

**MEETING OF THE
BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**
Jointly with the
ADMINISTRATION & FINANCE COMMITTEE
December 12, 2018, 8:30 a.m.
MWDOC Conference Room 101

Committee

Director Thomas, Chair
Director Dick
Director Finnegan

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

Ex Officio Member: Director Barbre

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 – November 2018
 - b. Disbursement Approval Report for the month of December 2018
 - c. Disbursement Ratification Report for the month of November 2018
 - d. GM Approved Disbursement Report for the month of November 2018
 - e. Water Use Efficiency Projects Cash Flow – November 30, 2018
 - f. Consolidated Summary of Cash and Investment – October 2018
 - g. OPEB and PensionTrust Fund monthly statement

2. FINANCIAL REPORT
 - a. Combined Financial Statements and Budget Comparative for the Period ending October 31, 2018

ACTION ITEMS

3. PRUDENT COMPANION POLICY
4. RESULTS OF MWDOC ADMINISTRATION BUILDING ELECTRICAL ASSESSMENT AND APPROVAL OF ELECTRICAL ENGINEERING SERVICES

DISCUSSION ITEMS

5. FY 2019-20 BUDGET
6. ADMINISTRATION DEPARTMENT OVERVIEW
7. FINANCE AND INFORMATION TECHNOLOGY (IT) DEPARTMENT OVERVIEW

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.)

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

OTHER ITEMS

10. 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
November 2018**

WATER REVENUES

Date	From	Description	Amount
11/01/18	City of Garden Grove	September 2018 Water deliveries	520,738.32
11/02/18	City of La Palma	September 2018 Water deliveries	3,461.17
11/02/18	City of Huntington Beach	September 2018 Water deliveries	949,242.84
11/05/18	City of Buena Park	September 2018 Water deliveries	237,953.05
11/07/18	Laguna Beach County Water District	September 2018 Water deliveries	161,012.25
11/09/18	El Toro Water District	September 2018 Water deliveries	524,268.35
11/09/18	City of San Clemente	September 2018 Water deliveries	718,965.88
11/13/18	South Coast Water District	September 2018 Water deliveries	542,472.43
11/13/18	Santa Margarita Water District	September 2018 Water deliveries	2,281,528.86
11/14/18	City of San Juan Capistrano	September 2018 Water deliveries	651,582.34
11/14/18	City of Orange	September 2018 Water deliveries	584,412.30
11/15/18	City of Seal Beach	September 2018 Water deliveries	6,089.32
11/15/18	East Orange County Water District	September 2018 Water deliveries	288,636.51
11/15/18	Orange County Water District	September 2018 Water deliveries	5,410,800.95
11/15/18	Golden State Water Company	September 2018 Water deliveries	691.62
11/15/18	Yorba Linda Water District	September 2018 Water deliveries	655,167.00
11/15/18	Moulton Niguel Water District	September 2018 Water deliveries	2,515,477.89
11/15/18	Irvine Ranch Water District	September 2018 Water deliveries	1,646,563.09
11/15/18	City of Westminster	September 2018 Water deliveries	244,919.68
11/26/18	City of Fountain Valley	October 2018 Water deliveries	12,392.14
11/30/18	City of La Habra	October 2018 Water deliveries	1,762.40
11/30/18	City of Huntington Beach	October 2018 Water deliveries	777,387.56
TOTAL REVENUES			\$ 18,735,525.95

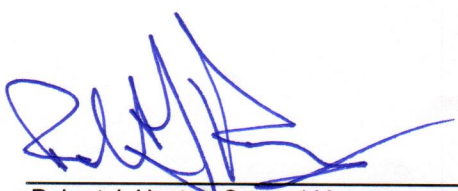
Municipal Water District of Orange County
REVENUE / CASH RECEIPT REPORT
November 2018

MISCELLANEOUS REVENUES

Date	From	Description	Amount
11/01/18	Paypal	10/11/18 Water Policy dinner	12,134.77
11/06/18	Santa Margarita Water District	10/11/18 Water Policy dinner	750.00
11/13/18	Westin/ Marriott	10/11/18 Water Policy dinner banquet facility refund	134.69
11/30/18	US Bank	CAL Card rebate check	722.24
11/05/18	Pat Meszaros	Nov-Dec 2018 Retiree Health insurance	81.00
11/13/18	Stan Sprague	December 2018 Retiree Health insurance	243.00
11/15/18	Keith Lyon	November 2018 Retiree Health insurance	278.59
11/30/18	Keith Lyon	December 2018 Retiree Health insurance	278.59
11/02/18	3 Checks	Movie tickets	229.50
11/05/18	Steve Hedges	Movie tickets	68.00
11/15/18	Kelly Hubbard	Movie tickets	34.00
11/26/18	Harvey De La Torre	Movie tickets	126.00
11/01/18	Paypal	ISDOC Registrations	526.34
11/01/18	Paypal	OCEMO Luncheon	431.39
11/05/18	Stephen Rhyner	OCEMO Luncheon	32.00
11/26/18	2 Checks	OCEMO Luncheon	64.00
11/02/18	Robert Hunter	Reimbursement for personal expenses	55.38
11/05/18	City of Buena Park	Overpayment for the September 2018 Water deliveries	36,000.00
11/15/18	City of Westminster	August 2018 Spray to Drip rebate program	111.00
11/05/18	El Toro Water District	July 2018 Turf Removal rebate program	561.00
11/15/18	City of Westminster	September 2018 Turf Removal rebate program	555.00
11/16/18	Irvine Ranch Water District	September 2018 Turf Removal rebate program	9,257.00
11/26/18	City of Fountain Valley	September 2018 Turf Removal rebate program	111.00
11/26/18	City of Orange	September 2018 Turf Removal rebate program	173.85
11/16/18	El Toro Water District	September 2018 Smartimer and Turf Removal rebate program	2,007.10
11/16/18	City of San Clemente	September 2018 Smartimer and Turf Removal rebate program	1,312.00
11/02/18	City of San Clemente	Jul-Sep 2018 So Cal Watersmart rebate program	2,000.00
11/05/18	El Toro Water District	Jul-Sep 2018 So Cal Watersmart rebate program	1,265.00
11/05/18	Moulton Niguel Water District	Jul-Sep 2018 So Cal Watersmart rebate program	21,400.00
11/06/18	Irvine Ranch Water District	Jul-Sep 2018 So Cal Watersmart rebate program	89,238.70
11/05/18	Trabuco Canyon Water District	August 2018 So Cal Watersmart rebate program	100.00
11/30/18	El Toro Water District	October 2018 So Cal Watersmart rebate program	230.00
11/05/18	El Toro Water District	Practical Plumbing Handbook	2,630.00
11/05/18	Moulton Niguel Water District	Practical Plumbing Handbook	1,315.00
11/09/18	2 checks	Practical Plumbing Handbook	3,156.00
11/09/18	City of San Clemente	Practical Plumbing Handbook	526.00
11/13/18	Irvine Ranch Water District	Practical Plumbing Handbook	131.50
11/15/18	East Orange County Water District	Practical Plumbing Handbook	526.00
11/16/18	South Coast Water District	Practical Plumbing Handbook	526.00
11/30/18	Laguna Beach County Water District	Practical Plumbing Handbook	1,578.00

TOTAL MISCELLANEOUS REVENUES \$ 190,899.64

TOTAL REVENUES \$ 18,926,425.59


 Robert J. Hunter, General Manager


 Hilary Chumpitazi, Treasurer

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

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
Core Expenditures:		
	Richard C. Ackerman	
1209	November 2018 Consulting on legal and regulatory matters	1,600.00
	*** Total ***	1,600.00
	Aleshire & Wynder LLP	
49146	November 1-15, 2018 Legal services	607.50
	*** Total ***	607.50
	Bergelectric Corp.	
119717-01-2	October 2018 Services for electrical review of MWDOC building	1,339.66
	*** Total ***	1,339.66
	Best Best and Krieger LLP	
836107	October 2018 State legislative advocacy services	7,500.00
55401-OCT18	October 2018 Legal services	24,436.37
837076	November 2018 State legislative advocacy services	7,500.00
55401-NOV18	November 2018 Legal services	9,579.48
	*** Total ***	49,015.85
	Bitly, Inc.	
0015313	Annual subscription for software to shorten redirect links on MWDOC media pages	1,200.00
	*** Total ***	1,200.00
	Hunter T. Cook	
AUG-DEC2018	August-December 2018 Retiree medical premium	2,560.00
	*** Total ***	2,560.00
	Dudek	
20185174	6/30/18-7/27/18 Services for Hydraulic calculations change order	1,047.50
20187059	9/29/18-10/26/18 Planning level reliability for South County Interconnection	26,408.28
	*** Total ***	27,455.78
	Hashtag Pinpoint Corporation	
1177	November 2018 Social Media consultation and services	7,917.00
	*** Total ***	7,917.00
	IDS Group Inc.	
17X114.00-3	November 2018 Structural Engineering Preconstruction Phase services for MWDOC office redesign	5,549.00
18X093.00-1	10/16/18-11/28/18 Services for MWDOC Seismic Retrofit project	11,567.50
	*** Total ***	17,116.50
	James C. Barker, P.C.	
105-1118	November 2018 Federal legislative advocacy services	8,000.00
	*** Total ***	8,000.00

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

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	Lawnscape Systems, Inc.	
398461	11/16/18 Landscape maintenance for atrium	295.00
	*** Total ***	295.00
	Lewis Consulting Group	
2018-181	November 2018 Consulting services	2,812.50
	*** Total ***	2,812.50
	Edward G. Means III	
MWDOC-1065	November 2018 Consulting on MET issues and guidance to engineering staff	125.00
	*** Total ***	125.00
	Mega Maids Cleaning Service	
10071	11/30/18 Deep cleaning services for MWDOC kitchen and restrooms	180.00
	*** Total ***	180.00
	NDS	
716291	11/9/18 and 11/16/18 Delivery charges for Board packets	451.92
	*** Total ***	451.92
	Office Solutions	
I-01477013	11/14/18 Office supplies	5.63
I-01479148	11/19/18 Office supplies	156.34
I-01483166	11/28/18 Office supplies	276.95
I-01483956	11/29/18 Office supplies	46.10
I-01484654	11/30/18 Office supplies	78.28
I-01485431	12/3/18 Office supplies	117.42
	*** Total ***	680.72
	Orange County Water District	
19633	October 2018 Postage, shared office & maintenance expense	9,876.35
	*** Total ***	9,876.35
	Patricia Kennedy Inc.	
10643	December 2018 Plant maintenance	214.00
	*** Total ***	214.00
	Judy Pfister	
JUL-SEP2018	July-September 2018 Retiree medical premium	354.00
	*** Total ***	354.00
	Three Valleys Municipal Water District	
L8541	10/31/18 Leadership Breakfast meeting registration for K. Hostert	20.00
	*** Total ***	20.00
	U.S. Bank	
11222540	7/1/18-9/30/18 Custodial services for MWDOC's investments	1,201.09
	*** Total ***	1,201.09

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Disbursement Approval Report
For the month of December 2018**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<i>Vasquez and Company LLP</i>	
2180923-IN	10/12/18-11/13/18 Services for FY 17-18 Financial audit	380.00
	*** Total ***	380.00
	<i>WageWorks, Inc.</i>	
INV1062257	November 2018 Cafeteria plan administration	185.25
	*** Total ***	185.25
	<i>Water Systems Optimization, Inc.</i>	
1476	November 2018 Water Loss Control program	41,552.95
	*** Total ***	41,552.95
	<i>Total Core Expenditures</i>	<hr/> 175,141.07

Choice Expenditures:

	<i>Enterprise Information Sys Inc.</i>	
MWDOC-22009	October-December 2018 Technical support for California Sprinkler Adjustment Subscription System program	3,000.00
	*** Total ***	3,000.00
	<i>Orange County Water District</i>	
19633	October 2018 Postage for Water Use Efficiency rebate programs	47.86
	*** Total ***	47.86
	<i>Top Hat Productions</i>	
94600	11/7/18 Lunch for California Water Efficiency Partnership Board meeting	239.42
94622	11/13/18 Lunch for Water Loss Control Workgroup meeting	462.68
	*** Total ***	702.10
	<i>Total Choice Expenditures</i>	<hr/> 3,749.96

Other Funds Expenditures:

	<i>Michael Baker International</i>	
1028441	9/3/18-9/30/18 OC Regional Water/Wastewater Multijurisdictional Hazard Mitigation Plan Update	672.88
1031248	10/1/18-10/28/18 OC Regional Water/Wastewater Multijurisdictional Hazard Mitigation Plan Update	2,486.37
	*** Total ***	3,159.25

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

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
I-01483166	<i>Office Solutions</i>	
	11/28/18 Office supplies for WEROC	36.52
	*** Total ***	36.52
	<i>Total Other Funds Expenditures</i>	<u>3,195.77</u>
	<i>Total Expenditures</i>	<u><u>182,086.80</u></u>

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

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
Core Disbursements:				
138496	11/5/18	SPECTB	Spectrum Business	
		0375210102018	November 2018 Telephone and internet expense	1,099.14
			***Total ***	1,099.14
138497	11/5/18	VERIZO	Verizon Wireless	
		9817108445	October 2018 4G Mobile broadband unlimited service	131.53
			***Total ***	131.53
138508	11/15/18	IRONMO	Iron Mountain	
		AHHN021	November 2018 Archived document storage fees	209.70
			***Total ***	209.70
138514	11/15/18	SPECTB	Spectrum Business	
		0343564110118	November 2018 Telephone expense for 3 analog fax lines	108.06
			***Total ***	108.06
138516	11/15/18	USBANK	U.S. Bank	
		0403/4140/5443-OCT18	09/24/18-10/22/18 Cal Card charges	6,733.73
			***Total ***	6,733.73
			(See attached sheet for details)	
ACH003616	11/15/18	ACKEEX	Linda Ackerman	
		103118	October 2018 Business expense	91.56
			***Total ***	91.56
ACH003618	11/15/18	BARBRE	Brett Barbre	
		103118	October 2018 Business expense	164.59
			***Total ***	164.59
ACH003619	11/15/18	BAUMHA	Melissa Baum-Haley	
		103118	October 2018 Business expense	291.88
			***Total ***	291.88
ACH003620	11/15/18	BERGJO	Joseph Berg	
		103118	September-October 2018 Business expense	548.71
			***Total ***	548.71
ACH003623	11/15/18	BUIJEA	Jeannie Bui	
		103118	October 2018 Business expense	38.64
			***Total ***	38.64
ACH003626	11/15/18	DICKEX	Larry Dick	
		103118	October 2018 Business expense	95.40
			***Total ***	95.40

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

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
ACH003627	11/15/18	DINHPA 103118	Patrick Dinh October 2018 Business expense ***Total ***	 21.80 21.80
ACH003628	11/15/18	FINNEG 103118	Joan Finnegan October 2018 Business expense ***Total ***	 76.30 76.30
ACH003630	11/15/18	HOSTER 110118	Kevin Hostert September-November 2018 Business expense ***Total ***	 148.24 148.24
ACH003647	11/15/18	ROBERT 103118	Bryce Roberto October 2018 Business expense ***Total ***	 87.08 87.08
ACH003650	11/15/18	TAMARI 103118	Satoru Tamaribuchi October 2018 Business expense ***Total ***	 164.59 164.59
ACH003651	11/15/18	THOMAS 103118	Jeffery Thomas October 2018 Business expense ***Total ***	 144.43 144.43
ACH003656	11/30/18	BACATI 111618	Tiffany Baca September-November 2018 Business expense ***Total ***	 128.42 128.42
ACH003659	11/30/18	LINGAD 103018	Christopher S. Lingad October 2018 Business expense ***Total ***	 14.30 14.30
ACH003660	11/30/18	DELATO 110818	Harvey De La Torre November 2018 Business expense ***Total ***	 71.80 71.80
ACH003661	11/30/18	FAHLBE 103118	Beth Fahl October 2018 Business expense ***Total ***	 37.65 37.65
ACH003668	11/30/18	MULDOO 103118	Traci L. Muldoon October 2018 Business expense ***Total ***	 20.49 20.49
ACH003671	11/30/18	DAVISR 103118	Rachel Davis October 2018 Business expense ***Total ***	 22.13 22.13

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

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
ACH003672	11/30/18	SCHNEI 103118	Megan Yoo Schneider October 2018 Business expense ***Total ***	 1,621.49 1,621.49
ACH003675	11/30/18	WAITER 103118	Rachel Waite October 2018 Business expense ***Total ***	 24.35 24.35
Total Core Disbursements				12,096.01
Choice Disbursements:				
138507	11/15/18	HEDGES 103118	Steve Hedges October 2018 Business expense ***Total ***	 182.00 182.00
138516	11/15/18	USBANK 4140-OCT18	U.S. Bank 9/24/18-10/22/18 Cal Card charges ***Total *** (See attached sheet for details)	 9.95 9.95
Total Choice Disbursements				191.95
Other Funds Disbursements:				
138497	11/5/18	VERIZO 9817108445	Verizon Wireless October 2018 4G Mobile broadband unlimited service ***Total ***	 76.02 76.02
138499	11/15/18	ATTUVEOC 8599-NOV18	AT&T November 2018 WEROC N. EOC U-verse internet service ***Total ***	 60.00 60.00
138502	11/15/18	ATTCALN 000012109694 000012109695	AT&T October 2018 WEROC N. & S. EOC telephone expense October 2018 WEROC N. EOC telephone expense ***Total ***	 206.69 106.96 313.65
138516	11/15/18	USBANK 4140-OCT18	U.S. Bank 9/24/18-10/22/18 Cal Card charges ***Total *** (See attached sheet for details)	 1,888.01 1,888.01
ACH003620	11/15/18	BERGIO 103118	Joseph Berg September-October 2018 Business expense ***Total ***	 9.00 9.00

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

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
ACH003636	11/15/18	MESAWA 9656	Mesa Water District September 2018 Credit for Local Resources program ***Total ***	 15,282.94 15,282.94
ACH003648	11/15/18	SOTOFR 103118	Francisco Soto October 2018 Business expense ***Total ***	 141.66 141.66
138521	11/30/18	MFHETD 110918AC	Multi Family HET Direct Sares Regis Group - Aliso Creek 1,013 HETs ***Total ***	 75,975.00 75,975.00
138522	11/30/18	SANTI1 SEP2018	Santiago Aqueduct Commission September 2018 SAC Pipeline Operation surcharge ***Total ***	 2,677.14 2,677.14
138524	11/30/18	SOUTH C SCWD181901	South Coast Water District 9/10/18-9/26/18 Sub-metering program for Sea Ridge Condominium Association (Laguna Hills) ***Total ***	 18,800.00 18,800.00
		TURFRP	Turf Removal Program	
138528	11/30/18	TR11-C-ETWD-4935-26528	M. Mark (Laguna Hills)	4,098.00
138529	11/30/18	TR11-C-NWPT-13498-26549	Park Newport (Newport Beach)	15,543.40
138530	11/30/18	TR11-C-IRWD-26698-26612	Edwards Lifesciences LLC (Irvine)	102,391.40
138531	11/30/18	TR11-C-IRWD-26739-26655	Northwood High School (Irvine)	174,590.70
138532	11/30/18	TR11-R-IRWD-5143-26695	L. Moore	2,776.00
138533	11/30/18	TR11-R-SM-26787-26710	L. Lausten	1,051.00
138535	11/30/18	TR12-R-MNT-27008-26929	P. McIntosh	388.00
138536	11/30/18	TR12-R-SM-27014-26936	P. Lee	737.00
138537	11/30/18	TR12-R-IRWD-27019-26941	I. Kashefipour	260.00
138538	11/30/18	TR12-C-NWPT-27029-26953	Villa Granada (Newport Beach)	5,583.00
138539	11/30/18	TR12-R-IRWD-27050-26972	E. Shayan	625.00
138540	11/30/18	TR12-R-MNT-27051-26974	M. Orwat	1,946.00
138541	11/30/18	TR12-R-IRWD-27072-26996	S. Shurter	2,512.00
138542	11/30/18	TR12-R-IRWD-28079-28003	K. Stroh	710.00
138543	11/30/18	TR12-R-MNT-28089-28012	R. Williams	2,812.00
138544	11/30/18	TR12-R-IRWD-28108-28031	J. Doty	448.00
138545	11/30/18	TR12-R-MNT-28121-28044	H. Amiri	588.00
138546	11/30/18	TR12-R-IRWD-28130-28057	N. Vitakis-Dourbetas	949.00
138547	11/30/18	TR12-R-MNT-28135-28060	S. Wolcott	1,852.00
138548	11/30/18	TR12-R-IRWD-29134-29060	S. Goebels	506.00
138549	11/30/18	TR12-R-MNT-29148-29069	L. Kays	3,452.00
138550	11/30/18	TR12-R-MNT-29155-29078	F. Valenti	650.00
138551	11/30/18	TR12-R-MNT-29160-29083	N. Litinski	3,418.00
138552	11/30/18	TR12-R-IRWD-29169-29093	W. Stoneham	915.00
138553	11/30/18	TR12-R-MNT-29173-29097	T. Kaochinda	726.00
138554	11/30/18	TR12-R-MNT-29174-29098	A. McLemore	2,366.00

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

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
138555	11/30/18	TR12-R-IRWD-29192-29114	J. Liu	819.45
138556	11/30/18	TR12-R-MNT-29201-29122	W. Harris	990.00
138557	11/30/18	TR12-R-MNT-29203-29123	S. Gudipati	516.00
138558	11/30/18	TR12-R-MNT-26936-29139	M. Maroof	1,092.00
138559	11/30/18	TR12-R-IRWD-30235-30159	J. Glover	372.00
138560	11/30/18	TR12-R-IRWD-28119-28042	A. Terra	248.00
			***Total ***	335,930.95
		DRIPPR	Spray to Drip Program	
138561	11/30/18	S2D1-C-ETWD-26782-13195	E. Mark - Pacific Concrete Images (Laguna Hills)	602.80
138562	11/30/18	S2D1-R-SM-26787-13214	L. Lausten	78.87
138563	11/30/18	S2D2-R-IRWD-5143-13222	L. Moore	638.91
			***Total ***	1,320.58
138564	11/30/18	TURFRP	Turf Removal Program	
		TR11-R-IRWD-26904-26831A	G. Paragone	1,548.00
			***Total ***	1,548.00
ACH003673	11/30/18	SANTAM	Santa Margarita Water District	
		SEP2018	September 2018 SCP Pipeline Operation surcharge	28,384.18
			***Total ***	28,384.18
ACH003674	11/30/18	SOTOFR	Francisco Soto	
		103118A	October 2018 Business expense	28.00
			***Total ***	28.00
EFT-181130	11/30/18	METWAT	Metropolitan Water District	
		9504	September 2018 Water deliveries	18,680,576.10
			***Total ***	18,680,576.10
			Total Other Funds Disbursements	19,163,011.23
			Total Disbursements	19,175,299.19



Robert J. Hunter, General Manager



Hilary Chumplitazi, Treasurer

Cal Card Charges
Statement Date: October 22, 2018
Payment Date: November 15, 2018

<u>Date</u>	<u>Description</u>	<u>Amount</u>
<u>Public Affairs</u>		
10/02/18	MWDOC Logo light cover for MWDOC events	\$ 87.89
10/02/18	Orange County Public Relations Society of America duplicate 2018 PROTOS award for MWDOC website designer	144.00
10/10/18	Electronic supplies for MWDOC events	43.49
10/11/18	Card for Water Policy Dinner speaker	6.41
10/11/18	Gift basket for Water Policy Dinner speaker	59.99
10/11/18	Balloons for Water Policy Dinner	13.48
10/15/18	California Association of Public Information Officials, One on One Camera training class on Nov. 9, 2018 - Registration for T. Baca	50.00
10/17/18	Lunch for Public Affairs department meeting	105.71
	Total	<u>\$ 510.97</u>

Cal Card Charges
Statement Date: October 22, 2018
Payment Date: November 15, 2018

Date	Description	Amount
<u>K. Seckel Card</u>		
09/24/18	Lunch for MET Directors' meeting	\$ 77.07
09/24/18	8/24/18-9/23/18 Web hosting service for MWDOC website	15.65
09/24/18	Office supplies refund	(189.12)
09/25/18	California Emergency Services Association Annual conference in Indian Wells from Sep. 24-27, 2018 - Accommodations cancellation fee for F. Soto	184.00
09/25/18	Office supplies from Costco	331.89
09/25/18	Lunch for OC MET Managers' meeting	138.19
09/26/18	Office supplies refund	(179.43)
09/26/18	California Special District Association Annual conference in Indian Wells, CA from Sep. 24-26, 2018 - Accommodations for H. Baez	462.63
09/27/18	American Water Works Association California-Nevada Section Annual Fall conference in Rancho Mirage, CA from Oct. 23-24, 2018 - Accommodations for J. Berg	248.02
09/28/18	California Emergency Services Association Annual conference in Indian Wells from Sep. 22-28, 2018 - Accommodations for K. Hubbard	1,170.62
10/01/18	Water Plan Update Plenary meeting in West Sacramento, CA on Oct. 9, 2018 - Registration for H. Baez	18.00
10/01/18	Society for Human Resource Management annual membership for C. Harris	209.00
10/01/18	Legislative Activities in Sacramento, CA on Oct. 26, 2018 - Airfare for H. Baez	399.96
10/01/18	Water Plan Update Plenary meeting in West Sacramento, CA on Oct. 9, 2018 - Airfare for H. Baez	519.96
10/03/18	10/1/18-10/31/18 E-mail service for California Sprinkler Adjustment Notification System	9.95
10/05/18	10/5/18-10/5/19 Dropbox annual subscription for secure file sharing and storage	99.00
10/03/18	MWDOC Staff Holiday Luncheon deposit	1,000.00
10/08/18	One year WinZip compression software subscription	49.90
10/08/18	UPS delivery charges for Board packets on Oct. 5, 2018	19.44
10/09/18	Office supplies from Amazon	24.99
10/12/18	Food for staff development meeting	32.50
10/12/18	California Society of Municipal Finance Officers Orange County Chapter meeting in Orange, CA on Oct. 18, 2018 - Registration for H. Chumpitazi	30.00
10/15/18	UPS delivery charges for Board packets on Oct. 5, 2018	32.16
10/15/18	California Association of Public Information Officials, One on One Camera training class on Nov. 9, 2018 - Registration for S. Wilson	50.00
10/17/18	FedEx delivery charges for IDS Group on Oct. 15, 2018	18.43
10/17/18	MWDOC Water Policy Dinner in Costa Mesa, CA on Oct. 11, 2018 - Banquet Facility charge	48.96
10/18/18	FedEx delivery charges for IDS Group on Oct. 16, 2018	23.30
10/17/18	American Water Works Association National Advisory Committee workshop in Washington, DC on Nov. 15, 2018 - Airfare for K. Hubbard	533.39 ¹
10/21/18	10/21/18-10/21/19 Prezi presentation software subscription	59.00
Total		\$ 5,437.46

¹ AWWA to reimburse MWDOC \$533.39

Cal Card Charges
Statement Date: October 22, 2018
Payment Date: November 15, 2018

Date	Description	Amount
<u>R. Hunter Card</u>		
9/24/18-10/22/18	Meals for R. Hunter's meetings	\$ 25.73
09/24/18	ACWA Region 10 program in Mission Viejo, CA on Oct. 18, 2018 - Registration for Director McKenney	50.00
09/26/18	The Toll Roads FasTrak deposit	100.00
09/29/18	Lunch for Local Resource Discussion meeting	96.66
10/04/18	Association of Metropolitan Water Agencies 2018 Executive Management conference in San Francisco, CA from Oct. 14-16, 2018 - Airfare for R. Hunter	439.40
10/08/18	Southern California Water Coalition Annual Dinner in Long Beach, CA on Oct. 25, 2018 - Registration for R. Hunter, H. Baez and M. Baum-Haley	675.00
10/13/18	Southern California Water Coalition Annual Dinner in Long Beach, CA on Oct. 25, 2018 - Registration for Director S. Tamaribuchi	225.00
10/14/18	Association of Metropolitan Water Agencies 2018 Executive Management conference in San Francisco, CA from Oct. 14-16, 2018 - Transportation for R. Hunter	22.00
10/15/18	Orange County Business Council Election Day Luncheon in Anaheim, CA on Nov. 6, 2018 - Registration for H. Baez	150.00
10/15/18	2019 Pocket directories for the California Legislature and US Congress	42.53
10/16/18	Association of Metropolitan Water Agencies 2018 Executive Management conference in San Francisco, CA from Oct. 14-16, 2018 - Accommodations for R. Hunter	796.94
10/16/18	Association of Metropolitan Water Agencies 2018 Executive Management conference in San Francisco, CA from Oct. 14-16, 2018 - Parking for R. Hunter	60.00
Total		<u>\$ 2,683.26</u>

Municipal Water District of Orange County
GM Approved Disbursement Report ⁽¹⁾
For the month of November 2018

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
Core Disbursements:				
138510	11/15/18	OCCHOR 2018	OCC Horticulture Account 8 Poinsettia plants for office	96.00
			***Total ***	96.00
			Total Core Disbursements	<u>96.00</u>
Choice Disbursements:				
			Total Choice Disbursements	<u>-</u>
Other Funds Disbursements:				
			Total Other Funds Disbursements	<u>-</u>
			Total Disbursements	<u><u>96.00</u></u>



Robert J. Hunter, General Manager



Hilary Chummitazi, 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 11/30/18

Cash - Beginning Balance	Jul 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	Jun 2019	TOTALS
REVENUES:	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
BUREC	4,605.00	111.00		102,395.93									\$ 107,111.93
City of Brea													-
City of Buena Park	222.00	222.00											222.00
City of Fountain Valley			1,376.29		663.05		111.00						2,372.34
City of Fullerton													-
City of Garden Grove													-
City of Huntington Beach	598.99			40.00									638.99
City of La Habra	222.00												222.00
City of San Clemente	3,244.99	9,442.99					3,312.00						17,683.97
City of San Juan Capistrano													-
City of Santa Ana													-
City of Tustin													-
City of Newport Beach		3,343.80		1,980.57									5,324.37
City of Orange	444.00		913.75	1,134.10			173.85						2,665.70
City of Westminster	333.00	539.00	555.00				666.00						2,093.00
County of Orange													-
Department of Water Resources	32,990.80												32,990.80
East Orange County Water District													-
El Toro Water District		774.00		2,544.00	4,063.10								7,381.10
Irvine Ranch Water District	8,271.11	47,878.73		11,080.04	98,495.70								165,725.58
Laguna Beach County Water District		15.00											15.00
Mesa Water District	66.82	197.98	170.00	140.00									574.80
Metropolitan Water District	191,093.43												191,093.43
Moulton Niguel Water District	38,341.68	7,726.23	10,281.98	10,872.48	21,400.00								88,622.37
Orange County Water District													-
Santa Margarita Water District													-
Trabuco Canyon Water District		605.76		18.98	100.00								724.74
Yorba Linda Water District		284.07											284.07
Miscellaneous Revenues													-
Interest Revenue	2,228.14			1,587.30									3,815.44
Total Revenues	91,568.53	262,233.99	13,297.02	134,144.40	128,321.65	-	-	-	-	-	-	-	\$ 629,561.63
EXPENDITURES:													
Budget Based Tiered Rates, Ratfells	2,220.00	1,050.00	1,800.00	11,960.00	730.00								17,760.00
Droplet													-
IRWD													-
Golden State Water Company													-
City of Huntington Beach													-
Laguna Beach CWD													-
Metropolitan Water District	28,091.13		25,193.39	87,250.95	24,411.51								164,946.98
Mission RCD		20,060.11	18,627.78	13,404.64	2,770.71								54,863.24
Multi Family HET Direct			4,800.00		75,975.00								80,775.00
Pollard Water		44,516.38			3,045.00								47,561.38
Recycled Water On Site Retrofit program			11,099.50	1,384.50									12,484.00
South Coast Water District					18,800.00								18,800.00
Spray to Drip program	690.45	4,310.08	5,308.76	1,129.60	1,320.58								12,759.47
SMWD	34,905.00												34,905.00
Turf Removal	32,139.00	58,464.60	177,399.11	117,228.82	337,478.95								722,710.48
Water Savings Incentive Program													-
Miscellaneous Expenses													-
Interest Expense													-
Salary & Benefit			4,713.51	1,700.00									6,413.51
Total Expenditures	98,045.58	128,401.17	248,942.05	234,058.51	464,531.75	-	-	-	-	-	-	-	\$ 1,173,979.06
Cash - Ending Balance	\$ 273,554.92	\$ 407,387.74	\$ 171,742.71	\$ 71,824.64	\$ (264,385.46)	\$ (264,385.46)	\$ (264,385.46)	\$ (264,385.46)	\$ (264,385.46)	\$ (264,385.46)	\$ (264,385.46)	\$ (264,385.46)	



Municipal Water District of Orange County
Consolidated Summary of Cash and Investment
 October 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

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
Designated Reserves		
General Operations	\$3,156,569	17.84%
Grant & Project Cash Flow	1,500,000	8.48%
Election Expense	304,000	1.72%
Building Repair	350,407	1.98%
OPEB	209,006	1.18%
Total Designated Reserves	5,519,982	31.20%
General Fund	10,079,559	56.98%
Water Fund	1,747,071	9.88%
Conservation Fund	71,825	0.41%
Desalination Feasibility Study Fund	(145,268)	(0.82%)
WEROC Fund	387,300	2.19%
Trustee Activities	28,911	0.16%
Total	\$17,689,380	100.00%

The funds are invested as follows:

Term of Investment	% of Portfolio	Book Value	Market Value
Cash	0.81%	\$142,989	\$142,989
Short-term investment			
• LAIF	59.28%	\$10,486,894	\$10,486,894
• OCIP	22.37%	3,956,704	3,956,704
Long-term investment			
• Corporate Bond	6.52%	1,152,793	1,122,261
• Certificates of Deposit	11.02%	1,950,000	1,926,033
Total	100.00%	\$17,689,380	\$17,634,881

The average number of days to maturity/call as of October 31, 2018 equaled 157 and the average yield to maturity is 2.102%. During the month, the District's average daily balance was \$30,541,354.04. 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 October 2018.

The (\$54,499) difference between the book value and the market value on October 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 Chumitazi
 Treasurer



MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

Portfolio Management - Portfolio Summary October 31, 2018

10/31/2018	Par Value	Market Value	Book Value	% of Portfolio	Days to Mat/Call	YTM @ Cost
Negotiable Certificate Of Deposit	1,950,000.00	1,926,033.50	1,950,000.00	11.12	920	2.504
Corporate Bond	1,150,000.00	1,122,261.00	1,152,793.47	6.56	816	2.290
Local Agency Investment Funds	10,486,893.83	10,486,893.83	10,486,893.83	59.77	1	2.135
Orange County Investment Pool	3,956,704.25	3,956,704.25	3,956,704.25	22.55	1	1.762
Total Investments	17,543,598.08	17,491,892.58	17,546,391.55	100.00	157	2.102
Cash						
Cash	142,988.91	142,988.91	142,988.91		1	0.00
Total Cash and Investments	17,686,586.99	17,634,881.49	17,689,380.46		157	2.102

Total Earnings	Fiscal Year to Date
Current Year	195,800.94
Average Daily Balance	30,541,354.04
Effective Rate of Return	2.102%

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

12-6-18

Hilary Chumbitazi Hilary Chumbitazi, Treasurer

Date

12-6-2018

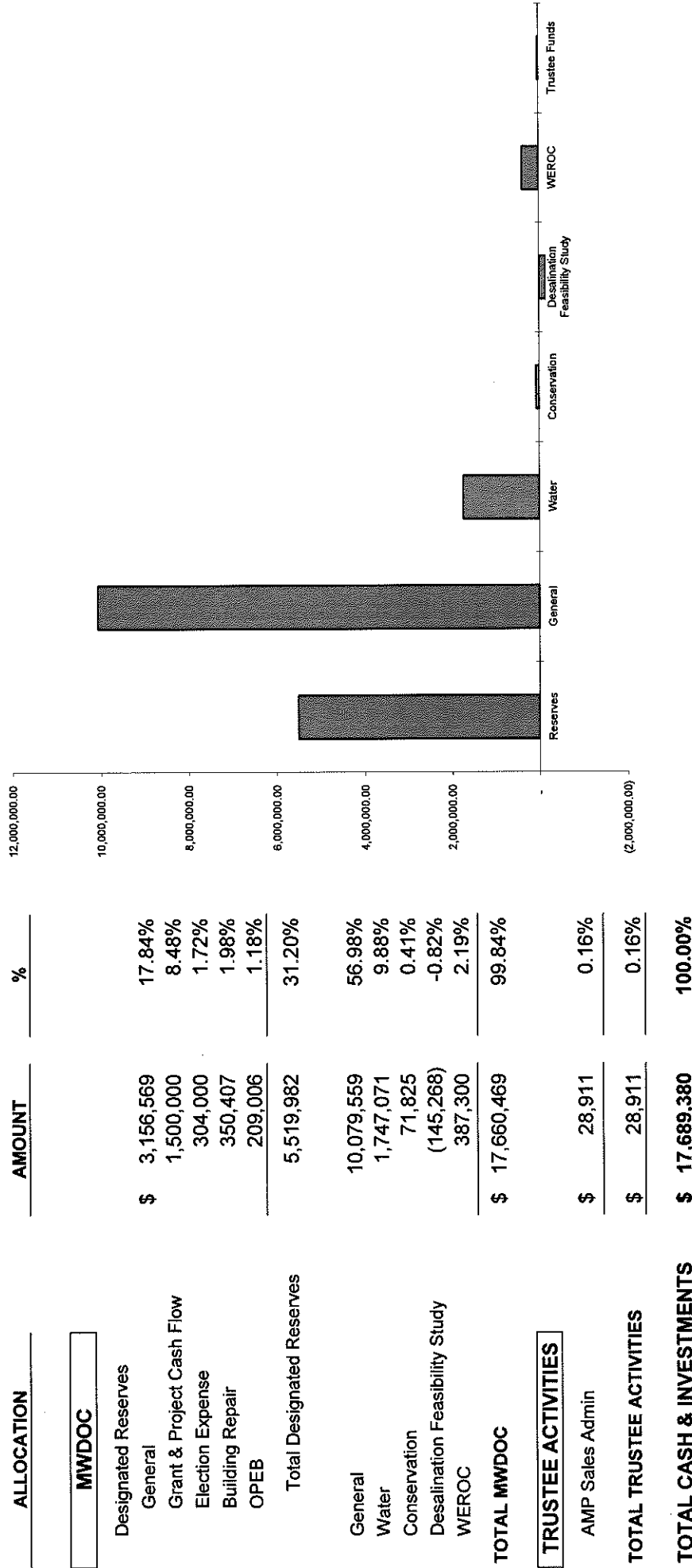
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Long-Term Portfolio Details - Investments
October 31, 2018

Issuer	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
Negotiable Certificate Of Deposit									
Barclays Bank	06740KKY2	9/27/2017	250,000.00	240,070.00	250,000.00	2.250	2.250	1,427	9/27/2022
Capital One Bank	14042E6C9	9/2/2015	250,000.00	249,130.00	250,000.00	1.950	1.950	307	9/3/2019
Comenity Capital	20033AUX2	7/25/2017	200,000.00	194,056.00	200,000.00	2.000	2.000	989	7/16/2021
Discover Bank	254673RV0	7/25/2018	250,000.00	248,037.50	250,000.00	3.300	3.300	1,728	7/25/2023
Goldman Sachs Bank	38148PT98	8/8/2018	250,000.00	248,500.00	250,000.00	3.350	3.350	1,742	8/8/2023
HSBC Bank	40434AK65	1/21/2016	250,000.00	250,052.50	250,000.00	2.250	2.534	82	1/21/2021
Morgan Stanley Bank	61747MJ36	2/1/2018	250,000.00	246,862.50	250,000.00	2.500	2.500	824	2/1/2021
Synchrony Bank	87164XBY1	7/25/2014	250,000.00	249,325.00	250,000.00	2.050	2.050	272	7/30/2019
Sub Total			1,950,000.00	1,926,033.50	1,950,000.00	2.468	2.504	920	
Corporate Bond									
JP Morgan Chase	46625HKA7	11/2/2015	500,000.00	494,115.00	500,571.80	2.250	2.152	418	1/23/2020
National Rural Util Coop	63743FE51	7/27/2017	200,000.00	191,020.00	200,000.00	2.500	2.500	1,353	7/15/2022
Wells Fargo	94974BGR5	1/13/2016	250,000.00	245,040.00	250,691.84	2.550	2.409	768	12/7/2020
Westpac Banking Corp	961214DQ3	7/25/2017	200,000.00	192,086.00	201,529.83	2.500	2.278	1,336	6/28/2022
Sub Total			1,150,000.00	1,122,261.00	1,152,793.47	2.402	2.290	816	
Total Investments			3,100,000.00	3,048,294.50	3,102,793.47	2.444	2.425	881	
Total Earnings									
			Month Ending October	Fiscal Year To Date					
Current Year			6,363.24	24,317.21					

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

Investments	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
Local Agency Investment Funds									
LAIF LGIP	LAIF	6/30/2010	10,486,893.83	10,486,893.83	10,486,893.83	2.135	2.135	1	N/A
Sub Total			10,486,893.83	10,486,893.83	10,486,893.83	2.135	2.135	1	
Orange County Investment Pool									
County of Orange LGIP	OCIP	6/29/2005	3,956,704.25	3,956,704.25	3,956,704.25	1.762	1.762	1	N/A
Sub Total			3,956,704.25	3,956,704.25	3,956,704.25	1.762	1.762	1	
Total Investments			14,443,598.08	14,443,598.08	14,443,598.08	2.033	2.033		
Cash									
Petty Cash Cash	CASH	7/1/2010	500.00	500.00	500.00	0.000	0.000	1	N/A
US Bank Cash	CASHUSBANK	7/25/2018	142,488.91	142,488.91	142,488.91	0.000	0.000	1	N/A
Total Cash			142,988.91	142,988.91	142,988.91	0.000	0.000	1	
Total Cash and Investments			14,586,586.99	14,586,586.99	14,586,586.99	2.033	2.033	1	
Total Earnings									
Current Year			46,266.29						171,483.73

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



MUNICIPAL WATER DIST OF ORANGE COUNTY
PARS Post-Employment Benefits Trust**Account Report for the Period**
10/1/2018 to 10/31/2018Rob Hunter
General Manager
Municipal Water Dist of Orange County
18700 Ward Street
Fountain Valley, CA 92708**Account Summary**

Source	Beginning Balance as of 10/1/2018	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 10/31/2018
OPEB	\$2,130,452.45	\$0.00	-\$88,211.44	\$399.46	\$0.00	\$0.00	\$2,041,841.55
PENSION	\$209,376.74	\$0.00	-\$8,669.25	\$39.26	\$0.00	\$0.00	\$200,668.23
Totals	\$2,339,829.19	\$0.00	-\$96,880.69	\$438.72	\$0.00	\$0.00	\$2,242,509.78

Investment Selection**Source**

OPEB	Moderate HighMark PLUS
PENSION	Moderate HighMark PLUS

Investment Objective**Source**

OPEB	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.
PENSION	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

Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
				3-Years	5-Years	10-Years	
OPEB	-4.14%	-3.00%	0.63%	5.41%	4.98%	-	10/26/2011
PENSION	-4.14%	-3.00%	-	-	-	-	7/31/2018

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, 2018 THRU OCTOBER 31, 2018

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

<u>ASSETS</u>	Amount
Cash in Bank	142,988.91
Investments	17,546,391.55
Accounts Receivable	34,866,403.87
Accounts Receivable - Other	103,719.93
Accrued Interest Receivable	81,828.52
Prepays/Deposits	396,628.63
Leasehold Improvements	3,735,829.68
Furniture, Fixtures & Equipment	563,307.34
Less: Accum Depreciation	<u>(2,958,572.89)</u>
TOTAL ASSETS	<u>\$54,478,525.54</u>
 <u>LIABILITIES AND FUND BALANCES</u>	
Liabilities	
Accounts Payable	35,166,227.13
Accounts Payable - Other	370.40
Accrued Salaries and Benefits Payable	399,171.19
Other Liabilities	302,647.70
Unearned Revenue	<u>954,311.68</u>
Total Liabilities	<u>36,822,728.10</u>
 Fund Balances	
Restricted Fund Balances	
Water Fund - T2C	<u>990,223.31</u>
Total Restricted Fund Balances	<u>990,223.31</u>
Unrestricted Fund Balances	
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	<u>209,006.00</u>
Total Designated Reserves	<u>5,519,982.87</u>
 GENERAL FUND	 4,209,490.74
WEROC Capital	25,288.00
WEROC	<u>273,656.70</u>
Total Unrestricted Fund Balances	<u>10,028,418.31</u>
Excess Revenue over Expenditures	
Operating Fund	6,690,917.23
Other Funds	<u>(53,761.41)</u>
Total Fund Balance	<u>17,655,797.44</u>
 TOTAL LIABILITIES AND FUND BALANCES	 <u>\$54,478,525.54</u>

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

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<u>REVENUES</u>						
Retail Connection Charge	0.00	7,697,005.75	7,697,006.00	100.00%	0.00	0.25
Ground Water Customer Charge	<u>0.00</u>	<u>499,012.00</u>	<u>499,012.00</u>	<u>100.00%</u>	<u>0.00</u>	<u>0.00</u>
Water rate revenues	0.00	8,196,017.75	8,196,018.00	100.00%	0.00	0.25
Interest Revenue	<u>50,656.37</u>	<u>187,460.94</u>	<u>390,000.00</u>	<u>48.07%</u>	<u>0.00</u>	<u>202,539.06</u>
Subtotal	<u>50,656.37</u>	<u>8,383,478.69</u>	<u>8,586,018.00</u>	<u>97.64%</u>	<u>0.00</u>	<u>202,539.31</u>
Choice Programs	0.00	1,083,819.46	1,174,750.00	92.26%	0.00	90,930.54
Miscellaneous Income	1,820.00	2,487.83	3,000.00	82.93%	0.00	512.17
School Contracts	19,888.29	25,214.85	102,031.00	24.71%	0.00	76,816.15
Gain on Sale of Investments	3.61	3.61	0.00		0.00	(3.61)
Transfer-In From Reserve	<u>0.00</u>	<u>0.00</u>	<u>5,276.00</u>	<u>0.00%</u>	<u>0.00</u>	<u>5,276.00</u>
Subtotal	<u>21,711.90</u>	<u>1,111,525.75</u>	<u>1,285,057.00</u>	<u>86.50%</u>	<u>0.00</u>	<u>173,531.25</u>
TOTAL REVENUES	<u>72,368.27</u>	<u>9,495,004.44</u>	<u>9,871,075.00</u>	<u>96.19%</u>	<u>0.00</u>	<u>376,070.56</u>

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

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<u>EXPENSES</u>						
Salaries & Wages	309,053.37	1,165,425.16	3,522,982.00	33.08%	0.00	2,357,556.84
Salaries & Wages - Grant Recovery	0.00	(3,837.94)	(6,300.00)	60.92%	0.00	(2,462.06)
Salaries & Wages - Recovery	(1,428.00)	(2,142.00)	0.00	0.00%	0.00	2,142.00
Director's Compensation	17,819.40	63,852.85	255,360.00	25.01%	0.00	191,507.15
MWD Representation	10,988.63	41,875.59	145,920.00	28.70%	0.00	104,044.41
Employee Benefits	84,230.30	346,657.17	1,108,564.00	31.27%	0.00	761,906.83
OPEB Annual Contribution	0.00	207,000.00	207,000.00	100.00%	0.00	0.00
Employee Benefits - Grant Recovery	0.00	(875.57)	0.00	0.00%	0.00	875.57
Employee Benefits - Recovery	(272.00)	(408.00)	0.00	0.00%	0.00	408.00
Director's Benefits	7,340.08	29,388.07	94,767.00	31.01%	0.00	65,378.93
Health Insurance for Retirees	4,729.70	19,518.24	70,519.00	27.68%	0.00	51,000.76
Training Expense	495.00	1,860.79	25,000.00	7.44%	0.00	23,139.21
Tuition Reimbursement	0.00	0.00	5,000.00	0.00%	0.00	5,000.00
Temporary Help Expense	0.00	0.00	5,000.00	0.00%	0.00	5,000.00
Personnel Expenses	432,956.48	1,868,314.36	5,433,812.00	34.38%	0.00	3,565,497.64
Engineering Expense	26,658.28	153,186.20	330,000.00	46.42%	171,242.20	5,571.60
Legal Expense	24,953.87	61,605.59	255,000.00	24.16%	193,394.41	0.00
Audit Expense	12,000.00	19,000.00	29,000.00	65.52%	380.00	9,620.00
Professional Services	80,508.14	280,345.17	1,430,758.00	19.59%	630,727.37	519,685.46
Professional Fees	144,120.29	514,136.96	2,044,758.00	25.14%	995,743.98	534,877.06
Conference-Staff	893.00	8,597.00	42,880.00	20.05%	0.00	34,283.00
Conference-Directors	343.00	5,265.00	24,930.00	21.12%	0.00	19,665.00
Travel & Accom.-Staff	4,118.36	8,888.61	99,600.00	8.92%	0.00	90,711.39
Travel & Accom.-Directors	1,855.83	5,771.06	51,750.00	11.15%	0.00	45,978.94
Travel & Conference	7,210.19	28,521.67	219,160.00	13.01%	0.00	190,638.33
Membership/Sponsorship	24,464.00	86,540.36	141,662.00	61.09%	0.00	55,121.64
CDR Support	11,761.07	23,522.14	47,044.00	50.00%	23,522.12	(0.26)
Dues & Memberships	36,225.07	110,062.50	188,706.00	58.32%	23,522.12	55,121.38
Business Expense	266.58	842.79	5,600.00	15.05%	0.00	4,757.21
Maintenance Office	509.00	21,984.35	132,796.00	16.55%	107,130.81	3,680.84
Building Repair & Maintenance	0.00	3,093.21	20,000.00	15.47%	16,906.79	0.00
Storage Rental & Equipment Lease	209.70	836.70	3,460.00	24.18%	1,623.30	1,000.00
Office Supplies	1,964.23	9,544.31	36,000.00	26.51%	2,920.23	23,535.46
Postage/Mail Delivery	262.69	2,066.97	9,000.00	22.97%	3,206.59	3,726.44
Subscriptions & Books	120.00	275.66	1,500.00	18.38%	0.00	1,224.34
Reproduction Expense	0.00	3,184.95	33,073.00	9.63%	3,403.21	26,484.84
Maintenance-Computers	0.00	2,442.19	8,000.00	30.53%	1,332.76	4,225.05
Software Purchase	2,167.90	21,579.70	45,861.00	47.05%	0.00	24,281.30
Software Support	2,283.26	21,391.05	51,934.00	41.19%	1,600.00	28,942.95
Computers and Equipment	0.00	9,041.24	11,850.00	76.30%	0.00	2,808.76
Automotive Expense	1,627.12	6,416.60	17,262.00	37.17%	0.00	10,845.40
Toll Road Charges	54.40	250.20	1,000.00	25.02%	0.00	749.80
Insurance Expense	8,787.22	37,229.19	138,500.00	26.88%	0.00	101,270.81
Utilities - Telephone	1,924.40	7,165.83	20,178.00	35.51%	1,015.41	11,996.76
Bank Fees	0.00	4,317.38	21,225.00	20.34%	0.00	16,907.62
Miscellaneous Expense	8,784.36	28,098.86	119,205.00	23.57%	0.00	91,106.14
MWDOC's Contrb. to WEROC	15,948.33	63,793.36	216,868.00	29.42%	0.00	153,074.64
Depreciation Expense	2,822.33	11,289.34	0.00	0.00%	0.00	(11,289.34)
Other Expenses	47,731.52	254,843.88	893,312.00	28.53%	139,139.10	499,329.02
Election Expense	0.00	0.00	304,000.00	0.00%	0.00	304,000.00
Building Expense	1,339.66	14,693.41	531,827.00	2.76%	37,622.00	479,511.59
Capital Acquisition	0.00	13,514.43	255,500.00	5.29%	0.00	241,985.57
TOTAL EXPENSES	669,583.21	2,804,087.21	9,871,075.00	28.41%	1,196,027.20	5,870,960.59
NET INCOME (LOSS)	(597,214.94)	6,690,917.23	0.00			

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

	Month to Date	Year to Date	Annual Budget	% Used	Budget Remaining
<u>WATER REVENUES</u>					
Water Sales	14,906,943.40	72,833,461.90	188,976,940.00	38.54%	116,143,478.10
Readiness to Serve Charge	903,260.48	3,613,041.92	10,902,178.00	33.14%	7,289,136.08
Capacity Charge CCF	321,247.50	1,284,990.00	3,854,976.00	33.33%	2,569,986.00
SCP/SAC Pipeline Surcharge	30,630.34	131,441.59	365,000.00	36.01%	233,558.41
Interest	<u>1,677.05</u>	<u>6,320.78</u>	<u>13,000.00</u>	<u>48.62%</u>	<u>6,679.22</u>
TOTAL WATER REVENUES	<u>16,163,758.77</u>	<u>77,869,256.19</u>	<u>204,112,094.00</u>	<u>38.15%</u>	<u>126,242,837.81</u>
<u>WATER PURCHASES</u>					
Water Sales	14,906,943.40	72,833,461.90	188,976,940.00	38.54%	116,143,478.10
Readiness to Serve Charge	903,260.48	3,613,041.92	10,902,178.00	33.14%	7,289,136.08
Capacity Charge CCF	321,247.50	1,284,990.00	3,854,976.00	33.33%	2,569,986.00
SCP/SAC Pipeline Surcharge	<u>30,630.34</u>	<u>131,441.59</u>	<u>365,000.00</u>	<u>36.01%</u>	<u>233,558.41</u>
TOTAL WATER PURCHASES	<u>16,162,081.72</u>	<u>77,862,935.41</u>	<u>204,099,094.00</u>	<u>38.15%</u>	<u>126,236,158.59</u>
EXCESS OF REVENUE OVER EXPENDITURES	<u><u>1,677.05</u></u>	<u><u>6,320.78</u></u>	<u><u>13,000.00</u></u>		

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

	Year to Date Actual	Annual Budget	% Used
Spray To Drip Conversion			
Revenues	3,325.67	128,540.00	2.59%
Expenses	<u>13,519.15</u>	<u>128,540.00</u>	10.52%
Excess of Revenues over Expenditures	(10,193.48)	0.00	
Member Agency Administered Passthru			
Revenues	23,600.00	100,000.00	23.60%
Expenses	<u>23,600.00</u>	<u>100,000.00</u>	23.60%
Excess of Revenues over Expenditures	0.00	0.00	
ULFT Rebate Program			
Revenues	7,205.54	43,500.00	16.56%
Expenses	<u>7,205.54</u>	<u>43,500.00</u>	16.56%
Excess of Revenues over Expenditures	0.00	0.00	
HECW Rebate Program			
Revenues	80,882.54	425,000.00	19.03%
Expenses	<u>80,916.75</u>	<u>425,000.00</u>	19.04%
Excess of Revenues over Expenditures	(34.21)	0.00	
CII Rebate Program			
Revenues	45,430.00	462,500.00	9.82%
Expenses	<u>45,430.00</u>	<u>462,500.00</u>	9.82%
Excess of Revenues over Expenditures	0.00	0.00	
Turf Removal Program			
Revenues	225,082.63	1,345,000.00	16.73%
Expenses	<u>398,531.03</u>	<u>1,345,000.00</u>	29.63%
Excess of Revenues over Expenditures	(173,448.40)	0.00	
Comprehensive Landscape (CLWUE)			
Revenues	49,596.35	366,840.00	13.52%
Expenses	<u>70,914.23</u>	<u>366,840.00</u>	19.33%
Excess of Revenues over Expenditures	(21,317.88)	0.00	
Large Landscape Survey Program			
Revenues	726.93	64,000.00	1.14%
Expenses	<u>8,824.69</u>	<u>64,000.00</u>	13.79%
Excess of Revenues over Expenditures	(8,097.76)	0.00	
WSIP - Industrial Program			
Revenues	0.00	36,755.00	0.00%
Expenses	<u>0.00</u>	<u>36,755.00</u>	0.00%
Excess of Revenues over Expenditures	0.00	0.00	
WUE Projects			
Revenues	435,849.66	2,972,135.00	14.66%
Expenses	<u>648,941.39</u>	<u>2,972,135.00</u>	21.83%
Excess of Revenues over Expenditures	(213,091.73)	0.00	
WEROC			
Revenues	255,173.36	489,160.00	52.17%
Expenses	<u>121,107.33</u>	<u>489,160.00</u>	24.76%
Excess of Revenues over Expenditures	134,066.03	0.00	



ACTION ITEM
December 19, 2018

TO: Board of Directors

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

Robert J. Hunter, General Manager

SUBJECT: PRUDENT COMPANION POLICY

STAFF RECOMMENDATION

It is recommended that the Board of Directors:

- Review, discuss, and consider the existing and alternative Prudent Companion Policy options; and
- Select as the Committee Recommendation either Option 1, the No Action option, as the existing, unwritten policy was previously implemented by the Board and has proven to be effective and incurred comparatively minor costs for the past decade; or
- Select as the Committee Recommendation Option 2 and formalize the existing Prudent Companion Policy as part of the Administrative Code.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

REPORT

At the August 16, 2018 Executive Committee meeting, President Barbre requested that the Board consider adopting and adding to the Administrative Code the following Prudent Companion Policy:

Prudent Companion Policy

§2301.5 is added to the MWDOC Administrative Code to read:

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

“For any travel out of state, or any legislative trips to Sacramento or Washington, D.C. paid for by MWDOC, Board and Staff are required to travel with a “prudent companion”, which may be either a Board Member or Staff member. For legislative trips, the contract lobbyist in Sacramento or Washington, D.C. shall suffice as the “prudent companion” for purposes of compliance with this section.”

The language was considered at the September 12, 2018 Administration & Finance (A&F) Committee Meeting with the Committee referring the item to the September 19, 2018 Board Meeting for further discussion. At that Board Meeting, President Barbre suggested that the item return to A&F for discussion. The motion to refer back to committee passed 7-0. The item was agendized for the October 10, 2018 A&F Committee Meeting but was held for one month by Chair Thomas as Director Dick would be absent. The item was agendized as an action item for the November 14, 2018 A&F Committee but was then held for a month by Chair Thomas as President Barbre would be absent. The item is now agendized for the December 12, 2018 A&F Committee.

Current Practice

The Prudent Companion Policy is currently applied to travel to Washington, DC when MWDOC or Metropolitan business will be discussed with elected officials or staff. It is not applied for attendance at conferences in DC if no elected officials/staff discussions occur. It is not applied if Metropolitan is paying for the travel and Metropolitan business is the subject of discussion. The current practice requires that a Director be accompanied by either another MWDOC Director or Staff Member. A lobbyist is not considered a Prudent Companion. It has not been applied to any travel destination other than Washington, DC. While unwritten, this has been the practice for over ten years.

Two justifications have been given for the Prudent Companion Policy:

1. Washington, DC interactions are different in that they are heavily dependent on forming and maintaining relationships. Officials and staff tend to be of long tenure and an agency relationship developed by repeated visits over a protracted period of time is deemed critical to success. The relationship needs to be with MWDOC Directors and Staff rather than hired lobbyists. Two MWDOC individuals are necessary to maintain continuity when one eventually ends their relationship with MWDOC. In comparison, term limits have reduced the tenure of Sacramento elected officials and salary limitations have done the same to staff. This has increased the role and value of lobbyists in Sacramento.
2. Because different people can hear different things and reach different conclusions from the same meeting, the MWDOC Board concluded that there was value in having two MWDOC individuals in each DC meeting to corroborate each person's understanding.

Policy Changes under Director Barbre's Proposed Language

- A. A decade old unwritten policy would become part of the Administrative Code
- B. The policy would be drastically expanded
 - a. Instead of applying to only Washington, DC, the new policy would apply to any out of state travel and any legislative travel to Washington, DC or Sacramento, CA
 - b. Instead of applying only to discussions with elected officials or staff, the new policy would apply to all out of state travel (including conferences) and legislative trips to DC and Sacramento

- c. The policy would be expanded from covering Directors to covering Directors and Staff
- C. The basis for policy implementation would be shifted from “doing MWDOC business” to “paid for by MWDOC” and thereby significantly changing the purpose
- D. The new policy would reverse the prohibition on using contract lobbyists as prudent companions.

In short, the proposed language reverses the intent and application of the current practice and greatly expands the policy and associated costs

Board Options

There are a wide range of options that are open to the Committee and Board of Directors to consider and adopt:

Option 1 – No Action

The Directors can continue the existing policy as it has been implemented for over a decade.

Option 2 – Formalize the Existing Policy

The Directors can adopt the Existing Prudent Companion Policy into MWDOC’s Administrative Code. Possible Code language is:

“For any legislative trips to Washington, D.C. during which MWDOC business will be discussed or transacted with elected officials, staff or other representatives, Board Directors are required to travel with a “prudent companion”, which may be either a MWDOC Board Member or Staff member. A contract lobbyist shall not suffice as the “prudent companion” for purposes of compliance with this section.”

Option 3- Adopt the Policy Proposed by Director Barbre

The Directors can adopt the policy language proposed by Director Barbre into MWDOC’s Administrative Code as presented above.

Option 4 – Adopt a Modified Prudent Companion Policy

As Director Barbre’s proposed policy is a significant modification of the existing unwritten policy but components of the existing policy may be deemed inadequate or undesirable, the Board could formally adopt a policy into the Administrative Code that is different from both the existing and the alternate policies.

Option 5 – Eliminate the Prudent Companion Policy

The Directors can abolish the existing policy and not implement any replacement.



ACTION ITEM
December 19, 2018

TO: Board of Directors

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

Robert J. Hunter, General Manager

SUBJECT: **Results of MWDOC Administration Building Electrical Assessment and Approval of Electrical Engineering Services**

STAFF RECOMMENDATION

It is recommended that the Board of Directors authorize the General Manager to enter into a contract with OMB Electrical Engineers, Inc. to provide electrical engineering services for the MWDOC Administration Building at a fixed fee cost of \$9,500 plus an additional contingency budget of \$5,000 for outside electrical analysis work for a combined total of \$14,500.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

DETAILED REPORT

Staff informed the Board at the September 12, 2018 A&F Committee that Bergelectric had been retained to evaluate the aging electrical system in the administration building. Bergelectric mobilized to the administration building on Saturday September 22, 2018.



Budgeted (Y/N): N	Budgeted amount:	Core __	Choice __
Action item amount:	Line item: Line item: 19-8810		
Fiscal Impact (explain if unbudgeted): will be taken from building reserve fund			

Results & Observations

The electrical system was found to be 'as expected for a building of this age'; meaning that some additional work has been identified for improved reliability, longevity and to accommodate proposed future use of the building as a back-up Emergency Operations Center.

Examples:

1. The transformer is old, inefficient and runs too hot (core temperature 203° F with minimal load). The condition of the core was not assessed in detail as there was a moderate risk that shutting down the old core could result in failure of the transformer and the inability to restart the building electrical system. Replacement of the transformer will provide improved system efficiency, reliability and extend system longevity.
2. There are too few circuits for a building of this size leading to circuits that power both critical and non-critical equipment (i.e. portions of the server room, multiple offices, and some kitchen appliances are all on the same circuit). Recommendation is for critical equipment, such as the server room, server room air conditioner, and EOC equipment (Conference Room 101 receptacles) to be separated on isolated circuits with dedicated sub-panels. This will allow flexibility for emergency power planning as it would eliminate the need to provide emergency power to the entire building in the event of loss of grid power.

Bergelectric provided a Rough Order of Magnitude cost estimate of \$100,000 to help provide a bit more clarity on the scale of the likely electrical system improvements inside the building.

Additionally, the energy usage readings show that the building might require a larger service connection than what is currently in place (currently limited to 350 amps). The transformer outside of the building which supplies power to this building is sufficiently sized for up to 600 amps, but the service connection has been limited due to concerns about the adequacy of the outside conductor cables to carry any additional load beyond 350 amps. This could entail the need to replace conductor cable outside of the building. The consultant will analyze and make recommendations on the service connection needs and \$5,000 has been designated as a contingency budget for this analysis.

Electrical Engineering Services

Staff solicited proposals and received three bids for professional services on the re-design of the electrical system. The electrical system re-design will address issues found in the assessment for system changes to allow for an efficient emergency power configuration that meets the future needs of providing reliable power for a remodeled office that can also serve as a back-up Emergency Operations Center.

The Scope of Work for the fixed fee includes:

1. Power plans to reflect replacement of existing panels and transformers inside the building.
2. Specifications on drawings.
3. Electrical load calculations.

4. Panel schedules, details, diagrams, equipment elevations and legends.
5. Meetings with Client, Architect or other Consultants.
6. Construction Administration Services –Bid support and for RFI's and pertinent shop drawing review. (In-House Services – One construction kick-off or pre-construction meeting will be attended with the General Contractor) Any additional requested site visits or construction meetings during CA will be done on an Hourly basis.

Fixed Fee Proposals	Bid
OMB Electrical Engineers, Inc.	\$9,500
Q3 Engineering Consulting Design	\$10,500
MEP Energy Solutions	\$8,750*

*Non-Responsible bid (lacks required skills) as MEP does not work on service connections larger than 400 amps.



DISCUSSION ITEM
December 12, 2018

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

FROM: Robert Hunter, General Manager
Staff Contact: Hilary Chumpitazi

SUBJECT: FY 2019-20 Budget

STAFF RECOMMENDATION

Staff recommends the Administration & Finance Committee: discuss the budget schedule, activities and/or projects they would like added or changed in the budget, and direct the General Manager as appropriate

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

DETAILED REPORT

MWDOC instituted a new budget process and schedule last year. As discussed in last month's committee meeting the General Manager sent the notification letter regarding the initiation of the budget process to our Member Agencies in November. This letter included this year's budget schedule (attached) and invited the Member Agencies to provide their initial budget suggestions and actively participate in the process. Staff has subsequently initiated the program/project planning and line-item budgeting process. The initial review of budget issues with the A&F Committee is scheduled for January 9, 2019 and the review of the first draft budget at the February 13, 2019 A&F meeting. Approval of the final budget and rates is scheduled for April 17, 2019.

An important component of the budget process is the early input of the MWDOC Directors as to policy and program modifications they believe should be included in the budget process. A practice was instituted last year by which any proposed additions to the budget

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

would be included in the text for discussion and agreement before the expenses were included in the budget financial model.

There has been an ongoing series of committee presentations outlining activities, programs and staffing within each department. Based on those discussions, staff is currently looking at three additional positions: two in the proposed Water Loss Shared Services Program and one shared position between Planning & Resource Development and Met Issues & Programs. In addition, an administrative position that is currently split between WEROC and Administrative Services is proposed to move to WEROC only.

MWDOC's reserves will be close to full funding and the revenue goal of the budget will be to be balanced with no draw or addition to reserves.

MWDOC BUDGET SCHEDULE

November 2018
<ul style="list-style-type: none"> Notification to Member Agencies of start of budget process and solicitation of input
December 2018
<ul style="list-style-type: none"> MWDOC staff begins preparation of budget hours and costs on program and line-item basis
<ul style="list-style-type: none"> Review of four month actuals and fiscal year-end projections
<ul style="list-style-type: none"> Review budget adjustments for current fiscal year
<ul style="list-style-type: none"> Preparation of internal, draft conceptual budget (review changes for upcoming fiscal year)
January 2019
<ul style="list-style-type: none"> Initial review of budget issues with A&F Committee for feedback (1-9-19)
<ul style="list-style-type: none"> Initial discussion of budget issues with Member Agencies for feedback
<ul style="list-style-type: none"> Request for Member Agencies' <u>preliminary</u> indication of participation in Choice
February 2019
<ul style="list-style-type: none"> Publish and post the FIRST DRAFT Budget in the packet for the A&F Committee (2-8-19)
<ul style="list-style-type: none"> Review Full Draft Budget with A&F Committee (2-13-19)
<ul style="list-style-type: none"> Formally request comments from all Member Agencies
<ul style="list-style-type: none"> <u>DRAFT</u> information completed on prior year Choice WUE program benefits to Member Agencies to serve as basis for charging agencies for the upcoming year for Choice WUE activities
<ul style="list-style-type: none"> Member Agencies' INITIAL CONFIRMATION of participation in Choice Services by February 22. The Updated Agreement by the end of March and after the Elected Officials Meeting
<ul style="list-style-type: none"> Discuss FIRST DRAFT Budget at Member Agency Managers' Meeting (2-21-19)
<ul style="list-style-type: none"> Meet with Member Agencies as requested or scheduled

MWDOC BUDGET SCHEDULE

March 2019
<ul style="list-style-type: none"> Revised information completed on prior year Choice WUE benefits to Member Agencies to serve as basis of charging agencies for the upcoming year for WUE activities
<ul style="list-style-type: none"> Discuss SECOND DRAFT Budget in A&F Committee (3-13-19)
<ul style="list-style-type: none"> Review SECOND DRAFT Budget at Member Agency Managers' Meeting (3-22-19)
<ul style="list-style-type: none"> Update Choice Participation
<ul style="list-style-type: none"> Member Agencies' submit Formal Comments about the Budget (3-27-19)
April 2019
<ul style="list-style-type: none"> Conduct meeting with Elected Officials from Member Agencies to discuss budget and other topics (4-4-19)
<ul style="list-style-type: none"> THIRD DRAFT Budget and Rates presented to A&F Committee (4-10-19)
<ul style="list-style-type: none"> Member Agencies' Formal Comments presented to A&F Committee (4-10-19)
<ul style="list-style-type: none"> Board approval of FY2019-20 FINAL Budget and Rates (4-17-19)
June 2019
<ul style="list-style-type: none"> Member Agencies confirm final Choice Participation (6-14-19)
August 2019
<ul style="list-style-type: none"> Reconciliation of FY 2018-19 WUE & Choice Programs
September 2019
<ul style="list-style-type: none"> REVISED FINAL Choice Budget presented to A&F Committee (9-11-19)
<ul style="list-style-type: none"> Board approval of FY2019-20 REVISED FINAL Choice Budget (9-18-19)



DISCUSSION ITEM

December 12, 2018

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

FROM: Robert Hunter, General Manager

Staff Contact: Cathleen Harris, Administrative Services Manager

SUBJECT: Administration Department Overview

STAFF RECOMMENDATION

Staff recommends the Administration & Finance Committee receive and discuss the department overview presentation for the Administration Department.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

DETAILED REPORT

In preparation for the FYI 2019-20 budget process, the Administration Department staff will provide an overview presentation summarizing department functions and current and future projects.

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



Administration Department

Cathleen Harris, Administrative Services Manager
Municipal Water District of Orange County

December 12, 2018



Meet the Team



Cathleen Harris
Administrative Services
Manager



Maribeth Goldsby
Sr. Executive Asst. to the
Board



Katie Davanaugh
Sr. Executive Assistant



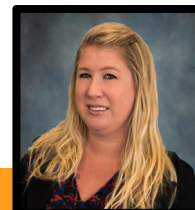
Tina Dubuque
Executive Assistant



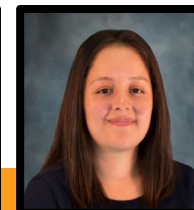
Pari Francisco
Records Coordinator



Leah Frazier
Administrative Assistant



Christina Hernandez
Database Coordinator



Michelle DeCasas
Administrative Assistant

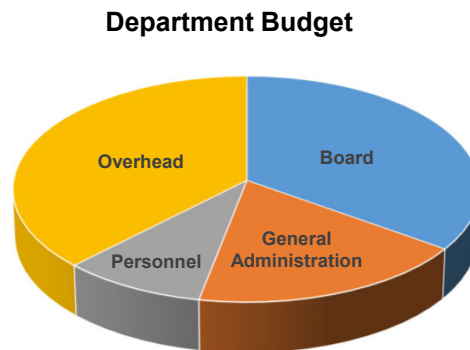
7 Full-Time Employees

1 Part-Time Employee

Provide support to all District staff

Administration Department

- 💧 Administration Department Core Budget = \$3,404,454
- 💧 34.5% of total Budget
- 💧 Portion of other staff salaries and benefits are charged to the Administration Department



Board Admin \$1.2m
Personnel \$0.3m

General Admin \$0.6m
Overhead \$1.3m



3

Administration Department Provides support in the following areas:

- 💧 **Board Administration**
 - 💧 Director Support
 - 💧 Attend, prepare and compile Board and Committee Agendas and minutes to ensure compliance with all applicable State and Federal laws
 - 💧 Ensure compliance with District Administrative Code and Contracts Manual and ensure publication of required legal notices



4

Administration Department Provides support in the following areas:

- 💧 **General Administration**
 - 💧 Provide support to all departments
 - 💧 Coordinate with OCWD on front desk coverage
 - 💧 Coordinate meeting set-ups
- 💧 **Records Management**
 - 💧 Oversee and maintain the Electronic Records Management System – Laserfiche
 - 💧 To date the off-site storage at Iron Mountain contains 89 Boxes from 589
 - 💧 Train staff on policies related to accessing, storing and transmitting electronic records



5

Administration Department Provides support in the following areas:

- 💧 **Database Management**
 - 💧 Oversee and maintain ACT Database Management System used as the repository for District contacts for various lists used for outreach efforts, i.e. mass mailings such as through Constant Contact
 - 💧 Provide a centralized database as a resource for staff in improving efficiencies
- 💧 **Overhead**
 - 💧 Building Facilities
 - 🌱 Atrium renovation
 - 🌱 Upcoming coming work
 - 💧 Office remodel
 - 💧 Server room HVAC
 - 💧 Roof Replacement
 - 💧 Electrical repair work



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6

Administration Department Provides support in the following areas:

- **Personnel**
 - Recruitment, selection, post offer screening and orientation
 - Benefits Administration
 - Compensation Administration
 - General Personnel Administration – Keeping all required documentation on Employees
- **Safety and Risk Management**
 - Workers Compensation, Liability and Property Insurance
 - Safety oversight



7

Administration Department Provides support in the following areas:

- **Currently working on**
 - Evaluate and Improve Performance Evaluation Process
 - Online system
 - Training of employees on new process
 - Implementation of District wide training for Managers and Employees
 - Promote Public Agency Leadership Training through Cal State University Fullerton
 - Succession Planning for upcoming retirements
 - Preparation for WUE staffing efforts – New Employee Class
 - Building remodel efforts
- **Future**
 - Continued staff training and engagement
 - Building improvements



8

 QUESTIONS?

Thank you!





Item No. 7

DISCUSSION ITEM

December 12, 2018

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

FROM: Robert Hunter, General Manager

Staff Contact: Hilary Chumpitazi

SUBJECT: Finance and Information Technology (IT) Department Overview

STAFF RECOMMENDATION

Staff recommends the Administration & Finance Committee: receive and discuss the department overview presentation for the Finance and IT departments.

COMMITTEE RECOMMENDATION

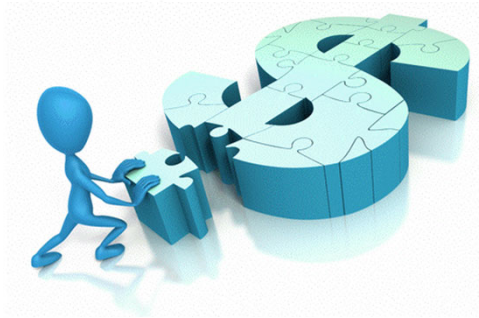
Committee recommends (To be determined at Committee Meeting)

DETAILED REPORT

In preparation for the FY 2019-20 budget process, the Accounting Manager will provide an overview presentation summarizing department functions as well as our current focus and future projects.

Attachment: Department Presentation – Finance and IT

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



Finance and Information Technology (IT)

Hilary Chumpitazi, Accounting Manager
Municipal Water District of Orange County

December 12, 2018



Meet the Team



Hilary Chumpitazi
Accounting Manager



Lina Gunawan
Sr. Accountant



Mary Snow
Accountant



Jeff Stalvey
Sr. Financial/Database
Analyst



Patrick Dinh
Network Systems
Engineer

5 Full Time Employees
Provide support to all District staff



Finance Department provides support in the following areas:

Accounting

- Process on average \$19.4 million in revenues and expenses monthly
- Earn on average \$33,000 of interest monthly
- Employee and Director payroll and business expense reimbursement
- Accounts Payable and Receivable
- Fixed Assets
- Approve turf and spray to drip rebates in Droplet
- Process all WUE's conservation rebates
- Invest all receivables within one business day
- Monitor investments monthly to ensure compliance with our Administrative Code
- Monthly and annual financials
- Annual Audit
- File 700 1099-MISC forms with IRS yearly (down from 3,700)
- Ad Hoc reports
- Provide the accounting for other departments events
- Respond to all requests in the same day



Finance Department provides support in the following areas:

Finance/Database Analysis

- Annual Budget
- Produce timely water billing to our member agencies
- Work closely with WUE and their grants
- Balance WUE funds
- Maintain WUE's website
- Bank reconciliation
- Create Ad Hoc reports from our accounting software
- Assist in the financial development of new Shared Services
- Annual State Reporting
- Backup for IT and Payroll



IT Department provides support in the following areas:

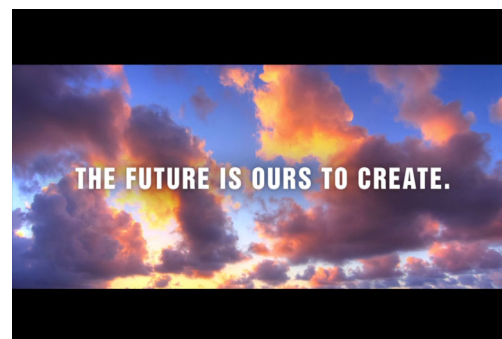
- 💧 Prevents 116,200 external threats on our server monthly
- 💧 Blocks 24,166 emails monthly
- 💧 Rejects 15 threats/viruses monthly
- 💧 Monitors IT equipment in server room 24/7
- 💧 Disaster Recovery and support for the District WEROC and their EOC's
- 💧 Ensures uninterrupted service to the districts phones, computers, internet and equipment. Including network security and connectivity
- 💧 Purchases equipment with the best quality for the best value
- 💧 Responds to requests and resolves quickly



5

Finance and IT

- 💧 **Current Focus**
 - 💧 Building Improvements and new equipment for Conference Room 101
 - 💧 Continue to volunteer for Public Affairs' events
 - 💧 Continue PC Refresh Program – replace PC's and printers before they quit
 - 💧 Upgrade Phone Server, Software, VIOP Gateway
 - 💧 Support the District as needed
- 💧 **What the Future Holds**
 - 💧 Mary and Jeff retiring
 - 💧 Up and coming District projects may require financing
 - 💧 Upgrade existing financial software to the latest version
 - 💧 New Shared Services with vehicle purchases
 - 💧 Continually maintain and upgrade District equipment and software
 - 💧 Support the District as needed



Questions?
Thank you!



**Administration Activities Report
November 9, 2018 to December 6, 2018**

Activity	Summary
Administration/Board	<p>Staff worked on the following:</p> <ul style="list-style-type: none"> • Scheduled meetings for Rob Hunter and other various meetings of the Board members. • Assisted Rob/Karl with various write ups and follow-up for the Committees and Board. • Continue to send the Water Supply Reports to the member agencies. • Continued training of new administrative staff. • Processed and reviewed agreements for appropriate board approval and insurance requirements. • Received Notary Certification through the Secretary of State. • Coordinate FTP sites with IT. • Coordinate appropriate meeting space for January 5th Special Board Meeting. • Coordinated the logistics for the Elected Officials Forum. • Set appointments both phone & in person meetings for Rob and Karl. • Assisted Government Affairs Manager with preparation of correspondence and travel. • Drafted the General Manager's Report. • Prepared Public Affairs & Legislative, Planning & Operations and Administration & Finance Committee packets and minutes. • Processed several Agreements. • Piloting Lynda.com • Made travel arrangements for a Director and Staff member for a trip to DC. • Made travel arrangements and submitted expenses for Government Affairs and WEROC. • Registered, booked travel arrangements for Board and Staff for the CRWUA. • Booked travel for two Directors and General Manager for an upcoming Plenary Meeting. • Scheduled two interns for a Workshop and exam • Scheduled WUE Staff member to attend conference in Long Beach. • Booked a hotel room for WACO speaker. • Made adjustments to ACWA attendees' registration and hotel arrangements.
MWDOC/OCWD Joint Administration	No new information to report.
Health Benefits	<ul style="list-style-type: none"> • Enrollment for the Flexible Benefits and Health Savings Account elections for 2019 have been extended through December 21st. All participants are encouraged to utilize account funds from 2018 no later than December 31, 2018. Staff reviewed each participant account to maximize savings for each employee.

Health Benefits (continued)	<ul style="list-style-type: none"> The representative from Colonial Life insurance met with employees on November 16th to provide information on supplemental insurance plans. Employees may participate in the Colonial Plans at their own cost.
Records Management	<ul style="list-style-type: none"> Review and reorganization of electronic documents in Laserfiche system continues. Staff is in the process of reorganizing the Shared drive in order to transition to a new streamlined folder structure. Staff participated in a Laserfiche training webinar in mid-November.
Recruitment /Departures	<ul style="list-style-type: none"> All positions are currently filled.
Other	
Projects and Activities	<ul style="list-style-type: none"> The District will be closed on December 23 and 25 in observance of Christmas and January 1st for New Year's Day. The annual holiday staff luncheon will be held on December 19th. The office will be closed from 12:00-5:00pm Staff prepared and completed a mail merge for more than 150 newly electeds within the MWDOC service area in the Orange County region for President' Barbre's signature. Staff continues review of the Personnel Manual. Staff is reviewing proposals from consultants on evaluating options for improvements to the District's Performance Evaluation process. Staff met with IDS and is continuing to work on finalizing a Master Plan Schematic for Phase 1 and 2 of the office improvements. Staff participated in the WEROC radio training Staff coordinated holiday gift giving through Miracles for Kids. JPIA announced a 9% decrease in general liability insurance rates for the 2018-19 policy year, effective October 1st. Staff is in the process of reviewing new training opportunities for staff to utilize in expanding their software knowledge, as well as communication, management, career development, leadership and presentation skills. Staff is evaluating options in an HVAC unit for the server room.



INFORMATION ITEM

December 12, 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

The following list details the status of special projects that are in-progress or to be completed during FY 2018-19.

Description	% of Completion	Estimated Completion date	Status
<u>Finance</u>			
Further Implementation of WUE Landscape Programs Databases and Web Site.	On-going	On-going	In Progress
2018 W-9 collection for water rebates. Currently holding 2 rebate checks awaiting W-9 forms.	On-going	On-going	In Progress
Annual audit with Vazquez & Co. Interim audit week of July 9 th ; final audit week of September 17 th .	100%	11-14-18	Completed
Prepare for year end, post closing entries and prepare annual financials. Awaiting audit presentation.	100%	10-24-18	Completed
Pulled 83 W-9's to respond to an IRS penalty notice for 2016 1099 filings. Legal counsel responded. Awaiting IRS reply.	90%	11-30-18	In Progress
Government Compensation in California Report 2018	0%	03-30-19	Not Started
State Controller Report preparation FY2017-18	0%	11-30-18	Not Started

Preparation of documents for FY2019-20 budget process.	15%	05-31-19	In Progress
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Description	% of Completion	Estimated Completion date	Status
<u>Information Technology</u>			
Network security issues (hackers, viruses and spam emails)	On-going	On-going	Continuous system monitoring
Purchase and upgrade Virtual Hyper-V Host Server (Hardware and Software)	90%	12-31-18	In Progress
Purchase and upgrade Conference room 101 with Interactive board	0%	06-30-19	Not Started
Upgrade VOIP telephone phone system (Hardware and software)	10%	3-31-19	In Progress

Description	% of Completion	Estimated Completion date	Status
<u>FY 2018-19 Completed Special Tasks</u>			
<u>Finance</u>			
Transition to new banking institution, U.S. Bank. Closed Bank of America account on 08/30/18	100%	08-20-18	Completed
New custodial services with U.S. Bank. New account opened August 3rd and transitioned by August 20th.	100%	08-22-18	Completed
State Tax filing for Water Facilities FY17-18	100%	09-30-18	Completed
<u>Information Technology</u>			
Upgrade Exchange Server to Enterprise Version	100%	09-30-18	Completed
Purchase and upgrade 5 desktop computers, 3 laptops and an iPad for Staff	100%	09-30-18	Completed



INFORMATION ITEM

December 12, 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

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

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

REPORT

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 October.
- OC Water Usage, Monthly, Comparison to Previous Years Water usage in October 2018 was below average compared to the last 5 years. We are continuing to see slight increases in overall water usage compared to the previous three Fiscal Years. It has been 20 months since all mandatory water restrictions were lifted by the California State Water Resources Control Board.
- Historical OC Water Consumption Orange County M & I water consumption is projected to be 550,000 AF in FY 2018-19 (*this includes ~15 TAF of agricultural usage and non-retail water agency usage*). This is about 10,000 AF more than FY 2017-18 and is about 31,000 AF more than FY 2016-17. Water usage per person is projected to be slightly higher in FY 2018-19 for Orange County at 152 gallons per day (This includes recycled water). Although OC population has increased 20% over the past two decades, water usage has not increased, on average. A long-

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):			

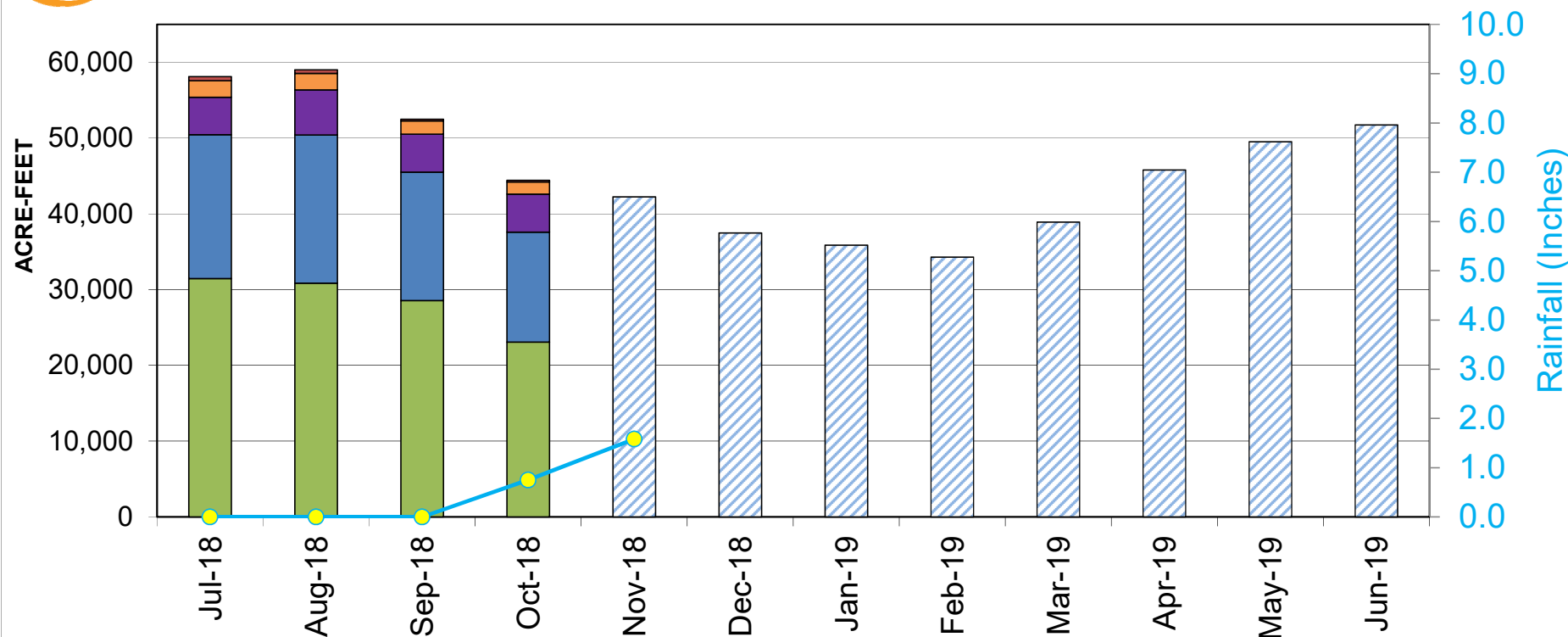
term decrease in per-capita water usage is attributed mostly to Water Use Efficiency (water conservation) efforts. O.C. Water Usage for the last three Fiscal Years is the lowest since the 1982-83 Fiscal Year (FY1982-83 was the third wettest year on record).

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. 1st through Sept. 30th.

- Orange County's accumulated rainfall through November was above average for this period. Water year to date rainfall in Orange County is 2.33 inches, which is 127% of normal.
- Northern California accumulated precipitation through November was 86% of normal for this period. Water Year 2018 was 82% of normal while water year 2017 was 187% of normal. The Northern California snowpack was 43% of normal as of April 1st (California DWR has not updated snowpack data for WY 2019). As of late November, 83.66% of California is experiencing moderate to extreme drought conditions while 100.00% of the state is experiencing abnormally dry conditions. The State Water Project Contractors Table A Allocation was initially set at 10% in December 2018.
- Colorado River Basin accumulated precipitation through November was 113% average for this period. The Upper Colorado Basin snowpack was 112% of normal as of December 2nd. Lake Mead and Lake Powell combined have about 57% of their average storage volume for this time of year and are at 40.6% 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 November, Lake Mead levels were 3.44' above the "trigger" limit. The USBR predicts that the start of 2019 will not hit the "trigger" level but there is a 57% chance that the trigger level will be hit in 2020 and a 68% chance in 2021.



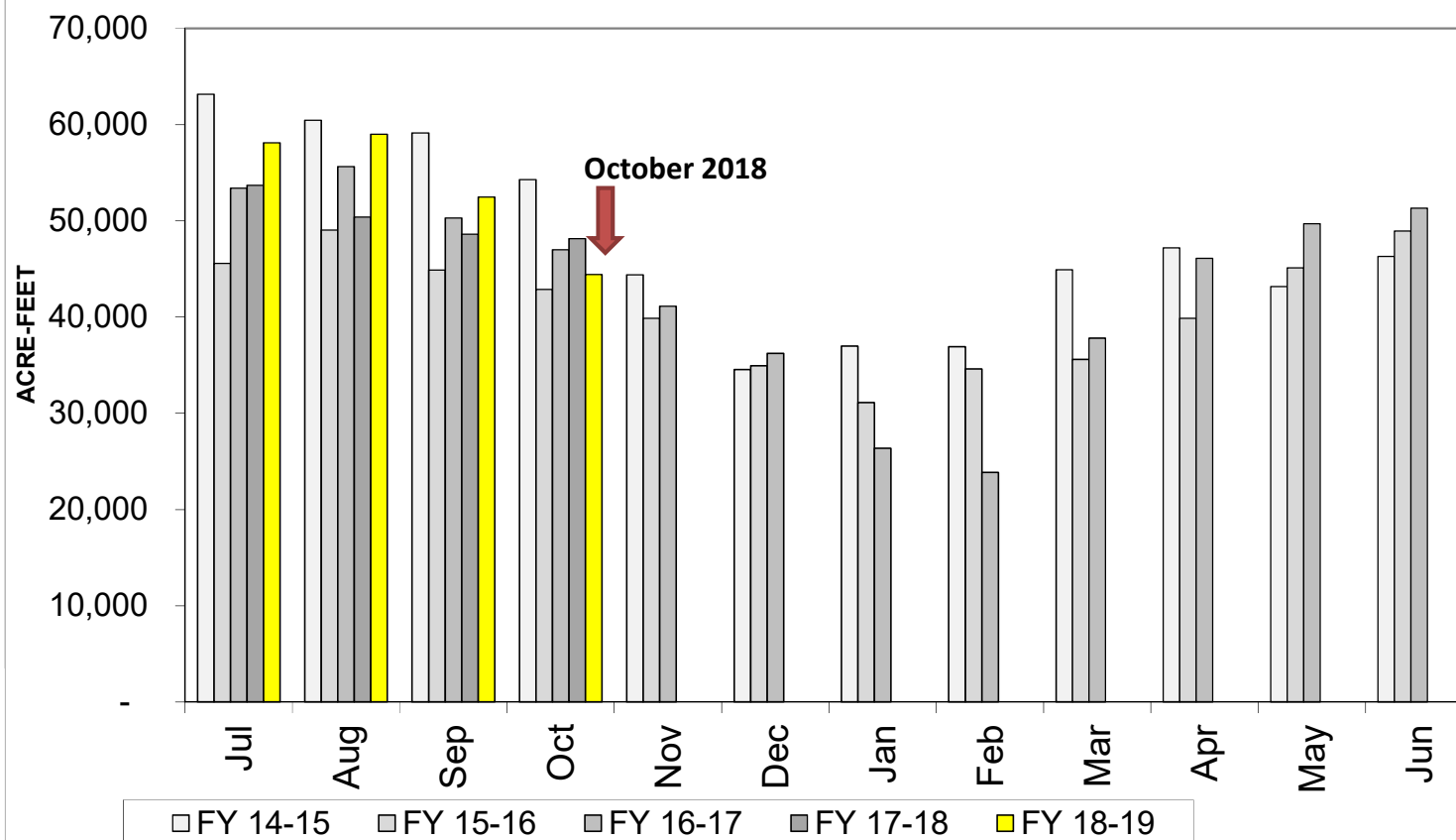
Fig. 1 OC Water Usage, Monthly by Supply with projection to end of fiscal year



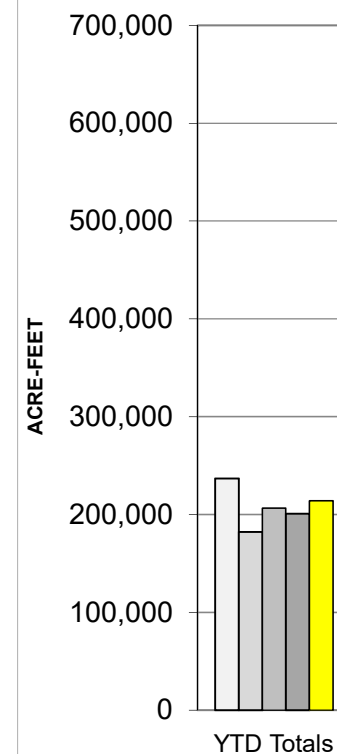
- [1] Imported water for consumptive use. Includes "In-Lieu" deliveries and CUP water extraction. Excludes "Direct Replenishment" deliveries of spreading water, "Barrier Replenishment" deliveries, and deliveries into Irvine Lake.
- [2] GW for consumptive use only. Excludes In-Lieu water deliveries and CUP water extraction that are counted with Import. BPP in FY '17-18 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

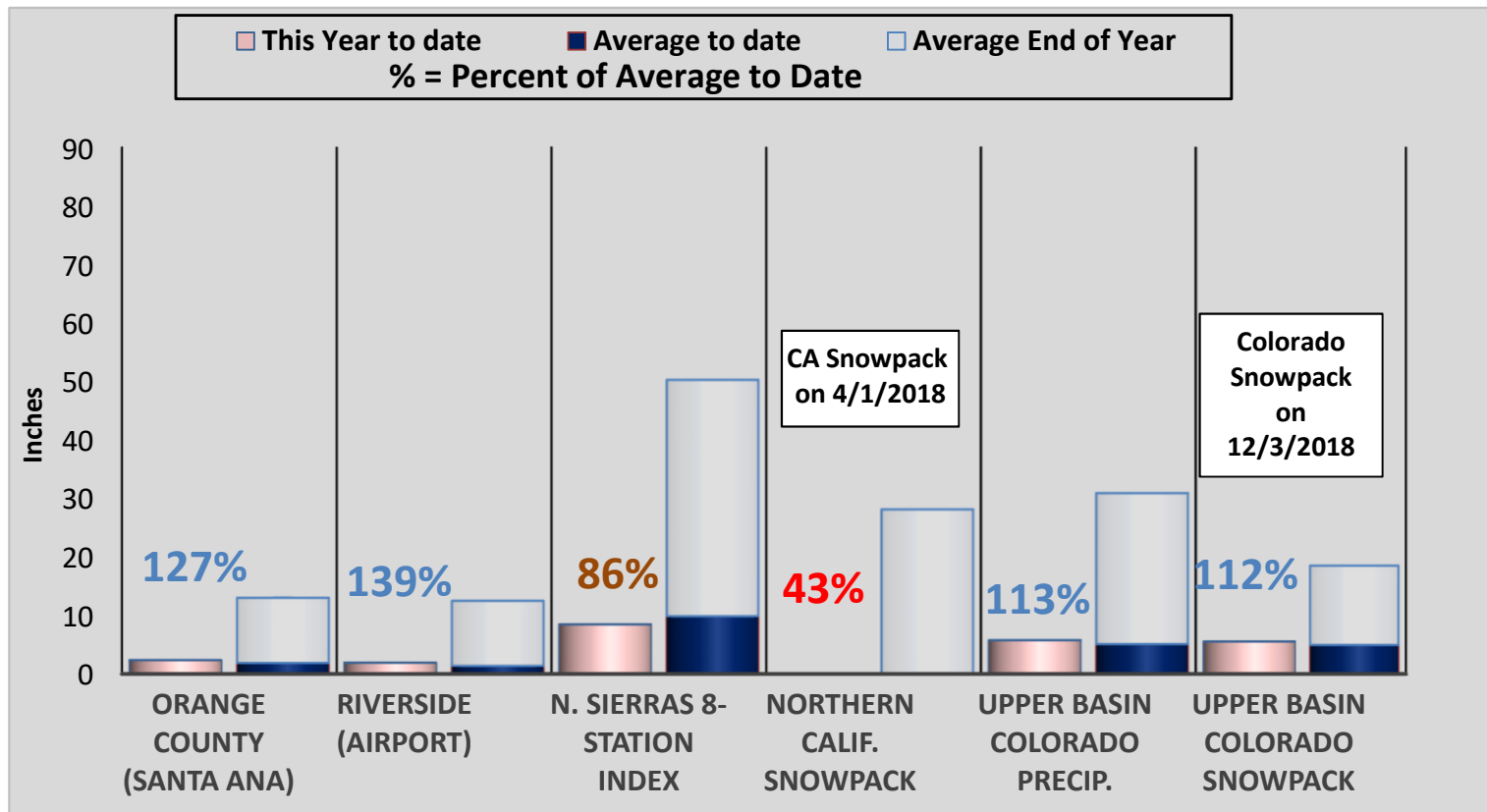


Partial Year Subtotals



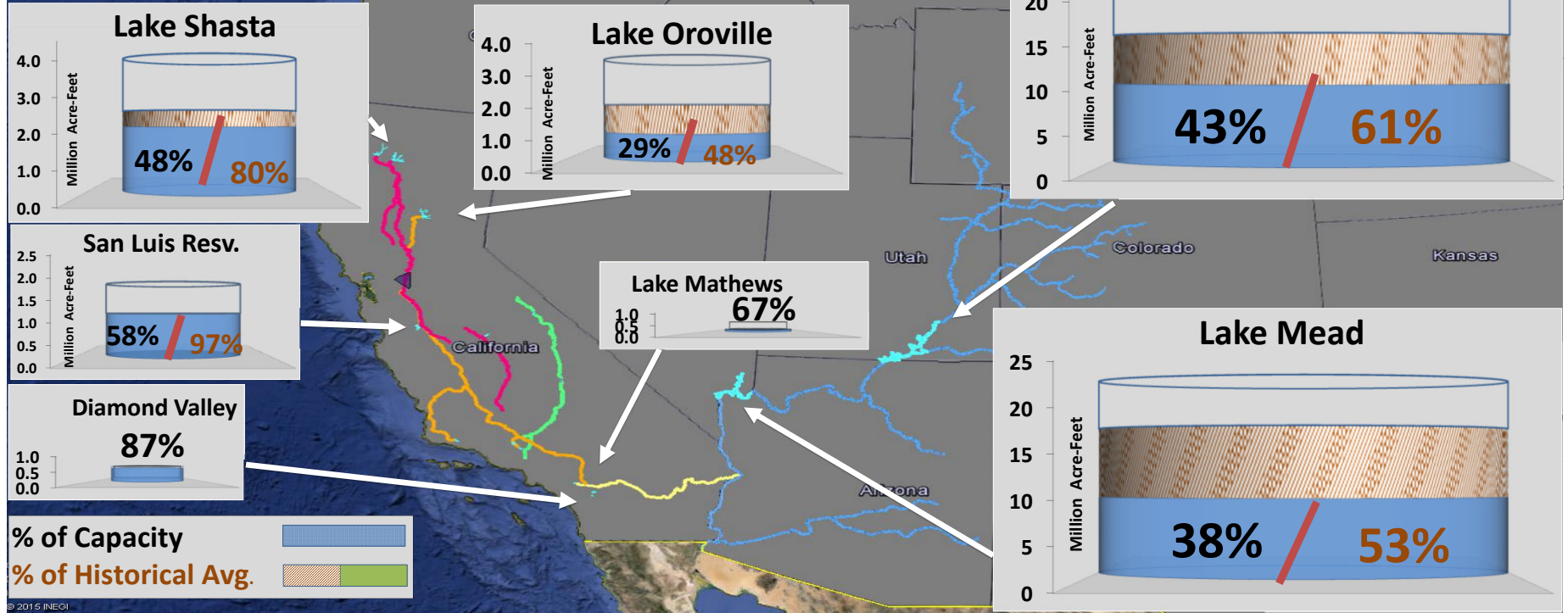
[1] Sum of Imported water for consumptive use (includes "In-Lieu" deliveries; excludes "Direct Replenishment "and "Barrier Replenishment") and Local water for consumptive use (includes recycled and non-potable water and excludes GWRS production) Recent months numbers include some estimation.

Accumulated Precipitation for the Oct.-Sep. water year, through November 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.

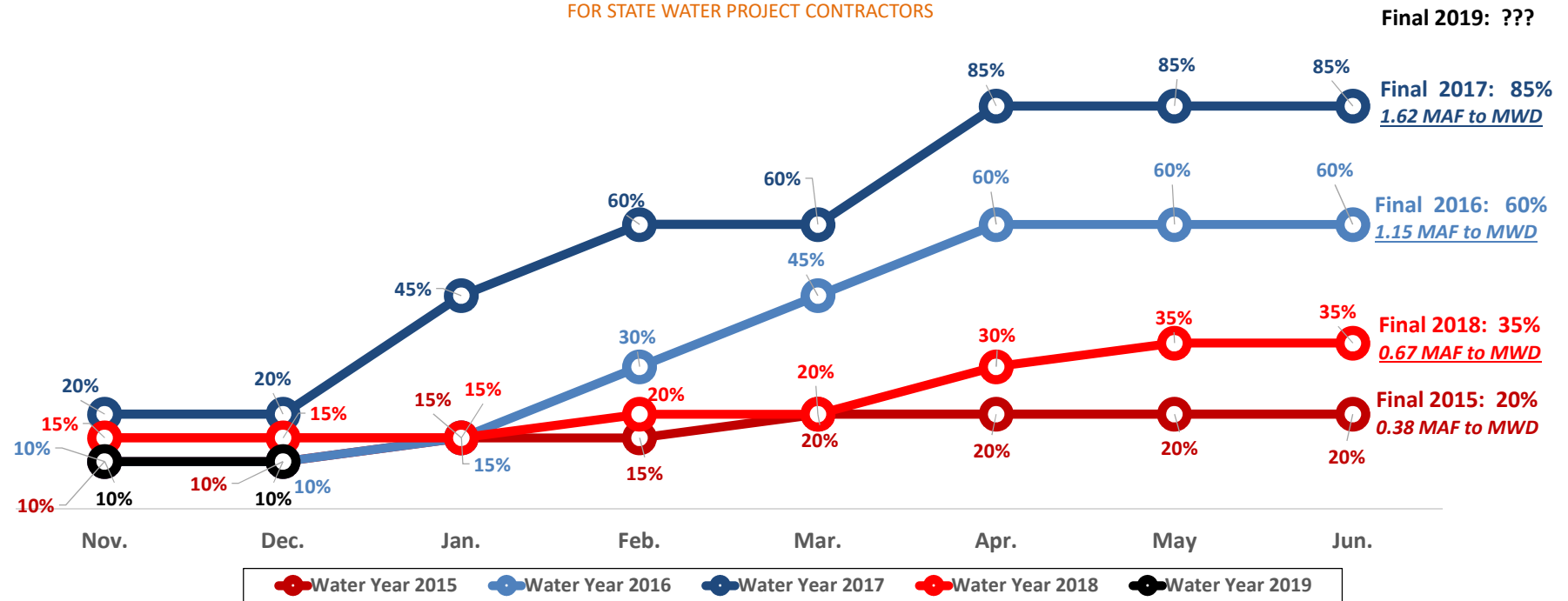
State Water Project, Colorado River, and MWD Reservoir Storage
as of December 3, 2018



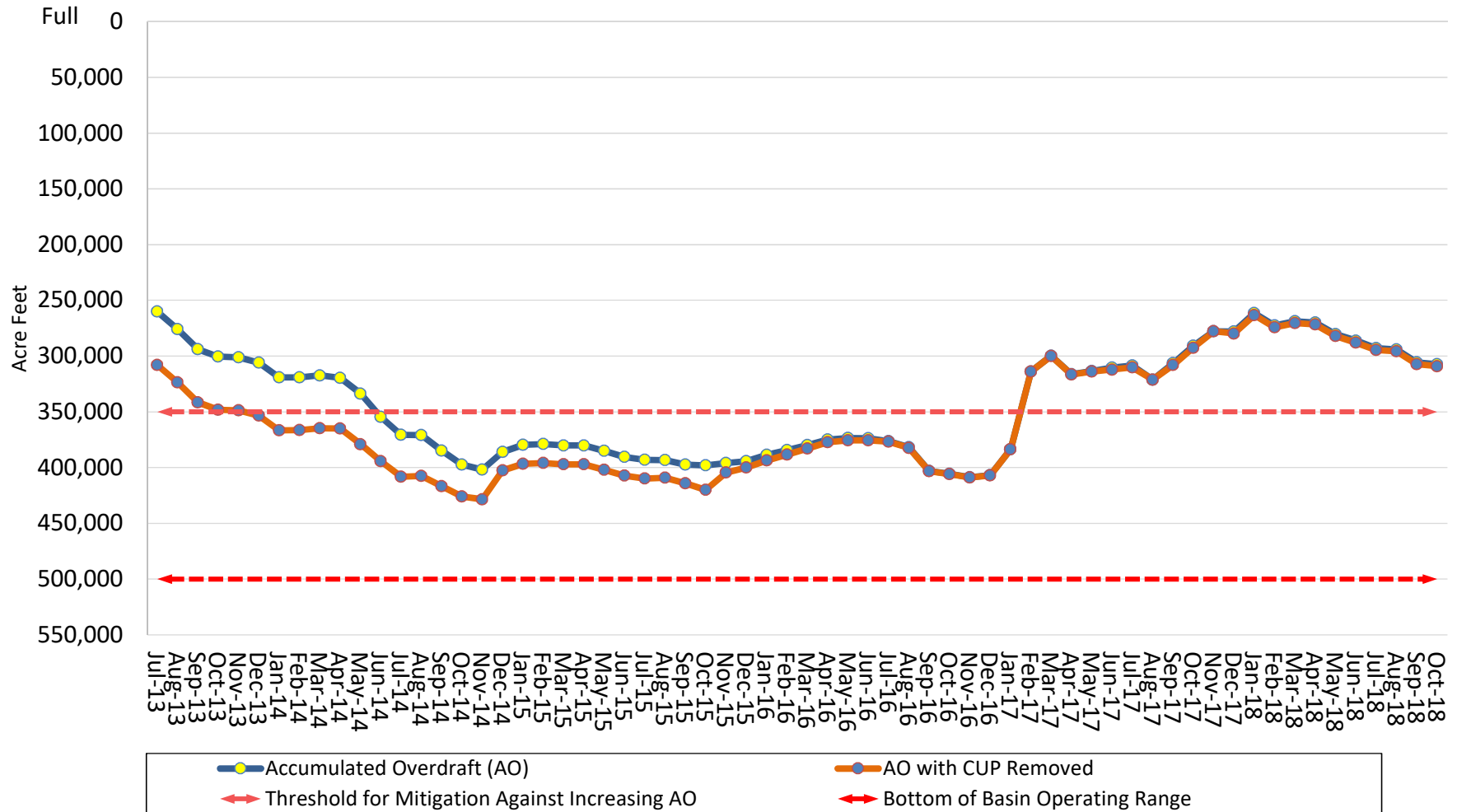
prepared by the Municipal Water District of Orange County
*Numbers are Subject to Change

SWP TABLE A ALLOCATION

FOR STATE WATER PROJECT CONTRACTORS

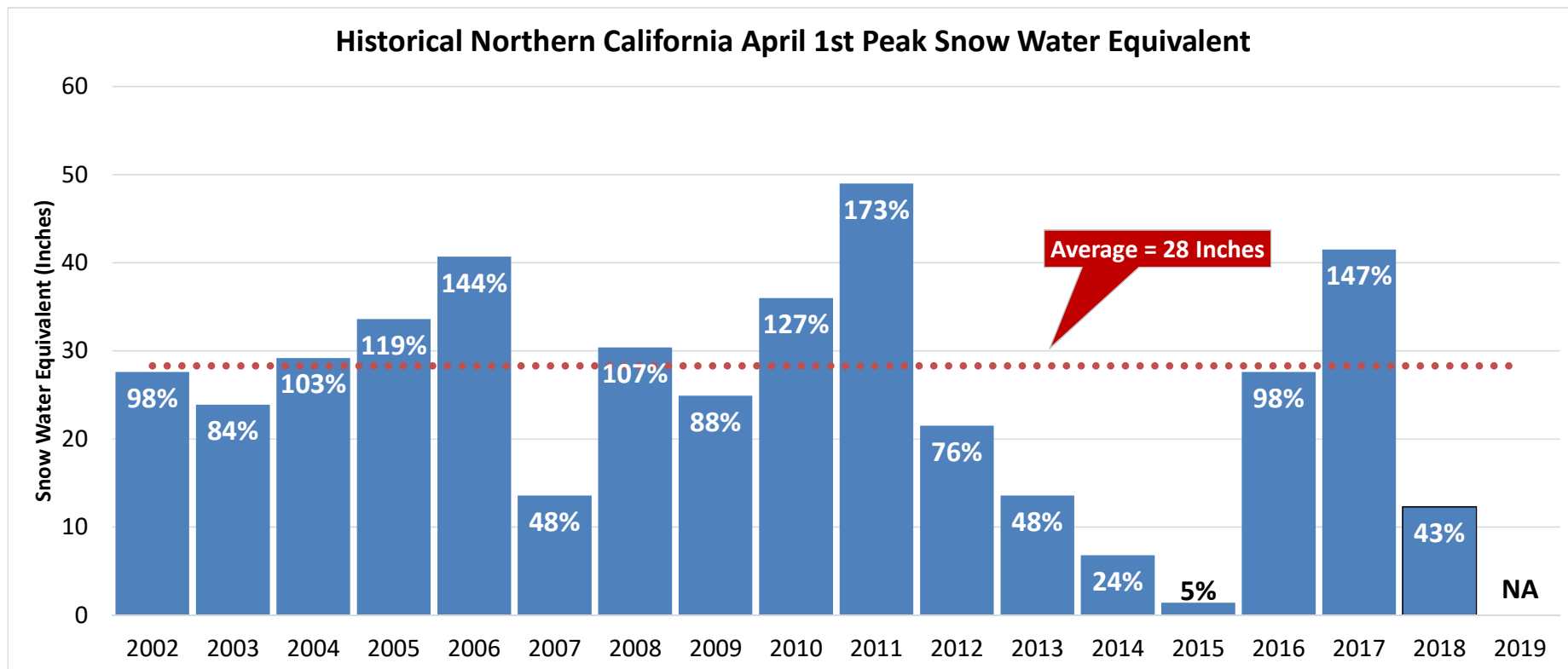


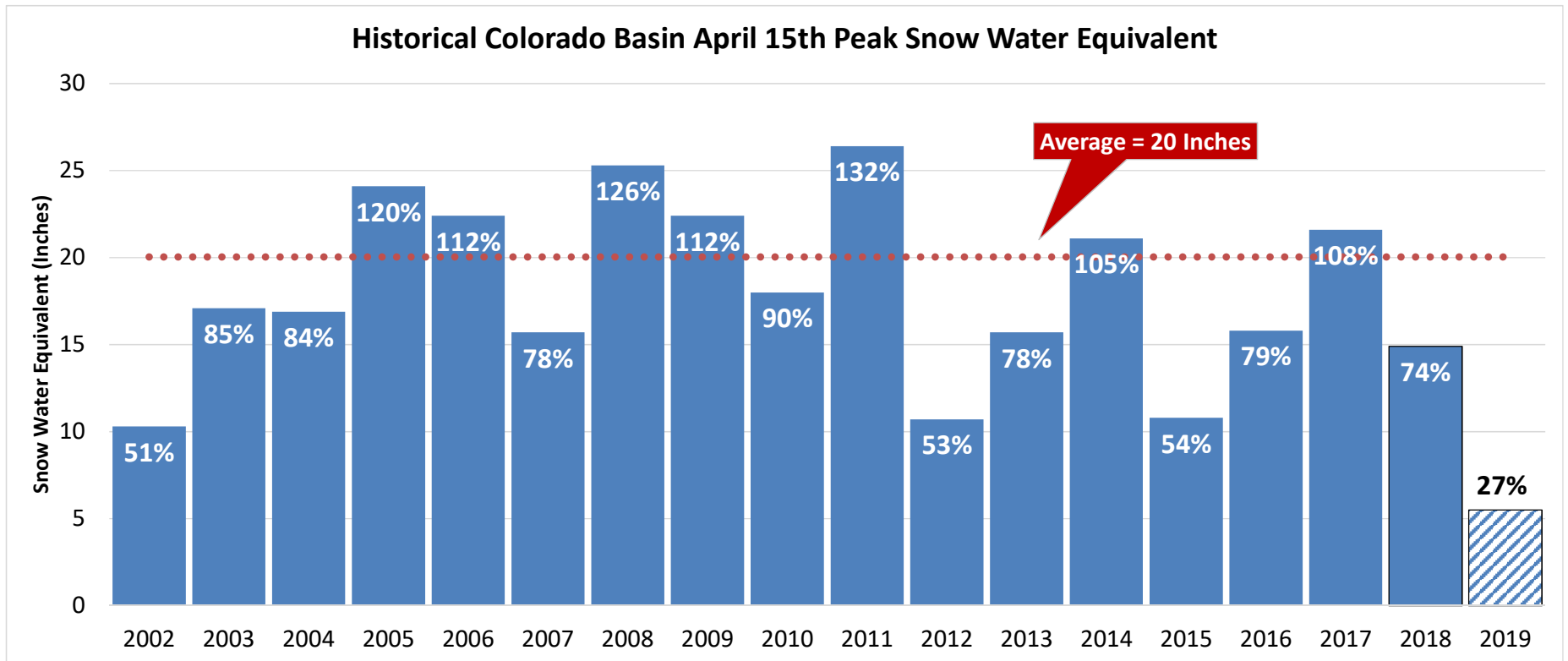
Accumulated Overdraft of the OCWD Groundwater Basin as of October 2018



	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
AO (AF)	308,488	321,131	306,280	290,800	277,691	278,056	261,521	272,475	268,752	269,889	280,329	286,163
AO w/CUP removed (AF)	310,216	321,131	308,007	292,522	277,691	279,776	263,237	274,188	270,463	271,601	282,041	287,869
	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19
AO (AF)	292,869	294,090	305,572	307,374								
AO w/CUP removed (AF)	294,572	295,790	307,271	309,072								

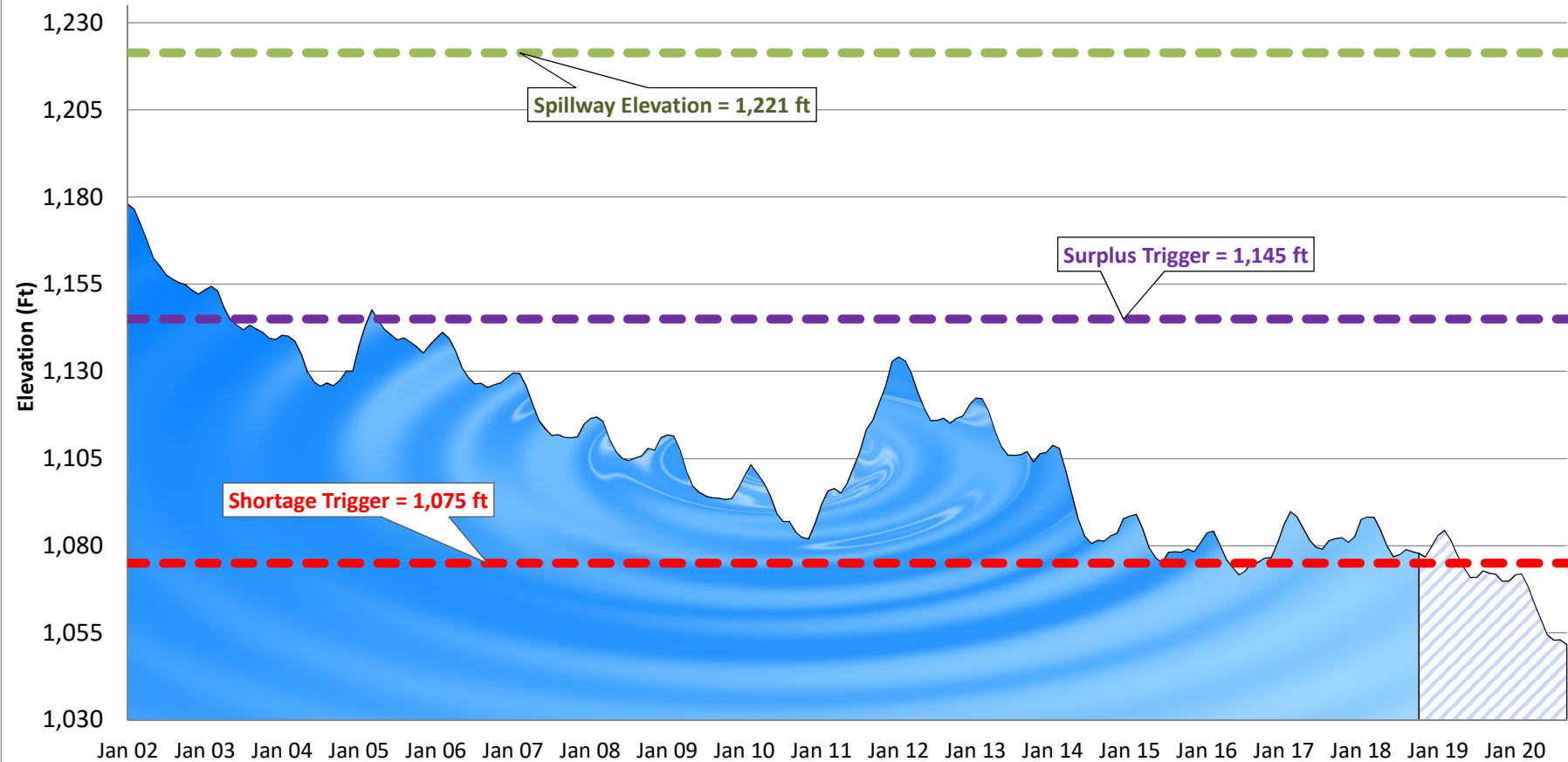






Lake Mead Levels: Historical and Projected projection per USBR 24-Month Study

■ Historical □ Projected



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

■ Historical □ Projected

