

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

**January 16, 2024
10:30 a.m.**

NOTICE IS HEREBY GIVEN that a Special Meeting of the South Orange County Wastewater Authority (SOCWA) Finance Committee was called to be held on **January 16, 2024, at 10:30 a.m.** SOCWA staff will be present and conducting the meeting at the SOCWA Administrative Office located at 34156 Del Obispo Street, Dana Point, California.

THE SOCWA MEETING ROOM IS WHEELCHAIR ACCESSIBLE. 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 SUCH 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. MEMBERS OF THE PUBLIC HAVE THE OPTION TO PARTICIPATE IN AND MAY JOIN THE MEETING REMOTELY VIA VIDEO CONFERENCE FOR VISUAL INFORMATION ONLY (USE ZOOM LINK BELOW) AND BY TELECONFERENCE FOR AUDIO PARTICIPATION (USE PHONE NUMBERS BELOW). THIS IS A PHONE-CALL MEETING AND NOT A WEB-CAST MEETING, SO PLEASE REFER TO AGENDA MATERIALS AS POSTED ON THE WEBSITE AT WWW.SOCWA.COM, ON YOUR REQUEST, EVERY EFFORT WILL BE MADE TO ACCOMMODATE PARTICIPATION. FOR PARTIES PARTICIPATING REMOTELY, PUBLIC COMMENTS WILL BE TAKEN DURING THE MEETING FOR ORAL COMMUNICATION IN ADDITION TO PUBLIC COMMENTS RECEIVED BY PARTIES PARTICIPATING IN PERSON. COMMENTS MAY BE SUBMITTED PRIOR TO THE MEETING VIA EMAIL TO ASSISTANT SECRETARY DANITA HIRSH AT DHIRSH@SOCWA.COM WITH THE SUBJECT LINE "REQUEST TO PROVIDE PUBLIC COMMENT." IN THE EMAIL, PLEASE INCLUDE YOUR NAME, THE ITEM YOU WISH TO SPEAK ABOUT, AND THE TELEPHONE NUMBER YOU WILL BE CALLING FROM SO THAT THE COORDINATOR CAN UN-MUTE YOUR LINE WHEN YOU ARE CALLED UPON TO SPEAK. THOSE MAKING PUBLIC COMMENT REQUESTS REMOTELY VIA TELEPHONE IN REAL-TIME WILL BE ASKED TO PROVIDE YOUR NAME, THE ITEM YOU WISH TO SPEAK ABOUT, AND THE TELEPHONE NUMBER THAT YOU ARE CALLING FROM SO THE COORDINATOR CAN UN-MUTE YOUR LINE WHEN YOU ARE CALLED UPON TO SPEAK. ONCE THE MEETING HAS COMMENCED, THE CHAIR WILL INVITE YOU TO SPEAK AND ASK THE COORDINATOR TO UN-MUTE YOUR LINE AT THE APPROPRIATE TIME.

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 FOR DISCUSSION OR CONSIDERATION AT AN OPEN MEETING OF THE FINANCE COMMITTEE ARE AVAILABLE FOR PUBLIC INSPECTION IN THE AUTHORITY ADMINISTRATIVE OFFICE LOCATED AT 34156 DEL OBISPO STREET, DANA POINT, CA ("AUTHORITY OFFICE") OR BY PHONE REQUEST MADE TO THE AUTHORITY OFFICE AT 949-234-5452. IF SUCH WRITINGS ARE DISTRIBUTED TO MEMBERS OF THE FINANCE COMMITTEE LESS THAN TWENTY-FOUR (24) HOURS PRIOR TO THE MEETING, THEY WILL BE AVAILABLE IN THE RECEPTION AREA OF THE AUTHORITY OFFICE AT THE SAME TIME AS THEY ARE DISTRIBUTED TO THE FINANCE COMMITTEE AND SENT TO ANY REMOTE PARTICIPANTS REQUESTING EMAIL DELIVERY OR POSTED ON SOCWA'S WEBSITE. IF SUCH WRITINGS ARE DISTRIBUTED IMMEDIATELY PRIOR TO, OR DURING, THE MEETING, THEY WILL BE AVAILABLE IN THE MEETING ROOM OR IMMEDIATELY UPON VERBAL REQUEST TO BE DELIVERED VIA EMAIL TO REQUESTING PARTIES PARTICIPATING REMOTELY.

**THE PUBLIC MAY PARTICIPATE REMOTELY BY VIRTUAL MEANS FOR AUDIO OF MEETING USE
THE CALL IN PHONE NUMBERS BELOW AND FOR VIDEO USE THE ZOOM LINK BELOW.**

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

Meeting ID: 819 7752 2041
Passcode: 465679

Dial by your location:
+1 669 900 6833 US (San Jose) +1 253 215 8782 US (Tacoma)
+1 346 248 7799 US (Houston) +1 312 626 6799 US (Chicago)
Find your local number: <https://socwa.zoom.us/j/kpJY9nVP>

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.

PAGE NO.

3. Approval of Minutes..... 1
 - Finance Committee Meeting of December 1, 2023

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

4. Financial Reports for the Month of October and November 2023 4
 - The financial reports included are as follows:
 - a. Summary of Disbursements for October 2023 and November 2023 (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 that the Board of Directors (i) receive and file the October and November 2023 Financial Reports, (ii) ratify the October 2023 disbursement for the period from October 1, 2023, through October 31, 2023, totaling \$2,317,017, (iii) ratify the November 2023 disbursement for the period from November 1, 2023, through November 30, 2023, totaling \$2,919,536.

5. Key Budget Assumptions for Preparing the Draft FY 2024-25 Budget..... 26
- Recommended Action:** Committee Discussion/Direction/Action

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 meeting at the usual agenda posting location of the South Orange County Wastewater Authority and at www.socwa.com.

Dated this 10th day of January 2024.



Danita Hirsh, Assistant Secretary
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY

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

Finance Committee

December 1, 2023

DRAFT

The Special Meeting of the South Orange County Wastewater Authority (SOCWA) Finance Committee Meeting was held on December 1, 2023, at 9:00 a.m. in-person and via teleconference from the Administrative Offices located at 34156 Del Obispo Street, Dana Point, California. The following members of the Finance Committee were present via Zoom Meeting:

DENNIS CAFFERTY	El Toro Water District	Alternate Director
SAUNDRA JACOBS	Santa Margarita Water District	Alternate Director
MATT COLLINGS	Moulton Niguel Water District	Director
PAM ARENDS-KING	South Coast Water District	Alternate Director [exited @ 10:30 a.m.]

Absent:

BOB WHALEN	City of Laguna Beach	Director
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Staff Participation:

JIM BURROR	Acting General Manager
MARY CAREY	Finance Controller
AMBER BAYLOR	Director of Environmental Compliance
KONSTANTIN SHILKOV	Senior Accountant
JACK BECK	Staff Accountant
DINA ASH	HR Administrator
MATT CLARKE	IT Administrator

Also Participating:

KEVIN DAVIS	Procopio Law
KELSEY DECASAS	Moulton Niguel Water District
JULIE NEMES	City of Laguna Beach
SOPIA KUO	The Pun Group
FRANCIS KUO	The Pun Group
ROD WOODS	Moulton Niguel Water District
RICK SHINTAKU	South Coast Water District
MARC SERNA	South Coast Water District
KATHRYN FRESHLEY	El Toro Water District
SHERRY WANNINGER	Moulton Niguel Water District

1. Call Meeting to Order

Chairperson Castillo called the meeting to order at 9:00 a.m.

2. Public Comments

None.

3. Approval of Minutes

- Finance Committee Meeting of September 19, 2023

ACTION TAKEN

A motion was made by Director Collings and seconded by Director Arends-King to approve the Minutes for September 19, 2023, as submitted.

Motion carried:	Aye 3, Nay 0, Abstained 1, Absent 1
	Director Jacobs Aye
	Director Whalen Absent
	Director Cafferty Abstain
	Director Collings Aye
	Director Arends-King Aye

4. Financial Reports for the Month of August and September 2023

ACTION TAKEN

A motion was made by Director Collings and seconded by Director Cafferty to recommend that the Board of Directors (i) receive and file the August and September 2023 Financial Reports, (ii) ratify the August 2023 disbursement for the period from August 1, 2023, through August 31, 2023, totaling \$2,550,498, (iii) ratify the September 2023 disbursement for the period from September 1, 2023, through September 30, 2023, totaling \$2,109,054

Motion carried:	Aye 4, Nay 0, Abstained 0, Absent 1
	Director Jacobs Aye
	Director Whalen Absent
	Director Cafferty Aye
	Director Collings Aye
	Director Arends-King Aye

5. Annual Comprehensive Financial Report (ACFR) for Fiscal Years ended June 30, 2023, and 2022

Ms. Sophia Kuo and Ms. Francis Kuo of The Pun Group gave a presentation on the Independent Audit results. An open discussion ensued.

ACTION TAKEN

A motion was made by Director Collings and seconded by Director Cafferty to recommend the Board of Directors consideration for receiving and filing the Annual Comprehensive Financial Report (ACFR), including the Independent Auditors Report for Fiscal Years ended June 30, 2023, and 2022.

Motion carried:	Aye 4, Nay 0, Abstained 0, Absent 1
	Director Jacobs Aye
	Director Whalen Absent
	Director Cafferty Aye
	Director Collings Aye
	Director Arends-King Aye

6. Final Use Audit FY 2022-2023 Budget vs. Actual

ACTION TAKEN

A motion was made by Director Collings and seconded by Director Cafferty to recommend that the Board of Directors consideration for approving the FY 2022-2023 Use Audit.

Motion carried:	Aye 4, Nay 0, Abstained 0, Absent 1
	Director Jacobs Aye
	Director Whalen Absent
	Director Cafferty Aye
	Director Collings Aye
	Director Arends-King Aye

7. Fiscal Year 2022-2023 Updated Supplemental Financial Statements

ACTION TAKEN

There was a consensus of the Finance Committee to forward the item to the Board of Directors for consideration for approval.

8. California Asset Management Program (“CAMP,” or the “Program”) is a California Joint Powers Authority (“JPA”) (Verbal Report).....

Mr. Jim Burror, Acting General Manager, stated he had a prior discussion with Ms. Erica Castillo regarding looking into options other than LAIF that would potentially offer higher interest-bearing options. An open discussion ensued.

This was an information item; no action was taken.

9. SOCWA Budget Impact Assessment with Regional Treatment Plant (RTP) Operations by MNWD

An open discussion ensued regarding the budget impacts on the Moulton Niguel Water District operating the Regional Treatment Plant (RTP).

This was an information item; no action was taken.

Adjournment

There being no further business, Chairperson Jacobs adjourned the meeting at 11:01 a.m.

I HEREBY CERTIFY that the foregoing Minutes are a true and accurate copy of the Minutes of the Special Meeting of the South Orange County Wastewater Authority Finance Committee of December 1, 2023, and approved by the Finance Committee and received and filed by the Board of Directors of the South Orange County Wastewater Authority.

Danita Hirsh / Assistant Secretary
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY

Agenda Item

4

Finance Committee Meeting

Meeting Date: January 16, 2024

TO: Finance Committee

FROM: Jim Burror, General Manager/Director of Operations

STAFF CONTACT: Mary Carey, Finance Controller

SUBJECT: Financial Reports for the Month of October and November 2023

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 for October 2023 and November 2023 are as follows:

- a. Summary of Disbursements (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

October 2023 cash disbursements were: \$2,317,017.

November 2023 cash disbursements were: \$2,919,536.

- Monthly disbursements are summarized in the attached Exhibit A.2.
- The attached Exhibits B, C, D and E are informational reports only.

Recommended Action: Staff recommends that the Finance Committee recommend that the Board of Directors (i) receive and file the October and November 2023 Financial Reports, (ii) ratify the October 2023 disbursement for the period from October 1, 2023, through October 31, 2023, totaling \$2,317,017, (iii) ratify the November 2023 disbursement for the period from November 1, 2023, through November 30, 2023, totaling \$2,919,536.

Exhibit A.1

**South Orange County Wastewater Authority
Summary of Disbursements for October 2023
Staff Recommendation of Fiscal Matters**

	<u>Actual</u>
General Fund	\$ (483,878)
PC 2 - Jay B. Latham Plant	(685,529)
PC 5 - San Juan Creek Ocean Outfall	(35,084)
PC 8 - Pretreatment Program	(14,624.02)
PC 12 SO - Water Reclamation Permits	(8,751)
PC 15 - Coastal Treatment Plant/AWT	(329,540)
PC 17 - Joint Regional Wastewater Reclamation	(711,318)
PC 21 - Effluent Transmission Main	-
PC 23 - North Coast Interceptor	-
PC 24 - Aliso Creek Ocean Outfall	(48,291)
Total	<u><u>\$ (2,317,017)</u></u>

**South Orange County Wastewater Authority
Summary of Disbursements for November 2023
Staff Recommendation of Fiscal Matters**

	<u>Actual</u>
General Fund	\$ 134,686
PC 2 - Jay B. Latham Plant	(711,000)
PC 5 - San Juan Creek Ocean Outfall	(335,837)
PC 8 - Pretreatment Program	(24,154)
PC 12 SO - Water Reclamation Permits	(38,082.06)
PC 15 - Coastal Treatment Plant/AWT	(409,974)
PC 17 - Joint Regional Wastewater Reclamation	(959,847)
PC 21 - Effluent Transmission Main	(11,027)
PC 23 - North Coast Interceptor	(3,277)
PC 24 - Aliso Creek Ocean Outfall	(561,024)
Total	<u><u>\$ (2,919,536)</u></u>

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
SCHEDULE OF FUNDS AVAILABLE FOR REINVESTMENT
as of October 31, 2023**

CASH IN BANK: (BEGINNING BAL.)	\$	943,401
L.A.I.F. FUNDS: (BEGINNING BAL.)		12,121,674
DEPOSITS, TRANSFERS & ADJUSTMENTS:		267,713
FUND REQUIREMENTS:		
BILLS FOR CONSIDERATION ¹		(2,317,017)
TOTAL CASH IN BANK	\$	11,015,771

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.

Jim Burror
Acting General Manager/Director of Operations

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.

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
SCHEDULE OF FUNDS AVAILABLE FOR REINVESTMENT
as of November 30, 2023**

CASH IN BANK: (BEGINNING BAL.)	\$	1,434,855
L.A.I.F. FUNDS: (BEGINNING BAL.)		9,580,916
DEPOSITS, TRANSFERS & ADJUSTMENTS:		6,605,636
FUND REQUIREMENTS:		
BILLS FOR CONSIDERATION ¹		(2,919,536)
TOTAL CASH IN BANK	\$	14,701,871

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.
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Jim Burror
Acting General Manager/Director of Operations

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 12/20/23



Quarterly Performance Quarter Ended 09/30/23

LAIF Apportionment Rate ⁽²⁾ :	3.59
LAIF Earnings Ratio ⁽²⁾ :	0.00009812538629360
LAIF Administrative Cost ^{(1)*} :	0.29
LAIF Fair Value Factor ⁽¹⁾ :	0.986307739
PMIA Daily ⁽¹⁾ :	3.48
PMIA Quarter to Date ⁽¹⁾ :	3.42
PMIA Average Life ⁽¹⁾ :	256

PMIA Average Monthly Effective Yields⁽¹⁾

November	3.843
October	3.670
September	3.534
August	3.434
July	3.305**
June	3.167

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 11/30/23 \$159.4 billion

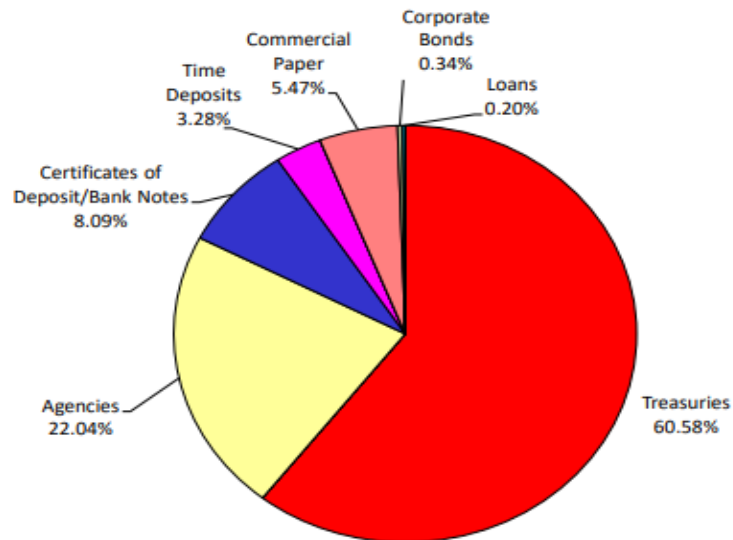


Chart does not include \$2,218,000.00 in mortgages, which equates to 0.001%. Percentages may not total 100% due to rounding.

Exhibit C.1

**South Orange County Wastewater Authority
Schedule of Cash and Investments
as of October 31, 2023**

MVA	\$ 193,042	(A)
A/P Checking	1,133,502	(B)
Payroll Checking	108,311	(C)
State LAIF	9,580,916	(D)
Total Cash in Bank¹	\$ 11,015,771	
Petty Cash	1,600	(E)
Total Operating Cash	\$ 11,017,371	
OPEB Trust	5,883,842	(F)
Total Cash and Investments	\$ 16,901,213	

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.

Exhibit C.2

**South Orange County Wastewater Authority
Schedule of Cash and Investments
as of November 30, 2023**

MVA	\$ 5,525	(A)
A/P Checking	1,921,516	(B)
Payroll Checking	128,913	(C)
State LAIF	12,645,916	(D)
Total Cash in Bank¹	\$ 14,701,871	
Petty Cash	1,600	(E)
Total Operating Cash	\$ 14,703,471	
OPEB Trust	6,310,392	(F)
Total Cash and Investments	\$ 21,013,862	

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.

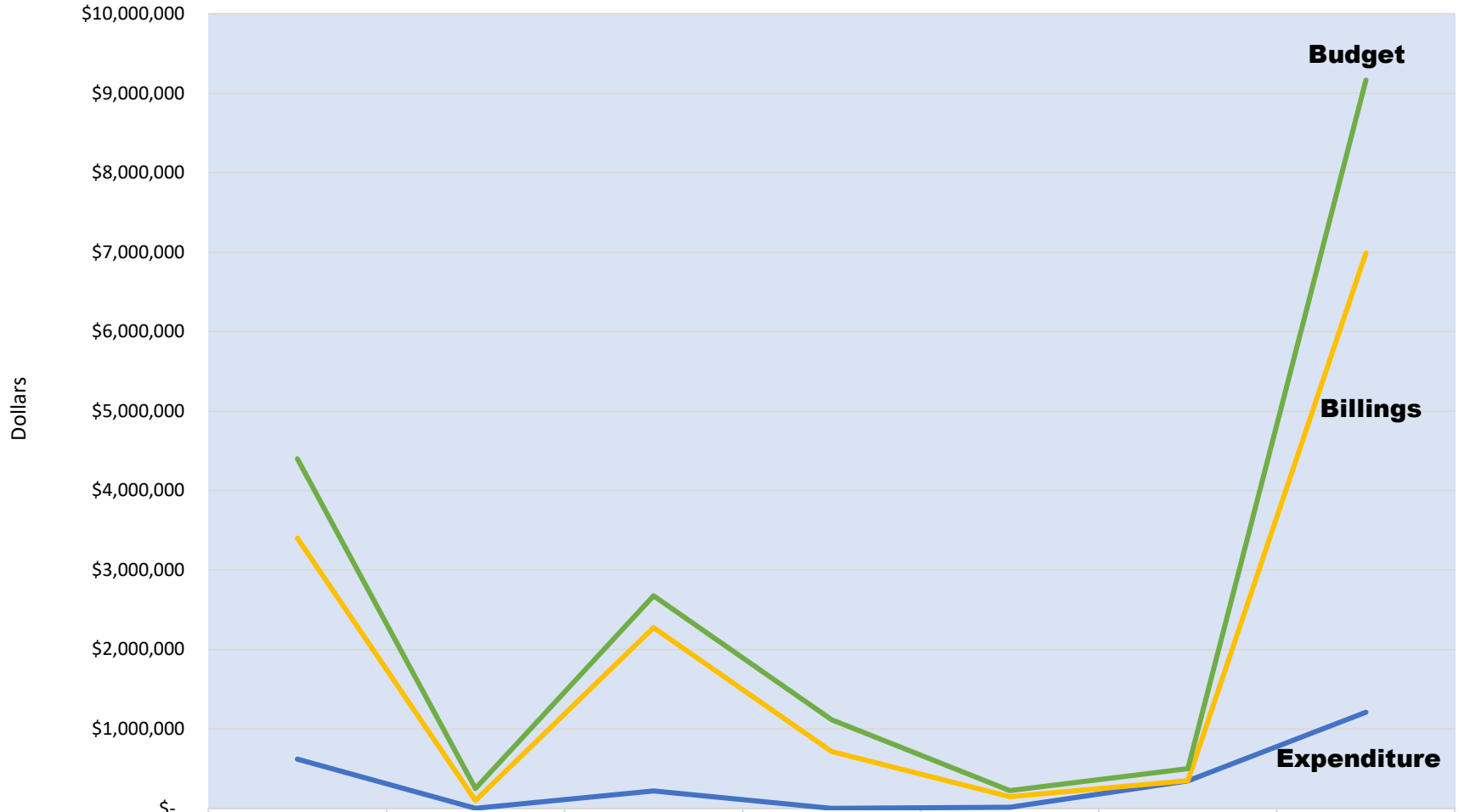
Notes:

- (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.
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- (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 30, 2023
(in dollars)**

FY 2023-24 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	\$ 4,400,000	\$ 620,431	\$ 3,779,569	14.1%	\$ 3,400,000	\$ 3,400,000	\$ -	18.2%
PC 5-San Juan Creek Outfall	250,000	2,100	247,900	0.8%	100,000	100,000	-	2.1%
PC 15-Coastal	2,675,000	221,896	2,453,104	8.3%	2,275,000	2,275,000	-	9.8%
PC 17-Regional	1,115,000	3,226	1,111,774	0.3%	715,000	715,000	-	0.5%
PC 21 Effluent Transmission	225,000	14,897	210,103	6.6%	150,000	150,000	-	9.9%
PC 24 Aliso Creek Outfall	500,000	348,394	151,606	69.7%	350,000	350,000	-	99.5%
Total Large Capital	\$ 9,165,000	\$ 1,210,944	\$ 7,954,056	13.2%	\$ 6,990,000	\$ 6,990,000	\$ -	17.3%
Non-Capital Engineering	905,000	13,960	891,040	1.5%	427,500	427,500	-	3.3%
Non-Capital Misc Engineering	-	-	-	-	-	-	-	-
Small Internal Capital	2,013,000	612,977	1,400,023	30.5%	1,006,500	1,006,500	-	60.9%
Total Capital	\$ 12,083,000	\$ 1,837,881	\$ 10,245,119	15.2%	\$ 8,424,000	\$ 8,424,000	\$ -	21.8%

Large Capital Projects Fiscal Year 2023-24 Budget vs. Exhibit D-1 Year-to-Date Expenditures & Billings as of 9/30/2023



	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 11/30/2023	\$620,431	\$2,100	\$221,896	\$3,226	\$14,897	\$348,394	\$1,210,944
FY 23-24 Billings	\$3,400,000	\$100,000	\$2,275,000	\$715,000	\$150,000	\$350,000	\$6,990,000
Capital Budget FY 23-24	\$4,400,000	\$250,000	\$2,675,000	\$1,115,000	\$225,000	\$500,000	\$9,165,000

South Orange County Wastewater Authority
O & M & Environmental Safety Costs Summary¹
 For the Period Ended November 30, 2023
 (in dollars)

		FY 2023-24 Budget	Actual	(Over)/Under Budget	% Expended
Salary and Fringe					
5000--****	Regular Salaries-O&M	5,065,446	1,999,356	3,066,090	39.5%
5001--****	Overtime Salaries-O&M	82,008	72,692	9,316	88.6% (1)
5306--****	Scheduled Holiday Work	68,376	41,434	26,942	60.6%
5315--****	Comp Time - O&M	17,628	18,212	(584)	103.3%
5401--****	Fringe Benefits IN to PC's & Depts.	2,731,721	1,199,614	1,532,108	43.9%
5700--****	Standby Pay	104,000	43,300	60,700	41.6%
	Total Payroll Costs	8,069,179	3,374,608	4,694,572	41.8%
Other Expenses					
5002--****	Electricity	1,260,000	682,801	577,199	54.2% (2)
5003--****	Natural Gas	490,500	162,182	328,318	33.1%
5004--****	Potable & Reclaimed Water	78,000	33,833	44,167	43.4%
5005--****	Co-generation Power Credit	(1,302,000)	(644,114)	(657,886)	49.5%
5006--****	Chlorine/Sodium Hypochlorite	181,000	115,363	65,637	63.7% (3)
5007--****	Polymer Products	1,040,000	516,876	523,124	49.7%
5008--****	Ferric Chloride	880,000	491,598	388,402	55.9%
5009--****	Odor Control Chemicals	155,000	98,898	56,102	63.8%
5010--****	Other Chemicals - Misc.	2,000	-	2,000	-
5011--****	Laboratory Services	56,632	30,520	26,112	53.9%
5012--****	Grit Hauling	132,500	61,994	70,507	46.8%
5013--****	Landscaping	211,000	90,633	120,367	43.0%
5015--****	Management Support Services	527,000	35,172	491,828	6.7%
5016--****	Audit - Environmental	1,304	-	1,304	0.0%
5017--****	Legal Fees	30,672	2,158	28,515	7.0%
5018--****	Public Notices/ Public Relations	1,500	-	1,500	-
5019--****	Contract Services Misc.	372,996	141,765	231,231	38.0%
5021--****	Small Vehicle Expense	24,128	24,023	105	99.6%
5022--****	Miscellaneous Expense	16,032	1,950	14,082	12.2%
5023--****	Office Supplies - All	48,000	15,638	32,362	32.6%
5024--****	Petroleum Products	27,000	11,081	15,919	41.0%
5025--****	Uniforms	78,000	37,676	40,324	48.3%
5026--****	Small Vehicle Fuel	20,272	9,952	10,320	49.1%
5027--****	Insurance - Property/Liability	535,873	386,949	148,923	72.2% (4)
5028--****	Small Tools & Supplies	77,668	35,496	42,172	45.7%
5030--****	Trash Disposal	9,000	4,463	4,537	49.6%
5031--****	Safety Program & Supplies	114,956	66,705	48,251	58.0%
5032--****	Equipment Rental	7,000	3,496	3,504	49.9%
5033--****	Recruitment	2,300	-	2,300	0.0%
5034--****	Travel Expense/Tech. Conferences	75,078	11,487	63,591	15.3%
5035--****	Training Expense	50,479	46,722	3,757	92.6% (4)
5036--****	Laboratory Supplies	127,092	63,569	63,523	50.0%
5037--****	Office Equipment	27,000	4,340	22,660	16.1%
5038--****	Permits	635,836	591,440	44,397	93.0% (4)
5039--****	Membership Dues/Fees	13,153	19,714	(6,560)	149.9%
5044--****	Offshore Monitoring	81,604	45,576	36,028	55.9%
5045--****	Offshore Biochemistry - 20B	22,500	-	22,500	-
5046--****	Effluent Chemistry	50,948	16,599	34,349	32.6%
5047--****	Access Road Expenses	45,000	2,460	42,540	0.1%
5048--****	Storm Damage	20,000	-	20,000	-
5049--****	Biosolids Disposal	1,747,500	734,470	1,013,030	42.0% (5)
5050--****	Contract Services Generators - 29A	23,000	7,437	15,563	32.3%

South Orange County Wastewater Authority
O & M & Environmental Safety Costs Summary¹
 For the Period Ended November 30, 2023
 (in dollars)

		FY 2023-24 Budget	Actual	(Over)/Under Budget	% Expended
5052--****	Janitorial Services	95,000	38,660	56,340	40.7%
5053--****	Contract Serv - Digester Cleaning - 29E	80,000	-	80,000	0.0%
5054--****	Diesel Truck Maint	43,000	36,386	6,614	84.6% (6)
5055--****	Diesel Truck Fuel	11,800	4,414	7,386	37.4%
5056--****	Maintenance Equip. & Facilities (Solids)	300,000	112,276	187,724	37.4%
5057--****	Maintenance Equip. & Facilities (Liquids)	510,000	323,108	186,892	63.4% (7)
5058--****	Maintenance Equip. & Facilities (Common)	92,008	24,305	67,703	26.4%
5059--****	Maintenance Equip. & Facilities (Co-Gen)	836,700	346,626	490,074	41.4%
5060--****	Maintenance Equip. & Facilities (AWT)	39,000	4,584	34,416	11.8%
5061--****	Mileage	2,900	814	2,086	28.1%
5068--****	MNWD Potable Water Supplies & Svcs.	44,880	13,078	31,802	29.1%

South Orange County Wastewater Authority
O & M & Environmental Safety Costs Summary¹
 For the Period Ended November 30, 2023
 (in dollars)

	FY 2023-24 Budget	Actual	(Over)/Under Budget	% Expended	
_5076--**-**	SCADA Infrastructure	93,600	-	93,600	0.0%
_5077--**-**	IT Direct	45,000	2,875	42,125	6.4%
_5105--**-**	Co-Generation Power Credit - Offset	1,302,000	644,114	657,886	49.5%
_5303--**-**	Group Insurance Waiver	14,400	7,546	6,854	52.4%
_5305--**-**	Medicare Tax Payments for Employees	152	-	152	0.0%
_5309--**-**	Operating Leases	20,000	7,679	12,321	38.4%
_5705--**-**	Monthly Car Allowance	31,200	10,565	20,635	33.9%
_5797--**-**	Verily Stipends - WastewaterSCAN Monitoring	-	(22,950)	(5,850)	0.0%
_5799--**-**	Zephyr Wall Costs Share-O&M	(14,000)	-	(14,000)	0.0%
_6500--**-**	IT Allocations in to PC's & Depts.	620,553	280,523	340,030	45.2%
	Total Other Expenses	12,165,718	5,795,521	6,341,398	47.6%
	Total O&M Expenses	20,234,898	9,170,128	11,064,769	45.3%

¹ This report intends to monitor the Annual Budget % Expended at the Project Committee and Functional Department levels.

The financial information contained in this report, in some cases, is based on the full accrual basis of accounting, whereby expenses are recognized in the period in which the liability is incurred, i.e., payroll and fringe benefits.

There are instances where we will include the total expense for the entire accounting fiscal year if the information is available, i.e., property and liability insurance premiums.

The audited financial statements for the fiscal year recognize all expenses on the full accrual basis of accounting.

- (1) Staff over was elevated due to three (3) nighttime shutdowns to support the ACOO internal repair project and two (2) projects at JBL.
- (2) Increases in power costs approved by the CPUC are above assumed increased rates.
- (3) Bleach usage elevated during the initial months of the Fiscal for summer AWT production at CTP.
- (4) Annual charges incurred at the beginning of the Fiscal Year and at the end of the calendar year.
- (5) Biosolids costs are increased due to landfill closures on hotter days. This new type of closure was instituted in May 2023 at the landfill to help mitigate odor complaints at the landfill and was not anticipated with the preparation of the Budget.
- (6) Both large Deisel vehicles had unplanned and significant emissions control system repairs.
- (7) Several larger O&M projects were completed prior to the rainy season.

South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC¹
 For the Period Ended November 30, 2023
 (in dollars)

	FY 2023-24 Budget	Actual	(Over)/Under Budget	% Expended	
02 - Jay B. Latham Plant					
Salary and Fringe					
02-5000-**-**	Regular Salaries-O&M	1,785,000	672,996	1,112,004	37.7%
02-5001-**-**	Overtime Salaries-O&M	27,208	29,951	(2,743)	110.1% (1)
02-5306-**-**	Scheduled Holiday Work	30,000	16,852	13,148	56.2%
02-5315-**-**	Comp Time - O&M	8,604	6,087	2,517	70.7% (1)
02-5401-**-**	Fringe Benefits IN to PC's & Depts.	962,625	403,798	558,827	41.9%
02-5700-**-**	Standby Pay	37,846	16,650	21,196	44.0%
	Total Payroll Costs	2,851,283	1,146,334	1,704,948	40.2%
Other Expenses					
02-5002-**-**	Electricity	660,000	364,319	295,681	55.2% (2)
02-5003-**-**	Natural Gas	252,000	59,442	192,558	23.6%
02-5004-**-**	Potable & Reclaimed Water	27,000	10,917	16,083	40.4%
02-5006-**-**	Chlorine/Sodium Hypochlorite	21,000	22,475	(1,475)	107.0%
02-5007-**-**	Polymer Products	390,000	183,602	206,398	47.1%
02-5008-**-**	Ferric Chloride	300,000	153,740	146,260	51.2%
02-5009-**-**	Odor Control Chemicals	38,000	18,309	19,691	48.2%
02-5010-**-**	Other Chemicals - Misc.	1,000	-	1,000	-
02-5011-**-**	Laboratory Services	20,108	5,882	14,226	29.3%
02-5012-**-**	Grit Hauling	70,500	38,776	31,724	55.0%
02-5013-**-**	Landscaping	68,000	31,303	36,697	46.0%
02-5015-**-**	Management Support Services	16,500	7,556	8,944	45.8%
02-5017-**-**	Legal Fees	5,000	472	4,528	9.4%
02-5019-**-**	Contract Services Misc.	129,000	52,075	76,925	40.4%
02-5021-**-**	Small Vehicle Expense	11,000	13,511	(2,511)	122.8%
02-5022-**-**	Miscellaneous Expense	8,000	905	7,095	11.3%
02-5023-**-**	Office Supplies - All	30,000	7,887	22,113	26.3%
02-5024-**-**	Petroleum Products	11,000	647	10,353	5.9%
02-5025-**-**	Uniforms	36,000	16,644	19,356	46.2%
02-5026-**-**	Small Vehicle Fuel	8,000	3,487	4,513	43.6%
02-5027-**-**	Insurance - Property/Liability	188,606	140,158	48,448	74.3% (3)
02-5028-**-**	Small Tools & Supplies	35,000	9,107	25,893	26.0%
02-5030-**-**	Trash Disposal	3,000	871	2,129	29.0%
02-5031-**-**	Safety Program & Supplies	40,032	22,811	17,221	57.0% (3)
02-5032-**-**	Equipment Rental	3,000	-	3,000	-
02-5033-**-**	Recruitment	1,000	-	1,000	0.0%
02-5034-**-**	Travel Expense/Tech. Conferences	18,163	5,037	13,126	27.7%
02-5035-**-**	Training Expense	15,420	15,378	43	99.7% (3)
02-5036-**-**	Laboratory Supplies	21,412	9,334	12,078	43.6%
02-5037-**-**	Office Equipment	14,000	4,317	9,683	30.8%
02-5038-**-**	Permits	27,032	21,274	5,758	78.7%
02-5039-**-**	Membership Dues/Fees	3,423	6,724	(3,301)	196.4% (3)
02-5049-**-**	Biosolids Disposal	750,000	263,948	486,052	35.2% (4)
02-5050-**-**	Contract Services Generators - 29A	10,000	-	10,000	0.0%
02-5052-**-**	Janitorial Services	43,000	16,830	26,170	39.1%
02-5053-**-**	Contract Serv - Digester Cleaning - 29E	15,000	-	15,000	0.0%
02-5054-**-**	Diesel Truck Maint	23,000	18,250	4,750	79.3% (5)
02-5055-**-**	Diesel Truck Fuel	3,300	2,625	675	79.5%
02-5056-**-**	Maintenance Equip. & Facilities (Solids)	125,000	29,024	95,976	23.2%
02-5057-**-**	Maintenance Equip. & Facilities (Liquids)	200,000	111,511	88,489	55.8% (6)
02-5058-**-**	Maintenance Equip. & Facilities (Common)	30,000	14,876	15,124	49.6%
02-5059-**-**	Maintenance Equip. & Facilities (Co-Gen)	297,000	146,124	150,876	49.2%
02-5061-**-**	Mileage	1,400	419	981	30.0%
02-5076-**-**	SCADA Infrastructure	31,200	-	31,200	0.0%
02-5077-**-**	IT Direct	15,000	-	15,000	0.0%
02-5303-**-**	Group Insurance Waiver	3,600	415	3,185	11.5%
02-5309-**-**	Operating Leases	20,000	7,679	12,321	38.4%
02-5705-**-**	Monthly Car Allowance	18,600	5,444	13,156	29.3%
02-5797-**-**	Verily Stipends - WastewaterSCAN Monitoring	-	(7,650)	(1,950)	100.0%
02-5799-**-**	Zephyr Wall Costs Share-O&M	(14,000)	-	(14,000)	0.0%
02-6500-**-**	IT Allocations in to PC's & Depts.	218,718	98,872	119,846	45.2%
	Total Other Expenses	4,263,015	1,935,327	2,318,088	45.4%
	Total Expenses	7,114,298	3,081,661	4,023,037	43.3%

South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC¹
 For the Period Ended November 30, 2023
 (in dollars)

	FY 2023-24 Budget	Actual	(Over)/Under Budget	% Expended	
05 - San Juan Creek Ocean Outfall					
Salary and Fringe					
05-5000-**-**-**	Regular Salaries-O&M	145,529	47,123	98,406	32.4%
05-5001-**-**-**	Overtime Salaries-O&M	72	489	(417)	678.5%
05-5306-**-**-**	Scheduled Holiday Work	468	95	373	20.4%
05-5315-**-**-**	Comp Time - O&M	-	-	-	100.0%
05-5401-**-**-**	Fringe Benefits IN to PC's & Depts.	78,482	28,274	50,208	36.0%
	Total Payroll Costs	224,551	75,981	148,570	33.8%
Other Expenses					
05-5015-**-**-**	Management Support Services	110,000	3,896	106,104	3.5%
05-5017-**-**-**	Legal Fees	7,000	-	7,000	0.0%
05-5022-**-**-**	Miscellaneous Expense	-	-	-	100.0%
05-5027-**-**-**	Insurance - Property/Liability	21,282	15,182	6,100	71.3% (3)
05-5031-**-**-**	Safety Supplies	1,020	-	1,020	-
05-5034-**-**-**	Travel Expense/Tech. Conferences	5,696	1,466	4,230	25.7%
05-5035-**-**-**	Training Expense	1,087	39	1,048	0.04
05-5036-**-**-**	Laboratory Supplies	33,500	15,727	17,773	46.9%
05-5038-**-**-**	Permits	302,496	295,322	7,174	97.6% (3)
05-5039-**-**-**	Membership Dues/Fees	1,000	59	941	0.06
05-5044-**-**-**	Offshore Monitoring	40,800	22,788	18,012	55.9%
05-5045-**-**-**	Offshore Biochemistry - 20B	7,500	-	7,500	-
05-5046-**-**-**	Effluent Chemistry	28,000	8,707	19,293	31.1%
05-5058-**-**-**	Maintenance Equip. & Facilities (Common)	1,004	-	1,004	-
05-6500-**-**-**	IT Allocations in to PC's & Depts.	17,832	8,061	9,771	45.2%
	Total Other Expenses	578,218	371,247	206,971	64.2%
	Total Expenses	802,768	447,228	355,541	55.7%
08 - Pre Treatment					
Salary and Fringe					
08-5000-**-**-**	Regular Salaries-O&M	132,256	47,133	85,122	35.6%
08-5401-**-**-**	Fringe Benefits IN to PC's & Depts.	71,324	28,280	43,044	39.7%
	Total Payroll Costs	203,579	75,413	128,166	37.0%
Other Expenses					
08-5011-**-**-**	Laboratory Services	3,064	1,965	1,099	64.1%
08-5015-**-**-**	Management Support Services	20,000	-	20,000	-
08-5016-**-**-**	Audit - Environmental	1,304	-	1,304	-
08-5017-**-**-**	Legal Fees	2,672	-	2,672	0.0%
08-5018-**-**-**	Public Notices/ Public Relations	1,500	-	1,500	-
08-5021-**-**-**	Small Vehicle Expense - 31A	1,128	-	1,128	-
08-5022-**-**-**	Miscellaneous Expense	2,032	-	2,032	-
08-5026-**-**-**	Small Vehicle Fuel - 37A	1,272	-	1,272	-
08-5027-**-**-**	Insurance - Property/Liability	7,170	5,115	2,055	71.3% (3)
08-5028-**-**-**	Small Tools & Supplies	3,668	-	3,668	0.0%
08-5034-**-**-**	Travel Expense/Tech. Conferences	3,500	-	3,500	-
08-5035-**-**-**	Training Expense	2,044	1,384	660	-
08-5038-**-**-**	Permits and Fines	508	-	508	-
08-5039-**-**-**	Membership Dues/Fees	816	456	360	55.9%
08-6500-**-**-**	IT Allocations in to PC's & Depts.	16,205	7,326	8,880	45.2%
	Total Other Expenses	66,883	16,246	50,638	24.3%
	Total Expenses	270,462	91,659	178,804	33.9%
12 - Water Reclamation Permits					
Salary and Fringe					
12-5000-**-**-**	Regular Salaries-O&M	13,572	26,211	(12,638)	193.1% (7)
12-5401-**-**-**	Fringe Benefits IN to PC's & Depts.	7,319	15,726	(8,407)	214.9% (7)
	Total Payroll Costs	20,892	41,937	(21,045)	200.7%
Other Expenses					
12-5015-**-**-**	Management Support Services	35,000	294	34,706	0.8%
12-5017-**-**-**	Legal Fees	2,000	-	2,000	-
12-5027-**-**-**	Insurance - Property/Liability	2,473	1,764	709	71.3% (3)
12-5034-**-**-**	Travel Expense/Tech. Conferences	5,696	-	5,696	0.0%
12-5038-**-**-**	Permits	25,500	26,710	(1,210)	104.7% (3)
12-5039-**-**-**	Membership Dues/Fees	68	-	68	-
12-6500-**-**-**	IT Allocations in to PC's & Depts.	1,663	752	911	45.2%
	Total Other Expenses	72,401	29,520	42,881	40.8%
	Total Expenses	93,293	71,457	21,835	76.6%

South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC¹
 For the Period Ended November 30, 2023
 (in dollars)

		FY 2023-24 Budget	Actual	(Over)/Under Budget	% Expended
15 - Coastal Treatment Plant					
Salary and Fringe					
15-5000-**-**	Regular Salaries-O&M	971,637	374,742	596,896	38.6%
15-5001-**-**	Overtime Salaries-O&M	13,732	7,470	6,262	54.4% (8)
15-5306-**-**	Scheduled Holiday Work	10,260	4,776	5,484	46.6%
15-5315-**-**	Comp Time - O&M	2,000	3,488	(1,488)	174.4% (8)
15-5401-**-**	Fringe Benefits IN to PC's & Depts.	523,990	224,845	299,145	42.9%
15-5700-**-**	Standby Pay	18,462	7,425	11,037	40.2%
	Total Payroll Costs	1,540,081	622,746	917,335	40.4%
Other Expenses					
15-5002-**-**	Electricity	300,000	184,045	115,955	61.3% (2)
15-5003-**-**	Natural Gas	3,500	352	3,148	10.1%
15-5004-**-**	Potable & Reclaimed Water	24,000	9,337	14,663	38.9%
15-5006-**-**	Chlorine/Sodium Hypochlorite	100,000	65,654	34,346	65.7% (9)
15-5007-**-**	Polymer Products	-	-	-	-
15-5008-**-**	Ferric Chloride	105,000	93,946	11,054	89.5% (10)
15-5009-**-**	Odor Control Chemicals	50,000	44,781	5,219	89.6% (10)
15-5011-**-**	Laboratory Services	10,000	7,830	2,170	78.3%
15-5012-**-**	Grit Hauling	22,000	7,928	14,072	36.0%
15-5013-**-**	Landscaping	63,000	25,524	37,476	40.5%
15-5015-**-**	Management Support Services	13,000	4,316	8,684	33.2%
15-5017-**-**	Legal Fees	5,000	-	5,000	0.0%
15-5019-**-**	Contract Services Misc.	110,000	42,970	67,030	39.1%
15-5021-**-**	Small Vehicle Expense - 31A	4,000	3,292	708	82.3%
15-5022-**-**	Miscellaneous Expense	1,000	311	689	31.1%
15-5023-**-**	Office Supplies - All	5,000	2,495	2,505	49.9%
15-5024-**-**	Petroleum Products	4,000	-	4,000	0.0%
15-5025-**-**	Uniforms	10,000	4,902	5,098	49.0%
15-5026-**-**	Small Vehicle Fuel	2,000	1,972	28	98.6%
15-5027-**-**	Insurance - Property/Liability	79,422	56,656	22,766	71.3% (3)
15-5028-**-**	Small Tools & Supplies	9,000	7,048	1,952	78.3%
15-5030-**-**	Trash Disposal	3,000	1,024	1,976	34.1%
15-5031-**-**	Safety Supplies	33,456	7,835	25,621	23.4%
15-5032-**-**	Equipment Rental	1,000	-	1,000	-
15-5033-**-**	Recruitment	300	-	300	0.0%
15-5034-**-**	Travel Expense/Tech. Conferences	18,163	1,778	16,385	9.8%
15-5035-**-**	Training Expense	15,420	14,912	508	96.7% (3)
15-5036-**-**	Laboratory Supplies	20,000	10,956	9,044	54.8%
15-5037-**-**	Office Equipment	3,000	23	2,977	0.8%
15-5038-**-**	Permits	5,000	1,861	3,139	37.2%
15-5039-**-**	Membership Dues/Fees	3,423	5,898	(2,475)	172.3% (3)
15-5047-**-**	Access Road Expenses	45,000	2,460	42,540	0.05
15-5048-**-**	Storm Damage	20,000	-	20,000	-
15-5050-**-**	Contract Services Generators	5,000	5,111	(111)	102.2% (3)
15-5052-**-**	Janitorial Services	15,000	6,403	8,597	42.7%
15-5054-**-**	Diesel Truck Maint - 31B	1,000	-	1,000	-
15-5055-**-**	Diesel Truck Fuel - 37B	500	-	500	-
15-5057-**-**	Maintenance Equip. & Facilities (Liquids)	110,000	54,284	55,716	49.3% (6)
15-5058-**-**	Maintenance Equip. & Facilities (Common)	24,000	1,096	22,904	4.6%
15-5060-**-**	Maintenance Equip. & Facilities (AWT)	39,000	4,584	34,416	11.8%
15-5061-**-**	Mileage	500	279	221	55.9%
15-5076-**-**	SCADA Infrastructure	31,200	-	31,200	0.0%
15-5077-**-**	IT Direct	15,000	-	15,000	0.0%
15-5303-**-**	Group Insurance Waiver	3,600	1,509	2,091	41.9%
15-5705-**-**	Monthly Car Allowance	4,200	1,761	2,439	41.9%
15-5797-**-**	Verily Stipends - WastewaterSCAN Monitoring	-	(7,650)	(1,950)	100.0%
15-6500-**-**	IT Allocations in to PC's & Depts.	119,057	53,820	65,237	45.2%
	Total Other Expenses	1,455,741	731,303	714,838	50.2%
	Total Expenses	2,995,822	1,354,049	1,632,173	45.2%

South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC¹
 For the Period Ended November 30, 2023
 (in dollars)

	FY 2023-24 Budget	Actual	(Over)/Under Budget	% Expended	
17 - Joint Regional Wastewater Reclamation and Sludge Handling					
Salary and Fringe					
17-5000-**-**	Regular Salaries-O&M	1,884,409	783,400	1,101,010	41.6%
17-5001-**-**	Overtime Salaries-O&M	40,492	30,126	10,366	74.4%
17-5306-**-**	Scheduled Holiday Work	27,356	19,710	7,646	72.1%
17-5315-**-**	Comp Time - O&M	7,024	7,412	(388)	105.5%
17-5401-**-**	Fringe Benefits IN to PC's & Depts.	1,016,234	470,040	546,195	46.3%
17-5700-**-**	Standby Pay	47,692	19,225	28,467	40.3%
	Total Payroll Costs	3,023,208	1,329,913	1,693,295	44.0%
Other Expenses					
17-5002-**-**	Electricity	300,000	134,436	165,564	44.8% (2)
17-5003-**-**	Natural Gas	235,000	102,388	132,612	43.6%
17-5004-**-**	Potable & Reclaimed Water	27,000	13,578	13,422	50.3%
17-5005-**-**	Co-generation Power Credit	(1,302,000)	(644,114)	(657,886)	49.5%
17-5006-**-**	Chlorine/Sodium Hypochlorite	60,000	27,234	32,766	45.4%
17-5007-**-**	Polymer Products	650,000	333,274	316,726	51.3%
17-5008-**-**	Ferric Chloride	475,000	243,912	231,088	51.3%
17-5009-**-**	Odor Control Chemicals	67,000	35,808	31,192	53.4%
17-5010-**-**	Other Chemicals - Misc.	1,000	-	1,000	-
17-5011-**-**	Laboratory Services	23,460	14,842	8,618	63.3%
17-5012-**-**	Grit Hauling - 21A	40,000	15,290	24,710	38.2%
17-5013-**-**	Landscaping	80,000	33,805	46,195	42.3%
17-5015-**-**	Management Support Services	17,500	7,867	9,633	45.0%
17-5017-**-**	Legal Fees	5,000	1,686	3,314	33.7%
17-5019-**-**	Contract Services Misc.	115,000	46,720	68,280	40.6%
17-5021-**-**	Small Vehicle Expense	8,000	7,220	780	90.3%
17-5022-**-**	Miscellaneous Expense	5,000	734	4,266	14.7%
17-5023-**-**	Office Supplies - All	13,000	5,257	7,743	40.4%
17-5024-**-**	Petroleum Products	12,000	10,434	1,566	87.0%
17-5025-**-**	Uniforms	32,000	16,129	15,871	50.4%
17-5026-**-**	Small Vehicle Fuel	9,000	4,493	4,507	49.9%
17-5027-**-**	Insurance - Property/Liability	212,048	150,332	61,716	70.9% (3)
17-5028-**-**	Small Tools & Supplies	30,000	19,341	10,659	64.5%
17-5030-**-**	Trash Disposal	3,000	2,568	432	85.6%
17-5031-**-**	Safety Supplies	39,428	36,059	3,369	91.5% (3)
17-5032-**-**	Equipment Rental	3,000	3,496	(496)	116.5%
17-5033-**-**	Recruitment	1,000	-	1,000	0.0%
17-5034-**-**	Travel Expense/Tech. Conferences	18,163	1,878	16,285	10.3%
17-5035-**-**	Training Expense	15,420	14,970	451	97.1% (3)
17-5036-**-**	Laboratory Supplies	25,660	12,757	12,903	49.7%
17-5037-**-**	Office Equipment	10,000	-	10,000	0.0%
17-5038-**-**	Permits	15,300	450	14,850	2.9%
17-5039-**-**	Membership Dues/Fees	3,423	6,517	(3,094)	190.4%
17-5049-**-**	Biosolids Disposal	997,500	470,523	526,977	47.2% (4)
17-5050-**-**	Contract Services Generators - 29A	8,000	2,327	5,673	0.29
17-5052-**-**	Janitorial Services	37,000	15,427	21,573	41.7%
17-5053-**-**	Contract Serv - Digester Cleaning - 29E	65,000	-	65,000	0.0%
17-5054-**-**	Diesel Truck Maint	19,000	18,136	864	95.5% (5)
17-5055-**-**	Diesel Truck Fuel	8,000	1,789	6,211	22.4%
17-5056-**-**	Maintenance Equip. & Facilities (Solids)	175,000	83,252	91,748	47.6%
17-5057-**-**	Maintenance Equip. & Facilities (Liquids)	200,000	157,314	42,686	78.7% (6)
17-5058-**-**	Maintenance Equip. & Facilities (Common)	36,000	7,670	28,330	21.3%
17-5059-**-**	Maintenance Equip. & Facilities (Co-Gen)	539,700	200,502	339,198	37.2%
17-5060-**-**	Maintenance Equip. & Facilities (AWT)	0	-	-	0.0%
17-5061-**-**	Mileage	1,000	115	885	11.5%
17-5068-**-**	MNWD Potable Water Supplies & Svcs.	44,880	13,078	31,802	29.1%
17-5076-**-**	SCADA Infrastructure	31,200	-	31,200	0.0%
17-5077-**-**	IT Direct	15,000	2,875	12,125	19.2%
17-5105-**-**	Co-Generation Power Credit - Offset	1,302,000	644,114	657,886	49.5%
17-5303-**-**	Group Insurance Waiver	7,200	5,621	1,578	78.1%
17-5305-**-**	Medicare Tax Payments for Employees	152	-	152	-
17-5705-**-**	Monthly Car Allowance	8,400	3,360	5,040	40.0%
17-5797-**-**	Verily Stipends - WastewaterSCAN Monitoring		(7,650)	(1,950)	100.0%
17-6500-**-**	IT Allocations in to PC's & Depts.	230,899	104,379	126,520	45.2%
	Total Other Expenses	4,975,334	2,382,192	2,583,542	47.9%
	Total Expenses	7,998,542	3,712,105	4,276,837	46.4%

South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC¹
 For the Period Ended November 30, 2023
 (in dollars)

		FY 2023-24 Budget	Actual	(Over)/Under Budget	% Expended
21 - Effluent Transmission Main					
Other Expenses					
21-5017-**-**-**	Legal Fees	500	-	500	0.0%
21-5019-**-**-**-**	Contract Services Misc.	18,996	-	18,996	0.0%
	Total Other Expenses	<u>19,496</u>	<u>-</u>	<u>19,496</u>	<u>0.0%</u>
	Total Expenses	<u>19,496</u>	<u>-</u>	<u>19,496</u>	<u>0.0%</u>
23 - North Coast Interceptor					
Salary and Fringe					
23-5000-**-**-**-**		1,000	-	1,000	0.0%
23-5401-**-**-**-**		539	-	539	0.0%
	Total Payroll Costs	<u>1,539</u>	<u>-</u>	<u>1,539</u>	<u>0.0%</u>
Other Expenses					
23-5017-**-**-**-**	Legal Fees	500	-	500	0.0%
	Management Support Services	-	3,277	(3,277)	100.0%
	Total Other Expenses	<u>500</u>	<u>3,277</u>	<u>(2,777)</u>	<u>655.4%</u>
	Total Expenses	<u>2,039</u>	<u>3,277</u>	<u>(1,238)</u>	<u>160.7%</u>
24 - Aliso Creek Ocean Outfall					
Salary and Fringe					
24-5000-**-**-**-**	Regular Salaries-O&M	132,042	47,752	84,290	36.2%
24-5001-**-**-**-**	Overtime Salaries-O&M	504	4,655	(4,151)	923.7% (8)
24-5306-**-**-**-**	Scheduled Holiday Work	292	-	292	0.0%
24-5315-**-**-**-**	Comp Time - O&M	-	1,225	(1,225)	100.0% (8)
24-5401-**-**-**-**	Fringe Benefits IN to PC's & Depts.	71,209	28,651	42,557	40.2%
	Total Payroll Costs	<u>204,047</u>	<u>82,284</u>	<u>121,763</u>	<u>40.3%</u>
Other Expenses					
24-5015-**-**-**-**	Management Support Services	315,000	7,966	307,034	2.5%
24-5017-**-**-**-**	Legal Fees	3,000	-	3,000	0.0%
24-5027-**-**-**-**	Insurance - Property/Liability	24,872	17,743	7,129	71.3% (3)
24-5031-**-**-**-**	Safety Supplies	1,020	-	1,020	-
24-5034-**-**-**-**	Travel Expense/Tech. Conferences	5,696	1,327	4,369	23.3%
24-5035-**-**-**-**	Training Expense	1,087	39	1,048	0.04
24-5036-**-**-**-**	Laboratory Supplies	26,520	14,795	11,725	55.8%
24-5038-**-**-**-**	Permits	260,000	245,823	14,177	94.5% (3)
24-5039-**-**-**-**	Membership Dues/Fees	1,000	59	941	0.06
24-5044-**-**-**-**	Offshore Monitoring	40,804	22,788	18,016	55.8%
24-5045-**-**-**-**	Offshore Biochemistry - 20B	15,000	-	15,000	-
24-5046-**-**-**-**	Effluent Chemistry	22,948	7,892	15,056	34.4%
24-5058-**-**-**-**	Maintenance Equip. & Facilities (Common) 41-C	1,004	663	341	66.0%
24-6500-**-**-**-**	IT Allocations in to PC's & Depts.	16,179	7,314	8,865	45.2%
	Total Other Expenses	<u>734,131</u>	<u>326,409</u>	<u>407,721</u>	<u>44.5%</u>
	Total Expenses	<u>938,178</u>	<u>408,693</u>	<u>529,485</u>	<u>43.6%</u>
	Total O&M Expenses	<u>20,234,898</u>	<u>9,170,128</u>	<u>11,035,969</u>	<u>45.3%</u>

¹ This report intends to monitor the Annual Budget % Expended at the Project Committee and Functional Department levels.

The financial information contained in this report, in some cases, is based on the full accrual basis of accounting, whereby expenses are recognized in the period in which the liability is incurred, i.e., payroll and fringe benefits.

There are instances where we will include the total expense for the entire accounting fiscal year if the information is available, i.e., property and liability insurance premiums.

The audited financial statements for the fiscal year recognize all expenses on the full accrual basis of accounting.

South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC
For the Period Ended November 30, 2023

- (1) Overtime for two (2) nighttime shutdowns to repair critical equipment during low flow hours.
- (2) Increases in power costs approved by the CPUC are above assumed increased rates.
- (3) Annual charges incurred at the beginning of the Fiscal Year and at the end of the calendar year.
- (4) Biosolids costs are increased due to landfill closures on hotter days. This new type of closure was instituted in May 2023 at the landfill to help mitigate odor complaints at the landfill.
- (5) Both large Deisel vehicles had unplanned and significant emissions control system repairs.
- (6) Several larger O&M projects were completed prior to the rainy season.
- (7) Salt and Nutrient Management Plan (SNMP) work effort is nearly complete for the year.
- (8) Staff over was elevated due to three (3) nighttime shutdowns to support the ACOO internal repair project.
- (9) Bleach usage elevated during the initial months of the Fiscal for summer AWT production at CTP.
- (10) O&M staff is evaluating elevated odor control needs at CTP following the completion of the recent Facilities Improvement Project that modified the Ferric Chloride system and dosing location.

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

For the Period Ended November 30, 2023
(in dollars)

		FY 2023-24 Budget	Actual	(Over)/Under Budget	% Expended
Salary and Fringe					
01-5000-03-00-00	Regular Salaries-O&M	194,546	29,905	164,641	15.4%
01-5401-03-00-00	Fringe Benefits IN to PC's & Depts.	104,916	17,943	86,973	17.1%
	Total Payroll Costs	299,462	47,848	251,614	16.0%
Other Expenses					
01-5022-03-00-00	Miscellaneous Expense	2,000	417	1,583	20.8%
01-5034-03-00-00	Travel Expense/Tech. Conferences	8,500	-	8,500	-
01-5035-03-00-00	Training Expense	1,300	-	1,300	-
01-5037-03-00-00	Office Equipment	150	-	150	-
01-5039-03-00-00	Membership Dues/Fees	1,775	139	1,636	7.8%
01-5061-03-00-00	Mileage	250	-	250	0.0%
01-5077-03-00-00	IT Direct	250	-	250	0.0%
01-5309-03-00-00	Operating Leases	30,000	9,000	21,001	30.0%
01-5705-03-00-00	Monthly Car Allowance	4,200	646	3,554	15.4%
01-5802-03-00-00	Shipping/Freight	100	-	100	-
01-6500-03-00-00	IT Allocations in to PC's & Depts.	54,993	25,980	29,014	47.2%
	Total Other Expenses	103,518	36,181	67,337	35.0%
	Total Engineering Expenses	402,980	84,029	318,952	20.9%

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

For the Period Ended November 30, 2023

(in dollars)

		FY 2023-24 Budget	Actual	(Over)/Under Budget	% Expended
01-6000-04-00-00	Regular Salaries-Admin or IT	1,006,210	436,578	569,632	43.4%
01-6001-04-00-00	Overtime Salaries-Admin or IT	7,000	7,253	(253)	103.6%
01-6315-04-00-00	Comp Time - Admin	4,000	598	3,402	14.9%
01-6401-04-00-00	Fringe Benefits IN to ADMIN or IT	542,634	261,947	280,687	48.3%
	Total Payroll Costs	1,559,845	706,376	853,469	45.3%
Other Expenses					
01-6101-04-00-00	HR Recruitment & Employee Relations	48,100	9,154	38,946	19.0%
01-6102-04-00-00	Subscriptions	1,400	867	533	61.9%
01-6103-04-00-00	Contract Labor	30,000	25,872	4,128	86.2%
01-6200-04-00-00	Management Support Services	55,000	32,254	22,746	58.6%
01-6201-04-00-00	Audit	46,000	28,780	17,220	62.6%
01-6202-04-00-00	Legal	200,000	61,530	138,470	30.8%
01-6203-04-00-00	Outside Services	-	380	(380)	N/A
01-6204-04-00-00	Postage	1,500	725	775	48.3%
01-6223-04-00-00	Office Supplies - Admin	4,000	49	3,951	1.2%
01-6224-04-00-00	Office Equipment Admin or IT	1,000	2,886	(1,886)	288.6%
01-6234-04-00-00	Memberships & Trainings	105,000	71,237	33,763	67.8%
01-6239-04-00-00	Travel & Conference	25,000	4,364	20,636	17.5%
01-6240-04-00-00	Scholarship Sponsorship	1,000	-	1,000	0.0%
01-6241-04-00-00	Education Reimbursement	3,000	-	3,000	0.0%
01-6310-04-00-00	Miscellaneous	22,000	11,115	10,885	50.5%
01-6311-04-00-00	Mileage	600	291	309	48.4%
01-6317-04-00-00	Contract Services Misc	5,800	1,350	4,450	23.3%
01-6500-04-00-00	IT Allocations in to PC's & Depts.	123,292	55,735	67,558	45.2%
01-6601-04-00-00	Shipping/Freight	1,200	1,439	(239)	119.9%
01-6705-04-00-00	Monthly Car Allowance	12,000	4,276	7,724	35.6%
	Total Other Expenses	685,892	312,303	373,590	45.5%
	Total Admin Expenses	2,245,737	1,018,678	1,227,058	45.4%

South Orange County Wastewater Authority
Budget vs. Actual Comparison-IT
 For the Period Ended November 30, 2023
 (in dollars)

		FY 2023-24 Budget	Actual	(Over)/Under Budget	% Expended
Salary & Fringe					
01-6000-05-00-00	Regular Salaries-Admin or IT	116,046	50,723	65,323	43.7%
01-6401-05-00-00	Fringe Benefits IN to ADMIN or IT	62,582	30,434	32,148	48.6%
	Total Salary & Fringe	178,629	81,157	97,471	45.4%
Other Expenses					
01-6028-05-00-00	Small Tools & Supplies	1,000	-	1,000	-
01-6035-05-00-00	Training Expense	3,000	-	3,000	-
01-6224-05-00-00	Office Equipment Admin or IT	600	-	600	-
01-6234-05-00-00	Memberships & Trainings	2,750	1,810	940	65.8%
01-6239-05-00-00	Travel & Conference	1,500	-	1,500	-
01-6300-05-00-00	Software Maintenance Agreements	84,700	11,738	72,962	13.9%
01-6301-05-00-00	Hardware Maintenance Agreements	22,400	3,437	18,963	15.3%
01-6302-05-00-00	Cloud Subscriptions (Internet)	196,935	135,029	61,905	68.6% (1)
01-6303-05-00-00	Telecommunications	161,382	68,457	92,925	42.4%
01-6305-05-00-00	IT Professional Services	19,960	31,113	(11,153)	155.9% (1)
01-6306-05-00-00	Small Hardware Purchases (< \$5k)	25,400	6,370	19,030	25.1%
01-6307-05-00-00	Small Software Purchases & Licenses (<\$5k)	30,500	894	29,606	2.9%
01-6308-05-00-00	IT Memberships	160	-	160	-
01-6309-05-00-00	Operating Leases	64,200	21,672	42,528	33.8%
01-6310-05-00-00	Miscellaneous	5,000	-	5,000	-
01-6312-05-00-00	Computer & Photocopy Supplies	3,200	559	2,641	-
	Total Other Expenses	622,687	281,079	341,607	45.1%
	Total Expenses before Allocation	801,315	362,237	439,078	45.2%
IT Allocations (Out) to PC's & Depts					
01-6400-05-00-00	IT Allocations (OUT) to PC's & Depts.	(801,315)	(362,237)	(439,078)	45.2%
	Total IT Allocations (Out) to PC's & Depts	(801,315)	(362,237)	(439,078)	45.2%

(1) Annual charges incurred at the beginning of the Fiscal Year.

Agenda Item

5

Finance Committee Meeting

Meeting Date: January 16, 2024

TO: Finance Committee

FROM: Jim Burror, Acting General Manager/Director of Operations

STAFF CONTACT: Mary Carey, Finance Controller

SUBJECT: Key Budget Assumptions for Preparing the Draft FY2024-25 Budget

Summary/Discussion

SOCWA staff were planning to use the following key assumptions for preparing the draft budget for FY2024-25:

Overall Budget Assumptions

- COLA's and other Employee Benefit cost changes to be incorporated at the conclusion of the employee negotiations
- Scenarios for alternative agency operations of SOCWA plants will be prepared once the baseline budget is complete and be based on the direction of the SOCWA Board
- Budget review schedule to include time for Finance Manager's input
- CSJC/TCWD to be removed from document(s)
- IRWD to remain in documents for ETWD's use noted as "Care of ETWD" with IRWD not contributing to SOCWA General Fund expenses
- General fund budget to be presented as evenly allocated (not unevenly)
- 5 years of O&M budgets
- 2 years of Capital budgets (w/ separate updated 10-year spending plan)
- Annual Funding of PERS based on PERS notices
- PERS retirement was calculated using the CalPERS provided Employer Normal Cost Rates
- PERS unfunded liability (UAL) will be provided by CalPERS for Tier 1, Tier 2, and Tier 3 plans
- No OPEB Contributions, rely on Financial Markets Performance
- Medical insurance (health, vision, dental, etc.) increase based on notices

Budget Modernizations

- Reduce the number of budget number line items by 25% for the PC's
 - Add 4 other smaller line Common (ownership) allocation line items to Contract Services Misc. Budget (\$375 to \$800k)
 - Landscaping
 - Janitorial Services
 - Uniforms
 - Contract Services Generators
 - Combine 11 Common (ownership) line items into "Other Consumables and Supplies" (\$285k total)

- Other Chemicals - Misc.
- Small Vehicle Expense
- Miscellaneous Expense
- Office Supplies - All
- Small Vehicle Fuel
- SCADA Infrastructure
- IT Direct
- Office Equipment
- Equipment rental
- Public notices
- Recruitment
- Consolidate Misc. Fringe Benefits (remove for O&M budgets)
 - Accrued Administrative Leave
 - Accrued Administrative Leave Payable
 - Accrued Personal Leave
 - Accrued Personal Leave Payable
 - AFLAC
 - Disability Insurance - Private
 - GASB 68 Pension Expense
 - GASB 75- Retiree Health (OPEB) Expense
 - Group Insurance Waiver
 - Group Medical Insurance
 - Health Insurance
 - Medicare Tax - Employer
 - Medicare Tax Payments for Employees
 - Medicare Taxes Payable-Employer
 - OPEB/Retiree Health ARC Change
 - PERS Contributions Payable-Employer
 - Retiree Health Benefits
 - Retirement - PERS
 - Supp Life ADD W/H Payable
 - Survivor Benefits Insurance Withheld
 - Unfunded Pension Liability
- Engineering Department charge codes to be changed from line items 5XXX to line items 6XXX to improve tracking and reporting for Engineering and O&M
- Review and update the Chart of Accounts

Administration/General Fund Budget Assumptions

- Review tracked GF/Admin labor charges for GM/Controller/Executive Assistant for allocation update(s) with the Finance Committee
- Inflation of 3% for consumable expenses
- Incorporate reported cost increases for conferences, etc.
- Combined Acting GM/Director of Operations continues for FY24/25 and FY25/26
- Past GM severance expenses (6 months)
- Support for ongoing reorganization discussions - \$50,000 for management support and maintain \$200,000 for legal

O&M Budget Assumptions

- Flows are to be reviewed at the Engineering Committee and made available to Member Agencies for comment.
- SMWD Flows and Solids to JBL (PC2) will include Oso Plant flows through 2025.
- CPUC past and projected rate increases are used to calculate most utility cost changes:
 - JBL and RTP Electricity (JBL TOU-PAT-1-G/PA3-CPPD/A3-P/M & RTP-TOU-8-E) – 10%
 - Increase electricity usage for expected outages for upcoming Cogen 60,000-hour service (2 months)
 - CTP Electricity (TOU-PA-3-D) – 20%
 - Natural Gas – 13.2%
- Inflation for non-labor expenses is assumed at an average of 3%.
- Long-term contract rates are used to budget contracted supplies and services.
- O&M Budget Assumptions
- Biosolids 9% increase due to fewer operating days for the lowest cost option Prima Deshecha Landfill (new restrictions placed on hot and windy days)
- Increased training budget due to employee needs
- Budgets to electrify fleet starting in FY24-25
 - Adding EV charging stations at each site (est. \$50,000 per site)
 - Replace two (2) propane forklifts (circa 2008 units) with electric units
 - Program the replacement of the Peterbilt and Ford Crane in the large CIP with electric vehicles (based on ongoing staff review of expected life TBD)
 - All future fleet purchases to be electric, unless diesel for emergency response

Compliance Budget Assumptions

- Add one (1) FTE: Split between Pretreatment and Laboratory based on increased workload from new regulations including newly passed DPR.
- Plume Tracking completion resulting in sharp budget reductions for PC5 & PC24
- Intensive monitoring of the Southern California Bight will slightly increase monitoring services.
- Additional management services for climate change adaption & air toxics compliance regulations pending approval
- Salt and Nutrient Management Plan completion in FY 24-25 with support needed for Master Recycled Water Waste Discharge permit needed.
- Molecular technologies for beach monitoring consumables are expected to increase by 5%
- Management support services for the development of research priorities are expected to increase by 5%
- Water Quality fees set by SWRCB to increase all budgets by an estimated 15%
- Pretreatment and safety budgets inflation increase by 3%

Capital Program

- Currently being updated for Engineering Committee review
- Assume full staffing (3 positions)
- Updated CIP elements for the Budget Book
 - Add total project budget column
 - Add estimated project expenses as of 6/30/2024 column
 - The second year of CIP billings will be shown for the next full year and not quarterly

Recommended Action: Committee Discussion/Direction/Action