

Lake Elsinore & San Jacinto Watersheds Authority



City of Lake Elsinore • City of Canyon Lake • County of Riverside
Elsinore Valley Municipal Water District • Santa Ana Watershed Project Authority

PURSUANT TO THE PROVISIONS OF AB 361, THIS MEETING WILL BE CONDUCTED VIRTUALLY WITH THE OPPORTUNITY FOR PUBLIC COMMENT. ALL VOTES TAKEN WILL BE CONDUCTED BY ORAL ROLL CALL.

This meeting will be accessible as follows:

Meeting Access Via Computer (Zoom)*:	
• https://sawpa.zoom.us/j/86318396770?pwd=WnNuOXhqamVybFVrVW92WXdCUjRCUT09	
Meeting Access Via Telephone*: 1 (669) 900-6833	
• Meeting ID: 863 1839 6770	• Meeting Password: 441217
* Participation in the meeting via the Zoom app (a free download) is strongly encouraged	

LESJWA BOARD OF DIRECTORS REGULAR MEETING THURSDAY, APRIL 21, 2022 – 4:00 P.M.

AGENDA

1. CALL TO ORDER (Dale Welty, Chair)

2. ROLL CALL

3. PUBLIC COMMENTS

Members of the public may address the Board on items within the jurisdiction of the Board; however, no action may be taken on an item not appearing on the agenda unless the action is otherwise authorized by Government Code §54954.2(b).

4. ITEMS TO BE ADDED OR DELETED

Pursuant to Government Code §54954.2(b), items may be added on which there is a need to take immediate action and the need for action came to the attention of Lake Elsinore & San Jacinto Watersheds Authority subsequent to the posting of the agenda.

5. CONSENT CALENDAR

All matters listed on the Consent Calendar are considered routine and non-controversial and will be acted upon by the Board by one motion as listed below.

- A. APPROVAL OF MEETING MINUTES: FEBRUARY 17, 20225**
Recommendation: Approve as posted.
- B. TREASURER'S REPORT: JANUARY 2022 | FEBRUARY 2022 11**
Recommendation: Approve as posted.
- C. TMDL TASK FORCE REPORT: JANUARY 10, 202227**
Recommendation: Approve as posted.
- D. EDUCATION AND OUTREACH COMMITTEE STATUS REPORT: JANUARY 31, 2022**
Recommendation: Receive and file.

- E. [RESOLUTION FOR IMPLEMENTATION OF AB 361 \(LES#2022.09\)](#).....31
Presenter: Mark Norton
Recommendation: Adoption of Resolution No. 2022-02 Proclaiming A State of Emergency Persists, Ratifying the Proclamation of a State of Emergency by Governor Gavin Newsom, and Authorizing Remote Teleconference Meetings of all Commission and Committee meetings of the Santa Ana Watershed Project Authority for the period of April 21, 2022 to May 21, 2022 pursuant to Brown Act Provisions.

6. NEW BUSINESS

- A. [LESJWA FUND BALANCE \(LES#2022.10\)](#).....37
Presenter: Karen Williams
Recommendation: Receive and file.
- B. [LESJWA DRAFT FY 22-23 BUDGET \(LES#2022.11\)](#).....97
Presenter: Mark Norton
Recommendation: Receive report about draft FY 22-23 LESJWA Budget and provide feedback or approval.

7. INFORMATION REPORTS

- A. [GRANT FUNDING OPPORTUNITIES \(LES#2022.12\)](#)..... 113
Presenter: Mark Norton
Recommendation: Receive and file.
- B. [2022 LESJWA WATER SUMMIT \(LES#2022.13\)](#) 115
Presenter: Mark Norton
Recommendation: Receive and file.
- C. [LAKE ELSINORE & CANYON LAKE NUTRIENT TMDL TASK FORCE UPDATE \(LES#2022.14\)](#)..... 117
Presenter: Mark Norton
Recommendation: Receive and file.
- D. ADMINISTRATOR'S COMMENTS
- E. DIRECTORS' COMMENTS
- F. FUTURE AGENDA ITEMS REQUESTS

8. CLOSED SESSION

There were no Closed Session items anticipated at the time of the posting of this agenda.

9. ADJOURNMENT

PLEASE NOTE:

Americans with Disabilities Act: If you require any special disability related accommodations to participate in this meeting, call (951) 354-4220 or email zramirez@sawpa.org. 48-hour notification prior to the meeting will enable staff to make reasonable arrangements to ensure accessibility for this meeting. Requests should specify the nature of the disability and the type of accommodation requested.

Materials related to an item on this agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection during normal business hours at the LESJWA's office, 11615 Sterling Avenue, Riverside, and available at www.mywatersheds.com, subject to staff's ability to post documents prior to the meeting.

Declaration of Posting

I, Zyanya Ramirez, Clerk of the Board of the Lake Elsinore and San Jacinto Watersheds Authority declare that on April 18, 2022, a copy of this agenda has been uploaded to the LESJWA website at www.mywatersheds.com and posted at LESJWA's office, 11615 Sterling Avenue, Riverside, California.

2022 - LESJWA Board of Directors Regular Meetings

Third Thursday of Every Other Month

(NOTE: Unless otherwise noticed, all LESJWA Board of Directors Meetings begin at 4:00 p.m., and held at EVMWD)

February 20, 2022	April 21, 2022
June 16, 2022	August 18, 2022
October 20, 2022	December 15, 2022

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LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY
BOARD OF DIRECTORS MEETING
REGULAR MEETING MINUTES
FEBRUARY 17, 2022

BOARD OF DIRECTORS PRESENT

Phil Williams, Chair, Elsinore Valley Municipal Water District
Dale Welty, Vice Chair, City of Canyon Lake
Robert Magee, Secretary/Treasurer, City of Lake Elsinore
Brenda Dennstedt, Santa Ana Watershed Project Authority
Kevin Jeffries, County of Riverside

OTHERS PRESENT

Damian Fussel, County of Riverside
Doug Edwards, Eastern Municipal Water District
Edina Goode, SAWPA
Ganesh Krishnamurthy, Elsinore Valley Municipal Water District
Greg Thomas, Elsinore Valley Municipal Water District
Karen Williams, SAWPA
Nicole Dailey, City of Riverside
Parag Kalaria, Elsinore Valley Municipal Water District
Rick Whetsel, SAWPA
T. Milford Harrison, SAWPA Commissioner

LESJWA STAFF

Mark Norton, Karen Williams, Rick Whetsel, Sara Villa, Zyanya Ramirez

1. CALL TO ORDER

The Regular Board of Directors meeting of the Lake Elsinore & San Jacinto Watersheds Authority (LESJWA) was called to order at 4:01 p.m. by Chair Williams on behalf of the Lake Elsinore & San Jacinto Watersheds Authority, 11615 Sterling Avenue, Riverside, California. The record will reflect this meeting was conducted virtually.

Pursuant to the provisions of AB 361, this meeting was conducted virtually, and all votes were taken by oral roll call.

2. ROLL CALL

An oral roll call was duly noted and recorded by the Clerk of the Board.

3. PUBLIC COMMENTS

There were no public comments; there were no public comments received via email.

4. ITEMS TO BE ADDED OR DELETED

There were no added or deleted items.

Chair Williams requested a motion for approval of the agenda.

MOVED, approve the February 17, 2022, Lake Elsinore and San Jacinto Watersheds Authority Board of Directors meeting agenda as posted.

Result:	Adopted by Roll Call Vote
Motion/Second:	Welty/Jeffries
Ayes:	Dennstedt, Jeffries, Magee, Welty, Williams
Nays:	None
Abstentions:	None
Absent:	None

5. CONSENT CALENDAR

A. APPROVAL OF MEETING MINUTES: OCTOBER 21, 2021

Recommendation: Approve as posted.

B. TREASURER'S REPORT: AUGUST 2021 – DECEMBER 2021

Recommendation: Approve as posted.

C. TMDL TASK FORCE REPORT: SEPTEMBER 28, 2021 | NOVEMBER 3, 2021 | JANUARY 10, 2022

Recommendation: Approve as posted.

D. EDUCATION AND OUTREACH COMMITTEE STATUS REPORT JAN 31, 2022

Recommendation: Approve as posted.

E. RESOLUTION FOR IMPLEMENTATION OF AB 361 (LES#2022.01)

Recommendation: Approve as posted.

MOVED, approve the Consent Calendar as posted.

Result:	Adopted by Roll Call Vote
Motion/Second:	Magee/Jeffries
Ayes:	Dennstedt, Jeffries, Magee, Welty, Williams
Nays:	None
Abstentions:	None
Absent:	None

6. NEW BUSINESS

A. ELECTION OF OFFICERS (LES#2022.02)

Mark Norton said in accordance with LESJWA's JPA, the Board is to conduct nominations of its officers every two years. Director Jeffries nominated Dale Welty as Chair, and Chair Williams nominated Robert Magee as Vice Chair, and self-nominated for Secretary/Treasurer for the LESJWA Board of Directors for a two-year term through December 31, 2023.

MOVED, to appoint Director Dale Welty/City of Canyon Lake as Chair, Director Robert Magee/City of Lake Elsinore as Vice Chair, and Director Williams as Secretary/Treasurer for a two-year term through December 31, 2023.

Result:	Adopted (Unanimously)
Motion/Second:	Jeffries/Dennstedt
Ayes:	Dennstedt, Jeffries, Magee, Welty, Williams
Nays:	None
Abstentions:	None
Absent:	None

Director Welty chaired the meeting at this point.

B. REPORT ON AUDIT FOR FISCAL YEAR ENDING JUNE 30, 2021 (LES#2022.03)

Karen Williams recommended that the Board of Directors receive and file the FY2018-19 Report on Audit prepared by Teaman, Ramirez & Smith, Inc., and to direct staff to file Report on Audit with respective government agencies as required by law. Williams noted the financial statements presented herein contain no qualifications or reportable conditions. This indicates that LESJWA's financial reporting is compliant with applicable State and Federal laws and regulations. The Audit report was distributed to each of the member agency's financial staff for review and no comments were received.

Chair Welty noted that Kasey Castillo is listed as the representative for City of Canyon Lake and requested that it be corrected to his name.

MOVED, to receive and file the FY 2020-21 Report on Audit prepared by Teaman, Ramirez & Smith, Inc., and direct staff to file the Report on Audit with the requested edit with respective government agencies as required by law.

Result: **Adopted by Roll Call Vote**
Motion/Second: Williams/Dennstedt
Ayes: Dennstedt, Jeffries, Magee, Welty, Williams
Nays: None
Abstentions: None
Absent: None

C. CANYON LAKE ALUM DOSING AGREEMENT AND TASK ORDER
(LES#2022.04)

Mark Norton provided a verbal report noting that in response to a request for proposals issued in October 2021, the members of the Lake Elsinore and Canyon Lake Nutrient TMDL Task Force Technical Advisory Committee unanimously recommend the selection of AquaTechnex, LLC to continue to implement the Alum dosing in Canyon Lake to support the Lake Elsinore & Canyon Lake Nutrient TMDLs.

Secretary/Treasurer Williams asked if AquaTechnex, LLC was recommended because they're best qualified. Mr. Norton confirmed that only two bids had been received and AquaTechnex, LLC was the best qualified and substantially the less expensive. Director Dennstedt asked if there was reason why only two bids were received. Mr. Whetsel stated this work is very specialized and it is difficult to find firms with expertise in this area.

MOVED, to approve an Agreement and Task Order No. AQUA160-03 with AquaTechnex, LLC for an amount not-to-exceed \$689,800 for three continuous years of up to two semi-annual alum dosing in Canyon Lake with the option to extend two additional years.

Result: **Adopted by Roll Call Vote**
Motion/Second: Welty/Williams
Ayes: Dennstedt, Jeffries, Magee, Welty, Williams
Nays: None
Abstentions: None
Absent: None

D. SANTA ANA RIVER WATERSHED MODIFICATION PILOT PROGRAM
FUNDING (LES#2022.05)

Mark Norton provided an oral report noting memorandum LES#2021.17 on pages 67-80 of the agenda packet. LESJWA staff has evaluated the potential benefit to Lake Elsinore and Canyon Lake and based on the feasibility study, additional streamflow could be generated that would directly benefit both lakes. The major value would be to increase the depth of Lake Elsinore which based on past statements made by Dr. Michael Anderson, is one of the most important ways to improve water quality at Lake Elsinore. Further, in review of the potential impacts, any additional runoff from individual seeded storms, 1-2% potential increase, is within natural variability and would not exacerbate the nutrient TMDL compliance nor result in any water rights claim according to the State of California. Consequently, staff recommends that \$10,000 of the LESJWA reserves be used for a one-time commitment to the Santa Ana River Watershed Weather Modification program.

Director Jeffries expressed his support for this project Secretary/Treasurer Williams asked if the cloud seeding could be moved closer to the lakes. Mr. Norton explained that the modification pilot

program's goal is to increase the snowpack in the upper part of the watershed to increase stream flows that would directly benefit both lakes.

Director Dennstedt asked if this project was in tune with LESJWA's mission and water quality and if there were more negative impacts that positive, specifically in areas where infrastructure isn't set up for high levels of rain fall. She also asked if there has been community outreach and public engagement. Mr. Norton stated that the benefits would outweigh any negative impacts. He said he has made several presentations to local communities and governing boards across the watershed. He added that SAWPA has prepared and shared a number of helpful resources including a video and project brochure on the SAWPA website. Director Dennstedt then expressed concerns to the Chair regarding staff's recommendation to use \$10,000 of the LESJWA reserves. She was concerned that the proposed funding appeared to be outside the JPA budget process as opposed to the LESJWA reserves. She questioned what the LESJWA Reserve Policy states for use of funds and would like to look into creating a LESJWA Reserve Policy if there wasn't one in place. She recommended the item be deferred to the next LESJWA Board of directors meeting in April so that the budget can be reviewed appropriately.

Chair Welty stated that participation in this program now would encourage funding from other agencies moving forward.

Director Jeffries made a substitute motion to approve the \$10,000 request from the reserves. Motion was second by Dale Welty.

MOVED, to authorize a commitment of \$10,000 from LESJWA reserves to SAWPA to help fund the Santa Ana River Watershed Weather Modification Pilot Program.

Result:	Adopted by Roll Call Vote
Motion/Second:	Jeffries/Williams
Ayes:	Jeffries, Magee, Welty, Williams
Nays:	Dennstedt
Abstentions:	None
Absent:	None

7. INFORMATION REPORTS

A. GRANT FUNDING OPPORTUNITIES (LES#2022.06)

Director Jeffries left the meeting prior to the commencement of agenda item 7.A.

Mark Norton provided an oral presentation on future funding opportunities for LESJWA. This is summarized in LESJWA Board memo number 2022.06.

This item was for informational and discussion purposes; no action was taken on Agenda Item No. 7.A.

B. 2022 LESJWA WATER SUMMIT (LES#2022.07)

Mark Norton provided a summary of the 2022 LESJWA Water Summit and invited the Directors to attend.

This item was for informational and discussion purposes; no action was taken on Agenda Item No. 7.B.

C. LAKE ELSINORE & CANYON LAKE NUTRIENT TMDL TASK FORCE UPDATE (LES#2022.08)

Mark Norton provided an oral status update on the Lake Elsinore and Canyon Lake (LE/CL) Nutrient TMDL Task Force. This is summarized in LESJWA Board memo number 2022.08.

This item was for informational and discussion purposes; no action was taken on Agenda Item No. 7.C.

D. ADMINISTRATOR'S COMMENTS

Mark Norton announced that in the later part of the 2022-23 fiscal year from SAWPA. He stated that there may be some changes regarding the administration of LESJWA.

E. DIRECTORS' COMMENTS

Secretary/Treasurer Williams thanked Mark Norton for his years of service. Director Dennstedt requested a workshop in the next two months to begin a succession plan for Mr. Norton. Chair Welty said that Mr. Norton is a great asset to LESJWA and agreed that a workshop to being a succession plan will need to occur.

F. FUTURE AGENDA ITEMS REQUESTS

Director Dennstedt requested an agenda item to discuss if LESJWA has a Reserve Policy and if there isn't on in place that there be discussion to being the process of creating one.

8. CLOSED SESSION

There was no Closed Session.

9. ADJOURNMENT

There being no further business for review, Chair Williams adjourned the meeting at 5:25 p.m.

Approved at a Regular Meeting of the Lake Elsinore & San Jacinto Watersheds Authority Board of Directors Meeting on Thursday, April 21, 2022.

Dale Welty, Chair

Attest:

Zyanya Ramirez, Clerk of the Board

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Lake Elsinore and San Jacinto Watersheds Authority

FINANCIAL STATEMENTS

January 2022

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY
CASH FLOW STATEMENT
AS OF 01/31/2022

Balance as of 12/31/2021 \$ 667,619.75

Funds Received

Deposits:

LAIF Interest \$387.65

Open - Grant Invoices

Open - Member & Other Contributions

San Jacinto Dairy & CAFO	\$1,500.00	
Total Due LESJWA	\$1,500.00	

Disbursement List - January 2022 \$ (27,568.57)

Funds Available as of 01/31/2022 **\$ 640,438.83**

Funds Available:

Checking	\$ 73,231.68	
LAIF	\$ 567,207.15	
Total	\$ 640,438.83	

Lake Elsinore San Jacinto Watersheds Authority
LE/CL TMDL Invoice History
FYE 2011 - 2022
as of January 31, 2022

Agency	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
March ARB	13,050.00	12,500.00	35,226.00	25,176.00	38,321.00	29,864.00	27,890.00	32,863.00	36,460.00	33,216.00
CalTrans	13,050.00	12,500.00	28,656.00	26,072.00	40,421.00	31,964.00	29,996.00	34,286.00	37,651.00	32,757.00
City of Beaumont	1,865.00	19,263.00	24,280.00	26,866.00	37,421.00	28,128.00	14,160.00	28,251.00	28,935.00	27,070.00
City of Canyon Lake	644.00	18,389.00	34,863.00	24,142.00	42,521.00	33,586.00	28,780.00	33,754.00	37,787.00	34,393.00
City of Hemet	6,286.00	18,175.00	25,510.00	27,958.00	54,278.00	36,426.00	29,084.00	41,830.00	46,261.00	42,139.00
City of Lake Elsinore	-	19,381.00	30,580.00	32,463.00	37,421.00	22,330.00	28,521.00	33,361.00	34,071.00	31,795.00
City of Menifee	23,649.00	44,155.00	55,821.00	23,584.00	100,499.00	100,906.00	112,252.00	86,846.00	92,189.00	82,180.00
City of Moreno Valley	15,425.00	103,565.00	113,058.00	17,750.00	96,414.00	74,122.00	144,495.00	80,826.00	83,847.00	63,927.00
City of Murrieta	-	12,426.00	24,280.00	26,866.00	38,321.00	31,337.00	22,796.00	30,774.00	34,433.00	32,988.00
City of Perris	5,752.00	18,869.00	26,739.00	29,050.00	59,821.00	50,374.00	66,775.00	50,792.00	54,723.00	40,792.00
City of Riverside	1,575.00	17,641.00	24,280.00	26,866.00	38,921.00	30,293.00	24,896.00	26,751.00	28,635.00	27,070.00
City of San Jacinto	4,315.00	19,487.00	24,280.00	26,866.00	37,721.00	23,290.00	27,296.00	26,751.00	27,435.00	27,970.00
City of Wildomar	4,461.00	8,307.00	19,528.00	26,460.00	41,642.00	28,841.00	21,872.00	31,578.00	30,945.00	25,060.00
County of Riverside	-	30,165.00	36,469.00	30,362.00	68,931.00	69,034.00	76,601.00	81,634.00	88,734.00	83,361.00
Dept of Fish and Game	13,050.00	12,500.00	18,435.00	28,840.00	35,121.00	22,857.00	16,818.00	26,751.00	27,435.00	25,570.00
Eastern Municipal Water District	13,050.00	12,500.00	16,225.00	23,525.00	27,789.00	15,724.00	16,222.00	23,496.00	26,935.00	25,570.00
Elsinore Valley Municipal Water District	-	12,500.00	16,225.00	23,525.00	30,361.00	18,327.00	12,626.00	24,934.00	29,881.00	26,946.00
March JPA	13,050.00	12,500.00	24,485.00	27,160.00	38,921.00	30,464.00	24,596.00	31,006.00	34,412.00	32,968.00
San Jacinto Agricultural Operators	28,278.00	12,500.00	47,549.00	23,530.58	45,785.00	31,391.00	37,999.65	38,927.00	27,767.00	14,382.00
San Jacinto Dairy & CAFO Operators	10,211.00	12,500.00	16,225.00	-	-	-	2,700.00	2,850.00	-	1,500.00
Total	167,711.00	429,823.00	642,714.00	497,061.58	910,630.00	709,258.00	766,375.65	768,261.00	808,536.00	711,654.00
Total Paid Contributions	167,711.00	429,823.00	642,714.00	497,061.58	910,630.00	709,258.00	766,375.65	768,261.00	808,536.00	710,154.00
Total Outstanding Contributions	-	-	-	-	-	-	-	-	-	1,500.00
Total Outstanding Contributions										
San Jacinto Dairy & CAFO Operators									-	1,500.00
Total Outstanding All Years	-	-	-	-	-	-	-	-	-	1,500.00

Lake Elsinore/San Jacinto Watershed Authority
Statement of Net Assets
For the Seven Months Ending Monday, January 31, 2022

Assets

Checking - US Bank	\$73,231.68
L.A.I.F.	567,207.15
Accounts Receivable	1,500.00
Total Assets	<u>\$641,938.83</u>

Liabilities

Accounts Payable	<u>67,847.71</u>
Total Liabilities	<u>\$67,847.71</u>

Retained Earnings	197,923.74
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Excess Revenue over (under) Expenditures	<u>\$376,167.38</u>
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Total Net Assets	<u>\$574,091.12</u>
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Total Liabilities and Net Assets	<u><u>\$641,938.83</u></u>
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Lake Elsinore/San Jacinto Watershed Authority
Revenues, Expenses and Changes in Net Assets
For the Seven Months Ending Monday, January 31, 2022

	Period Actual	YTD Actual	Annual Budget	% Used	Budget Variance
Revenues					
LAIF Interest	\$387.65	\$633.37	\$2,200.00	28.79%	\$1,566.63
Member Agency Contributions	0.00	286,495.00	288,445.00	99.32%	1,950.00
Other Agency Contributions	0.00	535,159.00	540,257.00	99.06%	5,098.00
Total Revenues	\$387.65	\$822,287.37	\$830,902.00	98.96%	\$8,614.63
Expenses					
Salaries - Regular	6,948.88	40,945.11	62,314.00	65.71%	21,368.89
Payroll Burden	2,751.75	16,214.26	24,676.00	65.71%	8,461.74
Overhead	11,208.55	66,044.45	100,510.00	65.71%	34,465.55
Audit Fees	5,000.00	5,000.00	5,000.00	100.00%	0.00
Consulting - General	34,656.86	314,701.68	551,252.00	57.09%	236,550.32
LEAMS Offset Credit License	0.00	0.00	60,450.00	0.00%	60,450.00
Legal Fees	0.00	218.75	1,100.00	19.89%	881.25
Meeting & Conference Expense	0.00	25.00	0.00	0.00%	(25.00)
Bank Charges	0.00	0.00	1,000.00	0.00%	1,000.00
Shipping & Postage	0.00	0.00	50.00	0.00%	50.00
Office Supplies	0.00	0.00	60.00	0.00%	60.00
Other Expense	167.66	393.09	400.00	98.27%	6.91
Insurance Expense	0.00	2,536.00	3,000.00	84.53%	464.00
Interest Expense	20.45	41.65	200.00	20.83%	158.35
Total Expenditures	\$60,754.15	\$446,119.99	\$810,012.00	55.08%	\$363,892.01
Excess Revenue over (under) Expenditures	(\$60,366.50)	\$376,167.38	\$20,890.00	1800.71%	(\$355,277.38)

Lake Elsinore San Jacinto Watersheds Authority
Revenues, Expenses and Changes in Net Assets by Project
For the Month Ending January 31, 2022

	JPA	TMDL				Budget	% Used	Budget
	Administration	Task Force	Total					Variance
Revenues								
LAIF Interest	633.37		633.37		2,200.00	28.79%		1,566.63
Member Agency Contributions	110,000.00	176,495.00	286,495.00		288,445.00	99.32%		1,950.00
Other Agency Contributions		535,159.00	535,159.00		540,257.00	99.06%		5,098.00
Miscellaneous Revenue			-		-	100.00%		-
Total Revenues	\$ 110,633.37	\$ 711,654.00	\$ 822,287.37	\$	830,902.00	98.96%	\$	8,614.63
Expenditures								
Salaries	\$ 17,375.49	\$ 23,569.62	\$ 40,945.11	\$	62,314.00	65.71%	\$	21,368.89
Benefits	6,880.70	9,333.56	16,214.26		24,676.00	65.71%		8,461.74
Indirect Costs	28,026.65	38,017.80	66,044.45		100,510.00	65.71%		34,465.55
Audit Fees	5,000.00		5,000.00		5,000.00	100.00%		-
Consulting	10,140.82	304,560.86	314,701.68		551,252.00	57.09%		236,550.32
Other Contract Services			-		-	0.00%		-
Legal Fees	218.75		218.75		1,100.00	19.89%		881.25
Meeting & Conference Expense	25.00		25.00		-	0.00%		(25.00)
Bank Charges			-		1,000.00	0.00%		1,000.00
Shipping & Postage			-		50.00	0.00%		50.00
Other Expense	393.09		393.09		400.00	98.27%		6.91
LEAMS Excess Offset Credit			-		60,450.00	0.00%		60,450.00
Insurance Expense	2,536.00		2,536.00		3,000.00	84.53%		464.00
Office Supplies					60.00	0.00%		60.00
Interest Expense	41.65		41.65		200.00	20.83%		158.35
Total Expenditures	\$ 70,638.15	\$ 375,481.84	\$ 446,119.99	\$	810,012.00	55.08%	\$	363,892.01
Excess Revenue over (under) Expenditures	\$ 39,995.22	\$ 336,172.16	\$ 376,167.38	\$	20,890.00	100.00%	\$	(355,277.38)
 Cash Balance @ 01/31/2022	 \$ 94,751.92	 \$ 545,686.91	 \$ 640,438.83					

**Lake Elsinore San Jacinto
Watershed Authority
Disbursements
January 2022**

Check #	Check Date	Type	Vendor	Check Amount
1112	1/13/2022	CHK	Teaman, Ramirez and Smith	\$ 5,000.00
EFT405	1/13/2022	CHK	Santa Ana Watershed Project Authority	\$ 18,020.24
EFT406	1/13/2022	CHK	CDM Smith Inc	\$ 2,770.00
EFT407	1/13/2022	CHK	Kahn, Soares & Conway, LLP	\$ 225.00
EFT408	1/20/2022	CHK	DeGrave Communications	\$ 1,553.33
Total Disbursements January 2022				<u>\$ 27,568.57</u>

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Lake Elsinore and San Jacinto Watersheds Authority

FINANCIAL STATEMENTS

February 2022

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY
CASH FLOW STATEMENT
AS OF 02/28/2022

Balance as of 01/31/2022 \$ 640,438.83

Funds Received

Deposits:

Kahn, Soares, & Conway \$500.00

Open - Grant Invoices

Open - Member & Other Contributions

San Jacinto Dairy & CAFO \$1,500.00

RCFCD \$500.00

Total Due LESJWA \$2,000.00

Disbursement List - February 2022 \$ (40,809.60)

Funds Available as of 02/28/2022 \$ 600,129.23

Funds Available:

Checking \$ 32,922.08

LAIF \$ 567,207.15

Total \$ 600,129.23

Lake Elsinore San Jacinto Watersheds Authority
LE/CL TMDL Invoice History
FYE 2013 - 2022
as of February 28, 2022

Agency	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
March ARB	13,050.00	12,500.00	35,226.00	25,176.00	38,321.00	29,864.00	27,890.00	32,863.00	36,460.00	33,216.00
CalTrans	13,050.00	12,500.00	28,656.00	26,072.00	40,421.00	31,964.00	29,996.00	34,286.00	37,651.00	32,757.00
City of Beaumont	1,865.00	19,263.00	24,280.00	26,866.00	37,421.00	28,128.00	14,160.00	28,251.00	28,935.00	27,070.00
City of Canyon Lake	644.00	18,389.00	34,863.00	24,142.00	42,521.00	33,586.00	28,780.00	33,754.00	37,787.00	34,393.00
City of Hemet	6,286.00	18,175.00	25,510.00	27,958.00	54,278.00	36,426.00	29,084.00	41,830.00	46,261.00	42,139.00
City of Lake Elsinore	-	19,381.00	30,580.00	32,463.00	37,421.00	22,330.00	28,521.00	33,361.00	34,071.00	31,795.00
City of Menifee	23,649.00	44,155.00	55,821.00	23,584.00	100,499.00	100,906.00	112,252.00	86,846.00	92,189.00	82,180.00
City of Moreno Valley	15,425.00	103,565.00	113,058.00	17,750.00	96,414.00	74,122.00	144,495.00	80,826.00	83,847.00	63,927.00
City of Murrieta	-	12,426.00	24,280.00	26,866.00	38,321.00	31,337.00	22,796.00	30,774.00	34,433.00	32,988.00
City of Perris	5,752.00	18,869.00	26,739.00	29,050.00	59,821.00	50,374.00	66,775.00	50,792.00	54,723.00	40,792.00
City of Riverside	1,575.00	17,641.00	24,280.00	26,866.00	38,921.00	30,293.00	24,896.00	26,751.00	28,635.00	27,070.00
City of San Jacinto	4,315.00	19,487.00	24,280.00	26,866.00	37,721.00	23,290.00	27,296.00	26,751.00	27,435.00	27,970.00
City of Wildomar	4,461.00	8,307.00	19,528.00	26,460.00	41,642.00	28,841.00	21,872.00	31,578.00	30,945.00	25,060.00
County of Riverside	-	30,165.00	36,469.00	30,362.00	68,931.00	69,034.00	76,601.00	81,634.00	88,734.00	83,361.00
Dept of Fish and Game	13,050.00	12,500.00	18,435.00	28,840.00	35,121.00	22,857.00	16,818.00	26,751.00	27,435.00	25,570.00
Eastern Municipal Water District	13,050.00	12,500.00	16,225.00	23,525.00	27,789.00	15,724.00	16,222.00	23,496.00	26,935.00	25,570.00
Elsinore Valley Municipal Water District	-	12,500.00	16,225.00	23,525.00	30,361.00	18,327.00	12,626.00	24,934.00	29,881.00	26,946.00
March JPA	13,050.00	12,500.00	24,485.00	27,160.00	38,921.00	30,464.00	24,596.00	31,006.00	34,412.00	32,968.00
San Jacinto Agricultural Operators	28,278.00	12,500.00	47,549.00	23,530.58	45,785.00	31,391.00	37,999.65	38,927.00	27,767.00	14,382.00
San Jacinto Dairy & CAFO Operators	10,211.00	12,500.00	16,225.00	-	-	-	2,700.00	2,850.00	-	1,500.00
Total	167,711.00	429,823.00	642,714.00	497,061.58	910,630.00	709,258.00	766,375.65	768,261.00	808,536.00	711,654.00
Total Paid Contributions	167,711.00	429,823.00	642,714.00	497,061.58	910,630.00	709,258.00	766,375.65	768,261.00	808,536.00	710,154.00
Total Outstanding Contributions	-	-	-	-	-	-	-	-	-	1,500.00
Total Outstanding Contributions										
San Jacinto Dairy & CAFO Operators									-	1,500.00
Total Outstanding All Years	-	-	-	-	-	-	-	-	-	1,500.00

Lake Elsinore/San Jacinto Watershed Authority
Statement of Net Assets
For the Eight Months Ending Monday, February 28, 2022

Assets

Checking - US Bank	\$32,922.08
L.A.I.F.	567,207.15
Accounts Receivable	2,000.00
Total Assets	<u>\$602,129.23</u>

Liabilities

Accounts Payable	<u>82,955.14</u>
Total Liabilities	<u>\$82,955.14</u>

Retained Earnings	197,923.74
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Excess Revenue over (under) Expenditures	<u>\$321,250.35</u>
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Total Net Assets	<u>\$519,174.09</u>
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Total Liabilities and Net Assets	<u>\$602,129.23</u>
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Lake Elsinore/San Jacinto Watershed Authority
Revenues, Expenses and Changes in Net Assets
For the Eight Months Ending Monday, February 28, 2022

	Period Actual	YTD Actual	Annual Budget	% Used	Budget Variance
Revenues					
LAIF Interest	\$0.00	\$633.37	\$2,200.00	28.79%	\$1,566.63
Member Agency Contributions	0.00	286,495.00	288,445.00	99.32%	1,950.00
Other Agency Contributions	0.00	535,159.00	540,257.00	99.06%	5,098.00
Miscellaneous Revenue	1,000.00	1,000.00	0.00	0.00%	(1,000.00)
Total Revenues	\$1,000.00	\$823,287.37	\$830,902.00	99.08%	\$7,614.63
Expenses					
Salaries - Regular	5,021.02	45,966.13	62,314.00	73.77%	16,347.87
Payroll Burden	1,988.33	18,202.59	24,676.00	73.77%	6,473.41
Overhead	8,098.90	74,143.35	100,510.00	73.77%	26,366.65
Audit Fees	0.00	5,000.00	5,000.00	100.00%	0.00
Consulting - General	36,879.34	355,510.46	551,252.00	64.49%	195,741.54
LEAMS Offset Credit License	0.00	0.00	60,450.00	0.00%	60,450.00
Legal Fees	0.00	218.75	1,100.00	19.89%	881.25
Meeting & Conference Expense	0.00	25.00	0.00	0.00%	(25.00)
Bank Charges	0.00	0.00	1,000.00	0.00%	1,000.00
Shipping & Postage	0.00	0.00	50.00	0.00%	50.00
Office Supplies	0.00	0.00	60.00	0.00%	60.00
Other Expense	0.00	393.09	400.00	98.27%	6.91
Insurance Expense	0.00	2,536.00	3,000.00	84.53%	464.00
Interest Expense	0.00	41.65	200.00	20.83%	158.35
Total Expenditures	\$51,987.59	\$502,037.02	\$810,012.00	61.98%	\$307,974.98
Excess Revenue over (under) Expenditures	(\$50,987.59)	\$321,250.35	\$20,890.00	1537.82%	(\$300,360.35)

Lake Elsinore San Jacinto Watersheds Authority
Revenues, Expenses and Changes in Net Assets by Project
For the Month Ending February 28, 2022

	JPA Administration	TMDL Task Force	Total	Budget	% Used	Budget Variance
Revenues						
LAIF Interest	633.37		633.37	2,200.00	28.79%	1,566.63
Member Agency Contributions	110,000.00	176,495.00	286,495.00	288,445.00	99.32%	1,950.00
Other Agency Contributions		535,159.00	535,159.00	540,257.00	99.06%	5,098.00
Miscellaneous Revenue	1,000.00		1,000.00	-	100.00%	(1,000.00)
Total Revenues	\$ 111,633.37	\$ 711,654.00	\$ 823,287.37	\$ 830,902.00	99.08%	\$ 7,614.63
Expenditures						
Salaries	\$ 19,692.20	\$ 26,273.93	\$ 45,966.13	\$ 62,314.00	73.77%	\$ 16,347.87
Benefits	7,798.12	10,404.47	18,202.59	24,676.00	73.77%	6,473.41
Indirect Costs	31,763.50	42,379.85	74,143.35	100,510.00	73.77%	26,366.65
Audit Fees	5,000.00		5,000.00	5,000.00	100.00%	-
Consulting	14,484.15	341,026.31	355,510.46	551,252.00	64.49%	195,741.54
Other Contract Services			-	-	0.00%	-
Legal Fees	218.75		218.75	1,100.00	19.89%	881.25
Meeting & Conference Expense	25.00		25.00	-	0.00%	(25.00)
Bank Charges			-	1,000.00	0.00%	1,000.00
Shipping & Postage			-	50.00	0.00%	50.00
Other Expense	393.09		393.09	400.00	98.27%	6.91
LEAMS Excess Offset Credit			-	60,450.00	0.00%	60,450.00
Insurance Expense	2,536.00		2,536.00	3,000.00	84.53%	464.00
Office Supplies				60.00	0.00%	60.00
Interest Expense	41.65		41.65	200.00	20.83%	158.35
Total Expenditures	\$ 81,952.46	\$ 420,084.56	\$ 502,037.02	\$ 810,012.00	61.98%	\$ 307,974.98
Excess Revenue over (under) Expenditures	\$ 29,680.91	\$ 291,569.44	\$ 321,250.35	\$ 20,890.00	100.00%	\$ (300,360.35)
Cash Balance @ 02/28/2022	\$ 86,653.49	\$ 513,475.74	\$ 600,129.23			

**Lake Elsinore San Jacinto
Watershed Authority
Disbursements
February 2022**

Check #	Check Date	Type	Vendor	Check Amount
EFT409	2/3/2022	CHK	CDM Smith Inc	\$ 1,375.50
EFT410	2/3/2022	CHK	Wood Environment & Infrastructure	\$ 10,718.06
EFT411	2/10/2022	CHK	Kahn, Soares & Conway, LLP	\$ 5,662.50
EFT412	2/17/2022	CHK	Santa Ana Watershed Project Authority	\$ 21,097.29
EFT413	2/24/2022	CHK	DeGrave Communications	\$ 1,956.25
Total Disbursements February 2022				<u>\$ 40,809.60</u>

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Lake Elsinore and Canyon Lake TMDL Task Force

January 10, 2022

PARTICIPANTS PRESENT:

Behzad Sedighi, Caltrans	Rebekah Guill, Riverside County Flood Control & WCD
Scott Sewell, CDFW	Richard Boon, Riverside County Flood Control & WCD
Stefan Awender, CDFW	Abigail Suter, Riverside County Flood Control & WCD
Steven Wolosoff, CDM Smith	Jayne Joy, Regional Water Quality Control Board
Kris Hanson, City of Canyon Lake/Wildomar	Pamela Ybarra, Regional Water Quality Control Board
Carlos Norvani, City of Lake Elsinore	Patrick Lewis, Regional Water Quality Control Board
Nicole Dailey, City of Lake Elsinore	SueAnn Neal, Regional Water Quality Control Board
Rae Beimer, City of Moreno Valley	James Klang, TBL Consultants
Cynthia Gabaldon, City of Menifee, Perris, and March JPA	Michael Anderson, UCR
Mike Roberts, City of Riverside	Chris Stransky, Wood Environmental
Stormy Osifeso, City of Riverside	Nicholas Jernack, Wood Environmental
Lynn Merrill, City of San Jacinto	Pat Boldt, WRCAC
Mike Ali, EVMWD	Bruce Whitaker, SAWPA
Richard Meyerhoff, GEI Consultants	T. Milford Harrison, SAWPA
Tess Dunham, Kahn, Soares & Conway, LLP	Mark Norton, SAWPA
Rachael Johnson, Riverside County Farm Bureau	Rick Whetsel, SAWPA
Amy McNeill, Riverside County Flood Control & WCD	Zyanya Ramirez, SAWPA

Call to Order & Introductions

The Lake Elsinore/Canyon Lake TMDL Task Force (Task Force) meeting commenced at 1:03 p.m. in a virtual Zoom meeting, in response to, and in compliance with, COVID-19 regulations.

Approval of November 3, 2021 Meeting Notes

The November 3, 2021 meeting notes were approved as posted.

Status: Regional Board Update (Regional Board)

FHAB Monitoring Program

Pamela Ybarra, of the Regional Water Quality Control Board (Regional Board), gave an oral status update on the FHAB Monitoring Program. Regional Board performed site visits twice in November and December. Water Quality monitoring results from the first visit in November showed dangerous levels of microcystin; the results from the second visit lowered the warning to a caution level. The December monitoring resulted in the warning level being reduced to normal. The monitoring will be completed at the end of 2022. Reports on the FHAB Monitoring Program will be expected in 2023.

Administrative Draft MS4 Permit & Incorporation of TMDLs (Regional Board/Tess Dunham/KSC)

Lynn Merrill, representing the City of San Jacinto, shared that the Regional Board had distributed a draft MS4 permit to permittees for their review and comments. At that time, the draft had not been shared with the public.

Tess Dunham, of Kahn, Soares, and Conway, LLP, recommended that this topic be brought back to the Task Force for discussion when the draft is available to everyone.

Review: Draft Key Principles for Technical TMDL Revisions (Tess Dunham/KSC)

The Task Force had agreed to consider revising the 2018 TMDL Revisions in an incremental manner. The incremental steps would include the development of key principles to guide ongoing efforts, and to look at potential revisions in a phased approach by first addressing potential revisions to the Implementation Plan. It was important to all stakeholders including Regional Board staff and the permitting stakeholders that there be an agreement to these key principles.

Tess Dunham provided an overview of the draft agreement titled *Draft Key Principles for Potential Revision of the TMDL Technical Report: Revision to the Lake Elsinore and Canyon Lake Nutrient TMDLs (December 1, 2018) - Agreement Among the Lake Elsinore and Canyon Lake TMDL Task Force Members and Executive Officer for the Santa Ana Regional Water Quality Control Board*.

Task Force members provided the preliminary comments/feedback on the draft agreement:

- Item 2. – In some permits meeting targets can be an alternative demonstration of compliance language. This will be clarified.
- Add within these key principles that we continue to agree that the discussion for expression of targets and the ways the allocations is based upon how we have it in the 2018 TMDL based on the cumulative distribution and the 10-year running average.
- Clarification to the term Compliance Schedule – It is being used in this document to a program of the implementation schedule as contained within the Basin Plan.
- Add language that the report has been fully peer-reviewed in its current existence.

Jayne Joy stated that the Regional Board is struggling with staffing levels and have other commitments, but they will do what they can to attend to this matter.

Comments to the draft agreement is requested from stakeholders and due to Ms. Dunham at tdunham@kscsacramento.com via email by end of day Friday, February 4, 2022.

Update: Fall Canyon Lake Alum Application (LESJWA Staff)

Aquatechnex, LLC performed their last semi-annual alum application to Canyon Lake in October 2021 finalizing their contract with LESJWA.

A request for proposals (RFP) was issued in October 2021 for the Canyon Lake Alum Application, which would award a three-year agreement with an option to continue for two additional years. Two proposals were received: AquaTechnex, LLC and HAB Aquatic Solutions. Staff will be conducting interviews with each consultant on January 17, 2022. The vendor selected by the interview panel will be recommended for approval at the February 17, 2022 LESJWA Board of Directors meeting.

One of the two recent storm events triggered the need for monitoring of Canyon Lake overflow. There will be further discussion by the Task Force to determine if the results of the monitoring will require an urgent need to conduct a Spring alum application.

Task Force Administration (LESJWA Staff)

Discuss FY 2022-23 Budget Assumptions

Rick Whetsel presented an initial draft FY 2022-23 Budget: Lake Elsinore & Canyon Lake TMDL Task Force. Discussion ensued for a need of a formal draft budget that includes:

- Land use amounts from Western Riverside County Agriculture Coalition
- The costs of implementing the key principles used to revise the 2018 TMDL and identify what steps will be paid for in the current fiscal year and what will be included in 2022-23 budget

Other Business

Grant Funding Opportunities

LESJWA, LEAMS operators, and the City of Lake Elsinore will be submitting two separate grant applications for two projects for the opportunity to receive grant funding from the 2021 Urban and Multibenefit Drought Relief Program administered by the California Department of Water Resources (DWR). These two projects would benefit Lake Elsinore:

- Lake Elsinore Critical Drought Response Algae Harvesting Project
- Lake Elsinore Critical Drought Response Oxygenation Project

Another opportunity is available through the next grant funding round from Proposition 1 Integrated Regional Water Management.

Lake Elsinore Advanced Pumped Storage (LEAPS) Project

The Federal Energy Regulatory Commission cancelled the LEAPS project after Nevada Hydro Corporation failed to provide requested documents.

Schedule Next Meeting

The next LE/CL TMDL Task Force meeting is scheduled for Monday, February 14, 2022, at 1:00 p.m.

Adjourn

The meeting adjourned at 9:52 a.m.

Table Summary of Agreements and Actions

Date of Action/Agreement	Action/Agreement	Responsible Entities Reaching Agreement
September 28, 2021	Approve funding in the amount of up to \$30,000 to CDM Smith to assist Task Force technical issues, including but not limited to, initial discussions regarding content and scope of TMDL Implementation Plan revisions should the Task Force decide to provide resources for further revising the 2018 draft TMDL.	Voting Task Force members.
November 3, 2021	Approve moving forward with the proposed step-wise approach to updating the TMDL Technical Report and its timeline.	Voting Task Force members
January 10, 2022		

LESJWA BOARD MEMORANDUM NO. 2022.09

DATE: April 21, 2022

TO: LESJWA Board of Directors

SUBJECT: Resolution on Continuation of Remote Board of Directors Meetings

PREPARED BY: Mark R. Norton, LESJWA Authority Administrator

RECOMMENDATION

Adoption of Resolution No. LES2022-02 Proclaiming A State of Emergency Persists, Re-Ratifying the Proclamation of a State of Emergency by Governor Gavin Newsom, and Re-Authorizing Remote Teleconference Meetings of all Board of Director meetings of the Lake Elsinore and San Jacinto Watersheds Authority for the period of April 21, 2022 to May 21, 2022 pursuant to Brown Act Provisions.

DISCUSSION

On September 16, 2021, Governor Newsom signed into law AB 361, which suspended the Brown Act's existing teleconferencing requirements so long as the state-declared state of emergency in California. A Resolution must be executed every 30 days under AB 361 for the initial and subsequent findings under AB 361 in order to continue to utilize the relaxed teleconferencing requirements for board meetings (including committee meetings) subject to the Brown Act. AB 361 applies only to a state-declared state of emergency and not to a locally-declared emergency; and AB 361 will only remain in effect until January 1, 2024, unless the State Legislature takes action to extend it or make it permanent. The following is a brief summary of AB 361's pertinent provisions.

- 1. Posting of Agendas.** The Brown Act currently requires that a local agency post agendas at all teleconference locations. Thus, if a director is calling in from a hotel room in Las Vegas, the director would need to post the agenda on his or her hotel room door. AB 361 removes the requirement that agendas must be posted at all teleconference locations. Therefore, under AB 361, the director can call from his or her Las Vegas hotel room without having to post the agenda on the hotel room door.

AB 361 does not change the general agenda posting requirements under the Brown Act. Thus, agencies should continue to post their agendas at least 72 hours before a regular board meeting and 24 hours before a special board meeting, and those postings should occur in the usual locations, including on the agency's website.

- 2. Location of Teleconferencing Participants.** The Brown Act currently requires a local agency that uses teleconferencing, to identify each teleconference location in the notice and agenda of the meeting or proceeding, and each teleconference location must be accessible to the public. Under this requirement, if a director was calling into a meeting from the Las Vegas hotel room, the director would need to allow members of the public into his or her hotel room for the meeting. Also, the Brown Act currently requires that at least a quorum of

the members of a legislative body must participate in the meeting (even if by teleconference) from locations within the agency's boundaries.

AB 361 excuses compliance with those requirements and agendas for meetings held in accordance with AB 361 are not required to identify each teleconference location and each location does not need to be accessible to the public (but see Item 3, below). In addition, there is no requirement under AB 361 that at least a quorum of the board members must be located within the agency's boundaries.

- 3. Public Access and Comments.** As stated above, local agencies are not required to make each teleconference location accessible to the public. However, the board meetings must remain open to the public and the agenda must include the manner by which members of the public may access the meeting remotely to offer public comment, including by a call-in option or an internet-based service option, such as meeting invite web address or call-in phone number, with passcode. Members of the public must be allowed to access the meeting and to address the legislative body directly, either during a general public comment period or before any individual actions are taken. Also, AB 361 clarifies that an agency may not require members of the public to submit their comments in advance of a meeting.

Public comments, either written or made by remote connection, must be accepted until the point at which the public comment period is formally closed. Any registration or sign-up period for public comments can only be closed when the public comment period is formally closed. Where public comments are accepted in a public comment period for each agenda item, the agency must allow a reasonable amount of time during each agenda item to allow the public the opportunity to provide comments, including time for members of the public to register or otherwise be recognized for the purpose of providing public comment.

- 4. Registration Issue.** The Brown Act has long prohibited the use of mandatory registration or "sign-ups" to attend public meetings or to provide public comment. Based on that prohibition, the Brown Act would present a significant problem for meetings that use a teleconference platform that requires participants to register for an account, even when it is not the local agency establishing that requirement. AB 361 solves that problem by allowing local agencies to use platforms which, incidental to their use and deployment, require users to register for an account with that platform, so long as the platform is not under the control of the local agency. Thus, an agency can use a platform that requires a registration to participate without violating the Brown Act.
- 5. Technological Disruption of Meeting.** AB 361 addresses what must occur in the event a technical difficulty interrupts a board meeting. Under AB 361, if a public comment line unexpectedly disconnects, a meeting agenda was sent out with the incorrect web link or dial-in information, the local agency's internet connection is interrupted, or other similar circumstances occur, the agency must stop the ongoing meeting and try to resolve the issue before continuing with the meeting agenda. If the meeting disruption cannot be resolved, the agency should not take any further action on agenda items and should end the meeting.

Failure to do so risks having any actions that were taken during the period of disruption set aside in a legal action.

6. Required Findings. AB 361 allows for teleconferencing under its provisions to occur in three scenarios:

- 1) The local agency is holding a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing; or
- 2) The local agency is holding a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees; or
- 3) The local agency is holding a meeting during a proclaimed state of emergency and has determined, by majority vote, that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

AB 361 provides that if a state of emergency remains active, or state or local officials have imposed or recommended measures to promote social distancing, in order to continue to teleconference without complying with the Brown Act's existing teleconferencing requirements, the agency's board of directors must, no later than 30 days after teleconferencing for the first time under AB 361, and every 30 days thereafter, making the following findings by at least majority vote:

- 1) The legislative body has reconsidered the circumstances of the state of emergency; and
- 2) Any of the following circumstances exist: (a) the state of emergency continues to directly impact the ability of the members to meet safely in person; or (b) state or local officials continue to impose or recommend measures to promote social distancing.

CRITICAL SUCCESS FACTORS

None.

RESOURCE IMPACTS

None.

Attachments:

1. Resolution No. LES2022-01

RESOLUTION NO. LES2022-02

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LAKE ELSINORE AND SAN JACINTO WATERSHEDS AUTHORITY (LESJWA) PROCLAIMING A STATE OF EMERGENCY PERSISTS, RE-RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR GAVIN NEWSOM, AND RE-AUTHORIZING REMOTE TELECONFERENCE MEETINGS ALL BOARD OF DIRECTORS MEETINGS OF LESJWA FOR THE PERIOD APRIL 21, 2022 TO MAY 21, 2022 PURSUANT TO BROWN ACT PROVISIONS.

WHEREAS, the Board of Directors of the Lake Elsinore and San Jacinto Watersheds Authority ("LESJWA") is committed to preserving and nurturing public access and participation in meetings of its Board of Directors; and

WHEREAS, all meetings of LESJWA's Board of Directors are open and public, as required by the Ralph M. Brown Act (California Government Code Sections 54950 – 54963), so that any member of the public may attend, participate, and watch those bodies conduct their business; and

WHEREAS, the Brown Act, in Government Code Section 54953(e), makes provision for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code Section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition for application of Section 54953(e) is that a state of emergency is declared by the Governor pursuant to Government Code Section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code Section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the LESJWA's boundaries, caused by natural, technological or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, the LESJWA Board of Directors previously adopted a Resolution, Resolution No. LES2021-01 on October 21, 2021 finding that the requisite conditions exist for the LESJWA Board of Directors to conduct remote teleconference meetings without compliance with paragraph (3) of subdivision (b) of Section 54953; and

WHEREAS, as a condition of extending the use of the provisions found in Section 54953(e), the LESJWA Board of Directors must reconsider the circumstances of the state of emergency that exists in LESJWA, and the Board of Directors has done so; and

WHEREAS, emergency conditions persist in LESJWA, specifically, COVID-19, and its Delta variant, remain highly contagious and, therefore, a threat to the health, safety and well-

being of the LESJWA'S employees, directors, vendors, contractors, customers and residents; and

WHEREAS, orders from the Los Angeles County Department of Public Health and regulations from the State of California impose limitations on gatherings and provide guidance on best practices with respect to actions to reduce the spread of COVID-19; and

WHEREAS, LESJWA Board of Directors does hereby find that a state of emergency continues to exist within LESJWA's service area as a result of the continuing presence of COVID-19 and resulting local, state and federal orders and guidance, which has caused, and will continue to cause, conditions of peril to the safety of persons within LESJWA that are likely to be beyond the control of services, personnel, equipment, and facilities of LESJWA, and the Board of Directors desires to affirm a local emergency exists and re-ratify the proclamation of state of emergency by the Governor of the State of California; and

WHEREAS, as a consequence of the local emergency persisting, LESJWA does hereby find that the LESJWA Board of Directors shall continue to conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code Section 54953, as authorized by subdivision (e) of Section 54953, and that such legislative bodies shall continue to comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of Section 54953; and

WHEREAS, LESJWA will continue to provide proper notice to the public regarding all LESJWA Board of Directors meetings, in accordance with Government Code Section 54953(e)(2)(A) and shall provide notice to the public of how they may access any such meeting via call-in number and/or internet link.

NOW, THEREFORE, the LESJWA Board of Directors does hereby resolve as follows:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Affirmation that Local Emergency Persists. The Board of Directors hereby considers the conditions of the state of emergency in LESJWA and proclaims that a local emergency persists throughout LESJWA, and that conducting LESJWA Board of Directors meetings virtually will minimize the possible spread COVID-19 and any variant thereof.

Section 3. Re-ratification of Governor's Proclamation of a State of Emergency. The Board of Directors hereby ratifies the Governor of the State of California's Proclamation of State of Emergency regarding COVID-19, dated March 4, 2020.

Section 4. Remote Teleconference Meetings. The LESJWA's Authority Administrator, or his or her delegee, and the Board of Directors of LESJWA are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, continuing to conduct open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) the expiration of thirty (30) days from the date this Resolution was adopted, as set forth below, or (ii) such time as the LESJWA adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to

extend the time during which the LESJWA Board of Directors may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

ADOPTED this April 21, 2022.

LAKE ELSINORE AND SAN JACINTO WATERSHEDS AUTHORITY

By:

Dale Welty, Chair

Attest:

Zyanya Ramirez, Clerk of the Board

LESJWA BOARD MEMORANDUM NO. 2022.10

DATE: April 21, 2022
TO: LESJWA Board of Directors
SUBJECT: Fund Balance and Reserve Policy
PREPARED BY: Karen Williams/ DGM/CFO

RECOMMENDATION

Staff recommends that the Board of Directors receive and file the LESJWA Fund Balance presentation as prepared by staff.

DISCUSSION

At the February 17, 2022, LESJWA Board Meeting, staff recommended to use \$10,000 of the LESJWA reserve for a one-time commitment to the Santa Ana River Watershed Weather Modification Pilot Program. Staff had indicated sufficient carryover surplus funds or reserve funds exist from previous years for this use. After discussion, the LESJWA Board then authorized a commitment of \$10,000 from the LESJWA reserves to SAWPA to help fund the Santa Ana River Watershed Weather Modification Pilot Program. During the discussion of this item, Director Dennstedt expressed concern that funds were being taken from LESJWA JPA reserves. She questioned what the LESJWA Reserve Policy was, how reserves funds can be used and wanted staff to look into creating a LESJWA Reserve Policy if there wasn't one in place.

Upon researching these questions, staff reports that LESJWA does not have a Reserve Policy. Further, LESJWA does not have reserves but has fund balance.

For the fiscal year ended June 30, 2011, the Authority implemented the Government Accounting Standards Board Statement No. 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definition*. Implementing GASB 54 is required of all Governmental Funds. The Fund Balance Policy was included in the notes to the financial statements in the fiscal year ending June 30, 2011 Audit Report, which was approved by the LESJWA Board on February 16, 2012. A copy of the fiscal year ending June 30, 2021 Audit Report is attached. The Fund Balance Policy can be found on pages 23 and 24 as item "M" of the "Summary of Significant Accounting Policies" section in the Notes to Financial Statements.

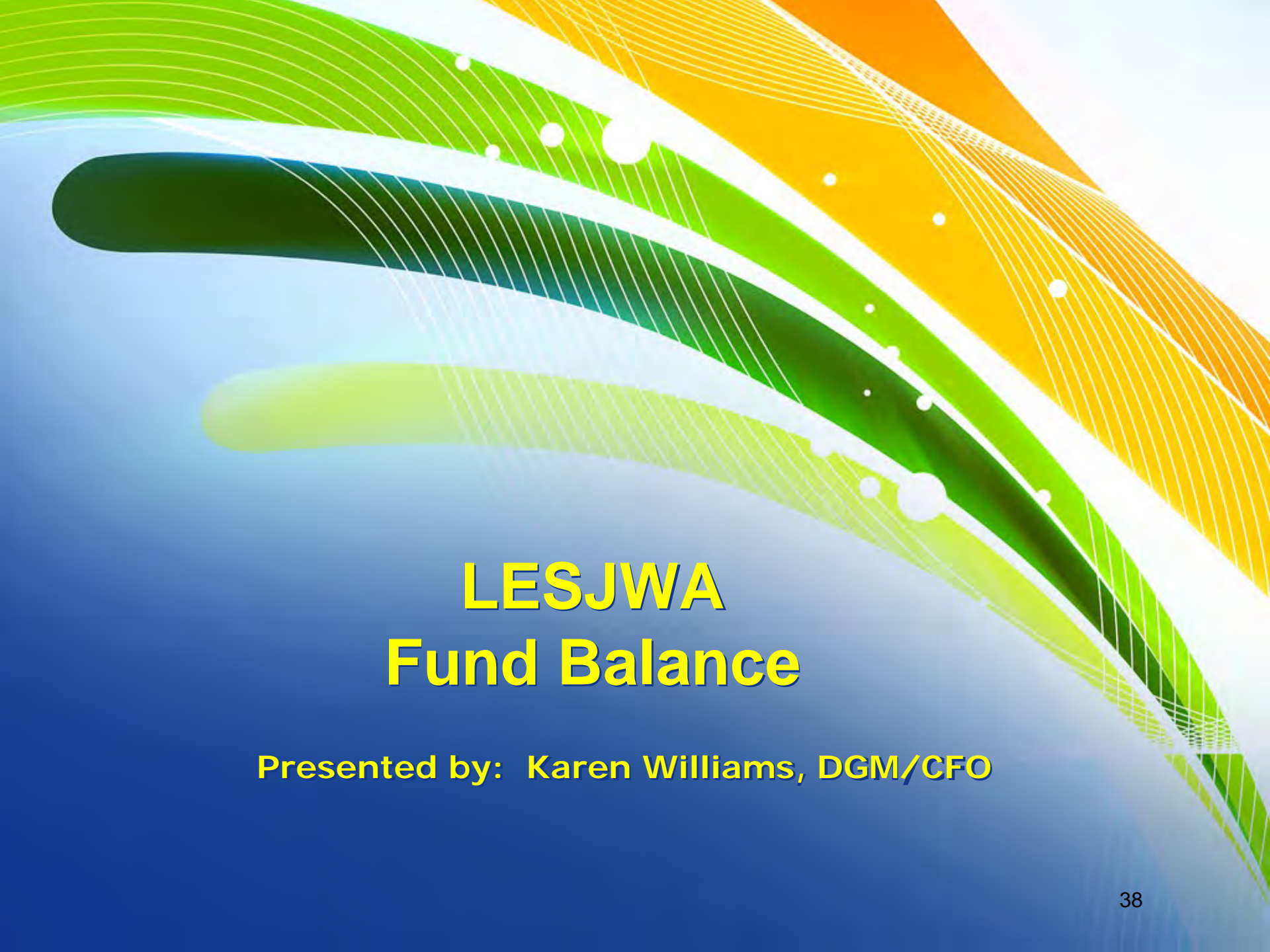
Staff has prepared a detailed presentation that explains the Fund Balance Policy, the difference between fund balance and reserves, and how LESJWA uses fund balance.

RESOURCE IMPACTS

None.

Attachments:

1. LESJWA Fund Balance – presentation
2. LESJWA Annual Financial Report – Fiscal Year Ended June 30, 2021



LESJWA Fund Balance

Presented by: Karen Williams, DGM/CFO

Agenda

- 1 What is Fund Balance?
- 2 LESJWA's Fund Balance Policy
- 3 LESJWA's Fund Balance and Current Use
- 4 What Are Reserves?
- 5 Recommendations

What is Fund Balance?

Fund balance is the difference between assets and liabilities in a government fund. (Fund balance represents the net cash after all revenues have been deposited and all expenses have been paid.)

LESJWA Balance Sheet
June 30, 2021

Category	General Fund
Assets	\$310,887
Liabilities	(112,964)
Fund Balance	\$197,923

Fund Balance

Restricted: LEAMS Program	\$ 52,950
Unassigned	<u>144,973</u>
	\$197,923

LESJWA's Fund Balance Policy

For the fiscal year ended June 30, 2011, the Authority implemented Government Accounting Standards Board Statement No. 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definition*.

The Fund Balance Policy was included in the notes to the financial statements in the fiscal year ending June 30, 2011 Audit Report, which was approved by the LESJWA Board on February 16, 2012.

LESJWA's Fund Balance Policy

The Authority believes that sound financial management principles require that sufficient funds be retained by the Authority to provide a stable financial base at all times. To retain this stable financial base, the Authority needs to:

- a) Maintain an unassigned fund balance in its funds sufficient to fund cash flow of the Authority; and
 - b) Provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature.
- Committed, assigned and unassigned fund balances are considered unrestricted.

Fund Balance Policy



The purpose of the Authority's fund balance policy is to maintain a prudent level of financial resources to protect against reducing service levels or raising fees because of temporary revenue shortfalls or unpredicted one-time expenditures.

The Board of Directors establishes, modifies, or rescinds fund balance commitments and assignments by passage of an ordinance or resolution. This is done through adoption of the budget and subsequent budget amendments that occur throughout the year.

Fund Balance Policy



The governmental fund financial statements report fund balance as nonspendable, restricted, committed, assigned or unassigned based primarily on the extent to which the authority is bound to honor constraints on how specific amounts can be spent.

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, followed by committed, assigned and unassigned resources as they are needed.

LESJWA's Fund Balance

Fund balance at 06/30/2021 is \$197,923

- **\$52,950 is restricted for the LEAMS program.**
- **\$144,973 is unassigned.**
 - \$97,685 LE&CL TMDL Task Force fund balance.
 - \$47,288 LESJWA JPA fund balance.

TMDL Task Force Fund Balance

\$97,685 LE & CL TMDL Task Force Fund Balance

- The annual budget is based on anticipated costs to stakeholders to implement various tasks as required of the LE&CL TMDL Task Force.
- Stakeholders are invoiced for their pro-rata share of budgeted costs.
- If there are remaining funds due to cost savings or delay in implementation, those funds become fund balance and can be used for the project they were originally meant for, reallocated by the task force, or returned to stakeholders.
- Fund Balance is reported to the Task Force each year.

LESJWA JPA Fund Balance

\$47,288 LESJWA JPA Fund Balance

- At LESJWA's inception, member agency contributions of \$10,000 per agency were collected to fund JPA operations.
- Proposition 13 funds also supplemented JPA operations.
- In FYE 2009, LESJWA sold the Dredge for \$394,000, designating those funds for future JPA operations.
- In 2010, staff prepared a LESJWA Business Plan showing projected JPA operation expenses would exceed annual member agency contributions/revenues.
- In FYE 2015, member agencies agreed to increase their annual contributions and RCFCWCD also agreed to contribute funds for LESJWA's operations.
- Of the \$47,288, \$34,809 remains from the Dredge sale.
- \$12,479 are from years where revenues exceeded expenditures. (2016-2020) These were unplanned surpluses.

LESJWA's Use of Fund Balance

- Use of JPA fund balance is budgeted each year as operating revenue.
- Board approves the use of JPA fund balance when it approves the budget.
- Fund balance is reported in the Audited Financial Statements each year.

What are Reserves?

- Generally, reserves are set up for specific purposes and are funded through contributions or surplus unrestricted operating funds.
- Reserves can:
 - Support fulfillment of mission
 - Provide financial flexibility and foster strategic decisions
 - Demonstrate proactive, prudent management and planning
 - Promote stakeholder confidence
- Reserves are typically used to fund a specific activity and are not used to make up for shortfalls in operations costs.

Reserve Policy - Background

If the Board elects to set up reserves, a Reserve Policy should be written and approved that includes:

- The purpose of building and maintaining reserves
- A calculation of the target amount
- The intended use of the reserve
- Who will have authority over use of the reserve
- How the reserve account will be monitored
- A Plan for replenishing the reserve balance (if needed)

Reserve Contributions



If the Board establishes a reserve policy, the Board should plan on regular contributions to reserves (e.g., on an annual basis).

Recommendation

No action needed. Continue use of current Fund Balance Policy.



Questions?

Fund Balance Designations

Nonspendable – amounts that cannot be spent because they are either (a) not spendable in form, or (b) legally or contractually required to be maintained intact.

Restricted – amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions enabling legislation. The Authority's restricted fund balance is to purchase TMDL credits for program participants of the LEAMS program.

Committed – amounts that can only be used for specific purposes determined by formal action of the Authority's highest level of decision making authority (the Board of Directors), and remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.

Assigned – amounts that are constrained by the Authority's intent to be used for specific purposes. The intent can be established at either the highest level of decision making, or by a body or an official designated for the purposes.

Unassigned – the residual classification for the Authority's general fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

Lake Elsinore & San Jacinto Watersheds Authority



City of Lake Elsinore • City of Canyon Lake • County of Riverside
Elsinore Valley Municipal Water District • Santa Ana Watershed Project Authority

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

ANNUAL FINANCIAL REPORT

**WITH REPORT ON AUDIT
BY INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANTS**

FOR FISCAL YEAR ENDED JUNE 30, 2021

Lake Elsinore & San Jacinto Watersheds Authority



City of Lake Elsinore • City of Canyon Lake • County of Riverside
Elsinore Valley Municipal Water District • Santa Ana Watershed Project Authority

Lake Elsinore & San Jacinto Watersheds Authority

Board of Directors as of June 30, 2021

Representing	Name	Title	Appointment
Elsinore Valley Municipal Water District	Phil Williams	Chair	December 2016
City of Canyon Lake	Dale Welty	Vice Chair	December 2020
City of Lake Elsinore	Robert E. Magee	Secretary / Treasurer	December 2016
County of Riverside	Kevin Jeffries	Director	June 2016
Santa Ana Watershed Project Authority	Brenda Dennstedt	Director	January 2017

Lake Elsinore & San Jacinto Watersheds Authority
Mark Norton, Authority Administrator
11615 Sterling Avenue
Riverside, CA 92503 • (951) 351-4220
www.mywatersheds.com

**LAKE ELSINORE & SAN JACINTO
WATERSHEDS AUTHORITY**

ANNUAL FINANCIAL REPORT

June 30, 2021

Lake Elsinore & San Jacinto Watersheds Authority
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June 30, 2021

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Lake Elsinore & San Jacinto Watersheds Authority
Riverside, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and major fund of the Lake Elsinore & San Jacinto Watersheds Authority (the "Authority") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of the Authority, as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Prior-Year Comparative Information

The financial statements include partial prior-year comparative information. Such information does include all of the information required to constitute a presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Authority's financial statements for the year ended June 30, 2020, from which such partial information was derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the budgetary comparison schedule, identified as Required Supplementary Information (RSI) in the accompanying table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the RSI in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the RSI because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The organization information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The organization information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2021, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Teaman Ramirez & Smith, Llc.

Riverside, California
November 29, 2021

Management's Discussion and Analysis

The Authority

The Lake Elsinore & San Jacinto Watersheds Authority (LESJWA) was formed in 2000 pursuant to the provisions of Article 1, Chapter 5, Division 7, Title 1 of the Government Code of the State of California relating to the joint exercise of powers common to public agencies. The Authority was formed for the purpose of implementing projects and programs to improve the water quality and habitat of Lake Elsinore and its back basin consistent with the Lake Elsinore Management Plan, and to rehabilitate and improve the San Jacinto and Lake Elsinore Watersheds and the water quality of Lake Elsinore in order to preserve agricultural land, protect wildlife habitat, and protect and enhance recreational resources, all for the benefit of the general public. In April 2010, the Authority's Board revised its organizational mission to set an equal emphasis on improving Canyon Lake water quality as with Lake Elsinore and the watersheds.

The Authority's five member agencies are the City of Lake Elsinore, City of Canyon Lake, County of Riverside, Elsinore Valley Municipal Water District, and Santa Ana Watershed Project Authority.

Overview of the Financial Statements

The Authority is a special purpose government (special district). Accordingly, the accompanying financial statements are presented in the format prescribed for governmental funds by the Governmental Accounting Standards Board.

The Authority has one governmental fund, the general fund.

These financial statements consist of four interrelated statements designed to provide the reader with relevant, understandable data about the Authority's financial condition and operating results. The Authority's basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the basic financial statements, this report also contains other supplementary information.

Government-wide financial statements. The Statement of Net Position presents information on all the Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the differences between the four reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The Statement of Activities presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flow in future fiscal periods.

The government-wide financial statements can be found on pages 12 and 13 of this report.

Fund financial statements. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year.

Management's Discussion and Analysis

The governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance each provide a reconciliation to facilitate a comparison between governmental funds and governmental activities.

The governmental fund financial statements can be found on page 14 -17 of this report.

Notes to the financial statements. The notes provide additional information that is essential to ensure a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 18 -28 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Authority, assets exceeded liabilities by \$197,923 on June 30, 2021.

Net Position

	2021	2020	2019
Assets			
Current and Other Assets	\$ 310,887	\$ 305,549	\$ 607,750
Total Assets	310,887	305,549	607,750
Liabilities			
Current Liabilities	112,964	134,423	262,951
Total Liabilities	112,964	134,423	262,951
Net Position			
Restricted: LEAMS Program	52,950	94,350	151,980
Unrestricted	144,973	76,776	192,819
Total Net Position	\$ 197,923	\$ 171,126	\$ 344,799

The following denotes explanations on some of the changes between fiscal years, as compared in the table above.

- The \$21,459 decrease in current liabilities is largely in part due to LEAMS offset credit licenses. The credits were lower for 2021 and that is reflected in a lower Accounts Payable number as compared to 2020.

Management's Discussion and Analysis

Categories of Net Position

The Authority is required to present its net position in three categories: Net Investment in Capital Assets; Restricted; and Unrestricted.

Invested in Capital Assets

At June 30, 2021, the Authority did not have any net investment in capital assets.

Restricted

At June 30, 2021, the Authority had a restricted net position of \$52,950.

Unrestricted

At June 30, 2021, the Authority had an unrestricted net position of \$144,973.

Change in Net Position

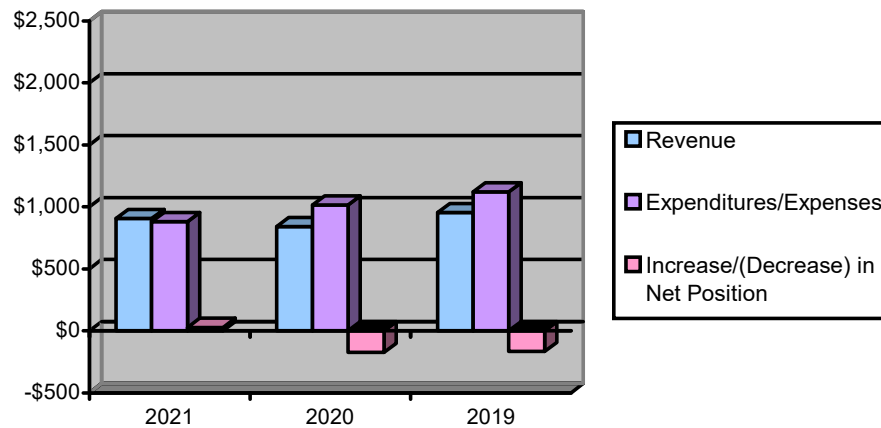
Overall, the fiscal year ending June 30, 2021, resulted in net position of \$197,923, a \$26,797 increase from the previous year.

Changes in Net Position

Item Category	2021	2020	2019
	Amount	Amount	Amount
Program Revenues	\$ 625,388	\$ 568,568	\$ 679,898
General Revenues	280,760	272,113	272,571
Total Revenues	906,148	840,681	952,469
Total Expenses	879,351	1,014,354	1,119,903
Change in Net Position	26,797	(173,673)	(167,434)
Beginning Net Position	171,126	344,799	512,233
Ending Net Position	\$ 197,923	\$ 171,126	\$ 344,799

Management's Discussion and Analysis

Decrease in Net Position (In thousands)



Revenues

Combined revenues for the fiscal year totaled \$906,148 an increase of \$65,467, or 7.8% more than the prior fiscal year. The following table presents a comparison of revenues by category for the fiscal years 2021, 2020, and 2019.

Revenues – Government Wide

Revenue Category	2021		2020		2019	
	Amount	% Of Total	Amount	% Of Total	Amount	% Of Total
Capital and Operating Grants	\$ 625,388	69.02%	\$ 568,568	67.63%	\$ 679,898	71.38%
Member Contributions	279,108	30.80%	263,683	31.37%	256,528	26.93%
Interest Earnings	1,652	.18%	8,430	1.00%	16,013	1.68%
Miscellaneous	-	0.00%	-	0.00%	30	0.00%
Total Revenues	\$ 906,148	100.00%	\$ 840,681	100.00%	\$ 952,469	100.00%

The following denotes explanations on some of the changes between fiscal years, as compared in the table above.

- The \$56,820 increase in capital and operating grants is based on an increased effort in work under the TMDL Task Force for FYE 2021.
- The \$15,425 increase in member contributions is based on an increased effort in work under the TMDL Task Force for FYE 2021.
- The \$6,778 decrease in interest earnings is due to a decrease in interest rates and the planned use of fund balance reserves.

Management's Discussion and Analysis

Expenses

Combined expenditures for the fiscal year totaled \$879,351, a decrease of \$135,003, or 13.3%, less than the prior fiscal year. The following table presents a comparison of expenditures by category for the fiscal years 2021, 2020, and 2019.

Expenses – Government Wide

Expense Category	2021		2020		2019	
	Amount	% Of Total	Amount	% Of Total	Amount	% Of Total
Administrative	\$ 208,783	23.74%	\$ 198,487	19.57%	\$ 200,815	17.93%
Contract Labor	1,925	0.22%	1,400	0.14%	5,425	0.48%
Consulting	668,532	76.03%	814,184	80.27%	913,337	81.56%
Interest Expense	111	.01%	283	0.03%	326	0.03%
Total Expenses	\$ 879,351	100.00%	\$ 1,014,354	100.00%	\$ 1,119,903	100.00%

The following denotes explanations on some of the changes between fiscal years, as compared in the table above.

- The \$145,652 decrease in consulting costs is mainly due to the TMDL task force only conducting a single alum application. Due to the improvement in the Canyon Lake water quality, and a reduction in the LEAMS nutrient offset credits required to be purchased by stakeholders to meet TMDL compliance, the decision was made to conduct one application instead of two. The typical cost is around \$125,000 per application event.

Financial Analysis of the Authority's Funds

As noted earlier, the Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Authority's governmental funds is to provide information on near-term inflows, outflows, and balances of resources that are available for spending. Such information is useful in assessing the Authority's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The governmental fund reported by the Authority is the Authority's general fund.

As of the end of the fiscal year ended June 30, 2021, the Authority's general fund reported an ending fund balance of \$197,923, an increase of \$26,797 or 13.54% as compared to the prior year. The fund balance is made up of restricted funds of \$52,950 for the LEAMS program, and \$144,973 in unreserved fund balance.

Management's Discussion and Analysis

The general fund is the chief operating fund of the Authority. At the end of the current fiscal year, the fund balance of the general fund was \$197,923 which was also the total fund balance. As a measure of the general fund's liquidity, it may be useful to compare total fund balance to total fund expenditures.

Fund balance represents 22.5% of total general fund expenditures of \$879,351. The prior year comparison for fund balance to total general fund expenditures is 16.9%.

The fund balance in the Authority's general fund increased by \$26,797 during the fiscal year.

Overall, the general fund's performance resulted in revenues exceeding expenditures in the fiscal year ended June 30, 2021, by \$26,797. In the prior year, general fund expenditures exceeded revenues by \$173,673.

Major Programs Effecting the Financial Statements

The Canyon Lake Alum Application Project entailed the application of aluminum sulfate (alum) to Canyon Lake in an effort to improve water quality by removing nutrients from the water column that facilitate algae blooms. The cost to fund this project, budgeted at \$181,918 is allocated among participating TMDL Task Force members, based upon their estimated nutrient load contribution to Canyon Lake. In FYE 2021, actual costs to implement the Canyon Lake Alum project were \$134,018, as the Task Force only conducted a single alum application, due to improvements in in-lake water quality.

The Lake Elsinore Aeration & Mixing System (LEAMS) Nutrient Off-set Credit Program provides a mechanism for LEAMS operators (County of Riverside, City of Lake Elsinore, and Elsinore Valley Municipal Water District) to sell excess offset credits generated by LEAMS to offset the annual O&M costs. In FYE 2021, the licensing of excess nutrient off-set credits to other stakeholders with TMDL compliance obligations resulted in stakeholders purchasing of credits was budgeted at \$118,950, but the actual amount collected was only \$111,750. The proceeds, after deducting an administrative fee by LESJWA were distributed to the operators in equal shares.

The Lake Elsinore and Canyon Lake TMDL Monitoring program conducts compliance monitoring required in support of the Lake Elsinore and Canyon Lake Nutrient TMDLs. This includes regular monthly monitoring of both Lake Elsinore and Canyon Lake, as well as watershed-wide storm monitoring of up to three annual events. In FYE 2021, the cost to fund this project, budgeted at \$241,455 (actual collected was \$239,245, due to a credit issued to EMWD) is allocated among participating TMDL Task Force members, based upon equal cost shares.

The Task force has also hired the services of a consultant to support its effort to update the regulatory requirements of the Lake Elsinore and Canyon Lake Nutrient TMDLs. In FYE 2021, the cost to fund this effort, budgeted at \$100,000 is allocated among participating TMDL Task Force members, based upon equal cost shares. In FYE 2021, the actual amount invoiced was \$131,421, due to the need for additional water quality monitoring to address questions by Regional Board staff. These funds were taken from the Task Force reserve.

The balance of funds required to pay for the additional project/program costs were deducted from the Stakeholders cash reserve.

Management's Discussion and Analysis

General Fund Budgetary Variances

The Authority's final budget of the general fund did not change from the original budget. The following table presents a comparison of original budgeted amounts versus the actual amounts incurred by category for the fiscal year ended June 30, 2021.

Budget versus Actual – General Fund For the Year Ended June 30, 2021

	Budgeted Amounts Original and Final	Actual Amounts Budgetary and GAAP Basis	Variance with Budget Positive (Negative)
--	--	--	---

Revenues

Capital and Operating Grants	\$ 645,447	\$ 625,388	\$ (20,059)
Member Contributions	299,108	279,108	(20,000)
Interest Earnings	5,500	1,652	(3,848)
Total Revenues	950,055	906,148	(43,907)

Expenses

Administrative	214,743	208,783	5,960
Contract Labor	1,100	1,925	(825)
Consulting	732,555	668,532	64,023
Interest Expense	160	111	49
Total Expenses	948,558	879,351	69,207

Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 1,497	\$ 26,797	\$ 25,300
Fund Balance - Beginning of Year		171,126	
Fund Balance - End of Year		\$ 197,923	

Management's Discussion and Analysis

The following denotes explanations on some of the significant budget variances, as compared in the table above.

- The \$20,059 negative variance for capital and operating grants is due to credits being issued to WRCAC, reducing the amount received from what was budgeted.
- The \$20,000 negative variance for member contributions is due to \$20,000 from the County of Riverside being accounted for as other agency contributions instead of member contributions.
- The \$3,848 negative variance for interest earnings is because the LE/CL TMDL task force exhausted the majority of its stakeholder reserve in 2020 resulting in reduced interest earnings.
- The \$5,960 positive variance for administrative expenses is reflective of a reduction in staff time needed for various aspects of the administration of LESJWA.
- The \$64,023 positive variance for consulting expenses is due to the Task Force only conducting a single alum application this year.

Existing Capital Assets

The Authority did not have any capital assets as of June 30, 2021.

Future Capital Improvements

The Authority does not have any plans for future capital improvements.

Long-Term Debt

The Authority did not have any long-term debt as of June 30, 2021.

BASIC FINANCIAL STATEMENTS

Lake Elsinore & San Jacinto Watersheds Authority
Statement of Net Position
June 30, 2021
(With comparative totals for June 30, 2020)

	<u>Governmental Activities</u>	
	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and Cash Equivalents (Note 2)	\$ 308,062	\$ 290,315
Accrued Interest Receivable	289	1,194
Accounts Receivable	-	14,040
Prepaid Insurance	<u>2,536</u>	<u>-</u>
Total Assets	<u>310,887</u>	<u>305,549</u>
LIABILITIES		
Accounts Payable and Accrued Expenses	112,964	134,423
Accrued Interest Payable	<u>-</u>	<u>-</u>
Total Liabilities	<u>112,964</u>	<u>134,423</u>
NET POSITION		
Restricted: LEAMS Program	52,950	94,350
Unrestricted	<u>144,973</u>	<u>76,776</u>
Total Net Position	<u><u>\$ 197,923</u></u>	<u><u>\$ 171,126</u></u>

The accompanying notes are an integral part of this statement.

Lake Elsinore & San Jacinto Watersheds Authority
Statement of Activities
For the Fiscal Year Ended June 30, 2021
(With comparative totals for the fiscal year ended June 30, 2020)

	Governmental Activities	
	2021	2020
EXPENSES		
Administrative	\$ 208,783	\$ 198,487
Contract Labor	1,925	1,400
Consulting	668,532	814,184
Interest Expense	111	283
Total Expenses	879,351	1,014,354
PROGRAM REVENUES		
Capital and Operating Grants	625,388	568,568
Total Program Revenues	625,388	568,568
Net Program Revenues (Expenses)	(253,963)	(445,786)
GENERAL REVENUES		
Member Contributions	279,108	263,683
Interest Earnings	1,652	8,430
Total General Revenues	280,760	272,113
Change in Net Position	26,797	(173,673)
Net Position - Beginning of Year	171,126	344,799
Net Position - End of Year	\$ 197,923	\$ 344,799

The accompanying notes are an integral part of this statement.

Lake Elsinore & San Jacinto Watersheds Authority
Balance Sheet
Governmental Fund
June 30, 2021

	General Fund
	<hr/>
ASSETS	
Cash and Cash Equivalents	\$ 308,062
Accrued Interest Receivable	289
Prepaid Insurance	<hr/> 2,536
Total Assets	<hr/> <hr/> \$ 310,887
 LIABILITIES	
Accounts Payable and Accrued Expenses	<hr/> 112,964
Total Liabilities	<hr/> 112,964
 FUND BALANCE (Note 3)	
Restricted: LEAMS Program	52,950
Unassigned	<hr/> 144,973
Total Fund Balance	<hr/> 197,923
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<hr/> <hr/> \$ 310,887

The accompanying notes are an integral part of this statement.

Lake Elsinore & San Jacinto Watersheds Authority
Reconciliation of the Governmental Fund
Balance Sheet to the Statement of Net Position
June 30, 2021

Fund Balances of Governmental Funds	\$ 197,923
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Certain accounts receivable are not available to pay for current expenditures and, therefore, are offset by deferred inflow of resources in the governmental fund.	<u>-</u>
Net Position of Governmental Activities	<u><u>\$ 197,923</u></u>

Lake Elsinore & San Jacinto Watersheds Authority
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Fund
For the Fiscal Year Ended June 30, 2021

	General Fund
	<hr/>
REVENUES	
Capital and Operating Grants	\$ 625,388
Member Contributions	279,108
Interest Earnings	<hr/> 1,652
Total Revenues	<hr/> 906,148
EXPENDITURES	
Administrative	208,783
Contract Labor	1,925
Consulting	668,532
Interest Expense	<hr/> 111
Total Expenditures	<hr/> 879,351
Excess (Deficiency) of Revenues Over (Under) Expenditures	26,797
Fund Balance - Beginning of Year	<hr/> 171,126
Fund Balance - End of Year	<hr/> <hr/> \$ 197,923

The accompanying notes are an integral part of this statement.

Lake Elsinore & San Jacinto Watersheds Authority
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Year Ended June 30, 2021

Net Change in Fund Balances - Total Governmental Funds	\$ 26,797
Amounts reported for governmental activities in the Statement of Activities are different because:	
Certain revenues in the Statement of Activities do not provide current financial resources and are not reported as revenues in the governmental fund:	
Grants	-
Change in Net Position of Governmental Activities	\$ 26,797

The accompanying notes are an integral part of this statement.

Lake Elsinore & San Jacinto Watersheds Authority
Notes to Financial Statements
June 30, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) Reporting Entity

The Lake Elsinore & San Jacinto Watersheds Authority (the Authority) was formed on April 5, 2000, pursuant to the provisions of Section 6500 of Article 1, Chapter 5, Division 7, Title 1 of the Government Code of the State of California relating to the joint exercise of powers common to public agencies. The purpose of the Authority is to implement projects and programs to improve the water quality and habitat of Lake Elsinore and its back basin consistent with the Lake Elsinore Management Plan, and to rehabilitate and improve the San Jacinto and Lake Elsinore Watersheds and the water quality of Lake Elsinore in order to preserve agricultural land, protect wildlife habitat, and protect and enhance recreational resources, all for the benefit of the general public. Administrative costs are funded through contributions from each member agency. The five member agencies are the City of Lake Elsinore, City of Canyon Lake, County of Riverside, Elsinore Valley Municipal Water District, and Santa Ana Watershed Project Authority. The Authority is governed by a five-member Board of Directors.

B) Basis of Accounting and Measurement Focus

The basic financial statements of the Authority are comprised of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

Government-Wide Financial Statements: These statements are presented on an *economic resources* measurement focus and the accrual basis of accounting. Accordingly, all the Authority's assets and liabilities, including capital assets, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. The types of transactions reported as program revenues for the Authority are to be reported in three categories, if applicable: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions. Charges for services include revenues from customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. Grants and contributions include revenues restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Governmental Fund Financial Statements: These statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds. The Authority has presented its General Fund as its major fund in this statement to meet the qualification of Governmental Accounting Standards Board (GASB) Statement No. 34

Lake Elsinore & San Jacinto Watersheds Authority
Notes to Financial Statements
June 30, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B) Basis of Accounting and Measurement Focus - Continued

Governmental funds are accounted for on a spending, or *current financial resources* measurement focus and the modified accrual basis of accounting. Accordingly, current assets, liabilities, and deferred inflows of resources are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balance presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become measurable and available to financial expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60-days after year-end) are recognized when due. The primary sources susceptible to accrual for the Authority are interest earnings, investment revenue, and operating and capital grant revenues. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, exceptions to this rule include principal and interest on debt, which are recognized when due.

The Authority reports the following major governmental fund:

General Fund - is a government's primary operating fund. It accounts for all financial resources of the Authority, except those required to be accounted for in another fund when necessary.

C) Reconciliation of Fund Financial Statements to Government-wide Financial Statements

In order to adjust the fund balance on the governmental (general) fund balance sheet to arrive at net position on the Statement of Net Position, certain adjustments are required as a result of the differences in accounting basis and measurement focus between the government-wide and fund financial statements. This item is shown in the Reconciliation of the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities.

D) New Account Pronouncements

Current Year Standards

GASB 84 - *Fiduciary Activities*, effective for periods beginning after December 15, 2019*. Currently, this Standard has no effect on the Authority.

GASB 88 - *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placement*, effective for periods beginning after June 15, 2018. Currently, this Standard has no effect on the Authority.

GASB 90 - *Majority Equity Interests, an amendment of GASB Statements No. 14 and No. 61*, effective for periods beginning after December 15, 2019*. Currently, this Standard has no effect on the Authority.

Lake Elsinore & San Jacinto Watersheds Authority
Notes to Financial Statements
June 30, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D) New Account Pronouncements - Continued

Pending Accounting Standards

GASB has issued the following statements, which may impact the Authority's financial reporting requirements in the future:

GASB 87 - *Leases*, effective for periods beginning after December 15, 2021*.

GASB 89 - *Accounting for Interest Cost Incurred before the End of a Construction Period*, effective for periods beginning after December 15, 2020*.

GASB 91 - *Conduit Debt Obligations*, effective for periods beginning after December 15, 2021*.

GASB 92 - *Omnibus*, effective for periods beginning after June 15, 2021*.

GASB 93 - *Replacement of Interbank Offered Rates*, effective for periods beginning June 15, 2021*.

GASB 94 - *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, effective for fiscal years beginning after June 15, 2022.

GASB 96 - *Subscription-Based Information Technology Arrangements* – effective for reporting periods beginning after June 15, 2022.

GASB 97 - *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans* – effective for discal years beginning after June 15, 2021.

*These GASB Statements original effective dates were postponed by GASB Statement No. 95.

Lake Elsinore & San Jacinto Watersheds Authority

Notes to Financial Statements

June 30, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E) Deferred Outflows / Inflows of Resources

In addition to assets, the Statement of Net Position and the governmental fund balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The Authority does not have any applicable deferred outflows of resources.

In addition to liabilities, the Statement of Net Position and the governmental fund balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future periods and so will *not* be recognized as an inflow of resources (revenue) until that time. The Authority had one item that qualifies for reporting under this category, which is, unavailable grant revenues. This amount is deferred and recognized as an inflow of resources in the period the amount becomes available. The Authority did not have any unavailable grant revenues for the year ended 2021.

F) Net Position Flow Assumption

Sometimes the Authority will fund outlays for a particular purpose from both restricted (e.g., restricted grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the Authority's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

G) Cash and Cash Equivalents

Substantially all of Authority's cash is invested in interest bearing cash accounts. The Authority considers all highly liquid investments with initial maturities of three months or less to be cash equivalents.

H) Investments and Investment Policy

The Authority has adopted an investment policy directing the Authority Manger to deposit funds in financial institutions. Investments are to be made in the following area:

- Local Agency Investment Fund (LAIF)

Changes in fair value that occur during a fiscal year are recognized as unrealized gains or losses and reported for that fiscal year. Investment income comprises interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

Lake Elsinore & San Jacinto Watersheds Authority

Notes to Financial Statements

June 30, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

I) Accounts Receivable and Allowance for Bad Debt

The Authority considers accounts receivable to be fully collectible. Any allowance exceptions would be netted against the corresponding receivable in the accounts receivable line of the Governmental Fund Balance Sheet and the Statement of Net Position. There is no allowance for the fiscal year ended June 30, 2021.

J) Unearned Revenue

Unearned revenues represent task force contributions budgeted for the next fiscal year received in the current fiscal year. There is no unearned revenue for the fiscal year ended June 30, 2021.

K) Budgetary Policies

Prior to June 30th each fiscal year, the Authority adopts an annual appropriated budget for planning, control, and evaluation purposes. The budget includes proposed expenses and the means of financing them. Budgetary control and evaluation are affected by comparisons of actual revenues and expenses with planned revenues and expenses for the period. The Board approves total budgeted appropriations and any amendments to the appropriations throughout the year. Actual expenses may not exceed budgeted appropriations at the fund level, except by 2/3 vote of the Board. Formal budgetary integration is employed as a management control device during the year. Encumbrance accounting is not used to account for commitments related to unperformed contracts for construction and services.

L) Net Position

The government-wide financial statements utilize a net position presentation. Net position is categorized as follows:

- **Net Investment in Capital Assets** - This component of net position consists of capital assets, net of accumulated depreciation and reduced by any outstanding debt against the acquisition, construction, or improvement of those assets. The Authority has no net investment in capital assets.
- **Restricted Net Position** - This component of net position consists of constraint placed on net position use through external constraints imposed by creditors, grantors, contributors, laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation. The Authority's restricted net position is for the LEAMS program for the purchase of TMDL credits for program participants.
- **Unrestricted Net Position** - This component of net position consists of net position that does not meet the *definition of net investment in capital assets* for restricted.

Lake Elsinore & San Jacinto Watersheds Authority

Notes to Financial Statements

June 30, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

M) Fund Balance

The governmental fund financial statements report fund balance as nonspendable, restricted, committed, assigned or unassigned based primarily on the extent to which the Authority is bound to honor constraints on how specific amounts can be spent.

- **Nonspendable fund balance** - amounts that cannot be spent because they are either (a) not spendable in form, or (b) legally or contractually required to be maintained intact.
- **Restricted fund balance** - amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions enabling legislation. The Authority's restricted fund balance is to purchase TMDL credits for program participants of the LEAMS program.
- **Committed fund balance** - amounts that can only be used for specific purposes determined by formal action of the Authority's highest level of decision making authority (the Board of Directors), and remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned fund balance** - amounts that are constrained by the Authority's intent to be used for specific purposes. The intent can be established at either the highest level of decision making, or by a body or an official designated for the purposes.
- **Unassigned fund balance** - the residual classification for the Authority's general fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The Board of Directors establishes, modifies, or rescinds fund balance commitments and assignments by passage of an ordinance or resolution. This is done through adoption of the budget and subsequent budget amendments that occur throughout the year.

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, followed by committed, assigned and unassigned resources as they are needed.

Lake Elsinore & San Jacinto Watersheds Authority

Notes to Financial Statements

June 30, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

M) Fund Balance - Continued

Fund Balance Policy

The Authority believes that sound financial management principles require that sufficient funds be retained by the Authority to provide a stable financial base at all times. To retain this stable financial base, the Authority needs to: (a) maintain an unassigned fund balance in its funds sufficient to fund cash flows of the Authority; and (b) provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature. Committed, assigned and unassigned fund balances are considered unrestricted.

The purpose of the Authority's fund balance policy is to maintain a prudent level of financial resources to protect against reducing service levels or raising fees because of temporary revenue shortfalls or unpredicted one-time expenditures

N) Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from the estimates.

O) Prior Year Data

Selected information regarding the prior year has been included in the accompanying financial statements. This information has been included for comparison purposes only, and does not represent a complete presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Authority's prior year financial statements, from which this selected financial data was derived.

Lake Elsinore & San Jacinto Watersheds Authority
Notes to Financial Statements
June 30, 2021

2) CASH AND INVESTMENTS

Cash and Investments

Cash and Investments as of June 30, 2021, are classified in the Statement of Net Position as follows:

Cash and Cash Equivalents	<u>\$ 308,062</u>
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Cash and Investments as of June 30, 2021 consist of the following:

Deposits with Financial Institutions	\$ 41,777
Local Agency Investment Fund (LAIF)	<u>266,285</u>
 Total Cash and Investments	 <u>\$ 308,062</u>

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the Authority's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. Of the Authority's bank balance, up to \$250,000 is federally insured and the remaining balance is collateralized in accordance with the California Government Code; however, the collateralized securities are not held in the Authority's name.

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Authority's investment policy contain legal and policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

Lake Elsinore & San Jacinto Watersheds Authority

Notes to Financial Statements

June 30, 2021

2) CASH AND INVESTMENTS - Continued

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The longer the maturity an investment has, the greater its fair value has sensitivity to changes in market interest rates. The Authority investment policy follows the California Government Code as it relates to limits on investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

Investments in LAIF are considered highly liquid, as deposits can be converted to cash within 24 hours without loss of interest. As of June 30, 2021, the LAIF pool had a weighted average maturity of the following:

Local Agency Investment Fund	291 Days
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Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization; however, LAIF is not rated.

Concentration of Credit Risk

The Authority's investment policy contains various limitations on the amounts that can be invested in any one governmental agency or nongovernmental issuer as stipulated by the California Government Code. The Authority's deposit portfolio with LAIF is 86% of the Authority's total depository and investment portfolio as of June 30, 2021. There were no investments in any one nongovernmental issuer that represent 5% or more of the Authority's total investments other than LAIF.

Investment in State Investment Pool

The Authority is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the Authority's investment in this pool is reported in the accompanying financial statements at amounts based upon the Authority's prorated share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

Lake Elsinore & San Jacinto Watersheds Authority

Notes to Financial Statements

June 30, 2021

2) CASH AND INVESTMENTS - Continued

Fair Value Measurements

The Authority categorizes its fair value measurement within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs.

Amounts invested in LAIF are not subject to fair value measurements.

3) FUND BALANCE

The fund balance is presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned (see Note 1M for a description of these categories). A detailed schedule of the fund balance and the funding composition at June 30, 2021, is as follows:

Restricted:	
LEAMS Program	\$ 52,950
Unassigned	144,973
	<hr/>
Total Fund Balance	\$ 197,923
	<hr/>

4) RELATED PARTY TRANSACTIONS

The Authority contracts with one of its member agencies, the Santa Ana Watershed Project Authority (SAWPA), to administer all of its accounting and administrative support. Total expenditures for administrative services provided by SAWPA for the fiscal year ended June 30, 2021 were \$201,354. Amounts paid to SAWPA for fiscal year 2020-2021 consisted of \$67,716 for salaries, \$30,676 for benefits, \$102,116 for overhead allocation, \$111 for interest expense, and \$735 for other expenses. At June 30, 2021, the amount due to SAWPA was \$18,718.

5) RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority has purchased various commercial insurance policies to manage the potential liabilities that may occur from the previously named sources.

Lake Elsinore & San Jacinto Watersheds Authority
Notes to Financial Statements
June 30, 2021

6) OTHER REQUIRED FUND DISCLOSURES

Excess of Expenditures over Appropriations

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
General Fund			
Contract Labor	\$ 1,100	\$ 1,925	\$ (825)

7) COMMITMENTS AND CONTINGENCIES

Grant Awards

Grants funds received by the Authority are subject to audit by the grantor agencies. Such audits could result in requests for reimbursements to the grantor agencies for expenditures disallowed under terms of the grant. Management of the Authority believes that such disallowances, if any, would not be significant.

Litigation

In the ordinary course of operations, the Authority is subject to claims and litigation from outside parties. After consultation with legal counsel, the Authority believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

COVID-19

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The pandemic continued subsequent to year end with certain restrictions required by the Governor of California, as well as local governments, which may affect revenue sources and also caused subsequent stock market volatility. The duration of the pandemic and the impact of COVID-19 on the Authority's operational and financial performance is uncertain at this time.

REQUIRED SUPPLEMENTARY INFORMATION

Lake Elsinore & San Jacinto Watersheds Authority
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2021

	Adopted Original	Board Approved Changes	Final	Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
REVENUES					
Capital and Operating Grants	\$ 645,447	\$ -	\$ 645,447	\$ 625,388	\$ (20,059)
Member Contributions	299,108	-	299,108	279,108	(20,000)
Interest Earnings	5,500	-	5,500	1,652	(3,848)
Total Revenues	950,055	-	950,055	906,148	(43,907)
EXPENDITURES					
Administrative	214,743	-	214,743	208,783	5,960
Contract Labor	1,100	-	1,100	1,925	(825)
Consulting	732,555	-	732,555	668,532	64,023
Interest Expense	160	-	160	111	49
Total Expenditures	948,558	-	948,558	879,351	69,207
Excess (Deficiency) of Revenues over Expenditures	1,497	\$ -	1,497	26,797	25,300
Fund Balance - Beginning of Year	171,126		171,126	171,126	-
Fund Balance - End of Year	\$ 172,623		\$ 172,623	\$ 197,923	\$ 25,300

Lake Elsinore & San Jacinto Watersheds Authority
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2021

1. BUDGETS AND BUDGETARY DATA

The Authority follows specific procedures in establishing the budgetary data reflected in the financial statements. Each year the Authority's Manager and Executive Secretary prepare and submit an operating budget to the Board of Directors for the General Fund no later than June of each year. The basis used to prepare the budget does not differ substantially from the modified accrual basis of accounting. The adopted budget becomes operative on July 1. The Board of Directors must approve all supplemental appropriations to the budget and transfers between major accounts. The Authority's annual budget is presented as a balanced budget (inflows and reserves equal outflows and reserves) adopted for the General Fund at the detailed expenditure-type level.

The Authority presents a comparison of the annual budget to actual results for the General Fund at the functional expenditure-type major object level for financial reporting purposes. The budgeted expenditures amounts represent the adopted budget plus supplemental budget adoptions due to the capital and operating grants that were awarded after the initial budget was adopted. There were no such supplemental changes during the year.

OTHER INFORMATION

**Lake Elsinore & San Jacinto Watersheds Authority
Organization**

For the Fiscal Year Ended June 30, 2021

STATE OF ORGANIZATION

The Lake Elsinore & San Jacinto Watersheds Authority (the Authority) is a Joint Exercise of Powers Agency created to implement projects and programs to improve the water quality and habitat in order to preserve agricultural land, protect wildlife habitat, and protect and enhance recreational resources, all for the benefit of the general public.

The Authority was authorized and empowered by the Joint Exercise of Powers under Section 6500 of Article 1, Chapter 5, Division 7, Title 1 of the Government Code of the State of California.

Agency Members

City of Canyon Lake
City of Lake Elsinore
County of Riverside
Elsinore Valley Municipal Water District
Santa Ana Watershed Project Authority

Date of Membership

April 5, 2000
April 5, 2000
April 5, 2000
April 5, 2000
April 5, 2000

Board of Directors

Dale Welty
Robert E. Magee
Kevin Jeffries
Phil Williams
Brenda Dennstedt

Representing

City of Canyon Lake
City of Lake Elsinore
County of Riverside
Elsinore Valley Municipal Water District
Santa Ana Watershed Project Authority

Executive Staff

Mark Norton, Authority Administrator
Karen Williams, CFO SAWPA

Legal Counsel

Law Office of David Wysocki

Auditor

Teaman, Ramirez & Smith, Inc.
Certified Public Accountants

REPORT ON INTERNAL CONTROLS AND COMPLIANCE

**Independent Auditors' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters Based on an
Audit of Financial Statements Performed
in Accordance With Government Auditing Standards**

Board of Directors
Lake Elsinore & San Jacinto Watersheds Authority
Riverside, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and major fund of the Lake Elsinore & San Jacinto Watersheds Authority (the "Authority") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated November 29, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weakness. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Riverside, California

November 29, 2021

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LESJWA BOARD MEMORANDUM NO. 2022.11

DATE: April 21, 2022

SUBJECT: LESJWA Budget FY 2022-23

TO: LESJWA Board of Directors

FROM: Mark Norton, LESJWA Authority Administrator

RECOMMENDATION

Staff recommends that the Board of Directors provide feedback on the Draft FY 2022-23 LESJWA Budget and if deemed acceptable, approve the FY 2022-23 LESJWA budget and invoice each LESJWA member agency at the start of the new fiscal year based on contributions levels as reflected in the budget.

BACKGROUND

The attached budget (Attachment 1) covers activities of the Authority from July 1, 2022 to June 30, 2023. It lists the existing projects, studies, and administrative costs associated with operating the agency and implementing TMDL projects. Based on projections of costs for FY 2022-23, funding by member agencies and additional funding provided by the RCFCWCD and the Lake Elsinore/Canyon Lake (LE/CL) TMDL Task Force will be sufficient to cover all projected JPA activities. With increased contributions from the LESJWA member agencies and funding from RCFC&WCD enacted back in FYE 2015, LESJWA's reserve funding continues to grow and can be used for discretionary items.

The major activities planned for FY 2022-23 include support for the Basin Plan Amendment associated with the new TMDL Revision, continuing the alum application at Canyon Lake, continuing Education and Outreach Program and funding support for the Santa Ana River Weather Modification Pilot Program. Ongoing activities of watershed and lake monitoring will also continue.

In FY 2022-23, the main source of funding coming into LESJWA will continue to be from the TMDL parties that are supporting the TMDL implementation as well as LESJWA's staff cost for Task Force administration. The source of this funding will be from the TMDL stakeholders; some are the LESJWA member agencies.

Staff continues to monitor outside funding sources for future planning and projects that LESJWA can undertake. LESJWA worked closely with the City of Lake Elsinore and EVWMD in preparing two grant applications to benefit Lake Elsinore water quality. Unfortunately, the two projects were not selected for funding under the Drought Relief Grant Program which was more specifically geared for water supply development projects. LESJWA will use the two-grant applications content to apply for the Prop 1 Round 2 IRWM Implementation program due by April 25, 2022 through the SAWPA Call for Projects. Since this program requires a 50% local cost share, the project scope for both grant applications may need to be modified since the previous grant program required no local match. For both grants, grant funding sought would help increase oxygen levels reducing algae growth or seek to remove and treat the blue green algae in Lake Elsinore. This effort will ultimately assist with the TMDL compliance in Lake Elsinore particularly since new Harmful Algae Bloom regulations are under development by the SWRCB and will likely impact Lake Elsinore.

Attachment 2, shown as additional information, reflects the FY 2022-2023 LE/CL TMDL Task Force Budget. This budget was reviewed and approved by the Task Force at their Apr. 6, 2022 meeting by the task force agencies. Their budget revenue is reflected as "TMDL stakeholder contributions" under Revenue, and "TMDL-Administration," and "TMDL studies and monitoring" under Expenditures.

Staff recommends continuing the same member agency funding contribution amounts of \$10,000 for SAWPA, and \$20,000 each from EVMWD, the City of Lake Elsinore, City of Canyon Lake and the County of Riverside. The budget reflects continued funding of \$20,000/yr through FY 22-23 from RCFC&WCD as agreed to by the joint funding agreement.

A Board workshop to discuss how the LESJWA JPA is administered in future fiscal years beyond FY22-23 in light of the retirement of the Authority Administrator, Mark Norton, is being planned for late 2022.

RESOURCES IMPACT

Funding of SAWPA staff time for LESJWA activities will be provided by TMDL stakeholder funding, grant administration funding, and local contributions from LESJWA member agencies.

Attachments:

1. Draft FY 2022-23 LESJWA Budget
2. FY 2022-23 LE/CL TMDL Task Force Budget

**DRAFT FY 22-23 BUDGET
(4-21-2021)**

	FY 21-22 Budget Total	FY 21-22 Actual thru 2/28/22	FY 21-22 Expected Total	FY 22-23 Budget Total
Operating Revenue				
JPA Cash Balance Transfer	9,110			20,260
JPA LAIF Interest	2,200	633	1,650	1,650
Member & Other Agency Contributions*	110,000	110,000	110,000	110,000
JPA Adm S	121,310	110,633	111,650	131,910
Member Agency TMDL contributions	174,695	174,695	174,695	180,200
Other Agency TMDL contributions	467,807	467,807	467,807	597,251
TMDL Stakeholder Contributions Subtotal	642,502	642,502	642,502	777,451
Canyon Lake LEAMS contributions	3,750	1,800	1,800	3,900
Other TMDL Agency LEAMS contributions	72,450	67,350	67,350	120,600
LEAMS Excess Offset Credit Subtotal	76,200	69,150	69,150	124,500
Total Revenue	840,012	822,285	823,302	1,033,861
Operating Expenditures				
JPA Administration				
Salaries, burden & OH (SAWPA)	85,500	59,254	85,500	85,500
Audit Fees	5,000	5,000	5,000	5,600
Consulting - Public Relations Program	25,000	14,484	25,000	25,000
Santa Ana River Watershed Weather Modification Pilot	-			10,000
Legal Fees	1,100	219	1,100	1,100
Meetings and Conference Expense	-	25	75	-
Shipping & Postage	50		50	50
Other Expense	400	393	400	400
Insurance Expense	3,000	2,536	2,536	3,000
Banking Fees	1,000		1,000	1,000
Office Supplies	60		60	60
Interest Expense	200	42	200	200
JPA Adm Subtotal	121,310	81,953	120,921	131,910
TMDL Task Force				
TMDL - Administration (SAWPA)	102,000	79,058	102,110	102,000
TMDL studies, monitoring, reg support	357,425	167,031	328,675	456,775
Canyon Lake Lake Treatment	168,827	121,567	217,129	230,676
LEAMS Excess Offset Credit Payment	60,450	52,950	52,950	112,500
Task Force Contingency	30,000	-		
TMDL Expenditures Subtotal	718,702	420,606	700,864	901,951
Total Expenditures	840,012	502,559	821,785	1,033,861
JPA Fund Balance	68,457	28,680	59,186	38,926
TMDL Fund Balance	239,605	221,896	45,000	
* Member agency allocation - City of LE	\$20,000	\$20,000	\$20,000	\$20,000
* Member agency allocation - EVMWD	\$20,000	\$20,000	\$20,000	\$20,000
* Member agency allocation - Co of Riv	\$20,000	\$20,000	\$20,000	\$20,000
* Member agency allocation - City of CL	\$20,000	\$20,000	\$20,000	\$20,000
* Member agency allocation - SAWPA	\$10,000	\$10,000	\$10,000	\$10,000
* Other agency contribution - RCFCWCD	\$20,000	\$20,000	\$20,000	\$20,000
				\$110,000

Summary Task Force Expenditures

Revised Draft
Budget
2022-23**Part A: TMDL Task Force Budget**

1. Task Force Administration	\$ 80,000
Task Force Administrator (LESJWA)	\$ 80,000
Grant Preparation/Administration	\$ -
2. TMDL Compliance Expert	\$ 70,000
Tess Dunham / Kahn, Soares & Conway	\$ 70,000
3. TMDL Compliance Monitoring	\$ 233,675
Watershed-wide Nutrient Monitoring Program	\$ 72,270
Lake Elsinore Nutrient Monitoring Program (includes TMDL Compliance report support)	\$ 92,135
Canyon Lake Nutrient Monitoring Program	\$ 69,270
4. TMDL Compliance Reporting & Modeling	\$ 153,100
2020 TMDL Compliance Report	\$ -
TMDL Support Services	\$ 30,000
Lake Simulation Models	\$ -
TMDL Update / Approval Process	\$ 123,100
Additional Implementation Projects	\$ -
Aerial Land Use Surveys (every 5 years)	\$ -
5. Contingency	\$ -
Part A: TMDL Task Force Budget:	\$ 536,775

Part B: TMDL Project Budget

6. Lake Elsinore Project Alternatives	
Lake Elsinore Aeration and Mixing System (LEAMS) Offset Credit Purchase	\$ 124,500
LEAMS O&M	\$ 124,500
Fishery Management	\$ -
Fishery Survey	\$ -
Carp Removal Program (Fishery Management O&M)	\$ -
Project Administration	\$ -
7. Canyon Lake Project Alternatives	\$ 240,676
Chemical Additions - Alum Dosing	\$ 230,676
Project Administration	\$ 10,000
Project Contingency	\$ -
TMDL Task Force Part B Implementation Budget	\$ 365,176
LE&CL TMDL Implementation Budget:	\$ 901,951

Task Force Administration

- Organize and facilitate TMDL TASK FORCE meetings,
- Perform secretarial, clerical and administrative services, including providing meeting summaries to TMDL TASK FORCE
- Manage TMDL TASK FORCE funds and prepare annual reports of TMDL TASK FORCE assets and expenditures,
- Act as the contracting party, for the benefit of the TMDL TASK FORCE, for contracts with all consultants, contractors, vendors and other entities,
- Seek funding grants to assist with achieving the work of the TMDL TASK FORCE and other goals and objectives of the TMDL TASK FORCE,
- Coordinate with other agencies and organizations as necessary to facilitate TMDL TASK FORCE work,
- Administer the preparation of quarterly and annual reports, as required by the TMDL Implementation Plan, and submit them as required by the TMDL Implementation Plan on behalf of the TMDL TASK FORCE,
- Coordinate and facilitate the addition of other Monitoring Programs to the Task Force,
- Provide TMDL TASK FORCE members an opportunity to comment and approve any reports or other work product developed.

TMDL Compliance Expert

- Serve as regulatory strategist and compliance expert for the Task Force

TMDL Support Services

- Support Task Force in tracking individual nutrient load allocations/reductions
- Support LEAMS effectiveness demonstration
- Support Canyon Lake Alum Project (evaluate need / calculate dose)
- Conduct Technical Analyses as requested by the Task Force

Task Force Agency Contributions Summary

Draft
Budget
2022-23

1. Task Force Agency Allocation

Total

MS4 Co-Permittees (Total)	\$ 664,409
Riverside County	\$ 113,825
City of Beaumont	\$ 32,082
City of Canyon Lake	\$ 40,869
City of Hemet	\$ 50,964
City of Lake Elsinore	\$ 35,762
City of Moreno Valley	\$ 92,360
City of Murrieta	\$ 38,297
City of Perris	\$ 58,541
City of Riverside	\$ 32,082
City of San Jacinto	\$ 32,082
City of Menifee	\$ 105,168
City of Wildomar	\$ 32,376
Elsinore Valley Municipal Water District (EVMWD)	\$ 30,613
San Jacinto Agricultural Operators (WRCAC)	\$ 28,509
San Jacinto Dairy & CAFO Operators *	\$ 3,000
CA Department of Transportation	\$ 40,047
CA DF&W - San Jacinto Wetlands	\$ 29,082
Eastern Municipal Water District	\$ 29,082
March Air Reserve Base Joint Powers Authority	\$ 38,266
US Air Force (March Air Reserve Base)	\$ 38,942

Total Funding Required \$ 901,951

Note: * San Jacinto Dairy & CAFO Operators contributions to the LE&CL TMDL Task Force are made through WRCAC

2 Lake Elsinore Aeration and Mixing System (LEAMS) Offset Credit Allocation (to be handled by separate agreement)

Draft
Budget
2022-23

MS4 Co-Permittees	\$ 110,100
Riverside County	partner
City of Beaumont	\$ 3,000
City of Canyon Lake	\$ 3,900
City of Hemet	\$ 8,400
City of Lake Elsinore	partner
City of Moreno Valley	\$ 31,800
City of Murrieta	\$ 3,000
City of Perris	\$ 16,200
City of Riverside	\$ 3,000
City of San Jacinto	\$ 3,000
City of Menifee	\$ 30,600
City of Wildomar	\$ 7,200
Elsinore Valley Municipal Water District (EVMWD)	partner
San Jacinto Agricultural Operators (WRCAC)	\$ -
San Jacinto Dairy & CAFO Operators	\$ 3,000
CALTRANS - freeway	\$ 5,100
CA DF&W - San Jacinto Wetlands	\$ -
Eastern Municipal Water District (EMWD)	\$ -
March Air Reserve Base Joint Powers Authority	\$ 3,000
US Air Force (March Air Reserve Base)	\$ 3,300

Funding Required \$ 124,500

Notes: LEAMS Excess Offset Credits are based upon modeling conducted by Dr. Alex Horne (Horne Dec. 2012 and Horne Mar. 2015). Credit Allocations are estimated as the number of credits to bring stakeholder into compliance (CDM Smith 2020).

Task Force Agency Contributions Detailed Tables

Draft
Budget
2022-23

Part A: Task Force Regulatory/Administrative Budget

Task Force Regulatory/Administrative Expenses

Allocation

MS4 Co-Permittees	\$ 96,095
Riverside County	\$ 8,008
City of Beaumont	\$ 8,008
City of Canyon Lake	\$ 8,008
City of Hemet	\$ 8,008
City of Lake Elsinore	\$ 8,008
City of Moreno Valley	\$ 8,008
City of Murrieta	\$ 8,008
City of Perris	\$ 8,008
City of Riverside	\$ 8,008
City of San Jacinto	\$ 8,008
City of Menifee	\$ 8,008
City of Wildomar	\$ 8,008
Elsinore Valley Municipal Water District (EVMWD)	\$ 8,008
San Jacinto Agricultural Operators (WRCAC)	\$ 5,857
San Jacinto Dairy & CAFO Operators *	\$ -
CALTRANS - freeway	\$ 8,008
CA DF&W - San Jacinto Wetlands	\$ 8,008
Eastern Municipal Water District	\$ 8,008
March Air Reserve Base Joint Powers Authority	\$ 8,008
US Air Force (March Air Reserve Base)	\$ 8,008

Funding Required \$ 150,000

Note: * San Jacinto Dairy & CAFO Operators contributions to the LE&CL TMDL Task Force are made through WRCAC

TMDL Compliance Monitoring Expenses

Watershed-wide Nutrient Monitoring Program

Allocation

MS4 Co-Permittees			\$ 48,909
Riverside County			\$ 4,076
City of Beaumont			\$ 4,076
City of Canyon Lake			\$ 4,076
City of Hemet			\$ 4,076
City of Lake Elsinore			\$ 4,076
City of Moreno Valley			\$ 4,076
City of Murrieta			\$ 4,076
City of Perris			\$ 4,076
City of Riverside			\$ 4,076
City of San Jacinto			\$ 4,076
City of Menifee			\$ 4,076
City of Wildomar			\$ 4,076
Elsinore Valley Municipal Water District (EVMWD)			-na-
San Jacinto Agricultural Operators (WRCAC)			\$ 2,982
San Jacinto Dairy & CAFO Operators *			\$ -
CALTRANS - freeway			\$ 4,076
CA DF&W - San Jacinto Wetlands			\$ 4,076
Eastern Municipal Water District			\$ 4,076
March Air Reserve Base Joint Powers Authority			\$ 4,076
US Air Force (March Air Reserve Base)			\$ 4,076

Funding Required \$ 72,270

Note: * San Jacinto Dairy & CAFO Operators contributions to the LE&CL TMDL Task Force are made through WRCAC

Lake Elsinore Nutrient Monitoring Program**Allocation**

MS4 Co-Permittees	\$ 59,025
Riverside County	\$ 4,919
City of Beaumont	\$ 4,919
City of Canyon Lake	\$ 4,919
City of Hemet	\$ 4,919
City of Lake Elsinore	\$ 4,919
City of Moreno Valley	\$ 4,919
City of Murrieta	\$ 4,919
City of Perris	\$ 4,919
City of Riverside	\$ 4,919
City of San Jacinto	\$ 4,919
City of Menifee	\$ 4,919
City of Wildomar	\$ 4,919
Elsinore Valley Municipal Water District (EVMWD)	\$ 4,919
San Jacinto Agricultural Operators (WRCAC)	\$ 3,598
San Jacinto Dairy & CAFO Operators *	\$ -
CALTRANS - freeway	\$ 4,919
CA DF&W - San Jacinto Wetlands	\$ 4,919
Eastern Municipal Water District	\$ 4,919
March Air Reserve Base Joint Powers Authority	\$ 4,919
US Air Force (March Air Reserve Base)	\$ 4,919
Funding Required	\$ 92,135

Note: * San Jacinto Dairy & CAFO Operators contributions to the LE&CL TMDL Task Force are made through WRCAC

Canyon Lake Nutrient Monitoring Program**Allocation**

MS4 Co-Permittees	\$ 42,972
Riverside County	\$ 3,907
City of Beaumont	\$ 3,907
City of Canyon Lake	\$ 3,907
City of Hemet	\$ 3,907
City of Lake Elsinore	\$ 3,907
City of Moreno Valley	\$ 3,907
City of Murrieta	\$ 3,907
City of Perris	\$ 3,907
City of Riverside	\$ 3,907
City of San Jacinto	\$ 3,907
City of Menifee	\$ 3,907
City of Wildomar	-na-
Elsinore Valley Municipal Water District (EVMWD)	\$ 3,907
San Jacinto Agricultural Operators (WRCAC)	\$ 2,858
San Jacinto Dairy & CAFO Operators *	\$ -
CALTRANS - freeway	\$ 3,907
CA DF&W - San Jacinto Wetlands	\$ 3,907
Eastern Municipal Water District	\$ 3,907
March Air Reserve Base Joint Powers Authority	\$ 3,907
US Air Force (March Air Reserve Base)	\$ 3,907
Funding Required	\$ 69,270

Note: * San Jacinto Dairy & CAFO Operators contributions to the LE&CL TMDL Task Force are made through WRCAC

Part B: TMDL Implementation Project Budget**Lake Elsinore Project Alternatives*****Fishery Management O&M *******Allocation**

MS4 Co-Permittees	\$	-
Riverside County	\$	-
City of Beaumont	\$	-
City of Canyon Lake	\$	-
City of Hemet	\$	-
City of Lake Elsinore	\$	-
City of Moreno Valley	\$	-
City of Murrieta	\$	-
City of Perris	\$	-
City of Riverside	\$	-
City of San Jacinto	\$	-
City of Menifee	\$	-
City of Wildomar	\$	-
Elsinore Valley Municipal Water District (EVMWD)	\$	-
San Jacinto Agricultural Operators (WRCAC)	\$	-
San Jacinto Dairy & CAFO Operators *	\$	-
CALTRANS - freeway	\$	-
CA DF&W - San Jacinto Wetlands	\$	-
Eastern Municipal Water District		-na-
March Air Reserve Base Joint Powers Authority	\$	-
US Air Force (March Air Reserve Base)	\$	-
Funding Required		\$ -

Note: * San Jacinto Dairy & CAFO Operators contributions to the LE&CL TMDL Task Force are made through WRCAC

Canyon Lake Project Alternatives***Alum Addition*****Allocation**

MS4 Co-Permittees			\$	209,226
Riverside County			\$	84,742
City of Beaumont				-na-
City of Canyon Lake			\$	7,887
City of Hemet			\$	13,482
City of Lake Elsinore			\$	6,679
City of Moreno Valley			\$	31,478
City of Murrieta			\$	6,214
City of Perris			\$	13,259
City of Riverside				-na-
City of San Jacinto				-na-
City of Menifee			\$	45,486
City of Wildomar				-na-
Elsinore Valley Municipal Water District (EVMWD)			\$	5,606
San Jacinto Agricultural Operators *			\$	7,236
San Jacinto Dairy & CAFO Operators				-na-
CALTRANS - freeway			\$	5,864
CA DF&W - San Jacinto Wetlands				-na-
Eastern Municipal Water District				-na-
March Air Reserve Base Joint Powers Authority			\$	6,184
US Air Force (March Air Reserve Base)			\$	6,559
Funding Required			\$	240,676

Notes: * San Jacinto Dairy & CAFO Operators contributions to the LE&CL TMDL Task Force are made through WRCAC

1) Offset demand estimates for TP; TN data not used in this allocation

2) Jurisdictions with zero offset demand are designated as not applicable "-na-"

3) Allocations include a factor of 2, this "doubling" of alum is to serve as a contingency for an additional alum application

TMDL Compliance Reporting & Modeling

TMDL Compliance Support

Allocation

MS4 Co-Permittees			\$ 98,081
Riverside County			\$ 8,173
City of Beaumont			\$ 8,173
City of Canyon Lake			\$ 8,173
City of Hemet			\$ 8,173
City of Lake Elsinore			\$ 8,173
City of Moreno Valley			\$ 8,173
City of Murrieta			\$ 8,173
City of Perris			\$ 8,173
City of Riverside			\$ 8,173
City of San Jacinto			\$ 8,173
City of Menifee			\$ 8,173
City of Wildomar			\$ 8,173
Elsinore Valley Municipal Water District (EVMWD)			\$ 8,173
San Jacinto Agricultural Operators (WRCAC)			\$ 5,978
San Jacinto Dairy & CAFO Operators *			\$ -
CALTRANS - freeway			\$ 8,173
CA DF&W - San Jacinto Wetlands			\$ 8,173
Eastern Municipal Water District			\$ 8,173
March Air Reserve Base Joint Powers Authority			\$ 8,173
US Air Force (March Air Reserve Base)			\$ 8,173
Funding Required			\$ 153,100

Note: * San Jacinto Dairy & CAFO Operators contributions to the LE&CL TMDL Task Force are made through WRCAC

Contingency

Contingency

MS4 Co-Permittees			\$ -
Riverside County			\$ -
City of Beaumont			\$ -
City of Canyon Lake			\$ -
City of Hemet			\$ -
City of Lake Elsinore			\$ -
City of Moreno Valley			\$ -
City of Murrieta			\$ -
City of Perris			\$ -
City of Riverside			\$ -
City of San Jacinto			\$ -
City of Menifee			\$ -
City of Wildomar			\$ -
Elsinore Valley Municipal Water District (EVMWD)			\$ -
San Jacinto Agricultural Operators			\$ -
San Jacinto Dairy & CAFO Operators			\$ -
CALTRANS - freeway			\$ -
CA DF&W - San Jacinto Wetlands			\$ -
Eastern Municipal Water District			\$ -
March Air Reserve Base Joint Powers Authority			\$ -
US Air Force (March Air Reserve Base)			\$ -
Total Amount Reimbursed			\$ -

Reimbursement from Cash Reserve

0

MS4 Co-Permittees			\$ -
Riverside County			\$ -
City of Beaumont			\$ -
City of Canyon Lake			\$ -
City of Hemet			\$ -
City of Lake Elsinore			\$ -
City of Moreno Valley			\$ -
City of Murrieta			\$ -
City of Perris			\$ -
City of Riverside			\$ -
City of San Jacinto			\$ -
City of Menifee			\$ -
City of Wildomar			\$ -
Elsinore Valley Municipal Water District (EVMWD)			\$ -
San Jacinto Agricultural Operators			\$ -
San Jacinto Dairy & CAFO Operators			\$ -
CALTRANS - freeway			\$ -
CA DF&W - San Jacinto Wetlands			\$ -
Eastern Municipal Water District			\$ -
March Air Reserve Base Joint Powers Authority			\$ -
US Air Force (March Air Reserve Base)			\$ -
Total Amount Reimbursed			\$ -

Task Force Agency Contributions Detailed Tables

Draft
Budget
2022-23
Allocation

MS4 Co-Permittees (Total)	\$ 664,409
Task Force Regulatory/Administrative Expenses	\$ 96,095
TMDL Compliance Monitoring Expenses	
Watershed-wide Nutrient Monitoring Program	\$ 48,909
Lake Elsinore Nutrient Monitoring Program	\$ 59,025
Canyon Lake Nutrient Monitoring Program	\$ 42,972
Lake Elsinore Project Alternatives	
Fishery Management O&M	\$ -
Canyon Lake Project Alternatives	\$ 209,226
TMDL Update	\$ 98,081
Reimbursement from Cash Reserve	\$ -
Other Contributions:	
Lake Elsinore Aeration Management System O&M (LEAMS)	\$ 110,100
Riverside County *	\$ 113,825
Task Force Regulatory/Administrative Expenses	\$ 8,008
TMDL Compliance Monitoring Expenses	
Watershed-wide Nutrient Monitoring Program	\$ 4,076
Lake Elsinore Nutrient Monitoring Program	\$ 4,919
Canyon Lake Nutrient Monitoring Program	\$ 3,907
Lake Elsinore Project Alternatives	
Fishery Management O&M	\$ -
Canyon Lake Project Alternatives	\$ 84,742
TMDL Update	\$ 8,173
Reimbursement from Cash Reserve	\$ -
Other Contributions:	
Lake Elsinore Aeration Management System O&M (LEAMS)	

City of Beaumont *	\$ 32,082
Task Force Regulatory/Administrative Expenses	\$ 8,008
TMDL Compliance Monitoring Expenses	
Watershed-wide Nutrient Monitoring Program	\$ 4,076
Lake Elsinore Nutrient Monitoring Program	\$ 4,919
Canyon Lake Nutrient Monitoring Program	\$ 3,907
Lake Elsinore Project Alternatives	
Fishery Management O&M	\$ -
Canyon Lake Project Alternatives	-na-
TMDL Update	\$ 8,173
Reimbursement from Cash Reserve	\$ -
Other Contributions:	
Lake Elsinore Aeration Management System O&M (LEAMS)	\$ 3,000
City of Canyon Lake *	\$ 40,869
Task Force Regulatory/Administrative Expenses	\$ 8,008
TMDL Compliance Monitoring Expenses	
Watershed-wide Nutrient Monitoring Program	\$ 4,076
Lake Elsinore Nutrient Monitoring Program	\$ 4,919
Canyon Lake Nutrient Monitoring Program	\$ 3,907
Lake Elsinore Project Alternatives	
Fishery Management O&M	\$ -
Canyon Lake Project Alternatives	\$ 7,887
TMDL Update	\$ 8,173
Reimbursement from Cash Reserve	\$ -
Other Contributions:	
Lake Elsinore Aeration Management System O&M (LEAMS)	\$ 3,900
City of Hemet *	\$ 50,964
Task Force Regulatory/Administrative Expenses	\$ 8,008
TMDL Compliance Monitoring Expenses	
Watershed-wide Nutrient Monitoring Program	\$ 4,076
Lake Elsinore Nutrient Monitoring Program	\$ 4,919
Canyon Lake Nutrient Monitoring Program	\$ 3,907
Lake Elsinore Project Alternatives	
Fishery Management O&M	\$ -
Canyon Lake Project Alternatives	\$ 13,482
TMDL Update	\$ 8,173
Reimbursement from Cash Reserve	\$ -
Other Contributions:	
Lake Elsinore Aeration Management System O&M (LEAMS)	\$ 8,400
City of Lake Elsinore *	\$ 35,762
Task Force Regulatory/Administrative Expenses	\$ 8,008
TMDL Compliance Monitoring Expenses	
Watershed-wide Nutrient Monitoring Program	\$ 4,076
Lake Elsinore Nutrient Monitoring Program	\$ 4,919
Canyon Lake Nutrient Monitoring Program	\$ 3,907
Lake Elsinore Project Alternatives	
Fishery Management O&M	\$ -
Canyon Lake Project Alternatives	\$ 6,679
TMDL Update	\$ 8,173
Reimbursement from Cash Reserve	\$ -
Other Contributions:	
Lake Elsinore Aeration Management System O&M (LEAMS)	partner

City of Moreno Valley *	\$ 92,360
Task Force Regulatory/Administrative Expenses	\$ 8,008
TMDL Compliance Monitoring Expenses	
Watershed-wide Nutrient Monitoring Program	\$ 4,076
Lake Elsinore Nutrient Monitoring Program	\$ 4,919
Canyon Lake Nutrient Monitoring Program	\$ 3,907
Lake Elsinore Project Alternatives	
Fishery Management O&M	\$ -
Canyon Lake Project Alternatives	\$ 31,478
TMDL Update	\$ 8,173
Reimbursement from Cash Reserve	\$ -
Other Contributions:	
Lake Elsinore Aeration Management System O&M (LEAMS)	\$ 31,800
City of Murrieta *	\$ 38,297
Task Force Regulatory/Administrative Expenses	\$ 8,008
TMDL Compliance Monitoring Expenses	
Watershed-wide Nutrient Monitoring Program	\$ 4,076
Lake Elsinore Nutrient Monitoring Program	\$ 4,919
Canyon Lake Nutrient Monitoring Program	\$ 3,907
Lake Elsinore Project Alternatives	
Fishery Management O&M	\$ -
Canyon Lake Project Alternatives	\$ 6,214
TMDL Update	\$ 8,173
Reimbursement from Cash Reserve	\$ -
Other Contributions:	
Lake Elsinore Aeration Management System O&M (LEAMS)	\$ 3,000
City of Perris *	\$ 58,541
Task Force Regulatory/Administrative Expenses	\$ 8,008
TMDL Compliance Monitoring Expenses	
Watershed-wide Nutrient Monitoring Program	\$ 4,076
Lake Elsinore Nutrient Monitoring Program	\$ 4,919
Canyon Lake Nutrient Monitoring Program	\$ 3,907
Lake Elsinore Project Alternatives	
Fishery Management O&M	\$ -
Canyon Lake Project Alternatives	\$ 13,259
TMDL Update	\$ 8,173
Reimbursement from Cash Reserve	\$ -
Other Contributions:	
Lake Elsinore Aeration Management System O&M (LEAMS)	\$ 16,200
City of Riverside *	\$ 32,082
Task Force Regulatory/Administrative Expenses	\$ 8,008
TMDL Compliance Monitoring Expenses	
Watershed-wide Nutrient Monitoring Program	\$ 4,076
Lake Elsinore Nutrient Monitoring Program	\$ 4,919
Canyon Lake Nutrient Monitoring Program	\$ 3,907
Lake Elsinore Project Alternatives	
Fishery Management O&M	\$ -
Canyon Lake Project Alternatives	-na-
TMDL Update	\$ 8,173
Reimbursement from Cash Reserve	\$ -
Other Contributions:	
Lake Elsinore Aeration Management System O&M (LEAMS)	\$ 3,000

City of San Jacinto *	\$ 32,082
Task Force Regulatory/Administrative Expenses	\$ 8,008
TMDL Compliance Monitoring Expenses	
Watershed-wide Nutrient Monitoring Program	\$ 4,076
Lake Elsinore Nutrient Monitoring Program	\$ 4,919
Canyon Lake Nutrient Monitoring Program	\$ 3,907
Lake Elsinore Project Alternatives	
Fishery Management O&M	\$ -
Canyon Lake Project Alternatives	-na-
TMDL Update	\$ 8,173
Reimbursement from Cash Reserve	\$ -
Other Contributions:	
Lake Elsinore Aeration Management System O&M (LEAMS)	\$ 3,000
City of Menifee *	\$ 105,168
Task Force Regulatory/Administrative Expenses	\$ 8,008
TMDL Compliance Monitoring Expenses	
Watershed-wide Nutrient Monitoring Program	\$ 4,076
Lake Elsinore Nutrient Monitoring Program	\$ 4,919
Canyon Lake Nutrient Monitoring Program	\$ 3,907
Lake Elsinore Project Alternatives	
Fishery Management O&M	\$ -
Canyon Lake Project Alternatives	\$ 45,486
TMDL Update	\$ 8,173
Reimbursement from Cash Reserve	\$ -
Other Contributions:	
Lake Elsinore Aeration Management System O&M (LEAMS)	\$ 30,600
City of Wildomar *	\$ 32,376
Task Force Regulatory/Administrative Expenses	\$ 8,008
TMDL Compliance Monitoring Expenses	
Watershed-wide Nutrient Monitoring Program	\$ 4,076
Lake Elsinore Nutrient Monitoring Program	\$ 4,919
Canyon Lake Nutrient Monitoring Program	-na-
Lake Elsinore Project Alternatives	
Fishery Management O&M	\$ -
Canyon Lake Project Alternatives	-na-
TMDL Update	\$ 8,173
Reimbursement from Cash Reserve	\$ -
Other Contributions:	
Lake Elsinore Aeration Management System O&M (LEAMS)	\$ 7,200
Elsinore Valley Municipal Water District (EVMWD)	\$ 30,613
Task Force Regulatory/Administrative Expenses	\$ 8,008
TMDL Compliance Monitoring Expenses	
Watershed-wide Nutrient Monitoring Program	-na-
Lake Elsinore Nutrient Monitoring Program	\$ 4,919
Canyon Lake Nutrient Monitoring Program	\$ 3,907
Lake Elsinore Project Alternatives	
Fishery Management O&M	\$ -
Canyon Lake Project Alternatives	\$ 5,606
TMDL Update	\$ 8,173
Reimbursement from Cash Reserve	\$ -
Other Contributions:	
Lake Elsinore Aeration Management System O&M (LEAMS)	partner

San Jacinto Agricultural Operators	\$ 28,509
Task Force Regulatory/Administrative Expenses	\$ 5,857
TMDL Compliance Monitoring Expenses	
Watershed-wide Nutrient Monitoring Program	\$ 2,982
Lake Elsinore Nutrient Monitoring Program	\$ 3,598
Canyon Lake Nutrient Monitoring Program	\$ 2,858
Lake Elsinore Project Alternatives	
Fishery Management O&M	\$ -
Canyon Lake Project Alternatives	\$ 7,236
TMDL Update	\$ 5,978
Reimbursement from Cash Reserve	\$ -
Other Contributions:	
Lake Elsinore Aeration Management System O&M (LEAMS)	\$ -
San Jacinto Dairy & CAFO Operators	\$ 3,000
Task Force Regulatory/Administrative Expenses	\$ -
TMDL Compliance Monitoring Expenses	
Watershed-wide Nutrient Monitoring Program	\$ -
Lake Elsinore Nutrient Monitoring Program	\$ -
Canyon Lake Nutrient Monitoring Program	\$ -
Lake Elsinore Project Alternatives	
Fishery Management O&M	\$ -
Canyon Lake Project Alternatives	-na-
TMDL Update	\$ -
Reimbursement from Cash Reserve	\$ -
Other Contributions:	
Lake Elsinore Aeration Management System O&M (LEAMS)	\$ 3,000
CALTRANS - freeway	\$ 40,047
Task Force Regulatory/Administrative Expenses	\$ 8,008
TMDL Compliance Monitoring Expenses	
Watershed-wide Nutrient Monitoring Program	\$ 4,076
Lake Elsinore Nutrient Monitoring Program	\$ 4,919
Canyon Lake Nutrient Monitoring Program	\$ 3,907
Lake Elsinore Project Alternatives	
Fishery Management O&M	\$ -
Canyon Lake Project Alternatives	\$ 5,864
TMDL Update	\$ 8,173
Reimbursement from Cash Reserve	\$ -
Other Contributions:	
Lake Elsinore Aeration Management System O&M (LEAMS)	\$ 5,100
CA DF&W - San Jacinto Wetlands	\$ 29,082
Task Force Regulatory/Administrative Expenses	\$ 8,008
TMDL Compliance Monitoring Expenses	
Watershed-wide Nutrient Monitoring Program	\$ 4,076
Lake Elsinore Nutrient Monitoring Program	\$ 4,919
Canyon Lake Nutrient Monitoring Program	\$ 3,907
Lake Elsinore Project Alternatives	
Fishery Management O&M	\$ -
Canyon Lake Project Alternatives	-na-
TMDL Update	\$ 8,173
Reimbursement from Cash Reserve	\$ -
Other Contributions:	
Lake Elsinore Aeration Management System O&M (LEAMS)	\$ -

Eastern Municipal Water District	\$ 29,082
Task Force Regulatory/Administrative Expenses	\$ 8,008
TMDL Compliance Monitoring Expenses	
Watershed-wide Nutrient Monitoring Program	\$ 4,076
Lake Elsinore Nutrient Monitoring Program	\$ 4,919
Canyon Lake Nutrient Monitoring Program	\$ 3,907
Lake Elsinore Project Alternatives	
Fishery Management O&M	-na-
Canyon Lake Project Alternatives	-na-
TMDL Update	\$ 8,173
Reimbursement from Cash Reserve	\$ -
Other Contributions:	
Lake Elsinore Aeration Management System O&M (LEAMS)	\$ -
March Air Reserve Base Joint Powers Authority	\$ 38,266
Task Force Regulatory/Administrative Expenses	\$ 8,008
TMDL Compliance Monitoring Expenses	
Watershed-wide Nutrient Monitoring Program	\$ 4,076
Lake Elsinore Nutrient Monitoring Program	\$ 4,919
Canyon Lake Nutrient Monitoring Program	\$ 3,907
Lake Elsinore Project Alternatives	
Fishery Management O&M	\$ -
Canyon Lake Project Alternatives	\$ 6,184
TMDL Update	\$ 8,173
Reimbursement from Cash Reserve	\$ -
Other Contributions:	
Lake Elsinore Aeration Management System O&M (LEAMS)	\$ 3,000
US Air Force (March Air Reserve Base)	\$ 38,942
Task Force Regulatory/Administrative Expenses	\$ 8,008
TMDL Compliance Monitoring Expenses	
Watershed-wide Nutrient Monitoring Program	\$ 4,076
Lake Elsinore Nutrient Monitoring Program	\$ 4,919
Canyon Lake Nutrient Monitoring Program	\$ 3,907
Lake Elsinore Project Alternatives	
Fishery Management O&M	\$ -
Canyon Lake Project Alternatives	\$ 6,559
TMDL Update	\$ 8,173
Reimbursement from Cash Reserve	\$ -
Other Contributions:	
Lake Elsinore Aeration Management System O&M (LEAMS)	\$ 3,300

Total: \$ 901,951

footnote: (*) designates MS4 co-permittees

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LESJWA BOARD MEMORANDUM NO. 2022.12

DATE: April 21, 2022

SUBJECT: Grant Funding Opportunities

TO: LESJWA Board of Directors

PREPARED BY: Mark R. Norton, P.E., Authority Administrator

RECOMMENDATION

Staff recommends that the Board of Directors receive and file status report regarding grant funding opportunities in support of LESJWA and the LE/CL TMDL Task Force.

BACKGROUND

In early March 2022, LESJWA was notified that the two Lake Elsinore projects that were submitted by LESJWA staff to the DWR for grant funding from the 2021 Urban and Multibenefit Drought Relief Program administered by the CA Dept of Water Resources were unfortunately not selected for funding. Based on feedback from DWR, the project grant funding requests far surpassed available state grant funding in this program and the projects that were selected for funding focused on developing potable water supply rather than environmental or natural resource restoration. The two projects that were submitted to DWR for grant funding were designed to assist Lake Elsinore quality and were developed working with the Lake Elsinore Aeration and Mixing System operators, which includes the City of Lake Elsinore, County of Riverside and EVWMD and are listed as follows:

- a. Lake Elsinore Critical Drought Response Algae Harvesting Project-\$3.5M grant, \$4M Total Cost
- b. Lake Elsinore Critical Drought Response Oxygenation Project-\$5M grant, \$5.6M Total Cost

Based on staff evaluation, other opportunities for grant funding to implement these improvements for Lake Elsinore in addressing fish kills and toxic algae conditions are still available. One such grant funding opportunity is available through the next grant funding round from Proposition 1 Integrated Regional Water Management. This program is administered by SAWPA but does require a 50% match. This round of funding available to the upper Santa Ana River Watershed, including the San Jacinto River Watershed, totals \$20 million. SAWPA issued a Call for Projects on Jan. 14, 2022 with a deadline of April 25, 2022. LESJWA staff will work with the LEAMS Operators to determine if there is interest in this grant opportunity since it requires 50% local cost share funding and see if the projects scope may need to be modified for submittal.

RESOURCES IMPACT

LESJWA staff will work closely with the LEAMS operators and the LE/CL TMDL Task Force to prepare grant application materials as needed to support mutual needs.

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LESJWA BOARD MEMORANDUM NO. 2022.13

DATE: April 21, 2022

SUBJECT: 2022 LESJWA Water Summit Status

TO: LESJWA Board of Directors

PRESENTED BY: Mark R. Norton, P.E., Authority Administrator

RECOMMENDATION

Staff recommends that the Board of Directors receive and file this status report about the 2022 LESJWA Water Summit scheduled for Wednesday, April 27, 2022.

BACKGROUND

The LESJWA Water Summit is typically held every other year. The last Summit was held on April 18, 2018 and was held at Diamond Club at the Lake Elsinore Diamond Stadium. The Summits provide an opportunity to invite elected officials and staff of the Lake Elsinore and Canyon Lake TMDL Task Force agencies to hear about important accomplishments of LESJWA, the nutrient TMDLs, and future implementation projects. Prior to 2018, the Summits have been held at public facility meeting rooms and started in the morning and ended before the lunch hour. Previously, the LESJWA Education and Outreach Committee suggested that the event be held at a paid and hosted facility, Diamond Club, and that a minor fee be collected from each attendee for lunch. Feedback from some indicated that potential attendees didn't see value in attending unless there is some registration/luncheon fee and that lunch is provided. Based on the number of attendees from the 2018 LESJWA Water Summit, 80 people, this new approach was successful reflecting about a 60% increase.

Based on suggestions by the City of Lake Elsinore representative on LESJWA, Robert Magee and supported by the LESJWA Education and Outreach Committee, the 2022 LESJWA Summit has been planned for April 27, 2022 from 9:30 am – 1:00 pm at the new Community Hall at the Launch Pointe Recreation Destination and RV Park in Lake Elsinore. The LESJWA Chair will introduce the Summit and the great lineup of speakers will be on hand to reflect a good cross-section of the current and future activities of LESJWA and the LE/CL TMDL Task Force. A \$50 fee will again be charged for the event to cover the event luncheon costs.

Attached is the agenda for the event showing the speakers and topics as recommended by the LESJWA Education and Outreach Committee. The invitation for the event signed by the County Supervisors has been sent out to stakeholders and weekly announcements have been sent out by SAWPA to its 3000+ email contact list to encourage attendance and registration.

RESOURCES IMPACT

Sufficient funding has been provided in the approved LESJWA FY 2021-22 Budget under the Education and Outreach program for the LESJWA Summit.

Attachment:

1. LESJWA Summit Agenda

2022 LESJWA WATER SUMMIT

Celebrating over 20 Years of Watershed Improvements

April 27, 2022, 9:30 a.m. - 1:00 p.m. · Launch Pointe, 32040 Riverside Dr, Lake Elsinore, CA 92530

REGISTRATION · 9:30 A.M. - 10:00 A.M.

WELCOME · 10:00 A.M. - 10:05 A.M.

Dale Welty, LESJWA Chair/ City of Canyon Lake Councilmember

LESJWA FISHERY MANAGEMENT SURVEY KEY FINDINGS · 10:05 A.M. - 10:30 A.M.

*John Rudolph, Senior Aquatic Ecologist/Bioassessment Program Manager,
Wood Environment & Infrastructure Solutions, Inc.*

CONTROLLING EXCESS NUTRIENT WITH ALUM APPLICATIONS

10:30 A.M. - 11:00 A.M.

*Terry McNabb, Lake Phosphorus Mitigation Strategist, Aquatechnex
Steve Wolosoff, Senior Environmental Scientist, CDM Smith*

BREAK

HARMFUL ALGAE BLOOMS (HABS): NEW STATEWIDE REGULATIONS

11:20 A.M. - 11:40 A.M.

Marisa Van Dyke, M.S., CA HABs Program Manager, CA State Water Resources Control Board

WATERSHED LAKES FISHING 101 - ANGLERS DEMONSTRATION

11:40 A.M. - 12:20 P.M.

*William Johnson, Lake Elsinore Pro Angler, President/Owner Williams Bait and Tackle
Chuck Moreno, Canyon Lake Pro Angler*

LUNCH

LUNCH SPEAKER: LAKE ELSINORE FEASIBILITY STUDY · 12:30 P.M. - 1:00 P.M.

Daria Mazey, MPA, WRCP – U.S. Army Corps of Engineers, Plan Formulation Specialist

CLOSE

Presenting Sponsor



Supporting Sponsors



LESJWA BOARD MEMORANDUM NO. 2022.14

DATE: April 21, 2022

SUBJECT: Lake Elsinore & Canyon Lake Nutrient TMDL Task Force Update

TO: LESJWA Board of Directors

PREPARED BY: Mark R. Norton, P.E., Authority Administrator

RECOMMENDATION

Staff recommends that the LESJWA Board receive and file a status report regarding the Lake Elsinore and Canyon Lake Nutrient TMDL Revision Report and the Lake Elsinore and Canyon Lake TMDL Task Force activities.

DISCUSSION

Work continues by the LE/CL TMDL Task Force and its consultants on the Draft Staff Report/TMDL Revision Technical Report (TMDL Revision Technical Report) for Lake Elsinore, Canyon Lake, and the San Jacinto River Watershed. This report contains all the required elements for revision of the 2004 TMDLs, including revised Numeric Targets for both Lakes and reflects further updated land use and possible further reductions of nutrients discharged to the Lakes.

In 2020 after retirement of some Regional Board staff involved with the TMDL Revision, new Regional Board staff were hired and extensive review of the Task Force consultants' feedback to peer reviewers occurred. Additional modeling scenarios were requested by Regional Board staff, supported by the Task Force and approved by the LESJWA Board in Feb. 2021 for the consultant, CDM Smith, to conduct this work. This work was completed by April 2021, however, the Regional Board staff has maintained a stance of a more stringent nutrient background level commonly referred to as 25% percentile compared to what was originally proposed by the task force consultant, CDM Smith. This has resulted in the need to conduct extensive changes to the nutrient load allocations from each TMDL party and more edits to the draft TMDL Update and Revision Report. It will also mean greater challenges for some TMDL parties to meet compliance.

The Task Force's regulatory advisor, Tess Dunham, has proposed a longer transition time for full compliance to the Task Force in the Implementation Plan of the Report and will be working with the consultant and the Regional Board on this plan. A draft document known as the Key Principles for Potential Revision of the TMDL Technical Report: Revision to the Lake Elsinore and Canyon Lake Nutrient TMDLs (December 1, 2018) has been prepared and distributed to the Task Force and the Regional Board for comments. The purpose of the Key Principles document would be to formulate an agreement among the Lake Elsinore and Canyon Lake TMDL Task Force and the Executive Officer for the Santa Ana Regional Water Quality Control Board reflecting a planned compliance tied to milestones of activity. Some comments have been received by Regional Board staff and a formal acceptance and approval by the LE/CL TMDL Task Force is anticipated at their next meeting on April 20th. The principles agreement would then need to be signed off by the Regional Board.

The LE/CL TMDL Task Force will also consider a draft amendment to the Task Force Agreement to extend the term of the existing Agreement for another three years. More substantial changes to the Task Force agreement may arise once the TMDL is updated.

The LE/CL TMDL Task Force activities continue to support the TMDL update and monitoring activities. Evaluation of the aging Lake Elsinore Aeration and Mixing System (LEAMS) performance is still underway. The latest reports of offsets for phosphorus and nitrogen for FY 2020-2021 by EVMWD's lake consultant, Dr. Alex Horne, have now been completed and show the additional nitrogen offset was being achieved by LEAMS and can be sold to the upper watershed TMDL Task Force. This is a welcome change from the previous offset report which showed no nitrogen offset so offset credits for Nitrogen were not sold for FY 2019-2020. Improvements to the LEAMS system are still being explored by the LEAMS operators, City of Lake Elsinore, EVWMD and County of Riverside. More certainty on whether this functionality issue remains for LEAMS will be determined after the FY 2020-2021 offset report is prepared and finalized by Dr. Alex Horne by March 2022.

LESJWA staff has prepared a draft FY 2022-2023 Budget for the LE/CL Task Force and will be brought to the Task Force for approval at their April 20th Task Force meeting.

BUDGET IMPACT

None