

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

FINANCE COMMITTEE
TELECONFERENCE MEETING**

**August 17, 2021
10:30 a.m.**

Join Zoom Meeting by clicking on the link below:

Join Zoom Meeting
<https://socwa.zoom.us/>

Meeting ID: 881 6056 6963
Passcode: 881417

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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 **August 17, 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

August 17, 2021

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 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 June 15, 2021

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

4. Financial Reports for the Month of June 2021

The reports included are as follows:

- a. Summary of Disbursements for June 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 to the Finance Committee recommend to the Board of Directors to ratify the June 2021 disbursements for the period from June 1, 2021, through June 30, 2021, totaling \$2,157,842 and to receive and file the June 2021 Financial Reports as submitted.

5. Preliminary FY 2020-21 Cash Roll Forward as of June 30, 2021

Recommended Action: Staff recommends to the Finance Committee to recommend to the Board of Directors to receive and file the Fiscal Year 2020-21 Cash Roll Forward as submitted.

August 17, 2021

6. **Actuarial Valuation Report on Retiree Health Program as of December 31, 2020**

Recommended Action: Staff Recommends to the Finance Committee to recommend to the Board of Directors to receive and file the report.

7. **Other Post-Employment Benefits (OPEB) Trust Account Annual Review**

Recommended Action: Staff recommends to the Finance Committee recommend to the Board of Directors to receive and file the PARS report and provide comments to the Draft Guidelines Document. Revisions will be considered at the September 2021 Finance Committee Meeting.

8. **Draft GASB 68 Report for the Fiscal Year Ended June 30, 2021**

Recommended Action: Staff recommends to the Finance Committee to review the report as an information item prior to receipt of the Annual Financial Report and the Auditor's report on the Annual Financial Statements Audit.

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.

Dated this 11th day of August 2021.



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

MINUTES OF SPECIAL MEETING
OF THE
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY

Finance Committee

June 15, 2021

The Special Meeting of the South Orange County Wastewater Authority (SOCWA) Finance Committee Meeting was held on June 15, 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:

DAN FERONS	Santa Margarita Water District	Director
DENNIS CAFFERTY	El Toro Water District	Alternate Director
MATT COLLINGS	Moulton Niguel Water District	Director
SCOTT GOLDMAN	South Coast Water District	Director [arrived @ 10:34 a.m.]

Absent:

SERGIO FARIAS	City of San Juan Capistrano	Director
TONI ISEMAN	City of Laguna Beach	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
RONI YOUNG	Associate Engineer
JEANETTE COTINOLA	Contracts/Procurement Administrator
MATT CLARKE	IT Administrator
DANITA HIRSH	Executive Assistant

Also Participating:

ADRIANA OCHOA	Procopio Law Firm
KATHRYN FRESHLEY	El Toro Water District
TREVOR AGRELIUS	Moulton Niguel Water District
SHERRY WANNINGER	Moulton Niguel Water District
GAVIN CURRAN	City of Laguna Beach
JASON HAYDEN	El Toro Water District

1. **Call Meeting to Order**

Chairman Ferons called the meeting to order at 10:30 a.m.

2. **Public Comments**

None

3. Approval of Minutes

- Finance Committee Meeting of April 20, 2021
- Finance Committee Meeting of May 6, 2021

ACTION TAKEN

Motion was made by Director Collings and seconded by Director Cafferty to approve Finance Committee Meeting Minutes for April 20, 2021, and May 6, 2021 as submitted.

Motion carried:	Aye 3, Nay 0, Abstained 1, Absent 2
	Director Ferons Aye
	Director Iseman Absent
	Director Farias Absent
	Director Cafferty Aye
	Director Collings Aye
	Director Goldman Abstain

4. Financial Reports for the Month of April 2021

ACTION TAKEN

Motion was made by Director Cafferty and seconded by Director Collings to recommend to the Board of Directors to ratify the April 2021 disbursements for the period of April 1 through April 30, 2021, totaling \$4,246,299, and to receive and file the April 2021 Financial Reports as submitted.

Motion carried:	Aye 4, Nay 0, Abstained 0, Absent 2
	Director Ferons Aye
	Director Iseman Absent
	Director Farias Absent
	Director Cafferty Aye
	Director Collings Aye
	Director Goldman Aye

5. Financial Reports for the Month of May 2021

ACTION TAKEN

Motion was made by Director Collings and seconded by Director Cafferty to recommend to the Board of Directors to ratify the May 2021 disbursements for the period of May 1 through May 31, 2021, totaling \$3,146,986, and to receive and file the May 2021 Financial Reports as submitted.

Motion carried:	Aye 4, Nay 0, Abstained 0, Absent 2
	Director Ferons Aye
	Director Iseman Absent
	Director Farias Absent
	Director Cafferty Aye
	Director Collings Aye
	Director Goldman Aye

6. OPEB Actuarial Valuation Report as of December 30, 2020

Ms. Carey gave a presentation on the OPEB Actuarial Valuation Report as of December 30, 2020. She stated the valuation is for the total OPEB retiree health benefit totaling \$12,696,910. She noted employees hired before July 2017 will receive full retiree benefits upon retirement. Whereas employees hired after July 2017 will only receive the minimum payments towards retiree health. Ms. Carey also stated the normal cost of current year accrual is \$223,228. An open discussion ensued.

This was an information item; no action taken.

7. Preparation for The Close of The Fiscal Year

Ms. Carey updated the Committee on the work in progress in preparation for the interim audit that begins July 12, 2021. She noted the valuation report previously discussed provides base information for the GASB 75 reporting. She also stated the finance team is working with each department head to determine the work that's been completed and working with vendors and suppliers on submitting invoices prior to the cut-off date. An open discussion ensued.

This was an information item; no action taken.

Other Matters

Ms. Burnett reported on a sewer spill that occurred at the site of the Export Forcemain Project. She noted the spill was contained and the cleanup went well. She also thanked the South Coast crew for providing Vector trucks, and Filanc who was already on sites working when the incident occurred. Ms. Burnett thanked Director Collings and the Moulton staff for their assistance on the prior spill as this was the second spill at the site.

Ms. Ochoa reported the Governor issued an Executive Order on June 11 regarding virtual Board Meetings. Ms. Ochoa noted the order essentially stated that virtual Board Meetings will expire on September 30th.

Adjournment

There being no further business, Chairman Ferons adjourned the meeting at 11:15 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 June 15, 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: August 17, 2021

TO: Finance Committee
FROM: Betty Burnett, General Manager
STAFF CONTACT: Mary Carey, Finance Controller
SUBJECT: Preliminary Financial Reports for the Fiscal Year Ended June 30, 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:

1. Summary of Disbursements for June 2021 (Exhibit A)
2. Schedule of Funds Available for Reinvestment (Exhibit B)
 - Local Agency Investment Fund (LAIF)
3. Schedule of Cash and Investments (Exhibit C)
4. Capital Schedule (Exhibit D)
 - Capital Projects – Graph (Exhibit D-1)
5. 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)
- f) Preliminary FY 2020-21 Fringe Pool and Fringe Rate (Exhibit E-5)

Fiscal impact

June 2021 cash disbursements were: \$2,157,842.

- 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 to the Finance Committee to recommend to the Board of Directors to ratify the June 2021 disbursements for the period from June 1, 2021, through June 30, 2021, totaling \$2,157,842, and to receive and file the June 2021 Financial Reports as submitted.

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

	Actual¹
General Fund	\$ -
PC 2 - Jay B. Latham Plant	(528,364)
PC 5 - San Juan Creek Ocean Outfall	(9,651)
PC 8 - Pretreatment Program	(62,640)
PC 12 SO - Water Reclamation Permits	(89,621)
PC 15 - Coastal Treatment Plant/AWT	(434,639)
PC 17 - Joint Regional Wastewater Reclamation	(991,015)
PC 21 - Effluent Transmission Main	-
PC 24 - Aliso Creek Ocean Outfall	(41,913)
Total	\$ (2,157,842)

¹Cash by Project Committee is preliminary; the distribution by Project Committee will be updated once the Cash Roll Forward and the Use Audit have been approved.

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
SCHEDULE OF FUNDS AVAILABLE FOR REINVESTMENT
as of June 30, 2021**

CASH IN BANK: (BEGINNING BAL.)	\$	1,633,838
L.A.I.F. FUNDS: (BEGINNING BAL.)		16,202,065
DEPOSITS, TRANSFERS & ADJUSTMENTS: ¹		(479,071)
FUND REQUIREMENTS:		
BILLS FOR CONSIDERATION ²		(2,157,842)
		(2,157,842)
TOTAL CASH IN BANK	\$	15,198,990

¹ Outstanding Items from prior month cleared the bank

² GL postings.

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 08/05/21



PMIA Average Monthly Effective Yields⁽¹⁾

Jul	0.221
Jun	0.262
May	0.315

Quarterly Performance Quarter Ended 06/30/21

LAIF Apportionment Rate ⁽²⁾ :	0.33
LAIF Earnings Ratio ⁽²⁾ :	0.0000897371743018
LAIF Fair Value Factor ⁽¹⁾ :	1.00008297
PMIA Daily ⁽¹⁾ :	0.22%
PMIA Quarter to Date ⁽¹⁾ :	0.30%
PMIA Average Life ⁽¹⁾ :	291

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 06/30/21 \$193.3 billion

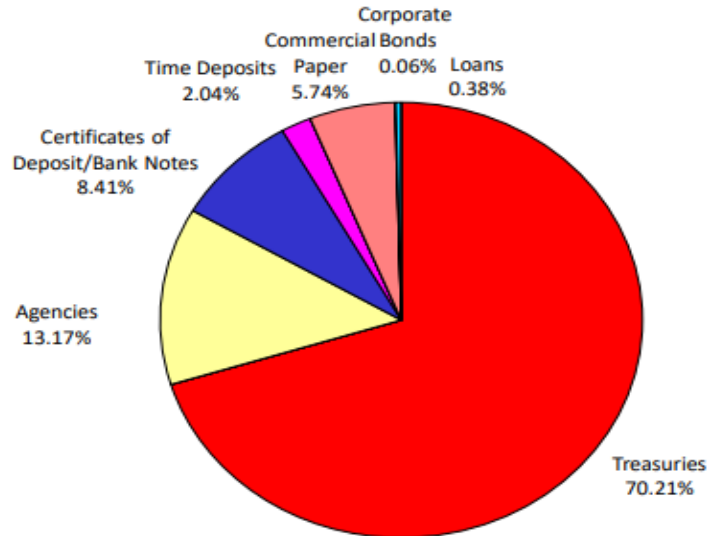


Chart does not include 0.01% of mortgages. Percentages may not total 100% due to rounding.

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).

**South Orange County Wastewater Authority
Schedule of Cash and Investments
as of June 30, 2021**

MVA	\$ 14,942	(A)
A/P Checking	1,148,733	(B)
Payroll Checking	108,250	(C)
State LAIF	13,927,065	(D)
Total Cash in Bank	\$ 15,198,990	
Petty Cash	1,600	(E)
Total Operating Cash	\$ 15,200,590	
OPEB Trust	6,657,222	(F)
Total Cash and Investments	\$ 21,857,811	

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 June 30, 2021
(in dollars)
PRELIMINARY**

FY 2020-21 Budget vs. Actual Spending								
Description	Capital Budget	¹Fiscal Year Spending	(Over)/ Under Budget	% Expended	Member Agency Billed	Member Agency Collections	Open Receivables	% Expended vs. Billed
PC 2-JB Latham	\$ 11,001,875	\$ 7,989,336	\$ 3,012,539	72.6%	\$ 6,653,978	\$ 6,653,978	\$ -	120.1%
PC 5-San Juan Creek Outfall	1,263,700	1,425,869	(162,169)	112.8%	1,263,700	1,263,700		112.8%
PC 15-Coastal	9,901,134	8,693,731	1,207,403	87.8%	3,750,000	3,750,000		231.8%
PC 17-Regional	2,673,023	2,564,895	108,128	96.0%	117,111	117,111		-
PC 21 Effluent Transmission	2,322,668	70,547	2,252,121	3.0%	100,000	100,000		70.5%
³ PC 24 Aliso Creek Outfall	-	6,254	(6,254)	0.0%	-	-		-
Total Large Capital	\$ 27,162,400	\$ 20,750,631	\$ 6,411,769	76.4%	\$ 11,884,789	\$ 11,884,789	\$ -	174.6%
Non-Capital Engineering	1,161,634	85,100	1,076,534	7.3%	94,210	94,210		90.3%
Non-Capital Misc Engineering	75,000	2,517	72,483	3.4%	56,250	56,250		4.5%
Small Internal Capital	2,099,000	1,572,701	526,299	74.9%	2,099,000	2,099,000		74.9%
Total Capital	\$ 30,498,034	\$ 22,410,949	\$ 8,087,085	73.5%	\$ 14,134,249	\$ 14,134,249	\$ -	158.6%

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:

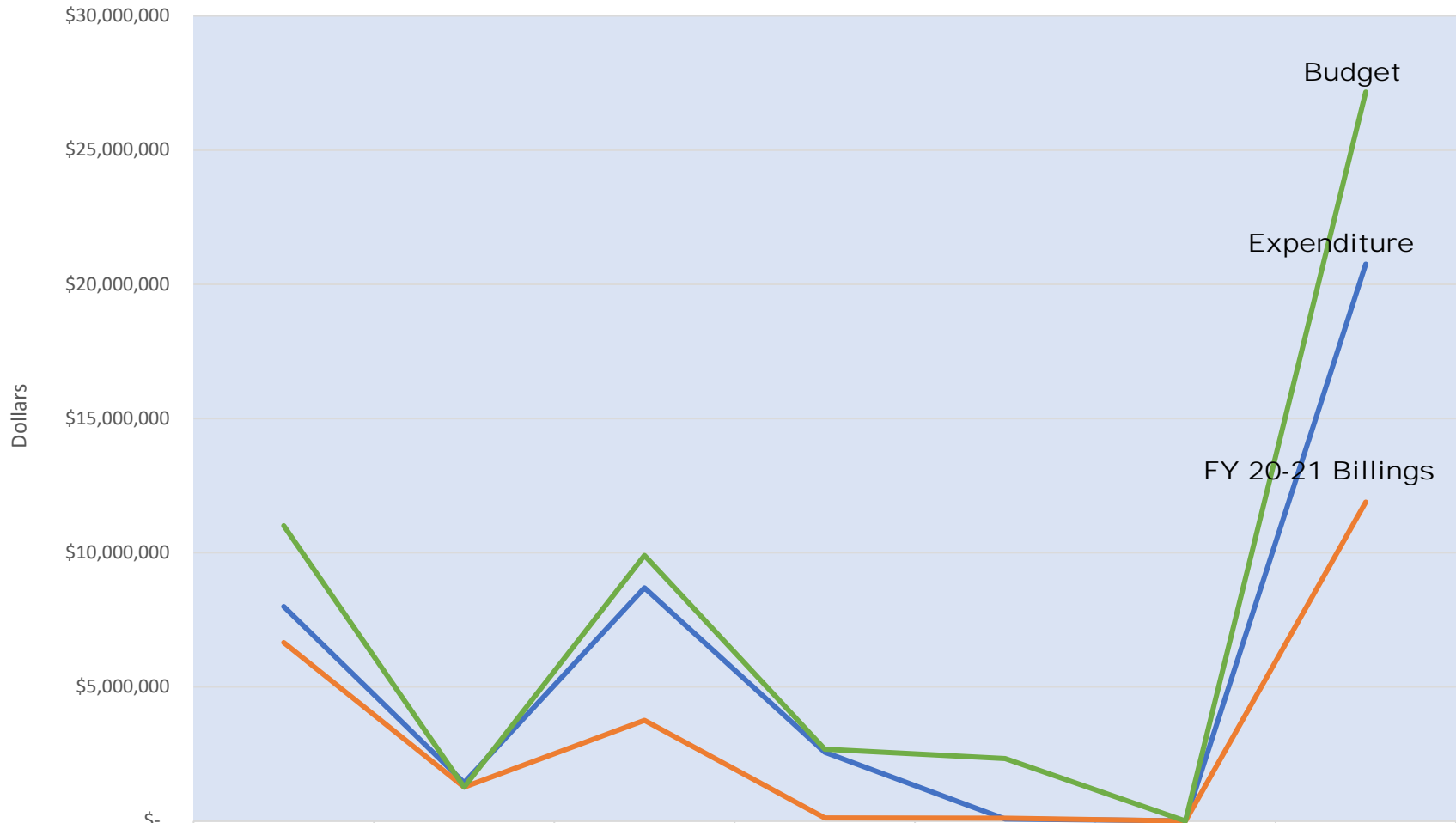
	Carryover	YTD Spending	Balance²	% Expended
Non-Capital Engineering	\$369,508	\$166,066	\$203,442	44.9%
Non-Capital Misc Engineering	252,298	121,061	131,237	48.0%
Small Internal Capital	565,000	386,211	178,789	68.4%
	\$1,186,806	\$673,337	\$513,469	56.7%

² The carryover balance will be refunded in the Use Audit.

³ 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 6/30/2021

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 6/30/21	\$7,989,336	\$1,425,869	\$8,693,731	\$2,564,895	70,546.72	\$6,254	\$20,750,631
FY 20-21 Billings	\$6,653,978	\$1,263,700	\$3,750,000	\$117,111	\$100,000	\$0	\$11,884,789
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 June 30, 2021
(in dollars)

PRELIMINARY

	FY 2020-21 Budget	Board Approved Expenditures*	Adjusted Budget	Actual	(Over)/Under Budget	% Expended	
Salary and Fringe							
5000-**	4,510,604		4,510,604	4,354,638	155,966	96.5%	
5001-**	128,700		128,700	111,541	17,159	86.7%	
5306-**	33,964		33,964	71,967	(38,003)	211.9%	
5315-**	12,168		12,168	15,082	(2,914)	123.9%	
5401-**	2,374,488		2,374,488	2,359,764	14,724	99.4%	
5700-**	67,608		67,608	67,860	(252)	100.4%	
	Total Payroll Costs		7,127,532	6,980,852	146,680	97.9%	
Other Expenses							
5002-**	1,154,008		1,154,008	1,252,449	(98,441)	108.5%	(11)
5003-**	234,532		234,532	254,349	(19,817)	108.4%	(12)
5004-**	77,008		77,008	83,307	(6,299)	108.2%	(13)
5005-**	(669,000)		(669,000)	(705,975)	36,975	105.5%	
5006-**	479,900		479,900	490,689	(10,789)	102.2%	(14)
5007-**	739,004		739,004	741,851	(2,847)	100.4%	
5008-**	452,000	50,000	502,000	660,712	(158,712)	131.6%	(1)
5009-**	114,996		114,996	90,428	24,568	78.6%	
5010-**	2,996		2,996	426	2,570	14.2%	
5011-**	40,580		40,580	27,308	13,272	67.3%	
5012-**	124,996		124,996	127,842	(2,846)	102.3%	
5013-**	206,004		206,004	232,315	(26,311)	112.8%	(2)
5015-**	370,504	211,000	581,504	512,182	69,322	88.1%	
5016-**	1,252		1,252	-	1,252	-	
5017-**	32,355		32,355	71,684	(39,329)	221.6%	(3)
5018-**	5,500		5,500	-	5,500	-	
5019-**	256,012		256,012	266,837	(10,825)	104.2%	(8)
5021-**	24,556		24,556	18,797	5,759	76.5%	
5022-**	18,020		18,020	5,340	12,680	29.6%	
5023-**	43,004		43,004	27,935	15,069	65.0%	
5024-**	34,000		34,000	12,931	21,069	38.0%	
5025-**	68,992		68,992	64,518	4,474	93.5%	
5026-**	24,604		24,604	12,263	12,341	49.8%	
5027-**	275,584		275,584	276,867	(1,283)	100.5%	
5028-**	77,500		77,500	70,138	7,362	90.5%	
5030-**	6,992		6,992	6,607	385	94.5%	
5031-**	114,868		114,868	136,845	(21,977)	119.1%	(9)
5032-**	7,004		7,004	876	6,128	12.5%	
5033-**	2,504		2,504	3,531	(1,027)	141.0%	
5034-**	32,316		32,316	2,190	30,126	6.8%	
5035-**	40,664		40,664	12,690	27,974	31.2%	
5036-**	100,152		100,152	134,557	(34,405)	134.4%	(10)
5037-**	65,000		65,000	25,282	39,718	38.9%	
5038-**	480,520		480,520	506,362	(25,842)	105.4%	(4)
5039-**	23,772		23,772	10,182	13,590	42.8%	
5044-**	44,004		44,004	40,565	3,439	92.2%	
5046-**	40,004		40,004	63,594	(23,590)	159.0%	(5)
5047-**	44,004		44,004	39,072	4,932	88.8%	
5048-**	20,008		20,008	-	20,008	-	
5049-**	1,429,996	50,000	1,479,996	1,465,691	14,305	99.0%	
5050-**	22,008		22,008	3,545	18,463	16.1%	
5052-**	94,004		94,004	103,927	(9,923)	110.6%	(6)
5053-**	125,000		125,000	78,522	46,478	62.8%	
5054-**	41,004		41,004	29,197	11,807	71.2%	
5055-**	11,504		11,504	8,372	3,132	72.8%	
5056-**	361,000		361,000	336,152	24,848	93.1%	
5057-**	669,000		669,000	584,064	84,936	87.3%	
5058-**	86,008		86,008	144,891	(58,883)	168.5%	(7)
5059-**	960,000		960,000	725,616	234,384	75.6%	
5060-**	75,000		75,000	71,943	3,057	95.9%	
5061-**	3,548		3,548	1,940	1,608	54.7%	
5067-**	70,000		70,000	-	70,000	-	
5068-**	42,000		42,000	18,666	23,334	44.4%	
5076-**	91,508		91,508	65,868	25,640	72.0%	
5077-**	10,000		10,000	9,669	331	96.7%	
5105-**	669,000		669,000	705,975	(36,975)	105.5%	
5303-**	14,392		14,392	14,178	214	98.5%	
5305-**	1,336		1,336	1,910	(574)	143.0%	
5309-**	31,008		31,008	28,746	2,262	92.7%	
5705-**	31,192		31,192	35,536	(4,344)	113.9%	
5799-**	(14,000)		(14,000)	(11,459)	(2,541)	81.9%	
5802-**	100		100	-	100	-	
6241-**	-		-	606	(606)	-	
6500-**	556,996		556,996	556,467	529	99.9%	
	Total Other Expenses	311,000	10,903,323	10,557,564	345,759	96.8%	
	Total O&M Expenses	311,000	18,030,855	17,538,416	492,439	97.3%	

* 11/05/2020 Board approved budget amendment for PC 12-Water Reclamation Permits, \$211,000, for Environmental Regulatory Requirements.
* 05/06/2021 Board approved budget amendment for PC 2-JB Latham, \$100,000, to cover unanticipated operating costs.

South Orange County Wastewater Authority
O & M & Environmental Safety Costs Summary
For the Period Ended June 30, 2021
(in dollars)

PRELIMINARY

- (1) Odor levels increased in the collection system resulting in higher Ferric Chloride usage to control hydrogen sulfide in the treatment plants and the digester gas.
- (2) Tree removals from emergency projects in response to Santa Ana Winds.
- (3) Regulatory Environmental requirements and Construction Agreements review.
- (4) Water Quality Fee increases.
- (5) Increased toxicity monitoring due to permit exceedances and PFAS Investigative Order requirements.
- (6) Janitorial services increased due to additional office disinfection and cleaning.
- (7) Emergency water line repairs completed at RTP, common repairs, and COVID 19 related air quality additions.
- (8) COVID 19 related expenses to support distancing for employees and contractors.
- (9) PPE costs related to safety equipment for new employees.
- (10) Additional supplies for new regulations and preparation for new NPDES Permit requirements.
- (11) Engine repairs and equipment overhauls required engine shutdowns and electricity purchases.
- (12) Additional natural gas was used during the overhaul of the gas scrubbing system at RTP.
- (13) Elevated odor levels increased the flushing water needed in the foul air scrubbers.
- (14) Higher than anticipated recycled water production.

**South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC**
For the Period Ended June 30, 2021
(in dollars)

PRELIMINARY

	FY 2020-21 Budget	Board Approved Expenditures*	Adjusted Budget	Actual	(Over)/Under Budget	% Expended	
02 - Jay B. Latham Plant							
Salary and Fringe							
02-5000-**-***	Regular Salaries-O&M		1,518,048	1,555,662	(37,614)	102.5%	(1)
02-5001-**-***	Overtime Salaries-O&M		38,716	42,229	(3,513)	109.1%	(1)
02-5306-**-***	Scheduled Holiday Work		13,364	26,515	(13,151)	198.4%	(1)
02-5315-**-***	Comp Time - O&M		5,028	5,986	(958)	119.1%	(1)
02-5401-**-***	Fringe Benefits IN to PC's & Depts.		799,132	843,008	(43,876)	105.5%	
02-5700-**-***	Standby Pay		25,352	27,983	(2,631)	110.4%	
	Total Payroll Costs		2,399,640	2,501,384	(101,744)	104.2%	
Other Expenses							
02-5002-**-***	Electricity		547,004	483,236	63,768	88.3%	
02-5003-**-***	Natural Gas		121,036	125,268	(4,232)	103.5%	
02-5004-**-***	Potable & Reclaimed Water		24,004	26,356	(2,352)	109.8%	
02-5006-**-***	Chlorine/Sodium Hypochlorite		7,900	8,139	(239)	103.0%	
02-5007-**-***	Polymer Products		278,000	263,700	14,300	94.9%	
02-5008-**-***	Ferric Chloride	50,000	190,000	254,640	(64,640)	134.0%	(2)
02-5009-**-***	Odor Control Chemicals		21,000	20,825	175	99.2%	
02-5010-**-***	Other Chemicals - Misc.		1,000	-	1,000	-	
02-5011-**-***	Laboratory Services		12,500	6,972	5,528	55.8%	
02-5012-**-***	Grit Hauling		54,000	59,635	(5,635)	110.4%	(29)
02-5013-**-***	Landscaping		75,008	55,718	19,290	74.3%	
02-5015-**-***	Management Support Services		26,004	40,107	(14,103)	154.2%	(3)
02-5017-**-***	Legal Fees		3,095	4,811	(1,716)	155.5%	
02-5019-**-***	Contract Services Misc.		75,008	82,732	(7,724)	110.3%	(17)
02-5021-**-***	Small Vehicle Expense		11,000	7,468	3,532	67.9%	
02-5022-**-***	Miscellaneous Expense		8,000	3,009	4,991	37.6%	
02-5023-**-***	Office Supplies - All		28,000	12,095	15,905	43.2%	
02-5024-**-***	Petroleum Products		11,000	2,940	8,060	26.7%	
02-5025-**-***	Uniforms		32,992	31,168	1,824	94.5%	
02-5026-**-***	Small Vehicle Fuel		12,004	4,214	7,790	35.1%	
02-5027-**-***	Insurance - Property/Liability		89,920	93,599	(3,679)	104.1%	
02-5028-**-***	Small Tools & Supplies		37,004	31,189	5,815	84.3%	
02-5030-**-***	Trash Disposal		2,000	2,410	(410)	120.5%	
02-5031-**-***	Safety Program & Supplies		39,004	49,439	(10,435)	126.8%	(18)
02-5032-**-***	Equipment Rental		3,000	876	2,124	29.2%	
02-5033-**-***	Recruitment		1,000	2,346	(1,346)	234.6%	
02-5034-**-***	Travel Expense/Tech. Conferences		9,496	115	9,381	1.2%	
02-5035-**-***	Training Expense		12,808	3,210	9,598	25.1%	
02-5036-**-***	Laboratory Supplies		16,472	14,568	1,904	88.4%	
02-5037-**-***	Office Equipment		13,000	1,634	11,366	12.6%	
02-5038-**-***	Permits		25,504	39,645	(14,141)	155.4%	(4)
02-5039-**-***	Membership Dues/Fees		4,384	3,458	926	78.9%	
02-5049-**-***	Biosolids Disposal		524,996	599,711	(24,715)	104.3%	(19)
02-5050-**-***	Contract Services Generators - 29A	50,000	10,004	50	9,954	0.5%	
02-5052-**-***	Janitorial Services		41,000	53,534	(12,534)	130.6%	(5)
02-5053-**-***	Contract Serv - Digester Cleaning - 29E		60,000	32,022	27,978	53.4%	
02-5054-**-***	Diesel Truck Maint		21,000	7,702	13,299	36.7%	
02-5055-**-***	Diesel Truck Fuel - 37B		3,004	3,022	(18)	100.6%	
02-5056-**-***	Maintenance Equip. & Facilities (Solids)		155,000	113,322	41,678	73.1%	
02-5057-**-***	Maintenance Equip. & Facilities (Liquids)		254,000	171,057	82,943	67.3%	
02-5058-**-***	Maintenance Equip. & Facilities (Common)		28,000	39,409	(11,409)	140.7%	(20)
02-5059-**-***	Maintenance Equip. & Facilities (Co-Gen)		369,000	288,741	80,259	78.2%	
02-5061-**-***	Mileage		2,044	683	1,361	33.4%	
02-5076-**-***	SCADA Infrastructure		30,504	21,956	8,548	72.0%	
02-5077-**-***	IT Direct		4,996	2,143	2,853	42.9%	
02-5303-**-***	Group Insurance Waiver		3,592	3,614	(22)	100.6%	
02-5309-**-***	Operating Leases		25,004	24,743	261	99.0%	
02-5705-**-***	Monthly Car Allowance		18,600	22,888	(4,288)	123.1%	
02-5799-**-***	Zephyr Wall Costs Share - O&M		(14,000)	(14,459)	(2,541)	81.9%	
02-6500-**-***	IT Allocations in to PC's & Depts.		187,624	187,451	173	99.9%	
	Total Other Expenses		3,466,515	3,296,109	270,406	92.4%	
	Total Expenses	100,000	5,966,155	5,797,493	168,662	97.2%	

**South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC**
For the Period Ended June 30, 2021
(in dollars)

PRELIMINARY

		FY 2020-21 Budget	Board Approved Expenditures*	Adjusted Budget	Actual	(Over)/Under Budget	% Expended	
05 - San Juan Creek Ocean Outfall								
Salary and Fringe								
05-5000-**-***	Regular Salaries-O&M	94,880		94,880	120,386	(25,506)	126.9%	(16)
05-5001-**-***	Overtime Salaries-O&M	584		584	1,508	(924)	258.3%	(16)
05-5306-**-***	Scheduled Holiday Work	100		100	468	(368)	-	(16)
05-5401-**-***	Fringe Benefits IN to PC's & Depts.	49,940		49,940	65,237	(15,297)	130.6%	
	Total Payroll Costs	145,504	-	145,504	187,600	(42,096)	128.9%	
Other Expenses								
05-5002-**-***	Electricity	1,004		1,004	-	1,004	-	
05-5003-**-***	Natural Gas	500		500	-	500	-	
05-5015-**-***	Management Support Services	80,000		80,000	71,364	8,636	89.2%	
05-5017-**-***	Legal Fees	2,008		2,008	1,351	658	67.3%	
05-5026-**-***	Small Vehicle Fuel	500		500	-	500	-	
05-5027-**-***	Insurance - Property/Liability	8,192		8,192	8,086	106	98.7%	
05-5031-**-***	Safety Supplies	1,004		1,004	-	1,004	-	
05-5034-**-***	Travel Expense/Tech. Conferences	2,000		2,000	300	1,700	15.0%	
05-5035-**-***	Training Expense	4,000		4,000	62	3,938	1.5%	
05-5036-**-***	Laboratory Supplies	24,504		24,504	45,949	(21,445)	187.5%	(15)
05-5038-**-***	Permits	198,996		198,996	211,086	(12,090)	106.1%	(4)
05-5039-**-***	Membership Dues/Fees	5,564		5,564	-	5,564	-	
05-5044-**-***	Offshore Monitoring	22,000		22,000	20,065	1,935	91.2%	
05-5046-**-***	Effluent Chemistry	20,004		20,004	28,429	(8,425)	142.1%	(6)
05-5056-**-***	Maintenance Equip. & Facilities (Solids) 41-A	-		-	552	(552)	-	
05-5058-**-***	Maintenance Equip. & Facilities (Common)	1,004		1,004	-	1,004	-	
05-5067-**-***	Port Cleaning	35,000		35,000	-	35,000	-	
05-6500-**-***	IT Allocations in to PC's & Depts.	11,716		11,716	11,705	11	99.9%	
	Total Other Expenses	417,996	-	417,996	398,949	19,047	95.4%	
	Total Expenses	563,500	-	563,500	586,549	(23,049)	104.1%	
08 - Pre Treatment								
Salary and Fringe								
08-5000-**-***	Regular Salaries-O&M	81,396		81,396	95,650	(14,254)	117.5%	(1)
08-5306-**-***	Scheduled Holiday Work	356		356	-	356	-	
08-5315-**-***	Comp Time - Environment	2,476		2,476	-	2,476	-	
08-5401-**-***	Fringe Benefits IN to PC's & Depts.	42,852		42,852	51,832	(8,980)	121.0%	
	Total Payroll Costs	127,080	-	127,080	147,482	(20,402)	116.1%	
Other Expenses								
08-5011-**-***	Laboratory Services	3,008		3,008	-	3,008	-	
08-5015-**-***	Management Support Services	4,000		4,000	-	4,000	-	
08-5016-**-***	Audit - Environmental	1,252		1,252	-	1,252	-	
08-5017-**-***	Legal Fees	2,532		2,532	3,244	(712)	128.1%	(7b)
08-5018-**-***	Public Notices/ Public Relations	5,500		5,500	-	5,500	-	
08-5021-**-***	Small Vehicle Expense - 31A	1,052		1,052	68	984	6.5%	
08-5022-**-***	Miscellaneous Expense	2,020		2,020	-	2,020	-	
08-5026-**-***	Small Vehicle Fuel - 37A	1,096		1,096	300	796	27.4%	
08-5027-**-***	Insurance - Property/Liability	2,844		2,844	2,807	37	98.7%	
08-5028-**-***	Small Tools & Supplies	3,496		3,496	2,288	1,208	65.5%	
08-5034-**-***	Travel Expense/Tech. Conferences	2,220		2,220	695	1,525	31.3%	
08-5035-**-***	Training Expense	796		796	708	88	89.0%	
08-5038-**-***	Permits and Fines	6,000		6,000	-	6,000	-	
08-5039-**-***	Membership Dues/Fees	800		800	743	57	92.9%	
08-6500-**-***	IT Allocations in to PC's & Depts.	10,052		10,052	10,042	10	99.9%	
	Total Other Expenses	46,668	-	46,668	20,896	25,772	44.8%	
	Total Expenses	173,748	-	173,748	168,378	5,370	96.9%	
12 - Water Reclamation Permits								
Salary and Fringe								
12-5000-**-***	Regular Salaries-O&M	50,404		50,404	43,467	6,937	86.2%	
12-5401-**-***	Fringe Benefits IN to PC's & Depts.	26,528		26,528	23,555	2,973	88.8%	
	Total Payroll Costs	76,932	-	76,932	67,022	9,910	87.1%	
Other Expenses								
12-5015-**-***	Management Support Services	157,000	211,000	368,000	311,910	56,090	84.8%	
12-5017-**-***	Legal Fees	2,008		2,008	9,499	(7,491)	473.1%	(7a)
12-5027-**-***	Insurance - Property/Liability	3,116		3,116	3,076	40	98.7%	
12-5034-**-***	Travel Expense/Tech. Conferences	1,352		1,352	-	1,352	-	
12-5038-**-***	Permits	21,512		21,512	20,862	650	97.0%	
12-6500-**-***	IT Allocations in to PC's & Depts.	6,236		6,236	6,219	17	99.7%	
	Total Other Expenses	191,224	211,000	402,224	351,566	50,658	87.4%	
	Total Expenses	268,156	211,000	479,156	418,588	60,568	87.4%	

**South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC**
For the Period Ended June 30, 2021
(in dollars)

PRELIMINARY

15 - Coastal Treatment Plant

Salary and Fringe

	FY 2020-21 Budget	Board Approved Expenditures*	Adjusted Budget	Actual	(Over)/Under Budget	% Expended	
15-5000-**-***	Regular Salaries-O&M		939,512	863,142	76,371	91.9%	
15-5001-**-***	Overtime Salaries-O&M		21,760	23,463	(1,703)	107.8%	(1)
15-5306-**-***	Scheduled Holiday Work		5,096	13,521	(8,425)	265.3%	(1)
15-5315-**-***	Comp Time - O&M		2,100	4,675	(2,575)	222.6%	(1)
15-5401-**-***	Fringe Benefits IN to PC's & Depts.		494,584	467,734	26,850	94.6%	
15-5700-**-***	Standby Pay		16,900	11,765	5,135	69.6%	
	Total Payroll Costs		1,479,952	1,384,299	95,653	93.5%	

Other Expenses

15-5002-**-***	Electricity		256,000	270,027	(14,027)	105.5%	(10)
15-5003-**-***	Natural Gas		3,000	2,855	145	95.2%	
15-5004-**-***	Potable & Reclaimed Water		25,004	24,702	302	98.8%	
15-5006-**-***	Chlorine/Sodium Hypochlorite		92,000	85,651	6,349	93.1%	
15-5007-**-***	Polymer Products		1,004	-	1,004	-	
15-5008-**-***	Ferric Chloride		46,996	70,296	(23,300)	149.6%	(2)
15-5009-**-***	Odor Control Chemicals		50,000	38,191	11,809	76.4%	
15-5010-**-***	Other Chemicals - Misc.		-	426	(426)	-	
15-5011-**-***	Laboratory Services		8,000	9,637	(1,637)	120.5%	(8)
15-5012-**-***	Grit Hauling		20,996	26,151	(5,155)	124.6%	(29)
15-5013-**-***	Landscaping		56,000	38,107	17,893	68.0%	
15-5015-**-***	Management Support Services		2,500	11,118	(8,618)	444.7%	(3)
15-5017-**-***	Legal Fees		15,700	8,827	6,873	56.2%	
15-5019-**-***	Contract Services Misc.		85,000	86,522	(1,522)	101.8%	
15-5021-**-***	Small Vehicle Expense - 31A		5,504	3,551	1,953	64.5%	
15-5022-**-***	Miscellaneous Expense		1,000	882	118	88.2%	
15-5023-**-***	Office Supplies - All		4,004	5,217	(1,213)	130.3%	
15-5024-**-***	Petroleum Products		3,000	3,264	(264)	108.8%	
15-5025-**-***	Uniforms		8,996	7,545	1,451	83.9%	
15-5026-**-***	Small Vehicle Fuel - 37A		2,000	1,793	207	89.6%	
15-5027-**-***	Insurance - Property/Liability		46,396	45,797	599	98.7%	
15-5028-**-***	Small Tools & Supplies		8,000	8,172	(172)	102.2%	
15-5030-**-***	Trash Disposal		2,996	1,940	1,056	64.8%	
15-5031-**-***	Safety Program & Supplies		33,352	27,697	5,655	83.0%	
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	5,031	3,325	60.2%	
15-5036-**-***	Laboratory Supplies		11,004	13,359	(2,355)	121.4%	
15-5037-**-***	Office Equipment		2,000	23	1,977	1.1%	
15-5038-**-***	Permits		8,000	5,766	2,234	72.1%	
15-5039-**-***	Membership Dues/Fees		2,600	1,655	945	63.6%	
15-5047-**-***	Access Road Expenses		44,004	39,072	4,932	88.8%	
15-5048-**-***	Storm Damage		20,008	-	20,008	-	
15-5049-**-***	Biosolids Disposal		-	5,625	(5,625)	-	(9)
15-5050-**-***	Contract Services Generators - 29A		4,004	3,496	509	87.3%	
15-5052-**-***	Janitorial Services		12,004	13,160	(1,156)	109.6%	
15-5054-**-***	Diesel Truck Maint - 31B		1,004	5,902	(4,898)	587.8%	(21)
15-5055-**-***	Diesel Truck Fuel - 37B		496	-	496	-	
15-5057-**-***	Maintenance Equip. & Facilities (Liquids)		179,000	143,212	35,788	80.0%	
15-5058-**-***	Maintenance Equip. & Facilities (Common)		22,000	6,785	15,215	30.8%	
15-5060-**-***	Maintenance Equip. & Facilities (AWT) 41-E		37,000	17,285	19,715	46.7%	
15-5061-**-***	Mileage		500	154	346	30.8%	
15-5076-**-***	SCADA Infrastructure		30,500	21,956	8,544	72.0%	
15-5303-**-***	Group Insurance Waiver		3,600	3,614	(14)	100.4%	
15-5305-**-***	Medicare Tax Payments for Employees		1,336	1,910	(574)	143.0%	
15-5705-**-***	Monthly Car Allowance		4,204	4,216	(12)	100.3%	
15-6500-**-***	IT Allocations in to PC's & Depts.		116,012	115,906	106	99.9%	
	Total Other Expenses		1,292,328	1,186,792	105,536	91.8%	
	Total Expenses		2,772,280	2,571,091	201,189	92.7%	

**South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC**
For the Period Ended June 30, 2021
(in dollars)

PRELIMINARY

17 - Joint Regional Wastewater Reclamation and Sludge Handling

Salary and Fringe

	FY 2020-21 Budget	Board Approved Expenditures*	Adjusted Budget	Actual	(Over)/Under Budget	% Expended
17-5000-**-***	Regular Salaries-O&M		1,721,896	1,556,621	165,275	90.4%
17-5001-**-***	Overtime Salaries-O&M		66,064	43,107	22,957	65.3% (1)
17-5306-**-***	Scheduled Holiday Work		14,880	31,170	(16,290)	209.5% (1)
17-5315-**-***	Comp Time - O&M		2,564	4,421	(1,857)	172.4% (1)
17-5401-**-***	Fringe Benefits IN to PC's & Depts.		906,456	843,528	62,928	93.1%
17-5700-**-***	Standby Pay		25,356	28,113	(2,757)	110.9%
	Total Payroll Costs		2,737,216	2,506,960	230,256	91.6%

Other Expenses

17-5002-**-***	Electricity		350,000	499,186	(149,186)	142.6% (10)
17-5003-**-***	Natural Gas		109,996	126,226	(16,230)	114.8% (27)
17-5004-**-***	Potable & Reclaimed Water		28,000	32,249	(4,249)	115.2% (28)
17-5005-**-***	Co-generation Power Credit	(669,000)	(669,000)	(705,975)	36,975	105.5%
17-5006-**-***	Chlorine/Sodium Hypochlorite		380,000	396,898	(16,898)	104.4% (22)
17-5007-**-***	Polymer Products		460,000	478,151	(18,151)	103.9% (23)
17-5008-**-***	Ferric Chloride		265,004	335,777	(70,773)	126.7% (2)
17-5009-**-***	Odor Control Chemicals		43,996	31,412	12,584	71.4%
17-5010-**-***	Other Chemicals - Misc.		1,996	-	1,996	-
17-5011-**-***	Laboratory Services		17,072	10,699	6,373	62.7%
17-5012-**-***	Grit Hauling - 21A		50,000	42,055	7,945	84.1%
17-5013-**-***	Landscaping		74,996	138,489	(63,493)	184.7% (11)
17-5015-**-***	Management Support Services		21,000	33,889	(12,889)	161.4% (3)
17-5017-**-***	Legal Fees		5,004	15,149	(10,145)	302.7% (12)
17-5019-**-***	Contract Services Misc.		95,000	97,583	(2,583)	102.7%
17-5021-**-***	Small Vehicle Expense		7,000	7,710	(710)	110.1%
17-5022-**-***	Miscellaneous Expense		7,000	1,449	5,551	20.7%
17-5023-**-***	Office Supplies - All		11,000	10,623	377	96.6%
17-5024-**-***	Petroleum Products		20,000	6,727	13,273	33.6%
17-5025-**-***	Uniforms		27,004	25,805	1,199	95.6%
17-5026-**-***	Small Vehicle Fuel		9,004	9,555	3,049	66.1%
17-5027-**-***	Insurance - Property/Liability		115,592	114,100	1,492	98.7%
17-5028-**-***	Small Tools & Supplies		29,000	28,489	511	98.2%
17-5030-**-***	Trash Disposal		1,996	2,256	(260)	113.0%
17-5031-**-***	Safety Program & Supplies		40,504	59,709	(19,205)	147.4% (18)
17-5032-**-***	Equipment Rental		3,004	-	3,004	-
17-5033-**-***	Recruitment		1,004	1,035	(31)	103.1%
17-5034-**-***	Travel Expense/Tech. Conferences		9,496	632	8,864	6.7%
17-5035-**-***	Training Expense		12,700	3,617	9,083	28.5%
17-5036-**-***	Laboratory Supplies		23,672	15,922	7,750	67.3%
17-5037-**-***	Office Equipment		50,000	23,626	26,374	47.3%
17-5038-**-***	Permits		21,508	28,110	(6,602)	130.7% (4)
17-5039-**-***	Membership Dues/Fees		4,860	4,326	534	89.0%
17-5049-**-***	Biosolids Disposal		905,000	860,355	44,645	95.1%
17-5050-**-***	Contract Services Generators - 29A		8,000	-	8,000	-
17-5052-**-***	Janitorial Services		41,000	37,233	3,767	90.8%
17-5053-**-***	Contract Serv - Digester Cleaning - 29E		65,000	46,500	18,500	71.5%
17-5054-**-***	Diesel Truck Maint		19,000	15,594	3,406	82.1%
17-5055-**-***	Diesel Truck Fuel - 37B		8,004	5,350	2,655	66.8%
17-5056-**-***	Maintenance Equip. & Facilities (Solids)		206,000	222,279	(16,279)	107.9% (24)
17-5057-**-***	Maintenance Equip. & Facilities (Liquids)		236,000	269,795	(33,795)	114.3% (25)
17-5058-**-***	Maintenance Equip. & Facilities (Common)		34,000	98,698	(64,698)	290.3% (13)
17-5059-**-***	Maintenance Equip. & Facilities (Co-Gen)		591,000	436,874	154,126	73.9%
17-5060-**-***	Maintenance Equip. & Facilities (AWT)		38,000	54,657	(16,657)	143.8% (14)
17-5061-**-***	Mileage		1,004	1,103	(99)	109.8%
17-5068-**-***	MNWD Potable Water Supplies & Svcs.		42,000	18,666	23,334	44.4%
17-5076-**-***	SCADA Infrastructure		30,504	21,956	8,548	72.0%
17-5077-**-***	IT Direct		5,004	7,526	(2,522)	150.4%
17-5105-**-***	Co-Generation Power Credit - Offset		669,000	705,975	(36,975)	105.5%
17-5303-**-***	Group Insurance Waiver		7,200	6,951	249	96.5%
17-5309-**-***	Operating Leases		6,004	4,003	2,001	66.7%
17-5705-**-***	Monthly Car Allowance		8,388	8,432	(44)	100.5%
17-6241-**-***	Education Reimbursement		-	606	(606)	-
17-6500-**-***	IT Allocations in to PC's & Depts.		212,628	212,427	201	99.9%
	Total Other Expenses		4,760,144	4,906,858	(146,714)	103.1%
	Total Expenses		7,497,360	7,413,818	83,542	98.9%

South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC
For the Period Ended June 30, 2021
(in dollars)

PRELIMINARY

		FY 2020-21 Budget	Board Approved Expenditures*	Adjusted Budget	Actual	(Over)/Under Budget	% Expended	
21 - Effluent Transmission Main								
Salary and Fringe								
21-5000-**-***	Regular Salaries-O&M	1,384		1,384	792	592	57.2%	
21-5401-**-***	Fringe Benefits IN to PC's & Depts.	732		732	429	303	58.6%	
	Total Payroll Costs	2,116	-	2,116	1,221	895	57.7%	
Other Expenses								
21-5019-**-***	Contract Services Misc. - 29	1,004		1,004	-	1,004	-	
21-5027-**-***	Insurance - Property/Liability	968		968	956	12	98.7%	
	Total Other Expenses	1,972	-	1,972	956	1,016	48.5%	
	Total Expenses	4,088	-	4,088	2,177	1,911	53.3%	
23 - North Coast Interceptor								
Other Expenses								
23-5017-**-***	Legal Fees	-		-	28,804	(28,804)	-	(26)
	Total Expenses	-	-	-	28,804	(28,804)	-	
24 - Aliso Creek Ocean Outfall								
Salary and Fringe								
24-5000-**-***	Regular Salaries-O&M	103,084		103,084	118,917	(15,833)	115.4%	(1)
24-5001-**-***	Overtime Salaries-O&M	1,576		1,576	1,232	344	78.2%	
24-5306-**-***	Scheduled Holiday Work	168		168	292	(124)	174.1%	(1)
24-5401-**-***	Fringe Benefits IN to PC's & Depts.	54,264		54,264	64,441	(10,177)	118.8%	
	Total Payroll Costs	159,092	-	159,092	184,882	(25,790)	116.2%	
Other Expenses								
24-5015-**-***	Management Support Services	80,000		80,000	43,794	36,206	54.7%	
24-5017-**-***	Legal Fees	2,008		2,008	-	2,008	-	
24-5027-**-***	Insurance - Property/Liability	8,556		8,556	8,446	111	98.7%	
24-5031-**-***	Safety Supplies	1,004		1,004	-	1,004	-	
24-5034-**-***	Travel Expense/Tech. Conferences	2,004		2,004	300	1,704	15.0%	
24-5035-**-***	Training Expense	2,004		2,004	62	1,942	3.1%	
24-5036-**-***	Laboratory Supplies	24,500		24,500	44,758	(20,258)	182.7%	(15)
24-5038-**-***	Permits	199,000		199,000	200,893	(1,893)	101.0%	(4)
24-5039-**-***	Membership Dues/Fees	5,564		5,564	-	5,564	-	
24-5044-**-***	Offshore Monitoring	22,004		22,004	20,500	1,504	93.2%	
24-5046-**-***	Effluent Chemistry	20,000		20,000	35,165	(15,165)	175.8%	(6)
24-5058-**-***	Maintenance Equip. & Facilities (Common) 41-C	1,004		1,004	-	1,004	-	
24-5067-**-***	Port Cleaning	35,000		35,000	-	35,000	-	
24-5802-**-***	Shipping/Freight	100		100	-	100	-	
24-6500-**-***	IT Allocations in to PC's & Depts.	12,728		12,728	12,717	11	99.9%	
	Total Other Expenses	415,476	-	415,476	366,634	48,842	88.2%	
	Total Expenses	574,568	-	574,568	551,516	23,052	96.0%	
	Total O&M Expenses	17,719,855	311,000	18,030,855	17,538,416	492,439	97.3%	

* 11/05/2020 Board approved budget amendment for PC 12-Water Reclamation Permits, \$211,000, for Environmental Regulatory Requirements.

* 05/06/2021 Board approved budget amendment for PC 2-JB Latham, \$100,000, to cover unanticipated operating costs.

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

For the Period Ended June 30, 2021

PRELIMINARY

- (1) O&M salaries and overtime were higher due to staff coverage needed for COVID19 impacts and after-hours construction activities.
- (2) Odor levels increased in the collection system resulting in higher Ferric Chloride usage to control hydrogen sulfide in the treatment plants and the digester gas.
- (3) Technical support for foul air system study and assessment to minimize foul air and to accommodate system modifications.
- (4) Water Quality Fee increases.
- (5) Janitorial services increased due to additional office disinfection and cleaning.
- (6) Increased toxicity monitoring due to permit exceedances and PFAS Investigative Order requirements.
- (7a) Preparation of Water Discharge for new Recycled Water Order Report.
- (7b) Required Pretreatment Ordinance update.
- (8) Annual priority pollutants testing as required by NPDES Permit.
- (9) Disposal of spoils from export sludge line repairs.
- (10) Engine repairs and equipment overhauls required engine shutdowns and electricity purchases.
- (11) Tree removals from emergency projects in response to Santa Ana Winds.
- (12) Construction-related expenses.
- (13) Emergency water line repairs and COVID 19 related air quality additions.
- (14) Valves and actuators replacements for AWT.
- (15) Additional supplies for new regulations and preparation for new NPDES Permit requirements.
- (16) Unanticipated staff time associated with permitting requests from the State and Regional Water Boards.
- (17) COVID 19 related expenses to support distancing for employees and contractors.
- (18) PPE costs related to safety equipment for new employees.
- (19) Costs were higher due to employee/equipment availability to deliver Biosolids to the local landfill..
- (20) Common repair and COVID 19 air quality additions.
- (21) Overhaul of boom truck gearbox.
- (22) Higher than anticipated recycled water production.
- (23) Construction-related operational changes.
- (24) Additional O&M work in the solids area was completed to take advantage of construction contractor shutdowns.
- (25) Additional O&M work in the liquids area was completed to take advantage of construction contractor shutdowns.
- (26) Legal costs related to NCI bypass construction and Regional Board settlement.
- (27) Additional supplemental natural gas used during gas scrubbing system overhaul at RTP.
- (28) Additional flushing water was used in the foul air scrubbers due to increased odors at RTP.
- (29) Grit from channel and basin debris removal to accommodate ongoing construction.

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

For the Period Ended June 30, 2021

(in dollars)

PRELIMINARY

		FY 2020-21 Budget	Actual	(Over)/Under Budget	% Expended
Salary and Fringe					
01-5000-03-00-00	Regular Salaries-O&M	196,836	148,311	48,526	75.3%
01-5401-03-00-00	Fringe Benefits IN to PC's & Depts.	103,621	80,369	23,252	77.6%
	Total Payroll Costs	300,457	228,679	71,778	76.1%
Other Expenses					
01-5022-03-00-00	Miscellaneous Expense	3,184	2,529	655	79.4%
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	275	1,969	12.3%
01-5037-03-00-00	Office Equipment	408	-	408	-
01-5039-03-00-00	Membership Dues/Fees	1,377	996	381	72.3%
01-5061-03-00-00	Mileage	510	47	463	9.1%
01-5077-03-00-00	IT Direct	-	1,839	(1,839)	-
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	4,216	(16)	100.4%
01-5802-03-00-00	Shipping/Freight	312	-	312	-
01-6500-03-00-00	IT Allocations in to PC's & Depts.	50,794	50,747	47	99.9%
	Total Other Expenses	76,810	66,088	10,723	86.0%
	Total Engineering Expenses	377,267	294,768	82,500	78.1%

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

For the Period Ended June 30, 2021

(in dollars)

PRELIMINARY

		FY 2020-21 Budget	Actual	(Over)/Under Budget	% Expended
Salary and Fringe					
01-6000-04-00-00	Regular Salaries-Admin or IT	944,542	911,317	33,225	96.5%
01-6001-04-00-00	Overtime Salaries-Admin or IT	20,000	37,238	(17,238)	186.2% (1)
01-6315-04-00-00	Comp Time - Admin	15,000	8,982	6,018	59.9%
01-6401-04-00-00	Fringe Benefits IN to ADMIN or IT	497,236	493,840	3,396	99.3%
	Total Payroll Costs	1,476,778	1,451,377	25,401	98.3%
Other Expenses					
01-6018-04-00-00	Public Notices/ Public Relations	-	2,180	(2,180)	- (2)
01-6101-04-00-00	HR Recruitment & Employee Relations	26,500	32,837	(6,337)	123.9% (3)
01-6102-04-00-00	Subscriptions	2,040	2,119	(79)	103.9%
01-6200-04-00-00	Management Support Services	102,000	54,616	47,384	53.5%
01-6201-04-00-00	Audit	44,900	40,600	4,300	90.4%
01-6202-04-00-00	Legal	200,000	338,560	(138,560)	169.3% (4)
01-6204-04-00-00	Postage	4,000	897	3,103	22.4%
01-6223-04-00-00	Office Supplies - Admin	6,120	3,474	2,646	56.8%
01-6224-04-00-00	Office Equipment Admin or IT	1,000	2,338	(1,338)	233.8%
01-6234-04-00-00	Memberships & Trainings	88,950	76,234	12,716	85.7%
01-6239-04-00-00	Travel & Conference	10,965	5,224	5,741	47.6%
01-6240-04-00-00	Scholarship Sponsorship		1,000	(1,000)	-
01-6241-04-00-00	Education Reimbursement	3,000	1,500	1,500	50.0%
01-6310-04-00-00	Miscellaneous	23,460	19,540	3,920	83.3%
01-6311-04-00-00	Mileage	1,211	185	1,026	15.3%
01-6317-04-00-00	Contract Services Misc	5,610	5,464	146	97.4%
01-6500-04-00-00	IT Allocations in to PC's & Depts.	116,635	116,527	108	99.9%
01-6601-04-00-00	Shipping/Freight	3,740	4,296	(556)	114.9%
01-6705-04-00-00	Monthly Car Allowance	12,000	12,046	(46)	100.4%
	Total Other Expenses	652,131	719,636	(67,505)	110.4%
Total Admin Expenses		2,128,909	2,171,013	(42,104)	102.0%

- (1) Overtime salary and comp should be considered together, 132.1% expended
- (2) Publication fee for ordinance
- (3) Recruitment for Lab Manager
- (4) JPA Revision projected over budget for Legal line item

South Orange County Wastewater Authority
Budget vs. Actual Comparison-IT
 For the Period Ended June 30, 2021
 (in dollars)

PRELIMINARY

		FY 2020-21 Budget	Actual	(Over)/Under Budget	% Expended	
Salary & Fringe						
01-6000-05-00-00	Regular Salaries-Admin or IT	93,909	102,579	(8,670)	109.2%	
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	55,588	(6,151)	112.4%	
	Total Salary & Fringe	148,346	158,167	(9,821)	106.6%	(1)
Other Expenses						
01-6028-05-00-00	Small Tools & Supplies	1,000	-	1,000	-	
01-6035-05-00-00	Training Expense	2,000	-	2,000	-	
01-6037-05-00-00	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	40,260	(1,481)	103.8%	(2)
01-6301-05-00-00	Hardware Maintenance Agreements	7,126	10,441	(3,315)	146.5%	(3)
01-6302-05-00-00	Cloud Subscriptions (Internet)	148,369	152,324	(3,955)	102.7%	(4)
01-6303-05-00-00	Telecommunications	150,534	146,075	4,459	97.0%	
01-6305-05-00-00	IT Professional Services	108,060	119,370	(11,310)	110.5%	(5)
01-6306-05-00-00	Small Hardware Purchases (< \$5k)	29,200	7,495	21,705	25.7%	
01-6307-05-00-00	Small Software Purchases & Licenses (<\$5k)	26,908	28,935	(2,027)	107.5%	(6)
01-6308-05-00-00	IT Memberships	160	-	160	-	
01-6309-05-00-00	Operating Leases	55,200	58,041	(2,841)	105.1%	
01-6310-05-00-00	Miscellaneous	5,000	-	5,000	-	
01-6312-05-00-00	Computer & Photocopy Supplies	-	2,633	(2,633)	-	(6)
	Total Other Expenses	576,061	565,574	10,487	98.2%	
	Total Expenses before Allocation	724,407	723,741	666	99.9%	
IT Allocations (Out) to PC's & Depts						
01-6400-05-00-00	IT Allocations (OUT) to PC's & Depts.	(724,407)	(723,741)	(666)	99.9%	
	Total IT Allocations (Out) to PC's & Depts	(724,407)	(723,741)	(666)	99.9%	

- (1) Minimal vacation by IT to support the business network.
- (2) Expenses related to FE NXT implementation - software upgrade.
- (3) Further network security support included to firm business network.
- (4) Remote Management Services needed for additional remote support during the pandemic.
- (5) Additional corrective actions completed as per network vulnerability assessment.
- (6) Unanticipated costs related to the pandemic.

**South Orange County Wastewater Authority
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	UAL & OPEB Not Included	
						FY 2020-21 Budget	FY 2020-21 Actual
457 Plan - Employer Contribution	\$13,821	\$83,925	\$75,524	\$64,550	\$74,097	\$80,000	\$74,820
Accrued Administrative Leave	34,879	30,478	23,929	26,567	47,949	28,131	29,716
Accrued Holiday	221,783	220,371	234,247	244,674	251,092	263,680	262,769
Accrued Personal Leave	74,238	76,638	83,205	87,369	97,085	90,120	78,919
COVID 19 Federal Leave							44,236
COVID 19 State Leave							15,910
Accrued Sick Pay	242,262	262,987	204,767	274,389	233,159	286,116	290,893
Accrued Vacation	372,526	416,343	345,815	419,442	383,841	394,012	383,679
Bereavement Pay	1,345	8,088	10,892	10,820	9,043	8,700	13,708
Jury Duty			5,817	3,149	5,156	2,500	1,005
Disability Insurance - Private	51,728	56,122	57,924	56,713	61,659	62,379	61,468
Group Medical Insurance	948,341	1,017,679	864,239	918,687	902,394	954,938	971,436
Medicare Tax - Employer	94,167	94,550	96,326	100,314	104,441	101,836	104,237
Retiree Health Savings Program (RHS)			17,800	29,600	39,600	45,600	48,000
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	637,617
Retirement - PERS Unfunded Liability	432,628	499,903	599,849	743,843	867,337		
Unemployment Ins./Reimbursement	1,378	1,234		11,608			
Workers Compensation Ins.	76,883	212,990	233,538	159,452	192,000	202,000	121,937

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	\$3,140,350
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	3,401,837
Environmental		815,299	789,929	827,189	933,333	951,174	952,801
Engineering including CIP Labor		305,422	377,076	396,554	397,732	411,345	426,574
Admin		695,744	857,635	896,766	934,332	944,542	911,317
IT		44,447	84,015	85,028	92,851	93,909	102,579
Total Pay for Time Worked Labor Base		4,976,917	5,045,329	5,333,523	5,487,962	5,960,389	5,795,108
Fringe Rate		78%	86.6%	73.6%	75.5%	74.2%	52.6%
Change in Labor Base			1.4%	5.7%	2.9%	5.9%	2.6%
							-2.8%

Agenda Item

5

Finance Committee Meeting

Meeting Date: August 17, 2021

TO: Finance Committee

FROM: Betty Burnett, General Manager

STAFF CONTACT: Mary Carey, Finance Controller

SUBJECT: Preliminary FY 2020-21 Cash Roll Forward as of June 30, 2021

Summary/Discussion

The following selected financial reports are routinely provided quarterly to the Finance Committee for recommendation to the Board of Directors to review Cash Roll Forward and receive and file the following documents.

Cash Roll Forward June 30, 2021

Cash Roll Forward balances are attached:

- Cash Roll Forward Notes
- Large Capital Cash Reconciliation to General Ledger (GL)
- Large Capital Cash Roll Forward Balance by Project Committee, Member Agency and Project
- Non-Capital Cash Roll Forward Balance by Project Committee, Member Agency and Project
- Non-Capital – Miscellaneous Cash Roll Forward Balance by Project Committee, Member Agency and Project
- Small Capital Cash Roll Forward balance by Project Committee, Member Agency and Project

The Authority is on a Full Accrual Basis of Accounting, which requires recording all transactions in the accounting period when the liability is incurred. Therefore, at fiscal yearend, there are significant accruals for capital work completed but not yet paid.

As a result of yearend accruals and a large amount of work completed in Q4, PC 15-Coastal Treatment Plant, Cash Roll Forward reports cash usage in excess of collections, \$650k. The additional cash requirements were invoiced in Q1 fiscal year 2021-22 and should be received in time to pay the Contractors.

PC 5-San Juan Creek Outfall, accruals and Q4 work completed reports cash usage in excess of collections, \$27k; the projects are completed and will be settled in the Use Audit.

Recommended Action: Staff recommends to the Finance Committee to recommend to the Board of Directors to receive and file the Fiscal Year 2020-21 Cash Roll Forward as submitted.

Preliminary Cash Roll Forward Notes FY 2020-21

1. Cash on Hand from Net Position Statement and reconciled to the Bank Statement
2. Adjustment for Current Assets and Liabilities, Obligations against the Cash [accounts payable, payroll accruals, Use Audit Due (To) Member Agencies; the offset to these items is in the Use Audit as an Expense or in Construction-in-Progress if Capital related.]
Amounts due to the Authority, Accounts Receivable, Use Audit Due (To) and From Member Agencies, Prepaids and Deposits.
3. Available Cash (Item 1 above less Item 2). The Authority does not carry Cash Reserves; there is some carryover cash for small capital and non-capital projects in-process at yearend. Large Capital Cash is held until project completion which could span several years.
4. Large Capital Cash is supported by a subsidiary report detailing by project committee, wastewater
 - a) Beginning Cash Balance from the Audited 6/30/2020 Cash Roll Forward
 - b) Contributions based on the quarterly capital billings
 - c) Actual expenditures
 - d) Use Audit Settlement
 - e) Net Cash balance
5. Total Large Capital Cash.
6. Small Capital, Non-Capital and Non-Capital Misc. Carryover.
7. Difference is additional cash from interest on LAIF account balance and sources other than Member Agencies.

**South Orange County Wastewater Authority
Cash Reconciliation
Fiscal Year End 2017, 2018, 2019, 2020, and 2021 Preliminary**

	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	YTD Change
(1) Cash on Hand	12,949,694	13,557,237	20,857,094	22,361,420	15,189,748	(7,171,673) -32.1%
Accounts Payable	(2,682,688)	(2,314,106)	(1,981,080)	(3,531,550)	(5,896,271)	
Accrued Payroll	(102,661)	(127,396)	(100,221)	(160,049)	(213,337)	
Accounts Receivable	1,069,282	1,660,444	14,179	49,286	58,278	
(2) PTO Reserves	(653,282)	(620,032)	(683,536)	(734,477)	(879,349)	
Due to Mbr Agency	(1,358,841)	(3,910,599)	(2,475,322)	(1,656,822)		
Due From Mbr Agency	1,069,819	2,433,322	856,669	870,004		
Mbr Agency Refund held for FY 19-20			(1,068,028)			
Audit Adjustment						
Prepaid	65,082	204,867	211,725	155,939	161,192	
Deposits	19,500					
(3) Available Cash	10,375,905	10,883,737	15,631,481	17,353,752	8,420,260	
(4) Large Capital Cash as of June 30th 2017, 2018, 2019, 2020 & 2021	9,168,439	8,793,369	15,067,539	15,616,950	6,751,108	(8,865,841) -56.8%
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)				
(5) Total Large Capital Cash	10,041,229	10,238,817	15,067,539	15,616,950	6,751,108	
(6) Small Capital Carryover	(129,000)		172,996	565,000	178,789	(386,211) -68.4%
Non-Capital Carryover				369,508	203,442	(166,066) -44.9%
Non-Capital Misc. Carryover				252,298	131,237	(121,060) -48.0%
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					526,299	
Non Capital Cash Collected in Excess of Expenditures					9,110	
Non Capital Misc Cash Collected in Excess of Expenditures					53,733	
O&M Cash Collected in Excess of Expenditures					249,793	
Net Cash as of June 30th 2017, 2018 ,2019, 2020 & 2021	10,010,879	10,233,900	15,316,853	16,803,755	8,103,512	
(7) Difference	365,027	649,837	314,628	549,996	316,748	

Additional Cash Is:					
Prior Balance	281,422	365,027	649,837	314,628	549,996
Payment to Member Agencies			(649,837)	(314,628)	(549,996)
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	75,957
Recycling Income	11,708	2,112	1,618	1,966.23	2,920
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				(4,277)	
Sale of Fixed Assets		6,297	11,226	8,675	
Other misc adjustments					27
Total Other Cash	365,027	649,837	314,628	549,996	316,748

**South Orange County Wastewater Authority
Total Large Capital Projects Cash Roll Forward for FY 2020-21**

Large Capital Cash Balance as of June 30, 2021										
	16	17	18	19	20	21	22	23	24	
	CLB	CSC	CSJC	ETWD	EBSB	IRWD	MNWD	SMWD	SCWD	Total
PC 02 J B Latham										
Liquids										
3202-000 - Preliminary and Primary Treatment Improvements Design (2016)	-	-	45,622	-	-	-	34,257	25,697	42,822	148,398
3252-000 - Plant 1 Standby Power Generator Repl (2017)	-	-	33,609	-	-	-	25,227	18,922	31,536	109,294
3253-000 - Effluent System Valves Replacement (2107)	-	-	27,244	-	-	-	21,598	16,200	26,997	92,039
3254-000 - Additional Package B Liquids Design (2017)	-	-	46,669	-	-	-	35,016	26,262	43,771	151,718
3280-000 - Facility Improvements B - Basin Upgrades (2018)	-	-	9,896	-	-	-	7,490	5,687	9,385	32,457
3285-000 - Main Plant Drain Line Reconstruction (2018)	-	-	(4)	-	-	-	(3)	(3)	(4)	(15)
3215-000 - Motor Control Center M Replacement Design (2019)	-	-	9,902	-	-	-	7,427	5,570	9,283	32,182
3220-000 - Facility Improvements B - Basin Upgrades Construction I (2019)	-	-	313,541	-	-	-	235,205	176,329	293,984	1,019,058
32211L-000 - Plant 2 Grit Area Rehabilitation	-	-	(27,783)	-	-	-	(20,837)	(15,628)	(26,046)	(90,294)
Total PC 02 Liquids	-	-	458,694	-	-	-	345,379	259,038	431,727	1,494,838
Common										
3216-000 - Hoist System for Maintenance Shop (2013)	-	-	(0)	-	-	-	(0)	(0)	(0)	(1)
3260-000 - SCADA System Upgrade (2017)	-	-	(5,115)	-	-	-	(3,763)	(3,846)	(4,112)	(16,835)
3286-000 - PLC Upgrades (2018)	-	-	15,345	-	-	-	11,300	11,544	12,337	50,526
3221-000 - Electrical System Evaluation (2019)	-	-	8,488	-	-	-	6,244	6,381	6,823	27,936
3231-000 Facility Improvements B - Common Upgrades Construction	-	-	139,914	-	-	-	102,910	105,177	112,454	460,456
Total PC 02 Common	-	-	158,631	-	-	-	116,691	119,257	127,502	522,082
Solids										
3209-000 - Facility Improvements - Co-Generation Rep. (2016)	-	-	27,612	-	-	-	19,882	26,137	18,409	92,041
3287-000 - Facility Improvements B - DAFT and Ancillary Solids Improvements	-	-	34,185	-	-	-	24,622	32,354	22,790	113,950
3222-000 - Centrate System Design (2019)	-	-	(1,767)	-	-	-	(1,273)	(1,671)	(1,178)	(5,889)
3223-000 - Emulsion Polymer Feeder Replacement (2019)	-	-	21,400	-	-	-	15,423	20,243	14,266	71,332
3224-000 - Digester No.4 Rehabilitation (2019)	-	-	94,864	-	-	-	68,371	89,736	63,243	316,214
3225-000 - Facility Improvements B - DAFT and Ancillary Solids Improvement	-	-	(2)	-	-	-	(2)	(2)	(2)	(8)
Total PC 02 Solids	-	-	176,292	-	-	-	127,023	166,796	117,529	587,640
Total PC 02 JB Latham	-	-	793,617	-	-	-	589,093	545,091	676,758	2,604,559

South Orange County Wastewater Authority
Total Large Capital Projects Cash Roll Forward for FY 2020-21

Large Capital Cash Balance as of June 30, 2021										
	16	17	18	19	20	21	22	23	24	
	CLB	CSC	CSJC	ETWD	EBSD	IRWD	MNWD	SMWD	SCWD	Total
PC 05 San Juan Creek Ocean Outfall										
3601-000 Junction Structure Reinforcement Phase II (2016)	-	(11,296)	(7,530)	-	-	-	(10,542)	(30,121)	(8,475)	(67,964)
3603-000 Dilution Study (2016)	-	9,889	6,593	-	-	-	9,228	26,370	7,420	59,500
3650-000 - Junction Structure Reinforcement Construction (2017)	-	(22,665)	(15,109)	-	-	-	(21,151)	(60,927)	(17,006)	(136,857)
3605-000 - Junction Structure Reinforcement Permitting and Final Design	-	(142,048)	(94,699)	-	-	-	(132,562)	(378,795)	(106,578)	(854,681)
3606-000 - Junction Struction - Sleeve Insertion (2021)	-	161,763	107,842	-	-	-	150,959	431,368	121,371	973,303
Total PC5 San Juan Creek Ocean Outfall	-	(4,356)	(2,903)	-	-	-	(4,067)	(12,104)	(3,268)	(26,699)
PC 15 Coastal Treatment Plant										
Liquids										
3504-000 - Aeration System Modification Design (2015)	(9)	-	-	-	(1)	-	(7)	-	(7)	(23)
3514-000 - CTP Facility Upgrade Design and Financing (2016)	(1,063)	-	-	-	(84)	-	(820)	-	(837)	(2,803)
3530-000 Aliso Sulfur Creek Confluence (2014)	(12)	-	-	-	(1)	-	(9)	-	(9)	(31)
3532-000 - Fire Protection (2013)	11,525	-	-	-	908	-	8,254	-	9,075	29,763
3534-000 - Export Sludge System (1997)	104,388	-	-	-	8,224	-	80,546	-	82,194	275,352
3539-000 Facility Construction Improvements - Part II (2020)	(699,899)	-	-	-	(55,111)	-	(540,078)	-	(551,097)	(1,846,185)
3551-000 - Add for CTP Facility Upgrade Design (2017)	44,523	-	-	-	3,511	-	34,352	-	35,056	117,442
3553-000 - Plant Drainage Improvements (2017)	91,039	-	-	-	7,175	-	70,248	-	71,684	240,146
3592-000 - Facility Improvements Project Design (2018)	13,479	-	-	-	1,134	-	10,350	-	10,606	35,568
3525-000 - Personnel Building reconstruction (2019)	45,907	-	-	-	3,615	-	35,424	-	36,147	121,093
3526-000 - Facility Improvements Project Construction - Part I (2019)	(32)	-	-	-	(2)	-	(24)	-	(25)	(84)
3527-000 - Vehicle Storage Building Roof (2019)	32,224	-	-	-	2,537	-	24,866	-	25,373	85,000
3528-000 - AWMA Road Sites West 1 and West 2 Embankment Protection	41,695	-	-	-	3,283	-	32,174	-	32,831	109,983
3529-000 - Aliso Creek Long Term Repair Planning	28,604	-	-	-	2,252	-	22,072	-	22,523	75,452
3541-000 Export Sludge System Construction (2020)	51,124	-	-	-	4,025	-	39,450	-	40,255	134,854
Total PC 15 Liquids	(236,508)	-	-	-	(18,533)	-	(183,202)	-	(186,231)	(624,474)
AWT										
3517-000 - AWT Backwash Pump Replacement (2016)	-	-	-	-	-	-	-	-	(402)	(402)
3518-000 - Chlorine Mixer Replacement (15AWT) (2015)	-	-	-	-	-	-	-	-	(7)	(7)
3519-000 - Hypochlorite Tank (AWT) (2013)	-	-	-	-	-	-	-	-	(0)	(0)
3532-000 - Fire Protection	-	-	-	-	-	-	-	-	(31,230)	(31,230)
3562-000 - Applied Water Pump System Replacement (AWT) (2017)	-	-	-	-	-	-	-	-	9,441	9,441
3596-000 - Applied Water VFD Pump Panel and Electrical (AWT) (2018)	-	-	-	-	-	-	-	-	8,574	8,574
3597-000 - MCC A Replacement Design (15) (2018)	-	-	-	-	-	-	-	-	55,890	55,890
3536-000 - Chlorine Contact Basin Mixer Design (AWT) (2018)	-	-	-	-	-	-	-	-	25,142	25,142
3537-000 - MCC A Replacement Construction (AWT) (2019)	-	-	-	-	-	-	-	-	(27,437)	(27,437)
3538-000 - AWT Filter Valve Upgrade Construction (AWT) (2019)	-	-	-	-	-	-	-	-	(64,847)	(64,847)
Total PC 15 AWT	-	-	-	-	-	-	-	-	(24,877)	(24,877)
Total PC 15 Coastal Treatment Plant	(236,508)	-	-	-	(18,533)	-	(183,202)	-	(211,108)	(649,350)

South Orange County Wastewater Authority
Total Large Capital Projects Cash Roll Forward for FY 2020-21

Large Capital Cash Balance as of June 30, 2021										
	16	17	18	19	20	21	22	23	24	
	CLB	CSC	CSJC	ETWD	EBSD	IRWD	MNWD	SMWD	SCWD	Total
PC 17 Joint Regional Wastewater Reclamation										
Liquids/AWT										
3701-000 - Secondary Electrical System Rerouting (2014)	-	-	-	-	-	-	(3,203,560)	-	-	(3,203,560)
3702-000 - Waste Activated Sludge VFD Control Panel (2013)	-	-	-	-	-	-	478,647	-	-	478,647
3707-000 - Influent Manholes 1 and 2 and Sewer Rehabilitation (2016)	-	-	-	-	-	-	(121)	-	-	(121)
3708-000 - Influent Junction Structure Gate Replacement (2016)	-	-	-	-	-	-	42	-	-	42
3712-000 - Grit Basin Drop Gate and Weir Replacement (2016)	-	-	-	-	-	-	(4,681)	-	-	(4,681)
3713-000 - Primary Inlet Drop Gate Replacement (2016)	-	-	-	-	-	-	(5)	-	-	(5)
3730-000 - Primary Gallery Upgrade (2014)	-	-	-	-	-	-	101,082	-	-	101,082
3733-000 AWT Backwash Pipe Relocation (2014)	-	-	-	-	-	-	(602)	-	-	(602)
3752-000 - AWT No.2 Upgrade Design (2017)013)	-	-	-	-	-	-	(382)	-	-	(382)
3753-000 Aeration Diffuser Upgrade (2020)	-	-	-	-	-	-	338,666	-	-	338,666
3758-000 AWT No.2 Reconstruction (2020)	-	-	-	-	-	-	280,818	-	-	280,818
3781-000 - Primary Scum Skimmer Replacement (2018)	-	-	-	-	-	-	10,888	-	-	10,888
3784-000 - Replace DAF (Mannich) Polymer System (2018)	-	-	-	-	-	-	712,607	-	-	712,607
3785-000 - Replace DAF Dissolution Tank System and Compressors (2018)	-	-	-	-	-	-	426,869	-	-	426,869
3786-000 - Primary Gallery Mechanical and Electrical Upgrade (2018)	-	-	-	-	-	-	1,354,657	-	-	1,354,657
3787-000 - Aeration Area Upgrade Design (2018)	-	-	-	-	-	-	18,379	-	-	18,379
3741-000 - Southwest Influent Sewer and MH Repair design (2019)	-	-	-	-	-	-	99,741	-	-	99,741
3742-000 - Aeration System Upgrade (2019)	-	-	-	-	-	-	344,801	-	-	344,801
3743-000 - Aeration Gate Replacement (2019)	-	-	-	-	-	-	187,197	-	-	187,197
3755-000 Southeast Sewer Rehabilitation (2020)	-	-	-	-	-	-	50,000	-	-	50,000
3756-000 Secondary Clarifier Safety Repairs (2020)	-	-	-	-	-	-	17,665	-	-	17,665
3757-000 Miscellaneous Safety Improvements - Liquids (2020)	-	-	-	-	-	-	7,762	-	-	7,762
3759-000 AWT No.2 Electrical Upgrades (2020)	-	-	-	-	-	-	105,364	-	-	105,364
3766-000 AWT Sodium Hypochlorite Tanks Shade (2020)	-	-	-	-	-	-	28,471	-	-	28,471
Total PC 17 Liquids	-	-	-	-	-	-	1,354,303	-	-	1,354,303
Common										
3715-000 - Switchgear Upgrade (2006)	(2,964)	-	-	(4,850)	(156)	-	(36,934)	-	(2,369)	(47,273)
3717-000 - Security Fencing (2015)	86	-	-	7	4	-	(165)	-	68	0
3718-000 - Access Bridge Upgrades (2015)	650	-	-	48	29	-	(1,257)	-	521	(8)
3761-000 - External Lighting Upgrade	22,511	-	-	38,296	1,192	-	293,960	-	17,986	373,946
3763-000 - Reroute Drains on Plant Perimeter (2017)	1,687	-	-	3,073	90	-	23,898	-	1,349	30,096
3764-000 - SCADA Improvements (2017)	726	-	-	2,762	45	-	23,535	-	575	27,642
3769-000 Trailer Drain Line (2020)	(387)	-	-	(632)	(20)	-	(4,815)	-	(309)	(6,163)
3788-000 - PLC Upgrade	(3,255)	-	-	(4,470)	(168)	-	(32,677)	-	(2,603)	(43,173)
3789-000 - Switchgear Upgrade Project Completion (2018)	(920)	-	-	(1,505)	(48)	-	(11,459)	-	(735)	(14,666)
3744-000 - Admin Building Repair design (2019)	854	-	-	1,398	45	-	10,645	-	683	13,625
3745-000 - West Slope Protection Evaluation (2019)	2,261	-	-	3,700	119	-	28,176	-	1,807	36,064
3746-000 - Motor Control Center A, G, H Design (2019)	6,090	-	-	9,966	321	-	75,888	-	4,867	97,132
3747-000 -Southside Plant Manhole Reconstruction (2019)	947	-	-	1,550	50	-	11,805	-	757	15,109
3748-000 - SE electrical Manhole reconstruction (2019)	7,611	-	-	12,455	401	-	94,841	-	6,083	121,390
Total PC 17 Common	35,899	-	-	61,798	1,901	-	475,443	-	28,681	603,721

South Orange County Wastewater Authority
Total Large Capital Projects Cash Roll Forward for FY 2020-21

Large Capital Cash Balance as of June 30, 2021										
	16	17	18	19	20	21	22	23	24	
	CLB	CSC	CSJC	ETWD	EBSD	IRWD	MNWD	SMWD	SCWD	Total
Solids										
3722-000 - Co-gen Sys Retrofit (formerly Siloxane) (2015)	36,422	-	-	66,258	1,912	-	190,941	-	29,089	324,623
3723-000 - Recoat Top of Digesters (2016)	0	-	-	(1)	(0)	-	0	-	1	(0)
3724-000 Energy Building Structural and HVAC Modifications (2015)	(1,060)	-	-	(1,928)	(56)	-	(5,556)	-	(846)	(9,445)
3726-000 Co-Generation System Retrofit Design	(374)	-	-	(681)	(20)	-	(1,961)	-	(299)	(3,335)
3770-000 - Additional Budget CoGen Upgrade (2017)	0	-	-	-	-	-	1	-	-	1
3790-000 - Solids Area Upgrade Design (2018)	3,286	-	-	5,979	173	-	17,231	-	2,625	29,294
3791-000 - Cogeneration Area Upgrade Project Completion (2018)	1	-	-	1	-	-	1	-	1	2
3749-000 - Phase I Solids Piping Upgrade (2019)	96,734	-	-	175,964	5,087	-	507,115	-	77,248	862,147
3750-000 - Dewatering room Floor Sealing and Lighting (2019)	11,676	-	-	21,239	614	-	61,210	-	9,324	104,063
3751-000 - Energy Building Roof and Breezeway (2019)	9,560	-	-	17,391	503	-	50,121	-	7,634	85,209
3754-000 - SET Piping Reconstruction (2019)	6,115	-	-	11,123	322	-	32,057	-	4,883	54,500
3771-000 - Miscellaneous Safety Improvements - Solids (2020)	8,718	-	-	15,859	459	-	45,704	-	6,962	77,702
3772-000 - Hot Water Piping Reconstruction (2020)	35,139	-	-	63,920	1,848	-	184,211	-	28,061	313,178
3773-000 - Co-Generation System Modifications (2020)	25,471	-	-	46,334	1,340	-	133,533	-	20,341	227,020
Total PC 17 Solids	231,688	-	-	421,459	12,181	-	1,214,608	-	185,023	2,064,959
Total PC 17 Joint Regional Wastewater Reclamation	267,587	-	-	483,257	14,082	-	3,044,354	-	213,704	4,022,984
PC 21 Effluent Transmission Main										
Reach B/C/D										
3101-000 - Trail Bridge Crossing Protection - Phase I (D) (2016)	-	-	-	150,582	-	150,580	-	-	-	301,163
3105-000 - Air Valve Replacement Design and Permitting (D) (2020)	-	-	-	19,437	-	19,437	-	-	-	38,874
3107-000 - Air Valve Replacement Construction (D) (2021)	-	-	-	19,000	-	19,000	-	-	-	38,000
Total PC21 Reach B/C/D	-	-	-	189,020	-	189,018	-	-	-	378,037
Reach E										
3104-000 - Aliso Creek Long term Repair Planning (E) (2019)	-	-	-	39,266	-	39,266	-	-	-	78,533
3106-000 - Air Valve Replacement Design and Permitting (E) (2020)	-	-	-	18,210	-	18,210	41,767	-	-	78,187
3108-000 - Air Valve Replacement Construction (E) (2021)	-	-	-	14,440	-	14,440	33,120	-	-	62,000
Total PC21 Reach E	-	-	-	71,917	-	71,917	74,887	-	-	218,720
Total PC 21 Effluent Transmission Main	-	-	-	260,936	-	260,934	74,887	-	-	596,757
PC 24 Aliso Creek Ocean Outfall										
3401-000 - Emergency Plan Development (2016)	25	-	-	37	2	36	99	-	28	226
3407-000 - Internal Seal Replacement (2018)	(47)	-	-	(70)	(3)	(68)	(189)	-	(53)	(431)
3408-000 - Sampling System Repair (2020)	9,269	-	-	13,737	658	13,280	36,952	-	10,374	84,270
3480-000 - Internal Seal Replacement (2020)	13,067	-	-	19,363	927	18,722	52,091	-	14,624	118,793
Total PC 24 Aliso Creek Ocean Outfall	22,313	-	-	33,066	1,583	31,970	88,953	-	24,972	202,858
Total Large Capital Cash FY 2020-21	53,393	(4,356)	790,714	777,259	(2,868)	292,904	3,610,018	532,987	701,058	6,751,108

**South Orange County Wastewater Authority
Total Non-Capital Cash Roll Forward FY 2020-21**

Non-Capital Cash Balance as of June 30, 2021										
16	17	18	19	20	21	22	23	24	Total	
CLB	CSC	CSJC	ETWD	EBSD	IRWD	MNWD	SMWD	SCWD		
PC 02 J B Latham										
Liquids										
4201-000 - Plant 1 Blower Building Condition Assessment (2020)	-	-	(205)	-	-	-	(154)	(115)	(192)	(666)
4202-000 - Pipeline Condition Assessment Methodology Evaluation (2020)	-	-	-	-	-	-	-	-	-	-
4203-000 - Plant Hydraulic Modeling and Flow Management Plan (2020)	-	-	21,005	-	-	-	15,754	11,815	19,692	68,266
Total Liquids	-	-	20,800	-	-	-	15,600	11,700	19,500	67,599
Common										
4001-000 - Plant Drain System Evaluation (2017)	-	-	-	-	-	-	-	-	-	-
4204-000 - Electrical Manhole Condition Assessment (2020)	-	-	(3,866)	-	-	-	(2,843)	(2,906)	(3,107)	(12,723)
Total Common	-	-	(3,866)	-	-	-	(2,843)	(2,906)	(3,107)	(12,723)
Solids										
4214-000 - Solids Management Plan (2020)	-	-	-	-	-	-	-	-	-	-
Total Solids	-	-	-	-	-	-	-	-	-	-
Total PC2 JB Latham	-	-	16,934	-	-	-	12,756	8,794	16,392	54,876
PC 05 San Juan Creek Ocean Outfall										
4601-000 - Monitoring Evaluation Options (2020)	-	8,659	5,772	-	-	-	8,080	23,090	6,497	52,097
Total PC5 SJCOO	-	8,659	5,772	-	-	-	8,080	23,090	6,497	52,097
PC 15 Coastal Treatment Plant										
Liquids										
4501-000 - Electrical Manhole/Cable Assessment (2020)	-	-	-	-	-	-	-	-	-	-
4502-000 - Building Roof Condition Assessment (2020)	9,777	-	-	-	770	-	7,544	-	7,698	25,789
4504-000 - CTP Floodplain Mapping	-	-	-	-	-	-	-	-	-	-
45211L-000 - Plant Reconfiguration Feasibility Study	3,453	-	-	-	272	-	2,665	-	2,720	9,110
Total Liquids	13,230	-	-	-	1,042	-	10,209	-	10,418	34,899
Total PC 15 Coastal Treatment Plant	13,230	-	-	-	1,042	-	10,209	-	10,418	34,899
PC 17 Joint Regional Wastewater Reclamation										
Common										
4703-000 - Lab Reconstruction Evaluation (2020)	4,432	-	-	7,252	233	-	55,222	-	3,542	70,680
4704-000 - Evaluate Plant and Storm Drainage (2020)	-	-	-	-	-	-	-	-	-	-
Total Common	4,432	-	-	7,252	233	-	55,222	-	3,542	70,680
Total PC 17 Joint Regional Wastewater Reclamation	4,432	-	-	7,252	233	-	55,222	-	3,542	70,680
Total Non-Capital Cash FY 2020-21	17,662	8,659	22,706	7,252	1,275	-	86,268	31,883	36,849	212,552

**South Orange County Wastewater Authority
Total Non Capital Miscellaneous Cash Roll Forward FY 2020-21**

		Non-Capital Miscellaneous Cash Balance as of June 30, 2021									
		16	17	18	19	20	21	22	23	24	Total
		CLB	CSC	CSJC	ETWD	EBSD	IRWD	MNWD	SMWD	SCWD	
PC 02 J B Latham											
Liquids											
5205-000(a)	PC 2 Asset Register Pilot Project Liquids (2020)	-	-	7,058	-	-	-	5,293	3,970	6,617	22,938
5207-000(l)	Air Handling System Analysis (2020)	-	-	-	-	-	-	-	-	-	-
5208-000	Blower Bldg Imps Engineering Services (2020)	-	-	-	-	-	-	-	-	-	-
Total Liquids		-	-	7,058	-	-	-	5,293	3,970	6,617	22,938
Common											
5203-000	PC 2 Miscellaneous Engineering Common (2020)	-	-	1,544	-	-	-	1,136	1,161	1,241	5,082
5212-000	PC 2 Miscellaneous Engineering Common (2021)	-	-	1,140	-	-	-	837	858	915	3,750
Total PC 2 Common		-	-	2,684	-	-	-	1,973	2,019	2,156	8,832
Solids											
5204-000(a)	PC 2 Innovative Biosolids Solids (2020)	-	-	7,500	-	-	-	5,405	7,095	5,000	25,000
5206-000	Engine Permitting (2020)	-	-	1,500	-	-	-	1,081	1,419	1,000	5,000
5207-000(s)	Air Handling System Analysis (2020)	-	-	-	-	-	-	-	-	-	-
Total PC 2 Solids		-	-	9,000	-	-	-	6,486	8,514	6,000	30,000
Total PC2 JB Latham		-	-	18,742	-	-	-	13,753	14,502	14,773	61,770
PC 05 San Juan Creek Ocean Outfall											
5615-000	PC 5 Miscellaneous Engineering Outfall (2020)	-	249	166	-	-	-	232	664	187	1,498
Total PC05 SJ Creek Outfall		-	249	166	-	-	-	232	664	187	1,498
PC 15 Coastal Treatment Plant											
Liquids											
5501-000	PC 15 Miscellaneous Engineering Liquids (2020)	(13,763)	-	-	-	(1,084)	-	(10,620)	-	(10,837)	(36,303)
5505-000	PC 15 Miscellaneous Engineering Liquids (2021)	440	-	-	-	34	-	339	-	345	1,158
Total PC 15 Liquids		(13,323)	-	-	-	(1,049)	-	(10,281)	-	(10,492)	(35,146)
Common											
Total PC 15 Common		-	-	-	-	-	-	-	-	-	-
AWT											
5504-000	PC 15 Miscellaneous Engineering AWT (2020)	-	-	-	-	-	-	-	-	-	-
Total PC 15 AWT		-	-	-	-	-	-	-	-	-	-
Total PC 15 Coastal Treatment Plant		(13,323)	-	-	-	(1,049)	-	(10,281)	-	(10,492)	(35,146)

**South Orange County Wastewater Authority
Total Non Capital Miscellaneous Cash Roll Forward FY 2020-21**

Non-Capital Miscellaneous Cash Balance as of June 30, 2021											
	16	17	18	19	20	21	22	23	24		
	CLB	GSC	CSJC	ETWD	EBSD	IRWD	MNWD	SMWD	SCWD	Total	
PC 17 Joint Regional Wastewater Reclamation											
Common											
5703-000	PC 17 Miscellaneous Engineering Common (2020)	1,631	-	-	2,670	86	-	20,328	-	1,304	26,019
5708-000	PC 17 Miscellaneous Engineering Common (2021)	189	-	-	309	9	-	2,343	-	150	3,000
Total PC 17 Common		1,820	-	-	2,979	95	-	22,671	-	1,454	29,019
Solids											
5204-000(b)	PC 17 Innovative Biosolids Solids (2020)	2,805	-	-	5,103	148	-	14,705	-	2,240	25,000
5205-000(b)	PC 17 Asset Register Pilot Project Solids (2020)	5,610	-	-	10,206	295	-	29,412	-	4,480	50,004
5704-000	Engine Permitting (2020)	561	-	-	1,021	30	-	2,941	-	448	5,000
5706-000	Update Cost Escalation Analysis (2020)	-	-	-	-	-	-	-	-	-	-
5707-000	ARC Flash Analysis Update (2020)	-	-	-	-	-	-	-	-	-	-
57224S-000	Cogen SGIP (2022)	(118)	-	-	(214)	(6)	-	(618)	-	(94)	(1,050)
Total PC 17 Solids		8,859	-	-	16,115	466	-	46,441	-	7,074	78,954
AWT											
Total PC 17 AWT		-	-	-	-	-	-	-	-	-	-
Total PC 17 Joint Regional Wastewater Reclamation		10,679	-	-	19,093	561	-	69,112	-	8,528	107,973
PC 21 Effluent Transmission Main Reach B/C/D											
5113-000	PC 21 Miscellaneous Engineering B/C/D (2020)	-	-	-	-	-	-	-	-	-	-
5115-000	PC 21 Miscellaneous Engineering B/C/D (2021)	-	-	-	23,439	-	23,436	-	-	-	46,875
Total Reach B/C/D		-	-	-	23,439	-	23,436	-	-	-	46,875
Reach E											
5114-000	PC 21 Miscellaneous Engineering E (2020)	-	-	-	-	-	-	-	-	-	-
Total Reach E		-	-	-	-	-	-	-	-	-	-
Total PC 21 Effluent Transmission Main		-	-	-	23,439	-	23,436	-	-	-	46,875
PC 24 Aliso Creek Ocean Outfall											
5415-000	PC 24 Miscellaneous Engineering Outfall (2020)	220	-	-	326	16	315	877	-	246	2,000
Total PC 24 Aliso Creek Outfall		220	-	-	326	16	315	877	-	246	2,000
Total Non-Capital Miscellaneous Cash FY 2020-21		(2,424)	249	18,908	42,858	(473)	23,751	73,692	15,166	13,242	184,970

South Orange County Wastewater Authority Small Capital Cash Roll Forward FY 2020-21

		Small Capital Cash Balance as of June 30, 2021									
		16	17	18	19	20	21	22	23	24	Total
		CLB	CSC	CSJC	ETWD	EBSD	IRWD	MNWD	SMWD	SCWD	
PC 02 J B Latham											
Liquids											
2220-007	Replacement Check Valves	-	-	(3,268)	-	-	-	(2,451)	(1,838)	(3,064)	(10,620)
2221-001	2 ISCO Samplers (between 3 PC's)	-	-	1,685	-	-	-	1,266	949	1,582	5,482
2221-002	Laboratory Equipment and Probe Replacements (between 3 PC's)	-	-	(1,136)	-	-	-	(851)	(637)	(1,064)	(3,688)
2221-003	Building Lighting Improvements	-	-	1,567	-	-	-	1,173	881	1,469	5,091
2221-004	Aeration Header Noise Cover	-	-	13,848	-	-	-	10,384	7,788	12,980	45,000
2221-005	4-side RAS Pump Overhaul	-	-	700	-	-	-	529	397	661	2,286
2221-006	4-side WAS Pump Overhaul	-	-	5,540	-	-	-	4,156	3,112	5,192	18,000
2221-007	9-side WAS Pump Overhaul	-	-	5,540	-	-	-	4,152	3,116	5,192	18,000
2221-008	9-side Gas Line Replacement	-	-	3,201	-	-	-	2,402	1,802	3,001	10,405
2221-009	Replacement Liquids Side Bleach Tank	-	-	5,848	-	-	-	4,384	3,288	5,480	19,000
2221-010	Decant Pump Station Wet Well Lining	-	-	7,384	-	-	-	5,540	4,152	6,924	24,000
2221-011	Replacement 4-Side Grit Tank Stairs	-	-	1,039	-	-	-	779	582	976	3,377
2221-012	Replacement Gate Operator JBL	-	-	(54)	-	-	-	(39)	(29)	(48)	(170)
2221-013	9-side Replacement Blower Room Basement Fans	-	-	3,384	-	-	-	2,540	1,904	3,172	11,000
2221-014	4-Side Headworks Roll up Door Replacement	-	-	8,924	-	-	-	6,692	5,020	8,364	29,000
2221-015	Replacement Grit Auger JBL	-	-	(2,692)	-	-	-	(2,021)	(1,513)	(2,525)	(8,750)
2221-016	4-Side RSP Overhaul	-	-	(2,671)	-	-	-	(2,004)	(1,502)	(2,506)	(8,684)
2221-017	Fixed Gas Detectors - JBL Liquids	-	-	13,287	-	-	-	9,963	7,472	12,454	43,176
2221-034	Replacement of the 4-Side Grit Chamber Cover's	-	-	(6,550)	-	-	-	(4,913)	(3,684)	(6,141)	(21,288)
2220-018	Fixed Gas Detector Equipment - Liquids	-	-	(20,568)	-	-	-	(15,426)	(11,570)	(19,283)	(66,847)
2221-038	DAFT Quincy Air Compressor	-	-	(2,326)	-	-	-	(1,745)	(1,308)	(2,181)	(7,560)
2221-039	Replacement Ferric Chloride Pump	-	-	(1,703)	-	-	-	(1,278)	(958)	(1,597)	(5,536)
2221-041	4 Side Vulcan Bar Rake	-	-	(6,254)	-	-	-	(4,691)	(3,518)	(5,863)	(20,326)
Total Liquids		-	-	24,723	-	-	-	18,543	13,906	23,175	80,347
Common											
2219-041	JBL Wireless Project	-	-	27,346	-	-	-	20,114	20,559	21,981	90,000
2220-020	Two Utility Vehicles	-	-	4,479	-	-	-	3,294	3,367	3,600	14,740
2221-018	Safety Equipment JBL	-	-	1,346	-	-	-	989	1,012	1,086	4,434
2221-019	Replacement Gate Operator	-	-	2,128	-	-	-	1,564	1,600	1,708	7,000
2221-020	Stanley Access Upgrades 2021	-	-	1,824	-	-	-	1,340	1,372	1,464	6,000
2221-021	Ultrasonic Testing Equipment (between 3 PC's)	-	-	(3,216)	-	-	-	(2,363)	(2,416)	(2,581)	(10,576)
2221-022	Vibration Analysis Testing Equipment (between 3 PC's)	-	-	1,684	-	-	-	1,239	1,261	1,354	5,538
2221-023	JBL PLC Hardware Upgrades and Replacements 20-21	-	-	4,556	-	-	-	3,352	3,428	3,664	15,000
2221-024	JBL HP SCADA Server Switch	-	-	4,556	-	-	-	3,352	3,428	3,664	15,000
2221-025	JBL OIT Replacements 20-21	-	-	3,040	-	-	-	2,236	2,284	2,440	10,000
2221-031	Seismic bracing installation for server equipment	-	-	3,040	-	-	-	2,236	2,284	2,440	10,000
2221-032	PA System	-	-	5,468	-	-	-	4,024	4,112	4,396	18,000
2221-033	JBL Asphalt 6" Deep 1,500 S.F.	-	-	(4,940)	-	-	-	(3,633)	(3,714)	(3,970)	(16,257)
2220-018	Fixed Gas Detector Equipment - Common	-	-	(1,846)	-	-	-	(1,358)	(1,388)	(1,484)	(6,074)
Total PC 2 Common		-	-	49,466	-	-	-	36,387	37,190	39,762	162,805

South Orange County Wastewater Authority Small Capital Cash Roll Forward FY 2020-21

		Small Capital Cash Balance as of June 30, 2021									
		16	17	18	19	20	21	22	23	24	Total
		CLB	CSC	CSJC	ETWD	EBSD	IRWD	MNWD	SMWD	SCWD	
Solids											
2221-026	Solids Buildings Door Replacement	-	-	5,700	-	-	-	4,108	5,392	3,800	19,000
2221-027	Foul Air Connection to Centrate Line	-	-	4,500	-	-	-	3,244	4,256	3,000	15,000
2221-028	Centrifuge Rebuild JBL	-	-	18,299	-	-	-	13,190	17,309	12,199	60,997
2221-029	Replacement Solids Side Bleach Tank	-	-	1,158	-	-	-	834	1,097	772	3,861
2221-030	Fixed Gas Detectors - JBL Solids	-	-	13,500	-	-	-	9,728	12,772	9,000	45,000
2220-018	Fixed Gas Detector Equipment - Solids	-	-	(11,577)	-	-	-	(8,344)	(10,951)	(7,718)	(38,590)
2221-036	Digester 4 Grinder Pump	-	-	(7,008)	-	-	-	(5,051)	(6,629)	(4,672)	(23,359)
2221-040	TWAS Pump Overhauls	-	-	(5,071)	-	-	-	(3,655)	(4,797)	(3,381)	(16,904)
Total PC 2 Solids		-	-	19,502	-	-	-	14,054	18,449	13,001	65,007
Total PC2 JB Latham											
		-	-	93,691	-	-	-	68,983	69,545	75,939	308,158
PC 15 Coastal Treatment Plant											
Liquids											
2520-005	Replacment Grit Auger	(41,604)	-	-	-	(3,276)	-	(32,104)	-	(32,759)	(109,743)
2520-012	Aeration Panel Replacement	(5,385)	-	-	-	(424)	-	(4,156)	-	(4,240)	(14,206)
2520-013	Ventilation Fan Replacement	(598)	-	-	-	(47)	-	(462)	-	(471)	(1,578)
2520-014	Roll-up and Double Door Replacements	13,172	-	-	-	1,037	-	10,164	-	10,372	34,745
2221-001	2 ISCO Samplers (between 3 PC's)	2,077	-	-	-	163	-	1,604	-	1,635	5,478
2221-002	Laboratory Equipment and Probe Replacements (between 3 PC's)	(1,397)	-	-	-	(109)	-	(1,080)	-	(1,102)	(3,688)
2521-001	Replacement Nitrate Probe	3,354	-	-	-	265	-	2,587	-	2,643	8,848
2521-002	Pump/Blower Overhauls	(19,380)	-	-	-	(1,526)	-	(14,956)	-	(15,263)	(51,125)
2521-003	Replacement Grit Auger CTP	(1,422)	-	-	-	(113)	-	(1,095)	-	(1,121)	(3,750)
2521-004	Grit Pump Replacements (2)	26,536	-	-	-	2,088	-	20,480	-	20,896	70,000
2521-005	WAS Pump Control Rehabilitation	2,652	-	-	-	208	-	2,048	-	2,092	7,000
2521-006	Process Water Tank Cover Replacement	18,442	-	-	-	1,454	-	14,230	-	14,519	48,646
2521-007	Fixed Gas Detectors CTP	28,812	-	-	-	2,268	-	22,232	-	22,688	76,000
2521-008	Building Lighting Improvements CTP	11,140	-	-	-	877	-	8,597	-	8,770	29,383
2521-009	DAFT Stair and Walkway Replacement	6,444	-	-	-	508	-	4,972	-	5,076	17,000
2521-023	Air Compress for Aeration System	(1,910)	-	-	-	(150)	-	(1,474)	-	(1,504)	(5,038)
2522-033	Drainage Pumping Station Roof Replacement	(5,497)	-	-	-	(433)	-	(4,242)	-	(4,328)	(14,500)
Total PC 15 Liquids		35,435	-	-	-	2,789	-	27,347	-	27,902	93,472
Common											
2520-017	HVAC Replacements	11,374	-	-	-	896	-	8,777	-	8,956	30,003
2520-018	Stanley Security Access Expansion 2019	3,229	-	-	-	254	-	2,492	-	2,543	8,518
2520-019	Landscape renovation	8,900	-	-	-	701	-	6,868	-	7,008	23,476

South Orange County Wastewater Authority Small Capital Cash Roll Forward FY 2020-21

		Small Capital Cash Balance as of June 30, 2021									
		16	17	18	19	20	21	22	23	24	
		CLB	CSC	CSJC	ETWD	EBSD	IRWD	MNWD	SMWD	SCWD	Total
2520-022	Fixed Gas Detector Equipment	6,468	-	-	-	509	-	4,991	-	5,093	17,060
2221-021	Ultrasonic Testing Equipment (between 3 PC's)	(3,964)	-	-	-	(313)	-	(3,060)	-	(3,120)	(10,456)
2221-022	Vibration Analysis Testing Equipment (between 3 PC's)	2,100	-	-	-	167	-	1,619	-	1,652	5,538
2521-010	Safety Equipment CTP	11,368	-	-	-	892	-	8,780	-	8,960	30,000
2521-011	Landscape Renovations CTP	(1)	-	-	-	2	-	1	-	6	8
2521-012	Stanley Security Access Expansion 2020 CTP	5,688	-	-	-	448	-	4,388	-	4,476	15,000
2521-013	Replacement Roll Up Door	5,688	-	-	-	448	-	4,388	-	4,476	15,000
2521-014	CTP PLC Hardware Upgrades and Replacements 20-21	5,688	-	-	-	448	-	4,388	-	4,476	15,000
2521-015	CTP HP SCADA Server Switch	5,688	-	-	-	448	-	4,388	-	4,476	15,000
2521-016	CTP OIT Replacements 20-21	3,792	-	-	-	300	-	2,924	-	2,984	10,000
2521-019	Directional antenna inst for secondary Internet to VZW	5,688	-	-	-	448	-	4,388	-	4,476	15,000
2521-020	CTP Fork-Lift	(12,090)	-	-	-	(952)	-	(9,329)	-	(9,519)	(31,890)
2521-021	CTP Shower Trailer	(25,931)	-	-	-	(2,042)	-	(20,010)	-	(20,418)	(68,400)
2521-022	VSF Storage Racking Project	(3,076)	-	-	-	(242)	-	(2,373)	-	(2,422)	(8,113)
Total PC 15 Common		30,610	-	-	-	2,412	-	23,619	-	24,102	80,743
AWT											
2520-025	AWT Bleach Pump Pad Cover	-	-	-	-	-	-	-	-	10,000	10,000
2520-026	AWT Building Replacement Doors	-	-	-	-	-	-	-	-	(10,233)	(10,233)
2521-017	Building #19 Floor Rehabilitation	-	-	-	-	-	-	-	-	(32,460)	(32,460)
2521-018	Replacement Turbidity Meter	-	-	-	-	-	-	-	-	7,000	7,000
Total PC 15 AWT		-	-	-	-	-	-	-	-	(25,693)	(25,693)
Total PC 15 Coastal Treatment Plant		66,045	-	-	-	5,201	-	50,966	-	26,311	148,523
PC 17 Joint Regional Wastewater Reclamation											
Liquids											
2720-006	RAS #6 Pump and Motor Rebuild	-	-	-	-	-	-	9,252	-	-	9,252
2720-007	RAS #66 Pump and Motor Rebuild	-	-	-	-	-	-	18,000	-	-	18,000
2720-008	Replacement Recirc Pump (AWT)	-	-	-	-	-	-	(9,190)	-	-	(9,190)
2720-011	3LP Strainer Replacement Project	-	-	-	-	-	-	30,000	-	-	30,000
2720-013	Headworks Roll Up Door Replacement	-	-	-	-	-	-	14,062	-	-	14,062
2221-001	2 ISCO Samplers (between 3 PC's)	-	-	-	-	-	-	5,482	-	-	5,482
2221-002	Laboratory Equipment and Probe Replacements (between 3 PC's)	-	-	-	-	-	-	(14,138)	-	-	(14,138)
2721-001	Headworks Replacement Doors	-	-	-	-	-	-	(14,644)	-	-	(14,644)
2721-002	Aeration Panel Replacement	-	-	-	-	-	-	36,000	-	-	36,000
2721-003	Rebuild RAS Pump #55	-	-	-	-	-	-	16,000	-	-	16,000
2721-004	Rebuild Three (3) Low Pressure Water Pumps	-	-	-	-	-	-	21,558	-	-	21,558
2721-005	Overhaul Interstage Pump #3	-	-	-	-	-	-	(6,052)	-	-	(6,052)

South Orange County Wastewater Authority Small Capital Cash Roll Forward FY 2020-21

		Small Capital Cash Balance as of June 30, 2021									
		16	17	18	19	20	21	22	23	24	Total
		CLB	CSC	CSJC	ETWD	EBSD	IRWD	MNWD	SMWD	SCWD	
2721-006	Overhaul two (2) Hoffman Blowers	-	-	-	-	-	-	2,896	-	-	2,896
2721-007	Replacement Grit Auger	-	-	-	-	-	-	(4,281)	-	-	(4,281)
2721-008	Fixed Gas Detectors - RTP Liquids	-	-	-	-	-	-	75,000	-	-	75,000
2721-021	Replacement motor for RTP Blower #3	-	-	-	-	-	-	(21,085)	-	-	(21,085)
2720-035	Fixed Gas Detectors	-	-	-	-	-	-	(89,313)	-	-	(89,313)
Total PC 17 Liquids		-	-	-	-	-	-	69,547	-	-	69,547
Common											
2221-021	Ultrasonic Testing Equipment (between 3 PC's)	(16,880)	-	-	924	(1,346)	-	(6,429)	-	(13,284)	(37,015)
2221-022	Vibration Analysis Testing Equipment (between 3 PC's)	628	-	-	1,028	32	-	7,812	-	(35,762)	(26,262)
2721-009	Safety Equipment	1,884	-	-	3,072	104	-	23,436	-	1,504	30,000
2721-010	Landscape Renovations	2,256	-	-	3,692	120	-	28,128	-	1,804	36,000
2721-011	Stanley Security Access Expansion 2020	124	-	-	204	8	-	1,562	-	99	1,997
2721-012	RTP PLC Hardware Upgrades and Replacements 20-21	940	-	-	1,540	48	-	11,720	-	752	15,000
2721-013	RTP HP SCADA Server Switch	940	-	-	1,540	48	-	11,720	-	752	15,000
2721-014	RTP OIT Replacements 20-21	628	-	-	1,028	32	-	7,812	-	500	10,000
2721-024	RTP Ops Floor	(1,358)	-	-	(2,012)	(96)	(1,945)	(5,412)	-	(1,519)	(12,343)
Total PC 17 Common		(10,839)	-	-	11,016	(1,050)	(1,945)	80,348	-	(45,154)	32,377
Solids											
2720-020	Recirculation Pump	(39)	-	-	(71)	(2)	-	(206)	-	(31)	(349)
2720-023	Building Lighting Upgrades	1,571	-	-	2,857	83	-	8,235	-	1,254	14,000
2721-015	Building #40 Replacement Doors	(1,089)	-	-	(1,982)	(55)	-	(5,708)	-	(869)	(9,703)
2721-016	Fixed Gas Detectors - RTP Solids	8,416	-	-	15,308	440	-	44,116	-	6,720	75,000
2721-017	Spare SET Sludge Pump	255	-	-	461	13	-	1,333	-	203	2,264
2721-018	Centrifuge Rebuild	3,654	-	-	6,649	194	-	19,157	-	2,918	32,573
2721-022	Building 40 MCC Room and Cogen Control Office HVAC Replacemen	(3,013)	-	-	(5,481)	(158)	-	(15,796)	-	(2,406)	(26,855)
Total PC 17 Solids		9,755	-	-	17,740	514	-	51,131	-	7,788	86,929
AWT											
2721-019	Overhaul AWT Valve Actuator Systems	-	-	-	-	-	-	77,000	-	-	77,000
2721-020	Spare Pulsafeeder Pump	-	-	-	-	-	-	12,000	-	-	12,000
2721-023	Applied Turbidity Pump	-	-	-	-	-	-	(5,267)	-	-	(5,267)
Total PC 17 AWT		-	-	-	-	-	-	83,733	-	-	83,733
Total PC 17 Joint Regional Wastewater Reclamation		(1,084)	-	-	28,757	(536)	(1,945)	284,760	-	(37,366)	272,586

PC 21 Effluent Transmission

South Orange County Wastewater Authority Small Capital Cash Roll Forward FY 2020-21

		Small Capital Cash Balance as of June 30, 2021									
		16	17	18	19	20	21	22	23	24	Total
		CLB	CSC	CSJC	ETWD	EBSD	IRWD	MNWD	SMWD	SCWD	
	Reach B/C/D										
2120-001	20-foot Section of Pipe (Reach B)	-	-	-	(12,089)	-	(12,089)	-	-	-	(24,178)
	Total Reach B/C/D	-	-	-	(12,089)	-	(12,089)	-	-	-	(24,178)
	Total PC 21 Effluent Transmission	-	-	-	(12,089)	-	(12,089)	-	-	-	(24,178)
	Total Small Capital Cash FY 2020-21	64,961	-	93,691	16,667	4,665	(14,034)	404,709	69,545	64,884	705,089

Agenda Item

6

Finance Committee Meeting

Meeting Date: August 17, 2021

TO: Finance Committee
FROM: Betty Burnett, General Manager
STAFF CONTACT: Mary Carey, Finance Controller
SUBJECT: Actuarial Valuation Report on Retiree Health Program as of December 31, 2020

Summary/Discussion

This report was presented and reviewed at the June 15, 2021 Finance Committee Meeting. The attached information returned the item to the Finance Committee to respond to agency questions and comments.

An Actuarial Valuation Report on the Authority's Retiree Health Program was completed as of December 31, 2020 and was presented to the Finance Committee on June 15, 2021:

Results of the Retiree Health Valuation

Total OPEB (Accrued) Liability	\$10,665,771
Normal Costs or Current Accrual	223,338
Future Service (not yet accrued liability)	1,807,801
Total Actuarial Liability	<u>\$12,696,910</u>

Net OPEB (Retiree Health) Liability

Description	2020	2021	Positive Change ¹	% Change
Measurement date	6/30/2020	12/31/2020		
Total OPEB Liability	(\$10,959,190)	(\$10,665,771)	\$293,419	-2.7%
PARS Savings ²	5,270,639	6,525,637	1,254,998	23.8%
Net OPEB (liability)	(\$5,688,551)	(\$4,140,134)	\$1,548,417	-27.2%
% Funded	48.1%	61.2%		

¹The OPEB Liability as of 12-31-2020 decreased due to:
Lower healthcare costs
Change in Employee population mix
Change in Actuarial Assumptions

²PARS Earnings as of 4-30-2021 grew 23.8%

Recommended Action: Staff Recommends to the Finance Committee to recommend to the Board of Directors to receive and file the report.

MNWD Questions

Actuarial Valuation Retiree Health Program As of December 31, 2020

1. PDF pg. 186 – Do you know what actuarial assumptions changed to cause the \$900k increase to the OPEB liability?

Answer: In FY 2019-20, the Authority did not complete a New OPEB Valuation Report; it was a roll forward from the 2019 Valuation Report. The Actuary recommended recording the Net OPEB liability as of June 30, 2020 using a discount rate of 6.5%. This was discussed at the Board Meeting with approval to accept the Actuary's recommendation. The reported result was as follows:

- Net OPEB (Retiree Health) Liability increased \$941 thousand or 19.8% in the current year due to:

	\$ Change	% Change
Discount rate reduced from 7% to 6.5%	\$474,796	50.5%
Active Employees accrual for 1 additional year of service	465,794	49.5%
Total	<u>\$940,590</u>	<u>100.0%</u>

Net OPEB (Retiree Health) Liability Fiscal Year Ended June 30					
Description	2020	2019	2018	Change between 2020 and 2019	
				\$ +/-	% Change
Measurement date	6/30/2020	6/30/2019	6/30/2018		
Total OPEB Liability	(\$10,959,190)	(\$9,885,778)	(\$10,182,408)	(\$1,073,412)	10.9%
Fiduciary net position	5,270,639	5,137,817	4,823,410	132,822	2.6%
Net OPEB (liability)	(\$5,688,551)	(\$4,747,961)	(\$5,358,998)	(\$940,590)	19.8%
% Funded	48.1%	52.0%	47.4%	-3.9%	

The Authority completed a New valuation report as of December 31, 2020, and the above changes are reflected in the Accrued Liability.

The Net Position Statement as of June 30, 2021 will be based on the GASB 75 report for that period.

2. PDF pg. 187 – In prior meetings, we had discussed that SOCWA was not paying a portion of the retiree costs for OPEB. Can you explain how this ADC discussion factors into that?

Answer: In prior meetings, it was discussed that the Authority is not paying “Normal Costs” for Active Employees; SOCWA only does pay-as-you-go-costs for Retirees Health Care Premiums. The Board decided to delay paying Normal Costs due to the uncertain financial environment surrounding COVID-19 and current outlay for large capital expenditures. Due to the favorable financial returns on our PARS Investments, the Authority has exceeded the ADC for the year. (See page 181)

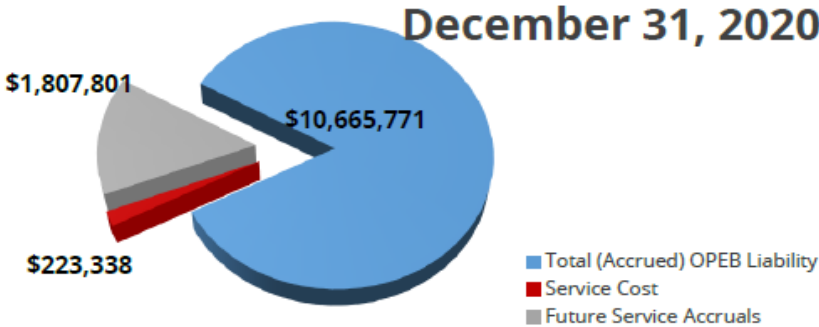
3. PDF pg. 199 – Why is the OPEB Liability being amortized over 18 years?

Answer: Full Healthcare is not offered to employees hired after July 1, 2017; therefore, the liability will substantially reduced in 18 years. (See the Executive Summary, 185).

Results of the Retiree Health Valuation

We have determined that the present value of the projected Authority pay-as-you-go contributions (actuarial liability) for OPEB benefits, as of the valuation date December 31, 2020, is \$12,696,910, (including \$1,601,812 for the implicit rate subsidy). This amount is based on a discount rate of 6.50%. The amount represents the present value of all benefits projected to be paid by the Authority for current and future retirees. If the Authority were to have this amount in a fund earning interest at the rate of 6.50% per year, and all other actuarial assumptions were met, the fund would have enough to pay the Authority's required contribution for retiree health benefits. This includes benefits for the current retirees as well as the current active employees expected to retire in the future. The valuation does not consider employees not yet hired as of the valuation date.

The amount of the actuarial liability is apportioned into past service, current service, and future service components. The past service component (actuarial accrued liability now referred to as Total OPEB Liability) is \$10,665,771 (including \$1,202,343 for the implicit rate subsidy), the current service component (normal cost or current year accrual) is \$223,338 (including \$41,025 for the implicit rate subsidy) and the future service component (not yet accrued liability) is \$1,807,801 (including \$358,444 for the implicit rate subsidy).



Actuarial Liability is \$12,696,910

Changes from Prior Valuation

The valuation reflects updated census, plan, and rate information. In addition, there were a few assumption changes as noted in Section VI. A reconciliation of the approximate change in the total (accrued) OPEB liability from the prior valuation is provided below:

December 31, 2019 Valuation @6.50%	\$9,700,000
Increase due to passage of time	700,000
Decrease due to favorable enrollment mix	(240,000)
Decrease due to favorable healthcare experience	(390,000)
Net increase due to updated assumptions	900,000
December 31, 2021 Valuation @6.50%	\$10,670,000

Net OPEB (Retiree Health) Liability

Description	2020	2021	Positive Change¹	% Change
Measurement date	6/30/2020	12/31/2020		
Total OPEB Liability	(\$10,959,190)	(\$10,665,771)	293,419	-2.7%
PARS Savings ²	5,270,639	6,525,637	1,254,998	23.8%
Net OPEB (liability)	(\$5,688,551)	(\$4,140,134)	1,548,417	-27.2%
% Funded	48.1%	61.2%		

¹The OPEB Liability as of 12-31-2020 decreased due to:

- Lower healthcare costs

- Change in Employee population mix

- Change in Actuarial

Assumptions

²PARS Earnings as of 4-30-2021 grew 23.8%

Account Summary

Source	Beginning Balance as of 4/1/2021	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 4/30/2021
OPEB	\$6,325,999.86	\$0.00	\$202,663.31	\$3,026.60	\$0.00	\$0.00	\$6,525,636.57
Totals	\$6,325,999.86	\$0.00	\$202,663.31	\$3,026.60	\$0.00	\$0.00	\$6,525,636.57

Investment Selection

Source	
OPEB	Balanced HighMark PLUS

Investment Objective

Source	
OPEB	The dual goals of the Balanced Strategy are growth of principal and income. While dividend and interest income are an important component of the objective's total return, it is expected that capital appreciation will comprise a larger portion of the total return. The portfolio will be allocated between equity and fixed income investments.

Investment Return

Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
				3-Years	5-Years	10-Years	
OPEB	3.20%	6.74%	32.00%	11.71%	11.08%	8.36%	12/17/2009

Agenda Item

7

Finance Committee Meeting

Meeting Date: August 17, 2021

TO: Finance Committee

FROM: Betty Burnett, General Manager

STAFF CONTACT: Mary Carey, Finance Controller

SUBJECT: Other Post-Employment Benefits (OPEB) Trust Account Annual Review

Summary/Discussion

Attached please find the Summary of SOCWA's OPEB Plan showing performance results since inception through May 31, 2021. The Account Balance as of May 31, 2021 is \$6,576,969. The positive result is a return on investment since inception of close to 90%. For the FY 2020-2021, the return on investment, net of expenses, is over 26%. As of May 2021, SOCWA is 61.2% funded (\$6,576,969) against an estimated obligation of \$10.6 million (liability measured by Nyhart Actuary report as of 12/31/2020).

Staff will be presenting the highlights of the PARS Savings Program shown in the Summary and detailed in the July 13, 2021 presentation pages 1-11 attached hereto.

Additionally, PARS has requested that SOCWA consider adoption of Investment Guidelines for the Trust. A Draft Guidelines Document is attached for your review and comment.

Recommended Action: Staff recommends to the Finance Committee to recommend to the Board of Directors to receive and file the PARS report and provide comments to the Draft Guidelines Document. Revisions will be considered at the September 2021 Finance Committee Meeting.

SUMMARY OF AGENCY'S OPEB PLAN

Plan Type:	IRC Section 115 Irrevocable Exclusive Benefit Trust
Trustee Approach:	Discretionary
Plan Effective Date:	August 6, 2009
Plan Administrator:	General Manager
Current Investment Strategy:	Balanced HighMark PLUS (Active) Strategy; Pooled Account

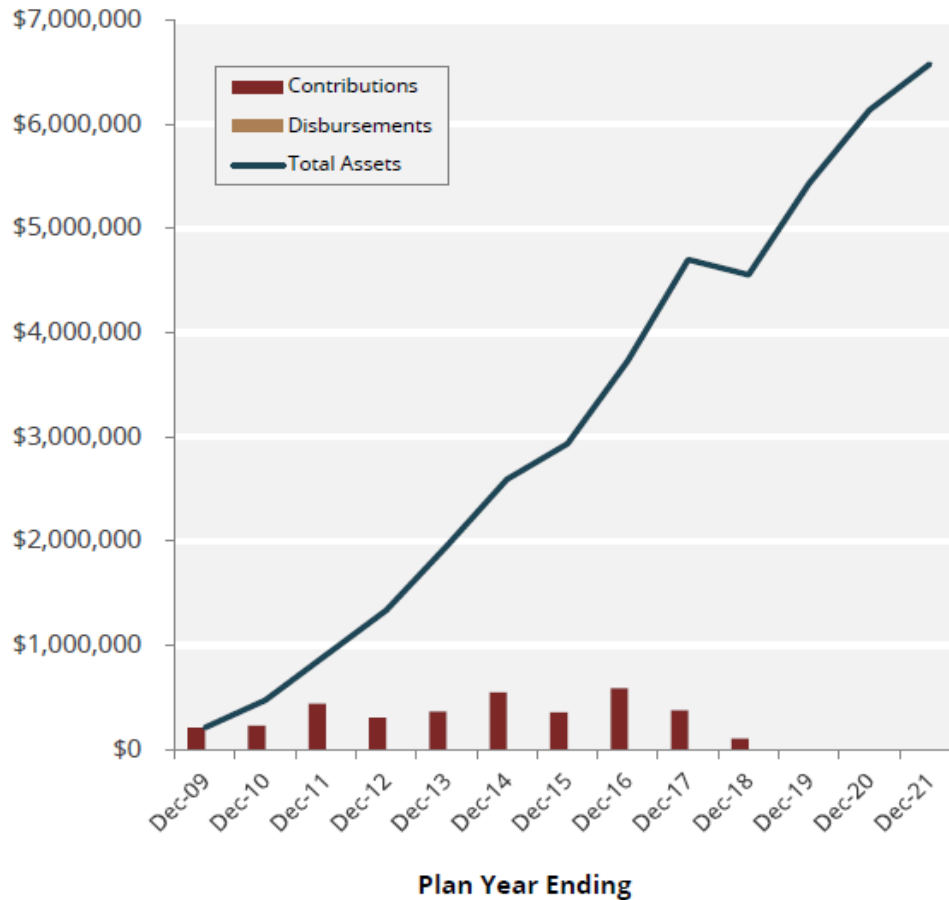
AS OF MAY 31, 2021

Initial Contribution:	December 2009: \$211,652
Additional Contributions:	\$3,323,137
Total Contributions:	\$3,534,789
Disbursements:	\$0
Total Investment Earnings:	\$3,238,203
Account Balance:	\$6,576,969

- Investment returns are compounded
- Close to 90% return since inception in 2009
- FY 2020–21 return on investment (net of expenses) is over 26%

SUMMARY OF AGENCY'S OPEB PLAN

CONTRIBUTIONS, DISBURSEMENTS, AND TOTAL ASSETS AS OF MAY 31, 2021



Year	Contributions	Disbursements	Total Assets
Dec-09*	\$211,652	\$0	\$212,094
Dec-10	\$230,000	\$0	\$474,880
Dec-11	\$442,146	\$0	\$905,653
Dec-12	\$305,956	\$0	\$1,337,155
Dec-13	\$365,445	\$0	\$1,952,486
Dec-14	\$550,186	\$0	\$2,593,537
Dec-15	\$358,403	\$0	\$2,933,757
Dec-16	\$588,000	\$0	\$3,730,913
Dec-17	\$378,000	\$0	\$4,699,966
Dec-18	\$105,000	\$0	\$4,554,334
Dec-19	\$0	\$0	\$5,431,436
Dec-20	\$0	\$0	\$6,134,690
Dec-21**	\$0	\$0	\$6,576,969

*Plan Year Ending December 2009 is based on 1 month of activity.
 **Plan Year Ending December 2021 is based on 5 months of activity.

*SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
PARS OPEB Trust Program*

Account Report for the Period
7/1/2020 to 6/30/2021

Mary Carey
Finance Controller
South Orange County Wastewater Authority
34156 Del Obispo St.
Dana Point, CA 92629

Account Summary

Source	Beginning Balance as of 7/1/2020	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 6/30/2021
OPEB	\$5,270,638.73	\$0.00	\$1,420,672.04	\$34,089.09	\$0.00	\$0.00	\$6,657,221.68
Totals	\$5,270,638.73	\$0.00	\$1,420,672.04	\$34,089.09	\$0.00	\$0.00	\$6,657,221.68

Investment Selection

Source	
OPEB	Balanced HighMark PLUS

Investment Objective

Source	
OPEB	The dual goals of the Balanced Strategy are growth of principal and income. While dividend and interest income are an important component of the objective's total return, it is expected that capital appreciation will comprise a larger portion of the total return. The portfolio will be allocated between equity and fixed income investments.

Investment Return

Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date	
				3-Years	5-Years	10-Years		
OPEB	1.27%	5.38%	27.05%	50	11.99%	11.33%	8.77%	12/17/2009



Draft

Investment Guidelines Document

South Orange County Wastewater Authority (SOCWA)

Trust for OPEB Funding

June 2021

Investment Guidelines Document

Scope and Purpose

The purpose of this Investment Guidelines Document is to:

- Facilitate the process of ongoing communication between the Plan Sponsor and its plan fiduciaries;
- Confirm the Plan's investment goals and objectives and management policies applicable to the investment portfolio identified below and obtained from the Plan Sponsor;
- Provide a framework to construct a well-diversified asset mix that can potentially be expected to meet the account's investment needs that is consistent with the account's investment objectives, liquidity considerations and risk tolerance;
- Identify any unique considerations that may restrict or limit the investment discretion of its designated investment managers;
- Help maintain a long-term perspective when market volatility is caused by short-term market movements.

Key Plan Sponsor Account Information as of October 2017

Plan Sponsor:	South Orange County Wastewater Authority. (SOCWA)
Plan Administrator:	SOCWA General Manager
Governance:	SOCWA Board of Directors
Portfolio Type:	HighMark Plus (Active strategy)
Plan Name ("Plan"):	SOCWA Trust for OPEB
Trustee:	US Bank Contact: Sue Hughes, 949-224-7209 Susan.Hughes@usbank.com
Type of Account:	<i>Trust for OPEB liability</i>
Investment Manager:	US Bank, as discretionary trustee, has delegated investment management responsibilities to HighMark Capital Management, Inc. ("Investment Manager"), an SEC-registered investment adviser Contact: Keith Stribling, CFA, 949-553-2591 keith.stribling@highmarkcapital.com

Investment Authority: Except as otherwise noted, the Trustee, US Bank, has delegated investment authority to HighMark Capital Management, an SEC-registered investment adviser. Investment Manager has full investment discretion over the managed assets in the account. Investment Manager is authorized to purchase, sell, exchange, invest, reinvest and manage the designated assets held in the account, all in accordance with account's investment objectives, without prior approval or subsequent approval of any other party(ies).

Investment Objectives and Constraints

The goal of the Plan's investment program is to provide a reasonable level of growth which, will result in sufficient assets to pay the present and future obligations of the Plan. The following objectives are intended to assist in achieving this goal:

- The Plan should seek to earn a return in excess of its policy benchmark over the life of the Plan.
- The Plan's assets will be managed on a total return basis which takes into consideration both investment income and capital appreciation. While the Plan Sponsor recognizes the importance of preservation of capital, it also adheres to the principle that varying degrees of investment risk are generally rewarded with compensating returns. To achieve these objectives, the Plan Sponsor allocates its assets (asset allocation) with a strategic perspective of the capital markets.

Investment Time Horizon: Long-term (10+ years)

Anticipated Cash Flows: Distributions are expected to be low in the early years of the Plan.

Target Rate of Return: 6.50% annual target

Investment Objective: The primary objective is to maximize total Plan return, subject to the risk and quality constraints set forth herein. The investment objective the Plan Sponsor has selected is the Balanced Objective, which has a dual goal to seek growth of income and principal.

Investment Objective: *Balanced*
The primary objective is to maximize total Plan return, subject to the risk and quality constraints set forth herein. The investment objective the Plan Sponsor has selected is the Balanced Objective, which has a dual goal to seek growth of income and principal. The assets in this Plan will eventually be used to pay agency OPEB obligations

Risk Tolerance: *Moderate*
The account's risk tolerance has been rated moderate, which demonstrates that the account can accept price fluctuations to pursue its investment objectives.

Portfolio Type: *HighMark Plus (Active strategy)*

Strategic Asset Allocation: The asset allocation ranges for this objective are listed below:

<i>Strategic Asset Allocation Ranges</i>		
Cash	Fixed Income	Equity
0-20%	30%-50%	50%-70%
Policy: 5%	Policy: 35%	Policy: 60%

Market conditions may cause the account's asset allocation to vary from the stated range from time to time. The Investment Manager will rebalance the portfolio no less than quarterly and/or when the actual weighting differs substantially from the strategic range, if appropriate and consistent with your objectives.

Security Guidelines:

Equities

With the exception of limitations and constraints described above, Investment Manager may allocate assets of the equity portion of the account among various market capitalizations (large, mid, small) and investment styles (value, growth). Further, Investment Manager may allocate assets among domestic, international developed and emerging market equity securities.

Total Equities	50%-70%
<i>Equity Style</i>	<i>Range</i>
Domestic Large Cap Equity	20%-50%
Domestic Mid Cap Equity	0%-15%
Domestic Small Cap Equity	0%-20%
International Equity (incl. Emerging Markets)	0%-20%
Real Estate Investment Trust (REIT)	0%-10%

Fixed Income

In the fixed income portion of the account, Investment Manager may allocate assets among various sectors and industries, as well as varying maturities and credit quality that are consistent with the overall goals and objectives of the portfolio.

Total Fixed Income	30%-50%
<i>Fixed Income Style</i>	<i>Range</i>
Long-term bonds (maturities >7 years)	0%-20%
Intermediate-term bonds (maturities 3-7 years)	15%-50%
Short-Term bonds (maturities <3 years)	0%-15%
High Yield bonds	0%-8%

Performance Benchmarks:

The performance of the total Plan shall be measured over three and five-year periods. These periods are considered sufficient to accommodate the market cycles experienced with investments. The performance shall be compared to the return of the total portfolio blended benchmark shown below.

Total Portfolio Blended Benchmark

32.00%	S&P 500 Index
6.00%	Russell Mid Cap
9.00%	Russell 2000
4.00%	MSCI EM FREE
7.00%	MSCI EAFE
2.00%	Wilshire REIT
27.00%	BC US Aggregate
6.75%	ML 1-3 Year US Corp/Gov't
1.25%	US High Yield Master II
5.00%	Citi 1Mth T-Bill

Asset Class/Style Benchmarks

Over a market cycle, the long-term objective for each investment strategy is to add value to a market benchmark. The following are the benchmarks used to monitor each investment strategy:

Large Cap Equity	S&P 500 Index
Growth	S&P 500 Growth Index
Value	S&P 500 Value Index
Mid Cap Equity	Russell MidCap Index
Growth	Russell MidCap Growth
Value	Russell MidCap Value
Small Cap Equity	Russell 2000 Index
Growth	Russell 2000 Growth
Value	Russell 2000 Value
REITs	Wilshire REIT
International Equity	MSCI EAFE
Investment Grade Bonds	BarCap US Aggregate Bond
High Yield	US High Yield Master II

Security Selection

Investment Manager may utilize a full range of investment vehicles when constructing the investment portfolio, including but not limited to individual securities, mutual funds, and exchange-traded funds. In addition, to the extent permissible, Investment Manager is authorized to invest in shares of mutual funds in which the Investment Manager serves as advisor or sub-adviser.

Investment Limitations:

The following investment transactions are prohibited:

- Direct investments in precious metals (precious metals mutual funds and exchange-traded funds are permissible).
- Venture Capital
- Short sales*
- Purchases of Letter Stock, Private Placements, or direct payments
- Leveraged Transactions*
- Commodities Transactions Puts, calls, straddles, or other option strategies*
- Purchases of real estate, with the exception of REITs
- Derivatives, with exception of ETFs*

**Permissible in diversified mutual funds and exchange-traded funds*

Duties and Responsibilities**Responsibilities of Plan Sponsor**

The General Manager or their designee is responsible for:

- Confirming the accuracy of this Investment Guidelines Document, in writing.
- Advising Trustee and Investment Manager of any change in the plan/account's financial situation, funding status, or cash flows, which could possibly necessitate a change to the account's overall risk tolerance, time horizon or liquidity requirements; and thus would dictate a change to the overall investment objective and goals for the account.
- Monitoring and supervising all service vendors and investment options, including investment managers.
- Avoiding prohibited transactions and conflicts of interest.

Responsibilities of Trustee

The plan Trustee is responsible for:

- Valuing the holdings.
- Collecting all income and dividends owed to the Plan.
- Settling all transactions (buy-sell orders).

Responsibilities of Investment Manager

The Investment Manager is responsible for:

- Assisting the Plan Sponsor or their designee with the development and maintenance of this Investment Policy Guideline document annually.
- Meeting with the General Manager or their designee annually to review portfolio structure, holdings, and performance.
- Designing, recommending and implementing an appropriate asset allocation consistent with the investment objectives, time horizon, risk profile, guidelines and constraints outlined in this statement.
- Researching and monitoring investment advisers and investment vehicles.
- Purchasing, selling, and reinvesting in securities held in the account.
- Monitoring the performance of all selected assets.
- Voting proxies, if applicable.
- Recommending changes to any of the above.

- Periodically reviewing the suitability of the investments, being available to meet with the committee at least once each year, and being available at such other times within reason at your request.
- Preparing and presenting appropriate reports.
- Informing the committee if changes occur in personnel that are responsible for portfolio management or research.

Acknowledgement and Acceptance

I/We being the Plan Sponsor with responsibility for the account(s) held on behalf of the Plan Sponsor specified below, designate Investment Manager as having the investment discretion and management responsibility indicated in relation to all assets of the Plan or specified Account. If such designation is set forth in the Plan/trust, I/We hereby confirm such designation as Investment Manager.

I have read the Investment Guidelines Document, and confirm the accuracy of it, including the terms and conditions under which the assets in this account are to be held, managed, and disposed of by Investment Manager. This Investment Guidelines Document supersedes all previous versions of an Investment Guidelines Document or investment objective instructions that may have been executed for this account.

_____ Date: _____
 Plan Administrator, General Manager, SOCWA

_____ Date: _____
 Investment Manager: Keith Stribling, CFA, Senior Portfolio Manager, (949) 553-2591

PUBLIC
AGENCY
RETIREMENT
SERVICES

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SOUTH ORANGE COUNTY WASTEWATER AUTHORITY

Other Post-Employment Benefits Trust Client Review

July 13, 2021

CONTACTS



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PARS 115 TRUST TEAM

Trust Administrator & Consultant



- Recordkeeping
- Sub-trust accounting
- Monitors plan compliance
- Processes contributions/disbursements
- Hands-on, dedicated support teams
- Coordinates all agency services

37 Years of Experience (1984-2021)	2,000+ Plans under Administration	1,000+ Public Agency Clients	430+ 115 Trust Clients	500K+ Plan Participants	\$6.0B Assets under Administration
---	--	---	----------------------------------	-----------------------------------	---

Trustee



- 5th largest commercial bank and one of the nation's largest trustees for Section 115 trusts
- Safeguard plan assets
- Oversight protection as plan fiduciary
- Custodian of assets

158 Years of Experience (1863-2021)	\$5.0T Assets under Administration
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Investment Manager



- Investment sub-advisor to trustee U.S. Bank
- Investment policy assistance
- Uses open architecture
- Active and passive platform options
- Customized portfolios (with minimum asset level)

102 Years of Experience (1919-2021)	\$18.2B Assets under Management & Advisement
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SUMMARY OF AGENCY'S OPEB PLAN

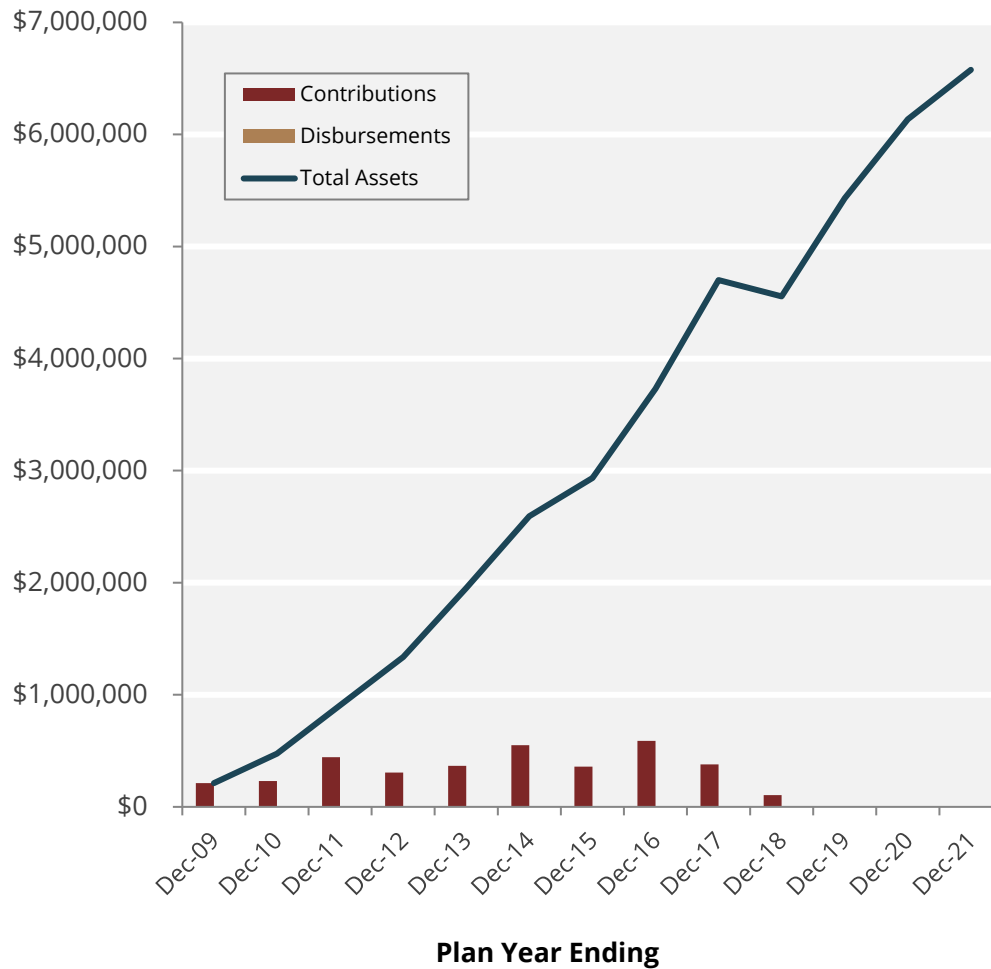
Plan Type:	IRC Section 115 Irrevocable Exclusive Benefit Trust
Trustee Approach:	Discretionary
Plan Effective Date:	August 6, 2009
Plan Administrator:	General Manager
Current Investment Strategy:	Balanced HighMark PLUS (Active) Strategy; Pooled Account

AS OF MAY 31, 2021

Initial Contribution:	December 2009: \$211,652
Additional Contributions:	\$3,323,137
Total Contributions:	\$3,534,789
Disbursements:	\$0
Total Investment Earnings:	\$3,238,203
Account Balance:	\$6,576,969

SUMMARY OF AGENCY'S OPEB PLAN

CONTRIBUTIONS, DISBURSEMENTS, AND TOTAL ASSETS AS OF MAY 31, 2021



Year	Contributions	Disbursements	Total Assets
Dec-09*	\$211,652	\$0	\$212,094
Dec-10	\$230,000	\$0	\$474,880
Dec-11	\$442,146	\$0	\$905,653
Dec-12	\$305,956	\$0	\$1,337,155
Dec-13	\$365,445	\$0	\$1,952,486
Dec-14	\$550,186	\$0	\$2,593,537
Dec-15	\$358,403	\$0	\$2,933,757
Dec-16	\$588,000	\$0	\$3,730,913
Dec-17	\$378,000	\$0	\$4,699,966
Dec-18	\$105,000	\$0	\$4,554,334
Dec-19	\$0	\$0	\$5,431,436
Dec-20	\$0	\$0	\$6,134,690
Dec-21**	\$0	\$0	\$6,576,969

*Plan Year Ending December 2009 is based on 1 month of activity.
 **Plan Year Ending December 2021 is based on 5 months of activity.

OPEB ACTUARIAL RESULTS

- We have received the actuarial report by Nyhart dated June 4, 2021 with a valuation date as of December 31, 2020. In the table below, we have summarized the results.

Demographic Study	Valuation Date: January 1, 2019	Valuation Date: December 31, 2020
Actives	62	61
Retirees	42	47
Total	104	108
Average Active Age	42.5	41.9
Average Active Agency Years of Service	8.9	8.5

OPEB ACTUARIAL RESULTS

	Valuation Date: January 1, 2019 Discount Rate: 7.00%	Valuation Date: December 31, 2020 Discount Rate: 6.50%
Total OPEB Liability (TOL) <i>Actuarial Accrued Liability (AAL)</i>	\$9,708,832	\$10,665,771
Fiduciary Net Position <i>Actuarial Value of Assets</i>	\$4,554,334	\$6,134,689*
Net OPEB Liability (NOL) <i>Unfunded Actuarial Accrued Liability (UAAL)</i>	\$5,154,498	\$4,531,082
Funded Ratio (%)	47.0%	57.5%
Actuarially Determined Contribution (ADC)	\$631,614 <i>For FY 2019-20</i>	\$595,227 <i>for FY 2020-21</i>
Annual Benefit Payments (Pay-as-you-Go)	\$592,075 <i>For FY 2019-20</i>	\$619,973 <i>for FY 2020-21</i>

*As of May 31, 2021, assets at \$6,576,969.

Rule of thumb: For every one percent increase in the discount rate, the unfunded liability is lowered by 10-12%.

South Orange County Wastewater Authority Post Retirement Healthcare Plan

July 13, 2021

**Presented by
Keith Stribling, CFA**

DISCUSSION HIGHLIGHTS – South Orange County Wastewater Authority

Investment objective – Balanced HM Plus

Asset Allocation: PARS/HCM Balanced HM Plus (As of 5-31-2021)

- Allocation Target – 63.48% stocks (50-70% range), 35.65% bonds (30-50% range), 0.86% cash (0-20% range)
- Large cap 34.98%, Mid-cap 4.65%, Small cap 9.04%, International 12.77%, REIT 2.05%

Performance: South Orange County Wastewater Authority

(as of 5-31-2021) gross of investment management fees, net of fund fees

- 3 months: 5.37%
- Y-T-D (5 months): 7.47%
- 1-Year: 28.27%
- 3-Years: 11.61%
- 5-Years: 11.10%
- 10-Years: 8.48%
- Inception to date (12-1-2009) 9.22%

Asset Allocation:

- Added high yield
- Adding to REIT's
- Recently raising small cap allocation

Economic Review

- Coronavirus continues to impact on the global growth...trying to find a path forward to re-open the economy
- Fed QE liquidity fueled rally...willing to accept risk of inflation to support economy
- New administration with President Biden – brings a new direction of globalism and normalizing relations with allies
- Democrats seize both houses of Congress...more fiscal stimulus appears likely...help for struggling states...future tax hikes...some version of a green new deal/clean energy.

Account Name: PARS/PRHCP BALANCED HM PLUS

Account ID: xxxxx19207



As of: May 31, 2021

Performance Report

	3 Months	Year to Date (5 Months)	1 Year	3 Years	5 Years	10 Years	Inception to Date 12/01/2009
Cash Equivalents	.01	.01	.04	1.19	1.01	.53	.47
Lipper Money Market Funds Index	.00	.00	.02	1.15	.95	.48	.42
Total Fixed Income	.23	-1.34	3.18	5.12	3.63	3.39	3.78
BBG Barclays US Aggregate Bd Index (USD)	-.14	-2.29	-.40	5.06	3.25	3.29	3.55
Total Equities	8.57	13.14	47.66	15.48	15.99	11.76	12.66
Large Cap Funds	10.61	14.06	45.09	18.03	17.68	13.95	14.14
S&P 500 Composite Index	10.72	12.62	40.32	18.00	17.16	14.38	14.71
Mid Cap Funds	8.96	14.72	50.28	15.94	15.36	11.46	
Russell Midcap Index	8.81	14.56	50.29	16.15	15.39	12.83	14.81
Small Cap Funds	3.06	13.44	65.40	15.61	17.93	13.92	16.23
Russell 2000 Index (USD)	3.34	15.30	64.56	13.06	16.01	11.86	14.13
International Equities	6.12	9.00	46.09	10.10	11.95	5.35	6.51
MSCI EAFE Index (Net)	8.81	10.07	38.41	8.23	9.77	5.88	6.47
MSCI EM Free Index (Net USD)	3.28	7.26	51.00	9.65	13.88	4.10	5.71
REIT Funds	14.24	18.17	33.25	11.65	7.64		
Wilshire REIT Index	14.77	19.13	36.48	10.55	7.06	8.68	11.85
Total Managed Portfolio	5.37	7.47	28.27	11.61	11.10	8.48	9.22

Returns are gross of fees not including account level advisory fees unless otherwise stated. Gross returns are presented before management and custodial fees but after all trading expenses, embedded and reflect the reinvestment of dividends and other income. Net returns are net of investment management fees in effect for the respective time period. Returns for periods over one year are annualized. The information presented has been obtained from sources believed to be accurate and reliable. Past performance is not indicative of future returns. Securities are not FDIC insured have no bank guarantee and may lose value.

ASSET ALLOCATION- Balanced HM Plus

	Ticker	Investment Vehicle	Weight
Equity			63.48%
Large Cap Core	COFYX	Columbia Contrarian Core Cl Y	6.75%
	VGIAX	Vanguard Gro & Inc Admiral Shares	12.80%
Large Cap Value	DODGX	Dodge & Cox International Stock Fund	5.57%
	IVE	iShares S&P 500 Value ETF	2.55%
Large Cap Growth	HNACX	Harbor CP Appre Rtrmt Cl	3.69%
	PRUFX	T. Rowe Price Growth Stock Fund	3.62%
Mid Cap Growth	IWR	iShares Russell Mid Cap ETF	4.65%
Small Cap Value	UBVFX	Undiscovered Mgrs Behavrl R6	4.44%
Small Cap Growth	RSEJX	Victory RS Small Cap Growth	4.60%
International Core	DFALX	DFA Large Cap International Port	3.11%
International Value	DODFX	Dodge & Cox International Stock Fund	2.01%
International Growth	MGRDX	MFS International Growth Fund	2.03%
Emerging Markets	HHHFX	Hartford Schrodr Mkts Eq	5.62%
REIT	VNQ	Vngrd Index Tr Reit Viper Shs	2.05%
Fixed Income			35.65%
Short-Term	VFSUX	Vanguard Short-Term Corp Adm Fund	5.68%
	PHIYX	PIMCO High Yield	1.73%
Intermediate-Term	PTTRX	PIMCO Total Return Instl Fund	9.40%
	PTRQX	Prudential Total Return BD	9.45%
	DBLFX	Doubleline Core Fixed Inc Cl I	9.39%
Cash			0.86%
	FGZXX	First Amern Govt Oblig Fd CL Z	0.86%
TOTAL			100.00%

Agenda Item

8

Finance Committee Meeting

Meeting Date: August 17, 2021

TO: Finance Committee
FROM: Betty Burnett, General Manager
STAFF CONTACT: Mary Carey, Finance Controller
SUBJECT: Draft GASB 68 Report for the Fiscal Year Ended June 30, 2021

Summary/Discussion

This report presents employer-specific amounts for reporting in accordance with Governmental Accounting Standards Board Statement No. 68 (GASB 68) for CalPERS public agency cost sharing plans.

The report details the calculation of the Net Pension Liability that the Authority will record in its Audited Net Position Statement as of June 30, 2021.

The Net Pension Liability will also be distributed by Project Committee and Member Agency in the Annual Supplemental Financial Statements.

Net Pension Liability Fiscal Year Ended June 30

Description	2021	2020	2019	Change between 2021 and 2020	
				\$ +/-	% Change
Measurement date	6/30/2020	6/30/2019	6/30/2018		
Total pension liability	(\$59,026,089)	(\$55,450,648)	(\$52,230,824)	(\$3,575,441)	6.4%
Fiduciary net position	43,498,406	41,089,097	39,044,508	2,409,309	5.9%
Net pension (liability)	(\$15,527,683)	(\$14,361,551)	(\$13,186,316)	(\$1,166,132)	8.1%
% Funded	73.7%	74.1%	74.8%	-0.4%	

- Net pension liability increased by \$1.2 million primarily due to the Risk Pool's asset loss in 2020, 4.7% return on investments vs. targeted 7.15%. (The target rate is before administrative expenses.)
- CalPERS FY 2020-21 return of 21% and subsequent discount rate drop to 6.8% will not be reflected until next year's financial statements.

Recommended Action: Staff recommends to the Finance Committee to review the report as an information item prior to receipt of the Annual Financial Report and the Auditor's report on the Annual Financial Statements Audit.

**South Orange County Wastewater Authority
CalPERS Miscellaneous Pension Plans**

June 30, 2021

Consolidated GASB 68 Reporting Information
CalPERS Risk Pools
Preliminary Results

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August 9, 2021

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Applicable Dates and Periods

	June 30, 2021 Employer Fiscal Year
■ Measurement date	June 30, 2020
■ Measurement period	July 1, 2019 to June 30, 2020
■ Actuarial valuation date	June 30, 2019



Basis of Report

This report presents employer-specific amounts for reporting in accordance with Governmental Accounting Standards Board Statement No. 68 (GASB 68) for CalPERS public agency cost-sharing plans. Our calculations are based on information provided in actuarial valuation reports prepared by CalPERS and on the June 30, 2020 "Schedule of Employer Allocations for Components of Net Pension Liability and Schedule of Collective Pension Amounts", prepared by CalPERS and audited by BDO. We have followed the methodology described in that report and in other CalPERS publications including the GASB 68 Guide for Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plans. It was not part of the scope of this project, nor was information available, to review the census data, actuarial calculations or the actuarial assumptions used to prepare those reports. CalPERS reports used for our calculations are available at:

<https://www.calpers.ca.gov/page/employers/actuarial-services/gasb>

Additional information to be presented in each agency's Notes and RSI can be found on CalPERS website in the CalPERS Risk Pool reports as of the June 30, 2020 Measurement Date and CalPERS CAFR:

<https://www.calpers.ca.gov/docs/forms-publications/gasb-68-accounting-valuation-miscellaneous-risk-pool-2020.pdf>

<https://www.calpers.ca.gov/docs/forms-publications/gasb-68-accounting-valuation-safety-risk-pool-2020.pdf>

<https://www.calpers.ca.gov/docs/forms-publications/cafr-2020.pdf>



Net Pension Liability

Proportionate Share of Net Pension Liability/(Asset)

	Fiscal Year Ending	
	June 30, 2021	June 30, 2020
■ Total	\$ 15,527,683	\$ 14,361,551

See page 20 for supporting detail.



Net Pension Liability

Proportionate Share of Net Pension Liability/(Asset)

	Percentage Share of Plan		Change: Increase/ (Decrease)
	6/30/2021	6/30/2020	
■ Fiscal Year End	6/30/2021	6/30/2020	
■ Measurement Date	6/30/2020	6/30/2019	
■ Percentage of Plan (PERF C) NPL	0.14271%	0.14015%	0.00256%

See page 20 for supporting detail.



Plan Description *

The Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (the Plan or PERF C) is administered by the California Public Employees' Retirement System (the System or CalPERS). The Plan consists of a miscellaneous risk pool and a safety risk pool, which are comprised of individual employer miscellaneous and safety rate plans, respectively. Individual employers may sponsor more than one miscellaneous and safety rate plan. Each individual employer rate plan generally has less than 100 active members.

The Plan was established to provide retirement, death and disability benefits to public agency rate plans with generally less than 100 active members. The benefit provisions for PERF C employees are established by statute. A full description regarding the number of employees covered, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information for the respective rate plan is listed in the respective rate plan's June 30, 2019 Annual Valuation Report (funding valuation). Details of the benefits provided can be obtained in Appendix B of the funding valuation report. This report and CalPERS' audited financial statements are publicly available reports that can be found on CalPERS' website at <https://www.calpers.ca.gov/page/forms-publications>

* This description is from the CalPERS report:

<https://www.calpers.ca.gov/docs/forms-publications/gasb-68-public-agency-schedules-2020.pdf>



Net Pension Liability Assumptions *

The collective total pension liability for the June 30, 2020 measurement period was determined by an actuarial valuation as of June 30, 2019, with update procedures used to roll forward the total pension liability to June 30, 2020. The collective total pension liability was based on the following assumptions:

- | | |
|------------------------------------|--|
| ■ Discount Rate | 7.15% |
| ■ Inflation | 2.50% |
| ■ Salary increases | Varies by Entry Age and Service |
| ■ Mortality | Derived using CalPERS' Membership Data for all Funds. The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of Scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website |
| ■ Post-retirement benefit increase | Contract COLA up to 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies |

* These assumptions are from the CalPERS report:

<https://www.calpers.ca.gov/docs/forms-publications/gasb-68-public-agency-schedules-2020.pdf>



Note Disclosures

Long-Term Expected Rate of Return *

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical and forecasted information for all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as follows:

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Real Return Years 1 - 10¹</u>	<u>Real Return Years 11 + ²</u>
Global equity	50.00%	4.80%	5.98%
Fixed income	28.00%	1.00%	2.62%
Inflation assets	-	0.77%	1.81%
Private equity	8.00%	6.30%	7.23%
Real assets	13.00%	3.75%	4.93%
Liquidity	1.00%	-	-0.92%

* This information is from the CalPERS report: <https://www.calpers.ca.gov/docs/forms-publications/gasb-68-public-agency-schedules-2020.pdf>

¹ An expected inflation of 2.00% used for this period.

² An expected inflation of 2.92% used for this period.



Note Disclosures

Discount Rate *

The discount rate used to measure the total pension liability for PERF C was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

* This description is from the CalPERS report:

<https://www.calpers.ca.gov/docs/forms-publications/gasb-68-public-agency-schedules-2020.pdf>



Note Disclosures

**Sensitivity of Proportionate Share of Net Pension Liability (Asset)
to Changes in the Discount Rate**

	Discount Rate		
	6.15% (1% Decrease)	7.15% (Current Rate)	8.15% (1% Increase)
■ Measurement Date	6/30/2020		
■ Fiscal Year End	6/30/2021		
■ Net Pension Liability	\$ 23,382,615	\$ 15,527,683	\$ 9,037,399

See page 21 for supporting detail.



Note Disclosures

Pension Expense (Income) for Fiscal Year

	2020/21
■ Total pension expense (income) for fiscal year	\$ 2,467,242

See page 31 for supporting detail.



Note Disclosures

Deferred Outflows/Inflows Balances at June 30, 2021

	Deferred Outflows of Resources	Deferred Inflows of Resources
■ Differences between expected and actual experience *	\$ 800,187	-
■ Changes of assumptions *	-	(110,750)
■ Net differences between projected and actual earnings on plan investments *	461,274	-
■ Change in employer's proportion **	396,504	(15,676)
■ Differences between the employer's contributions and the employer's proportionate share of contributions***	-	(644,861)
■ Pension contributions subsequent to measurement date	1,620,095	-
■ Total	<u>3,278,060</u>	<u>(771,287)</u>

* Supporting detail on page 23.

** Supporting detail on page 26.

*** Supporting detail on page 29.



Note Disclosures

**Recognition of Deferred Outflows and Inflows of Resources
in Future Pension Expense**

	Deferred Outflows/(Inflows) of Resources
■ Fiscal Year Ending June 30:	
● 2022	\$ 9,244
● 2023	354,164
● 2024	302,031
● 2025	221,239
● 2026	-
● Thereafter	-

Supporting detail on page 30.



Required Supplementary Information

**Schedule of Authority's Proportionate Share
of the Plan's (PERF C) Net Pension Liability**

	Fiscal Year End	
	6/30/21	6/30/20
■ Measurement Date	6/30/20	6/30/19
■ Authority's proportion of the net pension liability	0.14271%	0.14015%
■ Authority's proportionate share of the net pension liability	\$ 15,527,683	\$ 14,361,551
■ Authority's covered payroll *	6,456,681	6,331,043
■ Authority's proportionate share of the net pension liability as a percentage of covered payroll	240.49%	226.84%
■ Plan's fiduciary net position as a percentage of the plan's total pension liability **	75.10%	75.26%

* For the year ending on the measurement date.

** Supporting detail on page 17.



Required Supplementary Information

Schedule of the Authority's Contributions

Contributions for the fiscal year ending:	6/30/21	6/30/20
■ Actuarially determined contribution	\$ 1,620,095	\$ 1,441,008
■ Contributions in relation to the actuarially determined contribution	1,620,095	1,441,008
■ Contribution deficiency (Excess)	-	-
■ Authority's covered payroll *	6,607,567	6,456,681
■ Contributions as a percentage of covered payroll	24.52%	22.32%

* For the fiscal year ending on the date shown.



Actuarially Determined Contribution Assumptions *

■ Valuation Date	June 30, 2018
■ Actuarial cost method	Entry age normal cost method
■ Amortization method	Level percent of pay, direct rate smoothing
■ Remaining Amortization Periods	Differs by employer rate plan but not more than 30 years
■ Asset valuation method	Market value of assets
■ Inflation	2.50%
■ Salary increases	Varies by Entry Age and Service
■ Discount Rate **	7.00% (net of administrative expenses)
■ Mortality	Derived using CalPERS' Membership Data for all Funds. The post-retirement mortality rates include 15 years of projected on-going mortality improvement using 90 percent of Scale MP 2016 published by the Society of Actuaries

* From the CalPERS reports (Appendix A):

<https://www.calpers.ca.gov/docs/forms-publications/actuarial-valuation-section2-miscellaneous-2018.pdf>

<https://www.calpers.ca.gov/docs/forms-publications/actuarial-valuation-section2-safety-2018.pdf>

** Please note, the discount rate used for Actuarially Determined Contributions is different from the one used for Total Pension Liability (page 6). You can find more information on this here:

<http://www.bartel-associates.com/news/2018/07/11/pension-plan-funding-and-accounting-comparison>



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Data as of 6/30/20 Measurement Date

	Miscellaneous Risk Pool	Safety Risk Pool	Total
■ Employer Allocation Basis*			
Total Pension Liability	0.31197%	N/A	N/A
Fiduciary Net Postion	0.29586%	N/A	N/A
■ Data from Risk Pool Reports for Measurement Date June, 30 2020			
Total Pension Liability	\$ 18,920,437,526	\$ 24,782,493,361	\$ 43,702,930,887
(1) Fiduciary Net Postion	14,702,361,183	18,120,140,152	32,822,501,335
Net Pension Liability	4,218,076,343	6,662,353,209	10,880,429,552
Funded Percentage	N/A	N/A	75.10%
■ Sensitivity			
(2) NPL @ 6.15% discount rate	6,735,924,927	10,027,907,698	
(1) + (2) TPL @ 6.15% discount rate	21,438,286,110	28,148,047,850	
(3) NPL @ 8.15% discount rate	2,137,657,169	3,900,597,304	
(1) + (3) TPL @ 8.15% discount rate	16,840,018,352	22,020,737,456	
■ Collective Pension Expense			
	867,712,876	1,246,131,760	



■ Deferred Outflows (Inflows) Balances at June 30, 2020 Measurement Date (MD)				
MD				
2018	Differences between expected and actual experience	41,313,962	24,679,062	N/A
2019	Differences between expected and actual experience	119,039,822	214,978,095	N/A
2020	Differences between expected and actual experience	57,016,224	276,974,542	N/A
2018	Change in Assumptions	(30,085,020)	(22,192,421)	N/A
2017	Differences between projected and actual earnings on plan investments	(89,740,557)	(114,256,147)	N/A
2018	Differences between projected and actual earnings on plan investments	(67,794,694)	(81,283,238)	N/A
2019	Differences between projected and actual earnings on plan investments	42,441,394	50,126,964	N/A
2020	Differences between projected and actual earnings on plan investments	240,398,493	290,213,402	N/A
■ Other				
	Aggregate Employer Contributions	656,896,339	937,914,674	N/A
	Expected Average Remaining Service Lifetime (EARSL)		N/A	3.8
	Future Recognition of Deferred Amounts			
	Measurement Date			
	2021	48,333,963	155,202,967	N/A
	2022	113,618,934	243,086,018	N/A
	2023	90,537,103	168,397,922	N/A
	2024	60,099,624	72,553,352	N/A

*From the report: <https://www.calpers.ca.gov/docs/forms-publications/gasb-68-public-agency-schedules-2020.pdf>



Supporting Calculations

Employer Contributions during Fiscal Year

	2020/21	2019/20
■ Misc Tier 1 - 9523	\$ 1,201,232	\$ 1,088,739
■ Misc Tier 2 - 9524	134,083	118,694
■ Misc PEPR - 27120	284,780	233,575
■ Total	1,620,095	1,441,008



Supporting Calculations

Proportionate Share of Net Pension Liability/(Asset)

	Fiscal Year Ending 6/30/2021		
	Measurement Date 6/30/2020		
	Total Pension Liability	Fiduciary Net Position	Net Pension Liability/(Asset)
■ Authority % *	0.31197%	0.29586%	
■ Total Misc Risk Pool *	\$ 18,920,437,526	\$ 14,702,361,183	N/A
■ Authority's Proportionate Share	59,026,089	43,498,406	\$ 15,527,683
■ Total PERF-C NPL *	N/A	N/A	10,880,429,552
■ Authority's Proportionate Share of NPL	N/A	N/A	0.14271%

* Supporting detail on page 17.



Supporting Calculations

Sensitivity of Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate

	Discount Rate		
	6.15%	7.15%	8.15%
■ Measurement Date	6/30/2020		
■ Fiscal Year End	6/30/2021		
■ Miscellaneous			
Risk Pool Total Pension Liability *	\$ 21,438,286,110	\$ 18,920,437,526	\$ 16,840,018,352
Employer's TPL Proportion	<u>0.31197%</u>	<u>0.31197%</u>	<u>0.31197%</u>
Proportionate share of TPL	\$ 66,881,021	\$ 59,026,089	\$ 52,535,805
Less: Proportionate share of FNP **	<u>43,498,406</u>	<u>43,498,406</u>	<u>43,498,406</u>
Net Pension Liability	23,382,615	15,527,683	9,037,399

* Supporting detail on page 17.

** Supporting detail on page 20.



Supporting Calculations

Allocation Factor for Deferred Inflows and Outflows

	<u>Miscellaneous</u>
(1) Total Misc Risk Pool Net Pension Liability*	\$ 4,218,076,343
(2) Authority's Proportionate Share of Net Pension Liability **	15,527,683
(3) Authority's Deferred Outflows/Inflows of Resources Allocation Basis (2) ÷ (1) ***	0.36812%

* Supporting detail on page 17.

** Supporting detail on page 20.

*** Deferred Outflows/Inflows of resources allocated based on the employer's share of the Miscellaneous Risk Pool net pension liability, per CalPERS' guidance in the 6/30/2020 Schedule of Employer Allocations for Components of Net Pension Liability and Schedule of Collective Pension Amounts.



Supporting Calculations

Total Risk Pool Deferred Outflows/(Inflows)

Measurement Date	Item	Misc Risk Pool*	Employer Amount (0.36812%)**	Employer Deferred Outflow	Employer Deferred (Inflow)
Differences between Actual and Expected Experience					
2018		\$ 41,313,962	\$ 152,086	\$ 152,086	-
2019		119,039,822	438,212	438,212	-
2020		57,016,224	209,889	209,889	-
Actual and Expected Experience			800,187	800,187	-
Changes of assumptions					
2018		(30,085,020)	(110,750)	-	(110,750)
Total Assumptions Change			(110,750)	-	(110,750)
Net Difference between Projected and Actual Return on Investments					
2017 to 2020		125,304,636	461,274	461,274	-

* Supporting detail on page 18. ** Supporting detail on page 22, unrounded allocation factor is used.



Supporting Calculations

Change in Proportion Calculation

	Unrecognized Differences between Expected and Actual Experience	Unrecognized Changes in Assumptions	Unrecognized Net Difference Between Projected and Actual Earnings on Investments	Total Pension Liability	Fiduciary Net Position	Total
■ Miscellaneous Risk Pool						
Net deferral at 6/30/2019 MD	\$256,580,067	\$123,261,822	\$ (70,011,075)	\$(17,984,188,264)	\$13,979,687,268	
Employer proportion at 6/30/2020 MD*	<u>0.36812%</u>	<u>0.36812%</u>	<u>0.36812%</u>	<u>0.31197%</u>	<u>0.29586%</u>	
Employer amount using 6/30/2020 basis	944,529	453,754	(257,726)	(56,105,272)	41,360,303	(13,604,412)
Employer balances at 6/30/2019 MD	<u>920,186</u>	<u>442,060</u>	<u>(251,084)</u>	<u>(55,450,648)</u>	<u>41,089,097</u>	<u>(13,250,389)</u>
Difference	(24,343)	(11,694)	6,642	654,624	(271,206)	354,023

* Supporting details on pages 17 and 22, unrounded allocation factor is used.



Supporting Calculations

Change in Proportion

Calculation at June 30, 2021 financial statement date

	<u>2017 Measurement Date</u>	<u>2018 Measurement Date</u>	<u>2019 Measurement Date</u>	<u>2020 Measurement Date</u>	<u>Total</u>
Balance reported at June 30, 2020	\$ 21,037	\$ (35,269)	\$ 211,003	\$ 354,023 *	
Remaining Amortization Years	0.8 years	1.8 years	2.8 years	3.8 years	
Current Year Amortization	(21,037)	19,593	(75,358)	(93,164)	(169,966)
Balance reported at June 30, 2021	-	(15,676)	135,645	260,859	380,828

* Balance at July 1, 2020, after 6/30/20 reporting date.



Supporting Calculations

Recognition Schedule for Deferred Outflows/Inflows at June 30, 2021 Employer-Specific Deferral: Change in Proportions

	<u>Initial Recognition Period</u>				<u>Total</u>
	<u>2017/18</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	
■ Measurement Period	2016/17	2017/18	2018/19	2019/20	
■ Initial amount	\$ 99,931	\$ (74,455)	\$ 286,361	\$ 354,023	
■ Initial recognition period	3.8 years	3.8 years	3.8 years	3.8 years	
■ Amount recognized in FY pension expense					
● 2017/18 (3rd prior year)	26,298	N/A	N/A	N/A	26,298
● 2018/19 (2nd prior year)	26,298	(19,593)	N/A	N/A	6,705
● 2019/20 (Prior year)	26,298	(19,593)	75,358	N/A	82,063
● 2020/21 (Current year)	21,037	(19,593)	75,358	93,164	169,966
● 2021/22	-	(15,676)	75,358	93,164	152,846
● 2022/23	-	-	60,287	93,164	153,451
● 2023/24	-	-	-	74,531	74,531
● Total	99,931	(74,455)	286,361	354,023	665,860
■ Deferred Outflows at FYE 6/30/2021	-	-	135,645	260,859	396,504
■ Deferred Inflows at FYE 6/30/2021	-	(15,676)	-	-	(15,676)



Supporting Calculations

Difference in Actual Contribution and Proportionate Share of Contribution Calculation

	<u>Miscellaneous</u>
(1) Aggregate Risk Pool employer contributions for MP 2019/20*	\$ 656,896,339
(2) Employer proportion (FNP %)**	0.29586%
(3) Proportionate share of aggregate Employer contribution (1) * (2)	1,943,494
(4) Actual Contribution for Measurement Period 2019/2020	1,441,008
(5) Difference (4) - (3)	(502,486)

* Supporting detail on page 18.

** Supporting detail on page 17.



Supporting Calculations

Difference in Actual Contributions and Proportionate Share of Contributions

Calculation at June 30, 2021 financial statement date

	2017 Measurement Date	2018 Measurement Date	2019 Measurement Date	2020 Measurement Date	Total
Balance reported at June 30, 2020	(76,581)	(185,987)	(298,585)	(502,486) *	
Remaining Amortization Years	0.8 years	1.8 years	2.8 years	3.8 years	
Current Year Amortization	76,581	103,327	106,637	132,233	418,778
Balance reported at June 30, 2021	-	(82,660)	(191,948)	(370,253)	(644,861)

* Balance at July 1, 2020, after 6/30/20 reporting date.



Supporting Calculations

Recognition Schedule for Deferred Outflows/Inflows at June 30, 2021 Employer-Specific Deferral: Difference Between Actual & Proportionate Share of Employer Contributions

	Initial Recognition Period				Total
	2017/18	2018/19	2019/20	2020/21	
■ Measurement Period	2016/17	2017/18	2018/19	2019/20	
■ Initial amount	\$ (363,759)	\$ (392,641)	\$ (405,222)	\$ (502,486)	
■ Initial recognition period	3.8 years	3.8 years	3.8 years	3.8 years	
■ Amount recognized in FY pension expense					
● 2017/18 (3rd prior year)	(95,726)	N/A	N/A	N/A	(95,726)
● 2018/19 (2nd prior year)	(95,726)	(103,327)	N/A	N/A	(199,053)
● 2019/20 (Prior year)	(95,726)	(103,327)	(106,637)	N/A	(305,690)
● 2020/21 (Current year)	(76,581)	(103,327)	(106,637)	(132,233)	(418,778)
● 2021/22	-	(82,660)	(106,637)	(132,233)	(321,530)
● 2022/23	-	-	(85,311)	(132,233)	(217,544)
● 2023/24	-	-	-	(105,787)	(105,787)
● Total	(363,759)	(392,641)	(405,222)	(502,486)	(1,664,108)
■ Deferred Outflows at FYE 6/30/2021	-	-	-	-	-
■ Deferred Inflows at FYE 6/30/2021	-	(82,660)	(191,948)	(370,253)	(644,861)



Supporting Calculations

Recognition of Deferrals in Future Pension Expense

Measurement Period Ending June 30:	Fiscal Year Ending June 30:	Miscellaneous Risk Pool Amount			Employer Specific Amounts		Total
		Risk Pool Amount*	Applicable Percentage**	Authority's Proportionate Share	Change in Proportion***	Difference Between Actual and Proportionate Share of Contributions****	
■ 2021	■ 2022	\$ 48,333,963	0.36812%	\$ 177,928	\$ 152,846	\$ (321,530)	\$ 9,244
■ 2022	■ 2023	113,618,934	0.36812%	418,257	153,451	(217,544)	354,164
■ 2023	■ 2024	90,537,103	0.36812%	333,287	74,531	(105,787)	302,031
■ 2024	■ 2025	60,099,624	0.36812%	221,239	-	-	221,239
■ 2025	■ 2026	-	0.36812%	-	-	-	-
■ Thereafter	■ Thereafter	-	0.36812%	-	-	-	-

* See page 18.

** See page 22, unrounded allocation factor is used.

*** See page 26.

**** See page 29.



Supporting Calculations

GASB 68 Balance Equation for Pension Expense Calculation

	Fiscal year ending		Change
	6/30/2020	6/30/2021	
■ Measurement date	6/30/2019	6/30/2020	
■ Total pension liability	\$ 55,450,648	\$ 59,026,089	\$ 3,575,441
■ Fiduciary net position	41,089,097	43,498,406	2,409,309
■ Net pension liability/(asset)	14,361,551	15,527,683	1,166,132
■ Deferred inflows of resources	1,167,555	771,287	(396,268)
■ Deferred (outflows) of resources *	(1,914,335)	(1,657,965)	256,370
■ Contributions in the measurement period	-	1,441,008	1,441,008
■ Net balance sheet impact	13,614,771	16,082,013	2,467,242
■ Pension Expense (Income)			2,467,242

* The deferral for contributions after the measurement date is excluded.



Supporting Calculations

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Journal Entries

Beginning Balances

Following summarizes the beginning balances from the 2019 measurement date *

	Debit	Credit
Differences between expected and actual experience	\$ 997,470	\$ (77,284)
Changes of assumptions	684,825	(242,765)
Net differences between projected and actual earnings on plan investments	-	(251,084)
Change in employer's proportion	232,040	(35,269)
Differences between the employer's contributions and the employer's proportionate share of contributions	-	(561,153)
Total deferred outflow/inflow	1,914,335	(1,167,555)
Pension contributions subsequent to measurement date	1,441,008	-
Net Pension Liability	-	(14,361,551)
Net Impact	12,173,763	-
<i>Check</i>	<i>15,529,106</i>	<i>(15,529,106)</i>

* Recorded at 6/30/20 fiscal year end.



Journal Entries

Employer Contributions

Following records the impact of employer contributions, assuming employer contributions were recorded as pension expense when paid.

	Debit	Credit
Net pension liability	\$ 1,441,008	
Deferred Outflow - FY 2020 contributions		\$ (1,441,008)
Deferred Outflow - FY 2021 contributions	1,620,095	
Pension Expense		(1,620,095)
<i>Check</i>	<i>3,061,103</i>	<i>(3,061,103)</i>



Journal Entries

Summary Journal Entries - Pension Expense

Following records the impact of current year pension expense

	Debit	Credit
Deferred Outflows	\$ 625,738	\$ (882,108)
Deferred Inflows	479,976	(83,708)
Pension Expense (Income)	2,467,242	-
Net pension liability	-	(2,607,140)
 <i>Check</i>	 3,572,956	 (3,572,956)

See pages 38 and 37 ("Subtotal" row) for details.



Journal Entries

Ending Balances at June 30, 2021

	Debit	Credit
Differences between expected and actual experience	\$ 800,187	\$ -
Changes of assumptions	-	(110,750)
Net differences between projected and actual earnings on plan investments	461,274	-
Change in employer's proportion	396,504	(15,676)
Differences between the employer's contributions and the employer's proportionate share of contributions	-	(644,861)
Total deferred outflow/inflow	1,657,965	(771,287)
Pension contributions subsequent to measurement date	1,620,095	-
Net Pension Liability (NPL)	-	(15,527,683)
Net Impact	13,020,910	-
 <i>Check</i>	 16,298,970	 (16,298,970)
Total pension expense (income) for FYE 2021	2,467,242	-



Reconciliation of Deferred Outflows

(Detail for page 35)

Deferred Outflows	Opening Balance Debit	Journal Entry- Debit	Journal Entry - (Credit)	Ending Balance Debit
Differences between actual and expected experience	\$ 997,470	\$ -	\$ (197,283)	\$ 800,187
Change in assumptions	684,825	-	(684,825)	-
Differences between projected and actual earnings on plan investments	-	461,274	-	461,274
<u>Employer Specific</u>				
Change in employer's proportion	232,040	164,464	-	396,504
Differences between the employer's contributions and the employer's proportionate share of contributions	-	-	-	-
Subtotal	1,914,335	625,738	(882,108)	1,657,965
Contributions after the Measurement Date	1,441,008	1,620,095	(1,441,008)	1,620,095
Total Deferred Outflows	3,355,343	2,245,833	(2,323,116)	3,278,060

Note "Changes" for Risk Pool deferrals equals total change from prior year to current year. "Changes" for employer-specific deferrals includes recognition of previous deferral or establishment of new deferral.



Reconciliation of Deferred Inflows

(Detail for page 35)

Deferred Inflows	Opening Balance (Credit)	Journal Entry- (Credit)	Journal Entry - Debit	Ending Balance (Credit)
Differences between actual and expected experience	\$ (77,284)	\$ -	\$ 77,284	\$ -
Change in assumptions	(242,765)	-	132,015	(110,750)
Differences between projected and actual earnings on plan investments	(251,084)	-	251,084	-
<u>Employer Specific</u>				
Change in employer's proportion	(35,269)	-	19,593	(15,676)
Differences between the employer's contributions and the employer's proportionate share of contributions	(561,153)	(83,708)	-	(644,861)
Total Deferred Inflows	(1,167,555)	(83,708)	479,976	(771,287)

Note "Changes" for Risk Pool deferrals equals total change from prior year to current year. "Changes" for employer-specific deferrals includes recognition of previous deferral or establishment of new deferral.



Reconciliation of Deferred Outflows/(Inflows)

Summary of Balances

	Fiscal year ending	
	6/30/2020	6/30/2021
■ Measurement date	6/30/2019	6/30/2020
■ Total pension liability	\$ (55,450,648)	\$ (59,026,089)
■ Fiduciary net position	<u>41,089,097</u>	<u>43,498,406</u>
■ Net pension (liability)/asset	(14,361,551)	(15,527,683)
■ Deferred (inflows) of resources	(1,167,555)	(771,287)
■ Deferred outflows of resources	<u>3,355,343</u>	<u>3,278,060</u>
■ Net balance sheet impact	(12,173,763)	(13,020,910)

Deferred Outflows includes contributions after the measurement date.



Reconciliation of Deferred Outflows/(Inflows)

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