

**NOTICE OF SPECIAL MEETING
OF THE
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY

FINANCE COMMITTEE
TELECONFERENCE MEETING**

**TELECONFERENCE PHONE NUMBER: (213) 279-1455
TELECONFERENCE ID: 766 868 135**

**February 16, 2021
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 **February 16, 2021**, 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. 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

February 16, 2021

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

- Finance Committee Meeting of January 19, 2021

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

4. Financial Reports for the Month of January 2021

The reports included are as follows:

- a. Summary of Disbursements for January 2021 (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 January 2021 disbursements for the period from January 1, 2021, through January 31, 2021, totaling \$3,583,938, and to receive and file the January 2021 Financial Reports as submitted.

5. FY 2021-22 Budget Development

- Key Budget Assumptions
 - Minimum Funding of historical PERS / OPEB costs
 - Facility Readiness to Serve Charge – JBL future of intermittent flows
- General Assumptions
- Staffing Plan
- Capital Funding Policy
 - WIFIA

Recommended Action: Discussion and Comments

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.

NOTICE OF SPECIAL MEETING – FINANCE COMMITTEE

February 16, 2021

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.

Dated this 10th day of February 2021.



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

DRAFT

**MINUTES OF SPECIAL MEETING
OF THE
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY**

Finance Committee

January 19, 2021

The Special Meeting of the South Orange County Wastewater Authority (SOCWA) Finance Committee Meeting was held on January 19, 2021 at 10:30 a.m. via teleconference from the Administrative Offices located at 34156 Del Obispo Street, Dana Point, California. The following members of the Finance Committee were present via Teams Meeting:

ROBB GRANTHAM	Santa Margarita Water District	Alternate Director
DENNIS CAFFERTY	El Toro Water District	Alternate Director
MATT COLLINGS	Moulton Niguel Water District	Director
PAM ARENDS-KING	South Coast Water District	Alternate Director

Absent:

TONI ISEMAN	City of Laguna Beach	Director
TROY BOURNE	City of San Juan Capistrano	Director

Staff Participation:

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

Also Participating:

ADRIANA OCHOA	Procopio Law Firm
KATHRYN FRESHLEY	El Toro Water District
DENNIS ERDMAN	South Coast Water District
TREVOR AGRELIUS	Moulton Niguel Water District
JASON HAYDEN	El Toro Water District

1. Call Meeting to Order

Chairman Grantham called the meeting to order at 10:33 a.m.

He gave recognition and honor to Director Ray Miller who passed on December 27, 2020, for all of his work, contributions, and accomplishments to the industry and to SOCWA. He stated Director Miller will be missed.

2. Public Comments

None

3. Approval of Minutes

- a. Finance Committee Meeting of November 3, 2020
- b. Finance Committee Meeting of December 8, 2020

ACTION TAKEN

Motion was made by Director Collings and seconded by Director Cafferty to approve Finance Committee Meeting Minutes for November 3, 2020, and December 8, 2020 as submitted.

Motion carried:	Aye 4, Nay 0, Abstained 0, Absent 2
	Director Grantham Aye
	Director Iseman Absent
	Director Bourne Absent
	Director Cafferty Aye
	Director Collings Aye
	Director Arends-King Aye

There being no objections, and to expedite the progress of the meeting, Chairman Grantham announced Agenda Items 4, 5 and 6 would be taken under one vote.

- 4. Financial Repots for the Month of October**
- 5. Financial Reports for the Month of November**
- 6. Financial Reports for the Month of December**

ACTION TAKEN

Motion was made by Director Cafferty and seconded by Director Collings to recommend to the Board of Directors to ratify the October 2020 disbursements for the period of October 1 through October 31, 2020, totaling \$5,649,871, ratify the November 2020 disbursements for the period of November 1 through November 30, 2020, totaling \$2,122,606, and ratify the December 2020 disbursements for the period of December 1 through December 31, 2020, totaling 3,915,268, and to receive and file the October, November, and December 2020 Financial Reports as submitted.

Motion carried:	Aye 4, Nay 0, Abstained 0, Absent 2
	Director Grantham Aye
	Director Iseman Absent
	Director Bourne Absent
	Director Cafferty Aye
	Director Collings Aye
	Director Arends-King Aye

///

7. **Q2 FY 2020-21 Cash Roll Forward as of December 2020**
8. **Fiscal Year 2019-20 Use Audit and Additional Cash Payout**

Mr. Shilkov, Senior Account for SOCWA gave presentation on Agenda Item 7 for the Q2 FY2020-21 Cash Roll Forward and Agenda Item 8, for the Additional Cash Payout. An open discussion ensued.

There being no objections, and to expedite the progress of the meeting, Chairman Grantham announced Agenda Items 7 and 8 would be taken under one vote.

ACTION TAKEN

Motion was made by Director Arends-King and seconded by Director Collings to recommend to the Board of Directors to receive and file the Q2 Fiscal Year 2020-21 Cash Roll Forward as submitted, and 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.

Motion carried:	Aye 4, Nay 0, Abstained 0, Absent 2
	Director Grantham Aye
	Director Iseman Absent
	Director Bourne Absent
	Director Cafferty Aye
	Director Collings Aye
	Director Arends-King Aye

An open discussion ensued on the upcoming preparation of the FY 2021-22 Budget year. Ms. Carey will prepare a budget schedule for distribution at the next Finance Committee Meeting on February 16, 2021.

Adjournment

There being no further business, Chairman Grantham adjourned the meeting at 10:55 a.m.

I HEREBY CERTIFY that the foregoing Minutes are a true and accurate copy of the Minutes of the Regular Meeting of the South Orange County Wastewater Authority Finance Committee of January 19, 2021, and approved by the Finance Committee and received and filed by the Board of Directors of the South Orange County Wastewater Authority.

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

Agenda Item

4

Finance Committee Meeting

Meeting Date: February 16, 2021

TO: Finance Committee
FROM: Betty Burnett, General Manager
STAFF CONTACT: Mary Carey, Finance Controller
SUBJECT: Financial Reports for the Month of January 2021

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 January 2021 (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

January 2021 cash disbursements were: \$3,583,938.

- 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 the Finance Committee recommend to the Board of Directors to ratify the January 2021 disbursements for the period from January 1, 2021, through January 31, 2021, totaling \$3,583,938, and to receive and file the January 2021 Financial Reports as submitted.

Exhibit A

**South Orange County Wastewater Authority
Summary of Disbursements for January 2021
Staff Recommendation of Fiscal Matters**

	<u>Actual¹</u>
General Fund	\$ (328,267)
PC 2 - Jay B. Latham Plant	(1,131,164)
PC 5 - San Juan Creek Ocean Outfall	(107,138)
PC 8 - Pretreatment Program	(11,776)
PC 12 SO - Water Reclamation Permits	(7,326)
PC 15 - Coastal Treatment Plant/AWT	(1,057,475)
PC 17 - Joint Regional Wastewater Reclamation	(914,936)
PC 21 - Effluent Transmission Main	(623.14)
PC 24 - Aliso Creek Ocean Outfall	(25,233)
Total	<u><u>\$ (3,583,938)</u></u>

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
SCHEDULE OF FUNDS AVAILABLE FOR REINVESTMENT
as of January 31, 2021**

CASH IN BANK: (BEGINNING BAL.)	\$	1,205,499
L.A.I.F. FUNDS: (BEGINNING BAL.)		13,981,254
DEPOSITS, TRANSFERS & ADJUSTMENTS:		2,465,897
FUND REQUIREMENTS:		
BILLS FOR CONSIDERATION		(3,583,938)
TOTAL CASH IN BANK	\$	14,068,712

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 01/15/21



PMIA Average Monthly Effective Yields⁽¹⁾

Dec	0.540
Nov	0.576
Oct	0.620

Quarterly Performance Quarter Ended 12/31/20

LAIF Apportionment Rate ⁽²⁾ :	0.63
LAIF Earnings Ratio ⁽²⁾ :	0.00001719170547343
LAIF Fair Value Factor ⁽¹⁾ :	1.002271318
PMIA Daily ⁽¹⁾ :	0.49%
PMIA Quarter to Date ⁽¹⁾ :	0.58%
PMIA Average Life ⁽¹⁾ :	165

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 12/31/20 \$107.4 billion

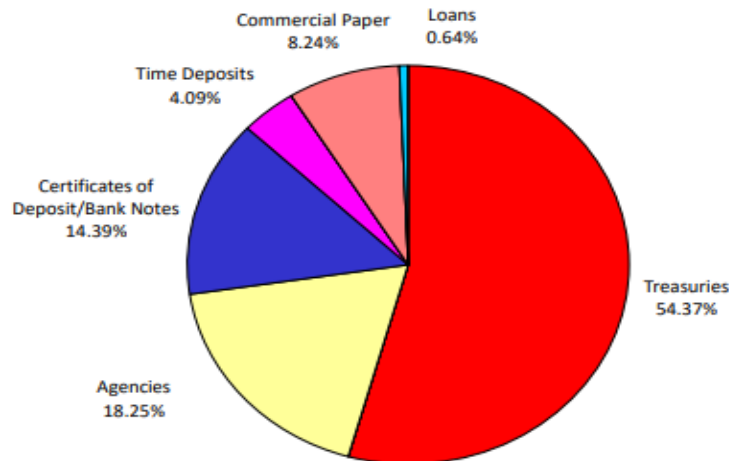


Chart does not include 0.01% of mortgages. Percentages may not total 100% due to rounding.

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:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller

Exhibit C

**South Orange County Wastewater Authority
Schedule of Cash and Investments
as of January 31, 2021**

MVA	\$ 107,345	(A)
A/P Checking	729,769	(B)
Payroll Checking	20,588	(C)
State LAIF	13,211,010	(D)
Total Cash in Bank	\$ 14,068,712	
Petty Cash	1,600	(E)
Total Operating Cash	\$ 14,070,312	
OPEB Trust	5,944,304	(F)
Total Cash and Investments	\$ 20,014,616	

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) California State Local Agency Investment Fund (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 January 31, 2021
(in dollars)**

FY 2020-21 Budget vs. Actual Spending								
Description	Capital Budget	¹ Fiscal Year Spending	(Over)/ Under Budget	% Expended	Member Agency Billed	Member Agency Collections	Open Receivables	% Expended vs. Billed
PC 2-JB Latham	\$ 11,001,875	\$ 4,045,969	\$ 6,955,906	36.8%	\$ 2,323,978	\$ 1,483,978	\$ 840,000	174.1%
PC 5-San Juan Creek Outfall	1,263,700	316,774	946,926	25.1%	1,129,057	399,611	729,446	28.1%
PC 15-Coastal	9,901,134	3,465,231	6,435,903	35.0%	2,250,000	1,806,716	443,284	154.0%
PC 17-Regional	2,673,023	1,722,750	950,273	64.4%	-	-	-	-
PC 21 Effluent Transmission	2,322,668	-	2,322,668	-	100,000	100,000	-	-
² PC 24 Aliso Creek Outfall	-	6,252	(6,252)					
Total Large Capital	\$ 27,162,400	\$ 9,556,976	\$ 17,605,424	35.2%	\$ 5,803,035	\$ 3,790,305	\$ 2,012,730	164.7%
Non-Capital Engineering	1,161,634	30,715	1,130,919	2.6%	94,210	94,210	-	32.6%
Non-Capital Misc Engineering	75,000	-	75,000	-	56,250	54,032	2,218	-
Small Internal Capital	2,099,000	504,276	1,594,724	24.0%	1,574,250	1,186,381	387,869	32.0%
Total Capital	\$ 30,498,034	\$ 10,091,968	\$ 20,406,066	33.1%	\$ 7,527,745	\$ 5,124,928	\$ 2,402,817	134.1%

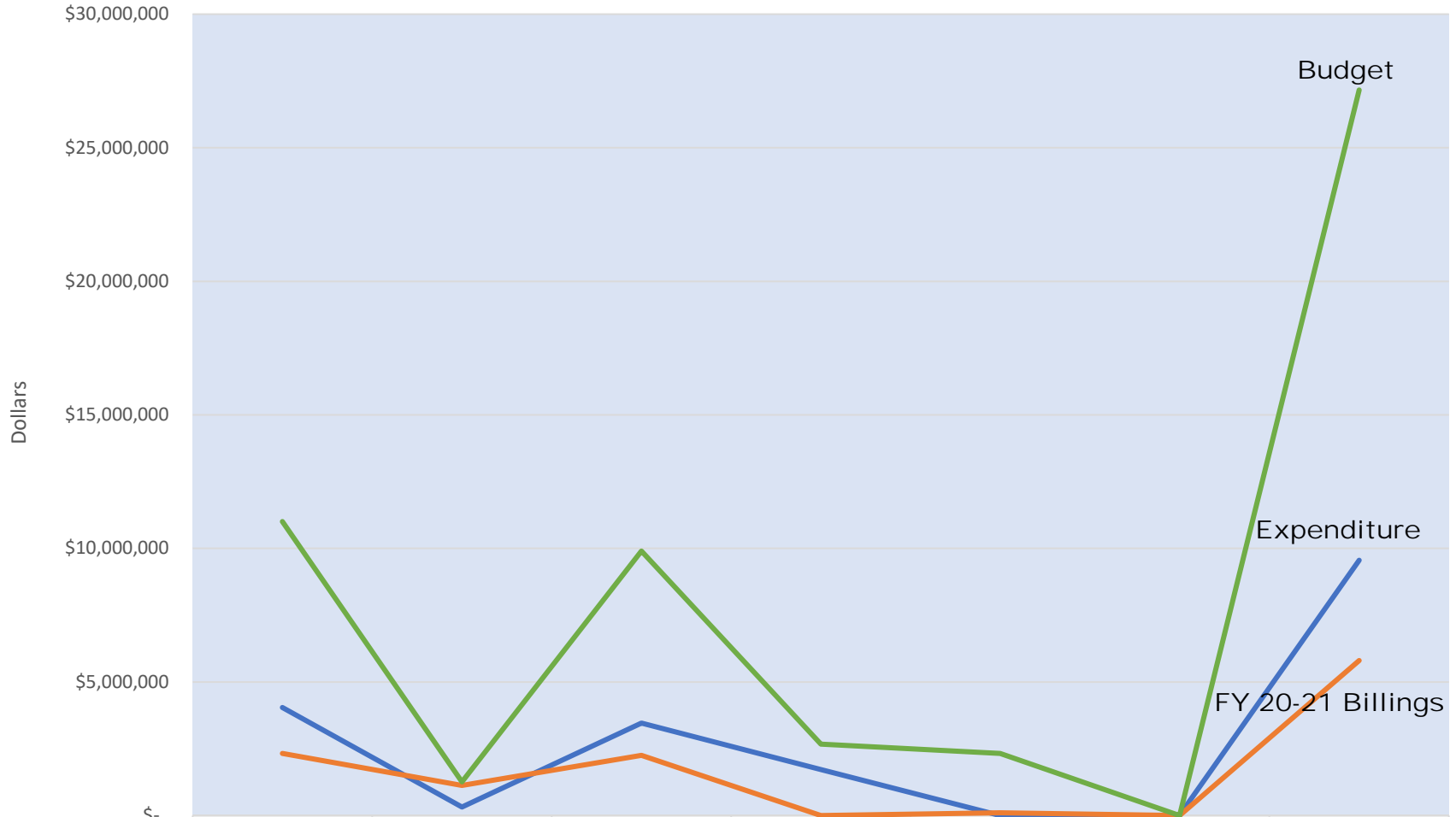
¹ Fiscal Year Spending does not include spending on carryover projects from FY 2019-20 Budget; Small Capital and Non-Capital work delayed because of COVID 19:

	Carryover	YTD Spending	Balance	% Expended
Non-Capital Engineering	\$369,508	\$81,511	\$287,997	22.1%
Non-Capital Misc Engineering	252,298	76,655	175,643	30.4%
Small Internal Capital	565,000	333,007	231,993	58.9%
	\$1,186,806	\$491,174	\$695,632	41.4%

² PC 24 is paid out of Cash on Hand collected in an earlier year

Large Capital Projects Fiscal Year '20-21 Budget vs. Year-to-Date Expenditures & Billings as of 1/31/2021

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 1/31/21	\$4,045,969	\$316,774	\$3,465,231	\$1,722,750	-	\$6,252	\$9,556,976
FY 20-21 Billings	\$2,323,978	\$1,129,057	\$2,250,000	\$0	\$100,000	\$0	\$5,803,035
Capital Budget 20-21	\$11,001,875	\$1,263,700	\$9,901,134	\$2,673,023	\$2,322,668	-	\$27,162,400

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

For the Period Ended January 31, 2021
(in dollars)

	FY 2020-21 Budget	Actual	(Over)/Under Budget	% Expended
Salary and Fringe				
5000.	4,510,604	2,508,022	2,002,582	55.6%
5001.	128,700	75,711	52,989	58.8%
5306.	33,964	58,998	(25,034)	173.7%
5315.	12,168	7,429	4,739	61.1%
5401.	2,374,488	1,320,301	1,054,187	55.6%
5700.	67,608	39,780	27,828	58.8%
Total Payroll Costs	<u>7,127,532</u>	<u>4,010,241</u>	<u>3,117,291</u>	<u>56.3%</u>
Other Expenses				
5002.	1,154,008	748,639	405,369	64.9%
5003.	234,532	125,521	109,011	53.5%
5004.	77,008	45,484	31,524	59.1%
5005.	(669,000)	(379,749)	(289,251)	56.8%
5006.	479,900	284,727	195,173	59.3%
5007.	739,004	450,237	288,767	60.9%
5008.	452,000	363,684	88,316	80.5% (1)
5009.	114,996	48,453	66,543	42.1%
5010.	2,996	-	2,996	-
5011.	40,580	18,314	22,266	45.1%
5012.	124,996	59,933	65,063	47.9%
5013.	206,004	157,743	48,262	76.6% (2)
5014.	-	-	-	-
5015.	370,504	136,579	233,925	36.9%
5016.	1,252	-	1,252	-
5017.	32,355	37,273	(4,918)	115.2% (3)
5018.	5,500	-	5,500	-
5019.	256,012	139,003	117,009	54.3%
5021.	24,556	10,221	14,335	41.6%
5022.	18,020	2,546	15,474	14.1%
5023.	43,004	18,261	24,743	42.5%
5024.	34,000	7,194	26,806	21.2%
5025.	68,992	30,472	38,520	44.2%
5026.	24,604	7,259	17,345	29.5%
5027.	275,584	189,273	86,311	68.7%
5028.	77,500	34,263	43,237	44.2%
5030.	6,992	3,453	3,539	49.4%
5031.	114,868	72,055	42,813	62.7%
5032.	7,004	876	6,128	12.5%
5033.	2,504	1,389	1,115	55.5%
5034.	32,316	1,795	30,521	5.6%
5035.	40,664	7,624	33,040	18.7%
5036.	100,152	57,024	43,128	56.9%
5037.	65,000	16,987	48,013	26.1%
5038.	480,520	465,932	14,588	97.0% (4)
5039.	23,772	6,520	17,252	27.4%
5044.	44,004	53,320	(9,316)	121.2% (5)
5046.	40,004	6,226	33,778	15.6%
5047.	44,004	38,887	5,117	88.4% (6)
5048.	20,008	-	20,008	-
5049.	1,429,996	847,027	582,969	59.2%
5050.	22,008	-	22,008	-
5052.	94,004	63,177	30,827	67.2% (7)
5053.	125,000	3,681	121,319	2.9%
5054.	41,004	11,115	29,889	27.1%
5055.	11,504	3,744	7,760	32.5%
5056.	361,000	140,610	220,390	39.0%
5057.	669,000	333,887	335,113	49.9%
5058.	86,008	113,527	(27,519)	132.0% (8)
5059.	960,000	341,760	618,240	35.6%
5060.	75,000	51,713	23,287	69.0%
5061.	3,548	1,267	2,281	35.7%
5067.	70,000	-	70,000	-
5068.	42,000	14,429	27,571	34.4%
5076.	91,508	47,755	43,753	52.2%
5077.	10,000	-	10,000	-
5105.	669,000	379,749	289,251	56.8%
5303.	14,392	8,197	6,195	57.0%
5305.	1,336	1,150	186	86.1%
5309.	31,008	14,703	16,305	47.4%
5705.	31,192	20,832	10,360	66.8%
5799.	(14,000)	(14,500)	500	-
5802.	100	-	100	-
6241.	-	606	(606)	-
6500.	556,996	309,909	247,087	55.6%
Total Other Expenses	<u>10,592,323</u>	<u>5,961,755</u>	<u>4,630,569</u>	<u>56.3%</u>
Total O&M Expenses	17,719,855	9,971,995	7,747,860	56.3%

South Orange County Wastewater Authority
O & M & Environmental Safety Costs Summary
For the Period Ended January 31, 2021
(in dollars)

- (1) Odor levels continue to rise in the collection system resulting in higher levels of Ferric Chloride usage to control hydrogen sulfide in the treatment plants and the digester gas.
- (2) Tree removals from emergency projects and Santa Ana Winds have been elevated this year.
- (3) Regulatory Environmental requirements and Construction agreements review.
- (4) Water Quality Fee increases.
- (5) Annual, one-time cost for kelp overflight required by the NPDES permit; Water Quality Fee increases.
- (6) Recently completed the annual access road asphalt repairs.
- (7) Janitorial services are elevated due to additional office disinfection and cleaning needs due to the Pandemic.
- (8) Emergency water line repairs completed at RTP.

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

For the Period Ended January 31, 2021
(in dollars)

		FY 2020-21 Budget	Actual	(Over)/Under Budget	% Expended
02 - Jay B. Latham Plant					
Salary and Fringe					
02-5000-**-**	Regular Salaries-O&M	1,518,048	902,880	615,168	59.5%
02-5001-**-**	Overtime Salaries-O&M	38,716	31,679	7,037	81.8%
02-5306-**-**	Scheduled Holiday Work	13,364	22,581	(9,217)	169.0%
02-5315-**-**	Comp Time - O&M	5,028	3,000	2,028	59.7%
02-5401-**-**	Fringe Benefits IN to PC's & Depts.	799,132	475,304	323,828	59.5%
02-5700-**-**	Standby Pay	25,352	16,218	9,135	64.0%
	Total Payroll Costs	2,399,640	1,451,662	947,979	60.5%
Other Expenses					
02-5002-**-**	Electricity	547,004	322,287	224,717	58.9%
02-5003-**-**	Natural Gas	121,036	70,744	50,292	58.4%
02-5004-**-**	Potable & Reclaimed Water	24,004	13,848	10,156	57.7%
02-5006-**-**	Chlorine/Sodium Hypochlorite	7,900	5,011	2,889	63.4%
02-5007-**-**	Polymer Products	278,000	190,248	87,752	68.4%
02-5008-**-**	Ferric Chloride	140,000	147,216	(7,216)	105.2% (1)
02-5009-**-**	Odor Control Chemicals	21,000	8,820	12,180	42.0%
02-5010-**-**	Other Chemicals - Misc.	1,000	-	1,000	-
02-5011-**-**	Laboratory Services	12,500	4,859	7,641	38.9%
02-5012-**-**	Grit Hauling	54,000	24,723	29,277	45.8%
02-5013-**-**	Landscaping	75,008	35,387	39,621	47.2%
02-5015-**-**	Management Support Services	26,004	23,120	2,884	88.9% (2)
02-5017-**-**	Legal Fees	3,095	122	2,973	3.9%
02-5019-**-**	Contract Services Misc.	75,008	35,780	39,228	47.7%
02-5021-**-**	Small Vehicle Expense	11,000	4,501	6,499	40.9%
02-5022-**-**	Miscellaneous Expense	8,000	1,591	6,409	19.9%
02-5023-**-**	Office Supplies - All	28,000	7,839	20,161	28.0%
02-5024-**-**	Petroleum Products	11,000	1,410	9,590	12.8%
02-5025-**-**	Uniforms	32,992	12,961	20,031	39.3%
02-5026-**-**	Small Vehicle Fuel	12,004	1,993	10,011	16.6%
02-5027-**-**	Insurance - Property/Liability	89,920	63,922	25,998	71.1%
02-5028-**-**	Small Tools & Supplies	37,004	18,488	18,516	50.0%
02-5030-**-**	Trash Disposal	2,000	1,207	793	60.3%
02-5031-**-**	Safety Program & Supplies	39,004	32,575	6,429	83.5%
02-5032-**-**	Equipment Rental	3,000	876	2,124	29.2%
02-5033-**-**	Recruitment	1,000	944	56	94.4%
02-5034-**-**	Travel Expense/Tech. Conferences	9,496	115	9,381	1.2%
02-5035-**-**	Training Expense	12,808	2,778	10,030	21.7%
02-5036-**-**	Laboratory Supplies	16,472	8,058	8,414	48.9%
02-5037-**-**	Office Equipment	13,000	431	12,569	3.3%
02-5038-**-**	Permits	25,504	33,785	(8,281)	132.5% (3)
02-5039-**-**	Membership Dues/Fees	4,384	2,379	2,005	54.3%
02-5049-**-**	Biosolids Disposal	524,996	306,595	218,401	58.4%
02-5050-**-**	Contract Services Generators - 29A	10,004	-	10,004	-
02-5052-**-**	Janitorial Services	41,000	33,273	7,727	81.2% (4)
02-5053-**-**	Contract Serv - Digester Cleaning - 29E	60,000	3,681	56,319	6.1%
02-5054-**-**	Diesel Truck Maint	21,000	4,073	16,927	19.4%
02-5055-**-**	Diesel Truck Fuel - 37B	3,004	1,061	1,943	35.3%
02-5056-**-**	Maintenance Equip. & Facilities (Solids)	155,000	40,518	114,482	26.1%
02-5057-**-**	Maintenance Equip. & Facilities (Liquids)	254,000	104,039	149,961	41.0%
02-5058-**-**	Maintenance Equip. & Facilities (Common)	28,000	16,576	11,424	59.2%
02-5059-**-**	Maintenance Equip. & Facilities (Co-Gen)	369,000	136,582	232,418	37.0%
02-5061-**-**	Mileage	2,044	546	1,498	26.7%
02-5076-**-**	SCADA Infrastructure	30,504	15,918	14,586	52.2%
02-5077-**-**	IT Direct	4,996	-	4,996	-
02-5303-**-**	Group Insurance Waiver	3,592	2,118	1,474	59.0%
02-5309-**-**	Operating Leases	25,004	14,703	10,301	58.8%
02-5705-**-**	Monthly Car Allowance	18,600	13,417	5,183	72.1%
02-5799-**-**	Zephyr Wall Costs Share - O&M	(14,000)	(14,500)	500	-
02-6500-**-**	IT Allocations in to PC's & Depts.	187,624	104,396	83,228	55.6%
	Total Other Expenses	3,466,515	1,861,015	1,605,500	53.7%
	Total Expenses	5,866,155	3,312,677	2,553,478	56.5%

South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC
For the Period Ended January 31, 2021
(in dollars)

		FY 2020-21 Budget	Actual	(Over)/Under Budget	% Expended
05 - San Juan Creek Ocean Outfall					
Salary and Fringe					
05-5000-**-**-**	Regular Salaries-O&M	94,880	76,104	18,776	80.2%
05-5001-**-**-**	Overtime Salaries-O&M	584	1,443	(859)	247.1% (5)
05-5306-**-**-**	Scheduled Holiday Work	100	468	(368)	-
05-5401-**-**-**	Fringe Benefits IN to PC's & Depts.	49,940	40,064	9,876	80.2%
	Total Payroll Costs	145,504	118,079	27,425	81.2%
Other Expenses					
05-5002-**-**-**	Electricity	1,004	-	1,004	-
05-5003-**-**-**	Natural Gas	500	-	500	-
05-5015-**-**-**	Management Support Services	80,000	8,030	71,970	10.0%
05-5017-**-**-**	Legal Fees	2,008	1,351	658	67.3%
05-5026-**-**-**	Small Vehicle Fuel	500	-	500	-
05-5027-**-**-**	Insurance - Property/Liability	8,192	5,531	2,661	67.5%
05-5031-**-**-**	Safety Supplies	1,004	-	1,004	-
05-5034-**-**-**	Travel Expense/Tech. Conferences	2,000	300	1,700	15.0%
05-5035-**-**-**	Training Expense	4,000	62	3,938	1.5%
05-5036-**-**-**	Laboratory Supplies	24,504	17,083	7,421	69.7%
05-5038-**-**-**	Permits	198,996	210,586	(11,590)	105.8% (6)
05-5039-**-**-**	Membership Dues/Fees	5,564	-	5,564	-
05-5044-**-**-**	Offshore Monitoring	22,000	21,045	955	95.7% (7)
05-5046-**-**-**	Effluent Chemistry	20,004	4,545	15,459	22.7%
05-5058-**-**-**	Maintenance Equip. & Facilities (Common)	1,004	6,215	(5,211)	619.0% (8)
05-5067-**-**-**	Port Cleaning	35,000	-	35,000	-
05-6500-**-**-**	IT Allocations in to PC's & Depts.	11,716	6,519	5,197	55.6%
	Total Other Expenses	417,996	281,266	136,730	67.3%
	Total Expenses	563,500	399,345	164,155	70.9%
08 - Pre Treatment					
Salary and Fringe					
08-5000-**-**-**	Regular Salaries-O&M	81,396	55,404	25,992	68.1%
08-5306-**-**-**	Scheduled Holiday Work	356	-	356	-
08-5315-**-**-**	Comp Time - Environment	2,476	-	2,476	-
08-5401-**-**-**	Fringe Benefits IN to PC's & Depts.	42,852	29,167	13,685	68.1%
	Total Payroll Costs	127,080	84,571	42,509	66.5%
Other Expenses					
08-5011-**-**-**	Laboratory Services	3,008	100	2,908	3.3%
08-5015-**-**-**	Management Support Services	4,000	-	4,000	-
08-5016-**-**-**	Audit - Environmental	1,252	-	1,252	-
08-5017-**-**-**	Legal Fees	2,532	3,019	(487)	119.2% (9)
08-5018-**-**-**	Public Notices/ Public Relations	5,500	-	5,500	-
08-5021-**-**-**	Small Vehicle Expense - 31A	1,052	-	1,052	-
08-5022-**-**-**	Miscellaneous Expense	2,020	-	2,020	-
08-5026-**-**-**	Small Vehicle Fuel - 37A	1,096	30	1,066	2.7%
08-5027-**-**-**	Insurance - Property/Liability	2,844	1,920	924	67.5%
08-5028-**-**-**	Small Tools & Supplies	3,496	294	3,202	8.4%
08-5034-**-**-**	Travel Expense/Tech. Conferences	2,220	300	1,920	13.5%
08-5035-**-**-**	Training Expense	796	184	612	23.1%
08-5038-**-**-**	Permits and Fines	6,000	-	6,000	-
08-5039-**-**-**	Membership Dues/Fees	800	411	389	51.4%
08-6500-**-**-**	IT Allocations in to PC's & Depts.	10,052	5,593	4,459	55.6%
	Total Other Expenses	46,668	11,850	34,818	25.4%
	Total Expenses	173,748	96,421	77,327	55.5%
12 - Water Reclamation Permits					
Salary and Fringe					
12-5000-**-**-**	Regular Salaries-O&M	50,404	21,603	28,801	42.9%
12-5401-**-**-**	Fringe Benefits IN to PC's & Depts.	26,528	11,373	15,155	42.9%
	Total Payroll Costs	76,932	32,976	43,956	42.9%
Other Expenses					
12-5015-**-**-**	Management Support Services	157,000	82,737	74,263	52.7%
12-5017-**-**-**	Legal Fees	2,008	8,161	(6,153)	406.4% (9)
12-5027-**-**-**	Insurance - Property/Liability	3,116	2,104	1,012	67.5%
12-5034-**-**-**	Travel Expense/Tech. Conferences	1,352	-	1,352	-
12-5038-**-**-**	Permits	21,512	20,362	1,150	94.7%
12-6500-**-**-**	IT Allocations in to PC's & Depts.	6,236	3,463	2,773	55.5%
	Total Other Expenses	191,224	116,827	74,397	61.1%
	Total Expenses	268,156	149,803	118,353	55.9%

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

For the Period Ended January 31, 2021
(in dollars)

		FY 2020-21 Budget	Actual	(Over)/Under Budget	% Expended
15 - Coastal Treatment Plant					
Salary and Fringe					
15-5000-**-**	Regular Salaries-O&M	939,512	493,003	446,509	52.5%
15-5001-**-**	Overtime Salaries-O&M	21,760	10,294	11,466	47.3%
15-5306-**-**	Scheduled Holiday Work	5,096	10,985	(5,889)	215.6%
15-5315-**-**	Comp Time - O&M	2,100	1,781	320	84.8%
15-5401-**-**	Fringe Benefits IN to PC's & Depts.	494,584	259,532	235,052	52.5%
15-5700-**-**	Standby Pay	16,900	7,995	8,905	47.3%
	Total Payroll Costs	1,479,952	783,589	696,363	52.9%
Other Expenses					
15-5002-**-**	Electricity	256,000	125,068	130,932	48.9%
15-5003-**-**	Natural Gas	3,000	928	2,072	30.9%
15-5004-**-**	Potable & Reclaimed Water	25,004	12,491	12,513	50.0%
15-5006-**-**	Chlorine/Sodium Hypochlorite	92,000	49,881	42,119	54.2%
15-5007-**-**	Polymer Products	1,004	-	1,004	-
15-5008-**-**	Ferric Chloride	46,996	33,387	13,609	71.0% (1)
15-5009-**-**	Odor Control Chemicals	50,000	22,426	27,574	44.9%
15-5011-**-**	Laboratory Services	8,000	7,185	815	89.8% (10)
15-5012-**-**	Grit Hauling	20,996	13,912	7,084	66.3%
15-5013-**-**	Landscaping	56,000	20,945	35,055	37.4%
15-5015-**-**	Management Support Services	2,500	3,198	(698)	127.9%
15-5017-**-**	Legal Fees	15,700	2,660	13,040	16.9%
15-5019-**-**	Contract Services Misc.	85,000	51,383	33,617	60.5%
15-5021-**-**	Small Vehicle Expense - 31A	5,504	642	4,862	11.7%
15-5022-**-**	Miscellaneous Expense	1,000	286	714	28.6%
15-5023-**-**	Office Supplies - All	4,004	3,210	794	80.2%
15-5024-**-**	Petroleum Products	3,000	3,264	(264)	108.8% (11)
15-5025-**-**	Uniforms	8,996	3,905	5,091	43.4%
15-5026-**-**	Small Vehicle Fuel - 37A	2,000	877	1,123	43.9%
15-5027-**-**	Insurance - Property/Liability	46,396	31,324	15,072	67.5%
15-5028-**-**	Small Tools & Supplies	8,000	3,632	4,368	45.4%
15-5030-**-**	Trash Disposal	2,996	1,133	1,863	37.8%
15-5031-**-**	Safety Program & Supplies	33,352	16,296	17,056	48.9%
15-5032-**-**	Equipment Rental	1,000	-	1,000	-
15-5033-**-**	Recruitment	500	150	350	29.9%
15-5034-**-**	Travel Expense/Tech. Conferences	5,748	148	5,600	2.6%
15-5035-**-**	Training Expense	8,356	1,238	7,118	14.8%
15-5036-**-**	Laboratory Supplies	11,004	7,038	3,966	64.0%
15-5037-**-**	Office Equipment	2,000	10	1,990	0.5%
15-5038-**-**	Permits	8,000	393	7,608	4.9%
15-5039-**-**	Membership Dues/Fees	2,600	1,449	1,151	55.7%
15-5047-**-**	Access Road Expenses	44,004	38,887	5,117	88.4%
15-5048-**-**	Storm Damage	20,008	-	20,008	-
15-5050-**-**	Contract Services Generators - 29A	4,004	-	4,004	-
15-5052-**-**	Janitorial Services	12,004	7,748	4,256	64.5%
15-5054-**-**	Diesel Truck Maint - 31B	1,004	-	1,004	-
15-5055-**-**	Diesel Truck Fuel - 37B	496	-	496	-
15-5057-**-**	Maintenance Equip. & Facilities (Liquids)	179,000	71,773	107,227	40.1%
15-5058-**-**	Maintenance Equip. & Facilities (Common)	22,000	801	21,199	3.6%
15-5059-**-**	Maintenance Equip. & Facilities (Co-Gen) 41-D	-	-	-	-
15-5060-**-**	Maintenance Equip. & Facilities (AWT) 41-E	37,000	8,063	28,937	21.8%
15-5061-**-**	Mileage	500	124	376	24.9%
15-5076-**-**	SCADA Infrastructure	30,500	15,918	14,582	52.2%
15-5303-**-**	Group Insurance Waiver	3,600	2,118	1,482	58.8%
15-5305-**-**	Medicare Tax Payments for Employees	1,336	1,150	186	86.1%
15-5705-**-**	Monthly Car Allowance	4,204	2,472	1,732	58.8%
15-6500-**-**	IT Allocations in to PC's & Depts.	116,012	64,551	51,461	55.6%
	Total Other Expenses	1,292,328	632,066	660,262	48.9%
	Total Expenses	2,772,280	1,415,656	1,356,624	51.1%

South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC
For the Period Ended January 31, 2021
(in dollars)

		FY 2020-21 Budget	Actual	(Over)/Under Budget	% Expended
17 - Joint Regional Wastewater Reclamation and Sludge Handling					
Salary and Fringe					
17-5000-**-**	Regular Salaries-O&M	1,721,896	884,594	837,302	51.4%
17-5001-**-**	Overtime Salaries-O&M	66,064	31,349	34,715	47.5%
17-5306-**-**	Scheduled Holiday Work	14,880	24,671	(9,791)	165.8%
17-5315-**-**	Comp Time - O&M	2,564	2,649	(85)	103.3%
17-5401-**-**	Fringe Benefits IN to PC's & Depts.	906,456	465,678	440,778	51.4%
17-5700-**-**	Standby Pay	25,356	15,568	9,789	61.4%
	Total Payroll Costs	2,737,216	1,424,510	1,312,706	52.0%
Other Expenses					
17-5002-**-**	Electricity	350,000	301,284	48,716	86.1% (12)
17-5003-**-**	Natural Gas	109,996	53,849	56,147	49.0%
17-5004-**-**	Potable & Reclaimed Water	28,000	19,145	8,855	68.4%
17-5005-**-**	Co-generation Power Credit	(669,000)	(379,749)	(289,251)	56.8%
17-5006-**-**	Chlorine/Sodium Hypochlorite	380,000	229,835	150,165	60.5%
17-5007-**-**	Polymer Products	460,000	259,988	200,012	56.5%
17-5008-**-**	Ferric Chloride	265,004	183,081	81,923	69.1%
17-5009-**-**	Odor Control Chemicals	43,996	17,206	26,790	39.1%
17-5010-**-**	Other Chemicals - Misc.	1,996	-	1,996	-
17-5011-**-**	Laboratory Services	17,072	6,170	10,902	36.1%
17-5012-**-**	Grit Hauling - 21A	50,000	21,298	28,702	42.6%
17-5013-**-**	Landscaping	74,996	101,410	(26,414)	135.2% (13)
17-5015-**-**	Management Support Services	21,000	14,362	6,638	68.4%
17-5017-**-**	Legal Fees	5,004	13,281	(8,277)	265.4% (14)
17-5019-**-**	Contract Services Misc.	95,000	51,840	43,160	54.6%
17-5021-**-**	Small Vehicle Expense	7,000	5,078	1,922	72.5%
17-5022-**-**	Miscellaneous Expense	7,000	669	6,331	9.6%
17-5023-**-**	Office Supplies - All	11,000	7,212	3,788	65.6%
17-5024-**-**	Petroleum Products	20,000	2,520	17,480	12.6%
17-5025-**-**	Uniforms	27,004	13,606	13,398	50.4%
17-5026-**-**	Small Vehicle Fuel	9,004	4,359	4,645	48.4%
17-5027-**-**	Insurance - Property/Liability	115,592	78,042	37,550	67.5%
17-5028-**-**	Small Tools & Supplies	29,000	11,849	17,151	40.9%
17-5030-**-**	Trash Disposal	1,996	1,113	883	55.8%
17-5031-**-**	Safety Program & Supplies	40,504	23,184	17,320	57.2%
17-5032-**-**	Equipment Rental	3,004	-	3,004	-
17-5033-**-**	Recruitment	1,004	295	709	29.3%
17-5034-**-**	Travel Expense/Tech. Conferences	9,496	632	8,864	6.7%
17-5035-**-**	Training Expense	12,700	3,300	9,401	26.0%
17-5036-**-**	Laboratory Supplies	23,672	9,341	14,331	39.5%
17-5037-**-**	Office Equipment	50,000	16,546	33,454	33.1%
17-5038-**-**	Permits	21,508	2,142	19,366	10.0%
17-5039-**-**	Membership Dues/Fees	4,860	2,281	2,579	46.9%
17-5049-**-**	Biosolids Disposal	905,000	540,432	364,568	59.7%
17-5050-**-**	Contract Services Generators - 29A	8,000	-	8,000	-
17-5052-**-**	Janitorial Services	41,000	22,155	18,845	54.0%
17-5053-**-**	Contract Serv - Digester Cleaning - 29E	65,000	-	65,000	-
17-5054-**-**	Diesel Truck Maint	19,000	7,042	11,958	37.1%
17-5055-**-**	Diesel Truck Fuel - 37B	8,004	2,684	5,320	33.5%
17-5056-**-**	Maintenance Equip. & Facilities (Solids)	206,000	100,092	105,908	48.6%
17-5057-**-**	Maintenance Equip. & Facilities (Liquids)	236,000	158,075	77,925	67.0%
17-5058-**-**	Maintenance Equip. & Facilities (Common)	34,000	89,935	(55,935)	264.5% (15)
17-5059-**-**	Maintenance Equip. & Facilities (Co-Gen)	591,000	205,178	385,822	34.7%
17-5060-**-**	Maintenance Equip. & Facilities (AWT)	38,000	43,650	(5,650)	114.9% (16)
17-5061-**-**	Mileage	1,004	597	407	59.4%
17-5068-**-**	MNWD Potable Water Supplies & Svcs.	42,000	14,429	27,571	34.4%
17-5076-**-**	SCADA Infrastructure	30,504	15,919	14,585	52.2%
17-5077-**-**	IT Direct	5,004	-	5,004	-
17-5105-**-**	Co-Generation Power Credit - Offset	669,000	379,749	289,251	56.8%
17-5303-**-**	Group Insurance Waiver	7,200	3,960	3,240	55.0%
17-5309-**-**	Operating Leases	6,004	-	6,004	-
17-5705-**-**	Monthly Car Allowance	8,388	4,943	3,445	58.9%
17-6241-**-**	Education Reimbursement	-	606	(606)	-
17-6500-**-**	IT Allocations in to PC's & Depts.	212,628	118,306	94,322	55.6%
	Total Other Expenses	4,760,144	2,782,921	1,977,223	58.5%
	Total Expenses	7,497,360	4,207,431	3,289,929	56.1%

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

For the Period Ended January 31, 2021
(in dollars)

		FY 2020-21 Budget	Actual	(Over)/Under Budget	% Expended
21 - Effluent Transmission Main					
Salary and Fringe					
21-5000-**-**	Regular Salaries-O&M	1,384	699	685	50.5%
21-5401-**-**	Fringe Benefits IN to PC's & Depts.	732	368	364	50.3%
	Total Payroll Costs	2,116	1,067	1,049	50.4%
Other Expenses					
21-5014-**-**	Engineering - Misc.	-	-	-	-
21-5019-**-**	Contract Services Misc. - 29	1,004	-	1,004	-
21-5027-**-**	Insurance - Property/Liability	968	654	314	67.5%
21-5035-**-**	Training Expense	-	-	-	-
	Total Other Expenses	1,972	654	1,318	33.1%
	Total Expenses	4,088	1,721	2,367	42.1%
23 - North Coast Interceptor					
Other Expenses					
23-5017-**-**	Legal Fees	-	8,680	(8,680)	-
	Total Other Expenses	-	8,680	(8,680)	-
24 - Aliso Creek Ocean Outfall					
Salary and Fringe					
24-5000-**-**	Regular Salaries-O&M	103,084	73,734	29,350	71.5%
24-5001-**-**	Overtime Salaries-O&M	1,576	945	631	60.0%
24-5306-**-**	Scheduled Holiday Work	168	292	(124)	174.1%
24-5401-**-**	Fringe Benefits IN to PC's & Depts.	54,264	38,816	15,448	71.5%
	Total Payroll Costs	159,092	113,787	45,305	71.5%
Other Expenses					
24-5015-**-**	Management Support Services	80,000	5,132	74,868	6.4%
24-5017-**-**	Legal Fees	2,008	-	2,008	-
24-5027-**-**	Insurance - Property/Liability	8,556	5,776	2,780	67.5%
24-5031-**-**	Safety Supplies	1,004	-	1,004	-
24-5034-**-**	Travel Expense/Tech. Conferences	2,004	300	1,704	15.0%
24-5035-**-**	Training Expense	2,004	62	1,942	3.1%
24-5036-**-**	Laboratory Supplies	24,500	15,503	8,997	63.3%
24-5038-**-**	Permits	199,000	198,664	336	99.8% (6)
24-5039-**-**	Membership Dues/Fees	5,564	-	5,564	-
24-5044-**-**	Offshore Monitoring	22,004	32,275	(10,271)	146.7% (7)
24-5046-**-**	Effluent Chemistry	20,000	1,680	18,320	8.4%
24-5058-**-**	Maintenance Equip. & Facilities (Common) 41-C	1,004	-	1,004	-
24-5067-**-**	Port Cleaning	35,000	-	35,000	-
24-5802-**-**	Shipping/Freight	100	-	100	-
24-6500-**-**	IT Allocations in to PC's & Depts.	12,728	7,082	5,646	55.6%
	Total Other Expenses	415,476	266,475	149,001	64.1%
	Total Expenses	574,568	380,262	194,306	66.2%
	Total O&M Expenses	17,719,855	9,971,995	7,747,860	56.3%

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

For the Period Ended January 31, 2021

- (1) Odor levels continue to rise in the collection system resulting in higher levels of Ferric Chloride usage to control hydrogen sulfide in the treatment plants and the digester gas.
- (2) ADS was retained to provide alternative flow measurement for JBL's Plant #2 during an extended construction shutdown.
- (3) SOCWA permits are primarily paid in July and November each year and compliance with AQMD Rule 1110.2; Fee Increases.
- (4) Janitorial services are elevated due to additional office disinfection and cleaning needs due to the Pandemic.
- (5) Overtime for O&M support to nighttime construction activities for the San Juan Creek Ocean Outfall project.
- (6) Water Quality Fee increases.
- (7) Annual, one-time cost for kelp overflight required by the NPDES permit; Water Quality Fee increases.
- (8) The surge tower site was re-fenced and cleared to discourage unauthorized entry.
- (9) Costs related to required pretreatment ordinance update.
- (10) Annual priority pollutants testing as required by NPDES permit.
- (11) Additional fuel purchases have been required at CTP due to several extended power outages and construction-related shutdowns.
- (12) Engine repairs and equipment overhauls have required engine shutdowns and electricity purchases.
- (13) Tree removals from emergency projects in response to Santa Ana Winds.
- (14) Construction related expenses.
- (15) Emergency water line repairs completed at RTP.
- (16) Purchasing related to valves and actuators replacement at AWT.

Exhibit E-2

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

For the Period Ended January 31, 2021
(in dollars)

		FY 2020-21 Budget	Actual	(Over)/Under Budget	% Expended
Salary and Fringe					
01-5000-03-00-00	Regular Salaries-O&M	196,836	92,023	104,813	46.8%
01-5401-03-00-00	Fringe Benefits IN to PC's & Depts.	103,621	48,444	55,177	46.8%
	Total Payroll Costs	300,457	140,466	159,991	46.8%
Other Expenses					
01-5022-03-00-00	Miscellaneous Expense	3,184	1,844	1,340	57.9%
01-5023-03-00-00	Office Supplies - All	208	31	177	14.9%
01-5031-03-00-00	Safety Supplies	306	-	306	-
01-5034-03-00-00	Travel Expense/Tech. Conferences	6,439	-	6,439	-
01-5035-03-00-00	Training Expense	2,244	-	2,244	-
01-5037-03-00-00	Office Equipment	408	-	408	-
01-5039-03-00-00	Membership Dues/Fees	1,377	332	1,045	24.1%
01-5061-03-00-00	Mileage	510	47	463	9.1%
01-5309-03-00-00	Operating Leases	6,829	5,408	1,421	79.2%
01-5705-03-00-00	Monthly Car Allowance	4,200	2,472	1,728	58.8%
01-5802-03-00-00	Shipping/Freight	312	-	312	-
01-6500-03-00-00	IT Allocations in to PC's & Depts.	50,794	28,262	22,532	55.6%
	Total Other Expenses	76,810	38,395	38,416	50.0%
	Total Engineering Expenses	377,267	178,861	198,407	47.4%

South Orange County Wastewater Authority
Budget vs. Actual Comparison- Administration
 For the Period Ended January 31, 2021
 (in dollars)

		FY 2020-21 Budget	Actual	(Over)/Under Budget	% Expended
Salary and Fringe					
01-6000-04-00-00	Regular Salaries-Admin or IT	944,542	511,073	433,469	54.1%
01-6001-04-00-00	Overtime Salaries-Admin or IT	20,000	21,857	(1,857)	109.3% (1)
01-6315-04-00-00	Comp Time - Admin	15,000	6,772	8,228	45.1%
01-6401-04-00-00	Fringe Benefits IN to ADMIN or IT	497,236	269,045	228,191	54.1%
	Total Payroll Costs	1,476,778	808,746	668,032	54.8%
Other Expenses					
01-5018-04-00-00	Public Notices/ Public Relations	-	2,180	(2,180)	- (2)
01-6101-04-00-00	HR Recruitment & Employee Relations	26,500	6,289	20,211	23.7%
01-6102-04-00-00	Subscriptions	2,040	1,453	587	71.2%
01-6200-04-00-00	Management Support Services	102,000	32,356	69,644	31.7%
01-6201-04-00-00	Audit	44,900	32,500	12,400	72.4%
01-6202-04-00-00	Legal	200,000	181,713	18,287	90.9% (3)
01-6204-04-00-00	Postage	4,000	364	3,636	9.1%
01-6223-04-00-00	Office Supplies - Admin	6,120	3,038	3,082	49.6%
01-6224-04-00-00	Office Equipment Admin or IT	1,000	1,310	(310)	131.0%
01-6234-04-00-00	Memberships & Trainings	88,950	40,308	48,642	45.3%
01-6239-04-00-00	Travel & Conference	10,965	1,898	9,067	17.3%
01-6241-04-00-00	Education Reimbursement	3,000	-	3,000	-
01-6310-04-00-00	Miscellaneous	23,460	10,321	13,139	44.0%
01-6311-04-00-00	Mileage	1,211	26	1,185	2.1%
01-6317-04-00-00	Contract Services Misc	5,610	3,214	2,396	57.3%
01-6500-04-00-00	IT Allocations in to PC's & Depts.	116,635	64,897	51,738	55.6%
01-6601-04-00-00	Shipping/Freight	3,740	2,047	1,693	54.7%
01-6705-04-00-00	Monthly Car Allowance	12,000	7,062	4,938	58.8%
	Total Other Expenses	652,131	390,975	261,156	60.0%
	Total Admin Expenses	2,128,909	1,199,721	929,188	56.4%

- (1) Overtime salary and comp should be considered together, 81.8%
- (2) Publication fee for ordinance
- (3) JPA Revision, projected over budget \$50,000 for Legal line item

South Orange County Wastewater Authority
Budget vs. Actual Comparison-IT
 For the Period Ended January 31, 2021
 (in dollars)

		FY 2020-21 Budget	Actual	(Over)/Under Budget	% Expended
Salary & Fringe					
01-6000-05-00-00	Regular Salaries-Admin or IT	93,909	58,464	35,445	62.3%
01-6001-05-00-00	Overtime Salaries-Admin or IT	-	-	-	-
01-6315-05-00-00	Comp Time - IT	5,000	-	5,000	-
01-6401-05-00-00	Fringe Benefits IN to ADMIN or IT	49,437	30,777	18,660	62.3%
	Total Salary & Fringe	148,346	89,242	59,105	60.2%
Other Expenses					
01-5028-05-00-00	Small Tools & Supplies	1,000	-	1,000	-
01-5035-05-00-00	Training Expense	2,000	-	2,000	-
01-5037-05-00-00	Office Equipment	600	-	600	-
01-6234-05-00-00	Memberships & Trainings	1,375	-	1,375	-
01-6239-05-00-00	Travel & Conference	1,750	-	1,750	-
01-6300-05-00-00	Software Maintenance Agreements	38,779	25,300	13,479	65.2%
01-6301-05-00-00	Hardware Maintenance Agreements	7,126	1,305	5,821	18.3%
01-6302-05-00-00	Cloud Subscriptions (Internet)	148,369	79,455	68,914	53.6%
01-6303-05-00-00	Telecommunications	150,534	77,921	72,613	51.8%
01-6305-05-00-00	IT Professional Services	108,060	81,751	26,309	75.7%
01-6306-05-00-00	Small Hardware Purchases (< \$5k)	29,200	6,119	23,081	21.0%
01-6307-05-00-00	Small Software Purchases & Licenses (<\$5k)	26,908	8,534	18,374	31.7%
01-6308-05-00-00	IT Memberships	160	-	160	-
01-6309-05-00-00	Operating Leases	55,200	31,605	23,595	57.3%
01-6310-05-00-00	Miscellaneous	5,000	-	5,000	-
01-6312-05-00-00	Computer & Photocopy Supplies	-	1,836	(1,836)	-
	Total Other Expenses	576,061	313,827	262,234	54.5%
	Total Expenses before Allocation	724,407	403,068	321,339	55.6%
IT Allocations (Out) to PC's & Depts					
01-6400-05-00-00	IT Allocations (OUT) to PC's & Depts.	(724,407)	(403,068)	(321,339)	55.6%
	Total IT Allocations (Out) to PC's & Depts	(724,407)	(403,068)	(321,339)	55.6%

SOCWA
Budget Development
Kickoff Meeting
2021/2022 Fiscal Year
February 16, 2021

AGENDA ITEM 5

Budget Schedule

❖ Finance Committee Special Meetings

- **February 16, 2021** – Budget Development Kick Off
 - Key Budget Assumptions
 - Minimum Funding of historical PERS / OPEB costs
 - Facility Readiness to Serve Charge – JBL future of intermittent flows
 - General Assumptions
 - Staffing Plan
 - Capital Funding Policy
 - WIFIA
- **March 16, 2021** – O&M Environmental Safety Budget Presentation; Member Comments to 2/16/21
- **April 13, 2021** – General Fund Budget, Administration and Member Comments to prior
- **May 18, 2021** – Committee Discussion/Direction

❖ Board Workshop – May 20, 2021

- **June 3, 2021** – Budget Consideration for Approval

FY 2021–22 Budget Starting Line Up

❖ Key Budget Assumptions

- ✓ Member Agencies Future Plans, Flows and Solids to SOCWA
 - SMWD will Increase Flows to JB Latham for Two Years, 1.429 in FY 2019–20 to 1.79 MGD in FY's 2021–22 and 2022–23; thereafter, a steep decrease in daily flows
 - JBL will continue to support intermittent flows
 - No future changes in Solids from SMWD
 - No Significant Changes in Flows and Solids from other Agencies in the next two years
- ✓ Establish Standby Charge (Cost of Facility Readiness, to be used whenever services are needed)
 - Costs will be charged to Agencies with an intermittent use of Facilities
 - Currently, if an Agency's usage is less than Budget, the costs are paid by the remaining agencies based on delivered flows
 - **New Formula for Standby Charge Calculation prepared by Outside Consulting Firm and SOCWA**

Key Budget Assumptions cont'd.

- ✓ Individual Agencies Additional Discretionary Payments (ADP) and Termination Payment to CalPERS
 - Board Approved Actuarial Methodology to Provide “Paid Agencies” Present Value and Future Credits
 - Board Approved Actuarial Termination Formula for Present Value and Future Liability
 - Agencies without a Payment Commitment will be charged 10% of Liability Share Annually; this amount will be credited to balance and paid to CalPERS
 - Work is Underway with Bartel Associates Actuary Firm
 - Work is underway to prepare JPA Revision

- ✓ OPEB (Retiree Health) Normal Costs Funding (new this year); approximately \$500k

- ✓ General Fund Makeup & Distribution;
 - Consider UAL & Retiree Health Component

Federal Government Low Interest Rate Loans are Available for Local Governments Water and Wastewater Infrastructure Projects; WIFIA

Roadblocks:

- ❖ Compliance with Federal Requirements at the Project Level
- ❖ \$100k Loan Application Fee
- ❖ Additional Loan Closing Fees that could Average \$200 to \$300k based on Amount of Loan

What is WIFIA?

The Water Infrastructure Finance and Innovation Act of 2014(WIFIA) established the WIFIA program, a federal credit program administered by EPA for eligible water and wastewater infrastructure projects.

Eligibility, Interest Rate and Benefits:

- Local and State Government entity, agency, or instrumentality are eligible to borrow funds with low, fixed interest rates and flexible financial terms
- WIFIA Program sets its interest rate based on the U.S. Treasury Rate of a similar maturity on the date of loan closing; averages less than 2%
- The rate is calculated using the weighted average (WAL) life of the loan rather the loan maturity date. The WAL is generally shorter than the loan's actual length resulting in a lower interest rate
- Interest rate not impacted by borrower's credit

WIFIA Loan Repayment and Eligible Projects

Repayment

- Long repayment period of up to 35 years
- Deferred payment up to 5 years after the project substantial completion

SOCWA Eligible Projects:

- Projects for repair, rehabilitation or replacement of a treatment works or waste collection facility (facilities improvement)
- Projects that enhance energy efficiency in the operation of a public water system or a publicly owned treatment works (Co-Gen)
- Water recycling Projects
- Other Water Quality Projects
- Projects can be Combined for the Application

Program Features

\$20
MIL

Minimum project size for large communities.

\$5
MIL

Minimum project size for small communities (population of 25,000 or less).

49%

Maximum portion of eligible project costs that WIFIA can fund.

Borrowers in California

Borrower	Project Name	State	Close Date	Loan Amount	Environmental Compliance
City of San Mateo	San Mateo Basins 2 and 3 Collection System Improvements Project	California	12/17/2020	\$85 million	Conforms with WIFIA PEA
City of San Mateo	Wastewater Treatment Plant Upgrade and Expansion Project	California	11/5/2020	\$210 million	CATEX
Estero Municipal Improvement District	Wastewater Treatment Plant Upgrade and Expansion Project	California	11/5/2020	\$66.9 million	CATEX
City of Sunnyvale	Cleanwater Program Program 2	California	10/29/2020	\$220 million	CATEX
City of Stockton	Regional Wastewater Control Facility Project	California	9/30/2020	\$108 million	CATEX
Soquel Creek Water District	Pure Water Soquel	California	9/28/2020	\$88.9 million	Conforms with WIFIA PEA
City of Oceanside	Pure Water Oceanside and Lower Recycled Water Distribution	California	9/16/2020	\$69.1 million	Conforms with WIFIA PEA

Borrowers in California

Inland Empire Utilities Agency	Recycling Plant No. 5 Expansion Project	California	5/27/2020	\$196.4 million	CATEX
City of Morro Bay	Water Reclamation Facility Project	California	3/9/2020	\$61.7 million	Conforms with WIFIA PEA
Coachella Valley Water District	Stormwater Channel Improvement Project and Indio Regional Flood Control Project	California	1/27/2020	\$59.1 million	Conforms with WIFIA PEA
Silicon Valley Clean Water	Regional Environmental Sewer Conveyance Upgrade (RESCU) Program	California	7/11/2019	\$218 million	CATEX
City of San Diego	Pure Water San Diego	California	11/14/2018	\$614 million	Record of Decision
San Francisco Public Utilities Commission	Southeast Water Pollution Control Plant Biosolids Digester Facilities Project	California	7/27/2018	\$699 million	CATEX
Orange County Water District	Groundwater Replenishment System Final Expansion	California	7/26/2018	\$135 million	CATEX

General Assumptions

- ❖ Staffing Plan, 62 FTE
- ❖ Legal Cost Projection, \$200 to \$250k
- ❖ Capital Funding Policy Utilizing Time Phased Cash Flow with input from Engineering

Key Budget Assumptions Continued

COLA (Cost of Living Adjustment) **2.3% preliminary**; MOU based on March Index which will be published April 10, 2021.

MOU minimum is **2%**

Previous months indexes: Dec 1.5%, Nov. 1.0%

1. **Merit Pay 3%** Average Increase.
2. **Pay-for-Time Worked Factor is 89% for O&M, Engineering and IT; Admin is 92%**
3. **Headcount – An Increase of 1 FTE for Environmental, carryover from FY 2020-21**
O&M, No Change
Environmental, addition of 1 Lab Tech (carryover from initial FY 2020-21 Budget)
Admin, utilize 1 Part-Time Administrative Assistant Position via temp services (carryover from initial FY 2020-21 Budget)

FY 2021-22 Budget planned staffing levels is 62 FTEs.
4. **Two Positions moved from Non-Exempt (overtime paid) to Exempt (No overtime paid)**

Professional Licensing & Certifications

2019/20	2020/21
Operator V – 2	Operator V – 1
Operator III – 2	Operator III – 1
Operator II – 1	Mechanic II – 1
Electrical/Instrumentation Certified – 1	Mechanic I – 1
Mechanic I – 1	NCCCO – Certified Crane Operator – 1

Staffing Overview

Headcount								
Department	FY 2018-19 Budget	FY 2019-20 Budget	FY 2020-21 Budget	FY 2021-22 Budget	FY 2022-23 Budget	FY 2023-24 Budget	FY 2024-25 Budget	FY 2025-26 Budget
Operations	42	42	40	40	40	40	40	40
Environmental Compliance & Safety	9	9	9	10	10	10	10	10
Engineering	3	3	3	3	3	3	3	3
Administration	9	9	8	8	8	8	8	8
IT	1	1	1	1	1	1	1	1
Total	64	64	61	62	62	62	62	62



Legal Counsel

Board of Directors

GENERAL MANAGER

Executive Assistant

Director of Operations

Director of Engineering

Director of Environmental Compliance

Finance Controller

GM Supervised

Chief Operator
3

Chief Maintenance Mechanic
1

Support Services Manager
1

Senior Engineer
1

Laboratory Manager
1

Source Control Manager
1

IT Systems Administrator
1

Sr. Accountant
1

Procurement & Contracts Manager
1

Assistant Chief Operator
2

Mechanic Supervisor
2

Sr. Electrician SCADA Technician
2

Associate Engineer
1

Q&A Specialist
1

Environmental Compliance Safety Risk Manager
1

Staff Accountant w/Payroll
1

H R Administrator
1

Operator III
6

Maintenance Mechanic III
2

Electrical Instrumentation Technician
3

Laboratory Technician III
2

Accounts Payables & Payroll Assistance
1

Operator II
3

Maintenance Mechanic II
2

Mechanic III w/Co-Gen
1

Laboratory Technician II
1

Operator I
3

Mechanic II Truck Driver
1

Operator in Training
1

Maintenance Mechanic I
5

O&M Inventory Purchasing Specialist
1

Fiscal Year 2020/2021
FTE 62
 Administration 8
 IT Systems 1
 Engineering 3
 Envirn. Compl. 10
 Operations/ 40
 Maintenance

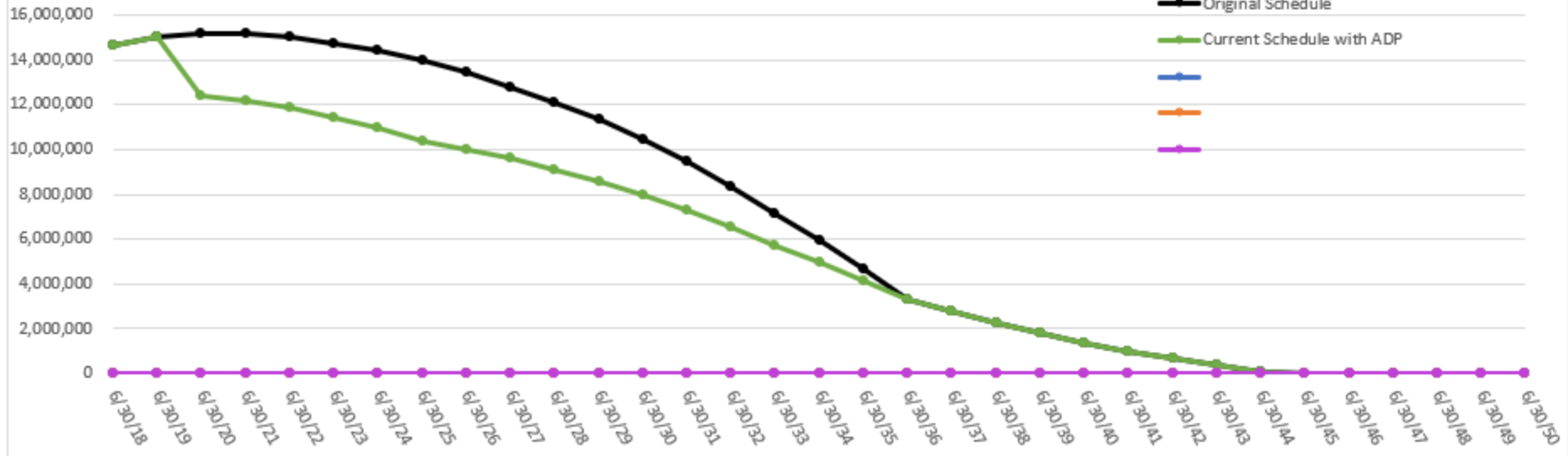
Unfunded Pension & OPEB (Retiree Health) Liability Payments

- **Individual Agencies ADP**
- **OPEB Normal Costs Funding**
- **Minimum 10% Funding**

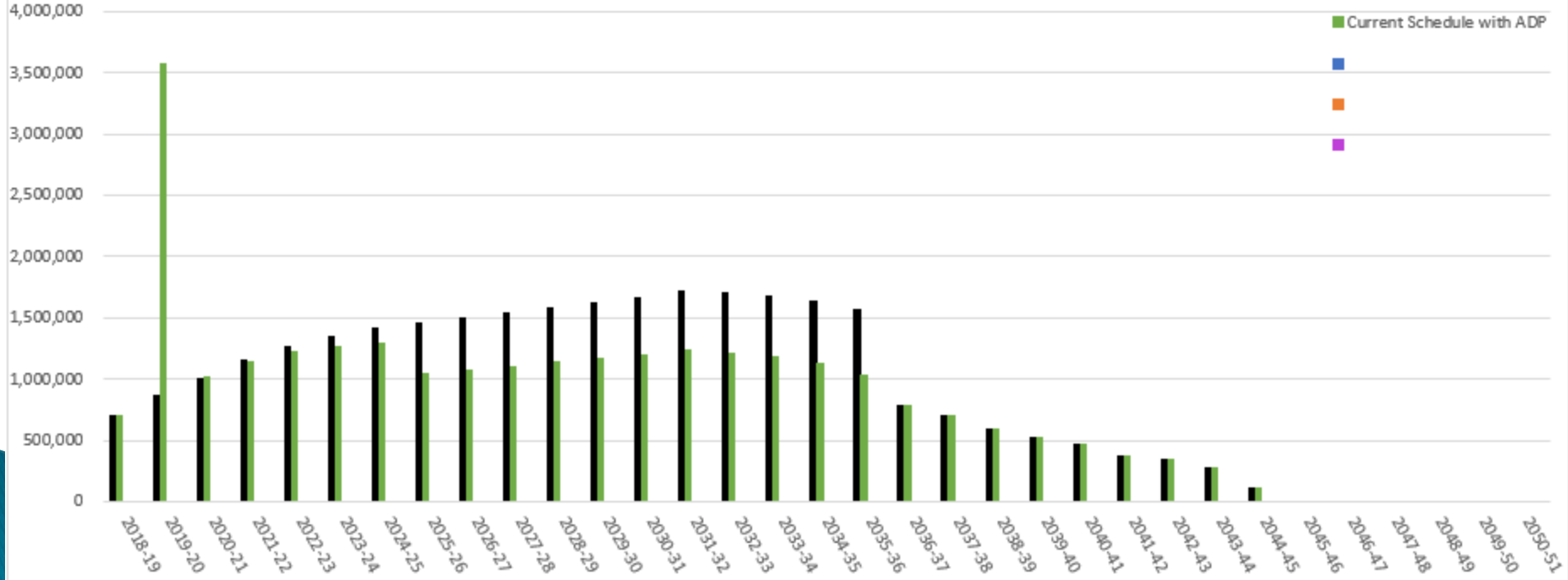
Unfunded Pension Liability

Unfunded Pension Liability (UAL) Amortization Impact					
UAL as of June 30, 2021 and Total Annual Payments Amortized over 24 Years					
Member Agency	Board Approved Methodology %'s	Current UAL as of June 30, 2021	Current UAL Amortized 24 Years	Interest Payments	Interest % Principal
City of Laguna Beach	10.69%	\$1,667,577	\$2,977,285	\$1,309,708	79%
City of San Clemente	0.67%	104,926.95	187,336	82,409	79%
City of San Juan Capistrano	10.43%	1,626,788.24	2,904,461	1,277,673	79%
Emerald Bay Service District	0.46%	71,127.94	126,992	55,864	79%
El Toro Water District	3.51%	547,181.11	976,935	429,754	79%
Irvine Ranch Water District	0.76%	118,790.94	212,089	93,298	79%
Moulton Niguel Water District	44.87%	7,000,430.20	12,498,538	5,498,108	79%
South Coast Water District	18.64%	2,907,766.17	5,191,513	2,283,747	79%
Santa Margarita Water District	9.97%	1,555,407.24	2,777,018	1,221,610	79%
Trabuco Canyon Water District	0.02%	2,776.08	4,956	2,180	79%
Total Net Pension Liability	100.00%	\$15,602,772	\$27,857,123	\$12,254,351	79%

Amortization Balance



Amortization Payments



UAL and OPEB (PAY-GO) Present Practice

FY 20 %'s	2022			2023			2024			2025			2026			
	UAL	OPEB	Total	UAL	OPEB	Total	UAL	OPEB	Total	UAL	OPEB	Total	UAL	OPEB	Total	
City of Laguna Beach	10.69%	\$123,640	\$53,552	\$177,192	\$136,612	\$56,390	\$193,003	\$144,527	\$59,379	\$203,906	\$153,123	\$62,526	\$215,649	\$157,772	\$65,840	\$223,613
City of San Clemente	0.67%	7,780	3,370	11,149	8,596	3,548	12,144	9,094	3,736	12,830	9,635	3,934	13,569	9,927	4,143	14,070
City of San Juan Capistrano	10.43%	120,616	52,242	172,858	133,271	55,011	188,282	140,991	57,927	198,918	149,378	60,997	210,374	153,913	64,230	218,143
Emerald Bay Service District	0.46%	5,274	2,284	7,558	5,827	2,405	8,232	6,165	2,533	8,697	6,531	2,667	9,198	6,730	2,808	9,538
El Toro Water District	3.51%	40,570	17,572	58,142	44,826	18,503	63,330	47,423	19,484	66,907	50,244	20,517	70,761	51,770	21,604	73,374
Irvine Ranch Water District	0.76%	8,808	3,815	12,622	9,732	4,017	13,749	10,295	4,230	14,525	10,908	4,454	15,362	11,239	4,690	15,929
Moulton Niguel Water District	44.87%	519,036	224,810	743,846	573,493	236,725	810,218	606,718	249,271	855,989	642,805	262,483	905,287	662,323	276,394	938,717
South Coast Water District	18.64%	215,592	93,379	308,971	238,212	98,328	336,540	252,012	103,540	355,552	267,002	109,027	376,029	275,109	114,806	389,915
Santa Margarita Water District	9.97%	115,323	49,950	165,273	127,423	52,597	180,020	134,805	55,385	190,190	142,823	58,320	201,143	147,160	61,411	208,571
Trabuco Canyon Water District	0.02%	206	89	295	227	94	321	241	99	339	255	104	359	263	110	372
	100.00%	\$1,156,844	\$501,063	\$1,657,907	\$1,278,219	\$527,619	\$1,805,838	\$1,352,271	\$555,583	\$1,907,854	\$1,432,703	\$585,029	\$2,017,732	\$1,476,206	\$616,036	\$2,092,242

Capital Funding Policy

Capital Funding Policy

All Quarters Invoiced Based on
Time Phased Cash Flow Forecasts