

Budget

A plan of financial operation including an estimate of proposed expenditures for a given period and the proposed means of financing them.

Budgetary Control

The control or management of a government in accordance with an approved budget to keep expenses within the limitations of available appropriations and available revenues.

Budget Calendar

The schedule of key dates which the Agency follows in the preparation and adoption of the budget.

Budget Document

The instrument used by the budget-making authority to present a comprehensive financial program to the appropriating governing body.

CalPERS

California Public Employees Retirement System. An autonomous instrumentality of the State established to oversee public employer and employee retirement contributions.

Capital Project

Major construction, acquisition, or renovation which increases the useful life of the asset or adds to the value of the assets.

Debt Service

The current year portion of interest costs and current year principal payments incurred on long-term debt issued by the Agency.

Defined Benefit OPEB Plan

An OPEB plan having terms that specify the benefits to be provided at or after separation from employment. The benefits may be specified in dollars (for example, a flat dollar payment or an annual amount based on one or more factors, such as age, years of service, and compensation), or as a type or level or coverage (for example, prescription drugs or a percentage of healthcare insurance premiums).

Enterprise Fund

A separate fund used to account for services supported primarily by service charges.

Expenses

Charges incurred, whether paid or unpaid, for operation, maintenance, interest, and other charges presumed to benefit the current fiscal period.

Fiscal Year

A twelve-month period to which the annual operating budget applies and at the end of which an entity determines its financial position and the results of its operations. SAWPA operates on a fiscal year from July 1 through June 30.

FTE

The number of hours per year that a full-time employee is expected to work (2080).

Fund

A fiscal and accounting entity with a self-balancing set of accounts in which assets are recorded and segregated to carry on specific activities.

Fund Balance

The difference between fund assets and fund liabilities of governmental funds.

Fund Group

A group of funds that are similar to each other and accounted for in a single group. SAWPA has six fund groups: General Fund, Brine Line Enterprise Fund, Planning Fund, Collaborative Project Fund, Capital Project Fund, and Grant/Contract Fund.

Fund Transfer

Fund transfer required to maintain a given level of fund balance in accordance with Commission policies.

G&A Allocation

The distribution of general fund costs that are not directly allocated to a specific project. Costs are allocated based on a percentage of the total direct labor charged to the project.

General Fund

The general fund accounts for all activities not accounted for in other funds.

Goals and Objectives

Specific projects and programs to be undertaken utilizing allocated financial resources, and are designated to further the achievement of the Agency's vision.

Grants

Contribution or gifts of cash or other asset from another government agency to be expended for a specific purpose, activity, or facility.

Interest

Revenue derived from the investment of idle cash and/or reserves.

Interfund borrowing

A transfer of money from a fund that has a surplus to a fund that has a temporary revenue shortfall.

Liability

Probable future sacrifice of economic benefits, arising from present obligation of a particular entity to transfer asset or provide service to other entities in the future as a result of a past transaction or event.

MGD

MGD is the term used to represent million gallons per day of sewage discharged to the Brine Line.

Non-Reclaimable Wastewater

Any wastewater and any water borne solid, liquid, or gaseous wastes resulting from any producing, manufacturing, or processing operations of whatever nature as defined by Federal, State, or regional agency authorized by law to prescribe quality standards for the discharge of sewage effluent and industrial waste effluent within the Watershed.

Operating Expenses

Proprietary fund expenses related directly to the fund's primary activities.

OCSD

A public agency located in Fountain Valley, providing wastewater treatment services for 21 cities and three sanitary districts in Orange County.

Ordinance

A law set forth by a governmental or legislative body.

Other Postemployment Benefits (OPEB)

Post employment benefits other than pension benefits. OPEB include post employment healthcare benefits, regardless of the type of plan that provides them, and all post employment benefits provided separately from a pension plan, except benefits defined as special termination benefits.

Pay-As-You-Go (Pay go)

The practice of funding construction expenditures from current operating revenue in lieu of using debt proceeds.

Public Employee Retirement System (PERS)

An autonomous instrumentality of the State established to oversee public employer and employee retirement contributions.

Program

Group activities, operations, or organizational units directed to attaining specific purposes or objectives.

Recycled Water

Effluent that goes through a process or method for altering its quality to standards superior to those prescribed for treatment.

Reserve

An account used to indicate that a portion of fund equity is restricted for a specific purpose, or not available for appropriation and subsequent spending.

Resolution

A special or temporary order of a legislative body requiring less formality than a statute or ordinance.

Revenue

Income generated by contributions, user chargers, fees, investment income, etc.

RWQCB

An organization with the mission to preserve, enhance and restore the quality of California's water resources, and ensure their proper allocation and efficient use for the benefit of present and future generations.

SARI

The portion of the Brine Line owned and operated by OCSD.

SRF

The Federal Clean Water Act amendments of 1997 authorized the use of federal money to create an SRF loan program to replace the Federal Clean Water Grant program. SRF loans are used for the construction and upgrade of publicly owned treatment works. SRF loan also can be used to support reclamation non-point source pollution, storm drainage, and estuary projects.

SWRCB

A joint authority of water allocation and water quality protection that provides comprehensive protection for California's waters, enforcing the many uses of water, including the needs of industry, agriculture, municipal districts, and the environment. The SWRCB also administers SRF loans and grants.

SWOT Analysis

A strategic planning method used to evaluate the **S**trengths, **W**eaknesses, **O**pportunities, and **T**hreats involved in a project or in a business venture. It involves specifying the objective of the business venture or project and identifying the internal and external factors that are favorable and unfavorable to achieve that objective.

T-Strips

Treasury Strips (Separate Trading of Registered Interest and Principal of Securities) are treasury notes and bonds that allow investors to hold and trade the individual interest and principal components as separate securities. Treasury Strips also are called zero-coupon securities because the only time an investor receives a payment during the life of the Strip is when it matures. They are popular with investors who want to receive a known payment at a specific future date. Strips are obligations of the Treasury and are backed by the full faith and credit of the United States.

Zero-based Fund Accounting

All the revenues in excess of expenditures are transferred into reserves within the fund and all expenditures in excess of revenues are transferred from reserves within the same fund.

Acronyms and Abbreviations

AB	Assembly Bill
ACOE	U.S. Army Corps of Engineers
ARC	Annual Required Contribution
ASD	Administrative Services Department
ATV	All-terrain Vehicle
BMP	Best Management Practices
BOD	Biochemical Oxygen Demand
BOR	U.S. Bureau of Reclamation
CAFR	Comprehensive Annual Financial Report
CalPERS	California Public Employees Retirement System
CCTV	Closed Circuit Television
CEQA	California Environmental Quality Act
CFO	Chief Financial Officer
CFS	Cubic Feet per Second
CIP	Capital Improvement Plan
CIPP	Cured in Place Pipe
CIWQS	California Integrated Water Quality System
CMC	Certified Municipal Clerk
COG	Counsel of Governments
COLA	Cost of Living Adjustment
CRC	California Rehabilitation Center
CSMFO	California Society of Municipal Finance Officers
DAC	Disadvantaged Community
DFG	California Department of Fish and Game
DMS	Data Management System
DMV	Department of Motor Vehicles
D/S	Downstream
DWR	Department of Water Resources
EC	Emerging Constituents
EIR	Environmental Impact Report
EIS	Environmental Impact Statement
EMWD	Eastern Municipal Water District
EPA	Environmental Protection Agency
ERP	Enterprise Resource Planning
EVMWD	Elsinore Valley Municipal Water District
FEMA	Federal Emergency Management Agency
FICA	Federal Insurance Contributions Act
FPPC	Fair Political Practices Commission
FTE	Full Time Equivalents
FYE	Fiscal Year Ending
G&A	General and Administrative
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GFOA	Government Finance Officers Association
GHG	Greenhouse Gas
GIS	Geographical Information System

GM	General Manager
GWRS	Groundwater Replenishment System
Hg	Mercury
HR	Human Resources
HRCI	Human Resource Certification Institute
HVAC	Heating, Ventilation, and Air Conditioning
IEUA	Inland Empire Utilities Agency
IIPP	Injury and Illness Prevention Program
IRWMP	Integrated Regional Water Management Plan
IS/IT	Information Systems/Information Technology
IWP	Integrated Watershed Plan
JCSD	Jurupa Community Services District
JPA	Joint Powers Authority
JPIA	Joint Powers Insurance Authority
LAIF	Local Agency Investment Fund
LE/CL	Lake Elsinore / Canyon Lakes
LED	Light Emitting Diode
LESJWA	Lake Elsinore & San Jacinto Watersheds Authority
MAS	Manhole Access Structure
MG	Million Gallons
Mg/L	Milligrams per liter
MGD	Million Gallons per Day
MOU	Memorandum of Understanding
MSAR	Middle Santa Ana River
MWD	Metropolitan Water District of Southern California
NEPA	National Environmental Policy Act
NIST	National Institute of Statistics and Technology
NRCS	Natural Resources Conservation Service
O&M	Operations and Maintenance
OCPFRD	Orange County Public Facilities and Resources Department
OCPW	Orange County Public Works
OCRDM	Orange County Resources and Development Management Department
OCFCD	Orange County Flood Control District
OCSD	Orange County Sanitation District
OCWD	Orange County Water District
OERP	Overflow Emergency Response Plan
OPEB	Other Post Employment Benefits
OSHA	Occupational Safety & Health Administration
OWOW	One Water One Watershed
PA	Project Agreement
PERS	Public Employee Retirement System
PIO	Public Information Officer
POTW	Publicly Owned Treatment Works
PVC	Polyvinyl Chloride
RCFC&WCD	Riverside County Flood Control & Conservation District
RCP	Reinforced Concrete Pipe
RFP	Request for Proposal
RFQ	Request for Quotation
RIM	Records Information Management
RWQCB	Regional Water Quality Control Board

SA	Santa Ana
SAR	Santa Ana River
SARI	Santa Ana Regional Interceptor (OCSD portion)
SAWPA	Santa Ana Watershed Project Authority
SBVMWD	San Bernardino Valley Municipal Water District
SCADA	Supervisory Control and Data Acquisition
SCIWP	Southern California Integrated Watershed Program
SDLF	Special District Leadership Foundation
SEP	Supplemental Environmental Project
SHRM	Society for Human Resource Management
SQL	Standard Query Language
SQSTF	Stormwater Quality Standards Task Force
SRF	State Revolving Fund
SSMP	Sanitary Sewer Management Plan
SSO	Sanitary Sewer Overflow
STAG	State and Tribal Affairs Grant
SWRCB	State Water Resources Control Board
TBD	To Be Decided
TDS	Total Dissolved Solids
TF	Task Force
TIN	Total Inorganic Nitrogen
TMDL	Total Maximum Daily Load
TSS	Total Suspended Solids
T-Strips	Treasury Strips
TVRI	Temescal Valley Regional Interceptor
UCI	University of California, Irvine
US	United States
USB	US Bank
USBR	United States Bureau of Reclamation
USFWS	United States Fish and Wildlife Service
USGS	US Geological Survey
W/C	Workers' Compensation
WCD	Water Conservation District
WDR	Wastewater Discharge Requirement
WECAN	Water Energy Community Action Network
WMWD	Western Municipal Water District
WRCRWA	Western Riverside County Regional Wastewater Authority

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Santa Ana Watershed Project Authority



11615 Sterling Avenue • Riverside • California • 92503
www.sawpa.org • (951) 354-4220