



# FYE 2022 and 2023 Budget

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

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**Santa Ana Watershed Project Authority  
California**

For the Biennium Beginning

**July 1, 2019**

*Christopher P. Morill*

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, 2019. 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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## **BOARD OF COMMISSIONERS**

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<b>Jeff Armstrong</b>	Alternate Commissioner	EMWD
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## **MANAGEMENT STAFF**

<b>Jeffrey Mosher</b>	General Manager
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<b>Dean Unger</b>	IS and Technology Manager
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<b>Mark Norton</b>	Water Resources and Planning Manager
<b>Sara Villa</b>	Clerk of the Board
<b>Lagerlof</b>	Executive Counsel



# Section 1

## Budget Message/ Executive Summary





# Budget Message/Executive Summary

July 1, 2021

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) 2022 and 2023 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 \$40.7 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.
- ◆ Formulate strategies and specific actions to meet the goals.

During 2016, the Commission further defined strategic goals by preparing Purpose and Objectives, Critical Success Factors, and Processes, Activities and Tasks for each business line: the Inland Empire Brine Line, One Water One Watershed (OWOW, watershed wide planning) and the Roundtables (Task Forces, Work Groups, etc.). Our Agency faces many challenges in the coming years. Our refocused Strategic Plan sets out the goals and objectives, success factors, and actions necessary to address those challenges. The Commission will review the strategic plan and consider updates in FYE 2022.

## *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 discharges, by addressing the maintenance, capital improvements, protection/relocation, strategic relationships, and planning for future capacity needs in an economically sound manner. Preservation of this \$344 million system requires continuous operations and maintenance (O&M) (\$12.5 million annual budget) and implementation of a capital improvement program (CIP) currently valued at over \$48 million over the next 10 years.

## *Brine Line Critical Success Factors*

1. Minimize disruptions to customers.
2. Ensure that Brine Line value and benefits are known to economic development agencies and others.
3. Maintain sufficient funding and reserves for current and future Capital and O&M costs through stable, predictable, and affordable rates and charges.
4. Provide professional and highly trained staff across planning, administration, engineering, and field operations.

5. Protect and preserve the useful life of Brine Line assets through strategic maintenance, repair, and capital improvements.
6. Conduct proactive capital and O&M planning to improve efficiency and maintain needed capacity in the long and medium terms.
7. Maintain strong relationships with Orange County Sanitation District (OC San) and regulatory agencies.
8. Operate the Brine Line to: (1) protect the OC San treatment plant and the environment from non-compliant dischargers, and (2) eliminate any uncontrolled pipeline releases.

This budget addresses these success factors 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*

The Santa Ana River Watershed is facing threats to water supply and quality from climate change, the Sacramento-San Joaquin Delta vulnerability, and new lower levels of detection and subsequent regulations of emerging constituents. 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 2040.

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 2040, 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.

To address these challenges, SAWPA, its member agencies, and watershed stakeholders worked together to update our integrated regional water management plan described as One Water One Watershed. This plan update, OWOW Plan Update 2018, was adopted in February 2019. This update reflects new planning standards established by the California Department of Water Resources (DWR) including water and culture, sediment management, water quality, and climate. 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 previous OWOW Plans, our plan update addresses 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 Plan Update 2018, as past OWOW Plans have done, will help SAWPA secure millions of dollars in grant funding from State water bonds which will help us in attaining our vision for the Watershed.

As part of the discussion prior to initiating the OWOW Plan Update 2018, the Commission established the following Critical Success Factors for OWOW:

1. Continued support from SAWPA commission of OWOW Steering Committee's decision-making authority as a means of ensuring trust, transparency, and external communications.
2. Active participation of a diverse group of stakeholders representing counties, cities, and water districts, as well as the private sector and the regulatory, environmental, and environmental justice communities who integrate the different interests in the Watershed beyond political boundaries, thereby ensuring all perspectives are heard and valued.
3. Distribution of benefits from the implementation of all integrated water resources management activities across the Watershed in a fair and equitable fashion. Recognition that upstream conditions affect downstream water quality and quantity.

4. OWOW criteria and values are transparent to watershed-wide stakeholders.
5. A strong reputation and sufficient capacity within SAWPA staff for strategic facilitation, planning, communication, leadership and community engagement.
6. Administration of the OWOW process and plan in a highly efficient and cost-effective manner.
7. Successful implementation of an integrated regional water resource plan that reflects the watershed management needs of the public and the environment.
8. Annually review the accomplishments and implementation performance of the plan with the Commission and the Steering Committee.
9. Data and information needed for decision-making is available to all.

#### *Roundtables including Task Forces, Work Groups*

SAWPA undertakes water resource related collaborative planning and implementation activities with multiple agencies and organizations throughout the Watershed to support cost efficiency, integration, synergy and creating anew. These joint efforts among SAWPA and watershed stakeholders sometimes called the “SAWPA Roundtables” operate under formal and informal agreements. The Santa Ana Regional Water Quality Control Board (RWQCB) is often a party to these agreements. The Commission has established the following Critical Success Factors for the Roundtables.

1. SAWPA has a strong reputation as a watershed-wide, knowledgeable, neutral and trusted facilitator, leader, and administrator of contracted activities.
2. Goals, scope, costs, resources, timelines, and the contract term are approved by the Commission before executing an agreement to participate in a roundtable group.
3. Clear upfront criteria and terms for completing or transitioning efforts that have been successfully established or completed.
4. Report and use results of roundtable’s work, leverage information and involvement for the benefit of SAWPA, its members, and other stakeholders.
5. Annual reviews of workplans and budgets for each task force activity.
6. Adequate professional staff and resources to effectively provide facilitation, management, administrative, and technical support to collaborative work efforts.

The major priorities shaping the FYEs 2022 and 2023 Budget are as follows:

- ◆ Complete the Brine Line Business Plan and implement recommendations.
- ◆ Develop a Brine Line Master Plan.
- ◆ Implement the new capacity lease pool program and develop program to use unused capacity.
- ◆ Update and implement the Brine Line Marketing Plan.
- ◆ Comply with the Sanitary Sewer Management Plan (SSMP) 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.
- ◆ Continue support of the successful implementation of OWOW 2015 watershed conjunctive use program called the Santa Ana River Conservation and Conjunctive Use Project (SARCCUP).
- ◆ Continue Roundtables, share benefits, and leverage results with State and Federal decision makers.
- ◆ Continue to provide a neutral venue where complex water resource related issues can be resolved with the benefit of science and collaboration.
- ◆ Continue grant administration of ongoing State Proposition 1 and 84 Integrated Regional Water Management (IRWM) grant funding.
- ◆ Continue other watershed planning functions.
- ◆ Continue legislative coordination and support.
- ◆ Achieve greater accountability through more measurable and specific performance indicators.



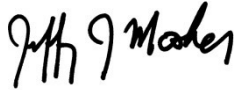
- ◆ Submit Budget and Comprehensive Annual Financial Report (CAFR) to the Government Finance Officers Association (GFOA) award program.
- ◆ Maintain stable benefit and indirect costs allocation rates.

### **Budget Summary and Overview**

FYEs 2022 and 2023 will prove to be very productive years for the Agency. This is the Agency's eighth biennial budget and will help to continue the long-range planning effort for all Agency operations. The total combined budget for both years is \$40.7 million, which consists of \$29.5 million or 73% for operating expense, \$4.3 million or 10% for debt service, \$2.9 million or 7% for reserve contributions and \$4 million or 10% in Capital Program expenses. Available to cover those expenses are revenues of \$40.2 million and \$0.5 million from prior year fund balances.

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

Respectfully submitted,

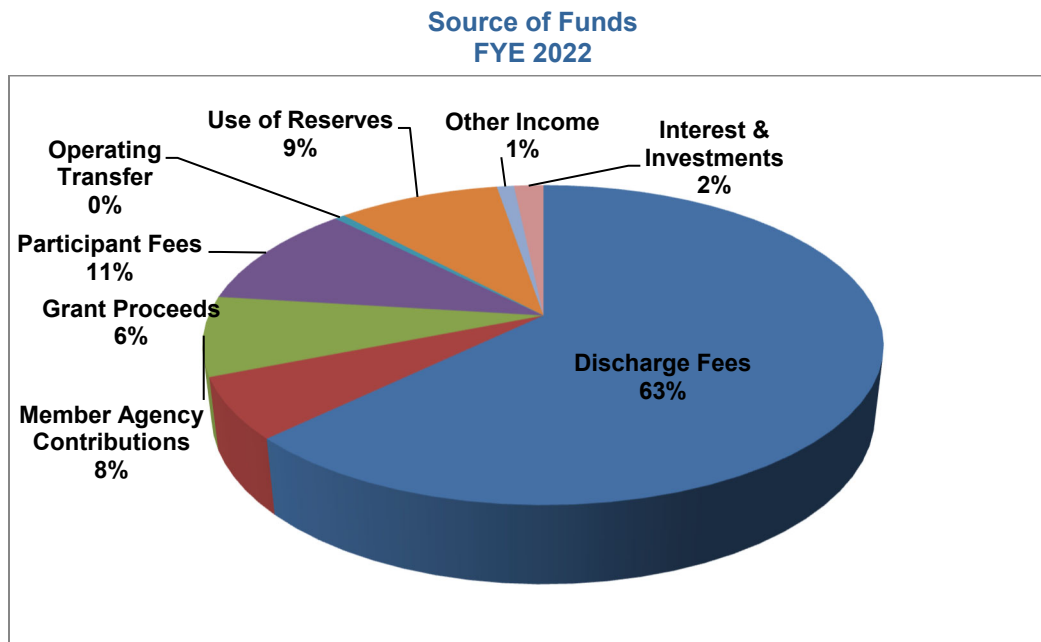
A handwritten signature in black ink, appearing to read "Jeff Mosher". The signature is stylized with a large "J" and "M".

Jeffrey Mosher  
General Manager

## Sources of Funds

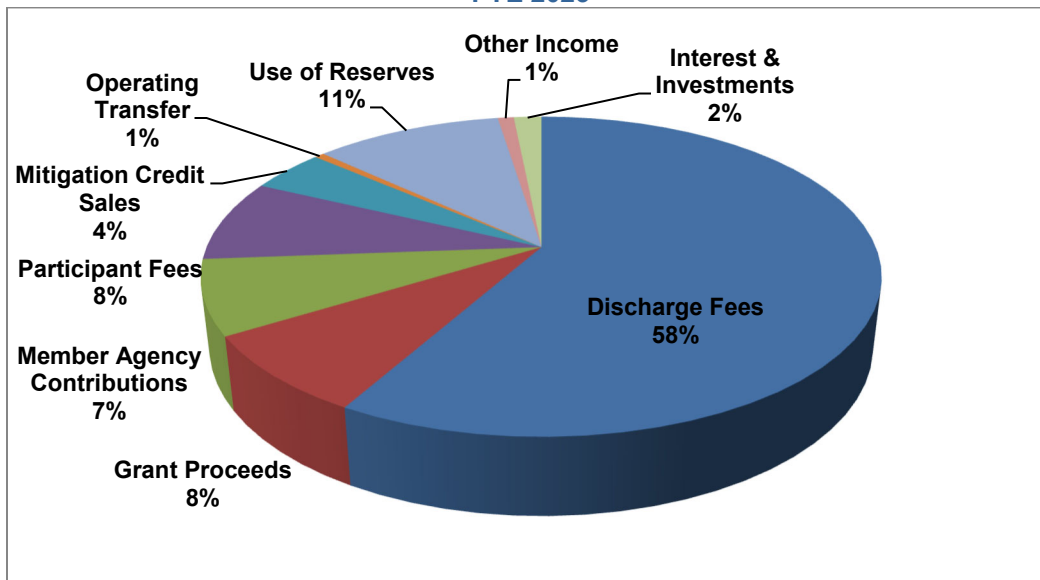
The Agency's major revenue source is discharge fees from the Brine Line Enterprise. Other funding sources include grant proceeds, interest and investments, capacity sales, use of reserves, member agency contributions, participant fees, operating transfers, and other income.

The FYE 2022 receipts of \$19.4 million include \$12.2 million in discharge fees, \$1.2 million in grant proceeds, \$1.6 million in member agency contributions, \$2 million in participant fees, \$114,625 in operating transfer, \$1.8 million in use of reserves, \$188,633 in other income, and \$325,000 in interest and investments which reflects a 19.4% decrease from FYE 2021. Most of the decreased revenues can be attributed to a reduction in grant proceeds and use of reserves. Total revenues included in the FYE 2022 budget are adequate to cover all projected expenses.



The FYE 2023 receipts of \$20.7 million include \$12.1 million in discharge fees, \$1.7 million in grant proceeds, \$1.6 million in member agency contributions, \$1.7 million in participant fees, \$889,900 in mitigation credit sales, \$114,625 in operating transfers, \$2.2 million in use of reserves, \$188,307 in other income, and \$325,000 in interest and investments which reflects an 6.8% increase over FYE 2022. Most of the increased revenues can be attributed to mitigation credit sales and use of reserves. Total revenues included in the FYE 2023 budget are adequate to cover all projected expenses.

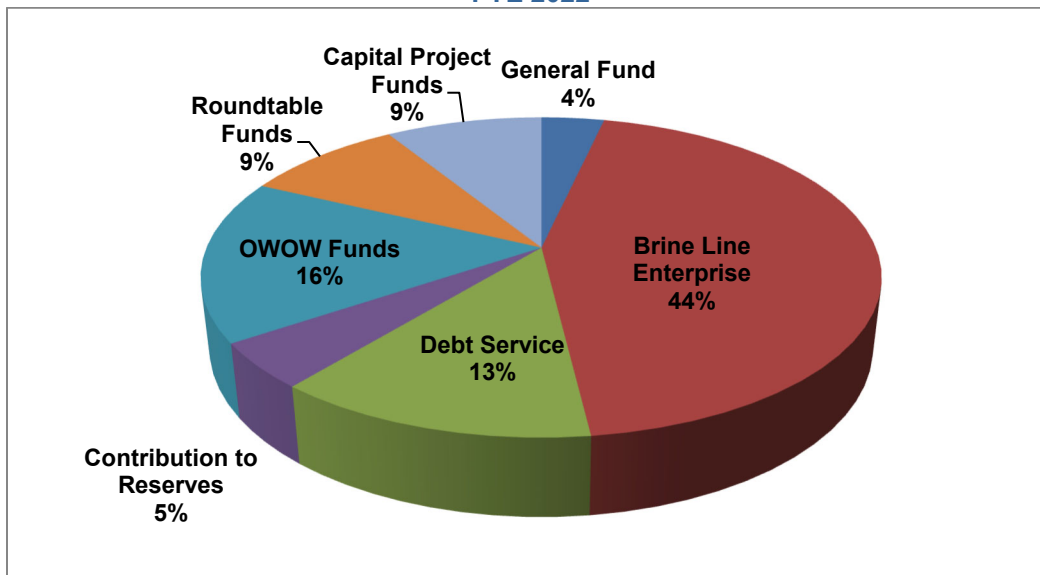
### Source of Funds FYE 2023



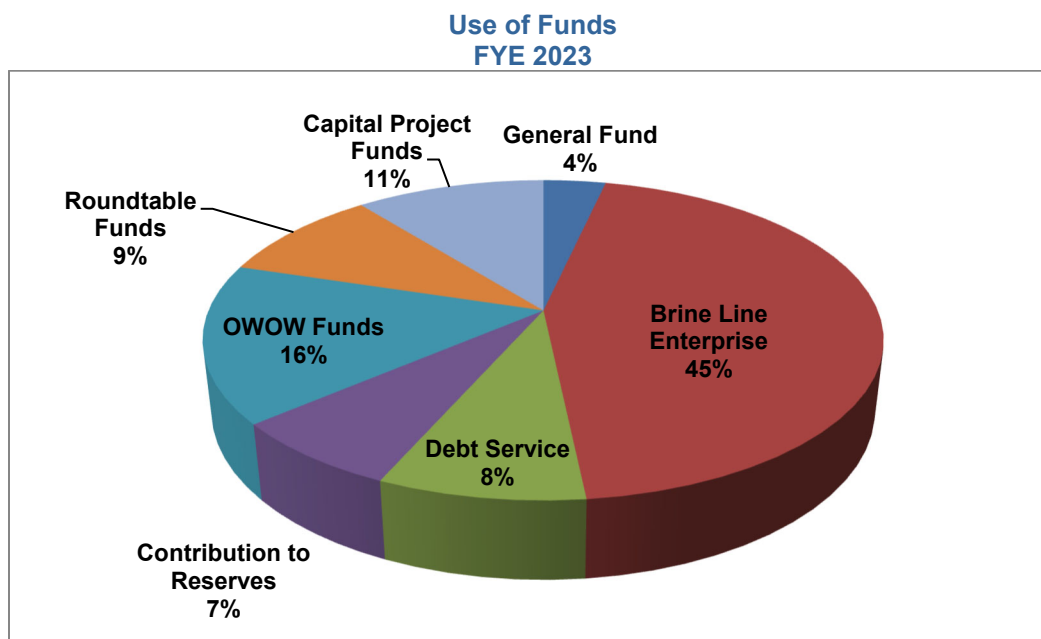
### Uses of Funds

The total FYE 2022 expenses are projected to be \$20.1 million, which includes \$0.7 million for Joint Powers Authority (JPA) operations, \$9 million for Brine Line Enterprise operations, \$1.8 million for capital projects, \$2.6 million for debt service, \$1.8 million for roundtable funds, \$3.3 million for OWOW funds, and \$.9 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, member contributions, participant fees, and grant proceeds. The decrease in expenses from the prior year is due to decreases in the capital improvements program (CIP) and Proposition 1 and 84 grants.

### Use of Funds FYE 2022



The total FYE 2023 expenses are projected to be \$20.6 million, which includes \$0.7 million for JPA operations, \$9.2 million for Brine Line Enterprise operations, \$2.2 million for capital projects, \$1.7 million for debt service, \$2 million for roundtable funds, \$3.3 million for OWOW funds, and \$1.5 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, member contributions, participant fees, and grant proceeds. There is a minimal increase in expenses from FYE 2022.

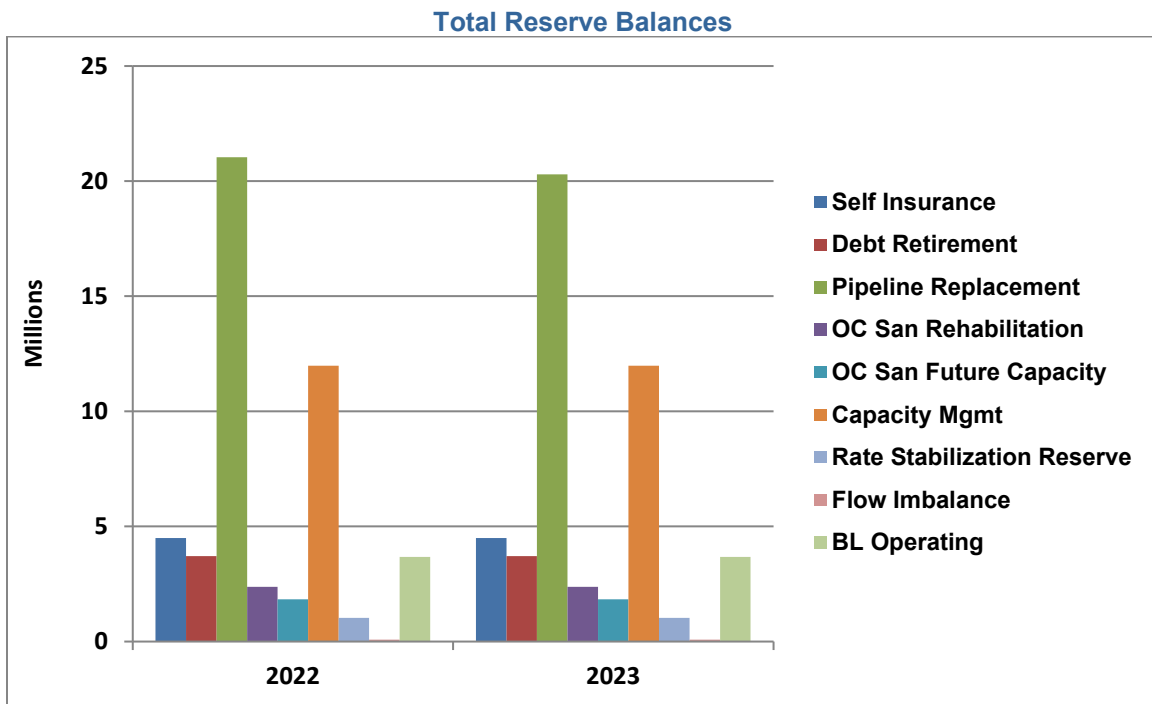


### Debt Service

The outstanding debt at the beginning of FYE 2022 is projected at \$25.5 million and will decrease to \$22.2 million in FYE 2023. Debt service payments are completely funded by Treasury-Strip (T-Strip) maturities, rates, and interest earned on the debt service fund balance. Total debt service payments to be made in FYEs 2022 and 2023 are projected to be \$2.6 and 1.7 million for each year.

### Reserves

In FYEs 2022 and 2023, the operating fund has total budgeted reserve contributions of \$928,781 and \$1.5 million for each year. Total reserves are projected to be \$50.2 million for FYE 2022 and \$49.5 million for FYE 2023. The decrease of \$0.7 million is from use of reserves to fund the CIP. The following chart shows the projected reserve balances for FYEs 2022 and 2023.



### Personnel

The current staffing level is at 26 FTEs. Total employment costs, which include wages and benefits, are projected to be \$5.7 million for both FYEs 2022 and 2023, representing 26% and 28% of the Agency's total budget for each year. Overall, employment expenses are expected to decrease by 12.9% (\$784,624) for FYE 2022 and increase by 8.2% (\$434,658) for FYE 2023. The decrease from FYE 2021 to 2022 is from the elimination of 2 positions. The increase is based on an 7% 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 FYEs 2022 and 2023 Budget - General, Enterprise, OWOW, Roundtable, and Capital Projects. Each fund is shown below with its total revenues, expenses and fund balance, if applicable.

### FYE 2022 Budget

	<i>General Fund</i>	<i>Enterprise Fund</i>	<i>OWOW Fund</i>	<i>Roundtable Fund</i>	<i>Capital Project Fund</i>	<i>Total</i>
<b>Revenues</b>	\$ 716,847	\$ 12,517,272	\$ 3,023,671	\$ 1,377,101	\$ 1,786,882	\$ 19,421,773
<b>Expenses</b>	(716,847)	(12,517,272)	(3,326,064)	(1,824,666)	(1,786,882)	(20,171,731)
<b>Net Income (Loss)</b>	–	–	(302,393)	(447,565)	–	(749,958)
<b>Beg. Fund Balance</b>	–	–	965,446	1,878,733	–	2,844,179
<b>End. Fund Balance</b>	\$ –	\$ –	\$ 663,053	\$ 1,431,168	\$ –	\$ 2,094,221

### FYE 2023 Budget

	<i>General Fund</i>	<i>Enterprise Fund</i>	<i>OWOW Fund</i>	<i>Roundtable Fund</i>	<i>Capital Project Fund</i>	<i>Total</i>
<b>Revenues</b>	\$ 725,437	\$ 12,396,872	\$ 2,740,367	\$ 2,672,675	\$ 2,207,931	\$ 20,743,282
<b>Expenses</b>	(725,437)	(12,396,872)	(3,295,183)	(1,953,880)	(2,207,931)	(20,579,303)
<b>Net Income (Loss)</b>	–	–	(554,815)	718,795	–	163,979
<b>Beg. Fund Balance</b>	–	–	663,053	1,431,168	–	2,094,221
<b>End. Fund Balance</b>	\$ –	\$ –	\$ 108,238	\$ 2,149,963	\$ –	\$ 2,258,200

## Fund Balances

The fund balance is the difference between fund assets and liabilities. For OWOW and Roundtable 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 staffing 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.

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# 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 FYEs 2022 and 2023 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 FYEs 2022 and 2023 Budget.

## Combined Schedules

This section is a comprehensive overview of the FYEs 2022 and 2023 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 Indirect Cost Allocation** – Summarizes the calculation of the Benefit and Indirect Cost 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 FYEs 2017 through 2023.

## 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 FYEs 2022 and 2023 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?

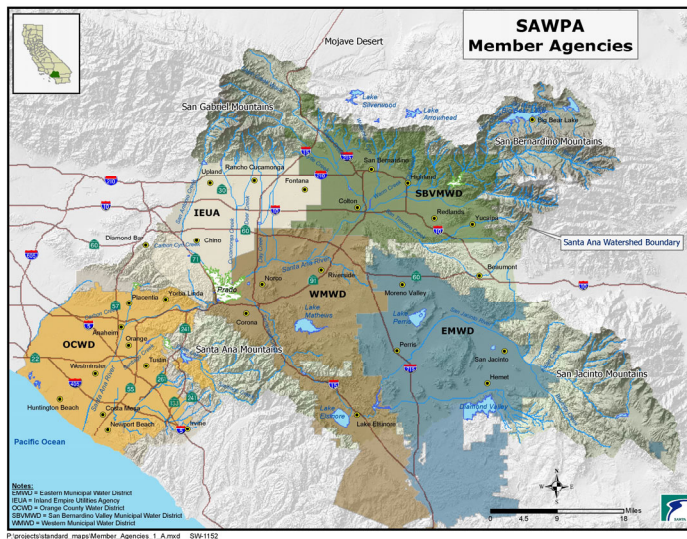
SAWPA is a JPA that focuses on developing and implementing regional plans, programs and projects that will protect the Santa Ana River (SAR) Basin water resources and their beneficial uses within the Santa Ana River Watershed (Watershed) in an economically and environmentally responsible manner. Its stated mission is to facilitate communication, identify emerging opportunities, develop regional plans, secure funding, implement programs, build projects, and operate and maintain facilities. 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.

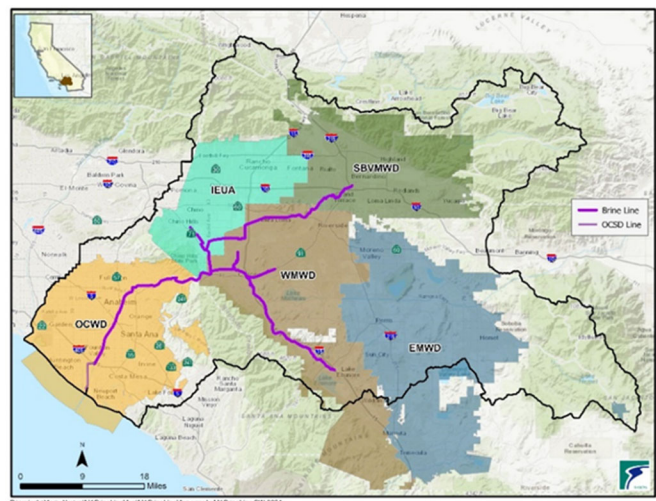
## SAWPA's Regional Vision

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.



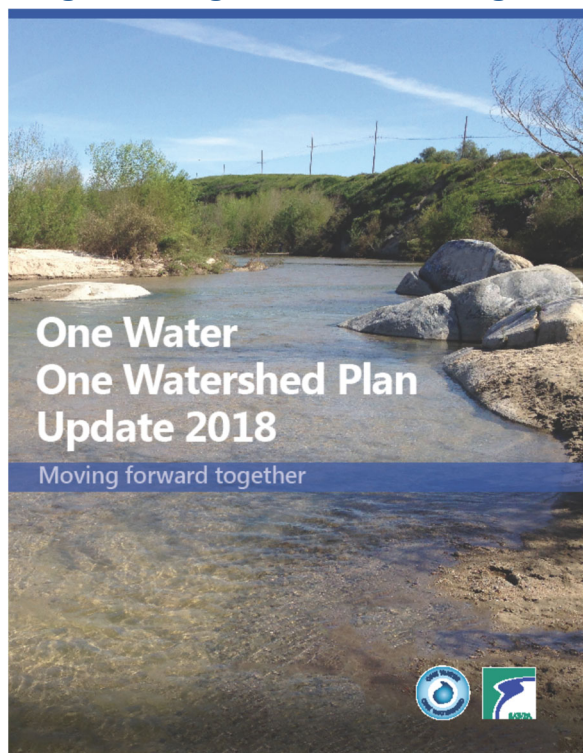
## Inland Empire Brine Line

SAWPA's enterprise includes ownership and operation of the Inland Empire Brine Line, 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 50-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 Santa Ana River Watershed Integrated Regional Water Management Plan (IRWMP) called the One Water One Watershed (OWOW) Plan was adopted in February 2014. An update to the OWOW plan, OWOW Plan Update 2018, was adopted by the SAWPA Commission on February 19, 2019. 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 storm water 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.

## Roundtables

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.

In FYE 2009, the Imported Water Recharge workgroup developed a memorandum of understanding (MOU) for coordination and implementation of the cooperative agreement. Under the MOU, the workgroup compiled groundwater modeling and groundwater recharge reports for submittal to the RWQCB. With the Agreement in place, the MOU signatory agencies under SAWPA’s facilitation meet two to three times each year in a coordination role to review and plan the required implementation activities defined under this on behalf of the signers of the cooperative agreement.



In 2020, the Cooperative Agreement was amended to change the reporting periods. Further, the workgroup was folded under the Basin Monitoring Program Task Force as a subcommittee of the Task Force.

### **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 throughout all the groundwater basins within the Watershed, an annual report on the nitrogen and TDS in the SAR, 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. In 2020, work was completed on an update to the Santa Ana River Watershed Wasteload Allocation for the SAR and has been incorporated into a Basin Plan Amendment, which is expected to be adopted by the Santa Ana Regional Water Quality Control Board in 2021.

### **Santa Ana River 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, which was listed as threatened in 2000 by the U.S. Fish and Wildlife Service. The activities of the task force focus on interagency coordination and cooperation, fish habitat analysis, and habitat restoration.



The Agency administers the effort with funding support from the SAWPA member agencies and other stakeholders such as the RWQCB, the City of Riverside, and the U.S. Fish and Wildlife Service. The task force also implements small scale sucker habitat restoration projects in the Santa Ana River as grant funding becomes available. These small-scale projects can be scaled up and duplicated to support further mitigation in the river. The task force also conducts an annual Santa Ana River Habitat Survey, also known as the Riverwalk, to measure the habitat conditions in the SAR from the City of Colton to the City of Corona. The results are reflected in an annual report with map products and comparative

analysis of data from previous surveys.

### **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.



### **Regional Water Quality Monitoring Task Force**



This task force reflects the completion and conclusion of the Stormwater Quality Standards Task Force efforts and the establishment of a new task force to implement a regional monitoring program by the flood control districts in the Watershed. Its purpose is to implement a coordinated regional water quality monitoring program in the Watershed to meet the implementation plan requirements of the 2012 Basin Plan Amendment to Revise Recreation Standards for Inland Freshwaters in the Santa Ana Region. Further, the Santa Ana River Bacteria Monitoring Program combines the separate and disparate bacteria monitoring programs of the

three county flood control districts along with the existing bacteria monitoring program under the MSAR TMDL Task Force to eliminate redundancy and streamline reporting of regional monitoring efforts. As such, the MSAR TMDL Task Force contributes funds for its share of the Santa Ana River Bacteria Monitoring Program through a transfer of funds to the Regional Water Quality Monitoring Program Task Force on an annual basis.

### **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 Environmental Protection Agency (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.

In August 2019, an update to the sampling program was conducted to update the status of past EC monitoring and to also include per- and polyfluoroalkyl substances (PFAS) which are found to be potentially harmful at very low levels of detection. Ongoing studies by State and Federal regulatory agencies are underway to establish new standards for PFAS impacting groundwater and potentially treated recycled water flows.

Meetings of the EC Program Task Force continue on a quarterly basis. An annual watershed report is also prepared that reflects the PFAS levels from the Santa Ana River and the discharges to the Santa Ana River.



### **Forest First**

Under a 2017 MOU between SAWPA, the Cleveland National Forest, and the San Bernardino National Forest, SAWPA is continuing the Forest First Program which began under a similar MOU executed in 2011 by the same parties. Efforts are underway to work with downstream public agencies particularly with SBVMWD under their Headwaters Resiliency program that involves working with flood control and water supply agencies to partner on multi-beneficial fire prevention projects on forest lands in the upper Watershed. The formation of a new multi-agency task force involving habitat agencies, forest foundations, and conservancy agencies upstream of the Santa Ana River for the San Bernardino National Forest is being investigated and may be formed in the near future.

### **Arundo Management & Habitat Restoration**

This project was initiated to provide funding for Arundo removal and maintenance within the Watershed. Funding for this project is generated from the sale of credits from the Riverside County Regional Park and Open-Space District's Santa Ana River Mitigation Bank. SAWPA purchased 100 credits from the District for \$40,000 each as part of the Proposition 13, Integrated Watershed Program in order to create a long-term revenue source dedicated to Arundo removal in the Watershed.

Funding from this program allows Arundo removal activities to continue as Mitigation Bank credit sales revenue continues to be provided to SAWPA when the District sells credits to interested parties such as developers. Revenue from the Mitigation Bank's credit sales is also used to implement field surveys of Arundo regrowth in the upper Watershed.

Investigation is underway in partnership with the Riverside County Parks and Open Space District to modify the mitigation bank to improve use and credit sales.

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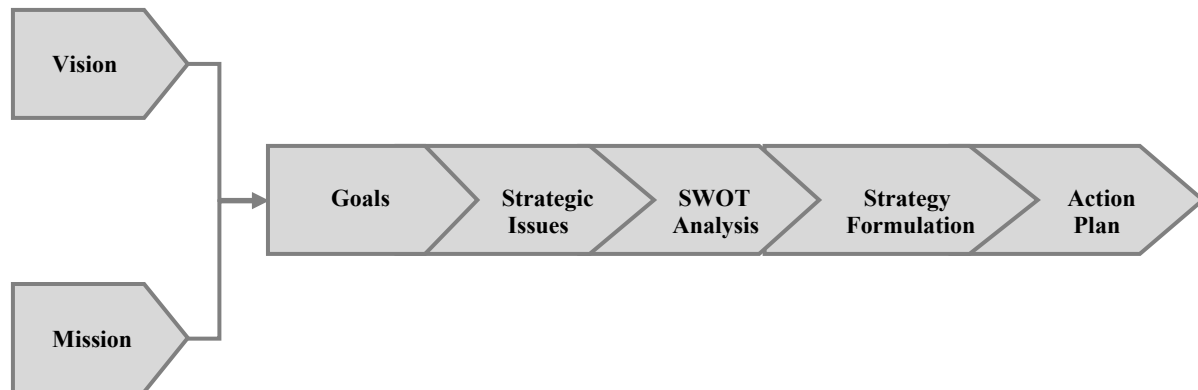
# Vision, Mission, and Goals

## 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.



During 2016, the Commission further defined strategic goals by preparing Purpose and Objectives, Critical Success Factors, and Processes, Activities and Tasks for each business line: the Inland Empire Brine Line (Brine Line), One Water One Watershed (OWOW, watershed wide planning) and the Round Tables (Task Forces, Work Groups, etc.). Our Agency faces many challenges in the coming years. Our refocused Strategic Plan sets out the goals and objectives, success factors, and actions necessary to address those challenges. The critical success factors are listed below.

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 FYEs 2022 and 2023 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-beneficial 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 geographical 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 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 1 and 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 21<sup>st</sup> 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.

## Critical Success Factors

### Brine Line Critical Success Factors

1. Minimize disruptions to customers.
2. Ensure that Brine Line value and benefits are known to economic development agencies and others.
3. Maintain sufficient funding and reserves for current and future Capital and O&M costs through stable, predictable, and affordable rates and charges.
4. Provide professional and highly-trained staff across planning, administration, engineering and field operations.
5. Protect and preserve the useful life of Brine Line assets through strategic maintenance, repair and capital improvements.
6. Conduct proactive capital and O&M planning to improve efficiency and maintain needed capacity in the long and medium terms.
7. Maintain strong relationships with OC Sanitation District and regulatory agencies.
8. Operate the Brine Line to: (1) protect the OC Sanitation District treatment plant and the environment from non-compliant dischargers, and (2) eliminate any uncontrolled pipeline releases.

### OWOW Critical Success Factors

1. Continued support from SAWPA commission of OWOW Steering Committee's decision making authority as a means of ensuring trust, transparency, and external communications.
2. Active participation of a diverse group of stakeholders representing counties, cities, and water districts, as well as the private sector and the regulatory, environmental, and environmental justice communities who integrate the different interests in the Watershed beyond political boundaries, thereby ensuring all perspectives are heard and valued.
3. Distribution of benefits from the implementation of all integrated water resources management activities across the Watershed in a fair and equitable fashion. Recognition that upstream conditions affect downstream water quality and quantity.
4. OWOW criteria and values are transparent to watershed-wide stakeholders.
5. A strong reputation and sufficient capacity within SAWPA staff for strategic facilitation, planning, communication, leadership and community engagement.
6. Administration of the OWOW process and plan in a highly efficient and cost-effective manner.
7. Successful implementation of an integrated regional water resource plan that reflects the watershed management needs of the public and the environment.
8. Annually review the accomplishments and implementation performance of the plan with the Commission and the Steering Committee.
9. Data and information needed for decision-making is available to all.

### Roundtable Critical Success Factors

1. SAWPA has a strong reputation as a watershed-wide, knowledgeable, neutral and trusted facilitator, leader, and administrator of contracted activities.
2. Goals, scope, costs, resources, timelines, and the contract term are approved by the Commission before executing an agreement to participate in a roundtable group.
3. Clear upfront criteria and terms for completing or transitioning efforts that have been successfully established or completed.
4. Report and use results of roundtable's work, leverage information and involvement for the benefit of SAWPA, its members, and other stakeholders.
5. Annual reviews of workplans and budgets for each task force activity.
6. Adequate professional staff and resources to effectively provide facilitation, management, administrative, and technical support to collaborative work efforts.

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# 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 seventh 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 December 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 May. 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 2021 – 2022 and 2022 – 2023 Budget Schedule**

<b>Date</b>	<b>Description</b>	<b>Responsibility</b>
<b>December 4, 2020</b>	Budget Kick-off Meeting	CFO/GM/Department Managers
<b>December 18, 2020</b>	Budget Goals & Objectives Due	Department Managers
<b>January 11, 2021</b>	Labor Hour Distributions Due	Department Managers
<b>January 18, 2021</b>	Budget Assumptions Due	Department Managers
<b>January 19, 2021</b>	Commission Overview of Budget Goals & Objectives	CFO, GM
<b>February 11, 2021</b>	Budget Workshop – First Draft	CFO, Member Agency Finance Staff
<b>February 16, 2021</b>	Commission Budget Workshop – First Draft OWOW & Roundtable Budgets	GM, CFO, Department Managers
<b>March 2, 2021</b>	Commission Budget Workshop – First Draft General Fund & Brine Line Budgets	GM, CFO, Department Managers
<b>April 6, 2021</b>	Commission Budget Workshop Review – Comprehensive Budget	GM, CFO, Department Managers
<b>May 4, 2021</b>	Commission Budget Presentation (Adoption by Commission)	CFO, GM, Commissioners
<b>June 30, 2021</b>	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 biennial 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 reapportion 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 expenses 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, 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 2022 and 2023**

	<i>FYE 2022 Budget</i>	<i>FYE 2023 Budget</i>	<i>2 Year Budget</i>
<b>Source of Funds:</b>			
Discharge Fees	\$ 12,192,272	\$ 12,071,872	\$ 24,264,144
Grant Proceeds	\$ 1,199,235	\$ 1,670,712	\$ 2,869,947
Member Agency Contributions	\$ 1,556,847	\$ 1,565,437	\$ 3,122,284
Participant Fees	\$ 2,058,279	\$ 1,709,498	\$ 3,767,777
Other Income	\$ 2,090,140	\$ 3,400,763	\$ 5,490,903
Interest & Investments	\$ 325,000	\$ 325,000	\$ 650,000
<b>Total Source of Funds</b>	<b>\$ 19,421,773</b>	<b>\$ 20,743,282</b>	<b>\$ 40,165,055</b>
<b>Staffing:</b>			
Hours Allocated	59,000	58,880	58,880
FTE (based on 2080)	28.4	28.3	28.3
<b>Use of Funds:</b>			
Labor	\$ 3,782,588	\$ 4,025,165	\$ 7,807,753
Benefits	\$ 1,497,154	\$ 1,689,235	\$ 3,186,389
Indirect Costs	\$ –	\$ –	\$ –
Education & Training	\$ 61,000	\$ 61,100	\$ 122,100
Consulting & Professional Services	\$ 3,710,963	\$ 4,364,975	\$ 8,075,938
Operating Costs	\$ 3,839,940	\$ 3,746,050	\$ 7,585,990
Repair & Maintenance	\$ 586,000	\$ 596,400	\$ 1,182,400
Phone & Utilities	\$ 99,350	\$ 105,850	\$ 205,200
Equipment & Computers	\$ 394,533	\$ 391,900	\$ 786,433
Meeting & Travel	\$ 123,350	\$ 109,350	\$ 232,700
Other Administrative Costs	\$ 271,169	\$ 271,004	\$ 542,173
Other Expenses	\$ 527,275	\$ 576,202	\$ 1,103,477
Program Expenses	\$ 559,547	\$ 467,637	\$ 1,027,184
Construction	\$ 900,000	\$ 700,000	\$ 1,600,000
Debt Service	\$ 2,608,439	\$ 1,709,476	\$ 4,317,915
<b>Total Use of Funds from Operations</b>	<b>\$ 18,961,308</b>	<b>\$ 18,814,346</b>	<b>\$ 37,775,654</b>
<b>Contribution To/(From) Reserves:</b>			
Pipeline Repair/Replacement	\$ 928,781	\$ 1,467,543	\$ 2,396,324
Self-Insurance	\$ –	\$ –	\$ –
Debt Service	\$ –	\$ –	\$ –
Retiree Medical Reserve	\$ 181,642	\$ 197,414	\$ 379,056
Building Repair/Replacement Reserve	\$ 100,000	\$ 100,000	\$ 200,000
<b>Total Contributions to Reserves</b>	<b>\$ 1,210,423</b>	<b>\$ 1,764,957</b>	<b>\$ 2,975,380</b>
<b>Total Use of Funds</b>	<b>\$ 20,171,731</b>	<b>\$ 20,579,303</b>	<b>\$ 40,751,034</b>
Net Gain (Loss)	\$ (749,958)	\$ 163,979	\$ (585,979)
Beginning Fund Balance	\$ 2,844,179	\$ 2,094,221	\$ 2,844,179
Ending Fund Balance	\$ 2,094,221	\$ 2,258,200	\$ 2,258,200
<i>Pass Throughs (Proposition 1 &amp; 84 – Capital)</i>	<i>\$ 22,873,806</i>	<i>\$ 21,209,717</i>	<i>\$ 44,083,523</i>

**Santa Ana Watershed Project Authority**  
**Budget Summary**  
**FYE 2017 through 2023**

	<b>FYE 2017 Actuals</b>	<b>FYE 2018 Actuals</b>	<b>FYE 2019 Actuals</b>	<b>FYE 2020 Actuals</b>
<b>Source of Funds:</b>				
Discharge Fees	\$ 11,282,402	\$ 10,894,643	\$ 11,123,310	\$ 11,539,517
Financing Proceeds	\$ 3,544,360	\$ 7,595,992	\$ –	\$ –
Grant Proceeds	\$ 2,383,506	\$ 3,777,221	\$ 2,311,159	\$ 3,115,525
Member Agency Contributions	\$ 1,439,305	\$ 1,453,454	\$ 1,455,980	\$ 1,611,965
Participant Fees	\$ 1,559,101	\$ 1,696,625	\$ 1,168,412	\$ 1,611,653
Mitigation Credit Sales	\$ –	\$ –	\$ –	\$ –
Operating Transfer	\$ 289,175	\$ 144,252	\$ 162,188	\$ 132,344
Use of Reserves	\$ 5,766,877	\$ 4,822,885	\$ 2,698,596	\$ 3,432,407
Other Income	\$ 219,347	\$ 279,104	\$ 1,416,848	\$ 201,393
Interest & Investments	\$ 1,756,666	\$ 1,912,568	\$ 1,614,643	\$ 1,482,684
<b>Total Source of Funds</b>	<b>\$ 28,240,739</b>	<b>\$ 32,576,744</b>	<b>\$ 21,951,136</b>	<b>\$ 23,127,488</b>
<b>Use of Funds:</b>				
Labor	\$ 3,309,562	\$ 3,212,883	\$ 3,331,077	\$ 3,576,121
Benefits	\$ 1,271,274	\$ 1,404,024	\$ 1,455,682	\$ 1,474,606
Indirect Costs	\$ 43,008	\$ (339,979)	\$ (103,416)	\$ (29,029)
Education & Training	\$ 14,271	\$ 20,294	\$ 13,978	\$ 30,749
Consulting & Professional Services	\$ 4,970,562	\$ 6,080,894	\$ 3,623,812	\$ 3,735,574
Operating Costs	\$ 3,271,853	\$ 2,739,337	\$ 2,991,112	\$ 2,703,725
Repair & Maintenance	\$ 319,829	\$ 324,130	\$ 377,480	\$ 291,211
Phone & Utilities	\$ 61,319	\$ 68,831	\$ 62,254	\$ 68,083
Equipment & Computers	\$ 168,244	\$ 202,722	\$ 256,275	\$ 276,862
Meeting & Travel	\$ 41,751	\$ 36,787	\$ 41,432	\$ 31,336
Other Administrative Costs	\$ 132,791	\$ 176,335	\$ 220,002	\$ 226,613
Other Expenses	\$ 546,269	\$ 445,266	\$ 445,997	\$ 496,704
Program Expenses	\$ –	\$ 77,137	\$ 549,958	\$ 564,152
Construction	\$ 6,353,804	\$ 8,712,537	\$ –	\$ 1,358,656
Debt Service	\$ 3,060,725	\$ 3,060,520	\$ 3,183,451	\$ 2,835,753
<b>Total Use of Funds</b>	<b>\$ 23,565,262</b>	<b>\$ 26,221,718</b>	<b>\$ 16,449,094</b>	<b>\$ 17,641,116</b>
<b>Contribution To Reserves:</b>				
Pipeline Repair/Replacement	\$ 1,000,000	\$ 1,500,000	\$ 1,500,000	\$ 1,435,478
OC San Rehabilitation Reserve	\$ 500,000	\$ –	\$ –	\$ –
Self-Insurance	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Debt Service	\$ 508,229	\$ 2,136,173	\$ 1,879,144	\$ 1,790,027
Retiree Medical Reserve	\$ 33,813	\$ 133,709	\$ 95,534	\$ 109,522
Building Repair/Replacement Reserve	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
<b>Total Contributions to Reserves</b>	<b>\$ 2,242,042</b>	<b>\$ 3,969,882</b>	<b>\$ 3,674,678</b>	<b>\$ 3,535,027</b>
<b>Total Use of Funds</b>	<b>\$ 25,807,304</b>	<b>\$ 30,191,600</b>	<b>\$ 20,123,772</b>	<b>\$ 21,176,143</b>
Net Gain (Loss)	\$ 2,433,435	\$ 2,385,144	\$ 1,827,364	\$ 1,951,345
<i>Pass Throughs (Prop 1, 50, &amp; 84 – Capital)</i>	<i>\$ 6,017,283</i>	<i>\$ 4,637,524</i>	<i>\$ 24,514,735</i>	<i>\$ 5,409,512</i>

**Santa Ana Watershed Project Authority**  
**Budget Summary**  
**FYE 2017 through 2023**

	<i>FYE 2021 Budget</i>	<i>FYE 2021 Actual</i>	<i>FYE 2022 Budget</i>	<i>FYE 2023 Budget</i>
<b>Source of Funds:</b>				
Discharge Fees	\$ 12,401,418	\$ 12,159,431	\$ 12,192,272	\$ 12,071,872
Financing Proceeds	\$ –	\$ –	\$ –	\$ –
Grant Proceeds	\$ 3,572,232	\$ 2,569,692	\$ 1,199,235	\$ 1,670,712
Member Agency Contributions	\$ 1,530,339	\$ 1,530,340	\$ 1,556,847	\$ 1,565,437
Participant Fees	\$ 1,881,337	\$ 1,930,499	\$ 2,058,279	\$ 1,709,498
Mitigation Credit Sales	\$ –	\$ –	\$ –	\$ 889,900
Operating Transfer	\$ 133,000	\$ 133,000	\$ 114,625	\$ 114,625
Use of Reserves	\$ 3,709,056	\$ 5,071,359	\$ 1,786,882	\$ 2,207,931
Other Income	\$ 206,881	\$ 522,611	\$ 188,633	\$ 188,307
Interest & Investments	\$ 675,000	\$ 385,084	\$ 325,000	\$ 325,000
<b>Total Source of Funds</b>	<b>\$ 24,109,263</b>	<b>\$ 24,302,016</b>	<b>\$ 19,421,773</b>	<b>\$ 20,743,282</b>
<b>Use of Funds:</b>				
Labor	\$ 4,173,739	\$ 3,419,391	\$ 3,782,588	\$ 4,025,165
Benefits	\$ 1,890,627	\$ 1,556,232	\$ 1,497,154	\$ 1,689,235
Indirect Costs	\$ –	\$ 1	\$ –	\$ –
Education & Training	\$ 62,700	\$ 20,041	\$ 61,000	\$ 61,100
Consulting & Professional Services	\$ 3,571,535	\$ 2,417,032	\$ 3,710,963	\$ 4,364,975
Operating Costs	\$ 3,801,050	\$ 2,787,604	\$ 3,839,940	\$ 3,746,050
Repair & Maintenance	\$ 507,550	\$ 359,578	\$ 586,000	\$ 596,400
Phone & Utilities	\$ 87,600	\$ 69,292	\$ 99,350	\$ 105,850
Equipment & Computers	\$ 379,650	\$ 240,737	\$ 394,533	\$ 391,900
Meeting & Travel	\$ 112,650	\$ 4,356	\$ 123,350	\$ 109,350
Other Administrative Costs	\$ 316,453	\$ 216,492	\$ 271,169	\$ 271,004
Other Expenses	\$ 414,600	\$ 400,166	\$ 527,275	\$ 576,202
Program Expenses	\$ 1,138,035	\$ 841,910	\$ 559,547	\$ 467,637
Construction	\$ 1,200,000	\$ 2,695,477	\$ 900,000	\$ 700,000
Debt Service	\$ 2,835,027	\$ 2,835,027	\$ 2,608,439	\$ 1,709,476
<b>Total Use of Funds</b>	<b>\$ 20,491,216</b>	<b>\$ 17,863,336</b>	<b>\$ 18,961,308</b>	<b>\$ 18,814,346</b>
<b>Contribution To Reserves:</b>				
Pipeline Repair/Replacement	\$ 1,810,491	\$ 1,810,491	\$ 928,781	\$ 1,467,543
OC San Rehabilitation Reserve	\$ –	\$ –	\$ –	\$ –
Self-Insurance	\$ 100,000	\$ 100,000	\$ –	\$ –
Debt Retirement Reserve	\$ 1,708,750	\$ 1,708,750	\$ –	\$ –
Retiree Medical Reserve	\$ 177,823	\$ 81,266	\$ 181,642	\$ 197,414
Building Repair/Replacement Reserve	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
<b>Total Contributions to Reserves</b>	<b>\$ 3,897,064</b>	<b>\$ 3,800,507</b>	<b>\$ 1,210,423</b>	<b>\$ 1,764,957</b>
<b>Total Use of Funds</b>	<b>\$ 24,388,280</b>	<b>\$ 21,663,843</b>	<b>\$ 20,171,731</b>	<b>\$ 20,579,303</b>
Net Gain (Loss)	\$ (279,017)	\$ 2,638,173	\$ (749,958)	\$ 163,979
<i>Pass Throughs (Prop 1, 50, &amp; 84 – Capital)</i>	<i>\$ 15,380,781</i>	<i>\$ 10,726,798</i>	<i>\$ 22,873,806</i>	<i>\$ 21,209,717</i>



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# Section 4

## Combined Schedules





**Santa Ana Watershed Project Authority  
Combined Summary**

<b>Source of Funds:</b>	<b>Budget FYE 2022</b>	<b>Budget FYE 2023</b>
Member Agency Contributions	\$ 1,556,847	\$ 1,565,437
Participant Fees	\$ 2,058,279	\$ 1,709,498
Discharge Fees (Brine Line)	\$ 12,192,272	\$ 12,071,872
Interest & Investments	\$ 325,000	\$ 325,000
Use of Reserves	\$ 1,786,882	\$ 2,207,931
Mitigation Credit Sales	\$ –	\$ 889,900
Other Income	\$ 188,633	\$ 188,307
Operating Transfers	\$ 114,625	\$ 114,625
Grant Proceeds	\$ 1,199,235	\$ 1,670,712
Total Revenues (Not Including Pass Through)	\$ 19,421,773	\$ 20,743,282
Proposition 1 & 84 – Capital (Pass Through)	\$ 22,873,806	\$ 21,209,717
<b>Total Revenues</b>	<b>\$ 42,295,579</b>	<b>\$ 41,952,999</b>

<b>Use of Funds:</b>	<b>Budget FYE 2022</b>	<b>Budget FYE 2023</b>
General Fund	\$ 716,847	\$ 725,437
Brine Line Enterprise Fund	\$ 8,980,052	\$ 9,219,853
Debt Service	\$ 2,608,439	\$ 1,709,476
OWOW Funds	\$ 3,326,064	\$ 3,295,183
Roundtable Funds	\$ 1,824,666	\$ 1,953,880
Capital Brine Line Fund	\$ 1,786,882	\$ 2,207,931
Contribution to Reserves (Brine Line)	\$ 928,781	\$ 1,467,543
Total Appropriations (Not Including Pass Through)	\$ 20,171,731	\$ 20,579,303
Proposition 1 & 84 – Capital (Pass Through)	\$ 22,873,806	\$ 21,209,717
<b>Total Appropriations</b>	<b>\$ 43,045,537</b>	<b>\$ 41,789,020</b>
<b>Contribution to/(Use of) Fund Balance</b>	<b>\$ (749,958)</b>	<b>\$ 163,979</b>

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# BUDGET REVENUE

## Summary

Fund		Adopted FYE 2021	Budget FYE 2022	Budget FYE 2023
100	General Fund	\$ 680,339	\$ 716,847	\$ 725,437
135	Proposition 84 – R2 Program Management	\$ 64,006	\$ 7,960	\$ –
145	Proposition 84 – 2015 Program Management	\$ 466,863	\$ 184,228	\$ 190,677
150	Proposition 1 – Program Management	\$ –	\$ 225,808	\$ 301,706
240	Brine Line Enterprise	\$ 15,236,445	\$ 12,517,272	\$ 12,396,872
320	Brine Line Protection Project	\$ 1,466,878	\$ 1,772,064	\$ 1,397,185
327	Reach IV-D Corrosion Repair	\$ 82,151	\$ 14,818	\$ 810,746
370	Basin Planning General	\$ 460,000	\$ 400,000	\$ 800,000
370	USBR Partnership Studies	\$ 70,000	\$ 70,000	\$ 70,000
373	Watershed Management (OWOW)	\$ 450,000	\$ 468,700	\$ 468,700
374	Basin Monitoring Program Task Force	\$ 338,000	\$ 459,998	\$ 485,998
381	SA River Fish Conservation Task Force	\$ 29,000	\$ 29,000	\$ 279,000
384	MSAR TMDL Task Force	\$ 416,000	\$ 269,625	\$ 319,625
386	RWQ Monitoring Task Force	\$ 418,000	\$ 306,845	\$ 386,845
387	Arundo Management & Habitat Restoration	\$ –	\$ –	\$ 889,900
392	Emerging Constituents Task Force	\$ 38,711	\$ 113,000	\$ 113,000
397	WECAN - Riverside	\$ –	\$ 217,336	\$ 351,208
398	Proposition 1 - DACI	\$ 2,054,180	\$ 27,206	\$ –
477	LESJWA Administration	\$ 216,881	\$ 198,633	\$ 198,307
504	Proposition 84 - SARCCUP	\$ 979,142	\$ 770,825	\$ 296,370
505	Proposition 1 – Capital Projects	\$ 642,668	\$ 651,608	\$ 261,706
<b>Total</b>		<b>\$ 24,109,263</b>	<b>\$ 19,421,773</b>	<b>\$ 20,743,282</b>

504,505	Proposition 1 & 84 Capital - Pass Through	\$ 15,380,781	\$ 22,873,806	\$ 21,209,717
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## BUDGET EXPENSES

### Summary

Fund		Adopted FYE 2021	Budget FYE 2022	Budget FYE 2023
100	General Fund	\$ 680,339	\$ 716,847	\$ 725,437
135	Proposition 84 – R2 Program Management	\$ 64,006	\$ 7,960	\$ –
145	Proposition 84 – 2015 Program Management	\$ 466,863	\$ 184,228	\$ 190,677
150	Proposition 1 – Program Management	\$ –	\$ 225,808	\$ 301,706
240	Brine Line Enterprise	\$ 15,236,445	\$ 12,517,272	\$ 12,396,872
320	Brine Line Protection Project	\$ 1,466,878	\$ 1,772,064	\$ 1,397,185
327	Reach IV-D Corrosion Repair	\$ 82,151	\$ 14,818	\$ 810,746
370	Basin Planning General	\$ 460,814	\$ 466,563	\$ 841,260
370	USBR Partnership Studies	\$ 69,455	\$ 76,713	\$ 87,663
373	Watershed Management (OWOW)	\$ 449,871	\$ 697,817	\$ 577,716
374	Basin Monitoring Program Task Force	\$ 339,272	\$ 459,678	\$ 486,892
381	SA River Fish Conservation Task Force	\$ 80,137	\$ 106,692	\$ 296,983
384	MSAR TMDL Task Force	\$ 417,267	\$ 269,968	\$ 319,976
386	RWQ Monitoring Task Force	\$ 426,489	\$ 489,750	\$ 387,574
387	Arundo Management & Habitat Restoration	\$ 277,527	\$ 186,981	\$ 150,292
392	Emerging Constituents Task Force	\$ 40,297	\$ 112,964	\$ 113,856
397	WECAN - Riverside	\$ –	\$ 217,336	\$ 351,208
398	Proposition 1 – DACI	\$ 2,054,180	\$ 27,206	\$ –
477	LESJWA Administration	\$ 216,881	\$ 198,633	\$ 198,307
504	Proposition 84 - SARCCUP	\$ 979,142	\$ 770,825	\$ 683,247
505	Proposition 1 – Capital Projects	\$ 580,266	\$ 651,608	\$ 261,706
<b>Total</b>		<b>\$ 24,388,280</b>	<b>\$ 20,171,731</b>	<b>\$ 20,579,303</b>

504,505	Proposition 1 & 84 Capital – Pass Through	\$ 15,380,781	\$ 22,873,806	\$ 21,209,717
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# Sources and Uses of Funds

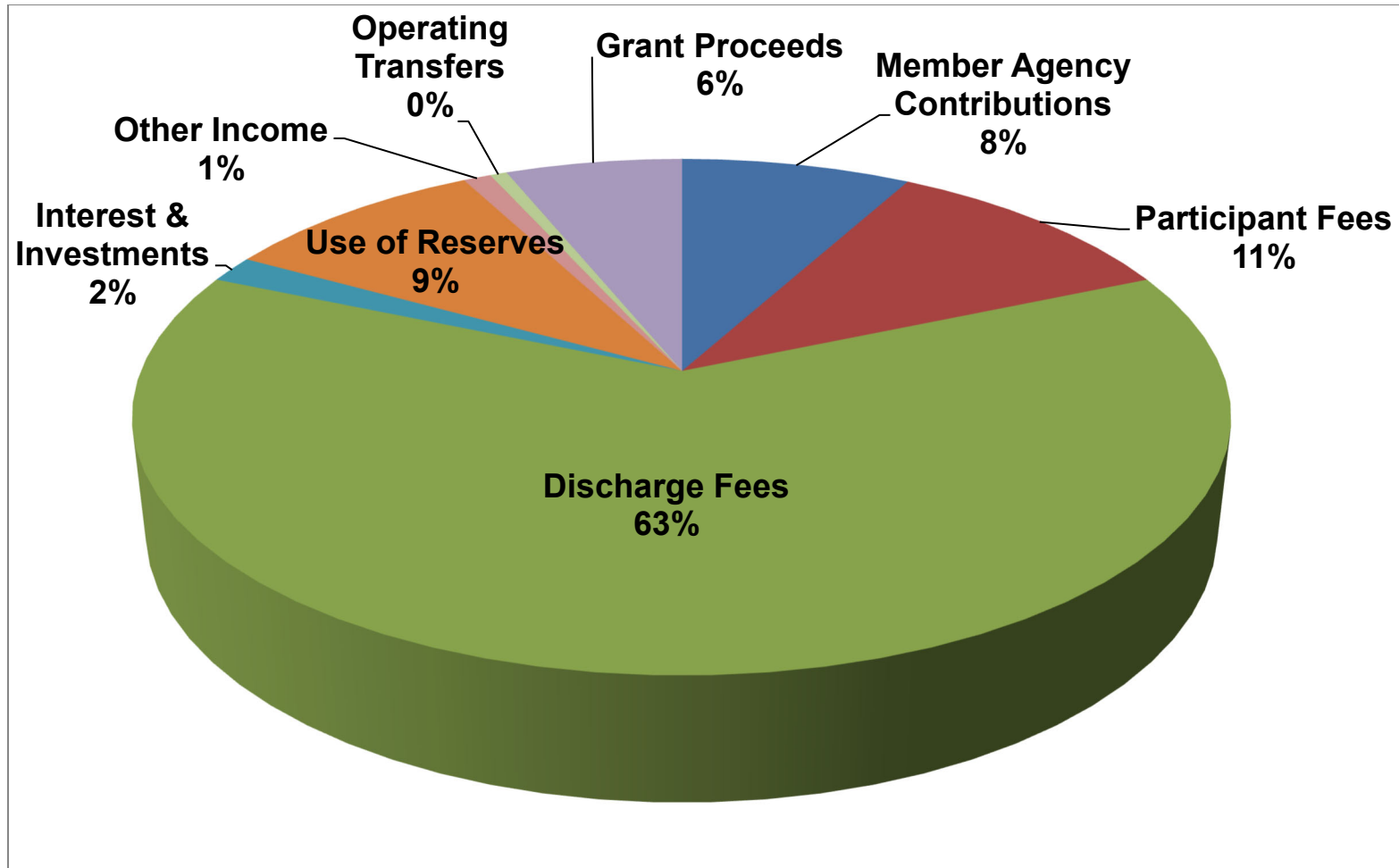
## FYE 2022

EXPENSES			REVENUES											
			Total	Member Contributions	Participant Fees	Discharge Fees	Interest & Investments	Other Income				Grant Proceeds	Total	
								Use of Reserves	Mitigation Credit Sales	Other	Operating Transfers			
100	General Fund	\$	716,847	716,847	–	–	–	–	–	–	–	–	\$	716,847
135	Prop 84 - R2 Program Management	\$	7,960	–	–	–	–	–	–	–	–	7,960	\$	7,960
145	Prop 84 – 2015 Program Management	\$	184,228	–	–	–	–	–	–	–	–	184,228	\$	184,228
150	Prop 1 – Program Management	\$	225,808	–	–	–	–	–	–	–	–	225,808	\$	225,808
240	Brine Line Enterprise	\$12,517,272	–	–	12,192,272	325,000	–	–	–	–	–	–	\$12,517,272	
320	Brine Line Protection Project	\$	1,772,064	–	–	–	–	1,772,064	–	–	–	–	\$	1,772,064
327	Reach IV-D Corrosion Repair	\$	14,818	–	–	–	–	14,818	–	–	–	–	\$	14,818
370	Basin Planning General	\$	466,563	400,000	–	–	–	–	–	–	–	–	\$	400,000
370	USBR Partnership Studies	\$	76,713	20,000	–	–	–	–	–	–	–	50,000	\$	70,000
373	Watershed Management (OWOW)	\$	697,817	400,000	68,700	–	–	–	–	–	–	–	\$	468,700
374	Basin Monitoring Program Task Force	\$	459,678	–	459,998	–	–	–	–	–	–	–	\$	459,998
381	SA River Fish Conservation	\$	106,692	10,000	19,000	–	–	–	–	–	–	–	\$	29,000
384	MSAR TMDL Task Force	\$	269,968	–	269,625	–	–	–	–	–	–	–	\$	269,625
386	RWQ Monitoring Task Force	\$	489,750	–	192,220	–	–	–	–	–	114,625	–	\$	306,845
387	Arundo Mgmt & Habitat Restoration	\$	186,981	–	–	–	–	–	–	–	–	–	\$	–
392	Emerging Constituents Task Force	\$	112,964	–	113,000	–	–	–	–	–	–	–	\$	113,000
397	WECAN - Riverside	\$	217,336	–	30,000	–	–	–	–	–	–	187,336	\$	217,336
398	Proposition 1 - DACI	\$	27,206	–	–	–	–	–	–	–	–	27,206	\$	27,206
477	LESJWA Administration	\$	198,633	10,000	–	–	–	–	–	188,633	–	–	\$	198,633
504	Proposition 84 – SARCCUP	\$	770,825	–	433,512	–	–	–	–	–	–	337,313	\$	770,825
505	Proposition 1 SAWPA - Capital Project	\$	651,608	–	472,224	–	–	–	–	–	–	179,384	\$	651,608
			\$20,171,731	\$ 1,556,847	\$ 2,058,279	\$12,192,272	\$ 325,000	\$ 1,786,882	\$ –	\$ 188,633	\$ 114,625	\$ 1,199,235	\$19,421,773	
PASS THROUGH														
504	Proposition 84 - Capital	\$13,142,581	–	–	–	–	–	–	–	–	–	13,142,581	\$	13,142,581
505	Proposition 1 – Capital	\$	9,731,225	–	–	–	–	–	–	–	–	9,731,225	\$	9,731,225
Total			\$43,045,537										\$ 42,295,579	

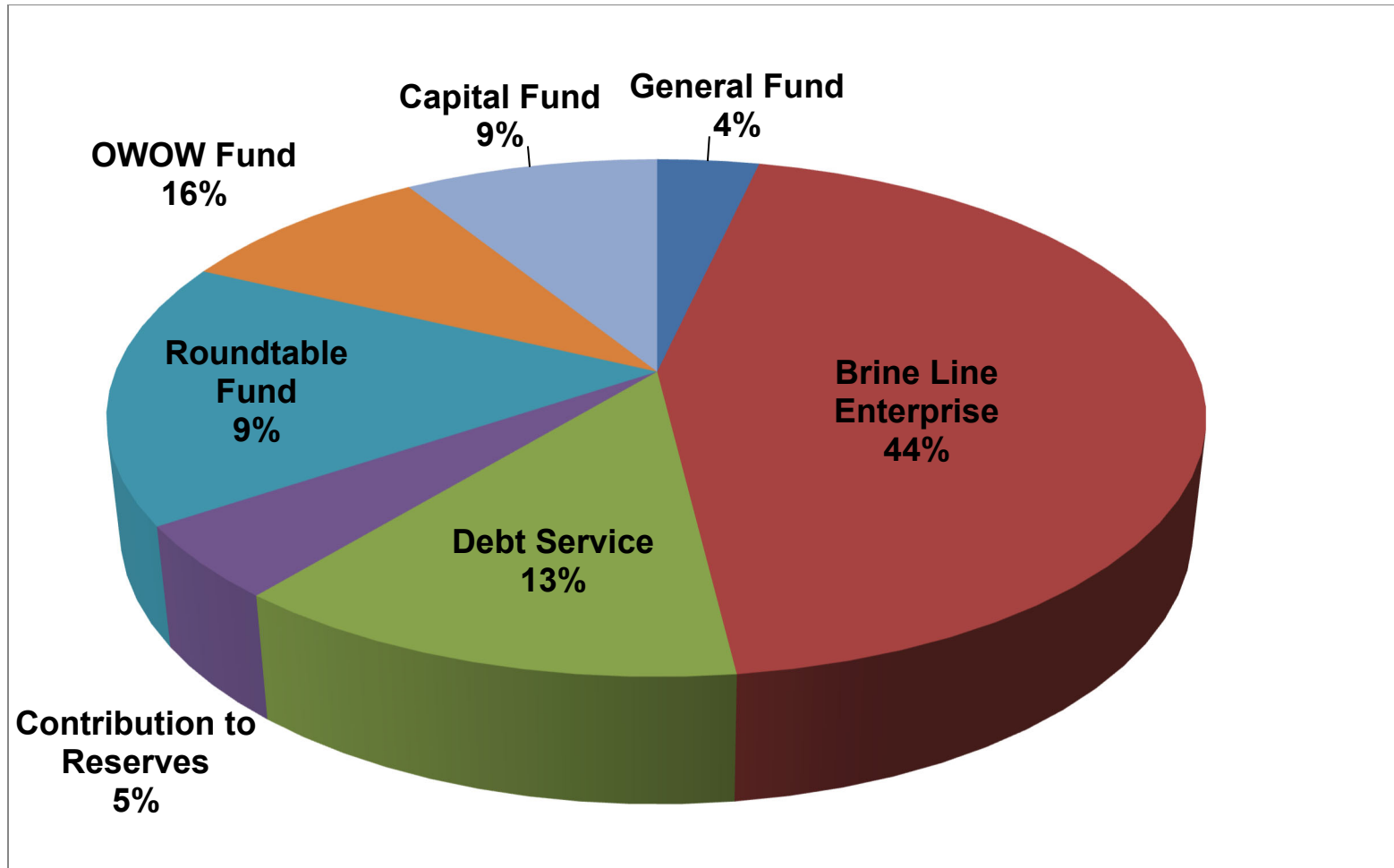


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# Source of Funds FYE 2022 \$19,421,773



**Use of Funds  
FYE 2022  
\$20,171,731**



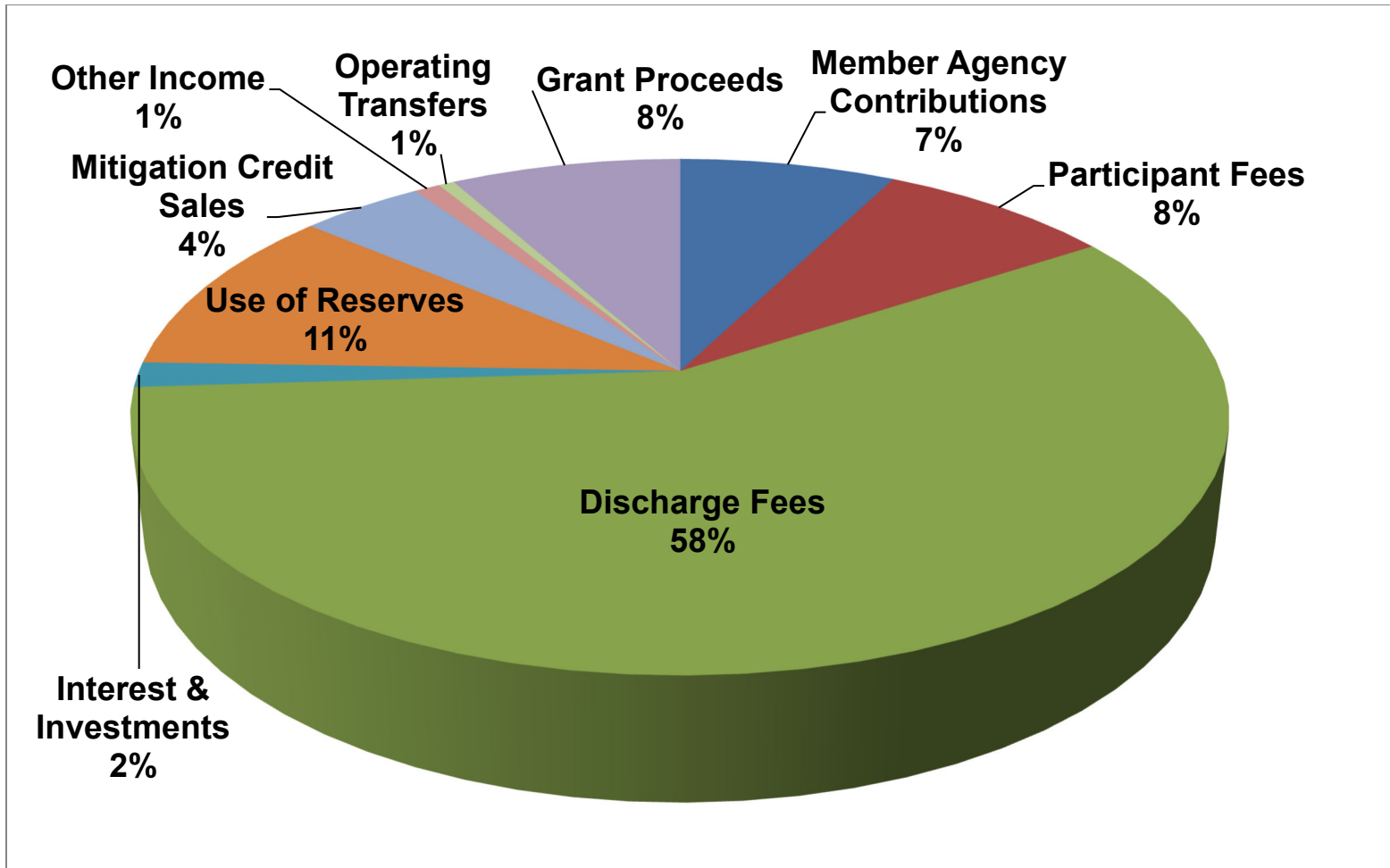
# Sources and Uses of Funds

## FYE 2023

EXPENSES			REVENUES											
			Total	Member Contributions	Participant Fees	Discharge Fees	Interest & Investments	Other Income				Grant Proceeds	Total	
								Use of Reserves	Mitigation Credit Sales	Other	Operating Transfers			
100	General Fund	\$	725,437	725,437	–	–	–	–	–	–	–	–	\$	725,437
135	Prop 84 - R2 Program Management	\$	–	–	–	–	–	–	–	–	–	–	\$	–
145	Prop 84 – 2015 Program Management	\$	190,677	–	–	–	–	–	–	–	–	190,677	\$	190,677
150	Prop 1 – Program Management	\$	301,706	–	–	–	–	–	–	–	–	301,706	\$	301,706
240	Brine Line Enterprise	\$	12,396,872	–	–	12,071,872	325,000	–	–	–	–	–	\$	12,396,872
320	Brine Line Protection Project	\$	1,397,185	–	–	–	–	1,397,185	–	–	–	–	\$	1,397,185
327	Reach IV-D Corrosion Repair	\$	810,746	–	–	–	–	810,746	–	–	–	–	\$	810,746
370	Basin Planning General	\$	841,260	400,000	200,000	–	–	–	–	–	–	200,000	\$	800,000
370	USBR Partnership Studies	\$	87,663	20,000	–	–	–	–	–	–	–	50,000	\$	70,000
373	Watershed Management (OWOW)	\$	577,716	400,000	68,700	–	–	–	–	–	–	–	\$	468,700
374	Basin Monitoring Program Task Force	\$	486,892	–	485,998	–	–	–	–	–	–	–	\$	485,998
381	SA River Fish Conservation	\$	296,983	10,000	19,000	–	–	–	–	–	–	250,000	\$	279,000
384	MSAR TMDL Task Force	\$	319,976	–	319,625	–	–	–	–	–	–	–	\$	319,625
386	RWQ Monitoring Task Force	\$	387,574	–	272,220	–	–	–	–	–	114,625	–	\$	386,845
387	Arundo Mgmt & Habitat Restoration	\$	150,292	–	–	–	–	–	889,900	–	–	–	\$	889,900
392	Emerging Constituents Task Force	\$	113,856	–	113,000	–	–	–	–	–	–	–	\$	113,000
397	WECAN – Riverside	\$	351,208	–	50,000	–	–	–	–	–	–	301,208	\$	351,208
398	Proposition 1 – DACI	\$	–	–	–	–	–	–	–	–	–	–	\$	–
477	LESJWA Administration	\$	198,307	10,000	–	–	–	–	–	188,307	–	–	\$	198,307
504	Proposition 84 - SARCCUP	\$	683,247	–	160,000	–	–	–	–	–	–	136,370	\$	296,370
505	Proposition 1 - SAWPA Capital Projects	\$	261,706	–	20,955	–	–	–	–	–	–	240,751	\$	261,706
			\$ 20,579,303	\$ 1,565,437	\$ 1,709,498	\$ 12,071,872	\$ 325,000	\$ 2,207,931	\$ 889,900	\$ 188,307	\$ 114,625	\$ 1,670,712	\$20,743,282	
PASS THROUGH														
504	Proposition 84 – Capital Projects	\$	15,174,747	–	–	–	–	–	–	–	–	15,174,747	\$	15,174,747
505	Proposition 1 – Capital Projects	\$	6,034,970	–	–	–	–	–	–	–	–	6,034,970	\$	6,034,970
Total			\$ 41,789,020										\$ 41,952,999	

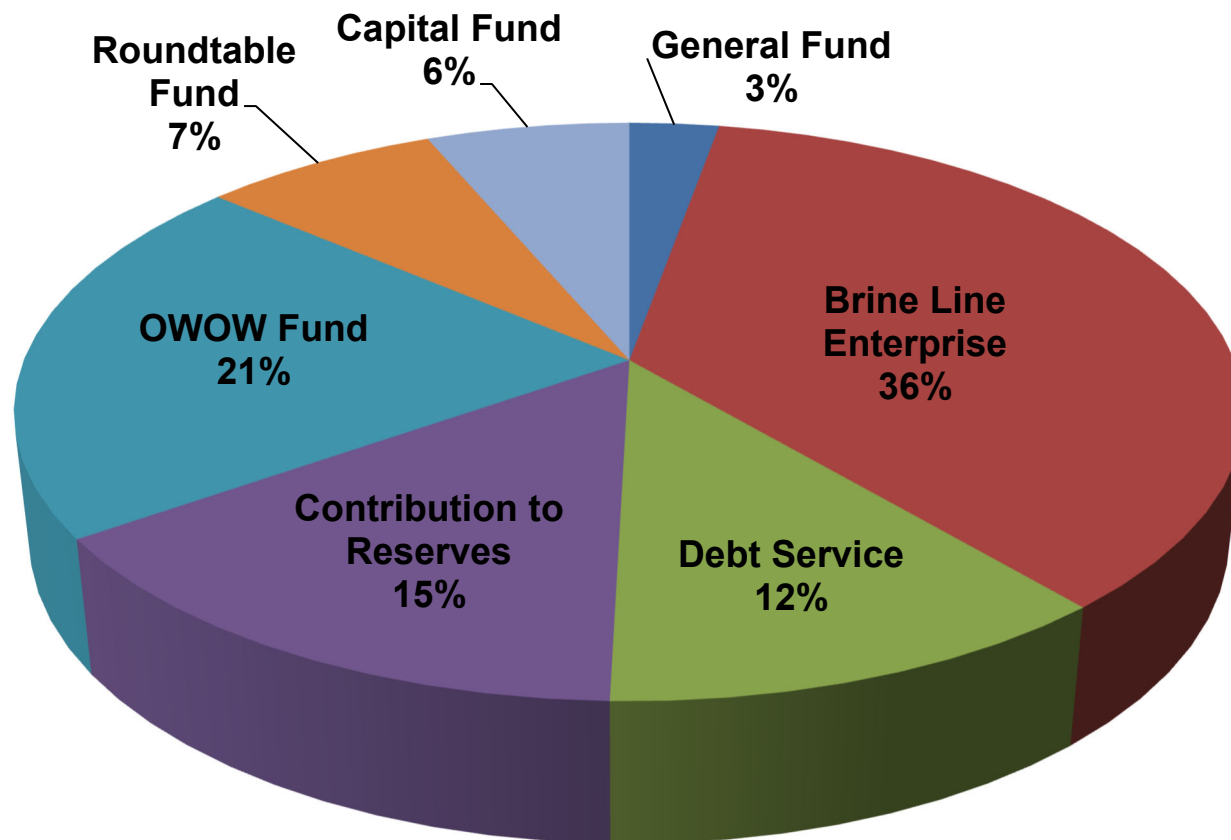
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# Source of Funds FYE 2023 \$20,743,282





# Use of Funds FYE 2023 \$20,579,303



## Line Item Detail by Fund Type FYE 2022

Line Item Detail		Agency Wide Total	General Funds	Brine Line Enterprise Funds	OWOW Funds	Roundtable Funds	Capital Funds
51000	Salaries - Regular	\$ 3,782,588	1,778,647	1,227,239	542,171	175,743	58,789
52000	Benefits	\$ 1,497,154	703,990	485,743	214,592	69,560	23,269
53000	Indirect Costs	\$ --	(3,232,229)	1,979,458	874,486	283,460	94,824
60111	Tuition Reimbursement	\$ 2,800	2,800	--	--	--	--
60112	Training	\$ 28,200	13,700	14,500	--	--	--
60113	Education	\$ 12,000	12,000	--	--	--	--
60114	Other Training & Education	\$ 18,000	18,000	--	--	--	--
60120	Audit Fees	\$ 23,750	23,750	--	--	--	--
60121	Consulting	\$ 2,609,663	245,500	292,000	1,011,268	1,060,895	--
60122	Cost of Funds	\$ 250	--	--	--	250	--
60126	Temporary Services	\$ 30,000	30,000	--	--	--	--
60128	Other Professional Services	\$ 28,000	28,000	--	--	--	--
60129	Other Contract Services	\$ 180,000	--	--	180,000	--	--
60130	Legal Fees	\$ 131,300	100,000	30,000	1,300	--	--
6210	Engineering	\$ 705,000	--	--	--	--	705,000
60133	Employment Recruitment	\$ 3,000	3,000	--	--	--	--
60140	Treatment Costs	\$ 2,619,500	--	2,619,500	--	--	--
60141	Volumetric Costs	\$ 810,540	--	810,540	--	--	--
60143	Lab Costs	\$ 110,000	--	110,000	--	--	--
60145	Permit Fees	\$ 40,000	--	40,000	--	--	--
60148	Brine Line Operating Costs	\$ 10,000	--	10,000	--	--	--
60149	Permitting/Pre-Treatment Activities	\$ 65,000	--	65,000	--	--	--
60152	Maintenance Labor	\$ 60,000	--	60,000	--	--	--
60153	Materials & Supplies	\$ 110,000	--	110,000	--	--	--
60154	Safety	\$ 14,900	6,400	8,500	--	--	--
60155	Security	\$ 3,500	3,500	--	--	--	--
60156	Custodial Contract Services	\$ 37,200	37,200	--	--	--	--
60157	Landscaping Maintenance	\$ 25,000	25,000	--	--	--	--

## Line Item Detail by Fund Type FYE 2022

Line Item Detail		Agency Wide Total	General Funds	Brine Line Enterprise Funds	OWOW Funds	Roundtable Funds	Capital Funds
60158	HVAC	\$ 14,000	14,000	–	–	–	–
60159	Facility Repair & Maintenance	\$ 506,300	26,300	480,000	–	–	–
60160	Telephone	\$ 36,350	36,350	–	–	–	–
60161	Cellular Services	\$ 24,000	18,000	6,000	–	–	–
60163	Electricity	\$ 31,800	27,600	4,200	–	–	–
60164	Water Services	\$ 7,200	7,200	–	–	–	–
60170	Equipment Expensed	\$ 46,700	4,200	42,500	–	–	–
60171	Equipment Rented	\$ 71,333	14,800	50,000	–	6,533	–
60172	Equipment Repair/Maintenance	\$ 5,000	–	5,000	–	–	–
60180	Computer Hardware	\$ 84,200	24,200	60,000	–	–	–
60181	Software	\$ 166,000	107,500	58,500	–	–	–
60182	Internet Services	\$ 13,000	13,000	–	–	–	–
60183	Computer Supplies	\$ 7,000	5,000	2,000	–	–	–
60184	Computer Repair/Maintenance	\$ 1,300	1,300	–	–	–	–
60190	Offsite Meeting/Travel Expense	\$ 41,350	26,500	3,500	9,100	2,250	–
60191	In House Meetings	\$ 3,500	2,000	1,500	–	–	–
60192	Conference Expense	\$ 78,500	50,500	5,000	23,000	–	–
60193	Car, Repair, Maintenance	\$ 60,000	–	60,000	–	–	–
60200	Dues	\$ 71,170	46,170	5,000	10,000	10,000	–
60202	Subscriptions	\$ 11,600	7,950	3,650	–	–	–
60203	Contributions	\$ 27,400	27,400	–	–	–	–
60211	Shipping/Postage	\$ 5,850	3,500	1,250	250	850	–
60212	Office Supplies	\$ 21,350	15,000	6,000	250	100	–
60213	Offsite Storage	\$ 7,000	7,000	–	–	–	–
60220	Commission Fees	\$ 28,200	28,200	–	–	–	–
60221	Commission Mileage Reimbursement	\$ 5,099	5,099	–	–	–	–
60222	Other Commission Expense	\$ 8,000	8,000	–	–	–	–
60230	Other Expense	\$ 25,500	5,000	15,000	100	400	5,000

## Line Item Detail by Fund Type FYE 2022

Line Item Detail		Agency Wide Total	General Funds	Brine Line Enterprise Funds	OWOW Funds	Roundtable Funds	Capital Funds
60300	Contingency Fund	\$ 25,000	25,000	–	–	–	–
60500	Program Expense	\$ 559,547	–	–	459,547	100,000	–
80101	Construction	\$ 900,000	–	–	–	–	900,000
13005	Fixed Assets	\$ 100,000	–	100,000	–	–	–
60240	Building Lease	\$ 46,178	5,578	40,600	–	–	–
80000	Building Repair/Replacement Reserve	\$ 100,000	100,000	–	–	–	–
81010	Retiree Medical Benefits	\$ 181,642	181,642	–	–	–	–
80001	Insurance Expense	\$ 241,472	73,600	167,872	–	–	–
33070	Pipeline Repair / Replacement Reserve	\$ 928,781	–	928,781	–	–	–
20700	Debt Service	\$ 2,608,439	–	2,608,439	–	–	–
91000	Operating Transfers	\$ 114,625	–	–	–	114,625	–
<b>Sub-total</b>		<b>\$ 20,171,731</b>	<b>\$ 716,847</b>	<b>\$ 12,517,272</b>	<b>\$ 3,326,064</b>	<b>\$ 1,824,666</b>	<b>\$ 1,786,882</b>
<b>PASS THROUGH</b>							
504	Proposition 84 - Capital Projects	\$ 13,142,581					
505	Proposition 1 – Capital Projects	\$ 9,731,225					
<b>Total</b>		<b>\$ 43,045,537</b>					

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## Line Item Detail by Fund Type FYE 2023

Line Item Detail		Agency Wide Total	General Funds	Brine Line Enterprise Funds	OWOW Funds	Roundtable Funds	Capital Funds
51000	Salaries - Regular	\$ 4,025,165	1,878,457	1,326,650	558,814	169,451	91,794
52000	Benefits	\$ 1,689,235	788,329	556,753	234,517	71,113	38,523
53000	Indirect Costs	\$ –	(3,452,144)	2,133,400	898,635	272,496	147,614
60111	Tuition Reimbursement	\$ 2,800	2,800	–	–	–	–
60112	Training	\$ 28,300	13,800	14,500	–	–	–
60113	Education	\$ 12,000	12,000	–	–	–	–
60114	Other Training & Education	\$ 18,000	18,000	–	–	–	–
60120	Audit Fees	\$ 24,500	24,500	–	–	–	–
60121	Consulting	\$ 3,382,925	260,000	255,000	906,580	1,211,345	750,000
60122	Cost of Funds	\$ 250	–	–	–	250	–
60126	Temporary Services	\$ 30,000	30,000	–	–	–	–
60128	Other Professional Services	\$ 28,000	28,000	–	–	–	–
60129	Other Contract Services	\$ 300,000	–	–	300,000	–	–
60130	Legal Fees	\$ 131,300	100,000	30,000	1,300	–	–
6210	Engineering	\$ 475,000	–	–	–	–	475,000
60133	Employment Recruitment	\$ 3,000	3,000	–	–	–	–
60140	Treatment Costs	\$ 2,513,600	–	2,513,600	–	–	–
60141	Volumetric Costs	\$ 828,800	–	828,800	–	–	–
60143	Lab Costs	\$ 115,000	–	115,000	–	–	–
60145	Permit Fees	\$ 40,000	–	40,000	–	–	–
60148	Brine Line Operating Costs	\$ 10,000	–	10,000	–	–	–
60149	Permitting/Pre-Treatment Activities	\$ 55,000	–	55,000	–	–	–
60152	Maintenance Labor	\$ 60,000	–	60,000	–	–	–
60153	Materials & Supplies	\$ 108,000	–	108,000	–	–	–
60154	Safety	\$ 15,650	6,400	9,250	–	–	–
60155	Security	\$ 3,600	3,600	–	–	–	–
60156	Custodial Contract Services	\$ 37,200	37,200	–	–	–	–

## Line Item Detail by Fund Type FYE 2023

Line Item Detail		Agency Wide Total	General Funds	Brine Line Enterprise Funds	OWOW Funds	Roundtable Funds	Capital Funds
60157	Landscaping Maintenance	\$ 25,000	25,000	–	–	–	–
60158	HVAC	\$ 14,000	14,000	–	–	–	–
60159	Facility Repair & Maintenance	\$ 516,600	26,600	490,000	–	–	–
60160	Telephone	\$ 40,350	40,350	–	–	–	–
60161	Cellular Services	\$ 25,000	18,000	7,000	–	–	–
60163	Electricity	\$ 32,700	28,200	4,500	–	–	–
60164	Water Services	\$ 7,800	7,800	–	–	–	–
60170	Equipment Expensed	\$ 47,100	4,600	42,500	–	–	–
60171	Equipment Rented	\$ 65,900	15,900	50,000	–	–	–
60172	Equipment Repair/Maintenance	\$ 5,000	–	5,000	–	–	–
60180	Computer Hardware	\$ 93,200	33,200	60,000	–	–	–
60181	Software	\$ 158,500	111,500	47,000	–	–	–
60182	Internet Services	\$ 13,000	13,000	–	–	–	–
60183	Computer Supplies	\$ 7,200	5,200	2,000	–	–	–
60184	Computer Repair/Maintenance	\$ 2,000	2,000	–	–	–	–
60190	Offsite Meeting/Travel Expense	\$ 32,350	16,500	3,500	9,100	3,250	–
60191	In House Meetings	\$ 3,500	2,000	1,500	–	–	–
60192	Conference Expense	\$ 63,500	50,500	5,000	8,000	–	–
60193	Car, Repair, Maintenance	\$ 60,000	–	60,000	–	–	–
60200	Dues	\$ 71,670	46,670	5,000	10,000	10,000	–
60202	Subscriptions	\$ 12,600	8,950	3,650	–	–	–
60203	Contributions	\$ 27,400	27,400	–	–	–	–
60211	Shipping/Postage	\$ 5,850	3,500	1,250	250	850	–
60212	Office Supplies	\$ 21,350	15,000	6,000	250	100	–
60213	Offsite Storage	\$ 4,000	4,000	–	–	–	–
60220	Commission Fees	\$ 29,400	29,400	–	–	–	–
60221	Commission Mileage Reimbursement	\$ 5,234	5,234	–	–	–	–

## Line Item Detail by Fund Type FYE 2023

Line Item Detail		Agency Wide Total	General Funds	Brine Line Enterprise Funds	OWOW Funds	Roundtable Funds	Capital Funds
60222	Other Commission Expense	\$ 8,000	8,000	–	–	–	–
60230	Other Expense	\$ 25,500	5,000	15,000	100	400	5,000
60300	Contingency Fund	\$ 25,000	25,000	–	–	–	–
60500	Program Expense	\$ 467,637	–	–	367,637	100,000	–
80101	Construction	\$ 700,000	–	–	–	–	700,000
13005	Fixed Assets	\$ 140,000	–	140,000	–	–	–
60240	Building Lease	\$ 48,927	5,927	43,000	–	–	–
80000	Building Repair/Replacement Reserve	\$ 100,000	100,000	–	–	–	–
81010	Retiree Medical Benefits	\$ 197,414	197,414	–	–	–	–
80001	Insurance Expense	\$ 247,650	75,650	172,000	–	–	–
33070	Pipeline Repair / Replacement Reserve	\$ 1,467,543	–	1,467,543	–	–	–
20700	Debt Service	\$ 1,709,476	–	1,709,476	–	–	–
91000	Operating Transfers	\$ 114,625	–	–	–	114,625	–
<b>Sub-total</b>		<b>\$ 20,579,303</b>	<b>\$ 725,437</b>	<b>\$ 12,396,872</b>	<b>\$ 3,295,183</b>	<b>\$ 1,953,880</b>	<b>\$ 2,207,931</b>

PASS THROUGH							
504	Proposition 84 - Capital Projects	\$ 15,174,747					
505	Proposition 1 – Capital Projects	\$ 6,034,970					
<b>Total</b>		<b>\$ 41,789,020</b>					



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# Cash Flow 2022

Fiscal Year 2021-22							
	BALANCE @ June 2021	Revenues	Interest	Expenses	Debt Service	BALANCE @ June 2022	
General Fund	\$ 2,367,103	\$ 716,847	\$ —	\$ 716,847	\$ —	\$ 2,367,103	
OWOW Fund	\$ 965,446	\$ 3,023,671	\$ —	\$ 3,326,064	\$ —	\$ 663,053	
Roundtable Fund	\$ 1,878,733	\$ 1,377,101	\$ —	\$ 1,824,666	\$ —	\$ 1,431,168	
Brine Line Enterprise							
Self-Insurance Reserve	\$ 4,494,364	\$ —	\$ —	\$ —	\$ —	\$ 4,494,364	
Debt Retirement Reserve	\$ 3,712,038	\$ 2,608,439	\$ —	\$ —	\$ 2,608,439	\$ 3,712,038	
Pipeline Repair/Replacement	\$ 21,889,082	\$ 928,781	\$ —	\$ 1,786,882	\$ —	\$ 21,030,981	
OC San Rehabilitation Reserve	\$ 2,377,813	\$ —	\$ —	\$ —	\$ —	\$ 2,377,813	
OC San Future Capacity Reserve	\$ 1,833,264	\$ —	\$ —	\$ —	\$ —	\$ 1,833,264	
Capacity Management Reserve	\$ 11,981,707	\$ —	\$ —	\$ —	\$ —	\$ 11,981,707	
Rate Stabilization Reserve	\$ 1,027,311	\$ —	\$ —	\$ —	\$ —	\$ 1,027,311	
Flow Imbalance Reserve	\$ 83,681	\$ —	\$ —	\$ —	\$ —	\$ 83,681	
Brine Line Operating Reserve	\$ 3,672,578	\$ 8,655,052	\$ 325,000	\$ 8,980,052	\$ —	\$ 3,672,578	
Brine Line Enterprise	\$ 51,071,838	\$ 12,192,272	\$ 325,000	\$ 10,766,934	\$ 2,608,439	\$ 50,213,737	
Legal Defense Fund	\$ 467,072	\$ —	\$ —	\$ —	\$ —	\$ 467,072	
TOTALS	\$ 56,750,192	\$ 17,309,891	\$ 325,000	\$ 16,634,511	\$ 2,608,439	\$ 55,142,133	

# Cash Flow 2022

Investments & Cash:		
	Actual 6/30/21	Projected 6/30/22
Local Agency Investment Fund (LAIF)	\$ 46,216,086	\$ 45,675,061
Securities - (Incl Disc/Prem)	7,601,191	7,000,000
Certificates of Deposit	742,000	1,000,000
Savings Account - EPA Legal	467,072	467,072
Checking Accounts	1,000,000	1,000,000
	<b>\$ 56,750,192</b>	<b>\$ 55,142,133</b>

# Cash Flow 2023

Fiscal Year 2022-23						
	BALANCE @ June 2022	Revenues	Interest	Expenses	Debt Service	BALANCE @ June 2023
General Fund	\$ 2,367,103	\$ 725,437	\$ —	\$ 725,437	\$ —	\$ 2,367,103
OWOW Fund	\$ 663,053	\$ 2,740,367	\$ —	\$ 3,295,183	\$ —	\$ 108,237
Roundtable Fund	\$ 1,431,168	\$ 2,672,675	\$ —	\$ 1,953,880	\$ —	\$ 2,149,963
Brine Line Enterprise						
Self-Insurance Reserve	\$ 4,494,364	\$ —	\$ —	\$ —	\$ —	\$ 4,494,364
Debt Retirement Reserve	\$ 3,712,038	\$ 1,709,476	\$ —	\$ —	\$ 1,709,476	\$ 3,712,038
Pipeline Repair/Replacement	\$ 21,030,981	\$ 1,467,543	\$ —	\$ 2,207,931	\$ —	\$ 20,290,593
OC San Rehabilitation Reserve	\$ 2,377,813	\$ —	\$ —	\$ —	\$ —	\$ 2,377,813
OC San Future Capacity Reserve	\$ 1,833,264	\$ —	\$ —	\$ —	\$ —	\$ 1,833,264
Capacity Management Reserve	\$ 11,981,707	\$ —	\$ —	\$ —	\$ —	\$ 11,981,707
Rate Stabilization Reserve	\$ 1,027,311	\$ —	\$ —	\$ —	\$ —	\$ 1,027,311
Flow Imbalance Reserve	\$ 83,681	\$ —	\$ —	\$ —	\$ —	\$ 83,681
Brine Line Operating Reserve	\$ 3,672,578	\$ 8,894,853	\$ 325,000	\$ 9,219,853	\$ —	\$ 3,672,578
Brine Line Enterprise	\$ 50,213,737	\$ 12,071,872	\$ 325,000	\$ 11,427,784	\$ 1,709,476	\$ 49,473,349
Legal Defense Fund	\$ 467,072	\$ —	\$ —	\$ —	\$ —	\$ 467,072
TOTALS	\$ 55,142,133	\$ 18,210,351	\$ 325,000	\$ 17,402,284	\$ 1,709,476	\$ 54,565,724

# Cash Flow 2023

Investments & Cash:		
	Projected 6/30/22	Projected 6/30/23
Local Agency Investment Fund (LAIF)	\$ 45,675,061	\$ 45,098,652
Securities - (Incl Disc/Prem)	7,000,000	7,000,000
Certificates of Deposit	1,000,000	1,000,000
Savings Account - EPA Legal	467,072	467,072
Checking Accounts	1,000,000	1,000,000
	<b>\$ 55,142,133</b>	<b>\$ 54,565,724</b>

## SUMMARY OF LABOR MULTIPLIERS

	FYE 2022		FYE 2023	
		Benefits Rate		Benefits Rate
Total Employee Benefits	1,497,154	0.396	1,689,235	0.420
Total Payroll	3,782,588		4,025,165	
Gross Indirect Costs	3,707,229		3,927,144	
<i>Less: Member Contributions</i>	<i>(475,000)</i>		<i>(475,000)</i>	
<b>Indirect Costs for Distribution</b>	<b>3,232,229</b>		<b>3,452,144</b>	
		Indirect Costs		Indirect Costs
Direct Labor Charged	2,003,941	1.613	2,146,708	1.608
Indirect Costs	3,232,229		3,452,144	
<b>Budgeted Labor Multiplier</b>	<b>2.009</b>		<b>2.028</b>	

	Actual	Budgeted
FY 2020-21 Labor Multiplier	1.724	1.961
FY 2019-20 Labor Multiplier	2.309	1.961
FY 2018-19 Labor Multiplier	2.059	1.848
FY 2017-18 Labor Multiplier	1.99	1.848

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**FYE 2022**  
**GENERAL FUND COSTS (INDIRECT)**  
**(to be Distributed)**

G/L Acct.	Description	Budget	G/L Acct.	Description	Budget
51000	Salaries - Regular	\$ 1,712,844	60172	Equipment Repair/Maintenance	\$ –
52000	Benefits	\$ 677,946	60180	Computer Hardware	\$ 24,200
60111	Tuition Reimbursement	\$ 2,800	60181	Software/Updates/Licensing	\$ 107,500
60112	Training	\$ 13,700	60182	Internet Services	\$ 13,000
60113	Education	\$ 12,000	60183	Computer Supplies	\$ 5,000
60114	Other Training & Education	\$ 18,000	60184	Computer Repair/Maintenance	\$ 1,300
60120	Audit Fees	\$ 23,750	60190	Offsite Meeting/Travel Expense	\$ 6,500
60121	Consulting	\$ 120,500	60191	In House Meetings	\$ 2,000
60126	Temporary Services	\$ 30,000	60192	Conference Expense	\$ 47,000
60128	Other Professional Services	\$ 26,500	60200	Dues	\$ 46,170
60129	Other Contract Services	\$ –	60202	Subscriptions	\$ 7,950
60130	Legal Fees	\$ 100,000	60203	Contributions	\$ 27,400
60133	Employment Recruitment	\$ 3,000	60211	Shipping/Postage	\$ 3,500
60154	Safety	\$ 6,400	60212	Office Supplies	\$ 15,000
60155	Security	\$ 3,500	60213	Offsite Storage	\$ 7,000
60156	Custodial Contract Services	\$ 37,200	60220	Commission Fees	\$ 28,200
60157	Landscaping Maintenance	\$ 25,000	60221	Commission Mileage Reimbursement	\$ 5,099
60158	HVAC	\$ 14,000	60222	Other Commission Expense	\$ 8,000
60159	Facility Repair & Maintenance	\$ 26,300	60230	Other Expense	\$ 5,000
60160	Telephone	\$ 36,350	60240	Building Lease	\$ 5,578
60161	Cellular Services	\$ 18,000	81010	Retiree Medical Expense	\$ 181,642
60163	Electricity	\$ 27,600	80001	Insurance Expense	\$ 73,600
60164	Water Services	\$ 7,200	80000	Building Repair/Replacement Reserve	\$ 100,000
60170	Equipment Expensed	\$ 4,200	13005	Fixed Assets	\$ –
60171	Equipment Rented	\$ 14,800	60300	Reserves/Contingency	\$ 25,000

(Continued – next column)

**Total General Fund Costs**      \$ 3,707,229  
**Less Reserves Used**                      –  
**Net General Fund Costs**                \$ 3,707,229



**FYE 2023**  
**GENERAL FUND COSTS (INDIRECT)**  
**(to be Distributed)**

G/L Acct.	Description	Budget	G/L Acct.	Description	Budget
51000	Salaries - Regular	\$ 1,807,710	60172	Equipment Repair/Maintenance	\$ –
52000	Benefits	\$ 758,639	60180	Computer Hardware	\$ 33,200
60111	Tuition Reimbursement	\$ 2,800	60181	Software/Updates/Licensing	\$ 111,500
60112	Training	\$ 13,800	60182	Internet Services	\$ 13,000
60113	Education	\$ 12,000	60183	Computer Supplies	\$ 5,200
60114	Other Training & Education	\$ 18,000	60184	Computer Repair/Maintenance	\$ 2,000
60120	Audit Fees	\$ 24,500	60190	Offsite Meeting/Travel Expense	\$ 6,500
60121	Consulting	\$ 125,000	60191	In House Meetings	\$ 2,000
60126	Temporary Services	\$ 30,000	60192	Conference Expense	\$ 47,000
60128	Other Professional Services	\$ 26,500	60200	Dues	\$ 46,670
60129	Other Contract Services	\$ –	60202	Subscriptions	\$ 8,950
60130	Legal Fees	\$ 100,000	60203	Contributions	\$ 27,400
60133	Employment Recruitment	\$ 3,000	60211	Shipping/Postage	\$ 3,500
60154	Safety	\$ 6,400	60212	Office Supplies	\$ 15,000
60155	Security	\$ 3,600	60213	Offsite Storage	\$ 4,000
60156	Custodial Contract Services	\$ 37,200	60220	Commission Fees	\$ 29,400
60157	Landscaping Maintenance	\$ 25,000	60221	Commission Mileage Reimbursement	\$ 5,234
60158	HVAC	\$ 14,000	60222	Other Commission Expense	\$ 8,000
60159	Facility Repair & Maintenance	\$ 26,600	60230	Other Expense	\$ 5,000
60160	Telephone	\$ 40,350	60240	Building Lease	\$ 5,927
60161	Cellular Services	\$ 18,000	81010	Retiree Medical Expense	\$ 197,414
60163	Electricity	\$ 28,200	80001	Insurance Expense	\$ 75,650
60164	Water Services	\$ 7,800	80000	Building Repair/Replacement Reserve	\$ 100,000
60170	Equipment Expensed	\$ 4,600	13005	Fixed Assets	\$ –
60171	Equipment Rented	\$ 15,900	60300	Reserves/Contingency	\$ 25,000

(Continued – next column)

**Total General Fund Costs      \$ 3,927,144**  
**–**  
**\$ 3,927,144**

## BENEFITS SUMMARY

*(Distributed based on Actual Labor)*

G/L Acct.	Description	Actual FYE 2021	Budget FYE 2022	Budget FYE 2023
70101	FICA	\$ 136,314	\$ 195,806	\$ 201,621
70102	Medicare	\$ 48,934	\$ 55,500	\$ 59,017
70103	State Unemployment Insurance	\$ 4,950	\$ 4,284	\$ 4,851
70104	Worker's Compensation Insurance	\$ 43,624	\$ 48,726	\$ 49,120
70105	State Disability Insurance	\$ 18,256	\$ 35,108	\$ 30,010
70106	PERS Pension Plan – Employer	\$ 632,617	\$ 481,931	\$ 543,352
70111	Medical Insurance	\$ 436,266	\$ 557,223	\$ 677,598
70112	Dental Insurance	\$ 25,717	\$ 28,794	\$ 32,526
70113	Vision Insurance	\$ 7,098	\$ 7,801	\$ 8,526
70114	Life Insurance	\$ 14,106	\$ 15,229	\$ 15,528
70115	Long Term Disability Insurance	\$ 15,928	\$ 17,702	\$ 18,186
70116	Wellness Program	\$ 3,500	\$ 4,050	\$ 3,900
70120	Car Allowance	\$ 46,000	\$ 45,000	\$ 45,000
<b>Total Benefits</b>		<b>\$ 1,433,310</b>	<b>\$ 1,497,154</b>	<b>\$ 1,689,235</b>
<b>Total Payroll</b>		<b>\$ 3,656,974</b>	<b>\$ 3,782,588</b>	<b>\$ 4,025,165</b>
<b>Benefits Rate</b>		<b>39.2%</b>	<b>39.6%</b>	<b>42.0%</b>

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## MEMBER CONTRIBUTION

### Summary Schedule

Member Agency Contributions		Adopted FYE 2021	Proposed FYE 2022	Proposed FYE 2023
<b>Exempt from Indirect Costs</b>	<b>Funds</b>			
SAWPA General Fund	<b>100-00</b>	\$ 450,000	\$ 475,000	\$ 475,000
State Outreach	<b>100-03</b>	\$ 230,339	\$ 216,974	\$ 224,232
Federal Outreach	<b>100-04</b>	\$ —	\$ 24,873	\$ 26,205
		\$ 680,339	\$ 716,847	\$ 725,437
<b>Planning Projects</b>				
General Planning	<b>370-01</b>	\$ 360,000	\$ 400,000	\$ 400,000
USBR Partnership Studies	<b>370-02</b>	\$ 20,000	\$ 20,000	\$ 20,000
Watershed Management (OWOW)	<b>373</b>	\$ 450,000	\$ 400,000	\$ 400,000
SA River Fish Conservation	<b>381</b>	\$ 10,000	\$ 10,000	\$ 10,000
LESJWA Administration	<b>477</b>	\$ 10,000	\$ 10,000	\$ 10,000
		\$ 850,000	\$ 840,000	\$ 840,000
<b>Total Member Agency Contributions</b>		\$ 1,530,339	\$ 1,556,847	\$ 1,565,437
<b>Per Member Agency</b>		\$ 306,068	\$ 311,369	\$ 313,087

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**MEMBER CONTRIBUTION**  
*by Agency*  
**FYE 2022**

ACTIVITY	TOTAL	EMWD	IEUA	OCWD	SBVMWD	WMWD
370 General Planning	400,000	80,000	80,000	80,000	80,000	80,000
370 USBR Partnership Studies	20,000	4,000	4,000	4,000	4,000	4,000
373 Watershed Management (OWOW)	400,000	80,000	80,000	80,000	80,000	80,000
381 SA River Fish Conservation	10,000	2,000	2,000	2,000	2,000	2,000
477 LESJWA Administration	10,000	2,000	2,000	2,000	2,000	2,000
<i>Subtotal (Planning)</i>	<i>840,000</i>	<i>168,000</i>	<i>168,000</i>	<i>168,000</i>	<i>168,000</i>	<i>168,000</i>
State/Federal Outreach	241,847	48,369	48,369	48,369	48,369	48,369
Commission/General Fund Costs	475,000	95,000	95,000	95,000	95,000	95,000
<i>Subtotal (Administration)</i>	<i>716,847</i>	<i>143,369</i>	<i>143,369</i>	<i>143,369</i>	<i>143,369</i>	<i>143,369</i>
<b>Member Agency Contributions to SAWPA</b>	<b>\$1,556,847</b>	<b>\$311,369</b>	<b>\$311,369</b>	<b>\$311,369</b>	<b>\$311,369</b>	<b>\$311,369</b>

**MEMBER CONTRIBUTION**  
*by Agency*  
**FYE 2023**

ACTIVITY	TOTAL	EMWD	IEUA	OCWD	SBVMWD	WMWD
370 General Planning	400,000	80,000	80,000	80,000	80,000	80,000
370 USBR Partnership Studies	20,000	4,000	4,000	4,000	4,000	4,000
373 Watershed Management (OWOW)	400,000	80,000	80,000	80,000	80,000	80,000
381 SA River Fish Conservation	10,000	2,000	2,000	2,000	2,000	2,000
477 LESJWA Administration	10,000	2,000	2,000	2,000	2,000	2,000
<i>Subtotal (Planning)</i>	<i>840,000</i>	<i>168,000</i>	<i>168,000</i>	<i>168,000</i>	<i>168,000</i>	<i>168,000</i>
State/Federal Outreach	250,437	50,087	50,087	50,087	50,087	50,087
Commission/General Fund Costs	475,000	95,000	95,000	95,000	95,000	95,000
<i>Subtotal (Administration)</i>	<i>725,437</i>	<i>145,087</i>	<i>145,087</i>	<i>145,087</i>	<i>145,087</i>	<i>145,087</i>
<b>Member Agency Contributions to SAWPA</b>	<b>1,565,437</b>	<b>313,087</b>	<b>313,087</b>	<b>313,087</b>	<b>313,087</b>	<b>313,087</b>

# Section 5

## Revenues







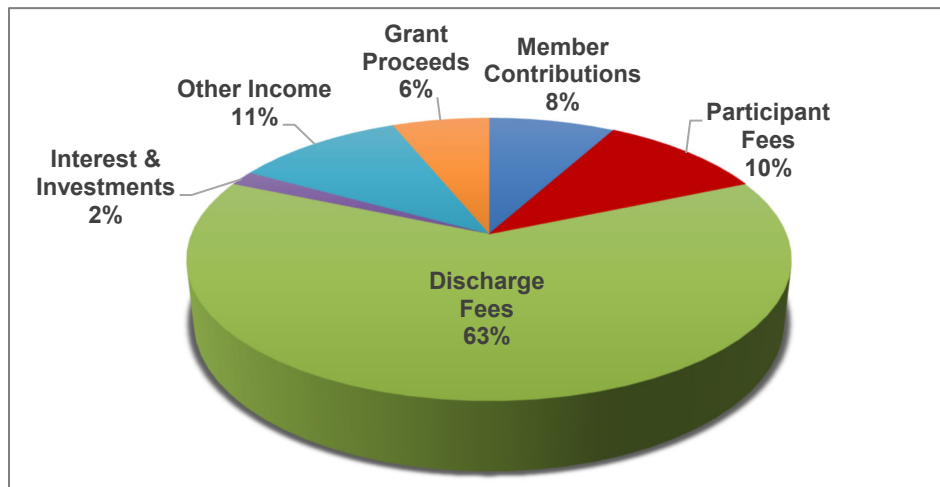
# Revenues

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

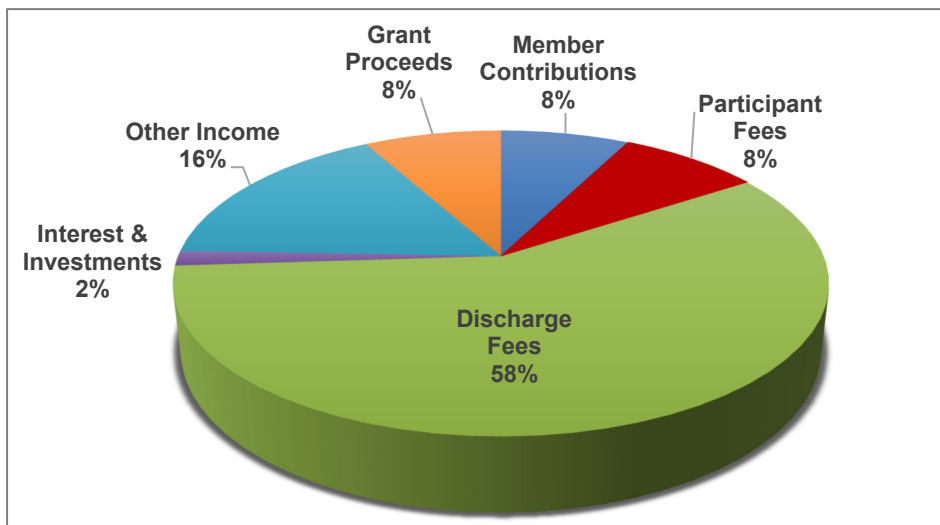
- Member Contribution
- Participant Fees
- Discharge Fees
- Interest & Investments
- Other Income
- Grant Proceeds

The Agency's projected revenue for FYE 2022 totals \$19.4 million, not including \$22.9 million in Propositions 1 and 84 project pass-throughs, and \$20.7 million, not including \$21.2 million in Propositions 1 and 84 project pass-throughs, for FYE 2023. Total revenue reflects the revenue sources listed above and each source is described in detail below.

**Total Revenues by Source  
FYE 2022**



**Total Revenues by Source  
FYE 2023**



Agency-wide revenues are projected to decrease by \$4.7 million in FYE 2022 over the previous year's budget and increase by \$1.3 million in FYE 2023.

The decrease in revenues from FYE 2021 to FYE 2022 is from a decrease in discharge fees and the Proposition 1 Disadvantaged Communities (DAC) grant which will be complete in July 2021.

### 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 for OWOW and roundtable projects, and fund State and Federal outreach efforts. In addition to the annual contribution, member agencies may decide to contribute to roundtable projects that directly affect their service areas.

In FYEs 2022 and 2023, member contribution revenues are projected to be \$1.6 million, or approximately 8% of the Agency's total revenues each year.

### Participant Fees

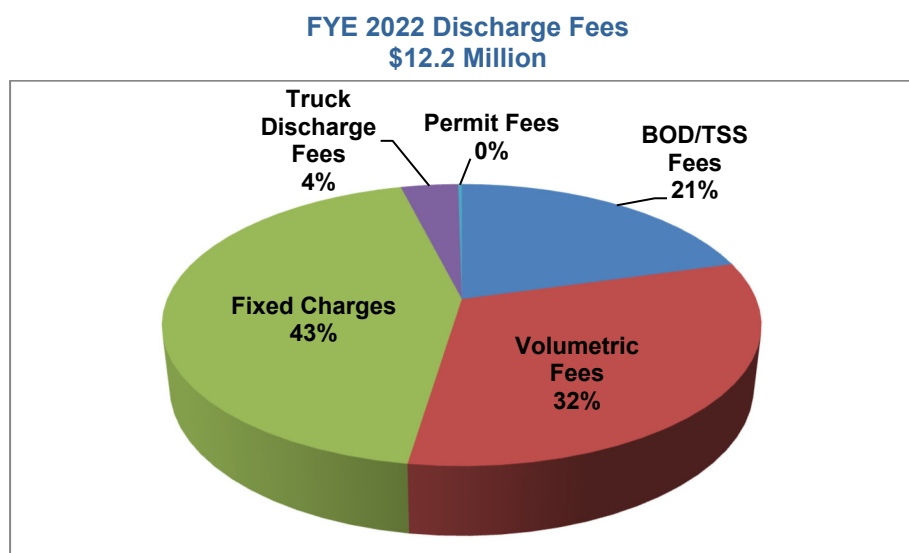
Participant Fees are a source of revenue for OWOW projects and roundtable efforts. SAWPA administers and facilitates several stakeholder efforts. Those agencies that wish to participate in the effort contribute funds to pay for the programs.

In FYE 2022, participant fees revenues are projected to be \$2.1 million, or approximately 10% of the Agency's total revenues. In FYE 2023, participant fees revenues are projected to be \$1.7 million, or approximately 8% of the Agency's total revenues.

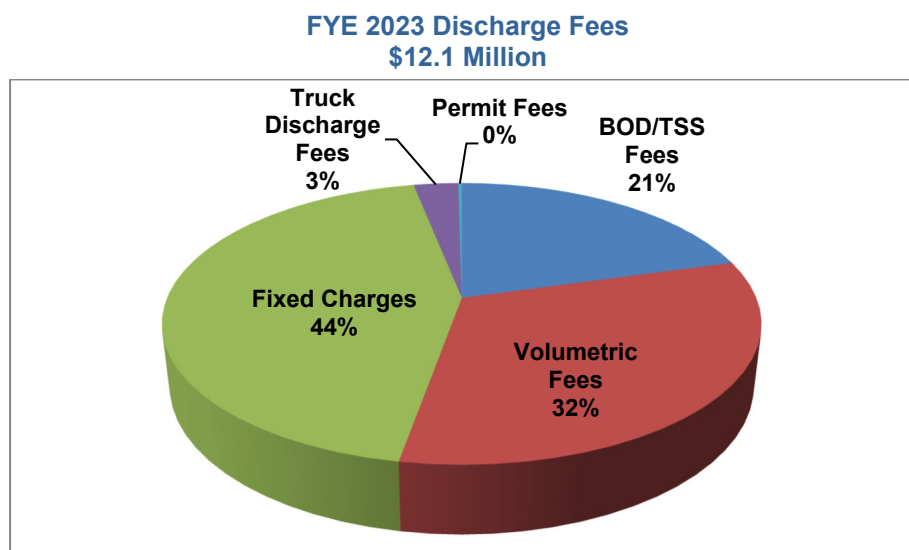
### Discharge Fees

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 Orange County Sanitation District (OC San). After treatment, the treated effluent is discharged to the Pacific Ocean.

In FYE 2022, discharge fees are projected to be \$12.2 million, or approximately 63% of the Agency's total revenues.



In FYE 2023, discharge fees are projected to be \$12.1 million, or approximately 58% of the Agency's total revenues.



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 2018, 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.

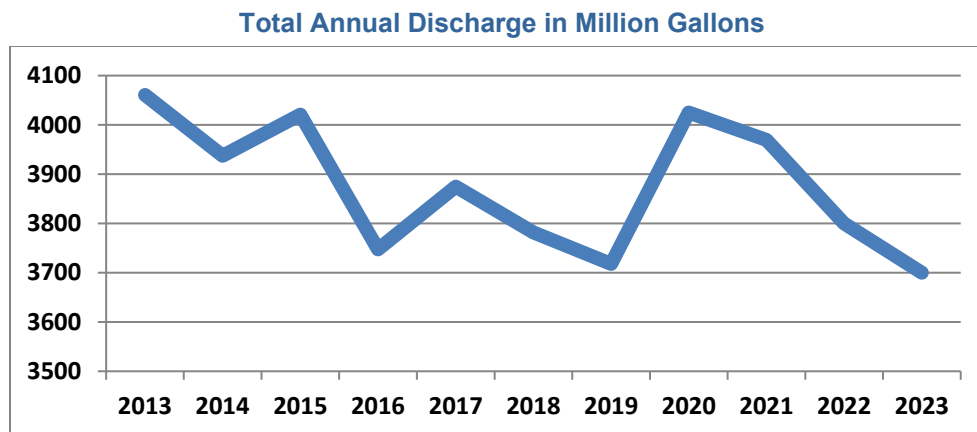
Each year, the rate model is updated and any rate changes are included in the budget. The following table represents the rates through FYE 2023.

**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>
2021	\$1,018	\$329	\$460	\$6,654	\$13,505
2022	\$1,018	\$329	\$460	\$6,654	\$13,505
2023	\$1,049	\$339	\$474	\$6,654	\$13,505

#### **Volumetric Charges**

Volumetric charges are based on million gallons (MG) of discharge into the system. Total discharge into the system is projected to be 3,800 MG for FYE 2022 and 3,700 MG for FYE 2023. In FYE 2022, revenues from volumetric charges are projected to be \$3.9 million, or approximately 32% of the \$12.2 million projected for total discharge fees. In FYE 2023, revenues from volumetric charges are projected to be \$3.9 million, or approximately 32% of the \$12.1 million projected for total discharge fees. For FYE 2022, rates will not be increased from FYE 2021. For FYE 2023, only the pass through portions of flow, BOD, and TSS will increase based on projected OC San rate increases.



### **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 2022, BOD/TSS charges are projected to be \$2.5 million, or approximately 21% of the \$12.2 million projected for total discharge fees. In FYE 2023, BOD/TSS charges are projected to be \$2.5 million, or approximately 21% of the \$12.1 million projected for total discharge fees.

### **Fixed Charges**

Fixed charges cover the portion of annual operating expenses that are fixed regardless of flow amount. 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 2022, fixed charges are projected to be \$5.3 million, or approximately 43% of the \$12.2 million projected for total discharge fees. In FYE 2023, fixed charges are projected to be \$5.3 million, or approximately 44% of the \$12.1 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 1.6 MGD per month for both FYEs 2022 and 2023. The rates for truck discharge fees are shown in the table below:

<i>Waste Strength</i>	<i>BOD or TSS Concentration</i>	<i>FYE 2022</i>	<i>FYE 2023</i>
Brine	Less than 100 mg/L	\$0.016	\$0.016
Non Brine Tier	100 mg/L or higher	*	*

\* Concentrations 100 mg/L and higher will be charged using the following cost components: \$0.016 per gallon, \$0.78/pound of BOD, and \$0.745/pound of TSS.

In FYE 2022, truck discharge fees are projected to be \$451,500, or approximately 4% of the \$12.2 million projected for total discharge fees. In FYE 2023, truck discharge fees are projected to be \$346,500, or approximately 3% of the \$12.1 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 \$600 permit fee for each meter in the system, indirect dischargers are charged \$300, and liquid waste haulers are charged \$250. There are currently 35 direct connections, 15 indirect dischargers, and 11 liquid waste haulers in the system. In FYE 2022, permit fees are projected to be \$28,250 or approximately 0.23% of the \$12.2 million projected for total discharge fees. In FYE 2023, permit fees are projected to be \$28,250 or approximately 0.23% of the \$12.1 million projected for total discharge fees.

### **Sampling Surcharge**

Sampling Surcharges are the fees charged by OC Sanitation District for the special sampling done on Stringfellow discharges. No sampling surcharge revenues are projected for FYEs 2022 and 2023.

### **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 FYEs 2022 and 2023.

### **SRF Loans**

SAWPA has used SRF Loans to fund capital repair projects. No revenues from SRF Loans are projected for FYEs 2022 and 2023.

### **Interest and Investments**

In FYE 2022 and 2023, interest and investment revenues are projected to be \$325,000, or approximately 2% 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 LAIF and Securities.

### **Other Income**

Other Income is made up of four income categories; Use of Reserves, Mitigation Credit Sales, Other Income, and Operating Transfers. In FYE 2022, Other Income is projected to be \$2.1 million, or approximately 11% of the Agency's total revenues. In FYE 2023, Other Income is projected to be \$3.4 million, or approximately 16% of the Agency's total revenues. An explanation of each category is listed below.

### **Use of Reserves**

SAWPA's CIP assumes pay-as-you-go funding using reserves and excess operating cash. In FYE 2022, Use of Reserves is projected to be \$1.8 million. In FYE 2023, Use of Reserves is projected to be \$2.2 million.

### **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 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 FYEs 2022, we are not anticipating any mitigation credit sales. In FYE 2023, we anticipate selling the remaining 20 acres of mitigation credits for a total of \$889,900.

### Other Income

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.

### Operating Transfers

As part of the Basin Plan Amendment to Revise Recreation Standards for Inland Freshwaters in the Santa Ana Region the Regional Water Quality (RWQ) Monitoring Task Force was established to implement a regional monitoring program. In an effort to eliminate redundancy and streamline reporting of regional monitoring efforts, the MSAR TMDL Task Force decided to transfer funding from their task force to the RWQ Monitoring Task Force and have them do the required monitoring.

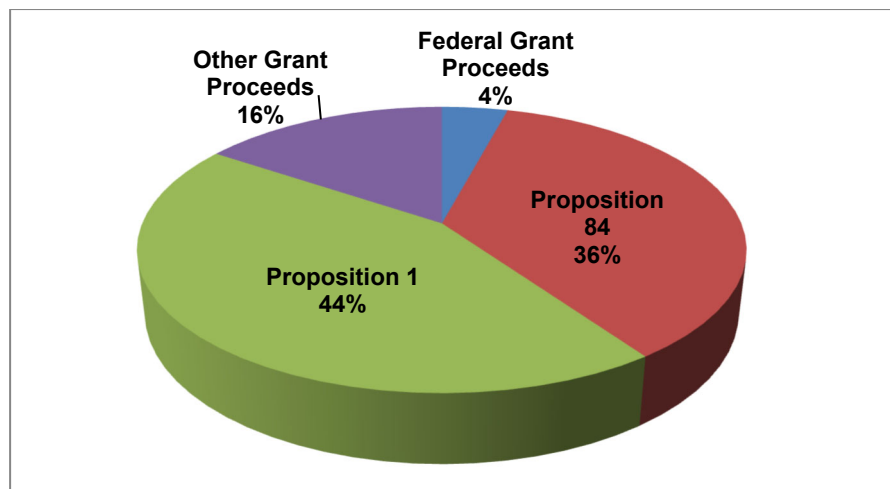
### Grant Proceeds

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.

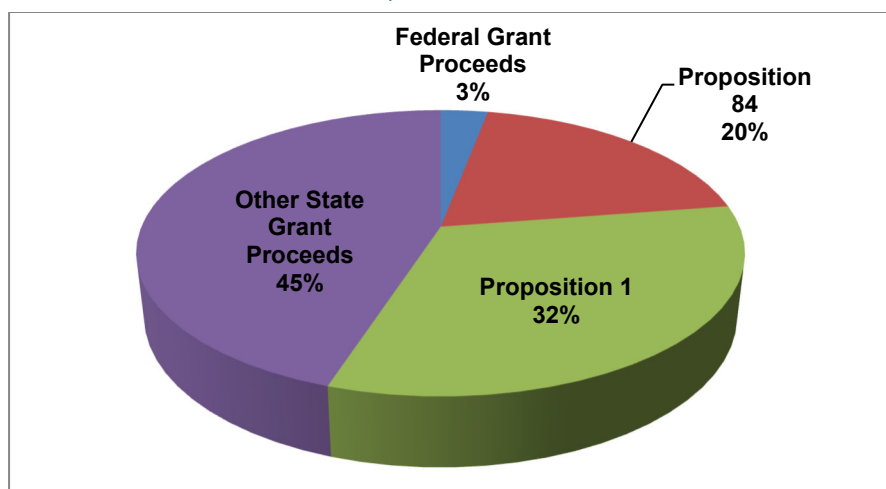
In FYE 2022, grant proceeds are expected to be \$1.2 million, or approximately 6% of the Agency's total revenue. In FYE 2023, grant proceeds are expected to be \$1.7 million, or approximately 8% of the Agency's total revenue.

Grant proceeds 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 FYEs 2022 and 2023 Budget.

**Grant Proceeds  
FYE 2022  
\$1.2 Million**



**Grant Revenues  
FYE 2023  
\$1.7 Million**



### **Proposition 84**

In 2006, Propositions 84, 1E, and 1C were approved by the voters. Under Chapter 2 of Proposition 84, \$114 million was allocated to the Watershed subject to an adopted IRWMP. Through the SAWPA OWOW Plan, an IRWMP for the Watershed was crafted and was instrumental in securing funds for the region. SAWPA has received \$12.7 million in grant funding under Proposition 84 IRWM Round 1 implementation in August 2011, \$15.1 million in Round 2 implementation in late 2013, \$12.9 million in grant funding from the Drought Round implementation in early 2015. Under the Final Proposition 84 Round 2015, \$64.3 million in grant funding has been allocated to SAWPA and will be provided to SAWPA on a reimbursable basis through Fall 2023.

### **Proposition 1 – DACI Grant**

In 2016, Proposition 1 IRWM program designated 10% of grant funding (\$6.3 million) for a disadvantaged communities involvement (DACI) program to support water needs assessment within the Watershed. SAWPA, as the lead for the State designated Regional Water Management Group for the Santa Ana Funding Area, was designated as the administrator and implementer of this program. The DACI Program was developed through significant stakeholder engagement and support by the SAWPA Commission and OWOW Steering Committee. In 2021, the SAWPA DACI program was extended by the Department of Water Resources to add an additional \$5 million from the DWR Urban and Multi-benefit Drought Relief grant program to support water infrastructure needs for projects identified under DACI.

### **Proposition 1 – Capital Projects**

On November 4, 2014, California voters approved Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act of 2014. Proposition 1 authorized \$510 million in IRWM funding. The Proposition 1 IRWM Grant Program, administered by DWR, provides funding for projects that help meet the long-term water needs of the state. Of the \$510 million, \$63 million will be allocated to the Watershed. DWR has released the first round of grant funding and SAWPA was awarded approximately \$23 million in grant funding for projects. The 2<sup>nd</sup> and final round of Proposition 1 IRWM Implementation Grant funding, approximately \$27 million, is anticipated to be awarded in late 2022. One of the projects that SAWPA will be submitting as part of the Round 2 grant application is the Santa Ana River Watershed Weather Modification Pilot project to explore the effectiveness of cloud seeding in the watershed.

### **Other State Grant Proceeds**

Additional State grant funding has been awarded to SAWPA from the California Strategic Growth Council (SGC) as part of joint application and award to the City of Riverside for the development and



implementation of neighborhood-level climate sustainability projects as part of the Transformative Climate Communities (TCC) program. The grant will provide SAWPA with \$187,336 in FYE 2022 and \$301,208 in FYE 2023 for turf removal and drought tolerant landscaping in the City of Riverside.

SAWPA staff will also be applying for State grant funding to fund water infrastructure improvements to support the Santa Ana Sucker, an endangered fish species, in the Santa Ana River. The source of the state grant funding is the 2021 DWR Urban and Multi-benefit Drought Relief grant program.

#### **Federal Grant Proceeds**

SAWPA will continue to explore grant funding opportunities 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, and address endangered species habitats. Federal funding grant application may serve as match to various State grant funded projects previously described.

## REVENUES FYE 2022

		Member Contributions	Participant Fees	Discharge Fees	Interest & Investments	Other Income	Grant Proceeds	Total FYE 2022	Total FYE 2021	Inc (Dcr) from Prior Year	% Change
100	General Fund	\$ 716,847	–	–	–	–	–	\$ 716,847	\$ 680,339	\$ 36,508	5.4%
135	Prop 84 – R2 Program Management	–	–	–	–	–	\$ 7,960	\$ 7,960	\$ 64,006	\$ (56,046)	(87.6%)
145	Prop 84 – 2015 Program Management	–	–	–	–	–	\$ 184,228	\$ 184,228	\$ 466,863	\$ (282,635)	(60.5%)
150	Prop 1 –Program Management	–	–	–	–	–	\$ 225,808	\$ 225,808	\$ –	\$ 225,808	0.0%
240	Brine Line Enterprise	–	–	\$ 12,192,272	\$ 325,000	–	–	\$ 12,517,272	\$ 15,236,445	\$ (2,719,173)	(17.8%)
320	Brine Line Protection Project	–	–	–	–	\$ 1,772,064	–	\$ 1,772,064	\$ 1,466,878	\$ 305,186	20.8%
327	Reach IV-D Corrosion Repair	–	–	–	–	\$ 14,818	–	\$ 14,818	\$ 82,151	\$ (67,333)	(82.0%)
370	Basin Planning General	\$ 400,000	–	–	–	–	–	\$ 400,000	\$ 460,000	\$ (60,000)	(13.0%)
370	USBR Partnership Studies	\$ 20,000	–	–	–	–	\$ 50,000	\$ 70,000	\$ 70,000	\$ –	0.0%
373	Watershed Management (OWOW)	\$ 400,000	\$ 68,700	–	–	–	–	\$ 468,700	\$ 450,000	\$ 18,700	4.2%
374	Basin Monitoring Program Task Force	–	\$ 459,998	–	–	–	–	\$ 459,998	\$ 338,000	\$ 121,998	36.1%
381	SA River Fish Conservation Task Force	\$ 10,000	\$ 19,000	–	–	–	–	\$ 29,000	\$ 29,000	\$ –	0.0%
384	MSAR TMDL Task Force	–	\$ 269,625	–	–	–	–	\$ 269,625	\$ 416,000	\$ (146,375)	(35.2%)
386	RWQ Monitoring Task Force	–	\$ 192,220	–	–	\$ 114,625	–	\$ 306,845	\$ 418,000	\$ (111,155)	(26.6%)
387	Arundo & Habitat Restoration	–	–	–	–	–	–	\$ –	\$ –	\$ –	0.0%
392	Emerging Constituents Task Force	–	\$ 113,000	–	–	–	–	\$ 113,000	\$ 38,711	\$ 74,289	191.9%
397	WE CAN - Riverside	–	\$ 30,000	–	–	–	\$ 187,336	\$ 217,336	\$ –	\$ 217,336	100.0%
398	Proposition 1 - DACI	–	–	–	–	–	\$ 27,206	\$ 27,206	\$ 2,054,180	\$ (2,026,974)	(98.7%)
477	LESJWA Administration	\$ 10,000	–	–	–	\$ 188,633	–	\$ 198,633	\$ 216,881	\$ (18,248)	(8.4%)
504	Proposition 84 - SARCCUP	–	\$ 433,512	–	–	–	\$ 337,313	\$ 770,825	\$ 979,142	\$ (208,317)	(21.3%)
505	Proposition 1 - Capital Projects	–	\$ 472,224	–	–	–	\$ 179,384	\$ 651,608	\$ 642,668	\$ 8,940	100.0%
		<b>\$ 1,556,847</b>	<b>\$ 2,058,279</b>	<b>\$ 12,192,272</b>	<b>\$ 325,000</b>	<b>\$ 2,090,140</b>	<b>\$ 1,199,235</b>	<b>\$ 19,421,773</b>	<b>\$ 24,109,263</b>	<b>\$ (4,687,491)</b>	<b>(19.4%)</b>

### PASS THROUGH

504	Proposition 84 – Capital Projects	–	–	–	–	–	\$ 13,142,581	\$ 13,142,581			
505	Proposition 1 - Capital Projects	–	–	–	–	–	\$ 9,731,225	\$ 9,731,225			
<i>Total</i>								<b>\$ 22,873,806</b>			

## REVENUES FYE 2023

		Member Contributions	Participant Fees	Discharge Fees	Interest & Investments	Other Income	Grant Proceeds	Total FYE 2023	Total FYE 2022	Inc (Dcr) from Prior Year	% Change
100	General Fund	\$ 725,427	–	–	–	–	–	\$ 725,437	\$ 716,847	\$ 8,590	1.2%
135	Prop 84 – R2 Program Management	–	–	–	–	–	–	\$ –	\$ 7,960	\$ (7,960)	(100.0%)
145	Prop 84 – 2015 Program Management	–	–	–	–	–	\$ 190,677	\$ 190,677	\$ 184,228	\$ 6,449	3.5%
150	Prop 1 –Program Management	–	–	–	–	–	\$ 301,706	\$ 301,706	\$ 225,8088	\$ 75,898	0.0%
240	Brine Line Enterprise	–	–	\$ 12,071,872	\$ 325,000	–	–	\$ 12,396,872	\$ 12,517,272	\$ (120,400)	(1.0%)
320	Brine Line Protection Project	–	–	–	–	\$ 1,397,185	–	\$ 1,397,185	\$ 1,772,064	\$ (374,879)	(21.2%)
327	Reach IV-D Corrosion Repair	–	–	–	–	\$ 810,746	–	\$ 810,746	\$ 14,818	\$ 795,928	5371.4%
370	Basin Planning General	\$ 400,000	\$ 200,000	–	–	–	\$ 200,000	\$ 800,000	\$ 400,000	\$ 400,000	100.0%
370	USBR Partnership Studies	\$ 20,000	–	–	–	–	\$ 50,000	\$ 70,000	\$ 70,000	\$ –	0.0%
373	Watershed Management (OWOW)	\$ 400,000	\$ 68,700	–	–	–	–	\$ 468,700	\$ 468,700	\$ –	0.0%
374	Basin Monitoring Program Task Force	–	\$ 485,998	–	–	–	–	\$ 485,998	\$ 459,998	\$ 26,000	5.7%
381	SA River Fish Conservation Task Force	\$ 10,000	\$ 19,000	–	–	–	\$ 250,000	\$ 279,000	\$ 29,000	\$ 250,000	862.1%
384	MSAR TMDL Task Force	–	\$ 319,625	–	–	–	–	\$ 319,625	\$ 269,625	\$ 50,000	18.5%
386	RWQ Monitoring Task Force	–	\$ 272,220	–	–	\$ 114,625	–	\$ 386,845	\$ 306,845	\$ 80,000	26.1%
387	Arundo & Habitat Restoration	–	–	–	–	\$ 889,900	–	\$ 889,900	\$ –	\$ 889,900	100.0%
392	Emerging Constituents Task Force	–	\$ 113,000	–	–	–	–	\$ 113,000	\$ 113,000	\$ –	0.0%
397	WECAN - Riverside	–	\$ 50,000	–	–	–	\$ 301,208	\$ 351,208	\$ 217,336	\$ 133,871	0.6%
398	Proposition 1 – DACI	–	–	–	–	–	–	\$ –	\$ 27,206	\$ (27,206)	(100.0%)
477	LESJWA Administration	\$ 10,000	–	–	–	\$ 188,307	–	\$ 198,307	\$ 198,633	\$ (326)	(0.2%)
504	Proposition 84 - SARCCUP	–	\$ 160,000	–	–	–	\$ 136,370	\$ 296,370	\$ 770,825	\$ (474,455)	(61.6%)
505	Proposition 1 - Capital Projects	–	\$ 20,955	–	–	–	\$ 240,751	\$ 261,706	\$ 651,608	\$ (389,902)	(59.8%)
		<b>\$ 1,565,437</b>	<b>\$ 1,709,498</b>	<b>\$ 12,071,872</b>	<b>\$ 325,000</b>	<b>\$ 3,400,763</b>	<b>\$ 1,670,712</b>	<b>\$ 20,743,282</b>	<b>\$ 19,421,773</b>	<b>\$ 1,321,509</b>	<b>6.8%</b>

### PASS THROUGH

504	Proposition 84 – Capital Projects	–	–	–	–	–	\$ 15,174,747	\$ 15,174,747			
505	Proposition 1 - Capital Projects	–	–	–	–	–	\$ 6,034,970	\$ 6,034,970			
<i>Total</i>								<b>\$ 21,206,717</b>			

# Section 6

## Debt Service





# Debt Service

The Agency's outstanding debt at the beginning of FYE 2022 totals \$25.5 million. Total outstanding debt includes five State Revolving Fund (SRF) loans for the construction of pipelines/facilities.

## Impact on proposed budget

The total debt service obligations (interest and principal) included in the budget for the FYEs 2022 and 2023 amounts to \$2.6 and \$1.7 million for each year, or 12.9% and 8.3% 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.

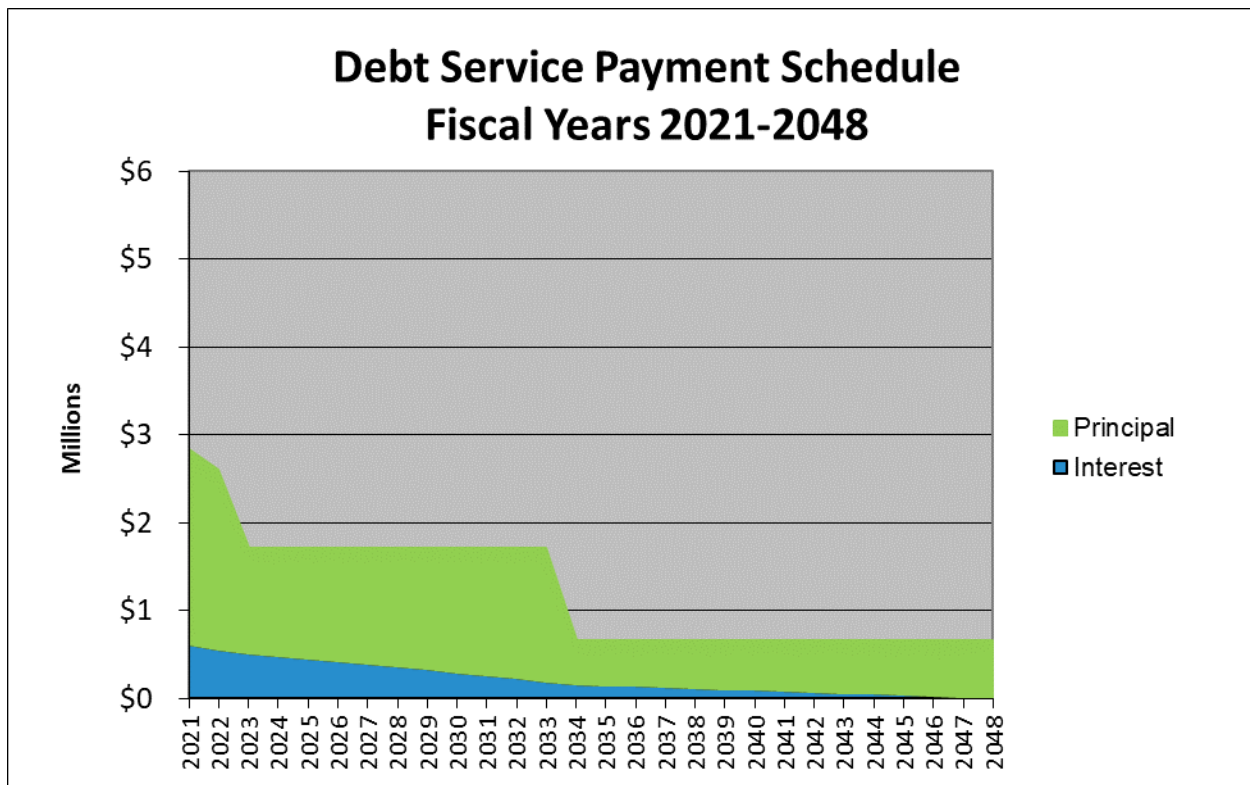
## Future Debt Financing

In 2006, the SAWPA Commission approved, for planning purposes, a CIP totaling over \$48 million. The CIP will be funded by a combination of rate increases, use of reserves, pay-as-you-go, and debt financing. There are no planned debt financings within the next five years.

## Funding

The Agency has established debt reserves to cover its debt service obligations in the amount of \$4.8 million at the beginning of FYE 2022. Those reserves are held in medium and short-term investments.

The graph and table below show total debt service payments, principal and interest, that will be made through 2048.



### Total Debt Schedule and Graph

FYE	Interest	Principal	Total Payment	Remaining Principal
2021	\$ 620,782	\$ 2,214,971	\$ 2,835,753	\$ 25,471,969
2022	564,959	2,043,480	2,608,439	23,428,489
2023	514,301	1,195,175	1,709,476	22,233,314
2024	486,080	1,223,395	1,709,476	21,009,919
2025	457,181	1,252,295	1,709,476	19,757,624
2026	427,585	1,281,891	1,709,476	18,475,733
2027	397,276	1,312,199	1,709,476	17,163,534
2028	366,237	1,343,239	1,709,476	15,820,295
2029	334,449	1,375,027	1,709,476	14,445,268
2030	301,894	1,407,582	1,709,476	13,037,686
2031	268,553	1,440,923	1,709,476	11,596,763
2032	234,407	1,475,068	1,709,476	10,121,694
2033	199,437	1,510,039	1,709,476	8,611,656
2034	163,621	501,581	665,203	8,110,075
2035	154,091	511,111	665,203	7,598,963
2036	144,380	520,822	665,203	7,078,141
2037	134,485	530,718	665,203	6,547,423
2038	124,401	540,801	665,203	6,006,622
2039	114,126	551,077	665,203	5,455,545
2040	103,655	561,547	665,203	4,893,998
2041	92,986	572,217	665,203	4,321,782
2042	82,114	583,089	665,203	3,738,693
2043	71,035	594,167	665,203	3,144,526
2044	59,746	605,457	665,203	2,539,069
2045	48,242	616,960	665,203	1,922,109
2046	36,520	628,682	665,203	1,293,426
2047	24,575	640,627	665,203	652,799
2048	12,403	652,799	665,203	-

### Debt Service Fund Analysis

FYE	From Rates	Loan Payments	Interest Earned *	Excess/(Use) of Cash	Ending Cash Reserve Balance
Beg. Balance					\$ 4,808,151
2022	\$ 1,709,476	\$ (2,835,753)	\$ 96,163	\$ (635,115)	4,173,036
2023	1,709,476	(2,835,753)	83,461	(1,042,817)	3,130,219
2024	1,709,476	(2,608,439)	62,604	(836,359)	2,293,860
2025	1,709,476	(1,709,476)	45,877	45,877	2,339,737
2026	1,709,476	(1,709,476)	46,795	46,795	2,386,532
2027	1,709,476	(1,709,476)	47,731	47,731	2,434,263
2028	1,709,476	(1,709,476)	48,685	48,685	2,482,948
2029	1,709,476	(1,709,476)	49,659	49,659	2,532,607
2030	1,709,476	(1,709,476)	50,652	50,652	2,583,259
2031	1,709,476	(1,709,476)	51,665	51,665	2,634,924
2032	1,709,476	(1,709,476)	52,699	52,699	2,687,623
2033	1,709,476	(1,709,476)	53,752	53,752	2,741,375
2034	1,709,476	(1,709,476)	54,828	54,828	2,796,203
2035	1,709,476	(1,709,476)	55,924	55,924	2,852,127
2036	665,203	(665,203)	57,043	57,043	2,909,170
2037	665,203	(665,203)	58,183	58,183	2,967,353
2038	665,203	(665,203)	59,347	59,347	3,026,700
2039	665,203	(665,203)	60,534	60,534	3,087,234
2040	665,203	(665,203)	61,745	61,745	3,148,979
2041	665,203	(665,203)	62,980	62,980	3,211,959
2042	665,203	(665,203)	64,239	64,239	3,276,198
2043	665,203	(665,203)	65,524	65,524	3,341,722
2044	665,203	(665,203)	66,834	66,834	3,408,556
2045	665,203	(665,203)	68,171	68,171	3,476,727
2046	665,203	(665,203)	70,925	70,925	3,547,652
2047	665,203	(665,203)	72,344	72,344	3,619,996
2048	665,203	(665,203)	75,266	75,266	3,695,262
<b>Totals</b>	<b>\$ 32,580,303</b>	<b>\$ (35,731,820)</b>	<b>\$ 1,643,630</b>	<b>\$ (1,118,889)</b>	<b>\$ 3,695,262</b>

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

### SRF Loan

The Brine Line construction was primarily funded by SRF loans issued by the State Water Resources Control Board (SWRCB). The Agency has five outstanding SRF loans, one loan funded Reach IV-A and IV-B Repairs, three loans funded construction for Reach V of the Brine Line (Temescal Valley Regional Interceptor (TVRI)), which will be paid off in 2022, and one loan funded the Reach V Capital Repair Project.



### Reach IV-A and IV-B Repairs

After inspection of the unlined reinforced concrete pipe (RCP) used in the construction of portions of Reach IV-A and IV-B, which was 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 were slip lined to protect the integrity of the pipeline and another 25,023 linear feet were rehabilitated using cured-in-place pipe (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	\$ 1,044,273
<b>Total</b>	<b>\$ 15,956,864</b>			<b>\$ 1,044,273</b>

### 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	Loan Payments
Beg. Balance		
2022	\$ 1,044,273	\$ (1,044,273)
2023	1,044,273	(1,044,273)
2024	1,044,273	(1,044,273)
2025	1,044,273	(1,044,273)
2026	1,044,273	(1,044,273)
2027	1,044,273	(1,044,273)
2028	1,044,273	(1,044,273)
2029	1,044,273	(1,044,273)
2030	1,044,273	(1,044,273)
2031	1,044,273	(1,044,273)
2032	1,044,273	(1,044,273)
2033	1,044,273	(1,044,273)
<b>Totals</b>	<b>\$ 12,531,276</b>	<b>\$ (12,531,276)</b>

### 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
<b>Total</b>	<b>\$ 17,107,338</b>			<b>\$ 1,126,278</b>

### 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	—**
<b>Total</b>		<b>\$ 25,792,500</b>		<b>\$ 795,772</b>

\* 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 continued through 2020, yielding \$395,000 annually. The T-Strip maturities were 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.

#### Debt Service Fund Analysis

FYE	T-Strip Maturities	Transfers	Loan Payments	Interest Earned*	Ending Reserve Cash Balance
					\$ —
	Beg. Balance				
2022	\$ —	\$ 898,963	\$ (898,963)	\$ —	\$ —
<b>Totals</b>	<b>\$ —</b>	<b>\$ 898,963</b>	<b>\$ (898,963)</b>	<b>\$ —</b>	<b>\$ —</b>

Interest earned is based on a conservative estimate of 2%

### Reach V Capital Repairs

On October 18, 2011, a catastrophic failure and brine spill occurred on Reach V of the Brine Line. An investigation revealed that in some portions of Reach V, the original PVC pipe had experienced deflection, and that the resulting increase in ovality had contributed to the failure, resulting in the spill. Further investigation found that other instances of deflection appeared to exist in other segments of Reach V. A project was developed to investigate the condition and shape of the original pipe in the area of question and, based on that investigation, address each segment either by leaving it in place, lining it with CIPP, or excavating and replacing the segment. The project was completed in January 2018 at a cost of \$30.9 million. An SRF loan in the amount of \$15,000,000 was obtained to fund construction of the pipeline repairs.

#### SRF Loans

Repayment Began	Loan Amount	Interest Rate	Term	Annual Payment
03/31/2019	\$ 15,000,000	1.90%	30 Years	\$ 665,203
<b>Total</b>	<b>\$ 15,000,000</b>			<b>\$ 665,203</b>

### 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 V Capital Repairs SRF loan payments.

#### **Debt Service Fund Analysis**

FYE	From Rates	Transfers	Loan Payments	Interest Earned*	Ending Reserve Cash Balance
	Beg. Balance				\$ 3,387,340
2022	\$ 665,203	\$ (898,963)	\$ (665,203)	\$ 68,418	2,556,795
2023	665,203	—	(665,203)	62,604	2,619,399
2024	665,203	—	(665,203)	45,877	2,665,276
2025	665,203	—	(665,203)	46,795	2,712,071
2026	665,203	—	(665,203)	47,731	2,759,802
2027	665,203	—	(665,203)	48,685	2,808,487
2028	665,203	—	(665,203)	49,659	2,858,146
2029	665,203	—	(665,203)	50,652	2,908,798
2030	665,203	—	(665,203)	51,665	2,960,463
2031	665,203	—	(665,203)	52,699	3,013,162
2032	665,203	—	(665,203)	53,752	3,066,914
2033	665,203	—	(665,203)	54,828	3,121,742
2034	665,203	—	(665,203)	55,924	3,177,666
2035	665,203	—	(665,203)	57,043	3,234,709
2036	665,203	—	(665,203)	58,183	3,292,892
2037	665,203	—	(665,203)	59,347	3,352,239
2038	665,203	—	(665,203)	60,534	3,412,773
2039	665,203	—	(665,203)	61,745	3,474,518
2040	665,203	—	(665,203)	62,980	3,537,498
2041	665,203	—	(665,203)	64,239	3,601,737
2042	665,203	—	(665,203)	65,524	3,667,261
2043	665,203	—	(665,203)	66,834	3,734,095
2044	665,203	—	(665,203)	68,171	3,802,266
2045	665,203	—	(665,203)	69,535	3,871,801
2046	665,203	—	(665,203)	70,925	3,942,726
2047	665,203	—	(665,203)	72,344	4,015,070
2048	665,203	—	(665,203)	75,266	4,090,336
<b>Totals</b>	<b>\$ 17,960,481</b>	<b>\$ (898,963)</b>	<b>\$ (17,960,481)</b>	<b>\$ 1,601,959</b>	<b>\$ 4,090,336</b>

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

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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 Reserve** – 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 FYEs 2022 and 2023** – There are no contributions projected to be made to this reserve for both FYEs 2022 and 2023. It is projected that no funds will be used from reserves to help pay debt service for FYEs 2022 and 2023. Debt service payment will be covered by rates for FYE 2022 and 2023.

### **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, Rate Stabilization Reserve, OC San Rehabilitation Reserve, OC San 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 Level** – 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 FYEs 2022 and 2023** – No contributions are projected to be made to this reserve for FYEs 2022 and 2023. Total funds in this account exceed 25% of operating expenses for both years.

### **Rate Stabilization Reserve**

- ◆ **Definition and Purpose** – Established to mitigate the effects of occasional shortfalls in revenue. Revenue shortfalls result from a number of events such as weather factors (wet weather or drought events and natural disasters), increased water conservation, poor regional economic conditions, and unplanned or unexpectedly large rate adjustments/increases.
- ◆ **Target Level** – There is no minimum balance for this reserve. When revenues exceed expenses within a fiscal year, a portion of the Net Gain will be used to fund this reserve.
- ◆ **Events or Conditions Prompting the Use of the Reserve** – This reserve is utilized as needed to pay revenue shortfalls that result from the conditions described above. Expected use of reserves for revenue shortfalls in FYEs 2022 and 2023 are projected to be minimal.
- ◆ **Contribution for FYEs 2022 and 2023** – No contributions are projected to be made to this reserve for FYEs 2022 and 2023.

### **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 FYEs 2022 and 2023 are projected to be \$1,786,882 and \$2,207,931.
- ◆ **Contribution for FYEs 2022 and 2023** – Contributions projected to be made to this reserve are \$928,781 for FYE 2022 and \$1,467,543 for FYE 2023.

#### OC San 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 OC San. 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 OC San 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). Since that study, OC San has determined that SARI Line capital costs will be much lower than the study had shown. SAWPA has reviewed the balance in this reserve and has adjusted 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 OC San SARI Line capital costs.
- ◆ **Contribution for FYEs 2022 and 2023** – No contributions are projected to be made to this reserve for FYEs 2022 and 2023.

#### OC San 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 OC San 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 OC San.
- ◆ **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 Reserve** – This reserve may only be utilized to purchase additional treatment capacity in the OC San 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 FYEs 2022 and 2023** – No contributions are projected to be made to this reserve for FYEs 2022 and 2023.

#### 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 FYEs 2022 and 2023** – No contributions projected to be made to this reserve for FYEs 2022 and 2023.

#### 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 FYEs 2022 and 2023** – No contributions are projected to be made to this reserve for FYEs 2022 and 2023.

#### 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 FYEs 2022 and 2023** – No contributions are projected to be made to this reserve for FYEs 2022 and 2023.

#### 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 Reserve** – 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 FYEs 2022 and 2023** – 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 Reserve** – 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 FYEs 2022 and 2023** – Contributions projected to be made to this reserve are \$100,000 for both FYEs 2022 and FYE 2023.

#### 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.

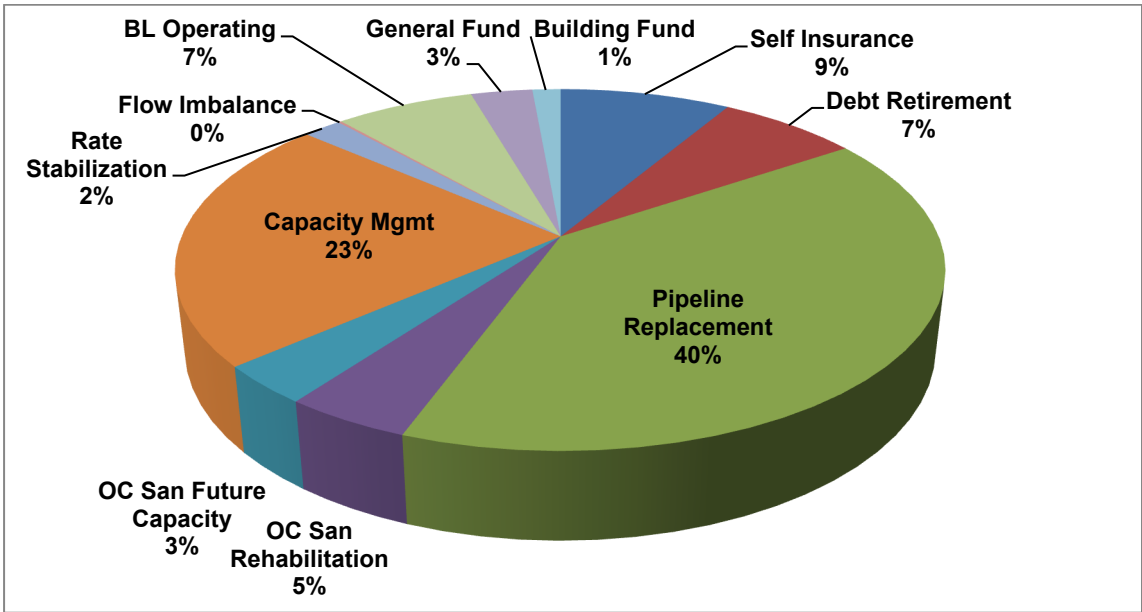
#### Capital Improvement Construction Reserve

- ◆ **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 FYEs 2022 and 2023** – No contributions are projected to be made to this reserve for FYEs 2022 and 2023.

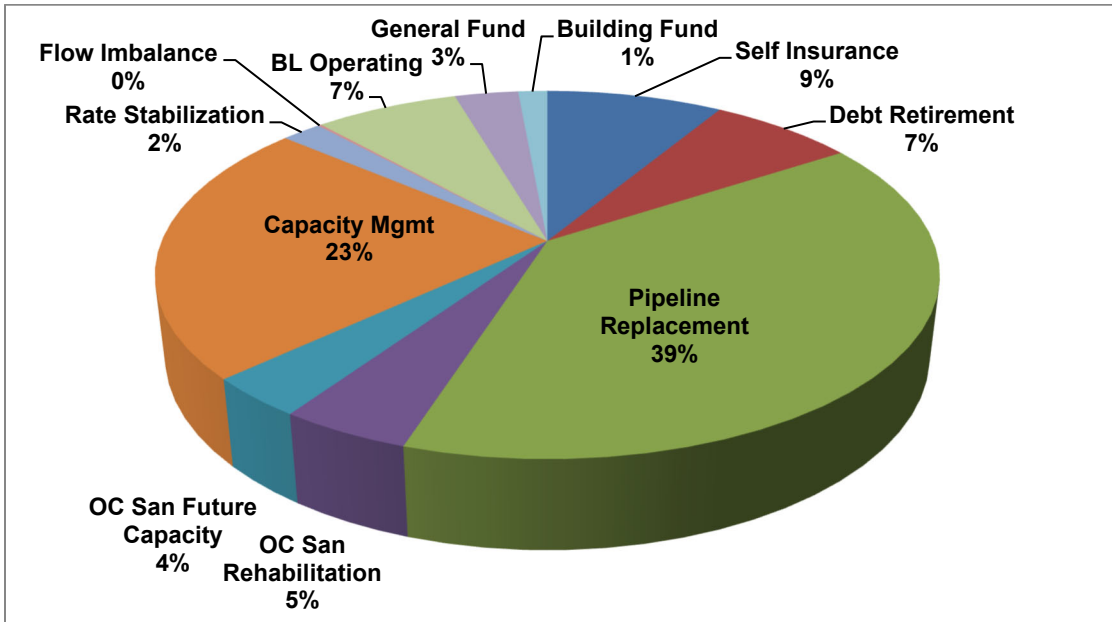
#### Contractually Restricted Reserves

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 2022  
\$52.6 Million**



**Total Reserves/Funds  
FYE 2023  
\$51.8 Million**



# Section 8

## Personnel







# Personnel

Staffing and related employment costs are one of the primary operating expenses for the Agency. For FYE 2022, these costs will represent \$5.7 million, or approximately 26% of the Agency's total budget of \$20.2 million. For FYE 2023, staffing and related employment costs will represent \$5.7 million, or approximately 28% of the Agency's total budget of \$20.6 million. Benefit costs for FYE 2022 have decreased 20.8% from FYE 2021 and have increased by 12.8% for FYE 2023. Overall, employment expenses have decreased by 12.9% (\$784,624) over the FYE 2021 budgeted expenses and have increased by 8.2% (\$434,658) for FYE 2023. The following increases are reflected in the total employment expenses:

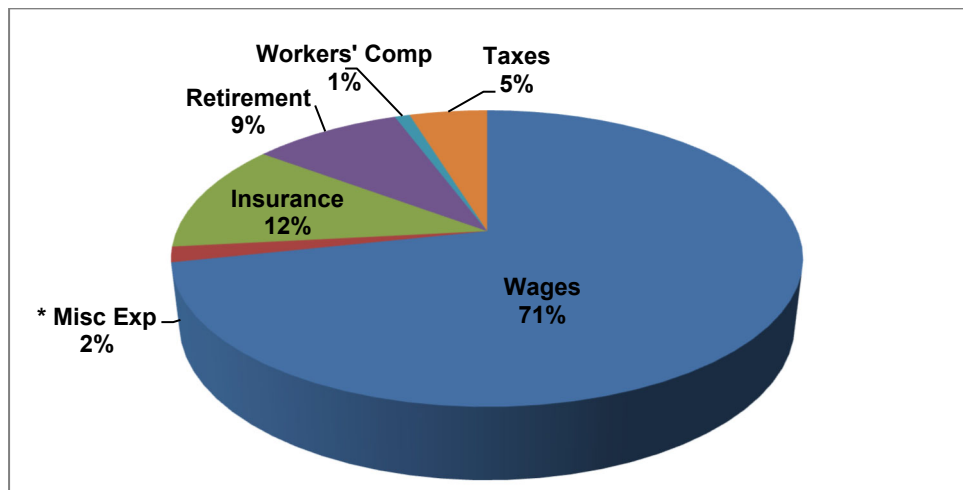
## FYE 2022

- ◆ Projected increases in both insurance and taxes account for a slight increase.
- ◆ Increase in PERS employer contribution rate.
- ◆ An overall 7% increase for COLA and merit pool has been budgeted and approved, that will go into effect on July 1, 2021, for an estimated cost of \$246,867.
- ◆ The budget includes the deletion of two positions: Executive Counsel and Senior Watershed Planner.
- ◆ Funds are available in the budget to be used at the General Manager's discretion for promoting and reclassification of budgeted positions.

## FYE 2023

- ◆ Projected increases in both insurance and taxes account for a slight increase.
- ◆ Increase in PERS employer contribution rate.
- ◆ An overall 7% increase for COLA and merit pool has been budgeted and approved, that will go into effect on July 1, 2022, for an estimated cost of \$263,037.
- ◆ Funds are available in the budget to be used at the General Manager's discretion for promoting and reclassification of budgeted positions.

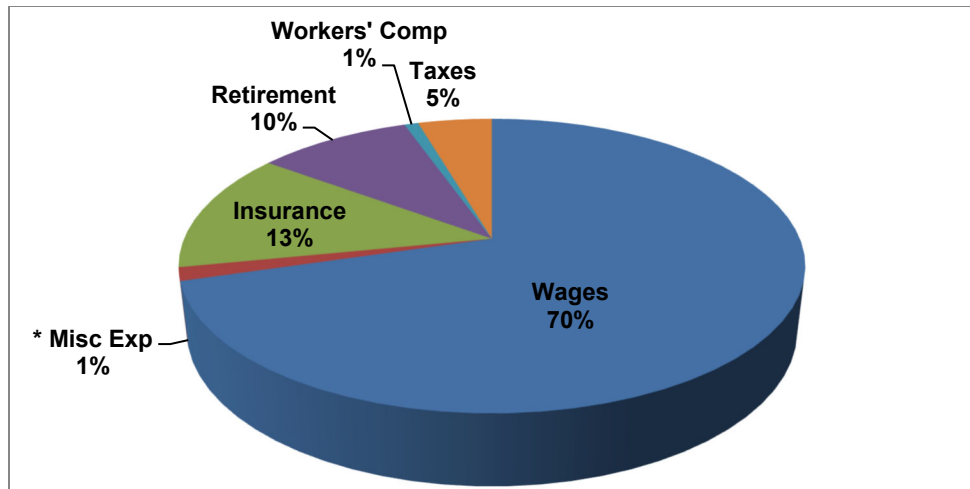
**Employment Expenses  
FYE 2022  
\$5.7 million**



\* Miscellaneous Expense of 2% includes State Unemployment taxes, State Disability Insurance (SDI), car allowance, and other benefits.



**Employment Expenses  
FYE 2023  
\$5.7 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 FYEs 2022 and 2023, these benefits are budgeted at \$1.5 million and \$1.7 million, or approximately 30% of employment expenses.

The following tables display total labor costs for FYEs 2022 and 2023 by department.

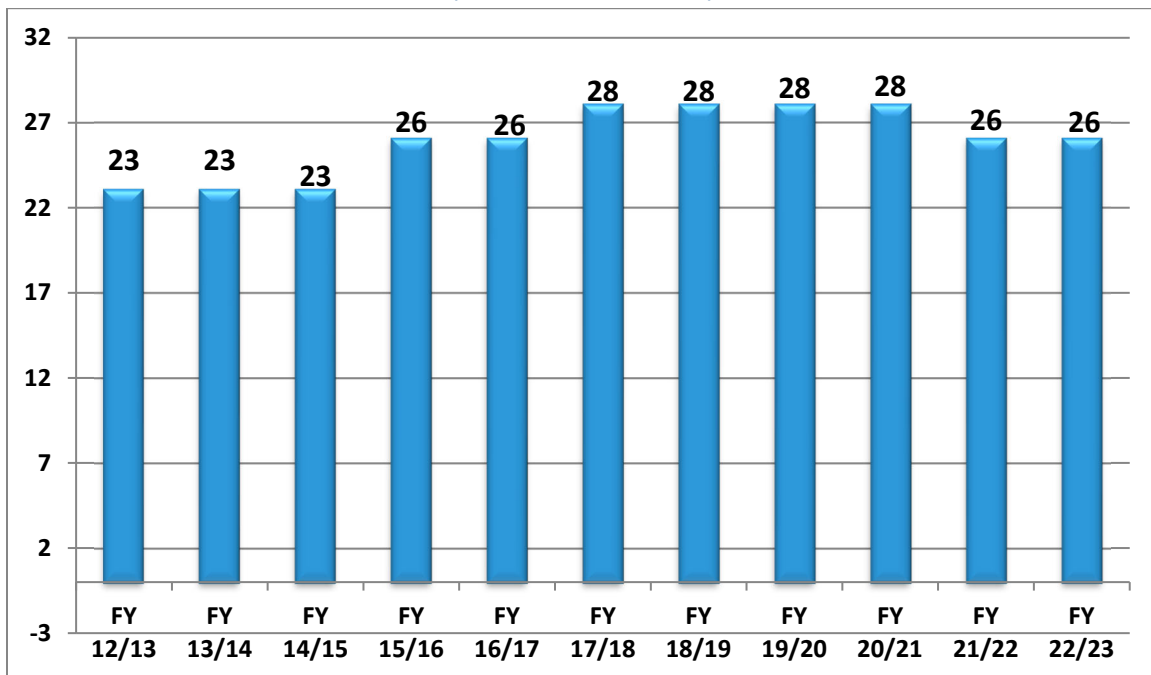
**Labor Costs by Fund 2022**

<i>Department</i>	<i>General</i>	<i>Brine Line</i>	<i>OWOW</i>	<i>Round-table</i>	<i>Capital Projects</i>	<i>Total</i>
<i>Executive Mgmt</i>	\$ 214,858	\$ 40,011	\$ 16,271	\$ 4,269	\$ 2,001	\$ 277,410
<i>Admin Services</i>	361,718	185,030	36,452	21,510	4,486	609,196
<i>Finance/Accounting</i>	314,170	129,399	28,113	32,849	4,368	508,899
<i>Info and Technology</i>	415,389	30,658	27,016	4,386	–	477,449
<i>Engineering</i>	180,386	377,149	95,917	299	40,095	693,846
<i>Operations</i>	162,146	464,992	1,563	6,180	7,839	642,720
<i>Wtr Resources &amp; Plan</i>	129,979	–	336,839	106,250	–	573,068
<b>Total</b>	<b>\$1,778,646</b>	<b>\$ 1,227,239</b>	<b>\$ 542,171</b>	<b>\$ 175,743</b>	<b>\$ 58,789</b>	<b>\$ 3,782,588</b>

### Labor Costs by Fund 2023

Department	General	Brine Line	OWOW	Round-table	Capital Projects	Total
Executive Mgmt	\$ 228,306	\$ 50,005	\$ 12,144	\$ 3,858	\$ 2,857	\$ 297,170
Admin Services	370,208	217,546	37,191	20,406	6,257	651,608
Finance/Accounting	339,174	125,516	44,721	30,065	4,679	544,155
Info and Technology	448,275	34,422	23,215	4,547	–	510,459
Engineering	168,075	395,763	95,953	–	60,561	720,352
Operations	162,133	503,398	–	5,571	17,440	688,542
Wtr Resources & Plan	162,286	–	345,588	105,004	–	612,878
<b>Total</b>	<b>\$ 1,878,457</b>	<b>\$ 1,326,650</b>	<b>\$ 558,812</b>	<b>\$ 169,451</b>	<b>\$ 91,794</b>	<b>\$4,025,165</b>

### Budgeted Staffing Levels FY 12/13 – FY 22/23 (Does not include interns)



### Staffing Plan

The FYEs 2022 and 2023 staffing plan includes the deletion of two positions – Executive Counsel and a Senior Watershed Manager. The following changes have been made: changed the Executive Assistant position to the Clerk of the Board, changed a Senior Administrative Assistant to the Communications Specialist, and changed a Senior Administrative Assistant to an Accounting Technician and moved the position into the Finance/Accounting Department. The following table is a summary of the Agency's budgeted positions.

**Total Budgeted Position Count by Year**

<b>Position</b>	<b>FYE 2019</b>	<b>FYE 2020</b>	<b>FYE 2021</b>	<b>FYE 2022</b>	<b>FYE 2023</b>	<b>Department</b>
<i>General Manager</i>	1	1	1	1	1	<i>Executive Management</i>
<i>Executive Counsel</i>	1	1	1	0	0	<i>Executive Management</i>
<i>Administrative Services Mgr</i>	1	1	1	1	1	<i>Administrative Services</i>
<i>Clerk of the Board</i>	0	0	0	1	1	<i>Administrative Services</i>
<i>Business Analyst II</i>	1	1	1	1	1	<i>Administrative Services</i>
<i>Executive Assistant</i>	1	1	1	1	1	<i>Administrative Services</i>
<i>Senior Administrative Assistant</i>	3	3	3	0	0	<i>Administrative Services</i>
<i>Communications Specialist</i>	0	0	0	1	1	<i>Administrative Services</i>
<i>Deputy GM/Chief Financial Officer</i>	1	1	1	1	1	<i>Finance/Accounting</i>
<i>Accountant/Project Mgr</i>	1	0	0	0	0	<i>Finance/Accounting</i>
<i>Accountant II</i>	1	1	1	1	1	<i>Finance/Accounting</i>
<i>Accounting Technician II</i>	0	1	1	2	2	<i>Finance/Accounting</i>
<i>IS and Technology Mgr</i>	1	1	1	1	1	<i>IS and Technology</i>
<i>Senior GIS Project Manager</i>	1	1	1	1	1	<i>IS and Technology</i>
<i>IS Analyst II</i>	1	1	1	1	1	<i>IS and Technology</i>
<i>Engineering Manager</i>	1	1	1	1	1	<i>Engineering</i>
<i>Project Manager</i>	1	1	1	1	1	<i>Engineering</i>
<i>Mgr Permitting &amp; Pretreatment</i>	1	1	1	1	1	<i>Engineering</i>
<i>Pretreatment Program Specialist</i>	1	1	1	1	1	<i>Engineering</i>
<i>Pretreatment Program Technician I</i>	0	1	1	1	1	<i>Engineering</i>
<i>Operations Manager</i>	1	1	1	1	1	<i>Operations</i>
<i>BL Operations Superintendent</i>	1	1	1	1	1	<i>Operations</i>
<i>Senior Brine Line Pipeline Operator</i>	2	2	2	2	2	<i>Operations</i>
<i>Brine Line Pipeline Operator II</i>	1	1	1	1	1	<i>Operations</i>
<i>Water Res. &amp; Planning Mgr</i>	1	1	1	1	1	<i>Water Resources &amp; Planning</i>
<i>Senior Watershed Manager</i>	3	3	3	2	2	<i>Water Resources &amp; Planning</i>
<i>Grant/Technical Writer</i>	1	0	0	0	0	<i>Water Resources &amp; Planning</i>
<b>Total</b>	<b>28</b>	<b>28</b>	<b>28</b>	<b>26</b>	<b>26</b>	

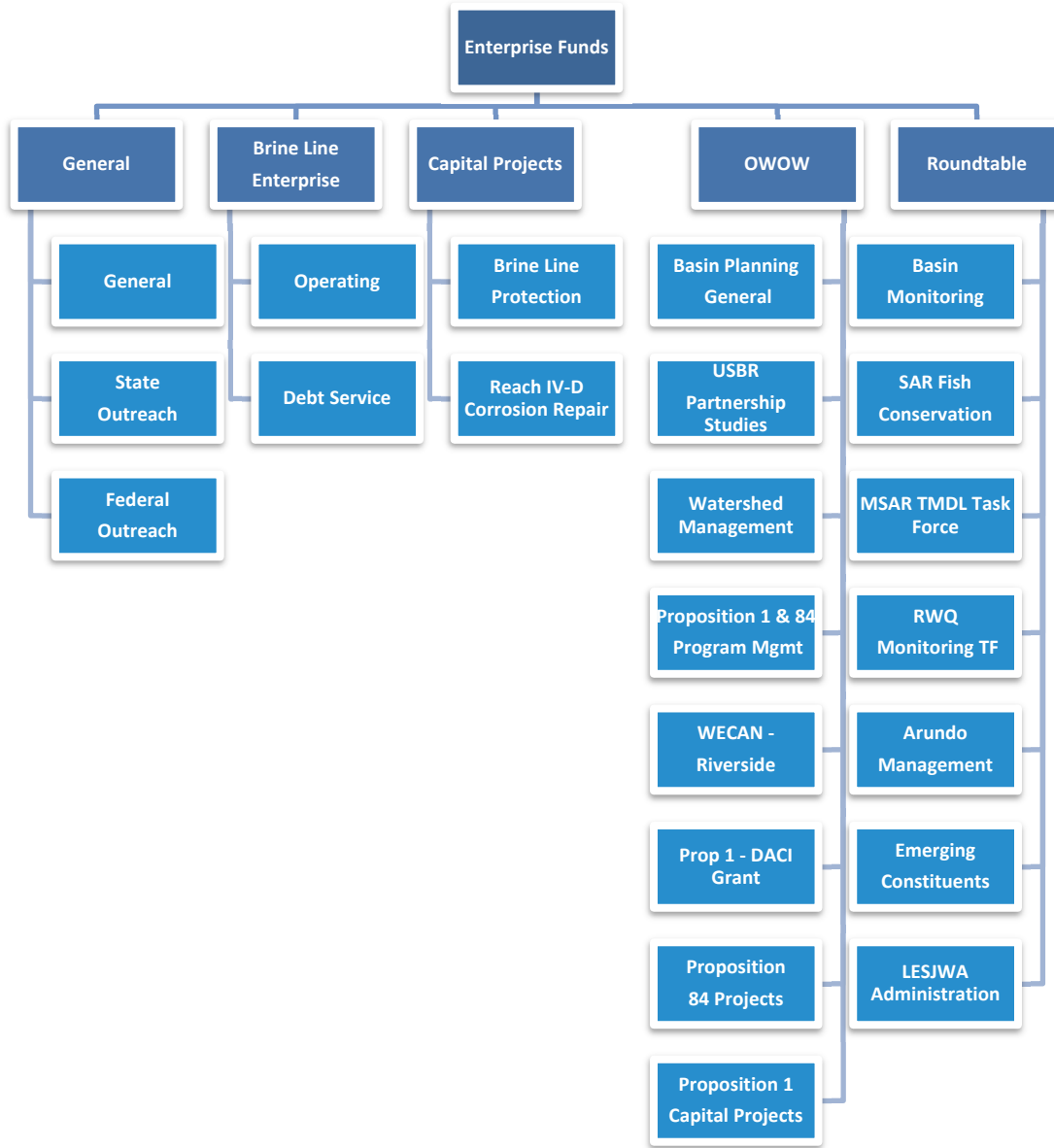
# Section 9

## 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, OWOW, and Roundtable. 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.

<i>Fund Summary - Combined</i>	<i>General Fund</i>		<i>Brine Line Enterprise Fund</i>		<i>OWOW Fund</i>	
<b>Source of Funds:</b>	<b>FYE 2022</b>	<b>FYE 2023</b>	<b>FYE 2022</b>	<b>FYE 2023</b>	<b>FYE 2022</b>	<b>FYE 2023</b>
Discharge Fees	\$ –	\$ –	\$ 12,192,272	\$ 12,071,872	\$ –	\$ –
Grant Proceeds	\$ –	\$ –	\$ –	\$ –	\$ 1,199,235	\$ 1,420,712
Member Agency Contributions	\$ 716,847	\$ 725,437	\$ –	\$ –	\$ 820,000	\$ 820,000
Participant Fees	\$ –	\$ –	\$ –	\$ –	\$ 1,004,436	\$ 499,655
Operating Transfer	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Use of Reserves	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Other Income	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Interest & Investments	\$ –	\$ –	\$ 325,000	\$ 325,000	\$ –	\$ –
<b>Total Source of Funds</b>	<b>\$ 716,847</b>	<b>\$ 725,437</b>	<b>\$ 12,517,272</b>	<b>\$ 12,396,872</b>	<b>\$ 3,023,671</b>	<b>\$ 2,740,367</b>
<b>Use of Funds:</b>						
Labor	\$ 1,778,647	\$ 1,878,457	\$ 1,227,239	\$ 1,326,650	\$ 542,171	\$ 558,814
Benefits	\$ 703,990	\$ 788,329	\$ 485,743	\$ 556,753	\$ 214,592	\$ 234,517
Indirect Costs	\$ (3,232,229)	\$ (3,452,144)	\$ 1,979,458	\$ 2,133,400	\$ 874,486	\$ 898,635
Education & Training	\$ 46,500	\$ 46,600	\$ 14,500	\$ 14,500	\$ –	\$ –
Consulting & Professional Services	\$ 430,250	\$ 435,500	\$ 322,000	\$ 285,000	\$ 1,192,568	\$ 1,207,880
Operating Costs	\$ 6,400	\$ 6,400	\$ 3,833,540	\$ 3,739,650	\$ –	\$ –
Repair & Maintenance	\$ 106,000	\$ 106,400	\$ 480,000	\$ 490,000	\$ –	\$ –
Phone & Utilities	\$ 89,150	\$ 94,350	\$ 10,200	\$ 11,500	\$ –	\$ –
Equipment & Computer	\$ 170,000	\$ 185,400	\$ 218,000	\$ 206,500	\$ –	\$ –
Meeting & Travel	\$ 79,000	\$ 79,000	\$ 10,000	\$ 10,000	\$ 32,100	\$ 17,100
Other Administrative Costs	\$ 153,319	\$ 153,154	\$ 90,900	\$ 90,900	\$ 10,600	\$ 10,600
Other Expenses	\$ 104,178	\$ 106,577	\$ 308,472	\$ 355,000	\$ –	\$ –
Program Expense	\$ –	\$ –	\$ –	\$ –	\$ 459,547	\$ 367,637
Construction	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Debt Service	\$ –	\$ –	\$ 2,608,439	\$ 1,709,476	\$ –	\$ –
<b>Total Use of Funds from Operations</b>	<b>\$ 435,205</b>	<b>\$ 428,023</b>	<b>\$ 11,588,491</b>	<b>\$ 10,929,329</b>	<b>\$ 3,326,064</b>	<b>\$ 3,295,183</b>
<b>Contribution To/(From) Reserves:</b>						
Pipeline Repair/Replacement Reserve	\$ –	\$ –	\$ 928,781	\$ 1,467,543	\$ –	\$ –
Self-Insurance Reserve	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Debt Retirement Reserve	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Retiree Medical Benefits	\$ 181,642	\$ 197,414	\$ –	\$ –	\$ –	\$ –
Building Repair/Replacement Reserve	\$ 100,000	\$ 100,000	\$ –	\$ –	\$ –	\$ –
<b>Total Contributions to Reserves</b>	<b>\$ 281,642</b>	<b>\$ 297,414</b>	<b>\$ 928,781</b>	<b>\$ 1,467,543</b>	<b>\$ –</b>	<b>\$ –</b>
<b>Total Use of Funds</b>	<b>\$ 716,847</b>	<b>\$ 725,437</b>	<b>\$ 12,517,272</b>	<b>\$ 12,396,872</b>	<b>\$ 3,326,064</b>	<b>\$ 3,295,183</b>
Net Gain (Loss)	\$ –	\$ –	\$ –	\$ –	\$ (302,393)	\$ (554,816)
Beginning Fund Balance	\$ –	\$ –	\$ –	\$ –	\$ 965,446	\$ 663,053
Ending Fund Balance	\$ –	\$ –	\$ –	\$ –	\$ 663,053	\$ 108,237

<i>Fund Summary - Combined</i>	<i>Roundtable Fund</i>		<i>Capital Project Fund</i>		<i>Total</i>		
<i>Source of Funds:</i>	<i>FYE 2022</i>	<i>FYE 2023</i>	<i>FYE 2022</i>	<i>FYE 2023</i>	<i>FYE 2022</i>	<i>FYE 2023</i>	<i>2-Yr Budget</i>
Discharge Fees	\$ -	\$ -	\$ -	\$ -	\$ 12,192,272	\$ 12,071,872	\$ 24,264,144
Grant Proceeds	\$ -	\$ 250,000	\$ -	\$ -	\$ 1,199,235	\$ 1,670,712	\$ 2,869,947
Member Agency Contributions	\$ 20,000	\$ 20,000	\$ -	\$ -	\$ 1,556,847	\$ 1,565,437	\$ 3,122,284
Participant Fees	\$ 1,053,843	\$ 1,209,843	\$ -	\$ -	\$ 2,058,279	\$ 1,709,498	\$ 3,767,777
Operating Transfer	\$ 114,625	\$ 114,625	\$ -	\$ -	\$ 114,625	\$ 114,625	\$ 229,250
Use of Reserves	\$ -	\$ -	\$ 1,786,882	\$ 2,207,931	\$ 1,786,882	\$ 2,207,931	\$ 3,994,813
Other Income	\$ 188,633	\$ 1,078,207	\$ -	\$ -	\$ 188,633	\$ 1,078,207	\$ 1,266,840
Interest & Investments	\$ -	\$ -	\$ -	\$ -	\$ 325,000	\$ 325,000	\$ 650,000
<b>Total Source of Funds</b>	<b>\$ 1,377,101</b>	<b>\$ 2,672,675</b>	<b>\$ 1,786,882</b>	<b>\$ 2,207,931</b>	<b>\$ 19,421,773</b>	<b>\$ 20,743,282</b>	<b>\$ 40,165,055</b>
<i>Use of Funds:</i>							
Labor	\$ 175,743	\$ 169,451	\$ 58,789	\$ 91,794	\$ 3,782,588	\$ 4,025,165	\$ 7,807,753
Benefits	\$ 69,560	\$ 71,113	\$ 23,269	\$ 38,523	\$ 1,497,154	\$ 1,689,235	\$ 3,186,389
Indirect Costs	\$ 283,460	\$ 272,496	\$ 94,824	\$ 147,614	\$ -	\$ -	\$ -
Education & Training	\$ -	\$ -	\$ -	\$ -	\$ 61,000	\$ 61,100	\$ 122,100
Consulting & Professional Services	\$ 1,061,145	\$ 1,211,595	\$ 705,000	\$ 1,225,000	\$ 3,710,963	\$ 4,364,975	\$ 8,075,938
Operating Costs	\$ -	\$ -	\$ -	\$ -	\$ 3,839,940	\$ 3,746,050	\$ 7,585,990
Repair & Maintenance	\$ -	\$ -	\$ -	\$ -	\$ 586,000	\$ 596,400	\$ 1,182,400
Phone & Utilities	\$ -	\$ -	\$ -	\$ -	\$ 99,350	\$ 105,850	\$ 205,200
Equipment & Computer	\$ 6,533	\$ -	\$ -	\$ -	\$ 394,533	\$ 391,900	\$ 786,433
Meeting & Travel	\$ 2,250	\$ 3,250	\$ -	\$ -	\$ 123,350	\$ 109,350	\$ 232,700
Other Administrative Costs	\$ 11,350	\$ 11,350	\$ 5,000	\$ 5,000	\$ 271,169	\$ 271,004	\$ 542,173
Other Expenses	\$ 114,625	\$ 114,625	\$ -	\$ -	\$ 527,275	\$ 576,202	\$ 1,103,477
Program Expense	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ 559,547	\$ 467,637	\$ 1,027,184
Construction	\$ -	\$ -	\$ 900,000	\$ 700,000	\$ 900,000	\$ 700,000	\$ 1,600,000
Debt Service	\$ -	\$ -	\$ -	\$ -	\$ 2,608,439	\$ 1,709,476	\$ 4,317,915
<b>Total Use of Funds from Operations</b>	<b>\$ 1,824,666</b>	<b>\$ 1,953,880</b>	<b>\$ 1,786,882</b>	<b>\$ 2,207,931</b>	<b>\$ 18,961,308</b>	<b>\$ 18,814,346</b>	<b>\$ 37,775,654</b>
<i>Contribution To/(From) Reserves:</i>							
Pipeline Repair/Replacement Reserve	\$ -	\$ -	\$ -	\$ -	\$ 928,781	\$ 1,467,543	\$ 2,396,324
Self-Insurance Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Retirement Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retiree Medical Benefits	\$ -	\$ -	\$ -	\$ -	\$ 181,642	\$ 197,414	\$ 379,056
Building Repair/Replacement Reserve	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ 200,000
<b>Total Contributions to Reserves</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,210,423</b>	<b>\$ 1,764,957</b>	<b>\$ 2,975,380</b>
<b>Total Use of Funds</b>	<b>\$ 1,824,666</b>	<b>\$ 1,953,880</b>	<b>\$ 1,786,882</b>	<b>\$ 2,207,931</b>	<b>\$ 20,171,731</b>	<b>\$ 20,579,303</b>	<b>\$ 40,751,034</b>
Net Gain (Loss)	\$ (447,565)	\$ 718,795	\$ -	\$ -	\$ (749,958)	\$ 163,979	\$ (585,979)
Beginning Fund Balance	\$ 1,878,733	\$ 1,431,168	\$ -	\$ -	\$ 2,844,179	\$ 2,094,221	\$ 2,844,179
Ending Fund Balance	\$ 1,431,168	\$ 2,149,963	\$ -	\$ -	\$ 2,094,221	\$ 2,258,200	\$ 2,258,200



<b>SAWPA Fund Summary FYE 2022</b>	<b>General Fund</b>	<b>Brine Line Enterprise Fund</b>	<b>OWOW Funds</b>	<b>Roundtable Funds</b>	<b>BL Capital Funds</b>	<b>Total</b>
<b>Source of Funds:</b>						
Discharge Fees	\$ -	\$ 12,192,272	\$ -	\$ -	\$ -	\$ 12,192,272
Grant Proceeds	\$ -	\$ -	\$ 1,199,235	\$ -	\$ -	\$ 1,199,235
Member Agency Contributions	\$ 716,847	\$ -	\$ 820,000	\$ 20,000	\$ -	\$ 1,556,847
Participant Fees	\$ -	\$ -	\$ 1,004,436	\$ 1,053,843	\$ -	\$ 2,058,279
Other Income	\$ -	\$ -	\$ -	\$ 303,258	\$ 1,786,882	\$ 2,090,140
Interest & Investments	\$ -	\$ 325,000	\$ -	\$ -	\$ -	\$ 325,000
<b>Total Source of Funds</b>	\$ 716,847	\$ 12,517,272	\$ 3,023,671	\$ 1,377,101	\$ 1,786,882	\$ 19,421,773
<b>Staffing:</b>						
Hours Allocated	27,979	20,485	7,337	2,564	635	59,000
FTE (based on 2080)	13.5	9.8	3.5	1.2	0.3	28.4
<b>Use of Funds:</b>						
Labor	\$ 1,778,647	\$ 1,227,239	\$ 542,171	\$ 175,743	\$ 58,789	\$ 3,782,588
Benefits	\$ 703,990	\$ 485,743	\$ 214,592	\$ 69,560	\$ 23,269	\$ 1,497,154
Indirect Costs	\$ (3,232,229)	\$ 1,979,458	\$ 874,486	\$ 283,460	\$ 94,824	\$ -
Education & Training	\$ 46,500	\$ 14,500	\$ -	\$ -	\$ -	\$ 61,000
Consulting & Professional Services	\$ 430,250	\$ 322,000	\$ 1,192,568	\$ 1,061,145	\$ 705,000	\$ 3,710,963
Operating Costs	\$ 6,400	\$ 3,833,540	\$ -	\$ -	\$ -	\$ 3,839,940
Repair & Maintenance	\$ 106,000	\$ 480,000	\$ -	\$ -	\$ -	\$ 586,000
Phone & Utilities	\$ 89,150	\$ 10,200	\$ -	\$ -	\$ -	\$ 99,350
Equipment & Computers	\$ 170,000	\$ 218,000	\$ -	\$ 6,533	\$ -	\$ 394,533
Meeting & Travel	\$ 79,000	\$ 10,000	\$ 32,100	\$ 2,250	\$ -	\$ 123,350
Other Administrative Costs	\$ 153,319	\$ 90,900	\$ 10,600	\$ 11,350	\$ 5,000	\$ 271,169
Other Expenses	\$ 104,178	\$ 308,472	\$ -	\$ 114,625	\$ -	\$ 527,275
Program Expenses	\$ -	\$ -	\$ 459,547	\$ 100,000	\$ -	\$ 559,547
Construction	\$ -	\$ -	\$ -	\$ -	\$ 900,000	\$ 900,000
Debt Service	\$ -	\$ 2,608,439	\$ -	\$ -	\$ -	\$ 2,608,439
<b>Total Use of Funds from Operations</b>	\$ 435,205	\$ 11,588,491	\$ 3,326,064	\$ 1,824,666	\$ 1,786,882	\$ 18,961,308
<b>Contribution To Reserves:</b>						
Pipeline Repair/Replacement	\$ -	\$ 928,781	\$ -	\$ -	\$ -	\$ 928,781
Self-Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retiree Medical Reserve	\$ 181,642	\$ -	\$ -	\$ -	\$ -	\$ 181,642
Building Repair/Replacement Reserve	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
<b>Total Contributions to Reserves</b>	\$ 281,642	\$ 928,781	\$ -	\$ -	\$ -	\$ 1,210,423
<b>Total Use of Funds</b>	\$ 716,847	\$ 12,517,272	\$ 3,326,064	\$ 1,824,666	\$ 1,786,882	\$ 20,171,731
Net Gain (Loss)	\$ -	\$ -	\$ (302,393)	\$ (447,565)	\$ -	\$ (749,958)
Beginning Fund Balance	\$ -	\$ -	\$ 965,446	\$ 1,878,733	\$ -	\$ 2,844,179
Ending Fund Balance	\$ -	\$ -	\$ 663,053	\$ 1,431,168	\$ -	\$ 2,094,221
<i>Pass Throughs (Prop 1 &amp; 84 – Capital)</i>	\$ -	\$ -	\$ 22,873,806	\$ -	\$ -	\$ 22,873,806

<b>SAWPA Fund Summary FYE 2023</b>	<b>General Fund</b>	<b>Brine Line Enterprise Fund</b>	<b>OWOW Funds</b>	<b>Roundtable Funds</b>	<b>Capital Project Fund</b>	<b>Total</b>
<b>Source of Funds:</b>						
Discharge Fees	\$ -	\$ 12,071,872	\$ -	\$ -	\$ -	\$ 12,071,872
Grant Proceeds	\$ -	\$ -	\$ 1,420,712	\$ 250,000	\$ -	\$ 1,670,712
Member Agency Contributions	\$ 725,437	\$ -	\$ 820,000	\$ 20,000	\$ -	\$ 1,565,437
Participant Fees	\$ -	\$ -	\$ 499,655	\$ 1,209,843	\$ -	\$ 1,709,498
Other Income	\$ -	\$ -	\$ -	\$ 1,192,832	\$ 2,207,931	\$ 3,400,763
Interest & Investments	\$ -	\$ 325,000	\$ -	\$ -	\$ -	\$ 325,000
<b>Total Source of Funds</b>	\$ 725,437	\$ 12,396,872	\$ 2,740,367	\$ 2,672,675	\$ 2,207,931	\$ 20,743,282
<b>Staffing:</b>						
Hours Allocated	27,580	20,920	7,095	2,291	994	58,880
FTE (based on 2080)	13.3	10.1	3.4	1.1	0.5	28.3
<b>Use of Funds:</b>						
Labor	\$ 1,878,457	\$ 1,326,650	\$ 558,814	\$ 169,451	\$ 91,794	\$ 4,025,165
Benefits	\$ 788,329	\$ 556,753	\$ 234,517	\$ 71,113	\$ 38,523	\$ 1,689,235
Indirect Costs	\$ (3,452,144)	\$ 2,133,400	\$ 898,635	\$ 272,496	\$ 147,614	\$ -
Education & Training	\$ 46,600	\$ 14,500	\$ -	\$ -	\$ -	\$ 61,100
Consulting & Professional Services	\$ 435,500	\$ 285,000	\$ 1,207,880	\$ 1,211,595	\$ 1,225,000	\$ 4,364,975
Operating Costs	\$ 6,400	\$ 3,739,650	\$ -	\$ -	\$ -	\$ 3,746,050
Repair & Maintenance	\$ 106,400	\$ 490,000	\$ -	\$ -	\$ -	\$ 596,400
Phone & Utilities	\$ 94,350	\$ 11,500	\$ -	\$ -	\$ -	\$ 105,850
Equipment & Computers	\$ 185,400	\$ 206,500	\$ -	\$ -	\$ -	\$ 391,900
Meeting & Travel	\$ 79,000	\$ 10,000	\$ 17,100	\$ 3,250	\$ -	\$ 109,350
Other Administrative Costs	\$ 153,154	\$ 90,900	\$ 10,600	\$ 11,350	\$ 5,000	\$ 271,004
Other Expenses	\$ 106,577	\$ 355,000	\$ -	\$ 114,625	\$ -	\$ 576,202
Program Expense	\$ -	\$ -	\$ 367,637	\$ 100,000	\$ -	\$ 467,637
Construction	\$ -	\$ -	\$ -	\$ -	\$ 700,000	\$ 700,000
Debt Service	\$ -	\$ 1,709,476	\$ -	\$ -	\$ -	\$ 1,709,476
<b>Total Use of Funds</b>	\$ 428,023	\$ 10,929,329	\$ 3,295,183	\$ 1,953,880	\$ 2,207,931	\$ 18,814,346
<b>Contribution To Reserves:</b>						
Pipeline Repair/Replacement	\$ -	\$ 1,467,543	\$ -	\$ -	\$ -	\$ 1,467,543
Self-Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retiree Medical Reserve	\$ 197,414	\$ -	\$ -	\$ -	\$ -	\$ 197,414
Building Repair/Replacement Reserve	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
<b>Total Contributions to Reserves</b>	\$ 297,414	\$ 1,467,543	\$ -	\$ -	\$ -	\$ 1,764,957
<b>Total Use of Funds</b>	\$ 725,437	\$ 12,396,872	\$ 3,295,183	\$ 1,953,880	\$ 2,207,931	\$ 20,579,303
Net Gain (Loss)	\$ -	\$ -	\$ (554,816)	\$ 718,795	\$ -	\$ 163,979
Beginning Fund Balance	\$ -	\$ -	\$ 663,053	\$ 1,413,168	\$ -	\$ 2,094,221
Ending Fund Balance	\$ -	\$ -	\$ 108,237	\$ 2,149,963	\$ -	\$ 2,258,200
<i>Pass Throughs (Prop 1 &amp; 84 – Capital)</i>	\$ -	\$ -	\$ 21,209,717	\$ -	\$ -	\$ 21,209,717

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# 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 outreach efforts. Through the indirect cost 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.

## Outreach Efforts

The Agency's main role in outreach 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 2022, the general fund has total budgeted revenues of \$716,847, or approximately 3.7% of the total budgeted revenue of \$19.4 million. Revenues are made up of member agency contributions.

In FYE 2023, the general fund has total budgeted revenues of \$725,437, or approximately 3.5% of the total budgeted revenue of \$20.7 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 2022, the general fund has total budgeted expenses of \$3.9 million, or approximately 19% of the total budgeted operating expenses of \$20.2 million. General fund expenses are projected to decrease by approximately 6.8% or \$288,373, over the FYE 2021 budget.

In FYE 2023, the general fund has total budgeted expenses of \$4.2 million, or approximately 20.3% of the total budgeted operating expenses of \$20.6 million. General fund expenses are projected to increase approximately 5.5% or \$228,505, over the FYE 2022 budget.

Of the total expenses for FYEs 2022 and 2023, \$3.2 million and \$3.5 million is charged out as Indirect Cost Allocation to the Brine Line Enterprise, OWOW, Roundtable, and Capital Project Funds based on total labor

dollars. After allocation of these costs, total expenses of \$716,847 (FYE 2022) and \$725,437 (FYE 2023) will be covered by member agency contributions and reserves.

#### **FYE 2022 Indirect Cost Allocation by Fund Type**

<i>Fund Type</i>	<i>Indirect Cost Allocation</i>	<i>% of Total</i>
<b>Brine Line Enterprise Fund</b>	\$1,979,459	<b>61.24%</b>
<b>OWOW Fund</b>	874,486	<b>27.06%</b>
<b>Roundtable Fund</b>	283,460	<b>8.77%</b>
<b>Capital Project Fund</b>	94,824	<b>2.93%</b>
<b>Total</b>	<b>\$3,232,229</b>	<b>100.00%</b>

#### **FYE 2023 Indirect Cost Allocation by Fund Type**

<i>Fund Type</i>	<i>Indirect Cost Allocation</i>	<i>% of Total</i>
<b>Brine Line Enterprise Fund</b>	\$2,133,400	<b>61.80%</b>
<b>OWOW Fund</b>	898,634	<b>26.03%</b>
<b>Roundtable Fund</b>	272,496	<b>7.89%</b>
<b>Capital Project Fund</b>	147,614	<b>4.28%</b>
<b>Total</b>	<b>\$3,452,144</b>	<b>100.00%</b>

#### **Labor and Benefits**

Total labor and benefits for FYE 2022 are projected to be \$2.5 million, or 47% of the Agency's total labor and benefits of \$5.3 million. This is a decrease of 5.9% from last year's budget. Approximately 13.5 FTE, or 27,979 total hours will be required to perform work under this fund.

Total labor and benefits for FYE 2023 are projected to be \$2.7 million, or 47% of the Agency's total labor and benefits of \$5.7 million. This is an increase of 7% from the FYE 2022 budget. Approximately 13.3 FTE, or 27,580 total hours will be required to perform work under this fund.

#### **Education and Training**

Total education and training costs are projected to be \$43,700 for FYE 2022 and \$43,800 for FYE 2023. This is a decrease of 7.8% from the FYE 2021 budget with a very slight increase for FYE 2023.

#### **Consulting and Other Professional Services**

Total consulting and other professional services are projected to be \$430,250 for FYE 2022 and \$445,500 for FYE 2023. This is an increase of less than 1% from last year's budget and an increase of 3.4% from the FYE 2022 budget. Planned consulting costs include network/security support, internal security audit, document imaging support, website re-design, and long-term financial planning consulting. Other professional services include temporary staffing, employment recruitment, audit, and legal services.

#### **Operating Costs**

Total operating costs are projected to be \$6,400 for both FYE 2022 and FYE 2023. This is a decrease of 2.3% from FYE 2021. Costs in this category include materials, supplies, and safety.

### Repair and Maintenance

Total repair and maintenance costs are projected to be \$106,000 for FYE 2022 and \$106,400 for FYE 2023. This is a decrease of 13.5% from last year's budget and a very slight increase from the FYE 2022 budget. 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 \$102,150 for FYE 2022 and \$107,350 for FYE 2023. This is an increase of 10.4% from last year's budget and an increase of 4.8% from the FYE 2022 budget. Costs in this category include electricity, water, telephone, internet, and cell phone services.

### Equipment and Computers

Total equipment and computer expenses are projected to be \$157,000 for FYE 2022 and \$172,400 for FYE 2023. This is a decrease of 27.6% from last year's budget and a slight increase from the FYE 2022 budget. 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 \$79,000 for FYE 2022 and \$69,000 for FYE 2023. This is a slight decrease from last year's budget and a 12.7% decrease from the FYE 2022 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 \$153,319 for FYE 2022 and \$153,154 for FYE 2023. This is a decrease of 26.9% from last year's budget and a very slight decrease from the FYE 2022 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 \$104,178 for FYE 2022 and \$106,577 for FYE 2023. This is a decrease of 25.2% from last year's budget and an increase of 2.3% from the FYE 2022 budget. Costs in this category include insurance, contingency costs, building lease, 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 FYEs 2022 and 2023, no fixed asset purchases are planned.

### Reserve Contributions

Included in the budget are reserve contributions of \$281,642 for FYE 2022 and \$297,414 for FYE 2023. The Annual Required Contribution (ARC) for the Retiree Medical Trust is \$181,642 for FYE 2022 and \$197,414 for FYE 2023. For both FYEs 2022 and 2023 the contribution to the Building Repair/Replacement reserve is \$100,000.

#### **FYE 2022 Reserve Balance**

<i>Reserve</i>	<i>FYE 2021 Balance</i>	<i>Contribution</i>	<i>Interest</i>	<i>Expenses</i>	<i>FYE 2022 Balance</i>
Building Repair	\$645,362	\$100,000	\$—	\$—	\$745,262
Total	\$645,362	\$100,000	\$—	\$—	\$745,262

### FYE 2023 Reserve Balance

<i>Reserve</i>	<i>FYE 2022 Balance</i>	<i>Contribution</i>	<i>Interest</i>	<i>Expenses</i>	<i>FYE 2023 Balance</i>
Building Repair	\$745,262	\$100,000	\$—	\$—	\$845,262
Total	\$745,262	\$100,000	\$—	\$—	\$845,262

In June 2004, the Government Accounting Standards Board (GASB) issued Statement No. 45 (GASB 45), Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. More recently the GASB issued Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. These reporting standards 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 2022. The Agency joined the CalPERS Trust Fund and will contribute the ARC each year.

<b>General Fund Budget FYE 2022</b>	<b>General Fund Fund 100-00</b>	<b>State Outreach Fund 100-03</b>	<b>Federal Outreach Fund 100-04</b>	<b>Total</b>
<b>Source of Funds:</b>				
Member Agency Contributions	\$ 475,000	\$ 216,974	\$ 24,873	\$ 716,847
<b>Total Source of Funds</b>	\$ 475,000	\$ 216,974	\$ 24,873	\$ 716,847
<b>Staffing:</b>				
Hours Allocated	27,349	530	100	27,979
FTE (based on 2080)	13.1	0.3	0.05	13.5
<b>Use of Funds:</b>				
Labor	\$ 1,712,844	\$ 55,147	\$ 10,656	\$ 1,778,647
Benefits	\$ 677,946	\$ 21,827	\$ 4,217	\$ 703,990
Indirect Costs Applied	\$ (3,232,229)	\$ –	\$ –	\$ (3,232,229)
Education & Training	\$ 46,500	\$ –	\$ –	\$ 46,500
Consulting & Professional Services	\$ 303,750	\$ 126,500	\$ –	\$ 430,250
Operating Costs	\$ 6,400	\$ –	\$ –	\$ 6,400
Repair & Maintenance	\$ 106,000	\$ –	\$ –	\$ 106,000
Phone & Utilities	\$ 89,150	\$ –	\$ –	\$ 89,150
Equipment & Computers	\$ 170,000	\$ –	\$ –	\$ 170,000
Meeting & Travel	\$ 55,500	\$ 13,500	\$ 10,000	\$ 79,000
Other Administrative Costs	\$ 153,319	\$ –	\$ –	\$ 153,319
Other Expenses	\$ 104,178	\$ –	\$ –	\$ 104,178
<b>Total Use of Funds</b>	\$ 193,358	\$ 216,974	\$ 24,873	\$ 435,205
<b>Contribution To Reserves:</b>				
Retiree Medical Expense	\$ 181,642	\$ –	\$ –	\$ 181,642
Building Repair/Replacement Reserve	\$ 100,000	\$ –	\$ –	\$ 100,000
<b>Total Contributions to Reserves</b>	\$ 281,642	\$ –	\$ –	\$ 281,642
Total Use of Funds	\$ 475,000	\$ 216,974	\$ 24,873	\$ 716,847
Net Gain (Loss)	\$ –	\$ –	\$ –	\$ –



<b>General Fund Budget FYE 2023</b>	<b>General Fund Fund 100-00</b>	<b>State Outreach Fund 100-03</b>	<b>Federal Outreach Fund 100-04</b>	<b>Total</b>
<b>Source of Funds:</b>				
Member Agency Contributions	\$ 475,000	\$ 224,232	\$ 26,205	\$ 725,437
<b>Total Source of Funds</b>	\$ 475,000	\$ 224,232	\$ 26,205	\$ 725,437
<b>Staffing:</b>				
Hours Allocated	26,945	535	100	27,580
FTE (based on 2080)	13.0	0.3	0.05	13.3
<b>Use of Funds:</b>				
Labor	\$ 1,807,710	\$ 59,332	\$ 11,415	\$ 1,878,457
Benefits	\$ 758,639	\$ 24,900	\$ 4,790	\$ 788,329
Indirect Costs Applied	\$ (3,452,144)	\$ –	\$ –	\$ (3,452,144)
Education & Training	\$ 46,600	\$ –	\$ –	\$ 46,600
Consulting & Professional Services	\$ 309,000	\$ 126,500	\$ –	\$ 435,500
Operating Costs	\$ 6,400	\$ –	\$ –	\$ 6,400
Repair & Maintenance	\$ 106,400	\$ –	\$ –	\$ 106,400
Phone & Utilities	\$ 94,350	\$ –	\$ –	\$ 94,350
Equipment & Computers	\$ 185,400	\$ –	\$ –	\$ 185,400
Meeting & Travel	\$ 55,500	\$ 13,500	\$ 10,000	\$ 79,000
Other Administrative Costs	\$ 153,154	\$ –	\$ –	\$ 153,154
Other Expenses	\$ 106,577	\$ –	\$ –	\$ 106,577
<b>Total Use of Funds</b>	\$ 177,586	\$ 224,232	\$ 26,205	\$ 428,023
<b>Contribution To Reserves:</b>				
Retiree Medical Expense	\$ 197,414	\$ –	\$ –	\$ 197,414
Building Repair/Replacement Reserve	\$ 100,000	\$ –	\$ –	\$ 100,000
<b>Total Contributions to Reserves</b>	\$ 297,414	\$ –	\$ –	\$ 297,414
Total Use of Funds	\$ 475,000	\$ 224,323	\$ 26,205	\$ 725,437
Net Gain (Loss)	\$ –	\$ –	\$ –	\$ –

<b>General Funds FYE 2017 - 2023</b>	<b>FYE 2017 Actuals</b>	<b>FYE 2018 Actuals</b>	<b>FYE 2019 Actuals</b>	<b>FYE 2020 Actuals</b>	<b>FYE 2021 Budget</b>	<b>FYE 2021 Actuals</b>	<b>FYE 2022 Budget</b>	<b>FYE 2023 Budget</b>
<b>Source of Funds:</b>								
Member Agency Contributions	\$ 699,305	\$ 657,454	\$ 588,980	\$ 676,965	\$ 680,339	\$ 680,340	\$ 716,847	\$ 725,437
Other Income	\$ 26,017	\$ 22,366	\$ 1,424	\$ 2,425	\$ –	\$ 3,832	\$ –	\$ –
Interest & Investments	\$ 28,844	\$ 58,674	\$ 84,189	\$ 57,131	\$ –	\$ 21,707	\$ –	\$ –
<b>Total Source of Funds</b>	<b>\$ 754,166</b>	<b>\$ 738,494</b>	<b>\$ 674,593</b>	<b>\$ 736,521</b>	<b>\$ 680,339</b>	<b>\$ 705,879</b>	<b>\$ 716,847</b>	<b>\$ 725,437</b>
<b>Staffing:</b>								
Hours Allocated	24,863	26,426	27,092	28,824	25,990	24,234	27,979	27,580
FTE (based on 2080)	12.0	12.7	13.0	13.9	12.5	11.7	13.5	13.3
<b>Use of Funds:</b>								
Labor	\$ 1,559,672	\$ 1,535,396	\$ 1,648,471	\$ 1,799,471	\$ 1,814,837	\$ 1,528,571	\$ 1,778,647	\$ 1,878,457
Benefits	\$ 511,821	\$ 670,965	\$ 720,382	\$ 761,181	\$ 822,088	\$ 699,690	\$ 703,990	\$ 788,329
Indirect Costs Applied	\$ (2,720,071)	\$ (2,706,912)	\$ (2,477,568)	\$ (3,130,449)	\$ (3,557,110)	\$ (2,851,357)	\$ (3,232,229)	\$ (3,452,144)
Education & Training	\$ 13,177	\$ 19,045	\$ 13,793	\$ 27,824	\$ 50,200	\$ 20,034	\$ 46,500	\$ 46,600
Consulting & Professional Services	\$ 215,493	\$ 284,125	\$ 307,420	\$ 351,037	\$ 429,000	\$ 334,422	\$ 430,250	\$ 435,500
Operating Costs	\$ 4,437	\$ 6,567	\$ 3,240	\$ 4,793	\$ 6,550	\$ 3,618	\$ 6,400	\$ 6,400
Repair & Maintenance	\$ 59,040	\$ 62,959	\$ 71,204	\$ 70,870	\$ 122,550	\$ 90,129	\$ 106,000	\$ 106,400
Phone & Utilities	\$ 54,629	\$ 61,471	\$ 54,220	\$ 60,385	\$ 75,900	\$ 57,476	\$ 89,150	\$ 94,350
Equipment & Computer	\$ 150,687	\$ 155,710	\$ 211,176	\$ 226,086	\$ 212,650	\$ 190,520	\$ 170,000	\$ 185,400
Meeting & Travel	\$ 15,424	\$ 18,517	\$ 17,474	\$ 23,190	\$ 77,000	\$ 4,091	\$ 79,000	\$ 79,000
Other Administrative Costs	\$ 81,899	\$ 122,894	\$ 128,976	\$ 134,704	\$ 209,603	\$ 156,091	\$ 153,319	\$ 153,154
Other Expenses	\$ 66,777	\$ 139,897	\$ 93,650	\$ 62,961	\$ 139,250	\$ 73,864	\$ 104,178	\$ 106,577
<b>Total Use of Funds</b>	<b>\$ 12,985</b>	<b>\$ 370,634</b>	<b>\$ 792,438</b>	<b>\$ 392,053</b>	<b>\$ 402,518</b>	<b>\$ 307,149</b>	<b>\$ 435,205</b>	<b>\$ 428,023</b>
<b>Contributions To Reserves:</b>								
Retiree Medical Reserve	\$ 33,813	\$ 133,709	\$ 95,534	\$ 109,522	\$ 177,823	\$ 81,266	\$ 181,642	\$ 197,414
Building Repair/Replacement Reserve	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
<b>Total Contributions to Reserves</b>	<b>\$ 133,813</b>	<b>\$ 233,709</b>	<b>\$ 195,534</b>	<b>\$ 209,522</b>	<b>\$ 277,823</b>	<b>\$ 181,266</b>	<b>\$ 281,642</b>	<b>\$ 297,414</b>
Total Use of Funds	\$ 146,798	\$ 604,343	\$ 987,972	\$ 601,575	\$ 680,341	\$ 488,415	\$ 716,847	\$ 725,437
Net Gain (Loss)	\$ 607,368	\$ 134,151	\$ (313,379)	\$ 134,946	\$ –	\$ 217,464	\$ –	\$ –

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# Enterprise Fund

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**

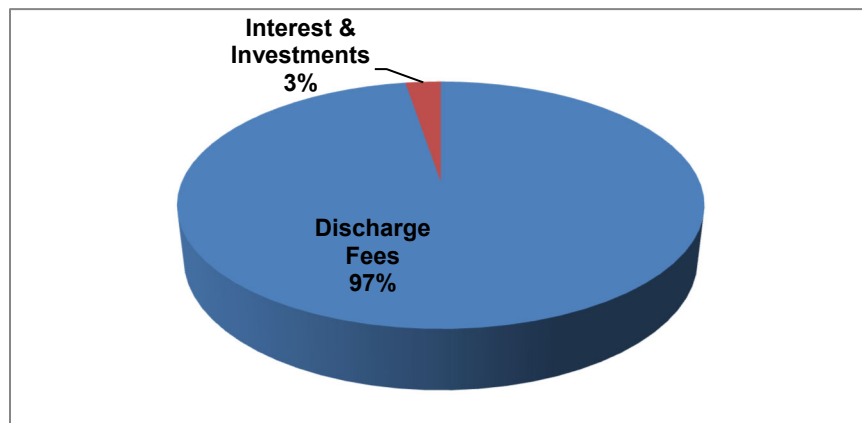
The Brine Line is a regional brine line designed to convey 30 MGD of non-reclaimable wastewater from the upper Santa Ana River Basin to the ocean for disposal, after treatment. The non-reclaimable wastewater consists of desalter concentrate, other brine wastes, and industrial wastewater. Domestic wastewater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

## **Revenue and Other Funding Sources**

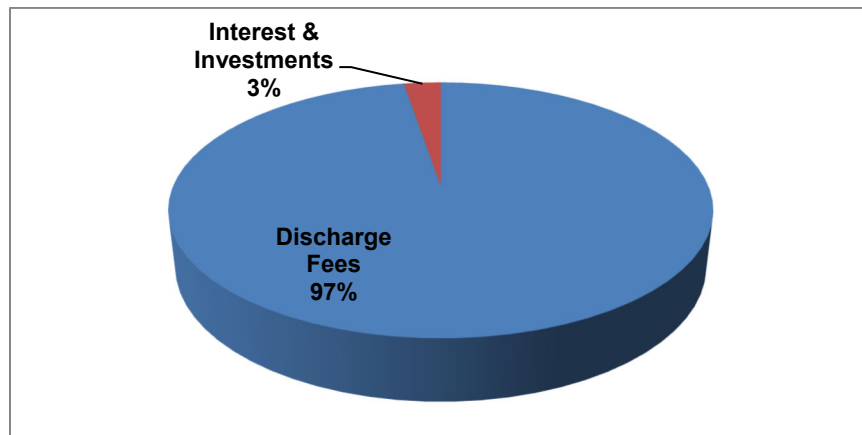
In FYE 2022, the Brine Line Enterprise has total budgeted revenues of \$12.5 million, or approximately 64.4% of the total budgeted revenue of \$19.4 million. Revenues are made up of \$12.2 million from discharge fees, and \$0.3 million from interest and investments.

In FYE 2021, the Brine Line Enterprise has total budgeted revenues of \$12.4 million, or approximately 63.2% of the total budgeted revenue of \$24.1 million. Revenues are made up of \$12.1 million from discharge fees and \$0.3 million from interest and investments.

**FYE 2022 Revenues**  
**\$12.5 Million**



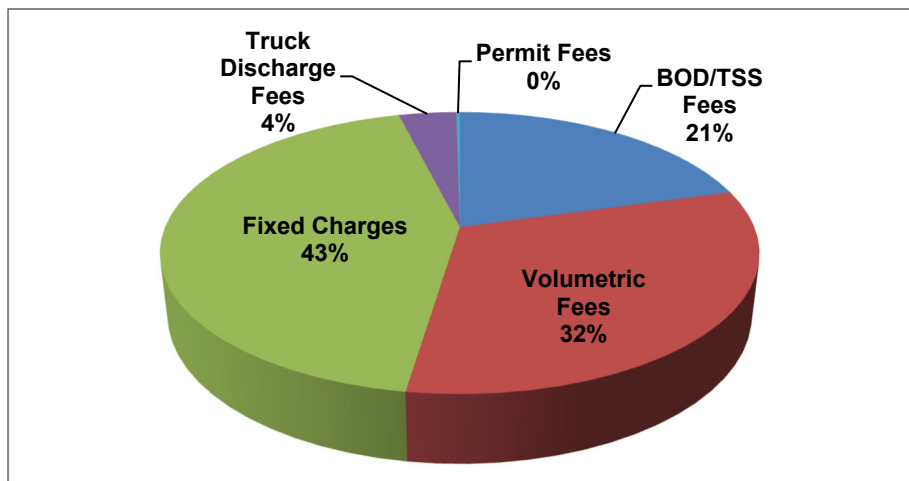
**FYE 2023 Revenues**  
**\$12.4 Million**



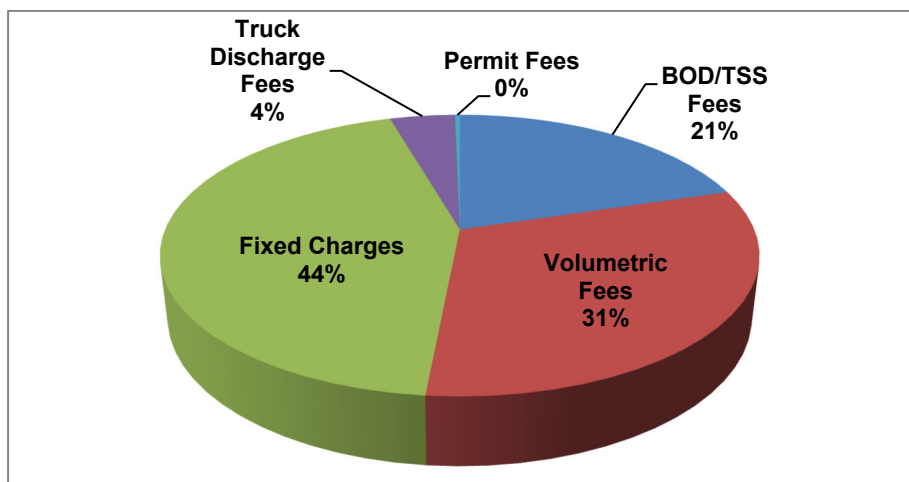
### Brine Line Operating Revenues

Brine Line operating revenues include discharge fees, other income/use of reserves, and interest and investments. Total discharge fees for FYEs 2022 and 2023 are projected to be \$12.2 million and \$12.1 million. Total interest and investments for FYEs 2022 and 2023 are projected to be \$325,000 each year.

**FYE 2022 Discharge Fees  
\$12.2 Million**



**FYE 2023 Discharge Fees  
\$12.1 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.

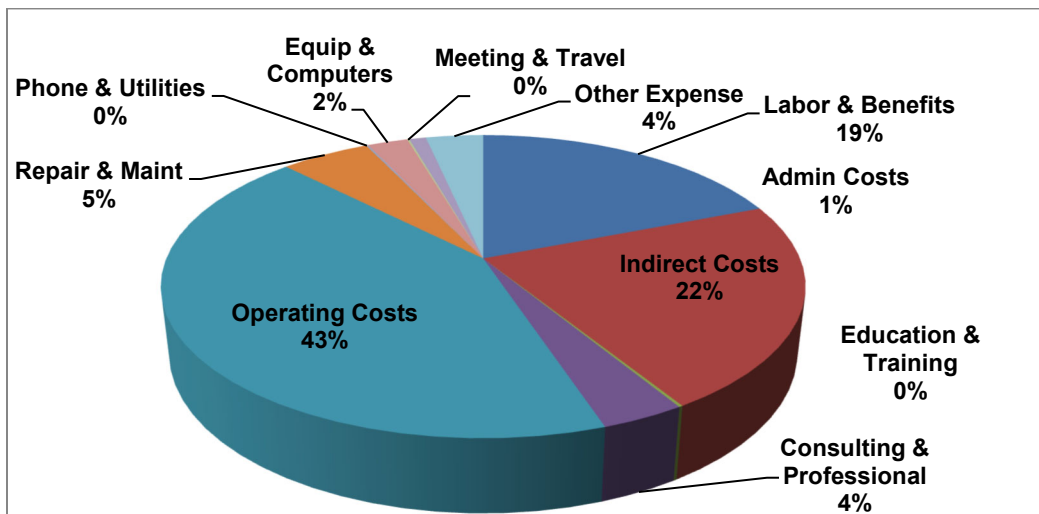
### Brine Line Operating Expenses and Other Uses of Funds

In FYE 2022, the Brine Line operating fund has total budgeted expenses of \$9 million, or approximately 44.5% of total budgeted operating expenses of \$20.2 million.

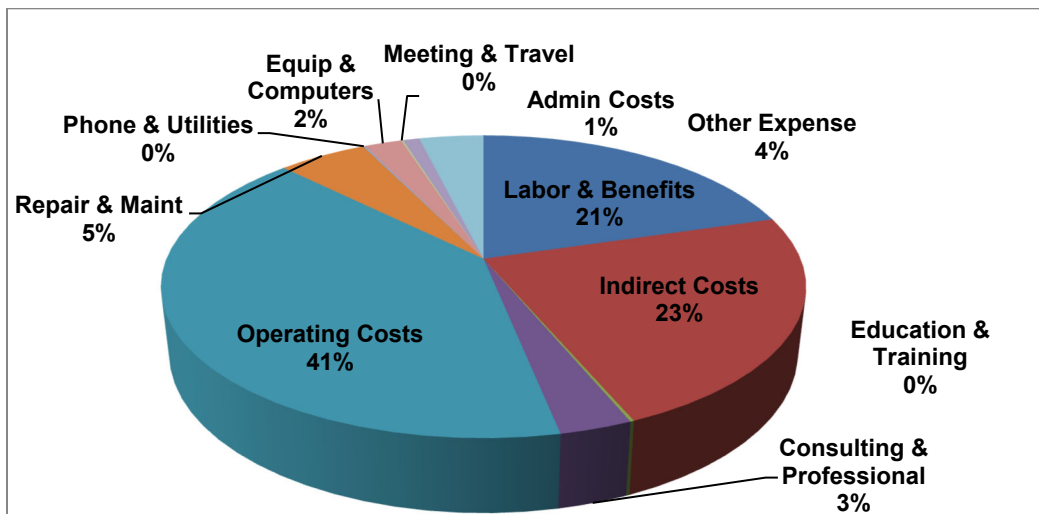
In FYE 2023, the Brine Line operating fund has total budgeted expenses of \$9.2 million, or approximately 44.8% of total budgeted operating expenses of \$20.6 million.

Brine Line Enterprise expenses are projected to increase by \$0.2 million from the FYE 2021 budget.

#### FYE 2022 Total Operating Expenses \$9 Million



#### FYE 2023 Total Operating Expenses \$9.2 Million



#### Labor and Benefits

In FYE 2022, total labor and benefits are projected to be \$1.7 million, or approximately 32.4% of the Agency's total labor and benefits of \$5.3 million. This is a decrease of 10.7% from last year's budget. The decrease is based on removing the Executive Council position from staff. Legal costs are now part of Consulting & Professional Services. Approximately 9.8 FTE, or 20,485 hours are required under this fund.

In FYE 2023, total labor and benefits are projected to be \$1.9 million, or approximately 33% of the Agency's total labor and benefits of \$5.7 million. This is a minimal increase from the FYE 2022 budget. Approximately 10.1 FTE, or 20,920 hours are required under this fund.

### Indirect Costs

The Indirect Cost allocation is an allocation of general fund expenses based on the percentage of direct labor charged to the enterprise. In FYE 2022, approximately 61.24%, or \$2 million of general fund expenses will be paid by the Brine Line Enterprise. In FYE 2023, approximately 61.8%, or \$2.1 million of general fund expenses will be paid by the Brine Line Enterprise.

### Training Costs

Training costs are projected to be \$14,500 for both FYE 2022 and FYE 2023. Expected training requirements are attributed to EPA and Occupational Safety and Health Administrators (OSHA) training, collection system operator testing and training, and pretreatment program training.

### Consulting and Professional Services

Consulting and professional services are projected to be \$322,000 for FYE 2022, a \$42,000 increase from FYE 2021. Consulting and professional services for FYE 2023 are projected to be \$285,000, a decrease of 11.5% from FYE 2022.

The following table shows the type of work that will be completed by consultants for the FYEs 2022 and 2023.

#### **FYE 2022 Consulting & Professional Services**

<i>Work Performed</i>	<i>FYE 2022</i>
Brine Flow Projection Planning	\$ 25,000
Engineering Support	\$ 50,000
Strategic Plan	\$ 27,000
Developer Coordination – Construction Support	\$ 60,000
Scale Evaluation, Solids Control, Operations Support	\$ 80,000
Right of Way, Surveyor Support, As Built Drawings	\$ 50,000
Legal Fees	\$ 30,000
<b>Total Consulting &amp; Professional Services</b>	<b>\$ 322,000</b>

#### **FYE 2023 Consulting & Professional Services**

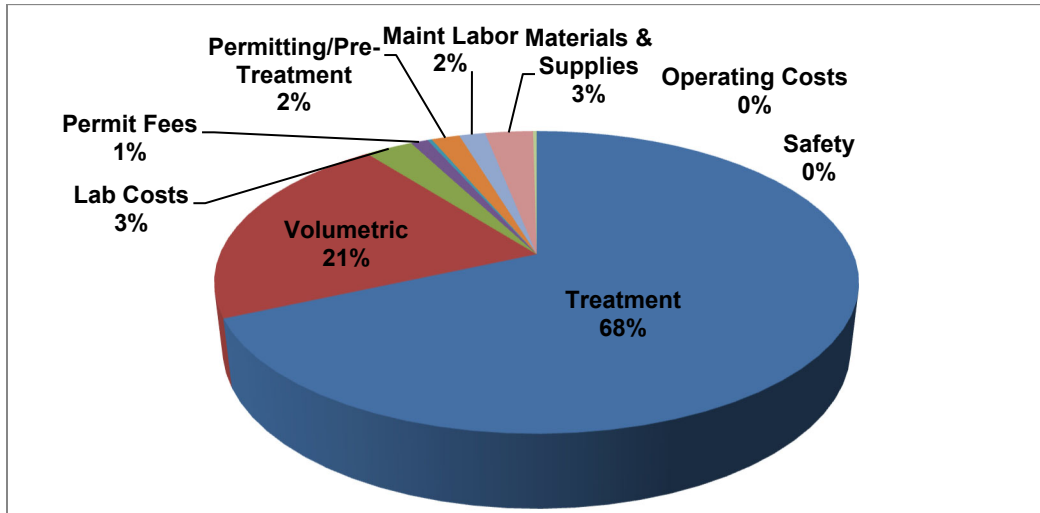
<i>Work Performed</i>	<i>FYE 2023</i>
Brine Flow Projection Planning	\$ 25,000
Engineering Support	\$ 50,000
Financial Model Update	\$ 15,000
Developer Coordination – Construction Support	\$ 60,000
Scale Evaluation, Solids Control, Operations Support	\$ 80,000
Right of Way, Surveyor Support, As Built Drawings	\$ 25,000
Legal Fees	\$ 30,000
<b>Total Consulting &amp; Professional Services</b>	<b>\$ 285,000</b>

### Operating Costs

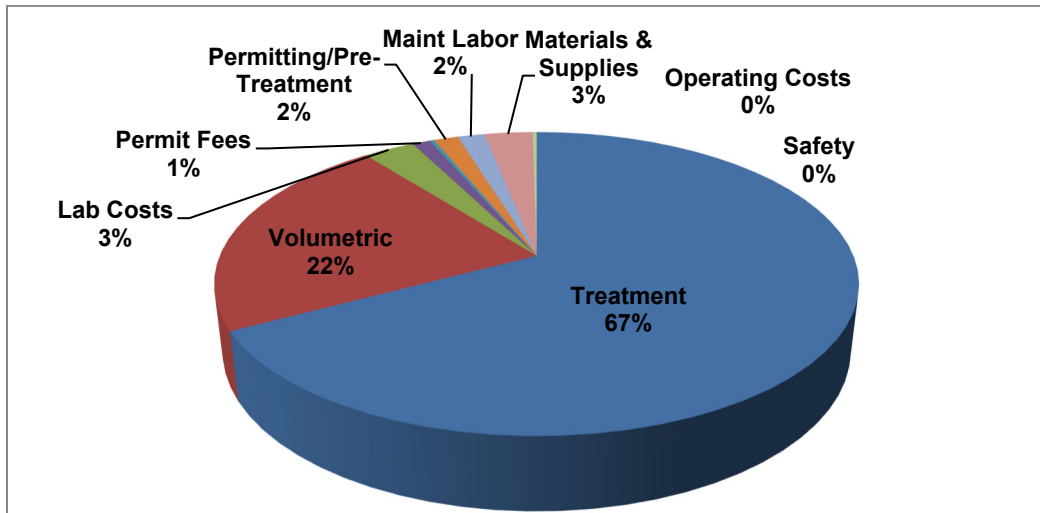
Operating costs include treatment and volumetric costs paid to OC San, permitting and pre-treatment activities, member agency operating labor, maintenance, materials, and safety costs.

In FYE 2022, total budgeted operating costs are \$3.8 million, or approximately 43.1% of total Brine Line operating expenses. In FYE 2023, total budgeted operating costs are \$3.7 million, or approximately 40.6% of total Brine Line operating expenses.

**FYE 2022 Operating Costs  
\$3.8 Million**



**FYE 2023 Operating Costs  
\$3.7 Million**

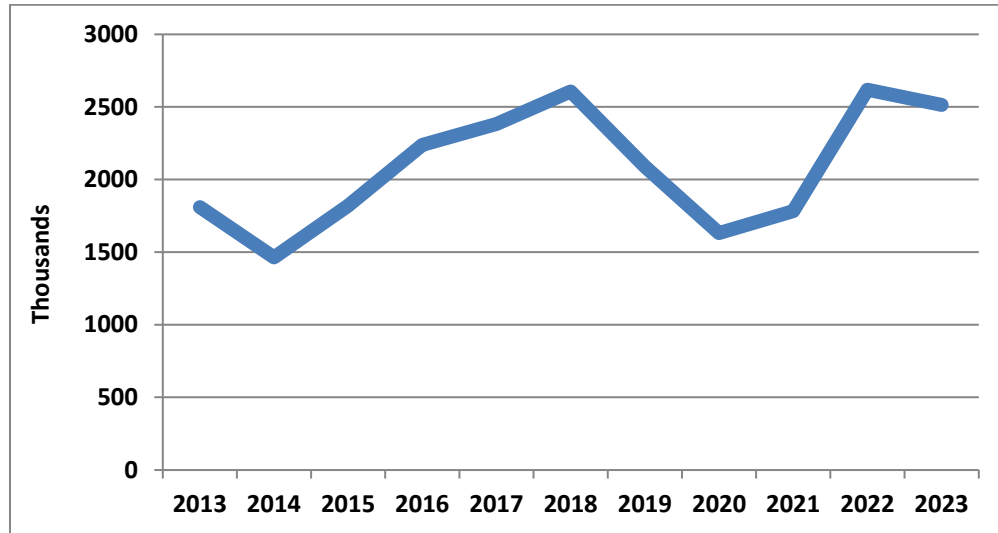




- **Treatment Costs**

Treatment costs are the fees OC San 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 \$2.6 million for FYE 2022 and \$2.5 million for FYE 2023. Treatment costs are passed through to the dischargers.

**Historical Treatment Costs**

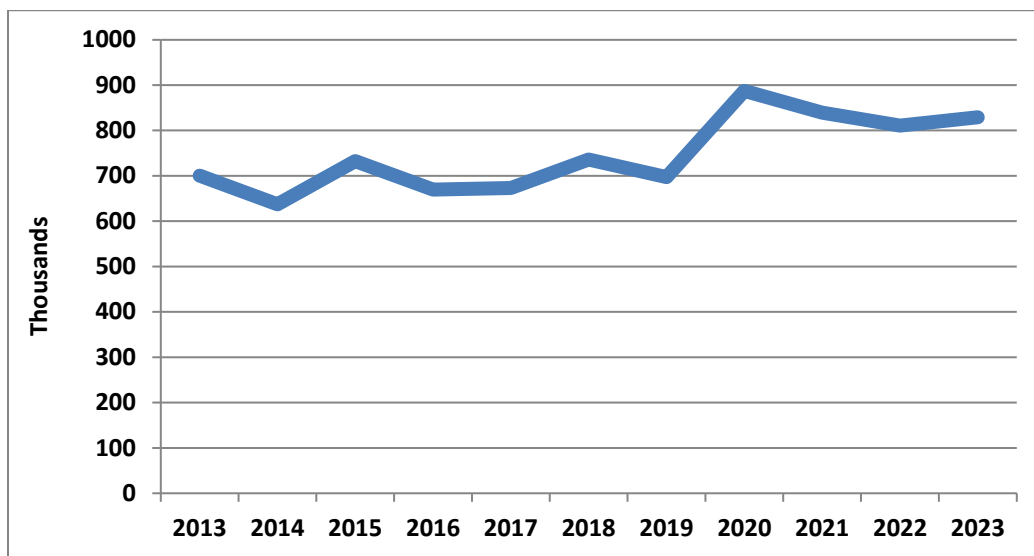


- **Volumetric Costs**

Volumetric costs are the fees OC San charges for volume of flow at Meter S-01. Total volumetric costs are projected to be \$810,540 for FYE 2022 and \$828,800 for FYE 2023. This is a decrease of 3.5% from last year's budget and an increase of 2.3% from the FYE 2022 budget.

Last year's (FYE 2021) projected total flow was 10.5 MGD; whereas this year's projected total flow is 10.5 MGD for FYE 2022 and 10.2 MGD for FYE 2023.

**Historical Volumetric Costs**



- Lab Costs

Lab costs are the costs of laboratory analysis of the dischargers sample collections used to determine the BOD and TSS concentrations in the discharge. Total Lab costs are projected to be \$110,000 for FYE 2022 and \$115,000 for FYE 2023. There is no increase from last year's budget.

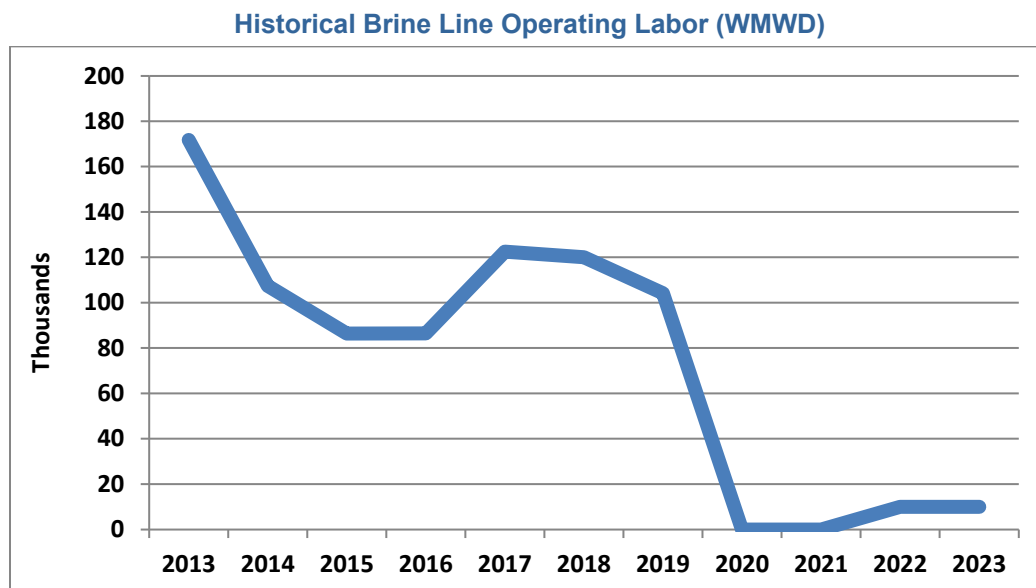
SAWPA is now issuing the Brine Line Discharge Permits to Member Agency owned facilities, which has resulted in additional laboratory costs. Additionally, the scope of the sampling effort (both in number of parameters and frequency) has increased at the SARI Metering Station (S-01) and at the dischargers monitoring locations to gain a better understanding of the Total Suspended Solids formation throughout the Brine Line.

- Permit Fees

Permit fees are the cost of encroachment fees from various local jurisdictions required to perform Brine Line activities within the Public Right-of-Way, as well as annual fees for the Brine Line Waste Discharge Requirements (WDR) permit required by the State Water Resources Control Board. Total permit fees are projected to be \$40,000 for FYEs 2022 and 2023. There is no increase over last year's budget.

- 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 \$10,000 for FYEs 2022 and 2023. This is a decrease of 87.5% over last year's budget. SAWPA has continued to take on most of the work that had been done by WMWD staff.



- 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. 9. Specialty permitting/pre-treatment consultant costs are projected to be \$65,000 for FYE 2022 and \$55,000 for FYE 2023. This is a 31.6% decrease from last year's budget and a 15.4% decrease from the FYE 2022 budget.

- Maintenance Labor

Maintenance labor is the cost associated with OC San maintenance of Stringfellow sampling and inspections as well as maintenance done by IEUA and EMWD for the portion of the Brine Line within their service territory. Total maintenance labor costs are projected to be \$60,000 for both FYEs 2022 and 2023.

- Materials and Supplies

Material and supply costs are projected to be \$110,000 for FYE 2022 and \$108,000 for FYE 2023. This is an increase of 15.8% from last year's budget. With more of the work being done by SAWPA staff, we will have to purchase materials and supplies needed to complete the work.

- Safety

Safety costs are projected to be \$8,500 FYE 2022 and \$9,250 for FYE 2023.

Repair and Maintenance

Total repair and maintenance costs are projected to be \$480,000 for FYE 2022 and \$490,000 for FYE 2023. This is an increase of 24.7% from last year's budget and a 2.1% increase for FYE 2023.

Phone and Utilities

Total phone and utilities are projected to be \$10,200 for FYE 2022 and \$11,500 for FYE 2023. This is a slight decrease from 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 \$218,000 for FYE 2022 and \$206,500 for FYE 2023. This is an increase of 35% from the FYE 2021 budget. The increase is based on the rental of small equipment, the purchase of flow level sensors, costs associated with the pre-treatment software, and the purchase of Asset Management Software.

Meeting and Travel

Total meeting and travel expenses are projected to be \$10,000 for both FYEs 2022 and 2023. There is no increase from 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 \$90,900 for both FYEs 2022 and FYE 2023. This is an increase of 16.7% from last year's budget, with no increase for FYE 2023. 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 six field vehicles. With SAWPA purchasing a new cargo van for sample collection, fuel costs for an additional vehicle will be an added expense.

Other Expenses

Total other expenses are projected to be \$308,472 for FYE 2022 and \$355,000 for FYE 2023. This is a 116.7% increase from last year's budget and a 15.1% increase for FYE 2023. Costs in this category include insurance and fixed asset purchases.

- ♦ 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 2022 we will purchase a new dump truck and in FYE 2023 we will purchase a backhoe with accessories.

Reserve Contributions

Included in the FYE 2022 budget are reserve contributions of \$928,781 for Pipeline Repair/Replacement. For FYE 2023 reserve contributions will be \$1,476,543.

#### FYE 2022 Reserve Contribution and Balance

<i>Reserve</i>	<i>FYE 2021 Balance</i>	<i>Contribution</i>	<i>Expense</i>	<i>FYE 2022 Balance</i>
Self-Insurance Reserve	\$ 4,494,364	\$ –	\$ –	\$ 4,494,364
Pipeline Repair/Replacement Reserve	\$ 21,889,082	\$ 928,781	\$ 1,786,882	\$21,030,981
OC San Rehabilitation Reserve	\$ 2,377,813	\$ –	\$ –	\$ 2,377,813
OC San Future Capacity Reserve	\$ 1,833,264	\$ –	\$ –	\$ 1,833,264
Capacity Mgmt Reserve	\$ 11,981,707	\$ –	\$ –	\$11,981,707
Flow Imbalance Reserve	\$ 83,681	\$ –	\$ –	\$ 83,681
Rate Stabilization Reserve	\$ 1,027,311	\$ –	\$ –	\$ 1,027,311
Operating Reserve	\$ 3,672,578	\$ –	\$ –	\$ 3,672,578
Debt Retirement Reserve	\$ 3,712,038	\$ 2,608,439	\$ 2,608,439	\$ 3,712,038
<b>Total</b>	<b>\$ 51,071,838</b>	<b>\$ 3,537,220</b>	<b>\$ 4,395,321</b>	<b>\$50,213,737</b>

#### FYE 2023 Reserve Contribution and Balance

<i>Reserve</i>	<i>FYE 2022 Balance</i>	<i>Contribution</i>	<i>Expense</i>	<i>FYE 2023 Balance</i>
Self-Insurance Reserve	\$ 4,494,364	\$ –	\$ –	\$ 4,494,364
Pipeline Repair/Replacement Reserve	\$21,030,981	\$ 1,467,543	\$ 2,207,931	\$ 20,290,593
OC San Rehabilitation Reserve	\$ 2,377,813	\$ –	\$ –	\$ 2,377,813
OC San Future Capacity Reserve	\$ 1,833,264	\$ –	\$ –	\$ 1,833,264
Capacity Mgmt Reserve	\$11,981,707	\$ –	\$ –	\$ 11,981,707
Flow Imbalance Reserve	\$ 83,681	\$ –	\$ –	\$ 83,681
Rate Stabilization Reserve	\$ 1,027,311	\$ –	\$ –	\$ 1,027,311
Operating Reserve	\$ 3,672,578	\$ –	\$ –	\$ 3,672,578
Debt Retirement Reserve	\$ 3,712,038	\$ 1,709,476	\$ 1,709,476	\$ 3,712,038
<b>Total</b>	<b>\$50,213,737</b>	<b>\$ 3,177,019</b>	<b>\$ 3,917,407</b>	<b>\$ 49,473,349</b>

The Pipeline Repair/Replacement Reserve will fund the CIP. Total reserves needed are projected to be \$1.8 million for FYE 2022 and \$2.2 million for FYE 2023.

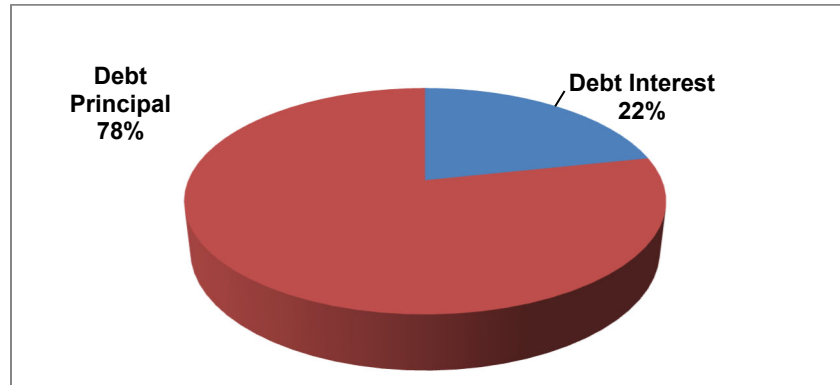
The Operating Reserve is based on 25% of total operating expenses (less OC San volumetric and treatment costs). There are no further contributions needed to this fund due to it being fully funded.

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

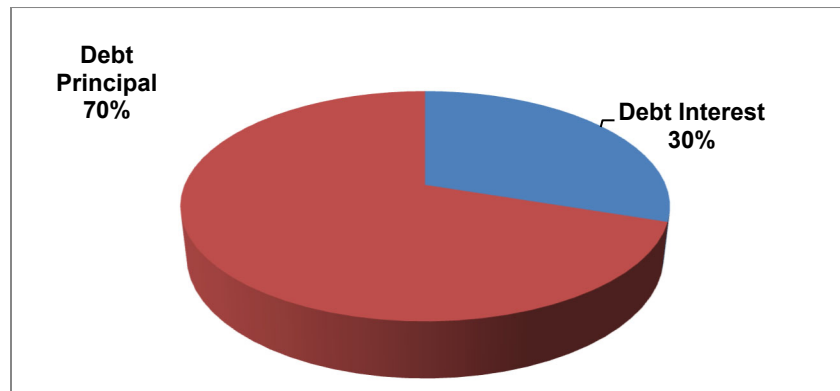
### **Brine Line Debt Service Expenses**

Brine Line debt service expenses include debt service principal and interest payments. Total debt service payments for FYE 2022 are projected to be \$2.6 million and \$1.7 million for FYE 2023.

**FYE 2022 Debt Service Expense  
\$2.6 Million**



**FYE 2023 Debt Service Expense  
\$1.7 Million**



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

<b>Enterprise Fund Budget FYE 2022</b>	<b>Brine Line Operating Fund 240</b>	<b>Brine Line Debt Service</b>	<b>Total</b>
<b>Source of Funds:</b>			
Discharge Fees	\$ 12,192,272	\$ –	\$ 12,192,272
Interest & Investments	\$ 325,000	\$ –	\$ 325,000
<b>Total Source of Funds</b>	<b>\$ 12,517,272</b>	<b>\$ –</b>	<b>\$ 12,517,272</b>
<b>Staffing:</b>			
Hours Allocated	20,485	–	20,485
FTE (based on 2080)	9.8	–	9.8
<b>Use of Funds:</b>			
Labor	\$ 1,227,239	\$ –	\$ 1,227,239
Benefits	\$ 485,743	\$ –	\$ 485,743
Indirect Costs	\$ 1,979,458	\$ –	\$ 1,979,458
Education & Training	\$ 14,500	\$ –	\$ 14,500
Consulting & Professional Services	\$ 322,000	\$ –	\$ 322,000
Operating Costs	\$ 3,833,540	\$ –	\$ 3,833,540
Repair & Maintenance	\$ 480,000	\$ –	\$ 480,000
Phone & Utilities	\$ 10,200	\$ –	\$ 10,200
Equipment & Computer	\$ 218,000	\$ –	\$ 218,000
Meeting & Travel	\$ 10,000	\$ –	\$ 10,000
Other Administrative Costs	\$ 90,900	\$ –	\$ 90,900
Other Expenses	\$ 2,916,911	\$ (2,608,439)	\$ 308,472
Debt Service Payments	\$ –	\$ 2,608,439	\$ 2,608,439
<b>Total Use of Funds</b>	<b>\$ 11,588,491</b>	<b>\$ –</b>	<b>\$ 11,588,491</b>
<b>Contribution To Reserves:</b>			
Pipeline Repair / Replacement Reserve	\$ 928,781	\$ –	\$ 928,781
Self-Insurance	\$ –	\$ –	\$ –
Debt Retirement	\$ –	\$ –	\$ –
<b>Total Contributions to Reserves</b>	<b>\$ 928,781</b>	<b>\$ –</b>	<b>\$ 928,781</b>
Total Use of Funds	\$ 12,517,272	\$ –	\$ 12,517,272
Net Gain (Loss)	\$ –	\$ –	\$ –
Indirect Costs Contribution	61.24%	0.00%	61.24%

<b>Enterprise Fund Budget FYE 2023</b>	<b>Brine Line Operating Fund 240</b>	<b>Brine Line Debt Service</b>	<b>Total</b>
<b>Source of Funds:</b>			
Discharge Fees	\$ 12,071,872	\$ –	\$ 12,071,872
Interest & Investments	\$ 325,000	\$ –	\$ 325,000
<b>Total Source of Funds</b>	<b>\$ 12,396,872</b>	<b>\$ –</b>	<b>\$ 12,396,872</b>
<b>Staffing:</b>			
Hours Allocated	20,920	–	20,920
FTE (based on 2080)	10.1	–	10.1
<b>Use of Funds:</b>			
Labor	\$ 1,326,650	\$ –	\$ 1,326,650
Benefits	\$ 556,753	\$ –	\$ 556,753
Indirect Costs	\$ 2,133,400	\$ –	\$ 2,133,400
Education & Training	\$ 14,500	\$ –	\$ 14,500
Consulting & Professional Services	\$ 285,000	\$ –	\$ 285,000
Operating Costs	\$ 3,739,650	\$ –	\$ 3,739,650
Repair & Maintenance	\$ 490,000	\$ –	\$ 490,000
Phone & Utilities	\$ 11,500	\$ –	\$ 11,500
Equipment & Computer	\$ 206,500	\$ –	\$ 206,500
Meeting & Travel	\$ 10,000	\$ –	\$ 10,000
Other Administrative Costs	\$ 90,900	\$ –	\$ 90,900
Other Expenses	\$ 2,064,476	\$ (1,709,476)	\$ 355,000
Debt Service Payments	\$ –	\$ 1,709,476	\$ 1,709,476
<b>Total Use of Funds from Operations</b>	<b>\$ 10,929,329</b>	<b>\$ –</b>	<b>\$ 10,929,329</b>
<b>Contribution To Reserves:</b>			
Pipeline Repair / Replacement	\$ 1,467,543	\$ –	\$ 1,467,543
Self-Insurance	\$ –	\$ –	\$ –
Debt Service	\$ –	\$ –	\$ –
<b>Total Contributions to Reserves</b>	<b>\$ 1,467,543</b>	<b>\$ –</b>	<b>\$ 1,467,543</b>
Total Use of Funds	\$ 12,396,872	\$ –	\$ 12,396,872
Net Gain (Loss)	\$ –	\$ –	\$ –
Indirect Costs Contribution	61.80%	0.00%	61.80%

<b>Enterprise Funds FYE 2017 - 2023</b>	<b>FYE 2017 Actuals</b>	<b>FYE 2018 Actuals</b>	<b>FYE 2019 Actuals</b>	<b>FYE 2020 Actuals</b>	<b>FYE 2021 Budget</b>	<b>FYE 2021 Actuals</b>	<b>FYE 2022 Budget</b>	<b>FYE 2023 Budget</b>
<b>Source of Funds:</b>								
Discharge Fees	\$ 11,282,402	\$ 10,894,643	\$ 11,123,310	\$ 11,539,517	\$ 12,401,418	\$ 12,159,431	\$ 12,192,272	\$ 12,071,872
Use of Reserves	\$ 271,679	\$ 1,065,947	\$ 2,009,869	\$ 1,790,027	\$ 2,160,027	\$ 2,160,027	\$ –	\$ –
Other Income	\$ 67	\$ 41,206	\$ 1,211,036	\$ 7,702	\$ –	\$ 317,425	\$ –	\$ –
Interest & Investments	\$ 1,700,599	\$ 1,812,261	\$ 1,471,595	\$ 1,368,068	\$ 675,000	\$ 342,986	\$ 325,000	\$ 325,000
<b>Total Source of Funds</b>	<b>\$ 13,254,747</b>	<b>\$ 13,814,057</b>	<b>\$ 15,815,810</b>	<b>\$ 14,705,314</b>	<b>\$ 15,236,445</b>	<b>\$ 14,979,869</b>	<b>\$ 12,517,272</b>	<b>\$ 12,396,872</b>
<b>Staffing:</b>								
Hours Allocated	16,864	16,563	17,763	17,680	21,975	20,314	20,485	20,920
FTE (based on 2080)	8.1	8.0	8.5	8.5	10.6	9.8	9.8	10.1
<b>Use of Funds:</b>								
Labor	\$ 858,469	\$ 874,890	\$ 1,005,423	\$ 1,030,734	\$ 1,320,100	\$ 1,222,530	\$ 1,227,239	\$ 1,326,650
Benefits	\$ 372,576	\$ 382,327	\$ 439,370	\$ 436,000	\$ 597,981	\$ 553,806	\$ 485,743	\$ 556,753
Indirect Costs	\$ 1,355,523	\$ 1,234,469	\$ 1,418,651	\$ 1,943,964	\$ 1,990,646	\$ 1,843,575	\$ 1,979,458	\$ 2,133,400
Education & Training	\$ 1,094	\$ 1,249	\$ 185	\$ 2,925	\$ 12,500	\$ 7	\$ 14,500	\$ 14,500
Consulting & Professional Services	\$ 108,669	\$ 126,614	\$ 153,352	\$ 77,788	\$ 280,000	\$ 130,145	\$ 322,000	\$ 285,000
Operating Costs	\$ 3,265,777	\$ 2,732,770	\$ 2,987,231	\$ 2,698,932	\$ 3,792,500	\$ 2,781,464	\$ 3,833,540	\$ 3,739,650
Repair & Maintenance	\$ 260,789	\$ 261,171	\$ 306,276	\$ 220,341	\$ 385,000	\$ 269,449	\$ 480,000	\$ 490,000
Phone & Utilities	\$ 6,690	\$ 7,360	\$ 8,034	\$ 7,698	\$ 11,700	\$ 11,816	\$ 10,200	\$ 11,500
Equipment & Computer	\$ 17,557	\$ 46,594	\$ 44,994	\$ 50,450	\$ 161,500	\$ 50,045	\$ 218,000	\$ 206,500
Meeting & Travel	\$ 1,264	\$ 3,191	\$ 1,486	\$ 1,963	\$ 10,000	\$ 285	\$ 10,000	\$ 10,000
Other Administrative Costs	\$ 24,642	\$ 24,573	\$ 40,590	\$ 39,682	\$ 77,900	\$ 39,183	\$ 90,900	\$ 90,900
Other Expenses	\$ 188,700	\$ 154,045	\$ 207,142	\$ 301,399	\$ 142,350	\$ 190,861	\$ 308,472	\$ 355,000
Debt Service	\$ 3,060,725	\$ 3,060,520	\$ 3,183,451	\$ 2,835,753	\$ 2,835,027	\$ 2,835,027	\$ 2,608,439	\$ 1,709,476
<b>Total Use of Funds from Operations</b>	<b>\$ 9,522,475</b>	<b>\$ 8,909,773</b>	<b>\$ 9,796,185</b>	<b>\$ 9,647,629</b>	<b>\$ 11,617,204</b>	<b>\$ 9,928,193</b>	<b>\$ 11,588,491</b>	<b>\$ 10,929,329</b>
<b>Contribution To Reserves:</b>								
Pipeline Repair/Replacement	\$ 1,000,000	\$ 1,500,000	\$ 1,500,000	\$ 1,435,478	\$ 1,810,491	\$ 1,810,491	\$ 928,781	\$ 1,467,543
OCS&D Rehabilitation Reserve	\$ 500,000	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Self-Insurance	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ –	\$ –
Debt Service	\$ 508,229	\$ 2,136,173	\$ 1,879,144	\$ 1,790,027	\$ 1,708,750	\$ 1,708,750	\$ –	\$ –
<b>Total Contributions to Reserves</b>	<b>\$ 2,108,229</b>	<b>\$ 3,736,173</b>	<b>\$ 3,479,144</b>	<b>\$ 3,325,505</b>	<b>\$ 3,619,241</b>	<b>\$ 3,619,241</b>	<b>\$ 928,781</b>	<b>\$ 1,467,543</b>
Total Use of Funds	\$ 11,630,704	\$ 12,645,946	\$ 13,275,329	\$ 12,973,134	\$ 15,236,445	\$ 13,547,434	\$ 12,517,272	\$ 12,396,872
Net Gain (Loss)	\$ 1,624,043	\$ 1,168,111	\$ 2,540,481	\$ 1,732,180	\$ –	\$ 1,432,435	\$ –	\$ –



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# OWOW Fund

Under the OWOW Fund, integrated regional water management planning and implementation is conducted. The fund includes basin planning in which regional water issues are addressed, partnership studies with the US Bureau of Reclamation, IRWM planning known as the SAWPA OWOW Plan, and various multi-benefit projects using grant and local funding to implement the OWOW Plan. Combined, these efforts promote increased sustainability and resiliency of the Watershed in dealing with water challenges as we move into the future. The OWOW fund is made up of the following activities/projects described below.

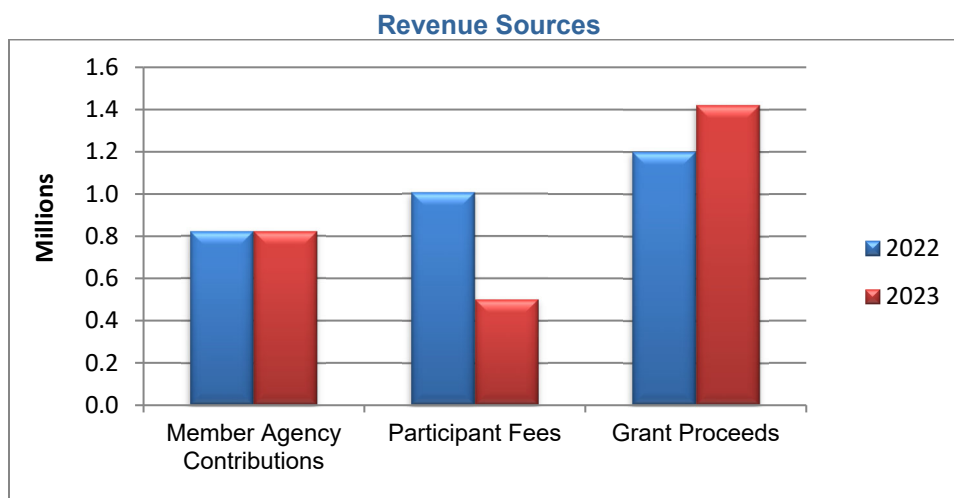
<i>Fund</i>	<i>Project</i>
370-01	Basin Planning General
370-02	USBR Partnership Studies
373	Watershed Management (OWOW)
135	Proposition 84 Program Management – Round 2
145	Proposition 84 Program Management – Round 2015
150	Proposition 1 Program Management
397	WECAN - Riverside
398	Proposition 1 – DACI
504-04	Proposition 84 - Round 2015 (SARCCUP & Other Projects)
505	Proposition 1 – Capital Projects

## Revenue and Other Funding Sources

In FYE 2022, the OWOW fund has total budgeted revenues of \$3 million, or approximately 15.6% of the total budgeted revenue of \$19.4 million. This represents a 41.7%, or \$2.2 million, decrease in revenues over the FYE 2021 budget.

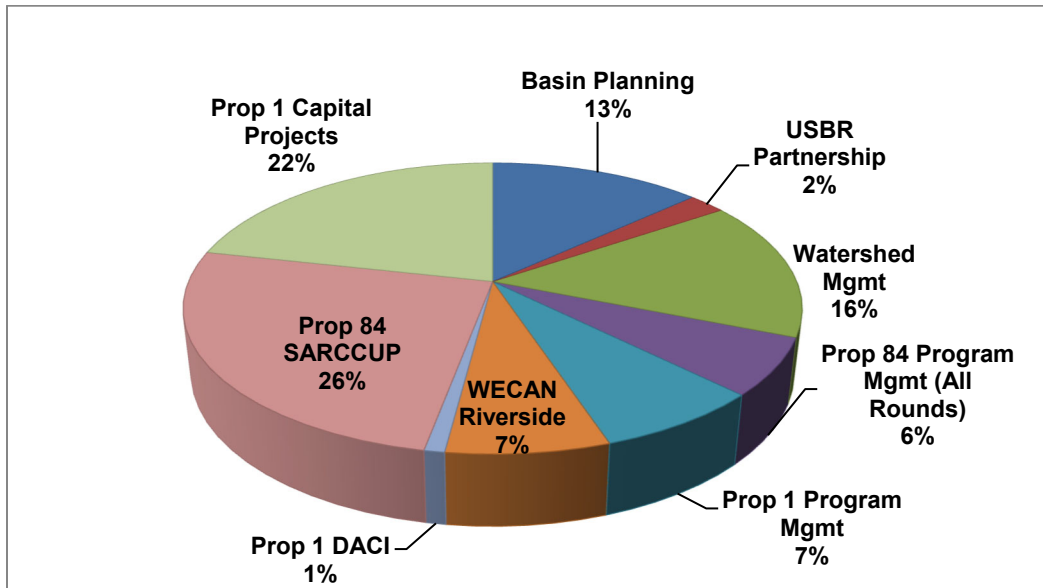
In FYE 2023, the OWOW fund has total budgeted revenues of \$2.7 million, or approximately 13.2% of the total budgeted revenue of \$20.7 million. This represents a 9.4%, or \$283,304 decrease in revenues over the FYE 2022 budget.

Revenues by source are shown in the graph below. The revenue sources for this fund are derived from member agency contributions, participant fees, and grant proceeds.

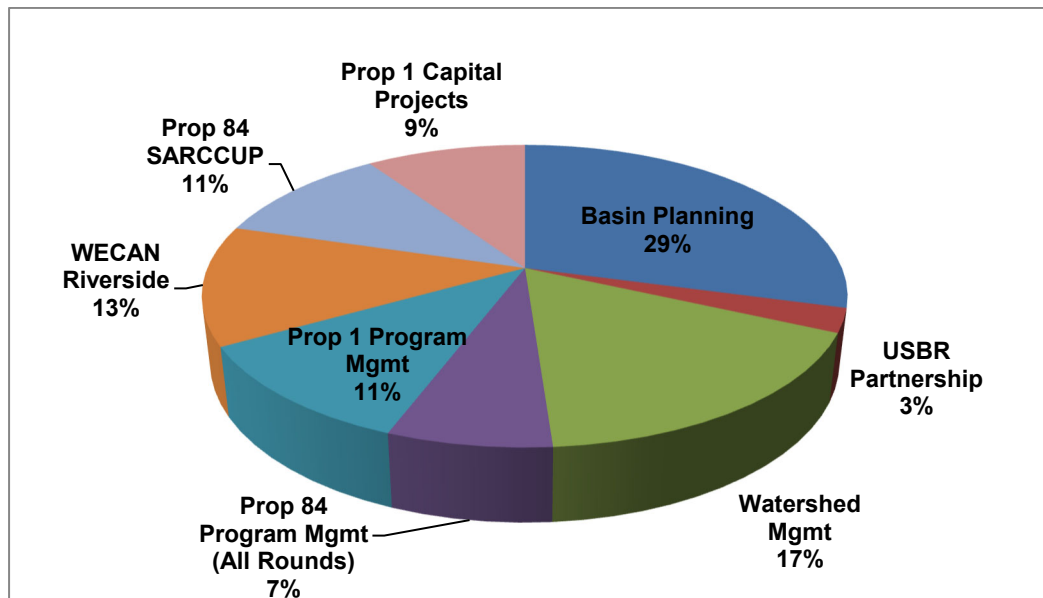


The total revenues by fund type are shown in the pie charts below.

**FYE 2022 Revenue by Fund  
\$3 Million**



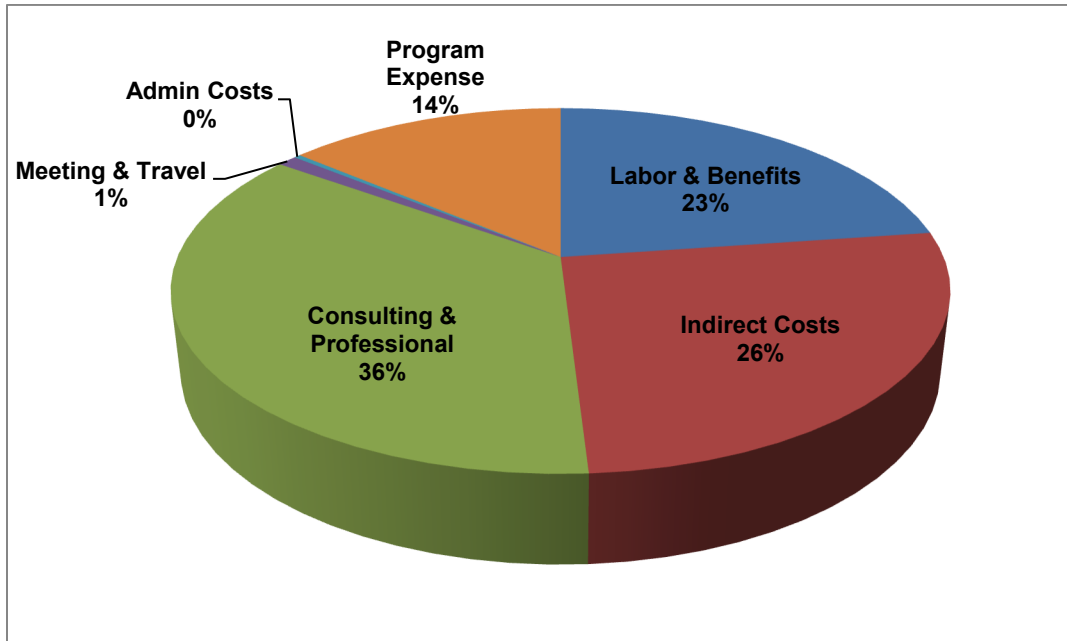
**FYE 2023 Revenue by Fund  
\$2.7 Million**



### Expenses and Other Uses of Funds

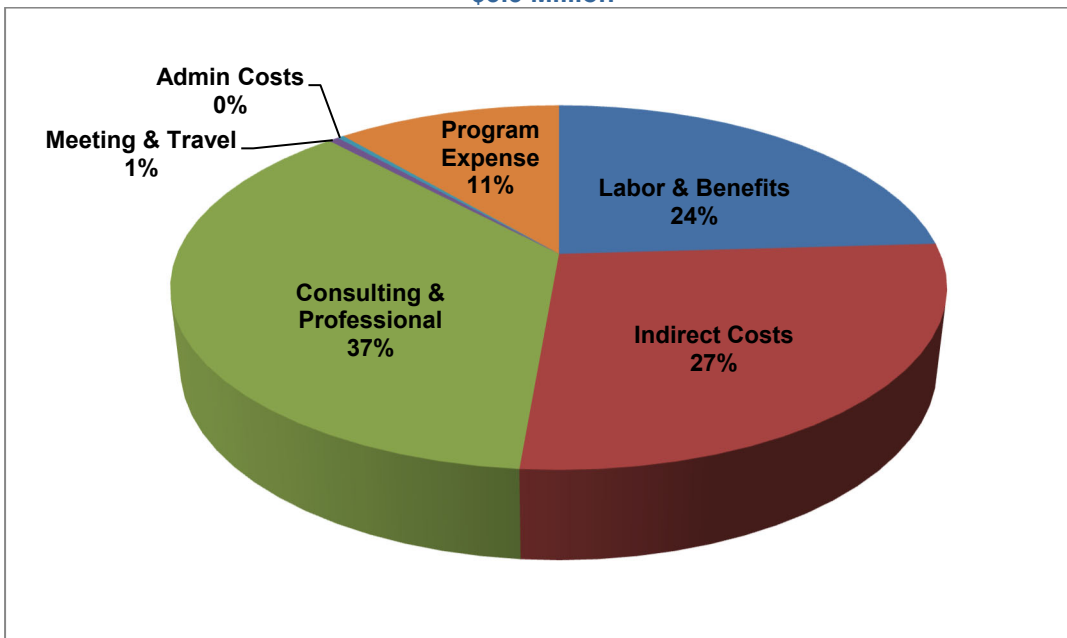
Total expenses for FYE 2022 are \$3.3 million, or approximately 16.5% of total budgeted operating expenses. This represents a 35.1%, or \$1.8 million, decrease in expenses from the FYE 2021 budget.

**FYE 2022 Total Expenses**  
**\$3.3 Million**



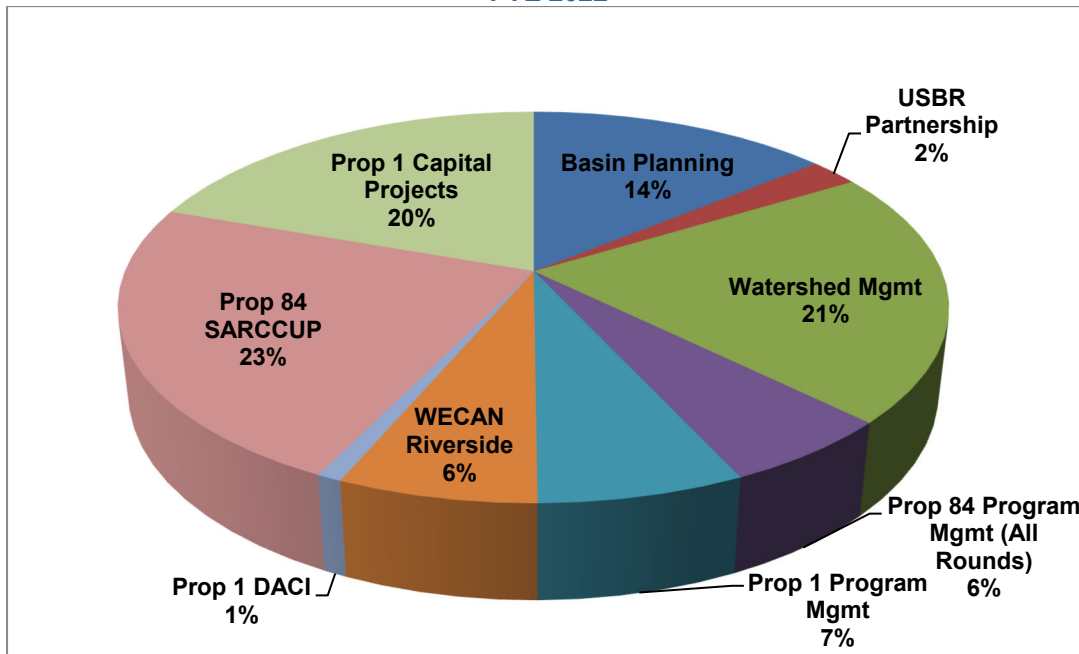
Total expenses for FYE 2023 are \$3.3 million, or approximately 16% of total budgeted operating expenses. This represents a 0.9%, or \$30,881, decrease in expenses from the FYE 2022 budget. The decrease is due to the completion of Proposition 84 Program Management for Round II and Proposition 1 DACI grant.

**FYE 2023 Total Expenses**  
**\$3.3 Million**

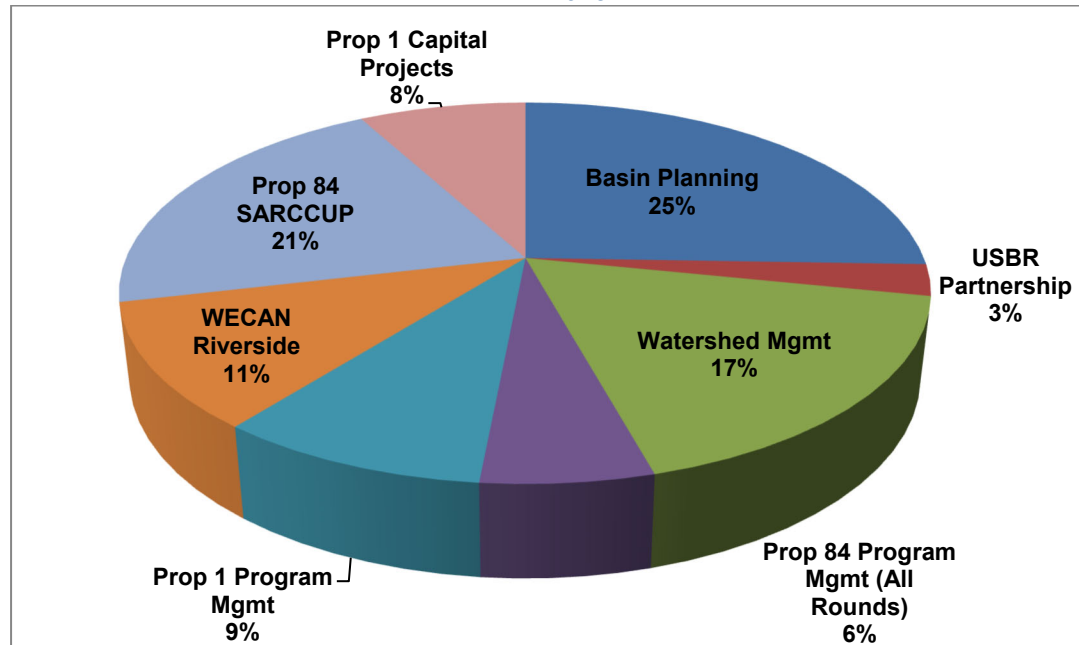


Participating in OWOW projects allows some of the Agency's general fund expenses to be allocated to these funds. In FYE 2022, approximately 27.06%, or \$0.9 million, of general fund expenses will be paid through this fund group. In FYE 2023, approximately 26.03%, or \$0.9 million, of general fund expenses will be paid through this fund group.

**Expenses by Fund  
FYE 2022**



**Expenses by Fund  
FYE 2023**



## Fund Balance

The fund balance is the difference between fund assets and liabilities. For many OWOW 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 OWOW project.

**FYE 2022 Fund Balance**

<i>Fund</i>	<i>Fund Balance at 06/30/21</i>	<i>Revenues</i>	<i>Expenses</i>	<i>Fund Balance at 06/30/22</i>
370-01	\$ 143,500	\$ 400,000	\$ 466,563	\$ 76,937
370-02	\$ 55,057	\$ 70,000	\$ 76,713	\$ 48,344
373	\$ 380,012	\$ 468,700	\$ 697,817	\$ 150,895
135	\$ –	\$ 7,960	\$ 7,960	\$ –
145	\$ –	\$ 184,228	\$ 184,228	\$ –
150	\$ –	\$ 225,808	\$ 225,808	\$ –
397	\$ –	\$ 217,336	\$ 217,336	\$ –
398	\$ –	\$ 27,206	\$ 27,206	\$ –
504-04	\$ 386,877	\$ 770,825	\$ 770,825	\$ 386,877
505	\$ –	\$ 651,608	\$ 651,608	\$ –
Total	\$ 965,446	\$ 3,023,671	\$ 3,326,064	\$ 663,053

**FYE 2023 Fund Balance**

<i>Fund</i>	<i>Fund Balance at 06/30/22</i>	<i>Revenues</i>	<i>Expenses</i>	<i>Fund Balance at 06/30/23</i>
370-01	\$ 76,937	\$ 800,000	\$ 841,260	\$ 35,677
370-02	\$ 48,344	\$ 70,000	\$ 87,663	\$ 30,681
373	\$ 150,895	\$ 468,700	\$ 577,716	\$ 41,879
145	\$ –	\$ 190,677	\$ 190,677	\$ –
150	\$ –	\$ 301,706	\$ 301,706	\$ –
397	\$ –	\$ 351,208	\$ 351,208	\$ –
504-04	\$ 386,877	\$ 296,370	\$ 683,247	\$ –
505	\$ –	\$ 261,706	\$ 261,706	\$ –
Total	\$ 663,053	\$ 2,740,367	\$ 3,295,183	\$ 108,237

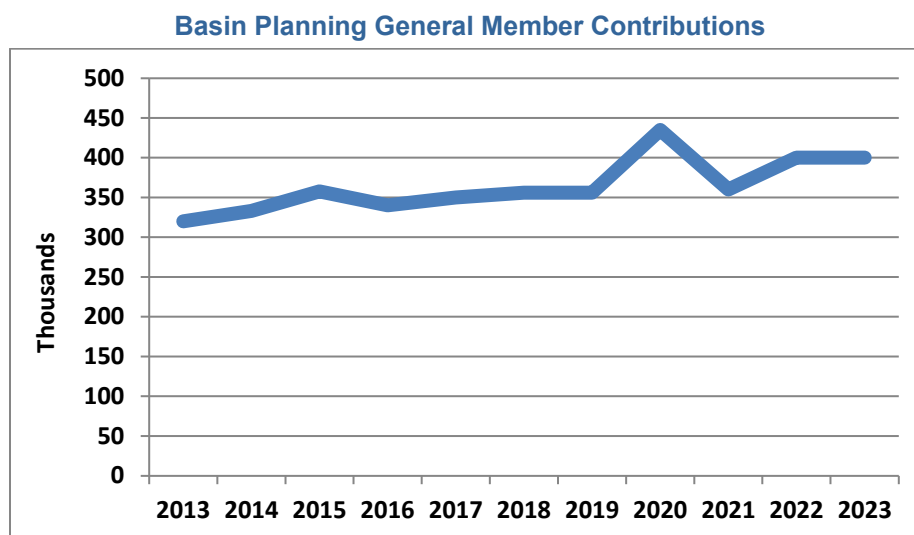
The fund balance is expected to decrease by 31.3% for FYE 2022 and decrease by 8.7% for FYE 2023. Staff has decided to utilize the existing fund balance for some projects to balance the budget each year instead of increasing member contributions to cover total expenses.

### **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 State Propositions such as Proposition 84, Proposition 1, and the U.S. Bureau of Reclamation (USBR) grants 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 SAWPA staff involvement and support for the Southern California Salinity Coalition.

Another major activity to be undertaken under this fund is the development of the Santa Ana River Watershed Weather Modification Pilot Program. Carryover funds will be used to conduct the ground seeding site analysis, the California Environmental Quality Act (CEQA), and staff time to prepare a DWR grant application for 50% of the funding to conduct a multiyear pilot weather modification program with a validation component.

In FYEs 2022 and 2023, total revenues are projected to be \$400,000 and \$800,000. Funding for this project is from member agency contributions, grant proceeds, and participant fees. The following chart shows the history of member contributions for this fund.

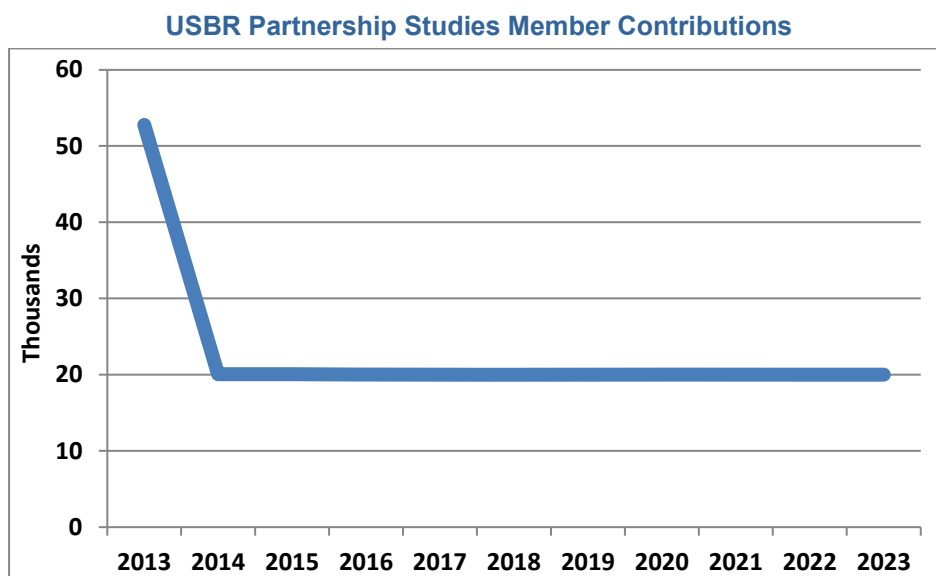


### **Fund 370-02 USBR Partnership Studies**

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. In previous years, grant funding for a pilot scale analysis of aerial mapping tools and measurement was acquired and several multi-agency regional studies involving water recycling and salinity management were conducted under the partnership with the USBR. The federal funding typically is provided on 50-50 cost share with the SAWPA local funding provided for the local match.

For FYEs 2022 and 2023, staff anticipates preparing and submitting grant applications for various Bureau of Reclamation's projects and programs offered nationwide. Additionally, some activity will cover SAWPA staff time necessary to prepare quarterly reports and coordination activities with USBR staff associated with the analysis of high-resolution imagery of the watershed and developing water efficiency budgets based on the imagery analysis performed as part of the Proposition 1 Round 1 IRWM SAWPA project entitled the SAWPA Enhanced Water Budget **Tool**.

In FYEs 2022 and 2023, total revenues are projected to be \$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.



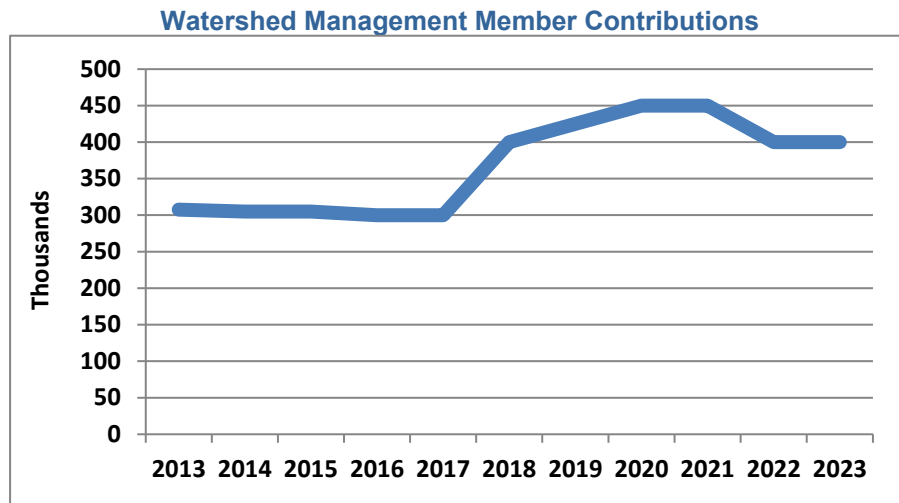
#### **Fund 373 Watershed Management**

This project was formed to conduct SAWPA IRWMP Planning. The first SAWPA IRWMP report was completed in June 2002. This report was updated in 2005, 2010, and 2014 and has been funded by the SAWPA member agencies and grants received from the State. In FYE 2016, a new expanded SAWPA IRWMP called the “One Water One Watershed” (OWOW) Plan was developed. This plan reflects a comprehensive view of the watershed and water issues encompassing all sub-regions, political jurisdictions, water agencies, and non-governmental stakeholders in the watershed. It is one in which all types of water (imported, local surface and groundwater, stormwater, and wastewater effluent) are viewed as components of a single water resource linked to land use and habitat supporting natural hydrology in the watershed.

In February 2019, the OWOW Plan Update 2018 was adopted by the SAWPA Commission and submitted to the DWR as a deliverable associated with Proposition 1 IRWM Planning Grant. The State has indicated that the plan fully meets the new Statewide IRWM plan standards released in 2016. For FYE’s 2022 and 2023, work will be conducted to prepare grant applications for Proposition 1 IRWM Implementation grant funding for projects that are competitively selected that meets the goals and objectives of the updated plan. Work under this fund also includes outreach for future OWOW Call for Projects, rating, ranking, and selection of projects eligible for grant funding under Round 2 of the Proposition 1 IRWM Implementation grant program.

In FYEs 2022 and 2023, total revenues are projected to be \$468,700. Funding for this project is from member agency contributions and participant fees. The chart below shows the history of member contributions for this fund.





#### **Fund 135 – Proposition 84 Program Management – Round 2**

In 2006, voters passed Proposition 84, which provided 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. From the \$114 million, \$15.1 million in grant funding was designated to SAWPA under Round 2 for the implementation of 19 projects with \$625,000 budgeted for SAWPA grant administration. The administration of the Proposition 84 IRWM Round 2 grant will be accounted for in this fund.

In FYE 2022, both revenues and expenses are projected to be \$7,960. Only the costs of administering the grant contract have been included in the budget. This grant will be completed in July 2021.

#### **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. From the \$114 million, \$64.3 million in grant funding was designated to SAWPA under the 2015 Round for three major projects with \$3.2 million budgeted for SAWPA grant administration. The administration of the Proposition 84 IRWM 2015 Round grant will be accounted for in this fund.

In FYE 2022, both revenues and expenses are projected to be \$184,228. In FYE 2023, both revenues and expenses are projected to be \$190,677. Only the costs of administering the grant contract have been included in the budget.

#### **Fund 150 – Proposition 1 Program Management**

On November 4, 2014, California voters approved Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act of 2014. Proposition 1 authorized \$510 million for IRWM funding. The Proposition 1 IRWM Grant Program, administered by DWR, provides funding for projects that help meet the long-term water needs of the state. Of the \$510 million, \$63 million will be allocated to the Santa Ana River Watershed.

In FYE 2022, both revenues and expenses are projected to be \$225,808. In FYE 2023, both revenues and expenses are projected to be \$301,706. Only the costs of administering the grant contract have been included in the budget.

#### **Fund 397 – WECAN - Riverside**

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 designed 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.

For FYEs 2022 and 2023, SAWPA will continue the WECAN work based on a grant applied for by the City of Riverside from the Transformative Climate Communities Grant program in which SAWPA was named as an implementing partner. The grant program will provide approximately \$593,000 to SAWPA along with \$100,000 from the City of Riverside Public Utilities for SAWPA to undertake turf removal and replacement with drought tolerant landscaping for approximately 100 low-income residential homes in the City of Riverside.

In FYE 2022, both revenues and expenses are projected to be \$217,336. In FYE 2023, total revenues and expenses are projected to be \$351,208.

#### **Fund 398 – Proposition 1 DACI**

In 2016, Proposition 1 IRWM program designated 10% of grant funding (\$6.3 million) for a DACI program to support water needs assessment within the Santa Ana River Watershed. SAWPA, as the lead for the State designated Regional Water Management Group for the Santa Ana Funding Area, was designated as the administrator and implementer of this program. The DACI Program was developed through significant stakeholder engagement and support by the SAWPA Commission and OWOW Steering Committee. A grant proposal was prepared in 2016 and submitted and accepted by the DWR and the three-year scope of work commenced on July 1, 2016.

During the development of the program, four partner organizations were identified: Local Government Commission, California State University, California Rural Water Association, and the Water Education Foundation. The four partners contributed significantly to the design of the program and work closely with SAWPA to execute the full scope of work. Each organization will collaborate to conduct the Program Elements of 1) Strength and Needs Assessment, 2) Engagement/Education, 3) Project Development, and 4) Grant Administration. Work in FYEs 2020 and 2021 focused on the third Program Element of Project Development which provided technical assistance for planning and development of water projects supporting disadvantaged and under-represented communities across the watershed. For FYEs 2022 and 2023 the grant agreement with DWR will be amended to extend the work of support by providing \$5 million in grant funding to support the implementation of 4 to 5 drought relief water projects for small community water systems supporting underrepresented and native American Tribal communities in the Watershed.

In FYE 2022, both revenues and expenses are projected to be \$27,206. The project is expected to be completed in July 2021.

#### **Fund 504-04 – Proposition 84 – SARCCUP & Other 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. From the \$114 million, \$64.3 million in grant funding was designated to SAWPA under the 2015 Round for three major projects with another \$175.6 million in local cost share match. Among the three projects, the majority of the grant funding is directed to the SARCCUP Project which supports a major conjunctive use water storage project in the Watershed. The other two projects are a pipeline project by OC San and a watershed protection program by Riverside County Flood Control & Water Conservation District (RCFC&WCD).

For the Proposition 84 SARCCUP & Other Projects, total revenues and expenses for FYE 2022 are projected to be \$770,825, with \$13.1 million passing through to project proponents. In FYE 2023, total revenues and expenses are projected to be \$683,247 using \$386,877 of carryover funding, with \$15.2 million passing through to project proponents.

**Fund 505 – Proposition 1 – Capital Projects**

On November 4, 2014, California voters approved Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act of 2014. Proposition 1 authorized \$510 million for IRWM funding. The Proposition 1 IRWM Grant Program, administered by DWR, provides funding for projects that help meet the long-term water needs of the state. Of the \$510 million, \$63 million will be allocated to the Santa Ana River Watershed.

For the Proposition 1 Capital Projects, total revenues for FYE 2022 are projected to be \$651,608, with \$9.7 million passing through to project proponents. In FYE 2023, total revenues are projected to be \$261,706, with \$6 million passing through to project proponents.

<b>OWOW Fund Budget FYE 2022</b>	<b>Basin Planning General Fund 370-01</b>	<b>USBR Partnership Studies Fund 370-02</b>	<b>Watershed Mgmt (OWOW) Fund 373</b>	<b>Prop 84 – R2 Program Mgmt Fund 135</b>	<b>Prop 84 – 2015 Program Mgmt Fund 145</b>	<b>Prop 1 Program Mgmt Fund 150</b>
<b>Source of Funds:</b>						
Grant Proceeds	\$ –	\$ 50,000	\$ –	\$ 7,960	\$ 184,228	\$ 225,808
Member Agency Contributions	\$ 400,000	\$ 20,000	\$ 400,000	\$ –	\$ –	\$ –
Participant Fees	\$ –	\$ –	\$ 68,700	\$ –	\$ –	\$ –
<b>Total Source of Funds</b>	<b>\$ 400,000</b>	<b>\$ 70,000</b>	<b>\$ 468,700</b>	<b>\$ 7,960</b>	<b>\$ 184,228</b>	<b>\$ 225,808</b>
<b>Staffing:</b>						
Hours Allocated	1,605	116	2,275	46	885	1,095
FTE (based on 2080)	0.8	0.1	1.1	0.0	0.4	0.5
<b>Use of Funds:</b>						
Labor	\$ 124,658	\$ 8,812	\$ 168,116	\$ 2,646	\$ 61,231	\$ 75,051
Benefits	\$ 49,340	\$ 3,488	\$ 66,541	\$ 1,047	\$ 24,235	\$ 29,705
Indirect Costs	\$ 201,065	\$ 14,213	\$ 271,160	\$ 4,267	\$ 98,762	\$ 121,052
Consulting & Professional Services	\$ 76,000	\$ 50,000	\$ 170,000	\$ –	\$ –	\$ –
Equipment & Computers	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Meeting & Travel	\$ 5,500	\$ 100	\$ 21,500	\$ –	\$ –	\$ –
Other Administrative Costs	\$ 10,000	\$ 100	\$ 500	\$ –	\$ –	\$ –
Program Expense	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
<b>Total Use of Funds from Operations</b>	<b>\$ 466,563</b>	<b>\$ 76,713</b>	<b>\$ 697,817</b>	<b>\$ 7,960</b>	<b>\$ 184,228</b>	<b>\$ 225,808</b>
Net Gain (Loss)	\$ (66,563)	\$ (6,713)	\$ (229,117)	\$ –	\$ –	\$ –
Beginning Fund Balance	\$ 143,500	\$ 55,057	\$ 380,012	\$ –	\$ –	\$ –
Ending Fund Balance	\$ 76,936	\$ 48,344	\$ 150,894	\$ –	\$ –	\$ –
Pass Through (Proposition 1 & 84 – Capital)	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Indirect Costs Contribution	6.22%	0.44%	8.39%	0.13%	3.06%	3.75%

<b>OWOW Fund Budget FYE 2022</b>	<b>WECAN Riverside Fund 397</b>	<b>Prop 1 DACI Fund 398</b>	<b>SARCCUP &amp; Other Projects Fund 504-04</b>	<b>Prop 1 Capital Projects Fund 505</b>	<b>Total</b>
<b>Source of Funds:</b>					
Grant Proceeds	\$ 187,336	\$ 27,206	\$ 337,313	\$ 179,384	\$ 1,199,235
Member Agency Contributions	\$ –	\$ –	\$ –	\$ –	\$ 820,000
Participant Fees	\$ 30,000	\$ –	\$ 433,512	\$ 472,224	\$ 1,004,436
<b>Total Source of Funds</b>	<b>\$ 217,336</b>	<b>\$ 27,206</b>	<b>\$ 770,825</b>	<b>\$ 651,608</b>	<b>\$ 3,023,671</b>
<b>Staffing:</b>					
Hours Allocated	50	130	595	540	7,337
FTE (based on 2080)	0.0	0.1	0.3	0.3	3.5
<b>Use of Funds:</b>					
Labor	\$ 10,747	\$ 9,042	\$ 46,524	\$ 35,344	\$ 542,171
Benefits	\$ 4,254	\$ 3,579	\$ 18,414	\$ 13,989	\$ 214,592
Indirect Costs	\$ 17,335	\$ 14,585	\$ 75,040	\$ 57,007	\$ 874,486
Consulting & Professional Services	\$ 180,000	\$ –	\$ 171,300	\$ 545,268	\$ 1,192,568
Equipment & Computers	\$ –	\$ –	\$ –	\$ –	\$ –
Meeting & Travel	\$ 5,000	\$ –	\$ –	\$ –	\$ 32,100
Other Administrative Costs	\$ –	\$ –	\$ –	\$ –	\$ 10,600
Program Expense	\$ –	\$ –	\$ 459,547	\$ –	\$ 459,547
<b>Total Use of Funds from Operations</b>	<b>\$ 217,336</b>	<b>\$ 27,206</b>	<b>\$ 770,825</b>	<b>\$ 651,608</b>	<b>\$ 3,326,064</b>
Net Gain (Loss)	\$ –	\$ –	\$ –	\$ –	\$ (302,393)
Beginning Fund Balance	\$ –	\$ –	\$ 386,877	\$ –	\$ 965,446
Ending Fund Balance	\$ –	\$ –	\$ 386,877	\$ –	\$ 663,053
Pass Through (Proposition 1 & 84 – Capital)	\$ –	\$ –	\$ 13,142,581	\$ 9,731,225	\$ 22,873,806
Indirect Costs Contribution	0.54%	0.45%	2.32%	1.76%	27.06%

<b>OWOW Fund Budget FYE 2023</b>	<b>Basin Planning General Fund 370-01</b>	<b>USBR Partnership Studies Fund 370-02</b>	<b>Watershed Mgmt (OWOW) Fund 373</b>	<b>Prop 84 – 2015 Program Mgmt Fund 145</b>
<b>Source of Funds:</b>				
Grant Proceeds	\$ 200,000	\$ 50,000	\$ –	\$ 190,677
Member Agency Contributions	\$ 400,000	\$ 20,000	\$ 400,000	\$ –
Participant Fees	\$ 200,000	\$ –	\$ 68,700	\$ –
<b>Total Source of Funds</b>	<b>\$ 800,000</b>	<b>\$ 70,000</b>	<b>\$ 468,700</b>	<b>\$ 190,677</b>
<b>Staffing:</b>				
Hours Allocated	1,690	130	1,865	815
FTE (based on 2080)	0.8	0.1	0.9	0.4
<b>Use of Funds:</b>				
Labor	\$ 140,618	\$ 12,373	\$ 142,684	\$ 62,976
Benefits	\$ 59,013	\$ 5,193	\$ 59,880	\$ 26,429
Indirect Costs	\$ 226,129	\$ 19,897	\$ 229,452	\$ 101,272
Consulting & Professional Services	\$ 400,000	\$ 50,000	\$ 138,700	\$ –
Equipment & Computers	\$ –	\$ –	\$ –	\$ –
Meeting & Travel	\$ 5,500	\$ 100	\$ 6,500	\$ –
Other Administrative Costs	\$ 10,000	\$ 100	\$ 500	\$ –
Program Expense	\$ –	\$ –	\$ –	\$ –
<b>Total Use of Funds from Operations</b>	<b>\$ 841,260</b>	<b>\$ 87,663</b>	<b>\$ 577,716</b>	<b>\$ 190,677</b>
Net Gain (Loss)	\$ (41,260)	\$ (17,663)	\$ (109,016)	\$ –
Beginning Fund Balance	\$ 76,936	\$ 48,344	\$ 150,894	\$ –
Ending Fund Balance	\$ 35,677	\$ 30,682	\$ 41,879	\$ –
Pass Through (Proposition 1 & 84 – Capital)	\$ –	\$ –	\$ –	\$ –
Indirect Costs Contribution	6.55%	0.58%	6.65%	2.93%

<b>OWOW Fund Budget FYE 2023</b>	<b>Prop 1 Program Mgmt Fund 150</b>	<b>WECAN Riverside Fund 397</b>	<b>PA23 SARCCUP &amp; Other Projects Fund 504-04</b>	<b>Prop 1 Capital Projects Fund 505</b>	<b>Total</b>
<b>Source of Funds:</b>					
Grant Proceeds	\$ 301,706	\$ 301,208	\$ 136,370	\$ 240,751	\$ 1,420,712
Member Agency Contributions	\$ –	\$ –	\$ –	\$ –	\$ 820,000
Participant Fees	\$ –	\$ 50,000	\$ 160,000	\$ 20,955	\$ 499,655
<b>Total Source of Funds</b>	<b>\$ 301,706</b>	<b>\$ 351,208</b>	<b>\$ 296,370</b>	<b>\$ 261,706</b>	<b>\$ 2,740,367</b>
<b>Staffing:</b>					
Hours Allocated	1,240	200	610	545	7,095
FTE (based on 2080)	0.6	0.1	0.3	0.3	3.4
<b>Use of Funds:</b>					
Labor	\$ 99,646	\$ 15,261	\$ 50,965	\$ 34,291	\$ 558,814
Benefits	\$ 41,818	\$ 6,405	\$ 21,388	\$ 14,391	\$ 234,517
Indirect Costs	\$ 160,242	\$ 24,542	\$ 81,957	\$ 55,144	\$ 898,635
Consulting & Professional Services	\$ –	\$ 300,000	\$ 161,300	\$ 157,880	\$ 1,207,880
Equipment & Computers	\$ –	\$ –	\$ –	\$ –	\$ –
Meeting & Travel	\$ –	\$ 5,000	\$ –	\$ –	\$ 17,100
Other Administrative Costs	\$ –	\$ –	\$ –	\$ –	\$ 10,600
Program Expense	\$ –	\$ –	\$ 367,637	\$ –	\$ 367,637
<b>Total Use of Funds from Operations</b>	<b>\$ 301,706</b>	<b>\$ 351,208</b>	<b>\$ 683,247</b>	<b>\$ 261,706</b>	<b>\$ 3,295,183</b>
Net Gain (Loss)	\$ –	\$ –	\$ (386,877)	\$ –	\$ (554,816)
Beginning Fund Balance	\$ –	\$ –	\$ 386,877	\$ –	\$ 663,053
Ending Fund Balance	\$ –	\$ –	\$ –	\$ –	\$ 108,237
Pass Through (Proposition 1 & 84 – Capital)	\$ –	\$ –	\$ 15,174,747	\$ 6,034,970	\$ 21,209,717
Indirect Costs Contribution	4.64%	0.71%	2.37%	1.60%	26.03%

<b>OWOW Funds FYE 2017 – 2023</b>	<b>FYE 2017 Actuals</b>	<b>FYE 2018 Actuals</b>	<b>FYE 2019 Actuals</b>	<b>FYE 2020 Actuals</b>	<b>FYE 2021 Budget</b>	<b>FYE 2021 Actuals</b>	<b>FYE 2022 Budget</b>	<b>FYE 2023 Budget</b>
<b>Source of Funds:</b>								
Grant Proceeds	\$ 2,383,506	\$ 2,577,986	\$ 2,311,159	\$ 3,115,525	\$ 3,572,232	\$ 2,569,692	\$ 1,199,235	\$ 1,420,712
Member Agency Contributions	\$ 670,000	\$ 776,000	\$ 801,000	\$ 905,000	\$ 830,000	\$ 830,000	\$ 820,000	\$ 820,000
Participant Fees	\$ 767,215	\$ 861,210	\$ 337,816	\$ 488,084	\$ 784,626	\$ 815,260	\$ 1,004,436	\$ 499,655
Operating Transfer	\$ –	\$ –	\$ 17,144	\$ –	\$ –	\$ –	\$ –	\$ –
Other Income	\$ –	\$ 13,692	\$ 10,800	\$ –	\$ –	\$ –	\$ –	\$ –
Interest & Investments	\$ 6,956	\$ 16,009	\$ 17,340	\$ 18,690	\$ –	\$ 5,947	\$ –	\$ –
<b>Total Source of Funds</b>	<b>\$ 3,827,677</b>	<b>\$ 4,244,897</b>	<b>\$ 3,495,259</b>	<b>\$ 4,527,299</b>	<b>\$ 5,186,858</b>	<b>\$ 4,220,899</b>	<b>\$ 3,023,671</b>	<b>\$ 2,740,367</b>
<b>Staffing:</b>								
Hours Allocated	10,509	8,991	8,932	7,366	11,980	6,924	7,337	7,095
FTE (based on 2080)	5.1	4.3	4.3	3.5	5.8	3.3	3.5	3.4
<b>Use of Funds:</b>								
Labor	\$ 540,588	\$ 526,973	\$ 496,068	\$ 474,917	\$ 795,748	\$ 467,382	\$ 542,171	\$ 558,814
Benefits	\$ 234,614	\$ 230,286	\$ 216,782	\$ 203,729	\$ 360,459	\$ 211,724	\$ 214,592	\$ 234,517
Indirect Costs	\$ 853,589	\$ 743,559	\$ 699,949	\$ 862,921	\$ 1,199,949	\$ 704,814	\$ 874,486	\$ 898,635
Consulting & Professional Services	\$ 1,699,672	\$ 2,631,242	\$ 1,918,042	\$ 2,127,868	\$ 1,740,505	\$ 1,258,504	\$ 1,192,568	\$ 1,207,880
Equipment & Computer	\$ –	\$ 149	\$ 105	\$ 326	\$ 500	\$ 172	\$ –	\$ –
Meeting & Travel	\$ 20,877	\$ 13,162	\$ 21,617	\$ 5,746	\$ 24,100	\$ (20)	\$ 32,100	\$ 17,100
Other Administrative Costs	\$ 15,713	\$ 18,225	\$ 40,011	\$ 38,529	\$ 15,300	\$ 11,530	\$ 10,600	\$ 10,600
Program Expense	\$ –	\$ 77,137	\$ 539,311	\$ 564,152	\$ 988,035	\$ 835,369	\$ 459,547	\$ 367,637
<b>Total Use of Funds</b>	<b>\$ 3,365,053</b>	<b>\$ 4,240,733</b>	<b>\$ 3,931,885</b>	<b>\$ 4,278,188</b>	<b>\$ 5,124,596</b>	<b>\$ 3,489,475</b>	<b>\$ 3,326,064</b>	<b>\$ 3,295,183</b>
Net Gain (Loss)	\$ 462,624	\$ 4,164	\$ (436,626)	\$ 249,111	\$ 62,262	\$ 731,424	\$ (302,393)	\$ (554,816)
Pass Through (Proposition 1 & 84 – Capital)	\$ 6,017,283	\$ 4,637,524	\$ 24,514,735	\$ 5,409,512	\$ 15,380,781	\$ 10,726,798	\$ 22,873,806	\$ 21,209,717



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# Roundtable Fund

The Roundtable 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 roundtable funds comes from the participants of each program in the form of participant fees. Member agency contributions may be required 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	RWQ Monitoring Task Force
387	Arundo Management & Habitat Restoration
392	Emerging Constituents Program Task Force
477	LESJWA Administration

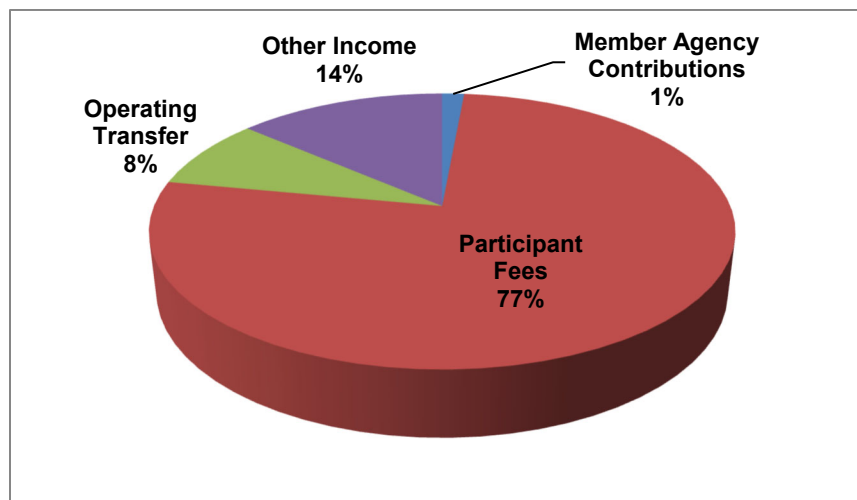
## Revenue and Other Funding Sources

In FYE 2022, the roundtable fund has total budgeted revenues of \$1.4 million, or approximately 7.1% of the total budgeted revenue of \$19.4 million. This represents a 5.5%, or \$79,491, decrease in revenues from the FYE 2021 budget. This is a minimal decrease from the prior year.

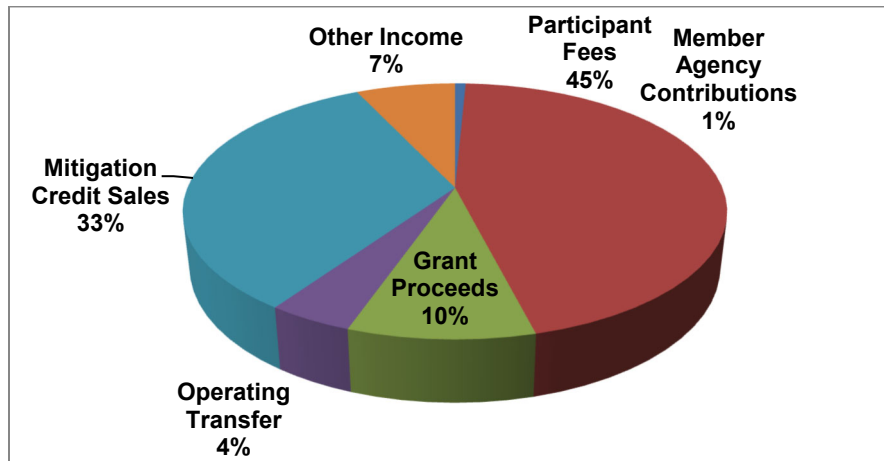
In FYE 2023, the roundtables fund has total budgeted revenues of \$2.7 million, or approximately 12.9% of the total budgeted revenue of \$20.7 million. This represents an increase of \$1.3 million from the FYE 2022 budget. The increase is based on projected mitigation credit sales and the receipt of a grant for the Santa Ana Sucker conservation task force.

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

**FYE 2022 Revenues**  
**\$1.4 Million**

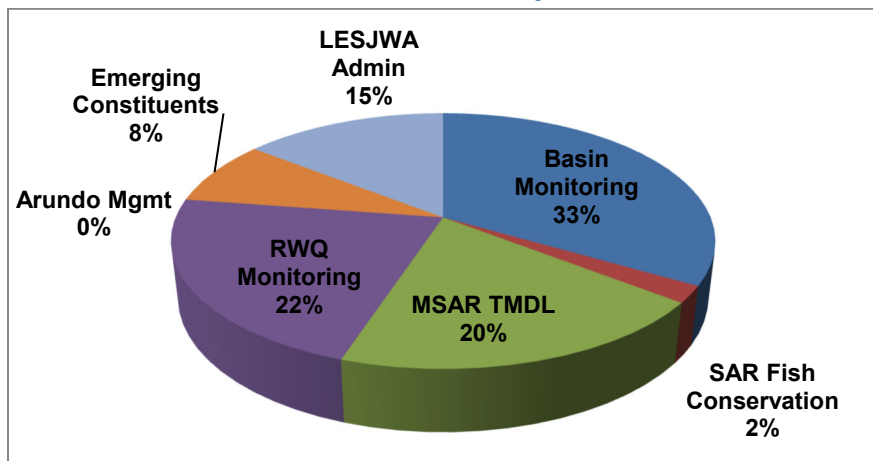


**FYE 2023 Revenues  
\$2.7 Million**

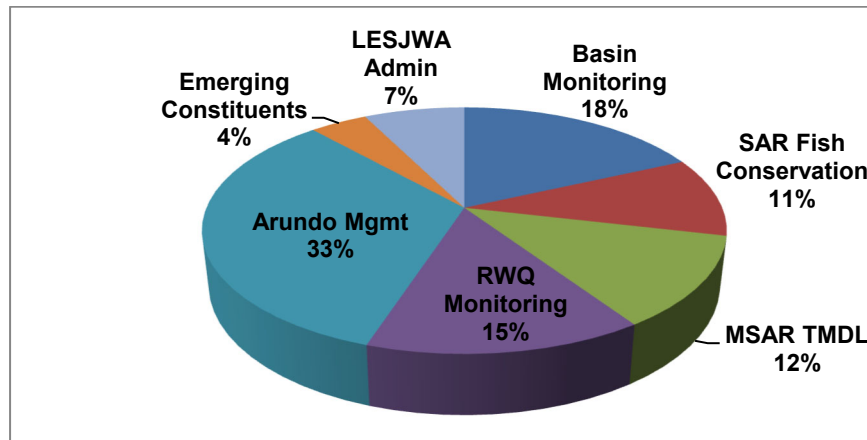


The total revenues by fund type are shown in the pie charts below.

**FYE 2022 Revenue by Fund**



**FYE 2023 Revenue by Fund**

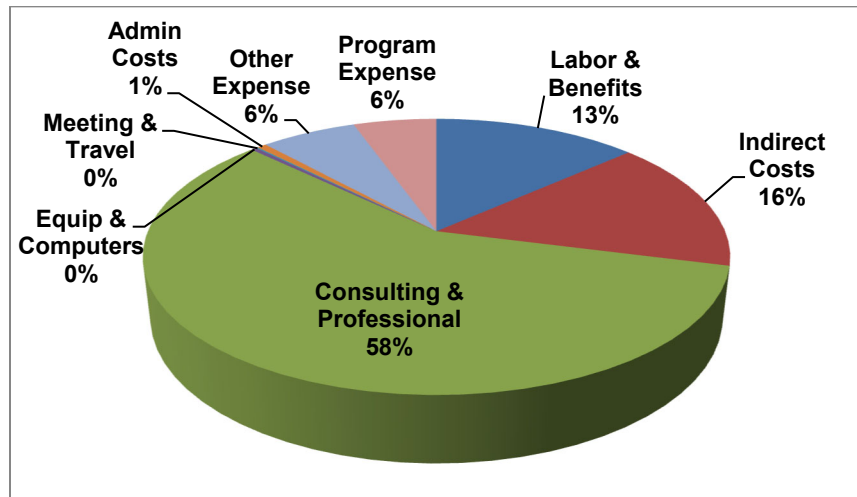


### Expenses and Other Uses of Funds

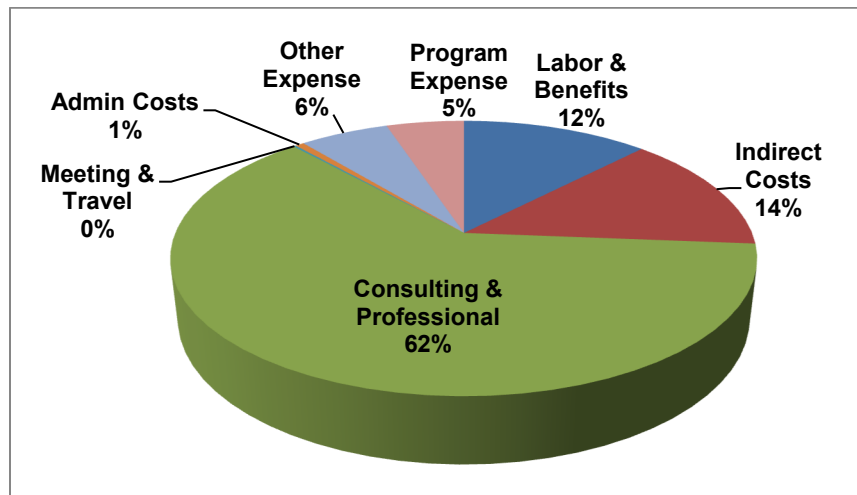
Total expenses for FYE 2022 are \$1.8 million, or approximately 9% of total budgeted operating expenses. This represents a 1.5%, or \$26,795, increase in expenses from the FYE 2021 budget.

Total expenses for FYE 2023 are \$1.9 million, or approximately 9.5% of total budgeted operating expenses. This represents a 7.1%, or \$129,214, increase in expenses from the FYE 2022 budget.

**FYE 2022 Total Expenses  
\$1.8 Million**

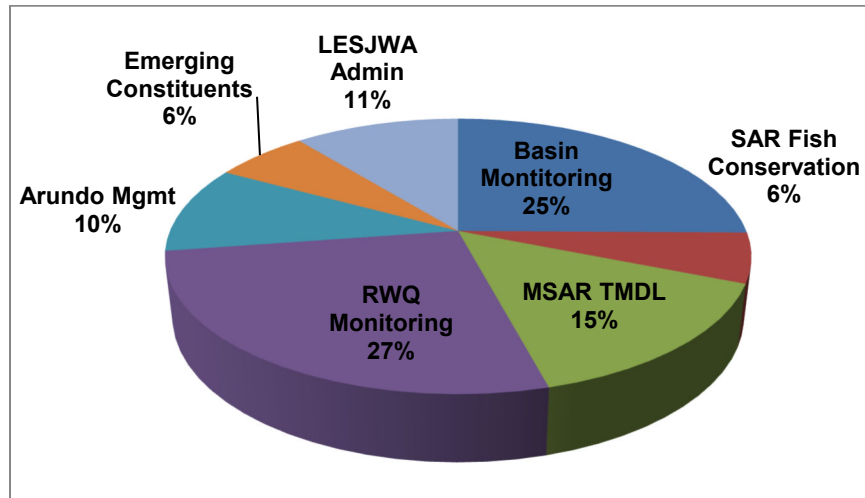


**FYE 2023 Total Expenses  
\$1.9 Million**

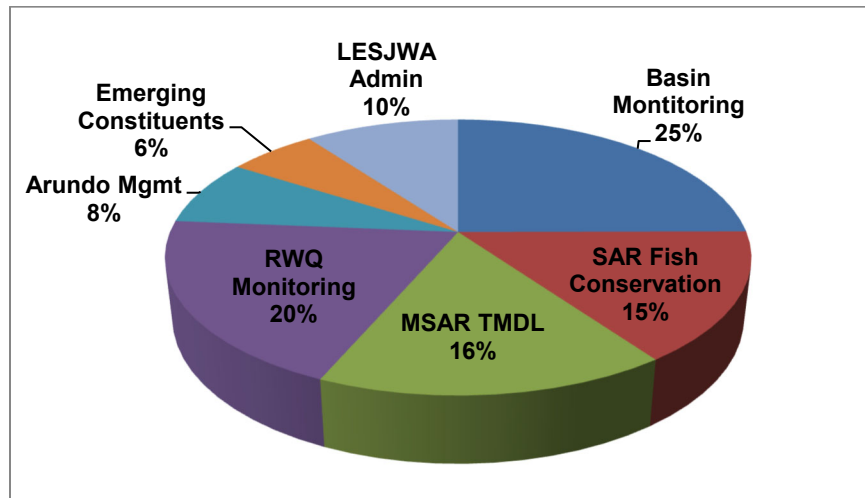


Participating in roundtable projects allows some of the Agency's general fund expenses to be allocated to these funds. In FYE 2022, approximately 8.8%, or \$283,460, of general fund expenses will be paid through this fund group. In FYE 2023, approximately 7.9%, or \$272,496, of general fund expenses will be paid through this fund group.

**FYE 2022 Expenses by Fund**



**FYE 2023 Expenses by Fund**



## Fund Balance

The fund balance is the difference between fund assets and liabilities. For many roundtable 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 roundtable project.

### FYE 2022 Fund Balance

<i>Fund</i>	<i>Fund Balance at 06/30/21</i>	<i>Revenues</i>	<i>Expenses</i>	<i>Fund Balance at 06/30/22</i>
374	\$ 275,773	\$ 459,998	\$ 459,678	\$ 276,093
381	\$ 106,952	\$ 29,000	\$ 106,692	\$ 29,260
384	\$ 295,119	\$ 269,625	\$ 269,968	\$ 294,776
386	\$ 230,578	\$ 306,845	\$ 489,750	\$ 47,674
387	\$ 911,776	\$ -	\$ 186,981	\$ 724,794
392	\$ 58,535	\$ 113,000	\$ 112,964	\$ 58,571
477	\$ -	\$ 198,633	\$ 198,633	\$ -
<b>Total</b>	<b>\$ 1,878,733</b>	<b>\$ 1,377,101</b>	<b>\$ 1,824,666</b>	<b>\$ 1,431,168</b>

### FYE 2023 Fund Balance

<i>Fund</i>	<i>Fund Balance at 06/30/22</i>	<i>Revenues</i>	<i>Expenses</i>	<i>Fund Balance at 06/30/23</i>
374	\$ 276,093	\$ 485,998	\$ 486,892	\$ 275,199
381	\$ 29,260	\$ 279,000	\$ 296,983	\$ 11,277
384	\$ 294,776	\$ 319,625	\$ 319,976	\$ 294,425
386	\$ 47,674	\$ 386,845	\$ 387,574	\$ 46,944
387	\$ 724,794	\$ 889,900	\$ 150,292	\$ 1,464,403
392	\$ 58,571	\$ 113,000	\$ 113,856	\$ 57,715
477	\$ -	\$ 198,307	\$ 198,307	\$ -
<b>Total</b>	<b>\$ 1,431,168</b>	<b>\$ 2,672,675</b>	<b>\$ 1,953,880</b>	<b>\$ 2,149,963</b>

### **Fund 374 – Basin Monitoring Program Task Force**

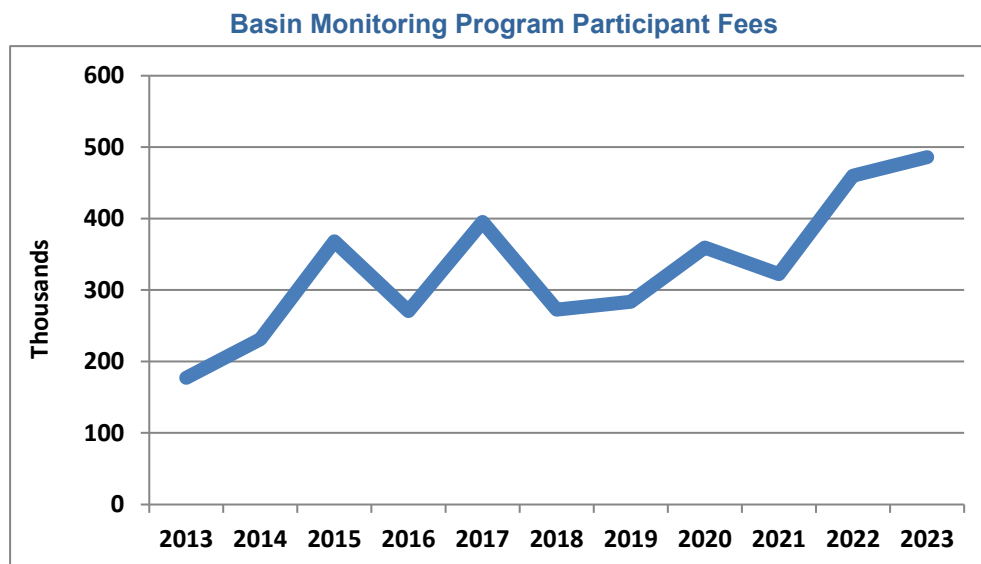
As part of the Nitrogen TDS Basin Plan Amendment approved by the RWQCB in January 2004, water quality monitoring requirements were required from the majority of the TIN/TDS Task Force agencies. These monitoring requirements included an update of the ambient groundwater quality throughout all the groundwater 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 along with three other agencies also agreed to become members and funding parties of the task force bringing the total number of task force agencies to twenty. SAWPA serves as the administrator for Basin Monitoring Program Task Force.

Work planned for FYEs 2022 and 2023 will consist of work on the annual SAR monitoring report, preparing the workplan for an updated annual SAR monitoring program, and an updated Triennial Ambient Water Quality Update process in accordance with the SWRCB Recycled Water Policy. Work will also include staff support for continued administration and facilitation of the task force.

In FYE 2022, total revenues are projected to be \$459,998. 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. Work will include revising the triennial ambient water quality update to reflect the most recent State Board Recycled Water Policy and preparation work for the next Triennial Ambient Groundwater Quality Update which will be conducted in FYE 2023.

In FYE 2023, total revenues are projected to be \$485,998. Based on the workplan developed in FYE 2022, a Request for Proposals (RFP), consultant selection, and contract awards will be prepared for the updated Ambient Groundwater Quality Update and updated Annual SAR monitoring program in FYE 2023.

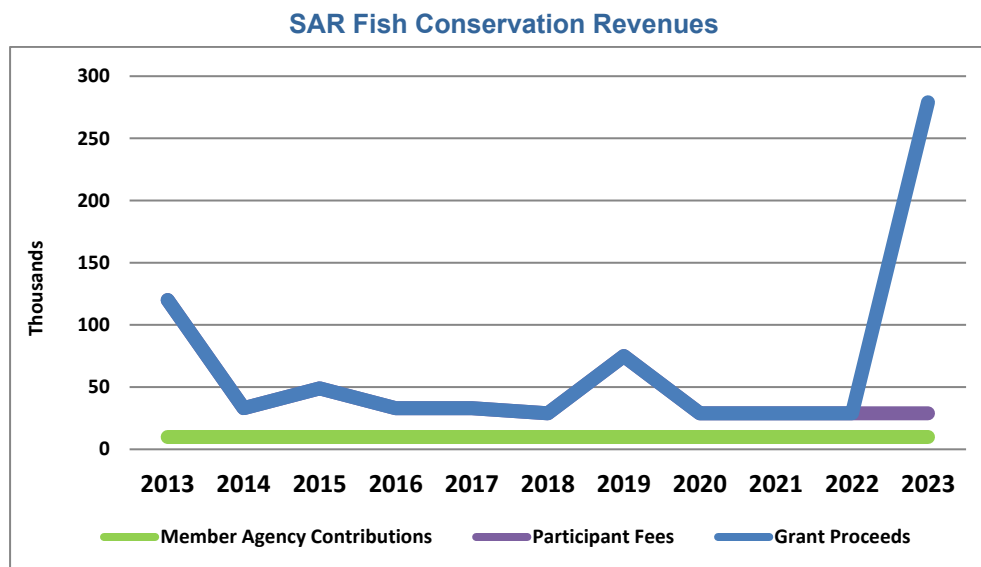


### **Fund 381 – SAR Fish Conservation Task Force**

This multi-agency task force administered by SAWPA conducts applied research and efforts directed toward the recovery and delisting of the Santa Ana sucker, which was listed as threatened in 2000 by the U.S. Fish and Wildlife Service. The activities of the task force 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 funding support from the SAWPA member agencies and other stakeholders such as the RWQCB, the City of Riverside, and the U.S. Fish and Wildlife Service. Work will continue on post construction monitoring of the habitat-related impacts of the pilot rock structure which was constructed in 2020. Staff will seek grant funds to construct additional projects in the river. The task force will continue planning and implementing the annual SAR Habitat Survey, also known as the Riverwalk, to measure habitat conditions in the river from the City of Colton to the City of Corona. The results will be reflected in an annual report with map products and comparative analysis to data from previous surveys.

In FYEs 2022 and 2023 revenues are projected to be \$29,000 and \$279,000. For each year \$19,000 is from participant fees and \$10,000 is from member agency contributions. For FYE 2023, we have budgeted \$250,000 for a grant to support the fish habitat project.





### **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 by reducing compliance costs associated with the pathogen TMDL for water bodies in this area. The task force is conducive to joint work efforts in a multi-agency format.

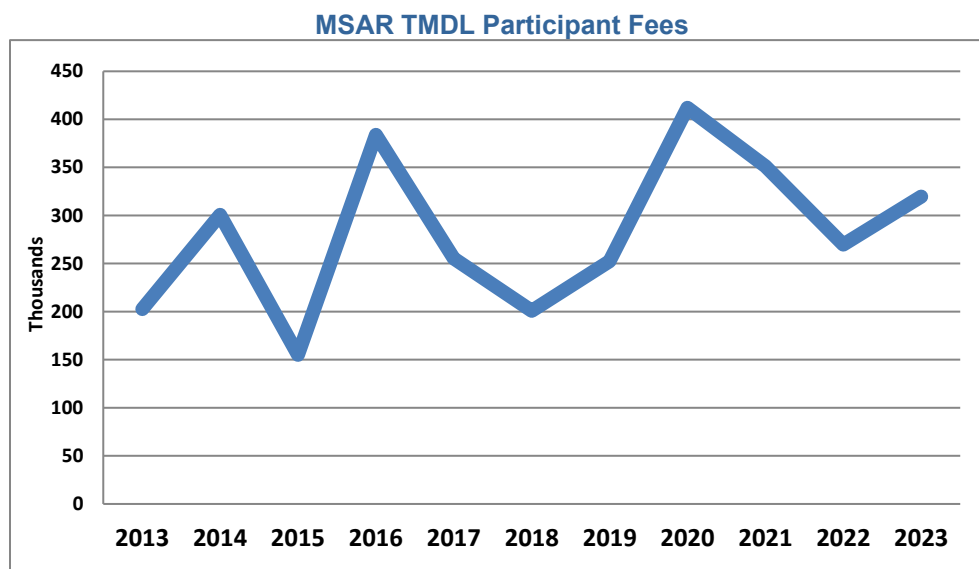
Through the task force, stakeholders implement TMDL compliance monitoring\* and conduct various technical studies to evaluate the various sources of contamination impacting the Watershed. In addition, the Task Force provides support to the Counties in the implementation of their Comprehensive Bacteria Reduction plans.

The activities by staff cover administration of a multi-agency task force and contract administration of consultant services. Consultants will be used to provide technical support as needed. 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. For FYEs 2022 and FYE 2023, additional special studies will be conducted to better understand the nature of pathogen transport and to continue evaluating the effectiveness of the Comprehensive Bacteria Reduction Plans (CBRPs) implemented by MS4 programs. These results will guide future resource allocation and bacterial mitigation projects, as well as prepare for the MSAR TMDL update in future years.

In FYEs 2022 and 2023, revenues are projected to be \$269,625 and \$319,625, which is from participant fees.

\*In 2016, with the formation of the Regional Water Quality (RWQ) Monitoring Task Force, MSAR TMDL compliance monitoring was incorporated into the Santa Ana River Bacteria Monitoring Program which is conducted by the RWQ Monitoring Task Force eliminating redundancy and streamlining regional monitoring efforts and reporting. As such, the MSAR TMDL Task Force contributes funds for its share of the monitoring program through a transfer of funds to the RWQ Monitoring Task Force on an annual basis.

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



### **Fund 386 – Regional Water Quality Monitoring Task Force**

This task force reflects the continued implementation of a regional monitoring program by the flood control districts in the Santa Ana River Watershed. Its purpose is to implement a coordinated regional water quality monitoring program in the Santa Ana River Watershed to meet the implementation plan requirements of the 2012 Basin Plan Amendment to revise Recreation Standards for Inland Freshwaters in the Santa Ana Region.

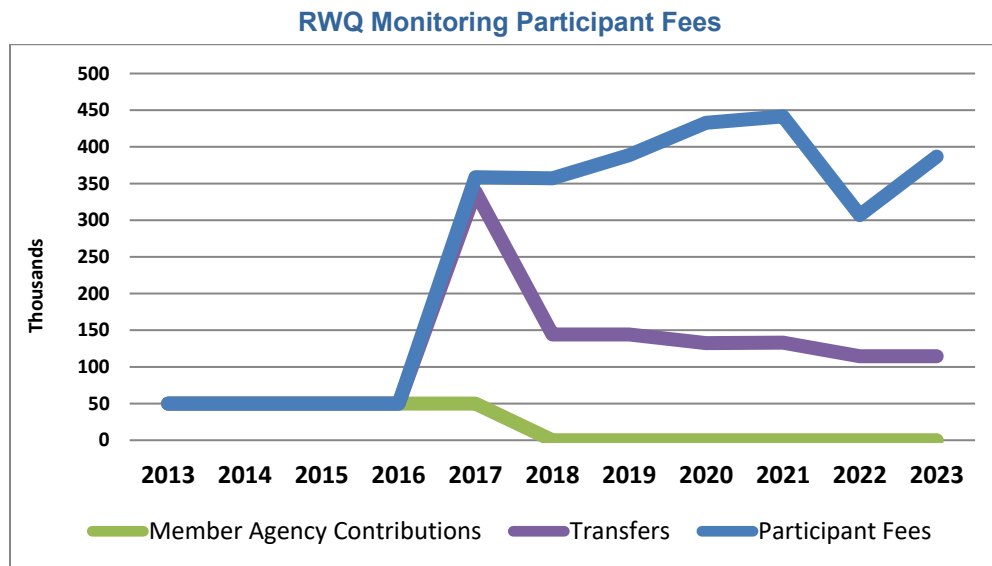
Further, the Santa Ana River Bacteria Monitoring Program combines the separate and disparate bacteria monitoring programs of the three county flood control districts with the existing bacteria monitoring program under the MSAR TMDL Task Force to eliminate redundancy and streamline reporting of regional monitoring efforts. As such, the MSAR TMDL Task Force contributes funds for its share of the monitoring program through a transfer of funds to the RWQ Monitoring Task Force on an annual basis.

Additionally, it is intended that this task force will continue to serve as a forum to assist the Regional Board with future triennial reviews of the Basin Plan.

Activities cover administration of a multi-agency task force and contract administration of consultant services. Consultants will be used to conduct the annual monitoring program and provide technical support as needed. 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 2022, revenues are projected to be \$306,845, of which \$192,220 is from participant fees, and \$114,625 is an operating transfer from the MSAR TMDL Task Force.

In FYE 2023, revenues are projected to be \$386,845, of which \$272,220 is from participant fees, and \$114,625 is an operating transfer from the MSAR TMDL Task Force.



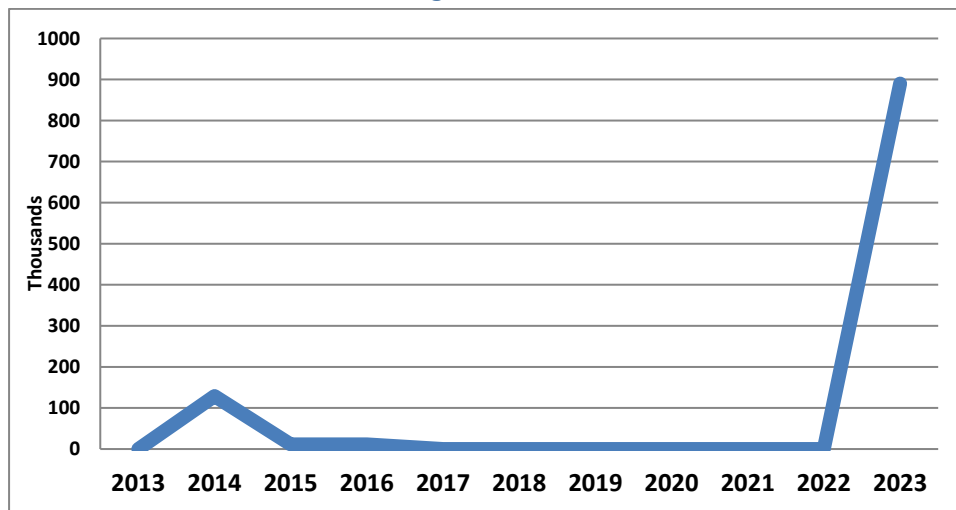
### **Fund 387 – Arundo Management & Habitat Restoration**

This project was initiated to provide funding for Arundo removal and maintenance within the Watershed. This fund will also provide funding for habitat restoration projects within the Watershed. Funding for this project is generated from the sale of Arundo mitigation bank credits which were purchased from the Riverside County Regional Park and Open-Space District's Santa Ana River Mitigation Bank as part of the Proposition 13, SCIWP program. A total of 100 units were purchased for \$40,000 each, for a total of \$4 million.

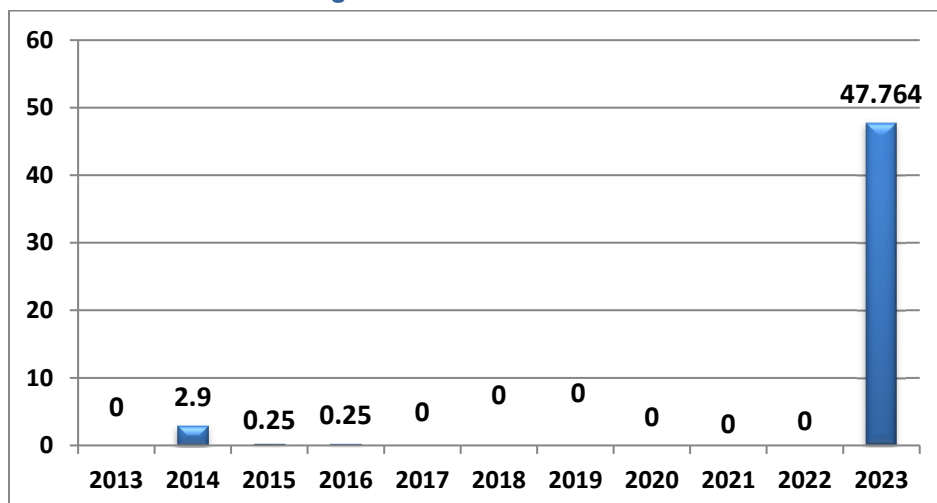
Funding will allow continued Arundo removal activities through FYEs 2022 and 2023. Funding will also explore possible changes to the mitigation bank by working with the Riverside County Parks and Open Space District.

In FYE 2022, there are no expected mitigation credit sales. In FYE 2023 we expect to sale the balance of the 47.764 units in inventory. Total units sold through FYE 2021 are 52.236, leaving 47.764 units available for sale.

**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 agreed to develop a plan to investigate "emerging constituents" in water that is intentionally recharged to local aquifers. The Emerging Constituents Program Task Force was formed, among signatories and interested parties, and is administered by SAWPA to design and implement the proposed study.

After an investigation 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, a list of emerging constituents was compiled. Next, a voluntary sampling program of POTW effluent and various imported water sources was designed and executed for 2009 through 2013. After the sampling reports were submitted to the RWQCB, they indicated that the constituents were at levels of minimal concern at this time. After 2013, the annual sampling program was placed on hold pending State Board Blue Ribbon panels to evaluate which constituents should be necessary for monitoring river and stream habitat and ecosystems. In early 2017, the State Board also reconvened their original Blue-Ribbon panel to reevaluate the current recommended list of emerging constituents based on the latest monitoring technology and science. Results of this work were released in early 2018.

In early 2019, the task force reconvened to implement a new sampling program to address PFAS (per- and polyfluoroalkyl substances), a relatively new family of emerging constituents of concern. Regulations are being developed as analytical techniques to sample and analyze PFAS improve. A voluntary sampling program under the Emerging Constituents Program Task Force was undertaken in late August 2019. The sampling reflected analysis of select groups of PFAS and previously listed emerging constituents to provide an update on their status. A sampling report was prepared that compiles and analyzes the lab results of POTW effluent throughout the Watershed as well as various imported water sources. Further sampling related to ECs and PFAS along with compilation of existing regulated sampling by POTWs will occur on an annual basis for FYEs 2022 and 2023.

Work continues by the task force under SAWPA administration to conduct outreach efforts through social media on the SAWPA website and other forums to inform the public on the safety of drinking water in the watershed.

In FYEs 2022 and 2023, revenues are projected to be \$113,000, all of which are from participant fees.

### **Fund 477 – LESJWA Administration**

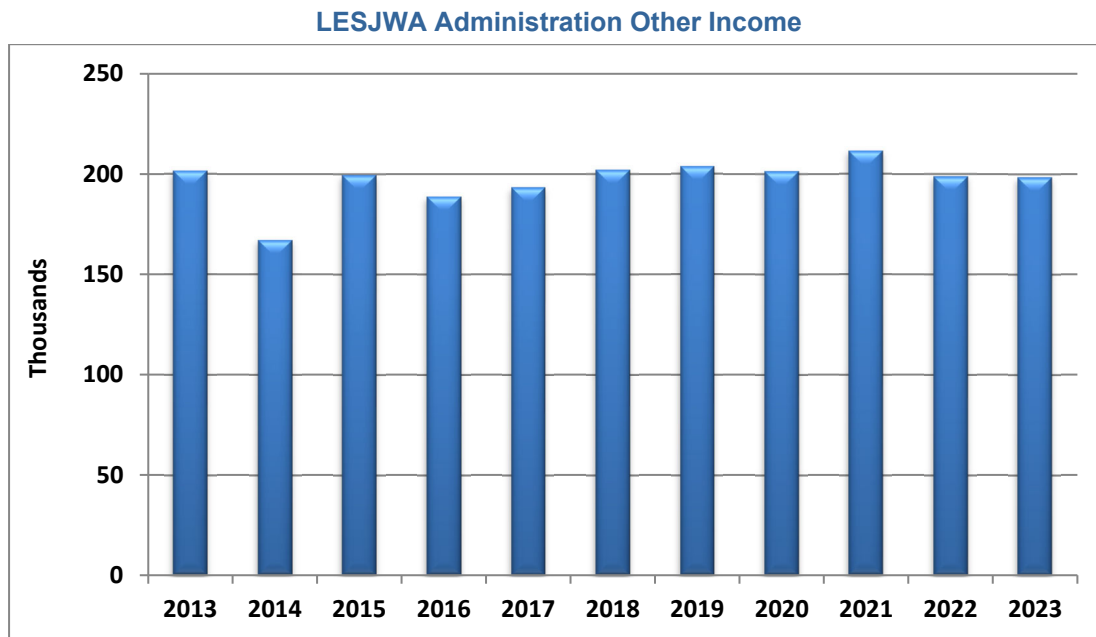
The Lake Elsinore & San Jacinto Watersheds Authority (LESJWA) was created in 2000 with the passage of the Proposition 13 Water Bond. In that bond, \$15 million was allocated to LESJWA. SAWPA serves as the administrator for this JPA and is one of the five members. The Board consists of Elsinore Valley 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 increases in local stakeholder funding from parties of the Lake Elsinore and Canyon Lake (LE/CL) TMDL Task Force as well as the LESJWA member agencies are 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), ensuring the recently developed TMDL Update and Revision is effectively included as a Basin Plan Amendment, and continued improvement of lake quality at Lake Elsinore and Canyon Lake through nutrient reductions such as alum applications and aeration/mixing systems. Grant applications for additional lake improvements at Lake Elsinore will be explored and prepared by staff.

In FYE 2022, revenues and expenses are projected to be \$198,633. This is a minimal decrease from the FYE 2021 budget.

In FYE 2023, revenues and expenses are projected to be \$198,307.

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



<b>Roundtable Fund Budget FYE 2022</b>	<b>Basin Monitoring Program TF Fund 374</b>	<b>SAR Fish Conservation Task Force Fund 381</b>	<b>MSAR TMDL Task Force Fund 384-01</b>	<b>RWQ Monitoring Task Force Fund 386</b>	<b>Arundo Mgmt &amp; Habitat Restoration Fund 387</b>	<b>Emerging Constituents Task Force Fund 392</b>	<b>LESJWA Admin Fund 477</b>	<b>Total</b>
<b>Source of Funds:</b>								
Member Agency Contributions	\$ –	\$ 10,000	\$ –	\$ –	\$ –	\$ –	\$ 10,000	\$ 20,000
Participant Fees	\$ 459,998	\$ 19,000	\$ 269,625	\$ 192,220	\$ –	\$ 113,000	\$ –	\$ 1,053,843
Other Income	\$ –	\$ –	\$ –	\$ 114,625	\$ –	\$ –	\$ 188,633	\$ 303,258
<b>Total Source of Funds</b>	<b>\$ 459,998</b>	<b>\$ 29,000</b>	<b>\$ 269,625</b>	<b>\$ 306,845</b>	<b>\$ –</b>	<b>\$ 113,000</b>	<b>\$ 198,633</b>	<b>\$ 1,377,101</b>
<b>Staffing:</b>								
Hours Allocated	660	251	135	204	225	245	844	2,564
FTE (based on 2080)	0.3	0.1	0.1	0.1	0.1	0.1	0.4	1.2
<b>Use of Funds:</b>								
Labor	\$ 39,777	\$ 14,677	\$ 10,085	\$ 14,659	\$ 15,931	\$ 18,268	\$ 62,346	\$ 175,743
Benefits	\$ 15,744	\$ 5,809	\$ 3,992	\$ 5,802	\$ 6,305	\$ 7,231	\$ 24,677	\$ 69,560
Indirect Costs	\$ 64,157	\$ 23,673	\$ 16,266	\$ 23,644	\$ 25,695	\$ 29,465	\$ 100,560	\$ 283,460
Consulting & Professional Services	\$ 340,000	\$ 55,000	\$ 125,000	\$ 445,645	\$ 37,250	\$ 58,000	\$ 250	\$ 1,061,145
Equipment & Computer	\$ –	\$ 6,533	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 6,533
Meeting & Travel	\$ –	\$ 1,000	\$ –	\$ –	\$ 1,000	\$ –	\$ 250	\$ 2,250
Other Administrative Costs	\$ –	\$ –	\$ –	\$ –	\$ 800	\$ –	\$ 10,550	\$ 11,350
Other Expense	\$ –	\$ –	\$ 114,625	\$ –	\$ –	\$ –	\$ –	\$ 114,625
Program Expense	\$ –	\$ –	\$ –	\$ –	\$ 100,000	\$ –	\$ –	\$ 100,000
<b>Total Use of Funds</b>	<b>\$ 459,678</b>	<b>\$ 106,692</b>	<b>\$ 269,968</b>	<b>\$ 489,750</b>	<b>\$ 186,981</b>	<b>\$ 112,964</b>	<b>\$ 198,633</b>	<b>\$ 1,824,666</b>
Net Gain (Loss)	\$ 320	\$ (77,692)	\$ (343)	\$ (182,905)	\$ (186,981)	\$ 36	\$ –	\$ (447,565)
Beginning Fund Balance	\$ 275,773	\$ 106,952	\$ 295,119	\$ 230,578	\$ 911,776	\$ 58,535	\$ –	\$ 1,878,733
Ending Fund Balance	\$ 276,093	\$ 29,260	\$ 294,776	\$ 47,674	\$ 724,794	\$ 58,571	\$ –	\$ 1,431,168
Indirect Costs Contribution	1.98%	0.73%	0.50%	0.73%	0.79%	0.91%	3.11%	8.77%

<b>Roundtable Fund Budget FYE 2023</b>	<b>Basin Monitoring Program TF Fund 374</b>	<b>SAR Fish Conservation Task Force Fund 381</b>	<b>MSAR TMDL Task Force Fund 384-01</b>	<b>RWQ Monitoring Task Force Fund 386</b>	<b>Arundo Mgmt &amp; Habitat Restoration Fund 387</b>	<b>Emerging Constituents Task Force Fund 392</b>	<b>LESJWA Admin Fund 477</b>	<b>Total</b>
<b>Source of Funds:</b>								
Grant Proceeds	\$ –	\$ 250,000	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 250,000
Member Agency Contributions	\$ –	\$ 10,000	\$ –	\$ –	\$ –	\$ –	\$ 10,000	\$ 20,000
Participant Fees	\$ 485,998	\$ 19,000	\$ 319,625	\$ 272,220	\$ –	\$ 113,000	\$ –	\$ 1,209,843
Other Income	\$ –	\$ –	\$ –	\$ 114,625	\$ 889,900	\$ –	\$ 188,307	\$ 1,192,832
<b>Total Source of Funds</b>	<b>\$ 485,998</b>	<b>\$ 279,000</b>	<b>\$ 319,625</b>	<b>\$ 386,845</b>	<b>\$ 889,900</b>	<b>\$ 113,000</b>	<b>\$ 198,307</b>	<b>\$ 2,672,675</b>
<b>Staffing:</b>								
Hours Allocated	575	220	122	124	215	235	800	2,291
FTE (based on 2080)	0.3	0.1	0.1	0.1	0.1	0.1	0.4	1.1
<b>Use of Funds:</b>								
Labor	\$ 39,928	\$ 13,205	\$ 10,024	\$ 10,149	\$ 16,016	\$ 18,283	\$ 61,846	\$ 169,451
Benefits	\$ 16,756	\$ 5,542	\$ 4,207	\$ 4,259	\$ 6,721	\$ 7,673	\$ 25,955	\$ 71,113
Indirect Costs	\$ 64,208	\$ 21,236	\$ 16,120	\$ 16,321	\$ 25,755	\$ 29,400	\$ 99,456	\$ 272,496
Consulting & Professional Services	\$ 366,000	\$ 255,000	\$ 175,000	\$ 356,845	\$ –	\$ 58,500	\$ 250	\$ 1,211,595
Equipment & Computers	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Meeting & Travel	\$ –	\$ 2,000	\$ –	\$ –	\$ 1,000	\$ –	\$ 250	\$ 3,250
Other Administrative Costs	\$ –	\$ –	\$ –	\$ –	\$ 800	\$ –	\$ 10,550	\$ 11,350
Other Expense	\$ –	\$ –	\$ 114,625	\$ –	\$ –	\$ –	\$ –	\$ 114,625
Program Expense	\$ –	\$ –	\$ –	\$ –	\$ 100,000	\$ –	\$ –	\$ 100,000
<b>Total Use of Funds</b>	<b>\$ 486,892</b>	<b>\$ 296,983</b>	<b>\$ 319,976</b>	<b>\$ 387,574</b>	<b>\$ 150,292</b>	<b>\$ 113,856</b>	<b>\$ 198,307</b>	<b>\$ 1,953,880</b>
Net Gain (Loss)	\$ (894)	\$ (17,983)	\$ (351)	\$ (729)	\$ 739,608	\$ (856)	\$ –	\$ 718,795
Beginning Fund Balance	\$ 276,093	\$ 29,260	\$ 294,776	\$ 47,673	\$ 724,795	\$ 58,571	\$ –	\$ 1,431,168
Ending Fund Balance	\$ 275,199	\$ 11,277	\$ 294,425	\$ 46,944	\$ 1,464,403	\$ 57,715	\$ –	\$ 2,149,963
Indirect Costs Contribution	1.86%	0.62%	0.47%	0.47%	0.75%	0.85%	2.88%	7.89%

<b>Roundtable Funds FYE 2017 - 2023</b>	<b>FYE 2017 Actuals</b>	<b>FYE 2018 Actuals</b>	<b>FYE 2019 Actuals</b>	<b>FYE 2020 Actuals</b>	<b>FYE 2021 Budget</b>	<b>FYE 2021 Actuals</b>	<b>FYE 2022 Budget</b>	<b>FYE 2023 Budget</b>
<b>Source of Funds:</b>								
Grant Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000
Member Agency Contributions	\$ 70,000	\$ 20,000	\$ 66,000	\$ 30,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Participant Fees	\$ 791,886	\$ 835,415	\$ 830,596	\$ 1,123,569	\$ 1,096,711	\$ 1,115,239	\$ 1,053,843	\$ 1,209,843
Mitigation Credit Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 889,900
Operating Transfer	\$ 289,175	\$ 144,252	\$ 145,044	\$ 132,344	\$ -	\$ 133,000	\$ 114,625	\$ 114,625
Other Income	\$ 193,263	\$ 188,702	\$ 193,588	\$ 191,266	\$ 339,881	\$ 201,354	\$ 188,633	\$ 188,307
Interest & Investments	\$ 20,267	\$ 25,624	\$ 41,519	\$ 38,795	\$ -	\$ 14,444	\$ -	\$ -
<b>Total Source of Funds</b>	<b>\$ 1,364,591</b>	<b>\$ 1,213,993</b>	<b>\$ 1,276,747</b>	<b>\$ 1,515,974</b>	<b>\$ 1,456,592</b>	<b>\$ 1,484,037</b>	<b>\$ 1,377,101</b>	<b>\$ 2,672,675</b>
<b>Staffing:</b>								
Hours Allocated	2,617	2,423	2,504	2,155	2,090	2,424	2,564	2,291
FTE (Based on 2080)	1.3	1.2	1.2	1.0	1.0	1.2	1.2	1.1
<b>Use of Funds:</b>								
Labor	\$ 132,548	\$ 134,196	\$ 150,825	\$ 229,864	\$ 158,781	\$ 154,065	\$ 175,743	\$ 169,451
Benefits	\$ 57,527	\$ 58,643	\$ 65,911	\$ 56,296	\$ 71,926	\$ 69,792	\$ 69,560	\$ 71,113
Indirect Costs	\$ 209,294	\$ 189,350	\$ 212,814	\$ 216,953	\$ 239,434	\$ 232,330	\$ 283,460	\$ 272,496
Consulting & Professional Services	\$ 924,176	\$ 789,378	\$ 643,184	\$ 1,034,085	\$ 1,027,030	\$ 617,165	\$ 1,061,145	\$ 1,211,595
Operating Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,522	\$ -	\$ -
Equipment & Computers	\$ -	\$ 269	\$ -	\$ -	\$ 5,000	\$ -	\$ 6,533	\$ -
Meeting & Travel	\$ 720	\$ 989	\$ 848	\$ 437	\$ 1,550	\$ -	\$ 2,250	\$ 3,250
Other Administrative Costs	\$ 10,133	\$ 10,361	\$ 10,425	\$ 10,889	\$ 11,150	\$ 10,111	\$ 11,350	\$ 11,350
Other Expense	\$ 290,792	\$ 151,324	\$ 145,205	\$ 132,344	\$ 133,000	\$ 134,661	\$ 114,625	\$ 114,625
Program Expense	\$ -	\$ -	\$ 10,647	\$ -	\$ 150,000	\$ 6,541	\$ 100,000	\$ 100,000
<b>Total Use of Funds</b>	<b>\$ 1,625,190</b>	<b>\$ 1,334,510</b>	<b>\$ 1,239,859</b>	<b>\$ 1,680,868</b>	<b>\$ 1,797,871</b>	<b>\$ 1,227,187</b>	<b>\$ 1,824,666</b>	<b>\$ 1,953,880</b>
Net Gain (Loss)	\$ (260,599)	\$ (120,517)	\$ 36,888	\$ (164,894)	\$ (341,279)	\$ 256,850	\$ (447,565)	\$ 718,795



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# Capital Project Fund

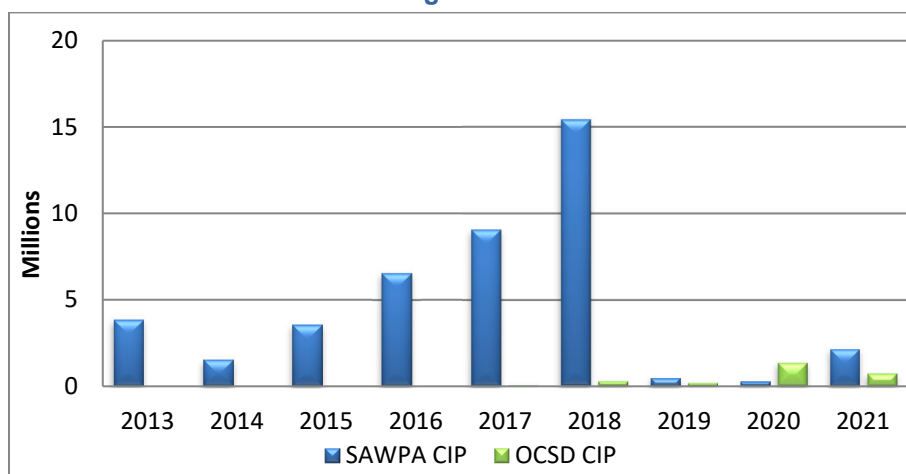
The Capital Project Fund includes projects related to the operation and maintenance of the Inland Empire Brine Line. The Brine Line is a non-reclaimable wastewater pipeline that provides for the export of desalter brine, high-salinity industrial wastewater, and domestic wastewater generated within the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

In June 2021, the SAWPA Project Agreement 24 Committee approved a draft CIP for planning purposes. The CIP includes projects totaling more than \$48 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 2022, the Agency has budgeted approximately \$1.8 million, and \$2.2 million and FYE 2023 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 IV-D Corrosion Repair. A portion of the Brine Line Reach IV-D is T-Lock Lined for 270 degrees around the inside diameter of the pipe leaving the invert or bottom 90 degrees of the pipe unlined. Low flows during the initial years of operation caused corrosion of the unprotected invert, resulting in the loss of concrete and uplifting of the T-Lock liner. Repair will consist of flow by-pass, pipe cleaning, and application of a protective coating to prevent further deterioration of the concrete.
2. OC San Capital Improvement Program projects on the Brine Line through FYE 2060 (variable SAWPA cost share) are estimated at \$600,000 per year.

**Expected Capital Improvement Plan Expenditures  
Through FYE 2023**



## **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 50 years old, and the newest being twenty-two (22) 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 application of a protective coating or lining to portions of Upper Reach IV-A to prevent deterioration of the concrete pipe and a condition assessment on Reach IV and IV-B. Projects also include repair of any problems found in the CCTV inspection of the line.

### **U.S. Army Corp of Engineers (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 includes the modification of several maintenance access structures located below the flood storage elevation of Prado Dam.

### **Protection/Relocation of the Line**

OC San 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 Santa Ana River (SAR) before being relocated in 2014. As part of the ACOE project, the designed maximum controlled releases 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 17 years, OC San has performed several protection projects installing grade stabilizers and bank protection constructed using large rock. This program ended with the completion of the SARI mainline relocation project in 2014. 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 (SR91) Freeway. Construction began in October 2011 and was completed in 2014. In 2019, as part of an ACOE permit condition, OC San removed the rock from the SAR floodplain. The Rock removal project was completed in FYE 2020.

### **OC San CIP Projects**

OC San 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.

### **Inland Empire Brine Line Business Plan**

The purpose of the plan is to describe the requirement to achieve the SAWPA Commission's stated purpose and objectives for the Brine Line and the Critical Success Factors as described in the SAWPA 2016 Business Line Evaluation. The Business Plan will evaluate the major areas of the Brine Line operations to ensure achievement of the stated purpose and objectives. The plan concludes with a listing of recommended actions.

### **CIP Funding**

During the budget process, the rate model and CIP were updated to include FYEs 2022 and 2023 budget projections. The rate model establishes reserve contributions for FYE 2022 in the amount of \$0.9 million

and \$1.5 million for FYE 2023. Contributions to reserves and existing reserve balances will be used to fund the CIP.

In 2018, a new updated dynamic rate model was developed including an updated CIP for the next 10 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 FYEs 2022 and 2023 will be funded from Agency Reserves.

#### Reserve Balances at FYE 2021

<i>Reserve Account</i>	<i>FYE 2021 Balance</i>
Pipeline Repair/Replacement Reserve	\$ 21,889,082
OC San Rehabilitation Reserve	\$ 2,377,813
Capacity Management Reserve	\$ 11,981,707
<b>Total Reserves Available for CIP</b>	<b>\$ 36,248,602</b>

#### Reserves Available to Fund CIP through FYE 2023

<i>FYE</i>	<i>Beginning Reserve Balance</i>	<i>Contributions To Reserves</i>	<i>CIP Funding</i>	<i>Ending Reserve Balance</i>
2022	\$ 36,248,602	\$ 928,781	\$ (1,786,882)	\$ 35,390,501
2023	\$ 35,390,501	\$ 1,467,543	\$ (2,207,931)	\$ 34,650,113

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

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<b>BL Capital Project Fund Budget FYE 2022</b>	<b>Brine Line Protection Fund 320</b>	<b>Reach IV-D Corrosion Repair Fund 327</b>	<b>Total</b>
<b>Source of Funds:</b>			
Financing Proceeds	\$ —	\$ —	\$ —
Use of Reserves	\$ 1,777,064	\$ 14,818	\$ 1,786,882
<b>Total Source of Funds</b>	<b>\$ 1,777,064</b>	<b>\$ 14,818</b>	<b>\$ 1,786,882</b>
<b>Staffing:</b>			
Hours Allocated	575	60	635
FTE (based on 2080)	0.3	0.0	0.3
<b>Use of Funds:</b>			
Labor	\$ 53,864	\$ 4,925	\$ 58,789
Benefits	\$ 21,320	\$ 1,949	\$ 23,269
Indirect Costs	\$ 86,880	\$ 7,944	\$ 94,824
Consulting & Professional Services	\$ 705,000	\$ —	\$ 705,000
Operating Costs	\$ —	\$ —	\$ —
Other Administrative Costs	\$ 5,000	\$ —	\$ 5,000
Construction	\$ 900,000	\$ —	\$ 900,000
<b>Total Use of Funds from Operations</b>	<b>\$ 1,772,064</b>	<b>\$ 14,818</b>	<b>\$ 1,786,882</b>
Net Gain (Loss)	\$ —	\$ —	\$ —
Indirect Costs Contribution	2.69%	0.25%	2.93%

<b>BL Capital Project Fund Budget FYE 2023</b>	<b>Brine Line Protection Fund 320</b>	<b>Reach IV-D Corrosion Repair Fund 327</b>	<b>Total</b>
<b>Source of Funds:</b>			
Financing Proceeds	\$ —	\$ —	\$ —
Use of Reserves	\$ 1,397,185	\$ 810,746	\$ 2,207,931
<b>Total Source of Funds</b>	\$ 1,397,185	\$ 810,746	\$ 2,207,931
<b>Staffing:</b>			
Hours Allocated	704	290	994
FTE (based on 2080)	0.3	0.1	0.5
<b>Use of Funds:</b>			
Labor	\$ 71,731	\$ 20,063	\$ 91,794
Benefits	\$ 30,103	\$ 8,420	\$ 38,523
Indirect Costs	\$ 115,351	\$ 32,263	\$ 147,614
Consulting & Professional Services	\$ 475,000	\$ 750,000	\$ 1,225,000
Operating Costs	\$ —	\$ —	\$ —
Other Administrative Costs	\$ 5,000	\$ —	\$ 5,000
Construction	\$ 700,000	\$ —	\$ 700,000
<b>Total Use of Funds from Operations</b>	\$ 1,397,185	\$ 810,746	\$ 2,207,931
Net Gain (Loss)	\$ —	\$ —	\$ —
Indirect Costs Contribution	3.34%	0.93%	4.28%

<b>BL Capital Project Funds FYE 2017 – 2023</b>	<b>FYE 2017 Actuals</b>	<b>FYE 2018 Actuals</b>	<b>FYE 2019 Actuals</b>	<b>FYE 2020 Actuals</b>	<b>FYE 2021 Budget</b>	<b>FYE 2021 Actuals</b>	<b>FYE 2022 Budget</b>	<b>FYE 2023 Budget</b>
<b>Source of Funds:</b>								
Financing Proceeds	\$ 3,544,360	\$ 7,595,992	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Grant Proceeds	\$ –	\$ 1,199,235	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Use of Reserves	\$ 5,495,198	\$ 3,756,938	\$ 688,727	\$ 1,642,380	\$ 3,014,257	\$ 2,911,332	\$ 1,786,882	\$ 2,207,931
Other Income	\$ –	\$ 13,138	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
<b>Total Source of Funds</b>	<b>\$ 9,039,558</b>	<b>\$ 12,565,303</b>	<b>\$ 688,727</b>	<b>\$ 1,642,380</b>	<b>\$ 3,014,257</b>	<b>\$ 2,911,332</b>	<b>\$ 1,786,882</b>	<b>\$ 2,207,931</b>
<b>Staffing:</b>								
Hours Allowed	3,062	1,828	365	495	772	531	635	994
FTE (based on 2080)	1.5	0.9	0.2	0.2	0.4	0.3	0.3	0.5
<b>Use of Funds:</b>								
Labor	\$ 218,285	\$ 141,428	\$ 30,290	\$ 41,136	\$ 76,509	\$ 46,843	\$ 58,789	\$ 91,794
Benefits	\$ 94,736	\$ 61,803	\$ 13,237	\$ 17,400	\$ 34,659	\$ 21,220	\$ 23,269	\$ 38,523
Indirect Costs	\$ 344,673	\$ 199,555	\$ 42,738	\$ 77,582	\$ 115,376	\$ 70,639	\$ 94,824	\$ 147,614
Consulting & Professional Services	\$ 2,022,552	\$ 2,249,535	\$ 601,814	\$ 144,796	\$ 90,000	\$ 76,796	\$ 705,000	\$ 1,225,000
Operating Costs	\$ 1,639	\$ –	\$ 641	\$ –	\$ –	\$ –	\$ –	\$ –
Meeting & Travel	\$ 3,466	\$ 928	\$ 7	\$ –	\$ –	\$ –	\$ –	\$ –
Other Administrative Costs	\$ 404	\$ 282	\$ –	\$ 2,809	\$ 714	\$ 357	\$ 5,000	\$ 5,000
Construction	\$ 6,353,804	\$ 8,712,537	\$ –	\$ 1,358,656	\$ 2,697,000	\$ 2,695,477	\$ 900,000	\$ 700,000
<b>Total Use of Funds from Operations</b>	<b>\$ 9,039,558</b>	<b>\$ 11,366,068</b>	<b>\$ 688,727</b>	<b>\$ 1,642,380</b>	<b>\$ 3,014,257</b>	<b>\$ 2,911,332</b>	<b>\$ 1,786,882</b>	<b>\$ 2,207,931</b>
Net Gain (Loss)	\$ –	\$ 1,199,235	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –



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## Request for Capital Funding

		Project #	320-01 OC 320-04 RC
<b>PROJECT OR EQUIPMENT INFORMATION</b>			
NAME:		Priority:	High
<b>Brine Line Protection/Relocation, Downstream (D/S) of Prado in Orange and Riverside Counties</b>		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 completed in FYE 2016 by RCFC&WCD. OC San Rock Removal work was completed in FYE 2020.		Expansion %:	0%
		Replacement %:	100%
		Req'd Ext Funding %:	0%
		Expended to Date:	\$13.1M
LOCATION:		Future Costs:	<b>\$67,945</b>
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)		Total Project Cost:	\$13.2M

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

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 of the Brine Line in Orange County. OC San prepared plans to remove rock material that was temporarily placed to protect the Brine Line prior to the relocation. The Rock Removal Project commenced in FYE 2019 and was completed in FYE 2020. SAWPA loaned 10% of the project costs to OCPW. RCFC&WCD completed the Brine Line protection in 2016.

All OC San 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:	2018-19	2019-20	2020-21	2021-22	2022-23	TOTAL
SAWPA LABOR	\$ 4,963	\$ 3,056	\$ 97	\$ 6,745	\$ 15,746	\$ 30,607
BENEFITS	\$ 2,169	\$ 1,293	\$ 44	\$ 2,660	\$ 6,590	\$ 12,756
INDIRECT COSTS	\$ 7,003	\$ 5,764	\$ 146	\$ 10,875	\$ 25,329	\$ 49,117
CONSULTING	\$ 85,916	\$ —	\$ —	\$ —	\$ —	\$ 85,916
ENGINEERING, OC SAN	\$ 112,291	\$ —	\$ —	\$ —	\$ —	\$ 112,291
CONSTRUCTION	\$ —	\$ 1,358,656	\$ 746,399	\$ —	\$ —	\$ 2,105,055
OTHER EXPENSE	\$ 7	\$ —	\$ —	\$ —	\$ —	\$ 7
<b>TOTALS</b>	<b>\$ 212,349</b>	<b>\$ 1,368,769</b>	<b>\$ 746,686</b>	<b>\$ 20,280</b>	<b>\$ 47,665</b>	<b>\$ 2,395,749</b>

Escalation Rate: 3%

## Request for Capital Funding

Project # 320-03

PROJECT OR EQUIPMENT INFORMATION		
NAME:	Priority:	High
<b>Capital Repair, Other Required Activities</b>	External Fund Potential:	No
DESCRIPTION:	Current Stage:	Planning
Protection/relocation of the Brine Line due to U.S. Army Corps raising of the Prado Dam Spillway, Reach IV-A Pine Avenue siphon relocation due to Caltrans and City of Chino plans to construct freeway access to California State Hwy 71, and Temescal Canyon Road widening (El Cerrito segment) due to County of Riverside plans to widen Temescal Canyon Road. Modifications to Brine Line to prevent infiltration and exfiltration. Miscellaneous capital repairs that may require rapid response to prevent further deterioration, CCTV pipeline inspection performed to date reveal 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:	\$4.6M
System wide	Future Costs:	<b>\$3.2M</b>
	Total Project Cost:	\$7.8M

DESCRIBE PROBLEMS, EXPENSES, ETC. AS JUSTIFICATION FOR REPLACEMENT:
Protection/relocation of the Brine Line is necessary due to conflict with projects by others, such as the raising of Prado Dam spillway (U.S Army Corps.) and various roadway improvements (City and County).
Corrosion is the main factor that can affect the structural integrity of the Brine Line. Over time defects in the lining system can develop due to excessive wear and scaling. An assessment of the condition of the lining system and pipe can identify potential issues and actions needed to extend the remaining useful life of the Brine Line.
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:
<ol style="list-style-type: none"> <li>1. MAS repair and adjustments.</li> <li>2. Protection/Relocation where SAWPA does not have "prior rights".</li> <li>3. Sinkhole repairs.</li> <li>4. Repairs that result from CCTV pipeline inspections.</li> <li>5. Protection from stormwater/erosion.</li> </ol>

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 and expensive emergency repairs.

Cost Estimate:	2018-19	2019-20	2020-21	2021-22	2022-23	TOTAL
SAWPA LABOR	\$ 3,327	\$ 37,441	\$ 46,746	\$ 47,120	\$ 55,984	\$ 190,618
BENEFITS	\$ 1,454	\$ 15,838	\$ 21,176	\$ 18,660	\$ 23,513	\$ 80,641
INDIRECT COSTS	\$ 4,695	\$ 70,614	\$ 70,493	\$ 76,005	\$ 90,022	\$ 311,829
ENGINEERING	\$ 14,702	\$ 136,605	\$ 76,796	\$ 705,000	\$ 475,000	\$ 1,408,103
CONSTRUCTION	\$ -	\$ -	\$ 1,949,078	\$ 900,000	\$ 700,000	\$ 3,549,078
OTHER EXPENSE	\$ -	\$ 2,709	\$ 357	\$ 5,000	\$ 5,000	\$ 13,066
<b>TOTALS</b>	<b>\$ 24,178</b>	<b>\$ 263,207</b>	<b>\$ 2,164,646</b>	<b>\$ 1,751,785</b>	<b>\$ 1,349,519</b>	<b>\$ 5,553,335</b>

Escalation Rate: 3%

## Request for Capital Funding

Project # 327

PROJECT OR EQUIPMENT INFORMATION		
NAME:	Priority:	High
<b>Reach IV-D Corrosion Repairs</b>	External Fund Potential:	Yes
DESCRIPTION:	Current Stage:	Design
About seven (7) miles of the Brine Line Reach 4D consists of T-Lock Lined 42-inch reinforced concrete pipe (RCP). The T-lock lining is a polyvinyl chloride (PVC) lining on the interior circumference of the pipe that provides a protective corrosion barrier between the flow and concrete pipe. The T-lock lining on this portion of the brine line was installed on the upper 270 degrees of the pipeline, leaving the invert or bottom 90 degrees of the pipe unlined. Routine inspection of Reach IV-D found extensive corrosion within the pipe invert as the T-Lock corrosion protection liner only covered the upper 270° portion of the pipe.	Expansion %:	0%
	Replacement %:	100%
	Req'd Ext Funding %:	0%
LOCATION:	Expended to Date:	\$390,919
About seven (7) miles of Reach IV-D within Euclid Avenue beginning at Pomona Rincon Road in the City of Chino in San Bernardino County and continuing northerly to Pine Avenue. Continuing along Pine Avenue easterly along Schleisman Road in the City of Eastvale and ending at the intersection of Schleisman Road and Hamner Avenue.	Future Costs (FYE 2023):	<b>\$0.750M</b>
	Total Project Cost (Subject to Reevaluation after FYE 2023 Investigation):	\$10.0M

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

Corrosion of pipe invert. Low flows during the initial years of operation placed the flow line below the termination of the T-lock liner and exposed the concrete to corrosion and uplifting of the T-Lock liner. Reach 4D Work Plan commenced in FYE 2018 and was completed in FYE 2019. The Work Plan included a recommendation to conduct additional pipeline investigations in FYE 2019 and FYE 2023. The summary report for the additional pipeline investigations in 2019 concluded that the findings presented in the Reach 4D Work Plan remain valid and the recommendations provided remain unchanged. Upon the completion of the FYE 2023 inspection, update the predicted remaining useful life, and implement repairs prior to the predicted remaining useful life. Based on 2018/19 assessment, the predicted remaining useful life is 10 to 20 years. Total project cost to be evaluated after FYE 2023 inspection.

### ANNUAL IMPACTS ON OPERATIONS/MAINTENANCE:

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

Cost Estimate:	2018-19	2019-20	2020-21	2021-22	2022-23	TOTAL
SAWPA LABOR	\$ 13,416	\$ 639	\$ —	\$ 4,925	\$ 20,063	\$ <b>39,043</b>
BENEFITS	\$ 5,863	\$ 270	\$ —	\$ 1,949	\$ 8,420	\$ <b>16,502</b>
INDIRECT COSTS	\$ 18,930	\$ 1,204	\$ —	\$ 7,944	\$ 32,263	\$ <b>60,341</b>
CONSULTING	\$ 103,429	\$ 8,191	\$ —	\$ —	\$ 750,000	\$ <b>861,620</b>
ENGINEERING	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
PROJECT MANAGEMENT	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
PERMIT FEES	\$ 641	\$ —	\$ —	\$ —	\$ —	\$ <b>641</b>
CONSTRUCTION	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
OTHER EXPENSE	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
<b>TOTALS</b>	<b>\$ 142,279</b>	<b>\$ 10,304</b>	<b>\$ —</b>	<b>\$ 14,818</b>	<b>\$ 810,746</b>	<b>\$ 978,147</b>

Escalation Rate: 3%

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# Section 10

## Departments

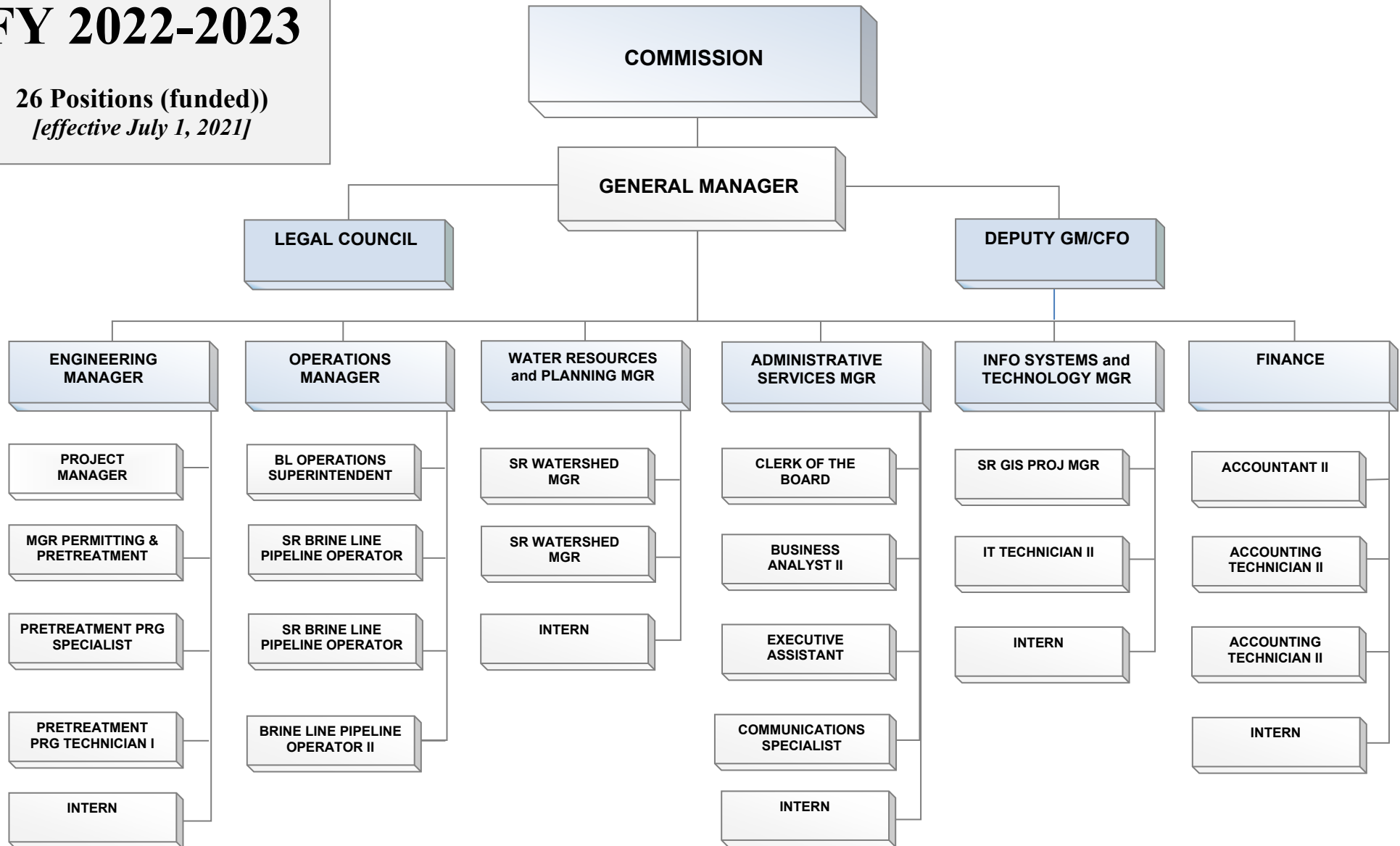




# ORGANIZATION CHART

**FY 2022-2023**

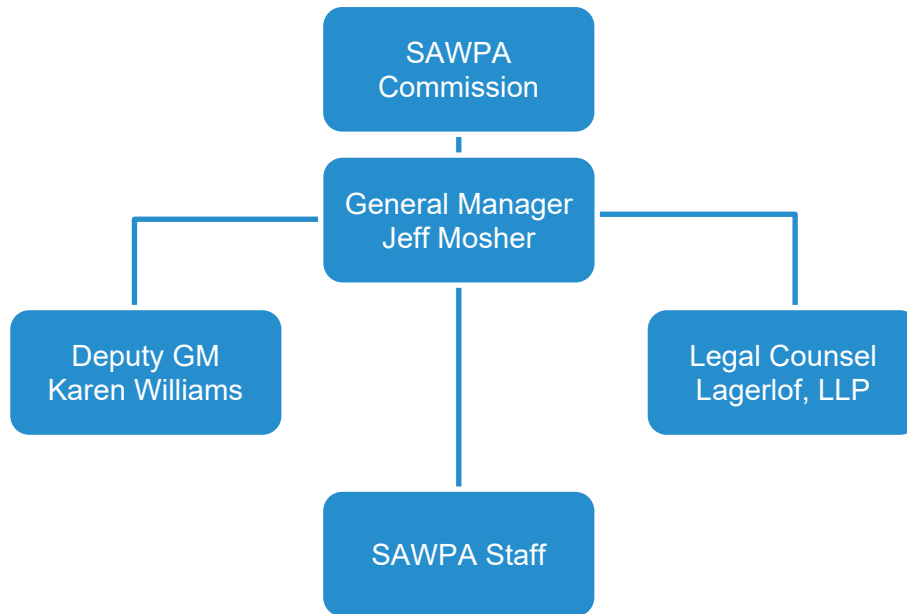
**26 Positions (funded))**  
*[effective July 1, 2021]*





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# Executive Management



## Summary Information

### Existing Staff – 3 FTE

- 1 – General Manager
- 1 – Deputy General Manager
- 1 – Executive Counsel

### Mission

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

### Objectives for FYEs 2022 and 2023

- 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.
- Identify opportunities for long 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 relationship with OC San 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

Account Information	FYE 2021 Budget	FYE 2022 Budget	% Inc/ (Decr)	FYE 2023 Budget	% Inc/ (Decr)
*Salaries and Benefits	\$549,411	\$277,410	(49.5%)	\$297,170	7.1%

### Core Activities

The General Manager's office is charged with leading 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:

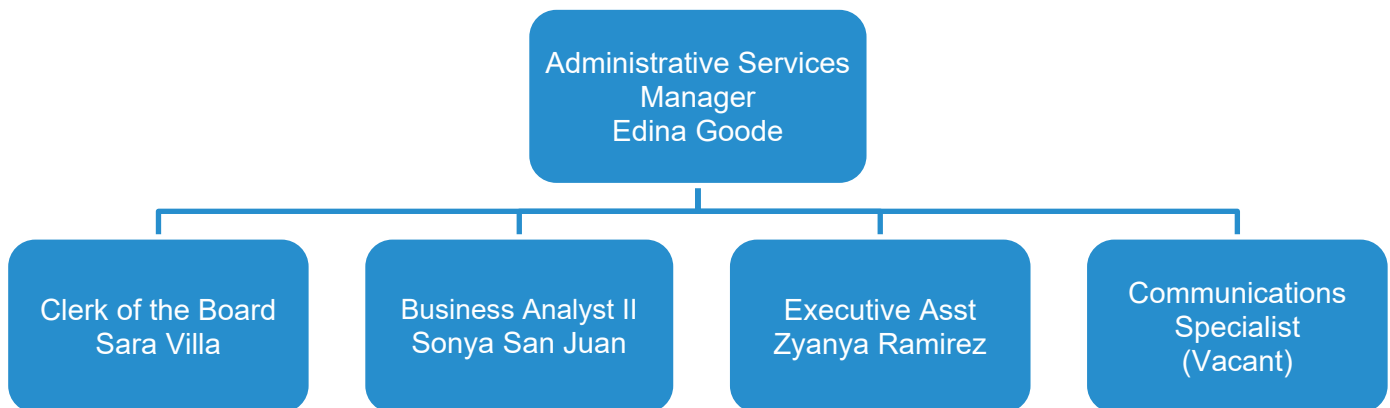
- Implementing and communicating policies set by the Commission.
- Supporting Commission and Project Agreement Committee meetings and requests.
- Building collaboration and cooperation among Watershed stakeholders.
- Leading internal organizational efforts, administering personnel, and resolving employee issues.
- Communication with member agencies and outside organizations.
- Updating the agency's long-term vision through the Strategic Plan as required and implementing efforts required to achieve its objectives.
- Complying with contract and grant requirements.
- Coordinating legislative/outreach and information activities.
- Representing the Agency in legal business and public policy issues.

### Staff Additions Needed for FYEs 2022 and 2023

No new positions proposed.

*\*Budget for Deputy General Manager is included under the Finance staffing plan. FYE 2021 budget included the Executive Counsel position. Executive Counsel, now Legal Counsel, is contracted out and included in Consulting Costs for FYEs 2022 and 2023.*

# Administrative Services



## Summary Information

### Existing Staff – 5 FTE

- 1 – Administrative Services Manager
- 1 – Clerk of the Board
- 1 – Business Analyst II
- 1 – Executive Assistant
- 1 – Communications Specialist

### 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 and roundtable/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 FYEs 2020 and 2021

- Public Meeting Administration – meeting coordination, agenda, agenda packet, memos, minutes, resolutions; website postings and updates; scanning, and importing.
  - SAWPA Commission.
  - Project Agreement (PA) 22 Committee.
  - Project Agreement (PA) 23 Committee.
  - Project Agreement (PA) 24 Committee.
  - OWOW Steering Committee.
  - LESJWA Board (6 annual).
- Water Resources & Planning
  - Task Force/Roundtable Administration – 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.
  - 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 Pillar Integration Meetings, Conservation Coordinators Meetings, Project Review Committee Meetings; coordinated meetings; prepared and distributed meeting agenda and materials.
- Records Management
  - ◆ Updated Records Destruction Policy.
  - ◆ Maintained onsite/offsite archival records; initiated steps to transition to 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
  - ◆ Supported Brine Line capital improvement projects.
  - ◆ Supported ongoing Brine Line maintenance and repair.
  - ◆ Data management; electronic filing/indexing (OnBase; iPACS; SharePoint).
  - ◆ Tracked and reported construction project progress – US Census Bureau.
  - ◆ Organized numerous meetings, workshops, and luncheons.
- Pretreatment
  - ◆ Pursuant to requirements of the MOU with OC San, compiled data and composed monthly, quarterly, semi-annual, and annual reports (17) in implementing and enforcing the Industrial Pretreatment Program.
  - ◆ SSO – maintained documentation for spill/no spill monthly California Integrated Water Quality Systems (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
  - ◆ Successful recruitment and onboarding of relevant positions.
  - ◆ 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.
- Facilities Management/Safety/Vehicle Maintenance
  - ◆ 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 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 continued initiation of landscape redesign; numerous diseased trees.
  - ◆ Facilities maintenance and janitorial vendor interface.
- Procurement/Contracts – in support of SAWPA Programs and Projects
  - ◆ Initiated multiple year, multiple level restructure of procurement and contract process.
  - ◆ 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 RFPs and Requests for Qualifications (RFQs); received and processed responses.
- ◆ Coordinated public hearings; published notices.
- ◆ Procure necessary office furniture and equipment; ensure vendor accuracy.
- ◆ Procure 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.
- Outreach and Legislative Efforts
  - ◆ Scheduled weekly and bi-weekly legislative conference calls; coordinated with lobbying firm; agenda preparation.
- Marketing, Public Relations, Outreach
  - ◆ Inland Empire Brine Line – in concert with Engineering & Operations
    - ◆ Updated Brine Line outreach materials.
  - ◆ Earth Night (WMWD) – planned and coordinated SAWPA’s participation and booth activities for the event.
  - ◆ SAWPA Website – continually revised content to reflect current events and activities; worked with department heads in revising departmental information and activities; consulted during website update and launch.
  - ◆ OWOW Project – created numerous outreach e-brochures on various 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.

## Salary and Benefit Costs

<i>Account Information</i>	<i>FYE 2021 Budget</i>	<i>FYE 2022 Budget</i>	<i>% Inc/ (Decr)</i>	<i>FYE 2023 Budget</i>	<i>% Inc/ (Decr)</i>
<b>Salaries and Benefits</b>	\$627,002	\$609,196	(2.8%)	\$651,608	6.9%

## Core Activities

The ASD exists to support the business-related functions of SAWPA in relation to its member agencies, governmental and watershed-wide partnerships, 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;
  - ◆ Outreach support;
  - ◆ OWOW/IRWMP;
  - ◆ Proposition 1 administrative support;
  - ◆ Proposition 84 administrative support;
  - ◆ Collaborative stakeholder and roundtable efforts;
    - OWOW Pillars and Steering Committee;
    - PA 22 Committee – Drought Response Grant Program;
    - PA 23 Committee – SARCCUP;
    - PA 24 Committee – Brine Line;
    - RWQ Monitoring Task Force;
    - Emerging Constituents Task Force;
    - Basin Monitoring Program Task Force;
    - Imported Water Recharge Technical Committee;

- MSAR TMDL Task Force;
- LESJWA Board;
- Lake Elsinore and Canyon Lake TMDL Task Force;
- Lake Elsinore and Canyon Lake Technical Advisory Committee;
- SAR Fish Conservation Task Force;
- Forest First Program;
- Santa Ana River Parkway Trail; and
- Other
- Contract Administration efforts.
- Fair Political Practices Commission (FPPC) filings.
- 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 – various graphics support; website support and coordination; Zoom 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.

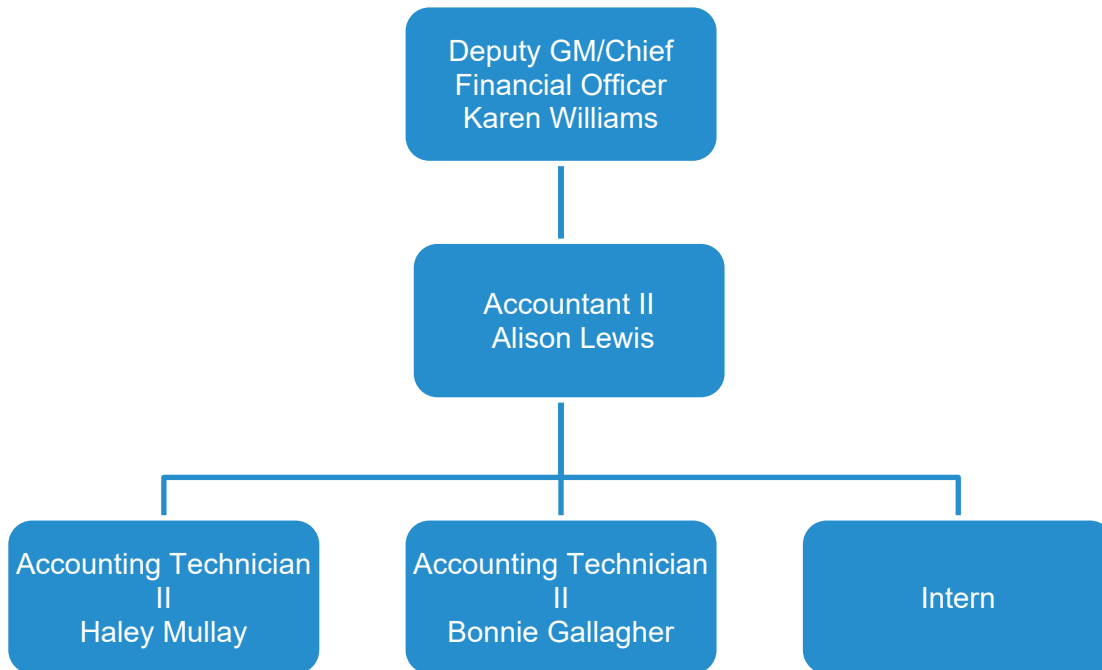
### **Group Goals and Objectives for FYEs 2022 and 2023**

- 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.
- OWOW 2022 Conference – work with staff, vendors, and consultants in the planning, organization, and staging of the event.
- Work with General Manager on a Communications Plan.
- Create a Human Resources Manual with all related policies and procedures.
- Evaluate potential Human Resource software platforms and recommend purchase of the best fit for SAWPA needs.
- Migration efforts involving OnBase Data Management System.
- Continue updating contract administration procedures and efficiencies.
- Transition offsite records storage.
- Implement 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 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 FYEs 2022 and 2023**

This budget includes a transfer of the administrative assistant to the Finance Department, promotion of a Senior Administrative Assistant to the Clerk of the Board, promotion of a Senior Administrative Assistant to Executive Assistant, and the addition of a Communications Specialist position.

# Finance



## Summary Information

### Existing Staff – 4 FTE

- 1 – Deputy GM/Chief Financial Officer
- 1 – Accountant II
- 2 – Accounting Technician II
- 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 FYEs 2020 and 2021

- Updated Brine Line Rate model.
- Submitted FYE 2019 and FYE 2020 Comprehensive Annual Financial Report (CAFR) to the GFOA and received the Certificate of Achievement for Excellence in Financial Reporting.
- Completed financial Audit and Project Specific audit for FYE 2019 and FYE 2020.
- Completion and approval of FYEs 2022 and 2023 Budget.
- Updated Statement of Investment Policy.
- Submitted the Statement of Investment Policy to the California Municipal Treasurers Association (CMTA) Investment Policy Certification Program and received certification.

### Objectives for FYEs 2022 and 2023

- Build and strengthen internal accounting controls in the Agency's processes and procedures.
- Update the Reserve Policy including minimum and maximum levels.
- Review and update the Procurement Policy, if needed.



- Create a Bid Protest Policy 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

<i>Account Information</i>	<i>FYE 2021 Budget</i>	<i>FYE 2022 Budget</i>	<i>% Inc/ (Decr)</i>	<i>FYE 2023 Budget</i>	<i>% Inc/ (Decr)</i>
<b>Salaries and Benefits</b>	\$482,899	\$508,899	5.4%	\$544,155	6.9%

## 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 Proposition 1 and 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.
- Monitor and manage 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 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 FYEs 2022 and 2023**

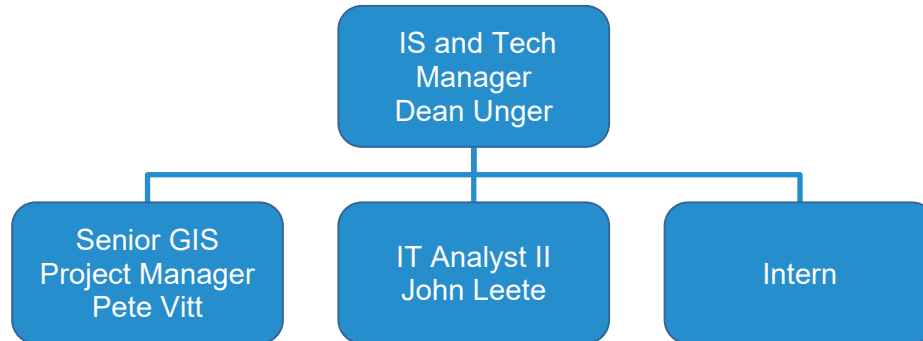
- Complete required actuarial evaluation for compliance with GASB 45, 72, and 75 *Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions*.
- Comply with GASB 68 *Accounting and Financial Reporting for Pensions*.
- Submit FYEs 2022 and 2023 Budget to the Government Finance Officers Association's (GFOA) Distinguished Budget Presentation Awards Program.
- Submit FYE 2021 and FYE 2022 CAFR to the GFOA's 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.
- Complete Work Order and Task Order conversion to electronic approval.
- Implement electronic approval for bank reconciliations.
- Issue RFP for Reserve Policy Update.
- Update the Reserve Policy including minimum and maximum reserve levels.
- 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.

### **Staff Additions Needed for FYEs 2022 and 2023**

No additions are needed for FYEs 2022 and 2023. This budget includes moving one position from the Administration Department to the Finance Department, the promotion of the Accountant to an Accountant II and the promotion of the Accounting Technician I to an Accounting Technician II.

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# Information Systems and Technology



## Summary Information

### Existing Staff – 3 FTE

- 1 – Information Technology Manager
- 1 – Senior GIS Project Manager
- 1 – IT Analyst II
- 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 (including member agencies, other stakeholders, and the public).

### Accomplishments for FYEs 2020 and 2021

- Deployed COVID19 home PCs.
  - Enabled Secure VPN technology.
  - Provided Virtual support.
- Configured SAWPA Kiosk.
- Acquired Zoom Phone System and Web Meeting software.
  - Managed Public Meetings over Zoom.
- Completed OnBase Workflow Forms.
- Supported Meeting Rooms refresh.
  - Incorporated Zoom Room technology.
- Designed and managed Technology portion of Proposition 1 landscape version 2.
- Incorporated new SAWPA GIS inspection disconnect abilities.
- Incorporated new DigAlert printed contracts.
- Continuous improvements in SAWPA's 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.
- Integrated Web GIS capabilities into more projects.

- Provided support for other Engineering, Operations, and Planning department projects.

### Objectives for FYE 2022 and 2023

- Configure SAWPA Kiosk.
- Acquire New Phone System.
- Complete OnBase Workflow Forms.
- Support Meeting Rooms refresh.
- Design and manage Technology portion of Proposition 1 landscape version 2.
- Incorporate new SAWPA GIS inspection disconnect abilities.
- Incorporate new DigAlert printed contracts.
- Continuous improvements in SAWPA's 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.
- Provide support for other Engineering, Operations, and Planning department projects.

### Salary and Benefit Costs

<i>Account Information</i>	<i>FYE 2021 Budget</i>	<i>FYE 2022 Budget</i>	<i>% Inc/ (Decr)</i>	<i>FYE 2023 Budget</i>	<i>% Inc/ (Decr)</i>
<b>Salaries and Benefits</b>	\$479,218	\$477,449	(0.01%)	\$510,459	6.9%

### FYE 2022 and 2023 New Initiatives/Programs

- Create and design new Intranet site for SAWPA IT Staff.
- Improve Cyber Security Measures.
- Integrate Document Management System (OnBase) into other systems.
- Review potential accounting software options.
- GIS and Web support for Planning and Engineering.
- Setup and Support of OWOW and PA22 Drought projects next round.
- Improve Security System with additional cameras and perimeter devices.
- The Department will support technology components of other Engineering and Operations Department initiatives such as:
  - ◆ Brine Line Drone potential;
  - ◆ 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 SAWPA'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 SAWPA office facility.
- Planning new initiatives to support SAWPA 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 SAWPA 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 SAWPA staff to better perform their tasks.
- Establish and maintain training systems for staff.

#### **Communications**

- Management of SAWPA 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 ASD, develop and maintain SAWPA records information management (RIM) system.
- In coordination with the ASD, 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 SAWPA 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 FYEs 2022 and 2023**

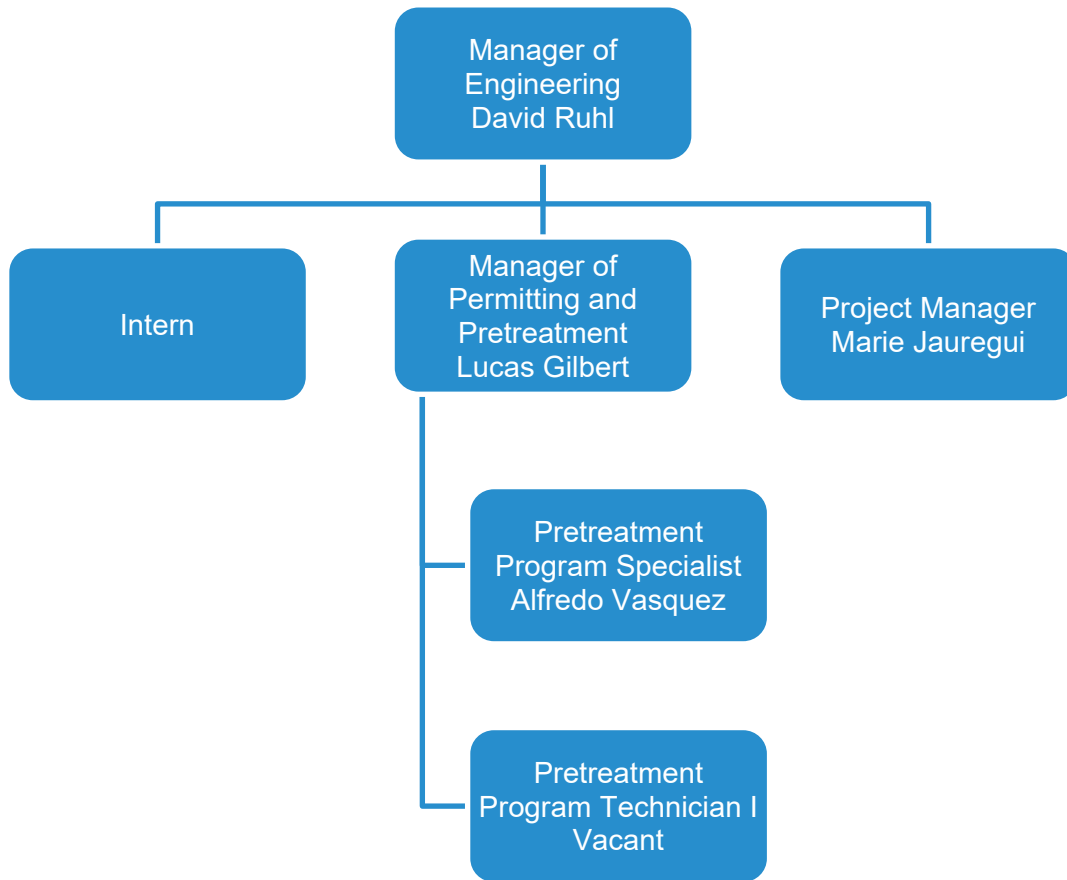
- Design, document, and produce IT procedures as well as document software and hardware.
- Integrate new hire for Information Analyst II.
- Cross-training of individual staff in the department.
- Continued identification and implementation of ways to support the Commission and other departments in improving efficiency and effectiveness.

#### **Staff Additions Needed for FYEs 2022 and 2023**

No additions are needed for FYEs 2022 and 2023.

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# Engineering



## Summary Information

### Existing Staff – 5 FTE

- 1 – Manager of Engineering
- 1 – Project Manager
- 1 – Manager of Permitting and Pretreatment
- 1 – Pretreatment Program Specialist
- 1 – Pretreatment Program Technician I
- 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 two rounds of projects and the Proposition 1 grant funding program consisting of up to two rounds of projects.

### Accomplishments for FYEs 2020 and 2021

- Completed Reach IV-D near-term actions summary report as recommended in the Reach IV-D Work Plan. The Work Plan addressed pipeline corrosion on portions of Reach IV-D and included recommendations for near, mid, and long-term actions to monitor the condition of the Brine Line and



provide repairs as necessary in the future. The near-term actions summary report concluded that the findings presented in the Reach 4D Work Plan remain valid and the recommendations provided remain unchanged. The mid-term recommended field investigation work is planned for fiscal year 2023.

- Completed Brine Line Value Assessment as recommended in 2018 Rate Model Report. The Brine Line value is important in establishing Brine Line rates, capacity lease rates and establishing adequate pipeline replacement reserve values.
- Completed the Criticality Assessment Report as recommended in the 2018 Rate Model Report. The criticality assessment provides a better understanding of the risk of failure of the Brine Line's pipeline infrastructure which allows for better planning of operations activities, prioritized the capital improvement plan, and evaluated the appropriateness of reserve levels.
- Conducted a preliminary design peer review for the protection of the Inland Empire Brine Line Lower Reach IV-B and CRC lateral due to the impacts from the construction of the U.S. Army Corps Alcoa Dike.
- Completed plans and specifications for the Alcoa Dike – Inland Empire Brine Line Lower Reach IV-B and CRC Lateral Utility Protection Project and advertised and received bids for construction of the Project.
- Completed the construction of the Alcoa Dike- Inland Empire Brine Line Lower Reach IV-B and CRC Lateral Utility Protection Project ahead of schedule and under budget.
- Completed plans and specifications for the Euclid Avenue (Reach IV-A and IV-D) Maintenance Access Structure (MAS) Rehabilitation Project and advertised and received bids for construction of the Project.
- Completed construction of the Euclid Avenue (Reach IV-A and IV-D) MAS Rehabilitation Project under budget.
- Represented SAWPA's interests in completion of the OC San Rock Removal Project in Orange County.
- Implemented Lease Capacity Pool with first Lease Agreement with the Chino Desalter Authority.
- Executed Lease Agreement with Rialto Bioenergy Facility (RBF). Completed RBF Waste Discharge Permit and Permit Fact Sheet and received concurrence from Orange County Sanitation District (OC San). RBF commenced discharge in December 2020.
- Developed Capacity Utilization Program in coordination with the Member Agencies to utilize the unused capacity in the Brine Line and encourage customers to connect to the system.
- Received approval for City of Beaumont to discharge to the Brine Line from OC San. The discharge of 0.55 MGD of reverse osmosis reject water will benefit the Santa Ana River Watershed by removing a minimum of 685 tons of salt annually from the watershed.
- Completed City of Beaumont Discharger Permit and Permit Fact Sheet and received concurrence from OC San. City of Beaumont commenced discharge in November 2020.
- Continued to maintain/grow partnership with OC San through Joint Operations Committee and Joint Policy Committee meetings.
- Continued to implement the SAWPA Pretreatment Program (PTP). Performed 130 on-site Discharger and Liquid Wastehauler inspections, 375 monitoring (or sampling) events, and reissued 46 existing permits. Additionally, 26 permits were closed, and 4 new permits were issued.
- Completed audit of SAWPA Pretreatment Program and implemented audit recommendations.
- Conducted audits of the member/contract agency pretreatment programs for conformance with the Brine Line Ordinance and pretreatment requirements.
- All SAWPA permit monitoring duties moved in-house including the monitoring duties at the SARI Metering Station. Eliminated dependency on outside services for sampling saving \$75,000 - \$100,000 annually.
- Instituted program efficiencies by revising and streamlining Wastewater Discharge Permit Templates. Created and obtained OC San approval for a completely new Industrial User (IU) permit format that reduced the average IU permit from 32 pages to 19 pages. Also, eliminated four unnecessary significant industrial user permits at the four agency collection stations reducing redundant reporting and sampling requirements.
- Submitted 2 Annual, 2 Semi-Annual, 8 Quarterly, and 16 Monthly Reports to OC San documenting pretreatment activities for each reporting period as required.
- Completed draft Ordinance update and draft Emergency Discharge Plan to resolve extended Emergency Discharge Permits and submitted to OC San for review.
- Fully integrated the Pretreatment Program Technician I (new in 2020) into the Pretreatment Program. Position is responsible for SAWPA permit sampling, SARI Metering Station Sampling and periodic inspections.
- Processed 44 grant invoices to DWR totaling \$41 million in disbursement of grant funds. Conducted ten (10) quality assurance site visits (pre COVID 19). In coordination with the Proposition 84 sub-grantees,

completed forty-seven (47) Progress Reports, thirteen (13) Project Completion Reports, twenty-two (22) Post-Performance Reports, two (2) Grant Completion Reports (Round 1 and Round 3) and five (5) grant agreement amendments.

- Worked with the project proponents and DWR to draft the Proposition 1 Round 1 Agreement, which is currently awaiting DWR signature.

## Objectives for FYEs 2022 and 2023

### Brine Line

- Reach 4D Corrosion. Complete mid-term recommendations from Reach 4D Work Plan to further document baseline condition of pipeline corrosion.
- Reach 4B Lower (DIP). Conduct pipeline condition assessment on portion of Reach IV-B constructed with 36" cement-mortar lined Ductile Iron Pipe to assess reliability of Reach IV-B.
- Reach 4. Conduct pipeline condition assessment to assess the reliability of Reach IV. Reach IV was constructed in 1975 and is the oldest part of the system.
- Prado Basin Inundation Area. Seal 14 Brine Line Maintenance Access Structures (MAS) between elevation 556' and 566'. Evaluate modifications to MAS below 555'.
- Miscellaneous capital repairs based on system wide pipe and MAS inspections.
- Continue to maintain/grow partnership with OC San through the Joint Operations Committee and Joint Policy Committee.
- Complete and implement new Business Plan.
- Complete and implement a new Marketing Plan.
- Refine future flow projections and timing.
- Develop Discharge Lease Agreements and implement Capacity Utilization Program.

### Permitting and Pretreatment

- Continue to implement the permitting and pretreatment program per existing and new OC San requirements.
- Update Ordinance No. 9 with comment from OC San, conduct public hearing and adopt Ordinance No. 9.
- Update program documents and submit draft to OC San for review and finalize program documents; Implement audit of SAWPA program and implement program efficiencies: Permit Templates, collection station MOU, longer permit duration for Industrial Users (IU) and infrequent discharger permits.
- Fully integrate new pretreatment staff employee hired to replace the Senior Pretreatment Program Specialist who retired in July 2021.
- Increase pretreatment staff capability to perform roles and responsibilities due to expanded program and promote training and mentoring for succession planning.

### Implementation of Grant Programs (Proposition 1 and 84)

- 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

Account Information	FYE 2021 Budget	FYE 2022 Budget	% Inc/ (Decr)	FYE 2023 Budget	% Inc/ (Decr)
Salaries and Benefits	\$691,295	\$693,846	(0.01%)	\$720,352	3.8%

## Core Activities

The Engineering Department is primarily responsible for the following:

### Brine Line

- Planning – quality, quantity projections, system finances (O&M, capital).

- Marketing.
- Capital Improvement Program – design and construction.
- Capital repairs (based upon MAS and CCTV pipe inspections, other).
- Capacity management.
- Rate model inputs.
- Sampling and monitoring programs.
- Inspections and enforcement.
- Permitting and pretreatment.
- OC San coordination.
- Coordination/review of development plans (facility construction around Brine Line, especially Reach V).
- Emergency discharges – coordinate with OC San and issue permit.
- Brine Line Protection/Relocation in Riverside and San Bernardino Counties.

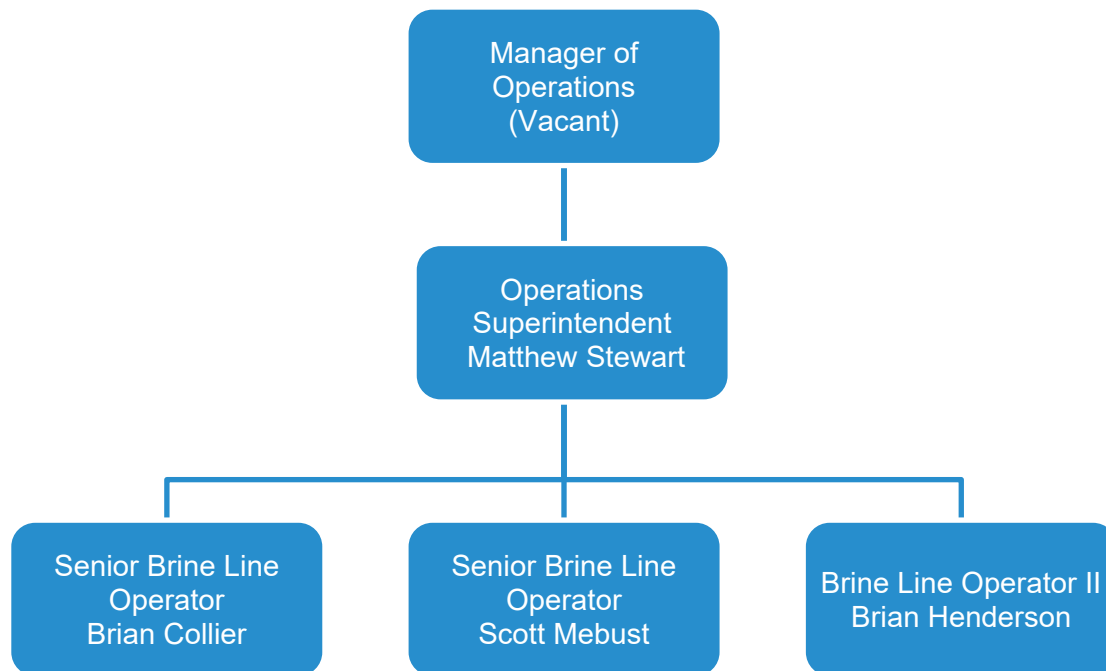
#### **Grant Programs**

- Maintenance of procedures document including Quality Assurance program. Implementation including checklist completion for deliverables and invoice packages.
- Invoicing.
- Site visits.
- Completion of contract deliverables; submittal to DWR.
- Contract closeout.
- Prepare for Department of Finance audit.

#### **Staff Additions Needed for FYEs 2022 and 2023**

No new positions proposed.

# Operations



## Summary Information

### Existing Staff – 5 FTE

- 1 – Manager of Operations
- 1 – Operations Superintendent
- 2 – Senior Brine Line Operator
- 1 – Brine Line Operator II

### Mission

Manage the operation, maintenance, and repair of the Brine Line.

### Accomplishments for FYEs 2020 and 2021

- Continued use and refined internet-based software tool to manage and record O&M activities and tracks the system status (such as valves being opened/closed) and Underground Service Alert requests received for markings. Information is displayed on a system map. Software is being maintained and updated by in-house IT staff.
- Performed inspection and corrosion assessment of Reach IV-A Upper.
- Repair of Maintenance Access Structures corrosion protection liners on Reach 4A Upper.
- Continued use of a remote inspection tool (constructed by Operations staff from off-the-shelf items) to record video of Brine Line Maintenance Access Structures.
- Assessed hydraulic capacity of Reach IV-B Upper by conducting recurring flow tests.
- Supported the Pretreatment Program by collecting water quality samples and assisting with facility inspections.
- Continued periodic siphon cleaning program for system siphons. Frequency was adjusted to match requirement based upon observed/measured debris accumulation.
- Continued to implement the Sewer System Management Plan (SSMP) as required by the SWRCB's statewide waste discharge requirements.
- Monitored facilities during rainstorms.

- 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 DigAlert network. Approximately 3,600 (FYE 2020) requests were received resulting in 100 utility location markings in the field.
- Exercised all air release and vacuum isolation valves, mainline valves, and blow-off valves.
- Overhauled all 54 air release and vacuum valves.
- Set-up the Brine Line Warehouse.

## Objectives for FYEs 2022 and 2023

### 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

- Audit SSMP.
- Operate system in accordance with the SSMP.
- Update SSMP as required.
- 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 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 Brine Line, valve maintenance, support of line cleaning, potholing, and routine system inspections.
- Evaluate agency/developer requests to relocate the Brine Line or construct utilities in close proximity. Review/approve relocation/protection designs and agreements. Monitor construction, as required.
- Update CIP and other components of the SSMP based upon new information.
- Respond to urgent and emergency repair requirements identified by CCTV and MAS inspections.

### 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.

### Maintenance Management Program

- Continue implementation and enhancement of SAWPA developed system which stores relevant data, tracks requirements, and is the basis for O&M program evaluation.
- Consider acquisition of new Asset Management software to enhance work order tracking.

### Brine Line Rate

- Using the computer based financial model, evaluate, and present a rate recommendation to the Commission for consideration and adoption.

## Salary and Benefit Costs

<i>Account Information</i>	<i>FYE 2021 Budget</i>	<i>FYE 2022 Budget</i>	<i>% Inc/ (Decr)</i>	<i>FYE 2023 Budget</i>	<i>% Inc/ (Decr)</i>
<b>Salaries and Benefits</b>	\$611,561	\$642,720	5.1%	\$688,542	7.1%

## Core Activities

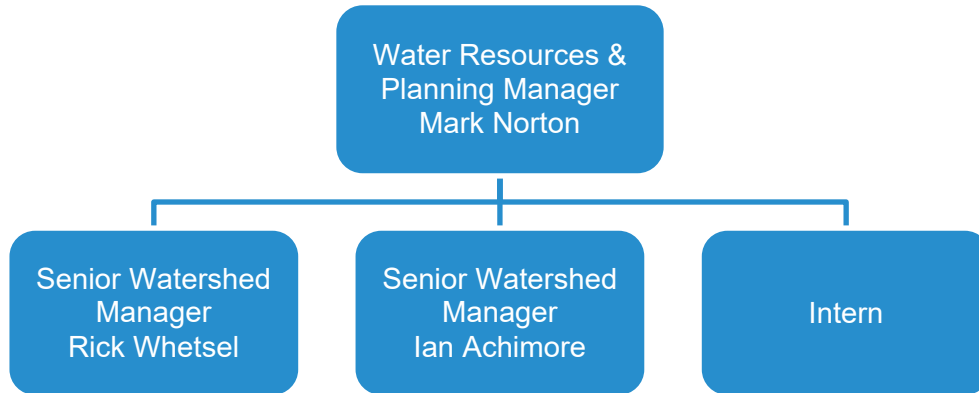
The Operations Department is primarily responsible for the following:

- Hydraulic Model. Maintain currency (calibration) of computer model. Perform calculations to evaluate the system and impacts of non-routine discharges.

- Operations including maintaining information on system configuration (a/v, MAS lid opened/closed) maintaining system, data and information, invoicing.
- Support sampling and inspection programs.
- Data collection and analysis.
- Update SSMP as required, including Emergency Response Plan.
- Maintain record data for system facilities – correct inaccurate information (blow-offs, air-vacs, etc.).
- Coordinate activities of IEUA O&M staff.
- Utility markings (Underground Service Alert).
- Right-of-way maintenance.
- Reading, calibrating, and maintaining the flow meters.
- Facility maintenance.
- Develop and implement a focused annual work plan to maximize efficiencies of department.
- Enhance department processes and increase efficiencies.
- SAWPA Building improvements and repairs.

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# Water Resources and Planning



## Summary Information

### Staff – 3 FTE

1 – Water Resources & Planning Manager

2 – Senior Watershed Managers

1 – Intern

### Mission

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

### Accomplishments for FYEs 2020 and 2021

#### OWOW

- Completed water use efficiency improvements using grant funding from Proposition 84 Integrated IRWM Emergency Drought Round. Over \$12 million in grant funding along with \$10.6 million in local match was provided by SAWPA, its member agencies and MWDSC, to implement water use efficiency improvements such as support for budget-based water rate structures for retail water agencies, water use efficiency web-based outreach tools, aerial mapping and area measurement using GIS throughout the Santa Ana River and Upper Santa Margarita Watersheds.
- Implemented several outreach and needs assessment activities for disadvantaged communities, economically distressed areas, under represented communities such as homeless sites, and Native American Tribal communities as defined under a DWR grant agreement with SAWPA for \$6.3 million in grant funding to support the Disadvantaged Community Involvement under the DWR Proposition 1 IRWM funding program. Work is expected to continue through August 2021.
- Continued support for work under the DWR Proposition 84 IRWM Implementation grant agreement which was executed in September 2016 for \$64.3 million in DWR grant funding which matches over \$200 million on local match to implement three integrated large-scale projects reflecting a multi-agency and multi-benefit approach. One of the three projects called the SARCCUP, is a conjunctive use water storage project that will store over 137,000 AF of water for use in dry periods and is being implemented by the SAWPA member agencies and is overseen by the Project Agreement (PA) 23 Committee, composed of the SAWPA member agencies. Subgrantee agreements were amended to reflect some changes to the overall project necessary to execute the implementation of SARCCUP. Work on the



water conservation portion of the grant called Smart Scape which was implemented by staff of the SARCCUP partner non-profit, Orange County Coast Keepers, was completed.

- Obtained final agreement from the California Dept of Water Resources indicating their support for 10 projects submitted by SAWPA under Proposition 1 IRWM Round 1 grant program. One of the projects is a SAWPA project entitled “Enhancements to Watershed-Wide Water Budget Decision Support Tool”. This tool will support water use efficiency through an updated aerial survey of the watershed and an updated decision support tool that develops water budgets for parcels throughout the Santa Ana River Watershed. The grant request was for \$500,000 in grant funding with \$700,000 in local match. Local match also includes in-kind support by the US Bureau of Reclamation.
- Prepared an RFP on behalf of the IRWM Roundtable of Regions to support the continued facilitation support services for the IRWM Roundtable of Regions, which is a coalition of IRWM regions across the State that work with DWR on IRWM and to promote and support IRWM statewide.
- Successfully completed a joint grant application with the City of Riverside to fund a water use efficiency program in the City. This grant comes from the 2020 Transformative Climate Communities program under Strategic Growth Council. This project continues the Water-Energy Community Action Network (WECAN) conducted under other grant programs. This project will utilize \$593,000 in grant dollars to retrofit approximately 100 single family residential properties (total of 100,000 square feet); and will save 11,176 kWh per year from reducing groundwater pumping.

#### **Stakeholder Partnering (Roundtables)**

- Implemented two additional annual pathogen monitoring reports as required under the Regional Water Quality Monitoring Program Task Force agreement among SAWPA, the Regional Board and the three flood control districts in Orange, San Bernardino, and Riverside Counties. This task force implements a regional pathogen monitoring program as defined under the previous Stormwater Quality Standards Task Force. Efficiencies continue to be realized by having merged this program with the ongoing pathogen monitoring conducted by the MSAR TMDL Task Force.
- Worked with Regional Board to respond to Regional Board staff and peer reviewer comments on the previously submitted Lake Elsinore and Canyon Lake Nutrient TMDL Revision and Update Report that was formally submitted to the Santa Ana Regional Water Quality Control Board on December 1, 2018. The report is anticipated to be adopted in the summer of 2021 after public workshops. Some delays in the approval process have occurred due to Regional Board staff retirements and COVID-19 related delays.
- Completed and submitted the SAWPA Basin Monitoring Program Task Force's Triennial Ambient Water Quality Update Report for the period of 1999 to 2018 and the Santa Ana River Wasteload Allocation Report to the Santa Ana Regional Water Quality Control Board in FYE 2020. Completed the Basin Plan Amendment to reflect the results of the updated model for the Santa Ana River Wasteload Allocation in FYE 2021.
- Completed implementation of a small-scale Santa Ana River habitat restoration project funded by the Santa Ana RWQCB Supplemental Environmental Fund (SEP) and the US Fish and Wildlife Service. The project is considered a template for future habitat restoration efforts to be conducted by the SAR Habitat Conservation Plan.
- Completed annual habitat survey for the threatened fish species, Santa Ana sucker fish, known as the Riverwalk, the longest running and largest voluntary annual habitat assessment conducted in southern California for an aquatic species.
- Supported the administration of Lake Elsinore and San Jacinto Watersheds Authority (LESJWA) and the associated TMDL Task Force in implementing two more successful alum applications to Canyon Lake to reduce the phosphorus content, reduce algae and help meet the TMDL targets for the lake water quality results over the past five years of alum application show significant improvements in water clarity, decreased algae and increased oxygen levels in Canyon Lake.
- Completed 2020 Lake Elsinore/Canyon Lake TMDL Compliance report reflecting water quality data for the past 10 years, progress toward TMDL water quality targets and meeting wasteload allocations. The results of the report indicated that the 2020 TMDL was met by nutrient reductions by the TMDL named parties.
- Continued Emerging Constituents Program Task Force in conducting a voluntary sampling program in August 2019 which included reviewing past emerging constituents sampled in 2013 and also including

about 10 per- and polyfluoroalkyl substances (PFAS) affecting drinking water sources including PFOA and PFOS.

### Objectives for FYEs 2022 and 2023

- Facilitate preparation of the recommended list of projects to be funded by Proposition 1 IRWM Round 2 grant program based on the OWOW project selection criteria and complete the DWR Proposition 1 IRWM Round 2 formal grant application for several multi-benefit water resource projects for funding. Thereafter, execute a DWR/SAWPA grant agreement for approximately \$26 million and all subsequent SAWPA subgrantee agreements with each project proponent in FYE 2023. SAWPA will conduct all grant administration of the Proposition 1 IRWM Round 2 grant program in FYEs 2022 and 2023.
- Implement the WECAN program in the City of Riverside to fund a water use efficiency program in the City using \$693,000 in grant dollars and \$100,000 in local share from the City of Riverside.
- Implement Emerging Constituents Program Task Force sampling program in August of 2021 from waters supply source including Metropolitan Water District of Southern California (MWDSC), Santa Ana River flows, and POTWs discharges.
- Complete an evaluation of an updated triennial ambient water quality process and annual Santa Ana River Water Quality reporting process to reflect 2019 Recycled Water Policy Salt and Nutrient Management Plans requirements. The scoping of a study of the source of TDS exceedances in the Santa Ana River baseflow will also be completed in FYE 2022. In FYE 2023, conduct the updated triennial ambient water quality update for the period of 2002 to 2021 and the updated annual Santa Ana River Water Quality Report administered through SAWPA's Basin Monitoring Program Task Force for submittal to the Santa Ana Regional Water Quality Control Board in FYE 2023.
- Administer contract with the facilitator for the IRWM Roundtable of Regions to support this coalition of IRWM regions in regular meetings, outreach, and advocacy for IRWM statewide.
- Continue work on SAWPA's Proposition 1 IRWM Round 1 grant project entitled Enhancements to Watershed-Wide Water Budget Decision Support Tool supporting water use efficiency through an updated aerial survey and decision support tool overseen by the SAWPA PA 22 Committee.
- Continue support of the SARCCUP planning team, administer contract with SARCCUP program manager, and administer implementation of SARCCUP through SAWPA PA 23 Committee.
- Facilitate and administer existing and new multi-agency task forces to reduce costs and address regional impacts.
- Continue to provide administrative support to SAWPA roundtable groups and LESJWA to accomplish required tasks and provide necessary deliverables.
- Increase regional awareness of water resource needs by providing coordination support of water quality and water resources issues among SAWPA member agencies, MWDSC, and other entities.
- Conduct eighth annual OWOW Conference in Spring of 2022.

### Salary and Benefit Costs

<i>Account Information</i>	<i>FYE 2021 Budget</i>	<i>FYE 2022 Budget</i>	<i>% Inc/ (Decr)</i>	<i>FYE 2023 Budget</i>	<i>% Inc/ (Decr)</i>
<b>Salaries and Benefits</b>	\$732,353	\$573,068	(21.7%)	\$612,878	6.9%

### 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 available grant programs for new water resource improvements and water demand reductions.
- Implement water use efficiency measures through SAWPA PA 22 Committee.
- Support the SARCCUP planning team, administer contract with SARCCUP program manager and administer implementation of SARCCUP through SAWPA PA 23 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, Multi-State Salinity Coalition, MWDSC 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 and approve all invoices received;
  - ◆ 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 FYEs 2022 and 2023**

- Obtain additional funding from Proposition 1 IRWM program for implementation of projects.
- Expand collaboration and coordination opportunities with SAWPA member agency staff and other stakeholders.
- Investigate new regional project opportunities, such as stormwater capture.
- Investigate potential federal and state grant opportunities.
- Evaluate funding opportunities in the California's FY 2021-2022 budget related to drought and climate resilience.
- Evaluate the future role of IRWM in the state, including the role of the Roundtable of Regions.
- Provide continued service to SAWPA member agencies and its stakeholders.

### **Staffing Needs for FYEs 2022 and 2023**

No additional staff are recommended for FYEs 2022 and 2023.

The department continues to rely on a planning student intern to support the department. The FYEs 2022 and 2023 Budget has been prepared assuming three FTE staff and a part time intern.

# 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 to the Commission 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 .....	32 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 (April 2020)	3,175,692	2,180,085	2,470,546
Land Area (sq miles)	790.57	20,056.94	7,206.48
Median Family Income (2019)	\$90,234	\$63,362	\$67,005
Median Home Price (2021)	\$1,068,778	\$417,100	\$548,944
Building Permits Issued (2020)	6,027	5,129	10,103

Source: US Census Bureau ([www.census.gov](http://www.census.gov)); California Association of Realtors ([www.car.org](http://www.car.org))

## Treatment Information

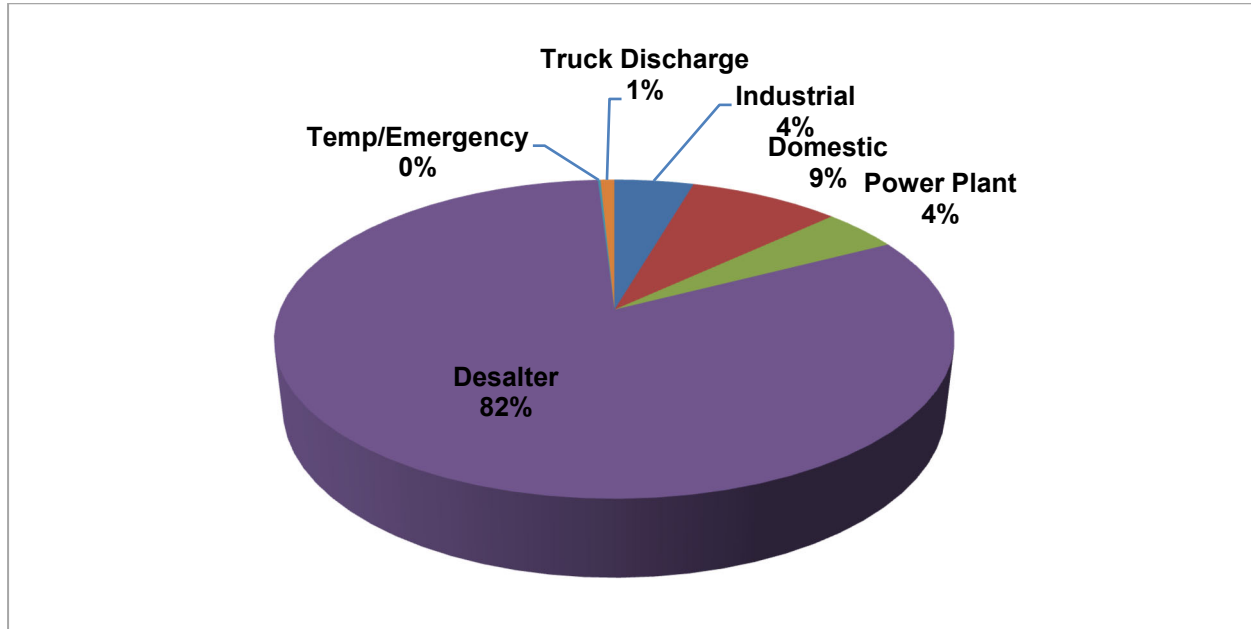
Actual annual MGD of discharge by type:

<i>Type of Discharge</i>	<i>FYE 2015</i>	<i>FYE 2016</i>	<i>FYE 2017</i>	<i>FYE 2018</i>	<i>FYE 2019</i>	<i>FYE 2020</i>	<i>FYE 2021</i>
Industrial	149.1266	176.0173	182.3629	142.6609	146.2297	181.3119	187.3816
Domestic	686.9780	539.1186	605.6648	571.6977	365.5703	345.2252	372.6175
Power Plant	255.9079	203.7717	211.0939	168.1869	182.3315	174.6108	159.5573
Desalters	2,894.5452	2,789.4969	2,832.6086	2,862.8002	2,977.7296	3,286.5031	3,206.6906
Temporary/Emergency	6.9285	4.7210	12.9104	0.0000	13.8265	5.4886	2.4556
Truck Discharge	27.2869	34.3066	29.9249	36.2431	32.1043	31.8486	40.6385
<b>Total</b>	<b>4,020.7731</b>	<b>3,747.4321</b>	<b>3,874.5655</b>	<b>3,781.5888</b>	<b>3,717.7919</b>	<b>4,024.9882</b>	<b>3,969.3411</b>

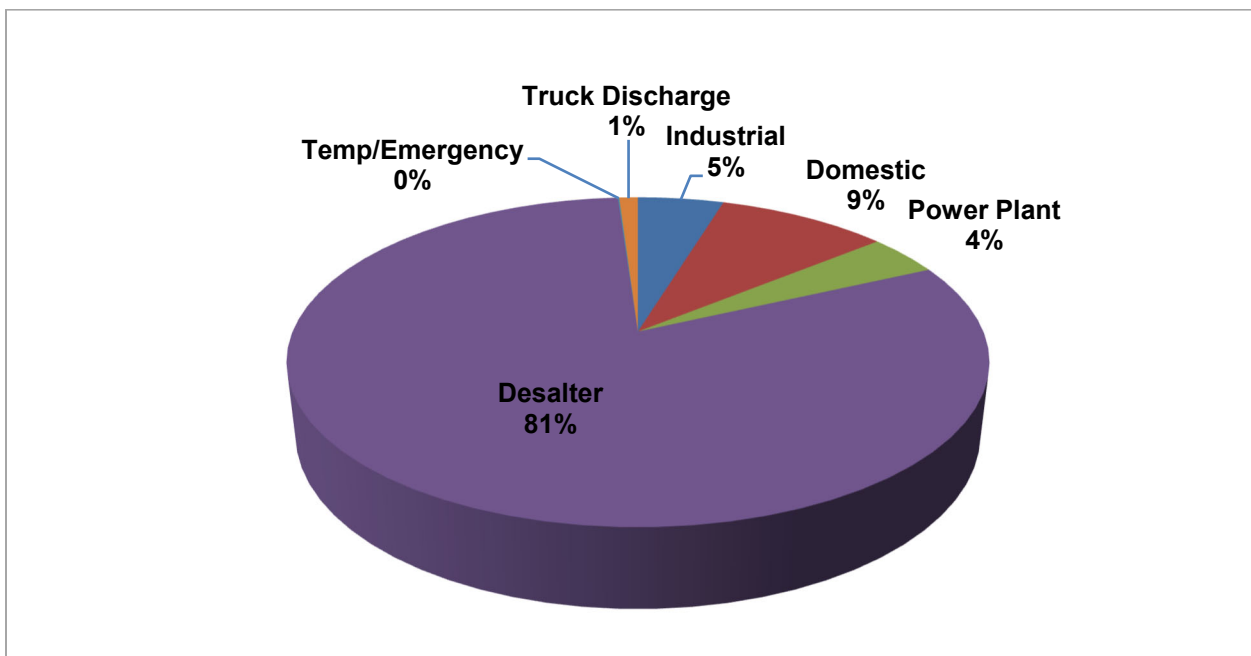


The following pie charts show the trend toward increased desalter discharge into the system. Currently, there are seven desalters in the Santa Ana River Watershed with a plan to construct more in the future.

**Discharge by Type  
FYE 2020**



**Discharge by Type  
FYE 2021**



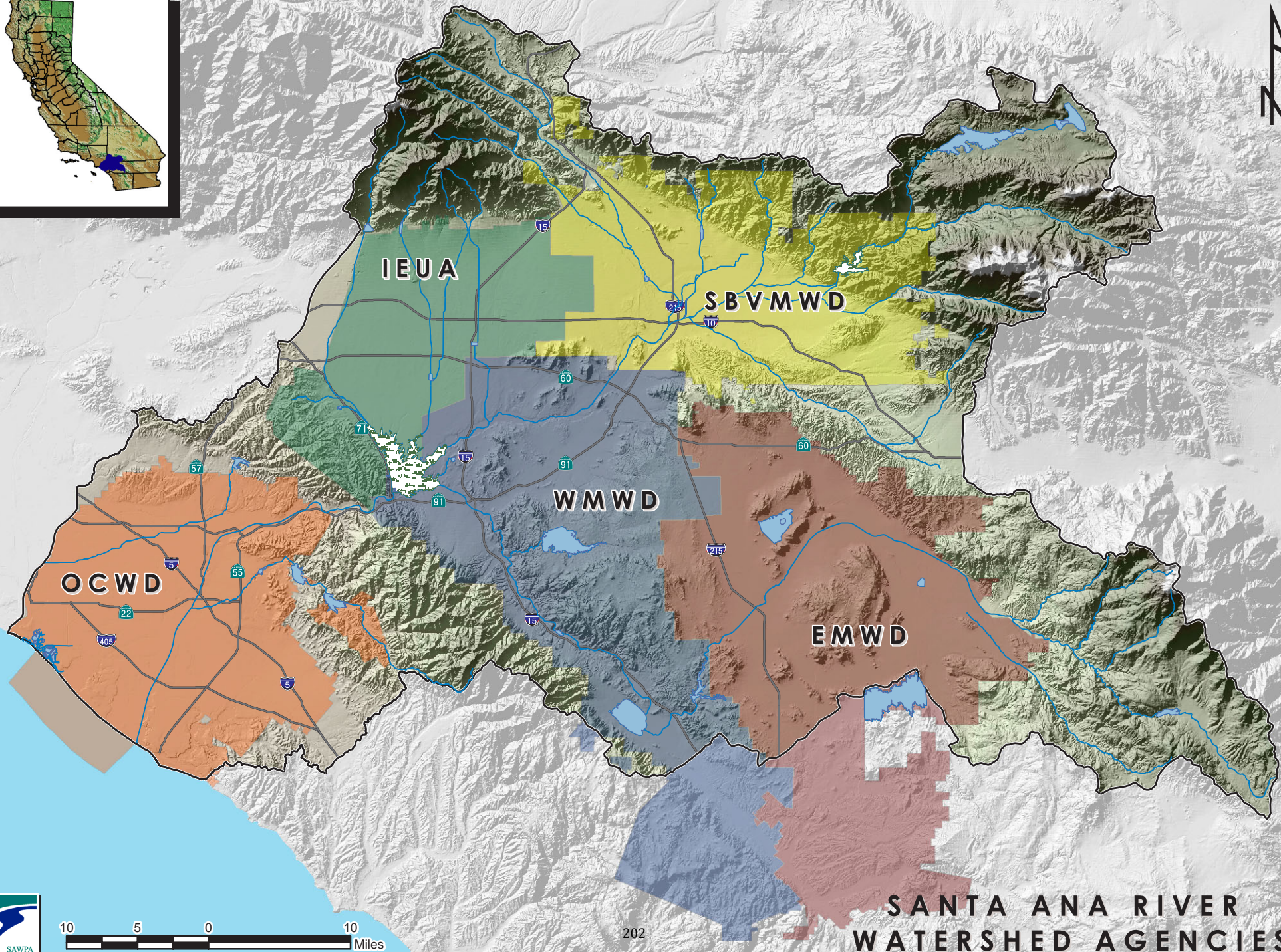
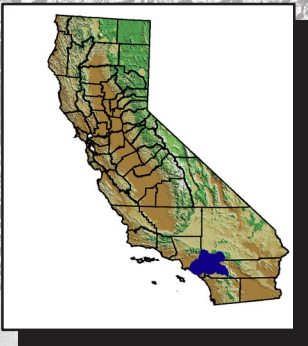
The table below shows the total pipeline and treatment & disposal capacity owned (in MGD's) by each of SAWPA's member agencies as of June 30, 2021.

<i>Agency</i>	<i>Pipeline Capacity</i>	<i>Treatment &amp; Disposal Capacity</i>
Eastern Municipal Water District	5.946	3.350
Inland Empire Utilities Agency *	7.800	5.600
Orange County Water District	0.000	0.000
San Bernardino Valley MWD	7.738	1.889
Western Municipal Water District **	11.084	5.963
SAWPA unassigned capacity	0.000	0.000
<b>Total</b>	<b>32.568</b>	<b>16.802</b>

\* Includes Chino Desalter I & II

\*\* Includes Arlington Desalter





**SANTA ANA RIVER  
WATERSHED AGENCIES**



# 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.

#### Full-Time Equivalent (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.

#### 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.

#### Indirect Costs 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

#### 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.

#### Million Gallons per Day (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.

#### OC San

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 OC San.

#### SRF

The Federal Clean Water Act amendments of 1897 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

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



<b>GASB</b>	Governmental Accounting Standards Board
<b>GFOA</b>	Government Finance Officers Association
<b>GHG</b>	Greenhouse Gas
<b>GIS</b>	Geographical Information System
<b>GM</b>	General Manager
<b>GWRS</b>	Groundwater Replenishment System
<b>Hg</b>	Mercury
<b>HR</b>	Human Resources
<b>HRCI</b>	Human Resource Certification Institute
<b>HVAC</b>	Heating, Ventilation, and Air Conditioning
<b>IEUA</b>	Inland Empire Utilities Agency
<b>IIPP</b>	Injury and Illness Prevention Program
<b>IU</b>	Industrial Users
<b>IRWM</b>	Integrated Regional Water Management
<b>IRWMP</b>	Integrated Regional Water Management Plan
<b>IS</b>	Information Systems
<b>IWP</b>	Integrated Watershed Plan
<b>JCSD</b>	Jurupa Community Services District
<b>JPA</b>	Joint Powers Authority
<b>JPIA</b>	Joint Powers Insurance Authority
<b>JPRIMA</b>	Joint Powers Risk and Insurance Management Authority
<b>LAIF</b>	Local Agency Investment Fund
<b>LE/CL</b>	Lake Elsinore / Canyon Lake
<b>LED</b>	Light Emitting Diode
<b>LESJWA</b>	Lake Elsinore & San Jacinto Watersheds Authority
<b>MAS</b>	Maintenance Access Structure
<b>MG</b>	Million Gallons
<b>Mg/L</b>	Milligrams per liter
<b>MGD</b>	Million Gallons per Day
<b>MOU</b>	Memorandum of Understanding
<b>MSAR</b>	Middle Santa Ana River
<b>MWD(SC)</b>	Metropolitan Water District of Southern California
<b>NEPA</b>	National Environmental Policy Act
<b>NIST</b>	National Institute of Statistics and Technology
<b>NRCS</b>	Natural Resources Conservation Service
<b>O&amp;M</b>	Operations and Maintenance
<b>OCPFRD</b>	Orange County Public Facilities and Resources Department
<b>OCPW</b>	Orange County Public Works
<b>OCRDM</b>	Orange County Resources and Development Management Department
<b>OCFCD</b>	Orange County Flood Control District
<b>OC San</b>	Orange County Sanitation District
<b>OCWD</b>	Orange County Water District
<b>OERP</b>	Overflow Emergency Response Plan
<b>OPEB</b>	Other Post Employment Benefits
<b>OPR</b>	Office of Planning and Research (Governor's Office)
<b>OS</b>	Operating System
<b>OSHA</b>	Occupational Safety & Health Administration
<b>OWOW</b>	One Water One Watershed
<b>PA</b>	Project Agreement
<b>PERS</b>	Public Employee Retirement System

<b>PFAS</b>	Per- and Poly Fluoroalkyl
<b>PIO</b>	Public Information Officer
<b>POTW</b>	Publicly Owned Treatment Works
<b>PTP</b>	Pretreatment Program
<b>PVC</b>	Polyvinyl Chloride
<b>RCFC&amp;WCD</b>	Riverside County Flood Control & Water Conservation District
<b>RCP</b>	Reinforced Concrete Pipe
<b>RCTC</b>	Riverside County Transportation Commission
<b>RFP</b>	Request for Proposal
<b>RFQ</b>	Request for Quotation
<b>RIM</b>	Records Information Management
<b>RWQ</b>	Regional Water Quality
<b>RWQCB</b>	Regional Water Quality Control Board
<b>SA</b>	Santa Ana
<b>SAR</b>	Santa Ana River
<b>SARCCUP</b>	Santa Ana River Conservation and Conjunctive Use Project
<b>SARI</b>	Santa Ana Regional Interceptor (OCSD portion)
<b>SAWA</b>	Santa Ana Watershed Association
<b>SAWPA</b>	Santa Ana Watershed Project Authority
<b>SBVMWD</b>	San Bernardino Valley Municipal Water District
<b>SCADA</b>	Supervisory Control and Data Acquisition
<b>SCIWP</b>	Southern California Integrated Watershed Program
<b>SDLF</b>	Special District Leadership Foundation
<b>SDI</b>	State Disability Insurance
<b>SEP</b>	Supplemental Environmental Project
<b>SHRM</b>	Society for Human Resource Management
<b>SQL</b>	Standard Query Language
<b>SQSTF</b>	Stormwater Quality Standards Task Force
<b>SRF</b>	State Revolving Fund
<b>SSMP</b>	Sanitary Sewer Management Plan
<b>SSO</b>	Sanitary Sewer Overflow
<b>STAG</b>	State and Tribal Affairs Grant
<b>SWRCB</b>	State Water Resources Control Board
<b>TBD</b>	To Be Decided
<b>TDS</b>	Total Dissolved Solids
<b>TF</b>	Task Force
<b>TIN</b>	Total Inorganic Nitrogen
<b>TMDL</b>	Total Maximum Daily Load
<b>TSS</b>	Total Suspended Solids
<b>T-Strips</b>	Treasury Strips
<b>TVRI</b>	Temescal Valley Regional Interceptor
<b>UCI</b>	University of California, Irvine
<b>US</b>	United States
<b>USB</b>	US Bank
<b>USBR</b>	United States Bureau of Reclamation
<b>USFWS</b>	United States Fish and Wildlife Service
<b>USGS</b>	US Geological Survey
<b>W/C</b>	Workers' Compensation
<b>WCD</b>	Water Conservation District
<b>WDR</b>	Wastewater Discharge Requirement

<b>WECAN</b>	Water Energy Community Action Network
<b>WMWD</b>	Western Municipal Water District
<b>WRCRWA</b>	Western Riverside County Regional Wastewater Authority

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