

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

**LESJWA BOARD OF DIRECTORS REGULAR MEETING**

EVMWD, 31315 Chaney Street, Lake Elsinore, CA 92531

This meeting will be conducted in person at the addresses listed below. As a convenience to the public, members of the public may also participate virtually using the zoom link provided below. The zoom link is for viewing purposes only; members of the public will not have speaking privileges virtually. Public Comments may be provided in person or submitted in advance to [publiccomment@sawpa.gov](mailto:publiccomment@sawpa.gov). Speaking privileges through zoom are limited to approved entities and pre-vetted participants who must request authorization. However, in the event there is a disruption of service which prevents the Authority from broadcasting the meeting to members of the public, the meeting will not be postponed or rescheduled but will continue without remote participation. The remote participation option is provided as a convenience to the public and is not required. Members of the public are welcome to attend the meeting in-person.

**ZOOM LINK FOR VIEWING ONLY**

<https://sawpa.zoom.us/j/83902765158>

**THURSDAY, APRIL 16, 2026 – 4:00 P.M.**

**AGENDA**

**1. CALL TO ORDER/PLEDGE OF ALLEGIANCE (Andy Morris, 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).

Members of the public may make comments in-person or in writing for the Board's consideration by sending them to [publiccomment@sawpa.gov](mailto:publiccomment@sawpa.gov) with the subject line "LESJWA Public Comment". Submit your written comments by 5:00 p.m. on Wednesday, April 15, 2026. All public comments will be provided to the Chair and may be read into the record or compiled as part of the record. Please note, individuals have a limit of three (3) minutes to make comments and will have the opportunity when called upon by the Board.

**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: DECEMBER 18, 2025.....3**  
**Recommendation:** Approve as posted.
- B. TREASURER'S REPORT: OCTOBER – DECEMBER 2025 .....9**  
**Recommendation:** Approve as posted.

**C. TMDL TASK FORCE MEETING NOTES: AUGUST 20, 2025 .....31**  
**Recommendation:** Approve as posted.

**6. NEW BUSINESS**

**A. REPORT ON AUDIT FOR FISCAL YEAR ENDING JUNE 30, 2025 (LES#2026.1) .....35**

**Presenter:** Karen Williams

**Recommendation:** Receive and file the FY 2024-25 Report on Audit prepared by C.J. Brown & Company CPAs, and direct staff to file the Report on Audit with respective government agencies as required by law.

**7. INFORMATIONAL REPORT**

**Recommendation:** Receive for information.

**A. CANYON LAKE UPDATE – GOLDEN ALGAE & NUTRIENT TMDL CONSIDERATIONS**

**Presenter:** Steve Wolosoff and John Rudolph, GEI Consultants

**8. ADMINISTRATOR’S COMMENTS**

**9. DIRECTORS’ COMMENTS**

**10. FUTURE AGENDA ITEMS REQUEST**

**11. ADJOURNMENT**

**PLEASE NOTE:**

Americans with Disabilities Act: If you require any special disability related accommodations to participate in this meeting, call (951) 354-4244 or email [adminstaff@sawpa.gov](mailto:adminstaff@sawpa.gov). 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](http://www.mywatersheds.com), subject to staff’s ability to post documents prior to the meeting.

**Declaration of Posting**

I, Zyanya Ramirez, serving as the Clerk to the Board of the Lake Elsinore and San Jacinto Watersheds Authority declare that on Thursday, April 9, 2026 a copy of this agenda has been uploaded to the LESJWA website at [www.mywatersheds.com](http://www.mywatersheds.com) and posted at LESJWA’s office, 11615 Sterling Avenue, Riverside, California.

**2026 - LESJWA Board of Directors Regular Meetings**

The Regular LESJWA Board of Directors Meetings are held quarterly (January, April, July, and October) the third Thursday at 4:00 p.m., unless otherwise noticed, and are held at Elsinore Valley Municipal Water District, 31315 Chaney Street, Lake Elsinore, CA 92531.

<b>January</b> 1/15/26 Regular Board Meeting [Cancelled]	<b>April</b> 4/16/26 Regular Board Meeting 4/30/26 LESJWA 2026 Water Summit
<b>July</b> 7/16/26 Regular Board Meeting	<b>October</b> 10/15/26 Regular Board Meeting



**LESJWA BOARD OF DIRECTORS MEETING  
REGULAR MEETING  
DECEMBER 18, 2025**

**DIRECTORS PRESENT**

Robert Magee, Chair, City of Lake Elsinore  
Andy Morris, Vice Chair, Elsinore Valley Municipal Water District  
Brenda Dennstedt, Secretary-Treasurer, Santa Ana Watershed  
Project Authority  
Jeremy Smith, City of Canyon Lake

**DIRECTORS ABSENT**

Karen Spiegel, County of Riverside

**ALTERNATE DIRECTORS  
PRESENT; NON-VOTING**

None

**STAFF PRESENT**

Erika Beyer, Rick Whetsel, Karen Williams, Zyanya Ramirez

The Regular Board of Directors meeting of the Lake Elsinore & San Jacinto Watersheds Authority (LESJWA) was called to order at 4:00 p.m. by Chairman Magee on behalf of the Lake Elsinore & San Jacinto Watersheds Authority, at 31315 Chaney Street, Lake Elsinore, CA 92531.

**1. CALL TO ORDER/PLEDGE OF ALLEGIANCE (Robert Magee, Chair)**

**2. ROLL CALL**

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

**3. PUBLIC COMMENTS**

There were no other public comments.

**4. ITEMS TO BE ADDED OR DELETED**

There were no items to be added or deleted.

**5. WELCOME ERIKA BEYER**

Erika Beyer introduced herself to the Board and provided a brief overview of her professional background. She shared that her experience includes water resources planning and water quality work at the international level, including projects related to source water protection and water security. Ms. Beyer expressed her appreciation for the opportunity to join SAWPA and work with the LESJWA Board of Directors.

**6. CONSENT CALENDAR**

**A. APPROVAL OF MEETING MINUTES: AUGUST 21, 2025**

**Recommendation:** Approve as posted.

**B. TREASURER'S REPORT: JUNE - SEPTEMBER 2025**

**Recommendation:** Approve as posted.

**MOVED**, to approve the Consent Calendar as posted.

Result:	<b>Adopted (Passed)</b>
Motion/Second:	Morris/Dennstedt
Ayes:	Dennstedt, Magee, Morris, Smith
Nays:	None
Abstentions:	None
Absent:	Spiegel

## **7. INFORMATIONAL REPORTS**

### **A. 2026 LESJWA WATER SUMMIT (LES#2025.12)**

Liselle DeGrave, DeGrave Communications, provided an overview of planning efforts for the 2026 LESJWA Water Summit. She explained that the summit is held biennially to build awareness of LESJWA projects, strengthen stakeholder relationships, and support regional water quality initiatives. The event is targeted primarily toward elected officials and key stakeholders within the watershed.

Ms. DeGrave presented potential venue options, including Launch Pointe and Storm Stadium, outlining logistical considerations such as capacity, accessibility, acoustics, and administrative requirements. She noted that Launch Pointe presents limitations related to space, accessibility, and event setup, while Storm Stadium offers a more turnkey option with greater capacity and fewer logistical challenges. She also reviewed potential program topics and speakers, sponsorship opportunities, and a tentative event date of April 30, 2026.

Chair Magee recommended inviting representatives from the California Department of Fish and Wildlife to present biological improvements in the lakes and suggested exploring the possibility of hosting the event at the City of Lake Elsinore's new City Hall to reduce costs and streamline logistics.

Additional Board discussion supported moving away from Launch Pointe due to capacity and logistical limitations, with members noting that the event has grown in attendance and would benefit from a larger venue such as Storm Stadium or another facility. Director Smith inquired about historical event costs, to which Ms. DeGrave indicated that expenses generally remained \$10,000, with sponsorships helping to offset costs. Board members acknowledged the success of the event and the increasing level of sponsorship support.

This item is to receive and file; no action was taken on agenda item no. 7.A.

## **8. NEW BUSINESS**

### **A. CANYON LAKE ALUM TREATMENT PROGRAM – CEQA ADDENDUM #2**

Rick Whetsel, Interim LESJWA Administrator, presented a request to approve Addendum #2 to extend the CEQA documentation for the Canyon Lake Alum Treatment Program for an additional five years. He provided an overview of the alum treatment process, which is used to reduce phosphorus levels and control algal growth in Canyon Lake, and noted that the program has been in place since 2013 with over 20 applications completed.

Mr. Whetsel explained that the program has been effective in improving water quality and maintaining compliance with TMDL requirements. He also described enhancements to the monitoring program, including additional post-application sampling and fish toxicity testing to better understand water quality conditions and potential impacts.

Board members expressed support for the program, noting its long-term effectiveness. Director Dennstedt asked about potential grant funding opportunities to support continued implementation, and staff indicated that while no specific funding source is currently identified, efforts will continue to pursue grant opportunities. Director Smith raised questions regarding public communication and community inquiries related to alum treatments, noting that residents often experience confusion about which agency to contact. Mr. Whetsel explained that LESJWA responds to inquiries when received and typically coordinates with the Canyon Lake Property Owners Association (POA), which serves as a primary point of contact for lake-

related concerns. He also noted that advance notifications are distributed prior to treatment events and that coordination with partner agencies has been strengthened.

**MOVED**, The Lake Elsinore & Canyon Lake Nutrient TMDL Task Force and LESJWA staff recommends that the Board of Directors approve Addendum #2 to extend CEQA for the Canyon Lake Alum Treatment Program and file a Notice of Determination to implement future alum dosing in Canyon Lake.

Result:	<b>Adopted (Passed)</b>
Motion/Second:	Dennstedt/Magee
Ayes:	Dennstedt, Magee, Morris, Smith
Nays:	None
Abstentions:	None
Absent:	Spiegel

**B. CANYON LAKE ALUM TREATMENT PROGRAM – AQUATECHNEX, LLC (LES#2025.14)**

Mr. Whetsel presented a request to approve a change order to extend the Aquatechnex contract for one additional year through calendar year 2026. He explained that the extension would allow for two alum applications during the year and ensure continued compliance with water quality objectives while staff evaluates long-term alternatives and prepares for a future competitive procurement process.

He noted that costs for alum have increased in recent years, resulting in a not-to-exceed amount of approximately \$364,769 for the 2026 applications. The Board did not have additional questions and approved the item unanimously.

**MOVED**, The Lake Elsinore & Canyon Lake Nutrient TMDL Task Force and LESJWA staff recommends that the Board of Directors approve a Change Order to exercise the second of two (2) one-year options to extend the term of the Aquatechnex agreement, Task Order No. AQUA160-04 for an amount not-to-exceed \$364,769, to oversee and implement the 2026 calendar year Canyon Lake Alum Treatment Program.

Result:	<b>Adopted (Passed)</b>
Motion/Second:	Dennstedt/Smith
Ayes:	Dennstedt, Magee, Morris, Smith
Nays:	None
Abstentions:	None
Absent:	Spiegel

**C. ESTABLISH TIME AND PLACE FOR LESJWA BOARD OF DIRECTORS REGULAR MEETINGS BY RESOLUTION NO. LES 2025-1 (LES#2025.15)**

Erika Beyer presented the proposed resolution to establish quarterly Board meetings, including options for meeting months and start times. She explained that the Board could select between two quarterly schedules and consider maintaining either a 3:00 p.m. or 4:00 p.m. start time.

During discussion, a Director Dennstedt expressed preference for maintaining a 4:00 p.m. start time to better align with the end of the workday and recommended continuing with a January, April, July, and October meeting schedule to avoid conflicts with the November holiday period. The Director also noted that meetings could be canceled if no pressing business is required, with the understanding that at least one meeting per quarter must be held in accordance with the Joint Powers Agreement. Staff confirmed this requirement.

**MOVED**, to approve and adopt established time and place for the LESJWA Board of Directors Regular meeting by Resolution No. LES2025-1.

Result: **Adopted (Passed)**  
Motion/Second: Dennstedt/Smith  
Ayes: Dennstedt, Magee, Morris, Smith  
Nays: None  
Abstentions: None

**D. ELECTION OF OFFICERS (LES#2025.16)**

Erika Beyer stated that, in accordance with LESJWA's Joint Powers Agreement, the Board conducts officer nominations every two years. Director Dennstedt nominated Andy Morris as Chair, Brenda Dennstedt as Vice Chair, and Karen Spiegel as Secretary/Treasurer for a two-year term through December 31, 2027. The nominations follow the established rotation among member agencies, with leadership transitioning in the customary order.

**MOVED**, to appoint Director Andy Morris/Elsinore Valley Municipal Valley Water District as Chair, Director Brend Dennstedt as Vice Chair, and Director Karen Spiegel/ County of Riverside as Secretary/Treasurer for a two-year term through December 31, 2027.

Result: **Adopted (Passed)**  
Motion/Second: Dennstedt/Magee  
Ayes: Dennstedt, Magee, Morris, Smith  
Nays: None  
Abstentions: None  
Absent: Spiegel

**9. ADMINISTRATOR'S COMMENTS**

There were no Administrator comments.

**10. DIRECTORS' COMMENTS**

Board members exchanged holiday greetings and reflected on the importance of ongoing efforts to preserve and enhance the health of Lake Elsinore and Canyon Lake. Directors encouraged the public and stakeholders to continue engaging with and appreciating the lakes. Director Dennstedt also highlighted a recent Riverside County Water Task Force tour hosted in the region, noting that it was well attended and provided valuable insight into local water quality projects.

**11. FUTURE AGENDA ITEMS REQUEST**

There were no requests for future agenda items.

**12. ADJOURNMENT**

There being no further business for review, Chairman Robert Magee adjourned the meeting at 4:57 p.m.

**Approved at a Regular Meeting of the Lake Elsinore and San Jacinto Watersheds Authority  
Board of Directors on Thursday, April 16, 2026.**

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Andy Morris, Chair

Attest:

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Zyanya Ramirez, Serves as Clerk to the Board

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*Lake Elsinore and San Jacinto Watersheds Authority*

*FINANCIAL STATEMENTS*

*October 2025*

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY  
 CASH FLOW STATEMENT  
 AS OF 09/30/2025

**Balance as of 09/30/2025** \$ 778,710.94

**Funds Received**

**Deposits:**

City of Wildomar	\$30,386.00
EVMWD	\$31,942.00
City of Hemet	\$54,739.00
CA DOT	\$36,698.00
City of Moreno Valley	\$88,913.00
LAIF Interest	\$2,163.77

**Open - Grant Invoices**

**Open - Member & Other Contributions**

City of Lake Elsinore	\$38,831.00
City of Murietta	\$39,215.00
WRCACG	\$40,447.00
WRCACG	\$1,500.00
<b>Total Due LESJWA</b>	<b>\$119,993.00</b>

**Disbursement List - October 2025** \$ (273,449.35)

**Funds Available as of 10/31/2025** **\$ 750,103.36**

**Funds Available:**

Checking	\$ 117,828.61
LAIF	\$ 632,274.75
<b>Total</b>	<b>\$ 750,103.36</b>

Lake Elsinore San Jacinto Watersheds Authority  
 LE/CL TMDL Invoice History  
 FYE 2020 - 2026  
 as of October 31, 2025

Agency	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY2023-24	FY2024-25	FY2025-26
March ARB	32,863.00	36,460.00	33,216.00	38,751.00	34,425.00	34,329.00	40,368.00
CalTrans	34,286.00	37,651.00	32,757.00	39,848.00	33,721.00	33,625.00	36,698.00
City of Beaumont	28,251.00	28,935.00	27,070.00	32,082.00	28,056.00	27,960.00	32,713.00
City of Canyon Lake	33,754.00	37,787.00	34,393.00	40,695.00	36,069.00	35,973.00	41,528.00
City of Hemet	41,830.00	46,261.00	42,139.00	50,858.00	45,931.00	45,835.00	54,739.00
City of Lake Elsinore	33,361.00	34,071.00	31,795.00	35,573.00	33,046.00	32,950.00	38,831.00
City of Menifee	86,846.00	92,189.00	82,180.00	106,785.00	97,958.00	97,862.00	102,177.00
City of Moreno Valley	80,826.00	83,847.00	63,927.00	91,977.00	73,550.00	73,454.00	88,913.00
City of Murrieta	30,774.00	34,433.00	32,988.00	38,102.00	34,075.00	33,979.00	39,215.00
City of Perris	50,792.00	54,723.00	40,792.00	56,560.00	42,033.00	41,937.00	75,942.00
City of Riverside	26,751.00	28,635.00	27,070.00	32,082.00	28,056.00	27,960.00	32,713.00
City of San Jacinto	26,751.00	27,435.00	27,970.00	32,082.00	28,656.00	28,560.00	33,313.00
City of Wildomar	31,578.00	30,945.00	25,060.00	32,376.00	26,065.00	25,820.00	30,386.00
County of Riverside	81,634.00	88,734.00	83,361.00	114,620.00	112,093.00	111,997.00	155,392.00
Dept of Fish and Game	26,751.00	27,435.00	25,570.00	29,082.00	26,556.00	26,460.00	31,213.00
Eastern Municipal Water District	23,496.00	26,935.00	25,570.00	29,082.00	26,556.00	26,460.00	31,213.00
Elsinore Valley Municipal Water District	24,934.00	29,881.00	26,946.00	30,411.00	27,401.00	27,348.00	31,942.00
March JPA	31,006.00	34,412.00	32,968.00	38,071.00	34,045.00	33,949.00	
San Jacinto Agricultural Operators	38,927.00	27,767.00	14,382.00	29,915.00	28,067.00	27,997.00	40,447.00
San Jacinto Dairy & CAFO Operators	2,850.00	-	-	3,000.00	1,500.00	-	1,500.00
<b>Total</b>	<b>768,261.00</b>	<b>808,536.00</b>	<b>710,154.00</b>	<b>901,952.00</b>	<b>797,859.00</b>	<b>794,455.00</b>	<b>939,243.00</b>
<b>Total Paid Contributions</b>	<b>768,261.00</b>	<b>808,536.00</b>	<b>710,154.00</b>	<b>901,952.00</b>	<b>797,859.00</b>	<b>794,455.00</b>	<b>819,250.00</b>
<b>Total Outstanding Contributions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>119,993.00</b>
<b>Total Outstanding Contributions</b>							
City of Lake Elsinore							38,831.00
City of Murrieta							39,215.00
San Jacinto Agricultural Operators							40,447.00
San Jacinto Dairy & CAFO Operators							1,500.00
<b>Total Outstanding All Years</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>119,993.00</b>

Lake Elsinore/San Jacinto Watershed Authority  
Statement of Net Assets  
For the Four Months Ending Friday, October 31, 2025

Assets

Checking - US Bank	\$117,828.61
L.A.I.F.	632,274.75
Accounts Receivable	119,993.00
Total Assets	<u>\$870,096.36</u>

Liabilities

Accounts Payable	92,708.53
Total Liabilities	<u>\$92,708.53</u>

Retained Earnings 131,373.61

Excess Revenue over (under) Expenditures \$646,014.22

Total Net Assets \$777,387.83

Total Liabilities and Net Assets \$870,096.36

Lake Elsinore/San Jacinto Watershed Authority  
Revenues, Expenses and Changes in Net Assets  
For the Four Months Ending Friday, October 31, 2025

	Period Actual	YTD Actual	Annual Budget	% Used	Budget Variance
<b>Revenues</b>					
LAIF Interest	\$2,163.77	\$2,163.77	\$10,000.00	21.64%	\$7,836.23
Valuation Income - LAIF	0.00	(301.25)	0.00	0.00%	301.25
Member Agency Contributions	0.00	377,693.00	379,793.00	99.45%	2,100.00
Other Agency Contributions	0.00	691,550.00	788,478.00	87.71%	96,928.00
<b>Total Revenues</b>	<b>\$2,163.77</b>	<b>\$1,071,105.52</b>	<b>\$1,178,271.00</b>	<b>90.90%</b>	<b>\$107,165.48</b>
<b>Expenses</b>					
Salaries - Regular	4,588.97	15,934.14	54,947.00	29.00%	39,012.86
Payroll Burden	1,849.35	6,421.46	22,143.00	29.00%	15,721.54
Overhead	7,801.25	27,088.03	93,410.00	29.00%	66,321.97
Audit Fees	0.00	3,250.00	5,625.00	57.78%	2,375.00
Consulting - General	224,376.54	368,102.40	870,448.00	42.29%	502,345.60
LEAMS Offset Credit License	0.00	0.00	124,500.00	0.00%	124,500.00
Legal Fees	900.00	900.00	1,000.00	90.00%	100.00
Meeting & Conference Expense	44.80	81.41	500.00	16.28%	418.59
Bank Charges	0.00	0.00	500.00	0.00%	500.00
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	0.00	200.00	0.00%	200.00
Insurance Expense	0.00	3,237.79	3,100.00	104.44%	(137.79)
Interest Expense	76.07	76.07	800.00	9.51%	723.93
<b>Total Expenditures</b>	<b>\$239,636.98</b>	<b>\$425,091.30</b>	<b>\$1,177,283.00</b>	<b>36.11%</b>	<b>\$752,191.70</b>
<b>Excess Revenue over (under) Expenditures</b>	<b>(\$237,473.21)</b>	<b>\$646,014.22</b>	<b>\$988.00</b>	<b>65386.05%</b>	<b>(\$645,026.22)</b>

**Lake Elsinore San Jacinto Watersheds Authority**  
**Revenues, Expenses and Changes in Net Assets by Project**  
**For the Month Ending October 31, 2025**

	JPA Administration	TMDL Task Force	Total	Budget	% Used	Budget Variance
<b>Revenues</b>						
LAIF Interest	2,163.77		2,163.77	10,000.00	21.64%	7,836.23
Member Agency Contributions	110,000.00	267,693.00	377,693.00	379,793.00	99.45%	2,100.00
Other Agency Contributions	20,000.00	671,550.00	691,550.00	788,478.00	87.71%	96,928.00
Miscellaneous Revenue			-	-	100.00%	-
<b>Total Revenues</b>	\$ 132,163.77	\$ 939,243.00	\$ 1,071,406.77	\$ 1,178,271.00	90.93%	\$ 106,864.23
<b>Expenditures</b>						
Salaries	\$ 8,814.48	\$ 7,119.66	\$ 15,934.14	\$ 54,947.00	29.00%	\$ 39,012.86
Benefits	3,552.23	2,869.23	6,421.46	22,143.00	29.00%	15,721.54
Indirect Costs	14,984.61	12,103.42	27,088.03	93,410.00	29.00%	66,321.97
Audit Fees	3,250.00		3,250.00	5,625.00	57.78%	2,375.00
Consulting	7,143.75	360,958.65	368,102.40	870,448.00	42.29%	502,345.60
Other Contract Services			-		0.00%	-
Legal Fees	900.00		900.00	1,000.00	90.00%	100.00
Contributions			-		0.00%	-
Meeting & Conference Expense	49.91	31.50	81.41	500.00	0.00%	418.59
Bank Charges			-	500.00	0.00%	500.00
Shipping & Postage			-	50.00	0.00%	50.00
Other Expense			-	200.00	0.00%	200.00
LEAMS Excess Offset Credit			-	124,500.00	0.00%	124,500.00
Insurance Expense	3,237.79		3,237.79	3,100.00	104.44%	(137.79)
Office Supplies				60.00	0.00%	60.00
Interest Expense	76.07		76.07	800.00	9.51%	723.93
<b>Total Expenditures</b>	\$ 42,008.84	\$ 383,082.46	\$ 425,091.30	\$ 1,177,283.00	36.11%	\$ 752,191.70
<b>Excess Revenue over (under) Expenditures</b>	\$ 90,154.93	\$ 556,160.54	\$ 646,315.47	\$ 988.00	100.00%	\$ (645,327.47)
 <b>Cash Balance @ 10/31/2025</b>	 <b>\$ 89,432.86</b>	 <b>\$ 660,670.50</b>	 <b>\$ 750,103.36</b>			

**Lake Elsinore San Jacinto  
Watershed Authority  
Disbursements  
October 2025**

<b>Check #</b>	<b>Check Date</b>	<b>Type</b>	<b>Vendor</b>	<b>Check Amount</b>
EFT654	10/9/2025	CHK	Santa Ana Watershed Project Authority	\$ 11,859.91
EFT655	10/9/2025	CHK	WSP USA Inc.	\$ 37,236.92
EFT656	10/9/2025	CHK	C.J. Brown & Company CPAs	\$ 40.00
EFT657	10/9/2025	CHK	GEI Consultants	\$ 31,660.71
EFT658	10/9/2025	CHK	Kahn, Soares & Conway, LLP	\$ 3,265.00
EFT659	10/16/2025	CHK	GEI Consultants	\$ 9,720.00
EFT660	10/23/2025	CHK	Tom Dodson & Associates	\$ 640.00
EFT661	10/23/2025	CHK	AquaTechnex LLC	\$ 177,639.31
EFT662	10/23/2025	CHK	DeGrave Communications	\$ 1,387.50
<b>Total Disbursements October 2025</b>				<b><u>\$ 273,449.35</u></b>

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*Lake Elsinore and San Jacinto Watersheds Authority*

*FINANCIAL STATEMENTS*

*November 2025*

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY  
 CASH FLOW STATEMENT  
 AS OF 11/30/2025

**Balance as of 10/31/2025** \$ 750,103.36

**Funds Received  
 Deposits:**

**Open - Grant Invoices**

**Open - Member & Other Contributions**

City of Lake Elsinore	\$38,831.00
City of Murietta	\$39,215.00
WRCACG	\$40,447.00
WRCACG	\$1,500.00
Total Due LESJWA	\$119,993.00

**Disbursement List - November 2025** \$ (45,488.75)

**Funds Available as of 11/30/2025** \$ 704,614.61

Funds Available:

Checking	\$ 72,339.86
LAIF	\$ 632,274.75
Total	<u><u>\$ 704,614.61</u></u>

Lake Elsinore San Jacinto Watersheds Authority  
 LE/CL TMDL Invoice History  
 FYE 2020 - 2026  
 as of November 30, 2025

Agency	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY2023-24	FY2024-25	FY2025-26
March ARB	32,863.00	36,460.00	33,216.00	38,751.00	34,425.00	34,329.00	40,368.00
CalTrans	34,286.00	37,651.00	32,757.00	39,848.00	33,721.00	33,625.00	36,698.00
City of Beaumont	28,251.00	28,935.00	27,070.00	32,082.00	28,056.00	27,960.00	32,713.00
City of Canyon Lake	33,754.00	37,787.00	34,393.00	40,695.00	36,069.00	35,973.00	41,528.00
City of Hemet	41,830.00	46,261.00	42,139.00	50,858.00	45,931.00	45,835.00	54,739.00
City of Lake Elsinore	33,361.00	34,071.00	31,795.00	35,573.00	33,046.00	32,950.00	38,831.00
City of Menifee	86,846.00	92,189.00	82,180.00	106,785.00	97,958.00	97,862.00	102,177.00
City of Moreno Valley	80,826.00	83,847.00	63,927.00	91,977.00	73,550.00	73,454.00	88,913.00
City of Murrieta	30,774.00	34,433.00	32,988.00	38,102.00	34,075.00	33,979.00	39,215.00
City of Perris	50,792.00	54,723.00	40,792.00	56,560.00	42,033.00	41,937.00	75,942.00
City of Riverside	26,751.00	28,635.00	27,070.00	32,082.00	28,056.00	27,960.00	32,713.00
City of San Jacinto	26,751.00	27,435.00	27,970.00	32,082.00	28,656.00	28,560.00	33,313.00
City of Wildomar	31,578.00	30,945.00	25,060.00	32,376.00	26,065.00	25,820.00	30,386.00
County of Riverside	81,634.00	88,734.00	83,361.00	114,620.00	112,093.00	111,997.00	155,392.00
Dept of Fish and Game	26,751.00	27,435.00	25,570.00	29,082.00	26,556.00	26,460.00	31,213.00
Eastern Municipal Water District	23,496.00	26,935.00	25,570.00	29,082.00	26,556.00	26,460.00	31,213.00
Elsinore Valley Municipal Water District	24,934.00	29,881.00	26,946.00	30,411.00	27,401.00	27,348.00	31,942.00
March JPA	31,006.00	34,412.00	32,968.00	38,071.00	34,045.00	33,949.00	
San Jacinto Agricultural Operators	38,927.00	27,767.00	14,382.00	29,915.00	28,067.00	27,997.00	40,447.00
San Jacinto Dairy & CAFO Operators	2,850.00	-	-	3,000.00	1,500.00	-	1,500.00
<b>Total</b>	<b>768,261.00</b>	<b>808,536.00</b>	<b>710,154.00</b>	<b>901,952.00</b>	<b>797,859.00</b>	<b>794,455.00</b>	<b>939,243.00</b>
<b>Total Paid Contributions</b>	<b>768,261.00</b>	<b>808,536.00</b>	<b>710,154.00</b>	<b>901,952.00</b>	<b>797,859.00</b>	<b>794,455.00</b>	<b>819,250.00</b>
<b>Total Outstanding Contributions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>119,993.00</b>
<b>Total Outstanding Contributions</b>							
City of Lake Elsinore							38,831.00
City of Murrieta							39,215.00
San Jacinto Agricultural Operators							40,447.00
San Jacinto Dairy & CAFO Operators							1,500.00
<b>Total Outstanding All Years</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>119,993.00</b>

Lake Elsinore/San Jacinto Watershed Authority  
Statement of Net Assets  
For the Five Months Ending Sunday, November 30, 2025

Assets

Checking - US Bank	\$72,339.86
L.A.I.F.	632,274.75
Accounts Receivable	119,993.00
Total Assets	<u>\$824,607.61</u>

Liabilities

Accounts Payable	100,221.57
Total Liabilities	<u>\$100,221.57</u>

Retained Earnings 131,373.61

Excess Revenue over (under) Expenditures \$593,012.43

    Total Net Assets \$724,386.04

Total Liabilities and Net Assets \$824,607.61

Lake Elsinore/San Jacinto Watershed Authority  
Revenues, Expenses and Changes in Net Assets  
For the Five Months Ending Sunday, November 30, 2025

	Period Actual	YTD Actual	Annual Budget	% Used	Budget Variance
<b>Revenues</b>					
LAIF Interest	\$0.00	\$2,163.77	\$10,000.00	21.64%	\$7,836.23
Valuation Income - LAIF	0.00	(301.25)	0.00	0.00%	301.25
Member Agency Contributions	0.00	377,693.00	379,793.00	99.45%	2,100.00
Other Agency Contributions	0.00	691,550.00	788,478.00	87.71%	96,928.00
<b>Total Revenues</b>	<b>\$0.00</b>	<b>\$1,071,105.52</b>	<b>\$1,178,271.00</b>	<b>90.90%</b>	<b>\$107,165.48</b>
<b>Expenses</b>					
Salaries - Regular	3,948.13	19,882.27	54,947.00	36.18%	35,064.73
Payroll Burden	1,591.09	8,012.55	22,143.00	36.19%	14,130.45
Overhead	6,711.82	33,799.85	93,410.00	36.18%	59,610.15
Audit Fees	0.00	3,250.00	5,625.00	57.78%	2,375.00
Consulting - General	40,680.55	408,782.95	870,448.00	46.96%	461,665.05
LEAMS Offset Credit License	0.00	0.00	124,500.00	0.00%	124,500.00
Legal Fees	0.00	900.00	1,000.00	90.00%	100.00
Meeting & Conference Expense	70.20	151.61	500.00	30.32%	348.39
Bank Charges	0.00	0.00	500.00	0.00%	500.00
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	0.00	200.00	0.00%	200.00
Insurance Expense	0.00	3,237.79	3,100.00	104.44%	(137.79)
Interest Expense	0.00	76.07	800.00	9.51%	723.93
<b>Total Expenditures</b>	<b>\$53,001.79</b>	<b>\$478,093.09</b>	<b>\$1,177,283.00</b>	<b>40.61%</b>	<b>\$699,189.91</b>
<b>Excess Revenue over (under) Expenditures</b>	<b>(\$53,001.79)</b>	<b>\$593,012.43</b>	<b>\$988.00</b>	<b>60021.50%</b>	<b>(\$592,024.43)</b>

**Lake Elsinore San Jacinto Watersheds Authority**  
**Revenues, Expenses and Changes in Net Assets by Project**  
**For the Month Ending November 30, 2025**

	JPA Administration	TMDL Task Force	Total	Budget	% Used	Budget Variance
<b>Revenues</b>						
LAIF Interest	2,163.77		2,163.77	10,000.00	21.64%	7,836.23
Member Agency Contributions	110,000.00	267,693.00	377,693.00	379,793.00	99.45%	2,100.00
Other Agency Contributions	20,000.00	671,550.00	691,550.00	788,478.00	87.71%	96,928.00
Miscellaneous Revenue			-	-	100.00%	-
<b>Total Revenues</b>	\$ 132,163.77	\$ 939,243.00	\$ 1,071,406.77	\$ 1,178,271.00	90.93%	\$ 106,864.23
<b>Expenditures</b>						
Salaries	\$ 11,996.57	\$ 7,885.70	\$ 19,882.27	\$ 54,947.00	36.18%	\$ 35,064.73
Benefits	4,834.61	3,177.94	8,012.55	22,143.00	36.19%	14,130.45
Indirect Costs	20,394.16	13,405.69	33,799.85	93,410.00	36.18%	59,610.15
Audit Fees	3,250.00		3,250.00	5,625.00	57.78%	2,375.00
Consulting	9,554.75	399,228.20	408,782.95	870,448.00	46.96%	461,665.05
Other Contract Services			-		0.00%	-
Legal Fees	900.00		900.00	1,000.00	90.00%	100.00
Contributions			-		0.00%	-
Meeting & Conference Expense	64.81	86.80	151.61	500.00	0.00%	348.39
Bank Charges			-	500.00	0.00%	500.00
Shipping & Postage			-	50.00	0.00%	50.00
Other Expense			-	200.00	0.00%	200.00
LEAMS Excess Offset Credit			-	124,500.00	0.00%	124,500.00
Insurance Expense	3,237.79		3,237.79	3,100.00	104.44%	(137.79)
Office Supplies				60.00	0.00%	60.00
Interest Expense	76.07		76.07	800.00	9.51%	723.93
<b>Total Expenditures</b>	\$ 54,308.76	\$ 423,784.33	\$ 478,093.09	\$ 1,177,283.00	40.61%	\$ 699,189.91
<b>Excess Revenue over (under) Expenditures</b>	\$ 77,855.01	\$ 515,458.67	\$ 593,313.68	\$ 988.00	100.00%	\$ (592,325.68)
<b>Cash Balance @ 11/30/2025</b>	<b>\$ 77,980.77</b>	<b>\$ 626,633.84</b>	<b>\$ 704,614.61</b>			

**Lake Elsinore San Jacinto  
Watershed Authority  
Disbursements  
November 2025**

<b>Check #</b>	<b>Check Date</b>	<b>Type</b>	<b>Vendor</b>	<b>Check Amount</b>
EFT663	11/5/2025	CHK	WSP USA Inc.	\$ 2,669.25
EFT664	11/5/2025	CHK	GEI Consultants	\$ 22,656.81
EFT665	11/20/2025	CHK	Santa Ana Watershed Project Authority	\$ 15,260.44
EFT666	11/20/2025	CHK	Kahn, Soares & Conway, LLP	\$ 3,096.00
EFT667	11/26/2025	CHK	DeGrave Communications	\$ 1,806.25
<b>Total Disbursements November 2025</b>				<b><u>\$ 45,488.75</u></b>

*Lake Elsinore and San Jacinto Watersheds Authority*

*FINANCIAL STATEMENTS*

*December 2025*

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY  
 CASH FLOW STATEMENT  
 AS OF 12/31/2025

**Balance as of 11/30/2025** \$ 704,614.61

**Funds Received**

**Deposits:**

**WRCAC** \$38,280.50

**Open - Grant Invoices**

**Open - Member & Other Contributions**

City of Lake Elsinore	\$38,831.00
City of Murietta	\$39,215.00
WRCAC	\$2,166.50
WRCAC	\$1,500.00
Total Due LESJWA	\$81,712.50

**Disbursement List - December 2025** \$ (51,393.78)

**Funds Available as of 12/31/2025** \$ 691,501.33

Funds Available:

Checking	\$ 59,226.58
LAIF	\$ 632,274.75
Total	\$ 691,501.33

Lake Elsinore San Jacinto Watersheds Authority  
 LE/CL TMDL Invoice History  
 FYE 2020 - 2026  
 as of December 31, 2025

Agency	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY2023-24	FY2024-25	FY2025-26
March ARB	32,863.00	36,460.00	33,216.00	38,751.00	34,425.00	34,329.00	40,368.00
CalTrans	34,286.00	37,651.00	32,757.00	39,848.00	33,721.00	33,625.00	36,698.00
City of Beaumont	28,251.00	28,935.00	27,070.00	32,082.00	28,056.00	27,960.00	32,713.00
City of Canyon Lake	33,754.00	37,787.00	34,393.00	40,695.00	36,069.00	35,973.00	41,528.00
City of Hemet	41,830.00	46,261.00	42,139.00	50,858.00	45,931.00	45,835.00	54,739.00
City of Lake Elsinore	33,361.00	34,071.00	31,795.00	35,573.00	33,046.00	32,950.00	38,831.00
City of Menifee	86,846.00	92,189.00	82,180.00	106,785.00	97,958.00	97,862.00	102,177.00
City of Moreno Valley	80,826.00	83,847.00	63,927.00	91,977.00	73,550.00	73,454.00	88,913.00
City of Murrieta	30,774.00	34,433.00	32,988.00	38,102.00	34,075.00	33,979.00	39,215.00
City of Perris	50,792.00	54,723.00	40,792.00	56,560.00	42,033.00	41,937.00	75,942.00
City of Riverside	26,751.00	28,635.00	27,070.00	32,082.00	28,056.00	27,960.00	32,713.00
City of San Jacinto	26,751.00	27,435.00	27,970.00	32,082.00	28,656.00	28,560.00	33,313.00
City of Wildomar	31,578.00	30,945.00	25,060.00	32,376.00	26,065.00	25,820.00	30,386.00
County of Riverside	81,634.00	88,734.00	83,361.00	114,620.00	112,093.00	111,997.00	155,392.00
Dept of Fish and Game	26,751.00	27,435.00	25,570.00	29,082.00	26,556.00	26,460.00	31,213.00
Eastern Municipal Water District	23,496.00	26,935.00	25,570.00	29,082.00	26,556.00	26,460.00	31,213.00
Elsinore Valley Municipal Water District	24,934.00	29,881.00	26,946.00	30,411.00	27,401.00	27,348.00	31,942.00
March JPA	31,006.00	34,412.00	32,968.00	38,071.00	34,045.00	33,949.00	
San Jacinto Agricultural Operators	38,927.00	27,767.00	14,382.00	29,915.00	28,067.00	27,997.00	40,447.00
San Jacinto Dairy & CAFO Operators	2,850.00	-	-	3,000.00	1,500.00	-	1,500.00
<b>Total</b>	<b>768,261.00</b>	<b>808,536.00</b>	<b>710,154.00</b>	<b>901,952.00</b>	<b>797,859.00</b>	<b>794,455.00</b>	<b>939,243.00</b>
<b>Total Paid Contributions</b>	<b>768,261.00</b>	<b>808,536.00</b>	<b>710,154.00</b>	<b>901,952.00</b>	<b>797,859.00</b>	<b>794,455.00</b>	<b>857,530.50</b>
<b>Total Outstanding Contributions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>81,712.50</b>
<b>Total Outstanding Contributions</b>							
City of Lake Elsinore							38,831.00
City of Murrieta							39,215.00
San Jacinto Agricultural Operators							2,166.50
San Jacinto Dairy & CAFO Operators							1,500.00
<b>Total Outstanding All Years</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>81,712.50</b>

Lake Elsinore/San Jacinto Watershed Authority  
Statement of Net Assets  
For the Six Months Ending Wednesday, December 31, 2025

Assets

Checking - US Bank	\$59,226.58
L.A.I.F.	632,274.75
Accounts Receivable	<u>81,712.50</u>
Total Assets	<u><u>\$773,213.83</u></u>

Liabilities

Accounts Payable	<u>121,942.42</u>
Total Liabilities	<u>\$121,942.42</u>

Retained Earnings 131,373.61

Excess Revenue over (under) Expenditures \$519,897.80

Total Net Assets \$651,271.41

Total Liabilities and Net Assets \$773,213.83

Lake Elsinore/San Jacinto Watershed Authority  
Revenues, Expenses and Changes in Net Assets  
For the Six Months Ending Wednesday, December 31, 2025

	Period Actual	YTD Actual	Annual Budget	% Used	Budget Variance
<b>Revenues</b>					
LAIF Interest	\$0.00	\$2,163.77	\$10,000.00	21.64%	\$7,836.23
Valuation Income - LAIF	0.00	(301.25)	0.00	0.00%	301.25
Member Agency Contributions	0.00	377,693.00	379,793.00	99.45%	2,100.00
Other Agency Contributions	0.00	691,550.00	788,478.00	87.71%	96,928.00
<b>Total Revenues</b>	<b>\$0.00</b>	<b>\$1,071,105.52</b>	<b>\$1,178,271.00</b>	<b>90.90%</b>	<b>\$107,165.48</b>
<b>Expenses</b>					
Salaries - Regular	6,360.73	26,243.00	54,947.00	47.76%	28,704.00
Payroll Burden	2,563.37	10,575.92	22,143.00	47.76%	11,567.08
Overhead	10,813.24	44,613.09	93,410.00	47.76%	48,796.91
Audit Fees	0.00	3,250.00	5,625.00	57.78%	2,375.00
Consulting - General	32,171.21	462,160.24	870,448.00	53.09%	408,287.76
LEAMS Offset Credit License	0.00	0.00	124,500.00	0.00%	124,500.00
Legal Fees	0.00	900.00	1,000.00	90.00%	100.00
Meeting & Conference Expense	0.00	151.61	500.00	30.32%	348.39
Bank Charges	0.00	0.00	500.00	0.00%	500.00
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	0.00	200.00	0.00%	200.00
Insurance Expense	0.00	3,237.79	3,100.00	104.44%	(137.79)
Interest Expense	0.00	76.07	800.00	9.51%	723.93
<b>Total Expenditures</b>	<b>\$51,908.55</b>	<b>\$551,207.72</b>	<b>\$1,177,283.00</b>	<b>46.82%</b>	<b>\$626,075.28</b>
<b>Excess Revenue over (under) Expenditures</b>	<b>(\$51,908.55)</b>	<b>\$519,897.80</b>	<b>\$988.00</b>	<b>52621.23%</b>	<b>(\$518,909.80)</b>

**Lake Elsinore San Jacinto Watersheds Authority**  
**Revenues, Expenses and Changes in Net Assets by Project**  
**For the Month Ending December 31, 2025**

	JPA Administration	TMDL Task Force	Total	Budget	% Used	Budget Variance
<b>Revenues</b>						
LAIF Interest	2,163.77		2,163.77	10,000.00	21.64%	7,836.23
Member Agency Contributions	110,000.00	267,693.00	377,693.00	379,793.00	99.45%	2,100.00
Other Agency Contributions	20,000.00	671,550.00	691,550.00	788,478.00	87.71%	96,928.00
Miscellaneous Revenue			-	-	100.00%	-
<b>Total Revenues</b>	\$ 132,163.77	\$ 939,243.00	\$ 1,071,406.77	\$ 1,178,271.00	90.93%	\$ 106,864.23
<b>Expenditures</b>						
Salaries	\$ 17,087.14	\$ 9,155.86	\$ 26,243.00	\$ 54,947.00	47.76%	\$ 28,704.00
Benefits	6,886.11	3,689.81	10,575.92	22,143.00	47.76%	11,567.08
Indirect Costs	29,048.13	15,564.96	44,613.09	93,410.00	47.76%	48,796.91
Audit Fees	3,250.00		3,250.00	5,625.00	57.78%	2,375.00
Consulting	11,979.75	450,180.49	462,160.24	870,448.00	53.09%	408,287.76
Other Contract Services			-		0.00%	-
Legal Fees	900.00		900.00	1,000.00	90.00%	100.00
Contributions			-		0.00%	-
Meeting & Conference Expense	64.81	86.80	151.61	500.00	0.00%	348.39
Bank Charges			-	500.00	0.00%	500.00
Shipping & Postage			-	50.00	0.00%	50.00
Other Expense			-	200.00	0.00%	200.00
LEAMS Excess Offset Credit			-	124,500.00	0.00%	124,500.00
Insurance Expense	3,237.79		3,237.79	3,100.00	104.44%	(137.79)
Office Supplies				60.00	0.00%	60.00
Interest Expense	76.07		76.07	800.00	9.51%	723.93
<b>Total Expenditures</b>	\$ 72,529.80	\$ 478,677.92	\$ 551,207.72	\$ 1,177,283.00	46.82%	\$ 626,075.28
<b>Excess Revenue over (under) Expenditures</b>	\$ 59,633.97	\$ 460,565.08	\$ 520,199.05	\$ 988.00	100.00%	\$ (519,211.05)
 <b>Cash Balance @ 12/31/2025</b>	 <b>\$ 75,569.77</b>	 <b>\$ 615,931.56</b>	 <b>\$ 691,501.33</b>			

**Lake Elsinore San Jacinto  
Watershed Authority  
Disbursements  
December 2025**

<b>Check #</b>	<b>Check Date</b>	<b>Type</b>	<b>Vendor</b>	<b>Check Amount</b>
EFT668	12/4/2025	CHK	Tom Dodson & Associates	\$ 1,090.00
EFT669	12/4/2025	CHK	WSP USA Inc.	\$ 5,384.80
EFT670	12/4/2025	CHK	Kahn, Soares & Conway, LLP	\$ 1,763.00
EFT671	12/11/2025	CHK	GEI Consultants	\$ 40,744.98
EFT672	12/18/2025	CHK	DeGrave Communications	\$ 2,411.00
<b>Total Disbursements December 2025</b>				<b><u>\$ 51,393.78</u></b>

## Lake Elsinore and Canyon Lake TMDL Task Force

August 20, 2025

**PARTICIPANTS PRESENT:**

Abigail Suter, Riverside County Flood Control & WCD	Pat Boldt, WRCAC
Andrew Morris, EVMWD	Rachael Johnson, Riverside County Farm Bureau
Anthony Budicin, EMWD	Rae Beimer, City of Moreno Valley
Brian Covellone, Regional Water Quality Control Board	Regina Adigwe, Regional Water Quality Control Board
Cecilia Salazar, City of Perris	Rebekah Guill, Riverside Flood Control & WCD
Cynthia Gabaldon, City of Menifee, Perris, San Jacinto, and March JPA	
Dale Welty, City of Canyon Lake	Ruby Cornejo, City of Canyon Lake
Dan Cortese, City of Hemet	Ryan Kearns, Riverside County Flood Control & WCD
Eric Lindberg, Regional Water Quality Control Board	Sharon Erb, March JPA
Garth Engelhorn, NV5	Shirley Colvin, City of Perris
Jagroop Khela, Regional Water Quality Control Board	Steven Wolosoff, GEI Consultants
Jim Klang, WRCAC	Stormy Osifeso, City of Riverside
John Rudolph, GEI Consultants	Sudhir Mohleji, Elsinore Valley Municipal Water District
Kris Hanson, City of Wildomar (Interwest)	Tariq Jouzi, Caltrans
Lauren Briggs, Regional Water Quality Control Board	Tess Dunham, Kahn, Soares & Conway, LLP
Lenai Hunter, Elsinore Valley Water District	
Lynn Merrill, City of San Jacinto	T Milford Harrison, SAWPA
Mike Ali, Elsinore Valley Municipal Water District	Gil Botello, SAWPA
Natasha Thandi, Caltrans (MBI)	Zyanya Ramirez, SAWPA
	Rick Whetsel, SAWPA

### Call to Order & Introductions

The Lake Elsinore/Canyon Lake TMDL Task (Task Force) meeting was called to order at 1:00 p.m. by Rick Whetsel, with participants participating remotely.

### Approval of Meeting Notes from June 25, 2025 Task Force Meeting

Deferred to next Task Force meeting.

### Status: Regional Board Update (Regional Board)

Lauren Briggs, Regional Board, reported that the Lake Elsinore and Canyon Lake TMDLs were adopted on July 25 and will next advance to the State Board, though no date has been set for consideration.

### Update: TMDL Update Activities (Tess Dunham, KSC and Steve Wolosoff, GEI)

#### *Update: Task 9 Minor Sources Study*

Tess Dunham, KSC, provided an update on the Minor Source Subcommittee's work, noting that different approaches are required for Agricultural programs versus MS4s due to differing permit structures. The committee plans to present full recommendations at the next task force meeting, including a proposal that entities in sub-watersheds 7, 8, or 9 above Mystic Lake be automatically designated as minor sources, while other areas would have separate pathways to demonstrate minor source status.

### Update: Canyon Lake (LESJWA Staff)

#### *Update: Alum Project CEQA Process*

Tess Dunham, KSC, provided an update on the CEQA addendum to extend the Canyon Lake alum program for five years beyond its current expiration (December 31, 2025), with LESJWA serving as lead agency. The addendum will be presented to the LESJWA board in November or December following public review. Steve Wolosoff and Rick Whetsel discussed the upcoming September 29 alum application, including pre- and post-application monitoring by GEI and a public workshop at the Canyon Lake POA on September 2 to inform residents and address recent fish kills.

The Task Force reviewed monitoring plans, effective evaluation of the Allen alum program, and additional testing including jar tests, sediment core analysis, and acute toxicity tests to ensure phosphorus reduction credit

and verify no alum-related toxicity. Budget for monitoring is estimated at \$27,000, partially covered by the project alternatives budget and contingency funds, with potential additional flexibility later in the year. The Canyon Lake POA will continue involvement in golden algae monitoring, supported by potential budget contributions from both the POA and EMWD. Tasks moving forward include pre- and post-application monitoring, identifying alternative projects, evaluating feasible options, preparing a final report, and including offset calculation methodology for regional board submission.

Moving forward, Steve will prepare a revised proposal focusing only on the short-term alum monitoring tasks, ensuring the offset calculation methodology is included. Rick will distribute the proposal via email for task force approval, and members are expected to review and vote by September 5th.

#### **Task Force Administration (LESJWA Staff)**

Rick Whetsel announced that invoices for the task force would be sent shortly for the fiscal year.

#### **Other Business**

Gil reported that Karen Williams had been unanimously appointed general manager of SAWPA, with Tess noting her positive impression after meeting Karen.

#### **Schedule Next Meeting**

The next LE/CL TMDL Task Force meeting is scheduled for Wednesday, October 8, 2025, at 9:00 a.m.

#### **Adjourn**

The meeting was adjourned at 2:14 p.m.

### Table Summary of Agreements and Actions

<b>Date of Action/Agreement</b>	<b>Action/Agreement</b>	<b>Responsible Entities Reaching Agreement</b>
September 28, 2021	<ul style="list-style-type: none"> <li>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.</li> </ul>	Voting Task Force members.
November 3, 2021	<ul style="list-style-type: none"> <li>Approve moving forward with the proposed step-wise approach to updating the TMDL Technical Report and its timeline.</li> </ul>	Voting Task Force members
January 10, 2022	-	-
March 2, 2022	<ul style="list-style-type: none"> <li>The Task Force agreed to submit a comment letter to the Draft Staff Working Proposal for MS4 Permit by March 18, 2022. Regional Board confirmed that they would accept the comments past their soft deadline of March 10.</li> <li>Approved the alum application to the Canyon Lake if the February monitoring data exceeds 0.09.</li> </ul>	Voting Task Force members
April 20, 2022	<ul style="list-style-type: none"> <li>Approved execution of the Key Principles for Technical TMDL Revision by Mark, Norton Task Force Administrator on behalf of the voting members of the task force subject to revisions discussed at the 4/20/2022 task force meeting.</li> <li>Approved submittal of the Task Force Comment letter to Regional Board on the Staff Working Proposal for the MS4 Permit upon revision discussed at the 4/20/2022 task force meeting. Regional Board abstained from action and conversation of this matter.</li> <li>Approved amendment #3 to extend the LE/CL TMDL Task Force Agreement for a period of three years to June 30, 2025, with the option that the Agreement, while still in full force and effect, may be extended an additional two years, to June 30, 2027, by means of Administrative Action by the Task Force Administrator</li> </ul>	Voting Task Force members; Excludes Regional Board in relation to the Comment Letter to Regional Board on the Staff Working Proposal for the MS4 Permit.
June 27, 2022	-	-
August 17, 2022	<ul style="list-style-type: none"> <li>Approved execution of the Key Principles for Technical TMDL Revision by Mark Norton, Task Force Administrator on behalf of the voting members of the LE&amp;CL TMDL Task Force.</li> <li>Approved a proposal by CDM Smith and a recommendation to the LESJWA Board to authorize a Task Order to update and revise the technical document and additional TMDL technical support services.</li> </ul>	Mark Norton, Task Force Administrator on behalf of the voting members of the LE&CL TMDL Task Force
September 27, 2022	-	-
November 14, 2022	<ul style="list-style-type: none"> <li>Transfer the remaining balance of the contract work supported by Steven Wolosoff as of December 31, 2022 from CDM Smith and enter into an agreement with GEI Consultants to complete work starting on January 1 2023.</li> <li>Exercise an option for a two year extension with WSP USA to oversee and implement TMDL Compliance Monitoring. Program.</li> </ul>	Voting Task Force members
January 10, 2023	-	-
February 15, 2023	<ul style="list-style-type: none"> <li>The Task Force moved to provide LESJWA staff in coordination with the Task Force consulting team the authority to make a determination on the need for a Spring 2023 alum application based upon review of the February 2023 Canyon Lake monitoring results to be provided by WSP USA.</li> </ul>	Voting Task Force members.
March 28, 2023	-	-
April 25, 2023	-	-
June 5, 2023	<ul style="list-style-type: none"> <li>Task Force approved LESJWA staff to rework the nutrient offset credits based solely on the need for total phosphorus offset credits and to invoice stakeholders for only 2022 TP offset credits. All</li> </ul>	Voting Task Force members.

	remaining funds are to be applied to stakeholders 2023 LEAMS budget allocation.	
August 7, 2023	<ul style="list-style-type: none"> <li>Task Force approved for LESJWA staff to prepare a Change Order for WSPUSA for an amount not to exceed \$10,330 to perform two additional Lake Elsinore in-lake monitoring events, one each in November and December 2023 using funds available from the LE&amp;CL TMDL Task Force reserve.</li> </ul>	Voting Task Force members.
August 27 2024	<ul style="list-style-type: none"> <li>Task Force approved LESJWA staff to extend Agreement for Services with Tess Dunham, Kahn, Soares &amp; Conway to serve as Regulatory Compliance Expert for the Lake Elsinore and Canyon Lake TMDL Task Force for two additional years for FYEs 2026 and 2027.</li> <li>Task Force approved LESJWA staff to extend Agreement with Aquatechnex in one-year increments. At this time LESJWA staff will extend the agreement for CT 2025 to provide for two semi-annual Canyon Lake alum dosings to support the Lake Elsinore and Canyon Lake TMDL Task force.</li> </ul>	Voting Task Force members.

## **LESJWA BOARD MEMORANDUM NO. 2026.1**

**DATE:** April 16, 2026

**SUBJECT:** Report on Audit for Fiscal Year Ending June 30, 2025

**TO:** LESJWA Board of Directors

**FROM:** Karen Williams, Chief Financial Officer

### **RECOMMENDATION**

Receive and file the FY 2024-25 Report on Audit prepared by C.J. Brown & Company CPAs, and direct staff to file the Report on Audit with respective government agencies as required by law.

### **DISCUSSION**

Attached for your review, receipt, and filing is LESJWA's FY 2024-25 Report on Audit (Financial Statements) prepared by C.J. Brown & Company CPAs.

All government agencies and/or special districts must contract for an independent financial audit as required by California Government Code. Staff is pleased to report that the financial statements presented herein contain no qualifications or reportable conditions. This indicates that LESJWA's financial reporting meets generally accepted accounting principles (GAAP), is compliant with applicable State and Federal laws and regulations, and that its internal controls are sufficient to safeguard against material errors or fraud.

Karen Williams will present the audit and respond to questions the Board may have regarding LESJWA's Report on Audit for the fiscal year ending June 30, 2025.

### **RESOURCES IMPACT**

None.

#### Attachments:

1. LESJWA Management Report
2. LESJWA SAS 114 Conclusion Letter (Report on Internal Controls)
3. LESJWA Annual Financial Report

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

**Dear Members of the Board:**

In planning and performing our audit of the financial statements of Lake Elsinore & San Jacinto Watersheds Authority (Authority) as of and for the year ended June 30, 2025, in accordance with auditing standards generally accepted in the United States of America, we considered Authority 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 our opinions on the financial statements, but not 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 over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- Reasonably possible. The chance of the future event or events occurring is more than remote but less than likely.
- Probable. The future event or events are likely to occur.

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

**Current Year Comment and Recommendation**

*None Noted*

**Prior Year Comment and Recommendation**

*None Noted*

\*\*\*\*\*

This communication is intended solely for the information and use of management, the Board of Commissioners, and others within the Authority, and is not intended to be, and should not be, used by anyone other than these specified parties. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

We appreciate the courtesy and cooperation extended to us during our examination. We would be pleased to discuss the contents of this letter with you at your convenience. Please do not hesitate to contact us.

**C.J. Brown & Company, CPAs**  
Cypress, California  
February 19, 2026

Working Draft Subject to Review

# **Report on Internal Controls and Compliance**

*Working Draft Subject to Review*

**Independent Auditor's 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 Lake Elsinore & San Jacinto Watersheds Authority (Authority) as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprises the Authority's basic financial statements, and have issued our report thereon dated February 19, 2026.

**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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not 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 entity'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 severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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 weaknesses. 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 from 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 determination of financial statement amounts. 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*.

**Independent Auditor's 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*, continued**

**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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**C.J. Brown & Company, CPAs**  
Cypress, California  
February 19, 2026

Working Draft Subject to Review

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# 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 For the Fiscal Year Ended June 30, 2025**

# 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, 2025

<u>Representing</u>	<u>Name</u>	<u>Title</u>	<u>Appointment</u>
City of Lake Elsinore	Robert E. Magee	Chair	December 2016
Elsinore Valley Municipal Water District	Andy Morris	Vice Chair	January 2023
Santa Ana Watershed Project Authority	Brenda Dennstedt	Secretary/ Treasurer	January 2017
City of Canyon Lake	Jeremy Smith	Director	January 2025
County of Riverside	Karen Spiegel	Director	January 2023

Lake Elsinore & San Jacinto Watersheds Authority  
Rick Whetsel, Authority Administrator  
11615 Sterling Avenue  
Riverside, CA 92503 • (951) 351-4220  
[www.mywatersheds.com](http://www.mywatersheds.com)

**Lake Elsinore & San Jacinto Watersheds Authority**  
**Annual Financial Report**  
**For the Fiscal Year Ended June 30, 2025**

*Working Draft Subject to Review*

**Lake Elsinore & San Jacinto Watersheds Authority**  
**Annual Financial Report**  
**For the Fiscal Year Ended June 30, 2025**

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# Financial Section

*Working Draft Subject to Review*

*Working Draft Subject to Review*

## Independent Auditor's Report

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

### Report on the Financial Statements

#### *Opinion*

We have audited the accompanying financial statements of the governmental activities of the Lake Elsinore & San Jacinto Watersheds Authority (Authority) as of and for the year ended June 30, 2025, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

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 Lake Elsinore & San Jacinto Watersheds Authority as of June 30, 2025, 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.

#### *Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audit 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 our audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Responsibilities of Management 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 controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## Independent Auditor's Report, continued

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## Independent Auditor's Report, continued

### ***Other Matters***

#### ***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 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 required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, 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 information 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 an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The organization information is presented for purposes of additional analysis and are not a required part of the basic financial statements.

#### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated February 19, 2026, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of this 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 the internal control over financial reporting 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 over financial reporting and compliance. This report can be found on pages 32 and 33.

**C.J. Brown & Company, CPAs**

Cypress, California

February 19, 2026

**Lake Elsinore & San Jacinto Watersheds Authority**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2025**

## **The Authority**

The Lake Elsinore & San Jacinto Watersheds Authority (Authority) 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 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 (SAWPA).

## **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 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 assets 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.

**Lake Elsinore & San Jacinto Watersheds Authority**  
**Management's Discussion and Analysis, continued**  
**For the Fiscal Year Ended June 30, 2025**

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 pages 14 through 17 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to 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 through 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 \$131,373 at June 30, 2025.

**Net Position**

	2025	2024	2023
<b>Assets</b>			
Current and Other Assets	\$ 300,378	406,644	317,316
<b>Total Assets</b>	<b>300,378</b>	<b>406,644</b>	<b>317,316</b>
<b>Liabilities</b>			
Current Liabilities	169,005	222,665	161,977
<b>Total Liabilities</b>	<b>169,005</b>	<b>222,665</b>	<b>161,977</b>
<b>Net Position</b>			
Restricted: LEAMS Program	54,900	56,400	56,400
Unrestricted	76,473	127,579	98,939
<b>Total Net Position</b>	<b>\$ 131,373</b>	<b>183,979</b>	<b>155,339</b>

The following denotes explanations of some of the changes between this fiscal year and the previous fiscal year:

- The \$106,266 decrease in Current and Other Assets and the \$53,660 decrease in Current Liabilities are both primarily due to regulatory work being done by a consultant at the end of the previous fiscal year. This resulted in the invoice being paid during FY 2025, decreasing both current liabilities and current assets.

**Lake Elsinore & San Jacinto Watersheds Authority**  
**Management's Discussion and Analysis, continued**  
**For the Fiscal Year Ended June 30, 2025**

**Categories of Net Position**

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

Net, Investment in Capital Assets

At June 30, 2025, the Authority did not report any amounts which qualify as net invested in capital assets, net of related debt.

Restricted

At June 30, 2025, the Authority reported restricted net position of \$54,900.

Unrestricted

At June 30, 2025, the Authority reported unrestricted net position of \$76,473.

Change in Net Position

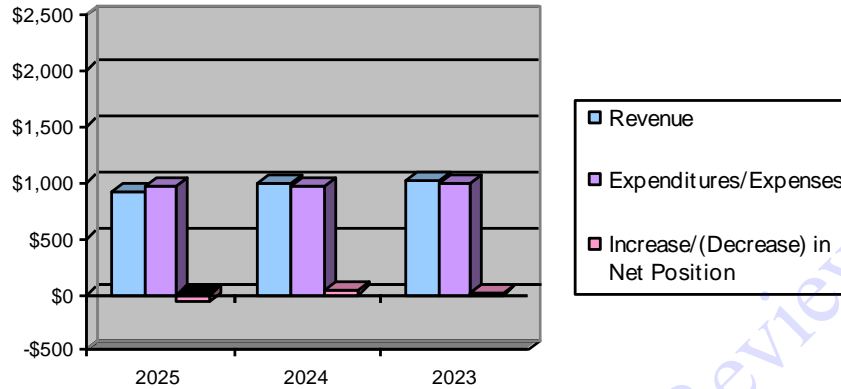
Overall, the fiscal year ending June 30, 2025, resulted in net position of \$131,373, a decrease of 28.59% or \$52,606 from the previous year.

**Changes in Net Position**

Item Category	2025	2024	2023
	Amount	Amount	Amount
Program Revenues	\$ 606,187	721,343	815,273
General Revenues	315,372	262,893	201,677
Total Revenues	921,559	984,236	1,016,950
Total Expenses	974,165	955,596	998,189
Change in Net Position	(52,606)	28,640	18,761
Beginning Net Position	183,979	155,339	136,578
<b>Ending Net Position</b>	<b>\$ 131,373</b>	<b>183,979</b>	<b>155,339</b>

**Lake Elsinore & San Jacinto Watersheds Authority**  
**Management's Discussion and Analysis, continued**  
**For the Fiscal Year Ended June 30, 2025**

**Change in Net Position**  
(In thousands)



Revenues

Combined revenues for the fiscal year totaled \$921,559, a decrease of 6.37% or \$62,677 from the prior fiscal year. The following table presents a comparison of revenues by category for the fiscal years 2025, 2024, and 2023.

**Revenues – Government Wide**

Revenue Category	2025		2024		2023	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Capital and Operating Grants	\$ 606,187	65.78%	721,343	73.29%	815,273	80.17%
Member Contributions	298,268	32.37%	238,966	24.28%	196,679	19.34%
Investment Returns, Net of Fair Value	17,104	1.86%	18,427	1.87%	4,998	0.49%
Other	-	0.00%	5,500	0.56%	-	0.00%
<b>Total Revenues</b>	<b>\$ 921,559</b>	<b>100.00%</b>	<b>984,236</b>	<b>100.00%</b>	<b>1,016,950</b>	<b>100.00%</b>

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

- The \$115,156 decrease in capital and operating grants is due to an annual invoice for the County of Riverside being charged to Other Agency Contributions in FY 2024, however it was moved to Member Contributions in FY 2025. There were also contributions in FY 2024 for the LESJWA water summit that increased the number for that year only.
- The \$59,302 increase in member contributions is due to the reclassifying of an annual invoice for the County of Riverside from Other Agency Contributions in FY 2024 to Member Contributions for FY 2025.

**Lake Elsinore & San Jacinto Watersheds Authority**  
**Management's Discussion and Analysis, continued**  
**For the Fiscal Year Ended June 30, 2025**

Expenses

Combined expenditures for the fiscal year totaled \$974,165, an increase of 1.94% or \$18,569 from the prior fiscal year. The following table presents a comparison of expenditures by category for the fiscal years 2025, 2024, and 2023.

**Expenses – Government Wide**

Expense Category	2025		2024		2023	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Administrative	\$ 140,716	14.44%	155,824	16.31%	215,890	21.63%
Audit fees	5,993	0.61%	4,675	0.49%	5,875	0.59%
Consulting	763,235	78.35%	738,206	77.25%	719,691	72.10%
Legal fees	8,837	0.91%	68	0.01%	-	0.00%
Interest expense	484	0.05%	423	0.04%	333	0.03%
Other	54,900	5.64%	56,400	5.90%	56,400	5.65%
<b>Total Expenses</b>	<b>\$ 974,165</b>	<b>100.00%</b>	<b>955,596</b>	<b>100.00%</b>	<b>998,189</b>	<b>100.00%</b>

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

- The \$15,108 decrease in administrative costs is due to a vacancy in the Planning department for part of the year, which resulted in lower administrative expenses.
- The \$25,029 increase in consulting costs is due to an increase in the cost of aluminum sulfate (alum) used for the Canyon Lake alum application.

**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, 2025, the Authority's general fund reported an ending fund balance of \$131,373, a decrease of 28.59% or \$52,606 as compared to the previous year. The fund balance is made up of restricted funds of \$54,900 for the LEAMS program and \$76,473 in unreserved fund balance.

The General fund is the primary operating fund of the Authority. As a measure of the General fund's liquidity, it may be useful to compare total fund balance to total fund expenditures.

The fund balance in the Authority's General fund decreased by \$52,606 during the fiscal year as compared to the prior year.

**Lake Elsinore & San Jacinto Watersheds Authority**  
**Management's Discussion and Analysis, continued**  
**For the Fiscal Year Ended June 30, 2025**

Governmental Funds, continued

Overall, the general fund's performance resulted in expenditures exceeding revenues in the fiscal year ended June 30, 2025, by \$52,606. In the prior year, general fund revenues exceeded expenditures by \$28,640.

Major Programs Affecting the Financial Statements

The Canyon Lake Alum Application Project entails 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. Project costs are allocated among participating TMDL Task Force members, based upon their estimated nutrient load contribution to Canyon Lake. In FYE 2025, the Canyon Lake Alum project was again budgeted at \$240,677, but actual costs to implement the project were \$282,527. This increase in costs to implement the program were due to a significant increase in the cost of alum and were covered by drawing on funds from the stakeholder's cash reserve.

Cost of alum:

In 2024, the Authority purchased 132,135 gallons at an average of \$1.34 per gallon.

In 2025, the Authority purchased 129,918 gallons at an average of \$1.64 per gallon.

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 2025, the licensing of excess nutrient offset credits to stakeholders with TMDL compliance obligations was budgeted at \$124,500, however; the cost of nutrient offset credits purchased was only \$68,400, due to the unavailability of nitrogen offset credits. The remaining funds of \$56,100 were again allocated to the stakeholder's cash reserve and will be applied as credit to the FY 2025-26 stakeholder invoices. 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 Lake Elsinore and Canyon Lake Nutrient TMDLs. This includes regular monthly monitoring of both Lake Elsinore and Canyon Lake and watershed-wide storm monitoring of up to three annual events. Project costs are allocated among participating TMDL Task Force members, based upon equal cost shares. In FYE 2025, the cost to fund this project was budgeted at \$259,880.

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. This included an annual cost of \$30,000 to provide technical support to the Task Force and an additional budget of \$50,000 to continue efforts to update the 2018 revised TMDL Technical report and other supporting documents. Project costs are allocated among participating TMDL Task Force members, based upon equal cost shares. In FYE 2025, the cost to fund this effort was budgeted at \$80,000.

**Lake Elsinore & San Jacinto Watersheds Authority**  
**Management's Discussion and Analysis, continued**  
**For the Fiscal Year Ended June 30, 2025**

**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, 2025.

**Budget versus Actual – General Fund**  
**For the Year Ended June 30, 2025**

	Budgeted Amounts Original and Final	Actual Amounts Budgetary and GAAP Basis	Variance with Budget Positive (Negative)
<b>Revenues</b>			
Capital and Operating Grants	\$ 663,251	606,187	(57,064)
Member Contributions	300,709	298,268	(2,441)
Investment Earnings, Net of Fair Value	1,650	17,104	15,454
JPA cash balance transfer	10,410	-	(10,410)
<b>Total Revenues</b>	<b>976,020</b>	<b>921,559</b>	<b>(54,461)</b>
<b>Expenses</b>			
Administrative	192,010	140,716	51,294
Audit fees	6,200	5,993	207
Consulting	664,010	763,235	(99,225)
Legal fees	1,100	8,837	(7,737)
Interest expense	200	484	(284)
Other	112,500	54,900	57,600
<b>Total Expenses</b>	<b>976,020</b>	<b>974,165</b>	<b>1,855</b>
Excess of Expenditures Over Revenues	\$ -	(52,606)	(52,606)
Fund Balances – Beginning of Year		183,979	
Fund Balances – End of Year		131,373	

**Lake Elsinore & San Jacinto Watersheds Authority**  
**Management's Discussion and Analysis, continued**  
**For the Fiscal Year Ended June 30, 2025**

**General Fund Budgetary Variances, continued**

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

- The \$99,225 negative variance for consulting expenses is due to an unanticipated increase in the cost of alum used in the Canyon Lake alum treatment. The cost of the alum increased by approximately 22% from the previous year.
- The \$51,294 positive variance for administrative expenses is primarily due to a vacancy in the Planning department, which resulted in a lower amount of administrative costs being charged to the Authority.
- The \$57,064 negative variance for capital operating grants is due to the LEAMS Nutrient Offset Credit Program funds held in the reserve account that were carried over and applied to FYE 2025 from FYE 2024. Therefore, lower than anticipated amounts needed to be collected from stakeholders.
- The \$57,600 positive variance for other expenses is due to LEAMS nutrient offset credits being lower than expected due to lack of available total nitrogen credits for licensing to stakeholders.

**Capital Assets**

Existing Capital Assets

The Authority did not have any capital assets as of June 30, 2025.

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, 2025.

# **Basic Financial Statements**

*Working Draft Subject to Review*

**Lake Elsinore & San Jacinto Watersheds Authority**  
**Statement of Net Position**  
**June 30, 2025**

	<b>2025</b>
<b>Assets:</b>	
Cash and cash equivalents (note 2)	\$ 296,661
Accrued interest receivable	3,717
<b>Total assets</b>	<b>300,378</b>
<b>Liabilities:</b>	
Accounts payable and accrued expenses	169,005
<b>Total liabilities</b>	<b>169,005</b>
<b>Net position (note 3):</b>	
Restricted: LEAMS Program	54,900
Unrestricted	76,473
<b>Total net position</b>	<b>\$ 131,373</b>

Working Draft Subject to Review

See accompanying notes to the basic financial statements

**Lake Elsinore & San Jacinto Watersheds Authority**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2025**

	<b>2025</b>
<b>Expenses:</b>	
Administrative	\$ 140,716
Audit fees	5,993
Consulting	763,235
Legal fees	8,837
Interest expense	484
Other	54,900
<b>Total expenses</b>	<b>974,165</b>
<b>Program revenues:</b>	
Capital and operating grants	606,187
<b>Total program revenues</b>	<b>606,187</b>
<b>Net program expense</b>	<b>(367,978)</b>
<b>General revenues:</b>	
Member contributions	298,268
Investment returns, net of fair value	17,104
<b>Total general revenues</b>	<b>315,372</b>
<b>Change in net position</b>	<b>(52,606)</b>
Net position – beginning of year	183,979
Net position – end of year	\$ 131,373

See accompanying notes to the basic financial statements

**Lake Elsinore & San Jacinto Watersheds Authority**  
**Balance Sheet**  
**Governmental Fund**  
**June 30, 2025**

		<b>General Fund</b>
<b>Assets:</b>		
Cash and cash equivalents	\$	296,661
Accrued interest receivable		<u>3,717</u>
<b>Total assets</b>	<b>\$</b>	<b><u><u>300,378</u></u></b>
<b>Liabilities:</b>		
Accounts payable and accrued expenses		<u>169,005</u>
<b>Total liabilities</b>		<u>169,005</u>
<b>Fund balance (note 3):</b>		
Restricted: LEAMS Program		54,900
Unassigned		<u>76,473</u>
<b>Total fund balance</b>		<u>131,373</u>
<b>Total liabilities and fund balance</b>	<b>\$</b>	<b><u><u>300,378</u></u></b>

Working Draft Subject to Review

See accompanying notes to the basic financial statements

**Lake Elsinore & San Jacinto Watersheds Authority**  
**Reconciliation of the Governmental Fund Balance Sheet**  
**to the Statement of Net Position**  
**June 30, 2025**

Fund balance of governmental fund	\$	131,373
<p>Amounts reported for governmental activities in the  Statement of Net Position are different because:</p>		
<i>No Reportable Items</i>		-
Net position of governmental activities	\$	131,373

Working Draft Subject to Review

See accompanying notes to the basic financial statements

**Lake Elsinore & San Jacinto Watersheds Authority**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**For the Fiscal Year Ended June 30, 2025**

		<u>General Fund</u>
<b>Revenues:</b>		
Capital and operating grants	\$	606,187
Member contributions		298,268
Investment returns, net of fair value		17,104
		<hr/>
<b>Total revenues</b>		<b>921,559</b>
<b>Expenditures:</b>		
Administrative		140,716
Audit fees		5,993
Consulting		763,235
Legal fees		8,837
Interest expense		484
Other		54,900
		<hr/>
<b>Total expenditures</b>		<b>974,165</b>
<b>Excess of revenues over expenditures</b>		<b>(52,606)</b>
Fund balance – beginning of year		183,979
		<hr/>
Fund balance – end of year	\$	<u>131,373</u>

See accompanying notes to the basic financial statements

**Lake Elsinore & San Jacinto Watersheds Authority**  
**Reconciliation of the Governmental Fund Statement of Revenues, Expenditures,**  
**and Changes in Fund Balance to the Statement of Activities**  
**For the Fiscal Year Ended June 30, 2025**

Net change in fund balance – governmental fund	\$	(52,606)
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Amounts reported for governmental activities in the  
Statement of Activities are different because:

<i>No Reportable Items</i>		-
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Net position of governmental activities	\$	(52,606)
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Working Draft Subject to Review

See accompanying notes to the basic financial statements

**Lake Elsinore & San Jacinto Watersheds Authority**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2025**

**(1) Reporting Entity and Summary of Significant Accounting Policies**

**A. Organization and Operations of the Reporting Entity**

The Lake Elsinore & San Jacinto Watersheds Authority (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 of the Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, 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 recognized in the period in which the 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. Accompanying these statements is a schedule to reconcile and explain the differences in fund balances as presented in these statements to the net position presented in the Government-wide Financial Statements.

**Lake Elsinore & San Jacinto Watersheds Authority**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Year Ended June 30, 2025**

**(1) Reporting Entity and Summary of Significant Accounting Policies, continued**

**B. Basis of Accounting and Measurement Focus, continued**

***Governmental Fund Financial Statements, continued***

Governmental funds are accounted for on a spending, or *current financial resources* measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and liabilities 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 finance 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 investment returns 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 accounts of the Authority are organized on a fund basis, of which is considered a separate accounting entity with a self-balancing set of accounts established for the purpose of carrying out specific activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

The fund is organized into one major category: governmental. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the Authority or meets the following criteria:

- a) Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental fund or proprietary fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b) Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund are at least 5 percent of the corresponding total for all governmental funds combined.
- c) The entity has determined that a fund is important to the financial statement user.

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. Financial Reporting**

The Authority’s basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to governmental funds. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**Lake Elsinore & San Jacinto Watersheds Authority**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Year Ended June 30, 2025**

**(1) Reporting Entity and Summary of Significant Accounting Policies, continued**

**C. Financial Reporting, continued**

The Authority has adopted the following GASB pronouncements in the current year:

*Governmental Accounting Standards Board Statement No. 101*

In June 2022, the GASB issued Statement No. 101 – *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

*Governmental Accounting Standards Board Statement No. 102*

In December 2023, the GASB issued Statement No. 102 – *Certain Risk Disclosures*. The primary objective of this Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact to have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged.

**D. Assets, Liabilities, and Net Position**

**1. Use of Estimates**

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and disclosures of contingent assets and liabilities at the date of the financial statements and the reported changes in net position during the reporting period. Actual results could differ from those estimates.

**Lake Elsinore & San Jacinto Watersheds Authority**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Year Ended June 30, 2025**

**(1) Reporting Entity and Summary of Significant Accounting Policies, continued**

**D. Assets, Liabilities, and Net Position, continued**

**2. Cash and Cash Equivalents**

Substantially all of the 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.

**3. Investments and Investment Policy**

The Authority has adopted an investment policy directing the Authority's Chief Financial Officer to deposit funds in financial institutions. Investments are made in the following area:

- State of California Local Area Investment Fund (LAIF)

LAIF is regulated by California Government Code Section 16429 and is under the management of the State of California Treasurer's Office with oversight provided by the Local Agency Investment Advisory Board.

LAIF is carried at fair value based on the value of each participating dollar as provided by LAIF. The fair value of the Authority's position in the LAIF is the same as the value of its pooled share. Investments in securities of the U.S. government or its agencies are carried at fair value based on quoted market prices. Bank balances are secured by the pledging of a pool of eligible securities to collateralize the Authority's deposits with the bank in accordance with the Code.

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

**4. Accounts Receivable and Allowance for Bad Debts**

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 Statement of Net Position. There is no allowance for the fiscal year ended June 30, 2025.

**5. Prepaid Expenses**

Certain payments to vendors reflect costs or deposits applicable to future accounting periods and are recorded as prepaid items in the basic financial statements. There were no prepaid expenses for the fiscal year ended June 30, 2025.

**6. Unearned Revenue**

Unearned revenues represent task force contributions budgeted for the next fiscal year received in the current fiscal year. There were no unearned revenues for the fiscal year ended June 30, 2025.

**7. Net Position**

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

- **Net Investment in Capital Assets** – Consists of capital assets, net of accumulated depreciation and reduced by any outstanding debt outstanding against the acquisition, construction or improvement of those assets. The Authority has no amounts which qualify for the net investment in capital asset category.

**Lake Elsinore & San Jacinto Watersheds Authority**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Year Ended June 30, 2025**

**(1) Reporting Entity and Summary of Significant Accounting Policies, continued**

**D. Assets, Liabilities, and Net Position, continued**

**7. Net Position, continued**

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

- **Restricted** – Consists of constraints placed on net position use through external constraints imposed by creditors, grantors, contributors, or 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** – Consists of net position that does not meet the definition of *net investment in capital assets or restricted*.

**8. Fund Balance**

The governmental fund financial statements report fund balance as non-spendable, 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.

- **Non-spendable 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 for the LEAMS program for the purchase of TMDL credits for program participants.
- **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 that 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 that purpose.
- **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 the unrestricted, committed, assigned and unassigned resources as they are needed.

**Lake Elsinore & San Jacinto Watersheds Authority**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Year Ended June 30, 2025**

**(1) Reporting Entity and Summary of Significant Accounting Policies, continued**

**D. Assets, Liabilities, and Net Position, continued**

**8. 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 maintain an unrestricted fund balance in its funds sufficient to fund cash flows of the Authority and to 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 taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures.

**9. 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, 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.

**(2) Cash and Cash Equivalents**

Cash and investment as of June 30 are classified in the Statement of Net Position as follows:

	<b>2025</b>
Cash and cash equivalents	\$ 296,661

Cash and Investment as of June 30 consisted of the following:

	<b>2025</b>
Deposits with financial institution	\$ 44,966
Local Agency Investment Fund (LAIF)	251,695
Total cash and investments	\$ 296,661

**Lake Elsinore & San Jacinto Watersheds Authority**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Year Ended June 30, 2025**

**(2) Cash and Cash Equivalents, continued**

As of June 30, the Authority's authorized deposits had the following maturity:

	<b>2025</b>
Deposits held with the California Local Agency Investment Fund (LAIF)	248 days

***Authorized Deposits and Investments***

Under the provisions of the Authority's investment policy, and in accordance with Section 53601 of the California Government Code, the Authority may invest in certain types of investments as listed in Note 1.D.3 to the financial statements.

***Investment in the California State Investment Pool***

The Authority is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code Section 16429 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 pro-rata 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. Amounts held with LAIF are highly liquid, as deposits can be converted to cash within a twenty-four-hour period without loss of accrued interest. LAIF detail may be obtained from the State of California Treasurer's website at [www.treasurer.ca.gov/pmia-laif/index.asp](http://www.treasurer.ca.gov/pmia-laif/index.asp).

The pool portfolio is invested in a manner that meets the maturity, quality, diversification, and liquidity requirements set forth by GASB 79 for external investment pools that elect to measure, for financial reporting purposes, investments at amortized cost. LAIF does not have any legally binding guarantees of share values. LAIF does not impose liquidity fees or redemption gates on participant withdrawals.

***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 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. 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 the Basic Financial Statements, continued**  
**For the Fiscal Year Ended June 30, 2025**

**(2) Cash and Cash Equivalents, continued**

***Custodial Credit Risk, continued***

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 governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit), and, the Authority's investment policy that requires no more than two-thirds of the Authority's deposits in a depository shall be collateralized by mortgage-backed securities, with the remainder to be secured by non-mortgage-backed securities.

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. California law also allows financial institutions to secure Authority deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. Of the Authority's bank balances, up to \$250,000 is federally insured and the remaining balance is collateralized in accordance with the Code; however, the collateralized securities are not held in the Authority's name.

***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 of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Authority manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio matures, or comes close to maturity evenly over time, as necessary to provide requirements for cash flow and liquidity needed for operations.

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. California law also allows financial institutions to secure Authority deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. Of the bank balances, up to \$250,000 is federally insured and the remaining balance is collateralized in accordance with the Code; however, the collateralized securities are not held in the Authority's name.

Information about the sensitivity of the fair values of the Authority's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Authority's investments by maturity date.

***Credit Risk***

Generally, 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. LAIF is not rated.

Per the Authority's investment policy, credit risk is mitigated by investing in safe securities, and diversifying the investment portfolio so the failure of one issuer would not materially affect the Authority's cash flow. Presented below is the minimum rating required by (where applicable) the California Government Code, the Authority's investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

**Lake Elsinore & San Jacinto Watersheds Authority**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Year Ended June 30, 2025**

**(2) Cash and Cash Equivalents, continued**

***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 non-governmental issuer as stipulated by the California Government Code. The Authority's deposit portfolio with governmental agencies, LAIF, is 85% of the Authority's total depository and investment portfolio. There were no investments in any one non-governmental issuer that represented 5% or more of the Authority's total investments.

***Fair Value Measurements***

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

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

**(3) Fund Balance**

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned (See Note 1.D.8 for a description of these categories). A detailed schedule of fund balances and their funding composition at June 30, 2025 is as follows:

Restricted:		
LEAMS Program	\$	54,900
Unassigned		76,473
Total fund balance	\$	131,373

**(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, 2025 were \$138,524. Amounts paid to SAWPA for fiscal year 2024-2025 consisted of \$45,688 for salaries, \$16,631 for benefits, \$74,745 for overhead allocation, \$484 for interest expense, and \$976 for other expenses. At June 30, 2025, the amount due to SAWPA was \$2,030.

**(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 the Basic Financial Statements, continued**  
**For the Fiscal Year Ended June 30, 2025**

**(6) Governmental Accounting Standards Board Statements Issued, Not Yet Effective**

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to June 30, 2025, that have effective dates that may impact future financial presentations.

***Governmental Accounting Standards Board Statement No. 103***

In April 2024, the GASB issued Statement No. 103 – Financial Reporting Model Improvements. The primary objective of this Statement is to improve key components of the financial reporting model to enhance effectiveness in providing information that is essential for decision making and assessing a government’s accountability. Also, this Statement: (1) continues the requirement that the basic financial statements be preceded by management’s discussion and analysis (MD&A), which is presented as required supplementary information (RSI); (2) describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence; (3) requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses; (4) requires governments to present each major component unit separately in the reporting entity’s statement of net position and statement of activities if it does not reduce the readability of the statements; and (5) requires governments to present budgetary comparison information using a single method of communication—RSI.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

***Governmental Accounting Standards Board Statement No. 104***

In September 2024, the GASB issued Statement No. 104 – Disclosure of Certain Capital Assets. The primary objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement No. 34, Basic Financial Statements and Management Discussion and Analysis for State and Local Governments. Also, this Statement establishes requirements for capital assets held for sale, including additional disclosures for those capital assets. The requirements of this Statement apply to the financial statements of all state and local governments.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

**(7) Commitments and Contingencies**

***Grant Awards***

Grant 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.

**Lake Elsinore & San Jacinto Watersheds Authority**  
**Notes to the Basic Financial Statements, continued**  
**For the Fiscal Year Ended June 30, 2025**

**(8) Subsequent Events**

Events occurring after June 30, 2025 have been evaluated for possible adjustment to the financial statements or disclosure as of February 19, 2026, which is the date the financial statements were available to be issued.

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## **Required Supplementary Information**

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**Lake Elsinore & San Jacinto Watersheds Authority**  
**Budgetary Comparison Schedule – General Fund**  
**For the Fiscal Year Ended June 30, 2025**

<i>Governmental Activities:</i>	Adopted Original Budget	Board Approved Changes	Final Budget	Actual Budgetary Basis	Variance Positive (Negative)
<b>Revenues:</b>					
Capital and operating grants	\$ 663,251	\$ -	\$ 663,251	\$ 606,187	\$ (57,064)
Member contributions	300,709	-	300,709	298,268	(2,441)
Investment returns, net of fair value	1,650	-	1,650	17,104	15,454
JPA cash balance transfer	10,410	-	10,410	-	(10,410)
<b>Total revenues</b>	<u>976,020</u>	<u>-</u>	<u>976,020</u>	<u>921,559</u>	<u>(54,461)</u>
<b>Expenditures:</b>					
Administrative	192,010	-	192,010	140,716	51,294
Audit fees	6,200	-	6,200	5,993	207
Consulting	664,010	-	664,010	763,235	(99,225)
Legal fees	1,100	-	1,100	8,837	(7,737)
Interest expense	200	-	200	484	(284)
Other	112,500	-	112,500	54,900	57,600
<b>Total expenditures</b>	<u>976,020</u>	<u>-</u>	<u>976,020</u>	<u>974,165</u>	<u>1,855</u>
<b>Excess of revenues over expenditures</b>	-	\$ -	-	(52,606)	\$ <u>(52,606)</u>
Fund balance – beginning of year	<u>183,979</u>		<u>183,979</u>	<u>183,979</u>	
Fund balance – end of year	\$ <u>183,979</u>		\$ <u>183,979</u>	\$ <u>131,373</u>	

**Lake Elsinore & San Jacinto Watersheds Authority**  
**Notes to Required Supplementary Information**  
**For the Fiscal Year Ended June 30, 2025**

**(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 Administrator, Chief Financial Officer, 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 expenditure 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.

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## **Other Information**

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**Lake Elsinore & San Jacinto Watersheds Authority  
Organization  
For the Fiscal Year Ended June 30, 2025**

**State of Organization**

The Lake Elsinore & San Jacinto Watersheds Authority (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 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.

**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**

Jeremy Smith  
Robert E. Magee  
Karen Spiegel  
Andy Morris  
Brenda Dennstedt

**Agency Members**

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

**Executive Staff**

Rick Whetsel, Authority Administrator  
Karen Williams, CFO SAWPA

**Legal Counsel**

Lagerlof, LLP

**Auditor**

C.J. Brown & Company, CPAs

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