

# **SOCWA**

**Fringe Rate Review**

**Q2 Cash Roll Forward**

**Use Audit & Additional Cash  
Settlement**

**Finance Committee**

**January 19, 2021**

## FY 2020-21 Actual Fringe Pool and Rate

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Budget	FY 2020-21 6 Mos. Actual	Balance of Year	FY 2020-21 Forecast
457 Plan - Employer Contribution	\$13,821	\$83,925	\$75,524	\$64,550	\$74,097	\$80,000	\$58,774	\$21,226	\$80,000
Accrued Administrative Leave	34,879	30,478	23,929	26,567	47,949	28,131	9,016	19,115	28,131
Accrued Holiday	221,783	220,371	234,247	244,674	251,092	263,680	174,725	59,092	233,817
Accrued Personal Leave	74,238	76,638	83,205	87,369	97,085	90,120	40,965	49,155	90,120
FFCRA Leave							21,492	10,000	31,492
Accrued Sick Pay	242,262	262,987	204,767	274,389	233,159	286,116	125,614	160,502	286,116
Accrued Vacation	372,526	416,343	345,815	419,442	383,841	394,012	166,524	227,488	394,012
Bereavement Pay	1,345	8,088	10,892	10,820	9,043	8,700	2,193	6,507	8,700
Jury Duty			5,817	3,149	5,156	2,500	1,005	1,495	2,500
Disability Insurance - Private	51,728	56,122	57,924	56,713	61,659	62,379	35,568	26,811	62,379
Group Medical Insurance	948,341	1,017,679	864,239	918,687	902,394	954,938	468,440	486,498	954,938
Medicare Tax - Employer	94,167	94,550	96,326	100,314	104,441	101,836	54,999	46,837	101,836
Retiree Health Savings Program (RHS)			17,800	29,600	39,600	45,600	21,800	23,800	45,600
Retiree Health PARS Investment	500,000	504,000	210,000						
Retiree Health Benefits	281,389	384,936	354,582	423,438	456,943				
Retirement - PERS Normal Costs	517,823	500,175	504,975	570,071	584,043	617,724	309,608	308,062	617,669
Retirement - PERS Unfunded Liability	432,628	499,903	599,849	743,843	867,337				
Unemployment Ins./Reimbursement	1,378	1,234		11,608				1,000	1,000
Workers Compensation Ins.	76,883	212,990	233,538	159,452	192,000	202,000	43,650	158,350	202,000

### Total O&M Budget Fringe Benefits Pool

	\$3,865,192	\$4,370,418	\$3,923,431	\$4,144,686	\$4,309,837	\$3,137,735	\$1,534,372	\$1,605,937	\$3,140,309
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### Change in Fringe Pool

13.1%    -10.2%    5.6%    4.0%    -27.2%    0.1%

### Pay for Time Worked Labor Base(Regular Salaries)

O&M	3,184,417	3,224,868	3,282,424	3,451,281	3,559,419	1,724,379	1,835,040	3,559,419	
Environmental	815,299	789,929	827,189	933,333	951,174	491,531	459,643	951,174	
Engineering including CIP Labor	305,422	377,076	396,554	397,732	411,345	219,351	191,994	411,345	
Admin	695,744	857,635	896,766	934,332	944,542	463,532	481,010	944,542	
IT	44,447	84,015	85,028	92,851	93,909	51,345	42,564	93,909	
<b>Total Pay for Time Worked Labor Base</b>	<b>4,976,917</b>	<b>5,045,329</b>	<b>5,333,523</b>	<b>5,487,962</b>	<b>5,809,528</b>	<b>5,960,389</b>	<b>2,950,138</b>	<b>3,010,251</b>	<b>5,960,389</b>

### Fringe Rate

78%    86.6%    73.6%    75.5%    74.2%    52.6%    52.0%    53.3%    52.7%

### Change in Labor Base

1.4%    5.7%    2.9%    5.9%    2.6%    0.0%

**No Recommended Change to FY 2020-21 Fringe Rate based on Mid-Year Review**

## Cash Reconciliation

### Fiscal Year End 2017, 2018, 2019, 2020, Q1 and Q2 2021 Preliminary<sup>1</sup>

	6/30/2017	6/30/2018	6/30/2019	6/30/2020	9/30/2020	12/31/2020	YTD Change	
(1) <b>Cash on Hand</b>	12,949,694	13,557,237	20,857,094	22,361,420	17,461,029	15,128,358	7,233,062	32.3%
Accounts Payable	(2,682,688)	(2,314,106)	(1,981,080)	(3,531,550)	(2,686,707)	(1,846,911)		
Accrued Payroll	(102,661)	(127,396)	(100,221)	(160,049)	(80,430)	(263,681)		
Accounts Receivable	1,069,282	1,660,444	14,179	49,286	689,873			
(2) PTO Reserves	(653,282)	(620,032)	(683,536)	(734,477)	(656,539)	(727,255)		
Due to Mbr Agency	(1,358,841)	(3,910,599)	(2,475,322)	(1,656,822)	(1,606,352)	(1,606,352)		
Due From Mbr Agency	1,069,819	2,433,322	856,669	870,004	761,560	761,560		
Mbr Agency Refund held for FY 19-20			(1,068,028)					
Audit Adjustment								
Prepaid	65,082	204,867	211,725	155,939	392,305	255,519		
Deposits	19,500	-						

Cash Roll Fwd.  
reconciles to GL

Steady Progress  
on Projects  
including  
Carryover Work

	10,375,905	10,883,737	15,631,481	17,353,752	14,274,740	11,701,238		
(3) <b>Available Cash</b>								
(4) <b>Large Capital Cash as of June 30th 2017, 2018, 2019, 2020 &amp; 2021</b>	9,168,439	8,793,369	15,067,539	15,616,950	11,897,997	9,722,225	5,894,725	37.7%
(5) Non Capital Engineering Cash Balance	295,062	(81,041)						
Moulton Niguel Non Capital Engineering Accounts Receivable	(21,831)	(22,416)						
Moulton Niguel Large Capital Accounts Receivable	649,490	1,382,368						
Add Use Audit Settlement FY 17-18		216,467						
Add Use Audit Settlement FY 16-17	(49,931)	(49,931)						
<b>Total Large Capital Cash</b>	<b>10,041,229</b>	<b>10,238,817</b>	<b>15,067,539</b>	<b>15,616,950</b>	<b>11,897,997</b>	<b>9,722,225</b>		
Small Capital Carryover	(129,000)		172,996	565,000	333,233	247,462	317,538	56.2%
Non-Capital Carryover				369,508	337,086	305,956	63,552	17.2%
Non-Capital Misc. Carryover				252,298	208,974	179,935	72,363	28.7%
Mbr Agency Refund held for FY 19-20								
Cash Collected for PC 2 Zephyr Wall	76,318		76,318					
Other misc., fringe adj, interest adj, etc.	22,331	(4,916)						
Small Capital Cash Collected in Excess of Expenditures					445,070	626,414		
Non Capital Cash Collected in Excess of Expenditures					56,803	70,707		
Non Capital Misc Cash Collected in Excess of Expenditures					18,750	37,500		
<b>O&amp;M Cash Collected in Excess of Expenditures</b>					342,910	(314,872)		
<b>Net Cash as of June 30th 2017, 2018 ,2019, 2020 &amp; Q1,Q2 2021</b>	<b>10,010,879</b>	<b>10,233,900</b>	<b>15,316,853</b>	<b>16,803,755</b>	<b>13,640,823</b>	<b>10,875,326</b>		
(6) <b>Difference</b>	<b>365,027</b>	<b>649,837</b>	<b>314,628</b>	<b>549,996</b>	<b>633,917</b>	<b>825,912</b>		

# Additional Cash

	6/30/2017	6/30/2018	6/30/2019	6/30/2020	9/30/2020	12/31/2020
<b>Additional Cash Is:</b>						
<b>Prior Balance</b>	281,422	365,027	649,837	314,628	549,996	633,917
<b>Payment to Member Agencies</b>			<b>(649,837)</b>	<b>(314,628)</b>		
County of Orange Bankruptcy Payment						
County of Orange Admin Fees						
County of Orange Access Maintenance						
City of Laguna Niguel Heat Transfer						
SMWD Lab Fees						
Coke machine						
FEMA Reimbursement		136,995		9,277		
CA State Cost Reimbursement				15,356		
Interest Income Received	45,294	114,150	249,482	405,052		36,652
Recycling Income	11,708	2,112	1,618	1,966.23		1,420
PC 23 Admin Payment	9,135					5,300
Mutual Omaha Refund	8,034					
Interest received for 4th qtr	4,934	25,256	52,302	113,947	83,920	
LAIF Interest Adj.	3,000					
Grant Revenue	1,500					148,623
Other misc. expenses				<b>(4,277)</b>		
Sale of Fixed Assets		6,297	11,226	8,675		
Other misc adjustments						
<b>Total Other Cash</b>	<b>365,027</b>	<b>649,837</b>	<b>314,628</b>	<b>549,996</b>	<b>633,917</b>	<b>825,912</b>

Additional Cash, Q2, Grant Funds for JB Latham, Self-Generation of Energy, \$149k

# Fiscal Year 2019-20 Use Audit and Additional Cash Payout

## Fiscal Year 2019-20 Use Audit and Additional Cash Payout

	City of Laguna Beach	City of San Clemente	City of San Juan Capistrano	El Toro Water District	Emerald Bay Service District	Irvine Ranch Water District	Moulton Niguel Water District	Santa Margarita Water District	South Coast Water District	Trabuco Canyon Water	Total
Use Audit	\$357,363.05	(\$8,061.87)	\$18,558.40	(\$39,610.77)	\$9,356.81	(\$18,111.93)	\$322,075.59	(\$114,815.67)	\$310,749.38	\$7,289.42	\$844,792.41
Additional Cash	74,872.41	1,034.61	45,521.79	27,267.40	5,568.75	8,841.41	250,098.68	32,859.08	103,940.44	(8.40)	549,996.17
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Total Due to /(From)											
Member Agency	\$432,235.46	(\$7,027.26)	\$64,080.19	(\$12,343.37)	\$14,925.56	(\$9,270.52)	\$572,174.27	(\$81,956.59)	\$414,689.82	\$7,281.02	\$1,394,788.58

Board Approval needed for Payout of Additional Cash; Board received and filed information along with Supplemental Financial Statements on December 17, 2020

**Recommended Action:** Staff recommends the Finance Committee to Recommend to the Board of Directors to approve payment of the Use Audit and Additional Cash from other sources to the Member Agencies as distributed in the Supplemental Financial Statements, Statement of Net Position.