



Santa Ana Watershed Project Authority

Fiscal Years Ending
2020 and 2021 Budget

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For the Biennium Beginning

July 1, 2017

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, 2017. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device. We believe our current budget continues to conform to program requirements, and we are submitting it to the GFOA to determine its eligibility for another award.

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Section 1

Budget Message/ Executive Summary

Budget Message/Executive Summary

July 1, 2019

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) 2020 and 2021 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 \$52.2 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 2020.

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 \$255 million system requires continuous operations and maintenance (O&M) (\$14 million annual budget) and implementation of a capital improvement program (CIP) currently valued at over \$60 million.

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 (OCSD) and regulatory agencies.
8. Operate the Brine Line to: (1) protect the OCSD 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.

In an effort 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 2020 and 2021 Budget are as follows:

- ◆ Develop a new long-term vision and prepare a new business plan for the Brine Line Enterprise.
- ◆ Future planning for brine disposal from the Watershed.
- ◆ Implement the Brine Line Marketing Plan.
- ◆ Comply with the Sanitary Sewer Management Plan (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.
- ◆ Finalize the implementation of the Proposition 84 Drought grant program.
- ◆ Continue support of the successful implementation of OWOW 2015 watershed conjunctive use program called the Santa Ana River Conservation and Conjunctive Use Project (SARCCUP).
- ◆ Complete the implementation of the DWR Water-Energy Disadvantaged Communities (DAC) grant program known as the Water Energy Community Action Network (WECAN).
- ◆ 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 84 Integrated Regional Water Management (IRWM) grant funding and prepare for future Proposition 1 IRWM funding support.
- ◆ Continue other watershed planning functions.
- ◆ Continue legislative coordination and support.
- ◆ Achieve greater accountability through more measurable and specific performance indicators.
- ◆ Submit Budget and Comprehensive Annual Financial Report (CAFR) to the Government Finance Officers Association (GFOA) award program.
- ◆ Maintain stable benefit and indirect costs allocation rates.

Budget Summary and Overview

FYEs 2020 and 2021 will prove to be very productive years for the Agency. This is the Agency's seventh biennial budget, and will help to continue the long-range planning effort for all Agency operations. The total combined budget for both years is \$52.2 million, which consists of \$33 million or 63% for operating expense, \$5.7 million or 11% for debt service, \$6.8 million or 13% for reserve contributions and \$6.7 million or 13% in Capital Program expenses. Available to cover those expenses are revenues of \$51.8 million and \$0.4 million from prior year fund balances.

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

Respectfully submitted,



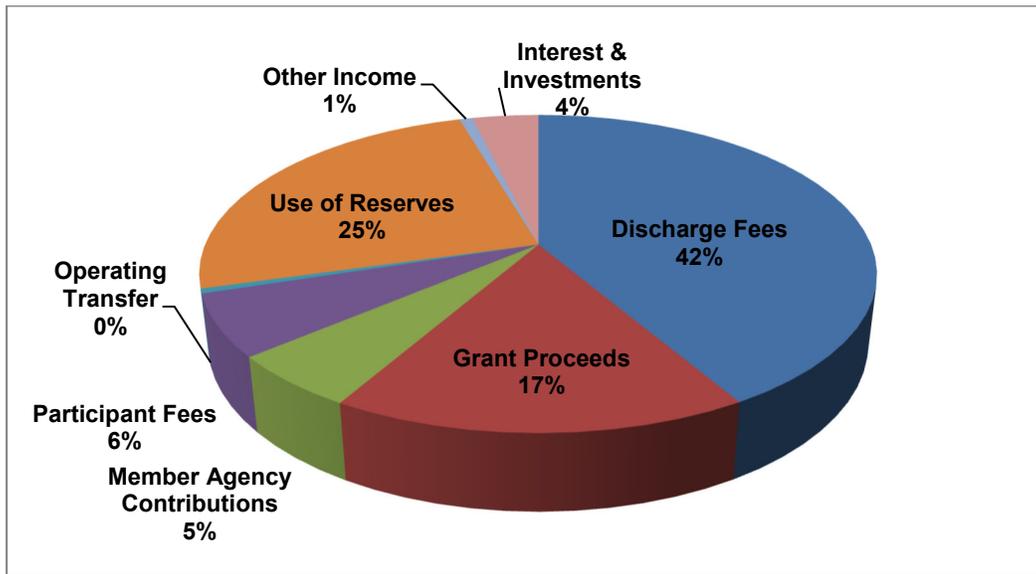
Richard Haller, P.E.
General Manager

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.

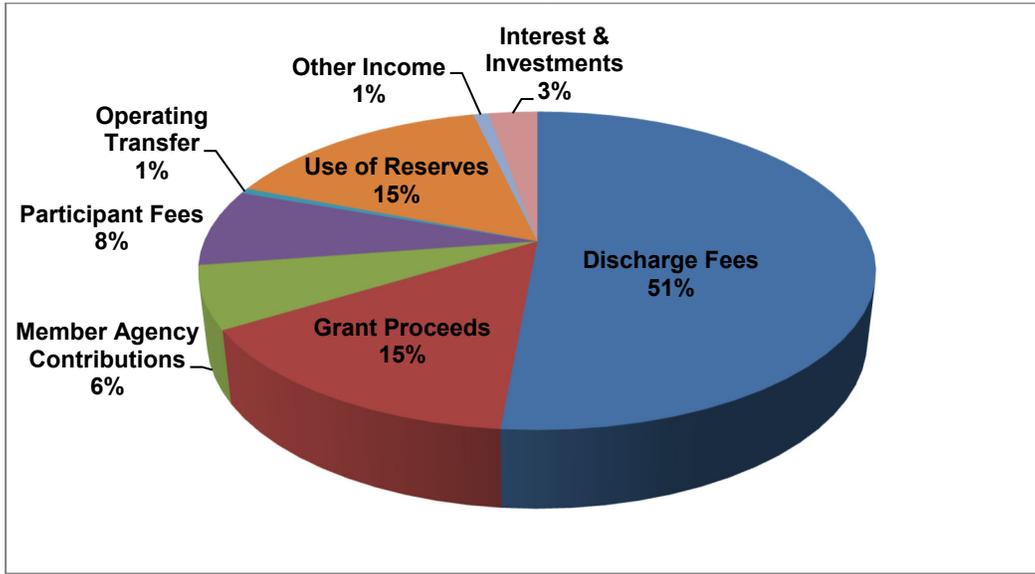
The FYE 2020 receipts of \$27.7 million include \$11.5 million in discharge fees, \$4.6 million in grant proceeds, \$1.5 million in member agency contributions, \$1.7 million in participant fees, \$132,344 in operating transfer, \$6.9 million in use of reserves, \$206,881 in other income, and \$1 million in interest and investments which reflects an 8.3% decrease over FYE 2019. The majority of the decreased revenues can be attributed to not using a State Revolving Fund (SRF) Loan as a revenue source in the FYE 2020 budget. Total revenues included in the FYE 2020 budget are adequate to cover all projected expenses.

**Source of Funds
FYE 2020**



The FYE 2021 receipts of \$24.1 million include \$12.4 million in discharge fees, \$3.6 million in grant proceeds, \$1.5 million in member agency contributions, \$1.9 million in participant fees, \$133,000 in operating transfers, \$3.7 million in use of reserves, \$206,881 in other income, and \$675,000 in interest and investments which reflects a 13% decrease over FYE 2020. The majority of the decreased revenues can be attributed to lower grant proceeds and use of reserves. Total revenues included in the FYE 2021 budget are adequate to cover all projected expenses.

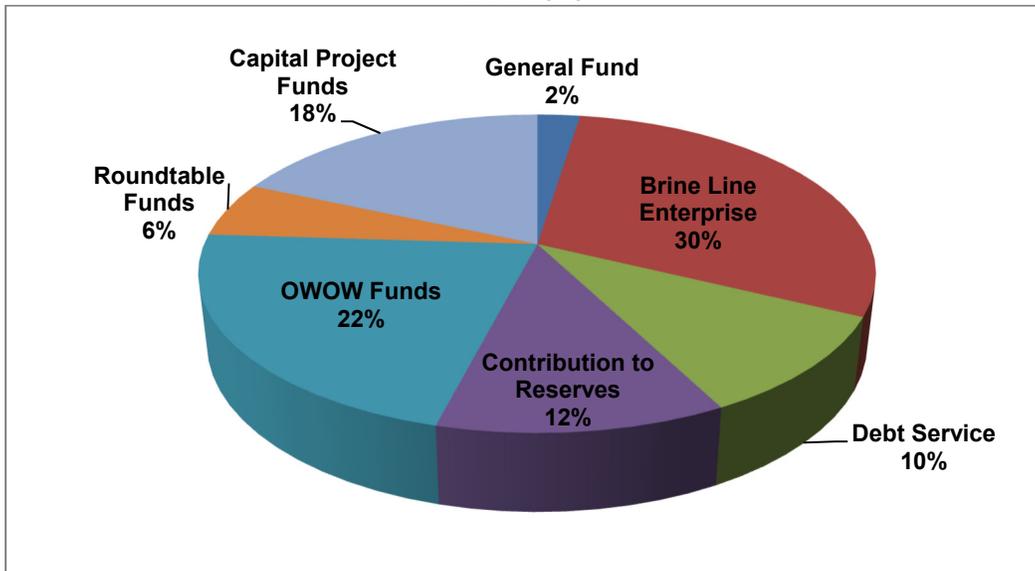
**Source of Funds
FYE 2021**



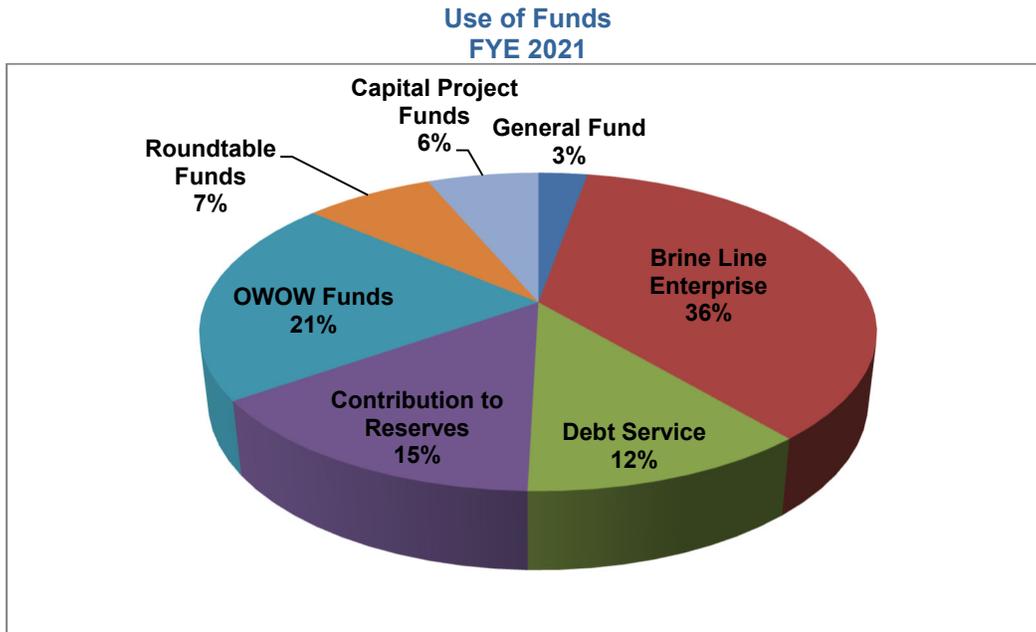
Uses of Funds

The total FYE 2020 expenses are projected to be \$27.8 million, which includes \$0.7 million for Joint Powers Authority (JPA) operations, \$8.3 million for Brine Line Enterprise operations, \$5.1 million for capital projects, \$2.8 million for debt service, \$1.6 million for roundtable funds, \$6.1 million for OWOW funds, and \$3.2 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 increase in expenses from the prior year is due to increases in the capital improvements program (CIP) and Proposition 1 and 84 grants.

**Use of Funds
FYE 2020**



The total FYE 2021 expenses are projected to be \$24.4 million, which includes \$0.7 million for JPA operations, \$8.8 million for Brine Line Enterprise operations, \$1.6 million for capital projects, \$2.8 million for debt service, \$1.8 million for roundtable funds, \$5.1 million for OWOW funds, and \$3.6 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 CIP and Proposition 1 and 84 grants.



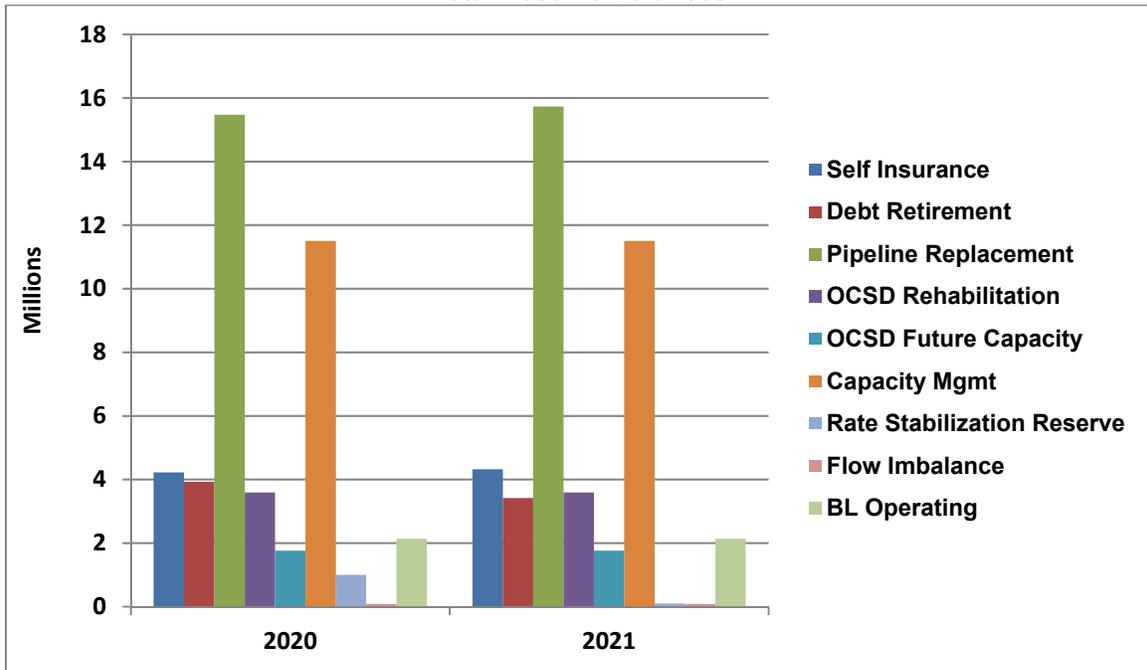
Debt Service

The outstanding debt in FYE 2020 is projected at \$27.5 million and will decrease to \$27 million in FYE 2021. 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 2020 and 2021 are projected to be \$2.8 million for each year.

Reserves

In FYEs 2020 and 2021, the operating fund has total budgeted reserve contributions of \$3.2 million and \$3.6 million. Total reserves are projected to be \$47.3 million for FYE 2020 and \$47.2 million for FYE 2021. The decrease of \$0.1 million is from use of reserves to fund the CIP. The following chart shows the projected reserve balances for FYEs 2020 and 2021.

Total Reserve Balances



Personnel

The current staffing level is at 28 FTEs. Total employment costs, which include wages and benefits, are projected to be \$5.6 million for FYE 2020 and \$6.1 million for FYE 2021, representing 20% and 25% of the Agency's total budget for each year. Overall, employment expenses are expected to increase by less than 0.5% (\$24,882) for FYE 2020 and by 8.9% (\$494,110) for FYE 2021. The increases are based on an 8% 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 2020 and 2021 Budget - General, Enterprise, OWOW, Roundtable, and Capital Projects. Each fund is shown below with its total revenues, expenses and fund balance, if applicable.

FYE 2020 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>
Revenues	\$ 676,966	\$ 14,367,130	\$ 6,153,565	\$ 1,444,105	\$ 5,118,134	\$ 27,759,900
Expenses	(676,966)	(14,367,130)	(6,121,416)	(1,563,457)	(5,118,134)	(27,847,103)
Net Income (Loss)	–	–	32,149	(119,352)	–	(87,203)
Beg. Fund Balance	–	–	487,997	1,701,940	–	2,189,937
End. Fund Balance	\$ –	\$ –	\$ 520,144	\$ 1,582,588	\$ –	\$ 2,102,732

FYE 2021 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>
Revenues	\$ 680,339	\$ 15,236,445	\$ 5,186,858	\$ 1,456,592	\$ 1,549,029	\$ 24,109,263
Expenses	(680,339)	(15,236,445)	(5,124,596)	(1,797,871)	(1,549,029)	(24,388,280)
Net Income (Loss)	–	–	62,262	(341,279)	–	(279,017)
Beg. Fund Balance	–	–	520,144	1,582,588	–	2,102,732
End. Fund Balance	\$ –	\$ –	\$ 582,406	\$ 1,241,312	\$ –	\$ 1,823,718

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 2020 and 2021 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 2020 and 2021 Budget.

Combined Schedules

This section is a comprehensive overview of the FYEs 2020 and 2021 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 2019 through 2021.

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 2020 and 2021 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.

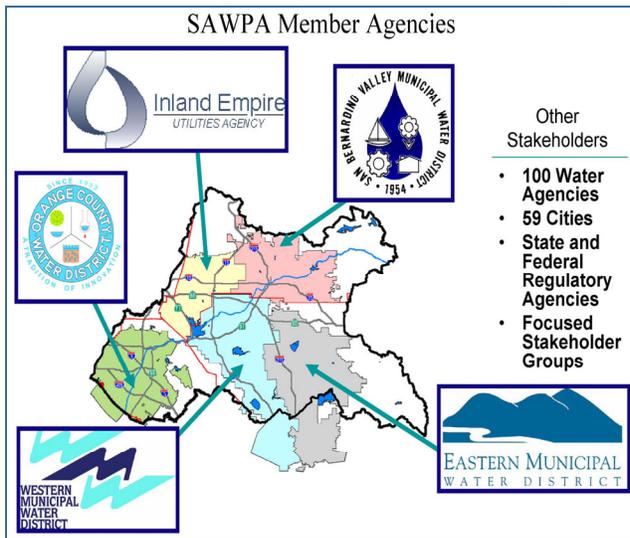
About the Agency

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.

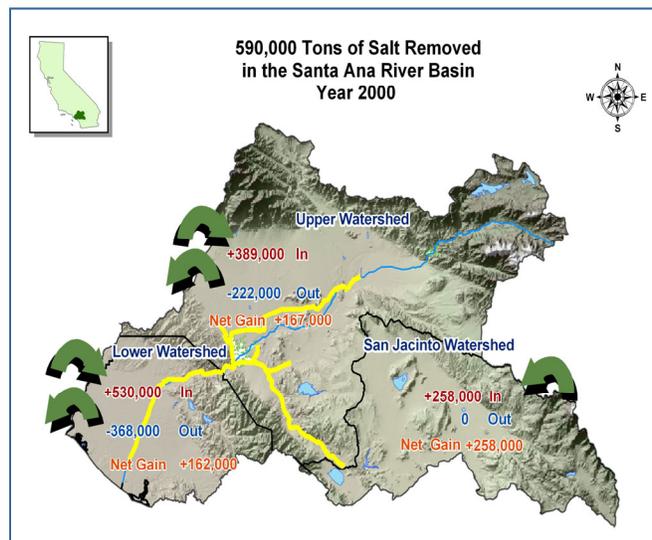


SAWPA's Regional Vision

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

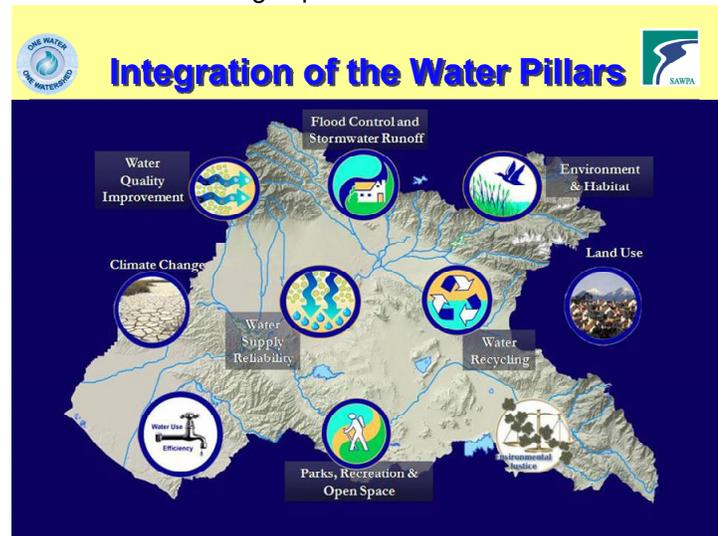
SAWPA's enterprise includes ownership and operation of the Inland Empire Brine Line, formerly known as the Santa Ana Regional Interceptor (SARI). The 73 mile-long regional brine line is designed to convey 30 million gallons per day (MGD) of non-reclaimable wastewater from the upper Santa Ana River Basin to the Pacific Ocean for disposal, after treatment. This 46-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) 2.0 Plan was adopted in February 2014. An update to the OWOW 2.0 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 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.

Work is underway to fold this ongoing work of modeling and reporting into the SAWPA Basin Monitoring Program 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. Work is also underway to update the Santa Ana River Watershed Wasteload Allocation for the SAR into the RWQCB's Basin Plan.

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.

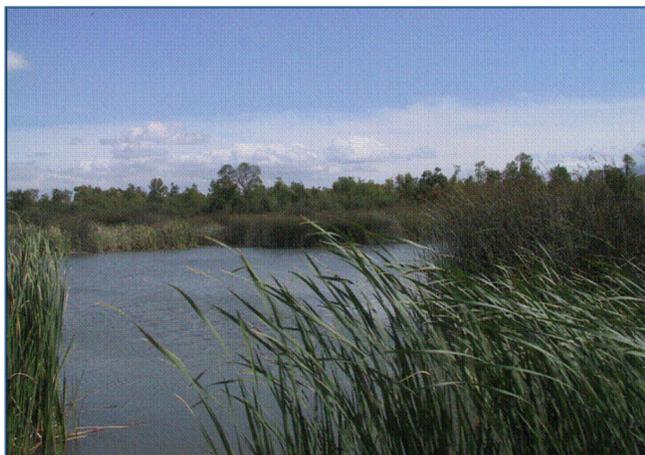


analysis of data from previous surveys.

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 way. 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

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, a new EC sampling program was kicked off 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.



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 such as flood control and water supply agencies to partner on multi-beneficial fire prevention projects on forest lands in the upper Watershed. SAWPA will work with Blue Forest Conservation, a team of engineers and financial analysts that focuses on starting public-private partnerships for forest fuel reduction projects, to establish project-specific agreements between the Watershed’s two National Forests and downstream entities. If executed, the agreements would provide an innovative funding source to fire prevention projects, such as fuel breaks, that are traditionally funded by CAL FIRE

and the U.S. Forest Service. Monitoring of any potential projects would be implemented to assess the benefits to agencies and would be used to create economic models that could provide a framework for further project-specific partnerships.

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.

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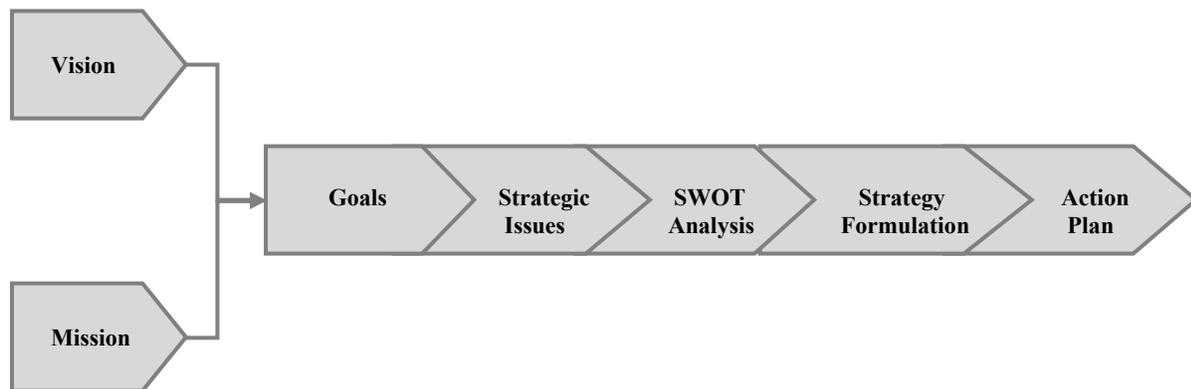
Vision, Mission, and Goals

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 2020 and 2021 Budget provides the resources necessary for successful implementation of the goals and strategies listed below.

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

Our Goals

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

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

Strategies to accomplish our goals

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

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

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

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

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

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

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

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

2. Improve water quality

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

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

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

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

C. Develop strategy and market basis for water quality trading

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

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

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

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

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

- Develop strategy, including internal resources needed.

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

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

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

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

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

C. Address Brine Line rehabilitation and relocation needs

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

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

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

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

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

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

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

4. Balance water supply needs with natural habitat protection

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

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

B. Facilitate opportunities for regional management of species and habitat

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

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

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

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

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

5. Build public understanding and support for Watershed sustainability

A. Coordinate legislative and advocacy efforts on key Watershed issues

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

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

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

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

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

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

- Use 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 21st century water management, and move forward to advocate if supported.

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

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

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 a 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 OCSD and regulatory agencies.
8. Operate the Brine Line to: (1) protect the OCSD 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 sixth 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 June. Once the Commission has adopted the budget, each member agency must take the Adopted Budget to their Board for approval.

Execution/Feedback

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

Budget Calendar

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

The budget schedule for this fiscal year is as follows:

Fiscal 2019 – 2020 and 2020 – 2021 Budget Schedule

Date	Description	Responsibility
December 6, 2018	Budget Kick-off Meeting	CFO/GM
December 20, 2018	Budget Goals & Objectives Due	Department Managers
January 10, 2019	Labor Hour Distributions Due	Department Managers
January 15, 2019	Commission Overview of Budget Goals & Objectives	CFO, GM
January 18, 2019	Budget Assumptions Due	Department Managers
February 14, 2019	Budget Workshop – First Draft	CFO, Member Agency Finance Staff
February 19, 2019	Commission Budget Workshop – First Draft Brine Line & General Fund Budgets	GM, CFO, Department Managers
March 5, 2019	Commission Budget Workshop – First Draft OWOW & Roundtable Budgets	GM, CFO, Department Managers
April 2, 2019	Commission Budget Workshop Budget Review – Comprehensive Budget	GM, CFO, Department Managers
May 14, 2019	Commission Budget Presentation (Adoption by Commission)	CFO, GM, Commissioners
June 30, 2019	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 2020 and 2021

	<i>FYE 2020 Budget</i>	<i>FYE 2021 Budget</i>
Source of Funds:		
Discharge Fees	\$ 11,532,103	\$ 12,401,418
Grant Proceeds	\$ 4,658,908	\$ 3,572,232
Member Agency Contributions	\$ 1,526,966	\$ 1,530,339
Participant Fees	\$ 1,751,232	\$ 1,881,337
Operating Transfer	\$ 132,344	\$ 133,000
Use of Reserves	\$ 6,908,161	\$ 3,709,056
Other Income	\$ 205,186	\$ 206,881
Interest & Investments	\$ 1,045,000	\$ 675,000
Total Source of Funds	\$ 27,759,900	\$ 24,109,263
Use of Funds:		
Labor	\$ 3,825,402	\$ 4,173,739
Benefits	\$ 1,744,854	\$ 1,890,627
Indirect Costs	\$ -	\$ -
Education & Training	\$ 61,800	\$ 62,700
Consulting & Professional Services	\$ 5,001,458	\$ 3,571,535
Operating Costs	\$ 3,546,000	\$ 3,801,050
Repair & Maintenance	\$ 572,100	\$ 507,550
Phone & Utilities	\$ 80,150	\$ 87,600
Equipment & Computers	\$ 372,900	\$ 379,650
Meeting & Travel	\$ 112,650	\$ 112,650
Other Administrative Costs	\$ 308,013	\$ 316,453
Other Expenses	\$ 466,844	\$ 414,600
Program Expenses	\$ 707,903	\$ 1,138,035
Construction	\$ 4,700,000	\$ 1,200,000
Debt Service	\$ 2,835,027	\$ 2,835,027
Total Use of Funds from Operations	\$ 24,335,102	\$ 20,491,216
Contribution To/(From) Reserves:		
Pipeline Repair/Replacement Reserve	\$ 1,435,478	\$ 1,810,491
Self Insurance Reserve	\$ 100,000	\$ 100,000
Debt Retirement Reserve	\$ 1,708,750	\$ 1,708,750
Retiree Medical Benefits	\$ 167,773	\$ 177,823
Building Repair/Replacement Reserve	\$ 100,000	\$ 100,000
Total Contributions to Reserves	\$ 3,512,001	\$ 3,897,064
Total Use of Funds	\$ 27,847,103	\$ 24,388,280
Net Gain (Loss)	\$ (87,203)	\$ (279,017)
<i>Proposition 1 & 84 Capital – Pass Through</i>	<i>\$ 19,877,081</i>	<i>\$ 15,380,781</i>

Santa Ana Watershed Project Authority
Budget Summary
FYE 2015 through 2021

	FYE 2015 Actuals	FYE 2016 Actuals	FYE 2017 Actuals	FYE 2018 Actuals
Source of Funds:				
Discharge Fees	\$ 8,958,915	\$ 9,334,243	\$ 11,282,402	\$ 10,894,643
SRF Loans	\$ 243,451	\$ –	\$ 4,009,075	\$ 3,544,360
Grant Proceeds	\$ 1,666,397	\$ 2,128,528	\$ 2,383,506	\$ 2,577,986
Member Agency Contributions	\$ 1,695,450	\$ 1,657,795	\$ 1,439,305	\$ 1,453,454
Participant Fees	\$ 608,030	\$ 682,411	\$ 1,559,101	\$ 1,696,625
Mitigation Credit Sales	\$ 11,123	\$ 11,123	\$ –	\$ –
Operating Transfer	\$ 26,605	\$ –	\$ 289,175	\$ 144,252
Use of Reserves	\$ 3,872,399	\$ 3,910,454	\$ 2,740,344	\$ 6,561,145
Other Income	\$ 360,901	\$ 340,160	\$ 279,345	\$ 265,966
Interest & Investments	\$ 3,347,091	\$ 2,940,231	\$ 1,756,666	\$ 1,912,568
Total Source of Funds	\$ 20,790,362	\$ 21,004,945	\$ 25,738,919	\$ 29,050,999
Use of Funds:				
Labor	\$ 2,674,929	\$ 2,977,951	\$ 3,253,873	\$ 3,289,740
Benefits	\$ 1,226,489	\$ 1,089,124	\$ 1,244,667	\$ 1,436,957
Indirect Costs	\$ (222,759)	\$ 4,101	\$ (42,811)	\$ (194,861)
Education & Training	\$ 15,277	\$ 15,558	\$ 14,271	\$ 20,294
Consulting & Professional Services	\$ 1,080,731	\$ 1,468,942	\$ 4,294,843	\$ 5,853,911
Operating Costs	\$ 2,715,895	\$ 3,114,322	\$ 3,270,214	\$ 2,740,976
Repair & Maintenance	\$ 644,687	\$ 451,319	\$ 319,829	\$ 324,130
Phone & Utilities	\$ 62,471	\$ 65,083	\$ 61,319	\$ 68,831
Equipment & Computers	\$ 210,186	\$ 179,785	\$ 168,244	\$ 202,722
Meeting & Travel	\$ 51,679	\$ 39,781	\$ 43,033	\$ 39,325
Other Administrative Costs	\$ 126,070	\$ 139,786	\$ 133,041	\$ 176,457
Other Expenses	\$ 456,680	\$ 576,167	\$ 546,269	\$ 445,266
Program Expenses	\$ 324,109	\$ 1,268,704	\$ –	\$ 77,137
Construction	\$ 3,243,812	\$ 2,506,610	\$ 4,695,924	\$ 6,353,804
Debt Service	\$ 4,448,394	\$ 3,965,797	\$ 3,060,725	\$ 3,060,520
Total Use of Funds from Operations	\$ 17,058,650	\$ 17,863,030	\$ 21,063,441	\$ 23,895,209
Contribution To/(From) Reserves:				
Pipeline Repair/Replacement Reserve	\$ 361,659	\$ 1,000,000	\$ 1,000,000	\$ 1,500,000
OCSD Rehabilitation Reserve	\$ 1,000,000	\$ 500,000	\$ 500,000	\$ –
OCSD Future Capacity Reserve	\$ –	\$ –	\$ –	\$ –
Self Insurance Reserve	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Debt Retirement Reserve	\$ 1,034,000	\$ 494,560	\$ 508,229	\$ 2,136,173
Retiree Medical Benefits	\$ 68,309	\$ 37,607	\$ 33,813	\$ 133,709
Building Repair/Replacement Reserve	\$ 65,000	\$ 100,000	\$ 100,000	\$ 100,000
Total Contributions to Reserves	\$ 2,628,968	\$ 2,232,167	\$ 2,242,042	\$ 3,969,882
Total Use of Funds	\$ 19,687,618	\$ 20,095,197	\$ 23,305,483	\$ 27,865,091
Net Gain (Loss)	\$ 1,102,744	\$ 909,748	\$ 2,433,436	\$ 1,185,908
<i>Proposition 1, 50, & 84 Capital – Pass Through</i>	<i>\$ 4,946,271</i>	<i>\$ 4,887,122</i>	<i>\$ 6,017,283</i>	<i>\$ 4,637,524</i>

Santa Ana Watershed Project Authority
Budget Summary
FYE 2015 through 2021

	FYE 2019 Budget	FYE 2019 Actuals	FYE 2020 Budget	FYE 2021 Budget
Source of Funds:				
Discharge Fees	\$ 11,090,587	\$ 11,123,310	\$ 11,532,103	\$ 12,401,418
SRF Loans	\$ 3,000,000	\$ -	\$ -	\$ -
Grant Proceeds	\$ 4,777,256	\$ 2,773,008	\$ 4,658,908	\$ 3,572,232
Member Agency Contributions	\$ 1,471,695	\$ 1,517,695	\$ 1,526,966	\$ 1,530,339
Participant Fees	\$ 1,309,273	\$ 1,168,412	\$ 1,751,232	\$ 1,881,337
Mitigation Credit Sales	\$ 88,980	\$ -	\$ -	\$ -
Operating Transfer	\$ 144,252	\$ 162,188	\$ 132,344	\$ 133,000
Use of Reserves	\$ 6,995,901	\$ 2,698,596	\$ 6,908,161	\$ 3,709,056
Other Income	\$ 206,674	\$ 1,416,848	\$ 205,186	\$ 206,881
Interest & Investments	\$ 1,173,582	\$ 1,614,643	\$ 1,045,000	\$ 675,000
Total Source of Funds	\$ 30,258,200	\$ 22,474,700	\$ 27,759,900	\$ 24,109,263
Use of Funds:				
Labor	\$ 3,859,112	\$ 3,356,530	\$ 3,825,402	\$ 4,173,739
Benefits	\$ 1,686,262	\$ 1,466,804	\$ 1,744,854	\$ 1,890,627
Indirect Costs	\$ -	\$ (550,165)	\$ -	\$ -
Education & Training	\$ 67,800	\$ 13,978	\$ 61,800	\$ 62,700
Consulting & Professional Services	\$ 4,198,961	\$ 3,313,905	\$ 5,001,458	\$ 3,571,535
Operating Costs	\$ 3,295,050	\$ 2,996,361	\$ 3,546,000	\$ 3,801,050
Repair & Maintenance	\$ 820,540	\$ 377,480	\$ 572,100	\$ 507,550
Phone & Utilities	\$ 83,620	\$ 62,254	\$ 80,150	\$ 87,600
Equipment & Computers	\$ 374,500	\$ 256,275	\$ 372,900	\$ 379,650
Meeting & Travel	\$ 115,250	\$ 41,433	\$ 112,650	\$ 112,650
Other Administrative Costs	\$ 331,287	\$ 223,823	\$ 308,013	\$ 316,453
Other Expenses	\$ 466,001	\$ 441,950	\$ 466,844	\$ 414,600
Program Expenses	\$ 2,042,873	\$ 549,958	\$ 707,903	\$ 1,138,035
Construction	\$ 6,550,000	\$ -	\$ 4,700,000	\$ 1,200,000
Debt Service	\$ 3,183,451	\$ 3,183,451	\$ 2,835,027	\$ 2,835,027
Total Use of Funds from Operations	\$ 27,074,707	\$ 15,734,037	\$ 24,335,102	\$ 20,491,216
Contribution To/(From) Reserves:				
Pipeline Repair/Replacement Reserve	\$ 1,500,000	\$ 1,500,000	\$ 1,435,478	\$ 1,810,491
OCSD Rehabilitation Reserve	\$ -	\$ -	\$ -	\$ -
OCSD Future Capacity Reserve	\$ -	\$ -	\$ -	\$ -
Self Insurance Reserve	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Debt Retirement Reserve	\$ 1,879,144	\$ 1,879,144	\$ 1,708,750	\$ 1,708,750
Retiree Medical Benefits	\$ 113,000	\$ 95,534	\$ 167,773	\$ 177,823
Building Repair/Replacement Reserve	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Total Contributions to Reserves	\$ 3,692,144	\$ 3,674,678	\$ 3,512,001	\$ 3,897,064
Total Use of Funds	\$ 30,766,852	\$ 19,408,715	\$ 27,847,103	\$ 24,388,280
Net Gain (Loss)	\$ (508,653)	\$ 3,065,985	\$ (87,203)	\$ (279,017)
<i>Proposition 1, 50, & 84 Capital – Pass Through</i>	<i>\$ 12,787,335</i>	<i>\$ 23,979,521</i>	<i>\$ 19,877,081</i>	<i>\$ 15,380,781</i>

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Section 4

Combined Schedules

**Santa Ana Watershed Project Authority
Combined Summary**

Source of Funds:	Budget FYE 2020	Budget FYE 2021
Member Agency Contributions	\$ 1,526,966	\$ 1,530,339
Participant Fees	\$ 1,751,232	\$ 1,881,337
Discharge Fees (Brine Line)	\$ 11,532,103	\$ 12,401,418
SRF Loans	\$ –	\$ –
Interest & Investments	\$ 1,045,000	\$ 675,000
Use of Reserves	\$ 6,908,161	\$ 3,709,056
Mitigation Credit Sales	\$ –	\$ –
Other Income	\$ 205,186	\$ 206,881
Operating Transfers	\$ 132,344	\$ 133,000
Grant Proceeds	\$ 4,658,908	\$ 3,572,232
Total Revenues (Not Including Pass Through)	\$ 27,759,900	\$ 24,109,263
Proposition 84 – Capital (Pass Through)	\$ 19,877,081	\$ 15,380,781
Total Revenues	\$ 47,636,981	\$ 39,490,044

Use of Funds:	Budget FYE 2020	Budget FYE 2021
General Fund	\$ 676,966	\$ 680,339
Brine Line Enterprise Fund	\$ 8,287,875	\$ 8,782,177
Debt Service	\$ 2,835,027	\$ 2,835,027
OWOW Funds	\$ 6,121,418	\$ 5,124,597
Roundtable Funds	\$ 1,563,456	\$ 1,797,870
Capital Brine Line Fund	\$ 5,118,134	\$ 1,549,029
Contribution to Reserves (Brine Line)	\$ 3,244,228	\$ 3,619,241
Total Appropriations (Not Including Pass Through)	\$ 27,847,103	\$ 24,388,280
Proposition 84 – Capital (Pass Through)	\$ 19,877,081	\$ 15,380,781
Total Appropriations	\$ 47,724,184	\$ 39,769,061
Contribution to/(Use of) Fund Balance	\$ 87,203	\$ 279,017

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BUDGET REVENUE Summary

Fund		Adopted FYE 2019	Budget FYE 2020	Budget FYE 2021
100	General Fund	\$ 650,695	\$ 676,966	\$ 680,339
130	Proposition 84 – RI Program Management	\$ 134,519	\$ –	\$ –
135	Proposition 84 – R2 Program Management	\$ 142,059	\$ 60,275	\$ 64,006
140	Proposition 84 – Drought Program Management	\$ 119,630	\$ 142,649	\$ –
145	Proposition 84 – 2015 Program Management	\$ 321,946	\$ 394,313	\$ 466,863
150	Proposition 1 – Program Management	\$ –	\$ –	\$ –
240	Brine Line Enterprise	\$ 14,274,038	\$ 14,367,130	\$ 15,236,445
320	Brine Line Protection Project	\$ 3,736,548	\$ 5,041,923	\$ 1,466,878
326	Reach V Repairs	\$ 269,167	\$ –	\$ –
327	Reach IV-D Corrosion Repair	\$ 3,980,317	\$ 76,211	\$ 82,151
370	Basin Planning General	\$ 356,000	\$ 460,000	\$ 460,000
370	USBR Partnership Studies	\$ 70,000	\$ 70,000	\$ 70,000
372	Imported Water Recharge	\$ 9,000	\$ –	\$ –
373	Watershed Management (OWOW)	\$ 548,000	\$ 450,000	\$ 450,000
374	Basin Monitoring Program Task Force	\$ 272,447	\$ 338,000	\$ 338,000
381	SA River Fish Conservation Task Force	\$ 29,000	\$ 29,000	\$ 29,000
384	MSAR TMDL Task Force	\$ 215,000	\$ 390,344	\$ 416,000
386	RWQ Monitoring Task Force	\$ 357,048	\$ 432,864	\$ 418,000
387	Arundo Management & Habitat Restoration	\$ 88,980	\$ –	\$ –
392	Emerging Constituents Task Force	\$ 40,000	\$ 38,711	\$ 38,711
396	Forest First	\$ 103,308	\$ –	\$ –
397	Energy – Water DAC Grant	\$ 586,816	\$ –	\$ –
398	Proposition 1 - DACI	\$ 1,747,121	\$ 3,264,263	\$ 2,054,180
477	LESJWA Administration	\$ 216,674	\$ 215,186	\$ 216,881
504	Proposition 84 - Drought Projects	\$ 1,182,042	\$ 31,595	\$ –
504	Proposition 84 - SARCCUP	\$ 807,844	\$ 959,134	\$ 979,142
505	Proposition 1 – Capital Projects	\$ –	\$ 321,334	\$ 642,668
Total		\$ 30,258,200	\$ 27,759,900	\$ 24,109,263
504	<i>Proposition 84 Capital - Pass Through</i>	\$ 12,787,335	\$ 19,877,081	\$ 15,380,781

BUDGET EXPENSES

Summary

Fund		Adopted FYE 2019	Budget FYE 2020	Budget FYE 2021
100	General Fund	\$ 650,695	\$ 676,966	\$ 680,339
130	Proposition 84 – RI Program Management	\$ 134,519	\$ –	\$ –
135	Proposition 84 – R2 Program Management	\$ 142,059	\$ 60,275	\$ 64,006
140	Proposition 84 – Drought Program Management	\$ 119,630	\$ 142,649	\$ –
145	Proposition 84 – 2015 Program Management	\$ 321,946	\$ 394,313	\$ 466,863
150	Proposition 1 – Program Management	\$ –	\$ –	\$ –
240	Brine Line Enterprise	\$ 14,274,038	\$ 14,367,130	\$ 15,236,445
320	Brine Line Protection Project	\$ 3,736,548	\$ 5,041,923	\$ 1,466,878
326	Reach V Repairs	\$ 269,167	\$ –	\$ –
327	Reach IV-D Corrosion Repair	\$ 3,980,317	\$ 76,211	\$ 82,151
370	Basin Planning General	\$ 385,131	\$ 459,373	\$ 460,814
370	USBR Partnership Studies	\$ 70,365	\$ 70,097	\$ 69,455
372	Imported Water Recharge	\$ 10,804	\$ –	\$ –
373	Watershed Management (OWOW)	\$ 551,346	\$ 449,583	\$ 449,871
374	Basin Monitoring Program Task Force	\$ 280,534	\$ 338,708	\$ 339,272
381	SA River Fish Conservation Task Force	\$ 106,303	\$ 60,155	\$ 80,137
384	MSAR TMDL Task Force	\$ 200,470	\$ 391,041	\$ 417,267
386	RWQ Monitoring Task Force	\$ 333,802	\$ 437,963	\$ 426,489
387	Arundo Management & Habitat Restoration	\$ 183,367	\$ 52,760	\$ 277,527
392	Emerging Constituents Task Force	\$ 40,719	\$ 67,643	\$ 40,297
396	Forest First	\$ 103,308	\$ –	\$ –
397	Energy – Water DAC Grant	\$ 918,104	\$ –	\$ –
398	Proposition 1 – DACI	\$ 1,747,121	\$ 3,264,263	\$ 2,054,180
477	LESJWA Administration	\$ 216,674	\$ 215,186	\$ 216,881
504	Proposition 84 - Drought Projects	\$ 1,182,042	\$ 31,595	\$ –
504	Proposition 84 - SARCCUP	\$ 807,844	\$ 959,134	\$ 979,142
505	Proposition 1 – Capital Projects	\$ –	\$ 290,134	\$ 580,266
Total		\$ 30,766,852	\$ 27,847,103	\$ 24,388,280

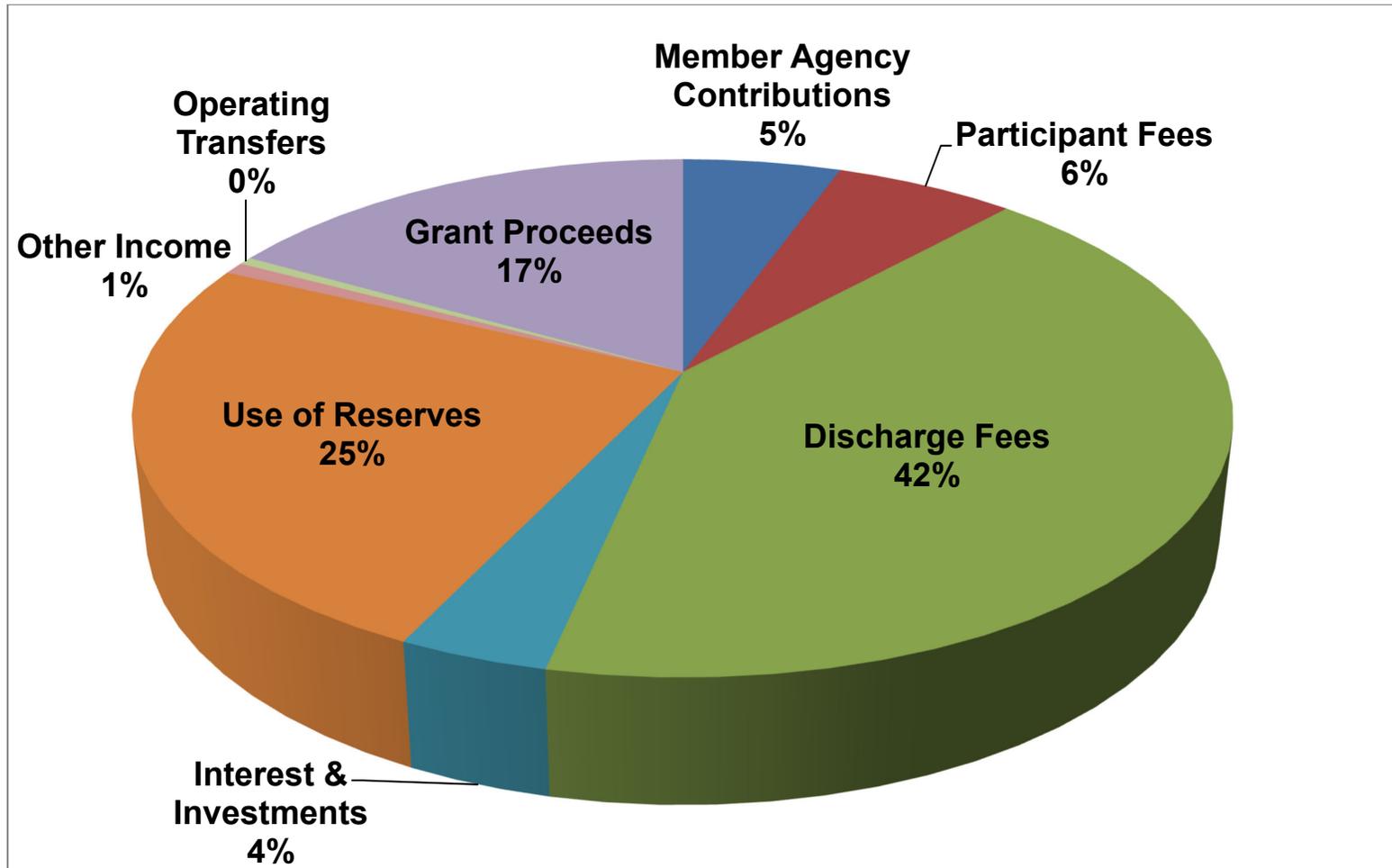
504 *Proposition 84 Capital – Pass Through* \$ 12,787,335 \$ 19,877,081 \$ 15,380,781

Sources and Uses of Funds FYE 2020

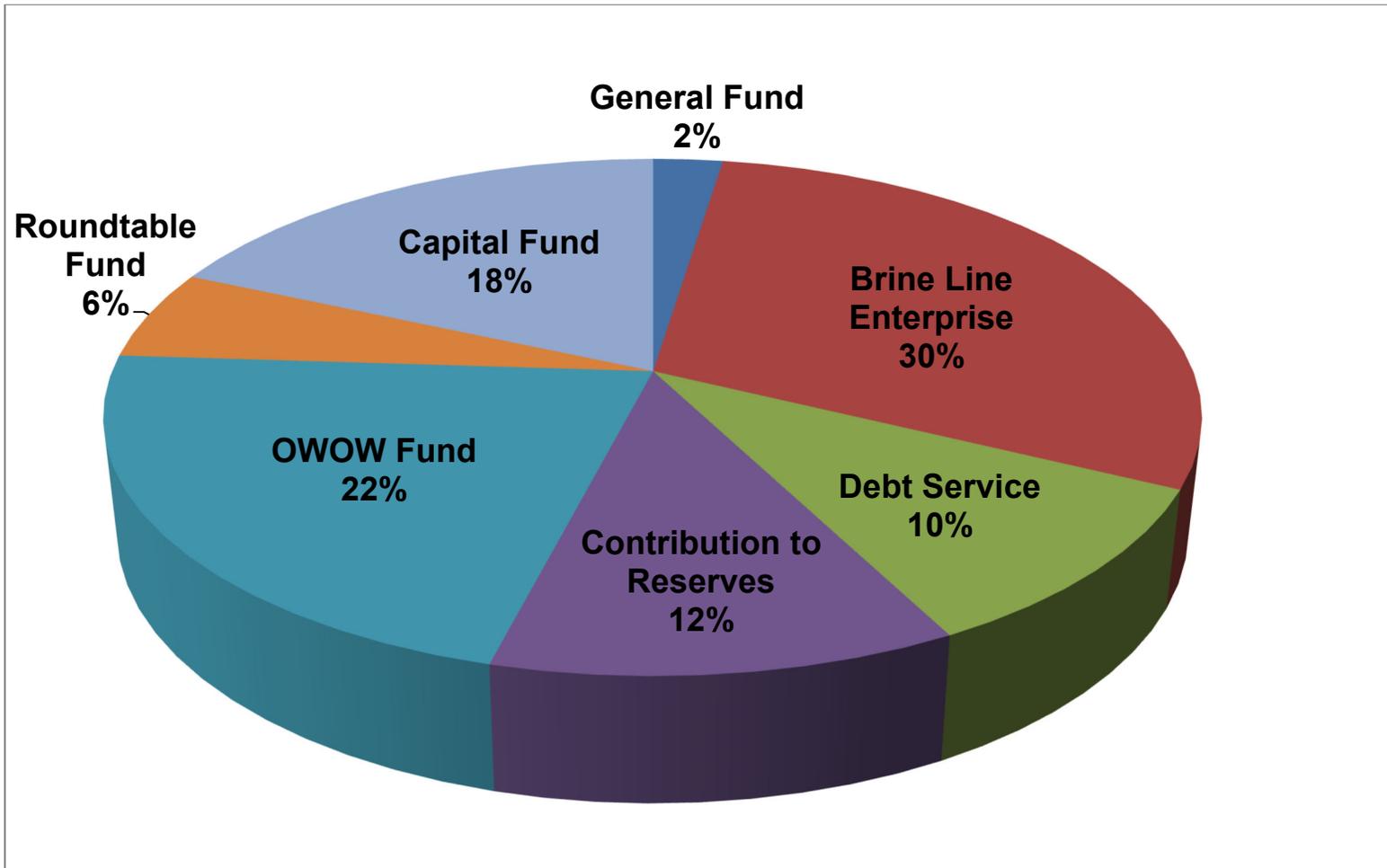
		EXPENSES	REVENUES										
			Total	Member Contributions	Participant Fees	Discharge Fees	SRF Loans	Interest & Investments	Other Income			Grant Proceeds	Total
								Use of Reserves	Mitigation Credit Sales	Other	Operating Transfers		
100	General Fund	\$ 676,966	676,966	-	-	-	-	-	-	-	-	-	\$ 676,966
135	Prop 84 - R2 Program Management	\$ 60,275	-	-	-	-	-	-	-	-	-	60,275	\$ 60,275
140	Prop 84 - Drought Program Management	\$ 142,649	-	-	-	-	-	-	-	-	-	142,649	\$ 142,649
145	Prop 84 – 2015 Program Management	\$ 394,313	-	-	-	-	-	-	-	-	-	394,313	\$ 394,313
150	Prop 1 – Program Management	\$ -	-	-	-	-	-	-	-	-	-	-	\$ -
240	Brine Line Enterprise	\$ 14,367,130	-	-	11,532,103	-	1,045,000	1,790,027	-	-	-	-	\$ 14,367,130
320	Brine Line Protection Project	\$ 5,041,923	-	-	-	-	-	5,041,923	-	-	-	-	\$ 5,041,923
327	Reach IV-D Corrosion Repair	\$ 76,211	-	-	-	-	-	76,211	-	-	-	-	\$ 76,211
370	Basin Planning General	\$ 459,373	360,000	-	-	-	-	-	-	-	-	100,000	\$ 460,000
370	USBR Partnership Studies	\$ 70,097	20,000	-	-	-	-	-	-	-	-	50,000	\$ 70,000
373	Watershed Management (OWOW)	\$ 449,583	450,000	-	-	-	-	-	-	-	-	-	\$ 450,000
374	Basin Monitoring Program Task Force	\$ 338,708	-	338,000	-	-	-	-	-	-	-	-	\$ 338,000
381	SA River Fish Conservation	\$ 60,155	10,000	19,000	-	-	-	-	-	-	-	-	\$ 29,000
384	MSAR TMDL Task Force	\$ 391,041	-	390,344	-	-	-	-	-	-	-	-	\$ 390,344
386	RWQ Monitoring Task Force	\$ 437,963	-	300,520	-	-	-	-	-	-	132,344	-	\$ 432,864
387	Arundo Mgmt & Habitat Restoration	\$ 52,760	-	-	-	-	-	-	-	-	-	-	\$ -
392	Emerging Constituents Task Force	\$ 67,643	-	38,711	-	-	-	-	-	-	-	-	\$ 38,711
398	Proposition 1 – DACI	\$ 3,264,263	-	-	-	-	-	-	-	-	-	3,264,263	\$ 3,264,263
477	LESJWA Administration	\$ 215,186	10,000	-	-	-	-	-	-	205,186	-	-	\$ 215,186
504	Proposition 84 - Drought Projects	\$ 31,595	-	-	-	-	-	-	-	-	-	31,595	\$ 31,595
504	Proposition 84 - SARCCUP	\$ 959,134	-	503,990	-	-	-	-	-	-	-	455,144	\$ 959,134
505	Proposition 1 - Capital Projects	\$ 290,134	-	160,667	-	-	-	-	-	-	-	160,667	\$ 321,334
		\$ 27,847,103	\$ 1,526,966	\$ 1,751,232	\$ 11,532,103	\$ -	\$ 1,045,000	\$ 6,908,161	\$ -	\$ 205,186	\$ 132,344	\$ 4,658,908	\$27,759,900
PASS THROUGH													
504	Proposition 84 - Capital	\$ 19,877,081	-	-	-	-	-	-	-	-	-	19,877,081	\$ 19,877,081
Total		\$ 47,724,184											\$ 47,636,981

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Source of Funds FYE 2020 \$27,759,900



Use of Funds FYE 2020 \$27,847,103



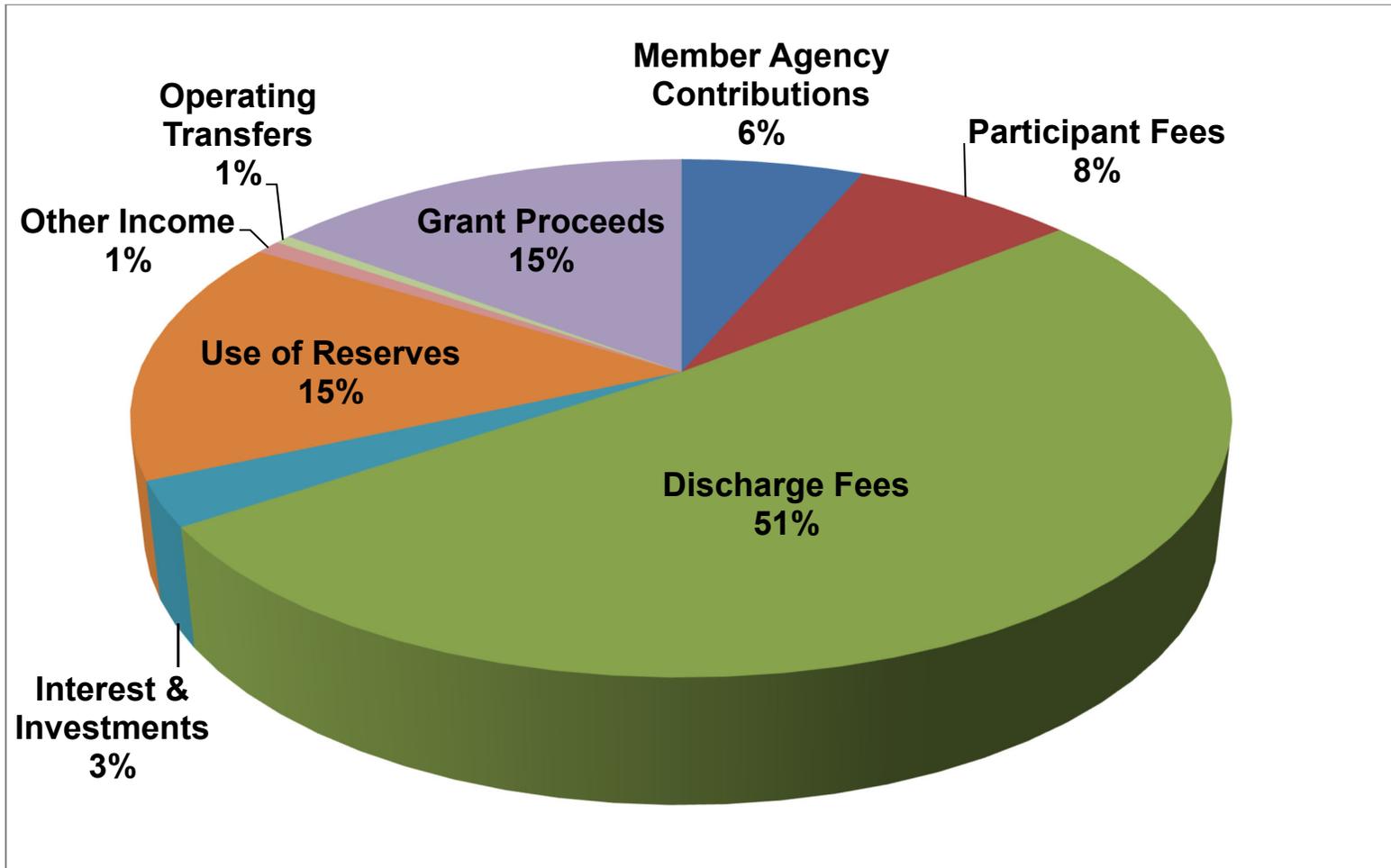
Sources and Uses of Funds

FYE 2021

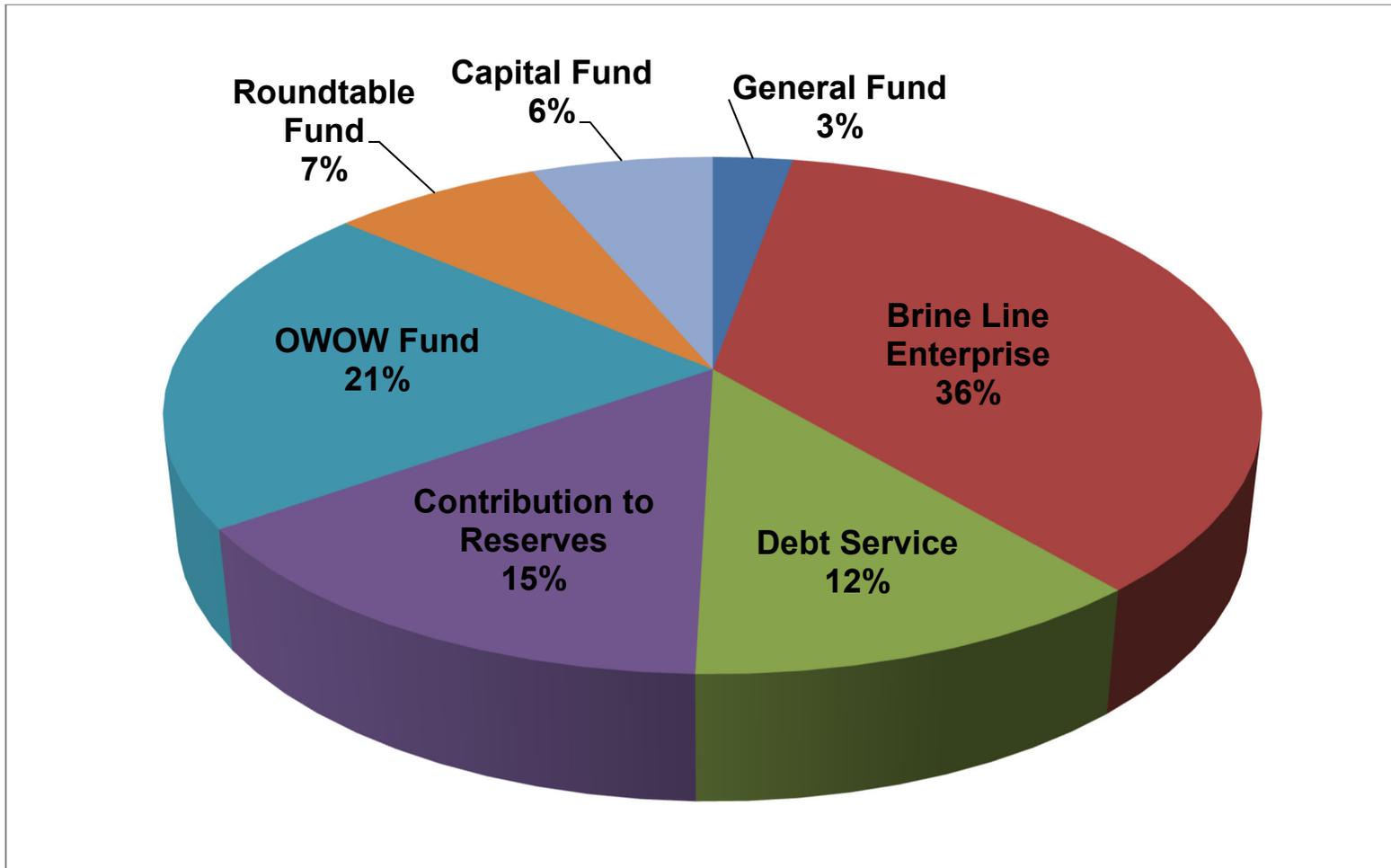
EXPENSES			REVENUES									
	Total	Member Contributions	Participant Fees	Discharge Fees	SRF Loans	Interest & Investments	Other Income				Grant Proceeds	Total
							Use of Reserves	Mitigation Credit Sales	Other	Operating Transfers		
100 General Fund	\$ 680,339	680,339	-	-	-	-	-	-	-	-	-	\$ 680,339
135 Prop 84 - R2 Program Management	\$ 64,006	-	-	-	-	-	-	-	-	-	64,006	\$ 64,006
140 Prop 84 - Drought Program Management	\$ -	-	-	-	-	-	-	-	-	-	-	\$ -
145 Prop 84 – 2015 Program Management	\$ 466,863	-	-	-	-	-	-	-	-	-	466,863	\$ 466,863
150 Prop 1 – Program Management	\$ -	-	-	-	-	-	-	-	-	-	-	\$ -
240 Brine Line Enterprise	\$ 15,236,445	-	-	12,401,418	-	675,000	2,160,027	-	-	-	-	\$ 15,236,445
320 Brine Line Protection Project	\$ 1,466,878	-	-	-	-	-	1,466,878	-	-	-	-	\$ 1,466,878
327 Reach IV-D Corrosion Repair	\$ 82,151	-	-	-	-	-	82,151	-	-	-	-	\$ 82,151
370 Basin Planning General	\$ 460,814	360,000	-	-	-	-	-	-	-	-	100,000	\$ 460,000
370 USBR Partnership Studies	\$ 69,455	20,000	-	-	-	-	-	-	-	-	50,000	\$ 70,000
373 Watershed Management (OWOW)	\$ 449,871	450,000	-	-	-	-	-	-	-	-	-	\$ 450,000
374 Basin Monitoring Program Task Force	\$ 339,272	-	338,000	-	-	-	-	-	-	-	-	\$ 338,000
381 SA River Fish Conservation	\$ 80,137	10,000	19,000	-	-	-	-	-	-	-	-	\$ 29,000
384 MSAR TMDL Task Force	\$ 417,267	-	416,000	-	-	-	-	-	-	-	-	\$ 416,000
386 RWQ Monitoring Task Force	\$ 426,489	-	285,000	-	-	-	-	-	-	133,000	-	\$ 418,000
387 Arundo Mgmt & Habitat Restoration	\$ 277,527	-	-	-	-	-	-	-	-	-	-	\$ -
392 Emerging Constituents Task Force	\$ 40,297	-	38,711	-	-	-	-	-	-	-	-	\$ 38,711
398 Proposition 1 – DACI	\$ 2,054,180	-	-	-	-	-	-	-	-	-	2,054,180	\$ 2,054,180
477 LESJWA Administration	\$ 216,881	10,000	-	-	-	-	-	-	206,881	-	-	\$ 216,881
504 Proposition 84 - Drought Projects	\$ -	-	-	-	-	-	-	-	-	-	-	\$ -
504 Proposition 84 - SARCCUP	\$ 979,142	-	463,292	-	-	-	-	-	-	-	515,850	\$ 979,142
505 Proposition 1 - Capital Projects	\$ 580,266	-	321,334	-	-	-	-	-	-	-	321,334	\$ 642,668
	\$ 24,388,280	\$ 1,530,339	\$ 1,881,337	\$ 12,401,418	\$ -	\$ 675,000	\$ 3,709,056	\$ -	\$ 206,881	\$ 133,000	\$ 3,572,232	\$24,109,263
PASS THROUGH												
504 Proposition 84 - Capital	\$ 15,380,781	-	-	-	-	-	-	-	-	-	15,380,781	\$ 15,380,781
Total	\$ 39,769,061											\$ 39,490,044

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Source of Funds FYE 2021 \$24,109,263



**Use of Funds
FYE 2021
\$24,388,280**



Line Item Detail by Fund Type
FYE 2020

Line Item Detail		Agency Wide Total	General Funds	Brine Line Enterprise Funds	OWOW Funds	Roundtable Funds	Capital Funds
51000	Salaries - Regular	\$ 3,825,402	1,639,599	1,206,933	752,282	149,369	77,217
52000	Benefits	\$ 1,744,854	747,858	550,510	343,135	68,131	35,221
53000	Indirect Costs	\$ -	(3,289,177)	1,816,182	1,132,032	224,769	116,196
60111	Tuition Reimbursement	\$ 2,800	2,800	-	-	-	-
60112	Training	\$ 27,000	15,000	12,000	-	-	-
60113	Education	\$ 9,000	9,000	-	-	-	-
60114	Other Training & Education	\$ 23,000	23,000	-	-	-	-
60120	Audit Fees	\$ 27,000	27,000	-	-	-	-
60121	Consulting	\$ 3,764,208	271,200	240,000	2,282,114	960,894	10,000
60122	Cost of Funds	\$ 250	-	-	-	250	-
60126	Temporary Services	\$ 30,000	30,000	-	-	-	-
60128	Other Professional Services	\$ 100,000	25,000	-	75,000	-	-
60129	Other Contract Services	\$ 800,000	--	-	800,000	-	-
60130	Legal Fees	\$ 100,000	75,000	25,000	-	--	-
6210	Engineering	\$ 175,000	-	-	-	-	175,000
60133	Employment Recruitment	\$ 5,000	5,000	--	-	-	-
60140	Treatment Costs	\$ 2,308,200	-	2,308,200	-	-	-
60141	Volumetric Costs	\$ 715,400	--	715,400	-	-	-
60143	Lab Costs	\$ 105,000	-	105,000	-	-	-
60145	Permit Fees	\$ 42,000	-	40,000	-	-	2,000
60148	Brine Line Operating Costs	\$ 75,000	-	75,000	-	-	-
60149	Permitting/Pre-Treatment Activities	\$ 130,000	-	130,000	-	-	-
60152	Maintenance Labor	\$ 60,000	-	60,000	-	-	-
60153	Materials & Supplies	\$ 95,000	-	95,000	-	-	-
60154	Safety	\$ 15,400	6,400	9,000	-	-	-
60155	Security	\$ 3,000	3,000	-	-	--	-
60156	Custodial Contract Services	\$ 33,800	33,800	-	-	-	-
60157	Landscaping Maintenance	\$ 47,500	47,500	-	-	-	-

Line Item Detail by Fund Type FYE 2020

Line Item Detail		Agency Wide Total	General Funds	Brine Line Enterprise Funds	OWOW Funds	Roundtable Funds	Capital Funds
60158	HVAC	\$ 12,000	12,000	–	–	–	–
60159	Facility Repair & Maintenance	\$ 475,800	25,800	450,000	–	–	–
60160	Telephone	\$ 14,050	14,050	–	–	–	–
60161	Cellular Services	\$ 22,600	15,600	7,000	–	–	–
60163	Electricity	\$ 31,000	27,000	4,000	–	–	–
60164	Water Services	\$ 12,500	12,500	–	–	–	–
60170	Equipment Expensed	\$ 30,500	9,500	21,000	–	–	–
60171	Equipment Rented	\$ 94,000	39,000	50,000	–	5,000	–
60172	Equipment Repair/Maintenance	\$ 10,000	5,000	5,000	–	–	–
60180	Computer Hardware	\$ 76,200	41,200	35,000	–	–	–
60181	Software	\$ 136,300	92,300	43,500	500	–	–
60182	Internet Services	\$ 14,400	14,400	--	–	–	–
60183	Computer Supplies	\$ 8,500	6,500	2,000	–	–	–
60184	Computer Repair/Maintenance	\$ 3,000	3,000	--	–	–	–
60190	Offsite Meeting/Travel Expense	\$ 36,650	20,000	3,500	11,600	1,550	–
60191	In House Meetings	\$ 6,500	5,000	1,500	–	–	–
60192	Conference Expense	\$ 69,500	52,000	5,000	12,500	–	–
60193	Car, Repair, Maintenance	\$ 50,000	–	50,000	–	–	–
60200	Dues	\$ 73,500	48,500	5,000	10,000	10,000	–
60202	Subscriptions	\$ 10,650	10,500	150	–	–	–
60203	Contributions	\$ 35,500	35,500	–	–	–	–
60211	Shipping/Postage	\$ 6,200	3,500	1,250	900	550	–
60212	Office Supplies	\$ 24,250	18,000	4,000	2,150	100	–
60213	Offsite Storage	\$ 9,000	9,000	–	–	–	–
60220	Commission Fees	\$ 51,600	51,600	–	–	–	–
60221	Commission Mileage Reimbursement	\$ 10,513	10,513	–	–	–	–
60222	Other Commission Expense	\$ 10,000	10,000	–	–	–	–
60230	Other Expense	\$ 26,800	10,000	12,500	1,300	500	2,500

Line Item Detail by Fund Type
FYE 2020

Line Item Detail		Agency Wide Total	General Funds	Brine Line Enterprise Funds	OWOW Funds	Roundtable Funds	Capital Funds
60300	Contingency Fund	\$ 50,000	50,000	-	-	-	-
60500	Program Expense	\$ 707,903	-	-	697,903	10,000	-
80101	Construction	\$ 4,700,000	-	-	-	-	4,700,000
13005	Fixed Assets	\$ 60,000	-	60,000	-	-	-
60240	Building Lease	\$ 26,750	12,000	14,750	-	-	-
80000	Building Repair/Replacement Reserve	\$ 100,000	100,000	-	-	-	-
81010	Retiree Medical Benefits	\$ 167,773	167,773	-	-	-	-
80001	Insurance Expense	\$ 197,750	73,250	124,500	-	-	-
33070	Pipeline Repair / Replacement Reserve	\$ 1,435,478	-	1,435,478	-	-	-
33010	Self Insurance Reserve	\$ 100,000	-	100,000	-	-	-
33045	Debt Retirement Reserve	\$ 1,708,750	-	1,708,750	-	-	-
20700	Debt Service	\$ 2,835,027	-	2,835,027	-	-	-
91000	Operating Transfers	\$ 132,344	-	-	-	132,344	-
Sub-total		\$ 27,847,103	\$ 676,966	\$ 14,367,130	\$ 6,121,416	\$ 1,563,457	\$ 5,118,134
PASS THROUGH							
504	Proposition 84 - Capital Projects	\$ 19,877,081					
Total		\$ 47,724,184					

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Line Item Detail by Fund Type
FYE 2021

Line Item Detail		Agency Wide Total	General Funds	Brine Line Enterprise Funds	OWOW Funds	Roundtable Funds	Capital Funds
51000	Salaries - Regular	\$ 4,173,739	1,814,837	1,320,100	795,748	158,781	84,274
52000	Benefits	\$ 1,890,627	822,088	597,981	360,459	71,926	38,175
53000	Indirect Costs	\$ -	(3,557,110)	1,990,646	1,199,949	239,434	127,081
60111	Tuition Reimbursement	\$ 2,800	2,800	-	-	-	-
60112	Training	\$ 27,500	15,000	12,500	-	-	-
60113	Education	\$ 9,400	9,400	-	-	-	-
60114	Other Training & Education	\$ 23,000	23,000	-	-	-	-
60120	Audit Fees	\$ 27,000	27,000	-	-	-	-
60121	Consulting	\$ 2,999,285	267,000	255,000	1,440,505	1,026,780	10,000
60122	Cost of Funds	\$ 250	-	-	-	250	-
60126	Temporary Services	\$ 30,000	30,000	-	-	-	-
60128	Other Professional Services	\$ 75,000	25,000	-	50,000	-	-
60129	Other Contract Services	\$ 250,000	-	-	250,000	-	-
60130	Legal Fees	\$ 100,000	75,000	25,000	-	-	-
6210	Engineering	\$ 85,000	-	-	-	-	85,000
60133	Employment Recruitment	\$ 5,000	5,000	-	-	-	-
60140	Treatment Costs	\$ 2,520,700	-	2,520,700	-	-	-
60141	Volumetric Costs	\$ 782,800	-	782,800	-	-	-
60143	Lab Costs	\$ 110,000	-	110,000	-	-	-
60145	Permit Fees	\$ 42,000	-	40,000	-	-	2,000
60148	Brine Line Operating Costs	\$ 80,000	-	80,000	-	-	-
60149	Permitting/Pre-Treatment Activities	\$ 95,000	-	95,000	-	-	-
60152	Maintenance Labor	\$ 60,000	-	60,000	-	-	-
60153	Materials & Supplies	\$ 95,000	-	95,000	-	-	-
60154	Safety	\$ 15,550	6,550	9,000	-	-	-
60155	Security	\$ 3,500	3,500	-	-	-	-
60156	Custodial Contract Services	\$ 35,900	35,900	-	-	-	-

Line Item Detail by Fund Type FYE 2021

Line Item Detail		Agency Wide Total	General Funds	Brine Line Enterprise Funds	OWOW Funds	Roundtable Funds	Capital Funds
60157	Landscaping Maintenance	\$ 45,000	45,000	-	-	-	-
60158	HVAC	\$ 12,000	12,000	-	-	-	-
60159	Facility Repair & Maintenance	\$ 411,150	26,150	385,000	-	-	-
60160	Telephone	\$ 16,700	16,700	-	-	-	-
60161	Cellular Services	\$ 25,700	18,200	7,500	-	-	-
60163	Electricity	\$ 32,200	28,000	4,200	-	-	-
60164	Water Services	\$ 13,000	13,000	-	-	-	-
60170	Equipment Expensed	\$ 35,500	10,500	25,000	-	-	-
60171	Equipment Rented	\$ 94,100	39,100	50,000	-	5,000	-
60172	Equipment Repair/Maintenance	\$ 11,000	5,000	6,000	-	-	-
60180	Computer Hardware	\$ 65,100	30,100	35,000	-	-	-
60181	Software	\$ 145,400	101,400	43,500	500	-	-
60182	Internet Services	\$ 15,600	15,600	-	-	-	-
60183	Computer Supplies	\$ 9,200	7,200	2,000	-	-	-
60184	Computer Repair/Maintenance	\$ 3,750	3,750	-	-	-	-
60190	Offsite Meeting/Travel Expense	\$ 36,650	20,000	3,500	11,600	1,550	-
60191	In House Meetings	\$ 6,500	5,000	1,500	-	-	-
60192	Conference Expense	\$ 69,500	52,000	5,000	12,500	-	-
60193	Car, Repair, Maintenance	\$ 55,000	-	55,000	-	-	-
60200	Dues	\$ 73,500	48,500	5,000	10,000	10,000	-
60202	Subscriptions	\$ 10,650	10,500	150	-	-	-
60203	Contributions	\$ 35,500	35,500	-	-	-	-
60211	Shipping/Postage	\$ 6,150	3,500	1,250	850	550	-
60212	Office Supplies	\$ 24,650	18,000	4,000	2,550	100	-
60213	Offsite Storage	\$ 9,000	9,000	-	-	-	-
60220	Commission Fees	\$ 54,000	54,000	-	-	-	-
60221	Commission Mileage Reimbursement	\$ 10,603	10,603	-	-	-	-

Line Item Detail by Fund Type
FYE 2021

Line Item Detail		Agency Wide Total	General Funds	Brine Line Enterprise Funds	OWOW Funds	Roundtable Funds	Capital Funds
60222	Other Commission Expense	\$ 10,000	10,000	-	-	-	-
60230	Other Expense	\$ 27,400	10,000	12,500	1,900	500	2,500
60300	Contingency Fund	\$ 50,000	50,000	-	-	-	-
60500	Program Expense	\$ 1,138,035	-	-	988,035	150,000	-
80101	Construction	\$ 1,200,000	-	-	-	-	1,200,000
13005	Fixed Assets	\$ -	-	-	-	-	-
60240	Building Lease	\$ 27,350	12,000	15,350	-	-	-
80000	Building Repair/Replacement Reserve	\$ 100,000	100,000	-	-	-	-
81010	Retiree Medical Benefits	\$ 177,823	177,823	-	-	-	-
80001	Insurance Expense	\$ 204,250	77,250	127,000	-	-	-
33070	Pipeline Repair / Replacement Reserve	\$ 1,810,491	-	1,810,491	-	-	-
33010	Self Insurance Reserve	\$ 100,000	-	100,000	-	-	-
33045	Debt Retirement Reserve	\$ 1,708,750	-	1,708,750	-	-	-
20700	Debt Service	\$ 2,835,027	-	2,835,027	-	-	-
91000	Operating Transfers	\$ 133,000	-	-	-	133,000	-
Sub-total		\$ 24,388,280	\$ 680,339	\$ 15,236,445	\$ 5,124,596	\$ 1,797,871	\$ 1,549,029

PASS THROUGH							
504	Proposition 84 - Capital Projects	\$ 15,380,781					
Total		\$ 39,769,064					

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Cash Flow 2020

<i>Fiscal Year 2019-20</i>							
	BALANCE @ June 2019	Revenues	Interest	Expenses	Debt Service	BALANCE @ June 2020	
General Fund	\$ 3,292,079	\$ 676,966	\$ -	\$ 676,966	\$ -	\$ 3,292,079	
OWOW Fund	\$ 487,997	\$ 6,153,565	\$ -	\$ 6,121,416	\$ -	\$ 520,144	
Roundtable Fund	\$ 1,701,940	\$ 1,444,105	\$ -	\$ 1,563,457	\$ -	\$ 1,582,588	
Brine Line Enterprise							
Self Insurance Reserve	\$ 4,191,433	\$ 100,000	\$ -	\$ -	\$ -	\$ 4,291,433	
Debt Retirement Reserve	\$ 4,437,446	\$ 1,708,750	\$ 1,045,000	\$ -	\$ 2,895,027	\$ 4,296,169	
Pipeline Repair/Replacement	\$ 21,060,449	\$ 1,435,478	\$ -	\$ 5,118,134	\$ -	\$ 17,377,793	
OCSD Rehabilitation Reserve	\$ 3,650,852	\$ -	\$ -	\$ -	\$ -	\$ 3,650,852	
OCSD Future Capacity Reserve	\$ 1,789,985	\$ -	\$ -	\$ -	\$ -	\$ 1,789,985	
Capacity Management Reserve	\$ 11,691,357	\$ -	\$ -	\$ -	\$ -	\$ 11,691,357	
Rate Stabilization Reserve	\$ 1,003,055	\$ -	\$ -	\$ -	\$ -	\$ 1,003,055	
Flow Imbalance Reserve	\$ 86,513	\$ -	\$ -	\$ -	\$ -	\$ 86,513	
Brine Line Operating Reserve	\$ 3,133,547	\$ 11,532,103	\$ -	\$ 11,532,103	\$ -	\$ 3,133,547	
Brine Line Enterprise	\$ 51,044,638	\$ 14,776,331	\$ 1,045,000	\$ 16,650,237	\$ 2,895,027	\$ 47,320,705	
Legal Defense Fund	\$ 458,596	\$ -	\$ -	\$ -	\$ -	\$ 458,596	
TOTALS	\$ 56,985,251	\$ 23,050,967	\$ 1,045,000	\$ 25,012,076	\$ 2,895,027	\$ 53,174,113	

Cash Flow 2020

Investments & Cash:		
	Projected 6/30/19	Projected 6/30/20
T-Strips	\$ 395,000	\$ -
Local Agency Investment Fund (LAIF)	42,651,443	38,215,517
Securities - (Incl Disc/Prem)	10,994,097	12,500,000
Certificates of Deposit	1,486,115	1,000,000
Savings Account - EPA Legal	458,596	458,596
Checking Accounts	1,000,000	1,000,000
	\$ 56,985,251	\$ 53,174,113

Cash Flow 2021

<i>Fiscal Year 2020-21</i>							
	BALANCE @ June 2020	Revenues	Interest	Expenses	Debt Service	BALANCE @ June 2021	
General Fund	\$ 3,292,079	\$ 680,339	\$ -	\$ 680,339	\$ -	\$ 3,292,079	
OWOW Fund	\$ 520,144	\$ 5,186,858	\$ -	\$ 5,124,596	\$ -	\$ 582,406	
Roundtable Fund	\$ 1,582,588	\$ 1,456,592	\$ -	\$ 1,797,870	\$ -	\$ 1,241,312	
Brine Line Enterprise							
Self-Insurance Reserve	\$ 4,291,433	\$ 100,000	\$ -	\$ -	\$ -	\$ 4,391,433	
Debt Retirement Reserve	\$ 4,296,169	\$ 1,708,750	\$ 675,000	\$ -	\$ 2,895,027	\$ 3,784,893	
Pipeline Repair/Replacement	\$ 17,377,793	\$ 1,810,491	\$ -	\$ 1,549,029	\$ -	\$ 17,639,256	
OCSD Rehabilitation Reserve	\$ 3,650,852	\$ -	\$ -	\$ -	\$ -	\$ 3,650,852	
OCSD Future Capacity Reserve	\$ 1,789,985	\$ -	\$ -	\$ -	\$ -	\$ 1,789,985	
Capacity Management Reserve	\$ 11,691,357	\$ -	\$ -	\$ -	\$ -	\$ 11,691,357	
Rate Stabilization Reserve	\$ 1,003,055	\$ -	\$ -	\$ -	\$ -	\$ 1,003,055	
Flow Imbalance Reserve	\$ 86,513	\$ -	\$ -	\$ -	\$ -	\$ 86,513	
Brine Line Operating Reserve	\$ 3,133,547	\$ 12,401,418	\$ -	\$ 12,401,418	\$ -	\$ 3,133,547	
Brine Line Enterprise	\$ 47,320,705	\$ 16,020,659	\$ 675,000	\$ 13,950,447	\$ 2,895,027	\$ 47,170,891	
Legal Defense Fund	\$ 458,596	\$ -	\$ -	\$ -	\$ -	\$ 458,596	
TOTALS	\$ 53,174,113	\$ 23,344,449	\$ 675,000	\$ 21,553,252	\$ 2,895,027	\$ 52,745,283	

Cash Flow 2021

Investments & Cash:		
	Projected 6/30/20	Projected 6/30/21
T-Strips	\$ —	\$ —
LAIF	38,215,517	38,286,687
Securities - (Incl Disc/Prem)	12,500,000	12,000,000
Certificates of Deposit	1,000,000	1,000,000
Savings Account - EPA Legal	458,596	458,596
Checking Accounts	1,000,000	1,000,000
	\$ 53,174,113	\$ 52,745,283

SUMMARY OF LABOR MULTIPLIERS

	FYE 2020		FYE 2021	
		Benefits Rate		Benefits Rate
Total Employee Benefits	\$ 1,744,854	0.456	\$ 1,890,627	0.453
Total Payroll	3,825,402		4,173,739	
Gross Indirect Costs	3,739,177		4,007,110	
<i>Less: Member Contributions</i>	<i>(450,000)</i>		<i>(450,000)</i>	
Indirect Costs for Distribution	\$ 3,289,177		\$ 3,557,110	
		Indirect Costs		Indirect Costs
Direct Labor Charged	2,185,803	1.505	2,358,903	1.508
Indirect Costs	3,289,177		3,557,110	
Budgeted Labor Multiplier		1.961		1.961

	Actual	Budgeted
FY 2018-19 Labor Multiplier	2.039	1.848
FY 2017-18 Labor Multiplier	1.990	1.848
FY 2016-17 Labor Multiplier	1.935	2.013

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**FYE 2020
GENERAL FUND COSTS (INDIRECT)
(to be Distributed)**

G/L Acct.	Description	Budget	G/L Acct.	Description	Budget
51000	Salaries - Regular	\$ 1,576,784	60172	Equipment Repair/Maintenance	\$ 5,000
52000	Benefits	\$ 719,207	60180	Computer Hardware	\$ 41,200
60111	Tuition Reimbursement	\$ 2,800	60181	Software/Updates/Licensing	\$ 92,300
60112	Training	\$ 15,000	60182	Internet Services	\$ 14,400
60113	Education	\$ 9,000	60183	Computer Supplies	\$ 6,500
60114	Other Training & Education	\$ 23,000	60184	Computer Repair/Maintenance	\$ 3,000
60120	Audit Fees	\$ 27,000	60190	Offsite Meeting/Travel Expense	\$ 10,000
60121	Consulting	\$ 151,200	60191	In House Meetings	\$ 5,000
60126	Temporary Services	\$ 30,000	60192	Conference Expense	\$ 47,000
60128	Other Professional Services	\$ 25,000	60200	Dues	\$ 48,500
60129	Other Contract Services	\$ --	60202	Subscriptions	\$ 10,000
60130	Legal Fees	\$ 75,000	60203	Contributions	\$ 35,500
60133	Employment Recruitment	\$ 5,000	60211	Shipping/Postage	\$ 3,500
60154	Safety	\$ 6,400	60212	Office Supplies	\$ 18,000
60155	Security	\$ 3,000	60213	Offsite Storage	\$ 9,000
60156	Custodial Contract Services	\$ 33,800	60220	Commission Fees	\$ 51,600
60157	Landscaping Maintenance	\$ 47,500	60221	Commission Mileage Reimbursement	\$ 10,513
60158	HVAC	\$ 12,000	60222	Other Commission Expense	\$ 10,000
60159	Facility Repair & Maintenance	\$ 25,800	60230	Other Expense	\$ 10,000
60160	Telephone	\$ 14,050	60240	Building Lease	\$ 12,000
60161	Cellular Services	\$ 15,600	80000	Retiree Medical Benefits	\$ 167,773
60163	Electricity	\$ 27,000	80001	Insurance Expense	\$ 73,250
60164	Water Services	\$ 12,500	80000	Building Repair/Replacement Reserve	\$ 100,000
60170	Equipment Expensed	\$ 9,500	13005	Fixed Assets	\$ --
60171	Equipment Rented	\$ 39,000	80000	Contingency Funds	\$ 50,000

(Continued – next column)

Total General Fund Costs \$ 3,739,177

**FYE 2021
GENERAL FUND COSTS (INDIRECT)
(to be Distributed)**

G/L Acct.	Description	Budget	G/L Acct.	Description	Budget
51000	Salaries - Regular	\$ 1,753,005	60172	Equipment Repair/Maintenance	\$ 5,000
52000	Benefits	\$ 794,079	60180	Computer Hardware	\$ 30,100
60111	Tuition Reimbursement	\$ 2,800	60181	Software/Updates/Licensing	\$ 101,400
60112	Training	\$ 15,000	60182	Internet Services	\$ 15,600
60113	Education	\$ 9,400	60183	Computer Supplies	\$ 7,200
60114	Other Training & Education	\$ 23,000	60184	Computer Repair/Maintenance	\$ 3,750
60120	Audit Fees	\$ 27,000	60190	Offsite Meeting/Travel Expense	\$ 10,000
60121	Consulting	\$ 142,000	60191	In House Meetings	\$ 5,000
60126	Temporary Services	\$ 30,000	60192	Conference Expense	\$ 47,000
60128	Other Professional Services	\$ 25,000	60200	Dues	\$ 48,500
60129	Other Contract Services	\$ -	60202	Subscriptions	\$ 10,000
60130	Legal Fees	\$ 75,000	60203	Contributions	\$ 35,500
60133	Employment Recruitment	\$ 5,000	60211	Shipping/Postage	\$ 3,500
60154	Safety	\$ 6,550	60212	Office Supplies	\$ 18,000
60155	Security	\$ 3,500	60213	Offsite Storage	\$ 9,000
60156	Custodial Contract Services	\$ 35,900	60220	Commission Fees	\$ 54,000
60157	Landscaping Maintenance	\$ 45,000	60221	Commission Mileage Reimbursement	\$ 10,603
60158	HVAC	\$ 12,000	60222	Other Commission Expense	\$ 10,000
60159	Facility Repair & Maintenance	\$ 26,150	60230	Other Expense	\$ 10,000
60160	Telephone	\$ 16,700	60240	Building Lease	\$ 12,000
60161	Cellular Services	\$ 18,200	80000	Retiree Medical Benefits	\$ 177,823
60163	Electricity	\$ 28,000	80001	Insurance Expense	\$ 77,250
60164	Water Services	\$ 13,000	80000	Building Repair/Replacement Reserve	\$ 100,000
60170	Equipment Expensed	\$ 10,500	13005	Fixed Assets	\$ -
60171	Equipment Rented	\$ 39,100	80000	Contingency Funds	\$ 50,000

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Total General Fund Costs \$ 4,007,110

BENEFITS SUMMARY

(Distributed based on Actual Labor)

G/L Acct.	Description	Actual FYE 2019	Budget FYE 2020	Budget FYE 2021
70101	FICA	\$ 179,419	\$ 200,498	\$ 212,968
70102	Medicare	\$ 49,124	\$ 56,208	\$ 61,259
70103	State Unemployment Insurance	\$ 4,412	\$ 4,900	\$ 5,145
70104	Worker's Compensation Insurance	\$ 60,180	\$ 43,068	\$ 46,882
70105	State Disability Insurance	\$ 26,529	\$ 29,183	\$ 30,129
70106	PERS Pension Plan	\$ 618,166	\$ 701,014	\$ 766,791
70111	Medical Insurance	\$ 443,227	\$ 578,078	\$ 630,327
70112	Dental Insurance	\$ 27,192	\$ 34,765	\$ 37,907
70113	Vision Insurance	\$ 7,122	\$ 8,268	\$ 9,015
70114	Life Insurance	\$ 14,607	\$ 15,871	\$ 16,462
70115	Long Term Disability Insurance	\$ 16,362	\$ 18,502	\$ 19,243
70116	Wellness Program	\$ 2,523	\$ 3,500	\$ 3,500
70117	401a Profit Sharing – Employer Contribution	\$ -	\$ -	\$ -
70120	Car Allowance	\$ 48,000	\$ 51,000	\$ 51,000
Total Benefits		\$ 1,496,863	\$ 1,744,854	\$ 1,890,627
Total Payroll		\$ 3,390,201	\$ 3,825,402	\$ 4,173,739
Benefits Rate		44.2%	45.6%	45.3%

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MEMBER CONTRIBUTION

Summary Schedule

Member Agency Contributions		Adopted FYE 2019	Budget FYE 2020	Budget FYE 2021
Exempt from Indirect Costs		Funds		
SAWPA General Fund	100-00	\$ 450,000	\$ 450,000	\$ 450,000
State Lobbying	100-03	\$ 184,980	\$ 226,966	\$ 230,339
Federal Lobbying	100-04	\$ 15,715	\$ -	\$ -
		\$ 650,695	\$ 676,966	\$ 680,339
Planning Projects				
Basin Planning General	370-01	\$ 356,000	\$ 360,000	\$ 360,000
USBR Partnership Studies	370-02	\$ 20,000	\$ 20,000	\$ 20,000
Watershed Management (OWOW)	373	\$ 425,000	\$ 450,000	\$ 450,000
SA River Fish Conservation	381	\$ 10,000	\$ 10,000	\$ 10,000
LESJWA Administration	477	\$ 10,000	\$ 10,000	\$ 10,000
		\$ 821,000	\$ 850,000	\$ 850,000
Total Member Agency Contributions		\$ 1,471,695	\$ 1,526,966	\$ 1,530,339
Per Member Agency		\$ 294,339	\$ 305,393	\$ 306,068

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MEMBER CONTRIBUTION by Agency FYE 2020

ACTIVITY	TOTAL	EMWD	IEUA	OCWD	SBVMWD	WMWD
370 Basin Planning General	\$360,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000
370 USBR Partnership Studies	20,000	4,000	4,000	4,000	4,000	4,000
373 Watershed Management (OWOW)	450,000	90,000	90,000	90,000	90,000	90,000
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>850,000</i>	<i>170,000</i>	<i>170,000</i>	<i>170,000</i>	<i>170,000</i>	<i>170,000</i>
State Lobbying	226,966	45,393	45,393	45,393	45,393	45,393
SAWPA General Fund	450,000	90,000	90,000	90,000	90,000	90,000
<i>Subtotal (Administration)</i>	<i>676,966</i>	<i>135,393</i>	<i>135,393</i>	<i>135,393</i>	<i>135,393</i>	<i>135,393</i>
Member Agency Contributions	\$1,526,966	\$305,393	\$305,393	\$305,393	\$305,393	\$305,393

MEMBER CONTRIBUTION by Agency FYE 2021

ACTIVITY	TOTAL	EMWD	IEUA	OCWD	SBVMWD	WMWD
370 Basin Planning General	\$360,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000
370 USBR Partnership Studies	20,000	4,000	4,000	4,000	4,000	4,000
373 Watershed Management (OWOW)	450,000	90,000	90,000	90,000	90,000	90,000
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>850,000</i>	<i>170,000</i>	<i>170,000</i>	<i>170,000</i>	<i>170,000</i>	<i>170,000</i>
State Lobbying	230,339	46,068	46,068	46,068	46,068	46,068
SAWPA General Fund	450,000	90,000	90,000	90,000	90,000	90,000
<i>Subtotal (Administration)</i>	<i>680,339</i>	<i>136,068</i>	<i>136,068</i>	<i>136,068</i>	<i>136,068</i>	<i>136,068</i>
Member Agency Contributions	\$1,530,339	\$306,068	\$306,068	\$306,068	\$306,068	\$306,068



Section 5

Revenues

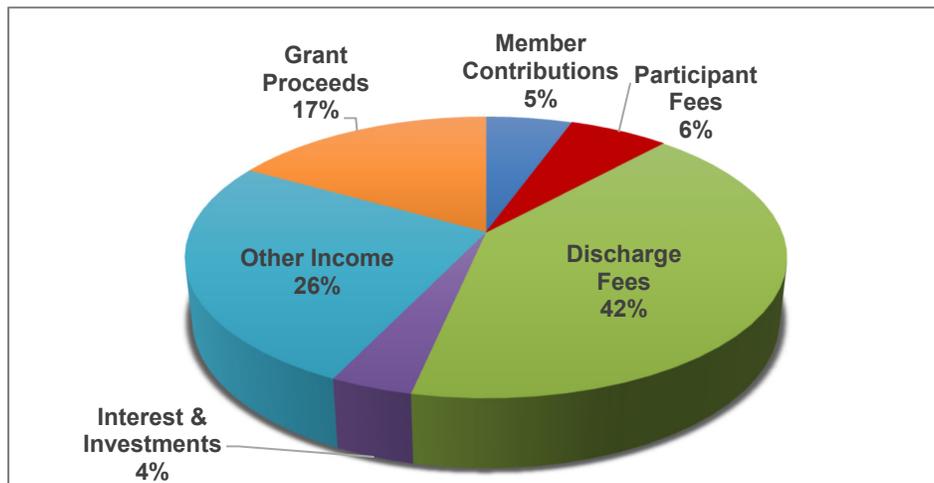
Revenues

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

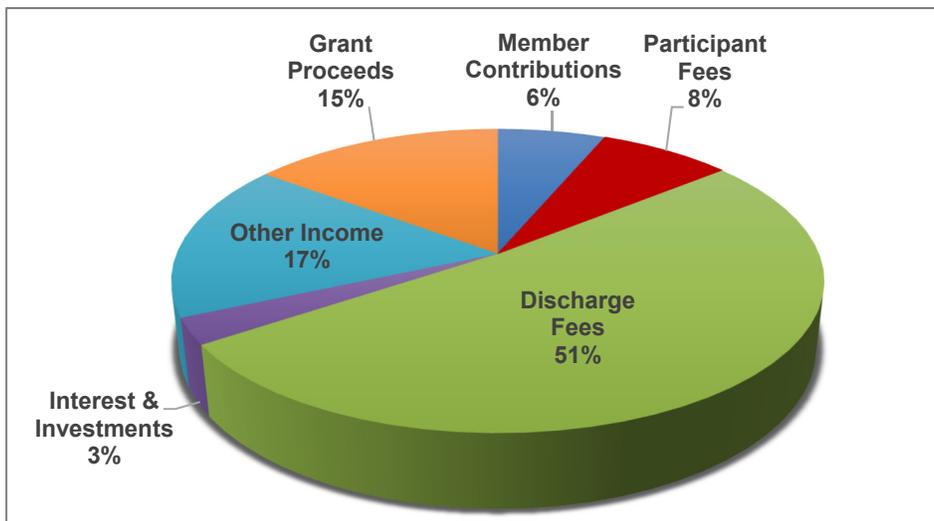
- Member Contribution
- Participant Fees
- Discharge Fees
- Interest & Investments
- Other Income
- Grant Proceeds

The Agency's projected revenue for FYE 2020 totals \$27.7 million, not including \$19.9 million in Propositions 1 and 84 project pass-throughs, and \$24.1 million, not including \$15.4 million in Propositions 1 and 84 project pass-throughs, for FYE 2021. Total revenue reflects the revenue sources listed above and each source is described in detail below.

**Total Revenues by Source
FYE 2020**



**Total Revenues by Source
FYE 2021**



Agency-wide revenues are projected to decrease by \$6.1 million in FYE 2020 over the previous year's budget and decrease by \$3.6 million in FYE 2021.

The decrease in revenues from FYE 2019 to FYE 2020 is from a decrease in SRF Loans.

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 lobbying efforts. In addition to the annual contribution, member agencies may decide to contribute to roundtable projects that directly affect their service areas.

In FYEs 2020 and 2021, member contribution revenues are projected to be \$1.5 million, or approximately 5% and 6% of the Agency's total revenues.

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.

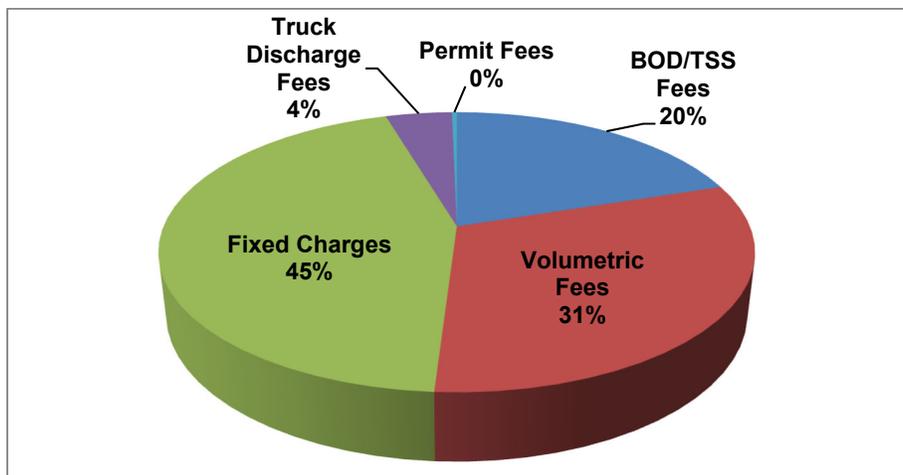
In FYE 2020, participant fees revenues are projected to be \$1.7 million, or approximately 6% of the Agency's total revenues. In FYE 2021, participant fees revenues are projected to be \$1.9 million, or approximately 8% of the Agency's total revenues.

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 OCSD. After treatment, the treated effluent is discharged to the Pacific Ocean.

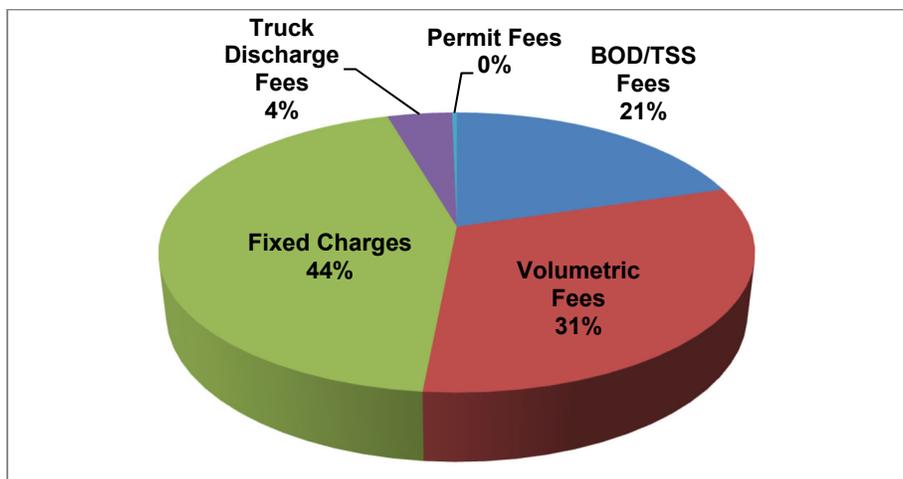
In FYE 2020, discharge fees are projected to be \$11.5 million, or approximately 42% of the Agency's total revenues.

**FYE 2020 Discharge Fees
\$11.5 Million**



In FYE 2021, discharge fees are projected to be \$12.4 million, or approximately 51% of the Agency's total revenues.

**FYE 2021 Discharge Fees
\$12.4 Million**



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

In 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 2021.

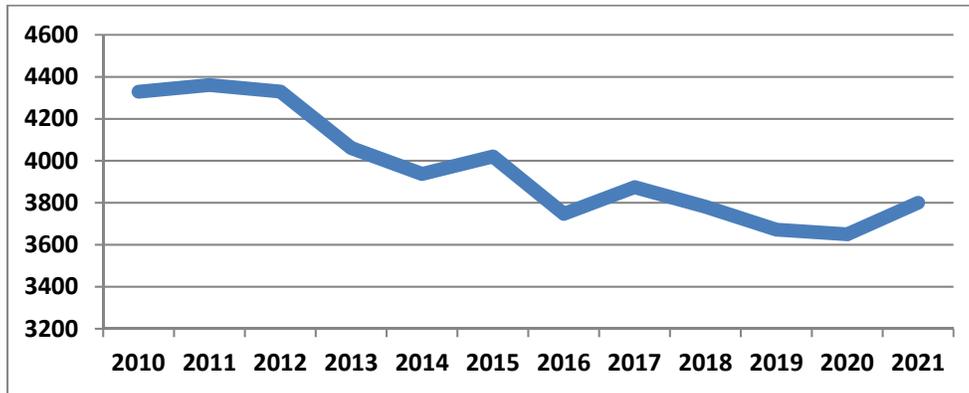
Brine Line Rates

<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>
2019	\$946	\$313	\$438	\$6,217	\$12,607
2020	\$979	\$316	\$442	\$6,398	\$12,985
2021	\$1,038	\$335	\$469	\$6,782	\$13,764

Volumetric Charges

Volumetric charges are based on million gallons (MG) of discharge into the system. Total discharge into the system is projected to be 3,650 MG for FYE 2020 and 3,800 MG for FYE 2021. In FYE 2020, revenues from volumetric charges are projected to be \$3.6 million, or approximately 31% of the \$11.5 million projected for total discharge fees. In FYE 2021, revenues from volumetric charges are projected to be \$3.8 million, or approximately 31% of the \$12.4 million projected for total discharge fees.

Total Annual Discharge in Million Gallons



BOD/TSS Charges

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

In FYE 2020, BOD/TSS charges are projected to be \$2.3 million, or approximately 20% of the \$11.5 million projected for total discharge fees. In FYE 2021, BOD/TSS charges are projected to be \$2.5 million, or approximately 21% of the \$12.4 million projected for total discharge fees.

Fixed Charges

Fixed charges cover the portion of annual operating expenses that are fixed regardless of flow amount. 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 2020, fixed charges are projected to be \$5.1 million, or approximately 45% of the \$11.5 million projected for total discharge fees. In FYE 2021, fixed charges are projected to be \$5.4 million, or approximately 44% of the \$12.4 million projected for total discharge fees.

Truck Discharge Fees

EMWD, IEUA, SBVMWD, and WMWD each operate a truck discharge station. Truck dischargers are indirect dischargers. Truck discharges are projected at 3.1 MGD per month for both FYEs 2020 and 2021. The rates for truck discharge fees are shown in the table below:

<i>Waste Strength</i>	<i>BOD or TSS Concentration</i>	<i>FYE 2020</i>	<i>FYE 2021</i>
Brine	Less than 100 mg/L	\$0.015	\$0.016
Non Brine Tier	100 mg/L or higher	*	*

* Concentrations 100 mg/L and higher will be charged using the following cost components: \$0.015 per gallon, \$0.75/pound of BOD, and \$0.716/pound of TSS.

In FYE 2020, truck discharge fees are projected to be \$496,000, or approximately 4% of the \$11.5 million projected for total discharge fees. In FYE 2021, truck discharge fees are projected to be \$521,000, or approximately 4% of the \$12.4 million projected for total discharge fees.

Emergency Discharge Fees

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

Permit Fees

Direct dischargers are charged a \$600 permit fee for each meter in the system and liquid waste haulers are charged \$300. There are currently 35 direct connections and 11 liquid waste haulers in the system. In FYE 2020, permit fees are projected to be \$36,025 or approximately 0.31% of the \$11.5 million projected for total discharge fees. In FYE 2021, permit fees are projected to be \$38,085 or approximately 0.31% of the \$12.4 million projected for total discharge fees.

Sampling Surcharge

Sampling Surcharges are the fees charged by OCS D for the special sampling done on Stringfellow discharges. No sampling surcharge revenues are projected for FYEs 2020 and 2021.

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 2020 and 2021.

SRF Loans

SAWPA has used SRF Loans to fund capital repair projects. No revenues from SRF Loans are projected for FYEs 2020 and 2021.

Interest and Investments

In FYE 2020, interest and investment revenues are projected to be \$1 million, or approximately 4% of the Agency's total revenues. In FYE 2021, interest and investment revenues are projected to be \$675,000, or approximately 3% 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.

Interest

The Agency receives interest on funds invested in LAIF and Securities. The average return on those investments for FYE 2020 is projected to be 2% and 2.1% for FYE 2021.

Total interest for FYE 2020 is projected to be \$650,000 or approximately 62% of total projected interest and investment revenue of \$1 million. Total interest for FYE 2021 is projected to be \$675,000, or approximately 100% of total projected interest and investment revenue of \$675,000.

T-Strip Maturities

Treasury Strips (T-Strips) were purchased to provide a source of revenue to pay the SRF loan payments as they come due. Total T-Strip maturities for FYE 2020 are projected to be \$395,000, or approximately 38% of total projected interest and investment revenue. FYE 2020 is the final year we will receive T-Strip maturities.

Other Income

Other Income is made up of four income categories; Use of Reserves, Mitigation Credit Sales, Other Income, and Operating Transfers. In FYE 2020, Other Income is projected to be \$7.2 million, or approximately 26% of the Agency's total revenues. In FYE 2021, Other Income is projected to be \$4 million, or approximately 17% 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. Debt Retirement Reserves are also used to make debt service payments. In FYE 2020, Use of Reserves is projected to be \$6.9 million. In FYE 2021, Use of Reserves is projected to be \$3.7 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 2020 and 2021, we are not anticipating any mitigation credit sales.

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

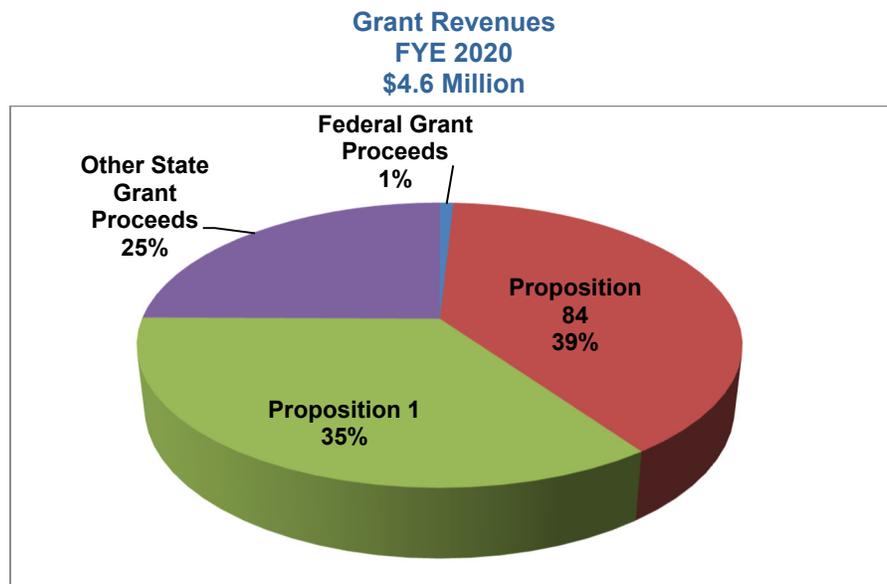
As part of the Basin Plan Amendment to Revise Recreation Standards for Inland Freshwaters in the Santa Ana Region the Regional Water Quality (RWQ) Monitoring Task Force was established to implement a regional monitoring program. In an effort to eliminate redundancy and streamline reporting of regional 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

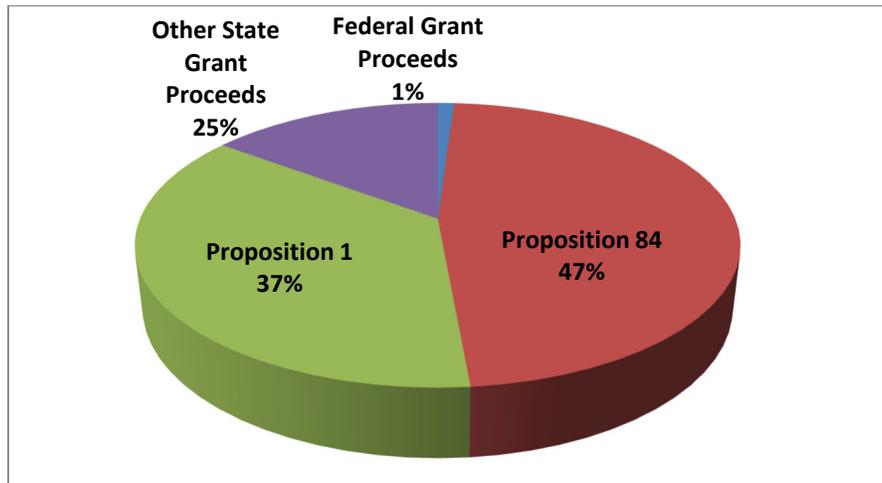
The Agency continues to seek grants that can be obtained for work done in the Watershed. SAWPA has applied for a variety of Federal, State, and local grants.

In FYE 2020, grant proceeds revenues are expected to be \$4.6 million, or approximately 17% of the Agency's total revenue. In FYE 2021, grant revenues are expected to be \$3.6 million, or approximately 15% 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 2020 and 2021 Budget.



**Grant Revenues
FYE 2020
\$3.6 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, and \$64.3 million in grant funding under the Final Round 2015 implementation in Spring 2016.

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.

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.

Other State Grant Proceeds

This grant from the Department of Water Resources would help fund an Aerial Imagery Partnership Study between DWR and SAWPA. The partnership includes work that will be used to implement the new water use efficiency standards and a statewide aerial mapping tool.

Federal Grant Proceeds

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

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REVENUES FYE 2020

	Member Contributions	Participant Fees	Discharge Fees	Interest & Investments	Other Income	Grant Proceeds	Total FYE 2020	Total FYE 2019	Inc (Dcr) from Prior Year	% Change	
100	General Fund	\$ 676,966	–	–	–	–	\$ 676,966	\$ 650,695	\$ 26,271	4.0%	
130	Prop 84 - R1 Program Mgmt	–	–	–	–	–	–	\$ 134,519	\$ (134,519)	(100.0%)	
135	Prop 84 – R2 Program Mgmt	–	–	–	–	\$ 60,275	\$ 60,275	\$ 142,059	\$ (81,784)	(57.6%)	
140	Prop 84 – Drought Program Mgmt	–	–	–	–	\$ 142,649	\$ 142,649	\$ 119,630	\$ 23,019	19.2%	
145	Prop 84 – 2015 Program Mgmt	–	–	–	–	\$ 394,313	\$ 394,313	\$ 321,946	\$ 72,367	22.5%	
150	Prop 1 –Program Mgmt	–	–	–	–	–	–	–	–	0.0%	
240	Brine Line Enterprise	–	–	\$ 11,532,103	\$ 1,045,000	\$ 1,790,027	–	\$ 14,367,131	\$ 14,274,038	\$ 93,093	0.7%
320	Brine Line Protection Project	–	–	–	–	\$ 5,041,923	–	\$ 5,041,923	\$ 3,736,548	\$ 1,305,375	34.9%
326	Reach V Repairs	–	–	–	–	–	–	\$ 269,167	\$ (269,167)	(100.0%)	
327	Reach IV-D Corrosion Repair	–	–	–	–	\$ 76,211	–	\$ 76,211	\$ 3,980,317	\$ (3,904,106)	(98.1%)
370	Basin Planning General	\$ 360,000	–	–	–	\$ 100,000	\$ 460,000	\$ 356,000	\$ 104,000	29.2%	
370	USBR Partnership Studies	\$ 20,000	–	–	–	\$ 50,000	\$ 70,000	\$ 70,000	–	0.0%	
372	Imported Water Recharge	–	–	–	–	–	–	\$ 9,000	\$ (9,000)	(100.0%)	
373	Watershed Mgmt (OWOW)	\$ 450,000	–	–	–	–	\$ 450,000	\$ 548,000	\$ (98,000)	(17.9%)	
374	Basin Monitoring Program Task Force	–	\$ 338,000	–	–	–	\$ 338,000	\$ 272,447	\$ 65,553	24.1%	
381	SA River Fish Conservation Task Force	\$ 10,000	\$ 19,000	–	–	–	\$ 29,000	\$ 29,000	–	0.0%	
384	MSAR TMDL Task Force	–	\$ 390,344	–	–	–	\$ 390,344	\$ 215,000	\$ 175,344	81.6%	
386	RWQ Monitoring Task Force	–	\$ 300,520	–	–	\$ 132,344	–	\$ 432,864	\$ 357,048	\$ 75,816	21.2%
387	Arundo & Habitat Restoration	–	–	–	–	–	–	\$ 88,980	\$ (88,980)	(100.0%)	
392	Emerging Constituents Task Force	–	\$ 38,711	–	–	–	\$ 38,711	\$ 40,000	\$ (1,289)	(3.2%)	
396	Forest First	–	–	–	–	–	–	\$ 103,308	\$ (103,308)	(100.0%)	
397	Energy – Water DAC Grant Project	–	–	–	–	–	–	\$ 586,816	\$ (586,816)	(100.0%)	
398	Proposition 1 - DACI	–	–	–	–	\$ 3,264,263	\$ 3,264,263	\$ 1,747,121	\$ 1,517,142	86.8%	
477	LESJWA Administration	\$ 10,000	–	–	–	\$ 205,186	–	\$ 215,186	\$ 216,674	\$ (1,488)	(0.7%)
504	Proposition 84 - Drought Projects	–	–	–	–	\$ 31,595	\$ 31,595	\$ 1,182,042	\$ (1,150,447)	(97.3%)	
504	Proposition 84 - SARCCUP	–	\$ 503,990	–	–	\$ 455,144	\$ 959,134	\$ 807,845	\$ 151,289	18.7%	
505	Proposition 1 - Capital Projects	–	\$ 160,667	–	–	\$ 160,667	\$ 321,334	–	\$ 321,334	100.0%	
		\$ 1,526,966	\$ 1,751,232	\$ 11,532,103	\$ 1,045,000	\$ 7,245,691	\$ 4,658,908	\$ 27,759,900	\$ 30,258,200	\$ (2,498,301)	(8.3%)

PASS THROUGH

504	Proposition 84 - Capital Projects	–	–	–	–	–	\$ 19,877,081	\$ 19,877,081		
	<i>Total</i>							\$ 47,636,981		

REVENUES FYE 2021

	<i>Member Contributions</i>	<i>Participant Fees</i>	<i>Discharge Fees</i>	<i>Interest & Investments</i>	<i>Other Income</i>	<i>Grant Proceeds</i>	<i>Total FYE 2021</i>	<i>Total FYE 2020</i>	<i>Inc (Dcr) from Prior Year</i>	<i>% Change</i>
100 General Fund	\$ 680,339	-	-	-	-	-	\$ 680,339	\$ 676,966	\$ 3,373	0.5%
135 Prop 84 – R2 Program Mgmt	-	-	-	-	-	\$ 64,006	\$ 64,006	\$ 60,275	\$ 3,731	6.2%
140 Prop 84 – Drought Program Mgmt	-	-	-	-	-	-	-	\$ 142,649	\$ (142,649)	(100.0%)
145 Prop 84 – 2015 Program Mgmt	-	-	-	-	-	\$ 466,863	\$ 466,863	\$ 394,313	\$ 72,550	18.4%
150 Prop 1 –Program Mgmt	-	-	-	-	-	-	-	-	-	0.0%
240 Brine Line Enterprise	-	-	\$ 12,401,418	\$ 675,000	\$ 2,160,027	-	\$ 15,236,445	\$ 14,367,131	\$ 869,314	6.1%
320 Brine Line Protection Project	-	-	-	-	\$ 1,466,878	-	\$ 1,466,878	\$ 5,041,923	\$ (3,575,045)	(70.9%)
326 Reach V Repairs	-	-	-	-	-	-	-	-	-	0.0%
327 Reach IV-D Corrosion Repair	-	-	-	-	\$ 82,151	-	\$ 82,151	\$ 76,211	\$ 5,940	7.8%
370 Basin Planning General	\$ 360,000	-	-	-	-	\$ 100,000	\$ 460,000	\$ 460,000	-	0.0%
370 USBR Partnership Studies	\$ 20,000	-	-	-	-	\$ 50,000	\$ 70,000	\$ 70,000	-	0.0%
372 Imported Water Recharge	-	-	-	-	-	-	\$ -	\$ -	-	0.0%
373 Watershed Mgmt (OWOW)	\$ 450,000	-	-	-	-	-	\$ 450,000	\$ 450,000	-	0.0%
374 Basin Monitoring Program Task Force	-	\$ 338,000	-	-	-	-	\$ 338,000	\$ 338,000	-	0.0%
381 SA River Fish Conservation Task Force	\$ 10,000	\$ 19,000	-	-	-	-	\$ 29,000	\$ 29,000	-	0.0%
384 MSAR TMDL Task Force	-	\$ 416,000	-	-	-	-	\$ 416,000	\$ 390,344	\$ 25,656	6.6%
386 RWQ Monitoring Task Force	-	\$ 285,000	-	-	\$ 133,000	-	\$ 418,000	\$ 432,864	\$ (14,864)	(3.4%)
387 Arundo & Habitat Restoration	-	-	-	-	-	-	-	-	-	0.0%
392 Emerging Constituents Task Force	-	\$ 38,711	-	-	-	-	\$ 38,711	\$ 38,711	-	0.0%
396 Forest First	-	-	-	-	-	-	-	-	-	0.0%
397 Energy – Water DAC Grant Project	-	-	-	-	-	-	-	-	-	0.0%
398 Proposition 1 – DACI	-	-	-	-	-	\$ 2,054,180	\$ 2,054,180	\$ 3,264,263	\$ (1,210,083)	(37.1%)
477 LESJWA Administration	\$ 10,000	-	-	-	\$ 206,881	-	\$ 216,881	\$ 215,186	\$ 1,695	0.8%
504 Proposition 84 - Drought Projects	-	-	-	-	-	-	-	\$ 31,595	\$ (31,595)	(100.0%)
504 Proposition 84 - SARCCUP	-	\$ 463,292	-	-	-	\$ 515,850	\$ 979,142	\$ 959,134	\$ 20,008	2.1%
505 Proposition 1 - Capital Projects	-	\$ 321,334	-	-	-	\$ 321,334	\$ 642,668	\$ 321,334	\$ 321,334	100.0%
	\$ 1,530,339	\$ 1,881,337	\$ 12,401,418	\$ 675,000	\$ 4,048,937	\$ 3,572,232	\$ 24,109,263	\$ 27,759,900	\$ (3,650,637)	(13.2%)

PASS THROUGH

504	<i>Proposition 84 - Capital Projects</i>	-	-	-	-	\$ 15,380,781	\$ 15,380,781			
	<i>Total</i>						\$ 39,490,044			



Section 6

Debt Service

Debt Service

The Agency's outstanding debt at the beginning of FYE 2020 will total \$29.8 million. Total outstanding debt includes six 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 2020 and 2021 amounts to \$2.8 million for each year, or 10.2% and 11.8% of the total budgeted expenses.

Debt Policy

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

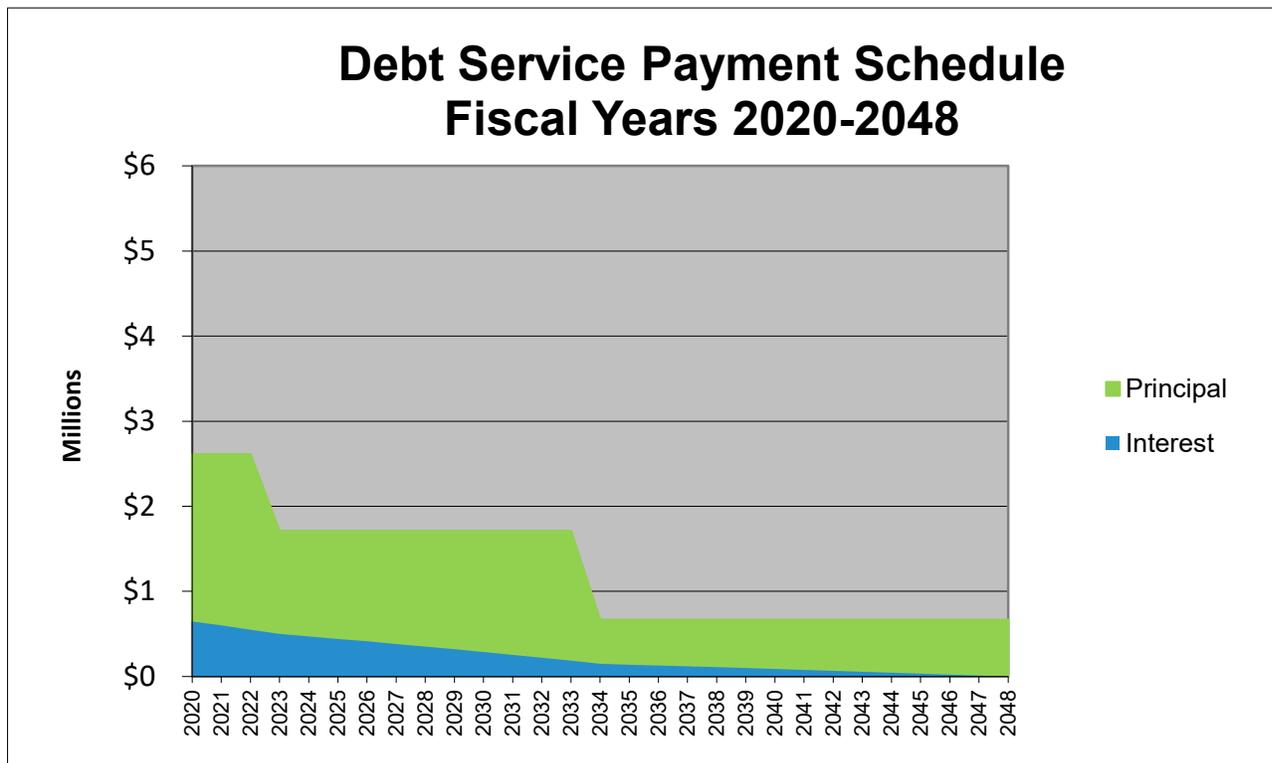
Future Debt Financing

In 2006, the SAWPA Commission approved, for planning purposes, a CIP totaling over \$60 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 \$5.2 million at the beginning of FYE 2020. Of those reserves, 7.6%, or \$395,000, is held in T-Strips as restricted assets to cover debt service, and 92.4%, or \$4.8 million, is held in cash or 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
2020	\$ 675,214	\$ 2,160,539	\$ 2,835,753	\$ 27,686,941
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	T-Strip Maturities	From Rates	Loan Payments	Interest Earned *	Excess/(Use) of Cash	Ending Cash Reserve Balance
	Beg. Balance					\$ 4,808,151
2020	\$ 395,000	\$ 1,709,476	\$ (2,835,753)	\$ 96,163	\$ (635,115)	4,173,037
2021	-	1,709,476	(2,835,753)	83,461	(1,042,817)	3,130,220
2022	-	1,709,476	(2,608,439)	62,604	(836,359)	2,293,861
2023	-	1,709,476	(1,709,476)	45,877	45,877	2,339,738
2024	-	1,709,476	(1,709,476)	46,795	46,795	2,386,533
2025	-	1,709,476	(1,709,476)	47,731	47,731	2,434,264
2026	-	1,709,476	(1,709,476)	48,685	48,685	2,482,949
2027	-	1,709,476	(1,709,476)	49,659	49,659	2,532,608
2028	-	1,709,476	(1,709,476)	50,652	50,652	2,583,260
2029	-	1,709,476	(1,709,476)	51,665	51,665	2,634,925
2030	-	1,709,476	(1,709,476)	52,699	52,699	2,687,624
2031	-	1,709,476	(1,709,476)	53,752	53,752	2,741,376
2032	-	1,709,476	(1,709,476)	54,828	54,828	2,796,204
2033	-	1,709,476	(1,709,476)	55,924	55,924	2,852,128
2034	-	665,203	(665,203)	57,043	57,043	2,909,171
2035	-	665,203	(665,203)	58,183	58,183	2,967,355
2036	-	665,203	(665,203)	59,347	59,347	3,026,701
2037	-	665,203	(665,203)	60,534	60,534	3,087,236
2038	-	665,203	(665,203)	61,745	61,745	3,148,980
2039	-	665,203	(665,203)	62,980	62,980	3,211,959
2040	-	665,203	(665,203)	64,239	64,239	3,276,199
2041	-	665,203	(665,203)	65,524	65,524	3,341,723
2042	-	665,203	(665,203)	66,834	66,834	3,408,557
2043	-	665,203	(665,203)	68,171	68,171	3,476,728
2044	-	665,203	(665,203)	69,535	69,535	3,546,263
2045	-	665,203	(665,203)	70,925	70,925	3,617,188
2046	-	665,203	(665,203)	72,344	72,344	3,689,532
2047	-	665,203	(665,203)	73,791	73,791	3,763,322
2048	-	665,203	(665,203)	75,266	75,266	3,838,589
Totals	\$ 395,000	\$ 33,910,698	\$ (37,062,216)	\$ 1,786,956	\$ (969,562)	\$ 3,838,589

* 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 six outstanding SRF loans, one loan funded Reach IV-A and IV-B Repairs, four loans funded construction for Reach V of the Brine Line (Temescal Valley Regional Interceptor (TVRI)), and 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 along Reach IV-A and IV-B were slip lined to protect the integrity of the pipeline and another 25,023 linear feet were rehabilitated using 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
Total	\$ 15,956,864			\$ 1,044,273

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	
2020	\$ 1,044,273	\$ (1,044,273)
2021	1,044,273	(1,044,273)
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)
Totals	\$ 15,664,098	\$ (15,664,098)

Reach V Construction

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

SRF Loans

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

Debt Service Funding

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

Capacity Notes Receivable

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

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

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

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

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

Debt Service Fund Analysis

FYE	T-Strip Maturities	Transfers	Loan Payments	Interest Earned*	Ending Reserve Cash Balance
	Beg. Balance				\$ 1,454,349
2020	\$ 395,000	\$ -	\$ (1,126,278)	\$ 29,087	752,158
2021	-	359,076	(1,126,278)	15,043	-
2022	-	898,963	(898,963)	-	-
Totals	\$ 395,000	\$ 1,258,039	\$ (3,151,518)	\$ 44,130	\$ -

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
Total	\$ 15,000,000			\$ 665,203

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	Rate increases	Transfers	Loan Payments	Interest Earned*	Ending Reserve Cash Balance
	Beg. Balance				\$ 3,353,802
2020	\$ 665,203	\$ -	\$ (665,203)	\$ 67,076	3,420,878
2021	665,203	(359,076)	(665,203)	68,418	3,130,220
2022	665,203	(898,963)	(665,203)	62,604	2,293,861
2023	665,203	-	(665,203)	45,877	2,339,739
2024	665,203	-	(665,203)	46,795	2,386,533
2025	665,203	-	(665,203)	47,731	2,434,264
2026	665,203	-	(665,203)	48,685	2,482,949
2027	665,203	-	(665,203)	49,659	2,532,608
2028	665,203	-	(665,203)	50,652	2,583,260
2029	665,203	-	(665,203)	51,665	2,634,926
2030	665,203	-	(665,203)	52,699	2,687,624
2031	665,203	-	(665,203)	53,752	2,741,377
2032	665,203	-	(665,203)	54,828	2,796,204
2033	665,203	-	(665,203)	55,924	2,852,128
2034	665,203	-	(665,203)	57,043	2,909,171
2035	665,203	-	(665,203)	58,183	2,967,354
2036	665,203	-	(665,203)	59,347	3,026,701
2037	665,203	-	(665,203)	60,534	3,087,235
2038	665,203	-	(665,203)	61,745	3,148,980
2039	665,203	-	(665,203)	62,980	3,211,960
2040	665,203	-	(665,203)	64,239	3,276,199
2041	665,203	-	(665,203)	65,524	3,341,723
2042	665,203	-	(665,203)	66,834	3,408,557
2043	665,203	-	(665,203)	68,171	3,476,728
2044	665,203	-	(665,203)	69,535	3,546,263
2045	665,203	-	(665,203)	70,925	3,617,188
2046	665,203	-	(665,203)	72,344	3,689,532
2047	665,203	-	(665,203)	73,791	3,763,323
2048	665,203	-	(665,203)	75,266	3,838,589
Totals	\$ 19,290,873	\$ (1,258,039)	\$ (19,290,873)	\$ 1,742,826	\$ 3,838,589

* 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 2020 and 2021** – Contributions projected to be made to this reserve are \$1,708,750 for both FYEs 2020 and 2021 to cover the Reach IV-A and IV-B repairs and the Reach V Capital Repair annual debt service payments. It is projected that \$1,790,027 and \$2,160,027 will be used from reserves to help pay debt service for FYEs 2020 and 2021, respectively.

Board Designated Reserves

These are reserve funds earmarked for the purpose of funding items such as new capital facilities, repair or replacement of existing facilities, and general operating reserves designated for a specific purpose and use by the Commission. The Board Designated Reserves are comprised of the following reserve accounts: Brine Line Operating Reserve, Pipeline Repair/Replacement Reserve, Rate Stabilization Reserve, OCS D Rehabilitation Reserve, OCS D 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 2020 and 2021** – No contributions are projected to be made to this reserve for FYEs 2020 and 2021. 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 2020 and 2021 are projected to be minimal.
- ◆ **Contribution for FYEs 2020 and 2021** – No contributions are projected to be made to this reserve for FYEs 2020 and 2021.

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 2020 and 2021 are projected to be \$5,118,134 and \$1,549,029.
- ◆ **Contribution for FYEs 2020 and 2021** – Contributions projected to be made to this reserve are \$1,435,478 for FYE 2020 and \$1,810,491 for FYE 2021.

OCSD Rehabilitation Reserve

- ◆ **Definition and Purpose** – Established to provide funds for SAWPA's share of capital costs associated with its proportionate share of capacity rights ownership in the SARI Line maintained by OCSD. Since these costs are expected to vary significantly in timing and size, an approach has been developed to normalize these expenditures into equal annual payments. The objective is for SAWPA to make equal annual contributions (adjusted for inflation) into this interest earning reserve fund, and then make withdrawals from this fund when payments to OCSD for the SARI Line come due. According to the Brine Line Financial Study, this approach will mitigate significant capital spikes for SAWPA.
- ◆ **Target Level** – The most recent Brine Line Financial Study has identified a minimum target level of \$1.75 million annually (adjusted for inflation). Since that study, OCSD 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 OCSD SARI Line capital costs.
- ◆ **Contribution for FYEs 2020 and 2021** – No contributions are projected to be made to this reserve for FYEs 2020 and 2021.

OCSD Future Capacity Reserve

- ◆ **Definition and Purpose** – Established to provide future funding as it becomes necessary for SAWPA to acquire (purchase) additional treatment capacity (minimum of 1 MGD increments) in the OCSD treatment plant facility. As incremental treatment capacity purchases are made at an agreed upon rate set by SAWPA resolution, funds would be deposited into this reserve account which can then be used to purchase treatment capacity from OCSD.
- ◆ **Target Level** – There is no minimum balance for this reserve. Its level will depend on the rate of growth and capacity sales. As capacity purchases are made, funds will be deposited in this reserve so that its balance will be sufficient to cover anticipated additional treatment plant capacity purchases as and when they come due.
- ◆ **Events or Conditions Prompting the Use of the Reserve** – This reserve may only be utilized to purchase additional treatment capacity in the OCSD plant as approved by the SAWPA Commission. Any other use of this reserve shall not occur without prior authorization from the SAWPA Commission.
- ◆ **Contribution for FYEs 2020 and 2021** – No contributions are projected to be made to this reserve for FYEs 2020 and 2021.

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 2020 and 2021** – Contributions projected to be made to this reserve are \$100,000 for FYEs 2020 and 2021.

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 2020 and 2021** – No contributions are projected to be made to this reserve for FYEs 2020 and 2021.

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 dischargers 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 2020 and 2021** – No contributions are projected to be made to this reserve for FYEs 2020 and 2021.

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 2020 and 2021** – 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 2020 and 2021** – Contributions projected to be made to this reserve are \$100,000 for both FYEs 2020 and FYE 2021.

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.

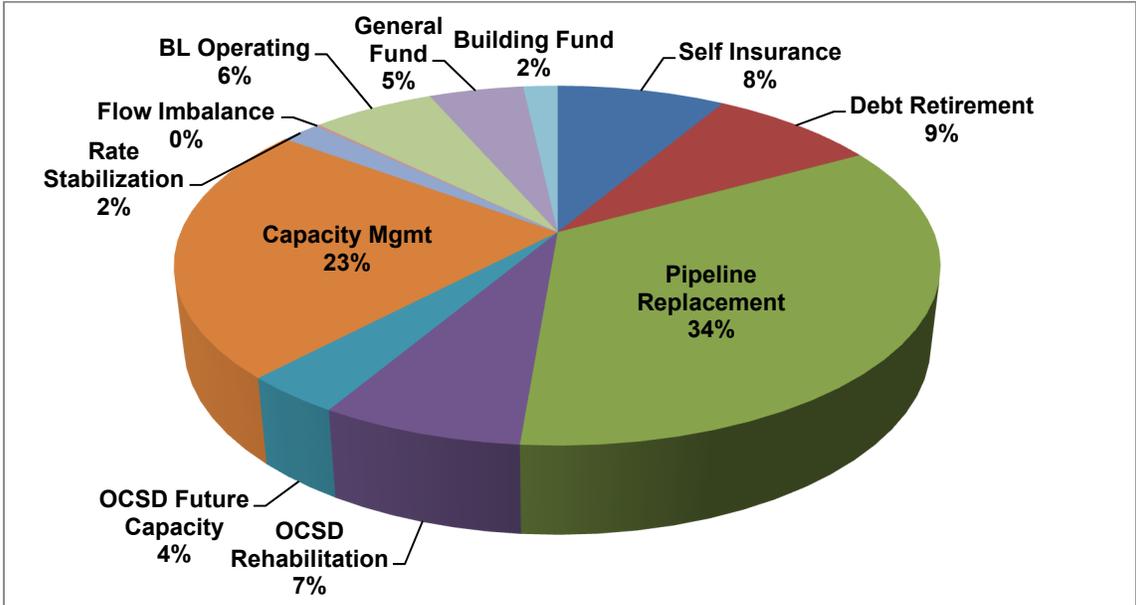
Capital Improvement Construction Reserve

- ◆ **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 2020 and 2021** – No contributions are projected to be made to this reserve for FYEs 2020 and 2021.

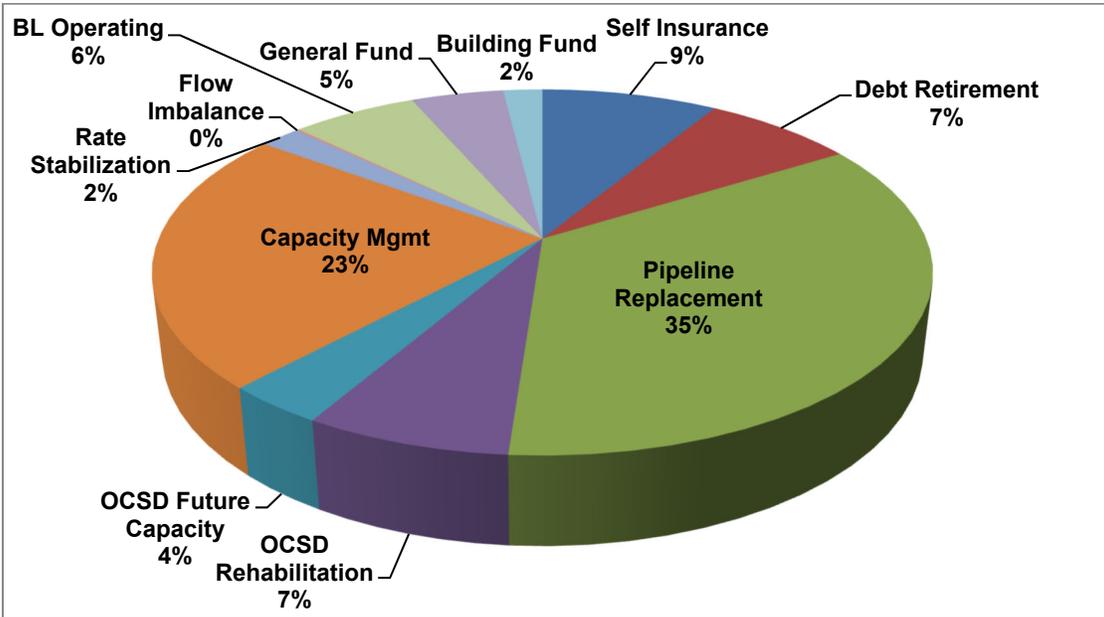
Contractually Restricted Reserves

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 2020
\$50.6 Million**



**Total Reserves/Funds
FYE 2021
\$50.5 Million**





Section 8 Personnel

Personnel

Staffing and related employment costs are one of the primary operating expenses for the Agency. For FYE 2020, these costs will represent \$5.6 million, or approximately 20% of the Agency's total budget of \$27.8 million. For FYE 2021, staffing and related employment costs will represent \$6.1 million, or approximately 25% of the Agency's total budget of \$24.4 million. Benefit costs for FYE 2020 have increased 3.5% from FYE 2019 and have increased by 8.4% for FYE 2021. Overall, employment expenses have increased by less than 0.5% (\$24,882) over the FYE 2019 budgeted expenses and have increased by 8.9% (\$494,110) for FYE 2021. The following increases are reflected in the total employment expenses:

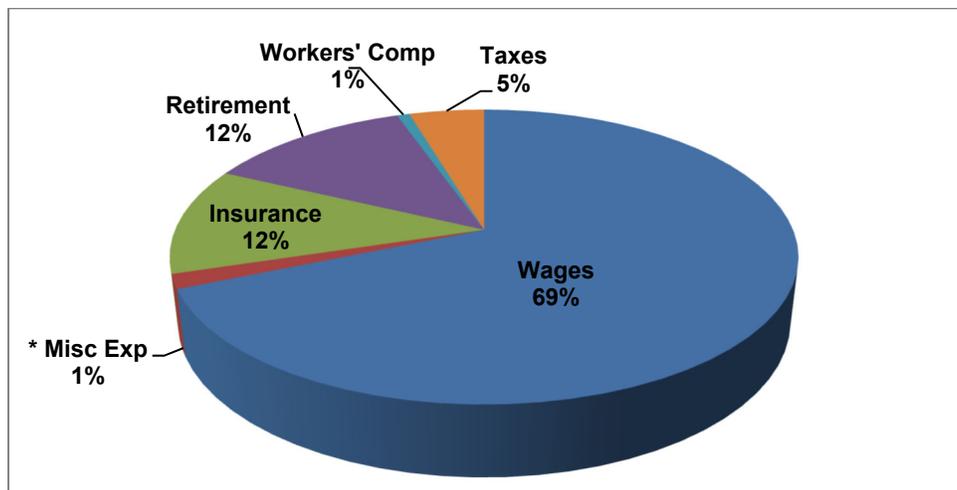
FYE 2020

- ◆ Projected increases in both insurance and taxes account for a slight increase.
- ◆ Increase in PERS employer contribution rate.
- ◆ An overall 8% increase for COLA and merit pool has been budgeted and approved, that will go into effect on July 1, 2019, for an estimated cost of \$283,255.
- ◆ The budget includes two additional positions: Business Analyst I and Pretreatment Apprentice for a total of \$190,570.
- ◆ Funds are available in the budget to be used at the General Manager's discretion for promoting and reclassification of budgeted positions.

FYE 2021

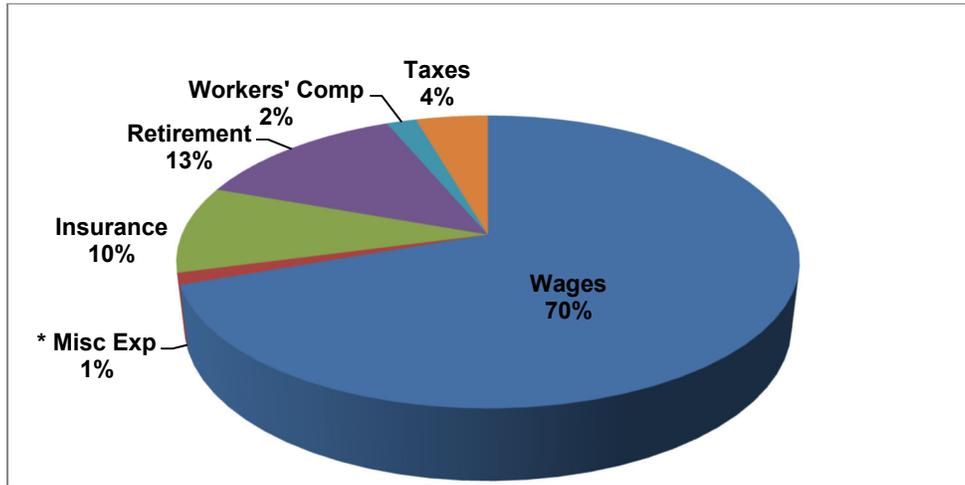
- ◆ Projected increases in both insurance and taxes account for a slight increase.
- ◆ Increase in PERS employer contribution rate.
- ◆ An overall 8% increase for COLA and merit pool has been budgeted and approved, that will go into effect on July 1, 2020, for an estimated cost of \$309,545.
- ◆ Funds are available in the budget to be used at the General Manager's discretion for promoting and reclassification of budgeted positions.

**Employment Expenses
FYE 2020
\$5.6 million**



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

**Employment Expenses
FYE 2021
\$6.1 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 2020 and 2021, these benefits are budgeted at \$1.7 million and \$1.9 million, or approximately 31% of employment expenses.

The following tables display total labor costs for FYEs 2020 and 2021 by department.

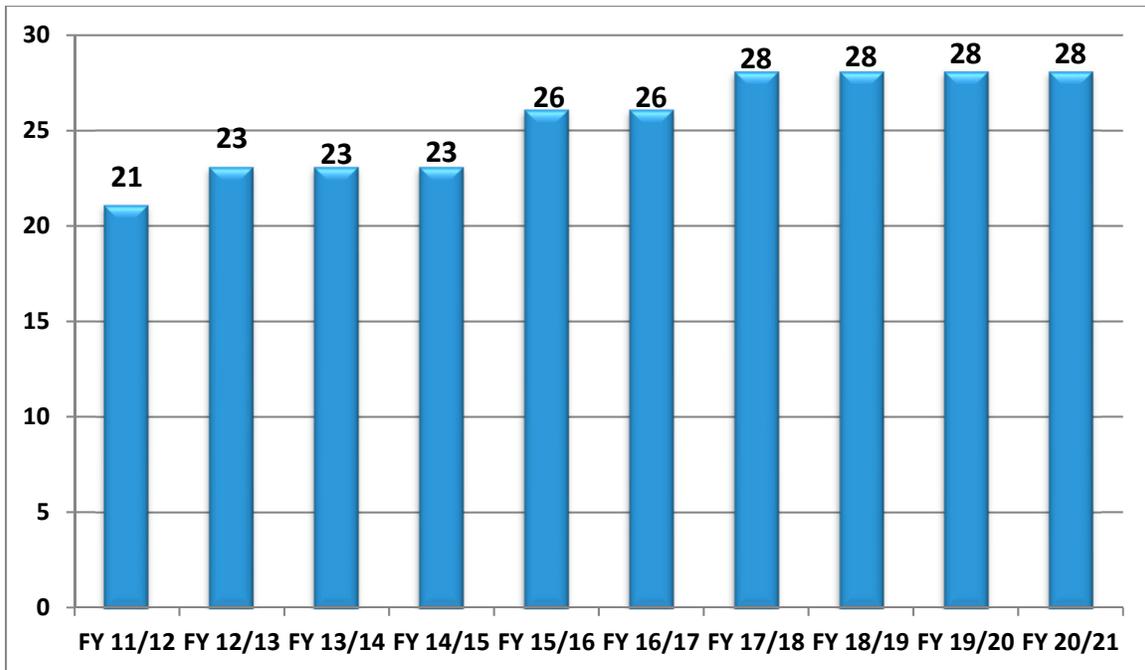
Labor Costs by Fund 2020

<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>	\$ 306,273	\$ 135,651	\$ 48,566	\$ 5,939	\$ 4,497	\$ 500,926
<i>Admin Services</i>	328,258	162,638	65,132	20,518	1,119	577,665
<i>Finance/Accounting</i>	238,982	85,913	93,485	19,297	5,016	442,693
<i>Info and Technology</i>	365,137	28,135	39,649	5,258	–	438,179
<i>Engineering</i>	127,830	387,849	66,983	–	50,767	633,428
<i>Operations</i>	133,447	406,749	–	5,398	15,820	561,413
<i>Wtr Resources & Plan</i>	139,672	–	438,467	92,959	–	671,098
Total	\$1,639,599	\$ 1,206,933	\$ 752,282	\$ 149,369	\$ 77,217	\$ 3,825,402

Labor Costs by Fund 2021

Department	General	Brine Line	OWOW	Round-table	Capital Projects	Total
Executive Mgmt	\$ 336,622	\$ 148,780	\$ 50,448	\$ 7,219	\$ 6,342	\$ 549,411
Admin Services	362,509	175,964	65,767	22,004	758	627,002
Finance/Accounting	275,075	94,136	90,759	18,704	4,225	482,899
Info and Technology	402,689	30,857	40,876	4,796	–	479,218
Engineering	139,743	427,469	68,403	–	55,680	691,295
Operations	145,518	442,894	–	5,881	17,269	611,561
Wtr Resources & Plan	152,681	–	479,495	100,177	–	732,353
Total	\$ 1,814,837	\$ 1,320,100	\$ 795,748	\$ 158,781	\$ 84,274	\$4,173,739

Budgeted Staffing Levels FY 11/12 – FY 20/21 (Does not include interns)



Staffing Plan

The FYEs 2020 and 2021 staffing plan includes the addition of two positions – Business Analyst I and a Pretreatment Apprentice. The Business Analyst I was an unbudgeted position that was added in FYE 2018. The Grant/Technical Writer position was removed from the budget and consultants will be utilized for the work instead. The following table is a summary of the Agency’s budgeted positions.

Total Budgeted Position Count by Year

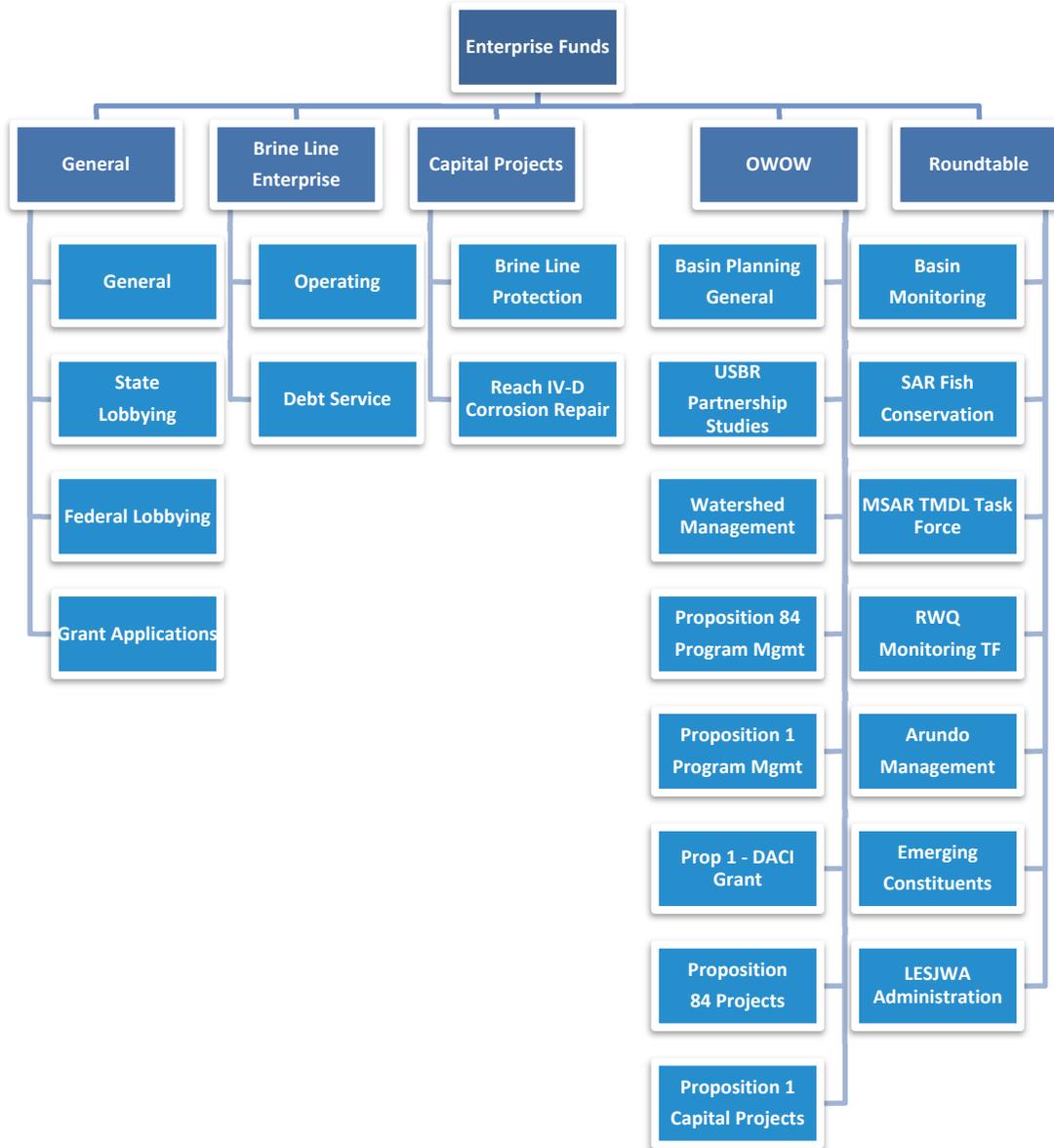
Position	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021	Department
<i>General Manager</i>	1	1	1	1	1	<i>Executive Management</i>
<i>Executive Counsel</i>	1	1	1	1	1	<i>Executive Management</i>
<i>Administrative Services Mgr</i>	1	1	1	1	1	<i>Administrative Services</i>
<i>Business Analyst I</i>	0	1	1	1	1	<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	3	3	<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	1	1	0	0	<i>Finance/Accounting</i>
<i>Accountant</i>	1	1	1	1	1	<i>Finance/Accounting</i>
<i>Accounting Technician</i>	0	0	0	1	1	<i>Finance/Accounting</i>
<i>IS and Technology Mgr</i>	1	1	1	1	1	<i>IS and Technology</i>
<i>GIS Project Manager</i>	1	1	1	1	1	<i>IS and Technology</i>
<i>GIS Analyst II</i>	1	1	1	1	1	<i>IS and Technology</i>
<i>Engineering & Operations Mgr</i>	1	1	0	0	0	<i>Engineering & Operations</i>
<i>Program Manager</i>	1	1	0	0	0	<i>Engineering & Operations</i>
<i>Senior Project Manager</i>	1	1	0	0	0	<i>Engineering & Operations</i>
<i>Engineering Manager</i>	0	0	1	1	1	<i>Engineering</i>
<i>Quality Control/Project Manager</i>	1	1	1	1	1	<i>Engineering</i>
<i>Mgr Permitting & Pretreatment</i>	1	1	1	1	1	<i>Engineering</i>
<i>Senior Pretreatment Specialist</i>	1	1	1	1	1	<i>Engineering</i>
<i>Pretreatment Apprentice</i>	0	0	0	1	1	<i>Engineering</i>
<i>Operations Manager</i>	0	0	1	1	1	<i>Operations</i>
<i>Senior Brine Line Pipeline Operator</i>	1	1	1	1	1	<i>Operations</i>
<i>Brine Line Pipeline Operator II</i>	2	3	3	3	3	<i>Operations</i>
<i>Water Res. & Planning Mgr</i>	1	1	1	1	1	<i>Water Resources & Planning</i>
<i>Senior Watershed Manager</i>	3	3	3	3	3	<i>Water Resources & Planning</i>
<i>Grant/Technical Writer</i>	0	1	1	0	0	<i>Water Resources & Planning</i>
Total	26	28	28	28	28	



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.

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<i>Fund Summary - Combined</i>	<i>General Fund</i>		<i>Brine Line Enterprise Fund</i>		<i>OWOW Fund</i>	
Source of Funds:	FYE 2020	FYE 2021	FYE 2020	FYE 2021	FYE 2020	FYE 2021
Discharge Fees	\$ -	\$ -	\$ 11,532,103	\$ 12,401,418	\$ -	\$ -
Grant Proceeds	\$ -	\$ -	\$ -	\$ -	\$ 4,658,908	\$ 3,572,232
Member Agency Contributions	\$ 676,966	\$ 680,339	\$ -	\$ -	\$ 830,000	\$ 830,000
Participant Fees	\$ -	\$ -	\$ -	\$ -	\$ 664,657	\$ 784,626
Operating Transfer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Use of Reserves	\$ -	\$ -	\$ 1,790,027	\$ 2,160,027	\$ -	\$ -
Other Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest & Investments	\$ -	\$ -	\$ 1,045,000	\$ 675,000	\$ -	\$ -
Total Source of Funds	\$ 676,966	\$ 680,339	\$ 14,367,130	\$ 15,236,445	\$ 6,153,565	\$ 5,186,858
Use of Funds:						
Labor	\$ 1,639,599	\$ 1,814,837	\$ 1,206,933	\$ 1,320,100	\$ 752,282	\$ 795,748
Benefits	\$ 747,858	\$ 822,088	\$ 550,510	\$ 597,981	\$ 343,135	\$ 360,459
Indirect Costs	\$ (3,289,177)	\$ (3,557,110)	\$ 1,816,182	\$ 1,990,646	\$ 1,132,032	\$ 1,199,949
Education & Training	\$ 49,800	\$ 50,200	\$ 12,000	\$ 12,500	\$ -	\$ -
Consulting & Professional Services	\$ 433,200	\$ 429,000	\$ 265,000	\$ 280,000	\$ 3,157,114	\$ 1,740,505
Operating Costs	\$ 6,400	\$ 6,550	\$ 3,537,600	\$ 3,792,500	\$ -	\$ -
Repair & Maintenance	\$ 122,100	\$ 122,550	\$ 450,000	\$ 385,000	\$ -	\$ -
Phone & Utilities	\$ 69,150	\$ 75,900	\$ 11,000	\$ 11,700	\$ -	\$ -
Equipment & Computer	\$ 210,900	\$ 212,650	\$ 156,500	\$ 161,500	\$ 500	\$ 500
Meeting & Travel	\$ 77,000	\$ 77,000	\$ 10,000	\$ 10,000	\$ 24,100	\$ 24,100
Other Administrative Costs	\$ 207,113	\$ 209,603	\$ 72,900	\$ 77,900	\$ 14,350	\$ 15,300
Other Expenses	\$ 135,250	\$ 139,250	\$ 199,250	\$ 142,350	\$ -	\$ -
Program Expense	\$ -	\$ -	\$ -	\$ -	\$ 697,903	\$ 988,035
Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ 2,835,027	\$ 2,835,027	\$ -	\$ -
Total Use of Funds from Operations	\$ 409,193	\$ 402,516	\$ 11,122,902	\$ 11,617,204	\$ 6,121,416	\$ 5,124,596
Contribution To/(From) Reserves:						
Pipeline Repair/Replacement Reserve	\$ -	\$ -	\$ 1,435,478	\$ 1,810,491	\$ -	\$ -
Self-Insurance Reserve	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ -
Debt Retirement Reserve	\$ -	\$ -	\$ 1,708,750	\$ 1,708,750	\$ -	\$ -
Retiree Medical Benefits	\$ 167,773	\$ 177,823	\$ -	\$ -	\$ -	\$ -
Building Repair/Replacement Reserve	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -
Total Contributions to Reserves	\$ 267,773	\$ 277,823	\$ 3,244,228	\$ 3,619,241	\$ -	\$ -
Total Use of Funds	\$ 676,966	\$ 680,339	\$ 14,367,130	\$ 15,236,445	\$ 6,121,416	\$ 5,124,596
Net Gain (Loss)	\$ -	\$ -	\$ -	\$ -	\$ 32,149	\$ 62,262
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 487,997	\$ 520,144
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 520,144	\$ 582,406

<i>Fund Summary - Combined</i>	<i>Roundtable Fund</i>		<i>Capital Project Fund</i>		<i>Total</i>		
<i>Source of Funds:</i>	<i>FYE 2020</i>	<i>FYE 2021</i>	<i>FYE 2020</i>	<i>FYE 2021</i>	<i>FYE 2020</i>	<i>FYE 2021</i>	<i>2-Yr Budget</i>
Discharge Fees	\$ -	\$ -	\$ -	\$ -	\$ 11,532,103	\$ 12,401,418	\$ 23,933,521
Grant Proceeds	\$ -	\$ -	\$ -	\$ -	\$ 4,658,908	\$ 3,572,232	\$ 8,231,140
Member Agency Contributions	\$ 20,000	\$ 20,000	\$ -	\$ -	\$ 1,526,966	\$ 1,530,339	\$ 3,057,305
Participant Fees	\$ 1,086,575	\$ 1,096,711	\$ -	\$ -	\$ 1,751,232	\$ 1,881,337	\$ 3,632,569
Operating Transfer	\$ 132,344	\$ 133,000	\$ -	\$ -	\$ 132,344	\$ 133,000	\$ 265,344
Use of Reserves	\$ -	\$ -	\$ 5,118,134	\$ 1,549,029	\$ 6,908,161	\$ 3,709,056	\$ 10,617,217
Other Income	\$ 205,186	\$ 206,881	\$ -	\$ -	\$ 205,186	\$ 206,881	\$ 412,067
Interest & Investments	\$ -	\$ -	\$ -	\$ -	\$ 1,045,000	\$ 675,000	\$ 1,720,000
Total Source of Funds	\$ 1,444,105	\$ 1,456,592	\$ 5,118,134	\$ 1,549,029	\$ 27,759,900	\$ 24,109,263	\$ 51,869,163
Use of Funds:							
Labor	\$ 149,369	\$ 158,781	\$ 77,217	\$ 84,274	\$ 3,825,402	\$ 4,173,739	\$ 7,999,141
Benefits	\$ 68,131	\$ 71,926	\$ 35,221	\$ 38,175	\$ 1,744,854	\$ 1,890,627	\$ 3,635,481
Indirect Costs	\$ 224,769	\$ 239,434	\$ 116,196	\$ 127,081	\$ -	\$ -	\$ -
Education & Training	\$ -	\$ -	\$ -	\$ -	\$ 61,800	\$ 62,700	\$ 124,500
Consulting & Professional Services	\$ 961,144	\$ 1,027,030	\$ 185,000	\$ 95,000	\$ 5,001,458	\$ 3,571,535	\$ 8,572,993
Operating Costs	\$ -	\$ -	\$ 2,000	\$ 2,000	\$ 3,546,000	\$ 3,801,050	\$ 7,347,050
Repair & Maintenance	\$ -	\$ -	\$ -	\$ -	\$ 572,100	\$ 507,550	\$ 1,079,650
Phone & Utilities	\$ -	\$ -	\$ -	\$ -	\$ 80,150	\$ 87,600	\$ 167,750
Equipment & Computer	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ 372,900	\$ 379,650	\$ 752,550
Meeting & Travel	\$ 1,550	\$ 1,550	\$ -	\$ -	\$ 112,650	\$ 112,650	\$ 225,300
Other Administrative Costs	\$ 11,150	\$ 11,150	\$ 2,500	\$ 2,500	\$ 308,013	\$ 316,453	\$ 624,466
Other Expenses	\$ 132,344	\$ 133,000	\$ -	\$ -	\$ 466,844	\$ 414,600	\$ 881,444
Program Expense	\$ 10,000	\$ 150,000	\$ -	\$ -	\$ 707,903	\$ 1,138,035	\$ 1,845,938
Construction	\$ -	\$ -	\$ 4,700,000	\$ 1,200,000	\$ 4,700,000	\$ 1,200,000	\$ 5,900,000
Debt Service	\$ -	\$ -	\$ -	\$ -	\$ 2,835,027	\$ 2,835,027	\$ 5,670,054
Total Use of Funds from Operations	\$ 1,563,457	\$ 1,797,871	\$ 5,118,134	\$ 1,549,029	\$ 24,335,102	\$ 20,491,216	\$ 44,826,318
Contribution To/(From) Reserves:							
Pipeline Repair/Replacement Reserve	\$ -	\$ -	\$ -	\$ -	\$ 1,435,478	\$ 1,810,491	\$ 3,245,969
Self-Insurance Reserve	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ 200,000
Debt Retirement Reserve	\$ -	\$ -	\$ -	\$ -	\$ 1,708,750	\$ 1,708,750	\$ 3,417,500
Retiree Medical Benefits	\$ -	\$ -	\$ -	\$ -	\$ 167,773	\$ 177,823	\$ 345,596
Building Repair/Replacement Reserve	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ 200,000
Total Contributions to Reserves	\$ -	\$ -	\$ -	\$ -	\$ 3,512,001	\$ 3,897,064	\$ 7,409,065
Total Use of Funds	\$ 1,563,457	\$ 1,797,871	\$ 5,118,134	\$ 1,549,029	\$ 27,847,103	\$ 24,388,280	\$ 52,235,383
Net Gain (Loss)	\$ (119,352)	\$ (341,279)	\$ -	\$ -	\$ (87,203)	\$ (279,017)	\$ (366,220)
Beginning Fund Balance	\$ 1,701,940	\$ 1,582,588	\$ -	\$ -	\$ 2,189,937	\$ 2,102,732	\$ 2,189,937
Ending Fund Balance	\$ 1,582,588	\$ 1,241,312	\$ -	\$ -	\$ 2,102,732	\$ 1,823,718	\$ 1,823,718

SAWPA Fund Summary FYE 2020	General Fund	Brine Line Enterprise Fund	OWOW Fund	Roundtable Fund	Capital Project Fund	Total
Source of Funds:						
Discharge Fees	\$ -	\$ 11,532,103	\$ -	\$ -	\$ -	\$ 11,532,103
Grant Proceeds	\$ -	\$ -	\$ 4,658,908	\$ -	\$ -	\$ 4,658,908
Member Agency Contributions	\$ 676,966	\$ -	\$ 830,000	\$ 20,000	\$ -	\$ 1,526,966
Participant Fees	\$ -	\$ -	\$ 664,657	\$ 1,086,575	\$ -	\$ 1,751,232
Operating Transfer	\$ -	\$ -	\$ -	\$ 132,344	\$ -	\$ 132,344
Use of Reserves	\$ -	\$ 1,790,027	\$ -	\$ -	\$ 5,118,134	\$ 6,908,161
Other Income	\$ -	\$ -	\$ -	\$ 205,186	\$ -	\$ 205,186
Interest & Investments	\$ -	\$ 1,045,000	\$ -	\$ -	\$ -	\$ 1,045,000
Total Source of Funds	\$ 676,966	\$ 14,367,130	\$ 6,153,565	\$ 1,444,105	\$ 5,118,134	\$ 27,759,900
Use of Funds:						
Labor	\$ 1,639,599	\$ 1,206,933	\$ 752,282	\$ 149,369	\$ 77,217	\$ 3,825,402
Benefits	\$ 747,858	\$ 550,510	\$ 343,135	\$ 68,131	\$ 35,221	\$ 1,744,854
Indirect Costs	\$ (3,289,177)	\$ 1,816,182	\$ 1,132,032	\$ 224,769	\$ 116,196	\$ -
Education & Training	\$ 49,800	\$ 12,000	\$ -	\$ -	\$ -	\$ 61,800
Consulting & Professional Services	\$ 433,200	\$ 265,000	\$ 3,157,114	\$ 961,144	\$ 185,000	\$ 5,001,458
Operating Costs	\$ 6,400	\$ 3,537,600	\$ -	\$ -	\$ 2,000	\$ 3,546,000
Repair & Maintenance	\$ 122,100	\$ 450,000	\$ -	\$ -	\$ -	\$ 572,100
Phone & Utilities	\$ 69,150	\$ 11,000	\$ -	\$ -	\$ -	\$ 80,150
Equipment & Computers	\$ 210,900	\$ 156,500	\$ 500	\$ 5,000	\$ -	\$ 372,900
Meeting & Travel	\$ 77,000	\$ 10,000	\$ 24,100	\$ 1,550	\$ -	\$ 112,650
Other Administrative Costs	\$ 207,113	\$ 72,900	\$ 14,350	\$ 11,150	\$ 2,500	\$ 308,013
Other Expenses	\$ 135,250	\$ 199,250	\$ -	\$ 132,344	\$ -	\$ 466,844
Program Expenses	\$ -	\$ -	\$ 697,903	\$ 10,000	\$ -	\$ 707,903
Construction	\$ -	\$ -	\$ -	\$ -	\$ 4,700,000	\$ 4,700,000
Debt Service	\$ -	\$ 2,835,027	\$ -	\$ -	\$ -	\$ 2,835,027
Total Use of Funds from Operations	\$ 409,193	\$ 11,122,902	\$ 6,121,416	\$ 1,563,457	\$ 5,118,134	\$ 24,335,102
Contribution To/(From) Reserves:						
Pipeline Repair/Replacement Reserve	\$ -	\$ 1,435,478	\$ -	\$ -	\$ -	\$ 1,435,478
Self-Insurance Reserve	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000
Debt Retirement Reserve	\$ -	\$ 1,708,750	\$ -	\$ -	\$ -	\$ 1,708,750
Retiree Medical Benefits	\$ 167,773	\$ -	\$ -	\$ -	\$ -	\$ 167,773
Building Repair/Replacement Reserve	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Total Contributions to Reserves	\$ 267,773	\$ 3,244,228	\$ -	\$ -	\$ -	\$ 3,512,001
Total Use of Funds	\$ 676,966	\$ 14,367,130	\$ 6,121,416	\$ 1,563,457	\$ 5,118,134	\$ 27,847,103
Net Gain (Loss)	\$ -	\$ -	\$ 32,149	\$ (119,352)	\$ -	\$ (87,203)
Beginning Fund Balance	\$ -	\$ -	\$ 487,997	\$ 1,701,940	\$ -	\$ 2,189,937
Ending Fund Balance	\$ -	\$ -	\$ 520,144	\$ 1,582,588	\$ -	\$ 2,102,732
<i>Proposition 1 & 84 Pass Through</i>	\$ -	\$ -	\$ 19,877,081	\$ -	\$ -	\$ 19,877,081
Indirect Costs Contribution	100.0%	55.22%	34.42%	6.83%	3.53%	

SAWPA Fund Summary FYE 2021	General Fund	Brine Line Enterprise Fund	OWOW Fund	Roundtable Fund	Capital Project Fund	Total
Source of Funds:						
Discharge Fees	\$ -	\$ 12,401,418	\$ -	\$ -	\$ -	\$ 12,401,418
Grant Proceeds	\$ -	\$ -	\$ 3,572,232	\$ -	\$ -	\$ 3,572,232
Member Agency Contributions	\$ 680,339	\$ -	\$ 830,000	\$ 20,000	\$ -	\$ 1,530,339
Participant Fees	\$ -	\$ -	\$ 784,626	\$ 1,096,711	\$ -	\$ 1,881,337
Operating Transfer	\$ -	\$ -	\$ -	\$ 133,000	\$ -	\$ 133,000
Use of Reserves	\$ -	\$ 2,160,027	\$ -	\$ -	\$ 1,549,029	\$ 3,709,056
Other Income	\$ -	\$ -	\$ -	\$ 206,881	\$ -	\$ 206,881
Interest & Investments	\$ -	\$ 675,000	\$ -	\$ -	\$ -	\$ 675,000
Total Source of Funds	\$ 680,339	\$ 15,236,445	\$ 5,186,858	\$ 1,456,592	\$ 1,549,029	\$ 24,109,263
Use of Funds:						
Labor	\$ 1,814,837	\$ 1,320,100	\$ 795,748	\$ 158,781	\$ 84,274	\$ 4,173,739
Benefits	\$ 822,088	\$ 597,981	\$ 360,459	\$ 71,926	\$ 38,175	\$ 1,890,627
Indirect Costs	\$ (3,557,110)	\$ 1,990,646	\$ 1,199,949	\$ 239,434	\$ 127,081	\$ -
Education & Training	\$ 50,200	\$ 12,500	\$ -	\$ -	\$ -	\$ 62,700
Consulting & Professional Services	\$ 429,000	\$ 280,000	\$ 1,740,505	\$ 1,027,030	\$ 95,000	\$ 3,571,535
Operating Costs	\$ 6,550	\$ 3,792,500	\$ -	\$ -	\$ 2,000	\$ 3,801,050
Repair & Maintenance	\$ 122,550	\$ 385,000	\$ -	\$ -	\$ -	\$ 507,550
Phone & Utilities	\$ 75,900	\$ 11,700	\$ -	\$ -	\$ -	\$ 87,600
Equipment & Computers	\$ 212,650	\$ 161,500	\$ 500	\$ 5,000	\$ -	\$ 379,650
Meeting & Travel	\$ 77,000	\$ 10,000	\$ 24,100	\$ 1,550	\$ 2,500	\$ 112,650
Other Administrative Costs	\$ 209,603	\$ 77,900	\$ 15,300	\$ 11,150	\$ -	\$ 316,453
Other Expenses	\$ 139,250	\$ 142,350	\$ -	\$ 133,000	\$ -	\$ 414,600
Program Expenses	\$ -	\$ -	\$ 988,035	\$ 150,000	\$ -	\$ 1,138,035
Construction	\$ -	\$ -	\$ -	\$ -	\$ 1,200,000	\$ 1,200,000
Debt Service	\$ -	\$ 2,835,027	\$ -	\$ -	\$ -	\$ 2,835,027
Total Use of Funds from Operations	\$ 402,516	\$ 11,617,204	\$ 5,124,596	\$ 1,797,871	\$ 1,549,029	\$ 20,491,216
Contribution To/(From) Reserves:						
Pipeline Repair/Replacement Reserve	\$ -	\$ 1,810,491	\$ -	\$ -	\$ -	\$ 1,810,491
Self-Insurance Reserve	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000
Debt Retirement Reserve	\$ -	\$ 1,708,750	\$ -	\$ -	\$ -	\$ 1,708,750
Retiree Medical Benefits	\$ 177,823	\$ -	\$ -	\$ -	\$ -	\$ 177,823
Building Repair/Replacement Reserve	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Total Contributions to Reserves	\$ 277,823	\$ 3,619,241	\$ -	\$ -	\$ -	\$ 3,897,064
Total Use of Funds	\$ 680,339	\$ 15,236,445	\$ 5,124,596	\$ 1,797,871	\$ 1,549,029	\$ 24,388,280
Net Gain (Loss)	\$ -	\$ -	\$ 62,262	\$ (341,279)	\$ -	\$ (279,017)
Beginning Fund Balance	\$ -	\$ -	\$ 520,144	\$ 1,582,588	\$ -	\$ 2,102,732
Ending Fund Balance	\$ -	\$ -	\$ 582,406	\$ 1,241,312	\$ -	\$ 1,823,718
<i>Proposition 1 & 84 Pass Through</i>	\$ -	\$ -	\$ 15,380,781	\$ -	\$ -	\$ 15,380,781
Indirect Costs Contribution	100.0%	55.96%	33.73%	6.73%	3.57%	

General Fund

The General Fund is the administrative cost center for labor, benefits, and other direct costs associated with SAWPA's efforts of operating the JPA, which are not directly allocable to the other funds. Other direct costs include operating costs, repair and maintenance of the building, technology and information systems, Commission and related expenses, and lobbying efforts. Through the 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.

Legislative Efforts

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

Revenue and Other Funding Sources

In FYE 2020, the general fund has total budgeted revenues of \$676,966, or approximately 2.4% of the total budgeted revenue of \$27.7 million. Revenues are made up of member agency contributions.

In FYE 2021, the general fund has total budgeted revenues of \$680,339, or approximately 2.8% of the total budgeted revenue of \$24.1 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 2020, the general fund has total budgeted expenses of \$3.9 million, or approximately 16.3% of the total budgeted operating expenses of \$24.3 million. General fund expenses are projected to increase by approximately 5.1% or \$193,879, over the FYE 2019 budget.

In FYE 2021, the general fund has total budgeted expenses of \$4.2 million, or approximately 20.7% of the total budgeted operating expenses of \$20.5 million. General fund expenses are projected to increase approximately 6.8% or \$271,306, over the FYE 2020 budget.

Of the total expenses for FYEs 2020 and 2021, \$3.3 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 \$676,966 (FYE 2020) and \$680,339 (FYE 2021) will be covered by member agency contributions and reserves.

FYE 2020 Indirect Cost Allocation by Fund Type

<i>Fund Type</i>	<i>Indirect Cost Allocation</i>	<i>% of Total</i>
Brine Line Enterprise Fund	\$1,816,182	55.22%
OWOW Fund	1,132,032	34.42%
Roundtable Fund	224,769	6.83%
Capital Project Fund	116,196	3.53%
Total	\$3,289,177	100.00%

FYE 2021 Indirect Cost Allocation by Fund Type

<i>Fund Type</i>	<i>Indirect Cost Allocation</i>	<i>% of Total</i>
Brine Line Enterprise Fund	\$1,990,646	55.97%
OWOW Fund	1,199,949	33.73%
Roundtable Fund	239,434	6.73%
Capital Project Fund	127,081	3.57%
Total	\$3,557,110	100.00%

Labor and Benefits

Total labor and benefits for FYE 2020 are projected to be \$2.4 million, or 43% of the Agency's total labor and benefits of \$5.6 million. This is an increase of 1% over last year's budget. Approximately 12.3 FTE, or 25,622 total hours will be required to perform work under this fund.

Total labor and benefits for FYE 2021 are projected to be \$2.6 million, or 43% of the Agency's total labor and benefits of \$6 million. This is an increase of 10% over the FYE 2020 budget. Approximately 12.5 FTE, or 25,990 total hours will be required to perform work under this fund.

Education and Training

Total education and training costs are projected to be \$49,800 for FYE 2020 and \$50,200 for FYE 2021. This is a decrease of 13.1% over the FYE 2019 budget with a slight increase for FYE 2021.

Consulting and Other Professional Services

Total consulting and other professional services are projected to be \$433,200 for FYE 2020 and \$429,000 for FYE 2021. This is an increase of 66% over last year's budget and a decrease of 1% over the FYE 2020 budget. The planned increase is for legal services. 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 FYE 2020 and \$6,550 for FYE 2021. This is an increase of 5.1% from FYE 2019. Costs in this category include materials, supplies, and safety.

Repair and Maintenance

Total repair and maintenance costs are projected to be \$122,100 for FYE 2020 and \$122,550 for FYE 2021. This is an increase of 15.7% over last year's budget and a slight increase over the FYE 2020 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 \$69,150 for FYE 2020 and \$75,900 for FYE 2021. This is a decrease of 6% over last year's budget and an increase of 9.7% over the FYE 2020 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 \$210,900 for FYE 2020 and \$212,650 for FYE 2021. This is a decrease of 9.4% over last year's budget and a slight increase over the FYE 2020 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 \$77,000 for FYEs 2020 and 2021. This is a slight decrease over last year's budget. Costs in this category include offsite meeting and travel, in-house meetings, and conference expenses.

Other Administrative Costs

Total other administrative costs are projected to be \$207,113 for FYE 2020 and \$209,603 for FYE 2021. This is a decrease of 8.7% over last year's budget and a 1.2% increase over the FYE 2020 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 \$135,250 for FYE 2020 and \$139,250 for FYE 2021. This is a decrease of 17.9% over last year's budget and an increase of 2.9% over the FYE 2020 budget. The Agency joined the Cal Mutuals Joint Powers Risk and Insurance Management Authority (JPRIMA) which lowered insurance costs. Costs in this category include insurance, contingency costs, 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 2020 and 2021, no fixed asset purchases are planned.

Reserve Contributions

Included in the budget are reserve contributions of \$267,773 for FYE 2020 and \$277,823 for FYE 2021. The Annual Required Contribution (ARC) for the Retiree Medical Trust is \$167,773 for FYE 2020 and \$177,823 for FYE 2021. For both FYEs 2020 and 2021 the contribution to the Building Repair/Replacement reserve is \$100,000.

FYE 2020 Reserve Balance

<i>Reserve</i>	<i>FYE 2019 Balance</i>	<i>Contribution</i>	<i>Interest</i>	<i>Expenses</i>	<i>FYE 2020 Balance</i>
Building Repair	\$684,110	\$100,000	\$-	\$-	\$784,110
Total	\$684,110	\$100,000	\$-	\$-	\$784,110

FYE 2021 Reserve Balance

<i>Reserve</i>	<i>FYE 2020 Balance</i>	<i>Contribution</i>	<i>Interest</i>	<i>Expenses</i>	<i>FYE 2021 Balance</i>
Building Repair	\$784,110	\$100,000	\$-	\$-	\$884,110
Total	\$784,110	\$100,000	\$-	\$-	\$884,110

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 2020. The Agency joined the CalPERS Trust Fund and will contribute the ARC each year.

General Fund Budget FYE 2020	General Fund Fund 100-00	State Lobbying Fund 100-03	Federal Lobbying Fund 100-04	Grant Applications Fund 100-05	Total
Source of Funds:					
Member Agency Contributions	\$ 450,000	\$ 226,966	\$ –	\$ –	\$ 676,966
Total Source of Funds	\$ 450,000	\$ 226,966	\$ –	\$ –	\$ 676,966
Staffing:					
Hours Allocated	25,082	540	–	–	25,622
FTE (based on 2080)	12.1	0.3	–	–	12.3
Use of Funds:					
Labor	\$ 1,576,784	\$ 62,815	\$ –	\$ –	\$ 1,639,599
Benefits	\$ 719,207	\$ 28,651	\$ –	\$ –	\$ 747,858
Indirect Costs Applied	\$ (3,289,177)	\$ –	\$ –	\$ –	\$ (3,289,177)
Education & Training	\$ 49,800	\$ –	\$ –	\$ –	\$ 49,800
Consulting & Professional Services	\$ 313,200	\$ 120,000	\$ –	\$ –	\$ 433,200
Operating Costs	\$ 6,400	\$ –	\$ –	\$ –	\$ 6,400
Repair & Maintenance	\$ 122,100	\$ –	\$ –	\$ –	\$ 122,100
Phone & Utilities	\$ 69,150	\$ –	\$ –	\$ –	\$ 69,150
Equipment & Computers	\$ 210,900	\$ –	\$ –	\$ –	\$ 210,900
Meeting & Travel	\$ 62,000	\$ 15,000	\$ –	\$ –	\$ 77,000
Other Administrative Costs	\$ 206,613	\$ 500	\$ –	\$ –	\$ 207,113
Other Expenses	\$ 135,250	\$ –	\$ –	\$ –	\$ 135,250
Total Use of Funds from Operations	\$ 182,227	\$ 226,966	\$ –	\$ –	\$ 409,193
Contribution To/(From) Reserves:					
Retiree Medical Benefits	\$ 167,773	\$ –	\$ –	\$ –	\$ 167,773
Building Repair/Replacement Reserve	\$ 100,000	\$ –	\$ –	\$ –	\$ 100,000
Total Contributions to Reserves	\$ 267,773	\$ –	\$ –	\$ –	\$ 267,773
Total Use of Funds	\$ 450,000	\$ 226,966	\$ –	\$ –	\$ 676,966
Net Gain (Loss)	\$ –	\$ –	\$ –	\$ –	\$ –

General Fund Budget FYE 2021	General Fund Fund 100-00	State Lobbying Fund 100-03	Federal Lobbying Fund 100-04	Grant Applications Fund 100-05	Total
Source of Funds:					
Member Agency Contributions	\$ 450,000	\$ 230,339	\$ –	\$ –	\$ 680,339
Total Source of Funds	\$ 450,000	\$ 230,339	\$ –	\$ –	\$ 680,339
Staffing:					
Hours Allocated	25,500	490	–	–	25,990
FTE (based on 2080)	12.3	0.2	–	–	12.5
Use of Funds:					
Labor	\$ 1,753,005	\$ 61,831	\$ –	\$ –	\$ 1,814,837
Benefits	\$ 794,079	\$ 28,008	\$ –	\$ –	\$ 822,088
Indirect Costs Applied	\$ (3,557,110)	\$ –	\$ –	\$ –	\$ (3,557,110)
Education & Training	\$ 50,200	\$ –	\$ –	\$ –	\$ 50,200
Consulting & Professional Services	\$ 304,000	\$ 125,000	\$ –	\$ –	\$ 429,000
Operating Costs	\$ 6,550	\$ –	\$ –	\$ –	\$ 6,550
Repair & Maintenance	\$ 122,550	\$ –	\$ –	\$ –	\$ 122,550
Phone & Utilities	\$ 75,900	\$ –	\$ –	\$ –	\$ 75,900
Equipment & Computers	\$ 212,650	\$ –	\$ –	\$ –	\$ 212,650
Meeting & Travel	\$ 62,000	\$ 15,000	\$ –	\$ –	\$ 77,000
Other Administrative Costs	\$ 209,103	\$ 500	\$ –	\$ –	\$ 209,603
Other Expenses	\$ 139,250	\$ –	\$ –	\$ –	\$ 139,250
Total Use of Funds from Operations	\$ 172,177	\$ 230,339	\$ –	\$ –	\$ 402,516
Contribution To/(From) Reserves:					
Retiree Medical Benefits	\$ 177,823	\$ –	\$ –	\$ –	\$ 177,823
Building Repair/Replacement Reserve	\$ 100,000	\$ –	\$ –	\$ –	\$ 100,000
Total Contributions to Reserves	\$ 277,823	\$ –	\$ –	\$ –	\$ 277,823
Total Use of Funds	\$ 450,000	\$ 230,339	\$ –	\$ –	\$ 680,339
Net Gain (Loss)	\$ –	\$ –	\$ –	\$ –	\$ –

General Funds FYE 2015 - 2021	FYE 2015 Actual	FYE 2016 Actual	FYE 2017 Actual	FYE 2018 Actual	FYE 2019 Budget	FYE 2019 Actual	FYE 2020 Budget	FYE 2021 Budget
Source of Funds:								
Member Agency Contributions	\$ 942,950	\$ 617,795	\$ 699,305	\$ 657,454	\$ 650,695	\$ 650,695	\$ 676,966	\$ 680,339
Other Income	\$ 87,370	\$ 33,728	\$ 26,017	\$ 22,366	\$ -	\$ 1,424	\$ -	\$ -
Interest & Investments	\$ 11,412	\$ 17,945	\$ 28,844	\$ 58,674	\$ -	\$ 84,189	\$ -	\$ -
Total Source of Funds	\$ 1,041,732	\$ 669,468	\$ 754,166	\$ 738,494	\$ 650,695	\$ 736,308	\$ 676,966	\$ 680,339
Use of Funds:								
Labor	\$ 1,310,984	\$ 1,459,657	\$ 1,559,672	\$ 1,535,396	\$ 1,646,142	\$ 1,635,475	\$ 1,639,599	\$ 1,814,837
Benefits	\$ 601,741	\$ 448,950	\$ 511,821	\$ 670,965	\$ 719,291	\$ 714,702	\$ 747,858	\$ 822,088
Indirect Costs Applied	\$ (2,364,306)	\$ (2,387,730)	\$ (2,720,071)	\$ (2,706,912)	\$ (3,121,569)	\$ (2,978,568)	\$ (3,289,177)	\$ (3,557,110)
Education & Training	\$ 14,974	\$ 14,764	\$ 13,177	\$ 19,045	\$ 57,300	\$ 13,793	\$ 49,800	\$ 50,200
Consulting & Professional Services	\$ 228,471	\$ 214,820	\$ 215,493	\$ 284,125	\$ 249,400	\$ 307,420	\$ 433,200	\$ 429,000
Operating Costs	\$ 3,929	\$ 4,250	\$ 4,437	\$ 6,567	\$ 6,090	\$ 3,240	\$ 6,400	\$ 6,550
Repair & Maintenance	\$ 55,707	\$ 49,012	\$ 59,040	\$ 62,959	\$ 105,540	\$ 71,204	\$ 122,100	\$ 122,550
Phone & Utilities	\$ 54,647	\$ 57,294	\$ 54,629	\$ 61,471	\$ 73,620	\$ 54,220	\$ 69,150	\$ 75,900
Equipment & Computer	\$ 188,294	\$ 170,285	\$ 150,687	\$ 155,710	\$ 232,900	\$ 211,176	\$ 210,900	\$ 212,650
Meeting & Travel	\$ 21,187	\$ 27,223	\$ 15,424	\$ 18,517	\$ 77,500	\$ 17,476	\$ 77,000	\$ 77,000
Other Administrative Costs	\$ 79,197	\$ 91,628	\$ 81,899	\$ 122,894	\$ 226,777	\$ 125,240	\$ 207,113	\$ 209,603
Other Expenses	\$ 113,792	\$ 61,298	\$ 66,777	\$ 139,897	\$ 164,703	\$ 97,386	\$ 135,250	\$ 139,250
Total Use of Funds from Operations	\$ 308,617	\$ 211,451	\$ 12,985	\$ 370,634	\$ 437,695	\$ 272,764	\$ 409,193	\$ 402,516
Contributions To/(From) Reserves:								
Retiree Medical Benefits	\$ 68,309	\$ 37,607	\$ 33,813	\$ 133,709	\$ 113,000	\$ 95,534	\$ 167,773	\$ 177,823
Building Repair/Replacement Reserve	\$ 65,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Total Contributions to Reserves	\$ 133,309	\$ 137,607	\$ 133,813	\$ 233,709	\$ 213,000	\$ 195,534	\$ 267,773	\$ 277,823
Total Use of Funds	\$ 441,926	\$ 349,058	\$ 146,798	\$ 604,343	\$ 650,695	\$ 468,298	\$ 676,966	\$ 680,339
Net Gain (Loss)	\$ 599,806	\$ 320,410	\$ 607,368	\$ 134,151	\$ -	\$ 268,010	\$ -	\$ -

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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

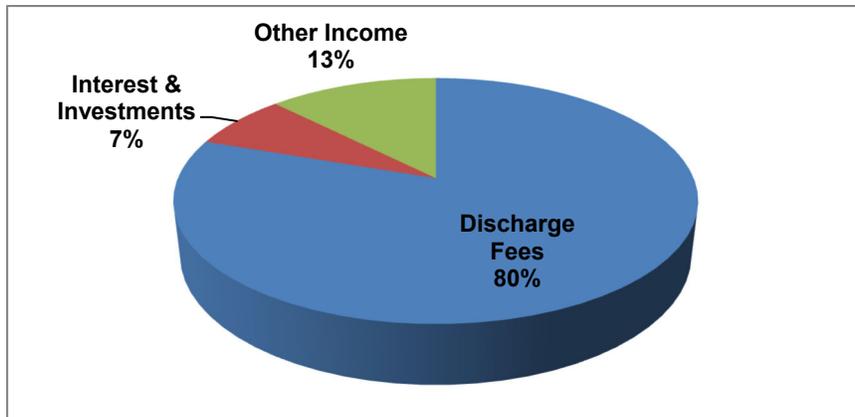
The Brine Line is a regional brine line designed to convey 30 MGD of non-reclaimable wastewater from the upper Santa Ana River Basin to the ocean for disposal, after treatment. The non-reclaimable wastewater consists of desalter concentrate, other brine wastes, and industrial wastewater. Domestic wastewater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

Revenue and Other Funding Sources

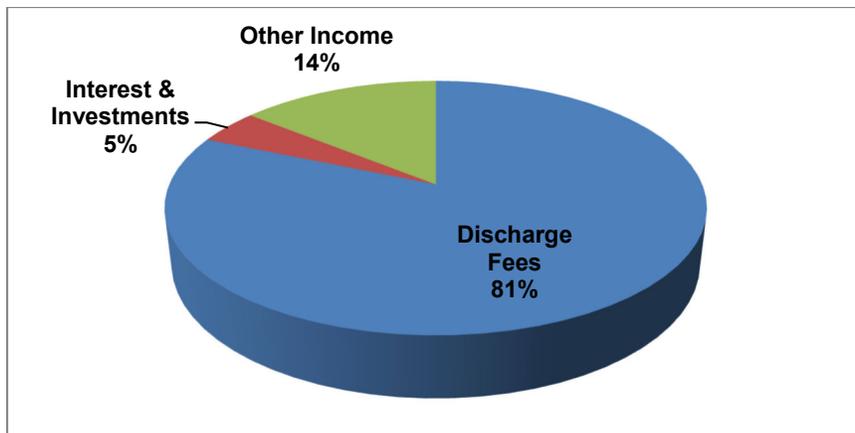
In FYE 2020, the Brine Line Enterprise has total budgeted revenues of \$14.3 million, or approximately 51.7% of the total budgeted revenue of \$27.7 million. Revenues are made up of \$11.5 million from discharge fees, \$1 million from interest and investments, and \$1.8 million from other income.

In FYE 2021, the Brine Line Enterprise has total budgeted revenues of \$15.2 million, or approximately 63.2% of the total budgeted revenue of \$24.1 million. Revenues are made up of \$12.4 million from discharge fees, \$0.7 million from interest and investments, and \$2.1 million from other income.

FYE 2020 Revenues
\$14.3 Million



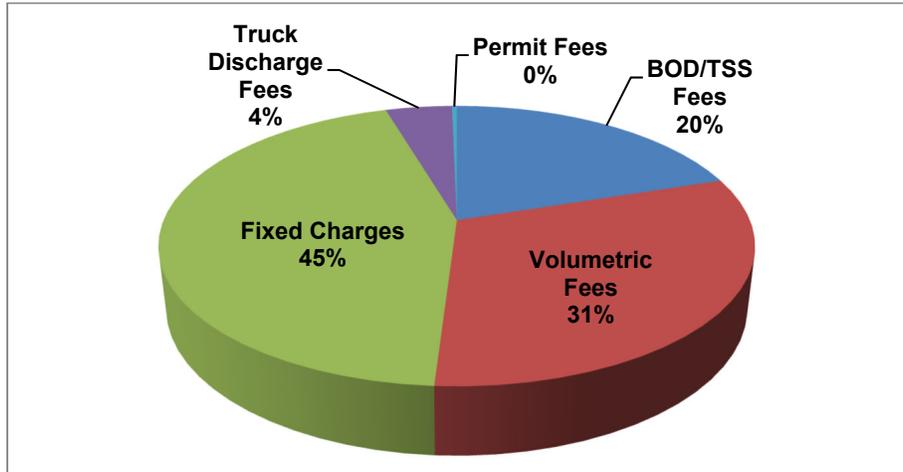
FYE 2021 Revenues
\$15.2 Million



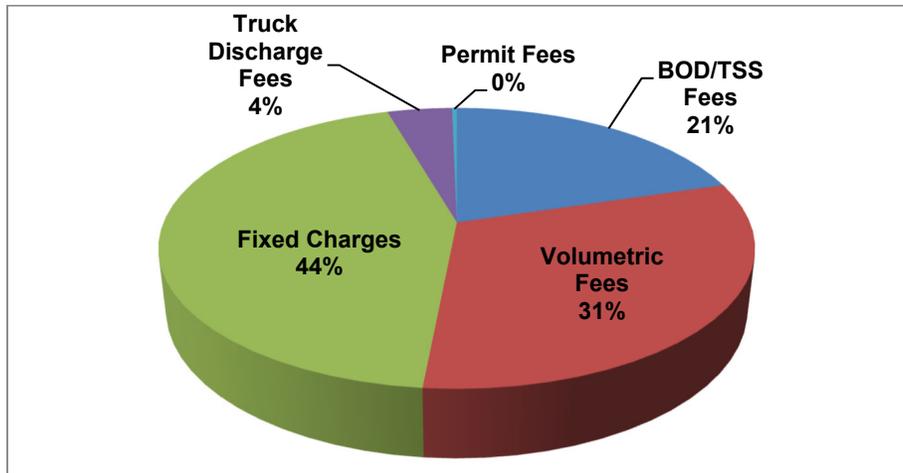
Brine Line Operating Revenues

Brine Line operating revenues include discharge fees, other income/use of reserves, and interest and investments. Total discharge fees for FYEs 2020 and 2021 are projected to be \$11.5 million and \$12.4 million. Total interest and investments for FYEs 2020 and 2021 are projected to be \$1 million and \$0.7 million. Total Other Income for FYEs 2020 and 2021 are projected to be \$1.8 million and \$2.1 million.

**FYE 2020 Discharge Fees
\$11.5 Million**



**FYE 2021 Discharge Fees
\$12.4 Million**



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

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

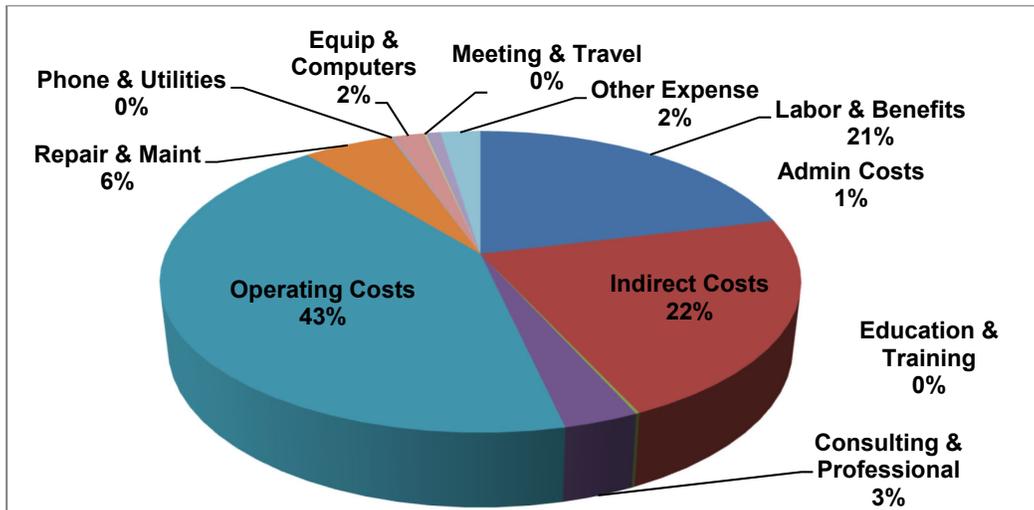
Brine Line Operating Expenses and Other Uses of Funds

In FYE 2020, the Brine Line operating fund has total budgeted expenses of \$8.3 million, or approximately 34% of total budgeted operating expenses of \$24.3 million.

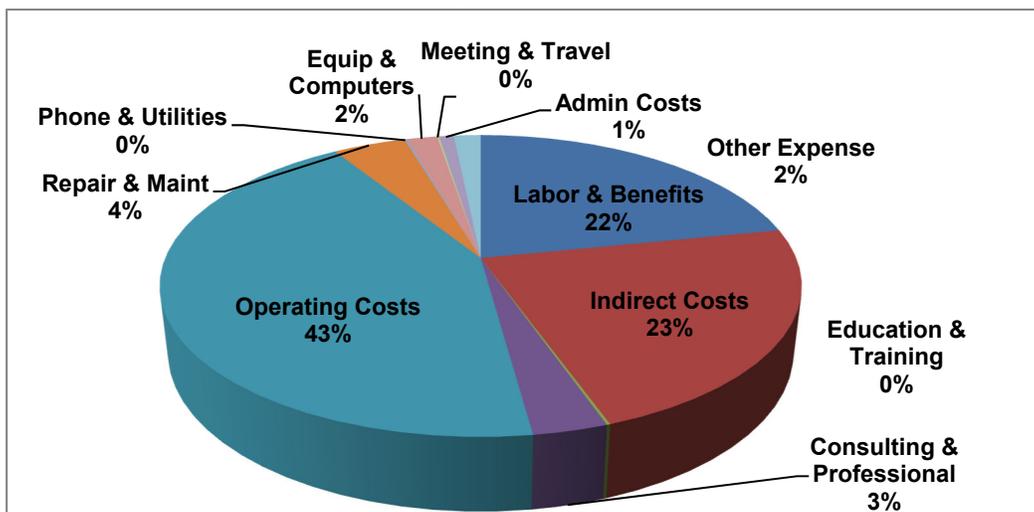
In FYE 2021, the Brine Line operating fund has total budgeted expenses of \$8.8 million, or approximately 42.8% of total budgeted operating expenses of \$20.5 million.

Brine Line Enterprise expenses are projected to increase by \$0.7 million over the FYE 2019 budget. This is due to an increase in labor costs from adding an apprentice position and slight increases in most of the expense categories.

**FYE 2020 Total Operating Expenses
\$8.3 Million**



**FYE 2021 Total Operating Expenses
\$8.8 Million**



Labor and Benefits

In FYE 2020, total labor and benefits are projected to be \$1.7 million, or approximately 31.5% of the Agency's total labor and benefits of \$5.6 million. This is an increase of 18.4% over last year's budget. The increase is based on the addition of the pretreatment apprentice and data analyst positions. Approximately 10.5 FTE, or 21,925 hours are required under this fund.

In FYE 2021, total labor and benefits are projected to be \$1.9 million, or approximately 31.6% of the Agency's total labor and benefits of \$6 million. This is a minimal increase the FYE 2021 budget. Approximately 10.6 FTE, or 21,975 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 2020, approximately 55.2%, or \$1.8 million of general fund expenses will be paid by the Brine Line Enterprise. In FYE 2021, approximately 55.9%, or \$2 million of general fund expenses will be paid by the Brine Line Enterprise.

Training Costs

Training costs are projected to be \$12,000 for FYE 2020 and \$12,500 for FYE 2021. 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 \$265,000 for FYE 2020, a \$25,000 decrease over FYE 2019. Consulting and professional services for FYE 2021 are projected to be \$280,000, an increase of 5.7% over FYE 2020.

The following table shows the type of work that will be completed by consultants for the FYEs 2020 and 2021.

FYE 2020 Consulting & Professional Services

<i>Work Performed</i>	<i>FYE 2020</i>
Brine Flow Projection Planning	\$ 25,000
Engineering Support	\$ 50,000
Financial Model Update	\$ 15,000
Developer Coordination – Construction Support	\$ 50,000
Scale evaluation, solids control, operations support	\$ 80,000
Right of way, surveyor support, as built drawings	\$ 20,000
Legal fees	\$ 25,000
Total Consulting & Professional Services	\$ 265,000

FYE 2021 Consulting & Professional Services

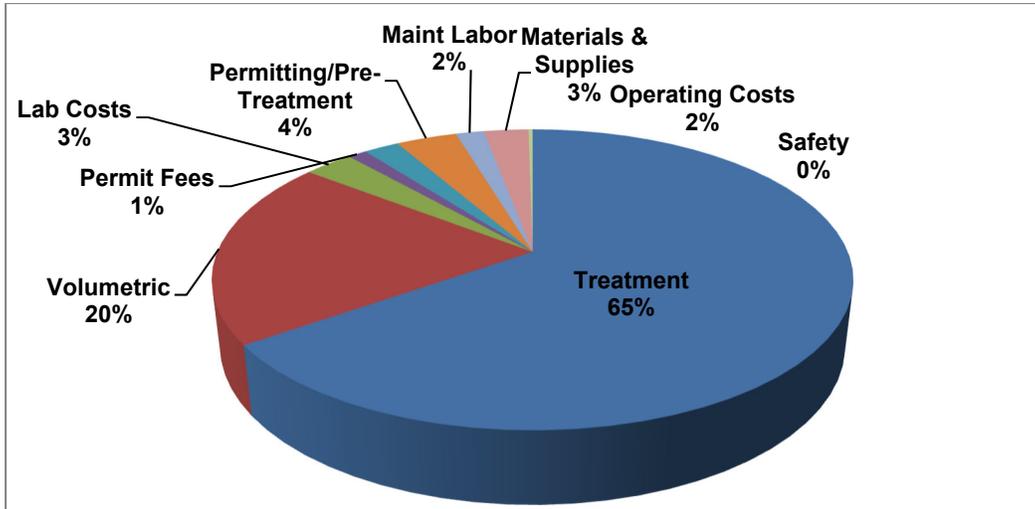
<i>Work Performed</i>	<i>FYE 2021</i>
Brine Flow Projection Planning	\$ 25,000
Engineering Support	\$ 50,000
Financial Model Update	\$ 15,000
Developer Coordination – Construction Support	\$ 60,000
Scale evaluation, solids control, operations support	\$ 80,000
Right of way, surveyor support, as built drawings	\$ 25,000
Legal fees	\$ 25,000
Total Consulting & Professional Services	\$ 280,000

Operating Costs

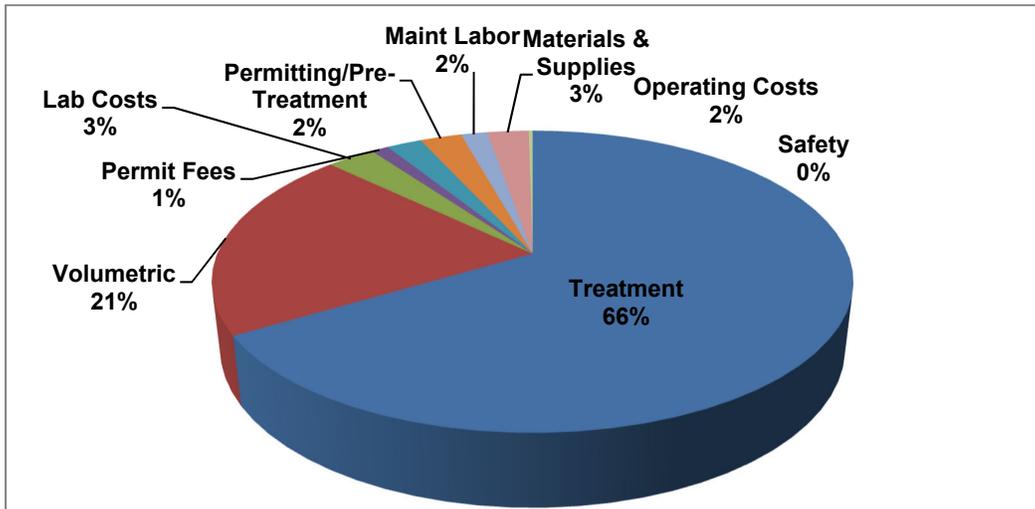
Operating costs include treatment and volumetric costs paid to OCSD, permitting and pre-treatment activities, member agency operating labor, maintenance, materials, and safety costs.

In FYE 2020, total budgeted operating costs are \$3.5 million, or approximately 42.7% of total Brine Line operating expenses. In FYE 2021, total budgeted operating costs are \$3.8 million, or approximately 43.2% of total Brine Line operating expenses.

FYE 2020 Operating Costs
\$3.5 Million



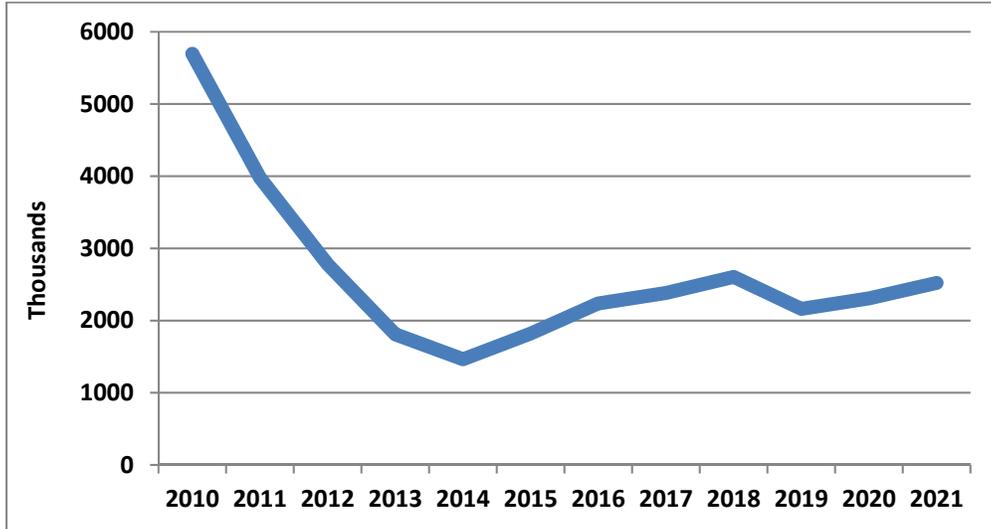
FYE 2021 Operating Costs
\$3.8 Million



- Treatment Costs

Treatment costs are the fees OCSD charges for BOD and TSS loadings based on samples taken at the meter facility located near the Orange County line. Total treatment costs are projected to be \$2.3 million for FYE 2020 and \$2.5 million for FYE 2021. Treatment costs are passed through to the dischargers.

Historical Treatment Costs

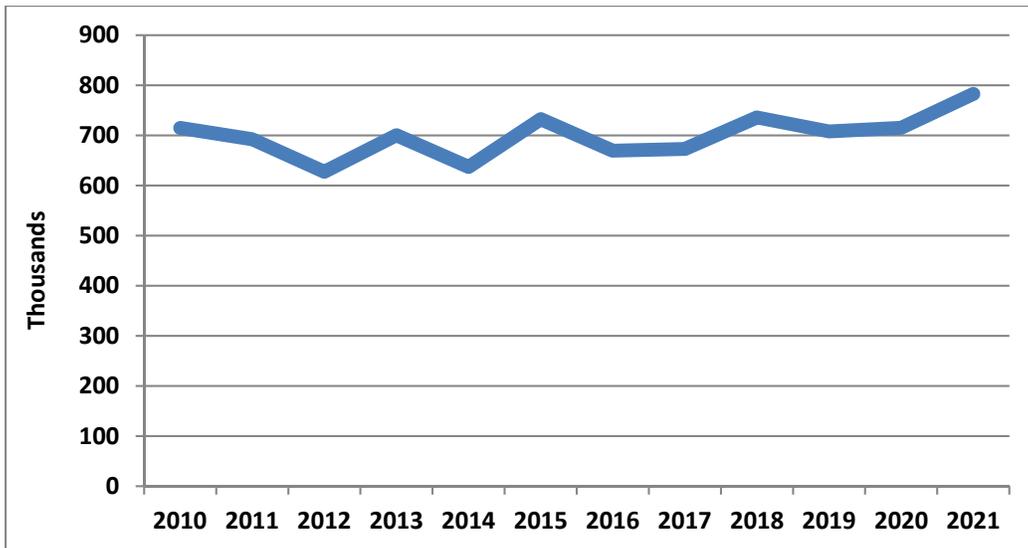


- Volumetric Costs

Volumetric costs are the fees OCSD charges for volume of flow at Meter S-01. Total volumetric costs are projected to be \$715,400 for FYE 2020 and \$782,800 for FYE 2021. This is an increase of 1% over last year's budget and an increase of 9.4% over the FYE 2020 budget.

Last year's (FYE 2019) projected total flow was 10 MGD; whereas this year's projected total flow is 10 MGD for FYE 2020 and 10.5 MGD for FYE 2021.

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 \$105,000 for FYE 2020 and \$110,000 for FYE 2021. This is an increase of 82.6% over 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.

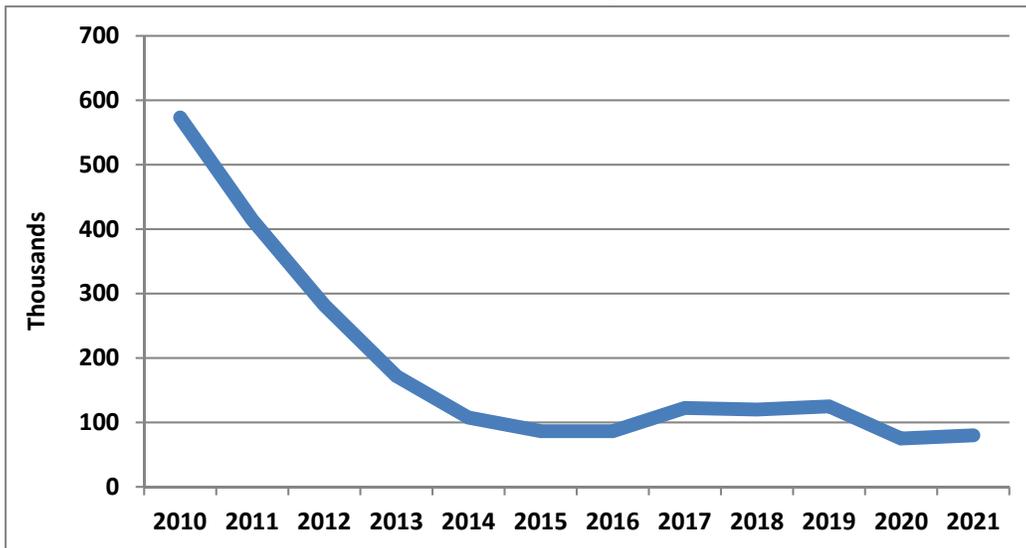
- Permit Fees

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 2020 and 2021. This is a 33.3% 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 \$75,000 for FYE 2020 and \$80,000 for FYE 2021. This is a decrease of 40% over last year's budget. SAWPA has continued to take on most of the work that had been done by WMWD staff. The decrease in operating labor is offset by an increase in labor and benefit costs.

Historical Brine Line Operating Labor (WMWD)



- 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. 8. Specialty permitting/pre-treatment consultant costs are projected to be \$130,000 for FYE 2020 and \$95,000 for FYE 2021. This is a 160% increase over last year's budget and a 26.9% decrease over the FYE 2020 budget. We have increased our consultant costs to include a third party audit of the Pretreatment Program and additional support to enhance permitting process efficiencies.

- [Maintenance Labor](#)
Maintenance labor is the cost associated with OCSD maintenance of Stringfellow sampling and inspections as well as maintenance done by IEUA for the portion of the Brine Line within their service territory. Total maintenance labor costs are projected to be \$60,000 for both FYEs 2020 and 2021.
- [Materials and Supplies](#)
Material and supply costs are projected to be \$95,000 for both FYEs 2020 and 2021. This is an increase of 17.3% over 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 \$9,000 for both FYEs 2020 and 2021.

[Repair and Maintenance](#)

Total repair and maintenance costs are projected to be \$450,000 for FYE 2020 and \$385,000 for FYE 2021. This is a decrease of 37.1% over last year's budget and a 14.4% decrease for FYE 2021. A decrease in the pipeline maintenance in Orange County accounts for the decrease in this cost category. Four miles of the pipeline was relocated in 2014. The new pipe should require less maintenance than the older existing pipe.

[Phone and Utilities](#)

Total phone and utilities are projected to be \$11,000 for FYE 2020 and \$11,700 for FYE 2021. This is a slight increase over last year's budget. Costs in this category include electricity and cell phone services.

[Equipment and Computers](#)

Total equipment and computers expenses are projected to be \$156,500 for FYE 2020 and \$161,500 for FYE 2021. This is an increase of 13.8% over the FYE 2019 budget. The increase is based on the rental of small equipment, the purchase of flow level sensors, and costs associated with the pre-treatment software.

[Meeting and Travel](#)

Total meeting and travel expenses are projected to be \$10,000 for both FYEs 2020 and 2021. This is a slight decrease over last year's budget. Costs in this category include offsite meeting and travel, in-house meetings, and conference expenses.

[Other Administrative Costs](#)

Total other administrative costs are projected to be \$72,900 for FYE 2020 and \$77,900 for FYE 2021. This is an increase of 17.4% over last year's budget, with a 6.8% increase for FYE 2021. 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 \$199,250 for FYE 2020 and \$142,350 for FYE 2021. This is a 21.2% increase over last year's budget and a 28.5% decrease for FYE 2021. 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 2020 we will purchase a new cargo van for sample collection.

[Reserve Contributions](#)

Included in the FYE 2020 budget are reserve contributions of \$3,244,228; \$1,435,478 for Pipeline Repair/Replacement, \$100,000 for the Self Insurance Reserve, and \$1,708,750 for Debt Service. For FYE

2021 reserve contributions will be \$3,619,241; \$1,810,491 for Pipeline Repair/Replacement, \$100,000 for the Self Insurance Reserve, and \$1,708,750 for Debt Service.

FYE 2020 Reserve Contribution and Balance

<i>Reserve</i>	<i>FYE 2019 Balance</i>	<i>Contribution</i>	<i>Expense</i>	<i>FYE2020 Balance</i>
Self Insurance Reserve	\$ 4,191,433	\$ 100,000	\$ –	\$ 4,291,433
Pipeline Repair/Replacement Reserve	\$ 21,060,449	\$ 1,435,478	\$ 5,118,134	\$17,377,793
OCSD Rehabilitation Reserve	\$ 3,650,852	\$ –	\$ –	\$ 3,650,852
OCSD Future Capacity Reserve	\$ 1,789,985	\$ –	\$ –	\$ 1,789,985
Capacity Mgmt Reserve	\$ 11,691,357	\$ –	\$ –	\$11,691,357
Flow Imbalance Reserve	\$ 86,513	\$ –	\$ –	\$ 86,513
Rate Stabilization Reserve	\$ 1,003,055	\$ –	\$ –	\$ 1,003,055
Operating Reserve	\$ 3,133,547	\$ 11,532,103	\$11,532,103	\$ 3,133,547
Debt Retirement Reserve	\$ 4,437,446	\$ 2,753,750	\$ 2,895,027	\$ 4,296,169
Total	\$ 51,044,638	\$ 15,821,331	\$19,545,264	\$47,320,705

FYE 2021 Reserve Contribution and Balance

<i>Reserve</i>	<i>FYE 2020 Balance</i>	<i>Contribution</i>	<i>Expense</i>	<i>FYE 2021 Balance</i>
Self Insurance Reserve	\$ 4,291,433	\$ 100,000	\$ –	\$ 4,391,433
Pipeline Repair/Replacement Reserve	\$17,377,793	\$ 1,810,491	\$ 1,549,029	\$ 17,639,256
OCSD Rehabilitation Reserve	\$ 3,650,852	\$ –	\$ –	\$ 3,650,852
OCSD Future Capacity Reserve	\$ 1,789,985	\$ –	\$ –	\$ 1,789,985
Capacity Mgmt Reserve	\$11,691,357	\$ –	\$ –	\$ 11,691,357
Flow Imbalance Reserve	\$ 86,513	\$ –	\$ –	\$ 86,513
Rate Stabilization Reserve	\$ 1,003,055	\$ –	\$ –	\$ 1,003,055
Operating Reserve	\$ 3,133,547	\$ 12,401,418	\$ 12,401,418	\$ 3,133,547
Debt Retirement Reserve	\$ 4,296,169	\$ 2,383,750	\$ 2,895,027	\$ 3,784,893
Total	\$47,320,705	\$ 16,695,659	\$ 16,845,474	\$ 47,170,891

The Pipeline Repair/Replacement Reserve will fund the CIP. Total reserves needed are projected to be \$5.1 million for FYE 2020 and \$1.5 million for FYE 2021.

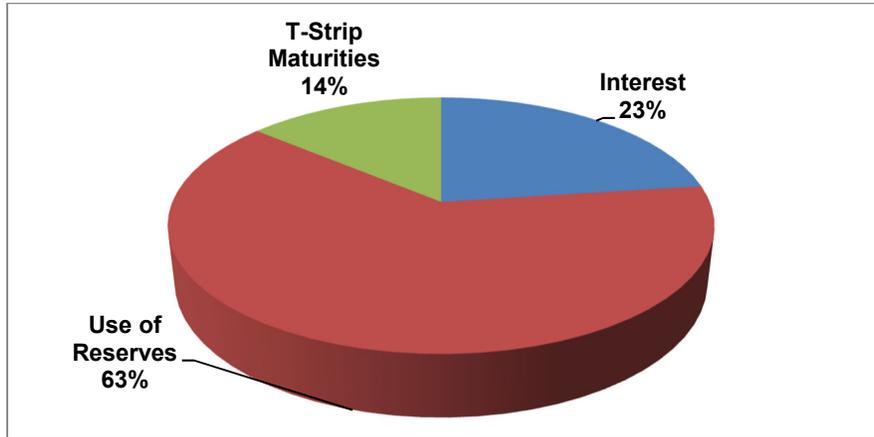
The Operating Reserve is based on 25% of total operating expenses (less OCSD volumetric and treatment costs). There are no further contributions needed to this fund due to it being fully funded.

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

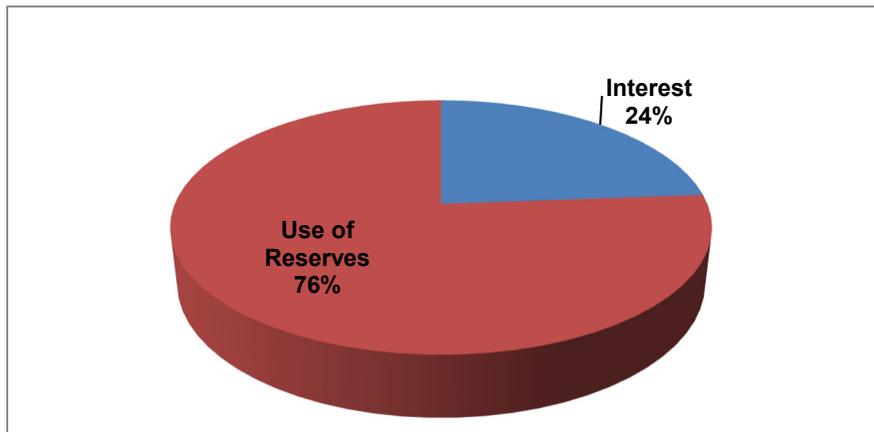
Brine Line Debt Service Revenues

Brine Line debt service revenues include interest, T-Strip maturities, and use of reserves. Total debt service revenues for both FYEs 2020 and 2021 are projected to be \$2.8 million for each year.

**FYE 2020 Debt Service Revenue
\$2.8 Million**



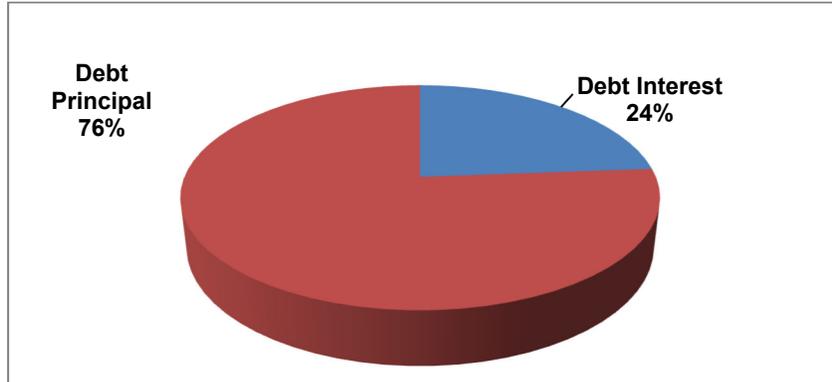
**FYE 2021 Debt Service Revenue
\$2.8 Million**



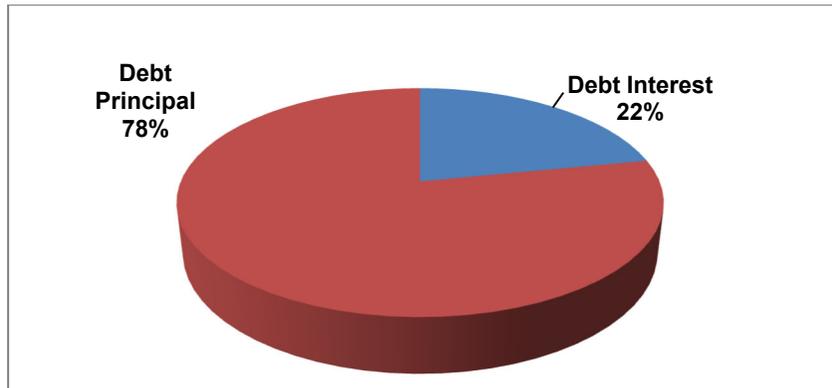
Brine Line Debt Service Expenses

Brine Line debt service expenses include debt service principal and interest payments. Total debt service payments for both FYEs 2020 and 2021 are projected to be \$2.8 million for each year.

**FYE 2020 Debt Service Expense
\$2.8 Million**



**FYE 2021 Debt Service Expense
\$2.8 Million**



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

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Enterprise Fund Budget FYE 2020	Brine Line Operating Fund 240		Brine Line Debt Service	Total
Source of Funds:				
Discharge Fees	\$ 11,532,103	\$ –	\$ –	\$ 11,532,103
Use of Reserves	\$ –	\$ 1,790,027	\$ –	\$ 1,790,027
Interest & Investments	\$ –	\$ 1,045,000	\$ –	\$ 1,045,000
Total Source of Funds	\$ 11,532,103	\$ 2,835,027	\$ –	\$ 14,367,130
Staffing:				
Hours Allocated	21,925	–	–	21,925
FTE (based on 2080)	10.5	–	–	10.5
Use of Funds:				
Labor	\$ 1,206,933	\$ –	\$ –	\$ 1,206,933
Benefits	\$ 550,510	\$ –	\$ –	\$ 550,510
Indirect Costs	\$ 1,816,182	\$ –	\$ –	\$ 1,816,182
Education & Training	\$ 12,000	\$ –	\$ –	\$ 12,000
Consulting & Professional Services	\$ 265,000	\$ –	\$ –	\$ 265,000
Operating Costs	\$ 3,537,600	\$ –	\$ –	\$ 3,537,600
Repair & Maintenance	\$ 450,000	\$ –	\$ –	\$ 450,000
Phone & Utilities	\$ 11,000	\$ –	\$ –	\$ 11,000
Equipment & Computer	\$ 156,500	\$ –	\$ –	\$ 156,500
Meeting & Travel	\$ 10,000	\$ –	\$ –	\$ 10,000
Other Administrative Costs	\$ 72,900	\$ –	\$ –	\$ 72,900
Other Expenses	\$ 199,250	\$ –	\$ –	\$ 199,250
Debt Service Payments	\$ –	\$ 2,835,027	\$ –	\$ 2,835,027
Total Use of Funds from Operations	\$ 8,287,875	\$ 2,835,027	\$ –	\$ 11,122,902
Contribution To/(From) Reserves:				
Pipeline Repair / Replacement Reserve	\$ 1,435,478	\$ –	\$ –	\$ 1,435,478
Self Insurance Reserve	\$ 100,000	\$ –	\$ –	\$ 100,000
Debt Retirement Reserve	\$ 1,708,750	\$ –	\$ –	\$ 1,708,750
Total Contributions to Reserves	\$ 3,244,228	\$ –	\$ –	\$ 3,244,228
Total Use of Funds	\$ 11,532,103	\$ 2,835,027	\$ –	\$ 14,367,130
Net Gain (Loss)	\$ –	\$ –	\$ –	\$ –
Indirect Costs Contribution	55.22%	0.00%	–	55.22%

Enterprise Fund Budget FYE 2021	Brine Line Operating Fund 240	Brine Line Debt Service	Total
Source of Funds:			
Discharge Fees	\$ 12,401,418	\$ –	\$ 12,401,418
Use of Reserves	\$ –	\$ 2,160,027	\$ 2,160,027
Interest & Investments	\$ –	\$ 675,000	\$ 675,000
Total Source of Funds	\$ 12,401,418	\$ 2,835,027	\$ 15,236,445
Staffing:			
Hours Allocated	21,975	–	21,975
FTE (based on 2080)	10.6	–	10.6
Use of Funds:			
Labor	\$ 1,320,100	\$ –	\$ 1,320,100
Benefits	\$ 597,981	\$ –	\$ 597,981
Indirect Costs	\$ 1,990,646	\$ –	\$ 1,990,646
Education & Training	\$ 12,500	\$ –	\$ 12,500
Consulting & Professional Services	\$ 280,000	\$ –	\$ 280,000
Operating Costs	\$ 3,792,500	\$ –	\$ 3,792,500
Repair & Maintenance	\$ 385,000	\$ –	\$ 385,000
Phone & Utilities	\$ 11,700	\$ –	\$ 11,700
Equipment & Computer	\$ 161,500	\$ –	\$ 161,500
Meeting & Travel	\$ 10,000	\$ –	\$ 10,000
Other Administrative Costs	\$ 77,900	\$ –	\$ 77,900
Other Expenses	\$ 142,350	\$ –	\$ 142,350
Debt Service Payments	\$ –	\$ 2,835,027	\$ 2,835,027
Total Use of Funds from Operations	\$ 8,782,177	\$ 2,835,027	\$ 11,617,204
Contribution To/(From) Reserves:			
Pipeline Repair / Replacement Reserve	\$ 1,810,491	\$ –	\$ 1,810,491
Self Insurance Reserve	\$ 100,000	\$ –	\$ 100,000
Debt Retirement Reserve	\$ 1,708,750	\$ –	\$ 1,708,750
Total Contributions to Reserves	\$ 3,619,241	\$ –	\$ 3,619,241
Total Use of Funds	\$ 12,401,418	\$ 2,835,027	\$ 15,236,445
Net Gain (Loss)	\$ –	\$ –	\$ –
Indirect Costs Contribution	55.96%	0.00%	55.96%

Enterprise Funds FYE 2015 - 2021	FYE 2015 Actual	FYE 2016 Actual	FYE 2017 Actual	FYE 2018 Actual	FYE 2019 Budget	FYE 2019 Actual	FYE 2020 Budget	FYE 2021 Budget
Source of Funds:								
Discharge Fees	\$ 8,958,915	\$ 9,334,243	\$ 11,282,402	\$ 10,894,643	\$ 11,090,587	\$ 11,123,310	\$ 11,532,103	\$ 12,401,418
Grant Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Transfer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Use of Reserves	\$ 1,303,622	\$ 391,295	\$ 271,679	\$ 1,065,947	\$ 1,173,582	\$ 2,009,869	\$ 1,790,027	\$ 2,160,027
Other Income	\$ 60,047	\$ 23,378	\$ 67	\$ 41,206	\$ -	\$ 1,211,036	\$ -	\$ -
Interest & Investments	\$ 3,327,041	\$ 2,906,049	\$ 1,700,599	\$ 1,812,261	\$ 2,009,869	\$ 1,471,595	\$ 1,045,000	\$ 675,000
Total Source of Funds	\$ 13,649,625	\$ 12,654,965	\$ 13,254,747	\$ 13,814,057	\$ 14,274,038	\$ 15,815,810	\$ 14,367,130	\$ 15,236,445
Use of Funds:								
Labor	\$ 829,591	\$ 825,504	\$ 858,469	\$ 874,890	\$ 1,033,117	\$ 1,005,423	\$ 1,206,933	\$ 1,320,100
Benefits	\$ 380,782	\$ 345,886	\$ 372,576	\$ 382,327	\$ 451,427	\$ 439,370	\$ 550,510	\$ 597,981
Indirect Costs	\$ 1,301,629	\$ 1,314,203	\$ 1,355,523	\$ 1,234,469	\$ 1,457,293	\$ 1,418,651	\$ 1,816,182	\$ 1,990,646
Education & Training	\$ 303	\$ 794	\$ 1,094	\$ 1,249	\$ 10,500	\$ 185	\$ 12,000	\$ 12,500
Consulting & Professional Services	\$ 125,917	\$ 207,793	\$ 108,669	\$ 126,614	\$ 290,000	\$ 153,352	\$ 265,000	\$ 280,000
Operating Costs	\$ 2,711,966	\$ 3,101,972	\$ 3,265,777	\$ 2,732,770	\$ 3,278,960	\$ 2,992,480	\$ 3,537,600	\$ 3,792,500
Repair & Maintenance	\$ 588,980	\$ 402,307	\$ 260,789	\$ 261,171	\$ 715,000	\$ 306,276	\$ 450,000	\$ 385,000
Phone & Utilities	\$ 7,824	\$ 7,789	\$ 6,690	\$ 7,360	\$ 10,000	\$ 8,034	\$ 11,000	\$ 11,700
Equipment & Computer	\$ 21,892	\$ 9,500	\$ 17,557	\$ 46,594	\$ 137,500	\$ 44,994	\$ 156,500	\$ 161,500
Meeting & Travel	\$ 5,419	\$ 4,046	\$ 1,264	\$ 3,191	\$ 8,500	\$ 1,486	\$ 10,000	\$ 10,000
Other Administrative Costs	\$ 20,919	\$ 25,720	\$ 24,642	\$ 24,573	\$ 62,100	\$ 48,097	\$ 72,900	\$ 77,900
Other Expenses	\$ 342,888	\$ 514,869	\$ 188,700	\$ 154,045	\$ 157,046	\$ 199,359	\$ 199,250	\$ 142,350
Debt Service	\$ 4,448,394	\$ 3,965,797	\$ 3,060,725	\$ 3,060,520	\$ 3,183,451	\$ 3,183,451	\$ 2,835,027	\$ 2,835,027
Total Use of Funds from Operations	\$ 10,786,504	\$ 10,726,180	\$ 9,522,475	\$ 8,909,773	\$ 10,794,894	\$ 9,801,158	\$ 11,122,902	\$ 11,617,204
Contribution To/(From) Reserves:								
Pipeline Repair / Replacement Reserve	\$ 361,659	\$ 1,000,000	\$ 1,000,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,435,478	\$ 1,810,491
OCSD Rehabilitation Reserve	\$ 1,000,000	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -
OCSD Future Capacity Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Self Insurance Reserve	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Debt Retirement Reserve	\$ 1,034,000	\$ 494,560	\$ 508,229	\$ 2,136,173	\$ 1,879,144	\$ 1,879,144	\$ 1,708,750	\$ 1,708,750
Total Contributions to Reserves	\$ 2,495,659	\$ 2,094,560	\$ 2,108,229	\$ 3,736,173	\$ 3,479,144	\$ 3,479,144	\$ 3,244,228	\$ 3,619,241
Total Use of Funds	\$ 13,282,163	\$ 12,820,740	\$ 11,630,704	\$ 12,645,946	\$ 14,274,038	\$ 13,280,302	\$ 14,367,130	\$ 15,236,445
Net Gain (Loss)	\$ 367,462	\$ (165,775)	\$ 1,624,043	\$ 1,168,111	\$ -	\$ 2,535,508	\$ -	\$ -

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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.

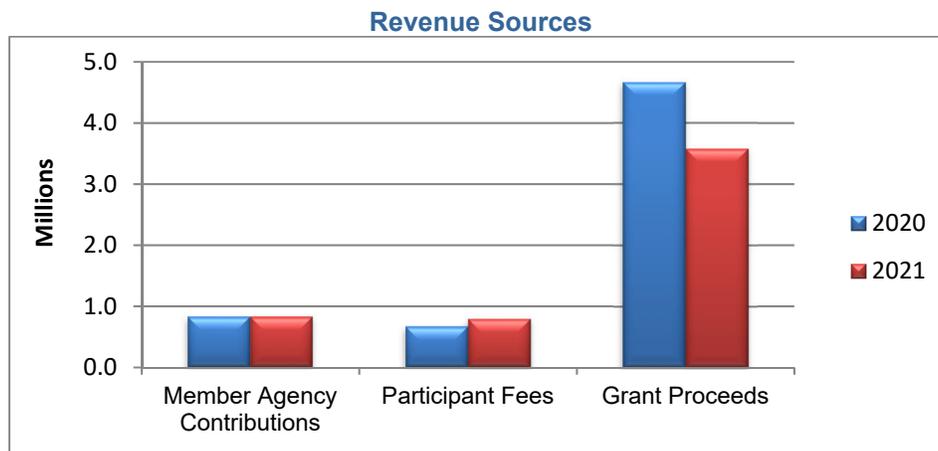
<i>Fund</i>	<i>Project</i>
370-01	Basin Planning General
370-02	USBR Partnership Studies
373	Watershed Management (OWOW)
135	Proposition 84 Program Mgmt – Round 2
140	Proposition 84 Program Mgmt – Drought Round
145	Proposition 84 Program Mgmt – Round 2015
150	Proposition 1 Program Mgmt
397	Energy - Water DAC Grant
398	Proposition 1 – DACI
504-00	Proposition 84 - Drought Projects
504-04	Proposition 84 - Round 2015 (SARCCUP & Other Projects)
505	Proposition 1 – Capital Projects

Revenue and Other Funding Sources

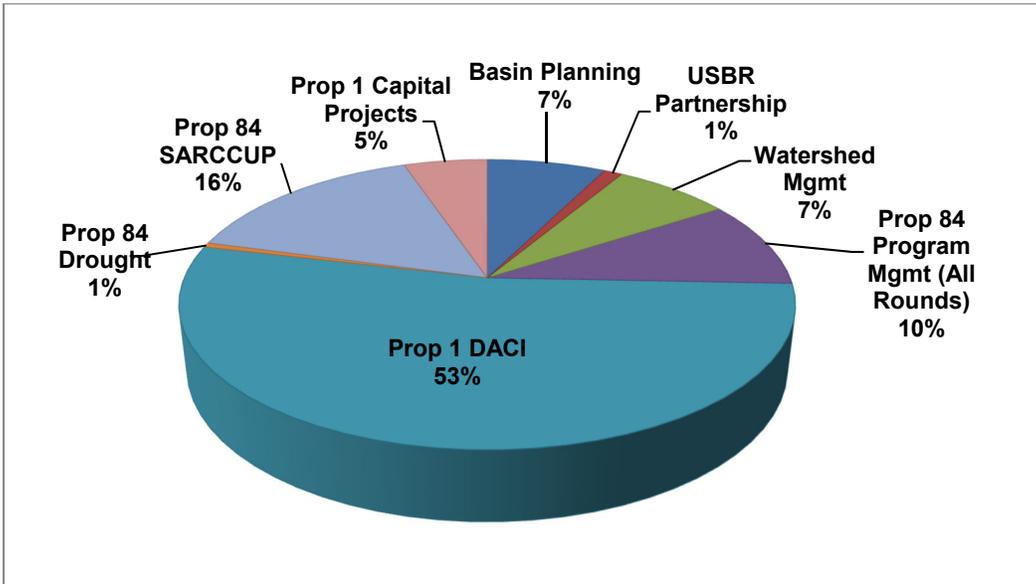
In FYE 2020, the OWOW fund has total budgeted revenues of \$6.1 million, or approximately 22.2% of the total budgeted revenue of \$27.8 million. This represents a 2.3%, or \$137,588, increase in revenues over the FYE 2019 budget.

In FYE 2021, the OWOW fund has total budgeted revenues of \$5.2 million, or approximately 21.5% of the total budgeted revenue of \$24.1 million. This represents a 15.7%, or \$966,707 decrease in revenues over the FYE 2020 budget.

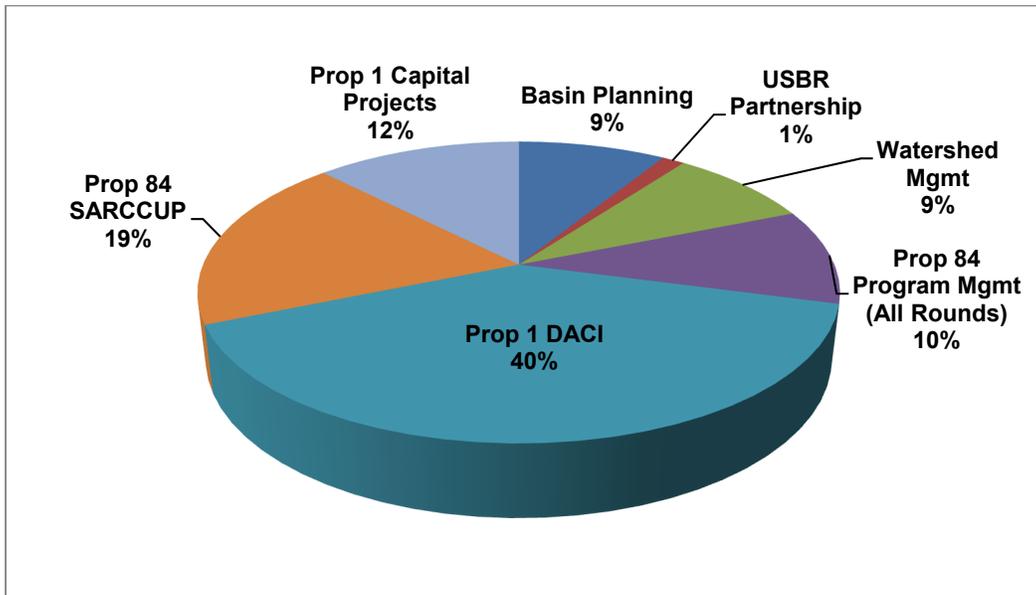
Revenues by source and by fund are shown in the pie charts below. The revenue sources for this fund are derived from member agency contributions, participant fees, and grant funding.



**FYE 2020 Revenue by Fund
\$6.1 Million**



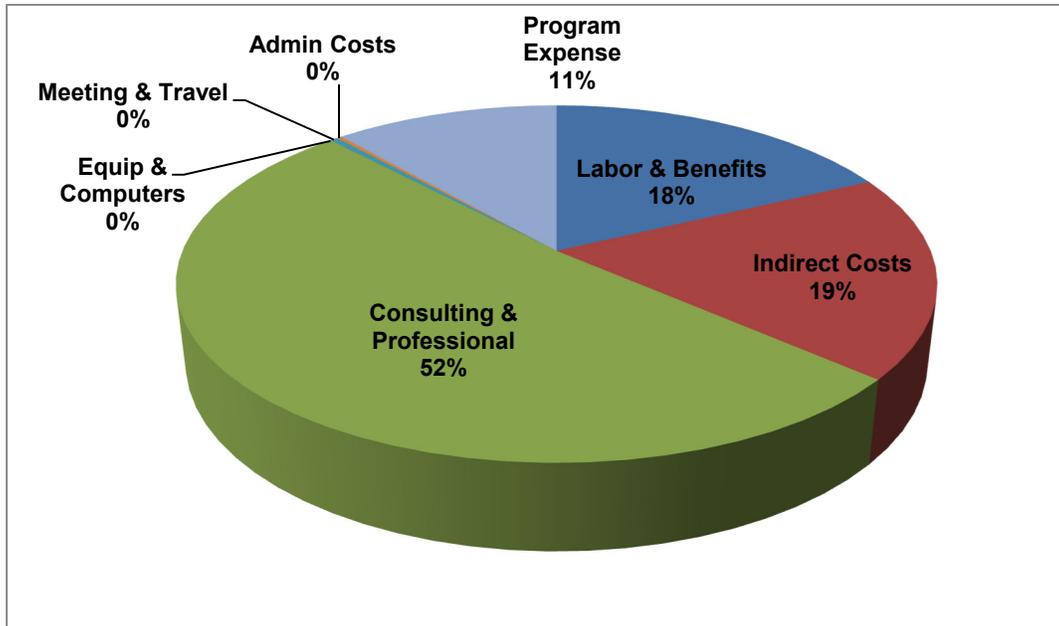
**FYE 2021 Revenue by Fund
\$5.2 Million**



Expenses and Other Uses of Funds

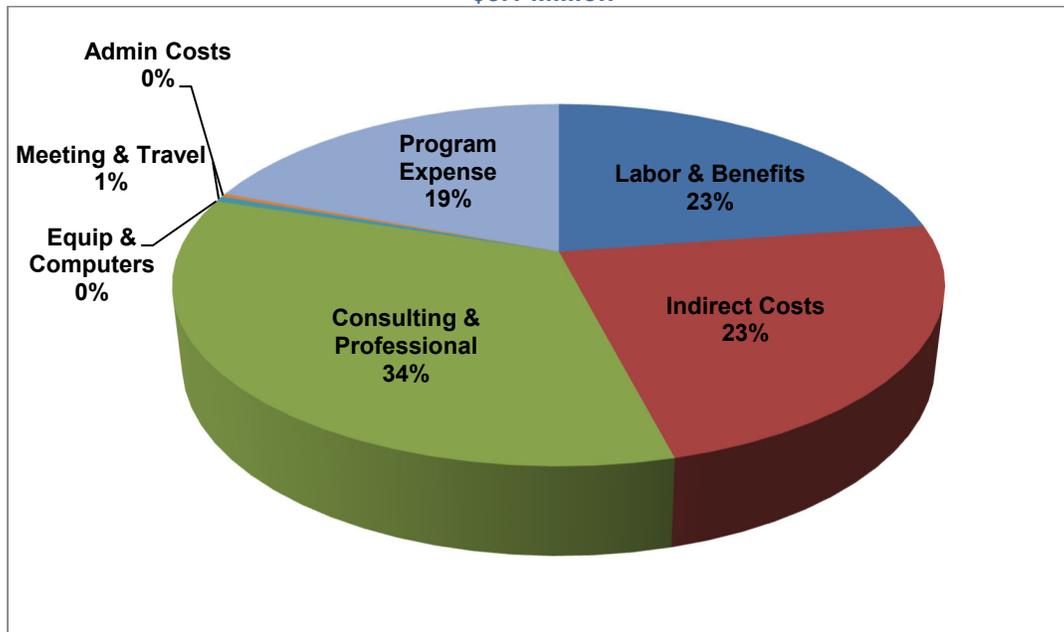
Total expenses for FYE 2020 are \$6.1 million, or approximately 25.1% of total budgeted operating expenses. This represents a 4%, or \$258,690, decrease in expenses over the FYE 2019 budget.

FYE 2020 Total Expenses
\$6.1 Million



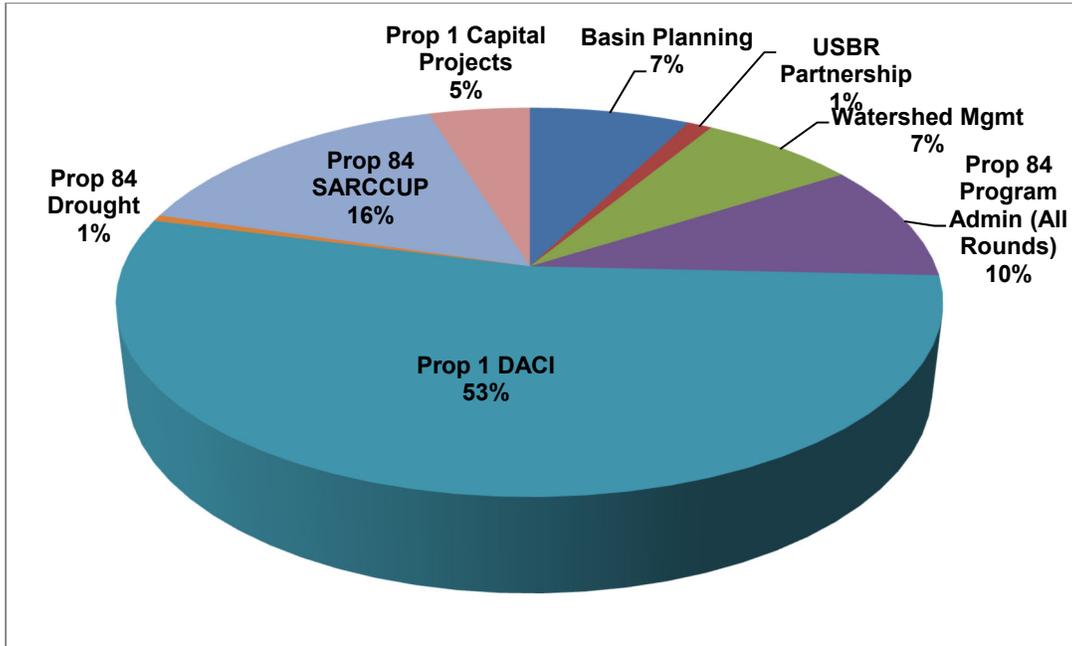
Total expenses for FYE 2021 are \$5.1 million, or approximately 25% of total budgeted operating expenses. This represents a 16.3%, or \$996,820, decrease in expenses over the FYE 2020 budget. The decrease is due to the Proposition 84 Drought Projects being completed in FYE 2020.

FYE 2021 Total Expenses
\$5.1 Million

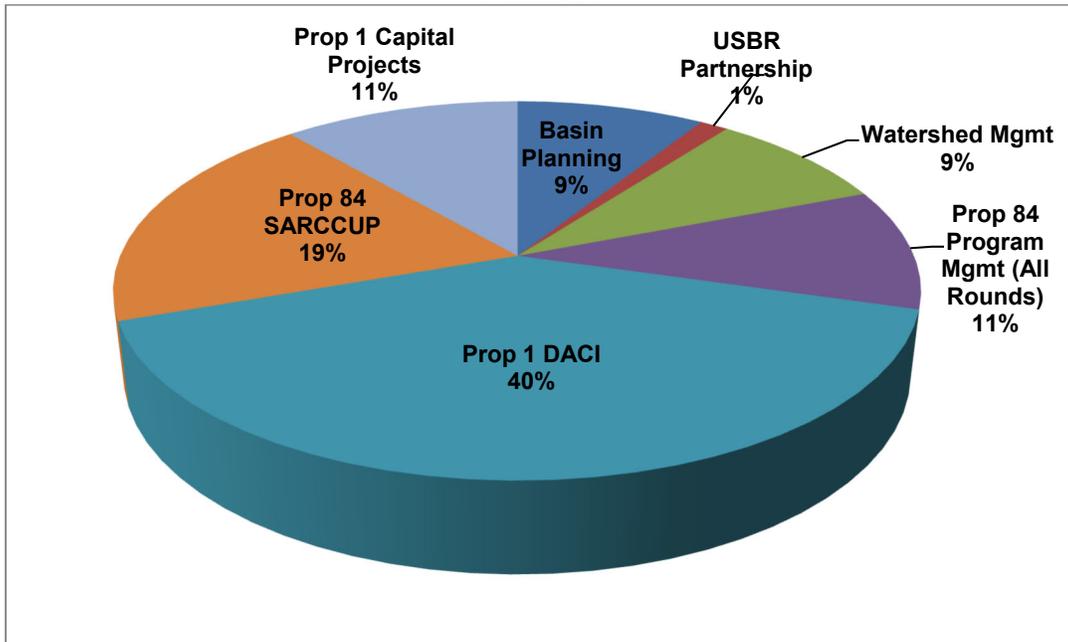


Participating in OWOW projects allows some of the Agency's general fund expenses to be allocated to these funds. In FYE 2020, approximately 34.42%, or \$1.1 million, of general fund expenses will be paid through this fund group. In FYE 2021, approximately 33.73%, or \$1.2 million, of general fund expenses will be paid through this fund group.

**Expenses by Fund
FYE 2020**



**Expenses by Fund
FYE 2021**



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 2020 Fund Balance

<i>Fund</i>	<i>Fund Balance at 06/30/19</i>	<i>Revenues</i>	<i>Expenses</i>	<i>Fund Balance at 06/30/20</i>
370-01	\$ 163,286	\$ 460,000	\$ 459,373	\$ 163,913
370-02	\$ 46,004	\$ 70,000	\$ 70,097	\$ 45,907
373	\$ 278,707	\$ 450,000	\$ 449,583	\$ 279,124
135	\$ -	\$ 60,275	\$ 60,275	\$ -
140	\$ -	\$ 142,649	\$ 142,649	\$ -
145	\$ -	\$ 394,313	\$ 394,313	\$ -
398	\$ -	\$ 3,264,263	\$ 3,264,263	\$ -
504-00	\$ -	\$ 31,595	\$ 31,595	\$ -
504-04	\$ -	\$ 959,134	\$ 959,134	\$ -
505	\$ -	\$ 321,334	\$ 290,134	\$ 31,200
Total	\$ 487,997	\$ 6,153,565	\$ 6,121,416	\$ 520,144

FYE 2021 Fund Balance

<i>Fund</i>	<i>Fund Balance at 06/30/20</i>	<i>Revenues</i>	<i>Expenses</i>	<i>Fund Balance at 06/30/21</i>
370-01	\$ 163,913	\$ 460,000	\$ 460,814	\$ 163,098
370-02	\$ 45,907	\$ 70,000	\$ 69,455	\$ 46,452
373	\$ 279,124	\$ 450,000	\$ 449,871	\$ 279,253
135	\$ -	\$ 64,006	\$ 64,006	\$ -
145	\$ -	\$ 466,863	\$ 466,863	\$ -
398	\$ -	\$ 2,054,180	\$ 2,054,180	\$ -
504-04	\$ -	\$ 979,142	\$ 979,142	\$ -
505	\$ 31,200	\$ 642,668	\$ 580,266	\$ 93,602
Total	\$ 520,144	\$ 5,186,858	\$ 5,124,596	\$ 582,406

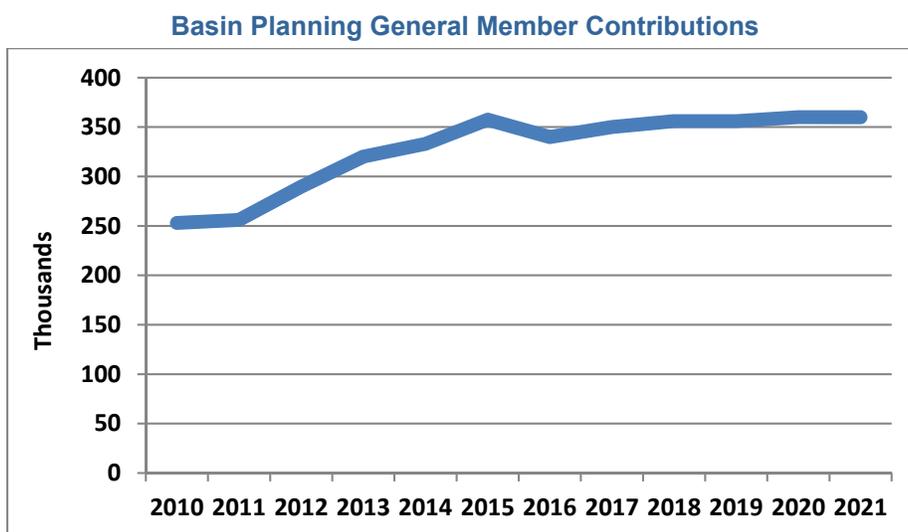
The fund balance is expected to increase by 9.8% for FYE 2020 and increase by 17.3% for FYE 2021. Staff has decided to utilize the existing fund balance for some projects to balance the budget each year instead of increasing member contributions to cover total expenses.

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.

In FYEs 2020 and 2021, total revenues are projected to be \$460,000. Funding for this project is from member agency contributions and grant proceeds. The following chart shows the history of member contributions for this fund.



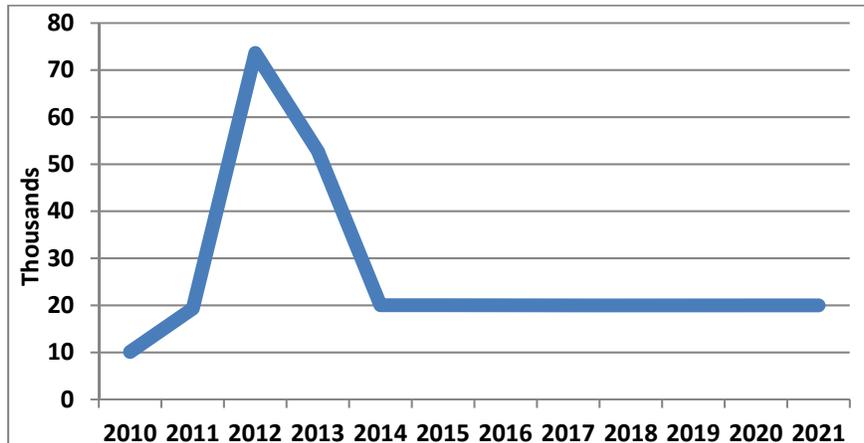
Fund 370-02 USBR Partnership Studies

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 FYE 2020 staff anticipates preparing and submitting a grant application for the Bureau of Reclamation's Water Management Options Pilots program. This grant application will help provide additional funding for a SAWPA project to conduct aerial mapping and analysis of imagery to create outdoor water budgets for all parcels as well as calculating indoor water budgets for residential parcels in the Santa Ana River Watershed. The main source of the funding for the SAWPA project, \$500,000, will be coming from CA Proposition 1 IRWM Round 1 grant funding. Additional local matching funds from the SAWPA member agencies is also anticipated.

In FYEs 2020 and 2021, 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.

USBR Partnership Studies Member Contributions

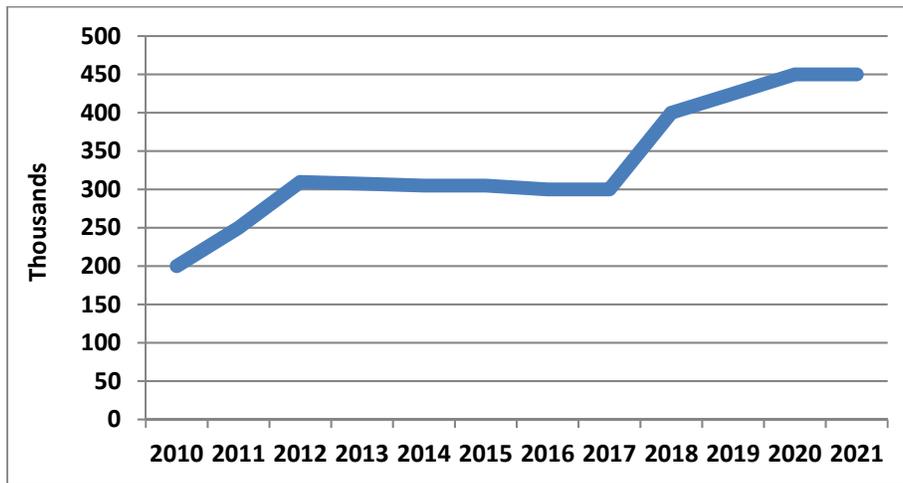


Fund 373 Watershed Management

This project was formed to conduct SAWPA IRWMP Planning. The first SAWPA IRWMP report was completed in June 2002. The 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” Plan 2018 Update was commenced based on the collaboration among member agencies, sub-agencies, and other organizations under a decentralized approach. 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 2020 and 2021, work will be conducted to prepare grant applications for Proposition 1 IRWM Implementation grant funding for projects that are competitively selected from within the Watershed that meets the goals and objectives of the OWOW Plan 2018 Update. Work under this fund also includes outreach for future OWOW Call for Projects, rating, ranking, and selection of projects eligible for grant funding.

In FYEs 2020 and 2021, total revenues are projected to be \$450,000. Funding for this project is from member agency contributions and a DWR Planning Grant. The chart below shows the history of member contributions for this fund.

Watershed Management Member Contributions



Fund 135 – Proposition 84 Program Management – Round 2

In 2006, voters passed Proposition 84, which provides over \$5 billion to support various water resource needs in the State. Chapter 2 of Proposition 84 authorized \$1 billion for the IRWM Program, with \$114 million called out specifically for the SAR Watershed. 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 2020, both revenues and expenses are projected to be \$60,275. In FYE 2021, both revenues and expenses are projected to be \$64,006. Only the costs of administering the grant contract have been included in the budget.

Fund 140 – Proposition 84 Program Management – Drought Round

In 2006, voters passed Proposition 84, which provides over \$5 billion to support various water resource needs in the State. Chapter 2 of Proposition 84 authorized \$1 billion for the IRWM Program, with \$114 million called out specifically for the SAR Watershed. From the \$114 million, \$12.9 million in grant funding was designated to SAWPA under the Drought Round for two major projects with \$875,000 budgeted for SAWPA grant administration. The administration of the Proposition 84 IRWM Drought Round grant will be accounted for in this fund.

In FYE 2020, both revenues and expenses are projected to be \$142,549. This project will be completed in FYE 2020. Only the costs of administering the grant contract have been included in the budget.

Fund 145 – Proposition 84 Program Management – 2015 Round

In 2006, voters passed Proposition 84, which provides over \$5 billion to support various water resource needs in the State. Chapter 2 of Proposition 84 authorized \$1 billion for the IRWM Program, with \$114 million called out specifically for the SAR Watershed. 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 2020, both revenues and expenses are projected to be \$142,549. In FYE 2021, both revenues and expenses are projected to be \$466,863. Only the costs of administering the grant contract have been included in the budget.

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 will be focused on the third Program Element of Project Development which will provide technical assistance for planning and development of water projects supporting disadvantaged and under-represented communities across the watershed.

In FYE 2020, both revenues and expenses are projected to be \$3.3 million. In FYE 2021, both revenues and expenses are projected to be \$2.1 million.

Fund 504-00 – Proposition 84 – Drought Capital Projects

In 2006, voters passed Proposition 84, which provides over \$5 billion to support various water resource needs in the State. Chapter 2 of Proposition 84 authorized \$1 billion for the IRWM Program, with \$114 million called out specifically for the SAR Watershed. From \$114 million, \$12.9 million in grant funding was designated to SAWPA under the Drought Round to implement two major projects with another \$10.6 million in local cost share match.

The two projects supported under the DWR Drought Round agreement consists of 1) Conservation Based Reporting Tools and Rate Structure Implementation, and 2) High Visibility Turf Removal and Retrofit. Due to cost savings on some components of the project, the contract has been extended to the end of 2019 and will allow additional conservation tool implementation.

For the Proposition 84 Drought projects, total revenues and expenses for FYE 2020 are projected to be \$31,595 with \$5.5 million passing through to the project proponents. This project will be complete in FYE 2020.

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 OCSD 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 2020 are projected to be \$959,134, with \$14.4 million passing through to project proponents. In FYE 2021, total revenues and expenses are projected to be \$979,142 with \$15.4 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 2020 are projected to be \$321,334. In FYE 2021, total revenues are projected to be \$642,668.

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OWOW Fund Budget FYE 2020	Basin Planning General Fund 370-01	USBR Partnership Studies Fund 370-02	Watershed Mgmt (OWOW) Fund 373	Prop 84 – R2 Program Mgmt Fund 135	Prop 84 – Drought Program Mgmt Fund 140	Prop 84 – 2015 Program Mgmt Fund 145
Source of Funds:						
Grant Proceeds	\$ 100,000	\$ 50,000	\$ –	\$ 60,275	\$ 142,649	\$ 394,313
Member Agency Contributions	\$ 360,000	\$ 20,000	\$ 450,000	\$ –	\$ –	\$ –
Participant Fees	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Total Source of Funds	\$ 460,000	\$ 70,000	\$ 450,000	\$ 60,275	\$ 142,649	\$ 394,313
Staffing:						
Hours Allocated	1,715	90	1,945	320	685	2,020
FTE (based on 2080)	0.8	0.0	0.9	0.2	0.3	1.0
Use of Funds:						
Labor	\$ 113,604	\$ 6,720	\$ 125,834	\$ 20,357	\$ 48,177	\$ 133,172
Benefits	\$ 51,818	\$ 3,065	\$ 57,396	\$ 9,285	\$ 21,975	\$ 60,743
Indirect Costs	\$ 170,951	\$ 10,112	\$ 189,353	\$ 30,633	\$ 72,497	\$ 200,397
Consulting & Professional Services	\$ 105,000	\$ 50,000	\$ 70,000	\$ –	\$ –	\$ –
Equipment & Computers	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Meeting & Travel	\$ 7,500	\$ 100	\$ 6,500	\$ –	\$ –	\$ –
Other Administrative Costs	\$ 10,500	\$ 100	\$ 500	\$ –	\$ –	\$ –
Program Expense	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Total Use of Funds from Operations	\$ 459,373	\$ 70,097	\$ 449,583	\$ 60,275	\$ 142,649	\$ 394,313
Net Gain (Loss)	\$ 627	\$ (97)	\$ 417	\$ –	\$ –	\$ –
Beginning Fund Balance	\$ 163,286	\$ 46,004	\$ 278,707	\$ –	\$ –	\$ –
Ending Fund Balance	\$ 163,913	\$ 45,907	\$ 279,124	\$ –	\$ –	\$ –
Pass Through (Proposition 1 & 84 – Capital)	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Indirect Costs Contribution	5.20%	0.31%	5.76%	0.93%	2.20%	6.09%

OWOW Fund Budget FYE 2020	Prop 1 Program Mgmt Fund 150	Prop 1 DACI Fund 398	PA22 Prop 84 Drought Projects Fund 504-00	PA23 SARCCUP & Other Projects Fund 504-04	Prop 1 Capital Projects Fund 505	Total
Source of Funds:						
Grant Proceeds	\$ -	\$ 3,264,263	\$ 31,595	\$ 455,144	\$ 160,667	\$ 4,658,908
Member Agency Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 830,000
Participant Fees	\$ -	\$ -	\$ -	\$ 503,990	\$ 160,667	\$ 664,657
Total Source of Funds	\$ -	\$ 3,264,263	\$ 31,595	\$ 959,134	\$ 321,334	\$ 6,153,565
Staffing:						
Hours Allocated	0	3,650	210	1,685	0	12,320
FTE (based on 2080)	0.0	1.8	0.1	0.8	0.0	5.9
Use of Funds:						
Labor	\$ -	\$ 194,370	\$ 10,671	\$ 99,378	\$ -	\$ 752,282
Benefits	\$ -	\$ 88,657	\$ 4,867	\$ 45,329	\$ -	\$ 343,135
Indirect Costs	\$ -	\$ 292,486	\$ 16,057	\$ 149,544	\$ -	\$ 1,132,032
Consulting & Professional Services	\$ -	\$ 2,675,000	\$ -	\$ 257,114	\$ -	\$ 3,157,114
Equipment & Computers	\$ -	\$ 500	\$ -	\$ -	\$ -	\$ 500
Meeting & Travel	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ 24,100
Other Administrative Costs	\$ -	\$ 3,250	\$ -	\$ -	\$ -	\$ 14,350
Program Expense	\$ -	\$ -	\$ -	\$ 407,769	\$ 290,134	\$ 697,903
Total Use of Funds from Operations	\$ -	\$ 3,264,263	\$ 31,595	\$ 959,134	\$ 290,134	\$ 6,121,416
Net Gain (Loss)	\$ -	\$ -	\$ -	\$ -	\$ 31,200	\$ 32,149
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 487,997
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 31,200	\$ 520,144
Pass Through (Proposition 1 & 84 – Capital)	\$ -	\$ -	\$ 5,470,700	\$ 14,406,381	\$ -	\$ 19,877,081
Indirect Costs Contribution	0.00%	8.89%	0.49%	4.55%	0.00%	34.42%

OWOW Fund Budget FYE 2021	Basin Planning General Fund 370-01	USBR Partnership Studies Fund 370-02	Watershed Mgmt (OWOW) Fund 373	Prop 84 – R2 Program Mgmt Fund 135	Prop 84 – Drought Program Mgmt Fund 140	Prop 84 – 2015 Program Mgmt Fund 145
Source of Funds:						
Grant Proceeds	\$ 100,000	\$ 50,000	\$ –	\$ 64,006	\$ –	\$ 466,863
Member Agency Contributions	\$ 360,000	\$ 20,000	\$ 450,000	\$ –	\$ –	\$ –
Participant Fees	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Total Source of Funds	\$ 460,000	\$ 70,000	\$ 450,000	\$ 64,006	\$ –	\$ 466,863
Staffing:						
Hours Allocated	1,545	81	1,790	305	0	2,309
FTE (based on 2080)	0.7	0.0	0.9	0.1	0.0	1.1
Use of Funds:						
Labor	\$ 114,090	\$ 6,503	\$ 125,930	\$ 21,617	\$ –	\$ 157,674
Benefits	\$ 51,681	\$ 2,946	\$ 57,044	\$ 9,792	\$ –	\$ 71,423
Indirect Costs	\$ 172,043	\$ 9,806	\$ 189,897	\$ 32,597	\$ –	\$ 237,764
Consulting & Professional Services	\$ 105,000	\$ 50,000	\$ 70,000	\$ –	\$ –	\$ –
Equipment & Computers	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Meeting & Travel	\$ 7,500	\$ 100	\$ 6,500	\$ –	\$ –	\$ –
Other Administrative Costs	\$ 10,500	\$ 100	\$ 500	\$ –	\$ –	\$ –
Program Expense	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Total Use of Funds from Operations	\$ 460,814	\$ 69,455	\$ 449,871	\$ 64,006	\$ –	\$ 466,863
Net Gain (Loss)	\$ (814)	\$ 545	\$ 129	\$ –	\$ –	\$ –
Beginning Fund Balance	\$ 163,913	\$ 45,907	\$ 279,124	\$ –	\$ –	\$ –
Ending Fund Balance	\$ 163,098	\$ 46,452	\$ 279,253	\$ –	\$ –	\$ –
Pass Through (Proposition 1 & 84 – Capital)	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Indirect Costs Contribution	4.84%	0.28%	5.34%	0.92%	0.00%	6.68%

OWOW Fund Budget FYE 2021	Prop 1 Program Mgmt Fund 150	Prop 1 DACI Fund 398	PA22 Prop 84 Drought Projects Fund 504-00	PA23 SARCCUP & Other Projects Fund 504-04	Prop 1 Capital Projects Fund 505	Total
Source of Funds:						
Grant Proceeds	\$ -	\$ 2,054,180	\$ -	\$ 515,850	\$ 321,334	\$ 3,572,232
Member Agency Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 830,000
Participant Fees	\$ -	\$ -	\$ -	\$ 463,292	\$ 321,334	\$ 784,626
Total Source of Funds	\$ -	\$ 2,054,180	\$ -	\$ 979,142	\$ 642,668	\$ 5,186,858
Staffing:						
Hours Allocated	0	4,140	0	1,810	0	11,980
FTE (based on 2080)	0.0	2.0	0.0	0.9	0.0	5.8
Use of Funds:						
Labor	\$ -	\$ 249,746	\$ -	\$ 120,188	\$ -	\$ 795,748
Benefits	\$ -	\$ 113,130	\$ -	\$ 54,443	\$ -	\$ 360,459
Indirect Costs	\$ -	\$ 376,604	\$ -	\$ 181,237	\$ -	\$ 1,199,949
Consulting & Professional Services	\$ -	\$ 1,300,000	\$ -	\$ 215,505	\$ -	\$ 1,740,505
Equipment & Computers	\$ -	\$ 500	\$ -	\$ -	\$ -	\$ 500
Meeting & Travel	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ 24,100
Other Administrative Costs	\$ -	\$ 4,200	\$ -	\$ -	\$ -	\$ 15,300
Program Expense	\$ -	\$ -	\$ -	\$ 407,769	\$ 580,266	\$ 988,035
Total Use of Funds from Operations	\$ -	\$ 2,054,180	\$ -	\$ 979,142	\$ 580,266	\$ 5,124,596
Net Gain (Loss)	\$ -	\$ -	\$ -	\$ -	\$ 62,402	\$ 62,262
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 31,200	\$ 520,144
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 93,602	\$ 582,406
Pass Through (Proposition 1 & 84 – Capital)	\$ -	\$ -	\$ -	\$ 15,380,781	\$ -	\$ 15,380,781
Indirect Costs Contribution	0.0%	10.59%	0.00%	5.10%	0.00%	33.73%

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OWOW Funds FYE 2015 – 2021	FYE 2015 Actual	FYE 2016 Actual	FYE 2017 Actual	FYE 2018 Actual	FYE 2019 Budget	FYE 2019 Actual	FYE 2020 Budget	FYE 2021 Budget
Source of Funds:								
Grant Proceeds	\$ 666,397	\$ 2,091,528	\$ 2,383,506	\$ 2,577,986	\$ 4,777,256	\$ 2,773,008	\$ 4,658,908	\$ 3,572,232
Member Agency Contributions	\$ 682,500	\$ 970,000	\$ 670,000	\$ 776,000	\$ 801,000	\$ 801,000	\$ 830,000	\$ 830,000
Participant Fees	\$ –	\$ –	\$ 767,215	\$ 861,210	\$ 437,722	\$ 337,816	\$ 664,657	\$ 784,626
Operating Transfer	\$ 22,605	\$ –	\$ –	\$ –	\$ –	\$ 17,144	\$ –	\$ –
Other Income	\$ 14,063	\$ –	\$ –	\$ 13,692	\$ –	\$ 10,800	\$ –	\$ –
Interest & Investments	\$ 877	\$ 2,569	\$ 6,956	\$ 16,009	\$ –	\$ 17,340	\$ –	\$ –
Total Source of Funds	\$ 1,386,442	\$ 3,064,097	\$ 3,827,677	\$ 4,244,897	\$ 6,015,977	\$ 3,957,108	\$ 6,153,565	\$ 5,186,858
Use of Funds:								
Labor	\$ 334,328	\$ 457,650	\$ 540,588	\$ 526,973	\$ 838,558	\$ 534,517	\$ 752,282	\$ 795,748
Benefits	\$ 153,456	\$ 191,755	\$ 234,614	\$ 230,286	\$ 366,413	\$ 233,584	\$ 343,135	\$ 360,459
Indirect Costs	\$ 524,559	\$ 706,529	\$ 853,589	\$ 743,559	\$ 1,182,852	\$ 754,200	\$ 1,132,032	\$ 1,199,949
Consulting & Professional Services	\$ 55,031	\$ 39,969	\$ 1,699,672	\$ 2,631,242	\$ 2,050,850	\$ 1,608,135	\$ 3,157,114	\$ 1,740,505
Operating Costs	\$ –	\$ 100	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Equipment & Computer	\$ –	\$ –	\$ –	\$ 149	\$ 4,100	\$ 105	\$ 500	\$ 500
Meeting & Travel	\$ 24,130	\$ 6,933	\$ 20,877	\$ 13,162	\$ 25,800	\$ 21,616	\$ 24,100	\$ 24,100
Other Administrative Costs	\$ 12,171	\$ 11,652	\$ 15,713	\$ 18,225	\$ 18,660	\$ 40,061	\$ 14,350	\$ 15,300
Program Expense	\$ 138,345	\$ 1,239,850	\$ –	\$ 77,137	\$ 1,892,873	\$ 539,311	\$ 697,903	\$ 988,035
Total Use of Funds from Operations	\$ 1,242,019	\$ 2,654,438	\$ 3,365,052	\$ 4,240,731	\$ 6,380,106	\$ 3,731,529	\$ 6,121,416	\$ 5,124,596
Net Gain (Loss)	\$ 144,422	\$ 409,659	\$ 462,625	\$ 4,166	\$ (364,129)	\$ 225,579	\$ 32,149	\$ 62,262
Beginning Fund Balance	\$ (71,864)	\$ 72,558	\$ 482,217	\$ 944,842	\$ 746,780	\$ 713,576	\$ 487,997	\$ 520,144
Ending Fund Balance	\$ 72,558	\$ 482,217	\$ 944,842	\$ 949,008	\$ 382,651	\$ 487,997	\$ 520,144	\$ 582,406
Pass Through (Proposition 1 & 84 - Capital)	\$ 4,946,271	\$ 4,887,122	\$ 6,017,283	\$ 4,637,524	\$ 12,787,335	\$ 23,979,521	\$ 19,877,081	\$ 15,380,781

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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

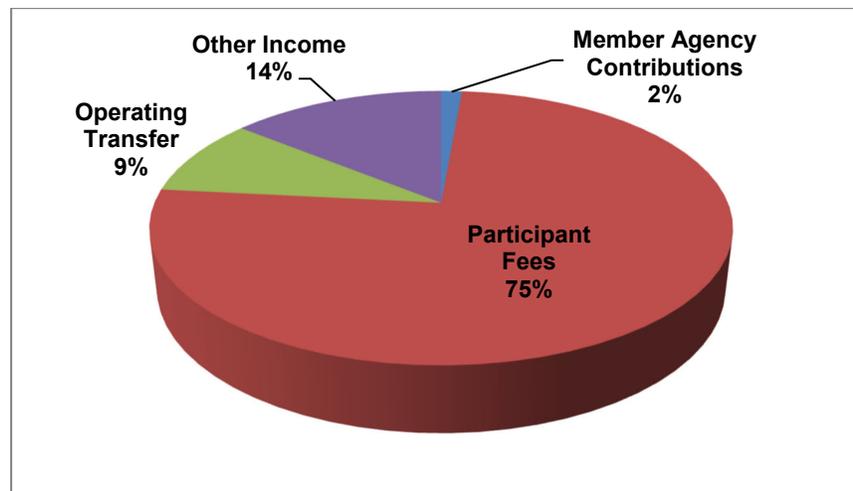
Revenue and Other Funding Sources

In FYE 2020, the roundtable fund has total budgeted revenues of \$1.4 million, or approximately 5.2% of the total budgeted revenue of \$27.7 million. This represents an 8%, or \$112,648, increase in revenues over the FYE 2019 budget. The increase is a result of increased efforts in many of the task forces.

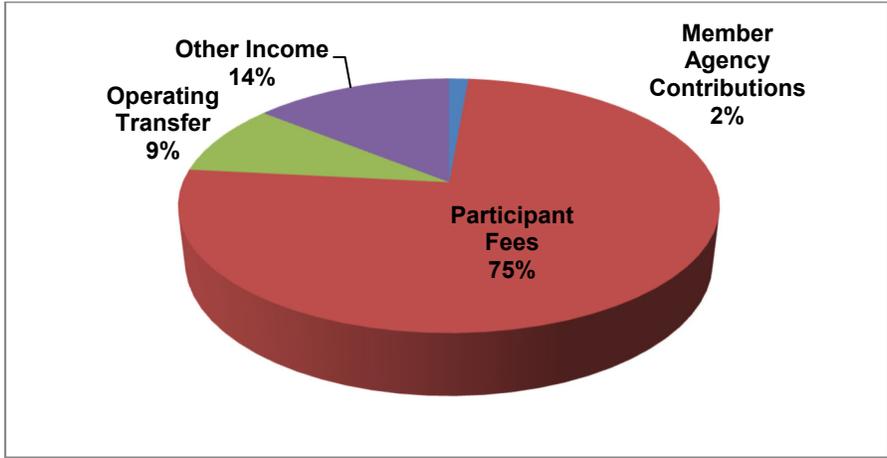
In FYE 2021, the roundtables fund has total budgeted revenues of \$1.4 million, or approximately 6% of the total budgeted revenue of \$24.1 million. This represents a minimal increase of \$12,487 over the FYE 2020 budget.

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

FYE 2020 Revenues
\$1.4 Million

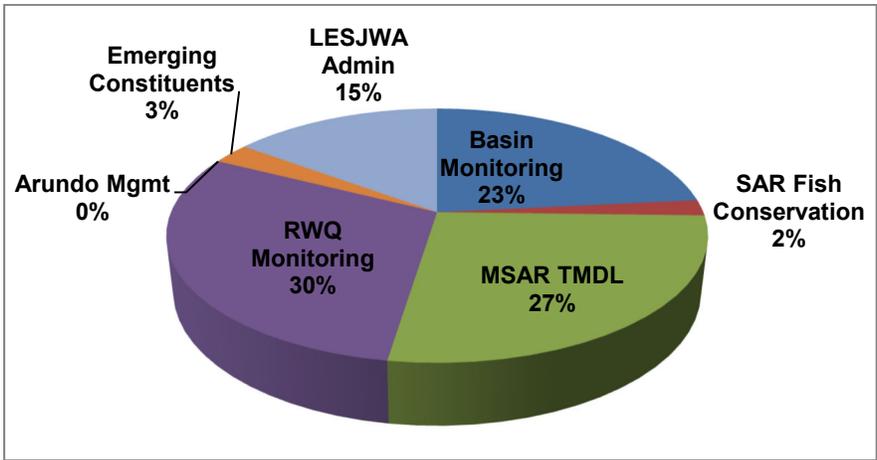


**FYE 2021 Revenues
\$1.4 Million**

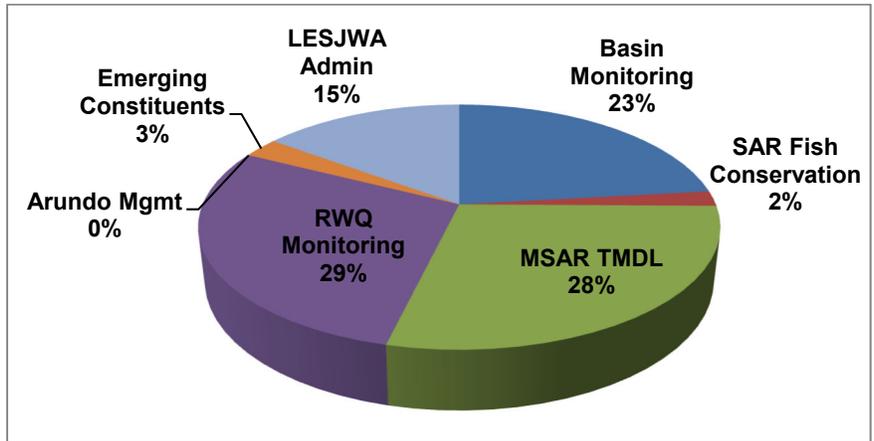


The total revenues by fund type are shown in the pie charts below.

FYE 2020 Revenue by Fund



FYE 2021 Revenue by Fund

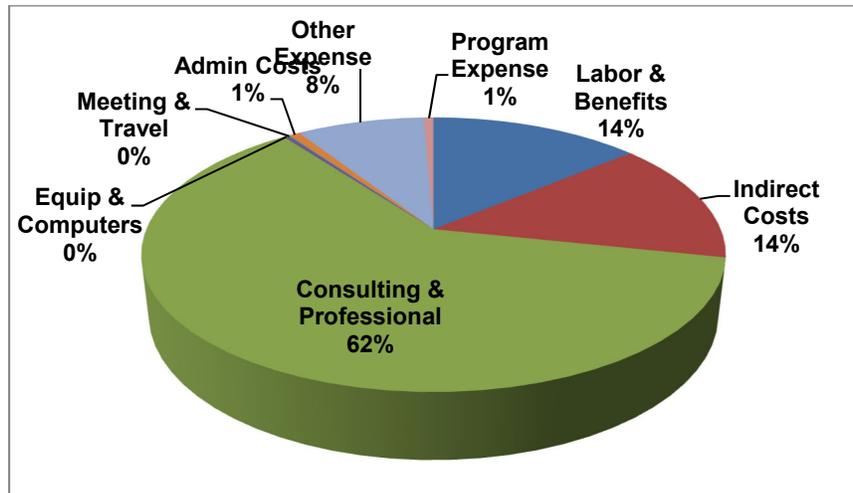


Expenses and Other Uses of Funds

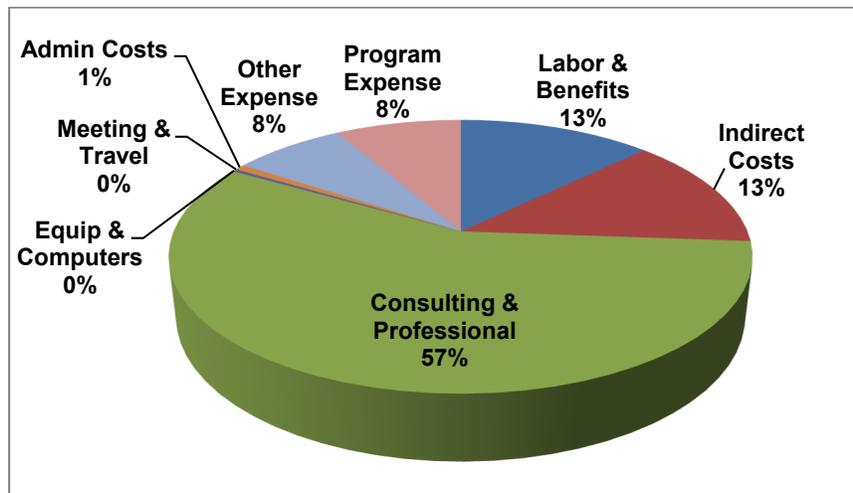
Total expenses for FYE 2020 are \$1.6 million, or approximately 6.4% of total budgeted operating expenses. This represents a 5.9%, or \$87,476, increase in expenses over the FYE 2019 budget.

Total expenses for FYE 2021 are \$1.8 million, or approximately 8.8% of total budgeted operating expenses. This represents a 15%, or \$234,414, increase in expenses over the FYE 2020 budget.

**FYE 2020 Total Expenses
\$1.6 Million**

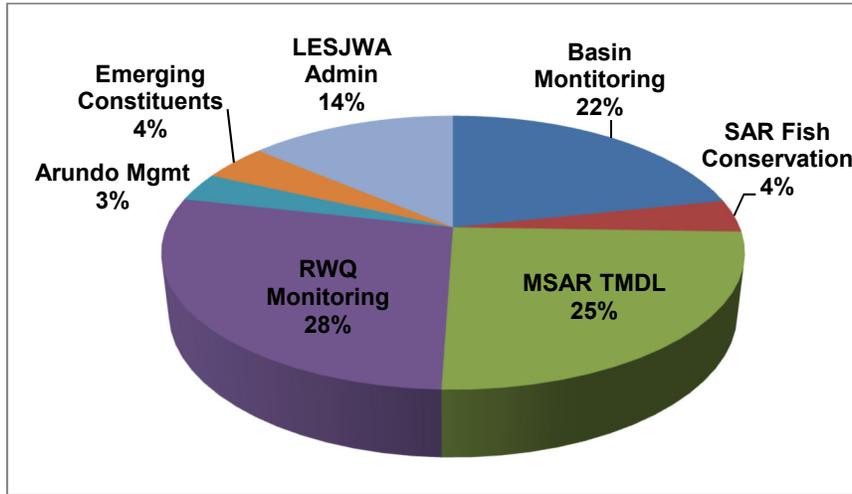


**FYE 2021 Total Expenses
\$1.8 Million**

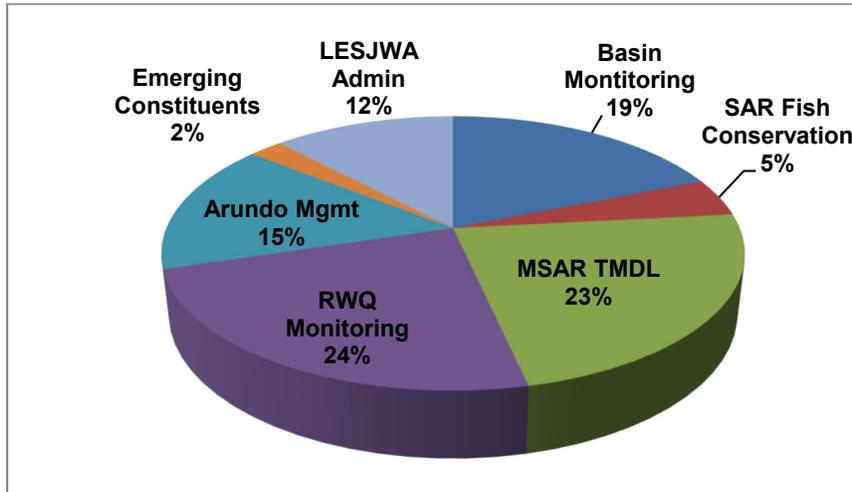


Participating in roundtable projects allows some of the Agency's general fund expenses to be allocated to these funds. In FYE 2020, approximately 6.8%, or \$224,769, of general fund expenses will be paid through this fund group. In FYE 2021, approximately 6.7%, or \$239,434, of general fund expenses will be paid through this fund group.

FYE 2020 Expenses by Fund



FYE 2021 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 2020 Fund Balance

<i>Fund</i>	<i>Fund Balance at 06/30/19</i>	<i>Revenues</i>	<i>Expenses</i>	<i>Fund Balance at 06/30/20</i>
374	\$ 270,870	\$ 338,000	\$ 338,708	\$ 270,162
381	\$ 120,166	\$ 29,000	\$ 53,156	\$ 89,012
384	\$ 126,839	\$ 390,344	\$ 391,041	\$ 126,143
386	\$ 155,493	\$ 432,864	\$ 437,963	\$ 150,395
387	\$ 956,762	\$ -	\$ 52,760	\$ 904,001
392	\$ 71,809	\$ 38,711	\$ 67,643	\$ 42,877
477	\$ -	\$ 215,186	\$ 215,186	\$ -
Total	\$ 1,701,940	\$ 1,444,105	\$ 1,563,457	\$ 1,582,588

FYE 2021 Fund Balance

<i>Fund</i>	<i>Fund Balance at 06/30/20</i>	<i>Revenues</i>	<i>Expenses</i>	<i>Fund Balance at 06/30/21</i>
374	\$ 270,162	\$ 338,000	\$ 339,272	\$ 268,890
381	\$ 89,012	\$ 29,000	\$ 80,137	\$ 37,874
384	\$ 126,143	\$ 416,000	\$ 417,267	\$ 124,876
386	\$ 150,395	\$ 418,000	\$ 426,489	\$ 141,906
387	\$ 904,001	\$ -	\$ 277,527	\$ 626,475
392	\$ 42,877	\$ 38,711	\$ 40,297	\$ 41,291
477	\$ -	\$ 216,881	\$ 216,881	\$ -
Total	\$ 1,582,588	\$ 1,456,592	\$ 1,797,871	\$ 1,241,312

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.

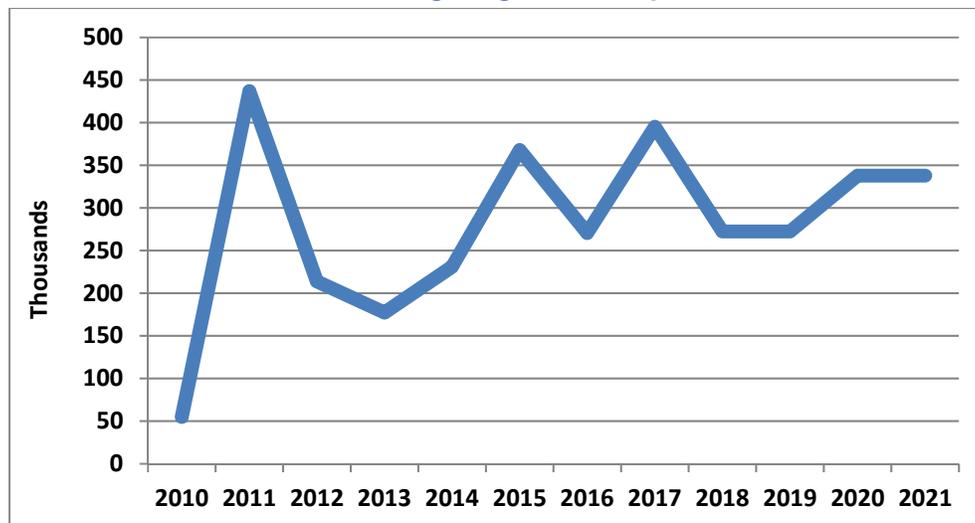
A multi-agency task force was formed and four of SAWPA's member agencies (EMWD, IEUA, WMWD and OCWD) are part of the task force. In FYE 2015, SBVMWD along with three other agencies also agreed to become members and funding parties of the task force bringing the total number of task force agencies to 20. SAWPA serves as the administrator for Basin Monitoring Program Task Force.

Work planned for FYEs 2020 and 2021 will consist of staff work on the annual SAR monitoring report, preparing for the next Triennial Ambient Water Quality Update in 2020, updating the SAR Wasteload Allocation for incorporation into a new RWQCB Basin Plan Amendment, and facilitation of the task force.

In FYE 2020, total revenues are projected to be \$338,000. 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. Request for Proposals (RFP), consultant selection, and contract awards for the next Triennial Ambient Groundwater Quality Update will be conducted in FYE 2020.

In FYE 2021, total revenues are projected to be \$338,000. The work of completing the update to the SAR Wasteload Allocation, incorporating it into a Regional Board Basin Plan Amendment, revising triennial ambient water quality update to reflect the most recent State Board Recycled Water Policy, and starting the preparation work for the next Triennial Ambient Groundwater Quality Update will be conducted in FYE 2021.

Basin Monitoring Program Participant Fees



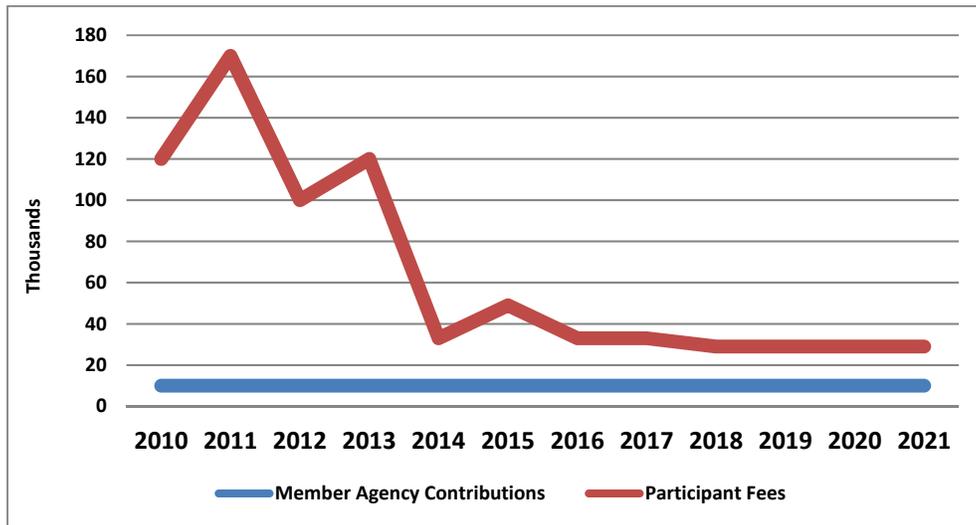
Fund 381 – SAR Fish Conservation Task Force

This multi-agency task force administered by SAWPA staff conducts applied research and efforts directed toward the recovery and delisting of the Santa Ana sucker, 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 recently constructed pilot rock structure in the Santa Ana River and determining if there may be additional opportunities to secure funding for more projects like this. 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 2020 and 2021 revenues are projected to be \$29,000 each year, of which \$19,000 is from participant fees and \$10,000 is from member agency contributions.

SAR Fish Conservation Revenues



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.

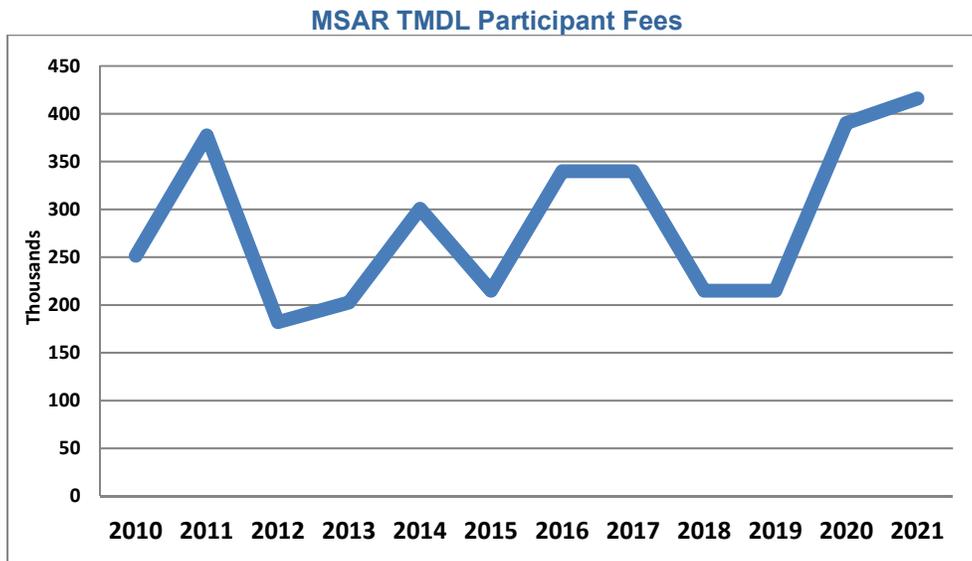
Through the task force, stakeholders implement TMDL compliance monitoring* and conduct various technical studies to evaluate the various sources of contamination impacting the Watershed. In addition, the Task Force provides support to the Counties in the implementation of their Comprehensive Bacteria 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 FYE 2020, the synoptic sampling study will be conducted to evaluate 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 FYE 2021.

In FYEs 2020 and 2021, revenues are projected to be \$390,344 and \$416,000, 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 streamline 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 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 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.

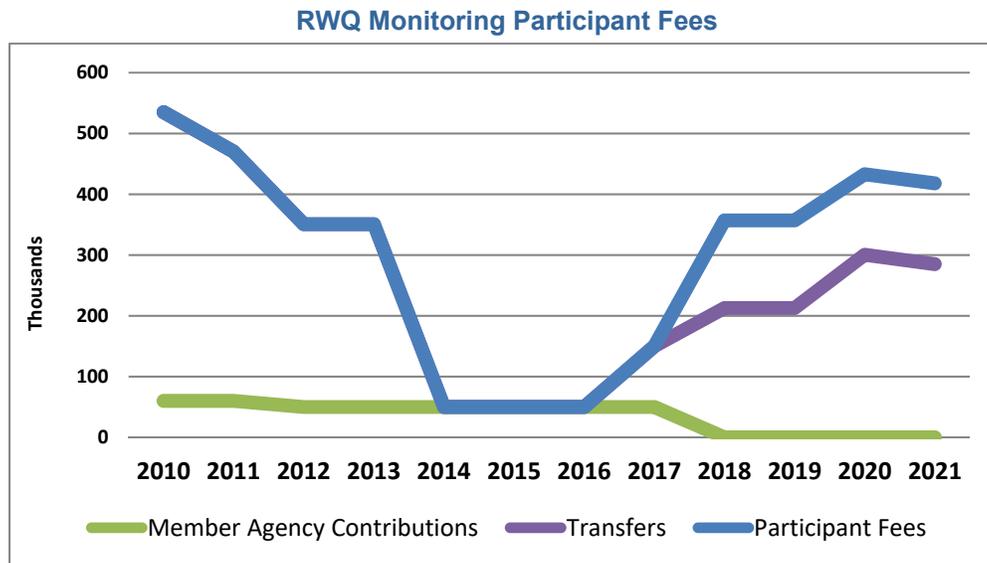
Further, the Santa Ana River Bacteria Monitoring Program combines the separate and disparate bacteria monitoring programs of the three county flood control districts with the existing bacteria monitoring program under the MSAR TMDL Task Force to eliminate redundancy and streamline reporting of regional 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 serve as a forum to assist the Regional Board with future triennial reviews of the Basin Plan.

The activities by staff 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 2020, revenues are projected to be \$432,864, of which \$300,520 is from participant fees, and \$132,344 is an operating transfer from the MSAR TMDL Task Force.

In FYE 2021, revenues are projected to be \$418,000, of which \$285,000 is from participant fees, and \$133,000 is an operating transfer from the MSAR TMDL Task Force.



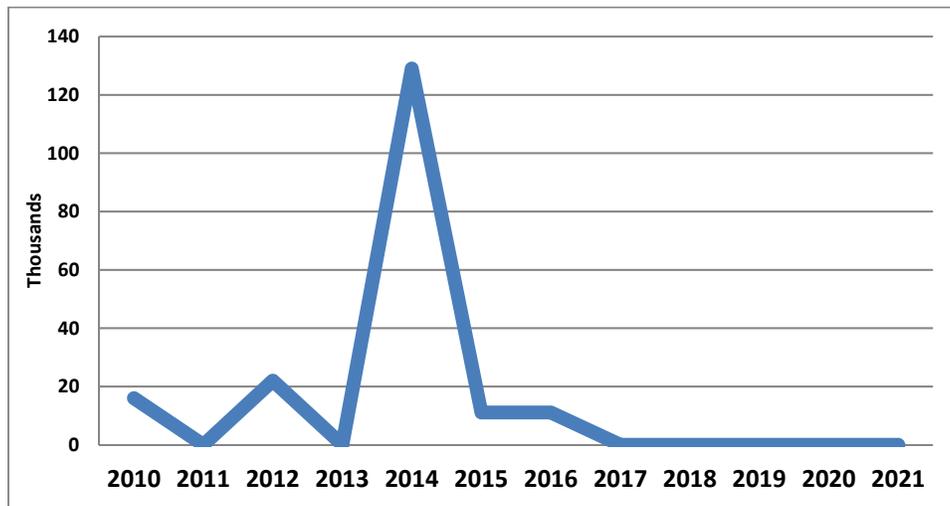
Fund 387 – Arundo Management & Habitat Restoration

This project was initiated to provide funding for Arundo removal and maintenance within the Watershed. This fund will also provide small grants for habitat restoration projects within the Watershed. Funding for this project is generated from the sale of Arundo mitigation bank credits which were purchased 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.

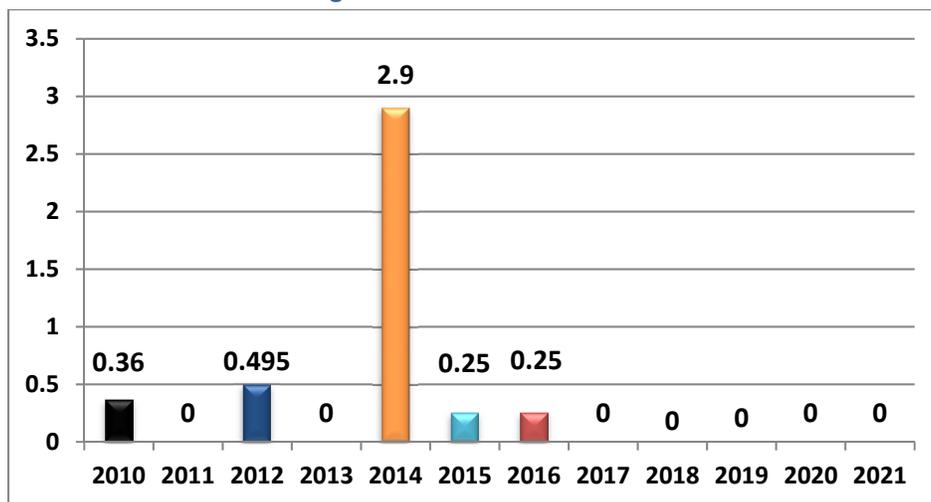
Funding should allow Arundo removal activities to continue through FYEs 2020 and 2021. Funds will be provided to continue the Arundo removal program and other habitat restoration projects that are approved by the SAWPA Commission.

In FYEs 2020 and 2021, there are no expected mitigation credit sales. Total units sold through FYE 2019 are 52.236, leaving 47.764 units available for sale. With renewed development in the Inland Empire, developers will need to purchase mitigation credits resulting in continued funding coming to SAWPA by the mitigation credit sales to support future non-native plant removal in the Watershed.

Total Mitigation Credit Sales



Mitigation Credit Sales in Units



Fund 392 – Emerging Constituents Program Task Force

Based on a Santa Ana RWQCB resolution accompanying the Cooperative Agreement for Imported Water Recharge signed by the RWQCB and nine imported water recharging agencies in January 2008, the signatories 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 years 2009 – 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 was reconvened to consider a new sampling program to address PFAS (per- and polyfluoroalkyl substances) a relatively new family of emerging constituents of concern that are starting to be regulated arising from water repellent industry products many of which have been banned but are still present through imported products. Regulations are being developed as analytical techniques to sample and analyze this new family of constituents of emerging concern improve. A voluntary sampling program under the Emerging Constituents Program Task Force, with support of OCWD, Risk Sciences, and SAWPA staff, will be undertaken in late August 2019. The sampling reflects analysis of select groups of PFAS and previously listed emerging constituents to provide an update on their status. A sampling report will be prepared that compiles and analyzes the lab results of POTW effluent throughout the Watershed as well as various imported water sources. The sampling report is anticipated to be completed by December 2019. Further sampling related to PFAS may occur in FYE 2021 but is uncertain at this time.

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 2020 and 2021, revenues are projected to be \$38,711, all of which is from participant fees.

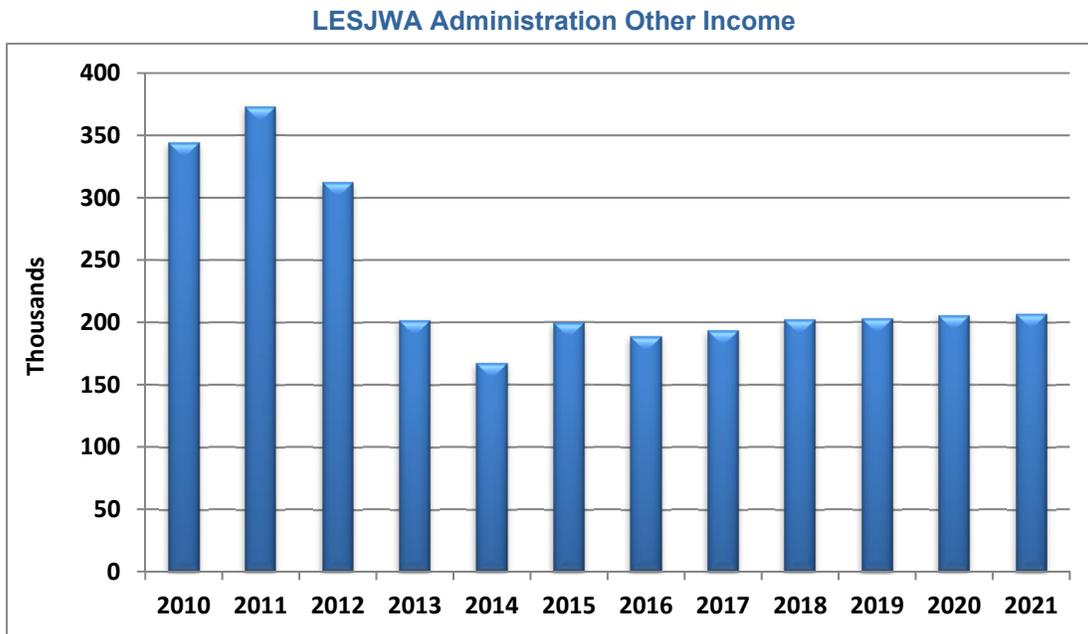
Fund 477 – LESJWA Administration

With the passage of the State Proposition 13 Water Bond on March 7, 2000, \$15 million was allocated for the benefit of Lake Elsinore and San Jacinto Watersheds under the direction of a newly formed JPA called the Lake Elsinore & San Jacinto Watersheds Authority (LESJWA). SAWPA serves as the administrator for this JPA and is one of the five members, which represent the JPA Board. The Board consists of Elsinore Valley Municipal Water District (EVMWD), the City of Lake Elsinore, the County of Riverside, the City of Canyon Lake, and SAWPA. In FYE 2008, all Proposition 13 Water Bond funding for LESJWA was fully expended. Additional State grant funds and 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.

In FYE 2020, revenues and expenses are projected to be \$215,186. This is a minimal decrease from the FYE 2019 budget.

In FYE 2021, revenues and expenses are projected to be \$216,881.

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



Roundtable Fund Budget FYE 2020	PA20 Basin Monitoring Program TF Fund 374	SAR Fish Conservation Task Force Fund 381	MSAR TMDL Task Force Fund 384-01	RWQ Monitoring Task Force Fund 386	Arundo Mgmt & Habitat Restoration Fund 387	Emerging Constituents Task Force Fund 392	PA12 LESJWA Admin Fund 477	Total
Source of Funds:								
Member Agency Contributions	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ 10,000	\$ 20,000
Participant Fees	\$ 338,000	\$ 19,000	\$ 390,344	\$ 300,520	\$ -	\$ 38,711	\$ -	\$ 1,086,575
Other Income	\$ -	\$ -	\$ -	\$ 132,344	\$ -	\$ -	\$ 205,186	\$ 337,530
Total Source of Funds	\$ 338,000	\$ 29,000	\$ 390,344	\$ 432,864	\$ -	\$ 38,711	\$ 215,186	\$ 1,444,105
Staffing:								
Hours Allocated	443	220	175	155	175	45	945	2,158
FTE (based on 2080)	0.2	0.1	0.1	0.1	0.1	0.0	0.5	1.0
Use of Funds:								
Labor	\$ 30,372	\$ 11,535	\$ 11,381	\$ 11,854	\$ 11,976	\$ 3,172	\$ 69,079	\$ 149,369
Benefits	\$ 13,853	\$ 5,262	\$ 5,191	\$ 5,407	\$ 5,463	\$ 1,447	\$ 31,508	\$ 68,131
Indirect Costs	\$ 45,703	\$ 17,358	\$ 17,125	\$ 17,838	\$ 18,021	\$ 4,774	\$ 103,949	\$ 224,769
Consulting & Professional Services	\$ 248,780	\$ 20,000	\$ 225,000	\$ 402,864	\$ 6,000	\$ 58,250	\$ 250	\$ 961,144
Equipment & Computer	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000
Meeting & Travel	\$ -	\$ 500	\$ -	\$ -	\$ 800	\$ -	\$ 250	\$ 1,550
Other Administrative Costs	\$ -	\$ 500	\$ -	\$ -	\$ 500	\$ -	\$ 10,150	\$ 11,150
Other Expense	\$ -	\$ -	\$ 132,344	\$ -	\$ -	\$ -	\$ -	\$ 132,344
Program Expense	\$ -	\$ -	\$ -	\$ -	\$ 10,000	\$ -	\$ -	\$ 10,000
Total Use of Funds	\$ 338,708	\$ 60,155	\$ 391,041	\$ 437,963	\$ 52,760	\$ 67,643	\$ 215,186	\$ 1,563,457
Net Gain (Loss)	\$ (708)	\$ (31,155)	\$ (697)	\$ (5,099)	\$ (52,760)	\$ (28,932)	\$ -	\$ (119,352)
Beginning Fund Balance	\$ 270,870	\$ 120,166	\$ 126,839	\$ 155,493	\$ 956,762	\$ 71,809	\$ -	\$ 1,701,940
Ending Fund Balance	\$ 270,162	\$ 89,012	\$ 126,143	\$ 150,395	\$ 904,001	\$ 42,877	\$ -	\$ 1,582,588
Indirect Costs Contribution	1.39%	0.53%	0.52%	0.54%	0.55%	0.15%	3.16%	6.83%

Roundtable Fund Budget FYE 2021	PA20 Basin Monitoring Program TF Fund 374	SAR Fish Conservation Task Force Fund 381	MSAR TMDL Task Force Fund 384-01	RWQ Monitoring Task Force Fund 386	Arundo Mgmt & Habitat Restoration Fund 387	Emerging Constituents Task Force Fund 392	PA12 LESJWA Admin Fund 477	Total
Source of Funds:								
Member Agency Contributions	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ 10,000	\$ 20,000
Participant Fees	\$ 338,000	\$ 19,000	\$ 416,000	\$ 285,000	\$ -	\$ 38,711	\$ -	\$ 1,096,711
Other Income	\$ -	\$ -	\$ -	\$ 133,000	\$ -	\$ -	\$ 206,881	\$ 339,881
Total Source of Funds	\$ 338,000	\$ 29,000	\$ 416,000	\$ 418,000	\$ -	\$ 38,711	\$ 216,881	\$ 1,456,592
Staffing:								
Hours Allocated	410	210	160	155	220	45	890	2,090
FTE (based on 2080)	0.2	0.1	0.1	0.1	0.1	0.0	0.4	1.0
Use of Funds:								
Labor	\$ 30,562	\$ 13,218	\$ 11,573	\$ 12,999	\$ 17,301	\$ 3,478	\$ 69,651	\$ 158,781
Benefits	\$ 13,844	\$ 5,987	\$ 5,242	\$ 5,888	\$ 7,837	\$ 1,575	\$ 31,550	\$ 71,926
Indirect Costs	\$ 46,086	\$ 19,932	\$ 17,452	\$ 19,602	\$ 26,089	\$ 5,244	\$ 105,030	\$ 239,434
Consulting & Professional Services	\$ 248,780	\$ 35,000	\$ 250,000	\$ 388,000	\$ 75,000	\$ 30,000	\$ 250	\$ 1,027,030
Equipment & Computers	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000
Meeting & Travel	\$ -	\$ 500	\$ -	\$ -	\$ 800	\$ -	\$ 250	\$ 1,550
Other Administrative Costs	\$ -	\$ 500	\$ -	\$ -	\$ 500	\$ -	\$ 10,150	\$ 11,150
Other Expense	\$ -	\$ -	\$ 133,000	\$ -	\$ -	\$ -	\$ -	\$ 133,000
Program Expense	\$ -	\$ -	\$ -	\$ -	\$ 150,000	\$ -	\$ -	\$ 150,000
Total Use of Funds	\$ 339,272	\$ 80,137	\$ 417,267	\$ 426,489	\$ 277,527	\$ 40,297	\$ 216,881	\$ 1,797,871
Net Gain (Loss)	\$ (1,272)	\$ (51,137)	\$ (1,267)	\$ (8,489)	\$ (277,527)	\$ (1,586)	\$ -	\$ (341,279)
Beginning Fund Balance	\$ 270,162	\$ 89,012	\$ 126,839	\$ 150,395	\$ 904,001	\$ 42,877	\$ -	\$ 1,582,588
Ending Fund Balance	\$ 268,890	\$ 37,874	\$ 124,876	\$ 141,906	\$ 626,475	\$ 41,291	\$ -	\$ 1,241,312
Indirect Costs Contribution	1.30%	0.56%	0.49%	0.55%	0.73%	0.15%	2.95%	6.73%

Roundtable Funds FYE 2015 - 2021	FYE 2015 Actual	FYE 2016 Actual	FYE 2017 Actual	FYE 2018 Actual	FYE 2019 Budget	FYE 2019 Actual	FYE 2020 Budget	FYE 2021 Budget
Source of Funds:								
Grant Proceeds	\$ -	\$ 37,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Member Agency Contributions	\$ 70,000	\$ 70,000	\$ 70,000	\$ 20,000	\$ 20,000	\$ 66,000	\$ 20,000	\$ 20,000
Participant Fees	\$ 608,030	\$ 682,411	\$ 791,886	\$ 835,415	\$ 871,551	\$ 830,596	\$ 1,086,575	\$ 1,096,711
Mitigation Credit Sales	\$ 11,123	\$ 11,123	\$ -	\$ -	\$ 88,980	\$ -	\$ -	\$ -
Operating Transfer	\$ 4,000	\$ -	\$ 289,175	\$ 144,252	\$ 144,252	\$ 144,252	\$ 132,344	\$ 133,000
Other Income	\$ 199,421	\$ 251,917	\$ 193,263	\$ 188,702	\$ 206,674	\$ 194,380	\$ 205,186	\$ 206,881
Interest & Investments	\$ 7,761	\$ 13,668	\$ 20,267	\$ 25,624	\$ -	\$ 41,519	\$ -	\$ -
Total Source of Funds	\$ 900,335	\$ 1,066,119	\$ 1,364,591	\$ 1,213,993	\$ 1,331,457	\$ 1,276,747	\$ 1,444,105	\$ 1,456,592
Use of Funds:								
Labor	\$ 127,710	\$ 129,028	\$ 132,548	\$ 134,196	\$ 154,104	\$ 150,825	\$ 149,369	\$ 158,781
Benefits	\$ 58,619	\$ 54,063	\$ 57,527	\$ 58,643	\$ 67,337	\$ 65,911	\$ 68,131	\$ 71,926
Indirect Costs	\$ 200,376	\$ 205,413	\$ 209,294	\$ 189,350	\$ 217,376	\$ 212,814	\$ 224,769	\$ 239,434
Consulting & Professional Services	\$ 321,390	\$ 292,436	\$ 924,176	\$ 789,378	\$ 731,211	\$ 643,184	\$ 961,144	\$ 1,027,030
Equipment & Computers	\$ -	\$ -	\$ -	\$ 269	\$ -	\$ -	\$ 5,000	\$ 5,000
Meeting & Travel	\$ 943	\$ 764	\$ 720	\$ 989	\$ 1,450	\$ 848	\$ 1,550	\$ 1,550
Other Administrative Costs	\$ 14,480	\$ 10,107	\$ 10,133	\$ 10,361	\$ 10,250	\$ 10,425	\$ 11,150	\$ 11,150
Other Expense	\$ -	\$ -	\$ 290,792	\$ 151,324	\$ 144,252	\$ 145,205	\$ 132,344	\$ 133,000
Program Expense	\$ 185,764	\$ 28,854	\$ -	\$ -	\$ 150,000	\$ 10,647	\$ 10,000	\$ 150,000
Total Use of Funds	\$ 909,282	\$ 720,665	\$ 1,625,189	\$ 1,334,510	\$ 1,475,981	\$ 1,239,859	\$ 1,563,457	\$ 1,797,871
Net Gain (Loss)	\$ (8,947)	\$ 345,454	\$ (260,598)	\$ (120,517)	\$ (144,524)	\$ 36,888	\$ (119,352)	\$ (341,279)
Beginning Fund Balance	\$ 1,709,655	\$ 1,700,708	\$ 2,046,162	\$ 1,785,564	\$ 1,685,061	\$ 1,738,828	\$ 1,701,940	\$ 1,582,588
Ending Fund Balance	\$ 1,700,708	\$ 2,046,162	\$ 1,785,564	\$ 1,665,047	\$ 1,540,537	\$ 1,701,940	\$ 1,582,588	\$ 1,241,312

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Capital Project Fund

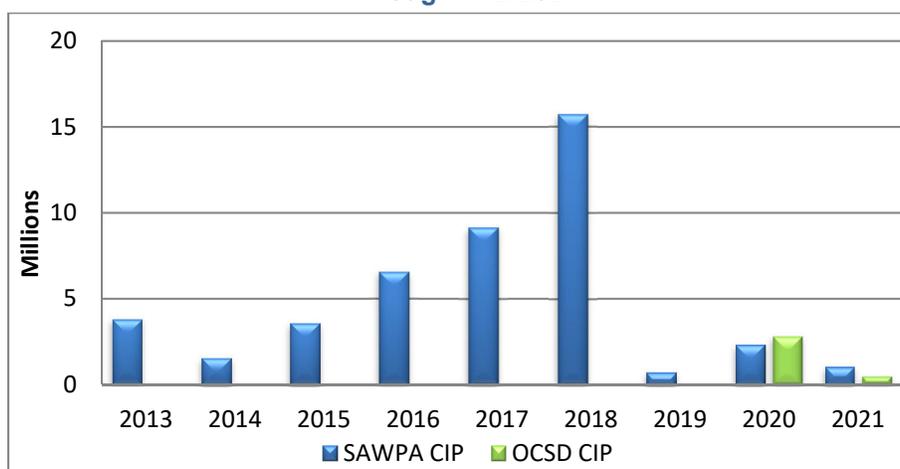
The Capital Project Fund includes projects related to the operation and maintenance of the Inland Empire Brine Line. The Brine Line is a non-reclaimable wastewater pipeline that provides for the export of desalter brine, high-salinity industrial wastewater, and domestic wastewater generated within the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

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

In FYE 2020, the Agency has budgeted approximately \$5.1 million, and \$1.5 million in FYE 2021 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.
 - c. Brine Line Reach IV-D Maintenance Access Structure Modifications (MAS). The City of Beaumont has obtained Brine Line pipeline capacity and treatment and disposal capacity to discharge to the Brine Line. The discharge is anticipated in FYE 2020. An evaluation of the system hydraulics has found that five (5) MAS on Reach IV-D need to be modified to withstand pressurization without allowing a sanitary sewer overflows (SSO). SAWPA has agreed to make the necessary modifications and the City of Beaumont will reimburse SAWPA its costs.
2. OCSD actions related to the raising of Prado Dam and Reach 9 improvements by the U.S. Army Corps of Engineers (ACOE).
 - a. Costs associated with the removal of rip-rap (rock) placed by OCSD since 2005 to protect the now abandoned SARI which was located in the floodplain. This four mile long section of the SARI was relocated by Orange County Public Works (OCPW) in 2014.
3. OCSD Capital Improvement Program projects on the Brine Line through FYE 2060 (variable SAWPA cost share). Estimated at \$600,000 per year.

Expected Capital Improvement Plan Expenditures Through FYE 2021



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 46 years old, and the newest being nineteen 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 Reach IV-D to prevent deterioration of the concrete pipe and modifications to five maintenance access structures on Reach IV-D to withstand pressurization of the MAS. Projects also include repair of any problems found in the CCTV inspection of the line.

ACOE Project

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

Protection/Relocation of the Line

OCSD owns, operates, and maintains the line west of the Orange/Riverside County line. SAWPA owns capacity rights in the line and has entered into a cost sharing agreement for the operation and maintenance of that portion of the line. Between the Orange/Riverside County line and SAVI Ranch, the Brine Line used to lie within the floodplain of the SAR before being relocated in 2014. As part of the ACOE project, the design maximum controlled release from the dam will increase from 9,300 cubic feet per second (cfs) to 30,000 cfs. As part of the project, protection of the Brine Line downstream of Prado in Riverside and Orange Counties is being provided. Over the last 15 years, OCSD has performed several protection projects installing grade stabilizers and bank protection constructed using large rock. This program 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. Upon completion of the project and as part of an ACOE permit condition, OCSD is required to remove the rock from the SAR floodplain. The Rock removal project commenced in FYE 2019 and is anticipated to be complete in FYE 2020.

OCSD CIP Projects

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

Impact of CIP on Operating Budget

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

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 2020 and 2021 budget projections. The rate model establishes reserve contributions for FYE 2020 in the amount of \$1.4 million and \$1.8 million for FYE 2021. 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 2020 and 2021 will be funded from Agency Reserves.

Reserve Balances at FYE 2019

<i>Reserve Account</i>	<i>FYE 2019 Balance</i>
Pipeline Repair/Replacement Reserve	\$ 21,060,449
OCSD Rehabilitation Reserve	\$ 3,650,852
Capacity Management Reserve	\$ 11,691,357
Total Reserves Available for CIP	\$ 36,402,658

Reserves Available to Fund CIP through FYE 2021

<i>FYE Year</i>	<i>Beginning Reserve Balance</i>	<i>Contributions To Reserves</i>	<i>CIP Funding</i>	<i>Ending Reserve Balance</i>
2020	\$ 36,402,658	\$ 1,435,478	\$ (5,118,134)	\$ 32,720,002
2021	\$ 32,720,002	\$ 1,810,491	\$ (1,549,029)	\$ 32,981,464

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

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BL Capital Project Fund Budget FYE 2020	Brine Line Protection Project Fund 320	Reach IV-D Corrosion Repair Fund 327	Total
Source of Funds:			
Financing Proceeds	\$ –	\$ –	\$ –
Use of Reserves	\$ 5,041,923	\$ 76,211	\$ 5,118,134
Total Source of Funds	\$ 5,041,923	\$ 76,211	\$ 5,118,134
Staffing:			
Hours Allocated	695	320	1,015
FTE (based on 2080)	0.3	0.2	0.5
Use of Funds:			
Labor	\$ 55,531	\$ 21,686	\$ 77,217
Benefits	\$ 25,329	\$ 9,892	\$ 35,221
Indirect Costs	\$ 83,563	\$ 32,633	\$ 116,196
Consulting & Professional Services	\$ 175,000	\$ 10,000	\$ 185,000
Operating Costs	\$ –	\$ 2,000	\$ 2,000
Other Administrative Costs	\$ 2,500	\$ –	\$ 2,500
Construction	\$ 4,700,000	\$ –	\$ 4,700,000
Total Use of Funds from Operations	\$ 5,041,923	\$ 76,211	\$ 5,118,134
Net Gain (Loss)	\$ –	\$ –	\$ –
Indirect Costs Contribution	2.54%	0.99%	3.53%

BL Capital Project Fund Budget FYE 2021	Brine Line Protection Project Fund 320	Reach IV-D Corrosion Repair Fund 327	Total
Source of Funds:			
Financing Proceeds	\$ –	\$ –	\$ –
Use of Reserves	\$ 1,466,878	\$ 82,151	\$ 1,549,029
Total Source of Funds	\$ 1,466,878	\$ 82,151	\$ 1,549,029
Staffing:			
Hours Allocated	685	320	1,005
FTE (based on 2080)	0.3	0.2	0.5
Use of Funds:			
Labor	\$ 60,582	\$ 23,692	\$ 84,274
Benefits	\$ 27,442	\$ 10,732	\$ 38,175
Indirect Costs	\$ 91,354	\$ 35,727	\$ 127,081
Consulting & Professional Services	\$ 85,000	\$ 10,000	\$ 95,000
Operating Costs	\$ –	\$ 2,000	\$ 2,000
Other Administrative Costs	\$ 2,500	\$ –	\$ 2,500
Construction	\$ 1,200,000	\$ –	\$ 1,200,000
Total Use of Funds from Operations	\$ 1,466,878	\$ 82,151	\$ 1,549,029
Net Gain (Loss)	\$ –	\$ –	\$ –
Indirect Costs Contribution	2.57%	1.00%	3.57%

BL Capital Project Funds FYE 2015 – 2021	FYE 2015 Actual	FYE 2016 Actual	FYE 2017 Actual	FYE 2018 Actual	FYE 2019 Budget	FYE 2019 Actual	FYE 2020 Budget	FYE 2021 Budget
Source of Funds:								
Financing Proceeds	\$ –	\$ 4,009,075	\$ 3,544,360	\$ 7,595,992	\$ 3,000,000	\$ –	\$ –	\$ –
Use of Reserves	\$ 3,519,159	\$ 2,468,665	\$ 5,495,198	\$ 3,756,938	\$ 4,986,032	\$ 688,727	\$ 5,118,134	\$ 1,549,029
Other Income	\$ 31,137	\$ 59,998	\$ –	\$ 13,138	\$ –	\$ –	\$ –	\$ –
Total Source of Funds	\$ 3,550,296	\$ 6,537,738	\$ 9,039,558	\$ 11,366,068	\$ 7,986,032	\$ 688,727	\$ 5,118,134	\$ 1,549,029
Use of Funds:								
Labor	\$ 106,112	\$ 162,596	\$ 218,285	\$ 141,428	\$ 187,191	\$ 30,290	\$ 77,217	\$ 84,274
Benefits	\$ 48,470	\$ 68,129	\$ 94,736	\$ 61,803	\$ 81,794	\$ 13,237	\$ 35,221	\$ 38,175
Indirect Costs	\$ 165,686	\$ 258,854	\$ 344,673	\$ 199,555	\$ 264,047	\$ 42,738	\$ 116,196	\$ 127,081
Consulting & Professional Services	\$ 713,924	\$ 1,346,833	\$ 2,022,552	\$ 2,249,535	\$ 877,500	\$ 601,814	\$ 185,000	\$ 95,000
Operating Costs	\$ 8,000	\$ –	\$ 1,639	\$ –	\$ 10,000	\$ 641	\$ 2,000	\$ 2,000
Meeting & Travel	\$ 815	\$ 4,748	\$ 3,466	\$ 928	\$ 2,000	\$ 7	\$ –	\$ –
Other Administrative Costs	\$ 679	\$ 654	\$ 404	\$ 282	\$ 13,500	\$ –	\$ 2,500	\$ 2,500
Construction	\$ 2,506,610	\$ 4,695,924	\$ 6,353,804	\$ 8,712,537	\$ 6,550,000	\$ –	\$ 4,700,000	\$ 1,200,000
Total Use of Funds from Operations	\$ 3,550,296	\$ 6,537,738	\$ 9,039,558	\$ 11,366,068	\$ 7,986,032	\$ 688,727	\$ 5,118,134	\$ 1,549,029
Net Gain (Loss)	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –

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Request for Capital Funding

	Project #	320-01 OC 320-04 RC
PROJECT OR EQUIPMENT INFORMATION		
NAME:	Priority:	High
Brine Line Protection/Relocation, Downstream (D/S) of Prado in Orange and Riverside Counties	External Fund Potential:	Yes
DESCRIPTION:	Current Stage:	Varies
Brine Line Protection/Relocation activities D/S of Prado Dam in Orange and Riverside Counties. Orange County work completed May 2014. Riverside County work completed in FYE 2016 by RCFC&WCD. OCSD Rock Removal work to be completed in FYE 2020.	Expansion %:	0%
	Replacement %:	100%
	Req'd Ext Funding %:	0%
LOCATION:	Expended to Date:	\$10.9M
Existing Brine Line between Orange County line (Green River Golf Course) and SAVI Ranch (Orange County) and Prado Dam and Orange County line (Riverside County)	Future Costs:	\$3.7M
	Total Project Cost:	\$14.6M

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. OCSD has prepared plans to remove rock material that was temporarily placed to protect the Brine Line prior to the relocation. Rock Removal Project to commence in FYE 2019 and to be completed in FYE 2020. SAWPA loaned 10% of the project costs to OCPW. RCFC&WCD completed the Brine Line protection in 2016.

All OCSD costs represent 76% of the total.

ANNUAL IMPACTS ON OPERATIONS/MAINTENANCE:

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

Cost Estimate:	2016-17	2017-18	2018-19	2019-20	2020-21	TOTAL
SAWPA LABOR	\$ -	\$ 1,007	\$ 4,963	\$ 14,711	\$ 15,973	\$ 36,654
BENEFITS	\$ -	\$ 440	\$ 2,169	\$ 6,712	\$ 7,236	\$ 16,557
INDIRECT COSTS	\$ -	\$ 1,421	\$ 7,003	\$ 22,137	\$ 24,087	\$ 54,648
CONSULTING	\$ 46,571	\$ 294,448	\$ 85,916	\$ -	\$ -	\$ 426,935
ENGINEERING, OCSD	\$ -	\$ -	\$ 112,291	\$ -	\$ -	\$ 112,291
CONSTRUCTION	\$ -	\$ -	\$ -	\$ 2,800,000	\$ 500,000	\$ 3,300,000
OTHER EXPENSE	\$ -	\$ -	\$ 7	\$ -	\$ -	\$ 7
TOTALS	\$ 46,571	\$ 297,316	\$ 212,349	\$ 2,843,560	\$ 547,296	\$ 3,947,092

Escalation Rate: 3%

Request for Capital Funding

Project # 320-03

PROJECT OR EQUIPMENT INFORMATION		
NAME:	Priority:	High
Capital Repair, Other Required Activities	External Fund Potential:	No
DESCRIPTION:	Current Stage:	Planning
Protection/relocation of the Brine Line due to U.S. Army Corps. Alcoa Dike Construction. 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 reveals a number of capital repairs are required. As the system ages, additional repairs are anticipated to be needed annually.	Expansion %:	0%
	Replacement %:	100%
	Req'd Ext Funding %:	0%
LOCATION:	Expended to Date:	\$2.1M
System wide	Future Costs:	\$3.1M
	Total Project Cost:	\$5.2M

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

Repairs are necessary from time to time which are not known at the time annual budgets are prepared. These repairs cannot wait until a subsequent year. Such repairs include, but are not limited to:

1. MAS repair and adjustments.
2. Protection/Relocation where SAWPA does not have "prior rights".
3. Sinkhole repairs.
4. Repairs that result from CCTV pipeline inspections.
5. Protection from stormwater/erosion.

ANNUAL IMPACTS ON OPERATIONS/MAINTENANCE:

Failure of line or work done by others at higher cost. No additional impact to future operating budgets.

Cost Estimate:	2016-17	2017-18	2018-19	2019-20	2020-21	TOTAL
SAWPA LABOR	\$ 161	\$ 1,725	\$ 3,327	\$ 40,820	\$ 44,608	\$ 90,641
BENEFITS	\$ 70	\$ 754	\$ 1,454	\$ 18,617	\$ 20,207	\$ 41,102
INDIRECT COSTS	\$ 255	\$ 2,435	\$ 4,695	\$ 61,426	\$ 67,269	\$ 136,080
ENGINEERING	\$ -	\$ 2,304	\$ 14,702	\$ 175,000	\$ 85,000	\$ 277,006
CONSTRUCTION	\$ -	\$ -	\$ -	\$ 1,900,000	\$ 700,000	\$ 2,600,000
OTHER EXPENSE	\$ -	\$ -	\$ -	\$ 2,500	\$ 2,500	\$ 5,000
TOTALS	\$ 486	\$ 7,218	\$ 24,178	\$ 2,198,363	\$ 919,584	\$ 3,149,829

Escalation Rate: 3%

Request for Capital Funding

Project # 327

PROJECT OR EQUIPMENT INFORMATION		
NAME:	Priority:	High
Reach IV-D Corrosion Repairs	External Fund Potential:	Yes
DESCRIPTION:	Current Stage:	Design
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:	\$380,615
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 Road.	Future Costs (FYE 2023):	\$0.750M
	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. Upon the completion of the FYE 2023 inspection update the predicted remaining useful life of the pipeline 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:	2016-17	2017-18	2018-19	2019-20	2020-21	TOTAL
SAWPA LABOR	\$ -	\$ 16,507	\$ 13,416	\$ 21,686	\$ 23,692	\$ 75,301
BENEFITS	\$ -	\$ 7,213	\$ 5,863	\$ 9,892	\$ 10,732	\$ 33,700
INDIRECT COSTS	\$ -	\$ 23,291	\$ 18,930	\$ 32,633	\$ 35,727	\$ 110,581
CONSULTING	\$ -	\$ 190,709	\$ 103,429	\$ 10,000	\$ 10,000	\$ 314,138
ENGINEERING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PROJECT MANAGEMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PERMIT FEES	\$ -	\$ 495	\$ 641	\$ 2,000	\$ 2,000	\$ 5,136
CONSTRUCTION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER EXPENSE	\$ -	\$ 121	\$ -	\$ -	\$ -	\$ 121
TOTALS	\$ -	\$ 238,336	\$ 142,279	\$ 76,211	\$ 82,151	\$ 538,977

Escalation Rate: 3%

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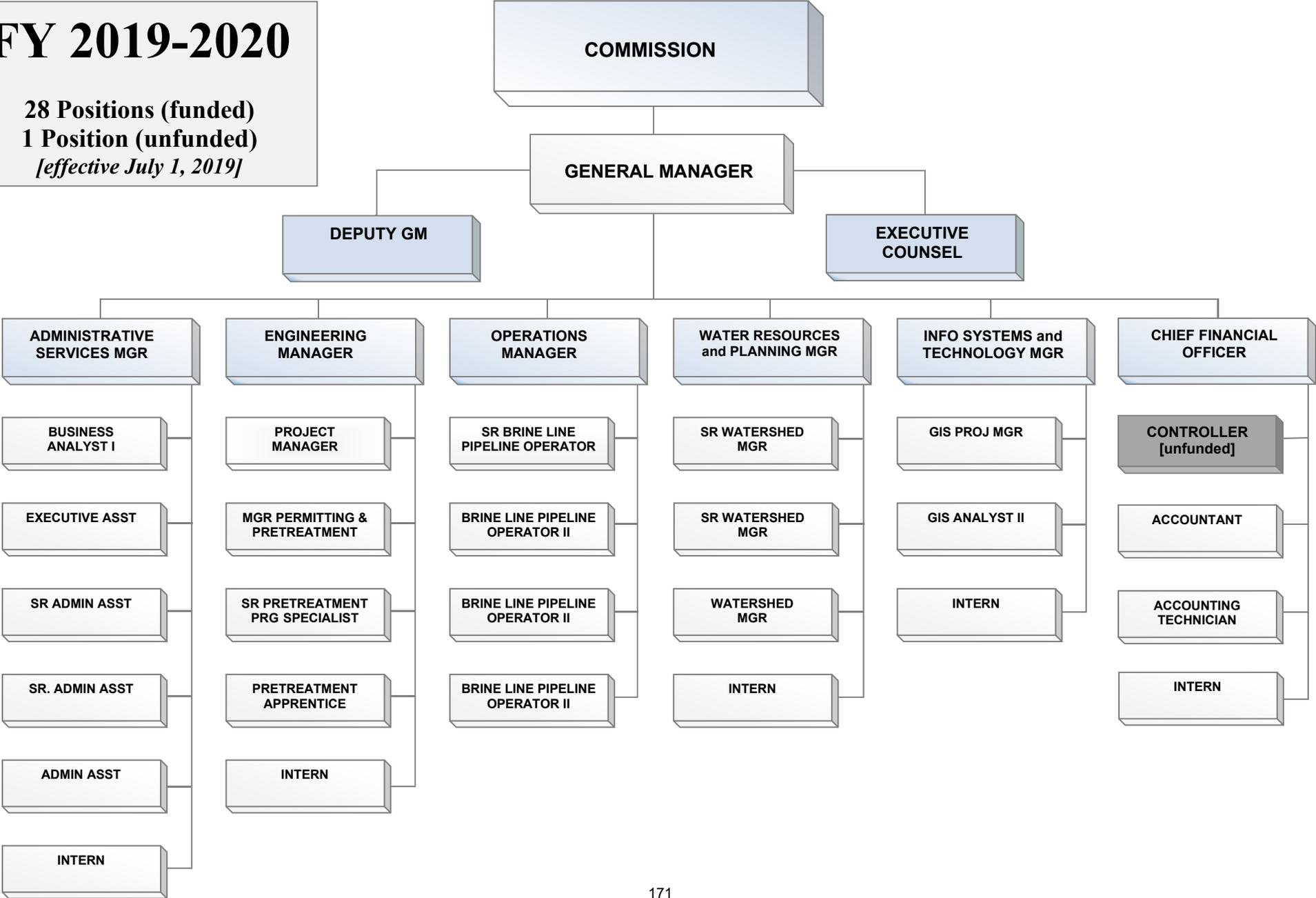


Section 10

Departments

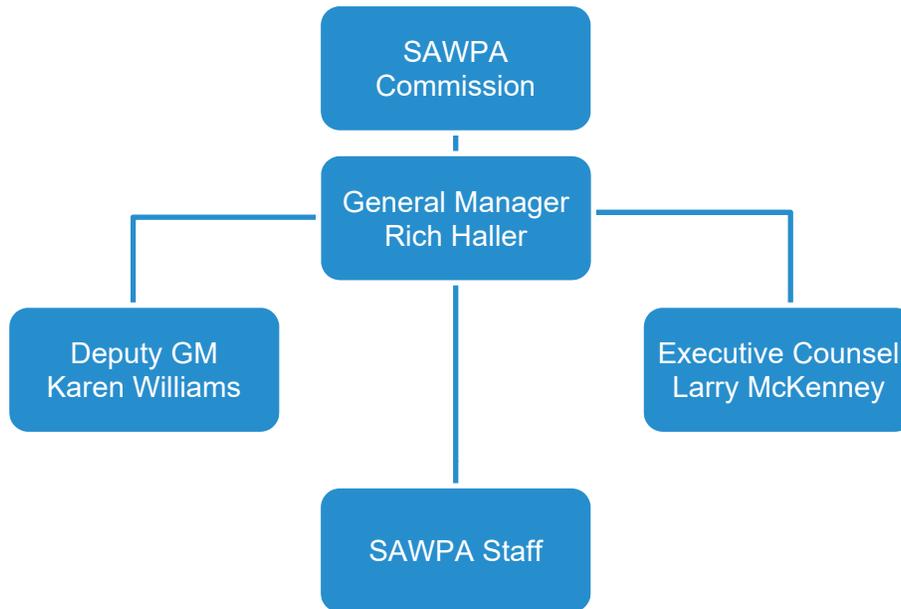
ORGANIZATION CHART

FY 2019-2020
 28 Positions (funded)
 1 Position (unfunded)
[effective July 1, 2019]



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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 2020 and 2021

- 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 OCSD and engage more directly with wastewater resource recovery agencies and organizations.
- Facilitate incorporation of water resources management in land use planning.
- Be a resource for compliance with AB32 (greenhouse gas regulations) and reducing its impact on member agencies.
- Seek sustainable funding for the Watershed to support accomplishing Watershed goals.

Salary and Benefit Costs

Account Information	FYE 2019 Budget	FYE 2020 Budget	% Inc/ (Decr)	FYE 2021 Budget	% Inc/ (Decr)
*Salaries and Benefits	\$681,594	\$669,593	(1.8%)	\$726,882	8.56%

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:

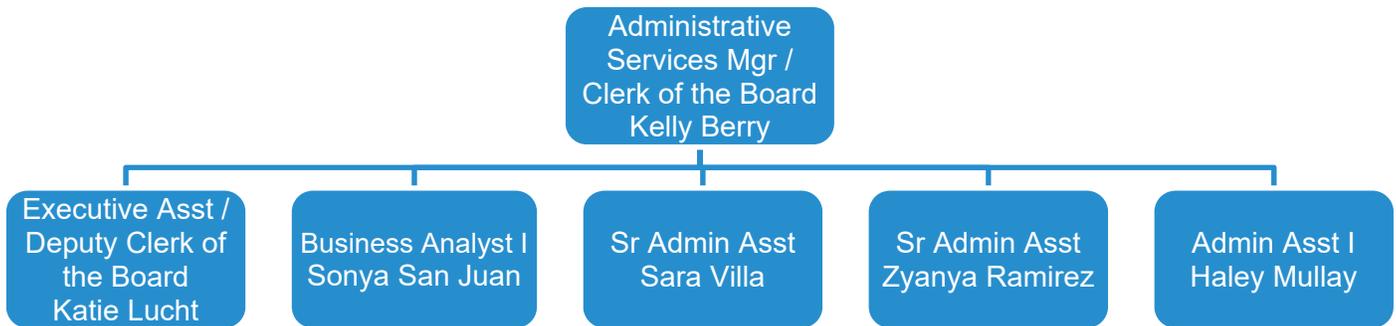
- Implementing and communicating policies set by the Commission.
- Supporting Commission and Project Agreement Committee meetings and requests.
- Building collaboration and cooperation among Watershed stakeholders.
- Leading internal organizational efforts, administering personnel, and resolving employee 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 and information activities.
- Representing the Agency in legal business and public policy issues.

Staff Additions Needed for FYEs 2020 and 2021

Convert/expand the CFO position into the Deputy General Manager position (no net increase in positions) beginning in FYE 2020. The Deputy GM position, in addition to CFO responsibilities, oversees the update, maintenance and implementation of agency policies, procedures and forms, ensures the smooth addition of new Project Agreement committees, attends select meetings on behalf of SAWPA and serves as the Acting GM when required.

**Budget for Deputy General Manager is included under the Finance staffing plan.*

Administrative Services



Summary Information

Existing Staff – 6 FTE

- 1 – Administrative Services Manager | Clerk of the Board
- 1 – Executive Assistant | Deputy Clerk of the Board: GM | Records Management | Engineering & Operations/Pretreatment
- 1 – Business Analyst I
- 2 – Senior Admin Assistants: Taskforce Admin | Contracts | Water Resources & Planning | IS Technology Support | Legal | LESJWA | Facilities Management | Operations
- 1 – Administrative Assistant I: Reception | Procurement | Records Management Support

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 2018 and 2019

- 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.
 - ◆ 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 OWOW Plan Update 2018 – Pillar Integration Meetings, Conservation Coordinators Meetings, Project Review Committee Meetings; coordinated meetings; prepared and distributed meeting agenda and materials.
- Records Management
 - ◆ Maintained onsite/offsite archival records; initiated steps to transition offsite storage.
 - ◆ Received and coordinated responses to public records requests.
 - ◆ Maintained real property files – organization and tracking of all SAWPA real estate interests and easements.
- Engineering & Operations
 - ◆ 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 OCSD, 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.
- Lobbying and Legislative Efforts
 - ◆ Scheduled weekly and bi-weekly legislative conference calls; coordinated with lobbying firm; agenda preparation.
- Marketing, Public Relations, Outreach
 - ◆ OWOW 2019 Conference – worked directly with vendors and consultants in the planning, organization and staging of the event.
 - ◆ 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 2019 Budget</i>	<i>FYE 2020 Budget</i>	<i>% Inc/ (Decr)</i>	<i>FYE 2021 Budget</i>	<i>% Inc/ (Decr)</i>
<i>Salaries and Benefits</i>	\$639,875	\$809,423	26.5%	\$878,515	8.5%

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;
 - ◆ Legislative 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;
 - 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; and
- Sana Ana River Parkway Trail.
- 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; Mitel phone system and conferencing.
- Facilities maintenance (landscaping, building maintenance, etc.).
- Maintain SAWPA's Sustainable Landscaping Garden.
- Provide coordination/support for Public Information, Outreach and Marketing efforts/events.
- Procurement.
- Monitor and coordinate safety training.
- Maintain office inventory.

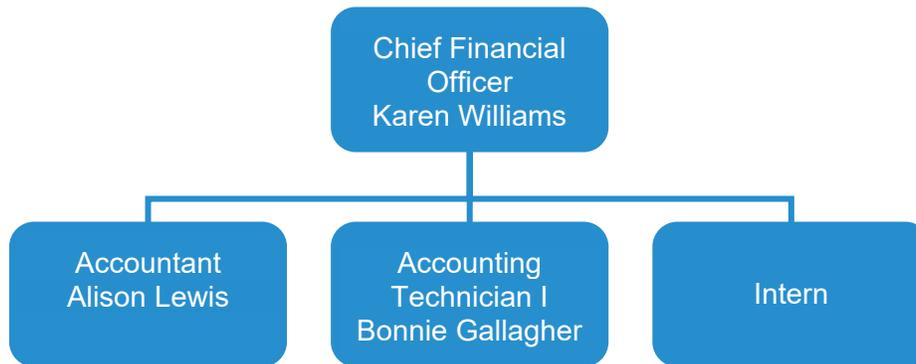
Group Goals and Objectives for FYEs 2020 and 2021

- 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.
- Migration efforts involving OnBase Data Management System.
- Continue updating contract administration procedures and efficiencies.
- Transition offsite records storage.
- Review and update Retention and Destruction of Agency Records Policy and accompanying procedures, as applicable.
- Continue agency-wide transparency commitment; review and update open governance policies; work with Finance Department in obtaining Special District Leadership Foundation (SDLF) transparency certification.
- Review and update 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 2020 and 2021

This budget includes two new positions and a classification change from the FYE 2019 Budget. The Business Analyst I and Intern positions were added and one of the Senior Administrative Assistants was changed to Executive Assistant/Deputy Clerk of the Board.

Finance



Summary Information

Existing Staff – 3 FTE

- 1 – Chief Financial Officer
- 1 – Accountant
- 1 – Accounting Technician I
- 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 2018 and 2019

- Updated Brine Line Rate model.
- Completed Great Plains 2018 System Conversion.
- Submitted FYE 2017 and FYE 2018 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 2017 and FYE 2018.
- Completion and approval of FYEs 2020 and 2021 Budget.
- Updated Reserve Policy.
- Updated Statement of Investment Policy.
- Created a new Executive Financial Report for the Commission.
- Completed conversion to electronic approval of Accounts Payable check run process.
- Completed cash flow analysis for Interfund Loan balance and Proposition 84 projects implementation.
- Completed electronic employee expense reports.
- Completed electronic leave requests.
- Completed electronic Purchase Order process.
- Purchased and implemented new timesheet software.

Objectives for FYEs 2020 and 2021

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

Salary and Benefit Costs

<i>Account Information</i>	<i>FYE 2019 Budget</i>	<i>FYE 2020 Budget</i>	<i>% Inc/ (Decr)</i>	<i>FYE 2021 Budget</i>	<i>% Inc/ (Decr)</i>
<i>Salaries and Benefits</i>	\$569,210	\$607,346	6.7%	\$658,890	8.5%

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 2020 and 2021

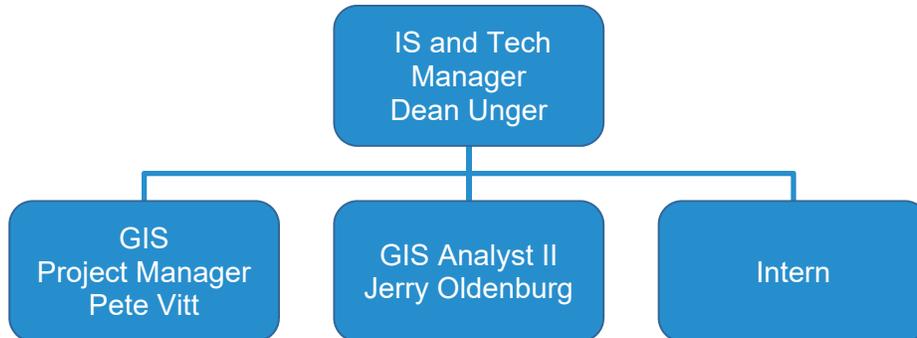
- Complete required actuarial evaluation for compliance with GASB 45, 72, and 75 *Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions*.
- Comply with GASB 68 *Accounting and Financial Reporting for Pensions*.
- Submit FYEs 2020 and 2021 Budget to the Government Finance Officers Association's (GFOA) Distinguished Budget Presentation Awards Program.
- Submit FYE 2019 and FYE 2020 CAFR to the GFOA's CAFR Award Program.
- Submit the Statement of Investment Policy to the California Municipal Treasurers Association (CMTA) Investment Policy Certification 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 new Brine Line Rate Model.
- Update the SAWPA 5-Year Financial Model.
- Implement the Brine Line rate changes and BOD/TSS allocation.
- Implement the Brine Line Long Range Financial Plan.
- Improve investment earnings through use of Asset Management firm.

Staff Additions Needed for FYEs 2020 and 2021

No additions are needed for FYEs 2020 and 2021. This budget includes the promotion of the Senior Accounting Technician to an Accountant, and the combining of the CFO and Deputy General Manager position.

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Information Systems and Technology



Summary Information

Existing Staff – 3 FTE

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

Mission

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

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

Accomplishments for FYEs 2018 and 2019

- Server Replacement.
- Storage Array improvement from 6TB to 32TB.
- Retired 6 physical servers (moved 2 physical servers to 2 virtual servers).
- Upgraded 4 Servers to latest operating system (OS).
- Upgraded licenses for:
 - VM
 - Microsoft Server OS
 - OnBase 2013 to 2018
 - SQL 2008 to 2016
 - GP 2012 to GP 2018
 - Arc GIS
 - PDK to PDK Web to Journyx
- Redesign and Deployed New Website
 - ADA compliment
 - Direct Access to Agendas for public meetings (State Requirement)
- OnBase Workflow Forms
 - Leave Request

- Expense Reports
- Aging Report
- Purchase Order
- Assisted with improvements in Brine Line operations and business plan implementation, including improved data management and analysis.
- Provided support for other Engineering, Operations, and Planning Department projects.
- Provided support for cellular devices.
- Setup and configured Workflow for aging reports and invoices.
- Purchased and Installed New Boardroom Display and Software.
- Coordinate and administer new timesheet cloud software – Journyx.
- Supported updates to SAWPA IRWMP.

Objectives for FYE 2020 and 2021

- Configure SAWPA Kiosk.
- Acquire New Phone System.
- Complete OnBase Workflow Forms.
- Support Meeting Rooms refresh.
- Design and Manage Tech portion of Prop 1 landscape version 2.
- Incorporate new SAWPA GIS inspection Disconnect abilities.
- Incorporate new DigAlert printed contracts.
- Continuous improvements in Agency hardware, software, and systems to maximize staff efficiency.
- Assist with improvements in Brine Line operations and business plan implementation, including improved data management and analysis.
- Integrate Web GIS capabilities into more projects.
- Provide support for other Engineering, Operations, and Planning department projects.

Salary and Benefit Costs

<i>Account Information</i>	<i>FYE 2019 Budget</i>	<i>FYE 2020 Budget</i>	<i>% Inc/ (Decr)</i>	<i>FYE 2021 Budget</i>	<i>% Inc/ (Decr)</i>
<i>Salaries and Benefits</i>	\$582,135	\$613,177	5.3%	\$665,459	8.5%

FYE 2020 and 2021 New Initiatives/Programs

- Create and Design new Intranet site for SAWPA Staff.
- Integrate Document Management System (OnBase) into other systems.
- GIS and Web support for OWOW plan and report card.
- Setup and Support of OWOW and PA22 Drought projects 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 Dig Alert System;
 - ◆ Brine Line Maintenance Management System;
 - ◆ Pipeline cleaning mapping and data management;
 - ◆ Portable flow meter data management and analysis;
 - ◆ Continue CCTV results mapping and data management;
 - ◆ Streamlining Brine Line billing data input;
 - ◆ Development of Brine Line graphical reports;
 - ◆ Data retrieval/management of Brine Line discharge flow meter data loggers;
 - ◆ Support of hydraulic model and Capacity Management Plan analysis (updates as needed);
 - ◆ GPS support to locate Brine Line facilities; and
 - ◆ Updates to Brine Line record drawings.

Core Activities

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

Information Systems

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

Information Technology/Data Management

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

Cross-Department Interface

- Support of Brine Line technology needs.
- Support of other Agency projects with GIS, data management, and other technology needs.
- Support Finance Department with accounting software platform and needs.
- Work with other departments on all technology issues, activities, and solutions.
- Identify and provide technology solutions to improve efficiency and effectiveness.
- Use programming tools to provide and maintain new tools for Agency staff to better perform their tasks.
- Establish and maintain training systems for staff.

Communications

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

Records Management

- In coordination with the ASD, develop and maintain Agency 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 Agency website. Update the site as needed and provide new features/capabilities as necessary.

Other

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

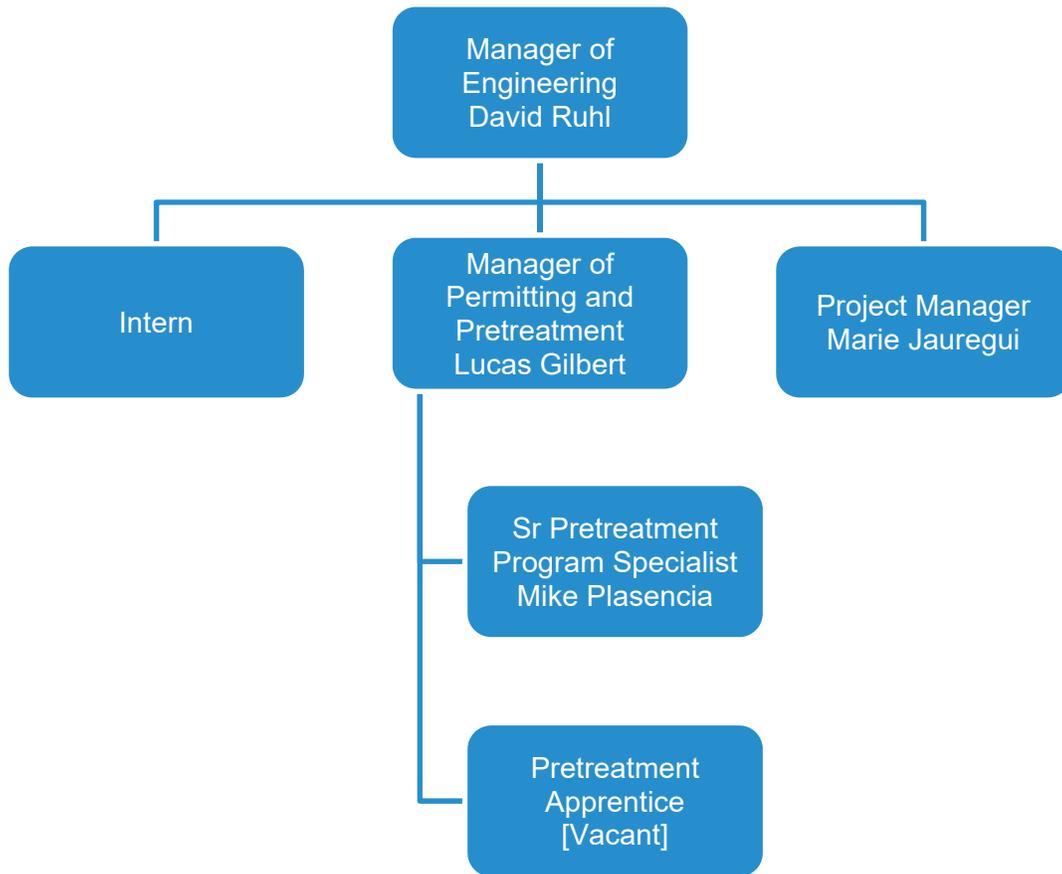
Group Goals for FYEs 2020 and 2021

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

Staff Additions Needed for FYEs 2020 and 2021

No additions are needed for FYEs 2020 and 2021.

Engineering



Summary Information

Existing Staff – 4 FTE

- 1 –Engineering Manager
- 1 – Project Manager
- 1 – Manager of Permitting and Pretreatment
- 1 – Senior Pretreatment Program Specialist
- 1 – Intern

Mission

Manage the operation, maintenance, and repair of the Brine Line and the associated CIP. Implement the Proposition 84 grant funding program consisting of up to four rounds of projects and the Proposition 1 grant funding program consisting of up to two rounds of projects.

Accomplishments for FYEs 2018 and 2019

- Completed the Reach 4D Work Plan to address pipeline corrosion on portions of Reach 4D, including condition assessment and technical memorandum on findings from field investigation as well as rehabilitation recommendations.
- Implemented the near term field investigations as recommended in the Reach 4D work plan.

- Completed construction of the Reach V Rehabilitation and Improvement Project, Reaches 2 and 3.
- Continued to maintain/grow partnership with OCSD through Joint Operations Committee and Joint Policy Committee meetings.
- Completed the amendment to the 1972 OCSD/SAWPA waste water capacity agreement to account for the revised SARI alignment in Orange County.
- Received payment in full from Orange County Flood Control District paying off the \$10 Million loan for the SARI Mainline Relocation in Orange County.
- Continued to implement the SAWPA pretreatment program (PTP). Performed 186 on-site Discharger inspections, 255 monitoring (or sampling) events, and reissued 30 existing permits with the concurrence of OCSD, the Control Authority. Additionally, 75 permits were amended to incorporate the new SAWPA local limits. Five permits were closed and five new permits were issued.
- Completed the PTP Policy and Procedures update and submitted to OCSD for review.
- Conducted audits of the member/contract agency pretreatment programs for conformance with the Brine Line Ordinance and pretreatment requirements.
- Conducted Public Hearing and adopted Ordinance No. 8 and Resolution 2017-11 establishing local limits.
- Completed transfer of Chino Development Corporation flow from the Brine Line to RP-5.
- Represented SAWPA's interests in completion of the plans and specifications for the OCSD Rock Removal Project in Orange County.
- Developed the lease capacity pool agreement in coordination with the member agencies. Obtained agreement approval from member agencies and SAWPA Commission.
- Processed 49 grant invoices totaling nearly \$10 Million in grant funds and conducted 55 quality assurance site visits. In coordination with the Prop 84 sub-grantees completed 47 Progress Reports, 10 Project Completion Reports, and 13 Post-Performance Reports.

Objectives for FYEs 2020 and 2021

Brine Line

- Reach 4D MAS Modifications. Complete design of the modifications to five MAS on Reach 4D. Publicly bid the work and complete construction.
- Rock Removal in Santa Ana River near abandoned SARI in Orange County. Continue to represent SAWPA's interest in completion of the Project.
- Reach 4D Corrosion. Complete near term recommendations from Reach 4D Work Plan to further document baseline condition of pipeline corrosion.
- Miscellaneous capital repairs based on system wide pipe and MAS inspections.
- Continue to maintain/grow partnership with OCSD through Joint Operations Committee and Joint Policy Committee.
- Continue to investigate disposal options and financial arrangements to promote use of the Brine Line.
- Complete and Implement new Business Plan.
- Implement a marketing plan to include a number of presentations to groups with an interest in salinity management.
- Develop Discharge Lease Agreement and implement capacity lease pool.
- Alcoa Dike. Coordinate with ACOE and Orange County Public Works during design of flood protection dikes to minimize impact to Brine Line mainline and the California Rehabilitation Center (CRC) lateral (Butterfield Road, Aburndale Road). Design and install facilities to protect/strengthen pipe and MAS.

Permitting and Pretreatment

- Continue to implement the permitting and pretreatment program per existing and new OCSD requirements.
- Update Program Documents with Comments from OCSD 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.
- Establish the City of Beaumont as a Contract Agency and provide oversight for implementation of their pretreatment program substantially similar to SAWPA's program.
- 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

<i>Account Information</i>	<i>FYE 2019 Budget</i>	<i>FYE 2020 Budget</i>	<i>% Inc/ (Decr)</i>	<i>FYE 2021 Budget</i>	<i>% Inc/ (Decr)</i>
<i>Salaries and Benefits</i>	\$1,063,033	\$896,094	(15.7%)	\$972,979	8.5%

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).
- Rate model inputs.
- Sampling and inspection programs.
- Coordinate sampling activities of WMWD.
- Permitting and pretreatment.
- Coordination/review of development plans (facility construction around Brine Line, especially Reach V).
- Emergency discharges – coordinate with OCSD and issue permit.
- Brine Line Protection/Relocation in Riverside and Orange Counties.

Grant Programs

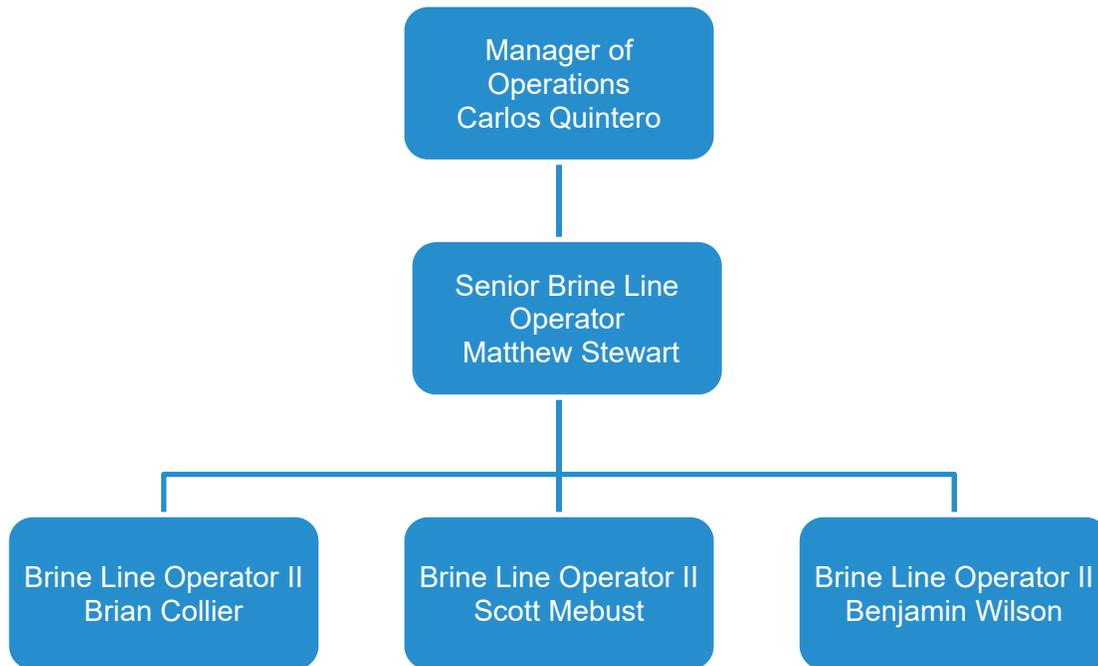
- Maintenance of procedures document including Quality Assurance program. Implementation including checklist completion for deliverables and invoice packages.
- Invoicing.
- Site visits.
- Completion of contract deliverables; submittal to DWR.
- Contract closeout.
- Prepare for Department of Finance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

Staff Additions Needed for FYEs 2020 and 2021

A new Brine Line Pretreatment Program Apprentice position is included in the FYEs 2020 and 2021 Budget. The position will be filled upon final budget approval by the Member Agency Boards and Commission approval to hire. For this budget, the Engineering and Operations Departments were separated into individual departments and the Executive Manager of Engineering and Operations position was eliminated.

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Operations



Summary Information

Existing Staff – 5 FTE

- 1 – Manager of Operations
- 1 – Senior Brine Line Pipeline Operator
- 3 – Brine Line Pipeline Operator II

Mission

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

Accomplishments for FYEs 2018 and 2019

- 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 of Reach IV-B Upper in February 2017.
- Used 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.
- Provided corrosion protection to six (6) Maintenance Access Structures on Reach 4A Upper.
- Relocated approximately 100-ft of 20 inch diameter pipe on Reach 4B Upper to avoid a conflict with a Southern California Edison high-voltage conduit. This work was coordinated with the Riverside County Transportation Commission (RCTC).
- 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.
- Re-established a Reach 4 access road after the January 2017 storms. This work was performed in coordination with the Federal Emergency Management Agency (FEMA) and California Office of Emergency Services.
- Continued to locate facilities, particularly on Reach V, by "potholing" and updating "as-built" information. Confirmed locations of air release valves, blow-offs, and isolation valves on Reach V.
- Performed utility locations as a member of the Dig Alert network. Approximately 4,150/3,600 (FYE 2019) requests were received resulting in 700/400 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 Operations Center.

Objectives for FYEs 2020 and 2021

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

- Update and adopt SSMP.
- Operate system in accordance with the SSMP.
- Work to minimize the risk of a sanitary sewer overflow from a variety of causes (system operations, actions of others working around pipe, natural disaster, etc.).
- Continue to 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.
- Data Automation- Install several flow level and flow rate recorders with automated data feeds to begin transition to automated data collection and system monitoring.
- 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.

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 2019 Budget</i>	<i>FYE 2020 Budget</i>	<i>% Inc/ (Decr)</i>	<i>FYE 2021 Budget</i>	<i>% Inc/ (Decr)</i>
<i>Salaries and Benefits</i>	\$742,067	\$817,824	10.2%	\$889,301	8.7%

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.
- SSMP including Emergency Response Plan.
- Maintain record data for system facilities – correct inaccurate information (blow-offs, air-vacs, etc.).
- Coordinate activities of WMWD and 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, as necessary.

Staff Additions Needed for FYEs 2020 and 2021

No new positions are being considered at this time.

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Water Resources and Planning



Summary Information

Staff – 4 FTE

- 1 – Water Resources & Planning Manager
- 2 – Senior Watershed Managers
- 1 – Watershed Manager
- 1 – Intern

Mission

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

Accomplishments for FYEs 2018 and 2019

OWOW

- Implemented many water use efficiency improvements using grant funding from the DWR Proposition 84 Integrated IRWM Emergency Drought Round grant funding program. \$12.9 million in grant funding along with another \$10.6 million in local match has been provided for SAWPA, its member agencies and stakeholders, 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 the end of FYE 2020.
- Successfully utilized \$250,000 in Proposition 1 IRWM Planning Grant funds to prepare and complete the OWOW Plan Update 2018 which was adopted on February 19, 2019. Conducted multiple Pillar Integration workshops and OWOW Steering Committee meetings to develop the OWOW Plan update and provided briefings on future Proposition 1 IRWM Implementation to SAWPA Commission and DWR.
- 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 150,000 AF of water for use in dry periods and is being implemented by a new SAWPA Committee, Project Agreement (PA) 23 Committee, composed of the SAWPA member agencies. Three subgrantee agreements were executed to start the implementation of SARCCUP along with work with the non-profit, Orange County Coastkeepers, on a water conservation support program called Smartscape.

- Prepared a grant application on behalf of PA 22 Committee to SAWPA's Proposition 1 IRWM Round 1 grant program to support the update to a 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.
- Conducted a Call for Projects and several stakeholder workshops for the rating and ranking of projects for grant funding under the Proposition 1 IRWM Round 1 grant program.
- Prepared an RFP on behalf of the IRWM Roundtable of Regions to support 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.

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.
- Completed the draft Lake Elsinore and Canyon Lake Nutrient TMDL Revision and Update Report and submitted it to Santa Ana Regional Water Quality Control Board on December 1, 2018. The report is anticipated to be finalized by summer of 2019 after public workshops and reviews by the Regional Board are conducted.
- Completed and submitted the SAWPA Basin Monitoring Program Task Force's Triennial Ambient Water Quality Update for the period of 1996 to 2015 to the Santa Ana Regional Water Quality Control Board in FYE 2018. Work continues on the updated model for the Santa Ana River Wasteload Allocation and is expected to be completed and submitted to the Regional Board by the end of the FYE 2019.
- Successfully completed the State grant funded energy and water efficiency program called WECAN. This project utilized \$2.3 million in grant dollars to support turf removal and retrofit and water use efficiency and energy efficiency devices for disadvantaged communities in the watershed. The program has removed and retrofitted 260,000 square feet of turf with drought tolerant landscaping in the four local partner service areas. The program also installed 260 Toilets, 450 Showerheads, 498 Thermostatic Valves, 450 Faucet Aerators, 390 Water Heaters, and 100 Water Heater Blankets in homes. The Governor's Office of Planning and Research (OPR) has highlighted the WECAN project as a best practice pilot on their OPR website.
- Completed a technical analysis through the Southern California Salinity Coalition to evaluate the impact of drought cycles on permit compliance in anticipation of future drought policy development in the Santa Ana Region. The results show that over the past eight year drought period, per capita water use declined by 15 gpcd due to local and statewide conservation which resulted in approximate 25 mg/L of TDS increase. This report is being used to revise waste discharge permits in providing salt offsets to counterbalance drought periods when TDS permits reach their limits.
- 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.

- Prepare RFQ for regulatory strategist/facilitator services supporting the Roundtables in light of planned retirement in FYE 2021 of existing consultant supporting several Roundtables.
- Reconvened Emerging Constituents Program Task Force to look at new regulations affecting drinking water sources such as PFOA and PFOS. Conducted scoping for new emerging constituents sampling program in Watershed for FYE 2020.
- Completed ten new outreach brochures to educate the public and decision makers about the benefits of SAWPA's OWOW and the Roundtables.
- Conducted seventh annual OWOW Conference with over 200 people in attendance.

Objectives for FYEs 2020 and 2021

- Submit the adopted OWOW Plan Update 2018 to DWR in compliance with new DWR 2016 IRWM plan standards and as a required deliverable under Proposition 1 IRWM grant program.
- Facilitate preparation of the recommended list of projects to be funded by Proposition 1 IRWM Round 1 grant program based on the OWOW project selection criteria, participate in Pre-Application Workshop with DWR and complete the DWR Proposition 1 IRWM Round 1 formal grant application for the approximately 12 water resource projects for funding. Thereafter, execute a DWR/SAWPA grant agreement for approximately \$23 million and all subsequent SAWPA subgrantee agreements with each project proponent in FYE 2020. SAWPA will conduct all grant administration of the Proposition 1 IRWM Round 1 grant program in FYEs 2020 and 2021.
- Finalize the implementation of water use efficiency projects through SAWPA Project 22 Committee using remaining grant funds from the 2014 IRWM Drought Grant program.
- Implement Emerging Constituents Program Task Force sampling program in August of 2019 from waters supply source including Metropolitan Water District of Southern California (MWDSC), Santa Ana River flows, and POTWs discharges.
- Complete triennial ambient water quality update for the period of 1999 to 2018 administered through SAWPA's Basin Monitoring Program Task Force and submit to the Santa Ana Regional Water Quality Control Board in FYE 2020.
- Complete the Basin Plan Amendment and Supplemental Environmental Document associated with the Santa Ana River Wasteload Allocation under the Basin Monitoring Program Task Force in FYE 2020.
- 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.
- Commence work on anticipated Proposition 1 IRWM Round 1 grant project 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, prepare amendments to the DWR/SAWPA grant agreement reflecting SARCCUP program changes 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. Transition support from retiring regulatory strategist/facilitator over to new consultant supporting several task forces.
- 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.

Salary and Benefit Costs

<i>Account Information</i>	<i>FYE 2019 Budget</i>	<i>FYE 2020 Budget</i>	<i>% Inc/ (Decr)</i>	<i>FYE 2021 Budget</i>	<i>% Inc/ (Decr)</i>
<i>Salaries and Benefits</i>	\$1,021,502	\$913,156	(10.6%)	\$990,395	8.5%

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 DWR Drought Response program tasks administered 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, MWDCS 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 2020 and 2021

- 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.
- Provide continued service to SAWPA member agencies and its stakeholders.

Staff Additions Needed for FYEs 2020 and 2021

In FYE 2016 the department expanded from its historical core level of three full time employees, held at the level for over 25 years, by an additional full time employee making a total of four FTE. In FYE 2017, based on the SAWPA Strategic Assessment, additional technical writing and grant writing support was proposed to achieve optimum performance in the Planning Department. One additional staff position at the technical/grant writer level was included in the SAWPA FYEs 2018 and 2019 Budget. However, in June 2017, the SAWPA Commission stated the decision to hire an additional staff position for technical writing and grant writing would be deferred until a future SAWPA General Manager is hired who can evaluate staffing needs. After evaluation by the SAWPA General Manager, an additional full time staff position for technical and grant writing services as not deemed necessary at this time. No additional staff are recommended for FYEs 2020 and 2021.

The department continues to rely on a planning student intern to support the department. The FYEs 2020 and 2021 Budget has been prepared assuming four 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 PopulationApproximately 6 million
Authority.....Section 6500 et. seq.	Miles of Pipeline73 miles
.....Government Code	Pipeline Capacity30 MGD
Authorized Staff (Full-Time Equivalent).....28	Treatment Capacity Owned17 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 (July 2018)	3,185,968	2,171,603	2,450,758
Land Area (sq miles)	790.57	20,056.94	7,206.48
Median Family Income (2017)	\$86,217	\$60,420	\$63,944
Median Home Price (Jun 2019)	\$842,000	\$310,000	\$420,000
Building Permits Issued (2018)	9,510	6,675	8,001

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

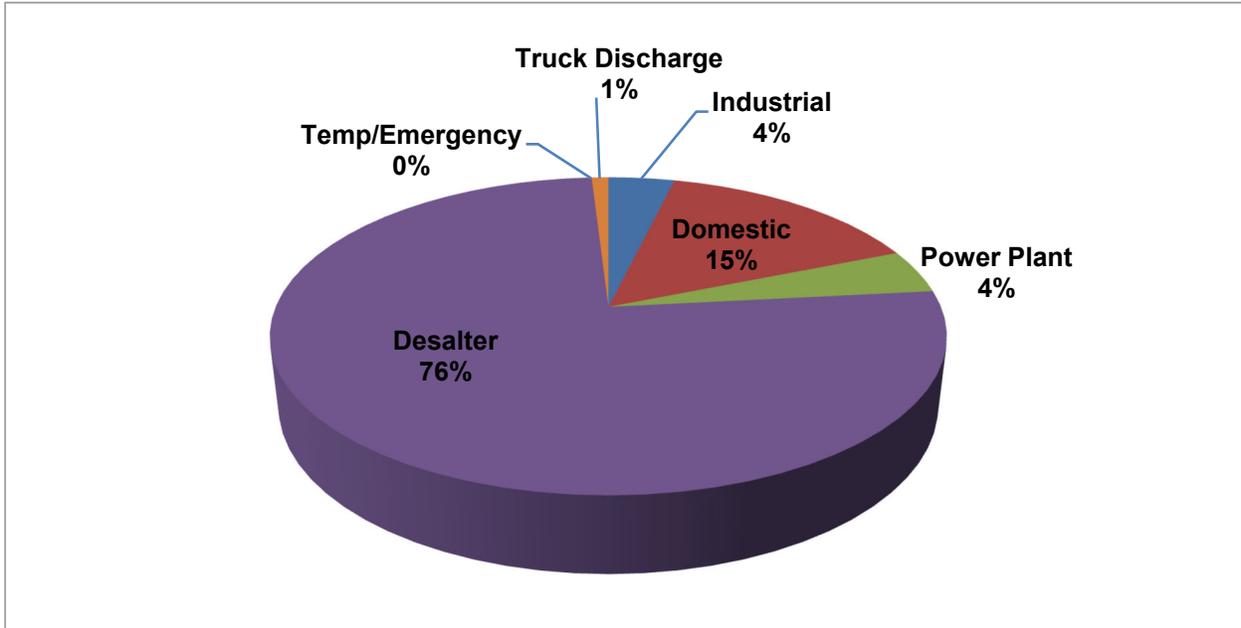
Treatment Information

Actual annual MGD of discharge by type:

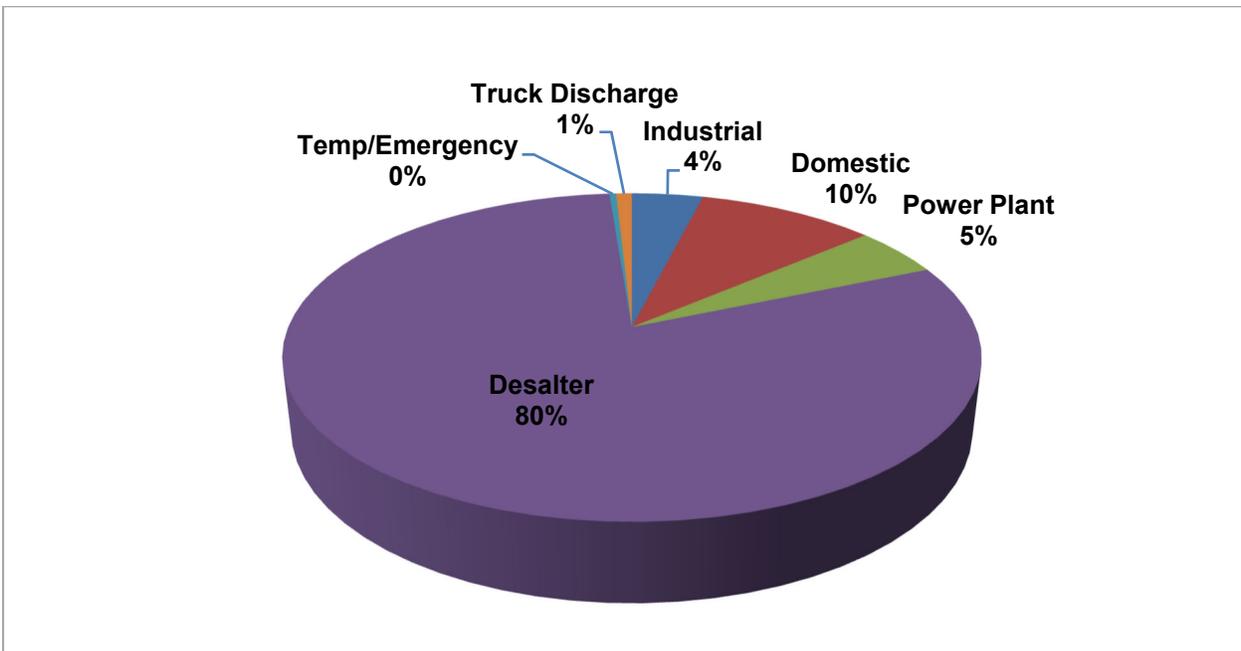
<i>Type of Discharge</i>	<i>FYE 2013</i>	<i>FYE 2014</i>	<i>FYE 2015</i>	<i>FYE 2016</i>	<i>FYE 2017</i>	<i>FYE 2018</i>	<i>FYE 2019</i>
Industrial	153.7463	149.7733	149.1266	176.0173	182.3629	142.6609	146.2297
Domestic	854.2526	817.2502	686.9780	539.1186	605.6648	571.6977	365.5703
Power Plant	285.4555	238.1875	255.9079	203.7717	211.0939	168.1869	182.3315
Desalters	2,728.7335	2,698.2170	2,894.5452	2,789.4969	2,832.6086	2,862.8002	2,977.7296
Temporary/Emergency	7.9366	10.6266	6.9285	4.7210	12.9104	0.0000	13.8265
Truck Discharge	30.6147	23.3557	27.2869	34.3066	29.9249	36.2431	32.1043
Total	4,060.7392	3,937.4103	4,020.7731	3,747.4321	3,874.5655	3,781.5888	3,717.7919

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

**Discharge by Type
FYE 2018**



**Discharge by Type
FYE 2019**



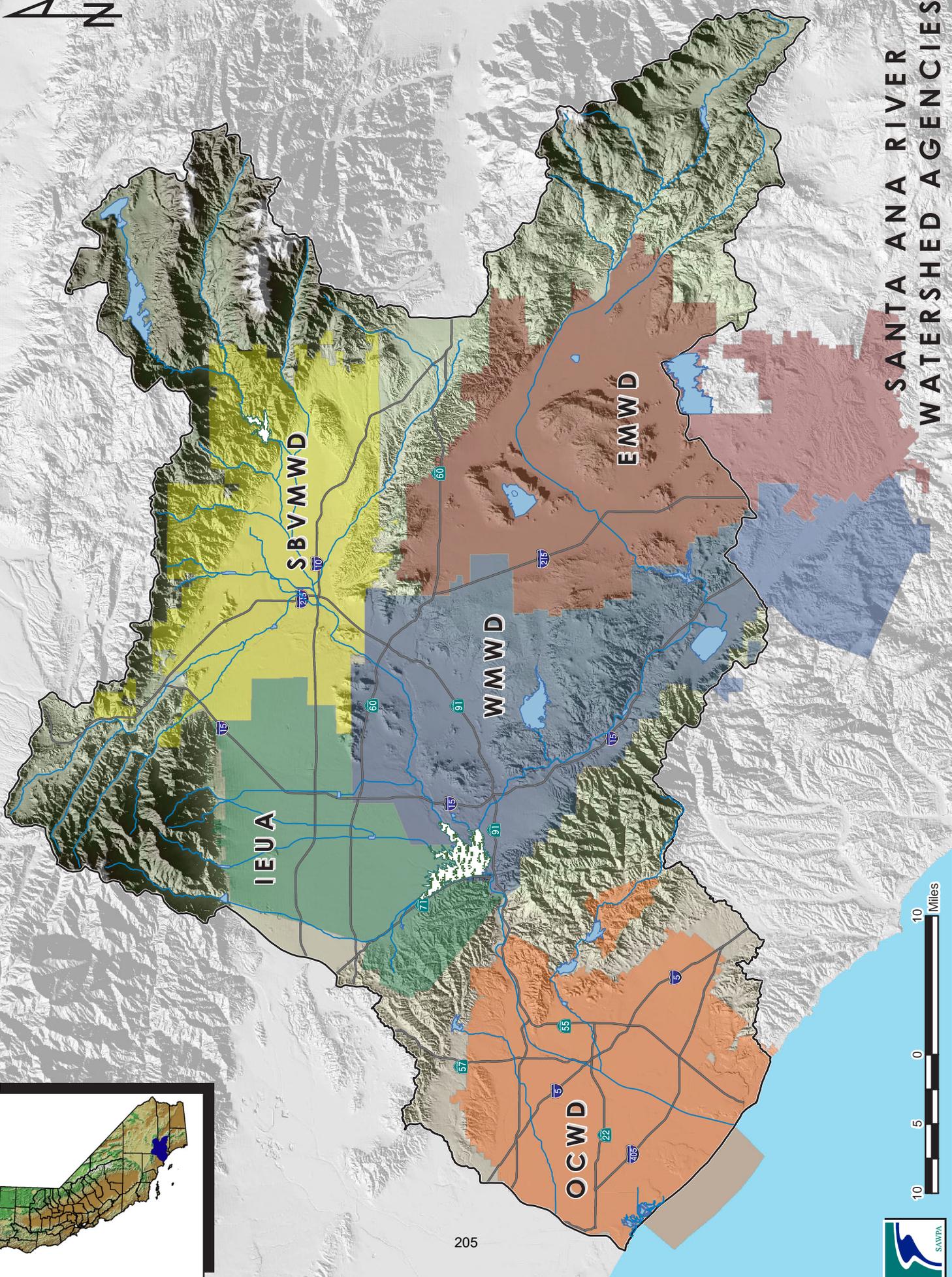
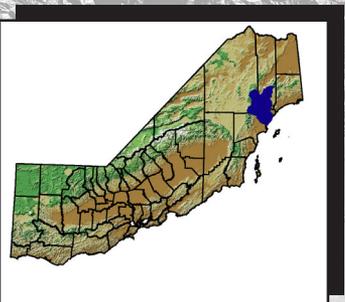
The table below shows the total pipeline and treatment & disposal capacity owned (in MGD's) by each of SAWPA's member agencies as of June 30, 2019.

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

* Includes Chino Desalter I & II

** Includes Arlington Desalter

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**SANTA ANA RIVER
WATERSHED AGENCIES**



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General Terms

Acre-Foot

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

Accrual Basis Accounting

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

Annual Required Contribution

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

Appropriation

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

Asset

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

Biennial Budget

A budget applicable to two individual fiscal years.

Bond

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

BOR

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

Brine Line (formerly known as SARI Line)

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

Budget

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

Budgetary Control

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

Budget Calendar

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

Budget Document

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

CalPERS

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

Capital Project

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

Debt Service

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

Defined Benefit OPEB Plan

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

Enterprise Fund

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

Expenses

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

Fiscal Year

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

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.

OCSD

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

Ordinance

A law set forth by a governmental or legislative body.

Other Postemployment Benefits (OPEB)

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

Pay-As-You-Go (Pay go)

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

Public Employee Retirement System (PERS)

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

Program

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

Recycled Water

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

Reserve

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

Resolution

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

Revenue

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

RWQCB

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

SARI

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

SRF

The Federal Clean Water Act amendments of 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

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

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

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

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



Santa Ana Watershed Project Authority

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