

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

FINANCE COMMITTEE
TELECONFERENCE MEETING**

**February 15, 2022
10:30 a.m.**

Join Zoom Meeting by clicking on the link below:

<https://socwa.zoom.us/>

Meeting ID: 850 4034 6224
Passcode: 843033

One tap mobile

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Find your local number: <https://socwa.zoom.us/j/kbnA0MxX2U>

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 **February 15, 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

- Finance Committee Meeting of November 16, 2021

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

4. Financial Reports for the Month of November 2021

The reports included are as follows:

- a. Summary of Disbursements for November 2021 (Exhibit A)
- b. Schedule of Funds Available for Reinvestment (Exhibit B)
 - Local Agency Investment Fund (LAIF)
- c. Schedule of Cash and Investments (Exhibit C)
- d. Capital Schedule (Exhibit D)
 - Capital Projects – Graph (Exhibit D-1)
- e. Budget vs. Actual Expenses:
 - Operations and Environmental Summary (Exhibit E-1)
 - Operations and Environmental by PC (E-1.2)
 - Residual Engineering, after transfer to Capital (Exhibit E-2)
 - Administration (Exhibit E-3)
 - Information Technology (IT) (Exhibit E-4)

Recommended Action: Staff recommends that the Finance Committee recommend to the Board of Directors to ratify the November 2021 disbursements, totaling \$1,907,236, for the period from November 1, 2021, through November 30, 2021, and to receive and file the November 2021 Financial Reports as submitted.

5. Financial Reports for the Month of December 2021

The reports included are as follows:

- a. Summary of Disbursements for December 2021 (Exhibit A)
- b. Schedule of Funds Available for Reinvestment (Exhibit B)
 - Local Agency Investment Fund (LAIF)
- c. Schedule of Cash and Investments (Exhibit C)
- d. Capital Schedule (Exhibit D)
 - Capital Projects – Graph (Exhibit D-1)
- e. Budget vs. Actual Expenses:
 - Operations and Environmental Summary (Exhibit E-1)
 - Operations and Environmental by PC (E-1.2)

Financial Reports for the Month of December 2021, Continued

- Residual Engineering, after transfer to Capital (Exhibit E-2)
- Administration (Exhibit E-3)
- Information Technology (IT) (Exhibit E-4)
- f. Mid-year Fringe Pool and Fringe Rate Forecast (Exhibit E-5) (No recommended change)

Recommended Action: Staff recommends that the Finance Committee recommend to the Board of Directors to ratify the December 2021 disbursements, totaling \$6,929,879, for the period from December 1, 2021, through December 31, 2021, and to receive and file the December 2021 Financial Reports as submitted.

6. Q2 FY 2021-22 Cash Roll Forward as of December 31, 2021

Recommended Action: Staff recommends that the Finance Committee recommend to the Board of Directors to receive and file the Q2 Fiscal Year 2021-22 Cash Roll Forward as submitted.

7. Uniform Purchasing Policy and Procedure – Proposed Revisions

Recommended Action: Review draft and comment and consideration for recommendation of changes to the SOCWA Board of Directors.

8. Budget Baseline Assumptions and Schedule 2022-23 Fiscal Year – PowerPoint

Recommended Action: Committee discussion and direction to staff.

9. Items for Discussion

Recommended Action: Committee discussion and direction to staff.

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 9th day of February 2022.



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

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

Finance Committee

November 16, 2021

The Special Meeting of the South Orange County Wastewater Authority (SOCWA) Finance Committee Meeting was held on November 16, 2021 at 10:30 a.m. via teleconference from the Administrative Offices located at 34156 Del Obispo Street, Dana Point, California. The following members of the Finance Committee were present via Teams Meeting:

DAN FERONS	Santa Margarita Water District	Director [exited @ 10:58am./returned @ 11:13am]
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

Absent:

SERGIO FARIAS	City of San Juan Capistrano	Director
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Staff Participation:

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

1. Call Meeting to Order

Chairman Ferons called the meeting to order at 10:32 a.m.

2. Public Comments

None

3. Approval of Minutes

- Finance Committee Meeting of October 19, 2021

ACTION TAKEN

Motion was made by Director Collings and seconded by Director Cafferty to approve Finance Committee Meeting Minutes for October 19, 2021 as submitted.

Motion carried:	Aye 5, Nay 0, Abstained 0, Absent 1
Director Ferons	Aye
Director Shissler	Aye
Director Farias	Absent
Director Cafferty	Aye
Director Collings	Aye
Director Arends-King	Aye

4. Financial Reports for the Month of October 2021

ACTION TAKEN

Motion was made by Director Collings and seconded by Director Arends-King to recommend to the Board of Directors to ratify the October 2021 disbursements for the period of October 1 through October 31, 2021, totaling \$3,394,133, and to receive and file the October 2021 Financial Reports as submitted.

Motion carried:	Aye 5, Nay 0, Abstained 0, Absent 1
Director Ferons	Aye
Director Shissler	Aye
Director Farias	Absent
Director Cafferty	Aye
Director Collings	Aye
Director Arends-King	Aye

5. Q1 FY 2021-22 Cash Roll Forward as of September 30, 2021

ACTION TAKEN

Motion was made by Director Collings and seconded by Director Shissler to recommend to the Board of Directors to receive and file the Q1 FY 2021-22 Cash Roll Forward as submitted.

Motion carried:	Aye 5, Nay 0, Abstained 0, Absent 1
Director Ferons	Aye
Director Shissler	Aye
Director Farias	Absent
Director Cafferty	Aye
Director Collings	Aye
Director Arends-King	Aye

6. Fiscal Year 2020-21 Supplemental Financial Statements

ACTION TAKEN

Motion was made by Director Collings and seconded by Director Shissler to recommend to the Board of Directors to receive and file the Supplemental Financial Statements as submitted.

Motion carried:	Aye 5, Nay 0, Abstained 0, Absent 1
Director Ferons	Aye
Director Shissler	Aye
Director Farias	Absent
Director Cafferty	Aye
Director Collings	Aye
Director Arends-King	Aye

7. Draft Annual Comprehensive Financial Report (ACFR) for Fiscal Years ended June 30, 2021 and 2020

ACTION TAKEN

Motion was made by Director Collings and seconded by Director Shissler to recommend to the Board of Directors to receive and file the Annual Comprehensive Financial Report (ACFR) for Fiscal Years ended June 30, 2021 and 2020.

Motion carried:	Aye 5, Nay 0, Abstained 0, Absent 1
Director Ferons	Aye
Director Shissler	Aye
Director Farias	Absent
Director Cafferty	Aye
Director Collings	Aye
Director Arends-King	Aye

8. Draft Use Audit FY 2020-21 Budget vs. Actual including UAL and OPEB Annual Expense Distribution by Member Agencies

ACTION TAKEN

Motion was made by Director Cafferty and seconded by Director Shissler to recommend to the Board of Directors to approve FY2020-21 Use Audit.

Motion carried:	Aye 5, Nay 0, Abstained 0, Absent 1
Director Ferons	Aye
Director Shissler	Aye
Director Farias	Absent
Director Cafferty	Aye
Director Collings	Aye
Director Arends-King	Aye

9. Uniform Purchasing Policy and Procedure – Consideration of Policy Revisions

The Finance Committee members discussed alternatives of potential revisions to the Uniform Purchasing Policy and Procedure. An open discussion ensued.

Ms. Burnett, General Manager summarized some of the Committee's input noting that the Committee expressed support for an approach that would eliminate Exhibit 2 from the Policy and replace it with a more general statement allowing for single source procurements where the agency does not have the choice of vendor, supplier or a change would require substantial effort and planning to accomplish the change. Some examples discussed included utilities, banking services, insurance, and employee benefits among other items. Discussion also included some support for multi-year contracts and open task orders for certain services or supplies with periodic reconsideration of pricing and renewed approval.

The Finance Committee directed staff to bring item back to the next meeting for further review and discussion.

This was an information item; no action was taken

Adjournment

There being no further business, Chairman Ferons adjourned the meeting at 12:15 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 November 16, 2021 and approved by the Finance Committee and received and filed by the Board of Directors of the South Orange County Wastewater Authority.

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

Agenda Item

4

Finance Committee Meeting

Meeting Date: February 15, 2022

TO: Finance Committee

FROM: Betty Burnett, General Manager

STAFF CONTACT: Mary Carey, Finance Controller

SUBJECT: Financial Reports for the Month of November 2021

Summary/Discussion

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

The reports included are as follows:

- a. Summary of Disbursements for November 2021 (Exhibit A)
- b. Schedule of Funds Available for Reinvestment (Exhibit B)
 - Local Agency Investment Fund (LAIF)
- c. Schedule of Cash and Investments (Exhibit C)
- d. Capital Schedule (Exhibit D)
 - Capital Projects – Graph (Exhibit D-1)
- e. Budget vs. Actual Expenses:
 - Operations and Environmental Summary (Exhibit E-1)
 - Operations and Environmental by PC (E-1.2)
 - Residual Engineering, after transfer to Capital (Exhibit E-2)
 - Administration (Exhibit E-3)
 - Information Technology (IT) (Exhibit E-4)

Fiscal impact

November 2021 cash disbursements were: \$ 1,907,236.

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

Recommended Action: Staff recommends that the Finance Committee recommend to the Board of Directors to ratify the November 2021 disbursements, totaling \$1,907,236, for the period from November 1, 2021, through November 30, 2021, and to receive and file the November 2021 Financial Reports as submitted.

Exhibit A

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

	<u>Actual</u>
General Fund	\$ (290,785)
PC 2 - Jay B. Latham Plant	(542,225)
PC 5 - San Juan Creek Ocean Outfall	(34,373)
PC 8 - Pretreatment Program	(16,368)
PC 12 SO - Water Reclamation Permits	(4,665)
PC 15 - Coastal Treatment Plant/AWT	(292,732)
PC 17 - Joint Regional Wastewater Reclamation	(696,940)
PC 21 - Effluent Transmission Main	(8,388)
PC 23 - North Coast Interceptor	-
PC 24 - Aliso Creek Ocean Outfall	(20,761)
Total	<u><u>\$ (1,907,236)</u></u>

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

CASH IN BANK: (BEGINNING BAL.)	\$ 2,445,440
L.A.I.F. FUNDS: (BEGINNING BAL.)	10,349,304
DEPOSITS, TRANSFERS & ADJUSTMENTS:	6,625,223
FUND REQUIREMENTS:	
BILLS FOR CONSIDERATION ¹	<u>(1,907,236)</u>
TOTAL CASH IN BANK	<u>\$ 17,512,731</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 01/13/22



PMIA Average Monthly Effective Yields⁽¹⁾

Dec	0.212
Nov	0.203
Oct	0.203

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⁾ 12/31/21 \$181.4 billion

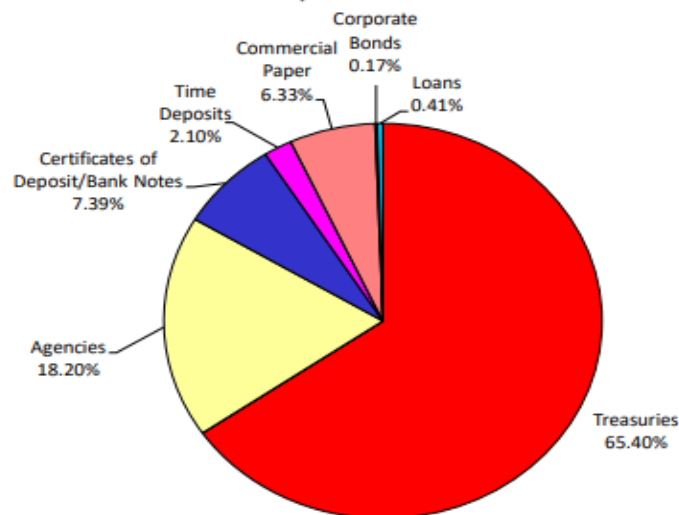


Chart does not include \$6,716,000.00 in mortgages, which equates to 0.001%. Percentages may not total 100% due to rounding.

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

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

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller

Exhibit C

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

MVA	\$ 3,407	(A)
A/P Checking	1,688,824	(B)
Payroll Checking	163,196	(C)
State LAIF	15,657,304	(D)
Total Cash in Bank	\$ 17,512,731	
Petty Cash	1,600	(E)
Total Operating Cash	\$ 17,514,331	
OPEB Trust	6,649,427	(F)
Total Cash and Investments	\$ 24,163,758	

Notes:

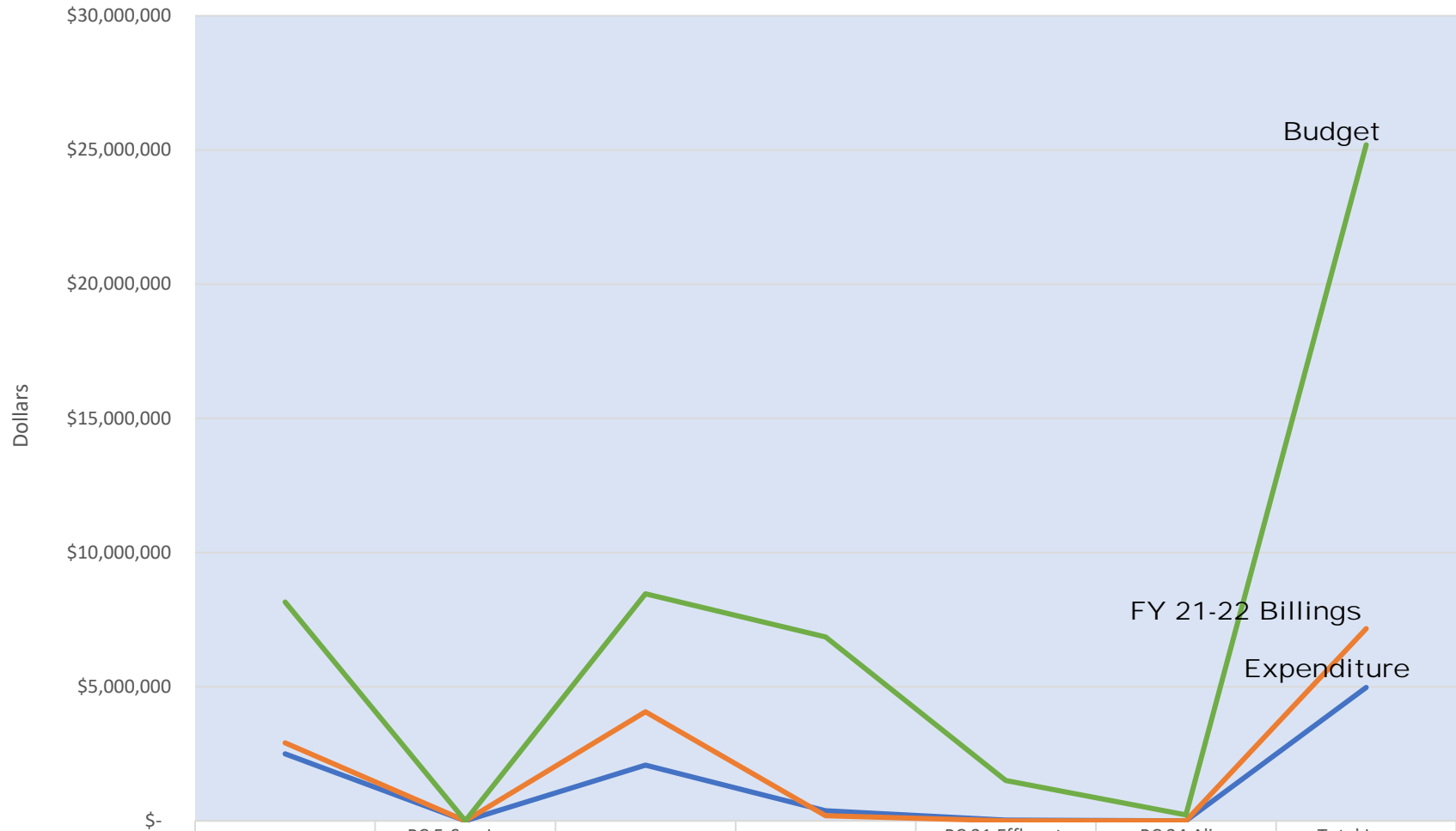
- (A) Interest bearing account; all cash receipts are deposited in this account and later moved to the LAIF account.
- (B) Accounts Payable Checks are drawn against this account; money is transferred to this account, as needed, from the LAIF account.
- (C) Payroll including payroll taxes and related 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 November 2021
(in dollars)**

FY 2021-22 Budget vs. Actual Spending								
Description	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	\$ 2,495,391	\$ 5,658,546	30.6%	\$ 2,908,750	\$ 2,908,750	\$ -	85.8%
PC 5-San Juan Creek Outfall	-	-	-	-	-	-	-	-
PC 15-Coastal	8,464,653	2,072,923	6,391,730	24.5%	4,064,999	4,064,999	-	51.0%
PC 17-Regional	6,851,959	377,776	6,474,183	5.5%	188,249	188,249	-	200.7%
PC 21 Effluent Transmission	1,502,000	24,131	1,477,869	1.6%	-	-	-	-
PC 24 Aliso Creek Outfall	220,000	-	220,000	0.0%	-	-	-	-
Total Large Capital	\$ 25,192,549	\$ 4,970,221	\$ 20,222,328	19.7%	\$ 7,161,998	\$ 7,161,998	\$ -	69.4%
Non-Capital Engineering	405,871	11,119	394,752	2.7%	50,000	50,000	-	22.2%
Non-Capital Misc Engineering	254,500	2,778	251,723	1.1%	6,000	6,000	-	46.3%
Small Internal Capital	2,061,000	578,752	1,482,248	28.1%	1,030,500	1,030,500	-	56.2%
Total Capital	\$ 27,913,920	\$ 5,562,870	\$ 22,351,050	19.9%	\$ 8,248,498	\$ 8,248,498	\$ -	67.4%

Large Capital Projects Fiscal Year '21-22 Budget vs. Year-to-Date Expenditures & Billings as of 11/30/2021

Exhibit D-1



	PC 2-JB Latham	PC 5-San Juan Creek Outfall	PC 15-Coastal	PC 17-Regional	PC 21 Effluent Transmission	PC 24 Aliso Creek Outfall	Total Large Capital
Spent - YTD 11/30/21	\$2,495,391	-	\$2,072,923	\$377,776	\$24,131.00	-	\$4,970,221
FY 21-22 Billings	\$2,908,750	-	\$4,064,999	\$188,249	-	-	\$7,161,998
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 November 30, 2021
(in dollars)

		FY 2021-22 Budget	Actual	(Over)/Under Budget	% Expended	
Salary and Fringe						
5000--**_**	Regular Salaries-O&M	4,847,168	1,836,221	3,010,947	37.9%	
5001--**_**	Overtime Salaries-O&M	107,256	42,753	64,503	39.9%	
5306--**_**	Scheduled Holiday Work	91,000	31,874	59,126	35.0%	
5315--**_**	Comp Time - O&M	15,980	12,322	3,658	77.1%	
5401--**_**	Fringe Benefits IN to PC's & Depts.	2,511,460	951,407	1,560,053	37.9%	
5700--**_**	Standby Pay	67,600	28,341	39,259	41.9%	
	Total Payroll Costs	7,640,464	2,902,919	4,737,545	38.0%	
Other Expenses						
5002--**_**	Electricity	1,170,780	439,921	730,859	37.6%	
5003--**_**	Natural Gas	226,008	159,908	66,100	70.8%	(1)
5004--**_**	Potable & Reclaimed Water	85,000	23,869	61,131	28.1%	
5005--**_**	Co-generation Power Credit	(686,000)	(516,820)	(169,180)	75.3%	
5006--**_**	Chlorine/Sodium Hypochlorite	502,008	242,047	259,961	48.2%	
5007--**_**	Polymer Products	747,004	344,375	402,629	46.1%	
5008--**_**	Ferric Chloride	588,004	282,349	305,655	48.0%	
5009--**_**	Odor Control Chemicals	107,016	53,402	53,614	49.9%	
5010--**_**	Other Chemicals - Misc.	2,004	-	2,004	-	
5011--**_**	Laboratory Services	65,196	14,617	50,579	22.4%	
5012--**_**	Grit Hauling	120,000	65,800	54,200	54.8%	
5013--**_**	Landscaping	219,008	75,164	143,844	34.3%	
5015--**_**	Management Support Services	475,000	63,059	411,941	13.3%	
5016--**_**	Audit - Environmental	1,304	-	1,304	-	
5017--**_**	Legal Fees	48,612	36,713	11,899	75.5%	
5018--**_**	Public Notices/ Public Relations	6,000	-	6,000	-	
5019--**_**	Contract Services Misc.	277,016	174,054	102,962	62.8%	
5021--**_**	Small Vehicle Expense	23,080	12,620	10,460	54.7%	
5022--**_**	Miscellaneous Expense	16,012	1,336	14,676	8.3%	
5023--**_**	Office Supplies - All	46,008	11,823	34,185	25.7%	
5024--**_**	Petroleum Products	34,008	6,939	27,069	20.4%	
5025--**_**	Uniforms	70,996	27,817	43,179	39.2%	
5026--**_**	Small Vehicle Fuel	22,656	6,237	16,419	27.5%	
5027--**_**	Insurance - Property/Liability	317,684	310,165	7,519	97.6%	
5028--**_**	Small Tools & Supplies	80,000	25,611	54,389	32.0%	
5030--**_**	Trash Disposal	8,500	2,089	6,411	24.6%	
5031--**_**	Safety Program & Supplies	119,344	34,192	85,152	28.7%	
5032--**_**	Equipment Rental	7,004	6,582	422	94.0%	
5033--**_**	Recruitment	2,500	2,570	(70)	102.8%	
5034--**_**	Travel Expense/Tech. Conferences	29,928	360	29,568	1.2%	
5035--**_**	Training Expense	47,996	19,187	28,809	40.0%	
5036--**_**	Laboratory Supplies	124,400	57,282	67,118	46.0%	
5037--**_**	Office Equipment	25,992	10,065	15,927	38.7%	
5038--**_**	Permits	489,996	22,909	467,087	4.7%	
5039--**_**	Membership Dues/Fees	17,872	4,395	13,477	24.6%	
5044--**_**	Offshore Monitoring	151,000	43,822	107,178	29.0%	
5045--**_**	Offshore Biochemistry - 20B	23,024	-	23,024	-	
5046--**_**	Effluent Chemistry	70,000	11,363	58,637	16.2%	
5047--**_**	Access Road Expenses	45,000	-	45,000	-	
5048--**_**	Storm Damage	21,000	-	21,000	-	
5049--**_**	Biosolids Disposal	1,470,000	617,927	852,073	42.0%	
5050--**_**	Contract Services Generators - 29A	28,008	16,884	11,124	60.3%	(2)
5052--**_**	Janitorial Services	101,004	35,392	65,612	35.0%	
5053--**_**	Contract Serv - Digester Cleaning - 29E	60,000	31,306	28,694	52.2%	(3)
5054--**_**	Diesel Truck Maint	42,000	4,765	37,235	11.3%	
5055--**_**	Diesel Truck Fuel	11,500	2,720	8,780	23.7%	

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

		FY 2021-22 Budget	Actual	(Over)/Under Budget	% Expended	
5056--***	Maintenance Equip. & Facilities (Solids)	366,000	238,030	127,970	65.0%	(4)
5057--***	Maintenance Equip. & Facilities (Liquids)	651,996	203,705	448,291	31.2%	
5058--***	Maintenance Equip. & Facilities (Common)	90,008	82,265	7,743	91.4%	(5)
5059--***	Maintenance Equip. & Facilities (Co-Gen)	738,996	334,696	404,300	45.3%	
5060--***	Maintenance Equip. & Facilities (AWT)	88,000	29,041	58,959	33.0%	
5061--***	Mileage	3,608	602	3,006	16.7%	
5068--***	MNWD Potable Water Supplies & Svcs.	28,000	16,961	11,039	60.6%	(6)
5074--***	Education Reimbursement	1,996	101	1,895	5.1%	
5076--***	SCADA Infrastructure	86,596	30,000	56,596	34.6%	
5077--***	IT Direct	5,508	-	5,508	-	
5105--***	Co-Generation Power Credit - Offset	685,992	516,820	169,172	75.3%	
5303--***	Group Insurance Waiver	14,392	6,037	8,355	41.9%	
5305--***	Medicare Tax Payments for Employees	2,160	841	1,319	38.9%	
5309--***	Operating Leases	26,000	12,132	13,868	46.7%	
5705--***	Monthly Car Allowance	35,396	15,649	19,747	44.2%	
5799--***	Zephyr Wall Costs Share-O&M	(14,000)	-	(14,000)	0.0%	
6500--***	IT Allocations in to PC's & Depts.	610,540	215,271	395,269	35.3%	
	Total Other Expenses	10,881,660	4,486,967	6,394,693	41.2%	
Total O&M Expenses		18,522,124	7,389,886	11,132,238	39.9%	

- (1) Additional natural gas was used to run the cogeneration system at RTP during warranty extensive repairs on the digester gas cleaning System.
- (2) Generator services are completed before the rainy season each year and are nearly complete for the Fiscal Year.
- (3) Digester cleaning at JBL is well underway for the Fiscal Year.
- (4) JBL staff are performing work in solids areas that are usually unavailable during the ongoing Package B Construction Project shutdowns.
- (5) The Administrative buildings at JBL and RTP had extensive sewer and water failures repaired.
- (6) Annual laboratory proficiency testing costs for potable water certification. Costs expected to level out.

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

		FY 2021-22 Budget	Actual	(Over)/Under Budget	% Expended
02 - Jay B. Latham Plant					
Salary and Fringe					
02-5000-**-**	Regular Salaries-O&M	1,585,228	618,438	966,791	39.0%
02-5001-**-**	Overtime Salaries-O&M	37,904	21,408	16,496	56.5%
02-5306-**-**	Scheduled Holiday Work	36,600	12,637	23,963	34.5%
02-5315-**-**	Comp Time - O&M	8,264	6,373	1,891	77.1%
02-5401-**-**	Fringe Benefits IN to PC's & Depts.	821,352	320,433	500,919	39.0%
02-5700-**-**	Standby Pay	25,096	12,383	12,713	49.3%
	Total Payroll Costs	2,514,444	991,671	1,522,773	39.4%
Other Expenses					
02-5002-**-**	Electricity	506,564	153,294	353,270	30.3%
02-5003-**-**	Natural Gas	132,160	80,803	51,357	61.1%
02-5004-**-**	Potable & Reclaimed Water	25,000	8,646	16,354	34.6%
02-5006-**-**	Chlorine/Sodium Hypochlorite	8,000	6,330	1,670	79.1%
02-5007-**-**	Polymer Products	305,000	131,030	173,970	43.0%
02-5008-**-**	Ferric Chloride	200,000	109,036	90,964	54.5%
02-5009-**-**	Odor Control Chemicals	21,004	13,612	7,392	64.8%
02-5010-**-**	Other Chemicals - Misc.	1,000	-	1,000	-
02-5011-**-**	Laboratory Services	19,000	611	18,389	3.2%
02-5012-**-**	Grit Hauling	55,000	38,494	16,506	70.0%
02-5013-**-**	Landscaping	77,004	22,723	54,281	29.5%
02-5015-**-**	Management Support Services	30,008	20,390	9,618	67.9%
02-5017-**-**	Legal Fees	4,996	928	4,068	18.6%
02-5019-**-**	Contract Services Misc.	70,636	56,766	13,870	80.4%
02-5021-**-**	Small Vehicle Expense	11,000	3,299	7,701	30.0%
02-5022-**-**	Miscellaneous Expense	8,000	1,086	6,914	13.6%
02-5023-**-**	Office Supplies - All	29,000	5,562	23,438	19.2%
02-5024-**-**	Petroleum Products	11,004	-	11,004	-
02-5025-**-**	Uniforms	33,996	12,509	21,487	36.8%
02-5026-**-**	Small Vehicle Fuel	10,004	3,157	6,847	31.6%
02-5027-**-**	Insurance - Property/Liability	108,384	109,241	(857)	100.8%
02-5028-**-**	Small Tools & Supplies	38,000	7,007	30,993	18.4%
02-5030-**-**	Trash Disposal	3,000	860	2,140	28.7%
02-5031-**-**	Safety Program & Supplies	41,000	16,884	24,116	41.2%
02-5032-**-**	Equipment Rental	3,000	-	3,000	-
02-5033-**-**	Recruitment	348	870	(522)	250.0%
02-5034-**-**	Travel Expense/Tech. Conferences	9,012	-	9,012	-
02-5035-**-**	Training Expense	16,976	6,635	10,341	39.1%
02-5036-**-**	Laboratory Supplies	21,004	7,705	13,299	36.7%
02-5037-**-**	Office Equipment	13,000	3,717	9,283	28.6%
02-5038-**-**	Permits	13,496	19,414	(5,918)	143.9%
02-5039-**-**	Membership Dues/Fees	4,516	1,231	3,285	27.3%
02-5049-**-**	Biosolids Disposal	620,000	218,644	401,356	35.3%
02-5050-**-**	Contract Services Generators - 29A	10,004	12,739	(2,735)	127.3% (1)
02-5052-**-**	Janitorial Services	47,000	18,682	28,318	39.7%
02-5053-**-**	Contract Serv - Digester Cleaning - 29E	60,000	31,306	28,694	52.2% (2)
02-5054-**-**	Diesel Truck Maint	22,000	1,445	20,555	6.6%
02-5055-**-**	Diesel Truck Fuel - 37B	2,996	540	2,456	18.0%
02-5056-**-**	Maintenance Equip. & Facilities (Solids)	155,000	100,348	54,652	64.7% (3)
02-5057-**-**	Maintenance Equip. & Facilities (Liquids)	260,000	55,241	204,759	21.2%
02-5058-**-**	Maintenance Equip. & Facilities (Common)	29,000	49,947	(20,947)	172.2% (4)
02-5059-**-**	Maintenance Equip. & Facilities (Co-Gen)	277,120	111,031	166,089	40.1%
02-5061-**-**	Mileage	2,104	57	2,047	2.7%
02-5076-**-**	SCADA Infrastructure	28,960	10,000	18,960	34.5%
02-5077-**-**	IT Direct	2,620	-	2,620	-
02-5303-**-**	Group Insurance Waiver	3,596	1,509	2,087	42.0%
02-5309-**-**	Operating Leases	26,000	10,217	15,783	39.3%
02-5705-**-**	Monthly Car Allowance	22,804	9,559	13,245	41.9%
02-5799-**-**	Zephyr Wall Costs Share-O&M	(14,000)	-	(14,000)	0.0%
02-6500-**-**	IT Allocations in to PC's & Depts.	199,812	70,451	129,361	35.3%
	Total Other Expenses	3,585,128	1,543,557	2,041,571	43.1%
	Total Expenses	6,099,572	2,535,228	3,564,344	41.6%

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

		FY 2021-22 Budget	Actual	(Over)/Under Budget	% Expended
05 - San Juan Creek Ocean Outfall					
Salary and Fringe					
05-5000-**-**-**	Regular Salaries-O&M	146,556	50,735	95,821	34.6%
05-5001-**-**-**	Overtime Salaries-O&M	72	-	72	-
05-5306-**-**-**	Scheduled Holiday Work	416	224	192	53.8%
05-5401-**-**-**	Fringe Benefits IN to PC's & Depts.	75,928	26,288	49,640	34.6%
	Total Payroll Costs	222,972	77,246	145,726	34.6%
Other Expenses					
05-5015-**-**-**	Management Support Services	212,500	18,952	193,548	8.9%
05-5017-**-**-**	Legal Fees	2,008	-	2,008	-
05-5026-**-**-**	Small Vehicle Fuel	500	-	500	-
05-5027-**-**-**	Insurance - Property/Liability	9,668	9,281	387	96.0%
05-5031-**-**-**	Safety Supplies	1,052	-	1,052	-
05-5033-**-**-**	Recruitment	556	-	556	-
05-5034-**-**-**	Travel Expense/Tech. Conferences	1,512	180	1,332	11.9%
05-5035-**-**-**	Training Expense	1,952	18	1,935	0.9%
05-5036-**-**-**	Laboratory Supplies	35,000	15,757	19,243	45.0%
05-5038-**-**-**	Permits	228,968	-	228,968	-
05-5039-**-**-**	Membership Dues/Fees	216	-	216	-
05-5044-**-**-**	Offshore Monitoring	75,496	22,143	53,353	29.3%
05-5045-**-**-**	Offshore Biochemistry - 20B	11,512	-	11,512	-
05-5046-**-**-**	Effluent Chemistry	35,000	5,299	29,701	15.1%
05-5058-**-**-**	Maintenance Equip. & Facilities (Common)	1,004	375	629	37.4%
05-6500-**-**-**	IT Allocations in to PC's & Depts.	18,464	6,508	11,956	35.2%
	Total Other Expenses	635,408	78,514	556,894	12.4%
	Total Expenses	858,380	155,760	702,620	18.1%
08 - Pre Treatment					
Salary and Fringe					
08-5000-**-**-**	Regular Salaries-O&M	117,772	44,856	72,916	38.1%
08-5401-**-**-**	Fringe Benefits IN to PC's & Depts.	61,016	23,242	37,774	38.1%
	Total Payroll Costs	178,788	68,098	110,690	38.1%
Other Expenses					
08-5011-**-**-**	Laboratory Services	3,200	405	2,795	12.7%
08-5016-**-**-**	Audit - Environmental	1,304	-	1,304	-
08-5017-**-**-**	Legal Fees	2,596	-	2,596	-
08-5018-**-**-**	Public Notices/ Public Relations	6,000	-	6,000	-
08-5021-**-**-**	Small Vehicle Expense - 31A	1,076	-	1,076	-
08-5022-**-**-**	Miscellaneous Expense	2,008	-	2,008	-
08-5026-**-**-**	Small Vehicle Fuel - 37A	1,148	126	1,022	11.0%
08-5027-**-**-**	Insurance - Property/Liability	3,024	2,903	121	96.0%
08-5028-**-**-**	Small Tools & Supplies	3,000	2,033	967	67.8%
08-5034-**-**-**	Travel Expense/Tech. Conferences	2,732	-	2,732	-
08-5035-**-**-**	Training Expense	-	150	(150)	-
08-5038-**-**-**	Permits and Fines	3,132	-	3,132	-
08-5039-**-**-**	Membership Dues/Fees	-	106	(106)	-
08-6500-**-**-**	IT Allocations in to PC's & Depts.	14,832	5,230	9,602	35.3%
	Total Other Expenses	44,052	10,954	33,098	24.9%
	Total Expenses	222,840	79,052	143,788	35.5%
12 - Water Reclamation Permits					
Salary and Fringe					
12-5000-**-**-**	Regular Salaries-O&M	44,808	14,335	30,473	32.0%
12-5401-**-**-**	Fringe Benefits IN to PC's & Depts.	23,208	7,427	15,781	32.0%
	Total Payroll Costs	68,016	21,762	46,254	32.0%
Other Expenses					
12-5015-**-**-**	Management Support Services	-	-	-	-
12-5017-**-**-**	Legal Fees	2,000	-	2,000	-
12-5027-**-**-**	Insurance - Property/Liability	5,164	4,957	207	96.0%
12-5034-**-**-**	Travel Expense/Tech. Conferences	920	-	920	-
12-5038-**-**-**	Permits	12,044	-	12,044	-
12-5039-**-**-**	Membership Dues/Fees	68	-	68	-
12-6500-**-**-**	IT Allocations in to PC's & Depts.	5,640	1,990	3,650	35.3%
	Total Other Expenses	25,836	6,947	18,889	26.9%
	Total Expenses	93,852	28,709	65,143	30.6%

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

		FY 2021-22 Budget	Actual	(Over)/Under Budget	% Expended
15 - Coastal Treatment Plant					
Salary and Fringe					
15-5000-**-**-**	Regular Salaries-O&M	1,083,504	380,575	702,929	35.1%
15-5001-**-**-**	Overtime Salaries-O&M	19,208	8,427	10,781	43.9%
15-5306-**-**-**	Scheduled Holiday Work	15,584	6,078	9,506	39.0%
15-5315-**-**-**	Comp Time - O&M	2,000	1,795	205	89.7%
15-5401-**-**-**	Fringe Benefits IN to PC's & Depts.	561,396	197,188	364,208	35.1%
15-5700-**-**-**	Standby Pay	16,504	3,218	13,286	19.5%
	Total Payroll Costs	1,698,196	597,281	1,100,915	35.2%
Other Expenses					
15-5002-**-**-**	Electricity	202,348	118,997	83,351	58.8%
15-5003-**-**-**	Natural Gas	2,872	256	2,616	8.9%
15-5004-**-**-**	Potable & Reclaimed Water	25,000	8,132	16,868	32.5%
15-5006-**-**-**	Chlorine/Sodium Hypochlorite	94,004	34,995	59,009	37.2%
15-5007-**-**-**	Polymer Products	1,004	-	1,004	-
15-5008-**-**-**	Ferric Chloride	58,000	29,910	28,090	51.6%
15-5009-**-**-**	Odor Control Chemicals	51,004	21,664	29,340	42.5%
15-5011-**-**-**	Laboratory Services	20,000	5,603	14,397	28.0%
15-5012-**-**-**	Grit Hauling	23,000	8,849	14,151	38.5%
15-5013-**-**-**	Landscaping	57,000	19,715	37,285	34.6%
15-5015-**-**-**	Management Support Services	10,000	-	10,000	-
15-5017-**-**-**	Legal Fees	30,000	2,799	27,201	9.3%
15-5019-**-**-**	Contract Services Misc.	91,732	55,797	35,935	60.8%
15-5021-**-**-**	Small Vehicle Expense	4,004	3,916	88	97.8%
15-5022-**-**-**	Miscellaneous Expense	1,000	59	941	5.9%
15-5023-**-**-**	Office Supplies - All	4,004	2,560	1,444	63.9%
15-5024-**-**-**	Petroleum Products	3,000	3,927	(927)	130.9%
15-5025-**-**-**	Uniforms	9,000	3,283	5,717	36.5%
15-5026-**-**-**	Small Vehicle Fuel	2,000	885	1,115	44.2%
15-5027-**-**-**	Insurance - Property/Liability	47,112	45,226	1,886	96.0%
15-5028-**-**-**	Small Tools & Supplies	9,000	2,871	6,129	31.9%
15-5030-**-**-**	Trash Disposal	2,996	726	2,270	24.2%
15-5031-**-**-**	Safety Supplies	35,000	5,197	29,803	14.8%
15-5032-**-**-**	Equipment Rental	1,000	-	1,000	-
15-5033-**-**-**	Recruitment	312	-	312	-
15-5034-**-**-**	Travel Expense/Tech. Conferences	5,244	-	5,244	-
15-5035-**-**-**	Training Expense	11,632	5,573	6,059	47.9%
15-5036-**-**-**	Laboratory Supplies	14,000	9,425	4,575	67.3%
15-5037-**-**-**	Office Equipment	2,996	577	2,419	19.3%
15-5038-**-**-**	Permits	4,820	1,296	3,524	26.9%
15-5039-**-**-**	Membership Dues/Fees	4,960	1,170	3,790	23.6%
15-5047-**-**-**	Access Road Expenses	45,000	-	45,000	-
15-5048-**-**-**	Storm Damage	21,000	-	21,000	-
15-5049-**-**-**	Biosolids Disposal	-	10,308	(10,308)	- (5)
15-5050-**-**-**	Contract Services Generators - 29A	5,000	-	5,000	-
15-5052-**-**-**	Janitorial Services	12,004	5,186	6,818	43.2%
15-5054-**-**-**	Diesel Truck Maint - 31B	1,000	-	1,000	-
15-5055-**-**-**	Diesel Truck Fuel - 37B	504	-	504	-
15-5057-**-**-**	Maintenance Equip. & Facilities (Liquids)	149,996	66,884	83,113	44.6%
15-5058-**-**-**	Maintenance Equip. & Facilities (Common)	23,000	2,088	20,912	9.1%
15-5060-**-**-**	Maintenance Equip. & Facilities (AWT)	38,000	25,200	12,800	66.3%
15-5061-**-**-**	Mileage	500	71	429	14.2%
15-5076-**-**-**	SCADA Infrastructure	28,952	10,000	18,952	34.5%
15-5077-**-**-**	IT Direct	264	-	264	-
15-5303-**-**-**	Group Insurance Waiver	3,600	1,648	1,952	45.8%
15-5305-**-**-**	Medicare Tax Payments for Employees	2,160	841	1,319	38.9%
15-5705-**-**-**	Monthly Car Allowance	4,196	1,761	2,435	42.0%
15-6500-**-**-**	IT Allocations in to PC's & Depts.	136,476	48,121	88,355	35.3%
	Total Other Expenses	1,299,696	565,513	734,183	43.5%
	Total Expenses	2,997,892	1,162,795	1,835,097	38.8%

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

		FY 2021-22 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	676,665	1,042,251	39.4%	
17-5001-**-**-**	Overtime Salaries-O&M	49,452	12,722	36,730	25.7%	
17-5306-**-**-**	Scheduled Holiday Work	38,136	12,711	25,425	33.3%	
17-5315-**-**-**	Comp Time - O&M	5,716	4,155	1,561	72.7%	
17-5401-**-**-**	Fringe Benefits IN to PC's & Depts.	890,632	350,603	540,029	39.4%	
17-5700-**-**-**	Standby Pay	26,000	12,740	13,260	49.0%	
	Total Payroll Costs	2,728,852	1,069,596	1,659,256	39.2%	
Other Expenses						
17-5002-**-**-**	Electricity	461,868	167,630	294,238	36.3%	
17-5003-**-**-**	Natural Gas	90,976	78,849	12,127	86.7%	(6)
17-5004-**-**-**	Potable & Reclaimed Water	35,000	7,091	27,909	20.3%	
17-5005-**-**-**	Co-generation Power Credit	(686,000)	(516,820)	(169,180)	75.3%	
17-5006-**-**-**	Chlorine/Sodium Hypochlorite	400,004	200,722	199,282	50.2%	
17-5007-**-**-**	Polymer Products	441,000	213,344	227,656	48.4%	
17-5008-**-**-**	Ferric Chloride	330,004	143,403	186,601	43.5%	
17-5009-**-**-**	Odor Control Chemicals	35,008	18,126	16,882	51.8%	
17-5010-**-**-**	Other Chemicals - Misc.	1,004	-	1,004	-	
17-5011-**-**-**	Laboratory Services	22,996	7,998	14,998	34.8%	
17-5012-**-**-**	Grit Hauling - 21A	42,000	18,457	23,543	43.9%	
17-5013-**-**-**	Landscaping	85,004	32,726	52,278	38.5%	
17-5015-**-**-**	Management Support Services	9,996	9,500	496	95.0%	
17-5017-**-**-**	Legal Fees	5,004	26,027	(21,023)	520.1%	
17-5019-**-**-**	Contract Services Misc.	96,312	61,491	34,821	63.8%	
17-5021-**-**-**	Small Vehicle Expense	7,000	5,405	1,595	77.2%	
17-5022-**-**-**	Miscellaneous Expense	5,004	192	4,812	3.8%	
17-5023-**-**-**	Office Supplies - All	13,004	3,701	9,303	28.5%	
17-5024-**-**-**	Petroleum Products	20,004	3,012	16,992	15.1%	
17-5025-**-**-**	Uniforms	28,000	12,026	15,974	42.9%	
17-5026-**-**-**	Small Vehicle Fuel	9,004	2,070	6,934	23.0%	
17-5027-**-**-**	Insurance - Property/Liability	135,628	130,200	5,428	96.0%	
17-5028-**-**-**	Small Tools & Supplies	30,000	13,700	16,300	45.7%	
17-5030-**-**-**	Trash Disposal	2,504	503	2,001	20.1%	
17-5031-**-**-**	Safety Supplies	41,248	12,111	29,137	29.4%	
17-5032-**-**-**	Equipment Rental	3,004	6,582	(3,578)	219.1%	
17-5033-**-**-**	Recruitment	728	1,700	(972)	233.5%	
17-5034-**-**-**	Travel Expense/Tech. Conferences	8,996	-	8,996	-	
17-5035-**-**-**	Training Expense	15,480	6,794	8,686	43.9%	
17-5036-**-**-**	Laboratory Supplies	24,392	8,693	15,699	35.6%	
17-5037-**-**-**	Office Equipment	9,996	5,771	4,225	57.7%	
17-5038-**-**-**	Permits	10,612	2,199	8,413	20.7%	
17-5039-**-**-**	Membership Dues/Fees	7,892	1,889	6,003	23.9%	
17-5049-**-**-**	Biosolids Disposal	850,000	388,976	461,024	45.8%	
17-5050-**-**-**	Contract Services Generators - 29A	13,004	4,145	8,859	31.9%	
17-5052-**-**-**	Janitorial Services	42,000	11,524	30,476	27.4%	
17-5054-**-**-**	Diesel Truck Maint	19,000	3,320	15,680	17.5%	
17-5055-**-**-**	Diesel Truck Fuel	8,000	2,180	5,820	27.2%	
17-5056-**-**-**	Maintenance Equip. & Facilities (Solids)	211,000	137,682	73,318	65.3%	(7)
17-5057-**-**-**	Maintenance Equip. & Facilities (Liquids)	242,000	81,580	160,420	33.7%	
17-5058-**-**-**	Maintenance Equip. & Facilities (Common)	36,000	29,855	6,145	82.9%	(4)
17-5059-**-**-**	Maintenance Equip. & Facilities (Co-Gen)	461,876	223,665	238,211	48.4%	
17-5060-**-**-**	Maintenance Equip. & Facilities (AWT) 41-E	50,000	3,841	46,159	7.7%	
17-5061-**-**-**	Mileage	1,004	474	530	47.2%	
17-5068-**-**-**	MNWD Potable Water Supplies & Svcs.	28,000	16,961	11,039	60.6%	(8)
17-5074-**-**-**	Education Reimbursement	1,996	101	1,895	5.1%	
17-5076-**-**-**	SCADA Infrastructure	28,684	10,000	18,684	34.9%	
17-5077-**-**-**	IT Direct	2,624	-	2,624	-	
17-5105-**-**-**	Co-Generation Power Credit - Offset	685,992	516,820	169,172	75.3%	
17-5303-**-**-**	Group Insurance Waiver	7,196	2,880	4,316	40.0%	
17-5309-**-**-**	Operating Leases	-	1,915	(1,915)	-	
17-5705-**-**-**	Monthly Car Allowance	8,396	4,329	4,067	51.6%	
17-6500-**-**-**	IT Allocations in to PC's & Depts.	216,520	76,340	140,180	35.3%	
	Total Other Expenses	4,655,964	2,201,681	2,454,283	47.3%	
	Total Expenses	7,384,816	3,271,277	4,113,539	44.3%	

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

		FY 2021-22 Budget	Actual	(Over)/Under Budget	% Expended
21 - Effluent Transmission Main					
Salary and Fringe					
21-5000-**-**-**	Regular Salaries-O&M	1,088	-	1,088	-
21-5401-**-**-**	Fringe Benefits IN to PC's & Depts.	564	-	564	-
	Total Payroll Costs	1,652	-	1,652	-
Other Expenses					
21-5019-**-**-**	Contract Services Misc.	18,336	-	18,336	-
21-5027-01-00-00	Insurance - Property/Liability	-	6,041	(6,041)	-
	Total Other Expenses	18,336	6,041	12,295	32.9%
	Total Expenses	19,988	6,041	13,947	30.2%
23 - North Coast Interceptor					
Other Expenses					
23-5017-**-**-**	Legal Fees	-	6,958	(6,958)	-
	Total Expenses	-	6,958	(6,958)	-
24 - Aliso Creek Ocean Outfall					
Salary and Fringe					
24-5000-**-**-**	Regular Salaries-O&M	149,296	50,618	98,678	33.9%
24-5001-**-**-**	Overtime Salaries-O&M	620	196	424	31.6%
24-5306-**-**-**	Scheduled Holiday Work	264	224	40	84.7%
24-5401-**-**-**	Fringe Benefits IN to PC's & Depts.	77,364	26,227	51,137	33.9%
	Total Payroll Costs	227,544	77,264	150,280	34.0%
Other Expenses					
24-5015-**-**-**	Management Support Services	212,496	14,217	198,279	6.7%
24-5017-**-**-**	Legal Fees	2,008	-	2,008	-
24-5027-**-**-**	Insurance - Property/Liability	8,704	2,314	6,390	26.6%
24-5031-**-**-**	Safety Supplies	1,044	-	1,044	-
24-5033-**-**-**	Recruitment	556	-	556	-
24-5034-**-**-**	Travel Expense/Tech. Conferences	1,512	180	1,332	11.9%
24-5035-**-**-**	Training Expense	1,956	18	1,939	0.9%
24-5036-**-**-**	Laboratory Supplies	30,004	15,701	14,303	52.3%
24-5038-**-**-**	Permits	216,924	-	216,924	-
24-5039-**-**-**	Membership Dues/Fees	220	-	220	-
24-5044-**-**-**	Offshore Monitoring	75,504	21,678	53,826	28.7%
24-5045-**-**-**	Offshore Biochemistry - 20B	11,512	-	11,512	-
24-5046-**-**-**	Effluent Chemistry	35,000	6,064	28,936	17.3%
24-5058-**-**-**	Maintenance Equip. & Facilities (Common) 41-C	1,004	-	1,004	-
24-6500-**-**-**	IT Allocations in to PC's & Depts.	18,796	6,631	12,165	35.3%
	Total Other Expenses	617,240	66,802	550,438	10.8%
	Total Expenses	844,784	144,066	700,718	17.1%
Total O&M Expenses		18,522,124	7,389,886	11,132,238	39.9%

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

For the Period Ended November 30, 2021

- (1) Generator services are completed before the rainy season each year and are nearly complete for the Fiscal Year.
- (2) Digester cleaning at JBL is well underway for the Fiscal Year.
- (3) JBL staff are performing work in solids areas that are usually unavailable during the ongoing Package B Construction Project shutdowns.
- (4) The Administrative buildings at JBL and RTP had extensive sewer and water failures repaired.
- (5) Soil from the May and June sludge lines leaks were dried and disposed of as Biosolids.
- (6) Additional natural gas was used to run the cogeneration system during warranty extensive repairs on the digester gas cleaning system.
- (7) Several failed RTP digester gas valves were isolated and replaced by specialty contractor.
- (8) Annual laboratory proficiency testing costs for potable water certification. Costs expected to level out.

Exhibit E-2

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

For the Period Ended November 30, 2021
(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	63,132	112,795	35.9%
01-5401-03-00-00	Fringe Benefits IN to PC's & Depts.	91,154	32,711	58,443	35.9%
	Total Payroll Costs	267,081	95,843	171,239	35.9%
Other Expenses					
01-5022-03-00-00	Miscellaneous Expense	3,184	350	2,834	11.0%
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	309	1,068	22.4%
01-5061-03-00-00	Mileage	510	21	490	4.0%
01-5309-03-00-00	Operating Leases	9,300	-	9,300	-
01-5705-03-00-00	Monthly Car Allowance	4,200	1,761	2,439	41.9%
01-5802-03-00-00	Shipping/Freight	312	-	312	-
01-6500-03-00-00	IT Allocations in to PC's & Depts.	54,293	19,329	34,964	35.6%
	Total Other Expenses	82,781	21,769	61,012	26.3%
	Total Engineering Expenses	349,863	117,612	232,251	33.6%

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

For the Period Ended November 30, 2021
(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	394,156	604,268	39.5%
01-6001-04-00-00	Overtime Salaries-Admin or IT	10,000	14,916	(4,916)	149.2% (1)
01-6315-04-00-00	Comp Time - Admin	5,000	1,968	3,032	39.4%
01-6401-04-00-00	Fringe Benefits IN to ADMIN or IT	517,316	204,225	313,091	39.5%
	Total Payroll Costs	1,530,740	615,266	915,474	40.2%
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	6,348	18,002	26.1%
01-6102-04-00-00	Subscriptions	2,081	1,828	253	87.8%
01-6103-04-00-00	Contract Labor	50,000	11,545	38,455	23.1%
01-6200-04-00-00	Management Support Services	90,000	19,077	70,923	21.2%
01-6201-04-00-00	Audit	46,000	32,500	13,500	70.7%
01-6202-04-00-00	Legal	220,000	157,507	62,493	71.6%
01-6204-04-00-00	Postage	1,500	640	860	42.7%
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	3,450	(2,250)	287.5% (2)
01-6234-04-00-00	Memberships & Trainings	88,000	35,680	52,320	40.5%
01-6239-04-00-00	Travel & Conference	11,000	3,542	7,458	32.2%
01-6241-04-00-00	Education Reimbursement	1,500	904	596	60.3%
01-6310-04-00-00	Miscellaneous	18,000	11,261	6,739	62.6%
01-6311-04-00-00	Mileage	1,236	38	1,198	3.1%
01-6317-04-00-00	Contract Services Misc	5,722	2,250	3,472	39.3%
01-6500-04-00-00	IT Allocations in to PC's & Depts.	125,761	44,342	81,419	35.3%
01-6601-04-00-00	Shipping/Freight	3,815	2,718	1,096	71.3%
01-6705-04-00-00	Monthly Car Allowance	12,000	5,031	6,969	41.9%
	Total Other Expenses	709,934	339,947	369,987	47.9%
Total Admin Expenses		2,240,674	955,213	1,285,462	42.6%

(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 November 30, 2021

(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	43,797	56,279	43.8%
01-6401-05-00-00	Fringe Benefits IN to ADMIN or IT	51,852	22,693	29,159	43.8%
	Total Salary & Fringe	151,928	66,490	85,438	43.8%
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	955	13,771	0.06
01-6302-05-00-00	Cloud Subscriptions (Internet)	177,328	66,442	110,886	37.5%
01-6303-05-00-00	Telecommunications	165,582	72,082	93,500	43.5%
01-6305-05-00-00	IT Professional Services	92,400	10,746	81,654	11.6%
01-6306-05-00-00	Small Hardware Purchases (< \$5k)	40,985	3,568	37,417	8.7%
01-6307-05-00-00	Small Software Purchases & Licenses (<\$5k)	28,968	8,465	20,503	29.2%
01-6308-05-00-00	IT Memberships	160	-	160	-
01-6309-05-00-00	Operating Leases	64,173	28,444	35,729	44.3%
01-6310-05-00-00	Miscellaneous	5,000	-	5,000	-
01-6312-05-00-00	Computer & Photocopy Supplies	-	819	(819)	-
	Total Other Expenses	639,198	212,451	426,747	33.2%
Total Expenses before Allocation		791,126	278,941	512,185	35.3%
IT Allocations (Out) to PC's & Depts					
01-6400-05-00-00	IT Allocations (OUT) to PC's & Depts.	(791,126)	(278,941)	(512,185)	35.3%
	Total IT Allocations (Out) to PC's & Depts	(791,126)	(278,941)	(512,185)	35.3%

Agenda Item

5

Finance Committee Meeting

Meeting Date: February 15, 2022

TO: Finance Committee

FROM: Betty Burnett, General Manager

STAFF CONTACT: Mary Carey, Finance Controller

SUBJECT: Financial Reports for the Month of December 2021

Summary/Discussion

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

The reports included are as follows:

- a. Summary of Disbursements for December 2021 (Exhibit A)
- b. Schedule of Funds Available for Reinvestment (Exhibit B)
 - Local Agency Investment Fund (LAIF)
- c. Schedule of Cash and Investments (Exhibit C)
- d. Capital Schedule (Exhibit D)
 - Capital Projects – Graph (Exhibit D-1)
- e. Budget vs. Actual Expenses:
 - Operations and Environmental Summary (Exhibit E-1)
 - Operations and Environmental by PC (E-1.2)
 - Residual Engineering, after transfer to Capital (Exhibit E-2)
 - Administration (Exhibit E-3)
 - Information Technology (IT) (Exhibit E-4)
- f. Mid-year Fringe Pool and Fringe Rate Forecast (Exhibit E-5) (No recommended change)

Fiscal impact

December 2021 cash disbursements were: \$ 6,929,879.

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

Recommended Action: Staff recommends that the Finance Committee recommend to the Board of Directors to ratify the December 2021 disbursements, totaling \$6,929,879, for the period from December 1, 2021, through December 31, 2021, and to receive and file the December 2021 Financial Reports as submitted.

Exhibit A

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

	Actual
General Fund ¹	\$ (4,226,456)
PC 2 - Jay B. Latham Plant	(1,420,191)
PC 5 - San Juan Creek Ocean Outfall	(29,092)
PC 8 - Pretreatment Program	(8,464)
PC 12 - (2SO) - Water Reclamation Permits	(8,046)
PC 15 - Coastal Treatment Plant/AWT	(531,051)
PC 17 - Joint Regional Wastewater Reclamation	(673,921)
PC 21 - Effluent Transmission Main	(5,229)
PC 23 - North Coast Interceptor	(3,591)
PC 24 - Aliso Creek Ocean Outfall	(23,837)
Total	\$ (6,929,879)

¹\$3.6 Million Use Audit & Additional Cash Payout FY 20-21

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

CASH IN BANK: (BEGINNING BAL.)	\$ 1,855,427
L.A.I.F. FUNDS: (BEGINNING BAL.)	15,657,304
DEPOSITS, TRANSFERS & ADJUSTMENTS ¹ :	559,196
FUND REQUIREMENTS:	
BILLS FOR CONSIDERATION ¹	<u>(6,929,879)</u>
TOTAL CASH IN BANK	<u>\$ 11,142,048</u>

¹ Includes some GL postings/in-transit items that have not cleared the Bank.

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

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

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

Betty Burnett
General Manager

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



PMIA/LAIF Performance Report as of 01/13/22



PMIA Average Monthly Effective Yields⁽¹⁾

Dec	0.212
Nov	0.203
Oct	0.203

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⁾ 12/31/21 \$181.4 billion

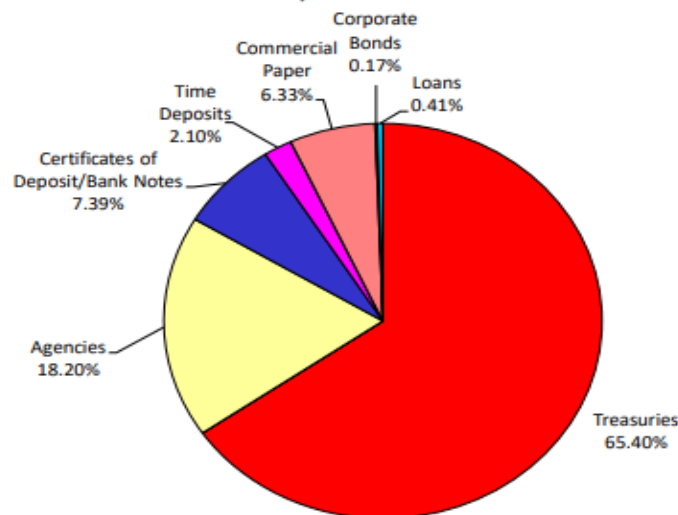


Chart does not include \$6,716,000.00 in mortgages, which equates to 0.001%. Percentages may not total 100% due to rounding.

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

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

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller

Exhibit C

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

MVA	\$ 3,920	(A)
A/P Checking	2,144,760	(B)
Payroll Checking	186,064	(C)
State LAIF	8,807,304	(D)
Total Cash in Bank¹	\$ 11,142,048	
Petty Cash	1,600	(E)
Total Operating Cash	\$ 11,143,648	
OPEB Trust	6,808,004	(F)
Total Cash and Investments	\$ 17,951,652	

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.

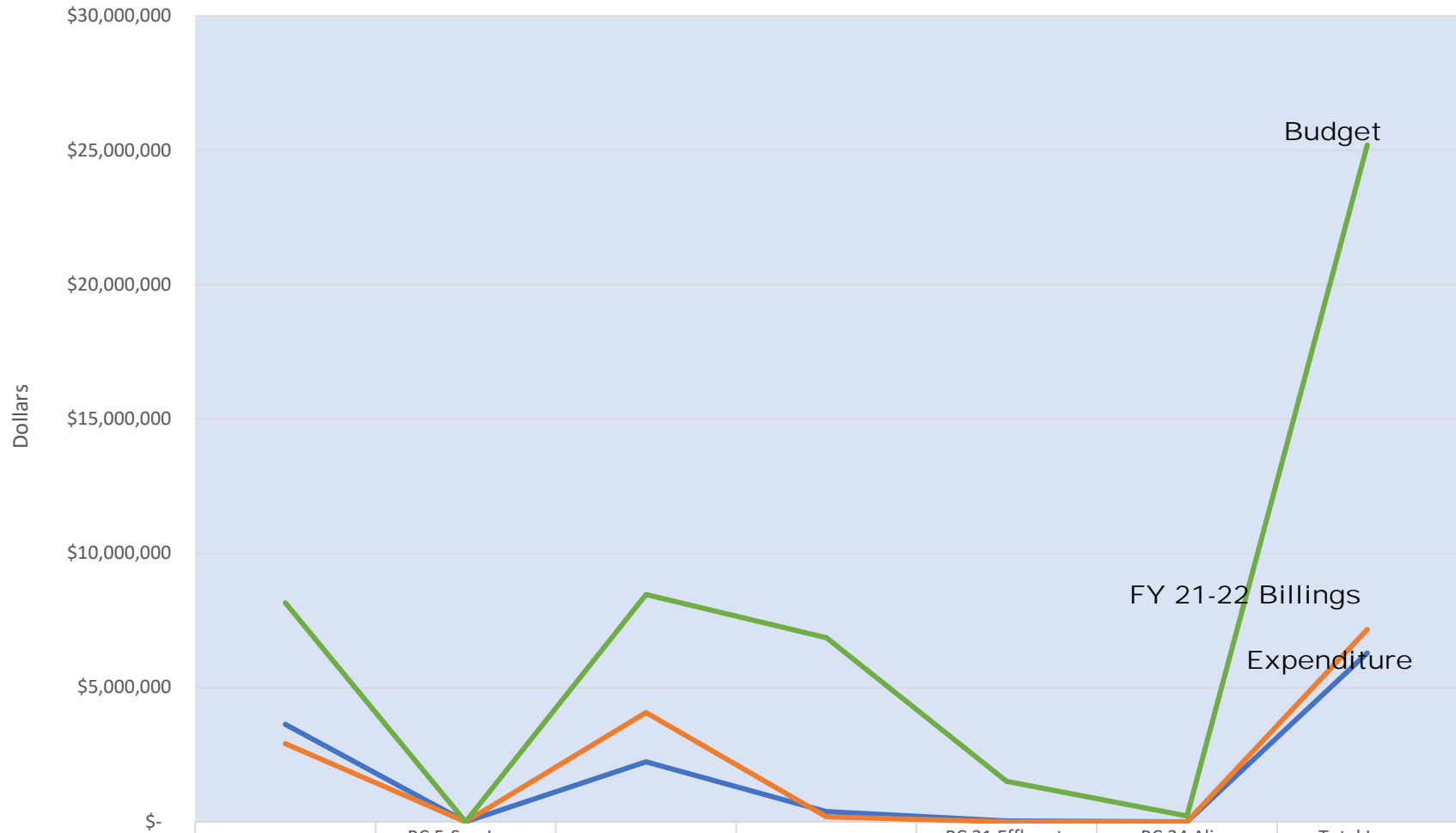
**South Orange County Wastewater Authority
Capital Projects Summaries
For the Period Ended December 2021
(in dollars)**

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	\$ 3,631,365	\$ 4,522,572	44.5%	\$ 2,908,750	\$ 2,908,750	\$ -	124.8%
PC 5-San Juan Creek Outfall ¹	-	5,873	(5,873)	-	-	-	-	-
PC 15-Coastal	8,464,653	2,234,101	6,230,552	26.4%	4,064,999	4,064,999	-	55.0%
PC 17-Regional	6,851,959	379,472	6,472,487	5.5%	188,249	188,249	-	201.6%
PC 21 Effluent Transmission	1,502,000	32,812	1,469,188	2.2%	-	-	-	-
PC 24 Aliso Creek Outfall	220,000	-	220,000	0.0%	-	-	-	-
Total Large Capital	\$ 25,192,549	\$ 6,283,624	\$ 18,908,925	24.9%	\$ 7,161,998	\$ 7,161,998	\$ -	87.7%
Non-Capital Engineering	405,871	11,119	394,752	2.7%	50,000	50,000	-	22.2%
Non-Capital Misc Engineering	254,500	3,150	251,350	1.2%	6,000	6,000	-	52.5%
Small Internal Capital	2,061,000	676,753	1,384,247	32.8%	1,030,500	1,030,500	-	65.7%
Total Capital	\$ 27,913,920	\$ 6,974,646	\$ 20,939,274	25.0%	\$ 8,248,498	\$ 8,248,498	\$ -	84.6%

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 12/31/2021

Exhibit D-1



	PC 2-JB Latham	PC 5-San Juan Creek Outfall	PC 15-Coastal	PC 17-Regional	PC 21 Effluent Transmission	PC 24 Aliso Creek Outfall	Total Large Capital
Spent - YTD 12/31/21	\$3,631,365	5,873.31	\$2,234,101	\$379,472	\$32,812.18	-	\$6,283,624
FY 21-22 Billings	\$2,908,750	-	\$4,064,999	\$188,249	-	-	\$7,161,998
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 December 31, 2021
(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	2,162,231	2,684,937	44.6%	
5001--**	Overtime Salaries-O&M	107,256		107,256	70,678	36,578	65.9%	
5306--**	Scheduled Holiday Work	91,000		91,000	56,673	34,327	62.3%	
5315--**	Comp Time - O&M	15,980		15,980	13,259	2,721	83.0%	
5401--**	Fringe Benefits IN to PC's & Depts.	2,511,460		2,511,460	1,120,323	1,391,137	44.6%	
5700--**	Standby Pay	67,600		67,600	34,321	33,279	50.8%	
	Total Payroll Costs	7,640,464	-	7,640,464	3,457,486	4,182,978	45.3%	
Other Expenses								
5002--**	Electricity	1,170,780		1,170,780	485,140	685,640	41.4%	
5003--**	Natural Gas	226,008		226,008	193,494	32,514	85.6%	(1)
5004--**	Potable & Reclaimed Water	85,000		85,000	30,293	54,707	35.6%	
5005--**	Co-generation Power Credit	(686,000)		(686,000)	(594,208)	(91,792)	86.6%	
5006--**	Chlorine/Sodium Hypochlorite	502,008		502,008	283,103	218,905	56.4%	
5007--**	Polymer Products	747,004		747,004	372,611	374,393	49.9%	
5008--**	Ferric Chloride	588,004		588,004	346,116	241,888	58.9%	
5009--**	Odor Control Chemicals	107,016		107,016	66,908	40,108	62.5%	
5010--**	Other Chemicals - Misc.	2,004		2,004	-	2,004	-	
5011--**	Laboratory Services	65,196		65,196	15,248	49,948	23.4%	
5012--**	Grit Hauling	120,000		120,000	78,251	41,749	65.2%	
5013--**	Landscaping	219,008		219,008	89,809	129,199	41.0%	
5015--**	Management Support Services	475,000	60,000	535,000	71,762	463,238	13.4%	
5016--**	Audit - Environmental	1,304		1,304	-	1,304	-	
5017--**	Legal Fees	48,612		48,612	39,442	9,170	81.1%	
5018--**	Public Notices/ Public Relations	6,000		6,000	-	6,000	-	
5019--**	Contract Services Misc.	277,016		277,016	183,328	93,688	66.2%	
5021--**	Small Vehicle Expense	23,080		23,080	14,097	8,983	61.1%	
5022--**	Miscellaneous Expense	16,012		16,012	1,827	14,185	11.4%	
5023--**	Office Supplies - All	46,008		46,008	13,585	32,423	29.5%	
5024--**	Petroleum Products	34,008		34,008	8,635	25,373	25.4%	
5025--**	Uniforms	70,996		70,996	34,888	36,108	49.1%	
5026--**	Small Vehicle Fuel	22,656		22,656	7,769	14,887	34.3%	
5027--**	Insurance - Property/Liability	317,684		317,684	409,740	(92,056)	129.0%	(2)
5028--**	Small Tools & Supplies	80,000		80,000	27,941	52,059	34.9%	
5030--**	Trash Disposal	8,500		8,500	2,994	5,506	35.2%	
5031--**	Safety Program & Supplies	119,344		119,344	35,273	84,071	29.6%	
5032--**	Equipment Rental	7,004		7,004	7,850	(846)	112.1%	
5033--**	Recruitment	2,500		2,500	2,870	(370)	114.8%	
5034--**	Travel Expense/Tech. Conferences	29,928		29,928	1,190	28,738	4.0%	
5035--**	Training Expense	47,996		47,996	16,162	31,834	33.7%	
5036--**	Laboratory Supplies	124,400		124,400	64,969	59,431	52.2%	
5037--**	Office Equipment	25,992		25,992	14,732	11,260	56.7%	
5038--**	Permits	489,996		489,996	46,692	443,304	9.5%	(8)
5039--**	Membership Dues/Fees	17,872		17,872	5,765	12,107	32.3%	
5044--**	Offshore Monitoring	151,000		151,000	51,319	99,681	34.0%	
5045--**	Offshore Biochemistry - 20B	23,024		23,024	-	23,024	-	
5046--**	Effluent Chemistry	70,000		70,000	11,415	58,585	16.3%	
5047--**	Access Road Expenses	45,000		45,000	150	44,850	0.3%	
5048--**	Storm Damage	21,000		21,000	-	21,000	-	
5049--**	Biosolids Disposal	1,470,000		1,470,000	736,841	733,159	50.1%	
5050--**	Contract Services Generators - 29A	28,008		28,008	16,884	11,124	60.3%	(3)
5052--**	Janitorial Services	101,004		101,004	40,992	60,012	40.6%	
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	7,672	34,328	18.3%	
5055--**	Diesel Truck Fuel	11,500		11,500	4,112	7,388	35.8%	

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

		FY 2021-22 Budget	Board Approved Expenditures*	Adjusted Budget	Actual	(Over)/Under Budget	% Expended	
5056--**	Maintenance Equip. & Facilities (Solids)	366,000		366,000	257,134	108,866	70.3%	(5)
5057--**	Maintenance Equip. & Facilities (Liquids)	651,996		651,996	233,370	418,626	35.8%	
5058--**	Maintenance Equip. & Facilities (Common)	90,008		90,008	89,208	800	99.1%	(6)
5059--**	Maintenance Equip. & Facilities (Co-Gen)	738,996		738,996	373,873	365,123	50.6%	
5060--**	Maintenance Equip. & Facilities (AWT)	88,000		88,000	30,131	57,869	34.2%	
5061--**	Mileage	3,608		3,608	845	2,763	23.4%	
5068--**	MNWD Potable Water Supplies & Svcs.	28,000		28,000	20,061	7,939	71.6%	(7)
5074--**	Education Reimbursement	1,996		1,996	101	1,895	5.1%	
5076--**	SCADA Infrastructure	86,596		86,596	30,000	56,596	34.6%	
5077--**	IT Direct	5,508		5,508	-	5,508	-	
5105--**	Co-Generation Power Credit - Offset	685,992		685,992	594,208	91,784	86.6%	
5303--**	Group Insurance Waiver	14,392		14,392	7,726	6,666	53.7%	
5305--**	Medicare Tax Payments for Employees	2,160		2,160	1,141	1,019	52.8%	
5309--**	Operating Leases	26,000		26,000	12,132	13,868	46.7%	
5705--**	Monthly Car Allowance	35,396		35,396	18,780	16,616	53.1%	
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	257,095	353,445	42.1%	
	Total Other Expenses	10,881,660	60,000	10,941,660	5,191,223	5,750,437	47.4%	
	Total O&M Expenses	18,522,124	60,000	18,582,124	8,648,709	9,933,415	46.5%	

* 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.

- (1) Additional natural gas was used to run the cogeneration system at RTP during warranty extensive repairs on the digester gas cleaning System.
- (2) Property Liability insurance rate increased due to escalated pooled risk factors
- (3) Generator services are completed before the rainy season each year and are nearly complete for the Fiscal Year.
- (4) Digester cleaning at JBL is well underway 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 extensive sewer and water failures repaired.
- (7) Annual laboratory proficiency testing costs for potable water certification. Costs expected to level out.
- (8) Permit fees were received late December, paid in January. Permit fees will be fully expended.

South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC
For the Period Ended December 31, 2021
(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	734,386	850,842	46.3%	
02-5001-**-**	Overtime Salaries-O&M	37,904		37,904	38,276	(372)	101.0%	
02-5306-**-**	Scheduled Holiday Work	36,600		36,600	21,144	15,456	57.8%	
02-5315-**-**	Comp Time - O&M	8,264		8,264	7,389	875	89.4%	
02-5401-**-**	Fringe Benefits IN to PC's & Depts.	821,352		821,352	380,510	440,842	46.3%	
02-5700-**-**	Standby Pay	25,096		25,096	13,520	11,576	53.9%	
	Total Payroll Costs	2,514,444	-	2,514,444	1,195,225	1,319,219	47.5%	
Other Expenses								
02-5002-**-**	Electricity	506,564		506,564	196,107	310,457	38.7%	
02-5003-**-**	Natural Gas	132,160		132,160	98,224	33,936	74.3%	
02-5004-**-**	Potable & Reclaimed Water	25,000		25,000	10,825	14,175	43.3%	
02-5006-**-**	Chlorine/Sodium Hypochlorite	8,000		8,000	8,746	(746)	109.3%	
02-5007-**-**	Polymer Products	305,000		305,000	149,181	155,819	48.9%	
02-5008-**-**	Ferric Chloride	200,000		200,000	133,696	66,304	66.8%	
02-5009-**-**	Odor Control Chemicals	21,004		21,004	16,801	4,203	80.0%	
02-5010-**-**	Other Chemicals - Misc.	1,000		1,000	-	1,000	-	
02-5011-**-**	Laboratory Services	19,000		19,000	726	18,274	3.8%	
02-5012-**-**	Grit Hauling	55,000		55,000	46,637	8,363	84.8%	
02-5013-**-**	Landscaping	77,004		77,004	27,605	49,399	35.8%	
02-5015-**-**	Management Support Services	30,008	5,000	35,008	22,010	12,998	62.9%	
02-5017-**-**	Legal Fees	4,996		4,996	928	4,068	18.6%	
02-5019-**-**	Contract Services Misc.	70,636		70,636	59,338	11,298	84.0%	
02-5021-**-**	Small Vehicle Expense	11,000		11,000	4,167	6,833	37.9%	
02-5022-**-**	Miscellaneous Expense	8,000		8,000	1,294	6,706	16.2%	
02-5023-**-**	Office Supplies - All	29,000		29,000	6,806	22,194	23.5%	
02-5024-**-**	Petroleum Products	11,004		11,004	-	11,004	-	
02-5025-**-**	Uniforms	33,996		33,996	15,334	18,662	45.1%	
02-5026-**-**	Small Vehicle Fuel	10,004		10,004	3,682	6,322	36.8%	
02-5027-**-**	Insurance - Property/Liability	108,384		108,384	143,213	(34,829)	132.1%	(1)
02-5028-**-**	Small Tools & Supplies	38,000		38,000	8,603	29,397	22.6%	
02-5030-**-**	Trash Disposal	3,000		3,000	1,087	1,913	36.2%	
02-5031-**-**	Safety Program & Supplies	41,000		41,000	17,216	23,784	42.0%	
02-5032-**-**	Equipment Rental	3,000		3,000	-	3,000	-	
02-5033-**-**	Recruitment	348		348	970	(622)	278.7%	
02-5034-**-**	Travel Expense/Tech. Conferences	9,012		9,012	470	8,542	5.2%	
02-5035-**-**	Training Expense	16,976		16,976	5,514	11,462	32.5%	
02-5036-**-**	Laboratory Supplies	21,004		21,004	8,970	12,034	42.7%	
02-5037-**-**	Office Equipment	13,000		13,000	5,273	7,727	40.6%	
02-5038-**-**	Permits	13,496		13,496	19,414	(5,918)	143.9%	
02-5039-**-**	Membership Dues/Fees	4,516		4,516	1,732	2,784	38.3%	
02-5049-**-**	Biosolids Disposal	620,000		620,000	265,978	354,022	42.9%	
02-5050-**-**	Contract Services Generators - 29A	10,004		10,004	12,739	(2,735)	127.3%	(2)
02-5052-**-**	Janitorial Services	47,000		47,000	21,349	25,651	45.4%	
02-5053-**-**	Contract Serv - Digester Cleaning - 29E	60,000		60,000	31,306	28,694	52.2%	(3)
02-5054-**-**	Diesel Truck Maint	22,000		22,000	1,753	20,247	8.0%	
02-5055-**-**	Diesel Truck Fuel - 37B	2,996		2,996	786	2,210	26.2%	
02-5056-**-**	Maintenance Equip. & Facilities (Solids)	155,000		155,000	112,256	42,744	72.4%	(4)
02-5057-**-**	Maintenance Equip. & Facilities (Liquids)	260,000		260,000	75,913	184,087	29.2%	
02-5058-**-**	Maintenance Equip. & Facilities (Common)	29,000		29,000	50,769	(21,769)	175.1%	(5)
02-5059-**-**	Maintenance Equip. & Facilities (Co-Gen)	277,120		277,120	126,209	150,911	45.5%	
02-5061-**-**	Mileage	2,104		2,104	209	1,895	10.0%	
02-5076-**-**	SCADA Infrastructure	28,960		28,960	10,000	18,960	34.5%	
02-5077-**-**	IT Direct	2,620		2,620	-	2,620	-	
02-5303-**-**	Group Insurance Waiver	3,596		3,596	2,243	1,353	62.4%	
02-5309-**-**	Operating Leases	26,000		26,000	10,217	15,783	39.3%	
02-5705-**-**	Monthly Car Allowance	22,804		22,804	11,576	11,228	50.8%	
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	84,138	115,674	42.1%	
	Total Other Expenses	3,585,128	5,000	3,590,128	1,818,011	1,772,117	50.6%	
	Total Expenses	6,099,572	5,000	6,104,572	3,013,236	3,091,336	49.4%	

South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC
For the Period Ended December 31, 2021
(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	62,410	84,146	42.6%	
05-5001-***.***	Overtime Salaries-O&M	72		72	150	(78)	208.1%	
05-5306-***.***	Scheduled Holiday Work	416		416	287	129	68.9%	
05-5401-***.***	Fringe Benefits IN to PC's & Depts.	75,928		75,928	32,337	43,591	42.6%	
	Total Payroll Costs	222,972	-	222,972	95,183	127,789	42.7%	
Other Expenses								
05-5015-***.***	Management Support Services	212,500		212,500	25,813	186,687	12.1%	
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	12,311	(2,643)	127.3%	(1)
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	180	1,332	11.9%	
05-5035-***.***	Training Expense	1,952		1,952	18	1,935	0.9%	
05-5036-***.***	Laboratory Supplies	35,000		35,000	16,402	18,598	46.9%	
05-5038-***.***	Permits	228,968		228,968	-	228,968	-	(11)
05-5039-***.***	Membership Dues/Fees	216		216	-	216	-	
05-5044-***.***	Offshore Monitoring	75,496		75,496	26,732	48,764	35.4%	
05-5045-***.***	Offshore Biochemistry - 20B	11,512		11,512	-	11,512	-	
05-5046-***.***	Effluent Chemistry	35,000		35,000	5,325	29,675	15.2%	
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	7,773	10,691	42.1%	
	Total Other Expenses	635,408	-	635,408	94,929	540,479	14.9%	
	Total Expenses	858,380	-	858,380	190,112	668,268	22.1%	
08 - Pre Treatment								
Salary and Fringe								
08-5000-***.***	Regular Salaries-O&M	117,772		117,772	51,867	65,905	44.0%	
08-5401-***.***	Fringe Benefits IN to PC's & Depts.	61,016		61,016	26,874	34,142	44.0%	
	Total Payroll Costs	178,788	-	178,788	78,740	100,048	44.0%	
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	-	2,596	-	
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	203	945	17.7%	
08-5027-***.***	Insurance - Property/Liability	3,024		3,024	3,851	(827)	127.3%	(1)
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	-		-	150	(150)	-	
08-5038-***.***	Permits and Fines	3,132		3,132	-	3,132	-	
08-5039-***.***	Membership Dues/Fees	-		-	106	(106)	-	
08-6500-***.***	IT Allocations in to PC's & Depts.	14,832		14,832	6,247	8,585	42.1%	
	Total Other Expenses	44,052	-	44,052	13,036	31,016	29.6%	
	Total Expenses	222,840	-	222,840	91,777	131,063	41.2%	
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	7,427	15,781	32.0%	
	Total Payroll Costs	68,016	-	68,016	21,762	46,254	32.0%	
Other Expenses								
12-5015-***.***	Management Support Services	-	45,000	45,000	-	45,000	-	
12-5017-***.***	Legal Fees	2,000		2,000	-	2,000	-	
12-5027-***.***	Insurance - Property/Liability	5,164		5,164	6,576	(1,412)	127.3%	(1)
12-5034-***.***	Travel Expense/Tech. Conferences	920		920	-	920	-	
12-5038-***.***	Permits	12,044		12,044	23,783	(11,739)	197.5%	(12)
12-5039-***.***	Membership Dues/Fees	68		68	-	68	-	
12-6500-***.***	IT Allocations in to PC's & Depts.	5,640		5,640	2,377	3,263	42.1%	
	Total Other Expenses	25,836	45,000	70,836	32,735	38,101	46.2%	
	Total Expenses	93,852	45,000	138,852	54,497	84,355	39.2%	

South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC
For the Period Ended December 31, 2021
(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	436,756	646,748	40.3%	
15-5001-**-**	Overtime Salaries-O&M	19,208		19,208	10,694	8,514	55.7%	
15-5306-**-**	Scheduled Holiday Work	15,584		15,584	12,553	3,031	80.6%	
15-5315-**-**	Comp Time - O&M	2,000		2,000	1,794	206	89.7%	
15-5401-**-**	Fringe Benefits IN to PC's & Depts.	561,396		561,396	226,298	335,098	40.3%	
15-5700-**-**	Standby Pay	16,504		16,504	3,965	12,539	24.0%	
	Total Payroll Costs	1,698,196	-	1,698,196	692,060	1,006,136	40.8%	
Other Expenses								
15-5002-**-**	Electricity	202,348		202,348	142,235	60,113	70.3%	
15-5003-**-**	Natural Gas	2,872		2,872	1,528	1,344	53.2%	
15-5004-**-**	Potable & Reclaimed Water	25,000		25,000	10,296	14,704	41.2%	
15-5006-**-**	Chlorine/Sodium Hypochlorite	94,004		94,004	40,160	53,844	42.7%	
15-5007-**-**	Polymer Products	1,004		1,004	-	1,004	-	
15-5008-**-**	Ferric Chloride	58,000		58,000	36,016	21,984	62.1%	
15-5009-**-**	Odor Control Chemicals	51,004		51,004	26,077	24,927	51.1%	
15-5011-**-**	Laboratory Services	20,000		20,000	5,911	14,089	29.6%	
15-5012-**-**	Grit Hauling	23,000		23,000	10,512	12,488	45.7%	
15-5013-**-**	Landscaping	57,000		57,000	24,597	32,403	43.2%	
15-5015-**-**	Management Support Services	10,000	5,000	15,000	-	15,000	-	
15-5017-**-**	Legal Fees	30,000		30,000	2,799	27,201	9.3%	
15-5019-**-**	Contract Services Misc.	91,732		91,732	59,809	31,923	65.2%	
15-5021-**-**	Small Vehicle Expense	4,004		4,004	4,094	(90)	102.3%	
15-5022-**-**	Miscellaneous Expense	1,000		1,000	115	885	11.5%	
15-5023-**-**	Office Supplies - All	4,004		4,004	2,748	1,256	68.6%	
15-5024-**-**	Petroleum Products	3,000		3,000	3,927	(927)	130.9%	
15-5025-**-**	Uniforms	9,000		9,000	4,165	4,835	46.3%	
15-5026-**-**	Small Vehicle Fuel	2,000		2,000	1,044	956	52.2%	
15-5027-**-**	Insurance - Property/Liability	47,112		47,112	59,993	(12,881)	127.3%	(1)
15-5028-**-**	Small Tools & Supplies	9,000		9,000	2,904	6,096	32.3%	
15-5030-**-**	Trash Disposal	2,996		2,996	871	2,125	29.1%	
15-5031-**-**	Safety Supplies	35,000		35,000	5,469	29,531	15.6%	
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	4,256	7,376	36.6%	
15-5036-**-**	Laboratory Supplies	14,000		14,000	12,740	1,260	91.0%	
15-5037-**-**	Office Equipment	2,996		2,996	2,132	864	71.2%	
15-5038-**-**	Permits	4,820		4,820	1,296	3,524	26.9%	
15-5039-**-**	Membership Dues/Fees	4,960		4,960	1,304	3,656	26.3%	
15-5047-**-**	Access Road Expenses	45,000		45,000	150	44,850	0.3%	
15-5048-**-**	Storm Damage	21,000		21,000	-	21,000	-	
15-5049-**-**	Biosolids Disposal	-		-	10,308	(10,308)	-	(6)
15-5050-**-**	Contract Services Generators - 29A	5,000		5,000	-	5,000	-	
15-5052-**-**	Janitorial Services	12,004		12,004	6,119	5,885	51.0%	
15-5054-**-**	Diesel Truck Maint - 31B	1,000		1,000	-	1,000	-	
15-5055-**-**	Diesel Truck Fuel - 37B	504		504	-	504	-	
15-5057-**-**	Maintenance Equip. & Facilities (Liquids)	149,996		149,996	72,494	77,502	48.3%	
15-5058-**-**	Maintenance Equip. & Facilities (Common)	23,000		23,000	2,102	20,898	9.1%	
15-5060-**-**	Maintenance Equip. & Facilities (AWT)	38,000		38,000	25,200	12,800	66.3%	
15-5061-**-**	Mileage	500		500	71	429	14.2%	
15-5076-**-**	SCADA Infrastructure	28,952		28,952	10,000	18,952	34.5%	
15-5077-**-**	IT Direct	264		264	-	264	-	
15-5303-**-**	Group Insurance Waiver	3,600		3,600	1,966	1,634	54.6%	
15-5305-**-**	Medicare Tax Payments for Employees	2,160		2,160	1,141	1,019	52.8%	
15-5705-**-**	Monthly Car Allowance	4,196		4,196	2,132	2,064	50.8%	
15-6500-**-**	IT Allocations in to PC's & Depts.	136,476		136,476	57,470	79,006	42.1%	
	Total Other Expenses	1,299,696	5,000	1,304,696	656,430	648,266	50.3%	
	Total Expenses	2,997,892	5,000	3,002,892	1,348,490	1,654,402	44.9%	

South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC
For the Period Ended December 31, 2021
(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	803,640	915,276	46.8%	
17-5001-**-**	Overtime Salaries-O&M	49,452		49,452	20,639	28,813	41.7%	
17-5306-**-**	Scheduled Holiday Work	38,136		38,136	22,403	15,733	58.7%	
17-5315-**-**	Comp Time - O&M	5,716		5,716	4,076	1,640	71.3%	
17-5401-**-**	Fringe Benefits IN to PC's & Depts.	890,632		890,632	416,392	474,240	46.8%	
17-5700-**-**	Standby Pay	26,000		26,000	16,835	9,165	64.8%	
	Total Payroll Costs	2,728,852	-	2,728,852	1,283,985	1,444,867	47.1%	
Other Expenses								
17-5002-**-**	Electricity	461,868		461,868	146,798	315,070	31.8%	
17-5003-**-**	Natural Gas	90,976		90,976	93,742	(2,766)	103.0%	(7)
17-5004-**-**	Potable & Reclaimed Water	35,000		35,000	9,172	25,828	26.2%	
17-5005-**-**	Co-generation Power Credit	(686,000)		(686,000)	(594,208)	(91,792)	86.6%	
17-5006-**-**	Chlorine/Sodium Hypochlorite	400,004		400,004	234,197	165,807	58.5%	
17-5007-**-**	Polymer Products	441,000		441,000	223,430	217,570	50.7%	
17-5008-**-**	Ferric Chloride	330,004		330,004	176,404	153,600	53.5%	
17-5009-**-**	Odor Control Chemicals	35,008		35,008	24,030	10,978	68.6%	
17-5010-**-**	Other Chemicals - Misc.	1,004		1,004	-	1,004	-	
17-5011-**-**	Laboratory Services	22,996		22,996	8,206	14,790	35.7%	
17-5012-**-**	Grit Hauling - 21A	42,000		42,000	21,103	20,897	50.2%	
17-5013-**-**	Landscaping	85,004		85,004	37,607	47,397	44.2%	
17-5015-**-**	Management Support Services	9,996	5,000	14,996	9,500	5,496	63.4%	
17-5017-**-**	Legal Fees	5,004		5,004	28,652	(23,648)	572.6%	
17-5019-**-**	Contract Services Misc.	96,312		96,312	64,181	32,131	66.6%	
17-5021-**-**	Small Vehicle Expense	7,000		7,000	5,836	1,164	83.4%	
17-5022-**-**	Miscellaneous Expense	5,004		5,004	377	4,627	7.5%	
17-5023-**-**	Office Supplies - All	13,004		13,004	4,031	8,973	31.0%	
17-5024-**-**	Petroleum Products	20,004		20,004	4,707	15,297	23.5%	
17-5025-**-**	Uniforms	28,000		28,000	15,389	12,611	55.0%	
17-5026-**-**	Small Vehicle Fuel	9,004		9,004	2,839	6,165	31.5%	
17-5027-**-**	Insurance - Property/Liability	135,628		135,628	172,711	(37,083)	127.3%	(1)
17-5028-**-**	Small Tools & Supplies	30,000		30,000	14,401	15,599	48.0%	
17-5030-**-**	Trash Disposal	2,504		2,504	1,036	1,468	41.4%	
17-5031-**-**	Safety Supplies	41,248		41,248	12,589	28,659	30.5%	
17-5032-**-**	Equipment Rental	3,004		3,004	7,850	(4,846)	261.3%	
17-5033-**-**	Recruitment	728		728	1,800	(1,072)	247.3%	
17-5034-**-**	Travel Expense/Tech. Conferences	8,996		8,996	180	8,816	2.0%	
17-5035-**-**	Training Expense	15,480		15,480	6,207	9,273	40.1%	
17-5036-**-**	Laboratory Supplies	24,392		24,392	10,632	13,760	43.6%	
17-5037-**-**	Office Equipment	9,996		9,996	7,327	2,669	73.3%	
17-5038-**-**	Permits	10,612		10,612	2,199	8,413	20.7%	
17-5039-**-**	Membership Dues/Fees	7,892		7,892	2,624	5,268	33.2%	
17-5049-**-**	Biosolids Disposal	850,000		850,000	460,556	389,444	54.2%	
17-5050-**-**	Contract Services Generators - 29A	13,004		13,004	4,145	8,859	31.9%	
17-5052-**-**	Janitorial Services	42,000		42,000	13,524	28,476	32.2%	
17-5054-**-**	Diesel Truck Maint	19,000		19,000	5,919	13,082	31.2%	
17-5055-**-**	Diesel Truck Fuel	8,000		8,000	3,326	4,674	41.6%	
17-5056-**-**	Maintenance Equip. & Facilities (Solids)	211,000		211,000	144,879	66,121	68.7%	(8)
17-5057-**-**	Maintenance Equip. & Facilities (Liquids)	242,000		242,000	84,963	157,037	35.1%	
17-5058-**-**	Maintenance Equip. & Facilities (Common)	36,000		36,000	35,962	38	99.9%	
17-5059-**-**	Maintenance Equip. & Facilities (Co-Gen)	461,876		461,876	247,665	214,211	53.6%	
17-5060-**-**	Maintenance Equip. & Facilities (AWT) 41-E	50,000		50,000	4,931	45,069	9.9%	
17-5061-**-**	Mileage	1,004		1,004	565	439	56.2%	
17-5068-**-**	MNWD Potable Water Supplies & Svcs.	28,000		28,000	20,061	7,939	71.6%	(9)
17-5074-**-**	Education Reimbursement	1,996		1,996	101	1,895	5.1%	
17-5076-**-**	SCADA Infrastructure	28,684		28,684	10,000	18,684	34.9%	
17-5077-**-**	IT Direct	2,624		2,624	-	2,624	-	
17-5105-**-**	Co-Generation Power Credit - Offset	685,992		685,992	594,208	91,784	86.6%	
17-5303-**-**	Group Insurance Waiver	7,196		7,196	3,517	3,679	48.9%	
17-5309-**-**	Operating Leases	-		-	1,915	(1,915)	-	
17-5705-**-**	Monthly Car Allowance	8,396		8,396	5,072	3,324	60.4%	
17-6241-**-**	Education Reimbursement	-		-	449	(449)	-	
17-6500-**-**	IT Allocations in to PC's & Depts.	216,520		216,520	91,172	125,348	42.1%	
	Total Other Expenses	4,655,964	5,000	4,660,964	2,488,478	2,172,486	53.4%	
	Total Expenses	7,384,816	5,000	7,389,816	3,772,463	3,617,353	51.0%	

South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC
For the Period Ended December 31, 2021
(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	-	1,088	-	
21-5401-**-**	Fringe Benefits IN to PC's & Depts.	564		564	-	564	-	
	Total Payroll Costs	1,652	-	1,652	-	1,652	-	
Other Expenses								
21-5019-**-**	Contract Services Misc.	18,336		18,336	-	18,336	-	
21-5027-**-**	Insurance - Property/Liability	-		-	6,041	(6,041)	-	(1)
	Total Other Expenses	18,336	-	18,336	6,041	12,295	32.9%	
	Total Expenses	19,988	-	19,988	6,041	13,947	30.2%	
23 - North Coast Interceptor								
Other Expenses								
23-5017-**-**	Legal Fees	-		-	7,063	(7,063)	-	(10)
	Total Expenses	-	-	-	7,063	(7,063)	-	
24 - Aliso Creek Ocean Outfall								
Salary and Fringe								
24-5000-**-**	Regular Salaries-O&M	149,296		149,296	58,838	90,458	39.4%	
24-5001-**-**	Overtime Salaries-O&M	620		620	920	(300)	148.4%	
24-5306-**-**	Scheduled Holiday Work	264		264	287	(23)	108.6%	
24-5401-**-**	Fringe Benefits IN to PC's & Depts.	77,364		77,364	30,486	46,878	39.4%	
	Total Payroll Costs	227,544	-	227,544	90,530	137,014	39.8%	
Other Expenses								
24-5015-**-**	Management Support Services	212,496		212,496	14,439	198,057	6.8%	
24-5017-**-**	Legal Fees	2,008		2,008	-	2,008	-	
24-5027-**-**	Insurance - Property/Liability	8,704		8,704	5,042	3,662	57.9%	(1)
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	180	1,332	11.9%	
24-5035-**-**	Training Expense	1,956		1,956	18	1,939	0.9%	
24-5036-**-**	Laboratory Supplies	30,004		30,004	16,225	13,779	54.1%	
24-5038-**-**	Permits	216,924		216,924	-	216,924	-	(11)
24-5039-**-**	Membership Dues/Fees	220		220	-	220	-	
24-5044-**-**	Offshore Monitoring	75,504		75,504	24,587	50,917	32.6%	
24-5045-**-**	Offshore Biochemistry - 20B	11,512		11,512	-	11,512	-	
24-5046-**-**	Effluent Chemistry	35,000		35,000	6,090	28,910	17.4%	
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	7,919	10,877	42.1%	
	Total Other Expenses	617,240	-	617,240	74,500	542,740	12.1%	
	Total Expenses	844,784	-	844,784	165,030	679,754	19.5%	
Total O&M Expenses		18,522,124	60,000	18,582,124	8,648,709	9,933,415	46.5%	

* 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.

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

For the Period Ended December 31, 2021

- (1) Property Liability insurance rate increased due to escalated pooled risk factors
- (2) Generator services are completed before the rainy season each year and are nearly complete for the Fiscal Year.
- (3) Digester cleaning at JBL is well underway for the Fiscal Year.
JBL staff are performing work in solids areas that are usually unavailable during the ongoing Package B Construction Project
- (4) shutdowns.
- (5) The Administrative buildings at JBL and RTP had extensive sewer and water failures repaired.
- (6) Soil from the May and June sludge lines leaks were dried and disposed of as Biosolids.
Additional natural gas was used to run the cogeneration system at RTP during warranty extensive repairs on the digester gas
- (7) cleaning System.
- (8) Several failed RTP digester gas valves were isolated and replaced by specialty contractor.
- (9) Annual laboratory proficiency testing costs for potable water certification. Costs expected to level out.
- (10) Legal Fees, staff will be requesting a budget amendment
- (11) Permit fees were received late December, paid in January. Permit fees will be fully expended.
- (12) Increased permit fees reported to the Board November 2021. No further increases this fiscal year.

Exhibit E-2

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

For the Period Ended December 31, 2021
(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	76,734	99,194	43.6%
01-5401-03-00-00	Fringe Benefits IN to PC's & Depts.	91,154	39,758	51,396	43.6%
	Total Payroll Costs	267,081	116,492	150,590	43.6%
Other Expenses					
01-5022-03-00-00	Miscellaneous Expense	3,184	350	2,834	11.0%
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	309	1,068	22.4%
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	2,132	2,068	50.8%
01-5802-03-00-00	Shipping/Freight	312	-	312	-
01-6500-03-00-00	IT Allocations in to PC's & Depts.	54,293	23,084	31,209	42.5%
	Total Other Expenses	82,781	25,933	56,849	31.3%
	Total Engineering Expenses	349,863	142,424	207,439	40.7%

South Orange County Wastewater Authority
Budget vs. Actual Comparison- Administration
For the Period Ended December 31, 2021
(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	462,344	536,080	46.3%
01-6001-04-00-00	Overtime Salaries-Admin or IT	10,000	16,034	(6,034)	160.3% (1)
01-6315-04-00-00	Comp Time - Admin	5,000	1,940	3,060	38.8%
01-6401-04-00-00	Fringe Benefits IN to ADMIN or IT	517,316	239,556	277,761	46.3%
	Total Payroll Costs	1,530,740	719,872	810,868	47.0%
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	15,125	9,225	62.1%
01-6102-04-00-00	Subscriptions	2,081	1,930	151	92.7%
01-6103-04-00-00	Contract Labor	50,000	13,059	36,941	26.1%
01-6200-04-00-00	Management Support Services	90,000	20,981	69,019	23.3%
01-6201-04-00-00	Audit	46,000	32,500	13,500	70.7%
01-6202-04-00-00	Legal	220,000	167,757	52,243	76.3%
01-6204-04-00-00	Postage	1,500	658	842	43.9%
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	3,450	(2,250)	287.5% (2)
01-6234-04-00-00	Memberships & Trainings	88,000	37,013	50,987	42.1%
01-6239-04-00-00	Travel & Conference	11,000	4,137	6,863	37.6%
01-6241-04-00-00	Education Reimbursement	1,500	904	596	60.3%
01-6310-04-00-00	Miscellaneous	18,000	12,352	5,648	68.6%
01-6311-04-00-00	Mileage	1,236	38	1,198	3.1%
01-6317-04-00-00	Contract Services Misc	5,722	2,946	2,776	51.5%
01-6500-04-00-00	IT Allocations in to PC's & Depts.	125,761	52,957	72,804	42.1%
01-6601-04-00-00	Shipping/Freight	3,815	2,738	1,077	71.8%
01-6705-04-00-00	Monthly Car Allowance	12,000	6,092	5,908	50.8%
	Total Other Expenses	709,934	375,923	334,011	53.0%
Total Admin Expenses		2,240,674	1,095,796	1,144,879	48.9%

(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 December 31, 2021
(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	51,551	48,525	51.5%
01-6401-05-00-00	Fringe Benefits IN to ADMIN or IT	51,852	26,710	25,142	51.5%
	Total Salary & Fringe	151,928	78,261	73,667	51.5%
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	36,274	4,752	88.4%
01-6301-05-00-00	Hardware Maintenance Agreements	14,726	955	13,771	0.06
01-6302-05-00-00	Cloud Subscriptions (Internet)	177,328	68,716	108,612	38.8%
01-6303-05-00-00	Telecommunications	165,582	85,015	80,567	51.3%
01-6305-05-00-00	IT Professional Services	92,400	12,949	79,451	14.0%
01-6306-05-00-00	Small Hardware Purchases (< \$5k)	40,985	4,086	36,899	10.0%
01-6307-05-00-00	Small Software Purchases & Licenses (<\$5k)	28,968	10,392	18,576	35.9%
01-6308-05-00-00	IT Memberships	160	-	160	-
01-6309-05-00-00	Operating Leases	64,173	33,281	30,892	51.9%
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	254,875	384,323	39.9%
Total Expenses before Allocation		791,126	333,136	457,990	42.1%
IT Allocations (Out) to PC's & Depts					
01-6400-05-00-00	IT Allocations (OUT) to PC's & Depts.	(791,126)	(333,136)	(457,990)	42.1%
	Total IT Allocations (Out) to PC's & Depts	(791,126)	(333,136)	(457,990)	42.1%

South Orange County Wastewater Authority

Exhibit E-5

FY 2021-22 Fringe Benefits Forecast

(No recommended change in the fiscal year fringe rate)

	FY 2021-22 Budget	Fringe Forecast	Forecast Change+/-(-)	% Change
457 Plan - Employer Contribution	\$80,000	\$74,186	(\$5,814)	-7.3%
Accrued Administrative Leave	36,694	37,037	343	0.9%
Accrued Holiday	296,993	260,574	(36,419)	-12.3%
Accrued Personal Leave	100,213	95,750	(4,464)	-4.5%
COVID-19 Federal Leave		1,533	1,533	
COVID-19 State Leave		20,002	20,002	
Child Leave		1,285	1,285	
Accrued Sick Pay	316,082	330,399	14,318	4.5%
Accrued Vacation	408,565	364,768	(43,797)	-10.7%
Bereavement Pay	8,700	8,700		0.0%
Jury Duty	5,000	2,301	(2,699)	-54.0%
Disability Insurance - Private	64,736	62,009	(2,727)	-4.2%
Group Medical Insurance	1,037,624	1,009,687	(27,937)	-2.7%
Medicare Tax - Employer	108,056	107,192	(864)	-0.8%
Retiree Health Savings Program (RHS)	55,200	54,800	(400)	-0.7%
Retiree Health PARS Investment				
¹ Retiree Health Benefits				
Retirement - PERS Normal Costs	633,939	601,580	(32,360)	-5.1%
¹ Retirement - PERS Unfunded Liability				
Unemployment Ins./Reimbursement	1,000		(1,000)	-100.0%
Workers Compensation Ins.	153,353	182,738	29,385	19.2%

Total O&M Budget Fringe Benefits Pool	\$3,306,155	\$3,214,540	(\$91,615)	-2.8%
Change in Fringe Pool			-2.8%	

O&M	\$3,752,079	\$4,051,129	\$299,050	8.0%
Environmental	1,095,082	919,338	(175,744)	-16.0%
Engineering including CIP Labor	435,220	308,358	(126,862)	-29.1%
Admin	998,424	852,042	(146,382)	-14.7%
IT	100,075	95,737	(4,338)	-4.3%
Total Pay for Time Worked Labor Base	\$6,380,880	\$6,226,603	(\$154,277)	-2.4%
Fringe Rate	51.8%	51.6%	-0.2%	
Change in Labor Base			-2.4%	

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

Agenda Item

6

Finance Committee Meeting

Meeting Date: February 15, 2022

TO: Finance Committee

FROM: Betty Burnett, General Manager

STAFF CONTACT: Mary Carey, Finance Controller

SUBJECT: Q2 FY 2021-22 Cash Roll Forward as of December 31, 2021

Summary/Discussion

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

Cash Roll Forward Q2, December 31, 2021

Cash Roll Forward balances are attached:

- Cash Roll Forward Notes, including:
 - Cash on Hand reconciled to the Bank Statement
 - Cash in Excess of Expenditures to date
- Large Capital Cash Reconciliation to General Ledger (GL)
- Large Capital Cash Roll Forward Balance by Project Committee, Member Agency and Project
- Non-Capital Cash Roll Forward Balance by Project Committee, Member Agency and Project
- Non-Capital – Miscellaneous Cash Roll Forward Balance by Project Committee, Member Agency and Project
- Small Capital Cash Roll Forward balance by Project Committee, Member Agency and Project

Recommended Action: Staff recommends that the Finance Committee recommend to the Board of Directors to receive and file the Q2 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 and Q2 2022 Preliminary

	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	9/30/2021	12/31/2021	Change +(-)	% Change
(1) Cash on Hand (G/L Balance)	12,949,694	13,557,237	20,857,094	22,361,420	15,190,921	12,895,802	10,468,467	(2,427,335)	-18.8%
Accounts Payable	(2,682,688)	(2,314,106)	(1,981,080)	(3,531,550)	(5,882,659)	(3,514,608)	(3,448,555)		
Accrued Payroll	(102,661)	(127,396)	(100,221)	(160,049)	(224,996)	(117,736)	(258,264)		
Accounts Receivable	1,069,282	1,660,444	14,179	49,286	59,478	16,200	676,331		
(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		
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		
(4) Large Capital Cash as of June 30th 2017, 2018, 2019, 2020, 2021 , Q1 & Q2 2022	9,168,439	8,793,369	15,067,539	15,616,950	6,973,860	7,770,263	6,528,239	(1,242,025)	-16.0%
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		
(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			
Non Capital Cash Collected in Excess of Expenditures					9,110	9,110			
Non Capital Misc Cash Collected in Excess of Expenditures					52,266	52,266			
O&M Cash Collected in Excess of Expenditures					215,060	215,060			
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		
(7) Difference	365,027	649,837	314,628	549,996	166,969	188,428	24,798		

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

	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	9/30/2021	12/31/2021	Change +(-)	% Change
Additional Cash Is:									
Prior Balance	281,422	365,027	649,837	314,628	549,996	166,969	188,428		
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		
Recycling Income	11,708	2,112	1,618	1,966.23	2,947	5,700			
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								
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		

Preliminary Cash Roll Forward Notes Q2 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 Q2 FY 2021-22

Large Capital Cash Balance as of December 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										
3202-000 - Preliminary and Primary Treatment Improvements Design (2016)	-	-	45,622	-	-	-	34,257	25,697	42,822	148,398
3252-000 - Plant 1 Standby Power Generator Repl (2017)	-	-	30,357	-	-	-	22,789	17,093	28,487	98,726
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)	-	-	102,889	-	-	-	77,217	57,837	96,499	334,442
32211L-000 - Plant 2 Grit Area Rehabilitation	-	-	(27,783)	-	-	-	(20,837)	(15,628)	(26,046)	(90,294)
Total PC 02 Liquids	-	-	236,022	-	-	-	178,376	133,784	222,972	771,153
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)	-	-	6,687	-	-	-	4,918	5,027	5,375	22,006
3231-000 Facility Improvements B - Common Upgrades Construction	-	-	100,373	-	-	-	73,825	75,450	80,671	330,320
Total PC 02 Common	-	-	107,059	-	-	-	78,743	80,477	86,046	352,325

South Orange County Wastewater Authority

Total Large Capital Projects Cash Roll Forward for Q2 FY 2021-22

	Large Capital Cash Balance as of December 31, 2021									
	16	17	18	19	20	21	22	23	24	
	CLB	CSC	CSJC	ETWD	EBSD	IRWD	MNWD	SMWD	SCWD	Total
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	-	-	107,310	-	-	-	77,325	101,526	71,540	357,701
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	-	-	345,334	-	-	-	248,855	326,700	230,224	1,151,113
Total PC2 JB Latham	-	-	688,415	-	-	-	505,975	540,961	539,241	2,274,591
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	-	-	-	-	-	-	-	-	-	-
3606-000 - Junction Struction - Sleeve Insertion (2021)	-	(0)	(0)	-	-	-	(0)	(0)	(0)	(1)
Total PC5 San Juan Creek Ocean Outfall	-	8,913	5,942	-	-	-	8,317	23,767	6,687	53,627

South Orange County Wastewater Authority

Total Large Capital Projects Cash Roll Forward for Q2 FY 2021-22

Large Capital Cash Balance as of December 31, 2021									
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									
3504-000 - Aeration System Modification Design (2015)	(251)	-	-	-	(20)	-	(194)	-	(663)
3514-000 - CTP Facility Upgrade Design and Financing (2016)	(1,063)	-	-	-	(84)	-	(820)	-	(2,803)
3530-000 Aliso Sulfur Creek Confluence (2014)	(12)	-	-	-	(1)	-	(9)	-	(31)
3532-000 - Fire Protection (2013)	11,404	-	-	-	899	-	8,161	-	29,443
3534-000 - Export Sludge System (1997)	(60,419)	-	-	-	(4,753)	-	(46,628)	-	(159,374)
3539-000 Facility Construction Improvements - Part II (2020)	(47,973)	-	-	-	(3,778)	-	(37,017)	-	(126,538)
3551-000 - Add for CTP Facility Upgrade Design (2017)	(7,554)	-	-	-	(595)	-	(5,829)	-	(19,925)
3553-000 - Plant Drainage Improvements (2017)	89,172	-	-	-	7,028	-	68,807	-	235,220
3592-000 - Facility Improvements Project Design (2018)	3,953	-	-	-	384	-	3,000	-	10,442
3525-000 - Personnel Building reconstruction (2019)	70,428	-	-	-	5,545	-	54,346	-	185,775
3526-000 - Facility Improvements Project Construction - Part I (2019)	(32)	-	-	-	(2)	-	(24)	-	(84)
3527-000 - Vehicle Storage Building Roof (2019)	32,224	-	-	-	2,537	-	24,866	-	85,000
3528-000 - AWMA Road Sites West 1 and West 2 Embankment Protection	40,558	-	-	-	3,194	-	31,297	-	106,983
3529-000 - Aliso Creek Long Term Repair Planning	28,604	-	-	-	2,252	-	22,072	-	75,452
3541-000 Export Sludge System Construction (2020)	106,604	-	-	-	8,394	-	82,261	-	281,200
35228L-000 - Aeration Blower System Upgrades	113,731	-	-	-	8,955	-	87,761	-	299,999
3522CL-000 - West Basin Scum Collection System	18,955	-	-	-	1,493	-	14,627	-	50,000
Total PC 15 Liquids	398,330	-	-	-	31,448	-	306,676	-	1,050,095
AWT									
3517-000 - AWT Backwash Pump Replacement (2016)	-	-	-	-	-	-	-	-	(402)
3518-000 - Chlorine Mixer Replacement (15AWT) (2015)	-	-	-	-	-	-	-	-	(7)
3519-000 - Hypochlorite Tank (AWT) (2013)	-	-	-	-	-	-	-	-	(0)
3532-000 - Fire Protection	-	-	-	-	-	-	-	-	(31,230)
3562-000 - Applied Water Pump System Replacement (AWT) (2017)	-	-	-	-	-	-	-	-	9,441
3596-000 - Applied Water VFD Pump Panel and Electrical (AWT) (2018)	-	-	-	-	-	-	-	-	8,574
3597-000 - MCC A Replacement Design (15) (2018)	-	-	-	-	-	-	-	-	55,890
3536-000 - Chlorine Contact Basin Mixer Design (AWT) (2018)	-	-	-	-	-	-	-	-	25,142
3537-000 - MCC A Replacement Construction (AWT) (2019)	-	-	-	-	-	-	-	-	(27,437)
3538-000 - AWT Filter Valve Upgrade Construction (AWT) (2019)	-	-	-	-	-	-	-	-	(64,847)
Total PC 15 AWT	-	-	-	-	-	-	-	-	(24,875)
Total PC 15 Coastal Treatment Plant	398,330	-	-	-	31,448	-	306,676	-	1,025,220

South Orange County Wastewater Authority

Total Large Capital Projects Cash Roll Forward for Q2 FY 2021-22

Large Capital Cash Balance as of December 31, 2021									
16	17	18	19	20	21	22	23	24	
CLB	CSC	CSJC	ETWD	EBSD	IRWD	MNWD	SMWD	SCWD	Total
PC 17 Joint Regional Wastewater Reclamation									
Liquids/AWT									
3701-000 - Secondary Electrical System Rerouting (2014)	-	-	-	-	-	-	-	-	-
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)	-	-	-	-	-	373,246	-	-	373,246
3758-000 AWT No.2 Reconstruction (2020)	-	-	-	-	-	120,756	-	-	120,756
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)	-	-	-	-	-	97,949	-	-	97,949
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)	-	-	-	-	-	-	-	-	-
Total PC 17 Liquids	-	-	-	-	-	702,668	-	-	702,668

South Orange County Wastewater Authority

Total Large Capital Projects Cash Roll Forward for Q2 FY 2021-22

Large Capital Cash Balance as of December 31, 2021									
	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)	-	68
3718-000 - Access Bridge Upgrades (2015)	650	-	-	48	29	-	(1,257)	-	521
3761-000 - External Lighting Upgrade	22,511	-	-	38,296	1,192	-	293,960	-	17,986
3763-000 - Reroute Drains on Plant Perimeter (2017)	1,687	-	-	3,073	90	-	23,898	-	1,349
3764-000 - SCADA Improvements (2017)	726	-	-	2,762	45	-	23,535	-	575
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	-	683
3745-000 - West Slope Protection Evaluation (2019)	2,261	-	-	3,700	119	-	28,176	-	1,807
3746-000 - Motor Control Center A, G, H Design (2019)	4,947	-	-	8,094	260	-	61,638	-	3,953
3747-000 -Southside Plant Manhole Reconstruction (2019)	947	-	-	1,550	50	-	11,805	-	757
3748-000 - SE electrical Manhole reconstruction (2019)	(398)	-	-	(652)	(21)	-	(4,962)	-	(318)
37229C-000 - Laboratory Reconstruction	2,398	-	-	3,924	126	-	29,884	-	1,917
Total PC 17 Common	36,670	-	-	62,201	1,939	-	477,158	-	29,298
Solids									
3722-000 - Co-gen Sys Retrofit (formerly Siloxane) (2015)	-	-	-	-	-	-	-	-	-
3723-000 - Recoat Top of Digesters (2016)	0	-	-	(1)	(0)	-	0	-	1
3724-000 Energy Building Structural and HVAC Modifications (2015)	(1,060)	-	-	(1,928)	(56)	-	(5,556)	-	(846)
3726-000 Co-Generation System Retrofit Design	(374)	-	-	(681)	(20)	-	(1,961)	-	(299)
3770-000 - Additional Budget CoGen Upgrade (2017)	0	-	-	-	-	-	1	-	-
3790-000 - Solids Area Upgrade Design (2018)	(6,078)	-	-	(11,056)	(320)	-	(31,862)	-	(4,853)
3791-000 - Cogeneration Area Upgrade Project Completion (2018)	-	-	-	-	-	-	-	-	-
3749-000 - Phase I Solids Piping Upgrade (2019)	44,198	-	-	80,397	2,324	-	231,699	-	35,294
3750-000 - Dewatering room Floor Sealing and Lighting (2019)	11,676	-	-	21,239	614	-	61,210	-	9,324
3751-000 - Energy Building Roof and Breezeway (2019)	-	-	-	-	-	-	-	-	-
3754-000 - SET Piping Reconstruction (2019)	6,115	-	-	11,123	322	-	32,057	-	4,883
3771-000 - Miscellaneous Safety Improvements - Solids (2020)	8,718	-	-	15,859	459	-	45,704	-	6,962
3772-000 - Hot Water Piping Reconstruction (2020)	35,139	-	-	63,920	1,848	-	184,211	-	28,061
3773-000 - Co-Generation System Modifications (2020)	24,944	-	-	45,376	1,312	-	130,770	-	19,921
Total PC 17 Solids	123,278	-	-	224,249	6,483	-	646,273	-	98,446
Total PC 17 Joint Regional Wastewater Reclamation	159,948	-	-	286,450	8,422	-	1,826,100	-	127,745
									2,408,664

South Orange County Wastewater Authority

Total Large Capital Projects Cash Roll Forward for Q2 FY 2021-22

Large Capital Cash Balance as of December 31, 2021									
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)	-	-	-	136,692	-	136,690	-	-	273,382
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	-	-	-	173,953	-	173,951	-	-	347,905
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	-	-	-	245,091	-	245,089	73,100	-	563,281
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 Q2 FY 2021-22	580,591	8,913	694,357	564,607	41,453	277,059	2,809,121	564,728	6,528,239

South Orange County Wastewater Authority
Small Capital Cash Roll Forward Q2 FY 2021-22

		Small Capital Cash Balance as of December 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											
2221-004	Aeration Header Noise Cover	-	-	(10,879)	-	-	-	(8,160)	(6,120)	(10,199)	(35,358)
2221-006	4-side WAS Pump Overhaul	-	-	(4,562)	-	-	-	(3,422)	(2,566)	(4,277)	(14,828)
2221-017	Fixed Gas Detectors - JBL Liquids	-	-	(2,993)	-	-	-	(2,245)	(1,684)	(2,806)	(9,727)
2222-001	2 ISCO Samplers (between 3 PC's)	-	-	1,076	-	-	-	808	606	1,010	3,500
2222-002	Laboratory Equipment and Probe Replacements (between 3 PC's)	-	-	4,462	-	-	-	3,346	2,510	4,182	14,500
2222-003	Building Lighting Improvements	-	-	3,384	-	-	-	2,538	1,904	3,174	11,000
2222-004	Pump Overhauls	-	-	2,054	-	-	-	1,541	1,155	1,924	6,674
2222-005	Replacement Liquids Side Bleach Tank	-	-	3,848	-	-	-	2,882	2,164	3,606	12,500
2222-006	Gate Replacements	-	-	2,308	-	-	-	1,730	1,298	2,164	7,500
2222-007	4-Side Headworks Roll up Door Replacement	-	-	4,462	-	-	-	3,346	2,510	4,182	14,500
2222-008	Replacement 4-Side Primary Scum Trough	-	-	3,076	-	-	-	2,310	1,730	2,884	10,000
2222-009	Mix Liquor Channel Air Line Replacement Project	-	-	3,846	-	-	-	2,884	2,164	3,606	12,500
2222-010	Spare Potable Water Pumps	-	-	1,538	-	-	-	1,154	866	1,442	5,000
2222-011	4-Side Replacement Primary Tank Covers	-	-	27,692	-	-	-	20,770	15,576	25,962	90,000
Total Liquids		-	-	39,312	-	-	-	29,483	22,114	36,854	127,762
Common											
2222-012	Safety Equipment	-	-	1,520	-	-	-	1,116	1,142	1,222	5,000
2222-013	Site Security and Access Upgrades 2022 (between 3 PC's)	-	-	7,596	-	-	-	5,588	5,710	6,106	25,000
2222-014	JBL HP SCADA Server Switch	-	-	2,278	-	-	-	1,676	1,714	1,832	7,500
2222-015	PA System (between 3 PC's)	-	-	9,876	-	-	-	7,264	7,424	7,936	32,500
Total PC 2 Common		-	-	21,270	-	-	-	15,644	15,990	17,096	70,000
Solids											
2221-028	Centrifuge Rebuild JBL	-	-	(9,694)	-	-	-	(6,986)	(9,170)	(6,462)	(32,312)
2222-016	Solids Buildings Door Replacements 21-22	-	-	3,450	-	-	-	2,486	3,264	2,300	11,500
2222-017	Pump Overhauls	-	-	(2,842)	-	-	-	(2,048)	(2,689)	(1,895)	(9,474)
2222-018	Foul Air Connection to Centrate Line	-	-	1,500	-	-	-	1,082	1,418	1,000	5,000
2222-019	Centrifuge Rebuild	-	-	8,250	-	-	-	5,946	7,804	5,500	27,500
2222-020	Replacement Flame Arresters	-	-	3,000	-	-	-	2,162	2,838	2,000	10,000
2222-021	Peterbilt Transmission Upfit (PC2/PC17)	-	-	750	-	-	-	540	710	500	2,500
2222-022	Engine Room Noise Reduction Project	-	-	3,750	-	-	-	2,702	3,548	2,500	12,500
2222-023	JBL Digester 1 and 2 Manway Access Improvements	-	-	(42,450)	-	-	-	(30,595)	(40,156)	(28,300)	(141,501)
Total PC 2 Solids		-	-	(34,286)	-	-	-	(24,711)	(32,432)	(22,858)	(114,288)
Total PC2 JB Latham											
		-	-	26,295	-	-	-	20,415	5,671	31,092	83,474

South Orange County Wastewater Authority
Small Capital Cash Roll Forward Q2 FY 2021-22

		Small Capital Cash Balance as of December 31, 2021									
		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)	1,326	-	-	-	104	-	1,026	-	1,044	3,500
2222-002	Laboratory Equipment and Probe Replacements (between 3 PC's)	3,792	-	-	-	298	-	2,926	-	2,984	10,000
2522-025	Pump/Blower Overhauls	1,767	-	-	-	139	-	1,365	-	1,392	4,663
2522-026	Pump Control Rehabilitations	7,582	-	-	-	598	-	5,850	-	5,970	20,000
2522-027	Building Lighting Improvements	9,478	-	-	-	746	-	7,314	-	7,462	25,000
2522-028	Two Spare Foul Air Fans	6,634	-	-	-	522	-	5,120	-	5,224	17,500
2522-029	Liquids Buildings Door Replacements	6,578	-	-	-	518	-	5,075	-	5,179	17,350
2522-030	Gallery Area Floor Rehabilitations	11,374	-	-	-	896	-	8,774	-	8,956	30,000
2522-031	Building #13 Roof Replacement	5,686	-	-	-	448	-	4,388	-	4,478	15,000
2522-032	Potable Water Station Rehabilitation	7,582	-	-	-	598	-	5,850	-	5,970	20,000
2522-033	Drainage Pumping Station Roof Replacement	4,738	-	-	-	374	-	3,656	-	3,732	12,500
2522-034	Headworks Driveway Replacement	3,792	-	-	-	298	-	2,924	-	2,986	10,000
Total PC 15 Liquids		70,329	-	-	-	5,539	-	54,268	-	55,377	185,513
Common											
2221-021	Ultrasonic Testing Equipment (between 3 PC's)	(5,005)	-	-	-	(394)	-	(3,862)	-	(3,941)	(13,203)
2520-022	Fixed Gas Detector Equipment	(25,787)	-	-	-	(2,030)	-	(19,898)	-	(20,304)	(68,020)
2222-013	Site Security and Access Upgrades 2022 (between 3 PC's)	8,530	-	-	-	672	-	6,582	-	6,716	22,500
2222-015	PA System (between 3 PC's)	12,318	-	-	-	966	-	9,512	-	9,704	32,500
2522-035	Safety Equipment	1,896	-	-	-	150	-	1,462	-	1,492	5,000
2522-036	Landscape Renovations 21-22	6,824	-	-	-	538	-	5,264	-	5,374	18,000
2522-038	Replacement Roll Up Door	5,686	-	-	-	448	-	4,388	-	4,478	15,000
2522-039	CTP PLC Hardware Upgrades and Replacements 21-22	2,844	-	-	-	224	-	2,194	-	2,238	7,500
2522-040	CTP HP SCADA Server Switch	2,844	-	-	-	224	-	2,194	-	2,238	7,500
2522-041	CTP OIT Replacements 21-22	1,896	-	-	-	150	-	1,462	-	1,492	5,000
Total PC 15 Common		12,046	-	-	-	947	-	9,297	-	9,486	31,777
AWT											
2522-043	Replacement Turbidity Meter	-	-	-	-	-	-	-	-	3,500	3,500
Total PC 15 AWT		-	-	-	-	-	-	-	-	3,500	3,500
Total PC 15 Coastal Treatment Plant		82,375	-	-	-	6,487	-	63,565	-	68,363	220,790

South Orange County Wastewater Authority
Small Capital Cash Roll Forward Q2 FY 2021-22

		Small Capital Cash Balance as of December 31, 2021									
		16	17	18	19	20	21	22	23	24	
		CLB	CSC	CSJC	ETWD	EBSD	IRWD	MNWD	SMWD	SCWD	Total
PC 17 Joint Regional Wastewater Reclamation											
Liquids											
2222-001	2 ISCO Samplers (between 3 PC's)	-	-	-	-	-	-	3,500	-	-	3,500
2222-002	Laboratory Equipment and Probe Replacements (between 3 PC's)	-	-	-	-	-	-	10,000	-	-	10,000
2722-046	Scum Pump Overhaul/Replacements	-	-	-	-	-	-	(13,008)	-	-	(13,008)
2722-047	Rebuild Low Pressure Water Pump	-	-	-	-	-	-	5,000	-	-	5,000
2722-048	Grit Pump Overhaul/Replacements	-	-	-	-	-	-	17,000	-	-	17,000
2722-049	Primary Pump Overhaul/Replacements	-	-	-	-	-	-	(6,207)	-	-	(6,207)
2722-050	Interstage Pump Overhaul	-	-	-	-	-	-	24,500	-	-	24,500
2722-051	Replacement RAS Valves	-	-	-	-	-	-	(10,165)	-	-	(10,165)
2722-052	Spare RAS Bleach Pump	-	-	-	-	-	-	12,500	-	-	12,500
2722-053	Headworks Area Building Doors	-	-	-	-	-	-	17,500	-	-	17,500
2722-054	Primary Area Building Doors	-	-	-	-	-	-	16,500	-	-	16,500
2722-072	Effluent Discharge Channel Cover	-	-	-	-	-	-	(24,379)	-	-	(24,379)
Total PC 17 Liquids		-	-	-	-	-	-	52,740	-	-	52,740
Common											
2222-013	Site Security and Access Upgrades 2022 (between 3 PC's)	2,192	-	-	3,592	116	-	27,344	-	1,756	35,000
2222-015	PA System (between 3 PC's)	2,132	-	-	3,488	112	-	26,564	-	1,704	34,000
2722-055	Safety Equipment	314	-	-	514	16	-	3,906	-	250	5,000
2722-056	Access Road Repaving	784	-	-	1,282	42	-	(9,184)	-	626	(6,450)
2722-057	Landscape Renovations 21-22	628	-	-	1,026	34	-	7,810	-	502	10,000
2722-059	RTP HP SCADA Server Switch	470	-	-	770	24	-	5,860	-	376	7,500
Total PC 17 Common		6,520	-	-	10,672	344	-	62,300	-	5,214	85,050

South Orange County Wastewater Authority
Small Capital Cash Roll Forward Q2 FY 2021-22

		Small Capital Cash Balance as of December 31, 2021								
		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	2,524	-	-	4,592	132	-	13,236	-	2,016
2722-062	Spare Centrifuge Feed Pump	(1,840)	-	-	(3,348)	(97)	-	(9,646)	-	(1,469)
2722-063	Spare Centrifuge Cyclo Drive	1,402	-	-	2,552	74	-	7,352	-	1,120
2722-064	Replacement Digester Sludge Pump	2,918	-	-	5,306	154	-	15,292	-	2,330
2722-065	ORT Fan Replacement/Overhaul	1,010	-	-	1,836	54	-	5,294	-	806
2722-066	Sludge Hauling Trailer Renovation	392	-	-	714	20	-	2,060	-	314
2722-067	Peterbilt Transmission Upfit (PC2/PC17)	280	-	-	510	14	-	1,472	-	224
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		1,850	-	-	3,364	97	-	9,704	-	1,479
AWT										
2721-019	Overhaul AWT Valve Actuator Systems	-	-	-	-	-	-	(76,659)	-	-
2722-068	Chlorine Contact Gates	-	-	-	-	-	-	24,500	-	-
2722-069	Spare Pulsafeeder Pump	-	-	-	-	-	-	10,000	-	-
2722-070	2021 AWT Improvements	-	-	-	-	-	-	(45,581)	-	-
Total PC 17 AWT		-	-	-	-	-	-	(87,739)	-	(87,739)
Total PC 17 Joint Regional Wastewater Reclamation		8,370	-	-	14,036	441	-	37,005	-	6,693
Total Small Capital Cash Q2 FY 2021-22		90,745	-	26,295	14,036	6,927	-	120,985	5,671	106,148

South Orange County Wastewater Authority
Total Non-Capital Cash Roll Forward Q2 FY 2021-22

Non-Capital Cash Balance as of December 31, 2021																					
16		17		18		19		20		21		22		23		24		Total			
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)																					
-		-		(2,556)		-		-		-		(1,917)		(1,438)		(2,396)		(8,307)			
Total Liquids		-		(2,556)		-		-		-		(1,917)		(1,438)		(2,396)		(8,307)			
Common																					
42221C-000 - Site Storage Evaluation																					
-		-		-		-		-		-		-		-		-		-			
42222C-000 - Electrical Conduit and Cable Master Plan																					
-		-		-		-		-		-		-		-		-		-			
Total Common		-		-		-		-		-		-		-		-		-			
Total PC2 JB Latham																					
-		-		(2,556)		-		-		-		(1,917)		(1,438)		(2,396)		(8,307)			
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																					
18,956		-		-		-		1,492		-		14,626		-		14,926		50,000			
45212L-000 - Site Storage Evaluation																					
-		-		-		-		-		-		-		-		-		-			
Total Liquids		17,890		-		-		-		1,408		-		13,803		-		14,086		47,188	
Total PC 15 Coastal Treatment Plant																					
17,890		-		-		-		1,408		-		13,803		-		14,086		47,188			
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 Q2 FY 2021-22																					
17,890		-		(2,556)		-		1,408		-		11,886		(1,438)		11,690		38,881			

South Orange County Wastewater Authority
Total Non Capital Miscellaneous Cash Roll Forward Q2 FY 2021-22

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)
Total PC 17 Solids	
Total PC 17 Joint Regional Wastewater Reclamation	
Total Non-Capital Miscellaneous Cash	

Non-Capital Miscellaneous Cash Balance as of December 31, 2021									
16	17	18	19	20	21	22	23	24	
CLB	CSC	CSJC	ETWD	EBSD	IRWD	MNWD	SMWD	SCWD	Total
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
320	-	-	582	16	-	1,676	-	256	2,850
320	-	-	582	16	-	1,676	-	256	2,850
320	-	-	582	16	-	1,676	-	256	2,850
320	-	-	582	16	-	1,676	-	256	2,850

Agenda Item

7

Finance Committee Meeting

Meeting Date: February 15, 2022

TO: Finance Committee

FROM: Betty Burnett, General Manager

CONTACT: Jeanette Cotinola, Contracts/Procurement Manager

SUBJECT: Uniform Purchasing Policy and Procedure – Proposed Revisions

Summary / Discussion

In the September to November timeframe of 2021 the Finance Committee spent several meetings discussing possible ways to adjust the SOCWA Uniform Purchasing Policy and Procedure to clarify the directions the policy provides to staff. The Committee concurred at the November 2021 meeting on an approach that would eliminate Exhibit 2 to the Policy and replace it in the Policy document with more general statements allowing for limited source and single source procurements where the agency does not have the ability to change the vendor, supplier or a change would require substantial effort and planning to accomplish the change.

Examples of expenses where single source procurements may be appropriate include those where the vendor is pre-determined and cannot be adjusted such as CalPERS payments, water provider or utility purchases; or where it would take a substantial effort and future board action to change vendors, such as insurance, legal expenses, investment advisors, software license renewals.

The Committee also expressed support for board approvals of quotes/bids/price comparisons for selection of vendors for multi-year and open task order authorizations.


For purposes of comparison, note that MNWD policies express a similar approach, as follows:

“Non-Discretionary Purchases do not require Board approval for payment, including those over the General Manager limit of \$75,000. Initial software license agreements and cloud-based services are subject to the purchase limits in Table 2. Purchase Orders are not required for Non-Discretionary Purchases.”

“Non-Discretionary Purchases – Payments to utilities and national, state or local agencies that relate to routine obligations and expenses essential to the District’s ability to provide service to customers and that have been approved in fiscal year operating or capital budgets, and for the purposes of this policy, shall also include expenses previously approved by the Board, which would require significant advanced planning to change service providers, such as software license agreement renewal/ cloud based services renewal, insurance providers, and healthcare providers.”

Staff has drafted for the Committee's consideration a revision to the Uniform Purchasing Policy and Procedure that would eliminate Exhibit 2 and address the discussions from the November 2021 Finance Committee meeting.

Recommended Action: Review draft and comment and consideration for recommendation of changes to the SOCWA Board of Directors.

	POLICY NUMBER: Administration 1.715
Revised: March 3, 2022 Prior Version: 12/12/19	Title: Uniform Purchasing Policy and Procedures

Uniform Purchasing Policy and Procedures

I. PURPOSE OF POLICY

The purpose of this policy is to establish uniform procedures for acquiring services, supplies and materials, equipment, and capital improvements for SOCWA (South Orange County Wastewater Authority), in accordance with Government Code Section 54201 et seq., to assure purchases are accomplished in a manner providing maximum benefits, with cost efficiency for the Member Agencies and customers of SOCWA.

California Government Code Section 54202 requires that every local agency shall adopt policies and procedures, including bidding regulations governing purchases of supplies, materials and equipment, and that said purchases shall be in accordance with said duly adopted policies.

California Government Code Section 54204 requires that if the local agency is other than a city or county, policies provided for in Section 54202 of said Code shall be adopted by means of a written rule or regulation, copies of which shall be available for public distribution.

II. GENERAL POLICY

This policy addresses the authorizations of discretionary expenditures, competitive requests for and award of service contracts, procurement of professional services, and approvals and authorizations of change orders to existing contracts. It further establishes the internal controls regarding the receipt(s) for equipment, materials, and services. It also addresses quality based competitive procurements for capital projects construction. The following exhibits are incorporated herein and by reference made part hereof:

Exhibit 1 - Authority and Authorization Dollar Limits

Appendix 1 - GM Recommended FY 2014-2015 Approval Authority

Exhibit 2 - Non-Discretionary Expenses

Exhibit 3 - Credit Purchasing Program and Procedures


Exhibit 4 - Credit Request/ Expense Form

Exhibit 5 - Approval Listing

All purchases of services or materials paid for by SOCWA must adhere to the methods, authority level, and dollar limits of this policy as outlined in Exhibit 1.

The Budget of the Authority and each of its Project Committees (collectively, Budgets) is established as set forth in the SOCWA Joint Powers Agreement (JPA) and the various Project Committee Agreements such that the Budget(s) receives ratification by the member agencies on an annual basis, and the SOCWA member agencies have equal vote in approval of the Budget(s).

The Budget(s) comprise the spending authorization for the coming Fiscal Year and identify both discretionary and non-discretionary funds to be expended. The Authority staff report to the Board of Directors on a quarterly basis, or as soon thereafter as practicable, the Year to Date performance against the line items budgeted, any amounts under or over budget per category, and any allocation adjustment recommendations. Authority Staff are authorized to spend within the Budget(s) as the same may be adjusted from time to time by action of the Board of Directors, and the discretionary expenditures identified in the Budget(s) will be made in compliance with this

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Policy unless otherwise noted for exception in the Budget(s). As noted in Section IV below, the Fiscal Year Budget(s) approved by the Board of Directors approves Non-Discretionary Expenses as generally described in Exhibit 2, and the same are spent routinely, reported in the quarterly Budget Review, and are not within this policy.

III. DEFINITIONS

AGREEMENT or CONTRACT – Shall mean a written agreement for procurement of goods and services (professional and non-professional) and includes both formal contracts and purchase orders. The Term also may refer to documents issued for construction projects. Term is interchangeable with the term “contract.”

ASSET – Items of a fixed, durable, or permanent nature used in the operations of SOCWA.

AUTHORITY – South Orange County Wastewater Authority (SOCWA).

BOARD – Shall mean the Board of Directors of South Orange County Wastewater Authority (SOCWA).

BUDGET – Shall mean the annual fiscal year operating budgets and the capital budgets adopted by SOCWA and the Project Committees and ratified by the Member Agencies in accordance with the JPA.

CAPITAL EXPENDITURES – Shall mean spending for capital improvements, include construction of new, replacement and upgrades as outlined in the Ten-Year Capital Improvement Program or as otherwise funded in the Budget. Projects funded through Capital Expenditures may include Grant or State Revolving Fund Loan projects, Small Capital (operating) projects, and Capital Repair and/or Replacement projects where the useful life of the asset is substantially extended.

CHANGE ORDER – Shall mean a written amendment modifying the terms of an existing contract.

CHECK REQUEST – A requisition form for a check and on approval results in a Payment Voucher authorizing payment.


CONSTRUCTION PROJECTS – A project involving Capital Expenditures of SOCWA funds for the erection, construction, alteration, repair, or improvement of any Authority owned or operated structure, building, or site improvement.

FISCAL YEAR – The period from July 1 to June 30, also referred to as “FY.”

FUND – A subdivision of the fiscal activities, assets, liabilities, revenues, and expenditures of SOCWA, related to the conduct of a specific function or activity, or the attainment of a specific objective. It is a separate fiscal and accounting entity with a self-balancing set of accounts, for example, Project Committee funds or budgets.

FUND NUMBER – A defined set of digits or letters assigned to a fund.

GENERAL LEDGER ACCOUNT NUMBER – A code which identifies the accounting classification that best represents the category for the purchase to be charged.

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GENERAL MANAGER – General Manager of SOCWA or the person appointed by the General Manager or Board of Directors to act in the capacity of the General Manager and authorized to administer this Policy on his/her behalf.

NON-PROFESSIONAL SERVICES – Services other than Professional Services, to include equipment and maintenance services.


NON-DISCRETIONARY EXPENSES – Items that are approved for expenditure within an FY Budget and do not require further action of the Board for payment (see Exhibit 2 examples), which items may be less than or greater than the General Manager Authorization limit of \$50,000. Non-discretionary expenses relate to expenses essential to SOCWA's ability to provide service to Member Agencies and other customers (includes water purchases and power costs) and payroll related costs (tax obligations, PERS, employee benefits, and voluntary deductions). Non-Discretionary Expenses include but are not limited to the examples shown in Exhibit 2.

OPERATIONAL EXPENDITURES – Expenditures included in the Operations Budget approved by the Board, other than Capital Expenditures.

PROFESSIONAL SERVICES – Services involving the provision of a report, study, plan, design, specification, document, program, advice, recommendation, analysis, review, opinion, inspection, investigation, audit, brokering or representation of SOCWA before or in dealings with another party, or any other services which require a special skill or expertise of a professional, scientific or technical nature, where the professional is expected to work to a professional standard of care.

PURCHASE ORDER – An authorization, using a standardized form, in which the party designated therein as the "provider" provides equipment, materials, supplies and/or services for which SOCWA agrees to pay. There are four types of Purchase Order (PO) available: Purchase Order - Regular, Open Purchase Order, Blanket Purchase Order, Contract Purchase Order, and a Payment Voucher. Descriptions for each type of purchase order and the payment voucher are as follows:

- **Purchase Order – Regular** – used for goods and/or services that are required on an as needed basis or for replenishment of the Authority's revolving inventory and does not fall under the criteria for an Open or Blanket purchase order. A regular purchase order requires specific quantities and dollar amounts, with designated funding allocations for all items on the purchase order. The vendor performance period under a Purchase Order shall not exceed five (5) years.
- **Open Purchase Order** – used for repetitive, routine commitments for goods and/or services with frequently used vendors and billed to the Authority on a regular monthly or quarterly basis. An Open Purchase Order establishes monthly dollar limits on goods and/or services using preset funds, accounts, and project numbers for the entire amount of the purchase order. An Open Purchase Order specifies purchases and access limits. The vendor performance period under an Open Purchase Order shall not exceed two (2) years.
- **Blanket Purchase Order** – used for an account established with frequently used vendors for making purchases over time to reduce costs within the fiscal year. A Blanket Purchase Order specifies a quantity limit without preset funding allocations and defines the delivery schedule. Items on a Blanket Purchase Order can be coded to multiple funds, accounts, and project numbers; receipts are coded at the time of delivery of goods and/or services. The vendor performance period under a Blanket

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Purchase Order shall not exceed two (2) years and shall be limited by a total not to exceed dollar amount over said period.

- **Contract Purchase Order** – used as a legally enforceable agreement between the Authority and one or more parties defining the specific terms and conditions of the work to be performed and/or the materials to be delivered. A copy of the contract must be forwarded to the Purchasing Officer. The General Manager in cooperation with the Authority Counsel shall establish contracting guidelines and/or terms and conditions applicable to Contract Purchase Orders, and the same shall be adjusted from time to time to fit the type of purchase being made. Capital expenditures shall similarly be incurred after issuance of a contract.
- **Payment Voucher (PV)** – used for payments of small goods and service purchases that are generally under \$1000. Examples of such payments and costs include employee reimbursements, certifications, subscriptions, membership renewals, miscellaneous employee costs, health insurance reimbursements, minor retention releases, and minor permit fees, among others. Non- Discretionary expenses as shown on Exhibit 2 may use a Payment Voucher for payment tracking in the accounting system although these items may exceed the \$1000 limit.

PURCHASE ORDER TERMS AND CONDITIONS (PO TERMS) – The Purchase Order – Regular, Open Purchase Order, Blanket Purchase Order and Contract Purchase Order will generally be issued with Purchase Order Terms and Conditions addressing terms applicable to the acquisition of equipment, services or supplies to be purchased and set forth the terms applicable such as performance criteria and standards, insurance and indemnification requirements, warranty and notice provisions. PO Terms may set forth that the Authority shall have the right to terminate or cancel the PO for non-performance, or without cause on payment of accrued amounts for supplies or services.

PURCHASING OFFICER(s) – The employee(s), of the Authority, assigned the duties of identifying and/or verifying vendors, obtaining competitive bids processing requisitions into purchase orders, expediting delivery for operations, also works with inventory control and receiving to ensure receiving transactions and supporting documents are delivered to accounting for the recording of transactions, may support construction project procurements. The Purchasing Officer(s) control the issuance of purchase orders and checks for proper authorization.


REQUEST FOR PROPOSAL (RFP) – A written or electronic request for the submission of a proposal in accordance with specifications, conditions, and other requirements included in the request.

REQUEST FOR QUALIFICATION (RFQ) – A written or electronic request for the submission of qualifying information as related to future Authority work which may result in the selection of one or more qualified entities selected to then submit more specific proposals or RFPs.

REQUISITION – Electronic web purchasing – The electronic workflow developed and distributed to staff by the General Manager or his/her designee as the first step in the request that an item or service be ordered.

VENDOR – Any individual or organization providing materials or services to SOCWA.

WORK ORDER – A numbered cost accounting system used to collect costs for on-going programs, projects, and activities.

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IV. BUDGET PROCESS

The Budget(s) of the Authority and each of its Project Committees is established as set forth in the SOCWA JPA and the various Project Committee Agreements such that the Budget(s) receive the approval of the Member Agencies on an annual basis with each agency having an equal vote in the approval of the Budget(s). Prior to the beginning of each Fiscal Year, the proposed FY Budget(s) are developed for review by the Board. The proposed FY Budget(s) shall include all known proposed Operational and Capital Expenditures (including discretionary and Non-Discretionary items) that may be reasonably expected to be incurred in the new fiscal year.

As a part of the annual budget development, staff will propose the formula, and sub-formulas for the allocation of various expenses distributing the costs of liquids, solids processing, common costs and standby costs based on actual facility usage by member agencies and the same shall be stated in the Budget Assumptions for Board approval. The approved fiscal year Budget(s) comprise the spending authorization for the coming Fiscal Year, and staff shall comply with this Uniform Purchasing Policy and Procedures for the discretionary spending items it controls. Following the close of each fiscal year, SOCWA staff shall complete the Use Audit, which is used to true-up/update the formulas and sub-formulas for the allocation of costs of liquids, solids, common costs and standby costs to Member Agencies based on their actual usage of SOCWA facilities. The revisions based on actual usage are compared to the estimates used to set the Budget(s), and any underpayments or overpayments are reported. Following review by the Finance Committee and recommendation to the Board of Directors, any paid overages or underpaid contributions shall be distributed or collected from Member Agencies in accordance with the approved Use Audit. Staff may propose to the Board opportunities for revisions to the manner and method of allocating costs in order to streamline cost allocations and/or better allocate actual costs based on current facility configurations, needs or usage, and the same may be implemented from time to time if Board and/or Project Committee approved. Any change that alters Project Committee Agreements for sharing of costs shall be approved by the Project Committee member agencies pursuant to the requirements of the Project Committee Agreements.


The Authority staff will report to the Board of Directors on a quarterly basis or as soon thereafter as practicable on the Year to Date performance against the line items in the Budget(s), any amounts under or over line item per category, and any allocation adjustment recommendations. Authority staff is authorized to spend only within the Budget(s) as the same may be adjusted from time to time by action of the Board of Directors. The FY Budget approval by the Board of Directors approves Non-Discretionary Expenses as generally described in Exhibit 2, and the same are spent routinely, reported in the quarterly budget review, but are not controlled by this Policy.

Adoption of the Budget(s) shall also constitute approval of the Capital Expenditures contained within the Budget(s), and the authorization to make the Capital Expenditures as set forth within the Budget(s) is set forth in Section VI below.

V. PURCHASE ORDER PROCESSING PROCEDURE

All purchases shall be acquired using one of the following Purchase Order types or Payment Voucher:

- Purchase Order – Regular
- Open Purchase Order
- Blanket Purchase Order
- Contract Purchase Order

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- Payment Voucher

The following procedure pertains to the issuance of all Purchase Orders types, excluding Payment Vouchers (PV) addressed separately:

1. Create a Purchase Order Requisition

The Requisition form or Requisition data entry screen (located in Internet Explorer favorites as “SOCWA Web Purchasing”) is filled out to request that an item or service be ordered using the following steps:

- Allow at least two (2) working days of lead time.
- Provide complete name and address of selected vendor when required.
- Indicate what type of Purchase Order, i.e., Regular, Open or Blanket, or Contract Purchase Order in the “External Notes” field.
- Describe items or services clearly and specifically. Include make, model, manufacturer’s part number, catalog number, or vendor catalog page number, if available. Indicate color, size, or any option required.
- Indicate the quantity and unit price for each item (Blanket and Open purchase orders only indicate the dollar not to exceed amount and the expiration time period).
- Note whether the item(s) are taxable.
- Note any freight charges.
- Must indicate a valid General Ledger account number(s), and a correct project number(s) (**not required for Blanket purchase orders**) In the “External Notes” field.
- Indicate the performance period or deliver by date for the item or service.
- Attach any required price quotes and data that supports the requested purchase, if available.
- Seek appropriate approvals as required in Exhibit 1.


The Purchasing Officer will be electronically notified when all required approvals have been received.

2. Contract Purchase Order – Capital Expenditures

A Contract Purchase Order will be used most frequently by the Engineering Department for Capital Expenditure projects included in the fiscal year budget.

A Contract Purchase Order for Construction Projects¹ is awarded to a contractor under the guidelines established in Section VI “General Contracting Policies.” Once the contract is awarded, the Purchase Order Requisition is entered into the system and approved on-line. All bids, quotes, and proposals are forwarded to the Purchasing Officer prior to the Contract Purchase Order issuance. The complete Contract with the Contract Purchase Order is delivered to Accounting for filing in the Administrative Files and/or on the Authority Shared Drive, and the

¹ Contract Purchase Orders may also be utilized by Operations & Maintenance, Finance, Information Technology and in Administration purchasing where appropriate for tracking project scope of work, discrete tasks and/or specifications for a project.

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Vendor Copy & Receiving Copies are returned to the Engineering Department for their records. Copies are also forwarded to Accounts Payable for invoice processing.

3. Issuing a Purchase Order

The Purchasing Officer will create the Purchase Order in the finance ERP system upon electronic notification of the fully executed purchase requisition. In some cases, vendor pricing verification may precede the creation of the Purchase Order, and where the pricing exceeds the signature authority on the requisition, the item will be redirected from Accounting for reauthorization.

- When possible, the Purchasing Officer will electronically send the original purchase order to the vendor and maintain an electronic record for internal usage.
- The approved purchase order will be maintained in the Finance ERP system for use by Accounts Payable for General Ledger recordings and vendor payments.
- A copy of contracts and supporting documents will be maintained in the Administrative Files and/or on the Authority shared drive (or otherwise as an electronic copy). The approved purchase order will be maintained in the Finance ERP system for use by the Warehouse or receiving party pending delivery of goods or services.
- An electronic record of the requisition/purchase order is retained within the purchasing system subject to the Document Retention Policy.

4. Payment Vouchers


The following procedure pertains to the issuance of Payment Vouchers. A Check Request shall be completed for all Payment Vouchers indicating:

- Name and address of the payee.
- Description of the expenditure.
- General Ledger account number(s) and amount for each line item.
- Indicate whether the payment is via check or petty cash. If a check is to be mailed, address and due date, if the check is to be mailed with enclosures, provide an extra copy to attach with the Payment Voucher.
- Notify authorizing party of PV awaiting approval in the system.
- Forward completed Check Request/Invoices with all backup and support to Accounts Payable for processing.

5. Purchase Order Revisions/Changes

A. Non-Contract Change Orders

A Revised Purchase Order Requisition can be used for all PO types except Contract Purchase Orders (see below). Follow the same steps as a Purchase Order Requisition and include the existing PO number. If after a Purchase Order is issued, it is determined that the purchase is going to exceed the original amount by more than 15% or \$300, whichever is greater, or is beyond the original authorizing signature authorization limits, or other changes such as

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additions or deletions are needed, then a Revised Purchase Order Requisition must be completed and approved (refer to Exhibit 1, Appendix 1 for authorization limits).

Requisition changes that increase the value of the original purchase are subject to meeting the authorization limitations of Exhibit 1 and may require reauthorization signatures. Purchase orders over \$24,999 can be approved by the General Manager without Board approval so long as the amount is within the General Manager's spending authorization as either approved in the Budget or otherwise within the amounts set forth in Exhibit 1. Serial purchase orders may not be used to make expenditures for the same discretionary item where in total the amounts exceed the spending authorization limit. However, a change order exceeding the General Manager's spending authorization limits can be authorized by the General Manager prior to Board approval if such expenditure is ratified by the Board at its next regular meeting and if, in the General Manager's determination, any of the following circumstances exist:

- A delay in change order authorization could result in a negative financial impact to the Authority.
- A delay in change order authorization could result in damage to or impairment of the operation of an Authority facility.
- A delay in change order authorization could result in a risk to public health or safety.
- An emergency which requires immediate repair or replacement of an Authority facility.

B. Failure to Secure a Revised Purchase Order

Goods, materials or invoices received that exceed 15% or \$300, whichever is greater or are beyond the original authorizing signature authority will be returned to the vendor if a Revised Purchase Order is not on file at the time of receipt. This does not include Contract Purchase Orders (see Section 6 below).


6. Revisions to a Contract Purchase Order

Changes to Contract Purchase Orders must meet the requirements for Change Orders as set forth in the Contract documents, scope of work or specifications for the contracted work. See Section VI.5 for more specific procedures regarding Construction Project Contract Purchase Orders. An approved Contract Purchase order may be added to or have a portion of the work/cost deleted where there is a corresponding revision to the scope of work resulting in a cost and/or schedule impact. Generally, a revision to a Contract Purchase Order will have as an attachment a contract amendment, supplemental information or change to a scope of work detailing the cost and schedule impact for approval of the authorizing parties.

VI. GENERAL CONTRACTING POLICIES

1. Contract Forms and Standard Terms and Conditions

The General Manager in cooperation and with the Authority counsel shall cause to be prepared and revised from time to time general contracting forms including but not limited to contracts for the acquisition of professional and non-professional services and Purchase Order Terms and Conditions addressing the purchase of supplies, equipment and materials, and services. At the time of issuance, contracts shall be reviewed and completed with information applicable to the purchase, including but not limited to accurate scope of work,

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itemized supply and/or equipment lists and costs, time of performance, task completion dates, task billing or invoicing schedules, and incorporating any changes due to statutory or funding source requirements. For Construction Projects, the General Manager in cooperation with the Authority counsel and the Director of Engineering shall cause to be developed general construction forms, which shall be revised to meet the requirements of the Project and from time to time as best practices and legal requirements change. For Construction Projects, the Authority may utilize general and specific specifications, disclosures, certifications, warranties and other documents which form the whole of the Contract.

2. Competitive Pricing


It is the policy of SOCWA to seek competitive pricing, and quality goods, services, supplies, and materials will be purchased based on the comparison of pricing from multiple vendors or sources wherever possible given the exigency of the need to acquire the purchase. Where possible, the Authority shall utilize an electronic bid system, such as Planet Bids, for purposes of standardizing and tracking proposals, quotes and/or bids.

3. Quality Based, Competitive Procurement for Construction Projects

In addition to the Construction Project Contract, Construction Projects shall be issued a Contract Purchase Order for the project consistent with the Budget and the authorization limits as set forth in Exhibit 1 – Appendix 1 and based on the contract amount approved for award.

A. Construction Contracts issued after Notice Inviting Bids (NIB).

- 1) The Authority may elect to invite bidders to respond to a Notice Inviting Bids (or may elect to use the Quality Based, Competitive Procurement procedures set forth in Exhibit 1). In the event the Authority elects to issue a Notice Inviting Bids under this Section VI.3, the Construction Project shall generally be awarded to the lowest responsive, responsible bidder after solicitation of bids from prequalified contractors or, at the Authority's discretion, from all qualified vendors responding to a published notice of invitation for bid.
- 2) All bids responding to a Notice Inviting Bids for Construction Projects shall be accompanied by a bid security as required by California law.
- 3) Contract forms included in a Notice Inviting Bids for Construction Projects shall require contractors to conform to applicable requirements for public works contracts under State Law, including but not limited to requirements relating to listing of subcontractors, posting of a payment bond in an amount not less than 100% of the total contract amount (all contracts over \$25,000) and payment of prevailing wages (all contracts for public works exceeding \$1,000). The Authority shall require performance bonds for all contracts for Construction Projects in an amount not less than 100% of the total contract amount unless the General Manager specifically waives this requirement.
- 4) The NIB may be sent to a list of previously qualified contractors. Where a limited pool of qualified contractors is available, staff may utilize one or more contractors determined to be qualified. The NIB shall describe the work, including any specifications detailing required materials, services or equipment (or equivalent, if permitted), state where details of any special requirements may be obtained, and indicate the date, time and place for opening bids. The Authority may issue its

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solicitation using electronic publication of the NIB and require electronic bid submission. The Authority may, in its discretion, hold a pre-bid meeting and/or require an indication from qualified contractors of interest in bidding.

- 5) All bids and proposals shall be filed in accordance with Authority instructions either electronically or, if allowed by the Authority in the NIB, in writing.
- 6) Bids shall be opened in public at the date, time and place stated in the NIB, unless otherwise extended in the sole discretion of the Authority by notice to all qualified contractors who have indicated an interest in bidding. The Purchasing Officer or person requesting bids shall direct tabulation of all bids received and shall allow public inspection of such tabulations during regular business hours.
- 7) The Authority expressly reserves the right to reject any and all bids, find a bid or proposal nonresponsive, waive any minor deviation or inconsistency, and/ or find any bidder non-responsive, subject to the limitations of applicable law.
- 8) After all, bids are opened, award shall be made to the lowest responsive, responsible bidder. Upon refusal or failure of the successful bidder to execute the Contract and/or the Contract Purchase Order, the award may be made to the next lowest bidder.
- 9) If two or more bids received are within 15% of the same amount and are lower than any other bid or bids received, either or any one of the bids may be chosen, or negotiations may be undertaken with the bidders. If no bids are received from responsible bidders, or if all bids received exceed the Authority's budget or are otherwise non-responsive, the General Manager may authorize the contemplated purchase within the limits of the approved Budget or spending authority.
- 10) On review and recommendation of the Authority Engineering Committee, the Board of Directors shall consider and may approve the award and/or authorize the General Manager to enter into Contracts for the work.

B. Alternative to NIB Procurement

Notwithstanding Section 3.A., SOCWA operates as a Joint Powers Authority that is not mandated by State Law to competitively bid Construction Projects² or other work and, to the extent the General Manager determines that NIB Procurement is unavailing or not in the best interest of the Authority, the Authority may determine not to issue NIBs for Construction Projects, and may utilize Requests for Qualifications and/or Proposals (RFQs, RFPs etc.) consistent with Exhibit 1 (Quality Based, Competitive Procurement Procedure) and issue related contracts (including but not limited to contracts for design-build work); may enter into cooperative agreements with private entities for the design, construction and maintenance of public works; may utilize job-order contracting, or undertake any other form of contracting determined to be in the Authority's best interest, except as otherwise expressly restricted by law or the requirements of funding agreements. Where an alternative to NIB Procurement is utilized for a Construction Project, the Authority staff shall document the reasons the project was not issued with a notice inviting bids.


² The Authority is not required by California Law to competitively bid procurements, including but not limited to purchases of goods, services, materials, equipment or supplies.

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4. Prequalification of Contractors, Vendors and Suppliers

- A. The Authority may periodically establish a list of Contractors, Vendors and/or Suppliers for various types of work, provision of services, supplies, materials or equipment by requiring each prospective provider to complete and submit to the Authority a standardized prequalification package including as appropriate a questionnaire, financial statement, demonstration of like work experience in performing similar work or functions, insurance, indemnification and bond capacity where applicable to the effort, and confirmation of similar or relevant work performed for other public agencies (history and references), among other items. A qualified vendor list may include only one vendor where qualified. The Authority shall update each list of qualified vendors for various types of work periodically as necessary, but no less than every five (5) years.
- B. The Authority will determine whether applicants are qualified for the performance of work for the Authority using standard criteria, including among other items:
 - Verification of financial responsibility
 - Verification of References
 - Quality, fitness, and capacity for the required procurement or service
 - Ability to perform within time commitments
 - Demonstrated quality of prior performance and/or products in previous contracts or services with Authority or other public agencies
 - Ability to meet bonding, indemnification and insurance requirements
- C. In the selection of qualified respondents and/or proposals Authority may consider, among other items:
 - Experience in the wastewater industry
 - Reputation in the area
 - History of performance
 - History of claims or liabilities
 - Recent financial indications
- D. Proposals shall demonstrate, among other items:
 - Proposer is responsive to RFQ, RFP requirements and addresses the scope identified
 - Materials, personnel, or services address the Authority's needs
 - Personnel demonstrate knowledge, judgment, and experience commensurate to the task at hand
 - Ability to meet bonding, indemnification and insurance requirements
- E. Prequalification responses and information may be withheld from public examination until the Authority completes its prequalified selection, except as otherwise required by law.

For federally funded contracts, vendors shall be permitted, to the extent required by applicable federal law and/ or regulations, to be qualified up until the date and time set for receipt of bids/proposals.

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5. Construction Contract Change Orders

Construction Contract Change Orders can occur on a project for several reasons which are summarized as follows:

- Project betterments, additional facilities, or equipment changes requested by the Authority staff.
- Altered conditions such as unforeseen geological conditions (groundwater, rock and unsuitable soil for compaction) and unidentified conflicts with existing facilities.
- Engineering design alterations.

For construction contracts, change orders will be considered in accordance with the construction contract terms, written requirements and conditions, and general and special specifications issued for the project. Unless the change order can be issued by the General Manager subject to ratification by the Board as set forth below, Change Orders that generate cost increases above the contingency or which are otherwise over the authorization limits set forth in Exhibit 1 – Appendix 1, shall be reviewed by the Engineering Committee for consideration by the Board (items approved by the Engineering Committee shall appear on the Board Agenda - Consent Calendar). Each construction project shall come to the Board with a recommendation for a project contingency in line with the identifiable expectations of the Authority staff for the project. Cost increases above the contingency shall be approved by the Board unless:

- The construction change order amount is within the General Manager's authorization as approved in the Budget or is otherwise within the amounts set forth in Exhibit 1 – Appendix 1.
- A change order exceeding the General Manager's spending authorization limits can be authorized by the General Manager prior to Board approval if such expenditure is ratified by the Board at its next regular meeting and if, in the General Manager's determination, any of the following circumstances exist:
 - A delay in change order authorization could result in a negative financial impact to the Authority.
 - A delay in change order authorization could result in damage to or impairment of the operation of an Authority facility.
 - A delay in change order authorization could result in a risk to public health or safety and/or the situation is an emergency which requires immediate repair or replacement of an Authority facility.

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6. Procurement of Professional Services

The General Manager has the authority to procure Professional Services in accordance with the Budget(s) and in accordance with Exhibit 1 - Appendix 1, in addition:

- All contracts for private architectural, landscape professional, engineering firm services, environmental, land surveying, financial and/or auditing work, and construction specialty services, inspection and/or project management services shall be engaged on the basis of demonstrated competence and qualifications for the types of services to be performed and at fair and reasonable prices to the Authority, including among other items:
 - Expertise, competence, and experience in the type of service required and in line with the complexity of the project,
 - Record of performing like work for the Authority or other wastewater, member or like agencies,
 - Cost competitive services,
 - Ability to deliver on time and quality work,
 - Realistic level of effort to be expended.
- All other contracts for Professional Services shall be awarded on the basis of best value to the Authority, as determined by the General Manager.
- Professional services firms may be interviewed by Authority staff or committees, ranked based on competence, qualifications, relevant experience, workload, references, ability to access other needed services, presentation and longevity of team, ability to perform within proposal, and contracts for services may be awarded after negotiation of pricing where appropriate.
- Proposals submitted in response to an RFP for Professional Services may be withheld from public examination until negotiations with the selected vendor are complete, except as otherwise required by law.
- The Authority expressly reserves the right to reject any and all proposals, find a proposal nonresponsive, waive any inconsistency, and/ or find any proposer non-responsible, subject to the limitations of applicable law.

7. Authority Levels

The spending authority levels are generalized by position. Annually, the General Manager shall update the authority levels, and dollar amounts for specific positions, and the same shall be submitted with the Budget Assumptions.

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8. **Sele Limited Source & Single Source Purchasing**

The following apply to purchasing within an approved Annual Budget:

- A. If the General Manager or his/her designee determines that it is in the best interest of the Authority to purchase certain materials, supplies, equipment or services which may be obtainable from only a limited number of qualified sources ~~or a single source~~, the Authority shall request informal pricing if there are two or more options and shall document the basis for that determination and may thereafter proceed without soliciting bids or requesting proposals. **Limited** source purchases shall be within the Authorization Limits of Exhibit 1 – Appendix 1.
- B. If the General Manager or his/her designee determines that it is in the best interest of the Authority to purchase certain materials, supplies, equipment or services which may be obtainable from only a single source or where the Authority does not have the ability to change the vendor or supplier or a change would require substantial effort and planning to accomplish the change then the Authority may proceed without soliciting bids or requesting proposals and the Authorization Limits of Exhibit 1 – Appendix 1 for Single Source purchasing shall apply.

Examples of purchasing within Section 7.B. may include: CalPERS payments, water provider or metered utility purchases such as electricity and natural gas, specialized chemicals or fuels, specialized lab supplies, trash disposal, banking services, insurance, legal services, employee benefits, vendors or parts required under warranties for service or repairs on installed equipment, Enterprise/Financial systems software, software license renewals and phone, mobile, communication and data lines, fees for required participation such as Integrated Regional Water Management, federal, state or local permit and regulatory fees and required taxes.

9. **Cooperative Purchasing**

The District may participate with other public agencies in cooperative purchasing contracts or programs as may be determined by the General Manager to be in the best interest of the Authority.


10. **Invoice approvals**

Invoices shall be approved based on Exhibit 1 – Authority and Authorization Dollar Limits.

11. **Internal controls and segregation of duties; authority of the General Manager**

The Authority operates with a small staff in both Engineering and Accounting and with limited numbers of Department Managers and Supervisors, however, the staff shall endeavor to maintain a segregation of duties that allows for checks and balances in the filing of requisitions (ordering functions), approval of requisitions, purchase orders and contracts, payments and reimbursements, and for the inspecting and receiving of goods and services, and authorization for payment to vendors and outside parties. At a minimum, acquisitions shall require approval of the requisition and subsequent entry to the general ledger to verify on-site delivery and receipt of materials and/or services for the Authority.

Segregation of Duties

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In order to assure proper checks and balances in the procurement process, the following general rules apply:

- The individual initiating a requisition for goods or services should not be the same individual who signs (approves) the final purchase order for those goods or services.
- The individual initiating a requisition for goods or services should not be the same individual who signs (approves) the receiving documents for those goods or services. In the event the requisitioning individual is the only one able to receive the goods or services, they may sign the receiving documents and have their immediate supervisor sign the receiving documents at a later time.

Purchasing and policy best practices and statutory requirements of public agencies change from time to time, and it is within the authority of the General Manager to issue such addenda to the Uniform Purchasing Policy and Procedures from time to time to keep the Authority current in its approach.


VII. DELIVERY AND RECEIPT OF GOODS

Authority personnel accepting materials or services delivered to any plant, storage, warehouse or job site, or items picked up from the contractor, vendor, or supplier must adhere to the following when signing receipts or service orders:

A. Regular Purchase Orders

1. Assure that the delivery is for the Authority and that there is a purchase order for the material.
2. Assure that the packing slip, receipt, bill of lading and/or invoice matches the quantity and material received and sign the document as the receiver.
 - Where the receiving employee has authorized access to the Finance ERP system, open the purchase order applicable to the goods or services received; the purchase order number should appear on the packing slip, service order, or invoice.
 - Select the Receipts Tab and click New Receipt; enter the receipt information.
 - The Receipt transaction will update the General Ledger (GL); the journal entry transaction created based on "Purchase Order Receipts" will debit the GL account entered on Purchase Orders and Credit Accounts Payable.

Deliver hard copy packing slip, receipt, bill of lading, and/or invoice to Purchasing Officer for record filing.

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3. Where the receiving employee does not have authorized access to the Financial ERP system, verify that the purchase order number appears on the packing slip, service order, or invoice.
4. Sign the document as the receiver and deliver the document to Accounting for ERP System Entry and record filing.

B. Open Purchase Orders

1. Obtain verbal approval from the appropriate Department Head or Supervisor per Exhibit 1 – Appendix 1 to make the purchase.
2. Purchase item from vendor by signing for the merchandise when picked up or call for delivery to the Authority.
3. Where the receiving employee has authorized access to the Finance ERP system, open the purchase order applicable to the goods or services received; verify the purchase order number appears on the packing slip, service order, or invoice. Select the Receipts Tab and click New Receipt; enter the receipt information.
4. Deliver hard copy packing slip, receipt, bill of lading, and/or invoice to Accounting for record filing.
5. Accounts Payable will post daily the journal entry transaction created based on "Purchase Order Receipts; debit GL account entered on Purchase Orders and Credit Accounts Payable.
6. Where the receiving employee does not have authorized access to the Financial ERP system, verify that the purchase order number appears on the packing slip, service order or invoice.
7. Sign the document as the receiver and deliver the document to Accounting for ERP System Entry and record filing.


C. Blanket Purchase Order

1. Upon receipt of an order, note the fund, account number, and project number on the packing slip or invoice of the blanket purchase order.
2. Sign and date the packing slip or invoice.
3. Forward completed invoice or packing slip to Accounting for ERP System Entry and record filing.

VIII. EMERGENCY PURCHASES AND REPAIRS

In a situation where the public health, safety or welfare or the protection of the Authority's property faces a present, immediate and existing emergency, the General Manager or his designee may authorize emergency contracts notwithstanding the policies and procedures stated herein without prior Board approval.

Emergency repairs are defined as those repairs or rehabilitation where, in the opinion of the General Manager, a delay would adversely affect water or sewer service, threaten the health and

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safety of the public, or compromise the integrity or security of Authority facilities, or is likely to result in fines, penalties or other regulatory actions or sanctions. The General Manager will notify the Board via email or phone of authorization and agenda item for ratification at the next scheduled Board meeting.

IX. PETTY CASH

Petty Cash is used to pay for small purchases needed immediately for items that are generally not obtained or purchased from a vendor with a Purchase Order.

A. To obtain a Petty Cash advance or reimbursement:

- Fill out a Petty Cash form with the amount, General Ledger account number and description. Sign on the 'Received By' or 'Requested' line.
- Obtain proper authorization from Supervisor or Department Head as authorized under Exhibit 1.
- Submit the request form or form and receipt for the advance or reimbursement. For reimbursements, receipt(s) must be attached to Petty Cash form. For advances, Petty Cash receipts evidencing purchase must be returned the next available business day.
- All Petty Cash requests are to be approved and signed by the General Manager or the General Manager's designee.

X. CREDIT PURCHASING AND PROCEDURES

Credit purchasing may be used to establish a more efficient, cost-effective method of purchasing and payment for small-dollar transactions.

Credit purchasing should be done by Open or Blanket PO wherever possible.

The credit purchasing procedures are attached in Exhibit 3 – Credit Purchasing Procedures and Exhibit 4 - Credit Card Request / Expense Form.

Credit cards may be requested and approved by the General Manager and are designed to reduce a variety of processes including blanket orders, petty cash, and small dollar purchase orders.

XI. CONFLICTS OF INTEREST

No officer, employee or agent (including consultants) of the Authority engaged in the award and administration of contracts shall participate in the preparation of specifications, or in the award or administration of a contract if he or she has any potential or actual financial interest in such contract. State Law prohibits Authority officers, employees or agents from soliciting gratuities, favors, or anything of monetary value from contractors, potential contractors or parties to sub-agreements. Receipt of business expenses, such as meals or miscellaneous gratuities, are reportable by employees in accordance with the requirements of State law and in compliance with the Authority's Conflict of Interest Code.


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Exhibit 1

Authority and Authorization Dollar Limits


The General Manager and General Manager Designees have the authority to purchase supplies, materials, equipment, Professional and Non-Professional Services, and make Capital Expenditures for Construction Projects as authorized in the Budget(s) subject to the limitations set forth in this Exhibit 1 - Appendix 1. ~~except that the following limits do not apply to Non-Discretionary Expenses (see Exhibit 2).~~

A. Purchases in Excess of \$50,000

1. Quality Based, Competitive Procurement

Purchases of materials, supplies, equipment, and Professional and Non-Professional Services reasonably estimated to cost more than \$50,000 shall be acquired based on competitive demonstrations of qualification and pricing, as discussed in Policy Section VI.2. using the following competitive procurement procedures.

- Request for proposals (RFP) may be sent to a list of previously qualified vendors. Where a limited pool of vendors, suppliers, or service providers are available, staff may seek both an RFQ and RFP in the same solicitation. The RFP shall describe the supplies, services, or equipment to be purchased, state where details of any special requirements may be obtained, and indicate the date, time, and place for opening proposals. In addition, at the Authority's sole discretion, proposals may be solicited from all responsible vendors by electronic publication of the RFP, or from those vendors who have requested in writing that they be notified.
- All proposals shall be filed in accordance with Authority instructions either electronically or in writing.
- Responses to RFQ's and/or RFP's shall be reviewed consistent with Section VI.4. of the Policy for consistency to Authority requirements.
- The Authority expressly reserves the right to reject any and all proposals, find a proposal inconsistent with Authority requirements, waive any minor deviation or inconsistency, and/ or find any proposer unqualified.
- After proposals are ranked for consistency and qualification, the Authority shall open and consider pricing, and thereafter an award may be made based on consistency, qualification, and best overall value. Upon refusal or failure of the successful respondent to execute the purchase order and/or contract, the award may be made to the next best-ranked respondent. If two or more proposals are equally qualified and within 15% of the same amount and are lower than any other bid or bids received, either or any one of the respondents may be chosen, or negotiations may be undertaken based on either proposal. If no proposals are received that demonstrate consistency, qualification, and value to the Authority, or if the proposals received exceed the Authority's budget or are otherwise non-

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responsive, the General Manager may authorize the contemplated purchase within the limits of spending authority.

- Purchase must be approved by the Board of Directors.

The Authority may elect to utilize the Quality Based, Competitive Procurement approach stated above as the procedure to award Construction Projects as an alternative to the NIB Procurement set forth in Section VI.A. of the Policy.

2. If the product or service is not readily obtainable on the open market due to there being a Single Source as described under Section 8, then staff may proceed in accordance with Section 8 and Exhibit 1-Appendix 1.

B. Purchases between \$25,000 and \$50,000

1. Such purchases shall be made from a qualified vendor after requesting three informal price quotations. If fewer than three vendor sources respond or are available, or if the product sought is not readily obtainable on the open market, or in the event of an emergency, ~~staff shall proceed as a Limited Source or Single Source Purchase as required under Section 8. his procedure shall be adjusted as required, and the reasons for such adjustments shall be noted on the purchase records.~~
2. Purchases must be approved within the signature authority of the authorizing Authority staff (Exhibit 1-Appendix 1).
3. Budgeted purchases must be approved within the signature authority of the authorizing Authority staff (Exhibit 1-Appendix 1).

C. Purchases between \$5,000 and \$25,000


1. Such purchases shall be made from a vendor after obtaining at least two price quotations wherever possible. If fewer than two vendor sources respond or are available, or if the product sought is not readily obtainable on the open market, or in the event of an emergency, this procedure shall be adjusted as required, and the reasons for such adjustments shall be noted on the purchase records.
2. Purchases must be approved within the signature authority of the authorizing Authority staff (Exhibit 1-Appendix 1).

D. Purchases under \$5,000


1. Such purchases shall be made from a vendor after obtaining pricing information.
2. Purchases must be approved within the signature authority of the authorizing Authority staff (Exhibit 1-Appendix 1).

E. Price Quotations

1. In the evaluation of price quotations, the Authority staff shall consider:
 - Minimum quality for a specific quantity of goods or services with specific attributes.
 - Known specifications for like or better items (quality)
 - Quantity involved in the purchase

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- Whether the items are standard “off the shelf” (easily replaced) or custom
3. Generally, suppliers responding with firm quotations, quoting the lowest-price, within acceptable quality / quantity standards are preferred.

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Appendix 1- (to Exhibit 1)

Board Delegation of Approval Authority for **Annual** Discretionary Expenses
(Effective December 12, 2019)

Dollar Limits	Board of Directors	General Manager	Department Heads	Department Managers	Chief Operators	Supervisors
Purchase Orders, Contracts, <u>Limited Source</u>						
\$50,001 & up	X					
up to \$50,000		X				
up to \$25,000			X			
up to \$5,000				X	X	
up to \$2,500						X
Check Requests						
\$50,001 and over	X					
up to \$50,000		X				
up to \$25,000			X			
up to \$5,000				X	X	
up to \$2,500						X
Petty Cash`						
\$400 and under		X	X	X	X	X
Construction Contracts & <u>Single Source</u>						
\$50,001 and over	X					
Up to \$50,000 (Construction Chg. Order w/in budget) 10% of contract		X				
Non- Discretionary Budgeted Costs Single Source (under Section 8) up to \$50,000 and over		X				
Emergencies						
\$50,001 and over	X (or their designee)	X				


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Exhibit 2

Non – Discretionary Expenses – Deleted March 3, 2022

See Limited and Single Source Purchasing under Section 8.


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Exhibit 3

Credit Purchasing Program and Procedures

Benefits:

The purpose of the use of credit is to establish a more efficient, cost-effective method of purchasing and payment for small-dollar transactions. Business credit is designed to reduce a variety of processes, including petty cash, and small dollar purchases orders. Efficiency is increased by obtaining goods and services in a quick and convenient way. Paperwork and processing in Purchasing and Accounts Payable are sharply reduced, and purchasing records related to the credit are clear and concise. These efficiencies prevent businesses from lending unauthorized credit and improve employee efficiency.

Business credit may be established in several ways:

- Open or Blanket Purchase Orders as set forth above for vendors in the immediate area.
- Credit card used for business vendors offering payment by credit card. Larger and out of area businesses may be the least costly resource for goods, materials or supplies and credit card purchasing offers an efficient way to access lower pricing and record transactions.

Open / Blanket Purchase Orders

Business credit may be established by open or blanket purchase order and is the preferred method of establishing local business supplier authorization.

Credit Card Use and Controls


Authority issued credit cards shall use internal management controls to ensure that issuance and use of credit cards are in compliance with Authority policy. Use of a credit card is not intended to replace effective procurement planning, which enables volume discounts. Contracts for capital acquisitions and other contract payments shall not be made by credit card, and inventory shall be replenished utilizing another purchasing method, although spot inventory replacements may be made if necessary.

The Authority issued credit cards will be used for official Authority business only. Individual Credit Cards issued to Authority Employees require the approval of the General Manager. All employees shall utilize Credit Card request/expense reports to track purchases, amounts, and items purchased to verify against the Credit Card Statements. Card purchases will be reviewed by Accounts Payable to confirm all documentation has been received and approved.

Allowable Uses

Authority issued credit cards may be used for the following based on the Purchasing Policy authorizations:

- a. Conferences/Training/Seminars
- b. Travel expenses for official Authority business.

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- c. Fuel for Authority vehicles.
- d. Emergency repairs to Authority vehicles when outside the local area.
- e. Special events as authorized by the General Manager.
- f. Internet purchases where better pricing is available.
- g. Small purchases as authorized by the General Manager or Department Heads.

Prohibited Uses

The Authority credit card shall not be used for the following:

- a. Any personal items and personal services, even if the intent is to repay the Authority at a later date.
- b. Cash advances, wire transfers, money orders, etc.
- c. Betting, casino gaming, or related activities.
- d. Court costs, fines, bail, or bonds.
- e. Rental or lease payments unrelated to Authority business.
- f. Purchase of telephone services including pagers/calling cards, except for telephone calls charged to hotel room while traveling on Authority business.
- g. Alcoholic beverages.
- h. Other prohibited/restricted uses as deemed by the General Manager.


Any misuse of an Authority credit card is considered improper use of Authority property and is subject to disciplinary action.

Credit Card Purchase and Statement Procedure

Credit cards may be requested for purchases from the Purchasing Officer(s) based on an approved Credit Card Request/ Expense form. Staff shall complete the following steps with each credit card purchase:

Documentation Required

1. Require the vendor to provide the following documentation:
 - a. The imprint of vendor name and identification.
 - b. Date of purchase.
 - c. Amount of total purchase.
 - d. Description of items being purchased.
2. Retain the sales draft with accompanying receipt/invoice. For Internet orders, a printed copy of the order form.
3. For mail orders, maintain a copy of the order form.

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4. In the case of meals: each receipt must include the names of all persons involved in the purchase, a brief description of the business purpose, in accordance with Internal Revenue Service regulations.
5. All approved Credit Card Request/Expense forms along with charge receipts, will be returned with the credit card back to the Purchasing Officer(s). The Purchasing Officer will forward all documents Accounts Payable for verifying to the Credit Card Statement and processing for payment.

Payment Processing

Individual Cards

Monthly statements will be mailed to the Authority. Upon receipt of the statement, cardholders shall complete the following steps:

- A. Balance all sales drafts, receipts/invoices, or order forms to the statement, which will show all transactions made during the billing cycle. All items must be accounted for on the statement with supporting documentation. If the cardholder had no purchases during the billing cycle, no statement would be generated.
- B. Indicate the account number to be charged for each item by writing it on the statement.
- C. Within five (5) days of receipt of the credit card statement, the balanced statement with attached sales drafts, receipts/invoices, logs and order forms, and Credit Card Request/Expense forms will be submitted to Accounts Payable for payment processing.

The Finance Department will process all credit card billings in sufficient time to avoid late penalties and interest. Repeated failure by the cardholder to provide the necessary documentation to Accounts Payable within the specified time period may result in the users' credit card privileges being suspended or revoked.

Billing Errors and Returned Items


If a purchased item is billed incorrectly, the Purchasing Officer(s) and cardholder are responsible for contacting the vendor within ten (10) days after the receipt of the statement regarding the disputed items. The Purchasing Officer(s) and cardholder shall note the transaction on the statement, indicating "questioned item," and provide a brief written explanation.

If a purchased item is returned, the Purchasing Officer(s) and cardholder are responsible for contacting the vendor and requesting a credit transaction. The Purchasing Officer(s) and cardholder shall note the transaction on the statement, indicating "pending credit."

Fraudulent Charges

If fraudulent charges are discovered on the statement, the Purchasing Officer(s) and cardholder will immediately take the following actions:

- a. Notify the Finance Controller of the fraudulent charges.
- b. Notify the Credit Card Company of the fraudulent charges.
- c. If necessary, initiate the process to cancel the card and have a replacement issued.

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Lost or Stolen Credit Card

Should a cardholder lose or have his/her Authority credit card stolen, it is his/her responsibility to contact the Finance Controller who will contact the credit card company immediately in order to have the further use of the card blocked. Prompt action is necessary to reduce the Authority's liability for fraudulent charges.

Cardholder Changes

Changes to an individual cardholder's name or address shall be reported immediately to Accounts Payable and Purchasing Officer(s). Prior to leaving the Authority, the cardholder shall return the District credit card to Purchasing Officer(s). Both Accounts Payable and Purchasing Officer(s) will keep a current listing of all credit card types; personnel issued credit cards, credit card numbers, credit Limits, and their uses. This will be updated monthly and reported to the General Manager. Summary: The above guidelines cannot cover every issue, exception, or contingency that may arise in using Authority credit cards. Accordingly, the basic standard that shall always prevail is to use common sense and good judgment in the use and stewardship of Authority resources.


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Exhibit 4

South Orange County Wastewater Authority Credit Card Request/Expense Form

Date: _____

Card Requested: _____

(Visa, Home Depot, Lowe's, Staples, & Costco)

Vendor Name: _____

Employee Name: _____ Employee Number: _____

Individual Card: _____ or One-Time Purchase Request: _____

Card Limit: \$_____ Estimate One Time Purchase: \$_____

Actual amount of purchase: \$_____

Items to be purchased:

Reason for purchase:


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Exhibit 5

Approval List

Authorized	Title	Levels	Amounts
SOCWA Board	Board Approval	Board of Directors	\$50,001 & up
	General Manager	General Manager	Up to \$50,000*
	Director of Engineering	Department Head	Up to \$25,000
	Director of Operations	Department Head	Up to \$25,000
	Director Environmental Compliance	Department Head	Up to \$25,000
	Finance Controller	Department Head	Up to \$25,000
	Chief Plant Operators	Chief Operators	Up to \$5,000
	Chief Mechanic	Department Manager**	Up to \$5,000
	Laboratory Manager	Department Manager**	Up to \$5,000
	Support Services Manager	Department Manager**	Up to \$5,000
	Human Resources Administrator	Supervisors**	Up to \$2,500
	IT Administrator	Supervisors**	Up to \$2,500
	Maintenance Supervisor	Supervisors**	Up to \$2,500

*General Manager Non-Discretionary Spending Above \$50,000 is approved when within annual budget and reportable to the Board when it occurs.

**Department Manager/Supervisor spending is reviewed by a responsible Director level employee (i.e. Director of Environmental Compliance, Director of Operations or GM).

**SOCWA Budget
Baseline Assumptions
& Schedule
2022/2023 Fiscal Year
February 15, 2022**

Baseline Budget Assumptions

➤ February 15, 2022 – Base Assumptions & Schedule Review

❖ Base Budget Assumptions

- Required Annual Funding of historical PERS, \$1,322,162, up 14.3% (lump sum payment)
- PERS Discount Rate for 2022/23 remains at 7% (projected to drop to 6.8% 2023/24.
- Pooled Property/Liability Insurance 15–20% increase
- Health Insurance 6.2% increase

❖ Contractual Obligations

- COLA, 4%, MOU maximum (December CPI, 6.6%, November, 6.0%)
- Expected Inflationary and supply chain increases:
 - Electricity
 - Natural Gas
 - Chemicals
 - O&M Maintenance & Services
 - Biosolids Hauling

Baseline Budget Assumptions

- February 15, 2022 – Base Assumptions & Schedule Review
 - ❖ Capital Program Approach
 - Spent down Capital Cash on Hand \$6.5 Million (down 16% from prior quarter)
 - Projected Changes to PC 2 Flow Patterns in Coming Budget Year – Update on Discussion with Eng'r Committee
 - Impact on Cost Distribution in coming 2 years
 - Expected to Continue Project Close Out Progress

Finance Committee Budget Schedule

- **March 15, 2022** – O&M Environmental Safety Budget Presentation; Response to 2/15/22 Questions & Comments
- **March 29, 2022** – O&M Environmental Safety Budget Workshop
- **April 19, 2022** – General Fund, Administration, Residual Engineering, Capital Budget and IT Budget Presentation; Response to 3/29/22 Questions & Comments
- **May 10, 2022** – Workshop Total Budget and Response to 4/19/22 Questions and Comments
- **May 19, 2022** – Board Budget Workshop
- **June 2, 2022** – Board Budget Consideration for Approval

Agenda Item

9

Finance Committee Meeting

Meeting Date: February 15, 2022

TO: Board of Directors
FROM: Betty Burnett, General Manager
SUBJECT: Items for Discussion

The Finance Committee previewed several items in conjunction with the preparation of the 2021-22 Budget, and several items were not concluded as to decisions to proceed with the direction to hold them over for discussion prior to the 2022-23 Budget preparation. Attached are three presentations related to two of the items including: (1) PC-17 Co-Gen Credit Historical Approach and Options and (2) General Fund Share of UAL and OPEB Annual Payments.

Staff is seeking direction from the Finance Committee as to whether to proceed to set these items for discussion.

An additional item, for Unfunded Liabilities (UAL and OPEB) and Advanced Payment options for agencies were also not concluded in the prior year. Staff would need to provide updated information as to the current total liabilities at a later meeting related to those discussions for cost and payment options. The Committee may recall that two agencies, IRWD and EBSD, were interested in an early payoff approach.

Recommended Action: Committee discussion and direction to staff.

PC 17 Co-Gen Credit Historical Approach & Options

Why is a Co-Gen Credit Needed?

- ▶ Section 14 of the 1978 Agreement for Design of the Regional Sludge Solids Plant
 - “Since the power derived from the cogeneration system would exceed that required to stabilize the solids discharge... it was necessary to credit the wastewater treatment process...”
- ▶ The credit to the wastewater treatment processes is the value of excess power used at RTP to treat wastewater; thereby, reducing purchased electricity.
- ▶ Credits and debits are used to reallocate each agencies' excess power credit to all 5 treatment process areas.

Distribution of SCE Power Consumption (2/2020) (based on '19/'20 Use Audit)

Purchased Electricity			
	KWh	Amount	Cost Varies
	157,487	\$26,748	Note (1)
SCE Electricity for O&M Use			
	BoD Approved Allocation %	kWh	Amount
Liquids Treatment	51.50%	81,106	\$13,775
Solids Treatment	32.80%	51,656	8,773
Common Solids	5.35%	8,426	1,431
Common Liquids	5.35%	7,874	1,431
AWT	5.00%		1,337
Total	100%	157,487	\$26,748

(1) Cost per kWh varies based on the time of year and daily category of use and engine run time.

Distribution of SCE Power Consumption (2/2020) (based on '19/'20 Use Audit actual usage) By Member Agency and Treatment Process

Purchased Electricity by Member Agency and Treatment Processes ³							
	KWh						
	Liquids	Solids	Common Solids	Common Liquids	AWT	Total kWh	\$ Amount
City of Laguna Beach	78	6,647	945			7,671	\$1,303
El Toro Water District	161	8,321	1,720			10,203	1,733
Emerald Bay Service District		238	50			288	49
Moulton Niguel Water District	80,837	32,427	4,956	8,426	7,874	134,520	22,847
South Coast Water District	29	4,022	755			4,806	816
Total	81,106	51,656	8,426	8,426	7,874	157,487	\$26,748

³ FY 19-20 Use Audit Actual Use %'s

Current Methodology to Determine Value of Power Produced Based on Market Rates (SCE)

SCE Charges are the sum of:

Commodity + Demand
\$ / kWh + \$ / kW

Current Methodology

Valuation of Power Produced Using SCE as the Market Price for Power (2/2020)

Co-Gen Cost/kWh		
	¹ Co-Gen Power Created (kWh)	² Co-Gen Value Feb 2020
	453,649	\$44,231
City of Laguna Beach	72,811	7,099
El Toro Water District	67,594	6,590
Emerald Bay Service District	2,268	221
Moulton Niguel Water District	263,570	25,698
South Coast Water District	47,406	4,622
Total	453,649	\$44,231

Co-Gen Cost/kWh
Cost Per kWh is variable³

¹Allocated by Member Agency based on prior year Use Audit.

²Co-Gen Value determined using kW produced times SCE Cost/kW including Taxes and Fees

³ Cost kWh varies based on time of year and daily use between \$.09 and \$.12 per kWh

PC-17 (RTP) Market Commodity Calculation

Sample Month – February (winter)

Step 1

Step 2

Category	Winter Weekday	Percent	Winter Weekend Hours	Percent	Weekday 480	Weekends 192	Total Hours for the Month
Units>>	Hours	%	Hours	%	Hours	Hours	Hours
	(A)	(B)=(A)/24	(C)	(D)=(C)/24	(E)= Weekday s*24	(F)= Weekends *24	(G)=(E)+(F)
Peak	0	0%	0	0%	0	0	
Mid-Peak	5	21%	5	21%	100	40	
Off-Peak	11	46%	11	46%	220	88	
Super Off	8	33%	8	33%	160	64	
Total	24	100%	24	100%	480	192	672

PC-17 (RTP) Market Commodity Charge Calculation

Step 3

Step 4

Categories	Total Hours for the Month 672	% of hours in each category for the month	Total kWh for the Month	Distribute kWh to Categories
Units>>	Hours	%	kWh	kWh
	(G)=(E)+(F)	(H)=(G)/Total of (G)	(I)	(J)=Total (I)*(H)
Peak	0	0%		0
Mid-Peak	140	21%		94,510
Off-Peak	308	46%		207,922
Super Off	224	33%		151,216
Total	672	100%	453,649	453,649

PC-17 (RTP) Market Commodity Calculation

$$\text{Commodity} = \text{Delivery Fees} + \text{Generation Fees} + \text{Taxes/Fees}$$

Step 5

Categories	kWh (J)	SCE Deliver Rates (K)	SCE Deliver Fees (L)=(J)*(K)	SCE Generation Rates (M)	SCE Generation Fees (L)=(J)*(M)
Units	kWh	\$	\$	\$	\$
Peak	0				
Mid-Peak	94,510	0.0109	\$1,030.16	0.06200	\$5,859.63
Off-Peak	207,922	0.0109	\$2,266.35	0.05199	\$10,809.89
Super Off	151,216	0.0109	\$1,648.26	0.03321	\$5,021.89
total	453,649		\$4,944.77		\$21,691.42
			(N) +		(O) +

Step 6

Taxes fees and credits

Various kWh values multiplied by the various rates, fees and credits =

(P) =

Step 7

Add the totals of the delivery, generation, and TFC's together

(N) +

(O) +

(P) =

(Q)

(Q) = The total commodity value for the power produced by the Cogen and subject to reallocation by the PC17 agreement. ¹⁰²

PC-17 (RTP) Market Demand Charge Calculation

Step 1

Categories	Total kWh for the Month	Total Hours each day	Days per Month	Average kW per day
Units>>	kWh	Hours	Hours	kW
	(A)	(B)	(C)	(D)=(A)/((B)*(C))
Total	453,649	24	28	675.1

Step 2

Average kW per day multiplied by the various rates.

Example rates:

- Facilities Demand Charge
- Facilities Demand Charge - Peak
- Demand - CPP On Peak
- Demand - Mid Peak
- Generation Demand - CPP On Peak
- Generation Demand - Mid Peak

Sample Monthly Cogen Credits

Categories	\$
Commodity Totals	\$26,636
Demand Totals	\$15,301
Taxes, Credits and Fees	\$2,294
Total	\$44,231

Option

Value Power Produced Using SOCWA's Actual Production Costs

Co-Gen Engines are required to meet AQMD
Rule 1110.2

Option - Value Power Produced Using SOCWA's Production Costs (2/2020)

Co-Gen Solids Generated Electricity			
	kWh ¹	Value ²	Cost/kWh ³
	453,649	\$88,786	Varies
Generated Electricity Distribution		kWh	Amount ²
Liquids treatment			
Solids treatment	100%	453,649	\$88,786
Common Solids			
Common Liquids			
AWT			
Total	100%	453,649	\$88,786

¹Power Generation is metered

²Maintenance, direct labor and fringe

³Cost/kWh will vary based on actual labor (2 FTEs), materials and supplies between \$.09 - \$.40

Power Generation by Member Agency Treatment Process, and Excess kWh

	Excess kWh³	Excess \$'s⁴	Co-Gen Credit
City of Laguna Beach	51,727	\$10,124	(\$10,124)
El Toro Water District	64,759	\$12,674	(12,674)
Emerald Bay Service District	1,854	\$363	(363)
Moulton Niguel Water District	252,354	\$49,390	
South Coast Water District	31,300	\$6,126	(6,126)
Total	401,993	\$78,677	(\$29,287)
Debit to MNWD for power purchased from other Agencies			\$29,287

³Solids generated kWh minus solids purchased kWh

⁴Excess kWh times Electricity Generated Cost/kWh

Record Credits and Debits Annually during Use Audit Process

Questions and Discussion

AGREEMENT FOR DESIGN OF- REGIONAL SLUDGE SOLIDS PLANT (RSSF) AND MOULTON-NIGUEL WATER DISTRICT RECLAMATION FACILITY ON BEHALF OF PROJECT COMMITTEE NO. 17, ALISO WATER MANAGEMENT AGENCY 11-21-1978

- ▶ The costs to be utilized or the method of allocation or the current projection of annual cost of operation and maintenance are set forth in Section 14 of the Design Report, a copy of which section is attached hereto as Exhibit A. All cost allocation will be accomplished in accordance with the State and EPA Guidelines for allocation of wastewater treatment plant operation and maintenance costs.

SECTION 14 – ANNUAL COSTS

- ▶ Since the power derived from the cogeneration system would exceed that required to stabilize the solids discharged to the RSSF, it was necessary to credit the wastewater treatment processes (which will operate at a net deficit after considering the power derived from sludge removed from the District's wastewater). Table 7 presents the results of this distribution. In spite of the large block of power available from the gas produced in the RSSF it is anticipated that the entire facility will operate with a net average deficit of 115 kw. The cost of this additional power (\$29,000/year) was used as the basis for determining the value of the credit to be distributed to the other participating agencies. Thus, ETWD, with an average excess power (based upon solids discharged to the RSSF) of 80 kw, is credited \$20,000 per year in O&M cost. Similarly the agencies participating in the operation of the coastal plant are credited \$15,000 per year. The \$35,000 in credits per year and the cost of purchasing the additional 115 kw (\$64,000/year) was then assigned to MNWD as a cost. This value is estimated to be approximately 70 percent of the cost MNWD would incur if cogeneration were not practiced and all power were purchased from the local utility.

SECTION 14 – ANNUAL COSTS (cont'd)

Table 7. Distribution of Power Consumption and Production

Item	MNWD	ETWD	Coastal plant	Total
Power consumption, kw				
Liquid treatment	250	10	10	270
Solids treatment	30	25	45	100
Common facilities	50	5	10	65
Total	330	40	65	435
Power generation, kw	75	120	125	320
Deficit	255	—	—	115
Excess, kw	—	80	60	—

SECTION 14 – ANNUAL COSTS (cont'd)

Table 8. Annual Costs of Regional Treatment Plant and Solid Stabilization Facility, Stage 1, dollars

Item	AWMA Agencies					Total
	MNWD	ETWD	SCCWD	EBSD/CLB	IRWD	
Power ^a	64,000	(20,000)	(7,000)	(8,000)	-	29,000
Chemical ^b	36,000	18,000	8,000	10,000	-	72,000
Labor	160,000	28,000	19,000	24,000	4,000	235,000
Maintenance ^c	210,000	47,000	32,000	39,000	3,000	331,000
Total, O&M	470,000	73,000	52,000	65,000	7,000	667,000
Amortization ^d	196,000	34,000	31,000	15,000	13,000	289,000
Total annual cost	666,000	107,000	83,000	80,000	20,000	956,000

^aCredit assigned to ETWD, SCCWD, EBSD/CLB since generated power is in excess of solids stabilization process requirements.

^bBased on use of polymer for sludge dewatering and chlorine for wastewater reuse.

^cBased on 5 percent of equipment costs and 1 percent of cost of structures.

^dBased on 6-5/8 interest rate and 20 year planning period, and local share of costs from Table 6 of this report.

Co-Generation System Credits and Debits PC-17

Engineering Committee March 11, 2021
(last given to Finance Committee October 27, 2020)

Why is a Co-Gen Credit Needed?

- ▶ Since the power derived from the cogeneration system exceeds what is required to stabilize the solids discharged to the [PC17-RTP], it was necessary to credit the wastewater treatment processes for the value of excess power used at RTP to treat wastewater; thereby, reducing purchased electricity.
- ▶ Credits and debits are used to reallocate each agencies' excess power credit to all 5 treatment process areas.

MNWD Pays Majority of Electricity Bill based on Participation in all PC 17 Treatments

		² Electricity Allocations					
		Liquids	Solids	Common Solids	Common Liquids	AWT	² Total Blended %'s
Agency	¹ O&M Allocation (solids)						
		51.50%	32.80%	5.35%	5.35%	5.00%	100.00%
CLB	16.05%		5.26%	0.86%			6.12%
ETWD	14.90%		4.89%	0.80%			5.68%
EBS	0.50%		0.16%	0.03%			0.19%
MNWD	58.10%	51.50%	19.06%	3.11%	5.35%	5.00%	84.02%
SCWD	10.45%		3.43%	0.56%			3.99%
Total	100.00%	51.50%	32.80%	5.35%	5.35%	5.00%	100.00%

¹Budget allocation, prior year Use Audit.

²Electricity Allocation Rates are Fixed, distribution by Member Agency, Liquids, Common Liquids, and AWT are MNWD, Solids and Common Solids are based on budget distribution, prior year Use Audit.

Co-Gen Credits to Member Agencies Offset to MNWD Base on Agency's Power Consumption

		SCE Cost/kWh			Co-Gen Cost/kwh			Co-Gen Power Credit			MNWD Discount			
	² Total Blended %'s	³ Power Purchased (kWh)	⁴ SCE Bill Feb 2020	⁵ Cost/ kWh	⁶ Co-Gen Power Created (kWh)	Co-Gen Value Feb 2020	⁷ Co-Gen Cost/kWh	⁸ Co-Gen Power Credit	Co-Gen Debit	⁹ Billing Delta	¹⁰ Power Used	¹¹ Effective Cost	Effective Power Costs Rate \$/kWh	Discount
Agency	100.00%													
CLB	6.12%	157,487	\$26,748	\$0.17	453,649	\$44,231	\$0.10	(\$44,231)	\$44,231	\$26,748	395,883	\$55,262	\$0.14	-17.81%
ETWD	5.68%	9,643	\$1,638	\$0.17	72,811	7,099	\$0.10	(\$7,099)		(5,461)				
EBSD	0.19%	8,952	1,520	\$0.17	67,594	6,590	\$0.10	(\$6,590)		(5,070)				
MNWD	84.02%	300	51	\$0.17	2,268	221	\$0.10	(\$221)		(170)				
SCWD	3.99%	132,313	22,472	\$0.17	263,570	25,698	\$0.10		\$18,533	41,005	395,883	\$55,262	\$0.14	-17.81%
		6,278	1,066	\$0.17	47,406	4,622	\$0.10	(\$4,622)		(3,556)				
Total	100.00%	157,487	\$26,748	\$0.17	453,649	\$44,231	\$0.10	(\$18,533)	\$18,533	\$26,748	395,883	\$55,262	\$0.14	-17.81%

³Power Purchased, SCE kWh, allocated by Member Agency based on blended %'s from Footnote 2.

⁴SCE Bill allocated by Member Agency based on blended %'s from Footnote 2.

⁵Bill Amount divided by kWh's used

⁶Allocated by Member Agency based on Budget, prior year Use Audit.

⁷Co-Gen Value divided by Co-gen kWh

⁸Co-Gen Power Credit equal to Co-Gen Value

⁹Billing Delta equal to Co-Gen Credit +Co-Gen Debit+SCE Bill.

¹⁰Power Used equal Purchased Power + Co-Gen Power

¹¹Effective Cost equal Co-Gen Billing Data to MNWD +credits to other agencies.

Questions and Discussion

General Fund (GF) Share of UAL and OPEB Annual Payments FY 2021–22 Budget

GF Share of UAL and OPEB “Annual Payments” Calculation FY 2021–22 Budget

SOCWA Pay for Time Worked	\$6,380,880
GF Pay for Time Worked (included above)	<u>\$174,131</u>
GF % Share of SOCWA Pay for Time Worked	<u>2.73%</u>
UAL Annual Required Payment	\$1,156,844
OPEB "PAY-GO"	<u>501,063</u>
Total	<u>\$1,657,907</u>
UAL and OPEB Allocation to GF	\$45,243

Member Agency Impact of GF Share of UAL and OPEB

	¹ FY 2019-20 UAL & OPEB Distr %'s	FY 2021-22 UAL & OPEB to GF	GF Distribution %'s	FY 2021-22 UAL & OPEB to GF	Member Agency Impact +/-
City of Laguna Beach	10.69%	\$4,835	10.8%	\$4,891	\$56
City of San Clemente	0.67%	304	5.4%	2,446	2,141
City of San Juan Capistrano	10.43%	4,717	10.8%	4,891	174
El Toro Water District	3.51%	1,587	8.1%	3,668	2,082
Emerald Bay Service District	0.46%	206	10.8%	4,891	4,685
Irvine Ranch Water District	0.76%	344	8.1%	3,668	3,324
Moulton Niguel Water District	44.87%	20,299	16.2%	7,337	(12,962)
Santa Margarita Water District	9.97%	4,510	10.8%	4,891	381
South Coast Water District	18.64%	8,432	16.2%	7,337	(1,095)
Trabuco Canyon Water District	0.02%	8	2.7%	1,223	1,215
Total Member Agency	100.00%	\$45,243	100.0%	\$45,243	(\$0)

¹Board Approved Actuarial Methodology

Questions and Discussion