

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

FINANCE COMMITTEE
TELECONFERENCE MEETING**

**April 19, 2022
10:30 a.m.**

Join Zoom Meeting by clicking on the link below:

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

Meeting ID: 847 1919 5804
Passcode: 424311

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NOTICE IS HEREBY GIVEN that a Special Meeting of the South Orange County Wastewater Authority (SOCWA) Finance Committee was called to be held by teleconference on **April 19, 2022**, located at 34156 Del Obispo Street, Dana Point, California.

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 ATTACHMENTS 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 TO 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"), BUT ARE NOT OPEN TO THE PUBLIC DURING THE PERIOD OF STAY AT HOME ORDERS. IF SUCH WRITINGS ARE DISTRIBUTED TO MEMBERS OF THE FINANCE COMMITTEE LESS THAN TWENTY-FOUR (24) HOURS PRIOR TO THE MEETING, THEY WILL BE SENT TO PARTICIPANTS REQUESTING VIA EMAIL DELIVERY. IF SUCH WRITINGS ARE DISTRIBUTED IMMEDIATELY PRIOR TO, OR DURING, THE MEETING, THEY WILL BE AVAILABLE IMMEDIATELY ON VERBAL REQUEST TO BE DELIVERED VIA EMAIL TO REQUESTING PARTIES.

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

THOSE WISHING TO ADDRESS THE FINANCE COMMITTEE ON ANY ITEM LISTED ON THE AGENDA WILL BE REQUESTED TO IDENTIFY AT THE OPENING OF THE MEETING AND PRIOR TO THE CLOSE OF THE MEETING. THE AUTHORITY REQUESTS THAT YOU STATE YOUR NAME WHEN MAKING THE REQUEST IN ORDER THAT YOUR NAME MAY BE CALLED TO SPEAK ON THE ITEM OF INTEREST. THE CHAIR OF THE MEETING WILL RECOGNIZE SPEAKERS FOR COMMENT AND GENERAL MEETING DECORUM SHOULD BE OBSERVED IN ORDER THAT SPEAKERS ARE NOT TALKING OVER EACH OTHER DURING THE CALL.

3. Approval of Minutes

- a. Finance Committee Meeting of March 15, 2022
- b. Finance Committee Meeting of March 29, 2022

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

4. Financial Reports for the Month of March 2022

The reports included are as follows:

- a. Summary of Disbursements for March 2022 (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)
- f. Q3 Fringe Pool and Fringe Rate Forecast (Exhibit E-5) (Updated Fringe Rate)

Recommended Action: Staff recommends that the Board of Directors ratify the March 2022 disbursements for the period from March 1, 2022, through March 31, 2022, totaling \$3,237,151, and to receive and file the March 2022 Financial Reports as submitted.

5. Q3 FY 2021-22 Cash Roll Forward as of March 31, 2022

Recommended Action: Staff recommends that the Finance Committee recommend to the Board of Directors to receive and file the Q3 Fiscal Year 2021-22 Cash Roll Forward as submitted.

April 19, 2022

6. 457b Plan Loan Program Update

Staff is seeking concurrence of the Finance Committee to recommend the Board of Directors:

1. Approval for the SOCWA 457b Plan Loan Program to allow for an offset of payments otherwise due to retirees to be allocated to retiree loan repayments following separation from employment with the caveat that should the repayment source become unavailable the loan balance would then become a taxable distribution event. [Employee Authorization Form attached]
2. Revision to the Nationwide 457b Plan Administration Agreement to allow for SOCWA to submit the offset monies for the repayment of loan amounts via Nationwide's Fast Pay system. [Document attached]

7. SOCWA 457b Plan Investment Policy Update

Recommended Action: Staff is seeking a Finance Committee recommendation to the Board to approve the SOCWA Employee Committee moving ahead to sign a revised Investment Policy Statement.

8. FY2021/22 O&M Budget Update and Proposed Budget Amendments

Recommended Action: Staff recommends that the Finance Committee recommend to the Board of Directors:

- a. PC 2 Board to approve JBL budget line items to be amended by \$430,000 and allocated as reported.
- b. PC 17 Board to approve RTP budget line items to be amended by \$100,000 and allocated as reported.

9. FY 2022-23 O&M Environmental Safety, General Fund, Administration, Residual Engineering, IT, and Capital Budget Workshop

- Staff Presentation of PowerPoint attached.

Recommended Action: Committee discussion, comments, and direction

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 14th day of April 2022.



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

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

March 15, 2022

The Special Meeting of the South Orange County Wastewater Authority (SOCWA) Finance Committee Meeting was held on March 15, 2022 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 Zoom Meeting:

DAN FERONS	Santa Margarita Water District	Director
DAVID SHISSLER	City of Laguna Beach	Alternate Director
DENNIS CAFFERTY	El Toro Water District	Alternate Director
PAMELA ARENDS-KING	South Coast Water District	Alternate Director
MATT COLLINGS	Moulton Niguel Water District	Director
STEVE MAY	City of San Juan Capistrano	Alternate Director

Staff Participation:

BETTY BURNETT	General Manager
AMBER BAYLOR	Director of Environmental Compliance
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	Procurement/ Contracts Manager
DINA ASH	HR Administrator
MATT CLARKE	IT Administrator
DANITA HIRSH	Executive Assistant

Also Participating:

ADRIANA OCHOA	Procopio Law
KATHRYN FRESHLEY	El Toro Water District
SHERRY WANNINGER	Moulton Niguel Water District
JASON HAYDEN	El Toro Water District
TREVOR AGRELIUS	Moulton Niguel Water District
CLAIRE COLLINS	Hanson Bridgett Law
EILEEN LIN	Irvine Ranch Water District
MIKE GASKINS	El Toro Water District
JESUS GARIBAY	Moulton Niguel Water District
ERICA CASTILLO	Santa Margarita Water District
RICK SHINTAKU	South Coast Water District

1. Call Meeting to Order

Chairman Ferons called the meeting to order at 10:31 a.m.

2. Public Comments

None.

3. Approval of Minutes

- Finance Committee Meeting of February 15, 2022

Ms. Burnett noted corrections to agenda item 9, Items for Discussion on the February 15, 2022 Minutes.

ACTION TAKEN

Motion was made by Director Collings and seconded by Director Arends-King to approve Finance Committee Meeting Minutes for February 15, 2022 with the corrections as noted.

Motion carried:	Aye 6, Nay 0, Abstained 0, Absent 0
Director Ferons	Aye
Director Shissler	Aye
Director May	Aye
Director Cafferty	Aye
Director Collings	Aye
Director Arends-King	Aye

4. Financial Reports for the Month of January 2022

ACTION TAKEN

Motion was made by Director Collings and seconded by Director Cafferty to recommend to the Board of Directors to ratify the January 2022 disbursements for the period of January 1 through January 31, 2022, totaling \$3,838,632, and to receive and file the January 2022 Financial Reports as submitted.

Motion carried:	Aye 6, Nay 0, Abstained 0, Absent 0
Director Ferons	Aye
Director Shissler	Aye
Director May	Aye
Director Cafferty	Aye
Director Collings	Aye
Director Arends-King	Aye

5. FY 2022-23 Operations & Maintenance / Environmental Budget

The SOCWA Staff kicked off the proposed Budget Development presentation for FY 2022-23:

- Ms. Carey, Finance Controller presented the proposed key budget assumptions, general assumptions, and policy changes.
- Mr. Burror, Director of Operations and Ms. Baylor, Director of Environmental Compliance presented the O&M Budget by member agency, and by Project Committee and Member Agency, including Environmental and Safety cost drivers.
- Ms. Burnett, General Manager went over the upcoming budget schedule for the remainder of the fiscal year. An open discussion ensued.

This was an information item; no action was taken.

6. Actuary Firms Open Task Order Two-Year Contract Renewals

ACTION TAKEN

Motion was made by Director Collings and seconded by Director Arends-King to recommend that the Board of Directors authorize the General Manager to acquire the services of Bartel Associates and Nyhart over a two-year period in the amount of \$15,000.

Motion carried:	Aye 6, Nay 0, Abstained 0, Absent 0
Director Ferons	Aye
Director Shissler	Aye
Director May	Aye
Director Cafferty	Aye
Director Collings	Aye
Director Arends-King	Aye

Adjournment

There being no further business, Chairman Ferons adjourned the meeting at 11:59 a.m.

I HEREBY CERTIFY that the foregoing Minutes are a true and accurate copy of the Minutes of the Special Meeting of the South Orange County Wastewater Authority Finance Committee of March 15, 2022 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

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

March 29, 2022

The Special Meeting of the South Orange County Wastewater Authority (SOCWA) Finance Committee Meeting was held on March 29, 2022 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 Zoom Meeting:

TONI ISEMAN	City of Laguna Beach	Alternate Director
DENNIS CAFFERTY	El Toro Water District	Alternate Director
PAMELA ARENDS-KING	South Coast Water District	Alternate Director
MATT COLLINGS	Moulton Niguel Water District	Director

Absent:

DAN FERONS	Santa Margarita Water District	Director
STEVE MAY	City of San Juan Capistrano	Alternate Director

Staff Participation:

BETTY BURNETT	General Manager
AMBER BAYLOR	Director of Environmental Compliance
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	Procurement/ Contracts Manager
DINA ASH	HR Administrator
MATT CLARKE	IT Administrator
DANITA HIRSH	Executive Assistant

Also Participating:

ADRIANA OCHOA	Procopio Law
KATHRYN FRESHLEY	El Toro Water District
SHERRY WANNINGER	Moulton Niguel Water District
JASON HAYDEN	El Toro Water District
TREVOR AGRELIUS	Moulton Niguel Water District
FERNANDO PALUDI	Trabuco Canyon Water District
MIKE GASKINS	El Toro Water District
ERICA CASTILLO	Santa Margarita Water District
DAVID SHISSLER	City of Laguna Beach

1. Call Meeting to Order

Director Collings called the meeting to order at 10:33 a.m.

2. Public Comments

None.

3. Financial Reports for the Month of February 2022

ACTION TAKEN

Motion was made by Director Collings and seconded by Director Arends-King to recommend to the Board of Directors to ratify the February 2022 disbursements for the period of February 1 through February 28, 2022, totaling \$3,585,087 and to receive and file the February 2022 Financial Reports as submitted.

Motion carried:	Aye 4, Nay 0, Abstained 0, Absent 2
	Director Ferons Absent
	Director Shissler Aye
	Director May Absent
	Director Cafferty Aye
	Director Collings Aye
	Director Arends-King Aye

4. O&M / Environmental, Safety Budget Workshop – Fiscal Year 2022-2023 (23:11)

At the March 15, 2022 Finance Committee meeting staff presented the proposed FY 2022-2023 budget with continuing presentations on the explanation of payroll costs change in the Cost Drivers, COLA, and Merit increase in the year-over-year (YOY). The presentation also addressed O&M support to Engineering, and clarifications on budget line-item details as requested by the Finance Committee. An open discussion ensued.

This was an information item; no action was taken.

5. SOCWA 457b Plan Loan Program Amendment

Ms. Burnett reported on the proposed amendment to the SOCWA 457 B Plan Loan Program.

The Committee members raised questions regarding the purpose of the amendment along with questioning what the duration are of the loan(s) and who would be affected by the changes should the employee leave the organization. An open discussion ensued.

ACTION TAKEN

There was consensus of the Finance Committee to bring agenda item back to the Finance Committee for consideration of approval once the Committee members questions were answered.

Adjournment

There being no further business, Chairman Ferons adjourned the meeting at 12:02 p.m.

I HEREBY CERTIFY that the foregoing Minutes are a true and accurate copy of the Minutes of the Special Meeting of the South Orange County Wastewater Authority Finance Committee of March 29, 2022 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: April 19, 2022

TO: Finance Committee

FROM: Betty Burnett, General Manager

STAFF CONTACT: Mary Carey, Finance Controller

SUBJECT: Financial Reports for the Month of March 2022

Summary/Discussion

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

The reports included are as follows:

- a. Summary of Disbursements for March 2022 (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)
- f. Q3 Fringe Pool and Fringe Rate Forecast (Exhibit E-5) (Updated Fringe Rate)

Fiscal impact

March 2022 cash disbursements were: \$ 3,237,151.

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

Recommended Action: Staff recommends that the Board of Directors ratify the March 2022 disbursements for the period from March 1, 2022, through March 31, 2022, totaling \$3,237,151, and to receive and file the March 2022 Financial Reports as submitted.

Exhibit A

South Orange County Wastewater Authority Summary of Disbursements for March 2022 Staff Recommendation of Fiscal Matters

	<u>Actual</u>
General Fund	\$ (87,709)
PC 2 - Jay B. Latham Plant	(1,363,621)
PC 5 - San Juan Creek Ocean Outfall	(69,615)
PC 8 - Pretreatment Program	(16,755)
PC 12 SO - Water Reclamation Permits	(995)
PC 15 - Coastal Treatment Plant/AWT	(740,177)
PC 17 - Joint Regional Wastewater Reclamation	(934,468)
PC 21 - Effluent Transmission Main	(289)
PC 23 - North Coast Interceptor	-
PC 24 - Aliso Creek Ocean Outfall	(23,523)
Total	<u>\$ (3,237,151)</u>

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
SCHEDULE OF FUNDS AVAILABLE FOR REINVESTMENT
as of March 31, 2022**

CASH IN BANK: (BEGINNING BAL.)	\$ 1,690,752
L.A.I.F. FUNDS: (BEGINNING BAL.)	12,593,673
DEPOSITS, TRANSFERS & ADJUSTMENTS:	1,134,416
FUND REQUIREMENTS:	
BILLS FOR CONSIDERATION ¹	<u>(3,237,151)</u>
TOTAL CASH IN BANK	<u>\$ 12,181,690</u>

¹ 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 04/06/22



PMIA Average Monthly Effective Yields⁽¹⁾

Mar	0.365
Feb	0.278
Jan	0.234

Quarterly Performance Quarter Ended 12/31/21

LAIF Apportionment Rate ⁽²⁾ :	0.23
LAIF Earnings Ratio ⁽²⁾ :	0.00000625812849570
LAIF Fair Value Factor ⁽¹⁾ :	0.997439120
PMIA Daily ⁽¹⁾ :	0.22%
PMIA Quarter to Date ⁽¹⁾ :	0.21%
PMIA Average Life ⁽¹⁾ :	340

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 02/28/22 \$199.1 billion

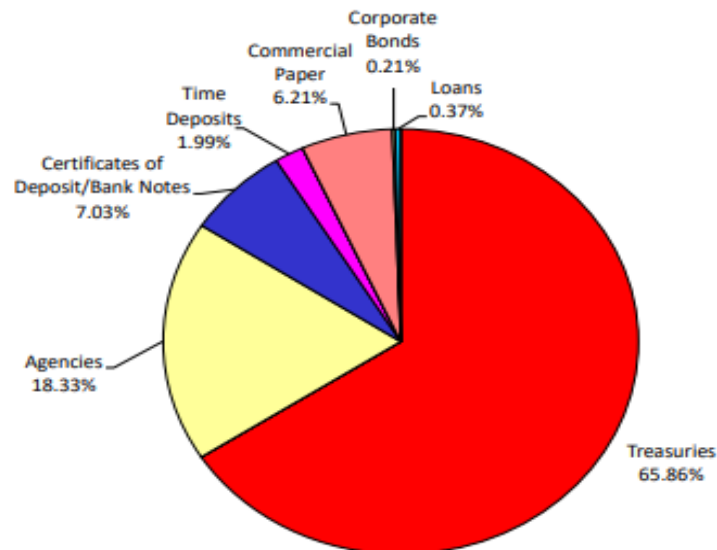


Chart does not include \$5,920,000.00 in mortgages, which equates to 0.003%. Percentages may not total 100% due to rounding.

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).

Exhibit C

**South Orange County Wastewater Authority
Schedule of Cash and Investments
as of March 31, 2022**

MVA	\$ 9,580	(A)
A/P Checking	1,468,689	(B)
Payroll Checking	142,749	(C)
State LAIF	10,560,673	(D)
Total Cash in Bank¹	\$ 12,181,690	
Petty Cash	1,600	(E)
Total Operating Cash	\$ 12,183,290	
OPEB Trust	6,447,252	(F)
Total Cash and Investments	\$ 18,630,542	

¹Bank balance at the end of a month may differ from an accounting closing balance as there may be in-transit items that haven't cleared the bank.

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.

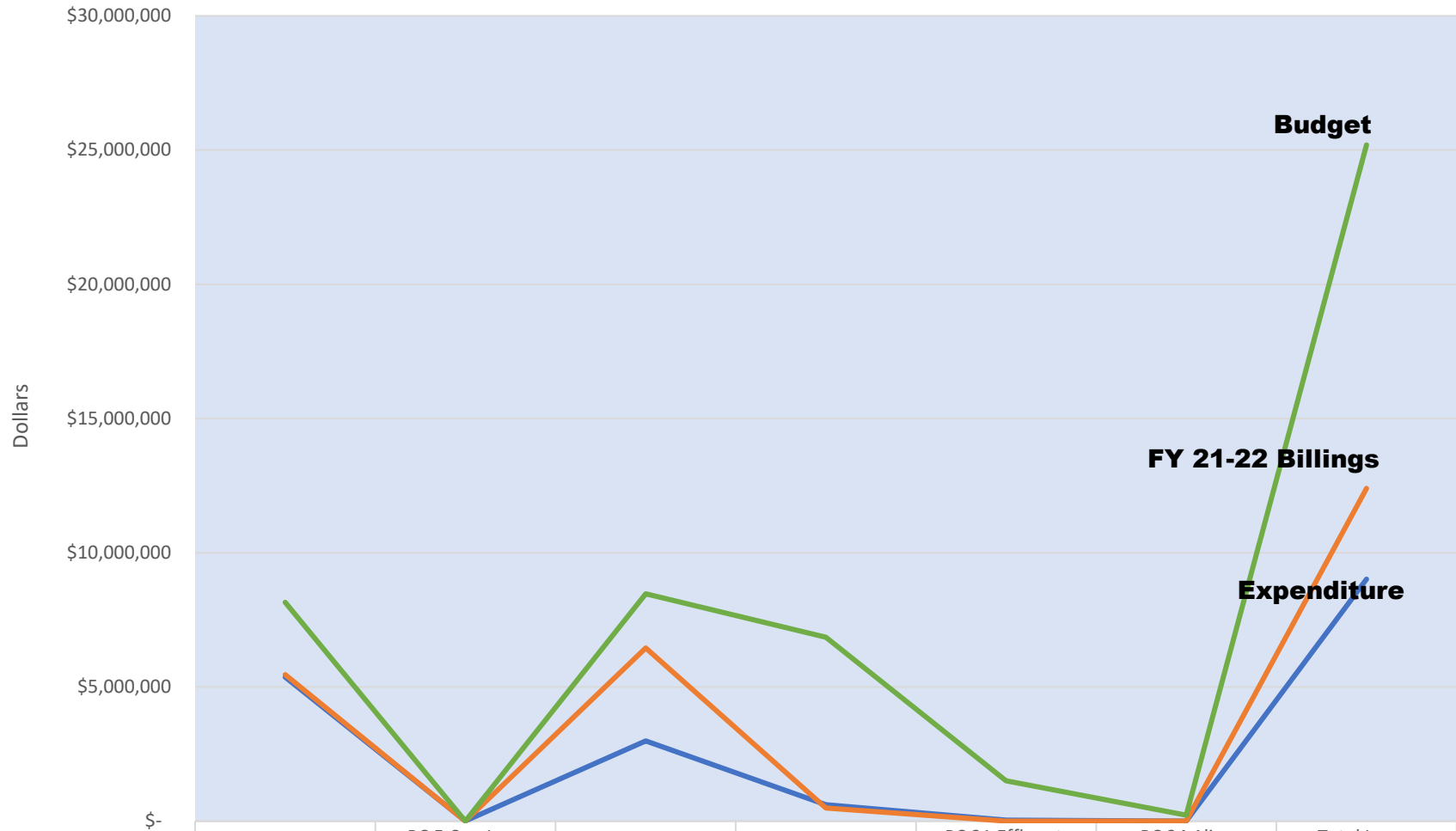
**South Orange County Wastewater Authority
Capital Projects Summaries
For the Period Ended March 31, 2022
(in dollars)**

FY 2021-22 Budget vs. Actual Spending								
<u>Description</u>	Capital Budget	Fiscal Year Spending	(Over)/ Under Budget	% Expended	Member Agency Billed	Member Agency Collections	Open Receivables	% Expended vs. Billed
PC 2-JB Latham	\$ 8,153,937	\$ 5,362,914	\$ 2,791,023	65.8%	\$ 5,452,000	\$ 5,452,000	\$ -	98.4%
PC 5-San Juan Creek Outfall ¹	-	7,904	(7,904)	-	-	-	-	-
PC 15-Coastal	8,464,653	2,991,810	5,472,843	35.3%	6,454,999	6,454,999	-	46.3%
PC 17-Regional	6,851,959	616,050	6,235,909	9.0%	488,249	488,249	-	126.2%
PC 21 Effluent Transmission	1,502,000	35,631	1,466,369	2.4%	-	-	-	-
PC 24 Aliso Creek Outfall	220,000	-	220,000	0.0%	-	-	-	-
Total Large Capital	\$ 25,192,549	\$ 9,014,309	\$ 16,178,240	35.8%	\$ 12,395,248	\$ 12,395,248	\$ -	72.7%
Non-Capital Engineering	405,871	39,798	366,073	9.8%	50,000	50,000	-	79.6%
Non-Capital Misc Engineering	254,500	4,783	249,717	1.9%	59,000	59,000	-	8.1%
Small Internal Capital	2,061,000	926,515	1,134,485	45.0%	1,545,750	1,545,750	-	59.9%
Total Capital	\$ 27,913,920	\$ 9,985,405	\$ 17,928,515	35.8%	\$ 14,049,998	\$ 14,049,998	\$ -	71.1%

¹ PC 5 is paid out of Cash on Hand collected in an earlier year

Large Capital Projects Fiscal Year '21-22 Budget vs. Year-to-Date Expenditures & Billings as of 3/31/2022

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 3/31/22	\$5,362,914	7,904.31	\$2,991,810	\$616,050	\$35,630.68	-	\$9,014,309
FY 21-22 Billings	\$5,452,000	-	\$6,454,999	\$488,249	-	-	\$12,395,248
Capital Budget 21-22	\$8,153,937	-	\$8,464,653	\$6,851,959	\$1,502,000	\$220,000	\$25,192,549

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

For the Period Ended March 31, 2022
(in dollars)

		FY 2021-22 Budget	Board Approved Expenditures*	Adjusted Budget	Actual	(Over)/Under Budget	% Expended	
Salary and Fringe								
5000--***	Regular Salaries-O&M	4,847,168		4,847,168	3,293,955	1,553,213	68.0%	
5001--***	Overtime Salaries-O&M	107,256		107,256	100,088	7,168	93.3%	
5306--***	Scheduled Holiday Work	91,000		91,000	77,593	13,407	85.3%	
5315--***	Comp Time - O&M	15,980		15,980	20,890	(4,910)	130.7%	
5401--***	Fringe Benefits IN to PC's & Depts.	2,511,460		2,511,460	1,801,205	710,255	71.7%	
5700--***	Standby Pay	67,600		67,600	50,961	16,639	75.4%	
	Total Payroll Costs	7,640,464	-	7,640,464	5,344,692	2,295,772	70.0%	
Other Expenses								
5002--***	Electricity	1,170,780		1,170,780	817,405	353,375	69.8%	
5003--***	Natural Gas	226,008		226,008	307,237	(81,229)	135.9%	(1)
5004--***	Potable & Reclaimed Water	85,000		85,000	51,634	33,366	60.7%	
5005--***	Co-generation Power Credit	(686,000)		(686,000)	(826,673)	140,673	120.5%	
5006--***	Chlorine/Sodium Hypochlorite	502,008		502,008	417,783	84,225	83.2%	
5007--***	Polymer Products	747,004		747,004	577,270	169,734	77.3%	
5008--***	Ferric Chloride	588,004		588,004	543,471	44,533	92.4%	
5009--***	Odor Control Chemicals	107,016		107,016	98,595	8,421	92.1%	
5010--***	Other Chemicals - Misc.	2,004		2,004	-	2,004	-	
5011--***	Laboratory Services	65,196		65,196	22,852	42,344	35.1%	
5012--***	Grit Hauling	120,000		120,000	131,669	(11,669)	109.7%	(8)
5013--***	Landscaping	219,008		219,008	160,194	58,814	73.1%	
5015--***	Management Support Services	475,000	60,000	535,000	94,153	440,847	17.6%	
5016--***	Audit - Environmental	1,304		1,304	-	1,304	-	
5017--***	Legal Fees	48,612	7,070	55,682	44,821	10,861	80.5%	
5018--***	Public Notices/ Public Relations	6,000		6,000	-	6,000	-	
5019--***	Contract Services Misc.	277,016		277,016	305,003	(27,987)	110.1%	
5021--***	Small Vehicle Expense	23,080		23,080	22,865	215	99.1%	
5022--***	Miscellaneous Expense	16,012		16,012	2,675	13,337	16.7%	
5023--***	Office Supplies - All	46,008		46,008	18,990	27,018	41.3%	
5024--***	Petroleum Products	34,008		34,008	11,978	22,030	35.2%	
5025--***	Uniforms	70,996		70,996	54,012	16,984	76.1%	
5026--***	Small Vehicle Fuel	22,656		22,656	11,809	10,847	52.1%	
5027--***	Insurance - Property/Liability	317,684		317,684	409,740	(92,056)	129.0%	(2)
5028--***	Small Tools & Supplies	80,000		80,000	46,968	33,032	58.7%	
5030--***	Trash Disposal	8,500		8,500	5,589	2,911	65.8%	
5031--***	Safety Program & Supplies	119,344		119,344	57,672	61,673	48.3%	
5032--***	Equipment Rental	7,004		7,004	12,626	(5,622)	180.3%	
5033--***	Recruitment	2,500		2,500	3,070	(570)	122.8%	
5034--***	Travel Expense/Tech. Conferences	29,928		29,928	2,717	27,211	9.1%	
5035--***	Training Expense	47,996		47,996	17,140	30,856	35.7%	
5036--***	Laboratory Supplies	124,400		124,400	90,517	33,883	72.8%	
5037--***	Office Equipment	25,992		25,992	15,314	10,678	58.9%	
5038--***	Permits	489,996		489,996	535,992	(45,996)	109.4%	(3)
5039--***	Membership Dues/Fees	17,872		17,872	8,694	9,178	48.6%	
5044--***	Offshore Monitoring	151,000		151,000	65,778	85,222	43.6%	
5045--***	Offshore Biochemistry - 20B	23,024		23,024	-	23,024	-	
5046--***	Effluent Chemistry	70,000		70,000	15,601	54,399	22.3%	
5047--***	Access Road Expenses	45,000		45,000	1,861	43,139	4.1%	
5048--***	Storm Damage	21,000		21,000	-	21,000	-	
5049--***	Biosolids Disposal	1,470,000		1,470,000	1,106,673	363,327	75.3%	
5050--***	Contract Services Generators - 29A	28,008		28,008	16,884	11,124	60.3%	
5052--***	Janitorial Services	101,004		101,004	59,890	41,114	59.3%	
5053--***	Contract Serv - Digester Cleaning - 29E	60,000		60,000	31,306	28,694	52.2%	(4)
5054--***	Diesel Truck Maint	42,000		42,000	39,633	2,367	94.4%	
5055--***	Diesel Truck Fuel	11,500		11,500	7,441	4,059	64.7%	
5056--***	Maintenance Equip. & Facilities (Solids)	366,000		366,000	358,644	7,356	98.0%	(5)
5057--***	Maintenance Equip. & Facilities (Liquids)	651,996		651,996	465,411	186,585	71.4%	
5058--***	Maintenance Equip. & Facilities (Common)	90,008		90,008	121,203	(31,195)	134.7%	(6)
5059--***	Maintenance Equip. & Facilities (Co-Gen)	738,996		738,996	664,416	74,580	89.9%	
5060--***	Maintenance Equip. & Facilities (AWT)	88,000		88,000	85,972	2,028	97.7%	
5061--***	Mileage	3,608		3,608	1,419	2,189	39.3%	
5068--***	MNWD Potable Water Supplies & Svcs.	28,000		28,000	27,311	689	97.5%	(7)
5074--***	Education Reimbursement	1,996		1,996	101	1,895	5.1%	

South Orange County Wastewater Authority
O & M & Environmental Safety Costs Summary
For the Period Ended March 31, 2022
(in dollars)

		FY 2021-22 Budget	Board Approved Expenditures*	Adjusted Budget	Actual	(Over)/Under Budget	% Expended
5076--**-**	SCADA Infrastructure	86,596		86,596	86,411	185	99.8%
5077--**-**	IT Direct	5,508		5,508	998	4,510	18.1%
5105--**-**	Co-Generation Power Credit - Offset	685,992		685,992	826,673	(140,681)	120.5%
5303--**-**	Group Insurance Waiver	14,392		14,392	12,157	2,235	84.5%
5305--**-**	Medicare Tax Payments for Employees	2,160		2,160	1,570	590	72.7%
5309--**-**	Operating Leases	26,000		26,000	22,350	3,650	86.0%
5705--**-**	Monthly Car Allowance	35,396		35,396	27,494	7,902	77.7%
5799--**-**	Zephyr Wall Costs Share-O&M	(14,000)		(14,000)	(14,000)	-	100.0%
6241--**-**	Education Reimbursement	-		-	449	(449)	-
6500--**-**	IT Allocations in to PC's & Depts.	610,540		610,540	415,505	195,035	68.1%
	Total Other Expenses	10,881,660	67,070	10,948,730	8,522,935	2,425,795	77.8%
Total O&M Expenses		18,522,124	67,070	18,589,194	13,867,627	4,721,567	74.6%

* 02/03/2022 Board approved budget amendment for PC 12-Water Reclamation Management Support Services, \$45,000, for Support Services Salt & Nutrient Management Plan.

* 02/03/2022 Board approved budget amendment for PC 2- \$5,000, PC 15- \$5,000, PC 17- \$5,000 Management Support Services, total \$15,000 for CASA Climate Change Program.

* 02/14/2022 PC 23 Committee approved budget amendment for PC 23 - \$7,070, for work performed on the Intertie Project.

- (1) Additional natural gas was used to run the cogeneration system at RTP during warranty repairs on the digester gas cleaning System.
- (2) Property Liability insurance rate increased due to insurers' increases in California.
- (3) Permit fees were received late December, paid in January. Permit fees will be fully expended.
- (4) JBL staff are performing work in solids areas that are usually unavailable during the ongoing Package B Construction Project shutdowns.
- (5) Increased solids from digester cleaning process and upstream treatment plant to JBL.
- (6) The Administrative buildings at JBL and RTP had sewer and water pipes repaired.
- (7) Annual laboratory proficiency testing costs for potable water certification. Costs expected to level out.
- (8) Increased solids from digester cleaning process and upstream treatment plant to JBL.

South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC
 For the Period Ended March 31, 2022
 (in dollars)

		FY 2021-22 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	1,585,228		1,585,228	1,161,013	424,215	73.2%	
02-5001-**-**	Overtime Salaries-O&M	37,904		37,904	56,648	(18,744)	149.5%	
02-5306-**-**	Scheduled Holiday Work	36,600		36,600	29,916	6,684	81.7%	
02-5315-**-**	Comp Time - O&M	8,264		8,264	11,955	(3,691)	144.7%	
02-5401-**-**	Fringe Benefits IN to PC's & Depts.	821,352		821,352	634,866	186,486	77.3%	
02-5700-**-**	Standby Pay	25,096		25,096	20,280	4,816	80.8%	
	Total Payroll Costs	2,514,444	-	2,514,444	1,914,678	599,766	76.1%	
Other Expenses								
02-5002-**-**	Electricity	506,564		506,564	411,398	95,166	81.2%	
02-5003-**-**	Natural Gas	132,160		132,160	151,921	(19,761)	115.0%	(1)
02-5004-**-**	Potable & Reclaimed Water	25,000		25,000	16,669	8,331	66.7%	
02-5006-**-**	Chlorine/Sodium Hypochlorite	8,000		8,000	17,748	(9,748)	221.9%	(1)
02-5007-**-**	Polymer Products	305,000		305,000	252,196	52,804	82.7%	
02-5008-**-**	Ferric Chloride	200,000		200,000	215,749	(15,749)	107.9%	(14)
02-5009-**-**	Odor Control Chemicals	21,004		21,004	25,581	(4,577)	121.8%	(14)
02-5010-**-**	Other Chemicals - Misc.	1,000		1,000	-	1,000	-	
02-5011-**-**	Laboratory Services	19,000		19,000	6,443	12,557	33.9%	
02-5012-**-**	Grit Hauling	55,000		55,000	79,978	(24,978)	145.4%	(2)
02-5013-**-**	Landscaping	77,004		77,004	54,795	22,209	71.2%	
02-5015-**-**	Management Support Services	30,008	5,000	35,008	28,065	6,943	80.2%	
02-5017-**-**	Legal Fees	4,996		4,996	2,482	2,514	49.7%	
02-5019-**-**	Contract Services Misc.	70,636		70,636	101,231	(30,595)	143.3%	(14)
02-5021-**-**	Small Vehicle Expense	11,000		11,000	5,613	5,387	51.0%	
02-5022-**-**	Miscellaneous Expense	8,000		8,000	1,669	6,331	20.9%	
02-5023-**-**	Office Supplies - All	29,000		29,000	9,756	19,244	33.6%	
02-5024-**-**	Petroleum Products	11,004		11,004	-	11,004	-	
02-5025-**-**	Uniforms	33,996		33,996	24,476	9,520	72.0%	
02-5026-**-**	Small Vehicle Fuel	10,004		10,004	4,923	5,081	49.2%	
02-5027-**-**	Insurance - Property/Liability	108,384		108,384	139,791	(31,407)	129.0%	(3)
02-5028-**-**	Small Tools & Supplies	38,000		38,000	14,745	23,255	38.8%	
02-5030-**-**	Trash Disposal	3,000		3,000	2,346	654	78.2%	
02-5031-**-**	Safety Program & Supplies	41,000		41,000	27,924	13,076	68.1%	
02-5032-**-**	Equipment Rental	3,000		3,000	971	2,029	32.4%	
02-5033-**-**	Recruitment	348		348	970	(622)	278.7%	
02-5034-**-**	Travel Expense/Tech. Conferences	9,012		9,012	820	8,192	9.1%	
02-5035-**-**	Training Expense	16,976		16,976	6,259	10,717	36.9%	
02-5036-**-**	Laboratory Supplies	21,004		21,004	12,447	8,557	59.3%	
02-5037-**-**	Office Equipment	13,000		13,000	5,490	7,510	42.2%	
02-5038-**-**	Permits	13,496		13,496	25,292	(11,796)	187.4%	(7)
02-5039-**-**	Membership Dues/Fees	4,516		4,516	2,308	2,208	51.1%	
02-5049-**-**	Biosolids Disposal	620,000		620,000	403,227	216,773	65.0%	
02-5050-**-**	Contract Services Generators - 29A	10,004		10,004	12,739	(2,735)	127.3%	(4)
02-5052-**-**	Janitorial Services	47,000		47,000	30,850	16,150	65.6%	
02-5053-**-**	Contract Serv - Digester Cleaning - 29E	60,000		60,000	31,306	28,694	52.2%	
02-5054-**-**	Diesel Truck Maint	22,000		22,000	16,936	5,064	77.0%	
02-5055-**-**	Diesel Truck Fuel - 37B	2,996		2,996	2,305	691	76.9%	
02-5056-**-**	Maintenance Equip. & Facilities (Solids)	155,000		155,000	172,571	(17,571)	111.3%	(5)
02-5057-**-**	Maintenance Equip. & Facilities (Liquids)	260,000		260,000	134,923	125,077	51.9%	
02-5058-**-**	Maintenance Equip. & Facilities (Common)	29,000		29,000	65,897	(36,897)	227.2%	(6)
02-5059-**-**	Maintenance Equip. & Facilities (Co-Gen)	277,120		277,120	233,503	43,617	84.3%	
02-5061-**-**	Mileage	2,104		2,104	685	1,419	32.6%	
02-5076-**-**	SCADA Infrastructure	28,960		28,960	27,137	1,823	93.7%	
02-5077-**-**	IT Direct	2,620		2,620	998	1,622	38.1%	
02-5303-**-**	Group Insurance Waiver	3,596		3,596	4,015	(419)	111.7%	
02-5309-**-**	Operating Leases	26,000		26,000	20,435	5,565	78.6%	
02-5705-**-**	Monthly Car Allowance	22,804		22,804	17,188	5,616	75.4%	
02-5799-**-**	Zephyr Wall Costs Share-O&M	(14,000)		(14,000)	(14,000)	-	100.0%	
02-6500-**-**	IT Allocations in to PC's & Depts.	199,812		199,812	135,980	63,832	68.1%	
	Total Other Expenses	3,585,128	5,000	3,590,128	2,946,750	643,378	82.1%	
	Total Expenses	6,099,572	5,000	6,104,572	4,861,428	1,243,144	79.6%	

South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC
For the Period Ended March 31, 2022
(in dollars)

		FY 2021-22 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	146,556		146,556	99,315	47,241	67.8%	
05-5001-**-**	Overtime Salaries-O&M	72		72	234	(162)	324.7%	
05-5306-**-**	Scheduled Holiday Work	416		416	350	66	84.0%	
05-5401-**-**	Fringe Benefits IN to PC's & Depts.	75,928		75,928	54,308	21,620	71.5%	
	Total Payroll Costs	222,972	-	222,972	154,206	68,766	69.2%	
Other Expenses								
05-5015-**-**	Management Support Services	212,500		212,500	36,856	175,644	17.3%	
05-5017-**-**	Legal Fees	2,008		2,008	-	2,008	-	
05-5026-**-**	Small Vehicle Fuel	500		500	-	500	-	
05-5027-**-**	Insurance - Property/Liability	9,668		9,668	12,470	(2,802)	129.0%	(3)
05-5031-**-**	Safety Supplies	1,052		1,052	-	1,052	-	
05-5033-**-**	Recruitment	556		556	-	556	-	
05-5034-**-**	Travel Expense/Tech. Conferences	1,512		1,512	339	1,173	22.4%	
05-5035-**-**	Training Expense	1,952		1,952	18	1,935	0.9%	
05-5036-**-**	Laboratory Supplies	35,000		35,000	23,257	11,744	66.4%	
05-5038-**-**	Permits	228,968		228,968	236,904	(7,936)	103.5%	(7)
05-5039-**-**	Membership Dues/Fees	216		216	-	216	-	
05-5044-**-**	Offshore Monitoring	75,496		75,496	33,962	41,534	45.0%	
05-5045-**-**	Offshore Biochemistry - 20B	11,512		11,512	-	11,512	-	
05-5046-**-**	Effluent Chemistry	35,000		35,000	6,998	28,002	20.0%	
05-5056-**-**	Maintenance Equip. & Facilities (Solids) 41-A	-		-	572	(572)	-	
05-5058-**-**	Maintenance Equip. & Facilities (Common)	1,004		1,004	375	629	37.4%	
05-6500-**-**	IT Allocations in to PC's & Depts.	18,464		18,464	12,562	5,902	68.0%	
	Total Other Expenses	635,408	-	635,408	364,311	271,097	57.3%	
	Total Expenses	858,380	-	858,380	518,518	339,862	60.4%	
08 - Pre Treatment								
Salary and Fringe								
08-5000-**-**	Regular Salaries-O&M	117,772		117,772	77,519	40,253	65.8%	
08-5401-**-**	Fringe Benefits IN to PC's & Depts.	61,016		61,016	42,389	18,627	69.5%	
	Total Payroll Costs	178,788	-	178,788	119,908	58,880	67.1%	
Other Expenses								
08-5011-**-**	Laboratory Services	3,200		3,200	405	2,795	12.7%	
08-5016-**-**	Audit - Environmental	1,304		1,304	-	1,304	-	
08-5017-**-**	Legal Fees	2,596		2,596	294	2,302	11.3%	
08-5018-**-**	Public Notices/ Public Relations	6,000		6,000	-	6,000	-	
08-5021-**-**	Small Vehicle Expense - 31A	1,076		1,076	-	1,076	-	
08-5022-**-**	Miscellaneous Expense	2,008		2,008	41	1,967	2.0%	
08-5026-**-**	Small Vehicle Fuel - 37A	1,148		1,148	245	903	21.4%	
08-5027-**-**	Insurance - Property/Liability	3,024		3,024	3,900	(876)	129.0%	(3)
08-5028-**-**	Small Tools & Supplies	3,000		3,000	2,033	967	67.8%	
08-5034-**-**	Travel Expense/Tech. Conferences	2,732		2,732	-	2,732	-	
08-5035-**-**	Training Expense	-		-	450	(450)	-	
08-5038-**-**	Permits and Fines	3,132		3,132	-	3,132	-	
08-5039-**-**	Membership Dues/Fees	-		-	438	(438)	-	
08-6500-**-**	IT Allocations in to PC's & Depts.	14,832		14,832	10,095	4,737	68.1%	
	Total Other Expenses	44,052	-	44,052	17,902	26,150	40.6%	
	Total Expenses	222,840	-	222,840	137,810	85,030	61.8%	
12 - Water Reclamation Permits								
Salary and Fringe								
12-5000-**-**	Regular Salaries-O&M	44,808		44,808	14,335	30,473	32.0%	
12-5401-**-**	Fringe Benefits IN to PC's & Depts.	23,208		23,208	7,838	15,370	33.8%	
	Total Payroll Costs	68,016	-	68,016	22,173	45,843	32.6%	
Other Expenses								
12-5015-**-**	Management Support Services	-	45,000	45,000	-	45,000	-	
12-5017-**-**	Legal Fees	2,000		2,000	1,983	17	99.2%	
12-5027-**-**	Insurance - Property/Liability	5,164		5,164	6,660	(1,496)	129.0%	(3)
12-5034-**-**	Travel Expense/Tech. Conferences	920		920	-	920	-	
12-5038-**-**	Permits	12,044		12,044	23,783	(11,739)	197.5%	(7)
12-5039-**-**	Membership Dues/Fees	68		68	-	68	-	
12-6500-**-**	IT Allocations in to PC's & Depts.	5,640		5,640	3,841	1,799	68.1%	
	Total Other Expenses	25,836	45,000	70,836	36,267	34,569	51.2%	
	Total Expenses	93,852	45,000	138,852	58,440	80,412	42.1%	

South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC
For the Period Ended March 31, 2022
(in dollars)

		FY 2021-22 Budget	Board Approved Expenditures*	Adjusted Budget	Actual	(Over)/Under Budget	% Expended	
15 - Coastal Treatment Plant								
Salary and Fringe								
15-5000-**-**	Regular Salaries-O&M	1,083,504		1,083,504	664,461	419,043	61.3%	
15-5001-**-**	Overtime Salaries-O&M	19,208		19,208	13,171	6,037	68.6%	
15-5306-**-**	Scheduled Holiday Work	15,584		15,584	15,575	9	99.9%	
15-5315-**-**	Comp Time - O&M	2,000		2,000	3,004	(1,004)	150.2%	
15-5401-**-**	Fringe Benefits IN to PC's & Depts.	561,396		561,396	363,341	198,055	64.7%	
15-5700-**-**	Standby Pay	16,504		16,504	6,500	10,004	39.4%	
	Total Payroll Costs	1,698,196	-	1,698,196	1,066,052	632,144	62.8%	
Other Expenses								
15-5002-**-**	Electricity	202,348		202,348	214,338	(11,990)	105.9%	(14)
15-5003-**-**	Natural Gas	2,872		2,872	3,710	(838)	129.2%	(14)
15-5004-**-**	Potable & Reclaimed Water	25,000		25,000	18,330	6,670	73.3%	
15-5006-**-**	Chlorine/Sodium Hypochlorite	94,004		94,004	63,383	30,621	67.4%	
15-5007-**-**	Polymer Products	1,004		1,004	-	1,004	-	
15-5008-**-**	Ferric Chloride	58,000		58,000	60,156	(2,156)	103.7%	(14)
15-5009-**-**	Odor Control Chemicals	51,004		51,004	34,140	16,864	66.9%	
15-5011-**-**	Laboratory Services	20,000		20,000	6,484	13,516	32.4%	
15-5012-**-**	Grit Hauling	23,000		23,000	17,038	5,962	74.1%	
15-5013-**-**	Landscaping	57,000		57,000	40,472	16,528	71.0%	
15-5015-**-**	Management Support Services	10,000	5,000	15,000	1,125	13,875	7.5%	
15-5017-**-**	Legal Fees	30,000		30,000	3,607	26,393	12.0%	
15-5019-**-**	Contract Services Misc.	91,732		91,732	93,161	(1,429)	101.6%	
15-5021-**-**	Small Vehicle Expense	4,004		4,004	5,375	(1,371)	134.2%	
15-5022-**-**	Miscellaneous Expense	1,000		1,000	262	738	26.2%	
15-5023-**-**	Office Supplies - All	4,004		4,004	3,418	586	85.4%	
15-5024-**-**	Petroleum Products	3,000		3,000	3,927	(927)	130.9%	
15-5025-**-**	Uniforms	9,000		9,000	6,232	2,768	69.2%	
15-5026-**-**	Small Vehicle Fuel	2,000		2,000	1,664	336	83.2%	
15-5027-**-**	Insurance - Property/Liability	47,112		47,112	60,764	(13,652)	129.0%	(3)
15-5028-**-**	Small Tools & Supplies	9,000		9,000	3,943	5,057	43.8%	
15-5030-**-**	Trash Disposal	2,996		2,996	1,530	1,466	51.1%	
15-5031-**-**	Safety Supplies	35,000		35,000	6,866	28,134	19.6%	
15-5032-**-**	Equipment Rental	1,000		1,000	-	1,000	-	
15-5033-**-**	Recruitment	312		312	100	212	32.1%	
15-5034-**-**	Travel Expense/Tech. Conferences	5,244		5,244	180	5,064	3.4%	
15-5035-**-**	Training Expense	11,632		11,632	4,073	7,559	35.0%	
15-5036-**-**	Laboratory Supplies	14,000		14,000	16,933	(2,933)	120.9%	
15-5037-**-**	Office Equipment	2,996		2,996	2,315	681	77.3%	
15-5038-**-**	Permits	4,820		4,820	3,895	925	80.8%	
15-5039-**-**	Membership Dues/Fees	4,960		4,960	1,854	3,106	37.4%	
15-5047-**-**	Access Road Expenses	45,000		45,000	1,861	43,139	4.1%	
15-5048-**-**	Storm Damage	21,000		21,000	-	21,000	-	
15-5049-**-**	Biosolids Disposal	-		-	10,308	(10,308)	-	(8)
15-5050-**-**	Contract Services Generators - 29A	5,000		5,000	-	5,000	-	
15-5052-**-**	Janitorial Services	12,004		12,004	9,516	2,488	79.3%	
15-5054-**-**	Diesel Truck Maint - 31B	1,000		1,000	500	500	0.50	
15-5055-**-**	Diesel Truck Fuel - 37B	504		504	-	504	-	
15-5057-**-**	Maintenance Equip. & Facilities (Liquids)	149,996		149,996	156,084	(6,088)	104.1%	
15-5058-**-**	Maintenance Equip. & Facilities (Common)	23,000		23,000	6,927	16,073	30.1%	
15-5060-**-**	Maintenance Equip. & Facilities (AWT)	38,000		38,000	28,764	9,236	75.7%	
15-5061-**-**	Mileage	500		500	100	400	20.1%	
15-5076-**-**	SCADA Infrastructure	28,952		28,952	27,137	1,815	93.7%	
15-5077-**-**	IT Direct	264		264	-	264	-	
15-5303-**-**	Group Insurance Waiver	3,600		3,600	2,852	748	79.2%	
15-5305-**-**	Medicare Tax Payments for Employees	2,160		2,160	1,570	590	72.7%	
15-5705-**-**	Monthly Car Allowance	4,196		4,196	3,166	1,030	75.5%	
15-6500-**-**	IT Allocations in to PC's & Depts.	136,476		136,476	92,880	43,596	68.1%	
	Total Other Expenses	1,299,696	5,000	1,304,696	1,020,941	283,755	78.3%	
	Total Expenses	2,997,892	5,000	3,002,892	2,086,993	915,899	69.5%	

South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC
 For the Period Ended March 31, 2022
 (in dollars)

		FY 2021-22 Budget	Board Approved Expenditures*	Adjusted Budget	Actual	(Over)/Under Budget	% Expended	
17 - Joint Regional Wastewater Reclamation and Sludge Handling								
Salary and Fringe								
17-5000-**-**	Regular Salaries-O&M	1,718,916		1,718,916	1,190,286	528,630	69.2%	
17-5001-**-**	Overtime Salaries-O&M	49,452		49,452	29,116	20,336	58.9%	
17-5306-**-**	Scheduled Holiday Work	38,136		38,136	31,403	6,733	82.3%	
17-5315-**-**	Comp Time - O&M	5,716		5,716	5,931	(215)	103.8%	
17-5401-**-**	Fringe Benefits IN to PC's & Depts.	890,632		890,632	650,874	239,758	73.1%	
17-5700-**-**	Standby Pay	26,000		26,000	24,180	1,820	93.0%	
	Total Payroll Costs	2,728,852	-	2,728,852	1,931,790	797,062	70.8%	
Other Expenses								
17-5002-**-**	Electricity	461,868		461,868	191,669	270,199	41.5%	
17-5003-**-**	Natural Gas	90,976		90,976	151,606	(60,630)	166.6%	(9)
17-5004-**-**	Potable & Reclaimed Water	35,000		35,000	16,635	18,365	47.5%	
17-5005-**-**	Co-generation Power Credit	(686,000)		(686,000)	(826,673)	140,673	120.5%	
17-5006-**-**	Chlorine/Sodium Hypochlorite	400,004		400,004	336,652	63,352	84.2%	
17-5007-**-**	Polymer Products	441,000		441,000	325,074	115,926	73.7%	
17-5008-**-**	Ferric Chloride	330,004		330,004	267,567	62,437	81.1%	
17-5009-**-**	Odor Control Chemicals	35,008		35,008	38,874	(3,866)	111.0%	(14)
17-5010-**-**	Other Chemicals - Misc.	1,004		1,004	-	1,004	-	
17-5011-**-**	Laboratory Services	22,996		22,996	9,520	13,476	41.4%	
17-5012-**-**	Grit Hauling - 21A	42,000		42,000	34,653	7,347	82.5%	
17-5013-**-**	Landscaping	85,004		85,004	64,927	20,077	76.4%	
17-5015-**-**	Management Support Services	9,996	5,000	14,996	10,625	4,371	70.9%	
17-5017-**-**	Legal Fees	5,004		5,004	29,392	(24,388)	587.4%	(10)
17-5019-**-**	Contract Services Misc.	96,312		96,312	110,613	(14,301)	114.8%	(14)
17-5021-**-**	Small Vehicle Expense	7,000		7,000	11,877	(4,877)	169.7%	
17-5022-**-**	Miscellaneous Expense	5,004		5,004	703	4,301	14.0%	
17-5023-**-**	Office Supplies - All	13,004		13,004	5,815	7,189	44.7%	
17-5024-**-**	Petroleum Products	20,004		20,004	8,051	11,953	40.2%	
17-5025-**-**	Uniforms	28,000		28,000	23,303	4,697	83.2%	
17-5026-**-**	Small Vehicle Fuel	9,004		9,004	4,977	4,027	55.3%	
17-5027-**-**	Insurance - Property/Liability	135,628		135,628	174,929	(39,301)	129.0%	(3)
17-5028-**-**	Small Tools & Supplies	30,000		30,000	26,246	3,754	87.5%	
17-5030-**-**	Trash Disposal	2,504		2,504	1,714	790	68.4%	
17-5031-**-**	Safety Supplies	41,248		41,248	22,882	18,366	55.5%	
17-5032-**-**	Equipment Rental	3,004		3,004	11,655	(8,651)	388.0%	
17-5033-**-**	Recruitment	728		728	2,000	(1,272)	274.7%	
17-5034-**-**	Travel Expense/Tech. Conferences	8,996		8,996	689	8,307	7.7%	
17-5035-**-**	Training Expense	15,480		15,480	6,322	9,158	40.8%	
17-5036-**-**	Laboratory Supplies	24,392		24,392	14,872	9,520	61.0%	
17-5037-**-**	Office Equipment	9,996		9,996	7,509	2,487	75.1%	
17-5038-**-**	Permits	10,612		10,612	26,772	(16,160)	252.3%	(7)
17-5039-**-**	Membership Dues/Fees	7,892		7,892	4,095	3,797	51.9%	
17-5049-**-**	Biosolids Disposal	850,000		850,000	693,138	156,862	81.5%	
17-5050-**-**	Contract Services Generators - 29A	13,004		13,004	4,145	8,859	31.9%	
17-5052-**-**	Janitorial Services	42,000		42,000	19,524	22,476	46.5%	
17-5054-**-**	Diesel Truck Maint	19,000		19,000	22,197	(3,197)	116.8%	
17-5055-**-**	Diesel Truck Fuel	8,000		8,000	5,136	2,864	64.2%	
17-5056-**-**	Maintenance Equip. & Facilities (Solids)	211,000		211,000	185,500	25,500	87.9%	(11)
17-5057-**-**	Maintenance Equip. & Facilities (Liquids)	242,000		242,000	174,405	67,595	72.1%	
17-5058-**-**	Maintenance Equip. & Facilities (Common)	36,000		36,000	48,003	(12,003)	133.3%	(12)
17-5059-**-**	Maintenance Equip. & Facilities (Co-Gen)	461,876		461,876	430,914	30,962	93.3%	
17-5060-**-**	Maintenance Equip. & Facilities (AWT) 41-E	50,000		50,000	57,208	(7,208)	114.4%	(15)
17-5061-**-**	Mileage	1,004		1,004	634	370	63.1%	
17-5068-**-**	MNWD Potable Water Supplies & Svcs.	28,000		28,000	27,311	689	97.5%	(13)
17-5074-**-**	Education Reimbursement	1,996		1,996	101	1,895	5.1%	
17-5076-**-**	SCADA Infrastructure	28,684		28,684	32,137	(3,453)	112.0%	
17-5077-**-**	IT Direct	2,624		2,624	-	2,624	-	
17-5105-**-**	Co-Generation Power Credit - Offset	685,992		685,992	826,673	(140,681)	120.5%	
17-5303-**-**	Group Insurance Waiver	7,196		7,196	5,289	1,907	73.5%	
17-5309-**-**	Operating Leases	-		-	1,915	(1,915)	-	
17-5705-**-**	Monthly Car Allowance	8,396		8,396	7,140	1,256	85.0%	
17-6241-**-**	Education Reimbursement	-		-	449	(449)	-	
17-6500-**-**	IT Allocations in to PC's & Depts.	216,520		216,520	147,348	69,172	68.1%	
	Total Other Expenses	4,655,964	5,000	4,660,964	3,804,715	856,249	81.6%	
	Total Expenses	7,384,816	5,000	7,389,816	5,736,505	1,653,311	77.6%	

South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC
For the Period Ended March 31, 2022
(in dollars)

		FY 2021-22 Budget	Board Approved Expenditures*	Adjusted Budget	Actual	(Over)/Under Budget	% Expended		
21 - Effluent Transmission Main									
Salary and Fringe									
21-5000-**-**-**	Regular Salaries-O&M	1,088		1,088	191	898	17.5%		
21-5001-**-**-**	Overtime Salaries-O&M	-		-	-	-	-		
21-5401-**-**-**	Fringe Benefits IN to PC's & Depts.	564		564	104	460	18.5%		
	Total Payroll Costs	1,652	-	1,652	295	1,357	17.8%		
Other Expenses									
21-5019-**-**-**	Contract Services Misc.	18,336		18,336	-	18,336	-		
21-5027-**-**-**	Insurance - Property/Liability	-		-	-	-	-		
	Total Other Expenses	18,336	-	18,336	-	18,336	0.0%		
	Total Expenses	19,988	-	19,988	295	19,693	1.5%		
23 - North Coast Interceptor									
Other Expenses									
23-5017-**-**-**	Legal Fees	-	7,070	7,070	7,063	7	99.9%		
	Total Expenses	-	7,070	7,070	7,063	7	99.9%		
24 - Aliso Creek Ocean Outfall									
Salary and Fringe									
24-5000-**-**-**	Regular Salaries-O&M	149,296		149,296	86,836	62,460	58.2%		
24-5001-**-**-**	Overtime Salaries-O&M	620		620	920	(300)	148.4%		
24-5306-**-**-**	Scheduled Holiday Work	264		264	350	(86)	132.4%		
24-5401-**-**-**	Fringe Benefits IN to PC's & Depts.	77,364		77,364	47,484	29,880	61.4%		
	Total Payroll Costs	227,544	-	227,544	135,590	91,954	59.6%		
Other Expenses									
24-5015-**-**-**	Management Support Services	212,496		212,496	17,482	195,014	8.2%		
24-5017-**-**-**	Legal Fees	2,008		2,008	-	2,008	-		
24-5027-**-**-**	Insurance - Property/Liability	8,704		8,704	11,226	(2,522)	129.0%	(3)	
24-5031-**-**-**	Safety Supplies	1,044		1,044	-	1,044	-		
24-5033-**-**-**	Recruitment	556		556	-	556	-		
24-5034-**-**-**	Travel Expense/Tech. Conferences	1,512		1,512	689	823	45.6%		
24-5035-**-**-**	Training Expense	1,956		1,956	18	1,939	0.9%		
24-5036-**-**-**	Laboratory Supplies	30,004		30,004	23,009	6,995	76.7%		
24-5038-**-**-**	Permits	216,924		216,924	219,346	(2,422)	101.1%	(7)	
24-5039-**-**-**	Membership Dues/Fees	220		220	-	220	-		
24-5044-**-**-**	Offshore Monitoring	75,504		75,504	31,817	43,687	42.1%		
24-5045-**-**-**	Offshore Biochemistry - 20B	11,512		11,512	-	11,512	-		
24-5046-**-**-**	Effluent Chemistry	35,000		35,000	8,603	26,397	24.6%		
24-5058-**-**-**	Maintenance Equip. & Facilities (Common) 41-C	1,004		1,004	-	1,004	-		
24-6500-**-**-**	IT Allocations in to PC's & Depts.	18,796		18,796	12,798	5,998	68.1%		
	Total Other Expenses	617,240	-	617,240	324,988	292,252	52.7%		
	Total Expenses	844,784	-	844,784	460,577	384,207	54.5%		
Total O&M Expenses		18,522,124	67,070	18,589,194	13,867,629	4,721,565	74.6%		

* 02/03/2022 Board approved budget amendment for PC 12-Water Reclamation Management Support Services, \$45,000, for Support Services Salt & Nutrient Management Plan.

* 02/03/2022 Board approved budget amendment for PC 2- \$5,000, PC 15- \$5,000, PC 17- \$5,000 Management Support Services, total \$15,000 for CASA Climate Change Program.

* 02/14/2022 PC 23 Committee approved budget amendment for PC 23 - \$7,070, for work performed on the Intertie Project.

South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC
For the Period Ended March 31, 2022

- (1) Increased solids from upstream treatment plants to JBL impacted operational costs.
- (2) Increased solids from digester cleaning process and upstream treatment plant to JBL.
- (3) Property Liability insurance rate increased due to insurers' increases in California.
- (4) Generator services are completed before the rainy season each year and are nearly complete for the Fiscal Year.
- (5) JBL staff are performing work in solids areas that are usually unavailable during the ongoing Package B Construction Project shutdowns.
- (6) The Administrative buildings at JBL and RTP had sewer and water pipes repaired.
- (7) Increased permit fees reported to the Board November 2021. No further increases this fiscal year.
- (8) Contaminated soils from the May and June sludge lines leaks were dried and disposed of as Biosolids.
- (9) Additional natural gas was used to run the cogeneration system at RTP during warranty repairs on the digester gas cleaning System.
- (10) Cost associated with landfill use.
- (11) Several failed RTP digester gas valves were isolated and replaced by specialty contractor.
- (12) Emergency repair for failed water line at RTP.
- (13) Annual laboratory proficiency testing costs for potable water certification. Costs expected to level out.
- (14) Costs elevated due to contract increases.
- (15) Additional valves failed ahead of the upcoming rehabilitation project.

Exhibit E-2

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

For the Period Ended March 31, 2022
(in dollars)

		FY 2021-22 Budget	Actual	(Over)/Under Budget	% Expended
Salary and Fringe					
01-5000-03-00-00	Regular Salaries-O&M	175,927	99,525	76,402	56.6%
01-5401-03-00-00	Fringe Benefits IN to PC's & Depts.	91,154	54,422	36,732	59.7%
	Total Payroll Costs	267,081	153,947	113,134	57.6%
Other Expenses					
01-5022-03-00-00	Miscellaneous Expense	3,184	479	2,705	15.1%
01-5023-03-00-00	Office Supplies - All	208	-	208	-
01-5031-03-00-00	Safety Supplies	306	-	306	-
01-5034-03-00-00	Travel Expense/Tech. Conferences	6,439	-	6,439	-
01-5035-03-00-00	Training Expense	2,244	-	2,244	-
01-5037-03-00-00	Office Equipment	408	-	408	-
01-5039-03-00-00	Membership Dues/Fees	1,377	1,223	154	88.8%
01-5061-03-00-00	Mileage	510	57	453	11.1%
01-5309-03-00-00	Operating Leases	9,300	-	9,300	-
01-5705-03-00-00	Monthly Car Allowance	4,200	2,294	1,906	54.6%
01-5802-03-00-00	Shipping/Freight	312	-	312	-
01-6500-03-00-00	IT Allocations in to PC's & Depts.	54,293	37,308	16,986	68.7%
	Total Other Expenses	82,781	41,360	41,421	50.0%
	Total Engineering Expenses	349,863	195,308	154,555	55.8%

South Orange County Wastewater Authority
Budget vs. Actual Comparison- Administration
For the Period Ended March 31, 2022
(in dollars)

		FY 2021-22 Budget	Actual	(Over)/Under Budget	% Expended
Salary and Fringe					
01-6000-04-00-00	Regular Salaries-Admin or IT	998,424	703,603	294,821	70.5%
01-6001-04-00-00	Overtime Salaries-Admin or IT	10,000	22,902	(12,902)	229.0% (1)
01-6315-04-00-00	Comp Time - Admin	5,000	2,626	2,374	52.5%
01-6401-04-00-00	Fringe Benefits IN to ADMIN or IT	517,316	384,745	132,572	74.4%
	Total Payroll Costs	1,530,740	1,113,875	416,865	72.8%
Other Expenses					
01-6018-04-00-00	Public Notices/Public Relations	3,270	-	3,270	-
01-6101-04-00-00	HR Recruitment & Employee Relations	24,350	15,937	8,413	65.5%
01-6102-04-00-00	Subscriptions	2,081	2,125	(44)	102.1%
01-6103-04-00-00	Contract Labor	50,000	20,383	29,617	40.8%
01-6200-04-00-00	Management Support Services	90,000	26,135	63,865	29.0%
01-6201-04-00-00	Audit	46,000	32,500	13,500	70.7%
01-6202-04-00-00	Legal	220,000	212,242	7,758	96.5%
01-6204-04-00-00	Postage	1,500	1,081	419	72.1%
01-6223-04-00-00	Office Supplies - Admin	4,500	1,287	3,213	28.6%
01-6224-04-00-00	Office Equipment Admin or IT	1,200	3,994	(2,794)	332.8% (2)
01-6234-04-00-00	Memberships & Trainings	88,000	106,549	(18,549)	121.1%
01-6239-04-00-00	Travel & Conference	11,000	9,968	1,032	90.6%
01-6241-04-00-00	Education Reimbursement	1,500	904	596	60.3%
01-6310-04-00-00	Miscellaneous	18,000	16,085	1,915	89.4%
01-6311-04-00-00	Mileage	1,236	148	1,087	12.0%
01-6317-04-00-00	Contract Services Misc	5,722	4,296	1,426	75.1%
01-6500-04-00-00	IT Allocations in to PC's & Depts.	125,761	85,586	40,175	68.1%
01-6601-04-00-00	Shipping/Freight	3,815	3,130	685	82.0%
01-6705-04-00-00	Monthly Car Allowance	12,000	9,046	2,954	75.4%
	Total Other Expenses	709,934	551,396	158,538	77.7%
Total Admin Expenses		2,240,674	1,665,271	575,403	74.3%

(1) Additional information requests and Meeting schedules are impacting need for overtime work.

(2) Planned purchase of ergonomic chairs; expenditures will level off.

South Orange County Wastewater Authority
Budget vs. Actual Comparison-IT
For the Period Ended March 31, 2022
(in dollars)

		FY 2021-22 Budget	Actual	(Over)/Under Budget	% Expended
Salary & Fringe					
01-6000-05-00-00	Regular Salaries-Admin or IT	100,076	78,391	21,685	78.3%
01-6401-05-00-00	Fringe Benefits IN to ADMIN or IT	51,852	42,866	8,986	82.7%
	Total Salary & Fringe	151,928	121,256	30,672	79.8%
Other Expenses					
01-6028-05-00-00	Small Tools & Supplies	1,000	200	800	20.0%
01-6035-05-00-00	Training Expense	3,000	1,725	1,275	57.5%
01-6224-05-00-00	Office Equipment Admin or IT	600	-	600	-
01-6234-05-00-00	Memberships & Trainings	2,750	-	2,750	-
01-6239-05-00-00	Travel & Conference	1,500	-	1,500	-
01-6300-05-00-00	Software Maintenance Agreements	41,026	19,005	22,021	46.3%
01-6301-05-00-00	Hardware Maintenance Agreements	14,726	4,937	9,789	33.5%
01-6302-05-00-00	Cloud Subscriptions (Internet)	177,328	154,479	22,849	87.1%
01-6303-05-00-00	Telecommunications	165,582	125,957	39,625	76.1%
01-6305-05-00-00	IT Professional Services	92,400	30,441	61,959	32.9%
01-6306-05-00-00	Small Hardware Purchases (< \$5k)	40,985	9,142	31,843	22.3%
01-6307-05-00-00	Small Software Purchases & Licenses (<\$5k)	28,968	23,789	5,179	82.1%
01-6308-05-00-00	IT Memberships	160	-	160	-
01-6309-05-00-00	Operating Leases	64,173	46,184	17,989	72.0%
01-6310-05-00-00	Miscellaneous	5,000	-	5,000	-
01-6312-05-00-00	Computer & Photocopy Supplies	-	1,282	(1,282)	-
	Total Other Expenses	639,198	417,142	222,056	65.3%
Total Expenses before Allocation		791,126	538,398	252,728	68.1%
IT Allocations (Out) to PC's & Depts					
01-6400-05-00-00	IT Allocations (OUT) to PC's & Depts.	(791,126)	(538,398)	(252,728)	68.1%
	Total IT Allocations (Out) to PC's & Depts	(791,126)	(538,398)	(252,728)	68.1%

**South Orange County Wastewater Authority
FY 2021-22 Fringe Benefits Pool and Rate Q3 Forecast**

The Fringe Rate will increase from Budgeted 51.8% to 54.7% primarily due to a lower Labor Base										
	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Budget	FY 2021-22 Forecast	\$Change	%Change
457 Plan - Employer Contributions (41 Participants)	\$13,821	\$83,925	\$75,524	\$64,550	\$74,097	\$72,639	\$80,000	\$80,000	\$0	
Accrued Administrative Leave	34,879	30,478	23,929	26,567	47,949	33,434	36,694	29,889	(6,805)	-18.5%
Accrued Holiday	221,783	220,371	234,247	244,674	251,092	262,771	296,993	258,085	(38,908)	-13.1%
Accrued Personal Leave	74,238	76,638	83,205	87,369	97,085	81,137	100,213	86,028	(14,185)	-14.2%
COVID 19 Federal Leave						44,236		1,533	1,533	
COVID 19 State Leave						15,910		25,000	25,000	
Accrued Sick Pay	242,262	262,987	204,767	274,389	233,159	289,940	316,082	277,208	(38,874)	-12.3%
Accrued Vacation	372,526	416,343	345,815	419,442	383,841	382,525	408,565	356,221	(52,345)	-12.8%
Bereavement Pay	1,345	8,088	10,892	10,820	9,043	12,149	8,700	11,000	2,300	26.4%
Jury Duty			5,817	3,149	5,156	1,005	5,000	3,500	(1,500)	-30.0%
Disability Insurance - Private	51,728	56,122	57,924	56,713	61,659	61,468	64,736	62,294	(2,442)	-3.8%
Group Medical Insurance	948,341	1,017,679	864,239	918,687	902,394	959,986	1,037,624	1,032,604	(5,020)	-0.5%
Medicare Tax - Employer	94,167	94,550	96,326	100,314	104,441	104,289	108,056	104,046	(4,010)	-3.7%
Retiree Health Savings Program (RHS)			17,800	29,600	39,600	48,000	55,200	55,200	0	0.0%
Retiree Health PARS Investment	500,000	504,000	210,000						0	
¹ Retiree Health Benefits	281,389	384,936	354,582	423,438	456,943				0	
Retirement - PERS Normal Costs	517,823	500,175	504,975	570,071	584,043	640,736	633,939	627,406	(6,534)	-1.0%
¹ Retirement - PERS Unfunded Liability	432,628	499,903	599,849	743,843	867,337				0	
Unemployment Ins./Reimbursement	1,378	1,234		11,608			1,000		(1,000)	-100.0%
Workers Compensation Ins.	76,883	212,990	233,538	159,452	192,000	121,937	153,353	183,038	29,685	19.4%
Total O&M Budget Fringe Benefits Pool	\$3,865,192	\$4,370,418	\$3,923,431	\$4,144,686	\$4,309,837	\$3,132,163	\$3,306,155	\$3,193,051	(\$113,104)	-3.4%
Change in Fringe Pool		13.1%	-10.2%	5.6%	4.0%	-27.3%	5.6%	-3.4%		

¹Retiree Health (OPEB) Pay-Go expenses and Unfunded Pension Liability (UAL) removed from Fringe Pool and Distributed by Member Agency based on the Board Approved Actuarial Methodology.

Agenda Item

5

Finance Committee Meeting

Meeting Date: April 19, 2022

TO: Finance Committee

FROM: Betty Burnett, General Manager

STAFF CONTACT: Mary Carey, Finance Controller

SUBJECT: Q3 FY 2021-22 Cash Roll Forward as of March 31, 2022

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 Q3, March 31, 2022

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 and Project
- Non-Capital Cash Roll Forward Balance by Project Committee and Project
- Non-Capital – Miscellaneous Cash Roll Forward Balance by Project Committee and Project
- Small Capital Cash Roll Forward balance by Project Committee and Project

Recommended Action: Staff recommends that the Finance Committee recommend to the Board of Directors to receive and file the Q3 Fiscal Year 2021-22 Cash Roll Forward as submitted.

**South Orange County Wastewater Authority
Cash Reconciliation
Fiscal Year End 2017, 2018, 2019, 2020, 2021
Q1, Q2 & Q3 2022 Preliminary**

	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	9/30/2021	12/31/2021	3/31/2022	Change +/-	% Change
(1) Cash on Hand (G/L Balance)¹	12,949,694	13,557,237	20,857,094	22,361,420	15,190,921	12,895,802	10,468,467	11,969,327	1,500,860	14.3%
Accounts Payable	(2,682,688)	(2,314,106)	(1,981,080)	(3,531,550)	(5,882,659)	(3,514,608)	(3,448,555)	(1,836,240)		
Accrued Payroll	(102,661)	(127,396)	(100,221)	(160,049)	(224,996)	(117,736)	(258,264)	(121,036)		
Accounts Receivable	1,069,282	1,660,444	14,179	49,286	59,478	16,200	676,331	27,449		
(2) PTO Reserves	(653,282)	(620,032)	(683,536)	(734,477)	(877,242)	(705,078)	(940,021)			
Due to Mbr Agency	(1,358,841)	(3,910,599)	(2,475,322)	(1,656,822)	(4,096,390)	(4,096,390)				
Due From Mbr Agency	1,069,819	2,433,322	856,669	870,004	1,280,615	1,280,615				
Mbr Agency Refund held for FY 19-20			(1,068,028)							
LAIF Fair Value Adjustment					(1,156)					
Prepaid	65,082	204,867	211,725	155,939	198,709	1,410,077	741,396	470,714		
Deposits	19,500									
(3) Available Cash	10,375,905	10,883,737	15,631,481	17,353,752	5,647,281	7,168,882	7,239,354	10,510,215		
(4) Large Capital Cash as of June 30th 2017, 2018, 2019, 2020, 2021, Q1 & Q2 & Q3 2022	9,168,439	8,793,369	15,067,539	15,616,950	6,973,860	7,770,263	6,528,239	9,030,804	2,502,565	38.3%
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								
Use Audit Settlement		216,467			(1,511,608)	(1,511,608)				
Use Audit Settlement	(49,931)	(49,931)								
(5) Total Large Capital Cash	10,041,229	10,238,817	15,067,539	15,616,950	5,462,252	6,258,655	6,528,239	9,030,804		
(6) Small Capital Carryover	(129,000)		172,996	565,000	161,729	161,729				
Non-Capital Carryover				369,508	203,442	203,442				
Non-Capital Misc. Carryover				252,298	132,113	132,113				
Cash Collected for PC 2 Zephyr Wall	76,318		76,318							
Other misc., fringe adj, interest adj, etc.	22,331	(4,916)			1,001					
Small Capital Cash Collected in Excess of Expenditures					547,506	547,506		636,295		
Non Capital Cash Collected in Excess of Expenditures					9,110	9,110		10,202		
Non Capital Misc Cash Collected in Excess of Expenditures					52,266	52,266		54,217		
O&M Cash Collected in Excess of Expenditures					215,060	215,060		564,703		
O&M, Small Cap, Non-Cap, Non-Cap Misc Use Audit Settlement					(1,304,166)	(1,304,166)				
O&M, Small Cap, Non-Cap, Non-Cap Misc Cash Collected in Excess of Expenditures						704,740	686,317			
Net Cash as of June 30th 2017, 2018, 2019, 2020, 2021 and Q1 2022	10,010,879	10,233,900	15,316,853	16,803,755	5,480,313	6,980,455	7,214,556	10,296,221		
(7) Difference	365,027	649,837	314,628	549,996	166,969	188,428	24,798	213,994		

**South Orange County Wastewater Authority
Cash Reconciliation
Fiscal Year End 2017, 2018, 2019, 2020, 2021
Q1, Q2 & Q3 2022 Preliminary**

	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	9/30/2021	12/31/2021	3/31/2022	Change +(-)	% Change
Additional Cash Is:										
Prior Balance	281,422	365,027	649,837	314,628	549,996	166,969	188,428	24,789		
Payment to Member Agencies			(649,837)	(314,628)	(549,996)		(166,969)			
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	74,802	8	3,330	(300)		
Recycling Income	11,708	2,112	1,618	1,966.23	2,947	5,700		1,892		
PC 23 Admin Payment	9,135				5,300	5,450				
Mutual Omaha Refund	8,034									
Interest received for 4th qtr	4,934	25,256	52,302	113,947	83,920	10,300				
LAIF Interest Adj.	3,000									
Grant Revenue SoCal Edison	1,500							187,613		
Other misc. expenses				(4,277)						
Sale of Fixed Assets		6,297	11,226	8,675						
Other misc adjustments										
Total Other Cash	365,027	649,837	314,628	549,996	166,969	188,428	24,789	213,994		

¹Cash on hand increased 14.3% because of large capital work billings for PC 02 and PC 15; and received \$187k in grant money.

Preliminary Cash Roll Forward Notes Q3 FY 2021-22

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

Total Large Capital Projects Cash Roll Forward for Q3 FY 2021-22

Large Capital Cash Balance as of March 31, 2022										
	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)	-	-	45,257	-	-	-	33,984	25,492	42,481	147,214
3252-000 - Plant 1 Standby Power Generator Repl (2017)	-	-	25,946	-	-	-	19,481	14,612	24,352	84,391
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)	-	-	45,357	-	-	-	34,032	25,524	42,541	147,453
3280-000 - Facility Improvements B - Basin Upgrades (2018)	-	-	2,439	-	-	-	1,897	1,493	2,394	8,222
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)	-	-	141,121	-	-	-	105,892	79,342	132,341	458,696
3221L-000 - Plant 2 Grit Area Rehabilitation	-	-	(27,783)	-	-	-	(20,837)	(15,628)	(26,046)	(90,294)
32226L - Effluent Pump Station Upgrades	-	-	(18,742)	-	-	-	(14,057)	(10,543)	(17,571)	(60,913)
Total PC 02 Liquids	-	-	250,736	-	-	-	189,413	142,060	236,767	818,977
Common										
3216-000 - Hoist System for Maintenance Shop (2013)	-	-	(0)	-	-	-	(0)	(0)	(0)	(1)
3260-000 - SCADA System Upgrade (2017)	-	-	(0)	-	-	-	(0)	(0)	(0)	(0)
3286-000 - PLC Upgrades (2018)	-	-	-	-	-	-	-	-	-	-
3221-000 - Electrical System Evaluation (2019)	-	-	1,824	-	-	-	1,342	1,371	1,466	6,003
3231-000 Facility Improvements B - Common Upgrades Construction	-	-	109,093	-	-	-	80,239	82,006	87,680	359,019
Total PC 02 Common	-	-	110,916	-	-	-	81,581	83,377	89,146	365,021
Solids										
3209-000 - Facility Improvements - Co-Generation Rep. (2016)	-	-	123,668	-	-	-	89,112	117,001	82,446	412,227
3287-000 - Facility Improvements B - DAFT and Ancillary Solids Improvements	-	-	332,665	-	-	-	239,742	314,699	221,777	1,108,883
3222-000 - Centrate System Design (2019)	-	-	(1,906)	-	-	-	(1,374)	(1,803)	(1,271)	(6,353)
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	-	-	570,689	-	-	-	411,273	539,874	380,460	1,902,295
Total PC2 JB Latham	-	-	932,341	-	-	-	682,266	765,312	706,374	3,086,293
PC 05 San Juan Creek Ocean Outfall										
3601-000 Junction Structure Reinforcement Phase II (2016)	-	(976)	(651)	-	-	-	(911)	(2,603)	(732)	(5,873)
3603-000 Dilution Study (2016)	-	9,889	6,593	-	-	-	9,228	26,370	7,420	59,500
3650-000 - Junction Structure Reinforcement Construction (2017)	-	-	-	-	-	-	-	-	-	-
3605-000 - Junction Structure Reinforcement Permitting and Final Design	-	(338)	(225)	-	-	-	(315)	(900)	(253)	(2,031)
3606-000 - Junction Struction - Sleeve Insertion (2021)	-	(0)	(0)	-	-	-	(0)	(0)	(0)	(1)
Total PC5 San Juan Creek Ocean Outfall	-	8,575	5,717	-	-	-	8,002	22,867	6,434	51,596

South Orange County Wastewater Authority

Total Large Capital Projects Cash Roll Forward for Q3 FY 2021-22

Large Capital Cash Balance as of March 31, 2022										
	16	17	18	19	20	21	22	23	24	
	CLB	CSC	CSJC	ETWD	EBSO	IRWD	MNWD	SMWD	SCWD	Total
PC 15 Coastal Treatment Plant										
Liquids										
3504-000 - Aeration System Modification Design (2015)	(251)	-	-	-	(20)	-	(194)	-	(198)	(663)
3514-000 - CTP Facility Upgrade Design and Financing (2016)	(1,860)	-	-	-	(146)	-	(1,435)	-	(1,464)	(4,906)
3530-000 Aliso Sulfur Creek Confluence (2014)	(12)	-	-	-	(1)	-	(9)	-	(9)	(31)
3532-000 - Fire Protection (2013)	11,404	-	-	-	899	-	8,161	-	8,979	29,443
3534-000 - Export Sludge System (1997)	(85,460)	-	-	-	(6,724)	-	(65,951)	-	(67,292)	(225,427)
3539-000 Facility Construction Improvements - Part II (2020)	187,922	-	-	-	14,796	-	145,013	-	147,974	495,705
3551-000 - Add for CTP Facility Upgrade Design (2017)	(7,554)	-	-	-	(595)	-	(5,829)	-	(5,948)	(19,925)
3553-000 - Plant Drainage Improvements (2017)	89,172	-	-	-	7,028	-	68,807	-	70,214	235,220
3592-000 - Facility Improvements Project Design (2018)	2,367	-	-	-	259	-	1,775	-	1,866	6,257
3525-000 - Personnel Building reconstruction (2019)	70,428	-	-	-	5,545	-	54,346	-	55,455	185,775
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 - AWWA Road Sites West 1 and West 2 Embankment Protection	38,360	-	-	-	3,020	-	29,601	-	30,205	101,185
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)	476,689	-	-	-	37,535	-	367,839	-	375,345	1,257,408
35220L-000 - Fiber Installation to Alicia Parkway	24,139	-	-	-	1,900	-	18,626	-	19,007	63,672
35228L-000 - Aeration Blower System Upgrades	116,850	-	-	-	9,201	-	90,168	-	92,008	308,226
3522AL-000 - Drainage Pump Station	18,661	-	-	-	1,470	-	14,400	-	14,694	49,225
3522CL-000 - West Basin Scum Collection System	15,571	-	-	-	1,227	-	12,016	-	12,261	41,075
3544-000 - Aeration Upgrade Construction - Part I (2021)	(84)	-	-	-	(7)	-	(65)	-	(66)	(221)
Total PC 15 Liquids	1,017,138	-	-	-	80,174	-	784,183	-	800,891	2,682,386
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	-	-	-	-	-	-	-	-	(24,875)	(24,875)
Total PC 15 Coastal Treatment Plant	1,017,138	-	-	-	80,174	-	784,183	-	776,015	2,657,511

South Orange County Wastewater Authority

Total Large Capital Projects Cash Roll Forward for Q3 FY 2021-22

Large Capital Cash Balance as of March 31, 2022									
16	17	18	19	20	21	22	23	24	
CLB	CSC	CSJC	ETWD	EBS	IRWD	MNWD	SMWD	SCWD	Total
PC 17 Joint Regional Wastewater Reclamation									
Liquids/AWT									
3701-000 - Secondary Electrical System Rerouting (2014)	-	-	-	-	-	-	-	-	-
3702-000 - Waste Activated Sludge VFD Control Panel (2013)	-	-	-	-	-	-	-	-	-
3707-000 - Influent Manholes 1 and 2 and Sewer Rehabilitation (2016)	-	-	-	-	-	-	-	-	-
3708-000 - Influent Junction Structure Gate Replacement (2016)	-	-	-	-	-	-	-	-	-
3712-000 - Grit Basin Drop Gate and Weir Replacement (2016)	-	-	-	-	-	-	-	-	-
3713-000 - Primary Inlet Drop Gate Replacement (2016)	-	-	-	-	-	-	-	-	-
3730-000 - Primary Gallery Upgrade (2014)	-	-	-	-	-	-	-	-	-
3733-000 AWT Backwash Pipe Relocation (2014)	-	-	-	-	-	-	-	-	-
3752-000 - AWT No.2 Upgrade Design (2017)013)	-	-	-	-	-	-	-	-	-
3753-000 Aeration Diffuser Upgrade (2020)	-	-	-	-	-	486,266	-	-	486,266
3758-000 AWT No.2 Reconstruction (2020)	-	-	-	-	-	119,133	-	-	119,133
3781-000 - Primary Scum Skimmer Replacement (2018)	-	-	-	-	-	-	-	-	-
3784-000 - Replace DAF (Mannich) Polymer System (2018)	-	-	-	-	-	-	-	-	-
3785-000 - Replace DAF Dissolution Tank System and Compressors (2018)	-	-	-	-	-	-	-	-	-
3786-000 - Primary Gallery Mechanical and Electrical Upgrade (2018)	-	-	-	-	-	-	-	-	-
3787-000 - Aeration Area Upgrade Design (2018)	-	-	-	-	-	5,354	-	-	5,354
3741-000 - Southwest Influent Sewer and MH Repair design (2019)	-	-	-	-	-	-	-	-	-
3742-000 - Aeration System Upgrade (2019)	-	-	-	-	-	97,392	-	-	97,392
3743-000 - Aeration Gate Replacement (2019)	-	-	-	-	-	-	-	-	-
3755-000 Southeast Sewer Rehabilitation (2020)	-	-	-	-	-	-	-	-	-
3756-000 Secondary Clarifier Safety Repairs (2020)	-	-	-	-	-	-	-	-	-
3757-000 Miscellaneous Safety Improvements - Liquids (2020)	-	-	-	-	-	-	-	-	-
3759-000 AWT No.2 Electrical Upgrades (2020)	-	-	-	-	-	105,364	-	-	105,364
3766-000 AWT Sodium Hypochlorite Tanks Shade (2020)	-	-	-	-	-	-	-	-	-
3774-000 - MCC A, C, G, H Replacement (Liquids) (2021)	-	-	-	-	-	(5,014)	-	-	(5,014)
Total PC 17 Liquids	-	-	-	-	-	808,495	-	-	808,495

South Orange County Wastewater Authority

Total Large Capital Projects Cash Roll Forward for Q3 FY 2021-22

Large Capital Cash Balance as of March 31, 2022									
	16	17	18	19	20	21	22	23	24
	CLB	CSC	CSJC	ETWD	EBSD	IRWD	MNWD	SMWD	SCWD
									Total
Common									
3715-000 - Switchgear Upgrade (2006)	-	-	-	-	-	-	-	-	-
3717-000 - Security Fencing (2015)	86	-	-	7	4	-	(165)	-	0
3718-000 - Access Bridge Upgrades (2015)	650	-	-	48	29	-	(1,257)	-	(8)
3761-000 - External Lighting Upgrade	22,511	-	-	38,296	1,192	-	293,960	-	373,946
3763-000 - Reroute Drains on Plant Perimeter (2017)	1,687	-	-	3,073	90	-	23,898	-	30,096
3764-000 - SCADA Improvements (2017)	726	-	-	2,762	45	-	23,535	-	27,642
3769-000 Trailer Drain Line (2020)	-	-	-	-	-	-	-	-	-
3788-000 - PLC Upgrade	-	-	-	-	-	-	-	-	-
3789-000 - Switchgear Upgrade Project Completion (2018)	-	-	-	-	-	-	-	-	-
3744-000 - Admin Building Repair design (2019)	854	-	-	1,398	45	-	10,645	-	13,625
3745-000 - West Slope Protection Evaluation (2019)	2,261	-	-	3,700	119	-	28,176	-	36,064
3746-000 - Motor Control Center A, G, H Design (2019)	4,844	-	-	7,927	255	-	60,360	-	77,257
3747-000 - Southside Plant Manhole Reconstruction (2019)	585	-	-	957	31	-	7,285	-	9,325
3748-000 - SE electrical Manhole reconstruction (2019)	(773)	-	-	(1,265)	(41)	-	(9,635)	-	(12,332)
37229C-000 - Laboratory Reconstruction	2,398	-	-	3,924	126	-	29,884	-	38,249
3779-000 - MCC A, C, G, H Replacement (Common) (2021)	(21)	-	-	(34)	(1)	-	(259)	-	(332)
Total PC 17 Common	35,809	-	-	60,792	1,893	-	466,429	-	593,532
Solids									
3722-000 - Co-gen Sys Retrofit (formerly Siloxane) (2015)	-	-	-	-	-	-	-	-	-
3723-000 - Recoat Top of Digesters (2016)	0	-	-	(1)	(0)	-	0	-	(0)
3724-000 Energy Building Structural and HVAC Modifications (2015)	(1,060)	-	-	(1,928)	(56)	-	(5,556)	-	(9,445)
3726-000 Co-Generation System Retrofit Design	(374)	-	-	(681)	(20)	-	(1,961)	-	(3,335)
3770-000 - Additional Budget CoGen Upgrade (2017)	0	-	-	-	-	-	1	-	1
3790-000 - Solids Area Upgrade Design (2018)	(6,437)	-	-	(11,710)	(339)	-	(33,748)	-	(57,374)
3791-000 - Cogeneration Area Upgrade Project Completion (2018)	-	-	-	-	-	-	-	-	-
3749-000 - Phase I Solids Piping Upgrade (2019)	43,023	-	-	78,260	2,263	-	225,540	-	383,441
3750-000 - Dewatering room Floor Sealing and Lighting (2019)	11,676	-	-	21,239	614	-	61,210	-	104,063
3751-000 - Energy Building Roof and Breezeway (2019)	-	-	-	-	-	-	-	-	-
3754-000 - SET Piping Reconstruction (2019)	6,115	-	-	11,123	322	-	32,057	-	54,500
3771-000 - Miscellaneous Safety Improvements - Solids (2020)	8,718	-	-	15,859	459	-	45,704	-	77,702
3772-000 - Hot Water Piping Reconstruction (2020)	35,139	-	-	63,920	1,848	-	184,211	-	313,178
3773-000 - Co-Generation System Modifications (2020)	23,262	-	-	42,315	1,223	-	121,950	-	207,328
Total PC 17 Solids	120,061	-	-	218,397	6,314	-	629,409	-	1,070,058
Total PC 17 Joint Regional Wastewater Reclamation	155,870	-	-	279,189	8,207	-	1,904,333	-	2,472,086

South Orange County Wastewater Authority

Total Large Capital Projects Cash Roll Forward for Q3 FY 2021-22

Large Capital Cash Balance as of March 31, 2022									
16	17	18	19	20	21	22	23	24	
CLB	CSC	CSJC	ETWD	EBSD	IRWD	MNWD	SMWD	SCWD	Total
PC 21 Effluent Transmission Main									
Reach B/C/D									
3101-000 - Trail Bridge Crossing Protection - Phase I (D) (2016)	-	-	-	135,283	-	135,281	-	-	270,563
3105-000 - Air Valve Replacement Design and Permitting (D) (2020)	-	-	-	18,262	-	18,262	-	-	36,523
3107-000 - Air Valve Replacement Construction (D) (2021)	-	-	-	19,000	-	19,000	-	-	38,000
Total PC21 Reach B/C/D	-	-	-	172,544	-	172,542	-	-	345,086
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)	-	-	-	17,431	-	17,431	39,980	-	74,843
3108-000 - Air Valve Replacement Construction (E) (2021)	-	-	-	14,440	-	14,440	33,120	-	62,000
Total PC21 Reach E	-	-	-	71,138	-	71,138	73,100	-	215,376
Total PC 21 Effluent Transmission Main	-	-	-	243,682	-	243,680	73,100	-	560,462
PC 24 Aliso Creek Ocean Outfall									
3401-000 - Emergency Plan Development (2016)	25	-	-	37	2	36	99	-	226
3407-000 - Internal Seal Replacement (2018)	(47)	-	-	(70)	(3)	(68)	(189)	-	(431)
3408-000 - Sampling System Repair (2020)	9,269	-	-	13,737	658	13,280	36,952	-	84,270
3480-000 - Internal Seal Replacement (2020)	13,067	-	-	19,363	927	18,721	52,090	-	118,792
Total PC 24 Aliso Creek Ocean Outfall	22,313	-	-	33,066	1,583	31,970	88,953	-	202,856
Total Large Capital Cash	1,195,321	8,575	938,058	555,937	89,964	275,649	3,540,837	788,179	9,030,804

South Orange County Wastewater Authority
Small Capital Cash Roll Forward Q3 FY 2021-22

PC 02 J B Latham

Liquids

2221-004	Aeration Header Noise Cover
2221-006	4-side WAS Pump Overhaul
2221-017	Fixed Gas Detectors - JBL Liquids
2222-001	2 ISCO Samplers (between 3 PC's)
2222-002	Laboratory Equipment and Probe Replacements (between 3 PC's)
2222-003	Building Lighting Improvements
2222-004	Pump Overhauls
2222-005	Replacement Liquids Side Bleach Tank
2222-006	Gate Replacements
2222-007	4-Side Headworks Roll up Door Replacement
2222-008	Replacement 4-Side Primary Scum Trough
2222-009	Mix Liquor Channel Air Line Replacement Project
2222-010	Spare Potable Water Pumps
2222-011	4-Side Replacement Primary Tank Covers

Total Liquids

Common

2222-012	Safety Equipment
2222-013	Site Security and Access Upgrades 2022 (between 3 PC's)
2222-014	JBL HP SCADA Server Switch
2222-015	PA System (between 3 PC's)

Total PC 2 Common

Solids

2221-028	Centrifuge Rebuild JBL
2222-016	Solids Buildings Door Replacements 21-22
2222-017	Pump Overhauls
2222-018	Foul Air Connection to Centrate Line
2222-019	Centrifuge Rebuild
2222-020	Replacement Flame Arresters
2222-021	Peterbilt Transmission Upfit (PC2/PC17)
2222-022	Engine Room Noise Reduction Project
2222-023	JBL Digester 1 and 2 Manway Access Improvements

Total PC 2 Solids

Total PC2 JB Latham

Small Capital Cash Balance as of March 31, 2022									
16	17	18	19	20	21	22	23	24	
CLB	CSC	CSJC	ETWD	EBSD	IRWD	MNWD	SMWD	SCWD	Total
-	-	(10,879)	-	-	-	(8,160)	(6,120)	(10,199)	(35,358)
-	-	(4,562)	-	-	-	(3,422)	(2,566)	(4,277)	(14,828)
-	-	(2,993)	-	-	-	(2,245)	(1,684)	(2,806)	(9,727)
-	-	1,614	-	-	-	1,212	909	1,515	5,250
-	-	6,693	-	-	-	5,019	3,765	6,273	21,750
-	-	5,076	-	-	-	3,807	2,856	4,761	16,500
-	-	(5,853)	-	-	-	(4,390)	(3,293)	(5,489)	(19,025)
-	-	5,772	-	-	-	4,323	3,246	5,409	18,750
-	-	962	-	-	-	720	541	903	3,126
-	-	6,693	-	-	-	5,019	3,765	6,273	21,750
-	-	4,614	-	-	-	3,465	2,595	4,326	15,000
-	-	5,769	-	-	-	4,326	3,246	5,409	18,750
-	-	2,307	-	-	-	1,731	1,299	2,163	7,500
-	-	41,538	-	-	-	31,155	23,364	38,943	135,000
-	-	56,751	-	-	-	42,562	31,923	53,203	184,438
-	-	2,280	-	-	-	1,674	1,713	1,833	7,500
-	-	11,394	-	-	-	8,382	8,565	9,159	37,500
-	-	3,417	-	-	-	2,514	2,571	2,748	11,250
-	-	14,814	-	-	-	10,896	11,136	11,904	48,750
-	-	31,905	-	-	-	23,466	23,985	25,644	105,000
-	-	(9,694)	-	-	-	(6,986)	(9,170)	(6,462)	(32,312)
-	-	5,175	-	-	-	3,729	4,896	3,450	17,250
-	-	(1,717)	-	-	-	(1,237)	(1,625)	(1,145)	(5,724)
-	-	2,250	-	-	-	1,623	2,127	1,500	7,500
-	-	12,375	-	-	-	8,919	11,706	8,250	41,250
-	-	4,500	-	-	-	3,243	4,257	3,000	15,000
-	-	1,125	-	-	-	810	1,065	750	3,750
-	-	5,625	-	-	-	4,053	5,322	3,750	18,750
-	-	(75,830)	-	-	-	(54,652)	(71,731)	(50,553)	(252,767)
-	-	(56,191)	-	-	-	(40,499)	(53,153)	(37,461)	(187,303)
-	-	32,465	-	-	-	25,529	2,756	41,386	102,135

South Orange County Wastewater Authority
Small Capital Cash Roll Forward Q3 FY 2021-22

		Small Capital Cash Balance as of March 31, 2022								
		16	17	18	19	20	21	22	23	24
		CLB	CSC	CSJC	ETWD	EBSD	IRWD	MNWD	SMWD	SCWD
		Total								
PC 15 Coastal Treatment Plant										
Liquids										
2222-001	2 ISCO Samplers (between 3 PC's)	1,989	-	-	-	156	-	1,539	-	1,566
2222-002	Laboratory Equipment and Probe Replacements (between 3 PC's)	5,688	-	-	-	447	-	4,389	-	4,476
2522-025	Pump/Blower Overhauls	(4,152)	-	-	-	(328)	-	(3,203)	-	(3,269)
2522-026	Pump Control Rehabilitations	11,373	-	-	-	897	-	8,775	-	8,955
2522-027	Building Lighting Improvements	14,217	-	-	-	1,119	-	10,971	-	11,193
2522-028	Two Spare Foul Air Fans	9,951	-	-	-	783	-	7,680	-	7,836
2522-029	Liquids Buildings Door Replacements	10,843	-	-	-	854	-	8,366	-	8,537
2522-030	Gallery Area Floor Rehabilitations	17,061	-	-	-	1,344	-	13,161	-	13,434
2522-031	Building #13 Roof Replacement	8,529	-	-	-	672	-	6,582	-	6,717
2522-032	Potable Water Station Rehabilitation	11,373	-	-	-	897	-	8,775	-	8,955
2522-033	Drainage Pumping Station Roof Replacement	7,107	-	-	-	561	-	5,484	-	5,598
2522-034	Headworks Driveway Replacement	5,688	-	-	-	447	-	4,386	-	4,479
2522-047	Muffin Monster	(6,439)	-	-	-	(507)	-	(4,969)	-	(5,070)
Total PC 15 Liquids		93,227	-	-	-	7,343	-	71,937	-	73,406
Common										
2221-021	Ultrasonic Testing Equipment (between 3 PC's)	(5,005)	-	-	-	(394)	-	(3,862)	-	(3,941)
2520-022	Fixed Gas Detector Equipment	(25,787)	-	-	-	(2,030)	-	(19,898)	-	(20,304)
2222-013	Site Security and Access Upgrades 2022 (between 3 PC's)	12,795	-	-	-	1,008	-	9,873	-	10,074
2222-015	PA System (between 3 PC's)	18,477	-	-	-	1,449	-	14,268	-	14,556
2522-035	Safety Equipment	2,844	-	-	-	225	-	2,193	-	2,238
2522-036	Landscape Renovations 21-22	10,236	-	-	-	807	-	7,896	-	8,061
2522-038	Replacement Roll Up Door	8,529	-	-	-	672	-	6,582	-	6,717
2522-039	CTP PLC Hardware Upgrades and Replacements 21-22	4,266	-	-	-	336	-	3,291	-	3,357
2522-040	CTP HP SCADA Server Switch	4,266	-	-	-	336	-	3,291	-	3,357
2522-041	CTP OIT Replacements 21-22	2,844	-	-	-	225	-	2,193	-	2,238
Total PC 15 Common		33,465	-	-	-	2,633	-	25,826	-	26,352
AWT										
2522-043	Replacement Turbidity Meter	-	-	-	-	-	-	-	-	5,250
Total PC 15 AWT		-	-	-	-	-	-	-	-	5,250
Total PC 15 Coastal Treatment Plant		126,692	-	-	-	9,976	-	97,763	-	105,009

South Orange County Wastewater Authority
Small Capital Cash Roll Forward Q3 FY 2021-22

PC 17 Joint Regional Wastewater Reclamation

Liquids

2222-001	2 ISCO Samplers (between 3 PC's)
2222-002	Laboratory Equipment and Probe Replacements (between 3 PC's)
2722-046	Scum Pump Overhaul/Replacements
2722-047	Rebuild Low Pressure Water Pump
2722-048	Grit Pump Overhaul/Replacements
2722-049	Primary Pump Overhaul/Replacements
2722-050	Interstage Pump Overhaul
2722-051	Replacement RAS Valves
2722-052	Spare RAS Bleach Pump
2722-053	Headworks Area Building Doors
2722-054	Primary Area Building Doors
2722-072	Effluent Discharge Channel Cover

Total PC 17 Liquids

Common

2222-013	Site Security and Access Upgrades 2022 (between 3 PC's)
2222-015	PA System (between 3 PC's)
2722-055	Safety Equipment
2722-056	Access Road Repaving
2722-057	Landscape Renovations 21-22
2722-059	RTP HP SCADA Server Switch

Total PC 17 Common

Small Capital Cash Balance as of March 31, 2022									
16	17	18	19	20	21	22	23	24	
CLB	CSC	CSJC	ETWD	EBSD	IRWD	MNWD	SMWD	SCWD	Total
-	-	-	-	-	-	5,250	-	-	5,250
-	-	-	-	-	-	15,000	-	-	15,000
-	-	-	-	-	-	(4,758)	-	-	(4,758)
-	-	-	-	-	-	7,500	-	-	7,500
-	-	-	-	-	-	(12,708)	-	-	(12,708)
-	-	-	-	-	-	(2,707)	-	-	(2,707)
-	-	-	-	-	-	36,750	-	-	36,750
-	-	-	-	-	-	(2,665)	-	-	(2,665)
-	-	-	-	-	-	18,750	-	-	18,750
-	-	-	-	-	-	26,250	-	-	26,250
-	-	-	-	-	-	24,750	-	-	24,750
-	-	-	-	-	-	(24,379)	-	-	(24,379)
-	-	-	-	-	-	87,032	-	-	87,032
3,288	-	-	5,388	174	-	41,016	-	2,634	52,500
3,198	-	-	5,232	168	-	39,846	-	2,556	51,000
471	-	-	771	24	-	5,859	-	375	7,500
1,176	-	-	1,923	63	-	(4,301)	-	939	(200)
942	-	-	1,539	51	-	11,715	-	753	15,000
705	-	-	1,155	36	-	8,790	-	564	11,250
9,780	-	-	16,008	516	-	102,925	-	7,821	137,050

South Orange County Wastewater Authority
Small Capital Cash Roll Forward Q3 FY 2021-22

		Small Capital Cash Balance as of March 31, 2022								
		16	17	18	19	20	21	22	23	24
		CLB	CSC	CSJC	ETWD	EBSD	IRWD	MNWD	SMWD	SCWD
		Total								
Solids										
2722-061	Solids Area Buildings Replacement Doors	3,786	-	-	6,888	198	-	19,854	-	3,024
2722-062	Spare Centrifuge Feed Pump	(1,363)	-	-	(2,481)	(72)	-	(7,146)	-	(1,088)
2722-063	Spare Centrifuge Cyclo Drive	2,103	-	-	3,828	111	-	11,028	-	1,680
2722-064	Replacement Digester Sludge Pump	4,377	-	-	7,959	231	-	22,938	-	3,495
2722-065	ORT Fan Replacement/Overhaul	1,515	-	-	2,754	81	-	7,941	-	1,209
2722-066	Sludge Hauling Trailer Renovation	(1,389)	-	-	(2,524)	(74)	-	(7,272)	-	(1,107)
2722-067	Peterbilt Transmission Upfit (PC2/PC17)	420	-	-	765	21	-	2,208	-	336
2722-071	Replacement Digester Flame Arrestor	(2,709)	-	-	(4,928)	(142)	-	(14,203)	-	(2,164)
2722-073	RTP Sludge Flow Meter Replacements	(2,127)	-	-	(3,870)	(112)	-	(11,153)	-	(1,699)
Total PC 17 Solids		4,613	-	-	8,390	242	-	24,195	-	3,686
AWT										
2721-019	Overhaul AWT Valve Actuator Systems	-	-	-	-	-	-	(76,659)	-	-
2722-068	Chlorine Contact Gates	-	-	-	-	-	-	36,750	-	-
2722-069	Spare Pulsafeeder Pump	-	-	-	-	-	-	15,000	-	-
2722-070	2021 AWT Improvements	-	-	-	-	-	-	(45,581)	-	-
Total PC 17 AWT		-	-	-	-	-	-	(70,489)	-	-
Total PC 17 Joint Regional Wastewater Reclamation		14,393	-	-	24,398	758	-	143,663	-	11,507
Total Small Capital Cash		141,085	-	32,465	24,398	10,734	-	266,955	2,756	157,902

**South Orange County Wastewater Authority
Total Non-Capital Cash Roll Forward Q3 FY 2021-22**

Non-Capital Cash Balance as of March 31, 2022										
	16	17	18	19	20	21	22	23	24	
	CLB	CSC	CSJC	ETWD	EBSD	IRWD	MNWD	SMWD	SCWD	Total
PC 02 J B Latham										
Liquids										
4201-000 - Plant 1 Blower Building Condition Assessment (2020)	-	-	(2,853)	-	-	-	(2,140)	(1,605)	(2,675)	(9,273)
Total Liquids	-	-	(2,853)	-	-	-	(2,140)	(1,605)	(2,675)	(9,273)
Common										
42221C-000 - Site Storage Evaluation	-	-	-	-	-	-	-	-	-	-
42222C-000 - Electrical Conduit and Cable Master Plan	-	-	-	-	-	-	-	-	-	-
Total Common	-	-	-	-	-	-	-	-	-	-
Total PC2 JB Latham	-	-	(2,853)	-	-	-	(2,140)	(1,605)	(2,675)	(9,273)
PC 15 Coastal Treatment Plant										
Liquids										
45211L-000 - Plant Reconfiguration Feasibility Study	(1,066)	-	-	-	(84)	-	(823)	-	(840)	(2,813)
45226L-000 - Consequence of Failure Analysis	8,450	-	-	-	665	-	6,519	-	6,653	22,287
45212L-000 - Site Storage Evaluation	-	-	-	-	-	-	-	-	-	-
Total Liquids	7,384	-	-	-	581	-	5,696	-	5,814	19,475
Total PC 15 Coastal Treatment Plant	7,384	-	-	-	581	-	5,696	-	5,814	19,475
PC 17 Joint Regional Wastewater Reclamation										
Liquids										
47222L-000 - Secondary Effluent Conveyance Evaluation										
Total Liquids										
Common										
47212C-000 - Site Storage Evaluation	-	-	-	-	-	-	-	-	-	-
47224C-000 - Consequence of Failure Analysis	-	-	-	-	-	-	-	-	-	-
Total Common	-	-	-	-	-	-	-	-	-	-
Total PC 17 Joint Regional Wastewater Reclamation	-	-	-	-	-	-	-	-	-	-
Total Non-Capital Cash	7,384	-	(2,853)	-	581	-	3,556	(1,605)	3,139	10,202

South Orange County Wastewater Authority
Total Non Capital Miscellaneous Cash Roll Forward Q3 FY 2021-22

		Non-Capital Miscellaneous Cash Balance as of March 31, 2021									
		16	17	18	19	20	21	22	23	24	
		CLB	CSC	CSJC	ETWD	EBSD	IRWD	MNWD	SMWD	SCWD	Total
PC 02 J B Latham											
Liquids											
5205-000(a)	PC 2 Asset Register Pilot Project Liquids (2020)	-	-	57	-	-	-	43	32	54	186
5207-000(l)	Air Handling System Analysis (2020)	-	-	-	-	-	-	-	-	-	-
5208-000	Blower Bldg Imps Engineering Services (2020)	-	-	-	-	-	-	-	-	-	-
Total Liquids		-	-	57	-	-	-	43	32	54	186
Common											
5203-000	PC 2 Miscellaneous Engineering Common (2020)	-	-	55	-	-	-	40	41	44	181
5212-000	PC 2 Miscellaneous Engineering Common (2021)	-	-	-	-	-	-	-	-	-	-
52221C-000	Arc Flash 5-Year Update	-	-	1,823	-	-	-	1,341	1,371	1,465	6,000
5222C-000	NFPA 70 Classification Mapping	-	-	-	-	-	-	-	-	-	-
52223C-000	DHS Facility Compliance Review	-	-	-	-	-	-	-	-	-	-
Total PC 2 Common		-	-	1,878	-	-	-	1,381	1,412	1,510	6,181
Total PC2 JB Latham		-	-	1,935	-	-	-	1,424	1,444	1,563	6,367
PC 05 San Juan Creek Ocean Outfall											
5615-000	PC 5 Miscellaneous Engineering Outfall (2020)	-	-	-	-	-	-	-	-	-	-
56221O-000	Outfall Port Cleaning	-	3,740	2,493	-	-	-	3,490	9,972	2,806	22,500
Total PC05 SJ Creek Outfall		-	3,740	2,493	-	-	-	3,490	9,972	2,806	22,500
PC 17 Joint Regional Wastewater Reclamation Solids											
5204-000(b)	PC 17 Innovative Biosolids Solids (2020)	-	-	-	-	-	-	-	-	-	-
5205-000(b)	PC 17 Asset Register Pilot Project Solids (2020)	-	-	-	-	-	-	-	-	-	-
5704-000	Engine Permitting (2020)	-	-	-	-	-	-	-	-	-	-
5706-000	Update Cost Escalation Analysis (2020)	-	-	-	-	-	-	-	-	-	-
5707-000	ARC Flash Analysis Update (2020)	-	-	-	-	-	-	-	-	-	-
57224S-000	Cogen SGIP (2022)	320	-	-	582	16	-	1,676	-	256	2,850
Total PC 17 Solids		320	-	-	582	16	-	1,676	-	256	2,850
AWT											
Total PC 17 AWT		-	-	-	-	-	-	-	-	-	-
Total PC 17 Joint Regional Wastewater Reclamation		320	-	-	582	16	-	1,676	-	256	2,850
PC 24 Aliso Creek Ocean Outfall											
5415-000	PC 24 Miscellaneous Engineering Outfall (2020)	-	-	-	-	-	-	-	-	-	-
54221O-000	Outfall Port Cleaning	2,475	-	-	3,668	176	3,546	9,866	-	2,770	22,500
Total PC 24 Aliso Creek Outfall		2,475	-	-	3,668	176	3,546	9,866	-	2,770	22,500
Total Non-Capital Miscellaneous Cash		2,795	3,740	4,428	4,250	192	3,546	16,457	11,416	7,395	54,217

Agenda Item

6

Finance Committee Meeting

Meeting Date: April 19, 2022

TO: Finance Committee

FROM: Betty Burnett, General Manager

CONTACT: Dina Ash, Human Resources Administrator

SUBJECT: SOCWA 457b Plan Loan Program Update

Summary/Discussion

SOCWA offers to its employees a Nationwide 457b Plan for investment of employee savings toward future retirement which also includes a Loan Program. As a plan sponsor, SOCWA has fiduciary obligations to maintenance of the 457b plan ("Plan").

This past year it came to the attention of staff that in connection with retiring employees the SOCWA Plan requires that on the separation from employment individual loans with employee balances must be repaid in full. In several cases, employees have utilized Plan funds via loans to make substantial down payments for housing or other major expenses and requirement for repayment on retirement creates a hardship.

Staff conferred with counsel advising SOCWA regarding the Plan and learned that it is possible to allow for offsets of funds due to the retiree from SOCWA to be allocated by the retiree to funding of loan repayments in order that the obstacle to retirement is removed. If the repayment source does become unavailable, then the loan would revert to being a distribution event for the retiree.

Recommended Action: Staff is seeking concurrence of the Finance Committee to recommend the Board of Directors:

1. Approval for the SOCWA 457b Plan Loan Program to allow for an offset of payments otherwise due to retirees to be allocated to retiree loan repayments following separation from employment with the caveat that should the repayment source become unavailable the loan balance would then become a taxable distribution event. [Employee Authorization Form attached]
2. Revision to the Nationwide 457b Plan Administration Agreement to allow for SOCWA to submit the offset monies for the repayment of loan amounts via Nationwide's Fast Pay system. [Document attached]

DEDUCTION AUTHORIZATION FOR LOAN REPAYMENT

I, (Insert Employee Name) , hereby authorize the South Orange County Wastewater Authority to deduct from my health reimbursement check, my 457(b) loan payment in the amount of \$(Insert Dollar Amount) per month beginning on (Insert Date) until the loan is repaid or the health reimbursement does not cover the full amount of the payment.

I understand that I can revoke this Deduction Authorization by providing written notice to Human Resources.

If I revoke the Authorization, or the health reimbursement does not cover the loan payment, the loan will become a Loan Offset, and it will be my responsibility.

Loan Offset:

A loan offset is a reduction of the Participant's account balance by the outstanding loan balance and represents an actual distribution from the Participant's account. A loan offset which does not follow a deemed distribution will be subject to ordinary income tax and maybe subject to an additional 10% early withdrawal tax. A loan offset which does follow a deemed distribution will not be subject to taxation. A Participant will receive a Form 1099-R prior to January 31st of the following year reflecting the loan offset.

Date: _____

Signed: _____



Nationwide®

Date prepared January 10, 2022
Plan number 381-60064
Plan name South Orange County Wastewater
Authority 457(b) Deferred Compensation
Plan

Plan Loan Program Amendment

WHEREAS, the Plan Sponsor adopted the Plan Loan Program where by Nationwide Retirement Plans has agreed to administer loans in accordance with the terms of said Plan Loan Program.

WHEREAS, the Plan Sponsor or Plan Administrator desires to amend the Plan Loan Program to allow a Participant who has severed employment to continue to repay a loan.

NOW THEREFORE, it is agreed and hereby understood that the Plan Loan Program is amended by replacing Section 7 in its entirety, Section 7 shall read as follows:

7. Loan Default/ Loan Offset

- a) **Loan Default.** If the Participant fails to make up a missed loan repayment within the cure period, the outstanding loan balance, including accrued interest will be defaulted and treated as a deemed distribution effective as of the last day of the cure period. The cure period is the last day of the calendar quarter following the calendar quarter in which the missed loan repayment was due. A deemed distribution is treated as a distribution from the Plan for federal (and possibly state or local) income tax purposes. Therefore, amounts treated as a deemed distribution will be subject to federal, state and/or local income taxes, and maybe subject to an additional 10% early withdrawal tax. A Participant will receive a Form 1099-R prior to January 31st of the following year reflecting this deemed distribution. The Participant shall remain obligated to repay the loan even after a deemed distribution has occurred. Any such repayment following the date of default, will be treated as after tax amounts and the Participant will receive tax basis in his or her account for such amounts.

The outstanding balance of the loan will be treated as a deemed distribution upon notification to Nationwide of the death of such Participant.

- b) **Loan Offset.** A loan offset is a reduction of the Participant's account balance by the outstanding loan balance and represents an actual distribution from the Participant's account. A loan offset which does not follow a deemed distribution will be subject to ordinary income tax and maybe subject to an additional 10% early withdrawal tax. A loan offset which does follow a deemed distribution will not be subject to taxation. A Participant will receive a Form 1099-R prior to January 31st of the following year reflecting the loan offset.

Upon severance of employment, the entire amount of the outstanding loan balance, including accrued interest, will become due and payable. If the loan is not repaid in full prior to the last day of the calendar quarter following the calendar quarter in which the severance of employment occurred, the loan will be treated as a loan offset. However, should a Participant who has incurred a severance of employment and continues to submit scheduled payments directly to the Plan Sponsor or Plan Administrator for submission via FastPay, their loan shall not be Offset until they fail to make up any missed loan payments within the applicable cure period. At which time it will become due and payable as defined above.

Plan Name ("Plan"): _____ Plan Number: _____

Plan Sponsor:

Name (please print): _____ Title: _____

Email: _____

Signature: _____ Date of Adoption*: _____

*Unless otherwise indicated below, the date of adoption shall be the Effective Date.

Effective Date (If different than Date of Adoption): _____

10 W. Nationwide Boulevard, Columbus, OH 43215

The Nationwide Group Retirement Series includes unregistered group fixed and variable annuities and trust programs. The unregistered group fixed and variable annuities are issued by Nationwide Life Insurance Company. Trust programs and trust services are offered by Nationwide Trust Company, FSB, a division of Nationwide Bank. The general

distributor for variable products is Nationwide Investment Services Corporation, member FINRA. Nationwide Mutual Insurance Company and Affiliated Companies, Home Office: Columbus, OH 43215-2220.

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Agenda Item

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Finance Committee Meeting

Meeting Date: April 19, 2022

TO: Finance Committee

FROM: Betty Burnett, General Manager

CONTACT: Dina Ash, Human Resources Administrator

SUBJECT: SOCWA 457b Plan Investment Policy Update

Summary/Discussion

SOCWA offers to its employees a 457b Plan for investment of employee savings toward future retirement. As a plan sponsor, SOCWA has fiduciary obligations to maintenance of the plan.

At the SOCWA Board of Directors meeting on September 5, 2019, the Board authorized the General Manager to retain both Nationwide and Wells Fargo Advisory Services to provide plan administration and advisory services. As part of these agreements for services, the Plan Advisory Services are funded by Nationwide. In July 2021, Nationwide notified SOCWA that the Plan Advisory Services would change from Wells Fargo to First Light Retirement, LLC ("First Light") although the actual services are continuing to be provided by the same team, Tom Wolfson and Tyler Wolfson.

Plan Advisory Services include employee education, an annual review of the performance of the investment choices within the SOCWA 457b Plan, interface with Nationwide to maintain quality services, and active monitoring of fund performance for any changes that may occur in fund style or performance. The annual review of the performance of the investments in the Plan is conducted through a SOCWA Employee Committee which also meets quarterly to hear progress updates. Recently, First Light recommended that the Employee Committee sign an updated Investment Policy Statement with updated numbers and current investments to reflect changes since 2019 (see attached). The Policy Statement should be updated every three to five years.

Since SOCWA is responsible for the Plan, Staff is seeking a Finance Committee recommendation to the Board to approve the SOCWA Employee Committee moving ahead to sign a revised Investment Policy Statement.

Recommended Action: Staff is seeking a Finance Committee recommendation to the Board to approve the SOCWA Employee Committee moving ahead to sign a revised Investment Policy Statement.

Investment Policy Statement
For
South Orange County Wastewater
Authority
Defined Contribution 457(b) Plan

February 10, 2022

Executive Summary:

Name of Plan: South Orange County Wastewater Authority 457(b) Deferred Compensation Plan

Plan Sponsor: South Orange County Wastewater Authority

Type of Plan: Defined Contribution – Profit Sharing 457(b) Plan

Current Assets: \$10,852,657 (as of 02-10-2022)

Asset Allocation: To be determined by plan participants

Investment Horizon: Five to seven years

Investment Managers: Public mutual funds

Fiduciary Committee: Dina Ash – Human Resources Administrator
Betty Burnett –
Gage Gesiriech –
Dan Grilley – DG
Danita Hirsh –

Trustee and Custodian: Nationwide Trust Company

Plan Record Keeper: Nationwide Plan Services

Plan Advisor: First Light Retirement, LLC

Definitions:

- A. “Plan” shall mean the South Orange County Wastewater Authority 457(b) Deferred Compensation Plan.
- B. “Committee” shall mean the governing board established to administer the Plan as specified by applicable ordinance.
- C. “ERISA” shall mean the Employee Retirement Income Security Act of 1974, amendments thereto, and implementing regulations or applicable state law or local ordinance.
- D. “Investment Manager” shall mean any organization or individual employed to manage assets of the plan.

- E. “Advisor” shall mean any organization or individual employed to provide monitoring, reporting and measurement services.
- F. “Equities” shall mean common stocks, convertible stocks or other securities representing ownership.
- G. “Fixed Income” shall mean corporate or government bonds representing debt.
- H. “Market Cycle” shall mean 5 to 7 years.

I. Purpose

- A. The purpose of this Investment Policy Statement is to assist South Orange County Wastewater Authority’s Fiduciary Committee in effectively supervising, monitoring and evaluating the Plan with the participants best interests in mind.
- B. This Investment Policy Statement may be changed at any time by the Fiduciary Committee and shall be reviewed at least annually.
- C. The Plan’s investment program is defined in the various sections of the written investment objectives, including:
 - i. Stating in a written document the Committee’s attitudes, expectations, objectives and guidelines in the investment of all Plan assets.
 - ii. Setting forth a structure for providing plan participants with appropriate investment option diversification. This structure includes a range of investment options that, in total, provide the Plan participants with materially different investment options to produce a sufficient level of overall diversification.
 - iii. Providing guidelines for each investment option that controls the level of overall risk and liquidity assumed in each investment option so that all plan assets are managed in accordance with stated objectives.
 - iv. Encouraging effective communications between the Committee and the Plan Advisor.
 - v. Establishing formalized criteria to monitor, evaluate and compare the performance results achieved by the investment managers.
 - vi. Complying with all ERISA, fiduciary, prudence and due diligence requirements that experienced investment professionals would utilize, and with all applicable laws, rules and regulations from various local, state, federal and international political entities that may impact Plan assets.

II. Control Procedures

A. Duties and Responsibilities of the Fiduciary Committee

- i. Prepare and maintain this Investment Policy Statement.
- ii. Adopt and execute the policies of this Investment Policy.
- iii. Select, engage, and supervise the Advisor, Record keeper, Custodian, and directed Trustee associated with the Plan.
- iv. Review contracts of each above mentioned vendor on an ongoing basis as appropriate.
- v. Review the Auditor, Advisor and Record-keeper relevant to their separate roles in supporting the Plan. The Committee should request action be taken to correct any issues or concerns as they arise. The Committee should consider a replacement for the provider if an issue persists. The Committee will perform this review every other year.
- vi. Prudently select and monitor plan investments.
- vii. Select a broad range of investment options to provide appropriate diversification to plan participants.
- viii. Determine the appropriate default investment for participants that are without specific investment direction.
- ix. Avoid prohibited transactions and conflicts of interest.

B. Duties and Responsibilities of the Retirement Plan Advisors

- i. Monitor the Plan assets in accordance with the Investment Policy Statement objectives and guidelines set forth herein.
- ii. Promptly inform the Committee regarding all significant and/or material matters and changes pertaining to the investment of the Plan assets, including, but not limited to:
 - a. Changes in investment strategy, portfolio structure, tactical approaches and significant market value of managed assets.
 - b. Changes in the ownership, organizational structure, financial condition, and/or professional staff of the Plan Advisor's firm.
 - c. All material legal, SEC and other regulatory agency proceedings affecting the Plan.

Each Advisor shall utilize the same care, skill, prudence and due diligence under the circumstances then prevailing that experienced investment professionals acting in a like capacity and fully familiar with such matters would use in similar activities for similar retirement plans with like aims in accordance and compliance

with all applicable laws, rules and regulations from local, state, federal, and international political entities as it pertains to fiduciary duties and responsibilities.

III. General Investment Principles

- A. Investment options shall be selected solely in the interest of the participants and beneficiaries of the Plan and for the exclusive purpose of providing benefits accrued there under.
- B. The investment options shall be chosen with the care, skill, prudence and diligence under the circumstances prevailing at that time that a prudent man acting in a like capacity and familiar with such matters would use in the investment of a fund with similar characteristics and goals.
- C. Investment options of the Plan shall be diversified as to minimize the risk of large losses.
- D. Short-term fluctuations in value shall be considered secondary to long-term results.
- E. All investment decisions must be in accordance with ERISA or other applicable statutes.
- F. The Trustees may employ one or more fund managers of varying styles and expertise to obtain the Plan's objectives.
- G. Cash is to be productively employed at all times by investment in short term cash equivalents to provide safety, liquidity and return.

IV. Investment Objectives & Fiduciary Committee Responsibilities

- A. The investment objectives of the Plan have been established in conjunction with a comprehensive review of desired plan results. Investment objectives are:
 - i. To provide materially diverse investment options in the Plan. These may include investment options ranging from small to large capitalization stock funds, international or global funds or income oriented bond funds.
 - ii. To maximize returns, within each investment option, within reasonable and prudent levels of risk.
- B. The Fiduciary Committee will:
 - i. Evaluate investments with a minimum three-year history, except index funds where the index tracked has sufficient history.
 - ii. Ensure funds have at least \$100 million under management across all share classes.

- iii. Ensure the portfolio manager has at least three-year tenure, or equivalent experience even if that is only the senior member of a management team.
- iv. Ensure a minimum of 80% of the fund's securities are consistent with the peer group's asset class.
- v. Ensure the Committee's intended category of each fund and current Morningstar category are the same at selection and at each periodic review.
- vi. Ensure the fund's net expense ratio is the same as or less expensive than the category average of the peer group unless performance justifies otherwise.
- vii. Ensure the fund's five-year trailing net performance is at or above the corresponding benchmark and/or appropriate for the level of risk undertaken for the performance achieved.

C. Investment Restrictions

The Committee believes that the following investments are inappropriate for the funds above and should be avoided:

- i. Alternative Investments, i.e., hedge funds
- ii. Limited Partnerships

V. Investment Options

The Committee, with the assistance of the Advisor, will select the appropriate investment options. Investment options must meet the following criteria:

- A. Must be a bank, insurance company, or investment advisor as defined by the Registered Investment Advisors Act of 1940.
- B. Must provide historical quarterly performance numbers calculated on a time-weighted basis, based on a composite of all fully discretionary accounts of similar investment style, and reported net of fees.
- C. Must provide performance evaluation reports prepared by an objective third party that illustrate the risk/reward profile of the manager relative to other managers of like investment style.
- D. Must provide detailed information on the history of the firm, key personnel, key clients, fee schedule, and support personnel. This information can be a copy of a request for Proposal (RFP) completed by the Manager or Advisors Act ADV Form Part II.

VI. Investment Categories Offered and Appropriate Benchmarks

Category	Benchmark
Technology	Morningstar Technology
Real Estate	Morningstar Real Estate
Emerging Markets	Morningstar Diversified Emerging Markets
Foreign Large-Cap Growth	Morningstar Foreign Large-Cap Growth
Foreign Large-Cap Blend	Morningstar Foreign Large-Cap Blend
World Large Stock Growth	Morningstar World Large Stock Growth
Small-Cap Growth	Morningstar Small-Cap Growth
Small-Cap Blend	Morningstar Small-Cap Blend
Small-Cap Value	Morningstar Small-Cap Value
Mid-Cap Growth	Morningstar Mid-Cap Growth
Mid-Cap Blend	Morningstar Mid-Cap Blend
Mid-Cap Value	Morningstar Mid-Cap Value
Large-Cap Growth	Morningstar Large-Cap Growth
Large-Cap Blend	Morningstar Large-Cap Blend
Large-Cap Value	Morningstar Large-Cap Value
Target Date Funds	Morningstar Target Date
High Yield Bond	Morningstar High Yield Bond
Intermediate-Term Bond	Morningstar Intermediate Term Bond
Inflation-Protected Bond	Morningstar US TIPS
Safe Harbor Funds	US Treasury Bill 3 month

VII. Delegation of Authority

The Committee will not exercise any control over investment decisions, with the exception of specific limitations described in these statements. Investment Managers will be held responsible for their performance against the appropriate benchmarks.

VIII. Guidelines and Investment Policy

- A. Time Horizon - the investment guidelines are based upon an investment time horizon of greater than five years, so that interim fluctuations should be viewed with a long-term perspective.
- B. Risk Tolerances - the Committee recognizes the difficulty of achieving the Plan's investment objectives in light of the uncertainties and complexities of contemporary investment markets. The committee also recognizes that some risk must be assumed to achieve the Plan's investment objectives. In establishing the risk tolerances of the Investment Policy Statement, the ability of the Plan to withstand short and intermediate term variability was considered.
- C. South Orange County Wastewater Authority's long term business prospects suggest collectively that the Plan can tolerate interim fluctuations in market value and rates of return in order to achieve long-term objectives.
- D. Review Process

- i. Frequency - the Committee recognizes that all investments go through cycles and therefore there will be short periods in which the long-term investment objectives are not met. The Committee therefore established a goal of achieving the stated investment return objectives over any five-year period. Normally, any changes in assets or managers have at least five years to prove their ability. However, the Committee reserves the right to change funds at any time as long as the Committee believes the change is in the best interests of the participants.
- ii. Performance - the Advisor shall monitor the plan assets on a quarterly basis. The Committee shall review the results of all investments on an annual basis or as needed. In such a review, they shall consider the performance of each investment category against comparable market indices. The Committee shall request of the Advisor additional information as to why the results occurred and what their recommendation for action might be when the performance of any particular investment or investment category is less than anticipated.
- iii. Material Changes – The Committee will review material changes in the investment option’s organization, fund manager, and investment philosophy to evaluate whether it continues to be an option offered to plan participants. Any legal, SEC, or regulatory proceedings will also be considered.
- iv. Expenses – The Committee will review annually all costs associated with management of the plan. This includes the expense ratios of each mutual fund against their appropriate peer group and the administrative fees including record keeping, custody, and trust services.
- v. Corrective measures - one or more of the following procedures will be implemented if an investment fails to maintain the Committee expectations; depending on the magnitude of the individual fund’s failure to meet the Committee’s expectations, the corrective measures may be implemented over 2-3 quarters or immediately depending on the severity:
 - a. Add a similar investment to provide an alternative choice for participants and notify all participants of the additional alternative.
 - b. Restrict the investment from additional deposits.
 - c. Liquidate the investment and transfer all assets to the alternative similar investment.
 - d. Place the investment on a “watch list” or designate it as “red flagged” but continue to make it available to plan participants.
 - e. Other measures that the Committee deems appropriate.

Agenda Item

8

Finance Committee Meeting

Meeting Date: April 19, 2022

TO: Finance Committee

FROM: Betty Burnett, General Manager

STAFF CONTACT: Jim Burror, Director of Operations

SUBJECT: FY2021/22 O&M Budget Update and Proposed Budget Amendments
[PC 2 and 17]

Summary/Discussion

The staff has been monitoring the progression of spending for FY2021/22. As noted by staff during the FY2021/22 Budget's approval, the PC budgets were very tight, and staff would provide periodic updates on budget spending. The O&M staff has completed projected actuals for FY2021/22 and are requesting budget amendments for PC-2 (JBL Treatment Plant) and PC-17 (Regional Treatment Plant).

Discussion/Analysis

Inflation is impacting operational costs. The Board of Directors has approved contract renewals with increases. The utilities have also increased costs due to inflation. The following is a summary of the increases:

- SCE (electricity) – 10.3% (45% increase since 2019)
- SDGE (electricity) – 8%
- Southern California Gas Company – 14%
- Bleach (AWT, Process Control and Odor Control) – 32.8%
- Caustic (Odor Control) – 19.5%
- Grit Hauling – 5.3%
- Petroleum Products (including cogen urea/DEF and gasoline) – 10%+
- Diesel fuel – 57%
- Biosolids (Nursery Products – 2nd lowest cost option) – 13.62% at JBL and 24.16% at RTP
- General inflation (LA-OC CPI) – 8.5%
- CSRMA Property and Workers Comp Insurances (average) – 15%
- Regional Water Quality Control Board (average) – 15.7%
- Construction cost inflation (ENR-LA) – 19%

SMWD has been sending higher than anticipated solids to JBL by diverting from flow from 3A to JBL. The following table shows an example of the increased levels from February 2022.

Parameter	FY21-22 Budget	February 2022
Solids (lbs)	8,548	11,615

The Administration Building sewer at JBL failed and 25' of sewer had to be replaced. This unanticipated emergency project cost \$25,000. Lastly, there were unanticipated legal costs to address the BKK landfill cleanup demand at \$30,000.

The O&M SOCWA staff continue working with all aspects of the plant operations to minimize these cost increase impacts. However, the sheer magnitude of the substantial increases could not be wholly offset.

PC-2 JBL Budget Amendment

A budget amendment of \$430,000 is proposed to address these increases. The proposed additional funding requested for PC-2 is as follows:

Budget line item	Budget line description	Requested budget increase
02-5002	Electricity	\$30,000
02-5003	Natural Gas	\$70,000
02-5006	Chlorine/Sodium Hypochlorite	\$15,000
02-5008	Ferric Chloride	\$90,000
02-5009	Odor Control Chemicals	\$15,000
02-5012	Grit Hauling	\$18,000
02-5027	Insurance - Property/Liability	\$35,000
02-5038	Permits	\$12,000
02-5049	Biosolids Disposal	\$20,000
02-5056	Maintenance Equip. & Facilities (Solids)	\$50,000
02-5053	Digester Cleaning	\$30,000
02-5058	Maintenance Equip. & Facilities (Common)	\$45,000
	Total	\$430,000

PC-17 RTP Budget Amendment

A budget amendment of \$100,000 is proposed to address these increases. The proposed additional funding requested for PC-17 is as follows:

Budget line item	Budget line description	Requested budget increase
02-5003	Natural Gas	\$30,000
02-5017	Legal	\$30,000
02-5027	Insurance - Property/Liability	\$40,000
	Total	\$100,000

Prior Related Project Committee or Board Action(s)

None

Fiscal impact

The total O&M proposed budget amendment is \$530,000.

The PC-2 actual fiscal impacts are anticipated to affect SMWD more than the other agencies due to the increased loads to JBL. The final allocations will be determined during the annual Use Audit process.

Recommended Action:

- a. Staff recommends that the Finance Committee recommend to the Board of Directors that PC 2–JBL budget line items be amended by \$430,000 and allocated to the following line items:

Budget line item	Budget line description	Requested budget increase
02-5002	Electricity	\$30,000
02-5003	Natural Gas	\$70,000
02-5006	Chlorine/Sodium Hypochlorite	\$15,000
02-5008	Ferric Chloride	\$90,000
02-5009	Odor Control Chemicals	\$15,000
02-5012	Grit Hauling	\$18,000
02-5027	Insurance - Property/Liability	\$35,000
02-5038	Permits	\$12,000
02-5049	Biosolids Disposal	\$20,000
02-5053	Digester Cleaning	\$30,000
02-5056	Maintenance Equip. & Facilities (Solids)	\$50,000
02-5058	Maintenance Equip. & Facilities (Common)	\$45,000
	Total	\$430,000

- b. Staff recommends that the Finance Committee recommend to the Board of Directors that PC 17–RTP budgets be amended by \$100,000 with allocation to the following line items:

Budget line item	Budget line description	Requested budget increase
02-5003	Natural Gas	\$30,000
02-5017	Legal	\$30,000
02-5027	Insurance - Property/Liability	\$40,000
	Total	\$100,000

Agenda Item

9

Finance Committee Meeting

Meeting Date: April 19, 2022

TO: Finance Committee

FROM: Betty Burnett, General Manager

STAFF CONTACT: Mary Carey, Finance Controller

SUBJECT: O&M / Environmental, Safety Update, General Fund, Administration, Residual Engineering, IT, and Capital Budget Workshop - Fiscal Year 2022-2023

Summary/Discussion

Staff presented to The Finance Committee on March 29, 2022, a proposed O&M/Environmental, Safety Budget for Fiscal Year 2022-2023 in the amount of \$19.4 million, a year-over-year budget change of 5%.

Staff presented a four-year trend of O&M Support to Capital Projects, which showed steadily increasing support costs, and requested the Committee to approve Capitalization of the expenses in Fiscal Year 2022-23 Budget. The request was approved.

The O&M/Environmental, Safety Budget has been updated to include the capitalization of labor and associated fringe costs.

The Budget discussions will continue at this meeting with Staff Presentations as follows:

- O&M/Environmental, Safety Updated Proposed Budget
- Administration Proposed Budget including General Fund
- General Fund Proposed Budget, Santa Margarita Water District and the City of San Juan Capistrano shown separately and combined.
- Residual Engineering Proposed Budget
- IT Proposed Budget
- Capital Proposed Budget

Recommended Action: Finance Committee discussion, comments, and recommendations.

SOCWA
O&M/Environmental, Safety
General Fund, Administration
Residual Engineering
IT
Capital
Budget Workshop
2022/2023 Fiscal Year
April 19, 2022
Agenda Item 9

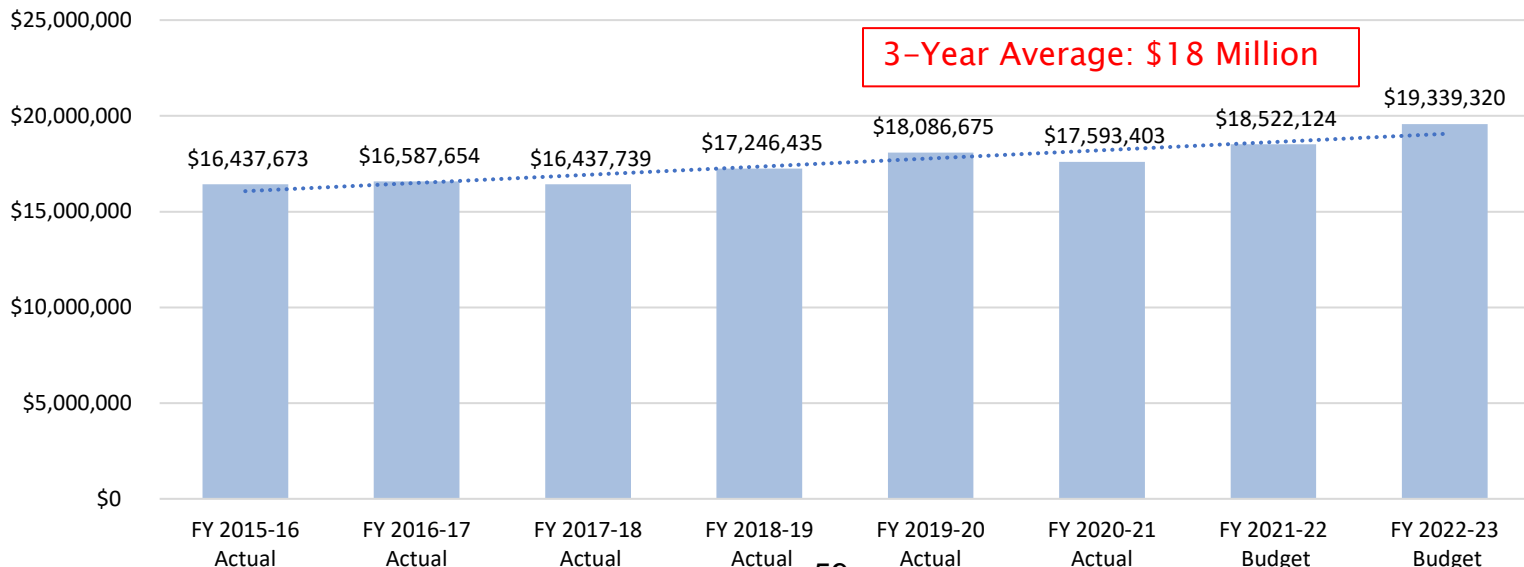
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O&M Environmental, Safety Cost Drivers

	FY 2015-16 Actual	Mix %	FY 2016-17 Actual	Mix %	FY 2017-18 Actual	Mix %	FY 2018-19 Actual	Mix %	FY 2019-20 Actual	Mix %	FY 2020-21 Actual	Mix %	FY 2021-22 Budget	Mix %	FY 2022-23 Budget ¹	Mix %	\$ Change	% Change
Payroll Costs Including Fringe Benefits	\$7,305,190	44.4%	\$7,730,396	46.6%	\$7,278,776	44.3%	\$7,515,052	43.6%	\$7,867,178	43.5%	\$7,004,033	39.8%	\$7,640,464	41.3%	\$7,750,268	40.1%	\$109,804	1.4%
Chemicals	1,497,173	9.1%	1,381,568	8.3%	1,500,539	9.1%	1,567,210	9.1%	1,697,189	9.4%	1,991,025	11.3%	1,980,044	10.7%	2,185,348	11.3%	205,304	10.4%
Biosolids Hauling and Disposal	1,477,697	9.0%	1,481,192	8.9%	1,322,804	8.0%	1,381,075	8.0%	1,466,713	8.1%	1,465,691	8.3%	1,470,000	7.9%	1,569,000	8.1%	99,000	6.7%
Utilities	1,410,964	8.6%	1,663,124	10.0%	1,996,791	12.1%	1,637,836	9.5%	1,569,259	8.7%	1,590,105	9.0%	1,481,788	8.0%	1,609,036	8.3%	127,248	8.6%
Maintenance - Equip. & Facilities	1,250,934	7.6%	1,111,944	6.7%	1,439,933	8.8%	1,917,785	11.1%	2,046,663	11.3%	1,867,698	10.6%	1,935,000	10.4%	1,845,004	9.5%	(89,996)	-4.7%
Environmental & Safety	917,282	5.6%	970,609	5.9%	724,059	4.4%	840,026	4.9%	966,428	5.3%	951,550	5.4%	1,140,912	6.2%	1,200,265	6.2%	59,353	5.2%
IT	599,453	3.6%	564,968	3.4%	611,860	3.7%	561,926	3.3%	638,188	3.5%	546,884	3.1%	610,540	3.3%	609,236	3.2%	(1,304)	-0.2%
Engineering Misc	318,296	1.9%	103,820	0.6%	41,370	0.3%	34,824	0.2%	848									
Management Support Services	98,630	0.6%	95,040	0.6%	71,974	0.4%	145,354	0.8%	307,969	1.7%	513,732	2.9%	475,000	2.6%	501,512	2.6%	26,512	5.6%
Contract Services - Misc	286,078	1.7%	204,068	1.2%	282,098	1.7%	297,985	1.7%	277,898	1.5%	297,793	1.7%	277,016	1.5%	320,996	1.7%	43,980	15.9%
IT Direct	274,869	1.7%	296,152	1.8%	500	0.0%	2,216	0.0%	12,672	0.1%	9,669	0.1%	5,508	0.0%	45,004	0.2%	39,496	717.1%
Facilities	208,757	1.3%	238,640	1.4%	195,862	1.2%	246,465	1.4%	277,115	1.5%	343,448	2.0%	328,512	1.8%	328,512	1.7%	-	0.0%
Insurance	144,644	0.9%	160,192	1.0%	208,092	1.3%	203,645	1.2%	261,406	1.4%	276,867	1.6%	317,684	1.7%	491,248	2.5%	173,564	54.6%
Grit Hauling	141,376	0.9%	120,132	0.7%	121,142	0.7%	114,827	0.7%	138,647	0.8%	127,842	0.7%	120,000	0.6%	124,472	0.6%	4,472	3.7%
Legal	133,933	0.8%	41,180	0.2%	23,595	0.1%	94,380	0.5%	74,189	0.4%	71,684	0.4%	48,612	0.3%	23,688	0.1%	(24,924)	-51.3%
Other Miscellaneous	372,398	2.3%	424,629	2.6%	618,345	3.8%	685,830	4.0%	484,315	2.7%	535,382	3.0%	691,044	3.7%	735,731	3.8%	44,687	6.5%
Total SOCWA Cost Base	\$16,437,673	100.0%	\$16,587,654	100.0%	\$16,437,739	100.0%	\$17,246,435	100.0%	\$18,086,675	100.0%	\$17,593,403	100.0%	\$18,522,124	100.0%	\$19,339,320	100.0%	\$817,196	4.4%
Cost Drivers	\$14,875,619		\$15,102,661		\$14,988,106		\$15,601,088		16,560,434		15,930,719		16,733,748		17,269,669		535,921	
% Total Cost Base	90.5%		91.0%		91.2%		90.5%		91.6%		90.5%		90.3%		89.3%		65.6%	

Over 90% of O&M's Cost Base (Total Costs) are in the above highlighted group.



FY 2022-23 Operations & Maintenance and Environmental Budget by Member Agency

Santa Margarita Water District includes City of San Juan Capistrano

	FY 2015-16 Actual	FY 2016-17 Actual	Change %	FY 2017-18 Actual	Change %	FY 2018-19 Actual	Change %	FY 2019-20 Actual	Change %	FY 2020-21 Actual	Change %	FY 2021-22 Budget	Change %	FY 2022-23 Budget	Change %
O&M & Environmental, Safety Expenses															
City of Laguna Beach	\$1,704,854	\$1,739,148	2.0%	\$1,701,896	-2.1%	\$1,889,933	11.0%	\$1,817,869	-3.8%	\$1,720,789	-5.3%	\$1,917,228	11.4%	\$1,734,432	-9.5%
City of San Clemente	86,209	118,480	37.4%	95,461	-19.4%	111,629	16.9%	111,934	0.3%	123,320	10.2%	180,648	46.5%	161,144	-10.8%
El Toro Water District	655,134	638,776	-2.5%	662,650	3.7%	734,749	10.9%	795,146	8.2%	714,320	-10.2%	787,800	10.3%	754,636	-4.2%
Emerald Bay Service District	76,191	71,680	-5.9%	68,504	-4.4%	78,797	15.0%	79,223	0.5%	97,470	23.0%	115,204	18.2%	89,496	-22.3%
Irvine Ranch Water District	114,396	129,595	13.3%	105,604	-18.5%	105,648	0.0%	102,694	-2.8%	106,076	3.3%	166,156	56.6%	148,344	-10.7%
Moulton Niguel Water District	7,518,023	7,251,922	-3.5%	7,399,121	2.0%	7,779,446	5.1%	7,938,734	2.0%	7,670,357	-3.4%	7,790,916	1.6%	8,526,140	9.4%
Santa Margarita Water District ¹	3,293,213	3,558,158	8.0%	3,467,212	-2.6%	3,249,207	-6.3%	3,954,707	21.7%	3,957,843	0.1%	4,112,628	3.9%	4,425,156	7.6%
South Coast Water District	2,970,898	3,059,936	3.0%	2,929,500	-4.3%	3,278,985	11.9%	3,250,829	-0.9%	3,152,345	-3.0%	3,440,840	9.2%	3,455,876	0.4%
Trabuco Canyon Water District	18,755	19,959	6.4%	7,791	-61.0%	18,041	131.6%	35,539	97.0%	50,881	43.2%	10,704	-79.0%	44,096	312.0%
Total O&M Budget	\$16,437,673	\$16,587,654	0.9%	\$16,437,739	-0.9%	\$17,246,435	4.9%	\$18,086,675	4.9%	\$17,593,403	-2.7%	\$18,522,124	5.3%	\$19,339,320	4.4%

¹Includes the City of San Juan Capistrano.

Santa Margarita Water District and City of San Juan Capistrano Separate

	FY 2015-16 Actual	FY 2016-17 Actual	Change %	FY 2017-18 Actual	Change %	FY 2018-19 Actual	Change %	FY 2019-20 Actual	Change %	FY 2020-21 Actual	Change %	FY 2021-22 Budget	Change %	FY 2022-23 Budget	Change %
O&M & Environmental, Safety Expenses															
City of Laguna Beach	\$1,704,854	\$1,739,148	2.0%	\$1,701,896	-2.1%	\$1,889,933	11.0%	\$1,817,869	-3.8%	\$1,720,789	-5.3%	\$1,917,228	11.4%	\$1,734,432	-9.5%
City of San Clemente	86,209	118,480	37.4%	95,461	-19.4%	111,629	16.9%	111,934	0.3%	123,320	10.2%	180,648	46.5%	161,144	-10.8%
City of San Juan Capistrano ²	1,673,090	1,748,767	4.5%	1,848,072	5.7%	1,946,717	5.3%	1,906,230	-2.1%	1,735,491	-9.0%	1,637,724	-5.6%	1,794,556	9.6%
El Toro Water District	655,134	638,776	-2.5%	662,650	3.7%	734,749	10.9%	795,146	8.2%	714,320	-10.2%	787,800	10.3%	754,636	-4.2%
Emerald Bay Service District	76,191	71,680	-5.9%	68,504	-4.4%	78,797	15.0%	79,223	0.5%	97,470	23.0%	115,204	18.2%	89,496	-22.3%
Irvine Ranch Water District	114,396	129,595	13.3%	105,604	-18.5%	105,648	0.0%	102,694	-2.8%	106,076	3.3%	166,156	56.6%	148,344	-10.7%
Moulton Niguel Water District	7,518,023	7,251,922	-3.5%	7,399,121	2.0%	7,779,446	5.1%	7,938,734	2.0%	7,670,357	-3.4%	7,790,916	1.6%	8,526,140	9.4%
Santa Margarita Water District ²	1,620,123	1,809,391	11.7%	1,619,140	-10.5%	1,302,490	-19.6%	2,048,476	57.3%	2,222,352	8.5%	2,474,904	11.4%	2,630,600	6.3%
South Coast Water District	2,970,898	3,059,936	3.0%	2,929,500	-4.3%	3,278,985	11.9%	3,250,829	-0.9%	3,152,345	-3.0%	3,440,840	9.2%	3,455,876	0.4%
Trabuco Canyon Water District	18,755	19,959	6.4%	7,791	-61.0%	18,041	131.6%	35,539	97.0%	50,881	43.2%	10,704	-79.0%	44,096	312.0%
Total O&M Budget	\$16,437,673	\$16,587,654	0.9%	\$16,437,739	-0.9%	\$17,246,435	4.9%	\$18,086,675	4.9%	\$17,593,403	-2.7%	\$18,522,124	5.3%	\$19,339,320	4.4%

²Santa Margarita Water District and the City of San Juan Capistrano are presented separately.

FY 2022–23 O&M Budget by Project Committee and Member Agency

Santa Margarita Water District includes City of San Juan Capistrano

O&M by Project Committee and Member Agency

	City of Laguna Beach	City of San Clemente	El Toro Water District	Emerald Bay Service District	Irvine Ranch Water District	Moulton Niguel Water District	Santa Margarita Water District ¹	South Coast Water District	Trabuco Canyon Water District	Total	PC Share %
PC 2 - Jay B. Latham Plant	-	-	-	-	-	1,374,592	3,802,140	1,386,956	-	6,563,688	33.9%
PC 5 - San Juan Creek Ocean Outfall	-	121,140	-	-	-	113,056	403,808	90,888	-	728,892	3.8%
PC 8 - Pretreatment Program	9,748	40,004	7,900	6,324	28,224	38,292	69,808	40,992	-	241,292	1.2%
PC 12 SO- Water Reclamation Permits	-	-	-	-	-	103,560	149,400	45,824	44,096	342,880	1.8%
PC 15 - Coastal Treatment Plant/AWT	1,165,392	-	-	57,604	-	219,348	-	1,431,904	-	2,874,248	14.9%
PC 17 - Joint Regional Wastewater	481,392	-	622,768	20,044	-	6,363,180	-	372,152	-	7,859,536	40.6%
PC 21 Effluent Transmission Main	-	-	8,548	-	8,548	3,656	-	-	-	20,752	0.1%
PC 24 - Aliso Creek Ocean Outfall	77,900	-	115,420	5,524	111,572	310,456	-	87,160	-	708,032	3.7%
Total O&M by Project Committee and Member Agency	1,734,432	161,144	754,636	89,496	148,344	8,526,140	4,425,156	3,455,876	44,096	19,339,320	100.0%
Member Agency Share of Budget %	9.0%	0.8%	3.9%	0.5%	0.8%	44.1%	22.9%	17.9%	0.2%	100.0%	

¹Includes the City of San Juan Capistrano.

Santa Margarita Water District and City of San Juan Capistrano Separate

O&M by Project Committee and Member Agency

	City of Laguna Beach	City of San Clemente	City of San Juan Capistrano ²	El Toro Water District	Emerald Bay Service District	Irvine Ranch Water District	Moulton Niguel Water District	Santa Margarita Water District ²	South Coast Water District	Trabuco Canyon Water District	Total	PC Share %
PC 2 - Jay B. Latham Plant	-	-	1,657,308	-	-	-	1,374,592	2,144,832	1,386,956	-	6,563,688	33.9%
PC 5 - San Juan Creek Ocean Outfall	-	121,140	80,768	-	-	-	113,056	323,040	90,888	-	728,892	3.8%
PC 8 - Pretreatment Program	9,748	40,004	17,176	7,900	6,324	28,224	38,292	52,632	40,992	-	241,292	1.2%
PC 12 SO- Water Reclamation Permits	-	-	39,304	-	-	-	103,560	110,096	45,824	44,096	342,880	1.8%
PC 15 - Coastal Treatment Plant/AWT	1,165,392	-	-	-	57,604	-	219,348	-	1,431,904	-	2,874,248	14.9%
PC 17 - Joint Regional Wastewater	481,392	-	-	622,768	20,044	-	6,363,180	-	372,152	-	7,859,536	40.6%
PC 21 Effluent Transmission Main	-	-	-	8,548	-	8,548	3,656	-	-	-	20,752	0.1%
PC 24 - Aliso Creek Ocean Outfall	77,900	-	-	115,420	5,524	111,572	310,456	-	87,160	-	708,032	3.7%
Total O&M by Project Committee and Member Agency	1,734,432	161,144	1,794,556	754,636	89,496	148,344	8,526,140	2,630,600	3,455,876	44,096	19,339,320	100.0%
Member Agency Share of Budget %	9.0%	0.8%	9.3%	3.9%	0.5%	0.8%	44.1%	13.6%	17.9%	0.2%	100.0%	

²Santa Margarita Water District and the City of San Juan Capistrano are presented separately.

Administration Proposed FY 2022-23 Budget

(*Includes General Fund Expenses)

(in dollars)

		FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Budget	FY 2022-23 Budget
Salary and Fringe							
01-6000-04-00-00	Regular Salaries-Admin & IT	857,635	896,766	934,332	899,005	998,424	974,150
01-6001-04-00-00	Overtime Salaries-Admin & IT	29,661	12,171	33,485	35,428	10,000	10,000
01-6315-04-00-00	Comp Time - Admin	10,469	10,014	9,200	18,225	5,000	5,000
01-6401-04-00-00	Fringe Benefits IN to PC's & Depts.	630,891	677,267	693,140	486,745	517,316	508,162
	Total Payroll Costs	1,528,656	1,596,217	1,670,157	1,439,403	1,530,740	1,497,312
Other Expenses							
01-6018-04-00-00	Public Notices/ Public Relations				2,180	3,270	3,270
01-6101-04-00-00	HR Recruitment & Employee Relations	45,075	19,836	34,745	32,837	24,350	29,190
01-6102-04-00-00	Subscriptions	2,677	2,977	2,058	2,119	2,081	2,533
01-6103-04-00-00	Contract Labor/Part-Time Labor					50,000	30,000
01-6200-04-00-00	Management Support Services	219,478	213,329	80,611	58,868	90,000	50,000
01-6201-04-00-00	Audit	55,000	20,000	38,267	40,600	46,000	46,000
01-6202-04-00-00	Legal	282,388	257,966	222,876	338,560	220,000	200,000
01-6204-04-00-00	Postage	2,348	1,751	3,126	897	1,500	1,500
01-6223-04-00-00	Office Supplies - Admin	5,561	4,698	5,983	3,512	4,500	4,294
01-6224-04-00-00	Office Equipment	6,722	476	1,933	2,338	1,200	6,000
01-6234-04-00-00	Memberships & Trainings	71,655	70,166	94,279	76,234	88,000	95,912
01-6239-04-00-00	Travel & Conference	27,680	24,189	13,470	5,224	11,000	25,000
01-6240-04-00-00	Scholarship/Education reimbursement				1,000		
01-6241-04-00-00	Education Reimbursement		4,500	1,500	1,500	1,500	4,500
01-6310-04-00-00	Miscellaneous	28,056	24,830	25,777	19,542	18,000	20,000
01-6311-04-00-00	Mileage	1,164	897	401	185	1,236	569
01-6317-04-00-00	Contract Services Misc	4,855	4,922	5,293	5,464	5,722	5,573
01-6500-04-00-00	IT Allocations in to PC's & Depts.	104,057	95,635	142,337	114,520	125,761	117,968
01-6601-04-00-00	Shipping/Freight	3,595	5,819	4,830	4,296	3,815	4,382
01-6705-04-00-00	Monthly Car Allowance	12,000	11,974	12,119	12,046	12,000	12,000
	Total Other Expenses	872,312	763,965	689,605	721,922	709,934	658,691
Total Administration Expenses		2,400,967	2,360,182	2,359,761	2,161,324	2,240,674	2,156,003
Year-Over-Year Change %'s		62	-1.7%	0.0%	-8.4%	3.7%	-3.8%

*Expenses included in the General Fund and the pro rata share are detailed on the following page.

General Fund Percentages Calculation

Methodology Proposed by TCWD in FY 2018-19

	Recycled Water Permitting	ETM's & Interceptor				Outfalls			Plants			Total PC's by Agency (#)	Total PC's by Agency (%)
Agency	PC2SO	PC8	PC 21 B,C & D	PC 21 E	PC 23	PC 5	PC 10	PC 24	PC2	PC 15	PC17		
El Toro Water District		1	0	0				1			1	3	8.11%
Emerald Bay Service District		1			0			1		1	1	4	10.81%
Irvine Ranch Water District	1	1	0	0				1				3	8.11%
City of Laguna Beach		1			0			1		1	1	4	10.81%
Moulton Niguel Water District	1	1		0		0		1	1	1	1	6	16.22%
City of San Clemente		1				1	0					2	5.41%
City of San Juan Capistrano	1	1				1			1			4	10.81%
Santa Margarita Water District	1	1				1			1			4	10.81%
South Coast Water District	1	1				1		0	1	1	1	6	16.22%
Trabuco Canyon Water District	1											1	2.70%
Total by PC's (#)	6	9	0	0	0	4	0	5	4	4	5	37	100.00%

			Proposed		Current	Corresponding	
Agency	SOCWA Board Participation (#)	SOCWA Board Participation (%)	SOCWA General Fund	Cost/PC	Admin Allocation (%)	Admin. Budget Adjustment	Delta
El Toro Water District	1	10%	\$ 37,726.71	\$ 12,575.57	4.24%	\$3,787.75	\$ 4,982.46
Emerald Bay Service District	1	10%	\$ 48,786.66	\$ 12,196.66	0.45%	\$399.62	\$ 12,654.27
Irvine Ranch Water District	1	10%	\$ 37,726.71	\$ 12,575.57	0.93%	\$832.78	\$ 2,027.48
City of Laguna Beach	1	10%	\$ 48,786.66	\$ 12,196.66	11.20%	\$10,009.13	\$ 22,263.78
Moulton Niguel Water District	1	10%	\$ 70,906.55	\$ 11,817.76	44.02%	\$39,341.16	\$ 73,715.71
City of San Clemente	1	10%	\$ 26,666.76	\$ 13,333.38	0.74%	\$663.48	\$ (9,201.75)
City of San Juan Capistrano	1	10%	\$ 48,786.66	\$ 12,196.66	9.87%	\$8,823.00	\$ 21,077.66
Santa Margarita Water District	1	10%	\$ 48,786.66	\$ 12,196.66	10.43%	\$9,319.77	\$ 21,574.42
South Coast Water District	1	10%	\$ 70,906.55	\$ 11,817.76	18.06%	\$16,135.32	\$ 50,509.87
Trabuco Canyon Water District	1	10%	\$ 15,606.81	\$ 15,606.81	0.06%	\$51.74	\$ (20,873.45)
Total by PC's (#)	10	100%	\$ 454,686.73		100.00%	\$89,363.73	

General Fund Proposed FY 2022-23 Budget

(Included Within Administration Expenses)

(in dollars)

			Finance Committee Recommended General Fund %'s	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Budget	FY 2022-23 Budget
Salary and Fringe									
01-6000-04-00-00	Regular Salaries-Admin & IT	Footnote #1		150,343	219,977	223,834	167,925	174,131	170,387
01-6001-04-00-00	Overtime Salaries-Admin & IT	50%		14,831	6,085	16,742	17,714	5,000	5,000
01-6315-04-00-00	Comp Time - Admin	50%		5,235	5,007	4,600	9,112	2,500	2,500
01-6401-04-00-00	Fringe Benefits IN to PC's & Depts.			110,595	166,134	166,053	90,919	90,223	88,882
Total Payroll Costs				281,002	397,204	411,229	285,670	271,854	266,770
Other Expenses									
Percentage Change YOY									
01-6018-04-00-00	Public Notices/ Public Relations	100%						3,270	3,270
01-6103-04-00-00	Contract Labor/Part-Time Labor	25%						12,500	7,500
01-6101-04-00-00	Recruitment & Employee Relations								
01-6102-04-00-00	Subscriptions								
01-6200-04-00-00	Management Support Services								
01-6201-04-00-00	Audit	100%		55,000	20,000	38,267	40,600	46,000	46,000
01-6202-04-00-00	Legal	40%		112,955	103,186	89,150	135,424	88,000	80,000
01-6203-04-00-00	Outside Services	100%							
01-6204-04-00-00	Postage	20%		470	350	625	179	300	300
01-6220-04-00-00	Board of Directors - Fees								
01-6223-04-00-00	Office Supplies - Admin	100%		5,561	4,698	5,983	3,512	4,500	4,294
01-6224-04-00-00	Office Equipment	100%		6,722	476	1,933	2,338	1,200	6,000
01-6234-04-00-00	Memberships & Trainings								
01-6239-04-00-00	Travel & Conference								
01-6240-04-00-00	Scholarship Sponsorship								
01-6310-04-00-00	Miscellaneous	20%		5,611	4,966	5,155	3,908	3,600	4,000
01-6311-04-00-00	Mileage								
01-6317-04-00-00	Contract Services Misc								
01-6500-04-00-00	IT Allocations in to PC's & Depts.	5%		5,203	4,782	7,117	5,726	6,288	5,898
01-6601-04-00-00	Shipping/Freight								
01-6705-04-00-00	Monthly Car Allowance								
Total Other Expenses				191,522	138,458	148,230	191,688	165,658	157,262
Total General Fund Expenses				472,524	535,662	559,459	477,358	437,512	424,032

Time Allocation		
(1)	Executive Assistant	50%
	GM	50%
	Controller	5%

General Fund by Member Agency with SMWD and CSJC Combined & Separate

Santa Margarita Water District and City of San Juan Capistrano Separate												
FY 2016-17 Actual	FY 2017-18 Actual	Change %	FY 2018-19 Actual	Change %	FY 2019-20 Actual	Change %	FY 2020-21 Actual	Change %	FY 2021-22 Budget	Change %	FY 2022-23 Budget	Change %

Member Agency General Fund Expenses and Member Agencies Distribution Percentages												
City of Laguna Beach	47,252	10.0%	57,909	10.8%	60,482	10.8%	51,606	10.8%	47,299	10.8%	45,841	10.8%
City of San Clemente	47,252	10.0%	28,955	5.4%	30,241	5.4%	25,803	5.4%	23,649	5.4%	22,921	5.4%
City of San Juan Capistrano	47,252	10.0%	57,909	10.8%	60,482	10.8%	51,606	10.8%	47,299	10.8%	45,841	10.8%
El Toro Water District	47,252	10.0%	43,432	8.1%	45,362	8.1%	38,705	8.1%	35,474	8.1%	34,381	8.1%
Emerald Bay Service District	47,252	10.0%	57,909	10.8%	60,482	10.8%	51,606	10.8%	47,299	10.8%	45,841	10.8%
Irvine Ranch Water District	47,252	10.0%	43,432	8.1%	45,362	8.1%	38,705	8.1%	35,474	8.1%	34,381	8.1%
Moulton Niguel Water District	47,252	10.0%	86,864	16.2%	90,723	16.2%	77,409	16.2%	70,948	16.2%	68,762	16.2%
Santa Margarita Water District	47,252	10.0%	57,909	10.8%	60,482	10.8%	51,606	10.8%	47,299	10.8%	45,841	10.8%
South Coast Water District	47,252	10.0%	86,864	16.2%	90,723	16.2%	77,409	16.2%	70,948	16.2%	68,762	16.2%
Trabuco Canyon Water District	47,252	10.0%	14,477	2.7%	15,121	2.7%	12,902	2.7%	11,825	2.7%	11,460	2.7%
Total General Fund	472,524	100.0%	535,662	100.0%	559,459	100.0%	477,358	100.0%	437,512	100.0%	424,032	100.0%

Santa Margarita Water District and City of San Juan Capistrano Combined													
FY 2016-17 Actual	FY 2017-18 Actual	Change %	FY 2018-19 Actual	Change %	FY 2019-20 Actual	Change %	FY 2020-21 Actual	Change %	FY 2021-22 Budget	Change %	FY 2022-23 Budget	Change %	Member Agency Impact
Member Agency General Fund Expenses and Member Agencies Distribution Percentages													
City of Laguna Beach	47,252	10.0%	57,909	10.8%	60,482	10.8%	51,606	10.8%	47,299	10.8%	45,841	10.8%	
City of San Clemente	47,252	10.0%	28,955	5.4%	30,241	5.4%	25,803	5.4%	23,649	5.4%	22,921	5.4%	
City of San Juan Capistrano	47,252	10.0%	57,909	10.8%	60,482	10.8%	51,606	10.8%	47,299	10.8%			
El Toro Water District	47,252	10.0%	43,432	8.1%	45,362	8.1%	38,705	8.1%	35,474	8.1%	34,381	8.1%	
Emerald Bay Service District	47,252	10.0%	57,909	10.8%	60,482	10.8%	51,606	10.8%	47,299	10.8%	45,841	10.8%	
Irvine Ranch Water District	47,252	10.0%	43,432	8.1%	45,362	8.1%	38,705	8.1%	35,474	8.1%	34,381	8.1%	
Moulton Niguel Water District	47,252	10.0%	86,864	16.2%	90,723	16.2%	77,409	16.2%	70,948	16.2%	68,762	16.2%	
Santa Margarita Water District	47,252	10.0%	57,909	10.8%	60,482	10.8%	51,606	10.8%	47,299	10.8%	91,683	21.6%	
South Coast Water District	47,252	10.0%	86,864	16.2%	90,723	16.2%	77,409	16.2%	70,948	16.2%	68,762	16.2%	
Trabuco Canyon Water District	47,252	10.0%	14,477	2.7%	15,121	2.7%	12,902	2.7%	11,825	2.7%	11,460	2.7%	
Total General Fund	472,524	100.0%	535,662	100.0%	559,459	100.0%	477,358	100.0%	437,512	100.0%	424,032	100.0%	-

Residual Engineering (in dollars)

	FY 2017-18 Actual	FY 18-19 Actual	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Budget	FY 2022-23 Budget
Salary and Fringe						
01-5000-03-00-00 Regular Salaries-O&M	192,301	208,085	180,767	148,365	175,927	161,205
01-5001-03-00-00 Overtime Salaries-O&M	101					
01-5306-03-00-00 Scheduled Holiday Work	48					
01-5401-03-00-00 Fringe Benefits IN to PC's & Depts.	136,870	157,152	134,103	80,329	91,772	84,092
Total Payroll Costs	329,320	365,237	314,871	228,694	267,699	245,297
Other Expenses						
01-5014-03-00-00 Engineering - Misc.	3,064					
01-5015-03-00-00 Management Support Services	513					
01-5017-03-00-00 Legal Fees						
01-5022-03-00-00 Miscellaneous Expense	1,586	74	783	2,529	3,184	3,184
01-5023-03-00-00 Office Supplies - All	248	192	171	31	208	208
01-5031-03-00-00 Safety Supplies		145			306	306
01-5033-03-00-00 Recruitment		14,000				
01-5034-03-00-00 Travel Expense/Tech. Conferences	7,817	12,763	5,767		6,439	6,439
01-5035-03-00-00 Training Expense	3,708	897	278	275	2,244	2,244
01-5037-03-00-00 Office Equipment		1,890			408	408
01-5039-03-00-00 Membership Dues/Fees	930	996	1,120	996	1,377	1,377
01-5061-03-00-00 Mileage	220	389	263	47	510	510
01-5077-03-00-00 IT Direct				1,839		
01-5309-03-00-00 Operating Leases	8,706	6,174	7,764	5,408	9,300	9,300
01-5705-03-00-00 Monthly Car Allowance	4,200	4,191	4,888	4,216	4,200	4,200
01-5802-03-00-00 Shipping/Freight		26			312	312
01-6500-03-00-00 IT Allocations in to PC's & Depts.	54,654	50,202	59,855	49,873	54,293	52,639
Total Other Expenses	85,646	91,938	80,889	65,214	82,781	81,127
Total Residual Engineering Expenses	414,966	457,175	395,760	293,908	350,481	326,424
YOY Change		10.2%	-13.4%	-25.7%	19.2%	-6.9%
Capitalized Portion of Labor & Fringe	320,695	330,807	377,921	431,664	393,641	416,125
Percentage Change		3.2%	14.2%	14.2%	-8.8%	5.7%

IT (In \$'s)

		FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Budget	FY 2022-23 Budget
01-6000-05-00-00	Regular Salaries-Admin & IT	84,015	85,028	92,851	99,833	100,075	106,310
01-6001-05-00-00	Overtime Salaries-Admin & IT	7,460	1,500	4,020			
01-6315-05-00-00	Comp Time - IT	2,749	3,529	-			-
01-6401-05-00-00	Fringe Benefits IN to PC's & Depts.	61,803	64,216	68,882	54,052	51,852	55,456
	Total Salary & Fringe	156,028	154,274	165,753	153,885	151,928	161,767
Other Expenses							
01-6028-05-00-00	Small Tools & Supplies		-			1,000	1,000
01-6031-05-00-00	Safety Supplies						
01-6035-05-00-00	Training Expense	11,100	340		1,725	3,000	3,000
01-6101-05-00-00	Recruitment & Employee Relations, IT DEPT			365			
01-6102-05-00-00	Subscriptions			111			
01-6200-05-00-00	Management Support Services	4,350	8,663	34,550			
01-6223-05-00-00	Office Supplies - All						
01-6224-05-00-00	Office Equipment		-			600	600
01-6234-05-00-00	Memberships & Trainings	336	96			2,750	12,850
01-6239-05-00-00	Travel & Conference	2,608	-	2,745		1,500	1,500
01-6300-05-00-00	Software Maintenance Agreements	128,792	75,792	76,051	40,260	41,026	60,433
01-6301-05-00-00	Hardware Maintenance Agreements	5,529	7,851	6,052	10,441	14,726	14,186
01-6302-05-00-00	Cloud Subscriptions (Internet)	45,251	87,528	68,556	142,417	177,328	181,766
01-6303-05-00-00	Telecommunications	124,353	143,411	144,078	146,075	165,582	164,582
01-6305-05-00-00	IT Professional Services	121,847	83,433	240,364	119,370	92,400	53,500
01-6306-05-00-00	Small Hardware Purchases (< \$5k)	59,166	65,435	29,362	7,495	40,985	28,900
01-6307-05-00-00	Small Software Purchases & Licenses(<\$5k)	48,838	28,313	10,968	28,935	28,968	26,444
01-6308-05-00-00	IT Memberships	1,138	194	704		160	160
01-6309-05-00-00	Operating Leases	56,935	48,727	59,847	58,041	64,173	64,173
01-6310-05-00-00	Miscellaneous	279	329	874		5,000	5,000
01-6311-05-00-00	Mileage		778				-
01-6312-05-00-00	Computer & Photocopy Supplies	4,023	2,598	-	2,633		-
01-6601-05-00-00	Shipping/Freight		-	-		-	-
	Total Other Expenses	614,544	553,489	674,627	557,392	639,198	618,094
Total IT Expenses		770,572	707,763	840,380	711,277	791,126	779,860
IT Allocations (Out) to PC's & Depts							
	Total IT Allocations (Out) to PC's & Depts	(770,572)	(707,763)	(840,380)	(711,277)	(791,126)	(779,860)

67.

IT is a Service Center and "ALL" costs are distributed to Departments and Project Committees.

Comparative Fringe Pool and Rate (In \$'s)

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Budget	FY 2022-23 Budget	Change %
457 Plan - Employer Contributions (41 Participants)	\$13,821	\$83,925	\$75,524	\$64,550	\$74,097	\$72,639	\$80,000	\$80,000	
Accrued Administrative Leave	34,879	30,478	23,929	26,567	47,949	33,434	36,694	35,142	-4.2%
Accrued Holiday	221,783	220,371	234,247	244,674	251,092	262,771	296,993	290,432	-2.2%
Accrued Personal Leave	74,238	76,638	83,205	87,369	97,085	81,137	100,213	96,811	-3.4%
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	289,940	316,082	310,663	-1.7%
Accrued Vacation	372,526	416,343	345,815	419,442	383,841	382,525	408,565	420,367	2.9%
Bereavement Pay	1,345	8,088	10,892	10,820	9,043	12,149	8,700	9,170	5.4%
Jury Duty			5,817	3,149	5,156	1,005	5,000	5,250	5.0%
Disability Insurance - Private	51,728	56,122	57,924	56,713	61,659	61,468	64,736	62,538	-3.4%
Group Medical Insurance	948,341	1,017,679	864,239	918,687	902,394	959,986	1,037,624	1,104,750	6.5%
Medicare Tax - Employer	94,167	94,550	96,326	100,314	104,441	104,289	108,056	112,130	3.8%
Retiree Health Savings Program (RHS)			17,800	29,600	39,600	48,000	55,200	57,600	4.3%
Retiree Health PARS Investment	500,000	504,000	210,000						
¹ 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	640,736	633,939	633,420	-0.1%
¹ Retirement - PERS Unfunded Liability	432,628	499,903	599,849	743,843	867,337				
Unemployment Ins./Reimbursement	1,378	1,234		11,608			1,000	1,000	
Workers Compensation Ins.	76,883	212,990	233,538	159,452	192,000	121,937	153,353	195,530	27.5%

Total O&M Budget Fringe Benefits Pool

\$3,865,192	\$4,370,418	\$3,923,431	\$4,144,686	\$4,309,837	\$3,132,163	\$3,306,155	\$3,414,802	3.3%
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Change in Fringe Pool

13.1% -10.2% 5.6% 4.0% -27.3% 5.6% 3.3%

		Pay for Time Worked Labor Base(Regular Salaries)							
O&M including CIP Labor		\$3,184,417	\$3,224,868	\$3,282,424	\$3,451,281	\$3,402,166	\$3,752,079	\$3,964,865	5.7%
Environmental		815,299	789,929	827,189	933,333	955,618	1,095,082	1,066,194	-2.6%
Engineering including CIP Labor		305,422	377,076	396,554	397,732	428,407	435,220	434,675	-0.1%
Admin		695,744	857,635	896,766	934,332	899,005	998,424	974,150	-2.4%
IT		44,447	84,015	85,028	92,851	99,833	100,075	106,310	6.2%
Total Pay for Time Worked Labor Base	\$4,976,917	\$5,045,329	\$5,333,523	\$5,487,962	\$5,809,528	\$5,785,029	\$6,380,880	\$6,546,194	2.6%
Fringe Rate	78%	86.6%	73.6%	75.5%	74.2%	54.1%	51.8%	52.2%	0.4%

Change in Labor Base

1.4% 5.7% 2.9% 5.9% -0.4% 10.3% 2.6%

¹Retiree Health (OPEB) Pay-Go expenses and Unfunded Pension Liability (UAL) removed from Fringe Pool and Distributed by Member Agency based on the Board Approved Actuarial Methodology.

Health Insurance

Group Insurance Increases 6.5% FY 2022-23		Increase/ (Decrease)¹
CalPERS Health	\$977,026	
CalPERS Admin Fee	2,436	
Mutual Omaha Life Ins.	15,036	
Guardian Life Dental	96,206	
Vision Service Plan	14,045	
Total Group Insurance	\$1,104,750	6.5%
Prior Year Budget	\$1,037,624	

¹ Premium Increase.

OPEB Increases 5.2% FY 2022-23		Increase/ (Decrease)
CalPERS OPEB	\$525,593	
CalPERS Admin Fee	1,314	
Total	\$526,907	5.2%
Prior Year Budget	\$501,063	

Pension Costs

Employer Normal Costs Remains Flat FY 2022-23		
Total	\$633,420	-0.1%
Prior year Budget	\$633,939	

UAL Required Annual Payment Increases \$165k or 14.3% FY 2022-23					
Pension Plans	Annual Lump Sum Payment	Monthly Payments	Annual Interest Savings	Increase/ (Decrease)	Without Savings
Total	\$1,322,162	\$1,367,655	\$45,493	14.3%	18.2%
Prior Year Budget	\$1,156,844				

UAL and OPEB by Member Agency

UAL and OPEB by Member Agency

City of Laguna Beach
 City of San Clemente
 City of San Juan Capistrano
 El Toro Water District
 Emerald Bay Service District
 Irvine Ranch Water District
 Moulton Niguel Water District
 Santa Margarita Water District
 South Coast Water District
 Trabuco Canyon Water District

Total

Board Approved Methodology				
FY 2020-21 Distribution	FY 2021-22	FY 2022-23	\$ Change	% Change
10.71%	\$177,192	\$197,968	\$20,776	11.73%
0.68%	11,149	12,629	1,480	13.28%
10.43%	172,858	192,902	20,044	11.60%
3.47%	58,142	64,254	6,112	10.51%
0.47%	7,558	8,608	1,050	13.89%
0.76%	12,622	14,025	1,403	11.11%
44.55%	743,846	823,690	79,844	10.73%
10.14%	165,273	187,493	22,220	13.44%
18.77%	308,971	347,148	38,177	12.36%
0.02%	295	353	58	19.63%
100.00%	\$1,657,907	\$1,849,069	\$191,162	11.53%

Proposed Fiscal Year 2022–23 Budget

Budget by Member Agency before UAL & OPEB					
City of Laguna Beach	\$1,965,849	\$2,187,387	11.3%	\$1,964,879	-10.2%
City of San Clemente	162,987	225,296	38.2%	201,216	-10.7%
City of San Juan Capistrano	1,982,203	1,875,393	-5.4%	2,031,402	8.3%
El Toro Water District	833,330	914,848	9.8%	869,337	-5.0%
Emerald Bay Service District	160,034	175,894	9.9%	144,863	-17.6%
Irvine Ranch Water District	156,706	220,944	41.0%	198,514	-10.2%
Moulton Niguel Water District	8,610,079	8,767,486	1.8%	9,502,388	8.4%
Santa Margarita Water District	2,523,798	2,809,887	11.3%	2,956,431	5.2%
South Coast Water District	3,584,146	3,911,754	9.1%	3,892,467	-0.5%
Trabuco Canyon Water District	69,503	23,773	-65.8%	60,250	153.4%
Total	\$20,048,635	\$21,112,661	5.3%	\$21,821,747	3.4%

UAL and OPEB Distribution by Member Agency					
UAL and OPEB by Member Agency	Distribution using Board Approved Methodology				
City of Laguna Beach	\$156,033	\$177,192	13.6%	\$197,968	11.7%
City of San Clemente	9,954	11,149	12.0%	12,629	13.3%
City of San Juan Capistrano	152,039	172,858	13.7%	192,902	11.6%
El Toro Water District	50,643	58,142	14.8%	64,254	10.5%
Emerald Bay Service District	6,784	7,558	11.4%	8,608	13.9%
Irvine Ranch Water District	11,054	12,622	14.2%	14,025	11.1%
Moulton Niguel Water District	649,208	743,846	14.6%	823,690	10.7%
Santa Margarita Water District	147,776	165,273	11.8%	187,493	13.4%
South Coast Water District	273,612	308,971	12.9%	347,148	12.4%
Trabuco Canyon Water District	278	295	6.1%	353	19.6%
Total	\$1,457,381	\$1,657,907	13.8%	\$1,849,069	11.5%

Total Budget by Member Agency					
City of Laguna Beach	\$2,121,882	\$2,364,579	11.4%	\$2,162,847	-8.5%
City of San Clemente	172,941	236,445	36.7%	213,846	-9.6%
City of San Juan Capistrano	2,134,243	2,048,251	-4.0%	2,224,304	8.6%
El Toro Water District	883,973	972,990	10.1%	933,591	-4.0%
Emerald Bay Service District	166,819	183,452	10.0%	153,471	-16.3%
Irvine Ranch Water District	167,760	233,566	39.2%	212,539	-9.0%
Moulton Niguel Water District	9,259,287	9,511,332	2.7%	10,326,078	8.6%
Santa Margarita Water District	2,671,575	2,975,160	11.4%	3,143,924	5.7%
South Coast Water District	3,857,757	4,220,725	9.4%	4,239,614	0.4%
Trabuco Canyon Water District	69,781	24,068	-65.5%	60,603	151.8%
Total Budget by Member Agency	\$21,506,016	\$22,770,568	5.9%	\$23,670,816	4.0%

Questions and Discussion



SOCWA Proposed CIP Budget

April 19, 2022
Engineering Committee
Agenda Item No. 8

Current Fiscal Year Update

- ▶ Q1–Q4 Spending Estimated (including small capital, Misc. Eng, Non–Cap)
 - Est. FY21–22 spending \$11.86M (~39% of original budget)
 - Est. cash on hand level under \$3M on 6/30/2023
- ▶ Major Projects in FY21 / 22
 - PC–2 Package B – construction
 - PC 15 Export Sludge – construction (complete)
 - PC 15 Facility Improvements – construction (complete)
 - PC 15 and PC17 Aeration Diffusers – design and equipment order pending delivery
 - PC 17 AWT#2 – design(restart)
 - PC 17 MCC A, C, G, & H – design
 - PC 21 Air Valves (D and E) – design

Next Fiscal Year(s) Update

- ▶ Years 1–5 detailed – Years 6–10+ summary (spreadsheet provided)
- ▶ Detailed project descriptions for FY22–23 projects
- ▶ Historical reconciliation of project budget
- ▶ FY year end spending and cash on hand estimates
- ▶ Agency project allocations for each project
- ▶ Updated 2019 TYCIP formatted tables
- ▶ Agency and PC summary and comparison tables

Next Fiscal Year(s) Update

- ▶ Major Projects in FY22/23 – PC–2
 - PC–2 Package B – construction (est. September substantial completion)
 - PC–2 2022 Plant 1 Electrical Rehabilitation – construction
 - PC–2 2022 Misc. Gates and Pipe Rehabilitations (L/S) – construction
 - PC–2 2022 Misc. Roof Rehabilitations (L/S/C) – construction
 - PC–2 Centrate Piping Reconstruction – construction

Next Fiscal Year(s) Update

- ▶ Major Projects in FY22/23 – PC-15
 - PC-15 Aeration Diffusers – construction
 - PC-15 Export Sludge Mitigation – design and construction
 - PC-15 Personnel Building Reconstruction – construction
 - PC-15 Fiber Installation to Alicia Parkway – implementation
 - PC-15 Foul Air Scrubber Replacement Project – design and construction

Next Fiscal Year(s) Update

- ▶ Major Projects in FY22/23 – PC-17
 - PC-17 MCC A, C, G, & H – construction
 - PC-17 Aeration Diffusers – construction (est. closeout August)
 - PC-17 AWT No.2 Reconstruction – construction

Next Fiscal Year(s) Update

- ▶ Major Projects in FY22/23 – PC21 and 24
 - PC-21 Air Valves (D and E) – construction
 - PC-21 Trail Bridge Crossing Protection – design and permitting
 - PC-24 Internal Seal Replacement – construction

Year to Year Comparison

(Includes Small Capital)

Budget - Current FY22-23 Versus FY22-23 Planned in FY21-22	Proposed FY22-23 Budget	FY22-23 Budget From FY21-22	Reduced Budget for FY22-23
Total	\$24,758,682	\$27,192,592	(\$2,433,910)

FY22/23 CIP Updated Summary

Member Agency	Proposed FY22-23 Budget
CLB	\$2,154,358
CSC	\$33,055
CSJC	\$2,808,824
ETWD	\$706,525
EBSD	\$166,989
IRWD	\$524,331
MNWD	\$12,243,043
SMWD	\$2,043,270
SCWD	\$4,078,286
Total	\$24,758,682

O&M Labor to CIP (new item)

PC / Area	Estimated O&M Labor
PC-2 (JBL) Liquids	\$35,000
PC-2 (JBL) Solids	\$15,000
PC-15 (CTP) Liquids	\$25,000
PC-17 (RTP) AWT	\$5,000
PC-17 (RTP) Liquids	\$15,000
PC-17 (RTP) Solids	\$5,000
Total	\$100,000

Cash Management

- ▶ Item 1 – Closed project cash is refunded directly to MAs with the Annual Use Audit (Est. \$500k)
- ▶ Item 2 – Cogen grant funds are returned directly to MAs with the Annual Use Audit (Est. \$350k today and the future estimated grant \$'s)
- ▶ Item 3 – Cash to be transferred when Project moves into next phase (design to construction or phase 1 construction to phase 2) (Est. \$1.2M)
- ▶ Item 4 – Cash anticipated to be expended more than 24 month into the future will be returned with the Annual Use Audit (Est. \$200k)

Budget & Cash Request

Member Agency	Proposed FY22-23 Budget	Proposed FY22-23 Cash Request	Delta
CLB	\$2,154,358	\$1,684,160	(\$470,199)
CSC	33,055	33,055	-
CSJC	2,808,824	1,955,677	(853,148)
ETWD	706,525	486,152	(220,372)
EBSD	166,989	130,303	(36,686)
IRWD	524,331	323,139	(201,192)
MNWD	12,243,043	9,237,627	(3,005,416)
SMWD	2,043,270	1,357,473	(685,797)
SCWD	4,078,286	3,047,743	(1,030,543)
Total	\$24,758,682	\$18,255,330	(\$6,503,353)

Questions and Discussion