

MEETING OF THE BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

Jointly with the

ADMINISTRATION & FINANCE COMMITTEE

March 11, 2020, 8:30 a.m.

Conference Room 101

A&F Committee:

Director Thomas, Chair

Director Finnegan

Director Dick

Staff: R. Hunter, K. Seckel, J. Berg,

H. De La Torre, K. Davanaugh, C. Harris,

H. Chumpitazi

Ex Officio Member: Director Tamaribuchi

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 – February 2020
 - b. Disbursement Approval Report for the month of March 2020
 - c. Disbursement Ratification Report for the month of February 2020
 - d. GM Approved Disbursement Report for the month of February 2020
 - e. Water Use Efficiency Projects Cash Flow – February 29, 2020
 - f. Consolidated Summary of Cash and Investment – January 2020
 - g. OPEB and Pension Trust Fund monthly statement
2. FINANCIAL REPORT
 - a. Combined Financial Statements and Budget Comparative for the Period ending January 31, 2020

DISCUSSION ITEM

3. SECOND DRAFT OF THE FY 2020-21 BUDGET
4. AMENDMENT TO ADMINISTRATIVE CODE RE DIRECTOR VACANCY

ACTION ITEM

5. APPROVE PARTICIPATION IN THE CENTER FOR DEMOGRAPHIC RESEARCH

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.)

6. PUBLIC HEARING DATE SCHEDULED FOR APRIL 15, 2020 RE ORDINANCE SUPERSEDING AND REPEALING MWDOC ORDINANCE NO. 54 REGARDING COMPENSATION FOR DIRECTORS
7. DEPARTMENT ACTIVITIES REPORTS
 - a. Administration
 - b. Finance and Information Technology
8. MONTHLY WATER USAGE DATA, TIER 2 PROJECTION, AND WATER SUPPLY INFORMATION

OTHER ITEMS

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

ADJOURNMENT

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

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

Municipal Water District of Orange County
REVENUE / CASH RECEIPT REPORT
February 2020

WATER REVENUES

Date	From	Description	Amount
02/04/20	City of La Palma	December 2019 Water Deliveries	3,298.97
02/04/20	City of Newport Beach	December 2019 Water Deliveries	210,789.20
02/04/20	City of Seal Beach	December 2019 Water Deliveries	8,225.97
02/04/20	Trabuco Canyon Water District	December 2019 Water Deliveries	100,035.75
02/05/20	Laguna Beach County Water District	December 2019 Water Deliveries	125,034.22
02/07/20	City of San Clemente	December 2019 Water Deliveries	376,522.59
02/10/20	South Coast Water District	December 2019 Water Deliveries	270,764.38
02/10/20	Santa Margarita Water District	December 2019 Water Deliveries	1,130,939.21
02/10/20	City of Buena Park	December 2019 Water Deliveries	121,781.65
02/10/20	El Toro Water District	December 2019 Water Deliveries	297,171.80
02/11/20	Mesa Water	December 2019 Water Deliveries	7,382.81
02/12/20	City of Garden Grove	December 2019 Water Deliveries	685,331.65
02/13/20	City of Westminster	December 2019 Water Deliveries	302,936.05
02/13/20	City of San Juan Capistrano	December 2019 Water Deliveries	242,097.82
02/13/20	City of Orange	December 2019 Water Deliveries	31,455.22
02/13/20	Yorba Linda Water District	December 2019 Water Deliveries	38,574.85
02/14/20	Orange County Water District	December 2019 Water Deliveries	19,761,046.80
02/14/20	East Orange County Water District	December 2019 Water Deliveries	240,617.55
02/14/20	Moulton Niguel Water District	December 2019 Water Deliveries	1,326,598.33
02/14/20	Irvine Ranch Water District	December 2019 Water Deliveries	134,620.17
02/14/20	Golden State Water Company	December 2019 Water Deliveries	180,246.28
02/24/20	City of Newport Beach	January 2020 Water deliveries	498,332.68
02/25/20	Trabuco Canyon Water District	January 2020 Water deliveries	131,432.99
02/27/20	City of Westminster	January 2020 Water deliveries	12,194.39
02/28/20	City of La Habra	January 2020 Water deliveries	5,020.33
02/28/20	Serrano Water District	January 2020 Water deliveries	11,361.73
02/28/20	City of San Clemente	January 2020 Water deliveries	452,511.78

TOTAL REVENUES \$ 26,706,325.17

Municipal Water District of Orange County
REVENUE / CASH RECEIPT REPORT
February 2020

MISCELLANEOUS REVENUES

Date	From	Description	Amount
02/14/20	Atkinson, Andelson, Loya, Ruud & Romo	2/12/20 Water Policy dinner registration	90.00
02/07/20	Cucamonga Valley Water District	2/12/20 Water Policy dinner registration	90.00
02/14/20	Paypal	2/12/20 Water Policy dinner registration	87.56
02/14/20	West Basin Municipal Water District	2/12/20 Water Policy dinner registrations	850.00
02/14/20	East Orange County Water District	2/12/20 Water Policy dinner registrations	850.00
02/14/20	Orange County Water District	2/12/20 Water Policy dinner registration	90.00
02/27/20	Yorba Linda Water District	9/5/19 Water Policy dinner registrations	670.00
02/28/20	Paypal	2/12/20 Water Policy dinner registrations	1,372.61
02/28/20	Serrano Water District	9/5/19 Water Policy dinner registrations	180.00
02/28/20	Paypal	5/29/20 OC Water Summit registrations	1,805.16
02/14/20	Janice Kovacevic	Movie tickets	38.00
02/28/20	US Bank	Monthly Interest	10.04
02/24/20	Stan Sprague	March 2020 Retiree Health insurance	241.22
02/27/20	Keith Lyon	March 2020 Retiree Health insurance	302.78
02/24/20	Laguna Beach County Water District	December 2019 Smartimer rebate program	92.55
02/27/20	City of La Habra	December 2019 Turf Removal rebate program	111.00
02/20/20	City of Westminster	December 2019 Turf Removal rebate program	111.00
02/24/20	Irvine Ranch Water District	December 2019 Turf Removal rebate program	1,734.00
02/28/20	El Toro Water District	December 2019 Turf Removal rebate program	1,025.00
02/28/20	City of Brea	December 2019 Turf Removal and Spray to Drip rebate program	333.00
02/24/20	Irvine Ranch Water District	December 2019 Smartimer and Rotating Nozzle rebate program	411.95
02/07/20	City of San Clemente	December 2019 So Cal Watersmart rebate program	500.00
02/04/20	Moulton Niguel Water District	December 2019 So Cal Watersmart rebate program	3,200.00
02/24/20	Irvine Ranch Water District	December 2019 So Cal Watersmart rebate program	220.00
02/27/20	Department of Water Resources	Apr-Jun 2019 Strategic Turfgrass Removal and Design Assistance program	21,732.80
02/10/20	City of Santa Ana	Jul-Dec 2019 School billing	7,441.45
02/28/20	Serrano Water District	Addition to the Choice School Program FY 19-20	413.95
02/24/20	South Coast Water District	Addition to the Choice School program FY 19-20	4,120.00
02/25/20	Trabuco Canyon Water District	Leak Detection Shared Services FY 19-20	2,733.61
02/27/20	City of Westminster	Leak Detection Shared Services FY 19-20	23,814.00
02/24/20	City of Anaheim	Water Loss Control technical assistance - WSO, Inc	3,465.00
02/07/20	City of Tustin	AWIA Phase 2 Risk and Resilience Assessment	83,855.00
02/07/20	City of San Clemente	AWIA Phase 2 Risk and Resilience Assessment	83,855.00
02/14/20	City of Fullerton	AWIA Phase 2 Risk and Resilience Assessment	83,855.00

TOTAL MISCELLANEOUS REVENUES \$ 329,701.68

TOTAL REVENUES \$ 27,036,026.85



Robert J. Hunter, General Manager



Hilary Chumbitazi, Treasurer

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of March 2020**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
Core Expenditures:		
	Richard C. Ackerman	
1271	February 2020 Consulting on legal and regulatory matters	1,750.00
	*** Total ***	1,750.00
	Aleshire & Wynder LLP	
55308	January 2020 Legal services	94.00
55734	February 2020 Legal services	383.00
	*** Total ***	477.00
	Alta FoodCraft	
52003239	2/12/20 Coffee & tea supplies	236.67
	*** Total ***	236.67
	ARC	
10517745	Set of plans for MWDOC office remodel	64.09
	*** Total ***	64.09
	Barker Leavitt, PLLC	
105-0220	February 2020 Federal legislative advocacy services	8,000.00
	*** Total ***	8,000.00
	Best Best and Krieger LLP	
870236	January 2020 State legislative advocacy services	8,525.96
55401-JAN20	January 2020 Legal services	24,676.58
	*** Total ***	33,202.54
	Blue Watchdog Conservation, Inc.	
1580	January 2020 Instruction services for OC Qualified Water Efficient Landscaper training program	2,747.71
	*** Total ***	2,747.71
	Board of Equalization	
2019	2019 Use tax on purchases	1,089.00
	*** Total ***	1,089.00
	California Air Resources Board	
P-051078-012720	Portable equipment registration for MWDOC generator	805.00
	*** Total ***	805.00
	CDM Smith	
90092343	12/29/19-1/25/20 Water Resource Planning services	922.50
	*** Total ***	922.50
	CDW Government	
WWX6635	Security printer for Finance Department	717.40
	*** Total ***	717.40

Municipal Water District of Orange County
Disbursement Approval Report
For the month of March 2020

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	Hunter T. Cook	
JAN-MAR20	January -March 2020 Retiree medical premium	1,536.00
	*** Total ***	1,536.00
	Eastern Municipal Water District	
31095	25% Share of catering for 2/26/20 DC Briefing luncheon	743.25
	*** Total ***	743.25
	Elevated Health, Inc.	
DEC2019	12/16/19 Pre-employment exams	265.00
	*** Total ***	265.00
	G/M Business Interiors	
0258619-IN	Humanscale sit/stand computer base with dual monitor mount	604.48
0258620-IN	2 Humanscale sit/stand computer bases with dual monitor mount	1,146.46
0258991-IN	Dual monitor mount for Humanscale sit/stand computer base	366.76
	*** Total ***	2,117.70
	GovConnection, Inc.	
57498236	Ricoh color laser printer and 4 ink cartridges	4,926.00
	*** Total ***	4,926.00
	Hashtag Pinpoint Corporation	
1225	February 2020 Strategic digital communications consulting services	7,917.00
	*** Total ***	7,917.00
	Herndon Solutions Group LLC	
100006	January 2020 Services to assist with America's Water Infrastructure Act compliance	11,408.23
	*** Total ***	11,408.23
	Information Management Services, LLC	
390529	2/19/20-2/18/21 Annual maintenance renewal for binding machine	745.00
	*** Total ***	745.00
	Jill Promotions	
10771	MWDOC logo name badge	19.68
10779	MWDOC Logo apparel	81.08
	*** Total ***	100.76
	Karen's Detail Custom Frames, LLC	
3129	Custom framing for certificate of recognition for El Toro Water District	103.79
	*** Total ***	103.79
	Lawnscape Systems, Inc.	
408125	2/28/20 Landscape maintenance for atrium	295.00
	*** Total ***	295.00

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of March 2020**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	Phil Letrong	
OCT-DEC2019	October-December 2019 Retiree medical premium	406.50
	*** Total ***	406.50
	Lewis Consulting Group	
2020-111	February 2020 Consulting services	2,312.50
	*** Total ***	2,312.50
	Edward G. Means III	
MWDOC-1080	February 2020 Consulting on MET issues and guidance to Engineering staff	125.00
	*** Total ***	125.00
	Patricia J. Meszaros	
2019	2019 Retiree medical premium	1,626.00
JAN-MAR20	January - March 2020 Retiree medical premium	433.80
	*** Total ***	2,059.80
	Municipal Resource Group, LLC	
03-20-52	January 2020 Services for coaching and leadership development	1,012.50
03-20-87	January 2020 Services for performance management evaluation and implementation	900.00
	*** Total ***	1,912.50
	NDS	
721294	1/31/20 Delivery charges for Board packets	151.67
721376	2/7/20 Delivery charges for Board packets	231.81
721458	2/14/20 Delivery charges for Board packets	95.57
	*** Total ***	479.05
	Office Depot, Inc.	
443531928001	2/14/20 Office supplies	136.67
447056479001	2/24/20 Office supplies	305.48
	*** Total ***	442.15
	Office Solutions	
I-01718156	10 Badge display trays	169.86
I-01725955	3/2/20 Office supplies	39.19
	*** Total ***	209.05
	County of Orange	
PW200483	FY 2019-20 Cooperative agreement for South OC Watershed Management Area	10,456.46
	*** Total ***	10,456.46
	Orange County Water District	
21358	January 2020 50% share of WACO expense	193.75
21361	January 2020 Postage, shared office and maintenance expense	7,678.33
	*** Total ***	7,872.08

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of March 2020**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<i>Raftelis Financial Consultants, Inc.</i>	
14193	January 2020 Five year monitoring for Budget Based Tiered Rate grant	1,800.00
	*** Total ***	1,800.00
	<i>Roth Staffing Companies, LP</i>	
13853757	2/3/20-2/9/20 Temporary administration staff	1,001.93
13856814	2/10/20-2/16/20 Temporary administration staff	1,178.05
13860047	2/17/20-2/23/20 Temporary administration staff	799.77
	*** Total ***	2,979.75
	<i>Top Hat Productions</i>	
96013	2/20/20 Lunch for Managers' meeting	467.10
	*** Total ***	467.10
	<i>USAFact, Inc.</i>	
23094	2/28/20 Pre-employment background check	82.14
	*** Total ***	82.14
	<i>WageWorks, Inc.</i>	
INV1952554	February 2020 Cafeteria plan administration	185.25
	*** Total ***	185.25
	<i>Total Core Expenditures</i>	111,958.97

Choice Expenditures:

	<i>Above All Catering, Inc.</i>	
C35079	2/6/20 Lunch for Water Use Efficiency Workgroup meeting	469.26
	*** Total ***	469.26
	<i>Discovery Science Center</i>	
1331	February 2020 Elementary School program for grades 3-6	26,289.34
	*** Total ***	26,289.34
	<i>Grainger</i>	
9459820743	2/28/20 Supplies for Water Loss Control Shared Services	43.05
	*** Total ***	43.05
	<i>Huntington Beach Chrysler Dodge Jeep Ram</i>	
JECS439506	Automotive service for Water Loss Control Shared Services van	144.75
	*** Total ***	144.75
	<i>Jill Promotions</i>	
10778	MWD OC Logo shirts and jacket for Water Loss Control Shared Services employee	131.28
	*** Total ***	131.28

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of March 2020**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	Orange County Water District	
21361	January 2020 Postage, shared office and maintenance expense	16.62
	*** Total ***	16.62
	US Bank Voyager Fleet Systems	
869434993009	1/25/20-2/24/20 Fuel and wash for Water Loss Control Shared Services vehicle	209.18
	*** Total ***	209.18
	Total Choice Expenditures	<hr/> 27,303.48
Other Funds Expenditures:		
	Herndon Solutions Group LLC	
100006	January 2020 Services to assist with America's Water Infrastructure Act compliance	169,527.23
	*** Total ***	169,527.23
	Large Plumbing	
25215	February 2020 Services for Pressure Regulating Valve Replacement program	1,660.00
	*** Total ***	1,660.00
	McCall's Meter Sales & Service	
32564	February 2020 Meter Accuracy Testing program for South Coast Water District	2,170.00
	*** Total ***	2,170.00
	Mission RCD	
2819	February 2020 Field verifications for Water Use Efficiency rebate programs	12,538.65
	*** Total ***	12,538.65
	TerraWorks Studio	
MW0003	February 2020 Services for Landscape Design and Maintenance program	1,815.00
	*** Total ***	1,815.00
	Total Other Funds Expenditures	<hr/> 187,710.88
	Total Expenditures	<hr/> <hr/> 326,973.33

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of February 2020**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
Core Disbursements:				
139474	2/10/20	SPECTB 0375210020120	Spectrum Business February 2020 Telephone and internet expense ***Total ***	1,103.31 1,103.31
139476	2/10/20	VERIZO 9846967216	Verizon Wireless January 2020 4G Mobile broadband unlimited service ***Total ***	114.03 114.03
139486	2/14/20	CORTBU 7137372	Cort Business Services Corp. February 2020 Furniture lease for 5 temporary workstations ***Total ***	561.50 561.50
139494	2/14/20	HOMED1 7785-JAN20	Home Depot Credit Services Office supplies ***Total ***	12.53 12.53
139502	2/14/20	SPECTB 0343564021020	Spectrum Business February 2020 Telephone expense for 3 analog fax lines ***Total ***	108.53 108.53
ACH004538	2/14/20	ACKEEX 013120	Linda Ackerman January 2020 Business expense ***Total ***	96.60 96.60
ACH004541	2/14/20	BACATI 121819	Tiffany Baca December 2019 Business expense	20.00
ACH004542	2/14/20	013120	January 2020 Business expense ***Total ***	81.53 101.53
ACH004547	2/14/20	CHUMPI 013120	Hilary Chumpitazi January 2020 Business expense ***Total ***	50.29 50.29
ACH004549	2/14/20	DELATO 012420	Harvey De La Torre January 2020 Business expense ***Total ***	63.26 63.26
ACH004550	2/14/20	DICKEX 013120	Larry Dick January 2020 Business expense ***Total ***	194.40 194.40
ACH004556	2/14/20	HALEY 013120	Melissa Baum Haley January 2020 Business expense	267.40
ACH004557	2/14/20	020720	February 2020 Business expense ***Total ***	318.44 585.84

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of February 2020**

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
ACH004558	2/14/20	HARRIS 013120	Cathleen M. Harris January 2020 Business expense ***Total ***	 58.65 58.65
ACH004561	2/14/20	HOSTER 013120	Kevin Hostert January 2020 Business expense ***Total ***	 42.55 42.55
ACH004570	2/14/20	MCVICK 013120	Robert McVicker January 2020 Business expense ***Total ***	 59.27 59.27
ACH004586	2/14/20	SCHNEI 013120	Megan Yoo Schneider January 2020 Business expense ***Total ***	 540.70 540.70
ACH004589	2/14/20	TAMARI 01312020	Satoru Tamaribuchi January 2020 Business expense ***Total ***	 103.50 103.50
ACH004590	2/14/20	THOMAS 013120	Jeffery Thomas January 2020 Business expense ***Total ***	 149.50 149.50
ACH004593	2/14/20	WILSON 013120	Sarah C. Wilson January 2020 Business expense ***Total ***	 44.85 44.85
139542	2/28/20	USBANK 0208/0403/7659-JAN20	U.S. Bank 12/24/19-1/22/20 Cal Card charges ***Total *** (See attached sheet for details)	 17,189.78 17,189.78
ACH004595	2/28/20	BAEZHE 013120	Heather Baez January 2020 Business expense ***Total ***	 96.71 96.71
ACH004598	2/28/20	DAVISR 013120	Rachel Davis January 2020 Business expense ***Total ***	 34.49 34.49
Total Core Disbursements				21,311.82

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of February 2020**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
Choice Disbursements:				
139542	2/28/20	USBANK 0403/7659-JAN20	U.S. Bank 12/24/19-1/22/20 Cal Card charges ***Total *** (See attached sheet for details)	1,030.08 1,030.08
Total Choice Disbursements				<hr/> 1,030.08
Other Funds Disbursements:				
139475	2/10/20	TURFRP TR13-R-ETWD-38788-37691B	Turf Removal Program R. Cucinella (Re-issue) ***Total ***	1,876.00 1,876.00
139476	2/10/20	VERIZO 9846967216	Verizon Wireless January 2020 4G Mobile broadband unlimited service ***Total ***	76.02 76.02
139480	2/14/20	ATTUVEOC 1812-FEB20	AT&T February 2020 U-verse internet service for WEROC N. EOC ***Total ***	53.50 53.50
139483	2/14/20	ATTCALN 000014241890 000014241891	AT&T January 2020 Telephone expense for WEROC N. & S. EOC January 2020 Telephone expense for WEROC N. EOC ***Total ***	308.04 109.28 417.32
139493	2/14/20	HARRISD 013120	Daniel Harrison January 2020 Business expense ***Total ***	300.33 300.33
ACH004587	2/14/20	SCHWENE 013120	Leslie Schwene January 2020 Business expense ***Total ***	39.56 39.56
139504	2/26/20	DRIPPR S2D3-C-SOCO-38756-17402	Spray to Drip Program Laguna Beach Resorts	1,385.80
139505	2/26/20	S2D3-R-O-38844-17412	J. Woo	84.32
139506	2/26/20	S2D3-R-O-38897-17424	W. Mielke ***Total ***	49.40 1,519.52

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of February 2020**

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
TURFRP				
			Turf Removal Program	
139507	2/26/20	TR12-R-MNT-38421-37339	A. Godfrey	2,841.00
139508	2/26/20	TR12-C-MESA-22202-37560	Mesa Verde Partners (Costa Mesa)	77,287.48
139509	2/26/20	TR12-R-SM-38690-37589	D. Liefke	3,852.00
139510	2/26/20	TR13-R-LH-38747-37651	R. Rojas	2,352.00
139511	2/26/20	TR13-R-MNT-38789-37690	M. Anand	333.00
139512	2/26/20	TR13-R-MNT-38815-37716	C. Chen	2,571.00
139513	2/26/20	TR13-R-ETWD-38817-37721	R. Landingham	2,250.00
139514	2/26/20	TR13-R-MNT-38923-37815	M. Goodson	510.00
139515	2/26/20	TR13-R-LH-38913-37819	A. Kriens-Doutt	1,866.00
139516	2/26/20	TR13-R-MNT-38930-37822	M. De Anda	1,803.00
139517	2/26/20	TR13-R-SOCO-38939-37832	S. Geddes	489.51
139518	2/26/20	TR13-R-TUST-38961-37852	M. Kinselbaum	5,166.00
139519	2/26/20	TR13-C-HB-629-37838	Seagate Community Assn (Huntington Beach)	18,760.00
139520	2/26/20	TR13-R-MESA-38966-37858	G. Schoene	2,168.52
139521	2/26/20	TR13-R-MNT-26999-37859	D. Shanin	1,176.00
139522	2/26/20	TR13-R-SM-38971-37863	H. Sahabi	956.18
139523	2/26/20	TR13-R-NWPT-39021-37894	S. Curtis	3,882.00
139524	2/26/20	TR13-R-HB-39036-37921	A. Leung	1,119.00
139525	2/26/20	TR13-R-MNT-39081-37961	L. Rosshirt	3,009.00
139526	2/26/20	TR13-R-MESA-39102-37979	J. Crosson	4,662.00
139527	2/26/20	TR13-R-MNT-39169-38035	D. Presutto	942.00
139528	2/26/20	TR13-R-HB-39188-38056	J. Cook	3,591.00
139529	2/26/20	TR13-R-MNT-39160-38063	J. Stewart	711.00
139530	2/26/20	TR13-R-MNT-39202-38070	M. Dehdarnasab	2,115.00
139531	2/26/20	TR13-R-MNT-39217-38086	K. Brockington	996.00
139532	2/26/20	TR13-R-MNT-39256-38121	R. Laguna	1,368.00
139533	2/26/20	TR13-R-MNT-39262-38126	W. White	480.00
			***Total ***	147,256.69
IRWD				
139536	2/28/20	10084	Irvine Ranch Water District	
			January 2020 Credit for Local Resources program and In-lieu water purchases	88,902.76
			***Total ***	88,902.76
SANTI1				
139539	2/28/20	DEC2019	Santiago Aqueduct Commission	
			December 2019 SAC Pipeline Operation surcharge	3,005.75
			***Total ***	3,005.75
USBANK				
139542	2/28/20	7659-JAN20	U.S. Bank	
			12/24/19-1/22/20 Cal Card charges	989.61
			***Total ***	989.61
			(See attached sheet for details)	
SCHUNK				
139543	2/28/20	013120	Janine Schunk	
			January 2020 Business expense	167.06
			***Total ***	167.06

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of February 2020**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
ACH004612	2/28/20	SANTAM	<i>Santa Margarita Water District</i>	
			Dec-19 December 2019 SCP Pipeline Operation surcharge	20,763.50
			***Total ***	20,763.50
WIRE-200228	2/28/20	METWAT 9942	<i>Metropolitan Water District</i>	
			December 2019 Water Deliveries	25,678,401.07
			***Total ***	25,678,401.07
<i>Total Other Funds Disbursements</i>				25,943,768.69
<i>Total Disbursements</i>				<u>25,966,110.59</u>

Robert J. Hunter, General Manager

Hilary Chumpitazi, Treasurer

Cal Card Charges
Statement Date: January 22, 2020
Payment Date: February 28, 2020

<u>Date</u>	<u>Description</u>	<u>Amount</u>
<u>Public Affairs Card</u>		
12/30/2019	California Association of Public Information Officials membership renewal for T. Baca	\$ 225.00
12/31/2019	Engraved gavel plaque for Director Barbre	153.00
1/6/2020	Vehicle decals for Water Loss Control Shared Services truck	464.31
1/10/2020	Lunch meeting for Public Affairs department	91.50
	Total	<u>\$ 933.81</u>

Cal Card Charges
Statement Date: January 22, 2020
Payment Date: February 28, 2020

Date	Description	Amount
<u>K. Seckel Card</u>		
12/24/2019	11/24/19-12/23/19 Web hosting service for MWDOC website	\$ 15.65
12/26/2019	50 Regal movie tickets for employee purchase	460.00
12/27/2019	California Municipal Utilities Association Legislative Committee meeting in Sacramento, CA on Feb. 13, 2020 - Airfare for H. Baez	549.96
12/27/2019	California Municipal Utilities Association Legislative Committee meeting in Sacramento, CA on Apr. 9, 2020 - Airfare for H. Baez	549.96
12/29/2019	Supplies for Water Loss Control Shared Services	40.50
12/30/2019	ACWA DC conference in Washington, DC from Feb. 24-27, 2020 - Airfare for H. Baez	514.00 [1]
12/30/2019	ACWA DC conference in Washington, DC from Feb. 24-27, 2020 - Airfare for M. Baum Haley	514.00
12/31/2019	Urban Water Institute Spring Water conference in Palm Springs, CA from Feb. 19-21, 2020 - Registration for D. Micalizzi	575.00
12/31/2019	Urban Water Institute Spring Water conference in Palm Springs, CA from Feb. 19-21, 2020 - Registration for M. Baum Haley	575.00
12/31/2019	Urban Water Institute Spring Water conference in Palm Springs, CA from Feb. 19-21, 2020 - Registration for Director McVicker	575.00
12/31/2019	Urban Water Institute Spring Water conference in Palm Springs, CA from Feb. 19-21, 2020 - Registration for Director Thomas	575.00
12/31/2019	Urban Water Institute Spring Water conference in Palm Springs, CA from Feb. 19-21, 2020 - Registration for R. Hunter	575.00 [2]
1/6/2020	American Water Works Association California-Nevada Section Water Loss workshop in Escondido, CA on Jan. 21, 2020 - Registration for R. Davis	235.00
1/6/2020	American Water Works Association California-Nevada Section Water Loss workshop in Escondido, CA on Jan. 21, 2020 - Registration for J. Thorsell	335.00 [3]
1/6/2020	ACWA DC conference in Washington, DC from Feb. 25-27, 2020 - Registration for R. Hunter	710.00
1/6/2020	Urban Water Institute Spring Water conference in Palm Springs, CA from Feb. 19-21, 2020 - Accommodations deposit for K. Seckel refunded	(194.11)
1/7/2020	Association of California Cities, Orange County Sacramento Advocacy Trip in Sacramento, CA from Jan. 27-28, 2020 - Registration for H. Baez refunded	(795.00)
1/7/2020	Urban Water Institute Spring Water conference in Palm Springs, CA from Feb. 19-21, 2020 - Accommodations deposit for Director Thomas	194.11
1/7/2020	Urban Water Institute Spring Water conference in Palm Springs, CA from Feb. 19-21, 2020 - Accommodations deposit for Director McVicker	194.11
1/7/2020	Urban Water Institute Spring Water conference in Palm Springs, CA from Feb. 19-21, 2020 - Accommodations deposit for Director Tamaribuchi refunded	(194.11)
1/8/2020	Brown and Caldwell Waterjobs posting for Water Use Efficiency Analyst II position	200.00
1/8/2020	Lunch for OC Water Districts Legislative meeting	265.37
1/9/2020	Work boots for Water Loss Control Shared Services employee	195.70
1/9/2020	Urban Water Institute Spring Water conference in Palm Springs, CA from Feb. 19-21, 2020 - Accommodations deposit for M. Baum Haley	194.11
1/10/2020	FedEx delivery charges for James Barker and Best Best & Krieger	56.72
1/10/2020	Work shoes for Water Loss Control Shared Services employee	103.32

Cal Card Charges
Statement Date: January 22, 2020
Payment Date: February 28, 2020

Date	Description	Amount
K. Seckel Card (Continued)		
1/10/2020	ACWA Legislative Symposium in Sacramento, CA on Mar. 12, 2020 - Registration for M. Baum Haley	\$ 290.00
1/10/2020	Supplies for Water Loss Control Shared Services	39.68
1/10/2020	Supplies for Water Loss Control Shared Services	39.68
1/12/2020	FedEx delivery charges for Lewis Consulting, CDM Smith and Best Best & Krieger	86.78
1/13/2020	Garden Grove Chamber of Commerce State of the City luncheon in Garden Grove, CA on Jan. 29, 2020 - Registration for Director McVicker	50.00
1/13/2020	Computer supplies	168.50
1/14/2020	Simplicity Recruit job post for Public Affairs Intern position	110.00
1/15/2020	Laptop computer for WEROC	989.61
1/15/2020	FedEx delivery charges for James Barker	37.95
1/15/2020	Trailer hitch installed on Water Loss Control Shared Services truck	769.09
1/16/2020	FedEx delivery charges for CDM Smith	25.18
1/17/2020	Public Relations Society of America-OC job post for Public Affairs Intern position	50.00
1/17/2020	Association of California Cities - Orange County Sacramento Advocacy trip in Sacramento, CA from Jan. 26-28, 2020 - Accommodations deposit for Director Yoo Schneider	555.91 4
1/17/2020	California Municipal Utilities Association Annual Capital Day in Sacramento, CA from Jan. 26-27, 2020 - Accommodations for H. Baez	245.39
1/17/2020	Association of California Cities - Orange County Sacramento Advocacy trip in Sacramento, CA from Jan. 26-28, 2020 - Accommodations deposit for Director Barbre	590.80 5
1/18/2020	LinkedIn job post for Public Affairs Intern position	93.60
1/20/2020	UPS Delivery charges for Board packet on Jan. 15, 2020	10.58
1/21/2020	Flowers for MWDOC staff member	81.54
1/21/2020	Office supplies from Costco	463.00
Total		\$ 11,716.58

- 1 Trip canceled, funds available for future travel
- 2 Trip canceled, registration fee applied to August 2020 conference
- 3 \$100.00 Refund for member rate received on 1/30/20
- 4 Reservation for hotel was canceled, hotel room was included with event registration fee, refunded on 2/19/20
- 5 Reservation for hotel was canceled, hotel room was included with event registration fee, refunded on 1/23/20

Cal Card Charges
Statement Date: January 22, 2020
Payment Date: February 28, 2020

Date	Description	Amount
R. Hunter Card		
11/23/19-12/23/19	Meals for R. Hunter's meetings	\$ 89.63
12/30/2019	ACWA DC conference in Washington, DC from Feb. 24-27, 2020 - Airfare for R. Hunter	514.00
1/6/2020	ACWA DC conference in Washington, DC from Feb. 25-27, 2020 - Registration for Director Yoo Schneider	710.00
1/6/2020	ACWA DC conference in Washington, DC from Feb. 25-27, 2020 - Registration for H. Baez	710.00
1/6/2020	ACWA DC conference in Washington, DC from Feb. 25-27, 2020 - Registration for M. Buam Haley	710.00
1/6/2020	Orange County Water Association January 2020 Insight presentation in Irvine, CA on January 15, 2020 - Registration for Director Barbre	30.00
1/6/2020	Association of California Cities, Orange County Sacramento Advocacy Trip in Sacramento, CA from Jan. 26-28, 2020 - Airfare for Director Barbre	354.79 ¹
1/7/2020	Orange County Water Association January 2020 Insight presentation in Irvine, CA on January 15, 2020 - Registration for Director McKenney	45.00
1/7/2020	ACWA DC conference in Washington, DC from Feb. 25-27, 2020 - Airfare for Director Yoo Schneider	261.40 ²
1/7/2020	California Municipal Utilities Association Annual Capital Day in Sacramento, CA on Jan. 27, 2020 - Registration for H. Baez	195.00
1/8/2020	Association of California Cities, Orange County Sacramento Advocacy Trip in Sacramento, CA from Jan. 26-28, 2020 - Accommodations deposit for Director Barbre	590.80 ³
1/9/2020	Computer supplies	91.34
1/11/2020	Legislative activities in Washington, DC from Jan 8-10, 2020 - Accommodations for Director Barbre	999.46 ⁴
1/15/2020	Association of California Cities, Orange County Sacramento Advocacy Trip in Sacramento, CA from Jan. 26-28, 2020 - Airfare for Director Yoo Schneider	549.96
1/17/2020	Lunch for Executive Committee meeting	588.79
1/17/2020	Westin Hotel room rental, food and parking for off-site Special Board meeting on Jan. 18, 2020	1,708.91
1/17/2020	Association of California Cities, Orange County Sacramento Advocacy Trip in Sacramento, CA from Jan. 27-28, 2020 - Registration for Director Barbre refunded	(795.00)
1/17/2020	Association of California Cities, Orange County Sacramento Advocacy Trip in Sacramento, CA from Jan. 27-28, 2020 - Registration for Director Barbre refunded	(795.00) ⁵
Total		\$ 6,559.08

- ¹ Trip was canceled, Director Barbre reimbursed MWDOC \$354.79
- ² Actual airfare was \$525.40, prior credit of \$264.00 applied
- ³ Sheraton Hotel refunded deposit on 1/17/20, to switch reservation to K. Seckel's credit card
- ⁴ Director Barbre reimbursed MWDOC \$426.96
- ⁵ US Bank applied refund to MWDOC credit card twice, US Bank has been notified

Municipal Water District of Orange County
GM Approved Disbursement Report ⁽¹⁾
For the month of February 2020

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
Core Disbursements:				
139503	2/19/20	BERTRA 1110	Emergency Response CPR Training CPR and AED training for 12 staff members ***Total ***	720.00 720.00
139535	2/28/20	AVENUE CONF.NO.87476	Avenue of the Arts Costa Mesa 2/12/20 Water Policy Dinner balance for event facility ***Total ***	14,444.34 14,444.34
139538	2/28/20	OFFICED 438775378001 440674956001	Office Depot, Inc. 2/4/20 Office supplies 2/10/20 Office supplies ***Total ***	84.12 202.92 287.04
ACH004610	2/28/20	ULTIMS 13847364	Roth Staffing Companies, LP 1/20/20-1/26/20 Temporary administration staff ***Total ***	1,004.90 1,004.90
ACH004611	2/28/20	ULTIMS 13850589	Roth Staffing Companies, LP 1/27/20-2/2/20 Temporary administration staff ***Total ***	1,003.25 1,003.25
Total Core Disbursements				17,459.53
Choice Disbursements:				
Total Choice Disbursements				-
Other Funds Disbursements:				
Total Other Funds Disbursements				-
Total Disbursements				17,459.53


 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 2/29/20

	Jul 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020	Apr 2020	May 2020	Jun 2020	TOTALS
Cash - Beginning Balance	\$ (592,088.86)	\$ (564,751.37)	\$ (605,357.98)	\$ (568,531.76)	\$ (703,896.86)	\$ (726,406.19)	\$ (823,747.11)	\$ (803,141.09)	\$ (915,522.12)	\$ (915,522.12)	\$ (915,522.12)	\$ (915,522.12)	
REVENUES:													
BUREC			49,393.62										\$ 49,393.62
City of Brea													333.00
City of Buena Park	111.00	150.00			291.00			333.00					552.00
City of Fountain Valley	111.00		114.00										558.00
City of Fullerton													-
City of Garden Grove													-
City of Huntington Beach													-
City of La Habra		222.00			222.00		444.00		111.00				1,221.00
City of San Clemente	515.00	444.99	455.00	553.73	791.30		750.00	500.00					4,849.00
City of San Juan Capistrano													-
City of Santa Ana													-
City of Tustin													-
City of Newport Beach		333.00	111.00				222.00						222.00
City of Orange							333.00						1,110.00
City of Westminster				111.00			111.00						333.00
County of Orange													-
Department of Water Resources		30,204.36											51,937.16
East Orange County Water District								21,732.80					-
El Toro Water District	2,614.00	1,924.00	924.00	384.19			865.00						8,371.19
Irvine Ranch Water District	6,632.11	18,446.65	6,790.00	11,748.75	3,111.37	2,445.07	14,176.63	2,365.95					66,716.53
Laguna Beach County Water District					308.00	65.00	3,119.20	92.55					3,584.75
Mesa Water District		306.45	207.24	166.48	198.00		210.00						1,088.17
Metropolitan Water District	17,249.94	878.64	115,504.83		100,463.03	124,715.69	34,804.87	48,087.10					441,704.10
Moulton Niguel Water District	36,055.78	25,127.90	13,476.61	62,561.25	22,124.86	33,014.96	25,893.00	3,200.00					221,454.36
Orange County Water District													-
Santa Margarita Water District													-
Trabuco Canyon Water District	537.90	273.96		675.00	377.99								1,864.85
Yorba Linda Water District			111.00			111.00							222.00
Miscellaneous Revenues													
Miscellaneous													-
Interest Revenue													-
Total Revenues	63,826.73	78,311.95	187,087.30	76,200.40	127,887.55	162,713.70	80,928.70	77,558.40	-	-	-	-	\$ 854,514.73
EXPENDITURES:													
Budget Based Tiered Rates, Ratfells					9,580.00								9,580.00
Ecotech							1,980.00	3,425.00					3,425.00
IRWD				19,500.00									1,980.00
GardenSoft Corp													19,500.00
Golden State Water Company													-
City of Huntington Beach													-
Laguna Beach CWD													-
Large Plumbing					2,395.00		4,060.00						-
Metropolitan Water District				21,663.40				2,020.00					8,475.00
Mission RCD	6,476.15	8,985.40		810.35	8,664.23	6,766.30		14,788.22					21,663.40
Multi Family HET Direct			110,600.00		81,000.00	38,300.00	6,500.00						46,490.65
Plant Nerd							11,640.00	19,440.00					236,400.00
Recycled Water On Site Retrofit program													31,080.00
South Coast Water District		1,031.68											-
Spray to Drip program													-
SMWD			324.60	220.40	1,045.71		356.80	1,519.52					4,498.71
TerraWorks Studio						20.00							20.00
Turf Removal	25,029.55	101,394.48	38,571.48	159,487.56	46,351.94	188,702.32	35,028.68	1,490.00					2,010.00
Water Savings Incentive Program		5,382.00						147,256.69					741,802.70
Water Systems Optimization				5,218.62									5,382.00
Miscellaneous Expenses													25,979.62
Miscellaneous	1,720.00												1,720.00
Interest Expense	2,413.74			3,495.17			3,872.20						9,781.11
Salary & Benefit	850.00	2,125.00	765.00	1,190.00	1,360.00	1,445.00	425.00						8,160.00
Total Expenditures	36,489.44	118,918.56	150,261.08	211,565.50	150,396.88	280,054.62	60,322.68	189,939.43	-	-	-	-	\$ 1,177,948.19
Cash - Ending Balance	\$ (564,751.37)	\$ (605,357.98)	\$ (605,357.98)	\$ (703,896.86)	\$ (726,406.19)	\$ (823,747.11)	\$ (803,141.09)	\$ (915,522.12)	\$ (915,522.12)	\$ (915,522.12)	\$ (915,522.12)	\$ (915,522.12)	



**Municipal Water District of Orange County
Consolidated Summary of Cash and Investment**
January 31, 2020

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

Sat Tamaribuchi
President

Joan C. Finnegan
Vice President

Brett R. Barbre
Director

Larry D. Dick
Director

Bob McVicker, P.E., D.WRE
Director

Megan Yoo Schneider, P.E.
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	\$3,830,240	22.77%
Grant & Project Cash Flow	1,500,000	8.92%
Election Expense	696,000	4.14%
Building Repair	444,186	2.64%
OPEB	297,147	1.77%
Total Designated Reserves	6,767,573	40.24%
General Fund	8,081,217	48.04%
Water Fund	1,172,634	6.97%
Conservation Fund	(803,141)	(4.78%)
WEROC Fund	1,572,905	9.35%
Trustee Activities	29,768	0.18%
Total	\$16,820,956	100.00%

The funds are invested as follows:

Term of Investment	% of Portfolio	Book Value	Market Value
Cash	0.73%	\$122,926	\$122,926
Short-term investment			
• LAIF	51.76%	\$8,705,520	\$8,705,520
• OCIP	29.08%	4,891,466	4,891,466
Long-term investment			
• Corporate Bond	6.84%	1,151,044	1,155,169
• Certificates of Deposit	11.59%	1,950,000	1,992,554
Total	100.00%	\$16,820,956	\$16,867,635

The average number of days to maturity/call as of January 31, 2020 equaled 202 and the average yield to maturity is 2.036%. During the month, the District's average daily balance was \$22,616,769.35. 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 January 2020.

The \$46,679 difference between the book value and the market value on January 31, 2020 represents the exchange difference if all investments had been liquidated on that date. Since it is the District's practice to "buy and hold" investments until maturity, the market values are a point of reference, not an indication of actual loss or gain. There are no current plans or cash flow requirements identified in the near future that would require the sale of these securities prior to maturity.


Robert J. Hunter
General Manager


Hilary Chumpitazi
Treasurer



MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

Portfolio Management - Portfolio Summary

January 31, 2020

1/31/2020	Par Value	Market Value	Book Value	% of Portfolio	Days to Mat/Call	YTM @ Cost
Negotiable Certificate Of Deposit	1,950,000.00	1,992,554.00	1,950,000.00	11.67	1,186	2.519
Corporate Bond	1,150,000.00	1,155,169.50	1,151,044.32	6.89	915	2.341
Local Agency Investment Funds	8,705,519.96	8,705,519.96	8,705,519.96	52.14	1	1.959
Orange County Investment Pool	4,891,466.03	4,891,466.03	4,891,466.03	29.30	1	1.909
Total Investments	16,696,985.99	16,744,709.49	16,698,030.31	100.00	202	2.036

Cash						
Cash	122,925.46	122,925.46	122,925.46		1	0.00
Total Cash and Investments	16,819,911.45	16,867,634.95	16,820,955.77		202	2.036

Total Earnings	Month Ending January	Fiscal Year to Date
Current Year	37,862.21	324,809.83
Average Daily Balance	22,616,769.35	
Effective Rate of Return	2.036%	

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

03-05-2020
Date


Hilary Chumpitazi, Treasurer

03/05/2020
Date

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Long-Term Portfolio Details - Investments
January 31, 2020

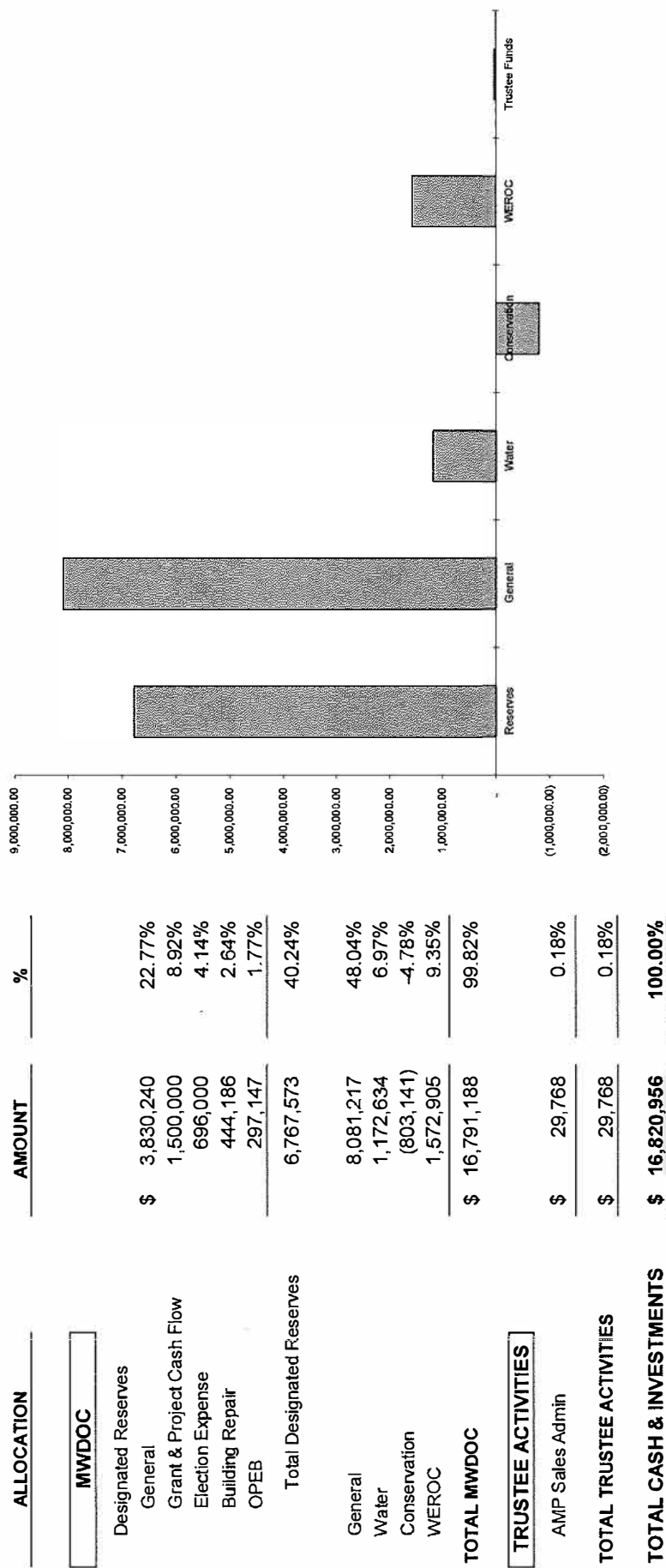
Issuer	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Cal/Maturity	Maturity Date
Negotiable Certificate Of Deposit									
Barclays Bank	06740KKY2	9/27/2017	250,000.00	253,430.00	250,000.00	2.250	2.250	970	9/27/2022
Capital One Bank	14042TBO8	8/7/2019	250,000.00	254,507.50	250,000.00	2.250	2.250	1,650	8/7/2024
Capital One NA	14042RMJ7	7/24/2019	250,000.00	253,962.50	250,000.00	2.200	2.200	1,636	7/24/2024
Citibank	17294XUN4	7/31/2019	250,000.00	250,990.00	250,000.00	2.200	2.200	182	7/31/2024
Comenity Capital	20033AUX2	7/25/2017	200,000.00	200,964.00	200,000.00	2.000	2.000	532	7/16/2021
Discover Bank	254673RV0	7/25/2018	250,000.00	262,992.50	250,000.00	3.300	3.300	1,271	7/25/2023
Goldman Sachs Bank	38148PT98	8/8/2018	250,000.00	263,507.50	250,000.00	3.350	3.350	1,285	8/8/2023
Morgan Stanley Bank	61747MJ36	2/1/2018	250,000.00	252,150.00	250,000.00	2.500	2.500	367	2/1/2021
Sub Total			1,950,000.00	1,992,554.00	1,950,000.00	2.519	2.519	998	
Corporate Bond									
JP Morgan Chase	48130USU0	12/23/2019	500,000.00	500,525.00	499,757.63	2.100	2.268	144	6/23/2023
National Rural Util Coop	63743FE51	7/27/2017	200,000.00	199,724.00	200,000.00	2.500	2.500	896	7/15/2022
Wells Fargo	94974BGR5	1/13/2016	250,000.00	251,552.50	250,280.16	2.550	2.409	311	12/7/2020
Wespac Banking Corp	961214DQ3	7/25/2017	200,000.00	203,368.00	201,006.53	2.500	2.278	879	6/28/2022
Sub Total			1,150,000.00	1,155,169.50	1,151,044.32	2.337	2.341	439	
Total Investments			3,100,000.00	3,147,723.50	3,101,044.32	2.452	2.453	791	

Total Earnings		Month Ending January	Fiscal Year To Date
Current Year		6,417.06	46,534.25

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Short-Term Portfolio Details - Cash and Investments
January 31, 2020

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	8,705,519.96	8,705,519.96	8,705,519.96	1.959	1.959	1	N/A
Sub Total			8,705,519.96	8,705,519.96	8,705,519.96	1.959	1.959	1	
Orange County Investment Pool									
County of Orange LGIP	OCIP	6/29/2005	4,891,466.03	4,891,466.03	4,891,466.03	1.909	1.909	1	N/A
Sub Total			4,891,466.03	4,891,466.03	4,891,466.03	1.909	1.909	1	
Total Investments			13,596,985.99	13,596,985.99	13,596,985.99	1.941	1.941		
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	122,425.46	122,425.46	122,425.46	0.000	0.000	1	N/A
Total Cash			122,925.46	122,925.46	122,925.46	0.000	0.000	1	
Total Cash and Investments			13,719,911.45	13,719,911.45	13,719,911.45	1.941	1.941	1	
Total Earnings									
Current Year			Month Ending January	Fiscal Year To Date					
			31,445.15	278,275.58					

**Municipal Water District of Orange County
Cash and Investments at January 31, 2020**



MUNICIPAL WATER DIST OF ORANGE COUNTY
PARS Post-Employment Benefits Trust**Account Report for the Period**
1/1/2020 to 1/31/2020Rob Hunter
General Manager
Municipal Water Dist of Orange County
18700 Ward Street
Fountain Valley, CA 92708**Account Summary**

Source	Balance as of 1/1/2020	Contributions	Earnings	Expenses	Distributions	Transfers	Balance as of 1/31/2020
OPEB	\$2,327,439.90	\$0.00	\$7,596.86	\$1,130.04	\$0.00	\$0.00	\$2,333,906.72
PENSION	\$446,366.85	\$0.00	\$1,456.96	\$216.70	\$0.00	\$0.00	\$447,607.11
Totals	\$2,773,806.75	\$0.00	\$9,053.82	\$1,346.74	\$0.00	\$0.00	\$2,781,513.83

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	0.33%	3.70%	12.16%	8.19%	6.46%	-	10/26/2011
PENSION	0.33%	3.70%	12.24%	-	-	-	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, 2019 THRU JANUARY 31, 2020

**Municipal Water District of Orange County
Combined Balance Sheet
As of January 31, 2020**

<u>ASSETS</u>	Amount
Cash in Bank	122,925.46
Investments	16,596,573.96
Accounts Receivable	35,676,777.69
Accounts Receivable - Other	110,784.39
Accrued Interest Receivable	169,392.08
Prepays/Deposits	335,679.28
Leasehold Improvements	3,833,004.08
Furniture, Fixtures & Equipment	573,533.87
Less: Accum Depreciation	<u>(3,142,436.42)</u>
TOTAL ASSETS	<u><u>\$54,276,234.39</u></u>
 <u>LIABILITIES AND FUND BALANCES</u>	
Liabilities	
Accounts Payable	34,302,868.61
Accounts Payable - Other	1,089.65
Accrued Salaries and Benefits Payable	368,328.43
Other Liabilities	1,949,926.82
Unearned Revenue	<u>802,012.18</u>
Total Liabilities	<u>37,424,225.69</u>
 Fund Balances	
Restricted Fund Balances	
Water Fund - T2C	<u>1,019,506.80</u>
Total Restricted Fund Balances	<u>1,019,506.80</u>
Designated Reserves	
General Operations	3,830,240.00
Grant & Project Cash Flow	1,500,000.00
Election Expense	696,000.00
Building Repair	444,186.00
OPEB	<u>297,147.00</u>
Total Designated Reserves	<u>6,767,573.00</u>
General Fund	3,478,748.06
General Fund Capital	682,542.68
WEROC Capital	115,298.58
WEROC	<u>225,385.05</u>
Total Unrestricted Fund Balances	<u>11,269,547.37</u>
Excess Revenue over Expenditures	
Operating Fund	4,469,009.22
Other Funds	<u>93,945.31</u>
Total Fund Balance	<u>16,852,008.70</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>54,276,234.39</u></u>

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
General Fund
From July 2019 thru January 2020

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<u>REVENUES</u>						
Retail Connection Charge	0.00	7,888,929.60	7,888,930.00	100.00%	0.00	0.40
Ground Water Customer Charge	0.00	598,248.00	598,248.00	100.00%	0.00	0.00
Water rate revenues	0.00	8,487,177.60	8,487,178.00	100.00%	0.00	0.40
Interest Revenue	37,483.19	319,994.42	580,000.00	55.17%	0.00	260,005.58
Subtotal	37,483.19	8,807,172.02	9,067,178.00	97.13%	0.00	260,005.98
Choice Programs	30,667.61	1,225,740.89	1,472,622.00	83.24%	0.00	246,881.11
MWD Revenue - Shared Services	9,243.50	9,243.50	0.00	0.00%	0.00	(9,243.50)
Miscellaneous Income	(2,208.28)	11,725.09	3,000.00	390.84%	0.00	(8,725.09)
Revenue Other	76.47	1,775.44	0.00	0.00%	0.00	(1,775.44)
School Contracts	5,795.30	33,447.69	118,213.00	28.29%	0.00	84,765.31
Delinquent Payment Penalty	2,224.04	2,449.36	0.00	0.00%	0.00	(2,449.36)
Transfer-In From Reserve	0.00	0.00	(42,870.00)	0.00%	0.00	(42,870.00)
Subtotal	45,798.64	1,284,381.97	1,550,965.00	82.81%	0.00	266,583.03
TOTAL REVENUES	83,281.83	10,091,553.99	10,618,143.00	95.04%	0.00	526,589.01

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
General Fund
From July 2019 thru January 2020

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<u>EXPENSES</u>						
Salaries & Wages	324,786.15	2,228,152.30	4,052,038.00	54.99%	0.00	1,823,885.71
Salaries & Wages - Grant Recovery	0.00	0.00	(5,500.00)	0.00%	0.00	(5,500.00)
Salaries & Wages - Recovery	(357.00)	(7,435.68)	0.00	0.00%	0.00	7,435.68
Director's Compensation	22,920.10	137,053.54	268,132.00	51.11%	0.00	131,078.46
MWD Representation	12,769.77	75,449.61	153,218.00	49.24%	0.00	77,768.39
Employee Benefits	122,966.93	689,503.65	1,261,651.00	54.65%	0.00	572,147.35
CalPers Unfunded Liability Contribution	0.00	207,000.00	207,000.00	100.00%	0.00	0.00
Employee Benefits - Recovery	(68.00)	(1,416.32)	0.00	0.00%	0.00	1,416.32
Director's Benefits	12,709.57	76,103.92	93,947.00	81.01%	0.00	17,843.08
Health Insurance for Retirees	6,561.32	36,681.26	70,287.00	52.19%	0.00	33,605.74
Training Expense	5,512.50	22,661.57	32,000.00	70.82%	11,609.45	(2,271.02)
Tuition Reimbursement	0.00	2,552.62	5,000.00	51.05%	0.00	2,447.38
Temporary Help Expense	5,177.52	15,081.50	5,000.00	301.63%	4,968.30	(15,049.80)
Personnel Expenses	512,978.86	3,481,387.97	6,142,773.00	56.67%	16,577.75	2,644,807.29
Engineering Expense	10,706.77	169,059.27	435,000.00	38.86%	161,313.24	104,627.49
Legal Expense	24,770.58	165,780.18	200,000.00	82.89%	107,396.40	(73,176.58)
Audit Expense	0.00	19,767.00	29,240.00	67.60%	0.00	9,473.00
Professional Services	122,454.12	551,991.34	1,487,330.00	37.11%	648,824.44	286,514.22
Professional Fees	157,931.47	906,597.79	2,151,570.00	42.14%	917,534.08	327,438.13
Conference-Staff	4,770.00	20,076.00	40,535.00	49.53%	0.00	20,459.00
Conference-Directors	2,914.00	8,855.00	28,440.00	31.14%	0.00	19,585.00
Travel & Accom.-Staff	2,607.20	35,125.51	89,131.00	39.41%	0.00	54,005.49
Travel & Accom.-Directors	3,174.79	19,226.11	46,625.00	41.24%	0.00	27,398.89
Travel & Conference	13,465.99	83,282.62	204,731.00	40.68%	0.00	121,448.38
Membership/Sponsorship	8,303.22	128,209.55	114,966.00	111.52%	0.00	(13,243.55)
CDR Support	12,538.95	37,616.85	50,156.00	75.00%	12,538.95	0.20
Dues & Memberships	20,842.17	165,826.40	165,122.00	100.43%	12,538.95	(13,243.35)
Business Expense	568.46	1,727.18	5,200.00	33.22%	0.00	3,472.82
Maintenance Office	6,941.81	56,383.23	138,527.00	40.70%	78,486.73	3,657.04
Building Repair & Maintenance	1,031.88	6,377.51	20,000.00	31.89%	3,622.49	10,000.00
Storage Rental & Equipment Lease	1,000.00	3,907.11	3,616.00	108.05%	0.00	(291.11)
Office Supplies	2,474.37	19,458.01	36,000.00	54.05%	1,604.31	14,937.68
Supplies - Water Loss Control	471.21	4,986.32	2,033.00	245.27%	0.00	(2,953.32)
Postage/Mail Delivery	2,013.15	5,450.97	9,400.00	57.99%	1,237.89	2,711.14
Subscriptions & Books	0.00	380.60	1,500.00	25.37%	0.00	1,119.40
Reproduction Expense	0.00	26,426.41	61,000.00	43.32%	1,523.37	33,050.22
Maintenance-Computers	259.84	2,415.48	8,000.00	30.19%	1,948.40	3,636.12
Software Purchase	869.20	18,166.81	34,500.00	52.66%	0.00	16,333.19
Software Support	4,150.02	30,870.01	59,134.00	52.20%	1,200.00	27,063.99
Computers and Equipment	0.00	22,978.40	49,450.00	46.47%	717.40	25,754.20
Automotive Expense	1,767.86	12,902.03	19,300.00	66.85%	0.00	6,397.97
Vehicle Expense	697.16	2,064.81	13,160.00	15.69%	0.00	11,095.19
Toll Road Charges	53.82	723.33	2,400.00	30.14%	0.00	1,676.67
Insurance Expense	10,943.10	73,704.17	140,000.00	52.65%	0.00	66,295.83
Utilities - Telephone	2,071.09	14,072.90	25,773.00	54.60%	572.79	11,127.31
Bank Fees	0.00	88.33	1,200.00	7.36%	0.00	1,111.67
Miscellaneous Expense	5,869.70	53,315.22	108,100.00	49.32%	232.31	54,552.47
MWDOC's Contrb. to WEROC	19,081.50	133,570.50	273,367.00	48.86%	0.00	139,796.50
Depreciation Expense	(4,846.16)	16,047.61	0.00	0.00%	0.00	(16,047.61)
Other Expenses	55,418.01	506,016.94	1,011,660.00	50.02%	91,145.69	414,497.37
Building Expense	2,477.50	393,770.71	835,831.00	47.11%	128,218.00	313,842.29
Capital Acquisition	769.09	85,662.34	106,456.00	80.47%	0.00	20,793.66
TOTAL EXPENSES	763,883.09	5,622,544.77	10,618,143.00	52.95%	1,166,014.47	3,829,583.77
NET INCOME (LOSS)	(680,601.26)	4,469,009.22	0.00			

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
Water Fund
From July 2019 thru January 2020

	Month to Date	Year to Date	Annual Budget	% Used	Budget Remaining
<u>WATER REVENUES</u>					
Water Sales	6,513,800.70	92,418,791.40	232,376,274.00	39.77%	139,957,482.60
Readiness to Serve Charge	965,277.18	5,998,513.98	10,071,282.00	59.56%	4,072,768.02
Capacity Charge CCF	324,353.33	2,124,333.35	3,615,440.00	58.76%	1,491,106.65
SCP/SAC Pipeline Surcharge	24,716.17	207,764.79	350,000.00	59.36%	142,235.21
Interest	<u>1,658.88</u>	<u>13,127.24</u>	<u>20,000.00</u>	<u>65.64%</u>	<u>6,872.76</u>
TOTAL WATER REVENUES	<u>7,829,806.26</u>	<u>100,762,530.76</u>	<u>246,432,996.00</u>	<u>40.89%</u>	<u>145,670,465.24</u>
<u>WATER PURCHASES</u>					
Water Sales	6,513,800.70	92,418,791.40	232,376,274.00	39.77%	139,957,482.60
Readiness to Serve Charge	965,277.18	5,998,513.98	10,071,282.00	59.56%	4,072,768.02
Capacity Charge CCF	324,353.33	2,124,333.35	3,615,440.00	58.76%	1,491,106.65
SCP/SAC Pipeline Surcharge	<u>24,716.17</u>	<u>207,764.79</u>	<u>350,000.00</u>	<u>59.36%</u>	<u>142,235.21</u>
TOTAL WATER PURCHASES	<u>7,828,147.38</u>	<u>100,749,403.52</u>	<u>246,412,996.00</u>	<u>40.89%</u>	<u>145,663,592.48</u>
EXCESS OF REVENUE OVER EXPENDITURES	<u><u>1,658.88</u></u>	<u><u>13,127.24</u></u>	<u><u>20,000.00</u></u>		

Municipal Water District of Orange County
WUE Revenues and Expenditures (Actuals vs Budget)
From July 2019 thru January 2020

	Year to Date Actual	Annual Budget	% Used
Spray To Drip Conversion			
Revenues	3,466.79	110,562.00	3.14%
Expenses	<u>6,431.66</u>	<u>110,562.00</u>	5.82%
Excess of Revenues over Expenditures	(2,964.87)	0.00	
Member Agency Administered Passthru			
Revenues	255,900.00	616,000.00	41.54%
Expenses	<u>236,400.00</u>	<u>616,000.00</u>	38.38%
Excess of Revenues over Expenditures	19,500.00	0.00	
ULFT Rebate Program			
Revenues	4,198.01	27,500.00	15.27%
Expenses	<u>4,133.51</u>	<u>27,500.00</u>	15.03%
Excess of Revenues over Expenditures	64.50	0.00	
HECW Rebate Program			
Revenues	53,045.22	300,000.00	17.68%
Expenses	<u>52,834.98</u>	<u>300,000.00</u>	17.61%
Excess of Revenues over Expenditures	210.24	0.00	
CII Rebate Program			
Revenues	0.00	305,000.00	0.00%
Expenses	<u>(270.00)</u>	<u>305,000.00</u>	-0.09%
Excess of Revenues over Expenditures	270.00	0.00	
Turf Removal Program			
Revenues	589,551.48	835,776.00	70.54%
Expenses	<u>617,914.64</u>	<u>835,776.00</u>	73.93%
Excess of Revenues over Expenditures	(28,363.16)	0.00	
Comprehensive Landscape (CLWUE)			
Revenues	22,066.05	110,558.00	19.96%
Expenses	<u>52,933.14</u>	<u>116,450.00</u>	45.46%
Excess of Revenues over Expenditures	(30,867.09)	(5,892.00)	
Recycled Water Program			
Revenues	0.00	19,750.00	0.00%
Expenses	<u>0.00</u>	<u>19,750.00</u>	0.00%
Excess of Revenues over Expenditures	0.00	0.00	
WSIP - Industrial Program			
Revenues	0.00	45,000.00	0.00%
Expenses	<u>0.00</u>	<u>45,000.00</u>	0.00%
Excess of Revenues over Expenditures	0.00	0.00	
WUE Projects			
Revenues	928,227.55	2,370,146.00	39.16%
Expenses	<u>970,377.93</u>	<u>2,376,038.00</u>	40.84%
Excess of Revenues over Expenditures	(42,150.38)	(5,892.00)	
WEROC			
Revenues	362,548.50	652,564.00	55.56%
Expenses	<u>216,556.60</u>	<u>624,478.00</u>	34.68%
Excess of Revenues over Expenditures	145,991.90	28,086.00	



DISCUSSION ITEM

March 11, 2020

TO: Board of Directors

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

**Robert Hunter
General Manager**

Staff Contact: Hilary Chumpitazi

SUBJECT: Second Draft of the FY 2020-21 Budget

STAFF RECOMMENDATION

Staff recommends the Administration & Finance Committee, MWD OC Board of Directors, Member Agencies, and the public review, discuss and provide input and comments on the second draft of MWD OC's budget for FY2020-21.

Pertinent aspects of the second draft budget include:

1. The second draft budget includes a proposed increase of \$0.35 (2.8%) to the retail service charge bringing the retail rate to \$12.75 per retail meter. The groundwater customer charge to OCWD increases by \$6,688 (1.1%) to \$604,936.
2. The second draft has a budget total of \$236,835,633 (revenue) including Core & Choice, water sales, outside funding, and WEROC. This is a decrease of approximately 9% almost exclusively attributable to the decrease in water sales. This does not factor in the proposed Metropolitan rate increase that will likely be a multi-category average of 5% for last six-months of the fiscal year.
3. The consolidated general fund budget is \$10,809,570 (revenue) with an increase of \$148,557 (1.4%).
4. The total revenue amount for the Core budget is \$9,257,071; an increase of \$186,894 or 2.1% over the current year's budget. This includes a \$122,000 (21%) reduction in interest revenue.
5. The proposed second draft budget includes a planned reserves contribution of \$17,585 and essentially fully funds the reserves to the target levels.
6. The unfunded CALPERS liability annual payment of \$207,000 is proposed. This will be the third year of the ten-year funding program.

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

7. The proposed salary contribution pool is at 5.68% of salaries and wages and reflects the rate of inflation (CPI = 3.07%) and merit considerations. No COLA (Cost of Living Adjustment) is being proposed.
8. There is no proposed increase in the Full-time Employee staffing level (33.00 FTE). There is a 0.97 FTE increase in intern and Part-time WEROC employees. The intern position is for the Water Loss Program and the WEROC position is a project position for the AWIA program.
9. There was a major adjustment to the Election Reserve in FY 2019-20 with an additional, unbudgeted contribution of \$637,000. This was based on a new cost estimate from the O.C. Registrar of Voters of up to \$333,185 per division.
10. Building Improvement and Capital Acquisition expenses both have significant carryovers from the current fiscal year budget. The project is currently in the third review cycle and hopefully final plan review with the City of Fountain Valley. The majority of the project will be completed in FY 2020-21
11. The proposed budget includes two periodic studies. The triennial Benchmark Study which compares MWDOC's job classifications and salaries to the market (\$36,000). The budget also includes a rate study (\$82,500) on the 5-year cycle.
12. The proposed budget also includes a new accounting software package (\$80,000) as previously discussed in committee.
13. There is a substantial increase in the staff development/technical leadership training (\$62,500) which is partially offset by the elimination of the Business Continuity Consultant (\$40,000) that was required this year for the AWIA Program.
14. Outside funding for Water Use Efficiency (WUE) from rebates and grants is budgeted at \$1,579,934; a decrease of \$790,213 over this year's budget.
15. Annual Local Resource Project (LRP) funding will decrease 10.7% as approximately 3,000 acre feet of local project water production completes its funding cycle.
16. Total outside funding (WUE & Local Resource Project (LRP) sources) is budgeted to be approximately \$6,426,193.
17. As last year, the schedule for the budget process impacts the timing of Choice budget elections by Member Agencies. Therefore, the Choice budget estimates in the second draft budget should be considered preliminary.

Proposed new items that are not incorporated in the budget pending Committee discussion include:

- A. Two new organization memberships
 - a. California Environmental Literacy Initiative (\$2,500)
 - b. Department of Water Resources Education Committee (\$2,500)
- B. Eight new conferences/meetings
 - a. AWWA Sustainable Water Management (Water Loss Program)
 - b. California Environmental Literacy Initiative (Public Affairs)
 - c. CalPERS (Administration)
 - d. California Municipal Utilities Association (CMUA) - Capital Days (Government Affairs)

- e. CMUA – Annual Conference (Government Affairs)
 - f. Department of Water Resources Education Committee (Public Affairs)
 - g. Liebert Cassidy Whitmore – Annual Public Sector Conference (Administration)
 - h. Public Relations Society of America (Public Affairs)
- C. Sponsorship of the Science Fair

A reminder that memberships outlined in the Budget (Exhibit D) are approved by the Board with approval of the budget and therefore, each membership will not be brought back to the Board for approval on an individual basis. However, any new memberships not included in the budget will be brought to the Board for consideration.

Similar to memberships, budget approval for conferences includes Board and Staff approval for attendance at “standard conferences”. Standard conferences are those listed on Exhibits E and F and approval includes staff travel/attendance at any out of state conferences listed on Exhibits E and F. Subsequent to the budget adoption, any new, out of state conferences will be brought to the Board for consideration.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

CHANGES FROM THE PRIOR DRAFT TO CURRENT DOCUMENT

There were very few modifications from the first draft budget to the second.

- The final numbers are now available on the retail meter counts from all our Member Agencies. The increase in meter count produced an increase in revenue of \$23,000.
- The estimated MWDOC Building expense increased by \$25,000.
- In response to an A&F Committee request, the National Endangered Species Act Reform Coalition (NESARC) membership expenses were eliminated with a reduction of \$1,050 in expenses.
- A change in insurance category decreased the Director Benefits expense by \$1,050.

MAJOR YEAR-TO-YEAR CHANGES IN THE CURRENT BUDGET

The year-to-year (Y-T-Y) changes in the total Core expenses between FY2019-20 and FY2020-21 produce an increase of \$212,178 (2.4%).

- The largest Y-T-Y Core expense increase (\$206,135) is in the cost categories for Employee, MWDOC Director and MWD Director salaries, wages and benefits. This represents a 4.1% increase in these categories. However these expense categories represent almost 58% of the total Core expenses.
- The other large increases in descending order are Professional Fees (\$87,257 – Benchmark and Rate studies), Software Support & Expense (\$76,006 – Accounting Software), and Training Expense (\$62,500 - staff development/technical training/leadership training).

- The Membership/Sponsorship expenses only include items previously approved by the Board of Directors.
- Significant Y-T-Y Core expense decreases include Engineering Expense (\$95,000), WEROC Capital Improvements (\$44,389), and Insurance Expense (\$30,000).

Choice Y-T-Y expenses are largely unchanged at this point in the budget process. The year-to-year changes in the total Choice expenses between FY2019-20 and FY2020-21 are down \$41,469 (2.6%).

DETAILED REPORT

The FY2020-21 MWDOC Budget is developed through a transparent and iterative process. Key topics discussed below include:

1. MWDOC Budget Process & Schedule
2. Budget Principles
3. Reserves
4. Compensation Pool Guidelines
5. Budget Input from Member Agencies
6. Key Priorities & Initiatives for FY 2020-2021
7. Core/Choice Programs
8. Water Rates and Charges
9. Proposed New Items Not Included Pending Committee Discussion

A short discussion on each item follows:

1. **MWDOC Budget Process & Schedule**

MWDOC's budget schedule is designed to accommodate the budget and rate schedules of our Member Agencies. MWDOC's schedule also moves in sync with that of Metropolitan.

Under this schedule, the Year-End Projections and Conceptual Budget were discussed at the January 8 Administration & Finance (A&F) Committee and the first draft budget was presented at the February 12 A&F Committee meeting. This is the second draft budget (March 11th) and the third draft budget is scheduled for the April 8th committee meeting. The final budget is scheduled for approval by the MWDOC Board of Directors at the April 15, 2020 Board meeting.

Similar to last year, the Choice budget elections and commitments will lag behind this proposed schedule; and staff will bring back to the Board a revised Final Choice Budget in September 2020 to reflect the reconciliations and final program commitments of our Member Agencies. Changes in Choice programs do not impact the rates and charges passed in April for Core activities.

2. **MWDOC Budget Principles for FY2020-21**

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

- **Principle #1: Budget Investments Align with MWDOC's Priorities & Values**
The Budget should reflect the mission and goals of MWDOC and align proposed activities with the valued benefits of the Board and our stakeholders. The budget process should be transparent and readily facilitate public review and input.
- **Principle #2: Activities Based on a County-wide Perspective**
MWDOC's service area extends to Orange County's borders and the budgeted activities must comprehensively address issues, needs, and benefits for the

entire service area and our regional involvement in the service area and operations of the Metropolitan Water District of Southern California (MET).

- **Principle #3: Efficient Program Design & Performance**
The budgeted programs must consider complementary and cooperative designs to maximize benefits from other regional and local water resource programs to maximize value.
- **Principle #4: Full Cost Recovery**
The budget will be developed so as to support full cost recovery of all expenses via the rates and charges without the unplanned use of reserves.
- **Principle #5: Compliance with Administrative Code**
The proposed budget and budget process should fully comply with applicable sections of the MWDOC Administrative Code.

3. Projected Year-End Estimates & Reserve Fund Balances

Projected Year-End Estimates for FY 2019-20

Expense projections have been prepared for the remaining months of the current fiscal year in order to calculate the FY 2019-20 Year-End estimates. It is important to note, these projections utilize only six months of actual expenditures and estimate the remaining months in order to meet the budget schedule. Preliminary variance estimates for the FY2019-20 core budget include:

1. The total variance for the Core Budget is projected to be \$47,176 (0.5%) under budget including revenues being \$78,400 under budget and expenses being \$125,576 under budget. The budgeted contribution to reserves was \$42,870 and the projected contribution to reserves is \$90,046. Of much greater significance than this budget variance was the required change to the election reserve necessitated by the October 30, 2019 correspondence from the Orange County Registrar of Voters which indicated the new projected election cost would be in the range of approximately \$262,000 to just over \$333,000 per division. This brings the estimated maximum cost for four division elections to \$1,332,740. An additional election reserve contribution of \$637,000 is included in the projected expenses for FY 2019-20.
2. On the revenue side, interest revenue is projected to be \$91,000 less than budgeted but miscellaneous income will be approximately \$12,600 greater than budgeted. Overall revenue variance is expected to be 0.86% below budget.
3. On the expense side and including the significant shift in election reserve contributions, expenses are projected to be 1.39% below budget. Major below budget expense categories include Engineering Expenses (\$157,400), Salaries & Wages (\$152,392), and Professional Fees (\$139,899).
4. The MWDOC building project is progressing but has been delayed by several necessary system improvements to the electrical and HVAC systems. The

renovation plans are now in the third review cycle with the City of Fountain Valley Permitting Department and the bulk of the construction work will occur in both the current but mostly next fiscal year. Therefore, \$848,647 in Building Expense has been carried over into the FY 2020-21 budget. Similarly, \$346,900 is being carried over under Capital Acquisition (excluding building).

Projected Reserve Fund Balances

One goal of the budget process is the early identification of Reserve Fund impacts. The stated goal of the Board of Directors is to have reserves fully funded and that the budget should be balanced relative to meeting those reserve targets. In other words, if the combination of the previous fiscal year's audited reserve balances and the current fiscal year year-end projections indicate that the reserve target will be exceeded then the proposed budget should include a draw from the reserve balance down to the target. Conversely, if the projected total will drop the reserve balance below the target then the proposed budget should increase the budgeted contribution to bring the reserves back up to the target.

The MWDOC designated reserve targets for FY2020-21 and the projected reserve balances for FY2019-20 (financial audit balances + election reserve projected funding) are summarized in the table below. The total unfunded balance is \$109,715 (i.e., Total Target of \$7,514,028 (-) Total Planned Balance of \$7,404,313). As indicated in 3.1 (above) a total of \$90,046 is projected to be available for contribution to reserves from the FY2019-20 operations. These funds are allocated to the General Operations Reserves as indicated in the table column "FY2019-20 Projected Year End Reclass to Reserves". This will result in an unfunded total reserve balance of \$19,669.

Therefore, the goal for rate setting in the FY2020-21 budget will be to have a budget surplus of \$19,669 to fully fund the reserves.

	# Days Cash	FY 2020-21 Reserve Target	FY2019-20 Projected Reserve Balance	FY 2019-20 Projected Year End Reclass to Reserves	FY 2019-20 Projected Reserve Balance
General Operations	90-180	\$ 3,931,515	\$ 3,830,240	\$ 90,046	\$ 3,920,286
Grant & Project Cash Flow		1,500,000	1,500,000	-	1,500,000
Building Reserve	10-15	452,626	444,186	-	444,186
Election Reserve	N/A	1,332,740	1,332,740	-	1,332,740
OPEB Reserve est.9/2018	N/A	297,147	297,147	-	297,147
TOTALS		\$ 7,514,028	\$ 7,404,313	\$ 90,046	\$ 7,494,359

The second draft budget has a contribution to reserves of \$17,585; indicating a deficit relative to full reserve funding (prior to the pending Board expense decisions) of \$12,084 (i.e., essentially fully funded).

4. Compensation Pool Guidelines

MWDOC's compensation system includes both job classification specific salary ranges and person-specific salaries. Annual modifications to both are implemented under different but inter-related practices. A common goal of both practices is to maintain competitive and appropriate salaries and benefits within the Southern California market.

Job Classification Salary Ranges.

MWDOC annually adjusts our salary ranges by the local Consumer Price Index (CPI) for the previous calendar year. The 2019 CPI for the LA/Long Beach/Anaheim area was 3.07%. This is 0.73% lower than the 2018 number but over 49% above the ten year average of 2.06%. Every three years MWDOC contracts for a Comprehensive Baseline Survey that reviews our job classifications with similar agencies and job functions. This Benchmark Survey is included in the FY20-21 budget. In general, MWDOC has found limited range corrections to be necessary. Therefore we will continue the CPI adjustment for FY2020-21.

Employee-Specific Salaries

MWDOC does not have Cost Of Living Adjustments (COLA) and a COLA is not included or proposed in this budget. As part of the budget process, MWDOC establishes a Compensation Pool that facilitates employee salary increases allocated solely on merit. Most of the water agencies in our annual direct labor market survey have both defined merit and COLA components to their annual salary increases. The functional difference is that while both approaches cover both merit and inflation, other agencies will guarantee a COLA pay increase to all employees, while MWDOC employees are at risk of no salary increase depending upon their performance.

There is an objective comparison as to how well MWDOC's salary system has been performing relative to the market. As noted above, MWDOC's salary ranges have been generally tracking the labor market conditions. In addition, MWDOC salaries have largely maintained a mid-range position with predominately only long-tenured employees bumping up against the range ceiling for their position. There are two complicating factors to this comparison. There has been significant movement between job classifications (i.e., promotions) that help maintain the mid-range salary positions. The mid-range position has also been subsidized by the previous seven years of 1% salary increases implemented to offset the annual 1% transfer of benefit costs to employees.

MWDOC also conducts an annual survey of water utilities as a comparison of proposed salary increases. As summarized in the table, the average combination of COLA and maximum merit increases is estimated at an average of 5.67%. This average will increase with additional survey information as six of the agencies have not yet set their COLA.

Comparative Salary Increase Table

Name	2020/21	2020/21	Total
Agency	COLA %	Merit Max%	
City of Brea	NC	3.00%	3.00%
Central Basin MWD*	NC	3.75%	3.75%
Eastern Municipal WD	3.83%	5.00%	8.83%
El Toro*	3.20%	3.00%	6.20%
City of Fountain Valley	TBD	3.00%	3.00%
Inland Empire Utilities Agency	3.00%	4.50%	7.50%
IRWD	April CPI -TBD	3.00%	3.00%
Laguna Beach County WD	TBD	3.00%	3.00%
Las Virgenes MWD	3.00%	5.00%	8.00%
Mesa Water	2.50%	5.00%	7.50%
Moulton Niguel WD	2.00%	5.00%	7.00%
Orange County Sanitation District	3.00%	5.00%	8.00%
San Clemente	TBD	5.00%	5.00%
San Diego County Water Authority	TBD	4.00%	4.00%
Santa Margarita WD	2.50%	5.00%	7.50%
South Coast Water District	Feb. CPI-TBD	3.50%	3.50%
Three Valleys Municipal WD	2.75%	5.00%	7.75%
City of Tustin	2.50%	3.00%	5.50%
Walnut Valley WD	1.00%	4.00%	5.00%
Western Municipal Water District	3.00%	3.00%	6.00%
Yorba Linda Water District	1.00%	5.00%	6.00%
Average	2.56%	4.08%	5.67%

TBD = Waiting to make determination on amount

NC = No Cola

Given that MWDOC's compensation pool covers both inflation and merit and that it has kept salaries competitive and within ranges over several years, a review of 5-year and 10-year compensation increases and CPI data was conducted to quantify the past practice. The CPI range was a positive 3.80% (2018) to negative 0.78% (2009). Overall the compensation pool can be described as consisting of an inflation component of the CPI plus a merit component of 85% of the CPI. The total 1.85xCPI function appears to be a reasonable calculation for the mid-inflation range (CPI 2.4% to 4.7%) but breaks down at the more extreme ranges of CPI. For example, 0% CPI would calculate as a 0% compensation pool increase and would obviously not reward merit as intended. At the other end of the range, other problems arise. For example in 1980 the CPI was 13.5% and this would calculate at the unlikely compensation pool of 25%.

The 2019 CPI is 3.07% for the region which is firmly in the 2.4% to 4.7% effective range. Applying the 1.85xCPI formula to the 3.07% CPI yields a compensation pool of 5.68% which was used to calculate the employee salary expense increase in the second draft budget.

The Director per diem adjustment is determined by the lesser of the employee increase or 5.0%. This budget has used the 5.0% rate.

5. Budget Input from Member Agencies

In November 2019, MWDOC sent a letter to all of its member agencies informing them of the start of the MWDOC FY202-21 Budget Process, and invited their formal participation in the process which can include suggestion of activities and general comments. The FY2019-20 budget year-end projections and the conceptual FY2020-21 budget were discussed at the January 8, 2020 Administration & Finance Committee meeting as well as the January 23, 2020 MWDOC Agencies Managers Meeting. The first draft budget was discussed at the February 12, 2020 A&F meeting and the February 20th MWDOC Member Agency Managers Meeting.

No comment letters have been received from MWDOC Member Agencies.

6. Key Priorities & Initiatives for FY 2019-20

MWDOC's MISSION

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

MWDOC was formed in 1951 to serve the majority of Orange County as its MET member agency representative and make imported water available within Orange County. In 2020, this remains MWDOC's primary purpose. Although this purpose has taken various forms and has evolved over the decades, the emphasis continues to be MET representation and advocacy on behalf of the retail water districts, to provide water reliability, and to provide value to the residents and ratepayers in Orange County.

MWDOC's key priorities and initiatives are discussed for the following major departments and cost centers:

- Reliability Planning & Engineering (Cost Center 21)
- Metropolitan (MET) Issues & Water Policy (Cost Center 23)
- Water Use Efficiency (WUE) (Cost Centers 35, 62 & 70)
- Water Emergency Response (WEROC)(Cost Center 25)
- Communication/Public Affairs (Cost Centers 32 & 63)
- Public Affairs Department (Cost Center 31)
- Administration Department (Cost Centers 11, 12, 13, & 19)
- Finance & Information Technology (Cost Centers 41 & 45)

While MWDOC is organized into several functional departments or cost centers, operationally there is significant internal support and cooperation on the different tasks of our mission. For example, a critical issue like the Delta Conveyance Project will involve Reliability Planning & Engineering, MET Issues, Government Affairs, Public Affairs, the Board of Directors and Administrative Support.

It should be clear from the following discussion that many of the issues are not addressed in departmental silos but are shared responsibilities under various departments in carrying out MWDOC's overarching mission.

Reliability Planning & Engineering (Cost Center 21)

The Reliability Planning & Engineering (Engineering) Department efforts are varied and aimed at helping our member agencies navigate and understand the implications of long term water emergency and supply planning. There are numerous intricacies involved with MET in providing imported water (e.g., service connections, metering of water, pipeline operations, etc.). Other activities include:

- shutdown planning,
- MET Repairs & Replacements (especially the AMP),
- pump-in to the EOCF#2,
- operational issues related to PFAS
- work on the Regional South Orange County (SOC) Emergency Services Program and SOC Interconnection, and
- Integration aspects of local projects including:
 - Poseidon,
 - Doheny,
 - San Juan Watershed Projects

The department also provides internal support to other departments including Administration and WEROC especially on our office building improvements. In addition, Engineering works closely with the MET Issues & Water Policy Department, as many MET issues overlap between the two departments in covering what issues transpire at MET and the resulting implications to local member agencies. Conversely, local issues raised by our agencies can also be supported by the MET Issues & Water Policy group by raising these issues at MET when MET is in a position to help our agencies. MWDOC also coordinates MET operations with OCWD in examination of opportunities to refill the groundwater basin. This past year, and for the next couple of years, an important consideration will be the additional demands placed on MET due to groundwater wells being taken out of service due to PFAS issues. Areas of overlap with the MET Issues group include evaluating the reliability improvements from; the Carson Regional Recycling Project, the Strand Ranch Project, MET's Integrated Resources Plan, MET's need for emergency storage, MET's Water Supply Allocation Plan, MET rates, MET's Local Resources Program, and water quality issues. With respect to water quality, the Engineering department has begun to track the longstanding salinity issues on the Colorado River supplies more closely to better understand the issues for lower TDS water and salinity loading within Orange County.

Regional Water Reliability and Follow-up from the 2018 OC Water Reliability Study

MWDOC staff continues to look for opportunities to pursue follow-up activities from the 2018 OC Water Reliability Study, which include:

- South OC area is short of emergency supplies today by 20.0 to 27.5 MGD. This need can be met through a combination of local projects and emergency projects such as the South Orange County (SOC) Emergency Interconnection and the pump-in to the EOCF#2. In 2019-20, MWDOC worked with IRWD to examine the costs of using the IRWD system or the EOCF#2 to develop and convey additional local supplies to SOC. The conceptual cost of treatment and cost allocation concepts utilized to share the cost of treatment for future IRWD wells increased the project cost considerably. IRWD is undertaking more detailed studies on the potential costs of treatment, which may allow this issue to be revisited. One issue supported by SOC is conversion of several of the IRWD Zone 1 pumps to Variable Frequency Drives (VFD) to improve flexibility of operations and allow for more variable flows of emergency water to SOC. MWDOC will be following up with the SOC agencies on this project.
- The need for additional water supplies for the OC Basin area is small, meaning the OC Basin performs well under both the minimal and significant climate impact scenarios evaluated. Without new investments, the OC Basin may utilize demand curtailment at the level of 10 percent about once every 20 years to meet supply gaps. Alternatively, several potential projects, currently under consideration by OCWD, could meet supply shortfalls. One project OCWD is currently working on is the Moulton Niguel Water District (MNWD) Groundwater Storage concept. There is the potential for this project to include the storage of water for SOC and the OCWD work may lead to a potential project.
- The San Juan Watershed Project and the Doheny Projects were both evaluated to provide cost-effective annual supplies and emergency supplies. It was recommended that these two projects make up the core reliability improvement strategy for SOC, and should be augmented by other projects evaluated in this study, such as the emergency use of groundwater for system outages, Cadiz water banking and extraordinary supplies. Follow-up will continue, especially given the update/reformulation of the San Juan Watershed Project, to examine the timing and sizing of the various phases of these projects and how these projects might be integrated into SOC water operations.
- Local Supply Integration and Reliability – This item examines what is needed to successfully integrate multiple, new local supplies into the OC distribution system; and includes the development and use of hydraulic modeling to improve our understanding of seasonal water flows and various scenarios even without new local supplies. The distribution system water quality issues that may arise with the integration of multiple water sources is an important consideration we need to better understand. The primary goal is to achieve sufficient supplies to meet demands by our member agencies for up to 60 days without the MET system being available while avoiding unintended consequences. Pursuit of this key priority is planned to continue through FY 2020-21 with the development of a hydraulic model, to be developed and housed by MWDOC, for use by our member agencies as proponents of local projects or to be used to study the flow of imported or local water in the OC

system under low and high demands; including shutdown operations or during periods of nitrification.

- Demand Forecast – Improve our understanding of demand drivers and trends for OC and Southern California over the next 10-20 years. Results may determine the timing of the next OC Reliability Study update. Directors have requested for staff to see if we can expedite this effort to be better prepared for MET's IRP update. The Water Use Efficiency group is also being consulted on this effort.
- Emergency Use of East Orange County Feeder #2 (EOCF#2) – Work with MET and others to implement the ability to use EOCF#2 to convey local water supplies to SOC during emergencies. MET has adopted a framework to allow emergency use of their transmission system under certain conditions. MWDOC has volunteered to be the initial trial case to make this framework implementable. Some agencies may want to use EOCF#2 for base-loaded operations instead of simply emergency operations. The use of EOCF#2 for base-loaded operations is more complex and will require a significant and sustained effort. This effort has met with new challenges due to the PFAS issue and is making others more cautious about pumping groundwater into facilities. It was noted that OCWD has asked for our help in achieving this and it could prove useful for the MNWD storage effort with OCWD.
- Poseidon Huntington Beach Desalination Project – The Poseidon Project has currently been issued a draft permit from the Regional Water Quality Control Board. It is highly probable that the project will be in front of the Coastal Commission for a significant part of FY2020-21. As this project slowly moves towards possible implementation, MWDOC will remain involved in the analysis and assessment of various aspects including water quality impacts in the transmission system, Local Resource Program (LRP) funding and impact to regional assets such as the Diemer Treatment Plant production.
- Doheny Desalination Project – The Doheny project will be in active permitting in FY2020-21 and, like Poseidon, is expected to require staff time. South Coast Water District (SCWD) has called for Phase 1 (5 MGD) project partners. Should partners not materialize, SCWD may build a smaller, local project (as small as 2 MGD) without any oversizing of the project for future cost-effective expansion to a full 15 MGD regional facility. The regional water supply and reliability potential of this project could be lost to the detriment of the entire county. MWDOC will analyze opportunities to help bridge the gap to a 5 MGD initial size, preserve future expansion options and enhance regional supply and system (emergency) reliability. MWDOC staff was directed by the Planning & Operations Committee to investigate Doheny project developments and the South Coast request for project partners and to report back at the April 2020 committee meeting.
- Carson IPR Project - MWDOC and OCWD should work together to fully evaluate the opportunities the Carson Project provides to the OC Basin because the Carson IPR project by MET may be the next least-cost supply available to the OC Basin, pending the final terms and conditions.
- Santa Ana River Conservation and Conjunctive Use Project (SARCCUP) - MWDOC and OCWD are working together to execute a project agreement with MET and an operational agreement between the MET Member Agencies and Operating Utility Group. The implementation of the project will also require a formal agreement between MWDOC and OCWD. The two parties should work together if the

extraordinary supply yield to OCWD is not fully needed by the OC Basin. The utilization of these supplies could provide significant benefits in the form of extraordinary supplies (drought protection) for the OC Basin and/or others in Orange County.

- Strand Ranch – The drought protection program was evaluated as a seven-year pilot program in the study. Further work has proceeded between IRWD and MWDOC to develop terms and conditions for a potentially expanded program with Strand Ranch. Additional work to align the goals of the two agencies will likely continue. There may be other extraordinary supply programs (e.g., SARCCUP) that can be developed as additional drought protection until the completion of the Delta Conveyance Project.
- While the 2016 and 2018 OC Reliability Study results indicated minimal emergency supply needs for the OC Basin and Brea/La Habra areas, MWDOC recommends that all retail agencies review their needs for backup generators for emergency response throughout Orange County and include refueling plans coordinated through WEROC.

Staffing to the department will remain increased by one FTE until such time as the retirement of the Assistant General Manager occurs, expected in the December 2020 timeframe.

Metropolitan (MET) Issues and Water Policy (Cost Center 23)

The Metropolitan (MET) Issues and Water Policy Department leads the District on MET issues & policy as well as water supply and demand program coordination and analysis. Over the years, this department has also become the primary clearinghouse on local, regional, state, and federal water policy issues. It ensures all key policy issues are analyzed and thoroughly evaluated for the MWDOC Board of Directors, our MWDOC-MET Delegation and our member agencies. As it relates to MET issues, the Department represents and advocates for Orange County on local resource projects and programs, water costs and rates, regional storage, water supply reliability management, demand management programs, water use efficiency programs, and water policy implementation. The Department also provides analysis and advocacy for Orange County on water policy issues that extend beyond the scope of MET. Broader water policy issues covered include the State-wide water conservation regulations (such as the “stress-test”), progress and development of the Delta Conveyance Project, the development of additional regional and local resource projects, and effects of Colorado River demand management measures.

With a Department comprised of four FTE, our routine functions include:

- Support for the MWDOC-MET Delegation in promoting Orange County objectives
- To act as the District’s liaison for MET information and water policy issues
- Collaboration with MET staff on the development and management of programs and policies

- Collaboration with other fellow MET member agencies on MET water policy issues
- Support and advocate on behalf of our member agencies for issues such as Local Resources Program (LRP) applications and certifications, shutdown coordination, and MET water use programs (e.g., Coastal Pumping and Transfer Program)
- Coordination and monitoring of water supply management projects and programs such as replenishment deliveries (e.g., Conjunctive Use Program (CUP) and In-lieu programs) and MET & MWDOC's Water Supply Allocation Plan for times of drought
- Development of countywide water supply and demand projections
- Development of Water Reliability Studies and Reports (e.g., Urban Water Management Plan and water shortage contingency "Stress-Tests")
- Assessment and calculation of MWDOC's annual water rates and charges (e.g., Readiness to Serve, Capacity Charge, and Groundwater Service Charge)

In addition, the Department also provides internal support to other departments, such as water policy and water management review on legislative matters, water use efficiency rules and regulations, and public outreach efforts. The Department also provides critical involvement with WEROC in relation to MET and MWDOC member agency's emergency planning and operations. The Department plays an essential roles at both the WEROC Emergency Operation Center (EOC) and as liaisons at the County's Operational Area (OA) emergency operation center to aid in County water and wastewater representation during a disaster.

Beyond the regular functions of the Department listed above, there are particular issues and/or key initiatives that we identify as priorities for the near and mid-term:

Near Term Priorities (1-2 years)

- MET Budget & Rates - Engage in MET's fiscal year 2020/21 & 2021/22 biennial budget and rate structure review including consideration of recovery of future demand management costs.
- MET Integrated Resource Plan Update - Actively participate in MET's 2020 Integrated Water Resources Plan (IRP) Update including IRP gap analysis, demand projections, and assessment of uncertainties. This update is likely to address serious questions relating to MET's mission and business model.
- Urban Water Management Plans - Update to the 2020 Urban Water Management Plans (MWDOC, Member Agencies, and MET), as well as develop DWR's water supply and demand assessments ("Stress-Tests"). Such efforts will dovetail with IRP and MET policy efforts.
- Regional Resource Project Assessment - Assess development and cost benefits of new local and regional resource projects.

- Imported Supply Activities - Monitor activities relating to imported supplies, including California Water Resilience Portfolio; Delta Conveyance next steps and analysis of cost estimates; and startup of Colorado River Lower Basin's new interim guidelines.

Mid-Term Priorities (3-5 years):

- Reliability Goals - Advocate for regional projects and programs that enhance the water reliability for Orange County and Southern California while seeking to ensure MWDOC's investments are cost effective and meet Orange County's objectives.
- IRP Implementation - Ensure efficacy of implementation strategies to achieve MET's 2020 IRP Update reliability goals (for example, the Local Resources Program evaluation criteria).
- Drought Resilience - Seek areas of improvements in MET's Water Supply Allocation Plan that will result in drought resiliency for Orange County.

Water Use Efficiency (WUE) Department (Cost Centers 35, 62 & 70)

The Water Use Efficiency Department consists of both Core and Choice budgets and focuses primarily on two programs: Water Use Efficiency Program & Water Loss Control Shared Services Program. Both programs benefit from the Metropolitan Water District of Southern California's Conservation Credits Program; a program that provides financial incentives to member agencies to implement water use efficiency programs. Indications from Metropolitan for the coming year is that this program will be funded at a reduced amount since the Water Stewardship Rate has been discontinued for two years. This will require staff to prioritize programs that benefit from this funding. This prioritization will focus on programs that provide the broadest benefits throughout the service area and enhance developing long-term programs such as water loss control.

Water Use Efficiency Program

Water use efficiency mandates continue to evolve from the 20% by 2020 framework adopted in 2009 to the new efficiency standards based approach scheduled to begin on July 1, 2021. Providing the technical and policy expertise and program support along with securing funds for water use efficiency efforts is a priority for MWDOC. MWDOC has been providing this function since 1991.

In partnership with our member agencies, MWDOC and MET will continue to implement a comprehensive portfolio of water use efficiency programs that include incentives and educational programs to all customer sectors. Emphasis will be on landscape water saving opportunities as irrigation accounts for approximately 50% of urban water use in Orange County. MWDOC will maximize access to Conservation Credits Program funding from MET and grant funding from the California Department of Water Resources (DWR) and US Bureau of Reclamation (BOR).

Areas of focus include:

- Aerial Imagery, Landscape Area Measurements and Data Warehousing Project - Originally planned to be initiated in FY 19-20, this effort has made significant progress but will not be initiated until early FY 20-21. In preparation for member agency compliance with new Water Use Efficiency Standards contained in Senate Bill 606 and Assembly Bill 1668, staff is planning to implement an Aerial Imagery, Landscape Area Measurements and Data Warehousing Project in partnership with the Santa Ana River Watershed Project Authority and Southern California Association of Governments. This effort will include all of Orange County. The project will provide irrigated area measurements for all parcels in the county to allow agencies to calculate their new Landscape Standard called for in the legislation. This data will be warehoused by way of a centralized aerial image and data management tool for access by individual retail agencies. Agencies can pull this information into their in-house GIS or billing systems or access it as needed from the SAWPA administered data warehouse. This information can be used in a variety of ways including:
 - Water Use Efficiency Standards Compliance
 - Tracking urban landscaping trends
 - Water demand tracking and forecasting
 - Implementation of individualize customer efficiency targets
 - Implementation of Budget Based Tiered Rates

Orange County's cost share of this broader effort is \$\$283,000. After Proposition 1 funding is applied, MWDOC's share is budgeted for \$200,000 which will be funded over two years.

- Staff will continue to provide legislative and regulatory process leadership. The States' new Long Term Water Use efficiency framework will require significant research to better understand and inform stakeholders and policy makers as the final standard setting occurs. This research may be focused locally or through partnerships beyond Orange County such as the California Water Efficiency Partnership and Alliance for Water Efficiency. Also, it is anticipated that new legislative proposals will be introduced. Staff will actively work to shape proposals in a way that benefits our member agencies.
- Metropolitan WUE policy development will be a main focus for the department especially in helping to prepare agencies for compliance with new state mandates. Staff will advocate for Program refinements at MET that ensure Orange County program needs are met and continue to evolve.
- Participate in the update or establishment of device, appliance or fixture water use standards contained in the Cal Green Plumbing Code, Public Utilities Commission, and EPA WaterSense Program.
- MWDOC will continue to promote the Water Savings Incentive and Recycled Water Retrofit Programs including the addition of supplemental grant funding whenever available.
- MWDOC will continue to use the Droplet rebate administration platform for both Turf Removal and Spray-to-Drip rebate processing including electronic signatures.
- Landscape Design and Maintenance Assistance for rebate program participants.

- Staff will provide leadership for the California Water Efficiency Partnership Board and committees.
- Secure program funding from outside sources.

Water Loss Control Shared Services

Since 2016, MWDOC has been coordinating a water loss control program for many of our Member Agencies. This program has moved beyond water loss technical assistance such as audits into shared services field activities including meter testing and water leak detection. Orange County is now a state leader in terms of experience and data. This has allowed MWDOC to provide hard data to state regulatory agencies to influence developing regulations. MWDOC's expertise has also been beneficial in workgroups addressing the numerous water use efficiency legislative and regulatory proposals.

Implementation of Water Loss Control Shared Services per the business plan adopted by the Board in December 2018 will enter its second year. These services will be provided through a combination of Core services currently funded by MWDOC and Choice services funded by participating agencies. Core services that are currently funded by MWDOC include Water Balance Validation, Leak Detection Equipment lending, and state-wide water loss policy monitoring and development.

The Choice Shared Services will include Meter Accuracy Testing, Distribution System Leak Detection, Distribution System Pressure Surveys and Distribution System Flushing. These Choice services will be provided by 2.0 existing FTE MWDOC staff members. Areas of focus include:

- Implement Water Loss Control Shared Services Business Plan
- Continue to convene the Water Loss Control Work Group
- Phase V of the Water Loss Control Technical Assistance will continue in partnership with member agencies and Water Systems Optimization and initiate a request for proposals process to consider technical assistance opportunities beyond our fifth year of implementation.
- Engagement in the State Water Resources Control Board rule making process to establish a volumetric water loss standard called for in SB 555.

Looking toward the next 3 – 5 years, staff anticipates continued focus on three main areas. These include Member Agency compliance assistance with the new water use efficiency mandates, implementation of water loss control shared services and technical assistance programs, and legislative and regulatory process leadership.

Water Emergency Response (WEROC) (Cost Center 25)

MWDOC provides the administrative umbrella for the Water Emergency Response Organization of Orange County (WEROC). The services and support provided by WEROC are intended to be an extension of Member Agency staffing in their preparedness efforts, and a resource during emergencies to ensure representation and recovery. WEROC staff

continues to develop and provide the resources, tools, trainings and grant funding targeted at enhancing Member Agency preparedness and resilience. This year regulations and compliance deadlines were implemented for the federal America's Water Infrastructure Act of 2018 (AWIA) and California's dam safety planning. WEROC staff continues to support member agencies with reaching important milestones for each project. Additionally, essential work continues on advocacy for the water and wastewater sector, especially for our member agencies. Advocacy representation this year has included: the Operational Area (OA) Agreement revision process; a significant number of County and Operational Area emergency response plan reviews; and the CalOES Southern California Catastrophic Earthquake Plan. Advocacy and imperative outreach to Edison, SDG&E and the California Public Utilities Commission on the Public Safety Power Shutoff (PSPS) program continues. This includes input and communications on potential legislative actions specific to PSPS events. Another focal point this year has been on terrorism threats and cyber security. WEROC partnered with the Orange County Intelligence Assessment Center on the countywide initiative "See something, say something," and following the cyber incidents to agencies in the winter months, established a specific communications coordination group.

Key initiatives for WEROC in FY2020-21 include:

- WEROC staff continues to assist members with accomplishing the plan and milestone requirements associated with the America's Water Infrastructure Act of 2018.
- Continue to build upon the lessons learned from various training, exercises and real events.
- Develop a long term Exercise and Training Program Plan integrating new requirements including AWIA and Dam Safety programs, and public assistance recovery training.
- Expand on power and fuel planning efforts with member agencies. This includes finalizing the previous fuel analysis, identification of field locations, equipment types, fuels burn rates, fleet needs, and establishing collaborative agreements with local fuel vendors.
- Development of a WEROC Strategic Assessment Plan. It is important to periodically set time aside, bring in some experts and review what we do, how we do it, what it costs, what the future holds and to consider any changes or improvements in the way we do business. This coming year is an opportune time to tee up a Strategic Assessment with the changing of the guard from Kelly Hubbard to Vicki Osborn.
- Staff will continue to work with MWDOC staff to implement non-structural seismic and safety improvements at the South EOC and at the MWDOC Administration building to continue to provide two EOCs.

Communication - Public Affairs Department (Cost Centers 32 & 63)

The key responsibilities of the MWDOC Public Affairs Department (Department) are to elevate public awareness about critical water issues, to showcase the District's activities and programs that address those issues, and to continue to provide opportunities and resources that offer significant value to the region. While the purpose of this is multifold, the first priority is District transparency. Over the past several years, there has been a significant shift in the way people receive information, and regardless of accuracy, content is dispatched at lightning speed. Today, every person, no matter their experience or expertise, has the power and authority to disseminate information to other members of the public, and make assessments based on the materials they have available. Largely because of this, water providers are under pressure to prove themselves proficient, professional, knowledgeable, and trustworthy. This is accomplished by communicating value to stakeholders using a wider variety of tools and channels to meet them where they are – online, at community events, in schools, using social media, and through an array of partnership opportunities.

The priorities of establishing credibility and creating confidence in the District's decisions, expertise, and offerings continue to be built and solidified through MWDOC's branding efforts. Additional support comes from award-winning recognition by reputable local and international organizations for outstanding programs and communications activities. Creating a memorable, meaningful impression with stakeholders and other members of the public establishes the trust and credibility needed to place MWDOC in a visible leadership position as the go-to voice for Orange County water.

Key Initiatives FY2020-21

Communications Tools

Over the past few years, the Department has invested significant time, talent, and resources building the MWDOC brand. Through these efforts, a reputable online presence has been established and supported through the District's website and social media platforms. The Department will continue to evaluate the various essential tools, materials, and communications channels that are currently used, and identify gaps or areas for improvement. The annual social media audit, new website auditing tool results, Search Engine Optimization (SEO) effort, upcoming Americans with Disabilities Act (ADA) requirements, along with recommendations provided by current contractors, will drive the enhancements or shifts needed in these areas.

Partnerships

Partnerships have allowed the Department to grow its resources, substantially extend its reach, and create new water and MWDOC brand ambassadors. Because of this, the Department will continue to offer the Scouts merit badge and patch programs; and, through work that supports the California Environmental Literacy Initiative, the Department will evaluate and refine the materials and activities presented in these programs.

Additionally, MWDOC will continue to offer an incentive for participation in the Wyland National Mayor's Challenge for Water Conservation. However, to provide additional reinforcement for the new direction of the MWDOC education programs, the incentive will

shift from community city park to school project opportunity. An example of this would be to build an on-site garden where students can study natural phenomena, examine the interconnectivity between humans and nature, and develop real-world solutions to challenges that arise by observing the problems and changes that occur.

Finally, the Department will continue to identify opportunities through these partnerships and others that not only support and advance the goals and mission of the District, but also provide value to the region.

Additional Member Agency Support

Over the past fiscal year, the Department has spent time evaluating, testing, and revising materials and training opportunities offered to MWDOC Member Agency communications colleagues. The purpose of these efforts is to ensure that MWDOC provides accurate, trustworthy content and messaging that is used countywide, increasing message visibility, and further establishing credibility among Orange County residents. This has led to the successful in-house creation and distribution of media/toolkits that come complete with a subject overview, sample social media posts, newsletter articles, news releases, letters of support, flyers, and additional content as needed. The Department plans to continue these efforts, expanding upon the materials and resources provided in previous kits such as *Emergency Response and Disaster Recovery*, and developing and distributing new kits like *Promoting MWDOC School Programs in Your Service Area* and *Delta Conveyance Project: Why it's Critical to Southern California*.

Additionally, over the past year, Department members have increased participation in industry memberships, trainings, and certifications, developing stronger skills, experience and acumen in the day-to-day responsibilities and demands of the job. Because of this, MWDOC has provided professional training opportunities to Member Agency communicators at the bimonthly Public Affairs Workgroup (PAW) meetings to ensure we are all better equipped to effectively communicate regional messages to the public, and to various stakeholders. Whether it be communicating a conservation message, responding to a specific water-related piece of legislation, or while in an Emergency Operations Center (EOC) during a disaster, these skills are critically important.

Education

In FY2019-20, the MWDOC Water Education School Programs were reorganized adding Kindergarten to the elementary school program and introducing a middle school program into the mix. This simple addition helped close the learning gaps, and now provides Orange County students with a continuous stream of water education through their primary and secondary years. Additionally, two (2) new program contractors were brought on to introduce lessons that shifted the focus from solely the California WaterFix to water supply, reliability, water sources, causes and effects of good water stewardship, and how local ecosystem challenges compare to issues faced in the northern part of the state. This program change was in response to feedback received from Orange County teachers who were refusing the program because the WaterFix element did not fit into their curriculum and lesson plans.

For the 20/21 FY, the biggest changes in Department activities will be seen in education. While the K-12 programs fall into the Choice budget category, the implementation of

environmental literacy – an education strategy that uses the local environment as context for learning - will affect all District outreach programs including the Scouts programs, community events, partnerships, and post-secondary education efforts. The MWDOC/Orange County Department of Education environmental literacy rollout, which includes formal instruction for MWDOC school program contractors and select teachers and administrators, will be used as a model for the State, potentially resulting in increased time, talent, and resources applied to the effort.

Finally, MWDOC's participation as a member/sponsor of the Water Energy Education Alliance will require additional effort in FY 20/21 to identify Member Agency needs and assets that can be applied in the development of Career Technical Education programs for high school students.

Governmental Affairs Department (Cost Center 31)

Governmental Affairs continues to work at the local, state and national levels with our Member Agencies, regional partners (three cities, Inland Empire) organizations, delegations, regulatory agencies and bureaus to advance Orange County's agenda. Central to this effort are policy, legislative and regulatory developments and opportunities. The department will rely on our local, state, and federal advocates to track, monitor and assist in education outreach on these issues. In addition, our Grants Program continues to be an asset for our member agencies and provide helpful information and tools for them, along with MWDOC to obtain funding for various programs and infrastructure. At the state level, 2019 saw significant wins in defeating the water tax and the creation of a permanent program to address the critical issue of disadvantage and non-compliant small water systems, as well as defeating legislation aimed at halting or delaying the Delta Conveyance Project. While the wild fires, and related legislation, and power shutoffs dominated much this year, the implications to water districts emerged later in the session. These issues will likely take center stage in FY2020-21 along with Governor Newsom's Water Resiliency Portfolio. Now that the water tax has been resolved, the Low Income Rate Assistance program is expected to receive some long delayed attention late this year. The administration's proposal is expected early in 2020. The administration has also formed a workgroup to implement the Safe and Affordable Drinking Water program (SB 200). The workgroup is expected to begin meeting in the first quarter of 2020.

Priorities for FY2020-21

- Actively engage on issues, legislative and regulatory, that will affect the Delta Conveyance Project.
- Actively engage and advocate for federal funding for the Army Corps of Engineers, the Bureau of Reclamation, the EPA, and WIFIA Programs.
- Work to ensure the \$8.3 Million grant funds for the South Coast Water District Doheny Beach Desal Project are released in timely fashion by the Bureau of Reclamation. This also involve coordinating with the SCWD.
- Advocate for the passage of the federal reauthorization of the 2016 WIIN Act and federal funding for the State Revolving Fund loan program.
- Advocate for changes in the IRS Code with respect to turf removal programs.

- Advocate for cost effective reliability and local resources projects that benefit Orange County.
- Actively engage on legislation related to wildfires and Public Safety Power Shutoffs (PSPS) that impact water districts;
- Actively engage on legislation and regulatory proceedings related to Constituents of Emerging Concern (CECs).
- Actively engage on regulations implementing the Low Income Rate Assistance, or “LIRA”, program.
- Actively engage on SB 200 (disadvantaged and noncompliant water systems) implementation.
- Continue our outreach efforts with Orange County’s delegation on the federal, state and local level.

Action Items to Help Achieve These Priorities

- Actively engage on legislation and regulations that will affect the Delta Conveyance Project.
 - Now that WaterFix has become the Delta Conveyance Project, we will need to retrace most of the steps taken to educate the Orange County delegation about the need for the project and the implications to water security when determining the size of the tunnel.
- Actively engage on legislation related to wildfires and Public Safety Power Shutoffs (PSPS) that impact water district.
 - Legislation related to wildfire liability may prove to be the dominant issue in 2020.
 - The water industry itself will be sponsoring at least two pieces of legislation on costs imposed by PSPS and backup emergency generators.
 - In 2019, grant funds to mitigate the impacts of PSPS were not available to water districts. Getting water districts access to future funding is a major priority for 2020. Action items may include lobbying the budget subcommittees and staff.
- Actively engage on regulations and regulatory proceedings related to Constituents of Emerging Concern (CECs).
 - Efforts to educate administrative staff, SWRCB board members, and legislators, were the main activities in the final months of this year.
 - Action items for 2020 include engaging on legislation to put requirements on the regulatory process to establish response levels, legislation to establish and maintain a statewide CEC program to identify and evaluate CECs in drinking water sources.
 - Further action items include educating the Orange County delegation about the need for a science-driven process to set response and Maximum Contaminate Levels, or MCLs, for CECs.

- Actively engage on regulations implementing the Low Income Rate Assistance, or “LIRA”, program.
 - A final draft proposal for the LIRA program is said to be under review by the Governor.
 - The main concern on the part of water districts is the preservation of existing programs.
 - Action items include submitting written comments, and testifying should there be further public hearings once the report is released, and possible outreach to key legislators if needed to influence the administration. It is unknown at this time if the report will seek new legislation.
- Actively engage on SB 200 (disadvantaged and noncompliant water systems) implementation.
 - Engage with the working group that has been formed to implement the Safe and Affordable Drinking Water Program.
 - Action items include appearing before the workgroup; participate in membership association workgroups, and submitting written material to ensure the grant funds are spent effectively and efficiently.
- Continue our outreach efforts with Orange County’s delegation on the federal, state and local level.
 - Focus on issue education and advocacy.
 - Action items include meeting with the key members of the Orange County delegation and staff, key committee members and staff.

Administration Department (Cost Centers 11, 12, 13, &19)

The Administrative Department is comprised of Board Administration, General Administration, Personnel and Overhead. The Administration Department provides support to the entire District to ensure operations run smoothly and efficiently. Fundamental activities include:

- Staff attendance, preparation and compilation of Board and Committee Agendas and minutes;
- Ensure compliance with the District Administrative Code, Contracts Manual and publication of required legal notices and coordination of all Public Records requests;
- The oversight and maintenance of the Electronic Records Management System for the District; ensure that all required documents are retained in accordance with the retention schedule and legal requirements as well as train staff on policies related to accessing, storing and transmitting electronic records;
- The oversight and maintenance of the District’s Database Management System in an effort to provide a centralized database for staff in improving efficiencies;

- Personnel activities include recruitment, screening, selection, employee orientation, benefits and compensation administration, employee documentation, performance management, research and surveys, employee training and development;
- Oversight of the Safety and Risk Management and the District's Workers Compensation, Liability and Property Insurance Programs;
- Oversight of all items related to building facilities management.

Key initiatives in the coming year include:

- Implement District wide staff training
- Implement Individual staff training and development
- Implementation and training of Performance Evaluation System
- Implementation and completion of Benchmark Compensation Study
- Succession Planning for upcoming retirements
- Oversee building remodel improvements

MWDOC Building Improvements

Administration, Engineering, and WEROC staff are working together to coordinate multiple improvement projects at the MWDOC Administration Building. Staff previously budgeted for seismic retrofit and remodel of the administration building. This fiscal year there have been various issues that have come up resulting in three project areas that support the renovation efforts: seismic safety improvements, upgrading the existing electrical system to meet current and future demands, and replacing the IT server room air conditioning unit. In evaluating all of the various components, it was determined that it would be more cost effective and efficient to coordinate all of these projects more closely to allow the improvements to move forward in a more seamless manner. This is especially important considering the building permitting process, which will require the District to comply with Title 24 (Building Energy Efficiency Standards), Life Safety Compliance, as well as American with Disabilities Act (ADA) code compliance. Completing the electrical system work was a critical step before moving forward with the office remodel. Plans are currently in the final review stages at the City of Fountain Valley. It is anticipated the District will receive approval soon. Staff is seeking Board approval to enter into a contract for Owner's Representative services to assist with the various aspects of seismic retrofitting and remodeling of existing buildings. It is anticipated construction efforts will begin in fall of 2020. The capital budget reflects previously approved budgeted costs, carryover of unspent capital funds and new realized costs for the previously identified projects due to unforeseen costs, inflation and building code compliance.

Finance & Information Technology (Cost Centers 41 & 45)

The Finance department includes Accounting and Information Technology (IT). The Department provides support to MWDOC through payroll, accounts payable/receivable, fixed assets, investments, grant funding, reconciliations and technology. Staff provides support to WEROC for disaster recovery at both the District office and the Emergency Operation Center. Finance and IT's priorities are Financial Stewardship, Auditing and

Controls, which is demonstrated by receiving an unmodified opinion from our annual audit process.

Finance also provides monthly accounting to our Member Agencies through monthly billing of water deliveries, in-lieu credits, LRP payments, conservation rebate and choice programs.

IT provides uninterrupted service for our phones and computers with the highest level of firewall protection to prevent threats, viruses and hackers from penetrating our system. As well as, properly working office equipment.

Key Initiatives in the coming year include:

- Maintain functional operations and support throughout the upcoming building renovations at MWDOC
- Room 101 remodel to update screens, white boards and sound system
- Supporting the succession planning for upcoming retirements
- Continue with IT's PC/Printer refresh program and security updates which, exchanges out equipment after it's useful life to prevent the loss of any data
- Purchase new accounting software to eliminate manual entries and improve efficiency (current system no longer supported)
- Continue with ongoing professional training
- IT system security and back up testing
- Continue to assist at Public Affairs events
- Support the District with any future financing needs

7. Core/Choice Programs for FY2020-21

As noted above, the Choice Programs for FY2020-21 are offered in both the Public Affairs and Water Use Efficiency Departments. The programs include:

- School Program - As discussed above the School Program represents a continuum of options from kindergarten through high school. Substantial efforts are underway to with Orange County teachers and State organizations to integrate critical water messages within the required curriculum structure with the goal of increasing the utility and acceptance of our programs.
- Water Use Efficiency - Will continue to access MET WUE funding and grants from other sources for implementation programs for OC.
- Water Loss Control Shared Services – This new program was developed in conjunction with our Member Agencies and will enter its second year of field operation.

8. Water Rates and Charges

MWDOC's revenue funding for its Core Budget derives from the Retail Meter Service Charge and the Groundwater Customer Charge. The rate structure was developed as part of the May 2016 rate study and was implemented by the MWDOC Board of Directors for FY2016-17. A new rate study will be conducted in FY2020-21 and any changes will be initiated for FY2021-22.

Based on the Proposed Budget:

For FY 2020-21 the proposed Retail Meter Service Charge is \$12.75 per meter.

For FY 2020-21 the proposed Groundwater Customer Charge is \$604,936.

All other charges cover the cost of water supply including MET water purchases and MET associated charges (i.e. Readiness-to-Serve (RTS) and Capacity Charge). The proposed Total Water Purchases for FY 2020-21 are budgeted at \$213,288,586.

9. Proposed New Items Not Included Pending Committee Discussion

By convention, proposed new items are not incorporated in the budget until concurrence is reached at the committee level. These items for the first draft budget are:

A. Two new organization memberships

- a. California Environmental Literacy Initiative (\$2,500)
As a result of AB-1548, the California Environmental Literacy Initiative (CAELI) was initially formed as the State Superintendent's Environmental Literacy Steering Committee where it was charged with implementation of California's Blueprint for Environmental Literacy. Additional law – SB-720 – was adopted in 2018 that codifies Environmental Principles and Concepts, the foundation of environmental literacy. CAELI is guided by a Leadership Council that represents a public-private partnership working to increase access to relevant and impactful environment-based learning for all of California's K-12 students.

Last year, MWDOC Public Affairs staff was invited by Ten Strands, the Orange County Department of Education (OCDE), and the State Education and Environment Roundtable (SEER) to participate in several trainings that included a community-based organization training and a professional learning course for teachers. Through this work, Tiffany Baca was invited to interview for, and was selected to join the CAELI Leadership Council. Ms. Baca's leadership position has put MWDOC at the center of discussions with influencers in education across the state about the implementation of environmental literacy and water-related topics into standards-based education frameworks that include: Next Generation Science Standards (NGSS), History-Social Science, and most recently Visual and Performing Arts. Ms. Baca is the only water/energy sector representative on

the Leadership Council, and provides valuable context about the needs and initiatives of the water industry.

- b. Department of Water Resources Education Committee (\$2,500)
MWDOC's visible contributions in CAELI initiative has led to staff being invited to join the Department of Water Resources (DWR) Water Education Committee (WEC). Through this work, DWR provides a variety of resources to K-12 teachers and other educators to encourage water education in and out of the classroom. MWDOC's leadership and participation in these state-wide efforts allows MWDOC to help shape the narrative for water education.

At the most recent DWR WEC, Ms. Baca – as a representative for MWDOC - was invited to provide an overview of environmental literacy, and how it impacts water and energy. Ms. Baca was also asked to elaborate on the District's involvement in the initiative at the most recent Metropolitan Water District of Southern California's Education Coordinators meeting.

- B. Eight new conferences/meetings
 - a. AWWA Sustainable Water Management (Water Loss Program)
Staff @ 2, Registration @ \$1,150, Travel @ \$3,200
 - b. California Environmental Literacy Initiative (Public Affairs)
Staff @ 2, 3 trips, Travel @ \$3,000
 - c. CalPERS (Administration)
Staff @ 2, Registration @ \$800
 - d. California Municipal Utilities Association CMUA) - Capital Days (Government Affairs)
Staff @ 1, Registration @ \$195, Travel @ \$800
 - e. CMUA – Annual Conference (Government Affairs)
Staff @ 1, Registration @ \$900, Travel @ \$500
 - f. Department of Water Resources Education Committee (Public Affairs)
Staff @ 1, Trips @ 3, Travel @ \$1,500
 - g. Liebert Cassidy Whitmore – Annual Public Sector Conference (Administration)
Staff @ 1, Registration @ \$800, Travel @ \$600
 - h. Public Relations Society of America (Public Affairs)
Staff @ 3, Registration @ \$4,200, Travel @ \$4,500
- C. Sponsorship of the Science Fair (Public Request)
Estimated @ \$3,000

Attachments:

Attached hereto are MWDOC budget schedule and the detailed budget for this coming fiscal year.



Annual Budget for Fiscal Year 2020-21

Second Draft

MWDOC's mission is:

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

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

	FY 2019-2020 ADOPTED BUDGET	FY 2019-2020 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2020-2021 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2019-2020 BUDGET
OPERATING EXPENSES:						
Salaries & Wages	\$ 3,516,650	\$ 3,364,258	\$ (152,392)	\$ 3,601,729	\$ 237,471	\$ 85,079
Employee Benefits	1,097,992	1,066,592	(31,401)	1,181,299	114,708	83,307
Director Compensation	268,133	205,000	(63,133)	281,920	76,920	13,787
Director Benefits	93,947	123,093	29,146	110,030	(13,064)	16,083
MWD Representation	153,218	112,000	(41,218)	161,097	49,097	7,879
CALPERS Unfunded Liability Contribution	207,000	207,000	-	207,000	-	-
Overhead Reimbursement	(223,992)	(231,947)	(7,955)	(224,229)	7,717	(237)
Health Insurance Coverage for Retirees	70,287	61,376	(8,911)	87,449	26,073	17,162
Audit Expense	29,240	19,767	(9,473)	29,725	9,958	485
Automotive & Toll Road Expenses	20,200	22,038	1,838	21,300	(738)	1,100
Conference Expense - Staff	40,535	36,400	(4,135)	44,005	7,605	3,470
Conference Expense - Directors	28,440	28,400	(40)	28,490	90	50
Engineering Expense	435,000	277,600	(157,400)	340,000	62,400	(95,000)
Insurance Expense	140,000	105,000	(35,000)	110,000	5,000	(30,000)
Legal Expense - General	200,000	260,800	60,800	210,500	(50,300)	10,500
Maintenance Expense	138,527	110,345	(28,182)	131,420	21,075	(7,107)
Membership / Sponsorship	114,966	149,059	34,093	167,132	18,073	52,166
CDR Participation	50,156	50,156	-	53,158	3,002	3,002
Miscellaneous Expense	97,300	79,054	(18,246)	113,400	34,346	16,100
Postage / Mail Delivery	9,000	8,650	(350)	8,900	250	(100)
Professional Fees	920,445	780,546	(139,899)	1,007,702	227,156	87,257
Rents & Leases	3,616	2,800	(816)	1,750	(1,050)	(1,866)
Outside Printing, Subscription & Books	62,500	63,300	800	94,700	31,400	32,200
Office Supplies	36,000	30,500	(5,500)	39,000	8,500	3,000
Building Repair & Maintenance	20,000	12,845	(7,155)	15,000	2,155	(5,000)
Computer Maintenance	8,000	6,000	(2,000)	8,000	2,000	-
Business Expense	5,200	3,500	(1,700)	4,500	1,000	(700)
Software Support & Expense	93,634	91,000	(2,634)	169,640	78,640	76,006
Computers and Equipment	45,750	40,000	(5,750)	31,550	(8,450)	(14,200)
Telecommunications Expense	24,333	28,704	4,371	29,650	946	5,317
Temporary Help Expense	5,000	14,000	9,000	5,000	(9,000)	-
Training Expense	30,000	67,937	37,937	92,500	24,563	62,500
Tuition Reimbursement	5,000	5,000	-	5,000	-	-

(1)

(2)

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

	FY 2019-2020 ADOPTED BUDGET	FY 2019-2020 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2020-2021 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2019-2020 BUDGET
OPERATING EXPENSES: continued						
Travel & Accommodations - Staff	89,131	83,700	(5,431)	103,270	19,570	14,139
Travel & Accommodations - Directors	46,625	43,200	(3,425)	53,300	10,100	6,675
MWDOC's Contribution to WEROC: Operations	228,978	228,978	-	241,233	12,255	12,255
and to WEROC Capital Improvements	44,389	44,389	-	-	(44,389)	(44,389)
Capital Acquisition (excluding building)	366,900	20,000	(346,900)	75,000	55,000	(291,900)
Capital Acquisition to Carryover		346,900	346,900	271,900	(75,000)	271,900
Capital Acq Prior Year Carryover Credit	(330,624)	(330,624)	-	(346,900)	(16,276)	(16,276)
NORMAL OPERATING EXPENSES	\$ 8,191,477	\$ 7,637,317	\$ (554,160)	\$ 8,566,120	\$ 928,803	\$ 374,643
MWDOC's Building Expense	\$ 1,259,057	\$ 410,410	\$ (848,647)	\$ 1,816,483	\$ 1,406,073	\$ 557,426
Building Expense to Carryover		\$ 848,647	\$ 848,647	\$ -	\$ (848,647)	\$ -
Building Expense Prior Year Carryover Credit	\$ (423,226)	\$ (423,226)	\$ -	\$ (1,143,117)	\$ (719,891)	\$ (719,891)
Contribution to Election Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Projected Additional Election Reserve Contribution		\$ 637,000	\$ 637,000		\$ (637,000)	\$ -
Portion to be Funded by General Operating Fund		(208,416)	(208,416)		208,416	-
TOTAL EXPENSES	\$ 9,027,308	\$ 8,901,732	\$ (125,576)	\$ 9,239,486	\$ 337,754	\$ 212,178

REVENUES:						
Retail Meter Charge	\$ 7,888,930	\$ 7,888,930	\$ -	\$ 8,191,136	\$ 302,206	\$ 302,206
Ground Water Customer Charge	598,248	598,248	-	604,936	6,688	6,688
Interest Revenue	580,000	489,000	(91,000)	458,000	(31,000)	(122,000)
Miscellaneous Income	3,000	15,600	12,600	3,000	(12,600)	-
TOTAL REVENUES	\$ 9,070,177	\$ 8,991,778	\$ (78,400)	\$ 9,257,071	\$ 265,293	\$ 186,894

EFFECT ON RESERVES:						
TOTAL CONTRIBUTION (DRAW) FROM RESERVES	\$ 42,870	\$ 90,046	\$ 47,176	\$ 17,585	\$ (72,461)	\$ (25,285)

- (1) Total FY2020-2021 Salaries & Wages includes \$15,840 for intern support
- (2) Total FY2020-2021 Benefits includes \$1,636 for intern support. Total Benefits also includes a Calpers contribution for full time employees of 11.031% for Classic employees and 7.732% for PEPRA employees. A further assumption is that medical, dental and vision insurance rates will increase by 3% for calendar year 2021.
- (3) Carryover is for work and capital purchases on the building that were budgeted for but not completed and will be carried over to the next year as a carryover credit
- (4) Carryover credit is the cumulative dollars from prior years that was unspent and that will be applied toward work projected to be completed in future years.
- (5) Based on correspondence with the O.C. Registrar of Voters on October 30, 2019 concerning election expense increases where costs per election will range from \$261,788 to \$333,185. The portion to be funded by the general operating fund is shown on the line below.
- (6) MWDOC FY2020-2021 designated reserve target is unfunded in the amount of \$109,715 with \$90,046 projected to be added to reserves from FY2019-2020 operations. Therefore the target needed contribution to reserves from FY2020-2021 operations is (\$109,715-\$90,046) \$19,669.

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

	FY 2019-2020 ADOPTED BUDGET	FY 2019-2020 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2020-2021 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2019-2020 BUDGET
OPERATING EXPENSES:						
Salaries & Wages	\$ 535,389	\$ 508,015	\$ (27,374)	\$ 556,913	\$ 48,898	\$ 21,524
less for Recovery from Grants	(5,500)	-	5,500	-	-	5,500
Employee Benefits	163,657	135,856	(27,801)	160,041	24,185	(3,616)
Director Compensation	-	-	-	-	-	-
Director Benefits	-	-	-	-	-	-
MWD Representation	-	-	-	-	-	-
Overhead Reimbursement	223,992	231,947	7,955	224,229	(7,717)	237
Health Insurance Coverage for Retirees	-	-	-	-	-	-
Audit Expense	-	-	-	-	-	-
Automotive & Toll Road Expenses	1,500	500	(1,000)	1,000	500	(500)
Vehicle Expense	13,160	5,246	(7,914)	6,350	1,104	(6,810)
Conference Expense - Staff	-	-	-	-	-	-
Conference Expense - Directors	-	-	-	-	-	-
Engineering Expense	-	-	-	-	-	-
Insurance Expense	-	-	-	-	-	-
Legal Expense - General	-	-	-	-	-	-
Maintenance Expense	-	-	-	-	-	-
Membership / Sponsorship	-	-	-	-	-	-
Miscellaneous Expense	12,000	12,000	-	12,000	-	-
Postage / Mail Delivery	400	300	(100)	400	100	-
Professional Fees	566,885	543,235	(23,650)	561,366	18,131	(5,519)
Rents & Leases	-	-	-	-	-	-
Outside Printing, Subscription & Books	-	-	-	-	-	-
Office Supplies	-	-	-	-	-	-
Supplies - Water Loss Control	2,033	6,200	4,167	10,000	3,800	7,967
Computer Maintenance	-	-	-	-	-	-
Software Support & Expense	-	-	-	15,000	15,000	15,000
Telecommunications Expense	1,440	1,200	(240)	1,200	-	(240)
Computers and Equipment	3,700	2,400	(1,300)	2,000	(400)	(1,700)
Temporary Help Expense	-	-	-	-	-	-
Training Expense	2,000	2,000	-	2,000	-	-
Tuition Reimbursement	-	-	-	-	-	-

(1)

(2)

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

	FY 2019-2020 ADOPTED BUDGET	FY 2019-2020 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2020-2021 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2019-2020 BUDGET
OPERATING EXPENSES: continued						
Travel & Accommodations - Staff	-	-	-	-	-	-
Travel & Accommodations - Directors	-	-	-	-	-	-
Capital Acquisition	70,180	76,519		-	(76,519)	(70,180)
Subtotal Expenses	\$ 1,590,836	\$ 1,525,417	\$ (71,758)	\$ 1,552,499	\$ 27,081	1.78%
TOTAL EXPENSES	\$ 1,590,836	\$ 1,525,417	\$ (65,419)	\$ 1,552,499	\$ 27,081	\$ (38,337)

REVENUES:						
Choice Revenue	\$ 1,590,836	\$ 1,525,417	\$ (65,419)	\$ 1,552,499	\$ 27,081	\$ (38,337)
TOTAL REVENUES	\$ 1,590,836	\$ 1,525,417	\$ (65,419)	\$ 1,552,499	\$ 27,081	\$ (38,337)

- (1) Total FY2020-2021 Salaries & Wages includes \$61,179 for intern support
- (2) Total FY2020-2021 Benefits includes \$6,547 for intern support. Total Benefits also includes a Calpers contribution for full time employees of 11.031% for Classic employees and 7.732% for PEPRA Calpers employees. A further assumption is that medical, dental and vision insurance rates will increase by 3% for calendar year 2021.

Exhibit A4
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
CONSOLIDATED

	FY 2019-2020 ADOPTED BUDGET	FY 2019-2020 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2020-2021 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2019-2020 BUDGET
OPERATING EXPENSES:						
Salaries & Wages	\$ 4,052,039	\$ 3,872,273	\$ (179,766)	\$ 4,158,642	\$ 286,369	\$ 106,603
less for Recovery from Grants	(5,500)	-	5,500	-	-	5,500
Employee Benefits	1,261,649	1,202,448	(59,201)	1,341,340	138,892	79,691
Director Compensation	268,133	205,000	(63,133)	281,920	76,920	13,787
Director Benefits	93,947	123,093	29,146	110,030	(13,064)	16,083
MWD Representation	153,218	112,000	(41,218)	161,097	49,097	7,879
CALPERS Unfunded Liability Contribution	207,000	207,000	-	207,000	-	-
Overhead Reimbursement	-	-	-	-	-	-
Health Insurance Coverage for Retirees	70,287	61,376	(8,911)	87,449	26,073	17,162
Audit Expense	29,240	19,767	(9,473)	29,725	9,958	485
Automotive & Toll Road Expenses	21,700	22,538	838	22,300	(238)	600
Vehicle Expense - Water Loss Control	13,160	5,246	(7,914)	6,350	1,104	(6,810)
Conference Expense - Staff	40,535	36,400	(4,135)	44,005	7,605	3,470
Conference Expense - Directors	28,440	28,400	(40)	28,490	90	50
Engineering Expense	435,000	277,600	(157,400)	340,000	62,400	(95,000)
Insurance Expense	140,000	105,000	(35,000)	110,000	5,000	(30,000)
Legal Expense - General	200,000	260,800	60,800	210,500	(50,300)	10,500
Maintenance Expense	138,527	110,345	(28,182)	131,420	21,075	(7,107)
Membership / Sponsorship	114,966	149,059	34,093	167,132	18,073	52,166
CDR Participation	50,156	50,156	-	53,158	3,002	3,002
Miscellaneous Expense	109,300	91,054	(18,246)	125,400	34,346	16,100
Postage / Mail Delivery	9,400	8,950	(450)	9,300	350	(100)
Professional Fees	1,487,330	1,323,781	(163,549)	1,569,068	245,287	81,738
Rents & Leases	3,616	2,800	(816)	1,750	(1,050)	(1,866)
Outside Printing, Subscription & Books	62,500	63,300	800	94,700	31,400	32,200
Office Supplies	36,000	30,500	(5,500)	39,000	8,500	3,000
Supplies - Water Loss Control	2,033	6,200	4,167	10,000	3,800	7,967
Building Repair & Maintenance	20,000	12,845	(7,155)	15,000	2,155	(5,000)
Computer Maintenance	8,000	6,000	(2,000)	8,000	2,000	-
Business Expense	5,200	3,500	(1,700)	4,500	1,000	(700)
Software Support & Expense	93,634	91,000	(2,634)	184,640	93,640	91,006
Computers and Equipment	49,450	42,400	(7,050)	33,550	(8,850)	(15,900)
Telecommunications Expense	25,773	29,904	4,131	30,850	946	5,077
Temporary Help Expense	5,000	14,000	9,000	5,000	(9,000)	-
Training Expense	32,000	69,937	37,937	94,500	24,563	62,500
Tuition Reimbursement	5,000	5,000	-	5,000	-	-

(1)

(2)

Exhibit A4
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
CONSOLIDATED

	FY 2019-2020 ADOPTED BUDGET	FY 2019-2020 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2020-2021 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2019-2020 BUDGET
OPERATING EXPENSES: continued						
Travel & Accommodations - Staff	89,131	83,700	(5,431)	103,270	19,570	14,139
Travel & Accommodations - Directors	46,625	43,200	(3,425)	53,300	10,100	6,675
MWDOC's Contribution to WEROC: Operations	228,978	228,978	-	241,233	12,255	12,255
and to WEROC Capital Improvements	44,389	44,389	-	-	(44,389)	(44,389)
Capital Acquisition (excluding building)	437,080	96,519	(340,561)	75,000	(21,519)	(362,080)
Capital Acquisition to Carryover		346,900	346,900	271,900	(75,000)	271,900
Capital Acq Prior Year Carryover Credit	(330,624)	(330,624)	-	(346,900)	(16,276)	(16,276)
NORMAL OPERATING EXPENSES	\$ 9,782,312	\$ 9,162,734	\$ (619,578)	\$ 10,118,619	\$ 955,885	\$ 336,307
MWDOC's Building Expense	\$ 1,259,057	\$ 410,410	\$ (848,647)	\$ 1,816,483	\$ 1,406,073	\$ 557,426
Building Expense to Carryover		\$ 848,647	\$ 848,647	\$ -	\$ (848,647)	\$ -
Building Expense Prior Year Carryover Credit	\$ (423,226)	\$ (423,226)	\$ -	\$ (1,143,117)	\$ (719,891)	\$ (719,891)
Contribution to Election Reserve		\$ -	\$ -	\$ -	\$ -	\$ -
Proj Additional Election Rsrv Contribution		\$ 637,000	\$ 637,000	\$ -	\$ (637,000)	\$ -
Portion to be Funded by General Oper Fund		(208,416)	(208,416)	-	208,416	-
TOTAL EXPENSES	\$ 10,618,143	\$ 10,427,149	\$ (190,994)	\$ 10,791,985	\$ 364,836	\$ 173,842

REVENUES:						
Retail Meter Charge	\$ 7,888,930	\$ 7,888,930	\$ 0	\$ 8,191,136	\$ 302,206	\$ 302,206
Ground Water Customer Charge	598,248	598,248	0	604,936	6,688	6,688
Interest Revenue	580,000	489,000	(91,000)	458,000	(31,000)	(122,000)
Miscellaneous Income	3,000	15,600	12,600	3,000	(12,600)	-
Choice Revenue	1,590,836	1,525,417	(65,419)	1,552,499	27,081	(38,337)
TOTAL REVENUES	\$ 10,661,013	\$ 10,517,195	\$ (143,818)	\$ 10,809,570	\$ 292,375	\$ 148,557

EFFECT ON RESERVES:						
TOTAL CONTRIBUTION (DRAW) FROM RESERVES	\$ 42,870	\$ 90,046	\$ 47,176	\$ 17,585	\$ (72,461)	\$ (25,285)

- (1) Total FY2020-2021 Salaries & Wages includes \$77,019 for intern support
- (2) Total FY2020-2021 Benefits includes \$8,232 for intern support. Total Benefits also includes a Calpers contribution for full time employees of 11.031% for Classic employees and 7.732% for PEPRA employees. A further assumption is that medical, dental and vision insurance rates will increase by 3% for calendar year 2021.
- (3) Carryover is for work and capital purchases on the building that were budgeted for but not completed and will be carried over to the next year as a carryover credit
- (4) Carryover credit is the cumulative dollars from prior years that was unspent and that will be applied toward work projected to be completed in future years.
- (5) Based on correspondence with the O.C. Registrar of Voters on October 30, 2019 concerning election expense increases where costs per election will range from \$261,788 to \$333,185. The portion to be funded by the general operating fund is shown on the line below.
- (6) MWDOC FY2020-2021 designated reserve target is unfunded in the amount of \$109,715 with \$90,046 projected to be added to reserves from FY2019-2020 operations. Therefore the target needed contribution to reserves from FY2020-2021 operations is (\$109,715-\$90,046) \$19,669.

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

	FY 2019-2020 ADOPTED BUDGET	FY 2019-2020 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2020-2021 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2019-2020 BUDGET
Water Revenues			(1)			(2)
Water Sales	\$ 237,841,537	\$ 174,871,979	\$ (62,969,558)	\$ 213,288,586	\$ 38,416,607	\$ (24,552,951)
Local Resource Program Incentives	(5,465,263)	(5,449,864)	15,399	(4,881,259)	568,605	584,004
Readiness-To-Serve Charge	10,071,282	10,566,985	495,703	11,583,326	1,016,341	1,512,044
Capacity Charge	3,615,440	3,746,098	130,658	3,892,240	146,142	276,800
Interest Revenue - Tier 2 Cont.	20,000	21,000	1,000	22,000	1,000	2,000
SCP/SAC Pipeline Surcharge	350,000	312,432	(37,568)	315,000	2,568	(35,000)
TOTAL WATER REVENUES	\$ 246,432,996	\$ 184,068,630	\$ (62,364,367)	\$ 224,219,893	\$ 40,151,263	\$ (22,213,103)
Water Expenses						
Water Purchases	\$ 237,841,537	\$ 174,871,979	\$ (62,969,558)	\$ 213,288,586	\$ 38,416,607	\$ (24,552,951)
Local Resource Program Incentives	(5,465,263)	(5,449,864)	15,399	(4,881,259)	568,605	584,004
Readiness-To-Serve Charge	10,071,282	10,566,985	495,703	11,583,326	1,016,341	1,512,044
Capacity Charge	3,615,440	3,746,098	130,658	3,892,240	146,142	276,800
SCP/SAC Pipeline Surcharge	350,000	312,432	(37,568)	315,000	2,568	(35,000)
TOTAL WATER EXPENSES	\$ 246,412,996	\$ 184,047,630	\$ (62,365,367)	\$ 224,197,893	\$ 40,150,263	\$ (22,215,103)
Changes to Fund Balance:						
Tier 2 Contingency	\$ 20,000	\$ 21,000	\$ 1,000	\$ 22,000	\$ 1,000	\$ 2,000

(1) The large variance between FY19-20 Adopted Budget and Project Actuals is due to the below average water demands of MWDOC's retail agencies, but it is mostly the result of OCWD's decision not to purchase any replenishment water due to the anticipated PFAS regulations. Although there was 26,500 AF of total Cyclic water purchased from OCWD between September and December 2019 it did not replace the total budget estimate of 65,000 AF of replenishment water.

(2) Proposed Budget sales for FY2020-21 are estimated to be below last year's Adopted Budget as a result of OCWD's decision not to purchase 65,000 AF of replenishment water due to the PFAS regulations reducing groundwater production. Although PFAS will increase treated imported water purchases among a number of groundwater producers, total imported water purchases are still estimated to be below historical averages.

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

	FY 2019-2020 ADOPTED BUDGET	FY 2019-2020 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2020-2021 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2019-2020 BUDGET
Funding						
Metropolitan Water District	\$ 1,067,130	\$ 1,011,036	\$ (56,094)	\$ 788,114	\$ (222,922)	\$ (279,016)
USBR	77,850	140,291	62,441	137,354	(2,937)	59,504
DWR	150,162	972,345	822,183	465,836	(506,509)	315,674
Member Agencies	1,040,004	365,216	(674,788)	153,630	(211,586)	(886,374)
MWDOC	35,000	35,000	(0)	35,000	-	(0)
TOTAL OUTSIDE FUNDING	\$ 2,370,147	\$ 2,523,887	\$ 153,741	\$ 1,579,934	\$ (943,954)	\$ (790,213)
Program Expenses Funded from Outside Sources						
Project Administration - Staff Time	\$ 5,500	\$ -	\$ (5,500)	\$ -	\$ -	\$ (5,500)
Monitoring and Evaluation	-	-	-	-	-	-
Installation Verification	50,000	65,044	15,044	59,000	(6,045)	9,000
Rebate Incentives	2,320,539	2,458,843	138,304	1,520,934	(937,909)	(799,605)
Databasing	-	-	-	-	-	-
TOTAL PROGRAMS EXPENSES	\$ 2,376,039	\$ 2,523,887	\$ 147,849	\$ 1,579,934	\$ (943,954)	\$ (796,105)

Exhibit B
Expenditures by Program

Cost Center	PROGRAM	FY 2019-2020 BUDGET FTE	FY 2020-2021 BUDGET FTE	FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
11	Administrative - Board	1.80	1.67	\$ 1,184,631	\$ 1,078,338	\$ 1,244,622
12	Administrative - General	3.54	3.74	638,939	738,267	795,840
13	Personnel / Staff Development	1.52	1.55	328,436	401,227	457,220
19	Overhead	4.27	4.40	1,154,272	1,088,648	1,146,991
21	Reliability Planning and Engineering	4.15	3.62	1,139,854	937,588	941,819
23	Metropolitan Issues and Water Policy	3.96	3.76	804,601	654,647	777,669
31	Governmental Affairs	0.94	0.97	495,902	469,764	514,986
35	Water Use Efficiency (Core)	0.97	1.04	485,759	373,724	461,504
32	Public Affairs	3.81	3.99	796,908	802,728	925,652
41	Finance	3.17	3.55	582,299	518,979	677,728
45	Information Technology	0.99	1.01	306,509	300,040	380,855
25	MWDOC's Contribution to WEROC	2.53	3.20	273,367	273,367	241,233
CORE TOTAL		31.67	32.51	\$ 8,191,477	\$ 7,637,317	\$ 8,566,120
62	Water Use Efficiency Program	5.07	4.85	874,517	815,635	861,900
63	School Programs	0.10	0.06	437,561	440,659	443,335
70	Water Loss Control	1.46	1.83	278,757	269,123	247,264
CHOICE TOTAL		6.62	6.73	\$ 1,590,836	\$ 1,525,417	\$ 1,552,499
CORE & CHOICE TOTAL		38.29	39.24	\$ 9,782,312	\$ 9,162,734	\$ 10,118,619
Includes:	Full-time employees	33.12	33.00	(2)		
	Part-time employees	0.74	0.65			
	Interns	1.90	2.39	(3)		
	WEROC Full-time employees	2.53	2.72			
	WEROC Part-time employees	0.00	0.48	(3)		

(1)

(1) Total Operational Costs of WEROC is allocated among MWDOC, OCWD, OCSD, Anaheim, Santa Ana, Fullerton and South Orange County Wastewater Authority. Capital Expenditures are provided by MWDOC. Dollars shown are MWDOC's share only.

(2) FTE's for 2019-2020 are calculated based on 2096 hours of work for the year. FTE's for 2020-2021 are calculated based on 2088 hours worked for the year. This corresponds to the actual working days for the fiscal year which varies year to year. MWDOC and WEROC combined are budgeted to have a total of 36 full-time employees, 1 part-time employee and 5 interns. MWDOC and WEROC share one of the full-time employees. Several full-time employees are budgeted to work less than 40 hours a week which explains the fractions of an FTE for full-time employees. Another reason for the fractions of an FTE are that employees are budgeted to work in multiple cost centers. This includes budgeting their vacation, sick and holiday hours to cost center 19 (overhead).

(3) The increase of one FTE overall is due to WEROC hiring one temporary part-time employee for the AWIA program and Water Loss Control hiring one part-time intern.

Municipal Water District of Orange County
2020-2021 FISCAL MASTER PLAN PROJECTIONS
(in thousands)

	Projected ACTUALS FY19-20	BUDGET FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26
Beginning Designated Reserve Balance - MWDOC	\$6,768	\$ 6,649	\$ 6,667	\$ 6,486	\$ 6,700	\$ 7,042	\$ 7,737
OPEB Reserve	297	297	297	297	297	297	297
Adjusted Reserve Balance	6,471	6,352	6,370	6,189	6,403	6,745	7,440
Revenues							
Water Rate Revenues:							
Retail Meter Agency Charge	7,889	8,191	8,441	8,718	8,998	9,284	9,573
Ground Water Customer Charge	598	605	617	629	642	655	668
Subtotal	8,487	8,796	9,058	9,348	9,640	9,939	10,241
Other Revenues:							
Choice Revenues	1,525	1,552	1,584	1,615	1,648	1,680	1,714
Interest Earnings	489	458	597	599	616	638	672
Misc./Reimbursements	16	3	3	3	3	3	3
Subtotal	2,030	2,013	2,184	2,218	2,267	2,322	2,389
Total Revenues	10,517	10,810	11,242	11,565	11,907	12,260	12,630
Expenses							
Core Expenses	7,601	8,566	8,737	8,912	9,090	9,272	9,458
Choice Expenses	1,525	1,552	1,584	1,615	1,648	1,680	1,714
Capital Acquisitions (not including building)	36	-	20	20	20	20	20
Total Expenses w/o Building & Election	9,163	10,119	10,341	10,547	10,758	10,973	11,192
Revenue Over Expenses w/o Building & Election	1,354	691	901	1,018	1,149	1,287	1,438
ELECTION Reserve Beginning Balance	696	1,333	-	582	164	746	-
Annual Election Reserve Contribution	637	-	582	582	582	582	582
Annual Election Expense	-	1,333	-	1,000	-	1,333	-
Election Reserve Ending Balance	1,333	-	582	164	746	-	582
BUILDING Reserve Beginning Balance	444	445	444	17	229	444	444
Annual Building Reserve Contribution	836	673	500	222	225	10	10
Annual Building Expense	836	673	927	10	10	10	10
Building Reserve Ending Balance	445	444	17	229	444	444	444
CASH FLOW Reserve Beginning Balance	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Annual Cash Flow Reserve Contribution	-	-	-	-	-	-	-
Cash Flow Reserve Ending Balance	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Adjustments to the General Fund Reserve	-	-	-	-	-	-	-
Ending General Fund & Cash Flow Reserves	\$ 4,574	\$ 5,926	\$ 5,590	\$ 6,010	\$ 5,555	\$ 6,996	\$ 7,261
Document does not reflect MWDOC's irrevocable trust towards OPEB liability							
MWDOC Water Rates							
Total Retail Customer Meters	636,204	642,442	644,366	648,211	652,010	656,101	660,200
OCWD BPP %	75%	75%	75%	75%	75%	75%	75%
Increment Rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Connection Charge	\$ 12.40	\$ 12.75	\$ 13.10	\$ 13.45	\$ 13.80	\$ 14.15	\$ 14.50
Fixed Charge %		100%	100%	100%	100%	100%	100%
Rate Increase Proposal:							
Increment Rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Connection Charge	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35

1 Assumptions for FMP:

Inflation factor:

2.00% per year

Rate of return on Investment of portfolio:

3.21% per year

Working Capital and Interest Revenue Projections

	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25
Working Capital:					
Designated Reserve Fund	6,667	6,486	6,700	7,042	7,737
General Fund Float	8,000	8,000	8,000	8,000	8,000
WUE use of fund	(200)	(200)	(200)	(200)	(200)
Water Payment Float	3,850	3,875	3,900	3,925	3,950
Average Working Capital	18,317	18,161	18,400	18,767	19,487
Interest rate	3.26%	3.30%	3.35%	3.40%	3.45%
Interest Revenue Projections:					
Interest income - General	597	599	616	638	672
Total Interest Revenue Projections	597	599	616	638	672

Total Core Expenses

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
6010	Salaries & Wages - Admin	3,516,650	3,364,258	3,601,729
6090	Directors Compensation - MWDOC	268,133	205,000	281,920
6095	Directors Compensation - MWD	153,218	112,000	161,097
6105	Benefits - Admin	1,097,993	1,066,592	1,181,299
	CALPERS Unfunded Liability Contribution	207,000	207,000	207,000
	Overhead Reimbursement	(223,992)	(231,947)	(224,229)
6115	Benefits - Directors	93,947	123,093	110,030
6120	Health Insurance Coverage for Retirees	70,287	61,376	87,449
6205	Training	30,000	67,937	92,500
6210	Tuition Reimbursement	5,000	5,000	5,000
6220	Temporary Help	5,000	14,000	5,000
7010	Engineering - Outside Services	435,000	277,600	340,000
7020	Legal - General	200,000	260,800	210,500
7030	Audit	29,240	19,767	29,725
7040	Other Professional Fees	920,445	780,546	1,007,702
7110	Conference - Employee	40,535	36,400	44,005
7115	Conference - Directors	28,440	28,400	28,490
7150	Travel & Accommodations - Employee	89,131	83,700	103,270
7155	Travel & Accommodations - Director	46,625	43,200	53,300
7210	Membership / Sponsorship	114,966	149,059	167,132
7250	CDR Participation	50,156	50,156	53,158
7305	Business Expense	5,200	3,500	4,500
7310	Office Maintenance	138,527	110,345	125,420
7315	Building Repair & Maintenance	20,000	12,845	15,000
7320	Rents & Leases	3,616	2,800	1,750
7330	Office Supplies	36,000	30,500	39,000
7340	Postal / Mail Delivery	9,000	8,650	8,900
7350	Subscriptions / Books	1,500	600	1,000
7360	Reproduction Expense	61,000	62,700	93,700
7410	Computer & Peripherals Maint	8,000	6,000	8,000
7430	Software Purchase	34,500	32,000	42,000
7440	Software Support	59,134	59,000	127,640
7540	Computers and Equipment	45,750	40,000	31,550
7580	Maintenance Expense	-	-	6,000
7610	Automotive / Mileage	19,300	20,818	20,000
7615	Toll Road Charges	900	1,220	1,300
7620	Insurance Expense	140,000	105,000	110,000
7640	Utilities - Telephone	24,333	28,704	29,650
7650	Bank Fees	1,200	900	1,200
7670	Miscellaneous Expenses	96,100	78,154	112,200
8810	Capital Acquisition	366,900	20,000	75,000
	Total Expenditure	8,248,735	7,347,674	8,399,887
MWDOC's Contribution:				
	to WEROC Capital improvements	44,389	44,389	-
	to WEROC Operations	228,978	228,978	241,233
MWDOC's Contribution to Election Rsrv				
	Proj Additional Election Rsrv Contribution	-	637,000	-
	Portion to be Funded by Gen Oper Fund	-	(208,416)	-
Capital Acquisition to Carryover (8810)				
	Capitol Acq Prior Year Carryover Credit	(330,624)	(330,624)	(346,900)
MWDOC's Building Expense (8811)				
	Building Expense to Carryover	-	848,647	-
	Building Prior Year Carryover Credit	(423,226)	(423,226)	(1,143,117)
		<u>9,027,309</u>	<u>8,901,732</u>	<u>9,239,486</u>

Total Choice Revenue and Expense

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
	Choice Revenue	1,289,894	1,289,893	1,552,499
4205	School Contracts	118,213	118,213	-
4705	Prior Year Carry Over	182,729	182,729	-
		-	-	-
	Choice billing over/under	-	(65,418)	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
	Total Revenue	1,590,836	1,525,417	1,552,499

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
6010	Salaries & Wages - Admin	535,389	508,015	556,913
	S & B Reimb. DSC or Recov from Grants	(5,500)	-	-
6090	Directors Compensation - MWD	-	-	-
6095	Directors Compensation - MWD	-	-	-
6105	Benefits - Admin	163,657	135,856	160,041
	Overhead Reimbursement	223,992	231,947	224,229
6115	Benefits - Directors	-	-	-
6120	Health Insurance Coverage for Retirees	-	-	-
6205	Training	2,000	2,000	2,000
6210	Tuition Reimbursement	-	-	-
6220	Temporary Help	-	-	-
7010	Engineering - Outside Services	-	-	-
7020	Legal - General	-	-	-
7030	Audit	-	-	-
7040	Other Professional Fees	141,972	118,322	127,572
	Other Professional Fees - School Programs	424,913	424,913	433,794
7110	Conference - Employee	-	-	-
7115	Conference - Directors	-	-	-
7150	Travel & Accommodations - Employee	-	-	-
7155	Travel & Accommodations - Director	-	-	-
7210	Membership / Sponsorship	-	-	-
7250	CDR Participation	-	-	-
7310	Office Maintenance	-	-	-
7320	Rents & Leases	-	-	-
7330	Office Supplies	-	-	-
7332	Supplies - Water Loss Control	2,033	6,200	10,000
7340	Postal / Mail Delivery	400	300	400
7350	Subscriptions / Books	-	-	-
7360	Reproduction Expense	-	-	-
7410	Computer & Peripherals Maint	-	-	-
7430	Software Purchase	-	-	15,000
7440	Software Support	-	-	-
7540	Computers and Equipment	3,700	2,400	2,000
7580	Maintenance Expense	-	-	-
7610	Automotive / Mileage	-	-	-
7612	Vehicle Expense	13,160	5,246	6,350
7615	Toll Road Charges	1,500	500	1,000
7620	Insurance Expense	-	-	-
7640	Utilities - Telephone	1,440	1,200	1,200
7650	Bank Fees	-	-	-
7670	Miscellaneous Expenses	12,000	12,000	12,000
8410	Overhead Reimbursement	-	-	-
8610	Depreciation Expense	-	-	-
8710	Election Expenses	-	-	-
8810	Capital Acquisition	70,180	76,519	-
	Total Expenditure	1,590,836	1,525,417	1,552,499

Total Core and Choice Expenses

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
6010	Salaries & Wages - Admin	4,052,039	3,872,273	4,158,642
	S & B Reimb. DSC or Recov from Grants	(5,500)	-	-
6090	Directors Compensation - MWDOC	268,133	205,000	281,920
6095	Directors Compensation - MWD	153,218	112,000	161,097
6105	Benefits - Admin	1,261,650	1,202,448	1,341,340
	CALPERS Unfunded Liability Contribution	207,000	207,000	207,000
	Overhead Reimbursement	(0)	-	-
6115	Benefits - Directors	93,947	123,093	110,030
6120	Health Insurance Coverage for Retirees	70,287	61,376	87,449
6205	Training	32,000	69,937	94,500
6210	Tuition Reimbursement	5,000	5,000	5,000
6220	Temporary Help	5,000	14,000	5,000
7010	Engineering - Outside Services	435,000	277,600	340,000
7020	Legal - General	200,000	260,800	210,500
7030	Audit	29,240	19,767	29,725
7040	Other Professional Fees	1,062,417	898,868	1,135,274
	Other Professional Fees - School Programs	424,913	424,913	433,794
7110	Conference - Employee	40,535	36,400	44,005
7115	Conference - Directors	28,440	28,400	28,490
7150	Travel & Accommodations - Employee	89,131	83,700	103,270
7155	Travel & Accommodations - Director	46,625	43,200	53,300
7210	Membership / Sponsorship	114,966	149,059	167,132
7250	CDR Participation	50,156	50,156	53,158
7305	Business Expense	5,200	3,500	4,500
7310	Office Maintenance	138,527	110,345	125,420
7315	Building Repair & Maintenance	20,000	12,845	15,000
7320	Rents & Leases	3,616	2,800	1,750
7330	Office Supplies	36,000	30,500	39,000
7332	Supplies - Water Loss Control	2,033	6,200	10,000
7340	Postal / Mail Delivery	9,400	8,950	9,300
7350	Subscriptions / Books	1,500	600	1,000
7360	Reproduction Expense	61,000	62,700	93,700
7410	Computer & Peripherals Maint	8,000	6,000	8,000
7430	Software Purchase	34,500	32,000	57,000
7440	Software Support	59,134	59,000	127,640
7540	Computers and Equipment	49,450	42,400	33,550
7580	Maintenance Expense	-	-	6,000
7610	Automotive / Mileage	19,300	20,818	20,000
7612	Vehicle Expense	13,160	5,246	6,350
7615	Toll Road Charges	2,400	1,720	2,300
7620	Insurance Expense	140,000	105,000	110,000
7640	Utilities - Telephone	25,773	29,904	30,850
7650	Bank Fees	1,200	900	1,200
7670	Miscellaneous Expenses	108,100	90,154	124,200
8810	Capital Acquisition	437,080	96,519	75,000
	Total Expenditure	9,839,570	8,873,091	9,952,386

MWDOC's Contribution:

to WEROC Capital improvements	44,389	44,389	-
to WEROC Operations	228,978	228,978	241,233
MWDOC's Contribution to Election Rsv	-	-	-
Proj Additional Election Rsv Contribution	-	637,000	-
Portion to be Funded by Gen Oper Fund	-	(208,416)	-
Capital Acquisition to Carryover (8810)	-	346,900	271,900
Capitol Acq Prior Year Carryover Credit	(330,624)	(330,624)	(346,900)
MWDOC's Building Expense (8811)	1,259,057	410,410	1,816,483
Building Expense to Carryover	-	848,647	-
Building Prior Year Carryover Credit	(423,226)	(423,226)	(1,143,117)
	10,618,144	10,427,149	10,791,985

Administrative - Board
11

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	259,456	222,391	259,288	
6090	Directors Compensation - MWDOC	268,133	205,000	281,920	1
6095	Directors Compensation - MWD	153,218	112,000	161,097	2
6105	Benefits - Admin	81,347	76,457	82,228	
6115	Benefits - Directors	93,947	123,093	110,030	
6120	Health Insurance Coverage for Retirees				
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Engineering - Outside Services				
7020	Legal - General	195,000	210,800	200,500	4
7030	Audit				
7040	Other Professional Fees				
7110	Conference - Employee				
7115	Conference - Directors	28,440	28,400	28,490	5
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director	46,625	43,200	53,300	5
7210	Membership / Sponsorship	28,072	27,333	36,570	6
7250	CDR Participation				
7310	Office Maintenance				
7320	Rents & Leases				
7330	Office Supplies				
7340	Postal / Mail Delivery	4,500	4,000	4,500	
7350	Subscriptions / Books				
7360	Reproduction Expense				
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7540	Computers and Equipment				
7580	Maintenance Expense				
7610	Automotive / Mileage	12,500	12,318	12,500	
7615	Toll Road Charges	500	745	800	
7620	Insurance Expense				
7640	Utilities - Telephone	893	600	700	
7650	Bank Fees				
7670	Miscellaneous Expenses	12,000	12,000	12,700	7
8410	Overhead Reimbursement				
8810	Capital Acquisition				
	Total Expenditure	1,184,631	1,078,338	1,244,622	

1&2 • Based on 5% increase from Jan to June 2021.

3 • Best, Best & Krieger \$ 195,800
• Aleshire & Wynder \$ 15,000
\$ 210,800

4 • Best, Best & Krieger \$ 185,500
• Aleshire & Wynder \$ 15,000
\$ 200,500

5 • See Exhibit F.

6 • See Exhibit D.

7 • Misc board expenses (supplies)

MWDOC's Contribution to Election Rsrv
Proj Additional Election Rsrv Contribution
Portion to be Funded by Gen Oper Fund

	637,000	
	(208,416)	
	<u>1,184,631</u>	<u>1,506,922</u>
		<u>1,244,622</u>

Administrative - General
12

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
6010	Salaries & Wages - Admin	269,650	296,698	317,784
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	103,684	119,012	124,861
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help	5,000	14,000	5,000
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	2,500	1,500	1,200
7110	Conference - Employee	40,535	36,400	44,005
7115	Conference - Directors			
7150	Travel & Accommodations - Employee	89,131	83,700	103,270
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship	86,894	121,726	130,562
7250	CDR Participation	50,156	50,156	53,158
7305	Business Expense	5,200	3,500	4,500
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books	1,500	600	1,000
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage	6,800	8,500	7,500
7615	Toll Road Charges	400	475	500
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	2,600	2,000	2,500
8810	Capital Acquisition			
	Total Expenditure	638,939	738,267	795,840

1 • See Exhibit J.

2 • See Exhibit E.

3 • See Exhibit D.

4 • Center for Demographic Research at
Cal State University Fullerton

Personnel / Staff Development
13

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	205,749	201,468	217,801	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	61,187	60,822	65,919	1 • Staff Technical Training & Leadership Development Training
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training	30,000	67,937	92,500	1
6210	Tuition Reimbursement	5,000	5,000	5,000	
6220	Temporary Help				
7010	Engineering - Outside Services				
7020	Legal - General	5,000	50,000	10,000	2 • Best, Best & Krieger
7030	Audit				
7040	Other Professional Fees			36,000	3 • Benchmark Study
7110	Conference - Employee				
7115	Conference - Directors				
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				
7250	CDR Participation				4 • Employee Recognition \$ 5,000
7310	Office Maintenance				• Applicant Background Checks & Physical \$ 2,500
7320	Rents & Leases				• Team Building, Lunch meetings \$ 1,200
7330	Office Supplies				• Holiday Lunch \$ 3,000
7340	Postal / Mail Delivery				• OCWD Health Fair \$ 300
7350	Subscriptions / Books				• Employee Flu Shots \$ 200
7360	Reproduction Expense				• Job Ads Recruiting \$ 5,000
7410	Computer & Peripherals Maint				• Staff & Executive Assessments \$ 12,800
7430	Software Purchase				\$ 30,000
7440	Software Support				
7540	Computers and Equipment				
7580	Maintenance Expense				
7610	Automotive / Mileage				
7615	Toll Road Charges				
7620	Insurance Expense				
7640	Utilities - Telephone				
7650	Bank Fees				
7670	Miscellaneous Expenses	21,500	16,000	30,000	4
8810	Capital Acquisition				
	Total Expenditure	328,436	401,227	457,220	

Overhead
19

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	524,930	535,033	553,570	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	158,034	167,972	174,631	
6109	CALPERS Unfunded Liability Contribution	207,000	207,000	207,000	
6111	Overhead Reimbursement from Choice	(223,992)	(231,947)	(224,229)	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees	70,287	61,376	87,449	1
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Engineering - Outside Services				
7020	Legal - General				
7030	Audit				
7040	Other Professional Fees	6,812	6,300	6,400	2
7110	Conference - Employee				
7115	Conference - Directors				
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				
7250	CDR Participation				
7310	Office Maintenance	138,527	110,345	125,420	3
7315	Building Repair & Maintenance	20,000	12,845	15,000	
7320	Rents & Leases	3,616	2,800	1,750	4
7330	Office Supplies	36,000	30,500	39,000	
7340	Postal / Mail Delivery	4,500	4,650	4,400	
7350	Subscriptions / Books				
7360	Reproduction Expense	4,500	6,200	7,200	
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7540	Computers and Equipment				
7580	Maintenance Expense			6,000	5
7610	Automotive / Mileage				
7615	Toll Road Charges				
7620	Insurance Expense	140,000	105,000	110,000	
7640	Utilities - Telephone	22,483	27,198	28,000	
7650	Bank Fees	1,200	900	1,200	
7670	Miscellaneous Expenses	4,100	6,200	4,200	6
8810	Capital Acquisition	366,900	20,000	75,000	7
	Total Expenditure	1,484,896	1,072,372	1,221,991	
	Capital Acquisition to Carryover (8810)		346,900	271,900	9
	Capitol Acq Prior Year Carryover Credit	(330,624)	(330,624)	(346,900)	
	MWDOC's Building Expense (8811)	1,259,057	410,410	1,816,483	8
	Building Expense to Carryover		848,647		
	Building Prior Year Carryover Credit	(423,226)	(423,226)	(1,143,117)	9
		<u>1,990,103</u>	<u>1,924,479</u>	<u>1,820,357</u>	

1 Retirees:
• 15 Retirees

2 • Pension Plan administration by
Dissinger Associates \$ 4,000
• Cafeteria Plan Wagerworks \$ 2,400
6,400

3 • Window Cleaning \$ 1,200
• Sewer Flush & Extra Office Cleaning \$ 800
• OCWD \$ 113,080
• Plant Maintenance \$ 2,640
• Landscape/Maintenance Atrium \$ 5,000
• Binding Machine Renewal \$ 800
• Carpet & Extra Office Cleaning \$ 1,900
\$ 125,420

4 • Corradata \$ 750
• El Toro Water District
(South EOC site) 1,000
\$ 1,750

5 Generator Maintenance

6 • Misc equipment repairs, fees etc.

7 • Office Furniture/Audio Visual
See Exhibit H

8 • Bldg Improvements - Eval / Design /
Seismic / Construction

9 • FY19-20 & FY20-21 carryover is for work and capital
purchases on the building that were budgeted for but
will not be completed and will be carried over to the next
year as a carryover credit.
• FY19-20 & FY20-21 carryover credit are the cumulative
dollars from prior years that were unspent and will be
applied toward work projected to be completed in future
years.

Reliability Planning and Engineering
21

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
6010	Salaries & Wages - Admin	629,997	532,935	507,880
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	177,357	147,542	160,439
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services	325,000	252,000	265,000
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees			
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone	500	456	500
7650	Bank Fees			
7670	Miscellaneous Expenses	7,000	4,654	8,000
8810	Capital Acquisition			
	Total Expenditure	1,139,854	937,588	941,819

1 See Exhibit J

Metropolitan Issues and Water Policy

23

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
6010	Salaries & Wages - Admin	528,844	488,670	530,525
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	165,757	140,377	172,144
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services	110,000	25,600	75,000
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees			
7045	Other Professional Fees - MET			
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses			
8810	Capital Acquisition			
	Total Expenditure	804,601	654,647	777,669

• See Exhibit J

Government Affairs
31

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
6010	Salaries & Wages - Admin	125,148	124,974	137,179
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	44,755	44,790	49,607
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	314,000	292,000	314,000
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	12,000	8,000	14,200
8410	Overhead Reimbursement			
8610	Depreciation Expense			
8710	Election Expenses			
8810	Capital Acquisition			
	Total Expenditure	495,902	469,764	514,986

1 • BB&K \$ 96,000
• Barker \$ 96,000
• Travel/Miscellaneous \$ 8,000
• Lewis Consulting \$ 32,000
• Ackerman \$ 24,000
• Grant Research & Acquisition \$ 36,000
\$ 292,000

2 • BB&K \$ 96,000
• Barker \$ 96,000
• Travel/Miscellaneous \$ 8,000
• Lewis Consulting \$ 42,000
• Ackerman \$ 36,000
• Grant Research & Acquisition \$ 36,000
\$ 314,000

3 • Legislative Outreach & Briefings \$ 5,000
• WACO \$ 5,000
• D.C. Luncheon \$ 1,200
• D.C. Dinner \$ 3,000
\$ 14,200

Public Affairs
32

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	358,126	377,387	398,601	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	112,792	121,358	126,649	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Engineering - Outside Services				
7020	Legal - General				
7030	Audit				
7040	Other Professional Fees	241,133	226,133	281,852	1
7047	Prof Service-Grant Recovery				
7110	Conference - Employee				
7115	Conference - Directors				
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				
7250	CDR Participation				
7310	Office Maintenance				
7320	Rents & Leases				
7330	Office Supplies				
7340	Postal / Mail Delivery				
7350	Subscriptions / Books				
7360	Reproduction Expense	56,500	56,500	86,500	2
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7450	Software Development				
7510	Site Maintenance				
7540	Computers and Equipment				
7580	Maintenance Expense				
7610	Automotive / Mileage				
7615	Toll Road Charges				
7620	Insurance Expense				
7640	Utilities - Telephone	457	450	450	
7650	Bank Fees				
7670	Miscellaneous Expenses	27,900	20,900	31,600	3
8810	Capital Acquisition				
	Total Expenditure	796,908	802,728	925,652	

1 Public Affairs Activities:	
• Resolutions/Proclamations	\$ 4,500
• Member Agency Workshops PAW	\$ 8,000
• Consumer Confidence Reports	\$ 41,852
• Event Registration Fees	\$ 12,500
• Delta Conveyance Program Support	\$ 30,000
• Wyland Mayors Challenge	\$ 10,000
• Scouts Program	\$ 15,000
• CA Water, Energy & Education Alliance	\$ 5,000
• Environmental Literacy Initiative	\$ 20,000
Subtotal	\$146,852

Communications Plan Activities:	
• Strategic Digital Outreach	\$ 95,000
• Advertising	\$ 20,000
• Special Events AV Support	\$ 20,000
Subtotal	\$135,000
	<u>\$281,852</u>

2 • Promotional Items, Branded Materials	
• Info Items Handouts, Books, Folders	\$ 35,000
• Poster Slogan Award & Ceremony	6,500
	<u>\$ 86,500</u>

3 • Ricki Maint and Repair	
• Children's Water Festival Sponsorship	\$ 3,500
• Spring Smartscape Expo	\$ 7,000
• Event Display Materials	\$ 4,000
• Legislative Staff Trip Travel Costs	\$ 5,000
• Sponsorship Contingency Fund	\$ 5,000
• Storage Facility	\$ 3,000
	<u>\$ 31,600</u>

**Water Use Efficiency
(Core)
35**

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
6010	Salaries & Wages - Admin	144,986	118,750	153,980
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	44,663	39,724	46,025
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	265,000	209,250	255,500
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	6,000	6,000	6,000
8810	Capital Acquisition			
	Total Expenditure	485,759	373,724	461,504

1 • General Research	\$ 75,000
• Landscape Education	500
• Water Loss Control Work Grp	\$ 55,000
• WLC Business Plan Implement	\$ 25,000
• Aerial Imagery and Landscape Measurement Project	<u>\$100,000</u>
	<u>\$255,500</u>

General Finance
41

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
6010	Salaries & Wages - Admin	354,005	347,392	400,293
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	107,054	106,057	133,960
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit	29,240	19,767	29,725
7040	Other Professional Fees	91,000	45,363	112,750
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	1,000	400	1,000
8810	Capital Acquisition			
	Total Expenditure	582,299	518,979	677,728

1 • Annual Audit	\$ 20,162
• Single Audit	\$ 4,563
• WUE Grant Review	\$ 5,000
	<u>\$ 29,725</u>

2 • Custodial Bank fees	\$ 6,500
• Financial Consulting	\$ 20,000
• OPEB Actuarial	\$ 3,750
• Rate Study	\$ 82,500
	<u>\$ 112,750</u>

Information Technology
45

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	115,761	118,561	124,828	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	41,365	42,478	44,837	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Engineering - Outside Services				
7020	Legal - General				
7030	Audit				
7040	Other Professional Fees				1 • Misc repairs, maint & components
7110	Conference - Employee				
7115	Conference - Directors				2 • Misc software upgrades and license
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				3 • Laserfiche WORM Storage Cloud Backup \$ 1,000
7210	Membership / Sponsorship				• Exchange and AD Monitoring Software \$ 2,000
7250	CDR Participation				• MWDOC Website Support & Enhancements \$ 15,000
7310	Office Maintenance				• Investment software usage cost \$ 2,340
7320	Rents & Leases				• New Accufund ERP Software & Implementation \$ 80,000
7330	Office Supplies				• Accufund Annual Support \$ 8,800
7340	Postal / Mail Delivery				• Wireless Aps and Router \$ 4,500
7350	Subscriptions / Books				• ACT Annual Support \$ 2,000
7360	Reproduction Expense				• ECS Laserfiche Annual Support \$ 5,000
7410	Computer & Peripherals Maint	8,000	6,000	8,000	1
7430	Software Purchase	34,500	32,000	42,000	2
7440	Software Support	59,134	59,000	127,640	3
7540	Computers and Equipment	45,750	40,000	31,550	4
7580	Maintenance Expense				
7610	Automotive / Mileage				4 • Cisco Core Switch Replacement \$ 6,000
7615	Toll Road Charges				• 6 Desktop Computers w/ Monitors \$ 8,000
7620	Insurance Expense				• RICOH Color Printer Support \$ 350
7640	Utilities - Telephone				• Message Archiver for E-mail (5 yrs) \$ 7,000
7650	Bank Fees				• Four Hard Drives for Data Server \$ 1,600
7670	Miscellaneous Expenses	2,000	2,000	2,000	• Maintenance for Plotter \$ 600
8810	Capital Acquisition				• Firewall for Wireless Network \$ 4,500
	Total Expenditure	306,509	300,040	380,855	• 2 Laptop Computers \$ 3,500
					\$ 31,550

**Water Use Efficiency
(choice)
62**

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
4215	Choice Revenue	754,860	754,860	861,900
4705	Prior Year Carry over	119,657	119,657	
	Choice billing over/under		(58,882)	
	Total Revenue	874,517	815,635	861,900

Choice billing over/under reflects revenue overage or shortfall to be reconciled with participating member agencies. Final charges will be revised by August 2020 to reflect the new budget year charges plus/minus prior year over/under.

		FY 2019-2020 PROPOSED BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
6010	Salaries & Wages - Admin	424,388	400,820	430,726
6012	Salaries & Benefits - Recovery from Grants	(5,500)		
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	118,725	108,878	127,167
	Overhead Reimbursement	188,532	181,315	170,034
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	141,972	118,322	127,572
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accomodations - Employee			
7155	Travel & Accomodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery	400	300	400
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	6,000	6,000	6,000
8810	Capital Acquisition			
	Total Expenditure	874,517	815,635	861,900

1 • Recovery from WUE Grants for some Salaries and Benefits:

2 • Marketing of WUE programs \$ 40,000
• Residential Installation Verification Inspec \$ 35,000
• Turf Rebate Processing Platform - Droplet \$ 39,072
• Drip Rebate Processing Platform - Droplet \$ 6,000
• E-Signature Rebate Processing \$ 7,500
\$ 127,572

**School Program
(choice)
63**

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
4215	Choice Revenue	256,276	256,276	443,335
4205	School Contracts	118,213	118,213	
4705	Prior Year Carry over	63,072	63,072	
	Choice billing over/under		3,098	
	Total Revenue	437,561	440,659	443,335

Choice billing over/under reflects revenue overage or shortfall to be reconciled with participating member agencies. Final charges will be revised by August 2020 to reflect the new budget year charges plus/minus prior year over/under.

		FY 2019-2020 PROPOSED BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
6010	Salaries & Wages - Admin	7,321	9,133	5,646
6105	Benefits - Admin	1,976	3,033	1,881
	Overhead Reimbursement	3,351	3,579	2,015
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees			
7040	Other Professional Fees - School Programs	424,913	424,913	433,794
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Software Development			
7510	Site Maintenance			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses			
8810	Capital Acquisition			
	Total Expenditure	437,561	440,659	443,335

1 • High Schools \$ 61,500
• Elementary Schools \$ 311,277
• Middle Schools 61,017
\$ 433,794

**Water Loss Control
(choice)
70**

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
4215	Choice Revenue	278,757	278,757	247,264
4705	Prior Year Carry over			
	Choice billing over/under		(9,634)	
	Total Revenue	278,757	269,123	247,264

Revenues and expenses do not include pass-through costs to agencies for outside services performed for Meter Accuracy Testing and Distribution System Flushing

		FY 2019-2020 PROPOSED BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
6010	Salaries & Wages - Admin	103,680	98,061	120,541
	Salaries & Wages - Reimb. from Grants			
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	42,955	23,944	30,992
	Overhead Reimbursement	32,109	47,052	52,181
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training	2,000	2,000	2,000
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees			
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accomodations - Employee			
7155	Travel & Accomodations - Director			
7210	Membership / Sponsorship			
7220	CUWA Participation			
7240	AAWARF Participation			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7332	Supplies - Water Loss Control	2,033	6,200	10,000
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			15,000
7440	Software Support			
7450	Software Development			
7510	Site Maintenance			
7540	Computers and Equipment	3,700	2,400	2,000
7580	Maintenance Expense			
7610	Automotive / Mileage			
7612	Vehicle Expense	13,160	5,246	6,350
7615	Toll Road Charges	1,500	500	1,000
7620	Insurance Expense			
7640	Utilities - Telephone	1,440	1,200	1,200
7650	Bank Fees			
7670	Miscellaneous Expenses	6,000	6,000	6,000
8410	Overhead Reimbursement			
8610	Depreciation Expense			
8710	Election Expenses			
8810	Capital Acquisition	70,180	76,519	
	Total Expenditure	278,757	269,123	247,264

1 • Water Balance Validation Cert.

2 • Gloves, Hats, Uniforms, Uniform Cleaning, etc.

3 • CMMS System

4 • Vehicle Fuel & Oil	\$ 5,000
• GPS Vehicle Tracking	\$ 1,000
• Auto Insurance	\$ 350
	<u>\$ 6,350</u>

5 • 2 Cell Phones

6 • See Exhibit H

WEROC
25

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
4320	MWDOC Contribution to Operations	228,978	228,978	241,233
4210	WEROC Contracts	228,978	228,978	241,236
4205				
4230	Reimbursements			
4240				
4410				
4805				
	Operational Revenue	457,956	457,956	482,469
	Operational Reserves to Capital			
	Capital Projects Carryover	150,219	150,219	
	MWDOC Contribution to Capital Improvements	44,389	44,389	
	TOTAL WEROC Revenue	652,564	652,564	482,469

1 • OCSD \$ 47,282
 • SOCWA \$ 18,334
 • OCWD \$ 120,618
 • 3 Cities -- \$18,334 ea \$ 55,002
\$ 241,236

3 • WEROC Reserves
 4 • See Exhibit H

		FY 2019-2020 PROPOSED BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
6010	Salaries & Wages - Admin	267,463	268,101	320,388
	Salaries & Benefits - Recovery from Grants			
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	82,520	78,056	103,738
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training	1,150	1,375	2,000
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	30,000	44,120	-
7110	Conference - Employee	2,800	2,800	5,400
7115	Conference - Directors			
7150	Travel & Accommodations - Employee	8,380	5,182	8,190
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship	1,105	1,105	1,105
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office & Radio Supplies	1,000	1,397	1,800
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense	1,000	1,000	1,000
7410	Computer & Peripherals Maint	5,060	5,060	5,060
7430	Software Purchase			
7440	Software Support	7,441	7,088	10,685
7510	Site Maintenance	900	947	900
7540	Computers and Equipment			
7580	Maintenance - Generators	2,000	500	1,000
7581	Maintenance - Radios	1,838	1,838	2,000
7582	Maintenance - EOC's	2,000	2,056	2,000
7610	Automotive / Mileage	1,000	2,187	3,000
7615	Toll Road Charges	213	204	200
7620	Insurance Expense			
7640	Utilities - Telephone	10,000	13,106	10,000
7650	Bank Fees			
7670	Miscellaneous Expenses	1,000	1,005	1,000
7671	Miscellaneous Training	3,000	3,322	3,000
8810	Capital Acquisition			
	Operations Expenditure	429,870	440,450	482,466
	Contribution to Operating Reserves	28,086	-	
	Total Operations Budget	457,956	440,450	482,466
	Capital Expenditures	194,608	38,753	
	TOTAL Expenditures	652,564	479,203	482,466

5 • See Exhibit E

6 • See Exhibit J

7 • See Exhibit D

8 • See Exhibit H

Exhibit D

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY Proposed District Participation Costs Fiscal Year 2020-2021

	Budget FY 2019-2020	Projected FY 2019-2020 Actuals	Budget FY 2020-2021	Approval included in Budget Approval
Required Participation or Service				
LAFCO	\$ 28,000	\$ 27,233	\$ 36,230	√
Subtotal Cost Center 11	\$ 28,000	\$ 27,233	\$ 36,230	
Association of Calif. Water Agencies (ACWA)	\$ 19,736	\$ 21,610	\$ 22,691	√
South OC Watershed Management Area Dues	\$ 10,500	\$ 10,500	\$ 10,800	√
Subtotal Cost Center 12	\$ 30,236	\$ 32,110	\$ 33,491	
Subtotal - Required Participation or Service	\$ 58,236	\$ 59,343	\$ 69,721	
Elective Participation				
Colorado River Water Users Assn. (CRWUA 2-Directors)	\$ 72	\$ 30	\$ 60	√
Orange County Water Association (OCWA 4 Directors)	\$ -	\$ 70	\$ 280	√
Subtotal Cost Center 11	\$ 72	\$ 100	\$ 340	
Association of California Cities- Orange County (ACCOC)	\$ 5,279	\$ 5,279	\$ 5,500	√
American Water Works Association (AWWA)	\$ 1,720	\$ 1,729	\$ 1,800	√
Association of Metropolitan Water Agencies (AMWA)	\$ -	\$ 20,426	\$ 21,447	√
CA Chamber of Commerce (HR California)	\$ 481	\$ 541	\$ 568	√
CALDESAL	\$ 5,125	\$ 5,000	\$ 5,150	√
California Association of Public Information Officers (CAPIO)	\$ 765	\$ 225	\$ 825	√
California Council for Environmental & Economic Balance (CCEEB)	\$ -	\$ 24,500	\$ 25,725	√
California Municipal Treasurers Association (CMTA)	\$ 160	\$ 160	\$ 170	√
California Municipal Utilities Association (CMUA)	\$ 8,000	\$ 4,240	\$ 4,450	√
California Society of Municipal Finance Officers (CSMFO)	\$ 130	\$ 110	\$ 120	√
California Special Districts Assn. (CSDA)	\$ 7,433	\$ 7,615	\$ 7,996	√
CA Water Efficiency Partnership (formerly CA Urban Water Cnsrv Cncl)	\$ 12,775	\$ 6,100	\$ 6,100	√
California Water, Energy and Education Alliance (CWEEA)	\$ -	\$ 2,500	\$ 2,500	√
Colorado River Water Users Assn. (CRWUA 3-staff)	\$ 108	\$ 90	\$ 90	√
Government Finance Officers Association (GFOA)	\$ 170	\$ 160	\$ 170	√
Indep. Special Districts of Or. Co. (ISDOC)	\$ 50	\$ 50	\$ 55	√
International Association of Business Communicators (IABC)	\$ 350	\$ 350	\$ 370	√
International Personnel Management Association (IPMA)	\$ 50	\$ 50	\$ 55	√
National Endangered Species Act Reform Coalition (NESARC)	\$ 1,000	\$ 1,000		√
National Water Resources Assn., Mun. Caucus	\$ 510	\$ 510	\$ 535	√
OC Chapter-Calif. Landscape Contractors Assoc.	\$ 1,835	\$ 1,835	\$ 1,835	√
Orange County Business Council (OC Chamber)	\$ 5,125	\$ 5,000	\$ 5,150	√
Orange County Public Affairs Association (OCPAA)	\$ 205	\$ 205	\$ 615	√
Orange County Water Association (OCWA)	\$ 105	\$ 105	\$ 110	√
Public Relations Society of America/O.C. (PRSA)	\$ 728	\$ 1,020	\$ 1,600	√
Society of Human Resources Management (SHRM)	\$ 214	\$ 209	\$ 220	√
Southern California Personnel Management Assoc. (SCPMA)	\$ 55	\$ 55	\$ 60	√
South Orange County Economic Coalition (SOCEC)	\$ 1,530	\$ 1,530	\$ 1,600	√
Southern California Water Committee (SCWC)	\$ 865	\$ 865	\$ 900	√
Urban Water Institute	\$ 1,250	\$ 1,250	\$ 1,300	√
Water Environment Federation	\$ 50	\$ 50	\$ 55	√
Water Education Foundation	\$ 590	\$ -	\$ -	
Subtotal Cost Center 12	\$ 56,658	\$ 92,759	\$ 97,071	
Subtotal - Elective Participation	\$ 56,730	\$ 92,859	\$ 97,411	
International Association of Emergency Managers	\$ 380	\$ 380	\$ 380	√
California Emergency Services Association	\$ 225	\$ 225	\$ 225	√
California Utilities Emergency Association	\$ 500	\$ 500	\$ 500	√
WEROC Program Total	1,105	1,105	1,105	
GRAND TOTAL - General Fund	\$ 114,966	\$ 152,202	\$ 167,132	

Exhibit E

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY Summary of Proposed Staff Registration & Travel Budget ⁽¹⁾ Fiscal Year 2020-2021

Conference / Meeting	Location/Date/Staff	Registration	Travel ⁽¹⁾	Approval included in
				Budget Approval
Association of California Water Agencies (ACWA)	DC Conference, TBD (4 staff)	\$ 2,980	\$ 7,200	✓
	Fall Conference, Indian Wells, December 1-4, 2020, (7 staff)	5,250	6,300	✓
	Spring Conference, May 4-7, 2021, Monterey, Ca (4 staff)	3,000	4,000	✓
	Region 10, TBD (1 trips)	80	-	
	Legislative Symposium, TBD (2 staff)	570	2,400	✓
Association of California Cities of OC (ACCOC)				
Advocacy Trip	Sacramento, TBD (1 staff)	800	500	✓
	Washington DC, TBD (1 staff)	1,275	600	✓
Association of Metropolitan Water Agencies (AMWA)				
	Misc. Conference TBD (1 Staff)	950	1,800	✓
	Water Policy Conference TBD (1 Staff)	950	1,800	✓
	Executive Conference, October 11-14, 2020, Denver Co (1 Staff)	950	1,600	✓
American Water Works Association (AWWA)				
	Cal Nevada Fall Conference, Las Vegas, October 26-29, 2020 (2 staff)	1,150	2,000	✓
	National Water Infrastructure Conference, Nov 2-5, 2020, Philadelphia, PA (2 Staff)	1,150	2,000	✓
	Cal Nevada Spring Conference, TBD, (4 staff)	2,300	6,400	✓
	ACE Annual Conference, San Diego, Ca, June 13-16, 2021 (2 staff)	1,150	1,800	✓
AWWA/Water Environment Federation	Utility Management Conference TBD (1 staff)	725	1,200	✓
Bond Buyers Conference	TBD, (1 staff)			
California Association of Public Information Officials (CAPIO)	Northern California, TBD, (3 staff)	1,875	1,870	✓
California Council for Environmental & Economic Balance (CEEBCED)				
	Meetings, TBD (5 Trips)	-	6,000	✓
	Annual Conference, July 20-24, 2020, Squaw Valley (2 staff)	400	2,400	✓
Cal Desal Conference	TBD (1 staff)	450	1,000	✓
Colorado River Water Users Association (CRWUA)				
	Las Vegas - December 14-16, 2020 (5 staff)	2,500	5,000	✓
California Special Districts Association (CSDA) Annual Conference				
	August 24-27, 2020, Palm Desert, TBD (2 staff)	1,250	1,200	✓
	Legislative Days, TBD, Sacramento (2 staff)	400	2,000	✓
California Water Efficiency Partnership (CalWEP) Membership (formerly CUWCC)				
	Membership Meetings, 1=No. Cal & 2=So. Cal (3 trips)		600	✓
	Board Meetings, 2=No. Cal & 2=So. Cal (4 trips)		1,200	✓
	Peer to Peer, TBD, (5 staff)	1,400	3,500	✓
Department of Water Resources (DWR)/State Water Resources Control Board (SWRCB)				
	Urban Advisory Group Meetings, Sacramento (6 trips)		3,000	✓
Legislative Advocacy				
	Sacramento, (24 trips)		12,000	✓
	Washington DC (6 trips)	-	10,800	✓
Orange County Business Council (OCBC)				
	Advocacy Trip, Sacramento, TBD (1 Staff)	950	500	✓
	DC Trip, TBD (1 Staff)	1,800	800	✓
Urban Water Institute				
	August 19-21, 2020, TBD (4 staff)	2,300	2,000	✓
	Spring Conference, TBD(4 Staff)	2,300	2,000	✓
Water Environment Federation's Technical Exhibition & Conference				
	October 3-7, 2020, New Orleans, La (1 staff)	600	1,800	✓
Water Smart Innovations Conference				
	Las Vegas Nevada, September 30-October 1, 2020, (2 staff)	1,000	2,000	✓
Miscellaneous*		3,500	4,000	✓
General Fund Total **		\$ 44,005	\$ 103,270	
Conferences/Meetings/Trainings				
International Assoc. of Emergency Managers	Long Beach, Ca November 13-18, 2020 (3 staff)	\$ 2,400	\$ 350	✓
AWWA Cal Nevada & National Conf.	Spring 2021, San Diego, Ca June 13-16, 2021 (1 staff)	900	1,500	✓
California Emergency Services Association (Fall)				
	Fish Camp, Ca, October 5-8, 2020, (2 staff)	1,400	3,200	✓
Calif. State Training Institute				
	San Luis Obispo, Ca TBD, (2 Staff)	700	1,140	✓
FEMA Emergency Management Institute (EMI)				
	Emmitsburg Maryland, TBD(1 Staff)	-	1,000	✓
Local Training Opportunities (examples OCWA, SCESA, etc.)				
	(3 Staff)	-	1,000	✓
WEROC Program Total		\$ 5,400	\$ 8,190	
PROPOSED GENERAL FUND BUDGET		\$ 44,005	\$ 103,270	

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

** Excludes automotive mileage.

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

Exhibit F

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Summary of Proposed Board Registration & Travel Budget ⁽¹⁾
Fiscal Year 2020-2021**

Conference	Location/Date/Directors	Registration	Travel ⁽¹⁾	Approval included in Budget Approval
Association of California Water Agencies (ACWA)	DC Conference, TBD (2 Directors)	\$ 1,490	\$ 4,000	√
	Fall Conference, Indian Wells, December 1-4, 2020, (3 Directors)	\$ 2,250	\$ 2,700	√
	Spring Conference, May 4-7, 2021, Monterey, Ca (3 Directors)	\$ 2,250	\$ 4,800	√
	Region 10, TBD (2 Directors)	\$ 150	\$ -	√
Association of California Cities of OC (ACCOC)	Sacramento, TBD (2 Directors)	\$ 1,600	\$ 1,000	
	Washington DC, TBD (3 Directors)	\$ 3,825	\$ 2,400	√
American Water Works Association/Water Environment Federation (AWWA/WEF)	Utility Management Conference, TBD (1 Director)	\$ 725	\$ 1,200	√
Bond Buyers	Conference, TBD (2 Directors)	\$ 550	\$ 400	√
California Council for Environmental & Economic Balance (CEEBC)	Meetings, TBD (5 Trips)	\$ -	\$ 6,000	√
	Annual Conference, July 20-24, 2020, Squaw Valley, Ca (1 Director)	\$ 200	\$ 1,200	√
California Special Districts Association (CSDA)	Annual Conference, Palm Desert, CA, August 24-27, 2020, (1 Director)	\$ 1,250	\$ 900	√
	Legislative Days, Sacramento (1 Director)	\$ 200	\$ 1,000	√
Colorado River Water Users Association(CRWUA)	Las Vegas, December 14-16, 2020 (2 Directors)	\$ 1,000	\$ 2,000	√
Orange County Business Council (OCBC)	Advocacy Trip, Sacramento, (3 Directors)	\$ 2,850	\$ 1,500	√
	Advocacy Trip-DC (2 Directors)	\$ 3,600	\$ 1,600	√
Legislative Advocacy	Sacramento (8 Trips)	\$ -	\$ 4,000	√
Legislative Advocacy	Washington DC (6 trips)	\$ -	\$ 10,800	√
Urban Water Institute	Fall Conference, August 19-21, 2020, TBD (3 Directors)	\$ 1,725	\$ 1,500	√
	Spring Conference, (3 Directors)	\$ 1,725	\$ 1,500	√
Water Environment Federation	Technical Exhibition & Conference, October 3-7, 2020, New Orleans, La (1 Director)	\$ 600	\$ 1,800	√
Miscellaneous*		\$ 2,500	\$ 3,000	√
TOTAL**		\$ 28,490	\$ 53,300	

PROPOSED GENERAL FUND BUDGET

\$ 28,490	\$ 53,300
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* Includes OCWA lunch meetings, ISDOC, OCBC, SCWC, League of Cities, Misc. Assoc/Committee meetings and related business meeting expenses.

** Excludes automotive mileage.

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

Exhibit G

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

Proposed Total Membership that Includes Registration & Travel Costs ⁽¹⁾ Fiscal Year 2020-2021

Conference / Meeting	Membership	Registration	Travel	Total
American Water Works Association (AWWA)	\$ 1,800	\$ 7,200	\$ 14,600	\$ 23,600
Association of California Cities- Orange County (ACCOC)	5,500	7,500	4,500	17,500
Association of Calif. Water Agencies (ACWA)	22,691	18,020	31,400	72,111
Association of Metropolitan Water Agencies (AMWA)	21,447	2,850	5,200	29,497
California Association of Public Information Officers (CAPIO)	825	1,875	1,870	4,570
California Council for Environmental & Economic Balance	25,725	600	15,600	41,925
CALDESAL	5,150	450	1,000	6,600
California Special Districts Assn. (CSDA)	7,996	3,100	5,100	16,196
California Water Efficiency Partnership	6,100	1,400	5,300	12,800
Colorado River Water Users Assn. (CRWUA)	90	3,500	7,000	10,590
Orange County Business Counsel (OC Chamber)	5,150	9,200	4,400	18,750
Urban Water Institute	1,300	8,050	7,000	16,350
Water Environment Federation	55	1,200	3,600	4,855
Grand Total for Memberships with Conferences/Travel:	\$ 103,829	\$ 64,945	\$ 106,570	\$ 275,344

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

Exhibit H

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY Schedule of Capital Expenditures Fiscal Year 2020-2021

	<u>Proposed Budget</u>	<u>Approval included in Budget Approval</u>
Furniture and Fixtures- 19-8810:		
MWDOC Office Improvements (Audio-Visual Equipment/ Workstations/Furnishings)	\$ 1,791,483	√
* Prior Year Projects Carryover from FY2017 through FY2021	<u>\$ (1,143,117)</u>	√
Subtotal 8810 Improvements	\$ 648,366	
 Building Improvements- 19-8811:		
Eval / Design / Roof / Seismic / Construction	\$ 346,900	√
* Prior Year Projects Carryover from FY2017 through FY2021	<u>(346,900)</u>	√
Subtotal 8811 Improvements	-	
 New Realized Costs - Cost Center 19	 \$ 648,366	

* Prior year projects carryover is the cumulative dollars from prior years that will be applied toward work projected to be completed in FY20-21.

Exhibit J
Professional / Special Services Authorized
Core Fund

Department	Consultant	Service	Budget FY 19-20	Budget FY 20-21	* Approval included in Budget Approval
Engineering Expenses					
Planning & Operation (21)	(To be determined)	Hydrolic/Water Quality Modeling	325,000	265,000	
Met Issues & Special Projects (23)	Ed Means Consulting	Consulting on MET issues	45,000	25,000	✓
	(To be determined)	MET and Reliability Planning	65,000	50,000	
Total Engineering Expenses			435,000	340,000	
Legal Expenses					
Administration (11 & 13)	Best, Best & Krieger	General Legal Counsel Services	182,500	185,500	✓
	Aleshire & Wynder	Legal Counsel Services Regarding San Diego CWA	12,500	15,000	✓
	Best, Best & Krieger	Labor Counsel Services	5,000	10,000	✓
Total Legal Expenses			200,000	210,500	
Audit Expenses					
Finance (41)	Vasquez & Company LLP	Annual Financial Audit and Federal Single Audit	29,240	29,725	✓
Training					
Administration (13)	TBD/Cal State University Fullerton/Municipal Resources Group/Center for Organization Effectiveness/CPS HR Consulting	Staff Development/Technical Training/Leadership Training	30,000	92,500	✓
Professional Fees					
Administration (12 & 13 & 19)	Dissinger Associates	Pension Plan Administration	4,500	4,000	✓
	Wage Works	Cafeteria Plan Administration	2,312	2,400	✓
	Ralph Anderson & Associates	Benchmark Study		36,000	✓
	Gladwell Services	Records Management Consulting	2,500	1,200	✓
Governmental Affairs (31)	BBK Legislation	State Legislative Advocate	96,000	96,000	✓
	James C. Barker	Federal Legislative Advocate	96,000	96,000	✓
	Lewis Consulting	County Issues Consulting	42,000	42,000	✓
	Soto Services	Grant Research and Acquisition Assistance	36,000	36,000	✓
	Ackerman	Legal and Regulatory	36,000	36,000	✓
	(To be determined)	Miscellaneous	8,000	8,000	
Public Affairs (32)	Stetson Engineers	Consumer Confidence Report (CCR) Technical Water Quality Advisor	40,633	41,852	✓
	So Cal Water Coalition	Delta Conveyance Program Support	30,000	30,000	✓
	(To be determined)	Collateral materials update and resolutions/proclamations	4,500	4,500	
	(To be determined)	Event Registration Fees	4,500	12,500	
	Hashtag Pinpoint	Strategic Digital Outreach Contract	95,000	95,000	✓
	(To be determined)	CA Water, Energy & Education Alliance		5,000	
	(To be determined)	Client Agency Workshops for PAW	6,500	8,000	
	(To be determined)	Wyland Mayors Challenge	10,000	10,000	
	PSAV	Special Events AV Support	15,000	20,000	✓
	(To be determined)	Advertising	20,000	20,000	
	(To be determined)	Environmental Literacy Initiative		20,000	
	(To be determined)	Scouts Program	15,000	15,000	
WUE - Core (35)	(To be determined)	General WUE Research	75,000	75,000	
	Blue Watchdog Conservation, Inc	Landscape Education - QWEL License	5,000	500	✓
	Water Systems Optimization	Water Loss Control Work Grp (WLC)	55,000	55,000	✓
	Water Systems Optimization	WLC Business Plan Implementation	30,000	25,000	✓
Finance & IT (41 & 45)	SAWPA	Aerial Imagery and Landscape Measurement Project	100,000	100,000	✓
	U.S. Bank	Custodial Bank fees	6,500	6,500	✓
	(To be determined)	Business Continuity Consultant	40,000		
	Davis Farr	Financial Consulting	40,000	20,000	✓
	(To be determined)	OPEB Actuarial	4,500	3,750	✓
	(To be determined)	Rate Study		82,500	
Total Professional Fees			920,445	1,007,702	

WEROC

Department	Consultant	Service	Budget FY 19-20	Budget FY 20-21	* Approval included in Budget Approval
Professional Fees					
WEROC	(To be determined)	Consultant for Security Act Implementation	30,000		
Total Professional Fees			30,000	-	

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

Exhibit J1
Professional / Special Services Authorized
Choice Funds

Department	Consultant	Service	Budget FY 19-20	Budget FY 20-21	* Approval included in Budget Approval
Training					
Water Loss Control (70)	(To be determined)	Water Balance Validation Certification	2,000	2,000	
Professional Fees					
Water Use Efficiency (62)	Various Printers	Printing of marketing materials for all WUE programs	40,000	40,000	√
	Enterprise Information Systems	CSANS Webhosting & Annual Maintenance	14,400		√
	Droplet	Web Based Rebate Processing Platform (Turf & Drip)	45,072	45,072	√
	Droplet	E-Signature Rebate Processing	7,500	7,500	√
	Mission Resource Cnsvr District	Residential Installation Verification Inspections	35,000	35,000	√
School Program (63)	Discovery Cube/Shows That	Assemblies (Elementary School)	305,651	311,277	√
	Bolsa Chica Conservancy	Assemblies (High School)	60,000	61,500	√
	Discovery Cube	Assemblies (Middle School)	59,262	61,017	√
Total Professional Fees			566,885	561,366	

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

**Municipal Water District of Orange County
Fiscal Year 2019-2020 Consolidated Budget Summary**

	Core & Choice	Water Fund	WUE Grants and Outside Funding	WEROC	AMP Proceeds Agreement Administration	Total with Inter-Fund Transfers	Less Inter-Fund Transfers ⁽¹⁾	Consolidated Budget Total
Revenues:								
Water Sales		\$ 251,878,259				\$ 251,878,259		\$ 251,878,259
Local Resource Program Incentives		(5,465,263)				(5,465,263)		(5,465,263)
Retail Meter Charge	7,888,930					7,888,930		7,888,930
Ground Water Customer Charge	598,248					598,248		598,248
Water Increment Charge	-					-		-
Interest Revenue	580,000	20,000				600,000		600,000
MWDOC's Contribution	-			273,367		273,367	(273,367)	-
Outside Fundings	-		2,370,147	228,978	-	2,599,125		2,599,125
Carryover Funds	-			150,219		150,219		150,219
Choice Revenue	1,782,434					1,782,434		1,782,434
Miscellaneous Income	3,000					3,000		3,000
Total Revenues	10,852,611	246,432,996	2,370,147	652,564	-	260,308,318	(273,367)	260,034,951
Expenses:								
Water Purchases		246,412,996				246,412,996		246,412,996
Salaries & Wages	4,055,637			267,463		4,323,100		4,323,100
less S & W Reimb. DSC or Recov from Grants	(5,500)					(5,500)		(5,500)
Employee Benefits	1,470,174			82,520		1,552,694		1,552,694
Engineering Expense	435,000					435,000		435,000
Professional Fees	1,672,407			30,000		4,072,554		4,072,554
Contribution to Election Reserve	-		2,370,147			-		-
Legal Expense - General	200,000					200,000		200,000
Maintenance Expense	158,527			4,738		163,265		163,265
Insurance Expense	140,000			-		140,000		140,000
Membership / Sponsorship	114,966			1,105		116,071		116,071
Director Compensation	268,133					268,133		268,133
MWDOC Contribution to WEROC Operations	228,978					228,978	(228,978)	-
MWDOC Contribution to WEROC Capital Improv	44,389					44,389	(44,389)	-
Others:								
MWD Representation	153,218					153,218		153,218
Director Benefits	93,947					93,947		93,947
Health Insurance Coverage for Retirees	70,287					70,287		70,287
Audit Expense	29,240					29,240		29,240
Automotive & Toll Road Expenses	34,860			1,213		36,073		36,073
Conference Expense - Staff	40,535			2,800		43,335		43,335
Conference Expense - Directors	28,440					28,440		28,440
CDR Participation	50,156					50,156		50,156
Business Expense	5,200					5,200		5,200
Miscellaneous Expense	109,300			6,000		115,300		115,300
Postage / Mail Delivery	9,400					9,400		9,400
Rents & Leases	3,616					3,616		3,616
Outside Printing, Subscription & Books	62,500			1,000		63,500		63,500
Office Supplies	38,033			1,000		39,033		39,033
Computer Maintenance	8,000			5,060		13,060		13,060
Software Support & Expense	93,634			7,441		101,075		101,075
Computers and Equipment	49,450					49,450		49,450
Telecommunications Expense	25,773			10,000		35,773		35,773
Temporary Help Expense	5,000					5,000		5,000
Training Expense	32,000			1,150		33,150		33,150
Tuition Reimbursement	5,000					5,000		5,000
Travel & Accommodations - Staff	89,131			8,380		97,511		97,511
Travel & Accommodations - Directors	46,625					46,625		46,625
Depreciation Expense (annualized)	-					-		-
Overhead Expenses billed to AMP and WFC	-					-		-
Overhead Reimbursement	-					-		-
MWDOC Building Expense	835,831					835,831		835,831
Contribution to Operating Reserves				28,086		28,086		28,086
Capital Acquisition	106,456			194,608		301,064		301,064
All Other Expenses	2,025,632			266,738		2,292,370		2,292,370
Total Expenses	10,808,543	246,412,996	2,370,147	652,564	-	260,244,250	(273,367)	259,970,883
EFFECT ON RESERVES / FUND BALANCE	\$ 44,068	\$ 20,000	(2)	\$ -	\$ -	\$ 64,068	\$ -	\$ 64,068

1 Adjustment for MWDOC's contributions to other funds.
2 Net change to restricted reserves for interest revenue.

**Municipal Water District of Orange County
Fiscal Year 2020-2021 Consolidated Budget Summary**

	Core & Choice	Water Fund	WUE Grants and Outside Funding	WEROC	AMP Proceeds Agreement Administration	Total with Inter-Fund Transfers	Less Inter-Fund Transfers ⁽¹⁾	Consolidated Budget Total
Revenues:								
Water Sales		\$ 229,079,152 (4,881,259)				\$ 229,079,152 (4,881,259)		\$ 229,079,152 (4,881,259)
Local Resource Program Incentives	8,191,136					8,191,136		8,191,136
Retail Meter Charge	604,936					604,936		604,936
Ground Water Customer Charge	-					-		-
Water Increment Charge	458,000	22,000				480,000		480,000
Interest Revenue	-					-		-
MWDOC's Contribution	-		1,579,934	241,233	-	241,233	(241,233)	-
Outside Fundings	-			241,236		1,821,170		1,821,170
Carryover Funds	1,552,499			-		1,552,499		1,552,499
Choice Revenue	3,000					3,000		3,000
Miscellaneous Income								
Total Revenues	10,809,570	224,219,893	1,579,934	482,469	-	237,091,866	(241,233)	236,850,633
Expenses:								
Water Purchases		224,197,893				224,197,893		224,197,893
Salaries & Wages	4,158,642			320,388		4,479,030		4,479,030
less S & W Reimb. DSC or Recov from Grants	-					-		-
Employee Benefits	1,548,340			103,738		1,652,078		1,652,078
Engineering Expense	340,000					340,000		340,000
Professional Fees	1,569,068					3,149,002		3,149,002
Contribution to Election Reserve	-		1,579,934			-		-
Legal Expense - General	210,500					210,500		210,500
Maintenance Expense	146,420			3,900		150,320		150,320
Insurance Expense	110,000					110,000		110,000
Membership / Sponsorship	167,132					168,237		168,237
Director Compensation	281,920			1,105		281,920		281,920
MWDOC Contribution to WEROC Operations	241,233					241,233	(241,233)	-
MWDOC Contribution to WEROC Capital Improv	-					-		-
Others:								
MWD Representation	161,097					161,097		161,097
Director Benefits	110,030					110,030		110,030
Health Insurance Coverage for Retirees	87,449					87,449		87,449
Audit Expense	29,725					29,725		29,725
Automotive & Toll Road Expenses	28,850			3,200		31,850		31,850
Conference Expense - Staff	44,005			5,400		49,405		49,405
Conference Expense - Directors	28,490					28,490		28,490
CDR Participation	53,158					53,158		53,158
Business Expense	4,500					4,500		4,500
Miscellaneous Expense	125,400			6,000		131,400		131,400
Postage / Mail Delivery	9,300					9,300		9,300
Rents & Leases	1,750					1,750		1,750
Outside Printing, Subscription & Books	94,700			1,000		95,700		95,700
Office Supplies	49,000			1,800		50,800		50,800
Computer Maintenance	8,000			5,060		13,060		13,060
Software Support & Expense	184,640			10,685		195,325		195,325
Computers and Equipment	33,550					33,550		33,550
Telecommunications Expense	30,850			10,000		40,850		40,850
Temporary Help Expense	5,000					5,000		5,000
Training Expense	94,500			2,000		96,500		96,500
Tuition Reimbursement	5,000					5,000		5,000
Travel & Accommodations - Staff	103,270			8,190		111,460		111,460
Travel & Accommodations - Directors	53,300					53,300		53,300
Depreciation Expense (annualized)	-					-		-
Overhead Expenses billed to AMP and WFC	-					-		-
Overhead Reimbursement	-					-		-
MWDOC Building Expense	673,366					673,366		673,366
Contribution to Operating Reserves	-					-		-
Capital Acquisition	-					-		-
All Other Expenses	2,018,730	-	-	53,335	-	2,072,065	-	2,072,065
Total Expenses	10,791,985	224,197,893	1,579,934	482,466	-	237,062,278	(241,233)	236,811,045
EFFECT ON RESERVES / FUND BALANCE	\$ 17,585	\$ 22,000	(2) \$ -	\$ 3	\$ -	\$ 39,588	\$ -	\$ 39,588

1 Adjustment for MWDOC's contributions to other funds.
2 Net change to restricted reserves for interest revenue.



DISCUSSION ITEM

March 11, 2020

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

FROM: Robert Hunter, General Manager

SUBJECT: AMENDMENT TO ADMINISTRATIVE CODE RE DIRECTOR VACANCY

STAFF RECOMMENDATION

Staff recommends the Administration & Finance Committee: Review and discuss the information presented by Director Barbre.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

DETAILED REPORT

Director Barbre requested the attached language be included in the Administrative Code and Chairman Thomas suggested a Board discussion on the issue.

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

MWDOC ADMINISTRATIVE CODE AMENDMENTS

ARTICLE 3 GOVERNING BODY BOARD OF DIRECTORS

Article 3 is amended to read (in BLUE):

Vacancy in Office of Director - If a vacancy occurs in the office of Director, the remaining Directors shall, within 60 days, appoint a qualified person residing in the division in which the vacancy occurs to hold the office until the next District general election which is 130 days or more after the occurrence of the vacancy or call a special election to be held in the division affected as provided for by law.

Any vacancy shall be filled with a minimum of five (5) affirmative votes.

If the vacancy occurs within 90 days of the call of election for a regularly scheduled general election, the vacancy shall automatically be filled via election.

If the Board of Directors fails to fill a vacancy or call an election within 60 days, the Board of Supervisors may fill the vacancy or call an election to fill the vacancy. If the Board of Supervisors fails to fill the vacancy or call an election within 90 days of the office becoming vacant, the District shall call an election on the next available election date that is 130 or more days after the vacancy occurs.

Persons appointed to fill a vacancy shall hold office until the next District general election and thereafter until the person elected at such election to fill the vacancy has been qualified. Persons elected to fill a vacancy shall hold office for the unexpired balance of the term of office.

CA Water Code 71254; Gov. Code 1780



ACTION ITEM

March 18, 2020

TO: Board of Directors

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

Robert J. Hunter
General Manager

Staff Contact: Karl Seckel

SUBJECT: APPROVE PARTICIPATION IN THE CENTER FOR DEMOGRAPHIC RESEARCH

STAFF RECOMMENDATION

Staff recommends the Board of Directors: Approve participation in the Center for Demographic Research for fiscal years 2020-21 (\$53,100.32), 2021-22 (\$55,189.31), and 2022-23 (\$57,462.00). These amounts will be included in the budgets for each of the aforementioned fiscal years.

COMMITTEE RECOMMENDATION

To be determined.

SUMMARY

The Center for Demographic Research (CDR) produces estimates and projections of demographic variables in Orange County. CDR's demographic data and projections are the "official" ones within Orange County that are built into the overall SCAG forecast for Southern California. CDR is supported and overseen by several governmental agencies (Sponsors) under a Memorandum of Understanding (MOU). MWDOC has historically shared a Sponsorship with OCWD so that each pays only half dues. Staff recommends continuation of this arrangement. The latest MOU covers fiscal years 2020-21, 2021-22, and 2022-23; MWDOC's contributions would be \$53,100.32, \$55,189.31, and \$57,462.00, respectively.

Budgeted (Y/N): Draft	Budgeted amount:	Core _X_	Choice __
Action item amount: \$ 165,751.63 (over 3 years)	Line item: 70-8810		
Fiscal Impact (explain if unbudgeted): It has been standard practice for the Board to approve 3-year contracts with CDR; the FY 2020-21 amount of \$53,100.32 has been included in MWDOC’s draft budget.			

The current membership includes:

- OC Transportation Authority
- OC Council of Governments
- County of Orange
- OC Sanitation District
- Transportation Corridor Agencies
- Southern California Association of Governments
- MWDOC
- OCWD
- OC LAFCO (affiliate member/non-voting)

CDR's regular products include:

- Orange County Progress Report, annual
- Orange County Projections OCP-2022 (demographic projections out 25 years)
- Orange County Facts and Figures
- Boundary and Annexation Report
- Housing Activity Report
- Public Information on OC Demographics as requested
- Maintain CDR website
- Provide information and analysis to news media
- Update RHNA allocations
- Process Decennial Census and American Community Survey Data
- State Data Center Affiliate
- Population, Housing, Employment by Transportation Analysis Zones
- Census Data
- Disaggregate of OCP-2016 to Special District Sponsor Agencies

In addition to its regular products, CDR contracts for specific projects with a variety of public agencies. CDR's charges are less than private sector charges because CDR uses graduate student labor.

CDR is supported and overseen by several governmental agencies that have joined in a Memorandum of Understanding (MOU) to create the CDR Management Oversight Committee. Payment of dues entitles representation on the Committee. Our current Representative on the CDR Management Oversight Committee is Joan Finnegan; she is backed up by Director Sat Tamaribuchi.

MEMORANDUM OF UNDERSTANDING
by and between
ORANGE COUNTY INTERESTS
and
CSU FULLERTON AUXILIARY SERVICES CORPORATION
for the
CONTINUED OPERATION OF THE CENTER FOR DEMOGRAPHIC RESEARCH
AT CALIFORNIA STATE UNIVERSITY, FULLERTON

This Memorandum of Understanding (“MOU”) is entered into between the County of Orange, Transportation Corridor Agencies, Orange County Sanitation District, Orange County Transportation Authority, Municipal Water District of Orange County, Orange County Water District, Orange County Council of Governments, Southern California Association of Governments (“SPONSORS”); the Orange County Local Agency Formation Commission (“CONTRIBUTING PARTNERS”) and the CSU Fullerton Auxiliary Services Corporation, (“ASC”), which is a 501 (c)3 California corporation organized under California law as an auxiliary organization of California State University, Fullerton (“CSUF”). This MOU is for the development of demographic data and related support products. Obligations and rights specified for CSUF in the MOU shall be exercised by the ASC.

WHEREAS, the development of demographic and related information for Orange County is a vital data source used for a wide range of local, subregional and regional applications, including, transportation infrastructure planning, facilities planning and timing, development of fee programs, bond revenue stream analysis, general planning and other applications; and

WHEREAS, a number of primary users of data in Orange County have recognized the benefit of having a local area expertise in developing demographic projections and associated products; and

WHEREAS, these SPONSORS, CONTRIBUTING PARTNERS, and CSUF agree on the importance of having a single entity in Orange County developing demographic products and providing such products to data users; and

WHEREAS, these agencies also desire to establish a long-term process which allows each individual agency participation in the development and review of demographic products; and

WHEREAS, the Center for Demographic Research (“CDR”) located at CSUF provides an opportunity to place demographic activities in a setting that accomplishes SPONSORS’ and CONTRIBUTING PARTNERS’ objectives and provides augmented educational opportunities for CSUF; and

WHEREAS, CSUF will be listed as a “SPONSOR” based upon their financial contribution as outlined in the budget in Attachment 1 and in-kind contributions for the balance of the remaining Sponsor seat; and

WHEREAS, the SPONSORS have worked cooperatively in supporting and organizing the Center for Demographic Research for 24 years and wish to continue their cooperation; and

WHEREAS, the CONTRIBUTING PARTNERS wish to participate in supporting the Center for Demographic Research beginning in Fiscal Year 2020/2021; and

NOW, THEREFORE, IT IS RESOLVED that the **SPONSORS, CONTRIBUTING PARTNERS**, and the **ASC** agree as follows:

I. The SPONSORS and CONTRIBUTING PARTNERS will fund the CDR for the next three years, subject to an annual review and two one-year options by the SPONSORS and CONTRIBUTING PARTNERS, for an annual total fee as set forth in Item IV below and Attachment 1.

II. Process and Structure

A. Orange County Projections

The Orange County Council of Governments (“OCCOG”) will be responsible for the approval of the Orange County Projections at the Regional Statistical Area level and subsequent to that action the County of Orange will approve the Orange County Projections. The OCCOG will work with CDR staff to integrate the Orange County Projections as approved into the Southern California Association of Governments (“SCAG”) Regional Growth Forecast. Sponsors will make good faith efforts to use the Orange County Projections data in all future forecasting and planning efforts.

B. Management Oversight

The Management Oversight Committee (“MOC”) shall meet at least four (4) times each year to (1) consider policy matters associated with the operations of the Center for Demographic Research, (2) review products status and activities which are part of the core Work Program, (3) review the Center for Demographic Research’s financial status and status of annual MOU signatures, (4) set CDR budget and modify staff salaries funded by this MOU (5) consider requests from additional agencies wishing to become sponsors or contributing partners, (6) modify budget and work program upon addition or termination of a sponsor or contributing partner, (7) address other matters vital to the function of the Center for Demographic Research, and (8) undertake additional tasks as requested by the SPONSORS.

The Management Oversight Committee will be comprised of staff representing the SPONSORS, CONTRIBUTING PARTNERS and CSUF. Each SPONSOR will have one voting member of equal standing on the Management Oversight Committee including one member jointly representing the Municipal Water District of Orange County and the Orange County Water District; each CONTRIBUTING PARTNER will have one non-voting Ex-Officio member. The designees from each SPONSOR, CONTRIBUTING PARTNER, and the university shall be named by

July 1 of each year. An organization may also designate an individual(s) to serve as an alternate member of the Management Oversight Committee. The committee chair and vice-chair will be elected for a three-year term.

C. Technical Oversight:

The Technical Advisory Committee (“TAC”) provides technical guidance and input into the development of each product produced under this MOU before they are reviewed by the Management Oversight Committee. The Technical Advisory Committee advises the Director of the Center for Demographic Research, as well as reports to the Management Oversight Committee. The Committee will include one voting representative from each SPONSOR including a member representing the Municipal Water District of Orange County and the Orange County Water District; each CONTRIBUTING PARTNER will have one non-voting Ex-Officio member. University participation on the Technical Advisory Committee will include at least one voting member from CSUF, and one voting member each from the University of California, Irvine and Chapman University. The Director of the Center for Demographic Research will coordinate with research centers at these universities to ensure data consistency. The designees from each SPONSOR, CONTRIBUTING PARTNER, and agency shall be named by July 1 of each year. The committee chair and vice-chair will be elected for a three-year term.

The Technical Advisory Committee shall schedule at least four (4) meetings each year. It will (1) provide a report to the Management Oversight Committee summarizing its meetings, (2) provide advice on the approach, techniques, data sources and methods used to develop new products, (3) facilitate the acquisition of data necessary to produce products, (4) provide suggestions on the interpretation and analysis incorporated into deliverables, (5) provide input on assumptions for the development of the growth projections, (6) provide review of deliverables prior to approval by the Management Oversight Committee and (7) undertake other tasks as identified by the Management Oversight Committee.

D. Transportation Modeling Data

The Orange County Transportation Authority (“OCTA”) will be responsible for the approval of all transportation modeling variables used in the Orange County Transportation Analysis Model (“OCTAM”) at the Traffic Analysis Zone level. The transportation modeling variables shall be consistent with the Orange County Projections, as approved by the Orange County Council of Governments and the County of Orange at the Regional Statistical Area Level. The OCTA and SCAG will exercise user agreements for their consultants to access the transportation modeling variables.

III. Duration and Terminations

This agreement will become effective upon execution and ends on June 30, 2023. A review of the performance of the Center for Demographic Research in meeting its obligations under this MOU will be conducted by the Management Oversight Committee throughout the term July 2020 through June 2023. This MOU may be extended and/or amended by mutual agreement of all signatories.

A party may terminate its participation under this MOU by giving each of the other parties sixty (60) days written notice thereof. Upon said notice of termination, the SPONSOR or CONTRIBUTING PARTNER terminating its participation shall pay the balance of fees owed by the SPONSOR or CONTRIBUTING PARTNER for that given fiscal year. Each fiscal year, the SPONSORS and CONTRIBUTING PARTNERS shall review and approve in writing the MOU, work program, and funding arrangement. Such written approval shall constitute a SPONSOR'S or CONTRIBUTING PARTNER'S agreement to participate in this Agreement. In the event that ASC wishes to terminate its participation, it shall reimburse the SPONSORS and CONTRIBUTING PARTNERS any advance payments, less an amount to cover expenses related to work in progress and less costs reasonably necessary to effect such termination. If a party wishes to withdraw from the agreement, said notice shall be affected by delivery of such notice in person or by depositing said notice in the United States mail, registered or certified mail, return receipt required, postage prepaid.

IV. Funding and Schedule

Respective fees shall be as follows for the following fiscal year:

Payment Schedule for 2020-2023	2020-2021	2021-2022	2022-2023	Three-Year Total
Orange County Transportation Authority	\$106,200.64	\$110,378.62	\$114,924.00	\$331,503.26
County of Orange	\$106,200.64	\$110,378.62	\$114,924.00	\$331,503.26
Orange County Council of Governments	\$106,200.64	\$110,378.62	\$114,924.00	\$331,503.26
Orange County Sanitation District	\$106,200.64	\$110,378.62	\$114,924.00	\$331,503.26
Transportation Corridor Agencies	\$106,200.64	\$110,378.62	\$114,924.00	\$331,503.26
Southern California Association of Governments	\$106,200.64	\$110,378.62	\$114,924.00	\$331,503.26
Municipal Water District of Orange County	\$53,100.32	\$55,189.31	\$57,462.00	\$165,751.63
Orange County Water District	\$53,100.32	\$55,189.31	\$57,462.00	\$165,751.63
Orange County Local Agency Formation Commission	\$17,000.00	\$17,000.00	\$17,000.00	\$51,000.00
NON-CSUF TOTAL	\$760,404.48	\$789,650.34	\$821,468.00	\$2,371,522.82
California State University, Fullerton	\$97,213.96	\$98,782.60	\$98,782.60	\$294,779.16
TOTAL	\$857,618.44	\$888,432.94	\$920,250.60	\$2,666,301.98

Payments shall be made in accordance with invoicing policies of the ASC according to the schedule below. SPONSORS and CONTRIBUTING PARTNERS will be invoiced at the beginning of each quarter. Quarterly payments equal to 25% of the annual fees shall follow invoices submitted according to the calendar below:

Fiscal Year 2020/2021: July 2020, October 2020, January 2021, April 2021
Fiscal Year 2021/2022: July 2021, October 2021, January 2022, April 2022
Fiscal Year 2022/2023: July 2022, October 2022, January 2023, April 2023

SPONSORS and CONTRIBUTING PARTNERS shall pay one-quarter of their annual fees upon receipt of said invoices or may prepay for an entire fiscal year. Prepayment does not imply a discounted rate.

V. Administrative Representatives

- A. The Principal Investigator for the operations and management of the Center for Demographic Research and the conduct of this MOU is Deborah Diep, Director. The Assistant Director, Rubaiya Zaman, will serve as the Principal Investigator in the Director's absence. They are authorized to negotiate supplemental services with the SPONSORS, CONTRIBUTING PARTNERS, and Non-sponsors as noted in Section VII. Sydney Dawes, Director, ASC Office of Sponsored Programs is designated as the administrative representative for the ASC. Should the Principal Investigators become unavailable for any reason, no other Principal Investigator shall be chosen by CSUF or the ASC without the approval of the SPONSORS. Furthermore, the ASC agrees that the Management Oversight Committee shall make the recommendation on the selection of the Director or interim Director of the Center for Demographic Research and no Director or interim Director shall be appointed without approval of the Management Oversight Committee. The Management Oversight Committee will serve as the search committee if a search committee for the Director is required by the ASC.
- B. Equipment and furniture purchased by ASC under the terms of this MOU shall remain the property of the SPONSORS. In the event that the Center for Demographic Research is disbanded, the equipment remains the property of the SPONSORS and the Management Oversight Committee shall determine its disposition.
- C. Databases and applications developed and maintained for the Center for Demographic Research purposes shall remain under control of the SPONSORS. In the event that Center for Demographic Research is relocated from CSUF, all Center for Demographic Research functions and designations shall accompany the Center for Demographic Research.

VI. Additional Sponsorships and Revenues

Other agencies and entities can become sponsors or contributing partners of the Center for Demographic Research with unanimous agreement among the SPONSORS as determined by a vote of the Management Oversight Committee. Adjustments in sponsor fees found necessary resulting from the addition of sponsors shall be determined by the Management Oversight Committee with consultation from the Center for Demographic Research Principal Investigators.

The disposition of additional revenues generated through additional sponsors, and the sale of products and services to non-sponsors shall be determined by the Management Oversight Committee. The additional funds shall be prorated according to the respective sponsor fee. SPONSORS shall have the option of expending their share of the additional funds on CDR activities, products or equipment or having the funds returned to the SPONSORS at the end of the fiscal year.

VII. Products and Deliverables

- A. The Center for Demographic Research will produce the identified core Demographic Products and Services as described in Attachment 2 and listed in Attachment 3. Each SPONSOR will receive ten (10) copies in printed form and one (1) copy of estimates and projections in electronic form.
- B. The SPONSORS and CONTRIBUTING PARTNERS have the right to request supplemental products and support services from the Center for Demographic Research through a purchase order. Projects above the amount of \$25,000 shall be approved by the ASC. Such purchases may be entered into if the SPONSOR or CONTRIBUTING PARTNER agrees to pay ASC all additional costs resulting from the additional products or services, including an indirect cost of 22%, and if the activities do not interfere with the normal functioning of the CDR. If requests for additional products or services require interference with the normal functioning of the CDR as determined by the Management Oversight Committee or additional resources from the CDR's basic budget the proposal for such products and services will be forwarded to the Management Oversight Committee for their advice and consent prior to finalization of the agreement. In all cases, supplemental work for SPONSORS and CONTRIBUTING PARTNERS shall be assessed indirect costs of 22%.
- C. Non-sponsors can contract with the Center for Demographic Research through the ASC for its services or obtain supplemental products and support services from the Center for Demographic Research through a Non-sponsor purchase order. A list of these projects will be submitted to the MOC on a quarterly basis. If the Director assesses a proposed project contains a conflict of interest, conflict of time commitment, or interference with the normal functioning of CDR, the Management Oversight Committee will be informed of the request for services and will review it for any potential conflicts. The Director shall notify the Management Oversight Committee of any such proposed agreement and provide the committee with draft text and budget, before the intended start of work. The Management Oversight Committee shall review the proposed project for possible conflicts of interests, conflicts of time commitment, and budgetary adequacy. The Management Oversight Committee may at its discretion impose a surcharge of funds to be used at its discretion. Action on these matters may be taken only with the concurrence of a majority of the members of the Management Oversight Committee and all such supplemental work for Non-sponsors shall be assessed normal indirect costs of 22%.

D. Use of revenues generated by the sale of products produced by the Center for Demographic Research shall be determined by the Management Oversight Committee. A quarterly report on product sales will be presented to the Management Oversight Committee.

E. Additional projects should not adversely affect the schedule of deliverables unless otherwise agreed to by the Management Oversight Committee.

VIII. Sponsorship

This Agreement shall be signed by all SPONSORS and CONTRIBUTING PARTNERS by June 30, 2020 with the exception of the Southern California Association of Governments. The Southern California Association of Governments shall sign this Agreement by September 30, 2020. If all SPONSORS and CONTRIBUTING PARTNERS listed in Section XVIII do not sign by September 30, 2020, the work program and budget will be modified to reflect the committed funding. If any SPONSOR or CONTRIBUTING PARTNER does not sign this Agreement, the funding amounts of the remaining SPONSORS and CONTRIBUTING PARTNERS will not change. The remaining SPONSORS and CONTRIBUTING PARTNERS are not required to make up the difference in the reduced budget. Any SPONSOR or CONTRIBUTING PARTNER listed as an ORANGE COUNTY INTEREST that does not sign this Agreement forfeits all rights, services, and privileges as a CDR SPONSOR or CONTRIBUTING PARTNER unless otherwise negotiated. A formal status report on execution will be delivered at each Management Oversight Committee meeting until all SPONSORS and CONTRIBUTING PARTNERS sign this Agreement.

IX. Liability and Insurance

Each party to this MOU hereby assumes any and all risks for personal injury and property damage attributable to the negligent acts or omissions of that party and the officers, employees, and agents thereof. ASC warrants that it has adequate Worker's Compensation Insurance and liability insurance for its own employees. The ASC, the SPONSORS (the County of Orange, Transportation Corridor Agencies, Orange County Sanitation District, Orange County Transportation Authority, Municipal Water District of Orange County, Orange County Water District, Orange County Council of Governments, and Southern California Association of Governments), and the CONTRIBUTING PARTNERS (the Orange County Local Agency Formation Commission) agree to indemnify and hold each other, their respective officers, employees, students, agents, harmless from and against all liability, loss, expense (including reasonable attorney's fees), or claims for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent such liability, loss, expense, attorney's fees, or claims for injury or damages are caused by or result from negligent or intentional acts or omissions of the indemnifying party, its officers, employees, students or agents.

X. Independent Contractor

In the performance of all services and obligations under this agreement, SPONSORS, CONTRIBUTING PARTNERS, and ASC shall act as independent contractors. None shall be considered an employee or agent of the other.

XI. Use of Names

SPONSORS and CONTRIBUTING PARTNERS agree not to use the names of the ASC or CSUF in any commercial connection with work performed under this Agreement without prior written permission from the ASC. SPONSORS and CONTRIBUTING PARTNERS may use said names in ordinary internal business reports concerning this Agreement and may use the names of the Center for Demographic Research and the Principal Investigators in non-commercial publicity announcing the results of the project.

ASC agrees not to use the names of SPONSORS and/or CONTRIBUTING PARTNERS in any commercial connection with this work without prior written permission from SPONSORS and/or CONTRIBUTING PARTNERS. ASC may use SPONSORS' and/or CONTRIBUTING PARTNERS' name in ordinary internal business reports concerning this agreement and in non-commercial publicity announcing the awarding of the contract.

The provisions of this Section of the Agreement shall survive for two (2) years beyond any termination date specified in Section III or any extension thereof.

XII. Force Majeure

SPONSORS, CONTRIBUTING PARTNERS, and ASC shall not be liable or deemed to be in default for any delay or failure in performance under this Agreement or interruption of services resulting, directly or indirectly, from acts of God, civil or military authority, acts of public enemy, strikes, labor disputes, or any similar cause beyond the reasonable control of SPONSORS, CONTRIBUTING PARTNERS, or ASC, provided the affected party notifies the other party of the delay in writing within ten days of the onset of the delay.

XIII. Assignment

This Agreement shall inure to the benefit of and be binding upon and enforceable by the parties and their successors and permitted assigns. However, neither party may assign any of its rights or obligations under this Agreement without the prior written consent of the other.

XIV. Modification and Waiver

None of the terms of the Agreement may be waived or modified except by an express agreement in writing signed by SPONSORS, CONTRIBUTING PARTNERS, and ASC. Modifications not documented in writing cannot be enforced. The failure or delay of either party in enforcing any of its rights under this Agreement shall not be deemed a continuing waiver or a modification by such party of such right.

XV. Governing Law

The validity and interpretation of this Agreement shall be governed by the laws of the State of California.

XVI. Federal Statutes Relating to Nondiscrimination

ASC will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S. C. sections 1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S. C. section 794), which prohibits discrimination on the basis of handicaps; (d) Age discrimination Act of 1975, as amended (42 U.S.C. sections 6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (P.O. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) sections 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. 290 dd-d and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. section 3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (I) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirement of any other federal nondiscrimination statute(s) which may apply to the application.

XVII. Notices

Notices under this agreement shall be considered to be given if delivered by first class mail to the following addresses:

For SPONSORS:

Jessica Witt
County of Orange
10 Civic Center Plaza, 3rd Floor
Santa Ana, CA 92701

Marnie O'Brien Primmer
Orange County Council of Governments
3972 Barranca Pkwy, Suite J-127
Irvine, CA 92606

James D. Herberg
Orange County Sanitation District
10844 Ellis Avenue
Fountain Valley, CA 92738-8127

Kurt Brotcke
Orange County Transportation Authority
550 S. Main Street
2nd Floor
Orange, CA 92868

Kome Ajise
Southern California Association of Governments
c/o Justine Block, SCAG Acting Chief Counsel
900 Wilshire Blvd., Suite 1700
Los Angeles, CA 90017

Valarie McFall
Transportation Corridor Agencies
125 Pacifica, Suite 100
Irvine, CA 92618-3304

Robert Hunter
Municipal Water District of Orange County
18700 Ward Street
Fountain Valley, CA 92728

Michael R. Markus
Orange County Water District
18700 Ward Street
Fountain Valley, CA 92728-8300

Danny C. Kim
Administration and Finance, California State University, Fullerton
800 N. State College Blvd., LH-802
Fullerton, CA 92831-3599

For CONTRIBUTING PARTNERS:

Carolyn Emery
Orange County Local Agency Formation Commission
2677 N. Main Street, Suite 1050
Santa Ana, CA 92705

For CSU FULLERTON AUXILIARY SERVICES CORPORATION

Sydney Dawes, Director, ASC Office of Sponsored Programs
CSU Fullerton Auxiliary Services Corporation
1121 N. State College Blvd.
Fullerton, CA 92831-3014

XVIII. Execution

IN WITNESS THEREOF, the SPONSORS, CONTRIBUTING PARTNERS, and the ASC have executed this Agreement on the date first herein written. This Agreement is to be signed in counter parts.

For the CSU Fullerton Auxiliary Services Corporation:

Charles D. Kissel, Executive Director

Date

For the County of Orange:

Frank Kim, County Executive Officer

Date

For the Orange County Council of Governments:

Marnie O'Brien Primmer, Executive Director

Date

For the Orange County Sanitation District:

James D. Herberg, General Manager

Date

For the Orange County Transportation Authority:

Darrell Johnson, Chief Executive Officer

Date

For the Southern California Association of Governments:

Kome Ajise, Executive Director

Date

For the Foothill/Eastern Transportation Corridor Agency:

Michael Kraman, Chief Executive Officer

Date

For the San Joaquin Hills Transportation Corridor Agency:

Michael Kraman, Chief Executive Officer

Date

For the Municipal Water District of Orange County:

Sat Tamaribuchi, President of the Board

Date

Robert Hunter, General Manager

Date

For the Orange County Water District:

Vincent Sarmiento, President

Date

Michael R. Markus, General Manager

Date

For the Orange County Local Agency Formation Commission:

Carolyn Emery, Executive Officer

Date

For California State University, Fullerton:

Danny C. Kim, Vice President for
Administration & Finance/CFO

Date

**Attachment 1: Center for Demographic Research
Annual Budget: July 1, 2020 through June 30, 2023**

		<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	
1	Salaries	\$434,339.26	\$446,889.06	\$467,736.62	
2	Benefits	\$184,459.49	\$191,881.70	\$201,114.20	
3	Supplies	\$7,000.00	\$7,000.00	\$7,000.00	
4	Printing & Publications	\$8,500.00	\$12,500.00	\$8,500.00	
5	Meetings, Mileage, & Training	\$1,950.00	\$1,950.00	\$1,950.00	
6	Equipment	\$500.00	\$500.00	\$500.00	
7	Expenses	\$636,748.75	\$660,720.77	\$686,800.82	
8	Federally-negotiated Indirect Cost (IDC) / Overhead: 37%	\$235,597.04	\$244,466.68	\$254,116.30	
9	Office space rent (not subject to IDC)	\$80,784.96	\$82,353.60	\$82,353.60	
10	(A) Gross Total Program Costs	\$953,130.75	\$987,541.05	\$1,023,270.72	
11	Contributions toward IDC				
12	Non-CSUF SPONSORS/Contributing Partner (22.0%)	\$140,084.73	\$145,358.57	\$151,096.18	
13	CSUF contribution (IDC reduction from 37% to 22%)	\$95,512.31	\$99,108.11	\$103,020.12	
14	Total Indirect Cost (IDC) / Overhead	\$235,597.04	\$244,466.68	\$254,116.30	
15	CSUF Contribution Summary				
16	Office space rent: 100% ¹	\$80,784.96	\$82,353.60	\$82,353.60	
17	Administrative Asst. salary support from HSS Dean ¹	\$16,429.00	\$16,429.00	\$16,429.00	
18	Subtotal of CSUF Monetary Contributions	\$97,213.96	\$98,782.60	\$98,782.60	
19	IDC / Overhead (Rate reduction from 37% to 22%) ²	\$95,512.31	\$99,108.11	\$103,020.12	
20	(B) Total CSUF Contribution	\$192,726.27	\$197,890.71	\$201,802.72	
21	NET CDR BUDGET TOTAL: (A) - (B)	\$760,404.48	\$789,650.34	\$821,468.00	
22	Contributing Partner (no seat): LAFCO	\$17,000.00	\$17,000.00	\$17,000.00	
23	Cost per Sponsorship Seat= (Net Budget – LAFCO)/ 7 remaining seats	\$106,200.64	\$110,378.62	\$114,924.00	
	Number of Voting Seats				
24	OCTA	1	\$106,200.64	\$110,378.62	\$114,924.00
25	COUNTY	1	\$106,200.64	\$110,378.62	\$114,924.00
26	OCCOG	1	\$106,200.64	\$110,378.62	\$114,924.00
27	OCSO	1	\$106,200.64	\$110,378.62	\$114,924.00
28	TCA	1	\$106,200.64	\$110,378.62	\$114,924.00
29	SCAG	1	\$106,200.64	\$110,378.62	\$114,924.00
30	MWDOC	0.5	\$53,100.32	\$55,189.31	\$57,462.00
31	OCWD	0.5	\$53,100.32	\$55,189.31	\$57,462.00
32	CSUF	1	see above	see above	see above
33	LAFCO	0	\$17,000.00	\$17,000.00	\$17,000.00
34	TOTAL	8	\$760,404.48	\$789,650.34	\$821,468.00

¹Monetary contribution

²Non-monetary contribution (rate reduction); not included in IV. Funding and Schedule: Payment Schedule for 2020-2023, Page 4.

Attachment 2
Proposed CDR 2020-2023 Services and Products

REPORTS

Orange County Progress Report

Produce an annual Orange County Progress Report. This document presents a unified and a comprehensive picture of Orange County and its 34 cities including its economic health, its demographic status and trends, and other information of interest to those who might wish to relocate to Orange County, do business in the County, or otherwise have an interest in the economic and demographic status and future of Orange County.

Orange County Projections

Preparation and development of OCP-2022 will begin during this three-year MOU. Incorporate 2020 Decennial Census data into OCP-2022 base year dataset. Complete OCP-2022 dataset and adoption. Following the adoption of OCP-2022, produce a report containing assumptions, tables, charts, maps, and methodology. The OCP dataset contains population, housing, and employment projections by 2020 census tract, jurisdiction, Community Analysis Area, and Regional Statistical Area for a 25-year period. This iteration will include agency boundaries for MWDOC, OCSD, & OCWD.

Orange County Facts and Figures

Update quarterly the Orange County Facts and Figures. This document focuses on the most frequently asked questions about Orange County demographics and related information.

Boundary and Annexation Report

Working with information provided by OC LAFCO, CDR staff will produce an annual report of the jurisdictional boundary changes. This multi-page report will contain a map of the year to year boundary changes and a table listing the area change and specific annexations and incorporations for each calendar year. Detailed annexation and vicinity maps from OC LAFCO's approved changes of organization documents will also be included in the report. For ease of reference and to make the information publically available, the report will be posted on OC LAFCO's website.

Housing Activity Report

Using information from the Housing Inventory System (HIS), CDR staff will produce an annual report on the housing construction and demolition activity by jurisdiction. Information will be released in aggregate form at the jurisdiction level in a PDF.

PUBLIC INFORMATION SERVICES

Provide Public Information on Orange County Demographics as Requested

Provide information in response to numerous requests made by government agencies, elected officials, private companies, non-profit organizations, schools, students, and citizens regarding demographic and related information about Orange County.

Maintain CDR Website

Update the information currently on the CDR website on a regular basis and expand as information becomes available.

Provide Information and Analysis to News Media

Provide information, description, interviews, and analysis of demographics to news media to assist them in doing stories where demographics is the focus.

Update RHNA Allocations

Develop allocations of 2020 RHNA for annexations and incorporations as requested. Provide data support to local jurisdictions and SCAG during development of the 2020 RHNA. Monitor RHNA development process to ensure Orange County data is incorporated.

Process Decennial Census and American Community Survey Data

Process Bureau of Census data as it pertains to development of the Orange County Projections and at the request of CDR Sponsors.

State Data Center Affiliate

The CDR will serve as a State Data Center Affiliate to the Demographic Research Unit of the California Department of Finance. As an Affiliate, CDR will assist the SDC and Orange County in disseminating census data and improving public access to census data products consistent with services CDR already provides.

DATA BASES

Housing Inventory System

The Housing Inventory System (HIS) is a data system that includes all changes to each jurisdiction's housing stock, including 2017 and 2019 changes to accessory dwelling units. Data is collected at the address level and converted into a GIS database by geocoding. After geocoding, quality analysis efforts include tying activity to parcels. Depending on the jurisdiction, different documents are used to record added units including certificates of use and occupancy, utility release log, or building final documents. Demolitions and conversions are recorded through other recordation. Changes to the mobile home inventory will be verified with HCD. This project includes an annual review and sign off process by each jurisdiction of their geocoded data to ensure accuracy.

Census Data by Partial TAZ

Update the correspondence tables of 2020 Census blocks to the TAZs after release of Census Bureau data and GIS shapefiles. As the various census files become available, transportation modeling variables and other key variables useful for projecting the modeling variables will be aggregated to TAZ.

Calibrate Age Cohort Component, Shift-Share and Headship Rate Models

Based on data from the Census Bureau, DOF, and EDD data, calibrate the models used to project county-wide population, housing and employment.

Master Polygon File

Update master polygon file based on the 2020 Census block file for use in development of OCP dataset and annual population and housing unit estimates. Allocate Census block data to TAZ, CAA, RSA, MWDOC, OCSD, and OCWD. Working with information from OC LAFCO, the master polygon file will be updated annually to include changes to agency boundaries: jurisdiction, MWDOC, OCSD, and OCWD.

Population and Housing Estimates by TAZ (OCP)

Estimates of population and housing by unit type will be developed using the 2010 Census and American Community Survey data at the split TAZ. From 2014 onwards, housing unit changes will be geocoded and aggregated to the TAZ. Annual estimates of population and housing will be produced by TAZ for maintenance of the OCP base file.

Annual Population and Housing Estimates by Partial Census Tract and Sponsor Agency

Estimates of population and housing units developed using the 2020 Census for each of the special district sponsors will be updated annually. From 2014 onwards, annual estimates (January 1) of population and housing will be produced by partial census tract and for each of the special district sponsor agencies: MWDOC, OCSD, and OCWD.

Project Total County Population, Housing, and Employment

Draft assumptions for OCP-2022 will be developed and reviewed by the CDR TAC. These will then be incorporated into the macro level models used to project population, housing, and employment. The resulting projections will be reviewed by the CDR TAC and MOC and then brought to the OCCOG TAC and Board for approval as the controls totals for OCP-2022.

Projected Population, Housing and Employment by TAZ (OCP)

Preparation and development of OCP-2022 will begin during this MOU cycle. Countywide population, housing, and employment for years 2020 through 2050 will be allocated to Traffic Analysis Zones split by jurisdictions. Following the allocation, extensive review and refinement will occur to assure the accuracy of the projections.

Secondary Variables by TAZ (OCTAM)

The basic projected population, housing, and employment from OCP-2022 will be expanded to the 14 OCTAM variables. These variables will include resident population, group quarters population, employed residents, median income, occupied single family dwelling units, occupied multiple family dwelling units, household size, retail employment, service employment, K-12 public school employment, all other employment, school enrollment, university enrollment, and area. Preparation of the base year OCTAM data for OCP-2026 will begin in this MOU cycle.

Entitlement Dataset & Support Services

Provide support to Orange County jurisdictions in the development of the entitlements database and other data requested by SCAG during the development of the 2020 & 2024 RTP/SCS. Monitor development process to ensure Orange County data is incorporated.

Consolidated Boundary and Annexation Program (CBAS)

CDR staff will report annual jurisdictional boundary and feature changes through a new, voluntary program of the U.S. Census Bureau that allows for a consolidated annual review of jurisdiction boundaries. This review will be done using the official County Surveyor/OC LAFCO jurisdiction GIS boundary file. Orange County jurisdictions will be able to opt in or out of this CDR service annually. CDR will notify each participating jurisdiction and OC LAFCO of the outcome of the BAS review, i.e., whether there were any areas where jurisdiction boundaries needed to be corrected.

COMMITTEES

Participate in Sponsor Technical Advisory Committees as Requested

Participate in appropriate Sponsor technical advisory committees including, OCCOG TAC, County's Demographic Steering Committee, OCTA's Modeling TAC, Orange County Sanitation District's Planning Advisory Committee, Water Use Efficiency Project Advisory Committee, and SCAG's Technical Working Group and other regional working groups.

Coordinate with SCAG and SCAG Committees

This service revolves around the incorporation of OCP into the SCAG growth forecast. This service includes participation in SCAG expert panels and workshops to develop assumptions for their population and employment projections; monitoring the discussions relevant to the development of SCAG's growth forecast at SCAG policy committees and subregional coordinator meetings; and coordinating with relevant SCAG staff on this issue.

Coordinate with University Research Centers

CDR staff will coordinate with UCI and Chapman University research centers to ensure consistency between the CDR's forecast and estimates and those produced by these institutes.

2020-2023 LAFCO FUNDED PROJECT: Sphere of Influence Estimates

CDR will update its master polygon file on an annual basis with changes to the sphere of influence (SOI) boundaries. CDR will produce annual estimate of January 1 population and housing for each of the SOI polygons upon completion of the annual Housing Inventory System to maintain this information in preparation for the 2018-2022 OC LAFCO municipal service review cycle.

Boundary and Annexation Report: Working with OC LAFCO over the three-year MOU cycle, CDR will attempt to build a historical reference collection of these reports going back to 2000 as information is available.

NEW PROJECTS & SERVICES

Modifications to OCTA Traffic Analysis Zones

CDR will work with OCTA on an update to their Orange County Transportation Analysis Model Traffic Analysis Zones (OCTAM TAZs) to align with roads and communities that have been built and future developments which are now formally detailed. Once the 2020 Census block geographic boundaries are available, the CDR will work with OCTA from July to December 2020 to update the OCTAM TAZ boundaries by incorporating any additional changes OCTA has requested and finalize any other requested or suggested changes to the TAZ boundaries in preparation for the OCP-2022. 2020 base year estimates to be reviewed by jurisdictions in summer 2021.

Orange County Projections 2022 Geographies- Tier 3/City TAZ Pilot Program

CDR will complete a pilot program of three cities, which already have comparable data at the Tier 3/city TAZ level, to expand the OCP split OCTAM-TAZ geographies to the city/Tier 3 TAZs for OCP-2022. The city-TAZs nest into the OCTAM TAZs. This data will also be provided to SCAG for use in their modeling efforts at the Tier 3 level. The OCP-2022 working geographic unit would be the split Tier 3 TAZ. The OCTAM modeling dataset would still be developed and provided to OCTA at the OCTAM TAZ (Tier 2) level. The pilot program would potentially be a first-phase effort to incorporate the city/Tier 3 TAZ for the three volunteer cities (Anaheim, Irvine, and Newport Beach) into the CDR minimum planning unit database for OCP.

Special Decennial Census Edition of the Facts & Figures

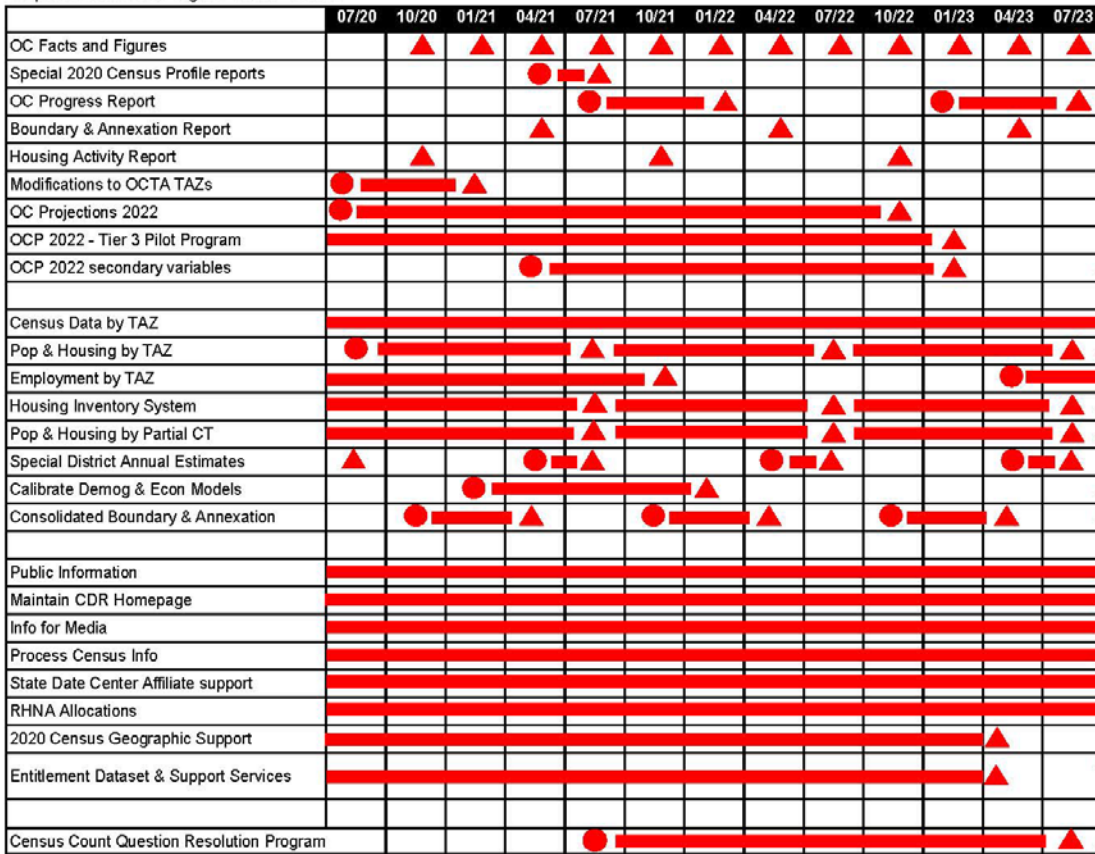
This multi-page document will include county and city/community data from the 2020 Decennial Census on population and housing. It will also show growth and changes since the 2010 Decennial Census. This document will be electronic and posted online for free download.

Census Bureau Count Question Resolution (CQR) Program Support

CDR staff will provide maps to Orange County jurisdictions to verify 2020 Census jurisdictional boundaries and total population and housing unit counts by census block. CDR staff will assist Orange County jurisdictions in documenting errors found during the review process by providing maps to be used in their responses to the U.S. Census Bureau Count Question Resolution program.

Attachment 3

Proposed Draft Work Program 7/2020 - 6/2023



● Startup
▲ Milestone/Completion



INFORMATION ITEM

March 11, 2020

TO: Board of Directors

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

Robert J. Hunter, General Manager

SUBJECT: **PUBLIC HEARING DATE SCHEDULED FOR APRIL 15, 2020 RE
ORDINANCE SUPERSEDING AND REPEALING MWDOC
ORDINANCE NO. 54 REGARDING COMPENSATION FOR
DIRECTORS**

STAFF RECOMMENDATION

It is recommended that the Committee receive and file the report.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

SUMMARY

The Board has requested that any increases in Director Compensation be limited to the amount set for staff in the annual budget, but not more than the amount allowable under California State law.

Directors' (and MET Directors') compensation is established by Ordinance pursuant to Water Code Section 20200 *et seq.*, and requires a Public Hearing in order to amend the existing procedure set forth in Ordinance No. 54.

The Public Hearing is currently scheduled for April 15, 2020 (at the Board meeting), and pursuant to the law, the necessary publications announcing the Public Hearing will be published in the *OC Register* on April 1 and April 8.

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



Administration Activities Report

February 7, 2020 – March 5, 2020

Activity	Summary
Administration/Board	<p>Staff worked on the following:</p> <ul style="list-style-type: none"> • Scheduled meetings for Rob Hunter, Karl Seckel and 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. • Processed and reviewed agreements for appropriate Board approval and insurance requirements. • Review Insurance documents for all District Agreements. • Responded to two Public Records Act request. • Continued to work with staff training/cross training. • Developed invitations and email re Elected Officials Forum • Various travel arrangements for Directors and staff • Research on air fare to both Sacramento and DC • Prepared notification on Form 700s • Worked with legal counsel regarding AB 1234 • Various travel arrangements for Directors and staff. • Research on air fare to both Sacramento and DC. • Registration and travel arrangements for ACCOC Sacramento Advocacy trip, ACWA DC 2020, ACWA Legislative Symposium 2020, ACWA Sacramento Meetings, ACWA Spring Conference, AWWA Water Policy Conference, AWWA Workshop, CalDesal Annual Conference, CAPIO Meeting, CCEEB/CED Meeting – Sacramento, CMUA Meetings, CSDA Legislative Days, CWEA Annual Conference, Landscape Workgroup Meeting, National Emergency Management Academy, OCBC & OCWA Luncheons, OCBC Advocacy Trip, PRSA's 2020 International Conference, Urban Water Spring Conference, Water Loss Workshop, World Environmental & Water Resources Congress. • Scheduled meetings for Rob Hunter and Karl Seckel.
Records Management	<ul style="list-style-type: none"> • Review and reorganization of electronic documents in Laserfiche continues. • The annual Records Management review/audit has been scheduled for May 5. • Staff is updating the records information on the boxes stored at Corodata in order to facilitate easier identification.



Recruitment/Departures	<ul style="list-style-type: none"> • A candidate has been selected to fill the Water Use Efficiency Analyst II position. The pre-employment screening is underway and a tentative start date is scheduled for March 16th. • A candidate has been selected for the Public Affairs intern position. The pre-employment screening is underway and a tentative start date is scheduled for Mid- March. • Recruitment efforts are underway to fill the Water Resources Analyst position.
Projects and Activities	<ul style="list-style-type: none"> • Coordination efforts continue with IDS Consultants and Engineering, regarding building improvements and seismic retrofits. Plans are currently under review with the City. • Staff is evaluating workstations and furnishings for office renovations. • Staff is working on budget projections and upcoming budget for 2020/21. • First Aid, CPR and AED training was made available to staff on February 12th. 13 staff members participated. A second training session for 2020 will be scheduled for July. • Staff reviewed and completed the District's current Workers' Compensation insurance plan renewal, effective July 1. • Staff participated in an Orange County Emergency Operations regarding Corona Virus. • Staff participated in the February 24th AWIA Workshop. • Staff coordinated and participated in the telephone and in-person interviews for the Water Use Efficiency Analyst II and Public Affairs Intern positions. • Staff reviewed and completed the property schedules for the District's current Property Insurance plan renewal, effective April 1st. Property schedules were reviewed and provided to ACWA/JPIA. • Mandatory staff trainings on communications have been scheduled for April 17th, 24th and May 1. • Legal Counsel will make a presentation to MWD OC Staff on the afternoon of March 16th. The presentation will include a review of the District's Ethics Policy as outlined in the Administrative Code and the State Law regarding Elections.
Health Benefits	<ul style="list-style-type: none"> • Staff is planning a lunch and learn as part of the Wellness activities from this year's ACWA/JPIA grant funds that were awarded to the District July 2019.

**INFORMATION ITEM**

March 11, 2020

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

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 2019-20.

Finance

Description	% of Completion	Estimated Completion date	Status
Further Implementation of WUE Landscape Programs Databases and Web Site.	On-going	On-going	In Progress
2019 W-9 collection for water rebates. Currently holding 2 rebate checks awaiting W-9 form.	On-going	On-going	In Progress
Perform demo testing of new accounting software from Accufund	40%	06-30-20	In Progress
Government Compensation in California Report 2019	0%	03-30-20	Not Started
Preparation of documents for FY20-21 budget process.	75%	04-30-20	In Progress

Information Technology

Description	% of Completion	Estimated Completion date	Status
Network security issues (hackers, viruses and spam emails)	On-going	On-going	Continuous system monitoring
Purchase and upgrade Conference room 101 with Interactive board, sound system and microphones.	0%	06-30-20	Not Started
Upgrade WUE Web Server (Software upgrade)	10%	06-30-20	In Progress
Upgrade software for Data Server	10%	06-30-20	In Progress
Disposal of non-functional and obsolete electronic equipment	75%	03-31-20	In Progress
Replace network color printer and 2 Department printers	90%	03-31-20	In Progress
Perform annual Business Continuity Plan Exercise and Testing.	75%	03-31-20	In Progress

FY 2019-20 Completed Special Tasks

Description	% of Completion	Completion date	Status
<u>Finance</u>			
State Controller Report preparation FY18-19	100%	01-31-20	Completed
<u>Information Technology</u>			
Upgrade Network Attached Storage device for Backups	100%	12-31-19	Completed
Upgrade 5 computers and monitors for Staff	100%	12-31-19	Completed



INFORMATION ITEM

March 11, 2020

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

FROM: **Robert Hunter, General Manager**

Staff Contact: Kevin Hostert

SUBJECT: **Monthly Water Usage Data 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 January.**
- OC Water Usage, Monthly, Comparison to Previous Years Water usage in **January 2020 was above average compared to the last 5 years.** We are projecting a slight increase in overall water usage compared to FY 2018-19. It has been 34 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 estimated to be **527,000 AF in FY 2019-20** (this includes ~15 TAF of agricultural usage and non-retail water agency usage). This is about **11,000 AF more than FY 2018-19** and is about **14,000 AF less than FY 2017-18**. Water usage per person is projected to be slightly higher in **FY 2019-20 for Orange County at 144 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-term decrease in per-capita water usage is attributed mostly to Water Use Efficiency

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):			

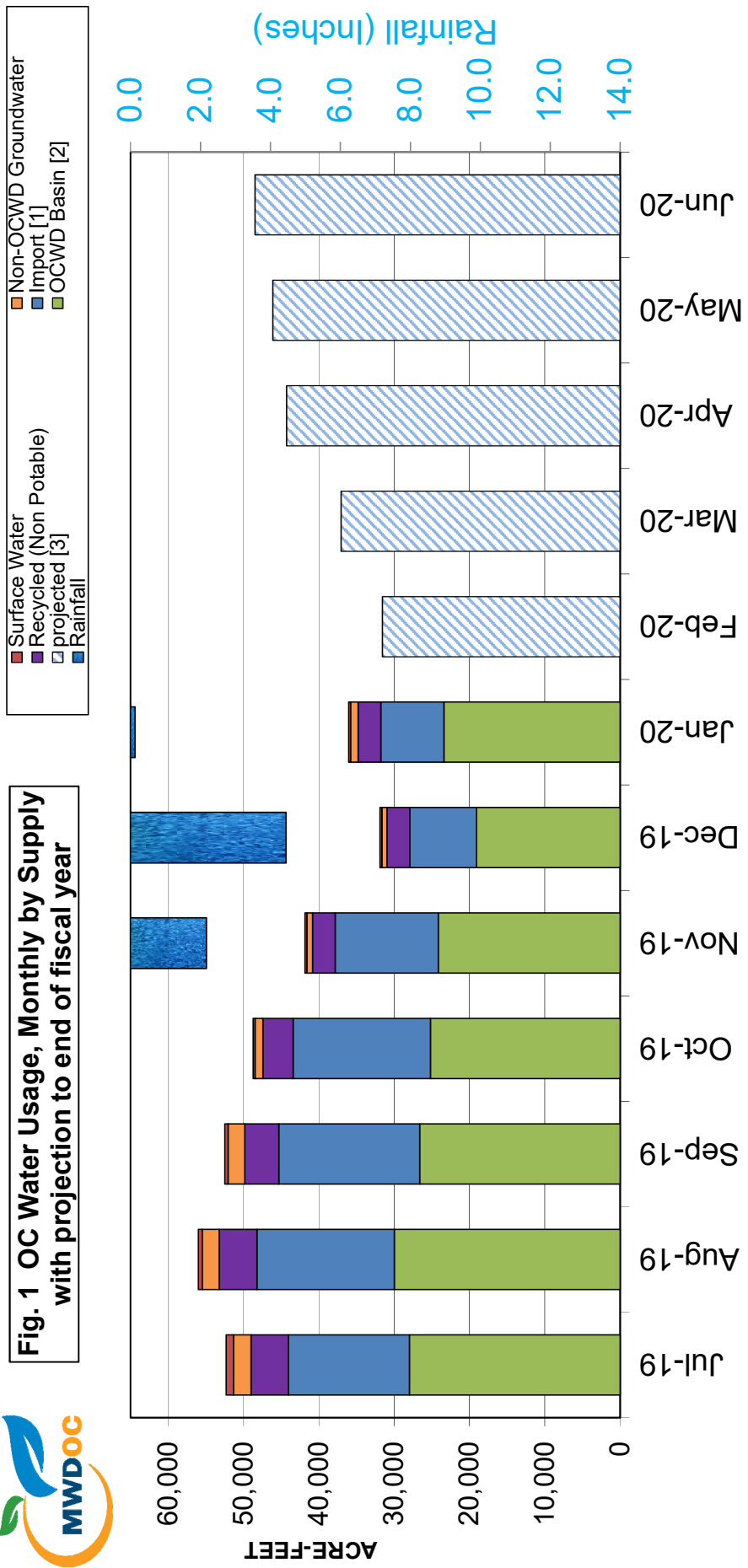
(water conservation) efforts. ***O.C. Water Usage for the last four Fiscal Years is the lowest since the 1982-83 Fiscal Year*** (FY 1982-83 was the third wettest year on record).

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 precipitation through ***early March*** was average for this period. Water year to date rainfall in Orange County is ***6.75 inches***, which is ***70% of normal***.
- Northern California accumulated precipitation through ***early March*** was ***50% of normal for this period***. Water Year 2019 was 137% of normal while water year 2018 was 82% of normal. The ***Northern California snowpack*** was ***48% of normal*** as of March 2nd. ***As of late February, 23.34%*** of California is experiencing ***moderate drought conditions*** while 69.74% of the state is experiencing abnormally dry conditions. The State Water Project Contractors Table A Allocation was increased to 15% in January 2020.
- Colorado River Basin accumulated precipitation through ***late February*** was ***92% of normal*** for this period. The ***Upper Colorado Basin snowpack*** was ***109% of normal*** as of February 24th. ***Lake Mead and Lake Powell*** combined have about ***68% of their average storage volume*** for this time of year and are at ***46.8% 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 early March, Lake Mead levels were ***21.38' above the "trigger" limit***. The USBR predicts that the start of 2020 will not hit the "trigger" level but there is ***a 4% chance that the trigger level will be hit in 2021 and a 24% chance in 2022***.



**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 and deliveries into Irvine Lake.

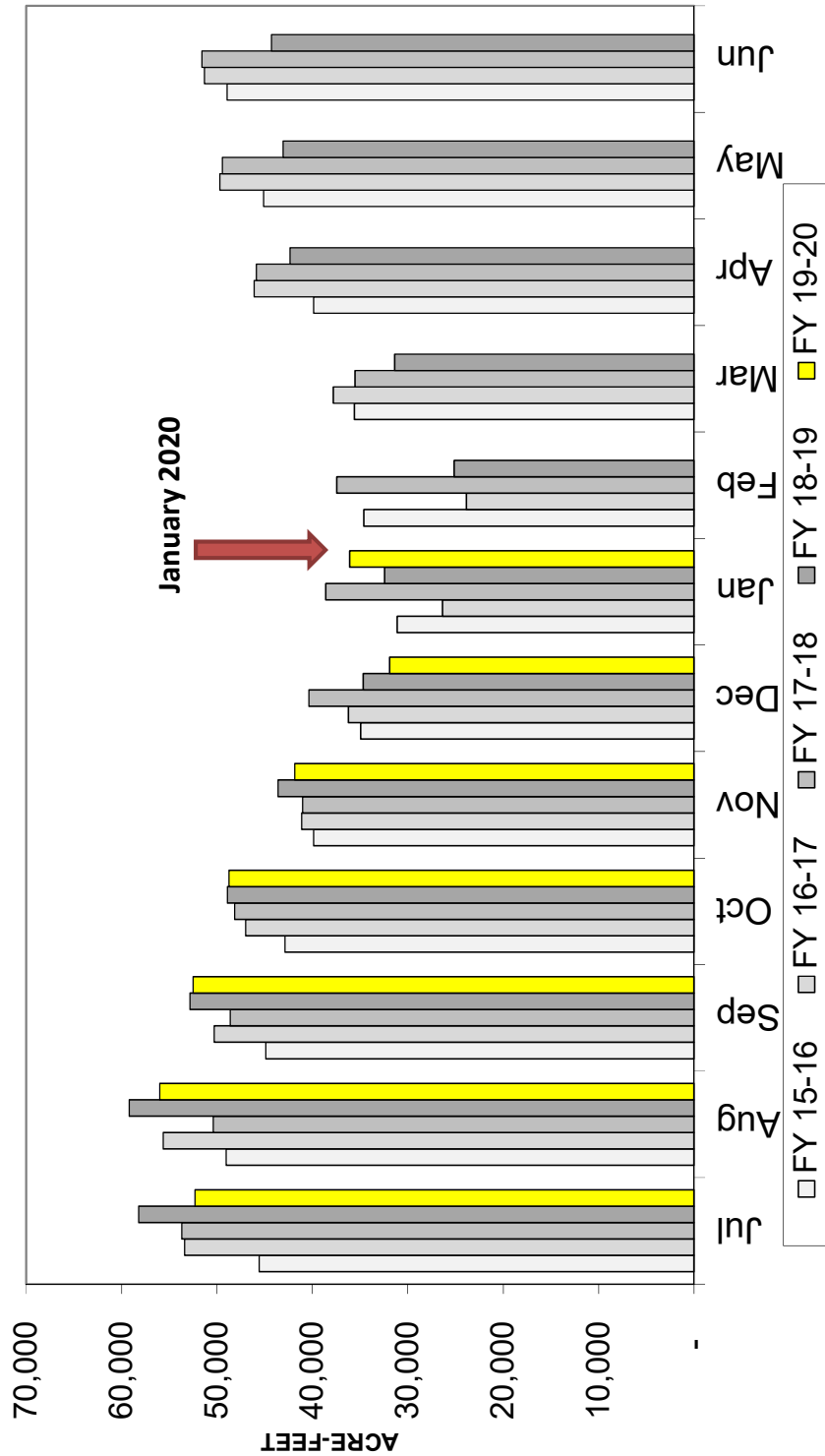
[2] GW for consumptive use only. Excludes In-Lieu water deliveries and CUP water extraction that are counted with Import. BPP in FY '19-20 is 77%.

[3] MWD OC's estimate of monthly demand is based on the projected 5 Year historical retail water demand and historical monthly demand patterns.

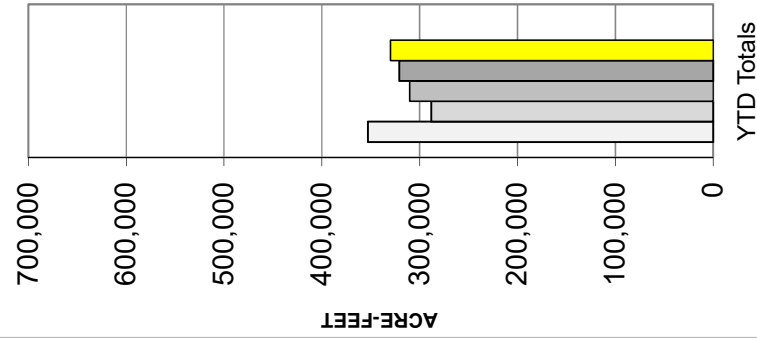
[4] Total water usage includes IRWD groundwater agricultural use and usage by non-retail water agencies.



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

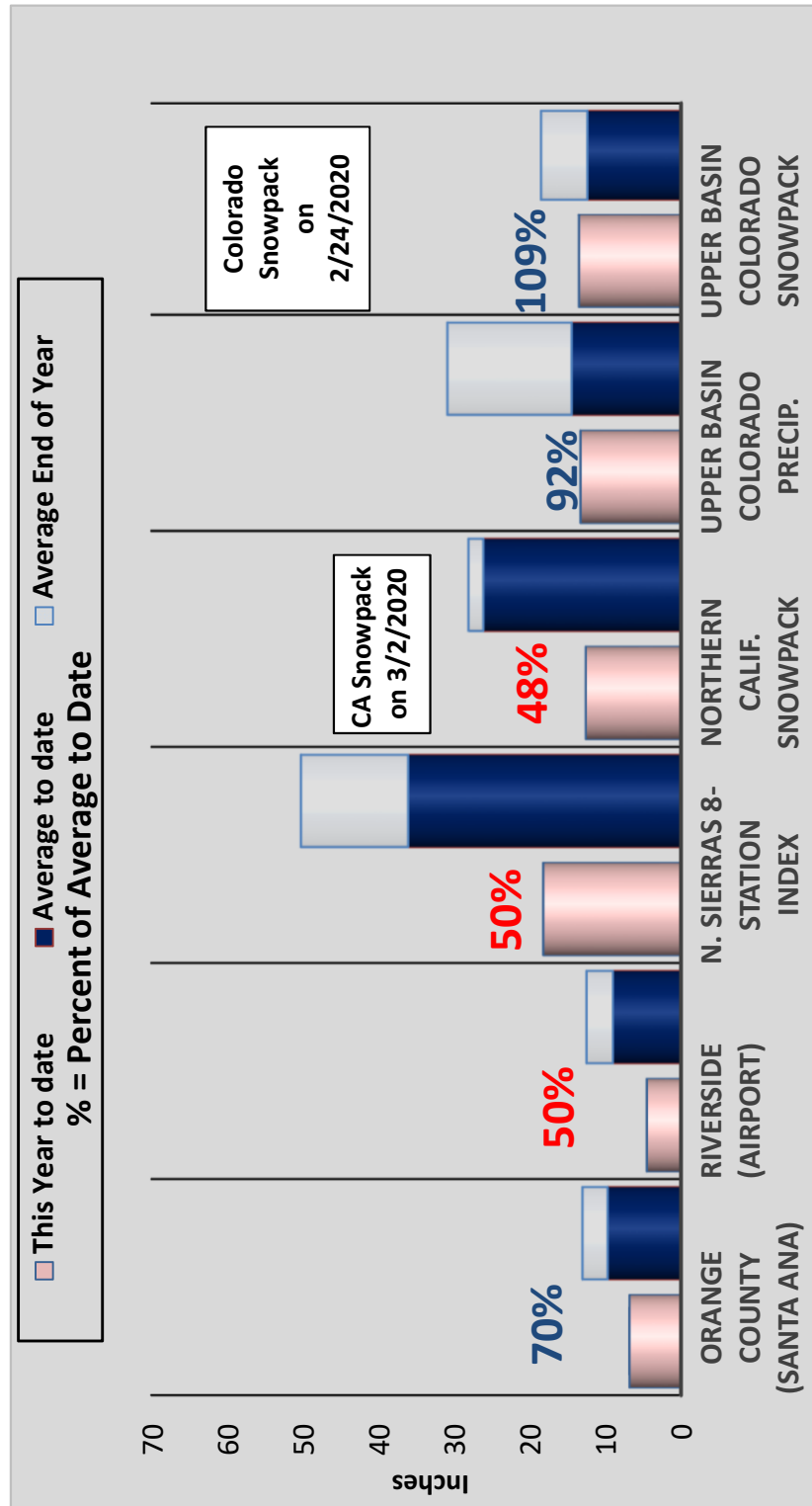


Partial Year Subtotals



[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.

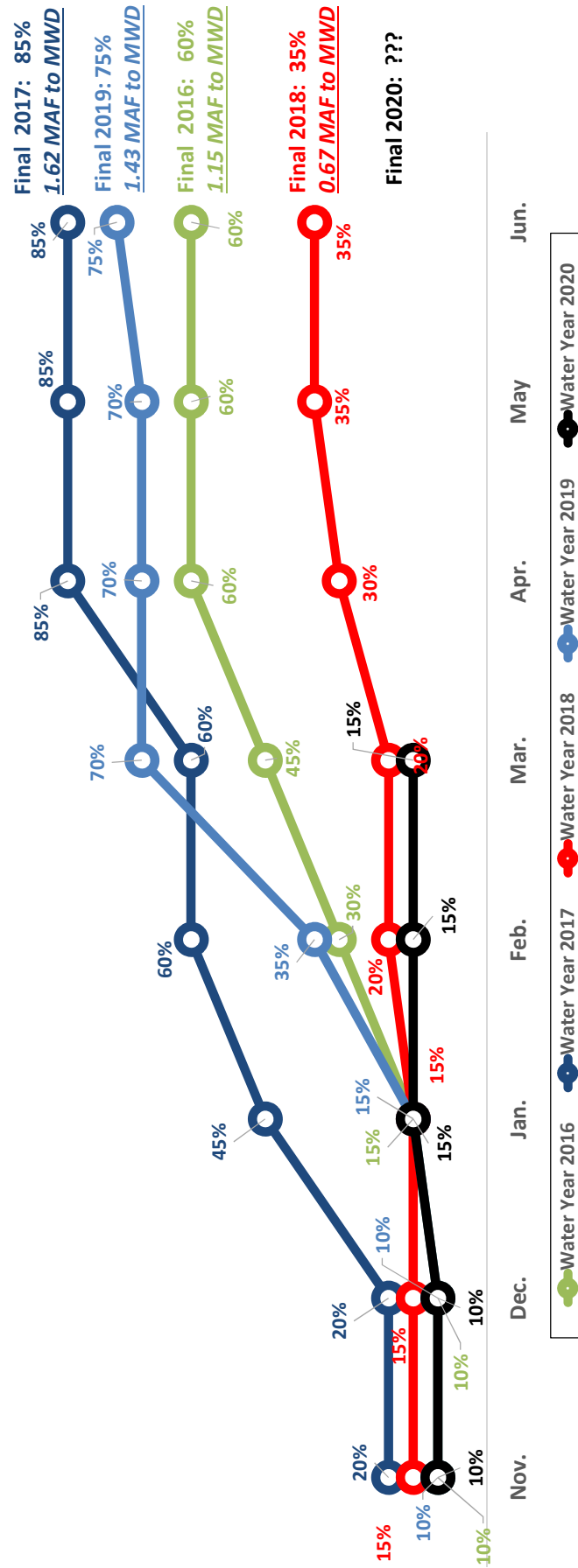
Accumulated Precipitation for the Oct.-Sep. water year, early March 2020

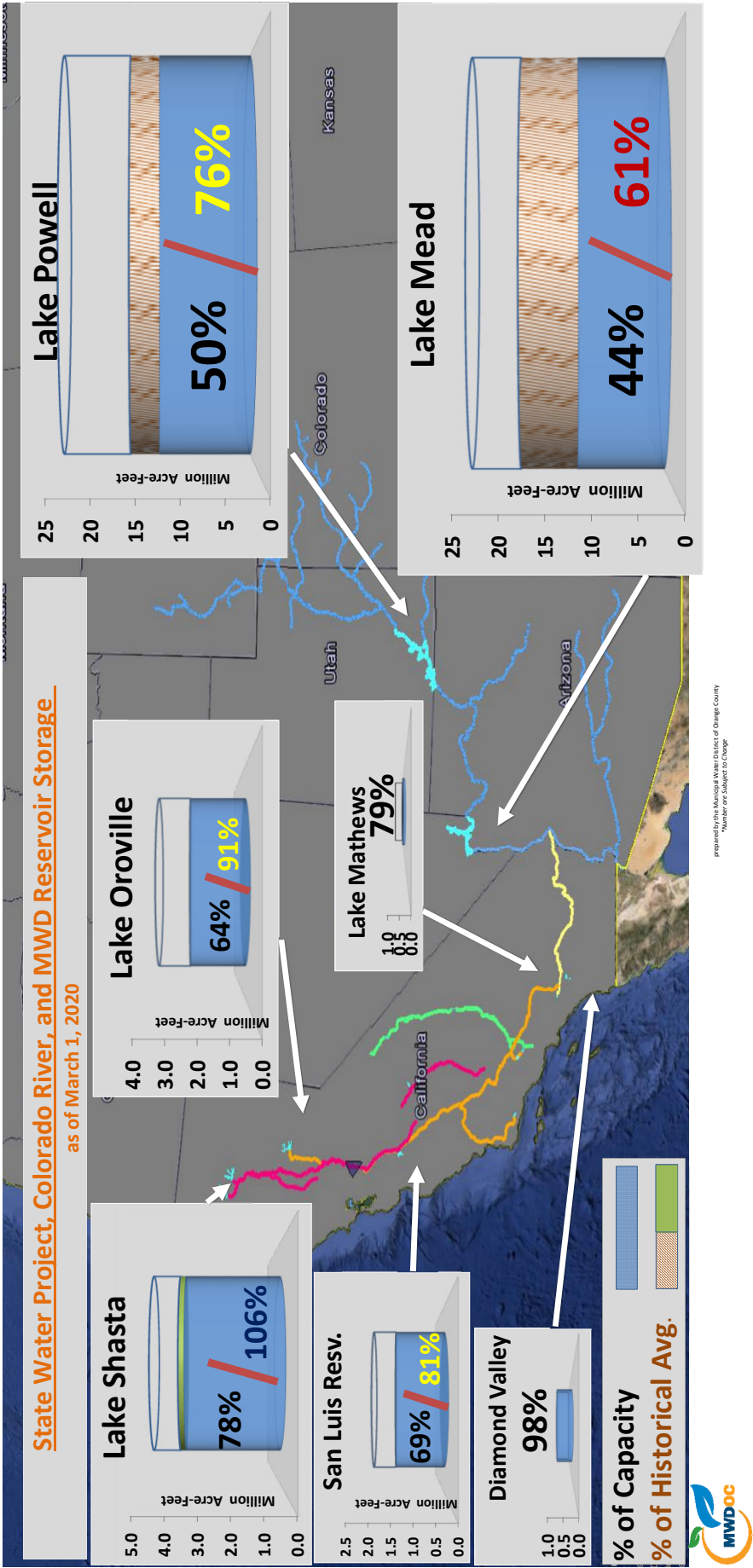


* The date of maximum snowpack accumulation (April 1st in Northern Calif. , April 15th in the Upper Colorado Basin) is used for year to year comparison.

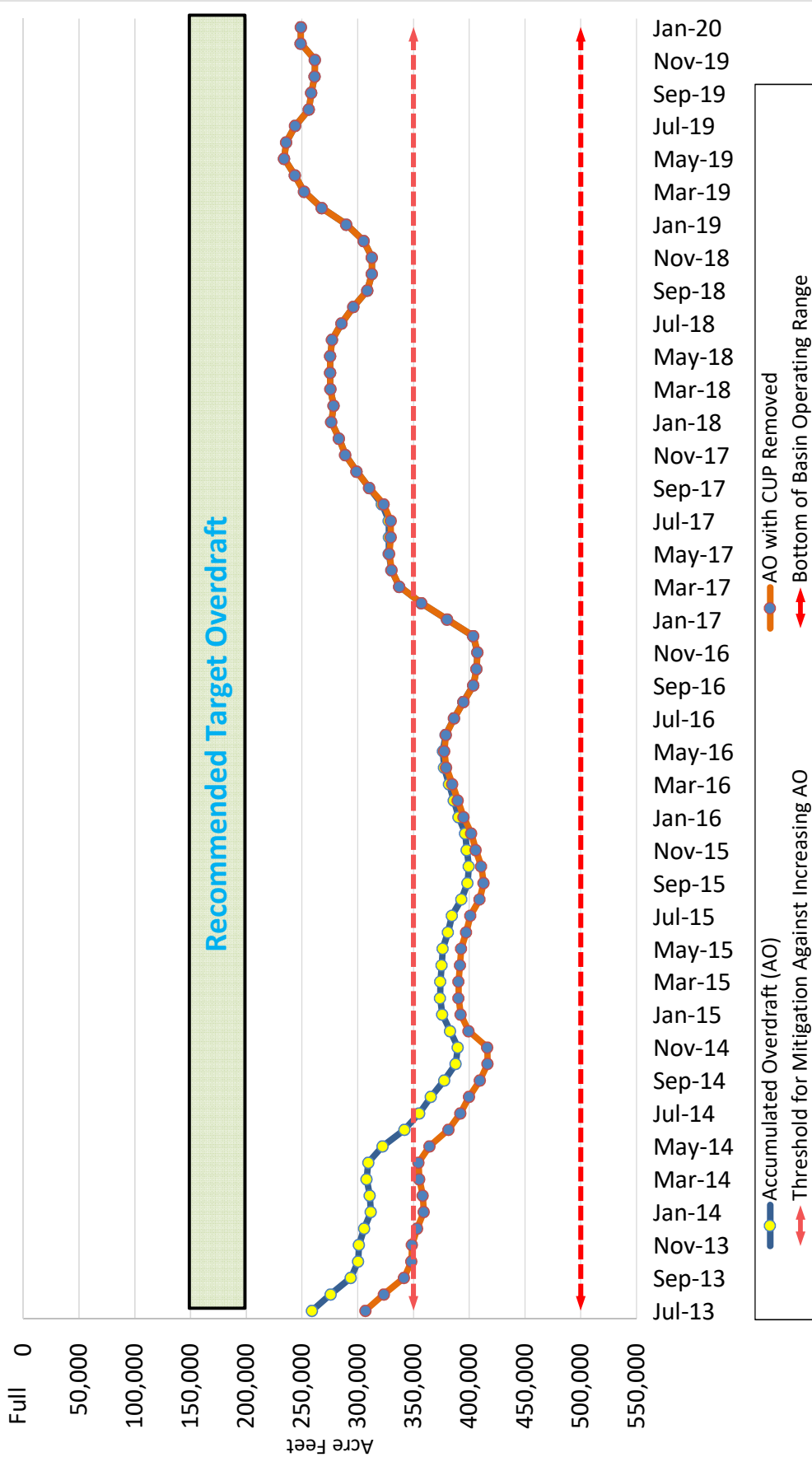
SWP TABLE A ALLOCATION

FOR STATE WATER PROJECT CONTRACTORS





Accumulated Overdraft of the OCWD Groundwater Basin as of January 2020

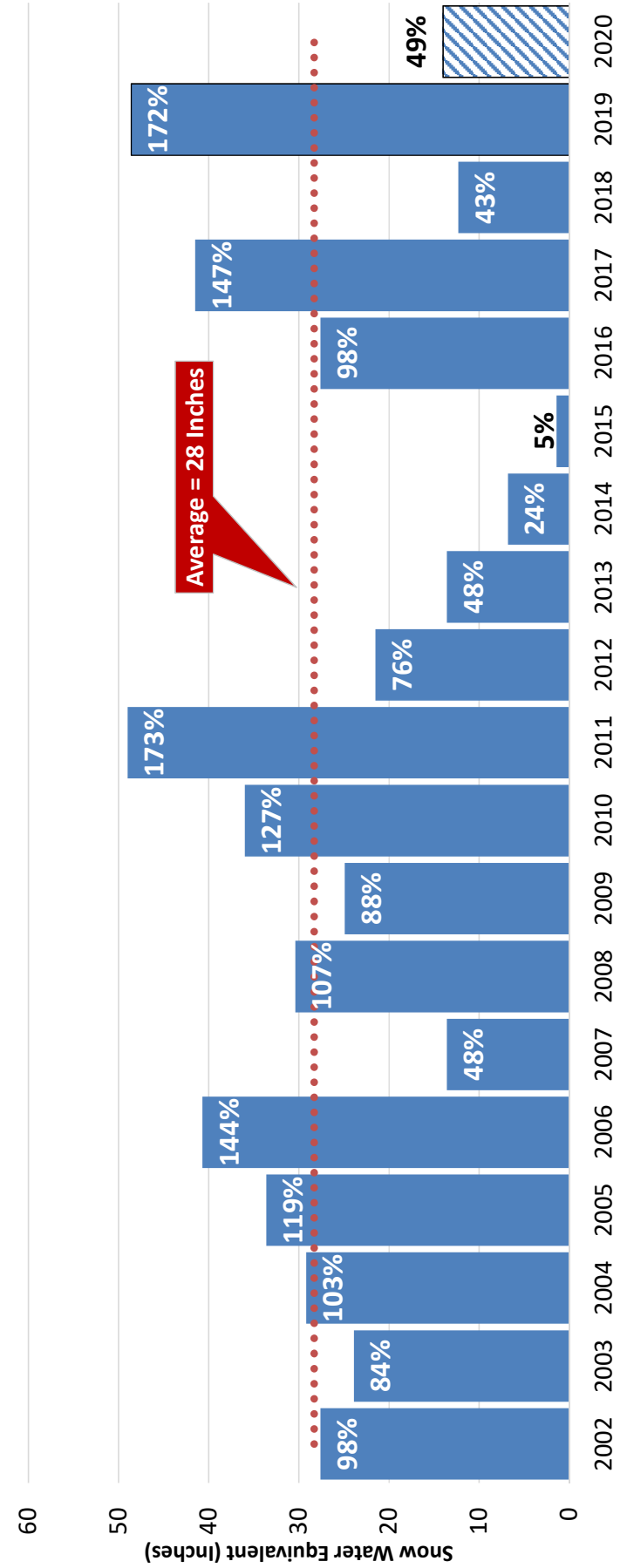


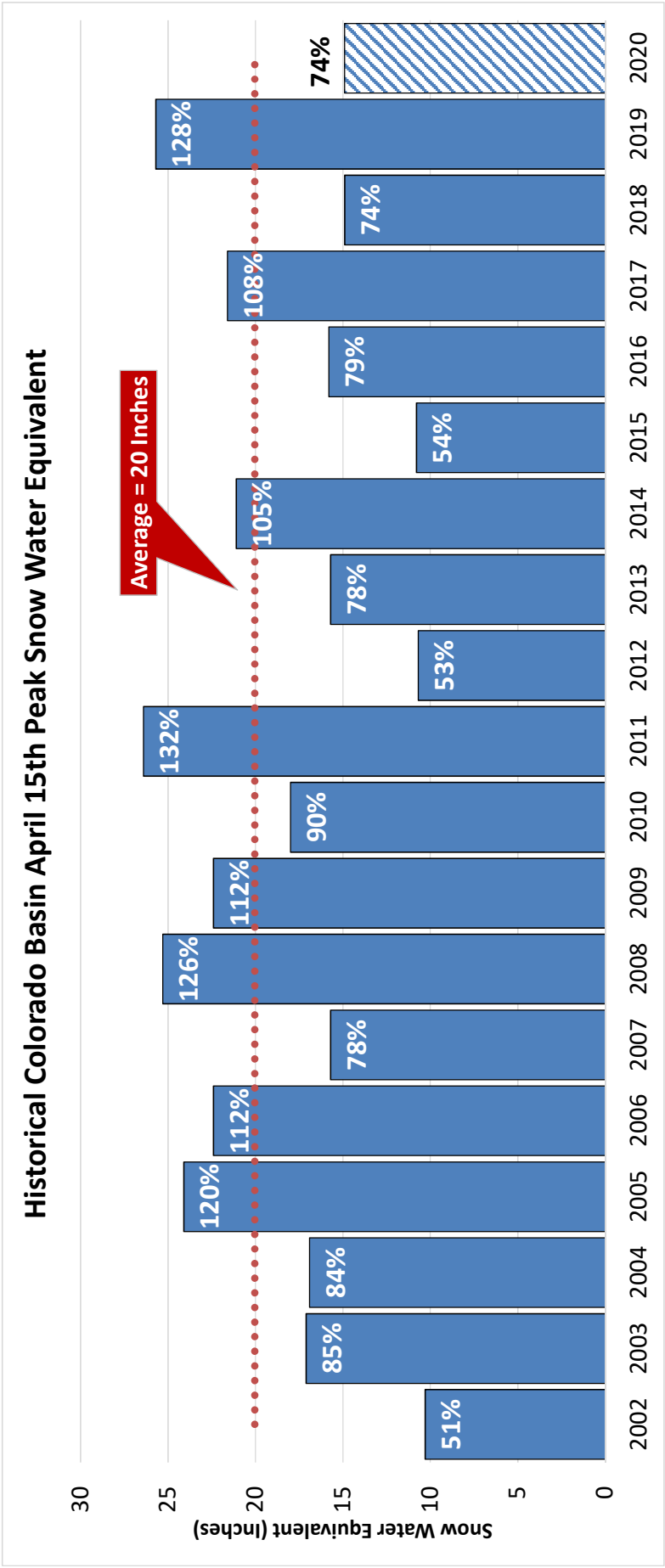
	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19
AO (AF)	285,494	296,106	308,748	312,758	312,782	305,367	289,860	267,879	251,876	243,604	234,048	236,005
AO w/CUP removed (AF)	285,494	296,106	308,748	312,758	312,782	305,367	289,860	267,879	251,876	243,604	234,048	236,005
	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20
AO (AF)	244,057	256,239	258,445	261,464	261,645	248,909	249,051					
AO w/CUP removed (AF)	244,057	256,239	258,446	261,464	261,645	248,909	249,051					

* Source ~ OCWD Monthly Board of Directors Packet



Historical Northern California April 1st Peak Snow Water Equivalent

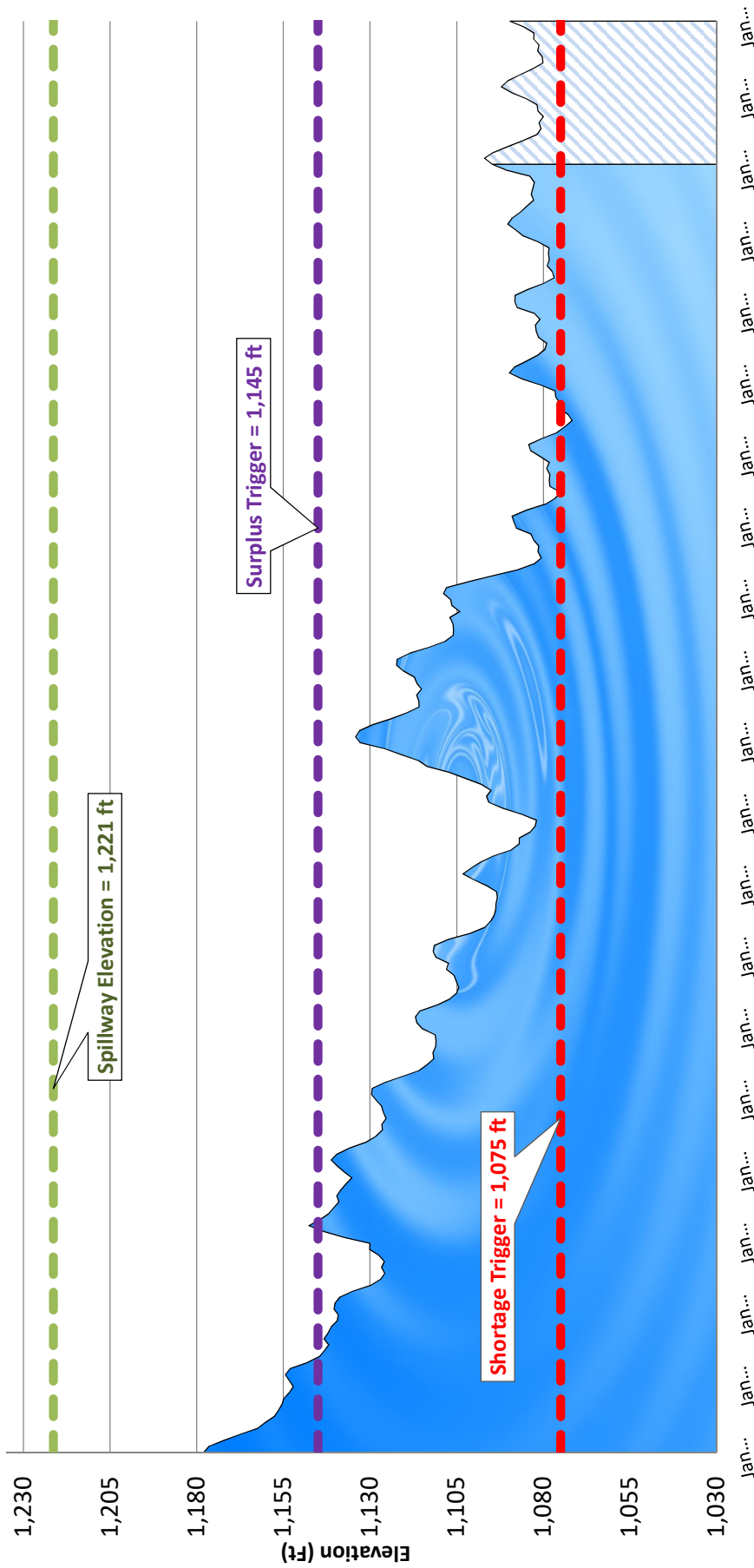






Lake Mead Levels: Historical and Projected projection per USBR 24-Month Study

☒ Historical ☐ Projected





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

■ Historical □ Projected

