

**NOTICE OF SPECIAL MEETING  
OF THE  
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY  
  
FINANCE COMMITTEE  
TELECONFERENCE MEETING**

**TELECONFERENCE PHONE NUMBER: (213) 279-1455  
TELECONFERENCE ID: 212 048 377**

**June 23, 2020  
10:30 a.m.**

NOTICE IS HEREBY GIVEN that a Special Meeting of the South Orange County Wastewater Authority (SOCWA) Finance Committee was called by the Chairman to be held by Teleconference on **June 23, 2020** at **10:30 a.m.** SOCWA staff will be present and conducting the call at the SOCWA Administrative Office located at 34156 Del Obispo Street, Dana Point, California. This meeting is being conducted via Teleconference pursuant to the California Governor Executive Order N-29-20.

*MEMBERS OF THE PUBLIC ARE INVITED TO PARTICIPATE IN THIS TELECONFERENCE MEETING AND MAY JOIN THE MEETING VIA THE TELECONFERENCE PHONE NUMBER AND ENTER THE ID CODE. THIS IS A PHONE CALL MEETING AND NOT A WEB-CAST MEETING SO PLEASE REFER TO AGENDA MATERIALS AS POSTED WITH THE AGENDA ON THE WEB-SITE [WWW.SOCWA.COM](http://WWW.SOCWA.COM). ON YOUR REQUEST, EVERY EFFORT WILL BE MADE TO ACCOMMODATE PARTICIPATION. IF YOU REQUIRE ANY SPECIAL DISABILITY RELATED ACCOMMODATIONS, PLEASE CONTACT THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY SECRETARY'S OFFICE AT (949) 234-5452 AT LEAST TWENTY-FOUR (24) HOURS PRIOR TO THE SCHEDULED MEETING TO REQUEST DISABILITY RELATED ACCOMMODATIONS. THIS AGENDA CAN BE OBTAINED IN ALTERNATE FORMAT UPON REQUEST TO THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY'S SECRETARY AT LEAST TWENTY-FOUR (24) HOURS PRIOR TO THE SCHEDULED MEETING.*

*AGENDA EXHIBITS AND OTHER WRITINGS THAT ARE DISCLOSABLE PUBLIC RECORDS DISTRIBUTED TO ALL, OR A MAJORITY OF, THE MEMBERS OF THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY FINANCE COMMITTEE IN CONNECTION WITH A MATTER SUBJECT FOR DISCUSSION OR CONSIDERATION AT AN OPEN MEETING OF THE FINANCE COMMITTEE ARE AVAILABLE BY PHONE REQUEST MADE TO THE AUTHORITY ADMINISTRATIVE OFFICE AT 949-234-5452. THE AUTHORITY ADMINISTRATIVE OFFICES ARE LOCATED AT 34156 DEL OBISPO STREET, DANA POINT, CA ("AUTHORITY OFFICE"). IF SUCH WRITINGS ARE DISTRIBUTED TO MEMBERS OF THE FINANCE COMMITTEE LESS THAN TWENTY-FOUR (24) HOURS PRIOR TO THE MEETING, THEY WILL BE SENT TO PARTICIPANTS REQUESTING VIA EMAIL DELIVERY. IF SUCH WRITINGS ARE DISTRIBUTED IMMEDIATELY PRIOR TO, OR DURING, THE MEETING, THEY WILL BE AVAILABLE IMMEDIATELY ON VERBAL REQUEST TO BE DELIVERED VIA EMAIL TO REQUESTING PARTIES.*

**AGENDA**

- 1. Call Meeting to Order**
- 2. Public Comments**

*THOSE WISHING TO ADDRESS THE FINANCE COMMITTEE ON ANY ITEM LISTED ON THE AGENDA WILL BE REQUESTED TO IDENTIFY AT THE OPENING OF THE MEETING AND PRIOR TO THE CLOSE OF THE MEETING. THE AUTHORITY REQUESTS THAT YOU STATE YOUR NAME*

June 23, 2020

*WHEN MAKING THE REQUEST IN ORDER THAT YOUR NAME MAY BE CALLED TO SPEAK ON THE ITEM OF INTEREST. THE CHAIR OF THE MEETING WILL RECOGNIZE SPEAKERS FOR COMMENT AND GENERAL MEETING DECORUM SHOULD BE OBSERVED IN ORDER THAT SPEAKERS ARE NOT TALKING OVER EACH OTHER DURING THE CALL.*

### **3. Approval of Minutes**

- a. Finance Committee Meeting Minutes of April 21, 2020
- b. Finance Committee Meeting Minutes of May 12, 2020

**Recommended Action:** Staff recommends the Finance Committee to approve minutes as submitted

### **4. Financial Reports for the Month of April 2020**

- a. Summary of Disbursements for April 2020 (Exhibit A)
- b. Schedule of Funds Available for Reinvestment (Exhibit B)
  - Local Agency Investment Fund (LAIF)
- c. Schedule of Cash and Investments (Exhibit C)
- d. Capital Schedule (Exhibit D)
  - Capital Projects – Graph (Exhibit D-1)
- e. Budget vs. Actual Expenses:
  - Operations and Environmental Summary (Exhibit E-1)
  - Operations and Environmental by PC (E-1.2)
  - Residual Engineering, after transfer to Capital (Exhibit E-2)
  - Administration (Exhibit E-3)
  - Information Technology (IT) (Exhibit E-4)

**Recommended Action:** Staff recommends the Finance Committee recommend to the Board of Directors to ratify the April 2020 disbursements for the period from April 1, 2020, through April 30, 2020, totaling \$4,073,554 and to receive and file the April 2020 Financial Reports as submitted

### **5. Financial Reports for the Month of May 2020**

- a. Summary of Disbursements for May 2020 (Exhibit A)
- b. Schedule of Funds Available for Reinvestment (Exhibit B)
  - Local Agency Investment Fund (LAIF)
- c. Schedule of Cash and Investments (Exhibit C)
- d. Capital Schedule (Exhibit D)
  - Capital Projects – Graph (Exhibit D-1)
- e. Budget vs. Actual Expenses:
  - Operations and Environmental Summary (Exhibit E-1)
  - Operations and Environmental by PC (E-1.2)
  - Residual Engineering, after transfer to Capital (Exhibit E-2)
  - Administration (Exhibit E-3)
  - Information Technology (IT) (Exhibit E-4)

**Recommended Action:** Staff recommends the Finance Committee recommend to the Board of Directors to ratify the May 2020 disbursements for the period from May 1, 2020, through May 31, 2020, totaling \$3,842,535 and to receive and file the May 2020 Financial Reports as submitted

June 23, 2020

**6. FY 2020/2021 Audit Planning – Presentation by The Pun Group**

- a. Planned Scope and Timing of the Audit
- b. Confirmations needed from the Member Agencies, Law Firms, and Insurance Providers
- c. Related Party and Fraud Questionnaires for the Board

**Recommended Action:** Staff recommends that the Finance Committee receive and discuss the presentation

**7. CalPERS Information Update**

- a. Fiscal year-to-date return on investments is now approximately 6.5% vs. targeted 7% return, up from -11% loss in March
- b. Alternate arrangements may be available to Defer the Annual required UAL payment of \$991,000 without additional interest

**Recommended Action:** Information Item

**8. UAL Payment Options meeting with Member Agencies Update**

- a. Meetings held with EL Toro Water District, City of Laguna Beach, Emerald Bay Service District, Irvine Ranch Water District, and City of San Juan Capistrano
- b. Discussion of interest to date and future meetings

**Recommended Action:** Staff recommends that the Finance Committee receive and discuss presentation

**9. OPEB PARS savings account update**

- The Authority has recovered 94% of the Loss incurred in March 2020. The current account balance as of May 31, 2020 is \$5,156,705.

**Recommended Action:** Staff recommends that the Finance Committee receive and discuss presentation

**Adjournment**

I hereby certify that the foregoing Notice was personally emailed or mailed to each member of the SOCWA Finance Committee at least 24 hours prior to the scheduled time of the Special Meeting referred to above.

I hereby certify that the foregoing Notice was posted at least 24 hours prior to the time of the above-referenced Finance Committee at the usual agenda posting location of the South Orange County Wastewater Authority and at [www.socwa.com](http://www.socwa.com).

Dated this 18<sup>th</sup> day of June 2020.



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Betty Burnett, General Manager/Secretary  
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY

MINUTES OF SPECIAL MEETING  
OF THE  
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY  
Finance Committee

April 21, 2020

The Special Meeting of the South Orange County Wastewater Authority (SOCWA) Finance Committee Meeting was held on April 21, 2020, at 10:30 a.m. via teleconference. The following members of the Finance Committee were identifiably participating:

DENNIS ERDMAN	South Coast Water District	Director
ROBB GRANTHAM	Santa Margarita Water District	Alternate Director
RAY MILLER	City of San Juan Capistrano	Alternate Director
MATT COLLINGS	Moulton Niguel Water District	Alternate Director
DENNIS CAFFERTY	El Toro Water District	Alternate Director

Absent:

TONI ISEMAN	City of Laguna Beach	Director
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Staff Participation:

BETTY BURNETT	General Manager
MARY CAREY	Finance Controller
JASON MANNING	Director of Engineering
JIM BURROR	Director of Operation
AMBER BAYLOR	Director of Environmental Compliance
DAVID BARANOWSKI	Senior Engineer
KONSTANTIN SHILKOV	Senior Accountant
NADYN KIM	Accountant
ANNA SUTHERLAND	Accounts Payable
JEANETTE COTINOLA	Contracts/Procurement Administrator
DANITA HIRSH	Executive Assistant

Also Participating:

JULIO MORALES	UFI Financial Solutions
ADRIANA OCHOA	Procopio Law Firm
KATHRYN FRESHLEY	El Toro Water District
PAM ARENDS-KING	South Coast Water District
GAVIN CURRAN	City of Laguna Beach
TREVOR AGRELIUS	Moulton Niguel Water District
CHARLES GIBSON	Santa Margarita Water District
NEELY SHAHBAKHTI	El Toro Water District

1. **Call Meeting to Order**

Chairperson Erdman called the meeting to order at 10:34 a.m.

2. **Pledge of Allegiance** - None

3. **Public Comments** – None

**4. Approval of Minutes**

**ACTION TAKEN**

Motion was made by Director Grantham and seconded by Director Miller to approve Finance Committee Meeting Minutes for March 24, 2020 as submitted.

Motion carried:      Aye 5, Nay 0, Abstained 0, Absent 1  
Director Erdman      Aye  
Director Iseman      Absent  
Director Miller      Aye  
Director Grantham      Aye  
Director Collings      Aye  
Director Cafferty      Aye

**5. Financial Reports for the Month of March 2020**

**ACTION TAKEN**

Motion was made by Director Grantham and seconded by Director Miller to recommend to the Board of Directors to ratify the March 2020 disbursements for the period from March 1, 2020 through March 31, 2020, totaling \$3,545,144, and to receive and file the March 2020 Financial Reports as submitted.

Motion carried:      Aye 5, Nay 0, Abstained 0, Absent 1  
Director Erdman      Aye  
Director Iseman      Absent  
Director Miller      Aye  
Director Grantham      Aye  
Director Collings      Aye  
Director Cafferty      Aye

**6. FY 2020/21 Member Agency Payments toward PERS Unfunded Liability (UAL)**

Mr. Julio Morales of UFI Financial Solutions gave a presentation on the long-term impacts of the CalPERS Unfunded Pension Liability (UAL). His presentation included an approach to Advanced Discretionary Payments (ADP) by member agency, payment of long-term bases, and the significant financial benefits for the paying agency as well as SOCWA as a whole. An open discussion ensued.

The Finance Committee directed staff to hold a Special Meeting for this topic separately once the level of interest has been determined from each member agency and invite Mr. Morales back to provide a more in-depth presentation at that time.

**7. FY 2020/2021 Capital Budget Presentation**

Mr. Manning gave a presentation on the proposed Capital Budget for FY 2020/21. He referenced the presentation slides 13 through 17 referenced on pages 38 through 42 of the agenda packet. Mr. Manning also referenced the detail information of the Capital Budget on page 63. An open discussion ensued.

Director Erdman requested a cost breakdown of the Design, Studies, CAs, & Small Construction that was shown in the gray area of the pie-chart on Slide 14, page 39 of the agenda packet.

Ms. Burnett stated SOCWA's management staff was available to answer any questions that the Committee members or member agency staff may have regarding the FY2020/21 proposed budget.

This was an information item; no action was taken

#### **8. FY 2020/2021 O&M / Environmental Budget**

- (i) Ms. Burnett stated the Committee members were requested to bring forward from the March 24<sup>th</sup> meeting questions or comments that they might have. She noted the summary of the proposed budget on slide 19, page 44 of the agenda packet. She also stated the Committee and member agency staff were welcome to send their questions via email outside of the meeting and that any of the Q&A would be shared with the member agencies as the meetings go forward. An open discussion ensued.
- (ii) Ms. Burnett stated in response to Director Collings request to show percentage changes of budget increases from one budget year to the next, she directed him to pages 114 and 115 of the agenda packet. An open discussion ensued.
- (iii) Ms. Burnett stated due to the circumstances and revenue shortfalls that were not anticipated due to the virus, staff put together a summary of items shown on pages 116 and 117 of the agenda packet of potential areas that might staff would be able to apply some cost savings.

Ms. Carey discussed the detail breakdown of where the cost savings would be applied and deferred until the 21/22 budget year, and further details of the proposed savings were shown on slide 22 or page 47 of the agenda packet. An open discussion ensued.

Chairman Erdman polled each Committee member requesting their input on the proposed FY20/21 Economic Hardship adjustments.

There Committee members concurred to apply the Economic Hardship Adjustments to the FY20/21 Budget.

#### **9. FY 2020/2021 Administration Budget / General Fund / IT Budget**

Ms. Burnett stated the information for reviewing the Administration, General Fund and IT Budget started on slide 25 of the PowerPoint presentation. She noted at the previous meeting, staff proposed continuing with distribution of expenses and costs that had been set up and used in prior years for the General Fund sharing which appeared on slides 52, and 53. She also noted that slide 54 laid out the expense total for the General Fund budget.

There were no questions or comments from the Committee members on this section of the budget.

**10. FY 2019-20 3<sup>rd</sup> Quarter Cash Roll Forward**

**ACTION TAKEN**

Motion was made by Director Erdman and seconded by Director Miller to recommend to the Board of Directors to receive and file the Q2 Fiscal Year 2010-20 Cash Roll Forward as submitted.

Motion carried:      Aye 5, Nay 0, Abstained 0, Absent 1  
Director Erdman      Aye  
Director Iseman      Absent  
Director Miller      Aye  
Director Grantham      Aye  
Director Collings      Aye  
Director Cafferty      Aye

**11. FY 2019-2020 Capital Cash Return to Member Agencies**

**ACTION TAKEN**

Motion was made by Director Miller and seconded by Director Grantham to recommend to the Board of Directors the return of \$2.3 million, large capital closed projects or permanent refunds, Capital Cash on Hand.

Motion carried:      Aye 5, Nay 0, Abstained 0, Absent 1  
Director Erdman      Aye  
Director Iseman      Absent  
Director Miller      Aye  
Director Grantham      Aye  
Director Collings      Aye  
Director Cafferty      Aye

**12. Budget Schedule**

Ms. Burnett discussed the budget schedule asking if the Finance Committee had any recommended changes to the remainder of the schedule as submitted herein:

- May 12, 2020 – Finance Committee Review
- May 19, 2020 – Finance Committee Review
- May 21, 2020 – Board Budget Workshop
- June 4, 2020 – Board Consideration of Budget for Approval

The Finance Committee concurred to leave the budget schedule in place as submitted.

**Adjournment**

There being no further business, Chairperson Erdman adjourned the meeting at 12:38 p.m.

I HEREBY CERTIFY that the foregoing Minutes are a true and accurate copy of the Minutes of the Special Meeting of the South Orange County Wastewater Authority Finance Committee of April 21, 2020, and approved by the Finance Committee and received and filed by the Board of Directors of the South Orange County Wastewater Authority.

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Betty Burnett, General Manager/Secretary  
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY

MINUTES OF SPECIAL MEETING  
OF THE  
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY  
Finance Committee

May 12, 2020

The Special Meeting of the South Orange County Wastewater Authority (SOCWA) Finance Committee Meeting was held on May 12, 2020, at 10:30 a.m. via teleconference. The following members of the Finance Committee were identifiably participating:

DENNIS ERDMAN	South Coast Water District	Director
ROBB GRANTHAM	Santa Margarita Water District	Alternate Director
RAY MILLER	City of San Juan Capistrano	Alternate Director
MATT COLLINGS	Moulton Niguel Water District	Alternate Director
DENNIS CAFFERTY	El Toro Water District	Alternate Director

Absent:

TONI ISEMAN	City of Laguna Beach	Director
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Staff Participation:

BETTY BURNETT	General Manager
MARY CAREY	Finance Controller
JASON MANNING	Director of Engineering
JIM BURROR	Director of Operation
AMBER BAYLOR	Director of Environmental Compliance
DAVID BARANOWSKI	Senior Engineer
KONSTANTIN SHILKOV	Senior Accountant
NADYN KIM	Accountant
ANNA SUTHERLAND	Accounts Payable
JEANETTE COTINOLA	Contracts/Procurement Administrator
DANITA HIRSH	Executive Assistant

Also Participating:

ADRIANA OCHOA	Procopio Law Firm
AMY DOUCET	South Coast Water District
MARC SERNA	South Coast Water District
TREVOR AGRELIUS	Moulton Niguel Water District

1. **Call Meeting to Order**

Chairperson Erdman called the meeting to order at 10:38 a.m.

2. **Pledge of Allegiance** - None

3. **Public Comments** – None



#### **4. FY 2020/2021 Budget Presentation**

Ms. Carey gave an overview of the proposed budget of \$22,771,581 in comparison to the budget of the previous fiscal year. She stated the proposed budget was up \$1,456,735 or 6.8% over the prior year budget which was \$21,314,846. In addition, staff identified \$1.6 million in economic hardship deferrals and other reductions that would be reallocated into FY 2021/2022 or is applicable only to FY 2020-21, bringing the proposed budget down to \$21,217,268. An open discussion ensued.

The Finance Committee accepted \$1.1 million of the recommended economic hardship deferrals and other reductions.

Ms. Carey identified the following items that were included in reducing the proposed budget by \$1.1 million that would be reallocated to the following fiscal year or is pertinent only to FY 2020-21, and bringing the proposed budget for FY2020/2021 to \$21,721,077:

- Moving the Plume tracking analysis of the outfalls into the next fiscal year - \$450,000
- IT Projects Moved Out, - \$135,000
- COLA is at the MOU minimum - \$102,000 (the initial budget project 3.2% COLA; the CPIU came in at 1.9%, but the MOU minimum is 2.0%). The budget presented to the Finance Committee is at 2.0%. (Applicable only to FY 2020-21.)
- We had one new hire in environmental to meet State requirement. That new hire is deferred until next fiscal year - \$99,000
- We had included an Admin Assistant, part-time contract employee - \$86,000
- All training budgets across all departments and Project Committees were reduced by 50% -\$90,000
- Recurring legal costs was reduced by \$50,000 (staff will attempt to manage some routine legal matters internally)

Director Collings noted and commented on the following:

1. On page 4A, regarding the COLA of the MOU was not to be referred to as a deferred cost since this is part of a prior contract.
2. On page 6A, the tables were confusing and should be streamlined next fiscal for better comprehension.
3. On Page 16, the Budget Assumption Letter, at number 1 in the first paragraph, noted the allocation of liabilities are distributed by Board approved percentages which would change year over year:
  - Q: Director Collings asked if the Board would be approving the percentages each year?
  - A: Ms. Carey responded that the Board approved the methodology, and each year SOCWA would add the additional labor information in accordance with the approved methodology. She noted that the language would be changed to state "Board approved actuarial methodology".
4. Noted additionally on page 16 that Moulton Niguel continued to disagree with supporting the Administrative Budget as it was not a part of the JPA.

5. On page 23, item 13, the second sentence of the second paragraph:  
Q: Director Collings questioned whether the Board was in support of beginning a savings plan for PERS/OPEB.  
  
A: Ms. Burnett responded the Boards direction was to begin addressing the possibility of a savings approach within a two-year window. She stated that was one year ago which is why the target date is for FY2021/2022.
6. On page 27 and 28, the table under the "Board policy Decisions" referencing budget assumptions 10f and 10g have been adjusted and need updating.  
Ms. Carey will update prior Board Budget Workshop on May 21, 2020.
7. On page 37, what was driving the budget increase in the categories of Landscape, Uniforms, and a 30% increase in Insurance/Property Liability?  
A: Mr. Burror responded as follows:
  - Landscape: the increase was due to contractors having difficulty maintaining the necessary services under the existing contract, and having to bring in temporary contractors to perform the necessary services, and increase in labor rate due to prevailing wage requirements under the DIR
  - Uniforms: employees were requiring additional PPE, different types of boots and gloves, electricians and mechanics required specialty wear relative to ARC Flash. In addition to several new employees on staff requiring new uniforms.A: Ms. Burnett responded as follows:
  - Insurance/Property Liability: the increase was being driving by the impacts of the California fires over the past two years as stated through CSRMA

Director Cafferty requested clarification on the 2% increase of the overall budget vs. the various ranges of 25% reduction to 15% increase for individual member agencies. He also noted that the budget vs. budget were significant variations from FY2019/2020 to FY2020/2021.

Ms. Cary responded that she would address Directors Cafferty's questions offline as they pertained directly to El Toro Water District.

Director Grantham noted and commented on the following:

- On page 18, footnote, number 7a, second paragraph, states incorrectly that the Oso Creek will be budgeted at 1.1 mgd due to it being offline.

A: Ms. Burnett responded the statement would be corrected as noted.

Director Erdman noted that when there are reductions to the training budget it raises concerns of whether employees are still able to get the necessary and required training that is needed to continue doing their jobs.

Mr. Burror responded that SOCWA's priority was a position of training the trainer to ensure trainers receive the proper training that is needed to train staff. This has allowed for flexibility for when and where training takes place at a cost reduction such as, CPR and Forklift training.

Second priority applies to employee safety. He stated SOCWA's safety specialist was revamping the safety program by including additional online training as well as utilizing the newly improved Boardroom to record COVID-19 training that could be part of building a library of training videos.

**5. Budget Schedule**

Ms. Burnett stated her appreciation of all the comments and direction provided from the Committee. She noted staff would contact Director Cafferty to address the specific cost changes relative to El Toro Water District. She also noted the clean-up items that would be incorporated in a new draft that would go the Board Budget Workshop on May 21.

Ms. Burnett reviewed the remaining budget schedule with the Committee and asked if they needed to hold another meeting on May 19 for further review of the budget.

The Finance Committee members concurred to forego holding a meeting on May 19, and to proceed with preparing the draft budget for the Board Budget Workshop.

**Adjournment**

There being no further business, Chairperson Erdman adjourned the meeting at 11:40 a.m.

I HEREBY CERTIFY that the foregoing Minutes are a true and accurate copy of the Minutes of the Special Meeting of the South Orange County Wastewater Authority Finance Committee of May 12, 2020, and approved by the Finance Committee and received and filed by the Board of Directors of the South Orange County Wastewater Authority.

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Betty Burnett, General Manager/Secretary  
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY

# Agenda Item

# 4

**Finance Committee Meeting**

**Meeting Date:** June 23, 2020

**TO:** Finance Committee

**FROM:** Betty Burnett, General Manager

**STAFF CONTACT:** Mary Carey, Finance Controller

**SUBJECT:** Financial Reports for the Month of April 2020

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## Summary/Discussion

The following selected financial reports are routinely provided monthly to the Finance Committee for recommendation to the Board of Directors to ratify Cash Disbursements and receive and file the remaining documents.

The reports included are as follows:

- a. Summary of Disbursements for April 2020 (Exhibit A)
- b. Schedule of Funds Available for Reinvestment (Exhibit B)
  - Local Agency Investment Fund (LAIF)
- c. Schedule of Cash and Investments (Exhibit C)
- d. Capital Schedule (Exhibit D)
  - Capital Projects – Graph (Exhibit D-1)
- e. Budget vs. Actual Expenses:
  - Operations and Environmental Summary (Exhibit E-1)
  - Operations and Environmental by PC (E-1.2)
  - Residual Engineering, after transfer to Capital (Exhibit E-2)
  - Administration (Exhibit E-3)
  - Information Technology (IT) (Exhibit E-4)

## Fiscal impact

April 2020 cash disbursements were: \$4,073,554.

- Monthly disbursements are summarized in the attached Exhibit A.
- The attached Exhibits B, C, D and E are informational reports only.

**Recommended Action:** Staff recommends that the Finance Committee recommend to the Board of Directors to ratify the April 2020 disbursements for the period from April 1, 2020, through April 30, 2020, totaling \$4,073,554 and to receive and file the April 2020 Financial Reports as submitted.

Exhibit A

**South Orange County Wastewater Authority  
Summary of Disbursements for April 2020  
Staff Recommendation of Fiscal Matters**

	<u>Actual<sup>1</sup></u>
General Fund	\$ (379,863)
PC 2 - Jay B. Latham Plant	(1,553,950)
PC 3 - SOCWA Plant/PCA AWT	-
PC 5 - San Juan Creek Ocean Outfall	(85,055)
PC 8 - Pretreatment Program	(8,390)
PC 12 SO - Water Reclamation Permits	(6,078)
PC 15 - Coastal Treatment Plant/AWT	(686,910)
PC 17 - Joint Regional Wastewater Reclamation	(1,319,116)
PC 21 - Effluent Transmission Main	(6,435)
PC 24 - Aliso Creek Ocean Outfall	(27,756)
<b>Total</b>	<b><u><u>\$ (4,073,554)</u></u></b>

<sup>1</sup>Disbursements include large payouts for Large Capital Projects - Facility Improvements at PC02, PC15, PC17 of \$3.4 million.

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY  
SCHEDULE OF FUNDS AVAILABLE FOR REINVESTMENT  
as of April 30, 2020**

CASH IN BANK: (BEGINNING BAL.)	\$	2,742,678
L.A.I.F. FUNDS: (BEGINNING BAL.)		25,164,827
DEPOSITS, TRANSFERS & ADJUSTMENTS:		3,804,358
FUND REQUIREMENTS: BILLS FOR CONSIDERATION		(4,073,554)
<b>TOTAL CASH IN BANK</b>	<b>\$</b>	<b>27,638,308</b>

In accordance with Government Code 53646(c), since all funds are placed in the State LAIF, staff has included in the Financial Packet, the most current statement from the State LAIF, in lieu of the report required by Government Code 53646(b)(1).

In accordance with requirements of the Government Code and the "SOCWA Investment Policy", I hereby certify that:

- 1). All investment actions executed since the last report have been made in full compliance with the Investment Policy.
- 2). SOCWA does not have sufficient funds currently on hand to meet its expenditure obligations for the next six months (see note) due to the fact that SOCWA bills and receives operational funds on a quarterly basis only.

**Betty Burnett**  
**General Manager**

Note: Operational funds are collected on a quarterly basis at the beginning of the quarter. Capital funds are collected on a quarterly basis in connection with projected needs. Member agencies have pledged to have funds available to meet all obligations.



## PMIA/LAIF Performance Report as of 05/14/20



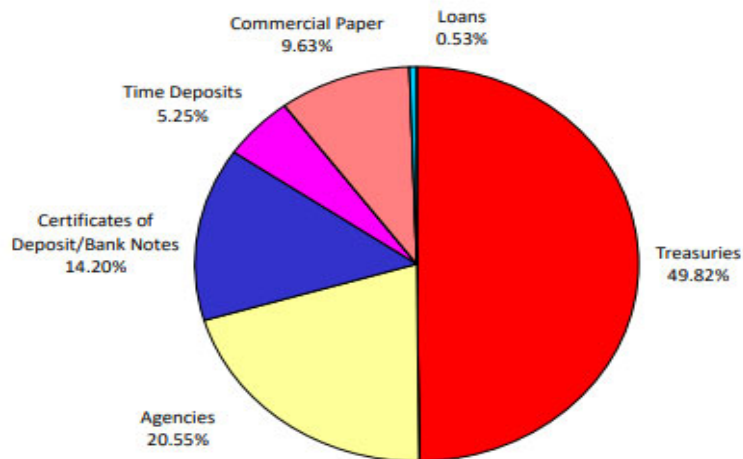
### PMIA Average Monthly Effective Yields<sup>(1)</sup>

<b>Apr</b>	<b>1.648</b>
Mar	1.787
Feb	1.912

### Quarterly Performance Quarter Ended 03/31/20

LAIF Apportionment Rate <sup>(2)</sup> :	2.03
LAIF Earnings Ratio <sup>(2)</sup> :	0.00005535460693046
LAIF Fair Value Factor <sup>(1)</sup> :	1.007481015
PMIA Daily <sup>(1)</sup> :	1.73%
PMIA Quarter to Date <sup>(1)</sup> :	1.89%
PMIA Average Life <sup>(1)</sup> :	208

### Pooled Money Investment Account Monthly Portfolio Composition <sup>(1)</sup> 04/30/20 \$103.6 billion



Percentages may not total 100% due to rounding

Daily rates are now available here. [View PMIA Daily Rates](#)

*Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).*

Source:

<sup>(1)</sup> State of California, Office of the Treasurer

<sup>(2)</sup> State of California, Office of the Controller

**Exhibit C**

**South Orange County Wastewater Authority  
Schedule of Cash and Investments  
as of April 30, 2020**

MVA	\$ 3,090,928	(A)
A/P Checking	1,653,092	(B)
Payroll Checking	393,053	(C)
State LAIF	22,501,235	(D)
<b>Total Cash in Bank</b>	<b>\$ 27,638,308</b>	
Petty Cash	1,600	(E)
<b>Total Operating Cash</b>	<b>\$ 27,639,908</b>	
OPEB Trust	4,972,611	(F)
<b>Total Cash and Investments</b>	<b>\$ 32,612,519</b>	

Notes:

- (A) Interest bearing account; all cash receipts are deposited in this account and later moved to the LAIF account.
- (B) Accounts Payable Checks are drawn against this account; money is transferred to this account, as needed, from the LAIF account.
- (C) Payroll including payroll taxes and related liabilities are drawn against this account; money is transferred into this account, as needed, from the LAIF account.
- (D) LAIF balance.
- (E) Cash on hand with GM's office and held by Chief Operators at each Treatment facility.
- (F) OPEB Trust Fund; these funds can only be used for Retiree Health Benefits.



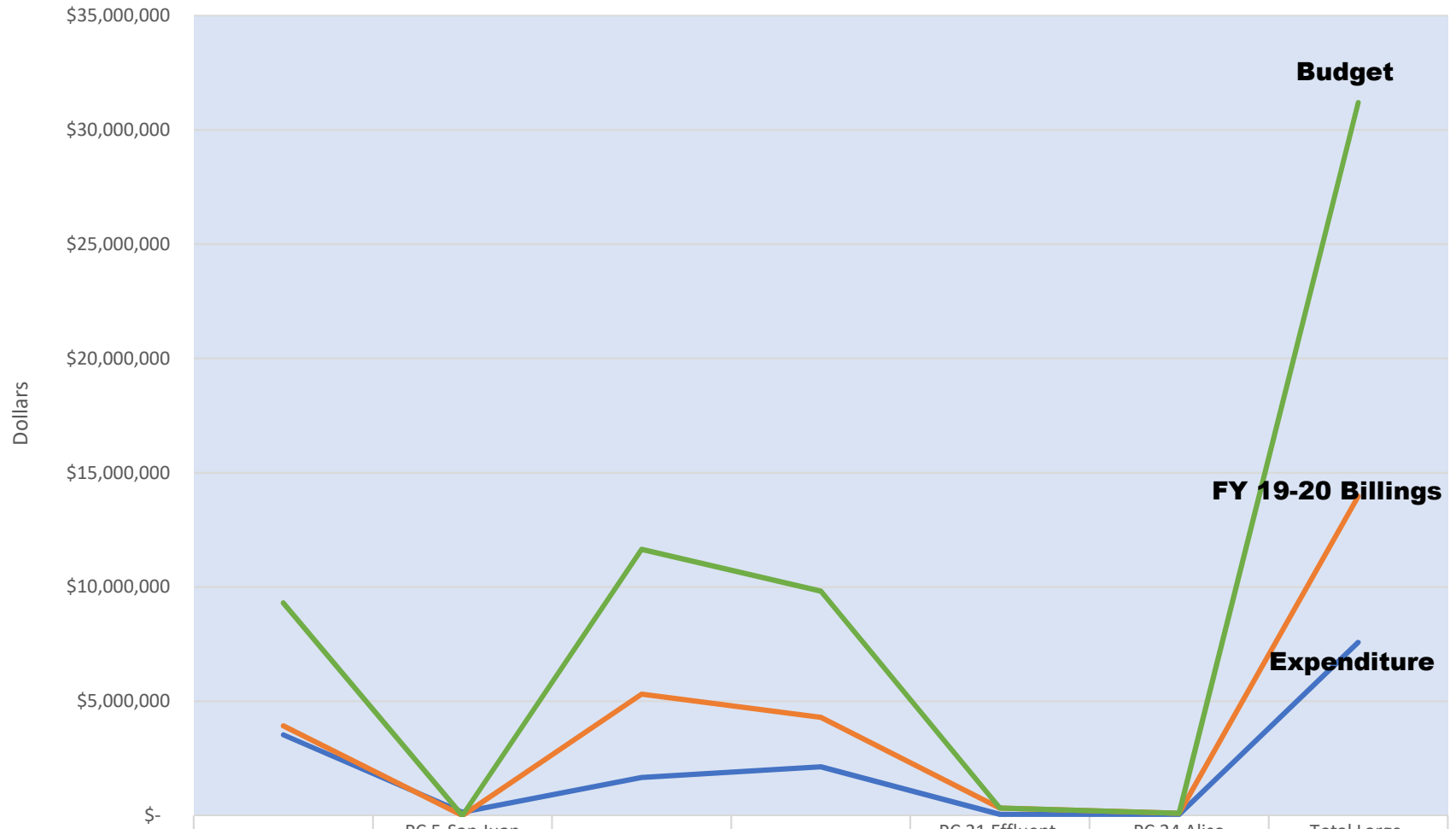
**South Orange County Wastewater Authority  
Capital Projects Summaries  
For the Period Ended April 30, 2020  
(in dollars)**

<b>FY 2019-20 Budget vs. Actual Spending</b>								
<u>Description</u>	<b>Capital Budget</b>	<b>Fiscal Year Spending</b>	<b>(Over)/ Under Budget</b>	<b>% Expended</b>	<b>Member Agency Billed</b>	<b>Member Agency Collections</b>	<b>Current Receivables</b>	<b>% Expended vs. Billed</b>
PC 2-JB Latham	\$ 9,301,575	\$ 3,526,020	\$ 5,775,555	37.9%	\$ 3,929,601	\$ 3,929,601	\$ -	89.7%
* PC 5-San Juan Creek Outfall	-	148,158	(148,158)		-	-		
PC 15-Coastal	11,644,171	1,664,248	9,979,923	14.3%	5,313,254	5,049,971	263,283	31.3%
PC 17-Regional	9,817,108	2,137,783	7,679,325	21.8%	4,292,199	4,122,199	170,000	49.8%
PC 21 Effluent Transmission	329,666	53,646	276,019	16.3%	329,668	309,342	20,326	16.3%
PC 24 Aliso Creek Outfall	106,253	45,212	61,041	42.6%	106,253	106,253		42.6%
<b>Total Large Capital</b>	<b>\$ 31,198,772</b>	<b>\$ 7,575,068</b>	<b>\$ 23,623,705</b>	<b>24.3%</b>	<b>\$ 13,970,975</b>	<b>\$ 13,517,366</b>	<b>\$ 453,609</b>	<b>54.2%</b>
Non-Capital Engineering	838,687	142,352	696,335	17.0%	838,688	838,688	-	17.0%
Non-Capital Misc Engineering	425,000	48,289	376,711	11.4%	425,008	373,577	51,431	11.4%
Small Internal Capital	2,047,504	1,070,926	976,578	52.3%	2,047,504	1,798,381	249,123	52.3%
<b>Total Capital</b>	<b>\$ 34,509,964</b>	<b>\$ 8,836,635</b>	<b>\$ 25,673,329</b>	<b>25.6%</b>	<b>\$ 17,282,175</b>	<b>\$ 16,528,012</b>	<b>\$ 754,163</b>	<b>51.1%</b>

\* PC 5 does not have a budget for FY 19-20 due to Cash on Hand for work that shifted into the current year.

# Large Capital Projects Fiscal Year '19-20 Budget vs. Year-to-Date Expenditures & Billings as of 04/30/2020

Exhibit D-1



	PC 2-JB Latham	PC 5-San Juan Creek Outfall	PC 15-Coastal	PC 17-Regional	PC 21 Effluent Transmission	PC 24 Aliso Creek Outfall	Total Large Capital
Spent - YTD 12/31/19	\$3,526,020	\$148,158	\$1,664,248	\$2,137,783	\$53,646	\$45,212	\$7,575,068
FY 19-20 Billings	\$3,929,601	-	\$5,313,254	\$4,292,199	\$329,668	\$106,253	\$13,970,975
Capital Budget 19-20	\$9,301,575	-	\$11,644,171	\$9,817,108	\$329,666	\$106,253	\$31,198,772

**South Orange County Wastewater Authority**  
**O & M & Environmental Safety Costs Summary**  
 For the Period Ended April 30, 2020  
 (in dollars)

	FY 2019-20 Budget	Board Approved Expenditures*	Extraordinary Costs	Adjusted Budget	Actual	(Over)/Under Budget	% Expended
<b>Salary and Fringe</b>							
**5000-**-**	Regular Salaries-O&M *	4,620,132	10,289	15,732	4,646,153	3,688,657	957,496 79.4%
**5001-**-**	Overtime Salaries-O&M	109,504		2,851	112,355	86,553	25,802 77.0% (1)
**5306-**-**	Scheduled Holiday Work	28,692			28,692	26,765	1,927 93.3%
**5315-**-**	Comp Time - O&M	7,796			7,796	11,304	(3,508) 145.0% (1)
**5401-**-**	Fringe Benefits IN to PC's & Depts.	3,323,840		11,280	3,335,120	2,611,922	723,198 78.3%
**5700-**-**	Standby Pay	67,600			67,600	57,088	10,512 84.5%
	<b>Total Payroll Costs</b>	<b>8,157,564</b>	<b>10,289</b>	<b>29,863</b>	<b>8,197,716</b>	<b>6,482,289</b>	<b>1,715,427 79.1%</b>
<b>Other Expenses</b>							
**5002-**-**	Electricity	1,022,564			1,022,564	949,245	73,319 92.8% (2)
**5003-**-**	Natural Gas	266,504			266,504	203,216	63,288 76.3%
**5004-**-**	Potable & Reclaimed Water	84,992			84,992	62,931	22,061 74.0%
**5005-**-**	Co-generation Power Credit	(325,004)			(325,004)	(486,734)	161,730 149.8% (3)
**5006-**-**	Chlorine/Sodium Hypochlorite	506,000			506,000	355,402	150,598 70.2%
**5007-**-**	Polymer Products	805,004			805,004	506,388	298,616 62.9%
**5008-**-**	Ferric Chloride	304,992			304,992	389,508	(84,516) 127.7% (4)
**5009-**-**	Odor Control Chemicals	130,000			130,000	89,029	40,971 68.5%
**5010-**-**	Other Chemicals - Misc.	2,996			2,996	-	2,996 0.0%
**5011-**-**	Laboratory Services	44,412	11,200	55,612	36,270	19,342	65.2%
**5012-**-**	Grit Hauling	128,252			128,252	119,288	8,964 93.0% (5)
**5013-**-**	Landscaping	159,996			159,996	155,320	4,676 97.1% (6)
**5014-**-**	Engineering - Misc.	1,000			1,000	-	1,000 0.0%
**5015-**-**	Management Support Services	360,212	28,600	388,812	212,811	176,001	54.7%
**5016-**-**	Audit - Environmental	600			600	-	600 0.0%
**5017-**-**	Legal Fees	28,352	1,800	30,152	38,064	(7,912)	126.2% (16)
**5018-**-**	Public Notices/ Public Relations	5,004			5,004	4,727	277 5.5%
**5019-**-**	Contract Services Misc.	199,996	1,152	201,148	254,329	(53,180)	126.4% (7)
**5021-**-**	Small Vehicle Expense	24,064			24,064	15,577	8,487 64.7%
**5022-**-**	Miscellaneous Expense	18,004	297	18,301	5,681	12,620	31.0%
**5023-**-**	Office Supplies - All	43,004			43,004	31,894	11,110 74.2%
**5024-**-**	Petroleum Products	49,004			49,004	28,568	20,437 58.3%
**5025-**-**	Uniforms	54,004			54,004	55,814	(1,810) 103.4% (8)
**5026-**-**	Small Vehicle Fuel	31,500			31,500	14,637	16,863 46.5%
**5027-**-**	Insurance - Property/Liability **	210,096	55,929	266,025	221,189	44,836	83.1%
**5028-**-**	Small Tools & Supplies	74,872			74,872	58,565	16,307 78.2%
**5030-**-**	Trash Disposal	6,992			6,992	6,072	920 86.8%
**5031-**-**	Safety Program & Supplies	117,356	16,952	134,308	138,842	(4,534)	103.4% (9)
**5032-**-**	Equipment Rental	7,004			7,004	5,803	1,201 82.9%
**5033-**-**	Recruitment	3,004			3,004	2,936	68 97.7%
**5034-**-**	Travel Expense/Tech. Conferences	61,932			61,932	39,406	22,526 63.6%
**5035-**-**	Training Expense	55,168			55,168	34,910	20,258 63.3%
**5036-**-**	Laboratory Supplies	93,256	453	93,709	83,859	9,850	89.5%
**5037-**-**	Office Equipment	25,000			25,000	15,410	9,590 61.6%
**5038-**-**	Permits	500,128			500,128	488,510	11,618 97.7% (10)
**5039-**-**	Membership Dues/Fees	22,892			22,892	33,823	(10,931) 147.7% (11)
**5044-**-**	Offshore Monitoring	36,000			36,000	44,723	(8,723) 124.2% (12)
**5046-**-**	Effluent Chemistry	28,004			28,004	25,104	2,900 89.6%
**5047-**-**	Access Road Expenses	49,000			49,000	23,416	25,584 47.8%
**5048-**-**	Storm Damage	20,008			20,008	549	19,459 2.7%
**5049-**-**	Biosolids Disposal	1,355,004			1,355,004	1,226,339	128,665 90.5% (13)
**5050-**-**	Contract Services Generators - 29A	22,008			22,008	18,349	3,659 83.4%
**5052-**-**	Janitorial Services	102,008	4,277	106,285	83,182	23,102	78.3%
**5053-**-**	Contract Serv - Digester Cleaning - 29E	59,996			59,996	6,360	53,637 10.6%
**5054-**-**	Diesel Truck Maint	41,000			41,000	47,319	(6,319) 115.4% (14)
**5055-**-**	Diesel Truck Fuel - 37B	14,996			14,996	6,765	8,231 45.1%
**5056-**-**	Maintenance Equip. & Facilities (Solids)	356,004			356,004	261,159	94,845 73.4%
**5057-**-**	Maintenance Equip. & Facilities (Liquids)	663,000			663,000	567,791	95,209 85.6%
**5058-**-**	Maintenance Equip. & Facilities (Common)	87,008			87,008	76,235	10,773 87.6%
**5059-**-**	Maintenance Equip. & Facilities (Co-Gen)	957,996			957,996	802,577	155,419 83.8%
**5060-**-**	Maintenance Equip. & Facilities (AWT)	74,000			74,000	70,939	3,061 95.9% (15)
**5061-**-**	Mileage	2,508			2,508	1,695	813 67.6%
**5068-**-**	MNWD Potable Water Supplies & Svcs.	24,972	113	25,085	23,377	1,709	93.2%
**5069-**-**	Misc-Capital-Dilution & Metering Study	60,004			60,004	28,350	31,654 47.2%
**5076-**-**	SCADA Infrastructure	20,992			20,992	698	20,294 3.3%
**5077-**-**	IT Direct	16,080			16,080	12,771	3,309 79.4%
**5105-**-**	Co-Generation Power Credit - Offset	325,000			325,000	486,734	(161,734) 149.8% (3)
**5303-**-**	Group Insurance Waiver	14,396			14,396	12,161	2,235 84.5%
**5305-**-**	Medicare Tax Payments for Employees	2,784			2,784	3,162	(378) 113.6%
**5309-**-**	Operating Leases	21,800			21,800	18,596	3,204 85.3%
**5705-**-**	Monthly Car Allowance	28,184			28,184	25,823	2,361 91.6%
**5706-**-**	Effluent Pond Cleaning	90,000			90,000	-	90,000 0.0%
02-5798-**-**	Covid-19 Cost	-	1,598	1,598	-	1,598	- 0.0%
02-5799-01-00-00	Zephyr Wall Costs Share - O&M	-			-	(14,079)	14,079 0.0% (17)
**6500-**-**	IT Allocations in to PC's & Depts.	592,694			592,694	487,551	105,143 82.3%
	<b>Total Other Expenses</b>	<b>10,188,598</b>	<b>55,929</b>	<b>66,441</b>	<b>10,310,968</b>	<b>8,516,086</b>	<b>1,794,883 82.6%</b>
	<b>Total O&amp;M Expenses</b>	<b>18,346,162</b>	<b>66,218</b>	<b>96,304</b>	<b>18,508,684</b>	<b>14,998,375</b>	<b>3,510,309 81.0%</b>

\* Board approved (one year) payment of PEPRAs employee's contribution rate increase  
 \*\* Pooled Liability Retro Adjustment

**South Orange County Wastewater Authority**  
**O & M & Environmental Safety Costs Summary**  
For the Period Ended April 30, 2020  
(in dollars)

- (1) Staff is utilizing Comp Time more than Overtime Salaries and considering both line items together; the overall Overtime Budget is 83% of the FY amount.
- (2) Power costs are elevated, and the line item Budget may need to be adjusted due to high energy demand charges as discussed with the Board in May during the review of the proposed FY 2020-21 Budget.
- (3) The value of power is higher than anticipated during the budget process. This will be adjusted in the FY 2020-21 Budget.
- (4) Ferric chloride usage continues to be elevated due to sulfur type filamentous bacteria entering the plants from the collection system. O&M staff has increased Ferric dosing, trying to settle the bacteria in the primary clarifiers prior to biological treatment because these bacteria do not settle well and impact effluent quality. These bacteria are becoming more prevalent in the collection system to the plants with lower and lower sewer flows.
- (5) Grit deliveries are higher than expected due to heavy rains pushing additional debris down the sewer and into the Treatment Plants.
- (6) Extra tree work was needed throughout the FY at several Plants to eliminate site hazards and reduce stormwater pollutants.
- (7) The Stanley access control and associated communication system was expanded. The increased costs will also be reflected in the FY 2020-21 Budget.
- (8) Staff completed the restocking of PPE.
- (9) Costs includes the purchase of new boots per the Employee Manual.
- (10) Costs to date include SOCWA's annual renewal of its NPDES & WDR permits, there was an increase due to a change in their calculation methodology.
- (11) Cost associated with the Watershed Management Area Cooperative Agreement was originally not included in the budget, \$10,456.
- (12) Additional costs due to replacement of moors in the ocean for sample location identification.
- (13) Biosolids costs were higher due to landfill closures and higher than anticipated solids from the sewer systems.
- (14) Sludge hauling truck emissions control system repairs. Truck rented for several Biosolids hauling trips.
- (15) Annual AWT cleaning completed.
- (16) Several O&M contracts are being reviewed and updated for the new engine at RTP.
- (17) Cost sharing between SOCWA and Zephyr Development Company for the wall dividing SOCWA and the condominium projects

**South Orange County Wastewater Authority**  
**O&M Budget vs. Actual Comparison by PC**  
 For the Period Ended April 30, 2020  
 (in dollars)

	<b>FY 2019-20 Budget</b>	<b>Board Approved Expenditures*</b>	<b>Extraordinary Costs</b>	<b>Adjusted Budget</b>	<b>Actual</b>	<b>(Over)/Under Budget</b>	<b>%Expended</b>
<b>02 - Jay B. Latham Plant</b>							
Salary and Fringe							
02-5000-***	Regular Salaries-O&M *	1,539,152	5,045	3,664	1,547,861	1,349,606	198,255 87.2%
02-5001-***	Overtime Salaries-O&M	35,144			35,144	37,103	(1,959) 105.6% (1)
02-5306-***	Scheduled Holiday Work	13,324			13,324	10,932	2,392 82.0%
02-5315-***	Comp Time - O&M	3,508			3,508	6,079	(2,571) 173.3% (1)
02-5401-***	Fringe Benefits IN to PC's & Depts.	1,107,296		2,638	1,109,934	954,638	155,296 86.0%
02-5700-***	Standby Pay	13,520			13,520	21,877	(8,357) 161.8% (2)
	<b>Total Payroll Costs</b>	<b>2,711,944</b>	<b>5,045</b>	<b>6,302</b>	<b>2,723,291</b>	<b>2,380,234</b>	<b>343,057 87.4%</b>
Other Expenses							
02-5002-***	Electricity	399,688			399,688	422,245	(22,557) 105.6% (3)
02-5003-***	Natural Gas	168,004			168,004	83,208	84,796 49.5%
02-5004-***	Potable & Reclaimed Water	24,000			24,000	19,116	4,884 79.6%
02-5006-***	Chlorine/Sodium Hypochlorite	5,000			5,000	5,511	(511) 110.2% (4)
02-5007-***	Polymer Products	322,000			322,000	167,784	154,216 52.1%
02-5008-***	Ferric Chloride	103,736			103,736	131,653	(27,917) 126.9% (5)
02-5009-***	Odor Control Chemicals	28,988			28,988	16,654	12,334 57.5%
02-5010-***	Other Chemicals - Misc.	1,000			1,000	-	1,000 0.0%
02-5011-***	Laboratory Services	10,916			10,916	5,517	5,399 50.5%
02-5012-***	Grit Hauling	51,252			51,252	51,745	(493) 101.0% (6)
02-5013-***	Landscaping	41,780			41,780	45,182	(3,402) 108.1% (7)
02-5015-***	Management Support Services	33,004		1,852	34,856	27,154	7,703 77.9%
02-5017-***	Legal Fees	3,328			3,328	2,488	840 74.8%
02-5019-***	Contract Services Misc.	60,240		124	60,364	64,431	(4,068) 106.7% (8)
02-5021-***	Small Vehicle Expense	10,004			10,004	5,236	4,768 52.3%
02-5022-***	Miscellaneous Expense	8,000		60	8,060	3,688	4,372 45.8%
02-5023-***	Office Supplies - All	28,000			28,000	16,385	11,615 58.5%
02-5024-***	Petroleum Products	14,124			14,124	7,557	6,567 53.5%
02-5025-***	Uniforms	20,000			20,000	23,168	(3,168) 115.8% (9)
02-5026-***	Small Vehicle Fuel	15,004			15,004	7,570	7,435 50.4%
02-5027-***	Insurance - Property/Liability **	68,556	18,250		86,806	74,731	12,075 86.1%
02-5028-***	Small Tools & Supplies	35,496			35,496	20,387	15,109 57.4%
02-5030-***	Trash Disposal	2,000			2,000	3,053	(1,053) 152.6% (10)
02-5031-***	Safety Program & Supplies	39,652		6,128	45,780	48,150	(2,370) 105.2% (11)
02-5032-***	Equipment Rental	3,000			3,000	2,289	711 76.3%
02-5033-***	Recruitment	1,000			1,000	710	290 71.0%
02-5034-***	Travel Expense/Tech. Conferences	15,964			15,964	10,075	5,889 63.1%
02-5035-***	Training Expense	13,168			13,168	10,945	2,223 83.1%
02-5036-***	Laboratory Supplies	14,520		113	14,633	12,639	1,994 86.4%
02-5037-***	Office Equipment	13,000			13,000	9,631	3,369 74.1%
02-5038-***	Permits	22,500			22,500	19,877	2,623 88.3%
02-5039-***	Membership Dues/Fees	4,200			4,200	11,602	(7,402) 276.2% (12)
02-5049-***	Biosolids Disposal	450,000			450,000	433,546	16,454 96.3% (13)
02-5050-***	Contract Services Generators - 29A	10,004			10,004	10,711	(707) 107.1%
02-5052-***	Janitorial Services	41,000		2,272	43,272	38,756	4,517 89.6%
02-5053-***	Contract Serv - Digester Cleaning - 29E	59,996			59,996	6,360	53,637 10.6%
02-5054-***	Diesel Truck Maint	21,000			21,000	21,327	(327) 101.6% (14)
02-5055-***	Diesel Truck Fuel - 37B	6,000			6,000	2,210	3,790 36.8%
02-5056-***	Maintenance Equip. & Facilities (Solids)	155,004			155,004	117,464	37,540 75.8%
02-5057-***	Maintenance Equip. & Facilities (Liquids)	254,000			254,000	182,780	71,220 72.0%
02-5058-***	Maintenance Equip. & Facilities (Common)	28,000			28,000	47,715	(19,715) 170.4% (15)
02-5059-***	Maintenance Equip. & Facilities (Co-Gen)	369,996			369,996	260,768	109,228 70.5%
02-5061-***	Mileage	1,504			1,504	643	861 42.8%
02-5076-***	SCADA Infrastructure	6,996			6,996	698	6,298 10.0%
02-5077-***	IT Direct	8,040			8,040	6,294	1,746 78.3%
02-5303-***	Group Insurance Waiver	3,600			3,600	3,040	560 84.4%
02-5305-***	Medicare Tax Payments for Employees	1,116			1,116	1,598	(482) 143.2%
02-5309-***	Operating Leases	21,800			21,800	18,596	3,204 85.3%
02-5705-***	Monthly Car Allowance	12,592			12,592	15,182	(2,590) 120.6%
02-5798-***	Covid-19 Cost	-		1,598	1,598	1,598	- 0.0%
02-5799-01-00-00	Zephyr Wall Costs Share - O&M	-			-	(14,079)	14,079 0.0% (34)
02-6500-***	IT Allocations in to PC's & Depts.	197,448			197,448	162,421	35,027 82.3%
	<b>Total Other Expenses</b>	<b>3,229,220</b>	<b>18,250</b>	<b>12,147</b>	<b>3,259,617</b>	<b>2,648,008</b>	<b>611,609 81.2%</b>
	<b>Total Expenses</b>	<b>5,941,164</b>	<b>23,295</b>	<b>18,449</b>	<b>5,982,908</b>	<b>5,028,242</b>	<b>954,666 84.0%</b>

**South Orange County Wastewater Authority**  
**O&M Budget vs. Actual Comparison by PC**  
 For the Period Ended April 30, 2020  
 (in dollars)

	<b>FY 2019-20 Budget</b>	<b>Board Approved Expenditures*</b>	<b>Extraordinary Costs</b>	<b>Adjusted Budget</b>	<b>Actual</b>	<b>(Over)/Under Budget</b>	<b>%Expended</b>	
<b>05 - San Juan Creek Ocean Outfall</b>								
Salary and Fringe								
05-5000-***	Regular Salaries-O&M *	102,104		102,104	93,207	8,897	91.3%	
05-5001-***	Overtime Salaries-O&M	900		900	480	420	53.3%	
05-5306-***	Scheduled Holiday Work		113	113	195	(81)	0.0%	
05-5401-***	Fringe Benefits IN to PC's & Depts.	73,456		73,456	66,177	7,279	90.1%	
	Total Payroll Costs	176,460	-	176,573	160,058	16,515	90.6%	
Other Expenses								
05-5003-***	Natural Gas	500		500	-	500	0.0%	
05-5015-***	Management Support Services	15,004		15,004	14,062	942	93.7%	
05-5017-***	Legal Fees	3,012		3,012	1,392	1,620	46.2%	
05-5027-***	Insurance - Property/Liability **	6,248	1,663	7,911	6,448	1,463	81.5%	
05-5031-***	Safety Supplies	1,004		1,004	140	864	13.9%	
05-5034-***	Travel Expense/Tech. Conferences	3,712		3,712	2,790	922	75.2%	
05-5035-***	Training Expense	5,988		5,988	110	5,878	1.8%	
05-5036-***	Laboratory Supplies	19,468		19,468	18,590	878	95.5%	
05-5038-***	Permits	196,000		196,000	222,884	(26,884)	113.7% (16)	
05-5039-***	Membership Dues/Fees	5,496		5,496	2,091	3,405	38.1%	
05-5044-***	Offshore Monitoring	18,000		18,000	19,002	(1,002)	105.6% (17)	
05-5046-***	Effluent Chemistry	14,000		14,000	13,550	451	96.8%	
05-5058-***	Maintenance Equip. & Facilities (Common)	1,004		1,004	-	1,004	0.0%	
05-5069-***	Misc-Capital-Dilution & Metering Study	30,000		30,000	16,345	13,655	54.5%	
05-6500-***	IT Allocations in to PC's & Depts.	13,100		13,100	10,775	2,325	82.3%	
	Total Other Expenses	332,536	1,663	-	334,199	328,179	6,021	98.2%
	Total Expenses	508,996	1,663	113	510,773	488,237	22,536	95.6%
<b>08 - Pre Treatment</b>								
Salary and Fringe								
08-5000-***	Regular Salaries-O&M *	92,352		92,352	70,946	21,406	76.8%	
08-5315-***	Comp Time - Environment	-		-	335	(335)	0.0%	
08-5401-***	Fringe Benefits IN to PC's & Depts.	66,436		66,436	50,371	16,065	75.8%	
	Total Payroll Costs	158,788	-	158,788	121,652	37,136	76.6%	
Other Expenses								
08-5011-***	Laboratory Services	2,996		2,996	1,565	1,431	52.2%	
08-5015-***	Management Support Services	2,004		2,004	-	2,004	0.0%	
08-5016-***	Audit - Environmental	600		600	600	-	0.0%	
08-5017-***	Legal Fees	2,504		2,504	-	2,504	0.0%	
08-5018-***	Public Notices/ Public Relations	5,004		5,004	277	4,727	5.5%	
08-5021-***	Small Vehicle Expense - 31A	1,056		1,056	43	1,013	4.1%	
08-5022-***	Miscellaneous Expense	2,004		2,004	-	2,004	0.0%	
08-5026-***	Small Vehicle Fuel - 37A	1,500		1,500	496	1,004	33.1%	
08-5027-***	Insurance - Property/Liability **	2,160	575	2,735	2,251	484	82.3%	
08-5028-***	Small Tools & Supplies	3,876		3,876	1,300	2,576	33.5%	
08-5031-02-00-00	Safety Program & Supplies	-		-	197	(197)	0.0%	
08-5034-***	Travel Expense/Tech. Conferences	4,348		4,348	671	3,677	15.4%	
08-5035-***	Training Expense	1,564		1,564	1,615	(51)	103.3% (18)	
08-5038-***	Permits and Fines	10,012		10,012	-	10,012	0.0%	
08-5039-***	Membership Dues/Fees	1,016		1,016	741	275	72.9%	
08-6500-***	IT Allocations in to PC's & Depts.	11,840		11,840	9,745	2,095	82.3%	
	Total Other Expenses	52,484	575	-	53,059	18,900	34,159	35.6%
	Total Expenses	211,272	575	-	211,847	140,552	71,295	66.3%
<b>12 - Water Reclamation Permits</b>								
Salary and Fringe								
12-5000-***	Regular Salaries-O&M *	35,084		35,084	49,699	(14,615)	141.7% (19)	
12-5401-***	Fringe Benefits IN to PC's & Depts.	25,248		25,248	35,286	(10,038)	139.8% (19)	
	Total Payroll Costs	60,332	-	60,332	84,985	(24,653)	140.9%	
Other Expenses								
12-5015-***	Management Support Services	270,000		270,000	112,617	157,383	41.7%	
12-5017-***	Legal Fees	2,004		2,004	-	2,004	0.0%	
12-5027-***	Insurance - Property/Liability **	2,364	629	2,993	2,526	467	84.4%	
12-5034-***	Travel Expense/Tech. Conferences	2,280		2,280	88	2,192	3.9%	
12-5038-***	Permits	20,000		20,000	20,708	(708)	103.5% (16)	
12-6500-***	IT Allocations in to PC's & Depts.	4,508		4,508	3,704	804	82.2%	
	Total Other Expenses	301,156	629	-	301,785	139,643	162,142	46.3%
	Total Expenses	361,488	629	-	362,117	224,629	137,489	62.0%

**South Orange County Wastewater Authority**  
**O&M Budget vs. Actual Comparison by PC**  
 For the Period Ended April 30, 2020  
 (in dollars)

		<b>FY 2019-20 Budget</b>	<b>Board Approved Expenditures*</b>	<b>Extraordinary Costs</b>	<b>Adjusted Budget</b>	<b>Actual</b>	<b>(Over)/Under Budget</b>	<b>%Expended</b>
<b>15 - Coastal Treatment Plant</b>								
Salary and Fringe								
15-5000-***	Regular Salaries-O&M *	954,416	1,115	3,664	959,195	696,902	262,293	72.7%
15-5001-***	Overtime Salaries-O&M	18,928			18,928	13,675	5,253	72.2%
15-5306-***	Scheduled Holiday Work	2,596			2,596	4,200	(1,604)	161.8% (20)
15-5315-***	Comp Time - O&M	4,288			4,288	2,351	1,937	54.8%
15-5401-***	Fringe Benefits IN to PC's & Depts.	686,636		2,638	689,274	494,009	195,265	71.7%
15-5700-***	Standby Pay	27,040			27,040	7,967	19,073	29.5%
	<b>Total Payroll Costs</b>	<b>1,693,904</b>	<b>1,115</b>	<b>6,302</b>	<b>1,701,321</b>	<b>1,219,103</b>	<b>482,218</b>	<b>71.7%</b>
Other Expenses								
15-5002-***	Electricity	270,960			270,960	196,609	74,351	72.6%
15-5003-***	Natural Gas	3,000			3,000	2,386	614	79.5%
15-5004-***	Potable & Reclaimed Water	30,996			30,996	20,207	10,789	65.2%
15-5006-***	Chlorine/Sodium Hypochlorite	99,000			99,000	57,668	41,332	58.3%
15-5007-***	Polymer Products	1,004			1,004	-	1,004	0.0%
15-5008-***	Ferric Chloride	28,368			28,368	37,708	(9,340)	132.9% (5)
15-5009-***	Odor Control Chemicals	56,216			56,216	34,903	21,313	62.1%
15-5011-***	Laboratory Services	14,000			14,000	8,011	5,990	57.2%
15-5012-***	Grit Hauling	30,000			30,000	20,771	9,229	69.2%
15-5013-***	Landscaping	50,548			50,548	38,438	12,110	76.0%
15-5014-***	Engineering - Misc.	1,000		-	1,000	-	1,000	0.0%
15-5015-***	Management Support Services	4,500		1,852	6,352	5,460	893	85.9% (21)
15-5017-***	Legal Fees	15,000			15,000	1,849	13,151	12.3%
15-5019-***	Contract Services Misc.	59,036		666	59,702	87,436	(27,734)	146.5% (8)
15-5021-***	Small Vehicle Expense - 31A	6,004			6,004	1,373	4,631	22.9%
15-5022-***	Miscellaneous Expense	2,996		119	3,115	531	2,583	17.1%
15-5023-***	Office Supplies - All	4,004			4,004	6,838	(2,834)	170.8% (22)
15-5024-***	Petroleum Products	1,660			1,660	1,624	36	97.8%
15-5025-***	Uniforms	9,000			9,000	8,350	650	92.8%
15-5026-***	Small Vehicle Fuel - 37A	5,000			5,000	1,359	3,641	27.2%
15-5027-***	Insurance - Property/Liability **	35,372	9,416		44,788	36,555	8,233	81.6%
15-5028-***	Small Tools & Supplies	9,524			9,524	13,577	(4,053)	142.6% (23)
15-5030-***	Trash Disposal	2,996			2,996	1,493	1,503	49.8%
15-5031-***	Safety Program & Supplies	36,048		2,957	39,005	24,536	14,469	62.9%
15-5032-***	Equipment Rental	1,000			1,000	3,514	(2,514)	351.4% (24)
15-5033-***	Recruitment	1,000			1,000	1,255	(255)	125.5% (25)
15-5034-***	Travel Expense/Tech. Conferences	15,968			15,968	5,847	10,121	36.6%
15-5035-***	Training Expense	13,268			13,268	10,855	2,413	81.8%
15-5036-***	Laboratory Supplies	16,500			16,500	15,373	1,127	93.2%
15-5037-***	Office Equipment	2,000			2,000	2,600	(600)	130.0%
15-5038-***	Permits	23,236			23,236	7,776	15,460	33.5%
15-5039-***	Membership Dues/Fees	2,368			2,368	8,103	(5,735)	342.2% (12)
15-5047-***	Access Road Expenses	49,000			49,000	23,416	25,584	47.8%
15-5048-***	Storm Damage	20,008			20,008	549	19,459	2.7%
15-5050-***	Contract Services Generators - 29A	4,004			4,004	3,923	81	98.0%
15-5052-***	Janitorial Services	20,008		362	20,370	12,963	7,406	63.6%
15-5054-***	Diesel Truck Maint - 31B	996			996	637	359	64.0%
15-5055-***	Diesel Truck Fuel - 37B	996			996	-	996	0.0%
15-5057-***	Maintenance Equip. & Facilities (Liquids)	179,000			179,000	161,695	17,305	90.3%
15-5058-***	Maintenance Equip. & Facilities (Common)	22,000			22,000	6,451	15,549	29.3%
15-5060-***	Maintenance Equip. & Facilities (AWT) 41-E	37,000			37,000	13,850	23,150	37.4%
15-5061-01-00-00	Mileage	-			-	382	(382)	0.0%
15-5076-***	SCADA Infrastructure	6,996			6,996	-	6,996	0.0%
15-5077-01-00-00	IT Direct	-			-	3,239	(3,239)	0.0%
15-5303-***	Group Insurance Waiver	3,604			3,604	3,040	564	84.4%
15-5305-***	Medicare Tax Payments for Employees	1,668			1,668	1,564	104	93.8%
15-5705-***	Monthly Car Allowance	4,200			4,200	3,547	653	84.5%
15-6500-***	IT Allocations in to PC's & Depts.	122,436			122,436	100,718	21,719	82.3%
	<b>Total Other Expenses</b>	<b>1,323,488</b>	<b>9,416</b>	<b>5,956</b>	<b>1,338,860</b>	<b>998,976</b>	<b>339,884</b>	<b>74.6%</b>
	<b>Total Expenses</b>	<b>3,017,392</b>	<b>10,532</b>	<b>12,258</b>	<b>3,040,182</b>	<b>2,218,080</b>	<b>822,102</b>	<b>73.0%</b>

**South Orange County Wastewater Authority**  
**O&M Budget vs. Actual Comparison by PC**  
 For the Period Ended April 30, 2020  
 (in dollars)

		<b>FY 2019-20 Budget</b>	<b>Board Approved Expenditures*</b>	<b>Extraordinary Costs</b>	<b>Adjusted Budget</b>	<b>Actual</b>	<b>(Over)/Under Budget</b>	<b>%Expended</b>
<b>17 - Joint Regional Wastewater Reclamation and Sludge Handling</b>								
Salary and Fringe								
17-5000-***	Regular Salaries-O&M *	1,797,416	4,129	3,664	1,805,209	1,338,003	467,206	74.1%
17-5001-***	Overtime Salaries-O&M	54,072			54,072	31,842	22,230	58.9%
17-5306-***	Scheduled Holiday Work	12,772			12,772	10,973	1,799	85.9%
17-5315-02-01-00	Comp Time - O&M	-			-	2,472	(2,472)	0.0%
17-5401-***	Fringe Benefits IN to PC's & Depts.	1,293,120		2,638	1,295,758	947,331	348,427	73.1%
17-5700-***	Standby Pay	27,040			27,040	27,244	(204)	100.8%
	Total Payroll Costs	<u>3,184,420</u>	<u>4,129</u>	<u>6,302</u>	<u>3,194,851</u>	<u>2,357,865</u>	<u>836,986</u>	<u>73.8%</u>
Other Expenses								
17-5002-***	Electricity	351,916			351,916	330,391	21,525	93.9% (26)
17-5003-***	Natural Gas	95,000			95,000	117,622	(22,622)	123.8% (27)
17-5004-***	Potable & Reclaimed Water	29,996			29,996	23,609	6,387	78.7%
17-5005-***	Co-generation Power Credit	(325,004)			(325,004)	(486,734)	161,730	149.8% (28)
17-5006-***	Chlorine/Sodium Hypochlorite	402,000			402,000	292,224	109,776	72.7%
17-5007-***	Polymer Products	482,000			482,000	338,604	143,396	70.2%
17-5008-***	Ferric Chloride	172,888			172,888	220,147	(47,259)	127.3% (5)
17-5009-***	Odor Control Chemicals	44,796			44,796	37,473	7,323	83.7%
17-5010-***	Other Chemicals - Misc.	1,996			1,996	-	1,996	0.0%
17-5011-***	Laboratory Services	16,500			16,500	9,978	6,522	60.5%
17-5012-***	Grit Hauling - 21A	47,000			47,000	46,772	228	99.5% (6)
17-5013-***	Landscaping	67,668			67,668	71,700	(4,032)	106.0%
17-5015-***	Management Support Services	13,204		1,853	15,057	25,764	(10,708)	171.1% (21)
17-5017-***	Legal Fees	1,500			1,500	30,535	(29,035)	2035.7% (29)
17-5019-***	Contract Services Misc.	80,720		206	80,926	102,304	(21,379)	126.4% (21)
17-5021-***	Small Vehicle Expense	7,000			7,000	8,925	(1,925)	127.5% (30)
17-5022-***	Miscellaneous Expense	5,004		119	5,123	1,462	3,661	28.5%
17-5023-***	Office Supplies - All	11,000			11,000	8,671	2,329	78.8%
17-5024-***	Petroleum Products	33,220			33,220	19,387	13,833	58.4%
17-5025-***	Uniforms	25,004			25,004	24,296	708	97.2% (31)
17-5026-***	Small Vehicle Fuel	9,996			9,996	5,213	4,783	52.2%
17-5027-***	Insurance - Property/Liability **	88,132	23,461		111,593	91,232	20,362	81.8%
17-5028-***	Small Tools & Supplies	25,976			25,976	23,300	2,676	89.7%
17-5030-***	Trash Disposal	1,996			1,996	1,527	469	76.5%
17-5031-***	Safety Program & Supplies	39,648		7,867	47,515	65,820	(18,305)	138.5% (11)
17-5032-***	Equipment Rental	3,004			3,004	-	3,004	0.0%
17-5033-***	Recruitment	1,004			1,004	971	33	96.7%
17-5034-***	Travel Expense/Tech. Conferences	15,956			15,956	17,145	(1,189)	107.5%
17-5035-***	Training Expense	15,172			15,172	8,384	6,788	55.3%
17-5036-***	Laboratory Supplies	23,208		113	23,321	18,495	4,826	79.3%
17-5037-***	Office Equipment	10,000			10,000	3,179	6,821	31.8%
17-5038-***	Permits	41,624			41,624	23,799	17,825	57.2%
17-5039-***	Membership Dues/Fees	4,312			4,312	9,194	(4,882)	213.2% (12)
17-5049-***	Biosolids Disposal	905,004			905,004	792,792	112,212	87.6%
17-5050-***	Contract Services Generators - 29A	8,000			8,000	3,715	4,285	0.0%
17-5052-***	Janitorial Services	41,000		1,643	42,643	31,463	11,180	73.8%
17-5054-***	Diesel Truck Maint	19,004			19,004	25,354	(6,350)	133.4% (14)
17-5055-***	Diesel Truck Fuel - 37B	8,000			8,000	4,555	3,445	56.9%
17-5056-***	Maintenance Equip. & Facilities (Solids)	201,000			201,000	143,695	57,305	71.5%
17-5057-***	Maintenance Equip. & Facilities (Liquids)	230,000			230,000	223,316	6,684	97.1%
17-5058-***	Maintenance Equip. & Facilities (Common)	35,000			35,000	22,070	12,930	63.1%
17-5059-***	Maintenance Equip. & Facilities (Co-Gen)	588,000			588,000	541,809	46,191	92.1%
17-5060-***	Maintenance Equip. & Facilities (AWT)	37,000			37,000	57,089	(20,089)	154.3% (32)
17-5061-***	Mileage	1,004			1,004	671	333	66.8%
17-5068-***	MNWD Potable Water Supplies & Svcs.	24,972		113	25,085	23,377	1,709	93.2%
17-5076-***	SCADA Infrastructure	7,000			7,000	-	7,000	0.0%
17-5077-***	IT Direct	8,040			8,040	3,239	4,801	40.3%
17-5105-***	Co-Generation Power Credit - Offset	325,000			325,000	486,734	(161,734)	149.8% (28)
17-5303-***	Group Insurance Waiver	7,192			7,192	6,080	1,112	84.5%
17-5705-***	Monthly Car Allowance	11,392			11,392	7,094	4,298	62.3%
17-5706-***	Effluent Pond Cleaning	90,000			90,000	-	90,000	0.0%
17-6500-***	IT Allocations in to PC's & Depts.	230,586			230,586	189,677	40,909	82.3%
	Total Other Expenses	<u>4,620,630</u>	<u>23,461</u>	<u>11,913</u>	<u>4,656,004</u>	<u>4,054,121</u>	<u>601,883</u>	<u>87.1%</u>
	<b>Total Expenses</b>	<b><u>7,805,050</u></b>	<b><u>27,590</u></b>	<b><u>18,215</u></b>	<b><u>7,850,855</u></b>	<b><u>6,411,987</u></b>	<b><u>1,438,869</u></b>	<b><u>81.7%</u></b>



**South Orange County Wastewater Authority**  
**O&M Budget vs. Actual Comparison by PC**  
 For the Period Ended April 30, 2020  
 (in dollars)

	<b>FY 2019-20 Budget</b>	<b>Board Approved Expenditures*</b>	<b>Extraordinary Costs</b>	<b>Adjusted Budget</b>	<b>Actual</b>	<b>(Over)/Under Budget</b>	<b>%Expended</b>
<b>21 - Effluent Transmission Main</b>							
Salary and Fringe							
21-5000-**-***			4,740	4,740	4,740	-	100.0%
21-5001-**-***			2,851	2,851	2,851	-	100.0%
21-5401-**-***			3,366	3,366	3,366	-	100.0%
			<b>Total Payroll Costs</b>	<b>10,957</b>	<b>10,957</b>	<b>-</b>	<b>100.0%</b>
Other Expenses							
21-5015-**-***			7,031	7,031	7,031	-	100.0%
21-5019-**-***			157	157	157	-	100.0%
21-5027-**-***	740	197		937	733	204	78.2%
	<b>740</b>	<b>197</b>	<b>7,188</b>	<b>8,125</b>	<b>7,922</b>	<b>204</b>	<b>97.5%</b>
	<b>Total Expenses</b>		<b>18,145</b>	<b>19,082</b>	<b>18,878</b>	<b>204</b>	<b>98.9% (33)</b>
<b>23 - North Coast Interceptor</b>							
Other Expenses							
23-5011-02-00-00			11,200	11,200	11,200	-	100.0%
23-5015-01-00-00			16,011	16,011	16,011	-	100.0%
23-5017-01-00-00			1,800	1,800	1,800	-	100.0%
			<b>Total Other Expenses</b>	<b>29,010</b>	<b>29,010</b>	<b>-</b>	<b>100.0%</b>
			<b>29,010</b>	<b>29,010</b>	<b>29,010</b>	<b>-</b>	<b>100.0%</b>
<b>24 - Aliso Creek Ocean Outfall</b>							
Salary and Fringe							
24-5000-**-***	99,608			99,608	85,554	14,054	85.9%
24-5001-**-***	460			460	603	(143)	131.2%
24-5306-01-11-00					466	(466)	0.0%
24-5315-02-11-00					68	(68)	0.0%
24-5401-**-***				71,648	60,744	10,904	84.8%
	<b>171,716</b>			<b>171,716</b>	<b>147,435</b>	<b>24,281</b>	<b>85.9%</b>
Other Expenses							
24-5015-**-***	22,496			22,496	4,712	17,784	20.9%
24-5017-**-***	1,004			1,004	-	1,004	0.0%
24-5027-**-***	6,524	1,737		8,261	6,712	1,548	81.3%
24-5031-**-***	1,004			1,004	-	1,004	0.0%
24-5034-**-***	3,704			3,704	2,790	914	75.3%
24-5035-**-***	6,008			6,008	3,000	3,008	49.9%
24-5036-**-***	19,560		113	19,673	18,762	911	95.4%
24-5038-**-***	186,756			186,756	193,466	(6,710)	103.6% (16)
24-5039-**-***	5,500			5,500	2,091	3,409	38.0%
24-5044-**-***	18,000			18,000	25,722	(7,722)	142.9% (17)
24-5046-**-***	14,004			14,004	11,555	2,450	82.5%
24-5058-**-***	1,004			1,004	-	1,004	0.0%
24-5069-**-***	30,004			30,004	12,005	17,999	40.0%
24-6500-**-***	12,776			12,776	10,511	2,265	82.3%
	<b>328,344</b>	<b>1,737</b>	<b>113</b>	<b>330,194</b>	<b>291,326</b>	<b>38,868</b>	<b>88.2%</b>
	<b>Total Other Expenses</b>			<b>330,194</b>	<b>291,326</b>	<b>38,868</b>	<b>88.2%</b>
	<b>Total Expenses</b>		<b>113</b>	<b>501,910</b>	<b>438,761</b>	<b>63,149</b>	<b>87.4%</b>
	<b>Total O&amp;M Expenses</b>			<b>18,508,684</b>	<b>14,998,375</b>	<b>3,510,309</b>	<b>81.0%</b>

\* Board approved (one year) payment of PEPA employee's contribution rate increase  
 \*\* Pooled Liability Retro Adjustment

**South Orange County Wastewater Authority**  
**O&M Budget vs. Actual Comparison by PC**  
 For the Period Ended April 30, 2020

- (1) Staff is utilizing Comp Time more than Overtime, and considering both line items together, JBL is slightly over budget, and CTP and RTP are under budget.
- (2) Standby Pay is elevated due to the rotation schedule of the staff. The overall Standby Pay for O&M is at Budget.
- (3) Power costs are elevated, and the line item Budget may need to be adjusted due to high energy demand charges as discussed with the Board in May during the review of the proposed FY 2020-21 Budget.
- (4) A leak in the fiberglass tank required staff to drain the bleach tank and refill it. The bleach drained from the leaking tank is being stored in temporary totes and will be used over the next few months.  
  
 Ferric chloride usage continues to be elevated due to sulfur type filamentous bacteria entering the plants from the collection system. O&M staff has increased Ferric dosing, trying to settle the bacteria in the primary clarifiers prior to biological treatment because these bacteria do not settle well and impact effluent quality. These bacteria are becoming more prevalent in the collection system to the plants with lower and lower sewer flows. Ferric chloride usage is elevated in the summer at CTP and lowers in the winter.
- (5) biological treatment because these bacteria do not settle well and impact effluent quality. These bacteria are becoming more prevalent in the collection system to the plants with lower and lower sewer flows. Ferric chloride usage is elevated in the summer at CTP and lowers in the winter.
- (6) Grit deliveries are higher than expected due to heavy rains pushing additional debris down the sewer and into the Treatment Plant.
- (7) Extra tree work was needed throughout the FY at several Plants to eliminate site hazards and reduce stormwater pollutants.
- (8) The Stanley access control and associated communication system was expanded. The increased costs will also be reflected in the FY 2020-21 Budget.
- (9) Staff completed the restocking of PPE for the winter months.
- (10) Several areas were cleaned out, including storage areas for the ongoing construction projects, and additional loads of trash were sent to the landfill.
- (11) Costs include the purchase of new boots per the Employee Manual.
- (12) Cost associated with the Watershed Management Area Cooperative Agreement.
- (13) Biosolids costs were higher due to landfill closures and higher than anticipated solids from the sewer systems.
- (14) Sludge hauling truck emissions control system repairs. Truck rented for several biosolids hauling trips.
- (15) The access gates and parking lot lighting poles were removed and recoated due to deterioration and corrosion from the ocean air.
- (16) Costs to date include SOCWA's annual renewal of its NPDES & WDR permits.
- (17) Additional costs due to the replacement of moors in the ocean for sample location identification.
- (18) Attendance at the major conferences have been completed by staff, WEFTEC and HACHWIMS; expenses are within budget.
- (19) This cost includes 4 months of intern time, which was not included in the budget.
- (20) Additional staff has been stationed at CTP during holidays to better perform necessary process control changes with increased flows from Laguna Beach, EBSD, and SCWD during holidays.
- (21) RTP and CTP required additional stormwater assessments due to elevated levels of ammonia and bacteria under the industrial stormwater program.
- (22) CTP staff is overhauling the documents storage systems for the treatment plant.

**South Orange County Wastewater Authority**  
**O&M Budget vs. Actual Comparison by PC**  
For the Period Ended April 30, 2020

- (23) Outfitted more new hires than anticipated
- (24) CTP staff rented equipment to replace a number of broken lights in the Headworks Building.
- (25) Additional recruitment funds were required.  
Additional power is being purchased due to warranty work on the new engine. Power costs are elevated, and the line item
- (26) Budget may need to be adjusted due to high energy demand charges as discussed with the Board in May during the review of the proposed FY 2020-21 Budget.
- (27) Additional gas is being purchased due to warranty work on the new engine gas cleaning system.
- (28) The value of power is higher than anticipated during the budget process. This will be adjusted in the FY20/21 Budget.
- (29) Several O&M contracts are being reviewed and updated for the new engine at RTP.
- (30) O&M staff overhauled the tow motor used to move the grit bins around. The project was planned for next year, but the unit failed quicker than expected.
- (31) O&M had higher uniform costs due to a higher than anticipated new hires.
- (32) O&M staff completed the annual overhaul of the AWT to prepare for summer. The project includes a complete shutdown, equipment inspection, and performing needed repairs.
- (33) ETM costs are elevated due to emergency repairs. These costs are included in the extraordinary cost column
- (34) Cost sharing between SOCWA and Zephyr Development Company for the wall dividing SOCWA and the condominium projects

**South Orange County Wastewater Authority  
Budget vs. Actual Comparison - Engineering**

For the Period Ended April 30, 2020

(in dollars)

		<b>FY 2019-20 Budget</b>	<b>Board Approved Expenditures*</b>	<b>Adjusted Budget</b>	<b>Actual</b>	<b>(Over)/Under Budget</b>	<b>% Expended</b>
<b>Salary and Fringe</b>							
01-5000-03-00-00	Regular Salaries-O&M*	207,349	714	208,063	157,015	51,047	75.5%
01-5401-03-00-00	Fringe Benefits IN to PC's & Depts.	149,173		149,173	110,974	38,199	74.4%
	<b>Total Payroll Costs</b>	<b>356,522</b>	<b>714</b>	<b>357,236</b>	<b>267,990</b>	<b>89,246</b>	<b>75.0%</b>
<b>Other Expenses</b>							
01-5015-03-00-00	Management Support Services	9,600		9,600	-	9,600	0.0%
**-5022-**-**-00	Miscellaneous Expense	3,121		3,121	69	3,052	2.2%
01-5023-03-00-00	Office Supplies - All	204		204	171	33	84.0%
01-5031-03-00-00	Safety Supplies	300		300	-	300	0.0%
01-5034-03-00-00	Travel Expense/Tech. Conferences	12,625		12,625	5,767	6,858	45.7%
01-5035-03-00-00	Training Expense	4,400		4,400	278	4,122	6.3%
01-5037-03-00-00	Office Equipment	400		400	-	400	0.0%
01-5039-03-00-00	Membership Dues/Fees	1,350		1,350	1,120	230	83.0%
01-5061-03-00-00	Mileage	500		500	263	237	52.6%
01-5309-03-00-00	Operating Leases	6,695		6,695	6,411	284	95.8%
01-5705-03-00-00	Monthly Car Allowance	5,250		5,250	4,193	1,057	79.9%
01-5802-03-00-00	Shipping/Freight	306		306	-	306	0.0%
01-6500-03-00-00	IT Allocations in to PC's & Depts.	55,588		55,588	45,727	9,861	82.3%
	<b>Total Other Expenses</b>	<b>100,339</b>	<b>-</b>	<b>100,339</b>	<b>64,000</b>	<b>36,339</b>	<b>63.8%</b>
	<b>Total Engineering Expenses</b>	<b>456,862</b>	<b>714</b>	<b>457,575</b>	<b>331,990</b>	<b>125,585</b>	<b>72.6%</b>

\* Board approved (one year) payment of PEPRAs employee's contribution rate increase

**South Orange County Wastewater Authority**  
**Budget vs. Actual Comparison- Administration**  
 For the Period Ended April 30, 2020  
 (in dollars)

		<b>FY 2019-20 Budget</b>	<b>Board Approved Expenditures*</b>	<b>Extraordinary Costs</b>	<b>Adjusted Budget</b>	<b>Actual</b>	<b>(Over)/Under Budget</b>	<b>% Expended</b>	
<b>Salary and Fringe</b>									
01-6000-04-00-00	Regular Salaries-Admin or IT*	1,030,445	3,092	2,349	1,035,886	784,260	251,626	75.7%	
01-6001-04-00-00	Overtime Salaries-Admin or IT	6,000			6,000	27,129	(21,129)	452.1%	(1)
01-6315-04-00-00	Comp Time - Admin	5,000			5,000	8,442	(3,442)	168.8%	(1)
01-6401-04-00-00	Fringe Benefits IN to ADMIN or IT	741,332		1,691	743,023	554,629	188,394	74.6%	
	<b>Total Payroll Costs</b>	<b>1,782,777</b>	<b>3,092</b>	<b>4,040</b>	<b>1,789,909</b>	<b>1,374,461</b>	<b>415,448</b>	<b>76.8%</b>	
<b>Other Expenses</b>									
01-6101-04-00-00	HR Recruitment & Employee Relations	34,200			34,200	34,745	(545)	101.6%	(3)
01-6102-04-00-00	Subscriptions	2,000			2,000	1,902	98	95.1%	
01-6200-04-00-00	Management Support Services	100,000			100,000	97,820	2,180	97.8%	
01-6201-04-00-00	Audit	45,000			45,000	37,077	7,923	82.4%	
01-6202-04-00-00	Legal	250,000			250,000	168,488	81,512	67.4%	
01-6204-04-00-00	Postage	2,400			2,400	3,089	(689)	128.7%	(2)
01-6223-04-00-00	Office Supplies - Admin	6,000			6,000	5,668	332	94.5%	
01-6224-04-00-00	Office Equipment Admin or IT	400			400	-	400	0.0%	
01-6234-04-00-00	Memberships & Trainings	90,000			90,000	70,605	19,395	78.5%	
01-6239-04-00-00	Travel & Conference	21,500			21,500	12,284	9,216	57.1%	
01-6310-04-00-00	Miscellaneous	23,000			23,000	27,341	(4,341)	118.9%	(4)
01-6311-04-00-00	Mileage	1,188			1,188	401	787	33.8%	
01-6317-04-00-00	Contract Services Misc	5,500			5,500	4,443	1,057	80.8%	
01-6500-04-00-00	IT Allocations in to PC's & Depts.	132,191			132,191	108,740	23,451	82.3%	
01-6601-04-00-00	Shipping/Freight	3,667		456	4,123	4,071	52	98.7%	
01-6705-04-00-00	Monthly Car Allowance	12,000			12,000	10,134	1,866	84.5%	
	<b>Total Other Expenses</b>	<b>729,046</b>	<b>-</b>	<b>456</b>	<b>729,502</b>	<b>586,808</b>	<b>142,694</b>	<b>80.4%</b>	
	<b>Total Admin Expenses</b>	<b>2,511,823</b>	<b>3,092</b>	<b>4,496</b>	<b>2,519,412</b>	<b>1,961,270</b>	<b>558,142</b>	<b>77.8%</b>	

\*Board approved (one year) payment of PEPRA employee's contribution rate increase

- (1) Cost increase due to less admin FTE hours and special meetings for managers and PCs.
- (2) Cost increase due to delivery of board packets
- (3) Increased Retirement costs
- (4) Printing costs for the FY 20-21 Budget Book

**South Orange County Wastewater Authority**  
**Budget vs. Actual Comparison-IT**  
For the Period Ended April 30, 2020  
(in dollars)

**Exhibit E-4**

		<b>FY 2019-20 Budget</b>	<b>Board Approved Expenditures*</b>	<b>Extraordinary Costs</b>	<b>Adjusted Budget</b>	<b>Actual</b>	<b>(Over)/Under Budget</b>	<b>% Expended</b>
<b>Salary &amp; Fringe</b>								
01-6000-05-00-00	Regular Salaries-Admin or IT *	98,482	518		99,000	77,504	21,496	78.7%
01-6001-05-00-00	Overtime Salaries-Admin or IT	-			-	4,053	(4,053)	0.0% (1)
01-6315-05-00-00	Comp Time - IT	-			-	-	-	0.0%
01-6401-05-00-00	Fringe Benefits IN to ADMIN or IT	70,851			70,851	54,684	16,167	77.2%
	<b>Total Salary &amp; Fringe</b>	<b>169,333</b>	<b>518</b>		<b>169,851</b>	<b>136,242</b>	<b>33,610</b>	<b>80.5%</b>
<b>Other Expenses</b>								
01-5028-05-00-00	Small Tools & Supplies	1,000			1,000	-	1,000	0.0%
01-5037-05-00-00	Office Equipment	600			600	-	600	0.0%
01-6102-05-00-00	Subscriptions	700			700	-	700	0.0%
01-6200-05-00-00	Management Support Services				-	-	-	0.0%
01-6234-05-00-00	Memberships & Trainings	1,000			1,000	-	1,000	0.0%
01-6239-05-00-00	Travel & Conference	3,500			3,500	2,745	755	78.4%
01-6300-05-00-00	Software Maintenance Agreements	51,967			51,967	64,890	(12,923)	124.9% (2)
01-6301-05-00-00	Hardware Maintenance Agreements	7,126			7,126	4,798	2,328	67.3%
01-6302-05-00-00	Cloud Subscriptions (Internet)	75,124			75,124	68,364	6,760	91.0%
01-6303-05-00-00	Telecommunications	127,036		250	127,286	119,464	7,822	93.9% (3)
01-6305-05-00-00	IT Professional Services	236,919		700	237,619	161,852	75,768	68.1%
01-6306-05-00-00	Small Hardware Purchases (< \$5k)	20,900		3,070	23,970	28,695	(4,725)	119.7% (4)
01-6307-05-00-00	Small Software Purchases & Licenses (<\$5k)	24,908			24,908	4,610	20,298	18.5%
01-6308-05-00-00	IT Memberships	160			160	704	(544)	440.0%
01-6309-05-00-00	Operating Leases	55,200			55,200	48,618	6,582	88.1%
01-6310-05-00-00	Miscellaneous	5,000			5,000	346	4,654	6.9%
	<b>Total Other Expenses</b>	<b>611,140</b>	<b>-</b>	<b>4,020</b>	<b>615,160</b>	<b>505,776</b>	<b>109,383</b>	<b>82.2%</b>
	<b>Total Expenses before Allocation</b>	<b>780,473</b>	<b>518</b>	<b>4,020</b>	<b>785,011</b>	<b>642,018</b>	<b>142,993</b>	<b>81.8%</b>
<b>IT Allocations (Out) to PC's &amp; Depts</b>								
01-6400-05-00-00	IT Allocations (OUT) to PC's & Depts.	(780,473)	(518)	(4,020)	(785,011)	(642,018)	(142,993)	81.8%
	<b>Total IT Allocations (Out) to PC's &amp; Depts</b>	<b>(780,473)</b>	<b>(518)</b>	<b>(4,020)</b>	<b>(785,011)</b>	<b>(642,018)</b>	<b>(142,993)</b>	<b>81.8%</b>

\* Board approved (one year) payment of PEPRA employee's contribution rate increase

- (1) Overtime is due to the financial accounting system migration to the cloud, a hosted IT environment.
- (2) Hosting cost for cloud based financial system Small Software Purchases and Licenses.
- (3) Underbudgeted costs
- (4) Laptops purchased for Covid-19 related telecommuting work.

# Agenda Item

# 5

**Finance Committee Meeting**

**Meeting Date:** June 23, 2020

**TO:** Finance Committee

**FROM:** Betty Burnett, General Manager

**STAFF CONTACT:** Mary Carey, Finance Controller

**SUBJECT:** Financial Reports for the Month of May 2020

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## Summary/Discussion

The following selected financial reports are routinely provided monthly to the Finance Committee for recommendation to the Board of Directors to ratify Cash Disbursements and receive and file the remaining documents.

The reports included are as follows:

- a. Summary of Disbursements for May 2020 (Exhibit A)
- b. Schedule of Funds Available for Reinvestment (Exhibit B)
  - Local Agency Investment Fund (LAIF)
- c. Schedule of Cash and Investments (Exhibit C)
- d. Capital Schedule (Exhibit D)
  - Capital Projects – Graph (Exhibit D-1)
- e. Budget vs. Actual Expenses:
  - Operations and Environmental Summary (Exhibit E-1)
  - Operations and Environmental by PC (E-1.2)
  - Residual Engineering, after transfer to Capital (Exhibit E-2)
  - Administration (Exhibit E-3)
  - Information Technology (IT) (Exhibit E-4)

## Fiscal impact

May 2020 cash disbursements were: \$3,842,535.

- Monthly disbursements are summarized in the attached Exhibit A.
- The attached Exhibits B, C, D and E are informational reports only.

**Recommended Action:** Staff recommends that the Finance Committee recommend to the Board of Directors to ratify the May 2020 disbursements for the period from May 1, 2020, through May 31, 2020, totaling \$3,842,535 and to receive and file the May 2020 Financial Reports as submitted.

**Exhibit A**

**South Orange County Wastewater Authority  
Summary of Disbursements for May 2020  
Staff Recommendation of Fiscal Matters**

	<u>Actual<sup>1</sup></u>
General Fund	\$ (282,334)
PC 2 - Jay B. Latham Plant	(1,649,097)
PC 3 - SOCWA Plant/PCA AWT	-
PC 5 - San Juan Creek Ocean Outfall	(52,379)
PC 8 - Pretreatment Program	(6,898)
PC 12 SO - Water Reclamation Permits	(5,190)
PC 15 - Coastal Treatment Plant/AWT	(1,473,338)
PC 17 - Joint Regional Wastewater Reclamation	(300,963)
PC 21 - Effluent Transmission Main	(52,316)
PC 24 - Aliso Creek Ocean Outfall	(20,020)
<b>Total</b>	<b><u><u>\$ (3,842,535)</u></u></b>

<sup>1</sup>Large Capital Closed Projects Permanent Refunds to Member Agencies of \$2,322,163

Moulton Niguel Water District	\$ 582,980
South Coast Water District	579,304
City of Laguna Beach	391,044
City of San Juan Capistrano	388,322
Santa Margarita Water District	349,671
Emerald Bay Service District	30,843
	<u>\$ 2,322,163</u>



**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY  
SCHEDULE OF FUNDS AVAILABLE FOR REINVESTMENT  
as of May 31, 2020**

CASH IN BANK: (BEGINNING BAL.)	\$	5,137,074
L.A.I.F. FUNDS: (BEGINNING BAL.)		22,501,235
DEPOSITS, TRANSFERS & ADJUSTMENTS:		3,395,477
FUND REQUIREMENTS:		
BILLS FOR CONSIDERATION		<u>(3,842,535)</u>
<b>TOTAL CASH IN BANK</b>	<b>\$</b>	<b><u>27,191,250</u></b>

In accordance with Government Code 53646(c), since all funds are placed in the State LAIF, staff has included in the Financial Packet, the most current statement from the State LAIF, in lieu of the report required by Government Code 53646(b)(1).

In accordance with requirements of the Government Code and the "SOCWA Investment Policy", I hereby certify that:

- 1). All investment actions executed since the last report have been made in full compliance with the Investment Policy.
- 2). SOCWA does not have sufficient funds currently on hand to meet its expenditure obligations for the next six months (see note) due to the fact that SOCWA bills and receives operational funds on a quarterly basis only.

**Betty Burnett**  
**General Manager**

Note: Operational funds are collected on a quarterly basis at the beginning of the quarter. Capital funds are collected on a quarterly basis in connection with projected needs. Member agencies have pledged to have funds available to meet all obligations.



## PMIA/LAIF Performance Report as of 06/10/20



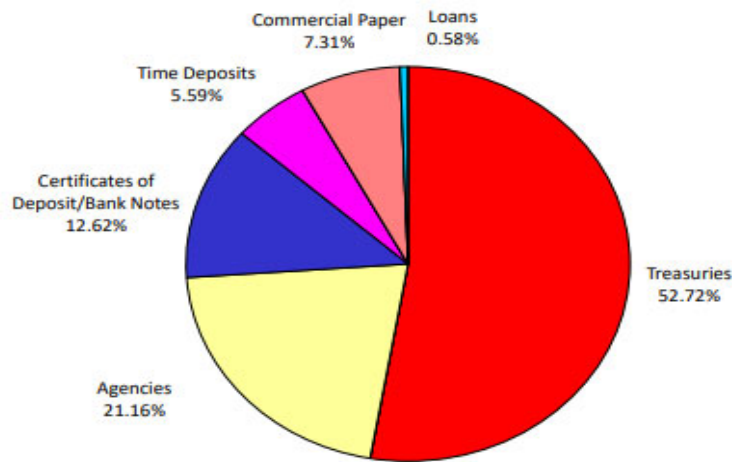
### PMIA Average Monthly Effective Yields<sup>(1)</sup>

May	1.363
Apr	1.648
Mar	1.787

### Quarterly Performance Quarter Ended 03/31/20

LAIF Apportionment Rate <sup>(2)</sup> :	2.03
LAIF Earnings Ratio <sup>(2)</sup> :	0.00005535460693046
LAIF Fair Value Factor <sup>(1)</sup> :	1.007481015
PMIA Daily <sup>(1)</sup> :	1.73%
PMIA Quarter to Date <sup>(1)</sup> :	1.89%
PMIA Average Life <sup>(1)</sup> :	208

### Pooled Money Investment Account Monthly Portfolio Composition <sup>(1)</sup> 05/31/20 \$99.0 billion



Percentages may not total 100% due to rounding

Daily rates are now available here. [View PMIA Daily Rates](#)

*Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).*

Source:

<sup>(1)</sup> State of California, Office of the Treasurer

<sup>(2)</sup> State of California, Office of the Controller

**Exhibit C**

**South Orange County Wastewater Authority  
Schedule of Cash and Investments  
as of May 31, 2020**

MVA	\$ 4,643	(A)
A/P Checking	1,780,688	(B)
Payroll Checking	289,528	(C)
State LAIF	25,116,391	(D)
<b>Total Cash in Bank</b>	<b>\$ 27,191,250</b>	
Petty Cash	1,600	(E)
<b>Total Operating Cash</b>	<b>\$ 27,192,850</b>	
OPEB Trust	5,156,705	(F)
<b>Total Cash and Investments</b>	<b>\$ 32,349,555</b>	

Notes:

- (A) Interest bearing account; all cash receipts are deposited in this account and later moved to the LAIF account.
- (B) Accounts Payable Checks are drawn against this account; money is transferred to this account, as needed, from the LAIF account.
- (C) Payroll including payroll taxes and related liabilities are drawn against this account; money is transferred into this account, as needed, from the LAIF account.
- (D) LAIF balance.
- (E) Cash on hand with GM's office and held by Chief Operators at each Treatment facility.
- (F) OPEB Trust Fund; these funds can only be used for Retiree Health Benefits.

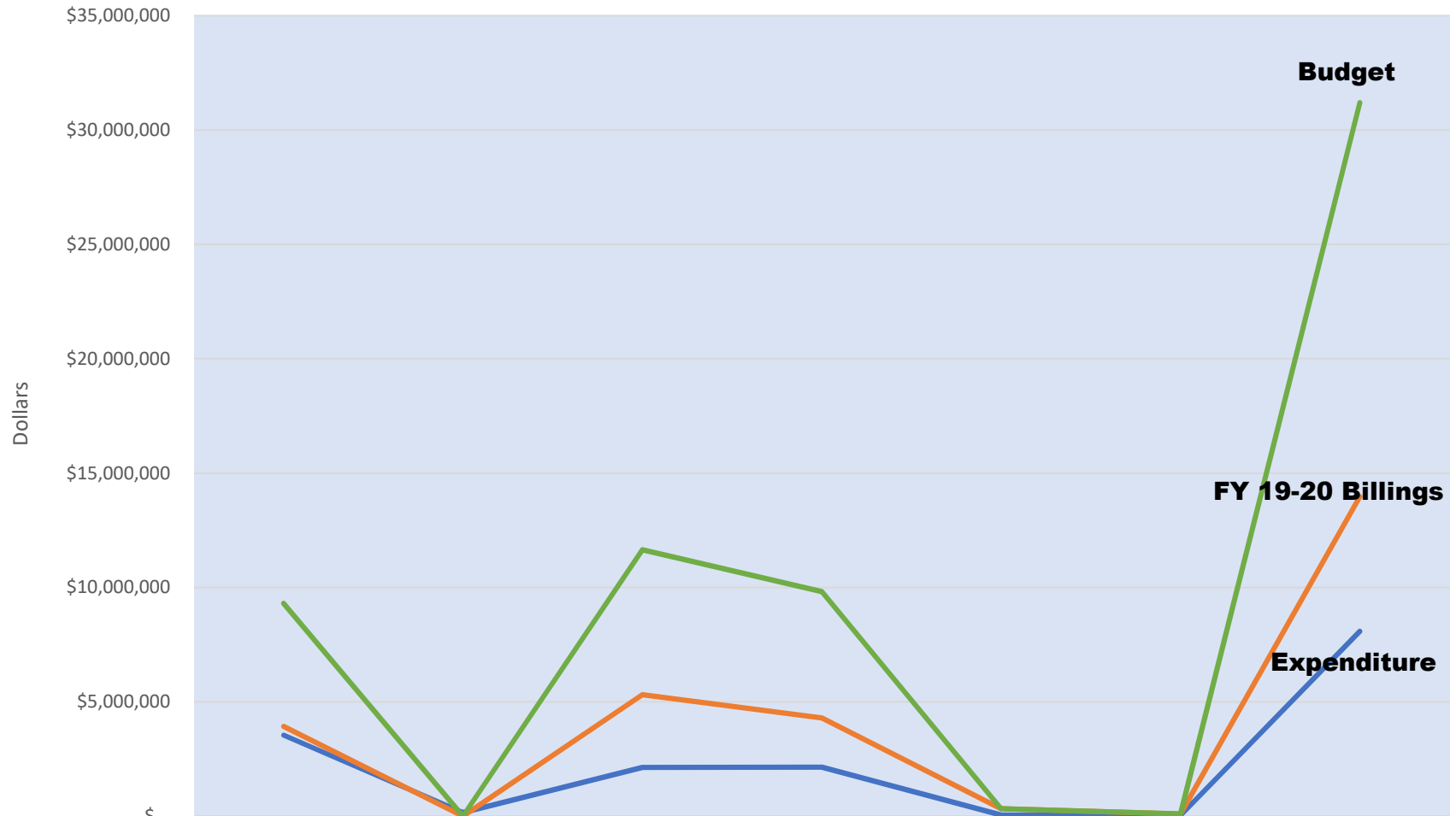
**South Orange County Wastewater Authority  
Capital Projects Summaries  
For the Period Ended May 31, 2020  
(in dollars)**

<b>FY 2019-20 Budget vs. Actual Spending</b>								
<b>Description</b>	<b>Capital Budget</b>	<b>Fiscal Year Spending</b>	<b>(Over)/ Under Budget</b>	<b>% Expended</b>	<b>Member Agency Billed</b>	<b>Member Agency Collections</b>	<b>Current Receivables</b>	<b>% Expended vs. Billed</b>
PC 2-JB Latham	\$ 9,301,575	\$ 3,540,121	\$ 5,761,455	38.1%	\$ 3,929,601	\$ 3,929,601	\$ -	90.1%
* PC 5-San Juan Creek Outfall	-	165,514	(165,514)		-	-		
PC 15-Coastal	11,644,171	2,138,281	9,505,890	18.4%	5,313,254	5,313,254		40.2%
PC 17-Regional	9,817,108	2,143,652	7,673,456	21.8%	4,292,199	4,292,199		49.9%
PC 21 Effluent Transmission	329,666	53,646	276,019	16.3%	329,668	329,668		16.3%
PC 24 Aliso Creek Outfall	106,253	45,212	61,041	42.6%	106,253	106,253		42.6%
<b>Total Large Capital</b>	<b>\$ 31,198,772</b>	<b>\$ 8,086,425</b>	<b>\$ 23,112,347</b>	<b>25.9%</b>	<b>\$ 13,970,975</b>	<b>\$ 13,970,975</b>	<b>\$ -</b>	<b>57.9%</b>
Non-Capital Engineering	838,687	142,352	696,335	17.0%	838,688	838,688		17.0%
Non-Capital Misc Engineering	425,000	48,289	376,711	11.4%	425,008	425,008		11.4%
Small Internal Capital	2,047,504	1,105,877	941,627	54.0%	2,047,504	2,047,504		54.0%
<b>Total Capital</b>	<b>\$ 34,509,964</b>	<b>\$ 9,382,944</b>	<b>\$ 25,127,020</b>	<b>27.2%</b>	<b>\$ 17,282,175</b>	<b>\$ 17,282,175</b>	<b>\$ -</b>	<b>54.3%</b>

\* PC 5 does not have a budget for FY 19-20 due to Cash on Hand for work that shifted into the current year.

# Large Capital Projects Fiscal Year '19-20 Budget vs. Year-to-Date Expenditures & Billings as of 05/31/2020

Exhibit D-1



	PC 2-JB Latham	PC 5-San Juan Creek Outfall	PC 15-Coastal	PC 17-Regional	PC 21 Effluent Transmission	PC 24 Aliso Creek Outfall	Total Large Capital
Spent - YTD 12/31/19	\$3,540,121	\$165,514	\$2,138,281	\$2,143,652	\$53,646	\$45,212	\$8,086,425
FY 19-20 Billings	\$3,929,601	-	\$5,313,254	\$4,292,199	\$329,668	\$106,253	\$13,970,975
Capital Budget 19-20	\$9,301,575	-	\$11,644,171	\$9,817,108	\$329,666	\$106,253	\$31,198,772

**South Orange County Wastewater Authority  
O & M & Environmental Safety Costs Summary**  
For the Period Ended May 31, 2020  
(in dollars)

	FY 2019-20 Budget	Board Approved Expenditures*	Extraordinary Costs	Adjusted Budget	Actual	(Over)/Under Budget	%Expended	
<b>Salary and Fringe</b>								
**-5000-**-***	Regular Salaries-O&M *	4,620,132	10,289	20,981	4,651,403	593,487	87.2%	
**-5001-**-***	Overtime Salaries-O&M	109,504		2,851	112,355	24,750	78.0% (1)	
**-5306-**-***	Scheduled Holiday Work	28,692		1,138	29,830	3,066	89.7%	
**-5315-**-***	Comp Time - O&M	7,796		7,796	11,154	(3,358)	143.1% (1)	
**-5401-**-***	Fringe Benefits IN to PC's & Depts.	3,323,840		15,059	3,338,899	464,804	86.1%	
**-5700-**-***	Standby Pay	67,600			67,600	5,052	92.5%	
	<b>Total Payroll Costs</b>	<b>8,157,564</b>	<b>10,289</b>	<b>40,029</b>	<b>8,207,882</b>	<b>7,120,081</b>	<b>86.7%</b>	
<b>Other Expenses</b>								
**-5002-**-***	Electricity	1,022,564			1,022,564	1,046,364	(23,800)	102.3% (2)
**-5003-**-***	Natural Gas	266,504			266,504	214,814	51,690	80.6%
**-5004-**-***	Potable & Reclaimed Water	84,992			84,992	69,312	15,680	81.6%
**-5005-**-***	Co-generation Power Credit	(325,004)			(325,004)	(486,734)	161,730	149.8% (3)
**-5006-**-***	Chlorine/Sodium Hypochlorite	506,000			506,000	393,578	112,422	77.8%
**-5007-**-***	Polymer Products	805,004			805,004	502,388	298,616	62.9%
**-5008-**-***	Ferric Chloride	304,992			304,992	412,467	(107,475)	135.2% (4)
**-5009-**-***	Odor Control Chemicals	130,000			130,000	92,837	37,163	71.4%
**-5010-**-***	Other Chemicals - Misc.	2,996			2,996	-	2,996	0.0%
**-5011-**-***	Laboratory Services	44,412		11,200	55,612	36,800	18,812	66.2%
**-5012-**-***	Grit Hauling	128,252			128,252	124,101	4,151	96.8% (5)
**-5013-**-***	Landscaping	159,996			159,996	150,665	9,331	94.2% (6)
**-5014-**-***	Engineering - Misc.	1,000			1,000	-	1,000	0.0%
**-5015-**-***	Management Support Services	360,212		28,692	388,904	212,904	176,001	54.7%
**-5016-**-***	Audit - Environmental	600			600	-	600	0.0%
**-5017-**-***	Legal Fees	28,352		1,800	30,152	53,713	(23,561)	178.1% (16)
**-5018-**-***	Public Notices/ Public Relations	5,004			5,004	277	4,727	5.5%
**-5019-**-***	Contract Services Misc.	199,996		1,152	201,148	260,365	(59,217)	129.4% (7)
**-5021-**-***	Small Vehicle Expense	24,064			24,064	16,768	7,296	69.7%
**-5022-**-***	Miscellaneous Expense	18,004		297	18,301	5,681	12,620	31.0%
**-5023-**-***	Office Supplies - All	43,004		109	43,113	34,696	8,417	80.5%
**-5024-**-***	Petroleum Products	49,004			49,004	42,800	6,204	87.3%
**-5025-**-***	Uniforms	54,004			54,004	60,167	(6,163)	111.4% (8)
**-5026-**-***	Small Vehicle Fuel	31,500			31,500	15,356	16,144	48.8%
**-5027-**-***	Insurance - Property/Liability **	210,096	55,929		266,025	243,895	22,130	91.7%
**-5028-**-***	Small Tools & Supplies	74,872			74,872	59,721	15,151	79.8%
**-5030-**-***	Trash Disposal	6,992			6,992	6,608	384	94.5%
**-5031-**-***	Safety Program & Supplies	117,356		18,125	135,481	146,684	(11,202)	108.3% (9)
**-5032-**-***	Equipment Rental	7,004			7,004	5,803	1,201	82.9%
**-5033-**-***	Recruitment	3,004			3,004	2,936	68	97.7%
**-5034-**-***	Travel Expense/Tech. Conferences	61,932			61,932	39,406	22,526	63.6%
**-5035-**-***	Training Expense	55,168			55,168	34,910	20,258	63.3%
**-5036-**-***	Laboratory Supplies	93,256		865	94,121	88,170	5,951	93.7%
**-5037-**-***	Office Equipment	25,000			25,000	15,410	9,590	61.6%
**-5038-**-***	Permits	500,128			500,128	491,310	8,818	98.2% (10)
**-5039-**-***	Membership Dues/Fees	22,892			22,892	34,653	(11,761)	151.4% (11)
**-5044-**-***	Offshore Monitoring	36,000			36,000	47,204	(11,204)	131.1% (12)
**-5046-**-***	Effluent Chemistry	28,004			28,004	27,414	590	97.9%
**-5047-**-***	Access Road Expenses	49,000			49,000	23,416	25,584	47.8%
**-5048-**-***	Storm Damage	20,008			20,008	549	19,459	2.7%
**-5049-**-***	Biosolids Disposal	1,355,004			1,355,004	1,232,122	122,882	90.9% (13)
**-5050-**-***	Contract Services Generators - 29A	22,008			22,008	18,349	3,659	83.4%
**-5052-**-***	Janitorial Services	102,008		8,526	110,534	90,954	19,580	82.3%
**-5053-**-***	Contract Serv - Digester Cleaning - 29E	59,996			59,996	10,226	49,770	17.0%
**-5054-**-***	Diesel Truck Maint	41,000			41,000	47,715	(6,715)	116.4% (14)
**-5055-**-***	Diesel Truck Fuel - 37B	14,996			14,996	7,503	7,493	50.0%
**-5056-**-***	Maintenance Equip. & Facilities (Solids)	356,004			356,004	291,129	64,875	81.8%
**-5057-**-***	Maintenance Equip. & Facilities (Liquids)	663,000			663,000	555,447	107,553	83.8%
**-5058-**-***	Maintenance Equip. & Facilities (Common)	87,008			87,008	78,993	8,015	90.8%
**-5059-**-***	Maintenance Equip. & Facilities (Co-Gen)	957,996			957,996	841,330	116,666	87.8%
**-5060-**-***	Maintenance Equip. & Facilities (AWT)	74,000			74,000	74,468	(468)	100.6% (15)
**-5061-**-***	Mileage	2,508			2,508	1,783	725	71.1%
**-5068-**-***	MNWD Potable Water Supplies & Svcs.	24,972		161	25,133	23,424	1,709	93.2%
**-5069-**-***	Misc-Capital-Dilution & Metering Study	60,004			60,004	28,350	31,654	47.2%
**-5076-**-***	SCADA Infrastructure	20,992			20,992	698	20,294	3.3%
**-5077-**-***	IT Direct	16,080			16,080	12,771	3,309	79.4%
**-5105-**-***	Co-Generation Power Credit - Offset	325,000			325,000	486,734	(161,734)	149.8% (3)
**-5303-**-***	Group Insurance Waiver	14,396			14,396	13,324	1,072	92.6%
**-5305-**-***	Medicare Tax Payments for Employees	2,784			2,784	3,305	(521)	118.7%
**-5309-**-***	Operating Leases	21,800			21,800	20,513	1,287	94.1%
**-5705-**-***	Monthly Car Allowance	28,184			28,184	28,682	(498)	101.8%
**-5706-**-***	Effluent Pond Cleaning	90,000			90,000	-	90,000	0.0%
02-5798-**-***	Covid-19 Cost	-		1,598	1,598	-	-	0.0%
02-5799-01-00-00	Zephyr Wall Costs Share - O&M	-			-	(14,079)	14,079	0.0% (17)
**-6500-**-***	IT Allocations in to PC's & Depts.	592,694			592,694	526,238	66,456	88.8%
	<b>Total Other Expenses</b>	<b>10,188,598</b>	<b>55,929</b>	<b>72,524</b>	<b>10,317,051</b>	<b>8,912,984</b>	<b>1,404,067</b>	<b>86.4%</b>
	<b>Total O&amp;M Expenses</b>	<b>18,346,162</b>	<b>66,218</b>	<b>112,553</b>	<b>18,524,934</b>	<b>16,033,065</b>	<b>2,491,869</b>	<b>86.5%</b>

\* Board approved (one year) payment of PEPPA employee's contribution rate increase  
\*\* Pooled Liability Retro Adjustment

**South Orange County Wastewater Authority**  
**O & M & Environmental Safety Costs Summary**

For the Period Ended May 31, 2020  
(in dollars)

- (1) Staff is utilizing Comp Time more than Overtime Salaries and considering both line items together; the overall Overtime Budget is 84% of the FY amount.
- (2) Power costs are elevated, and the line item Budget may need to be adjusted due to high energy demand charges as discussed with the Board in May during the review of the proposed FY 2020-21 Budget.
- (3) The value of power is higher than anticipated during the budget process. This will be adjusted in the FY 2020-21 Budget.
- (4) Ferric chloride usage continues to be elevated due to sulfur type filamentous bacteria entering the plants from the collection system. O&M staff has increased Ferric dosing, trying to settle the bacteria in the primary clarifiers prior to biological treatment because these bacteria do not settle well and impact effluent quality. These bacteria are becoming more prevalent in the collection system to the plants with lower and lower sewer flows.
- (5) Grit deliveries are higher than expected due to heavy rains pushing additional debris down the sewer and into the Treatment Plants.
- (6) Extra tree work was needed throughout the FY at several Plants to eliminate site hazards and reduce stormwater pollutants.
- (7) The Stanley access control and associated communication system was expanded. The increased costs will also be reflected in the FY 2020-21 Budget.
- (8) Staff completed the restocking of PPE.
- (9) Costs includes the purchase of new boots per the Employee Manual.
- (10) Costs to date include SOCWA's annual renewal of its NPDES & WDR permits, there was an increase due to a change in their calculation methodology.
- (11) Cost associated with the Watershed Management Area Cooperative Agreement was originally not included in the budget, \$10,456.
- (12) Additional costs due to replacement of moors in the ocean for sample location identification.
- (13) Biosolids costs were higher due to landfill closures and higher than anticipated solids from the sewer systems.
- (14) Sludge hauling truck emissions control system repairs. Truck rented for several Biosolids hauling trips.
- (15) Annual AWT cleaning completed.
- (16) Several O&M contracts are being reviewed and updated for the new engine at RTP.
- (17) Cost sharing between SOCWA and Zephyr Development Company for the wall dividing SOCWA and the condominium projects

**South Orange County Wastewater Authority**  
**O&M Budget vs. Actual Comparison by PC**  
 For the Period Ended May 31, 2020  
 (in dollars)

	FY 2019-20 Budget	Board Approved Expenditures*	Extraordinary Costs	Adjusted Budget	Actual	(Over)/Under Budget	%Expended	
<b>02 - Jay B. Latham Plant</b>								
<b>Salary and Fringe</b>								
02-5000-***.**	Regular Salaries-O&M *	1,539,152	5,045	5,414	1,549,611	1,478,379	71,231	95.4%
02-5001-***.**	Overtime Salaries-O&M	35,144			35,144	37,691	(2,547)	107.2% (1)
02-5306-***.**	Scheduled Holiday Work	13,324		328	13,652	10,932	2,720	80.1%
02-5315-***.**	Comp Time - O&M	3,508			3,508	6,079	(2,571)	173.3% (1)
02-5401-***.**	Fringe Benefits IN to PC's & Depts.	1,107,296		3,898	1,111,194	1,046,067	65,127	94.1%
02-5700-***.**	Standby Pay	13,520			13,520	23,762	(10,242)	175.8% (2)
	Total Payroll Costs	2,711,944	5,045	9,639	2,726,628	2,602,909	123,718	95.5%
<b>Other Expenses</b>								
02-5002-***.**	Electricity	399,688			399,688	481,493	(81,805)	120.5% (3)
02-5003-***.**	Natural Gas	168,004			168,004	90,714	77,290	54.0%
02-5004-***.**	Potable & Reclaimed Water	24,000			24,000	20,901	3,099	87.1%
02-5006-***.**	Chlorine/Sodium Hypochlorite	5,000			5,000	5,511	(511)	110.2% (4)
02-5007-***.**	Polymer Products	322,000			322,000	167,784	154,216	52.1%
02-5008-***.**	Ferric Chloride	103,736			103,736	140,730	(36,994)	135.7% (5)
02-5009-***.**	Odor Control Chemicals	28,988			28,988	16,654	12,334	57.5%
02-5010-***.**	Other Chemicals - Misc.	1,000			1,000	-	1,000	0.0%
02-5011-***.**	Laboratory Services	10,916			10,916	5,847	5,069	53.6%
02-5012-***.**	Grit Hauling	51,252			51,252	53,571	(2,319)	104.5% (6)
02-5013-***.**	Landscaping	41,780			41,780	48,133	(6,353)	115.2% (7)
02-5015-***.**	Management Support Services	33,004		1,852	34,856	27,154	7,703	77.9%
02-5017-***.**	Legal Fees	3,328			3,328	2,488	840	74.8%
02-5019-***.**	Contract Services Misc.	60,240		124	60,364	66,725	(6,362)	110.5% (8)
02-5021-***.**	Small Vehicle Expense	10,004			10,004	6,254	3,750	62.5%
02-5022-***.**	Miscellaneous Expense	8,000		60	8,060	3,688	4,372	45.8%
02-5023-***.**	Office Supplies - All	28,000		36	28,036	17,417	10,619	62.1%
02-5024-***.**	Petroleum Products	14,124			14,124	8,990	5,134	63.7%
02-5025-***.**	Uniforms	20,000			20,000	24,890	(4,890)	124.4% (9)
02-5026-***.**	Small Vehicle Fuel	15,004			15,004	7,761	7,243	51.7%
02-5027-***.**	Insurance - Property/Liability **	68,556	18,250		86,806	82,401	4,405	94.9%
02-5028-***.**	Small Tools & Supplies	35,496			35,496	21,202	14,294	59.7%
02-5030-***.**	Trash Disposal	2,000			2,000	3,215	(1,215)	160.8% (10)
02-5031-***.**	Safety Program & Supplies	39,652		6,519	46,171	51,178	(5,007)	110.8% (11)
02-5032-***.**	Equipment Rental	3,000			3,000	2,289	711	76.3%
02-5033-***.**	Recruitment	1,000			1,000	710	290	71.0%
02-5034-***.**	Travel Expense/Tech. Conferences	15,964			15,964	10,075	5,889	63.1%
02-5035-***.**	Training Expense	13,168			13,168	10,945	2,223	83.1%
02-5036-***.**	Laboratory Supplies	14,520		272	14,792	13,296	1,496	89.9%
02-5037-***.**	Office Equipment	13,000			13,000	9,631	3,369	74.1%
02-5038-***.**	Permits	22,500			22,500	19,877	2,623	88.3%
02-5039-***.**	Membership Dues/Fees	4,200			4,200	11,647	(7,447)	277.3% (12)
02-5049-***.**	Biosolids Disposal	450,000			450,000	437,765	12,235	97.3% (13)
02-5050-***.**	Contract Services Generators - 29A	10,004			10,004	10,711	(707)	107.1%
02-5052-***.**	Janitorial Services	41,000		4,998	45,998	42,801	3,197	93.0%
02-5053-***.**	Contract Serv - Digester Cleaning - 29E	59,996			59,996	10,226	49,770	17.0%
02-5054-***.**	Diesel Truck Maint	21,000			21,000	21,526	(526)	102.5% (14)
02-5055-***.**	Diesel Truck Fuel - 37B	6,000			6,000	2,455	3,545	40.9%
02-5056-***.**	Maintenance Equip. & Facilities (Solids)	155,004			155,004	131,410	23,594	84.8%
02-5057-***.**	Maintenance Equip. & Facilities (Liquids)	254,000			254,000	191,483	62,517	75.4%
02-5058-***.**	Maintenance Equip. & Facilities (Common)	28,000			28,000	50,039	(22,039)	178.7% (15)
02-5059-***.**	Maintenance Equip. & Facilities (Co-Gen)	369,996			369,996	275,699	94,297	74.5%
02-5061-***.**	Mileage	1,504			1,504	643	861	42.8%
02-5076-***.**	SCADA Infrastructure	6,996			6,996	698	6,298	10.0%
02-5077-***.**	IT Direct	8,040			8,040	6,294	1,746	78.3%
02-5303-***.**	Group Insurance Waiver	3,600			3,600	3,331	269	92.5%
02-5305-***.**	Medicare Tax Payments for Employees	1,116			1,116	1,598	(482)	143.2%
02-5309-***.**	Operating Leases	21,800			21,800	20,513	1,287	94.1%
02-5705-***.**	Monthly Car Allowance	12,592			12,592	17,024	(4,432)	135.2%
02-5798-***.**	Covid-19 Cost	-		1,598	1,598	1,598	-	0.0%
02-5799-01-00-00	Zephyr Wall Costs Share - O&M	-			-	(14,079)	14,079	0.0% (34)
02-6500-***.**	IT Allocations in to PC's & Depts.	197,448			197,448	175,310	22,138	88.8%
	Total Other Expenses	3,229,220	18,250	15,459	3,262,929	2,820,214	442,715	86.4%
	<b>Total Expenses</b>	<b>5,941,164</b>	<b>23,295</b>	<b>25,098</b>	<b>5,989,557</b>	<b>5,423,124</b>	<b>566,433</b>	<b>90.5%</b>



**South Orange County Wastewater Authority**  
**O&M Budget vs. Actual Comparison by PC**  
 For the Period Ended May 31, 2020  
 (in dollars)

	FY 2019-20 Budget	Board Approved Expenditures*	Extraordinary Costs	Adjusted Budget	Actual	(Over)/Under Budget	%Expended
<b>05 - San Juan Creek Ocean Outfall</b>							
Salary and Fringe							
05-5000-**-**	Regular Salaries-O&M *	102,104		102,104	105,924	(3,820)	103.7%
05-5001-**-**	Overtime Salaries-O&M	900		900	480	420	53.3%
05-5306-**-**	Scheduled Holiday Work		49	49	195	(146)	0.0%
05-5401-**-**	Fringe Benefits IN to PC's & Depts.	73,456		73,456	75,206	(1,750)	102.4%
	Total Payroll Costs	176,460	49	176,509	181,804	(5,296)	103.0%
Other Expenses							
05-5003-**-**	Natural Gas	500		500	-	500	0.0%
05-5015-**-**	Management Support Services	15,004		15,004	14,062	942	93.7%
05-5017-**-**	Legal Fees	3,012		3,012	2,569	443	85.3%
05-5027-**-**	Insurance - Property/Liability **	6,248	1,663	7,911	7,112	799	89.9%
05-5031-**-**	Safety Supplies	1,004		1,004	140	864	13.9%
05-5034-**-**	Travel Expense/Tech. Conferences	3,712		3,712	2,790	922	75.2%
05-5035-**-**	Training Expense	5,988		5,988	110	5,878	1.8%
05-5036-**-**	Laboratory Supplies	19,468		19,629	20,088	(460)	102.3%
05-5038-**-**	Permits	196,000	161	196,000	222,884	(26,884)	113.7% (16)
05-5039-**-**	Membership Dues/Fees	5,496		5,496	2,091	3,405	38.1%
05-5044-**-**	Offshore Monitoring	18,000		18,000	20,242	(2,242)	112.5% (17)
05-5046-**-**	Effluent Chemistry	14,000		14,000	15,860	(1,860)	113.3%
05-5058-**-**	Maintenance Equip. & Facilities (Common)	1,004		1,004	-	1,004	0.0%
05-5069-**-**	Misc-Capital-Dilution & Metering Study	30,000		30,000	16,345	13,655	54.5%
05-6500-**-**	IT Allocations in to PC's & Depts.	13,100		13,100	11,630	1,470	88.8%
	Total Other Expenses	332,536	1,663	334,360	335,923	(1,563)	100.5%
	Total Expenses	508,996	1,663	510,868	517,728	(6,859)	101.3%
<b>08 - Pre Treatment</b>							
Salary and Fringe							
08-5000-**-**	Regular Salaries-O&M *	92,352		92,352	77,843	14,509	84.3%
08-5315-**-**	Comp Time - Environment	-		-	335	(335)	0.0%
08-5401-**-**	Fringe Benefits IN to PC's & Depts.	66,436		66,436	55,269	11,167	83.2%
	Total Payroll Costs	158,788	-	158,788	133,447	25,341	84.0%
Other Expenses							
08-5011-**-**	Laboratory Services	2,996		2,996	1,565	1,431	52.2%
08-5015-**-**	Management Support Services	2,004		2,004	-	2,004	0.0%
08-5016-**-**	Audit - Environmental	600		600	-	600	0.0%
08-5017-**-**	Legal Fees	2,504		2,504	906	1,598	36.2%
08-5018-**-**	Public Notices/ Public Relations	5,004		5,004	277	4,727	5.5%
08-5021-**-**	Small Vehicle Expense - 31A	1,056		1,056	43	1,013	4.1%
08-5022-**-**	Miscellaneous Expense	2,004		2,004	-	2,004	0.0%
08-5026-**-**	Small Vehicle Fuel - 37A	1,500		1,500	496	1,004	33.1%
08-5027-**-**	Insurance - Property/Liability **	2,160	575	2,735	2,480	255	90.7%
08-5028-**-**	Small Tools & Supplies	3,876		3,876	1,300	2,576	33.5%
08-5031-02-00-00	Safety Program & Supplies	-		-	197	(197)	0.0%
08-5034-**-**	Travel Expense/Tech. Conferences	4,348		4,348	671	3,677	15.4%
08-5035-**-**	Training Expense	1,564		1,564	1,615	(51)	103.3% (18)
08-5038-**-**	Permits and Fines	10,012		10,012	-	10,012	0.0%
08-5039-**-**	Membership Dues/Fees	1,016		1,016	741	275	72.9%
08-6500-**-**	IT Allocations in to PC's & Depts.	11,840		11,840	10,518	1,322	88.8%
	Total Other Expenses	52,484	575	53,059	20,809	32,250	39.2%
	Total Expenses	211,272	575	211,847	154,255	57,592	72.8%
<b>12 - Water Reclamation Permits</b>							
Salary and Fringe							
12-5000-**-**	Regular Salaries-O&M *	35,084		35,084	53,189	(18,105)	151.6% (19)
12-5401-**-**	Fringe Benefits IN to PC's & Depts.	25,248		25,248	37,764	(12,516)	149.6% (19)
	Total Payroll Costs	60,332	-	60,332	90,953	(30,621)	150.8%
Other Expenses							
12-5015-**-**	Management Support Services	270,000		270,000	112,617	157,383	41.7%
12-5017-**-**	Legal Fees	2,004		2,004	34	1,971	1.7%
12-5027-**-**	Insurance - Property/Liability **	2,364	629	2,993	2,778	216	92.8%
12-5034-**-**	Travel Expense/Tech. Conferences	2,280		2,280	88	2,192	3.9%
12-5038-**-**	Permits	20,000		20,000	20,708	(708)	103.5% (16)
12-6500-**-**	IT Allocations in to PC's & Depts.	4,508		4,508	3,998	510	88.7%
	Total Other Expenses	301,156	629	301,785	140,222	161,563	46.5%
	Total Expenses	361,488	629	362,117	231,175	130,942	63.8%

**South Orange County Wastewater Authority**  
**O&M Budget vs. Actual Comparison by PC**  
 For the Period Ended May 31, 2020  
 (in dollars)

	FY 2019-20 Budget	Board Approved Expenditures*	Extraordinary Costs	Adjusted Budget	Actual	(Over)/Under Budget	%Expended	
<b>15 - Coastal Treatment Plant</b>								
Salary and Fringe								
15-5000-**-**	Regular Salaries-O&M *	954,416	1,115	5,414	960,945	768,345	192,600	80.0%
15-5001-**-**	Overtime Salaries-O&M	18,928			18,928	13,937	4,991	73.6%
15-5306-**-**	Scheduled Holiday Work	2,596		295	2,891	4,200	(1,309)	145.3% (20)
15-5315-**-**	Comp Time - O&M	4,288			4,288	2,351	1,937	54.8%
15-5401-**-**	Fringe Benefits IN to PC's & Depts.	686,636		3,898	690,534	544,733	145,801	78.9%
15-5700-**-**	Standby Pay	27,040			27,040	9,300	17,740	34.4%
	Total Payroll Costs	1,693,904	1,115	9,606	1,704,626	1,342,865	361,761	78.8%
Other Expenses								
15-5002-**-**	Electricity	270,960			270,960	216,368	54,592	79.9%
15-5003-**-**	Natural Gas	3,000			3,000	2,482	518	82.7%
15-5004-**-**	Potable & Reclaimed Water	30,996			30,996	22,181	8,815	71.6%
15-5006-**-**	Chlorine/Sodium Hypochlorite	99,000			99,000	63,939	35,061	64.6%
15-5007-**-**	Polymer Products	1,004			1,004	-	1,004	0.0%
15-5008-**-**	Ferric Chloride	28,368			28,368	37,708	(9,340)	132.9% (5)
15-5009-**-**	Odor Control Chemicals	56,216			56,216	38,351	17,865	68.2%
15-5011-**-**	Laboratory Services	14,000			14,000	8,111	5,890	57.9%
15-5012-**-**	Grit Hauling	30,000			30,000	21,582	8,418	71.9%
15-5013-**-**	Landscaping	50,548			50,548	24,405	26,143	48.3%
15-5014-**-**	Engineering - Misc.	1,000			1,000	-	1,000	0.0%
15-5015-**-**	Management Support Services	4,500		1,852	6,352	5,460	893	85.9% (21)
15-5017-**-**	Legal Fees	15,000			15,000	3,836	11,164	25.6%
15-5019-**-**	Contract Services Misc.	59,036		666	59,702	89,459	(29,757)	149.8% (8)
15-5021-**-**	Small Vehicle Expense - 31A	6,004			6,004	1,389	4,615	23.1%
15-5022-**-**	Miscellaneous Expense	2,996		119	3,115	531	2,583	17.1%
15-5023-**-**	Office Supplies - All	4,004		36	4,040	7,438	(3,398)	184.1% (22)
15-5024-**-**	Petroleum Products	1,660			1,660	1,624	36	97.8%
15-5025-**-**	Uniforms	9,000			9,000	8,965	35	99.6%
15-5026-**-**	Small Vehicle Fuel - 37A	5,000			5,000	1,483	3,517	29.7%
15-5027-**-**	Insurance - Property/Liability **	35,372	9,416		44,788	40,313	4,475	90.0%
15-5028-**-**	Small Tools & Supplies	9,524			9,524	13,577	(4,053)	142.6% (23)
15-5030-**-**	Trash Disposal	2,996			2,996	1,707	1,289	57.0%
15-5031-**-**	Safety Program & Supplies	36,048		3,348	39,396	25,666	13,730	65.1%
15-5032-**-**	Equipment Rental	1,000			1,000	3,514	(2,514)	351.4% (24)
15-5033-**-**	Recruitment	1,000			1,000	1,255	(255)	125.5% (25)
15-5034-**-**	Travel Expense/Tech. Conferences	15,968			15,968	5,847	10,121	36.6%
15-5035-**-**	Training Expense	13,268			13,268	10,855	2,413	81.8%
15-5036-**-**	Laboratory Supplies	16,500			16,500	15,373	1,127	93.2%
15-5037-**-**	Office Equipment	2,000			2,000	2,600	(600)	130.0%
15-5038-**-**	Permits	23,236			23,236	9,176	14,060	39.5%
15-5039-**-**	Membership Dues/Fees	2,368			2,368	8,397	(6,029)	354.6% (12)
15-5047-**-**	Access Road Expenses	49,000			49,000	23,416	25,584	47.8%
15-5048-**-**	Storm Damage	20,008			20,008	549	19,459	2.7%
15-5050-**-**	Contract Services Generators - 29A	4,004			4,004	3,923	81	98.0%
15-5052-**-**	Janitorial Services	20,008		393	20,401	13,928	6,474	68.3%
15-5054-**-**	Diesel Truck Maint - 31B	996			996	637	359	64.0%
15-5055-**-**	Diesel Truck Fuel - 37B	996			996	-	996	0.0%
15-5057-**-**	Maintenance Equip. & Facilities (Liquids)	179,000			179,000	146,757	32,243	82.0%
15-5058-**-**	Maintenance Equip. & Facilities (Common)	22,000			22,000	6,451	15,549	29.3%
15-5060-**-**	Maintenance Equip. & Facilities (AWT) 41-E	37,000			37,000	13,932	23,068	37.7%
15-5061-01-00-00	Mileage	-			-	396	(396)	0.0%
15-5076-**-**	SCADA Infrastructure	6,996			6,996	-	6,996	0.0%
15-5077-01-00-00	IT Direct	-			-	3,239	(3,239)	0.0%
15-5303-**-**	Group Insurance Waiver	3,604			3,604	3,331	273	92.4%
15-5305-**-**	Medicare Tax Payments for Employees	1,668			1,668	1,707	(39)	102.3%
15-5705-**-**	Monthly Car Allowance	4,200			4,200	3,886	314	92.5%
15-6500-**-**	IT Allocations in to PC's & Depts.	122,436			122,436	108,709	13,727	88.8%
	Total Other Expenses	1,323,488	9,416	6,415	1,339,319	1,024,451	314,869	76.5%
	<b>Total Expenses</b>	<b>3,017,392</b>	<b>10,532</b>	<b>16,021</b>	<b>3,043,945</b>	<b>2,367,315</b>	<b>676,630</b>	<b>77.8%</b>

**South Orange County Wastewater Authority**  
**O&M Budget vs. Actual Comparison by PC**  
 For the Period Ended May 31, 2020  
 (in dollars)

	FY 2019-20 Budget	Board Approved Expenditures*	Extraordinary Costs	Adjusted Budget	Actual	(Over)/Under Budget	%Expended
<b>17 - Joint Regional Wastewater Reclamation and Sludge Handling</b>							
Salary and Fringe							
17-5000-**-**	Regular Salaries-O&M *	1,797,416	4,129	5,414	1,806,959	1,473,819	333,140 81.6%
17-5001-**-**	Overtime Salaries-O&M	54,072			54,072	32,043	22,029 59.3%
17-5306-**-**	Scheduled Holiday Work	12,772		435	13,207	10,973	2,234 83.1%
17-5315-02-01-00	Comp Time - O&M	-			-	2,322	(2,322) 0.0%
17-5401-**-**	Fringe Benefits IN to PC's & Depts.	1,293,120		3,898	1,297,018	1,043,760	253,258 80.5%
17-5700-**-**	Standby Pay	27,040			27,040	29,487	(2,447) 109.0%
	Total Payroll Costs	3,184,420	4,129	9,747	3,198,296	2,592,402	605,893 81.1%
Other Expenses							
17-5002-**-**	Electricity	351,916			351,916	348,503	3,413 99.0% (26)
17-5003-**-**	Natural Gas	95,000			95,000	121,617	(26,617) 128.0% (27)
17-5004-**-**	Potable & Reclaimed Water	29,996			29,996	26,230	3,766 87.4%
17-5005-**-**	Co-generation Power Credit	(325,004)			(325,004)	(486,734)	161,730 149.8% (28)
17-5006-**-**	Chlorine/Sodium Hypochlorite	402,000			402,000	324,128	77,872 80.6%
17-5007-**-**	Polymer Products	482,000			482,000	338,604	143,396 70.2%
17-5008-**-**	Ferric Chloride	172,888			172,888	234,029	(61,141) 135.4% (5)
17-5009-**-**	Odor Control Chemicals	44,796			44,796	37,833	6,963 84.5%
17-5010-**-**	Other Chemicals - Misc.	1,996			1,996	-	1,996 0.0%
17-5011-**-**	Laboratory Services	16,500			16,500	10,078	6,422 61.1%
17-5012-**-**	Grit Hauling - 21A	47,000			47,000	48,949	(1,949) 104.1% (6)
17-5013-**-**	Landscaping	67,668			67,668	78,127	(10,459) 115.5%
17-5015-**-**	Management Support Services	13,204		1,853	15,057	25,764	(10,708) 171.1% (21)
17-5017-**-**	Legal Fees	1,500			1,500	42,081	(40,581) 2805.4% (29)
17-5019-**-**	Contract Services Misc.	80,720		206	80,926	104,024	(23,099) 128.5% (21)
17-5021-**-**	Small Vehicle Expense	7,000			7,000	9,082	(2,082) 129.7% (30)
17-5022-**-**	Miscellaneous Expense	5,004		119	5,123	1,462	3,661 28.5%
17-5023-**-**	Office Supplies - All	11,000		36	11,036	9,840	1,196 89.2%
17-5024-**-**	Petroleum Products	33,220			33,220	32,186	1,034 96.9%
17-5025-**-**	Uniforms	25,004			25,004	26,312	(1,308) 105.2% (31)
17-5026-**-**	Small Vehicle Fuel	9,996			9,996	5,616	4,380 56.2%
17-5027-**-**	Insurance - Property/Liability **	88,132	23,461		111,593	100,594	10,999 90.1%
17-5028-**-**	Small Tools & Supplies	25,976			25,976	23,642	2,334 91.0%
17-5030-**-**	Trash Disposal	1,996			1,996	1,686	310 84.5%
17-5031-**-**	Safety Program & Supplies	39,648		8,258	47,906	69,503	(21,597) 145.1% (11)
17-5032-**-**	Equipment Rental	3,004			3,004	-	3,004 0.0%
17-5033-**-**	Recruitment	1,004			1,004	971	33 96.7%
17-5034-**-**	Travel Expense/Tech. Conferences	15,956			15,956	17,145	(1,189) 107.5%
17-5035-**-**	Training Expense	15,172			15,172	8,384	6,788 55.3%
17-5036-**-**	Laboratory Supplies	23,208		272	23,480	19,152	4,327 81.6%
17-5037-**-**	Office Equipment	10,000			10,000	3,179	6,821 31.8%
17-5038-**-**	Permits	41,624			41,624	25,199	16,425 60.5%
17-5039-**-**	Membership Dues/Fees	4,312			4,312	9,685	(5,373) 224.6% (12)
17-5049-**-**	Biosolids Disposal	905,004			905,004	794,358	110,646 87.8%
17-5050-**-**	Contract Services Generators - 29A	8,000			8,000	3,715	4,285 0.0%
17-5052-**-**	Janitorial Services	41,000		3,135	44,135	34,225	9,910 77.5%
17-5054-**-**	Diesel Truck Maint	19,004			19,004	25,552	(6,548) 134.5% (14)
17-5055-**-**	Diesel Truck Fuel - 37B	8,000			8,000	5,048	2,952 63.1%
17-5056-**-**	Maintenance Equip. & Facilities (Solids)	201,000			201,000	159,719	41,281 79.5%
17-5057-**-**	Maintenance Equip. & Facilities (Liquids)	230,000			230,000	217,207	12,793 94.4%
17-5058-**-**	Maintenance Equip. & Facilities (Common)	35,000			35,000	22,503	12,497 64.3%
17-5059-**-**	Maintenance Equip. & Facilities (Co-Gen)	588,000			588,000	565,631	22,369 96.2%
17-5060-**-**	Maintenance Equip. & Facilities (AWT)	37,000			37,000	60,536	(23,536) 163.6% (32)
17-5061-**-**	Mileage	1,004			1,004	744	260 74.1%
17-5068-**-**	MNWD Potable Water Supplies & Svcs.	24,972		161	25,133	23,424	1,709 93.2%
17-5076-**-**	SCADA Infrastructure	7,000			7,000	-	7,000 0.0%
17-5077-**-**	IT Direct	8,040			8,040	3,239	4,801 40.3%
17-5105-**-**	Co-Generation Power Credit - Offset	325,000			325,000	486,734	(161,734) 149.8% (28)
17-5303-**-**	Group Insurance Waiver	7,192			7,192	6,662	530 92.6%
17-5705-**-**	Monthly Car Allowance	11,392			11,392	7,772	3,620 68.2%
17-5706-**-**	Effluent Pond Cleaning	90,000			90,000	-	90,000 0.0%
17-6500-**-**	IT Allocations in to PC's & Depts.	230,586			230,586	204,728	25,858 88.8%
	Total Other Expenses	4,620,630	23,461	14,039	4,658,130	4,238,671	419,459 91.0%
	<b>Total Expenses</b>	<b>7,805,050</b>	<b>27,590</b>	<b>23,785</b>	<b>7,856,426</b>	<b>6,831,073</b>	<b>1,025,352 86.9%</b>

**South Orange County Wastewater Authority**  
**O&M Budget vs. Actual Comparison by PC**

For the Period Ended May 31, 2020  
(in dollars)

	FY 2019-20 Budget	Board Approved Expenditures*	Extraordinary Costs	Adjusted Budget	Actual	(Over)/Under Budget	%Expended
<b>21 - Effluent Transmission Main</b>							
Salary and Fringe							
21-5000-**-**	Regular Salaries-O&M *	-	4,740	4,740	4,740	-	100.0%
21-5001-**-**	Overtime Salaries-O&M	-	2,851	2,851	2,851	-	100.0%
21-5401-**-**	Fringe Benefits IN to PC's & Depts.	-	3,366	3,366	3,366	-	100.0%
	Total Payroll Costs	-	10,957	10,957	10,957	-	100.0%
Other Expenses							
21-5015-**-**	Management Support Services	-	7,124	7,124	7,124	-	100.0%
21-5019-**-**	Contract Services Misc. - 29	-	157	157	157	-	100.0%
21-5027-**-**	Insurance - Property/Liability **	740	197	937	812	125	86.6%
	Total Other Expenses	740	197	7,281	8,218	125	98.5%
	Total Expenses	740	197	18,237	19,174	125	99.3% (33)
<b>23 - North Coast Interceptor</b>							
Other Expenses							
23-5011-02-00-00	Laboratory Services	-	11,200	11,200	11,200	-	100.0%
23-5015-01-00-00	Management Support Services	-	16,011	16,011	16,011	-	100.0%
23-5017-01-00-00	Legal Fees	-	1,800	1,800	1,800	-	100.0%
	Total Other Expenses	-	29,010	29,010	29,010	-	100.0%
		-	29,010	29,010	29,010	-	100.0%
<b>24 - Aliso Creek Ocean Outfall</b>							
Salary and Fringe							
24-5000-**-**	Regular Salaries-O&M *	99,608	-	99,608	95,676	3,932	96.1%
24-5001-**-**	Overtime Salaries-O&M	460	-	460	603	(143)	131.2%
24-5306-01-11-00	Scheduled Holiday Work	-	32	32	466	(434)	0.0%
24-5315-02-11-00	Comp Time - O&M	-	-	-	68	(68)	0.0%
24-5401-**-**	Fringe Benefits IN to PC's & Depts.	71,648	-	71,648	67,930	3,718	94.8%
	Total Payroll Costs	171,716	-	171,748	164,744	7,004	95.9%
Other Expenses							
24-5015-**-**	Management Support Services	22,496	-	22,496	4,712	17,784	20.9%
24-5017-**-**	Legal Fees	1,004	-	1,004	-	1,004	0.0%
24-5027-**-**	Insurance - Property/Liability **	6,524	1,737	8,261	7,405	855	89.6%
24-5031-**-**	Safety Supplies	1,004	-	1,004	-	1,004	0.0%
24-5034-**-**	Travel Expense/Tech. Conferences	3,704	-	3,704	2,790	914	75.3%
24-5035-**-**	Training Expense	6,008	-	6,008	3,000	3,008	49.9%
24-5036-**-**	Laboratory Supplies	19,560	-	19,721	20,260	(540)	102.7%
24-5038-**-**	Permits	186,756	-	186,756	193,466	(6,710)	103.6% (16)
24-5039-**-**	Membership Dues/Fees	5,500	-	5,500	2,091	3,409	38.0%
24-5044-**-**	Offshore Monitoring	18,000	-	18,000	26,962	(8,962)	149.8% (17)
24-5046-**-**	Effluent Chemistry	14,004	-	14,004	11,555	2,450	82.5%
24-5058-**-**	Maintenance Equip. & Facilities (Common) 41-C	1,004	-	1,004	-	1,004	0.0%
24-5069-**-**	Misc-Capital-Dilution & Metering Study	30,004	-	30,004	12,005	17,999	40.0%
24-6500-**-**	IT Allocations in to PC's & Depts.	12,776	-	12,776	11,345	1,431	88.8%
	Total Other Expenses	328,344	1,737	330,241	295,591	34,650	89.5%
	Total Expenses	500,060	1,737	501,990	460,335	41,654	91.7%
	<b>Total O&amp;M Expenses</b>	<b>18,346,162</b>	<b>66,218</b>	<b>112,553</b>	<b>18,524,934</b>	<b>16,033,066</b>	<b>86.5%</b>

\* Board approved (one year) payment of PEPRAs employee's contribution rate increase

\*\* Pooled Liability Retro Adjustment

**South Orange County Wastewater Authority**  
**O&M Budget vs. Actual Comparison by PC**  
 For the Period Ended May 31, 2020

- (1) Staff is utilizing Comp Time more than Overtime, and considering both line items together, JBL is slightly over budget, and CTP and RTP are under budget.
- (2) Standby Pay is elevated due to the rotation schedule of the staff. The overall Standby Pay for O&M is at Budget.
- (3) Power costs are elevated, and the line item Budget may need to be adjusted due to high energy demand charges as discussed with the Board in May during the review of the proposed FY 2020-21 Budget.
- (4) A leak in the fiberglass tank required staff to drain the bleach tank and refill it. The bleach drained from the leaking tank is being stored in temporary totes and will be used over the next few months.  
  
 Ferric chloride usage continues to be elevated due to sulfur type filamentous bacteria entering the plants from the collection system. O&M staff has increased Ferric dosing, trying to settle the bacteria in the primary clarifiers prior to biological treatment because these bacteria do not settle well and impact effluent quality. These bacteria are becoming more prevalent in the collection system to the plants with lower and lower sewer flows. Ferric chloride usage is elevated in the summer at CTP and lowers in the winter.
- (5)
- (6) Grit deliveries are higher than expected due to heavy rains pushing additional debris down the sewer and into the Treatment Plant.
- (7) Extra tree work was needed throughout the FY at several Plants to eliminate site hazards and reduce stormwater pollutants.
- (8) The Stanley access control and associated communication system was expanded. The increased costs will also be reflected in the FY 2020-21 Budget.
- (9) Staff completed the restocking of PPE for the winter months.
- (10) Several areas were cleaned out, including storage areas for the ongoing construction projects, and additional loads of trash were sent to the landfill.
- (11) Costs include the purchase of new boots per the Employee Manual.
- (12) Cost associated with the Watershed Management Area Cooperative Agreement.
- (13) Biosolids costs were higher due to landfill closures and higher than anticipated solids from the sewer systems.
- (14) Sludge hauling truck emissions control system repairs. Truck rented for several biosolids hauling trips.
- (15) The access gates and parking lot lighting poles were removed and recoated due to deterioration and corrosion from the ocean air.
- (16) Costs to date include SOCWA's annual renewal of its NPDES & WDR permits.
- (17) Additional costs due to the replacement of moors in the ocean for sample location identification.
- (18) Attendance at the major conferences have been completed by staff, WEFTEC and HACHWIMS; expenses are within budget.
- (19) This cost includes 4 months of intern time, which was not included in the budget.
- (20) Additional staff has been stationed at CTP during holidays to better perform necessary process control changes with increased flows from Laguna Beach, EBSD, and SCWD during holidays.
- (21) RTP and CTP required additional stormwater assessments due to elevated levels of ammonia and bacteria under the industrial stormwater program.
- (22) CTP staff is overhauling the documents storage systems for the treatment plant.
- (23) Outfitted more new hires than anticipated

**South Orange County Wastewater Authority**  
**O&M Budget vs. Actual Comparison by PC**  
For the Period Ended May 31, 2020

- (24) CTP staff rented equipment to replace a number of broken lights in the Headworks Building.
- (25) Additional recruitment funds.  
  
Additional power is being purchased due to warranty work on the new engine. Power costs are elevated, and the line item
- (26) Budget may need to be adjusted due to high energy demand charges as discussed with the Board in May during the review of the proposed FY 2020-21 Budget.
- (27) Additional gas is being purchased due to warranty work on the new engine gas cleaning system.
- (28) The value of power is higher than anticipated during the budget process. This will be adjusted in the FY20/21 Budget.
- (29) Several O&M contracts are being reviewed and updated for the new engine at RTP.
- (30) O&M staff overhauled the tow motor used to move the grit bins around. The project was planned for next year, but the unit failed quicker than expected.
- (31) O&M had higher uniform costs due to a higher than anticipated new hires.
- (32) O&M staff completed the annual overhaul of the AWT to prepare for summer. The project includes a complete shutdown, equipment inspection, and performing needed repairs.
- (33) ETM costs are elevated due to emergency repairs. These costs are included in the extraordinary cost column
- (34) Cost sharing between SOCWA and Zephyr Development Company for the wall dividing SOCWA and the condominium projects

**South Orange County Wastewater Authority  
Budget vs. Actual Comparison - Engineering**

For the Period Ended May 31, 2020

(in dollars)

		<b>FY 2019-20 Budget</b>	<b>Board Approved Expenditures*</b>	<b>Adjusted Budget</b>	<b>Actual</b>	<b>(Over)/Under Budget</b>	<b>% Expended</b>
<b>Salary and Fringe</b>							
01-5000-03-00-00	Regular Salaries-O&M*	207,349	714	208,063	167,032	41,031	80.3%
01-5401-03-00-00	Fringe Benefits IN to PC's & Depts.	149,173		149,173	118,086	31,087	79.2%
	<b>Total Payroll Costs</b>	<b>356,522</b>	<b>714</b>	<b>357,236</b>	<b>292,710</b>	<b>64,526</b>	<b>81.9%</b>
<b>Other Expenses</b>							
01-5015-03-00-00	Management Support Services	9,600		9,600	-	9,600	0.0%
**-5022-**-**-00	Miscellaneous Expense	3,121		3,121	69	3,052	2.2%
01-5023-03-00-00	Office Supplies - All	204		204	171	33	84.0%
01-5031-03-00-00	Safety Supplies	300		300	-	300	0.0%
01-5034-03-00-00	Travel Expense/Tech. Conferences	12,625		12,625	5,767	6,858	45.7%
01-5035-03-00-00	Training Expense	4,400		4,400	278	4,122	6.3%
01-5037-03-00-00	Office Equipment	400		400	-	400	0.0%
01-5039-03-00-00	Membership Dues/Fees	1,350		1,350	1,120	230	83.0%
01-5061-03-00-00	Mileage	500		500	263	237	52.6%
01-5309-03-00-00	Operating Leases	6,695		6,695	7,066	(371)	105.5%
01-5705-03-00-00	Monthly Car Allowance	5,250		5,250	4,532	718	86.3%
01-5802-03-00-00	Shipping/Freight	306		306	-	306	0.0%
01-6500-03-00-00	IT Allocations in to PC's & Depts.	55,588		55,588	49,355	6,233	88.8%
	<b>Total Other Expenses</b>	<b>100,339</b>	<b>-</b>	<b>100,339</b>	<b>68,623</b>	<b>31,716</b>	<b>68.4%</b>
	<b>Total Engineering Expenses</b>	<b>456,862</b>	<b>714</b>	<b>457,575</b>	<b>361,333</b>	<b>96,242</b>	<b>79.0%</b>

\* Board approved (one year) payment of PEPRAs employee's contribution rate increase

**South Orange County Wastewater Authority**  
**Budget vs. Actual Comparison- Administration**  
 For the Period Ended May 31, 2020  
 (in dollars)

	<b>FY 2019-20 Budget</b>	<b>Board Approved Expenditures*</b>	<b>Extraordinary Costs</b>	<b>Adjusted Budget</b>	<b>Actual</b>	<b>(Over)/Under Budget</b>	<b>% Expended</b>
<b>Salary and Fringe</b>							
01-6000-04-00-00 Regular Salaries-Admin or IT*	1,030,445	3,092	2,349	1,035,886	861,220	174,666	83.1%
01-6001-04-00-00 Overtime Salaries-Admin or IT	6,000			6,000	30,367	(24,367)	506.1% (1)
01-6315-04-00-00 Comp Time - Admin	5,000			5,000	8,424	(3,424)	168.5% (1)
01-6401-04-00-00 Fringe Benefits IN to ADMIN or IT	741,332		1,691	743,023	609,271	133,752	82.0%
<b>Total Payroll Costs</b>	<b>1,782,777</b>	<b>3,092</b>	<b>4,040</b>	<b>1,789,909</b>	<b>1,509,282</b>	<b>280,627</b>	<b>84.3%</b>
<b>Other Expenses</b>							
01-6101-04-00-00 HR Recruitment & Employee Relations	34,200			34,200	34,745	(545)	101.6% (3)
01-6102-04-00-00 Subscriptions	2,000			2,000	1,902	98	95.1%
01-6200-04-00-00 Management Support Services	100,000		2,250	102,250	100,070	2,180	97.9%
01-6201-04-00-00 Audit	45,000			45,000	37,077	7,923	82.4%
01-6202-04-00-00 Legal	250,000			250,000	168,488	81,512	67.4%
01-6204-04-00-00 Postage	2,400			2,400	3,089	(689)	128.7% (2)
01-6223-04-00-00 Office Supplies - Admin	6,000			6,000	5,668	332	94.5%
01-6224-04-00-00 Office Equipment Admin or IT	400			400	-	400	0.0%
01-6234-04-00-00 Memberships & Trainings	90,000			90,000	70,605	19,395	78.5%
01-6239-04-00-00 Travel & Conference	21,500			21,500	12,284	9,216	57.1%
01-6241-04-00-00 Education Reimbursement				-	1,500	(1,500)	0.0% (5)
01-6310-04-00-00 Miscellaneous	23,000			23,000	24,274	(1,274)	105.5% (4)
01-6311-04-00-00 Mileage	1,188			1,188	401	787	33.8%
01-6317-04-00-00 Contract Services Misc	5,500			5,500	4,868	632	88.5%
01-6500-04-00-00 IT Allocations in to PC's & Depts.	132,191			132,191	117,369	14,822	88.8%
01-6601-04-00-00 Shipping/Freight	3,667		781	4,448	4,448	-	100.0%
01-6705-04-00-00 Monthly Car Allowance	12,000			12,000	11,103	897	92.5%
<b>Total Other Expenses</b>	<b>729,046</b>	<b>-</b>	<b>3,031</b>	<b>732,077</b>	<b>597,891</b>	<b>134,186</b>	<b>81.7%</b>
<b>Total Admin Expenses</b>	<b>2,511,823</b>	<b>3,092</b>	<b>7,071</b>	<b>2,521,986</b>	<b>2,107,173</b>	<b>414,813</b>	<b>83.6%</b>

\*Board approved (one year) payment of PEPRA employee's contribution rate increase

- (1) Cost increase due to less admin FTE hours and special meetings for managers and PCs.
- (2) Cost increase due to delivery of board packets
- (3) Increased Retirement costs
- (4) Printing costs for the FY 20-21 Budget Book
- (5) CPA Review classes



**South Orange County Wastewater Authority**  
**Budget vs. Actual Comparison-IT**  
 For the Period Ended May 31, 2020  
 (in dollars)

		<b>FY 2019-20 Budget</b>	<b>Board Approved Expenditures*</b>	<b>Extraordinary Costs</b>	<b>Adjusted Budget</b>	<b>Actual</b>	<b>(Over)/Under Budget</b>	<b>% Expended</b>
<b>Salary &amp; Fringe</b>								
01-6000-05-00-00	Regular Salaries-Admin or IT *	98,482	518		99,000	85,820	13,180	87.1%
01-6001-05-00-00	Overtime Salaries-Admin or IT	-			-	4,053	(4,053)	0.0% (1)
01-6315-05-00-00	Comp Time - IT	-			-	-	-	0.0%
01-6401-05-00-00	Fringe Benefits IN to ADMIN or IT	70,851			70,851	60,588	10,263	85.5%
	<b>Total Salary &amp; Fringe</b>	<b>169,333</b>	<b>518</b>	<b>-</b>	<b>169,851</b>	<b>150,462</b>	<b>19,389</b>	<b>88.9%</b>
<b>Other Expenses</b>								
01-5028-05-00-00	Small Tools & Supplies	1,000			1,000	-	1,000	0.0%
01-5037-05-00-00	Office Equipment	600			600	-	600	0.0%
01-6102-05-00-00	Subscriptions	700			700	-	700	0.0%
01-6200-05-00-00	Management Support Services				-	-	-	0.0%
01-6234-05-00-00	Memberships & Trainings	1,000			1,000	-	1,000	0.0%
01-6239-05-00-00	Travel & Conference	3,500			3,500	3,436	64	98.2%
01-6300-05-00-00	Software Maintenance Agreements	51,967			51,967	73,162	(21,195)	140.8% (2)
01-6301-05-00-00	Hardware Maintenance Agreements	7,126			7,126	4,798	2,328	67.3%
01-6302-05-00-00	Cloud Subscriptions (Internet)	75,124			75,124	68,364	6,760	91.0%
01-6303-05-00-00	Telecommunications	127,036		394	127,430	129,893	(2,463)	101.9% (3)
01-6305-05-00-00	IT Professional Services	236,919		700	237,619	184,020	53,599	77.4%
01-6306-05-00-00	Small Hardware Purchases (< \$5k)	20,900		8,035	28,935	20,962	7,973	72.4% (4)
01-6307-05-00-00	Small Software Purchases & Licenses (<\$5k)	24,908			24,908	4,610	20,298	18.5%
01-6308-05-00-00	IT Memberships	160			160	704	(544)	440.0%
01-6309-05-00-00	Operating Leases	55,200			55,200	52,205	2,995	94.6%
01-6310-05-00-00	Miscellaneous	5,000			5,000	346	4,654	6.9%
	<b>Total Other Expenses</b>	<b>611,140</b>	<b>-</b>	<b>9,129</b>	<b>620,269</b>	<b>542,500</b>	<b>77,769</b>	<b>87.5%</b>
	<b>Total Expenses before Allocation</b>	<b>780,473</b>	<b>518</b>	<b>9,129</b>	<b>790,120</b>	<b>692,962</b>	<b>97,158</b>	<b>87.7%</b>
<b>IT Allocations (Out) to PC's &amp; Depts</b>								
01-6400-05-00-00	IT Allocations (OUT) to PC's & Depts.	(780,473)	(518)	(9,129)	(790,120)	(692,962)	(97,158)	87.7%
	<b>Total IT Allocations (Out) to PC's &amp; Depts</b>	<b>(780,473)</b>	<b>(518)</b>	<b>(9,129)</b>	<b>(790,120)</b>	<b>(692,962)</b>	<b>(97,158)</b>	<b>87.7%</b>

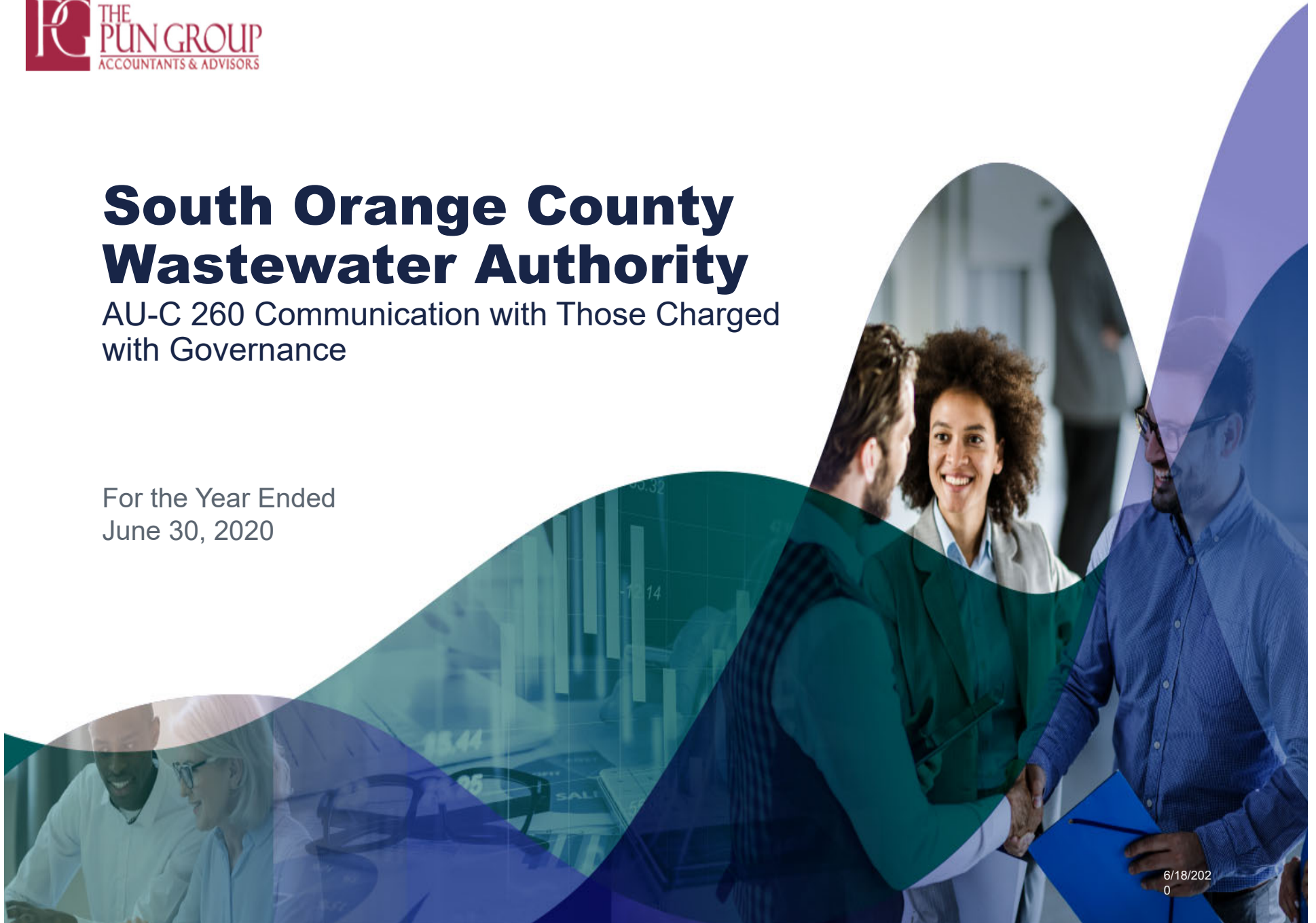
\* Board approved (one year) payment of PEPRAs employee's contribution rate increase

- (1) Overtime is due to the financial accounting system migration to the cloud, a hosted IT environment.
- (2) Hosting cost for cloud based financial system Small Software Purchases and Licenses.
- (3) Underbudgeted costs
- (4) Laptops purchased for Covid-19 related telecommuting work.

# South Orange County Wastewater Authority

AU-C 260 Communication with Those Charged  
with Governance

For the Year Ended  
June 30, 2020



6/18/2020

# Agenda

## Audit of the SOCWA for the Year Ending June 30, 2020



- Scope of Work
- Our Responsibility in accordance with Professional Standards
- Engagement Team
- Engagement Timing
- Implementation of New GASB Pronouncements
- COVID-19 Resources

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# Scope of Work

## Audit of the SOCWA for the Year Ending June 30, 2020

- Audit of the Comprehensive Annual Financial Report (CAFR)
  - Report on Financial Statements
  - Report on internal control over financial reporting and on compliance in accordance with *Government Auditing Standards*

## Our Responsibility in Accordance with Professional Standards

- Express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles.
- Professional standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- We considered internal control over financial reporting solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control. We do not express an opinion on the effectiveness of SOCWA's internal control.

# Engagement Team

## Audit of SOCWA for the Year Ending June 30, 2020



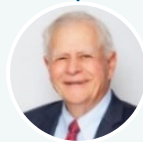
Kenneth H. Pun  
CPA, CGMA  
**Engagement Partner**



John Georger  
CPA, CIA, CGMA  
**Quality Control Reviewer**



Catherine Choi  
**Engagement Manager**



Gary Caporicci  
CPA, CGFM, CFF  
**GASB Implementation Specialist**



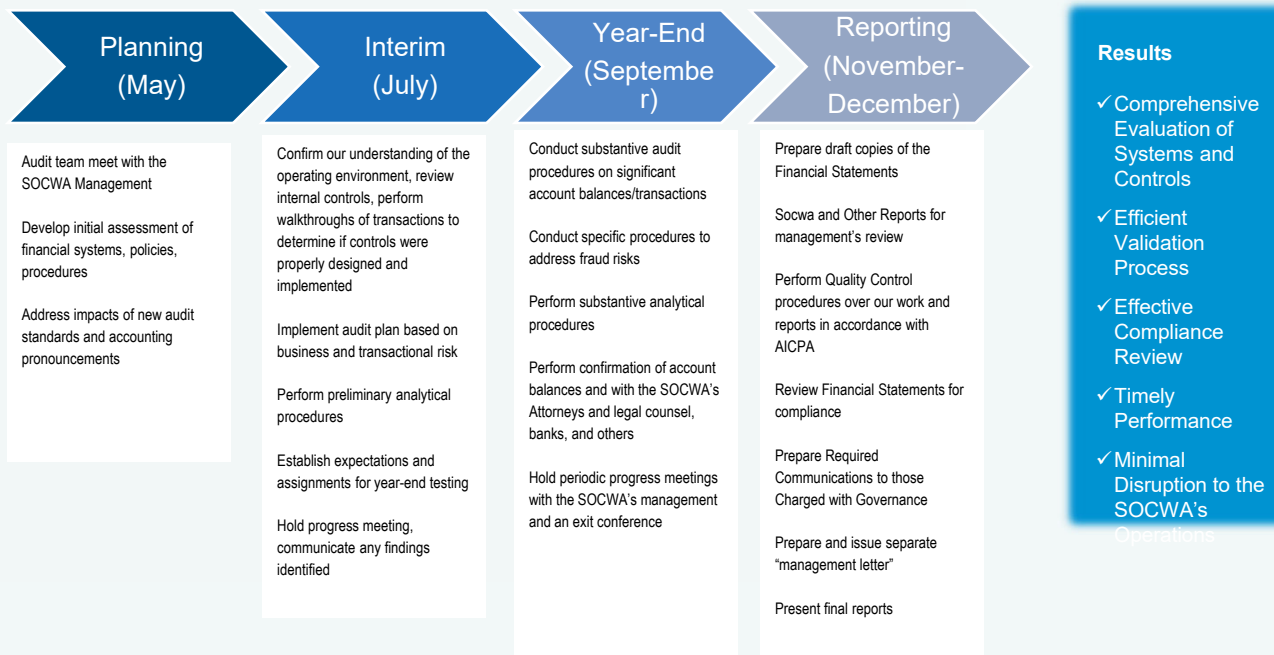
Gerald Garces  
**Senior Auditor/In-Charge**

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6/18/20  
20

# Engagement Timing

## Audit of SOCWA for the Year Ending June 30, 2020



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# New GASB Pronouncements

## Audit of the SOCWA for the Year Ending June 30, 2020

### Fiscal Year 2020

- Statement 83 – asset retirement obligations
- IG 2018-1 – Update

### Fiscal Year 2021

- Statement 84 – fiduciary activities
- Statement 90 – majority equity interests
- Statement 93 – interbank offered rates (except LIBOR removal and lease modifications)
- IG 2019-1 – update
- IG 2019-2 – fiduciary activities

### Fiscal Year 2022

- Statement 87 – leases
- Statement 89 – construction-period interest
- Statement 92 – omnibus (multiple effective dates)
- Statement 93 – LIBOR removal and lease modifications
- IG 2019-3 – leases

### Fiscal Year 2023

- Statement 91 – conduit debt
- Statement 94 – public-private partnerships



# COVID-19 Resources

## Audit of SOCWA for the Year Ending June 30, 2020

GASB issued an Emergency Toolbox to help stakeholders quickly identify the GASB’s authoritative guidance that could be relevant to the current circumstances.

Disclosures could include:

Link to GASB Emergency Toolbox:

<https://www.gasb.org/cs/Satellite?c=Page&cid=1176174469582&pagename=GASB%2FPage%2FGASB%2FSectionPage&pf=true>

Capital Assets Impairment	Fair Value Measurement	Revenue and Expense/Expenditures Recognition
Contingencies	Going Concern Considerations	Revenue and Receivable Recognition
Debt Extinguishments	Government Combinations	Sales and Pledges of Receivable and Future Revenues
Demand bonds	Management’s Discussion and Analysis	Significant Violations of Finance-Related Legal or Contractual Provision
Derivative Instruments	Nonexchange Financial Guarantee	Subsequent Events
Disposals of operations	Prior Period Adjustments and Accounting Changes	Termination Benefits
Extraordinary and Special items	Public Entity Risk Pools	Troubled Debt Restructuring



# QUESTIONS



## **HQ - ORANGE COUNTY**

200 E. Sandpointe Avenue  
Suite 600  
Santa Ana, CA 92707

## **SAN DIEGO**

4365 Executive Drive  
Suite 710  
San Diego, CA 92121

## **BAY AREA**

2121 North California Blvd.  
Suite 290  
Walnut Creek, CA 94596

## **LAS VEGAS**

1050 Indigo Drive  
Suite 110  
Las Vegas, NV 89145

## **PHOENIX**

4742 North 24th Street  
Suite 300  
Phoenix, AZ 85016

# Agenda Item

# 7

**Finance Committee Meeting**

**Meeting Date:** June 23, 2020

**TO:** Finance Committee  
**FROM:** Betty Burnett, General Manager  
**STAFF CONTACT:** Mary Carey, Finance Controller  
**SUBJECT:** CalPERS Information Update - June 2020

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## Summary

The fiscal year-to-date returns are now approximately **6.5%** with 3 weeks to go in the fiscal year. In late March the return was -11% and it would be good news to be close to 7% by the end of the year. This recovery should make the funded position at June 30, 2020 much better and the resulting employer rates for 2022-23 much more palatable.

CalPERS staff have indicated that where agencies are experiencing financial hardship due to drop in revenue there may be some case-by-case arrangements to defer payments without interest. More information is available at [pensioncontracts@calpers.ca.gov](mailto:pensioncontracts@calpers.ca.gov).

SOCWA's annual required UAL payment is \$991,237 and the interest rate for 2020-21 is 7%.

**Recommended Action:** Information Item.

# Agenda Item

# 8

**Finance Committee Meeting**

**Meeting Date:** June 23, 2020

**TO:** Finance Committee

**FROM:** Betty Burnett, General Manager

**STAFF CONTACT:** Mary Carey, Finance Controller

**SUBJECT:** Unfunded Pension Liability (UAL) Meetings with Member Agencies Update

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## Summary/Discussion

### Member Agencies UAL Payment Options Meetings:

Julio Morales, Urban Futures, Inc. (UFI) and I have met with five out of the ten Member Agencies:

- El Toro Water District
- City of Laguna Beach
- Emerald Bay Service District
- Irvine Ranch Water District
- City of San Juan Capistrano (email discussion)

Agencies that requested meetings later this month after their Budget Preparation:

- South Coast Water District
- City of San Clemente

Meetings not yet scheduled:

- Trabuco Canyon Water District
- Santa Margarita Water District
- Moulton Niguel Water District

Agencies that expressed an Interest to payoff past due UAL:

- Irvine Ranch Water District is inclined to pay their past due UAL
- The Agency will require an Amendment to the JPA approving the methodology used to record their credit for payment and distribution by member agency for future payments.
- El Toro Water District has requested additional information for their Board Member review and consideration.

Agencies with no interest in paying down the liability at this time.

- The City of San Juan Capistrano comments indicated no interest at this time in an accelerated pay down of the unfunded pension liability.

We have asked the remaining agencies that we have met with to provide their comments before the end of this month.

**Recommended Action:** Staff recommends that the Finance Committee receive and discuss the presentation.

# Agenda Item

# 9

**Finance Committee Meeting**

**Meeting Date: June 23, 2020**

**TO:** Finance Committee

**FROM:** Betty Burnett, General Manager

**STAFF CONTACT:** Mary Carey, Finance Controller

**SUBJECT:** OPEB PARS Savings Account Update - May 2020

## Summary/Discussion

### PARS OPEB Trust Program Update:

The fiscal year-to-date returns as of May 31, 2020 is .37% or a \$19 thousand gain in comparison to the \$583 thousand loss experienced in March. The Plan has recovered 94% of the loss in two months as follows:

- March Loss -\$583,471
- April Gain \$360,694
- MAY Gain \$186,410

The net three-month change is a loss of -\$36,367 or .7%, less than 1%.

The fiscal year-to-date change in the Plan is:

May 31, 2020 Balance	\$5,156,705
June 30, 2019 Balance	<u>5,137,817</u>
<b>Fiscal year-to-date gain</b>	<b><u>\$18,888</u></b>
<b>% Change</b>	<b>0.37%</b>

### Account Summary

Source	Beginning Balance as of 5/1/2020	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 5/31/2020
OPEB	\$4,972,610.59	\$0.00	\$186,409.63	\$2,314.96	\$0.00	\$0.00	\$5,156,705.26
<b>Totals</b>	<b>\$4,972,610.59</b>	<b>\$0.00</b>	<b>\$186,409.63</b>	<b>\$2,314.96</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$5,156,705.26</b>

**Recommended Action:** Staff recommends that the Finance Committee receive and discuss the presentation.