

MEETING OF THE BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Jointly with the
ADMINISTRATION & FINANCE COMMITTEE
18700 Ward Street, Conf. Room 101, Fountain Valley, CA 92708
February 12, 2025, 8:30 a.m.

Teleconference Sites:
25652 Paseo De La Paz, San Juan Capistrano, CA 92675
17420 Walnut Street, Fountain Valley, CA 92708
2800 Keller, #301, Tustin, CA 92782

This meeting will be held in person at 18700 Ward Street, Fountain Valley, California, 92708 (Conference Room 101). 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 Crane, Chair
Director Thomas
Director Nederhood

Staff: H. De La Torre, C. Harris,
H. Chumpitazi, M. Baum-Haley,
K. Davanaugh, M. Goldsby

Ex Officio Member: President McVicker

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>.

PROPOSED BOARD CONSENT CALENDAR ITEMS

1. TREASURER'S REPORT
 - a. Revenue/Cash Receipt Report – January 2025

- b. Disbursement Approval Report for the month of February 2025
- c. Disbursement Ratification Report for the month of January 2025
- d. GM Approved Disbursement Report for the month of January 2025
- e. Consolidated Summary of Cash and Investment – December 2024
- f. OPEB and Pension Trust Fund statement

2. FINANCIAL REPORT

- a. Combined Financial Statements and Budget Comparative for the Period Ending December 31, 2024
- b. Quarterly Budget Report

ACTION ITEMS

- 3. APPROVE ADDITION OF SECTION 2311, SUCCESSION PLANNING POLICY TO THE PERSONNEL MANUAL
- 4. INVESTING IN THE CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP)

DISCUSSION ITEMS

- 5. UPDATE AND PRESENTATION ON THE CALIFORNIA COUNCIL OF ENVIRONMENTAL AND ECONOMIC BALANCE (CCEEB)
- 6. MWDOC FY 2025-26 1ST DRAFT BUDGET

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

- 7. SEMI-ANNUAL DIRECTORS ACTIVITIES REPORT
- 8. SEMI-ANNUAL OVERTIME REPORT
- 9. ANNUAL AUTO ALLOWANCE REPORT
- 10. DEPARTMENT ACTIVITIES REPORTS
 - a. Administration
 - b. Finance and Information Technology
- 11. MONTHLY WATER USAGE DATA AND WATER SUPPLY INFORMATION

OTHER ITEMS

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

ADJOURNMENT

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

of the public are advised that the Board consideration process includes consideration of each agenda item by one or more Committees indicated on the Board Action Sheet. Attendance at Committee meetings and the Board meeting considering an item consequently is advised.

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

**Municipal Water District of Orange County
REVENUE / CASH RECEIPT REPORT
January 2025**

WATER REVENUES

<u>Date</u>	<u>From</u>	<u>Description</u>	<u>Amount</u>
1/02/2025	Laguna Beach County Water District	November 2024 Water deliveries	\$ 364,070.07
1/08/2025	El Toro Water District	November 2024 Water deliveries	401,229.22
1/08/2025	City of Garden Grove	November 2024 Water deliveries	283,455.28
1/09/2025	Orange County Water District	November 2024 Water deliveries	110,753.27
1/09/2025	City of Westminster	November 2024 Water deliveries	8,936.73
1/10/2025	Irvine Ranch Water District	November 2024 Water deliveries	1,133,716.37
1/10/2025	City of La Palma	November 2024 Water deliveries	765.22
1/10/2025	City of San Clemente	November 2024 Water deliveries	721,774.66
1/10/2025	Santa Margarita Water District (ID9)	November 2024 Water deliveries	714,568.00
1/10/2025	Santa Margarita Water District	November 2024 Water deliveries	2,473,282.61
1/13/2025	City of Buena Park	November 2024 Water deliveries	166,783.55
1/13/2025	City of Orange	November 2024 Water deliveries	319,682.69
1/13/2025	South Coast Water District	November 2024 Water deliveries	579,600.91
1/14/2025	East Orange Co Water District	November 2024 Water deliveries	398,871.57
1/15/2025	Golden State Water Company	November 2024 Water deliveries	882,082.78
1/15/2025	Moulton Niguel Water District	November 2024 Water deliveries	2,376,066.81
1/15/2025	Yorba Linda Water District	November 2024 Water deliveries	358,382.69
1/17/2025	City of Brea	November 2024 Water deliveries	5,488.83
1/23/2025	City of Westminster	December 2024 Water deliveries	8,936.73
1/24/2025	City of Huntington Beach	December 2024 Water deliveries	276,820.19
1/27/2025	City of La Habra	December 2024 Water deliveries	7,375.77
1/27/2025	City of Newport Beach	December 2024 Water deliveries	835,758.46
1/30/2025	Trabuco Canyon Water District	December 2024 Water deliveries	34,633.88
1/31/2025	City of Brea	December 2024 Water deliveries	5,488.83

TOTAL WATER REVENUES \$ 12,468,525.12

**Municipal Water District of Orange County
REVENUE / CASH RECEIPT REPORT
January 2025**

MISCELLANEOUS REVENUES

<u>Date</u>	<u>From</u>	<u>Description</u>	<u>Amount</u>
1/02/2025	Stripe	Scouts BSA Clinic	\$ 196.64
1/02/2025	Stripe	OCEMO 2024 Holiday Luncheon registrations	57.85
1/02/2025	Karl Seckel	January 2025 Retiree Health insurance	227.65
1/06/2025	Judy Pfister	January 2025 Retiree Health insurance	36.88
1/02/2025	Keith Lyon	January 2025 Retiree Health insurance	227.65
1/15/2025	Steve Hedges	January 2025 Retiree Health insurance	54.20
1/31/2025	Keith Lyon	February 2025 Retiree Health insurance	227.65
1/27/2025	Patricia Meszaros	Jan-Mar 2025 Retiree Health insurance	110.64
1/14/2025	US Bank Custodial Account	Sallie Mae Interest payment	1,008.22
1/21/2025	US Bank Custodial Account	American Express Interest payment	3,377.53
1/27/2025	US Bank Custodial Account	Discover Bank Interest payment	5,671.23
1/31/2025	US Bank Custodial Account	Magyar Bank Interest payment	5,167.12
1/31/2025	US Bank Custodial Account	Leaders Credit Union Interest payment	849.32
1/31/2025	US Bank	Monthly Interest	93.12
1/31/2025	City of Brea	Late payment penalty on November 2024 Water deliveries	54.89
1/17/2025	City of Brea	November 2024 Turf Removal rebate program	104.00
1/08/2025	Trabuco Canyon Water District	November 2024 Clothes Washers rebate program	290.00
1/13/2025	City of Buena Park	November 2024 Turf Removal and Spray to Drip rebate program	312.00
1/13/2025	City of Orange	November 2024 Turf Removal and Spray to Drip rebate program	1,924.60
1/17/2025	City of Tustin	November 2024 Turf Removal and Spray to Drip rebate program	312.00
1/13/2025	City of Fountain Valley	November 2024 Smartimer, Turf Removal and Spray to Drip rebate program	208.00
1/06/2025	Golden State Water Company	November 2024 Smartimer, Turf Removal and Spray to Drip rebate program	520.00
1/17/2025	Irvine Ranch Water District	November 2024 Smartimer, Turf Removal and Spray to Drip rebate program	10,790.65
1/27/2025	Mesa Water District	November 2024 Smartimer, Turf Removal and Spray to Drip rebate program	348.77
1/13/2025	Moulton Niguel Water District	November 2024 Smartimer, Turf Removal and Clothes Washers rebate program	16,293.99
1/17/2025	City of San Clemente	November 2024 Smartimer, Turf Removal and Clothes Washers rebate program	627.92
1/30/2025	Trabuco Canyon Water District	Water Loss Control Shared Services FY 2024-25	671.00
1/06/2025	Western Municipal Water District	WEEA Sponsorship FY 2024-25	2,500.00
1/10/2025	City of Anaheim	FY 2024-25 Choice Programs Billing	4,033.08
1/27/2025	City of La Palma	FY 2024-25 Annual Retail Service Connection charge	64,487.00
1/02/2025	South Coast Water District	5 day Supervisor training - The Center for Organizational Effectiveness	2,198.00
1/17/2025	City of Huntington Beach	5 day Supervisor training - The Center for Organizational Effectiveness	2,198.00
1/17/2025	Irvine Ranch Water District	5 day Supervisor training - The Center for Organizational Effectiveness	2,198.00
1/17/2025	City of San Clemente	Invoice #3 LCRR Service Line Inventories Project	18,572.00
1/24/2025	City of Fullerton	Invoice #4 LCRR Service Line Inventories Project	47,219.25
1/27/2025	City of Anaheim	Invoice #4 LCRR Service Line Inventories Project	7,689.75
TOTAL MISCELLANEOUS REVENUES			\$ 200,914.14
TOTAL REVENUES			\$ 12,669,439.26



 Harvey De La Torre, General Manager



 Hilary Chumpitazi, Treasurer

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of February 2025**

Vendor/ Invoice	Description	Amount to Pay
Core Expenditures:		
ACCO Engineered Systems Inc		
20633749	12/01/24-01/31/25 HVAC preventative maintenance	1,882.00
20651844	01/24/25 Duct services in server room	898.31
Total		<u>2,780.31</u>
Ackerman Consulting-Richard C Ackerman		
1432	January 2025 Legal and regulatory specialized consulting services	3,500.00
Total		<u>3,500.00</u>
Aleshire & Wynder LLP		
92850/92851	December 2024 Legal Services	2,535.00
93355	January 2025 Legal services	900.00
Total		<u>3,435.00</u>
Alta FoodCraft		
12502408	January 2025 Coffee and tea supplies	171.21
12504427	January 2025 Coffee and tea supplies	40.31
Total		<u>211.52</u>
Avram Electric		
12225	Service to troubleshoot lights in the office	480.00
Total		<u>480.00</u>
Best Best and Krieger LLP		
55401-DEC24	December 2024 Legal services	15,843.24
Total		<u>15,843.24</u>
CSU Fullerton ASC		
AR174755	01/01/25-03/31/25 Center for Demographic Research Support	16,947.36
AR174824	Water service agency map palette refresh for website	925.07
Total		<u>17,872.43</u>
Davis Farr LLP		
2574	Professional services for Financial Audit of FY 2023-24	7,500.00
Total		<u>7,500.00</u>
Dopudja & Wells Consulting Inc		
1977	December 2024 Consulting services on MET Strategic Issues and Priorities	1,242.50
1978	December 2024 Senior Advisory Consulting Services for State and Federal Legislative and Policy Matters	5,680.00
1982	December 2024 Consulting for the Development of Rate & Revenue Model for MET	5,296.25
Total		<u>12,218.75</u>

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of February 2025**

Vendor/ Invoice	Description	Amount to Pay
E Source Companies LLC		
12946	December 2024 Retail Agency Technical Assistance services	2,640.00
Total		2,640.00
Fresno State		
3032961	Water Career Videos for WEEA	1,000.00
Total		1,000.00
Green Thumb (Indoor Plant Care) LLC-Dedo Verde Interior		
20241107	November 2024 Indoor plant service	305.50
20250142	February 2025 Indoor plant service	305.50
Total		611.00
Means Consulting-Edward G Means III		
MWDOC-1320	January 2025 East Orange County Feeder #2 Emergency Pilot Project Consulting services	550.00
MWDOC-WQ-103	January 2025 Consulting services for the Water Quality Workshop	2,956.25
Total		3,506.25
Hashtag Pinpoint Corporation		
1935	January 2025 Social Media consultation and services	7,913.00
Total		7,913.00
Herndon Solutions Group LLC		
INV-000009428	December 2024 services to assist with the Hazard Mitigation Plan and American Water Infrastructure Act	21,735.00
Total		21,735.00
Jill Promotions		
12451	Name badges for staff members	89.50
Total		89.50
Lawnscape Systems Inc		
450378	January 2025 Landscape Maintenance for Atrium	495.00
Total		495.00
Natural Resource Results LLC		
5240	January 2025 Federal Advocacy Agreement services	8,000.00
Total		8,000.00
NDS		
845145	01/03/25 Board packet delivery service	134.72
845185	01/10/25 Board packet delivery service	134.72
845588	01/30/25 Board packet delivery service	110.98
Total		380.42

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of February 2025**

Vendor/ Invoice	Description	Amount to Pay
ODP Business Solutions LLC		
402356369001	02/03/25 Office supplies	51.21
407867528001	01/20/25 Office supplies	68.81
Total		120.02
Office Solutions		
I-02279489	01/03/25 Office supplies	45.72
I-02281264	01/09/25 Office supplies	196.98
I-02285806	01/28/25 Office supplies	596.77
I-02287597	02/03/25 Office supplies	359.24
I-02287600	02/03/25 Office supplies	20.05
I-02288047	02/05/25 Office supplies	406.78
Total		1,625.54
Orange County Water District		
27123	December 2024 Postage, shared office, & maintenance expense	8,781.57
Total		8,781.57
Packet Fusion Inc		
PB16954	Pro rated annual service charge for enhanced Zoom phone reporting and texting capabilities for Water Use Efficiency	480.00
Total		480.00
Phil Letrong		
123124	October-December 2024 Retiree medical premium	524.10
Total		524.10
Predict Success-Anne Sandberg		
12725	Harrison assessment for new hire	100.00
Total		100.00
Ricoh USA Inc		
5070864885	11/01/24-01/31/25 Ricoh copier maintenance	1,504.04
Total		1,504.04
SMS Datacenter-Groupo SMS USA LLC		
41832	February 2024 IT support	4,590.00
Total		4,590.00
Steve Hedges		
123124	October-December 2024 Retiree medical premium	524.10
Total		524.10
Soto Resources-Joey C Soto		
GA-JAN-97	January 2025 Grant Research and Acquisition	3,250.00
Total		3,250.00

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of February 2025**

Vendor/ Invoice	Description	Amount to Pay
Syrus Devers Advocacy LLC		
1092	January 2025 State Legislative Advocacy services	8,000.00
Total		<u>8,000.00</u>
The Centre for Organization Effectiveness		
TCFOE4944	Supervisors Academy - Spring 2025	16,485.00
Total		<u>16,485.00</u>
Whittingham Public Affairs Advisors-WPAA		
2813	February 2025 Strategic guidance on local & regional issues	7,500.00
Total		<u>7,500.00</u>
Total Core Expenditures		<u>163,695.79</u>
 Choice Expenditures:		
Building Block Entertainment Inc		
3851-5	January 2025 Choice Elementary School Program K-2	17,700.00
Total		<u>17,700.00</u>
Mission RCD		
3477	January 2025 Field inspection and verification for Water Use Efficiency rebate programs	2,368.00
Total		<u>2,368.00</u>
Office Solutions		
I-02279611	01/03/25 Supplies for Water Loss Control Shared Services	56.93
I-02279738	01/06/25 Supplies for Water Loss Control Shared Services	144.35
Total		<u>201.28</u>
Orange County Water District		
27123	December 2024 Postage for Water Use Efficiency rebate programs	36.26
Total		<u>36.26</u>
Westerly Meter Service Co.-Lane M Matsuno		
17767	January 2025 Meter Accuracy Testing for Mesa Water	1,400.00
17770	January 2025 Meter Accuracy Testing for Fountain Valley	5,000.00
17783	January 2025 Meter Accuracy Testing for Mesa Water	1,600.00
Total		<u>8,000.00</u>
Total Choice Expenditures		<u>28,305.54</u>

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of February 2025**

Vendor/ Invoice	Description	Amount to Pay
Other Funds Expenditures:		
Coast to Coast Computer Products		
A2743263	Ink supplies for the WEROC Mobile EOC large format plotter for large scale printing of GIS maps	278.40
A2743616	HP Color LJ Pro Printer for WEROC Mobile EOC	588.62
A2745791	Toner cartridges for the WEROC Mobile EOC large format plotter for large scale printing of GIS maps	908.09
Total		1,775.11
E Source Companies LLC		
12946	December 2024 Retail Agency Technical Assistance services	15,860.00
13047	January 2025 Retail Agency Technical Assistance services	10,029.96
Total		25,889.96
Herndon Solutions Group LLC		
INV-000009424	December 2024 services to assist with the Hazard Mitigation Plan and American Water Infrastructure Act	35,000.00
INV-000009425	December 2024 services to assist with the Hazard Mitigation Plan and American Water Infrastructure Act	43,470.00
INV-000009426	December 2024 services to assist with the Hazard Mitigation Plan and American Water Infrastructure Act	43,470.00
INV-000009428	December 2024 services to assist with the Hazard Mitigation Plan and American Water Infrastructure Act	21,735.00
INV-000009429	December 2024 services to assist with the Hazard Mitigation Plan and American Water Infrastructure Act	43,470.00
INV-000009430	December 2024 services to assist with the Hazard Mitigation Plan and American Water Infrastructure Act	43,470.00
Total		230,615.00
Mission RCD		
3477	January 2025 Field inspection and verification for Water Use Efficiency rebate programs	8,953.40
Total		8,953.40
NV5 Geospatial		
427351	January 2025 Dedicated Irrigation Meter Measurement services (Anaheim)	19,633.08
427352	January 2025 Dedicated Irrigation Meter Measurement services (YLWD)	24,541.35
Total		44,174.43
County of Orange		
STCS002696	01/01/25-03/31/25 WEROC Radio System operations and maintenance costs	736.26
Total		736.26

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of February 2025**

Vendor/ Invoice	Description	Amount to Pay
Santa Margarita Plumbing & Air		
16167-41513	November and December 2024 services for the Pressure Regulating Valve Replacement Program	7,073.59
Total		7,073.59
Total Other Funds Expenditures		319,217.75
Total Expenditures		511,219.08

**Municipal Water District of Orange County
Disbursement Ratification Report
For the Month of January 2025**

Name/ Date	Check/ EFT	Invoice	Description	Amount
Core Disbursements:				
Tiffany Baca				
1/31/2025	EFT	121024	December 2024 Business expense	215.31
Total				215.31
Heather Baez				
1/15/2025	EFT	102424	October 2024 Business expense	70.83
1/15/2025	EFT	112424	November 2024 Business expense	226.29
Total				297.12
Joseph Berg				
1/31/2025	EFT	121224	December 2024 Business expense	429.37
Total				429.37
Charles Busslinger				
1/31/2025	EFT	122424	December 2024 Business expense	196.10
Total				196.10
Hilary Chumpitazi				
1/31/2025	EFT	121124	December 2024 Business expense	77.19
Total				77.19
Corodata Records Management Inc				
1/31/2025	EFT	RS7060648	December 2024 Records Storage Fees	70.17
Total				70.17
Randall Crane				
1/31/2025	EFT	120524	December 2024 Business expense	154.10
Total				154.10
Rachel Davis				
1/31/2025	EFT	121924	December 2024 Business expense	111.82
Total				111.82
Larry Dick				
1/31/2025	EFT	121924	December 2024 Business expense	96.48
Total				96.48
Tina Dubuque				
1/31/2025	EFT	11725	Computer loan program	977.60
Total				977.60
Hugo Escamilla				
1/31/2025	EFT	121324	08/24/24-12/13/24 Education reimbursement	2,156.26
Total				2,156.26
Leah Frazier				
1/31/2025	EFT	120424	December 2024 Business expense	62.03
Total				62.03
Al Nederhood				
1/31/2025	EFT	121924	December 2024 Business expense	305.58
Total				305.58

**Municipal Water District of Orange County
Disbursement Ratification Report
For the Month of January 2025**

Name/ Date	Check/ EFT	Invoice	Description	Amount
Jasmine Orozco				
1/31/2025	EFT	122024	December 2024 Business expense	81.61
Total				81.61
Megan Schneider				
1/31/2025	EFT	123124	December 2024 Business expense	391.85
Total				391.85
Karl Seckel				
1/31/2025	EFT	121924	December 2024 Business expense	43.55
Total				43.55
Spectrum Business				
1/06/2025	143709	188955001122124	January 2025 Telephone and internet expense	1,500.47
Total				1,500.47
US Bank				
1/31/2025	143766	2978/4192/8910/1189-DEC24	11/23/24-12/23/24 Cal Card Charges	23,257.98
Total				23,257.98
Verizon Wireless				
1/06/2025	143710	6101907531	December 2024 4G Mobile broadband unlimited service	114.03
Total				114.03
Sarah Wilson				
1/31/2025	EFT	121424	09/07/24-12/14/24 Education reimbursement	2,052.99
Total				2,052.99
Total Core Disbursements				32,591.61
Choice Disbursements:				
Rachel Davis				
1/31/2025	EFT	121924	December 2024 Business expense	46.09
Total				46.09
US Bank Voyager Fleet Systems				
1/31/2025	EFT	8694349932452	11/25/24-12/24/24 Fuel for Water Loss Control Shared Services Vehicles	558.61
Total				558.61
Total Choice Disbursements				604.70
Other Funds Disbursements:				
AT&T				
1/15/2025	143712	22798618	December 2024 Telephone expense for WEROC N. EOC	41.59
Total				41.59

**Municipal Water District of Orange County
Disbursement Ratification Report
For the Month of January 2025**

Name/ Date	Check/ EFT	Invoice	Description	Amount
Mesa Water District				
1/15/2025	EFT	11654	November 2024 Credit for Local Resources program	2,303.15
Total				2,303.15
Metropolitan Water District				
1/31/2025	EFT01312025	11685	November 2024 Water deliveries	11,563,353.58
Total				11,563,353.58
Santiago Aqueduct Commission				
1/31/2025	143764	112024	November 2024 SAC Pipeline Operation Surcharge	2,429.05
Total				2,429.05
Santa Margarita Water District				
1/31/2025	EFT	112024	November 2024 SCP Operation Surcharge	30,092.76
Total				30,092.76
Spray to Drip Rebate				
1/16/2025	143733	S2D7-C-BP-54573-23519	HK Fullerton LLC	12,504.00
1/16/2025	143742	S2D7-C-IRWD-48768-23476	St. Jude Medical LLC	18,026.00
1/16/2025	143731	S2D7-C-IRWD-54399-23533	Forest Lanes	8,577.00
1/16/2025	143723	S2D7-C-MESA-44135-23518	Airway Business Complex Industrial Assoc	17,021.00
1/16/2025	143747	S2D7-C-MNT-54400-23420	Villamira HOA	832.00
1/16/2025	143740	S2D7-R-IRWD-54278-23405	C. Shui	518.00
1/16/2025	143725	S2D7-R-IRWD-54544-23501	V. Berrocal	3,374.00
1/16/2025	143743	S2D7-R-MESA-54571-23543	M. Tomaseck	628.00
1/16/2025	143736	S2D7-R-NWPT-54364-23396	J. Martin	337.00
1/16/2025	143737	S2D7-R-SM-54575-23522	A. Pelaez	407.00
1/16/2025	143735	S2D7-R-TUST-54574-23520	F. Mansour	3,734.00
Total				65,958.00
Turf Rebate				
1/16/2025	143728	TR16-C-MNT-51730-50211-PA	City Of Mission Viejo	131,267.00
1/16/2025	143750	TR17-C-IRWD-49870-53144	Woodbridge Village Association	2,409.00
1/16/2025	143751	TR17-C-IRWD-49870-53153	Woodbridge Village Association	4,345.00
1/16/2025	143752	TR17-C-IRWD-49870-53158	Woodbridge Village Association	1,554.00
1/16/2025	143753	TR17-C-IRWD-49870-53159	Woodbridge Village Association	2,064.00
1/16/2025	143745	TR17-C-IRWD-51143-53304	Turtle Rock Crest Maint Assn	5,265.00
1/16/2025	143749	TR17-C-IRWD-51783-53169	Windwood Knolls Apts	15,085.00
1/16/2025	143732	TR17-C-IRWD-54399-53183	Forest Lanes	21,260.00
1/16/2025	143724	TR17-C-MESA-44135-53106	Airway Business Complex Industrial Assoc	49,091.00
1/16/2025	143748	TR17-C-MNT-54400-52930-CNS	Villamira HOA	2,763.98
1/16/2025	143746	TR17-C-NWPT-4463-52994	Villa Balboa Community Assoc	12,216.00
1/16/2025	143729	TR17-C-SC-4463-52950	Del Cabo Properties Inc	4,491.56
1/16/2025	143727	TR17-C-SOCO-54434-52979-PA	Capo Unified School District	11,832.00
1/16/2025	143741	TR17-R-IRWD-54278-52763	C. Shui	2,015.00
1/16/2025	143726	TR17-R-IRWD-54544-53131	V. Berrocal	10,095.00
1/16/2025	143739	TR17-R-MESA-53153-52902	E. Rodriguez	3,084.00
1/16/2025	143744	TR17-R-MESA-54571-53166	M. Tomaseck	1,984.00
1/16/2025	143734	TR17-R-MNT-54526-53103	G. Kaye	6,584.00
1/16/2025	143738	TR17-R-SM-54575-53170	A. Pelaez	1,682.00
1/16/2025	143730	TR17-R-SM-54673-53300	R. Evins	4,619.00
1/16/2025	143754	TR17-R-SOCO-54232-52722	K. Yoder	2,085.00
Total				295,791.54

**Municipal Water District of Orange County
Disbursement Ratification Report
For the Month of January 2025**

Name/ Date	Check/ EFT	Invoice	Description	Amount
US Bank				
1/31/2025	143766	3115-DEC24	11/23/24-12/23/24 Cal Card Charges - WEROC	4,643.31
Total				<u>4,643.31</u>
Verizon Wireless				
1/06/2025	143710	6101907531	December 2024 4G Mobile broadband unlimited service	192.05
Total				<u>192.05</u>
Total Other Funds Disbursements				<u>11,964,805.03</u>
Total Disbursements				<u><u>11,998,001.34</u></u>



Harvey De La Torre, General Manager



Hilary Chumpitazi, Treasurer

Cal Card Charges
Statement Date: December 23, 2024
Payment Date: January 31, 2025

Date	Description	Amount
General Manager Card:		
11/25/2024	Lunch for LAFCO Report meeting	99.85
11/25/2024	CalWEP Plenary on 12/11/24 in Sacramento, CA - Airfare for J. Berg	445.96
11/26/2024	Colorado River User Association Conference on 12/04/24-12/06/24 in Las Vegas, NV - Airfare for A. Heide	257.96
12/05/2024	ACWA 2024 Fall Conference from 12/03/24-12/05/24 - Meals for Directors, staff, and guests	1,260.57
12/05/2024	ACWA 2024 Fall Conference from 12/03/24-12/05/24 in Palm Desert, CA - Accommodations for M. Baum-Haley, H. De La Torre, D. Micalizzi, & T. Baca	2,339.98
12/05/2024	ACWA 2024 Fall Conference from 12/03/24-12/05/24 in Palm Desert, CA - Accommodations for A. Nederhood, M. Yoo Schneider, J. Thomas & R. Crane	3,002.78
12/09/2024	MET Meeting on 12/09/24 in Los Angeles, CA - Accommodations for A. Heide	320.70
12/11/2024	Commercial Water Auditor Training 01/28/25-01/30/25 in Ontario, CA - Registration for S. Fetter	1,499.00
12/12/2024	CalWEP Plenary Committee Meeting on 12/12/24 in Sacramento, CA - Accommodations for R. Davis	168.45
12/19/2024	Meals for H. De La Torre's meetings	497.58
12/19/2024	AWWA Water Use Efficiency Practitioner (WUEP) Certification for C. Castro	280.00
12/19/2024	ACWA Legislative Committee Meeting on 01/17/25 in Sacramento, CA - Airfare for H. Baez	426.96
12/21/2024	Flowers for employee	185.91
Total:		10,785.70

WEROC Card:

11/26/2024	Supplies for care and maintenance of the WEROC Mobile EOC	43.45
11/28/2024	Supplies for care and maintenance of the WEROC Mobile EOC	18.28
11/30/2024	Supplies for care and maintenance of the WEROC Mobile EOC	29.25
12/02/2024	Supplies for care and maintenance of the WEROC Mobile EOC	85.64
12/05/2024	Orange County Emergency Managers Organization (OCEMO) 2025 Holiday Luncheon	2,724.38
12/16/2024	Purchase of Starlink Standard Kit for the WEROC Mobile EOC for satellite internet system	401.29
12/17/2024	27" metal touchscreen briefing monitor for the WEROC Mobile EOC	977.66
12/17/2024	Starlink mobility mount for installation of the Starlink standard kit for the WEROC Mobile EOC	38.06
12/18/2024	Supplies for care and maintenance of the WEROC Mobile EOC	45.64
12/18/2024	Supplies for care and maintenance, and equipment for the WEROC Mobile EOC	279.66
Total:		4,643.31

Public Affairs Card:

11/25/2024	Organizational supplies for promotional items	16.16
11/30/2024	December 2024 Open AI monthly subscription, language processing tool	20.00
12/03/2024	December 2024 Monthly Public Storage Unit for Public Affairs	706.00
12/04/2024	ACWA 2024 Fall Conference - Meals for Directors and staff	465.22
12/12/2024	December 2024 D. Micalizzi business expenses	110.03
Total:		1,317.41

Assistant General Manager Card:

12/05/2024	ACWA 2024 Fall Conference from 12/03/24-12/05/24 - Meals for M. Baum-Haley	16.35
12/17/2024	Meals for M. Baum-Haley's meetings	98.24
Total:		114.59

Cal Card Charges
Statement Date: December 23, 2024
Payment Date: January 31, 2025

Date	Description	Amount
Administration Card:		
11/22/2024	Plotter ink cartridge	185.03
11/25/2024	10/25/24-11/24/24 Monthly web hosting and database charges	152.99
11/27/2024	Oil change for Water Loss Control Shared Services Chevrolet Silverado truck	87.59
12/02/2024	UPS fee to be credited back	0.09
12/03/2024	Lunch for management staff meeting	230.00
12/03/2024	Office Christmas tree	251.34
12/04/2024	Four Dell desktop computers	5,215.64
12/09/2024	Flowers for staff	116.95
12/09/2024	Service fee for transferring log files to Security Information and Management (SIEM) tool	7.83
12/10/2024	Employee birthday cake	38.30
12/10/2024	Administrative staff meeting breakfast	99.35
12/10/2024	FedEx delivery fee for Public Affairs	67.47
12/11/2024	Lunch for staff	451.03
12/12/2024	Server rack shelf and HP LaserJet toner replacement	161.81
12/17/2024	Cisco unmanaged switch and printer cable	109.24
12/17/2024	Administrative team building lunch	407.29
12/17/2024	December 2024 Wireless Internet Backup	45.00
12/17/2024	CSMFO Annual membership renewal for H. Chumpitazi	150.00
12/17/2024	Monthly cloud storage fee to archive Laserfiche documents for compliance/immutability	38.10
12/19/2024	MWDOC Staff Holiday Luncheon at the Rusty Pelican on 12/18/24	2,303.00
12/19/2024	MWDOC Staff Holiday Luncheon at the Rusty Pelican on 12/18/24	415.49
12/19/2024	12/19/24-01/19/25 Monthly fax service charge	10.00
12/20/2024	Office supplies	496.74
Total:		11,040.28

**Municipal Water District of Orange County
GM Approved Disbursement Report ⁽¹⁾
For the Month of January 2025**

Name/ Date	Check/ EFT	Invoice	Description	Amount
Core Disbursements:				
ACCO Engineered Systems Inc				
1/31/2025	EFT	20640637	12/31/24 HVAC service in server room	930.97
Total				930.97
California Water Efficiency Partnership				
1/15/2025	143711	MD-2025-168	2025 Annual membership renewal	6,184.23
Total				6,184.23
California Landscape Contractors Assoc				
1/31/2025	143758	1664	2025 Annual membership renewal	2,250.00
Total				2,250.00
Barbara N Cook				
1/31/2025	143759	70324	April-June 2024 Retiree medical premium	1,536.00
1/31/2025	143759	83024	July-September 2024 Retiree medical premium	1,374.71
1/31/2025	143759	120424	October-December 2024 Retiree medical premium	1,052.13
Total				3,962.84
LA Design Studio-Tony Badalato				
1/31/2025	143760	5837	Website Refresh for mwdoc.com	10,000.00
Total				10,000.00
ODP Business Solutions LLC				
1/31/2025	143762	405577212001	12/31/24 Office supplies	255.40
Total				255.40
Office Solutions				
1/31/2025	EFT	1-02272554	11/26/24 Office supplies	73.15
Total				73.15
Total Core Disbursements				23,656.59
Other Funds Disbursements:				
Carey Consulting Solutions-Dana Carey				
1/31/2025	143757	139	December 2024 Support on Emergency Management Projects	200.00
Total				200.00
Total Other Funds Disbursements				200.00
Total Disbursements				23,856.59

Municipal Water District of Orange County
GM Approved Disbursement Report ⁽¹⁾
For the Month of January 2025

Name/ Date	Check/ EFT	Invoice	Description	Amount
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Harvey De La Torre, 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
 December 31, 2024

Item 1e

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	\$ 571,541	3.08%
Pension 115 Trust	1,999,765	10.76%
Total Restricted Reserves	\$2,571,306	13.84%
Designated Reserves		
Operating Reserves	\$4,058,262	21.84%
Election Reserve	1,709,967	9.20%
OPEB Reserve	297,147	1.60%
Total Designated Reserves	\$6,065,376	32.64%
General Operations Fund	\$10,902,826	58.67%
Water Purchase Payments Fund	130,218	0.70%
Conservation Fund	(1,105,686)	(5.95%)
Trustee Activities - AMP	18,360	0.10%
Total Other Funds	\$9,945,718	53.52%
Total	\$18,582,400	100.00%

The funds are invested as follows:

Term of Investment	% of Portfolio	Book Value	Market Value
Cash	0.76%	\$ 141,590	\$ 141,590
Pension 115 Trust	10.76%	1,999,765	1,999,765
Short-term investment			
• LAIF	48.22%	8,960,785	8,960,785
• OCTP	23.57%	4,380,288	4,380,288
Long-term investment			
• US Government Issues	1.35%	249,972	240,395
• Corporate Bond	6.46%	1,200,000	1,165,112
• Certificates of Deposit	8.88%	1,650,000	1,647,371
Total	100.00%	\$18,582,400	\$18,535,306

The average number of days to maturity/call as of December 31, 2024, equaled 139 and the average yield to maturity is 4.040%. During the month of December 2024, the District's average daily balance was \$25,674,620.10. Funds were invested in US Bank, Pension 115 Trust, Negotiable Certificate of Deposits, Corporate Bonds, US Government Issues, Local Agency Investment Funds (LAIF) and Orange County Treasurer's Pool (OCTP).

The (\$47,094) difference between the book value and the market value on December 31, 2024, 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
 General Manager


 Hilary Chumpitazi
 Treasurer

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 18700 Ward Street
 Fountain Valley, California 92708

Mailing Address:
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 Fax: (714) 964-9389
www.mwdoc.com

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

Jeffery M. Thomas
 Vice President

Randall Crane, Ph.D.
 Director

Larry D. Dick
 Director

Al Nederhood
 Director

Karl W. Seckel, P.E.
 Director

Megan Yoo Schneider, P.E.
 Director

Harvey F. De La Torre
 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
December 31, 2024

12/31/2024	Par Value	Market Value	Book Value	% of Portfolio	Days to Mat/Call	YTM @ Cost
Negotiable Certificate Of Deposit	1,650,000.00	1,647,371.00	1,650,000.00	10.04	1,240	3.679
Corporate Bond	1,200,000.00	1,165,111.50	1,200,000.00	7.30	172	1.518
US Government Issues	250,000.00	240,395.00	249,971.76	1.52	57	0.860
Local Agency Investment Funds	8,960,785.45	8,960,785.45	8,960,785.45	54.50	1	4.434
Orange County Treasurer's Pool	4,380,287.67	4,380,287.67	4,380,287.67	26.64	1	4.242
Total Investments	16,441,073.12	16,393,950.62	16,441,044.88	100.00	139	4.040
Cash						
Cash	141,590.07	141,590.07	141,590.07		1	0.00
Pension 115 Trust	1,999,764.90	1,999,764.90	1,999,764.90		1	0.00
Total Cash and Investments	18,582,428.09	18,535,305.59	18,582,399.85		139	4.040

Total Earnings	Month Ending December	Fiscal Year to Date
Current Year	91,486.23	549,649.93
Average Daily Balance	25,674,620.10	
Effective Rate of Return	4.040%	

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
Harvey De La Torre, General Manager

02/06/2025
Date

Hilary Chumbitazi
Hilary Chumbitazi, Treasurer

02/06/2025
Date

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Long-Term Portfolio Details - Investments
December 31, 2024

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	196,766.00	200,000.00	3.350	3.350	931	7/20/2027
Discover Bank	2546736R2	7/26/2023	250,000.00	254,040.00	250,000.00	4.500	4.500	1,301	7/24/2028
Leaders Credit Union	52171MAN5	8/30/2024	250,000.00	250,022.50	250,000.00	4.000	4.000	1,703	8/30/2029
Magyar Bank	55977RCD3	7/30/2024	250,000.00	250,917.50	250,000.00	4.100	4.100	1,672	7/30/2029
Sallie Mae Bank	7854507A7	7/14/2021	200,000.00	190,930.00	200,000.00	1.000	1.000	560	7/14/2026
Slate Bank of India	8562852Q3	8/10/2023	250,000.00	256,992.50	250,000.00	4.550	4.550	1,318	8/10/2028
Toyota Financial SCS Bank	89235MPD7	9/27/2022	250,000.00	247,702.50	250,000.00	3.650	3.650	995	9/22/2027
Sub Total			1,650,000.00	1,647,371.00	1,650,000.00	3.679	3.679	1,240	
US Government Issues									
FHLB	3130ALGR9	3/1/2021	250,000.00	240,395.00	249,971.76	0.850	0.860	57	2/26/2026
Sub Total			250,000.00	240,395.00	249,971.76	0.850	0.860	57	
Corporate Bond									
Bank of America Corp	06048WK41	12/7/2020	250,000.00	240,777.50	250,000.00	1.000	0.800	329	11/25/2025
Citigroup Global Markets	17328WFZ6	9/16/2020	250,000.00	241,875.00	250,000.00	1.000	1.000	75	9/16/2025
JP Morgan Chase	48128GV56	8/18/2020	250,000.00	242,467.50	250,000.00	0.800	0.800	230	8/18/2025
Morgan Stanley Fin LLC	61766YKH3	6/29/2022	200,000.00	196,434.00	200,000.00	4.500	4.500	180	6/29/2027
Societe Generale	83369MD25	8/19/2020	250,000.00	243,557.50	250,000.00	1.300	1.088	50	8/19/2025
Sub Total			1,200,000.00	1,165,111.50	1,200,000.00	1.604	1.518	172	
Total Investments			3,100,000.00	3,052,877.50	3,099,971.76	2.648	2.615	731	
Total Earnings									
Current Year									
			Month Ending December	Fiscal Year To Date					
			6,998.14	40,620.44					

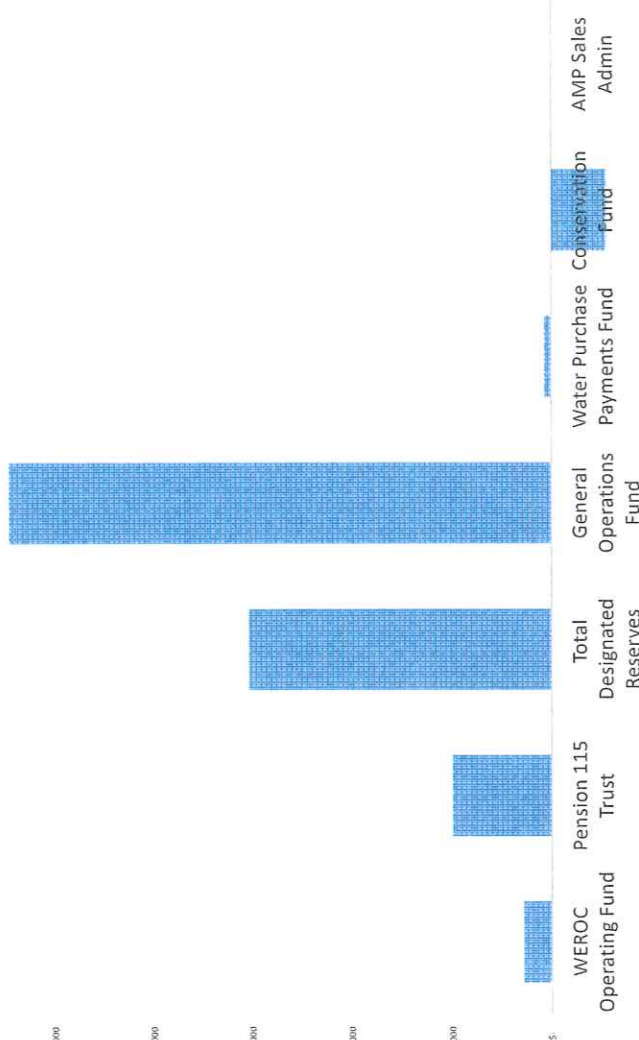
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Short-Term Portfolio Details - Cash and Investments
December 31, 2024

Investments	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
Local Agency Investment Funds									
LAIF LGIP	LAIF	6/30/2010	8,960,785.45	8,960,785.45	8,960,785.45	4.434	4.434	1	N/A
Sub Total			8,960,785.45	8,960,785.45	8,960,785.45	4.434	4.434	1	
Orange County Treasurer's Pool									
County of Orange LGIP	OCIP	6/29/2005	4,380,287.67	4,380,287.67	4,380,287.67	4.242	4.242	1	N/A
Sub Total			4,380,287.67	4,380,287.67	4,380,287.67	4.242	4.242	1	
Total Investments			13,341,073.12	13,341,073.12	13,341,073.12	4.371	4.371		
Cash									
Petty Cash Cash	CASH	7/1/2010	500.00	500.00	500.00	0.000	0.000	1	N/A
US Bank Cash	CASHUSBANK	7/25/2018	141,090.07	141,090.07	141,090.07	0.000	0.000	1	N/A
Pension 115 Trust	PENSION115TRUST	7/31/2018	1,999,764.90	1,999,764.90	1,999,764.90	0.000	0.000	1	N/A
Total Cash			2,141,354.97	2,141,354.97	2,141,354.97	0.000	0.000	1	
Total Cash and Investments			15,482,428.09	15,482,428.09	15,482,428.09	4.371	4.371	1	

	Month Ending December	Fiscal Year To Date
Total Earnings		
Current Year	84,488.09	509,029.49

Municipal Water District of Orange County
Cash and Investments at December 31, 2024

ALLOCATION	AMOUNT	%
MWDOC		
Restricted Reserves		
WEROC Operating Fund	\$ 571,541	3.08%
Pension 115 Trust	1,999,765	10.76%
Total Restricted Reserves	\$ 2,571,306	13.84%
Designated Reserves		
Operating Reserve	\$ 4,058,262	21.84%
Election Reserve	1,709,967	9.20%
OPEB Reserve	297,147	1.60%
Total Designated Reserves	\$ 6,065,376	32.64%
General Operations Fund	\$ 10,902,826	58.67%
Water Purchase Payments Fund	130,218	0.70%
Conservation Fund	(1,105,686)	-5.95%
Total Other Funds	\$ 9,927,358	53.42%
TOTAL MWDOC	\$ 18,564,040	99.90%
TRUSTEE ACTIVITIES		
AMP Sales Admin	\$ 18,360	0.10%
TOTAL TRUSTEE ACTIVITIES	\$ 18,360	0.10%
TOTAL CASH & INVESTMENTS	\$ 18,582,400	100.00%



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

Account Report for the Period
 12/1/2024 to 12/31/2024

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

Account Summary

Source	Balance as of 12/1/2024	Contributions	Earnings	Expenses	Distributions	Transfers	Balance as of 12/31/2024
OPEB	\$3,044,021.05	\$0.00	-\$74,317.16	\$1,468.43	\$0.00	\$0.00	\$2,968,235.46
PENSION	\$2,336,093.89	\$0.00	-\$57,033.73	\$1,126.91	\$0.00	\$0.00	\$2,277,933.25
Totals	\$5,380,114.94	\$0.00	-\$131,350.89	\$2,595.34	\$0.00	\$0.00	\$5,246,168.71

Investment Selection

Source	
OPEB	Moderate - Strategic Blend
PENSION	Moderate - Strategic Blend

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	-2.44%	-1.48%	9.66%	2.22%	5.61%	6.00%	10/26/2011
PENSION	-2.44%	-1.47%	9.67%	2.25%	5.59%	-	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



Item 2a

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
COMBINED FINANCIAL STATEMENTS
AND
BUDGET COMPARATIVE
JULY 1, 2024 THRU DECEMBER 31, 2024**

**Municipal Water District of Orange County
Combined Balance Sheet
As of December 31, 2024**

	<u>Amount</u>
<u>ASSETS</u>	
Cash in Bank	141,590.07
Investments	18,424,809.25
Accounts Receivable	56,255,486.57
Accounts Receivable - Other	437,089.95
Accrued Interest Receivable	303,061.46
Water Inventory	622,976.00
Prepays/Deposits	425,569.91
Leasehold Improvements	7,010,782.88
Furniture, Fixtures & Equipment	724,085.38
Less: Accumulated Depreciation	<u>(4,133,163.12)</u>
TOTAL ASSETS	<u>80,212,288.35</u>
<u>LIABILITIES AND FUND BALANCES</u>	
<u>LIABILITIES</u>	
Accounts Payable	56,759,141.78
Accounts Payable - Other	7.79
Accrued Salaries and Benefits Payable	712,446.85
Other Liabilities	467,164.60
Unearned Revenue	<u>904,524.07</u>
TOTAL LIABILITIES	<u>58,843,285.09</u>
<u>FUND BALANCES</u>	
<u>Restricted Fund Balances</u>	
WEROC Reserve	396,676.84
Pension 115 Trust	<u>1,999,764.90</u>
Total Restricted Fund Balances	<u>2,396,441.74</u>
<u>Unrestricted Fund Balances</u>	
<u>Designated Reserves</u>	
General Operations	4,058,262.00
Election Expense	1,709,967.00
OPEB	<u>297,147.00</u>
Total Designated Reserves	<u>6,065,376.00</u>
General Fund	6,854,553.68
General Fund Capital	<u>155,692.53</u>
Total Unrestricted Fund Balances	<u>13,075,622.21</u>
<u>Excess Revenue over Expenditure</u>	
Operating Fund	6,418,954.53
Other Funds	<u>(522,015.22)</u>
TOTAL FUND BALANCES	<u>21,369,003.26</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>80,212,288.35</u>

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
General Fund
July 1, 2024 thru December 31, 2024

	<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	9,580,818.25	9,580,818.00	100.00%	0.00	(0.25)
Ground Water Customer Charge	0.00	405,463.00	405,463.00	100.00%	0.00	0.00
Water Rate Revenues	0.00	9,986,281.25	9,986,281.00	100.00%	0.00	(0.25)
Interest Revenue	95,586.26	577,296.76	738,960.00	78.12%	0.00	161,663.24
Subtotal	95,586.26	10,563,578.01	10,725,241.00	98.49%	0.00	161,662.99
Choice Programs	24,442.00	1,039,381.00	1,548,573.00	67.12%	0.00	509,192.00
MWD Revenue - Shared Services	15,300.00	49,300.00	0.00	0.00%	0.00	(49,300.00)
Miscellaneous Income	0.00	814.67	3,000.00	27.16%	0.00	2,185.33
Revenue - Other	0.00	995.31	0.00	0.00%	0.00	(995.31)
School Contracts	3,432.60	417,944.94	496,062.00	84.25%	0.00	78,117.06
Transfer-In from Reserve	0.00	0.00	129,169.00	0.00%	0.00	129,169.00
Subtotal	43,174.60	1,508,435.92	2,176,804.00	69.30%	0.00	668,368.08
TOTAL REVENUES	138,760.86	12,072,013.93	12,902,045.00	93.57%	0.00	830,031.07

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
General Fund
July 1, 2024 thru December 31, 2024

	<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	438,830.28	2,620,032.29	5,422,706.00	48.32%	0.00	2,802,673.71
Salaries & Wages - Grant Recovery	(21,636.00)	(65,088.03)	(65,000.00)	(100.14)%	0.00	88.03
Director's Compensation	20,955.52	122,458.82	275,041.00	44.52%	0.00	152,582.18
MWD Representation	8,185.75	60,901.98	157,166.00	38.75%	0.00	96,264.02
Employee Benefits	141,816.07	781,037.12	1,578,059.00	49.49%	0.00	797,021.88
Employee Benefits - Grant Recovery	(3,739.57)	(11,444.83)	0.00	0.00%	0.00	11,444.83
CalPers Unfunded Liability Contribution	0.00	207,000.00	207,000.00	100.00%	0.00	0.00
Director's Benefits	10,001.76	55,495.10	149,557.00	37.11%	0.00	94,061.90
Health Insurance for Retirees	14,629.22	38,092.27	81,349.00	46.83%	0.00	43,256.73
Training Expense	3,619.00	29,703.03	41,200.00	72.09%	0.00	11,496.97
Tuition Reimbursement	4,209.25	6,044.59	6,000.00	100.74%	0.00	(44.59)
Temporary Help Expense	0.00	0.00	5,000.00	0.00%	0.00	5,000.00
Personnel Expenses	616,871.28	3,844,232.34	7,858,078.00	48.92%	0.00	4,013,845.66
Engineering Expense	6,538.75	37,881.25	293,000.00	12.93%	102,177.82	152,940.93
Legal Expense	18,378.24	104,815.35	260,000.00	40.31%	155,184.65	0.00
Audit Expense	0.00	19,500.00	36,500.00	53.42%	12,000.00	5,000.00
Professional Services	113,214.95	578,057.92	1,765,464.00	32.74%	902,686.65	284,719.43
Professional Fees	138,131.94	740,254.52	2,354,964.00	31.43%	1,172,049.12	442,660.36
Conference - Staff	0.00	13,412.00	40,002.00	33.53%	0.00	26,590.00
Conference - Directors	0.00	3,994.54	16,955.00	23.56%	0.00	12,960.46
Travel & Accom. - Staff	6,350.51	19,854.77	89,580.00	22.16%	0.00	69,725.23
Travel & Accom. - Directors	4,006.49	8,115.05	39,925.00	20.33%	0.00	31,809.95
Travel & Conference	10,357.00	45,376.36	186,462.00	24.34%	0.00	141,085.64
Membership/Sponsorship	150.00	178,285.97	243,688.00	73.16%	0.00	65,402.03
CDR Support	0.00	33,894.72	67,789.00	50.00%	33,894.71	(0.43)
Dues & Memberships	150.00	212,180.69	311,477.00	68.12%	33,894.71	65,401.60
Business Expense	463.11	2,466.92	5,000.00	49.34%	0.00	2,533.08
Office Maintenance	9,724.87	79,017.96	348,680.00	22.66%	85,574.05	184,087.99
Building Repair & Maintenance	1,604.81	21,310.72	30,200.00	70.57%	11,200.42	(2,311.14)
Storage Rental & Equipment Lease	70.17	497.66	1,200.00	41.47%	449.15	253.19
Office Supplies	1,955.32	11,748.91	30,000.00	39.16%	2,117.67	16,133.42
Supplies - Water Loss Control	0.00	969.53	4,800.00	20.20%	0.00	3,830.47
Postage/Mail Delivery	348.81	2,945.27	10,100.00	29.16%	783.04	6,371.69
Subscriptions & Books	0.00	5,980.41	10,000.00	59.80%	0.00	4,019.59
Reproduction Expense	0.00	42,119.55	109,000.00	38.64%	6,462.52	60,417.93
Maintenance - Computers	424.54	4,108.48	17,500.00	23.48%	0.00	13,391.52
Software Purchase	10,697.80	65,387.14	84,540.00	77.34%	1,700.28	17,452.58
Software Support	0.00	5,188.89	4,648.00	111.64%	0.00	(540.89)
Computers and Equipment	5,215.64	17,263.51	29,250.00	59.02%	0.00	11,986.49
Automotive Expense	1,192.91	4,227.82	11,900.00	35.53%	0.00	7,672.18
Vehicle Expense	646.20	4,695.30	12,000.00	39.13%	0.00	7,304.70
Toll Road Charges	33.96	419.68	800.00	52.46%	0.00	380.32
Insurance Expense	18,878.57	106,217.82	198,000.00	53.65%	0.00	91,782.18
Utilities - Telephone	4,095.73	22,889.04	45,526.00	50.28%	684.18	21,952.78
Bank Fees	0.00	0.00	2,400.00	0.00%	0.00	2,400.00
Miscellaneous Expense	27,212.94	65,950.14	157,070.00	41.99%	4,386.00	86,733.86
MWDOC's Contrb. to WEROC	25,067.33	150,404.02	300,808.00	50.00%	0.00	150,403.98
Depreciation Expense	6,474.44	38,847.22	0.00	0.00%	0.00	(38,847.22)
Other Expenses	114,107.15	652,655.99	1,413,422.00	46.18%	113,357.31	647,408.70
Election Expense	0.00	0.00	725,642.00	0.00%	0.00	725,642.00
Capital Acquisition	4,750.00	44,220.36	52,000.00	85.04%	0.00	7,779.64
Building Expense	0.00	114,139.14	0.00	0.00%	13,118.53	(127,257.67)
TOTAL EXPENSES	884,367.37	5,653,059.40	12,902,045.00	43.82%	1,332,419.67	5,916,565.93
NET INCOME (LOSS)	(745,606.51)	6,418,954.53	0.00	0.00%	(1,332,419.67)	(5,086,534.86)

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
Water Fund
July 1, 2024 thru December 31, 2024

	<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	42,374,736.20	112,135,843.10	187,429,409.00	59.83%	75,293,565.90
Readiness to Serve Charge	1,277,343.00	7,664,055.57	16,263,519.00	47.12%	8,599,463.43
Capacity Charge CCF	313,880.00	1,883,280.00	4,069,230.00	46.28%	2,185,950.00
SCP/SAC Pipeline Surcharge	31,531.04	221,735.64	459,000.00	48.31%	237,264.36
TOTAL WATER REVENUES	<u>43,997,490.24</u>	<u>121,904,914.31</u>	<u>208,221,158.00</u>	<u>58.55%</u>	<u>86,316,243.69</u>
<u>WATER PURCHASES</u>					
Water Sales	42,374,736.20	112,135,843.10	187,429,409.00	59.83%	75,293,565.90
Readiness to Serve Charge	1,277,343.00	7,664,055.57	16,263,519.00	47.12%	8,599,463.43
Capacity Charge CCF	313,880.00	1,883,280.00	4,069,230.00	46.28%	2,185,950.00
SCP/SAC Pipeline Surcharge	31,531.04	221,735.64	459,000.00	48.31%	237,264.36
TOTAL WATER PURCHASES	<u>43,997,490.24</u>	<u>121,904,914.31</u>	<u>208,221,158.00</u>	<u>58.55%</u>	<u>86,316,243.69</u>
EXCESS OF REVENUE OVER EXPENDITURE	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00%</u>	<u>0.00</u>

**Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
Water Use Efficiency
July 1, 2024 thru December 31, 2024**

	<u>Year to Date Actual</u>	<u>Annual Budget</u>	<u>% Used</u>
Spray To Drip Conversion(3423)			
Revenues	329,779.20	1,585,000.00	20.81%
Expenses	449,873.96	1,585,000.00	28.38%
Excess of Revenues over Expenditures	(120,094.76)	0.00	
Member Agency Administered Pass-Thru (3425)			
Revenues	(300.00)	25,000.00	(1.20)%
Expenses	(300.00)	25,000.00	(1.20)%
Excess of Revenues over Expenditures	0.00	0.00	
ULFT Rebate Program(3410)			
Revenues	0.00	1,500.00	0.00%
Expenses	0.00	1,500.00	0.00%
Excess of Revenues over Expenditures	0.00	0.00	
HECW Rebate Program(3411)			
Revenues	29,040.30	50,000.00	58.08%
Expenses	25,044.25	50,000.00	50.09%
Excess of Revenues over Expenditures	3,996.05	0.00	
CII Rebate Program(3416)			
Revenues	0.00	1,000.00	0.00%
Expenses	0.00	1,000.00	0.00%
Excess of Revenues over Expenditures	0.00	0.00	
Turf Removal Program(3418)			
Revenues	1,959,039.86	8,143,000.00	24.06%
Expenses	2,117,984.70	8,143,000.00	26.01%
Excess of Revenues over Expenditures	(158,944.84)	0.00	
Comprehensive Landscape (CLWUE)(3427)			
Revenues	142,375.43	382,900.00	37.18%
Expenses	176,963.04	382,900.00	46.22%
Excess of Revenues over Expenditures	(34,587.61)	0.00	
Recycled Water Program(3433)			
Revenues	269.75	40,000.00	0.67%
Expenses	269.75	40,000.00	0.67%
Excess of Revenues over Expenditures	0.00	0.00	
WSIP - Industrial Program(3432)			
Revenues	10,200.00	22,000.00	46.36%
Expenses	10,200.00	22,000.00	46.36%
Excess of Revenues over Expenditures	0.00	0.00	
Land Design Program(3431)			
Revenues	5,549.00	120,000.00	4.62%
Expenses	5,549.00	120,000.00	4.62%
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, 2024 thru December 31, 2024**

	<u>Year to Date Actual</u>	<u>Annual Budget</u>	<u>% Used</u>
Dedicated Irrigation Meters Measurement Project (DIMM)(3439)			
Revenues	0.00	448,000.00	0.00%
Expenses	0.00	448,000.00	0.00%
Excess of Revenues over Expenditures	0.00	0.00	
Total WUE Projects			
Revenues	2,475,953.54	10,818,400.00	22.89%
Expenses	2,785,584.70	10,818,400.00	25.75%
Excess of Revenues over Expenditures	(309,631.16)	0.00	
WEROC			
Revenues	451,211.77	601,616.00	75.00%
Expenses	651,228.01	601,616.00	108.25%
Excess of Revenues over Expenditures	(200,016.24)	0.00	



Memorandum

DATE: February 12, 2025

TO: Administrative & Finance Committee
(Directors Crane, Thomas, Nederhood)

FROM: Harvey De La Torre, General Manager

SUBJECT: Quarter ending December 2024 Fiscal YTD Financials Actual versus Budget

The following reports are attached:

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

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Revenues and Expenditures Actual versus Budget Summary Report
Fiscal Year to Date ending December 2024 (Unaudited)
(\$000 Omitted)
General Fund and Reserve Fund

<u>GENERAL FUND</u>	<u>YTD Actual</u>	<u>Annual Budget</u>	<u>% Used</u>
<u>REVENUES</u>			
Water Rate revenues:			
Retail Connection Charge	9,581	9,581	100.00%
Ground Water Customer Charge	405	405	100.00%
Subtotal	9,986	9,986	100.00%
Other Revenues:			
Interest Income ⁽¹⁾	577	739	78.12%
Choice Programs	1,089	1,549	70.30%
School Contracts	418	496	84.25%
Other Income	2	3	60.33%
Transfer in from Reserve ⁽²⁾	0	129	0.00%
Subtotal	2,086	2,916	71.53%
TOTAL REVENUES	12,072	12,902	93.57%
<u>EXPENSES</u>			
Personnel Expenses (including Directors)	3,844	7,858	48.92%
Professional Services	598	1,802	33.16%
Outside Engineering ⁽³⁾	38	293	12.93%
Legal Expense	105	260	40.31%
Travel & Conference	45	186	24.34%
Dues and Memberships	212	311	68.12%
General & Admin Expense	653	2,139	30.51%
Building Repair & Expense ⁽⁴⁾	114	0	0.00%
Capital Acquisition	44	52	85.04%
TOTAL EXPENSES	5,653	12,902	43.82%
EXCESS OF REVENUES OVER EXPENSES	6,419		
<u>RESERVE FUND</u>			
Beginning Balance	5,263		
Dec 2024 - Contribution to Election Reserves	563		
- Contribution to General Operations	239		
TOTAL RESERVE FUND	6,065		

(1) Interest rates remain high

(2) Transfer in from Reserves occurs at year-end

(3) Projects in process

(4) Building Repair & Expense is using carryover funds to complete multi-year projects

Municipal Water District of Orange County
Revenues and Expenditures Actual vs Budget Line Item Report
Fiscal Year to Date ending December 2024 (Unaudited)
General Fund

	YTD ACTUAL	ANNUAL BUDGET	% Used
REVENUES			
Retail Connection Charge	9,580,818	9,580,818	100.00%
Ground Water Customer Charge	405,463	405,463	100.00%
Water Rate Revenues	9,986,281	9,986,281	100.00%
Choice Programs	1,039,381	1,548,573	67.13%
MWD Revenue - Shared Services	49,300	0	0.00%
Interest Revenue	577,297	738,960	78.12%
Miscellaneous Income	1,810	3,000	60.33%
School Contracts	417,945	496,062	84.25%
Transfer in from Reserve	0	129,169	0.00%
Other Revenues	2,085,733	2,915,764	71.53%
TOTAL REVENUES	12,072,014	12,902,045	93.57%

OPERATING EXPENSES			
Salaries & Wages	2,620,032	5,422,706	48.32%
less Recovery's	(65,088)	(65,000)	100.14%
Directors' Compensation	122,459	275,041	44.52%
MWD Representation	60,902	157,166	38.75%
Employee Benefits	781,037	1,578,059	49.49%
less Recovery's	(11,445)	0	0.00%
CALPERS Unfunded Liability Contribution	207,000	207,000	100.00%
Directors Benefits	55,495	149,557	37.11%
Health Insurances for Retirees	38,092	81,349	46.83%
Training Expense	29,703	41,200	72.09%
Tuition Reimbursement	6,045	6,000	100.75%
Temporary Help Expense	0	5,000	0.00%
Personnel Expenses	3,844,232	7,858,078	48.92%
Engineering Expense	37,881	293,000	12.93%
Legal Expense	104,815	260,000	40.31%
Audit Expense	19,500	36,500	53.42%
Professional Services	578,058	1,765,464	32.74%
Professional Fees	740,254	2,354,964	31.43%
Conference-Staff	13,412	40,002	33.53%
Conference-Directors	3,994	16,955	23.56%
Travel & Accom.-Staff	19,855	89,580	22.16%
Travel & Accom.-Directors	8,115	39,925	20.33%
Travel & Conference	45,376	186,462	24.34%
Membership/Sponsorship	178,286	243,688	73.16%
CDR Support	33,895	67,789	50.00%
Dues & Memberships	212,181	311,477	68.12%

Municipal Water District of Orange County
Revenues and Expenditures Actual vs Budget Line Item Report
Fiscal Year to Date ending December 2024 (Unaudited)
General Fund

	YTD ACTUAL	ANNUAL BUDGET	% Used
Business Expense	2,467	5,000	49.34%
Maintenance Office	79,018	348,680	22.66%
Building Repair & Maintenance	21,311	30,200	70.57%
Storage Rental & Equipment Lease	498	1,200	41.50%
Office Supplies	11,749	30,000	39.16%
Supplies - Water Loss Control	970	4,800	20.21%
Postage/Mail Delivery	2,945	10,100	29.16%
Subscriptions & Books	5,980	10,000	59.80%
Reproduction Expense	42,120	109,000	38.64%
Maintenance - Computers	4,108	17,500	23.47%
Software Purchase	65,387	84,540	77.34%
Software Support	5,189	4,648	111.64%
Computers and Equipment	17,264	29,250	59.02%
Automotive Expense	4,228	11,900	35.53%
Vehicle Expense	4,695	12,000	39.13%
Toll Road Charges	420	800	52.50%
Insurance Expense	106,218	198,000	53.65%
Utilities - Telephone	22,889	45,526	50.28%
Bank Fees	0	2,400	0.00%
Miscellaneous Expense	65,950	157,070	41.99%
MWDOC's Contribution to WEROC	150,404	300,808	50.00%
Depreciation Expense	38,847	0	0.00%
Election Expense	0	725,642	0.00%
MWDOC Building Expense	114,139	0	0.00%
Capital Acquisition	44,220	52,000	85.04%
Other Expenses	811,016	2,191,064	37.01%
TOTAL EXPENSES	5,653,059	12,902,045	43.82%
EXCESS OF REVENUES OVER EXPENSES	6,418,955	0	

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Statement of Revenues and Expenditures
Fiscal Year to Date ending December 2024 (Unaudited)
Water Funds

	YTD Actual	Annual Budget	Balance
<u>Water Revenues</u>			
Water Sales	112,135,843	187,429,409	(75,293,566)
Readiness to Serve Charge	7,664,056	16,263,519	(8,599,463)
Capacity Charge CCF	1,883,280	4,069,230	(2,185,950)
SCP/SAC Pipeline Surcharge	221,736	459,000	(237,264)
Total Water Revenues	121,904,914	208,221,158	(86,316,244)
<u>Water Purchases</u>			
Water Sales	112,135,843	187,429,409	(75,293,566)
Ready to Serve Charge	7,664,056	16,263,519	(8,599,463)
Capacity Charge CCF	1,883,280	4,069,230	(2,185,950)
SCP/SAC Pipeline Surcharge	221,736	459,000	(237,264)
Total Water Purchases	121,904,914	208,221,158	(86,316,244)
Excess of Revenues over Purchases	0	0	0

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
 Revenues and Expenditures Actual versus Budget
 Fiscal Year to Date ending December 2024 (Unaudited)
 Other Funds

	YTD Actual	Annual Budget	Balance
<u>WEROC</u>			
Revenues	451,212	601,616	(150,404)
Expenditures	651,228	601,616	49,612
Excess of Revenues over Expenditures	(200,016)	0	(200,016)

WUE Projects (details on next page)

Revenues	2,475,954	10,818,400	(8,342,446)
Expenditures	2,785,585	10,818,400	(8,032,815)
Excess of Revenues over Expenditures	(309,631)	0	(309,631)

Footnote:

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

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
 Revenues and Expenditures Actual versus Budget
 Fiscal Year to Date ending December 2024 (Unaudited)
 Water Use Efficiency Projects

	Actual	Variance %	Fiscal Year Budget	% of Budget	Projected Final FY Budget
<u>Spray to Drip Conversion</u>					
Revenues	329,779		1,585,000	20.81%	1,585,000
Expenditures	449,874		1,585,000	28.38%	1,585,000
Excess of Revenues over Expenditures	(120,095)	-36%			

Actual Variance: All reporting current. Payments to Program Participants slightly ahead of Grant (DWR & USBR), Metropolitan (on water bill), and Retail Water Agencies reimbursements. USBR funding has covered expenses the last several months; the next USBR report is due in April covering October 2024 - March 2025.

Budget Variance: Program activity is generally on predicted trajectory.

Member Agency Administered Pass-Thru

Revenues	(300)		25,000	-1.20%	25,000
Expenditures	(300)		25,000	-1.20%	25,000
Excess of Revenues over Expenditures	0	0%			

Actual Variance: No activity that falls outside of other reported regional programs has occurred; (300) is pass through refund from SCWD to MET for accidental overpayment

Budget Variance: Majority of MAA funding is captured under other Programs; pass through to member agencies is likely to be minimal this FY.

ULFT Rebate Program

Revenues	0		1,500	0.00%	1,500
Expenditures	0		1,500	0.00%	1,500
Excess of Revenues over Expenditures	0	0%			

Actual Variance: This tracks MWDOC member agencies activities to provide supplemental funding to increase activity in their service territories.

Budget Variance: Program consistently has low participation and none to date.

HECW Rebate Program

Revenues	29,040		50,000	58.08%	50,000
Expenditures	25,044		50,000	50.09%	50,000
Excess of Revenues over Expenditures	3,996	14%			

Actual Variance: This tracks MWDOC member agencies activities to provide supplemental funding to increase activity in their service territories.

Budget Variance: Program consistently has low participation; however, activity is consistent with predicted rates.

CII Rebate Program

Revenues	0		1,000	0.00%	1,000
Expenditures	0		1,000	0.00%	1,000
Excess of Revenues over Expenditures	0	0%			

Actual Variance: This tracks MWDOC member agencies activities to provide supplemental funding to increase activity in their service territory.

Budget Variance: EGIA device rebates have seen lower than average activity in recent years and no activity to date.

Notes:

- 1) Variance from Revenues to Expenses. When greater than 5%, an explanation is provided.
- 2) Fiscal year budget versus Actual
- 3) With each quarterly report the projected fiscal year end budget may be re-adjusted.

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
 Revenues and Expenditures Actual versus Budget
 Fiscal Year to Date ending December 2024 (Unaudited)
 Water Use Efficiency Projects

	Actual	Variance %	Fiscal Year Budget	% of Budget	Projected Final FY Budget
<u>Turf Removal Program</u>					
Revenues	1,959,040		8,143,000	24.06%	8,143,000
Expenditures	2,117,985		8,143,000	26.01%	8,143,000
Excess of Revenues over Expenditures	(158,945)	-8%			

Actual Variance: Posted revenues from Grants (DWR & USBR) lagging slightly behind expenses. All revenue reporting for reimbursement is up to date and the next USBR report is due in April covering October 2024 - March 2025.

Budget Variance: Program activity is relatively on target and funding moving through the program is expected to increase due to increase of CII rebate.

<u>Comprehensive Landscape (CLWUE)</u>					
Revenues	142,375		382,900	37.18%	382,900
Expenditures	176,963		382,900	46.22%	382,900
Excess of Revenues over Expenditures	(34,588)	-24%			

Actual Variance: Grant funded program. Granting agencies (State) are slow to provide their funding; however, currently up to date. Rain Barrels are included here.

Budget Variance: Activity is on pace to meet target.

<u>Recycled Water Program</u>					
Revenues	270		40,000	0.67%	40,000
Expenditures	270		40,000	0.67%	40,000
Excess of Revenues over Expenditures	0	0%			

Actual Variance: All local, State, and Federal Grant reporting is current.

Budget Variance: Several additional projects will finish this fiscal year.

<u>WSIP - Industrial Program</u>					
Revenues	10,200		22,000	46.36%	22,000
Expenditures	10,200		22,000	46.36%	22,000
Excess of Revenues over Expenditures	0	0%			

Actual Variance: All local, State, and Federal Grant reporting is current.

Budget Variance: Program has seen an uptick in participation and additional completed projects are expected later this fiscal year.

<u>Land Design Program</u>					
Revenues	5,549		120,000	4.62%	120,000
Expenditures	5,549		120,000	4.62%	120,000
Excess of Revenues over Expenditures	0	0%			

Actual Variance: All local, State, and Federal Grant reporting is current.

Budget Variance: Program has undergone a shift in structure leading to low activity in the first quarter; activity is anticipated to pick up throughout the fiscal year.

Notes:

- 1) Variance from Revenues to Expenses. When greater than 5%, an explanation is provided.
- 2) Fiscal year budget versus Actual
- 3) With each quarterly report the projected fiscal year end budget may be re-adjusted.

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
 Revenues and Expenditures Actual versus Budget
 Fiscal Year to Date ending December 2024 (Unaudited)
 Water Use Efficiency Projects

	Actual	Variance %	Fiscal Year Budget	% of Budget	Projected Final FY Budget
<u>Dedicated Irrigation Meters Measurement Project (DIMM)</u>					
Revenues	0		448,000	0.00%	448,000
Expenditures	0		448,000	0.00%	448,000
Excess of Revenues over Expenditures	0	0%			

Actual Variance: Most participating retailers have paid costs upfront in previous fiscal year; DWR grant reporting is up to date.

Budget Variance: Most work was completed last fiscal year; however, several agencies are still in progress. MWDOC is not invoiced until work is complete, and can expect additional expenditures this fiscal year. However; do to high completion rate last fiscal year, program will come under predicted budget.

Notes:

- 1) Variance from Revenues to Expenses. When greater than 5%, an explanation is provided.
- 2) Fiscal year budget versus Actual
- 3) With each quarterly report the projected fiscal year end budget may be re-adjusted.



ACTION ITEM
February 19, 2025

TO: Board of Directors

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

Harvey De La Torre, General Manager

Staff Contact: Cathleen Harris, Director of Human Resources & Administration

SUBJECT: **Approve Addition of Section 2311, Succession Planning Policy to the Personnel Manual**

STAFF RECOMMENDATION

It is recommended that the Board of Directors approve the addition of Section 2311, Succession Planning Policy to the Personnel Manual, as presented.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

SUMMARY

The Needs Assessment, presented to the Executive Committee on November 21, 2024, outlined several recommendations that could be implemented immediately within the General Manager’s authority and others that require further Board evaluation and consideration. One of the recommendations identified was the enactment of a “Succession Planning Policy.”

If not adequately prepared for, change to an organization’s personnel can be impactful to the District’s functions and services. Therefore, it is important to have a policy in place that allows the General Manager to plan for a smooth transition of leadership and the transfer of knowledge to avoid extended and costly vacancies in key positions.

Based on the impending retirements of two key positions and future retirements in key positions over the next five years, staff is recommending adding Section 2311, Succession Planning Policy, to the Personnel Manual, as follows:

Budgeted: <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	Budgeted amount:	Core: <input checked="" type="checkbox"/>	Choice: <input type="checkbox"/>
Action item amount: NA		Movement between funds: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

2311 SUCCESSION PLANNING POLICY

Recognizing that organizational changes are inevitable, it is essential that a Succession Plan be implemented to provide continuity in key and leadership positions to avoid extended and costly vacancies. This succession plan is designed to identify and prepare for these changes as positions become vacant due to planned vacancies (e.g., retirement or resignations). It is within the General Manager's authority to assess the needs of the District to ensure the selection of qualified successors are a good fit and have the necessary skills to support the organization's mission and goals.

Procedures

When a vacancy occurs in a key position or role requiring significant organizational expertise, the General Manager may authorize the early hiring of a successor for a transitional period of up to six months prior to the incumbent's last day of employment. This overlap period enables knowledge transfer, training, and documentation of critical processes while allowing the incoming employee to learn from their predecessor's experience, preserve and transfer institutional knowledge, and establish necessary relationships within the organization.

The General Manager is responsible for:

- Identifying and evaluating key positions based on planned vacancies.*
- Identifying internal candidates who have demonstrated the potential need for progression into the targeted positions and would fill the vacancies.*
- Filling the vacancy from within or, in the event there are no viable candidates, conduct external recruitment.*

This policy allows the General Manager to fill planned vacancies for key roles within the organization where appropriate to ensure a smooth transition of roles and responsibilities.

This temporary overlap period will not affect the organization's permanent Full-Time Equivalent (FTE) count, as the increased staffing is strictly time-limited to the knowledge transfer period. Associated salary costs will be considered a strategic investment and managed within the departmental budget or contingency funds, as determined by the General Manager.

ALIGNMENT WITH BOARD STRATEGIC PRIORITIES

- | | |
|--|---|
| <input checked="" type="checkbox"/> Clarifying MWDOC's mission and role; defining functions and actions. | <input type="checkbox"/> Work with member agencies to develop water supply and demand objectives. |
| <input type="checkbox"/> Balance support for Metropolitan's regional mission and Orange County values and interests. | <input type="checkbox"/> Solicit input and feedback from member agencies. |
| <input type="checkbox"/> Strengthen communications and coordination of messaging. | <input checked="" type="checkbox"/> Invest in workforce development and succession planning. |

BOARD OPTIONS

Option #1: It is recommended that the Board of Directors approve the addition of Section 2311, Succession Planning Policy to the Personnel Manual, as presented.

Fiscal Impact: Undetermined since it will depend on the timing of the planned vacancy and whether there is an internal candidate or the need for external recruitment. Associated salary costs will be reviewed and managed within the departmental budget or contingency funds, as determined by the General Manager.

Option #2: Do not approve the proposed policy. Not having such a policy in place can create a loss of institutional knowledge and impact organizational functions and services.

Fiscal Impact: Likely to increase costs in the area of training and development.



ACTION ITEM
February 19, 2025

TO: Board of Directors

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

Harvey De La Torre, General Manager

Staff Contact: Hilary Chumpitazi, Director of Finance/IT

SUBJECT: **Investing in the California Asset Management Program (CAMP)**

STAFF RECOMMENDATION

It is recommended that the Board of Directors authorize the District Treasurer (Hilary Chumpitazi, Director of Finance/IT) to invest in the California Asset Management Program (CAMP) utilizing the funds from the Orange County Treasurer’s Pool (OCTP).

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

SUMMARY

The Administrative and Finance Committee requested staff to review other public agency investment pool opportunities and compare them with MWDOC’s current short-term investments.

MWDOC currently holds funds in two (2) short-term investments:

- Local Agency Investment Fund (LAIF)
- Orange County Treasurer’s Pool (OCTP)

As of December 31, 2024, MWDOC holds \$8.96 million in LAIF and \$4.38 million in OCTP. MWDOC has used these two short-term investment pools for over 15 years. Both funds have provided stable returns and flexibility that meet the District’s needs.

Recently, the California Special District Association (CSDA) started a new investment pool, known as California CLASS, which is designed for public agencies and has been marketing

Budgeted: <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	Budgeted amount:	Core: <input type="checkbox"/>	Choice: <input type="checkbox"/>
Action item amount:	Movement between funds: <input type="checkbox"/> Yes <input type="checkbox"/> No		

its benefits to CSDA members throughout the state. California CLASS is a Joint Powers Authority (JPA) investment pool established in June 2022 that provides public agencies with the opportunity to invest funds on a cooperative basis in rated pools that are managed with the primary objectives of offering its participants safety, daily and next-day liquidity, and optimized returns. They are managed by a Board of Trustees comprised of public finance officials with diverse skill sets, experiences, and backgrounds to help guide the portfolio(s) investments.

Another alternative investment option staff reviewed is the California Asset Management Program (CAMP), which is a California JPA established in 1989 to provide California public agencies with professional investment services. CAMP offers a short-term cash reserve portfolio which is a cash management vehicle. Their investment objective is to preserve principal, provide daily liquidity, and earn a high level of income with a high rate of return and competitive yields. CAMP is governed by a seven-member board of California finance officials. CAMP’s investment adviser is PFM Asset Management LLC.

Both investments offer a short-term investment permitted for all local agencies under California Government Code Section 53601(p) and is rated an “AAAm” by Standard and Poor’s. Both offer unlimited investments and withdrawals, online access, monthly interest postings, and the posted yield is net of fees.

Below is a comparison chart of rates and earnings for the varies investment pools:

As of Date:	31-Dec	31-Dec	31-Dec	31-Dec
	CLASS	CAMP	OCTP	LAIF
7-Day Yield	4.56%	4.65%	4.24%	4.43%
Example of interest earned				
\$4.38M for 30 days	\$ 16,417.08	\$16,741.10	\$15,265.00	\$15,949.05

In reviewing these alternative funding opportunities, staff recommends the following:

- Continuing our funds in LAIF
- Move all or most funds from OCTP Pool to CAMP

Staff recommends continuing our funds in LAIF due to its administrative ease and avoiding additional transactional fees with California CLASS and CAMP. LAIF has an online portal where we enter our deposit/withdrawal, and they automatically send/pull the funds from our checking account at US Bank with no fees. We process approximately 15 deposits/withdrawals each month. Both CLASS and CAMP would require us to notify our bank of any transactions and manually enter the wire, and we would incur an additional cost of \$5.00 per transaction plus staff time.

Staff sees an advantage in moving funds from the OCTP Pool to either CLASS or CAMP. The OCTP Pool continues to have us fax over our deposit/withdrawal requests and send money via wire from US Bank. These funds have been used as our backup to our daily operating cash needs, and we usually do one transfer a year. Our investment in the OCTP Pool results from a prior Board request. By moving these funds to another investment pool,

we can earn almost \$1,500 more in interest income per month with CAMP or \$1,150 with California CLASS. If the Committee seeks to transfer funds, staff recommends moving funds

from OCTP Pool to CAMP, as CAMP provides a higher yield and has been in business longer than California CLASS.

ALIGNMENT WITH BOARD STRATEGIC PRIORITIES

- | | |
|--|---|
| <input checked="" type="checkbox"/> Clarifying MWDOC’s mission and role; defining functions and actions. | <input type="checkbox"/> Work with member agencies to develop water supply and demand objectives. |
| <input type="checkbox"/> Balance support for Metropolitan’s regional mission and Orange County values and interests. | <input type="checkbox"/> Solicit input and feedback from member agencies. |
| <input type="checkbox"/> Strengthen communications and coordination of messaging. | <input type="checkbox"/> Invest in workforce development and succession planning. |

BOARD OPTIONS

Option #1: Authorize the District Treasurer to invest in the California Asset Management Program (CAMP) utilizing the funds from the Orange County Treasurer’s Pool (OCTP).

Fiscal Impact: Potential to earn an extra \$1,500/month in interest income.

Option #2: Do not authorize the District Treasurer to invest in CAMP and remain with our current investments.

Fiscal Impact: Potential to earn less interest

List of Attachments/Links:

Attachment 1: CAMP Program Fact Sheet as of December 31, 2024
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Program Fact Sheet

CAMP is a California Joint Powers Authority established in 1989 to provide California public agencies with professional investment services.

INVESTMENT OBJECTIVE

To earn a high rate of return while preserving principal and providing liquidity. The Pool seeks to maintain a stable NAV of \$1.00 per share and the TERM Portfolio seeks to achieve a NAV of \$1.00 per share at the stated maturity.

CASH RESERVE PORTFOLIO (POOL)

A short-term cash reserve portfolio and cash management vehicle permitted as an investment for all local agencies under California Government Code Section 53601(p).

TERM PORTFOLIO

A fixed rate, fixed term portfolio rated AAAf by Fitch Ratings⁵ and permitted as an investment for all local agencies under California Government Code Section 53601(p).

POOL FACTS

As of December 31, 2024

7-Day Net Yield ¹	4.65%
Monthly Distribution Yield ²	4.73%
Weighted Average Maturity ³	42 Days
Pool Rating ⁴	AAAm by S&P Global

SERVICE PROVIDERS

Investment Adviser, Administrator:

PFM Asset Management*

Distributor: U.S. Bancorp Investments, Inc.

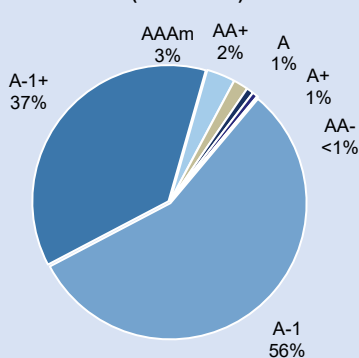
Depository and Custodian: U.S. Bank, N.A.

Independent Auditor: Ernst & Young LLC

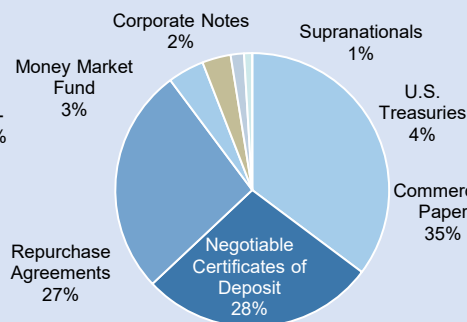
Counsel: Nossaman LLP

Pool Diversification as of December 31, 2024

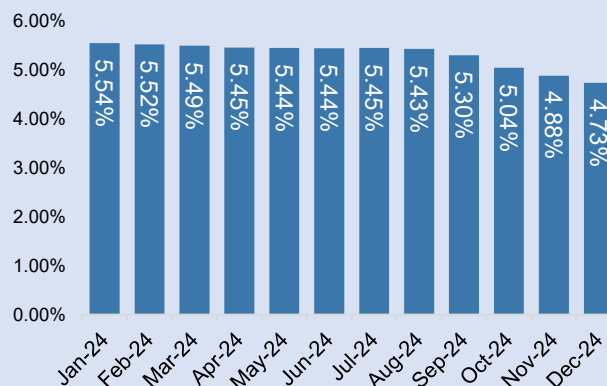
Credit Quality Distribution (S&P Global)



Sector Composition



Pool Performance (30-Day Net Yield⁶ %)



*PFM Asset Management is a division of U.S. Bancorp Asset Management, Inc, which serves as administrator and investment adviser to the Pool

¹ 7-day net yield, also known as the current annualized yield, represents the net change, exclusive of capital changes and income other than investment income, in the value of a hypothetical account with a balance of one share (normally \$1.00 per share) over a seven-day base period expressed as a percentage of the value of one share at the beginning of the seven-day period. This resulting net change in account value is then annualized by multiplying it by 365 and dividing the result by 7.

² The monthly distribution yield represents the net change in the value of a hypothetical account with a value of one share (normally \$1.00 per share) resulting from all dividends declared during a month by the Pool expressed as a percentage of the value of one share at the beginning of the month. This resulting net change is then annualized by multiplying it by 365 and dividing it by the number of calendar days in the month.

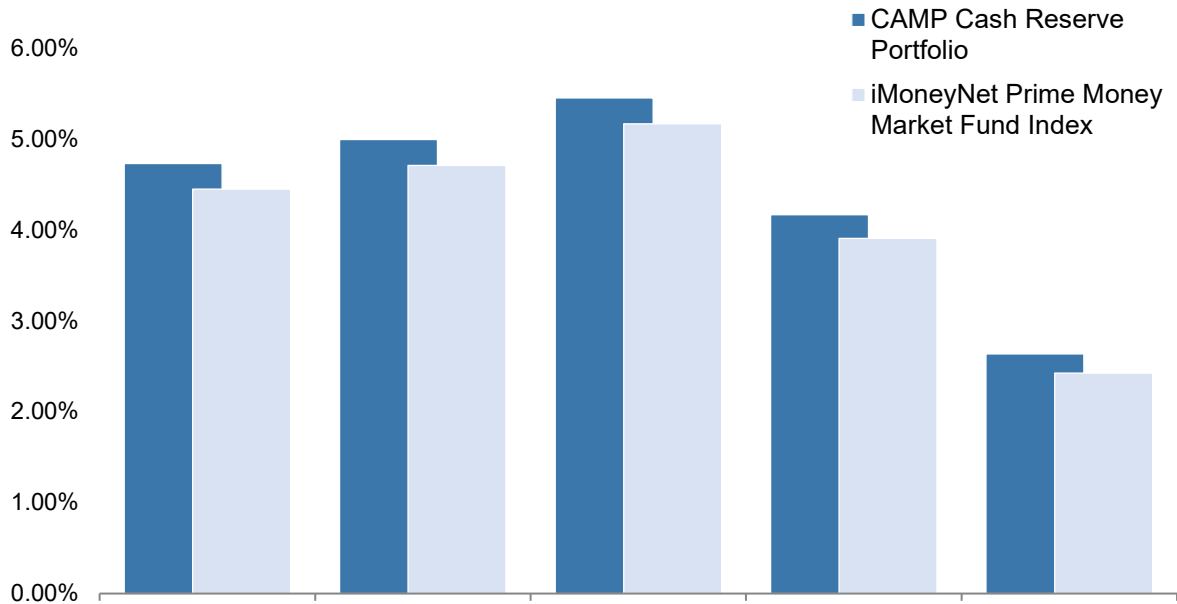
³ Weighted Average Maturity: Calculated by the final maturity for a security held in the portfolio and the interest rate reset date. This is a way to measure a fund's sensitivity to potential interest rate changes.

⁴ S&P Global AAAm Rating: S&P evaluates a number of factors, including credit quality, market price, exposure, and management. Please visit [SPGlobal.com/Ratings](https://www.spglobal.com/Ratings) for more information and ratings methodology.

⁵ Fitch AAAf Rating: portfolios with this rating indicate having the highest underlying credit quality. Please visit [fitchratings.com](https://www.fitchratings.com) for more information and ratings methodology.

⁶ As of the last day of the month. The 30-day yield represents the net change, exclusive of capital changes and income other than investment income, in the value of a hypothetical account with a balance of one share (normally \$1.00 per share) over a thirty-day base period expressed as a percentage of the value of one share at the beginning of the thirty-day period. This resulting net change in account value is then annualized by multiplying it by 365 and dividing the result by 30.

Average Annual Return as of December 31, 2024



	1-Month	3-Month	1-Year	3-Year	5-Year
CAMP Cash Reserve Portfolio	4.73%	5.00%	5.46%	4.17%	2.64%
iMoneyNet Prime Money Market Fund Index ¹	4.45%	4.71%	5.17%	3.91%	2.43%

¹Source: iMoneyNet First Tier Institutional Prime Money Market Fund Average ("iMoneyNet Prime Money Market Fund Index"); benchmark yields are as of the last business day of each month. This index is comprised of funds rated in the top grade that invest in high-quality financial instruments with dollar-weighted average maturities of less than 60 days. It is not possible to invest directly in such an index.

Must be preceded or accompanied by a Program Guide. For a current Program Guide, which contains more complete information, please visit <http://www.camponline.com/> or call 800-729-7665. Before investing, consider the investment objectives, risks, charges and expenses of the pool carefully. This and other information can be found in the Program Guide. Read the Program Guide carefully before you invest or send money.

Past performance is no guarantee of future results. Yields will fluctuate as market conditions change. The current fund performance may be higher or lower than that cited. The yields shown may reflect fee waivers by service providers that subsidize and reduce the total operating expenses of the Pool. Pool yields would be lower if there were no such waivers. Important disclosure information is provided on the following page.

CAMP® is a registered trademark and the CAMP logos and designs are trademarks owned by the California Asset Management Trust (Trust).

This information is for institutional investor use only, not for further distribution to retail investors, and does not represent an offer to sell or a solicitation of an offer to buy or sell any fund or other security. Investors should consider the Trust's investment objectives, risks, charges and expenses before investing in the Trust. This and other information about the Trust is available in the Trust's current Information Statement, which should be read carefully before investing. A copy of the Trust's Information Statement may be obtained by calling 1-800-729-7665 or is available on the Trust's website at www.camponline.com. While the Cash Reserve Portfolio seeks to maintain a stable net asset value of \$1.00 per share and the CAMP Term Portfolio seeks to achieve a net asset value of \$1.00 per share at the stated maturity, it is possible to lose money investing in the Trust. An investment in the Trust is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Shares of the Trust are distributed by U.S. Bancorp Investments, Inc., member FINRA (www.finra.org) and SIPC (www.sipc.org). PFM Asset Management is a division of U.S. Bancorp Asset Management, Inc., which serves as administrator and investment adviser to the Trust. U.S. Bancorp Asset Management, Inc. is a direct subsidiary of U.S. Bank N.A. and an indirect subsidiary of U.S. Bancorp. U.S. Bancorp Investments, Inc. is a subsidiary of U.S. Bancorp and affiliate of U.S. Bank N.A.



DISCUSSION ITEM

February 12, 2025

TO: Board of Directors

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

Harvey De La Torre, General Manager

Staff Contact: Heather Baez

SUBJECT: UPDATE AND PRESENTATION ON THE CALIFORNIA COUNCIL OF ENVIRONMENTAL AND ECONOMIC BALANCE (CCEEB)

STAFF RECOMMENDATION

It is recommended that the Board of Directors review and discuss the information presented.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

SUMMARY

In April 2024, the Board of Directors adopted the FY 2024-25 Budget, including membership in the California Council of Environmental and Economic Balance (CCEEB). In August 2024, as part of the discussion regarding MWDOC’s continuation of membership, the Board received a presentation from CCEEB President and CEO, Tim Carmichael, and South Coast Air Quality Project Manager, Bill Quinn who provided an overview of the organization and the value it provides.

At the request of MWDOC’s Board of Directors, in preparation for the FY 2025-26 Budget, staff has invited Dawn Koepke, Project Manager for the Water, Chemistry, and Waste (WCW) Project, and Tim Carmichael, President and CEO, to provide an overview of CCEEB and the WCW Project, how their work relates to MWDOC’s priorities and its member agencies, the benefits of membership, and how CCEEB has been involved and helpful to members like MWDOC.

Budgeted: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Budgeted amount: \$29,000/year	Core: <input checked="" type="checkbox"/>	Choice: <input type="checkbox"/>
Action item amount: n/a		Movement between funds: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Background

CCEEB is a non-profit, nonpartisan coalition of business, labor, and public leaders that advances balanced policies for a healthy environment and a strong economy. CCEEB’s regulatory and legislative strategies are executed through issue-specific projects and task forces. Projects bring together members with expert policy and advocacy staff to set priorities, raise concerns, and brainstorm solutions.

MWDOC participates in CCEEB’s Water, Chemistry, and Waste (WCW) Project, which focuses on statewide regulatory and legislative issues specific to water. The project works closely with state regulatory agencies, administration officials, and the Legislature to promote accountability, procedural streamlining, and proactive, evidence-based policies that can be successfully implemented.

WCW project members are represented at a host of proceedings before state agencies including the State Water Resources Control Board (SWRCB), the California Environmental Protection Agency (CalEPA), the Department of Resources Recycling and Recovery (CalRecycle), the Department of Water Resources (DWR), the California Office of Emergency Services (CalOES), the Ocean Protection Council (OPC), and other state agencies, as well as the California Legislature.

Membership and Pricing

General CCEEB membership includes news bulletins, issue alerts, support from CCEEB staff and consultants, and access to the CCEEB network of policy experts, regulators, and stakeholders across the political spectrum. CCEEB members are invited to attend a weeklong Summer Issues Seminar policy conference featuring topic area experts and various stakeholders, legislators, and regulators, as well as the Planning Conference.

Project membership includes monthly meetings, policy seminars, strategy workshops, and educational events. Project members are also represented at priority agency working groups and advisory bodies. They receive regular updates on agency, administration, and legislative activity. General members are eligible to join any of the CCEEB issue-specific projects. Dues for each project vary based on actual project costs.

For budgeting purposes, MWDOC’s FY2025-26 dues will remain at \$29,000, which includes General dues, Water, Chemistry, and Waste Project dues, and two registrations for CCEEB’s 2025 Summer Issues Seminar.

ALIGNMENT WITH BOARD STRATEGIC PRIORITIES

- | | |
|---|---|
| <input checked="" type="checkbox"/> Clarifying MWDOC’s mission and role; defining functions and actions. | <input type="checkbox"/> Work with member agencies to develop water supply and demand objectives. |
| <input checked="" type="checkbox"/> Balance support for Metropolitan’s regional mission and Orange County values and interests. | <input type="checkbox"/> Solicit input and feedback from member agencies. |
| <input checked="" type="checkbox"/> Strengthen communications and coordination of messaging. | <input type="checkbox"/> Invest in workforce development and succession planning. |

List of Attachments/Links:
Attachment 1: (1) CCEEB 2024 Membership and Pricing Brochure (2) CCEEB Presentation



CALIFORNIA COUNCIL FOR ENVIRONMENTAL AND ECONOMIC BALANCE

Membership

HEALTHY ENVIRONMENT, STRONG ECONOMY

Expert analysis, issue tracking, and evidence-based advocacy



California's policy landscape is constantly evolving. Businesses need to track hundreds of legislative proposals, dozens of regulatory proceedings at local and state agencies, and multiple working groups each year. The ability to understand the impacts of changing legislative and regulatory proposals is critical to succeeding in California. CCEEB members gain this advantage through CCEEB's legislative and regulatory tracking, analysis, and advocacy.

General membership includes:

Periodic news bulletins and issue alerts, along with support from CCEEB staff and consultants.

Access to the CCEEB network of policy experts, regulators, and stakeholders across the political spectrum.

Opportunity to register for our members-only Summer Issues Seminar, the weeklong policy conference held in Olympic Valley near Lake Tahoe featuring experts, and various stakeholders, legislators, and regulators.

Opportunity to register for our members-only Planning Conference, held in Carmel-by-the-Sea.

Invitations to additional special events.

Project membership includes:

Monthly project meetings and guest speakers.

Timely member communications and news.

Policy seminars, strategy workshops, and educational events.

Representation at priority agency working groups and advisory bodies.

Regular updates on agency, administration, and legislative activity.

Precision advocacy for environmental and economic balance.

General members are eligible to join any of the CCEEB issue-specific projects. Dues for each project vary based on actual project costs.

Who We Are

Governor Edmund G. "Pat" Brown founded the California Council for Environmental and Economic Balance (CCEEB) in 1973 to bring together the perspectives of business, labor, and public leaders in pursuit of balanced and effective policy solutions. Our approach is informed by Governor Brown's philosophy that, in California, we should never say, "No," but instead, "Here's How."

CCEEB tackles the toughest environmental problems facing California, including air quality, climate change, water quality, waste management, transportation, energy, and land use.

Our credibility and commitment to fairness and excellence has earned us a broad membership base that is unmatched by any other association.

The CCEEB Board of Directors reflects our diverse membership and spirit of collaboration. Board representatives belong to each of the Council's three constituencies: business, labor, and public leaders.

CCEEB is a nonprofit and nonpartisan association. Our reputation rests on our ideas. CCEEB does not make political contributions of any kind.



AIR PROJECT

CCEEB's Air Project covers statewide regulatory and legislative air quality issues. The project works to ensure that local, state, and federal air quality requirements are integrated in ways that deliver public health benefits while maximizing cost-effectiveness and technological feasibility. The project seeks to ensure consistency across programs and reduce regulatory duplication, working closely with our regional air district projects.

The Air Project is also the lead for issues related to the California Environmental Quality Act (CEQA) and environmental justice.

CCEEB represents members before the California Air Resources Board (CARB) and other state agencies, as well as at the legislature and the governor's office.

Project Issues

- Legislation on air quality, CEQA, and environmental justice
- Advanced Clean Fleets and other zero emission rulemaking
- Off-road engine rules and the Portable Equipment Registration Program
- AB 617 Community Air Protection Program
- Clean Air Act Implementation
- Statewide air toxics and criteria pollutant reporting, including AB 2588 and CARB's Criteria Pollutant and Toxics Emissions Reporting (CTR) Program
- CalEPA's CalEnviroScreen
- CAPCOA efforts
- CEQA Guidelines updates
- Economic analyses for regulatory proceedings
- Interagency engagement on air quality and zero-emission transportation
- Air quality and mobile source incentive programs

Project Team

Peter Okurowski,
CCEEB

Jon Costantino,
Tradesman Advisors

Kendra Daijogo,
The Gualco Group, Inc.

Clifford Moriyama,
The Gualco Group, Inc.

Geographic Focus

Statewide

Main Activity

Legislative and administrative efforts, statewide regulatory agencies

Meeting Frequency

Three times monthly

CCEEB is a non-profit, non-partisan coalition of business, labor, and public policy leaders that advances balanced policies for a healthy environment and a strong economy.



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Page 57 of 100. cceeb.org



BAY AREA PROJECT

CCEEB’s Bay Area Project is engaged with policy development and implementation at the Bay Area Air Quality Management District (BAAQMD). The project works to promote the application of sound science, transparency, and consistency in decisionmaking in the effort to realize emissions reductions. The project seeks to ensure that policy development at BAAQMD is consistent with federal, state, and local policy and balances improved public health outcomes, environmental protection and resiliency, and economic growth in the Bay Area.

CCEEB represents members before the BAAQMD Board of Directors, its Community and Technical Advisory Councils, as well as at public workshops and in rulemaking proceedings.

Project Issues

- District rulemaking efforts and CEQA guidelines development
- Planning and policy development related to fine particulate matter (PM2.5)
- AB 617 Community Air Protection Program
- District-wide environmental justice policy development and implementation
- Air toxics and criteria pollutant reporting, including Rule 11-18 Implementation
- New source review and permitting
- Engine permitting and alignment with the statewide Portable Equipment Registration Program (PERP)
- Economic analyses for regulatory proceedings
- BAAQMD-related legislation

Project Team

Allegra Curiel,
CCEEB

Kendra Daijogo,
The Gualco Group, Inc.

Geographic Focus

San Francisco Bay Area

Main Activity

Development and implementation of BAAQMD policies and programs

Meeting Frequency

Monthly

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Page 58 of 189
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CLIMATE CHANGE PROJECT

CCEEB's Climate Change Project works to ensure that California cost-effectively reduces greenhouse gas (GHG) emissions, minimizes leakage, and promotes the development of infrastructure needed to achieve carbon neutrality by 2045. The project seeks credible, peer-reviewed, and transparent economic evaluation of state programs. Consistent with CCEEB's commitment to a balance between market-based and command-and-control programs, the project works to ensure the success of California's Cap-and-Trade Program as well as complementary climate policies.

CCEEB represents members before the California Air Resources Board (CARB) and other state agencies, as well as at the legislature and the governor's office.

Project Issues

- Legislation on climate change, energy, and adaptation
- Facilitating infrastructure buildout to achieve carbon neutrality by 2045
- Decarbonization permit expediting
- California's Cap-and-Trade Program and linkages to other jurisdictions
- Implementation of GHG emissions reporting protocols and procedures
- Low Carbon Fuel Standard
- SB 1383 and Short-Lived Climate Pollutant programs

Project Team

Mikhael Skvarla,
CA Lobby

Geographic Focus

Statewide

Main Activity

Legislative and administrative efforts, statewide regulatory agencies

Meeting Frequency

Twice monthly

CCEEB is a non-profit, non-partisan coalition of business, labor, and public policy leaders that advances balanced policies for a healthy environment and a strong economy.

SOUTH COAST AIR PROJECT



CCEEB's South Coast Air Project works directly with the South Coast Air Quality Management District (SCAQMD) in its efforts to continuously improve the region's air quality and public health. SCAQMD enforces some of the most stringent air pollution control regulations in the world, achieving significant emission reductions in one of the most populated urban areas in the United States. CCEEB works with SCAQMD to ensure the adoption of balanced, cost-effective policies that help to maintain a strong economy while working to achieve the region's air quality goals..

CCEEB meets regularly with senior staff and represents members before the SCAQMD Board of Directors and in numerous proceedings and stakeholder groups, including the Air Quality Management Plan (AQMP) Advisory Committee, Budget Advisory Committee, RECLAIM and New Source Review Working Group, Permit Streamlining Task Force, and other priority meetings.

Project Issues

- District rulemaking efforts and CEQA guidelines development
- Air Quality Management Plan and State Implementation Plan
- RECLAIM phase out and Regulation XX
- Post-RECLAIM New Source Review
- Best Available Control Technology and Best Available Retrofit Control Technology determinations
- Facility based mobile source measures (e.g. indirect source rules and enforceable measures)
- AB 617 Community Air Protection Plan implementation
- Air toxics and criteria pollutant reporting, including Rule 1402 and Annual Emissions Reporting program
- Permitting/permit streamlining
- SCAQMD-related legislation

Project Team

Bill Quinn,
CCEEB Consultant

Kendra Daijogo,
The Gualco Group, Inc.

Geographic Focus

South Coast Air Basin

Main Activity

Development and implementation of SCAQMD policies and programs

Meeting Frequency

Monthly

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WATER CHEMISTRY AND WASTE PROJECT



CCEEB's Water, Chemistry, and Waste Project focuses on statewide regulatory and legislative issues dealing with water, green chemistry, waste management, and hazardous materials. The project works closely with state regulatory agencies, administration officials, and the legislature to promote accountability, procedural streamlining and proactive evidence-based policies that can be successfully implemented.

Project members are represented at a host of proceedings before state agencies including the State Water Resources Control Board (SWRCB), the Department of Toxic Substances Control (DTSC), the Certified Unified Program Agencies (CUPA) Forum Board, the Office of Environmental Health Hazard Assessment (OEHHA), the California Environmental Protection Agency (CalEPA), the Department of Resources Recycling and Recovery (CalRecycle), the Department of Water Resources (DWR), the California Office of Emergency Services (CalOES), the Ocean Protection Council (OPC), and other state agencies, as well as the California legislature.

Project Issues

- PFAS Chemicals and Chemicals of Emerging Concern
- Generator Improvement Rule
- Release, Spill Reporting Regulations, HMBP Reporting
- Drought, Water Supply, Infrastructure, Permitting
- SB 673 implementation and analysis of cumulative impacts and community vulnerability
- Remediation and corrective actions, post-closure
- Construction General Permit, Dewatering Permit, Industrial General Permit, Utility Vault General Permit, LA Regional Board Commercial Industrial & Institutional Permit
- Constituents of Emerging Concern
- Human Right to Water
- Water Quality fees, objectives, MCLs, NLs, RLs
- Underground Storage Tanks
- Vapor Intrusion
- Hazardous waste issues, including classification, inspections, treated wood, used oils, contaminated soils
- DTSC reform and fees paid by generators and treatment, storage, and disposal facilities (TSDF)
- Single-Use Plastic EPR, SB 54 Regulatory Development
- Certified Unified Program Agencies (CUPAs)
- Imminent Threat, Facility Closures
- Interagency Coordination
- Proposition 65
- Recycled water

Project Team

Dawn Koepke,
McHugh Koepke Padron

Geographic Focus

Statewide

Main Activity

Legislative and administrative efforts, statewide regulatory agencies

Meeting Frequency

Monthly

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Page 61 of 189 www.cceeb.org

NATURAL RESOURCES TASK FORCE



CCEEB's Natural Resources Task Force is engaged with legislative, regulatory, and permitting issues at the state and federal wildlife agencies. The Natural Resources Task Force focuses on natural resource policy and regulatory programs managed by the California Department of Fish and Wildlife (CDFW) and other state agencies, as well as the California Legislature. The task force addresses linear projects, such as pipelines, transmission lines, water conveyance systems, and permit decision-making in relation to the protection of fish, wildlife, and their habitats. It also meets regularly with CDFW senior leadership and staff and monitors federal issues that create jurisdictional challenges in California.

Task Force Issues

- State Wildlife Action Plan
- California Endangered Species Act
- Lake and Streambed Alteration Agreement and jurisdiction
- Natural Community Conservation Planning Act
- Budget, fees, and accountability/transparency
- Permitting and enforcement
- California Endangered Species Act Incidental Take Permit
- Nesting birds and critical habitat
- Western Joshua Tree Conservation Act (WJTCA)
- Conservation and Mitigation Banking

Task forces are unique among CCEEB's work. **Task forces** intentionally focus on a narrower set of issues than **projects** to delve deeper into issues and tackle specific policy challenges. Task forces may also include entities beyond CCEEB's traditional membership in order to bring a broader perspective on evolving environmental challenges. The dialogue promoted by task forces augments the day-to-day advocacy work of the CCEEB projects.

Project Team

Jackson Gualco,
The Gualco Group, Inc.

Clifford Moriyama,
The Gualco Group, Inc.

Geographic Focus

Statewide

Main Activity

Legislative and administrative efforts, statewide regulatory agencies

Meeting Frequency

Monthly

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Page 62 of 189
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TRANSPORTATION ENERGY TASK FORCE



CCEEB's Transportation Energy Task Force brings together medium- and heavy-duty fleets, facility owners and operators, energy providers, and utilities to explore the nexus between transportation and energy in a carbon neutral economy. The task force is not intended for direct advocacy, nor does it subscribe to any one technological pathway. Rather, it is meant as a forum for honest dialogue and information sharing between key stakeholders and thought leaders working collaboratively to remove implementation barriers and identify opportunities. Task force members share perspectives and case studies to accelerate lessons learned and investigate long-term infrastructure planning- and project-level issues as the state transitions to zero-emission vehicles and equipment.

Task Force Issues

- Commercialization of heavy-duty battery electric vehicles, electrical system infrastructure, and grid reliability
- Advancement of fuel cells for heavy-duty vehicles and industrial applications, and development of hydrogen supply and infrastructure
- Assessment of key regulatory programs
- Role of renewable liquid fuels in a carbon neutral transportation system
- Incentives and attracting capital

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Project Team

Darcy Wheelles,
ArkSpring Consulting

Geographic Focus

Statewide

Main Activity

Statewide policy design
in the context of zero-
emission transportation

Meeting Frequency

Monthly

CCEEB is a non-profit, non-partisan coalition of business, labor, and public policy leaders that advances balanced policies for a healthy environment and a strong economy.



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Page 63 of 189
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WATER QUALITY TASK FORCE

CCEEB's Water Quality Task Force supports resource alignment efforts at the State Water Resources Control Board (SWRCB) by providing technical guidance to agency staff. Membership is comprised of municipal and regional governmental entities and businesses with experience administering water quality programs. The goals of the task force are to support the California water boards on priority actions, efficient use of limited resources, and improvement of water quality outcomes. These goals are critical for the development of reliable and sustainable water policies in a state challenged by drought and climate change.

Task Force Issues

- SWRCB STORMs Advisory Committee
- Implementation of CCEEB white paper recommendations
- Policy for recycled water and related general permit
- Municipal separate storm sewer systems (MS4) permit implementation
- Anti-Degradation Policy
- Proposition 218, SB 213 funding
- Regional Board Water Quality Control Plans (Basin Plans)
- Implementation of statewide general permits for stormwater, Construction General Permit, and Industrial General Permit
- Development of guidelines for economic analysis within state water quality programs
- Identification of funding and implementation of financial capability assessments

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Project Team

Gerald Secundy,
The Secundy Group

Susan Paulsen,
Exponent

Geographic Focus

Statewide

Main Activity

Legislative and administrative efforts, statewide regulatory agencies

Meeting Frequency

Every Other Month

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Page 64 of 189 www.cceeb.org



CCEEB

MEMBERSHIP DUES

Each CCEEB member receives full support from our professional staff and consultants.

CCEEB provides members with the ability to understand the impacts of changing legislative and regulatory proposals so that members can provide strategic input into the policy process, help develop cost-effective and balanced proposals, and maintain a competitive edge.

All dues are charged annually per organization. The number of individual participants allowed for each member organization is not restricted.

Project	Annual Dues
General Membership	Starting at \$10,000
Air Project	\$30,500
Bay Area Project	\$17,500
Climate Change Project	\$34,000
South Coast Air Project	\$27,500
Water Chemistry and Waste Project	\$29,000
Natural Resources Task Force	\$10,000
Transportation Energy Task Force	\$10,000
Water Quality Task Force	\$10,000

CCEEB Competitiveness Principles

Support evidence-based policy positions, regardless of the politics.

Advocate for policies and programs that maximize environmental benefit in the most cost-effective way.

Engage and listen to all stakeholders and promote shared understanding.

Call for accurate, transparent, and understandable public information to support broad public participation.

Aim to ensure clear compliance pathways and avoid overlapping, duplicative, and conflicting regulations.

Strike an appropriate balance between command-and-control and market-based programs.

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Page 65 of 189 www.cceeb.org

HEALTHY ENVIRONMENT, STRONG ECONOMY




**California Council for
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Founded in 1973 by Governor Edmund G. "Pat" Brown, CCEEB has been California's leading voice for a strong, vibrant economy and high quality of life balanced with a healthy environment and sustainable communities. To ensure all voices are heard, CCEEB relies on the practice of dialogue and consensus building among its members and other stakeholders.

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Water, Chemistry & Waste Project Presentation

For the Municipal Water District
of Orange County



**California Council for
Environmental and
Economic Balance**

Dawn Koepke

Project Manager, CCEEB

McHugh Koepke Padron Government Relations

CCEEB Project Diversity & Benefit

- Air Project
- Climate Project
- South Coast Project
- Bay Area Project
- Natural Resources Task Force
- Transportation & Energy Task Force
- Water, Chemistry & Waste Project
- Diverse Membership
 - Water Agencies, Utilities, Aerospace, Railroads, Theme Parks, Waste & Recycling Service Providers, Energy Companies, Communications, Oil & Gas
- Legislative & Regulatory Advocacy Efforts
- Sponsor Bills
- Effective Engagement w/ Administration, Agencies/Boards/Departments, Legislature & Stakeholders

Summer Issues Seminar

- Week-Long, Members-Only Event
- In-Depth Policy Conference
 - Variety of Panels – Air, Climate, Water, Waste/Recycling
 - Legislative Leaders
 - Agency Decision Makers
 - Environmental, Community Leaders, NGOs
 - Academics
- Recent Keynotes/Panels
 - EPA Region 9 Senior Leadership
 - CalEPA Senior Leadership
 - SWRCB Senior Leadership
 - 50 Years of the Clean Water Act – Progress, Challenges & Opportunities
 - Water Supply & Resiliency in the Face of Climate Change & Water Quality Impacts
 - The Never Ending Story: Drought in California
 - CEQA & Permit Streamlining
 - The Next Phase in State & Federal PFAS Regulation

Water, Chemistry & Waste Project Overview

- Diverse Membership
 - Water Agencies, Utilities, Aerospace, Railroads, Theme Parks, Waste & Recycling Service Providers, Energy Companies
- Broad Agency Portfolio
 - CalEPA, SWRCB, DTSC, CalRecycle, OEHHA, DWR
- Broad Issue Portfolio
 - Water – Quality, Supply, Permitting
 - Chemistry – Proposition 65, Chemical Bans, Green Chemistry, Testing
 - Waste – Hazardous Waste, Solid Waste, Recycling
- Legislative & Regulatory Advocacy Efforts
- Sponsor Bills
 - Water Supply
 - Hazardous Material Business Plans
 - Used Oil

Key Partners

- California Municipal Utilities Association (CMUA)
- Association of California Water Agencies (ACWA)
- California Association of Sanitation Agencies (CASA)
- California State Association of Counties (CSAC)
- California Chamber of Commerce
- CUPA Forum Board
- California Coastkeeper Alliance (CCKA)

WCW Project Water Issues

- Climate & Water Bond
- Delta Conveyance Project
- Water Conservation Regulations
- Proposition 218
- UST Regulations
- Stormwater
 - SWRCB Implementation Committee
- Permitting
- Water Quality Fees
- Recycled Water
- Drinking Water Discharges
- Constituents of Emerging Concern
- Once Through Cooling
- MCL Development
- Dredge & Fill Procedures

Recent Legislative Engagement & Support

- SB 366 (Caballero) – Water Plan & Long-Term Supply Targets**
- SB 1218 (Newman) – Emergency Water Supplies**
- SB 23 (Caballero) – Expedited Permitting
- AB 1798 (Papan) – CalTrans & Stormwater Runoff
- AB 1827 (Papan) – Higher Consumptive Water Parcels**
- AB 2257 (Wilson) – Water & Sewer Fee Remedies



2025 Legislative & Regulatory Priorities

- SB 72 (Caballero) – Water Plan Update & Long-Term Supply Targets
 - CCEEB Co-Sponsor w/ CMUA & CSAC
- Low Income Rate Assistance/Affordability
 - Possible Legislation in 2025
 - Supportive; Must be Workable and Permissive
 - NO Water Tax; NO One Size Fits All
- SWRCB Making Water Conservation a California Way of Life Reg
 - Implementation, Cost & Compliance Concerns
 - Interest in Regional Approach/Goal (vs. Individual)
**Meeting in works for March 14th Project Mtg w/ SWRCB Team for Update & Discussion
- SWRCB Permitting
 - MS4, Industrial General, Utility Operations & Maintenance Wildfire General Order, LA Regional Board CII Permit, Drinking Water Discharges, Utility Vault
- PFAS Chemicals
- Delta Conveyance Project (*ongoing*)

**See Handouts (2025 Priorities & Issue Matrix) for more detail

Questions?

Dawn Koepke
Project Manager, WCW Project
CCEEB
dkoepke@mchughgr.com
(916) 606-5309 Cell



DISCUSSION ITEM

February 12, 2025

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

FROM: Harvey De La Torre, General Manager

Staff Contact: Hilary Chumpitazi

SUBJECT: MWDOC FY 2025-26 1st DRAFT BUDGET

STAFF RECOMMENDATION

It is recommended that the Board of Directors review and discuss this report in preparation for MWDOC's FY 2025-26 2nd Draft Budget.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

SUMMARY

MWDOC's Budget schedule was implemented to facilitate the Budget and rate schedules of our Member Agencies. On February 12, staff will present the 1st Draft Budget to the A&F Committee. The 2nd Draft Budget, incorporating comments from the February A&F Committee discussion as well as any comments from our Member Agencies, will be presented on March 12. The 3rd (Final) Draft Budget presentation is scheduled for the April A&F Committee meeting, with anticipated adoption of the Final Fiscal Year (FY) 2025-26 Budget at the April 16 Board meeting.

This 1st Draft Budget maintains a modest rate increase to recover MWDOC's costs and maintain existing service levels. Included is a Budget Narrative list of proposed key financial changes, adjustments, and annotations, along with the updated reserve policy targets and the proposed employee merit pool percentage. The Budget Narrative also includes a detailed description of each department's key priorities and initiatives for FY 2025-26.

Budgeted: <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	Budgeted amount: N/A	Core: <input checked="" type="checkbox"/>	Choice: <input checked="" type="checkbox"/>
Action item amount:		Movement between funds: <input type="checkbox"/> Yes <input type="checkbox"/> No	

Budget Highlights

Pertinent aspects of MWDOC's 1st Draft Budget for FY 2025-26 include:

Proposed Rates and Charges

- Charges are calculated under the rate structure methodology adopted by the MWDOC Board:
 - A proposed retail service rate of \$15.25 per retail meter for FY 2025-26, an increase of \$0.50 (3.4%). This is consistent with last year's Budget projected rate increase for FY 2025-26, adhering to the notion of modest and gradual rate increases; and
 - A proposed groundwater customer charge of \$414,371 to OCWD, an increase of \$8,908 (2.2%).

Revenue Highlights

- Budget total of \$227,674,544 (revenue) includes Core, Choice, water sales, outside funding, and WEROC. This is an overall decrease of \$4,574,245 (1.97%), mainly due to the water sales projections for FY 2025-26.
- The Consolidated (Core and Choice) Budget is \$13,779,229 (revenue); this is an increase of \$926,353 (7.2%), mainly due to an increase in Choice Program activity. This does not include Outside funding.
- Choice revenue and expenses are balanced at \$2,381,925, an increase of \$337,289 (16.5%).
- The total revenue for the Core Budget is \$11,397,304, an increase of \$589,063 (5.5%) over the current year's Budget. The largest driver of increased Core revenue is anticipated interest revenues. Interest revenues are budgeted at \$916,000, a \$177,040 increase (24%) to reflect current market earnings.
- Outside funding for Water Use Efficiency (WUE) from rebates and grants is budgeted at \$8,349,498; a decrease of \$2,522,544 (-23%) funding over this year's Budget. This is mainly due to a decrease in anticipated activity in the Metropolitan regional rebate program.

Expense Highlights

- The total expenses for the Core Budget are \$11,277,280, an increase of \$419,870 (3.9%) over the current year's Budget. The most significant drivers of increased Core expenses are Outside Consulting and Employee Salaries/Benefits.
- The increase in Outside Consulting expenses is due to several Engineering efforts, including the 2025 Urban Water Management Plan and Water Quality initiatives.
- The Software Support/Expenses for FY 2025-26 are recategorized from Professional Fees.
- The decrease in Maintenance Expenses results from the project completion of upgrades to the Joint Board Room audio-video equipment with OCWD.

Impacts on Reserves

- The proposed 1st Draft Budget estimates a net put of \$120,024 into reserves. With the inclusion of GIS support service expenses (contingent on Board approval), the FY 2025-26 Budget could result in a “balanced Budget” with little to no draw on reserves.

Other Highlights

- The proposed Total Water Fund Budget is \$205,191,724, which includes Water Purchases of 125,747 Acre-Feet and anticipated Local Resource Program incentives of \$3,840,576.
- The proposed salary contribution pool is at 6.11% of salaries and wages and reflects the inflation rate (2024 CPI annual average = 3.3%) along with merit considerations. No COLA (Cost of Living Adjustment) is being proposed.
- The total staffing level increases by 2.3 FTE, which reflects the increase in Choice services and organizational needs assessment modifications in the areas of full-time, part-time, and intern employee staffing levels.

New Items Included

The following “new key items” are already incorporated in the FY 2025-26 Budget, per the January 8 Conceptual Budget presented to the A&F Committee:

Technology Infrastructure

- Implementation of a new Enterprise Resource Planning (ERP) system (\$120,000) to enhance financial operations, including payroll, accounts payable, billing, and personnel records management.

Program Enhancements

- Transition of Water Energy Education Alliance (WEEA) support to a shared service model (\$33,000), replacing current in-kind contributions based on A&F Committee input. (Additionally, per the Committee’s suggestion, a business rationale/plan will be forthcoming for Committee review to describe and support the proposed funding level).
- Funds allocated for MWDOC's 75th Anniversary celebration in 2026.
- Develop updated Urban Water Management Plans, including consultant support for MWDOC (Core-funded) and Member Agencies (Choice-funded).

Operational Considerations

- Pursuant to Water Code Section 20202, Director compensation may be increased by a maximum of 5% for each consecutive year since the last approved compensation adjustment in January 2020.

Items Pending Board Consideration (NOT Included)

The following “new key items” are not incorporated into the 1st Draft FY 2025-26 Budget and seek Board consideration:

Technology Infrastructure

- Addition of GIS support services to strengthen MWDOC Core and Choice services, with final scope to be determined through a consultant assessment.

Program Enhancements

- Grants training (\$10,000-15,000) led by an experienced and successful grant consultant; MWDOC and Member Agency participants will learn strategies for crafting proposals, understanding funding agency priorities, and developing program Budgets.

ALIGNMENT WITH BOARD STRATEGIC PRIORITIES

- | | |
|--|---|
| <input checked="" type="checkbox"/> Clarifying MWDOC’s mission and role; defining functions and actions. | <input type="checkbox"/> Work with member agencies to develop water supply and demand objectives. |
| <input type="checkbox"/> Balance support for Metropolitan’s regional mission and Orange County values and interests. | <input checked="" type="checkbox"/> Solicit input and feedback from member agencies. |
| <input type="checkbox"/> Strengthen communications and coordination of messaging. | <input checked="" type="checkbox"/> Invest in workforce development and succession planning. |

List of Attachments/Links:
Attachments: (1) FY 2025-26 1 st Draft Budget Narrative (2) FY 2025-26 1 st Draft Budget (3) FY 2025-26 1 st Draft Budget Presentation



Municipal Water District of Orange County

February 2025

1st Draft Budget for Fiscal Year 2025-26



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KEY TOPICS

EXECUTIVE SUMMARY	5
GENERAL MANAGER’S TRANSMITTAL LETTER	8
DISTRICT OVERVIEW	9
1. MWDOC BUDGET PROCESS & SCHEDULE	11
2. MWDOC BUDGET PRINCIPLES	13
3. DISTRICT RESERVES	14
4. COMPENSATION POOL GUIDELINES	16
5. BUDGET INPUT FROM MEMBER AGENCIES	18
6. KEY DEPARTMENTAL PRIORITIES & INITIATIVES	19
BOARD RELATIONS	21
ADMINISTRATION	22
FINANCE & INFORMATION TECHNOLOGY	24
COMMUNICATIONS/PUBLIC AFFAIRS	26
RELIABILITY PLANNING AND ENGINEERING	29
WATER EMERGENCY RESPONSE (WEROC)	31
WATER USE EFFICIENCY (WUE)	33
METROPOLITAN (MET) ISSUES AND WATER POLICY	36
GOVERNMENTAL AFFAIRS	38
7. CHOICE & SHARED SERVICES PROGRAMS FOR FY 2025-26	40
PERMANENT CHOICE PROGRAMS	40
LIMITED-TERM SHARED-SERVICES PROGRAMS	41
8. WATER RATES AND CHARGES	43

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EXECUTIVE SUMMARY

MWDOC's Budget schedule was implemented to facilitate the Budget and rate schedules of our Member Agencies. On February 12, staff will present the 1st Draft Budget to the A&F Committee. The 2nd Draft Budget, incorporating comments from the February A&F Committee discussion as well as any comments from our Member Agencies, will be presented on March 12. The 3rd (Final) Draft Budget presentation is scheduled for the April A&F Committee meeting, with anticipated adoption of the Final Fiscal Year (FY) 2025-26 Budget at the April 16 Board meeting.

This 1st Draft Budget maintains a modest rate increase to recover MWDOC's costs and maintain existing service levels. Included is a Budget Narrative list of proposed key financial changes, adjustments, and annotations, along with the updated reserve policy targets and the proposed employee merit pool percentage. The Budget Narrative also includes a detailed description of each department's key priorities and initiatives for FY 2025-26.

BUDGET HIGHLIGHTS

Pertinent aspects of MWDOC's 1st Draft Budget for FY 2025-26 include:

PROPOSED RATES AND CHARGES

- Charges are calculated under the rate structure methodology adopted by the MWDOC Board:
 - A proposed retail service rate of \$15.25 per retail meter for FY 2025-26, an increase of \$0.50 (3.4%). This is consistent with last year's Budget projected rate increase for FY 2025-26, adhering to the notion of modest and gradual rate increases; and
 - A proposed groundwater customer charge of \$414,371 to OCWD, an increase of \$8,908 (2.2%).

REVENUE HIGHLIGHTS

- Budget total of \$227,674,544 (revenue) includes Core, Choice, water sales, outside funding, and WEROC. This is an overall decrease of \$4,574,245 (1.97%), mainly due to the water sales projections for FY 2025-26.
- The Consolidated (Core and Choice) Budget is \$13,779,229 (revenue); this is an increase of \$926,353 (7.2%), mainly due to an increase in Choice Program activity. This does not include Outside funding.
- Choice revenue and expenses are balanced at \$2,381,925, an increase of \$337,289 (16.5%).
- The total revenue for the Core Budget is \$11,397,304, an increase of \$589,063 (5.5%) over the current year's Budget. The largest driver of increased Core revenue is anticipated interest revenues. Interest revenues are budgeted at \$916,000, a \$177,040 increase (24%) to reflect current market earnings.
- Outside funding for Water Use Efficiency (WUE) from rebates and grants is budgeted at \$8,349,498; a decrease of \$2,522,544 (-23%) funding over this year's Budget. This is mainly due to a decrease in anticipated activity in the Metropolitan regional rebate program.

EXPENSE HIGHLIGHTS

- The total expenses for the Core Budget are \$11,277,280, an increase of \$419,870 (3.9%) over the current year's Budget. The most significant drivers of increased Core expenses are Outside Consulting and Employee Salaries/Benefits.
- The increase in Outside Consulting expenses is due to several Engineering efforts, including the 2025 Urban Water Management Plan and Water Quality initiatives.
- The Software Support/Expenses for FY 2025-26 are recategorized from Professional Fees.
- The decrease in Maintenance Expenses results from the project completion of upgrades to the Joint Board Room audio-video equipment with OCWD.

IMPACTS ON RESERVES

- The proposed 1st Draft Budget estimates a net put of \$120,024 into reserves. With the inclusion of GIS support service expenses (contingent on Board approval), the FY 2025-26 Budget could result in a "balanced Budget" with little to no draw on reserves.

OTHER HIGHLIGHTS

- The proposed Total Water Fund Budget is \$205,191,724, which includes Water Purchases of 125,747 Acre-Feet and anticipated Local Resource Program incentives of \$3,840,576.
- The proposed salary contribution pool is at 6.11% of salaries and wages and reflects the inflation rate (2024 CPI annual average = 3.3%) along with merit considerations. No COLA (Cost of Living Adjustment) is being proposed.
- The total staffing level increases by 2.3 FTE, which reflects the increase in Choice services and organizational needs assessment modifications in the areas of full-time, part-time, and intern employee staffing levels.

ITEMS INCLUDED

The following "new key items" are already incorporated in the FY 2025-26 Budget, per the January 8 Conceptual Budget presented to the A&F Committee:

TECHNOLOGY INFRASTRUCTURE

- Implementation of a new Enterprise Resource Planning (ERP) system (\$120,000) to enhance financial operations, including payroll, accounts payable, billing, and personnel records management.

PROGRAM ENHANCEMENTS

- Transition of Water Energy Education Alliance (WEEA) support to a shared service model (\$33,000), replacing current in-kind contributions based on A&F Committee input. (Additionally, per the Committee's suggestion, a business rationale/plan will be forthcoming for Committee review to describe and support the proposed funding level).
- Funds allocated for MWDOC's 75th Anniversary celebration in 2026.
- Develop updated Urban Water Management Plans, including consultant support for MWDOC (Core-funded) and Member Agencies (Choice-funded).

OPERATIONAL CONSIDERATIONS

- Pursuant to Water Code Section 20202, Director compensation may be increased by a maximum of 5% for each consecutive year since the last approved compensation adjustment in January 2020.

ITEMS PENDING BOARD CONSIDERATION (NOT INCLUDED)

The following “new key items” are not incorporated into the 1st Draft FY 2025-26 Budget and seek Board consideration:

TECHNOLOGY INFRASTRUCTURE

- Addition of GIS support services to strengthen MWDOC Core and Choice services, with final scope to be determined through a consultant assessment.

PROGRAM ENHANCEMENTS

- Grants training (\$10,000-15,000) led by an experienced and successful grant consultant; MWDOC and Member Agency participants will learn strategies for crafting proposals, understanding funding agency priorities, and developing program Budgets.

GENERAL MANAGER'S TRANSMITTAL LETTER

MWDOC ANNUAL BUDGET FOR FISCAL YEAR 2025-2026

As we start the Fiscal Year (FY) 2025-26 Budget process, I want to convey that staff has taken all necessary steps to ensure the proposed expenditures align with the District's mission and promote the Board Strategic Priorities. Moreover, the proposed rate increases are modest, predictable, and support the essential functions of the District along with the multiple shared services and Choice Programs we provide to the retail agencies in Orange County.

MWDOC seeks to adopt its Final Budget in April in an effort to facilitate the Budget and Prop 218 processes of our Member Agencies. Please note that the Draft Budget will also be reviewed at the Elected Officials Forum, which will be scheduled for early April 2025, with final Board adoption tentatively scheduled for later that month.

As always, we invite and welcome formal participation in developing our FY 2025-26 Draft Budget through suggestions of activities and subsequent comments. This input is vital to ensure that the services and resources we provide meet the needs of our service area.

I look forward to our Budget discussions.

Sincerely,



Harvey F. De La Torre
General Manager
Municipal Water District of Orange County

"I believe MWDOC plays an essential role in ensuring the County has a sustainable and reliable supply of water. With our partnering agencies we strive to identify and implement the most cost-effective programs, projects and activities for benefit of our service area."



DISTRICT OVERVIEW

The Municipal Water District of Orange County (MWDOC) was formed in 1951 to serve the majority of Orange County as its Metropolitan Member Agency representative and to 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 on Metropolitan 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 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.

In June 2023, the MWDOC Board identified seven (7) Strategic Priorities via a public multi-session process that incorporated feedback and input from various stakeholders, including Member Agency representatives. This effort was intentionally built upon the foundational work completed through the Member Agency Facilitated Discussions Project to ensure MWDOC’s Strategic Priorities aligned with the needs of the community and MWDOC Member Agencies. These key priorities were developed through a facilitated process to be consistent with MWDOC’s authority, mission, and roles.

Topic Area	Board Strategic Priorities
<i>MWDOC’s Mission</i>	Clarify MWDOC’s mission and roles by defining those functions and actions that help provide cost-effective, long-term water reliability and security for its Member Agencies and Orange County constituents.
<i>Metropolitan Policy Positions</i>	Balance support for Metropolitan’s regional mission and Orange County values and interests, with an emphasis on completing the IRP and shaping a sustainable business model.
<i>Metropolitan Director Consultation</i>	Ensure that Metropolitan Directors regularly reach out to and collaborate with MWDOC’s Member Agencies to represent their interests and needs at Metropolitan.
<i>Reliability Planning</i>	Work with Member Agencies to develop water supply and demand objectives that take a broad view of cost-effective options to increase supply and manage demands.
<i>Member Agency Collaboration</i>	Solicit input and feedback from Member Agencies to support their needs and create opportunities that benefit Orange County’s water future.
<i>Communications</i>	Strengthen communications and coordination of messaging with Member Agencies, tailored to large and small agency needs.
<i>Staff Development</i>	Invest in workforce development and succession planning to continuously strengthen and renew MWDOC’s staff capabilities.

In September 2023, the Board adopted the Staff Implementation Plan¹, which outlines the “means” (actions/programs) staff has developed to help achieve these overarching Board Priorities. The Implementation Plan is a cornerstone for the General Manager's annual goal-setting process. Integrating the strategic priorities into the General Manager's goals ensures that the top leadership of MWDOC is fully committed to and accountable for driving these priorities forward. It also provides clear directions as to what is expected by the Board.

The Implementation Plan also identifies resource needs, which will be integrated into the annual budgeting process. It ensures that financial, personnel, or technological resources are allocated efficiently to support strategic priorities. Information has been utilized to identify whether a resource gap exists that could hinder progress and, if necessary, gives guidance on whether additional resources should be recommended during the Budget-setting process.

To utilize the lessons learned through the 2022 Member Agency Facilitated Discussions², several Member Agencies’ comments and suggestions were woven into the Implementation Plan. This included the core objective: for MWDOC and its Member Agencies to partner more collaboratively. Through this process, there was consensus in feedback from the Member Agencies that MWDOC should avoid setting up a process that is perceived as “telling agencies what is needed” but rather seek out what the agencies want and need MWDOC to provide for them. This has been reflected in the improved methods of communication and how MWDOC developed the programs, studies, and shared services in the Choice Programs.



¹ Staff Implementation Plan: https://www.mwdoc.com/wp-content/uploads/2023/06/Strategic-Goals-Implementation-Plan_September-2023-3.pdf

² Facilitated Discussions with MWDOC Member Agencies, Phase 1 (February 2022) <https://tinyurl.com/4yp97vde>; Facilitated Discussions, with MWDOC Member Agencies, Phase 2 (December 2022) <https://tinyurl.com/mrrtmd26>

1. MWDOC BUDGET PROCESS & SCHEDULE

MWDOC's Budget schedule seeks to adopt the FY 2025-26 Budget at the April 16 Board meeting. This timeline was implemented to facilitate the Budget and rate schedules of our Member Agencies. The Draft Budgets are presented to the A&F Committee. The 1st, 2nd, and 3rd Draft Budgets are scheduled for the February, March, and April A&F Committee meetings.

The Budget will include a list of proposed key financial changes, adjustments, and annotations, along with updates to the reserve targets and the proposed merit pool percentage (based on the final 12-month CPI-U average).

Furthermore, there will be a detailed description of each department's key priorities and initiatives for FY 2025-26. As part of the Budget process, the General Manager is currently meeting with each department head to review their current and projected department Budgets, including anticipated Choice Budget activity. The goal of these discussions is to identify what funds are needed and/or not needed for the coming year to help achieve the Board's strategic priorities and District mission.

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 2025 to reflect the reconciliations and final program commitments of our Member Agencies. It should be noted that changes in Choice programs do not have an impact on the rates and charges passed in April for Core activities.

FY 2025-26 BUDGET SCHEDULE

NOVEMBER 2024

- Notification to Member Agencies of start of Budget process and solicitation of input

DECEMBER 2024

- MWDOC staff begins preparation of Budget hours and costs on a 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 2025

- Initial review of Budget issues with A&F Committee for feedback (1-8-25)
- Initial discussion of Budget issues with Member Agencies for feedback
- Request for Member Agencies' preliminary indication of participation in Choice

FEBRUARY 2025

- Publish and post the FIRST DRAFT Budget in the packet for the A&F Committee (2-7-25)
- Review First Draft Budget with A&F Committee (2-12-25)
- Formally request comments from all Member Agencies
- DRAFT 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 activities
- Member Agencies' INITIAL CONFIRMATION of participation in Choice Services (2-18-25), with updated Agreement by the end of March or after the Elected Officials Meeting
- Discuss FIRST DRAFT Budget at Member Agency Managers' Meeting (2-20-25)
- Meet with Member Agencies as requested or scheduled

MARCH 2025

- Revised information completed on prior year Choice benefits to Member Agencies to serve as basis of charging agencies for the upcoming year for Choice activities
- Discuss SECOND DRAFT Budget in A&F Committee (3-12-25)
- Review SECOND DRAFT Budget at Member Agency Managers' Meeting (3-20-25)
- Update Choice Participation
- Member Agencies submit Formal Comments on the Budget (3-28-25)

APRIL 2025

- Conduct meeting with Elected Officials from Member Agencies to discuss Budget and other topics (4-9-25)
- THIRD DRAFT Budget and Rates presented to A&F Committee (4-9-25)
- Member Agencies' Formal Comments presented to A&F Committee (4-9-25)
- Board approval of FY2023-24 FINAL Budget and Rates (4-16-25)

JUNE 2025

- Member agencies confirm Final Choice Participation (6-13-25)

AUGUST 2025

- Reconciliation of FY 2024-25 (previous) Choice Programs

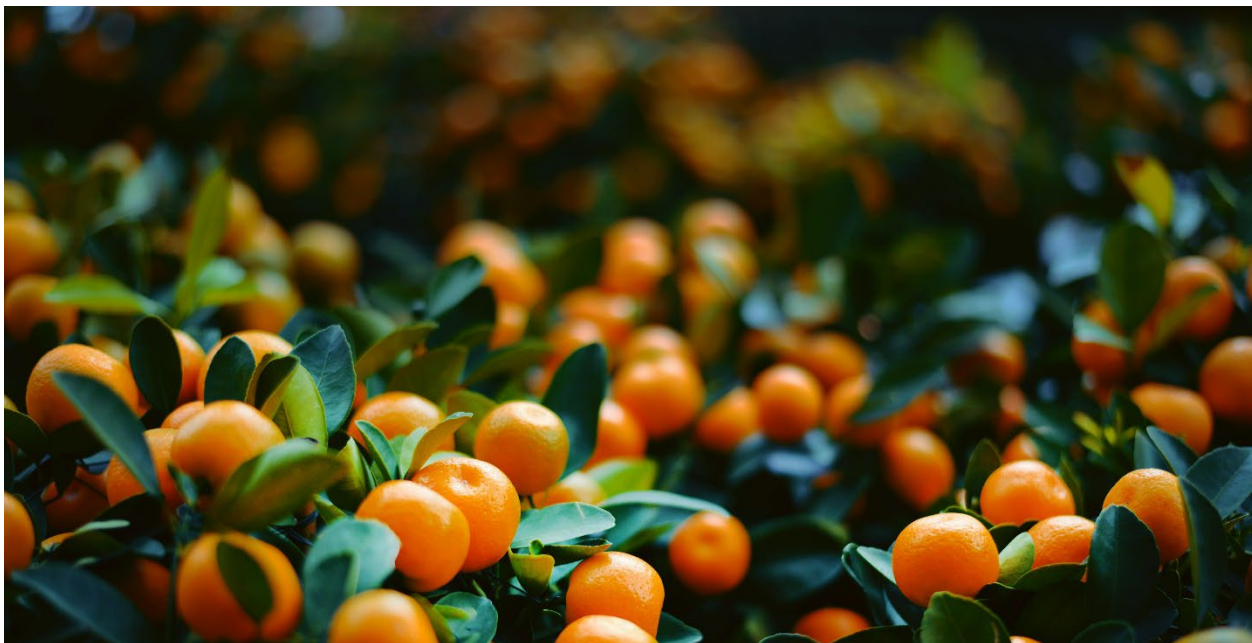
OCTOBER 2025

- REVISED FINAL Choice Budget presented to A&F Committee, if needed (10-8-25)
- Board approval of FY2025-26 REVISED FINAL CHOICE BUDGET, if needed (10-15-25)

2. MWDOC BUDGET PRINCIPLES

Staff continue 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 both the entire service area and our regional involvement with the Metropolitan Water District of Southern California (MET).
- **Principle #3: Efficient Program Design & Performance**
 - Budgeted programs must consider complementary and cooperative designs to maximize benefits from other regional and local water resource programs and 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 impact of reserve funds. The stated goals of the Board of Directors are to have reserves fully funded, and the Budget should be balanced relative to meeting those reserve targets. In essence, if the combination of the previous Fiscal Year's audited reserve balances and the current Fiscal Year's Year-End estimates indicates that the reserve target will be exceeded, then the proposed Budget should include a draw from the reserve balance down to the target. Conversely, if the projected total reserve balance drops below the target, the proposed Budget should increase the budgeted contribution to bring the reserves back up to the target.

In FY 2022-2023 the Board undertook a comprehensive review of its Reserve Policy, which involved several work group meetings and committee discussions. The goal was to better align the Reserve Funds and their targets with the District's needs and priorities. The result clarified the use and function of each reserve account. Additionally, the Board consolidated and revised MWDOC's Designated Reserves into the following three funds, each serving a specific purpose and described as follows:

Operating Reserve - The Operating Reserve has been established to fund emergency expenditures, cover unbudgeted and unanticipated costs, and provide working capital if needed. MWDOC has established a target for the Operating Reserve to equal 120 days of cash on hand.

Election Reserve - The Election Reserve funds seven elections every four years. The estimated cost of elections and needed reserve levels shall be updated annually as part of the Budget process. If the amounts in the Election Reserve exceed the estimated costs, the Board may consider other uses that would lower the long-term costs of the District.

OPEB Reserve - The Board requested staff to fully fund the OPEB liability in 2016. The Actuarial recommendation is to fund between 85% to 95% of the liability and put the remaining amount in an OPEB reserve fund so as not to overfund the OPEB trust. This recommendation was implemented in September 2016 with an OPEB reserve balance of \$209,000 to equal MWDOC's Unfunded Liability at that time. The OPEB reserve will be re-evaluated every two years beginning in 2018 after each actuarial study, and funds may be transferred to the OPEB trust to stay within the funding range.

Additional reserve funds are as follows:

- **General Operations Fund** - Funds used to pay for District annual operating expenses. Revenue generated from this fund includes annual meter and groundwater charges.
- **Water Purchase Payments Fund** - Fund that holds amounts paid by Member Agencies for water purchases in advance of the Metropolitan payment date.
- **Conservation Fund** - Includes grants and Metropolitan and Member Agency payments for Water Use Efficiency. These funds may have a negative balance as MWDOC pays upfront for rebates and invoices.
- **Trustee Activities** - Hold funds for specific trustee activities, such as the AMP.

Municipal Water District of Orange County
Consolidated Summary of Cash and Investment
November 30, 2024

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	\$ 814,696	4.06%
Pension 115 Trust	1,999,765	9.97%
Total Restricted Reserves	\$2,814,461	14.03%
Designated Reserves		
Operating Reserves	\$3,819,350	19.04%
Election Reserve	1,146,947	5.72%
OPEB Reserve	297,147	1.48%
Total Designated Reserves	\$5,263,444	26.24%
General Operations Fund	\$12,308,311	61.35%
Water Purchase Payments Fund	414,507	2.06%
Conservation Fund	(755,770)	(3.77%)
Trustee Activities - AMP	18,360	0.09%
Total Other Funds	\$11,985,408	59.73%
Total	\$20,063,313	100.00%

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 interrelated 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 2024 CPI average for the LA/Long Beach/Anaheim area was 3.30%. This is 6% lower than the 2023 number of 3.5%. The CPI of 3.30% falls into MWDOC's moderate inflation range.

Every three years, MWDOC contracts for a Comprehensive Benchmark Survey that compares our job classifications with similar agencies and job functions. During the 2023-24 Comprehensive Benchmark Survey, MWDOC found limited salary range corrections to be necessary, which supported the CPI adjustment process.

EMPLOYEE-SPECIFIC SALARIES

MWDOC does not have a Cost-of-Living Adjustment (COLA), which is not included or proposed in this Budget. As part of the Budget process, MWDOC establishes a Compensation Pool that facilitates employee salary increases allocated solely on merit. MWDOC conducts an annual direct labor market survey as part of the Budget process. Most water agencies surveyed have defined merit and COLA components to their annual salary increases (FY 2025-26 to be inserted upon completion). The functional difference is that while both approaches cover merit and inflation, other agencies will guarantee a COLA pay increase to all employees. In contrast, MWDOC employees are at risk of no salary increase depending upon their performance.

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 as both competitive and within job classification ranges. The formula uses current inflation percentages but is also applied as 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 can arise. To minimize the impact of extremes, a system of four CPI ranges with associated Compensation Pool formulas are summarized below.

The 2024 annual CPI was 3.30% for the region, which is in the *Moderate* inflation effective range (2.4% to 4.7%). Applying the *Moderate* inflation range formula ($CPI \times 1.85$) to the 3.30% CPI yields a compensation pool of 6.11%, which was used to calculate the employee salary expense increase.

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 MWDOC annual survey of approximately 20 water utilities is utilized as a comparison of proposed salary increases. This comparative information from the other utilities can be found below. 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.

MERIT/COLA 2025-26 Survey
[to be inserted upon completion]

DIRECTOR COMPENSATION

The Director compensation adjustment is determined by the lesser of the employee increase or 5.0%. 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 in January 2020.

5. BUDGET INPUT FROM MEMBER AGENCIES

MWDOC staff initiated the Budget process for FY 2025-26 in November with an Administration & Finance Committee posting of the Budget schedule and informed Member Agencies of the start of the Budget process and solicitation of input at the November MWDOC Member Agency General Managers Meeting.

The FY 2024-25 Budget year-end projections and the conceptual FY 2025-26 Budget were discussed at the January 2025 Administration & Finance Committee meetings, with the 1st Draft Budget presented on February 12 and the 2nd Draft Budget on March 12.

According to the attached schedule, MWDOC aims to finalize its Budget in April, ensuring that our Member Agencies have the necessary support for their own Budget and Proposition 218 processes. The Draft Budget will also be presented at the Elected Officials Forum in early April 2025, with the final adoption by the Board anticipated on April 16, 2025.

Member Agency participation is vital in shaping our FY 2025-26 Budget. We encourage Member Agencies to share initial suggestions and subsequent comments. These insights are essential for us to deliver services and resources to meet the needs of each agency's service area.

6. KEY DEPARTMENTAL PRIORITIES & INITIATIVES

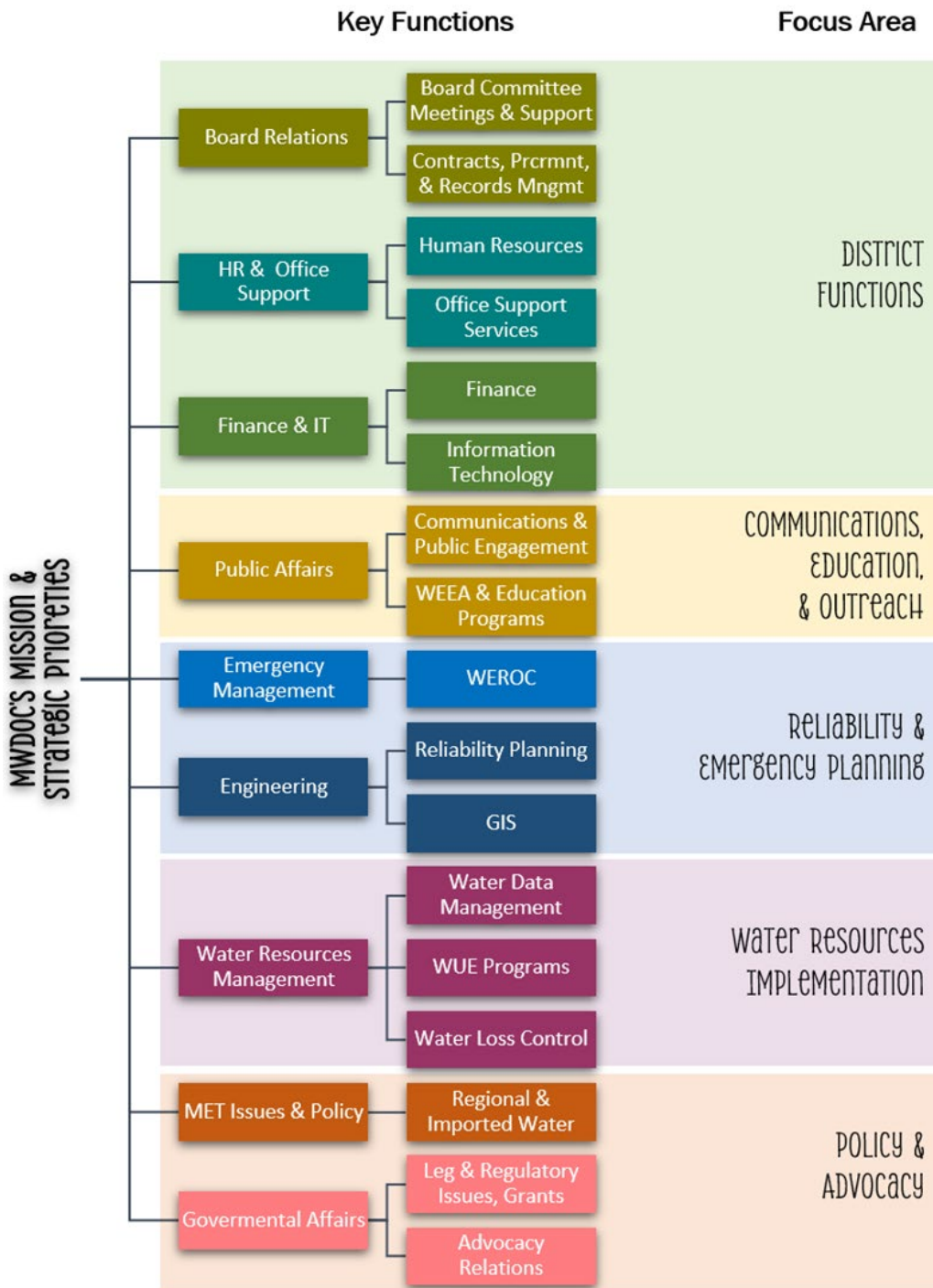
MWDOC recently completed a comprehensive Needs Assessment to evaluate our organizational effectiveness, current and needed resources, and processes. The Needs Assessment was designed to serve multiple strategic purposes within the organization. At its core, the Assessment aimed to provide a solid foundation for organizational improvement by collecting critical information to help refine existing processes and programs. The Assessment sought to ensure proper alignment with the Board's strategic priorities by carefully examining the resources required to achieve MWDOC's mission and services. Furthermore, this comprehensive evaluation was structured to uncover valuable opportunities for strengthening collaboration, supporting staff development, and implementing meaningful service improvements across the organization.

The organizational structure has been refined to align with our strategic priorities and improve operational efficiency. The structure maintains our core services while positioning MWDOC to better meet future challenges and opportunities in outreach and advocacy, Board services, water resource management, and Member Agency support.

The organizational structure features five focus areas:

- District Functions
 - Board Relations Cost Center 11
 - Administration / Human Resources Cost Centers 12, 13, 19
 - Finance & Information Technology Cost Centers 41, 45
- Communications & Outreach Cost Centers 32, 63
- Reliability & Emergency Planning
 - Reliability Planning & Engineering Cost Center 21
 - Water Emergency Response (WEROC) Cost Center 25
- Water Resources Implementation Cost Centers 35, 62, 70
- Policy & Advocacy
 - Metropolitan Issues & Water Policy Cost Center 23
 - Government Affairs Department Cost Center 31

This organizational structure will achieve several interconnected objectives. By streamlining reporting relationships, we aim to create more efficient communication channels while enhancing collaboration between related functional areas within the organization. The organizational structure establishes clear lines of accountability for strategic priorities, ensuring that responsibilities are well-defined and trackable. Additionally, the organization structure helps better align resources with organizational objectives, ensuring that personnel, Budget, and other assets are optimally distributed to support the District's core mission and goals.



BOARD RELATIONS

COST CENTER 11

The Board Relations 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.
- Assists in the review and development of District policies and ensures compliance with the District Administrative Code and Contracts Manual, publishes required legal notices, and coordinates all public records requests.
- Provides the oversight and maintenance of the Electronic Records Management System for the District, ensuring that all required documents are retained in accordance with the retention schedule and legal requirements, and trains staff on policies related to accessing, storing, and transmitting electronic records.
- Ensures compliance with respect to State, County, and Fair Political Practices Commission filings and deadlines, as well as various laws and legal requirements (Brown Act, AB 2449, AB 1234, etc.)

KEY INITIATIVES FOR FY 2025-26

As a result of the recently completed Needs Assessment, a portion of the Administration Department was bifurcated to include a new “Board Relations” Department. As a result, much of FY 2025-26 will focus on the organization and implementation of new processes and work assignments, which will help create a more seamless and efficient procedural process.

MWDOC staff actions include:

- **Developing a New Position:** A full-time Assistant District Secretary will be hired to assist the District Secretary with contract management, meeting attendance, travel, and all board and executive management support.
- **Records Management:** Evaluation of current processes and procedures and, if necessary, the possible combining of efforts and/or job duties in certain areas.
- **Contracts:** Board Relations will assume the function of Contracts Management (coordination and compliance), working with Program Managers after agreement negotiation and scope of work development.

BOARD STRATEGIC PRIORITY: MWDOC MISSION, STAFF DEVELOPMENT (AND RETENTION)

ADMINISTRATION

COST CENTERS 12, 13, 19

The Administrative Department comprises General Administration, Human Resources, and Overhead. The Administration Department provides support to the entire District to ensure operations run smoothly and efficiently.

Fundamental activities include:

- Oversight and maintenance of District email and mailing lists 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
- Implementation of personnel and mandated policies.
- Oversight of the Safety and Risk Management and the District's Workers Compensation, Liability and Property Insurance Programs
- Oversight of purchasing of office supplies, furniture, and equipment
- Coordination of District Travel and Accommodations for Staff ³
- Oversight of all items related to building facilities maintenance and management
- Provide support to departments

KEY INITIATIVES FOR FY 2025-26

Building Maintenance and Upgrades

The building's regular maintenance and repair work will remain under close supervision, with all necessary upkeep being performed as needed. Additionally, coordination efforts will continue with OCWD regarding the replacement of the audio-visual equipment in the MWDOC/OCWD Joint Boardroom.

Training, Coaching, and Development

We will continue to implement a comprehensive training and development strategy that begins with work

³ 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. After the Budget adoption, any new out-of-state conferences will be brought to the Board for consideration and approval.

performance assessments for new hires. Our approach includes one-on-one coaching for leadership, ongoing staff development and succession planning, and organization-wide training initiatives. Regular all-staff sessions and Lunch and Learns provide continuous learning opportunities, while mandatory trainings like Harassment Prevention and Workplace Violence Prevention ensure compliance and workplace safety.

401 and 457 Plans

Work with the new Financial Advisor to review the District's 401 and 457 Plan investment funds and implement any necessary plan improvements.

BOARD STRATEGIC PRIORITY: STAFF DEVELOPMENT (AND RETENTION)

FINANCE & INFORMATION TECHNOLOGY

COST CENTERS 41, 45

The Finance Department includes Accounting and Information Technology (IT) and serves as a backbone to the District. Finance and IT staff provide essential support to not only the District but also to WEROC for disaster recovery at both the District office and the Emergency Operations Center. We prioritize cyber security to protect our systems and data, and we also focus on financial stewardship and ensure adherence to prevailing audit standards.

FINANCE

The Finance Department provides support to MWDOC through payroll, accounts payable/receivable, fixed assets, investments, grant funding, reconciliations, and technology. Finance also provides monthly accounting to our Member Agencies through monthly billing of water deliveries, in-lieu credits, LRP payments, conservation rebates, shared services programs, and other Choice programs.

KEY INITIATIVES FOR FINANCE IN FY 2025-26

Upgrade to a new Enterprise Resource Planning (ERP) system (*new initiative*)

We have outgrown our current ERP system, which no longer meets our needs. We have experienced some limitations, which have caused time-consuming workarounds and delays. To support our growth, we seek a modern solution that enhances efficiency, streamlines processes, and facilitates data-driven decision-making.

BOARD STRATEGIC PRIORITY: MWDOC'S MISSION

INFORMATION TECHNOLOGY

The Information Technology (IT) Department administers computers, software, networks, and other electronic devices to enable staff to leverage information. It encompasses a wide range of technologies and applications that reside in the cloud, on-premises, and hybrid environments. Paramount to the success of the IT Department is having cybersecurity at the forefront to protect assets, maintain trust, and ensure business continuity.

KEY INITIATIVES FOR IT IN FY 2025-26

Infrastructure Modernization/Optimization

As IT equipment approaches end-of-life, it is necessary to replace infrastructure with new equipment to strengthen cybersecurity defenses, ensure high availability, and improve efficiencies.

MWDOC staff goals include:

- Replacement, consolidation, and modernization of servers
- Replacement of dated desktop and laptop computers
- Replacement of Network Attached Storage (NAS) used for centralized storage, backup, and recovery
- Support replacement/implementation of key business systems (e.g. Enterprise Resource Planning, GIS, etc.)

Cybersecurity

By prioritizing cybersecurity, the IT Department actively mitigates the risk of data breaches, financial loss, and reputation damage.

MWDOC staff goals include:

- Conduct Cyber Hygiene scans in coordination with the Department of Homeland Security (DHS)
- Conduct cyber vulnerability scans and analysis with our Managed Service Provider (MSP)
- Test the reliability and effectiveness of backup systems (integrity testing)
- Refine configuration and utilization of Security Information and Event Management (SIEM) software
- Monitor intelligent end-point detection and response systems for real-time and historical visibility
- Conduct periodic security awareness training and phishing testing

BOARD STRATEGIC PRIORITY: MWDOC MISSION

COMMUNICATIONS/PUBLIC AFFAIRS

COST CENTERS 32, 63

The Public Affairs (PA) Department is dedicated to promoting and providing resources focused on water conservation and efficiency that impact the region. The PA Department highlights the District's activities and priorities, enhancing public awareness of critical water issues through various events, materials, presentations, programs, and activities. PA works closely with MWDOC Member Agencies and the cities of Santa Ana, Anaheim, and Fullerton to ensure that valuable programs, initiatives, and incentives reach every part of the county.

- **Regional Communications Collaboration and Support:** MWDOC hosts meetings of the Public Affairs Workgroup for MWDOC's 27-Member Agency Public Information Officers (PIOs), other industry PIOs, and partners throughout Southern California. These meetings provide critical updates to programs and activities, facilitate unified regional messaging, and provide professional communications support and training.
- **Community Engagement and Social Media:** MWDOC further engages the public by actively seeking out and participating in highly visible community events – with and without MWDOC's Ricky the Rambunctious Raindrop (Ricky) mascot – having an active speaker's bureau, and engaging the public through a robust, award-winning social media presence that focuses on social targeting, listening, and EDvocacy™.
- **Digital Outreach and Publications:** MWDOC produces public service announcements and educational collateral that include videos, media and tool kits, flyers, news articles, presentations, and briefing papers to ensure our stakeholders are adequately equipped with sharable information and well-versed on significant issues facing the water industry.
- **Special Events:** Every year, MWDOC coordinates and presents its signature Policy Forum & Dinner events and co-hosts an annual O.C. Water Summit with the Orange County Water District to engage and educate elected officials, community and business leaders, water industry professionals, and the public about water issues affecting Orange County and the rest of the state.

KEY INITIATIVES FOR FY 2025-26

For the upcoming fiscal year, the Public Affairs Department will focus on strategic initiatives to enhance communication, promote regional collaboration, and celebrate key milestones. Guided by the District's mission to support water efficiency, stewardship, and long-term reliability, PA has identified the following priorities for FY 2025-26:

Expanded Video Content Strategy

To strengthen visibility, public engagement, and conversion rates, MWDOC will expand its video content strategy during FY 2025-26, focusing on highlighting the District's key initiatives.

- Member Agency Spotlights: Showcase the unique contributions of MWDOC Member Agencies from north to south, emphasizing collaborative efforts and regional success stories that ensure clean, safe, reliable water for Orange County customers.
- MWDOC Year in Review: A comprehensive, annual video summary showcasing achievements, initiatives, and progress toward long-term water reliability.
- Informational Videos: Highlight MWDOC's critical work in leak detection and Emergency Management (WEROC), showcasing efforts to maintain water infrastructure and ensure preparedness for emergencies.
- Social Media Integration: Leverage marketing studies showing that video messages have a 95% retention rate, compared to 10% for text. Short-form video content tailored for platforms like Instagram and YouTube will play a central role in social media efforts.

Commemorating MWDOC's 75th Anniversary

MWDOC's 75th anniversary represents a significant milestone, and FY 2025-26 will be dedicated to celebrating the District's legacy and vision for the future.

- Anniversary Campaign: A year-long celebration featuring events, storytelling, and educational initiatives to honor MWDOC's history and future goals.
- Special Events: Host a commemorative gala Water Policy Dinner and a Speaker Series (*Speakers Bureau*) with water industry leaders and policymakers.
- Legacy Publications: Develop a retrospective report and multimedia features chronicling MWDOC's contributions to Orange County's water reliability and stewardship, including an OC Register insert.
- Community Partnerships: Collaborate with local organizations, schools, and businesses to expand the reach and impact of anniversary initiatives.

MWDOC INVESTMENT INTO WATER ENERGY EDUCATION ALLIANCE (WEEA)

MWDOC has played a pivotal role in its leadership of the Water Energy Education Alliance (WEEA), a dynamic statewide workforce collaborative that has seen extraordinary growth in the past four years. WEEA leverages its members' collective resources, expertise, and relationships to bridge the gap between education and industry, creating sustainable career pathways for California students into high-quality, living-wage jobs in the water and energy sectors. Through its leadership, MWDOC is helping to shape the next generation of skilled workers by ensuring that early education and training institutions are equipped with the information, understanding, and tools needed to address California's future water and energy demands. This initiative also bolsters the region's economy, enhances resilience to environmental challenges, and addresses workforce shortages in critical sectors. MWDOC's leadership fosters stronger partnerships between educational institutions and industry stakeholders, paving the way for a diverse, well-trained, and work-ready labor force prepared to tackle the state's most urgent supply, infrastructure, and environmental challenges. Moreover, MWDOC's role positions the District as a key influencer in the development of policies and programs that align with California's long-term sustainability goals, making a meaningful impact on both local communities and the broader state economy.

STRENGTHENING PUBLIC AWARENESS AND ENGAGEMENT

Recognizing the challenges posed by "news deserts" with limited local media coverage, MWDOC will enhance its digital storytelling efforts through social media and newsletters, collaborate with influencers and regional outlets, and engage on diverse platforms. Key approaches include:

- Localized Content Marketing: Employ targeted Search Engine Optimization strategies, community events, and storytelling to ensure messages effectively reach and resonate with audiences.
- Innovative Partnerships: Partner with influencers, local businesses, civic and community groups, the OC Grand Jury, and schools to amplify outreach efforts including MWDOC's **Speakers Bureau** and build stronger community connections.

The newly refreshed MWDOC website will be an instrumental tool in accomplishing all of the above initiatives. With its intuitive design, comprehensive resources, enhanced ADA compliance, and improved search engine optimization, the website will support the District's efforts to expand visibility, engage with the public, and ensure long-term water reliability for Orange County. By leveraging this modernized platform alongside innovative strategies, MWDOC's Public Affairs Department will strengthen connections with communities and reinforce the District's leadership in water stewardship and efficiency.

BOARD STRATEGIC PRIORITIES: MWDOC'S MISSION, METROPOLITAN POLICY POSITIONS, MEMBER AGENCY COLLABORATION, COMMUNICATIONS

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 Metropolitan 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 and strategic priorities.

KEY INITIATIVES FOR FY 2025-26

2025 URBAN WATER MANAGEMENT PLAN (UWMP) *(new initiative)*

This Shared Services Program focuses on compliance with the State Water Code §10610-10656 (Urban Water Management Planning Act), which requires water suppliers to submit a UWMP to the Department of Water Resources every five years. This effort is divided into two sub-efforts:

- Demand forecasts for all water agencies in Orange County for the time horizon of 2025-2050. This collaborative effort with Orange County Water District will provide regional consistency across water demand forecasts for Orange County, and
- Completion of UWMPs for MWDOC and each participating agency in the 2025 UWMP Shared Services Program for submission prior to the July 1, 2026 deadline.

MWDOC staff actions include:

- Project management and agency coordination

WATER QUALITY COMMUNICATIONS *(new initiative)*

A key finding of the water quality workshops created and hosted by MWDOC in 2024 was unanimous support for improved communications between Metropolitan, MWDOC, and MWDOC Member Agencies in the area of water quality.

MWDOC staff goals include:

- Hosting MWDOC Member Agency quarterly Water Quality Workgroup meetings to identify and implement improvements in water quality communications between Metropolitan, MWDOC, and MWDOC Member Agencies, and
- Exploration of technology advances to improve the timeliness of reporting of water quality conditions in the imported water system.

CONSUMER CONFIDENCE REPORTS

For decades, MWDOC has provided coordination and professional consulting services to MWDOC's Member Agencies and the cities of Anaheim, Fullerton, and Santa Ana to prepare mandated water quality

Consumer Confidence Reports (CCR). This effort saves participating agencies time and money and provides a consistent regional water quality message throughout Orange County.

This effort was transferred from the Public Affairs Cost Center 32 to the Reliability Planning and Engineering Cost Center 21. In accordance with California Code of Regulations Title 22 Chapter 15 Article 20 and Health and Safety Code Section 116470, “wholesale systems are responsible for providing the consecutive steps with relevant information and monitoring and compliance data so that the consecutive system can include this information in their CCR.”

BOARD STRATEGIC PRIORITIES: MEMBER AGENCY COLLABORATION, COMMUNICATIONS

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 Member Agencies on emergency plans and standard operating procedure development and review; state and federal required training for grant eligibility and disaster readiness; disaster exercise development; grant identification and application; and response and recovery coordination.

KEY INITIATIVES FOR FY 2025-26

WEROC's strategic priorities for the fiscal year 2025-2026 are anchored in the 2020 WEROC Assessment Report and lessons learned from training, exercises, and real events over the course of the past five years. Key goals include:

- Ensuring readiness across WEROC and Orange County water and wastewater agencies through training, exercises, and continuous updates to plans and procedures.
- Implementing the Logistics Plan, incorporating insights from the Regional Tabletop Exercise to enhance resource coordination within WEROC.
- Expanding GIS capabilities with a user-friendly dashboard and updating damage assessment tools tested during the 2023 May Exercise.
- Finalizing and implementing the WEROC Emergency Water Distribution Plan in collaboration with regional stakeholders.
- Updating and expanding the WEROC Map Atlas to include critical GIS layers and reflect current infrastructure.
- Developing a comprehensive Regional Water and Wastewater Fuel Plan based on agency-provided data.
- Regional Water Distribution Plan Development: Advanced efforts to finalize a comprehensive water distribution plan, including collaboration with local water bottling companies and training Community Emergency Response Team (CERT) volunteers.
- Continue to manage the contract for the AWIA agencies. This is a Choice contract valued at over \$2.7 million total. There are 30 agencies total participating in this effort.

MWDOC staff goals include:

- Daily administration, including the WEROC staff's work area, day-to-day management, technical support, and accounting services.
- MWDOC's Engineering Department staff will continue to support technical projects and planning as it relates to WEROC and emergency planning.
- MWDOC Member Agencies contribute to the program by providing technical support throughout the year for items such as generator maintenance, technical expertise for a request for proposals development, exercise staffing assistance, and more.

WEROC's budget was approved by the seven (7) WEROC funding agencies (City of Anaheim, City of Fullerton, City of Santa Ana, Municipal Water District of Orange County, OC Sanitation District, Orange County Water District, and South Orange County Wastewater Authority) on January 23, 2025.



WATER USE EFFICIENCY (WUE)

COST CENTERS 35, 62, 70

The Water Use Efficiency Department offers Core and Choice programs that include Water Use Efficiency and Water Loss Control Programs. Both are designed to assist Member Agencies in complying with the Conservation as a California Way of Life Framework (Framework) promulgated through Senate Bill 606 and Assembly Bill 1668. In addition to these efforts, MWDOC is also helping Member Agencies prepare for compliance with the Framework by assisting with basic Framework understanding, dedicated landscape irrigation meters and residential landscape area measurements, Commercial, Industrial, and Institutional (CII) Best Management Practice Implementation Plans, CII Customer Classifications, and acquisition of new aerial imagery.

WATER USE EFFICIENCY PROGRAM IMPLEMENTATION

MWDOC collaborates with local water agencies, cities, and stakeholders to promote water use efficiency and sustainable water practices. MWDOC advocates for water-related policies at the state level, advocating for regulations and legislation that promote responsible water use. Conservation and efficient water use have been the underpinning of California's comprehensive long-term water supply reliability strategy.

MWDOC and Metropolitan offer a broad menu of incentives, education, pay-for-performance, and technical assistance programs to all customer classes. Metropolitan's Conservation Credits Program provides foundational funding for these programs, and MWDOC supplements Metropolitan's incentives with additional local, state, and federal funding. Together, these funding contributions greatly minimize or eliminate funding requirements from Member Agencies. Member agencies can, however, provide additional funding for their customers, if desired. With approximately 60% of Orange County's total water use applied to irrigating landscapes, most of our program implementation efforts focus on landscape water efficiency.

KEY INITIATIVES FOR FY 2025-26

LANDSCAPE PROGRAMS IMPLEMENTATION

Collaborate with Member Agencies to emphasize the importance of and promote all landscape water use efficiency programs and resources to consumers. This includes Turf Replacement, Smart Irrigation Timers, Spray-to-Drip Irrigation Conversions, Low-volume Sprinkler Nozzles, Residential Landscape Design, OC Friendly tree and plant lists, and Landscape Management trainings.

MWDOC staff goals include:

- Maximize access to grant funding for program implementation

COMPLIANCE WITH THE CONSERVATION AS A CALIFORNIA WAY OF LIFE FRAMEWORK

With the Conservation as a California Way of Life framework (Way of Life Framework) adopted by the State Water Board in July 2024, a key MWDOC initiative will be focusing on assisting Member Agencies to prepare for and achieve compliance by 2027. Staff is working towards offering programs related to all components of the Way of Life Framework. MWDOC has consultant, NV5, under contract to assist with obtaining and finalizing landscape area measurements. In December 2024, the MWDOC Board authorized a new consultant, Environmental Incentives, Inc. (with subconsultants Maureen Erbeznik and Associates and M.Cubed) to provide Way of Life Framework technical assistance that includes Readiness Assessments, Compliance Plans, CII BMP Implementation Plans, CII Customer Classification Systems, and Annual Reporting support and data management. These programs will be the primary focus over the next three years.

These consultant services are offered to Member Agencies using the Choice-based structure. Staff is also proposing to utilize the Environmental Incentives consultant team for Water Use Efficiency Workgroup Framework Support to build awareness and knowledge of the Way of Life Framework at our monthly WUE Workgroup meetings. Increased awareness will be achieved through deep dives into focused components of the Way of Life Framework, opportunities for sharing information among agencies, and detailed questions and answer opportunities.

MWDOC staff goals include:

- Initiating new Way of Life Framework Choice-based services for Member Agencies to include Readiness Assessments, developing Framework Compliance Plans, developing CII BMP Implementation Plans, classifying CII customer accounts, and facilitating WUE Workgroup Way of Life Framework support will be the primary focus. **(new choice initiative)**
- Completing Dedicated Irrigation Meter Area Measurements in partnership with Member Agencies and NV5.
- In partnership with the OC Data Acquisition Partnership, acquire new Aerial imagery to assist with landscape area measurements, evaluate changes in landscaped area over time, perform water use efficiency program quality control, and share imagery with Member Agencies.

BOARD STRATEGIC PRIORITIES: MWDOC'S MISSION STATEMENT AND MEMBER AGENCY COLLABORATION

WATER LOSS CONTROL PROGRAMS

DISTRIBUTION SYSTEM WATER LOSS SHARED SERVICES

MWDOC offers a variety of Water Loss Shared Services designed to assist agencies in obtaining compliance with the water loss mandate adopted by the legislature through Senate Bill 555 in 2015 including one-on-one Technical Assistance from a consultant specializing in water loss reduction and MWDOC-provided Shared Services. These services have been refined from year-to-year to meet Member Agency needs; adding new services, as needed, and removing services that are no longer accessed. Notably, Distribution System Leak Detection has seen year-over-year growth, increasing from 500 miles per year initially to now more than 1,600 miles per year.

KEY INITIATIVES FOR FY 2025-26

ONE-ON-ONE TECHNICAL ASSISTANCE

The Water Loss Control Technical Assistance Program will provide a variety of one-on-one technical assistance tasks for FY 2025-26. Annually Member Agencies select the services they plan to access. Please note, this list below is not exhaustive of all department routine activities but includes significant projects or initiatives.

MWDOC staff goals include:

- State Water Resources Control Board Water Loss Standard Assistance
- Water Audit Compilation and Annual Water Balance Validations
- Source or Production Meter Volumetric Accuracy Testing
- Water Loss Compliance Plan Development
- Distribution System Leak Detection and Suspected Leak Detection
- Leak Simulation Model
- Billing Data Chain Assessment

BOARD STRATEGIC PRIORITIES: MWDOC'S MISSION STATEMENT AND MEMBER AGENCY COLLABORATION

METROPOLITAN (MET) ISSUES AND WATER POLICY

COST CENTER 23

The Metropolitan (MET) Issues and Water Policy Department provides analysis on regional issues and policy as well as water supply and demand coordination and analysis. Over the years, this Department has also become the primary clearinghouse on local, regional, state, and federal water policy issues. It ensures all key policy issues are analyzed and thoroughly evaluated for the MWDOC Board of Directors, our MWDOC-MET Delegation, and MWDOC's Member Agencies. As it relates to Metropolitan 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.

KEY INITIATIVES FOR FY 2025-26

METROPOLITAN'S LONG-TERM FINANCIAL PLAN AND BUSINESS MODEL

Metropolitan will engage in reviewing its Business Model and its Long-Term Financial Plan. This analysis will include its impacts on Metropolitan's future Rates and Charges as well as assess whether modifications to Metropolitan's rate structure are needed. In addition, there may be a Cost of Service Assessment on Metropolitan'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 that may impact MWDOC and our Member Agencies.
- Ensure Metropolitan considers the predictability of rate requirements, strategies to ensure cost-effectiveness, and how Member Agencies rely upon Metropolitan financial forecasts to inform their own resources and financial planning.

METROPOLITAN CAMP4W

Metropolitan is analyzing additional long-term improvements that will be presented through the Climate Adaptation Master Plan for Water (CAMP4W) process. The goal is to create a drought-resilient network of facilities that strengthens the region's water supply reliability.

MWDOC staff actions include:

- Fully engage in this process and evaluate the Time-Bound Targets, Framework for Climate Decision-Making, new policies/initiatives, and alignment with the Metropolitan Business Model.
- Continue the dialogue and develop meaningful long-term objectives.
- Reinforce our collective dedication to the pursuit of advancing the objectives outlined in the Metropolitan mission statement.

BROADER WATER POLICY ISSUES

The Department provides analysis and advocacy for Orange County on water policy issues that extend beyond the scope of Metropolitan. 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.

MWDOC staff actions include:

- Financially analyze the cost/benefit of Metropolitan’s participation in the Delta Conveyance Plan and its cost impact to MWDOC and the Member Agencies.
- Encourage Metropolitan’s engagement and investment in further access to storage, particularly its involvement with Sites Reservoir.
- Advocate for Metropolitan staff to renegotiate its storage and banking programs along the SWP to improve its “take” capacity.
- Support the prioritization of improving the operational flexibility of the State Water Project-dependent areas of the Metropolitan system to ensure a balance of reliability for all Member Agencies.
- Monitor and attend key meetings and discussions on the Colorado River issues.
- Advocate for suitable Colorado River salinity control measures and actions.
- Evaluate and analyze Pure Water Southern California’s full-scale operational and financial configuration once it is presented to the Metropolitan Board for consideration.

BOARD STRATEGIC PRIORITIES: MWDOC’S MISSION, METROPOLITAN POLICY POSITION, METROPOLITAN DIRECTOR CONSULTATION, MEMBER AGENCY COLLABORATION

GOVERNMENTAL AFFAIRS

COST CENTER 31

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

The GA 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 provides helpful information and tools for them, along with MWDOC, to obtain funding for various programs and infrastructure.

Outreach to new members of the Orange County delegation as well as returning members will remain a high priority.

KEY INITIATIVES FOR FY 2025-26

COLORADO RIVER – POST 2026 OPERATIONS

Several reservoir and water management documents and agreements that govern the operation of the Colorado River facilities and management of the Colorado River are set to expire at the end of 2026. These include interim guidelines and drought contingency plans, among others. In an effort to support Metropolitan, the water rights holder for MWDOC's imported water from the Colorado River, it is critical that MWDOC staff remain engaged.

MWDOC staff actions include:

- Continue to monitor activities and processes relating to the management of the Colorado River, including monitoring discussions around post 2026 guidelines.
- Work with California water agencies to present the best arguments and messaging for California's role and leadership in the Colorado River Basin.
- Identify opportunities for engagement with the CA congressional delegation to support any related legislation that helps California and/or the Basin. Continue to ensure that dedicated federal dollars help California.
- Continue to coordinate with Metropolitan DC staff on all things related to the Colorado River.

WATER LOSS CONTROL

Government Affairs will be working collaboratively with Water Use Efficiency to enhance MWDOC's Water Loss Control (WLC) Program by highlighting its success while actively working to increase federal funding opportunities. Currently the Bureau of Reclamation's (Bureau) WaterSMART grant program does not include grants for distribution system leak detection, only residential leak detection. This will be an ongoing effort.

MWDOC staff goals include:

- Meet with members of the Orange County delegation to highlight the WLC Program's success and request help with the Bureau.
- Meet with the WaterSMART program staff and others at the Bureau about the WLC Program to request funding.
- Work with Bureau staff or Congress to change funding criteria.

LOW INCOME RATE ASSISTANCE (LIRA)

For the last several years, state legislators have proposed various low-income rate assistance (LIRA) program proposals. While the water community supports a LIRA program, it must be a workable solution. Past proposals have either lacked a funding source, proposed a statewide water tax, or have been “one size fits all” programs that do not recognize that many water providers already have successful LIRA programs in place. This year, the water community is working together on its proposal sponsored by the California Municipal Utilities Association (CMUA), working closely with the Association of California Water Agencies (ACWA).

MWDOC staff goals include:

- Support CMUA and ACWA’s water industry led proposal by participating in working groups and taskforce meetings.
- Meet with members of the Orange County delegation to request support for the CMUA-sponsored LIRA proposal.
- Engage and participate in outreach efforts that highlight the need for flexibility in a LIRA program as different water providers serve different populations and have varying administrative infrastructure and funding in place to implement upfront costs

CALIFORNIA WATER FOR ALL

After the veto of SB 366 (Caballero) due to implementation cost concerns from the Newsom Administration, this measure was reintroduced as SB 72 (Caballero) with some cost-saving amendments. This measure will set long-term water supply targets, including new supply sources and expanding water storage, updating the California Water Plan. The goal remains to move past defensive actions and identify a path to expanding California's water supply.

MWDOC staff actions include:

- Support CMUA and CCEEB (co-sponsors of SB 72) by attending member meetings with policy committee members and staff.
- Meet with members of the Orange County Delegation and ask for support for SB 72.
- Engage and participate in related working groups and outreach efforts.

BOARD STRATEGIC PRIORITIES: MWDOC'S MISSION, METROPOLITAN POLICY POSITION, METROPOLITAN DIRECTOR CONSULTATION, MEMBER AGENCY COLLABORATION

7. CHOICE & SHARED SERVICES PROGRAMS FOR FY 2025-26

MWDOC also offers several programs through a Shared Services structure via the Choice Program format.⁴ This provides MWDOC's Member Agencies with the framework to pool resources together to get a high-quality program with an economies-of-scale approach. Many of these program offerings provide Member Agencies with a pathway to meet regulatory requirements, best management practices, and other common water utility functions at a fraction of the cost or administrative burden compared to administering the program on an individual level. Additionally, by participating in these programs, MWDOC's Member Agencies can customize these programs to suit their individual needs while ensuring a level of consistency and integration across MWDOC's service area.

PERMANENT CHOICE PROGRAMS

WATER USE EFFICIENCY

MWDOC's Water Use Efficiency Program is implemented as a hybrid program with policy, workgroup, and grant acquisition-related tasks funded as Core activities through the MWDOC General Fund and all other activities as Choice activities funded by participating retail agencies. All Orange County retail agencies actively participate in MWDOC's Choice-based Water Use Efficiency Programs.

MWDOC is continuing to develop, implement, and evaluate a broad menu of water use efficiency programs on behalf of its Member Agencies. These programs focus on all customer classes and types of water use, with an emphasis on landscape water-saving opportunities; approximately 60% (and sometimes up to 80%) of total water use in Orange County is applied to landscaping. Staff will continue to maximize grant funding to minimize local funding needs.

WATER LOSS CONTROL SHARED SERVICES

Distribution System Leak Detection services have expanded significantly since 2020. There has been more than a 220% increase in miles of distribution system surveyed from FY 2019-20 to FY 2025-26, resulting in a total of 6,717 miles. Additionally, the number of agencies accessing these services each year has also been increasing over time. As of FY 2024-25, 25 out of 29 retail water agencies (86%) in Orange County have accessed these services.

⁴ 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.

To date, 2,434 hidden leaks (leaks that have not surfaced) have been found through this program. Water savings are estimated at more than 746 acre-feet per year with a value of \$609,935 annually (based on variable production cost). Additionally, MWDOC has secured funding from Metropolitan to offset costs to participating retail agencies. In addition to the variable costs, MWDOC’s Water Loss Control Program has saved MWDOC’s Member Agencies significant capital costs by detecting and repairing system leaks before they result in potentially catastrophic damage to facilities, assets, or private property.



K-12 WATER EDUCATION PROGRAM

Through interactive assemblies and inquiry-based activities that align with academic standards, Orange County’s youngest water users develop a strong foundation of water knowledge. This prepares them to make informed decisions about water usage and how to protect its long-term quality and availability. The MWDOC Choice School Programs save Orange County water providers significant time and money while providing consistent, vetted, water-focused educational programming for all students participating in the programs and encouraging the next generation to consider careers in water.

LIMITED-TERM SHARED-SERVICES PROGRAMS

AMERICA’S WATER INFRASTRUCTURE ACT (AWIA) & MULTI-JURISDICTIONAL HAZARD MITIGATION PLAN (MJHMP) PROJECT

Approval of the American Water Infrastructure Act of 2018 (AWIA) and Multi-Jurisdictional Hazard Mitigation Plan (MJHMP) Scope of Work: Secured Board approval for a \$2.8 million Budget to support Member Agencies with all Tier Levels to remain in compliance with the America’s Water Infrastructure Act (AWIA) and US Environmental Protection Agency (EPA) requirements. Per Section 2013 of Title II, the AWIA requires utilities to conduct a Risk and Resilience Assessment of their community water systems and develop a corresponding Emergency Response Plan.

The MJHMP was completed and submitted to the California Governor’s Office of Emergency Services (CalOES) on December 3, 2024. Participating agencies are waiting for the review from CalOES, and then the Plan will be sent to Federal Emergency Management Agency (FEMA) for approval.

- 25 out of 29 AWIA agencies are required to participate in the AWIA Choice contract to be administered by MWDOC/WEROC.
- 15 of 18 special district agencies are participating in the MWDOC/WEROC MJHMP.
- Note – city water departments were not eligible to participate in this project based on a ruling by FEMA in 2020.

All agencies participating will self-certify both their Risk and Resilience Assessment and Emergency Response Plans with the EPA by the regulatory due date.

2025 URBAN WATER MANAGEMENT PLANS (UWMP) FOR OC RETAIL AGENCIES

Since 2010, MWDOC has led the selection and administration of consultant services to assist over 21 Orange County agencies in complying with state-mandated Urban Water Management Plan (UWMP) requirements. This cooperative provides tremendous cost savings to participating agencies through economies of scale. Previous savings on a per-agency basis range between \$20,000 and \$40,000. Moreover, these Shared Services provide both efficiency and water planning consistently among all participating agencies. In the Summer of 2025, MWDOC will begin the process of selecting a consultant to update both the MWDOC and the Member Agencies’ UWMPs.

As an early step in this process, MWDOC collaborates with Orange County Water District in the development of Orange County’s retail and regional water demands. Population and demand projections will commence at the tail end of FY 2024-25 using a time horizon of 2025-2050 in preparation for the 2025 UWMP.

8. WATER RATES AND CHARGES

MWDOC's rates and fees generally fall into three categories: (1) the pass-through of costs from Metropolitan for imported water rates and charges; (2) specific charges for services contracted by our Member Agencies (Choice Budget); and (3) charges for MWDOC services that apply to all our Member Agencies (Core Budget).

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 modifications to the groundwater customer charge's methodology. This 2021 rate structure is used for the FY 2025-26 Budget and rates.

PROPOSED NEW RATES

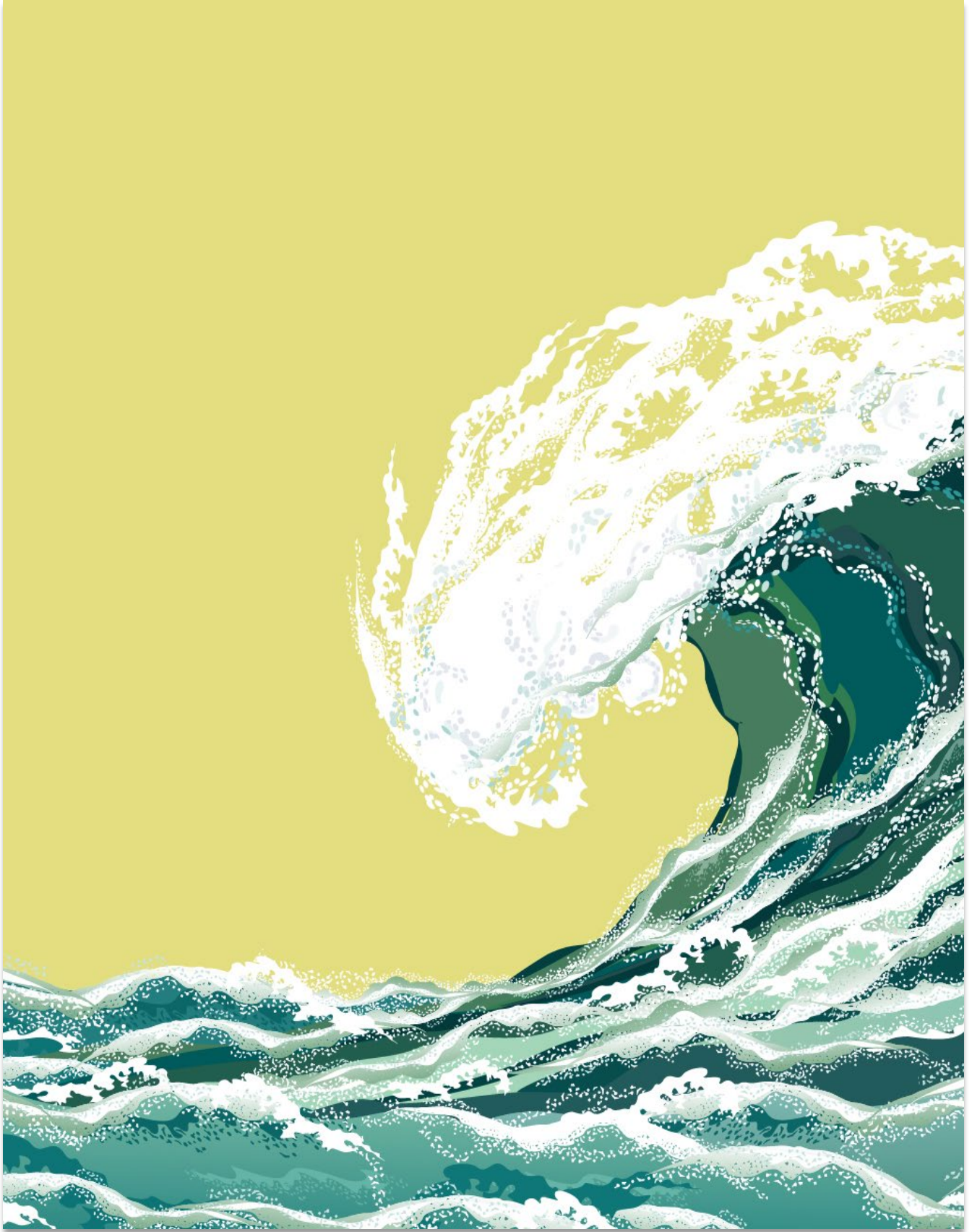
Based on the Proposed Budget and the current rate structure:

- **For FY 2025-26 the proposed Retail Meter Service Charge is \$15.25 per meter**
- **For FY 2025-26 the proposed Groundwater Customer Charge is \$414,371**

All other charges cover the cost of water supply, including Metropolitan water purchases and Metropolitan associated charges (i.e., Readiness-to-Serve (RTS) and Capacity Charge).

The proposed Total Water Budget for FY 2025-26 is \$205,191,724, which includes Water Purchases of 125,747 Acre-Feet, as well as anticipated Local Resource Program incentives of \$3,840,576, RTS and Capacity Charges, and the South County Pipeline (SCP) / Santiago Aqueduct Commission (SAC) Surcharge⁵.

⁵ Summary of Water Fund revenues and expenses can be found in Exhibit A5.





Annual Budget for Fiscal Year 2025-26

First 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

	FY24/25 ADOPTED BUDGET	FY24/25 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY25/26 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO ADOPTED BUDGET
OPERATING EXPENSES:						
Salaries & Wages	\$ 4,674,242	\$ 4,411,386	\$ (262,856)	\$ 4,879,533	\$ 468,147	\$ 205,291
less for Sal & Benefits - Reimb	-	-	-	(33,000)	(33,000)	(33,000)
Employee Benefits	1,359,165	1,393,179	34,014	1,548,403	155,224	189,238
Director Compensation	275,041	264,236	(10,805)	288,793	24,557	13,752
Director Benefits	149,557	137,665	(11,893)	161,632	23,967	12,075
MWD Representation	157,166	152,670	(4,496)	165,025	12,355	7,858
CALPERS Unfunded Liability Contribution	207,000	207,000	-	207,000	-	-
Overhead Reimbursement	(430,173)	(414,100)	16,073	(531,384)	(117,284)	(101,210)
Health Insurance Coverage for Retirees*	81,349	78,000	(3,349)	122,517	44,517	41,168
Audit Expense	36,500	27,000	(9,500)	37,445	10,445	945
Automotive & Toll Road Expenses	12,100	8,755	(3,345)	12,050	3,295	(50)
Conference Expense - Staff	40,002	32,172	(7,830)	42,497	10,325	2,495
Conference Expense - Directors	16,955	14,945	(2,010)	17,155	2,210	200
Outside Consulting Expense	293,000	335,100	42,100	480,000	144,900	187,000
Insurance Expense	198,000	197,500	(500)	233,950	36,450	35,950
Legal Expense - General	260,000	211,354	(48,646)	260,000	48,646	-
Maintenance Expense	348,680	348,680	-	156,000	(192,680)	(192,680)
Membership / Sponsorship	243,688	225,908	(17,780)	221,086	(4,822)	(22,602)
CDR Participation	67,789	67,789	-	72,650	4,861	4,861
Miscellaneous Expense	150,700	139,207	(11,493)	172,600	33,393	21,900
Postage / Mail Delivery	9,600	7,925	(1,675)	8,800	875	(800)
Professional Fees	1,101,750	906,535	(195,215)	970,200	63,665	(131,550)
Rents & Leases	1,200	1,072	(128)	1,125	53	(75)
Outside Printing, Subscription & Books	119,000	117,300	(1,700)	118,500	1,200	(500)
Office Supplies	30,000	26,000	(4,000)	28,000	2,000	(2,000)
Building Repair & Maintenance	30,200	45,000	14,800	57,200	12,200	27,000
Computer Maintenance	17,500	5,000	(12,500)	15,850	10,850	(1,650)
Business Expense	5,000	4,932	(68)	5,500	568	500
Software Support & Expense	86,188	154,483	68,295	289,311	134,828	203,123
Computers and Equipment	29,250	43,000	13,750	45,250	2,250	16,000

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

	FY24/25 ADOPTED BUDGET	FY24/25 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY25/26 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO ADOPTED BUDGET
Telecommunications Expense	43,006	48,991	5,985	47,474	(1,517)	4,468
Temporary Help Expense	5,000	-	(5,000)	5,000	5,000	-
Training Expense	40,000	38,000	(2,000)	58,945	20,945	18,945
Tuition Reimbursement	6,000	7,500	1,500	6,500	(1,000)	500
Travel & Accommodations - Staff	89,580	72,000	(17,580)	85,900	13,900	(3,680)
Travel & Accommodations - Directors	39,925	24,411	(15,514)	36,625	12,214	(3,300)
Depreciation Expense	-	62,568	62,568	-	(62,568)	-
MWDOC's Contribution to WEROC: Operations	300,808	296,290	(4,518)	353,149	56,859	52,341
Election Expense	-	226,666	226,666	-	(226,666)	-
Capital Acquisition (excluding building)	37,000	235,686	198,686	25,000	(210,686)	(12,000)
OPERATING EXPENSES	\$ 10,131,768	\$ 10,161,805	\$ 30,037	\$ 10,672,280	\$ 510,475	\$ 540,512
MWDOC's Building Expense	\$ 366,376	\$ 222,686	\$ (143,690)	\$ 350,000	\$ 127,314	\$ (16,376)
Building Expense Prior Year Carryover Dr/(Cr)	\$ (366,376)	\$ (350,000)	\$ 16,376	\$ (350,000)	\$ -	\$ 16,376
Contribution to Election Reserve	\$ 725,642	\$ 725,642	\$ -	\$ 605,000	\$ (120,642)	\$ (120,642)
TOTAL EXPENSES	\$ 10,857,410	\$ 10,760,133	\$ (97,277)	\$ 11,277,280	\$ 517,147	\$ 419,870

REVENUES:						
Retail Meter Charge	\$ 9,580,818	\$ 9,580,818	\$ -	\$ 9,939,416	\$ 358,598	\$ 358,598
Ground Water Customer Charge	405,463	405,463	-	414,371	8,908	8,908
Reimb for OPEB Reserve Reimbursement	80,000	80,000	-	122,517	42,517	42,517
Interest Revenue	738,960	900,500	161,540	916,000	15,500	177,040
Miscellaneous Income	3,000	3,000	-	5,000	2,000	2,000
TOTAL REVENUES	\$ 10,808,241	\$ 10,969,781	\$ 161,540	\$ 11,397,304	\$ 427,523	\$ 589,063

EFFECT ON RESERVES:						
TOTAL CONTRIBUTION (DRAW) FROM RESERVES	\$ (49,169)	\$ 209,648	\$ 258,817	\$ 120,024	\$ (89,624)	\$ 169,193

*MWDOC will be using OPEB Designated reserves to pay for retiree healthcare benefit

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

	FY24/25 ADOPTED BUDGET	FY24/25 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY25/26 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO ADOPTED BUDGET
OPERATING EXPENSES:						
Salaries & Wages	\$ 748,464	\$ 737,582	\$ (10,882)	\$ 921,534	\$ 183,952	\$ 173,070
less for Sal & Benefits - Reimb	(65,000)	(40,000)	25,000	(65,000)	(25,000)	-
Employee Benefits	218,894	193,629	(25,265)	277,535	83,906	58,641
Director Compensation	-	-	-	-	-	-
Director Benefits	-	-	-	-	-	-
MWD Representation	-	-	-	-	-	-
Overhead Reimbursement	430,173	414,100	(16,073)	531,384	117,284	101,210
Health Insurance Coverage for Retirees	-	-	-	-	-	-
Audit Expense	-	-	-	-	-	-
Automotive & Toll Road Expenses	600	462	(138)	500	38	(100)
Vehicle Expense	12,000	9,918	(2,082)	10,000	82	(2,000)
Conference Expense - Staff	-	-	-	-	-	-
Conference Expense - Directors	-	-	-	-	-	-
Outside Consulting Expense	-	-	-	-	-	-
Insurance Expense	-	200	200	200	-	200
Legal Expense - General	-	-	-	-	-	-
Maintenance Expense	-	-	-	-	-	-
Membership / Sponsorship	-	-	-	-	-	-
Miscellaneous Expense	8,770	9,477	707	11,000	1,523	2,230
Postage / Mail Delivery	500	450	(50)	650	200	150
Professional Fees	663,714	491,362	(172,352)	683,590	192,228	19,876
Rents & Leases	-	-	-	-	-	-
Outside Printing, Subscription & Books	-	-	-	-	-	-
Office Supplies	-	-	-	-	-	-
Supplies - Water Loss Control	4,800	4,000	(800)	4,000	-	(800)
Computer Maintenance	-	-	-	-	-	-
Software Support & Expense	3,000	2,112	(888)	2,420	308	(580)
Telecommunications Expense	2,520	1,632	(888)	2,112	480	(408)
Computers and Equipment	-	-	-	-	-	-
Temporary Help Expense	-	-	-	-	-	-
Training Expense	1,200	500	(700)	2,000	1,500	800
Tuition Reimbursement	-	-	-	-	-	-

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

	FY24/25 ADOPTED BUDGET	FY24/25 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY25/26 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO ADOPTED BUDGET
Depreciation Expense	-	15,126	15,126	-	(15,126)	-
Capital Acquisition	15,000	15,000	-	-	(15,000)	(15,000)
Subtotal Expenses	\$ 2,044,635	\$ 1,855,549	\$ (189,086)	\$ 2,381,925	\$ 526,375	337,289.70
TOTAL EXPENSES	\$ 2,044,635	\$ 1,855,549	\$ (189,086)	\$ 2,381,925	\$ 526,375	\$ 337,290

REVENUES:						
Choice Revenue	\$ 2,044,635	\$ 1,855,349	\$ (189,286)	\$ 2,381,925	\$ 526,575	\$ 337,290
TOTAL REVENUES	\$ 2,044,635	\$ 1,855,349	\$ (189,286)	\$ 2,381,925	\$ 526,575	\$ 337,290

Exhibit A4
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
CONSOLIDATED

	FY24/25 ADOPTED BUDGET	FY24/25 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY25/26 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO ADOPTED BUDGET
OPERATING EXPENSES:						
Salaries & Wages	\$ 5,422,706	\$ 5,148,968	\$ (273,738)	\$ 5,801,066	\$ 652,099	\$ 378,361
less for Sal & Benefits - Reimb	(65,000)	(40,000)	25,000	(98,000)	(58,000)	(33,000)
Employee Benefits	1,578,059	1,586,808	8,749	1,825,938	239,130	247,879
Director Compensation	275,041	264,236	(10,805)	288,793	24,557	13,752
Director Benefits	149,557	137,665	(11,893)	161,632	23,967	12,075
MWD Representation	157,166	152,670	(4,496)	165,025	12,355	7,858
CALPERS Unfunded Liability Contribution	207,000	207,000	-	207,000	-	-
Overhead Reimbursement	-	-	-	-	-	-
Health Insurance Coverage for Retirees*	81,349	78,000	(3,349)	122,517	44,517	41,168
Audit Expense	36,500	27,000	(9,500)	37,445	10,445	945
Automotive & Toll Road Expenses	12,700	9,217	(3,483)	12,550	3,333	(150)
Vehicle Expense - Water Loss Control	12,000	9,918	(2,082)	10,000	82	(2,000)
Conference Expense - Staff	40,002	32,172	(7,830)	42,497	10,325	2,495
Conference Expense - Directors	16,955	14,945	(2,010)	17,155	2,210	200
Outside Consulting Expense	293,000	335,100	42,100	480,000	144,900	187,000
Insurance Expense	198,000	197,700	(300)	234,150	36,450	36,150
Legal Expense - General	260,000	211,354	(48,646)	260,000	48,646	-
Maintenance Expense	348,680	348,680	-	156,000	(192,680)	(192,680)
Membership / Sponsorship	243,688	225,908	(17,780)	221,086	(4,822)	(22,602)
CDR Participation	67,789	67,789	-	72,650	4,861	4,861
Miscellaneous Expense	159,470	148,684	(10,786)	183,600	34,916	24,130
Postage / Mail Delivery	10,100	8,375	(1,725)	9,450	1,075	(650)
Professional Fees	1,765,464	1,397,897	(367,567)	1,653,790	255,893	(111,674)
Rents & Leases	1,200	1,072	(128)	1,125	53	(75)
Outside Printing, Subscription & Books	119,000	117,300	(1,700)	118,500	1,200	(500)
Office Supplies	30,000	26,000	(4,000)	28,000	2,000	(2,000)
Supplies - Water Loss Control	4,800	4,000	(800)	4,000	-	(800)
Building Repair & Maintenance	30,200	45,000	14,800	57,200	12,200	27,000
Computer Maintenance	17,500	5,000	(12,500)	15,850	10,850	(1,650)
Business Expense	5,000	4,932	(68)	5,500	568	500
Software Support & Expense	89,188	156,595	67,407	291,731	135,136	202,543
Computers and Equipment	29,250	43,000	13,750	45,250	2,250	16,000
Telecommunications Expense	45,526	50,623	5,097	49,586	(1,037)	4,060

Exhibit A4
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
CONSOLIDATED

	FY24/25 ADOPTED BUDGET	FY24/25 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY25/26 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO ADOPTED BUDGET
Temporary Help Expense	5,000	-	(5,000)	5,000	5,000	-
Training Expense	41,200	38,500	(2,700)	60,945	22,445	19,745
Tuition Reimbursement	6,000	7,500	1,500	6,500	(1,000)	500
Travel & Accommodations - Staff	89,580	72,000	(17,580)	85,900	13,900	(3,680)
Travel & Accommodations - Directors	39,925	24,411	(15,514)	36,625	12,214	(3,300)
Depreciation Expense	-	77,694	77,694	-	(77,694)	-
MWDOC's Contribution to WEROC: Operations	300,808	296,290	(4,518)	353,149	56,859	52,341
Election Expense	-	226,666	226,666	-	(226,666)	-
Capital Acquisition (excluding building)	52,000	250,686	198,686	25,000	(225,686)	(27,000)
OPERATING EXPENSES	\$ 12,176,403	\$ 12,017,354	\$ (159,049)	\$ 13,054,205	\$ 1,036,851	\$ 877,802
MWDOC's Building Expense	\$ 366,376	\$ 222,686	\$ (143,690)	\$ 350,000	\$ 127,314	\$ (16,376)
Building Expense Prior Year Carryover Dr/(Cr)	\$ (366,376)	\$ (350,000)	\$ 16,376	\$ (350,000)	\$ -	\$ 16,376
Contribution to Election Reserve	\$ 725,642	\$ 725,642	\$ -	\$ 605,000	\$ (120,642)	\$ (120,642)
TOTAL EXPENSES	\$ 12,902,045	\$ 12,615,682	\$ (286,363)	\$ 13,659,205	\$ 1,043,523	\$ 757,160

REVENUES:						
Retail Meter Charge	\$ 9,580,818	\$ 9,580,818	\$ -	\$ 9,939,416	\$ 358,598	\$ 358,598
Ground Water Customer Charge	405,463	405,463	-	414,371	8,908	8,908
Reimb for OPEB Reserve Reimbursement	80,000	80,000	-	122,517	42,517	42,517
Interest Revenue	738,960	900,500	161,540	916,000	15,500	177,040
Miscellaneous Income	3,000	3,000	-	5,000	2,000	2,000
Choice Revenue	2,044,635	1,855,349	(189,286)	2,381,925	526,575	337,290
TOTAL REVENUES	\$ 12,852,876	\$ 12,825,130	\$ (27,746)	\$ 13,779,229	\$ 954,098	\$ 926,353

EFFECT ON RESERVES:						
TOTAL CONTRIBUTION (DRAW) FROM RESERVES	\$ (49,169)	\$ 209,448	\$ 258,617	\$ 120,024	\$ (89,424)	\$ 169,193

*MWDOC will be using OPEB Designated reserves to pay for retiree healthcare benefit

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

	FY 24-25 ADOPTED BUDGET	FY 24-25 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 25-26 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 24-25 BUDGET
Water Revenues						
Water Sales	\$ 192,091,367	\$ 130,249,235	\$ (61,842,132)	\$187,002,825 (a)	\$ 56,753,590	\$ (5,088,542)
Local Resource Program Incentives	(4,661,958)	(3,491,433)	1,170,525	(3,840,576)	(349,143)	821,382
Readiness-To-Serve Charge	16,263,519	12,940,558	(3,322,961)	16,934,350	3,993,793	670,831
Capacity Charge	4,069,230	4,457,310	388,080	4,624,125	166,815	554,895
SCP/SAC Pipeline Surcharge	459,000	328,000	(131,000)	471,000	143,000	12,000
TOTAL WATER REVENUES	\$ 208,221,158	\$ 144,483,670	\$ (63,737,488)	\$205,191,724	\$ 60,708,055	\$ (3,029,433)
Water Expenses						
Water Purchases	\$ 192,091,367	\$ 130,249,235	\$ (61,842,132)	\$ 187,002,825	\$ 56,753,590	\$ (5,088,542)
Local Resource Program Incentives	(4,661,958)	(3,491,433)	1,170,525	(3,840,576)	(349,143)	821,382
Readiness-To-Serve Charge	16,263,519	12,940,558	(3,322,961)	16,934,350	3,993,793	670,831
Capacity Charge	4,069,230	4,457,310	388,080	4,624,125	166,815	554,895
SCP/SAC Pipeline Surcharge	459,000	328,000	(131,000)	471,000	143,000	12,000
TOTAL WATER EXPENSES	\$ 208,221,158	\$ 144,483,670	\$ (63,737,488)	\$205,191,724	\$ 60,708,055	\$ (3,029,433)
Changes to Fund Balance:						
Tier 2 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(a)=FY 25-26 Proposed Budget amount is based on an estimated 125,747 AF

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

	FY 2024-2025 ADOPTED BUDGET	FY 2024-2025 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2025-2026 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO ADOPTED BUDGET
Funding						
Metropolitan Water District	\$ 7,743,000	\$ 4,041,400	\$ (3,701,600)	\$ 5,861,960	\$ 1,820,560	\$ (1,881,040)
USBR	880,902	708,195	(172,706)	519,051	(189,144)	(361,850)
DWR	749,855	383,984	(365,871)	395,962	11,977	(353,893)
Member Agencies	1,498,286	1,171,873	(326,412)	1,572,525	400,652	74,239
TOTAL OUTSIDE FUNDING	\$ 10,872,042	\$ 6,305,453	\$ (4,566,590)	\$ 8,349,498	\$ 2,044,045	\$ (2,522,545)
Program Expenses Funded from Outside Sources						
Project Administration - Staff Time	\$ 53,642	\$ 15,361	\$ (38,281)	\$ -	\$ (15,361)	\$ (53,642)
Consultant Administration	-	-	-	\$ 1,222,638	\$ 1,222,638	1,222,638
Installation Verification	91,000	131,417	40,417	121,353	(10,065)	30,353
Rebate Incentives	10,159,400	5,680,081	(4,479,319)	6,935,507	1,255,426	(3,223,893)
Surveys and Audits	568,000	65,000	(503,000)	70,000	5,000	(498,000)
TOTAL PROGRAMS EXPENSES	\$ 10,872,042	\$ 5,891,859	\$ (4,980,183)	\$ 8,349,498	\$ 2,457,639	\$ (2,522,545)

**Exhibit B
Expenditures by Cost Center**

Cost Center	Cost Center Description	FY24/25 BUDGET FTE	FY25/26 BUDGET FTE	FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget
11	Administrative - Board	1.88	2.73	\$ 1,404,336	\$ 1,509,453	\$ 1,585,022
12	Administrative - General	4.79	5.08	1,154,916	1,064,400	1,182,338
13	Personnel / Staff Development	1.85	2.08	548,272	604,995	654,665
19	Overhead	4.07	3.80	1,380,430	1,714,723	1,128,142
21	Reliability Planning and Engineering	2.73	3.03	873,020	863,519	1,134,699
23	Metropolitan Issues and Water Policy	2.10	2.07	654,565	481,389	594,497
31	Governmental Affairs	0.90	0.89	626,265	624,556	655,593
35	Water Use Efficiency (Core)	1.22	1.33	582,765	447,920	507,052
32	Public Affairs	5.76	5.93	1,401,430	1,363,214	1,494,235
41	Finance	3.54	3.41	745,868	733,377	900,969
45	Information Technology	1.00	0.95	459,093	468,610	481,920
25	MWDOC's Contribution to WEROC	3.00	3.19	300,808	296,290	353,149
CORE TOTAL		32.84	34.49	\$ 10,131,768	\$ 10,172,446	\$ 10,672,280
62	Water Use Efficiency Program	6.29	6.44	989,455	1,106,805	1,182,308
63	School Programs	0.06	0.05	496,062	367,428	511,214
70	Water Loss Control	2.57	3.03	559,118	381,116	688,402
CHOICE TOTAL		8.92	9.52	\$ 2,044,635	\$ 1,855,349	\$ 2,381,925
CORE & CHOICE TOTAL		41.76	44.01	\$ 12,176,403	\$ 12,027,795	\$ 13,054,205
Includes:	Full-time employees	34.08	37.84	(2)		
	Part-time employees	2.29	1.55			
	Interns	2.39	1.44			
	WEROC employees	3.00	3.19			

(1)

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

(2) FTE's for 2024-2025 are calculated based on 2088 hours of work for the year. FTE's for 2025-2026 are calculated based on 2088 hours worked for the year. This corresponds to the actual working days for the fiscal year which varies year to year.

FY25/26 FISCAL MASTER PLAN PROJECTIONS

(in thousands)

	Projected	BUDGET	FISCAL MASTER PLAN PROJECTIONS ¹				
	ACTUALS		FY25/26	FY26/27	FY27/28	FY28/29	FY29/30
	FY24/25						
Beginning Designated Reserve Balance - MWDOC	\$6,065	\$ 6,052	\$ 6,050	\$ 6,133	\$ 6,280	\$ 6,491	6,775.20
less OPEB Reserve	297	297	297	297	297	297	297
Adjusted Reserve Balance	5,768	5,755	5,753	5,836	5,982	6,194	6,478
Revenues							
Water Rate Revenues:							
Retail Meter Agency Charge	9,581	9,939	10,301	10,665	11,032	11,401	11,772
Ground Water Customer Charge	405	414	428	442	457	472	487
Subtotal	9,986	10,354	10,729	11,107	11,488	11,872	12,259
Other Revenues:							
Choice Revenues	1,855	2,382	2,461	2,542	2,626	2,712	2,802
Interest Earnings	901	916	954	1,000	1,060	1,135	1,231
Misc./Reimbursements	3	5	5	5	6	6	6
Subtotal	2,759	3,303	3,419	3,548	3,691	3,853	4,039
Total Revenues	12,745	13,657	14,148	14,655	15,179	15,725	16,298
Expenses							
Core Expenses	9,926	10,647	10,999	11,362	11,737	12,124	12,524
Choice Expenses	1,856	2,382	2,461	2,542	2,626	2,712	2,802
Capital Acquisitions (not including building)	251	25	-	-	-	-	-
Total Expenses w/o Election	12,032	13,054	13,459	13,903	14,362	14,836	15,326
Revenue Over Expenses w/o Election	713	603	689	751	817	889	972
ELECTION Reserve Beginning Balance	1,710	1,484	2,089	1,265	1,870	571	1,176
Annual Election Reserve Contribution	726	605	605	605	605	605	605
Annual Election Expense	952	-	1,428	-	1,905	-	1,428
Election Reserve Ending Balance	1,484	2,089	1,265	1,870	571	1,176	352
MWDOC's Contribution to OPEB Trust Fund							
Ending General Fund & Designated Reserves	\$ 4,285	\$ 3,664	\$ 4,571	\$ 4,112	\$ 5,624	\$ 5,302	\$ 6,493
Document does not reflect MWDOC's irrevocable trust towards OPEB Pension liability							
MWDOC Water Rates							
Total Retail Customer Meters	649,547	651,765	654,000	656,300	658,600	660,900	663,200
Connection Charge	\$ 14.75	\$ 15.25	\$ 15.75	\$ 16.25	\$ 16.75	\$ 17.25	\$ 17.75
Fixed Charge %		100%	100%	100%	100%	100%	100%
Rate Increase Proposal:							
Connection Charge		\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50

1 Assumptions for FMP:

Projected Inflation rate:
Rate of return on Investment of portfolio:

3.30% per year
4.10% per year

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Summary of Conference/Meeting Budget
Proposed District Participation Costs
Fiscal Year 2025-26

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

Grouping	Conference / Meeting	Approval included in Budget Approval	Exh D Proposed District Participation Costs			Exh E Proposed Staff Registration & Travel Budget*		Exh F Proposed Board Registration & Travel Budget*	
			Adopted Budget FY24/25	Projected Actuals FY24/25	Proposed Budget FY25/26	Registration	Travel	Registration	Travel
Board Related	(DWR)/State Water Resources Control Board (SWRCB)	√	-	-	-	-	1,800	-	-
	Alliance for Water Use Efficiency	New	-	-	-	600	1,500	-	-
	American Water Works Association (AWWA)	√	2,056	2,056	2,445	5,000	13,300	-	-
	Association of California Cities- Orange County (ACCOC)	√	5,200	5,000	5,150	500	800	-	-
	Association of California Water Agencies (ACWA)	√	25,641	27,150	27,965	10,097	14,100	-	-
	CA Chamber of Commerce (HR California)	√	950	950	979	-	-	-	-
	CA Water for all	√	10,000	10,000	10,000	-	-	-	-
	Cal Desal	√	5,200	5,000	5,150	260	-	-	-
	California Association of Public Information Officers (CAPIO)	√	982	825	1,150	1,100	2,800	-	-
	California Council for Environmental and Economic Balance (CCEEB)	√	29,000	29,000	29,000	-	4,500	-	-
	California Employees Public Retirement System(CalPERS)	√	-	-	-	1,500	2,400	-	-
	California Environmental Literacy Initiative	√	640	-	-	-	-	-	-
	California Municipal Treasurers Association (CMTA)	√	185	-	-	-	-	-	-
	California Municipal Utilities Association (CMUA)	√	10,520	10,725	11,047	560	1,200	-	-
	California Society of Municipal Finance Officers (CSMFO)	√	130	150	150	-	-	-	-
	California Special Districts Association (CSDA)	√	9,300	9,548	9,835	2,825	5,350	-	-
	California Water Efficiency Partnership (CalWEP)	√	6,459	-	-	-	-	-	-
	California Water, Energy and Education Alliance (CWEEA)	√	1,285	-	-	-	-	-	-
	Californina Data Collaboration	√	16,500	16,500	16,500	-	-	-	-
	Colorado River Water Users Association (CRWUA)	√	-	-	-	3,000	5,000	-	-
	Department of Water Resources Education Committee	√	1,600	-	-	500	600	-	-
	ESRI-GIS	√	-	-	-	2,625	3,600	-	-
	Festival of Butterflies Sponsorship	√	2,500	2,500	2,575	-	-	-	-
	Government Finance Officers Association (GFOA)	√	182	182	187	-	-	-	-
	Information Systems Audit and Control Association (ISACA)	√	150	150	155	-	-	-	-
	International Association of Business Communicators (IABC)	√	400	-	-	-	-	-	-
	League of California Cities	√	2,500	2,500	2,575	-	-	-	-
	Legislative Advocacy	√	-	-	-	-	9,000	-	-
	Liebert, Cassidy Whitmore	√	-	-	-	1,200	-	-	-
	Multi-State Salinity Coalition	√	-	-	-	800	1,200	-	-
	National Water Resources Assn., Mun. Caucus	√	557	557	574	-	-	-	-
	OC Chapter-Calif. Landscape Contractors Assoc.	√	2,400	-	-	-	-	-	-
	Orange County Business Council (OCBC)	√	5,150	5,000	5,150	1,600	2,000	-	-
	Orange County Public Affairs Association (OCPAA)	√	650	650	100	-	-	-	-
	Orange County Water Association (OCWA)	√	500	500	515	-	-	-	-
	Pilot MWDOC Ambassador Program + Outreach Tours	√	20,000	20,000	-	-	-	-	-
	Public Relations Society of America/O.C. (PRSA)	√	1,394	1,200	1,236	930	3,600	-	-
	Public Sector HR Assoc	√	64	64	66	-	-	-	-
	Radio and Television News Directors Association	√	75	75	77	-	-	-	-
	Society of Human Resources Management (SHRM)	√	245	245	252	-	-	-	-
	South OC Watershed Management Area Dues	√	9,300	8,700	8,800	-	-	-	-
	South Orange County Economic Coalition (SOCEC)	√	1,745	1,745	1,797	-	-	-	-
	Southern California Water Coalition (SCWC)	√	1,092	1,092	1,125	-	-	-	-
	Urban Water Institute	√	6,000	6,000	6,180	5,400	7,650	-	-
	Water Environment Federation	√	60	60	62	-	-	-	-
	WaterISAC (International Security And Network)	√	550	550	587	-	-	-	-
	Miscellaneous	√	-	-	-	4,000	5,500	-	-
Board Related Total			181,162	168,674	151,384	42,497	85,900	-	-
Staff Related	Association of California Cities- Orange County (ACCOC)	√	-	-	-	-	-	500	800
	Association of California Water Agencies (ACWA)	√	-	-	-	-	-	7,075	9,725
	Cal Desal	√	-	-	-	-	-	780	-
	California Council for Environmental and Economic Balance (CCEEB)	√	-	-	-	-	-	-	4,500
	California Water Efficiency Partnership (CalWEP)	√	-	6,332	6,300	-	12,000	-	-
	Colorado River Water Users Association (CRWUA)	√	-	-	-	-	-	1,800	3,000
	LAFCO	√	45,000	48,652	48,652	-	-	-	-
	Legislative Advocacy	√	-	-	-	-	-	-	9,000
	OC Chapter-Calif. Landscape Contractors Assoc.	√	-	2,250	2,250	-	-	-	-
	Orange County Business Council (OCBC)	√	-	-	-	-	-	1,600	2,000
	Urban Water Institute	√	-	-	-	-	-	3,600	5,100
	Miscellaneous	√	-	-	12,500	-	-	1,800	2,500
Staff Related Total			45,000	57,234	69,702	-	12,000	17,155	36,625
WEROC	AWWA CA/NV Section	√	311	311	311	3,000	3,750	-	-
	California Emergency Services Association	√	239	239	239	1,950	7,650	-	-
	International Association of Emergency Managers	√	400	400	400	800	2,850	-	-
WEROC Total			950	950	950	5,750	14,250	-	-
Grand Total			227,112	226,858	222,036	48,247	112,150	17,155	36,625

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

Department	Consultant	Service	Budget FY 24-25	Budget FY 25-26	* Approval included in Budget Approval
Outside Consulting Expense					
Planning & Operation (21)	CDR	GIS Work	\$ 28,000	\$ 30,000	√
	(To be determined)	MWDOC 2025 UWMP	\$ -	\$ 60,000	New
	(To be determined)	Water Quality Data Hub	\$ -	\$ 60,000	New
	(To be determined)	Real Time Water Quality Analyzer Pilot	\$ -	\$ 40,000	New
	(To be determined)	GIS Implementation Project	\$ -	\$ 40,000	New
	(To be determined)	Water Quality Workgroup Technical Support	\$ -	\$ 15,000	New
	(To be determined)	Supplemental Analysis of Water Supplies	\$ 50,000	\$ -	√
	(To be determined)	On Call Work	\$ 25,000	\$ 30,000	√
	Hazen	Demand Projections 2025 UWMP by Oct 2025	\$ 65,000	\$ 15,000	√
	Stetson Engineering	Consumer Confidence Report	\$ -	\$ 80,000	√
Met Issues & Special Projects (23)	Ed Means Consulting	EOCF#2 Pilot Project	\$ 20,000	\$ 10,000	√
	(To be determined)	Consulting on MET issues	\$ -	\$ 10,000	New
	(To be determined)	Financial & Rate Consulting	\$ 25,000	\$ -	√
	Dopudja & Wells Consulting- Paul Jones	MET and Reliability Planning (IRP & Delta)	\$ 80,000	\$ 90,000	√
Total Outside Consulting Expense			\$ 293,000	\$ 480,000	
Legal Expenses					
Administration (11 & 13)	Best, Best & Krieger	General Legal Counsel Services	\$ 219,000	\$ 219,000	√
	Aleshire & Wynder	Legal Counsel Services Regarding San Diego CWA	\$ 16,000	\$ 16,000	√
	Best, Best & Krieger	Labor Counsel Services	\$ 25,000	\$ 25,000	√
Total Legal Expenses			\$ 260,000	\$ 260,000	
Audit Expenses					
Finance (41)	Davis Farr, LLP	Annual Financial Audit and Federal Single Audit	\$ 36,500	\$ 32,445	√
	Davis Farr, LLP	WUE Grant Review	\$ -	\$ 5,000	√
Training					
Administration (13)	Cal State University Fullerton/Municipal Resources Group/Centre for Organization Effectiveness/HR Strategic Competitive Gains/Predict	Staff Development/Technical Training/Leadership Training	\$ 40,000	\$ 58,945	√
Professional Fees					
Administration (12 & 13 & 19)	Economic Group Pension Services (EGPS)	Pension Plan Administration	\$ 4,500	\$ 4,100	√
	(To be determined)	Advisor to assist with review of 401a and 457 Plans and investments	\$ 25,000	\$ -	√
	(To be determined)	Various Lunch and learn+training	\$ 6,000	\$ 6,000	√
	IGOE	Cafeteria Plan Administration	\$ 795	\$ 700	√
	Docusign	Docusign	\$ 7,000	\$ -	√
	Gladwell Services	Records Management Consulting	\$ 3,000	\$ -	√
	Health Equity	Health Equity	\$ 205	\$ 200	√
Governmental Affairs (31)	BBK Legislation	State Legislative Advocate	\$ 96,000	\$ -	√
	Syrus Devers Advocacy	Sacramento Lobbyist	\$ -	\$ 96,000	New
	Natural Resource Results	Federal Legislative Advocate	\$ 96,000	\$ 96,000	√
	Dopudja & Wells	Legislative and Local GA Assistance	\$ 25,000	\$ 25,000	√
	Whittingham Public Affairs Adv.	County Advocate	\$ 90,000	\$ 90,000	√
	Soto Services	Grant Research and Acquisition Assistance	\$ 39,000	\$ 39,000	√
	Ackerman	Legal and Regulatory	\$ 42,000	\$ 42,000	√
	Travel	Travel	\$ 5,000	\$ 6,000	√
Public Affairs (32)	Stetson Engineers	Consumer Confidence Report	\$ 60,000	\$ -	√
	Hashtag Pinpoint	Strategic Digital Consulting Services	\$ 95,000	\$ 95,000	√
	(To be determined)	Water Awareness Campaign	\$ 30,000	\$ 30,000	√
	LA Design	Website Maintenance	\$ 5,000	\$ 5,000	√
	(Various)	Special Events	\$ 50,000	\$ 50,000	√
	VoxCivic, SCNG, etc.	Advertising	\$ 40,000	\$ 40,000	√
WUE - Core (35)	(To be determined)	General WUE Research	\$ 75,000	\$ 75,000	√
	Environmental Incentive	WUE Work Group Support - Way of Life TAP	\$ -	\$ 50,000	New
	E Source	Water Loss Control Work Grp (WLC)	\$ 55,000	\$ 55,000	√
	E Source	WLC Business Plan Implementation	\$ 35,000	\$ 35,000	√
	OC Data Acquisition P/S (OCDAP)	Aerial Imagery and Landscape Measurement Project	\$ 75,000	\$ 50,000	√
Finance (41)	U.S. Bank	Custodial Bank fees	\$ 10,000	\$ 10,000	√
	CalPERS	CalPERS GASB 68 Report	\$ 700	\$ 700	√
	(To be determined)	OPEB Actuarial	\$ 3,750	\$ 1,000	√
	Tracker C2	Investment Tracking	\$ 3,300	\$ 3,500	√
IT (45)	(To be determined)	Managed Service Provider	\$ 70,000	\$ 65,000	√
	(To be determined)	IT Projects	\$ 19,500	\$ -	√
	CrowdStrike	Cybersecurity	\$ 45,000	\$ -	√
Total Professional Fees			\$ 1,111,750	\$ 970,200	

**Exhibit J1
Professional / Special Services Authorized
Choice Funds**

Department	Consultant	Service	Budget FY 24-25	Budget FY 25-26	* Approval included in Budget Approval
Training					
Water Loss Control (70)	(To be determined)	Water loss training	\$ 1,000	\$ 2,000	√
Professional Fees					
Water Loss Control (70)	Westerley & McCall's	Meter Accuracy Testing	\$ 55,000	\$ 50,000	√
Water Use Efficiency (62)	Various Printers	Printing of marketing materials for all WUE programs	\$ 40,000	\$ 40,000	√
	ARC GIS	GIS	\$ -	\$ 2,030	√
	Droplet	Web Based Rebate Processing Platform (Turf & Drip)	\$ 37,100	\$ 47,500	√
	Mission Resource Cnsvr District	Residential Installation Verification Inspections	\$ 50,000	\$ 50,000	√
School Program (63)	Shows that teach/The OC Department of Education	Assemblies (Elementary School)	\$ 283,642	\$ 292,150	√
	The OC Department of Education	Assemblies (Middle School)	\$ 123,845	\$ 125,560	√
	The OC Department of Education	Assemblies (High School)	\$ 74,127	\$ 76,350	√
Total Professional Fees			\$ 663,714	\$ 683,590	

* 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 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget
6010	Salaries & Wages - Admin	4,674,242	4,411,386	4,879,533
6090	Directors Compensation - MWDOC	275,041	264,236	288,793
6095	Directors Compensation - MWD	157,166	152,670	165,025
6105	Benefits - Admin	1,359,165	1,393,179	1,548,403
6109	CALPERS Unfunded Liability Contribution	207,000	207,000	207,000
6111	Overhead Reimbursement	(430,173)	(414,100)	(531,384)
6115	Benefits - Directors	149,557	137,665	161,632
6120	Health Insurance Coverage for Retirees	81,349	78,000	122,517
6205	Training	40,000	38,000	58,945
6210	Tuition Reimbursement	6,000	7,500	6,500
6220	Temporary Help	5,000	-	5,000
7010	Outside Consulting Services	293,000	335,100	480,000
7020	Legal - General	260,000	211,354	260,000
7030	Audit	36,500	27,000	37,445
7040	Other Professional Fees	1,101,750	906,535	970,200
7110	Conference - Employee	40,002	32,172	42,497
7115	Conference - Directors	16,955	14,945	17,155
7150	Travel & Accommodations - Employee	89,580	72,000	85,900
7155	Travel & Accommodations - Director	39,925	24,411	36,625
7210	Membership / Sponsorship	243,688	225,908	221,086
7250	CDR Participation	67,789	67,789	72,650
7305	Business Expense	5,000	4,932	5,500
7310	Office Maintenance	348,680	348,680	156,000
7315	Building Repair & Maintenance	30,200	45,000	57,200
7320	Rents & Leases	1,200	1,072	1,125
7330	Office Supplies	30,000	26,000	28,000
7340	Postal / Mail Delivery	9,600	7,925	8,800
7350	Subscriptions / Books	10,000	9,500	10,000
7360	Reproduction Expense	109,000	107,800	108,500
7410	Computer & Peripherals Maint	17,500	5,000	15,850
7430	Software Purchase	81,540	104,298	269,311
7440	Software Support	4,648	50,185	20,000
7510	Site Maintenance	-	-	-
7450	Computers and Equipment	29,250	43,000	45,250
7580	Maintenance Expense	-	-	-
7610	Automotive / Mileage	11,500	8,400	11,500
7615	Toll Road Charges	600	355	550
7620	Insurance Expense	198,000	197,500	233,950
7640	Utilities - Telephone	43,006	48,991	47,474
7650	Bank Fees	2,400	2,400	2,400
7670	Miscellaneous Expenses	148,300	136,807	170,200
8610	Depreciation Expense	-	62,568	-
8810	Capital Acquisition	37,000	38,892	25,000
	Total Expenditure	9,830,961	9,442,055	10,319,132
	MWDOC's Contribution to WEROC Oper	300,808	296,290	353,149
	MWDOC's Contribution to Election Rsrv	725,642	725,642	605,000
	MWDOC's Building Expense (8811)	366,376	222,686	350,000
	Building Prior Year Carryover Dr/(Cr)	(366,376)	(350,000)	(350,000)
		10,857,410	10,336,673	11,277,280

Total Choice Revenue and Expense

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget
4215	Choice Revenue	2,044,635	1,190,854	2,381,925
4205	School Contracts	-	-	-
4705	Prior Year Carry Over	-	-	-
	Choice billing over/under	-	664,496	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
	Total Revenue	2,044,635	1,855,349	2,381,925

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget
6010	Salaries & Wages - Admin	748,464	737,582	921,534
	Sal & Benefits - Reimb	(65,000)	(40,000)	(65,000)
6090	Directors Compensation - MWDOC	-	-	-
6095	Directors Compensation - MWD	-	-	-
6105	Benefits - Admin	218,894	193,629	277,535
6111	Overhead Reimbursement	430,173	414,100	531,384
6115	Benefits - Directors	-	-	-
6120	Health Insurance Coverage for Retirees	-	-	-
6205	Training	1,200	500	2,000
6210	Tuition Reimbursement	-	-	-
6220	Temporary Help	-	-	-
7010	Outside Consulting Services	-	-	-
7020	Legal - General	-	-	-
7030	Audit	-	-	-
7040	Other Professional Fees	182,100	135,852	189,530
	Other Professional Fees - School Programs	481,614	355,510	494,060
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	-	-	-
7332	Supplies - Water Loss Control	4,800	4,000	4,000
7340	Postal / Mail Delivery	500	450	650
7350	Subscriptions/Books	-	-	-
7360	Reproduction Expense	-	-	-
7410	Computer & Peripherals Maint	-	-	-
7430	Software Purchase	3,000	2,112	2,420
7440	Software Support	-	-	-
7450	Software Development	-	-	-
7510	Site Maintenance	-	-	-
7450	Computers and Equipment	-	-	-
7580	Maintenance Expense	-	-	-
7610	Automotive / Mileage	400	62	100
7612	Vehicle Expense	12,000	9,718	10,000
7615	Toll Road Charges	200	400	400
7620	Insurance Expense	-	200	200
7640	Utilities - Telephone	2,520	1,632	2,112
7650	Bank Fees	-	-	-
7670	Miscellaneous Expenses	8,770	9,477	11,000
8410	Overhead Reimbursement	-	-	-
8610	Depreciation Expense	-	15,126	-
8710	Election Expenses	-	-	-
8810	Capital Acquisition	15,000	15,000	-
	Total Expenditure	2,044,635	1,855,349	2,381,925

Total Core and Choice Expenses

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget
6010	Salaries & Wages - Admin	5,422,706	5,148,968	5,801,066
	Sal & Benefits - Reimb	(65,000)	(40,000)	(98,000)
6090	Directors Compensation - MWDOC	275,041	264,236	288,793
6095	Directors Compensation - MWD	157,166	152,670	165,025
6105	Benefits - Admin	1,578,059	1,586,808	1,825,938
6109	CALPERS Unfunded Liability Contribution	207,000	207,000	207,000
6111	Overhead Reimbursement	-	-	-
6115	Benefits - Directors	149,557	137,665	161,632
6120	Health Insurance Coverage for Retirees	81,349	78,000	122,517
6205	Training	41,200	38,500	60,945
6210	Tuition Reimbursement	6,000	7,500	6,500
6220	Temporary Help	5,000	-	5,000
7010	Outside Consulting Services	293,000	335,100	480,000
7020	Legal - General	260,000	211,354	260,000
7030	Audit	36,500	27,000	37,445
7040	Other Professional Fees	1,283,850	1,042,387	1,159,730
	Other Professional Fees - School Programs	481,614	355,510	494,060
7110	Conference - Employee	40,002	32,172	42,497
7115	Conference - Directors	16,955	14,945	17,155
7150	Travel & Accommodations - Employee	89,580	72,000	85,900
7155	Travel & Accommodations - Director	39,925	24,411	36,625
7210	Membership / Sponsorship	243,688	225,908	221,086
7250	CDR Participation	67,789	67,789	72,650
7305	Business Expense	5,000	4,932	5,500
7310	Office Maintenance	348,680	348,680	156,000
7315	Building Repair & Maintenance	30,200	45,000	57,200
7320	Rents & Leases	1,200	1,072	1,125
7330	Office Supplies	30,000	26,000	28,000
7332	Supplies - Water Loss Control	4,800	4,000	4,000
7340	Postal / Mail Delivery	10,100	8,375	9,450
7350	Subscriptions / Books	10,000	9,500	10,000
7360	Reproduction Expense	109,000	107,800	108,500
7410	Computer & Peripherals Maint	17,500	5,000	15,850
7430	Software Purchase	84,540	106,410	271,731
7440	Software Support	4,648	50,185	20,000
7450	Computers and Equipment	29,250	43,000	45,250
7580	Maintenance Expense	-	-	-
7610	Automotive / Mileage	11,900	8,462	11,600
7612	Vehicle Expense	12,000	9,718	10,000
7615	Toll Road Charges	800	755	950
7620	Insurance Expense	198,000	197,700	234,150
7640	Utilities - Telephone	45,526	50,623	49,586
7650	Bank Fees	2,400	2,400	2,400
7670	Miscellaneous Expenses	157,070	146,284	181,200
8610	Depreciation Expense	-	77,694	-
8810	Capital Acquisition	52,000	53,892	25,000
	Total Expenditure	11,875,595	11,297,404	12,701,056
	MWDOC's Contribution to WEROC Oper	300,808	296,290	353,149
	MWDOC's Contribution to Election Rsrv	725,642	725,642	605,000
	MWDOC's Building Expense (8811)	366,376	222,686	350,000
	Building Prior Year Carryover Dr/(Cr)	(366,376)	(350,000)	(350,000)
		<u>12,902,045</u>	<u>12,192,022</u>	<u>13,659,205</u>

Administrative - Board

11

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget		
6010	Salaries & Wages - Admin	373,108	336,312	467,457		
6090	Directors Compensation - MWDOC	275,041	264,236	288,793		
6095	Directors Compensation - MWD	157,166	152,670	165,025		
6105	Benefits - Admin	93,283	100,635	145,383		
6115	Benefits - Directors	149,557	137,665	161,632		
6120	Health Insurance Coverage for Retirees					
6205	Training					
6210	Tuition Reimbursement					
6220	Temporary Help					
7010	Outside Consulting Services					
7020	Legal - General	235,000	186,354	235,000	1	1 See Exhibit J
7030	Audit					
7040	Other Professional Fees					
7110	Conference - Employee					
7115	Conference - Directors	16,955	14,945	17,155	2	2 See Exhibit F
7150	Travel & Accommodations - Employee					
7155	Travel & Accommodations - Director	39,925	24,411	36,625	2	2 See Exhibit F
7210	Membership / Sponsorship	45,000	48,652	48,652	3	3 See Exhibit D
7250	CDR Participation					
7310	Office Maintenance					
7320	Rents & Leases					
7330	Office Supplies					
7340	Postal / Mail Delivery	6,000	5,325	6,000		
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	7,000	5,600	7,000		
7615	Toll Road Charges	300	225	300		
7620	Insurance Expense					
7640	Utilities - Telephone					
7650	Bank Fees					
7670	Miscellaneous Expenses	6,000	5,757	6,000		
8410	Overhead Reimbursement					
8610	Depreciation Expense					
8710	Election Expenses	-	226,666	-	4	4 Will be paid w/ Election Reserve
8810	Capital Acquisition					
	Total Expenditure	1,404,336	1,509,453	1,585,022		
	MWDOC's Contribution to Election Reserve	725,642	725,642	605,000		
		<u>2,129,978</u>	<u>2,235,095</u>	<u>2,190,022</u>		

Administrative - General
12

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget		
6010	Salaries & Wages - Admin	519,308	505,059	573,156		
6090	Directors Compensation - MWDOC					
6095	Directors Compensation - MWD					
6105	Benefits - Admin	200,775	188,593	221,701		
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	25,000	10,250	6,000	1	1 See Exhibit J
7110	Conference - Employee	40,002	32,172	42,497	2	2 See Exhibit E
7115	Conference - Directors					
7150	Travel & Accommodations - Employee	89,580	72,000	85,900	2	
7155	Travel & Accommodations - Director					
7210	Membership / Sponsorship	181,162	168,674	151,384	3	3 See Exhibit D
7250	CDR Participation	67,789	67,789	72,650		
7305	Business Expense	5,000	4,932	5,500		
7310	Office Maintenance					
7320	Rents & Leases					
7330	Office Supplies					
7340	Postal / Mail Delivery					
7350	Subscriptions / Books	10,000	9,500	10,000		
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	2,800	4,500		
7615	Toll Road Charges	300	130	250		
7620	Insurance Expense					
7640	Utilities - Telephone					
7650	Bank Fees					
7670	Miscellaneous Expenses	6,500	2,500	3,800		
8810	Capital Acquisition					
	Total Expenditure	1,154,916	1,064,400	1,182,338		

Personnel / Staff Development

13

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget	
6010	Salaries & Wages - Admin	347,729	367,327	405,937	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	90,744	109,683	122,784	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training	40,000	38,000	58,945	1
6210	Tuition Reimbursement	6,000	7,500	6,500	
6220	Temporary Help				
7010	Outside Consulting Services				
7020	Legal - General	25,000	25,000	25,000	2
7030	Audit				
7040	Other Professional Fees	6,000	29,485	-	
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	32,800	28,000	35,500	
8810	Capital Acquisition				
	Total Expenditure	548,272	604,995	654,665	

1 Staff Development/Technical Training

2 See Exhibit J

**Overhead
19**

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget	
6010	Salaries & Wages - Admin	644,599	661,356	601,232	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	177,075	200,185	183,378	
6109	CALPERS Unfunded Liability Contribution	207,000	207,000	207,000	
6111	Overhead Reimbursement from Choice	(430,173)	(414,100)	(531,384)	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees	81,349	78,000	122,517	1
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Outside Consulting Services				
7020	Legal - General				
7030	Audit				
7040	Other Professional Fees	5,500	4,800	5,000	2
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	348,680	348,680	156,000	3
7315	Building Repair & Maintenance	30,200	45,000	57,200	
7320	Rents & Leases	1,200	1,072	1,125	
7330	Office Supplies	30,000	26,000	28,000	
7340	Postal / Mail Delivery	3,600	2,600	2,800	
7350	Subscriptions / Books				
7360	Reproduction Expense	9,000	7,800	8,500	
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	198,000	197,500	233,950	
7640	Utilities - Telephone	42,000	48,535	46,924	
7650	Bank Fees	2,400	2,400	2,400	
7670	Miscellaneous Expenses	5,000	2,000	3,500	
8410	Overhead Reimbursement				
8610	Depreciation Expense		62,568		
8810	Capital Acquisition	25,000	25,892		
	Total Expenditure	1,380,430	1,714,723	1,128,142	

1 MWDOC will be using OPEB Designated reserves to pay for retiree healthcare benefit

2 See Exhibit J

3	Binding machine	\$	800
	Atrium/Landscape	\$	14,400
	Window Cleaning -2x year	\$	2,000
	Carpet Cleaning - 2x year	\$	2,000
	Interior Plant Service	\$	5,000
	Extra Deep cleaning in office	\$	3,000
	Furniture cleaning	\$	2,800
	OCWD monthly & Receptionist	\$	126,000
		\$	156,000

4 Roofing Project \$ 350,000

MWDOC's Building Exp. (8811)	366,376	222,686	350,000	4
Building Exp. Prior Year Carryover Dr/(Cr)	(366,376)	(350,000)	(350,000)	
	<u>1,380,430</u>	<u>1,587,409</u>	<u>1,128,142</u>	

Reliability Planning and Engineering

21

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget
6010	Salaries & Wages - Admin	538,294	472,658	573,644
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	140,726	133,761	168,656
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Outside Consulting Services	188,000	230,100	380,000
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees		22,000	
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			4,900
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	7,500
8810	Capital Acquisition			
	Total Expenditure	873,020	863,519	1,134,699

1 See Exhibit J

Metropolitan Issues and Water Policy

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget
6010	Salaries & Wages - Admin	434,306	288,768	382,859
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	113,804	86,621	110,138
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Outside Consulting Services	105,000	105,000	100,000
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	1,000	1,000	1,500
8810	Capital Acquisition			
	Total Expenditure	654,565	481,389	594,497

1 See Exhibit J

Government Affairs

31

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget
6010	Salaries & Wages - Admin	181,762	171,618	187,318
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	50,003	57,637	60,275
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	393,000	385,000	394,000
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			12,500
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	1,500	10,300	1,500
8410	Overhead Reimbursement			
8610	Depreciation Expense			
8710	Election Expenses			
8810	Capital Acquisition			
	Total Expenditure	626,265	624,556	655,593

1 See Exhibit J

1

Public Affairs
32

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget	
6010	Salaries & Wages - Admin	725,661	685,150	832,992	1
	Sal & Benefits - Reimb			(33,000)	2
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	214,719	222,608	271,293	1
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	280,000	275,000	220,000	3
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	100,000	100,000	100,000	
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	550	456	550	
7650	Bank Fees				
7670	Miscellaneous Expenses	80,500	80,000	102,400	4
8810	Capital Acquisition				
	Total Expenditure	1,401,430	1,363,214	1,494,235	

1 40% of 1 FTE's effort will be reimbursed
split evenly between MWDOC and
outside funding
2 Outside funding

3 See Exhibit J

4 Sponsorship Fund	\$	6,000
Member Agency Workshops & Meetings (PAW)	\$	6,000
Storage Facility	\$	8,900
MWDOC Attendance @ WPD/OCWS	\$	9,000
Wyland Mayors Challenge	\$	10,000
Scouts Programs	\$	7,500
Education Initiatives	\$	35,000
Pilot MWDOC Ambassador Program + Outreach Tours	\$	20,000
		<u>\$ 102,400</u>

**Water Use Efficiency
(Core)
35**

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget
6010	Salaries & Wages - Admin	248,008	290,727	172,040
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	71,231	97,146	55,462
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	240,000	51,215	265,000
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship	17,526	8,582	8,550
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	250	6,000
8810	Capital Acquisition			
	Total Expenditure	582,765	447,920	507,052

1 See Exhibit J

General Finance

41

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget	
6010	Salaries & Wages - Admin	528,507	507,170	547,774	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	162,111	154,232	164,549	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training				1 See Exhibit J
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Outside Consulting Services				
7020	Legal - General				
7030	Audit	36,500	27,000	37,445	1
7040	Other Professional Fees	17,750	43,975	15,200	2
7110	Conference - Employee				2 See Exhibit J
7115	Conference - Directors				
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				
7250	CDR Participation				
7310	Office Maintenance				3 New ERP system Implementation
7320	Rents & Leases				4 New ERP Annual Dues
7330	Office Supplies				
7340	Postal / Mail Delivery				
7350	Subscriptions / Books				
7360	Reproduction Expense				
7410	Computer & Peripherals Maint				
7430	Software Purchase			120,000	3
7440	Software Support			15,000	4
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	1,000	1,000	
8810	Capital Acquisition				
	Total Expenditure	745,868	733,377	900,969	

Information Technology

45

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget
6010	Salaries & Wages - Admin	132,962	125,240	135,124
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	44,693	42,077	44,784
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	134,500	84,810	65,000
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7220	CUWA Participation			
7240	AWWARF Participation			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computers & Peripherals Maint	17,500	5,000	15,850
7430	Software Purchase	81,540	104,298	144,411
7440	Software Support	4,648	50,185	5,000
7510	Site Maintenance			
7450	Computers and Equipment	29,250	43,000	45,250
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	2,000	1,000	1,500
8810	Capital Acquisition	12,000	13,000	25,000
	Total Expenditure	459,093	468,610	481,920

1 See Exhibit J

1

**Water Use Efficiency
(choice)
62**

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget
4215	Choice Revenue	989,455	803,364	1,182,308
4705	Prior Year Carry over			
	Choice billing over/under	-	303,441	-
	Total Revenue	989,455	1,106,805	1,182,308

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget
6010	Salaries & Wages - Admin	506,978	570,580	602,364
6012	Sal & Benefits - Reimb	(65,000)	(40,000)	(65,000)
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	130,429	152,831	160,299
6111	Overhead Reimbursement	283,448	321,694	337,985
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	96,750	139,530
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	500	450	650
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			480
7650	Bank Fees			
7670	Miscellaneous Expenses	6,000	4,500	6,000
8810	Capital Acquisition			
	Total Expenditure	989,455	1,106,805	1,182,308

1 See Exhibit J

**School Program
(choice)
63**

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget
4215	Choice Revenue	496,062	96,173	511,214
4205	School Contracts			
4705	Prior Year Carry over			
	Choice billing over/under	-	271,256	-
	Total Revenue	496,062	367,428	511,214

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget
6010	Salaries & Wages - Admin	7,314	6,255	8,815
	Sal & Benefits - Reimb		-	-
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	2,687	1,995	3,071
6111	Overhead Reimbursement	4,447	3,669	5,268
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	481,614	355,510	494,060
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	496,062	367,428	511,214

1 • Elementary Schools	\$	292,150
• Middle Schools	\$	125,560
• High Schools	\$	76,350
	\$	494,060

**Water Loss Control
(choice)
70**

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget
4215	Choice Revenue	559,118	291,317	688,402
4705	Prior Year Carry over			
	Choice billing over/under	-	89,799	-
	Total Revenue	559,118	381,116	688,402

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget
6010	Salaries & Wages - Admin	234,172	160,748	310,354
6012	Sal & Benefits - Reimb			
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	85,778	38,802	114,165
6111	Overhead Reimbursement	142,278	88,738	188,131
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training	1,200	500	2,000
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Outside Consulting Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	55,000	39,102	50,000
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	4,800	4,000	4,000
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase	3,000	2,112	2,420
7440	Software Support			
7450	Computers and Equipment			
7510	Site Maintenance			
7580	Maintenance Expense			
7610	Automotive / Mileage	400	62	100
7612	Vehicle Expense	12,000	9,718	10,000
7615	Toll Road Charges	200	400	400
7620	Insurance Expense		200	200
7640	Utilities - Telephone	2,520	1,632	1,632
7650	Bank Fees			
7670	Miscellaneous Expenses	2,770	4,977	5,000
8410	Overhead Reimbursement			
8610	Depreciation Expense		15,126	
8710	Election Expenses			
8810	Capital Acquisition	15,000	15,000	
	Total Expenditure	559,118	381,116	688,402

WEROC
25

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget
4320	MWDOC Contribution to Operations	300,808	296,290	353,149
4210	WEROC Contracts	300,808	269,651	353,149
4205				
4230	Reimbursements			
4240				
4410				
4805				
	TOTAL WEROC Revenue	601,615	565,941	706,297

1	OCSD	\$	69,217
	SOCWA	\$	26,839
	OCWD	\$	176,574
	3 Cities @\$26,839/ea	\$	80,518
		\$	353,149

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget
6010	Salaries & Wages - Admin	412,741	403,000	492,542
6012	Sal & Benefits - Reimb		-	-
6090	Directors Compensation - MWDOC		-	-
6095	Directors Compensation - MWD		-	-
6105	Benefits - Admin	135,674	132,650	153,705
6115	Benefits - Directors		-	-
6120	Health Insurance Coverage for Retirees		-	-
6205	Training	6,000	6,800	6,000
7040	Other Professional Fees		22,920	-
7110	Conference - Employee	2,000	4,900	5,750
7115	Conference - Directors		-	-
7150	Travel & Accomodations - Employee	6,200	7,323	14,250
7155	Travel & Accomodations - Director		-	-
7210	Membership / Sponsorship	950	950	950
7330	Office & Radio Supplies	1,000	295	750
7340	Postal / Mail Delivery		-	-
7350	Subscriptions / Books		-	-
7360	Reproduction Expense		-	-
7410	Computer & Peripherals Maint	4,000	4,064	2,000
7430	Software Purchase		-	-
7440	Software Support	12,000	11,220	12,000
7510	Site Maintenance	350	350	350
7580	Maintenance - Generators	1,000	-	1,000
7581	Maintenance - Radios	3,000	2,986	3,000
7582	Maintenance - EOC's	2,200	1,200	1,500
7610	Automotive / Mileage	1,500	510	500
7640	Utilities - Telephone	8,000	5,200	6,000
7650	Bank Fees		-	-
7670	Miscellaneous Expenses	3,000	3,128	4,000
7671	Miscellaneous Training	2,000	4,290	2,000
8610	Depreciation Expense		3,879	
	Operations Expenditure	601,615	611,786	706,297
	Contribution to Operating Reserves			
	Total Operations Budget	601,615	611,786	706,297
	Capital Expenditures			
	TOTAL Expenditures	601,615	611,786	706,297

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

AMP Proceeds Agreement Administration

61

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget
4020	Interest Revenue			
4050	O & M Maintenance Deposit			
4230	Reimbursement	1,906	298	944
4680	Miscellaneous Income			
	Prior Year Carryover			
	Total Revenue	1,906	298	944

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget
6010	Salaries & Wages - Admin	1,491	235	745
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	415	63	199
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	1,906	298	944

**Municipal Water District of Orange County
FY25/26 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		\$ 209,032,301				\$ 209,032,301		\$ 209,032,301
Local Resource Program Incentives		(3,840,576)				(3,840,576)		(3,840,576)
Retail Meter Charge	9,939,416					9,939,416		9,939,416
Ground Water Customer Charge	414,371					414,371		414,371
Reimb for PARS OPEB Trust Reimbursement	122,517					122,517		122,517
Interest Revenue	916,000					916,000		916,000
MWDOC's Contribution				353,149		353,149	(353,149)	-
Outside Findings			8,349,498	353,149	944	8,703,591		8,703,591
Choice Revenue	2,381,925			353,149		2,381,925		2,381,925
Miscellaneous Income	5,000					5,000		5,000
Total Revenues	13,779,229	205,191,724	8,349,498	706,297	944	228,027,692	(353,149)	227,674,544
Expenses:								
Water Purchases		205,191,724				205,191,724		205,191,724
Salaries & Wages	5,801,066			492,542	745	6,294,353		6,294,353
less S & W Reimb. DSC or Recov from Grants	(98,000)					(98,000)		(98,000)
Employee Benefits	2,032,938			153,705	199	2,186,843		2,186,843
Outside Consulting Expense	480,000					480,000		480,000
Professional Fees	1,653,790		8,349,498			10,003,288		10,003,288
Contribution to Election Reserve	605,000					605,000		605,000
Legal Expense - General	260,000					260,000		260,000
Maintenance Expense	213,200			4,350		217,550		217,550
Insurance Expense	234,150					234,150		234,150
Membership / Sponsorship	221,086			950		222,036		222,036
Director Compensation	288,793					288,793		288,793
MWDOC Contribution to WEROC Operations	353,149					353,149	(353,149)	-
Others:								
MWD Representation	165,025					165,025		165,025
Director Benefits	161,632					161,632		161,632
Health Insurance Coverage for Retirees	122,517					122,517		122,517
Audit Expense	37,445					37,445		37,445
Automotive & Toll Road Expenses	22,550			500		23,050		23,050
Conference Expense - Staff	42,497			5,750		48,247		48,247
Conference Expense - Directors	17,155					17,155		17,155
CDR Participation	72,650					72,650		72,650
Business Expense	5,500					5,500		5,500
Miscellaneous Expense	183,600			7,500		191,100		191,100
Postage / Mail Delivery	9,450					9,450		9,450
Rents & Leases	1,125					1,125		1,125
Outside Printing, Subscription & Books	118,500					118,500		118,500
Office Supplies	32,000					32,000		32,000
Computer Maintenance	15,850			750		17,850		17,850
Software Support & Expense	291,731			12,000		303,731		303,731
Computers and Equipment	45,250					45,250		45,250
Telecommunications Expense	49,586			6,000		55,586		55,586
Temporary Help Expense	5,000					5,000		5,000
Training Expense	60,945			6,000		66,945		66,945
Tuition Reimbursement	6,500					6,500		6,500
Travel & Accommodations - Staff	85,900			14,250		100,150		100,150
Travel & Accommodations - Directors	36,625					36,625		36,625
Depreciation Expense (annualized)	-					-		-
Overhead Reimbursement	-					-		-
MWDOC Building Expense	25,000					25,000		25,000
Capital Acquisition	1,614,033			54,750		1,668,783		1,668,783
All Other Expenses								
Total Expenses	13,659,205	205,191,724	8,349,498	706,297	944	227,907,668	(353,149)	227,554,520
EFFECT ON RESERVES / FUND BALANCE	\$ 120,024	\$ -	\$ -	\$ -	\$ -	\$ 120,024	\$ -	\$ 120,024

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

**Municipal Water District of Orange County
FY24/25 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		\$ 212,883,116				\$ 212,883,116		\$ 212,883,116
Local Resource Program Incentives		(4,661,958)				(4,661,958)		(4,661,958)
Retail Meter Charge	9,580,818					9,580,818		9,580,818
Ground Water Customer Charge	405,463					405,463		405,463
Reimb for PARS OPEB Trust Reimbursement	80,000					80,000		80,000
Interest Revenue	738,960					738,960		738,960
MWDOC's Contribution			10,872,042		1,906	300,808	(300,808)	
Outside Fundings						300,808		
Choice Revenue	2,044,635					11,174,756		11,174,756
Miscellaneous Income	3,000					2,044,635		2,044,635
Total Revenues	12,852,876	208,221,158	10,872,042	601,615	1,906	232,549,597	(300,808)	232,248,789
Expenses:								
Water Purchases		208,221,158				208,221,158		208,221,158
Salaries & Wages	5,422,706			412,741	1,491	5,836,938		5,836,938
less S & W Reimb. DSC or Recov from Grants	(65,000)					(65,000)		(65,000)
Employee Benefits	1,785,059			135,674	415	1,921,147		1,921,147
Outside Consulting Expense	293,000					293,000		293,000
Professional Fees	1,765,464		10,872,042			12,637,506		12,637,506
Contribution to Election Reserve						725,642		725,642
Legal Expense - General	260,000					260,000		260,000
Maintenance Expense	378,880			4,350		383,230		383,230
Insurance Expense	198,000					198,000		198,000
Membership / Sponsorship	243,688			950		244,638		244,638
Director Compensation	275,041					275,041		275,041
MWDOC Contribution to WEROC Operations	300,808					300,808	(300,808)	
Others:								
MWD Representation	157,166					157,166		157,166
Director Benefits	149,557					149,557		149,557
Health Insurance Coverage for Retirees	81,349					81,349		81,349
Audit Expense	36,500					36,500		36,500
Automotive & Toll Road Expenses	24,700			1,500		26,200		26,200
Conference Expense - Staff	40,002			2,000		42,002		42,002
Conference Expense - Directors	16,955					16,955		16,955
CDR Participation	67,789					67,789		67,789
Business Expense	5,000					5,000		5,000
Miscellaneous Expense	159,470			7,200		166,670		166,670
Postage / Mail Delivery	10,100					10,100		10,100
Rents & Leases	1,200					1,200		1,200
Outside Printing, Subscription & Books	119,000					119,000		119,000
Office Supplies	34,800					34,800		34,800
Computer Maintenance	17,500			1,000		18,500		18,500
Software Support & Expense	89,188			4,000		93,188		93,188
Computers and Equipment	29,250			12,000		41,250		41,250
Telecommunications Expense	45,526					45,526		45,526
Temporary Help Expense	5,000					5,000		5,000
Training Expense	41,200					41,200		41,200
Tuition Reimbursement	6,000					6,000		6,000
Travel & Accommodations - Staff	89,580			6,200		95,780		95,780
Travel & Accommodations - Directors	39,925					39,925		39,925
Depreciation Expense (annualized)								
Overhead Reimbursement								
MWDOC Building Expense								
Capital Acquisition								
All Other Expenses								
Total Expenses	12,902,045	208,221,158	10,872,042	601,615	1,906	232,598,766	(300,808)	232,297,958
EFFECT ON RESERVES / FUND BALANCE	\$ (49,169)	\$ -	(2) \$ -	\$ -	\$ -	\$ (49,169)	\$ -	\$ (49,169)

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



MWDOC FY 2025-26 BUDGET

1st Draft Budget

MWDOC Administration & Finance Committee Meeting

Municipal Water District of Orange County


02.12.2025



1

Budget Presentation Agenda

- Budget Schedule
- Financial Perspective
- Metropolitan Rates
- MWDOC Budget Overview & Assumptions
- Department Key Priorities
- Items Not Incorporated in 1st Draft
- Discussion & Direction for 2nd Draft



2

MWDOC FY 2025-26 Budget - Schedule

January 2025

- Year-End Projections & Conceptual Budget Review @ A&F Committee (1-8)
- Member Agency preliminary participation in Choice

February 2025

- First Draft Budget @ A&F Committee (2-12)
- Member Agency Managers Meeting (2-16)
- Initial Member Agency Choice Participation Confirmation (2-18)

March 2025

- Second Draft Budget @ A&F Committee (3-12)
- CHOICE Program Discussions
- Member Agency Managers Meeting (3-20)
- Member Agencies submit formal Comments on Budget (3-28)

April 2025

- Elected Officials Meeting (4-9)
- Third Draft Budget & Member Agency comments presented @ A&F Committee Meeting (4-9)
- Board Approval of Final Budget & Rates (4-16)

June 2025

- Member Agencies Confirm Final Choice participation (6-13)

August 2025

- Reconciliation of FY 2024-25 WUE & Choice Programs

October 2025

- Revised Final Choice Budget @ A&F Committee (10-8)
- Board Approval of Revised Final FY 2025-26 Choice Budget (10-15)

3

Adopted MET Key Budget Assumptions

NOTE: Adopted April 9, 2024.

Fiscal Year	2024-25	2025-26
Overall increase January	8.5%	8.5%
Total Water Transactions*	1.34 MAF	1.34 MAF
State Water Project Allocation	51% / 49%	49% / 48%
Colorado River Aqueduct Diversions	830 TAF	845 TAF
Capital Investment Plan (CIP)	\$312 M	\$324 M
PAYGO (% of CIP)	56%	54%

* Includes water sales, exchanges, and wheeling



4

Adopted MET Rates & Charges

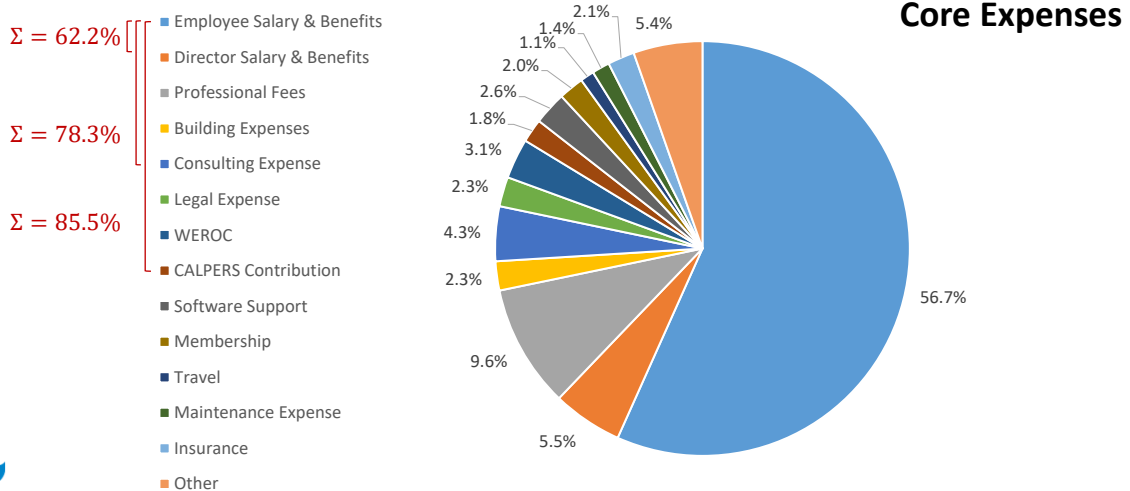
Rates & Charges Effective Jan. 1	2024 (Approved)	2025 (Adopted)	2026 (Adopted)
Supply Rate (\$/AF)	\$332	\$290	\$313
Tier 2 Supply Rate (\$/AF)	\$531	--	--
System Access Rate (\$/AF)	\$389	\$463 (19%)	\$492
System Power Rate (\$/AF)	\$182	\$159	\$179
Full Service Untreated Volumetric Costs (\$/AF)			
Tier 1	\$903	\$912	\$984
Tier 2	\$1,102	--	--
Treatment Surcharge (\$/AF)	\$353	\$483	\$544
Full Service Treated Volumetric Costs (\$/AF)			
Tier 1	\$1,256	\$1,395 (11%)	\$1,528 (8%)
Tier 2	\$1,455	--	--
Readiness-to-Serve Charge (\$M)	\$167	\$181	\$188
Capacity Charge (\$/cfs)	\$11,200	\$13,000	\$14,500
Overall Rate Increase	5%	8.5%	8.5%

NOTE: On Nov. 14, 2023, the MET Staff proposed not to renew the 2014 Purchase Order, which ended on December 31, 2024. As a result, the Tier 2 rate is not included in the proposed rates and charges.



5

MWDOC FY 2025-26 Core Expense by Line Item



6

Department Priorities & Shared Services



Reliability & Engineering

- Water Quality Initiatives
- Supplemental Reliability Analysis of Water Supplies
- MET Shutdown Planning



Communications / Public Affairs

- Education: School Program (K-12) & WEEA
- Policy Dinners & Summit
- MWDOC's 75th Anniversary & MA Spotlight Videos



MET Issues & Policy

- MET Business Model and Long-Term Financial Plan
- Climate Adaptation Master Planning
- Local Resources Program



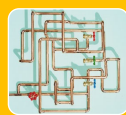
Governmental Affairs

- Legislation & Regulatory Leadership
- Grant Tracking



Water Use Efficiency

- Turf Removal, Device Incentives, Design Assistance
- Assist MA's in meeting their State Conservation Requirements



Water Loss Control

- Audit Validation
- Leak Detection
- Customer Meter Accuracy, Pressure Surveys



WEROC

- Response Readiness
- Training and Plan Development
- Emergency Response



Finance & IT

- Enterprise Resource Planning
- District Cyber Security

7

MWDOC FY 2025-26 Budget Overview

RATES

- Fixed Meter Charge @ \$15.25 YTY Increase of 3.4% or \$0.50
- OCWD Contribution @ \$414,371 YTY Increase of 2.2% or \$8,908

REVENUES

- Core Revenues @ \$10,808,241 YTY Increase of 9.0% or \$895,879 (\$177,040 increase in Interest Revenue)

OPERATING EXPENSES

- Core Expenses @ \$11,277,280 YTY Increase of 3.9% or \$419,870

CHANGE IN STAFF LEVELS (MWDOC + WEROC)

- Core Staffing level increase 1.65 FTE
- Choice Staffing level increase 0.60 FTE

8

MWDOC FY 2025-26 Budget Overview (cont.)

EXPENSE CATEGORY Y-T-Y CHANGE HIGHLIGHTS

- Staff Salaries & Benefits (+) \$361,529 (6%)
- Director Salaries & Benefits (+) \$33,685 (6%)
- Outside Consulting Expense (+) \$187,000 (64%)
- Software Support (+) \$203,123 (236%)
- Maintenance Expense (-) \$192,670 (-55%)

TOTAL OUTSIDE WUE FUNDING

@ 8,349,498 (-) \$2,522,544 (-23%)

INITIAL CHOICE Y-T-Y EXPENSES

@ 2,381,925 (+) \$337,289 (17%)

9

Budget Assumption – Salary Merit Pool

Objectives of the Salary Pool Formula

- Guide for Budget Assumption
- Formula seeks to keep up with labor market conditions & retain our talented workforce

MWDOC does not provide a Cost-of-Living Adjustment (COLA) for employee salary increase

- Salary increase are solely merit basis

MWDOC conducts an annual survey from water agencies for comparison

- Currently compiling water agency data and will present in April
- Historically, our formula has compared very well with other water agencies




10

Budget Assumptions – Salary Merit Pool

SALARY CONTRIBUTION MERIT POOL FOR FY 2025-26

- CPI @ 3.3% (Moderate)
- Budget Assumption @ 6.11% of Salaries & Wages

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

11

New Items Incorporated in 1st Draft

Technology Infrastructure

- Implementation of a new Enterprise Resource Planning (ERP) system (\$120,000) to enhance financial operations, including payroll, accounts payable, billing, and personnel records management.

Program Enhancements

- Transition of Water Energy Education Alliance (WEEA) support to a shared service model (\$33,000), replacing current in-kind contributions based on A&F Committee input.
 - Additionally, per the Committee's suggestion, a business rationale/plan will be forthcoming for Committee review to describe and support the proposed funding level.
- Funds allocated for MWDOC's 75th Anniversary celebration in 2026.
- Develop updated Urban Water Management Plans, including consultant support for MWDOC (Core-funded) and Member Agencies (Choice-funded).

Operational Considerations

- Pursuant to Water Code Section 20202, Director compensation may be increased by a maximum of 5% for each consecutive year since the last approved compensation adjustment in Jan 2020.

12

Items Not Yet Incorporated in 1st Draft

Technology Infrastructure

- Addition of GIS support services to strengthen MWDOC Core and Choice services, with final scope to be determined through a consultant assessment.

Program Enhancements

- Grants training (\$10,000-15,000) led by an experienced and successful grant consultant; MWDOC and Member Agency participants will learn strategies for crafting proposals, understanding funding agency priorities, and developing program Budgets.

13

Updates to include in 2nd Draft

A&F Committee and Board Direction

- 2nd Draft Budget Items and Assumptions
 - Direction from the Board
- Items Not Yet Incorporated in 1st Draft
 - Technology Infrastructure – GIS
 - Program Enhancements – Grants Training

Budget Refinements

- Choice program refinements



14

**Municipal Water District of Orange County
Director's Activity Report
Reporting Period from 07/01/2024 to 12/31/2024**

Activity Description	MWDOC Director's						MET Director's				Director's			
	Crane	Dick	McVicker	Nederhoed	Seckel	Thomas	Yoo Schneider	Subtotal	Ackerman	Dick	Erdman	Seckel	Subtotal	Total
<u>Per Diem</u>														
MWDOC Committee & Board mtg	9,495	5,239	9,495	9,495	10,150	8,186	9,168	61,228	6,549	-	4,911	-	11,460	72,688
MET Committee & Board mtg	1,637	-	2,619	3,274	-	1,637	982	10,149	8,513	3,602	9,168	11,133	32,416	42,565
Meetings with Member Agencies	1,637	-	-	-	-	-	2,619	4,256	-	-	-	-	-	4,256
Other Misc meetings & activities	6,876	5,239	7,531	6,876	3,602	9,823	6,876	46,823	3,274	7,858	4,911	982	17,025	63,848
Benefits	7,520	9,690	10,654	2,074	1,446	7,265	10,607	49,256	1,898	1,152	1,971	1,218	6,239	55,495
Subtotal-Per Diem	27,165	20,168	30,299	21,719	15,198	26,911	30,252	171,712	20,234	12,612	20,961	13,333	67,140	238,852
<u>Travel, Conferences & Misc. (1)</u>														
ACWA	1,883	75	-	1,729	-	2,114	1,557	7,358	-	-	87	-	87	7,445
CCEEB	1,138	-	-	-	-	-	1,089	2,227	-	-	-	-	-	2,227
ISDOC	30	-	-	-	-	-	-	30	-	-	-	-	-	30
Urban Water Institute	-	-	-	799	-	-	-	799	-	-	-	-	-	799
Other Travel Expenses	87	107	-	400	272	402	38	1,306	165	-	137	-	302	1,608
Mileage	229	287	-	1,308	259	101	684	2,868	-	-	-	-	-	2,868
Toll Charges	30	-	-	-	-	-	115	145	-	-	-	-	-	145
Miscellaneous	-	-	-	10	338	-	13	361	-	-	-	-	-	361
Subtotal-Travel, Conferences & Misc.	3,397	469	-	4,246	869	2,617	3,496	15,094	165	-	224	-	389	15,483
Total	30,562	20,637	30,299	25,965	16,067	29,528	33,748	186,806	20,399	12,612	21,185	13,333	67,529	254,335

(1) Includes conference registration, travel, lodging, meals, transportations, mileage and other miscellaneous related costs; does not include Per Diem.

2/6/2025

Item 7

Municipal Water District of Orange County
Semi-Annual Comparison for Overtime Hours Worked
 for the six-month periods ending December 2024 and 2023

Employee	7/1/2024 - 12/31/2024		7/1/2023 - 12/31/2023	
	Hours Worked	Dollar Equivalent ⁽¹⁾	Hours Worked	Dollar Equivalent ⁽¹⁾
Gunawan, Lina	8.75		6.50	
Johnson, Claire	0.00		8.50	
Landeros, Gabriela	21.00		0.00	
Orozco, Jasmine	17.00		0.00	
Plaganas, Therese	1.00		0.00	
Roberts, Judy	0.00		11.25	
Schunk, Janine	4.50		0.00	
Shephard, Nate	13.75		8.00	
Vincent, Katie	16.50		7.00	
TOTAL	82.50	\$5,965	41.25	\$ 2,834

(1) Dollar equivalent calculated at 1.5 x hourly rate

(2) Overtime hours at straight time



INFORMATION ITEM

February 12, 2025

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

FROM: Harvey De La Torre, General Manager

Staff Contact: Cathy Harris, Director of Human Resources & Administration

SUBJECT: ANNUAL AUTO ALLOWANCE REPORT

STAFF RECOMMENDATION

Staff recommends the Administration & Finance Committee receive and file the annual report, as presented.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

SUMMARY

In accordance with the District’s Auto Allowance Policy, the General Manager shall submit an annual report to the Administration and Finance Committee listing positions that receive an auto allowance and any exceptions to the provisions of the policy. The following are currently receiving monthly auto allowances in the amount of \$500:

- Assistant General Manager
- Director of Water Use Efficiency
- Director of Public Affairs
- Director of Government Affairs
- Director of Emergency Management
- Director of Engineering/District Engineer

The General Manager currently receives a monthly auto allowance of \$750 per month pursuant to his employment agreement.

Budgeted: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Budgeted amount: \$45,000	Core: <input checked="" type="checkbox"/>	Choice: <input type="checkbox"/>
Action item amount: NA		Movement between funds: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

ALIGNMENT WITH BOARD STRATEGIC PRIORITIES

- Clarifying MWDOC's mission and role; defining functions and actions.*
- Balance support for Metropolitan's regional mission and Orange County values and interests.*
- Strengthen communications and coordination of messaging.*
- Work with member agencies to develop water supply and demand objectives.*
- Solicit input and feedback from member agencies.*
- Invest in workforce development and succession planning.*



Administration Activities Report

January 3, 2025 – February 5, 2025

Activity	Summary
Administration/ Board	<p>The 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 meetings and Ad Hoc meetings). • Assisted Harvey with various write-ups and follow-ups for the Committees and Board. • Continue to send Water Supply Reports to the member agencies. • Processed and reviewed agreements for appropriate Board approval and insurance requirements as well as execution, following approval. • Research and response to one Public Records Act request. • Made various updates/changes to the website including financial items, Harassment Prevention, Ethics Certificates, etc.; worked with various Board members regarding Ethics and Harassment Prevention training • Worked with President McVicker on Board and Committee assignments. • Reviewed files for Records Management clean-up. • Prepared and sent annual Vendor letter regarding gifts in preparation of Form 700 filing. • Coordinated and worked with Legal Counsel and WEROC regarding Niagra contract. • Registered Staff and Directors for various conferences, training, made travel accommodations, processed business expenses, and updated the travel budget spreadsheet. • Prepared agreements, solicited signatures, and requested insurance documents for Governmental Affairs & Engineering. • Hosted the ISDOC Executive Meeting • Order lunch and set up the January 2025 ISDOC Quarterly Luncheon.
Records Management	<ul style="list-style-type: none"> • Completed and sent out document destruction orders for 2024. • Continued 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"> • No new information.



<p>Recruitment / Departures</p>	<ul style="list-style-type: none"> • Final interviews will be held on Friday, February 6th for the Accounting Technician. • Nate Sheperd, Public Affairs Coordinator, submitted his resignation and his last day will be February 28th. • Recruitment effort is underway for the Executive Assistant to the General Manager/District Secretary. • Human Resources is coordinating with the General Manager and Department Directors on recruitment and staffing needs due to vacancies and retirements.
<p>Projects/ Activities</p>	<p>The Administration Team worked on the following:</p> <ul style="list-style-type: none"> • Assisted with WACO on Meetings via Zoom, PowerPoint. presentations, preparing for hybrid meetings, various correspondence, note taking and coordinating with WACO president and speakers and updating WACO information to website. • Attended Board and Committee Meetings, as well as preparation for these meetings, including packet preparation, meeting setup/take-down, Zoom coordination, etc. • Assisted Finance Department with filing, processing of invoices, purchase requisitions, business expense reports and credit card reconciliations. • The course for the Supervisor Training through The Center for Organizational Effectiveness is underway, with 3 sessions remaining. The course will be completed April 7th. • Continue to update District Contacts lists in Outlook. • Continue to review and organize all electronic files in preparation for transitioning to SharePoint. • Updating the Member Agency Directory for 2025 to be distributed by the end of February. • HR coordinated luncheon with GM honoring employees that completed the Cal State Fullerton Leadership Development for Public Agencies Training. • HR coordinating with Hyas Group on review of the District’s 401 and 457 Plan documents and provider agreements. • HR Preparing for the upcoming 25-26 Fiscal Year Budget. • The next Lunch & Learn session “How to Avoid Breakdowns in Communication” with Cal State Fullerton’s Bringing Learning to Work is schedule for February 20th • HR scheduled an educational session with CalPERS to help keep employees informed on the benefits for Classic and PEPPRA enrollees, scheduled for February 27th. • HR coordinated with the GM and AGM on development of the Succession Planning Policy. • HR initiated the Annual Water Agency Merit/Cola survey in preparation for 25/26 Budget.



	<ul style="list-style-type: none">• HR is in the process of scheduling one-on-one coaching sessions for Senior Executive staff, Department Directors, Managers and Supervisors. This is consistent with MWDOC Board Strategic Priorities, Staff Development.• HR is coordinating two ½ day training sessions one for all staff and one for management.• All Staff Meeting was held on January 16th.• HR participated in OCWD’s Safety Committee Meeting held on January 28th.• HR continues review of SB1100 and any potential impacts pertaining to inclusion/removal of requiring a driver’s license from job descriptions.• HR will be scheduling required Harassment Prevention training for all employees in June 2025.• HR hosted the member agency HR work group on January 30 here at District offices.• HR met with JPIA Risk Advisor for the District’s annual review of the District’s liability and property insurance, as well as other resources and programs that JPIA offers as part of the District’s membership.
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INFORMATION ITEM
February 12, 2025

TO: Board of Directors

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

Harvey De La Torre, General Manager

Staff Contact: Steven Hung

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

SUMMARY

The following list details the status of special projects in progress or to be completed during this Fiscal Year.

Finance

Accounting	Rebate Program(s)	Currently holding no rebate check(s) awaiting W-9 form(s)
Accounting	RFP	New OPEB Actuary to begin July 2025
Finance	Annual Budget	FY 2025/26 Budget is approximately 75% complete
Finance	ERP	Began discovery stages and attended ERP demos
Finance	Other	On-going process improvement

Information Technology (IT)

Security	Backups	Weekly reviews of backup reports show systems are consistently and securely backed up according to schedule.
	Email	Continue to tune new email defense system for impersonation, fraud detection, and incident response. Of the nearly 28K emails received in the month, 37% were rejected due to unsafe content and impersonation attacks, and 14 incident responses (i.e. multiple users effected requiring analyst intervention) opened.
	Policies/Procedures	Initiated project to develop, evaluate, and update IT Policies and Procedures to improve overall security.
	Vulnerability Scanning	Weekly external vulnerability scans report no identified exposures or weaknesses.
Services	SharePoint	Over half of the District has transitioned from legacy file share access system to SharePoint which provides file synchronization across devices, enhanced security and privacy, and integration with Microsoft 365.
	Support Tickets	86 new support tickets opened: 124 tickets completed and 20 remain pending, in progress, or on-hold status.
	RFP	Contributed to Board Room A/V proposal evaluation process; staff recommendations will be coming to respective Boards in the coming month or two.
	WEROC	Engaged with WEROC Sprinter Van project to plan and provide network, cellular connectivity, phones, printers/plotters, and satellite Internet.
Training	Cybersecurity	IT Analyst participated in 2 hours of cybersecurity briefing on cyber threats and associated mitigation practices.



INFORMATION ITEM
February 12, 2025

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

FROM: Harvey De La Torre, 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 December.**
- Estimated OC Water Usage, Monthly, Comparison to Previous Years Water usage in December **2024 was slightly Below average compared to the last 5 years.** We are projecting an increase in overall water usage compared to FY 2023-24.
- Historical OC Water Consumption Orange County M & I projected water consumption is **513,000 AF for FY 2024-25** (this includes ~7 TAF of agricultural usage and non-retail water agency usage). This is about **40,000 AF more than FY 2023-24** and is about **33,000 AF more than FY 2022-23**. Water usage per person is projected to be slightly lower in **FY 2024-25 for Orange County at 145 gallons per day** (This includes recycled water usage). Although OC population has increased 20% over the past two decades, water usage has not increased, on average. A long-term decrease in per-capita water usage is attributed mostly to Water Use

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

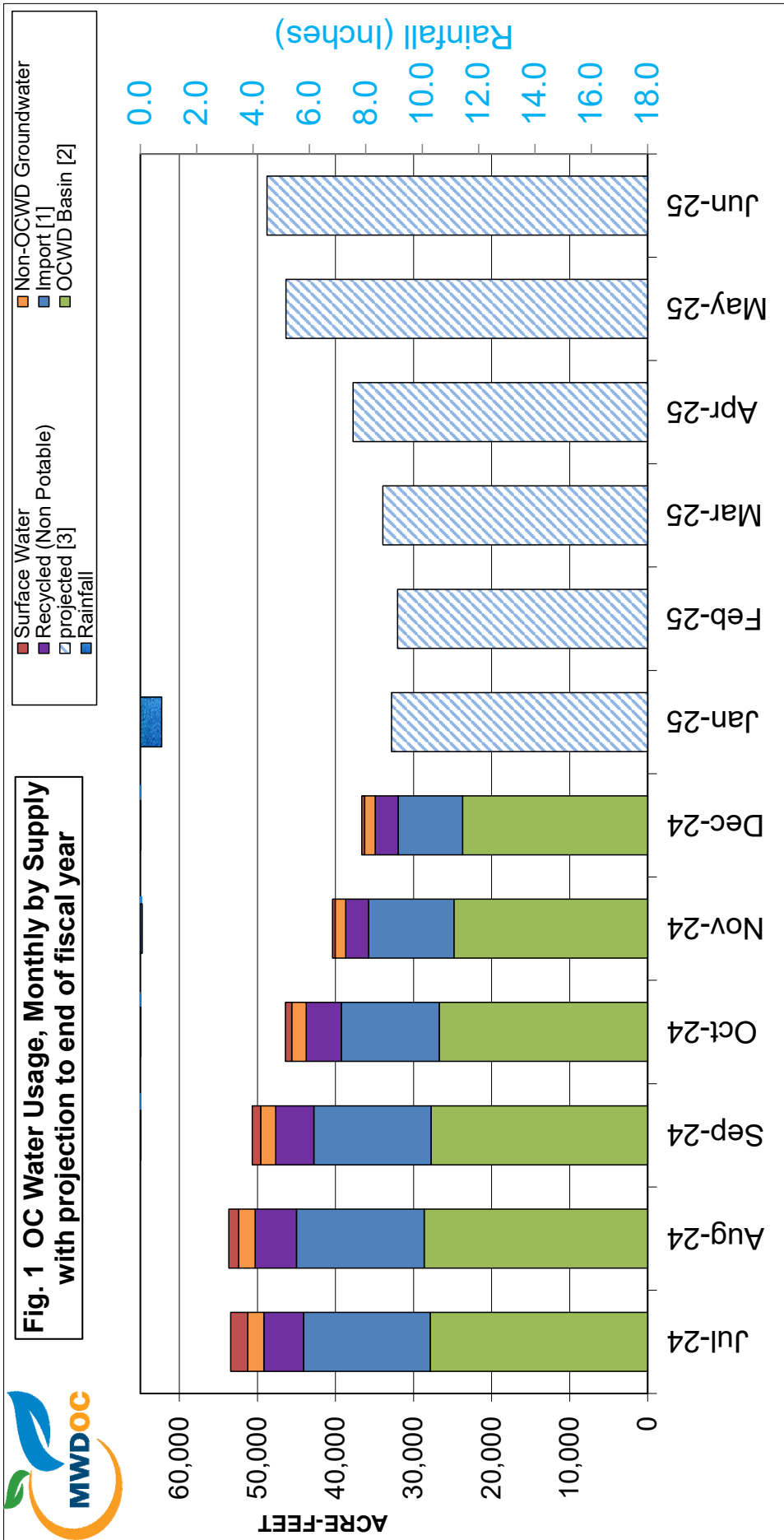
Efficiency (water conservation) efforts. ***O.C. Water Usage has declined significantly since the end of FY 2013-14. Since FY 2013-14 average O.C. Annual Water usage is 523,000 AF, a decline of 98,500 AF since FY 2013-14. FY 2023-24 Orange County M & I water consumption was the lowest since FY 1978-79 (45 Years).***

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 February was well below average*** for this period. Water year to date rainfall in Orange County is ***0.75 inches***, which is ***11% of normal***.
- Northern California accumulated precipitation through early ***February was 132% of normal for this period***. Water Year 2023 was 133% of normal while water year 2022 was 48% of normal. The ***Northern California snowpack was 98% of normal as of February 5th, 2025. As of early February, 54.31%*** of California is experiencing ***moderate drought conditions***. ***34.66%*** of California is experiencing ***severe to exceptional drought conditions***. The State Water Project Contractors Table A Allocation was increased to 20% as of February for WY 2025.
- Colorado River Basin accumulated precipitation through ***early February was 89% of normal*** for this period. The ***Upper Colorado Basin snowpack was 85% of normal*** as of January 27th 2025. ***Lake Mead and Lake Powell*** combined have about ***52% of their average storage volume*** for this time of year and are at ***34.2% of their total capacity***. Lake Mead's ***levels have been below the "trigger" limit of 1,075 ft. since the start of CY 2022***. 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 February ***was 8.15' 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 2026, 83% in 2027 and 80% in 2028.*** Lake Mead as of ***early February was 21.85' ABOVE the State of California "trigger" limit. There is a 0% chance of mandatory cutbacks for California in 2026, 7% in 2027 and 3% in 2028.***



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.

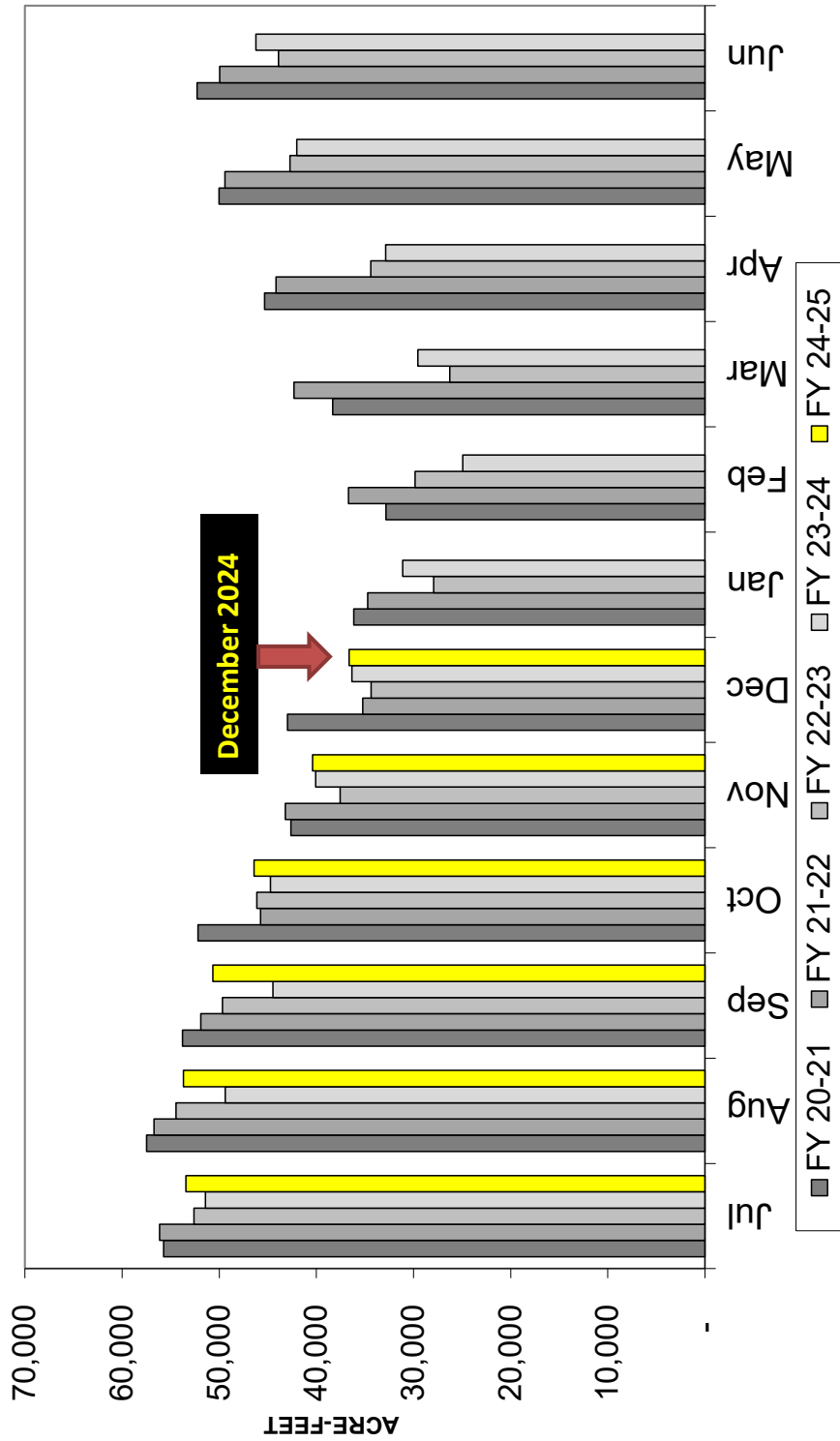
[2] GW for consumptive use only. Excludes In-Lieu water deliveries and CUP water extraction that are counted with Import. BPP in FY '24-25 is 85%.

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

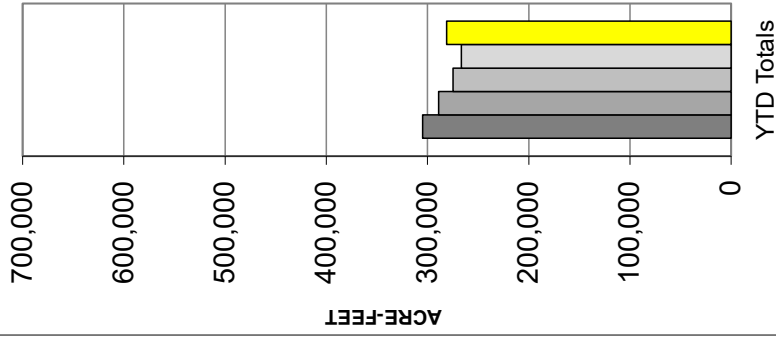
[4] Total water usage includes IRWD groundwater agricultural use and usage by non-retail water agencies.



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

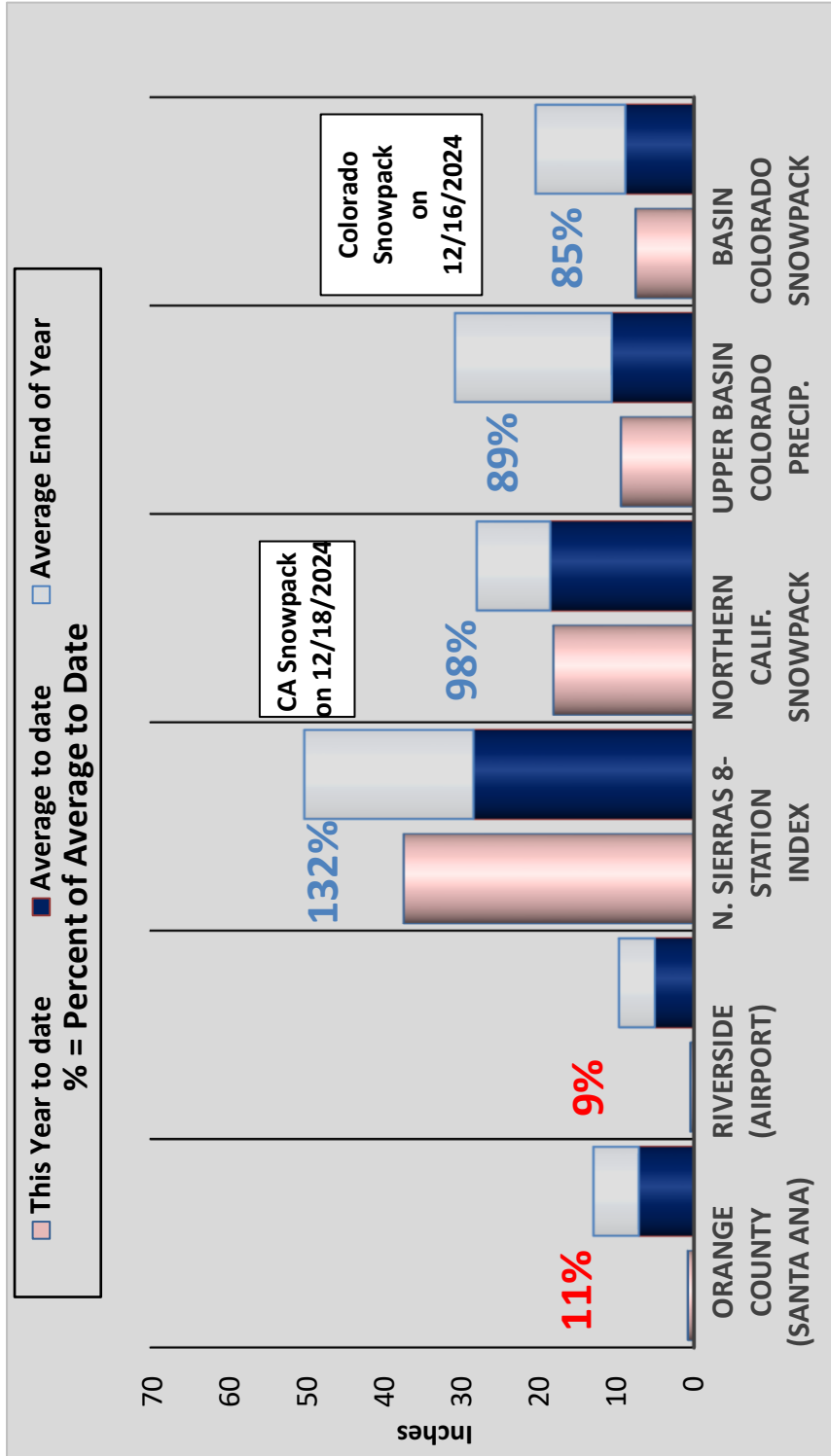


Partial Year Subtotals



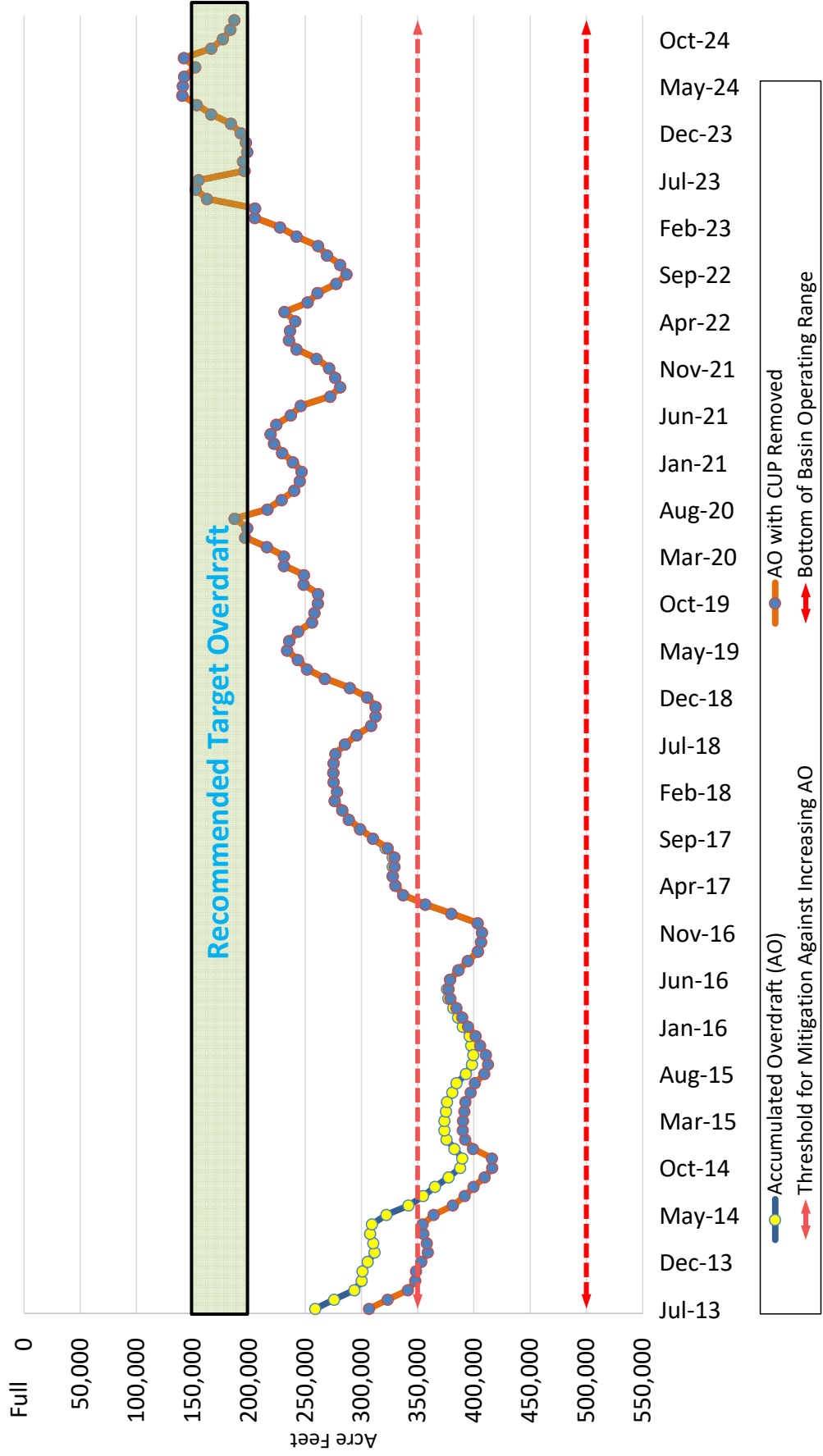
[1] Sum of imported water for consumptive use (includes "In-Lieu" deliveries; excludes "Direct Replenishment" and "Barrier Replenishment") and Local water for consumptive use (includes recycled and non-potable water and excludes GWRs production) Recent months numbers include some estimation.

Accumulated Precipitation for the Oct.-Sep. water year, as of early February 2025



* 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 December 2024

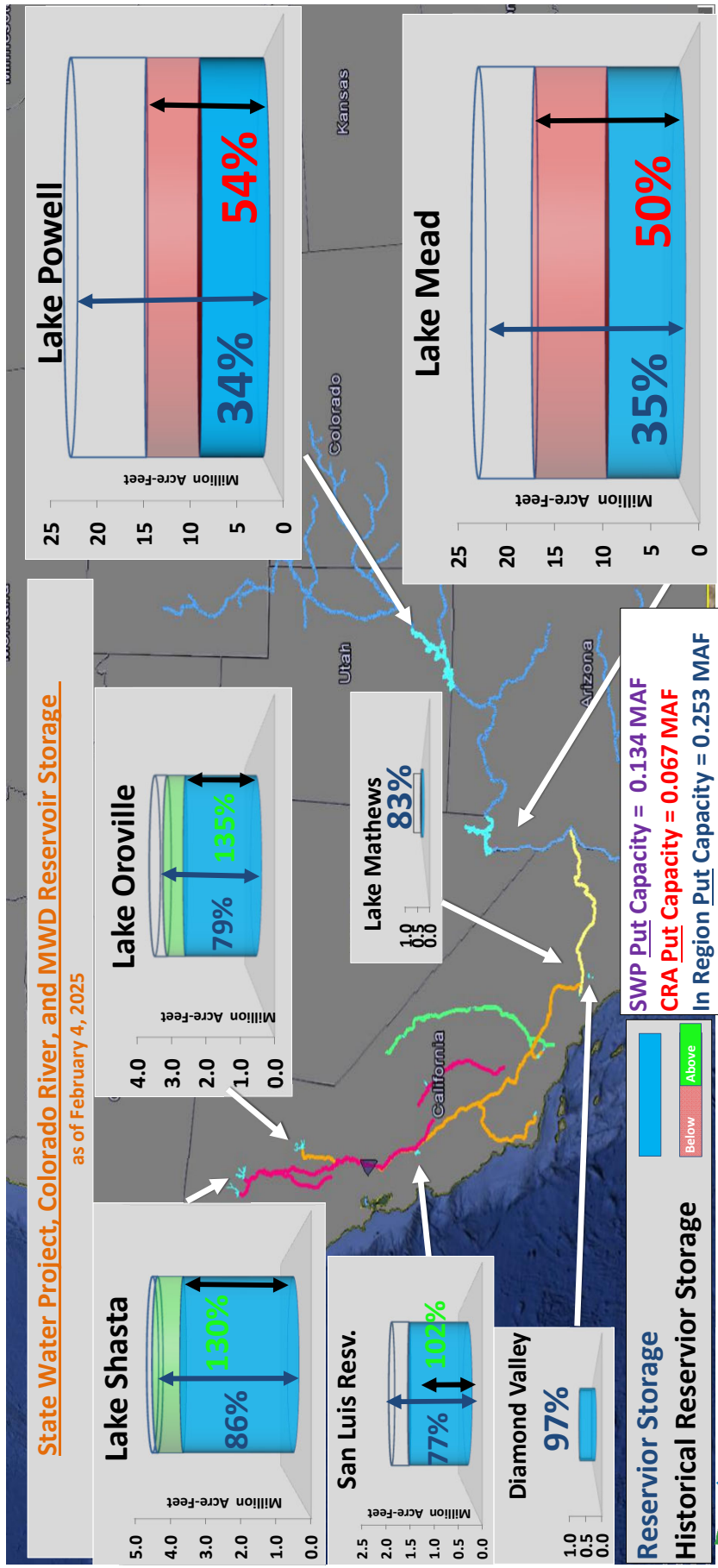
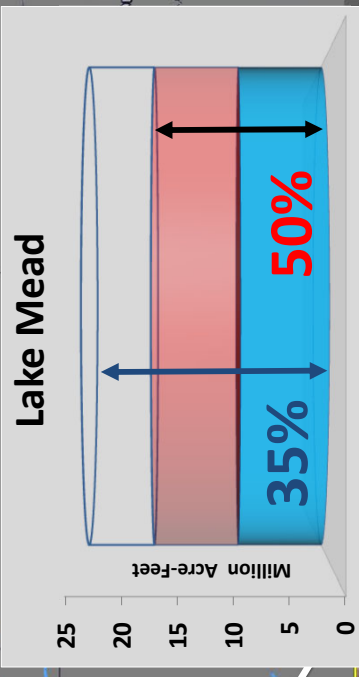
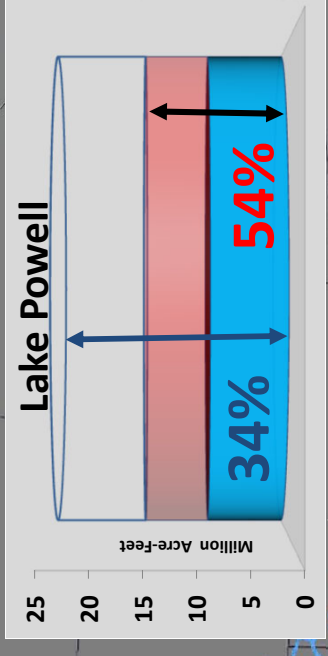
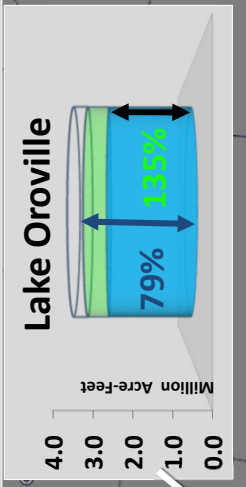
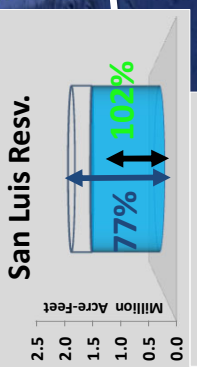
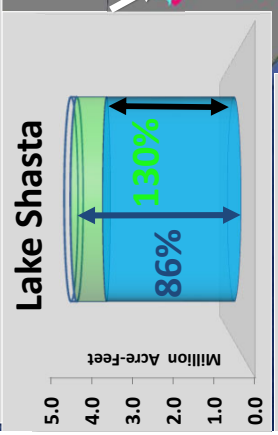


	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24
AO (AF)	155,360	196,275	194,961	198,554	197,412	192,806	184,258	166,730	153,904	141,024	141,462	142,581
AO w/CUP removed (AF)	155,360	196,275	194,961	198,554	197,412	192,806	184,258	166,730	153,904	141,024	141,462	142,581
	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25
AO (AF)	152,428	142,325	166,580	176,943	183,767	187,298						
AO w/CUP removed (AF)	152,428	142,325	166,580	176,943	183,767	187,298						

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



State Water Project, Colorado River, and MWD Reservoir Storage
as of February 4, 2025



SWP Put Capacity = 0.134 MAF
CRA Put Capacity = 0.067 MAF
In Region Put Capacity = 0.253 MAF



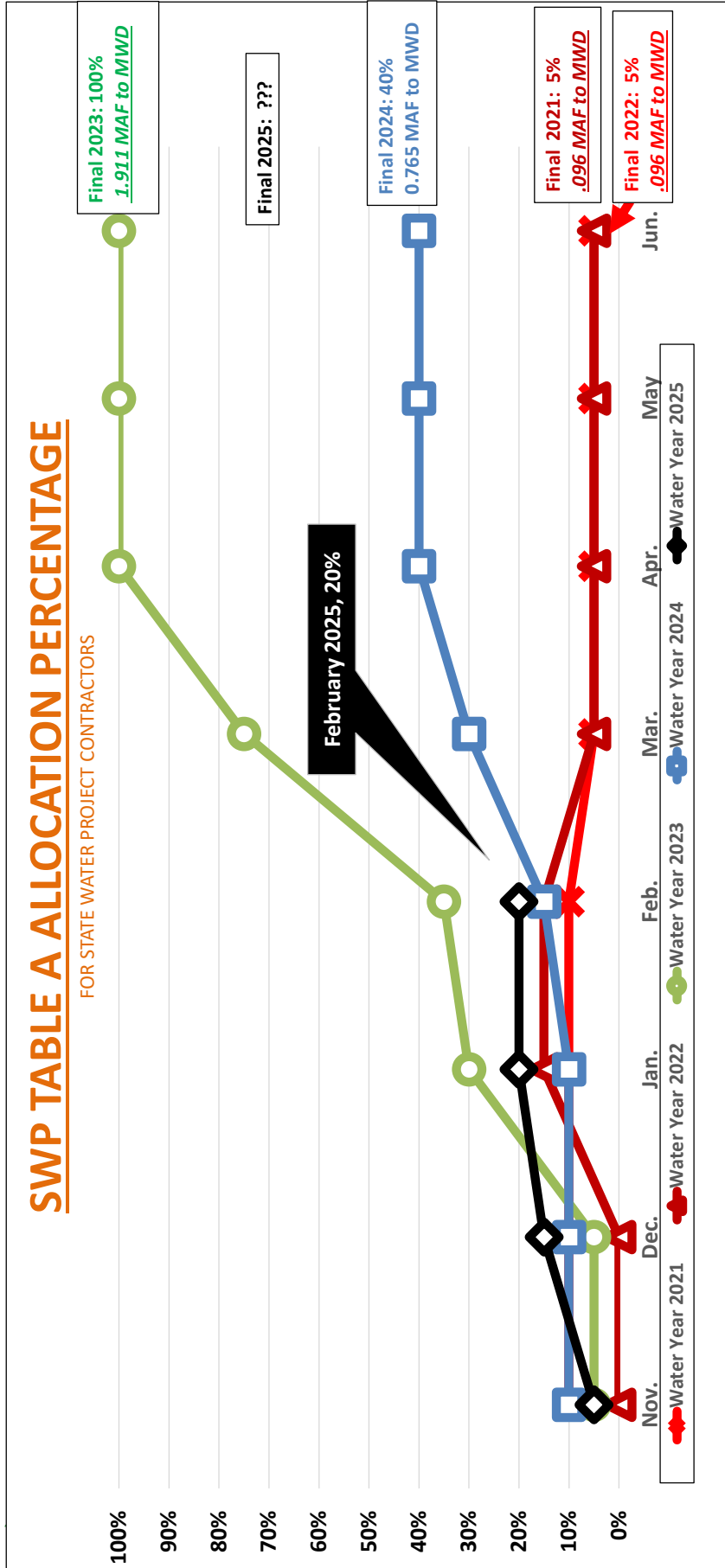
Reservoir Storage
Historical Reservoir Storage



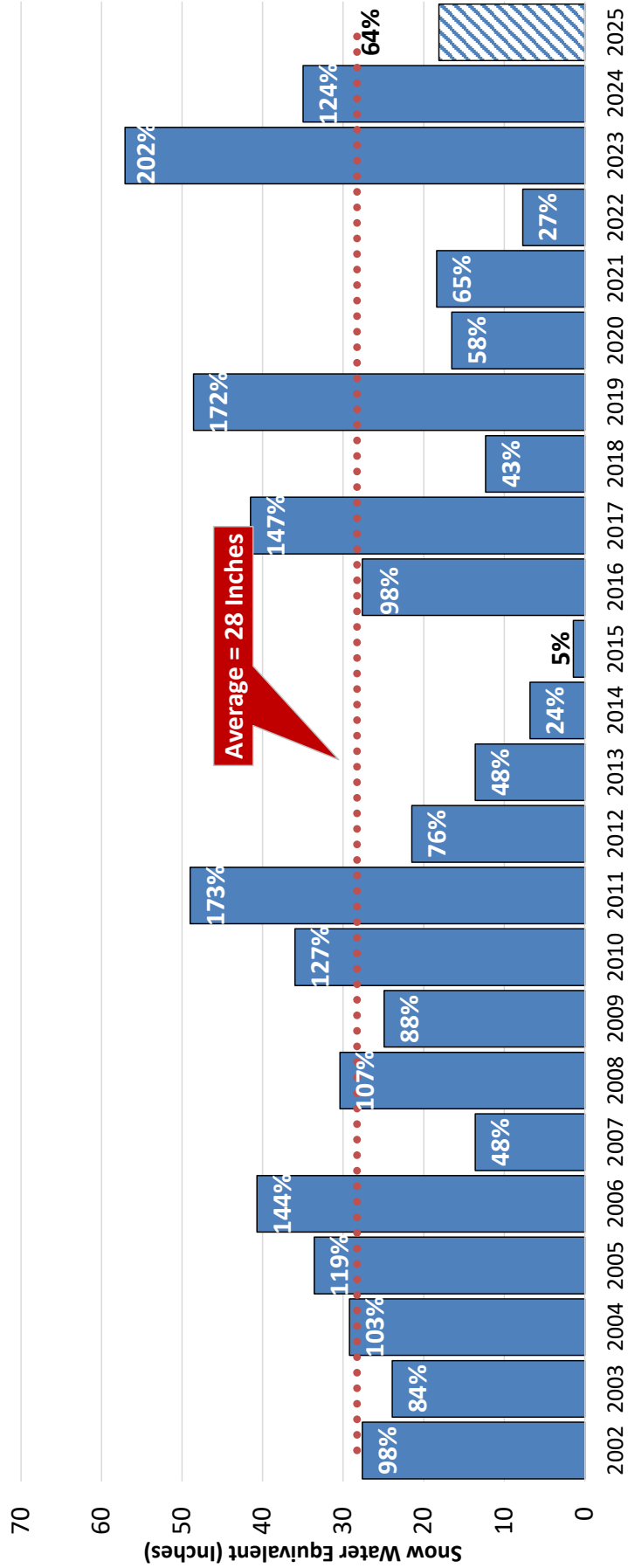
prepared by the Metropolitan Water District of Orange County
in accordance with the subject storage

SWP TABLE A ALLOCATION PERCENTAGE

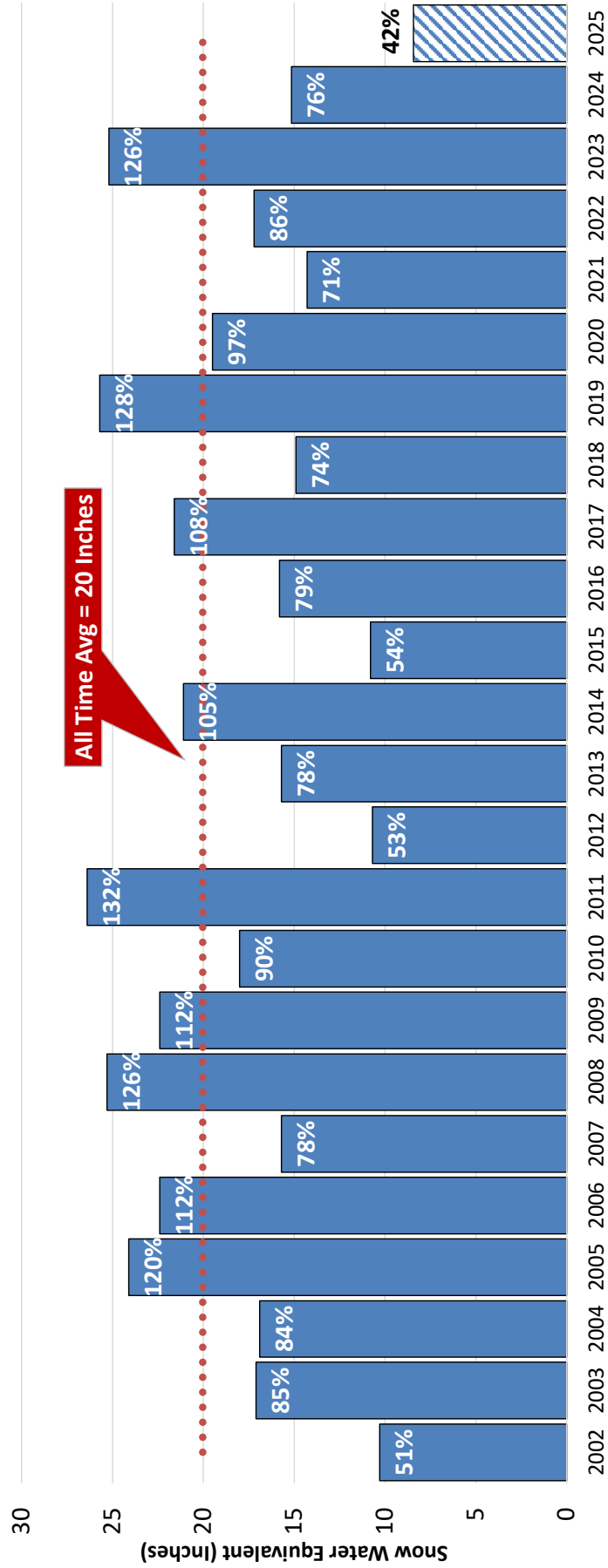
FOR STATE WATER PROJECT CONTRACTORS



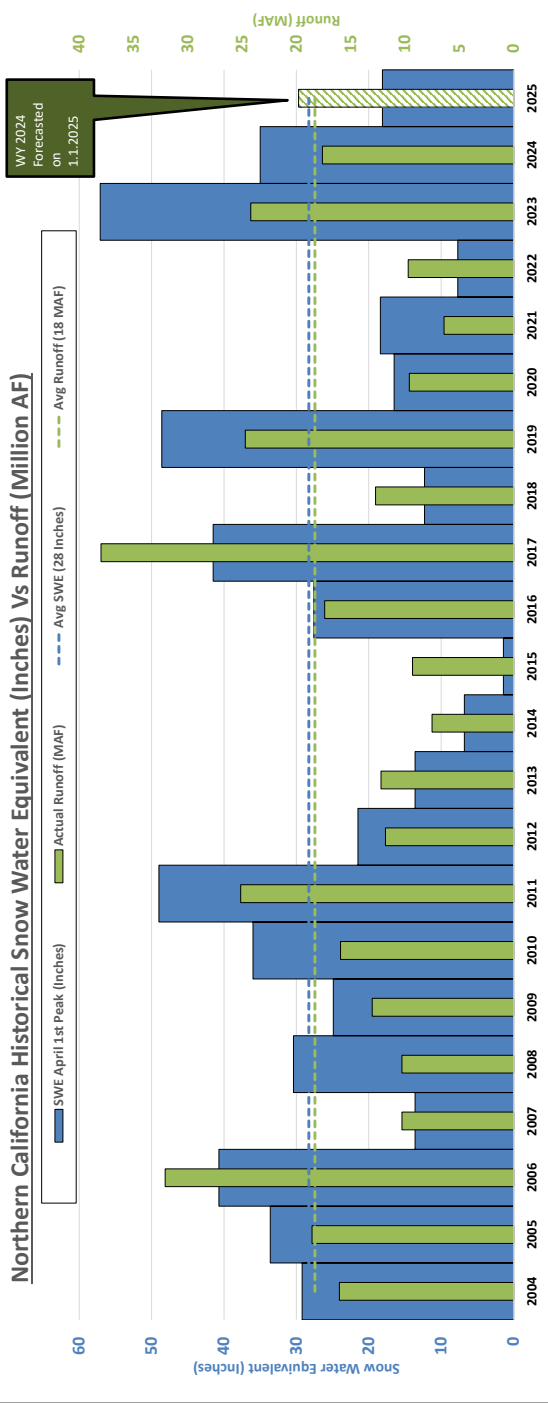
Historical Northern California April 1st Peak Snow Water Equivalent



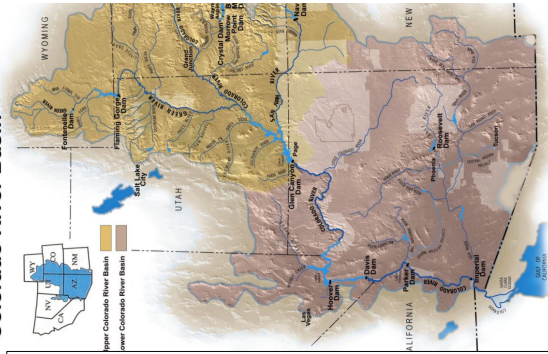
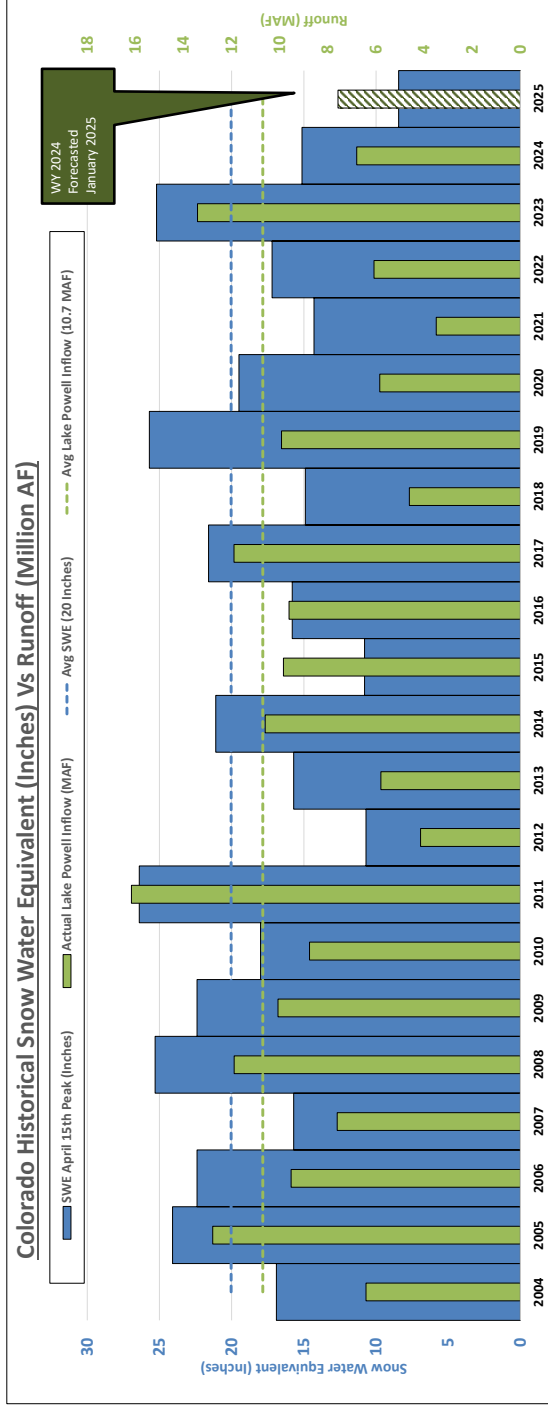
Historical Colorado Basin April 15th Peak Snow Water Equivalent



Sacramento River Basin

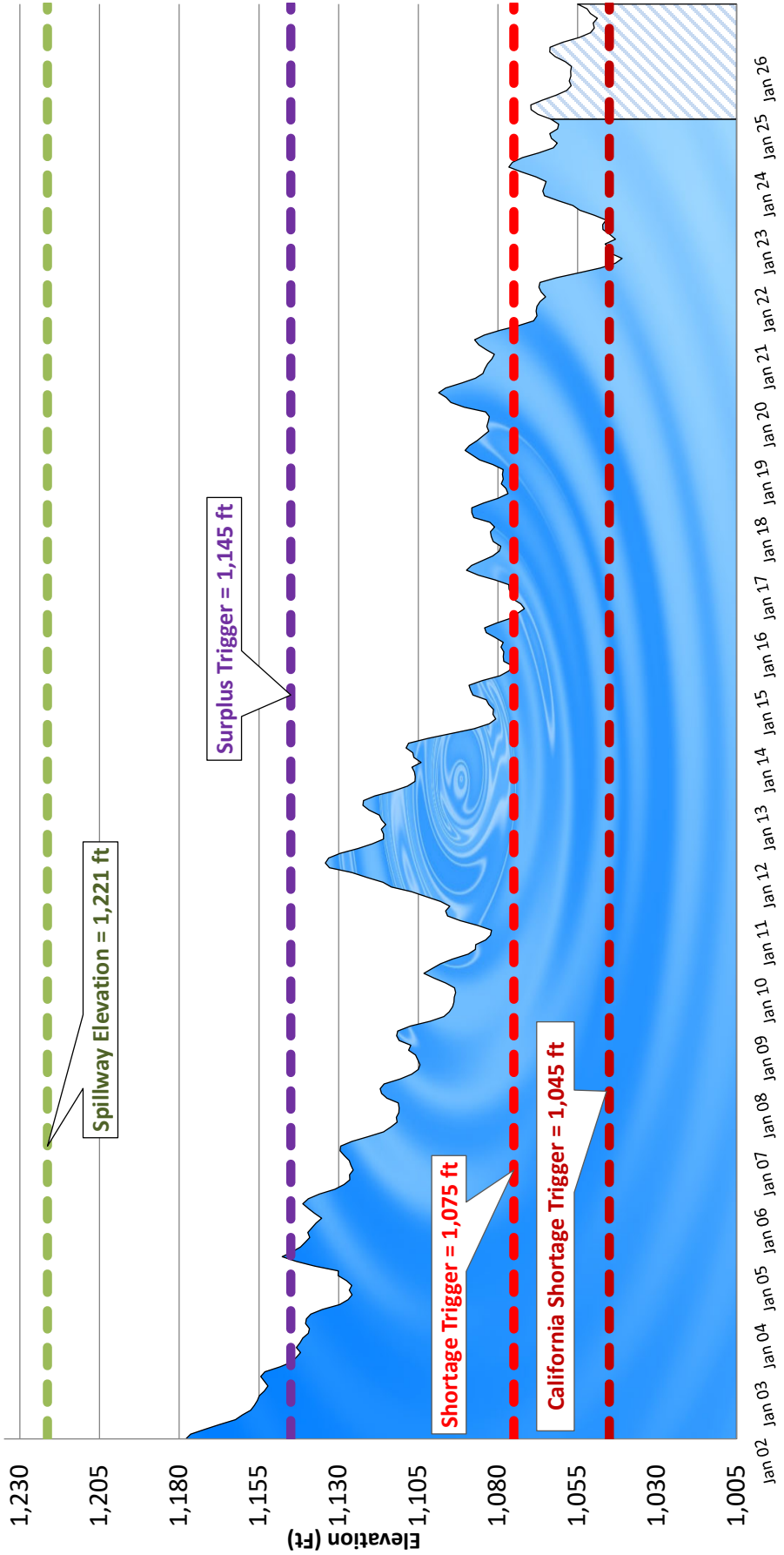


Colorado River Basin





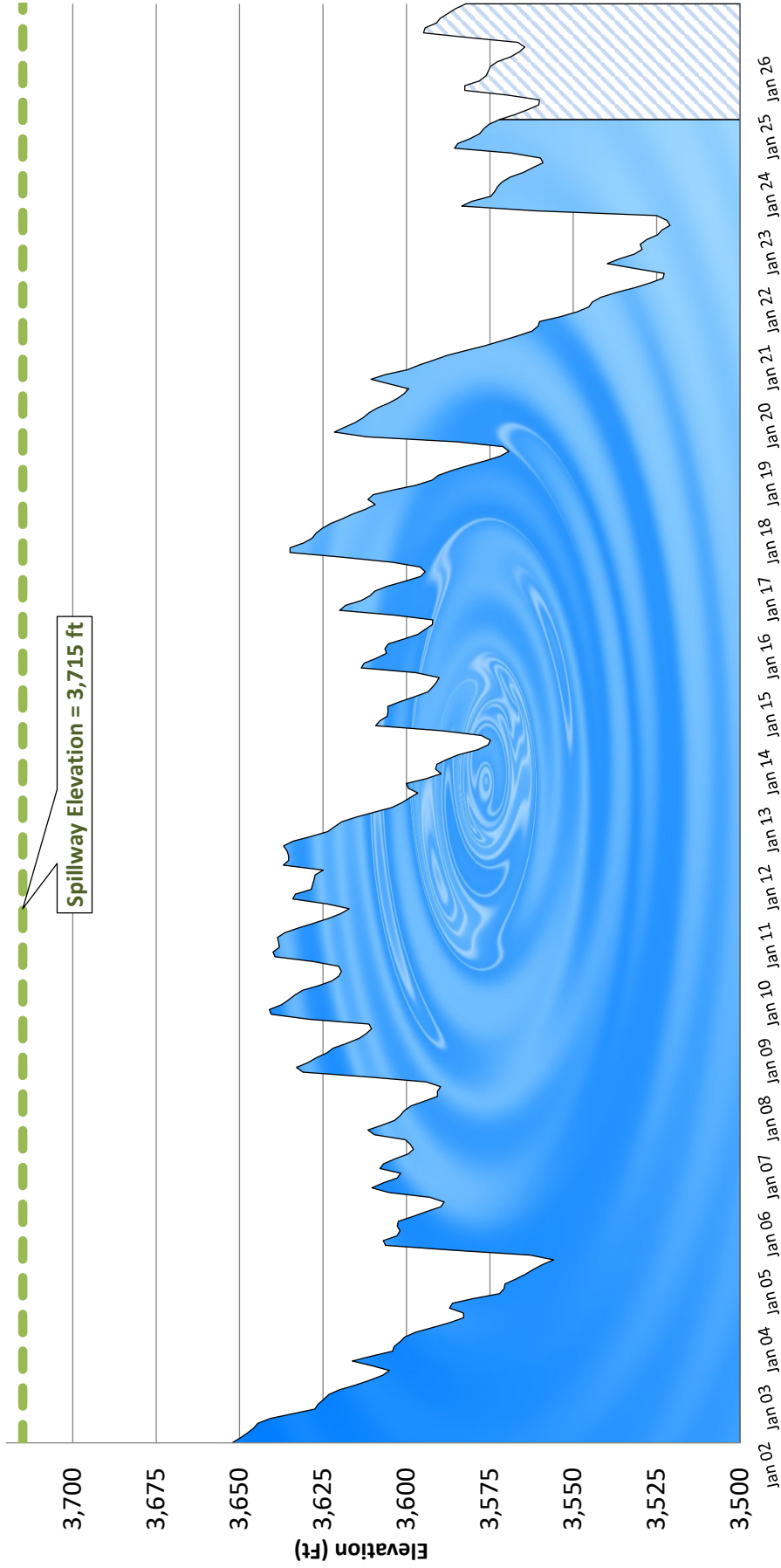
Lake Mead Levels: Historical and Projected projection per USBR 24-Month Study





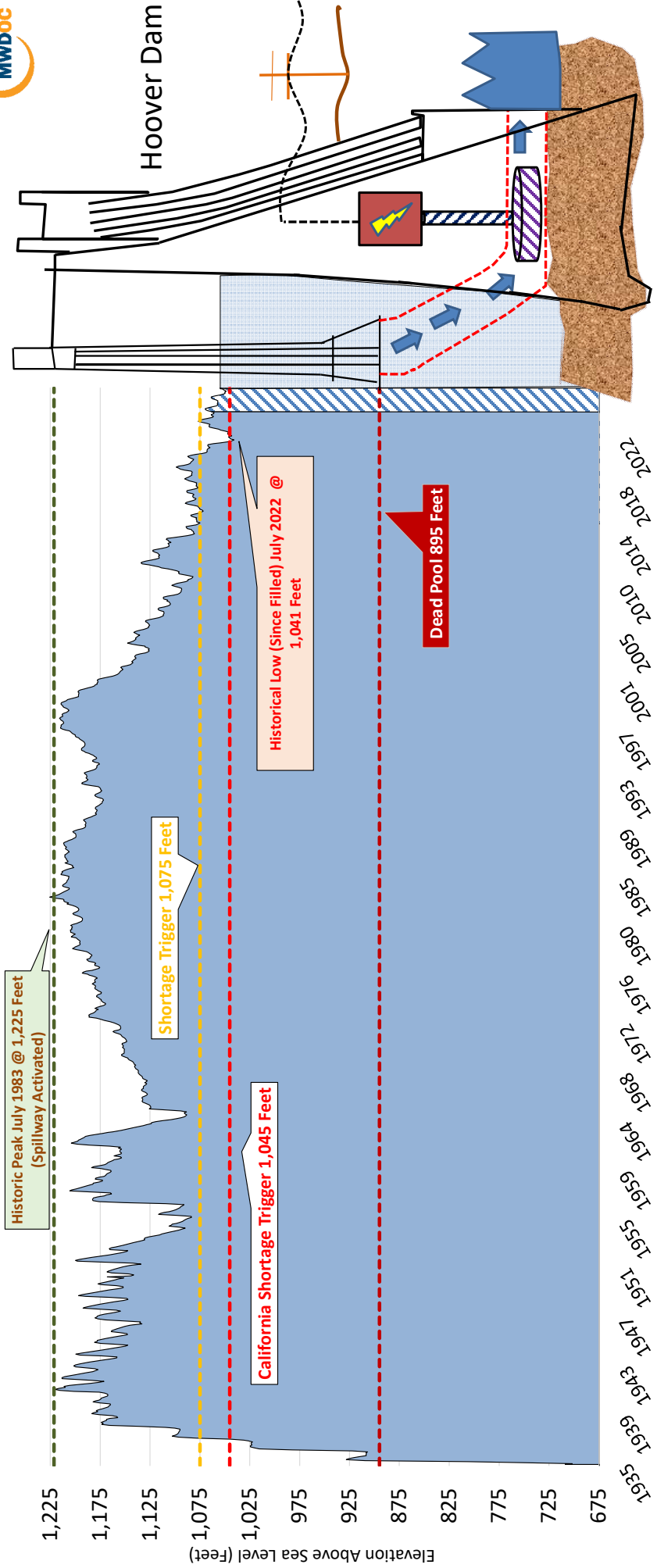
Lake Powell Levels: Historical and Projected projection per USBR 24-Month Study

■ Historical □ Projected

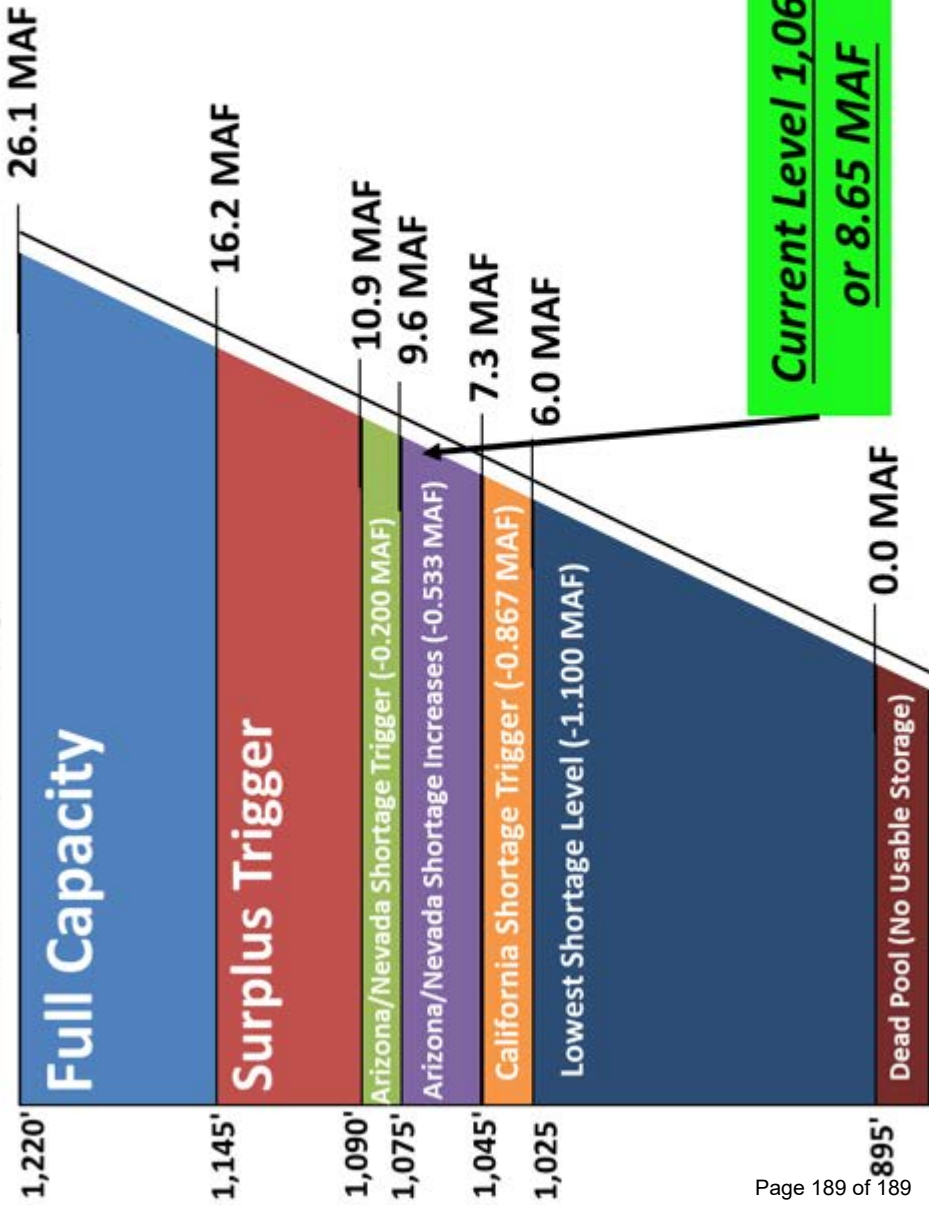




Lake Mead Historical Water Elevation Level



Lake Mead Storage Level



Current Level 1,063'
or 8.65 MAF