

MEETING OF THE BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Jointly with the
ADMINISTRATION & FINANCE COMMITTEE
April 12, 2023, 8:30 a.m.

This meeting will be held in person. As a convenience for the public, the meeting may also be accessed by Zoom Webinar and will be available by either computer or telephone audio as indicated below. Because this is an in-person meeting and the Zoom component is not required, but rather is being offered as a convenience, if there are any technical issues during the meeting, this meeting will continue and will not be suspended.

Computer Audio: You can join the Zoom meeting by clicking on the following link:
<https://zoom.us/j/8828665300>

Telephone Audio: (669) 900 9128 fees may apply
(877) 853 5247 Toll-free
Webinar ID: 882 866 5300#

A&F Committee:
Director Dick, Chair
Director Thomas
Director Crane

Staff: H. De La Torre, J. Berg, C. Harris,
K. Davanaugh, H. Chumpitazi

Ex Officio Member: Director Yoo Schneider

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.

ROLL CALL

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>.

PRESENTATION ITEMS

1. PRESENTATION REGARDING THE WATER ENERGY EDUCATION ALLIANCE (WEEA)

2. REVIEW OF STANDARDIZED REGULATORY IMPACT ASSESSMENT OF PROPOSED MAKING WATER CONSERVATION A CALIFORNIA WATER OF LIFE REGULATION

PROPOSED BOARD CONSENT CALENDAR ITEMS

3. TREASURER'S REPORT
 - a. Revenue/Cash Receipt Report – March 2023
 - b. Disbursement Approval Report for the month of April 2023
 - c. Disbursement Ratification Report for the month of March 2023
 - d. GM Approved Disbursement Report for the month of March 2023
 - e. Consolidated Summary of Cash and Investment –February 2023
 - f. OPEB and Pension Trust Fund statements
4. FINANCIAL REPORT
 - a. Combined Financial Statements and Budget Comparative for the Period Ending February 28, 2023

ACTION ITEM

5. REVIEW INFORMATION REGARDING PUBLIC HEARING (SCHEDULED FOR APRIL 19, 2023) TO ADOPT ORDINANCE SUPERSEDING AND REPEALING MWDOC ORDINANCE NO. 54 REGARDING COMPENSATION FOR DIRECTORS
6. ADOPTION OF THE THIRD DRAFT BUDGET FOR FISCAL YEAR 2023-24
7. PROPOSED MWDOC WATER RATE RESOLUTION FOR FISCAL YEAR 2023-24

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

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

OTHER ITEMS

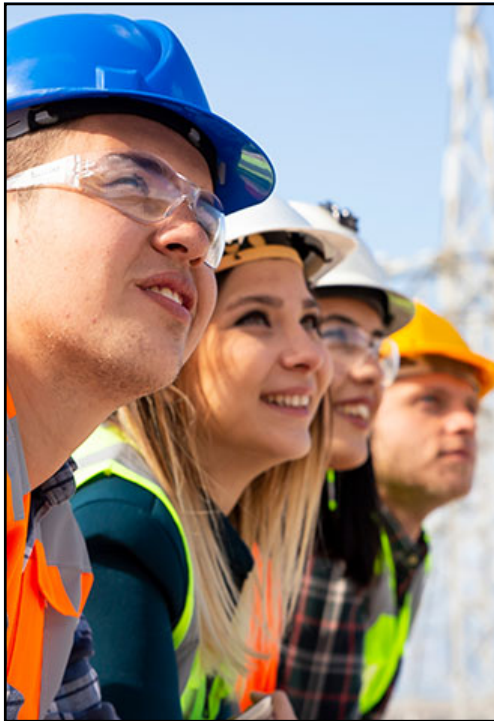
10. REVIEW ISSUES REGARDING DISTRICT ORGANIZATION, PERSONNEL MATTERS, EMPLOYEE BENEFITS FINANCE AND INSURANCE

ADJOURNMENT

NOTE: At the discretion of the Committee, all items appearing on this agenda, whether or not expressly listed for action, may be deliberated, and may be subject to action by the Committee. On those items designated for Board action, the Committee reviews the items and makes a recommendation for final action to the full Board of Directors; final action will be taken by the

Board of Directors. Agendas for Committee and Board meetings may be obtained from the District Secretary. Members of the public are advised that the Board consideration process includes consideration of each agenda item by one or more Committees indicated on the Board Action Sheet. Attendance at Committee meetings and the Board meeting considering an item consequently is advised.

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



Water Energy Education Alliance
*Combining Resources, Experience,
 and Expertise to Advance Workforce*

APRIL 14, 2023 • MWDOC A&F

Tiffany Baca
 Public Affairs Manager, MWDOC
 Executive Director, WEEA
 Email: TBaca@mwdoc.com

2022/23 WEEA Sponsors:



California Environmental Education Foundation | Big Picture Learning | California Community Colleges

1

Mission, Vision, and Values
 The Foundation for the Work



Mission
 Administered and led by the Municipal Water District of Orange County, the Water Energy Education Alliance (WEEA) is a statewide coalition of education and industry leaders working together to build and strengthen quality career pathways to water and energy jobs for all California students.

Vision
 The Water Energy Education Alliance (WEEA) will serve as the connector between formal and informal educational institutions and the water and energy sector to create visible, equitable, and sustainable career pathways to top-quality, living-wage jobs that ultimately contribute to the welfare of industry, industry workers and their families, and to the health of the state's economy.

- Values**
- Collaboration
 - Quality
 - Generosity
 - Leadership
 - Courage
 - Appreciation
 - Respect
 - Endurance
 - Justice



2

WEEA by the Numbers

Participation Since 2020

Industry

Water, Wastewater, and Energy

Education

Colleges, Offices of Education, School Districts, Schools, ROPs, student support services

Other

857 Hours (FY 2020-21)
• Executive Director
• One PT Assistant
291 Hours (FY 2021-22)
• Executive Director
• ½ PT Assistant
207 Hours So Far (FY 2022-23)
• Executive Director
• PA Staff Support

Participant Breakdown

- *Hiring Managers*
- *Educators*
- *Workforce Specs.*

- *Human Resources*
- *Program Mgrs.*
- *Communicators*

- *Counselors*
- *GMs/Board*
- *Administrators*

Participation Growth

12 Meetings

5 Sponsors

175+ Orgs.

415% Increase

3

Why WEEA?

High-quality, sustainable career pathways

①

A Holistic Approach to Water Education

- K-14 students are tomorrow's voters, homeowners, and workforce
- Supports community efforts to connect students to living-wage jobs

②

Industry Solutions to Workforce Challenges

- Contribute to quality education programs that align with workforce needs
- Ensure time and effort on workforce strategies are well-spent

③

Unified Collaboration With Key Partners

- Pool resources to bridge gaps in expertise, information, and collateral
- Build relationships that solve collective problems – End the endless loop!

4

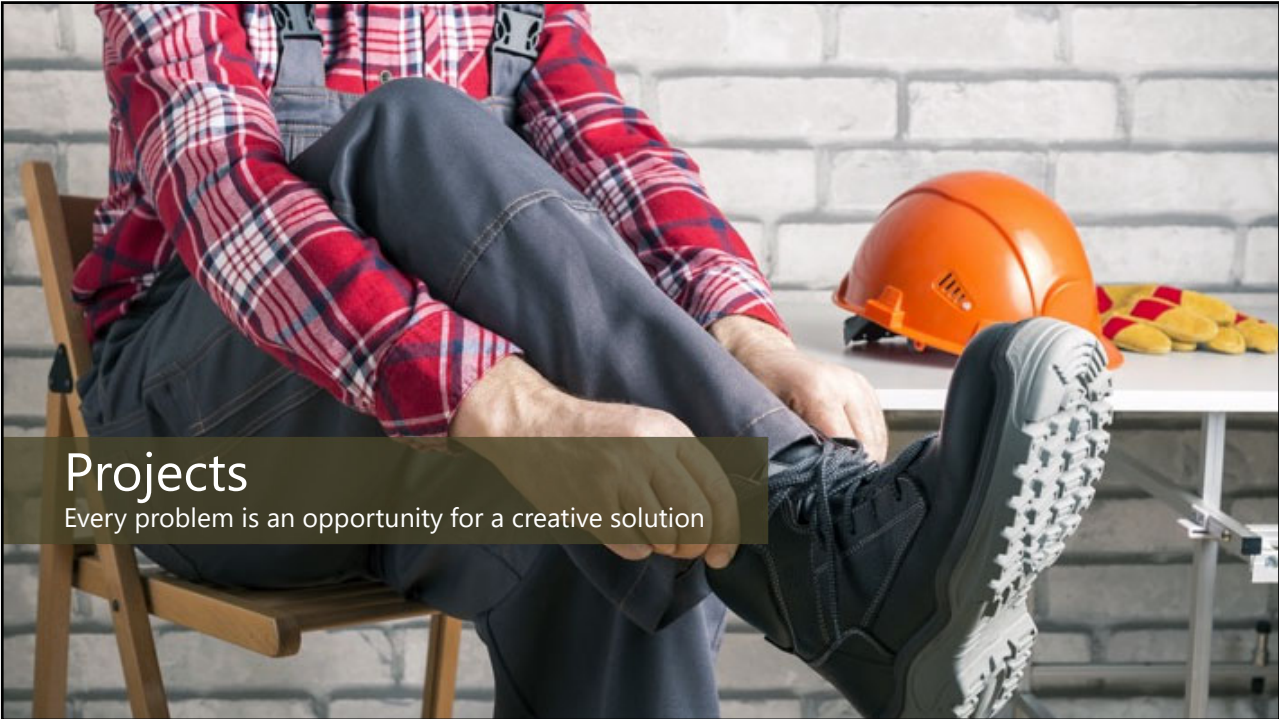
The Approach

A connector between industry and education



- 1 Open Dialogue, Collective Problem Solving**
 - Learn a new language!
 - Develop deeper, sustainable relationships
- 2 Breaking Down Silos**
 - Create quality programs and collateral with input from all perspectives
 - Accomplish more, quicker, with like-minded cohorts
- 3 Inspiration and Support**
 - A catalyst for transformational shifts in current systems and culture
 - Strength in numbers – grant awards and program support

5



Projects

Every problem is an opportunity for a creative solution

6

Projects – Teacher Trainings

Hands-On Instruction and Guidance



4 Workshops

- Live, virtual trainings
- Industry opportunity to address participants
- Led by teachers in water/wastewater



153 Teachers

- Approx. 5 classrooms of 30 students each teacher
- Free curriculum
- Training that lasts a lifetime



23,000 Students

- With new students every year!



95 Projects


- In-class projects while learning
- Water-Centric topics with a careers component



7

Projects – Career Brochures

Every problem is an opportunity for a creative solution



- ①

FREE For Everyone – Distributed Statewide

 - Now offered in nine (9) languages!
 - AB 735 (Berman) could put them in every high school in the state
 - More than 25,000 copies in distribution today!
- ②

Written For Today's Job Seekers

 - In-depth discovery on what potential candidates want in a career
 - Why, How, and What
- ③

Multiple Ways To Use Them

 - Websites, job fairs, along job postings and more!
 - Shared with teachers, school counselors, students, Community and State Colleges (also through MESA), community events, and more!

Download at: mwdoc.com/WEEA


UNA GRAN VIDA COMIENZA CON UNA PROFESIÓN QUE AMAS.

Los trabajadores del agua están al frente de la salud pública y la protección del medio ambiente. Se dedican a proporcionar agua limpia, segura y confiable a hogares, empresas, manufactura, producción de alimentos y más.

- Un Servicio Esencial**
El agua es vida. Una trayectoria en el sector de agua contribuye a la salud de las personas, el medio ambiente y la economía.
- Un Equipo Unido**
Los trabajadores del sector de agua son un grupo unificado de profesionales que están comprometidos con un propósito significativo.
- Un Futuro Sostenible**
Únase a una fuerza laboral que todos los días preserva y protege el recurso natural más preciado de nuestro planeta.

www.waterecruitment.org

ELIJA AGUA. MÁS QUE UN SIMPLE TRABAJO.



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SU BÚSQUEDA DE UNA CARRERA PROFESIONAL GRATIFICANTE TERMINA HOY!


CHOOSE A CAREER WITH A BRIGHT FUTURE.

Energy workers are responsible for providing a reliable power supply to keep vital infrastructure, homes, and businesses running. Energy sector jobs are among the most critical in the world.

- A Vital Service**
Careers in energy are crucial to a sustainable future. Our economy, well-being, and way of life depend on it.
- A Meaningful Career**
Energy is an essential resource that powers our communities, our health and safety, and the economy.
- A Growing Profession**
Join a workforce with a vision for the future fuelled by new ideas and innovation.

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YOUR FUTURE STARTS NOW!

8

Projects – Statewide Report

Every problem is an opportunity for a creative solution

Report Prepared By:  **C.O.E.**
CENTERS OF EXCELLENCE FOR LABOR MARKET RESEARCH

Advisory Group:



- 1 **Awareness**
 - Increase awareness to attract more students and job candidates
- 2 **Diversity**
 - Increase diversity and build on existing efforts
- 3 **Partnership**
 - Improve partnerships to make them more effective
- 4 **Skills**
 - Identify required skills and help students prepare for these occupations




9

Quick Stats


Labor Market Analysis (LMI) and Survey Results

Traditional LMI includes job counts, projections, wage data, typical education requirements, and other data collected and published by public agencies such as the Bureau of Labor Statistics (BLS), Census Bureau, and California Employment Development Department.

545 Employers




83k Employees




97.8% response

81% Utilities



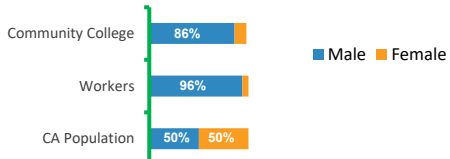
20 Colleges

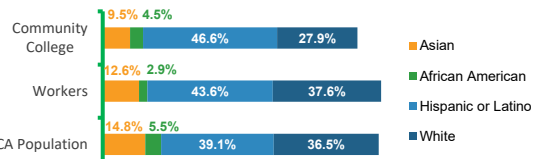


27 identified

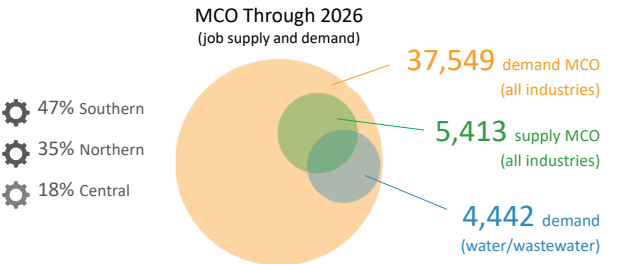
8 Mission-Critical Occupations (MCO)

Electrical, Maintenance, and Operational (workforce)





MCO Through 2026 (job supply and demand)



Organizations Surveyed with DE&I Strategies

✔ 43%
 ✘ 36%
 ? 21%

10

Projects – Statewide Report

Report Recommendations

1 **Build and Improve Awareness.**
Evaluate existing campaigns to attract potential employees.*

5 **Address Equity Gaps.**
Develop targeted marketing efforts for a diverse student population.*

2 **Increase Partnership Effectiveness.**
Strengthen advisory boards and pipelines. Develop richer student experiences.*

6 **Examine Current Workforce.**
Ensure upward mobility opportunities and participation rates for traditionally underrepresented groups. (I)

3 **Conduct Further Research.**
Explore emerging occupations due to technological advancements, and essential skills needed that aren't reflected in current job postings. (I)


7 **Illuminate Options.**
Provide students with sufficient knowledge to enter employment in a variety of industries. (CC)


4 **Develop Cooperative Work Experiences.**
Help students earn as they learn skills.*

*Indicates Joint Effort | CC Community College – and I – Industry



11





THANK YOU!

The next...






Water Energy Education Alliance

Leadership Panel Discussion & Tour

JULY 31 • PURE WATER

In Partnership with DWR and Metropolitan

2022/23 WEEA Sponsors:

California Environmental Education Foundation | Big Picture Learning | California Community Colleges

12



PRESENTATION ITEM
April 12, 2023

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

FROM: Harvey De La Torre, Interim General Manager

Staff Contact: J. Berg, Director of Water Use Efficiency

SUBJECT: Review of Standardized Regulatory Impact Assessment of Proposed Making Water Conservation a California Water of Life Regulation

STAFF RECOMMENDATION

Staff recommends the Administration & Finance Committee receive and discuss this report.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

DETAILED REPORT

Staff continues to engage with the State Water Resources Control Board (Water Board) and their staff regarding the developing Making Conservation a California Way of Life framework called for in SB 606 and AB 1668. Most recently, staff asked David Mitchell of M. Cubed to provide a high-level review of the Standardized Regulatory Impact Assessment (SRIA) completed by the Water Board and submitted to the California Department of Finance on March 10, 2023. Making Conservation a California Way of Life is considered a “major regulation” with an economic impact greater than \$50 million and is therefore subject to a SRIA as defined in Senate Bill 617, Chapter 496, Statutes of 2011.

David Mitchell will present, via zoom, his findings at MWD OC’s April 12, 2023, Administration & Finance Committee Meeting.

The high-level review was intended to look for significant issues in the SRIA both quickly and at a nominal cost. As noted by M. Cubed, significant issues were found with the Water Board’s assumptions. A deeper investigation could be warranted should the MWD OC Board be interested. This could be accomplished at a cost not to exceed \$20,000 and within a two-week timeframe. This expenditure is within the General Manager’s authority and could

Budgeted (Y/N): Y	Budgeted amount: \$6,000	Core <u>X</u>	Choice <u> </u>
Action item amount: GM Authority		Line item: 35 - 7040	
Fiscal Impact (explain if unbudgeted): This expenditure is being funded with WUE Research funds in an amount not to exceed \$6,000.			

be accommodated through budgeted Research and Professional Services funding within Water Use Efficiency Cost Center 35.

Since the comment period already closed following the March 20, 2023 Water Board Workshop, staff will express the concerns identified by M. Cubed to the Water Board during the formal rulemaking process tentatively scheduled to begin later this spring. In the meantime, staff has highlighted the concerns to the member agencies at the April 6th Water Conservation Coordinator Workgroup.

**Municipal Water District of Orange County
REVENUE / CASH RECEIPT REPORT
March 2023**

WATER REVENUES

<u>Date</u>	<u>From</u>	<u>Description</u>	<u>Amount</u>
3/01/2023	Trabuco Canyon Water District	January 2023 Water deliveries	97,226.19
3/03/2023	City of Huntington Beach	January 2023 Water deliveries	244,708.18
3/03/2023	City of San Clemente	January 2023 Water deliveries	490,182.57
3/06/2023	City of La Habra	January 2023 Water deliveries	6,931.31
3/06/2023	City of La Palma	January 2023 Water deliveries	672.34
3/06/2023	El Toro Water District	January 2023 Water deliveries	412,513.72
3/06/2023	Serrano Water District	January 2023 Water deliveries	8,523.47
3/06/2023	South Coast Water District	January 2023 Water deliveries	311,528.13
3/09/2023	City of Westminster	January 2023 Water deliveries	14,948.03
3/10/2023	Laguna Beach County Water District	January 2023 Water deliveries	126,905.23
3/13/2023	City of Buena Park	January 2023 Water deliveries	42,754.91
3/13/2023	Santa Margarita Water District	January 2023 Water deliveries	1,422,151.39
3/13/2023	Santa Margarita Water District (ID9)	January 2023 Water deliveries	66,763.34
3/14/2023	City of Orange	January 2023 Water deliveries	51,407.90
3/14/2023	East Orange Co Water District	January 2023 Water deliveries	399,599.04
3/15/2023	City of Seal Beach	January 2023 Water deliveries	11,701.74
3/15/2023	Golden State Water Company	January 2023 Water deliveries	618,003.26
3/15/2023	Irvine Ranch Water District	January 2023 Water deliveries	740,548.47
3/15/2023	Moulton Niguel Water District	January 2023 Water deliveries	1,413,185.31
3/15/2023	Orange County Water District	January 2023 Water deliveries	295,548.49
3/15/2023	Yorba Linda Water District	January 2023 Water deliveries	121,672.74
3/10/2023	City of Garden Grove	February 2023 Water deliveries	60,930.36
3/17/2023	City of Fountain Valley	February 2023 Water deliveries	6,288.41
3/24/2023	City of Brea	February 2023 Water deliveries	8,826.38
3/29/2023	City of Newport Beach	February 2023 Water deliveries	525,134.29
3/30/2023	Serrano Water District	February 2023 Water deliveries	8,523.47
3/31/2023	City of Huntington Beach	February 2023 Water deliveries	253,654.78
3/31/2023	City of San Clemente	February 2023 Water deliveries	524,350.18
3/31/2023	City of Seal Beach	February 2023 Water deliveries	11,339.04
3/31/2023	South Coast Water District	February 2023 Water deliveries	313,842.74
3/31/2023	Trabuco Canyon Water District	February 2023 Water deliveries	112,541.46

TOTAL WATER REVENUES \$ 8,722,906.87

**Municipal Water District of Orange County
REVENUE / CASH RECEIPT REPORT
March 2023**

MISCELLANEOUS REVENUES

<u>Date</u>	<u>From</u>	<u>Description</u>	<u>Amount</u>
3/29/2023	Stephen Blount	2/9/2023 Water Policy dinner registration	90.00
3/06/2023	Laguna Beach County Water District	2/9/2023 Water Policy dinner registration	90.00
3/06/2023	Metropolitan Water District	2/9/2023 Water Policy dinner registrations	1,700.00
3/06/2023	WePay	2/9/2023 Water Policy dinner registrations	2,364.06
3/06/2023	Karl Seckel	March 2023 Retiree Health insurance	184.29
3/29/2023	Stan Sprague	April 2023 Retiree Health insurance	184.79
3/30/2023	Keith Lyon	April 2023 Retiree Health insurance	184.29
3/22/2023	Igoe and Company Inc	COBRA Health and Vision insurance	733.00
3/17/2023	US Bank Custodial Account	Citigroup Interest payment	1,252.16
3/22/2023	US Bank Custodial Account	Toyota Financial Interest payment	4,525.00
3/31/2023	US Bank	Monthly Interest	71.74
3/13/2023	Larry Dick	Reimbursement for MWDOC Promotional Items purchase and business expense	470.08
3/17/2023	Ramona Municipal Water District	Reimbursement for Lodging for ICS 300 Training - Vicki Osborn	356.40
3/22/2023	Orange County Water District	OC Water Summit - OCWD Cost share	13,035.19
3/21/2023	City of Seal Beach	January 2023 Turf Removal rebate program	111.00
3/29/2023	Laguna Beach County Water District	January 2023 High Efficiency Clothes Washer rebate program	130.00
3/31/2023	Trabuco Canyon Water District	February 2023 High Efficiency Clothes Washer rebate program	870.00
3/13/2023	City of Newport Beach	December 2022 Turf Removal and Spray to Drip rebate program	222.00
3/31/2023	City of Seal Beach	December 2022 Turf Removal and Spray to Drip rebate program	333.00
3/17/2023	City of Brea	January 2023 Turf Removal and Spray to Drip rebate program	777.00
3/29/2023	City of La Habra	January 2023 Turf Removal and Spray to Drip rebate program	222.00
3/31/2023	City of Brea	February 2023 Turf Removal and Spray to Drip rebate program	888.00
3/22/2023	Mesa Water District	November 2022 Smartimer, Turf Removal and Spray to Drip rebate program	804.74
3/29/2023	Mesa Water District	January 2023 Smartimer, Turf Removal and Spray to Drip rebate program	510.73
3/31/2023	Trabuco Canyon Water District	January 2023 Smartimer, Spray to Drip and High Efficiency Clothes Washer rebate program	492.86
3/15/2023	Moulton Niguel Water District	January 2023 Smartimer, Rotating Nozzles, Turf Removal and High Efficiency Clothes Washer rebate program	8,393.00
3/15/2023	Orange County Water District	Apr-Jun 2022 Dedicated Irrigation Meters Landscape Area Measurement program	37,732.35
3/31/2023	City of Tustin	FY 2022-24 Dedicated Irrigation Meters Landscape Area Measurement program	17,000.00
3/22/2023	East Orange Co Water District	FY 2021-22 O & M Costs of the EOCF #2	38,136.72
3/24/2023	City of Huntington Beach	FY 2021-22 O & M Costs of the EOCF #2	18,606.84
3/29/2023	City of Newport Beach	FY 2021-22 O & M Costs of the EOCF #2	18,433.86
3/29/2023	Laguna Beach County Water District	FY 2021-22 O & M Costs of the EOCF #2	4,376.55
3/29/2023	Moulton Niguel Water District	FY 2021-22 O & M Costs of the EOCF #2	131,296.37
3/29/2023	Mesa Water District	Water Loss Control Shared Services FY 2022-23	8,608.00
TOTAL MISCELLANEOUS REVENUES			\$ 313,186.02
TOTAL REVENUES			\$ 9,036,092.89


Harvey De La Torre, Interim General Manager


Hilary Chumpitazi, Treasurer

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of April 2023**

Vendor/ Invoice	Description	Amount to Pay
Core Disbursements:		
Accent Computer Solutions LLC		
157077	April 2023 IT support services	7,483.00
Total		7,483.00
ACCO Engineered Systems Inc		
20377125	3/1/23-5/31/23 HVAC preventative maintenance	1,882.00
20381134	03/10/23 HVAC repair service on VAV 32	589.00
Total		2,471.00
Ackerman Consulting-Richard C Ackerman		
1366	March 2023 Legal and regulatory specialized consulting services	3,500.00
Total		3,500.00
Aleshire & Wynder LLP		
74140/74141	February 2023 Legal Services	262.50
74749/74750	March 2023 Legal Services	2,288.03
Total		2,550.53
Alta FoodCraft		
12302176	03/03/23 Coffee and tea supplies	162.55
Total		162.55
Best Best and Krieger LLP		
55401-FEB23	February 2023 Legal Services	15,035.00
959905	February 2023 State Advocacy Agreement services	8,000.00
Total		23,035.00
California Water Efficiency Partnership		
UCDCWEEM&V-168	Support for Water Savings Measurement and Verification Research Project	10,000.00
Total		10,000.00
CDM Smith		
90175410	March 2023 Services for water resource planning	2,636.00
Total		2,636.00
CSU Fullerton ASC		
AR172796	01/01/23-03/31/23 Center for Demographic Research support	14,365.50
Total		14,365.50

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of April 2023**

Vendor/ Invoice	Description	Amount to Pay
Green Thumb (Indoor Plant Care) LLC-Dedo Verde Interior		
20230381	April 2023 Indoor plant service	305.50
Total		305.50
Dopudja & Wells Consulting Inc		
1219	February 2023 Consulting services on MET Strategic Issues and Priorities	6,342.50
Total		6,342.50
E Source Companies LLC		
22187	February 2023 Technical Assistance Program services for Water Loss Control	800.00
22188	February 2023 Business Plan Implementation services	1,240.00
Total		2,040.00
Means Consulting-Edward G Means III		
MWDOC-1111	March 2023 MET issues & strategic guidance to staff	1,187.50
Total		1,187.50
GTS Architecture Inc		
1279	February 2023 MWDOC Office kitchen and ADA ramp architectural and engineering	3,282.50
Total		3,282.50
Hashtag Pinpoint Corporation		
1727	March 2023 Social Media consultation and services	7,913.00
Total		7,913.00
Jill Promotions		
11630	Name badges for ten staff members	204.48
11692	Staff and PA department apparel order	1,540.88
Total		1,745.36
Lawnscape Systems Inc		
437252	March 2023 Landscape Maintenance for Atrium	495.00
Total		495.00
Phil Letrong		
33123	January-March 2023 Retiree medical premium	494.70
Total		494.70
Keith Lyon		
33123	January-March 2023 Retiree medical premium	989.40
Total		989.40

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of April 2023**

Vendor/ Invoice	Description	Amount to Pay
M Cubed		
5844	Urban Water Standards SRIA Review and Analysis	3,000.00
Total		3,000.00
Natural Resource Results LLC		
4304	March 2023 Federal Advocacy Agreement services	8,000.00
Total		8,000.00
NDS		
815720	03/10/23 Board packet delivery service	134.72
815909	03/31/23 Board packet delivery service	134.72
Total		269.44
ODP Business Solutions LLC		
301299186001	03/06/23 Office supplies	66.69
303408817001	03/14/23 Office supplies	545.21
303906932001	03/16/23 Office supplies	63.05
Total		674.95
Office Solutions		
I-02098615	03/07/23 Business cards for staff member	62.80
I-02103400	03/20/23 Office supplies	30.44
I-02103748	03/21/23 Office supplies	155.24
I-02104898	03/22/23 Office supplies	76.13
I-02109462	04/03/23 Office supplies	302.05
Total		626.66
County of Orange		
R1292	November 8, 2022 General Election expense - Division 2	284,662.39
R1293	November 8, 2022 General Election expense - Division 5	358,788.52
Total		643,450.91
Orange County Water District		
25218	February 2023 Postage, shared office & maintenance expense	12,748.25
Total		12,748.25
Patricia Meszaros		
33123	January-March 2023 Retiree medical premium	494.70
Total		494.70
Paul Redvers Brown Inc		
DOC017	February-March 2023 MWDOC Board Strategic Planning Workshop Facilitation	3,407.50
Total		3,407.50

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of April 2023**

Vendor/ Invoice	Description	Amount to Pay
Soto Resources-Joey C Soto		
GA-FEB-72	February 2023 Grant Research and Acquisition Assistance	3,250.00
GA-MAR-73	March 2023 Grant Research and Acquisition Assistance	3,250.00
Total		6,500.00
The Westin South Coast Plaza		
M-Q52J8DE	Event facility deposit for MWDOC Water Policy Forum & Dinner on 06/22/23	3,000.00
Total		3,000.00
Water System Consulting Inc		
7744	February 2023 Water Use Efficiency Economic Analysis	4,206.25
Total		4,206.25
Whittingham Public Affairs Advisors		
1930	April 2023 Strategic Advisory services	6,000.00
Total		6,000.00
Total Core Expenditures		783,377.70
 Choice Expenditures:		
Building Block Entertainment Inc		
3606-3	March 2023 Choice Elementary School Program K-2	12,050.00
Total		12,050.00
Ferguson Enterprises LLC		
8414	Three 3/4" Solid State Meters	669.45
Total		669.45
McCall's Meter Sales & Service		
35704	March 2023 Meter Accuracy Testing for South Coast Water District	3,335.00
Total		3,335.00
Mission RCD		
3354	March 2023 Field inspection and verification for Water Use Efficiency rebate programs	5,318.33
Total		5,318.33
Orange County Dept of Education		
94SI3286	February 2023 Choice School Programs for grades 3-5 and 9-12	27,075.63
Total		27,075.63

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of April 2023**

Vendor/ Invoice	Description	Amount to Pay
Orange County Water District		
25218	February 2023 Postage for Water Use Efficiency rebate programs	87.00
Total		87.00
Westerly Meter Service Co-Lane M Matsuno		
17283	March 2023 Meter Accuracy Testing for City of Newport Beach	1,080.00
17294	March 2023 Meter Accuracy Testing for City of Fountain Valley	4,800.00
Total		5,880.00
Total Choice Expenditures		54,415.41
 Other Funds Expenditures:		
E Source Companies LLC		
22187	February 2023 Technical Assistance Program services for Water Loss Control	50,440.00
Total		50,440.00
Mission RCD		
3354	March 2023 Field inspection and verification for Water Use Efficiency rebate programs	6,105.00
Total		6,105.00
ODP Business Solutions LLC		
301299186001	03/06/23 Office supplies	44.01
Total		44.01
The Plant Nerd		
7747	February 2023 Landscape Design and Landscape Maintenance Assistance Program	21,550.00
7804	March 2023 Landscape Design and Landscape Maintenance Assistance Program	17,620.00
Total		39,170.00
Soto Resources-Joey C Soto		
SA-FEB-73	February 2023 Grant Administration Services for Prop 1 North	660.00
Total		660.00
Total Other Funds Expenditures		96,419.01
Total Expenditures		934,212.12

Municipal Water District of Orange County
Disbursement Ratification Report
For the Month of March 2023

Name/ Date	Check/ EFT	Invoice	Description	Amount
Core Disbursements:				
Heather Baez				
3/31/2023	EFT	22323	February 2023 Business expense	161.44
3/31/2023	EFT	32823	February-March 2023 Business expense	900.58
Total				1,062.02
Joseph Berg				
3/31/2023	EFT	32223	March 2023 Business expense	447.37
Total				447.37
Charles Busslinger				
3/31/2023	EFT	22323	February 2023 Business expense	195.31
Total				195.31
Corodata Records Management inc				
3/15/2023	EFT	RS4886079	February 2023 Records Storage Fees	58.67
Total				58.67
Randall Crane				
3/31/2023	142059	22623	February 2023 Business expense	209.60
Total				209.60
Larry Dick				
3/31/2023	EFT	22823	February 2023 Business expense	25.55
Total				25.55
Maribeth Goldsby				
3/31/2023	EFT	32423	March 2023 Business expense	78.70
Total				78.70
Cathleen Harris				
3/31/2023	EFT	10523	January 2023 Business expense	109.23
3/31/2023	EFT	30823	March 2023 Business expense	177.98
Total				287.21
Irvine Ranch Water District				
3/31/2023	142061	32123	Refund two M.Van Dyke 2/9/23 Water Policy Forum & Dinner registrations due to three charges	180.00
Total				180.00
Al Nederhood				
3/31/2023	EFT	22723	February 2023 Business expense	204.77
Total				204.77

Municipal Water District of Orange County
Disbursement Ratification Report
For the Month of March 2023

Name/ Date	Check/ EFT	Invoice	Description	Amount
Megan Schneider				
3/31/2023	EFT	21323	February 2023 Business expense	53.77
Total				<u>53.77</u>
Karl Seckel				
3/31/2023	EFT	22823	February 2023 Business expense	807.58
Total				<u>807.58</u>
Spectrum Business				
3/06/2023	141948	375210030123	March 2023 Telephone and internet expense	1,782.17
3/21/2023	141967	343564031023	March 2023 Telephone expense for one fax line	39.99
Total				<u>1,822.16</u>
US Bank				
3/31/2023	142065	2978/4192/8910-FEB23	01/24/23-02/22/23 Cal Card Charges	19,332.37
Total				<u>19,332.37</u>
Verizon Wireless				
3/06/2023	141949	9928454969	February 2023 4G Mobile broadband unlimited service	114.03
Total				<u>114.03</u>
Total Core Disbursements				<u>24,879.11</u>
Choice Disbursements:				
Rachel Davis				
3/31/2023	EFT	22223	February 2023 Business expense	111.10
Total				<u>111.10</u>
US Bank				
3/31/2023	142065	8910-FEB23	01/24/23-02/22/23 Cal Card Charges	2,519.00
Total				<u>2,519.00</u>
US Bank Voyager Fleet Systems				
3/15/2023	EFT	8694349932308	1/25/23-2/24/23 Fuel for Water Loss Control Shared Services vehicles	537.45
Total				<u>537.45</u>
Total Choice Disbursements				<u>3,167.55</u>

Municipal Water District of Orange County
 Disbursement Ratification Report
 For the Month of March 2023

Name/ Date	Check/ EFT	Invoice	Description	Amount
Other Funds Disbursements:				
City of Big Bear Lake				
3/31/2023	142055	022823B	Prop 1 Project Partner Reimbursement per Report 5	6,764.76
Total				6,764.76
AT&T				
3/15/2023	141952	19562626	February 2023 Telephone expense for WEROC Primary & N. EOC	479.42
Total				479.42
Mesa Water District				
3/15/2023	EFT	11060	January 2023 Credit for Local Resources program	1,916.58
Total				1,916.58
Metropolitan Water District				
3/30/2023	EFT33023	11031	January 2023 Water deliveries	6,580,660.16
Total				6,580,660.16
Parker Hannifin Corporation				
3/15/2023	141963	RTF5458	Recycled Water Program for Parker Hannifin Corporation	1,582.75
Total				1,582.75
San Bernardino Valley Municipal WD				
3/31/2023	142062	022823C	Prop 1 Project Partner Reimbursement per Report 5	11,743.52
Total				11,743.52
Santa Margarita Water District				
3/31/2023	EFT	13123	January 2023 SCP Operation Surcharge	19,143.64
Total				19,143.64
Santiago Aqueduct Commission				
3/31/2023	142063	13123	January 2023 SAC Pipeline Operation Surcharge	2,630.84
Total				2,630.84
Spray to Drip Rebate				
3/30/2023	141980	S2D5-C-BREA-46699-18704-PA	City of Brea (Starflower St, Brea)	3,915.00
3/30/2023	142011	S2D5-C-HB-44331-18874	Huntington Landmark Assc (Huntington Beach)	11,260.50
3/30/2023	141983	S2D5-C-IRWD-44331-18741	Cedar Glen HOA (Lake Forest)	14,155.94
3/30/2023	141981	S2D5-C-MNT-26835-18953	Breakers At Bear Band HOA (Laguna Niguel)	2,687.30
3/30/2023	141970	S2D5-R-EOCWD-46312-18528	G. Anderson	2,500.00
3/30/2023	142047	S2D5-R-HB-47172-18815	M. Sklan	609.50
3/30/2023	142031	S2D6-C-SM-44331-19357	Rancho San Juan Comm Assc (San Juan Capistrano)	993.00
3/30/2023	142042	S2D6-C-SM-4463-19546	Sendero Neighborhood Corp (Rancho Mission Viejo)	2,312.50

Municipal Water District of Orange County
 Disbursement Ratification Report
 For the Month of March 2023

Name/ Date	Check/ EFT	Invoice	Description	Amount
US Bank				
3/31/2023	142065	6066-FEB23	01/24/23-02/22/23 Cal Card Charges	539.08
Total				<u>539.08</u>
Verizon Wireless				
3/06/2023	141949	9928454969	February 2023 4G Mobile broadband unlimited service	76.02
Total				<u>76.02</u>
Western Municipal Water District				
3/31/2023	142066	022823A	Prop 1 Project Partner Reimbursement per Report 5	27,323.34
Total				<u>27,323.34</u>
Total Other Funds Disbursements				<u>7,466,677.41</u>
Total Disbursements				<u><u>7,494,724.07</u></u>



 Harvey De La Torre, Interim General Manager



 Hilary Chumpitazi, Treasurer

Cal Card Charges
Statement Date: February 22, 2023
Payment Date: March 31, 2023

Date	Description	Amount
Administration Card:		
1/23/2023	2022 W2 Federal E-File	19.04
1/24/2023	12/25/22-01/24/23 Web hosting service for Mwdoc.com	15.65
1/24/2023	Corner Bakery breakfast and lunch for 01/23/23 and 01/24/23 Leak Detection Equipment Training for Member Agency staff	1,259.95
1/24/2023	CSDA Legislative Activities from March 9-11, 2023 in Sacramento, CA - Airfare for H. Baez	379.96
1/24/2023	Legislative Activities from February 21-23, 2023 in Sacramento, CA - Airfare for H. Baez	311.96
1/25/2023	ACWA DC 2023 Conference from February 28-March 2, 2023 in Washington, D.C. - Airfare for H. Baez and M. Baum Haley	2,296.76
1/26/2023	Wilson Jones Minute Book	294.56
1/26/2023	2022 AccuFiler 1099 NEC Federal E-file and Recipient Print & Mail	51.22
1/26/2023	2022 AccuFiler 1099 Misc Federal E-file and Recipient & Mail	657.90
2/01/2023	ACWA DC 2023 Conference from February 28-March 2, 2023 in Washington DC - Lincoln Restaurant dinner deposit for 16 guests	300.00
2/03/2023	Environmental Systems Research Institute User Conference from July 10-14, 2023 in San Diego, CA - Registration for R. Davis	2,075.00
2/06/2023	ACWA Spring Conference from May 9-11, 2023 in Monterey, CA - Registration for D. Micalizzi, H. De La Torre, M. Haley, A. Heide, H. Baez, and Directors Nederhood, Crane, Yoo Schneider, and Thomas	6,720.00
2/06/2023	Uniform pants for Water Loss Control Shared Services staff member	196.78
2/07/2023	CSDA Legislative Activities from March 9-11, 2023 in Sacramento, CA - Airfare change credit for H. Baez	(17.00)
2/08/2023	Walnut Gavel for Board meetings	46.70
2/08/2023	Supplies for breakroom	64.90
2/09/2023	CAPIO 2023 Annual Conference from May 1-4, 2023 in Monterey, CA - Registration for T. Baca and S. Wilson	1,000.00
2/09/2023	Greenshades 2022 Tax form upload fee	396.00
2/14/2023	CalChamber 2023 Finding the Right Fit Webinar on February 16, 2023 - Registration for C. Harris and K. Davanaugh	398.40
2/14/2023	MET Retreat from February 12-14, 2023 in Temecula, CA - Accommodations for M. Haley	174.31
2/15/2023	2022 AccuFiler 1099 Misc Federal E-file and Recipient & Mailing	15.30
2/17/2023	Employee anniversary gift cards for S. Wilson-5 years and H. De La Torre-15 years	100.00
2/17/2023	Flowers from Browne's Flowers & Balloons	114.11
2/21/2023	Legislative Activities from February 28-March 2, 2023 in Washington, D.C. - Airfare for K. Seckel	838.80
3/09/2023	Administration Department team building lunch	140.69
Total:		17,850.99

Cal Card Charges
Statement Date: February 22, 2023
Payment Date: March 31, 2023

Date	Description	Amount
Interim General Manager Card:		
1/27-2/10/2023	Meals for H. De La Torre's meetings	99.54
2/14/2023	MET Retreat from February 12-14, 2023 in Temecula. CA - Accommodations for H. De La Torre	348.62
Total:		448.16

Public Affairs Card:

1/24/2023	UPS charge to mail prizes to a Poster Contest winner	40.21
1/24/2023	Full credit for cancelled engraving from 01/18/23 charge	(51.50)
1/25/2023	Kahoot online learning software subscription renewal	720.00 ¹
1/25/2023	Grammarly writing and editing software annual subscription renewal	450.00
1/26/2023	01/27/23-01/28/23 Inspection trip supplies from Albertsons	28.26
1/26/2023	Breakfast from Sabrosada on 01/27/23 for Inspection Trip	167.20
2/02/2023	02/02/23-03/01/23 Zoom Video Communications fee with audio licenses	174.93
2/03/2023	February 2023 Public Storage Unit for Public Affairs	485.00
2/06/2023	Supplies for 02/09/23 Water Policy Forum and Dinner	304.99
2/09/2023	Supplies for the 02/09/23 Water Policy Forum and Dinner	324.73
2/10/2023	Member Agency lunch with Santa Margarita Water District	69.26
2/10/2023	EPIC Awards member entry fee for Streams of Hope Campaign	115.00
2/16/2023	Translation services for WEEA career brochures	374.14
2/21/2023	WEEA sponsorship for Groundwater Resources Association of California: 04/08/2023 Water Industry Careers Workshop	350.00
Total:		3,552.22

WERO Card:

1/28/2023	February 2023 FormSwift fee for form templates	37.00
2/06/2023	International Association of Emergency Managers Annual Membership for V. Osborn	199.00
2/06/2023	International Association of Emergency Managers Region 9 Symposium from February 28-March 2, 2023 in Garden Grove, CA - Registration for V. Osborn	150.00
2/07/2023	02/07/23 Lunch for WERO Card Member Agency Next Wave 2023 meeting	153.08
Total:		539.08

¹ Kahoot subscription cancelled and refunded 02/23/23

**Municipal Water District of Orange County
GM Approved Disbursement Report ⁽¹⁾
For the Month of March 2023**

Name/ Date	Check/ EFT	Invoice	Description	Amount
Core Disbursements:				
Constant Contact Inc				
3/31/2023	142057	XR8WAE CAB6823	Renewal for online event registration software	945.00
Total				<u>945.00</u>
Sam Fetter				
3/31/2023	EFT	Fall2022	Fall 2022 Tuition reimbursement	2,653.00
Total				<u>2,653.00</u>
Lawnscape Systems Inc				
3/31/2023	EFT	432672	January 2023 Landscape Maintenance for Atrium	495.00
Total				<u>495.00</u>
The Westin South Coast Plaza				
3/31/2023	142064	845C7017117	February 9, 2023 Water Policy Forum & Dinner final invoice	24,536.30
Total				<u>24,536.30</u>
Whittingham Public Affairs Advisors				
3/06/2023	141950	1897	March 2023 Strategic Advisory services	6,000.00
Total				<u>6,000.00</u>
Total Core Disbursements				<u><u>34,629.30</u></u>
Choice Disbursements:				
Constant Contact Inc				
3/31/2023	142057	XR8WAE CAB6823	Renewal for online event registration software	945.00
Total				<u>945.00</u>
Total Choice Disbursements				<u>945.00</u>
Other Funds Disbursements:				
TerraWorks Studio				
3/31/2023	EFT	MW0020	February 2023 Landscape Design and Landscape Maint. Asst. Program-Revised invoice with \$130 difference	4,450.00
Total				<u>4,450.00</u>
Total Other Funds Disbursements				<u>4,450.00</u>
Total Disbursements				<u><u>40,024.30</u></u>



 Harvey De La Torre, Interim General Manager



 Hilary Chumpitazi, Treasurer

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



Municipal Water District of Orange County
Consolidated Summary of Cash and Investment
 February 28, 2023

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

Fund	Book Value	% of Portfolio
Restricted Reserves WEROC Operating Fund	\$456,604	3.41%
Designated Reserves		
Operating Reserves	\$5,675,047	42.35%
Election Reserve	461,678	3.44%
OPEB Reserve	297,147	2.22%
Total Designated Reserves	\$6,433,872	48.01%
General Operations Fund	\$7,637,154	56.98%
Water Purchase Payments Fund	84,361	0.63%
Conservation Fund	(1,229,026)	(9.17%)
Trustee Activities - AMP	18,540	0.14%
Total Other Funds	\$6,511,029	48.58%
Total	\$13,401,505	100.00%

The funds are invested as follows:

Term of Investment	% of Portfolio	Book Value	Market Value
Cash	1.24%	\$166,013	\$166,013
Short-term investment			
• LAIF	45.22%	6,060,301	6,060,301
• OCIP	30.41%	4,075,264	4,075,264
Long-term investment			
• US Government Issues	1.87%	249,927	221,747
• Corporate Bond	8.95%	1,200,000	1,065,847
• Certificates of Deposit	12.31%	1,650,000	1,582,806
Total	100.00%	\$13,401,505	\$13,171,978

The average number of days to maturity/call as of February 28, 2023 equaled 140 and the average yield to maturity is 2.645%. During the month, the District's average daily balance was \$19,702,515.51. Funds were invested in US Bank Checking Account, Negotiable Certificate of Deposits, Corporate Bonds, US Government Issues, Local Agency Investment Funds (LAIF) and Orange County Investment Pool (OCIP) during the month of February 2023.

The (\$229,527) difference between the book value and the market value on February 28, 2023 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.


 Harvey De La Torre
 Interim General Manager


 Hilary Chumpitazi
 Treasurer

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 18700 Ward Street
 Fountain Valley, California 92708

Mailing Address:
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Megan Yoo Schneider, P.E.
 President

Bob McVicker, P.E., D.WRE
 Vice President

Randall Crane, Ph.D.
 Director

Larry D. Dick
 Director

Al Nederhood
 Director

Karl W. Seckel, P.E.
 Director

Jeffery M. Thomas
 Director

Harvey De La Torre
 Interim 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

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



MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

Portfolio Management - Portfolio Summary
February 28, 2023

2/28/2023	Par Value	Market Value	Book Value	% of Portfolio	Days to Mat/Call	YTM @ Cost
Negotiable Certificate Of Deposit	1,650,000.00	1,582,805.50	1,650,000.00	12.47	800	2.762
Corporate Bond	1,200,000.00	1,065,846.50	1,200,000.00	9.07	422	1.518
US Government Issues	250,000.00	221,747.50	249,926.79	1.89	87	0.860
Local Agency Investment Funds	6,060,300.92	6,060,300.92	6,060,300.92	45.78	1	2.615
Orange County Investment Pool	4,075,264.32	4,075,264.32	4,075,264.32	30.79	1	3.085
Total Investments	13,235,565.24	13,005,964.74	13,235,492.03	100.00	140	2.645
Cash						
Cash	166,013.39	166,013.39	166,013.39		1	0.00
Total Cash and Investments	13,401,578.63	13,171,978.13	13,401,505.42		140	2.645

Total Earnings	Month Ending February	Fiscal Year to Date
Current Year	38,626.60	311,687.41
Average Daily Balance	19,702,515.51	
Effective Rate of Return	2.645%	

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 U.S. Bank. Per Resolution 2059 there are no compliance exceptions to report.


Harvey De La Torre, Interim General Manager

4/6/2023
Date


Hilary Chumplitazi, Treasurer

04/06/2023
Date

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Long-Term Portfolio Details - Investments
February 28, 2023

Issuer	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
Negotiable Certificate Of Deposit									
American Express Bank	02589ADE9	7/20/2022	200,000.00	189,386.00	200,000.00	3.350	3.350	1,603	7/20/2027
Capital One Bank	14042TBQ9	8/7/2019	250,000.00	240,282.50	250,000.00	2.250	2.250	526	8/7/2024
Capital One NA	14042RMJ7	7/24/2019	250,000.00	240,357.50	250,000.00	2.200	2.200	512	7/24/2024
Discover Bank	254673RV0	7/25/2018	250,000.00	248,495.00	250,000.00	3.300	3.300	147	7/25/2023
Goldman Sachs Bank	38148PT98	8/8/2018	250,000.00	248,362.50	250,000.00	3.350	3.350	161	8/8/2023
Sallie Mae Bank	7954507A7	7/14/2021	200,000.00	176,592.00	200,000.00	1.000	1.000	1,232	7/14/2026
Toyota Financial SGS Bank	89235MPD7	9/27/2022	250,000.00	239,330.00	250,000.00	3.650	3.650	1,667	9/22/2027
Sub Total			1,650,000.00	1,582,805.50	1,650,000.00	2.762	2.762	800	
US Government Issues									
FHLB	3130ALGR9	3/1/2021	250,000.00	221,747.50	249,926.79	0.850	0.860	87	2/26/2026
Sub Total			250,000.00	221,747.50	249,926.79	0.850	0.860	87	
Corporate Bond									
Bank of America Corp	06048WKK41	12/7/2020	250,000.00	220,372.50	250,000.00	0.850	0.800	1,001	11/25/2025
Chigroup Global Markets	17328WFZ6	9/16/2020	250,000.00	220,502.50	250,000.00	1.000	1.000	16	9/16/2025
JP Morgan Chase	48128GV56	8/18/2020	250,000.00	215,742.50	250,000.00	0.800	0.800	537	8/18/2025
Morgan Stanley Fin LLC	61766YKH3	6/29/2022	200,000.00	187,034.00	200,000.00	4.500	4.500	487	6/29/2027
Societe Generale	83369MD25	8/19/2020	250,000.00	222,195.00	250,000.00	1.000	1.088	80	8/19/2025
Sub Total			1,200,000.00	1,065,846.50	1,200,000.00	1.510	1.518	422	
Total Investments			3,100,000.00	2,870,399.50	3,099,926.79	2.123	2.127	596	
Total Earnings									
Current Year				5,018.12					
									Fiscal Year To Date
									42,579.20

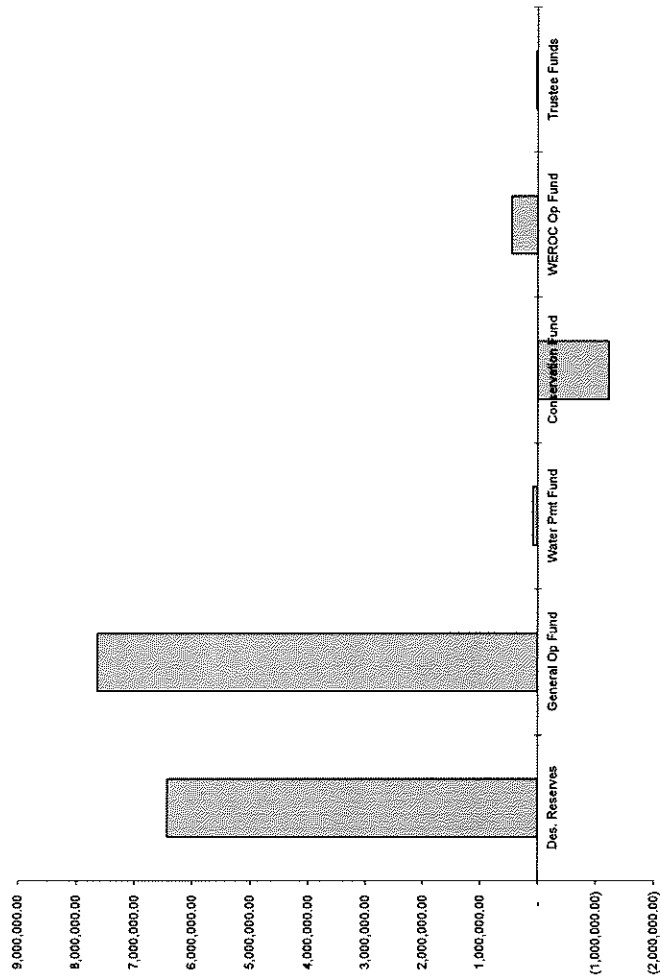
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Short-Term Portfolio Details - Cash and Investments
February 28, 2023

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	6,060,300.92	6,060,300.92	6,060,300.92	2.615	2.615	1	N/A
Sub Total			6,060,300.92	6,060,300.92	6,060,300.92	2.615	2.615	1	
Orange County Investment Pool									
County of Orange LGIP	OCIP	6/29/2005	4,075,264.32	4,075,264.32	4,075,264.32	3.085	3.085	1	N/A
Sub Total			4,075,264.32	4,075,264.32	4,075,264.32	3.085	3.085	1	
Total Investments			10,135,565.24	10,135,565.24	10,135,565.24	2.804	2.804		
Cash									
Petty 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	165,513.39	165,513.39	165,513.39	0.000	0.000	1	N/A
Total Cash			166,013.39	166,013.39	166,013.39	0.000	0.000	1	
Total Cash and Investments			10,301,578.63	10,301,578.63	10,301,578.63	2.804	2.804	1	

Total Earnings	Month Ending February	Fiscal Year To Date
Current Year	33,608.48	269,108.21

**Municipal Water District of Orange County
Cash and Investments at February 28, 2023**

<u>ALLOCATION</u>	<u>AMOUNT</u>	<u>%</u>
MWDOC		
Designated Reserves		
Operating Reserves	\$ 5,675,047	42.35%
Election Expense	461,678	3.44%
OPEB	297,147	2.22%
Total Designated Reserves	6,433,872	48.01%
Restricted Reserves		
WEROC Operating Fund	456,604	3.41%
General Operations Fund	7,637,154	56.98%
Water Purchase Payments Fund	84,361	0.63%
Conservation Fund	(1,229,026)	-9.17%
Total Other Funds	6,492,489	48.44%
TOTAL MWDOC	\$ 13,382,965	99.86%
TRUSTEE ACTIVITIES		
AMP Sales Admin	\$ 18,540	0.14%
TOTAL TRUSTEE ACTIVITIES	\$ 18,540	0.14%
TOTAL CASH & INVESTMENTS	\$ 13,401,505	100.00%



**MUNICIPAL WATER DIST OF ORANGE COUNTY
PARS Post-Employment Benefits Trust**

**Account Report for the Period
2/1/2023 to 2/28/2023**

Hilary Chumpitazi
Accounting Manager
Municipal Water Dist of Orange County
18700 Ward Street
Fountain Valley, CA 92708

Account Summary

Source	Balance as of 2/1/2023	Contributions	Earnings	Expenses	Distributions	Transfers	Balance as of 2/28/2023
OPEB	\$2,525,077.00	\$0.00	-\$60,082.89	\$1,188.15	\$0.00	\$0.00	\$2,463,805.96
PENSION	\$1,099,100.43	\$0.00	-\$26,152.52	\$517.17	\$0.00	\$0.00	\$1,072,430.74
Totals	\$3,624,177.43	\$0.00	-\$86,235.41	\$1,705.32	\$0.00	\$0.00	\$3,536,236.70

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	-2.38%	0.00%	-7.93%	3.59%	4.07%	5.45%	10/26/2011
PENSION	-2.38%	0.00%	-7.90%	3.55%	-	-	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, 2022 THRU FEBRUARY 28, 2023

**Municipal Water District of Orange County
Combined Balance Sheet
As of February 28, 2023**

	<u>Amount</u>
<u>ASSETS</u>	
Cash in Bank	166,013.39
Investments	13,235,492.03
Accounts Receivable	16,361,338.00
Accounts Receivable - Other	439,821.61
Accrued Interest Receivable	95,802.18
Prepays/Deposits	321,428.68
Leasehold Improvements	7,001,517.44
Furniture, Fixtures & Equipment	885,094.81
Less: Accumulated Depreciation	<u>(3,812,552.48)</u>
TOTAL ASSETS	<u>34,693,955.66</u>
<u>LIABILITIES AND FUND BALANCES</u>	
<u>LIABILITIES</u>	
Accounts Payable	16,082,049.56
Accounts Payable - Other	182.00
Accrued Salaries and Benefits Payable	620,263.32
Other Liabilities	947,058.30
Unearned Revenue	<u>1,062,950.06</u>
TOTAL LIABILITIES	<u>18,712,503.24</u>
<u>FUND BALANCES</u>	
<u>Restricted Fund Balances</u>	
WEROC	240,442.01
<u>Unrestricted Fund Balances</u>	
<u>Designated Reserves</u>	
Operating Reserve	5,675,047.00
Election Reserve	461,678.00
OPEB Reserve	<u>297,147.00</u>
Total Designated Reserves	6,433,872.00
General Fund	5,811,879.95
General Fund Capital	<u>83,747.32</u>
Total Fund Balances	<u>12,569,941.28</u>
<u>Excess Revenue over Expenditure</u>	
Operating Fund	3,840,782.21
Other Funds	<u>(429,271.07)</u>
TOTAL FUND BALANCES	<u>15,981,452.42</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>34,693,955.66</u>

**Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
General Fund
July 1, 2022 thru February 28, 2023**

	<u>Month to Date</u>	<u>Year to Date</u>	<u>Annual Budget</u>	<u>% Used</u>	<u>Encumbrance</u>	<u>Budget Remaining</u>
REVENUES						
Retail Connection Charge	0.00	8,885,401.25	8,885,401.25	100.00%	0.00	0.00
Ground Water Customer Charge	0.00	367,806.00	367,805.72	100.00%	0.00	(0.28)
Water Rate Revenues	0.00	9,253,207.25	9,253,206.97	100.00%	0.00	(0.28)
Interest Revenue	41,403.55	322,335.74	145,971.00	220.82%	0.00	(176,364.74)
Subtotal	41,403.55	9,575,542.99	9,399,177.97	101.88%	0.00	(176,365.02)
Choice Programs	990.00	1,285,343.16	1,328,114.20	96.78%	0.00	42,771.04
MWD Revenue - Shared Services	0.00	49,130.00	0.00	0.00%	0.00	(49,130.00)
Miscellaneous Income	618.79	2,216.92	3,000.00	73.90%	0.00	783.08
School Contracts	11,909.01	57,115.39	429,837.67	13.29%	0.00	372,722.28
Delinquent Payment Penalty	0.00	3,597.63	0.00	0.00%	0.00	(3,597.63)
Transfer-In from Reserve	0.00	0.00	457,061.00	0.00%	0.00	457,061.00
Subtotal	13,517.80	1,397,403.10	2,218,012.87	63.00%	0.00	820,609.77
TOTAL REVENUES	54,921.35	10,972,946.09	11,617,190.84	94.45%	0.00	644,244.75

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
General Fund
July 1, 2022 thru February 28, 2023

	<u>Month to Date</u>	<u>Year to Date</u>	<u>Annual Budget</u>	<u>% Used</u>	<u>Encumbrance</u>	<u>Budget Remaining</u>
<u>EXPENSES</u>						
Salaries & Wages	321,014.13	2,923,411.63	4,429,129.50	66.00%	0.00	1,505,717.87
Salaries & Wages - Grant Recovery	0.00	(2,851.35)	(20,000.00)	(14.26)%	0.00	(17,148.65)
Director's Compensation	22,265.24	179,431.64	275,041.20	65.24%	0.00	95,609.56
MWD Representation	11,132.62	93,644.98	157,166.40	59.58%	0.00	63,521.42
Employee Benefits	101,378.82	914,810.94	1,441,831.24	63.45%	0.00	527,020.30
Employee Benefits - Grant Recovery	0.00	(568.93)	0.00	0.00%	0.00	568.93
CalPers Unfunded Liability Contribution	0.00	207,000.00	207,000.00	100.00%	0.00	0.00
Director's Benefits	8,830.87	70,928.34	132,976.50	53.34%	0.00	62,048.16
Health Insurance for Retirees	4,576.53	47,367.71	94,554.00	50.10%	0.00	47,186.29
Training Expense	398.40	4,439.58	53,000.00	8.38%	0.00	48,560.42
Tuition Reimbursement	2,653.00	2,653.00	5,000.00	53.06%	0.00	2,347.00
Temporary Help Expense	0.00	0.00	5,000.00	0.00%	0.00	5,000.00
Personnel Expenses	472,249.61	4,440,267.54	6,780,698.84	65.48%	0.00	2,340,431.30
Engineering Expense	23,438.04	133,814.50	410,000.00	32.64%	110,549.03	165,636.47
Legal Expense	15,297.50	101,880.51	235,750.00	43.22%	153,119.49	(19,250.00)
Audit Expense	0.00	27,000.00	35,000.00	77.14%	4,500.00	3,500.00
Professional Services	96,190.78	662,916.81	1,516,256.00	43.72%	1,142,029.24	(288,690.05)
Professional Fees	134,926.32	925,611.82	2,197,006.00	42.13%	1,410,197.76	(138,803.58)
Conference - Staff	4,460.00	17,035.00	56,205.00	30.31%	0.00	39,170.00
Conference - Directors	3,580.72	11,009.72	23,905.00	46.06%	0.00	12,895.28
Travel & Accom. - Staff	4,175.52	25,430.37	90,325.00	28.15%	0.00	64,894.63
Travel & Accom. - Directors	1,623.83	8,487.94	32,900.00	25.80%	0.00	24,412.06
Travel & Conference	13,840.07	61,963.03	203,335.00	30.47%	0.00	141,371.97
Membership/Sponsorship	0.00	144,168.24	145,847.00	98.85%	0.00	1,678.76
CDR Support	0.00	28,731.00	57,462.00	50.00%	28,731.00	0.00
Dues & Memberships	0.00	172,899.24	203,309.00	85.04%	28,731.00	1,678.76
Business Expense	152.23	780.67	2,500.00	31.23%	0.00	1,719.33
Office Maintenance	13,886.64	114,950.45	151,400.00	75.93%	45,181.18	(8,731.63)
Building Repair & Maintenance	59.44	8,875.05	22,056.00	40.24%	5,803.74	7,377.21
Storage Rental & Equipment Lease	58.67	467.56	1,800.00	25.98%	332.44	1,000.00
Office Supplies	5,641.94	19,112.35	35,000.00	54.61%	2,025.32	13,862.33
Supplies - Water Loss Control	253.71	4,012.62	4,000.00	100.32%	0.00	(12.62)
Postage/Mail Delivery	588.83	6,038.63	11,300.00	53.44%	1,247.67	4,013.70
Subscriptions & Books	0.00	203.40	1,000.00	20.34%	0.00	796.60
Reproduction Expense	(370.08)	14,722.18	84,000.00	17.53%	3,503.88	65,773.94
Maintenance - Computers	0.00	4,559.53	7,000.00	65.14%	0.00	2,440.47
Software Purchase	3,709.04	74,508.80	95,093.00	78.35%	699.72	19,884.48
Software Support	3,415.65	30,205.37	55,615.00	54.31%	0.00	25,409.63
Computers and Equipment	0.00	22,810.41	43,950.00	51.90%	0.00	21,139.59
Maintenance Expense	0.00	0.00	6,000.00	0.00%	0.00	6,000.00
Automotive Expense	721.87	2,934.88	13,500.00	21.74%	0.00	10,565.12
Vehicle Expense	537.45	7,164.02	7,343.00	97.56%	0.00	178.98
Toll Road Charges	0.00	166.67	2,100.00	7.94%	0.00	1,933.33
Insurance Expense	14,965.82	121,723.67	140,000.00	86.95%	0.00	18,276.33
Utilities - Telephone	2,902.64	23,731.22	43,690.00	54.32%	456.12	19,502.66
Bank Fees	0.00	780.58	2,600.00	30.02%	0.00	1,819.42
Miscellaneous Expense	4,425.42	28,360.70	69,520.00	40.80%	1,940.00	39,219.30
MWDOC's Contrib. to WEROC	24,690.83	197,526.68	296,290.00	66.67%	0.00	98,763.32
Depreciation Expense	7,951.31	63,610.43	0.00	0.00%	0.00	(63,610.43)
Other Expenses	83,591.41	747,245.87	1,095,757.00	68.19%	61,190.07	287,321.06
Election Expense	643,450.91	643,450.91	300,728.00	213.96%	0.00	(342,722.91)
Capital Aquisition	3,762.07	115,862.19	113,280.00	102.28%	34,967.71	(37,549.90)
Building Expense	3,282.50	24,863.28	723,077.00	3.44%	25,374.79	672,838.93
TOTAL EXPENSES	1,355,102.89	7,132,163.88	11,617,190.84	61.39%	1,560,461.33	2,924,565.63
NET INCOME (LOSS)	(1,300,181.54)	3,840,782.21	0.00	0.00%	(1,560,461.33)	(2,280,320.88)

**Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
Water Fund
July 1, 2022 thru February 28, 2023**

	<u>Month to Date</u>	<u>Year to Date</u>	<u>Annual Budget</u>	<u>% Used</u>	<u>Budget Remaining</u>
<u>WATER REVENUES</u>					
Water Sales	6,991,513.60	107,012,937.30	157,620,717.70	67.89%	50,607,780.40
Readiness to Serve Charge	1,141,583.00	8,369,417.19	11,142,354.00	75.11%	2,772,936.81
Capacity Charge CCF	293,620.00	3,282,829.86	5,396,060.00	60.84%	2,113,230.14
SCP/SAC Pipeline Surcharge	22,742.84	226,989.63	318,000.00	71.38%	91,010.37
Interest Revenue	0.00	0.00	4,547.00	0.00%	4,547.00
TOTAL WATER REVENUES	8,449,459.44	118,892,173.98	174,481,678.70	68.14%	55,589,504.72
<u>WATER PURCHASES</u>					
Water Sales	6,991,513.60	107,012,937.30	157,620,717.70	67.89%	50,607,780.40
Readiness to Serve Charge	1,141,583.00	8,369,417.05	11,142,354.00	75.11%	2,772,936.95
Capacity Charge CCF	293,620.00	3,282,830.00	5,396,060.00	60.84%	2,113,230.00
SCP/SAC Pipeline Surcharge	22,742.84	226,989.63	318,000.00	71.38%	91,010.37
TOTAL WATER PURCHASES	8,449,459.44	118,892,173.98	174,477,131.70	68.14%	55,584,957.72
EXCESS OF REVENUE OVER EXPENDITURE	0.00	0.00	4,547.00	0.00%	4,547.00

**Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
Water Use Efficiency
July 1, 2022 thru February 28, 2023**

	<u>Year to Date Actual</u>	<u>Annual Budget</u>	<u>% Used</u>
Spray To Drip Conversion			
Revenues	285,495.06	434,927.51	65.64%
Expenses	324,986.52	434,927.51	74.72%
Excess of Revenues over Expenditures	(39,491.46)	0.00	
Member Agency Administered Pass-Thru			
Revenues	0.00	255,000.00	0.00%
Expenses	0.00	255,000.00	0.00%
Excess of Revenues over Expenditures	0.00	0.00	
ULFT Rebate Program			
Revenues	180.00	1,000.00	18.00%
Expenses	180.00	1,000.00	18.00%
Excess of Revenues over Expenditures	0.00	0.00	
HECW Rebate Program			
Revenues	39,013.12	60,000.00	65.02%
Expenses	34,490.00	60,000.00	57.48%
Excess of Revenues over Expenditures	4,523.12	0.00	
CII Rebate Program			
Revenues	399.00	2,000.00	19.95%
Expenses	399.00	2,000.00	19.95%
Excess of Revenues over Expenditures	0.00	0.00	
Turf Removal Program			
Revenues	3,749,785.71	6,061,364.00	61.86%
Expenses	4,237,866.93	6,061,364.00	69.92%
Excess of Revenues over Expenditures	(488,081.22)	0.00	
Comprehensive Landscape (CLWUE)			
Revenues	59,496.96	321,700.00	18.49%
Expenses	92,752.14	321,700.00	28.83%
Excess of Revenues over Expenditures	(33,255.18)	0.00	
Recycled Water Program			
Revenues	0.00	50,000.00	0.00%
Expenses	1,582.75	50,000.00	3.17%
Excess of Revenues over Expenditures	(1,582.75)	0.00	
WSIP - Industrial Program			
Revenues	0.00	32,645.00	0.00%
Expenses	0.00	32,645.00	0.00%
Excess of Revenues over Expenditures	0.00	0.00	
Land Design Program			
Revenues	251,611.90	331,303.00	75.95%
Expenses	284,051.90	331,303.00	85.74%
Excess of Revenues over Expenditures	(32,440.00)	0.00	
Pressure Regulation Program			
Revenues	21,675.00	26,960.50	80.40%
Expenses	21,675.00	26,960.50	80.40%
Excess of Revenues over Expenditures	0.00	0.00	
Rotating Nozzle			
Revenues	10.13	1,750.00	0.58%
Expenses	0.00	1,750.00	0.00%
Excess of Revenues over Expenditures	10.13	0.00	
Dedicated Irrigation Meters Measurement Project (DIMM)			
Revenues	0.00	966,624.00	0.00%
Expenses	0.00	966,624.00	0.00%
Excess of Revenues over Expenditures	0.00	0.00	

**Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
Water Use Efficiency
July 1, 2022 thru February 28, 2023**

	<u>Year to Date Actual</u>	<u>Annual Budget</u>	<u>% Used</u>
Total WUE Projects			
Revenues	4,407,666.88	8,545,274.01	51.58%
Expenses	4,998,044.24	8,545,274.01	58.49%
Excess of Revenues over Expenditures	(590,377.36)	0.00	
 WEROC			
Revenues	467,177.70	565,941.00	82.55%
Expenses	522,477.83	565,941.00	92.32%
Excess of Revenues over Expenditures	(55,300.13)	0.00	



PUBLIC HEARING AND ACTION ITEM
April 19, 2023

TO: Board of Directors

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

Harvey De La Torre, Interim General Manager

SUBJECT: REVIEW INFORMATION REGARDING PUBLIC HEARING TO CONSIDER AN ORDINANCE TO ADJUST COMPENSATION FOR DIRECTORS

STAFF RECOMMENDATION

It is recommended that the Committee: (1) Review the information and process for holding the Public Hearing scheduled for April 19, 2023 (as noticed) regarding the Proposed Ordinance (to receive input from the public); (2) consider any input on the Ordinance (at the public hearing); and (3) decide whether to recommend approval to the entire Board of an Ordinance to adjust Director compensation in the general form presented.

COMMITTEE RECOMMENDATION

To be determined.

SUMMARY

Directors' (and MET Directors') compensation is established by Ordinance pursuant to Water Code Section 20200 *et seq.*, and requires a public hearing before any increase in compensation may be granted. Pursuant to Water Code Section 20202, Director compensation may be increased by a maximum of 5% for each year since the last approved compensation adjustment.

The existing procedure set forth in Ordinance No. 54 (which was adopted on April 17, 2019, and effective January 2020), reflects the Board's desire to limit any increases in Board compensation to no more than the amount set for staff in the annual budget, and within what is allowable under California State law. The Board has not received an increase in compensation since January 2020. The draft FY 2023/24 budget includes a staff merit pool of 11.45%.

The Directors' (and MET Directors') current compensation is \$327.43 per day, with a limit of 10 compensable days per month. The current draft budget does not include an increase in

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

Director's compensation, however the Board has the discretion to increase Director compensation by \$16.37 (5%) for each year since the last increase, to a maximum of \$376.54. If the Board desires to limit the increase to 5% in the 2023/24 fiscal year, the compensation would be increased to approximately \$343.80. It should be noted that by law, compensation increases take effect 60 days after the adoption of the Ordinance and as a result, this increase would coincide with the fiscal year 2023-2024 budget.

Pursuant to the legal requirements, the notices of the public hearing were published in the *OC Register* on April 5 and April 12.

Attached is a proposed Ordinance and compensation survey.

ORDINANCE NO. __ (56)

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

COMPENSATION OF DIRECTORS

WHEREAS, the Board of Directors has previously adopted Ordinance No. 54 governing the compensation to be paid to members of the Board of Directors of the Municipal Water District of Orange County, and to those members of the Board of Directors of the Metropolitan Water District of Southern California representing the Municipal Water District of Orange County (collectively referred to as the “MWDOC Board of Directors”), in accordance with Chapter 2 of Division 10 of the Water Code of the State of California (Water Code § 20200 et seq.); and

WHEREAS, by law, the compensation to be paid to the MWDOC Board of Directors may be increased annually by ordinance, with an increase that may not exceed five percent (5%) per year since the last increase; and

WHEREAS, the MWDOC Board of Directors believe that the duties carried out by MWDOC’s officers and employees (collectively referred to as “MWDOC staff”) are critical to the high functioning of the agency, and that the MWDOC Board of Directors should not be entitled to any compensation increase that exceeds that of MWDOC staff in any given budgetary year; and

WHEREAS, it is the intent of the MWDOC Board of Directors that any annual compensation increase to the MWDOC Board of Directors permitted under State law not exceed the compensation increase awarded to MWDOC staff for any given year, as described in MWDOC’s annual budget; and

WHEREAS, the last compensation increase for the Board occurred in January 2020 and the current Director compensation is \$327.43. As a result, the Board has the discretion to increase Director compensation up to \$16.37 (5%) for each year since the last increase, to a maximum amount of \$376.54; and

WHEREAS, the MWDOC draft annual budget for fiscal year 2023-2024 includes an increase for staff of 11.45%.

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of Municipal Water District of Orange County as follows:

Section 1. That Ordinance No. 54 is hereby superseded and repealed effective upon the effective date of this Ordinance.

Section 2. The MWDOC Board of Directors shall increase the Director per diem compensation by ___% above its existing compensation (from \$327.43 to \$_____) on the effective date of this Ordinance.

Section 3. Any future MWDOC Board of Directors compensation increase will be enacted only by ordinance and following a public hearing.

Section 4. Severability. If any section, subsection, subdivision, sentence, clause, or phrase of this Ordinance, or any part thereof is for any reason held to be unconstitutional, such decisions shall not affect the validity of the remaining portion of this Ordinance or any part thereof. The MWDOC Board of Directors hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase thereof, irrespective of the fact that any one or more section, subsection, subdivision, paragraph, sentence, clause, or phrase be declared unconstitutional.

Section 5. CEQA Exemption. The MWDOC Board of Directors finds that adoption of this Ordinance is exempt from the California Environmental Quality Act (“CEQA”) pursuant to Section 15358 (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) of the CEQA Guidelines, because it has no potential for resulting in physical change to the environment, directly or indirectly. Moreover, the MWDOC Board of Directors finds that this Ordinance is also exempt under CEQA pursuant to Guidelines Section 15061(b)(3) (there exists no possibility that the activity will have a significant adverse effect on the environment) because this Ordinance will not cause a change in any of the physical conditions within the area affected by the Ordinance.

Section 6. Effective Date. Any MWDOC Board of Directors compensation increase contemplated by this Ordinance will take effect **July 1, 2023.**

Said Ordinance was adopted, on roll call, by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

I hereby certify that the foregoing is a true and correct copy of Ordinance No. 56 adopted by the Board of Directors of Municipal Water District of Orange County at its meeting held on April 19, 2023.

MARIBETH GOLDSBY, Secretary
Municipal Water District of Orange County

ORANGE COUNTY BOARD OF DIRECTORS PER DIEM SURVEY

AS OF DECEMBER 2022

AGENCY	Per Diem Meeting
El Toro Water District	\$219.00
Irvine Ranch Water District	\$315.00
Mesa Water District	\$336.00
Moulton Niguel Water District	\$267.00
Municipal Water District of Orange County	\$327.43
Orange County Water District	\$315.00
Santa Margarita Water District	\$270.00
South Coast Water District	\$255.00
Yorba Linda Water District	\$150.00



ACTION ITEM

April 19, 2023

TO: Board of Directors

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

Harvey De La Torre, Interim General Manager

Staff Contact: Hilary Chumpitazi

SUBJECT: Adoption of the Third Draft Budget for Fiscal Year 2023-24

STAFF RECOMMENDATION

Staff recommends the Administration & Finance Committee to review, discuss, and provide comments & direction to staff on MWDOC’s **Third** draft budget for Fiscal Year (FY) 2023-24 (Fiscal Year Ending 2024, FYE’24).

With the Committee’s feedback and suggested changes, staff recommends the Committee bring forth this third Draft Budget for Board adoption at its April 19, 2023 Board meeting.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

CHANGES FROM THE PRIOR DRAFT TO CURRENT DOCUMENT

This is the third draft budget and there are minimal changes from the prior draft. The total core expenses decreased by \$226,350 (2.2%) between the second and third draft budgets. Most of this decrease is due to a budget reduction in Election Expenses from \$381,000 to zero for FYE’24 and an increase contribution to the Election Reserve by \$182,020 with the net difference being a decrease of \$198,980. There was also a minor decrease in the core revenue of \$8,703 in the groundwater customer charge because of the changes in expenses. The net effect of these changes in expenses and revenues resulted in a smaller draw on reserves of \$217,647.

Per the direction from the March A&F Committee meeting, staff incorporated the CII Best Management consultant as an additional CHOICE service program. However, no dollar

Budgeted (Y/N): N	Budgeted amount: N/A	Core <u>X</u>	Choice <u>_</u>
Action item amount: None			
Fiscal Impact (explain if unbudgeted):			

amount was added to the third draft budget at this time because staff needs to solicit an RFP before a budgeted amount is determined. In addition, staff removed the outside professional services of hiring a consultant for assistance in salinity control this year.

Lastly, since the second draft budget, staff received the election invoices from the County for 2022. The elected expense came in higher than projected which resulted in current year projected expense increase of \$158,451 and an additional contribution to Election Reserve of \$283,360.

SUMMARY

Pertinent aspects of MWDOC's **Third** draft budget for FYE'24 include:

1. The third draft budget retains the proposed increase of \$0.50 (3.5%) to the retail service charge bringing the retail rate to \$14.25 per retail meter. The groundwater customer charge to OCWD has a slight adjustment whereby the proposed charge increases by \$14,591 (3.8%) to \$382,397. These charges are calculated under the rate structure methodology adopted by the MWDOC Board in 2021.
2. The third draft has a budget total of \$225,807,196 (revenue) including Core & Choice, water sales, outside funding, and WEROC. This is an increase of 13.88% mainly because of increased water sales and outside fundings. This estimate incorporates the adopted MET rates and charges for 2023 & 2024, the credit of Local Resource Program Incentives, Outside Fundings and Choice Revenue.
3. The consolidated general fund budget is \$11,938,694 (revenue) with an increase of \$778,564 (6.5%).
4. The total revenue amount for the Core budget is \$9,911,062; an increase of \$508,884 (5.1%) over the current year's budget.
5. Interest revenues are budgeted at \$319,410 which is a \$173,439 increase (54.2%) to reflect increasing returns.
6. The proposed draft budget includes a net planned reserves draw of \$325,075, which can be covered by the current year's projected contribution to reserves. Due to the Reserve Policy discussions, we did not move the projected \$437,590 to the Building Reserve. Reserves will be fully funded under the anticipated new Reserve policy.
7. The higher than average election expense created a new annual contribution to the Election Reserve of \$563,020 to cover seven elections within a four year period. The current years' expense and contributions to the Election Reserves have been adjusted.
8. The unfunded CalPERS liability annual payment of \$207,000 is proposed.
9. The proposed salary contribution pool is at 11.45% of salaries and wages and reflects the rate of inflation (2022 CPI annual average = 7.45%) and merit considerations. COLA (Cost of Living Adjustment) is not provided to the employee. All salary increases are merit based.
10. There is an increase (2.25 FTE) in the Part-time Employee staffing levels driven by adding staff and a decrease in interns in Choice program staffing. Total staffing level increases by 1.26 FTE.
11. The Building Improvement expenses have slightly increased but are covered by the carryover credit. FYE'24 includes the remodeling of the

- kitchen and breakroom and the removal of the wooden trellis in the atrium (due to termite damage) and roof.
12. The Capital Acquisition expenses decreased.
 13. Outside funding for Water Use Efficiency (WUE) from rebates and grants is budgeted at \$13,605,720; an increase of \$5,060,446 over this year's budget.
 14. Expenses are increased for the Core Insurance Expense by \$42,976 (23.4%); Professional Fee expenses \$274,850 (23.7%); Memberships by \$45,155 (23.6%). There was a decrease in Outside Consulting of \$103,000 (33.6%). For accounting purposes, staff moved \$52,500 from Professional Fees to Miscellaneous Expenses to better allocate expenses.
 15. Conference & Travel expenses have returned to pre-COVID conditions, and in-person meetings are reflected in FYE'24 budget.
 16. Similar to 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 draft budget should be considered preliminary.

Proposed new key items that are not incorporated in this Third draft budget pending Committee discussion and direction include:

- A. One (1) additional FTE added to the Public Affairs Department
- B. "CA Water for All" Public Relations campaign (stems from the Solve the Water Crisis coalition) through CMUA designed to support the legislation & advocacy (estimated per agency contribution of \$20,000)
- C. Director attending in Water Educational Tours (2) conducted by the Water Foundation of \$3,000 (including travel)
- D. Festival of Butterflies sponsorship of \$2,500

A reminder that memberships outlined in the budget's Exhibit D are approved by the Board with the adoption of the budget. Therefore, such memberships will not be brought to the Board for individual approval. However, any new memberships not included in Exhibit D will need to be brought to the Board for consideration and approval.

Similar to memberships, standard conferences for Board and staff (as those listed in Exhibits E & F) are approved by the Board with adoption of the budget. This approval includes staff travel/attendance for any out of state conferences listed on Exhibits E & F. Subsequent to the budget adoption, any new out of state conferences will be brought to the Board for consideration and approval.

The detailed draft budget is included as Attachment A.

MAJOR YEAR-TO-YEAR CHANGES IN THE CURRENT BUDGET

The year-to-year (Y-T-Y) changes in the Core Operating Expenses are an increase of \$614,997 (6.5%). The addition of building and election costs yields a Y-T-Y Core Total Expense increase of \$376,899 (3.7%).

- The largest Core expense is the combined cost categories for Employee, MWDOC Director and MWD Director salaries, wages and benefits with a Y-T-Y increase of \$402,251 (6.6%). These combined expense categories constitute 59.2% of the total core expense budget.

- The other large core expense increases in descending order are Professional Fees (\$274,850), Contribution to Election Reserve (\$262,292); Building Expense (\$142,400); Miscellaneous Expense due to reclass of expenses (\$67,680); Membership (\$45,955); Insurance Expense (\$42,976); Maintenance Expense (\$24,460).
- The Membership/Sponsorship expenses only include items previously approved by the Board of Directors.

Choice Y-T-Y expenses are anticipated to increase by \$269,680 (13.3%) at this early point in the budget process.

DETAILED REPORT

MWDOC's budget process normally includes three versions of the draft budget with the final budget being approved at the April 19, 2023, Board of Directors meeting. This report provides the detail and background of the third draft MWDOC Budget. It should be noted that although staff may list or present new budgetary items, they are ***not included*** in this budget draft until directed by the A&F Committee.

This draft budget presents revenue figures based on the MWDOC current rate structure. It is anticipated that the proposed changes to the rates and charges will also be approved at the April 19th board meeting.

The FYE'24 MWDOC budget is developed through a transparent and iterative process. Key topics discussed below include:

1. MWDOC Budget Process & Schedule
2. Budget Principles
3. District Reserves
4. Compensation Pool Guidelines
5. Budget Input from Member Agencies
6. Key Priorities & Initiatives for FYE'24
7. Core/Choice Programs
8. Water Rates and Charges

1. MWDOC Budget Process & Schedule

MWDOC's Budget schedule is designed to accommodate the budget and rate schedules of our Member Agencies. Under this schedule, the Year-End Projections and Conceptual Budget were discussed at the January Administration & Finance (A&F) Committee. The first draft budget was presented at the February A&F Committee meeting. The second and third draft budgets are scheduled for the March and April A&F Committee meetings. The final budget is scheduled for approval by the MWDOC Board of Directors at the April 19, 2023, 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 or October 2023 to reflect the reconciliations and final program commitments of our Member Agencies. It should be noted that changes in Choice programs do not impact the rates and charges passed in April for Core activities.

The budget schedule is included in Attachment B.

2. MWDOC Budget Principles

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 with 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 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. District Reserves

One goal of the budget process is the early identification of the District's Reserve Fund Balance and its impact on the proposed Budget. Last month, the Board approved revisions to the MWDOC's reserve policy, including its funding targets as shown below.

Designated Reserves	# Days Cash	FY 2023-24 ⁽¹⁾ Target Reserve	FY 2022-23 ⁽²⁾ Current Reserve	Difference in Reserves
Operating Reserve	120	\$ 3,819,350	\$ 5,675,047	\$ (1,855,697)
Election Reserve	N/A	1,126,038	461,678	664,360
OPEB Reserve est.9/2018	N/A	297,147	297,147	-
TOTALS		\$ 5,242,535	\$ 6,433,872	\$ (1,191,337)

(1) Target based on FYE'23 Consolidated Total Expenses

(2) Current FY Reserve Balance

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 2022 CPI average for the LA/Long Beach/Anaheim area was 7.45%. This is 194% higher than the 2021 number of 3.84%. The CPI of 7.45% falls into MWDOC’s high inflation range. Every three years MWDOC contracts for a Comprehensive Baseline Survey that reviews our job classifications with similar agencies and job functions. The last Benchmark Survey was conducted in 2021 and only minor appropriate changes were incorporated in last year’s budget. In addition, MWDOC found limited salary range corrections to be necessary, which supported the CPI adjustment process. Therefore, we will continue the CPI-based salary range adjustment for FYE’24.

In 2024, staff plans to conduct a new Comprehensive Baseline Survey to be incorporated into next year’s budget.

Employee-Specific Salaries

MWDOC does not provide a Cost-of-Living Adjustment (COLA) for employee salary increases. Rather MWDOC establishes a Compensation Pool that facilitates employee salary increases allocated solely on merit. MWDOC conducts an annual direct labor market survey as part of the budget process and most of the water agencies in the 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.

In addition, every year MWDOC conducts a survey of approximately 26 water utilities as a comparison of proposed employee salary increases. As is usual for the third draft budget, most of the utilities have responded to our survey with a few not finalized with their proposed salary increases until the end of April. As shown below the results place MWDOC’s proposed salary pool increase in the range of most utilities.

MWDOC FYE’24 WATER UTILITY COLA & MERIT SALARY SURVEY			
AGENCY	2023/24 COLA %	2023/24 MERIT MAX %	Total
Calleguas MWD	6.00%	3.00%	9.00%
Central Basin MWD	7.00%	5.00%	12.00%
Eastern MWD	8.90%	5.00%	13.90%

El Toro WD	7.30%	3.00%	10.30%
City of Fountain Valley	3.00%	5.00%	8.00%
Inland Empire Utilities Agency	April CPI TBD	7.50%	TBD
Irvine Ranch WD	8.90%	5.00%	13.90%
Laguna Beach County WD	April CPI TBD	2.50%	TBD
Las Virgenes MWD	4.00%	8.00%	12.00%
Mesa Water District	5.00%	5.00%	10.00%
Moulton Niguel WD	10.00%	5.00%	15.00%
Orange County Sanitation District	4.00%	5.00%	9.00%
Orange County WD	2.00%	6.00%	8.00%
San Clemente, City of	1.00%	5.00%	6.00%
San Diego County Water Authority	May CPI - TBD	7.50%	TBD
Santa Margarita WD	3.00%	2.50%	5.50%
South Coast Water District	5.10%	5.50%	10.60%
Three Valleys Municipal WD	7.50%	5.00%	12.50%
City of Tustin	2.00%	5.00%	7.00%
Walnut Valley WD	2.50%	5.00%	7.50%
West Basin MWD	No Cola	7.00%	7.00%
Western Municipal Water District	4.00%	5.00%	9.00%
Yorba Linda Water District	TBD	5.00%	TBD
Average	4.48%	5.11%	9.57%

TBD = Waiting to make determination on amount

No response:

Brea, City of

MWDOC utilizes a system of CPI based formulas to calculate the proposed Compensation Pool. An analysis of 10-year compensation increases and CPI data was conducted to quantify the past practices that had successfully maintained MWDOC's salaries both competitive and within job classification ranges. The formula uses current inflation percentages but is also apply a merit component to properly align with current market conditions. 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% (using the moderate category of CPI x1.85).

The result was a system of four CPI ranges with associated Compensation Pool formulas as summarized below.

COMPENSATION POOL CPI RANGES & FORMULAS		
Category	CPI Range	Formula
Negative	< 0%	2% + (CPI x 0.5)
Low	0% to 2.4%	2% + CPI
Moderate	2.4% to 4.7%	CPI x 1.85
High	> 4.7%	4% + CPI

The 2022 annual CPI was 7.45% for the region which is in the > 4.7% “High inflation” effective range. Applying the 4% + CPI High inflation range formula to the 7.45% CPI yields a compensation pool of 11.45% which was used to calculate the employee salary expense increase in the draft budget.

It should be noted, the Committee directed staff not to provide a Director per diem adjustment in this FYE’24 budget.

5. Budget Input from Member Agencies

In November 2022, MWDOC sent a letter to all of its member agencies informing them of the start of the MWDOC FY 2023-24 Budget Process, and invited their formal participation in the process which can include suggestions of activities and general comments. The FYE’24 1st and 2nd draft budgets were presented to the member agency managers on February 15, 2023 and March 16, 2023 for feedback and comments.

On March 3, OCWD submitted a comment letter requesting for additional information on the need and responsibilities for the requested (1) FTE for Public Affairs, copies of the scope of work for the two additional consultants in the Government Affairs budget, and a request for a survey of its member agencies’ salary increase before Board adoption.

On March 31, SMWD submitted a comment letter asking staff annually review its reserve target levels of 120 days cash on hand, change the WEROC reserve from a restricted reserve to a designated reserve, maintain a listing of projects and programs the district may proposed to fund with such excess reserves in future board reports, and if any remaining funds remain at the end of the FYE’24, they be considered to either offset meter fee increases or distributed back to the member agencies for FY 2024-25.

Both letters are included in Attachment C.

6. Key Priorities & Initiatives for FYE’24

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. 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 water agencies, to provide water reliability, and to provide value to the residents and ratepayers in Orange County. All functions included in the annual budget address components of MWDOC’s mission.

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 Center 32 & 63)
- Government 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 and Engineering (Cost Center 21)

The Reliability Planning and Engineering (Engineering) Department efforts are varied and aimed at helping MWDOC member agencies navigate and understand the implications of long-term supply and emergency planning as well as the numerous intricacies involved in coordinating with MET to provide imported water (e.g., service connections, metering of water, pipeline operations, water quality, etc.). Engineering Department activities tie directly back to MWDOC's Mission Statement. Engineering activities include:

- Analysis and planning for Orange County water reliability,
- Facility shutdown planning,
- Coordination of operations and maintenance activities and responsibilities of various regional pipelines in Orange County,
- Identification and resolution of water quality issues in the regional distribution system, and
- Developing the ability and protocols to allow for pumping of local water supplies into the East Orange County Feeder #2 pipeline (EOCF#2) should retail agencies wish to pursue this opportunity.

The Engineering Department also provides internal support to other MWDOC departments; most notably Administration and WEROC by providing project management for MWDOC's office building and EOC improvements. Support is also provided to MET Issues and Water Policy Department as many MET issues overlap between the two departments in covering MET activities and their implications to MWDOC member agencies.

Areas of overlap with MET Issues and Water Policy Department include:

- Analysis of various reliability improvement projects and MET initiatives including the MET Regional Recycled Water Program (Pure Water Southern California Project),
- MET's Local Resources Program (LRP),

- Water quality issues in the regional distribution system that may impact MWDOC member agencies,
- Additional MET storage planning,
- Emergency use of MET pipelines in circumstances when MET is unable to supply water,
- MET's Water Supply Allocation Plan (WSAP),
- MET System Resiliency Study,
- MET's Integrated Resources Plan (IRP),
- MET Rates and Charges

Some Key Initiatives for Engineering in FYE'24

Supplemental Reliability Analysis of Water Supplies

California is facing significant and rapid changes in water supply availability. Both main imported water sources for MET (the State Water Project, and the Colorado River Aqueduct) are experiencing long-term water availability issues. These situations continue to evolve rapidly as numerous solutions are being pursued on multiple fronts. Periodic supplemental analysis of MET and Orange County's water reliability are anticipated as new information becomes available regarding changing conditions and likelihood of various projects moving, or not moving, forward.

Discussions on which projects MET is likely to move forward will be part of MET's upcoming Integrated Water Resources Plan (IRP) – Implementation Phase. Included in those discussions are multiple uncertainties including:

- Colorado River Water Users response to the Bureau of Reclamation's announcement for the need to reduce an additional 2-4 Million AFY of demand,
- Pure Water Southern California recycling project,
- Sites Reservoir Project,
- Delta Conveyance Project, and potential for a new reservoir to maximize SWP benefits to MET.

Emergency Use of East OC Feeder #2

In FY'2022/23 MWDOC worked with MET staff to develop a scope of work that meets MET's and the State's water quality and operating strategy requirements to introduce local water supplies into the MET system consistent with MET Administrative Code 4519 - Emergency Deliveries of Member Agency Water Supplies in MET's System.

Currently a more detailed technical analysis of the feasibility and likely costs to connect Santa Ana's East Station to East Orange County Feeder #2 is under development by Moulton Niguel Water District. Should MNWD wish to proceed, MWDOC will continue to assist in the development of the necessary protocols and procedures. It is anticipated that this remains a 2-3 year effort.

MET Shutdown Planning

Continue coordination of a number of shutdowns this year including:

- Orange County Feeder
- Diemer

- Second Lower Feeder
- Colorado River Aqueduct

Administration Building Remodel Project

In FYE 23 Engineering provided Project Management support to HR & Administration Department for design services to remodel of the Breakroom/Kitchen and atrium.

- Design is currently in progress with completion of the design phase in June 2023.
- For FYE'24, should the Board approve the remodel, Engineering will provide construction management support for the project.
- Additionally, the Administration Building roof continues to develop new leaks despite repeated repairs to the roof over the past 5 years. Assessments of the condition of the roof are in progress. Should the roof require replacement, Engineering will provide construction management support to bring an item to the Board for consideration of contract award in FYE'24.

Primary WEROC EOC Project

In FYE 23, Engineering provided support to WEROC for completion of the design phase of a new Primary EOC building. Final design and construction cost estimates were completed in January 2023.

Should the Board approve the project, Engineering will provide construction management support for the project.

Hire a Principal Engineer

Fills the currently vacant Engineering position and supports succession planning.

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

The Metropolitan (MET) Issues and Water Policy Department leads the District on MET issues and policy, as well as water supply and demand program coordination and analysis. Over the years, this department of four full time employees (FTE) 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 MWDOC's 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, Urban Water Management Plans, Water Shortage Contingency Plans, progress and development of the Delta Conveyance Project, Colorado River issues, and the development of additional regional and local resource projects, such as Pure Water Southern California.

Department 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 and MWDOC's Water Supply Allocation Plan for times of drought;
- Coordination and monitoring of Water Supply Allocation Plans;
- 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 Plans);
- 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 role 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.

Some Key Initiatives for WEROC in FYE'24

MET's Business Model and Long-Term Financial Planning

As part of the General Manager's Strategic Priorities and direction provided during the 2023 MET Board Visioning Retreat, MET will engage in reviewing its Business Model and its Long-Term Financial Plan.

This analysis will include its impacts to MET's future Rates and Charges as well as assess whether modifications to MET's rate structure are needed. In addition, there may be Cost of Service Assessment on MET's Pure Water Southern California full-scale operation and financial configuration.

MWDOC staff goals include:

- Fully engage in this process and evaluate the Business Model or adjustments to future rates and charges may impact MWDOC and our member agencies.
- Ensure MET considers the predictability of rate requirements, strategies to ensure cost-effectiveness, and how member agencies rely upon MET financial forecasts to inform their own resources and financial planning.
- Evaluate the development of a policy framework to facilitate the in-lieu "exchange" of water supplies among member agencies from different local projects, such as the Doheny Desalination project.

- Seek input from the MWDOC Board, MWDOC-MET Directors, and member agencies on the development of these efforts.

MET's Integrated Resource Planning Implementation Plan (Phase 2)

Following the MET Board adoption of the 2020 IRP Regional Needs Assessment Report (Phase I), MET will begin a collaborative IRP implementation phase to identify specific actions informed by the needs assessment findings, and in alignment with the Climate Action Plan. This phase seeks to bring together imported and local supplies, storage, and demand management plans & activities into one strategic approach. It also expects to monitor core supply conditions, drivers of changes (i.e., population growth, water demands, economic conditions, etc.) as well as track the performance of MET's policies, actions, and programs through a set of metrics to assess whether future actions need to adapt.

MWDOC staff goals include:

- Ensure the outcome of these Post-IRP Plans promote a balance reliability portfolio of core water supply development, storage enhancement, local supply development and water use efficiency.
- Encourage clear and efficient implementation strategies to achieve MET's 2020 IRP reliability goals (For example, clear understandable IRP metrics that guide the Board in policy discussions).
- Seek improvements in water supply reliability for our service area and reinforce our partnership with our member agencies in developing local supplies.
- Seek input from the MWDOC Board, MWDOC-MET Directors, and member agencies on the development of these post-IRP implementation plans.

Colorado River Issues

With deteriorating Colorado River supply and focused attention on California's water use, MET is preparing for potential limitations to its core supplies from both the Colorado River in 2023. As such, MET is not expecting to divert a full Colorado River Aqueduct. MET is working to manage its available Colorado River supply and maintain prudent use of Intentionally Created Surplus (ICS).

California and MET will continue discussions on the Colorado River Lower Basin's interim guidelines between the Basin states, tribes, Mexico, and the federal government to address the necessary reductions in Colorado River water use. As well, MET will evaluate alternatives to be modeled in the Bureau of Reclamation's Supplemental Environmental Impact Statement for the inclusion in the Interim Guidelines for operation of lakes Powell and Mead.

MWDOC staff goals are to:

- Monitor Drought Contingency Plan shortage reductions and water saving contributions.
- Monitor and attend key meetings and discussions on the Colorado River issues.
- Advocate for suitable Colorado River salinity control measures and actions
- Encourage and advocate that MET maintains accessibility and reliability of its core Colorado River supplies, as forecasted in its 2020 IRP.

- Support MET in maintaining value from its ICS storage during all hydrologic conditions on the Colorado River.

SWP Delta Conveyance & Infrastructure Improvement Activities

Completion of the Environmental work, preferred alignment, and Record of Decision (ROD) on the Delta Conveyance Project is in-progress. Following the environmental planning document release in mid-2022, activity will continue of Project development. In addition, MET is currently engaged with the State and other water agencies in further expansion and investments in surface storage projects and groundwater water banking program along the California Aqueduct. Considering current drought conditions, MET is providing significant capital improvement investments in the SWP dependent areas of the MET system for operational flexibility.

MWDOC staff goals are to:

- Financially analyze the cost/benefit of MET's participation in the DCP, as well as its cost impact to MWDOC and the member agencies.
- Encourage MET's engagement and investment in further access to storage, in particular its involvement with Sites Reservoir.
- Advocate for MET staff to renegotiate its current storage and banking programs along the SWP to improve its "take" capacity.
- Support the prioritization of improving the operational flexibility of the SWP dependent areas of the MET system to ensure a balance reliability to all member agencies.

Pure Water Southern California

In partnership with the Sanitation Districts of LA County, MET is developing Pure Water Southern California that will purify up to 150 MGD of recycled water to be delivered to groundwater basins and industrial sites throughout the west and central part of LA County as well as Orange County; with the potential to be delivered to two MET treatment Plants (as Direct Potable Reuse, DPR). Prior to full-scale Board approval, MET will conduct a Cost of Service Assessment to analyze the project's cost as well as how it will be configured in its rate structure.

MWDOC staff goals are to:

- Advocated & supported the preparation of environmental documentation and technical studies for the program.
- Ensure the option remains available for Orange County to ultimately receive water from the Pure Southern California Water Project; either directly or indirectly.
- Evaluate and analyze the project's full-scale operational and financial configuration once it is presented to the MET Board for consideration.
- Support continued financial partnerships of Southern Nevada Water Authority (SNWA) and the Central Arizona Project (CAP) in the program, including a potentially water exchange program.

MET's Drought Resilience & Planning

As a result of the critically low initial SWP "Table A" allocations, low levels in Lake Mead, and impending payback obligation on both the SWP and Colorado River,

MET must prepare for potential limitations. MET has begun planning for potential implementation of its Water Supply Allocation Plan (WSAP) as well as has plans to review and update their Water Surplus and Drought Management (WSDM) Plan. WSDM modifications can include the prioritization of “put and take” of MET storage, the location of storage and other water management actions under surplus and drought conditions.

MWDOC staff goals are to:

- Ensure proper signals that result in fair and equitable distribution of water to the MET service area during times of drought allocation and system constraints.
- Engage in the planning and update process of the WSAP. The WSAP was last updated in 2014.
- Ensure the WSAP maintains equity among Member Agencies, while minimizing impacts to the region
- Engage in the analysis of modification to MET’s WSDM Plan. The WSDM Plan was last updated in 1999.
- Promote a balanced distribution of “put and take” supplies to ensure regional reliability and operational flexibility.

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 and 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. This funding is focused on programs that provide the broadest benefits throughout the service area and enhance developing long-term programs such as water loss control. Considering our current drought situation and new grant awards outside funding for WUE programs is projected to be \$13.6 million for FYE’24. This exceptional increase in funding is associated with rebates (MET + local matching funds), increased DWR and Prop 1, Round 2 grant funding.

Water Use Efficiency

Water Use Efficiency mandates continue to evolve from the 20% by 2020 framework adopted in 2009 to the new efficiency standards-based approach. 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 more than 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).

Some Key Initiatives for Water Use Efficiency in FYE’24

- Staff will continue to provide legislative and regulatory process leadership. California's 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.
- MET 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.
- Staff will 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.
- Staff will provide Landscape Design and Maintenance Assistance for Turf Removal Rebate Program participants.
- Staff will provide leadership for the California Water Efficiency Partnership Board and committees.
- MWDOC will work to secure program funding from outside sources.
- Continue to work with member agencies to obtain irrigated area measurements of dedicated irrigation meters for incorporation into the new water use efficiency standards framework.

Water Loss Control Shared Services

Since 2016, MWDOC has been coordinating a water loss control program for our Member Agencies. This program has moved beyond water loss technical assistance such as audits into shared services activities including meter testing and distribution system leak detection. Orange County is now a state leader in terms of leak detection 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 continue and expand. 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 Customer Meter Accuracy Testing, Distribution System Leak Detection, Suspected Leak Investigations and Distribution System Pressure Surveys. These Choice services will be provided by the combination of field staff and contracted services.

A new initiative for FYE'24

- Through an RFP process, hire and manage a consultant that will be made available to member agencies to develop Commercial, Industrial and Institutional Best Management Implementation Plans as required by SB 606 and AB 1668, the new water use efficiency framework. These services will be available as a Choice service funded by agencies accessing these services.

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 and recovery. WEROC staff works with its member agencies on emergency plans and standard operating procedure development and review; state and federal required trainings for grant eligibility and disaster readiness; disaster exercise development; grant identification and application; and response and recovery coordination.

WEROC also maintains two emergency operation centers, its own response plans, and trained staff. In providing these services, WEROC continues to be a strong leader for regional water and wastewater emergency coordination and response.

The WEROC program continues to move projects forward while supporting water and wastewater agencies. WEROC staff continues to develop and provide the resources, tools, and trainings targeted at enhancing Member Agency preparedness and resilience.

Some Key Initiatives for WEROC in FYE'24

Enhance Response Readiness

Maintain WEROC and OC water and wastewater agencies in a state of readiness to respond to emergency situations. This priority is the foundation to build upon agency resiliency and is on-going. One major component is the implementation of the WEROC Assessment Report action items focusing on key aspects including training, exercises, and updating emergency plans as part of the revision and review schedule in coordination with member agencies.

WEROC Emergency Operation Center Phase 2

Continue to seek funding from other mechanisms such as grants or appropriation requests.

Cyber Security

Implementation and training on the Regional Cyber Security Coordination Annex as part of the WEROC EOP.

- Train agencies on the plan
- Conduct one regional workshop/tabletop on the plan specific
- Continue quarterly Cyber Security Working Group meetings.

Planning and Operational Procedures

Update and revision of WEROC Hazard or Functional Specific Annexes or Standard Operating Procedures in line with the WEROC Integrated Preparedness Plan and revision schedule.

Finish Development and Implementation of the Logistics Plan

The Logistics Plan will incorporate how personnel, supplies, and equipment are requested, procured, tracked, and supported within the WEROC Organization. This will begin the incorporation of the Regional Fuel Project.

Training & Test Exercises

Maintain the training and test exercise programs to improve the state of readiness, capabilities, and resiliency of member agencies by Increase training on basic emergency management.

WEROC Emergency Water Distribution Plan

Finalize and implement Emergency Water Distribution Plan by working with the County, cities, and water agencies by region to establish the responsibilities, process and procedures based on outcomes of testing the plan during the May 23 Operational Area Exercise.

WEROC Map Atlas

Update the WEROC Map Atlas. These maps contain critical information for both water and wastewater. Additionally, jurisdiction areas are divided into the Public Safety Power Shutoff Zones. Project will include incorporation of hardcopy and GIS layers. These maps were updated in 2017 and infrastructure and water system oversight in some areas have changed.

Orange County Regional Water and Wastewater Hazard Mitigation Plan

Establish a contract for the update of the Orange County Regional Water and Wastewater Hazard Mitigation Plan. This is a choice contract. The last revision 20 water and wastewater agencies participated in the project. This plan is valid and approved by FEMA until March 2, 2025.

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

The MWDOC Public Affairs Department's (Department) mission is to promote opportunities and resources that will have a beneficial regional impact, highlight the District's projects and activities, and increase public understanding of important water issues. Although there are several objectives, transparency is paramount.

In the race to post first, accuracy is often compromised or, in some circumstances, abandoned as individuals are forced to consume information. When public confidence in the government is at an all-time low, water providers are under immense pressure to demonstrate their worth, dependability, and relevance. By delivering value to stakeholders across a wider variety of tools and channels to meet them where they are—online, at community events, in schools, on social media, and through a variety of other channels—we can better understand their needs.

The Department continues to elevate the District’s profile while fostering credibility and public trust. Thanks to established partnerships and programs that have a long-lasting, significant influence on stakeholders, MWDOC holds a prominent leadership position as the go-to voice for Orange County water issues.

Some Key Initiatives for Public Affairs in FYE’24

Drought: Education, Resources, Campaign, and Calls-to-Action

As drought intensifies and water supply conditions worsen throughout the state, water suppliers are being asked by State officials to offer their customers more information, resources, and support in hopes of extending California’s limited water supply voluntarily. *With much of the state experiencing significant precipitation to start the winter, including record rainfall in Orange County, drought messaging becomes much more challenging as the general public has just witnessed months of storms and floods.* Agencies like the Department of Water Resources (DWR) and The MET Water District of Southern California (MET) have each invested millions in public outreach campaigns over the last year. However, the campaigns include broad, blanket messages and don’t speak specifically to resources or water-saving actions that target individual communities in any given service area. *Working in coordination with MWDOC member agencies through the Public Affairs Workgroup (PAW), the MWDOC Public Affairs (PA) team will launch an “OC Water” branded drought campaign and continue developing, packaging, and distributing reflective, action-oriented outreach materials for every Orange County service area.* The campaign will include plug-and-play collateral like an updated media toolkit with new drought-related messages, outreach materials like social media posts and newsletter articles, and targeted communications tactics to achieve countywide water reduction goals.

Overall, drought will be a primary topic of discussion in presentations, at community and special events, and across all print and electronic media channels. New marketing strategies like media buys and out-of-home advertising will be explored and implemented. Community engagement opportunities and new partnerships will be examined and considered, and real Orange County customers will be interviewed to create engaging video content and news articles.

Media Engagement – Relationships Matter

Drought has brought more media attention to water issues, particularly over the past year. During this time, MWDOC has maintained a strong voice on conservation and reliability and will continue to emphasize these stories in the press. However, the media landscape is changing. Many longtime reporters covering Orange County or environmental issues have retired. *In FY 23-24, MWDOC PA will work to forge new*

connections and partnerships with journalists that will secure MWDOC's place as a trusted regional voice for water issues. To help accomplish this staff seeks to renew a past membership with The Radio & Television News Directors Association (RTNDA).

Additionally, story placement has become dramatically pay-to-play. Placing Op-eds in the newspaper has become increasingly difficult, and editorial boards have grown more elusive on environmental issues. Paid advertorials are the only guaranteed way to ensure articles make it to both electronic and traditional print. *An increased budget for drought campaign advertising and digital and traditional media buys will be necessary to achieve the desired reach and results, as mandates for conservation are sure to be amplified.*

The Evolving Orange County Audience

It has become increasingly important in internal and external communications for organizations to prioritize Diversity, Equity, and Inclusion (DE&I) initiatives. In FY 23-24, MWDOC PA will actively participate in various learning opportunities and on a statewide communications task force to effectively incorporate best DE&I communications practices in all outreach efforts.

Orange County is home to a [diverse mix of people](#) from various cultures, backgrounds, and perspectives, and language can significantly impact the quality and intent of our messages. In FY 23-24, educational, marketing, and campaign materials will be translated into multiple languages, and an intentional effort will be made to connect with community partners to grow MWDOC's capacity to engage diverse communities. Inclusive communication across all platforms makes information, education, and resources more accessible for all Orange County community members. This enables them to confidently participate in informed discussions and find programs and resources that contribute to water saving and water stewardship objectives. *To this end, additional reproduction expenses have been budgeted for translated materials.*

Cultivating New and Existing Partnerships

There are countless benefits to forging productive partnerships, and MWDOC PA has been highly effective in securing strategic partners across multiple programs and initiatives. Long-standing partnerships like the Wyland Foundation, California Environmental Literacy Initiative, and MET, to name a few, have increased access to new audience groups, amplified credibility and reach, bridged the gaps in expertise, resources, and equipment, and unified a community voice. *In FY 23-24, investments in county and statewide partnerships will continue to be a priority. Co-branded campaigns like Streams of Hope will return, and new endeavors, like family engagement workshops, will be employed to involve new and established partners in regional campaigns and strategies like drought and environmental literacy.*

Pocket Park Educational Microsite – Bringing Visitors back to MWDOC.com

In April 2022, MWDOC PA, the Wyland Foundation, and the City of Westminster broke ground on a water-efficient pocket park. Designed by student volunteers from the Saddleback College Department of Horticulture and Landscape Design, the water-smart park incorporates water-saving landscape design techniques and materials that can be easily replicated at homes and businesses across Orange County. *In FY 23-24, MWDOC PA and project partners will launch an educational microsite that drives park visitors to a plethora of resources that live on the MWDOC*

website, including MWDOC rebates, drought-tolerant plant lists, free landscape designs, and interactive activities for children and families.

Water Education Initiatives

Choice School Programs: K-12 Water Education

In FY 23-24, MWDOC PA will continue to advance environmental literacy and good water stewardship through the MWDOC K-12 Choice School Programs, guiding students toward a deeper understanding of how personal, community, economic, and civic decisions affect the water resources Orange County depends on. Additionally, MWDOC PA and program contractors will develop and introduce activities that encourage family participation, expanding the potential for critical water education. They will also examine solutions to current challenges like [declining student enrollment statewide](#), ensuring equitable access to programming for alternative and ACCESS schools, and addressing a steady rise in virtual academies.

Water Energy Education Alliance (WEEA or Alliance)

Since assuming leadership of WEEA in 2020, membership has tripled to include over 60 professional organizations, new commanding coalitions have formed across the Alliance, and desperately needed [recruitment materials](#) have been developed and distributed statewide. Additionally, through partnerships with the [Centers of Excellence for Labor Market Research](#) and others, critical industry workforce data has been gathered to help water agencies confidently prepare for the dreaded “Silver Tsunami,” a mass exodus of industry workers who are now eligible for retirement. In FY 23-24, MWDOC PA will continue its momentum, working with community colleges to build and bolster their training programs and to support teacher trainings that enable educators to confidently integrate water topics into lesson plans and encourage water career exploration.

Scouting Programs

Over the coming months, MWDOC PA will return to hosting Girl and Boy Scout clinics in person. *To date, 10 MWDOC member agencies have confirmed their interest in co-hosting both popular programs, a significant increase compared to past years.* In FY 23-24, both programs will be thoroughly vetted and enhanced to best align with education, water use reduction, and community engagement goals established in worsening drought conditions and since the COVID-19 pandemic shutdown.

Ricky the Rambunctious Raindrop

Prior to the COVID-19 triggered lockdowns and quarantines of 2020, MWDOC’s mascot, Ricky the Rambunctious Raindrop (Ricky) was making regular appearances at member agency events as well as special public events and activities throughout the County. *The Ricky costume is showing signs of wear and will soon need to be repaired, serviced, and eventually replaced. Funds will be allocated to do so.* Additionally, on the other side of the pandemic, requests for Ricky appearances are on an upward trend, and as Ricky always needs a ‘prudent companion,’ it is becoming increasingly challenging to meet the demand.

It should be noted that *since the departure of one member of the PA team in 2020, the department has been running without one part-time employee, which was*

authorized by the Board in the previous Fiscal Year. Rather than recruiting for the departed employee, management opted to promote that part-time employee to fill that critical full-time vacancy. At the time, with no MET Inspection Trips or in-person special events, this was feasible, and that hire has proven to be successful.

New for FYE'24

MWDOC PA will continue to enhance and expand upon its award-winning programs, initiatives, platforms, and partnerships. Reducing water use and water waste through drought awareness, education, and outreach is a top priority, as is providing high-quality water education and resources to Orange County water users of all ages and backgrounds.

Keeping the momentum moving will require additional time and resources. With MET Inspection Trips restarting this past fall and the world one more year removed from quarantine, increased requests are coming in for MWDOC participation in community engagement events. More than half of the weekends in the upcoming calendar year will likely have staff working overtime. This approach is not sustainable.

Therefore, at least one full-time employee is needed in the Department to reasonably accommodate these commitments without further overextending the current PA staff.

Governmental Affairs Department (Cost Center 31)

Governmental Affairs (GA) continues to work at the local, state and national levels with our member agencies, regional partners (three cities, MET, MET Member Agencies), organizations, delegations, regulatory agencies and bureaus to advance Orange County's agenda. Central to this effort are policy, legislative, and regulatory developments & opportunities.

This department will rely on our local, state, and federal advocates to track, monitor, and assist in educational outreach. 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. New member outreach will be critical in 2023 as 34% of the Assembly and 25% of the Senate are brand new to the legislature, including six new members in the Orange County delegation. There are also be five new appointees to the Assembly Water, Parks & Wildlife Committee, as well as other key committees.

Priorities for FYE'24

- Actively engage on issues, legislative and regulatory, that will affect the Delta Conveyance Project
- Actively pursue funding for the WEROC EOC at both the federal and state levels
- Actively engage and advocate for federal funding for the Army Corps of Engineers, the Bureau of Reclamation, the EPA, and WIFIA Programs
- Actively engage on a potential State Infrastructure Bond proposal
- Advocate for changes in the IRS Code to provide tax parity for water rebates
- Monitor and engage on agency actions related to the Colorado River drought and the 2026 guidelines
- Actively engage on anticipated federal drought legislation
- Advocate for cost effective reliability and local resources projects that benefit Orange County

- Engage on regulations implementing the Low Income Rate Assistance, or “LIRA”, program
- Coordinate with the Met Issues Department and NRR on any action/response related to the Voluntary Agreements (VAs). Implementation of the VAs will require an act of Congress to give Reclamation authority to place a surcharge on CVP water to generate funding to implement that habitat and flow requirements in the VAs.
- Outreach efforts with Orange County’s delegation on the federal, state and local level

Some Key Initiatives for Governmental Affairs in FYE’24

Delta Conveyance Project

In the last year, the Newsom Administration has shown renewed interest in the Delta Conveyance Project and even seems to show some enthusiasm for it. The water industry advocates have not yet been called on to advocate for the project as it moves through the regulatory process, but opposition can arise at any time and from more than just the Legislature. GA will continue to monitor activity on the Delta Conveyance in the Capitol and across the relevant state agencies and engage whenever advocacy is needed to support the project.

WEROC Funding

GA, working closely with our advocates at NRR and B&K will pursue funding in the FY24 appropriations process or through FEMA grant programs (federal), and through a possible member’s request via the state budget. This will be challenging due to a budget deficit and cuts, but serious attempts will be pursued.

Low Income Rate Assistance Program (LIRA)

SB 222 (Dodd), which would have created a statewide LIRA program was vetoed, but the reason given in the Governor’s veto message was a lack of an identified funding source. The issue remains politically very popular, and the veto message practically invites running the bill again and funding it with a water tax. Should this proposal return, our efforts to defeat a water tax will be in coordination with member agencies as well as statewide coalitions.

Additional Assistance

With many GA priorities in the near future on the federal, state and local levels, staff is proposing two consultants to assist with strategic guidance on major policy issues as well as local outreach and engagement at LAFCO. GA is proposing:

- An “as needed” time and materials contract with Paul Jones at Douppja & Wells to support and advise the Governmental Affairs Department on federal and state advocacy issues and programs. A short-term contract is already in place for the remainder of FYE 23, and we are proposing to extend this at a cost not to exceed \$60,000 for FY 2023/24.
- Assistance related to local/county issues and opportunities for engagement that may arise including, but not limited to the Board of Supervisors, LAFCO, city councils, special districts, and regional interest groups. A four-month contract with Whittingham Public Affairs is scheduled to begin in March 2023, and GA is proposing to extend this through FY 2023/24 at a cost of \$90,000.

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.

Some Key Initiatives for Administrative Department in FYE'24

- Coordinate with Director of Engineering and assist with building remodel improvements to kitchen area and removal of existing shade structure/trellis.
- Replace current tile roof. The current roof is the original roof since the mid-1970's
- In ensuring the District's compensation and benefits are competitive, staff will complete an RFP process to hire an outside consultant to complete a Benchmark Study. The last study was completed in 2021. The next study will be initiated in fall of 2023 and completed by Spring 2024.
- The District's 401a and 457 Plans and funds should be reviewed by an outside advisor that can be responsible for the investment selection, monitoring and replacement of investment options. Hiring a qualified Financial Advisor takes the critical fiduciary responsibilities off the shoulders of the Plan Fiduciary (The Board) and allows the Board to delegate the specified fiduciary duties to registered investment advisors and trust companies. This also ensures the Plans offerings are prudent and reasonably priced. Staff would initiate an RFP process for a Financial Advisor to review and advise on the District's Deferred Compensation and 401 Plans. The Financial Advisor would review the current plans and fees and determine whether it would be in the District's best interest to solicit an RFP for new 457 and 401a Plan providers, assess whether to have both plans under one provider and assist with the process.
- In an effort to assist with the Board Strategic Planning Process, the District will hire a facilitator.

MWDOC Building Improvements

Administration, Engineering, and WEROC staff have worked together to coordinate multiple improvement projects at the MWDOC Administration Building that were completed in December 2021. The remaining areas to be renovated include the Kitchen/lunchroom and the removal of the trellis in the atrium due to termite damage. We anticipate that the work in the courtyard will require California Building Code (CBC) Title 24/ADA compliance since the courtyard is not accessible, thus will require the installation of a ramp. CBC requires that all spaces be accessible to within a maximum 20% of the construction cost of a project. In addition, the last item to be evaluated is the roof. With recent rains, there have been several leaks in the office. Therefore, staff is budgeting funds to repair the roof in FYE'24.

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 and Auditing & 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 rebates and choice programs.

IT provides uninterrupted service for our phones and computers with firewall protection to prevent threats, viruses and hackers from penetrating our system. As well as, providing & maintaining properly working office equipment. Modifications and support are needed to maintain current practices.

Some Key Initiatives for Finance & IT in FYE'24

- Hire a new IT employee
- Staff to assist and provide direction to our IT consultant to evaluate the District's IT needs and efficiency improvements
- Maintain functional operations and support while staff works both remotely and in the office; in addition provide support for the hybrid format of Board and Committee meetings
- Continue with CrowdStrike for cyber intrusion protection
- Continue with IT's PC/Printer refresh program and security updates which, exchanges out equipment after it's useful like to prevent the loss of any data;
- Begin converting desktop PC's to laptops as replacements are needed to save costs in our hybrid environment
- Continue with ongoing professional training;
- IT system security and back up testing;
- Support the District with any future financing needs.

7. Core/Choice Programs for FY 2023-24

As noted above, the Choice Programs for FYE'24 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 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. Also included are programs focusing on career path recruitment and training.
- **Water Use Efficiency** - Will continue to access MET's WUE funding and grants from other sources for implementation programs for OC.
- **Water Loss Control Shared Services** – This program was developed in conjunction with our Member Agencies and continues significant expansion with increase funding through MET.

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 initially developed as part of the 2016 rate study and was implemented by the MWDOC Board of Directors for FY 2016-17. The rate structure was reevaluated in 2021 with modification to the groundwater customer charge's methodology. This 2021 rate structure is what is used for the FYE'24 budget and rates.

Proposed New Rates

Based on the Proposed Budget and the current rate structure:

- **For FYE'24 the proposed Retail Meter Service Charge is \$14.25 per meter; and**
- **For FYE'24 the proposed Groundwater Customer Charge is \$382,397.**

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 expense for FYE'24 is budgeted at \$199,967,525.

Attachments:

Attachment A - MWDOC detailed Draft Budget for FYE'24

Attachment B - Budget Schedule

Attachment C – Comment Letters

BOARD OPTIONS

Option #1 – Bring forth the third draft budget, with any A&F Committee changes included, for Board consideration and adoption at its April 19, 2023 Board meeting.

Option #2 – Do not take action at this time. Ask staff to make modifications to the third draft budget and bring back to the A&F Committee a revised fourth draft budget for review and consideration of action in May.

STAFF RECOMMENDATION

Option #1



Annual Budget for Fiscal Year 2023-24

Third 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 2022-2023 ADOPTED BUDGET	FY 2022-2023 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2023-2024 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2022-2023 BUDGET
OPERATING EXPENSES:						
Salaries & Wages	\$ 3,835,412	\$ 3,450,473	\$ (384,939)	\$ 4,296,783	\$ 846,310	\$ 461,372
Employee Benefits	1,260,901	1,074,831	(186,069)	1,269,602	194,770	8,701
Director Compensation	275,041	273,077	(1,965)	275,041	1,965	-
Director Benefits	132,976	49,875	(83,101)	104,447	54,572	(28,530)
MWD Representation	157,166	142,432	(14,734)	117,875	(24,557)	(39,292)
CALPERS Unfunded Liability Contribution	207,000	207,000	-	207,000	-	-
Overhead Reimbursement	(333,099)	(328,848)	4,251	(439,476)	(110,627)	(106,377)
Health Insurance Coverage for Retirees	94,554	68,794	(25,760)	84,847	16,053	(9,707)
Audit Expense	35,000	27,000	(8,000)	36,500	9,500	1,500
Automotive & Toll Road Expenses	14,400	6,800	(7,600)	9,575	2,775	(4,825)
Conference Expense - Staff	56,205	26,677	(29,528)	52,532	25,855	(3,673)
Conference Expense - Directors	23,905	20,130	(3,775)	24,865	4,735	960
Outside Consulting Expense	410,000	205,000	(205,000)	307,000	102,000	(103,000)
Insurance Expense	140,000	171,736	31,736	182,976	11,240	42,976
Legal Expense - General	235,750	185,687	(50,064)	241,000	55,314	5,250
Maintenance Expense	157,400	154,888	(2,512)	181,860	26,972	24,460
Membership / Sponsorship	145,847	153,303	7,456	191,802	38,499	45,955
CDR Participation	57,462	57,460	(2)	62,433	4,973	4,971
Miscellaneous Expense	60,120	48,762	(11,358)	127,800	79,038	67,680
Postage / Mail Delivery	10,900	10,505	(395)	11,275	770	375
Professional Fees	916,475	991,390	74,915	1,191,325	199,935	274,850
Rents & Leases	1,800	1,699	(101)	1,800	101	-
Outside Printing, Subscription & Books	85,000	83,846	(1,154)	94,000	10,154	9,000
Office Supplies	35,000	20,983	(14,017)	27,000	6,017	(8,000)
Building Repair & Maintenance	22,056	18,962	(3,094)	25,200	6,238	3,144
Computer Maintenance	7,000	7,000	-	5,000	(2,000)	(2,000)
Business Expense	2,500	900	(1,600)	2,000	1,100	(500)
Software Support & Expense	148,408	154,615	6,207	151,518	(3,097)	3,110
Computers and Equipment	43,950	43,950	-	43,000	(950)	(950)
Telecommunications Expense	40,790	36,426	(4,364)	43,918	7,492	3,128
Temporary Help Expense	5,000	-	(5,000)	5,000	5,000	-
Training Expense	45,000	25,000	(20,000)	35,000	10,000	(10,000)
Tuition Reimbursement	5,000	5,000	-	5,000	-	-

(1)

(2)

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

	FY 2022-2023 ADOPTED BUDGET	FY 2022-2023 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2023-2024 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2022-2023 BUDGET
OPERATING EXPENSES: continued						
Travel & Accommodations - Staff	90,325	38,026	(52,299)	108,800	70,774	18,475
Travel & Accommodations - Directors	32,900	27,100	(5,800)	46,800	19,700	13,900
MWDOC's Contribution to WEROC: Operations	296,290	296,290	-	293,441	(2,849)	(2,849)
Election Expense	-	643,451	643,451	-	(643,451)	(1)
Capital Acquisition (excluding building)	81,000	161,625	80,625	25,892	(135,733)	(55,108)
Capital Acq Prior Year Carryover Dr/(Cr)	-	-	-	-	-	-
OPERATING EXPENSES	\$ 8,835,434	\$ 8,561,843	\$ (273,591)	\$ 9,450,431	\$ 888,588	\$ 614,997
MWDOC's Building Expense	\$ 246,600	\$ 149,938	\$ (96,662)	\$ 389,000	\$ 239,062	\$ 142,400
Building Expense Prior Year Carryover Dr/(Cr)	\$ 476,477	\$ -	\$ (476,477)	\$ (166,314)	\$ (166,314)	\$ (642,791)
Contribution to Election Reserve	\$ 300,728	\$ 664,360	\$ 363,632	\$ 563,020	\$ (101,340)	\$ 262,292
TOTAL EXPENSES	\$ 9,859,239	\$ 9,376,141	\$ (483,097)	\$ 10,236,137	\$ 859,996	\$ 376,899

REVENUES:						
Retail Meter Charge	\$ 8,885,401	\$ 8,885,401	\$ -	\$ 9,206,255	\$ 320,854	\$ 320,854
Ground Water Customer Charge	367,806	367,806	-	382,397	14,591	14,591
Interest Revenue	145,971	255,574	109,603	319,410	63,836	173,439
Miscellaneous Income	3,000	3,000	-	3,000	-	-
TOTAL REVENUES	\$ 9,402,178	\$ 9,511,781	\$ 109,603	\$ 9,911,062	\$ 399,281	\$ 508,884

EFFECT ON RESERVES:						
TOTAL CONTRIBUTION (DRAW) FROM RESERVES	\$ (457,061)	\$ 135,640	\$ 592,700	\$ (325,075)	\$ (460,715)	\$ 131,985 ⁽³⁾

(1) Total FY2023-2024 Salaries & Wages includes \$131,270 for intern support

(2) Total FY2023-2024 Benefits includes \$12,712 for intern support. Total Benefits also includes a Calpers contribution for full time employees of 12.47% for Classic employees and 7.68% for PEPRA employees. A further assumption is that medical, dental and vision insurance rates will decrease by 4% for FY23-24.

(3) Based on FY22-23 projections and FY23-24 MWDOC designated reserve target, designated reserves will be essentially fully funded in a few years.

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

	FY 2022-2023 ADOPTED BUDGET	FY 2022-2023 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2023-2024 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2022-2023 BUDGET
OPERATING EXPENSES:						
Salaries & Wages	\$ 593,718	\$ 606,460	\$ 12,742	\$ 762,777	\$ 156,317	\$ 169,059
less for Recovery from Grants	(20,000)	(30,874)	(10,874)	(30,000)	874	(10,000)
Employee Benefits	180,931	158,207	(22,724)	216,359	58,152	35,429
Director Compensation	-	-	-	-	-	-
Director Benefits	-	-	-	-	-	-
MWD Representation	-	-	-	-	-	-
Overhead Reimbursement	333,099	328,848	(4,251)	439,476	110,627	106,377
Health Insurance Coverage for Retirees	-	-	-	-	-	-
Audit Expense	-	-	-	-	-	-
Automotive & Toll Road Expenses	1,200	500	(700)	800	300	(400)
Vehicle Expense	7,343	7,343	-	12,000	4,657	4,657
Conference Expense - Staff	-	-	-	-	-	-
Conference Expense - Directors	-	-	-	-	-	-
Outside Consulting Expense	-	-	-	-	-	-
Insurance Expense	-	-	-	-	-	-
Legal Expense - General	-	-	-	-	-	-
Maintenance Expense	-	-	-	-	-	-
Membership / Sponsorship	-	-	-	-	-	-
Miscellaneous Expense	12,000	10,000	(2,000)	9,000	(1,000)	(3,000)
Postage / Mail Delivery	400	350	(50)	400	50	-
Professional Fees	599,781	599,781	-	607,100	7,319	7,319
Rents & Leases	-	-	-	-	-	-
Outside Printing, Subscription & Books	-	-	-	-	-	-
Office Supplies	-	-	-	-	-	-
Supplies - Water Loss Control	4,000	4,000	-	4,000	-	-
Computer Maintenance	-	-	-	-	-	-
Software Support & Expense	2,300	2,416	116	2,200	(216)	(100)
Telecommunications Expense	2,900	2,664	(236)	2,520	(144)	(380)
Computers and Equipment	-	-	-	-	-	-
Temporary Help Expense	-	-	-	-	-	-
Training Expense	8,000	-	(8,000)	1,000	1,000	(7,000)
Tuition Reimbursement	-	-	-	-	-	-

(1)

(2)

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

	FY 2022-2023 ADOPTED BUDGET	FY 2022-2023 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2023-2024 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2022-2023 BUDGET
OPERATING EXPENSES: continued						
Travel & Accommodations - Staff	-	-	-	-	-	-
Travel & Accommodations - Directors	-	-	-	-	-	-
Capital Acquisition	32,280	10,535		-	(10,535)	(32,280)
Subtotal Expenses	\$ 1,757,952	\$ 1,700,230	\$ (35,977)	\$ 2,027,632	\$ 327,402	269,679.99
TOTAL EXPENSES	\$ 1,757,952	\$ 1,700,230	\$ (57,722)	\$ 2,027,632	\$ 327,402	\$ 269,680

REVENUES:						
Choice Revenue	\$ 1,757,952	\$ 1,700,230	\$ (57,722)	\$ 2,027,632	\$ 327,402	\$ 269,680
TOTAL REVENUES	\$ 1,757,952	\$ 1,700,230	\$ (57,722)	\$ 2,027,632	\$ 327,402	\$ 269,680

- (1) Total FY2023-2024 Salaries & Wages includes \$131,270 for intern support
- (2) Total FY2023-2024 Benefits includes \$12,712 for intern support. Total Benefits also includes a Calpers contribution for full time employees of 12.47% for Classic employees and 7.68% for PEPRA employees. A further assumption is that medical, dental and vision insurance rates will decrease by 4% for FY23-24.

Exhibit A4
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
CONSOLIDATED

	FY 2022-2023 ADOPTED BUDGET	FY 2022-2023 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2023-2024 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2022-2023 BUDGET
OPERATING EXPENSES:						
Salaries & Wages	\$ 4,429,130	\$ 4,056,933	\$ (372,197)	\$ 5,059,560	\$ 1,002,627	\$ 630,430
less for Recovery from Grants	(20,000)	(30,874)	(10,874)	(30,000)	874	(10,000)
Employee Benefits	1,441,831	1,233,038	(208,793)	1,485,961	252,923	44,130
Director Compensation	275,041	273,077	(1,965)	275,041	1,965	-
Director Benefits	132,976	49,875	(83,101)	104,447	54,572	(28,530)
MWD Representation	157,166	142,432	(14,734)	117,875	(24,557)	(39,292)
CALPERS Unfunded Liability Contribution	207,000	207,000	-	207,000	-	-
Overhead Reimbursement	-	-	-	-	-	-
Health Insurance Coverage for Retirees	94,554	68,794	(25,760)	84,847	16,053	(9,707)
Audit Expense	35,000	27,000	(8,000)	36,500	9,500	1,500
Automotive & Toll Road Expenses	15,600	7,300	(8,300)	10,375	3,075	(5,225)
Vehicle Expense - Water Loss Control	7,343	7,343	-	12,000	4,657	4,657
Conference Expense - Staff	56,205	26,677	(29,528)	52,532	25,855	(3,673)
Conference Expense - Directors	23,905	20,130	(3,775)	24,865	4,735	960
Outside Consulting Expense	410,000	205,000	(205,000)	307,000	102,000	(103,000)
Insurance Expense	140,000	171,736	31,736	182,976	11,240	42,976
Legal Expense - General	235,750	185,687	(50,064)	241,000	55,314	5,250
Maintenance Expense	157,400	154,888	(2,512)	181,860	26,972	24,460
Membership / Sponsorship	145,847	153,303	7,456	191,802	38,499	45,955
CDR Participation	57,462	57,460	(2)	62,433	4,973	4,971
Miscellaneous Expense	72,120	58,762	(13,358)	136,800	78,038	64,680
Postage / Mail Delivery	11,300	10,855	(445)	11,675	820	375
Professional Fees	1,516,256	1,591,171	74,915	1,798,425	207,254	282,169
Rents & Leases	1,800	1,699	(101)	1,800	101	-
Outside Printing, Subscription & Books	85,000	83,846	(1,154)	94,000	10,154	9,000
Office Supplies	35,000	20,983	(14,017)	27,000	6,017	(8,000)
Supplies - Water Loss Control	4,000	4,000	-	4,000	-	-
Building Repair & Maintenance	22,056	18,962	(3,094)	25,200	6,238	3,144
Computer Maintenance	7,000	7,000	-	5,000	(2,000)	(2,000)
Business Expense	2,500	900	(1,600)	2,000	1,100	(500)
Software Support & Expense	150,708	157,031	6,323	153,718	(3,313)	3,010
Computers and Equipment	43,950	43,950	-	43,000	(950)	(950)
Telecommunications Expense	43,690	39,090	(4,600)	46,438	7,348	2,748
Temporary Help Expense	5,000	-	(5,000)	5,000	5,000	-
Training Expense	53,000	25,000	(28,000)	36,000	11,000	(17,000)
Tuition Reimbursement	5,000	5,000	-	5,000	-	-

(1)
(2)

Exhibit A4
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
CONSOLIDATED

	FY 2022-2023 ADOPTED BUDGET	FY 2022-2023 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2023-2024 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2022-2023 BUDGET
OPERATING EXPENSES: continued						
Travel & Accommodations - Staff	90,325	38,026	(52,299)	108,800	70,774	18,475
Travel & Accommodations - Directors	32,900	27,100	(5,800)	46,800	19,700	13,900
MWDOC's Contribution to WEROC: Operations	296,290	296,290	-	293,441	(2,849)	(2,849)
Election Expense	-	643,451	643,451	-	(643,451)	-
Capital Acquisition (excluding building)	113,280	172,160	58,880	25,892	(146,268)	(87,388)
Capital Acq Prior Year Carryover Dr/(Cr)	-	-	-	-	-	-
OPERATING EXPENSES	\$ 10,593,386	\$ 10,262,073	\$ (331,313)	\$ 11,478,063	\$ 1,215,990	\$ 884,677
MWDOC's Building Expense	\$ 246,600	\$ 149,938	\$ (96,662)	\$ 389,000	\$ 239,062	\$ 142,400
Building Expense Prior Year Carryover Dr/(Cr)	\$ 476,477	\$ -	\$ (476,477)	\$ (166,314)	\$ (166,314)	\$ (642,791)
Contribution to Election Reserve	\$ 300,728	\$ 664,360	\$ 363,632	\$ 563,020	\$ (101,340)	\$ 262,292
TOTAL EXPENSES	\$ 11,617,191	\$ 11,076,371	\$ (540,819)	\$ 12,263,769	\$ 1,187,398	\$ 646,579

REVENUES:						
Retail Meter Charge	\$ 8,885,401	\$ 8,885,401	\$ -	\$ 9,206,255	\$ 320,854	\$ 320,854
Ground Water Customer Charge	367,806	367,806	-	382,397	14,591	14,591
Interest Revenue	145,971	255,574	109,603	319,410	63,836	173,439
Miscellaneous Income	3,000	3,000	-	3,000	-	-
Choice Revenue	1,757,952	1,700,230	(57,722)	2,027,632	327,402	269,680
TOTAL REVENUES	\$ 11,160,130	\$ 11,212,011	\$ 51,881	\$ 11,938,694	\$ 726,683	\$ 778,564

EFFECT ON RESERVES:						
TOTAL CONTRIBUTION (DRAW) FROM RESERVES	\$ (457,061)	\$ 135,640	\$ 592,700	\$ (325,075)	\$ (460,715)	\$ 131,985 ⁽³⁾

(1) Total FY2023-2024 Salaries & Wages includes \$131,270 for intern support

(2) Total FY2023-2024 Benefits includes \$12,712 for intern support. Total Benefits also includes a Calpers contribution for full time employees of 12.47% for Classic employees and 7.68% for PEPRA employees. A further assumption is that medical, dental and vision insurance rates will decrease by 4% for FY23-24.

(3) Based on FY22-23 projections and FY23-24 MWDOC designated reserve target, designated reserves will be essentially fully funded in a few years.

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

	FY 2022-2023 ADOPTED BUDGET	FY 2022-2023 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2023-2024 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2022-2023 BUDGET
Water Revenues						
Water Sales	\$ 163,128,712	\$ 170,517,187	\$ 7,388,475	\$ 185,749,302	\$ 15,232,116	\$ 22,620,591
Local Resource Program Incentives	(5,507,994)	(4,648,785)	859,209	(4,725,194)	(76,409)	782,800
Readiness-To-Serve Charge	11,142,354	12,172,510	1,030,156	13,768,707	1,596,196	2,626,353
Capacity Charge	5,396,060	5,391,180	(4,880)	4,816,710	(574,470)	(579,350)
Interest Revenue - Tier 2 Cont.	4,547	-	(4,547)	-	-	(4,547)
SCP/SAC Pipeline Surcharge	318,000	328,000	10,000	358,000	30,000	40,000
TOTAL WATER REVENUES	\$ 174,481,679	\$ 183,760,092	\$ 9,278,413	\$ 199,967,525	\$ 16,207,433	\$ 25,485,846
Water Expenses						
Water Purchases	\$ 163,128,712	\$ 170,517,187	\$ 7,388,475	\$ 185,749,302	\$ 15,232,116	\$ 22,620,591
Local Resource Program Incentives	(5,507,994)	(4,648,785)	859,209	(4,725,194)	(76,409)	782,800
Readiness-To-Serve Charge	11,142,354	12,172,510	1,030,156	13,768,707	1,596,196	2,626,353
Capacity Charge	5,396,060	5,391,180	(4,880)	4,816,710	(574,470)	(579,350)
Tier 2 Surcharge	-	-	-	-	-	-
SCP/SAC Pipeline Surcharge	318,000	328,000	10,000	358,000	30,000	40,000
TOTAL WATER EXPENSES	\$ 174,477,132	\$ 183,760,092	\$ 9,282,960	\$ 199,967,525	\$ 16,207,433	\$ 25,490,393
Changes to Fund Balance:						
Tier 2 Contingency	\$ 4,547	\$ -	\$ (4,547)	\$ -	\$ -	\$ (4,547)

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

	FY 2022-2023 ADOPTED BUDGET	FY 2022-2023 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2023-2024 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2022-2023 BUDGET
Funding						
Metropolitan Water District	\$ 5,643,486	\$ 6,424,752	\$ 781,266	\$ 10,067,500	\$ 3,642,748	\$ 4,424,014
USBR	780,262	827,003	46,741	939,000	111,997	158,738
DWR	367,919	817,899	449,980	1,190,980	373,081	823,061
Member Agencies	1,703,607	981,028	(722,579)	1,408,240	427,212	(295,367)
MWDOC	50,000	-	(50,000)	-	-	(50,000)
TOTAL OUTSIDE FUNDING	\$ 8,545,274	\$ 9,050,682	\$ 505,408	\$ 13,605,720	\$ 4,555,038	\$ 5,060,446
Program Expenses Funded from Outside Sources						
Installation Verification	\$ 108,369	\$ 76,948	\$ (31,421)	\$ 105,000	\$ 28,052	\$ (3,369)
Rebate Incentives	6,242,371	8,274,625	2,032,254	11,426,720	3,152,095	5,184,349
TOTAL PROGRAMS EXPENSES	\$ 8,269,365	\$ 9,310,332	\$ 1,040,967	\$ 13,605,720	\$ 4,295,388	\$ 5,336,355

**Exhibit B
Expenditures by Program**

Cost Center	PROGRAM	FY 2022-2023 BUDGET FTE	FY 2023-2024 BUDGET FTE	FY 2022-2023 BUDGET	FY 2022-2023 PROJECTED ACTUALS	FY 2023-2024 PROPOSED BUDGET
11	Administrative - Board	1.56	1.78	\$ 1,241,367	\$ 1,658,967	\$ 1,303,467
12	Administrative - General	3.97	4.59	839,870	759,856	1,068,487
13	Personnel / Staff Development	1.81	1.66	429,925	392,644	498,898
19	Overhead	4.23	4.60	1,213,523	884,634	1,228,647
21	Reliability Planning and Engineering	2.67	2.68	797,116	536,282	817,404
23	Metropolitan Issues and Water Policy	3.81	2.43	935,272	733,757	753,421
31	Governmental Affairs	0.85	0.85	471,604	482,583	637,722
35	Water Use Efficiency (Core)	1.06	1.09	484,084	529,806	457,968
32	Public Affairs	4.59	4.63	1,140,950	1,117,312	1,241,899
41	Finance	3.19	3.22	601,942	643,951	659,342
45	Information Technology	0.99	1.00	383,491	390,634	489,360
25	MWDOC's Contribution to WEROC	3.10	3.05	296,290	296,290	293,441
CORE TOTAL		31.83	31.58	\$ 8,835,434	\$ 8,426,715	\$ 9,450,056
62	Water Use Efficiency Program	4.69	5.89	831,328	866,137	1,040,355
63	School Programs	0.06	0.05	429,838	425,674	435,956
70	Water Loss Control	3.05	3.37	496,786	408,418	551,321
CHOICE TOTAL		7.80	9.31	\$ 1,757,952	\$ 1,700,230	\$ 2,027,632
CORE & CHOICE TOTAL		39.63	40.89	\$ 10,593,386	\$ 10,126,945	\$ 11,477,688
Includes:	Full-time employees	33.66	33.66	(2)		
	Part-time employees	0.00	2.25			
	Interns	2.87	1.92			
	WEROC Full-time employees	3.10	3.05			

(1)

(1) Total Operational Costs of WEROC is allocated among MWDOC, OCWD, OCSA, 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 2022-2023 are calculated based on 2088 hours of work for the year. FTE's for 2023-2024 are calculated based on 2080 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 37 full-time employees, 3 part-time employee and 4 interns. 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.

**Municipal Water District of Orange County
2023-2024 FISCAL MASTER PLAN PROJECTIONS**
(in thousands)

	Projected	BUDGET FY23-24	FISCAL MASTER PLAN PROJECTIONS ¹				
	ACTUALS FY22-23		FY24-25	FY25-26	FY26-27	FY27-28	FY28-29
Beginning Designated Reserve Balance - MWDOC	\$6,434	\$ 7,223	\$ 6,436	\$ 7,025	\$ 7,025	\$ 7,025	\$ 7,013
less OPEB Reserve	297	297	297	297	297	297	297
Adjusted Reserve Balance	6,137	6,926	6,139	6,728	6,728	6,728	6,716
Revenues							
Water Rate Revenues:							
Retail Meter Agency Charge	8,885	9,206	9,529	9,720	9,913	10,106	10,301
Ground Water Customer Charge	368	382	397	412	428	444	461
Subtotal	9,253	9,589	9,926	10,132	10,340	10,550	10,762
Other Revenues:							
Choice Revenues	1,700	2,028	2,105	2,186	2,269	2,356	2,446
Interest Earnings	256	319	222	277	334	404	487
Misc./Reimbursements	3	3	3	3	3	3	3
Subtotal	1,959	2,350	2,330	2,465	2,606	2,762	2,936
Total Revenues	11,212	11,939	12,255	12,597	12,946	13,313	13,698
Expenses							
Core Expenses	8,400	9,425	9,785	10,158	10,546	10,949	11,368
Choice Expenses	1,700	2,028	2,105	2,186	2,269	2,356	2,446
Capital Acquisitions (not including building)	172	26	20	20	20	20	20
Total Expenses w/o Building & Election	10,273	11,478	11,910	12,364	12,835	13,325	13,833
Revenue Over Expenses w/o Building & Election	939	461	346	233	111	(12)	(136)
ELECTION Reserve Beginning Balance	462	483	1,046	521	754	212	212
Annual Election Reserve Contribution	664	563	346	233	111	-	-
Annual Election Expense	643	-	871	-	653	-	653
Election Reserve Ending Balance	483	1,046	521	754	212	212	-
BUILDING Reserve Beginning Balance	437	729	1,025	426	416	406	396
Annual Building Reserve Contribution	442	685	(589)	-	-	-	-
Annual Building Expense	150	389	10	10	10	10	10
Building Reserve Ending Balance	729	1,025	426	416	406	396	386
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
Ending General Fund & Cash Flow Reserves	\$ 5,714	\$ 4,068	\$ 5,781	\$ 5,558	\$ 6,110	\$ 6,107	\$ 6,194
Document does not reflect MWDOC's irrevocable trust towards OPEB liability							
MWDOC Water Rates							
Total Retail Customer Meters	646,211	646,053	646,000	648,000	650,000	652,000	654,000
Connection Charge	\$ 13.75	\$ 14.25	\$ 14.75	\$ 15.00	\$ 15.25	\$ 15.50	\$ 15.75
Fixed Charge %		100%	100%	100%	100%	100%	100%
Rate Increase Proposal:							
Connection Charge	\$ 0.50	\$ 0.50	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25

1 Assumptions for FMP: five year rolling average Inflation rate: 3.82% per year
Rate of return on Investment of portfolio: 2.10% per year

Working Capital and Interest Revenue Projections

	FISCAL MASTER PLAN PROJECTIONS				
	FY24-25	FY25-26	FY26-27	FY27-28	FY28-29
Working Capital:					
Designated Reserve Fund	6,436	7,025	7,025	7,025	7,013
Average Revenue from Agencies	4,963	5,068	5,170	5,275	5,381
WUE use of fund	(200)	(200)	(200)	(200)	(200)
Water Payment Float	7,288	7,313	7,338	7,363	7,388
Average Working Capital	18,487	19,204	19,333	19,463	19,582
Interest rate	1.20%	1.44%	1.73%	2.07%	2.49%
Interest Revenue Projections:					
Interest income - General	222	277	334	404	487
Total Interest Revenue Projections	222	277	334	404	487

Exhibit D

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Proposed District Participation Costs
Fiscal Year 2023-24**

Required Participation or Service	Budget FY 2022-2023	Projected FY 2022-2023 Actuals	Budget FY 2023-24	Approval included in Budget Approval
LAFCO	\$ 36,716	\$ 38,264	\$ 39,795	✓
Subtotal Cost Center 11	\$ 36,716	\$ 38,264	\$ 39,795	
Association of Calif. Water Agencies (ACWA)	\$ 23,000	\$ 24,655	\$ 25,641	✓
South OC Watershed Management Area Dues	\$ 11,250	\$ 7,987	\$ 9,100	✓
Subtotal Cost Center 12	\$ 34,250	\$ 32,642	\$ 34,741	
Subtotal - Required Participation or Service	\$ 70,966	\$ 70,906	\$ 74,536	
Elective Participation				
Colorado River Water Users Association (CRWUA)	\$ 60	\$ -	\$ -	✓
Subtotal Cost Center 11	\$ 60	\$ -	\$ -	
Association of California Cities- Orange County (ACCOC)	\$ 5,100	\$ 5,000	\$ 5,200	✓
American Water Works Association (AWWA)	\$ 1,800	\$ 1,977	\$ 2,056	✓
Association of Metropolitan Water Agencies (AMWA)	\$ 21,876	\$ 25,900	\$ 26,936	✓
CA Chamber of Commerce (HR California)	\$ 580	\$ 869	\$ 904	✓
California Council for Environmental and Economic Balance (CCEEB)	\$ -	\$ -	\$ 31,500	New
Cal Desal	\$ 5,100	\$ 5,000	\$ 5,200	✓
California Association of Public Information Officers (CAPIO)	\$ 825	\$ 945	\$ 982	✓
California Environmental Literacy Initiative	\$ 600	\$ 600	\$ 624	✓
California Municipal Treasurers Association (CMTA)	\$ 175	\$ 175	\$ 182	✓
California Municipal Utilities Association (CMUA)	\$ 6,480	\$ 9,286	\$ 9,657	✓
California Society of Municipal Finance Officers (CSMFO)	\$ 120	\$ 120	\$ 125	✓
California Special Districts Association (CSDA)	\$ 8,100	\$ 8,810	\$ 9,162	✓
California Water Efficiency Partnership (CalWEP)	\$ 6,030	\$ 6,030	\$ 6,271	✓
California Water, Energy and Education Alliance (CWEEA)	\$ 1,200	\$ 1,200	\$ 1,248	✓
Colorado River Water Users Association (CRWUA)	\$ 100	\$ -	\$ -	✓
Department of Water Resources Education Committee	\$ 1,500	\$ 1,500	\$ 1,560	✓
Government Finance Officers Association (GFOA)	\$ 170	\$ 170	\$ 177	✓
Indep. Special Districts of Or. Co. (ISDOC)	\$ 50	\$ 50	\$ 52	✓
International Association of Business Communicators (IABC)	\$ 375	\$ 375	\$ 390	✓
International Personnel Management Association (IPMA)	\$ 60	\$ 60	\$ 62	✓
National Water Resources Assn., Mun. Caucus	\$ 545	\$ 545	\$ 567	✓
OC Chapter-Calif. Landscape Contractors Assoc.	\$ 2,250	\$ 2,250	\$ 2,340	✓
Orange County Business Council (OC Chamber)	\$ 5,250	\$ 5,000	\$ 5,200	✓
Orange County Public Affairs Association (OCPAA)	\$ 625	\$ 625	\$ 650	✓
Orange County Water Association (OCWA)	\$ 250	\$ 250	\$ 260	✓
Public Relations Society of America/O.C. (PRSA)	\$ 1,340	\$ 1,340	\$ 1,394	✓
Radio and Television News Directors Association	\$ -	\$ -	\$ 75	New
Society of Human Resources Management (SHRM)	\$ 229	\$ 229	\$ 238	✓
Southern California Personnel Management Assoc. (SCPMA)	\$ 60	\$ 60	\$ 62	✓
South Orange County Economic Coalition (SOCEC)	\$ 1,630	\$ 1,630	\$ 1,695	✓
Southern California Water Coalition (SCWC)	\$ 1,020	\$ 1,020	\$ 1,061	✓
Urban Water Institute	\$ 1,326	\$ 1,326	\$ 1,379	✓
Water Environment Federation	\$ 55	\$ 55	\$ 57	✓
Subtotal Cost Center 12	\$ 74,821	\$ 82,397	\$ 117,266	
Subtotal - Elective Participation	\$ 74,881	\$ 82,397	\$ 117,266	
International Association of Emergency Managers	\$ 390	\$ -	\$ 400	✓
AWWA CA/NV Sec Spring 2023	\$ 196	\$ -	\$ 311	✓
California Emergency Services Association	\$ 294	\$ -	\$ 239	✓
WEROC Program Total	880	-	950	
GRAND TOTAL - General Fund	\$ 145,847	\$ 153,303	\$ 191,802	

Exhibit E

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Summary of Proposed Staff Registration & Travel Budget ⁽¹⁾
Fiscal Year 2023-24**

Conference / Meeting	Location/Date/Staff	Registration	Travel ⁽¹⁾	Approval included in Budget Approval
Association of California Water Agencies (ACWA)	DC Conference, TBD	\$ 2,700	\$ 6,600	√
	DC Conference, TBD	\$ 2,700	\$ 6,600	√
	Fall Conference, Nov. 28-30, 2023, Indian Wells, Ca	\$ 3,875	\$ 5,000	√
	Spring Conference, TBD	\$ 3,875	\$ 9,000	√
	Region 10, TBD	\$ 150		√
	Legislative Symposium, Sacramento, TBD	\$ 285	\$ 800	√
Association of California Cities- Orange County (ACCOC)	Sacramento, TBD	\$ 1,200	\$ 1,600	√
	Washington DC, TBD	\$ 1,800	\$ 4,400	√
Association of Metropolitan Water Agencies(AMWA)	Misc. Conference TBD			√
	Water Policy Conference TBD			√
	Executive Mgmt Conference, TBD			√
American Water Works Association (AWWA)	Cal Nevada Fall Conference, October, 23-26, 2023, Las Vegas, NV	\$ 1,750	\$ 2,400	√
	North American Water Loss Conference, Denver, CO, TBD	\$ 2,000	\$ 3,600	√
	ACE June 10, 2024, Anaheim, Ca	\$ 1,280	\$ 200	New
	Water Infrastructure, September 10, 2023, Philaelpia, PA	\$ 1,280	\$ 6,400	New
	Cal Nevada Section Annual Conference, San Diego, Ca TBD	\$ 875	\$ 1,200	√
	Sustainable Water Management , April 1, 2024, TBD	\$ 875	\$ 1,200	√
California Association of Public Information Officers (CAPIO)	Annual Conference, TBD	\$ 1,250	\$ 3,000	√
California Council for Environmental And Economic Balance (CCEEB)	Annual Conference - 2 x per year	\$ 2,800	\$ 5,000	New
Cal Desal	Annual Conference, TBD	\$ 250	\$ 500	√
California Environmental Literacy Initiative	Sacramento Ca, TBD		\$ 1,500	√
California Employees Public Retirement System(CalPERS)	Annual Employer Education Forum, 2023, TBD	\$ 1,347	\$ 300	√
California Municipal Utilities Association (CMUA) Capitol Days	Capital Days, Sacramento, TBD	\$ 195	\$ 800	√
California Municipal Utilities Association (CMUA) Annual Conference	Annual Conference, TBD	\$ 600	\$ 800	√
Colorado River Water Users Association (CRWUA)	Annual Conference, TBD	\$ 2,650	\$ 4,500	√
California Special Districts Association (CSDA)	Legislative Days, TBD	\$ 275	\$ 800	√
	Annual Spring Conference, TBD	\$ 500	\$ 800	√
California Water Efficiency Partnership (CalWEP)	Membership Meetings, 1=No. Cal & 2=So. Cal		\$ 800	√
	Board Meetings, 2=No. Cal & 2=So. Cal		\$ 500	√
	Peer to Peer, TBD	\$ 1,250	\$ 4,000	√
Department of Water Resources Education Committee	Sacramento, TBD		\$ 2,400	√
Department of Water Resources (DWR)/State Water Resources Control Board (SWRCB)	Urban Advisory Group Meetings, Sacramento		\$ 1,800	√
ESRI	GSI User Conference, July 10-14, 2023, San Diego, Ca	\$ 1,700	\$ 1,000	New
Legislative Advocacy	Sacramento		\$ 3,000	√
	Washington DC		\$ 5,000	√
Liebert, Cassidy Whitmore	Annual Public Sector Conference, TBD	\$ 1,200	\$ 200	√
Multi-State Salinity Coalition	Annual Salinity Summit, February 22-24, 2023, Las Vegas, NV	\$ 245	\$ 500	√
		\$ 1,800	\$ 1,600	√
Orange County Business Council (OCBC)	Advocacy, Sacramento, TBD	\$ 1,800	\$ 4,400	√
	Advocacy, DC, TBD	\$ 900	\$ 3,600	√
Public Relations Society of America	Annual Conference, October 15-17, 2023, Nashville, TN	\$ 1,725	\$ 1,800	√
Urban Water Institute	Fall Conference, TBD	\$ 1,150	\$ 1,200	√
	Spring Conference, TBD	\$ 2,750	\$ 6,000	√
Water Smart Innovations	Annual Conference, October 1, 2023, Las Vegas NV	\$ 3,500	\$ 4,000	√
Miscellaneous*				√
General Fund Total **		\$ 52,532	\$ 108,800	
Conferences/Meetings/Trainings				
International Assoc. of Emergency Managers	Long Beach, CA Nov 6-9, 2023	\$ 2,150	\$ 200	√
California Emergency Services Association (Fall)	Indian Wells, Ca, May 2024	\$ 1,950	\$ 2,900	√
AWWA CA/NV Section	Fall 2023 Las Vegas, NV Oct 23-26, 2023; Spring 2024 Anaheir	\$ 1,700	\$ 1,400	√
WEROC Program Total		\$ 5,800	\$ 4,500	
PROPOSED GENERAL FUND BUDGET		\$ 52,532	\$ 108,800	

* 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 2023-24**

Conference	Location/Date/Directors	Registration	Travel ⁽¹⁾	Approval included in Budget Approval
Association of California Water Agencies (ACWA)	DC Conference,	\$ 1,800	\$ 4,400	√
	DC Conference,	\$ 1,800	\$ 4,400	New
	Fall Conference November 28-30, 2023, Indian Wells, Ca	\$ 3,875	\$ 5,000	√
	Spring Conference, TBD	\$ 2,325	\$ 5,400	√
	Region 10, TBD	\$ 50		√
Association of California Cities- Orange County (ACCOC)	Sacramento, TBD	\$ 600	\$ 800	√
	Washington DC, TBD	\$ 900	\$ 2,200	√
American Water Works Association/Water Environment Federation (AWWA/WEF)	Utility Management Conference, TBD	\$ 875	\$ 1,200	√
Bond Buyers	Conference, TBD	\$ 275	\$ 300	√
California Special Districts Association (CSDA)	Legislative Days, Sacramento,	\$ 275	\$ 800	√
California Council For Environmental And Economic Balance (CCEEB)	Annual Conference - 2 x per year	\$ 2,800	\$ 5,000	New
Cal Desal	Annual Conference, TBD	\$ 1,590	\$ 2,700	√
Colorado River Water Users Association (CRWUA)	Annual Conference, December 13-15, 2023, Las Vegas NV	\$ 1,250	\$ 2,500	√
Legislative Advocacy	Sacramento		\$ 1,500	√
	Washington DC		\$ 2,500	√
Orange County Business Council (OCBC)	Advocacy Trip, Sacramento, TBD	\$ 900	\$ 2,200	√
	Advocacy Trip-DC, TBD	\$ 900	\$ 800	√
Urban Water Institute	Fall Conference,	\$ 1,725	\$ 1,800	√
	Spring Conference, TBD	\$ 1,725	\$ 1,800	√
Miscellaneous*		\$ 1,200	\$ 1,500	√
TOTAL**		\$ 24,865	\$ 46,800	

PROPOSED GENERAL FUND BUDGET

<u>\$ 24,865</u>	<u>\$ 46,800</u>
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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 2023-24

Conference / Meeting	Membership	Registration	Travel	Total
American Water Works Association (AWWA)	\$ 2,056	\$ 8,935	\$ 16,200	\$ 27,191
Orange County Business Council (OCBC)	\$ 5,200	\$ 5,400	\$ 9,000	\$ 19,600
Association of California Water Agencies (ACWA)	\$ 25,641	\$ 23,435	\$ 47,200	\$ 96,276
Association of California Cities- Orange County (ACCOC)	\$ 5,200	\$ 4,500	\$ 9,000	\$ 18,700
Cal Desal	\$ 5,200	\$ 1,840	\$ 3,200	\$ 10,240
California Association of Public Information Officers (CAPIO)	\$ 982	\$ 1,250	\$ 3,000	\$ 5,232
California Council for Environmental and Economic Balance (CCEEB)	\$ 31,500	\$ 5,600	\$ 10,000	\$ 47,100
California Environmental Literacy Initiative	\$ 624		\$ 1,500	\$ 2,124
California Municipal Utilities Association (CMUA)	\$ 9,657	\$ 795	\$ 1,600	\$ 12,052
California Special Districts Association (CSDA)	\$ 9,162	\$ 1,050	\$ 2,400	\$ 12,612
California Water Efficiency Partnership (CalWEP)	\$ 6,271	\$ 1,250	\$ 5,300	\$ 12,821
Department of Water Resources (DWR)	\$ 1,560		\$ 4,200	\$ 5,760
Public Relations Society of America	\$ 1,394	\$ 900	\$ 3,600	\$ 5,894
Urban Water Institute	\$ 1,379	\$ 6,325	\$ 6,600	\$ 14,304
<hr/>				
<hr/>				
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Grand Total for Memberships with Conferences/Travel:	\$ 105,826	\$ 61,280	\$ 122,800	\$ 289,906

(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 2023-2024

	Proposed Budget	Approval included in <u>Budget Approval</u>
Furniture and Fixtures- 19-8810:		
MWDOC Office Improvements (Wall Displays, artwork/kitchen remodel/appliances/furniture)	\$ 25,892	√
Subtotal 8810 Improvements	\$ 25,892	
Building Improvements- 19-8811:		
• Kitchen Remodel/permit/plan check/Constr Mgmt., Roof	\$ 222,686	√
Subtotal 8811 Improvements	\$ 222,686	
New Realized Costs - Cost Center 19	\$ 248,578	

**Exhibit J
Professional / Special Services Authorized
Core Fund**

Department	Consultant	Service	Budget FY 22-23	Budget FY 23-24	* Approval included in Budget Approval
Outside Consulting Expense					
Planning & Operation (21)	CDR	Population Projections	\$ 15,000	\$ 20,000	√
	CDM Smith	Supplemental Analysis of Water Supplies	\$ 100,000	\$ 65,000	√
	(To be determined)	On Call Work	\$ 10,000	\$ 35,000	
	Hazen, Ed Means Consulting	EOCF#2 Pilot Project	\$ 150,000	\$ 75,000	√
Total Planning & Operations Expenses			\$ 275,000	\$ 195,000	
Met Issues & Special Projects (23)	Ed Means Consulting	Consulting on MET issues	\$ 25,000	\$ 25,000	√
	(To be determined)	Financial & Rate Consulting	\$ 35,000	\$ -	
	Dopudja & Wells Consulting- Paul Jones	MET and Reliability Planning (IRP & Delta)	\$ 50,000	\$ 67,000	√
	(To be determined)	Financial Model for MWD	\$ 25,000	\$ 20,000	
Total Met Issues & Special Projects Expenses			\$ 135,000	\$ 112,000	
Total Outside Consulting Expense			\$410,000	\$ 307,000	
Legal Expenses					
Administration (11 & 13)	Best, Best & Krieger	General Legal Counsel Services	\$ 210,000	\$ 200,000	√
	Aleshire & Wynder	Legal Counsel Services Regarding San Diego CWA	\$ 15,750	\$ 16,000	√
	Best, Best & Krieger	Labor Counsel Services	\$ 10,000	\$ 25,000	√
Total Legal Expenses			\$235,750	\$ 241,000	
Audit Expenses					
Finance (41)	Davis Farr, LLP	Annual Financial Audit and Federal Single Audit	\$ 35,000	\$ 36,500	√
Training					
Administration (13)	Cal State University Fullerton/Municipal Resources Group/Centre for Organization Effectiveness	Staff Development/Technical Training/Leadership Training	\$ 45,000	\$ 35,000	√
Professional Fees					
Administration (12 & 13 & 19)	Economic Group Pension Services (EGPS) formerly Dissinger Associates	Pension Plan Administration	\$ 4,000	\$ 4,000	√
	(To be determined)	Advisor to assist with review of 401a and 457 Plans and investments	\$ -	\$ 50,000	√
	(To be determined)	Consultant to assist with Strategic Planning Workshop and Facilitation	\$ -	\$ 50,000	√
	(To be determined)	Triennial Benchmark Salary and Benefits Study	\$ -	\$ 45,000	√
	IGOE	Cafeteria Plan Administration	\$ 700	\$ 750	√
	Gladwell Services	Records Management Consulting	\$ 1,200	\$ 600	√
Governmental Affairs (31)	Health Equity	Health Equity	\$ 125	\$ 125	√
	BBK Legislation	State Legislative Advocate	\$ 96,000	\$ 96,000	√
	Natural Resource Results	Federal Legislative Advocate	\$ 96,000	\$ 96,000	√
	Dopudja & Wells		\$ -	\$ 60,000	√
	Whittingham Public Affairs Adv.		\$ -	\$ 90,000	√
	Soto Services	Grant Research and Acquisition Assistance	\$ 42,000	\$ 39,000	√
	Ackerman	Legal and Regulatory	\$ 42,000	\$ 42,000	√
	Travel		\$ -	\$ 5,000	√
Public Affairs (32)	Stetson Engineers	Consumer Confidence Report (CCR) Technical Water Quality Advisor	\$ 50,000	\$ 55,000	√
	So Cal Water Coalition	Delta Conveyance Program Support	\$ 30,000	\$ 30,000	√
	(To be determined)	Collateral materials update and resolutions/proclamations	\$ 5,000	\$ 5,000	
	Hashtag Pinpoint	Strategic Digital Outreach Contract	\$ 95,000	\$ 120,000	√
	(To be determined)	Polling Public Sentiment Analysis	\$ 25,000	\$ -	
	(To be determined)	Education Initiatives	\$ 35,000	\$ -	
	(To be determined)	Website Research	\$ 50,000	\$ -	
	(To be determined)	Drought Campaign	\$ -	\$ 50,000	
	(To be determined)	Wyland Mayors Challenge	\$ 10,000	\$ -	
	PSAV	Special Events AV Support	\$ 51,000	\$ 40,000	√
WUE - Core (35)	(To be determined)	Advertising	\$ 20,000	\$ 40,000	
	(To be determined)	Scouts Program	\$ 7,500	\$ -	
	(To be determined)	General WUE Research	\$ 75,000	\$ 75,000	
	E Source	Water Loss Control Work Grp (WLC)	\$ 55,000	\$ 55,000	√
	E Source	WLC Business Plan Implementation	\$ 25,000	\$ 35,000	√
Finance & IT (41 & 45)	OC Data Acquisition P/S (OCDAP)	Aerial Imagery and Landscape Measurement Project	\$ 75,000	\$ -	√
	U.S. Bank	Custodial Bank fees	\$ 6,500	\$ 12,000	√
	CalPERS	CalPERS GASB 68 Report	\$ 700	\$ 700	√
	Accent Computer Solutions, Inc	IT Consultant	\$ -	\$ 95,000	√
	(To be determined)	Financial Consulting	\$ 15,000	\$ -	New
	Demsey Filiger & Assoc., LLC	OPEB Actuarial	\$ 3,750	\$ 750	√
Total Professional Fees			\$916,475	\$1,191,925	

WEROC

Department	Consultant	Service	Budget FY 22-23	Budget FY 23-24	* Approval included in Budget Approval
Professional Fees					
WEROC (25)	CDR	Mapping Project	\$ -	\$ 4,000	new
Total Professional Fees			-	4,000	

* 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 22-23	Budget FY 23-24	* Approval included in Budget Approval
Training					
Water Loss Control (70)	(To be determined)	Water lost training	\$ 8,000	\$ 1,000	√
Professional Fees					
Water Loss Control (70)	USA Leak Detection	Leak Detection	\$ 20,000	\$ -	√
	Westerley & McCall's	Meter Accuracy Testing	\$ 35,000	\$ 35,000	√
Water Use Efficiency (62)	Various Printers	Printing of marketing materials for all WUE programs	\$ 40,000	\$ 60,000	√
	Droplet	Web Based Rebate Processing Platform (Turf & Drip)	\$ 30,000	\$ 30,000	√
	Droplet	E-Signature Rebate Processing	\$ 7,100	\$ 7,100	√
	Mission Resource Cnsvr District (To be determined)	Residential Installation Verification Inspections CII Best Management (TBD on \$)	\$ 50,000 \$ -	\$ 50,000 \$ -	√ √
School Program (63)	Shows that teach/The OC Department of Education	Assemblies (Elementary School)	\$ 288,310	\$ 293,400	√
	The OC Department of Education	Assemblies (High School)	\$ 63,930	\$ 65,000	√
	The OC Department of Education	Assemblies (Middle School)	\$ 65,441	\$ 66,600	√
Total Professional Fees			\$ 607,781	\$ 608,100	

* 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.

Total Core Expenses

		FY 2022-2023 BUDGET	FY 2022-2023 PROJECTED ACTUALS	FY 2023-2024 PROPOSED BUDGET
6010	Salaries & Wages - Admin	3,835,412	3,450,473	4,296,783
6090	Directors Compensation - MWDOC	275,041	273,077	275,041
6095	Directors Compensation - MWD	157,166	142,432	117,875
6105	Benefits - Admin	1,260,901	1,074,831	1,269,602
6109	CALPERS Unfunded Liability Contribution	207,000	207,000	207,000
6111	Overhead Reimbursement	(333,099)	(328,848)	(439,476)
6115	Benefits - Directors	132,976	49,875	104,447
6120	Health Insurance Coverage for Retirees	94,554	68,794	84,847
6205	Training	45,000	25,000	35,000
6210	Tuition Reimbursement	5,000	5,000	5,000
6220	Temporary Help	5,000	-	5,000
7010	Outside Consulting Services	410,000	205,000	307,000
7020	Legal - General	235,750	185,687	241,000
7030	Audit	35,000	27,000	36,500
7040	Other Professional Fees	916,475	991,390	1,191,325
7110	Conference - Employee	56,205	26,677	52,532
7115	Conference - Directors	23,905	20,130	24,865
7150	Travel & Accommodations - Employee	90,325	38,026	108,800
7155	Travel & Accommodations - Director	32,900	27,100	46,800
7210	Membership / Sponsorship	145,847	153,303	191,802
7250	CDR Participation	57,462	57,460	62,433
7305	Business Expense	2,500	900	2,000
7310	Office Maintenance	151,400	154,888	175,860
7315	Building Repair & Maintenance	22,056	18,962	25,200
7320	Rents & Leases	1,800	1,699	1,800
7330	Office Supplies	35,000	20,983	27,000
7340	Postal / Mail Delivery	10,900	10,505	11,275
7350	Subscriptions / Books	1,000	600	1,000
7360	Reproduction Expense	84,000	83,246	93,000
7410	Computer & Peripherals Maint	7,000	7,000	5,000
7430	Software Purchase	92,793	99,000	103,798
7440	Software Support	55,615	55,615	47,720
7510	Site Maintenance	-	-	-
7450	Computers and Equipment	43,950	43,950	43,000
7580	Maintenance Expense	6,000	-	6,000
7610	Automotive / Mileage	13,500	6,500	9,000
7615	Toll Road Charges	900	300	575
7620	Insurance Expense	140,000	171,736	182,976
7640	Utilities - Telephone	40,790	36,426	43,918
7650	Bank Fees	2,600	2,342	2,600
7670	Miscellaneous Expenses	57,520	46,420	125,200
8810	Capital Acquisition	81,000	26,497	25,892
	Total Expenditure	8,539,144	7,486,975	9,156,990
	MWDOC's Contribution to WEROC Oper	296,290	296,290	293,441
	MWDOC's Contribution to Election Rsrv	300,728	664,360	563,020
	MWDOC's Building Expense (8811)	246,600	149,938	389,000
	Building Prior Year Carryover Dr/(Cr)	476,477	-	(166,314)
		<u>9,859,239</u>	<u>8,597,563</u>	<u>10,236,137</u>

Total Choice Revenue and Expense

		FY 2022-2023 BUDGET	FY 2022-2023 PROJECTED ACTUALS	FY 2023-2024 PROPOSED BUDGET
4215	Choice Revenue	1,757,952	1,190,854	2,027,632
4205	School Contracts	-	120,895	-
4705	Prior Year Carry Over	-	213,153	-
		-	-	-
	Choice billing over/under	-	175,328	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
	Total Revenue	1,757,952	1,700,230	2,027,632

		FY 2022-2023 BUDGET	FY 2022-2023 PROJECTED ACTUALS	FY 2023-2024 PROPOSED BUDGET
6010	Salaries & Wages - Admin	593,718	606,460	762,777
	S & B Reimb. DSC or Recov from Grants	(20,000)	(30,874)	(30,000)
6090	Directors Compensation - MWDOC	-	-	-
6095	Directors Compensation - MWD	-	-	-
6105	Benefits - Admin	180,931	158,207	216,359
6111	Overhead Reimbursement	333,099	328,848	439,476
6115	Benefits - Directors	-	-	-
6120	Health Insurance Coverage for Retirees	-	-	-
6205	Training	8,000	-	1,000
6210	Tuition Reimbursement	-	-	-
6220	Temporary Help	-	-	-
7010	Outside Consulting Services	-	-	-
7020	Legal - General	-	-	-
7030	Audit	-	-	-
7040	Other Professional Fees	182,100	182,100	182,100
	Other Professional Fees - School Programs	417,681	417,681	425,000
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	-	-	-
7332	Supplies - Water Loss Control	4,000	4,000	4,000
7340	Postal / Mail Delivery	400	350	400
7350	Subscriptions/Books	-	-	-
7360	Reproduction Expense	-	-	-
7410	Computer & Peripherals Maint	-	-	-
7430	Software Purchase	2,300	2,416	2,200
7440	Software Support	-	-	-
7450	Computers and Equipment	-	-	-
7580	Maintenance Expense	-	-	-
7610	Automotive / Mileage	-	400	400
7612	Vehicle Expense	7,343	7,343	12,000
7615	Toll Road Charges	1,200	100	400
7620	Insurance Expense	-	-	-
7640	Utilities - Telephone	2,900	2,664	2,520
7650	Bank Fees	-	-	-
7670	Miscellaneous Expenses	12,000	10,000	9,000
8410	Overhead Reimbursement	-	-	-
8610	Depreciation Expense	-	-	-
8710	Election Expenses	-	-	-
8810	Capital Acquisition	32,280	10,535	-
	Total Expenditure	1,757,952	1,700,230	2,027,632

Total Core and Choice Expenses

		FY 2022-2023 BUDGET	FY 2022-2023 PROJECTED ACTUALS	FY 2023-2024 PROPOSED BUDGET
6010	Salaries & Wages - Admin	4,429,130	4,056,933	5,059,560
	S & B Reimb. DSC or Recov from Grants	(20,000)	(30,874)	(30,000)
6090	Directors Compensation - MWDOC	275,041	273,077	275,041
6095	Directors Compensation - MWD	157,166	142,432	117,875
6105	Benefits - Admin	1,441,831	1,233,038	1,485,961
6109	CALPERS Unfunded Liability Contribution	207,000	207,000	207,000
6111	Overhead Reimbursement	-	-	-
6115	Benefits - Directors	132,976	49,875	104,447
6120	Health Insurance Coverage for Retirees	94,554	68,794	84,847
6205	Training	53,000	25,000	36,000
6210	Tuition Reimbursement	5,000	5,000	5,000
6220	Temporary Help	5,000	-	5,000
7010	Outside Consulting Services	410,000	205,000	307,000
7020	Legal - General	235,750	185,687	241,000
7030	Audit	35,000	27,000	36,500
7040	Other Professional Fees	1,098,575	1,173,490	1,373,425
	Other Professional Fees - School Programs	417,681	417,681	425,000
7110	Conference - Employee	56,205	26,677	52,532
7115	Conference - Directors	23,905	20,130	24,865
7150	Travel & Accommodations - Employee	90,325	38,026	108,800
7155	Travel & Accommodations - Director	32,900	27,100	46,800
7210	Membership / Sponsorship	145,847	153,303	191,802
7250	CDR Participation	57,462	57,460	62,433
7305	Business Expense	2,500	900	2,000
7310	Office Maintenance	151,400	154,888	175,860
7315	Building Repair & Maintenance	22,056	18,962	25,200
7320	Rents & Leases	1,800	1,699	1,800
7330	Office Supplies	35,000	20,983	27,000
7332	Supplies - Water Loss Control	4,000	4,000	4,000
7340	Postal / Mail Delivery	11,300	10,855	11,675
7350	Subscriptions / Books	1,000	600	1,000
7360	Reproduction Expense	84,000	83,246	93,000
7410	Computer & Peripherals Maint	7,000	7,000	5,000
7430	Software Purchase	95,093	101,416	105,998
7440	Software Support	55,615	55,615	47,720
7450	Computers and Equipment	43,950	43,950	43,000
7580	Maintenance Expense	6,000	-	6,000
7610	Automotive / Mileage	13,500	6,900	9,400
7612	Vehicle Expense	7,343	7,343	12,000
7615	Toll Road Charges	2,100	400	975
7620	Insurance Expense	140,000	171,736	182,976
7640	Utilities - Telephone	43,690	39,090	46,438
7650	Bank Fees	2,600	2,342	2,600
7670	Miscellaneous Expenses	69,520	56,420	134,200
8810	Capital Acquisition	113,280	37,032	25,892
	Total Expenditure	10,297,096	9,187,205	11,184,622
	MWDOC's Contribution to WEROC Oper	296,290	296,290	293,441
	MWDOC's Contribution to Election Rsrv	300,728	664,360	563,020
	MWDOC's Building Expense (8811)	246,600	149,938	389,000
		<u>11,617,191</u>	<u>10,297,793</u>	<u>12,263,769</u>

Administrative - Board
11

		FY 2022-2023 BUDGET	FY 2022-2023 PROJECTED ACTUALS	FY 2023-2024 PROPOSED BUDGET
6010	Salaries & Wages - Admin	253,955	211,258	324,664
6090	Directors Compensation - MWDOC	275,041	273,077	275,041
6095	Directors Compensation - MWD	157,166	142,432	117,875
6105	Benefits - Admin	80,397	59,612	85,530
6115	Benefits - Directors	132,976	49,875	104,447
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Outside Consulting Services			
7020	Legal - General	225,750	177,187	216,000
7030	Audit			
7040	Other Professional Fees			50,000
7110	Conference - Employee			
7115	Conference - Directors	23,905	20,130	24,865
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director	32,900	27,100	46,800
7210	Membership / Sponsorship	36,776	38,264	39,795
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery	7,000	7,381	7,675
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computers & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage	9,000	4,500	4,500
7615	Toll Road Charges	500	200	275
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	6,000	4,500	6,000
8410	Overhead Reimbursement			
8610	Depreciation Expense			
8710	Election Expenses	-	643,451	-
8810	Capital Acquisition			
	Total Expenditure	1,241,367	1,658,967	1,303,467

- 1 • Best, Best & Krieger \$ 157,687
- Aleshire & Wynder \$ 19,500
- \$ 177,187

- 2 • Best, Best & Krieger \$ 200,000
- Aleshire & Wynder \$ 16,000
- \$ 216,000

- 3 • Strategic plan workshop and Board Studies \$ 50,000

- 4 • See Exhibit F

- 5 • See Exhibit D

MWDOC's Contribution to Election Reserve	300,728	664,360	563,020
	<u>1,542,095</u>	<u>2,323,327</u>	<u>1,866,487</u>

Administrative - General
12

		FY 2022-2023 BUDGET	FY 2022-2023 PROJECTED ACTUALS	FY 2023-2024 PROPOSED BUDGET
6010	Salaries & Wages - Admin	356,645	364,179	458,977
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	153,562	153,674	168,938
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help	5,000		5,000
7010	Outside Consulting Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	1,200	-	50,000
7110	Conference - Employee	56,205	26,677	52,532
7115	Conference - Directors			
7150	Travel & Accommodations - Employee	90,325	38,026	108,800
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship	109,071	115,039	152,007
7250	CDR Participation	57,462	57,460	62,433
7305	Business Expense	2,500	900	2,000
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books	1,000	600	1,000
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage	4,500	2,000	4,500
7615	Toll Road Charges	400	100	300
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	2,000	1,200	2,000
8810	Capital Acquisition			
	Total Expenditure	839,870	759,856	1,068,487

- 1 • See Exhibit J.
- 2 • See Exhibit E.
- 3 • See Exhibit D.

Personnel / Staff Development
13

		FY 2022-2023 BUDGET	FY 2022-2023 PROJECTED ACTUALS	FY 2023-2024 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	274,174	271,477	289,068	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	81,251	69,167	81,830	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training	45,000	25,000	35,000	1
6210	Tuition Reimbursement	5,000	5,000	5,000	
6220	Temporary Help				
7010	Outside Consulting Services				
7020	Legal - General	10,000	8,500	25,000	2
7030	Audit				
7040	Other Professional Fees	-	-	45,000	3
7110	Conference - Employee				
7115	Conference - Directors				
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				
7250	CDR Participation				4
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	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	14,500	13,500	18,000	4
8810	Capital Acquisition				
	Total Expenditure	429,925	392,644	498,898	

1	• Staff Technical Training & Leadership Development Training	
2	• Additional funds for legal to assist with RFP and evaluation of 401/457 Plan Advisors	
3	• Triennial Benchmark Study	
4	• Employment Screening	\$ 1,800
	• Lunch&Learns/Team Building	\$ 800
	• EE Recognition	\$ 2,500
	• Holiday Luncheon	\$ 3,700
	• flu Shots	\$ 200
	• Job Ads/Recruiting	\$ 2,800
	• Workforce Development Testing	\$ 2,700
	• Miscellaneous	\$ 3,500
		<hr/>
		\$ 18,000

**Overhead
19**

		FY 2022-2023 BUDGET	FY 2022-2023 PROJECTED ACTUALS	FY 2023-2024 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	567,507	384,979	674,603	1 • For 13 Retirees
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				2 • EGPS \$ 4,000
6105	Benefits - Admin	178,480	115,401	193,633	• IGOE \$ 750
6109	CALPERS Unfunded Liability Contribution	207,000	207,000	207,000	• Health Equity \$ 125
6111	Overhead Reimbursement from Choice	(333,099)	(328,848)	(439,476)	\$ 4,875
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees	94,554	68,794	84,847	1 3 • Binding Machine \$ 800
6205	Training				• Atrium Maintenance \$ 14,100
6210	Tuition Reimbursement				• Window Cleaning \$ 2,000
6220	Temporary Help				• Carpet Cleaning \$ 2,400
7010	Outside Consulting Services				• Interior Plant Maintenance \$ 4,000
7020	Legal - General				• Furniture Cleaning \$ 3,000
7030	Audit				• OCWD Shared costs/receptionist/maintenance \$ 139,560
7040	Other Professional Fees	4,825	4,025	4,875	• Contingency \$ 10,000
7110	Conference - Employee				\$ 175,860
7115	Conference - Directors				
7150	Travel & Accommodations - Employee				4 • Sewer Flush \$ 2,400
7155	Travel & Accommodations - Director				• Emergency Lighting Maintenance \$ 2,400
7210	Membership / Sponsorship				• Misc. Repairs \$ 10,600
7220	CUWA Participation				• HVAC Maintenance \$ 8,000
7240	AWWARF Participation				• Lobby Door Maintenance \$ 1,800
7250	CDR Participation				\$ 25,200
7310	Office Maintenance	151,400	154,888	175,860	3
7315	Building Repair & Maintenance	22,056	18,962	25,200	4
7320	Rents & Leases	1,800	1,699	1,800	5
7330	Office Supplies	35,000	20,983	27,000	6
7340	Postal / Mail Delivery	3,900	3,124	3,600	7
7350	Subscriptions / Books				
7360	Reproduction Expense	6,500	5,746	6,000	6 • Coffee \$ 3,000
7410	Computer & Peripherals Maint				• Supplies \$ 24,000
7430	Software Purchase				27,000
7440	Software Support				
7450	Software Development				7 • OCWD \$ 1,500
7510	Site Maintenance				• Norco/FedEx/UPS \$ 600
7450	Computers and Equipment				• POB \$ 1,500
7580	Maintenance Expense	6,000		6,000	\$ 3,600
7610	Automotive / Mileage				
7615	Toll Road Charges				8 • Spectrum \$ 22,200
7620	Insurance Expense	140,000	171,736	182,601	• Verizon \$ 1,932
7640	Utilities - Telephone	40,000	35,495	42,612	• EE Cell Reimb. \$ 18,480
7650	Bank Fees	2,600	2,342	2,600	\$ 42,612
7670	Miscellaneous Expenses	4,000	3,500	4,000	
8410	Overhead Reimbursement				9 • Artwork, Kitchen(Furnishing, appliances), Office furniture \$ 25,892
8610	Depreciation Expense				\$ 25,892
8810	Capital Acquisition	81,000	14,810	25,892	10 • Kitchen Remodel/permit/plan check/Constr Mgr \$ 39,000
	Total Expenditure	1,213,523	884,634	1,228,647	• Roof \$ 350,000
	Capital Acquisition to Carryover (8810)	-	-	-	
	Capitol Acq Prior Year Carryover Dr/(Cr)	-	-	-	
	MWDOC's Building Exp. (8811)	246,600	149,938	389,000	10 \$ 389,000
	Building Exp. Prior Year Carryover Dr/(Cr)	476,477	-	(166,314)	
		1,936,600	1,034,572	1,451,333	

Reliability Planning and Engineering

21

		FY 2022-2023 BUDGET	FY 2022-2023 PROJECTED ACTUALS	FY 2023-2024 PROPOSED BUDGET
6010	Salaries & Wages - Admin	397,327	332,445	494,609
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	123,374	93,381	125,821
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Outside Consulting Services	275,000	110,000	195,000
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees			
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			375
7640	Utilities - Telephone	315	456	0
7650	Bank Fees			
7670	Miscellaneous Expenses	1,100		1,600
8810	Capital Acquisition			
	Total Expenditure	797,116	536,282	817,404

1 • See Exhibit J.

Metropolitan Issues and Water Policy
23

		FY 2022-2023 BUDGET	FY 2022-2023 PROJECTED ACTUALS	FY 2023-2024 PROPOSED BUDGET
6010	Salaries & Wages - Admin	598,871	491,321	504,932
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	201,152	147,286	135,034
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Outside Consulting Services	135,000	95,000	112,000
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees			
7045	Other Professional Fees - MET			
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			456
7650	Bank Fees			
7670	Miscellaneous Expenses	250	150	1,000
8810	Capital Acquisition			
	Total Expenditure	935,272	733,757	753,421

1 • See Exhibit J.

Government Affairs
31

		FY 2022-2023 BUDGET	FY 2022-2023 PROJECTED ACTUALS	FY 2023-2024 PROPOSED BUDGET
6010	Salaries & Wages - Admin	142,924	133,035	158,928
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	48,680	41,548	48,294
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Outside Consulting Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	276,000	306,000	428,000
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	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	4,000	2,000	2,500
8410	Overhead Reimbursement			
8610	Depreciation Expense			
8710	Election Expenses			
8810	Capital Acquisition			
	Total Expenditure	471,604	482,583	637,722

1 • NRR	\$ 96,000
• BBK	\$ 96,000
• Ackerman	\$ 42,000
• Soto	\$ 39,000
• Travel	\$ 5,000
• Dopudja & Wells	\$ 60,000
• Whittingham Public Affairs Adv.	\$ 90,000
	<u>\$ 428,000</u>

Public Affairs
32

		FY 2022-2023 BUDGET	FY 2022-2023 PROJECTED ACTUALS	FY 2023-2024 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	513,866	518,867	564,965	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	154,008	155,970	167,359	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Outside Consulting Services				
7020	Legal - General				
7030	Audit				
7040	Other Professional Fees	378,500	350,500	340,000	1
7047	Prof Service-Grant Recovery				
7110	Conference - Employee				
7115	Conference - Directors				
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				
7220	CUWA Participation				
7240	AWWARF Participation				
7250	CDR Participation				
7310	Office Maintenance				
7320	Rents & Leases				
7330	Office Supplies				
7340	Postal / Mail Delivery				
7350	Subscriptions / Books				
7360	Reproduction Expense	77,500	77,500	87,000	2
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7450	Software Development				
7510	Site Maintenance				
7450	Computers and Equipment				
7580	Maintenance Expense				
7610	Automotive / Mileage				
7615	Toll Road Charges				
7620	Insurance Expense				
7640	Utilities - Telephone	475	475	475	
7650	Bank Fees				
7670	Miscellaneous Expenses	16,600	14,000	82,100	3
8810	Capital Acquisition				
	Total Expenditure	1,140,950	1,117,312	1,241,899	

1 Public Affairs Activities:	
• Resolutions/Proclamations	\$ 5,000
• Consumer Confidence Reports	\$ 55,000
• Delta Conveyance Program Support	\$ 30,000
Subtotal	\$ 90,000
Communications Plan Activities:	
• Strategic Digital Outreach	\$ 120,000
• Advertising	\$ 40,000
• Drought Campaign	\$ 50,000
• Special events(WPD, Poster Awards, A/V, Venue Support	\$ 40,000
Subtotal	\$ 250,000
Total	\$ 340,000
2 • Promotional Items, Branded Materials \$ 50,000	
• Info Items Handouts, Books, Folders	\$ 37,000
	\$ 87,000
3 • Ricki Maint and Repair \$ 6,500	
• Sponsorship Contingency Fund	\$ 5,100
• Storage Facility	\$ 4,000
• Member Agency Workshops PAW	\$ 6,000
• MWDOC Attendance@ WPD/OCWS	\$ 8,000
• Wyland Mayors Challenge	\$ 10,000
• Scouts Program	\$ 7,500
• Education Initiatives	\$ 35,000
	\$ 82,100

**Water Use Efficiency
(Core)
35**

		FY 2022-2023 BUDGET	FY 2022-2023 PROJECTED ACTUALS	FY 2023-2024 PROPOSED BUDGET
6010	Salaries & Wages - Admin	186,878	242,136	215,610
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	61,206	74,670	71,359
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Outside Consulting Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	230,000	208,000	165,000
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
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	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	5,000	6,000
8810	Capital Acquisition			
	Total Expenditure	484,084	529,806	457,968

- 1 • General Research \$ 75,000
- Water Loss Control Work Grp \$ 55,000
- WLC Business Plan Implement \$ 35,000
- \$ 165,000

General Finance
41

		FY 2022-2023 BUDGET	FY 2022-2023 PROJECTED ACTUALS	FY 2023-2024 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	407,817	397,176	462,570	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	132,175	133,825	145,822	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Outside Consulting Services				
7020	Legal - General				
7030	Audit	35,000	27,000	36,500	1
7040	Other Professional Fees	25,950	85,450	13,450	2
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	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	500	1,000	
8810	Capital Acquisition				
	Total Expenditure	601,942	643,951	659,342	

1 • Annual Audit	\$ 27,000
• Single Audit	\$ 4,500
• WUE Grant Review	\$ 5,000
	<u>\$ 36,500</u>

2 • Custodial Bank fees	\$ 12,000
• OPEB Actuarial	\$ 750
• CalPERS GASB 68 Report	\$ 700
	<u>\$ 13,450</u>

Information Technology
45

		FY 2022-2023 BUDGET	FY 2022-2023 PROJECTED ACTUALS	FY 2023-2024 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	135,448	103,600	147,859	
6090	Directors Compensation - MWDOC				1 • See Exh J
6095	Directors Compensation - MWD				
6105	Benefits - Admin	46,616	30,297	45,983	2 • Computer, iPad, Server hardware maintenance \$ 5,000
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				3 • Various software upgrades and license \$ 103,798
6205	Training				
6210	Tuition Reimbursement				4 • Cisco Smartnet for Phone system (hardware and software)
6220	Temporary Help				• Cisco Smartnet for POE and non-POE switches
7010	Outside Consulting Services				• Cisco Smartnet for Voice Gateway/Router
7020	Legal - General				• Cisco Smartnet for Firewall \$ 5,200.00
7030	Audit				• ECS Laserfiche annual support \$ 6,100.00
7040	Other Professional Fees	-	37,415	95,000	1 • Laserfiche WORM Storage Cloud backup \$ 15,000.00
7110	Conference - Employee				• Mwdoc.com Web hosting service \$ 3,300.00
7115	Conference - Directors				• Support for Recruiting Insight Software for HR \$ 3,500.00
7150	Travel & Accommodations - Employee				• Exchange + AD monitoring software (renew in May) \$ 2,035.00
7155	Travel & Accommodations - Director				• Annual support for Finance AccuFund software \$ 9,695.00
7210	Membership / Sponsorship				• Tracker Investmnet Software \$ 2,820.00
7220	CUWA Participation				• Amazon Cloud Cam annual plan \$ 70.00
7240	AWWARF Participation				\$ 47,720
7250	CDR Participation				
7310	Office Maintenance				
7320	Rents & Leases				
7330	Office Supplies				
7340	Postal / Mail Delivery				5 • Replace 2 Servers - Domain Controller \$ 15,000
7350	Subscriptions / Books				• 10 Replacement Computers with monitors or laptops for Staff \$ 15,000
7360	Reproduction Expense				• Cloud hybrid backup storage \$ 4,500
7410	Computers & Peripherals Maint	7,000	7,000	5,000	2 • Computer replacement for Administrator (Patrick) \$ 3,000
7430	Software Purchase	92,793	99,000	103,798	3 • Wireless APs and wireless router hardware upgrade \$ 5,500
7440	Software Support	55,615	55,615	47,720	4
7510	Site Maintenance				
7450	Computers and Equipment	43,950	43,950	43,000	5
7580	Maintenance Expense				
7610	Automotive / Mileage				
7615	Toll Road Charges				
7620	Insurance Expense				
7640	Utilities - Telephone				
7650	Bank Fees				
7670	Miscellaneous Expenses	2,070	2,070	1,000	
8810	Capital Acquisition	-	11,687	-	
	Total Expenditure	383,491	390,634	489,360	

**Water Use Efficiency
(choice)
62**

		FY 2022-2023 BUDGET	FY 2022-2023 PROJECTED ACTUALS	FY 2023-2024 PROPOSED BUDGET
4215	Choice Revenue	831,328	803,364	1,040,355
4705	Prior Year Carry over			
	Choice billing over/under		62,774	-
	Total Revenue	831,328	866,137	1,040,355

Choice billing over/under reflects revenue overage or shortfall to be reconciled with participating member agencies. Final charges will be revised by August 2023 to reflect the new budget year charges plus/minus prior year over/under.

		FY 2022-2023 PROPOSED BUDGET	FY 2022-2023 PROJECTED ACTUALS	FY 2023-2024 PROPOSED BUDGET
6010	Salaries & Wages - Admin	388,480	425,073	500,332
6012	Salaries & Benefits - Recovery from Grants	(20,000)	(30,874)	(30,000)
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	113,498	109,565	131,798
6111	Overhead Reimbursement	215,850	229,923	283,725
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Outside Consulting Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	127,100	127,100	147,100
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	350	400
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	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	5,000	7,000
8810	Capital Acquisition			
	Total Expenditure	831,328	866,137	1,040,355

- 1 • Marketing of WUE programs \$ 60,000
 • Residential Installation Verification Inspec \$ 50,000
 • Droplet Rebate Processing & E-Signature \$ 37,100
 • Cons to Develop CII Best Mgmt (pending Joe) \$ -
 \$ 147,100

**School Program
(choice)
63**

		FY 2022-2023 BUDGET	FY 2022-2023 PROJECTED ACTUALS	FY 2023-2024 PROPOSED BUDGET
4215	Choice Revenue	429,838	96,173	435,956
4205	School Contracts		120,895	
4705	Prior Year Carry over		213,153	
	Choice billing over/under		(4,546)	-
	Total Revenue	429,838	425,674	435,956

Choice billing over/under reflects revenue overage or shortfall to be reconciled with participating member agencies. Final charges will be revised by August 2022 to reflect the new budget year charges plus/minus prior year over/under.

		FY 2022-2023 PROPOSED BUDGET	FY 2022-2023 PROJECTED ACTUALS	FY 2023-2024 PROPOSED BUDGET
6010	Salaries & Wages - Admin	6,441	4,707	5,838
6105	Benefits - Admin	2,060	883	1,724
6111	Overhead Reimbursement	3,656	2,404	3,394
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Outside Consulting Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees			
7040	Other Professional Fees - School Programs	417,681	417,681	425,000
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	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	429,838	425,674	435,956

- 1 • High Schools \$ 65,000
- Elementary Schools \$ 293,400
- Middle Schools \$ 66,600
- \$ 425,000

**Water Loss Control
(choice)
70**

		FY 2022-2023 BUDGET	FY 2022-2023 PROJECTED ACTUALS	FY 2023-2024 PROPOSED BUDGET
4215	Choice Revenue	496,786	291,317	551,321
4705	Prior Year Carry over			
	Choice billing over/under		117,101	-
	Total Revenue	496,786	408,418	551,321

		FY 2022-2023 BUDGET	FY 2022-2023 PROJECTED ACTUALS	FY 2023-2024 PROPOSED BUDGET
6010	Salaries & Wages - Admin	198,797	176,680	256,608
6012	Salaries & Wages - Reimb. from Grants			
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	65,373	47,759	82,837
6111	Overhead Reimbursement	113,593	96,521	152,356
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training	8,000	-	1,000
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Outside Consulting Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	55,000	55,000	35,000
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	4,000	4,000	4,000
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase	2,300	2,416	2,200
7440	Software Support			
7450	Computers and Equipment			
7510	Site Maintenance			
7580	Maintenance Expense			
7610	Automotive / Mileage		400	400
7612	Vehicle Expense	7,343	7,343	12,000
7615	Toll Road Charges	1,200	100	400
7620	Insurance Expense			
7640	Utilities - Telephone	2,900	2,664	2,520
7650	Bank Fees			
7670	Miscellaneous Expenses	6,000	5,000	2,000
8410	Overhead Reimbursement			
8610	Depreciation Expense			
8710	Election Expenses			
8810	Capital Acquisition	32,280	10,535	
	Total Expenditure	496,786	408,418	551,321

**WEROC
25**

		FY 2022-2023 BUDGET	FY 2022-2023 PROJECTED ACTUALS	FY 2023-2024 PROPOSED BUDGET
4320	MWDOC Contribution to Operations	296,290	296,290	293,441
4210	WEROC Contracts	269,651	269,651	293,441
4205				
4230	Reimbursements			
4240				
4410				
4805				
	TOTAL WEROC Revenue	565,941	565,941	586,882

			alloc% from
1 •	OCSD	\$ 57,514	10%
•	SOCWA	\$ 22,301	4%
•	OCWD	\$ 146,720	25%
•	3 Cities -- \$22,301/ea	\$ 66,904	11%
		\$ 293,441	

		FY 2022-2023 BUDGET	FY 2022-2023 PROJECTED ACTUALS	FY 2023-2024 PROPOSED BUDGET
6010	Salaries & Wages - Admin	374,337	333,940	400,778
6012	Salaries & Benefits - Reimbursed			
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	132,314	107,695	122,154
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training	8,200	7,910	8,200
7040	Other Professional Fees			4,000
7110	Conference - Employee	3,200	4,090	5,800
7115	Conference - Directors			
7150	Travel & Accomodations - Employee	9,500	9,640	4,500
7155	Travel & Accomodations - Director			
7210	Membership / Sponsorship	880	934	950
7330	Office & Radio Supplies	1,000	1,000	1,000
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense	250	225	100
7410	Computer & Peripherals Maint	5,060	3,800	4,000
7430	Software Purchase			
7440	Software Support	9,800	11,554	12,000
7510	Site Maintenance	700	640	700
7580	Maintenance - Generators	1,000	900	1,000
7581	Maintenance - Radios	2,000	2,551	3,000
7582	Maintenance - EOC's	2,200	2,080	2,200
7610	Automotive / Mileage	1,500	1,158	1,500
7640	Utilities - Telephone	10,000	9,900	10,000
7650	Bank Fees			
7670	Miscellaneous Expenses	1,000	8,757	3,000
7671	Miscellaneous Training	3,000	1,955	2,000
	Operations Expenditure	565,941	508,729	586,882
	Contribution to Operating Reserves			
	Total Operations Budget	565,941	508,729	586,882
	Capital Expenditures			
	TOTAL Expenditures	565,941	508,729	586,882

- 2 • Cert Meetings Exercises
- 3 • See Exhibit J
- 4 • See Exhibit E
- 5 • See Exhibit D

**AMP Proceeds Agreement Administration
61**

		FY 2022-2023 BUDGET	FY 2022-2023 PROJECTED ACTUALS	FY 2023-2024 PROPOSED BUDGET
4020	Interest Revenue			
4050	O & M Maintenance Deposit			
4230	Reimbursement	4,567	295	1,816
4680	Miscellaneous Income			
	Prior Year Carryover			
	Total Revenue	4,567	295	1,816

		FY 2022-2023 BUDGET	FY 2022-2023 PROJECTED ACTUALS	FY 2023-2024 PROPOSED BUDGET
6010	Salaries & Wages - Admin	3,596	220	1,492
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	971	75	324
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Outside Consulting 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			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	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	4,567	295	1,816

Municipal Water District of Orange County
Fiscal Year 2022-2023 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		\$ 179,985,126				\$ 179,985,126		\$ 179,985,126
Local Resource Program Incentives		(5,507,994)				(5,507,994)		(5,507,994)
Retail Meter Charge	8,885,401					8,885,401		8,885,401
Ground Water Customer Charge	367,806					367,806		367,806
Interest Revenue	145,971	4,547				150,518		150,518
MWDOC's Contribution			8,545,274		4,567	296,290	(296,290)	-
Outside Fundings				269,651		8,819,493		8,819,493
Choice Revenue	1,757,952					1,757,952		1,757,952
Miscellaneous Income	3,000					3,000		3,000
Total Revenues	11,160,130	174,481,679	8,545,274	565,941	4,567	194,757,591	(296,290)	194,461,301
Expenses:								
Water Purchases		174,477,132				174,477,132		174,477,132
Salaries & Wages	4,429,130			374,337	3,596	4,807,063		4,807,063
less S & W Reimb. DSC or Recov from Grants	(20,000)					(20,000)		(20,000)
Employee Benefits	1,648,831			132,314	971	1,782,116		1,782,116
Outside Consulting Expense	410,000					410,000		410,000
Professional Fees	1,516,256					1,516,256		1,516,256
Contribution to Election Reserve	300,728		8,545,274			300,728		300,728
Legal Expense - General	235,750					235,750		235,750
Maintenance Expense	179,456			3,700		183,156		183,156
Insurance Expense	140,000					140,000		140,000
Membership / Sponsorship	145,847					145,847		145,847
Director Compensation	275,041			880		275,041		275,041
MWDOC Contribution to WEROC Operations	296,290				296,290	296,290	(296,290)	-
Others:								
MWD Representation	157,166					157,166		157,166
Director Benefits	132,976					132,976		132,976
Health Insurance Coverage for Retirees	94,554					94,554		94,554
Audit Expense	35,000					35,000		35,000
Automotive & Toll Road Expenses	22,943			1,500		24,443		24,443
Conference Expense - Staff	56,205			3,200		59,405		59,405
Conference Expense - Directors	23,905					23,905		23,905
CDR Participation	57,462					57,462		57,462
Business Expense	2,500					2,500		2,500
Miscellaneous Expense	72,120			6,200		78,320		78,320
Postage / Mail Delivery	11,300					11,300		11,300
Rents & Leases	1,800					1,800		1,800
Outside Printing, Subscription & Books	85,000			250		85,250		85,250
Office Supplies	39,000			1,000		40,000		40,000
Computer Maintenance	7,000			5,060		12,060		12,060
Software Support & Expense	150,708			9,800		160,508		160,508
Computers and Equipment	43,950					43,950		43,950
Telecommunications Expense	43,690			10,000		53,690		53,690
Temporary Help Expense	5,000					5,000		5,000
Training Expense	53,000			8,200		61,200		61,200
Tuition Reimbursement	5,000					5,000		5,000
Travel & Accommodations - Staff	90,325			9,500		99,825		99,825
Travel & Accommodations - Directors	32,900					32,900		32,900
Depreciation Expense (annualized)								
Overhead Reimbursement								
MWDOC Building Expense	723,077					723,077		723,077
Capital Acquisition	113,280					113,280		113,280
All Other Expenses	2,059,861			54,710		2,114,571		2,114,571
Total Expenses	11,617,191	174,477,132	8,545,274	565,941	4,567	195,210,104	(296,290)	194,913,814
EFFECT ON RESERVES / FUND BALANCE	\$ (457,061)	\$ 4,547	(2) \$ -	\$ -	\$ -	\$ (452,513)	\$ -	\$ (452,513)

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 2023-2024 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	\$ 204,692,719	\$ 204,692,719				\$ 204,692,719		\$ 204,692,719
Local Resource Program Incentives	(4,725,194)	(4,725,194)				(4,725,194)		(4,725,194)
Retail Meter Charge	9,206,255					9,206,255		9,206,255
Ground Water Customer Charge	382,397					382,397		382,397
Interest Revenue	319,410					319,410		319,410
MWDOC's Contribution	-		13,605,720	293,441	1,816	293,441	(293,441)	-
Outside Fundings	-			293,441		293,441		293,441
Choice Revenue	2,027,632					2,027,632		2,027,632
Miscellaneous Income	3,000					3,000		3,000
Total Revenues	11,938,694	199,967,525	13,605,720	586,882	1,816	226,100,637	(293,441)	225,807,196
Expenses:								
Water Purchases		199,967,525				199,967,525		199,967,525
Salaries & Wages	5,059,560			400,778	1,492	5,461,831		5,461,831
less S & W Reimb. DSC or Recov from Grants	(30,000)					(30,000)		(30,000)
Employee Benefits	1,692,961			122,154	324	1,815,438		1,815,438
Outside Consulting Expense	307,000					307,000		307,000
Professional Fees	1,798,425			4,000		1,802,425		1,802,425
Contribution to Election Reserve	563,020		13,605,720			14,168,740		14,168,740
Legal Expense - General	241,000					241,000		241,000
Maintenance Expense	207,060			4,700		211,760		211,760
Insurance Expense	182,976					182,976		182,976
Membership / Sponsorship	191,802					191,802		191,802
Director Compensation	275,041			950		275,991		275,991
MWDOC Contribution to WEROC Operations	293,441					293,441	(293,441)	-
Others:								
MWD Representation	117,875					117,875		117,875
Director Benefits	104,447					104,447		104,447
Health Insurance Coverage for Retirees	84,847					84,847		84,847
Audit Expense	36,500					36,500		36,500
Automotive & Toll Road Expenses	22,375			1,500		23,875		23,875
Conference Expense - Staff	52,532			5,800		58,332		58,332
Conference Expense - Directors	24,865					24,865		24,865
CDR Participation	62,433					62,433		62,433
Business Expense	2,000					2,000		2,000
Miscellaneous Expense	136,800			7,200		144,000		144,000
Postage / Mail Delivery	11,675					11,675		11,675
Rents & Leases	1,800					1,800		1,800
Outside Printing, Subscription & Books	94,000			100		94,100		94,100
Office Supplies	31,000			1,000		32,000		32,000
Computer Maintenance	5,000			4,000		9,000		9,000
Software Support & Expense	153,718			12,000		165,718		165,718
Computers and Equipment	43,000					43,000		43,000
Telecommunications Expense	46,438					46,438		46,438
Temporary Help Expense	5,000			10,000		15,000		15,000
Training Expense	36,000			8,200		44,200		44,200
Tuition Reimbursement	5,000					5,000		5,000
Travel & Accommodations - Staff	108,800			4,500		113,300		113,300
Travel & Accommodations - Directors	46,800					46,800		46,800
Depreciation Expense (annualized)	-					-		-
Overhead Reimbursement	-					-		-
MWDOC Building Expense	222,686					222,686		222,686
Capital Acquisition	25,892					25,892		25,892
All Other Expenses	1,481,483			54,300		1,535,783		1,535,783
Total Expenses	12,263,769	199,967,525	13,605,720	586,882	1,816	226,425,712	(293,441)	226,132,271
EFFECT ON RESERVES / FUND BALANCE	\$ (325,075)	\$ -	\$ -	\$ -	\$ -	\$ (325,075)	\$ -	\$ (325,075)

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

MWDOC BUDGET SCHEDULE

November 2022
<ul style="list-style-type: none"> • Notification to Member Agencies of start of budget process and solicitation of input
December 2022
<ul style="list-style-type: none"> • MWDOC staff begins preparation of budget hours and costs on program and line-item basis • Review of four month actuals and fiscal year-end projections • Review budget adjustments for current fiscal year • Preparation of internal, draft conceptual budget (review changes for upcoming fiscal year)
January 2023
<ul style="list-style-type: none"> • Initial review of budget issues with A&F Committee for feedback (1-11-23) • Initial discussion of budget issues with Member Agencies for feedback • Request for Member Agencies' <u>preliminary</u> indication of participation in Choice
February 2023
<ul style="list-style-type: none"> • Publish and post the FIRST DRAFT Budget in the packet for the A&F Committee (2-3-23) • Review First Draft Budget with A&F Committee (2-8-23) • Formally request comments from all Member Agencies • <u>DRAFT</u> information completed on prior year Choice WUE program benefits to Member Agencies to serve as basis for charging agencies for the upcoming year for Choice WUE activities • Member Agencies' INITIAL CONFIRMATION of participation in Choice Services by February 20. The Updated Agreement by the end of March and after the Elected Officials Meeting • Discuss FIRST DRAFT Budget at Member Agency Managers' Meeting (2-16-23) • Meet with Member Agencies as requested or scheduled

MWDOC BUDGET SCHEDULE

March 2023
<ul style="list-style-type: none"> Revised information completed on prior year Choice WUE benefits to Member Agencies to serve as basis of charging agencies for the upcoming year for WUE activities
<ul style="list-style-type: none"> Discuss SECOND DRAFT Budget in A&F Committee (3-8-23)
<ul style="list-style-type: none"> Review SECOND DRAFT Budget at Member Agency Managers' Meeting (3-16-23)
<ul style="list-style-type: none"> Update Choice Participation
<ul style="list-style-type: none"> Member Agencies' submit Formal Comments on the Budget (3-24-23)
April 2023
<ul style="list-style-type: none"> Conduct meeting with Elected Officials from Member Agencies to discuss budget and other topics (4-6-23)
<ul style="list-style-type: none"> THIRD DRAFT Budget and Rates presented to A&F Committee (4-12-23)
<ul style="list-style-type: none"> Member Agencies' Formal Comments presented to A&F Committee (4-12-23)
<ul style="list-style-type: none"> Board approval of FY2023-24 FINAL Budget and Rates (4-19-23)
June 2023
<ul style="list-style-type: none"> Member Agencies confirm final Choice Participation (6-9-23)
August 2023
<ul style="list-style-type: none"> Reconciliation of FY 2022-23 WUE & Choice Programs
September 2023
<ul style="list-style-type: none"> REVISED FINAL Choice Budget presented to A&F Committee (9-13-23)
<ul style="list-style-type: none"> Board approval of FY2023-24 REVISED FINAL Choice Budget (9-20-23)

DIRECTORS

VALERIE AMEZCUA
DENIS R. BILODEAU, PE.
CATHY GREEN
NATALIE MEEKS
DINA L. NGUYEN, ESQ.
KELLY ROWE, C.E.G., C.H.
STEPHEN R. SHELDON
VAN TRAN, ESQ.
BRUCE WHITAKER
ROGER C. YOH, P.E.



ORANGE COUNTY WATER DISTRICT
ORANGE COUNTY'S GROUNDWATER AUTHORITY

OFFICERS

President
CATHY GREEN

First Vice President
DENIS BILODEAU, P.E.

Second Vice President
VAN TRAN, ESQ.

General Manager
MICHAEL R. MARKUS, P.E., D.WRE

February 24, 2023

Mr. Harvey De La Torre
Interim General Manager
Municipal Water District of Orange County
18700 Ward Street
Fountain Valley CA 92708

SUBJECT: Fiscal Year 2023-24 1st Draft Budget Comments

Dear Mr. De La Torre:

The Municipal Water District of Orange County (MWDOC) is in the process of preparing its FY2023-24 rates and budget and presented the 1st draft to its Administrative and Finance Committee on February 8th and the Member Agencies on February 16th. The Orange County Water District (OCWD) would like to provide the following comments for your Board's consideration at this time:

1. The proposed MWDOC salary pool in the budget is 11.45% compared to the OCWD salary pool of 5.00%. Understanding that the MWDOC staff was using the formulaic methodology adopted by the MWDOC Board to arrive at the proposed budgeted salary pool, OCWD requests that MWDOC survey its member agencies and see what they are budgeting for salaries before adopting the proposed percent increase.
2. OCWD does not support the addition of one full-time employee to the Public Affairs Department without further justification. That department already is MWDOC's largest by headcount and uses an outside consultant (\$120,000) to augment its staff.
3. The Government Affairs staff has added two consultants (Whittingham Public Affairs Adv. and Dopudja & Wells) in this year's budget at a combined cost of \$150,000. Could you please provide a scope of work for these consultants?

Thank you for your consideration of these comments.

Sincerely,

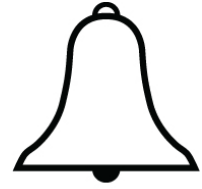

Michael R. Markus, P.E., D.WRE, BCEE, F.ASCE
General Manager

Bcc: OCWD Board of Directors

BOARD OF DIRECTORS

LAURA FREESE
CHARLES T. GIBSON
SAUNDRA F. JACOBS
BETTY H. OLSON, PH. D
FRANK URY

DANIEL R. FERONS
GENERAL MANAGER



Santa Margarita Water District

March 31, 2023

Mr. Harvey De La Torre, Interim General Manager
Municipal Water District of Orange County
Via E-mail

Subject: Review of Municipal Water District of Orange County (MWDOC) Fiscal Year 2023-24
Annual Budget

Dear Mr. De La Torre:

The District appreciates the effort and transparency that MWDOC takes each year in the preparation of the budget. In general, we are supportive of the draft budgets and the ongoing conversation. We are providing the following comments as part of the process:

Target Reserves:

Brian Thomas’ report summarized that the target could be reduced to 120 days from the 180 days. However, in the analysis, it was demonstrated that the target could be further reduced to 90 days. MWDOC receives the annual funds from the member agencies at the beginning of the year while the reserve is calculated at the end of the year, meaning the lowest the reserve levels would be 90 days and throughout the year there would be significantly more reserves. We support the current recommendation for the reduction to 120 days for the Fiscal Year 23-24 and request that in each subsequent budget cycle, the 90-day reserve target be re-examined as the reserve report summarized.

Designation of Funds:

For MWDOC’s WEROC Reserve (changing from designated to restricted), we caution that the applicable financial reporting framework that defines “restricted reserves” as amounts that can be spent only for the specific purposes stipulated by external resource providers (such as grant providers), constitutionally, or through enabling legislation. Per review of the description of the WEROC Reserve, it does not fit the definition of restricted and should remain listed as a designated reserve fund.

Excess Funds:

The excess of \$2.6 million in reserves is currently recommended to be distributed by MWDOC as follows:

- \$1.1 million to reduce MWDOC's unfunded CalPERS liability.
- \$500,000 to be credited the member agencies in FY 23/24.
- \$500,000 to be credited the member agencies in FY 24/25 because MWDOC cash flow demands for Water Use Efficiency subsidies should be less volatile and more predictable in time.
- \$500,000 for projects/program as determined by the MWDOC Board and supported by the member agencies.

We request MWDOC to maintain a listing of projects and programs the \$500,000 is proposed to fund and include this disclosure in board reports as the funding source. We also recommend that any remaining funds at the close of the FY 2023/24 be considered to either offset meter fee increases or distributed back to the member agencies for the FY 24/25 Budget.

Feel free to contact the District with any comments or questions. Thank you again for the opportunity to provide comments.


Very Truly Yours,
SANTA MARGARITA WATER DISTRICT



Erica Castillo
Chief Financial Officer



Daniel R. Ferons
General Manager




MWDOC FYE'24 BUDGET

Third Draft Budget

MWDOC Administration & Finance Committee Meeting







Municipal Water District of Orange County


April 12, 2023



1

Budget Presentation Agenda

-  **Budget Schedule**
-  **Updates to the 3rd Draft Budget**
-  **Key Department Budget Increases**
-  **MWDOC Salary Survey**
-  **Discussion of Items Not Incorporated in the Budget**
-  **Member Agency Comments**



2

MWDOC FYE'24 Budget - Schedule

January 2023

- Year-End Projections & Conceptual Budget Review @ A&F Committee (1-11)
- Member Agency preliminary participation in Choice



April 2023

- Elected Officials Meeting (4-6)
- Third Draft Budget @ A&F Committee Meeting (4-12)
- Board Approval of Final Budget & Rates (4-19)

February 2023

- First Draft Budget @ A&F Committee (2-8)
- Member Agency Managers Meeting (2-16)
- Initial Member Agency Choice Participation Confirmation (2-20)

June 2023

- Member Agencies Confirm Final Choice participation (6-9)

August 2023

- Reconciliation of FY 2022-23 WUE & Choice Programs

March 2023

- Second Draft Budget @ A&F Committee (3-8)
- Choice Program Discussions
- Member Agency Managers Meeting (3-16)
- Member Agencies submit formal Comments on Budget (3-24)

September 2023

- Revised Final Choice Budget @ A&F Committee (9-13)
- Board Approval of Revised Final Choice Budget (9-20)

3

Updates in 3rd Draft Budget

Additions Per March A&F Committee & Board Direction from the 2nd Draft

- Incorporated the CII Best Management Consultant as an additional Choice program item (Funds will be placed into the Budget once an RFP is issued)

Key Budget Refinements in the 3rd Draft

- Core expenses decreased by \$226,350 (2.2%)
 - Election Expenses reduced from \$381,000 to zero; but due to higher Election costs we increased our Election Reserves by \$182,020 which resulted in a net decrease of \$198,980
 - Removal of Salinity Control resulted in a reduction of \$35,000
- Core revenue decreased by \$8,703
 - Groundwater Customer Charge adjustment due to changes in expenses



4

Updates in 3rd Draft Budget (cont.)

- These differences between these changes in expenses and revenue resulted in a smaller draw on reserve by \$217,647
 - Total draw of reserves for FYE'24 is \$325,075



5

MWDOC FYE'24 Budget Overview

RATES

- Fixed Meter Charge @ \$14.25 – YTY Increase of 3.5% or \$0.50
- OCWD Contribution @ \$382,397 – YTY Increase of 3.8% or \$14,591

REVENUES

- Core Revenues @ \$9,911,062 – YTY Increase of 5.1% or \$508,884
(\$173,439 increase in Interest Revenue)

OPERATING EXPENSES

- Core Expenses @ \$9,450,431 – YTY Increase of 6.5% or \$614,997

CHANGE IN STAFF LEVELS (MWDOC + WEROC)

- Part-time staffing level increase (+2.25 FTE)
- Total staffing net increase (+1.26 FTE)

6

MWDOC FYE'24 Budget Overview (cont.)

EXPENSE CATEGORY Y-T-Y CHANGES

• Staff & Director Salaries & Benefits	(+) \$402,251 (6.6%)
• Professional Fees	(+) \$274,850 (23.7%)
• Contribution to Election Reserve	(+) \$262,292 (46.6%)
• Misc. Expense due to reclassification	(+) \$67,680 (53.0%)
• Insurance Expense	(+) \$42,976 (23.4%)
• Maintenance Expense	(+) \$24,460 (13.4%)
• Memberships	(+) \$45,955 (24.0%)

TOTAL OUTSIDE WUE FUNDING

@ \$13,605,720 (+) 5,060,446 (37.2%)

INITIAL CHOICE Y-T-Y EXPENSES

@ \$2,027,632 (+) \$269,680 (13.3%)

7

Key Department Budget Increases

Department Expenses Y-T-Y Change of greater than (+) \$100,000

- General Administrative - CC 12 (+) \$228,617
 - Salaries & Benefits (+) \$117,708
 - Travel & Conference (+) \$14,500
 - Advisor to review 401a & 457 Plans (+) \$48,800
 - Memberships/Sponsorships (+) \$42,936
- Government Affairs - CC 31 (+) \$166,118
 - Salaries & Benefits (+) \$16,004
 - Additions of (2) Consultants (+) \$150,000

8

Key Department Budget Increases (cont.)

Department Expenses Y-T-Y Change of greater than (+) \$100,000

- Public Affairs – CC 32 (+) \$100,949
 - Salaries & Benefits (+) 64,450
 - Reproduction Expenses (+) \$9,500
 - Strategic Digital Outreach (+) \$25,000

- Information Technology - CC 45 (+) \$105,869
 - Salaries & Benefits (+) \$12,411
 - IT Consultant (+) \$95,000

9

Budget Assumptions – Salary Merit Pool

SALARY CONTRIBUTION MERIT POOL FOR FYE'24

- **CPI @ 7.45% (High-Range)**
- **Budget Assumption @ 11.45% of Salaries & Wages**

SALARY CONTRIBUTION POOL METHODOLOGY		
CPI Range		Pool Formula
High	4.7% ≤	CPI + 4%
Medium	2.4% TO 4.7%	CPI + 85% CPI
Low	0% to 2.4%	CPI + 2%
Negative	≤ 0%	50% CPI + 2%

10

MWDOC Salary Survey

MWDOC conducts an annual survey from water agencies for comparison

- Approximately 26 water utilities (OC and MET water agencies) were surveyed
- Identified proposed COLA & Max merit percentage increases for FYE'24
- Ranged from a low of 5.5% to a high of 15.0%
- Total average 9.57%



11

Items Not Incorporated in Draft Budget

Additional Staff Resources

- Addition of one (1) FTE to the Public Affairs Department (PA Coordinator I)
- **“CA Water For All” PR Campaign (Solve The Water Crisis Coalition)**
- Public relations program through CMUA designed to support the legislation & advocacy (per agency contribution of \$20,000)

Water Foundation Education Tours

- (2) Water Educational Tours for Directors (\$3,000 includes travel)

Festival of Butterflies Sponsorship

- Participation of \$2,500



12



Public Affairs Staffing



- 01 Seeking approval for one additional FTE**
 - We are asking that a currently authorized PT position be reclassified to FT
- 02 Public Affairs Coordinator I**
 - This person would learn the palate of Public Affairs Programs and be devoted to participating in special events especially:
 - Scouts Clinics
 - Inspection Trips
 - Member Agency events
- 03 Increased Overall Value –More Visible & More Effective**
 - Larger, More Visible Impact Campaigns and Initiatives
 - More Collateral and More Coordination Required
 - More Requests for Presentations – and Growing
 - More Requests for Articles and Written Content

30 Weekends/Yr

13



Public Affairs Staffing



- April 9th PAW Meeting
 - Well Received
- Discussed with Member Agencies
 - Smaller Member Agencies and Cities rely heavily on MWDOC for Communications/Outreach
- What else are you doing?
 - WEEA
 - Media Kits
 - Campaigns
 - Video Production
 - Everything Enhanced

14

Member Agency Comments

MWDOC received the following comments from the member agencies on the Draft Budget:

- **Request for additional information on the need and responsibilities for the additional (1) FTE for Public Affairs**
 - Additional information is included in this presentation
- **OCWD requested copies of the scope of work for the two additional consultants (Whittingham Public Affairs & Dopudja Wells) in the Government Affairs budget**
 - Staff sent copies of the scope of works to OCWD in its response letter
- **Regarding our District's compensation merit pool, OCWD requested a survey be conducted of its member agencies' salary increases before Board adoption**
 - MWDOC annual salary survey is included in this presentation



15

Member Agency Comments (Cont.)

March 31, SMWD submitted a comment letter asking MWDOC to:

- Annually review its reserve target levels of 120 days cash on hand;
- Change the WEROC Reserve category from a Restricted Reserve to a Designated Reserve;
- Maintain a list of projects and programs the MWDOC may proposed to fund with excess reserves in a future Board report; and
- If any remaining funds remain at the end of the FY 2023-24, they be considered to either offset MWDOC's service meter increase or distributed back to the member agencies for FY 2024-25



16



Comments & Direction




17

BACKUP SLIDES



18

MET Key Budget Assumptions as Adopted



Fiscal Year Ending	2023	2024
Overall increase January	5.0%	5.0%
Total Water Transactions*	1.59 MAF	1.54 MAF
State Water Project Allocation	15% / 40%	40% / 50%
Colorado River Aqueduct Diversions	1.007 MAF	0.923 MAF
Capital Investment Plan (CIP)	\$300 M	\$300 M
PAYGo (% of CIP)	45%	45%

* Includes water sales, exchanges, and wheeling

19

Adopted MET Rates & Charges

Rates & Charges Effective Jan. 1	2023 (Current)	2024 (Approved)
Tier 1 Supply Rate (\$/AF)	\$321	\$332
Tier 2 Supply Rate (\$/AF)	\$530	\$531
System Access Rate (\$/AF)	\$368	\$389
Water Stewardship Rate (\$/AF)	\$0	\$0
System Power Rate (\$/AF)	\$166	\$182
Full Service Untreated Volumetric Costs (\$/AF)		
Tier 1	\$855	\$903
Tier 2	\$1,064	\$1,102
Treatment Surcharge (\$/AF)	\$354	\$353
Full Service Treated Volumetric Costs (\$/AF)		
Tier 1	\$1,209	\$1,256
Tier 2	\$1,418	\$1,455
Readiness-to-Serve Charge (\$M)	\$154	\$167
Capacity Charge (\$/cfs)	\$10,600	\$11,200
Overall Rate Increase	5%	5%

20

FYE'24 Department Priorities

KEY DISTRICT PRIORITIES

- Supplemental Reliability Analysis of Water Supplies
- Emergency Use of East OC Feeder #2 and MET Shutdown Planning
- MET Business Model, Long-Term Financial Plan, and IRP Implementation Plan
- MET Drought Resilience Planning
- WUE & Water Loss Program Implementation
- WEROC Response Readiness, Training, Primary EOC, & Plan Development
- Legislation & Regulatory Leadership
- Education Initiatives & Media Engagement
- Performance Management
- IT Audit Implementation & Software Upgrades



ACTION ITEM

April 12, 2023

TO: Board of Directors

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

Harvey De La Torre
Interim General Manager

Staff Contact: Melissa Baum-Haley
Alex Heide

SUBJECT: **Proposed MWDOC Water Rate Resolution for Fiscal Year 2023-24**

STAFF RECOMMENDATION

It is recommended that the Board of Directors:

1. **increase** the MWDOC Retail Meter Charge from \$13.75 to \$14.25 per meter, and **increase** the Groundwater Customer Charge from \$368,501 to \$382,397 effective July 1, 2023; and
2. Adopt the Water Rate Resolution setting forth rates and charges to be effective July 1, 2023 and January 1, 2024 as identified in the Water Rate Resolution for Fiscal Year 2023-24.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

REPORT

MWDOC adopts a water rate resolution annually to reflect water rates and charges required to collect revenue to support MWDOC’s annual budget and to recover the costs of providing imported water. Attachment A is the proposed MWDOC Water Rate Resolution for Fiscal Year 2023-24 with redline changes.

Below is a summary of the draft proposed Rates and Charges for FY 2023-24:

Budgeted (Y/N): NA	Budgeted amount: NA	Core <u>X</u>	Choice <u>_</u>
Action item amount: NA			
Fiscal Impact (explain if unbudgeted): Not applicable			

Proposed Rates & Charges	Proposed Rates July 1, 2023	Proposed Rates January 1, 2024
MWDOC Retail Meter Charge	\$13.75/meter	\$14.25/meter
MWDOC Groundwater Customer Charge*	\$368,501	\$382,397
System Access Rate	\$368	\$389
System Power Rate	\$166	\$182
MWDOC Melded Supply Rate	\$321	\$332
Treatment Surcharge	\$354	\$353
Treated Full Service Rate	\$1,209	\$1,256
Untreated Full Service Rate	\$855	\$903

[*] This is a fixed annual charge to OCWD

Of note, the proposed rates and charges starting on January 1, 2024 are subject to change based on MET Board approval of the Readiness-to-Serve Charge and Capacity Charge on April 11, 2023. Pending MET Board approval of these items, MWDOC's rates and charges will subsequently be updated to reflect the Metropolitan board action.

BOARD OPTIONS

Option #1

- **Increase** the MWDOC Retail Meter Charge from \$13.75 to \$14.25 per meter, and **increase** the Groundwater Customer Charge from \$368,501 to \$382,397 effective July 1, 2023; and
- Adopt the Water Rate Resolution setting forth rates and charges to be effective July 1, 2023 and January 1, 2024 as identified in the Water Rate Resolution for Fiscal Year 2023-24.

Fiscal Impact: Adopting the proposed rates and rate resolution will generate the projected revenue needed to meet the District's expenses for Fiscal Year 2023-24.

Business Analysis: Adopting the proposed rates and rate resolution will meet the budgetary schedule outlined by the Board and aid member agencies' adoption of their budget for this fiscal year.

Option #2

- Not adopt the proposed Water Rates and Water Rate Resolution at this time, and present revisions to the Board in either May or June of 2023.

Fiscal Impact: The fiscal impacts of any revisions to the rates or rate resolution will need to be evaluated.

Business Analysis: By not adopting the proposed rates and rate resolution will delay the budgetary process outlined by the Board, and may cause delays in the member agency's adoption of their budget this fiscal year.

Staff Recommendation

Option #1

Attachment A – Proposed MWDOC Water Rate Resolution for Fiscal Year 2023-24 (Redline)

Attachment B – Proposed MWDOC Water Rate Resolution for Fiscal Year 2023-24 (clean version with Exhibits)

RESOLUTION NO.
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
ESTABLISHING WATER RATES

WHEREAS, pursuant to Water Code sections 71610, 71614 and 71616, the Municipal Water District of Orange County (MWDOC) is authorized to establish water rates and charges for water which will result in revenues sufficient to meet the operating expenses of the District to provide for repairs and depreciation of works, provide a reasonable surplus for improvements, extensions and enlargements, and cover principal and interest payments and costs associated with bonded debt; and,

WHEREAS, the District currently imports water from the Metropolitan Water District of Southern California (Metropolitan). Metropolitan adopted rates for water service consisting of a two-tiered water supply rate, and separate unbundled rates for system access, system power, water treatment, and fixed charges for the Capacity Charge and Readiness-to-Serve, which are imposed on MWDOC as a condition of receiving water deliveries from Metropolitan; and,

WHEREAS, pursuant to Section 1117 of the MWDOC Administrative Code, the MWDOC Board of Directors adopted Ordinance No. 55 establishing classes of water service, and terms and conditions of such service, and intends to adopt this Resolution fixing the rates and charges for said classes of water service (including Choice services in Section 6); and,

WHEREAS, the Board of Directors has reviewed the cost of water, including its current water supply costs and other charges imposed on MWDOC by Metropolitan, and with respect to the projected MWDOC operating expenses and financial needs, and has determined that it is necessary and appropriate to establish new rates and charges for water service and

programs provided by MWDOC; and,

WHEREAS, the Board of Directors has reviewed the water supply, water demand and replenishment conditions in the Orange County Water District (OCWD) Basin and the impact these conditions will have on MWDOC's imported water purchases from Metropolitan; and,

WHEREAS, MWDOC's Administration and Finance Committee and Board reviewed the issue of tiered or melded water rates for Tier-1 and Tier-2 purchases from Metropolitan in November 2004, and retained the establishment of a melded rate, with a provision for further review should the OCWD's basin pumping percentage fall below 60% in the future; and,

WHEREAS, Metropolitan continues to levy its Standby Charge within the MWDOC service area, which will be credited against Metropolitan's Readiness-to-Serve Charge and will provide an equivalent offset on the Metropolitan charges imposed on MWDOC; and,

WHEREAS, Metropolitan assesses a Capacity Charge to MWDOC based on MWDOC's highest cumulative peak day delivery rate in cubic feet per second (CFS) between May 1 and September 30 in the three preceding calendar years, ending on the year prior to the year of the charge being imposed; and,

WHEREAS, MWDOC engaged Raftelis Financial Consultants, Inc. to prepare a cost of service allocation and rate study (Rate Study) for MWDOC's rates and charges in 2016 and 2021; and,

WHEREAS, the 2021 Core Service Allocation Study affirmed MWDOC's Retail Meter Charge, and modified the Groundwater Customer Charge effective with the fiscal year 2021-22 rates and charges; and,

WHEREAS, beginning with the budget year commencing July 1, 2011 through June 30, 2012, the MWDOC Board approved changing the format of the budget and how certain "Choice" services are to be funded by those MWDOC member agencies and the cities of

Anaheim, Fullerton and Santa Ana (3 Cities) electing to receive such services; and,

WHEREAS, the MWDOC Board has approved the “Choice” services, the associated budgets, and the methods for allocating such costs to the member agencies and 3 Cities, and has directed staff to bill for those costs pursuant to Section 10 of this Resolution as part of MWDOC’s water rates and charges; and,

WHEREAS, there is a need to charge for costs associated with the transfer or wheeling of water into the MWDOC service area by any member agency as is provided for in this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Municipal Water District of Orange County that, subject to the terms and conditions set forth herein, the rates and charges for the classes of water service provided by MWDOC to MWDOC’s member agencies shall be as follows:

SECTION 1. RATES FOR CLASSES OF WATER SERVICE.

The rates per acre-foot of water sold or delivered by MWDOC to its member agencies shall be as follows:

- (a) For Full Service, including water delivered for domestic, municipal, and agricultural purposes, including seawater barrier and groundwater replenishment.

Rate Component	July 1 through December 31, 2022 2023	<u>Beginning</u> <u>January 1, 2024</u>
Untreated Full Service	\$799.00 <u>\$855.00</u>	<u>\$903.00</u>
Treated Full Service	\$1,143.00 <u>\$1,209.00</u>	<u>\$1,256.00</u>
Unbundled Rate By Component:		
System Access Rate	\$389.00 <u>\$368.00</u>	<u>\$389.00</u>
System Power Rate	\$167.00 <u>\$166.00</u>	<u>\$182.00</u>
MWDOC Melded Supply Rate	\$243.00 <u>\$321.00</u>	<u>\$332.00</u>
Subtotal Untreated Full Service:	\$799.00 <u>\$855.00</u>	<u>\$903.00</u>
Treatment Surcharge	\$344.00 <u>\$354.00</u>	<u>\$353.00</u>
Total Treated Full Service:	\$1,143.00 <u>\$1,209.00</u>	<u>\$1,256.00</u>

* In November of 2021 the Metropolitan Board directed staff to recover demand management costs via the supply rate,

(b) MWDOC Drought Allocation Surcharge

Rates for a Drought Allocation Surcharge are established by Board action in accordance with the MWDOC Water Supply Allocation Plan (WSAP), as required.

(c) MWDOC Melded Supply Rate

The MWDOC Melded Supply Rate is established by Board action to recover Metropolitan's Tier 1 supply rate plus any additional water costs, fees, charges, and rates that benefit the District's service area, such as funding the MWDOC

Tier 2 Contingency Fund. At this time, the MWDOC Merged Supply Rate is equal to Metropolitan's Tier 1 Supply Rate.

SECTION 2. MWDOC READINESS-TO-SERVE CHARGE.

(a) Amount Due to Metropolitan from MWDOC

Metropolitan has notified MWDOC that for fiscal year 202~~32~~-2~~43~~ Metropolitan estimates that the amount of Metropolitan's Readiness-to-Serve (RTS) Charge applicable to MWDOC, which exceeds the standby charges collected in MWDOC's service area (Net RTS) is ~~\$14,526,146~~~~\$13,154,577~~. The Net RTS Charge will be allocated among the MWDOC member agencies, as provided herein and invoiced as a fixed charge to each MWDOC member agency. Metropolitan will bill MWDOC for the Net RTS Charge on a monthly installment basis. The MWDOC Net RTS Charge will be invoiced to each MWDOC member agencies on a monthly basis.

(b) Apportionment of Net Metropolitan RTS Charge to MWDOC's Member Agencies

The MWDOC method of apportioning the Net RTS Charge to the MWDOC member agencies uses the most recently completed four-year rolling average of fiscal year full service purchases of water ending one year prior to the year of the charge being imposed (i.e., for fiscal year 202~~32~~-2~~43~~ charges, the four-year average shall be based on fiscal years 201~~87~~-1~~98~~ through 202~~19~~-2~~24~~). The Net RTS Charge to MWDOC shall be apportioned to the MWDOC member agencies based on the four-year average of full service sales, which would include all cyclic, wheeled and transferred water.

(c) Fiscal Year 202~~32~~-2~~43~~ MWDOC RTS Charge

For fiscal year 202~~32~~-2~~43~~, MWDOC will charge the MWDOC member agencies total Net RTS Charges of ~~\$14,526,146~~~~\$13,154,577~~. The amount of the Net RTS Charge to be

apportioned to each of the MWDOC member agencies is set forth in **Exhibit A**, attached hereto and by this reference incorporated herein made an operative part hereof.

(d) Adjustment of RTS Charge

Metropolitan determines its Net RTS Charge to each member agency based on the estimated revenue derived from the Metropolitan Standby Charge within each member agency (less delinquencies and administrative costs). The projected Net Standby Charge revenue for MWDOC in fiscal year 202~~32~~-2~~43~~ is set forth in **Exhibit A**. Once the actual Net Standby Charge revenue is known, Metropolitan may adjust the amount of the Net RTS Charge for the prior year through an additional charge or credit. Any adjustment necessary to reconcile the estimated Net RTS Charge with the actual Net RTS Charge will be charged or credited to each MWDOC member agency in the next regularly scheduled water billing following the preparation of the reconciliation report by Metropolitan.

SECTION 3. MWDOC CAPACITY CHARGE

(a) Amount due to Metropolitan from MWDOC

Metropolitan has notified MWDOC that for calendar year 202~~43~~, the amount of the Metropolitan Capacity Charge to be imposed on MWDOC will be ~~\$3,766,560~~~~\$3,409,560~~. The Metropolitan Capacity Charge will be allocated among the MWDOC member agencies as provided herein and invoiced as a fixed charge to each member agency. Metropolitan will bill MWDOC for the Capacity Charge on a monthly installment basis. The MWDOC Capacity Charge will be invoiced to the MWDOC member agencies on a monthly basis.

(b) Apportionment of Metropolitan's Capacity Charge to MWDOC's Member Agencies

The MWDOC method of apportioning the Capacity Charge to the MWDOC member agencies uses each member agency's highest peak day flow for delivery of full service water,

which includes wheeled and transferred water, during the period of May 1 through September 30 of each year for the three-year period ending one year prior to the year of the charge being imposed (i.e., for calendar year 2024~~3~~ charges, the highest peak day flow shall be based on May 1 through September 30, 2020~~19~~, 2021~~20~~ and 2022~~21~~). The peak day flow for each MWDOC member agency is used to apportion the Capacity Charge based upon the ratio of each agency's highest peak day flow to the sum of all member agencies' highest peak day flows. The amount of the 2024~~3~~ Capacity Charge apportioned to each member agency is set forth in **Exhibit B**, attached hereto and by this reference incorporated herein and made an operative part hereof.

SECTION 4. MWDOC'S RETAIL METER CHARGE.

The annual charge to be imposed by MWDOC on each member agency except for Orange County Water District (OCWD) for each retail water meter served by such MWDOC member agency which is in service as of January 1 of each year (MWDOC's Retail Meter Charge) shall be \$~~13.75~~14.25. MWDOC's Retail Meter Charge shall be collected in accordance with Section 10 of this Resolution. Annually, or at such time as determined to be necessary, MWDOC will request supporting documentation from each member agency to verify the number of retail meters within their service area, and such documentation shall be signed by a representative of the member agency. MWDOC is also authorized to conduct random on-site visits with the member agencies to verify the data on the number of retail meters.

SECTION 5. MWDOC GROUNDWATER CUSTOMER CHARGE

The annual charge to be imposed on OCWD for Core services provided by MWDOC

for fiscal year 202~~32~~-2~~43~~ shall be ~~\$368,501~~382,397. MWDOC's Groundwater Customer Charge to be imposed on OCWD shall be collected in accordance with Section 10 of this Resolution.

The Groundwater Customer Charge is calculated based on OCWD's proportionate share of all of MWDOC's cost centers of MWDOC's fiscal year 202~~32~~-2~~43~~ general fund core budget; excluding the WEROC cost center. OCWD's proportionate share is calculated as one twenty-sixth of all cost centers except for WEROC.

SECTION 6. CHOICE SERVICES TO THE MWDOC MEMBER AGENCIES 202~~32~~-2~~43~~

The Choice services to the member agencies shall be provided and charged for as follows for Fiscal Year 202~~32~~-2~~43~~. Each Choice service is voluntary and provided at the option of the member agency, and the costs for such Choice services are not "imposed" for purposes of article XIII C, section 1(e) of the California constitution:

- (a) Water Use Efficiency Program – The cost of MWDOC's Water Use Efficiency Program shall be allocated to those agencies electing to participate in the program. The costs shall be apportioned to the participants in proportion to the benefits received from Metropolitan and/or any other outside sources of funding in calendar year 202~~2~~4. There may be other costs allocated over and above these costs for participation in certain water use efficiency program efforts in various parts of Orange County that are separate from this basic program. Anything beyond the basic program will be implemented separately by agreement or memorandum of understanding with each participating agency. The costs to be charged shall reflect any carry-over or deficit funds from the preceding fiscal year.

- (b) The MWDOC Elementary School Program provides comprehensive water education for Orange County elementary school students in Grades K-6. Through this program, each participating agency may set a target number of students to reach in their service area. In grades K-2, the MWDOC Elementary School Program charges participating agencies per school assembly, at a cost based on the size of the school assembly. In grades 3-6, the MWDOC Elementary School Program charges each participating agency at a cost per student based on the actual number of students to which the program is provided.
- (c) The MWDOC Middle School Program provides comprehensive water education for Orange County middle school students in Grades 7-8. Through this program, each participating agency may set a target number of students to reach in their service area. The MWDOC Middle School Program charges each participating agency at a cost per student based on the actual number of students to which the program is provided.
- (d) The MWDOC High School Program provides comprehensive water education for Orange County high school students in Grades 9-12. Through this program, each participating agency may set a target number of high schools to reach in their service area. The MWDOC High School Program charges each participating agency at a cost per high school to which the program is provided.
- (e) Blank
- (f) The Water Loss Control Program provides a complement of technical assistance and shared service through consultants and in-house operations to retail agencies in Orange County. The costs for the program varies per agency

according to the level of professional and technical service selected by each participating agency. The costs to be charged shall reflect any carry-over or deficit funds from the preceding fiscal year.

The details on these Choice options and charges to each agency are included in Section 10 and are set forth in **Exhibit C**, attached hereto and by this reference incorporated herein and made an operative part hereof.

SECTION 7. RATES AND CHARGES FOR WHEELED, EXCHANGED OR TRANSFERRED WATER

Unless otherwise specified by written agreement with MWDOC, MWDOC shall charge the member agencies for water wheeled, exchanged or transferred through exchanges with Metropolitan into the MWDOC service area in accordance with the provisions below.

Wheeled, exchanged or transferred water will also be assessed, unless otherwise specified by written agreement, at the then-applicable rates for wheeling services set by Metropolitan's Board of Directors from time to time pursuant to its Administrative Code for the use of Metropolitan's facilities to transport water not owned or controlled by Metropolitan to Metropolitan's member agencies. Metropolitan's rates for "wheeling service" are defined in the Metropolitan Administrative Code. Metropolitan's rate for wheeling service does not include power utilized for delivery, which the wheeling party must provide or pay directly at its own cost (if power can be scheduled by Metropolitan) or pay to Metropolitan at Metropolitan's actual (not system average) cost.

In addition to these charges, MWDOC shall assess the following charges related to costs, pursuant to applicable law:

- (a) A one-time administrative charge, based on actual time spent to account for the staff time and legal counsel required for preparation of an

agreement or agreements to establish the legal and administrative framework for water to be wheeled or transferred through exchanges with Metropolitan.

- (b) Unless otherwise specified by written agreement with MWDOC, an annual charge will be assessed, based on actual time spent in any year in which water is wheeled or transferred through exchanges with Metropolitan, to cover staff time to account for and bill for the water.
- (c) Other charges established by written agreement between MWDOC and a member agency that reflect additional costs of wheeling water.

SECTION 8. MWDOC WATER SUPPLY ALLOCATION PLAN (WSAP)

In the event that a regional water shortage is declared, the MWDOC Board can implement, adjust, or adopt an updated Water Supply Allocation Plan (Plan). This Plan, as adopted in 2009, updated in 2014 and 2016, and as amended from time to time, established procedures allowing MWDOC to assess an allocation surcharge to its member agencies in the event MWDOC is assessed an allocation surcharge under Metropolitan's own "Water Supply Allocation Plan." Under MWDOC's Plan, surcharges may be assessed according to a particular member agency's prorated share of its over usage relative to the MWDOC surcharge amount assessed by Metropolitan. However, the rates set forth in this Resolution do not include or otherwise account for potential surcharges that may be assessed by MWDOC under its Water Supply Allocation Plan, and nothing contained herein is intended to preclude MWDOC from charging such surcharges as authorized in the Water Supply Allocation Plan.

SECTION 9. EFFECTIVE DATE.

The rates set forth in this Resolution shall become effective as of July 1, 2023~~2~~ or thereafter as specified and shall remain in effect until changed by subsequent Resolution of the Board of Directors.

SECTION 10. BILLING AND PAYMENT.

Billing Schedule. MWDOC member agencies shall be billed for water delivered and for other charges as follows:

- (a) MWDOC's cost of acquisition of the water shall be billed in the month following delivery of the water;
- (b) MWDOC's Retail Meter Charge shall be billed once annually on or after July 1st of each year, for each retail water service meter within each member agency's service area;
- (c) the MWDOC Readiness-to-Serve Charge shall be billed in monthly installments on the water billing in accordance with **Exhibit A**, the MWDOC Capacity Charge shall be billed in monthly installments on the water billing in accordance with **Exhibit B**; and
- (d) the MWDOC Choice services shall be billed once annually on or after July 1st of each year or as otherwise during the fiscal year in accordance with **Exhibit C** and/or as may be adjusted during the fiscal year in discussions with and as agreed to by the Choice Program participants.
- (e) The fixed annual Groundwater Customer Charge to OCWD, as set forth in MWDOC's Water Rate Ordinance No. 55 and referred to in Section 5 hereof, shall be billed to OCWD annually at the beginning of the fiscal

year on July 1.

All such billings shall be due on receipt by the member agency and shall be delinquent if payment is not received by MWDOC by the 15th day of the month following the mailing of the billing or within 30 days of mailing of such billing, whichever date is later.

SECTION 11. EXEMPTION FROM CEQA.

The Board of Directors finds that the adoption of the rates and charges as set forth in this Resolution are exempt from the California Environmental Quality Act under Section 21080(b)(8) of the Public Resources Code in that the water rates established herein are for the purpose of meeting operating expenses of MWDOC, including employee wages and fringe benefits, purchasing or leasing of supplies, equipment and materials, meeting financial reserve needs and requirements and obtaining funds for capital projects necessary to maintain service within existing service areas.

SECTION 12. REASONABLE COST.

The Board of Directors finds that the water rates established herein are in accordance with the adopted fiscal year 202~~32~~-2~~43~~ budget, and that said rates do not exceed the reasonable cost of providing water service and other services and regulatory functions for which they are charged.

SECTION 13. SUPERSEDES PRIOR RESOLUTIONS.

All resolutions, ordinance or administrative actions by the Board or parts thereof that are inconsistent with any provision of this Resolution are hereby superseded only to the extent of such inconsistency.

SECTION 14. RATES SUBJECT TO ORDINANCE.

The rates for water service established herein are subject to Ordinance No. 55 as it

may be amended from time to time.

SECTION 15. **IMPLEMENTATION.**

The General Manager is directed to establish procedures to implement this Resolution.

BE IT FURTHER RESOLVED that a copy of this Resolution be sent to each of MWDOC's member agencies.

Said Resolution No. was adopted on April _____, 202~~32~~ by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

MARIBETH GOLDSBY, District Secretary

Municipal Water District of Orange County

RESOLUTION NO.
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
ESTABLISHING WATER RATES

WHEREAS, pursuant to Water Code sections 71610, 71614 and 71616, the Municipal Water District of Orange County (MWDOC) is authorized to establish water rates and charges for water which will result in revenues sufficient to meet the operating expenses of the District to provide for repairs and depreciation of works, provide a reasonable surplus for improvements, extensions and enlargements, and cover principal and interest payments and costs associated with bonded debt; and,

WHEREAS, the District currently imports water from the Metropolitan Water District of Southern California (Metropolitan). Metropolitan adopted rates for water service consisting of a two-tiered water supply rate, and separate unbundled rates for system access, system power, water treatment, and fixed charges for the Capacity Charge and Readiness-to-Serve, which are imposed on MWDOC as a condition of receiving water deliveries from Metropolitan; and,

WHEREAS, pursuant to Section 1117 of the MWDOC Administrative Code, the MWDOC Board of Directors adopted Ordinance No. 55 establishing classes of water service, and terms and conditions of such service, and intends to adopt this Resolution fixing the rates and charges for said classes of water service (including Choice services in Section 6); and,

WHEREAS, the Board of Directors has reviewed the cost of water, including its current water supply costs and other charges imposed on MWDOC by Metropolitan, and with respect to the projected MWDOC operating expenses and financial needs, and has determined that it is necessary and appropriate to establish new rates and charges for water service and

programs provided by MWDOC; and,

WHEREAS, the Board of Directors has reviewed the water supply, water demand and replenishment conditions in the Orange County Water District (OCWD) Basin and the impact these conditions will have on MWDOC's imported water purchases from Metropolitan; and,

WHEREAS, MWDOC's Administration and Finance Committee and Board reviewed the issue of tiered or melded water rates for Tier-1 and Tier-2 purchases from Metropolitan in November 2004, and retained the establishment of a melded rate, with a provision for further review should the OCWD's basin pumping percentage fall below 60% in the future; and,

WHEREAS, Metropolitan continues to levy its Standby Charge within the MWDOC service area, which will be credited against Metropolitan's Readiness-to-Serve Charge and will provide an equivalent offset on the Metropolitan charges imposed on MWDOC; and,

WHEREAS, Metropolitan assesses a Capacity Charge to MWDOC based on MWDOC's highest cumulative peak day delivery rate in cubic feet per second (CFS) between May 1 and September 30 in the three preceding calendar years, ending on the year prior to the year of the charge being imposed; and,

WHEREAS, MWDOC engaged Raftelis Financial Consultants, Inc. to prepare a cost of service allocation and rate study (Rate Study) for MWDOC's rates and charges in 2016 and 2021; and,

WHEREAS, the 2021 Core Service Allocation Study affirmed MWDOC's Retail Meter Charge, and modified the Groundwater Customer Charge effective with the fiscal year 2021-22 rates and charges; and,

WHEREAS, beginning with the budget year commencing July 1, 2011 through June 30, 2012, the MWDOC Board approved changing the format of the budget and how certain "Choice" services are to be funded by those MWDOC member agencies and the cities of

Anaheim, Fullerton and Santa Ana (3 Cities) electing to receive such services; and,

WHEREAS, the MWDOC Board has approved the “Choice” services, the associated budgets, and the methods for allocating such costs to the member agencies and 3 Cities, and has directed staff to bill for those costs pursuant to Section 10 of this Resolution as part of MWDOC’s water rates and charges; and,

WHEREAS, there is a need to charge for costs associated with the transfer or wheeling of water into the MWDOC service area by any member agency as is provided for in this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Municipal Water District of Orange County that, subject to the terms and conditions set forth herein, the rates and charges for the classes of water service provided by MWDOC to MWDOC’s member agencies shall be as follows:

SECTION 1. RATES FOR CLASSES OF WATER SERVICE.

The rates per acre-foot of water sold or delivered by MWDOC to its member agencies shall be as follows:

- (a) For Full Service, including water delivered for domestic, municipal, and agricultural purposes, including seawater barrier and groundwater replenishment.

Rate Component	July 1 through December 31, 2023	Beginning January 1, 2024
Untreated Full Service	\$855.00	\$903.00
Treated Full Service	\$1,209.00	\$1,256.00
Unbundled Rate By Component:		
System Access Rate	\$368.00	\$389.00
System Power Rate	\$166.00	\$182.00
MWDOC Melded Supply Rate	\$321.00	\$332.00
Subtotal Untreated Full Service:	\$855.00	\$903.00
Treatment Surcharge	\$354.00	\$353.00
Total Treated Full Service:	\$1,209.00	\$1,256.00

* In November of 2021 the Metropolitan Board directed staff to recover demand management costs via the supply rate,

(b) MWDOC Drought Allocation Surcharge

Rates for a Drought Allocation Surcharge are established by Board action in accordance with the MWDOC Water Supply Allocation Plan (WSAP), as required.

(c) MWDOC Melded Supply Rate

The MWDOC Melded Supply Rate is established by Board action to recover Metropolitan's Tier 1 supply rate plus any additional water costs, fees, charges, and rates that benefit the District's service area, such as funding the MWDOC

Tier 2 Contingency Fund. At this time, the MWDOC Merged Supply Rate is equal to Metropolitan's Tier 1 Supply Rate.

SECTION 2. MWDOC READINESS-TO-SERVE CHARGE.

(a) Amount Due to Metropolitan from MWDOC

Metropolitan has notified MWDOC that for fiscal year 2023-24 Metropolitan estimates that the amount of Metropolitan's Readiness-to-Serve (RTS) Charge applicable to MWDOC, which exceeds the standby charges collected in MWDOC's service area (Net RTS) is \$14,526,146. The Net RTS Charge will be allocated among the MWDOC member agencies, as provided herein and invoiced as a fixed charge to each MWDOC member agency. Metropolitan will bill MWDOC for the Net RTS Charge on a monthly installment basis. The MWDOC Net RTS Charge will be invoiced to each MWDOC member agencies on a monthly basis.

(b) Apportionment of Net Metropolitan RTS Charge to MWDOC's Member Agencies

The MWDOC method of apportioning the Net RTS Charge to the MWDOC member agencies uses the most recently completed four-year rolling average of fiscal year full service purchases of water ending one year prior to the year of the charge being imposed (i.e., for fiscal year 2023-24 charges, the four-year average shall be based on fiscal years 2018-19 through 2021-22). The Net RTS Charge to MWDOC shall be apportioned to the MWDOC member agencies based on the four-year average of full service sales, which would include all cyclic, wheeled and transferred water.

(c) Fiscal Year 2023-24 MWDOC RTS Charge

For fiscal year 2023-24, MWDOC will charge the MWDOC member agencies total Net RTS Charges of \$14,526,146. The amount of the Net RTS Charge to be apportioned to each

of the MWDOC member agencies is set forth in **Exhibit A**, attached hereto and by this reference incorporated herein made an operative part hereof.

(d) Adjustment of RTS Charge

Metropolitan determines its Net RTS Charge to each member agency based on the estimated revenue derived from the Metropolitan Standby Charge within each member agency (less delinquencies and administrative costs). The projected Net Standby Charge revenue for MWDOC in fiscal year 2023-24 is set forth in **Exhibit A**. Once the actual Net Standby Charge revenue is known, Metropolitan may adjust the amount of the Net RTS Charge for the prior year through an additional charge or credit. Any adjustment necessary to reconcile the estimated Net RTS Charge with the actual Net RTS Charge will be charged or credited to each MWDOC member agency in the next regularly scheduled water billing following the preparation of the reconciliation report by Metropolitan.

SECTION 3. MWDOC CAPACITY CHARGE

(a) Amount due to Metropolitan from MWDOC

Metropolitan has notified MWDOC that for calendar year 2024, the amount of the Metropolitan Capacity Charge to be imposed on MWDOC will be \$3,766,560. The Metropolitan Capacity Charge will be allocated among the MWDOC member agencies as provided herein and invoiced as a fixed charge to each member agency. Metropolitan will bill MWDOC for the Capacity Charge on a monthly installment basis. The MWDOC Capacity Charge will be invoiced to the MWDOC member agencies on a monthly basis.

(b) Apportionment of Metropolitan's Capacity Charge to MWDOC's Member Agencies

The MWDOC method of apportioning the Capacity Charge to the MWDOC member agencies uses each member agency's highest peak day flow for delivery of full service water,

which includes wheeled and transferred water, during the period of May 1 through September 30 of each year for the three-year period ending one year prior to the year of the charge being imposed (i.e., for calendar year 2024 charges, the highest peak day flow shall be based on May 1 through September 30, 2020, 2021 and 2022). The peak day flow for each MWDOC member agency is used to apportion the Capacity Charge based upon the ratio of each agency's highest peak day flow to the sum of all member agencies' highest peak day flows. The amount of the 2024 Capacity Charge apportioned to each member agency is set forth in **Exhibit B**, attached hereto and by this reference incorporated herein and made an operative part hereof.

SECTION 4. MWDOC'S RETAIL METER CHARGE.

The annual charge to be imposed by MWDOC on each member agency except for Orange County Water District (OCWD) for each retail water meter served by such MWDOC member agency which is in service as of January 1 of each year (MWDOC's Retail Meter Charge) shall be **\$14.25**. MWDOC's Retail Meter Charge shall be collected in accordance with Section 10 of this Resolution. Annually, or at such time as determined to be necessary, MWDOC will request supporting documentation from each member agency to verify the number of retail meters within their service area, and such documentation shall be signed by a representative of the member agency. MWDOC is also authorized to conduct random on-site visits with the member agencies to verify the data on the number of retail meters.

SECTION 5. MWDOC GROUNDWATER CUSTOMER CHARGE

The annual charge to be imposed on OCWD for Core services provided by MWDOC for fiscal year 2023-24 shall be **\$382,397**. MWDOC's Groundwater Customer Charge to be

imposed on OCWD shall be collected in accordance with Section 10 of this Resolution.

The Groundwater Customer Charge is calculated based on OCWD's proportionate share of all of MWDOC's cost centers of MWDOC's fiscal year 2023-24 general fund core budget; excluding the WEROC cost center. OCWD's proportionate share is calculated as one twenty-sixth of all cost centers except for WEROC.

SECTION 6. CHOICE SERVICES TO THE MWDOC MEMBER AGENCIES 2023-24

The Choice services to the member agencies shall be provided and charged for as follows for Fiscal Year 2023-24. Each Choice service is voluntary and provided at the option of the member agency, and the costs for such Choice services are not "imposed" for purposes of article XIII C, section 1(e) of the California constitution:

- (a) Water Use Efficiency Program – The cost of MWDOC's Water Use Efficiency Program shall be allocated to those agencies electing to participate in the program. The costs shall be apportioned to the participants in proportion to the benefits received from Metropolitan and/or any other outside sources of funding in calendar year 2022. There may be other costs allocated over and above these costs for participation in certain water use efficiency program efforts in various parts of Orange County that are separate from this basic program. Anything beyond the basic program will be implemented separately by agreement or memorandum of understanding with each participating agency. The costs to be charged shall reflect any carry-over or deficit funds from the preceding fiscal year.
- (b) The MWDOC Elementary School Program provides comprehensive water education for Orange County elementary school students in Grades K-6.

Through this program, each participating agency may set a target number of students to reach in their service area. In grades K-2, the MWDOC Elementary School Program charges participating agencies per school assembly, at a cost based on the size of the school assembly. In grades 3-6, the MWDOC Elementary School Program charges each participating agency at a cost per student based on the actual number of students to which the program is provided.

- (c) The MWDOC Middle School Program provides comprehensive water education for Orange County middle school students in Grades 7-8. Through this program, each participating agency may set a target number of students to reach in their service area. The MWDOC Middle School Program charges each participating agency at a cost per student based on the actual number of students to which the program is provided.
- (d) The MWDOC High School Program provides comprehensive water education for Orange County high school students in Grades 9-12. Through this program, each participating agency may set a target number of high schools to reach in their service area. The MWDOC High School Program charges each participating agency at a cost per high school to which the program is provided.
- (e) Blank
- (f) The Water Loss Control Program provides a complement of technical assistance and shared service through consultants and in-house operations to retail agencies in Orange County. The costs for the program varies per agency according to the level of professional and technical service selected by each participating agency. The costs to be charged shall reflect any carry-over or

deficit funds from the preceding fiscal year.

The details on these Choice options and charges to each agency are included in Section 10 and are set forth in **Exhibit C**, attached hereto and by this reference incorporated herein and made an operative part hereof.

SECTION 7. RATES AND CHARGES FOR WHEELED, EXCHANGED OR TRANSFERRED

WATER

Unless otherwise specified by written agreement with MWDOC, MWDOC shall charge the member agencies for water wheeled, exchanged or transferred through exchanges with Metropolitan into the MWDOC service area in accordance with the provisions below.

Wheeled, exchanged or transferred water will also be assessed, unless otherwise specified by written agreement, at the then-applicable rates for wheeling services set by Metropolitan's Board of Directors from time to time pursuant to its Administrative Code for the use of Metropolitan's facilities to transport water not owned or controlled by Metropolitan to Metropolitan's member agencies. Metropolitan's rates for "wheeling service" are defined in the Metropolitan Administrative Code. Metropolitan's rate for wheeling service does not include power utilized for delivery, which the wheeling party must provide or pay directly at its own cost (if power can be scheduled by Metropolitan) or pay to Metropolitan at Metropolitan's actual (not system average) cost.

In addition to these charges, MWDOC shall assess the following charges related to costs, pursuant to applicable law:

- (a) A one-time administrative charge, based on actual time spent to account for the staff time and legal counsel required for preparation of an agreement or agreements to establish the legal and administrative

framework for water to be wheeled or transferred through exchanges with Metropolitan.

- (b) Unless otherwise specified by written agreement with MWDOC, an annual charge will be assessed, based on actual time spent in any year in which water is wheeled or transferred through exchanges with Metropolitan, to cover staff time to account for and bill for the water.
- (c) Other charges established by written agreement between MWDOC and a member agency that reflect additional costs of wheeling water.

SECTION 8. MWDOC WATER SUPPLY ALLOCATION PLAN (WSAP)

In the event that a regional water shortage is declared, the MWDOC Board can implement, adjust, or adopt an updated Water Supply Allocation Plan (Plan). This Plan, as adopted in 2009, updated in 2014 and 2016, and as amended from time to time, established procedures allowing MWDOC to assess an allocation surcharge to its member agencies in the event MWDOC is assessed an allocation surcharge under Metropolitan's own "Water Supply Allocation Plan." Under MWDOC's Plan, surcharges may be assessed according to a particular member agency's prorated share of its over usage relative to the MWDOC surcharge amount assessed by Metropolitan. However, the rates set forth in this Resolution do not include or otherwise account for potential surcharges that may be assessed by MWDOC under its Water Supply Allocation Plan, and nothing contained herein is intended to preclude MWDOC from charging such surcharges as authorized in the Water Supply Allocation Plan.

SECTION 9. EFFECTIVE DATE.

The rates set forth in this Resolution shall become effective as of July 1, 2023 or thereafter as specified and shall remain in effect until changed by subsequent Resolution of the Board of Directors.

SECTION 10. **BILLING AND PAYMENT.**

Billing Schedule. MWDOC member agencies shall be billed for water delivered and for other charges as follows:

- (a) MWDOC's cost of acquisition of the water shall be billed in the month following delivery of the water;
- (b) MWDOC's Retail Meter Charge shall be billed once annually on or after July 1st of each year, for each retail water service meter within each member agency's service area;
- (c) the MWDOC Readiness-to-Serve Charge shall be billed in monthly installments on the water billing in accordance with **Exhibit A**, the MWDOC Capacity Charge shall be billed in monthly installments on the water billing in accordance with **Exhibit B**; and
- (d) the MWDOC Choice services shall be billed once annually on or after July 1st of each year or as otherwise during the fiscal year in accordance with **Exhibit C** and/or as may be adjusted during the fiscal year in discussions with and as agreed to by the Choice Program participants.
- (e) The fixed annual Groundwater Customer Charge to OCWD, as set forth in MWDOC's Water Rate Ordinance No. 55 and referred to in Section 5 hereof, shall be billed to OCWD annually at the beginning of the fiscal year on July 1.

All such billings shall be due on receipt by the member agency and shall be delinquent if payment is not received by MWDOC by the 15th day of the month following the mailing of the billing or within 30 days of mailing of such billing, whichever date is later.

SECTION 11. **EXEMPTION FROM CEQA.**

The Board of Directors finds that the adoption of the rates and charges as set forth in this Resolution are exempt from the California Environmental Quality Act under Section 21080(b)(8) of the Public Resources Code in that the water rates established herein are for the purpose of meeting operating expenses of MWDOC, including employee wages and fringe benefits, purchasing or leasing of supplies, equipment and materials, meeting financial reserve needs and requirements and obtaining funds for capital projects necessary to maintain service within existing service areas.

SECTION 12. **REASONABLE COST.**

The Board of Directors finds that the water rates established herein are in accordance with the adopted fiscal year 2023-24 budget, and that said rates do not exceed the reasonable cost of providing water service and other services and regulatory functions for which they are charged.

SECTION 13. **SUPERSEDES PRIOR RESOLUTIONS.**

All resolutions, ordinance or administrative actions by the Board or parts thereof that are inconsistent with any provision of this Resolution are hereby superseded only to the extent of such inconsistency.

SECTION 14. **RATES SUBJECT TO ORDINANCE.**

The rates for water service established herein are subject to Ordinance No. 55 as it may be amended from time to time.

SECTION 15. **IMPLEMENTATION.**

The General Manager is directed to establish procedures to implement this Resolution.

BE IT FURTHER RESOLVED that a copy of this Resolution be sent to each of MWDOC's member agencies.

Said Resolution No. was adopted on April _____, 2023 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

MARIBETH GOLDSBY, District Secretary
Municipal Water District of Orange County

EXHIBIT A

Readiness-to-serve Charge for MWDOC Client Agencies for FY 2023-24

Metropolitan Readiness-to-Serve (RTS) Charge to MWDOC for FY 2023/24 = \$ 22,056,389
 Expected Standby Revenue Less Metropolitan Administrative Charge Plus Delinquencies & Uncollectables FY 2023/24 = \$ (7,530,243)
 Net MWD RTS Charge = \$ 14,526,146

DRAFT

Agency	2018-19	2019-20	2020-21	2021-22	4-Yr Ave	AF Share (%)	Net RTS	RTS Adjustment	Net RTS	Monthly Charge July - December	Monthly Charge January - June
	878	0	34	254	292						
Brea	3,470	2,657	1,475	1,650	2,313	0.18%	\$ 26,146.21	\$ -	\$ 26,146.21	\$ 2,047.38	\$ 2,310.33
Buena Park	1,428	993	3,014	5,713	2,787	1.43%	\$ 207,409.11	\$ -	\$ 207,409.11	\$ 16,241.14	\$ 18,327.04
East Orange County Water District	6,789	6,913	7,392	7,244	7,085	1.72%	\$ 249,905.03	\$ -	\$ 249,905.03	\$ 19,568.78	\$ 22,082.06
El Toro Water District	1,885	0	0	0	471	4.37%	\$ 635,302.83	\$ -	\$ 635,302.83	\$ 49,747.30	\$ 56,136.50
Fountain Valley	5,434	10,952	5,318	5,297	6,750	0.29%	\$ 42,256.79	\$ -	\$ 42,256.79	\$ 3,308.91	\$ 3,733.89
Garden Grove	5,421	4,743	7,451	8,709	6,581	4.17%	\$ 605,304.71	\$ -	\$ 605,304.71	\$ 47,398.30	\$ 53,485.81
Golden State Water Company	5,276	4,264	4,040	4,841	4,605	4.06%	\$ 590,148.99	\$ -	\$ 590,148.99	\$ 46,211.54	\$ 52,146.63
Huntington Beach	13,921	13,018	17,134	25,245	17,330	2.84%	\$ 412,972.66	\$ -	\$ 412,972.66	\$ 32,337.77	\$ 36,491.01
Irvine Ranch Water District	75	101	562	565	326	10.70%	\$ 1,554,024.18	\$ -	\$ 1,554,024.18	\$ 121,687.66	\$ 137,316.38
La Habra	426	0	0	120	137	0.20%	\$ 29,227.18	\$ -	\$ 29,227.18	\$ 2,288.63	\$ 2,582.57
La Palma	1,462	1,614	3,054	3,350	2,370	0.08%	\$ 12,251.05	\$ -	\$ 12,251.05	\$ 959.32	\$ 1,082.52
Laguna Beach County Water District	0	0	67	3	17	1.46%	\$ 212,512.99	\$ -	\$ 212,512.99	\$ 16,640.80	\$ 18,778.03
Mesa Water District	23,443	22,185	24,785	24,305	23,679	0.01%	\$ 1,553.61	\$ -	\$ 1,553.61	\$ 121.66	\$ 137.28
Moulton Niguel Water District	3,229	4,255	677	3,747	2,977	14.62%	\$ 2,123,433.79	\$ -	\$ 2,123,433.79	\$ 166,275.20	\$ 187,630.43
Newport Beach	5,187	4,946	6,707	11,796	7,159	1.84%	\$ 266,972.34	\$ -	\$ 266,972.34	\$ 20,905.23	\$ 23,590.16
Orange	56,198	9,592	9	22,996	22,199	4.42%	\$ 641,955.44	\$ -	\$ 641,955.44	\$ 50,268.23	\$ 56,724.34
Orange County Water District	6,521	6,680	7,671	7,535	7,102	13.70%	\$ 1,990,658.41	\$ -	\$ 1,990,658.41	\$ 155,878.24	\$ 175,898.16
San Clemente	5,108	4,790	6,063	5,679	5,410	4.38%	\$ 636,830.31	\$ -	\$ 636,830.31	\$ 49,866.91	\$ 56,271.47
San Juan Capistrano	20,179	22,275	25,314	24,303	23,018	3.34%	\$ 485,130.34	\$ -	\$ 485,130.34	\$ 37,988.07	\$ 42,866.99
Santa Margarita Water District	928	1,132	1,102	606	942	14.21%	\$ 2,064,117.17	\$ -	\$ 2,064,117.17	\$ 161,630.42	\$ 182,389.11
Seal Beach	1,072	0	1,394	1,109	894	0.58%	\$ 84,475.67	\$ -	\$ 84,475.67	\$ 6,614.86	\$ 7,464.42
Serrano Water District	5,039	4,481	5,000	4,812	4,833	0.55%	\$ 80,135.42	\$ -	\$ 80,135.42	\$ 6,274.99	\$ 7,080.91
South Coast Water District	2,177	2,034	2,421	2,901	2,383	2.98%	\$ 433,392.84	\$ -	\$ 433,392.84	\$ 33,936.77	\$ 38,295.37
Trabuco Canyon Water District	2,454	2,450	0	1	1,226	1.47%	\$ 213,725.39	\$ -	\$ 213,725.39	\$ 16,735.74	\$ 18,885.16
Westminster	4,787	9,084	9,727	12,815	9,103	0.76%	\$ 109,958.93	\$ -	\$ 109,958.93	\$ 8,610.32	\$ 9,716.17
Yorba Linda Water District	182,786	139,158	140,411	185,594	161,987	5.62%	\$ 816,344.60	\$ -	\$ 816,344.60	\$ 63,923.75	\$ 72,133.68
Sum of MWDOC Agencies						100%	\$ 14,526,146.00	\$ -	\$ 14,526,146.00	\$ 1,137,467.92	\$ 1,283,556.42

*totals may not foot due to rounding

EXHIBIT B
DRAFT Capacity Charge for MWDOC Member Agencies for CY 2024

DRAFT 4/6/23

MWDOC's Peak to MWD (cfs)	2020	2021	2022	Peak
	272.2	336.3	282.0	336.3
Date	6/10/2020	7/22/2021	8/15/2022	7/22/2021

Metropolitan Capacity Charge to MWDOC for CY 2024 \$ **3,766,560***

Agency	Capacity Charge Eligible Flows (CFS)			CFS Share (%)	Annual Capacity Charge	Monthly Capacity Charge
	2020	2021	2022			
City of Brea	0.0	6.8	1.3	1.55%	\$ 58,370	\$ 4,864
City of Buena Park	5.5	9.3	4.3	2.12%	\$ 79,829	\$ 6,652
East Orange County Water District	12.0	22.1	18.2	5.04%	\$ 189,701	\$ 15,808
El Toro Water District	16.2	16.0	17.1	3.90%	\$ 146,783	\$ 12,232
City of Fountain Valley	0.0	0.0	0.0	0.00%	\$ -	\$ -
City of Garden Grove	26.0	14.7	22.3	5.93%	\$ 223,178	\$ 18,598
Golden State Water Company	11.9	15.2	12.5	3.46%	\$ 130,473	\$ 10,873
City of Huntington Beach	16.7	15.1	21.9	4.99%	\$ 187,985	\$ 15,665
Irvine Ranch Water District	42.0	50.4	55.4	12.63%	\$ 475,541	\$ 39,628
City of La Habra	3.4	6.0	4.1	1.37%	\$ 51,503	\$ 4,292
City of La Palma	0.0	0.0	0.7	0.16%	\$ 6,009	\$ 501
Laguna Beach County Water District	7.0	6.7	7.5	1.71%	\$ 64,378	\$ 5,365
Mesa Water District	0.0	0.0	0.0	0.00%	\$ -	\$ -
Moulton Niguel Water District	50.2	44.7	43.1	11.44%	\$ 430,905	\$ 35,909
City of Newport Beach	5.6	7.7	8.1	1.85%	\$ 69,529	\$ 5,794
Orange County Water District	0.0	0.1	0.0	0.02%	\$ 858	\$ 72
City of Orange	20.9	25.9	21.0	5.90%	\$ 222,320	\$ 18,527
City of San Clemente	21.9	18.9	22.0	5.01%	\$ 188,843	\$ 15,737
Santa Margarita Water District (ID9)	16.1	12.5	13.0	3.67%	\$ 138,199	\$ 11,517
Santa Margarita Water District	59.9	59.3	55.0	13.65%	\$ 514,168	\$ 42,847
City of Seal Beach	6.8	7.0	7.5	1.71%	\$ 64,378	\$ 5,365
Serrano Water District	0.0	4.0	0.0	0.91%	\$ 34,335	\$ 2,861
South Coast Water District	9.0	8.5	8.4	2.05%	\$ 77,254	\$ 6,438
Trabuco Canyon Water District	5.8	6.0	4.6	1.37%	\$ 51,503	\$ 4,292
City of Westminster	2.1	0.0	0.3	0.48%	\$ 18,026	\$ 1,502
Yorba Linda Water District	36.6	39.9	9.9	9.09%	\$ 342,493	\$ 28,541
Total			438.8	100%	\$ 3,766,560	\$ 313,880
			MWDOC Capacity Charge Per CFS:		\$ 8,584	

* Based on MWDOC's aggregate peak flow of 336.3 cfs on 7/22/2021 charge at MET's 2024 rate of \$11,200 per cfs

Exhibit C
MWDOC Member Agency Choice Services Program Summary
Cost Allocations by Agencies for FY 2023-24

DRAFT
As of 4/5/2023

Retail Agency	Water Use Efficiency [1]	School Education (K-2)[2]	School Education (3-5)[2]	School Education (6-8)[2]	School Education (9-12)[2]	Water Loss Control Program [3]	Total Choice Allocation
Brea	\$ 11,207	\$ 4,000	\$ 10,500	\$ 10,500	\$ 2,500		\$ 38,707
Buena Park	\$ 7,098	\$ 5,250	\$ 5,389	\$ 3,087	\$ 2,058	Pending	\$ 22,881
East Orange County WD	\$ 1,802	\$ -	\$ -	\$ -	\$ 2,058		\$ 3,860
El Toro WD	\$ 18,029	\$ 7,000	\$ 7,000	\$ 5,000	\$ 1,500	Pending	\$ 38,529
Fountain Valley	\$ 7,260	\$ -	\$ -	\$ -	\$ -		\$ 7,260
Garden Grove	\$ 6,782	\$ 2,009	\$ 3,515	\$ 6,544	\$ 1,091	Pending	\$ 19,941
Golden State Water Company	\$ 11,999	\$ 7,880	\$ 10,150	\$ -	\$ -		\$ 30,029
Huntington Beach	\$ 68,775	\$ -	\$ -	\$ -	\$ -	Pending	\$ 68,775
Irvine Ranch WD	\$ 118,686	\$ 14,214	\$ 15,818	\$ 6,544	\$ 8,725		\$ 163,987
La Habra	\$ 8,996	\$ -	\$ -	\$ -	\$ -	Pending	\$ 8,996
La Palma	\$ 190	\$ 2,000	\$ 3,000	\$ 2,500	\$ -		\$ 7,690
Laguna Beach County WD	\$ 4,049	\$ 876	\$ 1,355	\$ -	\$ -	Pending	\$ 6,280
Mesa Water	\$ 39,950	\$ 2,700	\$ 1,350	\$ -	\$ -		\$ 44,000
Moulton Niguel WD	\$ 227,125	\$ -	\$ -	\$ -	\$ -	Pending	\$ 227,125
Newport Beach	\$ 55,844	\$ 11,500	\$ 9,000	\$ 2,200	\$ 2,200		\$ 80,744
Orange	\$ 50,429	\$ -	\$ -	\$ -	\$ -	Pending	\$ 50,429
Orange County WD	\$ 93,260	\$ 5,408	\$ 1,758	\$ -	\$ -		\$ 100,425
San Clemente	\$ -	\$ -	\$ -	\$ -	\$ -	Pending	\$ -
San Juan Capistrano	\$ 118,442	\$ 2,000	\$ 2,000	\$ 4,000	\$ 6,000		\$ 132,442
Santa Margarita WD	\$ 1,627	\$ 8,822	\$ 10,363	\$ 9,261	\$ 8,232	Pending	\$ 38,304
Seal Beach	\$ 3,547	\$ 1,315	\$ 1,320	\$ -	\$ -		\$ 6,182
Serrano WD	\$ 79,423	\$ -	\$ 1,406	\$ -	\$ -	Pending	\$ 80,828
South Coast WD	\$ 47,660	\$ 3,500	\$ 3,500	\$ -	\$ 2,500		\$ 57,160
Trabuco Canyon WD	\$ 21,783	\$ 1,545	\$ 439	\$ 1,091	\$ -	Pending	\$ 24,858
Tustin	\$ 11,502	\$ 8,000	\$ 9,680	\$ 7,635	\$ 6,544		\$ 43,361
Westminster	\$ 23,717	\$ 5,000	\$ 7,000	\$ 12,000	\$ 8,000	Pending	\$ 55,717
Yorba Linda WD	\$ 628	\$ -	\$ -	\$ -	\$ -		\$ 628
Anaheim	\$ 414	\$ 9,500	\$ 9,500	\$ 9,500	\$ 9,500	Pending	\$ 38,414
Fullerton	\$ 132	\$ 2,000	\$ 10,000	\$ -	\$ -		\$ 12,132
Santa Ana	\$ 98	\$ 23,000	\$ 35,000	\$ 10,000	\$ 9,000	Pending	\$ 77,098
Orange County Total	\$ 1,040,453	\$ 127,518	\$ 159,043	\$ 89,861	\$ 69,908	\$ -	\$ 1,486,783

**** These numbers are draft and subject to change**

[1] Preliminary Cost Allocation for the Choice Water Use Efficiency Program for FY 2023-24

[2] FY 2023-24 costs dependent upon selection of vendor and each agency's level of participation.

[3] For FY 2023-24 the Water Loss Control Program includes Technical Assistance (Year VII) and the Water Loss Control Shared Services (Year IV). Agency costs will vary based on the selection of technical assistance and shared services.



Administration Activities Report

March 3, 2023 – April 6, 2023

Activity	Summary
<p>Administration/ Board</p>	<p>Administration team worked on the following:</p> <ul style="list-style-type: none"> • Scheduled meetings for Harvey De La Torre and Board members (including Special Board meetings and Ad Hoc meetings) • Assisted Harvey 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 as well as execution following approval; conferred with staff on processes. • Responded to two Public Records Act requests. • Made various updates/changes to the website including WACO items, District calendar, etc. • Coordinated various updates to database. • Worked with IT staff regarding updated/revisions to Expense and Comp Voucher forms, equipment needs, etc. • Coordinated logistics for Elected Officials Forum • Completed the Form 700 process. • Coordinated with legal counsel on various issues, including AB 2449 requirements, ordinances, Brown Act requirements, etc. • Updated the Administrative Code per Board action. • Prepared appropriate documentation, ordinance and notice for OC Register • Coordinated Ethics and Harassment Prevention trainings. • Solicited availability and scheduled both in-person and Zoom meetings for the Interim General Manager and Director of Engineering • Registered Staff and Directors for various conferences, made travel accommodations and processed business expenses. • Hosted ISDOC Quarterly & Executive Meetings • Followed-up and gathered speaker information and presentation material for the ISDOC Virtual Quarterly Meeting. • Compiled the PowerPoint presentation for the ISDOC Virtual Quarterly Meeting. • Attended three Next Wave 2023 - EOC Staff - Mini Training Topics • Attended the virtual monthly WebEOC Training from the OA. • Prepared agreements and solicited signatures for Interim GM and Director of Engineering. • Formatted and sent letters for the Interim GM. • Coordinated the Admin Team sponsored spring event.



Administration/ Board (continued)	<ul style="list-style-type: none"> Completed cyber security training.
Records Management	<ul style="list-style-type: none"> Finalized Records Retention Schedule as approved by the Board and sent to all staff. Met with staff to discuss tracking RFP's for agreements. Continue to review incoming mail and log necessary documents into the Laserfiche system. Staff continues to review documents and update information in Laserfiche..
Health and Welfare Benefits	<ul style="list-style-type: none"> As of March 31, eligible funds from the 2022 Flexible Benefits Spending Plan year will rollover in early April.
Recruitment / Departures	<ul style="list-style-type: none"> Recruitment for Principal Engineer and Water Use Efficiency Intern is in progress. Staff is currently evaluating the appropriate skillset needed to fill the vacant IT position.
Projects/ Activities	<p>Administration Team worked on the following:</p> <ul style="list-style-type: none"> Reviewed department budget items for third draft budget. Updated the new City Council members and Water Directors into Act Database and compiling the annual Orange County City and Water Agency Directory. Assisted with WACO on Meetings via Zoom, PowerPoint presentations, preparing for hybrid meetings, various correspondence and note taking. The bi-monthly raffle for the Wellness Fruit/Vegetable boxes from Tanaka Farm continue as well as monthly fresh fruit that is purchased with wellness grant funds from JPIA and available for all staff in the breakroom. Prepared for Elected Officials Forum mailings and updated Constant Contact. Obtained quotes and secured vendor for office artwork. Office window coverings were installed in the open work space area. Completed the COLA/MERIT Survey of agencies. Participated in planning meetings with consultant regarding Kitchen Remodel and Atrium Project. Helped the Public Affairs Department with Water Awareness Poster Contest. Coordinated with Public Affairs on updates to website. Attended Board Meetings and Committee Meetings. Prepared application and submitted Cyber Insurance Renewal to ACWA/JPIA. All staff meeting was held on March 23. Participated in WEEA Leadership Roundtable Meeting on March 28.



INFORMATION ITEM

April 12, 2023

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

FROM: Harvey De La Torre, Interim General Manager
Staff Contact: Steven Hung

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 2022-23.

Finance

Description(sorted by % of completion)	% of Completion	Estimated/Actual Completion date	Status
SCO+Census report fillings for MWDOC and WFC	100%	01-27-2023	Completed
Annual Financial Audit	100%	11-03-2022	Completed
Conducting interviews for an IT consultant to co-manage and supplement IT.	100%	02-01-2023	Completed
2022-Q4 KnowBe4 training	98%	12-31-2022	In Progress
Preparation of documents for FY 2023-24 budget process.	95%	04-30-2023	In Progress
2023-Q1 KnowBe4 training	86%	03-31-2023	In Progress
RFP for Custodial Services	0%	06-30-2023	Not Started
Further Implementation of WUE Landscape Programs Databases and Web Site.	On-going	On-going	On-going
2023 W-9 collection for conservation rebates. Currently holding 4 rebate checks awaiting a W-9 form.	On-going	On-going	On-going

Information Technology

Description(sorted by % of completion)	% of Completion	Estimated/Actual Completion date	Status
Software and hardware upgrade for Hyper-V Virtual Server	100%	07-31-2022	Completed
Batteries replacement for UPS	100%	09-30-2022	Completed
Upgrade backbone Gigabit network switch (hardware)	100%	10-31-2022	Completed
Microsoft Office 365 software upgrade	93%	06-30-2023	In Progress
Replace computers/laptops for Staff	80%	03-31-2023	In Progress
Onboarding of Accent Computer Solutions	80%	06-30-2023	In Progress
Replace End-Of-Life Cisco Voice Gateway router (hardware and software)	60%	06-30-2023	In Progress
Windows Operating systems software upgrade for all Servers	20%	06-30-2023	In Progress
Replace Wireless Access Controller for wireless network	0%	06-30-2023	Not Started
Network security issues (hackers, viruses and spam emails)	On-going	On-going	Continuous system monitoring



INFORMATION ITEM

April 12, 2023

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

FROM: Harvey De La Torre, Interim 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 February.**
- Estimated OC Water Usage, Monthly, Comparison to Previous Years Water usage in February **2023 was below average compared to the last 5 years.** We are projecting a decrease in overall water usage compared to FY 2021-22. On March 24th 2023, state officials eased back drought emergency provisions that were in place since July 2021.
- Historical OC Water Consumption Orange County M & I water consumption is **projected to be 510,000 AF in FY 2022-23** (this includes ~11 TAF of agricultural usage and non-retail water agency usage). This is about **36,000 AF less than FY 2021-22** and is about **49,500 AF less than FY 2020-21**. Water usage per person is projected to be slightly lower in **FY 2022-23 for Orange County at 144 gallons per day** (This includes recycled water usage). Although OC population has increased

Budgeted (Y/N): N	Budgeted amount: N/A	Core <input checked="" type="checkbox"/>	Choice <input type="checkbox"/>
Action item amount: N/A		Line item:	
Fiscal Impact (explain if unbudgeted):			

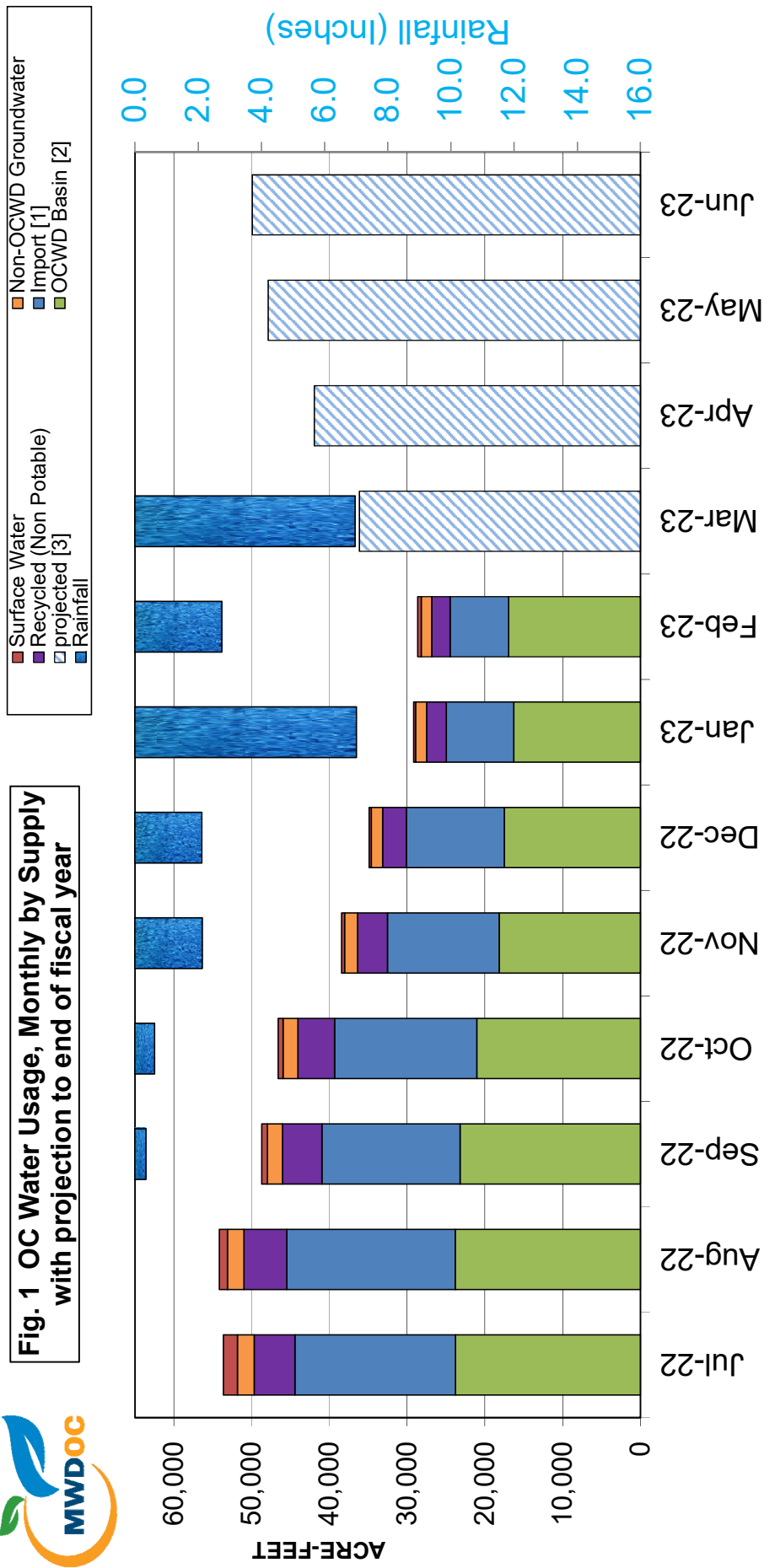
20% over the past two decades, water usage has not increased, on average. A long-term decrease in per-capita water usage is attributed mostly to Water Use Efficiency (water conservation) efforts. ***O.C. Water Usage has declined significantly since the FY 2013-14. Since FY 2013-14 average O.C. Annual Water usage is 535,000 AF, a decline of 86,500 AF since FY 2013-14.***

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 April was above average*** for this period. Water year to date rainfall in Orange County is ***21.95 inches***, which is ***188% of normal***.
- Northern California accumulated precipitation through ***early April was 141% of normal for this period***. Water Year 2022 was 48% of normal while water year 2021 was 86% of normal. The ***Northern California snowpack was 204% as of April 2nd, 2023. As of late March, 28.11%*** of California is experiencing ***moderate to severe drought conditions***. ***0.0%*** of California is experiencing ***extreme to exceptional drought conditions***. The State Water Project Contractors Table A Allocation was increased to 75% as of March for WY 2023.
- Colorado River Basin accumulated precipitation through ***early April was 129% of normal*** for this period. The ***Upper Colorado Basin snowpack was 131% of normal*** as of April 5th 2023. ***Lake Mead and Lake Powell*** combined have about ***38.0% of their average storage volume*** for this time of year and are at ***25.4% of their total capacity***. For the first time on the Colorado River, Lake Mead's ***levels have fallen below the "trigger" limit of 1,075 ft. at the end of a calendar year***. The US Bureau of Reclamation (USBR) has declared a shortage at Lake Mead, impacting Colorado River water deliveries to the Lower Basin states. Lake Mead as of early April was ***29.04' BELOW the "trigger" limit***. The USBR has declared a ***shortage on the Colorado River that started on January 1st 2022. There is a 93% chance of shortage continuing in 2024, 93% in 2025 and 93% in 2026.*** Lake Mead as of early April was ***0.96' ABOVE the State of California "trigger" limit. There is a 60% chance of mandatory cutbacks for California in 2023 (-250 TAF), 67% in 2025 (-263 TAF) and 60% in 2026 (-278 TAF).***



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.

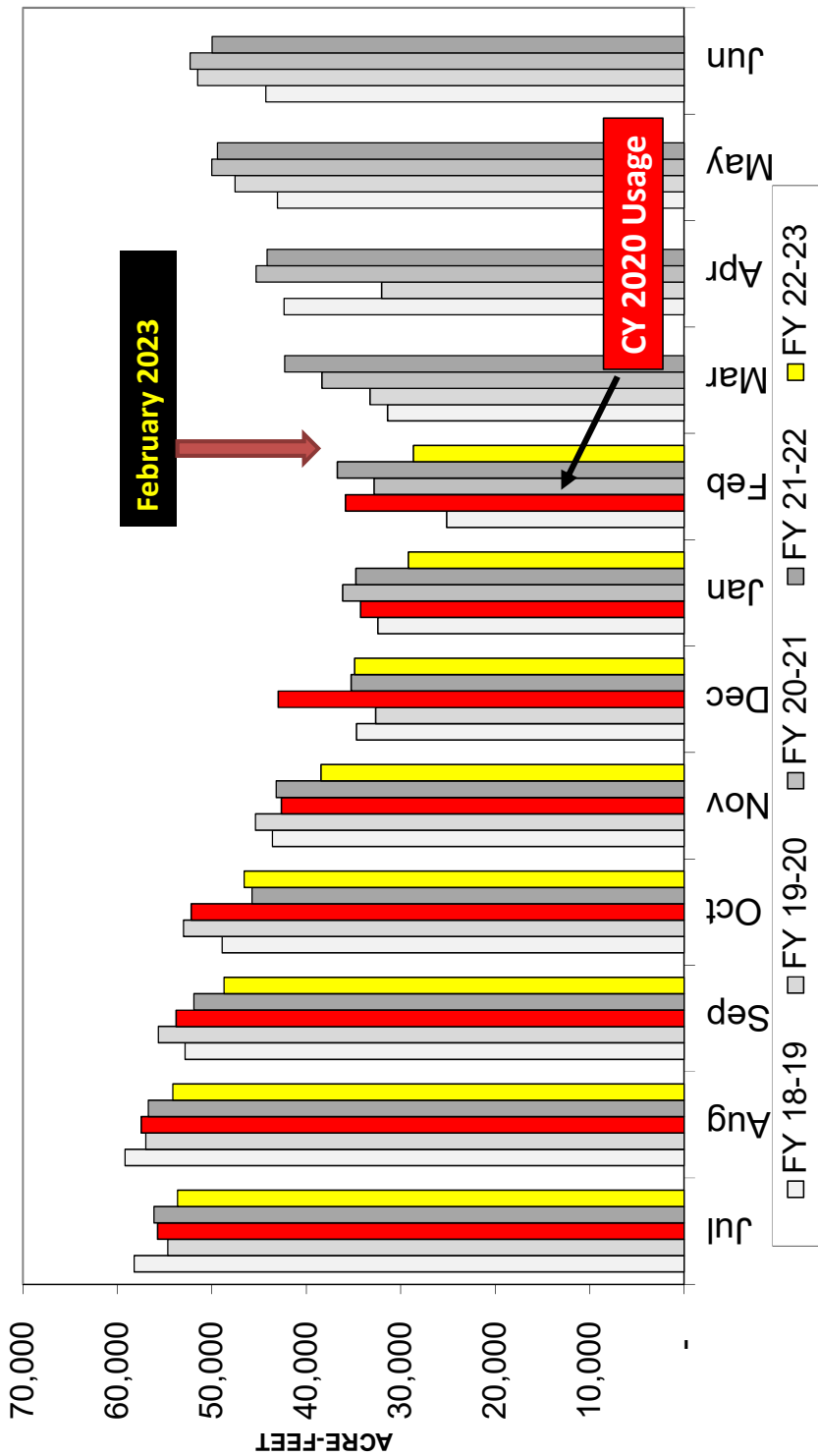
[2] GW for consumptive use only. Excludes In-Lieu water deliveries and CUP water extraction that are counted with Import. BPP in FY '22-'23 is 85%.

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

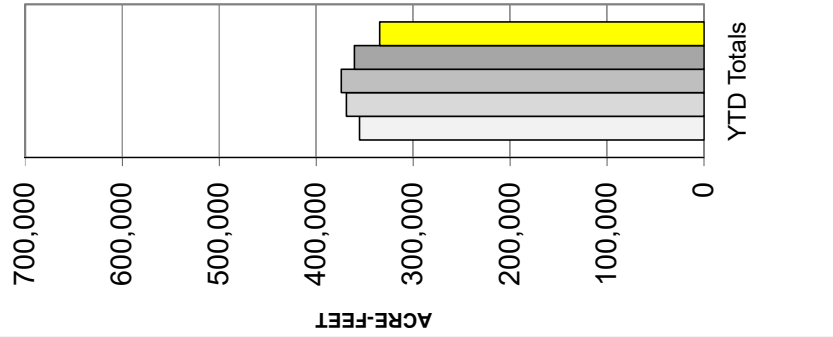
[4] Total water usage includes IRWD groundwater agricultural use and usage by non-retail water agencies.



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

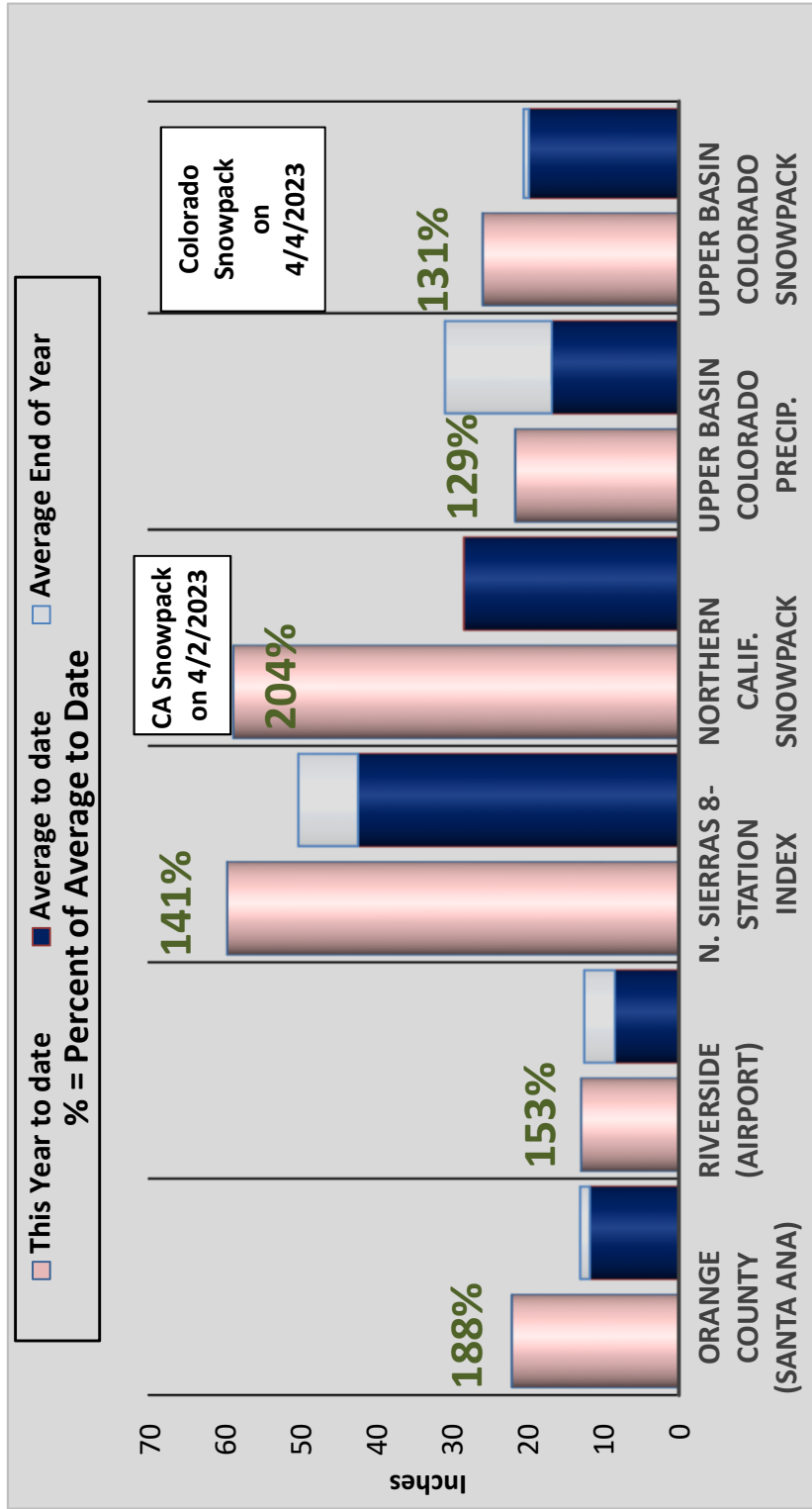


Partial Year Subtotals



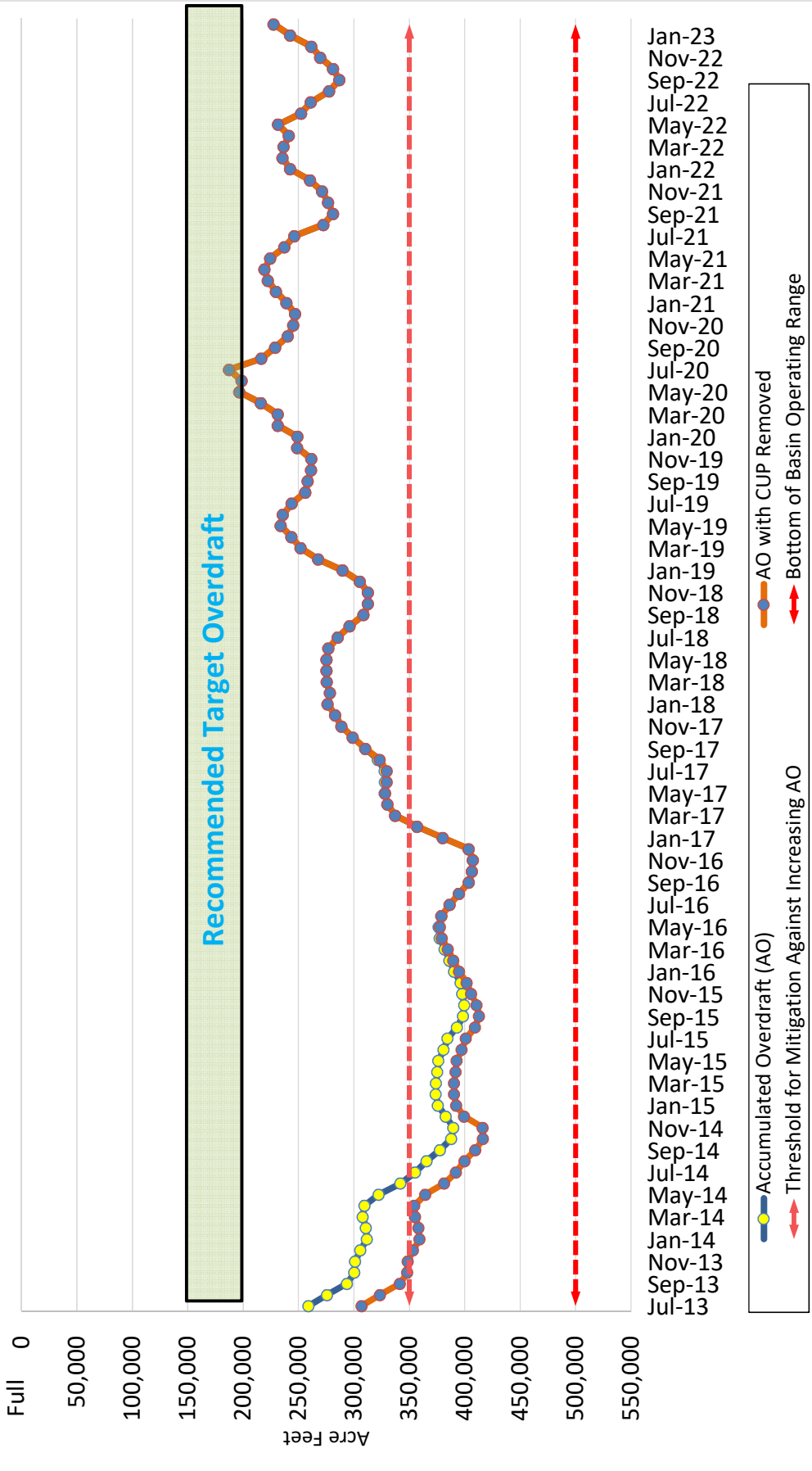
[1] Sum of Imported water for consumptive use (includes "In-Lieu" deliveries; excludes "Direct Replenishment" and "Barrier Replenishment") and Local water for consumptive use (includes recycled and non-potable water and excludes GWRS production) Recent months numbers include some estimation.

Accumulated Precipitation for the Oct.-Sep. water year, early of April 2023



* 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.

Accumulated Overdraft of the OCWD Groundwater Basin as of February 2023

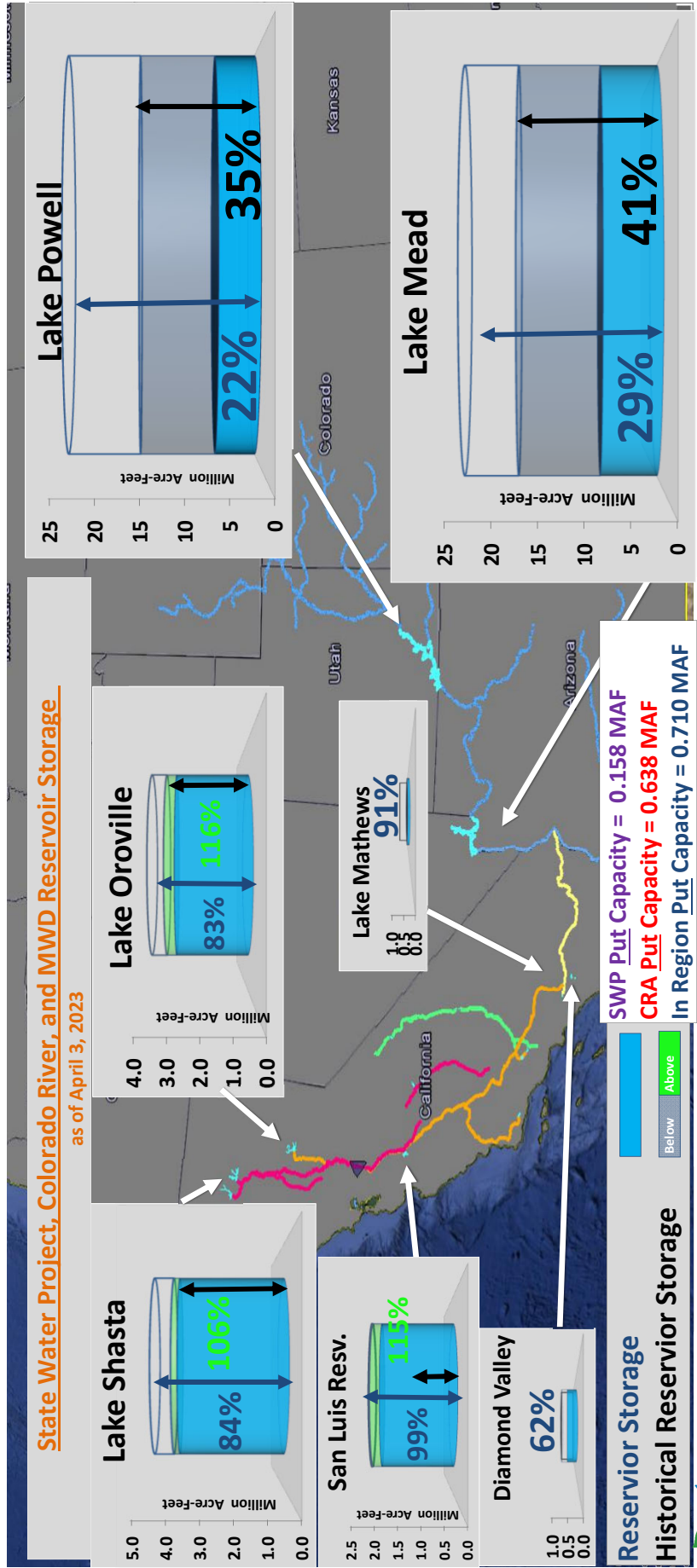


	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
AO (AF)	246,350	272,443	281,354	276,909	271,455	260,387	242,511	235,744	236,708	241,450	231,699	252,348
AO w/CUP removed (AF)	246,350	272,442	281,354	276,909	271,455	260,387	242,510	235,744	236,708	241,450	231,699	252,348
	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
AO (AF)	261,145	277,756	286,988	281,407	269,746	261,614	242,610	227,738				
AO w/CUP removed (AF)	261,145	277,756	286,986	281,407	269,746	261,614	242,610	227,738				

* Source ~ OCWD Monthly Board of Directors Packet, Water Resources Summary

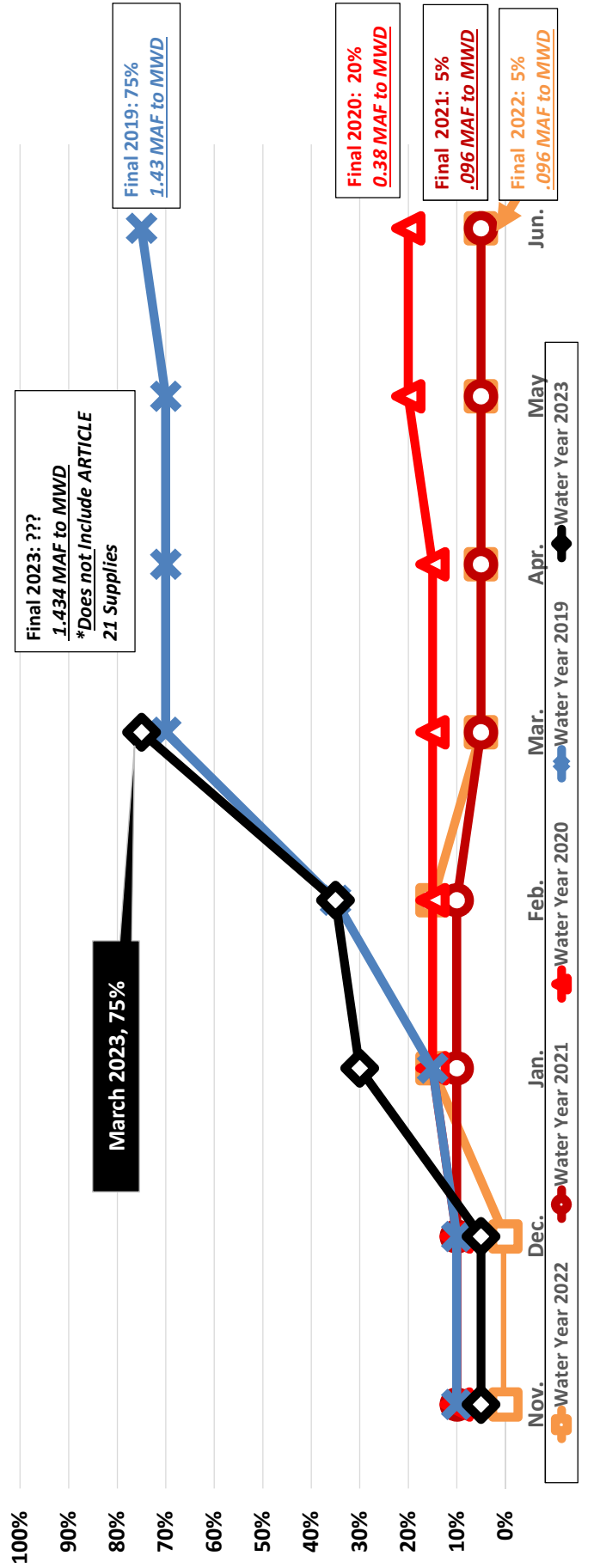


State Water Project, Colorado River, and MWD Reservoir Storage
as of April 3, 2023

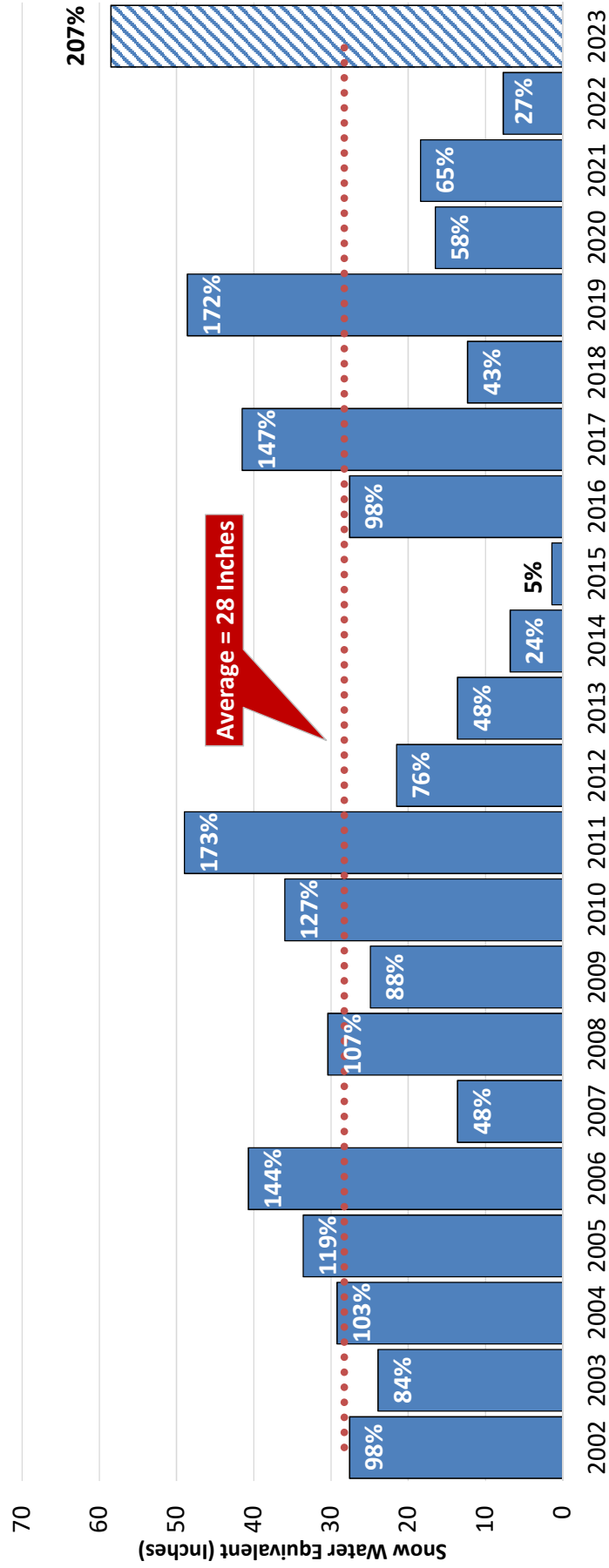


SWP TABLE A ALLOCATION PERCENTAGE

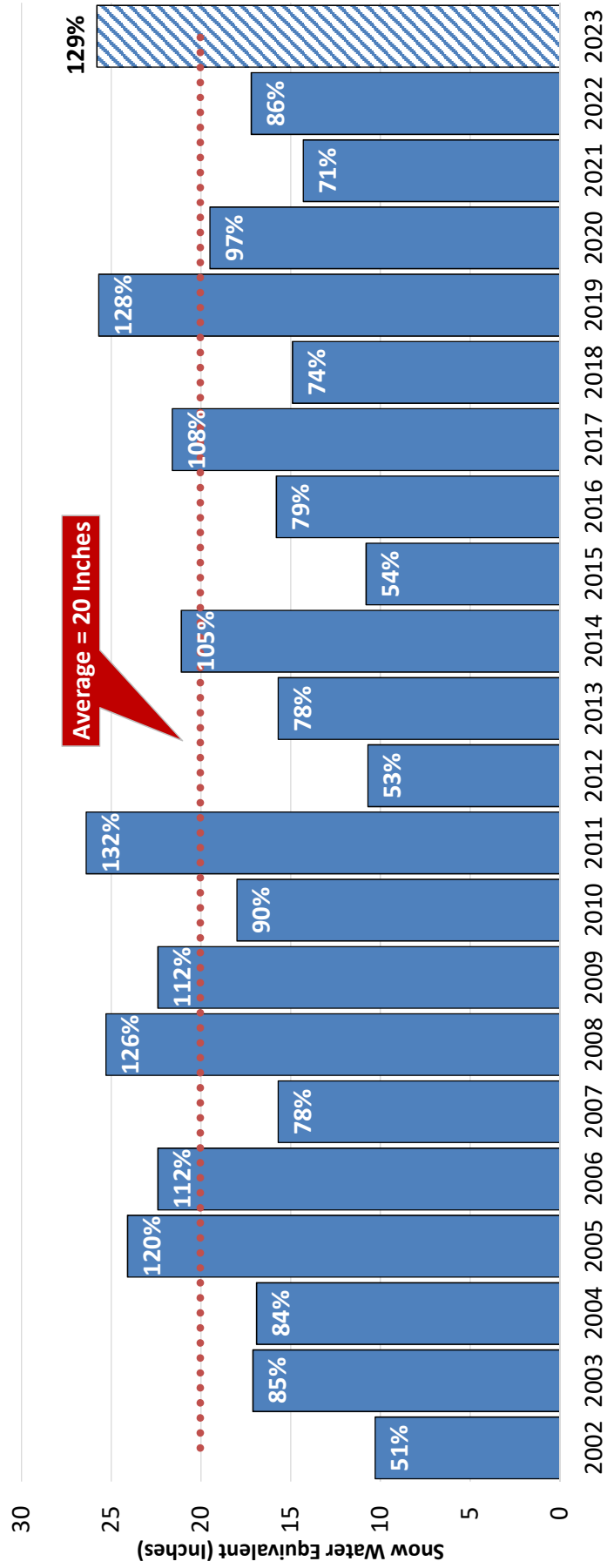
FOR STATE WATER PROJECT CONTRACTORS



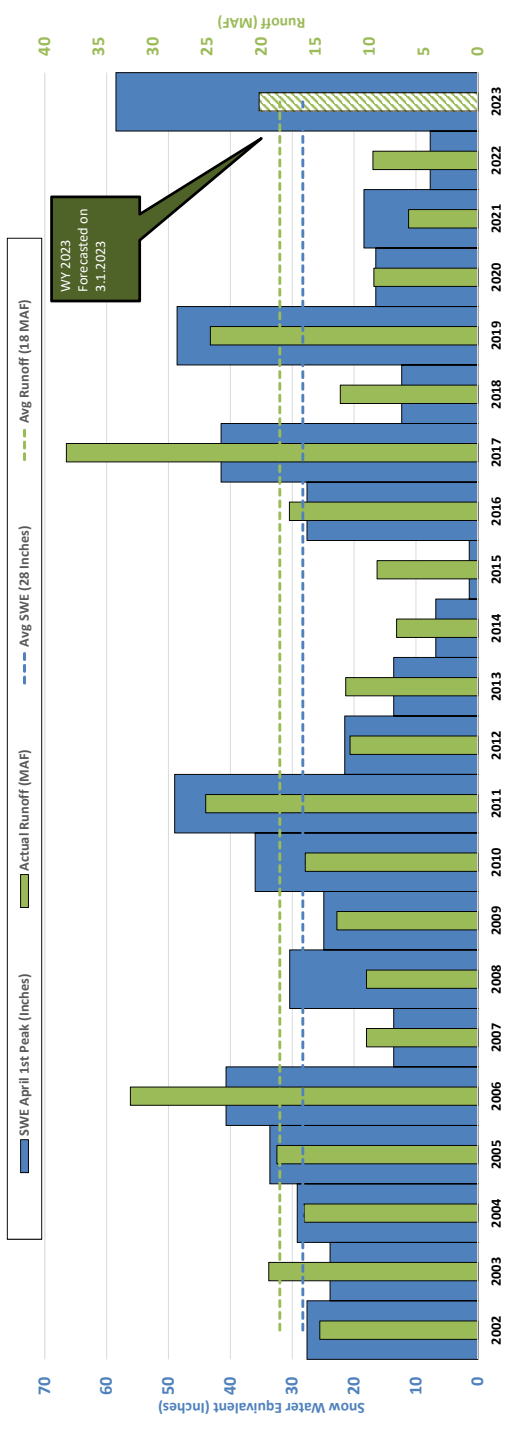
Historical Northern California April 1st Peak Snow Water Equivalent



Historical Colorado Basin April 15th Peak Snow Water Equivalent

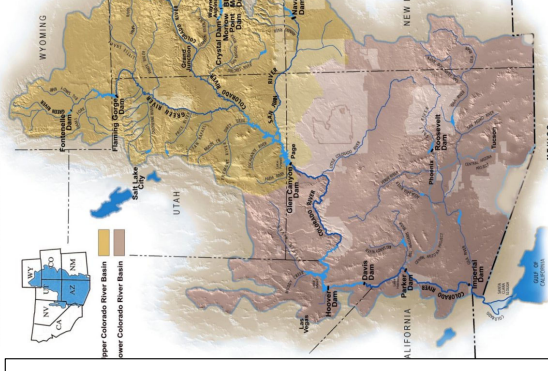
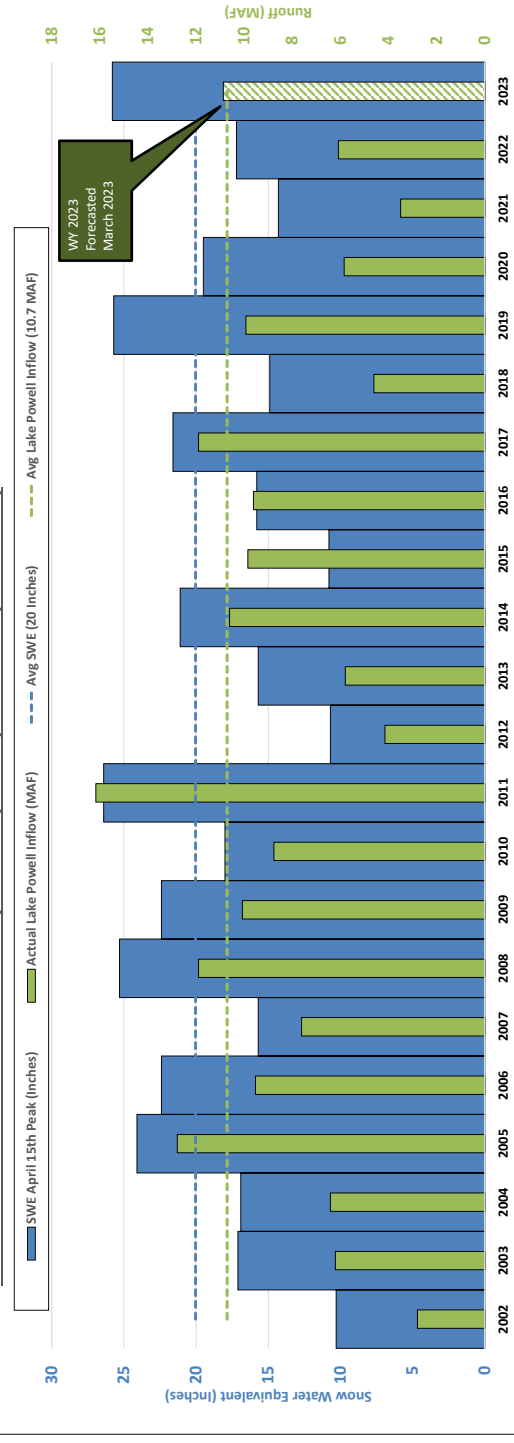


Northern California Historical Snow Water Equivalent (Inches) Vs Runoff (Million AF)



Sacramento River Basin

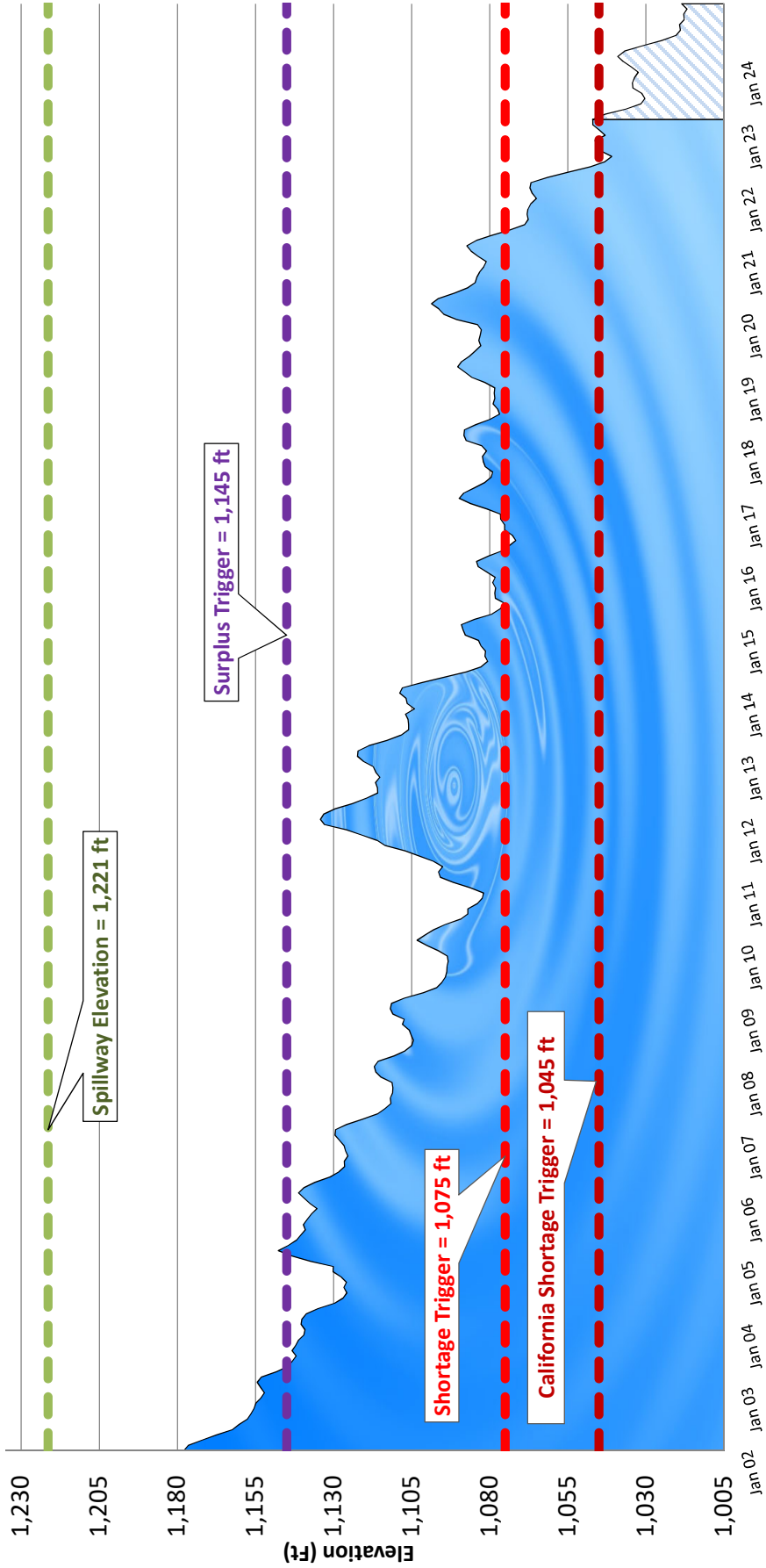
Colorado Historical Snow Water Equivalent (Inches) Vs Runoff (Million AF)



Colorado River Basin



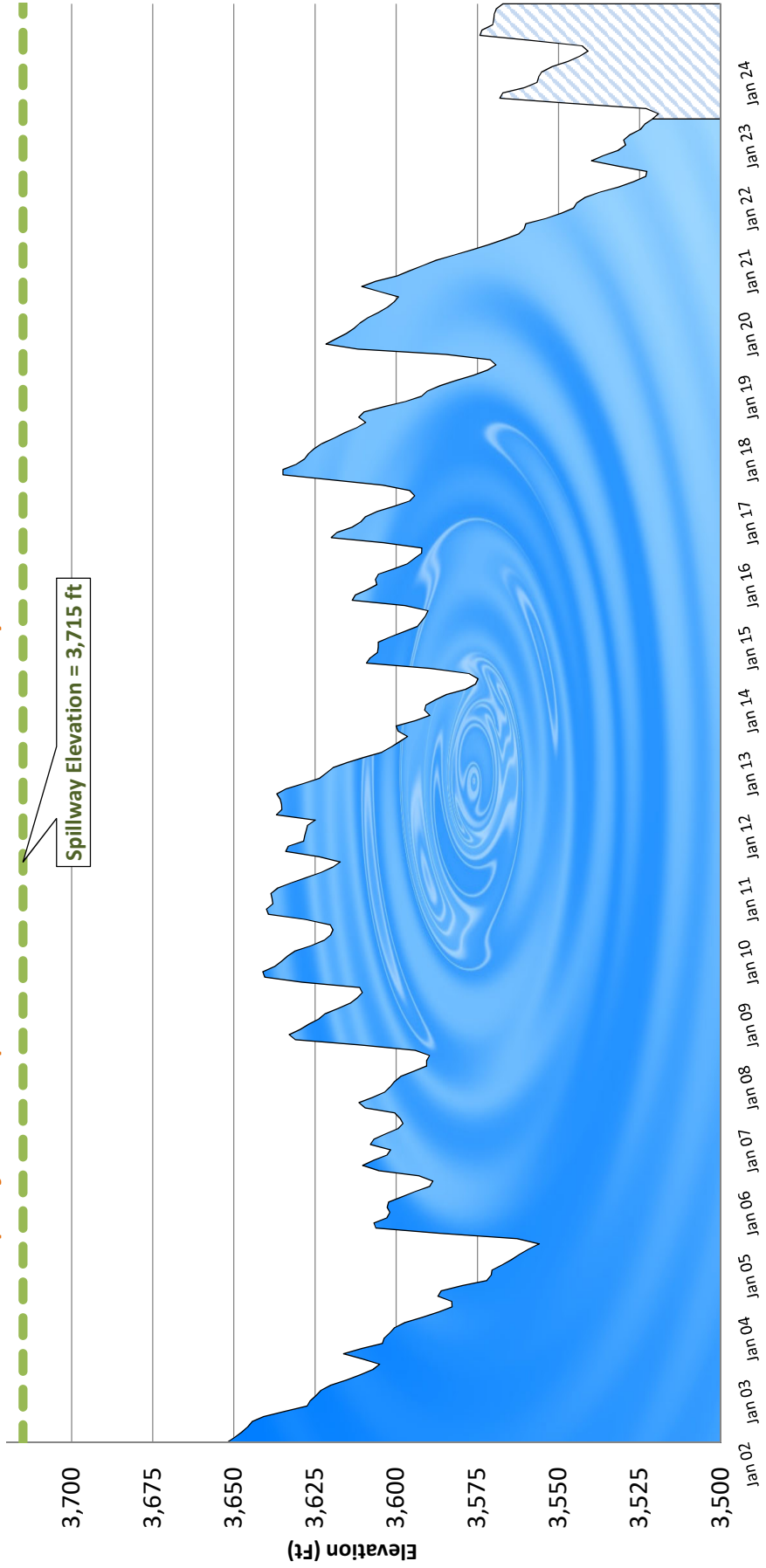
Lake Mead Levels: Historical and Projected projection per USBR 24-Month Study





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

■ Historical □ Projected





Lake Mead Historical Water Elevation Level

Intake Tower

Hoover Dam

