

**MEETING OF THE  
BOARD OF DIRECTORS OF THE  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**  
Jointly with the  
**ADMINISTRATION & FINANCE COMMITTEE**  
May 9, 2018, 8:30 a.m.  
MWDOC Conference Room 101

Teleconference Site:  
Director Yoo Schneider will participate  
via teleconference at the following location:  
Hyatt Regency Sacramento  
1209 L St, Sacramento, CA 95814  
949.278.5761

**Committee**

Director Thomas, Chair  
Director Dick  
Director Finnegan

Staff: R. Hunter, K. Seckel, C. Harris,  
K. Davanaugh, H. Chumpitazi

Ex Officio Member: Director Barbre

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MWDOC Committee meetings are noticed and held as joint meetings of the Committee and the entire Board of Directors and all members of the Board of Directors may attend and participate in the discussion. Each Committee has designated Committee members, and other members of the Board are designated alternate committee members. If less than a quorum of the full Board is in attendance, the Board meeting will be adjourned for lack of a quorum and the meeting will proceed as a meeting of the Committee with those Committee members and alternate members in attendance acting as the Committee.

**PUBLIC COMMENTS** - Public comments on agenda items and items under the jurisdiction of the Committee should be made at this time.

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED** - Determine there is a need to take immediate action on item(s) and that the need for action came to the attention of the District subsequent to the posting of the Agenda. (Requires a unanimous vote of the Committee)

**ITEMS DISTRIBUTED TO THE BOARD LESS THAN 72 HOURS PRIOR TO MEETING --**  
Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection in the lobby of the District's business office located at 18700 Ward Street, Fountain Valley, California 92708, during regular business hours. When practical, these public records will also be made available on the District's Internet Web site, accessible at <http://www.mwdoc.com>.

**PROPOSED BOARD CONSENT CALENDAR ITEMS**

1. TREASURER'S REPORT
  - a. Revenue/Cash Receipt Report – April 2018
  - b. Disbursement Approval Report for the month of May 2018
  - c. Disbursement Ratification Report for the month of April 2018
  - d. GM Approved Disbursement Report for the month of April 2018
  - e. Water Use Efficiency Projects Cash Flow – April 30, 2018
  - f. Consolidated Summary of Cash and Investment – March 2018
  - g. OPEB Trust Fund monthly statement

2. FINANCIAL REPORT
  - a. Combined Financial Statements and Budget Comparative for the Period ending March 31, 2018
  - b. Quarterly Budget Report

### DISCUSSION ITEMS

3. OFFICE REMODEL & RELOCATION

### ACTION ITEMS

4. ANNUAL REVIEW OF INVESTMENT POLICY AND GUIDELINES
5. SELECTION OF GOVERNMENTAL BANKING SERVICES
6. ELECTION INFORMATION (CANDIDATE'S STATEMENTS)

**INFORMATION ITEMS – (THE FOLLOWING ITEMS ARE FOR INFORMATIONAL PURPOSES ONLY – BACKGROUND INFORMATION IS INCLUDED IN THE PACKET. DISCUSSION IS NOT NECESSARY UNLESS REQUESTED BY A DIRECTOR.)**

7. DEPARTMENT ACTIVITIES REPORTS
  - a. Administration
  - b. Finance and Information Technology
8. MONTHLY WATER USAGE DATA, TIER 2 PROJECTION, AND WATER SUPPLY INFORMATION

### OTHER ITEMS

9. REVIEW ISSUES REGARDING DISTRICT ORGANIZATION, PERSONNEL MATTERS, EMPLOYEE BENEFITS FINANCE AND INSURANCE

### ADJOURNMENT

**NOTE:** At the discretion of the Committee, all items appearing on this agenda, whether or not expressly listed for action, may be deliberated, and may be subject to action by the Committee. On those items designated for Board action, the Committee reviews the items and makes a recommendation for final action to the full Board of Directors; final action will be taken by the Board of Directors. Agendas for Committee and Board meetings may be obtained from the District Secretary. Members of the public are advised that the Board consideration process includes consideration of each agenda item by one or more Committees indicated on the Board Action Sheet. Attendance at Committee meetings and the Board meeting considering an item consequently is advised.

Accommodations for the Disabled. Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning Maribeth Goldsby, District Secretary, at (714) 963-3058, or writing to Municipal Water District of Orange County at P.O. Box 20895, Fountain Valley, CA 92728. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that District staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the District to provide the requested accommodation.

**Municipal Water District of Orange County**  
**REVENUE / CASH RECEIPT REPORT**  
**April 2018**

**WATER REVENUES**

<b>Date</b>	<b>From</b>	<b>Description</b>	<b>Amount</b>
04/02/18	City of La Palma	February 2018 Water deliveries	4,038.60
04/02/18	City of Fountain Valley	February 2018 Water deliveries	34,679.97
04/06/18	City of Buena Park	February 2018 Water deliveries	161,512.35
04/06/18	Mesa Water	February 2018 Water deliveries	331,343.38
04/06/18	South Coast Water District	February 2018 Water deliveries	336,308.79
04/06/18	City of San Clemente	February 2018 Water deliveries	503,777.89
04/06/18	City of Garden Grove	February 2018 Water deliveries	155,467.75
04/09/18	Santa Margarita Water District	February 2018 Water deliveries	1,448,560.47
04/11/18	Laguna Beach County Water District	February 2018 Water deliveries	64,934.89
04/12/18	Trabuco Canyon Water District	February 2018 Water deliveries	96,263.76
04/12/18	City of San Juan Capistrano	February 2018 Water deliveries	292,409.11
04/13/18	East Orange County Water District	February 2018 Water deliveries	114,020.83
04/13/18	Moulton Niguel Water District	February 2018 Water deliveries	1,574,467.48
04/27/18	City of Fountain Valley	March 2018 Water deliveries	193,970.97
04/27/18	Serrano Water District	March 2018 Water deliveries	430,459.17
04/27/18	City of Huntington Beach	March 2018 Water deliveries	427,263.60
04/27/18	City of Brea	March 2018 Water deliveries	88,171.61
04/27/18	City of San Clemente	March 2018 Water deliveries	389,092.82

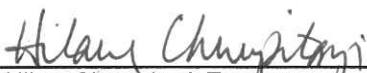
TOTAL REVENUES \$ **6,646,743.44**

**Municipal Water District of Orange County**  
**REVENUE / CASH RECEIPT REPORT**  
**April 2018**

**MISCELLANEOUS REVENUES**

<b>Date</b>	<b>From</b>	<b>Description</b>	<b>Amount</b>
04/06/18	2 Checks	4/19/18 Water Policy dinner	160.00
04/12/18	Eastern Municipal Water District	4/19/18 Water Policy dinner	740.00
04/16/18	Santa Margarita Water District	4/19/18 Water Policy dinner	740.00
04/20/18	8 Checks	4/19/18 Water Policy dinner	800.00
04/20/18	Laguna Beach County Water District	4/19/18 Water Policy dinner	740.00
04/23/18	Square	4/19/18 Water Policy dinner	316.05
04/23/18	Metropolitan Water District	4/19/18 Water Policy dinner	740.00
04/30/18	Paypal	4/19/18 Water Policy dinner	5,832.82
04/30/18	Paypal	6/1/18 OC Water Summit Sponsorships	6,213.20
04/30/18	Paypal	6/1/18 OC Water Summit Registrations	1,007.74
04/06/18	Judy Pfister	Apr-Jun 2018 Retiree Health insurance	121.50
04/20/18	Stan Sprague	May 2018 Retiree Health insurance	243.00
04/26/18	Pat Meszaros	May 2018 Retiree Health insurance	40.50
04/06/18	Harvey De La Torre	Movie tickets	42.50
04/11/18	ACWA JPIA	RPA Refund	15,297.24
04/09/18	Santa Margarita Water District	January 2018 Smartimer rebate program	40.00
04/06/18	Mesa Water	February 2018 Smartimer rebate program	247.98
04/13/18	City of Huntington Beach	February 2018 Smartimer rebate program	160.00
04/16/18	Irvine Ranch Water District	February 2018 Smartimer rebate program	1,245.96
04/05/18	City of Westminster	February 2018 Turf Removal rebate program	111.00
04/06/18	City of Orange	February 2018 Turf Removal rebate program	111.00
04/12/18	Laguna Beach County Water District	February 2018 Turf Removal rebate program	369.00
04/16/18	Irvine Ranch Water District	February 2018 Turf Removal rebate program	1,281.00
04/23/18	City of Newport Beach	February 2018 Turf Removal rebate program	111.00
04/06/18	El Toro WD	February 2018 Smartimer and Turf Removal rebate program	255.60
04/27/18	City of San Clemente	February 2018 Smartimer and Turf Removal rebate program	2,620.86
04/16/18	Moulton Niguel Water District	February 2018 Smartimer, Rotating Nozzle and Turf Removal rebate program	12,192.99
04/02/18	City of Fountain Valley	January 2018 Turf Removal and Spray to Drip rebate program	3,386.75
04/20/18	El Toro Water District	February 2018 So Cal Watersmart rebate program	490.00
04/23/18	Moulton Niguel Water District	February 2018 So Cal Watersmart rebate program	10,200.00
04/24/18	Irvine Ranch Water District	February 2018 So Cal Watersmart rebate program	15,194.13
04/27/18	City of San Clemente	February 2018 So Cal Watersmart rebate program	1,225.00
04/13/18	Orange County Water District	December 2017 SAWPA Drought Response program	3,326.40
04/16/18	Mesa Water	Water Loss Control technical assistance - WSO, Inc.	7,500.00
04/26/18	Laguna Beach County Water District	Water Loss Control technical assistance - WSO, Inc.	11,932.00
<b>TOTAL MISCELLANEOUS REVENUES</b>			<b>\$ 105,035.22</b>
<b>TOTAL REVENUES</b>			<b>\$ 6,751,778.66</b>

  
 Robert J. Hunter, General Manager

  
 Hilary Chumpitazi, Treasurer

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of May 2018**

Item 1b

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
<b>Core Expenditures:</b>		
	<b>Richard C. Ackerman</b>	
1170	March 2018 Consulting on legal and regulatory matters	2,100.00
1174	April 2018 Consulting on legal and regulatory matters	1,375.00
	*** Total ***	3,475.00
	<b>Aleshire &amp; Wynder LLP</b>	
46042	March 2018 Legal services	1,686.34
46399	April 2018 Legal services	1,744.50
	*** Total ***	3,430.84
	<b>ALTA FoodCraft</b>	
51806980	3/30/18 Filter replacement	102.37
51807814	4/16/18 Coffee & tea supplies	254.27
	*** Total ***	356.64
	<b>Awards &amp; Trophies Co., Inc.</b>	
18110	19 Name plates and 20 name plate holders	384.25
18064	Glass etching for 4/16/18 Water Policy Dinner speaker's gift	30.00
18123	1 Name plate	11.78
	*** Total ***	426.03
	<b>Best Best and Krieger LLP</b>	
55401-MAR18	March 2018 Legal services	9,787.45
819613	March 2018 State legislative advocacy services	8,020.58
	*** Total ***	17,808.03
	<b>Blue Watchdog Conservation, Inc.</b>	
1419	April 2018 Services to provide training and testing for Qualified Water Efficient Landscaper Training program	1,858.47
	*** Total ***	1,858.47
	<b>CDM Smith</b>	
90044437	3/11/18-4/14/18 Engineering services for O.C. Water Reliability Investigation	1,399.50
	*** Total ***	1,399.50
	<b>CSU Fullerton</b>	
AR167814	Services to update maps for proposed infrastructure for desalinization distribution	142.95
AR167853	FY 17/18 4th Quarter Center for Demographic Research support	10,950.65
	*** Total ***	11,093.60
	<b>Great Wolf Lodge</b>	
041918	4/19/18 Water Policy Dinner event facilities	13,990.74
	*** Total ***	13,990.74

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of May 2018**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<b><i>HashtagPinpoint Corporation</i></b>	
1149	April 2018 Social media consultation and services	9,500.00
	*** Total ***	9,500.00
	<b><i>James C. Barker, P.C.</i></b>	
105-0418	April 2018 Federal legislative advocacy services	8,000.00
	*** Total ***	8,000.00
	<b><i>L. A. Design Studio</i></b>	
4942	January-April 2018 Monthly support for MWDOC website	800.00
	*** Total ***	800.00
	<b><i>Lawnscape Systems, Inc.</i></b>	
394410	4/27/18 Gardening service for atrium	295.00
	*** Total ***	295.00
	<b><i>Lewis Consulting Group, LLC</i></b>	
2018-127	April 2018 Consulting services	4,437.50
	*** Total ***	4,437.50
	<b><i>Edward G. Means III</i></b>	
MWDOC-1057	April 2018 MET Issues and guidance to Engineering staff	625.00
	*** Total ***	625.00
	<b><i>Metropolitan Water District</i></b>	
44881	3/15/18 Hotel night before MET State Water Project inspection trip for Director Barbre and legislative guest A. Eisenberger	504.10
	*** Total ***	504.10
	<b><i>Norco Delivery Services</i></b>	
713452	4/13/18 Delivery charges for Board packets	143.56
	*** Total ***	143.56
	<b><i>OCPC</i></b>	
148879	250 Qualified Water Efficient Landscaper Reference manuals printed for training program	5,250.66
	*** Total ***	5,250.66

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of May 2018**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<b>Office Solutions</b>	
I-01340662	1,000 Sheets of letterhead	366.60
I-01348332	4/6/18 Office supplies	128.31
I-01349812	4/10/18 Office supplies	90.00
I-01354089	4/16/18 Office supplies	354.13
I-01354100	4/16/18 Office supplies	75.61
I-01357000	Task chair for F. Soto	523.09
I-01359018	4/24/2018 Office supplies	13.03
I-01359838	4/25/18 Office supplies	22.25
I-01360300	4/26/18 Office supplies	25.06
	*** Total ***	1,598.08
	<b>Orange County Dept. of Education</b>	
94LI4076	Services to provide Core High School program	9,150.00
	*** Total ***	9,150.00
	<b>Orange County Water District</b>	
18832	March 2018 Postage, shared office & maintenance expense	8,865.09
	*** Total ***	8,865.09
	<b>Patricia Kennedy Inc.</b>	
21801	May 2018 Plant maintenance	214.00
	*** Total ***	214.00
	<b>Top Hat Productions</b>	
93938	4/19/18 Lunch for Managers' meeting	467.10
	*** Total ***	467.10
	<b>Water Systems Optimization, Inc.</b>	
1293	April 2018 Water Loss Control program	1,646.80
1300	April 2018 Water Loss Control Business Plan development	1,990.00
	*** Total ***	3,636.80
	<b>Total Core Expenditures</b>	<hr/> 107,325.74
<b>Choice Expenditures:</b>		
	<b>Discovery Science Center</b>	
DSOC/IV/000705	March 2018 Elementary School program	26,203.77
DSOC/IV/000721	April 2018 Elementary School program	14,860.80
	*** Total ***	41,064.57

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of May 2018**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<b>Office Solutions</b>	
I-01349812	Dividers for Qualified Water Efficient Landscaper training program materials	66.56
I-01350753	Binders for Qualified Water Efficient Landscaper training program materials	282.75
I-01350569	Dividers for Qualified Water Efficient Landscaper training program materials	44.37
I-01359836	30 Hand held calculators and 5 clipboards for Water Use Efficiency training	219.13
	*** Total ***	612.81
	<b>Orange County Dept. of Education</b>	
94LI4076	Services to provide Choice High School program	38,187.00
	*** Total ***	38,187.00
	<b>Orange County Water District</b>	
18832	March 2018 Postage for Water Use Efficiency rebate programs	21.13
	*** Total ***	21.13
	<b>Total Choice Expenditures</b>	<hr/> 79,885.51

**Other Funds Expenditures:**

	<b>CSU Fullerton</b>	
AR167773	Services to update WEROC atlas and wall maps	8,168.95
	*** Total ***	8,168.95
	<b>EcoTech Services, Inc.</b>	
1146	3/26/18-4/25/18 One-on-One design assistance for Landscape Design program	8,100.00
1147	3/26/18-4/25/18 Backyard area measurements for Turf Program	150.00
	*** Total ***	8,250.00
	<b>Michael Baker International</b>	
1009803	2/26/18-4/1/18 OC Regional Water/Wastewater Multijurisdictional Hazard Mitigation Plan update	21,240.77
	*** Total ***	21,240.77
	<b>Mission RCD</b>	
2452	March 2018 Field verifications for Water Use Efficiency rebate programs	11,064.96
	*** Total ***	11,064.96
	<b>Office Solutions</b>	
I-01359018	4/24/2018 Office supplies for WEROC EOCs	28.90
	*** Total ***	28.90



**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of May 2018**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
1293	<i>Water Systems Optimization, Inc.</i>	
	April 2018 Water Loss Control program	33,515.00
	*** Total ***	33,515.00
	<i>Total Other Funds Expenditures</i>	<hr/> 82,268.58
	<i>Total Expenditures</i>	<hr/> <hr/> 269,479.83



**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the month of April 2018**

Item 1c

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
<b>Core Disbursements:</b>				
<b>137830</b>	<b>4/6/18</b>	<b>SPECTB</b>	<b>Spectrum Business</b>	
		0375210032018	April 2018 Telephone and internet expense	1,100.28
			***Total ***	1,100.28
<b>137831</b>	<b>4/6/18</b>	<b>VERIZO</b>	<b>Verizon Wireless</b>	
		9804117780	March 2018 4G Mobile broadband unlimited service	114.03
			***Total ***	114.03
<b>137841</b>	<b>4/13/18</b>	<b>HERNAN</b>	<b>Christina Hernandez</b>	
		032718	March 2018 Business expense	134.37
			***Total ***	134.37
<b>137848</b>	<b>4/13/18</b>	<b>IRONMO</b>	<b>Iron Mountain</b>	
		PZD6538	April 2018 Archived document storage fees	195.29
			***Total ***	195.29
<b>137860</b>	<b>4/13/18</b>	<b>WILSON</b>	<b>Sarah Wilson</b>	
		033118	March 2018 Business expense	55.76
			***Total ***	55.76
<b>137861</b>	<b>4/13/18</b>	<b>SPECTB</b>	<b>Spectrum Business</b>	
		0343564040118	April 2018 Telephone expense for 3 analog fax lines	107.26
			***Total ***	107.26
<b>ACH003122</b>	<b>4/13/18</b>	<b>ACKEEX</b>	<b>Linda Ackerman</b>	
		033118	March 2018 Business expense	45.78
			***Total ***	45.78
<b>ACH003124</b>	<b>4/13/18</b>	<b>BACATI</b>	<b>Tiffany Baca</b>	
		032318	January-March 2018 Business expense	114.86
			***Total ***	114.86
		<b>BAEZHE</b>	<b>Heather Baez</b>	
<b>ACH003125</b>	<b>4/13/18</b>	022818	February 2018 Business expense	171.41
<b>ACH003126</b>	<b>4/13/18</b>	033118	March 2018 Business expense	913.23
			***Total ***	1,084.64
		<b>BAUMHA</b>	<b>Melissa Baum-Haley</b>	
<b>ACH003127</b>	<b>4/13/18</b>	030118	February 2018 Business expense	506.87
<b>ACH003128</b>	<b>4/13/18</b>	030118A	March 2018 Business expense	16.11
			***Total ***	522.98
<b>ACH003129</b>	<b>4/13/18</b>	<b>BERGJO</b>	<b>Joseph Berg</b>	
		033118	March 2018 Business expense	231.87
			***Total ***	231.87

**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the month of April 2018**

<b>Check #</b>	<b>Date</b>	<b>Vendor # Invoice/CM #</b>	<b>Name / Description</b>	<b>Net Amount</b>
<b>ACH003132</b>	<b>4/13/18</b>	<b>BUSSLI</b>	<b>Charles Busslinger</b>	
		033118	February-March 2018 Business expense	105.32
			***Total ***	105.32
<b>ACH003135</b>	<b>4/13/18</b>	<b>DELATO</b>	<b>Harvey De La Torre</b>	
		032218	February-March 2018 Business expense	116.47
			***Total ***	116.47
<b>ACH003138</b>	<b>4/13/18</b>	<b>FAHLBE</b>	<b>Beth Fahl</b>	
		033118	March 2018 Business expense	17.50
			***Total ***	17.50
<b>ACH003140</b>	<b>4/13/18</b>	<b>FINNEG</b>	<b>Joan Finnegan</b>	
		033118	March 2018 Business expense	108.04
			***Total ***	108.04
<b>ACH003141</b>	<b>4/13/18</b>	<b>FRAZIE</b>	<b>Leah Frazier</b>	
		033118	March 2018 Business expense	179.39
			***Total ***	179.39
<b>ACH003142</b>	<b>4/13/18</b>	<b>HOSTER</b>	<b>Kevin Hostert</b>	
		032318	March 2018 Business expense	40.33
			***Total ***	40.33
<b>ACH003143</b>	<b>4/13/18</b>	<b>HUNTER</b>	<b>Robert J. Hunter</b>	
		031918	February-March 2018 Business expense	228.46
			***Total ***	228.46
<b>ACH003167</b>	<b>4/13/18</b>	<b>ROBERT</b>	<b>Bryce Roberto</b>	
		033118	March 2018 Business expense	180.73
			***Total ***	180.73
<b>ACH003168</b>	<b>4/13/18</b>	<b>SCHNEI</b>	<b>Megan Yoo Schneider</b>	
		022818	February 2018 Business expense	716.86
<b>ACH003169</b>	<b>4/13/18</b>	<b>033118</b>	March 2018 Business expense	717.53
			***Total ***	1,434.39
<b>ACH003171</b>	<b>4/13/18</b>	<b>THOMAS</b>	<b>Jeffery Thomas</b>	
		033118	March 2018 Business expense	170.59
			***Total ***	170.59
<b>ACH-180423</b>	<b>4/23/18</b>	<b>WAGEWO</b>	<b>Wageworks</b>	
		INV610489	March 2018 Cafeteria plan administration	185.25
			***Total ***	185.25

**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the month of April 2018**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
<b>137927</b>	<b>4/30/18</b>	<b>USBANK</b> 4140/5443-MAR18	<b>U.S. Bank</b> 2/23/18-3/22/18 Cal Card charges ***Total *** (See attached sheet for details)	28,873.71 28,873.71
<b>ACH003175</b>	<b>4/30/18</b>	<b>DICKEY</b> 033118	<b>Larry Dick</b> March 2018 Business expense ***Total ***	158.09 158.09
<b>ACH003176</b>	<b>4/30/18</b>	<b>HARRIS</b> 033118	<b>Cathleen M. Harris</b> March 2018 Business expense ***Total ***	71.39 71.39
<b>ACH003184</b>	<b>4/30/18</b>	<b>TAMARI</b> 033118	<b>Satoru Tamaribuchi</b> March 2018 Business expense ***Total ***	140.61 140.61
<b>Total Core Disbursements</b>				<b>35,717.39</b>

**Choice Disbursements:**

<b>137927</b>	<b>4/30/18</b>	<b>USBANK</b> 4140-MAR18	<b>U.S. Bank</b> 2/23/18-3/22/18 Cal Card charges ***Total *** (See attached sheet for details)	76.08 76.08
<b>Total Choice Disbursements</b>				<b>76.08</b>

**Other Funds Disbursements:**

<b>137826</b>	<b>4/3/18</b>	<b>TURFRP</b> TR11-R-IRWD-21006-20919	<b>Turf Removal Program</b> C. Han (Re-issue)	754.00
<b>137827</b>	<b>4/3/18</b>	<b>TURFRP</b> TR11-R-MNT-18922-18841	<b>Turf Removal Program</b> O. Cunningham (Re-issue) ***Total ***	698.09 1,452.09
<b>137828</b>	<b>4/3/18</b>	<b>TURFRP</b> TR11-R-SM-21168-21081	<b>Turf Removal Program</b> L. Pewdo (Re-issue) ***Total ***	661.00 661.00
<b>137831</b>	<b>4/6/18</b>	<b>VERIZO</b> 9804117780	<b>Verizon Wireless</b> March 2018 4G Mobile broadband unlimited service ***Total ***	38.01 38.01
<b>137832</b>	<b>4/13/18</b>	<b>GOLDEN</b> 9475	<b>Golden State Water Company</b> February 2018 Credit for In-lieu water purchases ***Total ***	252,128.31 252,128.31

**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the month of April 2018**

<b>Check #</b>	<b>Date</b>	<b>Vendor # Invoice/CM #</b>	<b>Name / Description</b>	<b>Net Amount</b>
<b>137833</b>	<b>4/13/18</b>	<b>IRWD 9463</b>	<b>Irvine Ranch Water District</b> February 2018 Credit for Local Resources program and In-lieu water purchases ***Total ***	 832,657.55  832,657.55
<b>137834</b>	<b>4/13/18</b>	<b>ORANGE 9471</b>	<b>City of Orange</b> February 2018 Credit for In-lieu water purchases ***Total ***	 47,814.92 47,814.92
<b>137835</b>	<b>4/13/18</b>	<b>OCWD 18750</b>	<b>Orange County Water District</b> February 2018 Credit for Local Resources program ***Total ***	 1,753,624.57 1,753,624.57
<b>137836</b>	<b>4/13/18</b>	<b>SEALBE 9474</b>	<b>City of Seal Beach</b> February 2018 Credit for In-lieu water purchases ***Total ***	 37,936.23 37,936.23
<b>137837</b>	<b>4/13/18</b>	<b>YORBAL 9480</b>	<b>Yorba Linda Water District</b> February 2018 Credit for In-lieu water purchases ***Total ***	 110,442.26 110,442.26
<b>137838</b>	<b>4/13/18</b>	<b>ATTCALN 000011123560 000011123561</b>	<b>AT&amp;T</b> March 2018 WEROC S. EOC telephone expense March 2018 WEROC N. EOC telephone expense ***Total ***	 214.11 104.51 318.62
<b>137839</b>	<b>4/13/18</b>	<b>ATTUVEOC 8599-APR18</b>	<b>AT&amp;T</b> April 2018 U-verse internet service for WEROC N.EOC ***Total ***	 60.00 60.00
<b>137855</b>	<b>4/13/18</b>	<b>RWOSRP RTF4090</b>	<b>Recycled Water Program</b> Incentive for Recycled Water On-Site Retrofit program- City of San Juan Capistrano	 295.75
<b>137856</b>	<b>4/13/18</b>	<b>RTF4091</b>	Incentive for Recycled Water On-Site Retrofit program- City of San Juan Capistrano	1,209.00
<b>137857</b>	<b>4/13/18</b>	<b>RTF4092</b>	Incentive for Recycled Water On-Site Retrofit program- City of San Juan Capistrano	305.50
<b>137858</b>	<b>4/13/18</b>	<b>RTF4046</b>	Incentive for Recycled Water On-Site Retrofit program- TIC Investment Co., LLC (Costa Mesa)	13,009.75
<b>137859</b>	<b>4/13/18</b>	<b>RTF4042</b>	Incentive for Recycled Water On-Site Retrofit program- Irvine Ranch Water District (Lake Forest) ***Total ***	 4,712.50 19,532.50
<b>ACH003129</b>	<b>4/13/18</b>	<b>BERGJO 033118</b>	<b>Joseph Berg</b> March 2018 Business expense ***Total ***	 4.50 4.50

**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the month of April 2018**

<b>Check #</b>	<b>Date</b>	<b>Vendor # Invoice/CM #</b>	<b>Name / Description</b>	<b>Net Amount</b>
<b>ACH003132</b>	<b>4/13/18</b>	<b>BUSSLI</b>	<b>Charles Busslinger</b>	
		033118	February-March 2018 Business expense	21.00
			***Total ***	21.00
<b>ACH003133</b>	<b>4/13/18</b>	<b>WESTMI</b>	<b>City of Westminster</b>	
		9479	February 2018 Credit for In-lieu water purchases	65,444.88
			***Total ***	65,444.88
<b>ACH003153</b>	<b>4/13/18</b>	<b>MESAWA</b>	<b>Mesa Water District</b>	
		9467	February 2018 Credit for Local Resources program and In-lieu water purchases	1,034,346.14
			***Total ***	1,034,346.14
<b>ACH003170</b>	<b>4/13/18</b>	<b>SOTOFR</b>	<b>Francisco Soto</b>	
		022818	February 2018 Business expense	96.16
			***Total ***	96.16
<b>137866</b>	<b>4/27/18</b>	<b>TURFRP</b>	<b>Turf Removal Program</b>	
<b>137866</b>	4/27/18	TR11-R-IRWD-2064-2010	S. Tawfiq	1,778.00
<b>137867</b>	4/27/18	TR10-C-ETWD-15572-15517	Golden Rain Foundation (Laguna Woods)	9,409.52
<b>137868</b>	4/27/18	TR11-R-MNT-17785-17731	M. Tsen	1,004.00
<b>137869</b>	4/27/18	TR11-C-ETWD-17609-17736	Woodside-El Toro Homeowners Assoc. (Lake Forest)	10,909.00
<b>137870</b>	4/27/18	TR11-R-MNT-18900-18816	E. McIntosh	330.00
<b>137871</b>	4/27/18	TR11-R-HB-21014-20926	S. Sijtsma	519.00
<b>137872</b>	4/27/18	TR11-R-ETWD-21115-21030	F. Bishop	1,032.00
<b>137873</b>	4/27/18	TR11-R-TUST-21138-21050	A. Lai	1,307.00
<b>137874</b>	4/27/18	TR11-R-MNT-21169-21082	V. Lanfranco	1,448.00
<b>137875</b>	4/27/18	TR11-R-WEST-23253-23166	J. Shepard	1,030.00
<b>137876</b>	4/27/18	TR11-R-IRWD-23281-23191	P. Harwe	846.00
<b>137877</b>	4/27/18	TR11-R-SM-23315-23226	J. Leontas	303.00
<b>137878</b>	4/27/18	TR11-R-SC-23321-23232	M. McMenamin	912.00
<b>137879</b>	4/27/18	TR11-R-MNT-23340-23247	V. Bui	504.00
<b>137880</b>	4/27/18	TR11-R-SM-23344-23251	A. Gubman	388.00
<b>137881</b>	4/27/18	TR11-R-IRWD-23363-23268	T. Pham	1,210.00
<b>137882</b>	4/27/18	TR11-R-SC-23376-23278	J. Rhine	972.00
<b>137883</b>	4/27/18	TR11-R-MNT-23382-23286	D. Stover	712.00
<b>137884</b>	4/27/18	TR11-R-BREA-23385-23290	T. Beck	1,120.00
<b>137885</b>	4/27/18	TR11-R-IRWD-23388-23294	D. Orlowski	742.00
<b>137886</b>	4/27/18	TR11-R-IRWD-23400-23303	S. Wise	594.00
<b>137887</b>	4/27/18	TR11-R-IRWD-23402-23305	D. Sum	1,124.00
<b>137888</b>	4/27/18	TR11-R-MNT-23403-23306	A. Leone	694.00
<b>137889</b>	4/27/18	TR11-R-NWPT-24408-24311	M. Hachigian	786.00
<b>137890</b>	4/27/18	TR11-R-BREA-7677-24313	R. Brunson	1,235.00
<b>137891</b>	4/27/18	TR11-R-IRWD-24410-24315	D. Reiland	2,000.00
<b>137892</b>	4/27/18	TR11-R-YLWD-24415-24319	D. Atencio	322.00
<b>137893</b>	4/27/18	TR11-R-IRWD-24424-24325	B. Chang	898.00
<b>137894</b>	4/27/18	TR11-R-MNT-24423-24326	T. Skolnick	1,318.00
<b>137895</b>	4/27/18	TR11-R-MNT-24432-24332	S. Ballard	1,798.00
<b>137896</b>	4/27/18	TR11-R-MNT-13395-25335	A. Jones	2,088.00

**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the month of April 2018**

<b>Check #</b>	<b>Date</b>	<b>Vendor # Invoice/CM #</b>	<b>Name / Description</b>	<b>Net Amount</b>
137897	4/27/18	TR11-R-MNT-25435-25337	L. Mertens	628.00
137898	4/27/18	TR11-R-MNT-25437-25339	W. Kaczor	252.00
137899	4/27/18	TR11-R-MNT-25440-25343	R. Rothrock	916.00
137900	4/27/18	TR11-R-IRWD-25441-25344	P. Naranjo	826.00
137901	4/27/18	TR11-R-SM-25448-25350	D. Zia	1,220.00
137902	4/27/18	TR11-R-IRWD-25449-25351	M. Wildermuth	790.00
137903	4/27/18	TR11-R-IRWD-25451-25353	D. Bucka	820.00
137904	4/27/18	TR11-R-MNT-25452-25354	J. Scheer	508.00
137905	4/27/18	TR11-R-TUST-25456-25376	A. Madden	1,220.00
137906	4/27/18	TR11-R-MNT-25461-25381	M. Hall	1,054.00
137907	4/27/18	TR11-R-SM-25468-25387	J. Reseter	825.00
137908	4/27/18	TR11-R-MNT-25469-25388	C. Doolittle	524.00
137909	4/27/18	TR11-R-HB-25478-25397	D. Womble	281.00
137910	4/27/18	TR11-R-IRWD-25487-25405	J. Hexberg	2,162.00
137911	4/27/18	TR11-R-FV-25488-25406	J. Bonny	2,000.00
137912	4/27/18	TR11-R-TUST-25489-25407	Z. Glanville	1,697.00
137913	4/27/18	TR11-R-SM-7656-26408	J. Groussman	356.00
137914	4/27/18	TR11-R-SM-26491-26410	M. Groussman	229.00
137915	4/27/18	TR11-R-SM-26505-26422	D. Roach	502.00
137916	4/27/18	TR11-R-IRWD-26510-26426	P. Chen	1,106.00
137917	4/27/18	TR11-R-SM-26516-26431	R. Govil	510.00
137918	4/27/18	TR11-R-NWPT-26518-26436	S. Morgan	352.00
137919	4/27/18	TR11-R-SM-26521-26439	J. Manzo	1,093.00
137920	4/27/18	TR11-R-IRWD-26530-26447	S. Hsu	1,590.00
137921	4/27/18	TR11-R-SM-26541-26456	L. Apel	344.00
137922	4/27/18	TR11-R-HB-26554-26469	A. Reling	1,109.00
137923	4/27/18	TR11-R-TUST-26576-26489	C. Harold	770.00
137924	4/27/18	TR11-R-SC-23347-23253	F. Tavassol	992.00
			***Total ***	74,008.52
137924	4/30/18	CATALI 0015462	<b>Catalina Island Conservancy</b> April 2018 WEROC radio repeater site lease	1,804.20
			***Total ***	1,804.20
137926	4/30/18	SANTI1 FEB2018	<b>Santiago Aqueduct Commission</b> February 2018 SAC Pipeline operation surcharge	2,060.38
			***Total ***	2,060.38
137927	4/30/18	USBANK 4140-MAR18	<b>U.S. Bank</b> 2/23/18-3/22/18 Cal Card charges	93.21
			***Total ***	93.21
			(See attached sheet for details)	
ACH003183	4/30/18	SANTAM FEB2018	<b>Santa Margarita Water District</b> February 2018 SCP Pipeline operation surcharge	20,861.19
			***Total ***	20,861.19



**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the month of April 2018**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
<b>WIRE-180430</b>	<b>4/30/18</b>	<b>METWAT 9299</b>	<b>Metropolitan Water District February 2018 Water deliveries ***Total ***</b>	<b>1,277,527.51 1,277,527.51</b>
			<b>Total Other Funds Disbursements</b>	<b>5,532,933.75</b>
			<b>Total Disbursements</b>	<b>5,568,727.22</b>

Robert J. Hunter, General Manager

Hilary Chumpitazi, Treasurer

**Cal Card Statement Detail**  
**Statement Date: March 22, 2018**  
**Payment Date: April 30, 2018**

<b>Date</b>	<b>Description</b>	<b>Amount</b>
<b><u>K. Seckel Card</u></b>		
02/21/18	Association of Metropolitan Water Agencies Water Policy conference In Washington, DC from Mar. 18-21, 2018 - Airfare for R. Hunter	\$ 626.30 [1]
02/21/18	Association of Metropolitan Water Agencies Water Policy conference In Washington, DC from Mar. 18-21, 2018 - Seats for R. Hunter	50.80
02/23/18	Legislative activities in Sacramento, CA on Mar. 2, 2018 - Airfare for H. Baez	237.98
02/24/18	2 Monitors and dual monitor stand	393.95
02/23/18	MET State Water Project Inspection trip from Mar. 16-18, 2018 - Airfare for legislative guest A. Eisenberger	749.30
02/24/18	1/24/18-2/23/18 Web hosting service for MWDOC website	15.65
02/26/18	GovernmentJobs employment post for Executive Assistant position	175.00
02/26/18	5 Toner cartridges	618.79
02/26/18	ACWA Spring conference in Sacramento, CA from May 8-11, 2018 - Registration for K. Seckel	699.00
02/26/18	Supplies from Costco	443.31
02/26/18	ACWA DC conference in Washington, DC from Feb. 27-Mar. 1, 2018 - Transportation for H. Baez	22.50
02/26/18	Climate Resolve Coolest in LA 2018 event in Los Angeles, CA on Mar. 14, 2018 - Registration for L. McKenney	200.00
02/26/18	MET Inspection trip from Jan. 26-28, 2018 - Airfare refund for legislative guest J. Roxburgh	(570.60)
02/26/18	Association of Legal Administrators membership	219.00
02/26/18	Association of Legal Administrators employment post for Executive Assistant position	299.00
02/27/18	Lunch for MET Directors' meeting	196.23
02/26/18	California Water Efficiency Partnership Launch Celebration and Dinner in Sacramento, CA from Mar. 7-9, 2018 - Airfare for J. Berg	372.97
02/28/18	ACWA DC conference in Washington, DC from Feb. 27-Mar. 1, 2018 - Meal for Director Ackerman, Director Yoo Schneider, H. Baez, M. Baum-Haley and 2 guests	216.40
02/28/18	ACWA DC conference in Washington, DC from Feb. 26-Mar. 1, 2018 - Accommodations for Director Yoo Schneider	1,084.86
03/01/18	LinkedIn employment post for Public Affairs Assistant position	684.20
03/02/18	Legislative activities in Sacramento, CA on Mar. 2, 2018 - Accommodations for H. Baez	171.80
03/02/18	Association of California Cities-Orange County State Advocacy trip in Sacramento, CA from Mar. 4-6, 2018 - Airfare for H. Baez	475.96
03/02/18	ACWA DC conference in Washington, DC from Feb. 27-Mar. 1, 2018 - Accommodations for Director Barbre	824.84 [2]
03/02/18	ACWA DC conference in Washington, DC from Feb. 26-Mar. 1, 2018 - Accommodations for H. Baez	1,122.76
03/02/18	ACWA DC conference in Washington, DC from Feb. 26-Mar. 1, 2018 - Accommodations for M. Baum-Haley	1,084.86
03/05/18	UPS Delivery charges for DC Briefing luncheon supplies on Feb. 22, 2018 and Board packets on Mar. 1 & 2, 2018	297.47
03/06/18	FedEx delivery charges for Board of Supervisors on Mar. 2, 2018	17.71

**Cal Card Statement Detail**  
**Statement Date: March 22, 2018**  
**Payment Date: April 30, 2018**

Date	Description	Amount
03/06/18	Grant Management class in Anaheim, CA from Apr. 4-5, 2018 - Registrations for B. Fahl, S. Hedges and R. Waite	1,785.00
03/06/18	Grant Management class in Ontario, CA from Aug. 15-16, 2018 - Registrations for M. Conway and J. Stalvey	1,190.00
03/05/18	ACWA Legislative Symposium in Sacramento, CA from Mar. 13-14, 2018 - Airfare for H. Baez	475.96
03/05/18	Legislative activities in Sacramento, CA on Mar. 23, 2018 - Airfare for H. Baez	475.96
03/06/18	ACWA Legislative Symposium in Sacramento, CA from Mar. 13-14, 2018 - Airfare for M. Baum-Haley	475.96
03/07/18	National Water Resources Association Federal Water Issues conference in Washington, DC from Apr. 9-11, 2018 - Registration for Director Barbre	600.00
03/07/18	California Water Efficiency Partnership Launch Celebration and Dinner in Sacramento, CA from Mar. 7-9, 2018 - Accommodations for J. Berg	244.16
03/08/18	CalDesal Annual conference in Monterey, CA from Jan. 31-Feb. 2, 2018 - Accommodations deposit refunded for K. Seckel and C. Busslinger	(283.48)
03/09/18	Food for staff development meeting	30.98
03/08/18	California Environmental Dialogue Plenary meeting in Sacramento, CA from Mar. 22-23, 2018 - Airfare for Director Yoo Schneider	475.96
03/09/18	Association of Metropolitan Water Agencies Water Policy conference in Washington, DC from Mar. 18-21, 2018 - Airfare for R. Hunter	1,223.90 <sup>3</sup>
03/12/18	UPS delivery charges for Board packets on Mar. 2, 2018	55.66
03/12/18	Water Districts Jobs employment post for Executive Assistant position	145.00
03/12/18	Orange County Business Council Advocacy trip in Washington, DC from May 21-23, 2018 - Airfare for Director Barbre	1,628.61 <sup>4</sup>
03/13/18	Brown and Caldwell employment post for Executive Assistant position	200.00
03/14/18	California Association of Public Information Officials Excellence in Public Information Awards application fee partial refund	(50.00)
03/13/18	Sympathy flowers for staff member	186.54
03/14/18	ACWA Legislative Symposium in Sacramento, CA from Mar. 13-14, 2018 - Accommodations deposit for H. Baez	50.00
03/15/18	Office supplies from Amazon	29.90
03/19/18	UPS delivery charges for Board packets on Mar. 2, 14 & 16, 2018	82.08
03/20/18	Monthly fee for Hulu television streaming service for WEROC	56.91
03/21/18	FedEx delivery charges for Board of Supervisors on Mar. 19, 2018	17.76
<b>Total</b>		<b>\$ 19,826.90</b>

- <sup>1</sup> Flight canceled, airfare credit is available for future use
- <sup>2</sup> Director Barbre reimbursed MWDOC \$133.16
- <sup>3</sup> R. Hunter reimbursed MWDOC \$597.60
- <sup>4</sup> Director Barbre to reimburse MWDOC \$528.00

**Cal Card Statement Detail**  
**Statement Date: March 22, 2018**  
**Payment Date: April 30, 2018**

<b>Date</b>	<b>Description</b>	<b>Amount</b>
<b><u>R. Hunter Card</u></b>		
02/21/18	ACWA DC conference in Washington, DC from Feb. 27-Mar. 1, 2018 - Airfare for Director Tamaribuchi	\$ 1,283.56
02/22/18	ACWA DC conference in Washington, DC from Feb. 27-Mar. 1, 2018 - Airfare for R. Hunter	1,288.20
02/27/18	ACWA DC conference in Washington, DC from Feb. 27-Mar. 1, 2018 - Meal for Director Yoo Schneider, R. Hunter, M. Baum-Haley and H. Baez	103.03
02/28/18	ACWA DC conference in Washington, DC from Feb. 27-Mar. 1, 2018 - Transportation for R. Hunter	18.68
03/01/18	ACWA DC dinner in Washington, DC on Feb. 28, 2018 - Meals for 3 Directors, 3 staff member and 19 guests	3,432.55
03/02/18	ACWA DC conference in Washington, DC from Feb. 27-Mar. 1, 2018 - Accommodations for Director Tamaribuchi	723.24
03/02/18	ACWA DC conference in Washington, DC from Feb. 27-Mar. 1, 2018 - Accommodations for R. Hunter	723.24
03/09/18	FasTrak toll roads deposit	100.00
03/15/18	Association of California Cities-Orange County Business dinner in Costa Mesa, CA on April 12, 2018 - Registration for H. Baez	65.00
03/15/18	Southern California Water Coalition Quarterly luncheon in Irwindale, CA on April 20, 2018 - Registration for H. Baez	75.00
03/14/18	ACWA Legislative Symposium in Sacramento, CA from Mar. 13-14, 2018 - Accommodations for H. Baez	236.80
03/19/18	Association of Metropolitan Water Agencies Water Policy conference in Washington, DC from Mar. 18-21, 2018 - Meal for R. Hunter	99.93
03/19/18	Table and tablecloth rental for P. Meszaros retirement luncheon	166.32
03/20/18	Association of Metropolitan Water Agencies Water Policy conference in Washington, DC from Mar. 18-21, 2018 - Transportation for R. Hunter	20.91
03/20/18	Association of Metropolitan Water Agencies Water Policy conference in Washington, DC from Mar. 18-21, 2018 - Meal for R. Hunter	21.10
03/20/18	Association of Metropolitan Water Agencies Water Policy conference in Washington, DC from Mar. 18-21, 2018 - Accommodations for R. Hunter	663.54
03/21/18	Carpet repair for MWDOC office	195.00
		<b><u>\$ 9,216.10</u></b>

**Municipal Water District of Orange County**  
**GM Approved Disbursement Report <sup>(1)</sup>**  
**For the month of April 2018**

Item 1d

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
<b>Core Disbursements:</b>				
137829	4/6/18	SCWC 039	So. Cal. Water Committee WaterFix Communications sponsorship	10,000.00
			***Total***	10,000.00
			<b>Total Core Disbursements</b>	<u>10,000.00</u>
<b>Choice Disbursements:</b>				
			<b>Total Choice Disbursements</b>	<u>0.00</u>
<b>Other Funds Disbursements:</b>				
			<b>Total Other Funds Disbursements</b>	<u>0.00</u>
			<b>Total Disbursements</b>	<u><u>10,000.00</u></u>

Robert J. Hunter, General Manager

Hilary Chumpitazi, Treasurer

(1) For disbursements that did not make the cut-off of previous month's Disbursement Approval report.  
Disbursements are approved by GM for payment and need A & F Committee ratification.



**Municipal Water District of Orange County  
WATER USE EFFICIENCY PROJECTS  
Cash Flow as of 4/30/18**

Cash - Beginning Balance	Jul 2017	Aug 2017	Sep 2017	Oct 2017	Nov 2017	Dec 2017	Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018	Jun 2018	TOTALS
<b>REVENUES:</b>	<b>\$ (72,844.08)</b>	<b>\$ (133,020.86)</b>	<b>\$ (151,184.71)</b>	<b>\$ (326,302.43)</b>	<b>\$ 801,456.49</b>	<b>\$ 865,340.16</b>	<b>\$ 776,036.09</b>	<b>\$ 482,751.99</b>	<b>\$ 490,949.46</b>	<b>\$ 512,741.44</b>	<b>\$ 449,841.04</b>	<b>\$</b>	
BUREC					200,757.65	333.00	5,407.70		582.16				\$ 206,165.35
City of Buena Park		222.00		111.00									1,248.16
City of Fountain Valley	333.00	444.00	424.05	222.00		222.00	111.00	428.00		3,386.75			5,570.80
City of Garden Grove		888.00	222.00	444.00		222.00							1,776.00
City of Huntington Beach	264.00	379.00	427.19			9.86		127.86		160.00			1,367.91
City of La Habra		555.00		111.00					111.00				777.00
City of San Clemente	1,304.96	233.00	6,460.97	6,044.00	3,419.79		2,027.22	7,701.86	3,635.00	3,845.86			34,672.66
City of Newport Beach	406.31	222.00			222.00		111.00	131.51	111.00	111.00			1,314.82
City of Orange	444.00	555.00	333.00		555.00	111.00	111.00	444.00	111.00	111.00			2,775.00
City of Westminster		888.00	333.00	444.00	444.00		444.00	111.00	222.00	111.00			2,997.00
County of Orange				1,096,511.49									1,096,511.49
Department of Water Resources		1,444.63	15,468.35	9,716.20		35,676.91			31,906.55				94,212.64
El Toro Water District	3,093.98	50.00	1,137.96	1,000.00	2,630.00	1,350.77	60.00	1,299.00	383.00	745.60			11,750.31
Irvine Ranch Water District	38,717.96	129,174.28	12,348.45	184,823.79	37,097.77		17,218.24	150,722.61	40,450.63	17,721.09			628,274.82
Laguna Beach County Water District	85.00	90.00		110.00	30.00			150.00	105.00	369.00			939.00
Mesa Water District		500.00					130.22	67.86	139.00	247.98			1,085.06
Metropolitan Water District		25,735.53											25,735.53
Moulton Niguel Water District	37,634.08	3,800.00	14,408.25	38,738.51	27,516.79	31,071.51	14,842.29	57,847.16	13,299.15	22,392.99			261,550.73
Orange County Water District		5,510.86	776.06	32,475.75			12,383.25		37,158.30	3,326.40			91,630.62
Santa Margarita Water District	57.32	197.95		924.98		85.00		60.00	503.52	40.00			1,868.77
Trabuco Canyon Water District	201.00	39.00	219.99	400.00			75.00						934.99
<b>Miscellaneous Revenues</b>													
Miscellaneous				810.82									810.82
Interest Revenue	417.16						1,619.81						2,036.97
<b>Total Revenues</b>	<b>82,958.77</b>	<b>170,928.25</b>	<b>52,559.27</b>	<b>1,372,887.54</b>	<b>272,673.00</b>	<b>69,082.05</b>	<b>54,540.73</b>	<b>219,090.86</b>	<b>128,717.31</b>	<b>52,568.67</b>	<b>-</b>	<b>-</b>	<b>\$ 2,476,006.45</b>
<b>EXPENDITURES:</b>													
Budget Based Tiered Rates, Raffleis		59,356.00		7,271.08		1,893.75		637.50					69,158.33
Delorenzo International		5,050.50							850.00				5,050.50
Droplet					13,500.00	10,500.00	2,775.00	7,800.00	3,600.00	5,475.00			850.00
Ecotech	900.00	10,275.00	6,750.00	13,500.00									75,075.00
Golden State Water Company	80.00				46,172.00								80.00
City of Huntington Beach					13,676.40								46,172.00
Laguna Beach CWD	480.00				26,485.72								14,156.40
Metropolitan Water District	29,129.40		118,745.58	70,931.38	26,485.72	27,322.22	236,289.40	134,233.87	39,537.35	16,453.05			696,127.97
Mission RCD		17,627.75	33,812.14	17,041.96		17,525.35	14,817.40	32,507.37	11,098.11	19,532.50			144,430.08
Recycled Water On Site Retrofit program					9,997.00		689.00	4,423.25	6,841.25				41,483.00
Spillo Drip program			1,155.58	525.00	34,530.53	750.00	2,288.57	875.00	700.00				40,824.68
Tank Removal		96,782.85	63,442.87	135,566.22	64,427.68	97,458.78	90,965.46	30,416.40	35,716.67	74,008.52			749,646.60
Waco, Inc	60,861.15		500.00										500.00
Western National Property Management	51,300.00												51,300.00
<b>Miscellaneous Expenses</b>													
Interest Expense				292.98		2,936.02			8,581.95				292.98
Salary & Benefit	130.00		3,270.82										14,918.79
<b>Total Expenditures</b>	<b>143,135.55</b>	<b>189,092.10</b>	<b>227,676.99</b>	<b>245,128.62</b>	<b>208,789.33</b>	<b>158,386.12</b>	<b>347,824.83</b>	<b>210,893.39</b>	<b>106,925.33</b>	<b>115,469.07</b>	<b>-</b>	<b>-</b>	<b>\$ 1,953,321.33</b>
<b>Cash Ending Balance</b>	<b>\$ (133,020.86)</b>	<b>\$ (151,184.71)</b>	<b>\$ (326,302.43)</b>	<b>\$ 801,456.49</b>	<b>\$ 865,340.16</b>	<b>\$ 776,036.09</b>	<b>\$ 482,751.99</b>	<b>\$ 490,949.46</b>	<b>\$ 512,741.44</b>	<b>\$ 449,841.04</b>	<b>\$ 449,841.04</b>	<b>\$</b>	







**Municipal Water District of Orange County  
Consolidated Summary of Cash and Investment**  
March 31, 2018

Street Address:  
18700 Ward Street  
Fountain Valley, California 92708

Mailing Address:  
P.O. Box 20895  
Fountain Valley, CA 92728-0895

(714) 963-3058  
Fax: (714) 964-9389  
[www.mwdoc.com](http://www.mwdoc.com)

Brett R. Barbre  
President

Joan C. Finnegan  
Vice President

Larry D. Dick  
Director

Wayne S. Osborne  
Director

Megan Yoo Schneider  
Director

Sat Tamaribuchi  
Director

Jeffery M. Thomas  
Director

Robert J. Hunter  
General Manager

**MEMBER AGENCIES**

City of Brea  
City of Buena Park  
East Orange County Water District  
El Toro Water District  
Emerald Bay Service District  
City of Fountain Valley  
City of Garden Grove  
Golden State Water Co.  
City of Huntington Beach  
Irvine Ranch Water District  
Laguna Beach County Water District  
City of La Habra  
City of La Palma  
Mesa Water District  
Moulton Niguel Water District  
City of Newport Beach  
City of Orange  
Orange County Water District  
City of San Clemente  
City of San Juan Capistrano  
Santa Margarita Water District  
City of Seal Beach  
Serrano Water District  
South Coast Water District  
Trabuco Canyon Water District  
City of Tustin  
City of Westminster  
Yorba Linda Water District

District investments and cash balances are held in various funds designated for certain purposes as follows:

Fund	Book Value	% of Portfolio
<b>Designated Reserves</b>		
General Operations	\$3,156,569	23.93%
Grant & Project Cash Flow	1,500,000	11.37%
Election Expense	304,000	2.30%
Building Repair	350,407	2.66%
OPEB	209,006	1.58%
<b>Total Designated Reserves</b>	<b>5,519,982</b>	<b>41.84%</b>
<b>General Fund</b>	<b>5,526,156</b>	<b>41.90%</b>
<b>Water Fund</b>	<b>1,276,893</b>	<b>9.68%</b>
<b>Conservation Fund</b>	<b>512,742</b>	<b>3.90%</b>
<b>Desalination Feasibility Study Fund</b>	<b>(145,165)</b>	<b>(1.10%)</b>
<b>WEROC Fund</b>	<b>469,783</b>	<b>3.56%</b>
<b>Trustee Activities</b>	<b>28,553</b>	<b>0.22%</b>
<b>Total</b>	<b>\$13,188,944</b>	<b>100.00%</b>


The funds are invested as follows:

Term of Investment	% of Portfolio	Book Value	Market Value
Cash	0.72%	\$94,986	\$94,986
<b>Short-term investment</b>			
• LAIF	45.99%	\$6,066,219	\$6,066,219
• OCIP	29.75%	3,924,235	3,924,235
<b>Long-term investment</b>			
• Corporate Bond	8.75%	1,153,504	1,126,121
• Certificates of Deposit	14.79%	1,950,000	1,938,143
<b>Total</b>	<b>100.00%</b>	<b>\$13,188,944</b>	<b>\$13,149,704</b>

The average number of days to maturity/call as of March 31, 2018 equaled 187 and the average yield to maturity is 1.613%. During the month, the District's average daily balance was \$17,371,402.72. Funds were invested in Federal Agency Issues, Certificates of Deposit, Negotiable CD's, Miscellaneous Securities, the Local Agency Investment Funds (LAIF) and the Orange County Investment Pool (OCIP) during the month of March 2018.

The (\$39,240) difference between the book value and the market value on March 31, 2018 represents the exchange difference if all investments had been liquidated on that date. Since it is the District's practice to "buy and hold" investments until maturity, the market values are a point of reference, not an indication of actual loss or gain. There are no current plans or cash flow requirements identified in the near future that would require the sale of these securities prior to maturity.

  
Robert J. Hunter  
General Manager

  
Hilary Chumpitazi  
Treasurer



# MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

## Portfolio Management - Portfolio Summary

March 31, 2018

3/31/2018	Par Value	Market Value	Book Value	% of Portfolio	Days to Mat/Call	YTM @ Cost
Negotiable Certificate Of Deposit	1,950,000.00	1,938,143.00	1,950,000.00	14.90	641	2.075
Corporate Bond	1,150,000.00	1,126,121.00	1,153,503.82	8.79	1,030	2.290
Local Agency Investment Funds	6,066,218.93	6,066,218.93	6,066,218.93	46.33	1	1.515
Orange County Investment Pool	3,924,235.21	3,924,235.21	3,924,235.21	29.98	1	1.338
<b>Total Investments</b>	<b>13,090,454.14</b>	<b>13,054,718.14</b>	<b>13,093,957.96</b>	<b>100.00</b>	<b>187</b>	<b>1.613</b>
<b>Cash</b>						
Cash	94,986.12	94,986.12	94,986.12		1	0.00
<b>Total Cash and Investments</b>	<b>13,185,440.26</b>	<b>13,149,704.26</b>	<b>13,188,944.08</b>		<b>187</b>	<b>1.613</b>

<b>Total Earnings</b>	<b>Month Ending March</b>	<b>Fiscal Year to Date</b>
<b>Current Year</b>	<b>27,108.89</b>	<b>244,794.40</b>
<b>Average Daily Balance</b>	<b>17,371,402.72</b>	
<b>Effective Rate of Return</b>	<b>1.613%</b>	

We certify that this report reflects the cash and investments of the Municipal Water District of Orange County and is in conformity with the Government Code requirements and the District Investment Policy and Guidelines in effect at the time of investment. The Investment Program herein shown provides sufficient cash flow liquidity to meet the next six month's estimated expenditure. The source for the market values are from Union Bank. Per Resolution 2059 there are no compliance exceptions to report.

  
Robert J. Hunter, General Manager

Date

5-1-18

  
Hilary Chumitazi, Treasurer

Date

5/1/2018

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**  
**Portfolio Management**  
**Long-Term Portfolio Details - Investments**  
**March 31, 2018**

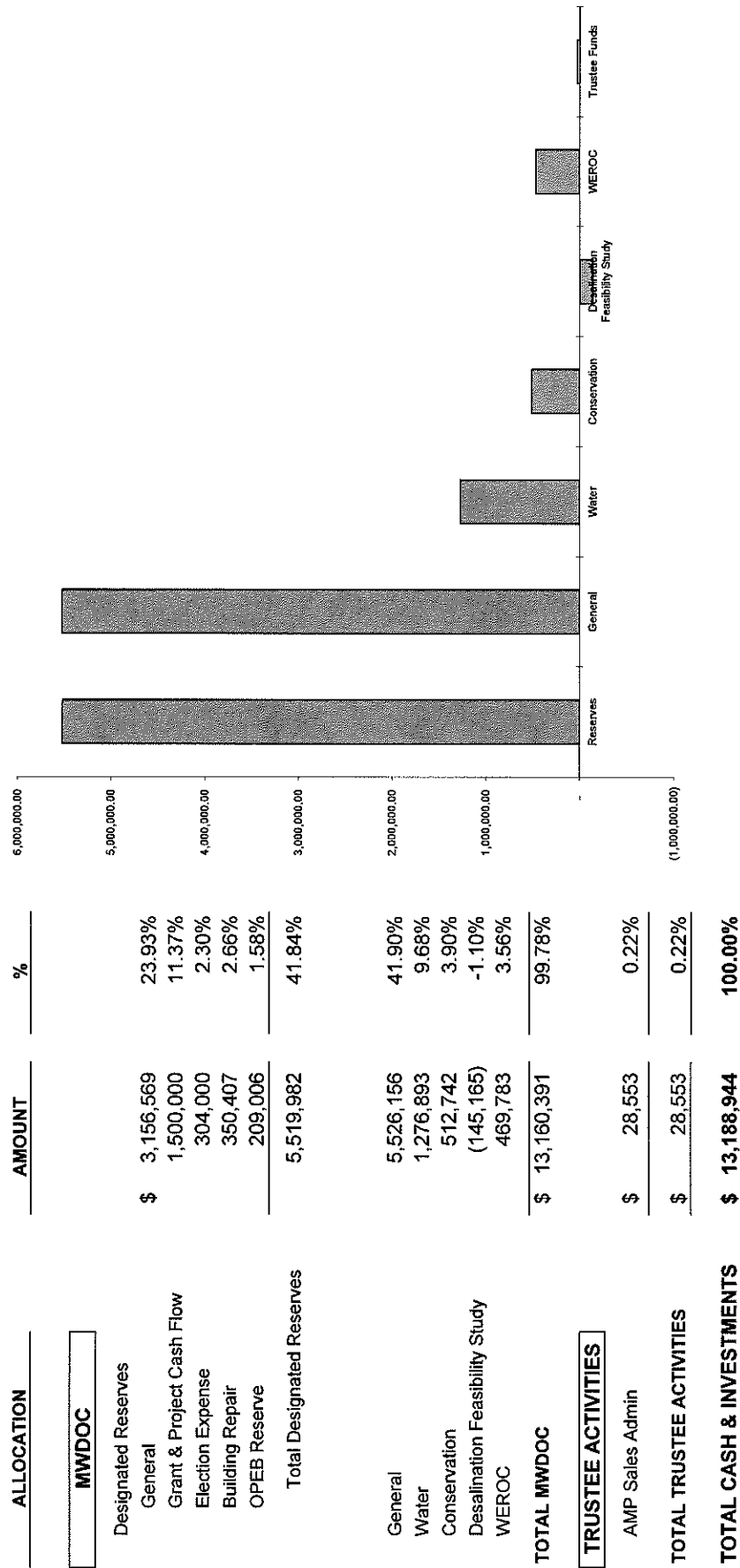
Issuer	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
<b>Negotiable Certificate Of Deposit</b>									
Barclays Bank	06740KKY2	9/27/2017	250,000.00	244,265.00	250,000.00	2.250	2.250	1,641	9/27/2022
Capital One Bank	140420TY6	8/5/2015	250,000.00	249,902.50	250,000.00	1.700	1.700	128	8/6/2018
Capital One Natl Assn	14042E6C9	9/2/2015	250,000.00	249,312.50	250,000.00	1.950	1.950	521	9/3/2019
Comenity Capital	20033AUX2	7/25/2017	200,000.00	195,738.00	200,000.00	2.000	2.000	1,203	7/16/2021
Discover Bank	254671ZY5	7/23/2014	250,000.00	249,905.00	250,000.00	1.600	1.600	114	7/23/2018
HSBC Bank	40434AKG5	1/21/2016	250,000.00	250,507.50	250,000.00	2.250	2.534	112	1/21/2021
Morgan Stanley Bank	61747MJ36	2/1/2018	250,000.00	249,077.50	250,000.00	2.500	2.500	1,038	2/1/2021
Synchrony Bank	87164XBY1	7/25/2014	250,000.00	249,435.00	250,000.00	2.050	2.050	486	7/30/2019
<b>Sub Total</b>			<b>1,950,000.00</b>	<b>1,938,143.00</b>	<b>1,950,000.00</b>	<b>2.038</b>	<b>2.075</b>	<b>641</b>	
<b>Corporate Bond</b>									
JP Morgan Chase	46825HKA7	11/2/2015	500,000.00	493,925.00	500,844.33	2.250	2.152	632	1/23/2020
National Rural Util Coop	83743FE51	7/27/2017	200,000.00	192,066.00	200,000.00	2.500	2.500	1,567	7/15/2022
Wells Fargo	94974BGR5	1/13/2016	250,000.00	245,700.00	250,884.62	2.550	2.409	982	12/7/2020
Westpac Banking Corp	961214DQ3	7/25/2017	200,000.00	194,430.00	201,774.87	2.500	2.278	1,550	6/28/2022
<b>Sub Total</b>			<b>1,150,000.00</b>	<b>1,126,121.00</b>	<b>1,153,503.82</b>	<b>2.402</b>	<b>2.290</b>	<b>1,030</b>	
<b>Total Investments</b>			<b>3,100,000.00</b>	<b>3,064,264.00</b>	<b>3,103,503.82</b>	<b>2.173</b>	<b>2.155</b>	<b>786</b>	

<b>Total Earnings</b>		<b>Fiscal Year To Date</b>
Current Year	5,805.41	46,373.23

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**  
**Portfolio Management**  
**Short-Term Portfolio Details - Cash and Investments**  
**March 31, 2018**

Investments	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
<b>Local Agency Investment Funds</b>									
LAIF LGIP	LAIF	6/30/2010	6,066,218.93	6,066,218.93	6,066,218.93	1.515	1.515	1	N/A
<b>Sub Total</b>			<b>6,066,218.93</b>	<b>6,066,218.93</b>	<b>6,066,218.93</b>	<b>1.515</b>	<b>1.515</b>	<b>1</b>	
<b>Orange County Investment Pool</b>									
County of Orange LGIP	OCIP	6/29/2005	3,924,235.21	3,924,235.21	3,924,235.21	1.338	1.338	1	N/A
<b>Sub Total</b>			<b>3,924,235.21</b>	<b>3,924,235.21</b>	<b>3,924,235.21</b>	<b>1.338</b>	<b>1.338</b>	<b>1</b>	
<b>Total Investments</b>			<b>9,990,454.14</b>	<b>9,990,454.14</b>	<b>9,990,454.14</b>	<b>1.445</b>	<b>1.445</b>		
<b>Cash</b>									
Bank of America Cash	CASH0547	7/1/2010	94,486.12	94,486.12	94,486.12	0.000	0.000	1	N/A
Petty Cash Cash	CASH	7/1/2010	500.00	500.00	500.00	0.000	0.000	1	N/A
<b>Total Cash</b>			<b>94,986.12</b>	<b>94,986.12</b>	<b>94,986.12</b>	<b>0.000</b>	<b>0.000</b>	<b>1</b>	
<b>Total Cash and Investments</b>			<b>10,085,440.26</b>	<b>10,085,440.26</b>	<b>10,085,440.26</b>	<b>1.445</b>	<b>1.445</b>	<b>1</b>	
<b>Total Earnings</b>									
Current Year			21,303.48		198,421.17				

**Municipal Water District of Orange County  
Cash and Investments at March 31, 2018**





**MUNICIPAL WATER DIST OF ORANGE COUNTY**  
**PARS OPEB Trust Program****Account Report for the Period**  
**3/1/2018 to 3/31/2018**Rob Hunter  
General Manager  
Municipal Water Dist of Orange County  
18700 Ward Street  
Fountain Valley, CA 92708**Account Summary**

Source	Beginning Balance as of 3/1/2018	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 3/31/2018
OPEB	\$2,070,931.43	\$0.00	-\$10,238.72	\$594.34	\$0.00	\$0.00	\$2,060,098.37
<b>Totals</b>	<b>\$2,070,931.43</b>	<b>\$0.00</b>	<b>-\$10,238.72</b>	<b>\$594.34</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$2,060,098.37</b>

**Investment Selection****Moderate HighMark PLUS****Investment Objective**

The dual goals of the Moderate Strategy are growth of principal and income. It is expected that dividend and interest income will comprise a significant portion of total return, although growth through capital appreciation is equally important. The portfolio will be allocated between equity and fixed income investments.

**Investment Return**

1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
			3-Years	5-Years	10-Years	
-0.49%	-0.74%	8.55%	5.38%	6.42%	-	10/26/2011

Information as provided by US Bank, Trustee for PARS; Not FDIC Insured; No Bank Guarantee; May Lose Value

Past performance does not guarantee future results. Performance returns may not reflect the deduction of applicable fees, which could reduce returns. Information is deemed reliable but may be subject to change.

Investment Return: Annualized rate of return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return.

Account balances are inclusive of Trust Administration, Trustee and Investment Management fees

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**  
**COMBINED FINANCIAL STATEMENTS**  
**AND**  
**BUDGET COMPARATIVE**  
**JULY 1, 2017 THRU MARCH 31, 2018**



**Municipal Water District of Orange County  
Combined Balance Sheet  
As of March 31, 2018**

<b><u>ASSETS</u></b>	<b>Amount</b>
Cash in Bank	94,986.12
Investments	13,093,957.96
Accounts Receivable	14,715,889.23
Accounts Receivable - Other	107,873.15
Accrued Interest Receivable	87,694.16
Prepays/Deposits	219,034.66
Leasehold Improvements	3,695,600.68
Furniture, Fixtures & Equipment	457,309.71
Less: Accum Depreciation	(2,796,456.57)
Net OPEB Asset	483,546.00
	<hr/>
<b>TOTAL ASSETS</b>	<b>\$30,159,435.10</b>
	<hr/>
<b><u>LIABILITIES AND FUND BALANCES</u></b>	
<b>Liabilities</b>	
Accounts Payable	14,695,477.00
Accounts Payable - Other	837.37
Accrued Salaries and Benefits Payable	343,974.89
Other Liabilities	202,397.61
Unearned Revenue	1,714,185.93
Total Liabilities	16,956,872.80
	<hr/>
<b>Fund Balances</b>	
Restricted Fund Balances	
Water Fund - T2C	979,797.59
Total Restricted Fund Balances	979,797.59
	<hr/>
Unrestricted Fund Balances	
OPEB Related Asset Fund	483,546.00
	<hr/>
Designated Reserves	
General Operations	3,156,569.42
Grant & Project Cash Flow	1,500,000.00
Election Expense	304,000.00
Building Repair	350,407.45
OPEB	209,006.00
Total Designated Reserves	5,519,982.87
	<hr/>
GENERAL FUND	2,403,710.97
WEROC Capital	281,636.00
WEROC	144,717.31
Total Unrestricted Fund Balances	8,833,593.15
	<hr/>
Excess Revenue over Expenditures	
Operating Fund	3,725,995.96
Other Funds	(336,824.40)
Total Fund Balance	13,202,562.30
	<hr/>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$30,159,435.10</b>
	<hr/>

**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**General Fund**  
**From July 2017 thru March 2018**

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<b><u>REVENUES</u></b>						
Retail Connection Charge	0.00	7,435,834.00	7,435,834.00	100.00%	0.00	0.00
Ground Water Customer Charge	<u>0.00</u>	<u>468,565.00</u>	<u>468,565.00</u>	<u>100.00%</u>	<u>0.00</u>	<u>0.00</u>
Water rate revenues	0.00	7,904,399.00	7,904,399.00	100.00%	0.00	0.00
Interest Revenue	<u>24,781.50</u>	<u>232,179.42</u>	<u>150,000.00</u>	<u>154.79%</u>	<u>0.00</u>	<u>(82,179.42)</u>
Subtotal	<u>24,781.50</u>	<u>8,136,578.42</u>	<u>8,054,399.00</u>	<u>101.02%</u>	<u>0.00</u>	<u>(82,179.42)</u>
Choice Programs	930.93	1,095,831.80	1,176,618.00	93.13%	0.00	80,786.20
Miscellaneous Income	0.00	3,490.94	3,000.00	116.36%	0.00	(490.94)
School Contracts	6,593.08	73,462.87	70,000.00	104.95%	0.00	(3,462.87)
Transfer-In From Reserve	<u>0.00</u>	<u>0.00</u>	<u>138,470.00</u>	<u>0.00%</u>	<u>0.00</u>	<u>138,470.00</u>
Subtotal	<u>7,524.01</u>	<u>1,172,785.61</u>	<u>1,388,088.00</u>	<u>84.49%</u>	<u>0.00</u>	<u>215,302.39</u>
<b>TOTAL REVENUES</b>	<u>32,305.51</u>	<u>9,309,364.03</u>	<u>9,442,487.00</u>	<u>98.59%</u>	<u>0.00</u>	<u>133,122.97</u>

**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**General Fund**  
**From July 2017 thru March 2018**

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<b><u>EXPENSES</u></b>						
Salaries & Wages	300,960.39	2,483,667.67	3,571,210.00	69.55%	0.00	1,087,542.33
Salaries & Wages - Grant Recovery	(6,908.47)	(11,607.92)	(23,279.00)	49.86%	0.00	(11,671.08)
Salaries & Wages - Recovery	0.00	(436.80)	0.00	0.00%	0.00	436.80
Director's Compensation	17,225.42	159,555.23	243,197.00	65.61%	0.00	83,641.77
MWD Representation	11,285.62	93,255.36	138,969.00	67.11%	0.00	45,713.64
Employee Benefits	95,395.50	737,053.64	1,056,766.00	69.75%	0.00	319,712.36
Employee Benefits - Grant Recovery	(1,673.48)	(2,790.87)	0.00	0.00%	0.00	2,790.87
Employee Benefits - Recovery	0.00	(83.20)	0.00	0.00%	0.00	83.20
Director's Benefits	8,007.06	65,479.96	81,728.00	80.12%	0.00	16,248.04
Health Insurance for Retirees	4,624.79	39,080.49	59,554.00	65.62%	0.00	20,473.51
Training Expense	3,025.00	7,942.00	10,000.00	79.42%	0.00	2,058.00
Tuition Reimbursement	0.00	0.00	5,000.00	0.00%	0.00	5,000.00
Temporary Help Expense	0.00	4,775.18	5,000.00	95.50%	0.00	224.82
Personnel Expenses	431,941.83	3,575,890.74	5,148,145.00	69.46%	0.00	1,572,254.26
Engineering Expense	4,749.49	95,405.63	360,000.00	26.50%	104,160.07	160,434.30
Legal Expense	11,473.79	115,220.95	250,000.00	46.09%	134,779.05	0.00
Audit Expense	0.00	19,000.00	40,000.00	47.50%	0.00	21,000.00
Professional Services	98,409.90	629,325.62	1,539,809.00	40.87%	377,485.51	532,997.87
Professional Fees	114,633.18	858,952.20	2,189,809.00	39.22%	616,424.63	714,432.17
Conference-Staff	1,369.00	15,955.46	38,945.00	40.97%	0.00	22,989.54
Conference-Directors	834.00	11,638.00	23,700.00	49.11%	0.00	12,062.00
Travel & Accom.-Staff	12,993.73	40,810.41	95,600.00	42.69%	236.89	54,552.70
Travel & Accom.-Directors	6,996.67	19,371.09	49,850.00	38.86%	528.00	29,950.91
Travel & Conference	22,193.40	87,774.96	208,095.00	42.18%	764.89	119,555.15
Membership/Sponsorship	11,365.84	139,765.19	142,102.00	98.36%	0.00	2,336.81
CDR Support	10,950.64	32,851.92	48,803.00	67.32%	10,950.65	5,000.43
Dues & Memberships	22,316.48	172,617.11	190,905.00	90.42%	10,950.65	7,337.24
Business Expense	0.00	3,344.34	5,200.00	64.31%	0.00	1,855.66
Maintenance Office	5,715.17	72,720.51	123,500.00	58.88%	51,509.49	(730.00)
Building Repair & Maintenance	3,823.12	22,353.07	11,000.00	203.21%	8,258.34	(19,611.41)
Storage Rental & Equipment Lease	1,195.29	2,755.66	8,400.00	32.81%	3,244.34	2,400.00
Office Supplies	4,192.85	18,529.26	35,580.00	52.08%	1,452.67	15,598.07
Postage/Mail Delivery	986.97	7,668.25	10,500.00	73.03%	1,029.06	1,802.69
Subscriptions & Books	39.00	1,112.25	1,500.00	74.15%	0.00	387.75
Reproduction Expense	0.00	7,017.49	27,275.00	25.73%	598.63	19,658.88
Maintenance-Computers	508.10	3,623.27	10,000.00	36.23%	1,210.63	5,166.10
Software Purchase	0.00	13,424.13	44,260.00	30.33%	0.00	30,835.87
Software Support	2,821.66	29,148.37	48,894.00	59.62%	0.00	19,745.63
Computers and Equipment	350.00	16,807.48	33,050.00	50.85%	0.00	16,242.52
Automotive Expense	1,703.36	13,148.39	16,400.00	80.17%	0.00	3,251.61
Toll Road Charges	84.00	616.18	1,000.00	61.62%	0.00	383.82
Insurance Expense	9,138.13	81,401.56	110,250.00	73.83%	0.00	28,848.44
Utilities - Telephone	1,522.85	12,669.25	21,300.00	59.48%	0.00	8,630.75
Bank Fees	1,844.26	8,612.76	11,000.00	78.30%	0.00	2,387.24
Miscellaneous Expense	6,830.95	62,994.24	119,650.00	52.65%	0.00	56,655.76
MWDOC's Contrb. to WEROC	14,934.75	416,069.75	460,874.00	90.28%	0.00	44,804.25
Depreciation Expense	794.41	7,149.66	0.00	0.00%	0.00	(7,149.66)
Other Expenses	56,484.87	801,165.87	1,099,633.00	72.86%	67,303.16	231,163.97
Building Expense	13,007.49	67,184.00	356,400.00	18.85%	44,112.00	245,104.00
Capital Acquisition	0.00	19,783.19	249,500.00	7.93%	0.00	229,716.81
TOTAL EXPENSES	660,577.25	5,583,368.07	9,442,487.00	59.13%	739,555.33	3,119,563.60
<b>NET INCOME (LOSS)</b>	<b>(628,271.74)</b>	<b>3,725,995.96</b>	<b>0.00</b>			

**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**Water Fund**  
**From July 2017 thru March 2018**

	<b>Month to Date</b>	<b>Year to Date</b>	<b>Annual Budget</b>	<b>% Used</b>	<b>Budget Remaining</b>
<b><u>WATER REVENUES</u></b>					
Water Sales	7,156,403.90	154,106,460.60	154,733,881.00	99.59%	627,420.40
Readiness to Serve Charge	908,514.76	7,906,059.36	10,397,278.00	76.04%	2,491,218.64
Capacity Charge CCF	321,247.50	2,736,142.50	3,544,800.00	77.19%	808,657.50
SCP/SAC Pipeline Surcharge	23,960.76	251,654.85	423,000.00	59.49%	171,345.15
Interest	<u>1,479.87</u>	<u>8,851.27</u>	<u>9,400.00</u>	<u>94.16%</u>	<u>548.73</u>
<b>TOTAL WATER REVENUES</b>	<u>8,411,606.79</u>	<u>165,009,168.58</u>	<u>169,108,359.00</u>	<u>97.58%</u>	<u>4,099,190.42</u>
<b><u>WATER PURCHASES</u></b>					
Water Sales	7,156,403.90	154,106,460.60	154,733,881.00	99.59%	627,420.40
Readiness to Serve Charge	908,514.76	7,906,059.36	10,397,278.00	76.04%	2,491,218.64
Capacity Charge CCF	321,247.50	2,736,142.50	3,544,800.00	77.19%	808,657.50
SCP/SAC Pipeline Surcharge	<u>23,960.76</u>	<u>251,654.85</u>	<u>423,000.00</u>	<u>59.49%</u>	<u>171,345.15</u>
<b>TOTAL WATER PURCHASES</b>	<u>8,410,126.92</u>	<u>165,000,317.31</u>	<u>169,098,959.00</u>	<u>97.58%</u>	<u>4,098,641.69</u>
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<u><u>1,479.87</u></u>	<u><u>8,851.27</u></u>	<u><u>9,400.00</u></u>		

**Municipal Water District of Orange County**  
**WUE Revenues and Expenditures (Actuals vs Budget)**  
**From July 2017 thru March 2018**

	Year to Date Actual	Annual Budget	% Used
<b>Spray To Drip Conversion</b>			
Revenues	60,890.74	257,371.00	23.66%
Expenses	60,775.07	257,371.00	23.61%
Excess of Revenues over Expenditures	115.67	0.00	
<b>Member Agency Administered Passthru</b>			
Revenues	0.00	7,200.00	0.00%
Expenses	0.00	7,200.00	0.00%
Excess of Revenues over Expenditures	0.00	0.00	
<b>ULFT Rebate Program</b>			
Revenues	20,385.25	95,000.00	21.46%
Expenses	20,385.25	95,000.00	21.46%
Excess of Revenues over Expenditures	0.00	0.00	
<b>HECW Rebate Program</b>			
Revenues	235,584.32	340,000.00	69.29%
Expenses	235,606.12	340,000.00	69.30%
Excess of Revenues over Expenditures	(21.80)	0.00	
<b>CII Rebate Program</b>			
Revenues	175,270.00	345,000.00	50.80%
Expenses	175,370.00	345,000.00	50.83%
Excess of Revenues over Expenditures	(100.00)	0.00	
<b>Turf Removal Program</b>			
Revenues	306,194.51	2,552,302.00	12.00%
Expenses	683,243.29	2,552,302.00	26.77%
Excess of Revenues over Expenditures	(377,048.78)	0.00	
<b>Comprehensive Landscape (CLWUE)</b>			
Revenues	114,609.29	520,000.00	22.04%
Expenses	216,775.71	520,000.00	41.69%
Excess of Revenues over Expenditures	(102,166.42)	0.00	
<b>CII, Large Landscape, Performance (OWOW)</b>			
Revenues	0.00	62,722.00	0.00%
Expenses	9,407.00	62,722.00	15.00%
Excess of Revenues over Expenditures	(9,407.00)	0.00	
<b>WUE Projects</b>			
Revenues	912,934.11	4,179,595.00	21.84%
Expenses	1,401,562.44	4,179,595.00	33.53%
Excess of Revenues over Expenditures	(488,628.33)	0.00	
<b>WEROC</b>			
Revenues	599,001.57	640,933.00	93.46%
Expenses	303,007.88	640,933.00	47.28%
Excess of Revenues over Expenditures	295,993.69	0.00	





## Memorandum

**DATE:** May 9, 2018

**TO:** Administrative & Finance Committee  
(Directors Thomas, Dick, Finnegan)

**FROM:** Robert Hunter

**SUBJECT:** Quarter ending March 2018 YTD Financials Actual versus Budget

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The following reports are attached:

- Revenues and Expenditures Actual versus Budget for the General Fund
- Revenues and Expenditures Actual versus Budget Detailed Comparative Report for the General Fund
- Revenues and Expenditures Actual versus Budget for Water Funds
- Revenues and Expenditures Actual versus Budget for Other Funds
- Revenues and Expenditures Actual versus Budget for the Water Use Efficiency Projects

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
Revenues and Expenditures Actual versus Budget Summary Report  
Fiscal Year to Date ending March 2018 (Unaudited)  
( \$000 Omitted )  
General Fund and Reserve Fund

GENERAL FUND

	<u>YTD Actual</u>	<u>Annual Budget</u>	<u>% Used</u>
<u>REVENUES</u>			
Water Rate revenues:			
Retail Connection Charge	7,436	7,436	100.0%
Ground Water Customer Charge	469	469	100.0%
Subtotal	7,904	7,904	100.0%
Other Revenues:			
Interest income <sup>(1)</sup>	232	150	154.8%
Choice Programs	1,096	1,177	93.1%
School Contracts	73	70	104.9%
Other income	3	3	116.4%
Transfer in from Reserve <sup>(2)</sup>	0	138	0.0%
Subtotal	1,405	1,538	91.3%
<b>TOTAL REVENUES</b>	<b>9,309</b>	<b>9,443</b>	<b>98.6%</b>
<u>EXPENSES</u>			
Personnel Expenses (incl. Dir.)	3,576	5,148	69.5%
Professional services <sup>(3)</sup>	648	1,580	41.0%
Outside engineering <sup>(4)</sup>	95	360	26.5%
Legal expense <sup>(5)</sup>	115	250	46.1%
Travel & Conference <sup>(6)</sup>	88	208	42.2%
Dues and memberships	173	191	90.4%
General & Admin expense	801	1,100	72.9%
Building repair & expense <sup>(7)</sup>	67	356	18.9%
Capital acquisition (not including building repairs) <sup>(8)</sup>	20	250	7.9%
<b>TOTAL EXPENSES</b>	<b>5,583</b>	<b>9,442</b>	<b>59.1%</b>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>3,726</b>		

RESERVE FUND

Beginning Balance	5,250
Oct 2017 - excess from FY 16-17 General Fund	270
Net OPEB Asset	484
<b>TOTAL RESERVE FUND</b>	<b>6,004</b>

(1) Interest Income higher due to rising yields.

(2) Transfer in from Reserves is moved at year-end.

(3) Professional Services - Projects in process.

(4) Engineering projects in process.

(5) Legal expense includes unanticipated events.

(6) Travel & Conference scheduled throughout the fiscal year.

(7) Building repair & expense scheduled throughout the fiscal year.

(8) Capital acquisition being performed throughout the year.



Municipal Water District of Orange County  
Revenues and Expenditures Actual vs Budget Line Item Report  
Fiscal Year to Date ending March 2018 (Unaudited)  
General Fund

	YTD ACTUAL	ANNUAL BUDGET	% Used
REVENUES			
Retail Connection Charge	7,435,834	7,435,834	100.00%
Ground Water Customer Charge	468,565	468,565	100.00%
Water Rate Revenues	7,904,399	7,904,399	100.00%
Choice Programs	1,095,832	1,176,618	93.13%
Interest Revenue	232,179	150,000	154.79%
Miscellaneous Income	3,491	3,000	116.36%
School Contracts	73,463	70,000	104.95%
Transfer in from Reserve	0	138,470	0.00%
Other Revenues	1,404,965	1,538,088	91.34%
TOTAL REVENUES	9,309,364	9,442,487	98.59%

OPERATING EXPENSES			
Salaries & Wages	2,483,668	3,571,210	69.55%
less Recovery's	(12,045)	(23,279)	51.74%
Directors' Compensation	159,555	243,197	65.61%
MWD Representation	93,255	138,969	67.11%
Employee Benefits	737,054	1,056,766	69.75%
less Recovery's	(2,874)	0	0.00%
Directors Benefits	65,480	81,728	80.12%
Health Insurances for Retirees	39,080	59,554	65.62%
Training Expense	7,942	10,000	79.42%
Tuition Reimbursement	0	5,000	0.00%
Temporary Help Expense	4,775	5,000	95.50%
Personnel Expenses	3,575,891	5,148,145	69.46%
Engineering Expense	95,406	360,000	26.50%
Legal Expense	115,221	250,000	46.09%
Audit Expense	19,000	40,000	47.50%
Professional Services	629,326	1,539,809	40.87%
Professional Fees	858,952	2,189,809	39.22%
Conference-Staff	15,955	38,945	40.97%
Conference-Directors	11,638	23,700	49.11%
Travel & Accom.-Staff	40,810	95,600	42.69%
Travel & Accom.-Directors	19,371	49,850	38.86%
Travel & Conference	87,775	208,095	42.18%
Membership/Sponsorship	139,765	142,102	98.36%
CDR Support	32,852	48,803	67.32%
Dues & Memberships	172,617	190,905	90.42%

Municipal Water District of Orange County  
Revenues and Expenditures Actual vs Budget Line Item Report  
Fiscal Year to Date ending March 2018 (Unaudited)  
General Fund

	YTD ACTUAL	ANNUAL BUDGET	% Used
Business Expense	3,344	5,200	64.31%
Maintenance Office	72,721	123,500	58.88%
Building Repair & Maintenance	22,353	11,000	203.21%
Storage Rental & Equipment Lease	2,756	8,400	32.81%
Office Supplies	18,529	35,580	52.08%
Postage/Mail Delivery	7,668	10,500	73.03%
Subscriptions & Books	1,112	1,500	74.15%
Reproduction Expense	7,017	27,275	25.73%
Maintenance-Computers	3,623	10,000	36.23%
Software Purchase	13,424	44,260	30.33%
Software Support	29,148	48,894	59.62%
Computers and Equipment	16,807	33,050	50.85%
Automotive Expense	13,148	16,400	80.17%
Toll Road Charges	616	1,000	61.62%
Insurance Expense	81,402	110,250	73.83%
Utilities - Telephone	12,669	21,300	59.48%
Bank Fees	8,613	11,000	78.30%
Miscellaneous Expense	62,994	119,650	52.65%
MWDOC's Contribution To WEROC	416,070	460,874	90.28%
Depreciation Expense	7,150	0	0.00%
MWDOC Building Expense	67,184	356,400	18.85%
Capital Acquisition	19,783	249,500	7.93%
Other Expenses	888,133	1,705,533	52.07%
TOTAL EXPENSES	5,583,368	9,442,487	59.13%
EXCESS OF REVENUES OVER EXPENSES	3,725,996	0	

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
Statement of Revenues and Expenditures  
Fiscal Year to Date ending March 2018 (Unaudited)  
Water Funds

	<u>YTD Actual</u>	<u>Annual Budget</u>	<u>Balance</u>
<b><u>Water Revenues</u></b>			
Water Sales	154,106,461	154,733,881	(627,420)
Ready to Serve Charge	7,906,059	10,397,278	(2,491,219)
Capacity Charge Flat Rate	2,736,143	3,544,800	(808,658)
SCP/SAC Pipeline Surcharge	251,655	423,000	(171,345)
Interest	<u>8,851</u>	<u>9,400</u>	<u>(549)</u>
Total Water Revenues	<u>165,009,169</u>	<u>169,108,359</u>	<u>(4,099,190)</u>
 <b><u>Water Purchases</u></b>			
Water Sales	154,106,461	154,733,881	(627,420)
Ready to Serve Charge	7,906,059	10,397,278	(2,491,219)
Capacity Charge	2,736,143	3,544,800	(808,658)
SCP/SAC Pipeline Surcharge	<u>251,655</u>	<u>423,000</u>	<u>(171,345)</u>
Total Water Purchases	<u>165,000,317</u>	<u>169,098,959</u>	<u>(4,098,642)</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>8,851</u>	<u>9,400</u>	<u>(549)</u>

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
Revenues and Expenditures Actual versus Budget  
Fiscal Year to Date ending March 2018 (Unaudited)  
Other Funds

	<u>YTD Actual</u>	<u>Annual Budget</u>	<u>Balance</u>
<b><u>WEROC</u></b>			
Revenues	599,002	640,933	(41,931)
Expenditures	303,008	640,933	(337,925)
Excess of Revenues over Expenditures	295,994	0	295,994

**WUE Projects (details on next page)**

Revenues	912,934	4,179,595	(3,266,661)
Expenditures	1,401,562	4,179,595	(2,778,033)
Excess of Revenues over Expenditures	(488,628)	0	(488,628)

Footnote:

- 1) The excess of expense over revenue is waiting for reimbursement.
- 2) USBR (Federal) Grant is billed in October and April with funds being received one month later.
- 3) DWR is billed quarterly to county and takes a few months to a year to receive funds.

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
Revenues and Expenditures Actual versus Budget  
Fiscal Year to Date ending March 2018 (Unaudited)  
Water Use Efficiency Projects

	<u>Actual</u>	<u>Variance</u> <u>%</u>	<u>Fiscal Year</u> <u>Budget</u>	<u>% of</u> <u>Budget</u>	<u>Projected</u> <u>Final</u> <u>FY Budget</u>
<b><u>Spray to Drip Conversion</u></b>					
Revenues	60,891		257,371	23.66%	257,371
Expenditures	60,775		257,371	23.61%	257,371
Excess of Revenues over Expenditures	116	0%			

Actual Variance:

Budget Variance: Budget numbers were over optimistic. With the Drought ending and the public's interest waning, budget numbers are not likely to be hit.

**Member Agency Administered Pass thru**

Revenues	0		7,200	0.00%	7,200
Expenditures	0		7,200	0.00%	7,200
Excess of Revenues over Expenditures	0	0%			

Actual Variance:

Budget Variance: Agency's due to start their programs later this fiscal year.

**ULFT Rebate Program**

Revenues	20,385		95,000	21.46%	95,000
Expenditures	20,385		95,000	21.46%	95,000
Excess of Revenues over Expenditures	0	0%			

Actual Variance: This tracks agency toilet programs, agencies slow to implement.

Budget Variance: Budget numbers were over optimistic. With the Drought ending and the public's interest waning, budget numbers are not likely to be hit.

**HECW Rebate Program**

Revenues	235,584		340,000	69.29%	340,000
Expenditures	235,606		340,000	69.30%	340,000
Excess of Revenues over Expenditures	(22)	0%			

Actual Variance:

Budget Variance: Actual numbers and percentages (%) represent 9 months of a 12 month program. As of now, on target.

Notes:

[1] Variance from Revenues to Expenses. When greater than 5%, an explanation is provided.

[2] Fiscal year budget versus Actual

[3] With each quarterly report the projected fiscal year end budget may be re-adjusted.

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
Revenues and Expenditures Actual versus Budget  
Fiscal Year to Date ending March 2018 (Unaudited)  
Water Use Efficiency Projects

	<u>Actual</u>	<u>Variance</u> <u>%</u>	<u>Fiscal Year</u> <u>Budget</u>	<u>% of</u> <u>Budget</u>	<u>Projected</u> <u>Final</u> <u>FY Budget</u>
<b><u>CII Rebate Program</u></b>					
Revenues	175,270		345,000	50.80%	345,000
Expenditures	175,370		345,000	50.83%	345,000
Excess of Revenues over Expenditures	<u>(100)</u>	0%	<u></u>		<u></u>

Actual Variance:

Budget Variance: Budget numbers were over optimistic. With the Drought ending and the public's interest waning, budget numbers are not likely to be hit.

**Turf Removal Program**

Revenues	306,195		2,552,302	12.00%	2,552,302
Expenditures	683,243		2,552,302	26.77%	2,552,302
Excess of Revenues over Expenditures	<u>(377,049)</u>	-123%	<u></u>		<u></u>

Actual Variance: Payment to Program Participants ahead of Grant and Metropolitan reimbursements.

Budget Variance: Budget numbers were over optimistic. With the Drought ending and the public's interest waning, budget numbers are not likely to be hit.

**Comprehensive Landscape (CLWUE)**

Revenues	114,609		520,000	22.04%	520,000
Expenditures	216,776		520,000	41.69%	520,000
Excess of Revenues over Expenditures	<u>(102,166)</u>	-89%	<u></u>		<u></u>

Actual Variance: Grant pre-funded program. Revenue will match expenses at year end closing.

Budget Variance: Budget numbers were over optimistic. With the Drought ending and the public's interest waning, budget numbers are not likely to be hit.

**CII, Large Landscape, Performance (OWOW)**

Revenues	0		62,722	0.00%	62,722
Expenditures	9,407		62,722	15.00%	62,722
Excess of Revenues over Expenditures	<u>(9,407)</u>	0%	<u></u>		<u></u>

Actual Variance: Grant pre-funded program. Revenue will match expenses at year end closing.

Budget Variance: Budget numbers were over optimistic. With the Drought ending and the public's interest waning, budget numbers are not likely to be hit.

Notes:

[1] Variance from Revenues to Expenses. When greater than 5%, an explanation is provided.

[2] Fiscal year budget versus Actual

[3] With each quarterly report the projected fiscal year end budget may be re-adjusted.



**ACTION ITEM**

May 9, 2018

**TO:** Board of Directors

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

Robert J. Hunter, General Manager

**Staff Contacts:** Cathleen Harris, Administrative Services Manager  
Charles Busslinger, Principal Engineer

**SUBJECT: OFFICE REMODEL & RELOCATION**

**STAFF RECOMMENDATION**

---

It is recommended that the Board of Directors:

1. Discuss the potential relocation of the MWDOC office and based on cost and other factors assess the probability and/or timing of such a relocation.
2. If the conclusion from #1 is that a relocation is not likely in the near future then remove the current hold on office improvements (Phase 1 & 2) that have been previously approved in the budget for the current and next fiscal years and allow those improvements to proceed.

**COMMITTEE RECOMMENDATION**

---

Committee recommends (To be determined at Committee Meeting)

**DETAILED REPORT**

---

The Administration & Finance Committee and the MWDOC Board of Directors heard presentations on structural seismic improvements to the MWDOC administration building in April. At the April 18, 2018 meeting, the Board of Directors approved the Damage Control option (2-B) seismic retrofit work (\$500,000). Staff is proceeding with that work. During the seismic evaluation study, some Directors requested that office remodeling projects be delayed until the results of that study were presented and the Board evaluated investment options. In April, the Board emphasized the possibility of relocating the office and referred the office remodeling projects back to A&F Committee pending resolution of the relocation question. The remodeling activities that were approved in the current fiscal year's budget and those approved in next year's budget remain on hold.

<b>Budgeted (Y/N): Y</b>	Budgeted amount: 2017/18-\$354,500 2018/19 - \$237,800	Core __x__	Choice ____
<b>Action item amount:</b>	Line item: 19-8810 & 19-8811		

The four office building options from the seismic study are:

- Option 1: Retrofit to Non-Essential Facility Performance Level
- Option 2: Retrofit to Essential Facility Performance Level
- Option 3: Rebuild On-Site
- Option 4: Relocate & Build New Facility

Total investment costs for Options 1, 3 and 4 are \$2.4 million, \$8.1 million and \$11.8 million, respectively.

Past but recent investments (sunk costs) in the current building include:

• Sidewalk Handrails (2009)	\$ 5,650
• Window Replacement (2013-2014)	\$ 10,176
• Fire System Replacement (2016)	\$ 21,900
• Restroom Remodel (2015-2016)	\$144,204
• HVAC Modifications (2013-2016)	\$435,487
• Entry Area Remodel (2015-2017)	<u>\$ 73,682</u>
Total Recent Building Improvements	\$691,189

The Board action on April 18<sup>th</sup> selected and authorized Option 1 instead of Option 2 but did not resolve the questions of Option 3 or Option 4. Resolution of the Rebuild and Relocation questions are required at this point.

In November 2017, the Board approved entering into a contract with IDS Group for architectural, space planning, interior design and construction administration services for a total amount of \$44,236.

MWDOC's office building was built in 1973 and is approximately 45 years old. A major remodel was completed in 1992, when MWDOC moved to Fountain Valley. There have been some remodels and office additions throughout the years as noted above. With the successful implementation of the Records Management Program to digitize the District's archives, the former archival space (library) is now available for other uses. We are looking to improve efficiencies, reevaluate the efficient use of existing space, maximize storage space, modernize the existing office design to meet the needs of the current and future workforce and determine the most favorable balance between shared work areas, private workstations and private offices that allow for collaboration and enhance work flow processes.

Staff included funds in the 2017-18 and 2018-19 Budget for this effort. The remodeling project includes two near-term phases and areas:

#### Phase 1

- Conference Room 101
- Library (to be converted to a new conference room 102)
- Copy Room
- MWDOC Reception area
- File room



## Phase 2

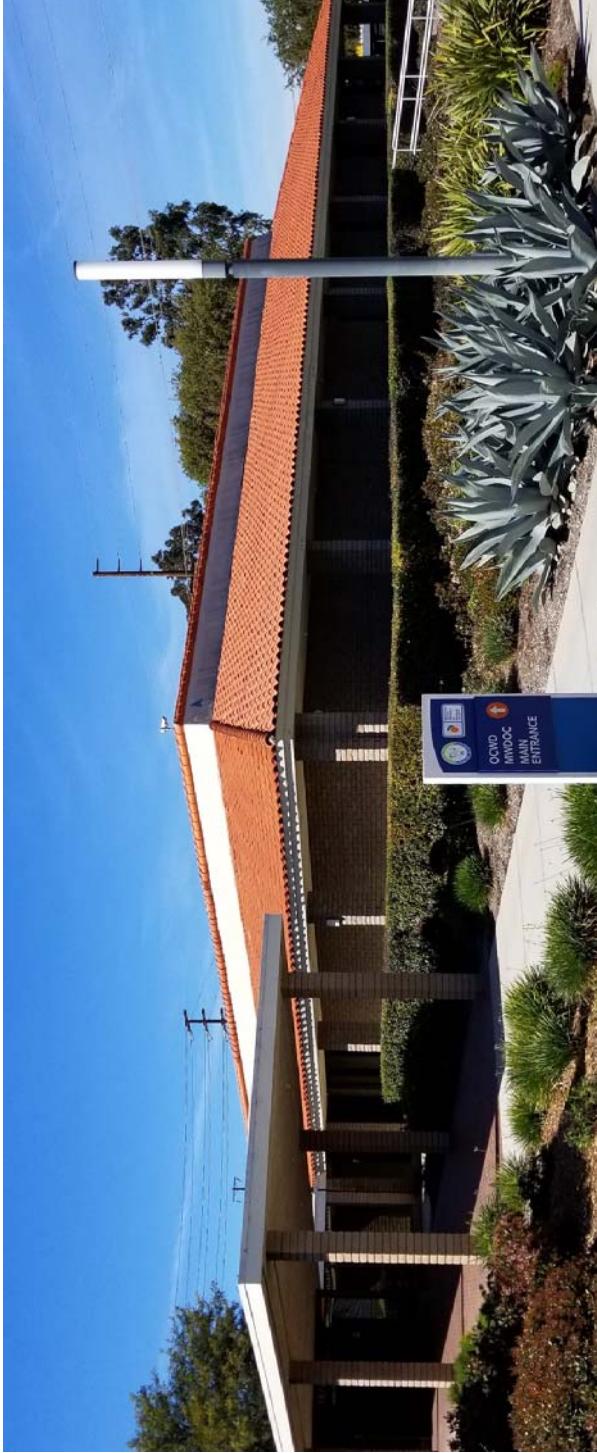
- Existing Conference Room 102
- Existing open office space area and adjacent offices along the north side of the atrium (this area will be evaluated for best use of space and workstation needs)
- Intern area
- Evaluate other areas that may be better utilized

Future building cost estimates include:

• Seismic improvements	\$500,000
• Phase 1 Remodel	\$440,701
• Phase 2 Remodel	\$294,265
• HVAC Modifications	\$109,532
• Roof Replacement	\$99,000
• Electrical System Replacement/Upgrade	\$60,000
• Emergency Generator	\$122,000
• Other Investments	<u>\$65,569</u>
○ Total Future Building Investments (Phase 2)	\$1,691,067

At this time, staff is seeking the Committee's input on the proposed schematics for Phases 1&2, noting that Phase 2 office remodel work was approved in the Fiscal Year 2018/19 building expense budget along with roof replacement costs, HVAC upgrades and replacement of computer room HVAC unit.

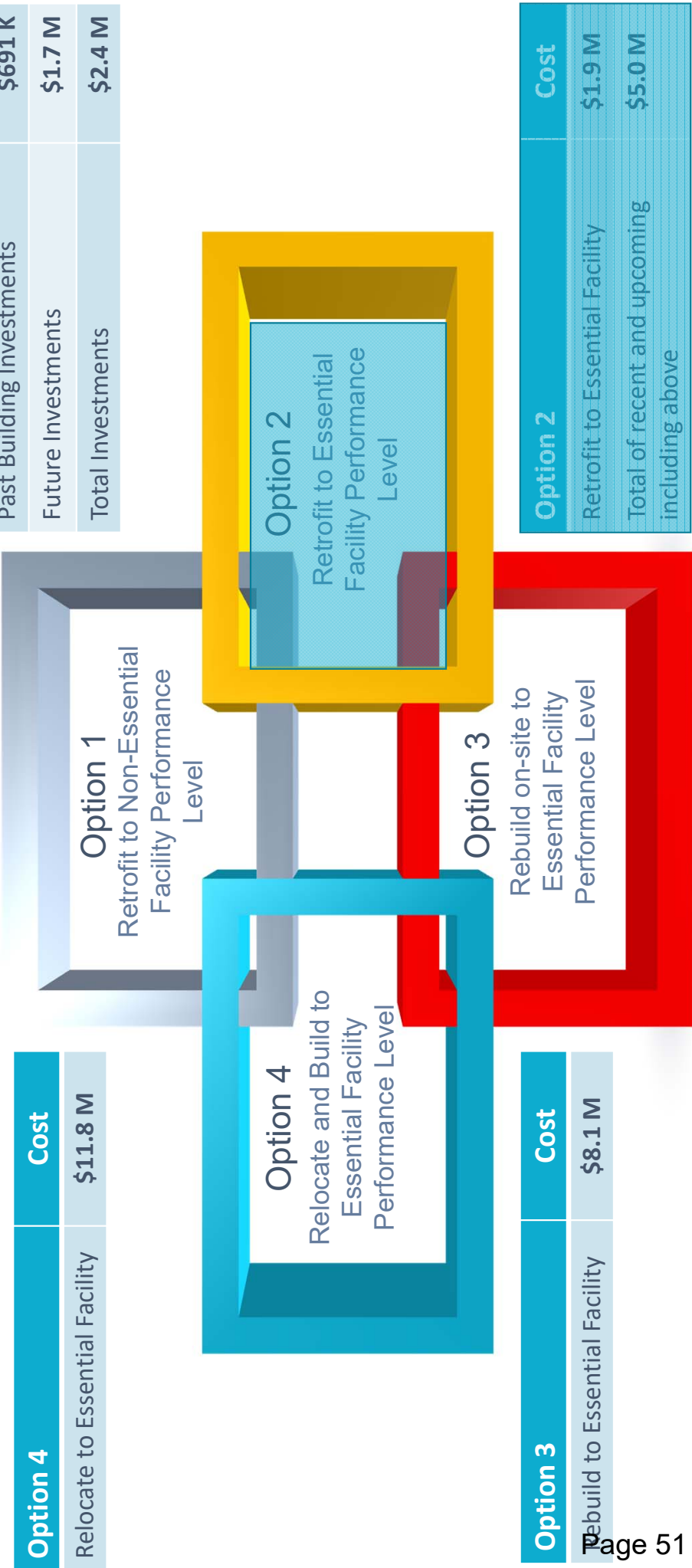
Attached are summary slides from the seismic study presentation and schematics for Phase 1 & Phase 2 remodeling options for the Committee's review and input.



# Office Building Options

Municipal Water District of Orange County

# Office Building Options



# Building Option 1



## Costs & Benefits

Benefit	Cost
Non-Essential (New Building) Standard for a Newport-Inglewood Scale Event (M7.4) – No Consideration for Re-occupancy	\$300,000
Additional Damage Control for up to a San Andreas Scale Event (M8.0) –improve likelihood to re-occupy	\$500,000
<b>Downside</b>	
Non-essential facility that may not be operable for a Compton (M7.3) or Newport-Inglewood (M7.4) scale event	

Total Investment	
Structural Improvements	\$500,000
Other Upcoming (roof, HVAC, remodel, Electrical)	<u>\$1,191,067</u>
Previous Investments (2009 -2016)	<u>\$691,189</u>
	\$2,382,256



# Past Building Investments

Investment Item	Timeframe	Cost
Handrails installed on Sidewalk	2009	\$5,650
Window Replacement	2013-2014	\$10,176
Fire System Replacement	2016	\$21,990
Restroom Remodel	2015-2016	\$144,204
HVAC Replacement	2013-2016	\$435,487
Entry Area Remodel	2015-2017	<u>\$73,682</u>
Total Previous Building Investments		\$691,189



# Future Building Investments

Future Investment Item	Cost
Structural/Non-Structural Seismic Improvements	\$500,000
Other Investments (Entrance Area Displays, Atrium, Glass Doors)	\$65,569
Conference Room Remodel (Phase 1)	\$440,701
Office Workspace Remodel (Phase 2)	\$294,265
HVAC Replacement	\$109,532
Roof Replacement	\$99,000
Electrical System Replacement	\$60,000
Emergency Generator	<u>\$122,000</u>
Total Future Building Investments (through Phase 2)	\$1,691,067





# MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

18700 Ward Street  
Fountain Valley, California 92708

## TENANT IMPROVEMENTS

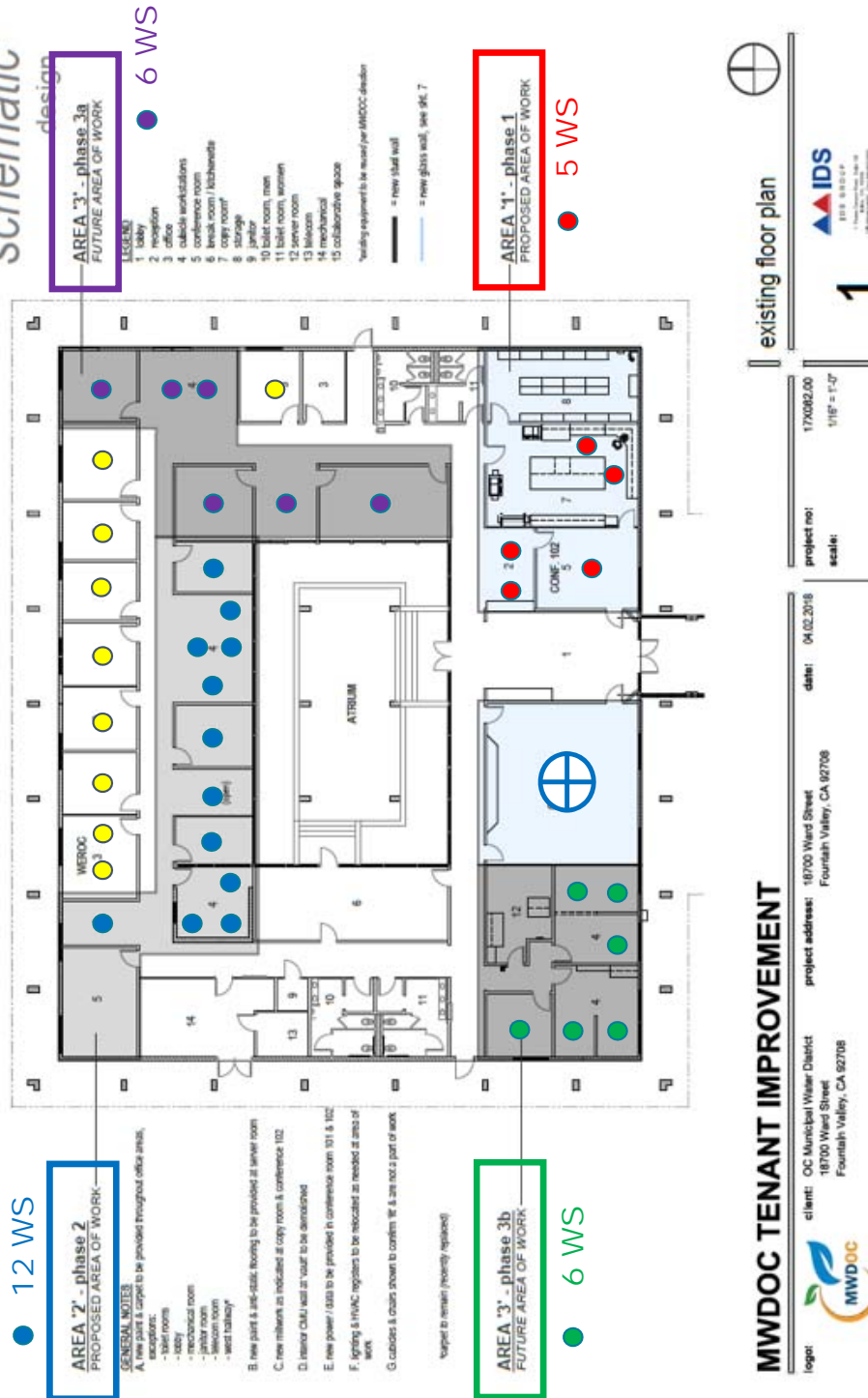


SCHEMATIC DESIGN PACKAGE  
**4.04.18**



SCHEMATIC DESIGN PACKAGE  
**4.04.18**

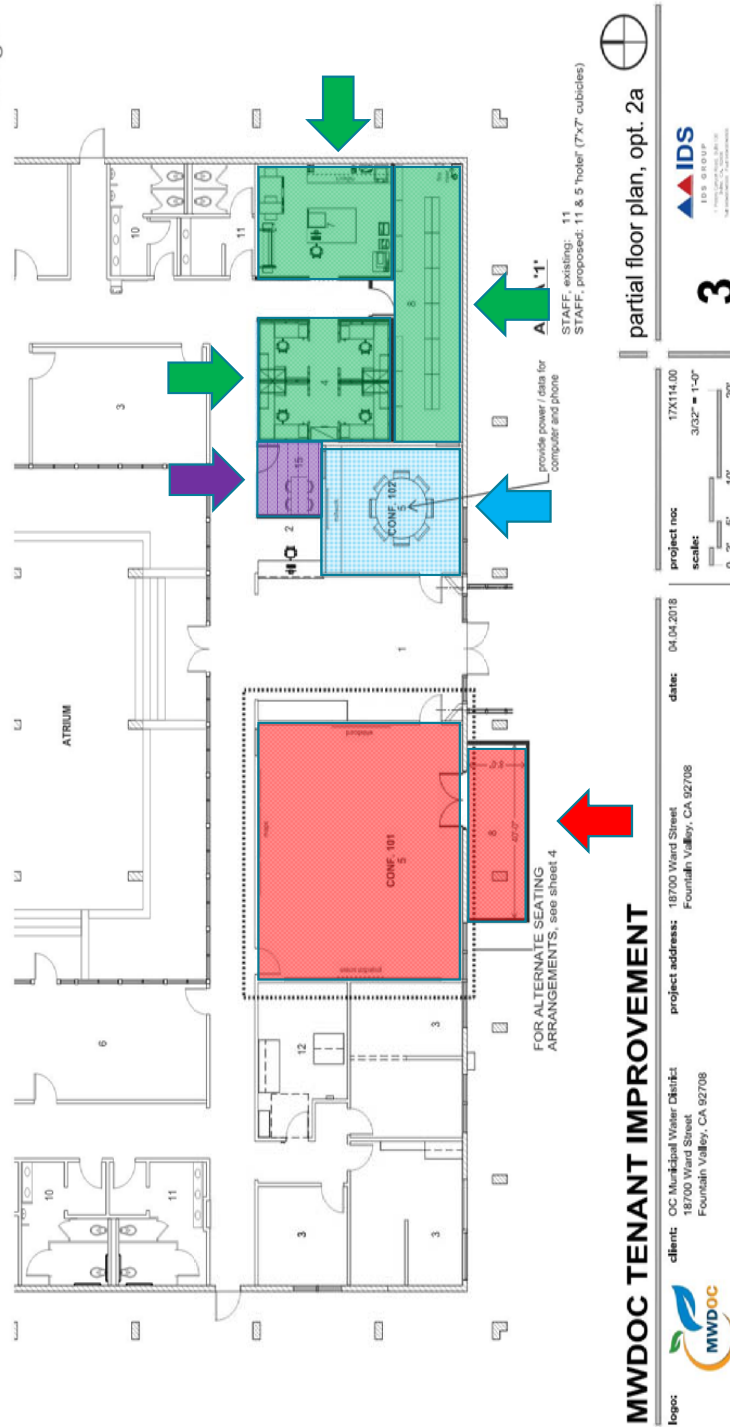
● 9 WS



$$5 \text{ WS} + 12 \text{ WS} + 6 \text{ WS} + 9 \text{ WS} = 38 \text{ WS}$$



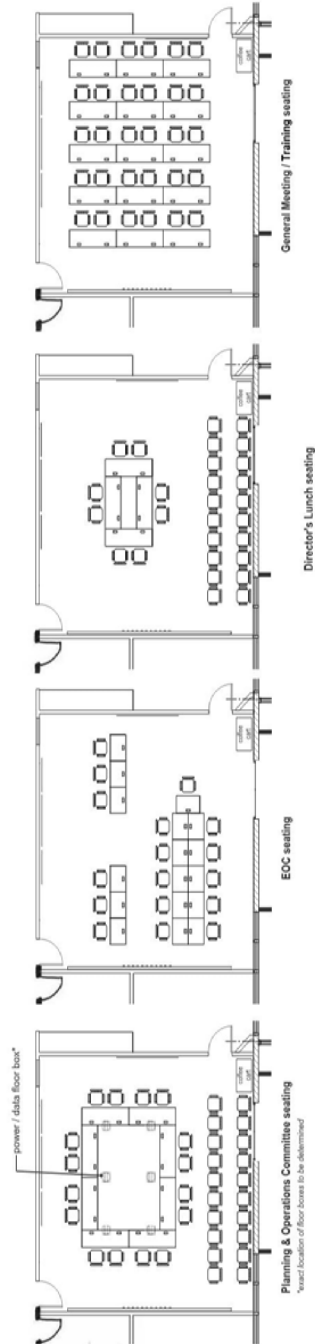
# Area 1 - Phase 1 schematic design




# Area 1 - Phase 1

## schematic

design



**MWDOC TENANT IMPROVEMENT**

logo: 

client: OC Municipal Water District  
18700 Ward Street  
Fountain Valley, CA 92708

project address: 18700 Ward Street  
Fountain Valley, CA 92708

date: 04.04.2018


seating floor plan

project no: 17X114.00

scale: 3/32" = 1'-0"

0 2' 5' 10' 20'

**4**

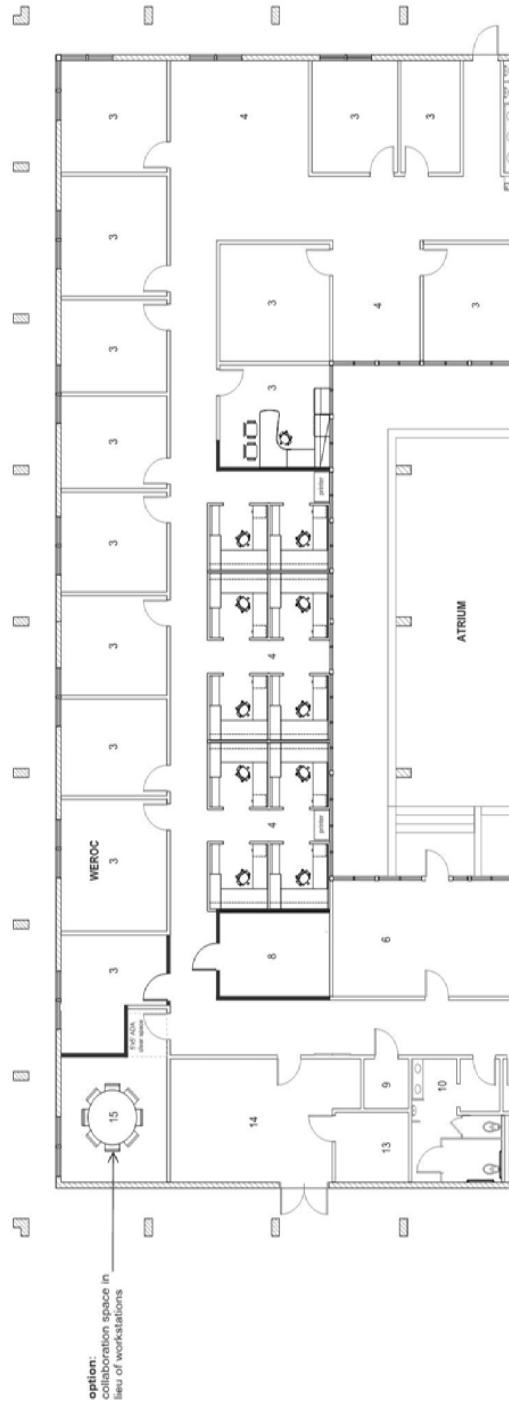
 IDS GROUP  
18700 Ward Street  
Fountain Valley, CA 92708





# Area 2 – Phase 2

## schematic design



AREA 2  
STAFF, existing: 11  
STAFF, proposed: 12 (8x8 cubicles)

partial floor plan, opt. 1a

project no: 17X114.00  
scale: 3/32" = 1'-0"  
0 2' 5' 10' 20'

project no: 17X114.00  
scale: 3/32" = 1'-0"  
0 2' 5' 10' 20'

client: OC Municipal Water District  
18700 Ward Street  
Fountain Valley, CA 92708

project address: 18700 Ward Street  
Fountain Valley, CA 92708

date: 04.04.2018

logo: 

MWDOC TENANT IMPROVEMENT

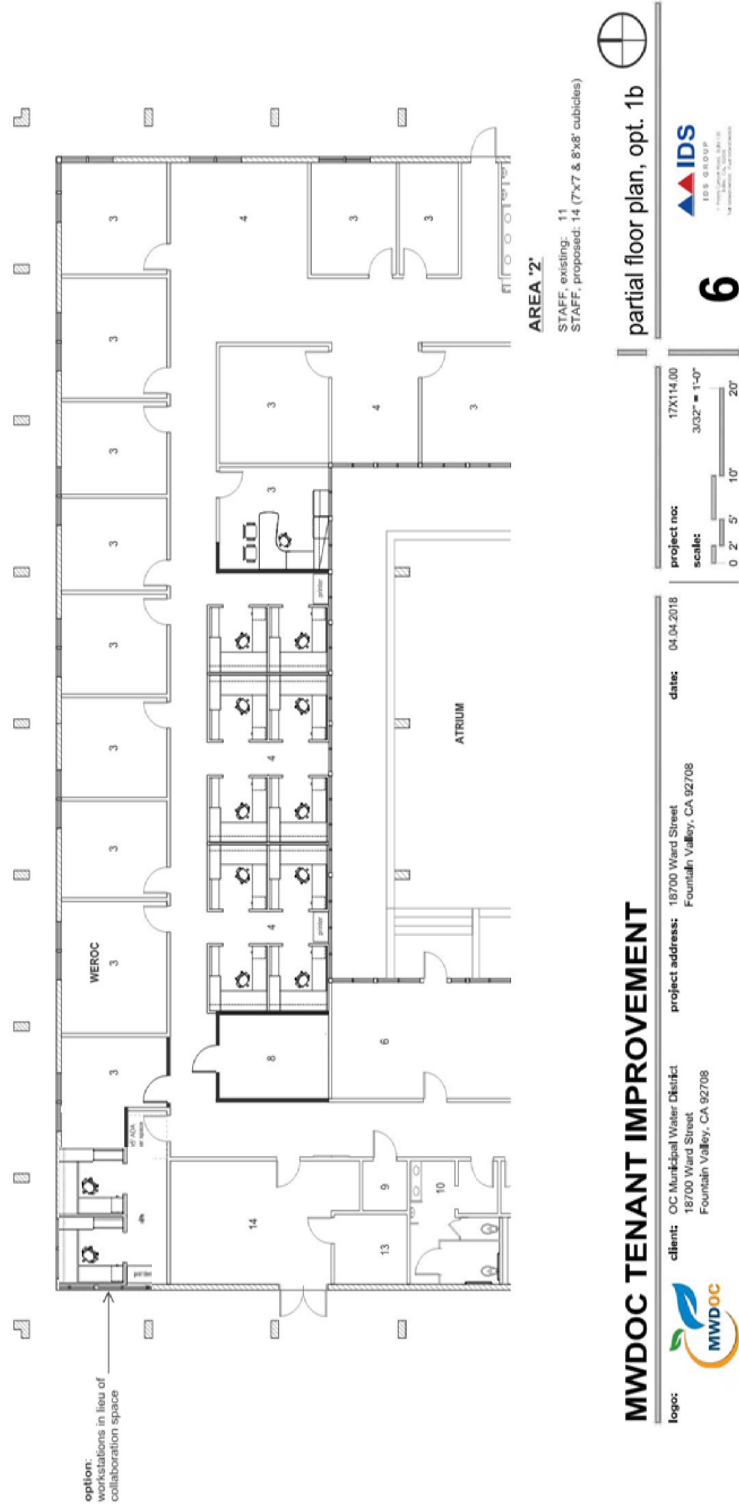
partial floor plan, opt. 1a

IDS GROUP  
18700 Ward Street, Suite 200  
Fountain Valley, CA 92708

5

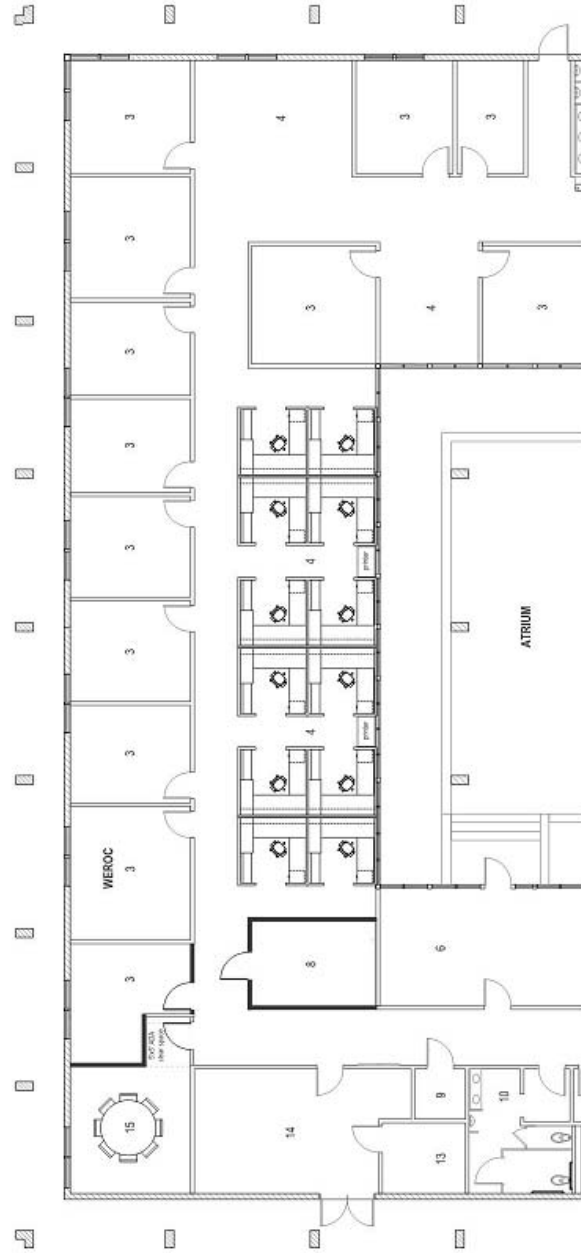
# Area 2 – Phase 2

## schematic design



# Area 2 – Phase 2

## schematic design



AREA '2'  
STAFF existing: 11  
STAFF proposed: 13 (8x8' & 7x7' cubicles)

partial floor plan, opt. 2a

### MWDOC TENANT IMPROVEMENT

client: OC Municipal Water District  
18700 Ward Street  
Fountain Valley, CA 92708

project address: 18700 Ward Street  
Fountain Valley, CA 92708

date: 04.04.2018

project no: 17X114.00  
scale: 3/32" = 1'-0"

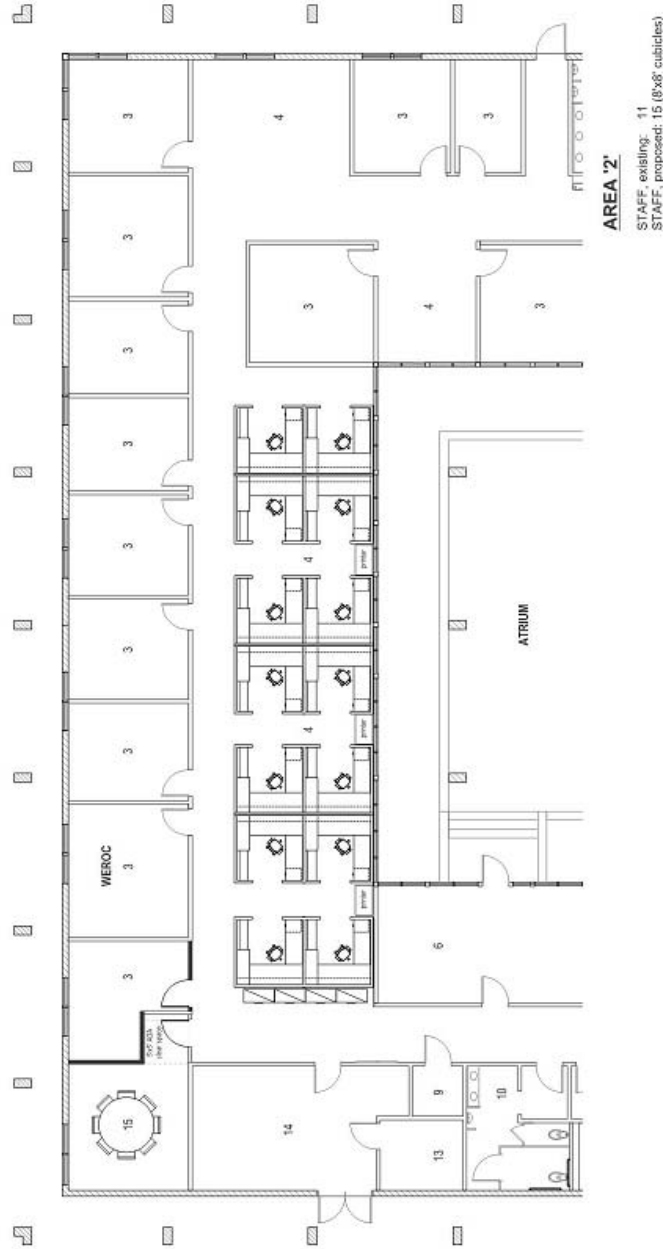
IDS GROUP  
18700 Ward Street  
Fountain Valley, CA 92708

7



# Area 2 – Phase 2

## schematic design



partial floor plan, opt. 2b

### MWDOC TENANT IMPROVEMENT

client: OC Municipal Water District  
18700 Ward Street  
Fountain Valley, CA 92708

project address: 18700 Ward Street  
Fountain Valley, CA 92708

date: 04.04.2018

project no: 17X114.00  
scale: 3/32" = 1'-0"

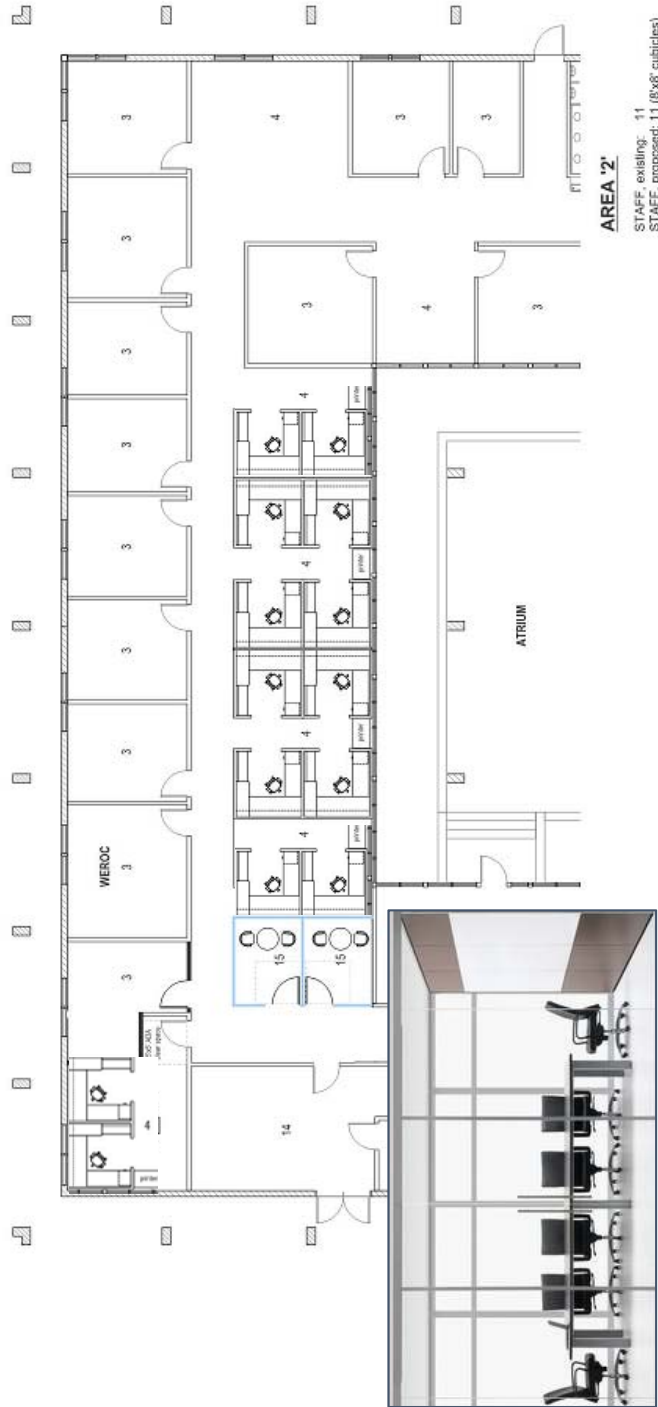
IDS  
18700 WARD STREET  
FOUNTAIN VALLEY, CA 92708

8



# Area 2 – Phase 2

## schematic design



partial floor plan, opt. 2c



9

project no: 17X114.00  
scale: 3/32" = 1'-0"  
0 2' 5' 10' 20'

date: 04.02.2018

project address: 18700 Ward Street  
Fountain Valley, CA 92708

client: OC Municipal Water District  
18700 Ward Street  
Fountain Valley, CA 92708



**MWD OC TENANT IMPROVEMENT**

logo:

# Building Option 3



## Costs & Benefits

Benefit	Cost
Rebuild to Essential Facility Standard (with Board Room)	\$8.1 M
18-month Relocation (\$28 per S.F. per Yr.)	\$579,600
Moving Costs (2 moves)	\$52,000
Tear Down existing building	\$ 99,000
Make foundation modifications	\$1,200,000
Rebuild to Essential Facility Standard	\$6.2 M

### Downside

Cost, relocation causes disruption to operations (move twice)



# Building Option 4

Option 4  
Relocate and Build to  
Essential Facility  
Performance Level

## Costs & Benefits

Benefit	Cost
Relocate to non-liquefaction site - Retrofit existing building or Build a new Essential Facility. Building remains in pre-earthquake condition for all predicted events	\$11.8 M
Purchase Property (1 acre) Median Rate	\$5.37 M
Tear Down existing building	\$180,000
Build to Essential Facility Standard	\$6.2 M
Moving Expenses	\$26,000

## Downside

Cost, relocation causes disruption to operations

### CBRE MARKETVIEW ORANGE COUNTY CAPITAL MARKETS

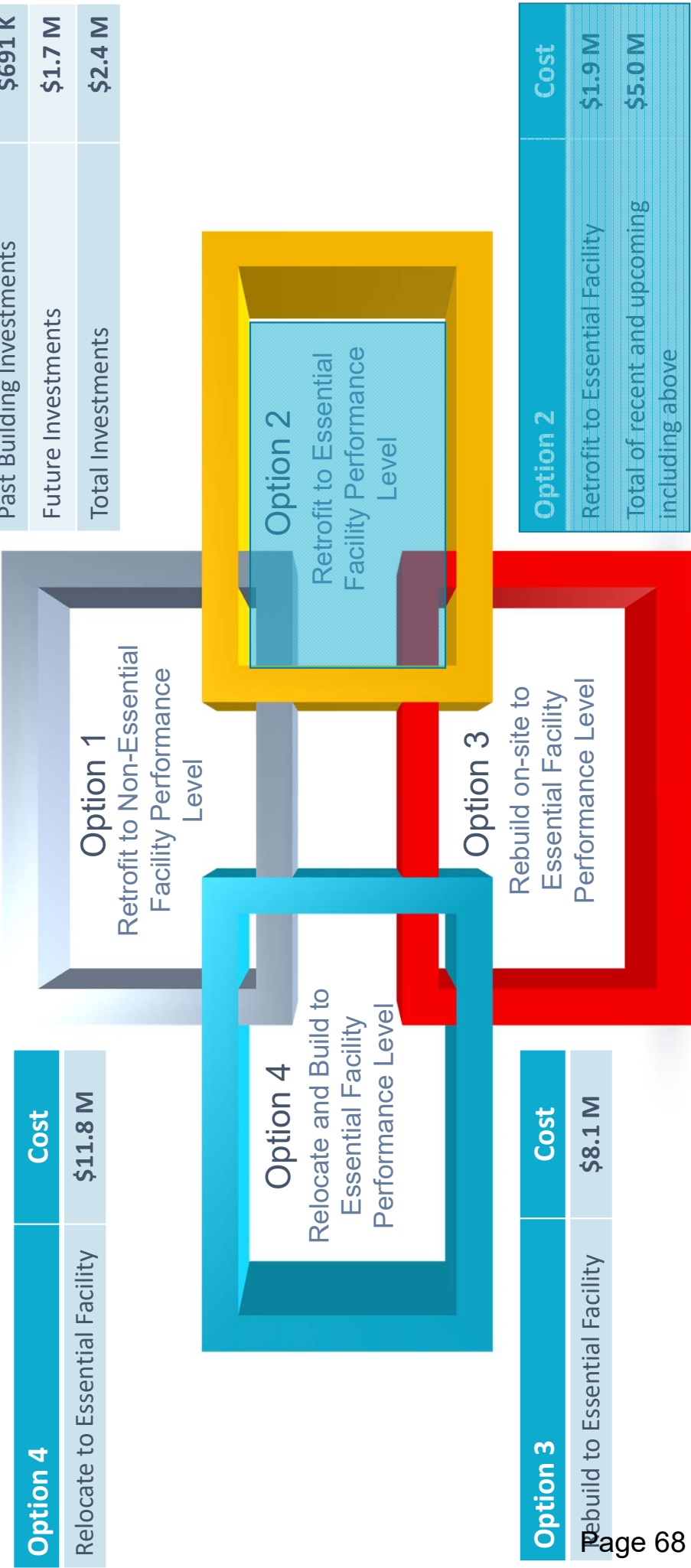
Figure 7: Average Price per Square Foot, Office (\$)



Source: CBRE Research, Real Capital Analytics, Q2 2017.



# Office Building Options



# Questions



Which of the three building options should MWDOC implement?

Option 1 - \$2.4 million – Retrofit Existing Facility

Option 3 - \$8.1 million – Rebuild On-Site

Option 4 - \$11.8 million – Relocate & Build New Building



If Option 1, then is the Board prepared to green light the construction already approved in this and next year's budgets?





**ACTION ITEM**  
May 16, 2018

**TO:** Board of Directors

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

Robert J. Hunter, General Manager

Staff Contacts: Hilary Chumpitazi

**SUBJECT:** **Annual Review of Investment Policy and Guidelines**

**STAFF RECOMMENDATION**

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It is recommended that the Board of Directors receive and file Investment Policy Guidelines.

**COMMITTEE RECOMMENDATION**

---

Committee recommends (To be determined at Committee Meeting)

**DETAILED REPORT**

---

MWDOC's Administrative Code requires an annual review of this policy and the Board Resolution No. 2059, August 2017, establishing the District's Investment Policy and Guidelines; attached is the resolution.

Staff recommends no changes at this time.

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

**RESOLUTION NO. 2059  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
INVESTMENT POLICY AND GUIDELINES**

**TABLE OF CONTENTS**

	<b>Page</b>
<b>SECTION 2100      PURPOSE</b>	<b>2</b>
<b>SECTION 2101      STATUTORY AND DELEGATED AUTHORITY</b>	<b>2</b>
<b>SECTION 2101.5    COMPLIANCE EXCEPTIONS REPORTING</b>	<b>3</b>
<b>SECTION 2102      ORGANIZATION</b>	<b>3</b>
<b>SECTION 2103      INVESTMENT PHILOSOPHY</b>	<b>3</b>
<b>SECTION 2104      SCOPE</b>	<b>4</b>
<b>SECTION 2105      INVESTMENT OBJECTIVES</b>	<b>4</b>
<b>SECTION 2106      INVESTMENT POLICY GUIDELINES</b>	<b>5</b>
<b>SECTION 2107      EXECUTION</b>	<b>7</b>
<b>SECTION 2108      PERSONAL CONDUCT</b>	<b>7</b>
<b>SECTION 2109      REPORTING</b>	<b>8</b>
<b>SECTION 2110      GLOSSARY</b>	<b>8</b>

**RESOLUTION NO. 2059  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
INVESTMENT POLICY AND GUIDELINES  
2017**

BE IT RESOLVED by the Board of Director of the Municipal Water District of Orange County that the following is the policy and guidelines of the District for investment of funds and rescinds prior Resolution No. 2055, dated June 21, 2017.

**SECTION 2100 - PURPOSE**

The purpose of this policy is to set forth the investment and operational policies for the management of the public funds of Municipal Water District of Orange County. These policies have been adopted by, and can be changed only by a majority vote of the Board of Directors.

These policies are designed to ensure the prudent management of public funds, the safety of principal, the availability of operating funds when needed, and an investment return competitive with those of comparable funds and financial market indexes.

A copy of this policy will be provided to all investment dealers and investment managers doing business with the Municipal Water District of Orange County. Receipt of this policy, including confirmation that it has been reviewed by persons dealing directly with the Municipal Water District of Orange County's account will be received prior to any organization providing investment services to the Municipal Water District of Orange County.

**SECTION 2101 - STATUTORY AND DELEGATED AUTHORITY**

Authority to manage the investment of surplus funds is derived from California Government Code Sections 53601, et seq. In accordance with Section 53607 of the Government Code of the State of California, the authority of the Board of Directors to invest public funds may be delegated to the Treasurer for a one-year period, which may be renewed annually.

The Municipal Water District of Orange County (MWDOC) Board of Directors has expressly delegated the investment authority of the Board of Directors to the Treasurer pursuant to Resolution No. 1166. By Resolution No. 1277, the Board of Directors created the office of Deputy Treasurer and delegated to the Deputy Treasurer the authority to direct investment of MWDOC funds under the circumstances set forth in said Resolution, and to make a monthly report of those transactions to the Board. The Board of Directors created the office of Alternate Deputy Treasurer by Resolution No. 1434 and specified circumstances under which the Alternate Deputy Treasurer would have authority to direct the investment of MWDOC funds.

No person may engage in an investment transaction on behalf of MWDOC unless he or she has been duly appointed by the Board of Directors to the office of Treasurer, Deputy Treasurer, or Alternate Deputy Treasurer, and subject to the limitations and conditions set forth in the Resolutions establishing those offices and the terms of this policy. Notwithstanding the foregoing, upon the occurrence of a vacancy in the office of Treasurer, the Board of Directors may appoint an Acting Treasurer, who shall have and exercise the authority delegated to the Treasurer until appointment of a successor Treasurer by the Board of Directors.



The delegations in Resolution Nos. 1277 and 1434 are renewed on the adoption of this Policy. The Treasurer shall be responsible for all transactions undertaken and shall establish procedures and a system of internal controls to regulate the activities of subordinate officials.

### **SECTION 2101.5 – COMPLIANCE EXCEPTIONS REPORTING**

Any compliance exceptions with the Investment Policy and Guidelines (IPG) will be reported within 72 hours to the General Manager, Board President, and the Chair of the Administration & Finance Committee. At the time of reporting, a recommended resolution to the matter shall be included. Notification shall also be included in the monthly Treasurer's Report to the Board of Directors with the resolution noted.

### **SECTION 2102 - ORGANIZATION**

The organizational structure of the investment functions of MWDOC shall consist of the Board of Directors, the Administration & Finance Committee, the Treasurer and Deputy Treasurers. The responsibilities of these groups are as follows:

Board of Directors - the elected body responsible for the administration and investment of the assets of MWDOC. The Board may acquire, hold, manage, purchase, sell, assign, trade, transfer and/or dispose of any security, evidence of debt, or other investment in which MWDOC's assets may be invested by law. To assist them in discharging their responsibilities, the Board shall appoint a Treasurer, Deputy Treasurers and custodians of assets.

Administration & Finance Committee - appointed by the Board to review transactions, performance and asset mix, monitor, recommend policy, and propose adjustments for Board approval.

Treasurer - responsible for the administration and the investment of the funds, subject to the policies and restrictions set by the Board. The Treasurer as investment officer of MWDOC is granted full authority and responsibility by the Board in the purchase, sale, assignment, exchange and transfer of securities and for the safe custody of security holdings, subject to Board policies, rules, regulations and directives consistent with regulatory and statutory limitations. The Treasurer is responsible for interpreting, administering and advising on legal requirements, investment policies and strategies; collecting income, preparation of reports. Also responsible for Deputy Treasurer, and investment staff compliance with this Investment Policy and guidelines.

Deputy Treasurers - act in the absence of the Treasurer as specified within the Resolution of appointment to fulfill the duties and responsibilities as assigned by the Treasurer.

### **SECTION 2103- INVESTMENT PHILOSOPHY**

Except where specifically directed by the State Constitution, statutes or regulations, the general investment policies of MWDOC will be guided by the prudent investor standard ("Standard") set forth in California Government Code Section 53600.3. Under this Standard, those with investment responsibility for public funds are trustees and, as trustees, shall act with care, skill, prudence and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of MWDOC, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims to safeguard the principal and maintain the liquidity needs of the agency.

This Standard shall be applied in the context of managing the overall investment portfolio. The investment officer, acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

#### **SECTION 2104 - SCOPE**

It is intended that this Investment Policy cover all funds and investment activities of MWDOC. Any reference to the portfolio shall mean the collection of MWDOC securities held by the Treasurer. Those securities held in Trust or escrow by a third-party Trustee or escrow agent on behalf of MWDOC are invested under the Treasurer's direction in accordance with this Investment Policy and the terms of the specific escrow or trust agreements related to the funds.

MWDOC funds are divided into two categories, and the investment objectives and policies vary with the nature of the fund.

- Operating and Fiduciary Funds - These funds are to provide for the ordinary annual operating expenses of MWDOC (General Fund, Water Fund) and Funds to provide for trustee functions and expenditures (WFC, with the exception of the Debt Service Reserve) and other specified recurring and non-recurring purposes where MWDOC serves in a fiduciary role. These funds are considered "short-term" for investment purposes and will be invested to provide the safety and liquidity to meet all anticipated expenditures.
- Reserve funds – These funds are designated for contingencies or emergencies and may be used to supplement the other funds as necessary. These funds may be invested "longer-term" as defined in this Investment Policy.

#### **SECTION 2105- INVESTMENT OBJECTIVES**

When investing, reinvesting, purchasing, acquiring, exchanging, selling or managing MWDOC's funds, the primary objective is to safeguard the principal of the funds. The secondary objective is to meet the liquidity needs of MWDOC. The third objective is to achieve a maximum return on invested funds (California Government Code Section 53600.5.). It is the policy of MWDOC to invest funds in a manner to obtain the highest yield possible while meeting the daily cash flow demands of MWDOC as long as investments meet the criteria established by this investment policy for safety and liquidity and conform to all laws governing the investment of MWDOC's funds.

##### **Safety of Principal.**

Safety of principal is the foremost objective of MWDOC. Each investment transaction shall seek to first ensure that capital losses are avoided, whether they arise from securities defaults, institution default, broker-dealer default, or erosion of market value of securities. MWDOC shall mitigate the risk to the principal of invested funds by limiting credit and interest rate risks. Credit risk is the risk of loss due to the failure of a security's issuer or backer. Interest rate risk is the risk that the market value of the MWDOC's portfolio will change due to an increase/decrease in general interest rates.

- 1) Credit risk will be mitigated by:

- (a) Limiting investments to only the most creditworthy types of permissible investments as described in Section 2106;
  - (b) By pre-qualifying the financial institutions with which the Agency will do business; and
  - (c) By diversifying the investment portfolio so that the potential failure of any one issue or issuer will not place an undue financial burden on the District.
- 2) Interest rate risk will be mitigated by:
  - (a) Structuring the portfolio so that securities mature to meet the District's cash requirements for ongoing obligations, thereby reducing the possible need to sell securities on the open market at a loss prior to their maturity to meet those requirements; and
  - (b) Investing primarily in shorter term securities.

### **Liquidity**

Availability of sufficient cash to pay for current expenditures shall be maintained. An adequate percentage of the portfolio shall be maintained in liquid short-term securities which can be converted to cash as necessary to meet disbursement requirements. Since cash requirements cannot always be anticipated, sufficient investments in securities with active secondary or resale markets shall be utilized.

### **Rates of Return**

Yield on investments shall be considered only after the basic requirements of safety and liquidity have been met. The investment portfolio shall be designed to attain a market average rate of return throughout budgetary and economic cycles, taking into account the MWDOC's risk constraints, the composition and cash flow characteristics of the portfolio, and applicable laws.

## **SECTION 2106- INVESTMENT POLICY GUIDELINES**

MWDOC authorized investment types, amounts, maturities, and other characteristics are stated in the Government Code Section 53601 (as periodically amended), and with the following exceptions as noted below.

- Collective Investment Pools - Assets of any of the funds may be invested in collective investment pools run and managed by other public bodies and banks that are approved by the Board of Directors. However, no such investment shall be made in a pool where the investment objectives differ from the investment objectives listed in Section 2105 of this investment policy, nor should any investment be made in a fund that engages in market timing or anticipating interest rate changes or that uses derivatives or other securities other than as a hedge against interest rate risk. The investment shall not exceed 20% of portfolio in effect immediately after such investment and no more than 10% in one pool.
- Money Market Mutual Funds - Investment in shares of money market mutual funds may be made if the investments meet the same restrictions as those of collective investment pools. In addition, purchase of these funds must not result in payment of a purchase premium or commission. These mutual funds must attain the highest ranking of two nationally recognized ratings services and the investment adviser must be registered with the Securities and Exchange Commission (SEC) as an investment adviser with not less

than five years' experience managing market mutual funds with investment portfolios of greater than \$500 million. An investment shall not exceed 20% of portfolio in effect immediately after such investment.

- Cash Holdings - The portfolio will hold sufficient cash equivalent investments to ensure availability of sufficient funds to meet known obligations for the next three months. Idle cash will be invested to the fullest extent practicable in interest-bearing investments.
- Other permissible investments for the Operating and Fiduciary funds are:
- Bank checking accounts, time deposits or certificates of deposit not to exceed the current Federal Deposit Insurance Corporation (FDIC) limit without being collateralized.
- Negotiable Certificates of Deposit shall not exceed 30% of portfolio in effect immediately after such investment and no more than 5% in one issuer.
- U.S. Treasury obligations.
- U.S. Government Agency obligations and, U.S. Government Instrumentality obligations. May not invest more than 50% of portfolio from one issuer.
- Prime Commercial Paper rated A-1/P-1/F-1 by Moody's, Standard and Poor's or Fitch. May not exceed 25% of portfolio in effect immediately after such investment and may purchase no more than 5% of the outstanding commercial paper of any single issuer. The maximum maturity for Commercial Paper is 270 days.
- Prime Banker's Acceptances rated A-1/P-1/F-1 by Moody's, Standard and Poor's or Fitch shall not exceed 40% of portfolio in effect immediately after such investment and no more than 5% may be of any one commercial bank. The maximum maturity is 180 days.
- Corporate Securities (Medium-Term Notes) with a rating of "A" or better by at least two nationally recognized rating services. Shall not exceed 30% of portfolio in effect immediately after such investment with no more than 5% in one issuer.
- Loans with an agreement for the collateral to be repurchased by the borrower (Repurchase Agreements); the amount of such instruments will not exceed 20% of the market value of the portfolio with no more than 10% from one issuer. Maximum maturity is 1 year. U.S. Treasury and Agency securities are acceptable collateral with a market value of at least 102% of the value of the Repurchase Agreement. Prior to investment, a Master Repurchase Agreement will be signed with the qualified counterparty.
- Permissible investments for Reserve Funds are:
- All investments permitted for the Operating and Fiduciary funds, except maturities may not exceed five years without Board approval prior to investment.
- Prohibited Investments and Investment Practices - The following are prohibited:
- Purchases on margin or short sales.
- "Derivative" securities of any type.
- Lending securities with an agreement to buy them back after a stated period of time (Reverse Repurchase Agreements).
- Futures, Options and Margin Trading
- In no instance shall a swap be used in speculation. Losses are only acceptable if the proposed swap or trade can clearly enhance quality or yield (value) over the life of the new security on a Total Return basis.
- Investments are limited to maturities of five years or less without express authorization of the Board prior to the investment.
- Diversification - The investment portfolio will be diversified to avoid undue concentration in securities of one type or securities of one financial institution, so that no single investment or class of investments can have a disproportionate impact on the total portfolio. This restriction does not apply to U.S. Treasury securities.

- Exemptions - Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by the current policy.

### **SECTION 2107 - EXECUTION**

The responsibility for the execution of security transactions shall rest with such qualified members of the investment staff as designated by the Board. The selection of the broker-dealer for a specific transaction shall be based on price and yield quotations. Every effort shall be made to obtain appropriate discounts on individual orders.

Security orders shall be placed on the basis of accepted investment practices. All security transactions, including for repurchase agreements, entered into by MWDOC shall be on a Delivery-vs.-Payment (DVP) basis, i.e. payment will be made upon receipt of the securities to the safekeeping or trust account or custodial facility. All securities shall be held in MWDOC's name pursuant to an agreement and all financial institutions are instructed to mail confirmation and safekeeping receipts directly to MWDOC within three business days after the trade.

Receipts for the confirmation of trades of authorized securities will include information on trade date, par value, maturity, interest rate, price, yield, settlement date, description of securities purchased, agency's name, amount due, and third party custodial information.

### **SECTION 2108 - PERSONAL CONDUCT**

The Board of Directors of Municipal Water District of Orange County is acutely aware of the responsibilities the staff has in administering the investment assets of MWDOC.

Members of the Board of Directors, the Treasurer, Deputy Treasurers and members of the investment staff may not have a direct or indirect interest in the gains or profits of any investment made by MWDOC and may not receive any pay or emolument (profit arising from office or employment usually in the form of compensation or perquisites) for services other than as designated by MWDOC for compensation and authorized expenses.

All persons responsible for investment decisions or who are involved in the management of MWDOC assets shall be governed in their personal investment activities by the codes of conduct established by the applicable state statutes, the Financial Industry Regulatory Authority (FINRA), the Securities and Exchange Commission, and the Code of Ethics and Standards of Professional Conduct of the Association for Investment Management and Research.

All persons responsible for investment decisions or who are involved in the management of MWDOC assets shall refrain from any personal business activity that could conflict with the proper execution and management of the MWDOC investment program, or that could impair their ability to make impartial investment decisions.

### **SECTION 2109 - REPORTING**

The Treasurer shall prepare an investment report monthly, including a management summary that provides the status of the current investment portfolio and transactions made over the last month. The Report shall be submitted within forty-five (45) days following the month ended. The

report should be provided to and reviewed by the General Manager, the Administration & Finance Committee and provided to the Board of Directors. The report will include the following:

- A listing of individual securities held at the end of the reporting period;
- Average weighted yield to maturity of portfolio on MWDOC investments;
- Listing of investments by maturity date;
- Market values of current investments;
- Percentage of the total portfolio which each type of investment represents.

This investment policy shall be reviewed by the Administration and Finance Committee annually and as frequently as necessary, to enable the Treasurer to respond to changing economic and market conditions.

### **SECTION 2110 - GLOSSARY**

**AGENCIES:** Federal agency securities and/or Government-sponsored enterprises.

**ASKED:** The price at which securities are offered.

**BANKERS' ACCEPTANCE (BA):** A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

**BENCHMARK:** A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

**BID:** The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

**BROKER:** A broker brings buyers and sellers together for a commission.

**BROKER-DEALER:** A person or firm acting as a principal in securities transaction as either a broker or a dealer depending on the transaction. Technically, a broker is only an agent who executes orders on behalf of clients, whereas a dealer acts as a principal and trades from the firm's own account. Transaction confirmations must disclose this information. Because most brokerage firms act as both brokers and principals, the term broker-dealer is commonly used to describe them.

**CASH EQUIVALENTS (CE):** Highly liquid and safe instruments or investments that can be converted into cash immediately. Examples include bank accounts, money market funds, and Treasury bills.

**CERTIFICATE OF DEPOSIT (CD):** A time deposit with a specific maturity evidenced by a Certificate. Large-denomination CD's are typically negotiable.

**COLLATERAL:** Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

**COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR):** It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

**COUPON:** (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

**DEALER:** A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

**DEBENTURE:** A bond secured only by the general credit of the issuer.

**DELIVERY VERSUS PAYMENT:** There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

**DERIVATIVES:** (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

**DISCOUNT:** The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

**DISCOUNT SECURITIES:** Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value (*e.g., U.S. Treasury Bills.*)

**DIVERSIFICATION:** Dividing investment funds among a variety of securities offering independent returns.

**DURATION:** A measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices.

**FEDERAL CREDIT AGENCIES:** Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, *e.g., S&L's, small business firms, students, farmers, farm cooperatives, and exporters.*

**FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC):** A federal agency that insures bank deposits, currently up to \$250,000 per entity.

**FEDERAL FUNDS RATE:** The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

**FEDERAL HOME LOAN BANKS (FHLB):** Government sponsored wholesale banks (currently 12 regional banks), which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the

FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank.

**FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA):** FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

**FEDERAL OPEN MARKET COMMITTEE (FOMC):** Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

**FEDERAL RESERVE SYSTEM:** The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

**GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae):** Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA or FHA mortgages. The term "pass-throughs" is often used to describe Ginnie Maes.

**LIQUIDITY:** A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

**LOCAL GOVERNMENT INVESTMENT POOL (LGIP):** The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

**MARKET VALUE:** The price at which a security is trading and could presumably be purchased or sold.

**MASTER REPURCHASE AGREEMENT:** A written contract covering all future transactions between the parties to repurchase—reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller borrower.

**MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.

**MONEY MARKET:** The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.



**OFFER:** The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid.

**OPEN MARKET OPERATIONS:** Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

**PORTFOLIO:** Collection of securities held by an investor.

**PRIMARY DEALER:** A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

**PRUDENT PERSON RULE:** An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state—the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

**QUALIFIED PUBLIC DEPOSITORIES:** A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

**RATE OF RETURN:** The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

**REPURCHASE AGREEMENT (REPO):** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security “buyer” in effect lends the “seller” money for the period of the agreement, and the terms of the agreement are structured to compensate him for this.

**REVERSE REPURCHASE AGREEMENT (REVERSE REPO):** A reverse-repurchase agreement (reverse repo) involves an investor borrowing cash from a financial institution in exchange for securities. The investor agrees to repurchase the securities at a specified date for the same cash value plus an agreed upon interest rate. Although the transaction is similar to a repo, the purpose of entering into a reverse repo is quite different. While a repo is a straightforward investment of public funds, the reverse repo is a borrowing.

**SAFEKEEPING:** A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

**SECONDARY MARKET:** A market made for the purchase and sale of outstanding issues following the initial distribution.

**SECURITIES & EXCHANGE COMMISSION:** Agency created by Congress to protect investors in securities transactions by administering securities legislation.

**SEC RULE 15(C) 3-1:** See Uniform Net Capital Rule.

**STRUCTURED NOTES:** Notes issued by Government Sponsored Enterprises (FHLB, FNMA, SLMA, etc.) and Corporations, which have imbedded options (e.g., call features, step-up coupons, floating rate coupons, derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

**TOTAL RETURN:** A measure of performance, Total Return is the actual rate of return of an investment or a pool of investments, over a given evaluation period. Total Return accounts for two categories of return: income and capital appreciation. Income includes interest paid by fixed-income investments, distributions or dividends. Capital appreciation represents the change in the market price of an asset.

**TREASURY BILLS:** A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

**TREASURY BONDS:** Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

**TREASURY NOTES:** Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

**UNIFORM NET CAPITAL RULE:** Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

**YIELD:** The rate of annual income return on an investment, expressed as a percentage. (a) **INCOME YIELD** is obtained by dividing the current dollar income by the current market price for the security. (b) **NET YIELD** or **YIELD TO MATURITY** is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

BE IT FURTHER RESOLVED the investment policy shall be reviewed by the Administration and Finance Committee annually, and as frequently as necessary, to enable the Treasurer to respond to changing market conditions;

Said Resolution was adopted, upon roll call, by the following vote:

AYES: Directors Barbre, Dick, Finnegan, Osborne, Tamaribuchi & Thomas

NOES: None

ABSTAIN: None

ABSENT: Director Yoo Schneider

I certify the foregoing is a true, full and correct copy of Resolution No. 2059 adopted by the Board of Director of Municipal Water District of Orange County at its Regular meeting held on August 16, 2017.

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Maribeth Goldsby, District Secretary  
Municipal Water District of Orange County



**ACTION ITEM**

May 16, 2018

**TO:** Board of Directors

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

Robert J. Hunter, General Manager

**Staff Contacts:** Hilary Chumpitazi

**SUBJECT: Selection of Governmental Banking Services**

**STAFF RECOMMENDATION**

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It is recommended that the Board of Directors: Authorize the General Manager to contract Governmental Banking Services with U.S. Bank.

**COMMITTEE RECOMMENDATION**

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Committee recommends (To be determined at Committee Meeting)

**DETAILED REPORT**

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We currently have our checking and payroll account with Bank of America. In January, 2018 our fees doubled to \$1,800/mo. due to increased pricing and the discontinued grandfathered pricing that waived or greatly reduced our service fees (increased to Standard Pricing instead of Government Pricing). Staff prepared and issued a Request for Proposal (RFP) for Governmental Banking Services and posted it to CSMFO, CSDA and MWD OC's website, as well as emailed it directly to the following banks:

- Bank of the West
- Cal Bank & Trust/Zion
- Citizens Business Bank
- City National Bank
- JP Morgan Chase Bank
- Union Bank
- U.S. Bank
- Wells Fargo Bank

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

## **Proposals and Proposal Evaluation**

MWDOC received six proposals by the closing date of April 11, 2018:

- Citizens Business Bank
- Commercial Bank of California
- East West Bank
- JP Morgan Chase Bank
- Pacific Premier Bank
- U.S. Bank

All six proposals received met the initial qualifying criteria and were reviewed by a committee of staff consisting of: Hilary Chumpitazi, Jeff Stalvey, Lina Gunawan and Mary Snow; who rated and scored each proposal individually.

The scores were tallied and there was a natural separation between the top two and the remaining six banks. The committee chose to interview the top two banks: U.S. Bank and East West Bank. The quality of the proposals were high and the interviews had many common features with a few variances in features and pricing. The staff committee unanimously voted for one bank and U.S. Bank was selected.

The following is a summary of the proposed monthly pricing for an average month:

	Monthly Service Cost	Earnings Credit %	Earnings Credit \$	Net Monthly Service Cost	LAIF Bank
Citizens Business Bank	923.29	0.55%	(525.50)	397.79	No
Commerical Bank of California	508.05	0.55%	(525.50)	(17.45)	No
East West Bank	726.19	0.85%	(680.91)	45.28	No
JP Morgan Chase Bank <sup>(1)</sup>	123.65	N/A	N/A	123.65	Yes
Pacific Premier Bank	463.80	0.75%	(600.00)	(136.20)	No
U.S. Bank	626.81	0.75%	(749.99)	(123.18)	Yes
<sup>(1)</sup> Did not propose an analyzed deposit account					

## **Recommendation**

Staff's recommendation is to proceed with a contract with U.S. Bank for our governmental banking services. The two banks were close in most aspects and the committee went through a comprehensive series of matrix with the deciding factors below, which the committee felt were important for MWDOC.

1. They're committed to best-in-class customer service with their brand line "All of US Serving You" and offer longer customer service hours.
2. They offer same day ACH and have the closest branch.
3. They are an authorized California State deposit bank (LAIF).
4. They have one of the highest Earnings Credit Rates and their pricing was one of the lowest. Pricing is guaranteed for 5 years.



**ACTION ITEM**

May 16, 2018

**TO:** Board of Directors

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

Robert J. Hunter, General Manager

Staff Contact: Maribeth Goldsby, Board Secretary

**SUBJECT:** **Election Information (Candidate's Statements)**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors review the information presented and decide whether to limit candidate statements to either 200 or 400 words and submit information to the Registrar of Voters, along with a statement that the District will either pay or not pay for the statements.

**COMMITTEE RECOMMENDATION**

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To be determined.

**SUMMARY**

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Each election, the Registrar of Voters requests information relative to the Candidate's Statements. This information includes whether or not the District will pay the Candidate's Statement cost, and whether the District will limit statements to either 200 or 400 words.

Historically, the Board limits candidate statements to 200 words, and does not authorize payment by the District.

Attached is the paperwork received from the OC Registrar; it is due back by May 25, 2018.



**REGISTRAR OF VOTERS**  
1300 South Grand Avenue, Bldg. C  
Santa Ana, California 92705  
(714) 567-7600  
FAX (714) 567-7627  
ocvote.com

**NEAL KELLEY**  
Registrar of Voters

Mailing Address:  
P.O. Box 11298  
Santa Ana, California 92711

May 1, 2018

**RECEIVED**

MAY 04 2018

MWD OF OC

**TO: Manager/Director**

**FM: Marcia Nielsen, Candidate & Voter Services Manager**

**RE: Election Information for the November 6, 2018 General Election**

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Enclosed is a Transmittal of Election Information form to be completed and returned to the Registrar of Voters' office by May 25, 2018.

On the Transmittal of Election Information form, please list the name(s) of Director(s) whose term(s) expire and whose seat(s) will be scheduled for election on November 6, 2018. This would include any Director(s) appointed since your last election. Appointed Directors must file for the two-year unexpired term if they were appointed to fill a vacancy which would not have been scheduled for election until 2020.

We also need to know if your District **will** or **will not** pay for a Candidate's Statement of Qualifications and if the District is authorizing 200 or 400 words to be used in that statement.

Please send the completed Transmittal of Election Information form to me at 1300 South Grand Avenue, Building C, Santa Ana, CA 92705 or email to [Marcia.Nielsen@rov.ocgov.com](mailto:Marcia.Nielsen@rov.ocgov.com).

Pursuant to Elections Code § 10522, the District is required to submit a map showing the current district boundary lines, with divisions (if any), regardless if changes have occurred by May 25, 2018. We would prefer to receive the map in shape file format by email to Matthew Eimers at [Matthew.Eimers@rov.ocgov.com](mailto:Matthew.Eimers@rov.ocgov.com).

Candidate Filing for the November 6, 2018 General Election will be July 16, 2018 through August 10, 2018, 5:00 p.m. The Candidate's Handbook will be on our website at the middle of June. We ask that you post this information to advise your members of these important dates.

If you have any questions, please contact me at [Marcia.Nielsen@rov.ocgov.com](mailto:Marcia.Nielsen@rov.ocgov.com) or (714) 567-7568. Thanks for your assistance.

Enclosure

**TRANSMITTAL OF ELECTION INFORMATION SPECIAL DISTRICT**  
**(EC §10509, §10522)**

DISTRICT \_\_\_\_\_

**DISTRICT BOUNDARIES:**

Choose One:

☐ I will send the Registrar of Voters an electronic shape file of District boundaries and the boundaries of the Divisions of the District, if any, in which a Director is to be elected at the November 6, 2018 General Election.

**(Note: This is the Registrar of Voters' preferred method of transmittal.)**

☐ Attached is a map showing the boundaries of this District and the boundaries of the Divisions of the District, if any, in which a Director is to be elected at the November 6, 2018 General Election.

Choose One:

Voters in the District will be voting: ☐ At-large ☐ By Division

**THE ELECTIVE OFFICES FOR WHICH AN ELECTION WILL BE HELD WITHIN THE SPECIAL DISTRICT ON NOVEMBER 6, 2018 ARE:**

Choose One:

\_\_\_\_\_  
(# of directors) Director(s) to be elected at-large

**OR**

Director(s) to be elected in the following Divisions:

\_\_\_\_\_  
(# of directors) in Division \_\_\_\_\_  
(# of division)

\_\_\_\_\_  
(# of directors) in Division \_\_\_\_\_  
(# of division)

\_\_\_\_\_  
(# of directors) in Division \_\_\_\_\_  
(# of division)

\_\_\_\_\_  
(# of directors) in Division \_\_\_\_\_  
(# of division)

Please list below the names of the Incumbents/Appointed Incumbents for the above-mentioned positions:

(Name) \_\_\_\_\_ ☐ Elected ☐ Appointed (If appointed, the term ends in 20\_\_.)

(Name) \_\_\_\_\_ ☐ Elected ☐ Appointed (If appointed, the term ends in 20\_\_.)

(Name) \_\_\_\_\_ ☐ Elected ☐ Appointed (If appointed, the term ends in 20\_\_.)

(Name) \_\_\_\_\_ ☐ Elected ☐ Appointed (If appointed, the term ends in 20\_\_.)

The District authorizes the Candidate's Statement of Qualifications to contain no more than:

**(Circle one)** (200) or (400) words.

The District (will) or (will not) pay for a Candidate's Statement of Qualifications.

Dated \_\_\_\_\_

\_\_\_\_\_  
(Signature)

(District Seal)

\_\_\_\_\_  
(Print Name)

Phone #: \_\_\_\_\_ Email: \_\_\_\_\_

**NOTE:** Please return the above information no later than **May 25, 2018** to the Registrar of Voters' office, 1300 South Grand Avenue, Building C, Santa Ana, CA 92705, Attn: Marcia Nielsen or email to [Marcia.Nielsen@rov.ocgov.com](mailto:Marcia.Nielsen@rov.ocgov.com). Send the boundary map to Matthew Eimers at 1300 South Grand Avenue, Building C, Santa Ana, CA 92705 or at [Matthew.Eimers@rov.ocgov.com](mailto:Matthew.Eimers@rov.ocgov.com).



**Administration Activities Report**  
**April 6, 2018 to May 3, 2018**

Activity	Summary
<b>Administration/Board</b>	<p>Staff worked on the following:</p> <ul style="list-style-type: none"> <li>• Scheduling meetings for Rob Hunter and other various meetings of the Board members.</li> <li>• Assisted Rob/Karl with various write ups and follow-up for the Committees and Board.</li> <li>• Sent the Water Supply Reports to the member agencies.</li> <li>• Assisting management staff with District policy and procedures.</li> <li>• Organized the logistics for the Elected Officials Forum on April 5<sup>th</sup></li> <li>• Responded to four Public Records Act requests</li> <li>• Working with staff and vendors to obtain updated and current insurance certificates for agreements</li> <li>• Working with HR regarding efforts to fill the upcoming vacancy in the Admin Department</li> </ul>
<b>MWDOC/OCWD Joint Administration</b>	No new information to report.
<b>Health Benefits</b>	No new information to report
<b>Records Management</b>	<ul style="list-style-type: none"> <li>• Review of unfiled electronic documents continues. There are several thousand documents that require indexing, moving to the proper location, or purging.</li> <li>• Staff is scheduled to attend a Laserfiche User Group event on May 10.</li> <li>• Records Management audit meetings will take place on May 14 and 17. The consultant will meet with each department to review progress and make recommendations.</li> <li>• Staff is working with Laserfiche to schedule a user group event at MWDOC facilities at the end of July.</li> </ul>
<b>Recruitment /Departures</b>	<ul style="list-style-type: none"> <li>• Recruitment efforts continue for the Executive Assistant position.</li> </ul>
<b>Other</b>	
<b>Projects and Activities</b>	<ul style="list-style-type: none"> <li>• Staff is finalizing review of job descriptions and making revisions per recommendation of Ralph Andersen &amp; Associates.</li> <li>• Staff continues research for performance management software for implementation in the 2018/19 budget year. A demo was held on 4/17/18 with Neogov.</li> <li>• Staff is researching and evaluating implementation of a cell phone reimbursement policy.</li> <li>• Staff is evaluating and preparing information regarding Office Remodel Phases 1 &amp; 2 for A&amp;F Committee.</li> <li>• Staff is seeking bids for updating the MWDOC logo on the directional signs throughout the campus.</li> <li>• Staff is reviewing the Personnel Manual for updates.</li> <li>• Staff is preparing for the upcoming annual performance reviews.</li> </ul>



## INFORMATION ITEM

May 9, 2018

**TO:** Administration & Finance Committee  
(Directors Thomas, Dick, Finnegan)

**FROM:** Robert J. Hunter, General Manager

Staff Contact: Jeff Stalvey

**SUBJECT:** Finance and IT Pending Items Report

### SUMMARY

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The following list details the status of special projects that are in-progress or to be completed during FY 2017-18.

Description	% of Completion	Estimated Completion date	Status
<b><u>Finance</u></b>			
Further Implementation of WUE Landscape Programs Databases and Web Site.	On-going	On-going	In Progress
Preparation of documents for FY 2018-19 budget process.	<b>100%</b>	04-18-18	Completed
2018 W-9 collection for water rebates. Currently holding 3 rebate checks awaiting W-9 forms.	On-going	On-going	In Progress
RFP for new banking services issued on 03/13/18. Interviewed two banks. Submitting recommendation to the Board	<b>95%</b>	05-09-18	In Progress
Annual audit with Vazquez & Co. - Interim audit week of July 9 <sup>th</sup> ; final audit week of September 17 <sup>th</sup>	<b>0%</b>	11-14-18	Not Started
Transition to new banking institution	<b>0%</b>	07-01-18	Not Started

Description	% of Completion	Estimated Completion date	Status
<b><u>Information Technology</u></b>			
Network security issues (hackers, viruses and spam emails)	On-going	On-going	Continuous system monitoring
Purchase and implement Intrusion detection and prevention for District Network.	<b>70%</b>	06-30-18	In Progress
Implement Backups and Disaster Recovery for VOIP telephone System.	<b>20%</b>	03-31-18	On Hold

Description	% of Completion	Estimated Completion date	Status
<b><u>FY 2017-18 Completed Special Tasks</u></b>			
<b><u>Finance</u></b>			
Prepare, mail and file 2017 1099-MISC forms for rebate checks and accounts payable	<b>100%</b>	01-30-18	Completed
Government Compensation in California Report 2017	<b>100%</b>	03-30-18	Completed
<b><u>Information Technology</u></b>			
Purchase and implement 2 Cisco Power Over Ethernet switches and Cisco Router into existing Network.	<b>100%</b>	03-31-18	Completed

**INFORMATION ITEM**

May 9, 2018

**TO: Administration & Finance Committee**  
(Directors Thomas, Dick, Finnegan)

**FROM: Robert Hunter, General Manager**      Staff Contact: Kevin Hostert

**SUBJECT: Monthly Water Usage Data, Imported Water Projections, and Water Supply Info.**

**STAFF RECOMMENDATION**

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Staff recommends the Administration & Finance Committee receive and file this information.

**COMMITTEE RECOMMENDATION**

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Committee recommends (To be determined at Committee Meeting)

**REPORT**

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The attached figures show the recent trend of water consumption in Orange County (OC), an estimate of Imported Water Sales for MWD OC, and selected water supply information.

- OC Water Usage, Monthly by Supply OCWD Groundwater was the main supply in March.
- OC Water Usage, Monthly, Comparison to Previous Years Water usage in March 2018 was below average compared to the last 5 years. Lower usage was due to precipitation totals of almost 2 inches for March. We are seeing a slight increase in overall water usage compared to the previous two Fiscal Years. In June 2016, all water conservation became voluntary for MWD OC agencies and the Great California Drought was declared over by the Governor in April 2017.
- Historical OC Water Consumption OC water consumption is projected to be 540,000 AF in FY 2017-18 (*this includes ~15 TAF of agricultural usage and non-retail water agency usage*). This is about 21,000 AF more than FY 2016-17 and is about 49,000 AF more than FY 2015-16 (During the SWRCB mandatory water restrictions). Water usage per person is projected to be slightly higher than in FY 2017-18 for Orange County at 150 gallons per day (This includes recycled water). Although OC

Budgeted (Y/N): N	Budgeted amount: N/A	Core <u>X</u>	Choice <u>  </u>
Action item amount: N/A	Line item:		
Fiscal Impact (explain if unbudgeted):			

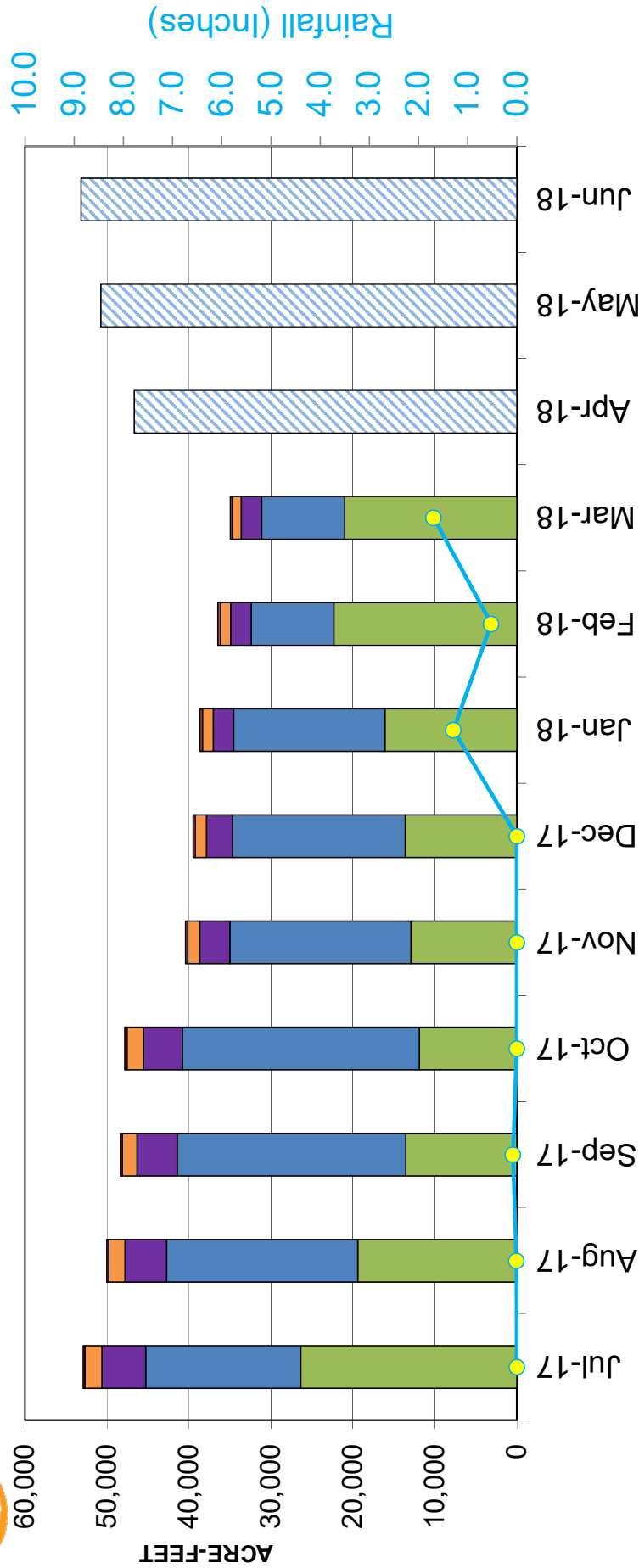
population has increased 20% over the past two decades, water usage has not increased, on average. A long-term decrease in per-capita water usage is attributed mostly to Water Use Efficiency (water conservation) efforts

Water Supply Information Includes data on Rainfall in OC; the OCWD Basin overdraft; Northern California and Colorado River Basin hydrologic data; the State Water Project (SWP) Allocation, and regional storage volumes. The data have implications for the magnitude of supplies from the three watersheds that are the principal sources of water for OC. Note that a hydrologic year is Oct. 1<sup>st</sup> through Sept. 30<sup>th</sup>.

- Orange County's accumulated rainfall through early May was well below average for this period. Water year to date rainfall in Orange County is 3.62 inches which is 29% of normal.
- Northern California accumulated precipitation through early May was around 84% of normal for this period. Water Year 2017 was the wettest water year on record. The Northern California snowpack was 43% of normal as of April 1<sup>st</sup>. The State of California was in a declared Drought Emergency that started January 2014 and just recently ended in April of 2017. As of late April, 37.1% of California is experiencing moderate or severe drought conditions while 65.9% of the state is experiencing abnormally dry conditions. The State Water Project Contractors Table A Allocation has increased to 30% as of late April.
- Colorado River Basin accumulated precipitation through early May was 74% average for this period. The Upper Colorado Basin snowpack was 71% of normal as of April 3. The Colorado River Basin saw above average conditions in WY 2017 but the region has been still trying to rebound from the previous long term drought. Lake Mead and Lake Powell combined have about 66% of their average storage volume for this time of year and are at 46.0% of their total capacity. If Lake Mead's level falls below a "trigger" limit 1,075 ft. at the end of a calendar year, then a shortage will be declared by the US Bureau of Reclamation (USBR), impacting Colorado River water deliveries to the Lower Basin states. As of late April, Lake Mead levels were 9.6' above the "trigger" limit. The USBR predicts that the end of 2018 will not hit the "trigger" level.



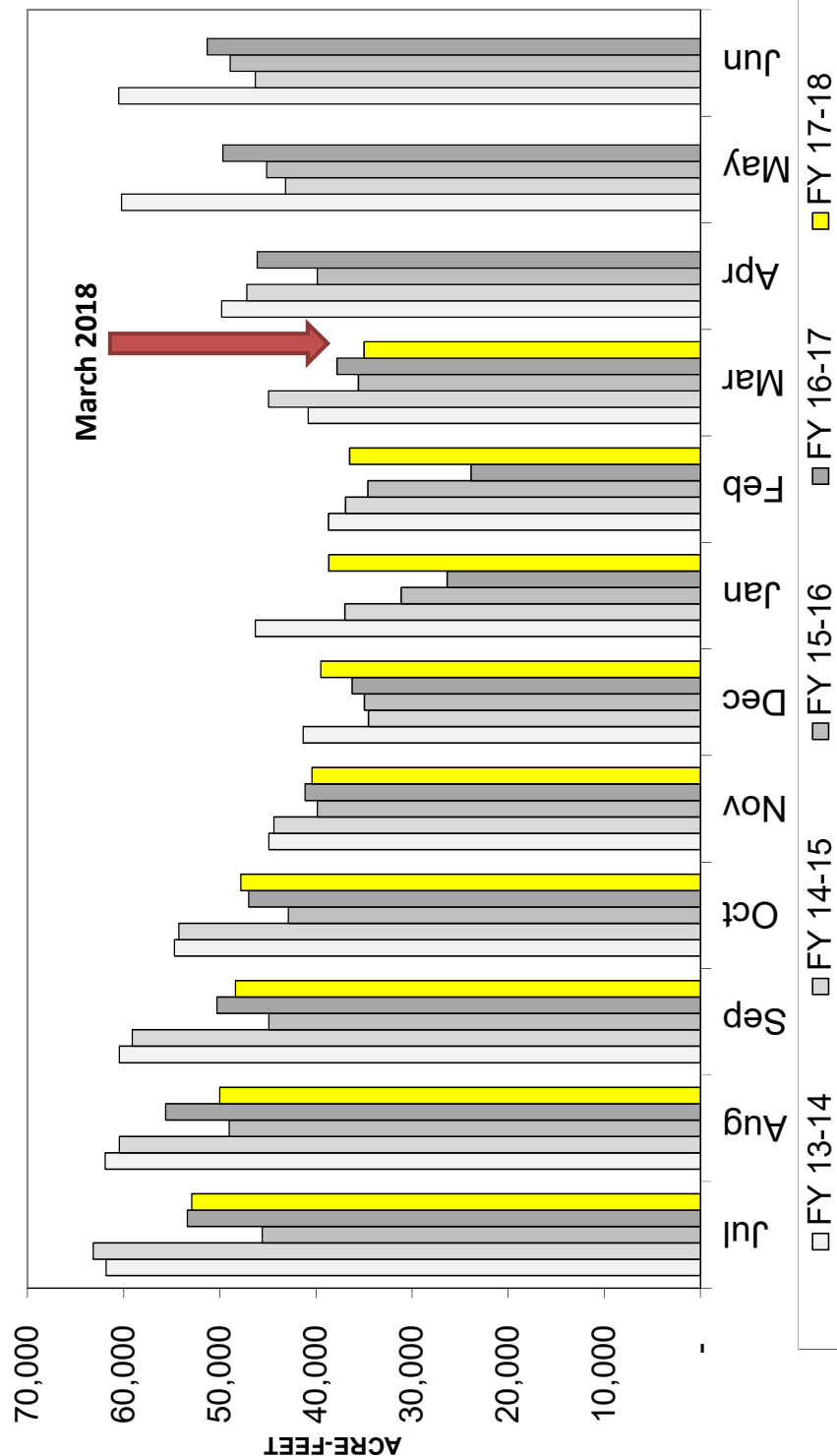
**Fig. 1 OC Water Usage, Monthly by Supply**  
with projection to end of fiscal year



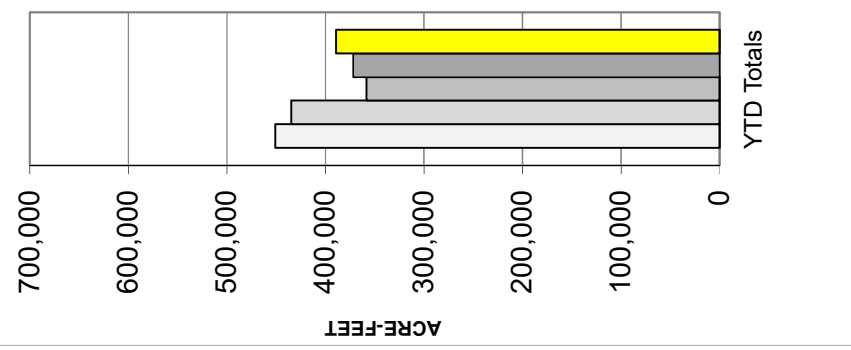
- [1] Imported water for consumptive use. Includes "In-Lieu" deliveries and CUP water extraction. Excludes "Direct Replenishment" deliveries of spreading water, "Barrier Replenishment" deliveries, and deliveries into Irvine Lake.
- [2] GW for consumptive use only. Excludes In-Lieu water deliveries and CUP water extraction that are counted with Import. BPP in FY '16-17 is 75%.
- [3] MWDOC's estimate of monthly demand is based on the projected FY 15-16 "Retail" water demand and historical monthly demand patterns.
- [4] Total water usage includes IRWD groundwater agricultural use and usage by non-retail water agencies.



**Fig. 2 OC Monthly Water Usage [1]: Comparison to Last 4 Fiscal Years**

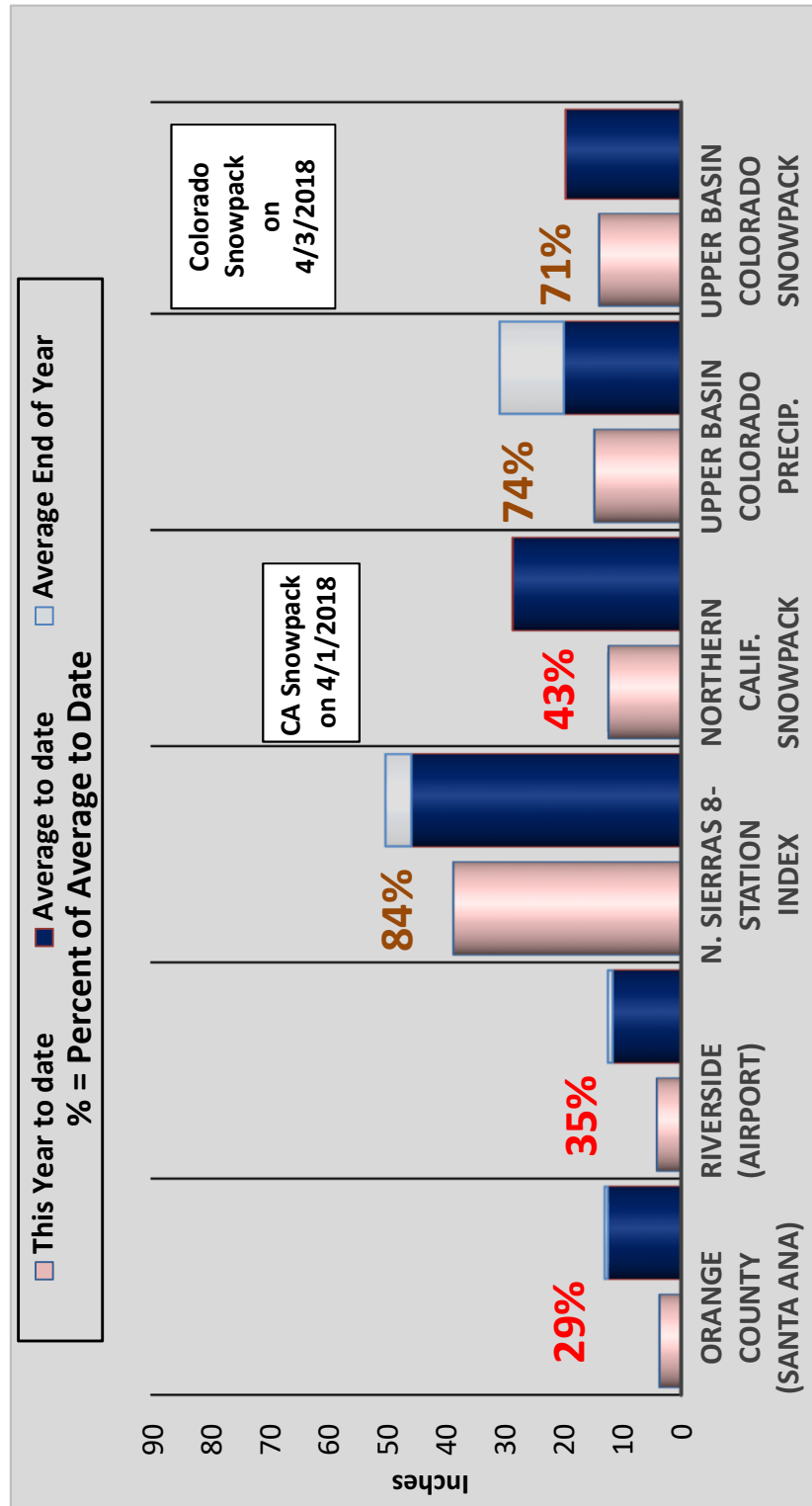


**Partial Year Subtotals**



[1] Sum of Imported water for consumptive use (includes "In-Lieu" deliveries; excludes "Direct Replenishment" and "Barrier Replenishment") and Local water for consumptive use (includes recycled and non-potable water; excludes GWRS production, groundwater pumped to waste, and waste brine from water treatment projects.) Recent months numbers include some estimation.

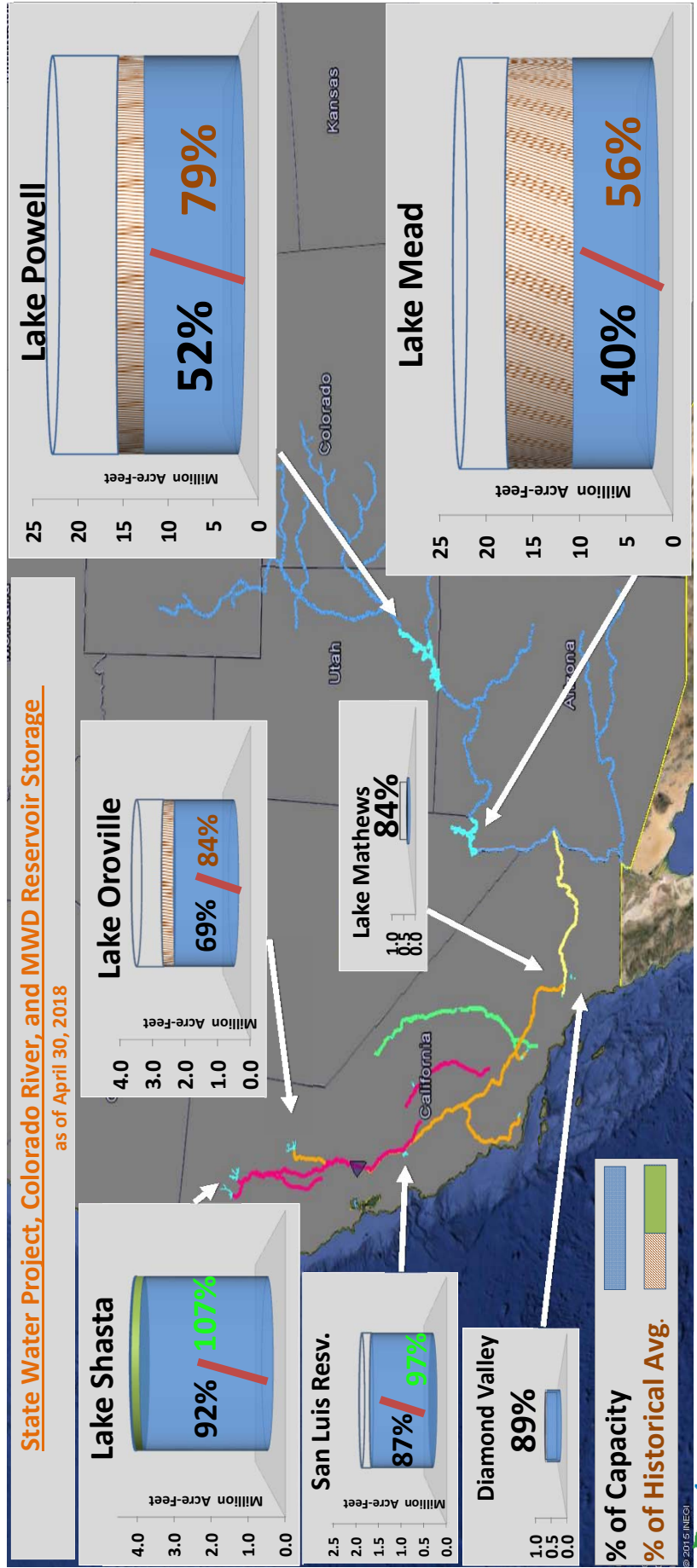
## Accumulated Precipitation for the Oct.-Sep. water year, through early May 2018



\* The date of maximum snowpack accumulation (April 1st in Northern Calif. , April 15th in the Upper Colorado Basin) is used for year to year comparison.

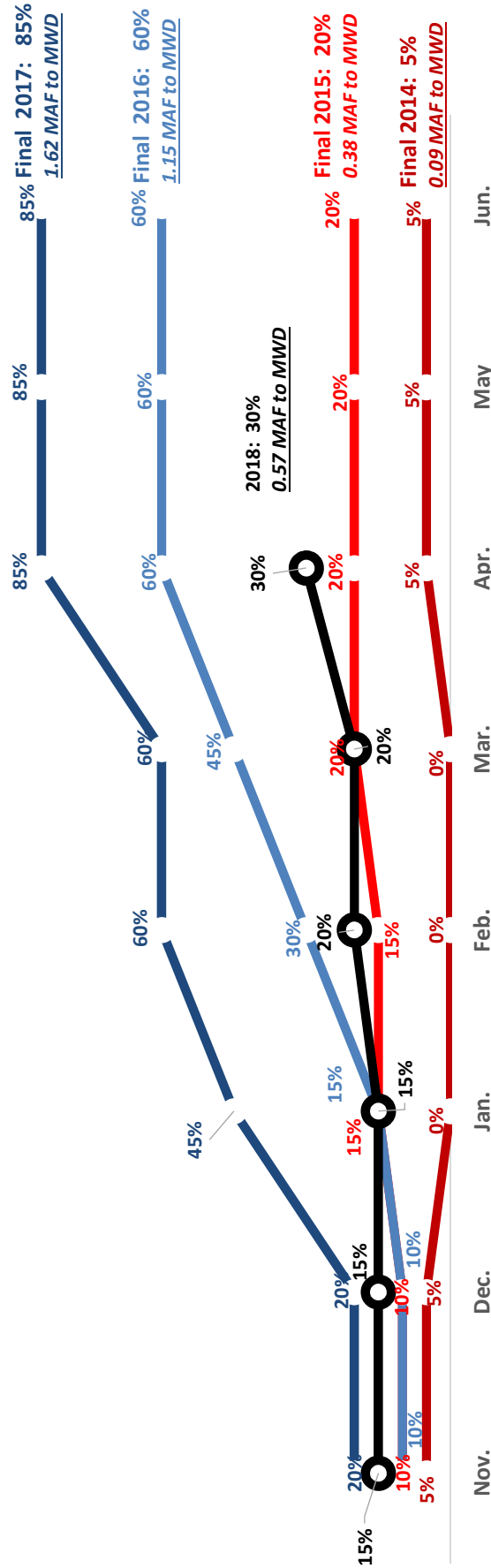


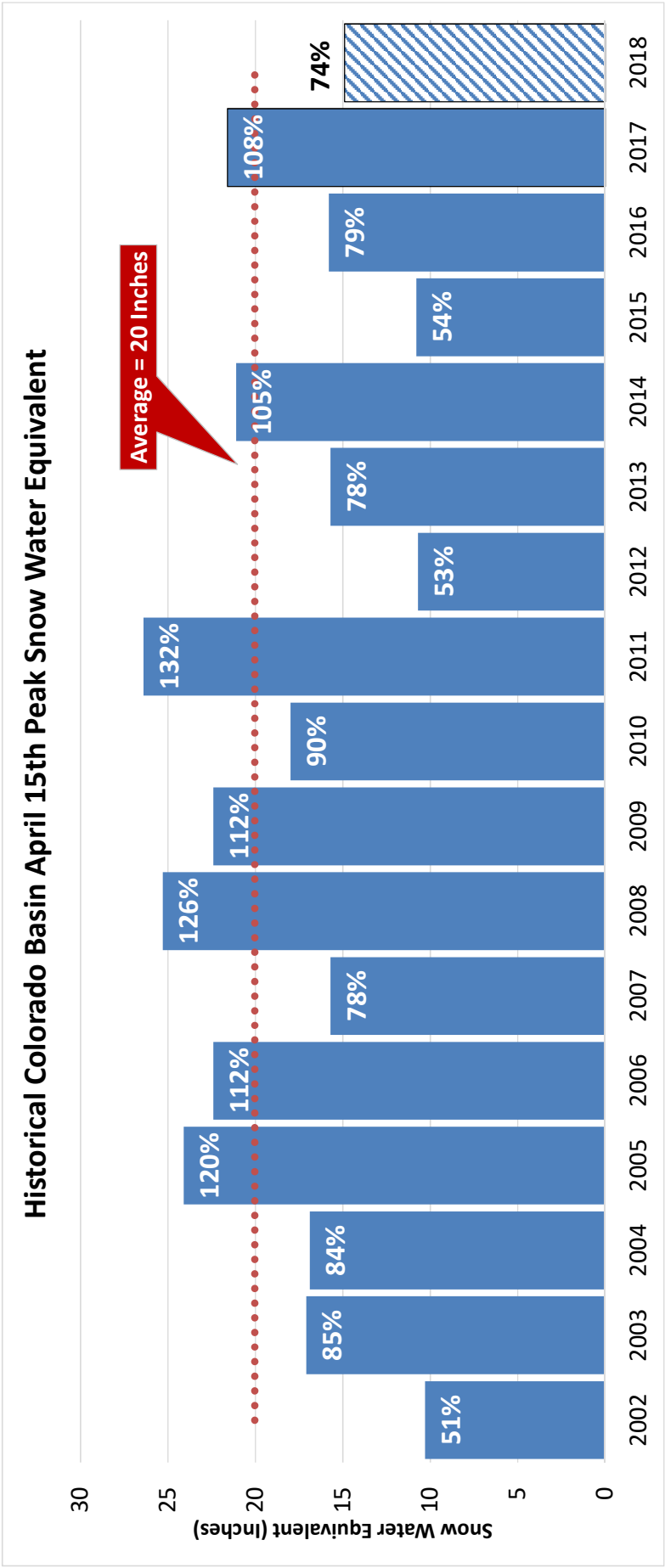
# **State Water Project, Colorado River, and MWD Reservoir Storage** as of April 30, 2018



# SWP TABLE A ALLOCATION

FOR STATE WATER PROJECT CONTRACTORS





# Historical Northern California April 1st Peak Snow Water Equivalent



## Accumulated Overdraft of the OCWD Groundwater Basin as of March 2018

Full 0

50,000

100,000

150,000

200,000

250,000

300,000

350,000

400,000

450,000

500,000

550,000

Acre Feet

Mar-18  
Feb-18  
Jan-18  
Dec-17  
Nov-17  
Oct-17  
Sep-17  
Aug-17  
Jul-17  
Jun-17  
May-17  
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Jul-13



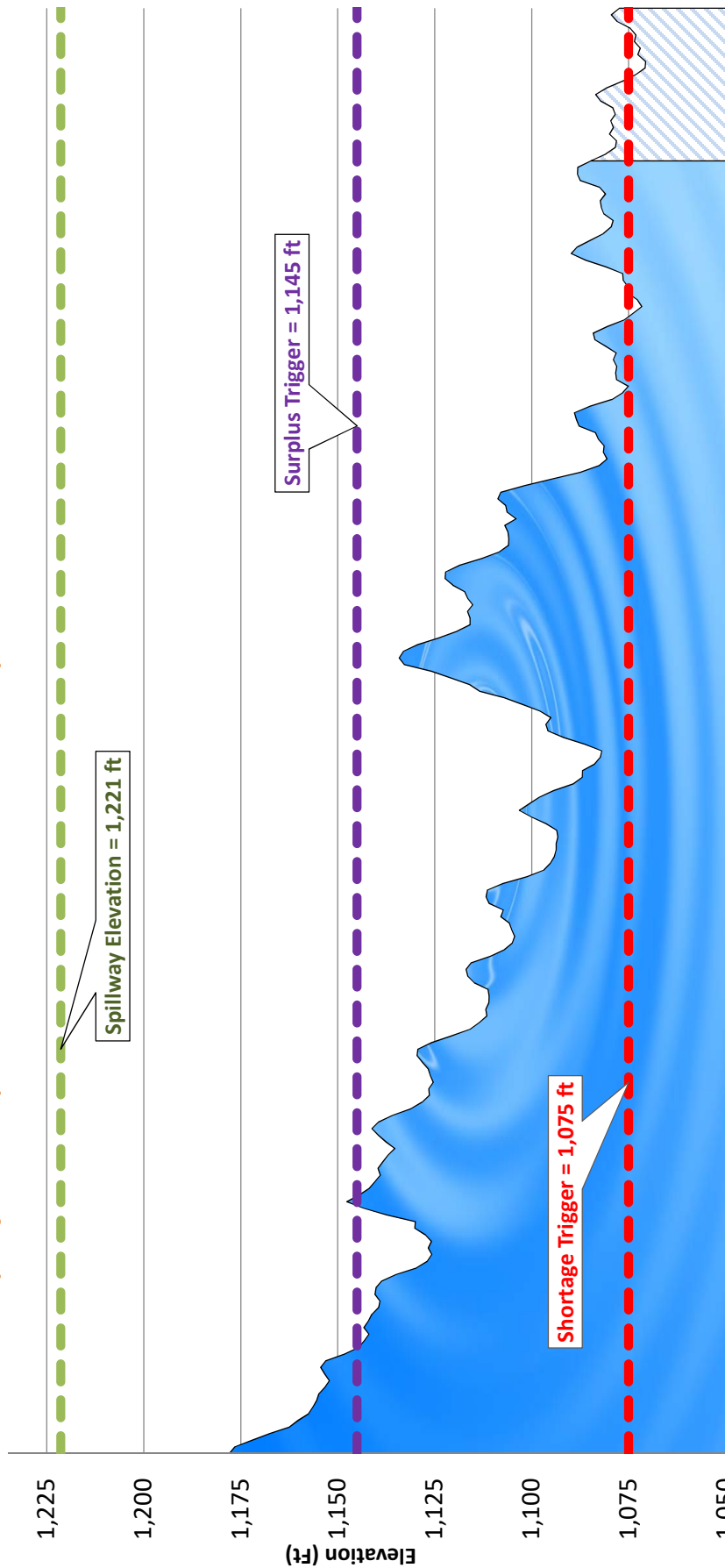
	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17
AO (AF)	376,310	381,800	403,047	405,635	408,729	406,832	383,548	314,004	299,755	316,286	313,468	310,434
AO w/CUP removed (AF)	376,864	382,340	403,223	405,811	408,906	407,009	383,548	314,004	299,931	316,462	314,009	312,164
AO (AF)	308,488	321,131	306,280	290,800	277,691	278,056	261,521	272,475	268,752			
AO w/CUP removed (AF)	310,216	321,131	308,007	292,522	277,691	279,776	263,237	274,188	270,463			





# Lake Mead Levels: Historical and Projected projection per USBR 24-Month Study

☒ Historical ☐ Projected





# Lake Powell Levels: Historical and Projected projection per USBR 24-Month Study

■ Historical    □ Projected

