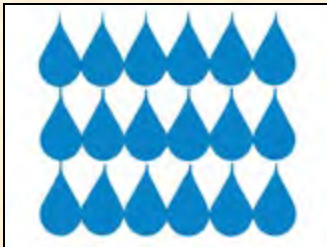


# **Santa Ana Watershed Project Authority**

**Board of Commissioners**

**Presentation Of The June 30, 2024  
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, 2024....

# Management Report

## Communication to Governing Board

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

# Financial Highlights

## Condensed Statements of Net Position

	<u>2024</u>	<u>2023</u>	<u>Incr/Decr</u>
<b>Assets:</b>			
Current	\$ 83,217,581	77,062,238	6,155,343
Non-current	369,212	824,407	(455,195)
Capital	<u>92,521,424</u>	<u>93,314,330</u>	<u>(792,906)</u>
<b>Total Assets</b>	<u>176,108,217</u>	<u>171,200,975</u>	<u>4,907,242</u>
<b>Deferred Outflows</b>	<u>2,636,976</u>	<u>2,984,563</u>	<u>(347,587)</u>
<b>Liabilities:</b>			
Current	11,679,775	10,610,023	1,069,752
Non-current	<u>78,627,738</u>	<u>83,297,932</u>	<u>(4,670,194)</u>
<b>Total liabilities</b>	<u>90,307,513</u>	<u>93,907,955</u>	<u>(3,600,442)</u>
<b>Deferred Inflows</b>	<u>845,675</u>	<u>289,195</u>	<u>556,480</u>
<b>Net Position:</b>			
Net investment in capital assets	71,336,614	70,815,204	521,410
Restricted	3,329,772	2,960,560	369,212
Unrestricted	<u>12,925,619</u>	<u>6,212,624</u>	<u>6,712,995</u>
<b>Total Net Position</b>	<u>\$ 87,592,005</u>	<u>79,988,388</u>	<u>7,603,617</u>

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

	<u>2024</u>	<u>2023</u>	<u>Incr/Decr</u>
<b>Operating Revenues:</b>			
WWT& Disposal	\$ 13,047,884	12,319,657	728,227
WWT & Disposal Capacity Rights	2,510,154	2,510,154	-
Program Administration	153,460	203,714	(50,254)
Other Operating Revenues	<u>3,186</u>	<u>7,708</u>	<u>(4,522)</u>
<b>Total Operating Revenues</b>	<u>15,714,684</u>	<u>15,041,233</u>	<u>673,451</u>
<b>Non-operating Revenues:</b>			
Member Contributions	2,308,275	2,069,760	238,515
Intergovernmental	7,903,442	10,525,569	(2,622,127)
OPEB Income - GA SB 75	273,301	235,127	38,174
Investment Earnings, net	<u>3,438,677</u>	<u>1,134,643</u>	<u>2,304,034</u>
<b>Total Non-operating Revenues</b>	<u>13,923,695</u>	<u>13,965,099</u>	<u>(41,404)</u>
<b>Total Revenues</b>	29,638,379	29,006,332	632,047
<b>Operating Expenses:</b>			
WWT and Disposal	8,038,986	6,957,971	1,081,015
General & Admin and Overhead A bso	399,828	692,402	(292,574)
Studies and Planning Coasts	3,104,665	3,405,256	(300,591)
Depreciation	3,085,805	3,069,476	16,329
Amortization of WWT & Disposal Rig	<u>927,235</u>	<u>927,886</u>	<u>(651)</u>
<b>Total Operating Expenses</b>	<u>15,556,519</u>	<u>15,052,991</u>	<u>503,528</u>
<b>Non-operating Expenses:</b>			
Interest Expense	479,119	503,989	(24,870)
Pension Expense - GA SB 68	1,271,247	2,912,634	(1,641,387)
Grant Program Expenses	<u>6,893,893</u>	<u>9,201,690</u>	<u>(2,307,797)</u>
<b>Total Non-operating Expenses</b>	<u>8,644,259</u>	<u>12,618,313</u>	<u>(3,974,054)</u>
<b>Total Expenses</b>	<u>24,200,778</u>	<u>27,671,304</u>	<u>(3,470,526)</u>
<b>Capital Contributions</b>	<u>2,166,016</u>	<u>260,432</u>	<u>1,905,584</u>
<b>Change in Net Position</b>	7,603,617	1,595,460	6,008,157
<b>Beginning, Net Position</b>	<u>79,988,388</u>	<u>78,392,928</u>	<u>1,595,460</u>
<b>Ending, Net Position</b>	<u>\$ 87,592,005</u>	<u>79,988,388</u>	<u>7,603,617</u>

# Financial Highlights

## In 2024:

**Net Position** - Increased by \$7.6 million primarily due to an increase in Investment Earnings and payment of the Agua Mansa Lateral loan and the results of operations.

## Combined Revenues

Combined revenues for the fiscal year 2024 totaled \$29.6 million, an increase of \$0.6 million.

- The \$0.7 million increase in WWT & Disposal is due to higher flow, BOD, and TSS concentrations in 2024 as well as higher rates over 2023.
- The \$2.6 million decrease in Intergovernmental is due to the majority of Proposition 1 Round I project construction costs being billed in fiscal year 2023. With most costs having been billed in 2023, there were not many invoices received in 2024. Proposition I Round II grant project agreements were completed late in fiscal year 2024 and have been slow in implementation.
- The \$2.3 million increase in Investment Income is due to an increase in interest rates and the current unrealized market value of investments.

## Combined Expenses:

Combined expenses for the fiscal year 2024 totaled \$24.2 million, a decrease of \$3.5 million.

- The \$1.1 million increase in WWT and Disposal is due to increased flow, BOD, and TSS concentrations as well as rate increases for each component. The Authority is also working on a Brine Line Master Plan which has increased consulting costs for 2024.
- The \$1.6 million decrease in Pension Expense – GASB 68 is due to the realized investment losses (increased liability) in the CalPERS pension fund cost sharing pools which was allocated proportionately across all agencies within the pool.
- The \$2.3 million decrease in Grant Program Expenses is due to the majority of Proposition 1 Round I project construction costs being billed in fiscal year 2023. With most costs having been billed in 2023, there were not many invoices received in 2024. Proposition I Round II grant project agreements were completed late in fiscal year 2024 and have been slow in implementation.



# Questions





# Department of Water Resources' Stream Gage Improvement Program

Commission Meeting

Item Number 6.C

Haley Gohari

Associate Project Manager

December 17, 2024



# Recommendation

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- Authorize SAWPA Staff to apply on behalf of the Santa Ana River Watershed under Department of Water Resources' (DWR) California Stream Gage Improvement Program (CalSIP) funding opportunity for new or upgraded stream gages on natural waterways.



# Agenda

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- Program Background
- Program Requirements
- Eligible Costs
- Coordination Process
- Stream Gage Map
- Proposed Locations
- Benefits
- Schedule
- Recommendation





# Program Background: Senate Bill (SB) 19

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- Directed DWR and the SWRCB to deploy a network of stream gages to help address significant gaps in data availability for water resources management and conservation.
- Recommends to upgrade existing stream gages, install new stream gages, reactivate historical stream gages and install water temperature sensors to existing stream gages.
- Identifies top locations on a watershed level to make improvements in resulting plan, California Stream Gaging Prioritization Plan 2022.

# Program Requirements

- Telemetered and real-time data publishing for **public viewing**.
  - Certified annually by licensed civil engineer or hydrologist.
  - Located on natural waterways within California.
  - Perform minimum standard of care
- Have an operational gage by October 1, 2026, through at least June 30, 2027.
  - Provide telemetered real-time stream gage data at 15-minute intervals (stage, flow and water temperature, preferred).

# Eligible Costs

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- Site Identification
- Engineering
- Design
- Construction
- Purchase of Equipment
- Administrative Expenses (SAWPA Staff time, permitting, etc.)
- Operations Costs (for one water year)
- Maintenance Costs (for one water year)

Approximate Cost per New Gage:  
\$50,000

# Coordination Process

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Staff met with the respective Member Agency staff to compile important locations in their service areas for submission under a comprehensive application for stream gage sites throughout the Santa Ana River Watershed.



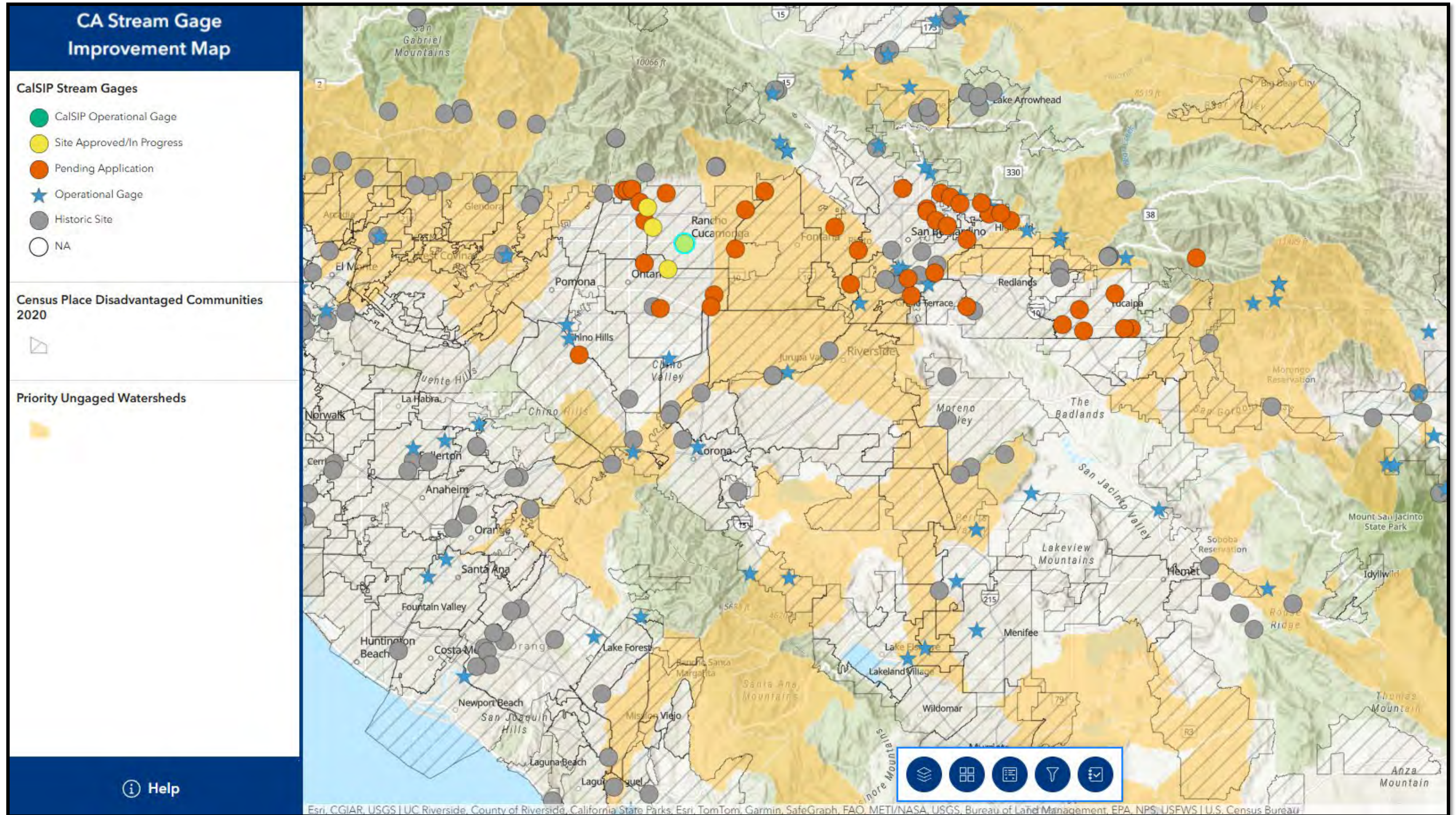
SAWPA apply for grant funding on behalf of SAWPA Member Agencies



Staff has collected locations, types of stream gages and gotten quotes for costs

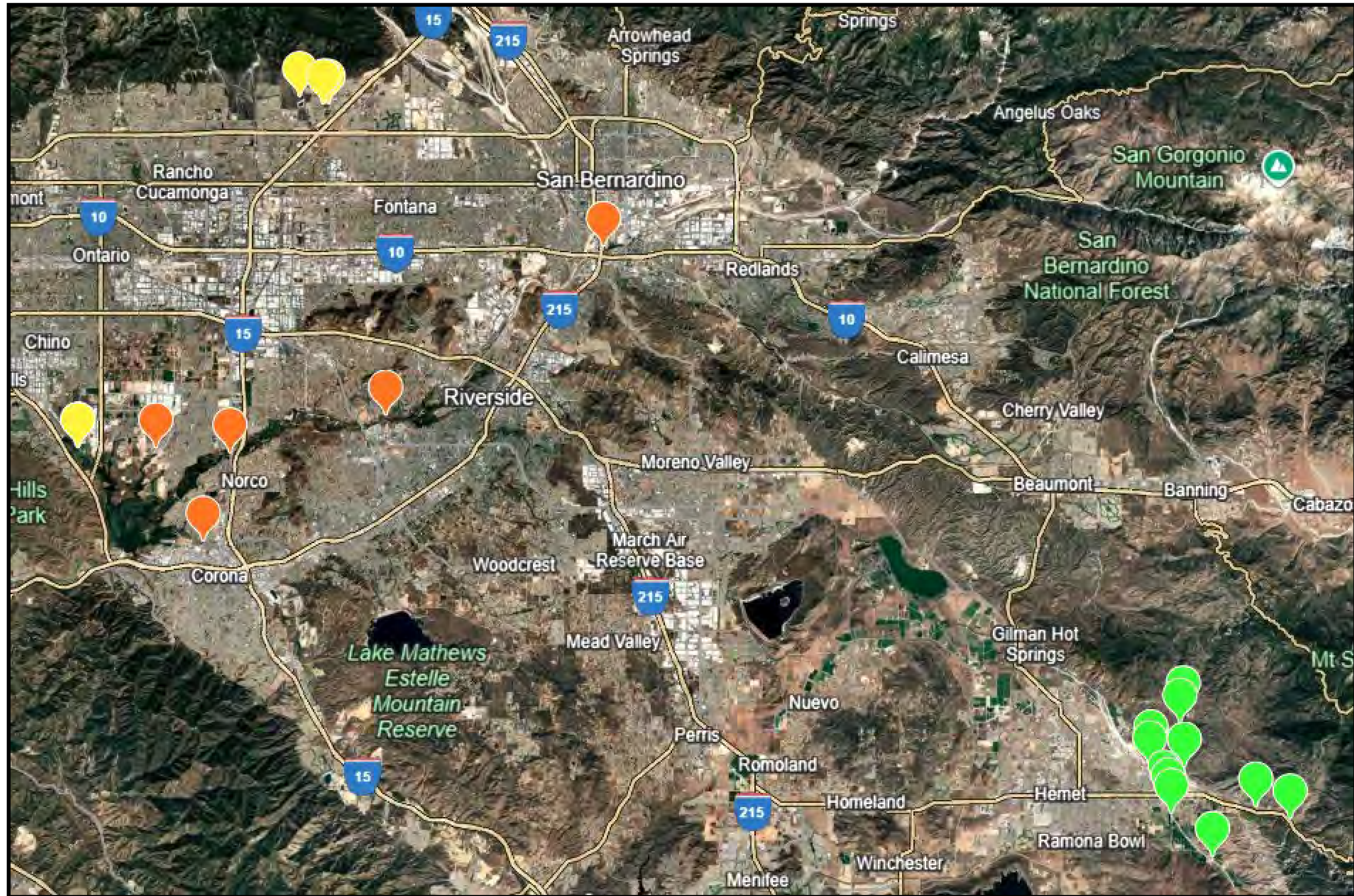


# Stream Gage Map



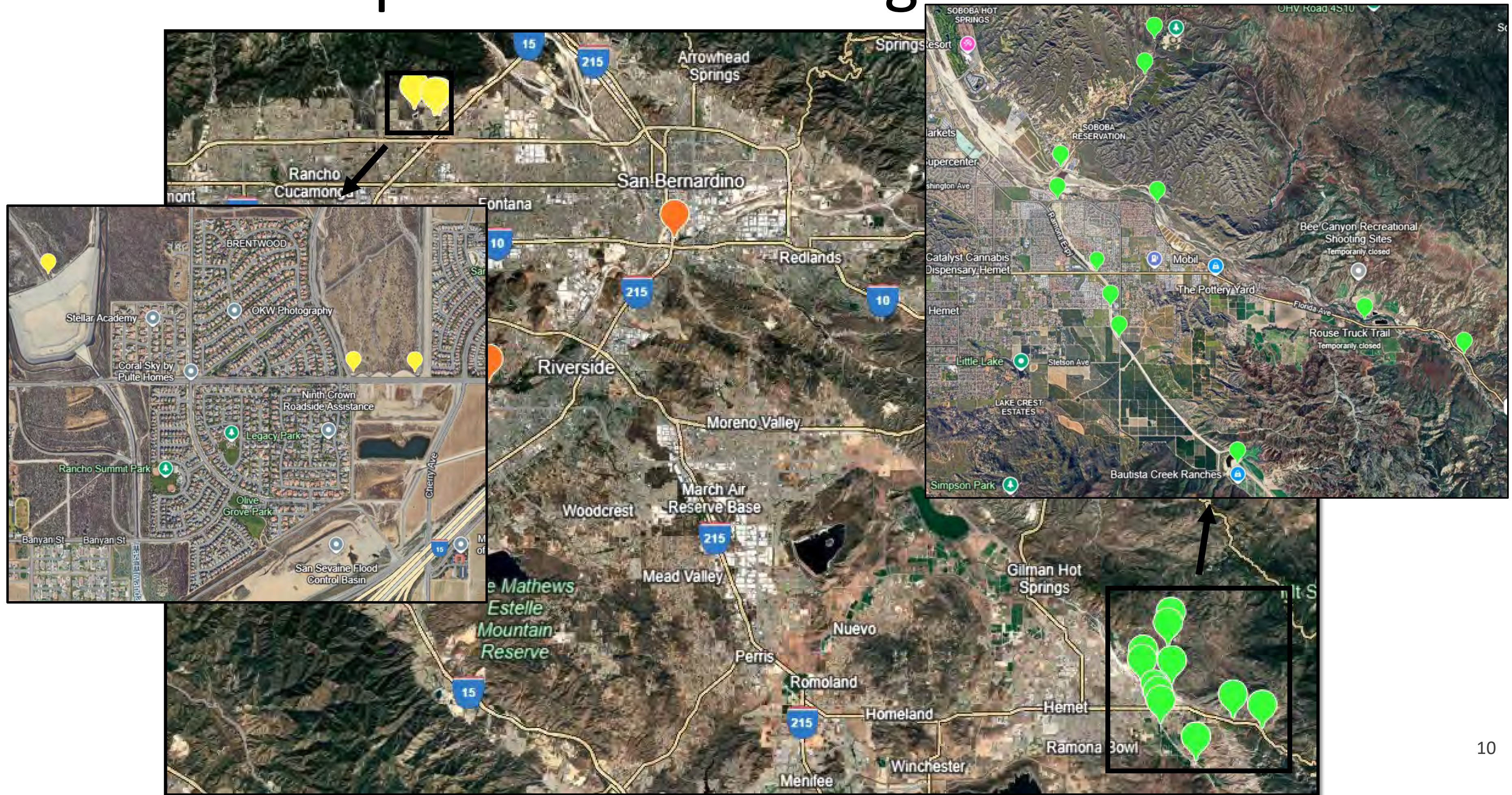


# Proposed Stream Gage Locations





# Proposed Stream Gage Locations





# Site Specific Benefits

Requesting Entity	Site Name	Site Benefit
IEUA	San Sevaine Creek – East Branch above Wilson Ave	<ul style="list-style-type: none"> <li>• Flow to recharge facilities</li> </ul>
	San Sevaine Creek – West Branch above Wilson Ave	
	Etiwanda Creek Above Etiwanda Debris Basin	
	Chino Creek @ Pine Ave	<ul style="list-style-type: none"> <li>• Stream gage would be co-located with longstanding WQ sample point and included IEUA effluent flows</li> <li>• Information would assist in accurately determining flows into Prado</li> <li>• Improve surface water/groundwater interaction for Chino Creek and SAR-Reach 3.</li> </ul>

# Site Specific Benefits

Requesting Entity	Site Name	Site Benefit
EMWD	Bautista-1	<ul style="list-style-type: none"> <li>No stream gages along Bautista Creek</li> <li>Re-activate inactive sites and add new sites for local flow to San Jacinto River</li> <li>Groundwater modeling in EMWD service area</li> </ul>
	Bautista-2	
	Bautista-3	
	Bautista-4	
	Bautista-5	
	Indian-1	<ul style="list-style-type: none"> <li>New Gage</li> <li>Flow to San Jacinto River</li> <li>Groundwater modeling in EMWD service area</li> </ul>
	North Fork-1	
	Poppet-1	
	Poppet-2	<ul style="list-style-type: none"> <li>Upgrade Technology</li> <li>High Priority in SB19 – add water temperature</li> </ul>
	Poppet-3	
Cranston Gage		
SBVMWD	Coordinating on stream gage locations	
WMWD		
RCF&WCD		

# Benefits

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- Data to inform regional and local projects and programs
  - FIRO
  - Surface water model
  - Monitoring programs
- Future efforts - Stormwater capture
- Inform the various models that inform water management
- Groundwater and Surface Water Interactions





# Schedule

Task	Date
Commission Approval	December 17, 2024
Submit Application: <ul style="list-style-type: none"><li>• Interest Survey:<ul style="list-style-type: none"><li>• Arc GIS Map</li><li>• Location, entity, parameters, operational duration</li></ul></li><li>• Full Application (Questionnaire)</li></ul>	December 31, 2024
Award Notification by DWR	January 2025
Execute Agreement with DWR	March 2025
Installation and Operation Deadline	October 1, 2026

# Recommendation

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- Authorize SAWPA Staff to apply on behalf of the Santa Ana River Watershed under Department of Water Resources' (DWR) California Stream Gage Improvement Program (CalSIP) funding opportunity for new or upgraded stream gages on natural waterways.

# Questions?

# Thank You

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