



Item No. 3

DISCUSSION ITEM

March 8, 2017

TO: Board of Directors

**FROM: Administration & Finance Committee
(Directors Thomas, Barbre & Finnegan)**

**Robert Hunter
General Manager**

SUBJECT: FIRST DRAFT OF MWDOC'S BUDGET FOR 2017-2018

STAFF RECOMMENDATION

Staff recommends the A&F Committee, Board of Directors, Member Agencies and the public review, discuss and provide input and comments on the FIRST DRAFT of MWDOC's budget for 2017-18. The form of findings of the FIRST DRAFT budget include the following:

1. Adopt the budget Resolution as proposed (will be attached to the May or June Action Item), with a budget total of \$182,626,084 and a consolidated general fund budget of \$9,104,861 (Revenue).
2. The total revenue amount for the baseline consolidated budget (CORE + CHOICE) represents an increase of \$190,126 or 2.13% over the current year's budget.
3. The baseline budget includes a planned draw on reserves of \$160,139.
4. There are two optional staff positions that are not included in the FIRST DRAFT baseline budget. Both are Government Affairs staff positions. The first is a dedicated person to supply broader services related to Washington DC activities. The second position is for the Grants Assistance activities currently under discussion. The costs associated with each of these positions would be approximately \$116,000 and each position would add approximately \$0.15 to \$0.20 to the per meter charge and \$5,000 to OCWD's fee. An alternative approach using consulting services is also being explored for the grants effort.
5. The building improvements expense is estimated at \$356,400.
6. The total amount of Water Use Efficiency (WUE) outside funding for rebates and grants will decrease from a FY2016-17 budget of approximately \$4.26 million to a

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proposed budget of \$4.18 million. This is directly related to the decrease in grant funding from U.S. Bureau of Reclamation and the CA Department of Water Resources. This is approximately a 13% increase over the FY2014-2015 budget levels.

7. The total outside funding from WUE and Local Resource Project (LRP) sources will be approximately \$20.8 million in FY2017-18. This means that MWDOC will be bringing in outside revenue that is approximately 2.3 times its total consolidated operating budget.

8. OPEB has been fully funded with the target of 85%-95% of the liability in the irrevocable trust and the balance in a reserve account.

9. WEROC is entering a period of increased capital needs. The magnitude of those needs and alternative approaches to meet them will be researched and implemented during the next 16 months. Preliminary estimates of the capital needs have been made and are included in this budget. The reserve fund has been split into an Operations & Maintenance Fund and a Capital Fund. As the amount of capital and the institutional arrangements for the capital investment are unclear at this time, the first year of the capital requirement is included in the MWDOC budget.

10. For dealing with the Pension Liability issue, staff is recommending continuation of the practice of increasing the staff contribution towards pension payments by 1% each year until a total of 7% has been achieved. This year, the budget was developed assuming that the staff contribution will be 6%.

11. The baseline draft budget includes an increase in the Total Full-Time Equivalent (FTE) staff of 0.71 FTEs, with the total number of full-time MWDOC and WEROC employees increasing from 31 to 32. The one additional employee in the baseline budget is for an administrative assistant for database management. Options are also included in the budget to increase the Government Affairs staff by one or two positions. The cost of these positions are not included in the baseline budget.

12. The budget is based on the same number of holidays (11) as in previous years.

13. The FIRST DRAFT budget for FY2017-18 incorporates the 100% fixed rate structure, which was implemented from last year's rate study for the Core Budget. The OCWD component has been updated for the ten-year rolling average calculation.

14. For the baseline budget, the proposed increase in the fixed rate is \$0.30 per retail meter (2.74%) to a total retail service charge of \$11.25 per retail meter. OCWD's contribution increases \$33,764 to \$426,430 per year.

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15. Significant project activities in FY2017-18 will include:

- Orange County Reliability Study continuing actions, including an update and work on the emergency connection between OCWD and South Orange County
- Communication outreach programs related to the California WaterFix (Bay Delta), and MET activities and regulatory/legislative activities
- Water Use Efficiency efforts on water savings potential, cost-efficient programs, water loss and landscape design
- Metropolitan activities and communication of those activities to our Member Agencies including policy issues from the Integrated Resource Plan policy discussion, Water Supply Allocation Plan modifications, MET business and investment model, water conservation policy, the Carson IRP project, Local Resource Program (LRP) funding, Biennial Budget, and Groundwater replenishment including storage issues (e.g. Cyclic storage)
- Government Affairs activities at the local, state, and federal levels focusing on both legislative and regulatory developments. Optional activities beyond the baseline budget for Washington DC and project/program funding pursuit activities are not funded in the baseline budget.

16. The CHOICE Activities for this year will include:

- School Programs
- Water Use Efficiency
- Communications Plan (Public Affairs)
- Water Loss Control Program

We are closing the CHOICE accounts for Doheny and Poseidon during the current fiscal year and they are not carried forward into this budget.

A reminder to the Board that Memberships outlined in the Budget (Exhibit D) are approved by the Board with approval of the budget and therefore, each membership will NOT be brought to the Board for approval. Any NEW memberships not included in the budget will be brought to the Board for consideration.

In a similar procedure to Memberships, budget approval includes Board and Staff approval for attendance at “standard conferences”. Standard conferences are those included on Exhibits E and F. Any NEW conferences will be brought to the Board for consideration.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

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CHANGES FROM THE PRIOR DRAFT TO THE CURRENT DRAFT

This is the FIRST DRAFT of the budget. Therefore there are no prior drafts or changes.

DETAILED REPORT

The FY 2017-18 MWDOC budget is developed through a transparent and iterative process. Key topics discussed below include:

1. MWDOC Budget Process & Schedule
2. Budget Principles
3. Budget Input from Member Agencies
4. MWDOC Priorities & Practices Overview
5. Key Initiatives
6. Core/Choice Programs
7. Reserves
8. Water Rates and Charges

A short discussion on each item follows:

1. MWDOC Budget Process & Schedule

MWDOC's budget is developed in a process that begins in December with initial notification to the Member Agencies, and is planned to conclude with the formal budget approval by the Board of Directors in May or June. A budget must be approved prior to the beginning of the fiscal year on July 1st. Feedback from the Member Agency staff indicates a preference for MWDOC to approve rates sooner rather than later to facilitate the incorporation of the costs into the Member Agency budgets and rates. The Metropolitan Water District of Southern California (MET) budget and rates for the FY2017-18 were passed on May 10, 2016. The general budget schedule is outlined below.

December 2016
• Notification to Member Agencies of start of budget process and solicitation of input.
January 2017
• MWDOC staff begins preparation of budget hours and costs on program and line-item basis.
• Review of five month actuals and fiscal year-end projections.
• Review budget adjustments for current fiscal year.
• Preparation of internal, draft conceptual budget (review changes for upcoming FY)

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February 2017
<ul style="list-style-type: none"> Initial review of budget issues with A&F Committee for feedback. Initial discussion of budget issues with Member Agencies for feedback. Request for Member Agencies' preliminary indication of participation in CHOICE
March 2017
<ul style="list-style-type: none"> Publish and post the First Draft Budget in the packet for the Administration and Finance Committee Review Full Draft Budget with A&F Committee. Formally request comments from all Member Agencies. DRAFT information completed on prior year WUE benefits to Member Agencies to serve as basis for charging agencies for the upcoming year for WUE activities. Member Agencies initial confirmation of participation in CHOICE Services by March 15. Final agreement by the end of April and after Elected Officials meeting.
<ul style="list-style-type: none"> Discuss First Draft Budget at Member Agency Managers' Meeting. Meet with Member Agencies as requested or scheduled.
April 2017
<ul style="list-style-type: none"> FINAL information completed on prior year WUE benefits to Member Agencies to serve as basis of charging agencies for the upcoming year for WUE activities. Member Agencies' submit Formal Comments about the Budget before April 15. Review Final Draft Budget and MWDOC's rates with Member Agencies. Discuss Final Draft Budget at Member Agency Managers' Meeting Discuss Final Draft Budget in A&F Committee. Conduct meeting with Elected Officials from Member Agencies to discuss budget and other topics before the end of April. Confirm CHOICE Participation.
May 2017
<ul style="list-style-type: none"> Final Draft Budget and Rates presented to A&F Committee. Member Agencies' Formal Comments presented to A&F Committee. Discussion at Member Agency Manager's meeting. Board approval of FY2017-18 Final Budget and Rates.

2. MWDOC Budget Principles for 2017-18

Staff continues to utilize the following Budget Principles to develop the draft budget:

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- **Principle #1: Budget Investments Align with MWDOC's Priorities & Value** The budget should reflect the mission and goals of MWDOC and align proposed activities with the valued benefits of the Board and our stakeholders.
- **Principle #2: Activities Based on a County-wide Perspective** MWDOC's service area extends to Orange County's borders and the budgeted activities must comprehensively address issues, needs, and benefits for the entire service area.
- **Principle #3: Efficient Program Design & Performance** The budgeted programs must consider complementary and cooperative designs to maximize benefits from other regional and local water resource programs to maximize value.
- **Principle #4: Full Cost Recovery** The budget will be developed so as to support full cost recovery of all expenses via the rates and charges without the unplanned use of reserves
- **Principle #5: Compliance with Administrative Code** The proposed budget and budget process should fully comply with applicable sections of the administrative code.

3. **Budget Input from Member Agencies**

At this point in the budget process, input from Member Agencies has been limited as this is the FIRST DRAFT. Significant input is anticipated over the 3-month budget development and approval period.

4. **Priorities & Practices Overview**

Key priorities and practices include MWDOC's major areas of concentration:

- Metropolitan as a main source of reliability
- Regional Reliability and the OC Water Reliability Study and spin-off efforts
- Water Use Efficiency (WUE)
- Water Emergency Response
- Communications
- Government Affairs

These are discussed below.

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Metropolitan Water District of Southern California (MET)

MWDOC's number one effort remains ensuring that policies, supplies, programs and projects developed and implemented by MET have significant value to the residents and ratepayers in Orange County and to Southern California.

- MET is key to providing and underwriting supply reliability and regional system reliability in Southern California. Many of MWDOC's initiatives are aimed at maintaining a close working relationship with MET and other MET member agencies to guide the efforts at MET in a constructive manner; in the best interest of the region and Orange County. Key issues will include IRP policy discussions, local and regional resource investments, water supply allocations, supply and system reliability projects and programs, Groundwater replenishment and storage, the State Water Project investments, including the California Water Fix, Colorado River Aqueduct, Water Quality, and Communication activities and legislation.
- MWDOC appoints four MET Directors who sit on the MET Board and directly advocate on behalf of the district and its member agencies. These four MET Directors work with the other three Directors from Orange County (Anaheim, Fullerton, and Santa Ana) as well as MET Directors from outside of Orange County. Our Orange County MET contingent and the overall MET Board are faced with ensuring the economic health of MET which directly impacts the economic health of Orange County, the region and the State. To this end, our Directors have advocated for financial issues at MET to ensure its viability over the long run, maintain an appropriate level of reserves, and preserve financial policies that minimize and level long-term costs and rates impacts, while allowing new investments to be made. Significant upcoming investments include the California WaterFix and potentially the Carson IPR project.
- Over the past year, the advocacy of our MET Directors has resulted in MET significantly improving its position with respect to pension liability, OPEB liability, investments in rehabilitation and repair of facilities locally and regionally, i.e. State Water Project and the Colorado River Aqueduct, and in incorporating future long term investments such as the California WaterFix while remaining strong financially.
- When MET becomes involved in a lawsuit, particularly such as the SDCWA lawsuit, the results can be a zero sum game where the outcome results in winners and losers within the MET family. MWDOC will continue its involvement in the lawsuit between SDCWA and MET as it moves through the appeal process, as well as other litigation that protects the interest of Orange County and its ratepayers. The outcome of this lawsuit is critically important to Orange County and our involvement is to ensure the taxpayers and ratepayers of Orange County are fully represented.

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- The coming year involves a number of critically important issues at MET, such as the review of MET's Integrated Resources Plan (IRP) policies and MET's role in both local supplies and imported supplies to meet total Southern California demands over the next 20 years. In particular the decision to move forward on the Carson Demonstration Project will be an active consideration. In addition, creating the opportunity to see how we can better integrate imported supplies with groundwater replenishment needs and storage will be an important undertaking.

Later this year we will have additional insight on the CA WaterFix permits and operating criteria. Potentially a decision will be reached to initiate the design and construction contracts, along with a determination of the cost allocation among the State and Federal contractors. Moreover, a thorough review of SWP infrastructure and repair or replacement of Oroville Dam's spillways will be brought forward. There also will be possible adoption of a Colorado River Drought Contingency Plan among the lower basin states that will seek to mitigate the decline of Lake Mead.

This coming fiscal year will involve the review and approval of MET's biennial budget for FY2018-19 & 2019-20. Included in these discussions will be discussion of MET's water conservation program, potential revisions to LRP funding protocols and how MET's assistance to its member agencies will help agencies meet the upcoming State permanent conservation regulations.

Regional Water Reliability and the OC Water Reliability Study

The improvement of water supply and system reliability is key for the ratepayers and residents of the County and is of primary concern in MWDOC's budget. Reliability cannot be improved by OC investments alone and it is imperative that our reach in this area is both local and regional to MET and DWR. This current year included completion and publication of the OC Water Reliability Study (Study) with excellent participation by our Member Agencies. For this coming year, the goals for the OC Water Reliability Study are:

1. To provide outreach and communication of the implications of the 2016 Study.
2. Follow-up regarding potential reliability improvements within Orange County. An update of the 2016 Study is planned to incorporate new information on the forecast of supplies from the State Water Project and the Colorado River and will provide further insight into up-coming decision-making.
3. Provide regional assistance to the San Juan Watershed Project and the Doheny Project that both are critical to South Orange County,

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4. Work with MET and DWR to better understand the risks and durations of import systems to determine if recommendations for emergency storage reserves are needed.
5. A new initiative is planned for 2017-18 that involves entering into electrical load aggregation contracts that will translate into a cost-savings for our agencies and will improve their emergency operations by having energy storage devices at key facilities and also includes the possibility of securing state of the art emergency generator back-ups that meet AQMD standards. This is an extremely exciting proposition that is just now being kicked off at the start of the budget preparation.

Water Use Efficiency (WUE)

Sound water management policy requires a continuing effort to improve water use efficiency. This requirement is intensified by the upcoming proposals for permanent water use efficiency standards. Providing the technical expertise and the program support along with securing funds for water use efficiency efforts is a priority for MWDOC and our Member Agencies. The initial MET budget indicates funding for WUE rebates and other activities at approximately the same level as last fiscal year. However the anticipated WUE outside funding is expected to be 13% greater than in FY2014-15. The WUE group also has a continuing project on assessing and correcting distribution system water loss. Additional focus is being given to water loss and landscape design activities.

Water Emergency Response

MWDOC made significant changes towards the preparedness of the Water Emergency Response Organization of Orange County (WEROC) this past year to improve and strengthen the state of readiness to assist in a time of emergency. WEROC will pursue further changes this coming year to enhance response efforts and to seek additional funding options for improved resilience across the county. WEROC completed the EOC Site Study this year and will be implementing the study recommendations in the coming year. These include a number of asset assessments which are likely to indicate higher than normal capital investments. The results of those studies will be utilized to develop alternative facility and system solutions. These will be discussed with the WEROC funding group and Member Agencies. Projected capital requirements have been included in this budget.

Communication

Communications to our citizens, in coordination with our member agencies, is a key part of MWDOC's efforts. Communication with our Member Agencies is equally important. Communication related to critical water resource issues, water supply and system reliability, and water resource projects and investments are all essential elements of the Communications Plan. To maximize both effectiveness and efficiency MWDOC is

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working with our member agencies on coordinated communication efforts. MWDOC generally provides program efforts at the regional level and above while providing necessary assistance to the retail agencies for communications with the local ratepayers. This division of responsibilities is a key area of coordination on behalf of MWDOC. Crucial issues in the coming year will be the SWQCB permanent efficiency regulations, Bay Delta discussions, and regional reliability.

Government Affairs

Governmental Affairs continues to work at the local, state and national levels with our Member Agencies, organizations, delegations, agencies and bureaus to advance Orange County's agenda. Central to this effort are policy, legislative and regulatory developments and opportunities. In FY2017-18 there will be tremendous activity in the legislative session in Sacramento for water issues including the proposals in support of the Permanent Water Efficiency framework and the California WaterFix and EcoRestore. Enhanced activities have been requested on two fronts. There has been a request to increase MWDOC's federal activities with the addition of a staff position to solely focus on federal issues and activities. There has also been a request to increase MWDOC's program in obtaining project grant funds and financial strategy development and implementation. These positions are not funded in the baseline budget.

5. MWDOC Key Initiatives

Besides the items previously discussed above, the key initiatives from staff for 2017-18 that are included in the budget include:

- Continue to work closely with MET on rate/stability issues, support for the California WaterFix, completion of the IRP policy review and management of water in Southern California.
- Advance projects from the OC Water Reliability Study. The following work is anticipated:
 - A conjunctive use program between OCWD and South Orange County
 - Consideration of ocean desalination
 - Consideration of central valley banking and transfers
 - Improvements to respond to emergency outages
 - On-going work with OCWD on basin issues
 - A key element is to obtain concurrence for the introduction and conveyance of local water in the East Orange County Feeder No. 2 (EOCF#2). This has never been done, but when accomplished opens up a number of options for Orange County.
 - Continue to examine opportunities for local or regional reliability via banking programs.
- Continue with implementation of the Water Use Efficiency Master Plan

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including methods to firm up local funding options for local agencies. Begin integrating recycled water use into Water Use Efficiency programs by accelerating recycled water connections through customer incentives.

- Staff is projecting \$23,000 in staff time reimbursement from state and federal grants.
- Continue Rebate Programs and emphasize landscape opportunities
- Expand Water Loss Control effort to include sales meter accuracy testing
- Evaluate the feasibility of expanded MWDOC's in-house Water Loss Control services including meter accuracy testing, leak detection, shared sounding equipment, etc. for access by member agencies
- Program marketing efforts will continue in partnership with member agencies. These efforts will include bill inserts, social media, outreach through realtor associations and community events. The budget for this effort has been reduced as a result of our banner winter precipitation and less emphasis on drought response.
- MWDOC will continue to use the Droplet rebate administration platform for both Turf Removal and Spray-to-Drip rebate processing including electronic signatures. These programs will be implemented in partnership with member agencies. In the coming year, emphasis will be on identifying and implementing program refinements that streamline the participation process for both water agencies and program participants.
- Started late in the FY 2016-17 budget cycle, Landscape Design Assistance will be fully operational in the coming year targeting residential turf removal rebate program participants. This new program is designed to break down barriers to program participation and ensure turf replacement projects are attractive examples to others. Proper maintenance of California Friendly landscapes materials will be developed and posted on our website.
- Currently on pause pending a water savings evaluation, the Water Smart Landscape Program that provides monthly irrigation performance reports for dedicated landscape meters is anticipated to restart with an overhauled implementation framework. This is not only one of MWDOC's longest standing programs but will be instrumental in helping agencies to comply with the proposed long-term water efficiency standards proposed by state agencies.

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- In the coming year the Water Loss Control Technical Assistance will transition from Year II to Year III. MWDOC will continue to partner with Water Systems Optimization in providing this assistance to member agencies.
- The States' new Long Term Water Use efficiency framework will require significant research to better understand and inform standard setting. As a result, research funding has been budgeted in the Core WUE program. This research may be focused locally or through partnerships beyond Orange County such as the California Urban Water Conservation Council.
- Staff will continue to convene the Water Loss Control Work Group. This year represents an opportunity to evaluate the potential for expanded MWDOC in-house services such as meter accuracy testing, leak detection, shared sounding equipment, etc. for access by member agencies.
- Metropolitan WUE Policy development will be a main focus for the department especially in helping to prepare agencies for compliance with new state mandates. Staff will also seek to maximize access to Metropolitan Water Use Efficiency program funding for regional and local program implementation. Staff will advocate for Program refinements that ensure Orange County program needs are met and continue to evolve.
- Staff will provide a leadership for the California Urban Water Conservation Council as they transition the organization in 2017-18.
- Secure MET funding; over the past several years, MWDOC has brought in about \$4 million annually for WUE funding. This year funding will be approximately at that level. Identification and procurement of funding for OC will be a greater emphasis. Our WUE staff continues to perform for the benefit of OC.
- The Public Affairs Department looks to amplify efforts to facilitate community awareness and involvement with issues and challenges related to the reliable delivery of potable water. The recently completed MWDOC Orange County Reliability Study deemed the California WaterFix as the single most cost effective project to ensure Orange County's long-term water reliability, Program components will include:
 - Enhanced community awareness of the District's initiatives with significant focus on water supply and the need for further investment in infrastructure like the California WaterFix and EcoRestore. Continued public outreach and educational efforts in support of the WaterFix and EcoRestore.

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- Continuation of community “grass roots” efforts through outreach to homeowner organizations, service clubs, chambers, civic groups, NGOs and others. Includes continuation and updating of District’s tour, school and public education programs and building community understanding and support for the WaterFix and EcoRestore.
- A strong commitment to media relations, to ensure a clear understanding of the District’s efforts and challenges. Includes print and electronic media, with new emphasis on emerging (e.g.: social) media formats.
- Continued development of intergovernmental relations with local city, school district, county, state and federal governments, keyed to exploring and expanding partnerships and collaborative efforts.
- MWDOC’s renewed efforts on Government Affairs will focus on funding and regulatory programs at the state and federal level. We are accelerating efforts with the Orange County and California delegations and select Committee Members to marshal support, funding and beneficial modifications for national programs. At the state level, significant efforts will be made in tracking and obtaining funding opportunities for Orange County projects. A large volume of legislation is already evident which will require actions to either support or oppose. The scope of activities will be partially dependent on the resolution of staffing alternatives. Two additional positions are being considered but are not included in the current version of the budget. Expanded Washington DC activities conditional upon the addition of an additional staff person to the Government Affairs staff. An expanded role in grant opportunity identification and procurement as well as financial strategy development will also require addition resources not included in this version of the budget in the form of either another staff person or contracting services.
- Monitor and track the State Water Resources Control Board and Department of Water Resource proposed water efficiency regulations
- Protect MWDOC and local agency interests in MET via continued participation in the SDCWA lawsuit against MET.
- Participate in other water-related lawsuits, as appropriate, in support of our Member Agencies and the residents of Orange County.
- Continue to seek areas of efficiency in the District’s operations.
- The renewed effort for WEROC this past year will continue. It includes the enhanced training program for MWDOC staff to ensure sufficient support staff exists and is fully cross-trained to staff both a North and South Emergency Operations

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Centers and to search for more grant funding for resiliency improvements in the County. Again this coming year, each of the MWDOC staff members will participate in about 40 hours of training to help WEROC remain at a high state of readiness.

- WEROC will be starting a 1.5 year training and exercise program for the WEROC EOC staff and the WEROC member agency's staff that focuses on unknown contamination of water supplies and protocols for the Emergency Water Quality Sample Kits (EWQSK). This program will involve the participation of 3 Fire Hazardous Materials Teams, law enforcement, Division of Drinking Water, Cities, the County and our member agencies. A consultant for coordination of the field and functional components of the program will be critical to developing and supporting a successful training and exercise year.
- Staff are researching and looking to implement a new WEROC Radio system in FY 2017/2018. The system being considered (through OC Sheriff's Department) has a relatively minimal upfront cost (estimated \$123,000) and would reduce the annual radio maintenance and repeater budget by as much as \$7-12,000.
- WEROC staff will be spending a significant amount of time implementing the recommendations of the WEROC EOC Site Study; including seismic evaluation, electrical evaluation and generator sharing.
- Utilizing the WEROC EOC Assessment, staff have identified capital costs for the WEROC program that are proposed to mostly occur in the next 2 fiscal years. Staff believes that these projects are critical to the reliability of the WEROC EOC and to utilize the MWDOC Administration Building as a back-up EOC. Staff are proposing that the WEROC capital program be supported by MWDOC as needs are identified and planned for. A few of the WEROC funding agencies indicated a possible desire to assist with the Capital projects, however staff is asking for full funding through MWDOC until those agencies determine if they can support the capital projects.
- Promoting Orange County positions in the policy formation based on the MET Update of its Integrated Resources Plan. Work from the OC Water Reliability Study positioned us well to provide input into the IRP policy discussion. Topics are likely to include MET investments in supply projects like the Carson IRP project, LRP funding policy and decisions, modifications to allocation policies and procedures, and MET's groundwater policies.
- Tracking progress on the California Water Fix and education of local, state and federal officials, including key organizations.
- Review of staffing levels and succession planning issues.

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6. Core/Choice Programs for 2017-18

The Choice Programs for 2017-18 include:

- School Program – The current contracts for the school program will continue with program modifications where appropriate. The grade school program will be run in conjunction with the Discovery Science Center with the keypad program for all of the assembly programs in grades 1-6. The High School program will be conducted in conjunction with the County's Inside the Outdoors program and continues to evolve through curriculum development and expanded in-class activities.
- Water Use Efficiency – Will continue to access MET WUE funding and grants from other sources for implementation programs for OC.
- Choice Communications Plan – MWDOC is currently working with the Public Affairs Workgroup (PAW) in developing the specific components of this year's plan. Pending agreement, a menu of possible activities will be presented to the Member Agencies for evaluation and subscription.
- 2015 Water Loss Control Audits – Follow-up activities will continue from the water audits including leak detection and repair.

7. MWDOC's Reserve Funds

MWDOC is currently performing a review of the Reserve Fund policy and has retained PFM for that purpose. The results of that review are not included in the FIRST DRAFT budget. The MWDOC Reserve Policy includes the following categories:

- General District
- Cash Flow
- Election Expense
- Building Expense
- OPEB Reserves

General District Reserves:

The General District Reserves were set at \$1.85 million as of July 1, 2010 and increase by the inflation rate each year. In FY2017-18 the target reserve balance will be \$2,104,485. The general district reserve balance will be above but near the target.

Cash Flow Reserve:

Cash flow reserves were set at \$1.00 million in 2010 and this amount is reviewed from time to time for appropriateness, based on the District's current operational needs. Due to the tremendous increase in WUE rebates, the cash flow reserve was increased to \$1.5 million in the FY2015-16 budget.

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Election expense:

MWDOC's election reserve is managed to fund seven elections every four years. Based on previous election costs, we have determined that \$1.22 million (or \$174,000 per division) is sufficient to cover seven elections. This requires that an average of \$304,000 be contributed to the election reserve annually. No election expenses will be incurred in FY2017-18.

Building Expense Reserve:

MWDOC's Building Reserves were set in 2010 to be kept at a minimum of \$350,000 and adjusted from time to time to reflect the improvement needs of the office facility. It is now over 25 years since the building was refurbished and MWDOC moved to this location. Ongoing and projected building expenses are increasing as systems are repaired or replaced. We will be completing a comprehensive evaluation of the office space and implementing necessary improvements. As became exceedingly clear over this wet winter, the building roof is beyond its useful life. There are also a number of office improvements planned including office space and office furniture modifications or replacements.

OPEB Reserve:

In managing MWDOC's OPEB liability, the Board has taken the following actions:

- Employees hired after July 1, 2012 are not eligible to receive District-paid retiree and elective health and welfare benefits. This will substantially reduce future OPEB costs after dealing with the existing employees who qualified for prior benefits.
- The Board of Directors implemented an OPEB Reserve Policy whereby 100% of the liability is funded through a combination of placing 85%-95% of the required amount in the irrevocable trust (approximately 1.7 million) and the balance in a reserve fund (approximately \$209,000. These amounts are adjusted with the updated actuarial study.

Budgeted (Y/N):	Budgeted amount:	Core ____	Choice ____
Action item amount:		Line item:	
Fiscal Impact (explain if unbudgeted):			

8. Water Rates and Charges

Historically, MWDOC's revenue funding its Core Budget had been derived from charges associated with a retail meter charge (fixed) and a water volume increment charge (variable). However, in FY 2015-16, MWDOC's Core Budget was supported only by the retail meter charge; and in FY 2016-17 MWDOC conducted a water rate study whereby the Board adopted a methodology for a retail meter charge along with a new groundwater customer charge.

The total amount of revenue from water sales also includes charges to cover the cost of MET water purchases and MET's associated charges. The proposed Total Water Sales for FY2017-18 are \$185,673,707.

For FY 2017-18 the proposed Retail Meter Charge is \$11.25.

For FY2017-18 the proposed Groundwater Customer Charge is \$426,430.

Attachments:

Attached hereto is the detailed, draft, baseline budget for this coming year.

Budgeted (Y/N):	Budgeted amount:	Core ____	Choice ____
Action item amount:	Line item:		
Fiscal Impact (explain if unbudgeted):			



Annual Budget for Fiscal Year 2017-18

Draft 1 Budget

MWDOC's mission is:

To provide reliable, high-quality supplies from MWD and other sources to meet present and future needs, at an equitable and economical cost, and to promote water use efficiency for all of Orange County

Exhibit A2
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
CORE FUND

	FY 2016-2017 ADOPTED BUDGET	FY 2016-2017 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2017-2018 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2016-2017 BUDGET
OPERATING EXPENSES:						
Salaries & Wages	\$ 2,943,115	\$ 2,794,148	\$ (148,968)	\$ 3,118,365 ¹	\$ 324,217	\$ 175,250
less for Recovery from Grants	\$ -	\$ -	\$ -	\$ -	-	0
Employee Benefits	834,890	843,972	9,082	926,348 ²	82,376	91,458
Director Compensation	231,937	224,016	(7,921)	243,197	19,181	11,260
Director Benefits	66,297	75,746	9,449	81,728	5,982	15,431
MWD Representation	132,535	129,209	(3,326)	138,969	9,760	6,434
OPEB Annual Contribution	105,249	400,000	294,751	-	(400,000)	(105,249)
Overhead Reimbursement	(193,712)	(138,793)	54,919	(164,255)	(25,462)	29,457
Health Insurance Coverage for Retirees	50,326	32,683	(17,643)	59,554	26,871	9,228
Audit Expense	24,000	18,437	(5,563)	40,000	21,563	16,000
Automotive & Toll Road Expenses	14,928	16,490	1,562	17,400	910	2,472
Conference Expense - Staff	22,125	18,000	(4,125)	23,870	5,870	1,745
Conference Expense - Directors	10,725	9,500	(1,225)	11,375	1,875	650
Engineering Expense	405,000	270,509	(134,491)	355,000	84,491	(50,000)
Insurance Expense	90,000	105,000	15,000	110,250	5,250	20,250
Legal Expense - General	320,000	208,751	(111,249)	250,000	41,249	(70,000)
Maintenance Expense	123,185	92,000	(31,185)	123,500	31,500	315
Membership / Sponsorship	134,458	133,770	(688)	142,102	8,332	7,644
CDR Participation	39,972	39,972	-	48,803	8,831	8,831
Miscellaneous Expense	111,020	90,210	(20,810)	118,866	28,656	7,846
Postage / Mail Delivery	11,400	8,800	(2,600)	9,700	900	(1,700)
Professional Fees	705,677	497,100	(208,577)	804,678	307,578	99,001
Rents & Leases	7,000	6,500	(500)	8,400	1,900	1,400
Outside Printing, Subscription & Books	38,225	27,177	(11,048)	32,525	5,348	(5,700)
Office Supplies	38,280	26,345	(11,935)	35,580	9,235	(2,700)
Building Repair & Maintenance	11,000	9,500	(1,500)	11,000	1,500	0
Computer Maintenance	10,000	9,950	(50)	10,000	50	-
Business Expense	6,000	4,981	(1,019)	5,200	219	(800)
Software Support & Expense	77,300	76,220	(1,080)	84,754	8,534	7,454
Computers and Equipment	32,500	31,490	(1,010)	33,050	1,560	550
Telecommunications Expense	19,200	19,226	26	21,300	2,074	2,100
Temporary Help Expense	-	12,000	12,000	5,000	(7,000)	5,000
Training Expense	12,000	7,500	(4,500)	10,000	2,500	(2,000)
Tuition Reimbursement	5,000	-	(5,000)	5,000	5,000	-

Exhibit A2
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
CORE FUND

	FY 2016-2017 ADOPTED BUDGET	FY 2016-2017 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2017-2018 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2016-2017 BUDGET
OPERATING EXPENSES: continued						
Travel & Accommodations - Staff	71,130	55,000	(16,130)	71,875	16,875	745
Travel & Accommodations - Directors	38,250	34,526	(3,724)	40,700	6,174	2,450
MWDOC's Contribution to WEROC: Operations	150,390	150,390	0	175,173	24,783	24,784
and to WEROC Capital Improvements			-	154,337	154,337	0.00%
Capital Acquisition (excluding building)	62,500	62,500	-	249,500	187,000	187,000
NORMAL OPERATING EXPENSES	\$ 6,761,902	\$ 6,402,825	\$ (359,077)	\$ 7,412,844	\$ 1,010,020	\$ 650,942
MWDOC's Building Expense	\$ 495,000	\$ 280,000	\$ (215,000)	\$ 356,400	\$ 76,400	\$ (138,600)
Election Expense	592,000	521,578	(70,422)	-	(521,578)	(592,000)
TOTAL EXPENSES	\$ 7,848,902	\$ 7,204,403	\$ (644,499)	\$ 7,769,244	\$ 564,842	\$ (79,658)

REVENUES:						
Retail Meter Charge	\$ 6,786,865	\$ 6,786,865	\$ 0	\$ 7,029,675	\$ 242,810	\$ 242,810
Ground Water Customer Charge	392,666	392,666	-	426,430	33,764	33,764
Water Increment Charge	-	-	-	-	-	0
Interest Revenue	123,000	158,365	35,365	150,000	(8,365)	27,000
Miscellaneous Income	3,000	3,000	-	3,000	-	0
Inter Fund In	-	-	-	-	-	0
TOTAL REVENUES	\$ 7,305,530	\$ 7,340,896	\$ 35,365	\$ 7,609,105	\$ 268,209	\$ 303,575

EFFECT ON RESERVES:						
TOTAL CONTRIBUTION (DRAW) FROM RESERVES	\$ (543,372)	\$ 136,493	\$ 679,865	\$ (160,139)	\$ (296,632)	\$ 383,233

- 1 Total Salaries & Wages includes \$37,156 for intern support
- 2 Total Benefits includes \$3,934 for intern support
- 2 Includes a \$83,410 lump sum payment (CALPERS unfunded Liability)
- 2 Total Benefits assumes a Calpers contribution for full time employees of 9.92% for legacy classic employees, 8.921% for classic employees and 6.533% for PEPRA Calpers employees. A further assumption is that medical, dental and vision insurance rates will increase by 8% for calendar year 2017.

Exhibit A3
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
CHOICE FUNDS

	FY 2016-2017 ADOPTED BUDGET	FY 2016-2017 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2017-2018 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2016-2017 BUDGET
OPERATING EXPENSES:						
Salaries & Wages	\$ 501,505	\$ 386,893	\$ (114,612)	\$ 455,977 ¹	\$ 69,084	\$ (45,528)
less for Recovery from Grants	\$ (31,600)	\$ (29,886)	\$ 1,714	\$ (23,279) ¹	6,607	8,321
Employee Benefits	133,269	113,461	(19,808)	133,042 ²	19,581	(227)
Director Compensation	-	-	-	-	-	-
Director Benefits	-	-	-	-	-	-
MWD Representation	-	-	-	-	-	-
OPEB Annual Contribution						
Overhead Reimbursement	193,712	138,793	(54,919)	164,255	25,462	(29,457)
Health Insurance Coverage for Retirees	-	-	-	-	-	-
Audit Expense	-	-	-	-	-	-
Automotive & Toll Road Expenses	-	-	-	-	-	-
Conference Expense - Staff	-	-	-	-	-	-
Conference Expense - Directors	-	-	-	-	-	-
Engineering Expense	-	-	-	-	-	-
Insurance Expense	-	-	-	-	-	-
Legal Expense - General	-	-	-	-	-	-
Maintenance Expense	-	-	-	-	-	-
Membership / Sponsorship	-	-	-	-	-	-
CDR Participation	-	-	-	-	-	-
Miscellaneous Expense	13,500	13,500	-	13,500	-	-
Postage / Mail Delivery	-	2,821	2,821	800	(2,021)	800
Professional Fees	798,819	522,611	(276,208)	751,461	228,850	(47,358)
Rents & Leases	-	-	-	-	-	-
Outside Printing, Subscription & Books	-	-	-	-	-	-
Office Supplies	-	-	-	-	-	-
Computer Maintenance	-	-	-	-	-	-
Software Support & Expense	-	-	-	-	-	-
Telecommunications Expense	-	-	-	-	-	-
Computers and Equipment	-	-	-	-	-	-
Temporary Help Expense	-	-	-	-	-	-
Training Expense	-	-	-	-	-	-
Tuition Reimbursement	-	-	-	-	-	-

Exhibit A3
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
CHOICE FUNDS

	FY 2016-2017 ADOPTED BUDGET	FY 2016-2017 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2017-2018 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2016-2017 BUDGET
OPERATING EXPENSES: continued	-	-		-		
Travel & Accommodations - Staff	-	-	-	-	-	-
Travel & Accommodations - Directors	-	-	-	-	-	-
TOTAL EXPENSES	\$ 1,609,205	\$ 1,148,193	\$ (461,012)	\$ 1,495,755	\$ 347,563	\$ (113,450)

REVENUES:						
Choice Revenue	1,609,205	1,148,193	(461,012)	1,495,755	347,563	(113,450)
TOTAL REVENUES	\$ 1,609,205	\$ 1,148,193	\$ (461,012)	\$ 1,495,755	\$ 347,563	\$ (113,450)

① Total Salaries & Wages includes \$51,387 for intern support

② Total Benefits includes \$5,529 for intern support

② Total Benefits assumes a Calpers contribution for full time employees of 9.92% for legacy classic employees, 8.921% for classic employees and 6.533% for PEPRA Calpers employees. A further assumption is that medical, dental and vision insurance rates will increase by 8% for calendar year 2017.

Exhibit A4
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
CONSOLIDATED

	FY 2016-2017 ADOPTED BUDGET	FY 2016-2017 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2017-2018 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2016-2017 BUDGET
OPERATING EXPENSES:						
Salaries & Wages	\$ 3,444,620	\$ 3,181,040	\$ (263,580)	\$ 3,574,342 ¹	\$ 393,301	\$ 129,722
less for Recovery from Grants	\$ (31,600)	\$ (29,886)	\$ 1,714	\$ (23,279)	6,607	8,321
Employee Benefits	968,159	957,433	(10,726)	1,059,389 ²	101,956	91,230
Director Compensation	231,937	224,016	(7,921)	243,197	19,181	11,260
Director Benefits	66,297	75,746	9,449	81,728	5,982	15,431
MWD Representation	132,535	129,209	(3,326)	138,969	9,760	6,434
OPEB Annual Contribution	105,249	400,000	294,751	-	(400,000)	(105,249)
Overhead Reimbursement	-	-	-	-	-	0
Health Insurance Coverage for Retirees	50,326	32,683	(17,643)	59,554	26,871	9,228
Audit Expense	24,000	18,437	(5,563)	40,000	21,563	16,000
Automotive & Toll Road Expenses	14,928	16,490	1,562	17,400	910	2,472
Conference Expense - Staff	22,125	18,000	(4,125)	23,870	5,870	1,745
Conference Expense - Directors	10,725	9,500	(1,225)	11,375	1,875	650
Engineering Expense	405,000	270,509	(134,491)	355,000	84,491	(50,000)
Insurance Expense	90,000	105,000	15,000	110,250	5,250	20,250
Legal Expense - General	320,000	208,751	(111,249)	250,000	41,249	(70,000)
Maintenance Expense	123,185	92,000	(31,185)	123,500	31,500	315
Membership / Sponsorship	134,458	133,770	(688)	142,102	8,332	7,644
CDR Participation	39,972	39,972	-	48,803	8,831	8,831
Miscellaneous Expense	124,520	103,710	(20,810)	132,366	28,656	7,846
Postage / Mail Delivery	11,400	11,621	221	10,500	(1,121)	(900)
Professional Fees	1,504,496	1,019,711	(484,785)	1,556,139	536,428	51,643
Rents & Leases	7,000	6,500	(500)	8,400	1,900	1,400
Outside Printing, Subscription & Books	38,225	27,177	(11,048)	32,525	5,348	(5,700)
Office Supplies	38,280	26,345	(11,935)	35,580	9,235	(2,700)
Building Repair & Maintenance	11,000	9,500	(1,500)	11,000	1,500	0
Computer Maintenance	10,000	9,950	(50)	10,000	50	-
Business Expense	6,000	4,981	(1,019)	5,200	219	(800)
Software Support & Expense	77,300	76,220	(1,080)	84,754	8,534	7,454
Computers and Equipment	32,500	31,490	(1,010)	33,050	1,560	550
Telecommunications Expense	19,200	19,226	26	21,300	2,074	2,100
Temporary Help Expense	-	12,000	12,000	5,000	(7,000)	5,000
Training Expense	12,000	7,500	(4,500)	10,000	2,500	(2,000)
Tuition Reimbursement	5,000	-	(5,000)	5,000	5,000	-

Exhibit A4
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
CONSOLIDATED

	FY 2016-2017 ADOPTED BUDGET	FY 2016-2017 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2017-2018 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2016-2017 BUDGET
OPERATING EXPENSES: continued	-	-		-		
Travel & Accommodations - Staff	71,130	55,000	(16,130)	71,875	16,875	745
Travel & Accommodations - Directors	38,250	34,526	(3,724)	40,700	6,174	2,450
MWDOC's Contribution to WEROC: Operations	150,390	150,390	0	175,173	24,783	24,784
and to WEROC Capital Improvements	-	-	-	154,337	154,337	154,337
Capital Acquisition (excluding building)	62,500	62,500	-	249,500	187,000	187,000
NORMAL OPERATING EXPENSES	\$ 8,371,107	\$ 7,551,017	\$ (820,089)	\$ 8,908,600	\$ 1,357,582	\$ 537,493
MWDOC's Building Expense	\$ 495,000	\$ 280,000	\$ (215,000)	\$ 356,400	\$ 76,400	\$ (138,600)
Election Expense	592,000	521,578	(70,422)	-	(521,578)	(592,000)
TOTAL EXPENSES	\$ 9,458,107	\$ 8,352,595	\$ (1,105,512)	\$ 9,265,000	\$ 912,404	\$ (193,107)

REVENUES:						
Retail Meter Charge	\$ 6,786,865	\$ 6,786,865	\$ -	\$ 7,029,675	\$ 242,810	\$ 242,810
Ground Water Customer Charge	392,666	392,666	-	426,430	33,764	33,764
Water Increment Charge	-	-	-	-	-	0
Interest Revenue	123,000	158,365	35,365	150,000	(8,365)	27,000
Miscellaneous Income	3,000	3,000	-	3,000	-	0
Inter Fund In	-	-	-	-	-	0
Choice Revenue	1,609,205	1,148,193	(461,012)	1,495,755	347,563	(113,450)
TOTAL REVENUES	\$ 8,914,735	\$ 8,489,089	\$ (425,647)	\$ 9,104,861	\$ 615,772	\$ 190,126

EFFECT ON RESERVES:						
TOTAL CONTRIBUTION (DRAW) FROM RESERVES	\$ (543,372)	\$ 136,493	\$ 679,865	\$ (160,139)	\$ (296,632)	\$ 383,233

- 1 Total Salaries & Wages includes \$88,543 for intern support
- 2 Total Benefits includes \$9,463 for intern support
- 2 Includes a \$83,410 lump sum payment (CALPERS unfunded Liability)
- 2 Total Benefits assumes a Calpers contribution for full time employees of 9.92% for legacy classic employees, 8.921% for classic employees and 6.533% for PEPRA Calpers employees. A further assumption is that medical, dental and vision insurance rates will increase by 8% for calendar year 2017.

Exhibit A5
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
WATER FUND

	FY 2016-2017 ADOPTED BUDGET	FY 2016-2017 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2017-2018 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2016-2017 BUDGET
Water Revenues						
Water Sales	\$ 137,953,560	\$ 146,426,863	\$ 8,473,303	\$ 171,308,629	\$ 24,881,766	\$ 33,355,069
Local Resource Program Incentives	(16,071,858)	(16,566,364)	(494,506)	(16,574,748)	(8,385)	(502,890)
Readiness-To-Serve Charge	12,674,093	11,208,647	(1,465,447)	10,397,278	(811,369)	(2,276,815)
Capacity Charge	4,829,790	4,187,295	(642,495)	3,544,800	(642,495)	(1,284,990)
Tier 2 Contingency	-	-	-	-	-	-
Interest Revenue - CC			-		-	-
Interest Revenue - Tier 2 Cont.	4,800	9,200	4,400	9,400	200	4,600
SCP/SAC Pipeline Surcharge	365,000	382,512	17,512	423,000	40,488	58,000
TOTAL WATER REVENUES	\$ 139,755,385	\$ 145,648,153	\$ 5,892,768	\$ 169,108,359	\$ 23,460,206	\$ 29,352,974
Water Expenses						
Water Purchases	\$ 137,953,560	\$ 146,426,863	\$ 8,473,303	\$ 171,308,629	\$ 24,881,766	\$ 33,355,069
Local Resource Program Incentives	(16,071,858)	(16,566,364)	(494,506)	(16,574,748)	(8,385)	(502,890)
Readiness-To-Serve Charge	12,674,093	11,208,647	(1,465,447)	10,397,278	(811,369)	(2,276,815)
Capacity Charge	4,829,790	4,187,295	(642,495)	3,544,800	(642,495)	(1,284,990)
Tier 2 Surcharge	-	-	-	-	-	-
SCP/SAC Pipeline Surcharge	365,000	382,512	17,512	423,000	40,488	58,000
TOTAL WATER EXPENSES	\$ 139,750,585	\$ 145,638,953	\$ 5,888,368	\$ 169,098,959	\$ 23,460,006	\$ 29,348,374
Changes to Fund Balance:						
Capacity Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tier 2 Contingency	\$ 4,800	\$ 9,200	\$ 4,400	\$ 9,400	\$ 200	\$ 4,600

Exhibit A6
SUMMARY OF FUNDING AND EXPENSES
For All Water Use Efficiency Programs

	FY 2016-2017 ADOPTED BUDGET	FY 2016-2017 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2017-2018 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2016-2017 BUDGET
Funding						
Metropolitan Water District	\$ 823,323	\$ 1,030,531	\$ 207,209	\$ 1,001,682	\$ (28,850)	\$ 178,359
USBR	368,788	225,852	(142,937)	258,749	32,897	(110,039)
DWR	1,145,602	1,592,954	447,352	708,833	(884,121)	(436,769)
Member Agencies	1,877,025	2,061,665	184,640	2,210,331	148,666	333,306
MWDOC	50,000	0	(50,000)	0	0	(50,000)
						0
TOTAL OUTSIDE FUNDING	\$ 4,264,738	\$ 4,911,001	\$ 646,264	\$ 4,179,594	\$ (731,407)	\$ (85,143)
Program Expenses Funded from Outside Sources						
Project Administration - Staff Time	\$ 9,920	\$ 29,886	\$ 19,966	\$ 23,279	\$ (6,607)	\$ 13,359
Consultant Administration	118,900	5,400	(113,500)	0	(5,400)	(118,900)
Monitoring and Evaluation	22,056	7,056	(15,000)	0	(7,056)	(22,056)
Installation Verification	62,190	122,300	60,110	65,000	(57,300)	2,810
Rebate Incentives	4,016,075	4,635,710	619,635	4,091,316	(544,394)	75,241
Surveys and Audits	33,500	130	(33,370)	0	(130)	(33,500)
Databasing	1,097	1,097	0	0	(1,097)	(1,097)
Marketing and Outreach	0	2,418	2,418	0	(2,418)	0
Engineering Assistance	0	0	0	0	0	0
TOTAL PROGRAMS EXPENSES	\$ 4,263,738	\$ 4,803,997	\$ 540,259	\$ 4,179,595	\$ (624,402)	\$ (84,143)

**Exhibit B
Expenditures by Program**

Cost Center	PROGRAM	FY 2016-2017 BUDGET FTE	FY 2017-2018 BUDGET FTE	FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET
11	Administrative - Board	1.97	1.89	\$ 1,264,229	\$ 1,045,695	\$ 1,313,921 ²
12	Administrative - General	2.62	3.86	541,237	591,075	606,357
13	Personnel / Staff Development	1.42	1.40	286,546	237,805	335,589
19	Overhead	3.53	3.89	1,204,533	1,166,646	1,450,424 ³
21	Planning & Resource Development	3.78	3.58	816,876	607,302	733,966
22	Research Participation	0.00	0.00	39,972	39,972	48,803
23	Met Issues and Special Projects	4.68	4.48	907,844	815,668	900,518
31	Governmental Affairs	1.18	1.05	479,535	417,201	469,749
35	Water Use Efficiency (Core)	0.58	0.58	171,239	178,831	317,990
32	Public Affairs	2.90	3.52	571,671	447,863	623,014
41	Finance	3.18	3.15	521,660	419,338	554,957
45	Information Technology	1.00	0.99	285,672	285,038	271,046
25	MWDOC's Contribution to WEROC ¹	2.00	2.00	150,390	150,390	329,510
CORE TOTAL		28.82	30.40	\$ 7,241,403	\$ 6,402,825	\$ 7,955,844
62	Water Use Efficiency Program	6.48	5.77	928,798	700,006	835,106
63	School Programs	0.15	0.10	358,691	357,998	364,342
67	Outreach	0.19	0.22	277,300	90,189	296,307
65	Poseidon Desal	0.00	0.00	44,416	-	-
CHOICE TOTAL		6.82	6.09	\$ 1,609,205	\$ 1,148,193	\$ 1,495,755
CORE & CHOICE TOTAL		35.64	36.49	\$ 8,850,608	\$ 7,551,017	\$ 9,451,600
Includes:						
	Full-time employees	29.00	30.00			
	WEROC Full-time employee	2.00	2.00			
	Part-time employees	1.68	1.99			
	Interns	2.96	2.50			

¹ FTE accounts for WEROC, Manager Kelly Hubbard and 1 full time employee. Total cost of WEROC is allocated among MWDOC, OCWD, OCSD, Anaheim, Santa Ana, Fullerton, and South Orange County Wastewater Authority. Dollars shown are MWDOC's share only.

² Includes Net Revenue Requirement for Elections.

³ Includes Net Revenue Requirement for Building Expense.

**Municipal Water District of Orange County
2017-2018 FISCAL MASTER PLAN PROJECTIONS**

(in thousands)

	Projected ACTUALS FY16-17	BUDGET FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23
FISCAL MASTER PLAN PROJECTIONS ¹							
Beginning Designated Reserve Balance - MWDOC	\$5,367	\$ 5,503	\$ 5,343	\$ 4,955	\$ 5,085	\$ 4,909	\$ 5,472
OPEB Contribution above the ARC	117	117	117	117	117	117	117
OPEB Reserve	209	209	209	209	209	209	209
Adjusted Reserve Balance	5,041	5,177	5,017	4,629	4,759	4,583	5,146
Revenues							
Water Rate Revenues:							
Retail Meter Agency Charge	6,787	7,030	7,278	7,451	7,685	7,886	7,936
Ground Water Customer Charge	393	426	437	448	459	471	482
Subtotal	7,180	7,456	7,715	7,899	8,144	8,357	8,419
Other Revenues:							
Choice Revenues	1,148	1,496	1,533	1,571	1,611	1,651	1,692
Interest Earnings	158	150	133	129	157	180	218
Misc./Reimbursements	3	3	3	3	3	3	3
Subtotal	1,310	1,649	1,669	1,703	1,771	1,834	1,913
Total Revenues	8,489	9,105	9,385	9,602	9,915	10,191	10,332
Expenses							
Core Expenses	6,340	7,163	7,342	7,526	7,714	7,907	8,105
Choice Expenses	1,148	1,496	1,533	1,571	1,611	1,651	1,692
Capital Acquisitions (not including building)	63	250	20	20	20	20	20
Total Expenses w/o Building & Election	7,551	8,909	8,896	9,117	9,345	9,578	9,817
Revenue Over Expenses w/o Building & Election	938	196	489	485	570	613	515
ELECTION Reserve Beginning Balance	475	257	454	236	540	148	452
Annual Election Reserve Contribution	304	196	304	304	304	304	304
Annual Election Expense	522	-	522	-	696	-	522
Election Reserve Ending Balance	257	454	236	540	148	452	234
BUILDING Reserve Beginning Balance	350	350	350	350	350	350	350
Annual Building Reserve Contribution	280	356	355	355	50	50	50
Annual Building Expense	280	356	355	355	50	50	50
Building Reserve Ending Balance	350	350	350	350	350	350	350
CASH FLOW Reserve Beginning Balance	1,500	-	-	-	-	-	-
Annual Cash Flow Reserve Contribution	-	-	-	-	-	-	-
Cash Flow Reserve Ending Balance	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Ending General Fund & Cash Flow Reserves	\$ 4,570	\$ 4,214	\$ 4,044	\$ 3,870	\$ 4,085	\$ 4,344	\$ 4,505
Document does not reflect MWDOC's irrevocable trust towards OPEB liability							
MWDOC Water Rates							
Water Sales in Acre Feet	165,813	184,270	186,221	188,218	190,118	190,254	191,334
Total Retail Customer Meters	619,805	624,860	627,421	631,421	635,111	641,151	645,211
OCWD BPP %	75%	75%	73%	73%	73%	73%	73%
Increment Rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Connection Charge	\$ 10.95	\$ 11.25	\$ 11.60	\$ 11.80	\$ 12.10	\$ 12.30	\$ 12.30
Fixed Charge %		100%	100%	100%	100%	100%	100%

1 Assumptions for FMP:

Inflation factor:

2.50% per year

Rate of return on Investment of portfolio:

1.25% per year

Total Core Expenses

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET
6010	Salaries & Wages - Admin	2,943,113	2,794,148	3,118,365
	S & W Reimb. DSC or Recov from Grants	-	-	-
6090	Directors Compensation - MWDOC	231,937	224,016	243,197
6095	Directors Compensation - MWD	132,535	129,209	138,969
6105	Benefits - Admin	834,891	843,972	926,348
	OPEB Annual Contribution	105,249	400,000	-
	Overhead Reimbursement	(193,712)	(138,793)	(164,255)
6115	Benefits - Directors	66,297	75,746	81,728
6120	Health Insurance Coverage for Retirees	50,326	32,683	59,554
6205	Training	12,000	7,500	10,000
6210	Tuition Reimbursement	5,000	-	5,000
6220	Temporary Help	-	12,000	5,000
7010	Engineering - Outside Services	405,000	270,509	355,000
7020	Legal - General	320,000	208,751	250,000
7030	Audit	24,000	18,437	40,000
7040	Other Professional Fees	705,678	497,100	804,678
7047	Prof Service-Grant Recovery	-	-	-
7110	Conference - Employee	22,125	18,000	23,870
7115	Conference - Directors	10,725	9,500	11,375
7150	Travel & Accommodations - Employee	71,130	55,000	71,875
7155	Travel & Accommodations - Director	38,250	34,526	40,700
7210	Membership / Sponsorship	134,208	133,770	142,102
7250	CDR Participation	39,972	39,972	48,803
7305	Business Expense	6,000	4,981	5,200
7310	Office Maintenance	123,185	92,000	123,500
7315	Building Repair & Maintenance	11,000	9,500	11,000
7320	Rents & Leases	7,000	6,500	8,400
7330	Office Supplies	38,280	26,345	35,580
7340	Postal / Mail Delivery	11,400	8,800	9,700
7350	Subscriptions / Books	2,000	800	1,500
7360	Reproduction Expense	36,225	26,377	31,025
7410	Computer & Peripherals Maint	10,000	9,950	10,000
7430	Software Purchase	31,300	31,110	36,260
7440	Software Support	46,000	45,110	48,494
7450	Software Development	-	-	-
7510	Site Maintenance	-	-	-
7540	Computers and Equipment	32,500	31,490	33,050
7580	Maintenance Expense	-	-	-
7610	Automotive / Mileage	13,828	15,740	16,400
7615	Toll Road Charges	1,100	750	1,000
7620	Insurance Expense	90,000	105,000	110,250
7640	Utilities - Telephone	19,200	19,226	21,300
7650	Bank Fees	10,500	11,711	11,000
7670	Miscellaneous Expenses	100,520	78,499	107,866
8410	Overhead Reimbursement	-	-	-
8610	Depreciation Expense	-	-	-
8810	Capital Acquisition	62,500	62,500	249,500
	Total Expenditure	6,611,262	6,252,435	7,083,334

MWDOC's Contribution:

to WEROC Capital improvements	-	-	154,337
to WEROC Operations	150,390	150,390	175,173
MWDOC's Election Expense	592,000	521,578	-
MWDOC's Building Expense	495,000	280,000	356,400
	<u>7,848,652</u>	<u>7,204,403</u>	<u>7,769,244</u>

Total Choice Revenue and Expense

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET
	Choice Revenue	1,494,789	1,287,948	1,225,166
4205	School Contracts	70,000	70,000	70,000
4705	Prior Year Carry Over	44,416	-	200,589
		-	-	-
	Choice billing over/under	-	(209,755)	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
	Total Revenue	1,609,205	1,148,193	1,495,755

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET
6010	Salaries & Wages - Admin	501,505	386,893	455,977
	S & W Reimb. DSC or Recov from Grants	(31,600)	(29,886)	(23,279)
6090	Directors Compensation - MWDOC	-	-	-
6095	Directors Compensation - MWD	-	-	-
6105	Benefits - Admin	133,269	113,461	133,042
	Overhead Reimbursement	193,712	138,793	164,255
6115	Benefits - Directors	-	-	-
6120	Health Insurance Coverage for Retirees	-	-	-
6205	Training	-	-	-
6210	Tuition Reimbursement	-	-	-
6220	Temporary Help	-	-	-
7010	Engineering - Outside Services	-	-	-
7020	Legal - General	-	-	-
7030	Audit	-	-	-
7040	Other Professional Fees	463,330	187,122	415,972
	Other Professional Fees - School Programs	335,489	335,489	335,489
7110	Conference - Employee	-	-	-
7115	Conference - Directors	-	-	-
7150	Travel & Accommodations - Employee	-	-	-
7155	Travel & Accommodations - Director	-	-	-
7210	Membership / Sponsorship	-	-	-
7220	CUWA Participation	-	-	-
7240	AWWARF Participation	-	-	-
7250	CDR Participation	-	-	-
7310	Office Maintenance	-	-	-
7320	Rents & Leases	-	-	-
7330	Office Supplies	-	-	-
7340	Postal / Mail Delivery	-	2,821	800
7350	Subscriptions / Books	-	-	-
7360	Reproduction Expense	-	-	-
7410	Computer & Peripherals Maint	-	-	-
7430	Software Purchase	-	-	-
7440	Software Support	-	-	-
7450	Software Development	-	-	-
7510	Site Maintenance	-	-	-
7540	Computers and Equipment	-	-	-
7580	Maintenance Expense	-	-	-
7610	Automotive / Mileage	-	-	-
7615	Toll Road Charges	-	-	-
7620	Insurance Expense	-	-	-
7640	Utilities - Telephone	-	-	-
7650	Bank Fees	-	-	-
7670	Miscellaneous Expenses	13,500	13,500	13,500
8410	Overhead Reimbursement	-	-	-
8610	Depreciation Expense	-	-	-
8710	Election Expenses	-	-	-
8810	Capital Acquisition	-	-	-
	Total Expenditure	1,609,205	1,148,193	1,495,755

Total Core and Choice Expenses

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET
6010	Salaries & Wages - Admin	3,444,618	3,181,040	3,574,342
	S & W Reimb. DSC or Recov from Grants	(31,600)	(29,886)	(23,279)
6090	Directors Compensation - MWDOC	231,937	224,016	243,197
6095	Directors Compensation - MWD	132,535	129,209	138,969
6105	Benefits - Admin	968,160	957,433	1,059,389
	OPEB Annual Contribution	105,249	400,000	-
	Overhead Reimbursement	-	-	-
6115	Benefits - Directors	66,297	75,746	81,728
6120	Health Insurance Coverage for Retirees	50,326	32,683	59,554
6205	Training	12,000	7,500	10,000
6210	Tuition Reimbursement	5,000	-	5,000
6220	Temporary Help	-	12,000	5,000
7010	Engineering - Outside Services	405,000	270,509	355,000
7020	Legal - General	320,000	208,751	250,000
7030	Audit	24,000	18,437	40,000
7040	Other Professional Fees	1,169,008	684,222	1,220,650
	Other Professional Fees - School Programs	335,489	335,489	335,489
7047	Prof Service-Grant Recovery	-	-	-
7110	Conference - Employee	22,125	18,000	23,870
7115	Conference - Directors	10,725	9,500	11,375
7150	Travel & Accommodations - Employee	71,130	55,000	71,875
7155	Travel & Accommodations - Director	38,250	34,526	40,700
7210	Membership / Sponsorship	134,208	133,770	142,102
7250	CDR Participation	39,972	39,972	48,803
7305	Business Expense	6,000	4,981	5,200
7310	Office Maintenance	123,185	92,000	123,500
7315	Building Repair & Maintenance	11,000	9,500	11,000
7320	Rents & Leases	7,000	6,500	8,400
7330	Office Supplies	38,280	26,345	35,580
7340	Postal / Mail Delivery	11,400	11,621	10,500
7350	Subscriptions / Books	2,000	800	1,500
7360	Reproduction Expense	36,225	26,377	31,025
7410	Computer & Peripherals Maint	10,000	9,950	10,000
7430	Software Purchase	31,300	31,110	36,260
7440	Software Support	46,000	45,110	48,494
7450	Software Development	-	-	-
7510	Site Maintenance	-	-	-
7540	Computers and Equipment	32,500	31,490	33,050
7580	Maintenance Expense	-	-	-
7610	Automotive / Mileage	13,828	15,740	16,400
7615	Toll Road Charges	1,100	750	1,000
7620	Insurance Expense	90,000	105,000	110,250
7640	Utilities - Telephone	19,200	19,226	21,300
7650	Bank Fees	10,500	11,711	11,000
7670	Miscellaneous Expenses	114,020	91,999	121,366
8410	Overhead Reimbursement	-	-	-
8610	Depreciation Expense	-	-	-
8810	Capital Acquisition	62,500	62,500	249,500
	Total Expenditure	8,220,467	7,400,627	8,579,089

MWDOC's Contribution:

to WEROC Capital improvements	-	-	154,337
to WEROC Operations	150,390	150,390	175,173
MWDOC's Election Expense	592,000	521,578	-
MWDOC's Building Expense	495,000	280,000	356,400
	<u>9,457,857</u>	<u>8,352,595</u>	<u>9,265,000</u>

Administrative - Board

11

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	263,608	250,749	265,231	
6090	Directors Compensation - MWDOC	231,937	224,016	243,197	1
6095	Directors Compensation - MWD	132,535	129,209	138,969	2
6105	Benefits - Admin	71,508	69,631	72,980	
6115	Benefits - Directors	66,297	75,746	81,728	
6120	Health Insurance Coverage for Retirees				
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Engineering - Outside Services				
7020	Legal - General	285,000	200,251	220,000	4
7030	Audit				
7040	Other Professional Fees				
7110	Conference - Employee				
7115	Conference - Directors	10,725	9,500	11,375	5
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director	38,250	34,526	40,700	5
7210	Membership / Sponsorship	25,040	25,141	25,141	6
7250	CDR Participation				
7310	Office Maintenance				
7320	Rents & Leases				
7330	Office Supplies				
7340	Postal / Mail Delivery	4,500	3,800	3,900	
7350	Subscriptions / Books				
7360	Reproduction Expense				
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7450	Software Development				
7510	Site Maintenance				
7540	Computers and Equipment				
7580	Maintenance Expense				
7610	Automotive / Mileage	9,828	9,500	9,800	
7615	Toll Road Charges	700	500	600	
7620	Insurance Expense				
7640	Utilities - Telephone	1,100	1,226	1,300	
7650	Bank Fees				
7670	Miscellaneous Expenses	6,200	11,900	12,000	7
8410	Overhead Reimbursement				
8610	Depreciation Expense				
8810	Capital Acquisition				
	Total Expenditure	1,147,228	1,045,695	1,126,921	

1&2 Based on 5% increase from Jan to June 2018.

3	Best, Best & Krieger	\$	175,251
	Aleshire & Wynder	\$	25,000
		\$	200,251

4	Best, Best & Krieger	\$	195,000
	Aleshire & Wynder	\$	25,000
		\$	220,000

5 See Exhibit F.

6 LAFCO Annual Assessment
See Exhibit D.

7 Misc board expenses (supplies)

MWDOC's Election Expense

592,000	521,578
1,739,228	1,567,273
	1,126,921

Administrative - General
12

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET
6010	Salaries & Wages - Admin	208,804	263,883	291,603
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	58,591	78,526	98,852
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help		12,000	5,000
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	72,900	60,900	5,000
7110	Conference - Employee	22,125	18,000	23,870
7115	Conference - Directors			
7150	Travel & Accommodations - Employee	71,130	55,000	71,875
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship	93,037	88,495	94,356
7250	CDR Participation			
7305	Business Expense	6,000	4,981	5,200
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books	2,000	800	1,500
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Software Development			
7510	Site Maintenance			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage	4,000	6,240	6,600
7615	Toll Road Charges	400	250	400
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	2,000	2,000	2,100
8410	Overhead Reimbursement			
8610	Depreciation Expense			
8710	Election Expenses			
8810	Capital Acquisition			
	Total Expenditure	540,987	591,075	606,357

1 See Exhibit J.

2 See Exhibit E.

3 See Exhibit D.

Personnel / Staff Development
13

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	168,504	152,176	173,664	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	49,292	46,229	51,624	1 • Staff Technical Training & Leadership Development Training
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training	12,000	7,500	10,000	1
6210	Tuition Reimbursement	5,000	-	5,000	
6220	Temporary Help				
7010	Engineering - Outside Services				
7020	Legal - General	35,000	8,500	30,000	2 • Best, Best & Krieger
7030	Audit				
7040	Other Professional Fees	7,500	7,500	49,000	3
7110	Conference - Employee				3 • Eval 401a, 457 plans \$ 9,000 • Salary Benchmark Study \$ 40,000 \$ 49,000
7115	Conference - Directors				
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				
7250	CDR Participation				
7310	Office Maintenance				
7320	Rents & Leases				
7330	Office Supplies				
7340	Postal / Mail Delivery				
7350	Subscriptions / Books				
7360	Reproduction Expense				
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7450	Software Development				
7510	Site Maintenance				
7540	Computers and Equipment				
7580	Maintenance Expense				4 • Applicant Background Checks & Physical \$ 2,500 • Team Building, Lunch meetings \$ 2,500 • Holiday Lunch \$ 2,400 • OCWD Health Fair \$ 200 • Employee Flu Shots \$ 200 • Job Ads Recruiting \$ 4,000 • TAD Executive Assessments \$ 4,500 \$ 16,300
7610	Automotive / Mileage				
7615	Toll Road Charges				
7620	Insurance Expense				
7640	Utilities - Telephone				
7650	Bank Fees				
7670	Miscellaneous Expenses	16,750	15,900	16,300	4
8410	Overhead Reimbursement				
8610	Depreciation Expense				
8710	Election Expenses				
8810	Capital Acquisition				
	Total Expenditure	294,046	237,805	335,589	

**Overhead
19**

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	399,696	417,312	469,354	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	111,408	133,131	136,442	
6109	OPEB Annual Contribution	105,249	400,000	-	
6111	Overhead Reimbursement from Choice	(193,712)	(138,793)	(164,255)	
6115	Benefits - Directors				1 Retirees:
6120	Health Insurance Coverage for Retirees	50,326	32,683	59,554	1 • 11 Retirees
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				2 • Pension Plan administration by
7010	Engineering - Outside Services				Dissinger Associates \$ 4,500
7020	Legal - General				• Cafeteria Plan Wageworks \$ 2,000
7030	Audit				6,500
7040	Other Professional Fees	6,100	6,300	6,500	2
7110	Conference - Employee				
7115	Conference - Directors				
7150	Travel & Accommodations - Employee				
7250	CDR Participation				
7310	Office Maintenance	123,185	92,000	123,500	3
7315	Building Repair & Maintenance	11,000	9,500	11,000	
7320	Rents & Leases	7,000	6,500	8,400	4
7330	Office Supplies	38,280	26,345	35,580	
7340	Postal / Mail Delivery	6,900	5,000	5,800	
7350	Subscriptions / Books				
7360	Reproduction Expense	9,000	3,457	3,800	
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7450	Software Development				
7510	Site Maintenance				
7540	Computers and Equipment				4 • Iron Mountain \$ 5,000
7580	Maintenance Expense				• El Toro Water District \$ 1,000
7610	Automotive / Mileage				(South EOC site)
7615	Toll Road Charges				• Off Site Storage Unit 200 x 12 2,400
7620	Insurance Expense	90,000	105,000	110,250	5 • Misc equipment repairs, fees etc. \$ 8,400
7640	Utilities - Telephone	18,100	18,000	20,000	
7650	Bank Fees	10,500	11,711	11,000	
7670	Miscellaneous Expenses	8,000	5,000	8,000	5
8410	Overhead Reimbursement				6 • Office Furniture/Displays/Vault File Cabinets
8610	Depreciation Expense				
8710	Election Expenses				
8810	Capital Acquisition	33,500	33,500	249,500	6 7 • Bldg Improvements - Eval / Design /
					Space Planning / Rendering
	Total Expenditure	834,532	1,166,646	1,094,424	
MWDOC's Building Expense (8811)		495,000	280,000	356,400	7
		1,329,532	1,446,646	1,450,824	

**Planning and
Resource Development
21**

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET
6010	Salaries & Wages - Admin	486,651	396,030	460,941
6012	Salaries & Wages - Reimb. from Grants	-		-
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	125,725	104,272	116,025
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services	197,500	100,000	150,000
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees			
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Software Development			
7510	Site Maintenance			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	7,000	7,000	7,000
8410	Overhead Reimbursement			
8610	Depreciation Expense			
8710	Election Expenses			
8810	Capital Acquisition			
	Total Expenditure	816,876	607,302	733,966

1 Includes general consulting, reliability of MET, conjunctive use, climate change and value of being reliable.

Research Participation
22

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET
6010	Salaries & Wages - Admin			
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin			
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees			
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation	39,972	39,972	48,803
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Software Development			
7510	Site Maintenance			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses			
8410	Overhead Reimbursement			
8610	Depreciation Expense			
8710	Election Expenses			
8810	Capital Acquisition			
	Total Expenditure	39,972	39,972	48,803

1 Center for Demographic Research at
Cal State University Fullerton

Met Issues and Special Projects
23

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET
6010	Salaries & Wages - Admin	544,550	497,802	536,677
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	155,794	147,357	158,841
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services	207,500	170,509	205,000
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees			
7045	Other Professional Fees - MET			
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Software Development			
7510	Site Maintenance			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses			
8410	Overhead Reimbursement			
8610	Depreciation Expense			
8710	Election Expenses			
8810	Capital Acquisition			
	Total Expenditure	907,844	815,668	900,518

Government Affairs
31

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET
6010	Salaries & Wages - Admin	136,892	100,924	126,707
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	43,903	36,969	43,406
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	275,000	263,000	274,000
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7220	CUWA Participation			
7240	AWWARF Participation			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense	420	420	420
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Software Development			
7510	Site Maintenance			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	23,320	15,888	25,216
8410	Overhead Reimbursement			
8610	Depreciation Expense			
8710	Election Expenses			
8810	Capital Acquisition			
	Total Expenditure	479,535	417,201	469,749

1 • BB&K	\$ 90,000
• Barker	\$ 96,000
• Travel/Miscellaneous	\$ 8,000
• Lewis Consulting	\$ 39,000
• Ackerman	\$ 30,000
	<u>\$ 263,000</u>

2 • BB & K	\$ 90,000
• Barker	\$ 96,000
• Travel/Miscellaneous	\$ 10,000
• Lewis Consulting	\$ 42,000
• Ackerman	\$ 36,000
	<u>\$ 274,000</u>

3 • State & Federal Legislative Tracking	\$ 3,216
• Legislative Outreach & Briefings	\$ 7,000
• Legislative Staff Trip Travel Costs	\$ 10,000
• WACO	\$ 5,000
	<u>\$ 25,216</u>

Public Affairs
32

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	250,473	237,379	292,208	
	Salaries & Wages - Reimb. from Grants				
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	69,965	69,364	90,574	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Engineering - Outside Services				
7020	Legal - General				
7030	Audit				
7040	Other Professional Fees	191,178	101,400	180,178	1
7047	Prof Service-Grant Recovery				
7110	Conference - Employee				
7115	Conference - Directors				
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				
7250	CDR Participation				
7310	Office Maintenance				
7320	Rents & Leases				
7330	Office Supplies				
7340	Postal / Mail Delivery				
7350	Subscriptions / Books				
7360	Reproduction Expense	26,805	22,500	26,805	2
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7450	Software Development				
7510	Site Maintenance				
7540	Computers and Equipment				
7580	Maintenance Expense				
7610	Automotive / Mileage				
7615	Toll Road Charges				
7620	Insurance Expense				
7640	Utilities - Telephone				
7650	Bank Fees				
7670	Miscellaneous Expenses	33,250	17,221	33,250	3
8410	Overhead Reimbursement				
8610	Depreciation Expense				
8710	Election Expenses				
8810	Capital Acquisition				
	Total Expenditure	571,671	447,863	623,014	

1 Public Affairs Activities:

• Resolutions	\$ 5,000
• Member Agency Workshops PAW	\$ 10,000
• Consumer Confidence Reports	\$ 34,178
• Website Hosting & Maintenance	\$ 10,000
• Event Registration Fees	\$ 2,500
• PAW meeting materials	\$ 2,500
• High School Program	\$ 64,000
Subtotal	\$ 128,178

Communications Plan Activities:

• Outreach	\$ 2,000
• Advertising	\$ 20,000
• CA Water Fix PSA/Ricki Campaign	\$ 30,000
Subtotal	\$ 52,000
	\$ 180,178

2 • Briefing Papers	\$ 1,500
• Attire & Promo items	\$ 1,500
• MWDOC Bags 1500@ \$3.95	\$ 5,925
• Brochures 1500 @ \$2.50	\$ 3,750
• Awards and Events	\$ 5,500
• Promotional Items	\$ 8,630
	\$ 26,805

3 • Ricki Maint and Repair	\$ 2,750
• Children's Water Festival Sponsorship	\$ 3,500
• Industry Events	\$ 5,000
• Event Display Materials	\$ 2,500
• Speaker Recognition	\$ 1,500
• Wyland Mayor's Challenge	\$ 10,000
• Scouting Programs	\$ 8,000
	\$ 33,250

**Water Use Efficiency
(Core)
35**

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET
6010	Salaries & Wages - Admin	91,137	91,742	93,037
6010	Salaries & Wages - Recovery from Grants			
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	25,971	33,956	27,348
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	38,000	33,000	175,000
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship	16,131	20,134	22,605
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Software Development			
7510	Site Maintenance			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses			
8410	Overhead Reimbursement			
8610	Depreciation Expense			
8710	Election Expenses			
8810	Capital Acquisition			
	Total Expenditure	171,239	178,831	317,990

1 • General Research	\$ 75,000
• Landscape Education and Outreach Program	\$ 50,000
• Water Loss Control Work Grp	\$ 50,000
	<u>\$ 175,000</u>
2 • CUWCC Dues	\$ 12,009
• South O.C. Watershed Mngmt Area Dues	\$ 9,096
• OC CLCA	\$ 1,500
	<u>\$ 22,605</u>

General Finance
41

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET
6010	Salaries & Wages - Admin	294,702	287,534	306,723
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	86,958	87,766	92,234
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit	24,000	18,437	40,000
7040	Other Professional Fees	115,000	25,000	115,000
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Software Development			
7510	Site Maintenance			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	1,000	600	1,000
8410	Overhead Reimbursement			
8610	Depreciation Expense			
8710	Election Expenses			
8810	Capital Acquisition			
	Total Expenditure	521,660	419,338	554,957

1 • Custodial Bank fees	\$ 3,000
• Financial Consulting	\$ 112,000
	<hr/> \$ 115,000

1

Information Technology
45

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	98,096	98,618	102,221	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	35,776	36,769	38,022	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Engineering - Outside Services				
7020	Legal - General				
7030	Audit				
7040	Other Professional Fees				1 • Misc repairs, maint & components
7110	Conference - Employee				
7115	Conference - Directors				2 • Misc software upgrades and license
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				
7250	CDR Participation				3 • Email Management Support \$ 5,000
7310	Office Maintenance				• Investment software usage cost \$ 2,340
7320	Rents & Leases				• Financial Management System \$ 23,773
7330	Office Supplies				• Cisco Smartnet support \$ 3,300
7340	Postal / Mail Delivery				• Misc NAV development \$ 2,000
7350	Subscriptions / Books				• Jet Reports support \$ 1,521
7360	Reproduction Expense				• Blythco ABRA \$ 500
7410	Computer & Peripherals Maint	10,000	9,950	10,000	1 • ECS Laserfiche Annual Support \$ 9,100
7430	Software Purchase	31,300	31,110	36,260	2 • JMP Software Maintenance \$ 960
7440	Software Support	46,000	45,110	48,494	3 \$ 48,494
7450	Software Development				
7510	Site Maintenance				
7540	Computers and Equipment	32,500	31,490	33,050	4 • 1 iPad/Surface Pro \$ 1,000
7580	Maintenance Expense				• 5 desktop computers w/ 9 monitors \$ 5,000
7610	Automotive / Mileage				• 2 Cisco Switches and 1 Router \$ 7,700
7615	Toll Road Charges				• RICOH color printer support \$ 350
7620	Insurance Expense				• 2 UPS for Server Room \$ 5,500
7640	Utilities - Telephone				• Data Server \$ 13,500
7650	Bank Fees				
7670	Miscellaneous Expenses	3,000	2,990	3,000	5 \$ 33,050
8410	Overhead Reimbursement				
8610	Depreciation Expense				5 • Misc supplies \$ 1,700
8710	Election Expenses				• MWDOC Website \$ 1,200
8810	Capital Acquisition	29,000	29,000		• Amazon Prime Membership \$ 100
	Total Expenditure	285,672	285,038	271,046	\$ 3,000

**Water Use Efficiency
(choice)
62**

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET
4215	Choice Revenue	928,797	928,798	615,480
4705	Prior Year Carry over			219,626
	Choice billing over/under		(228,792)	
	Total Revenue	928,797	700,006	835,106

Choice billing over/under reflects revenue overage or shortfall to be reconciled with participating member agencies. Final charges will be revised by August 2017 to reflect the new budget year charges plus/minus prior year over/under.

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET
6010	Salaries & Wages - Admin	475,474	366,026	415,020
6012	Salaries & Wages - Recovery from Grants	(31,600)	(29,886)	(23,279)
6090	Directors Compensation - MWD			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	125,895	106,656	122,884
	Overhead Reimbursement	184,114	131,992	147,709
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	168,914	116,397	165,972
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7220	CUWA Participation			
7240	AAWARF Participation			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery		2,821	800
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Software Development			
7510	Site Maintenance			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	6,000	6,000	6,000
8410	Overhead Reimbursement			
8610	Depreciation Expense			
8710	Election Expenses			
8810	Capital Acquisition			
	Total Expenditure	928,797	700,006	835,106

1 Recovery from WUE Grants for some Salaries and Benefits:

• USBR (8119)	\$ 9,179
• Comprehensive Landscape (9109)	\$ 9,600
• DWR Strategic Turf - So. Cnty (9111)	\$ 4,500
	<u>\$ 23,279</u>

2 • Marketing of WUE programs	\$ 40,000
• Landscape Budget Reports	\$ 50,000
• CSANS & Base Schedule Calculator Web	\$ 14,400
• Turf Rebate Processing Platform - Droplet	\$ 39,072
• Drip Rebate Processing Platform - Droplet	\$ 6,000
• E-Signature	\$ 16,500
	<u>\$ 165,972</u>

**School Program
(choice)
63**

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET
4215	Choice Revenue	288,691	290,425	291,915
4205	School Contracts	70,000	70,000	70,000
4705	Prior Year Carry over			2,427
	Choice billing over/under		(2,427)	
	Total Revenue	358,691	357,998	364,342

Choice billing over/under reflects revenue overage or shortfall to be reconciled with participating member agencies. Final charges will be revised by August 2017 to reflect the new budget year charges plus/minus prior year over/under.

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET
6010	Salaries & Wages - Admin	9,505	9,085	12,925
6010	Sal & Wages - Reimb. from DSC & Grants		-	
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	3,069	3,491	3,434
	Overhead Reimbursement	3,128	2,433	4,993
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees			
7040	Other Professional Fees - School Programs	335,489	335,489	335,489
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7220	CUWA Participation			
7240	AWWARF Participation			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Software Development			
7510	Site Maintenance			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	7,500	7,500	7,500
8410	Overhead Reimbursement			
8610	Depreciation Expense			
8710	Election Expenses			
8810	Capital Acquisition			
	Total Expenditure	358,691	357,998	364,342

- 1 • Assemblies: FY17-18
Goal is 60,000 students
• High School Program

- 2 • Demonstration supplies including new Ricki Pencils and Stickers for education presentation

**Poseidon Desal
(choice)
65**

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET
4215	Choice Revenue			
4705	Prior Year Carry over	44,416		
	Choice billing over/under		-	
	Total Revenue	44,416	-	-

MWDOC is planning on returning the carried over \$44,416 to the agencies it belongs to.

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET
6010	Salaries & Wages - Admin		-	-
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin		-	-
	Overhead Reimbursement		-	-
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	44,416		
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7220	CUWA Participation			
7240	AAWARF Participation			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Software Development			
7510	Site Maintenance			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses			
8410	Overhead Reimbursement			
8610	Depreciation Expense			
8710	Election Expenses			
8810	Capital Acquisition			
	Total Expenditure	44,416	-	-

No more expenses are foreseen at this time

**Public Affairs
(choice)
67**

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET
4215	Choice Revenue	277,301	68,725	317,771
4705	Prior Year Carry over			(21,464)
	Choice billing over/under		21,464	
	Total Revenue	277,301	90,189	296,307

Choice billing over/under reflects revenue overage or shortfall to be reconciled with participating member agencies. Final charges will be revised by August 2017 to reflect the new budget year charges plus/minus prior year over/under.

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET
6010	Salaries & Wages - Admin	16,526	11,782	28,031
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	4,305	3,314	6,724
	Overhead Reimbursement	6,470	4,368	11,553
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	250,000	70,725	250,000
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7220	CUWA Participation			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Software Development			
7510	Site Maintenance			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses			
8410	Overhead Reimbursement			
8610	Depreciation Expense			
8710	Election Expenses			
8810	Capital Acquisition			
	Total Expenditure	277,301	90,189	296,307

1 • OC Register Value of Water Page

2 • Communications Plan

WEROC
25

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET
4320	MWDOC Contribution to Operations	150,390	150,390	175,173
4210	WEROC Contracts	150,390	150,390	175,174
	Capital Reserve Contribution		21,674	(0)
4205				
4230	Reimbursements			
4240				
4410				
4805				
	Total Revenue	300,780	322,454	350,347

MWDOC Contribution to Capital Improvements

154,337

504,684

1 • OCSD	\$ 34,334
• SOCWA	\$ 13,313
• OCWD	\$ 87,587
• 3 Cities -- \$13,313 ea	\$ 39,940
	<u>\$ 175,174</u>

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET
6010	Salaries & Wages - Admin	168,740	145,129	190,086
6012	Salaries & Wages - Recovery from Grants		(4,304)	
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	58,513	51,712	64,074
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	3,000	52,262	30,000
7110	Conference - Employee	2,180	2,221	3,835
7115	Conference - Directors			
7150	Travel & Accommodations - Employee	4,300	4,405	3,900
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship	390	340	620
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases	20,046	20,046	21,049
7330	Office & Radio Supplies	1,000	1,000	1,000
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense	1,000	9,798	1,000
7410	Computer & Peripherals Maint	4,373	4,373	5,805
7430	Software Purchase			
7440	Software Support	7,088	6,750	6,750
7450	Software Development			
7510	Site Maintenance	850	594	710
7540	Computers and Equipment			
7580	Maintenance - Generators	2,000	3,000	2,000
7581	Maintenance - Radios	2,000	2,000	2,000
7582	Maintenance - EOC's	3,000	3,000	3,000
7610	Automotive / Mileage	1,700	1,000	1,700
7615	Toll Road Charges	100	100	100
7620	Insurance Expense	1,500	1,500	1,500
7640	Utilities - Telephone	9,000	7,528	7,218
7650	Bank Fees			
7670	Miscellaneous Expenses	1,000	1,000	1,000
7671	Miscellaneous Training	2,000	2,000	3,000
8410	Overhead Reimbursement			
8610	Depreciation Expense			
8710	Election Expenses			
8810	Capital Acquisition			
	Total Expenditure	293,780	315,454	350,347

Capital Improvements

154,337

Contribution to Operating Reserves

7,000

7,000

300,780

322,454

504,684

2 Exhibit J

3 Catalina Repeater (5% increase)

4 Updated WEROC Map Printing

2 Exhibit J

AMP Proceeds Agreement Administration
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		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET
4020	Interest Revenue	-		-
4050	O & M Maintenance Deposit	-	-	-
4230	Reimbursement	19,505	19,505	19,505
4680	Miscellaneous Income	-		-
	Billing over/under		(19,505)	3,448
	Total Revenue	19,505	-	22,953

Participating Member agencies will be billed annually per the AMP sales admin agreement to cover legal and audit expenses.

		FY 2016-2017 BUDGET	FY 2016-2017 PROJECTED ACTUALS	FY 2017-2018 PROPOSED BUDGET
6010	Salaries & Wages - Admin	3,626	-	6,403
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	879	-	1,549
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General	15,000		15,000
7030	Audit			
7040	Other Professional Fees			
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Software Development			
7510	Site Maintenance			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses			
8410	Overhead Reimbursement			
8610	Depreciation Expense			
8710	Election Expenses			
8810	Capital Acquisition			
	Total Expenditure	19,505	-	22,952

Exhibit D

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY Proposed District Participation Costs Fiscal Year 2017-2018

	Budget FY 2016-2017	Projected FY 2016-2017 Actuals	Budget FY 2017-2018	Approval included in Budget Approval
Required Participation or Service				
LAFCO	25,000	25,101	25,101	√
Subtotal Cost Center 11	25,000	25,101	25,101	
Association of Calif. Water Agencies (ACWA)	18,000	17,484	18,000	√
Subtotal Cost Center 12	18,000	17,484	18,000	
South OC Watershed Management Area Dues	6,625	6,625	9,096	√
Subtotal Cost Center 35	6,625	6,625	9,096	
 Subtotal - Required Participation or Service	 \$ 49,625	 \$ 49,210	 \$ 52,197	
 Elective Participation				
Colorado River Water Users Assn. (CRWUA 2-Director's)	40	40	40	√
Subtotal Cost Center 11	40	40	40	
Association of California Cities- Orange County (ACCOC)	\$ 5,000	\$ 5,000	\$ 5,000	√
American Water Works Association (AWWA)	1,550	1,589	1,589	√
Association of Metropolitan Water Agencies (AMWA)	17,000	17,645	17,645	√
CA Chamber of Commerce (HR California)	499	459	499	√
CALDESAL	5,000	5,000	5,000	√
California Municipal Treasurers Association (CMTA)	155	155	155	√
California Society of Municipal Finance Officers (CSMFO)	125	110	125	√
CA Special Districts Assn. (CSDA)	6,100	6,485	6,485	√
Colorado River Water Users Assn. (CRWUA 3-staff)	60	30	60	√
Government Finance Officers Association (GFOA)	165	165	165	√
Indep. Special Districts of Or. Co. (ISDOC)	200	200	200	√
International Personnel Management Association	105	105	105	√
California Ass. Of Public Information Officers (CAPIO)			250	√
Municipal Information Systems Association of California (MISAC)	200	200	200	√
National Water Resources Assn., Mun. Caucus	500	500	500	√
Orange County Business Council (OC Chamber)	5,000	5,000	5,000	√
Orange County Public Affairs Association	200	200	200	√
California Council for Environmental & Economic Balance	29,500	24,500	29,500	√
Orange County Water Association (OCWA)	100	100	100	√
Public Agency Risk Managers Association (PARMA)	100	100	100	√
Public Relations Society of America/O.C.	300	300	300	√
Society of Human Resources Management (SHRM)	200	190	200	√
Southern California Personnel Management Assoc. (SCPMA)	50	50	50	√
South Orange County Economic Coalition	1,500	1,500	1,500	√
Southern California Water Committee	850	850	850	√
Water Education Foundation	578	578	578	√
Subtotal Cost Center 12	75,037	71,011	76,356	
OC Chapter-Calif. Landscape Contractors Assoc.	1,500	1,500	1,500	√
CA Urban Water Conservation Council Dues	8,006	12,009	12,009	√
Subtotal Cost Center 35	9,506	13,509	13,509	
 Subtotal - Elective Participation	 \$ 84,543	 \$ 84,520	 \$ 89,905	

Exhibit D

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY Proposed District Participation Costs Fiscal Year 2017-2018

	Budget	Projected	Budget	Approval included in
	FY 2016-2017	FY 2016-2017	FY 2017-2018	Budget Approval
		Actuals		
(Exhibit D Continued..)				
International Association of Emergency Managers	\$ 185	\$ 190	\$ 380	√
InfraGard	55	55	55	√
California Emergency Services Association	150	75	185	√
WEROG Program Total	<u>390</u>	<u>320</u>	<u>620</u>	
GRAND TOTAL	<u>\$ 134,558</u>	<u>\$ 134,050</u>	<u>\$ 142,722</u>	

New Memberships for 2017-18				
	Budget	Projected	Budget	Approval included in
	FY 2016-2017	FY 2016-2017	FY 2017-2018	Budget Approval
		Actuals		
Association				
California Assoc. Of Public Information Officers (CAPIO)			250	√
Total of New or Increased Memberships	\$ -	\$ -	\$ 250	

Exhibit E

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY Summary of Proposed Staff Registration & Travel Budget ⁽¹⁾ Fiscal Year 2017-2018

Conference / Meeting	Registration	Travel ⁽¹⁾	Approval included in Budget Approval
ACWA - DC Conference (2 staff)	\$ 1,935	\$ 7,500	✓
- Fall Conference (5 staff)	3,625	600	✓
- Spring Conference (4 staff)	2,900	5,000	✓
- Legislative Symposium (1 staff)	275	650	✓
ACC-OCBC Legislative Advocacy Trip	950	600	✓
ACWA Region 10 (2 Staff)	100	200	✓
Association of Metropolitan Water Agencies (AMWA)	1,600	2,500	✓
AWWA Cal Nevada & National Conf, Reno, Nevada (3 Staff)	1,200	1,875	✓
AWWA Cal Nevada & National Conf, Anaheim (3 Staff)	1,200	500	✓
AWWA Annual Conference, June 2018, Las Vegas, Nevada (1 staff)	400	900	✓
Bond Buyers Conference (1 Staff)	200	-	✓
California Dept. of Health Svcs Certif Stakeholder Mtg. (2 Trips)	-	1,200	✓
California Dept. of Water Resources (USC & ITP) (1 staff)	-	600	✓
Calif. Soc. of Mun. Finance Officers (2 staff)	200	400	✓
Cal Desal Conference (1 staff)	250	800	✓
CRWUA - Fall (3 staff)	1,485	3,750	✓
CSDA Annual Conference (1 staff)	600	1,000	✓
CSDA Legislative Days	200	600	✓
California Council for Environmental & Economic Balance (6 Trips)	1,200	5,000	✓
CUWCC Board Plenary & Committee Meetings (13 meetings)	-	6,500	✓
DWR Stakeholder Meetings (4x)	-	1,600	✓
Gov. Finance Officers Assoc. Seminar (1 staff)	200	400	✓
Information Technology Seminar (2 staff)	500	1,000	✓
Irrigation Association Annual Conference, Orlando Florida (1 staff)	400	1,000	✓
Liebert Cassidy & Whitmore Employment Law Conference (2 Staff)	950	-	✓
Sacramento Legislative Advocacy (18 trips)	-	10,500	✓
Urban Water Institute (2x)	400	1,600	✓
Washington Legislative Advocacy (6 trips)	-	10,800	✓
North American Water Loss Conference (1 staff), San Diego	300	500	New
Water Smart Innovations, Las Vegas Nevada (2 Staff)	800	1,800	✓
Miscellaneous*	2,000	2,500	✓
General Fund Total **	\$ 23,870	\$ 71,875	
International Assoc. of Emergency Managers (Long Beach) (2 Staff)	\$ 1,600	\$ -	✓
California State Training Institute (1 WEROC staff)	600	1,500	✓
Enhanced Incident Management / Unified Command (MGT 314)	0	0	✓
American Red Cross Disaster Academy	135		✓
California Emergency Services Association (2 staff)	1,500	2,400	✓
WEROC Program Total	\$ 3,835	\$ 3,900	
PROPOSED GENERAL FUND BUDGET	\$ 23,870	\$ 71,875	

* Includes OCWA lunch meetings, ISDOC, OCBC, SCWC, League of Cities, Misc. Assoc/Committee meetings and related business meeting expenses.

** Excludes automotive mileage.

(1) Includes all modes of travel (except automotive mileage), room accommodations, meals, and related misc. expenses.

Exhibit F

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY Summary of Proposed Board Registration & Travel Budget Fiscal Year 2017-2018

Conference	Registration	Travel ⁽¹⁾	Approval included in Budget Approval
ACWA DC Conference (2 Directors)	\$ 1,935	\$ 7,500	√
ACWA Fall Conference, Anaheim (3 Directors)	\$ 2,175	\$ 500	√
ACWA Spring Conference, Norhtern Calif. (3 Directors)	\$ 2,175	\$ 5,000	√
ACWA Region 10 (2 Directors)	\$ 100	\$ 200	√
Bond Buyers Conference (2 Directors)	\$ 400	\$ -	√
CRWUA Fall Conf, Las Vegas (2 Directors)	\$ 990	\$ 2,500	√
CSDA Annual Conference (1 Director)	\$ 600	\$ 1,000	√
CSDA Legislative Day (1 Director)	\$ 200	\$ 600	√
California Council for Environmental & Economic Balance (6 Trips)	\$ 1,200	\$ 5,000	√
Sacramento Legislative Advocacy (8 Trips)	-	\$ 4,600	√
Washington DC Legislative Advocacy (6 trips)	-	\$ 10,800	√
Urban Water Institute (2 Directors)	400	\$ 1,600	√
Miscellaneous*	\$ 1,200	\$ 1,400	√
TOTAL **	\$ 11,375	\$ 40,700	
 PROPOSED GENERAL FUND BUDGET	 \$ 11,375	 \$ 40,700	

* Includes OCWA lunch meetings, ISDOC, OCBC, SCWC, League of Cities, Misc. Assoc/Committee meetings and related business meeting expenses.

** Excludes automotive mileage.

(1) Includes all modes of travel (except automotive mileage), room accommodations, meals, and related misc. expenses.

Exhibit H

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY Schedule of Capital Expenditures Fiscal Year 2017-2018

	Proposed Budget	Approval included in Budget Approval
Furniture and Fixtures- 19-8810:		
Office Furniture	212,000	√
Entrance Area Displays	25,000	√
Vault File Cabinets	12,500	√
Subtotal Cost Center 19	249,500	
Total Capital Expenditures	\$ 249,500	

Exhibit J
Professional / Special Services Authorized
Core Fund

Department	Consultant	Service	Budget FY 16-17	Budget FY 17-18	* Approval included in Budget Approval
Engineering Expenses					
Planning & Operation (21)	(To be determined)	Various Engineering/Technical Services	197,500	150,000	
Met Issues & Special Projects (23)	Ed Means Consulting	Consulting on MET issues	50,000	50,000	√
	(To be determined)	MET and Reliability Planning	157,500	155,000	
Total Engineering Expenses			405,000	355,000	
Legal Expenses					
Administration (11 & 13)	Best, Best & Krieger	General Legal Counsel Services	260,000	195,000	√
	Aleshire & Wynder	Legal Counsel Services Regarding San Diego CWA	25,000	25,000	√
	Best, Best & Krieger	Labor Counsel Services	35,000	30,000	√
Total Legal Expenses			320,000	250,000	
Audit Expenses					
Finance (41)	(To be determined)	Annual Financial Audit and Federal Single Audit	24,000	40,000	
Training					
Administration (13)	TBD/Cal State University Fullerton Leadership	Staff Development/Training/indiv. Employee training	12,000	10,000	√
Building Expense					
Overhead (19)	(To be determined)	Bldg Improvements - Eval / Design / Space Planning /Architect/Construction Mgmt. Costs		100,000	
Professional Fees					
Administration (12 & 13 & 19)	Dissinger Associates	Pension Plan Administration	4,200	4,500	√
	(To be determined)	Evaluate fund portfolios for 401 and 457 Plans	7,500	9,000	
	Wage Works	Cafeteria Plan Administration	1,900	2,000	√
	(To be determined)	Scanning services staffing	48,000		
	(To be determined)	Benchmark Study		40,000	
Governmental Affairs (31)	Gladwell Services	Records Management Consulting	24,900	5,000	√
	BBK Legislation	State Legislative Advocate	94,000	90,000	√
	James C. Barker	Federal Legislative Advocate	94,000	96,000	√
	Lewis Consulting	County Issues Consulting	48,000	42,000	√
	Ackerman	Legal and Regulatory	36,000	36,000	√
Public Affairs (32)	(To be determined)	Miscellaneous	3,000	10,000	
	Stetson Engineers	Consumer Confidence Report (CCR) Technical Water Quality Advisor	34,178	34,178	√
	(To be determined)	Public Outreach	2,000	2,000	
	(To be determined)	Collateral materials update and resolutions	5,000	5,000	
	(To be determined)	Event Registration Fees	2,500	2,500	
	(To be determined)	PAW Meeting Materials	2,500	2,500	
	(To be determined)	Client Agency Workshops for PAW	15,000	10,000	
	(To be determined)	CA Water Fix PSA/Ricki Campaign		30,000	
	(To be determined)	Surveys - Phone and IPSO	35,000		
	(To be determined)	Advertising	20,000	20,000	
WUE - Core (35)	(To be determined)	Core High School Program	15,000	64,000	√
	(To be determined)	Website updates and Maintenance	60,000	10,000	
	(To be determined)	General WUE Research		75,000	
	(To be determined)	Landscape Education and Outreach Program		50,000	
	Water Systems Optimization	Water Loss Control Work Grp	33,000	50,000	√
Finance & IT (41 & 45)	Gilbert & Associates	Project Audit	5,000		√
	Union Bank	Custodial Bank fees	3,000	3,000	√
	(To be determined)	Financial Consulting	112,000	112,000	
Total Professional Fees			705,678	879,678	

WEROC

Department	Consultant	Service	Budget FY 16-17	Budget FY 17-18	* Approval included in Budget Approval
Professional Fees					
WEROC (25)	(To be determined)	MWDOC EOC Space Improvement		30,780	
	(To be determined)	New Radio System & Install		123,557	
	(To be determined)	Exercise Consultant		30,000	
Total Professional Fees			-	184,337	

Trustee Activities

Department	Consultant	Service	Budget FY 16-17	Budget FY 17-18	* Approval included in Budget Approval
Legal Expenses					
AMP Administration (61)	Best, Best & Krieger	AMP Administration, 1996 COPS	15,000	15,000	√

* Approval of the budget constitutes authorization for spending within the policy guidelines set out in Chapter 8, Contracts section of the Administrative code including authorization limitations. A check mark indicates final board approval of the expenditure.

Exhibit J1
Professional / Special Services Authorized
Choice Funds

Department	Consultant	Service	Budget FY 16-17	Budget FY 17-18	* Approval included in Budget Approval
Professional Fees					
Water Use Efficiency (62)	Various Printers	Printing of marketing materials for all WUE programs	50,000	40,000	√
	(To be determined)	CSANS & Base Schedule Calculator Web		14,400	
	Droplet	Web Based Rebate Processing Platform (Turf & Drip)	66,514	45,072	√
	Droplet	E-Signature		16,500	√
	(To be determined)	Water Smart Landscape Budget Reports	50,000	50,000	
	Enterprise Information Systems	California Sprinkler Adjustment Program (Web Hosting)	2,400		√
Public Affairs (67)	(To be determined)	Communications Plan	250,000	250,000	√
Poseidon Desal (65)	(To be determined)	(To be determined)	44,162		
School Program (63)	Discovery Science Center	Assemblies (Grades 1-6)	253,089	253,089	√
	(To be determined)	Assemblies (Grades 9-12)	82,400	82,400	
Total Professional Fees			798,565	751,461	

* Approval of the budget constitutes authorization for spending within the policy guidelines set out in Chapter 8, Contracts section of the Administrative code including authorization limitations. A check mark indicates final board approval of the expenditure.

Municipal Water District of Orange County
Fiscal Year 2016-2017 Consolidated Budget Summary

	Core & Choice	Water Fund	Water Use Efficiency	WEROC	AMP Proceeds Agreement Administration	RPOI ¹	Total with Inter-Fund Transfers	Less Inter-Fund Transfers ²	Consolidated Budget Total
Revenues:									
Water Sales		\$ 155,822,443					\$ 155,822,443		\$ 155,822,443
Local Resource Program Incentives		\$ (16,071,858)					\$ (16,071,858)		\$ (16,071,858)
Retail Meter Charge	6,786,865						6,786,865		6,786,865
Ground Water Customer Charge	392,666						392,666		392,666
Water Increment Charge	-						-		-
Interest Revenue	123,000	4,800					127,800		127,800
MWDOC's Contribution			49,000	150,390			199,390	(199,390)	-
Outside Fundings	-		4,214,738	150,390	19,505	4,746	4,389,379		4,389,379
Carryover Funds				(0)			(0)		(0)
Choice Revenue	1,609,205						1,609,205		1,609,205
Miscellaneous Income	3,000						3,000		3,000
Total Revenues	8,914,735	139,755,385	4,263,738	300,780	19,505	4,746	153,258,889	(199,390)	153,059,499
Expenses:									
Water Purchases	-	139,750,585					139,750,585		139,750,585
Salaries & Wages	3,444,620			168,740	3,626		3,616,986		3,616,986
less S & W Reimb. DSC or Recov from Grants	(31,600)						(31,600)		(31,600)
Employee Benefits	1,073,408			58,513	879		1,132,800		1,132,800
Engineering Expense	405,000						405,000		405,000
Professional Fees	1,496,997		4,263,738	3,000			5,763,735	(49,000)	5,714,735
Election Expense (annualized)	592,000						592,000		592,000
Legal Expense - General	320,000			-	15,000		335,000		335,000
Maintenance Expense	134,185			4,850			139,035		139,035
Insurance Expense	90,000			1,500			91,500		91,500
Membership / Sponsorship	134,458			390			134,848		134,848
Director Compensation	231,937						231,937		231,937
MWDOC Contribution to WEROC	150,390						150,390	(150,390)	-
MWDOC Contribution to Desalination							-	-	-
RPOI Distribution to Member Agencies						4,746	4,746		4,746
Others:									
MWD Representation	132,535						132,535		132,535
Director Benefits	66,297						66,297		66,297
Health Insurance Coverage for Retirees	50,326				-		50,326		50,326
Audit Expense	24,000				-		24,000		24,000
Automotive & Toll Road Expenses	14,928			1,800			16,728		16,728
Conference Expense - Staff	22,125			2,180			24,305		24,305
Conference Expense - Directors	10,725						10,725		10,725
CDR Participation	39,972						39,972		39,972
Business Expense	6,000						6,000		6,000
Miscellaneous Expense	124,520			6,000	-		130,520		130,520
Postage / Mail Delivery	11,400						11,400		11,400
Rents & Leases	7,000			20,046			27,046		27,046
Outside Printing, Subscription & Books	38,225			1,000			39,225		39,225
Office Supplies	38,280			1,000			39,280		39,280
Computer Maintenance	10,000			4,373			14,373		14,373
Software Support & Expense	77,300			7,087			84,387		84,387
Computers and Equipment	32,500			-			32,500		32,500
Telecommunications Expense	19,200			9,000			28,200		28,200
Temporary Help Expense	-						-		-
Training Expense	12,000						12,000		12,000
Tuition Reimbursement	5,000						5,000		5,000
Travel & Accommodations - Staff	71,130			4,300			75,430		75,430
Travel & Accommodations - Directors	38,250						38,250		38,250
MWDOC Building Expense	495,000						495,000		495,000
WEROC Sinking Fund Expense (generator & radios)				7,000			7,000		7,000
Capital Acquisition	62,500						62,500		62,500
All Other Expenses	1,409,213	-	-	63,786	-	-	1,472,999	-	1,472,999
Total Expenses	9,450,608	139,750,585	4,263,738	300,780	19,505	4,746	153,789,962	(199,390)	153,590,571
EFFECT ON RESERVES / FUND BALANCE	\$ (535,873)	\$ 4,800³	\$ -	\$ -	\$ -	\$ -	\$ (531,073)	\$ -	\$ (531,072)

1 Revised Percentage Of Investment (RPOI) - distribution of installment AMP sales proceeds from bond participants.

2 Adjustment for MWDOC's contributions to other funds.

3 Net change to restricted reserves for interest revenue.

Municipal Water District of Orange County
Fiscal Year 2017-2018 Consolidated Budget Summary

	Core & Choice	Water Fund	Water Use Efficiency	WEROC	AMP Proceeds Agreement Administration	Total with Inter-Fund Transfers	Less Inter-Fund Transfers ¹	Consolidated Budget Total
Revenues:								
Water Sales		\$ 185,673,707				\$ 185,673,707		\$ 185,673,707
Local Resource Program Incentives		(16,574,748)				(16,574,748)		(16,574,748)
Retail Meter Charge	7,029,675					7,029,675		7,029,675
Ground Water Customer Charge	426,430					426,430		426,430
Water Increment Charge	-					-		-
Interest Revenue	150,000	9,400				159,400		159,400
MWDOC's Contribution			49,000	329,510		378,510	(378,510)	-
Outside Fundings	-		4,214,738	175,174	22,953	4,412,865		4,412,865
Carryover Funds				(0)		(0)		(0)
Choice Revenue	1,495,755					1,495,755		1,495,755
Miscellaneous Income	3,000					3,000		3,000
Total Revenues	9,104,861	169,108,359	4,263,738	504,684	22,953	183,004,595	(378,510)	182,626,084
Expenses:								
Water Purchases	-	169,098,959				169,098,959		169,098,959
Salaries & Wages	3,574,342			190,086	6,403	3,770,831		3,770,831
less S & W Reimb. DSC or Recov from Grants	(23,279)					(23,279)		(23,279)
Employee Benefits	1,059,389			64,074	1,549	1,125,012		1,125,012
Engineering Expense	355,000					355,000		355,000
Professional Fees	1,556,139		4,263,738	30,000		5,849,877	(49,000)	5,800,877
Election Expense (annualized)	-					-		-
Legal Expense - General	250,000			-	15,000	265,000		265,000
Maintenance Expense	134,500			4,710		139,210		139,210
Insurance Expense	110,250			1,500		111,750		111,750
Membership / Sponsorship	142,102			620		142,722		142,722
Director Compensation	243,197					243,197		243,197
MWDOC Contribution to WEROC	175,173					175,173	(175,173)	-
MWDOC Contribution to Capital Improvements	154,337					154,337	(154,337)	-
RPOI Distribution to Member Agencies						-		-
Others:								
MWD Representation	138,969					138,969		138,969
Director Benefits	81,728					81,728		81,728
Health Insurance Coverage for Retirees	59,554				-	59,554		59,554
Audit Expense	40,000				-	40,000		40,000
Automotive & Toll Road Expenses	17,400			1,800		19,200		19,200
Conference Expense - Staff	23,870			3,835		27,705		27,705
Conference Expense - Directors	11,375					11,375		11,375
CDR Participation	48,803					48,803		48,803
Business Expense	5,200					5,200		5,200
Miscellaneous Expense	132,366			7,000	-	139,366		139,366
Postage / Mail Delivery	10,500					10,500		10,500
Rents & Leases	8,400			21,049		29,449		29,449
Outside Printing, Subscription & Books	32,525			1,000		33,525		33,525
Office Supplies	35,580			1,000		36,580		36,580
Computer Maintenance	10,000			5,805		15,805		15,805
Software Support & Expense	84,754			6,750		91,504		91,504
Computers and Equipment	33,050			-		33,050		33,050
Telecommunications Expense	21,300			7,218		28,518		28,518
Temporary Help Expense	5,000					5,000		5,000
Training Expense	10,000					10,000		10,000
Tuition Reimbursement	5,000					5,000		5,000
Travel & Accommodations - Staff	71,875			3,900		75,775		75,775
Travel & Accommodations - Directors	40,700					40,700		40,700
MWDOC Building Expense	356,400					356,400		356,400
WEROC Sinking Fund Expense (generator & radios)				154,337		154,337		154,337
Capital Acquisition	249,500					249,500		249,500
All Other Expenses	1,533,849	-	-	213,694	-	1,747,543	-	1,747,543
Total Expenses	9,265,000	169,098,959	4,263,738	504,684	22,952	183,155,333	(378,510)	182,776,822
EFFECT ON RESERVES / FUND BALANCE	\$ (160,139)	\$ 9,400 ²	\$ -	\$ -	\$ 1	\$ (150,738)	\$ -	\$ (150,738)

1 Adjustment for MWDOC's contributions to other funds.

2 Net change to restricted reserves for Interest revenue.