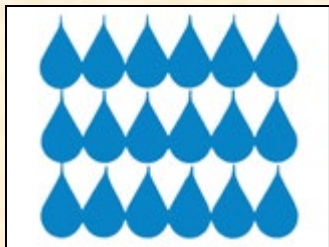


Santa Ana Watershed Project Authority

Board of Commissioners

**Presentation Of The June 30, 2023
Annual Comprehensive Financial Report**

**C.J. Brown & Company, CPAs
An Accountancy Corporation**



The Reports & Auditor's Opinion

Independent Auditor's Report

Unmodified Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the **Santa Ana Watershed Project Authority** as of June 30, 2023....

GFOA Award



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Santa Ana Watershed Project Authority
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

Management Report

Communication to Governing Board

- Auditor's Responsibility Under U.S. GAAS
- Scope of Audit
- District's Accounting Practices
- Corrected and/or Uncorrected Misstatements
- Difficulties Encountered in Performing the Audit – None Noted
- Disagreements with Management – None Noted

Financial Highlights

Condensed Statements of Net Position

	<u>2023</u>	<u>2022</u>	<u>Incr/Decr</u>
Assets:			
Current	\$ 77,062,238	82,300,170	(5,237,932)
Non-current	824,407	1,293,019	(468,612)
Capital	93,314,330	96,912,667	(3,598,337)
Total Assets	<u>171,200,975</u>	<u>180,505,856</u>	<u>(9,304,881)</u>
Deferred Outflows	<u>2,984,563</u>	<u>2,592,450</u>	<u>392,113</u>
Liabilities:			
Current	10,610,023	20,660,188	(10,050,165)
Non-current	83,297,932	82,891,595	406,337
Total Liabilities	<u>93,907,955</u>	<u>103,551,783</u>	<u>(9,643,828)</u>
Deferred Inflows	<u>289,195</u>	<u>1,153,595</u>	<u>(864,400)</u>
Net Position:			
Net investment in capital assets	70,815,204	73,427,321	(2,612,117)
Restricted	2,960,560	4,253,579	(1,293,019)
Unrestricted	6,212,624	712,028	5,500,596
Total Net Position	<u>\$ 79,988,388</u>	<u>78,392,928</u>	<u>1,595,460</u>

Condensed Statements of Revenues, Expenses, and Changes in Net Position

	<u>2023</u>	<u>2022</u>	<u>Incr/Decr</u>
Operating Revenues:			
WWT & Disposal	\$ 12,319,657	12,040,521	279,136
WWT & Disposal Capacity Rights	2,510,154	2,510,154	-
Program Administration	203,714	191,841	11,873
Other Operating Revenues	<u>7,708</u>	<u>5,716</u>	<u>1,992</u>
Total Operating Revenues	<u>15,041,233</u>	<u>14,748,232</u>	<u>293,001</u>
Non-operating Revenues:			
Member Contributions	2,069,760	1,581,845	487,915
Intergovernmental	10,525,569	13,673,784	(3,148,215)
Pension Income - GASB 68	-	3,816,733	(3,816,733)
OPEB Income - GASB 75	235,127	204,395	30,732
Investment Earnings, net FV	<u>1,134,643</u>	<u>(724,549)</u>	<u>1,859,192</u>
Total Non-operating Revenues	<u>13,965,099</u>	<u>18,552,208</u>	<u>(4,587,109)</u>
Total Revenues	<u>29,006,332</u>	<u>33,300,440</u>	<u>(4,294,108)</u>
Operating Expense:			
WWT & Disposal	6,957,971	6,863,027	94,944
General, Admin, & Overhead	692,402	523,272	169,130
Studies and Planning Costs	3,405,256	2,578,723	826,533
Depreciation	3,069,476	3,693,764	(624,288)
Amort of WWT & Disposal Rights	<u>927,886</u>	<u>1,714,643</u>	<u>(786,757)</u>
Total Operating Expense	<u>15,052,991</u>	<u>15,373,429</u>	<u>(320,438)</u>
Non-Operating Expenses:			
Interest Expense	503,989	537,720	(33,731)
Pension Expense - GASB 68	2,912,634	-	2,912,634
Grant Program Expense	<u>9,201,690</u>	<u>12,321,868</u>	<u>(3,120,178)</u>
Total Non-operating Expense	<u>12,618,313</u>	<u>12,859,588</u>	<u>(241,275)</u>
Total Expenses	<u>27,671,304</u>	<u>28,233,017</u>	<u>(561,713)</u>
Capital Contributions	<u>260,432</u>	<u>-</u>	<u>260,432</u>
Change in Net Position	1,595,460	5,067,423	(3,471,963)
Beginning Net Position	<u>78,392,928</u>	<u>73,325,505</u>	<u>5,067,423</u>
Ending Net Position	<u>\$ 79,988,388</u>	<u>78,392,928</u>	<u>1,595,460</u>

Financial Highlights

In 2023:

Net Position – Increased by \$1,595,460

Combined Revenues – Totaled \$29.0 million, a decrease of \$4.3 million.

- The \$3.1 million decrease in Intergovernmental is due to the completion of Proposition 84 Round II grant projects and slow implementation of Proposition 1 Round I and II projects.
- The \$3.8 million decrease in Pension Income – GASB 68 is due to investment losses in the CalPERS pension fund cost-sharing pools which are allocated proportionately across the agencies in the Pool.
- This was offset by a \$1.9 million increase in Investment Income due to the effect of increasing interest rates on Authority investments.

Combined Expenses – Totaled \$27.7 million, a decrease of \$561 thousand.

- The \$826 thousand increase in Studies and Planning costs is due to new projects, Weather Modification, PFAS Study, and the DACI Drought Relief Grant.
- The \$2.9 million increase in Pension Expense – GASB 68 is due to the investment losses in the CalPERS pension fund cost sharing pools, coupled with the reduction in the discount rate which were allocated proportionately across all agencies within the pool.

Questions





SANTA ANA WATERSHED
PROJECT AUTHORITY

SAWPA Building Irrigation Replacement and Landscaping Refresh

December 19, 2023

Item No. 6.B

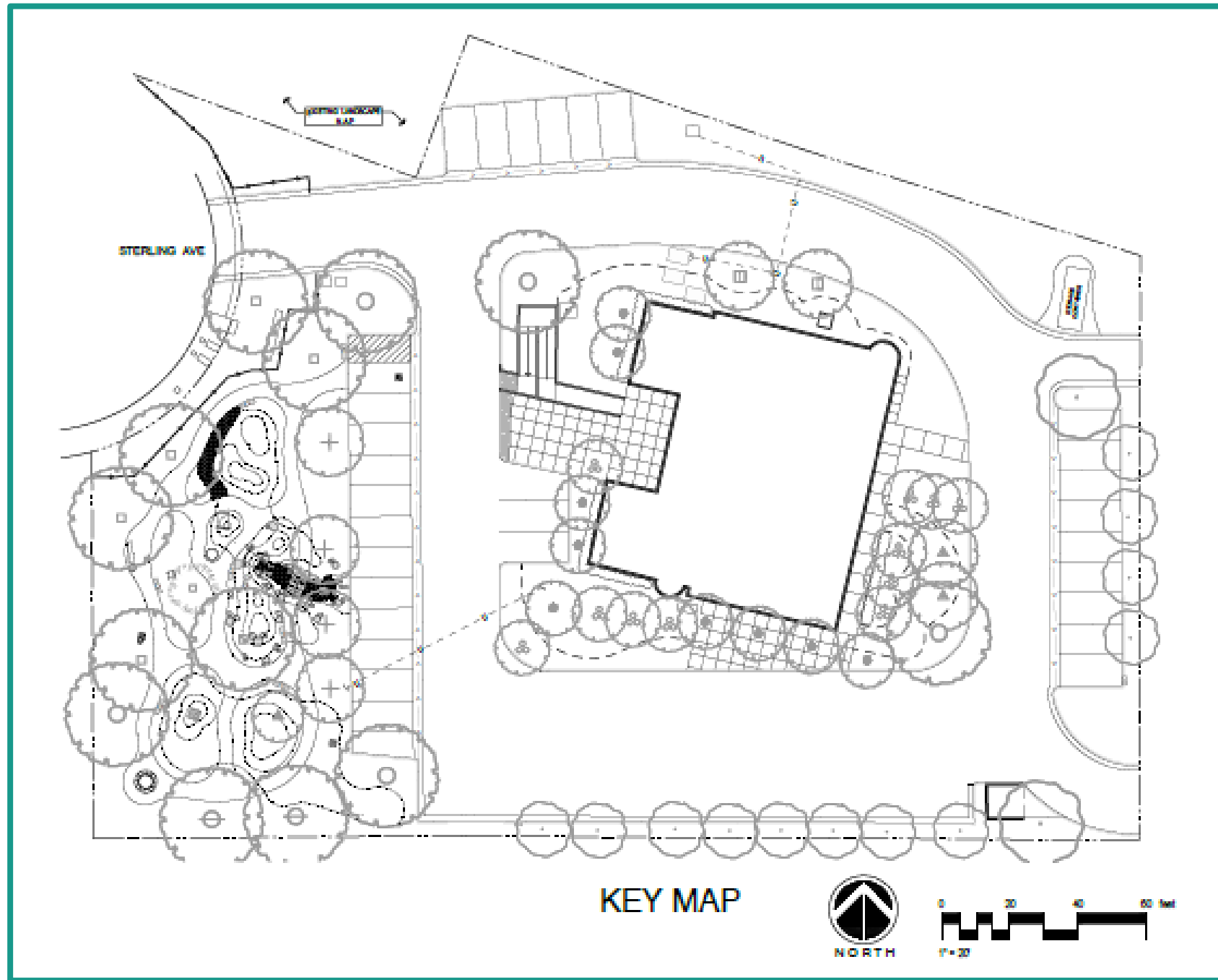
David Ruhl

Executive Manager of Engineering and Operations

Recommendation

- Reject all bids for the Irrigation Replacement and Landscape Refresh Project (Project) and direct the GM to re-issue a Notice Inviting Bids for the Construction of the Project;
- Authorize the General Manager to approve a Task Order BGB100-03 for \$5,490 with BGB Design Group for permitting, bidding, and construction support for the project; and
- Approve \$5,490 from the Building Reserve Fund

Irrigation Replacement and Landscape Refresh



- Refresh plantings and SAWPA building grounds with new landscape
- Replace irrigation system

Summary of Bids

- Pre-bid meeting November 14th
- Bids Received December 7th
- One bid received

<u>Bidder (1)</u>	<u>Bid Amount</u>
• Marina Landscape	\$212,118.44
• Estimate of Construction Costs	\$170,203.00

- (1) One bid was not accepted because it was not submitted at the proper time and place identified in the contract documents
- Bid received was deemed non-responsive due to omission of several documents defined in the contract documents

Permitting, Bidding, and Construction Support

- BGD Design Group prepared the landscape plans and specifications (\$23,320)
- Additional work necessary for permitting, bidding and support during construction (\$5,490)
- Funding from the Building Reserve Fund

SCHEDULE

Commission Approval –Notice Inviting Bids	December 19, 2023
Issue Notice Inviting Bids	December 20, 2023
Commission Approval – Award Construction Contract	February 6, 2024
Construction	February – May 2024

Recommendation

- Reject all bids for the Irrigation Replacement and Landscape Refresh Project (Project) and direct the General Manager to re-issue a Notice Inviting Bids for the Construction of the Project;
- Authorize the General Manager to approve Task Order BGB100-03 for \$5,490 with BGB Design Group for permitting, bidding, and construction support for the project; and
- Approve \$5,490 from the Building Reserve Fund

Questions?

Thank You

David Ruhl
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