

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

AND

**NOTICE OF SPECIAL MEETING
BOARD OF DIRECTORS
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY**

(FOR THE PURPOSE OF ATTENDING THE SOCWA FINANCE COMMITTEE)

February 13, 2018

11:00 a.m.

NOTICE IS HEREBY GIVEN that a Special Meeting of the South Orange County Wastewater Authority (SOCWA) Finance Committee is called by the Chairperson of the SOCWA Finance Committee to be held on **February 13, 2018, at 11:00 a.m.** at the SOCWA Administrative Office located at 34156 Del Obispo Street, Dana Point, California.

NOTICE IS HEREBY GIVEN that concurrent with the Finance Committee meeting, a Special Meeting of the Board of Directors of South Orange County Wastewater Authority (SOCWA) is called by the Chairperson of the SOCWA Board for the purpose of allowing a quorum or more of the Board Members of SOCWA to attend the Finance Committee and participate therein as presenters and speakers to be held at **11:00 a.m. on February 13, 2018**, at the SOCWA Administrative Office located at 34156 Del Obispo Street, Dana Point, California.

All meeting business will be conducted by the Members of the Finance Committee with comment or participation of SOCWA Board Members in attendance.

THE SOCWA MEETING ROOM IS WHEELCHAIR ACCESSIBLE. IF YOU REQUIRE ANY SPECIAL DISABILITY RELATED ACCOMMODATIONS (I.E., ACCESS TO AN AMPLIFIED SOUND SYSTEM, ETC.) PLEASE CONTACT THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY SECRETARY'S OFFICE AT (949) 234-5421 AT LEAST TWENTY-FOUR (24) HOURS PRIOR TO THE SCHEDULED MEETING. THIS AGENDA CAN BE OBTAINED IN ALTERNATE FORMAT UPON WRITTEN REQUEST TO THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY'S SECRETARY AT LEAST TWENTY-FOUR (24) HOURS PRIOR TO THE SCHEDULED MEETING.

AGENDA EXHIBITS AND OTHER WRITINGS THAT ARE DISCLOSABLE PUBLIC RECORDS DISTRIBUTED TO ALL, OR A MAJORITY OF, THE MEMBERS OF THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY FINANCE COMMITTEE/BOARD OF DIRECTORS IN CONNECTION WITH A MATTER SUBJECT TO DISCUSSION OR CONSIDERATION AT AN OPEN MEETING OF THE FINANCE COMMITTEE/BOARD OF DIRECTORS ARE AVAILABLE FOR PUBLIC INSPECTION IN THE AUTHORITY OFFICE, 34156 DEL OBISPO STREET, DANA POINT, CA ("AUTHORITY OFFICE"). IF SUCH WRITINGS ARE DISTRIBUTED TO MEMBERS OF THE FINANCE COMMITTEE/BOARD OF DIRECTORS LESS THAN TWENTY-FOUR (24) 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 MEMBERS/ BOARD OF DIRECTORS, EXCEPT THAT, IF SUCH

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WRITINGS ARE DISTRIBUTED IMMEDIATELY PRIOR TO, OR DURING, THE MEETING, THEY WILL BE AVAILABLE IN THE MEETING ROOM.

AGENDA

1. Call Meeting to Order

2. Pledge of Allegiance

3. Public Comments

THOSE WISHING TO ADDRESS THE FINANCE COMMITTEE ON ANY ITEM LISTED ON THE AGENDA SHOULD SUBMIT A "REQUEST TO BE HEARD" FORM TO THE CLERK OF THE BOARD BEFORE THE PRESIDING OFFICER ANNOUNCES THAT AGENDA ITEM. YOUR NAME WILL BE CALLED TO SPEAK AT THAT TIME.

4. Approval of Minutes

- a. Finance Committee Minutes of April 11, 2017
- b. Finance Committee Minutes of May 22, 2017

Recommendation:

Finance Committee approval of minutes as submitted.

5. SOCWA General Budget – Policy/Expense/Percentage Decisions

- a. Stephen Dopudja to attend meeting to answer questions on proposed approach
- b. Agency comments on proposed approach to distribute General Budget to SOCWA Member Agencies
- c. Discussion of options and opportunities to revise approach

Recommendation:

Finance Committee discussion and direction to staff regarding recommendations to the Board for reconsideration of General Budget distributions to Member Agencies.

6. Budget Preparation FY 2018-19 Fiscal Year

- a. Review of Staff Report on items related to budget preparation, including:
 - Schedule
 - Fringe Rate current and projected
 - Budget Assumptions
 - O&M Labor Plan
 - Legal Expenditures projections
 - List of Initiatives 2018-19

Recommendation:

Finance Committee review and comments.

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7. Financial Matters for Year-to-Date December 31, 2017

Summary of Disbursements for August 2017 through December 2017 – Exhibit A

Schedule of Funds Available for Reinvestment – Exhibit B

Schedule of Cash and Investments – Exhibit C

Capital Schedule – Exhibit D

Capital Projects Budget vs. Actual Graph – Exhibit D1

Operations/Maintenance & Environmental Safety Costs – Exhibit E1

Engineering Budget vs. Actual Comparison – Exhibit E2

Administration Budget vs. Actual Comparison – Exhibit E3

Information Technology (IT) Budget vs. Actual Comparison – Exhibit E4

Recommendation:

The Finance Committee recommends to the Board of Directors to receive and file the Year-to-Date December 31, 2017 financial reports.

8. Financial Matters for Month of January 2018

Summary of Disbursements for January 2018 – Exhibit A

Schedule of Funds Available for Reinvestment – Exhibit B

Schedule of Cash and Investments – Exhibit C

Capital Schedule – Exhibit D

Capital Projects Budget vs. Actual Graph – Exhibit D1

Operations/Maintenance & Environmental Safety Costs – Exhibit E1

Engineering Budget vs. Actual Comparison – Exhibit E2

Administration Budget vs. Actual Comparison – Exhibit E3

Information Technology (IT) Budget vs. Actual Comparison – Exhibit E4

Recommendation:

The Finance Committee recommends to the Board to receive and file the January 2018 Financial Reports as submitted.

9. General Manager Comments on Open Items

10. Committee Comments

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.

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Dated this 6th day of February 2018.



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

**MINUTES OF SPECIAL MEETING
OF THE
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
Finance Committee
April 11, 2017**

The Special Meeting of the South Orange County Wastewater Authority (SOCWA) Finance Committee Meeting was held on April 11, 2017 at 9:30 a.m. at their Administrative Offices located at 34156 Del Obispo Street, Dana Point, California. The following members of the Finance Committee were present:

DENNIS ERDMAN	South Coast Water District
RAY MILLER	City of San Juan Capistrano
MATT COLLINGS	Moulton Niguel Water District
TONI ISEMAN	City of Laguna Beach
FRED ADJARIAN	El Toro Water District
DAN FERONS	Santa Margarita Water District [exit 10:40 a.m.]

Staff Present:

BETTY BURNETT	General Manager/Secretary
MARY CAREY	Finance Controller
KEVIN ZABAT	Senior Accountant
TERI NOSON	Executive Assistant/Clerk of the Board
BRIAN PECK	Director of Engineering
JIM BURROR	Director of Operations

Also Present:

NEELY SHAHBAKHTI	El Toro Water District
CAROLYN RATHBONE	South Coast Water District

Chairman Erdman called the meeting to order at 9:32 a.m. and welcomed everyone present.

Public Comments

There were no public comments.

Approval of Minutes

ACTION TAKEN

Motion was made by Director Adjarian and seconded by Director Ferons to approve the February 28, 2017 Finance Committee meeting minutes.

Motion carried:	Aye 6; Nay 0; Abstain 0; Absent 0
	Director Collings Aye
	Director Erdman Aye
	Director Miller Aye
	Director Ferons Aye
	Director Iseman Aye
	Director Adjarian Aye

New Employee Announcement

Ms. Carey introduced Mr. Kevin Zobot, CPA, as the Senior Accountant in the Finance Department. Mr. Zobot filled the position vacated by Mr. Mason Motoyoshi in December 2016.

Approval of Financial Matters

ACTION TAKEN

Motion was made by Director Miller and seconded by Director Erdman to approve the Summary of Disbursements in the amount of \$ \$1,206,122 for the period of February 1, 2017 through February 28, 2017, and to receive and file the February 28, 2017, Financial Reports.

Motion carried:	Aye 6; Nay 0; Abstain 0; Absent 0
	Director Collings Aye
	Director Erdman Aye
	Director Miller Aye
	Director Ferons Aye
	Director Iseman Aye
	Director Adjarian Aye

FY 2017-18 Budget Status

Ms. Burnett and Ms. Carey provided a status report on the FY 2017-18 Budget and reviewed the provided draft Budget book and supporting schedules with the Finance Committee. An open discussion ensued.

ACTION TAKEN

Discussion item. No action taken.

Cash on Hand Verification

Ms. Burnett provided an overview of the Cash on Hand Verification report as submitted. An open discussion ensued.

ACTION TAKEN

Discussion item. No action taken.

Adjournment

There being no further business, Chairman Erdman adjourned the meeting at 10:48 a.m.

I HEREBY CERTIFY that the foregoing Minutes are a true and accurate copy of the Minutes of Special Meeting of the South Orange County Wastewater Authority Finance Committee of April 11, 2017, and approved and ratified by the Board of Directors of the South Orange County Wastewater Authority.

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

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

Finance Committee

May 22, 2017

The Special Meeting of the South Orange County Wastewater Authority (SOCWA) Finance Committee was held on May 22, 2017 at 10:30 a.m. at their Administrative Offices located at 34156 Del Obispo Street, Dana Point, California. The following members of the Finance Committee were present:

DENNIS ERDMAN	South Coast Water District
JACK HUNT	City of San Juan Capistrano
MATT COLLINGS	Moulton Niguel Water District
TONI ISEMAN	City of Laguna Beach
FRED ADJARIAN	El Toro Water District
DAN FERONS	Santa Margarita Water District

Staff Present:

BETTY BURNETT	General Manager/Secretary
MARY CAREY	Finance Controller
KEVIN ZABAT	Senior Accountant
TERI NOSON	Executive Assistant/Clerk of the Board
JIM BURROR	Director of Operations

Also Present:

ERIC WOOLERY	Orange County Auditor Controller
DENNIS CAFFERTY	El Toro Water District
RICK ERKENEFF	South Coast Water District
NEELY SHAHBAKHTI	El Toro Water District
CAROLYN RATHBONE	South Coast Water District

Chairman Erdman called the meeting to order at 10:32 a.m. and welcomed everyone present.

Public Comments

There were no public comments.

Approval of Financial Matters

Summary of Disbursements & Financial Reports (March 2017)

ACTION TAKEN

Motion was made by Director Adjarian and seconded by Director Ferons to ratify the Summary of Disbursements in the amount of \$3,435,311 for the period of March 1, 2017, through March 31, 2017, and to receive and file the March 31, 2017, Financial Reports.

Director Collings noted for the record that MNWD requests for information from the May 4, 2017 Board of Directors meeting are awaiting response, including: application of fringe benefits, budget underage & overage, SOCWA 'bonuses', administration allocation for PC21 and request for information about SOCWA legal services.

Motion carried: Aye 6; Nay 0; Abstain 0; Absent 0

Director Collings	Aye
Director Erdman	Aye
Director Hunt	Aye
Director Ferons	Aye
Director Iseman	Aye
Director Adjarian	Aye

Summary of Disbursements & Financial Reports (April 2017)

An open discussion ensued regarding items 3.a. Exhibits D and E.

ACTION TAKEN

Motion was made by Director Adjarian and seconded by Director Iseman to approve the Summary of Disbursements in the amount of \$1,676,414 for the period April 1, 2017 through April 30, 2017, and to receive and file the April 30, 2017, Financial Reports.

Motion carried:	Aye 6; Nay 0; Abstain 0; Absent 0
	Director Collings Aye
	Director Erdman Aye
	Director Hunt Aye
	Director Ferons Aye
	Director Iseman Aye
	Director Adjarian Aye

Budget Q&A

ACTION TAKEN

There being no objection, Chairman Erdman directed that the Finance Committee Budget Q&A agenda item be submitted to the May 24, 2017, Board of Directors Budget Workshop for consideration.

Chairman Ferons adjourned the Finance Committee for a ten (10) minute recess at 12:05 p.m.

The Finance Committee meeting reconvened at 12:14 p.m.

Update on Cash Reconciliation

Ms. Carey reviewed a PowerPoint presentation *Cash Reconciliation by Project Committee, Member Agency, Capital and O&M as of June 30, 2016*.

Ms. Carey introduced Mr. Michael Zizzi from Leaf-Coal accounting firm. Mr. Zizzi provided an overview of the verification/audit process and findings of a test performed for SOCWA's Large Capital cash on hand. Open discussion ensued.

ACTION TAKEN

There being no objection the Chairman directed that the Update on Cash Reconciliation be submitted for discussion at the next scheduled Finance Committee meeting.

Draft Policy Addressing the Application of the SOCWA Joint Powers Agreement for Distribution of the Costs to Member Agencies

ACTION TAKEN

There being no objection the Chairman directed that Agenda Item 6. Draft Policy Addressing the Application of the SOCWA Joint Powers Agreement for Distribution of the Costs to Member Agencies, be carried over to the next Finance Committee.

Audit Update

ACTION TAKEN

The Finance Committee scheduled a Finance Committee meeting for June 6, 2017, at 9:00 a.m. to consider approval of the Audit.

Adjournment

There being no further business, Chairman Erdman adjourned the meeting at 1:45 p.m.

I HEREBY CERTIFY that the foregoing Minutes are a true and accurate copy of the Minutes of Special Meeting of the South Orange County Wastewater Authority Finance Committee of May 22, 2017, and approved and ratified by the Board of Directors of the South Orange County Wastewater Authority.

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



TCWD's 2017/18 SOCWA Budget Participation Update

December 6, 2017 Finance Committee

December 7, 2017 Board meeting

Summary

- At the June 14th Board Meeting SOCWA adopted a budget that increased TCWD's participation by 138%
- TCWD opposed the budget on the grounds it was hastily established without sufficient cost allocation/justification
- TCWD is committed to our participation in SOCWA, but the General Fund budget must be equitable.
- All SOCWA member agencies are committed to continue exploring concepts

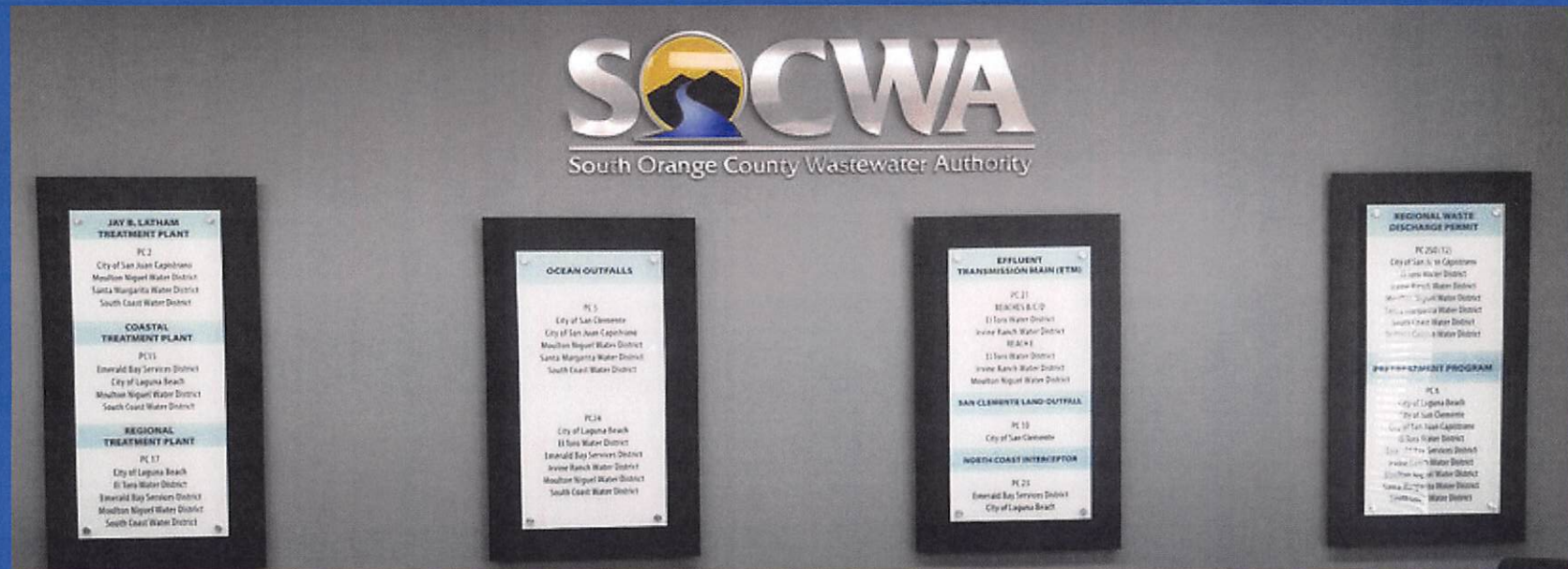
Concept

- SOCWA should provide the efficiency of a JPA
- Any agency's participation in SOCWA should provide cost benefits
- There are three main areas of SOCWA Services/Infrastructure
 - Permitting, Treatment and Outfalls
- A fair approach could be allocated based on PC participation

Reducing the Uncertainties of the Current General Fund Approach

Expense	Staff Proposed % (on 6/14/17)	Staff Proposed Amount	Board Approved % on 6/14/17	Board Approved Amount 6/14/17	Pre-Allocated Cost (\$)
Public Notices	100%	\$1,400	100%	\$1,400	\$ 1,400.00
Office Equipment	20%	\$1,800	100%	\$8,000	\$ 8,000.00
Audit	50%	\$17,500	100%	\$35,000	\$ 35,000.00
Legal (Admin)	20%	\$18,000	40%	\$36,000	\$ 90,000.00
Outside Services (Records Mgt.)	100%	\$2,016	100%	\$2,016	\$ 2,016.00
Postage			20%	\$142	\$ 710.00
Office Supplies	20%	\$1,500	100%	\$7,500	\$ 7,500.00
Miscellaneous	20%	\$2,800	20%	\$2,800	\$ 14,000.00
IT Allocation	5.5%	\$6,109	5%	\$5,568	\$111,360.00
GM Payroll	32 hours per month	\$149,496	50%	\$266,897	\$172,976.20
Executive Asst.	48 hours per month		50%		
Finance Controller	5% of salary		5% of salary		
Total		\$184,392		\$365,323	\$442,962.20

Project Committee Participation Approach



- Using the number of distinct agency participations within SOCWA
- 47 Total PC Participations

Project Committee Participation Approach

Agency	Project Committee Participation											Total PC's by Agency (#)	Total PC's by Agency (%)
	Permitting	Outfalls							Plants				
	PC2SO	PC8	PC 21 B,C &D	PC 21 E	PC 10	PC 23	PC 5	PC 24	PC2	PC 15	PC17		
El Toro Water District		1	1	1				1			1	5	10.64%
Emerald Bay Service District		1				1		1		1	1	5	10.64%
Irvine Ranch Water District	1	1	1	1				1				5	10.64%
City of Laguna Beach		1				1		1		1	1	5	10.64%
Moulton Niguel Water District	1	1		1			1	1	1	1	1	8	17.02%
City of San Clemente		1			1		1					3	6.38%
City of San Juan Capistrano	1	1					1		1			4	8.51%
Santa Margarita Water District	1	1					1		1			4	8.51%
South Coast Water District	1	1					1	1	1	1	1	7	14.89%
Trabuco Canyon Water District	1											1	2.13%
Total by PC's (#)	6	9	2	3	1	2	5	6	4	4	5	47	100.00%

- This matrix reflects the actual number of PC participations and percentages by agency within SOCWA

Proposed ETWD, EBSD, IRWD & CoLB General Fund Based on Five PC Participations

	Pre-Allocated Cost (\$)	Fixed Allocation (%)	Post-Allocated Fixed Cost (\$)	Fixed General Fund Allocation per Agency (%)	Fixed General Fund Baseline (\$)	Variable General Fund Allocation by Participation (%)	Variable General Fund by Participation (\$) ¹	Total General Fund
Public Notices	\$ 1,400.00	10.00%	\$ 140.00	10%	\$ 14.00	10.64%	\$134.04	\$ 148.04
Office Equipment	\$ 8,000.00	10.00%	\$ 800.00	10%	\$ 80.00	10.64%	\$765.96	\$ 845.96
Audit	\$ 35,000.00	10.00%	\$ 3,500.00	10%	\$ 350.00	10.64%	\$3,351.06	\$ 3,701.06
Legal (Admin)	\$ 90,000.00	10.00%	\$ 9,000.00	10%	\$ 900.00	10.64%	\$8,617.02	\$ 9,517.02
Outside Services (Records Mgt.)	\$ 2,016.00	10.00%	\$ 201.60	10%	\$ 20.16	10.64%	\$193.02	\$ 213.18
Postage	\$ 710.00	10.00%	\$ 71.00	10%	\$ 7.10	10.64%	\$67.98	\$ 75.08
Office Supplies	\$ 7,500.00	10.00%	\$ 750.00	10%	\$ 75.00	10.64%	\$718.09	\$ 793.09
Miscellaneous	\$ 14,000.00	10.00%	\$ 1,400.00	10%	\$ 140.00	10.64%	\$1,340.43	\$ 1,480.43
IT Allocation	\$ 111,360.00	10.00%	\$ 11,136.00	10%	\$ 1,113.60	10.64%	\$10,662.13	\$ 11,775.73
GM Payroll	\$ 172,976.20	10.00%	\$ 17,297.62	10%	\$ 1,729.76	10.64%	\$16,561.55	\$ 18,291.31
Executive Asst.								
Finance Controller								
						Total General Fund: \$ 46,840.90		

1. Applied to the remaining % of the Pre-Allocated Cost, after the General Fund Baseline %.

Proposed MNWD General Fund Based on Eight PC Participations

	Pre-Allocated Cost (\$)	Fixed Allocation (%)	Post-Allocated Fixed Cost (\$)	Fixed General Fund Allocation per Agency (%)	Fixed General Fund Baseline (\$)	Variable General Fund Allocation by Participation (%)	Variable General Fund by Participation (\$) ¹	Total General Fund
Public Notices	\$ 1,400.00	10.00%	\$ 140.00	10%	\$ 14.00	17.02%	\$214.47	\$ 228.47
Office Equipment	\$ 8,000.00	10.00%	\$ 800.00	10%	\$ 80.00	17.02%	\$1,225.53	\$ 1,305.53
Audit	\$ 35,000.00	10.00%	\$ 3,500.00	10%	\$ 350.00	17.02%	\$5,361.70	\$ 5,711.70
Legal (Admin)	\$ 90,000.00	10.00%	\$ 9,000.00	10%	\$ 900.00	17.02%	\$13,787.23	\$ 14,687.23
Outside Services (Records Mgt.)	\$ 2,016.00	10.00%	\$ 201.60	10%	\$ 20.16	17.02%	\$308.83	\$ 328.99
Postage	\$ 710.00	10.00%	\$ 71.00	10%	\$ 7.10	17.02%	\$108.77	\$ 115.87
Office Supplies	\$ 7,500.00	10.00%	\$ 750.00	10%	\$ 75.00	17.02%	\$1,148.94	\$ 1,223.94
Miscellaneous	\$ 14,000.00	10.00%	\$ 1,400.00	10%	\$ 140.00	17.02%	\$2,144.68	\$ 2,284.68
IT Allocation	\$ 111,360.00	10.00%	\$ 11,136.00	10%	\$ 1,113.60	17.02%	\$17,059.40	\$ 18,173.00
GM Payroll	\$ 172,976.20	10.00%	\$ 17,297.62	10%	\$ 1,729.76	17.02%	\$26,498.48	\$ 28,228.24
Executive Asst.								
Finance Controller								
						Total General Fund: \$ 72,287.66		

1. Applied to the remaining % of the Pre-Allocated Cost, after the General Fund Baseline %.

Proposed CoSC General Fund Based on Three PC Participations

	Pre-Allocated Cost (\$)	Fixed Allocation (%)	Post-Allocated Fixed Cost (\$)	Fixed General Fund Allocation per Agency (%)	Fixed General Fund Baseline (\$)	Variable General Fund Allocation by Participation (%)	Variable General Fund by Participation (\$) ¹	Total General Fund
Public Notices	\$ 1,400.00	10.00%	\$ 140.00	10%	\$ 14.00	6.38%	\$80.43	\$ 94.43
Office Equipment	\$ 8,000.00	10.00%	\$ 800.00	10%	\$ 80.00	6.38%	\$459.57	\$ 539.57
Audit	\$ 35,000.00	10.00%	\$ 3,500.00	10%	\$ 350.00	6.38%	\$2,010.64	\$ 2,360.64
Legal (Admin)	\$ 90,000.00	10.00%	\$ 9,000.00	10%	\$ 900.00	6.38%	\$5,170.21	\$ 6,070.21
Outside Services (Records Mgt.)	\$ 2,016.00	10.00%	\$ 201.60	10%	\$ 20.16	6.38%	\$115.81	\$ 135.97
Postage	\$ 710.00	10.00%	\$ 71.00	10%	\$ 7.10	6.38%	\$40.79	\$ 47.89
Office Supplies	\$ 7,500.00	10.00%	\$ 750.00	10%	\$ 75.00	6.38%	\$430.85	\$ 505.85
Miscellaneous	\$ 14,000.00	10.00%	\$ 1,400.00	10%	\$ 140.00	6.38%	\$804.26	\$ 944.26
IT Allocation	\$ 111,360.00	10.00%	\$ 11,136.00	10%	\$ 1,113.60	6.38%	\$6,397.28	\$ 7,510.88
GM Payroll	\$ 172,976.20	10.00%	\$ 17,297.62	10%	\$ 1,729.76	6.38%	\$9,936.93	\$ 11,666.69
Executive Asst.								
Finance Controller								
						Total General Fund: \$ 29,876.39		

1. Applied to the remaining % of the Pre-Allocated Cost, after the General Fund Baseline %.

Proposed CoSJC and SMWD General Fund Based on Four PC Participations

	Pre-Allocated Cost (\$)	Fixed Allocation (%)	Post-Allocated Fixed Cost (\$)	Fixed General Fund Allocation per Agency (%)	Fixed General Fund Baseline (\$)	Variable General Fund Allocation by Participation (%)	Variable General Fund by Participation (\$) ¹	Total General Fund
Public Notices	\$ 1,400.00	10.00%	\$ 140.00	10%	\$ 14.00	8.51%	\$107.23	\$ 121.23
Office Equipment	\$ 8,000.00	10.00%	\$ 800.00	10%	\$ 80.00	8.51%	\$612.77	\$ 692.77
Audit	\$ 35,000.00	10.00%	\$ 3,500.00	10%	\$ 350.00	8.51%	\$2,680.85	\$ 3,030.85
Legal (Admin)	\$ 90,000.00	10.00%	\$ 9,000.00	10%	\$ 900.00	8.51%	\$6,893.62	\$ 7,793.62
Outside Services (Records Mgt.)	\$ 2,016.00	10.00%	\$ 201.60	10%	\$ 20.16	8.51%	\$154.42	\$ 174.58
Postage	\$ 710.00	10.00%	\$ 71.00	10%	\$ 7.10	8.51%	\$54.38	\$ 61.48
Office Supplies	\$ 7,500.00	10.00%	\$ 750.00	10%	\$ 75.00	8.51%	\$574.47	\$ 649.47
Miscellaneous	\$ 14,000.00	10.00%	\$ 1,400.00	10%	\$ 140.00	8.51%	\$1,072.34	\$ 1,212.34
IT Allocation	\$ 111,360.00	10.00%	\$ 11,136.00	10%	\$ 1,113.60	8.51%	\$8,529.70	\$ 9,643.30
GM Payroll	\$ 172,976.20	10.00%	\$ 17,297.62	10%	\$ 1,729.76	8.51%	\$13,249.24	\$ 14,979.00
Executive Asst.								
Finance Controller								
						Total General Fund: \$ 38,358.64		

1. Applied to the remaining % of the Pre-Allocated Cost, after the General Fund Baseline %.

Proposed SCWD General Fund Based on Seven PC Participations

	Pre-Allocated Cost (\$)	Fixed Allocation (%)	Post-Allocated Fixed Cost (\$)	Fixed General Fund Allocation per Agency (%)	Fixed General Fund Baseline (\$)	Variable General Fund Allocation by Participation (%)	Variable General Fund by Participation (\$) ¹	Total General Fund
Public Notices	\$ 1,400.00	10.00%	\$ 140.00	10%	\$ 14.00	14.89%	\$187.66	\$ 201.66
Office Equipment	\$ 8,000.00	10.00%	\$ 800.00	10%	\$ 80.00	14.89%	\$1,072.34	\$ 1,152.34
Audit	\$ 35,000.00	10.00%	\$ 3,500.00	10%	\$ 350.00	14.89%	\$4,691.49	\$ 5,041.49
Legal (Admin)	\$ 90,000.00	10.00%	\$ 9,000.00	10%	\$ 900.00	14.89%	\$12,063.83	\$ 12,963.83
Outside Services (Records Mgt.)	\$ 2,016.00	10.00%	\$ 201.60	10%	\$ 20.16	14.89%	\$270.23	\$ 290.39
Postage	\$ 710.00	10.00%	\$ 71.00	10%	\$ 7.10	14.89%	\$95.17	\$ 102.27
Office Supplies	\$ 7,500.00	10.00%	\$ 750.00	10%	\$ 75.00	14.89%	\$1,005.32	\$ 1,080.32
Miscellaneous	\$ 14,000.00	10.00%	\$ 1,400.00	10%	\$ 140.00	14.89%	\$1,876.60	\$ 2,016.60
IT Allocation	\$ 111,360.00	10.00%	\$ 11,136.00	10%	\$ 1,113.60	14.89%	\$14,926.98	\$ 16,040.58
GM Payroll	\$ 172,976.20	10.00%	\$ 17,297.62	10%	\$ 1,729.76	14.89%	\$23,186.17	\$ 24,915.93
Executive Asst.								
Finance Controller								
						Total General Fund: \$ 63,805.41		

1. Applied to the remaining % of the Pre-Allocated Cost, after the General Fund Baseline %.

Proposed TCWD General Fund Based on One PC Participation

	Pre-Allocated Cost (\$)	Fixed Allocation (%)	Post-Allocated Fixed Cost (\$)	Fixed General Fund Allocation per Agency (%)	Fixed General Fund Baseline (\$)	Variable General Fund Allocation by Participation (%)	Variable General Fund by Participation (\$) ¹	Total General Fund
Public Notices	\$ 1,400.00	10.00%	\$ 140.00	10%	\$ 14.00	2.13%	\$26.81	\$ 40.81
Office Equipment	\$ 8,000.00	10.00%	\$ 800.00	10%	\$ 80.00	2.13%	\$153.19	\$ 233.19
Audit	\$ 35,000.00	10.00%	\$ 3,500.00	10%	\$ 350.00	2.13%	\$670.21	\$ 1,020.21
Legal (Admin)	\$ 90,000.00	10.00%	\$ 9,000.00	10%	\$ 900.00	2.13%	\$1,723.40	\$ 2,623.40
Outside Services (Records Mgt.)	\$ 2,016.00	10.00%	\$ 201.60	10%	\$ 20.16	2.13%	\$38.60	\$ 58.76
Postage	\$ 710.00	10.00%	\$ 71.00	10%	\$ 7.10	2.13%	\$13.60	\$ 20.70
Office Supplies	\$ 7,500.00	10.00%	\$ 750.00	10%	\$ 75.00	2.13%	\$143.62	\$ 218.62
Miscellaneous	\$ 14,000.00	10.00%	\$ 1,400.00	10%	\$ 140.00	2.13%	\$268.09	\$ 408.09
IT Allocation	\$ 111,360.00	10.00%	\$ 11,136.00	10%	\$ 1,113.60	2.13%	\$2,132.43	\$ 3,246.03
GM Payroll	\$ 172,976.20	10.00%	\$ 17,297.62	10%	\$ 1,729.76	2.13%	\$3,312.31	\$ 5,042.07
Executive Asst.								
Finance Controller								
						Total General Fund: \$ 12,911.88		

1. Applied to the remaining % of the Pre-Allocated Cost, after the General Fund Baseline %.

Proposed SOCWA General Fund Budgets by Agency



Proposed SOCWA General Fund Budgets per Agency's PC Participation



Project Committee Participation Approach

	Pre-Allocated Cost (\$)	Fixed Allocation (%)	Post-Allocated Fixed Cost (\$)	Fixed General Fund Allocation per Agency (%)	Fixed General Fund Baseline (\$)	Variable General Fund Allocation by Participation (%)	Variable General Fund by Participation (\$) ¹	Total General Fund
Public Notices	\$ 1,400.00	10.00%	\$ 140.00	10%	\$ 14.00	2.13%	\$26.81	\$ 40.81
Office Equipment	\$ 8,000.00	10.00%	\$ 800.00	10%	\$ 80.00	2.13%	\$153.19	\$ 233.19
Audit	\$ 35,000.00	10.00%	\$ 3,500.00	10%	\$ 350.00	2.13%	\$670.21	\$ 1,020.21
Legal (Admin)	\$ 90,000.00	10.00%	\$ 9,000.00	10%	\$ 900.00	2.13%	\$1,723.40	\$ 2,623.40
Outside Services (Records Mgt.)	\$ 2,016.00	10.00%	\$ 201.60	10%	\$ 20.16	2.13%	\$38.60	\$ 58.76
Postage	\$ 710.00	10.00%	\$ 71.00	10%	\$ 7.10	2.13%	\$13.60	\$ 20.70
Office Supplies	\$ 7,500.00	10.00%	\$ 750.00	10%	\$ 75.00	2.13%	\$143.62	\$ 218.62
Miscellaneous	\$ 14,000.00	10.00%	\$ 1,400.00	10%	\$ 140.00	2.13%	\$268.09	\$ 408.09
IT Allocation	\$ 111,360.00	10.00%	\$ 11,136.00	10%	\$ 1,113.60	2.13%	\$2,132.43	\$ 3,246.03
GM Payroll	\$ 172,976.20	10.00%	\$ 17,297.62	10%	\$ 1,729.76	2.13%	\$3,312.31	\$ 5,042.07
Executive Asst.								
Finance Controller								
						Total General Fund: \$ 12,911.88		

1. Applied to the remaining % of the Pre-Allocated Cost, after the General Fund Baseline %.

Proposed TCWD SOCWA Budget

	TCWD Total SOCWA Budgets	
	Current FY 2017-18	Final Revised FY 2017-18
O&M Environmental, Safety Expenses	\$ 24,824	9241
Member Agency Administration & Residual Engineering Expenses	\$ 2,844	\$ 2,844
Member Agency General Fund Expenses	\$ 36,532	\$ 12,911.88
TOTAL - O&M Environmental, Safety Expenses PLUS Member Agency Administration, Residual Engineering Expenses & General Fund Expenses	\$ 64,200	\$ 24,996.88

Key Considerations

- This approach is based on quantifiable metrics
- The debatable assumptions (%) that led substantial GF increase are largely replaced
- If an Agency's GF budget increased under this concept, their corresponding PC budget will decrease

Questions, Feedback & Next Steps



Agency	Project Committee Participation											Total PC's by Agency (#)	Total PC's by Agency (%)
	Permitting	Outfalls							Plants				
	PC2SO	PC8	PC 21 B,C &D	PC 21 E	PC 10	PC 23	PC 5	PC 24	PC2	PC 15	PC17		
El Toro Water District		1	1	1				1			1	5	10.64%
Emerald Bay Service District		1				1		1		1	1	5	10.64%
Irvine Ranch Water District	1	1	1	1				1				5	10.64%
City of Laguna Beach		1				1		1		1	1	5	10.64%
Moulton Niguel Water District	1	1		1			1	1	1	1	1	8	17.02%
City of San Clemente		1			1		1					3	6.38%
City of San Juan Capistrano	1	1					1		1			4	8.51%
Santa Margarita Water District	1	1					1		1			4	8.51%
South Coast Water District	1	1					1	1	1	1	1	7	14.89%
Trabuco Canyon Water District	1											1	2.13%
Total by PC's (#)	6	9	2	3	1	2	5	6	4	4	5	47	100.00%

	Proposed by ETWD Based on Quantifiable Participation & Benefit							
	Pre-Allocated Cost (\$)	Fixed Allocation (%)	Post-Allocated Fixed Cost (\$)	Fixed General Fund Allocation per Agency (%)	Fixed General Fund Baseline (\$)	Variable General Fund Allocation by Participation (%)	Variable General Fund by Participation (\$) ¹	Total General Fund
Public Notices	\$ 1,400.00	10.00%	\$ 140.00	10%	\$ 14.00	10.64%	\$134.04	\$ 148.04
Office Equipment	\$ 8,000.00	10.00%	\$ 800.00	10%	\$ 80.00	10.64%	\$765.96	\$ 845.96
Audit	\$ 35,000.00	10.00%	\$ 3,500.00	10%	\$ 350.00	10.64%	\$3,351.06	\$ 3,701.06
Legal (Admin)	\$ 90,000.00	10.00%	\$ 9,000.00	10%	\$ 900.00	10.64%	\$8,617.02	\$ 9,517.02
Outside Services (Records Mgt.)	\$ 2,016.00	10.00%	\$ 201.60	10%	\$ 20.16	10.64%	\$193.02	\$ 213.18
Postage	\$ 710.00	10.00%	\$ 71.00	10%	\$ 7.10	10.64%	\$67.98	\$ 75.08
Office Supplies	\$ 7,500.00	10.00%	\$ 750.00	10%	\$ 75.00	10.64%	\$718.09	\$ 793.09
Miscellaneous	\$ 14,000.00	10.00%	\$ 1,400.00	10%	\$ 140.00	10.64%	\$1,340.43	\$ 1,480.43
IT Allocation	\$ 111,360.00	10.00%	\$ 11,136.00	10%	\$ 1,113.60	10.64%	\$10,662.13	\$ 11,775.73
GM Payroll	\$ 172,976.20	10.00%	\$ 17,297.62	10%	\$ 1,729.76	10.64%	\$16,561.55	\$ 18,291.31
Executive Asst.								
Finance Controller								
						Total General Fund: \$ 46,840.90		

1. Applied to the remaining % of the Pre-Allocated Cost, after the General Fund Baseline %.

	Proposed by EBSD Based on Quantifiable Participation & Benefit							
	Pre-Allocated Cost (\$)	Fixed Allocation (%)	Post-Allocated Fixed Cost (\$)	Fixed General Fund Allocation per Agency (%)	Fixed General Fund Baseline (\$)	Variable General Fund Allocation by Participation (%)	Variable General Fund by Participation (\$) ¹	Total General Fund
Public Notices	\$ 1,400.00	10.00%	\$ 140.00	10%	\$ 14.00	10.64%	\$134.04	\$ 148.04
Office Equipment	\$ 8,000.00	10.00%	\$ 800.00	10%	\$ 80.00	10.64%	\$765.96	\$ 845.96
Audit	\$ 35,000.00	10.00%	\$ 3,500.00	10%	\$ 350.00	10.64%	\$3,351.06	\$ 3,701.06
Legal (Admin)	\$ 90,000.00	10.00%	\$ 9,000.00	10%	\$ 900.00	10.64%	\$8,617.02	\$ 9,517.02
Outside Services (Records Mgt.)	\$ 2,016.00	10.00%	\$ 201.60	10%	\$ 20.16	10.64%	\$193.02	\$ 213.18
Postage	\$ 710.00	10.00%	\$ 71.00	10%	\$ 7.10	10.64%	\$67.98	\$ 75.08
Office Supplies	\$ 7,500.00	10.00%	\$ 750.00	10%	\$ 75.00	10.64%	\$718.09	\$ 793.09
Miscellaneous	\$ 14,000.00	10.00%	\$ 1,400.00	10%	\$ 140.00	10.64%	\$1,340.43	\$ 1,480.43
IT Allocation	\$ 111,360.00	10.00%	\$ 11,136.00	10%	\$ 1,113.60	10.64%	\$10,662.13	\$ 11,775.73
GM Payroll	\$ 172,976.20	10.00%	\$ 17,297.62	10%	\$ 1,729.76	10.64%	\$16,561.55	\$ 18,291.31
Executive Asst.								
Finance Controller								
						Total General Fund: \$ 46,840.90		

1. Applied to the remaining % of the Pre-Allocated Cost, after the General Fund Baseline %.

	Proposed by IRWD Based on Quantifiable Participation & Benefit							
	Pre-Allocated Cost (\$)	Fixed Allocation (%)	Post-Allocated Fixed Cost (\$)	Fixed General Fund Allocation per Agency (%)	Fixed General Fund Baseline (\$)	Variable General Fund Allocation by Participation (%)	Variable General Fund by Participation (\$) ¹	Total General Fund
Public Notices	\$ 1,400.00	10.00%	\$ 140.00	10%	\$ 14.00	10.64%	\$134.04	\$ 148.04
Office Equipment	\$ 8,000.00	10.00%	\$ 800.00	10%	\$ 80.00	10.64%	\$765.96	\$ 845.96
Audit	\$ 35,000.00	10.00%	\$ 3,500.00	10%	\$ 350.00	10.64%	\$3,351.06	\$ 3,701.06
Legal (Admin)	\$ 90,000.00	10.00%	\$ 9,000.00	10%	\$ 900.00	10.64%	\$8,617.02	\$ 9,517.02
Outside Services (Records Mgt.)	\$ 2,016.00	10.00%	\$ 201.60	10%	\$ 20.16	10.64%	\$193.02	\$ 213.18
Postage	\$ 710.00	10.00%	\$ 71.00	10%	\$ 7.10	10.64%	\$67.98	\$ 75.08
Office Supplies	\$ 7,500.00	10.00%	\$ 750.00	10%	\$ 75.00	10.64%	\$718.09	\$ 793.09
Miscellaneous	\$ 14,000.00	10.00%	\$ 1,400.00	10%	\$ 140.00	10.64%	\$1,340.43	\$ 1,480.43
IT Allocation	\$ 111,360.00	10.00%	\$ 11,136.00	10%	\$ 1,113.60	10.64%	\$10,662.13	\$ 11,775.73
GM Payroll	\$ 172,976.20	10.00%	\$ 17,297.62	10%	\$ 1,729.76	10.64%	\$16,561.55	\$ 18,291.31
Executive Asst.								
Finance Controller								
						Total General Fund: \$ 46,840.90		

1. Applied to the remaining % of the Pre-Allocated Cost, after the General Fund Baseline %.

	Proposed by City of Laguna Beach Based on Quantifiable Participation & Benefit							
	Pre-Allocated Cost (\$)	Fixed Allocation (%)	Post-Allocated Fixed Cost (\$)	Fixed General Fund Allocation per Agency (%)	Fixed General Fund Baseline (\$)	Variable General Fund Allocation by Participation (%)	Variable General Fund by Participation (\$)¹	Total General Fund
Public Notices	\$ 1,400.00	10.00%	\$ 140.00	10%	\$ 14.00	10.64%	\$134.04	\$ 148.04
Office Equipment	\$ 8,000.00	10.00%	\$ 800.00	10%	\$ 80.00	10.64%	\$765.96	\$ 845.96
Audit	\$ 35,000.00	10.00%	\$ 3,500.00	10%	\$ 350.00	10.64%	\$3,351.06	\$ 3,701.06
Legal (Admin)	\$ 90,000.00	10.00%	\$ 9,000.00	10%	\$ 900.00	10.64%	\$8,617.02	\$ 9,517.02
Outside Services (Records Mgt.)	\$ 2,016.00	10.00%	\$ 201.60	10%	\$ 20.16	10.64%	\$193.02	\$ 213.18
Postage	\$ 710.00	10.00%	\$ 71.00	10%	\$ 7.10	10.64%	\$67.98	\$ 75.08
Office Supplies	\$ 7,500.00	10.00%	\$ 750.00	10%	\$ 75.00	10.64%	\$718.09	\$ 793.09
Miscellaneous	\$ 14,000.00	10.00%	\$ 1,400.00	10%	\$ 140.00	10.64%	\$1,340.43	\$ 1,480.43
IT Allocation	\$ 111,360.00	10.00%	\$ 11,136.00	10%	\$ 1,113.60	10.64%	\$10,662.13	\$ 11,775.73
GM Payroll	\$ 172,976.20	10.00%	\$ 17,297.62	10%	\$ 1,729.76	10.64%	\$16,561.55	\$ 18,291.31
Executive Asst.								
Finance Controller								
						Total General Fund: \$ 46,840.90		

1. Applied to the remaining % of the Pre-Allocated Cost, after the General Fund Baseline %.

	Proposed by MNWD Based on Quantifiable Participation & Benefit							
	Pre-Allocated Cost (\$)	Fixed Allocation (%)	Post-Allocated Fixed Cost (\$)	Fixed General Fund Allocation per Agency (%)	Fixed General Fund Baseline (\$)	Variable General Fund Allocation by Participation (%)	Variable General Fund by Participation (\$)¹	Total General Fund
Public Notices	\$ 1,400.00	10.00%	\$ 140.00	10%	\$ 14.00	17.02%	\$214.47	\$ 228.47
Office Equipment	\$ 8,000.00	10.00%	\$ 800.00	10%	\$ 80.00	17.02%	\$1,225.53	\$ 1,305.53
Audit	\$ 35,000.00	10.00%	\$ 3,500.00	10%	\$ 350.00	17.02%	\$5,361.70	\$ 5,711.70
Legal (Admin)	\$ 90,000.00	10.00%	\$ 9,000.00	10%	\$ 900.00	17.02%	\$13,787.23	\$ 14,687.23
Outside Services (Records Mgt.)	\$ 2,016.00	10.00%	\$ 201.60	10%	\$ 20.16	17.02%	\$308.83	\$ 328.99
Postage	\$ 710.00	10.00%	\$ 71.00	10%	\$ 7.10	17.02%	\$108.77	\$ 115.87
Office Supplies	\$ 7,500.00	10.00%	\$ 750.00	10%	\$ 75.00	17.02%	\$1,148.94	\$ 1,223.94
Miscellaneous	\$ 14,000.00	10.00%	\$ 1,400.00	10%	\$ 140.00	17.02%	\$2,144.68	\$ 2,284.68
IT Allocation	\$ 111,360.00	10.00%	\$ 11,136.00	10%	\$ 1,113.60	17.02%	\$17,059.40	\$ 18,173.00
GM Payroll	\$ 172,976.20	10.00%	\$ 17,297.62	10%	\$ 1,729.76	17.02%	\$26,498.48	\$ 28,228.24
Executive Asst.								
Finance Controller								
						Total General Fund: \$ 72,287.66		

1. Applied to the remaining % of the Pre-Allocated Cost, after the General Fund Baseline %.

	Proposed by City of San Clemente Based on Quantifiable Participation & Benefit							
	Pre-Allocated Cost (\$)	Fixed Allocation (%)	Post-Allocated Fixed Cost (\$)	Fixed General Fund Allocation per Agency (%)	Fixed General Fund Baseline (\$)	Variable General Fund Allocation by Participation (%)	Variable General Fund by Participation (\$)¹	Total General Fund
Public Notices	\$ 1,400.00	10.00%	\$ 140.00	10%	\$ 14.00	6.38%	\$80.43	\$ 94.43
Office Equipment	\$ 8,000.00	10.00%	\$ 800.00	10%	\$ 80.00	6.38%	\$459.57	\$ 539.57
Audit	\$ 35,000.00	10.00%	\$ 3,500.00	10%	\$ 350.00	6.38%	\$2,010.64	\$ 2,360.64
Legal (Admin)	\$ 90,000.00	10.00%	\$ 9,000.00	10%	\$ 900.00	6.38%	\$5,170.21	\$ 6,070.21
Outside Services (Records Mgt.)	\$ 2,016.00	10.00%	\$ 201.60	10%	\$ 20.16	6.38%	\$115.81	\$ 135.97
Postage	\$ 710.00	10.00%	\$ 71.00	10%	\$ 7.10	6.38%	\$40.79	\$ 47.89
Office Supplies	\$ 7,500.00	10.00%	\$ 750.00	10%	\$ 75.00	6.38%	\$430.85	\$ 505.85
Miscellaneous	\$ 14,000.00	10.00%	\$ 1,400.00	10%	\$ 140.00	6.38%	\$804.26	\$ 944.26
IT Allocation	\$ 111,360.00	10.00%	\$ 11,136.00	10%	\$ 1,113.60	6.38%	\$6,397.28	\$ 7,510.88
GM Payroll	\$ 172,976.20	10.00%	\$ 17,297.62	10%	\$ 1,729.76	6.38%	\$9,936.93	\$ 11,666.69
Executive Asst.								
Finance Controller								
						Total General Fund: \$ 29,876.39		

1. Applied to the remaining % of the Pre-Allocated Cost, after the General Fund Baseline %.

	Proposed by City of San Juan Capistrano Based on Quantifiable Participation & Benefit							
	Pre-Allocated Cost (\$)	Fixed Allocation (%)	Post-Allocated Fixed Cost (\$)	Fixed General Fund Allocation per Agency (%)	Fixed General Fund Baseline (\$)	Variable General Fund Allocation by Participation (%)	Variable General Fund by Participation (\$)¹	Total General Fund
Public Notices	\$ 1,400.00	10.00%	\$ 140.00	10%	\$ 14.00	8.51%	\$107.23	\$ 121.23
Office Equipment	\$ 8,000.00	10.00%	\$ 800.00	10%	\$ 80.00	8.51%	\$612.77	\$ 692.77
Audit	\$ 35,000.00	10.00%	\$ 3,500.00	10%	\$ 350.00	8.51%	\$2,680.85	\$ 3,030.85
Legal (Admin)	\$ 90,000.00	10.00%	\$ 9,000.00	10%	\$ 900.00	8.51%	\$6,893.62	\$ 7,793.62
Outside Services (Records Mgt.)	\$ 2,016.00	10.00%	\$ 201.60	10%	\$ 20.16	8.51%	\$154.42	\$ 174.58
Postage	\$ 710.00	10.00%	\$ 71.00	10%	\$ 7.10	8.51%	\$54.38	\$ 61.48
Office Supplies	\$ 7,500.00	10.00%	\$ 750.00	10%	\$ 75.00	8.51%	\$574.47	\$ 649.47
Miscellaneous	\$ 14,000.00	10.00%	\$ 1,400.00	10%	\$ 140.00	8.51%	\$1,072.34	\$ 1,212.34
IT Allocation	\$ 111,360.00	10.00%	\$ 11,136.00	10%	\$ 1,113.60	8.51%	\$8,529.70	\$ 9,643.30
GM Payroll	\$ 172,976.20	10.00%	\$ 17,297.62	10%	\$ 1,729.76	8.51%	\$13,249.24	\$ 14,979.00
Executive Asst.								
Finance Controller								
						Total General Fund: \$ 38,358.64		

1. Applied to the remaining % of the Pre-Allocated Cost, after the General Fund Baseline %.

	Proposed by SMWD Based on Quantifiable Participation & Benefit							
	Pre-Allocated Cost (\$)	Fixed Allocation (%)	Post-Allocated Fixed Cost (\$)	Fixed General Fund Allocation per Agency (%)	Fixed General Fund Baseline (\$)	Variable General Fund Allocation by Participation (%)	Variable General Fund by Participation (\$)¹	Total General Fund
Public Notices	\$ 1,400.00	10.00%	\$ 140.00	10%	\$ 14.00	8.51%	\$107.23	\$ 121.23
Office Equipment	\$ 8,000.00	10.00%	\$ 800.00	10%	\$ 80.00	8.51%	\$612.77	\$ 692.77
Audit	\$ 35,000.00	10.00%	\$ 3,500.00	10%	\$ 350.00	8.51%	\$2,680.85	\$ 3,030.85
Legal (Admin)	\$ 90,000.00	10.00%	\$ 9,000.00	10%	\$ 900.00	8.51%	\$6,893.62	\$ 7,793.62
Outside Services (Records Mgt.)	\$ 2,016.00	10.00%	\$ 201.60	10%	\$ 20.16	8.51%	\$154.42	\$ 174.58
Postage	\$ 710.00	10.00%	\$ 71.00	10%	\$ 7.10	8.51%	\$54.38	\$ 61.48
Office Supplies	\$ 7,500.00	10.00%	\$ 750.00	10%	\$ 75.00	8.51%	\$574.47	\$ 649.47
Miscellaneous	\$ 14,000.00	10.00%	\$ 1,400.00	10%	\$ 140.00	8.51%	\$1,072.34	\$ 1,212.34
IT Allocation	\$ 111,360.00	10.00%	\$ 11,136.00	10%	\$ 1,113.60	8.51%	\$8,529.70	\$ 9,643.30
GM Payroll	\$ 172,976.20	10.00%	\$ 17,297.62	10%	\$ 1,729.76	8.51%	\$13,249.24	\$ 14,979.00
Executive Asst.								
Finance Controller								
						Total General Fund: \$ 38,358.64		

1. Applied to the remaining % of the Pre-Allocated Cost, after the General Fund Baseline %.

	Proposed by SCWD Based on Quantifiable Participation & Benefit							
	Pre-Allocated Cost (\$)	Fixed Allocation (%)	Post-Allocated Fixed Cost (\$)	Fixed General Fund Allocation per Agency (%)	Fixed General Fund Baseline (\$)	Variable General Fund Allocation by Participation (%)	Variable General Fund by Participation (\$) ¹	Total General Fund
Public Notices	\$ 1,400.00	10.00%	\$ 140.00	10%	\$ 14.00	14.89%	\$187.66	\$ 201.66
Office Equipment	\$ 8,000.00	10.00%	\$ 800.00	10%	\$ 80.00	14.89%	\$1,072.34	\$ 1,152.34
Audit	\$ 35,000.00	10.00%	\$ 3,500.00	10%	\$ 350.00	14.89%	\$4,691.49	\$ 5,041.49
Legal (Admin)	\$ 90,000.00	10.00%	\$ 9,000.00	10%	\$ 900.00	14.89%	\$12,063.83	\$ 12,963.83
Outside Services (Records Mgt.)	\$ 2,016.00	10.00%	\$ 201.60	10%	\$ 20.16	14.89%	\$270.23	\$ 290.39
Postage	\$ 710.00	10.00%	\$ 71.00	10%	\$ 7.10	14.89%	\$95.17	\$ 102.27
Office Supplies	\$ 7,500.00	10.00%	\$ 750.00	10%	\$ 75.00	14.89%	\$1,005.32	\$ 1,080.32
Miscellaneous	\$ 14,000.00	10.00%	\$ 1,400.00	10%	\$ 140.00	14.89%	\$1,876.60	\$ 2,016.60
IT Allocation	\$ 111,360.00	10.00%	\$ 11,136.00	10%	\$ 1,113.60	14.89%	\$14,926.98	\$ 16,040.58
GM Payroll	\$ 172,976.20	10.00%	\$ 17,297.62	10%	\$ 1,729.76	14.89%	\$23,186.17	\$ 24,915.93
Executive Asst.								
Finance Controller								
						Total General Fund: \$ 63,805.41		

1. Applied to the remaining % of the Pre-Allocated Cost, after the General Fund Baseline %.

	Proposed by TCWD Based on Quantifiable Participation & Benefit							
	Pre-Allocated Cost (\$)	Fixed Allocation (%)	Post-Allocated Fixed Cost (\$)	Fixed General Fund Allocation per Agency (%)	Fixed General Fund Baseline (\$)	Variable General Fund Allocation by Participation (%)	Variable General Fund by Participation (\$)¹	Total General Fund
Public Notices	\$ 1,400.00	10.00%	\$ 140.00	10%	\$ 14.00	2.13%	\$26.81	\$ 40.81
Office Equipment	\$ 8,000.00	10.00%	\$ 800.00	10%	\$ 80.00	2.13%	\$153.19	\$ 233.19
Audit	\$ 35,000.00	10.00%	\$ 3,500.00	10%	\$ 350.00	2.13%	\$670.21	\$ 1,020.21
Legal (Admin)	\$ 90,000.00	10.00%	\$ 9,000.00	10%	\$ 900.00	2.13%	\$1,723.40	\$ 2,623.40
Outside Services (Records Mgt.)								
	\$ 2,016.00	10.00%	\$ 201.60	10%	\$ 20.16	2.13%	\$38.60	\$ 58.76
Postage	\$ 710.00	10.00%	\$ 71.00	10%	\$ 7.10	2.13%	\$13.60	\$ 20.70
Office Supplies	\$ 7,500.00	10.00%	\$ 750.00	10%	\$ 75.00	2.13%	\$143.62	\$ 218.62
Miscellaneous	\$ 14,000.00	10.00%	\$ 1,400.00	10%	\$ 140.00	2.13%	\$268.09	\$ 408.09
IT Allocation	\$ 111,360.00	10.00%	\$ 11,136.00	10%	\$ 1,113.60	2.13%	\$2,132.43	\$ 3,246.03
GM Payroll	\$ 172,976.20	10.00%	\$ 17,297.62	10%	\$ 1,729.76	2.13%	\$3,312.31	\$ 5,042.07
Executive Asst.								
Finance Controller								
						Total General Fund: \$ 12,911.88		

1. Applied to the remaining % of the Pre-Allocated Cost, after the General Fund Baseline %.

Agenda Item

Legal Counsel Review: No

Meeting Date: February 13, 2018

TO: SOCWA Finance Committee
FROM: Betty Burnett, General Manager
SUBJECT: Budget Preparation 2018-19 Fiscal Year

Staff is submitting the following information for Finance Committee Review in preparation for the FY 2018-19 Budget:

1. Schedule (item distributed on 1/19/18 to Finance Committee included here for further comments of the Committee).
2. Fringe Benefit Rate YTD (17/18). This item was distributed on 1/19/18 to Finance Committee and is included here for further comments of the Committee.
3. Fringe Benefit Projection (18/19) will be distributed at the February 13, 2018 Committee meeting.
4. Budget Assumptions. Item was on 1/19/18 to Finance Committee and is included here for further comments of the Committee. Note that Assumption #3(b) as to FTE FY 2017-18 has been corrected to 64 as noted by Director Collings at the January 19, 2018 meeting ("65" FTE was an error).
5. FY 2018-19 O&M Labor Plan (Power Point slides attached hereto).
 - a. Note that staff is providing background information from 2016-17 to present on staffing for discussion.
 - b. Presentation (at meeting) of Operations Staffing as projected and current
6. 2016-17 Legal Expenditures (aligns with draft Use Audit)
 - a. Staff will be discussing projected increases in legal expenditures due to hiring of new General Counsel services anticipated in 2018.
7. List of requests: IT, Engineering/O&M and Administration.

Recommended Action: Finance Committee review and comments.

**Finance Committee Schedule
First Quarter - 2018**

Date	Time	Meeting Materials
January 19, 2018	10:30 a.m.	Budget Calendaring, Review of Fringe Benefit Rate YTD, Budget Assumptions
No meeting January 26, 2018	N/A	We will be distributing financials YTD 2017-18
February 13, 2018	11-12 p.m. SOCWA will provide lunch	Projected key costs to Operating Budget with Environmental Compliance Draft (review of variance to 2017-18 YTD)
February 26, 2018		Budget Review – Staff to meet with Chair of Committee
March 7, 2018	3:00 p.m. (meeting over by 5:00 p.m. due to SMWD Board Meeting)	Small Capital Review – Administration Cost Projections
March 21, 2018	TBD, but in p.m.	Presentation of Major Cost Drivers, Revised Budget Assumptions & Labor Projections
March 30, 2018	TBD, noon or later	Draft Budget Books to Finance Committee

South Orange County Wastewater Authority
FY 2017-18 Total O&M Budget Fringe Benefits Pool Forecast

No Significant Change to Budgeted Fringe Rate Expected

	FY 2015-16 Actual	FY 2016-17 Forecast	FY 2016-17 Actual	FY 2017-18 Budget	FY 2017-18 6 Mos. Actuals at 12/31/2017	Jan thru June 2018 FRCST	FY 2017-18 Forecast	Budget vs. FRCST Var.
457 Plan - Employer Contribution	13,821	84,712	83,925	85,000	60,101	24,899	85,000	
Accrued Administrative Leave	34,879	24,430	30,478	21,622	19,636	2,364	22,000	(378)
Accrued Holiday	221,783	222,122	220,371	247,435	155,265	93,014	248,279	(845)
Accrued Personal Leave	74,238	79,055	76,638	84,288	83,077	1,923	85,000	(712)
Accrued Sick Pay	242,262	257,210	262,987	278,890	99,668	179,222	278,890	-
Accrued Vacation	372,526	373,190	416,343	409,536	161,717	247,819	409,536	-
Bereavement Pay	1,345	7,974	8,088	1,398	5,856	2,000	7,856	(6,457)
Disability Insurance - Private	51,728	55,844	56,122	59,307	28,919	28,614	57,534	1,773
Group Life Insurance > \$50,000 (taxable)	7,233	-	-				-	-
Group Medical Insurance	941,108	1,079,863	1,017,679	967,541	499,335	474,181	973,516	(5,975)
Medicare Tax - Employer	94,167	95,340	94,550	95,922	50,509	43,619	94,128	1,794
Pension Benefit in Excess of Cap	2,824	-	2,199	2,937			-	2,937
Retiree Health PARS Investment	500,000	504,000	504,000	250,000	125,000	125,000	250,000	-
Retiree Health Benefits	281,389	366,156	384,936	308,402	181,909	202,129	384,038	(75,635)
Retirement - PERS Normal Costs	517,823	532,504	500,175	609,905	222,271	269,109	491,380	118,524
Retirement - PERS Unfunded Liability	429,804	497,257	497,705	595,685	297,842	297,842	595,685	0.20
Unemployment Ins./Reimbursement	1,378	1,534	1,234	1,433		1,500	1,500	(67)
Workers Compensation Ins.	76,883	212,990	212,990	223,717	82,768	80,377	163,144	60,573
Total O&M Budget Fringe Benefits Pool	3,865,192	4,394,181	4,370,418	4,243,018	2,073,874	2,073,611	4,147,485	95,533

**Pay for Time Worked Labor
Base(Regular Salaries)**

O&M		3,184,417	3,475,459	2,073,874	1,635,531	1,839,928	3,475,459
Environmental		815,299	895,840		391,176	504,665	895,840
Engineering including CIP Labor		305,422	388,651		204,346	184,305	388,651
Admin		695,744	871,373		435,189	436,184	871,373
IT		44,447	87,428		44,291	43,137	87,428
Total Pay for Time Worked Labor Base	4,976,917		5,045,329	5,718,751	2,710,533	3,008,217	5,718,751
Fringe Rate	78%		86.6%	74.2%	76.5%	68.9%	72.5%

January 19, 2018

Page 1 of 5

**Total Operating Budget Assumptions
South Orange County Wastewater Authority
Fiscal Year 2018-19**

Fiscal Year 2018-19 with projections through 2022-23, 5 Years

1. The consolidated operations budget is divided into "Functional Departments"
 - a) Operations
 - b) Engineering (Capital and Non-Capital)
 - c) Environmental Compliance and Safety
 - d) Information Technology (IT)
 - e) Administration
 - f) General Fund (shown individually and as a part of Administration)
2. The FY Budget establishes the Board approved allocations **used for the purpose of collecting the O&M deposits from Member Agencies. After the close of the fiscal year the Use Audit is prepared and the approved allocations are then adjusted to reflect actual labor time spent, actual liquids and solids treated, or actual purpose of the expense accumulated (if incurred for a single agency or group of agencies that is less than a full PC group) ("Actual Expenses"). Actual Expenses will be included in the fiscal year use audit to determine under/over payments by member agencies.**
3. Each Department Manager provided:
 - a) Headcount requirements for the 5-year budget period, inclusive of new hires, retirements, promotions, succession planning, etc. The staffing plan takes into account known and anticipated retirements, and costs for labor are projected based on filling open positions in operations with entry level staff unless vacancies occur earlier than projected. In that event, SOCWA may need to hire experienced staff at more mid-level pay scales and in turn may experience higher labor costs than planned.
 - b) Total Full Time Equivalent FY 2017-18 is 65 **64** positions. In FY 2017-18 four positions (4) were added to address needs in SCADA systems, accounting, analyst (not hired) and administration (funded for 1 year). For FY 2018-19 administration will continue as FTE and analyst position is eliminated. Operations will add 1 FTE mechanic due to overlap in training needed for planned retirements in FY 2019-10 for a total of 66 positions in 2018-19. In FY 2019-20 total positions will return to 64 due to 2 O&M department retirements.
 - c) Other expenses (Non-Labor), including new initiatives:
 - i. **Engineering budget for investigation of Asset Management Program options**
 - ii. **Environmental compliance budget for Tri-Annual California Bight Ocean Monitoring and Testing \$81,630**
 - iii. **Completion of Cost of Use Study**
 - iv. **Outfall Tie in Cost Study**

4. Operations and Environmental Compliance and Safety budgets were built at the Project Committee level.
 - a) Payroll costs were allocated to Project Committees based on future projections of where each individual employee would work. Individual employees support multiple Project Committees/Work Sites; therefore, percentages were used to allocate time by project committee.
 - b) Non-labor costs are based on prior actuals, contractual agreements, expected inflation increases, current year run rates and projected impacts from capital projects.
5. Engineering costs were split between Capital projects and Administration and other Non-Capital Engineering work based on how the department spends time.
6. In addition to liquid flow rates, solids loading, and common costs (typically shared equally between liquids and solids), labor time spent (as actually occurred in 2017-18 FY) is used to calculate some expense allocations to agencies. As an example, O&M labor expended for work on Co-Gen engines at JBL and RTP during 2017-18 will be reduced due to the completion of the construction and labor hours are projected for the budget as shifting to perform O&M on the liquids side of the plants due to the planned construction in 2018-19.

Projected Operational Cost changes are based on:

- a) Flows and loads based on Calendar Year 2017, except for PC2 (JBL) solids which will be based on the past 3-year average and potential additional information from SMWD and MNWD regarding the Oso-Trabuco line flows and operational decisions at plant 3A.
 - b) CPUC projected rate increases are used to calculate most utility cost changes, and for CoGen engine operations actual operating results will be used as the basis for projected for electricity and natural gas costs.
 - c) Cogen engine maintenance costs will be increased to match cost of manufacturer recommended maintenance.
 - d) Inflation will be assumed at 3% for electricity, chemicals, fuels and petroleum products.
 - e) Other non-labor expenses will be inflated at 2%.
 - f) Long-term contract rates will be used for contracted supplies and services.
 - g) Fuel increases are based on contractual agreements and current run rates.
7. Payroll costs include salaries and wages plus fringe benefits.
 - a) Labor inflation assumed a 2.7% Cost of Living Adjustment (COLA) in July for all employees

- b) An average 3% merit increase for all employees
 - c) PERS retirement was calculated using the CalPERS provided "Employer Normal Cost Rate", 10.609%, 9.409% and 6.842%, which is applied to Payroll dollars.
 - d) PERS unfunded liability (UAL) will be provided by CalPERS for Tier 1, Tier 2 and Tier 3 plans.
 - e) Retiree Health (PARS) savings, was will continue at \$250,000 (10-year level pay approach), and is included in the fringe benefit rate.
 - f) Retiree Health "Pay-AS-YOU GO" premiums are based on actual individual current rates provided by CalPERS plus 2% for the out years. The employer co-pay will continue under the current MOU at 95% for all plans.
 - g) Medicare tax, holiday, vacation, sick and personal time were calculated based on the individual employee earning rate.
 - h) Group medical insurance is based on actual individual current rates and the Employer co-pay will continue under the current MOU at 95% for all plans.
 - i) PERS Medical insurance increases were offset by benefit change to 95%. Standard increases beyond 2019 are projected at 10%.
 - j) Fringe benefit rate is ____% up significantly from FY 2016-17 based on accumulation of more information on cost experience. The actual rate of ____ in FY 2017-18 includes costs of accrued leave, group insurances (medical, disability, retiree health), PERS, PARS savings, and other paid benefits (unemployment, workers' compensation, bereavement pay)
 - k) Pay for time worked rate is ____% (Direct labor Utilization net of PTO, paid time off) and is projected based on actuals as of December 2017.
8. Administration expenses are a part of the O&M costs of each agency and are detailed in the Budget document for the purposes of allowing member agencies to track administrative costs and evaluate trends in administrative expenses. Administration expenses (net of General Fund) and other "Consolidated" expenses are applied to Member Agencies based on a Total Cost Input (Cost identified to a Project Committee and in some cases a member agency). Extraordinary and one-time O&M expenses having no administrative impact (examples: intermittent spikes in chemical or electrical costs or emergency labor), are deducted from the Total Cost Input base. This is a FAR (Federal Acquisition Regulation) methodology. This approach was confirmed appropriate by outside engineering/financial review of Carollo Engineering in FY '15/'16. This approach assigns administrative costs to the agency incurring the cost.
- a) Insurance costs are projected at:
 - i. CSRMA general liability 5-10% and other: Property 10-15%, Liability (PLP) 5% and Commercial Crime 5%.
 - ii. Workers' Compensations estimated 10% increase.

- b) Training budgets are expected to increase due to new employee needs (SOCWA is now 30% with 5 years or less experience due to retirements).
9. The General Fund Budget will be allocated in accordance with the approach agreed to by the Board of Directors during the FY 2017-18 Discussions (need to complete). General Fund Expenses are added back to Administration for the purposes of tracking costs and showing total Administration by agency and project committee. Historically, General Fund expenses are estimated to cover costs of Board Meetings and staff costs of compliance with legally required JPA reporting and filing requirements (Form 700, Annual JPA Statements, etc.).
10. The following 14 points approved by the Board from the Allocation Working Group are continued in the FY 2018-19 Budget:
- a) The budget funds continuous metering of flows upstream of the JBL Plant from the OSO Trabuco and San Juan sewer trunk lines
 - b) Permit fees for the Pretreatment Program are levied as a fixed charge and allocated to the PC 8 Budget
 - c) For PC 5 and 24 engineering costs are allocated based on ownership capacity.
 - d) Individual agencies will pay Director meeting attendance fees either through SOCWA or directly to their participating director
 - e) Engineering studies will continue to address future capital and capacity needs of the treatment plants
 - f) JBL Effluent Pump Station (EPS) costs will be placed in PC 2 liquids ownership category
 - g) Continue PC 2 and 15 water use allocations: 30% from solids to liquids for PC 2, 70% from common into liquids PC 15
 - h) Continue PC 15 and 17 bleach use allocations: 4% from liquids to AWT for PC 15, track system changes for PC 15 and 17
 - i) Continue PC 2 and 17 odor control allocations: 39% from solids to liquids for PC 2, 42.1% from liquids to solids for PC 17
 - j) Continue PC 17 Ferric Chloride allocations: 40% from liquids to solids
 - k) Continue PC 15 and 17 Polymer allocations: 57% from AWT to liquids for PC 15 and 17.8% from liquids and AWT to solids for PC 17
 - l) Continue certain PC 24 costs as fixed costs: engineering misc., legal, off-shore monitoring, inspections/port cleaning and misc. equipment.
 - m) PC 2SO (12) excludes ETWD.

General Approval Information:

All O&M Budgets since inception reflect the costs of direct use and costs allocated by capacity ownership for capital improvements, repairs and replacements necessary to operate within legal compliance requirements and accepted industry standards.

The signature authority levels authorized for expending the FY 2017-18 budget are in conformity with SOCWA's Uniform Purchasing Policy and Procedures, policy number, 6.2015.01, as approved by the Board on March 5, 2015 and as revised for clarification on December 28, 2017.

Board approval of the Budget authorizes the above budget assumptions. Staff is authorized to contract for services, acquire supplies and pay vendors and expenses within the Functional Departments and Project Committees. Staff is authorized to follow the Budget and expend the amounts therein stated consistent with the Uniform Purchasing Policies and Procedures.

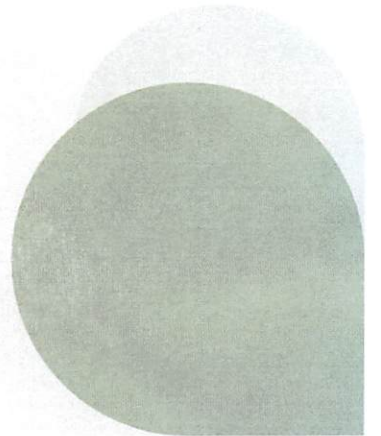
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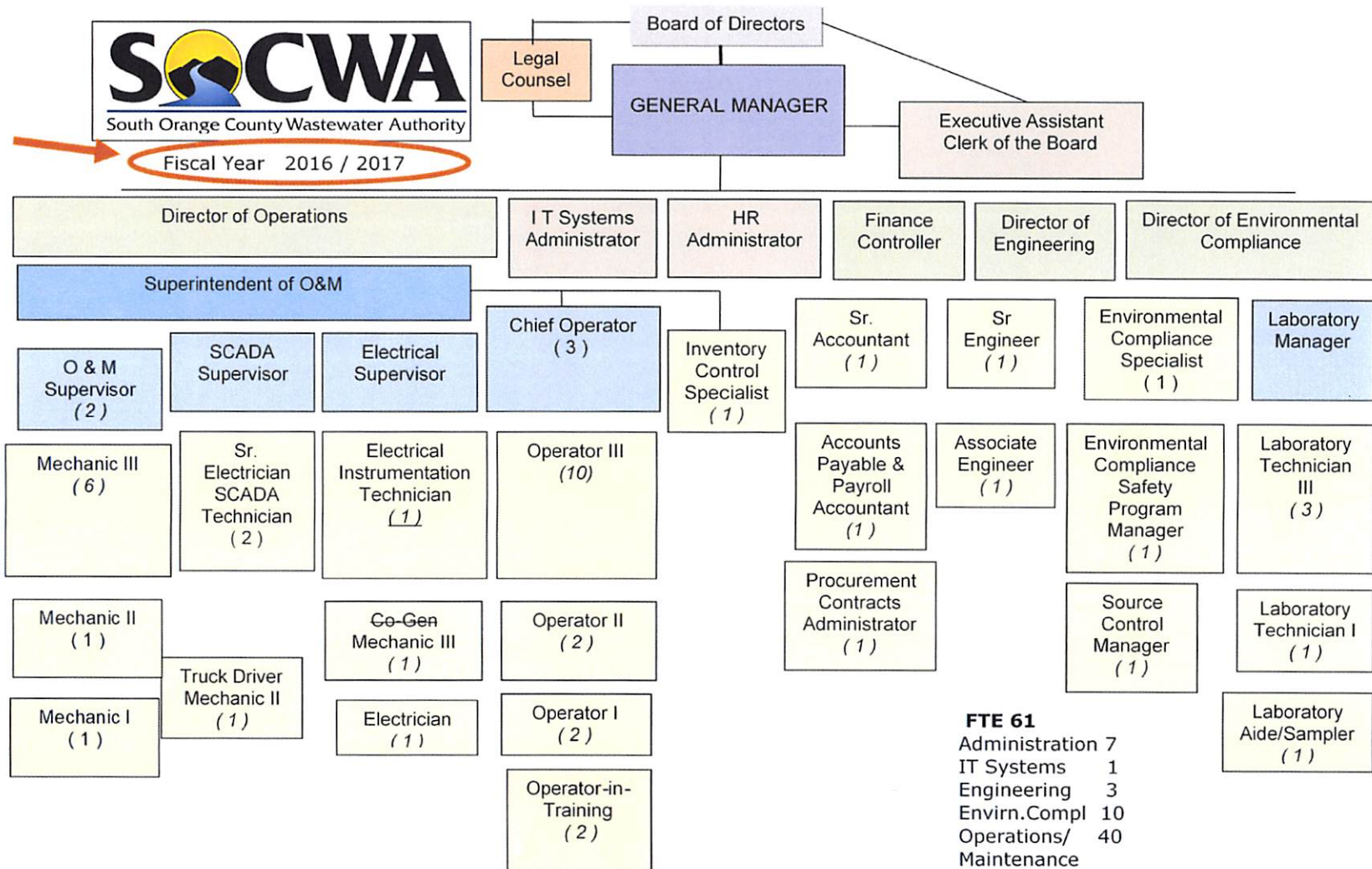
SOCWA

O&M Labor Plan

Finance Committee Meeting

February 13, 2018





**South Orange County Wastewater Authority
Total O&M Budget Payroll Costs and 5-Year Labor Plan
(Payroll Costs in thousands)**

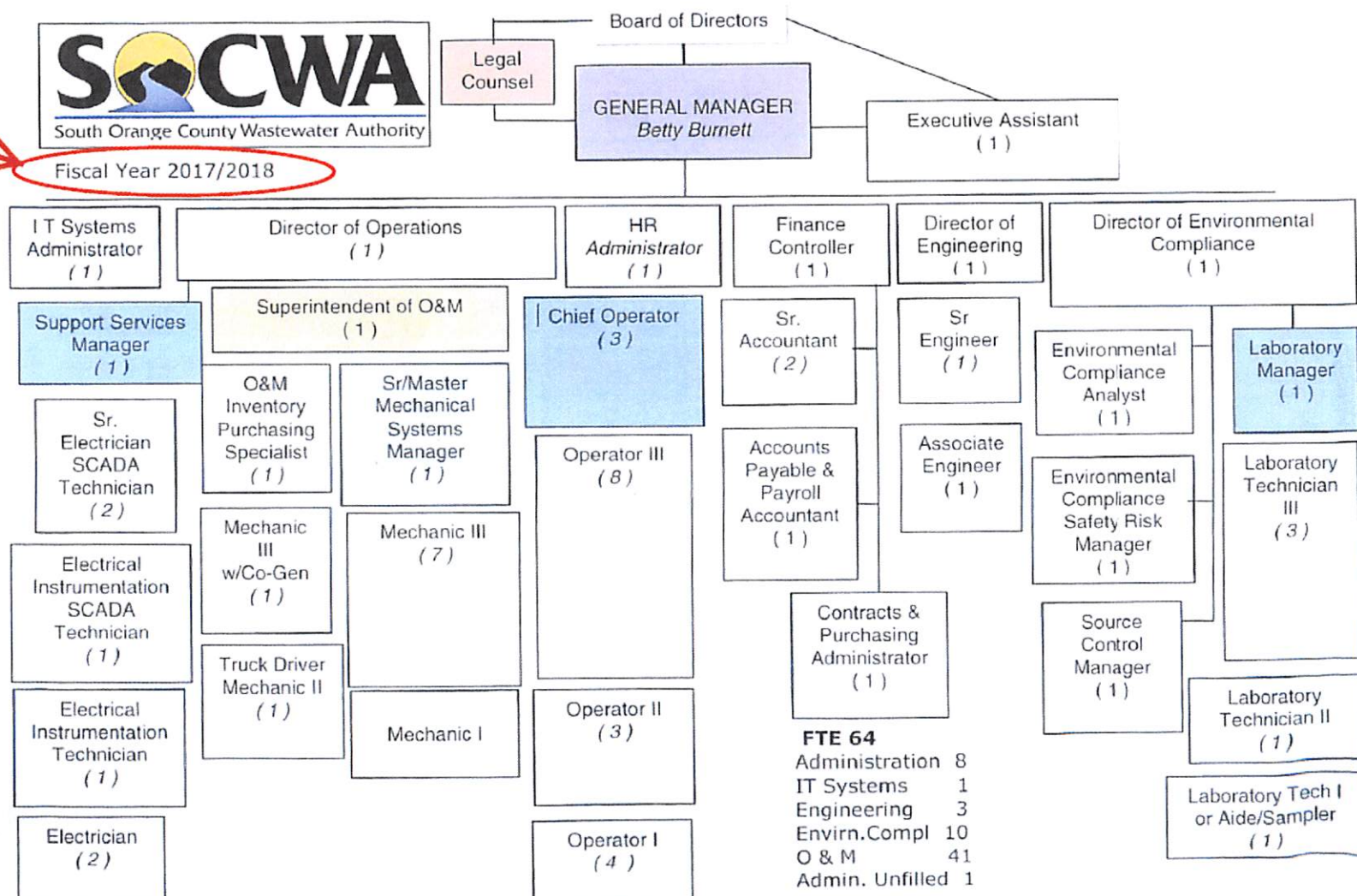
Headcount							
Department	FY 2015-16 Actual	FY 2016-17 Budget	FY 2017-18 Budget	FY 2018-19 Budget	FY 2019-20 Budget	FY 2020-21 Budget	FY 2021-22 Budget
Operations	39	40	41	42	40	39	39
Engineering	3	3	3	3	3	3	3
Environmental Compliance & Safety	10	10	10	10	10	10	10
IT	1	1	1	1	1	1	1
Administration	7	7	7	7	7	7	7
Total	60	61	62	63	61	60	60
FY 2016-17 Budget							
Environmental Compliance Added Analyst Position in FY 2017-18							

Payroll Costs							
Inflation, 3% Average Merit and 2.7% COLA							
Department	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Operations	5,978	6,118	6,224	6,644	6,426	6,515	6,559
Engineering	407	668	677	716	756	800	845
Environmental Compliance & Safety	1,327	1,416	1,576	1,663	1,757	1,856	1,959
Administration and IT	1,330	1,316	1,682	1,768	1,859	1,954	2,055
Total	9,042	9,518	10,159	10,791	10,798	11,126	11,418
% Change		5.3%	6.7%	6.2%	0.1%	3.0%	2.6%

SOCWA Cost Base	18,377	19,624	20,416	21,106	21,355	21,866	22,628
Payroll Cost Content	49.2%	48.5%	49.8%	51.1%	50.6%	50.9%	50.5%



Fiscal Year 2017/2018



South Orange County Wastewater Authority
Total O&M Budget Payroll Costs and 5-Year Labor Plan
(Payroll Costs in thousands)

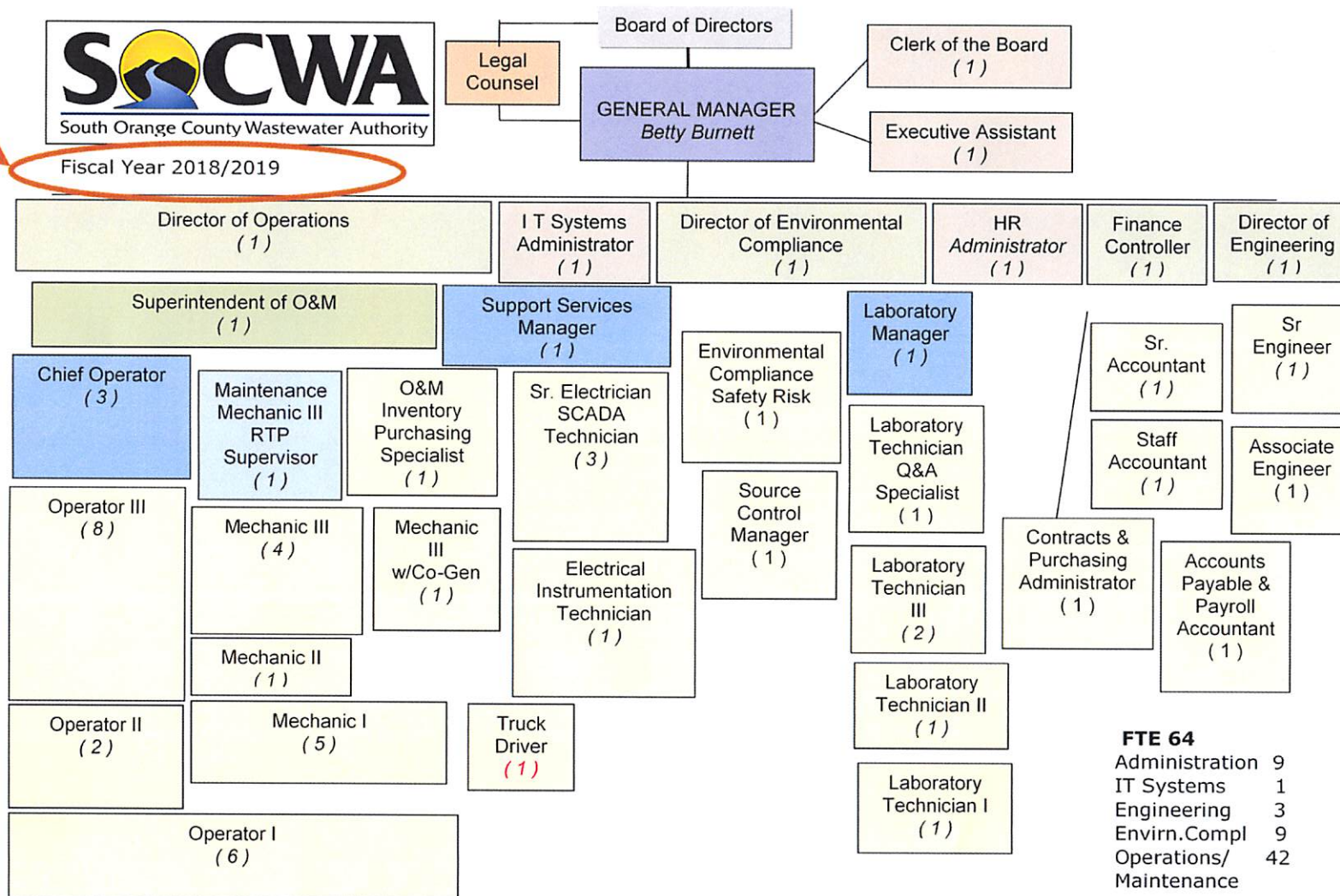
Headcount							
Department	FY 2015-16 Actual	FY 2016-17 Budget	FY 2017-18 Budget	FY 2018-19 Budget	FY 2019-20 Budget		
Operations	39	40	41	42	40		
Engineering	3	3	3	3	3		
Environmental Compliance & Safety	10	10	10	10	10		
IT	1	1	1	1	1		
Administration	7	7	7 9	7 8	7 8		
Total	60	61	62 64	63 64	62		
FY 2016-17 Budget							
Environmental Compliance Added 1 Analyst Position in FY 2017-18 Added 1-Accounting / 1-Administration (1-yr)							

Payroll Costs							
Inflation, 3% Average Merit and 2.7% COLA							
Department	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20		
Operations	5,978	6,118	6,224	6,644	6,426		
Engineering	407	668	677	716	756		
Environmental Compliance & Safety	1,327	1,416	1,576	1,663	1,757		
Administration and IT	1,330	1,316	1,682	1,768	1,859		
Total	9,042	9,518	10,159	10,791	10,798		
% Change		5.3%	6.7%	6.2%	0.1%		

SOCWA Cost Base	18,377	19,624	20,416	21,106	21,355		
Payroll Cost Content	49.2%	48.5%	49.8%	51.1%	50.6%		



Fiscal Year 2018/2019

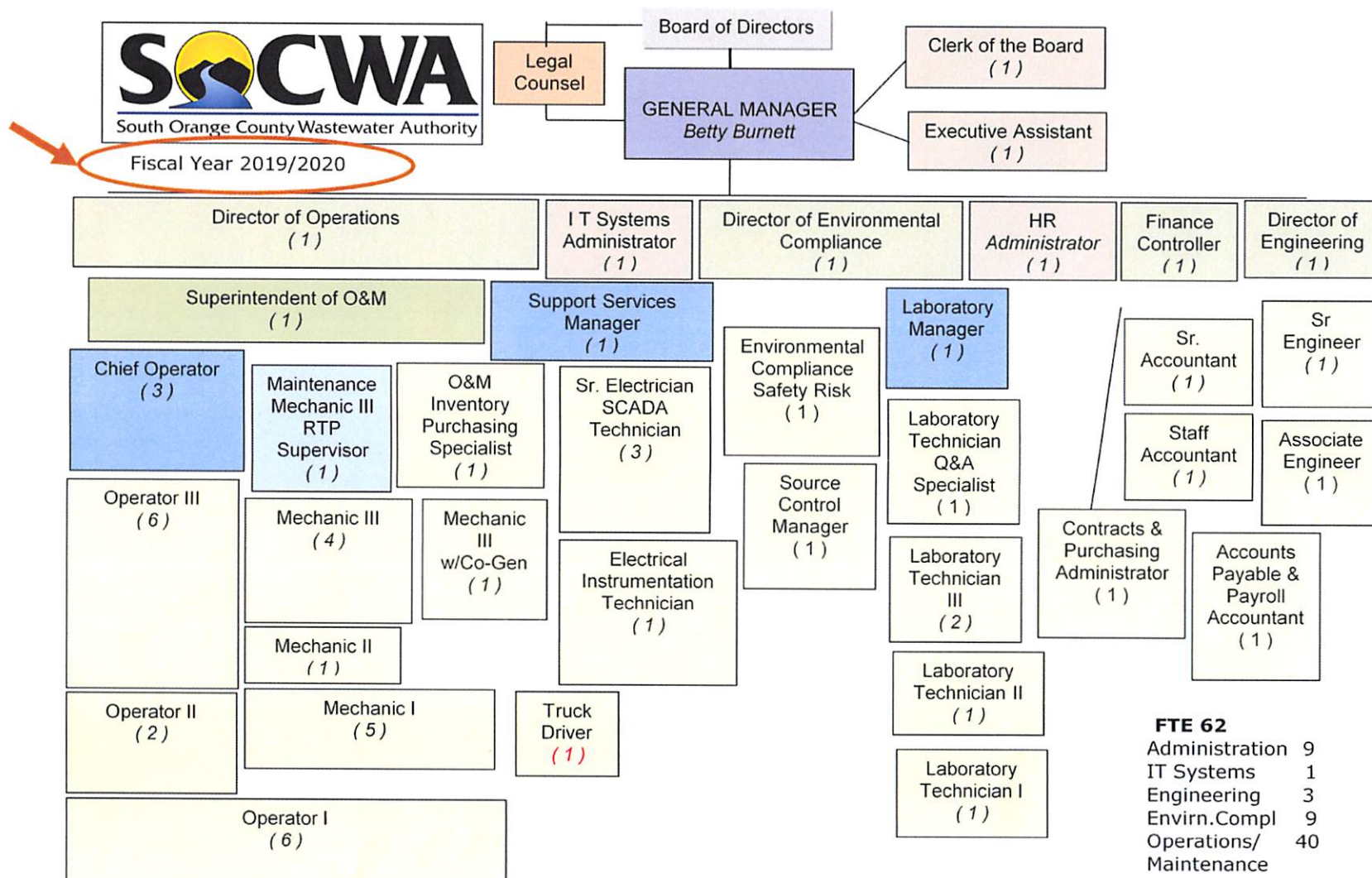


FTE 64
 Administration 9
 IT Systems 1
 Engineering 3
 Envirn.Compl 9
 Operations/ Maintenance 42

South Orange County Wastewater Authority Total O&M 5-Year Labor Plan

Headcount								
Department	FY 2015-16 Actual	FY 2016-17 Budget	FY 2017-18 Budget	FY 2018-19 Budget	FY 2019-20 Budget	FY 2020-21 Budget	FY 2021-22 Budget	FY 2022-23 Budget
Operations	39	40	41	42	40	40	40	40
Engineering	3	3	3	3	3	3	3	3
Environmental Compliance & Safety	10	10	10	9	9	9	9	9
IT	1	1	1	1	1	1	1	1
Administration	7	7	9	9	9	9	9	8
Total	60	61	64	64	62	62	62	61
FY 2017-18 Budget	60	61	64	65	63	62	62	
Environmental Compliance Analyst Position Current FTE in Admin in FY 2017-18 will not be filled; Admin added 1 Positions in FY 2017-18								

continue FTE



**South Orange County Wastewater Authority
Total O&M Budget Payroll Costs and 5-Year Labor Plan
(Payroll Costs in thousands)**

Headcount							
Department	FY 2015-16 Actual	FY 2016-17 Budget	FY 2017-18 Budget	FY 2018-19 Budget	FY 2019-20 Budget		
Operations	39	40	41	42	40		
Engineering	3	3	3	3	3		
Environmental Compliance & Safety	10	10	10	9	9		
IT	1	1	1	1	1		
Administration	7	7	9	9	9		
Total	60	61	64	64	62		
FY 2016-17 Budget							
Down 2-FTE Operations / NOT replacing retirees							

Payroll Costs							
Inflation, 3% Average Merit and 2% - 4% COLA							
Department	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20		
Operations	5,978	6,118	6,224	6,644	6,426		
Engineering	407	668	677	716	756		
Environmental Compliance & Safety	1,327	1,416	1,576	1,663	1,757		
Administration and IT	1,330	1,316	1,682	1,768	1,859		
Total	9,042	9,518	10,159	10,791	10,798		
% Change		5.3%	6.7%	6.2%	0.1%		

SOCWA Cost Base	18,377	19,624	20,416	21,106	21,355		
Payroll Cost Content	49.2%	48.5%	49.8%	51.1%	50.6%		

FY 2016-17 Legal Billing													
FY 2016-17 Budget	Labor	MOU	PERS	General Labor	Budget/ Voting Issues	PRA	Audit	Contracts	Engineering General	Insurance	MNWD	PC Billed*	Total Spent
\$ 656.00	\$ 11,118.47	\$ 88,450.91	\$ 7,235.27	\$ 22,379.00	\$ -	\$ 2,127.00	\$ 3,929.50	\$ 11,363.50	\$ 830.25	\$ -	\$ 58,554.36	\$ 23,492.89	\$ 230,137

* PC Billed

PC 2	\$ 2,230.41
PC 5	\$ 420.25
PC 12	\$ 861.00
PC 15	\$ 18,836.29
PC 17	\$ 745.19
PC 24	\$ 399.75
	\$ 23,492.89

SOCWA

FY 2018/19 Budget Initiatives

IT

- A) Development of IT gap analysis to assess existing SOCWA systems [as to age, lifespan, vendor support, attributes and potential for integration of data (financial information systems, purchasing, inventory, maintenance management)] against needs and options. \$30,000
- B) Contracted IT support (management services) \$40,000

Engineering/O&M

- A) Develop Asset Registry as a data base to integrate sets of SOCWA asset information from engineering, operations and finance into a usable tool for planning and further use in asset management goals. \$75,000
- B) Utilities mapping as a pilot program to develop an AutoCAD based map of underground and other utilities using as-builts, historical knowledge (staff level capture), photographs formatted to incorporate into a GIS system. Future goal would be to include documentation, processes and procedures. \$60,000
- C) Pursue an RFP for Innovative Biosolids Technology. \$150,000

Administration

- Staff will not be hiring Environmental Analyst Position and will replace it by funding the Executive Assistant to the General Manager as a FTE within Administrative Budget.
- Legal Expenditures are anticipated to increase due to change in General Counsel. Costs are funded in Administration and moved over the applicable agency or Project Committee when incurred. YTD actuals for legal work FY 2017-18 are over-budget for Administration due to State Audit related costs. Project Committee legal expenditures are over budget primarily due to delays in construction and contracting expenses. The total legal budget FY 17-18 is \$102,216 with YTD 12/31/18 actuals at \$140,712. It is anticipated in FY 18-19 that overall legal should be set at \$225,000 due to likely substantial increase in hourly rates for services, ongoing general counsel support of the MNWD information requests, and anticipated review of the JPA and Project Committee agreements.

Agenda Item

Legal Counsel Review: N/A

Meeting Date: February 13, 2018

TO: Finance Committee

FROM: Betty Burnett, General Manager

STAFF CONTACT: Mary Carey, Finance Controller

SUBJECT: Financial Matters for Year-to-Date December 31, 2017

Summary/Discussion

SOCWA staff is directed by SOCWA Investment Policy (approved December 7, 2017) to provide the schedule of cash and investments to the Board of Directors monthly.

The remainder of the financial reports are provided no less than quarterly to the SOCWA Finance Committee and following Finance Committee review would be recommended to the Board of Directors to be received and filed.

The delay in providing the attached information was due solely to staffing resources addressing two audits from June 2017 to December 2017. Note that Exhibits D, D1, and E2 are revised from the drafts presented at the February 1, 2018 Board meeting. This information is for review, comment and recommendation from the Finance Committee at its February 13, 2018 meeting.

The reports included are as follows:

- a) Summary of Disbursements
 - Five Months, August 2017 through December 2017 (Exhibit A)
- b) Schedule of Funds Available for Reinvestment (Exhibit B)
- c) Schedule of Cash and Investments (Exhibit C)
- d) Capital Schedule (Exhibit D **REVISED**)
 - Capital Projects – Graph (Exhibit D-1 **REVISED**)
- e) Budget vs. Actual Expenses:
 - Operations and Environmental Summary (Exhibit E-1)
 - Residual Engineering, after transfer to Capital (Exhibit E-2 **REVISED**)
 - Administration (Exhibit E-3)
 - Information Technology (IT) (Exhibit E-4)

Fiscal impact

Monthly Disbursements are as follows:

- August 2017 disbursements were \$3,095,864
- September 2017 disbursements were \$1,502,549
- October 2017 disbursements were \$2,455,730
- November 2017 disbursements were \$3,140,089
- December 2017 disbursements were \$2,497,032
- Total disbursements for 5 months, August through December, were \$12, 691,264.

By Direction of the Finance Committee, the Finance Committee Chairman would review the monthly disbursements.

The above transactions are summarized by Project Committee in the attached Exhibit A.

The attached Exhibits B, C, D and E are informational reports only.

Recommendation

The Finance Committee recommends to the Board of Directors to receive and file the Year-to-Date December 31, 2017 financial reports.

Exhibit A

South Orange County Wastewater Authority
Summary of Disbursements for the Period August 01 Through December 31, 2017
Staff Recommendation of Fiscal Matters

	AUG	SEP	OCT	NOV	DEC	5 Months Total
General Fund	(644,276)	(533,465)	(437,821)	(513,857)	(619,804)	(\$2,749,223)
PC 2 - Jay B. Latham Plant	(429,978)	(346,648)	(501,019)	(665,667)	(662,539)	(2,605,852)
PC 3 - SOCWA Plant/PCA AWT	-	-	-	-	-	-
PC 5 - San Juan Creek Ocean Outfall	(9,574)	(16,700)	(45,724)	(17,033)	(17,135)	(106,167)
PC 8 - Pretreatment Program	(6,545)	(7,201)	(5,523)	(2,708)	(7,878)	(29,855)
PC 12 SO - Water Reclamation Permits	(1,410)	(4,254)	(2,082)	(1,876)	(3,410)	(13,032)
PC 15 - Coastal Treatment Plant/AWT	(451,187)	(219,684)	(540,822)	(654,470)	(359,899)	(2,226,063)
PC 17 - Joint Regional Wastewater Reclamation	(1,542,442)	(358,621)	(889,590)	(1,268,265)	(811,059)	(4,869,977)
PC 21 - Effluent Transmission Main	(1,585)	(1,648)	(15,946)	(1,864)	(257)	(21,300)
PC 24 - Aliso Creek Ocean Outfall	(8,865)	(14,329)	(17,202)	(14,350)	(15,051)	(69,796)
Total	(\$3,095,864)	(\$1,502,549)	(\$2,455,730)	(\$3,140,089)	(\$2,497,032)	(\$12,691,264)

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
SCHEDULE OF FUNDS AVAILABLE FOR REINVESTMENT
as of December 31, 2017**

CASH IN BANK: (BEGINNING BAL.)	\$ 1,594,318
L.A.I.F. FUNDS: (BEGINNING BAL.)	9,150,024
DEPOSITS, TRANSFERS & ADJUSTMENTS:	15,256,980
FUND REQUIREMENTS:	
BILLS FOR CONSIDERATION	<u>(12,691,264)</u>
	<u><u>\$ 13,310,058</u></u>

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.

Exhibit C

**South Orange County Wastewater Authority
Schedule of Cash and Investments
as of December 31, 2017**

MVA	\$ 21,878	(A)
A/P Checking	\$ 416,107	(B)
Payroll Checking	\$ 663,325	(C)
State LAIF	\$ 12,207,147	(D)
Total Cash in Bank	13,308,458	
Petty Cash	1,600	(E)
Total Operating Cash	13,310,058	
OPEB Trust	4,649,695	(F)
Total Cash and Investments	\$ 17,959,752	

Notes:

- (A) Interest bearing account; all cash receipts are deposited in this account.
- (B) Accounts Payable Checks are drawn against this account; money is transferred to this account from the LAIF account.
- (C) Payroll including payroll taxes and related liabilities are drawn against this account; money is transferred to this account from the LAIF account.
- (D) 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
as of December 31, 2017**

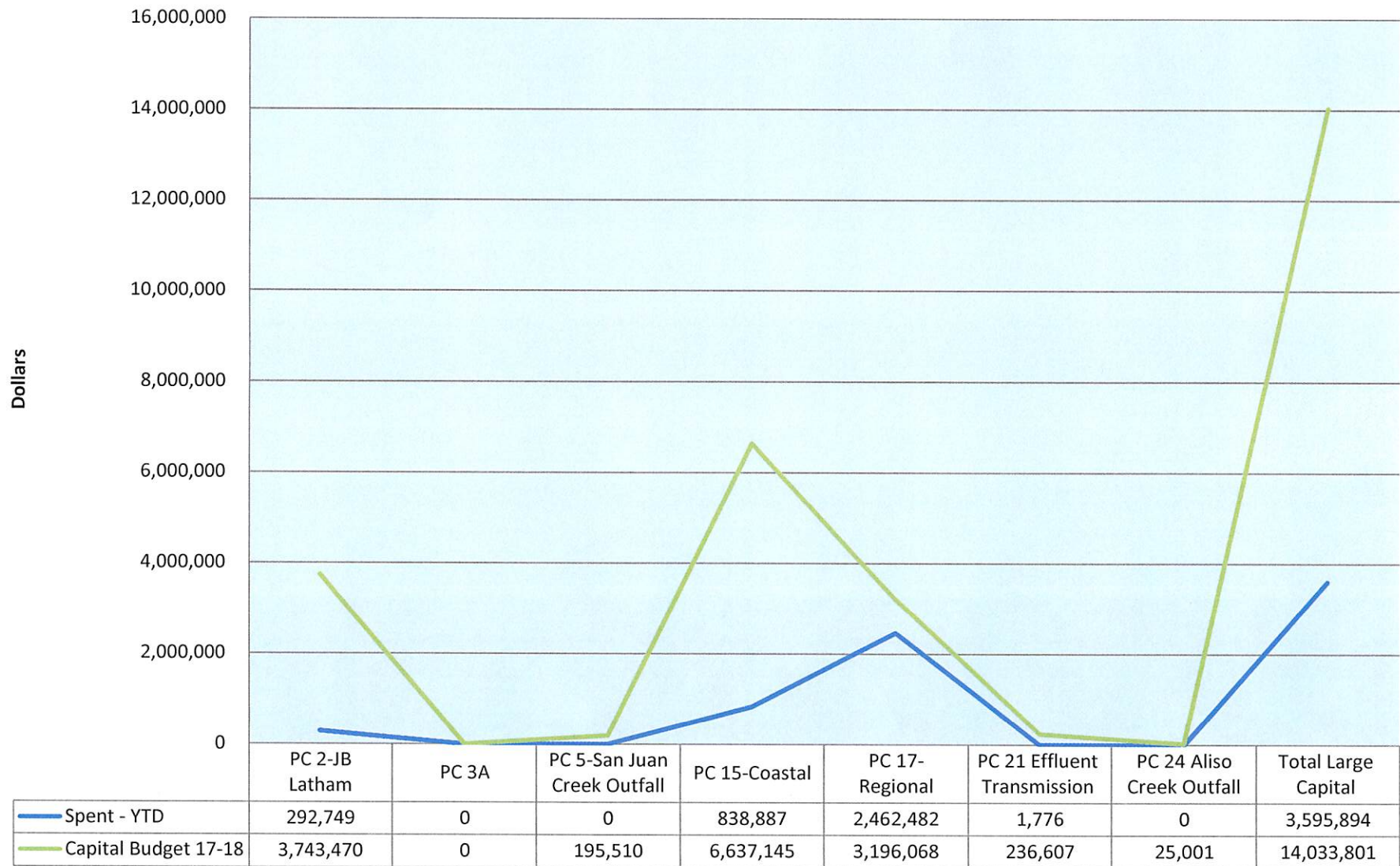
FY 2017-18 Budget vs. Actual Spending							
<u>Description</u>	Capital Budget	Fiscal Year Spending	(Over)/ Under Budget	% Expended	Member Agency Billed	Member Agency Collected	Past Due Amount
PC 2-JB Latham	3,743,470	292,749	3,450,721	7.8%	1,740,157	1,740,157	
PC 3A							
PC 5-San Juan Creek Outfall	195,510	0	195,510	0.0%	10,255	10,255	
PC 15-Coastal	6,637,145	838,887	5,798,258	12.6%	1,737,733	663,048	1,074,685 (1)
PC 17-Regional	3,196,068	2,462,482	733,586	77.0%	751,768	751,768	
PC 21 Effluent Transmission	236,607	1,776	234,831	0.8%	164,502	164,502	
PC 24 Aliso Creek Outfall	25,001	-	25,001	0.0%	-	-	-
Total Large Capital	14,033,801	3,595,894	10,437,907	25.6%	4,404,415	3,329,730	1,074,685
Non-Capital Engineering	158,952	272,080	(113,128)	171.2%	158,952	136,536	22,416 (1)
Small Internal Capital	1,946,997	533,198	1,413,799	27.4%	973,494	804,118	169,376 (1)
Total Capital	16,139,750	4,401,173	11,738,577	27.3%	1,132,446	4,270,384	1,266,477

(1) **Schedule for Past Due Amounts as of December 31, 2017**

<u>Description</u>	Past Due Amount MNWD	Past Due Amount TOTAL
PC 15-Coastal	1,074,685	1,074,685
Total Large Capital	1,074,685	1,074,685
Non-Capital Engineering	22,416	22,416 (2)
Small Internal Capital	169,376	169,376 (2)
Total Capital	1,266,477	1,266,477

(2) Balances due are for PC 15 Coastal Treatment Plant

Large Capital Projects Exhibit D-1 **Budget vs. Actual** **For the Period Ended December 31, 2017**



**South Orange County Wastewater Authority
O & M & Environmental Safety Costs Summary
Year-to-Date December 31, 2017**

Exhibit E-1

		FY 2017-18 Budget	Actual	Budget	% Expended	
Salary and Fringe						
5000--**-**	Regular Salaries-O&M	4,371,300	2,036,561	2,334,739	46.6%	
5001--**-**	Overtime Salaries-O&M	74,992	75,012	(20)	100.0%	(1)
5306--**-**	Scheduled Holiday Work	39,904	30,237	9,667	75.8%	(2)
17-5315-01-01-00	Comp Time - O&M	-	15	(15)	0.0%	
5401--**-**	Fringe Benefits IN to PC's & Depts.	3,243,512	1,511,023	1,732,489	46.3%	
5700--**-**	Standby Pay	69,996	35,588	34,409	50.8%	
	Total Payroll Costs	7,799,704	3,688,437	4,111,267	47.3%	
Other Expenses						
5002--**-**	Electricity	1,484,000	1,054,822	429,178	71.1%	(3)
5003--**-**	Natural Gas	209,512	37,869	171,643	18.1%	(3)
5004--**-**	Potable & Reclaimed Water	62,008	37,608	24,400	60.6%	(4)
5005--**-**	Co-generation Power Credit	(250,000)	-	(250,000)	0.0%	
5008--**-**	Chlorine/Sodium Hypochlorite	478,000	260,598	217,402	54.5%	
5007--**-**	Polymer Products	709,016	236,819	472,197	33.4%	
5008--**-**	Ferric Chloride	255,012	165,751	89,261	65.0%	(5)
5009--**-**	Odor Control Chemicals	160,000	63,733	96,267	39.8%	
5010--**-**	Other Chemicals - Misc.	5,000	373	4,627	7.5%	
5011--**-**	Laboratory Services	36,500	20,900	15,600	57.3%	(6)
5012--**-**	Grit Hauling	122,008	58,570	63,438	48.0%	
5013--**-**	Landscaping	183,004	55,144	127,860	30.1%	
5014--**-**	Engineering - Misc.	392,508	16,690	375,818	4.3%	
5015--**-**	Management Support Services	128,008	26,255	101,753	20.5%	
5016--**-**	Audit - Environmental	500	-	500	0.0%	
5017--**-**	Legal Fees	12,216	19,641	(7,425)	160.8%	
5018--**-**	Public Notices/ Public Relations	500	-	500	0.0%	
5019--**-**	Contract Services Misc.	287,000	131,195	155,805	45.7%	
5020--**-**	Postage Expense	-	174	(174)	0.0%	
5021--**-**	Small Vehicle Expense	20,900	13,067	7,833	62.5%	(7)
5022--**-**	Miscellaneous Expense	18,492	7,340	11,152	39.7%	
5023--**-**	Office Supplies - All	42,000	20,012	21,988	47.6%	
5024--**-**	Petroleum Products	60,000	5,634	54,366	9.4%	
5025--**-**	Uniforms	36,000	17,745	18,255	49.3%	
5026--**-**	Small Vehicle Fuel	37,688	8,359	29,329	22.2%	
5027--**-**	Insurance - Property/Liability	211,740	105,487	106,253	49.8%	
5028--**-**	Small Tools & Supplies	77,476	31,591	45,885	40.8%	
24-5029-01-00-00	Maintenance E & F - Solids - 41A	-	600	(600)	0.0%	
5030--**-**	Trash Disposal	5,000	4,190	810	83.8%	
5031--**-**	Safety Program & Supplies	86,872	70,609	16,263	81.3%	
5032--**-**	Equipment Rental	7,004	1,280	5,724	18.3%	
5033--**-**	Recruitment	1,000	2,105	(1,105)	210.5%	(8)
5034--**-**	Travel Expense/Tech. Conferences	61,012	32,151	28,861	52.7%	(9)
5035--**-**	Training Expense	52,564	42,730	9,834	81.3%	(9)
5036--**-**	Laboratory Supplies	75,024	39,288	35,736	52.4%	
5037--**-**	Office Equipment	22,496	32,240	(9,744)	143.3%	(10)
5038--**-**	Permits	475,500	315,549	159,951	66.4%	
5039--**-**	Membership Dues/Fees	12,244	6,798	5,446	55.5%	
5040--**-**	Natural Gas - 11-EPS - PC 5	-	-	-	0.0%	
5041--**-**	Electricity - 10-EPS - PC 5	-	-	-	0.0%	
5042--**-**	Contract Services - 29-EPS - PC 5	-	-	-	0.0%	
5044--**-**	Offshore Monitoring	42,008	19,485	22,523	46.4%	
5046--**-**	Effluent Chemistry	45,996	19,530	26,466	42.5%	
5047--**-**	Access Road Expenses	46,996	548	46,448	1.2%	
5048--**-**	Storm Damage	19,000	-	19,000	0.0%	
5049--**-**	Biosolids Disposal	1,541,004	572,927	968,077	37.2%	
5050--**-**	Contract Services Generators	21,008	20,137	871	95.9%	

**South Orange County Wastewater Authority
O & M & Environmental Safety Costs Summary
Year-to-Date December 31, 2017**

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Exhibit E-1

	FY 2017-18	Actual	Budget	% Expend
Janitorial Services	100,016	14,410	85,606	14.4%
Contract Serv - Digester Cleaning - 29E	60,004	-	60,004	0.0%
Diesel Truck Maint	40,000	9,075	30,925	22.7%
Diesel Truck Fuel	13,996	2,667	11,329	19.1%
Maintenance Equip. & Facilities (Solids)	328,004	111,587	216,417	34.0%
Maintenance Equip. & Facilities (Liquids)	575,000	305,267	269,733	53.1%
Maintenance Equip. & Facilities (Common)	73,008	18,181	54,827	24.9%
Maintenance Equip. & Facilities (Co-Gen)	500,000	92,334	407,666	18.5%
Maintenance Equip. & Facilities (AWT)	70,000	24,547	45,453	35.1%
Millage	5,688	989	4,699	17.4%
Port Cleaning	35,000	-	35,000	0.0%
MNWD Potable Water Supplies & Svcs.	23,996	13,726	10,270	57.2%
Misc-Capital-Dilution & Metering Study	15,004	-	15,004	0.0%
IT Direct	-	500	(500)	0.0%
Employee Recognition	-	274	(274)	0.0%
Co-Generation Power Credit - Offset	250,000	-	250,000	0.0%
Group Insurance Waiver	10,796	5,200	5,596	48.2%
Medicare Tax Payments for Employees	11,044	4,770	6,274	43.2%
Operating Leases	12,000	31,554	(19,554)	262.9%
Monthly Car Allowance	28,196	16,096	12,100	57.1%
Effluent Pond Cleaning	90,004	-	90,004	0.0%
Shipping/Freight	-	139	(139)	0.0%
IT Allocations in to PCs & Depts.	654,684	267,501	387,183	40.9%
Total Other Expenses	10,190,256	4,494,360	5,695,896	44.1%
Total Expenses	17,989,960	8,182,797	9,807,163	45.5%

- (1) Overtime costs required due to nighttime and bypass construction activities for capital projects.
 (2) Staffing required for elevated holiday flows and loads.
 (3) Engine project timeframe affecting the electricity and gas budget line items.
 (4) Recycled water purchases were required during a construction project to replace the process water controls system at CTP.
 (5) Ferric chloride use has increased more than expected to comply with both new engine gas cleaning system requirements.
 (6) Annual pretreatment and AWT testing completed at the beginning of the FY.
 (7) Older vehicles required repairs.
 (8) Recruitment costs related to retirements. No additional recruitment is anticipated for the FY.
 (9) Training expenses due to new hire costs related to retirements.
 (10) & (11) Costs were incurred to replace the engineering trailer and modify the RTP lab staff work space.
 (11) Expenses are expected to level out for the FY remaining.

South Orange County Wastewater Authority
Budget vs. Actual Comparison - PC's on Separate Report
Year-to-Date December 31, 2017

Exhibit E-1

		FY 2017-18 Budget	Actual	Budget	% Expended	
PC 02 Jay B Latham Plant						
Salary and Fringe						
02-5000-01-**-**	Regular Salaries-O&M	1,228,504	644,816	583,688	52.49%	
02-5000-02-**-**	Regular Salaries-O&M	163,196	67,209	95,987	41.18%	
02-5001-01-**-**	Overtime Salaries-O&M	21,908	26,949	(5,041)	123.01%	
02-5001-02-**-**	Overtime Salaries-O&M	204	500	(296)	245.04%	
02-5306-01-**-**	Scheduled Holiday Work	11,992	10,106	1,886	84.28%	
02-5306-02-**-**	Scheduled Holiday Work	1,804	1,360	444	75.38%	
02-5401-01-**-**	Fringe Benefits IN to PC's & Depts.	911,556	478,420	433,136	52.48%	
02-5401-02-**-**	Fringe Benefits IN to PC's & Depts.	121,096	49,865	71,231	41.18%	
02-5700-01-**-**	Standby Pay	23,328	13,163	10,166	56.42%	
Total Payroll Costs		2,483,588	1,292,387	1,191,201	52.04%	
Other Expenses						
02-5002-01-**-**	Electricity	524,000	481,688	42,312	91.93%	(1)
02-5003-01-**-**	Natural Gas	65,012	19,566	45,446	30.10%	
02-5003-02-00-00	Natural Gas	-	1,109	(1,109)	0.00%	
02-5004-01-**-**	Potable & Reclaimed Water	15,004	8,555	6,449	57.02%	
02-5006-01-**-**	Chlorine/Sodium Hypochlorite	28,000	6,477	21,523	23.13%	
02-5007-01-**-**	Polymer Products	301,004	101,249	199,755	33.64%	
02-5008-01-**-**	Ferric Chloride	100,004	70,914	29,090	70.91%	(2)
02-5009-01-**-**	Odor Control Chemicals	25,000	9,849	15,151	39.40%	
02-5010-01-**-**	Other Chemicals - Misc.	1,000	8	992	0.75%	
02-5011-02-**-**	Laboratory Services	10,500	4,995	5,505	47.57%	
02-5012-01-**-**	Grit Hauling	40,000	24,441	15,559	61.10%	
02-5013-01-**-**	Landscaping	48,000	16,542	31,458	34.46%	
02-5014-01-**-**	Engineering - Misc.	4,996	4,000	996	80.06%	(3)
02-5014-02-**-**	Engineering - Misc.	100,004	4,760	95,244	4.76%	
02-5015-01-**-**	Management Support Services	4,996	1,360	3,636	27.22%	
02-5015-02-**-**	Management Support Services	13,000	16,994	(3,994)	130.72%	(4)
02-5017-01-**-**	Legal Fees	1,200	4,702	(3,502)	391.83%	(5)
02-5019-01-**-**	Contract Services Misc.	95,000	53,961	41,039	56.80%	
02-5020-01-00-00	Postage Expense	-	167	(167)	0.00%	
02-5021-01-**-**	Small Vehicle Expense	8,004	6,874	1,130	85.88%	(6)
02-5022-01-**-**	Miscellaneous Expense	8,004	4,714	3,290	58.90%	
02-5023-01-**-**	Office Supplies - All	25,008	10,647	14,361	42.58%	
02-5024-01-**-**	Petroleum Products	16,004	-	16,004	0.00%	
02-5025-01-**-**	Uniforms	12,996	6,386	6,610	49.14%	
02-5026-01-**-**	Small Vehicle Fuel	15,000	4,301	10,699	28.68%	
02-5027-01-**-**	Insurance - Property/Liability	70,448	34,301	36,147	48.69%	
02-5028-01-**-**	Small Tools & Supplies	40,004	9,834	30,170	24.58%	
02-5030-01-**-**	Trash Disposal	1,000	1,294	(294)	129.44%	(7)
02-5031-02-**-**	Safety Program & Supplies	30,396	22,431	7,965	73.80%	(8)
02-5032-01-**-**	Equipment Rental	3,000	2	2,998	0.08%	
02-5033-01-**-**	Recruitment	1,000	715	286	71.45%	
02-5034-01-**-**	Travel Expense/Tech. Conferences	13,836	6,135	7,701	44.34%	
02-5034-02-**-**	Travel Expense/Tech. Conferences	3,140	1,256	1,884	39.99%	
02-5035-01-**-**	Training Expense	15,904	14,659	1,245	92.17%	(9)
02-5035-02-**-**	Training Expense	1,116	3,000	(1,884)	268.82%	(9)
02-5036-02-**-**	Laboratory Supplies	13,004	9,207	3,797	70.80%	(10)
02-5037-01-**-**	Office Equipment	15,500	16,703	(1,203)	107.76%	(11)
02-5038-02-**-**	Permits	22,000	16,288	5,712	74.04%	(12)
02-5039-01-**-**	Membership Dues/Fees	3,044	2,239	805	73.56%	(13)
02-5039-02-**-**	Membership Dues/Fees	800	590	210	73.75%	(13)

South Orange County Wastewater Authority
Budget vs. Actual Comparison - PC's on Separate Report
Year-to-Date December 31, 2017

Exhibit E-1

		FY 2017-18 Budget	Actual	Budget	% Expended	
02-5049-01-**-**	Biosolids Disposal	550,004	192,874	357,130	35.07%	
02-5050-01-**-**	Contract Services Generators	9,004	11,666	(2,662)	129.57%	(14)
02-5052-01-**-**	Janitorial Services	40,004	6,506	33,498	16.26%	(15)
02-5054-01-**-**	Diesel Truck Maint	20,004	4,022	15,982	20.11%	
02-5055-01-**-**	Diesel Truck Fuel	6,000	1,110	4,890	18.49%	
02-5056-01-**-**	Maintenance Equip. & Facilities (So	138,000	45,945	92,055	33.29%	
02-5057-01-**-**	Maintenance Equip. & Facilities (Lic	240,000	135,071	104,929	56.28%	
02-5058-01-**-**	Maintenance Equip. & Facilities (Cc	26,000	9,436	16,564	36.29%	
02-5059-01-**-**	Maintenance Equip. & Facilities (Cc	250,000	68,607	181,393	27.44%	
02-5061-01-**-**	Mileage	1,000	-	1,000	0.00%	
02-5061-02-**-**	Mileage	492	97	395	19.68%	
02-5068-01-00-00	MNWD Potable Water Supplies & S	-	89	(89)	0.00%	
02-5303-01-**-**	Group Insurance Waiver	3,604	1,890	1,714	52.45%	
02-5303-02-00-00	Group Insurance Waiver	-	138	(138)	0.00%	
02-5305-01-**-**	Medicare Tax Payments for Employ	3,812	2,137	1,675	56.06%	
02-5309-01-**-**	Operating Leases	6,000	31,554	(25,554)	525.90%	(16)
02-5705-01-**-**	Monthly Car Allowance	7,196	5,169	2,027	71.84%	
02-5705-02-00-00	Monthly Car Allowance	-	81	(81)	0.00%	
02-5802-01-00-00	Shipping/Freight	-	66	(66)	0.00%	
02-6500-01-**-**	IT Allocations in to PC's & Depts.	184,880	75,540	109,340	40.86%	
02-6500-02-**-**	IT Allocations in to PC's & Depts.	24,040	9,821	14,219	40.85%	
	Total Other Expenses	3,205,968	1,604,733	1,601,235	50.05%	
	Total Jay B Latham Plant	5,689,556	2,897,120	2,792,436	50.92%	

PC 05 San Juan Creek Ocean Outfall

Salary and Fringe

05-5000-01-**-**	Regular Salaries-O&M	11,252	600	10,652	5.33%	
05-5000-02-**-**	Regular Salaries-O&M	90,480	49,043	41,437	54.20%	
05-5001-01-**-**	Overtime Salaries-O&M	376	-	376	0.00%	
05-5001-02-**-**	Overtime Salaries-O&M	96	60	36	62.85%	
05-5306-01-**-**	Scheduled Holiday Work	96	-	96	0.00%	
05-5306-02-**-**	Scheduled Holiday Work	2,404	299	2,105	12.43%	
05-5401-01-**-**	Fringe Benefits IN to PC's & Depts.	8,348	445	7,903	5.33%	
05-5401-02-**-**	Fringe Benefits IN to PC's & Depts.	67,136	36,387	30,749	54.20%	
	Total Salary and Fringe	180,188	86,835	93,353	48.19%	

Other Expenses

05-5002-01-**-**	Electricity	1,000	58	942	5.83%	
05-5003-01-**-**	Natural Gas	500	-	500	0.00%	
05-5014-02-**-**	Engineering - Misc.	20,004	-	20,004	0.00%	
05-5015-02-**-**	Management Support Services	27,500	3,528	23,973	12.83%	
05-5017-02-**-**	Legal Fees	2,004	-	2,004	0.00%	
05-5026-01-**-**	Small Vehicle Fuel - 37A	2,496	-	2,496	0.00%	
05-5027-01-**-**	Insurance - Property/Liability	5,372	2,706	2,666	50.37%	
05-5031-02-**-**	Safety Supplies	128	-	128	0.00%	
05-5034-02-**-**	Travel Expense/Tech. Conferences	2,484	264	2,220	10.61%	
05-5036-02-**-**	Laboratory Supplies	16,000	6,356	9,644	39.72%	
05-5038-02-**-**	Permits	145,000	143,454	1,546	98.93%	(12)
05-5044-02-**-**	Offshore Monitoring	20,004	9,742	10,262	48.70%	
05-5046-02-**-**	Effluent Chemistry	16,000	7,794	8,207	48.71%	
05-5056-01-00-00	Maintenance Equip. & Facilities (So	-	38	(38)	0.00%	
05-5058-01-**-**	Maintenance Equip. & Facilities (Cc	1,004	-	1,004	0.00%	
05-5069-02-**-**	Misc-Capital-Dilution & Metering Str	15,004	-	15,004	0.00%	
05-5305-02-**-**	Medicare Tax Payments for Employ	2,352	-	2,352	0.00%	

South Orange County Wastewater Authority
Budget vs. Actual Comparison - PC's on Separate Report
Year-to-Date December 31, 2017

Exhibit E-1

		FY 2017-18 Budget	Actual	Budget	% Expended
05-5705-02-**-**	Monthly Car Allowance	4,200	323	3,877	7.69%
05-6500-01-**-**	IT Allocations in to PC's & Depts.	1,692	691	1,001	40.84%
05-6500-02-**-**	IT Allocations in to PC's & Depts.	12,952	5,293	7,659	40.87%
	Total Other Expenses	295,696	180,246	115,450	60.96%
	Total PC 05 San Juan Creek Oc	475,884	267,080	208,804	56.12%
PC 08 PreTreatment					
Salary and Fringe					
08-5000-01-00-00	Regular Salaries-O&M	-	254	(254)	0.00%
08-5000-02-**-**	Regular Salaries-O&M	83,504	32,391	51,113	38.79%
08-5001-02-**-**	Overtime Salaries-O&M	1,412	-	1,412	0.00%
08-5306-02-**-**	Scheduled Holiday Work	200	-	200	0.00%
08-5401-01-00-00	Fringe Benefits IN to PC's & Depts.	-	188	(188)	0.00%
08-5401-02-**-**	Fringe Benefits IN to PC's & Depts.	61,956	24,033	37,923	38.79%
	Total Salary and Fringe	147,072	56,866	90,206	38.67%
Other Expenses					
08-5011-02-**-**	Laboratory Services	2,500	280	2,220	11.20%
08-5015-02-**-**	Management Support Services	2,008	-	2,008	0.00%
08-5016-02-**-**	Audit - Environmental	500	-	500	0.00%
08-5017-02-**-**	Legal Fees	2,008	-	2,008	0.00%
08-5018-02-**-**	Public Notices/ Public Relations	500	-	500	0.00%
08-5021-02-**-**	Small Vehicle Expense - 31A	900	-	900	0.00%
08-5022-02-**-**	Miscellaneous Expense	1,496	-	1,496	0.00%
08-5026-02-**-**	Small Vehicle Fuel - 37A	1,200	-	1,200	0.00%
08-5027-02-**-**	Insurance - Property/Liability	2,196	1,145	1,051	52.13%
08-5028-02-**-**	Small Tools & Supplies	3,472	1,517	1,955	43.71%
08-5034-02-**-**	Travel Expense/Tech. Conferences	3,504	35	3,469	0.99%
08-5035-02-**-**	Training Expense	1,496	-	1,496	0.00%
08-5038-02-**-**	Permits and Fines	10,008	-	10,008	0.00%
08-5039-02-**-**	Membership Dues/Fees	796	344	452	43.22%
08-6500-02-**-**	IT Allocations in to PC's & Depts.	12,568	5,135	7,433	40.86%
	Total Other Expenses	45,152	8,456	36,696	18.73%
	Total PC 08 PreTreatment	192,224	65,322	126,902	33.98%
PC 12 Water Reclamation Permits					
Salary and Fringe					
12-5000-02-**-**	Regular Salaries-O&M	50,192	12,458	37,734	24.82%
12-5306-02-**-**	Scheduled Holiday Work	392	-	392	0.00%
12-5401-02-**-**	Fringe Benefits IN to PC's & Depts.	37,240	9,243	27,997	24.82%
	Total Salary and Fringe	87,824	21,702	66,122	24.71%
Other Expenses					
12-5015-02-**-**	Management Support Services	15,992	179	15,813	1.12%
12-5017-02-**-**	Legal Fees	5,000	-	5,000	0.00%
12-5027-02-**-**	Insurance - Property/Liability	2,740	1,457	1,283	53.18%
12-5034-02-**-**	Travel Expense/Tech. Conferences	1,256	405	851	32.24%
12-5038-02-**-**	Permits	124,996	14,929	110,067	11.94%
12-6500-02-**-**	IT Allocations in to PC's & Depts.	7,064	2,889	4,175	40.90%
	Total Other Expenses	157,048	19,859	137,189	12.65%
	Total PC 12 Water Reclamation	244,872	41,561	203,311	16.97%

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		FY 2017-18 Budget	Actual	Budget	% Expended	
PC 15 Coastal Treatment Plant						
Salary and Fringe						
15-5000-01-**-**	Regular Salaries-O&M	697,360	316,331	381,029	45.36%	
15-5000-02-**-**	Regular Salaries-O&M	149,952	58,949	91,003	39.31%	
15-5001-01-**-**	Overtime Salaries-O&M	10,920	12,708	(1,788)	116.37%	(17)
15-5001-02-**-**	Overtime Salaries-O&M	188	671	(483)	356.82%	(17)
15-5306-01-**-**	Scheduled Holiday Work	3,004	3,403	(399)	113.27%	(18)
15-5306-02-**-**	Scheduled Holiday Work	1,800	1,575	225	87.48%	
15-5401-01-**-**	Fringe Benefits IN to PC's & Depts.	517,440	234,701	282,739	45.36%	
15-5401-02-**-**	Fringe Benefits IN to PC's & Depts.	111,268	43,737	67,531	39.31%	
15-5700-01-**-**	Standby Pay	23,336	8,775	14,561	37.60%	
	Total Salary and Fringe	1,515,268	680,849	834,419	44.93%	
Other Expenses						
15-5002-01-**-**	Electricity	283,004	119,201	163,803	42.12%	
15-5003-01-**-**	Natural Gas	3,000	574	2,426	19.14%	
15-5004-01-**-**	Potable & Reclaimed Water	13,000	10,617	2,383	81.67%	(19)
15-5006-01-**-**	Chlorine/Sodium Hypochlorite	99,996	31,543	68,453	31.54%	
15-5007-01-**-**	Polymer Products	2,004	347	1,657	17.31%	
15-5008-01-**-**	Ferric Chloride	30,004	18,762	11,242	62.53%	
15-5009-01-**-**	Odor Control Chemicals	85,000	33,347	51,653	39.23%	
15-5011-02-**-**	Laboratory Services	9,500	7,510	1,990	79.06%	(20)
15-5012-01-**-**	Grit Hauling	30,004	10,503	19,501	35.01%	
15-5013-01-**-**	Landscaping	60,008	14,358	45,650	23.93%	
15-5014-01-**-**	Engineering - Misc.	5,000	2,398	2,602	47.96%	
15-5014-02-**-**	Engineering - Misc.	50,000	-	50,000	0.00%	
15-5015-01-**-**	Management Support Services	5,000	306	4,694	6.13%	
15-5015-02-**-**	Management Support Services	4,500	-	4,500	0.00%	
15-5017-01-**-**	Legal Fees	-	13,597	(13,597)	0.00%	
15-5019-01-**-**	Contract Services Misc.	67,000	27,269	39,731	40.70%	
15-5021-01-**-**	Small Vehicle Expense	5,996	2,324	3,672	38.75%	
15-5022-01-**-**	Miscellaneous Expense	2,996	907	2,089	30.26%	
15-5023-01-**-**	Office Supplies - All	6,996	2,247	4,749	32.11%	
15-5024-01-**-**	Petroleum Products	2,000	529	1,471	26.45%	
15-5025-01-**-**	Uniforms	5,996	3,082	2,914	51.40%	
15-5026-01-**-**	Small Vehicle Fuel	5,996	654	5,342	10.91%	
15-5027-01-**-**	Insurance - Property/Liability	34,640	17,380	17,260	50.17%	
15-5028-01-**-**	Small Tools & Supplies	9,000	5,729	3,271	63.65%	
15-5030-01-**-**	Trash Disposal	2,996	1,884	1,112	62.89%	
15-5031-02-**-**	Safety Program & Supplies	24,000	20,712	3,288	86.30%	(21)
15-5032-01-**-**	Equipment Rental	1,000	-	1,000	0.00%	
15-5034-01-**-**	Travel Expense/Tech. Conferences	13,832	6,092	7,740	44.05%	
15-5034-02-**-**	Travel Expense/Tech. Conferences	3,324	968	2,356	29.12%	
15-5035-01-**-**	Training Expense	15,904	6,278	9,626	39.47%	
15-5035-02-**-**	Training Expense	1,116	160	956	14.34%	
15-5036-02-**-**	Laboratory Supplies	10,004	7,494	2,510	74.91%	
15-5037-01-**-**	Office Equipment	1,000	750	250	74.97%	
15-5038-02-**-**	Permits	6,504	961	5,544	14.77%	
15-5039-01-**-**	Membership Dues/Fees	2,996	996	2,000	33.25%	
15-5039-02-**-**	Membership Dues/Fees	804	-	804	0.00%	
15-5047-01-**-**	Access Road Expenses	46,996	548	46,448	1.17%	
15-5048-01-**-**	Storm Damage	19,000	-	19,000	0.00%	
15-5049-01-**-**	Biosolids Disposal - 21B	125,000	-	125,000	0.00%	
15-5050-01-**-**	Contract Services Generators	4,004	4,187	(183)	104.57%	(14)
15-5052-01-**-**	Janitorial Services	20,008	3,009	16,999	15.04%	(15)

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		FY 2017-18 Budget	Actual	Budget	% Expended	
15-5054-01-**-**	Diesel Truck Maint	996	332	664	33.37%	
15-5055-01-**-**	Diesel Truck Fuel - 37B	996	-	996	0.00%	
15-5056-01-00-00	Maintenance Equip. & Facilities (So	-	2	(2)	0.00%	
15-5057-01-**-**	Maintenance Equip. & Facilities (Lic	170,004	50,948	119,056	29.97%	
15-5058-01-**-**	Maintenance Equip. & Facilities (Cc	20,008	833	19,175	4.16%	
15-5060-01-**-**	Maintenance Equip. & Facilities (AV	35,000	13,883	21,117	39.66%	
15-5061-01-**-**	Mileage	1,196	29	1,167	2.43%	
15-5303-01-**-**	Group Insurance Waiver	3,596	1,648	1,948	45.82%	
15-5305-01-**-**	Medicare Tax Payments for Employ	2,964	1,716	1,248	57.89%	
15-5705-01-**-**	Monthly Car Allowance	4,200	2,827	1,373	67.31%	
15-5802-01-00-00	Shipping/Freight	-	28	(28)	0.00%	
15-6500-01-**-**	IT Allocations in to PC's & Depts.	104,820	42,828	61,992	40.86%	
15-6500-02-**-**	IT Allocations in to PC's & Depts.	22,212	9,077	13,135	40.87%	
	Total Other Expenses	1,485,120	501,374	983,746	33.76%	
	Total PC 15 Coastal Treatment I	3,000,388	1,182,224	1,818,164	39.40%	

PC 17 Joint Reginal Wastewater Reclamation

Salary and Fringe

17-5000-01-**-**	Regular Salaries-O&M	1,531,652	685,217	846,435	44.74%	
17-5000-02-**-**	Regular Salaries-O&M	272,888	121,313	151,575	44.46%	
17-5001-01-**-**	Overtime Salaries-O&M	39,148	32,165	6,983	82.16%	
17-5001-02-**-**	Overtime Salaries-O&M	196	1,506	(1,310)	768.11%	(22)
17-5306-01-**-**	Scheduled Holiday Work	12,004	10,750	1,254	89.55%	(18)
17-5306-02-**-**	Scheduled Holiday Work	2,992	2,612	380	87.31%	(18)
17-5315-01-01-00	Comp Time - O&M	-	15	(15)	0.00%	
17-5401-01-**-**	Fringe Benefits IN to PC's & Depts.	1,136,496	508,396	628,100	44.73%	
17-5401-02-**-**	Fringe Benefits IN to PC's & Depts.	202,488	90,008	112,480	44.45%	
17-5700-01-**-**	Standby Pay	23,332	13,650	9,682	58.50%	
	Total Salary and Fringe	3,221,196	1,465,632	1,755,564	45.50%	

Other Expenses

17-5002-01-**-**	Electricity	675,000	453,875	221,125	67.24%	(23)
17-5003-01-**-**	Natural Gas	141,000	16,620	124,380	11.79%	(23)
17-5004-01-**-**	Potable & Reclaimed Water	34,004	18,436	15,568	54.22%	
17-5005-01-**-**	Co-generation Power Credit	(250,000)	-	(250,000)	0.00%	
17-5006-01-**-**	Chlorine/Sodium Hypochlorite	350,004	222,578	127,426	63.59%	
17-5007-01-**-**	Polymer Products	406,008	135,223	270,785	33.31%	
17-5008-01-**-**	Ferric Chloride	125,004	76,075	48,929	60.86%	(24)
17-5009-01-**-**	Odor Control Chemicals	50,000	20,537	29,463	41.07%	
17-5010-01-**-**	Other Chemicals - Misc.	4,000	365	3,635	9.13%	
17-5011-02-**-**	Laboratory Services	14,000	8,114	5,886	57.96%	
17-5012-01-**-**	Grit Hauling - 21A	52,004	23,626	28,378	45.43%	
17-5013-01-**-**	Landscaping	74,996	24,244	50,752	32.33%	
17-5014-01-**-**	Engineering - Misc.	5,004	772	4,232	15.43%	
17-5014-02-**-**	Engineering - Misc.	125,000	4,760	120,240	3.81%	
17-5015-01-**-**	Management Support Services	5,004	520	4,484	10.38%	
17-5015-02-**-**	Management Support Services	22,504	-	22,504	0.00%	
17-5017-01-00-00	Legal Fees	-	1,056	(1,056)	0.00%	
17-5019-01-**-**	Contract Services Misc.	125,000	49,657	75,343	39.73%	
17-5020-01-00-00	Postage Expense	-	7	(7)	0.00%	
17-5021-01-**-**	Small Vehicle Expense	6,000	3,869	2,131	64.49%	(6)
17-5022-01-**-**	Miscellaneous Expense	5,996	1,719	4,277	28.68%	

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	FY 2017-18 Budget	Actual	Budget	% Expended	
17-5023-01-**-** Office Supplies - All	9,996	7,118	2,878	71.21%	
17-5024-01-**-** Petroleum Products	41,996	5,105	36,891	12.16%	
17-5025-01-**-** Uniforms	17,008	8,277	8,731	48.66%	
17-5026-01-**-** Small Vehicle Fuel	12,996	3,404	9,592	26.19%	
17-5027-01-**-** Insurance - Property/Liability	90,252	45,376	44,876	50.28%	
17-5028-01-**-** Small Tools & Supplies	25,000	14,511	10,489	58.04%	
17-5030-01-**-** Trash Disposal	1,004	1,011	(7)	100.68%	(7)
17-5031-02-**-** Safety Program & Supplies	31,352	27,466	3,886	87.61%	
17-5032-01-**-** Equipment Rental	3,004	1,278	1,726	42.54%	
17-5033-01-00-00 Recruitment	-	1,390	(1,390)	0.00%	
17-5034-01-**-** Travel Expense/Tech. Conferences	13,832	14,301	(469)	103.39%	(9)
17-5034-02-**-** Travel Expense/Tech. Conferences	3,324	2,697	627	81.13%	(9)
17-5035-01-**-** Training Expense	15,904	18,473	(2,569)	116.15%	(9)
17-5035-02-**-** Training Expense	1,124	160	964	14.23%	
17-5036-02-**-** Laboratory Supplies	19,020	9,697	9,323	50.98%	
17-5037-01-**-** Office Equipment	5,996	14,787	(8,791)	246.61%	(25)
17-5038-02-**-** Permits	35,000	2,542	32,458	7.26%	
17-5039-01-**-** Membership Dues/Fees	3,004	2,404	600	80.03%	(13)
17-5039-02-**-** Membership Dues/Fees	800	225	575	28.13%	
17-5049-01-**-** Biosolids Disposal	866,000	380,054	485,946	43.89%	
17-5050-01-**-** Contract Services Generators	8,000	4,283	3,717	53.54%	
17-5052-01-**-** Janitorial Services	40,004	4,895	35,109	12.24%	(15)
17-5053-01-**-** Contract Serv - Digester Cleaning -	60,004	-	60,004	0.00%	
17-5054-01-**-** Diesel Truck Maint	19,000	4,721	14,279	24.85%	
17-5055-01-**-** Diesel Truck Fuel	7,000	1,558	5,442	22.26%	
17-5056-01-**-** Maintenance Equip. & Facilities (So	190,004	65,602	124,402	34.53%	
17-5057-01-**-** Maintenance Equip. & Facilities (Lic	164,996	119,248	45,748	72.27%	(26)
17-5058-01-**-** Maintenance Equip. & Facilities (Cc	25,000	7,912	17,088	31.65%	
17-5059-01-**-** Maintenance Equip. & Facilities (Cc	250,000	23,727	226,273	9.49%	
17-5060-01-**-** Maintenance Equip. & Facilities (AV	35,000	10,664	24,336	30.47%	
17-5061-01-**-** Mileage	3,000	863	2,137	28.77%	
17-5068-02-**-** MNWD Potable Water Supplies & S	23,996	13,637	10,359	56.83%	
17-5077-01-03-00 IT Direct	-	500	(500)	0.00%	
17-5101-01-00-00 Employee Recognition	-	274	(274)	0.00%	
17-5105-01-**-** Co-Generation Power Credit - Offse	250,000	-	250,000	0.00%	
17-5303-01-23-16 Group Insurance Waiver	32	-	32	0.00%	
17-5303-02-**-** Group Insurance Waiver	3,564	1,523	2,041	42.73%	
17-5305-01-**-** Medicare Tax Payments for Employ	1,784	917	867	51.40%	
17-5305-02-**-** Medicare Tax Payments for Employ	132	-	132	0.00%	
17-5309-01-**-** Operating Leases	6,000	-	6,000	0.00%	
17-5705-01-**-** Monthly Car Allowance	8,398	7,696	700	91.67%	
17-5705-02-**-** Monthly Car Allowance	4,204	-	4,204	0.00%	
17-5706-01-**-** Effluent Pond Cleaning	90,004	-	90,004	0.00%	
17-5802-01-00-00 Shipping/Freight	-	45	(45)	0.00%	
17-6500-01-**-** IT Allocations in to PC's & Depts.	230,508	94,182	136,326	40.86%	
17-6500-02-**-** IT Allocations in to PC's & Depts.	40,652	16,611	24,041	40.86%	
Total Other Expenses	4,628,420	2,001,186	2,627,234	43.24%	
Total PC 17 Joint Reginal Waste	7,849,616	3,466,818	4,382,798	44.17%	

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		FY 2017-18 Budget	Actual	Budget	% Expended
PC 21 Effluent Transmission					
Other Expenses					
21-5014-02-**-**	Engineering - Misc.	62,496	-	62,496	0.00%
21-5019-02-00-00	Contract Services Misc. - 29	-	309	(309)	0.00%
21-5027-02-**-**	Insurance - Property/Liability	728	416	312	57.18%
	Total Other Expenses	63,224	725	62,499	1.15%
	Total PC 21 Effluent Transmissi	63,224	725	62,499	1.15%
PC 23 North Coast Interceptor					
Other Expenses					
23-5017-01-00-00	Legal Fees	-	286	(286)	0.00%
	Total Other Expenses	-	286	(286)	0.00%
	Total PC 23 North Coast Interce	-	286	(286)	0.00%
PC 24 Aliso Creek Ocean Outfall					
Salary and Fringe					
24-5000-01-**-**	Regular Salaries-O&M	6,696	601	6,095	8.96%
24-5000-02-**-**	Regular Salaries-O&M	85,624	47,380	38,244	55.33%
24-5001-01-**-**	Overtime Salaries-O&M	348	369	(21)	105.94%
24-5001-02-**-**	Overtime Salaries-O&M	196	86	110	43.83%
24-5306-01-**-**	Scheduled Holiday Work	104	-	104	0.00%
24-5306-02-**-**	Scheduled Holiday Work	3,112	133	2,979	4.27%
24-5401-01-**-**	Fringe Benefits IN to PC's & Depts.	4,960	445	4,515	8.97%
24-5401-02-**-**	Fringe Benefits IN to PC's & Depts.	63,528	35,153	28,375	55.34%
	Total Salary and Fringe	164,568	84,167	80,401	51.14%
Other Expenses					
24-5002-01-**-**	Electricity	996	-	996	0.00%
24-5014-02-**-**	Engineering - Misc.	20,004	-	20,004	0.00%
24-5015-02-**-**	Management Support Services	27,504	3,368	24,137	12.24%
24-5017-02-**-**	Legal Fees	2,004	-	2,004	0.00%
24-5027-01-00-00	Insurance - Property/Liability	-	2,706	(2,706)	0.00%
24-5027-02-**-**	Insurance - Property/Liability	5,364	-	5,364	0.00%
24-5029-01-00-00	Maintenance E & F - Solids - 41A	-	600	(600)	0.00%
24-5031-02-**-**	Safety Supplies	996	-	996	0.00%
24-5034-02-**-**	Travel Expense/Tech. Conferences	2,480	-	2,480	0.00%
24-5036-02-**-**	Laboratory Supplies	16,996	6,534	10,462	38.45%
24-5038-02-**-**	Permits	131,992	137,375	(5,383)	104.08%
24-5044-02-**-**	Offshore Monitoring	22,004	9,742	12,262	44.28%
24-5046-02-**-**	Effluent Chemistry	29,996	11,737	18,260	39.13%
24-5058-01-**-**	Maintenance Equip. & Facilities (Cc	996	-	996	0.00%
24-5067-02-**-**	Port Cleaning	35,000	-	35,000	0.00%
24-6500-01-**-**	IT Allocations in to PC's & Depts.	1,008	412	596	40.87%
24-6500-02-**-**	IT Allocations in to PC's & Depts.	12,288	5,022	7,266	40.87%
	Total Other Expenses	309,628	177,495	132,133	57.33%
	Total PC 24 Aliso Creek Ocean	474,196	261,662	212,534	55.18%
	Total SOCWA	17,989,960	8,182,797	9,807,163	45.5%

(12)

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Exhibit E-1

FY 2017-18 Budget	Actual	Budget	% Expended
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- (1) The new JBL engine operation delayed to 12/19/2017.
- (2) Ferric chloride use has increased to comply with the new engine gas cleaning system requirements.
- (3) Costs loaded in early FY due to construction.
- (4) Contract work on PC2 trunkline to clean sewers so that the ADS monitors would work properly.
- (5) Legal review of O&M contracts.
- (6) Older vehicles required repair.
- (7) Additional trash was removed following the completion of several construction projects.
- (8) One third of the line item was spent on upgrading confined space entry meters. No large expenses are planned for the last half of the year.
- (9) Training expenses due to the hiring to replace retirements.
- (10) Planned purchase of samplers occurred at the beginning of the FY. Expenses are expected to level out for the balance of the FY.
- (11) Costs for engineering trailer replacement.
- (12) Permit costs are primarily incurred in July of each year.
- (13) Membership costs are primarily incurred in July and December of each year.
- (14) Generator maintenance is completed for the FY. Costs typically range from \$5,000 to \$15,000 per plant depending on services needed.
- (15) Janitorial expenses are lower than projected. Contract awarded in January.
- (16) Costs for engineering trailer replacement.
- (17) Overtime costs required due to nighttime and bypass construction activities for capital projects.
- (18) Staffing has been required for elevated holiday flows and loads.
- (19) Recycled water purchases were required during a construction project to replace the process water controls system.
- (20) Annual pretreatment and AWT testing completed at the beginning of the FY.
- (21) One third of the line item was spent on upgrading confined space entry meters. No large expenses are planned for the last half of the year.
- (22) Overtime for lab work due to leave scheduled.
- (23) The RTP engine project impacting electricity and gas usage.
- (24) Ferric chloride use has increased to comply with the new engine gas cleaning system requirements.
- (25) The plant's conference room reconfiguration to accommodate lab staff workstations.
- (26) Liquids system O&M during construction project

South Orange County Wastewater Authority
Budget vs. Actual Comparison - Engineering
(Labor & Fringe Costs are Net of Labor & Fringe to Capital Projects)
Year-to-Date December 31, 2017

Exhibit E-2

		FY 2017-18 Original Budget	Actual	(Over)/Under Budget	% Expended
Salary and Fringe					
01-5000-03-00-00	Regular Salaries-O&M	155,460	95,312	60,148	61.3%
01-5001-03-00-00	Overtime Salaries-O&M	-	202	(202)	0.0%
02-5306-03-01-00	Scheduled Holiday Work	-	32	(32)	0.0%
01-5401-03-00-00	Fringe Benefits IN to PC's & Depts.	115,356	70,722	44,634	61.3%
	Total Payroll Costs	270,816	166,268	104,549	61.4%
Other Expenses					
01-5015-03-00-00	Management Support Services	996	-	996	0.0%
01-5022-03-00-00	Miscellaneous Expense	3,000	1,586	1,414	52.9%
01-5023-03-00-00	Office Supplies - All	-	86	(86)	0.0%
01-5034-03-00-00	Travel Expense/Tech. Conferences	6,348	1,316	5,032	20.7%
01-5035-03-00-00	Training Expense	3,300	654	2,646	19.8%
01-5039-03-00-00	Membership Dues/Fees	1,776	205	1,571	11.5%
01-5061-03-00-00	Mileage	202	134	68	66.2%
01-5309-03-00-00	Operating Leases	16,500	5,438	11,062	33.0%
_5705--**-00	Monthly Car Allowance	4,200	2,181	2,019	51.9%
01-5802-03-00-00	Shipping/Freight	300	-	300	0.0%
01-6500-03-00-00	IT Allocations in to PC's & Depts.	58,488	23,899	34,589	40.9%
	Total Other Expenses	95,110	35,499	59,611	37.3%
Total Expenses		365,926	201,767	164,159	55.2%

The costs in this department will vary based on the amount of work required to support Capital Projects vs. Non-Capital Projects
QTD costs attributed to Carollo Engineering Capital Assets Valuation Project.

**South Orange County Wastewater Authority
Budget vs. Actual Comparison- Administration
Year-to-Date December 31, 2017**

Exhibit E-3

		FY 2017-18 Budget	*Budget Increase	Adjusted Budget	Actual	(Over)/Under Budget	% Expended	
Salary and Fringe								
01-6000-04-00-00	Regular Salaries-Admin or IT	871,373		871,373	435,189	436,184	49.9%	
01-6001-04-00-00	Overtime Salaries-Admin or IT	10,000		10,000	23,327	(13,327)	233.3%	(1)
01-6315-04-00-00	Comp Time - Admin	-		-	9,845	(9,845)		(1)
01-6401-04-00-00	Fringe Benefits IN to ADMIN or IT	646,559		646,559	322,910	323,649	49.9%	
	Total Payroll Costs	1,527,932	-	1,527,932	791,271	736,661	51.8%	
Other Expenses								
01-5018-04-00-00	Public Notices/ Public Relations	1,400		1,400	-	1,400		
01-5037-04-00-00	Office Equipment	8,000		8,000	-	8,000		
01-6101-04-00-00	Recruitment & Employee Relations	10,104		10,104	39,640	(29,536)	392.3%	(2)
01-6102-04-00-00	Subscriptions	1,008		1,008	1,723	(715)	171.0%	
01-6200-04-00-00	Management Support Services	112,500	117,500	230,000	99,488	130,512	43.3%	
01-6201-04-00-00	Audit	35,000	5,000	40,000	31,184	8,816	78.0%	
01-6202-04-00-00	Legal	90,000		90,000	121,071	(31,071)	134.5%	(1)
01-6203-04-00-00	Outside Services	2,016		2,016	-	2,016	0.0%	
01-6204-04-00-00	Postage	708		708	1,032	(324)	145.8%	
01-6223-04-00-00	Office Supplies - Admin	7,500		7,500	4,925	2,575	65.7%	
01-6224-04-00-00	Office Equipment Admin or IT	-		-	850	(850)		
01-6234-04-00-00	Memberships & Trainings	84,827		84,827	59,474	25,353	70.1%	
01-6239-04-00-00	Travel & Conference	36,950		36,950	16,857	20,093	45.6%	
01-6240-04-00-00	Scholarship Sponsorship	1,000		1,000	-	1,000	0.0%	
01-6310-04-00-00	Miscellaneous	14,000		14,000	14,226	(226)	101.6%	(1)
01-6311-04-00-00	Mileage	1,000		1,000	582	418	58.2%	
01-6317-04-00-00	Contract Services Misc	1,800		1,800	2,485	(685)	138.0%	
01-6500-04-00-00	IT Allocations in to PC's & Depts.	111,365		111,365	45,502	65,863	40.9%	
01-6601-04-00-00	Shipping/Freight	1,200		1,200	1,101	99	91.8%	
01-6705-04-00-00	Monthly Car Allowance	12,000		12,000	6,231	5,769	51.9%	
	Total Other Expenses	532,378	122,500	654,878	446,372	208,506	68.2%	
	Total Expenses	2,060,310	122,500	2,182,810	1,237,643	945,167	56.7%	

*Budget increase approved at June 7th Board Meeting.

(1) Additional requirements for Admin due to audits & contracting work.

(2) Recruiting fees relating to increased workload & staff additions.

**South Orange County Wastewater Authority
Budget vs. Actual Comparison-IT
Year-to-Date December 31, 2017**

		FY 2017-18 Budget	Actual	(Over)/Under Budget	% Expended	
Salary & Fringe						
01-6000-05-00-00	Regular Salaries-Admin or IT	87,428	44,291	43,137	50.7%	
01-6001-05-00-00	Overtime Salaries-Admin or IT	2,076	1,693	383	81.5%	
01-6315-05-00-00	Comp Time - IT	-	692	(692)	0.0%	(1)
01-6401-05-00-00	Fringe Benefits IN to ADMIN or IT	64,871	32,864	32,007	50.7%	
	Total Salary & Fringe	154,375	79,540	74,835	51.5%	
Other Expenses						
01-5028-05-00-00	Small Tools & Supplies	1,250	-	1,250	0.0%	
01-5035-05-00-00	Training Expense	7,800	11,100	(3,300)	142.3%	
01-5037-05-00-00	Office Equipment	1,270	-	1,270	0.0%	
01-5061-05-00-00	Mileage	1,008	-	1,008	0.0%	
01-6200-05-00-00	Management Support Services	-	4,350	(4,350)	0.0%	(1)
01-6234-05-00-00	Memberships & Trainings	-	70	(70)	0.0%	
01-6239-05-00-00	Travel & Conference	9,900	2,158	7,742	21.8%	
01-6300-05-00-00	Software Maintenance Agreements	170,893	48,184	122,709	28.2%	
01-6301-05-00-00	Hardware Maintenance Agreements	11,657	2,889	8,768	24.8%	
01-6302-05-00-00	Cloud Subscriptions (Internet)	45,300	15,458	29,842	34.1%	
01-6303-05-00-00	Telecommunications	134,300	60,039	74,261	44.7%	
01-6305-05-00-00	IT Professional Services	77,000	53,824	23,176	69.9%	
01-6306-05-00-00	Small Hardware Purchases (< \$5k)	70,000	18,371	51,629	26.2%	
01-6307-05-00-00	Small Software Purchases & Licenses (<\$5k)	89,455	14,789	74,666	16.5%	
01-6308-05-00-00	IT Memberships	160	-	160	0.0%	
01-6309-05-00-00	Operating Leases	44,000	24,803	19,197	56.4%	
01-6310-05-00-00	Miscellaneous	5,000	-	5,000	0.0%	
01-6312-05-00-00	Computer & Photocopy Supplies	900	1,327	(427)	147.5%	(1)
01-6601-05-00-00	Shipping/Freight	276	-	276	0.0%	
	Total Other Expenses	670,169	257,362	412,807	38.4%	
	Total Expenses before Allocation	824,544	336,902	487,642	40.9%	
IT Allocations (Out) to PC's & Depts						
01-6400-05-00-00	IT Allocations (OUT) to PC's & Depts.	(\$824,544)	(\$336,902)	(\$487,642)	40.9%	
	Total	(\$824,544)	(\$336,902)	(\$487,642)	40.9%	

(1) Additional requirements for Authority

Agenda Item

Legal Counsel Review: N/A

Meeting Date: February 13, 2018

TO: Finance Committee

FROM: Betty Burnett, General Manager

STAFF CONTACT: Mary Carey, Finance Controller

SUBJECT: Financial Matters for the month of January 2018 – to be reviewed by SOCWA Finance Committee at February 13, 2018 meeting

Summary/Discussion

SOCWA staff is directed by SOCWA Investment Policy (approved December 7, 2017) to provide the schedule of cash and investments to the Board of Directors monthly.

The remainder of the financial reports are provided no less than quarterly to the SOCWA Finance Committee and following Finance Committee review would be recommended to the Board of Directors to be received and filed.

This information is for review, comment and recommendation of the Finance Committee at its February 13, 2018 meeting.

The reports included are as follows:

- a) Summary of Disbursements
 - January 2018 (Exhibit A)
- b) Schedule of Funds Available for Reinvestment (Exhibit B)
- 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)
 - Residual Engineering, after transfer to Capital (Exhibit E-2)
 - Administration (Exhibit E-3)
 - Information Technology (IT) (Exhibit E-4)

Fiscal impact

Monthly Disbursements are as follows:

- January 2018 disbursements were \$2,726,691

By Direction of the Finance Committee, the Finance Committee Chairman would review the monthly disbursements.

The above transactions are summarized by Project Committee in the attached Exhibit A.

The attached Exhibits B, C, D and E are informational reports only.

Recommendation

Finance Committee recommends to the Board to receive and file the January 2018 Financial Reports as submitted.

Exhibit A

**South Orange County Wastewater Authority
Summary of Disbursements for January 2018
Staff Recommendation of Fiscal Matters**

	<u>Actual</u>
General Fund	(\$617,500)
PC 2 - Jay B. Latham Plant	(407,488)
PC 3 - SOCWA Plant/PCA AWT	-
PC 5 - San Juan Creek Ocean Outfall	(161,914)
PC 8 - Pretreatment Program	(8,529)
PC 12 SO - Water Reclamation Permits	(17,667)
PC 15 - Coastal Treatment Plant/AWT	(511,708)
PC 17 - Joint Regional Wastewater Reclamation	(841,729)
PC 21 - Effluent Transmission Main	(10,129)
PC 24 - Aliso Creek Ocean Outfall	(150,027)
Total	<u>(\$2,726,691)</u>

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
SCHEDULE OF FUNDS AVAILABLE FOR REINVESTMENT
as of January 31, 2018**

CASH IN BANK: (BEGINNING BAL.)	\$ 1,101,311
L.A.I.F. FUNDS: (BEGINNING BAL.)	12,207,147
DEPOSITS, TRANSFERS & ADJUSTMENTS:	2,754,541
FUND REQUIREMENTS:	
BILLS FOR CONSIDERATION	<u>(2,726,691)</u>
	<u><u>\$ 13,336,307</u></u>

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.

Exhibit C

**South Orange County Wastewater Authority
Schedule of Cash and Investments
as of January 31, 2018**

MVA	\$ 2,099,639	(A)
A/P Checking	\$ 1,333,957	(B)
Payroll Checking	\$ 283,347	(C)
State LAIF	\$ 9,619,364	(D)
Total Cash in Bank	13,336,307	
Petty Cash	1,600	(E)
Total Operating Cash	13,337,907	
OPEB Trust	4,720,966	(F)
Total Cash and Investments	\$ 18,058,874	

Notes:

- (A) Interest bearing account; all cash receipts are deposited in this account.
- (B) Accounts Payable Checks are drawn against this account; money is transferred to this account from the LAIF account.
- (C) Payroll including payroll taxes and related liabilities are drawn against this account; money is transferred to this account from the LAIF account.
- (D) 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
as of January 31, 2018**

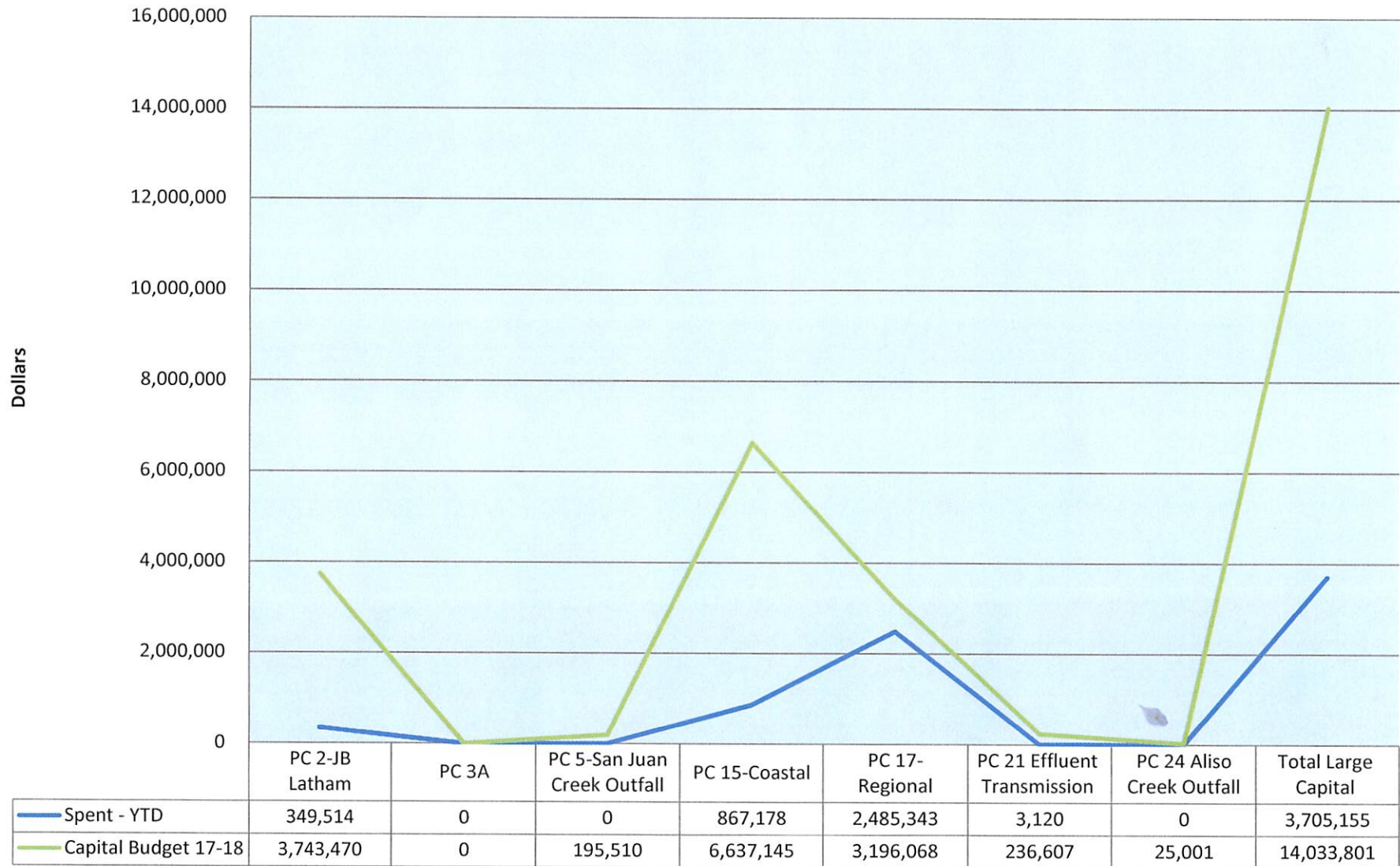
FY 2017-18 Budget vs. Actual Spending							
Description	Capital Budget	Fiscal Year Spending	(Over)/ Under Budget	% Expended	Member Agency Billed	Member Agency Collected	Past Due Amount
PC 2-JB Latham	3,743,470	349,514	3,393,956	9.3%	1,740,157	1,740,157	
PC 3A							
PC 5-San Juan Creek Outfall	195,510		195,510	0.0%	10,255	10,255	
PC 15-Coastal	6,637,145	867,178	5,769,967	13.1%	1,737,733	663,048	1,074,685 (1)
PC 17-Regional	3,196,068	2,485,343	710,725	77.8%	751,768	751,768	
PC 21 Effluent Transmission	236,607	3,120	233,487	1.3%	164,502	164,502	
PC 24 Aliso Creek Outfall	25,001	-	25,001	0.0%	-	-	-
Total Large Capital	14,033,801	3,705,155	10,328,646	26.4%	4,404,415	3,329,730	1,074,685
Non-Capital Engineering	158,952	308,472	(149,520)	194.1%	158,952	136,536	22,416 (1)
Small Internal Capital	1,946,997	608,790	1,338,207	31.3%	973,494	804,118	169,376 (1)
Total Capital	16,139,750	4,622,417	11,517,333	28.6%	1,132,446	4,270,384	1,266,477

(1) **Schedule for Past Due Amounts as of December 31, 2017**

Description	Past Due Amount MNWD	Past Due Amount TOTAL	
PC 15-Coastal	1,074,685	1,074,685	
Total Large Capital	1,074,685	1,074,685	
Non-Capital Engineering	22,416	22,416	(2)
Small Internal Capital	169,376	169,376	(2)
Total Capital	1,266,477	1,266,477	

(2) Balances due are for PC 15 Coastal Treatment Plant

Large Capital Projects Exhibit D-1 **Budget vs. Actual** **For the Period Ended January 31, 2018**



South Orange County Wastewater Authority
O & M & Environmental Safety Costs Summary
Year-to-Date January 2018

Exhibit E-1

		FY 2017-18 Budget	Actual	Budget	% Expended	
Salary and Fringe						
5000--***	Regular Salaries-O&M	4,371,300	2,370,561	2,000,739	54.2%	
5001--***	Overtime Salaries-O&M	74,992	85,020	(10,028)	113.4%	(1)
5306--***	Scheduled Holiday Work	39,904	34,658	5,246	86.9%	(2)
5315--***	Comp Time - O&M	-	2,918	(2,918)	0.0%	
5401--***	Fringe Benefits IN to PC's & Depts.	3,243,512	1,759,021	1,484,491	54.2%	
5700--***	Standby Pay	69,996	41,730	28,266	59.6%	
	Total Payroll Costs	7,799,704	4,293,907	3,505,797	55.1%	
Other Expenses						
5002--***	Electricity	1,484,000	1,180,905	303,095	79.6%	(3)
5003--***	Natural Gas	209,512	46,182	163,330	22.0%	(3)
5004--***	Potable & Reclaimed Water	62,008	44,179	17,829	71.2%	(4)
5005--***	Co-generation Power Credit	(250,000)	-	(250,000)	0.0%	
5006--***	Chlorine/Sodium Hypochlorite	478,000	285,758	192,242	59.8%	
5007--***	Polymer Products	709,016	301,777	407,239	42.6%	
5008--***	Ferric Chloride	255,012	183,869	71,143	72.1%	(5)
5009--***	Odor Control Chemicals	160,000	67,463	92,537	42.2%	
5010--***	Other Chemicals - Misc.	5,000	373	4,627	7.5%	
5011--***	Laboratory Services	36,500	21,635	14,865	59.3%	(6)
5012--***	Grit Hauling	122,008	58,570	63,438	48.0%	
5013--***	Landscaping	183,004	55,144	127,860	30.1%	
5014--***	Engineering - Misc.	392,508	16,690	375,818	4.3%	
5015--***	Management Support Services	128,008	26,255	101,753	20.5%	
5016--***	Audit - Environmental	500	-	500	0.0%	
5017--***	Legal Fees	12,216	10,660	1,556	87.3%	
5018--***	Public Notices/ Public Relations	500	320	180	64.0%	
5019--***	Contract Services Misc.	287,000	166,923	120,077	58.2%	
5020--***	Postage Expense	-	174	(174)	0.0%	
5021--***	Small Vehicle Expense	20,900	14,526	6,374	69.5%	(7)
5022--***	Miscellaneous Expense	18,492	7,639	10,853	41.3%	
5023--***	Office Supplies - All	42,000	21,883	20,117	52.1%	
5024--***	Petroleum Products	60,000	6,219	53,781	10.4%	
5025--***	Uniforms	36,000	18,745	17,255	52.1%	
5026--***	Small Vehicle Fuel	37,688	9,554	28,134	25.4%	
5027--***	Insurance - Property/Liability	211,740	114,114	97,626	53.9%	
5028--***	Small Tools & Supplies	77,476	35,892	41,584	46.3%	
24-5029-01-00-01	Maintenance E & F - Solids - 41A	-	600	(600)	0.0%	
5030--***	Trash Disposal	5,000	4,294	706	85.9%	
5031--***	Safety Program & Supplies	86,872	72,971	13,901	84.0%	
5032--***	Equipment Rental	7,004	1,280	5,724	18.3%	
5033--***	Recruitment	1,000	2,105	(1,105)	210.5%	(8)
5034--***	Travel Expense/Tech. Conferences	61,012	32,151	28,861	52.7%	(9)
5035--***	Training Expense	52,564	46,955	5,609	89.3%	(9)
5036--***	Laboratory Supplies	75,024	52,037	22,987	69.4%	
5037--***	Office Equipment	22,496	32,790	(10,294)	145.8%	(10)
5038--***	Permits	475,500	315,549	159,951	66.4%	
5039--***	Membership Dues/Fees	12,244	6,823	5,421	55.7%	
5040--***	Natural Gas - 11-EPS - PC 5	-	-	-	0.0%	
5041--***	Electricity - 10-EPS - PC 5	-	-	-	0.0%	

South Orange County Wastewater Authority
O & M & Environmental Safety Costs Summary
Year-to-Date January 2018

Exhibit E-1

	FY 2017-18 Budget	Actual	Budget	% Expended	
5042--***	Contract Services - 29-EPS - PC 5	-	-	0.0%	
5044--***	Offshore Monitoring	42,008	21,697	20,311	51.6%
5046--***	Effluent Chemistry	45,996	19,570	26,426	42.5%
5047--***	Access Road Expenses	46,996	25,648	21,348	54.6%
5048--***	Storm Damage	19,000	-	19,000	0.0%
5049--***	Biosolids Disposal	1,541,004	690,028	850,976	44.8%
5050--***	Contract Services Generators	21,008	20,137	871	95.9%
5052--***	Janitorial Services	100,016	17,424	82,592	17.4%
5053--***	Contract Serv - Digester Cleaning - 29E	60,004	29,192	30,812	48.6%
5054--***	Diesel Truck Maint	40,000	9,525	30,475	23.8%
5055--***	Diesel Truck Fuel	13,996	2,943	11,053	21.0%
5056--***	Maintenance Equip. & Facilities (Solids)	328,004	124,487	203,517	38.0%
5057--***	Maintenance Equip. & Facilities (Liquids)	575,000	348,383	226,617	60.6%
5058--***	Maintenance Equip. & Facilities (Common)	73,008	18,181	54,827	24.9%
5059--***	Maintenance Equip. & Facilities (Co-Gen)	500,000	102,027	397,973	20.4%
5060--***	Maintenance Equip. & Facilities (AWT)	70,000	28,629	41,371	40.9%
5061--***	Mileage	5,688	1,016	4,672	17.9%
5067--***	Port Cleaning	35,000	-	35,000	0.0%
5068--***	MNWD Potable Water Supplies & Svcs.	23,996	13,171	10,825	54.9%
5069--***	Misc-Capital-Dilution & Metering Study	15,004	2,400	12,604	16.0%
5077--***	IT Direct	-	500	(500)	0.0%
17-5101-01-00-01	Employee Recognition	-	274	(274)	0.0%
5105--***	Co-Generation Power Credit - Offset	250,000	-	250,000	0.0%
02-5301-01-00-01	Vehicle Pay	-	-	(0)	0.0%
5303--***	Group Insurance Waiver	10,796	6,155	4,641	57.0%
5305--***	Medicare Tax Payments for Employees	11,044	5,377	5,667	48.7%
5309--***	Operating Leases	12,000	33,242	(21,242)	277.0%
5705--***	Monthly Car Allowance	28,196	18,383	9,813	65.2%
5706--***	Effluent Pond Cleaning	90,004.00	-	90,004	0.0%
5802--***	Shipping/Freight	-	139	(139)	0.0%
6500--***	IT Allocations in to PC's & Depts.	654,684	295,113	359,571	45.1%
	Total Other Expenses	10,190,256	5,096,646	5,093,610	50.0%
Total Expenses		17,989,960	9,390,553	8,599,407	52.2%

(11)

- (1) Overtime costs have been higher than expected due to a series of nighttime and bypass construction activities for capital projects.
- (2) Staffing has been required for elevated holiday flows and loads. These line items will be increased in future years.
- (3) The new engine projects are starting up later than anticipated and affecting the electricity and gas budget line items.
- (4) Recycled water purchases were required during a construction project to replace the process water controls system at CTP.
- (5) Ferric chloride use has increased more than expected to comply with both new engine gas cleaning system requirements.
- (6) Annual pretreatment and AWT testing completed at the beginning of the FY.
- (7) Several older vehicles required unanticipated larger repairs. Expenses are expected to level out for the FY.
- (8) Recruitment costs related to retirements. No additional recruitment is anticipated for the FY.
- (9) Training expenses due to new hires costs related to retirements.
- (10) & (11) Costs were incurred to replace the engineering trailer and modify the RTP lab staff work space.
- (11) Costs were incurred to replace the engineering trailer at JBL. Expenses are expected to level out for the FY.

South Orange County Wastewater Authority
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Exhibit E-1

		FY 2017-18 Budget	Actual	Budget	% Expended	
PC 02 Jay B Latham Plant						
Salary and Fringe						
02-5000-01-**-**	Regular Salaries-O&M	1,228,504	743,724	484,780	60.54%	
02-5000-02-**-**	Regular Salaries-O&M	163,196	80,111	83,085	49.09%	
02-5001-01-**-**	Overtime Salaries-O&M	21,908	31,531	(9,623)	143.93%	(1)
02-5001-02-**-**	Overtime Salaries-O&M	204	500	(296)	245.04%	
02-5306-01-**-**	Scheduled Holiday Work	11,992	11,283	709	94.09%	(2)
02-5306-02-**-**	Scheduled Holiday Work	1,804	1,510	294	83.70%	(2)
02-5315-01-00-00	Comp Time - O&M	-	1,648	(1,648)	0.00%	
02-5315-02-00-00	Comp Time - O&M	-	414	(414)	0.00%	
02-5401-01-**-**	Fringe Benefits IN to PC's & Depts.	911,556	551,843	359,713	60.54%	
02-5401-02-**-**	Fringe Benefits IN to PC's & Depts.	121,096	59,443	61,653	49.09%	
02-5700-01-**-**	Standby Pay	23,328	15,405	7,923	66.04%	
	Total Payroll Costs	2,483,588	1,497,413	986,175	60.29%	
Other Expenses						
02-5002-01-**-**	Electricity	524,000	536,710	(12,710)	102.43%	(3)
02-5003-01-**-**	Natural Gas	65,012	27,202	37,810	40.14%	(3)
02-5004-01-**-**	Potable & Reclaimed Water	15,004	9,930	5,074	66.18%	
02-5006-01-**-**	Chlorine/Sodium Hypochlorite	28,000	13,235	14,765	47.27%	
02-5007-01-**-**	Polymer Products	301,004	116,359	184,645	38.66%	
02-5008-01-**-**	Ferric Chloride	100,004	80,058	19,946	80.06%	(4)
02-5009-01-**-**	Odor Control Chemicals	25,000	9,849	15,151	39.40%	
02-5010-01-**-**	Other Chemicals - Misc.	1,000	8	992	0.75%	
02-5011-02-**-**	Laboratory Services	10,500	5,270	5,230	50.19%	
02-5012-01-**-**	Grit Hauling	40,000	24,441	15,559	61.10%	
02-5013-01-**-**	Landscaping	48,000	16,542	31,458	34.46%	
02-5014-01-**-**	Engineering - Misc.	4,996	4,000	996	80.06%	(5)
02-5014-02-**-**	Engineering - Misc.	100,004	4,760	95,244	4.76%	
02-5015-01-**-**	Management Support Services	4,996	1,360	3,636	27.22%	
02-5015-02-**-**	Management Support Services	13,000	16,994	(3,994)	130.72%	(6)
02-5017-01-**-**	Legal Fees	1,200.00	7,010	(5,810)	584.17%	(7)
02-5019-01-**-**	Contract Services Misc.	95,000	66,251	28,749	69.74%	
02-5020-01-00-00	Postage Expense	-	167	(167)	0.00%	
02-5021-01-**-**	Small Vehicle Expense	8,004	7,944	60	99.25%	(8)
02-5022-01-**-**	Miscellaneous Expense	8,004	5,012.61	2,991	62.63%	
02-5023-01-**-**	Office Supplies - All	25,008	11,450	13,558	45.78%	
02-5024-01-**-**	Petroleum Products	16,004	-	16,004	0.00%	
02-5025-01-**-**	Uniforms	12,996	7,299	5,697	56.16%	
02-5026-01-**-**	Small Vehicle Fuel	15,000	4,923	10,077	32.82%	
02-5027-01-**-**	Insurance - Property/Liability	70,448	37,269	33,179	52.90%	
02-5028-01-**-**	Small Tools & Supplies	40,004	13,168	26,836	32.92%	
02-5030-01-**-**	Trash Disposal	1,000	1,294	(294)	129.44%	(9)
02-5031-02-**-**	Safety Program & Supplies	30,396	22,902	7,494	75.34%	(10)
02-5032-01-**-**	Equipment Rental	3,000	2	2,998	0.08%	
02-5033-01-**-**	Recruitment	1,000	715	286	71.45%	
02-5034-01-**-**	Travel Expense/Tech. Conferences	13,836	6,135	7,701	44.34%	
02-5034-02-**-**	Travel Expense/Tech. Conferences	3,140	1,256	1,884	39.99%	
02-5035-01-**-**	Training Expense	15,904	15,469	435	97.26%	(11)
02-5035-02-**-**	Training Expense	1,116	3,799	(2,683)	340.43%	(11)

South Orange County Wastewater Authority
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		FY 2017-18 Budget	Actual	Budget	% Expended	
02-5036-02-**-**	Laboratory Supplies	13,004	9,960	3,044	76.59%	(12)
02-5037-01-**-**	Office Equipment	15,500	17,254	(1,754)	111.31%	(13)
02-5038-02-**-**	Permits	22,000	16,288	5,712	74.04%	(14)
02-5039-01-**-**	Membership Dues/Fees	3,044	2,049	995	67.32%	(15)
02-5039-02-**-**	Membership Dues/Fees	800	590	210	73.75%	(15)
02-5049-01-**-**	Biosolids Disposal	550,004	233,622	316,382	42.48%	
02-5050-01-**-**	Contract Services Generators	9,004	11,666	(2,662)	129.57%	(16)
02-5052-01-**-**	Janitorial Services	40,004	7,817	32,187	19.54%	(17)
02-5054-01-**-**	Diesel Truck Maint	20,004	4,247	15,757	21.23%	
02-5055-01-**-**	Diesel Truck Fuel	6,000	1,247	4,753	20.79%	
02-5056-01-**-**	Maintenance Equip. & Facilities (Solic	138,000	52,409	85,591	37.98%	
02-5057-01-**-**	Maintenance Equip. & Facilities (Liqui	240,000	169,263	70,737	70.53%	(18)
02-5058-01-**-**	Maintenance Equip. & Facilities (Com	26,000	9,436.11	16,564	36.29%	
02-5059-01-**-**	Maintenance Equip. & Facilities (Co-C	250,000	77,925	172,075	31.17%	
02-5061-01-**-**	Mileage	1,000	-	1,000	0.00%	
02-5061-02-**-**	Mileage	492	97	395	19.68%	
02-5068-01-00-00	MNWD Potable Water Supplies & Sv	-	89	(89)	0.00%	
02-5301-01-00-00	Vehicle Pay	-	-	(0)	0.00%	
02-5303-01-**-**	Group Insurance Waiver	3,604	2,070	1,534	57.45%	
02-5303-02-00-00	Group Insurance Waiver	-	277	(277)	0.00%	
02-5305-01-**-**	Medicare Tax Payments for Employee	3,812.00	2,477	1,335	64.98%	
02-5309-01-**-**	Operating Leases	6,000.00	33,242	(27,242)	554.04%	
02-5705-01-**-**	Monthly Car Allowance	7,196	5,912	1,284	82.16%	
02-5802-01-00-00	Shipping/Freight	-	66	(66)	0.00%	(19)
02-6500-01-**-**	IT Allocations in to PC's & Depts.	184,880	83,338	101,542	45.08%	
02-6500-02-**-**	IT Allocations in to PC's & Depts.	24,040	10,835	13,205	45.07%	
	Total Other Expenses	3,205,968	1,830,961	1,375,007	57.11%	
	Total Jay B Latham Plant	5,689,556	3,328,374	2,361,182	58.50%	

PC 05 San Juan Creek Ocean Outfall

Salary and Fringe

05-5000-01-**-**	Regular Salaries-O&M	11,252	599.97	10,652	5.33%
05-5000-02-**-**	Regular Salaries-O&M	90,480	58,176	32,304	64.30%
05-5001-01-**-**	Overtime Salaries-O&M	376	-	376	0.00%
05-5001-02-**-**	Overtime Salaries-O&M	96	60	36	62.85%
05-5306-01-**-**	Scheduled Holiday Work	96	-	96	0.00%
05-5306-02-**-**	Scheduled Holiday Work	2,404	411	1,993	17.11%
05-5401-01-**-**	Fringe Benefits IN to PC's & Depts.	8,348	445	7,903	5.33%
05-5401-02-**-**	Fringe Benefits IN to PC's & Depts.	67,136	43,167	23,969	64.30%
	Total Salary and Fringe	180,188	102,859	77,329	57.08%

Other Expenses

05-5002-01-**-**	Electricity	1,000	58.29	942	5.83%	
05-5003-01-**-**	Natural Gas	500	-	500	0.00%	
05-5014-02-**-**	Engineering - Misc.	20,004	-	20,004	0.00%	
05-5015-02-**-**	Management Support Services	27,500	3,527.50	23,973	12.83%	
05-5017-02-**-**	Legal Fees	2,004	-	2,004	0.00%	
05-5026-01-**-**	Small Vehicle Fuel - 37A	2,496	-	2,496	0.00%	
05-5027-01-**-**	Insurance - Property/Liability	5,372	2,921	2,451	54.38%	
05-5031-02-**-**	Safety Supplies	128	-	128	0.00%	
05-5034-02-**-**	Travel Expense/Tech. Conferences	2,484	264	2,220	10.61%	
05-5036-02-**-**	Laboratory Supplies	16,000	12,329	3,671	77.06%	(20)
05-5038-02-**-**	Permits	145,000	143,454	1,546	98.93%	(14)

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		FY 2017-18 Budget	Actual	Budget	% Expended
05-5044-02-**-**	Offshore Monitoring	20,004.00	10,848	9,156	54.23%
05-5046-02-**-**	Effluent Chemistry	16,000	7,813.50	8,187	48.83%
05-5056-01-00-00	Maintenance Equip. & Facilities (Solic	-	37.50	(38)	0.00%
05-5058-01-**-**	Maintenance Equip. & Facilities (Com	1,004	-	1,004	0.00%
05-5069-02-**-**	Misc-Capital-Dilution & Metering Stud	15,004	2,400	12,604	16.00%
05-5305-02-**-**	Medicare Tax Payments for Employee	2,352	-	2,352	0.00%
05-5705-02-**-**	Monthly Car Allowance	4,200	775	3,425	18.46%
05-6500-01-**-**	IT Allocations in to PC's & Depts.	1,692	762	930	45.04%
05-6500-02-**-**	IT Allocations in to PC's & Depts.	12,952	5,839	7,113	45.08%
	Total Other Expenses	295,696	191,030	104,666	64.60%
	Total PC 05 San Juan Creek Oce	475,884	293,889	181,995	61.76%
PC 08 PreTreatment					
Salary and Fringe					
08-5000-02-**-**	Regular Salaries-O&M	83,504	39,909.39	43,595	47.79%
08-5001-02-**-**	Overtime Salaries-O&M	1,412	-	1,412	0.00%
08-5306-02-**-**	Scheduled Holiday Work	200.00	-	200	0.00%
08-5401-01-00-00	Fringe Benefits IN to PC's & Depts.	-	188	(188)	0.00%
08-5401-02-**-**	Fringe Benefits IN to PC's & Depts.	61,956	29,424	32,532	47.49%
	Total Salary and Fringe	147,072	69,522	77,550	47.27%
Other Expenses					
08-5011-02-**-**	Laboratory Services	2,500	100.00	2,400	4.00%
08-5015-02-**-**	Management Support Services	2,008	-	2,008	0.00%
08-5016-02-**-**	Audit - Environmental	500	-	500	0.00%
08-5017-02-**-**	Legal Fees	2,008	-	2,008	0.00%
08-5018-02-**-**	Public Notices/ Public Relations	500	320.00	180	64.00%
08-5021-02-**-**	Small Vehicle Expense - 31A	900	-	900	0.00%
08-5022-02-**-**	Miscellaneous Expense	1,496	-	1,496	0.00%
08-5026-02-**-**	Small Vehicle Fuel - 37A	1,200	-	1,200	0.00%
08-5027-02-**-**	Insurance - Property/Liability	2,196	1,236	960	56.28%
08-5028-02-**-**	Small Tools & Supplies	3,472	1,721	1,751	49.56%
08-5034-02-**-**	Travel Expense/Tech. Conferences	3,504	34.52	3,469	0.99%
08-5035-02-**-**	Training Expense	1,496	945.00	551	63.17%
08-5038-02-**-**	Permits and Fines	10,008	-	10,008	0.00%
08-5039-02-**-**	Membership Dues/Fees	796	344	452	43.22%
08-6500-02-**-**	IT Allocations in to PC's & Depts.	12,568	5,665	6,903	45.07%
	Total Other Expenses	45,152	10,365	34,787	22.96%
	Total PC 08 PreTreatment	192,224	79,887	112,337	41.56%
PC 12 Water Reclamation Permits					
Salary and Fringe					
12-5000-02-**-**	Regular Salaries-O&M	50,192	15,017	35,175	29.92%
12-5306-02-**-**	Scheduled Holiday Work	392	-	392	0.00%
12-5401-02-**-**	Fringe Benefits IN to PC's & Depts.	37,240	11,143	26,097	29.92%
	Total Salary and Fringe	87,824	26,160	61,664	29.79%
Other Expenses					
12-5015-02-**-**	Management Support Services	15,992	179.35	15,813	1.12%
12-5017-02-**-**	Legal Fees	5,000	-	5,000	0.00%
12-5027-02-**-**	Insurance - Property/Liability	2,740	1,573	1,167	57.40%
12-5034-02-**-**	Travel Expense/Tech. Conferences	1,256	405	851	32.24%
12-5038-02-**-**	Permits	124,996	14,929	110,067	11.94%

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		FY 2017-18 Budget	Actual	Budget	% Expended
12-6500-02-**-**	IT Allocations in to PC's & Depts.	7,064	3,187	3,877	45.12%
	Total Other Expenses	157,048	20,273	136,775	12.91%
	Total PC 12 Water Reclamation P	244,872	46,433	198,439	18.96%

PC 15 Coastal Treatment Plant

Salary and Fringe

15-5000-01-**-**	Regular Salaries-O&M	697,360	366,365	330,995	52.54%
15-5000-02-**-**	Regular Salaries-O&M	149,952	67,167	82,785	44.79%
15-5001-01-**-**	Overtime Salaries-O&M	10,920	14,177	(3,257)	129.83%
15-5001-02-**-**	Overtime Salaries-O&M	188	671	(483)	356.82%
15-5306-01-**-**	Scheduled Holiday Work	3,004	4,596	(1,592)	152.99%
15-5306-02-**-**	Scheduled Holiday Work	1,800	1,668	132	92.69%
15-5315-01-00-00	Comp Time - O&M	0	234	(234)	0.00%
15-5401-01-**-**	Fringe Benefits IN to PC's & Depts.	517,440	271,843	245,597	52.54%
15-5401-02-**-**	Fringe Benefits IN to PC's & Depts.	111,268	49,903	61,365	44.85%
15-5700-01-**-**	Standby Pay	23,336	10,270	13,066	44.01%
	Total Salary and Fringe	1,515,268	786,894	728,374	51.93%

Other Expenses

15-5002-01-**-**	Electricity	283,004	137,028	145,976	48.42%
15-5003-01-**-**	Natural Gas	3,000	931	2,069	31.03%
15-5004-01-**-**	Potable & Reclaimed Water	13,000	12,572	428	96.71%
15-5006-01-**-**	Chlorine/Sodium Hypochlorite	99,996	33,748	66,248	33.75%
15-5007-01-**-**	Polymer Products	2,004	347	1,657	17.31%
15-5008-01-**-**	Ferric Chloride	30,004	18,762	11,242	62.53%
15-5009-01-**-**	Odor Control Chemicals	85,000	33,347	51,653	39.23%
15-5011-02-**-**	Laboratory Services	9,500	7,540	1,960	79.37%
15-5012-01-**-**	Grit Hauling	30,004	10,503	19,501	35.01%
15-5013-01-**-**	Landscaping	60,008	14,358.00	45,650	23.93%
15-5014-01-**-**	Engineering - Misc.	5,000	2,398	2,602	47.96%
15-5014-02-**-**	Engineering - Misc.	50,000	-	50,000	0.00%
15-5015-01-**-**	Management Support Services	5,000.00	306	4,694	6.13%
15-5015-02-**-**	Management Support Services	4,500	-	4,500	0.00%
15-5017-01-**-**	Legal Fees	-	2,308	(2,308)	0.00%
15-5019-01-**-**	Contract Services Misc.	67,000	34,831	32,169	51.99%
15-5021-01-**-**	Small Vehicle Expense	5,996	2,367	3,629	39.48%
15-5022-01-**-**	Miscellaneous Expense	2,996	907	2,089	30.26%
15-5023-01-**-**	Office Supplies - All	6,996	2,640	4,356	37.74%
15-5024-01-**-**	Petroleum Products	2,000	529	1,471	26.45%
15-5025-01-**-**	Uniforms	5,996	3,170	2,826	52.87%
15-5026-01-**-**	Small Vehicle Fuel	5,996	851	5,145	14.19%
15-5027-01-**-**	Insurance - Property/Liability	34,640	18,762	15,878	54.16%
15-5028-01-**-**	Small Tools & Supplies	9,000	5,889	3,111	65.44%
15-5030-01-**-**	Trash Disposal	2,996	1,989.11	1,007	66.39%
15-5031-02-**-**	Safety Program & Supplies	24,000	21,255	2,745	88.56%
15-5032-01-**-**	Equipment Rental	1,000	-	1,000	0.00%
15-5034-01-**-**	Travel Expense/Tech. Conferences	13,832	6,092	7,740	44.05%
15-5034-02-**-**	Travel Expense/Tech. Conferences	3,324	968	2,356	29.12%
15-5035-01-**-**	Training Expense	15,904	6,328	9,576	39.79%
15-5035-02-**-**	Training Expense	1,116	484	632	43.37%
15-5036-02-**-**	Laboratory Supplies	10,004	8,485	1,519	84.82%
15-5037-01-**-**	Office Equipment	1,000	750	250	74.97%

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		FY 2017-18 Budget	Actual	Budget	% Expended	
15-5038-02-**-**	Permits	6,504	960.50	5,544	14.77%	
15-5039-01-**-**	Membership Dues/Fees	2,996	1,166	1,830	38.92%	
15-5039-02-**-**	Membership Dues/Fees	804	-	804	0.00%	
15-5047-01-**-**	Access Road Expenses	46,996	25,648	21,348	54.57%	
15-5048-01-**-**	Storm Damage	19,000	-	19,000	0.00%	
15-5049-01-**-**	Biosolids Disposal - 21B	125,000	-	125,000	0.00%	
15-5050-01-**-**	Contract Services Generators	4,004	4,187	(183)	104.57%	(16)
15-5052-01-**-**	Janitorial Services	20,008	3,620.73	16,387	18.10%	
15-5054-01-**-**	Diesel Truck Maint	996.00	332	664	33.37%	(17)
15-5055-01-**-**	Diesel Truck Fuel - 37B	996	-	996	0.00%	
15-5056-01-00-00	Maintenance Equip. & Facilities (Solic	-	2	(2)	0.00%	
15-5057-01-**-**	Maintenance Equip. & Facilities (Liqui	170,004	52,550	117,454	30.91%	
15-5058-01-**-**	Maintenance Equip. & Facilities (Com	20,008	833	19,175	4.16%	
15-5060-01-**-**	Maintenance Equip. & Facilities (AWT	35,000	14,418	20,582	41.20%	
15-5061-01-**-**	Mileage	1,196	29	1,167	2.43%	
15-5303-01-**-**	Group Insurance Waiver	3,596	1,966	1,630	54.68%	
15-5305-01-**-**	Medicare Tax Payments for Employee	2,964	1,983	981	66.91%	
15-5705-01-**-**	Monthly Car Allowance	4,200	3,198	1,002	76.15%	
15-5802-01-00-00	Shipping/Freight	-	28	(28)	0.00%	
15-6500-01-**-**	IT Allocations in to PC's & Depts.	104,820	47,249	57,571	45.08%	
15-6500-02-**-**	IT Allocations in to PC's & Depts.	22,212	10,014	12,198	45.08%	
	Total Other Expenses	1,485,120	558,633	926,487	37.62%	
	Total PC 15 Coastal Treatment PI	3,000,388	1,345,527	1,654,861	44.85%	

PC 17 Joint Reginal Wastewater Reclamation

Salary and Fringe

17-5000-01-**-**	Regular Salaries-O&M	1,531,652	799,721	731,932	52.21%	
17-5000-02-**-**	Regular Salaries-O&M	272,888	143,565	129,323	52.61%	
17-5001-01-**-**	Overtime Salaries-O&M	39,148	36,120	3,028	92.27%	(1)
17-5001-02-**-**	Overtime Salaries-O&M	196	1,506	(1,310)	768.11%	(1)
17-5306-01-**-**	Scheduled Holiday Work	12,004	12,126	(122)	101.02%	(2)
17-5306-02-**-**	Scheduled Holiday Work	2,992	2,931	61	97.96%	(2)
17-5315-01-01-00	Comp Time - O&M	-	15	(15)	0.00%	
17-5315-02-00-00	Comp Time - O&M	-	607	(607)	0.00%	
17-5401-01-**-**	Fringe Benefits IN to PC's & Depts.	1,136,496	593,393	543,103	52.21%	
17-5401-02-**-**	Fringe Benefits IN to PC's & Depts.	202,488	106,525	95,963	52.61%	
17-5700-01-**-**	Standby Pay	23,332	16,055	7,277	68.81%	
	Total Salary and Fringe	3,221,196	1,712,563	1,508,633	53.17%	

Other Expenses

17-5002-01-**-**	Electricity	675,000	507,107.91	167,892	75.13%	(23)
17-5003-01-**-**	Natural Gas	141,000	18,049	122,951	12.80%	(23)
17-5004-01-**-**	Potable & Reclaimed Water	34,004	21,677	12,327	63.75%	
17-5005-01-**-**	Co-generation Power Credit	(250,000)	-	(250,000)	0.00%	
17-5006-01-**-**	Chlorine/Sodium Hypochlorite	350,004	238,775	111,229	68.22%	
17-5007-01-**-**	Polymer Products	406,008	185,072	220,936	45.58%	
17-5008-01-**-**	Ferric Chloride	125,004	85,049	39,956	68.04%	(24)
17-5009-01-**-**	Odor Control Chemicals	50,000	24,266	25,734	48.53%	
17-5010-01-**-**	Other Chemicals - Misc.	4,000	365	3,635	9.13%	
17-5011-02-**-**	Laboratory Services	14,000	8,724	5,276	62.32%	

South Orange County Wastewater Authority
Budget vs. Actual Comparison - PC's on Separate Report
Year-to-Date January 2018

Exhibit E-1

		FY 2017-18 Budget	Actual	Budget	% Expended	
17-5012-01-**-**	Grit Hauling - 21A	52,004	23,626	28,378	45.43%	
17-5013-01-**-**	Landscaping	74,996	24,244	50,752	32.33%	
17-5014-01-**-**	Engineering - Misc.	5,004	772.09	4,232	15.43%	
17-5014-02-**-**	Engineering - Misc.	125,000	4,760	120,240	3.81%	
17-5015-01-**-**	Management Support Services	5,004	520	4,484	10.38%	
17-5015-02-**-**	Management Support Services	22,504	-	22,504	0.00%	
17-5017-01-00-00	Legal Fees	-	1,056	(1,056)	0.00%	
17-5019-01-**-**	Contract Services Misc.	125,000	65,501	59,499	52.40%	
17-5020-01-00-00	Postage Expense	-	7	(7)	0.00%	
17-5021-01-**-**	Small Vehicle Expense	6,000	4,215	1,785	70.26%	(8)
17-5022-01-**-**	Miscellaneous Expense	5,996	1,719	4,277	28.68%	
17-5023-01-**-**	Office Supplies - All	9,996	7,793	2,203	77.97%	
17-5024-01-**-**	Petroleum Products	41,996	5,690	36,306	13.55%	
17-5025-01-**-**	Uniforms	17,008	8,277	8,731	48.66%	
17-5026-01-**-**	Small Vehicle Fuel	12,996	3,780	9,216	29.08%	
17-5027-01-**-**	Insurance - Property/Liability	90,252	48,983	41,269	54.27%	
17-5028-01-**-**	Small Tools & Supplies	25,000	15,114	9,886	60.46%	
17-5030-01-**-**	Trash Disposal	1,004	1,011	(7)	100.68%	(9)
17-5031-02-**-**	Safety Program & Supplies	31,352	28,815	2,537	91.91%	(10)
17-5032-01-**-**	Equipment Rental	3,004	1,278	1,726	42.54%	
17-5033-01-00-00	Recruitment	-	1,390	(1,390)	0.00%	
17-5034-01-**-**	Travel Expense/Tech. Conferences	13,832	14,301	(469)	103.39%	(11)
17-5034-02-**-**	Travel Expense/Tech. Conferences	3,324	2,697	627	81.13%	(11)
17-5035-01-**-**	Training Expense	15,904	18,733	(2,829)	117.79%	(11)
17-5035-02-**-**	Training Expense	1,124	1,197	(73)	106.48%	(11)
17-5036-02-**-**	Laboratory Supplies	19,020	10,810	8,210	56.84%	
17-5037-01-**-**	Office Equipment	5,996	14,787	(8,791)	246.61%	(25)
17-5038-02-**-**	Permits	35,000	2,542	32,458	7.26%	
17-5039-01-**-**	Membership Dues/Fees	3,004	2,449	555	81.53%	(15)
17-5039-02-**-**	Membership Dues/Fees	800	225	575	28.13%	
17-5049-01-**-**	Biosolids Disposal	866,000	456,405	409,595	52.70%	
17-5050-01-**-**	Contract Services Generators	8,000	4,283	3,717	53.54%	
17-5052-01-**-**	Janitorial Services	40,004	5,986	34,018	14.96%	(16)
17-5053-01-**-**	Contract Serv - Digester Cleaning - 2	60,004	29,192	30,812	48.65%	
17-5054-01-**-**	Diesel Truck Maint	19,000	4,946	14,054	26.03%	
17-5055-01-**-**	Diesel Truck Fuel	7,000	1,696	5,304	24.23%	
17-5056-01-**-**	Maintenance Equip. & Facilities (Solic	190,004	72,039	117,965	37.91%	
17-5057-01-**-**	Maintenance Equip. & Facilities (Liqui	164,996	126,569	38,427	76.71%	(26)
17-5058-01-**-**	Maintenance Equip. & Facilities (Com	25,000	7,912	17,088	31.65%	
17-5059-01-**-**	Maintenance Equip. & Facilities (Co-C	250,000	24,102	225,898	9.64%	
17-5060-01-**-**	Maintenance Equip. & Facilities (AW1	35,000.00	14,210	20,790	40.60%	
17-5061-01-**-**	Mileage	3,000.00	890	2,110	29.67%	

South Orange County Wastewater Authority
Budget vs. Actual Comparison - PC's on Separate Report
Year-to-Date January 2018

Exhibit E-1

		FY 2017-18 Budget	Actual	Budget	% Expended
17-5068-02-**-**	MNWD Potable Water Supplies & Sv	23,996	13,082	10,914	54.52%
17-5077-01-03-00	IT Direct	-	500.00	(500)	0.00%
17-5101-01-00-00	Employee Recognition	-	274	(274)	0.00%
17-5105-01-**-**	Co-Generation Power Credit - Offset	250,000	-	250,000	0.00%
17-5303-01-**-**	Group Insurance Waiver	32	138.46	(106)	432.69%
17-5303-02-**-**	Group Insurance Waiver	3,564	1,703.07	1,861	47.79%
17-5305-01-**-**	Medicare Tax Payments for Employee	1,784	917	867	51.40%
17-5305-02-**-**	Medicare Tax Payments for Employee	132	-	132	0.00%
17-5309-01-**-**	Operating Leases	6,000	-	6,000	0.00%
17-5705-01-**-**	Monthly Car Allowance	8,396	8,497	(101)	101.20%
17-5705-02-**-**	Monthly Car Allowance	4,204	-	4,204	0.00%
17-5706-01-**-**	Effluent Pond Cleaning	90,004	-	90,004	0.00%
17-5802-01-00-00	Shipping/Freight	-	45	(45)	0.00%
17-6500-01-**-**	IT Allocations in to PC's & Depts.	230,508	103,904	126,604	45.08%
17-6500-02-**-**	IT Allocations in to PC's & Depts.	40,652	18,326	22,326	45.08%
	Total Other Expenses	4,628,420	2,300,994	2,327,426	49.71%
	Total PC 17 Joint Regional Wastew	7,849,616	4,013,557	3,836,059	51.13%
PC 21 Effluent Transmission					
	Other Expenses				
21-5014-02-**-**	Engineering - Misc.	62,496	-	62,496	0.00%
21-5019-02-00-00	Contract Services Misc. - 29	-	340	(340)	0.00%
21-5027-02-**-**	Insurance - Property/Liability	728	449	279	61.73%
	Total Other Expenses	63,224	790	62,434	1.25%
	Total PC 21 Effluent Transmission	63,224	790	62,434	1.25%
PC 23 North Coast Interceptor					
	Other Expenses				
23-5017-01-00-00	Legal Fees	-	286	(286)	0.00%
	Total Other Expenses	-	286	(286)	0.00%
		-	286	(286)	0.00%
PC 24 Aliso Creek Ocean Outfall					
	Salary and Fringe				
24-5000-01-**-**	Regular Salaries-O&M	6,696	600	6,096	8.96%
24-5000-02-**-**	Regular Salaries-O&M	85,624	55,605	30,019	64.94%
24-5001-01-**-**	Overtime Salaries-O&M	348	369	(21)	105.94%
24-5001-02-**-**	Overtime Salaries-O&M	196	86	110	43.83%
24-5306-01-**-**	Scheduled Holiday Work	104	-	104	0.00%
24-5306-02-**-**	Scheduled Holiday Work	3,112	133	2,979	4.27%
24-5401-01-**-**	Fringe Benefits IN to PC's & Depts.	4,960	445	4,515	8.98%
24-5401-02-**-**	Fringe Benefits IN to PC's & Depts.	63,528	41,259	22,269	64.95%
	Total Salary and Fringe	164,568	98,496	66,072	59.85%

(27)

South Orange County Wastewater Authority
Budget vs. Actual Comparison - PC's on Separate Report
Year-to-Date January 2018

Exhibit E-1

		FY 2017-18 Budget	Actual	Budget	% Expended
Other Expenses					
24-5002-01-**-**	Electricity	996	-	996	0.00%
24-5014-02-**-**	Engineering - Misc.	20,004.00	-	20,004	0.00%
24-5015-02-**-**	Management Support Services	27,504	3,367.50	24,137	12.24%
24-5017-02-**-**	Legal Fees	2,004.00	-	2,004	0.00%
24-5027-01-00-00	Insurance - Property/Liability	-	2,921.04	(2,921)	0.00%
24-5027-02-**-**	Insurance - Property/Liability	5,364	-	5,364	0.00%
24-5029-01-00-00	Maintenance E & F - Solids - 41A	-	600	(600)	0.00%
24-5031-02-**-**	Safety Supplies	996	-	996	0.00%
24-5034-02-**-**	Travel Expense/Tech. Conferences	2,480	-	2,480	0.00%
24-5036-02-**-**	Laboratory Supplies	16,996	10,452	6,544	61.50%
24-5038-02-**-**	Permits	131,992	137,375	(5,383)	104.08%
24-5044-02-**-**	Offshore Monitoring	22,004	10,848	11,156	49.30%
24-5046-02-**-**	Effluent Chemistry	29,996	11,757	18,240	39.19%
24-5058-01-**-**	Maintenance Equip. & Facilities (Com	996	-	996	0.00%
24-5067-02-**-**	Port Cleaning	35,000	-	35,000	0.00%
24-6500-01-**-**	IT Allocations in to PC's & Depts.	1,008	454	554	45.04%
24-6500-02-**-**	IT Allocations in to PC's & Depts.	12,288	5,540	6,748	45.08%
	Total Other Expenses	309,628	183,314	126,314	59.20%
	Total PC 24 Aliso Creek Ocean O	474,196	281,811	192,386	59.43%
	Total SOCWA	17,989,960	9,390,553	8,599,407	52.2%

(14)

- (1) Overtime costs have been higher than expected due to a series of nighttime and bypass construction activities for capital projects.
- (2) Staffing has been required for elevated holiday flows and loads. This line item will be increased in future years.
- (3) The new JBL engine was anticipated to be fully operational starting July 1 however the engine became fully operational 12/19/2017.
- (4) Ferric chloride use has increased more than expected to comply with the new engine gas cleaning system requirements.
- (5) No additional efforts are expected this FY.
- (6) Contract work on PC2 trunkline to clean sewers so that the ADS monitors would work properly.
- (7) Legal utilization has been elevated due to the higher number of new O&M contracts.
- (8) Several older vehicles required unanticipated larger repairs. Expenses are expected to level out for the FY.
- (9) Additional trash was removed following the completion of several construction projects.
- (10) One third of the line item was spent on upgrading confined space entry meters. No large expenses are planned for the FY.
- (11) Training expenses have been higher than anticipated due to the high number of new hires.
- (12) Planned purchases of samplers occurred at the beginning of the FY. Expenses are expected to level out for the FY.
- (13) Higher than anticipated costs were incurred to replace the engineering trailer. Expenses are expected to level out for the FY.
- (14) Permit costs are primarily incurred in July of each year. Expenses are expected to level out for the FY.
- (15) Membership costs are primarily incurred in July and December of each year. Expenses are expected to level out for the FY.
- (16) Generator maintenance is completed for the FY. Costs typically range from \$5,000 to \$15,000 per plant depending on services needed.
- (17) Janitorial expenses are lower than projected. The new higher cost contract awarded in January was anticipated for July when the budget was prepared.
- (18) Staff have been focused on the Liquids system projects. Focus will be shifting focus to Solids.
- (19) Higher than anticipated one time costs were incurred to replace the engineering trailer. Expenses are expected to level out for the FY.
- (20) Due to capitalization policy threshold change, sampler costs consumed 32% of the budget.
- (21) Recycled water purchases were required during a construction project to replace the process water controls system. No additional expenses are anticipated this FY.
- (22) Annual pretreatment and AWT testing completed at the beginning of the FY.
- (23) The RTP engine was anticipated to be operational in the Fall and the project remains in startup and impacting electricity and gas budgets.
- (24) Ferric chloride use has increased more than expected to comply with the new engine gas cleaning system requirements.
- (25) The plant's conference room reconfiguration was required to accommodate lab staff workstations and audio visual needs for the conference room.
- (26) Staff have been focused on the liquids system waiting for the RTP engine project to be completed. Focus will shift to Solids and Cogen.
- (27) Staff was used to investigate a potential leak of the outfall after hours.
A reoccurring underground spring was determined to be the source of the water found.

South Orange County Wastewater Authority
Budget vs. Actual Comparison - Engineering
(Labor & Fringe Costs are Net of Labor & Fringe to Capital Projects)
Year-to-Date January 31, 2018

Exhibit E-2

FY 2017-18 Original Budget	Actual	(Over)/Under Budget	% Expended
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Salary and Fringe

01-5000-03-00-00	Regular Salaries-O&M	155,460	110,278	45,182	70.9%
01-5001-03-00-00	Overtime Salaries-O&M	-	202	(202)	0.0%
02-5306-03-01-00	Scheduled Holiday Work	-	32	(32)	0.0%
01-5401-03-00-00	Fringe Benefits IN to PC's & Depts.	115,356	81,820	33,536	70.9%
	Total Payroll Costs	270,816	192,332	78,484	71.0%

Other Expenses

01-5015-03-00-00	Management Support Services	996	-	996	0.0%
01-5022-03-00-00	Miscellaneous Expense	3,000	1,586	1,414	52.9%
01-5023-03-00-00	Office Supplies - All	-	86	(86)	0.0%
01-5034-03-00-00	Travel Expense/Tech. Conferences	6,348	2,317	4,031	3650.0%
01-5035-03-00-00	Training Expense	3,300	654	2,646	19.8%
01-5039-03-00-00	Membership Dues/Fees	1,776	490	1,286	27.6%
01-5061-03-00-00	Mileage	202	220	(18)	108.9%
01-5309-03-00-00	Operating Leases	16,500	5,901	10,599	35.8%
5705--00	Monthly Car Allowance	4,200	2,552	1,648	60.8%
01-5802-03-00-00	Shipping/Freight	300	-	300	0.0%
01-6500-03-00-00	IT Allocations in to PC's & Depts.	58,488	26,366	32,122	45.1%
	Total Other Expenses	95,110	40,174	54,936	42.2%

Total Expenses

365,926	232,505	133,421	63.5%
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The costs in this department will vary based on the amount of work required to support Capital Projects vs. Non-Capital Projects such as work to support Carollo Engineering Capital Assets Valuation Project.

**South Orange County Wastewater Authority
Budget vs. Actual Comparison- Administration
Year-to-Date January 31, 2018**

Exhibit E-3

		FY 2017-18 Budget	*Budget Increase	Adjusted Budget	Actual	(Over)/Under Budget	% Expended	
Salary and Fringe								
01-6000-04-00-00	Regular Salaries-Admin or IT	871,373		871,373	506,243	436,184	58.1%	(1)
01-6001-04-00-00	Overtime Salaries-Admin or IT	10,000		10,000	25,521	(13,327)	255.2%	(1)
01-6315-04-00-00	Comp Time - Admin	-		-	9,050	(9,845)		(1)
01-6401-04-00-00	Fringe Benefits IN to ADMIN or IT	646,559		646,559	375,606	323,649	58.1%	
	Total Payroll Costs	1,527,932	-	1,527,932	916,420	736,661	60.0%	
Other Expenses								
01-5018-04-00-00	Public Notices/ Public Relations	1,400		1,400	-	1,400	0.0%	
01-5037-04-00-00	Office Equipment	8,000		8,000	-	8,000	0.0%	
01-6101-04-00-00	Recruitment & Employee Relations	10,104		10,104	39,640	(29,536)	392.3%	(2)
01-6102-04-00-00	Subscriptions	1,008		1,008	1,892	(884)	187.7%	
01-6200-04-00-00	Management Support Services	112,500	117,500	230,000	103,792	126,208	45.1%	
01-6201-04-00-00	Audit	35,000	5,000	40,000	31,184	8,816	78.0%	
01-6202-04-00-00	Legal	90,000		90,000	128,670	(38,670)	143.0%	(1)
01-6203-04-00-00	Outside Services	2,016		2,016	-	2,016	0.0%	
01-6204-04-00-00	Postage	708		708	1,353	(645)	191.1%	
01-6223-04-00-00	Office Supplies - Admin	7,500		7,500	4,941	2,559	65.9%	
01-6224-04-00-00	Office Equipment Admin or IT	-		-	850	(850)		
01-6234-04-00-00	Memberships & Trainings	84,827		84,827	60,214	24,613	71.0%	
01-6239-04-00-00	Travel & Conference	36,950		36,950	18,249	18,701	49.4%	
01-6240-04-00-00	Scholarship Sponsorship	1,000		1,000	-	1,000	0.0%	
01-6310-04-00-00	Miscellaneous	14,000		14,000	14,859	(859)	106.1%	(1)
01-6311-04-00-00	Mileage	1,000		1,000	582	418	58.2%	
01-6317-04-00-00	Contract Services Misc	1,800		1,800	2,880	(1,080)	160.0%	
01-6500-04-00-00	IT Allocations in to PC's & Depts.	111,365		111,365	50,199	61,166	45.1%	
01-6601-04-00-00	Shipping/Freight	1,200		1,200	1,174	26	97.9%	
01-6705-04-00-00	Monthly Car Allowance	12,000		12,000	7,292	4,708	60.8%	
	Total Other Expenses	532,378	122,500	654,878	467,771	187,107	71.4%	
	Total Expenses	2,060,310	122,500	2,182,810	1,384,190	923,768	63.4%	

*Budget increase approved at June 7th Board Meeting.

- (1) Additional requirements for Admin due to audits & contracting work; please note that the regular salaries are higher because the staff took less PTO time in order to meet work requirements.
- (2) Recruiting fees relating to increased workload & staff additions.

South Orange County Wastewater Authority
Budget vs. Actual Comparison-IT
Year-to-Date January 31, 2017

		FY 2017-18 Budget	Actual	(Over)/Under Budget	% Expended	
Salary & Fringe						
01-6000-05-00-00	Regular Salaries-Admin or IT	87,428	51,958	35,470	59.4%	
01-6001-05-00-00	Overtime Salaries-Admin or IT	2,076	1,693	383	81.5%	
01-6315-05-00-00	Comp Time - IT	-	1,281	(1,281)	0.0%	(1)
01-6401-05-00-00	Fringe Benefits IN to ADMIN or IT	64,871	38,550	26,321	59.4%	
	Total Salary & Fringe	154,375	93,482	60,893	60.6%	
Other Expenses						
01-5028-05-00-00	Small Tools & Supplies	1,250	-	1,250	0.0%	
01-5035-05-00-00	Training Expense	7,800	11,100	(3,300)	142.3%	
01-5037-05-00-00	Office Equipment	1,270	-	1,270	0.0%	
01-5061-05-00-00	Mileage	1,008	-	1,008	0.0%	
01-6200-05-00-00	Management Support Services	-	4,350	(4,350)	0.0%	(1)
01-6234-05-00-00	Memberships & Trainings	-	70	(70)	0.0%	
01-6239-05-00-00	Travel & Conference	9,900	2,158	7,742	21.8%	
01-6300-05-00-00	Software Maintenance Agreements	170,893	48,184	122,709	28.2%	
01-6301-05-00-00	Hardware Maintenance Agreements	11,657	2,889	8,768	24.8%	
01-6302-05-00-00	Cloud Subscriptions (Internet)	45,300	15,458	29,842	34.1%	
01-6303-05-00-00	Telecommunications	134,300	70,392	63,908	52.4%	
01-6305-05-00-00	IT Professional Services	77,000	58,875	18,125	76.5%	
01-6306-05-00-00	Small Hardware Purchases (< \$5k)	70,000	19,785	50,215	28.3%	
01-6307-05-00-00	Small Software Purchases & Licenses (<\$5k)	89,455	14,789	74,666	16.5%	
01-6308-05-00-00	IT Memberships	160	-	160	0.0%	
01-6309-05-00-00	Operating Leases	44,000	28,819	15,181	65.5%	
01-6310-05-00-00	Miscellaneous	5,000	-	5,000	0.0%	
01-6312-05-00-00	Computer & Photocopy Supplies	900	1,327	(427)	147.5%	(1)
01-6601-05-00-00	Shipping/Freight	276	-	276	0.0%	
	Total Other Expenses	670,169	278,196	391,973	41.5%	
Total Expenses before Allocation		824,544	371,678	452,866	45.1%	
IT Allocations (Out) to PC's & Depts						
01-6400-05-00-00	IT Allocations (OUT) to PC's & Depts.	(\$824,544)	(\$371,678)	(\$452,866)	45.1%	
	Total	(\$824,544)	(\$371,678)	(\$452,866)	45.1%	

(1) Additional requirements for Authority