

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
April 9, 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 – March 2025
 - b. Disbursement Approval Report for the month of April 2025

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

2. FINANCIAL REPORT

- a. Combined Financial Statements and Budget Comparative for the Period Ending February 28, 2025

DISCUSSION ITEM

3. WATER SUPPLY UPDATE & NEW WATER SUPPLY REPORT FORMAT

ACTION ITEMS

- 4. DISCUSS WHETHER TO RECOMMEND THAT THE BOARD OF DIRECTORS ADOPT AN ORDINANCE TO INCREASE PER DIEM DIRECTOR COMPENSATION FOR FISCAL YEAR 2025-26 OR NOT
- 5. ADOPTION OF THE THIRD AND FINAL DRAFT BUDGET FOR FISCAL YEAR 2025-26
- 6. PROPOSED MWDOC WATER RATE RESOLUTION FOR FISCAL YEAR 2025-26

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

- 7. DEPARTMENT ACTIVITIES REPORTS
 - a. Administration
 - b. Finance and Information Technology

OTHER ITEMS

- 8. 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
March 2025**

Item 1a

WATER REVENUES

<u>Date</u>	<u>From</u>	<u>Description</u>	<u>Amount</u>
3/03/2025	City of Buena Park	January 2025 Water deliveries	\$ 26,146.49
3/03/2025	City of Newport Beach	January 2025 Water deliveries	335,553.32
3/03/2025	Trabuco Canyon Water District	January 2025 Water deliveries	46,870.57
3/04/2025	City of Seal Beach	January 2025 Water deliveries	15,568.91
3/06/2025	City of La Habra	January 2025 Water deliveries	21,820.47
3/07/2025	City of Garden Grove	January 2025 Water deliveries	79,420.13
3/07/2025	City of La Palma	January 2025 Water deliveries	892.01
3/07/2025	Irvine Ranch Water District	January 2025 Water deliveries	1,738,796.09
3/07/2025	Laguna Beach County Water District	January 2025 Water deliveries	400,710.32
3/12/2025	City of Orange	January 2025 Water deliveries	155,072.50
3/12/2025	East Orange Co Water District	January 2025 Water deliveries	445,046.93
3/12/2025	El Toro Water District	January 2025 Water deliveries	585,468.93
3/12/2025	Santa Margarita Water District	January 2025 Water deliveries	2,427,858.20
3/12/2025	Santa Margarita Water District (ID9)	January 2025 Water deliveries	655,152.59
3/13/2025	City of Westminster	January 2025 Water deliveries	8,648.65
3/13/2025	South Coast Water District	January 2025 Water deliveries	562,931.73
3/13/2025	Yorba Linda Water District	January 2025 Water deliveries	338,717.41
3/14/2025	City of San Clemente	January 2025 Water deliveries	814,212.80
3/14/2025	Golden State Water Company	January 2025 Water deliveries	581,445.26
3/14/2025	Moulton Niguel Water District	January 2025 Water deliveries	2,253,968.57
3/14/2025	Orange County Water District	January 2025 Water deliveries	125,055.27
3/24/2025	Mesa Water District	January 2025 Water deliveries	166.37
3/21/2025	City of Huntington Beach	February 2025 Water deliveries	219,572.79
3/24/2025	City of Fountain Valley	February 2025 Water deliveries	17,437.50
3/24/2025	Serrano Water District	February 2025 Water deliveries	11,365.84
3/27/2025	City of Westminster	February 2025 Water deliveries	8,648.65
3/28/2025	City of Brea	February 2025 Water deliveries	7,232.33
3/28/2025	City of Seal Beach	February 2025 Water deliveries	15,289.91
3/31/2025	City of Newport Beach	February 2025 Water deliveries	124,071.32
3/31/2025	Santa Margarita Water District	February 2025 Water deliveries	1,733,048.70
3/31/2025	Santa Margarita Water District (ID9)	February 2025 Water deliveries	466,882.84

TOTAL WATER REVENUES \$ 14,223,073.40

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

MISCELLANEOUS REVENUES

<u>Date</u>	<u>From</u>	<u>Description</u>	<u>Amount</u>
3/03/2025	Stripe	3/20/2025 Water Policy dinner registrations	\$ 10,529.50
3/10/2025	Moulton Niguel Water District	3/20/2025 Water Policy dinner registrations	1,250.00
3/10/2025	Mesa Water District	3/20/2025 Water Policy dinner registrations	1,250.00
3/13/2025	Laguna Beach County Water District	3/20/2025 Water Policy dinner registrations	1,250.00
3/19/2025	West Basin Municipal Water District	3/20/2025 Water Policy dinner registrations	800.00
3/20/2025	Western Municipal Water District	3/20/2025 Water Policy dinner registrations	1,250.00
3/31/2025	Metropolitan Water District	3/20/2025 Water Policy dinner registrations	2,500.00
3/10/2025	Steve Hedges	March 2025 Retiree Health insurance	54.20
3/10/2025	Judy Pfister	March 2025 Retiree Health insurance	36.88
3/03/2025	Keith Lyon	March 2025 Retiree Health insurance	227.65
3/27/2025	Keith Lyon	April 2025 Retiree Health insurance	227.65
3/31/2025	Karl Seckel	April 2025 Retiree Health insurance	227.65
3/07/2025	Stan Sprague	May 2025 Retiree Health insurance	227.65
3/24/2025	Stan Sprague	June 2025 Retiree Health insurance	227.65
3/03/2025	Stripe	Scouts BSA Clinic	268.96
3/03/2025	US Bank	CAL Card rebate check	780.73
3/13/2025	Igoe and Company Inc	Refund for FSA	460.00
3/17/2025	US Bank Custodial Account	Citibank Interest payment	1,250.19
3/21/2025	County of Orange	Dec 2024-Feb 2025 OCTP Interest less Admin fee	46,175.49
3/24/2025	US Bank Custodial Account	Toyota Financial Bank Interest payment	4,525.00
3/31/2025	US Bank Custodial Account	Leaders Credit Union Interest payment	821.92
3/31/2025	US Bank	Monthly Interest	100.92
3/24/2025	Mesa Water District	January 2025 Smartimer rebate program	69.49
3/24/2025	Laguna Beach County Water District	January 2025 Toilets rebate program	154.60
3/03/2025	Trabuco Canyon Water District	December 2024 Clothes Washers rebate program	290.00
3/12/2025	El Toro Water District	January 2025 Clothes Washers rebate program	115.00
3/06/2025	City of La Habra	January 2025 Turf Removal and Spray to Drip rebate program	416.00
3/07/2025	City of Brea	January 2025 Turf Removal and Spray to Drip rebate program	208.00
3/10/2025	City of Fountain Valley	January 2025 Turf Removal and Spray to Drip rebate program	791.40
3/19/2025	Golden State Water Company	January 2025 Turf Removal and Spray to Drip rebate program	208.00
3/19/2025	City of Orange	January 2025 Turf Removal and Spray to Drip rebate program	876.00
3/21/2025	City of Tustin	January 2025 Turf Removal and Spray to Drip rebate program	312.00
3/21/2025	Irvine Ranch Water District	January 2025 Smartimer, Turf Removal and Spray to Drip rebate program	22,788.00
3/10/2025	Moulton Niguel Water District	January 2025 Smartimer, Turf Removal, Spray to Drip, Rotating Nozzles and Clothes Washers rebate program	5,439.90
3/03/2025	City of Anaheim	Dedicated Irrigation Meters Program FY 2024-25	18,103.08
3/03/2025	Bureau of Reclamation	Oct 24- Jan 25 OC Sustainable Landscapes program	137,464.03
3/10/2025	City of Anaheim	Jul-Dec 2024 School Billing	19,384.68
3/12/2025	City of Garden Grove	Addition to the Choice School Program FY 2024-25	6,885.42
3/03/2025	City of Anaheim	Water Loss Control Shared Services FY 2024-25	60,390.00
3/28/2025	City of Brea	Water Loss Control Shared Services FY 2024-25	1,302.00
3/14/2025	City of Fullerton	Water Loss Control Technical Assistance - E Source CY 2024	27,150.00
3/19/2025	Inland Empire Utilities Agency	WEEA Sponsorship FY 2024-25 - Prorated	1,667.00
3/07/2025	Inland Empire Utilities Agency	WEEA Sponsorship FY 2025-26	5,000.00
3/24/2025	Mesa Water District	Hazard Mitigation Plan	11,800.00

TOTAL MISCELLANEOUS REVENUES	\$ 395,256.64
TOTAL REVENUES	\$ 14,618,330.04



Harvey De La Torre, General Manager



Hilary Chumpitazi, Treasurer

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

Vendor/ Invoice	Description	Amount to Pay
Core Expenditures:		
ACCO Engineered Systems Inc		
20673070	02/28/25 Service for replacement of heat actuator in the kitchen	869.68
Total		869.68
Ackerman Consulting-Richard C Ackerman		
1437	March 2025 Legal and regulatory specialized consulting services	3,500.00
Total		3,500.00
Aleshire & Wynder LLP		
94338	February 2025 Legal services	487.50
Total		487.50
Alta FoodCraft		
12513848	March 2025 Coffee and tea supplies	119.00
12514063	March 2025 Coffee and tea supplies	10.66
Total		129.66
Best Best and Krieger LLP		
55401-FEB25	February 2025 Legal services	10,233.62
Total		10,233.62
CSU Fullerton ASC		
AR174975	Lunch and Learn workshop held on 02/20/25	3,000.00
Total		3,000.00
Green Thumb (Indoor Plant Care) LLC-Dedo Verde Interior		
20250305	April 2025 Indoor plant service	305.50
Total		305.50
Dopudja & Wells Consulting Inc		
2064	February 2025 Consulting services on MET Strategic Issues and Priorities	2,662.50
Total		2,662.50
Elevated Health		
April 2025	Pre-employment physical for new staff member	115.00
Total		115.00
E Source Companies LLC		
24661	February 2025 AMI Technical Assistance Workgroup Meeting #4	3,240.00
Total		3,240.00

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

Vendor/ Invoice	Description	Amount to Pay
GovConnection Inc		
76286034	Four additional co-termed licenses for Microsoft authentication, email, and applications	827.44
76294907	Four additional co-termed Adobe Acrobat licenses	194.52
Total		1,021.96
Hashtag Pinpoint Corporation		
1950	March 2025 Social Media consultation and services	7,913.00
Total		7,913.00
Steve Hedges		
040125	January-March 2025 Retiree medical premium	555.00
Total		555.00
Lawnscape Systems Inc		
451523	March 2025 Landscape Maintenance for Atrium	495.00
Total		495.00
Phil Letrong		
31925	January-March 2025 Retiree medical premium	555.00
Total		555.00
Hyas Group		
11434725079	February-March 2025 Investment Advisor services for 401a and 457b plans	3,277.77
Total		3,277.77
Natural Resource Results LLC		
5325	March 2025 Federal Advocacy Agreement services	8,000.00
Total		8,000.00
NDS		
847765	03/07/25 Board packet delivery service	134.72
847901	03/14/25 Board packet delivery service	134.72
848295	03/28/25 Board packet delivery service	134.72
Total		404.16
ODP Business Solutions LLC		
412417763001	03/12/25 Office supplies	662.33
Total		662.33
Orange County Water District		
27279	February 2025 Postage, shared office & maintenance expense	11,019.95
Total		11,019.95

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

Vendor/ Invoice	Description	Amount to Pay
Office Solutions		
I-02297685	03/12/25 Office supplies	96.09
I-02301236	Cabinet for Office 126	995.06
I-02302485	03/31/25 Office supplies	122.56
I-02303059	04/02/25 Supply order	24.27
Total		1,237.98
Packet Fusion Inc		
PB17091	Additional four Zoom cloud phone licenses for upcoming succession planning and new positions	452.90
Total		452.90
Karl Seckel		
30325	January-March 2025 Retiree medical premium	1,554.00
Total		1,554.00
SMS Datacenter-Groupo SMS USA LLC		
41748	Professional services to plan, configure, and install eight Cisco switches	16,195.00
42360	April 2025 IT support services	4,590.00
Total		20,785.00
Soto Resources-Joey C Soto		
GA-MAR-99	March 2025 Grant Research and Acquisition	3,250.00
Total		3,250.00
Syrus Devers Advocacy LLC		
1102	March 2025 State Legislative Advocacy services	8,000.00
Total		8,000.00
USAFact Inc		
5033329	March 2025 Background check for new hire	66.34
Total		66.34
Pauline D Wennerstrom		
22725	January-March 2025 Retiree medical premium	552.00
Total		552.00
Whittingham Public Affairs Advisors-WPAA		
2898	April 2025 Strategic guidance on local & regional issues	7,500.00
Total		7,500.00
Total Core Expenditures		101,845.85

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

Vendor/ Invoice	Description	Amount to Pay
Choice Expenditures:		
Bryton Printing Inc		
18441	Water Use Efficiency NFT bill inserts and flyers for member agencies	2,290.53
Total		2,290.53
Building Block Entertainment Inc		
3861-4	March 2025 Choice Elementary School Program K-2	9,180.00
Total		9,180.00
Mission RCD		
3489	March Field inspection and verification for Water Use Efficiency rebate programs	2,795.50
Total		2,795.50
Office Solutions		
I-02300647	03/24/25 Supplies for Water Loss Control Shared Services	56.93
Total		56.93
Orange County Dept of Education		
94U1672	February 2025 Choice School Program for grades 3-12	38,205.26
Total		38,205.26
Orange County Water District		
27279	February 2025 Postage for Water Use Efficiency rebate programs	36.79
Total		36.79
Westerly Meter Service Co.-Lane M Matsuno		
17804	February 2025 Meter Accuracy Testing for Mesa Water District	1,600.00
17814	March 2025 Meter Accuracy Testing for Mesa Water District	1,800.00
17826	March 2025 Meter Accuracy Testing for Mesa Water District	1,400.00
Total		4,800.00
Total Choice Expenditures		57,365.01
Other Funds Expenditures:		
E Source Companies LLC		
13207	February 2025 Retail Agency Technical Assistance services	23,720.00
Total		23,720.00

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

Vendor/ Invoice	Description	Amount to Pay
Herndon Solutions Group LLC		
INV-0000010331	February-March 2025 services to assist with the Hazard Mitigation Plan and American Water Infrastructure Act	5,000.00
INV-0000010332	February-March 2025 services to assist with the Hazard Mitigation Plan and American Water Infrastructure Act	53,820.00
INV-0000010334	February-March 2025 services to assist with the Hazard Mitigation Plan and American Water Infrastructure Act	43,470.00
INV-0000010335	February-March 2025 services to assist with the Hazard Mitigation Plan and American Water Infrastructure Act	43,470.00
INV-0000010339	February-March 2025 services to assist with the Hazard Mitigation Plan and American Water Infrastructure Act	43,470.00
INV-0000010340	February-March 2025 services to assist with the Hazard Mitigation Plan and American Water Infrastructure Act	43,470.00
Total		232,700.00
Mission RCD		
3489	March Field inspection and verification for Water Use Efficiency rebate programs	11,373.60
Total		11,373.60
Total Other Funds Expenditures		267,793.60
Total Expenditures		427,004.46

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

Name/ Date	Check/ EFT	Invoice	Description	Amount
Core Disbursements:				
Tiffany Baca				
3/31/2025	EFT	22625	February 2025 Business expense	411.33
Total				411.33
Heather Baez				
3/31/2025	EFT	13125	January 2025 Business expense	42.18
3/31/2025	EFT	22725	February 2025 Business expense	793.58
Total				835.76
Hilary Chumpitazi				
3/31/2025	EFT	22525	February 2025 Business expense	131.32
Total				131.32
Corodata Records Management Inc				
3/31/2025	EFT	RS7073201	February 2025 Records Storage Fees	110.98
Total				110.98
Larry Dick				
3/31/2025	EFT	21225	February 2025 Business expense	50.40
Total				50.40
Sam Fetter				
3/31/2025	EFT	121124	10/21/24-12/11/24 Education reimbursement	3,306.41
Total				3,306.41
Lisa Meszaros				
3/31/2025	143891	31025	Refund for overpayment of Pat Meszaros March 2025 Retiree Health	36.88
Total				36.88
Al Nederhood				
3/31/2025	EFT	22825	February 2025 Business expense	285.02
Total				285.02
Megan Schneider				
3/31/2025	EFT	21925	February 2025 Business expense	207.78
Total				207.78
Karl Seckel				
3/31/2025	EFT	22025	February 2025 Business expense	83.30
Total				83.30
Spectrum Business				
3/06/2025	143834	188955001022125	March 2025 Internet expense	1,034.00
Total				1,034.00
Verizon Wireless				
3/06/2025	143835	6106797748	February 2025 4G Mobile broadband unlimited service	106.27
Total				106.27
Katie Vincent				
3/31/2025	EFT	22225	February 2025 Business expense	25.76
Total				25.76

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

Name/ Date	Check/ EFT	Invoice	Description	Amount
US Bank				
3/31/2025	143897	2978/4192/8910/1189-FEB25	01/23/25-02/24/25 Cal Card Charges	39,881.66
Total				<u>39,881.66</u>
Total Core Disbursements				<u>46,506.87</u>
 Choice Disbursements:				
US Bank Voyager Fleet Systems				
3/14/2025	EFT	8694349932509	01/25/25-02/24/25 Fuel for Water Loss Control Shared Services Vehicles	434.49
Total				<u>434.49</u>
Total Choice Disbursements				<u>434.49</u>
 Other Funds Disbursements:				
AT&T				
3/14/2025	143836	23093968	February 2025 Telephone expense for WEROC N. EOC	40.69
Total				<u>40.69</u>
Lantern Hill Community Association				
3/14/2025	143838	RTF5597	ORP Recycled Water Incentive for Lantern Hill Community Association	3,913.00
Total				<u>3,913.00</u>
Metropolitan Water District				
3/28/2025	EFT03282025	11745	January 2025 Water deliveries	11,334,796.70
Total				<u>11,334,796.70</u>
Santiago Aqueduct Commission				
3/31/2025	143894	12025	January 2025 SAC Pipeline Operation Surcharge	2,459.17
Total				<u>2,459.17</u>
Janine Schunk				
3/31/2025	143895	11525	January 2025 Business expense	608.46
Total				<u>608.46</u>
Santa Margarita Water District				
3/31/2025	EFT	12025	January 2025 SCP Operation Surcharge	23,237.27
Total				<u>23,237.27</u>
Spray to Drip Rebate				
3/19/2025	143883	S2D6-C-HB-44331-19453	Sea Harbour HOA Inc	2,650.00
3/19/2025	143860	S2D7-C-HB-44331-22275	Huntington Landmark Association	16,904.00
3/19/2025	143853	S2D7-C-O-54679-23593	Cowan Hills HOA	24,184.00
3/19/2025	143857	S2D7-R-GSWC-54429-23444	M. Fromkin	552.00
3/19/2025	143871	S2D7-R-HB-53137-22272	L. Maxson	152.50
3/19/2025	143884	S2D7-R-IRWD-54363-23414	D. Silvestre	871.00
3/19/2025	143875	S2D7-R-IRWD-54375-23404	B. Pollard	911.00
3/19/2025	143866	S2D7-R-IRWD-54554-23507-ADJ	C. Lin	2,500.00
3/19/2025	143859	S2D7-R-IRWD-54717-23621	S. Gulati	4,461.00

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

Name/ Date	Check/ EFT	Invoice	Description	Amount
Spray to Drip Rebate (continued)				
3/19/2025	143867	S2D7-R-IRWD-54743-23664	J. Luu	868.00
3/19/2025	143876	S2D7-R-IRWD-54769-23681	A. Schiano	1,499.00
3/19/2025	143849	S2D7-R-LH-54468-23464	C. Capps	1,400.00
3/19/2025	143878	S2D7-R-MESA-50896-23467	K. Radcliff	1,212.00
3/19/2025	143845	S2D7-R-MESA-54685-23584	J. Alvanes	1,116.00
3/19/2025	143880	S2D7-R-NWPT-54465-23461	D. Reposa	799.00
3/19/2025	143886	S2D7-R-TUST-54559-23513	M. Woolfolk	2,800.00
3/19/2025	143862	S2D7-R-TUST-54567-23556	J. Klem	846.46
Total				63,725.96
Turf Rebate				
3/19/2025	143869	TR16-R-O-47003-49787	I. Makelin	5,570.26
3/19/2025	143848	TR17-C-BREA-42600-53312	Brea-Olinda Master Community Assoc	69,978.00
3/19/2025	143864	TR17-C-IRWD-38850-53129	Lake Forest II Master HOA	24,995.00
3/19/2025	143847	TR17-C-IRWD-54591-53186	Arborlake Maintenance Assoc	2,360.00
3/19/2025	143873	TR17-C-MNT-42600-53325-CNS	Ocean Ranch at Bear Brand	10,288.00
3/19/2025	143854	TR17-C-O-54679-53307	Cowan Hills HOA	59,241.00
3/19/2025	143872	TR17-R-FV-54653-53279	J. Moore	889.47
3/19/2025	143865	TR17-R-GG-54657-53285	P. Lebar	4,948.00
3/19/2025	143858	TR17-R-GSWC-54429-52967	M. Fromkin	11,329.00
3/19/2025	143885	TR17-R-IRWD-54363-52884	D. Silvestre	4,406.05
3/19/2025	143855	TR17-R-IRWD-54416-52952	J. Cruz	1,494.22
3/19/2025	143874	TR17-R-IRWD-54654-53280	T. Pan	5,315.00
3/19/2025	143861	TR17-R-IRWD-54670-53296	F. Khosravi	900.00
3/19/2025	143868	TR17-R-IRWD-54743-53399	J. Luu	3,239.00
3/19/2025	143877	TR17-R-IRWD-54769-53425	A. Schiano	4,483.00
3/19/2025	143850	TR17-R-LH-54468-53020	C. Capps	5,513.00
3/19/2025	143879	TR17-R-MESA-50896-53036	K. Radcliff	11,340.00
3/19/2025	143846	TR17-R-MESA-54685-53313	J. Alvanes	3,949.00
3/19/2025	143852	TR17-R-MNT-54492-53059-NS	J. Colombero	4,685.00
3/19/2025	143856	TR17-R-MNT-54514-53104	S. Echevarria	3,540.00
3/19/2025	143882	TR17-R-MNT-54737-53389	L. Schuller	3,312.00
3/19/2025	143870	TR17-R-NWPT-54364-52887	J. Martin	1,011.00
3/19/2025	143881	TR17-R-NWPT-54465-53016	D. Reposa	2,497.00
3/19/2025	143851	TR17-R-TUST-46968-53289	G. Chan	9,461.00
3/19/2025	143887	TR17-R-TUST-54559-53148	M. Woolfolk	6,540.00
3/19/2025	143863	TR17-R-TUST-54567-53160	J. Klem	2,983.00
Total				264,267.00
US Bank				
3/31/2025	143897	3115-FEB25	01/23/25-02/24/25 Cal Card Charges - WEROC	2,110.44
Total				2,110.44
Verizon Wireless				
3/06/2025	143835	6106797748	February 2025 4G Mobile broadband unlimited service	238.16
Total				238.16
Total Other Funds Disbursements				11,695,396.85
Total Disbursements				11,742,338.21

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

Name/ Date	Check/ EFT	Invoice	Description	Amount
---------------	------------	---------	-------------	--------



Harvey De La Torre, General Manager



Hilary Chumpitazi, Treasurer

Cal Card Charges
Statement Date: February 24, 2025
Payment Date: March 31, 2025

Date	Description	Amount
General Manager Card:		
1/21/2025	CSDA Virtual Workshops - Registration for H. Chumpitazi	1,125.00
1/21/2025	CMUA 2025 Annual Capital Day in Sacramento, CA on 02/03/25 - Airfare for H. Baez	608.96
1/23/2025	Meals for H. De La Torre's meeting	135.83
1/24/2025	AWWA 2025 Individual Webinar Subscription - S. Sriboonlue	195.00
1/25/2025	PSHRA-SC Annual Training Conference in Long Beach, CA on 04/16/25 - Registration for C. Harris	155.00
1/27/2025	Lunch for Water Quality Workshop on 01/27/25	261.60
1/28/2025	AWWA CA-NV Water Conference of the West 2025 in Anaheim, CA 04/07/25-04/10/25 - Registration for R. Davis	575.00
1/29/2025	Meals for H. De La Torre's meetings	71.46
2/03/2025	Commercial Water Auditor Training 01/28/25-01/30/25 in Ontario, CA - Refund of accommodations for S. Fetter	(190.50)
2/04/2025	Urban Water Institute Spring Conference 2025 in Palm Springs, CA from 02/26/25-02/28/25 - Accommodations for D. Micalizzi, T. Baca, and H. De La Torre	1,813.50
2/04/2025	CMUA Capital Days & Strategic Policy Objective Working Group Meeting in Sacramento, CA from 02/03/25-02/04/25 - Accomodations for H. Baez	475.62
2/04/2025	CSDA Legislative Committee meeting in Sacramento, CA on 02/21/25 - Airfare for H. Baez	445.96
2/09/2025	ACWA DC 2025 Spring Conference in Monterey, CA from 05/13/25-05/15/25 - Registration for D. Micalizzi	949.00
2/11/2025	Staff meeting lunch on 02/18/25	517.94
2/11/2025	ACWA DC 2025 in Washington DC and Legislative Meetings in Washington, DC from 02/24/25- 02/27/25 - Airfare change for M. Baum-Haley	31.00
2/14/2025	Orange County Business Council's 2025 Sacramento Advocacy Trip in Sacramento, CA from 03/24/25-03/25/25 - Registration for H. Baez	950.00
2/18/2025	ACWA DC 2025 in Washington DC and Legislative Meetings in Washington, DC from 02/24/25- 02/27/25 - Accommodations for J. Berg, R. Crane, H. Baez, R. Davis, and M. Baum-Haley	11,959.37
2/18/2025	CSDA 2025 Annual Conference in Monterey, CA from 08/25/25-08/28/25 - Registration for H. De La Torre	1,215.00
2/19/2025	Meals for H. De La Torre's meetings and MET meeting dinner for 8 guests	1,278.87
2/19/2025	Asset Management at OC San: An OCWA Industry Insight in Irvine, CA on 02/19/25 - Registration for S. Sriboonlue	30.00
2/19/2025	Meet the Mayors in Laguna Niguel, CA on 03/07/25 - Registration for H. Baez and D. Erdman	100.00
2/19/2025	Urban Water Institute Spring Conference 2025 in Palm Springs, CA from 02/26/25-02/28/25 - Accommodations for A. Nederhood and J. Thomas	1,162.32
2/19/2025	ACWA DC 2025 in Washington DC and Legislative Meetings in Washington, DC from 02/24/25- 02/27/25 - Accommodations for M. Baum-Haley	1,772.94
2/19/2025	ACWA DC 2025 Spring Conference in Monterey, CA from 05/13/25-05/15/25 - Registration for A. Nederhood, R. Crane, M. Yoo Schneider	2,847.00
2/23/2025	ACWA DC 2025 in Washington DC and Legislative Meetings in Washington, DC from 02/24/25- 02/27/25 - Airport transportation for H. Baez, R. Davis & R. Crane	143.00
Total:		28,628.87

Assistant General Manager Card:

1/30/2025	01/30/25 Meal for M. Baum-Haley's WUE activities meeting	69.30
2/23/2025	02/04/25-02/23/25 Meals for M. Baum-Haley's meetings and ACWA DC 2025 accommodations	325.26
Total:		394.56

Cal Card Charges
Statement Date: February 24, 2025
Payment Date: March 31, 2025

Date	Description	Amount
WEROC Card:		
1/23/2025	Luncheon for CMAP/CERT training and exercise highlighting Emergency Water Distribution on 01/25/25	878.71
1/30/2025	Diesel fuel for the WEROC Mobile EOC	80.18
1/30/2025	Oil change, battery test, tire air pressure check, and multi-point inspection for the WEROC Mobile EOC	296.14
1/30/2025	Ultrasafe car battery jump starter and jump start cables for the WEROC Mobile EOC	391.40
1/30/2025	Ultrasafe car battery jump starter protection case for the WEROC Mobile EOC	38.01
2/01/2025	February 2025 Starlink unlimited roaming minutes for the WEROC Mobile EOC	165.00
2/21/2025	Breakfast for WEROC Member Agency Coordination meeting on 02/24/25	261.00
Total:		2,110.44
Public Affairs Card:		
1/21/2025	Staff lunch meeting on 01/25/25	102.08
1/22/2025	Breakfast for Inspection Trip on 01/24/25	49.07
1/23/2025	Refund on inadvertent charge	(109.07)
1/25/2025	Grammarly annual subscription - Digital tool for writing and editing	540.00
1/28/2025	Meal for D. Micalizzi's lunch meeting	65.60
1/30/2025	February 2025 Open AI monthly subscription, language processing tool	20.00
2/03/2025	February 2025 Monthly Public Storage Unit for Public Affairs	706.00
2/07/2025	Career brochure printing for WEEA	60.60
2/18/2025	Supplies for the WEEA Education to Workforce Tour on 02/19/25	6.53
2/18/2025	Snacks for the WEEA Education to Workforce Tour on 02/19/25	78.29
2/18/2025	Lunch for the WEEA Education to Workforce Tour on 02/19/25	518.00
2/20/2025	Breakfast for the WEEA Education to Workforce Tour on 02/19/25	326.56
Total:		2,363.66
Administration Card:		
1/24/2025	Four pack of 1" binders for IT	11.84
1/24/2025	Service charge for evaluation of Microsoft Dynamics ERP system	6.00
1/25/2025	12/25/24-1/24/25 Monthly web hosting and database charges	152.99
1/27/2025	AMI Workgroup #3 catering	1,302.71
1/28/2025	Heat and humidity monitor for server room	396.94
1/28/2025	Team building on 01/27/25	145.75
1/28/2025	UPS refund for scheduled pick up of Water Loss Control Shared Services equipment to be repaired on 01/15/25	(10.66)
1/28/2025	Lunch for HR meeting on 01/30/25	386.35
1/31/2025	Room Alert SMS texting capabilities when server room environment has exceeded thresholds	25.00
1/31/2025	Bi-annual preventative maintenance for the ice maker	334.75
1/31/2025	Door stop for kitchen	46.69
2/01/2025	UPS delivery fee for board packets	32.99
2/02/2025	UPS adjustment charge for Water Loss Control equipment repair and board packet delivery	3.14
2/03/2025	Lunch for Management staff team building on 02/03/25	285.56
2/05/2025	Network switch to consolidate A/V network with business network	1,791.58
2/05/2025	Repair service on listening equipment for Water Loss Control Shared Services	580.08
2/07/2025	Team building on 02/06/25	68.08

Cal Card Charges
Statement Date: February 24, 2025
Payment Date: March 31, 2025

Date	Description	Amount
Administration Card (continued)		
2/07/2025	Association of Legal Administrators job posting for Executive Assistant to the GM & District Secretary	529.00
2/07/2025	Lunch for WUE Data Collaborative Steering Committee meeting on 02/06/25	821.01
2/09/2025	January 2025 monthly service fee to transfer logs to the Security Information and Event Management (SIEM) tool	22.33
2/14/2025	Office supplies	53.33
2/17/2025	Office supplies	168.55
2/17/2025	February 2025 Wireless Internet Backup	45.00
2/17/2025	Monthly cloud storage fee to archive Laserfiche documents for compliance/immutability	39.13
2/18/2025	Employee 10-year anniversary gift card	100.00
2/18/2025	Lunch for Lunch & Learn on 02/20/25	819.25
2/19/2025	Server room rack shelf	32.41
2/19/2025	Three laptop replacement batteries for WEROC	240.51
2/19/2025	02/19/25-03/19/25 Monthly eFax service charge	10.00
2/21/2025	Office supplies	48.26
2/23/2025	Service charge for evaluation of Microsoft Dynamics ERP system	6.00
Total:		8,494.57

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

Name/ Date	Check/ EFT	Invoice	Description	Amount
Core Disbursements:				
CSU Fullerton ASC				
3/31/2025	EFT	AR174916	2024 Update to the Retailers & Transmission Mains Map	827.16
3/31/2025	EFT	AR174917	Completion of 2020-2024 OC Retailer Services and Sub Area Population Estimates	2,164.71
Total				2,991.87
SMS Datacenter-Groupo SMS USA LLC				
3/31/2025	EFT	41992	Project to remove, replace, and organize network cables serving MWDOC servers and switches	8,029.73
Total				8,029.73
The Westin South Coast Plaza				
3/11/2025	EFT	22225	Estimate of charges for 03/20/25 Water Policy Dinner	38,788.07
Total				38,788.07
Water District Jobs				
3/31/2025	143898	1372502	03/06/25 Job postings for Public Affairs Manager and Accountant	290.00
Total				290.00
Total Core Disbursements				50,099.67
Total Disbursements				50,099.67



 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**
February 28, 2025

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	\$ 294,987	1.84%
Pension 115 Trust	1,999,765	12.47%
Total Restricted Reserves	\$2,294,752	14.31%
Designated Reserves		
Operating Reserves	\$4,058,262	25.30%
Election Reserve	1,709,967	10.66%
OPEB Reserve	297,147	1.85%
Total Designated Reserves	\$6,065,376	37.81%
General Operations Fund	\$9,144,843	57.01%
Water Purchase Payments Fund	187,767	1.17%
Conservation Fund	(1,671,474)	(10.42%)
Trustee Activities - AMP	18,581	0.12%
Total Other Funds	\$7,679,717	47.88%
Total	\$16,039,845	100.00%

The funds are invested as follows:

Term of Investment	% of Portfolio	Book Value	Market Value
Cash	28.08%	\$ 4,504,733	\$ 4,504,733
Pension 115 Trust	12.47%	1,999,765	1,999,765
Short-term investment			
• LAIF	40.12%	6,435,371	6,435,371
Long-term investment			
• US Government Issues	1.56%	249,976	242,053
• Corporate Bond	7.48%	1,200,000	1,173,267
• Certificates of Deposit	10.29%	1,650,000	1,635,341
Total	100.00%	\$16,039,845	\$15,990,530

The average number of days to maturity/call as of February 28, 2025, equaled 224 and the average yield to maturity is 3.775%. During the month of February 2025, the District's average daily balance was \$40,652,658.85. Funds were invested in US Bank, Pension 115 Trust, Negotiable Certificate of Deposits, Corporate Bonds, US Government Issues and Local Agency Investment Funds (LAIF).

The (\$49,315) difference between the book value and the market value on February 28, 2025, 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

Street Address:
18700 Ward Street
Fountain Valley, California 92708

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

(714) 963-3058
Fax: (714) 964-9389
www.mwdoc.com

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
February 28, 2025

2/28/2025	Par Value	Market Value	Book Value	% of Portfolio	Days to Mat/Call	YTM @ Cost
Negotiable Certificate Of Deposit	1,650,000.00	1,635,341.00	1,650,000.00	17.30	1,181	3.679
Corporate Bond	1,200,000.00	1,173,267.00	1,200,000.00	12.58	132	1.518
US Government Issues	250,000.00	242,052.50	249,975.71	2.62	87	0.860
Local Agency Investment Funds	6,435,371.00	6,435,371.00	6,435,371.00	67.50	1	4.333
Total Investments	9,535,371.00	9,486,031.50	9,535,346.71	100.00	224	3.775
Cash						
Cash	4,504,733.28	4,504,733.28	4,504,733.28		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	16,039,869.18	15,990,529.68	16,039,844.89		224	3.775

Total Earnings	Month Ending February	Fiscal Year to Date
Current Year	123,069.51	751,481.73
Average Daily Balance	40,652,658.85	
Effective Rate of Return	3.775%	

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 F. La Torre
Harvey De La Torre, General Manager

04/03/2025
Date

Hilary Chumbitazi
Hilary Chumbitazi, Treasurer

04/03/2025
Date

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Long-Term Portfolio Details - Investments
February 28, 2025

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	195,866.00	200,000.00	3.350	3.350	872	7/20/2027
Discover Bank	2546736R2	7/26/2023	250,000.00	251,772.50	250,000.00	4.500	4.500	1,242	7/24/2028
Leaders Credit Union	52171MAN5	8/30/2024	250,000.00	247,265.00	250,000.00	4.000	4.000	1,644	8/30/2029
Magyar Bank	55977RCD3	7/30/2024	250,000.00	248,287.50	250,000.00	4.100	4.100	1,613	7/30/2029
Sallie Mae Bank	7954507A7	7/14/2021	200,000.00	191,350.00	200,000.00	1.000	1.000	501	7/14/2026
State Bank of India	8562852Q3	8/10/2023	250,000.00	254,555.00	250,000.00	4.550	4.550	1,259	8/10/2028
Toyola Financial SGS Bank	89235MPD7	9/27/2022	250,000.00	246,265.00	250,000.00	3.650	3.650	936	9/22/2027
Sub Total			1,650,000.00	1,635,341.00	1,650,000.00	3.679	3.679	1,181	
US Government Issues									
FHLB	3130ALGR9	3/1/2021	250,000.00	242,052.50	249,975.71	0.850	0.860	87	2/26/2026
Sub Total			250,000.00	242,052.50	249,975.71	0.850	0.860	87	
Corporate Bond									
Bank of America Corp	06048WK41	12/7/2020	250,000.00	242,365.00	250,000.00	1.000	0.800	270	11/25/2025
Citigroup Global Markets	17328WFZ6	9/16/2020	250,000.00	243,972.50	250,000.00	1.000	1.000	16	9/16/2025
JP Morgan Chase	48128GV56	8/18/2020	250,000.00	244,377.50	250,000.00	0.800	0.800	171	8/18/2025
Morgan Stanley Fin LLC	61766YKH3	6/29/2022	200,000.00	197,992.00	200,000.00	4.500	4.500	121	6/29/2027
Societe Generale	83369MD25	8/19/2020	250,000.00	244,560.00	250,000.00	1.300	1.088	80	8/19/2025
Sub Total			1,200,000.00	1,173,267.00	1,200,000.00	1.604	1.518	132	
Total Investments			3,100,000.00	3,050,660.50	3,099,975.71	2.648	2.615	687	
Total Earnings									
			Month Ending February	Fiscal Year To Date					
			6,262.16	53,821.24					

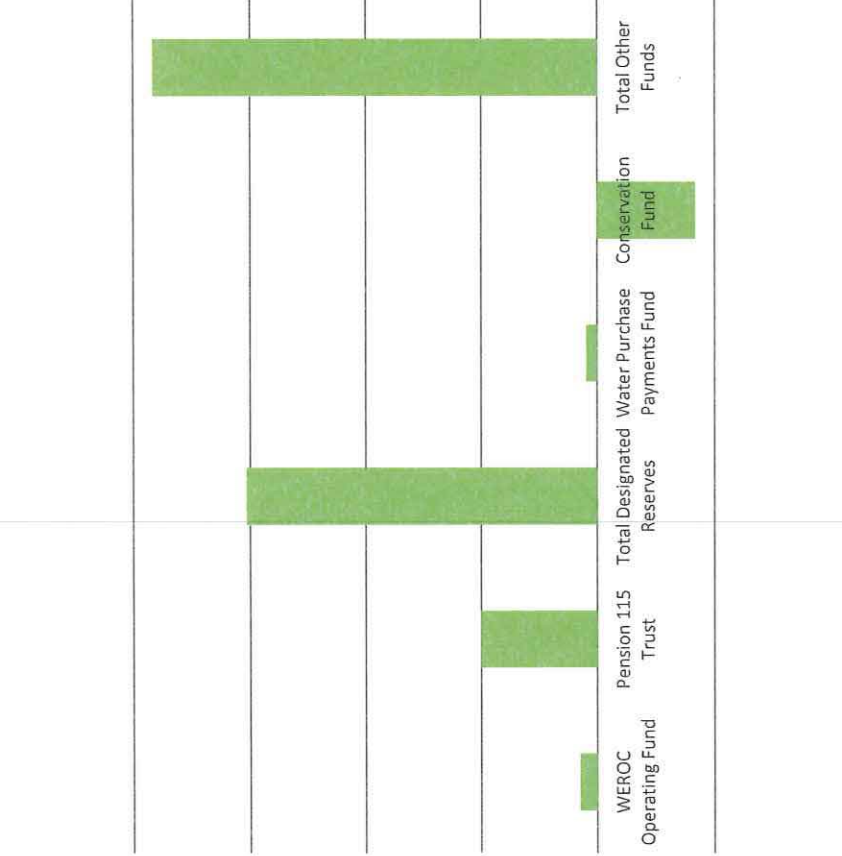
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Short-Term Portfolio Details - Cash and Investments
February 28, 2025

Investments	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
Local Agency Investment Funds									
LAIF LGIP	LAIF	6/30/2010	6,435,371.00	6,435,371.00	6,435,371.00	4.333	4.333	1	N/A
Total Investments			6,435,371.00	6,435,371.00	6,435,371.00	4.333	4.333	1	
Cash									
Petty Cash	CASH	7/1/2010	500.00	500.00	500.00	0.000	0.000	1	N/A
US Bank Cash	CASHUSBANK	7/25/2018	4,504,233.28	4,504,233.28	4,504,233.28	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			6,504,498.18	6,504,498.18	6,504,498.18	0.000	0.000	1	
Total Cash and Investments			12,939,869.18	12,939,869.18	12,939,869.18	4.333	4.333	1	

Total Earnings	Month Ending February	Fiscal Year To Date
Current Year	116,807.35	697,660.49

Municipal Water District of Orange County Cash and Investments at February 28, 2025

ALLOCATION	AMOUNT	%
MWDOC		
Restricted Reserves		
WEROC Operating Fund	\$ 294,987	1.84%
Pension 115 Trust	1,999,765	12.47%
Total Restricted Reserves	\$ 2,294,752	14.31%
Designated Reserves		
Operating Reserve	\$ 4,058,262	25.30%
Election Reserve	1,709,967	10.66%
OPEB Reserve	297,147	1.85%
Total Designated Reserves	\$ 6,065,376	37.81%
General Operations Fund	\$ 9,144,843	57.01%
Water Purchase Payments Fund	187,767	1.17%
Conservation Fund	(1,671,474)	-10.42%
Total Other Funds	\$ 7,661,136	47.76%
TOTAL MWDOC	\$ 16,021,264	99.88%
TRUSTEE ACTIVITIES		
AMP Sales Admin	\$ 18,581	0.12%
TOTAL TRUSTEE ACTIVITIES	\$ 18,581	0.12%
TOTAL CASH & INVESTMENTS	\$ 16,039,845	100.00%



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

Account Report for the Period
2/1/2025 to 2/28/2025

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

Account Summary

Source	Balance as of 2/1/2025	Contributions	Earnings	Expenses	Distributions	Transfers	Balance as of 2/28/2025
OPEB	\$3,020,613.76	\$0.00	\$20,755.43	\$1,463.87	\$0.00	\$0.00	\$3,039,905.32
PENSION	\$2,318,130.27	\$0.00	\$15,928.48	\$1,123.42	\$0.00	\$0.00	\$2,332,935.33
Totals	\$5,338,744.03	\$0.00	\$36,683.91	\$2,587.29	\$0.00	\$0.00	\$5,372,840.65

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	0.69%	0.01%	10.31%	4.75%	6.77%	5.99%	10/26/2011
PENSION	0.69%	0.01%	10.32%	4.78%	6.76%	-	7/31/2018

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

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

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

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



MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
COMBINED FINANCIAL STATEMENTS
AND
BUDGET COMPARATIVE
JULY 1, 2024 THRU FEBRUARY 28, 2025

**Municipal Water District of Orange County
Combined Balance Sheet
As of February 28, 2025**

	<u>Amount</u>
<u>ASSETS</u>	
Cash in Bank	4,504,733.28
Investments	11,535,111.61
Accounts Receivable	21,704,817.81
Accounts Receivable - Other	45,083.76
Accrued Interest Receivable	215,233.15
Water Inventory	622,976.00
Prepays/Deposits	327,090.62
Leasehold Improvements	7,010,782.88
Furniture, Fixtures & Equipment	724,085.38
Less: Accumulated Depreciation	<u>(4,146,758.74)</u>
TOTAL ASSETS	<u>42,543,155.75</u>
<u>LIABILITIES AND FUND BALANCES</u>	
<u>LIABILITIES</u>	
Accounts Payable	20,425,833.28
Accounts Payable - Other	7.00
Accrued Salaries and Benefits Payable	774,354.97
Other Liabilities	641,859.40
Unearned Revenue	<u>959,009.13</u>
TOTAL LIABILITIES	<u>22,801,063.78</u>
<u>FUND BALANCES</u>	
<u>Restricted Fund Balances</u>	
WEROC Reserve	396,676.84
Pension 115 Trust	1,999,764.90
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	297,147.00
Total Designated Reserves	<u>6,065,376.00</u>
General Fund	6,763,838.02
General Fund Capital	246,408.19
Total Unrestricted Fund Balances	<u>13,075,622.21</u>
<u>Excess Revenue over Expenditure</u>	
Operating Fund	4,845,151.91
Other Funds	<u>(575,123.89)</u>
TOTAL FUND BALANCES	<u>19,742,091.97</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>42,543,155.75</u>

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
General Fund
July 1, 2024 thru February 28, 2025

	<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	127,988.40	788,962.84	738,960.00	106.77%	0.00	(50,002.84)
Subtotal	127,988.40	10,775,244.09	10,725,241.00	100.47%	0.00	(50,003.09)
Choice Programs	0.00	1,046,473.00	1,548,573.00	67.58%	0.00	502,100.00
MWD Revenue - Shared Services	5,100.00	54,400.00	0.00	0.00%	0.00	(54,400.00)
Miscellaneous Income	0.00	814.67	3,000.00	27.16%	0.00	2,185.33
Revenue - Other	0.00	1,191.95	0.00	0.00%	0.00	(1,191.95)
School Contracts	28,023.46	453,439.78	496,062.00	91.41%	0.00	42,622.22
Delinquent Payment Penalty	0.00	54.89	0.00	0.00%	0.00	(54.89)
Transfer-In from Reserve	0.00	0.00	129,169.00	0.00%	0.00	129,169.00
Subtotal	33,123.46	1,556,374.29	2,176,804.00	71.50%	0.00	620,429.71
TOTAL REVENUES	161,111.86	12,331,618.38	12,902,045.00	95.58%	0.00	570,426.62

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
General Fund
July 1, 2024 thru February 28, 2025

	<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	401,497.23	3,484,549.52	5,422,706.00	64.26%	0.00	1,938,156.48
Salaries & Wages - Grant Recovery	0.00	(65,088.03)	(65,000.00)	(100.14)%	0.00	88.03
Director's Compensation	20,300.66	163,387.57	275,041.00	59.40%	0.00	111,653.43
MWD Representation	11,132.62	84,804.37	157,166.00	53.96%	0.00	72,361.63
Employee Benefits	126,580.98	1,055,584.31	1,578,059.00	66.89%	0.00	522,474.69
Employee Benefits - Grant Recovery	0.00	(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	9,860.94	75,825.81	149,557.00	50.70%	0.00	73,731.19
Health Insurance for Retirees	4,391.10	47,793.27	81,349.00	58.75%	0.00	33,555.73
Training Expense	4,925.00	38,417.97	41,200.00	93.25%	0.00	2,782.03
Tuition Reimbursement	3,306.41	9,351.00	6,000.00	155.85%	0.00	(3,351.00)
Temporary Help Expense	0.00	0.00	5,000.00	0.00%	0.00	5,000.00
Personnel Expenses	581,994.94	5,090,180.96	7,858,078.00	64.78%	0.00	2,767,897.04
Engineering Expense	17,662.50	65,611.03	293,000.00	22.39%	92,536.41	134,852.56
Legal Expense	10,721.12	130,229.93	260,000.00	50.09%	129,770.07	0.00
Audit Expense	0.00	27,000.00	36,500.00	73.97%	4,500.00	5,000.00
Professional Services	156,985.26	846,584.36	1,765,464.00	47.95%	918,365.15	514.49
Professional Fees	185,368.88	1,069,425.32	2,354,964.00	45.41%	1,145,171.63	140,367.05
Conference - Staff	2,709.00	20,588.99	40,002.00	51.47%	0.00	19,413.01
Conference - Directors	2,897.00	7,841.54	16,955.00	46.25%	0.00	9,113.46
Travel & Accom. - Staff	15,587.33	37,609.32	89,580.00	41.98%	0.00	51,970.68
Travel & Accom. - Directors	3,934.56	12,885.55	39,925.00	32.27%	0.00	27,039.45
Travel & Conference	25,127.89	78,925.40	186,462.00	42.33%	0.00	107,536.60
Membership/Sponsorship	0.00	190,645.20	243,688.00	78.23%	0.00	53,042.80
CDR Support	0.00	50,842.08	67,789.00	75.00%	16,947.35	(0.43)
Dues & Memberships	0.00	241,487.28	311,477.00	77.53%	16,947.35	53,042.37
Business Expense	1,157.22	3,990.86	5,000.00	79.82%	0.00	1,009.14
Office Maintenance	12,628.31	104,431.71	348,680.00	29.95%	64,040.05	180,208.24
Building Repair & Maintenance	600.57	26,473.62	30,200.00	87.66%	15,903.83	(12,177.45)
Storage Rental & Equipment Lease	110.98	739.54	1,200.00	61.63%	308.81	151.65
Office Supplies	1,987.47	15,339.97	30,000.00	51.13%	1,799.99	12,860.04
Supplies - Water Loss Control	38.95	1,209.76	4,800.00	25.20%	0.00	3,590.24
Postage/Mail Delivery	596.45	4,130.53	10,100.00	40.90%	416.54	5,552.93
Subscriptions & Books	195.00	6,258.81	10,000.00	62.59%	0.00	3,741.19
Reproduction Expense	(0.79)	43,622.80	109,000.00	40.02%	4,958.48	60,418.72
Maintenance - Computers	0.00	4,586.82	17,500.00	26.21%	0.00	12,913.18
Software Purchase	4,104.13	76,864.01	84,540.00	90.92%	1,700.28	5,975.71
Software Support	0.00	5,466.39	4,648.00	117.61%	0.00	(818.39)
Computers and Equipment	396.94	17,660.45	29,250.00	60.38%	0.00	11,589.55
Automotive Expense	739.90	5,548.44	11,900.00	46.63%	0.00	6,351.56
Vehicle Expense	434.49	5,559.50	12,000.00	46.33%	0.00	6,440.50
Toll Road Charges	48.81	487.50	800.00	60.94%	0.00	312.50
Insurance Expense	18,507.66	143,797.05	198,000.00	72.62%	0.00	54,202.95
Utilities - Telephone	3,508.02	30,475.96	45,526.00	66.94%	235.49	14,814.55
Bank Fees	0.00	0.00	2,400.00	0.00%	0.00	2,400.00
Miscellaneous Expense	8,442.31	81,122.73	157,070.00	51.65%	2,974.00	72,973.27
MWDOC's Contrb. to WEROC	25,067.33	200,538.68	300,808.00	66.67%	0.00	100,269.32
Depreciation Expense	6,474.48	51,796.30	0.00	0.00%	0.00	(51,796.30)
Other Expenses	85,038.23	830,101.43	1,413,422.00	58.73%	92,337.47	490,983.10
Election Expense	0.00	0.00	725,642.00	0.00%	0.00	725,642.00
Capital Acquisition	17,986.58	62,206.94	52,000.00	119.63%	0.00	(10,206.94)
Building Expense	0.00	114,139.14	0.00	0.00%	13,118.53	(127,257.67)
TOTAL EXPENSES	895,516.52	7,486,466.47	12,902,045.00	58.03%	1,267,574.98	4,148,003.55
NET INCOME (LOSS)	(734,404.66)	4,845,151.91	0.00	0.00%	(1,267,574.98)	(3,577,576.93)

**Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
Water Fund
July 1, 2024 thru February 28, 2025**

	<u>Month to Date</u>	<u>Year to Date</u>	<u>Annual Budget</u>	<u>% Used</u>	<u>Budget Remaining</u>
<u>WATER REVENUES</u>					
Water Sales	6,881,142.90	129,283,470.00	187,429,409.00	68.98%	58,145,939.00
Readiness to Serve Charge	1,442,245.00	10,548,545.61	16,263,519.00	64.86%	5,714,973.39
Capacity Charge CCF	364,325.00	2,611,930.00	4,069,230.00	64.19%	1,457,300.00
SCP/SAC Pipeline Surcharge	21,860.26	269,292.34	459,000.00	58.67%	189,707.66
TOTAL WATER REVENUES	8,709,573.16	142,713,237.95	208,221,158.00	68.54%	65,507,920.05
<u>WATER PURCHASES</u>					
Water Sales	6,881,142.90	129,283,470.00	187,429,409.00	68.98%	58,145,939.00
Readiness to Serve Charge	1,442,245.00	10,548,545.61	16,263,519.00	64.86%	5,714,973.39
Capacity Charge CCF	364,325.00	2,611,930.00	4,069,230.00	64.19%	1,457,300.00
SCP/SAC Pipeline Surcharge	21,860.26	269,292.34	459,000.00	58.67%	189,707.66
TOTAL WATER PURCHASES	8,709,573.16	142,713,237.95	208,221,158.00	68.54%	65,507,920.05
EXCESS OF REVENUE OVER EXPENDITURE	0.00	0.00	0.00	0.00%	0.00

**Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
Water Use Efficiency
July 1, 2024 thru February 28, 2025**

	<u>Year to Date Actual</u>	<u>Annual Budget</u>	<u>% Used</u>
Spray To Drip Conversion(3423)			
Revenues	366,185.95	1,585,000.00	23.10%
Expenses	561,579.08	1,585,000.00	35.43%
Excess of Revenues over Expenditures	(195,393.13)	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	154.60	1,500.00	10.31%
Expenses	154.60	1,500.00	10.31%
Excess of Revenues over Expenditures	0.00	0.00	
HECW Rebate Program(3411)			
Revenues	36,790.13	50,000.00	73.58%
Expenses	31,804.25	50,000.00	63.61%
Excess of Revenues over Expenditures	4,985.88	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	2,617,756.90	8,143,000.00	32.15%
Expenses	2,663,632.70	8,143,000.00	32.71%
Excess of Revenues over Expenditures	(45,875.80)	0.00	
Comprehensive Landscape (CLWUE)(3427)			
Revenues	147,785.86	382,900.00	38.60%
Expenses	197,621.97	382,900.00	51.61%
Excess of Revenues over Expenditures	(49,836.11)	0.00	
Recycled Water Program(3433)			
Revenues	269.75	40,000.00	0.67%
Expenses	4,182.75	40,000.00	10.46%
Excess of Revenues over Expenditures	(3,913.00)	0.00	
WSIP - Industrial Program(3432)			
Revenues	10,200.00	22,000.00	46.36%
Expenses	21,669.85	22,000.00	98.50%
Excess of Revenues over Expenditures	(11,469.85)	0.00	
Land Design Program(3431)			
Revenues	13,199.00	120,000.00	11.00%
Expenses	13,199.00	120,000.00	11.00%
Excess of Revenues over Expenditures	0.00	0.00	

**Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
Water Use Efficiency
July 1, 2024 thru February 28, 2025**

	<u>Year to Date Actual</u>	<u>Annual Budget</u>	<u>% Used</u>
Dedicated Irrigation Meters Measurement Project (DIMM)(3439)			
Revenues	18,241.35	448,000.00	4.07%
Expenses	<u>44,174.43</u>	<u>448,000.00</u>	<u>9.86%</u>
Excess of Revenues over Expenditures	(25,933.08)	0.00	
 Total WUE Projects			
Revenues	3,210,283.54	10,818,400.00	29.67%
Expenses	<u>3,537,718.63</u>	<u>10,818,400.00</u>	<u>32.70%</u>
Excess of Revenues over Expenditures	(327,435.09)	0.00	
 WEROC			
Revenues	501,346.43	601,616.00	83.33%
Expenses	<u>757,350.07</u>	<u>601,616.00</u>	<u>125.89%</u>
Excess of Revenues over Expenditures	(256,003.64)	0.00	



DISCUSSION ITEM

April 9, 2025

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

FROM: Harvey De La Torre, General Manager

Staff Contact: Alex Heide
Kevin Hostert

SUBJECT: WATER SUPPLY UPDATE & NEW WATER SUPPLY REPORT FORMAT

STAFF RECOMMENDATION

It is recommended that the Board of Directors discuss and file this information.

SUMMARY

Water Year 2024-25 is expected to have above-average water supply conditions, with strong precipitation and snow water equivalents in Northern California and the Colorado River Basin. Metropolitan is projected to store additional water, with current supplies and demands, contributing to record storage levels.

MWDOC tracks key water supply metrics, using data from multiple agencies to inform decision-making and ensure regional water reliability. To enhance reporting, MWDOC has implemented Power BI, a business analytics tool that centralizes and visualizes data, enabling more efficient and data-driven decision-making. This new format streamlines reporting, reduces staff workload, and improves accessibility through interactive dashboards and real-time data integration.

DETAILED REPORT

CURRENT WATER SUPPLY CONDITIONS

Water Year 2024-25 is anticipated to be an above-average year for water supply conditions, with positive outlooks for both the State Water Project and the Colorado River. Currently, Northern California's accumulated precipitation stands at 123% of normal, and the snow water equivalent is above average. In the Colorado River Basin, snow water equivalent levels

Budgeted: <input type="checkbox"/> Yes <input type="checkbox"/> No <input 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	

are near average, and combined storage in Lake Mead and Lake Powell is at approximately 52% of their average storage volume for this time of year. However, their total capacity remains low at 33.9%. Notably, Lake Mead's water level has been below the “trigger” limit of 1,075 feet since early 2022, continuing a trend of prolonged drought impacts.

With a 35% “Table A” allocation and Metropolitan’s Colorado River supply currently estimated at 781 TAF, Metropolitan is expected to place additional water into storage. Water demands on Metropolitan are estimated at 1.45 MAF. Given this supply and demand balance, Metropolitan projects adding approximately 289 TAF to its record-high storage level of 3.8 MAF. This increase in reserves strengthens regional water reliability and helps mitigate future uncertainties.

WATER SUPPLY REPORT

As part of the Board’s Strategic Priorities Implementation Plan, one key objective is to explore advances in technology that improve water supply reliability planning. MWDOC staff continuously evaluate new technologies to enhance services to Member Agencies, improve operational efficiency, and enhance data-driven decision-making.

MWDOC’s core mission includes ensuring the delivery of reliable and high-quality water supplies. To support this mission, regular water supply reports are developed to track key water metrics, aiding Orange County’s elected officials and water managers in planning for the upcoming year. These reports provide critical insights that help Member Agencies maintain water system resilience and reliability.

Key data sources for these reports include the U.S. Bureau of Reclamation (USBR), California Department of Water Resources (CA DWR), State Water Resources Control Board (SWRCB), National Oceanic and Atmospheric Administration (NOAA), Metropolitan, and other agencies. Important water supply indicators tracked include:

- 8-Station Index Accumulated Precipitation
- Orange County Imported Water Demands
- Snowpack Levels
- Drought Condition Index
- Reservoir Storage Levels

These reports are vital tools for decision-makers, ensuring that local and regional water supply outlooks are accurately assessed and used to inform planning strategies.

NEW REPORT FORMAT

MWDOC staff have implemented Power BI, a business analytics tool developed by Microsoft, to modernize and enhance the Water Supply Report. Power BI enables the visualization of complex data, sharing of real-time insights, and more efficient decision-making by integrating multiple data sources into interactive dashboards and reports.

One of the primary advantages of Power BI is centralized data access, as over 109 individual data tables from seven public agencies are now integrated into a single report through Application Programming Interfaces (APIs), allowing real-time data analysis. This API-driven automation significantly reduces staff time required for report development while providing real-time updates. The redesigned report offers a user-friendly interface, making it easier for users to access key insights. Additionally, dynamic charts and graphs help visualize water

supply trends over multiple years, offering an interactive and engaging experience. The ability to tailor and scale information as needed enhances functionality and usability over time.

By leveraging Power BI, MWDOC has significantly enhanced its ability to track and communicate water supply conditions, ensuring that Member Agencies and the public have access to timely, accurate, and actionable water data. This modernization supports long-term water supply reliability and strengthens data-driven decision-making across Orange County.

ALIGNMENT WITH BOARD STRATEGIC PRIORITIES

- | | |
|--|--|
| <input type="checkbox"/> Clarifying MWDOC’s mission and role; defining functions and actions. | <input checked="" 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 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: Water Supply Conditions PowerPoint
Link: MWDOC Water Supply Dashboard



Water Supply Conditions

- Kevin Hostert, Senior Water Resources Analyst
Municipal Water District of Orange County
- April 2nd 2025

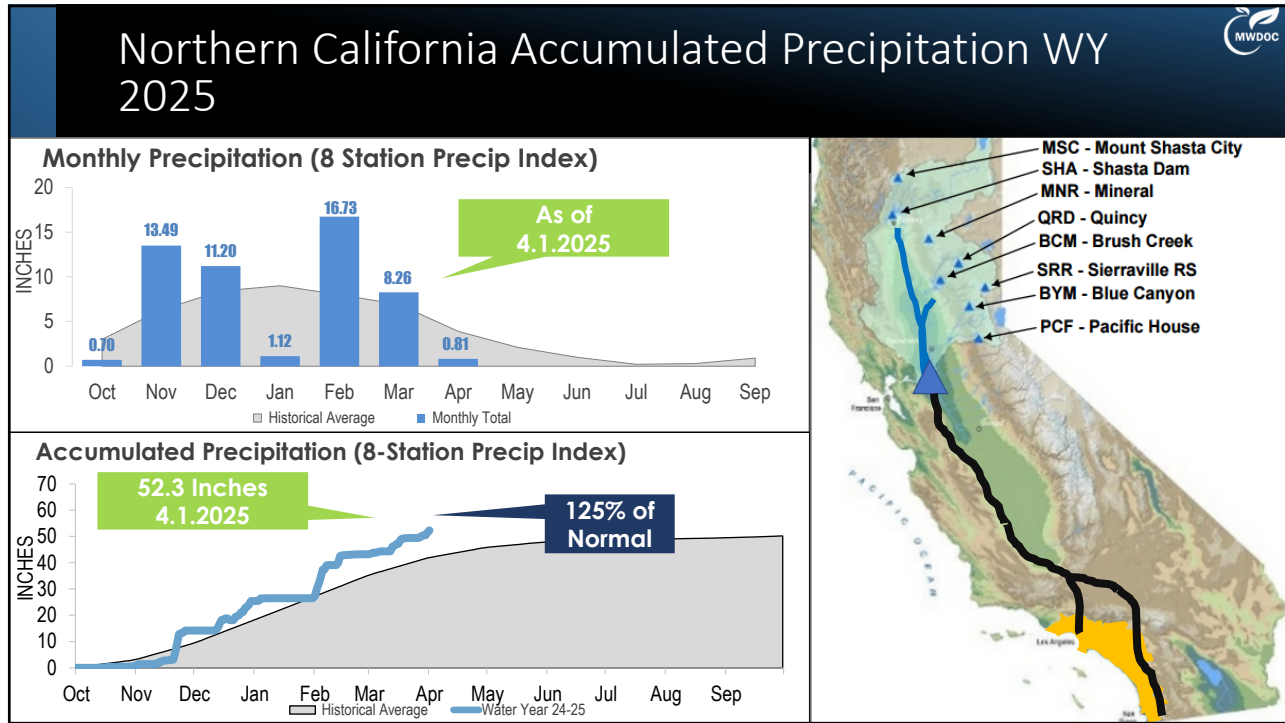
1



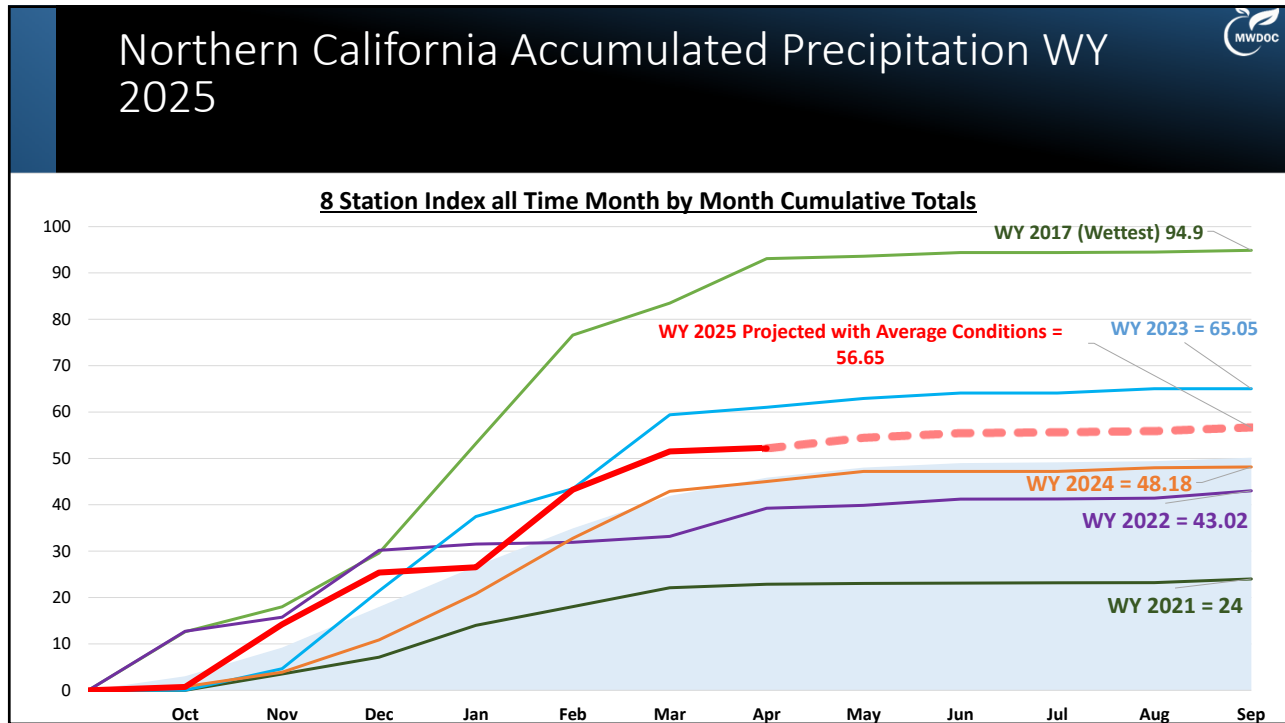
A Review of Regional Water Supply Conditions

Oroville Spillway 5.12.2023

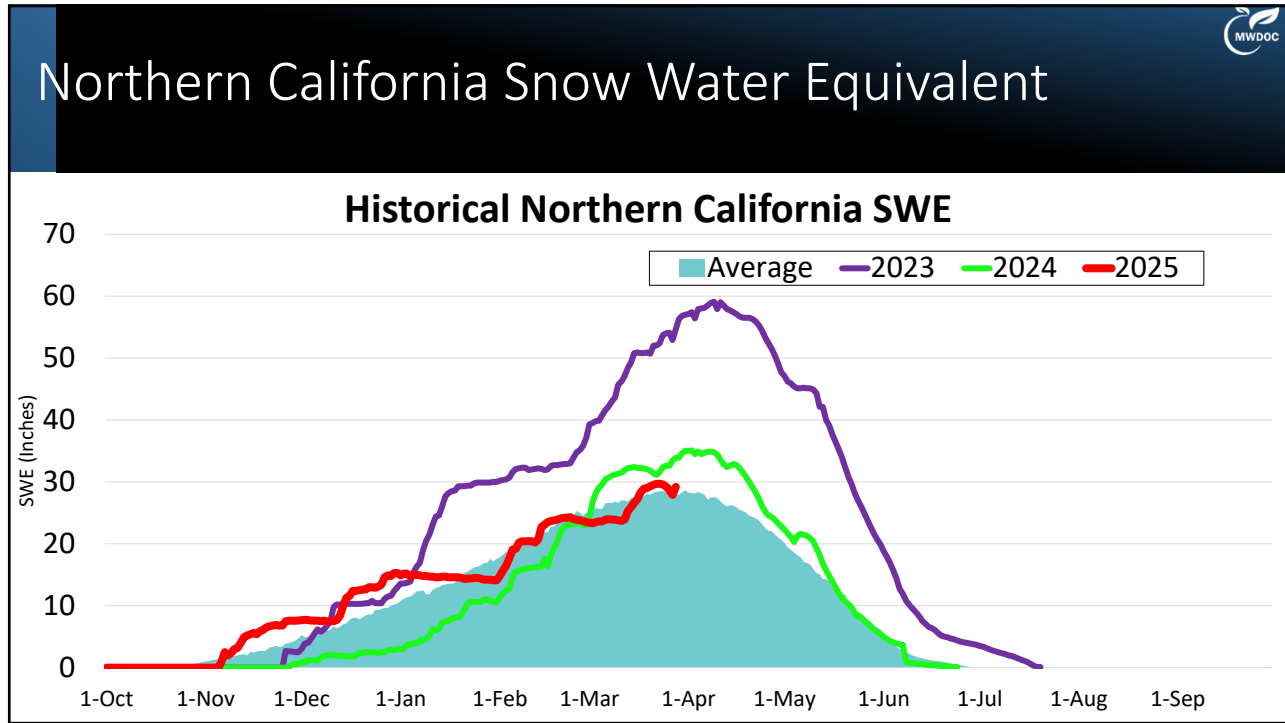
2



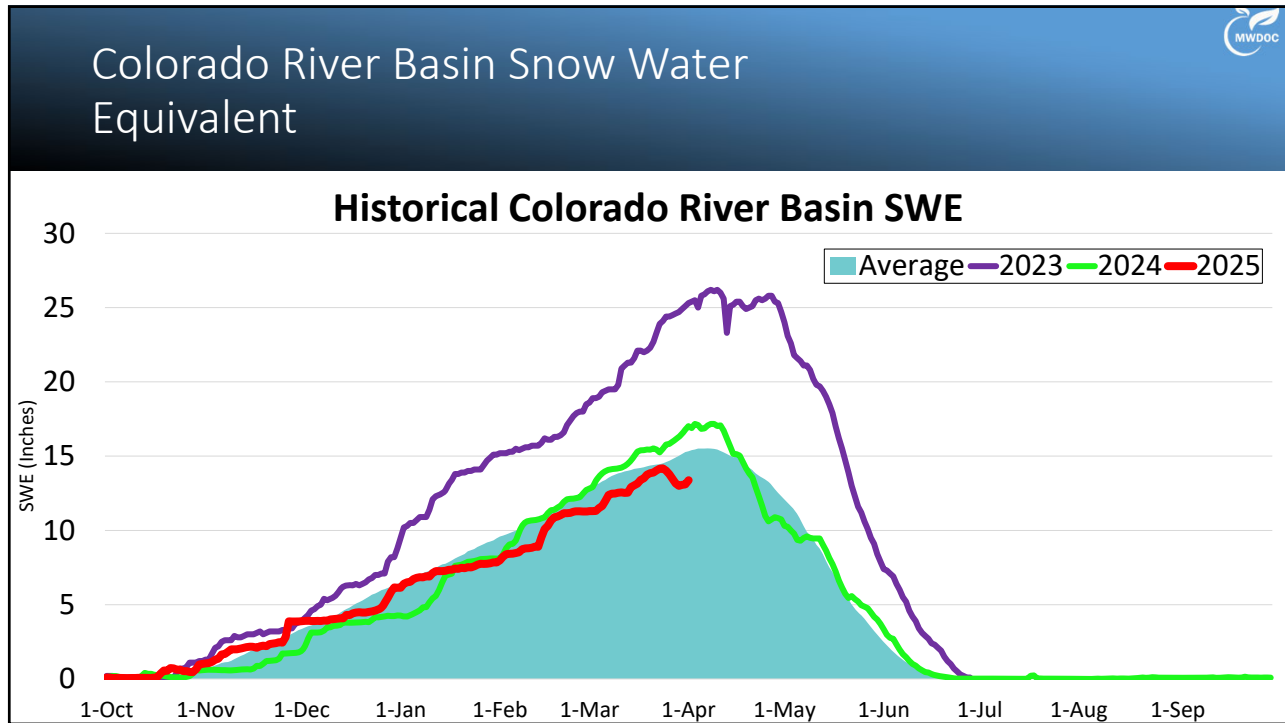
3



4

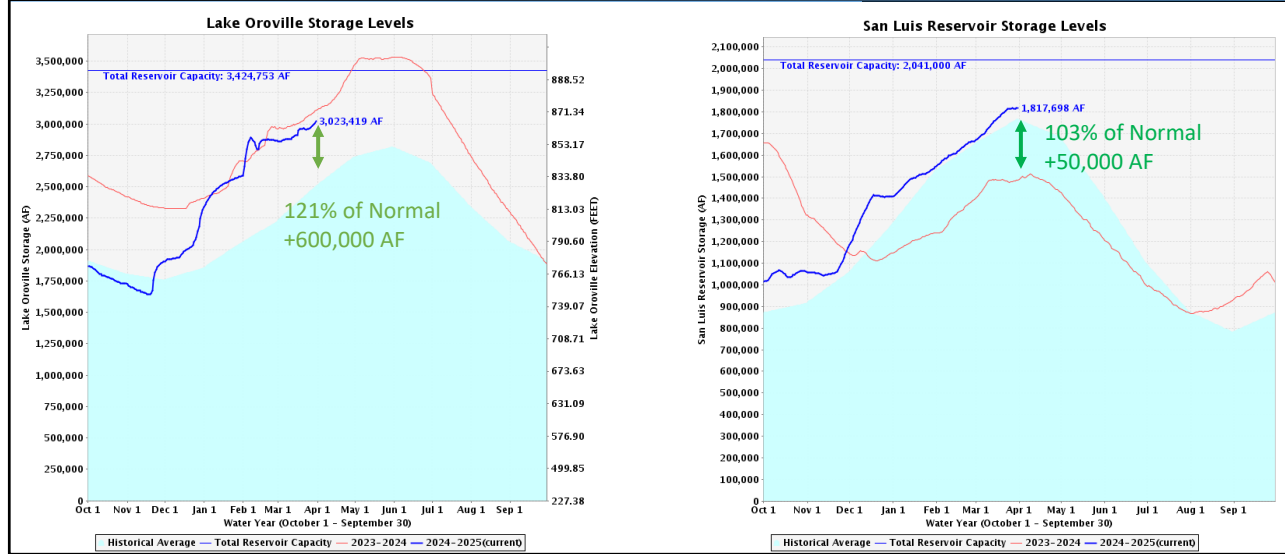


5



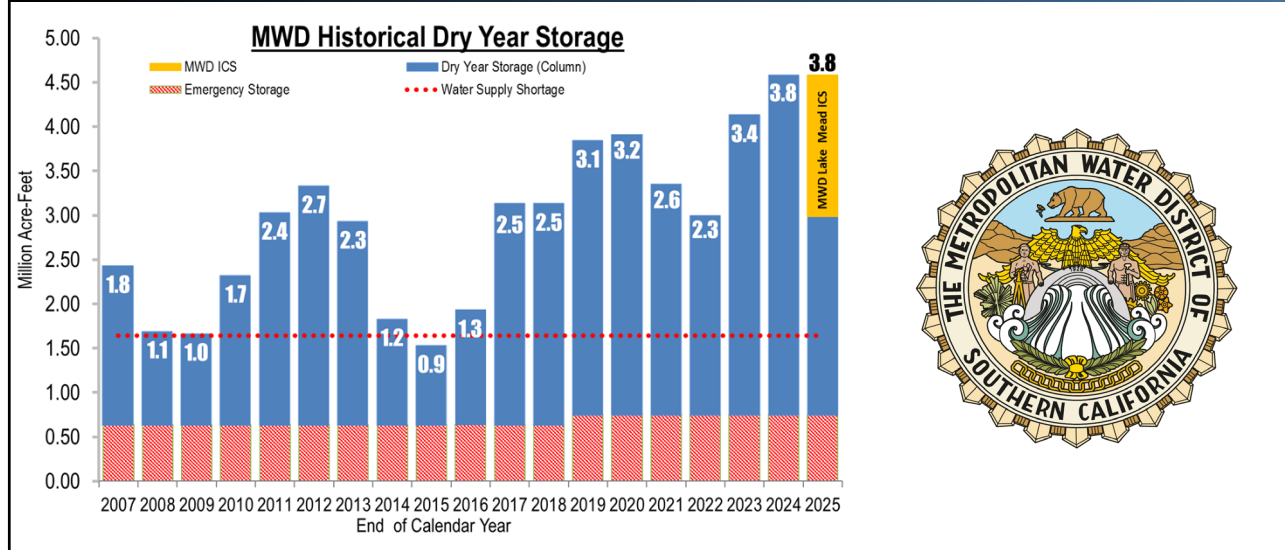
6

Lake Oroville and San Luis Storage Levels




7


MWD Estimated Storage January 1st, 2026



8



Questions???



9



ACTION ITEM
April 16, 2025

TO: Board of Directors

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

Joseph Byrne, **Legal Counsel**

Staff Contact: Maribeth Goldsby, District Secretary

SUBJECT: DISCUSS WHETHER TO RECOMMEND THAT THE BOARD OF DIRECTORS ADOPT AN ORDINANCE TO INCREASE PER DIEM DIRECTOR COMPENSATION FOR FISCAL YEAR 2025-26 OR NOT

RECOMMENDATION

It is recommended that the A&F Committee discuss whether to (1) recommend to the Board to increase Director per diem compensation to \$343.80 (5%); or (2) recommend that the Board not adopt an Ordinance to increase compensation and keep its per diem compensation the same.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

SUMMARY

Pursuant to the Board's action on March 19, 2025, a Public Hearing will be held on April 16, 2025 to address the issue of an increase in compensation for Directors. The Administration & Finance Committee needs to discuss whether or not to recommend to the Board an increase in the amount of per diem from \$327.43 to \$343.80 (5%).

Although the Board has the discretion to increase compensation by 5% for each year since the last increase (2020), the Committee only recommended a 5% increase be added to the draft budget; as a result this is the amount currently under discussion by the Board/Committee. Directors current per diem compensation, as set by Ordinance 54 effective January 1, 2020, is \$327.43 per day, with a limit of 10 compensable days per month.

Ordinance No. 54 also contains language that expresses the intent of the Board (at that time) to limit any increase in Director compensation to no more than what staff receives in the annual

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

budget. The 2025-26 draft annual budget includes a staff merit pool of 6.11%. The Board however is not bound by this intent language when adopting a new compensation ordinance.

Pursuant to the Water Code, any increase in compensation would take effect no earlier than 60 days after it is adopted. The intent is for any increase, if adopted, to coincide with the 2025-26 budget and go into effect on July 1, 2025.

Attached is a copy of a draft Ordinance.

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. |

COMMITTEE OPTIONS

Option #1: Recommend approval to the entire Board of an Ordinance to increase Director compensation by 5% (to \$343.80).

Fiscal Impact: The fiscal impact varies depending on how the Board wishes to proceed. For example, if the Board opts to raise its compensation 5% (to \$343.80 per meeting) for this fiscal year, the impact to the budget would be an increase of approximately \$21,610.

Option #2: Recommend that the Board not adopt an Ordinance to increase compensation and keep its per diem compensation the same.

Fiscal Impact: None

List of Attachments/Links:
<i>Attachment 1: Draft Ordinance</i>

ORDINANCE NO. __ (56)

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

COMPENSATION OF DIRECTORS

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

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

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

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

WHEREAS, the MWDOC draft annual budget for fiscal year 2025-2026 includes an increase for staff of 6.11%.

WHEREAS, the last compensation increase for the Board occurred in January 2020 and the current Director compensation is \$327.43. As a result, the Board has the discretion to increase Director compensation up to \$16.37 (5%) for each year since the last increase, to a maximum amount of \$409.28; and

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

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

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

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

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

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

Section 6. Effective Date. Any MWDOC Board of Directors compensation increase contemplated by this Ordinance will take effect **July 1, 2025.**

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

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

I hereby certify that the foregoing is a true and correct copy of Ordinance No. 56 adopted by the Board of Directors of Municipal Water District of Orange County at its meeting held on April 16, 2025.

MARIBETH GOLDSBY, Secretary
Municipal Water District of Orange County



DISCUSSION ITEM

April 9, 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 3rd DRAFT BUDGET

STAFF RECOMMENDATION

It is recommended that the Board of Directors review and discuss the MWDOC FY 2025-26 3rd Draft Budget.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

SUMMARY

MWDOC's Budget schedule was set up to facilitate the Budget and rate schedules of our Member Agencies. On February 12, staff presented 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. 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 3rd 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 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 type="checkbox"/>	Choice: <input type="checkbox"/>
Action item amount:		Movement between funds: <input type="checkbox"/> Yes <input type="checkbox"/> No	

BUDGET HIGHLIGHTS

Pertinent aspects of MWDOC's 3rd 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, representing an increase of \$8,908 (2.2%).

Revenue Highlights

- The Budget total of \$219,937,662 (revenue) includes Core, Choice, water sales, outside funding, and WEROC. This represents an overall decrease of \$12,311,127 (-5.30%), primarily due to the water sales projections for FY 2025-26.
- The Consolidated (Core and Choice) Budget is \$13,740,347 (revenue). This is an increase of \$887,471 (6.9%), mainly due to an increase in Choice Program activity. This does not include Outside funding.
- Choice revenue and expenses are balanced at \$2,343,088, an increase of \$298,454 (14.6%) over the current year's Budget.
- The total revenue for the Core Budget is \$11,397,259, an increase of \$589,017 (5.4%) 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 (24.0%) to reflect current market earnings.
- Outside funding used for Water Use Efficiency (WUE) from rebates and grants is budgeted at \$8,349,498 a decrease of -\$2,522,544 (-23.2%) in funding over this year's Budget. This is mainly due to decreased anticipated activity in the Metropolitan regional rebate program.

Expense Highlights

- The total expenses for the Core Budget are \$11,410,517, an increase of \$553,107 (5.1%) over the current year's Budget. The most significant drivers of increased Core expenses are Consulting Services and Employee Salaries/Benefits.
- The increase in Consulting Services 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 3rd Draft Budget estimates a net draw of -\$13,259 from reserves.

Other Highlights

- The proposed Total Water Fund Budget includes Water Purchases of 120,747 Acre-Feet (AF), a decrease of -21,494 AF (-15.1%) from the FY 2024-25 Budget, and anticipated Local Resource Program incentives of \$3,840,576, a decrease of -\$821,382 (-17.6%).
- 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 Core-funded staffing level increase by 1.65 FTE and Choice-funded staffing levels increase 0.60 FTE. These staff levels reflect the increase in organizational needs assessment modifications in the areas of full-time, part-time, and intern employee staffing levels.

New Items Included for FY 2025-26

The following “new key items” were incorporated in the FY 2025-26 Budget, per the January 8 Conceptual Budget and February and March discussions of the 1st and 2nd Draft Budgets 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 to describe and support the proposed funding level will be forthcoming for Committee review).
- 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).
- Grants Training (\$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.
- Form 700 Training (\$2,500) basic training for Form 700 filers on understanding the conflict-of-interest code, disclosure obligations, guide to reporting each schedule, and purpose of disclosure. Open for Elected Officials in Orange County, to be held

in January 2026.

Director Compensation

- 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.

New Item Included in the 3rd Draft Budget

The following “new key item” is now incorporated into the 3rd Draft FY 2025-26 Budget for Board consideration:

Technology Infrastructure

- The addition of GIS support resources will strengthen MWDOC Core and Choice services. Included in the 3rd Draft Budget is a staff and consultant-developed budget placeholder (\$130,000). Note that the GIS placeholder is not an entirely new expense; there were previously allocated budgetary expenditures for external GIS services. Pending refinement following the completion of the GIS Scoping Assessment, the estimated initial resource needs for the development of the budget placeholder of \$130,000 are comprised of: \$10,000 for software licensing, approximately \$50,000 for Water Use Efficiency and Water Loss Control uses, and approximately \$70,000 for Engineering and Emergency Response uses.

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 3rd Draft Budget Narrative
(2) FY 2025-26 3rd Draft Budget
(3) FY 2025-26 3rd Draft Budget Presentation



Municipal Water District of Orange County

April 2025

3rd Draft Budget for Fiscal Year 2025-26



Page Intentionally Left Blank

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	19
6. KEY DEPARTMENTAL PRIORITIES & INITIATIVES	20
BOARD RELATIONS	22
ADMINISTRATION	23
FINANCE & INFORMATION TECHNOLOGY	25
COMMUNICATIONS/PUBLIC AFFAIRS.....	27
RELIABILITY PLANNING AND ENGINEERING	30
WATER EMERGENCY RESPONSE (WEROC).....	32
WATER USE EFFICIENCY (WUE)	34
METROPOLITAN (MET) ISSUES AND WATER POLICY	37
GOVERNMENTAL AFFAIRS	39
7. CHOICE & SHARED SERVICES PROGRAMS FOR FY 2025-26.....	42
PERMANENT CHOICE PROGRAMS	42
LIMITED-TERM SHARED-SERVICES PROGRAMS	43
8. WATER RATES AND CHARGES	45

Page Intentionally Left Blank

EXECUTIVE SUMMARY

MWDOC's Budget schedule was set up to facilitate the Budget and rate schedules of our Member Agencies. On February 12, staff presented 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. 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 3rd 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 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 3rd 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

- The Budget total of \$219,937,662 (revenue) includes Core, Choice, water sales, outside funding, and WEROC. This is an overall decrease of -\$12,311,127 (-5.30%), mainly due to the water sales projections for FY 2025-26.
- The Consolidated (Core and Choice) Budget is \$13,740,347 (revenue). This is an increase of \$887,471 (6.9%), mainly due to an increase in Choice Program activity. This does not include Outside funding.
- Choice revenue and expenses are balanced at \$2,343,088, an increase of \$298,454 (14.6%) over the current year's Budget.
- The total revenue for the Core Budget is \$11,397,259, an increase of \$589,017 (5.4%) 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 (24.0%) to reflect current market earnings.
- Outside funding used for Water Use Efficiency (WUE) from rebates and grants is budgeted at \$8,349,498 a decrease of -\$2,522,544 (-23.2%) in funding over this year's Budget. This is mainly due to decreased anticipated activity in the Metropolitan regional rebate program.

EXPENSE HIGHLIGHTS

- The total expenses for the Core Budget are \$11,410,517, an increase of \$553,107 (5.1%) over the current year's Budget. The most significant drivers of increased Core expenses are Consulting Services and Employee Salaries/Benefits.
- The increase in Consulting Services 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 3rd Draft Budget estimates a net draw of -\$13,259 from reserves.

OTHER HIGHLIGHTS

- The proposed Total Water Fund Budget includes Water Purchases of 120,747 Acre-Feet (AF), a decrease of -21,494 AF (-15.1%) from the FY 2024-25 Budget, and anticipated Local Resource Program incentives of \$3,840,576, a decrease of -\$821,382 (-17.6%).
- 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 Core-funded staffing level increase by 1.65 FTE and Choice-funded staffing levels increase 0.60 FTE. These staff levels reflect the increase in organizational needs assessment modifications in the areas of full-time, part-time, and intern employee staffing levels.

NEW ITEMS INCLUDED FOR FY 2025-26

The following "new key items" were incorporated in the FY 2025-26 Budget, per the January 8 Conceptual Budget and February and March discussions of the 1st and 2nd Draft Budgets 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 to describe and support the proposed funding level will be forthcoming for Committee review).
- 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).

- Grants Training (\$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.
- Form 700 Training (\$2,500) basic training for Form 700 filers on understanding the conflict-of-interest code, disclosure obligations, guide to reporting each schedule, and purpose of disclosure. Open for Elected Officials in Orange County, to be held in January 2026.

DIRECTOR COMPENSATION

- 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.

NEW ITEM INCLUDED IN THE 3RD DRAFT BUDGET

The following “new key item” is now incorporated into the 3rd Draft FY 2025-26 Budget for Board consideration:

TECHNOLOGY INFRASTRUCTURE

- The addition of GIS support resources will strengthen MWDOC Core and Choice services. Included in the 3rd Draft Budget is a staff and consultant-developed budget placeholder (\$130,000). Note that the GIS placeholder is not an entirely new expense; there were previously allocated budgetary expenditures for external GIS services. Pending refinement following the completion of the GIS Scoping Assessment, the estimated initial resource needs for the development of the budget placeholder of \$130,000 are comprised of: \$10,000 for software licensing, approximately \$50,000 for Water Use Efficiency and Water Loss Control uses, and approximately \$70,000 for Engineering and Emergency Response uses.

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 have 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/FDMMAP1>;
Facilitated Discussions, with MWDOC Member Agencies, Phase 2 (December 2022) <https://tinyurl.com/FDMMAP2>

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 1st Draft Budget in the packet for the A&F Committee (2-7-25)
- Review 1st 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 1st 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 for charging agencies for the upcoming year for Choice activities
- Discuss 2nd Draft Budget in A&F Committee (3-12-25)
- Review 2nd 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)
- 3rd 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 to 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 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 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 x 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

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 (see FY 2025-26 survey below). 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.

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				
Agency Name	COLA (%)	Merit Max (%)	Avg. Merit Increase Granted (%)	Total (%) COLA + Avg. Merit
Calleguas MWD	3.20%	3.00%	2.50%	5.70%
Eastern MWD	3.30%	5.00%	3.63%	6.93%
El Toro WD	NR			
Inland Empire Utilities Agency	NR			
Irvine Ranch WD	TBD	7.50%	3.00%	3.00%
Laguna Beach County WD	NR			
Las Virgenes MWD	3.00%	8.00%	5.00%	8.00%
Mesa Water District	3.00%	5.00%	2.50%	5.50%
Moulton Niguel WD	5.00%	5.00%	2.50%	7.50%
Orange County Sanitation District	TBD	5.00%	5.00%	5.00%
Orange County WD	4.50%	6.00%	3.00%	7.50%
San Diego County Water Authority	NR			
Santa Margarita WD	4.00%	2.50%	2.50%	5.00%
South Coast Water District	5.00%	5.00%	3.50%	8.50%
Three Valleys Municipal WD	3.06%	5.00%	2.50%	5.56%
Walnut Valley WD	2.00%	5.00%	5.00%	7.00%
West Basin MWD	NR			
Western Municipal Water District	2.90%	5.00%	2.50%	5.40%
Yorba Linda Water District	TBD	5.00%	2.50%	2.50%
Average				5.94%
MWDOC	NA			6.11%

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.

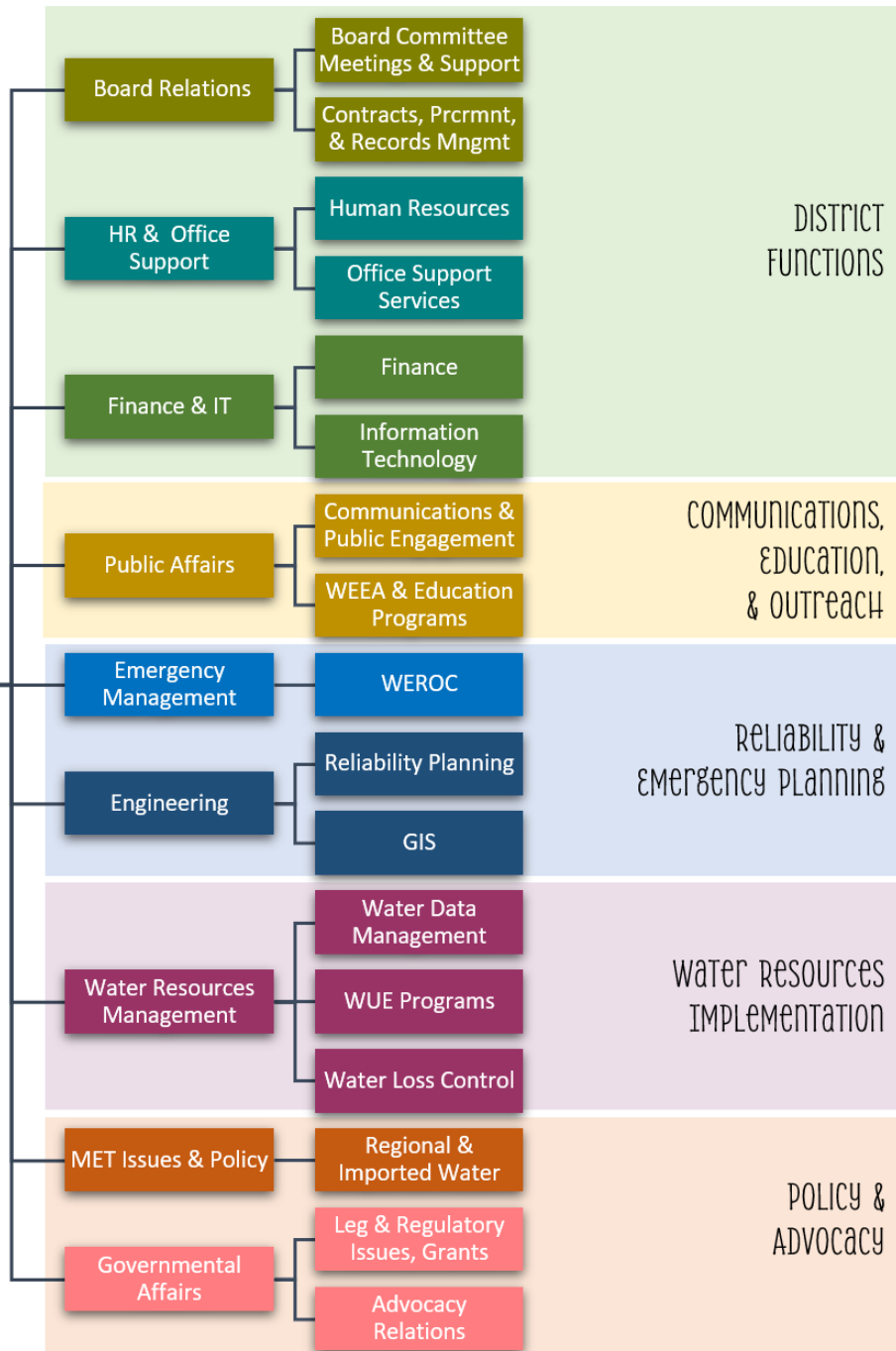
The organizational structure has been refined to align with our strategic priorities and improve operational efficiency. The structure maintains our core services while positioning MWDOC to better meet future challenges and opportunities in outreach and advocacy, Board services, water resource management,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

MWDOC'S MISSION & STRATEGIC PRIORITIES



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

GIS SUPPORT RESOURCES *(new initiative)*

Geographic Information Systems (GIS) represent a critical resource for MWDOC's operations, enabling enhanced visualization and analysis of location-based (spatial) and time-based (temporal) data. MWDOC's 2024 Resources Needs Assessment identified GIS system and analyst support as one of the most significant resources needed to accomplish the Board's Strategic Priorities.

- Through a GIS Scoping Assessment, MWDOC will establish an overall strategy for implementing an integrated GIS system, create a detailed implementation roadmap, and develop a prioritized list of action items, including timeframes and cost estimates.
- Develop a cohesive and integrated system that supports MWDOC's overall organizational objectives, as well as department-specific needs. This work will be cooperative among Water Use Efficiency, Water Loss Control, Engineering, and Emergency Response uses.

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 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.
- Continuing 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:

- Maximizing 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 initiative MWDOC will be focusing on is 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 are also proposing to utilize the Environmental Incentives consultant team for Water Use Efficiency Workgroup Framework Support at our monthly WUE Workgroup meetings to build awareness and knowledge of the Way of Life Framework. 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 question 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, acquiring new Aerial imagery to assist with landscape area measurements, evaluating changes in landscaped area over time, performing water use efficiency program quality control, and sharing 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 State Water Project 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

GRANTS TRAINING (*new initiative*)

Grants Training 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.

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 and update the California Water Plan to include new supply sources and expand water storage. 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 includes Water Purchases of 120,747 Acre-Feet (AF), a decrease of -21,494 AF (-15.1%) from the FY 2024-25 Budget, as well as anticipated Local Resource Program incentives of \$3,840,576, a decrease of -\$821,382 (-17.6%), 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

Final 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	\$ 4,398,133	\$ (276,109)	\$ 4,952,736	\$ 554,603	\$ 278,494
less for Sal & Benefits - Reimb	-	-	-	(33,000)	(33,000)	(33,000)
Employee Benefits	1,359,165	1,391,469	32,304	1,525,518	134,049	166,353
Director Compensation	275,041	264,236	(10,805)	288,793	24,557	13,752
Director Benefits	149,557	137,665	(11,893)	159,472	21,807	9,915
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)	(411,586)	18,587	(504,105)	(92,518)	(73,931)
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	570,000	234,900	277,000
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)	221,386	(4,522)	(22,302)
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)	914,200	7,665	(187,550)
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)	82,445	44,445	42,445
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	-	140,815	140,815	-	(140,815)	-
Capital Acquisition (excluding building)	37,000	235,686	198,686	25,000	(210,686)	(12,000)
OPERATING EXPENSES	\$ 10,131,768	\$ 10,063,504	\$ (68,264)	\$ 10,805,517	\$ 742,013	\$ 673,749
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	\$ 10,661,832	\$ (195,578)	\$ 11,410,517	\$ 748,685	\$ 553,107

REVENUES:						
Retail Meter Charge	\$ 9,580,818	\$ 9,580,818	\$ -	\$ 9,939,371	\$ 358,552	\$ 358,552
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	\$ 11,397,259	\$ 427,477	\$ 589,017

EFFECT ON RESERVES:						
TOTAL CONTRIBUTION (DRAW) FROM RESERVES	\$ (49,169)	\$ 307,949	\$ 357,118	\$ (13,259)	\$ (321,208)	\$ 35,910

*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	\$ 734,356	\$ (14,108)	\$ 888,755	\$ 154,399	\$ 140,291
less for Sal & Benefits - Reimb	(65,000)	(40,000)	25,000	(15,000)	25,000	50,000
Employee Benefits	218,894	191,202	(27,692)	248,757	57,555	29,863
Director Compensation	-	-	-	-	-	-
Director Benefits	-	-	-	-	-	-
MWD Representation	-	-	-	-	-	-
Overhead Reimbursement	430,173	411,586	(18,587)	504,105	92,518	73,931
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	\$ 1,847,383	\$ (197,252)	\$ 2,343,088	\$ 495,706	\$ 298,454
TOTAL EXPENSES	\$ 2,044,635	\$ 1,847,383	\$ (197,252)	\$ 2,343,088	\$ 495,706	\$ 298,454

REVENUES:						
Choice Revenue	\$ 2,044,635	\$ 1,847,183	\$ (197,452)	\$ 2,343,088	\$ 495,906	\$ 298,454
TOTAL REVENUES	\$ 2,044,635	\$ 1,847,183	\$ (197,452)	\$ 2,343,088	\$ 495,906	\$ 298,454

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	\$ 5,132,489	\$ (290,217)	\$ 5,841,491	\$ 709,002	\$ 418,785
less for Sal & Benefits - Reimb	(65,000)	(40,000)	25,000	(48,000)	(8,000)	17,000
Employee Benefits	1,578,059	1,582,671	4,612	1,774,275	191,604	196,216
Director Compensation	275,041	264,236	(10,805)	288,793	24,557	13,752
Director Benefits	149,557	137,665	(11,893)	159,472	21,807	9,915
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	570,000	234,900	277,000
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)	221,386	(4,522)	(22,302)
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)	1,597,790	199,893	(167,674)
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)	84,445	45,945	43,245
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	-	140,815	140,815	-	(140,815)	-
Capital Acquisition (excluding building)	52,000	250,686	198,686	25,000	(225,686)	(27,000)
OPERATING EXPENSES	\$ 12,176,403	\$ 11,910,887	\$ (265,516)	\$ 13,148,606	\$ 1,237,719	\$ 972,203
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	\$ 12,509,215	\$ (392,830)	\$ 13,753,606	\$ 1,244,391	\$ 851,561

REVENUES:						
Retail Meter Charge	\$ 9,580,818	\$ 9,580,818	\$ -	\$ 9,939,371	\$ 358,552	\$ 358,552
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	1,847,183	(197,452)	2,343,088	495,906	298,454
TOTAL REVENUES	\$ 12,852,876	\$ 12,816,964	\$ (35,912)	\$ 13,740,347	\$ 923,383	\$ 887,471

EFFECT ON RESERVES:						
TOTAL CONTRIBUTION (DRAW) FROM RESERVES	\$ (49,169)	\$ 307,749	\$ 356,918	\$ (13,259)	\$ (321,008)	\$ 35,910

*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	\$ 132,908,631	\$ (59,182,736)	\$179,332,825(a)	\$ 46,424,194	\$ (12,758,542)
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)	443,000	115,000	(16,000)
TOTAL WATER REVENUES	\$ 208,221,158	\$ 147,143,065	\$ (61,078,092)	\$ 197,493,724	\$ 50,350,659	\$ (10,727,433)
Water Expenses						
Water Purchases	\$ 192,091,367	\$ 132,908,631	\$ (59,182,736)	\$179,332,825(a)	\$ 46,424,194	\$ (12,758,542)
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)	443,000	115,000	(16,000)
TOTAL WATER EXPENSES	\$ 208,221,158	\$ 147,143,065	\$ (61,078,092)	\$ 197,493,724	\$ 50,350,659	\$ (10,727,433)
Changes to Fund Balance:						
Tier 2 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(a)=FY 25-26 Proposed Budget amount is based on an estimated 120,747 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	2.74	\$ 1,404,336	\$ 1,424,293	\$ 1,578,049
12	Administrative - General	4.79	5.08	1,154,916	1,064,321	1,182,478
13	Personnel / Staff Development	1.85	2.09	548,272	605,450	654,774
19	Overhead	4.07	3.80	1,380,430	1,721,260	1,156,399
21	Reliability Planning and Engineering	2.73	3.03	873,020	863,574	1,210,857
23	Metropolitan Issues and Water Policy	2.10	2.07	654,565	481,421	584,129
31	Governmental Affairs	0.90	0.89	626,265	624,589	670,546
35	Water Use Efficiency (Core)	1.22	1.76	582,765	447,958	531,517
32	Public Affairs	5.76	5.93	1,401,430	1,342,925	1,500,976
41	Finance	3.54	3.41	745,868	733,437	900,773
45	Information Technology	1.00	0.95	459,093	468,625	481,871
25	MWDOC's Contribution to WEROC	3.00	3.19	300,808	296,290	353,149
CORE TOTAL		32.84	34.94	\$ 10,131,768	\$ 10,074,145	\$ 10,805,517
62	Water Use Efficiency Program	6.29	5.99	989,455	1,098,625	1,183,382
63	School Programs	0.06	0.05	496,062	367,429	511,211
70	Water Loss Control	2.57	3.03	559,118	381,129	648,495
CHOICE TOTAL		8.92	9.07	\$ 2,044,635	\$ 1,847,183	\$ 2,343,088
CORE & CHOICE TOTAL		41.76	44.01	\$ 12,176,403	\$ 11,921,328	\$ 13,148,606
Includes:	Full-time employees	34.08	37.84	(2)		
	Part-time employees	2.29	1.54			
	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 ACTUALS FY24/25	BUDGET FY25/26	FISCAL MASTER PLAN PROJECTIONS ¹				
			FY26/27	FY27/28	FY28/29	FY29/30	FY30/31
Beginning Designated Reserve Balance - MWDOC	\$6,065	\$ 6,150	\$ 6,015	\$ 5,961	\$ 5,965	\$ 6,030	6,161.83
less OPEB Reserve	297	297	297	297	297	297	297
Adjusted Reserve Balance	5,768	5,853	5,718	5,664	5,668	5,733	5,865
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	1,847	2,343	2,420	2,500	2,583	2,668	2,756
Interest Earnings	901	916	954	1,000	1,060	1,135	1,231
Misc./Reimbursements	3	5	5	5	6	6	6
Subtotal	2,751	3,264	3,379	3,506	3,648	3,808	3,993
Total Revenues	12,737	13,618	14,108	14,613	15,136	15,681	16,252
Expenses							
Core Expenses	9,828	10,781	11,136	11,504	11,883	12,276	12,681
Choice Expenses	1,847	2,343	2,420	2,500	2,583	2,668	2,756
Capital Acquisitions (not including building)	251	25	-	-	-	-	-
Total Expenses w/o Election	11,926	13,149	13,557	14,004	14,466	14,944	15,437
Revenue Over Expenses w/o Election	811	469	551	609	670	737	816
ELECTION Reserve Beginning Balance	1,710	1,570	2,175	1,351	1,956	656	1,261
Annual Election Reserve Contribution	726	605	605	605	605	605	605
Annual Election Expense	866	-	1,428	-	1,905	-	1,428
Election Reserve Ending Balance	1,570	2,175	1,351	1,956	656	1,261	438
MWDOC's Contribution to OPEB Trust Fund							
Ending General Fund & Designated Reserves	\$ 4,199	\$ 3,543	\$ 4,312	\$ 3,712	\$ 5,076	\$ 4,603	\$ 5,637
Document does not reflect MWDOC's irrevocable trust towards OPEB Pension liability							
MWDOC Water Rates							
Total Retail Customer Meters	649,547	651,762	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	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
	Colorado River Water Users Association (CRWUA)	√	-	-	-	-	-	1,800	3,000
	LAFCO	√	45,000	48,652	48,652	-	-	-	-
	Legislative Advocacy	√	-	-	-	-	-	-	9,000
	Orange County Business Council (OCBC)	√	-	-	-	-	-	1,600	2,000
	Urban Water Institute	√	-	-	-	-	-	3,600	5,100
	Miscellaneous	√	-	-	-	-	-	1,800	2,500
Board Related Total			45,000	48,652	48,652	-	-	17,155	36,625
Staff 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	6,332	6,300	-	12,000	-	-
	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	2,250	2,250	-	-	-	-
	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	9,100	-	-	-	-
	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	√	-	-	12,500	4,000	5,500	-	-
Staff Related Total			181,162	177,256	172,734	42,497	97,900	-	-
WEROC	AWWA CA/NV Section	√	311	311	311	3,000	3,750	-	-
	AWWA National Conference	√	-	-	-	680	3,520	-	-
	California Emergency Services Association	√	239	239	239	1,950	7,650	-	-
	California Utilities Emergency Association (CUEA)	New	-	-	500	-	-	-	-
	International Association of Emergency Managers	√	400	400	400	800	2,850	-	-
WEROC Total			950	950	1,450	6,430	17,770	-	-
Grand Total			227,112	226,858	222,836	48,927	115,670	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	Demographics analysis	\$ 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	\$ -	\$ 130,000	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	√	
Ed Means Consulting	EOCF#2 Pilot Project	\$ 20,000	\$ 10,000	√	
Met Issues & Special Projects (23)	(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	\$ 570,000	
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 (11 & 13)	Cal State University Fullerton/Centre for Organization Effectiveness/Predict Success/ Knight leadership solution	Staff Development/Technical Training/Leadership Training	\$ 40,000	\$ 58,945	√
	(To be determined)	Various Lunch and learn+training	\$ -	\$ 6,000	√
	(To be determined)	Form 700 Workgroup Training	\$ -	\$ 2,500	New
Governmental Affairs (31)	(To be determined)	Grants Workshop Training	\$ -	\$ 15,000	New
Professional Services					
Administration (12 & 13 & 19)	Economic Group Pension Services (EGPS)	Pension Plan Administration	\$ 4,500	\$ 4,100	√
	HYAS Group	Advisor to assist with review of 401a and 457 Plans and investments	\$ 25,000	\$ 5,000	√
	(To be determined)	Various Lunch and learn+training	\$ 6,000	\$ -	√
	IGOE	Cafeteria Plan Administration	\$ 795	\$ 700	√
	Docusign	Docusign	\$ 7,000	\$ 7,000	√
	Gladwell Services	Records Management Consulting	\$ 3,000	\$ 1,000	√
	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	\$ 25,000	√
	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	\$ 927,200	

**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	4,398,133	4,952,736
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	1,391,469	1,525,518
6109	CALPERS Unfunded Liability Contribution	207,000	207,000	207,000
6111	Overhead Reimbursement	(430,173)	(411,586)	(504,105)
6115	Benefits - Directors	149,557	137,665	159,472
6120	Health Insurance Coverage for Retirees	81,349	78,000	122,517
6205	Training	40,000	38,000	82,445
6210	Tuition Reimbursement	6,000	7,500	6,500
6220	Temporary Help	5,000	-	5,000
7010	Outside Consulting Services	293,000	335,100	570,000
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	914,200
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	221,386
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	9,429,605	10,452,369
	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)
	OPEB Designated Reserve	-	-	(122,517)
		10,857,410	10,324,223	11,288,000

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	1,165,607	2,046,009
4205	School Contracts	-	-	-
4305	Revenue from MWD	-	224,930	297,079
4705	Prior Year Carry Over	-	-	-
	Choice billing over/under	-	456,646	0
	Total Revenue	2,044,635	1,847,183	2,343,088

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget
6010	Salaries & Wages - Admin	748,464	734,356	888,755
	Sal & Benefits - Reimb	(65,000)	(40,000)	(15,000)
6090	Directors Compensation - MWDOC	-	-	-
6095	Directors Compensation - MWD	-	-	-
6105	Benefits - Admin	218,894	191,202	248,757
6111	Overhead Reimbursement	430,173	411,586	504,105
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	1,847,183	2,343,088

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	5,132,489	5,841,491
	Sal & Benefits - Reimb	(65,000)	(40,000)	(48,000)
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	1,582,671	1,774,275
6109	CALPERS Unfunded Liability Contribution	207,000	207,000	207,000
6111	Overhead Reimbursement	-	-	-
6115	Benefits - Directors	149,557	137,665	159,472
6120	Health Insurance Coverage for Retirees	81,349	78,000	122,517
6205	Training	41,200	38,500	84,445
6210	Tuition Reimbursement	6,000	7,500	6,500
6220	Temporary Help	5,000	-	5,000
7010	Outside Consulting Services	293,000	335,100	570,000
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	1,103,730
	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	221,386
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	11,276,788	12,795,457
	MWDOC's Contribution to WEROC Oper	300,808	296,290	353,149
	MWDOC's Contribution to Election Rsrvt	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)
	OPEB Designated Reserve	-	-	(122,517)
		12,902,045	12,171,406	13,631,089

Administrative - Board

11

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget	
6010	Salaries & Wages - Admin	373,108	336,960	468,708	
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	100,679	136,820	
6115	Benefits - Directors	149,557	137,665	159,472	
6120	Health Insurance Coverage for Retirees				
6205	Training			2,500	1) See Exhibit J
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Outside Consulting Services				
7020	Legal - General	235,000	186,354	235,000	1
7030	Audit				
7040	Other Professional Fees				
7110	Conference - Employee				
7115	Conference - Directors	16,955	14,945	17,155	2) See Exhibit F
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director	39,925	24,411	36,625	2
7210	Membership / Sponsorship	45,000	48,652	48,652	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	-	140,815	-	4) Will be paid w/ Election Reserve
8810	Capital Acquisition				
	Total Expenditure	1,404,336	1,424,293	1,578,049	
	MWDOC's Contribution to Election Reserve	725,642	725,642	605,000	
		<u>2,129,978</u>	<u>2,149,935</u>	<u>2,183,049</u>	

Administrative - General
12

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget	
6010	Salaries & Wages - Admin	519,308	504,941	573,603	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	200,775	188,633	221,094	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training			6,000	1) 1) See Exhibit J
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	-	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) 2)
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship	181,162	168,674	151,684	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	1,064,321	1,182,478	

Personnel / Staff Development

13

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget
6010	Salaries & Wages - Admin	347,729	367,678	406,292
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	90,744	109,787	122,537
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training	40,000	38,000	58,945
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
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	605,450	654,774

1) 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	663,916	605,102	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	177,075	201,648	180,486	
6109	CALPERS Unfunded Liability Contribution	207,000	207,000	207,000	
6111	Overhead Reimbursement from Choice	(430,173)	(411,586)	(504,105)	
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	1,721,260	1,156,399	

- 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 \$ 2,000
Carpet Cleaning \$ 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 Expense (8811)	366,376	222,686	350,000	4
Building Exp. Prior Year Carryover Dr/(Cr)	(366,376)	(350,000)	(350,000)	
OPEB Designated Reserve	-	-	(122,517)	1
	<u>1,380,430</u>	<u>1,593,946</u>	<u>1,033,882</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	567,060
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	140,726	133,816	161,397
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	470,000
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	863,574	1,210,857

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	377,920
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	113,804	86,654	104,709
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	481,421	584,129

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	171,628	187,335
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	50,003	57,661	60,211
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			15,000
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	624,589	670,546

1) See Exhibit J

1

1

Public Affairs
32

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget	
6010	Salaries & Wages - Admin	725,661	668,447	851,284	1
	Sal & Benefits - Reimb			(33,000)	1
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	214,719	219,022	259,741	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	2
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	3
8810	Capital Acquisition				
	Total Expenditure	1,401,430	1,342,925	1,500,976	

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

2) See Exhibit J

3) 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	232,533
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	71,231	97,184	69,434
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	215,000
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	447,958	531,517

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	154,292	164,353	
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 Implementator
7320	Rents & Leases				
7330	Office Supplies				
7340	Postal / Mail Delivery				4) New ERP Annual Dues
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	733,437	900,773	

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	42,092	44,736
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	468,625	481,871

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	1,183,382
4705	Prior Year Carry over			
	Choice billing over/under	-	295,261	-
	Total Revenue	989,455	1,098,625	1,183,382

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget
6010	Salaries & Wages - Admin	506,978	567,354	579,177
6012	Sal & Benefits - Reimb	(65,000)	(40,000)	(15,000)
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	130,429	150,395	149,585
6111	Overhead Reimbursement	283,448	319,176	322,961
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	1,098,625	1,183,382

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	511,211
4205	School Contracts			
4705	Prior Year Carry over			
	Choice billing over/under	-	271,257	-
	Total Revenue	496,062	367,429	511,211

		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	1,996	3,069
6111	Overhead Reimbursement	4,447	3,669	5,267
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	367,429	511,211

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	266,070	351,416
4305	Revenue from MWD		224,930	297,079
4705	Prior Year Carry over			
	Choice billing over/under	-	(109,871)	0
	Total Revenue	559,118	381,129	648,495

		FY 2024-2025 Budget	FY 2024-2025 Projected Actuals	FY 2025-2026 Proposed Budget
6010	Salaries & Wages - Admin	234,172	160,748	300,763
6012	Sal & Benefits - Reimb			
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	85,778	38,811	96,104
6111	Overhead Reimbursement	142,278	88,742	175,877
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 & Accommodations - Employee			
7155	Travel & Accommodations - 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	381,129	648,495

1) See Exhibit J

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	\$	80,518
	\$	<u>353,149</u>

		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	6,430
7115	Conference - Directors			
7150	Travel & Accomodations - Employee	6,200	7,323	17,770
7155	Travel & Accomodations - Director			
7210	Membership / Sponsorship	950	950	1,450
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	710,997
Contribution (Draw) from WEROC Reserves				(4,700)
Total Operations Budget		601,615	611,786	706,297
Capital Expenditures				
Total Expenditures		601,615	611,786	706,297

- 2) Cert Meetings Exercises
- 3) See Exhibit J
- 4) See Exhibit E
- 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	(0)	(0)
4680	Miscellaneous Income			
	Prior Year Carryover		298	944
	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 & Accommodations - Employee			
7155	Travel & Accommodations - 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	Consolidated Budget Total
Revenues:								
Water Sales		\$ 201,334,301				\$ 201,334,301		\$ 201,334,301
Local Resource Program Incentives		(3,840,576)				(3,840,576)		(3,840,576)
Retail Meter Charge	9,939,371					9,939,371		9,939,371
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			8,349,498	353,149		8,703,590	(353,149)	8,703,590
Outside Fundings				353,149	944	8,703,590		8,703,590
Choice Revenue	2,343,088					2,343,088		2,343,088
Miscellaneous Income	5,000					5,000		5,000
Total Revenues	13,740,347	197,493,724	8,349,498	706,297	944	220,290,810	(353,149)	219,937,662
Expenses:								
Water Purchases		197,493,724				197,493,724		197,493,724
Salaries & Wages	5,841,491			492,542	745	6,334,777		6,334,777
less S & W Reimb. DSC or Recov from Grants	(48,000)					(48,000)		(48,000)
Employee Benefits	1,981,275			153,705	199	2,135,179		2,135,179
Outside Consulting Expense	570,000					570,000		570,000
Professional Fees	1,597,790					1,597,790		1,597,790
Contribution to Election Reserve	605,000		8,349,498			8,954,498		8,954,498
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	221,386					221,386		221,386
Director Compensation	288,793			1,450		290,243		290,243
MWDOC Contribution to WEROC Operations	353,149					353,149	(353,149)	
Others:								
MWD Representation	165,025					165,025		165,025
Director Benefits	159,472					159,472		159,472
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			6,430		48,927		48,927
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					15,850		15,850
Software Support & Expense	291,731					291,731		291,731
Computers and Equipment	45,250					45,250		45,250
Telecommunications Expense	49,586					49,586		49,586
Temporary Help Expense	5,000			6,000		11,000		11,000
Training Expense	84,445					84,445		84,445
Tuition Reimbursement	6,500					6,500		6,500
Travel & Accommodations - Staff	85,900					85,900		85,900
Travel & Accommodations - Directors	36,625			17,770		54,395		54,395
Depreciation Expense (annualized)								
Overhead Reimbursement								
MWDOC Building Expense								
Capital Acquisition								
All Other Expenses	1,635,373			54,250		1,689,623		1,689,623
Total Expenses	13,753,606	197,493,724	8,349,498	706,297	944	220,304,069	(353,149)	219,950,920
EFFECT ON RESERVES / FUND BALANCE	\$ (13,259)	\$ -	\$ -	\$ -	\$ -	\$ (13,259)	\$ -	\$ (13,258)

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	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			300,808			300,808	(300,808)	-
Outside Fundings			10,872,042		1,906	11,174,756		11,174,756
Choice Revenue	2,044,635		300,808			2,044,635		2,044,635
Miscellaneous Income	3,000					3,000		3,000
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		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					243,688		243,688
Director Compensation	275,041			950		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			1,000		35,800		35,800
Computer Maintenance	17,500			4,000		21,500		21,500
Software Support & Expense	89,188			12,000		101,188		101,188
Computers and Equipment	29,250					29,250		29,250
Telecommunications Expense	45,526			8,000		53,526		53,526
Temporary Help Expense	5,000					5,000		5,000
Training Expense	41,200			6,000		47,200		47,200
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	1,318,758			47,900		1,366,658		1,366,658
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)	\$ -	\$ -	\$ -	\$ -	\$ (49,169)	\$ -	\$ (49,169)



MWDOC FY 2025-26 BUDGET

3rd Draft Budget

MWDOC Administration & Finance Committee Meeting

Municipal Water District of Orange County


04.09.2025



1

Budget Presentation Agenda

- Budget Schedule
- Financial Perspective
- Metropolitan Rates
- MWDOC Budget Overview & Assumptions
- Department Key Priorities
- Items Incorporated
- Discussion & Direction



Municipal Water District of Orange County

Slide 2

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

- 1st Draft Budget @ A&F Committee (2-12)
- Member Agency Managers Meeting (2-16)
- Initial Member Agency Choice Participation Confirmation (2-18)

March 2025

- 2nd 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

- 3rd Third Draft Budget & Member Agency Comments presented @ A&F Committee Meeting (4-9) 
- Elected Officials 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

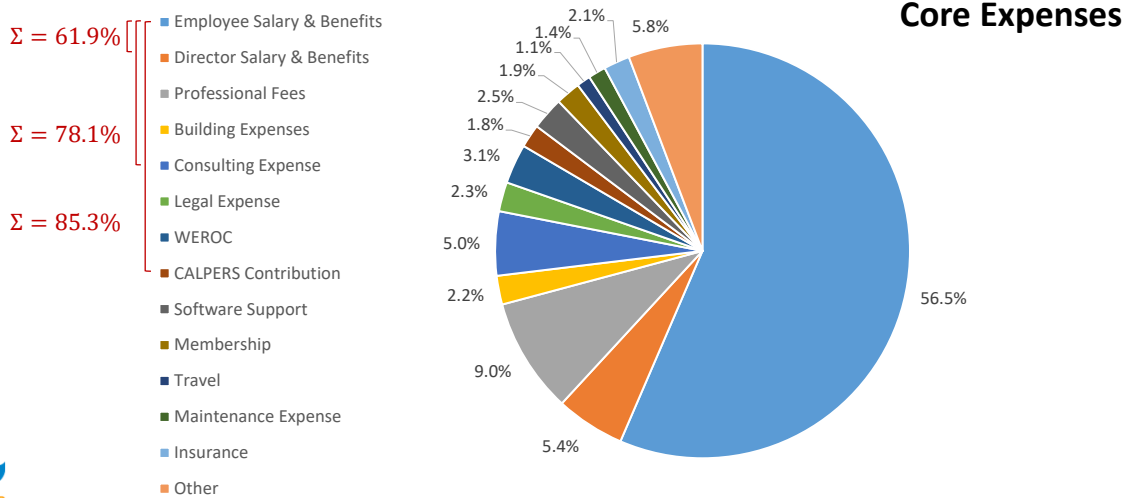
Rates & Charges Effective Jan. 1	2024 (Approved)	2025 (Adopted)	2026 (Adopted)
Supply Rate (\$/AF)	\$332	\$290	\$313
Tier 2 Supply Rate (\$/AF)	\$531	--	--
System Access Rate (\$/AF)	\$389	\$463 (19%)	\$492
System Power Rate (\$/AF)	\$182	\$159	\$179
Full Service Untreated Volumetric Costs (\$/AF)			
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

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

Reliability & Engineering



- School Program (K-12) & WEEA
- Policy Dinners & OC Water Summit
- MWDOC's 75th Anniversary
- Agency Spotlight Videos

Communications & Education



- Legislation Advocacy
- Regulatory Leadership
- Grant Tracking

Governmental Affairs



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

Water Loss Control



- Enterprise Resource Planning
- District Cyber Security
- Rebate Check Processing

Finance & IT



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

MET Issues & Policy



- Turf Removal, Device Incentives, Design Assistance
- Assist MAs in meeting their State Conservation Requirements

Water Use Efficiency



- Response Readiness
- Training and Plan Development
- Emergency Response

WEROC & Emergency Planning



- From 700s Filing Training
- Elected Officials Forum
- Shared Service Contact Support

Board & Support Services



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 @ \$11,397,259 YTY Increase of 5.4% or \$589,017 (\$177,040 increase in Interest Revenue)

OPERATING EXPENSES

- **Core** Expenses @ \$11,410,517 YTY Increase of 5.1% or \$553,107

CHANGE IN STAFF LEVELS (MWDOC + WEROC)

- Core Staffing Level Increase 1.65 FTE
- Choice Staffing Level Increase 0.60 FTE

8

Choice Revenue & Expenses

TOTAL OUTSIDE WUE FUNDING

@ \$8,349,498

(-) \$2,522,544 (-23%)

INITIAL CHOICE Y-T-Y REVENUE & EXPENSES

@ \$2,343,088

(+) \$289,454 (15%)

Choice Program Overview

- Provides a framework to pool resources for an economies-of-scale approach
 - Choice Budget estimates should be considered preliminary
 - Revenue and Expenses are based on the Member Agency actual activity

Choice Program Revenue Key Drivers

- FY 24-25 Projected Actual – School Program Activity
- FY 25-26 Budget – Salary and Wages for WUE and WLC



9

Budget Assumption – Salary Merit Pool

Objectives of the Salary Pool Formula

- Formula seeks to keep up with labor market conditions & retain workforce

MWDOC does not provide a Cost-of-Living Adjustment (COLA)

- Salary increases are solely merit-based

MWDOC conducts an annual survey of water agencies for comparison

- Historically, our formula has compared very well with other water agencies



SALARY CONTRIBUTION MERIT POOL FOR FY 2025-26

- CPI @ 3.3% (Moderate level)
- 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



10

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).

Director Compensation

- 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.

Municipal Water District of Orange County

Slide 11

11

NEW Items Incorporated in 2nd Draft

Program Enhancements

- Grants training (\$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/project budgets.

Form 700 Training

- Form 700 Training (\$2,500) - basic training for Form 700 filers on understanding the conflict-of-interest code, disclosure obligations, guide to reporting each schedule, and purpose of disclosure. Open for Elected Officials in Orange County, to be held in January 2026.

Municipal Water District of Orange County

Slide 12

12

NEW Item Incorporated in 3rd Draft Budget

Technology Infrastructure

- The addition of GIS support resources will strengthen MWDOC Core and Choice services. Included in the 3rd Draft Budget is a staff and consultant-developed budget placeholder (\$130,000).
 - Placeholder is not an entirely new expense; there were previously allocated budgetary expenditures for external GIS services.
 - Pending refinement following the completion of the GIS Scoping Assessment.
 - Estimated initial resource needs for the development of the budget placeholder is inclusive of software licensing, Water Use Efficiency, Water Loss Control, Engineering, and Emergency Response uses.

13

A&F Committee and Board Direction

To Prepare Final Draft Budget, Staff is Seeking

- Discussion on Budget Items and Assumptions
- Direction on Any Other Items Not Yet Incorporated in 3rd Draft

Budget Refinements

- Choice Program Refinements



14



ACTION ITEM

April 16, 2025

TO: Board of Directors

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

Harvey De La Torre, General Manager

Staff Contact: Melissa Baum-Haley
Alex Heide

SUBJECT: Proposed MWDOC Water Rate Resolution for Fiscal Year 2025-26

STAFF RECOMMENDATION

It is recommended that the Board of Directors:

1. **increase** the MWDOC Retail Meter Charge from \$14.75 to \$15.25 per meter, and **increase** the Groundwater Customer Charge from \$405,463 to \$414,371 effective July 1, 2025; and
2. Adopt the Water Rate Resolution setting forth rates and charges to be effective July 1, 2025 and January 1, 2026 as identified in the Water Rate Resolution for Fiscal Year 2025-26.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

SUMMARY

MWDOC adopts a water rate resolution annually to reflect water rates and charges required to collect revenue to support MWDOC’s annual budget and to recover the costs of providing imported water. Attachment A is the proposed MWDOC Water Rate Resolution for Fiscal Year 2025-26 with redline changes.

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

Below is a summary of the draft proposed Rates and Charges for FY 2025-26:

MWDOC Proposed Rates & Charges		Proposed Rates July 1, 2025
MWDOC Retail Meter Charge		\$15.25/meter
MWDOC Groundwater Customer Charge*		\$414,371

MET Rates & Charges	Current Rates January 1, 2025	Proposed Rates January 1, 2026
System Access Rate	\$463	\$492
System Power Rate	\$159	\$179
MWDOC Melded Supply Rate	\$290	\$313
Treatment Surcharge	\$483	\$544
Treated Full Service Rate	\$1,395	\$1,528
Untreated Full Service Rate	\$912	\$984

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.

Additional Comments: *The MWDOC rates and charges have been presented to the member agencies through both the A&F budget workshops and the MWDOC member agency managers meetings.*

BOARD OPTIONS

Option #1:

- **Increase** the MWDOC Retail Meter Charge from \$14.75 to \$15.25 per meter, and **increase** the Groundwater Customer Charge from \$405,463 to \$414,371 effective July 1, 2025; and
- Adopt the Water Rate Resolution setting forth rates and charges to be effective July 1, 2025 and January 1, 2026 as identified in the Water Rate Resolution for Fiscal Year 2025-26.

Fiscal Impact: *Adopting the proposed rates and rate resolution will generate the projected revenue needed to meet the District’s expenses for Fiscal Year 2025-26.*

- **Option #2:** Not adopt the proposed Water Rates and Water Rate Resolution at this time, and present revisions to the Board in either May or June of 2025.

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

List of Attachments/Links:
<i>Attachment 1: MWDOC FY 25-26 Rate Resolution Redline</i>
<i>Attachment 2: MWDOC FY 25-26 Rate Resolution with Exhibits</i>

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

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

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

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

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

WHEREAS, the Board of Directors has reviewed the water supply, water demand and

replenishment conditions in the Orange County Water District (OCWD) Basin and the impact these conditions will have on MWDOC's imported water purchases from Metropolitan; and,

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

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

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

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

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

WHEREAS, beginning with the budget year commencing July 1, 2011 through June 30, 2012, the MWDOC Board approved changing the format of the budget and how certain "Choice" services are to be funded by those MWDOC member agencies and the cities of Anaheim, Fullerton and Santa Ana (3 Cities) electing to receive such services; and,

WHEREAS, the MWDOC Board has approved the "Choice" services, the associated budgets, and the methods for allocating such costs to the member agencies and 3 Cities, and

has directed staff to bill for those costs pursuant to Section 10 of this Resolution as part of MWDOC's water rates and charges; and,

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

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

SECTION 1. RATES FOR CLASSES OF WATER SERVICE.

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

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

Rate Component	July 1 through December 31, 2024 2025	Beginning January 1, 2025 2026
Untreated Full Service	\$903.00<u>912.00</u>	\$912.00<u>984.00</u>
Treated Full Service	\$1,256.00<u>1,395.00</u>	\$1,395.00<u>1,528.00</u>
Unbundled Rate By Component:		
System Access Rate	\$389.00 <u>463.00</u>	\$463.00 <u>492.00</u>
System Power Rate	\$182.00 <u>159.00</u>	\$159.00 <u>179.00</u>
MWDOC Melded Supply Rate	\$332.00 <u>290.00</u>	\$290.00 <u>313.00</u>
Subtotal Untreated Full Service:	\$903.00<u>912.00</u>	\$912.00<u>984.00</u>
Treatment Surcharge	\$353.00 <u>483.00</u>	\$483.00 <u>544.00</u>
Total Treated Full Service:	\$1,256.00<u>1,395.00</u>	\$1,395.00<u>1,528.00</u>

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

(b) MWDOC Drought Allocation Surcharge

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

(c) MWDOC Melded Supply Rate

The MWDOC Melded Supply Rate is established by Board action to recover Metropolitan's Tier 1 supply rate plus any additional water costs, fees, charges,

and rates that benefit the District's service area, ~~such as funding the MWDOC Tier 2 Contingency Fund~~. At this time, the MWDOC Melded Supply Rate is equal to Metropolitan's Tier 1 Supply Rate.

SECTION 2. MWDOC READINESS-TO-SERVE CHARGE.

(a) Amount Due to Metropolitan from MWDOC

Metropolitan has notified MWDOC that for fiscal year ~~2024-25~~2025-26 Metropolitan estimates that the amount of Metropolitan's Readiness-to-Serve (RTS) Charge applicable to MWDOC, which exceeds the standby charges collected in MWDOC's service area (Net RTS) is \$~~16,263,519~~17,600,208. The Net RTS Charge will be allocated among the MWDOC member agencies, as provided herein and invoiced as a fixed charge to each MWDOC member agency. Metropolitan will bill MWDOC for the Net RTS Charge on a monthly installment basis. The MWDOC Net RTS Charge will be invoiced to each MWDOC member agencies on a monthly basis.

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

The MWDOC method of apportioning the Net RTS Charge to the MWDOC member agencies uses the most recently completed four-year rolling average of fiscal year full service purchases of water ending one year prior to the year of the charge being imposed (i.e., for fiscal year ~~2024-25~~2025-26 charges, the four-year average shall be based on fiscal years ~~2019-20~~2020-21 through ~~2022-23~~2023-24). The Net RTS Charge to MWDOC shall be apportioned to the MWDOC member agencies based on the four-year average of full service sales, which would include all cyclic, wheeled, and transferred water.

(c) Fiscal Year ~~2024-25~~2025-26 MWDOC RTS Charge

For fiscal year ~~2024-25~~2025-26, MWDOC will charge the MWDOC member agencies total Net RTS Charges of \$~~16,263,519~~17,600,208. The amount of the Net RTS Charge to be

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

(d) Adjustment of RTS Charge

Metropolitan determines its Net RTS Charge to each member agency based on the estimated revenue derived from the Metropolitan Standby Charge within each member agency (less delinquencies and administrative costs). The projected Net Standby Charge revenue for MWDOC in fiscal year ~~2024-25~~2025-26 is set forth in **Exhibit A**. Once the actual Net Standby Charge revenue is known, Metropolitan may adjust the amount of the Net RTS Charge for the prior year through an additional charge or credit. Any adjustment necessary to reconcile the estimated Net RTS Charge with the actual Net RTS Charge will be charged or credited to each MWDOC member agency in the next regularly scheduled water billing following the preparation of the reconciliation report by Metropolitan.

SECTION 3. MWDOC CAPACITY CHARGE

(a) Amount due to Metropolitan from MWDOC

Metropolitan has notified MWDOC that for calendar year ~~2025~~2026, the amount of the Metropolitan Capacity Charge to be imposed on MWDOC will be \$~~4,371,900~~4,089,000. The Metropolitan Capacity Charge will be allocated among the MWDOC member agencies as provided herein and invoiced as a fixed charge to each member agency. Metropolitan will bill MWDOC for the Capacity Charge on a monthly installment basis. The MWDOC Capacity Charge will be invoiced to the MWDOC member agencies on a monthly basis.

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

The MWDOC method of apportioning the Capacity Charge to the MWDOC member agencies uses each member agency's highest peak day flow for delivery of full service water, which includes wheeled and transferred water, during the period of May 1 through September

30 of each year for the three-year period ending one year prior to the year of the charge being imposed (i.e., for calendar year ~~2025-2026~~ charges, the highest peak day flow shall be based on May 1 through September 30, ~~2024~~2022, ~~2022~~2023, and ~~2023~~2024). The peak day flow for each MWDOC member agency is used to apportion the Capacity Charge based upon the ratio of each agency's highest peak day flow to the sum of all member agencies' highest peak day flows. The amount of the ~~2025-2026~~ Capacity Charge apportioned to each member agency is set forth in **Exhibit B**, attached hereto and by this reference incorporated herein and made an operative part hereof.

SECTION 4. MWDOC'S RETAIL METER CHARGE.

The annual charge to be imposed by MWDOC on each member agency except for Orange County Water District (OCWD) for each retail water meter served by such MWDOC member agency which is in service as of January 1 of each year (MWDOC's Retail Meter Charge) shall be ~~\$14.75~~15.25. MWDOC's Retail Meter Charge shall be collected in accordance with Section 10 of this Resolution. Annually, or at such time as determined to be necessary, MWDOC will request supporting documentation from each member agency to verify the number of retail meters within their service area, and such documentation shall be signed by a representative of the member agency. MWDOC is also authorized to conduct random on-site visits with the member agencies to verify the data on the number of retail meters.

SECTION 5. MWDOC GROUNDWATER CUSTOMER CHARGE

The annual charge to be imposed on OCWD for Core services provided by MWDOC for fiscal year ~~2024-25~~2025-26 shall be ~~\$405,463~~414,371. MWDOC's Groundwater Customer Charge to be imposed on OCWD shall be collected in accordance with Section 10

of this Resolution.

The Groundwater Customer Charge is calculated based on OCWD's proportionate share of all of MWDOC's cost centers of MWDOC's fiscal year ~~2024-25~~2025-26 general fund core budget; excluding the WEROC cost center. OCWD's proportionate share is calculated as one twenty-sixth of all core cost centers except for WEROC.

SECTION 6. CHOICE SERVICES TO THE MWDOC MEMBER AGENCIES ~~2024-25~~2025-26

The Choice services to the member agencies shall be provided and charged for as follows for Fiscal Year ~~2024-25~~2025-26. Each Choice service is voluntary and provided at the option of the member agency, and the costs for such Choice services are not "imposed" for purposes of article XIII C, section 1(e) of the California constitution:

- (a) Water Use Efficiency Program – The cost of MWDOC's Water Use Efficiency Program shall be allocated to those agencies electing to participate in the program. The costs shall be apportioned to the participants in proportion to the benefits received from Metropolitan and/or any other outside sources of funding in calendar year ~~2024~~2023. There may be other costs allocated over and above these costs for participation in certain water use efficiency program efforts in various parts of Orange County that are separate from this basic program. Anything beyond the basic program will be implemented separately by agreement or memorandum of understanding with each participating agency. The costs to be charged shall reflect any carry-over or deficit funds from the preceding fiscal year.
- (b) The MWDOC Elementary School Program provides comprehensive water education for Orange County elementary school students in Grades K-5. Through this program, each participating agency may set a target number of

sessions to offer in their service area. In grades K-2, the MWDOC Elementary School Program charges participating agencies per school assembly, at a cost based on the size of the school assembly. In grades 3-5, the MWDOC Elementary School Program charges each participating agency at a cost per session based on the actual number of sessions provided.

- (c) The MWDOC Middle School Program provides comprehensive water education for Orange County middle school students in Grades 6-8. Through this program, each participating agency may set a target number of sessions to offer in their service area. The MWDOC Middle School Program charges each participating agency at a cost per session based on the actual number of sessions provided.
- (d) The MWDOC High School Program provides comprehensive water education for Orange County high school students in Grades 9-12. Through this program, each participating agency may set a target number sessions to offer in their service area. The MWDOC High School Program charges each participating agency at a cost per session based on the actual number of sessions provided.
- (e) Blank
- (f) The Water Loss Control Program provides a complement of technical assistance and shared service through consultants and in-house operations to retail agencies in Orange County. The costs for the program varies per agency according to the level of professional and technical service selected by each participating agency. The costs to be charged shall reflect any carry-over or deficit funds from the preceding fiscal year.

The details on these Choice options and charges to each agency are included in Section 10 and are set forth in **Exhibit C**, attached hereto and by this reference

incorporated herein and made an operative part hereof.

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

WATER

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

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

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

- (a) A one-time administrative charge, based on actual time spent to account for the staff time and legal counsel required for preparation of an agreement or agreements to establish the legal and administrative framework for water to be wheeled or transferred through exchanges with Metropolitan.
- (b) Unless otherwise specified by written agreement with MWDOC, an annual charge will be assessed, based on actual time spent in any year

in which water is wheeled or transferred through exchanges with Metropolitan, to cover staff time to account for and bill for the water.

- (c) Other charges established by written agreement between MWDOC and a member agency that reflect additional costs of wheeling water.

SECTION 8. MWDOC WATER SUPPLY ALLOCATION PLAN (WSAP)

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

SECTION 9. EFFECTIVE DATE.

The rates set forth in this Resolution shall become effective as of July 1, ~~2024-2025~~ or thereafter as specified and shall remain in effect until changed by subsequent Resolution of the Board of Directors.

SECTION 10. BILLING AND PAYMENT.

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

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

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

SECTION 11. **EXEMPTION FROM CEQA.**

The Board of Directors finds that the adoption of the rates and charges as set forth in

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

SECTION 12. REASONABLE COST.

The Board of Directors finds that the water rates established herein are in accordance with the adopted fiscal year ~~2024-25~~2025-26 budget, and that said rates do not exceed the reasonable cost of providing water service and other services and regulatory functions for which they are charged.

SECTION 13. SUPERSEDES PRIOR RESOLUTIONS.

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

SECTION 14. RATES SUBJECT TO ORDINANCE.

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

SECTION 15. IMPLEMENTATION.

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

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

Said Resolution No. was adopted on April _____, ~~2024-2025~~ by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

MARIBETH GOLDSBY, District Secretary
Municipal Water District of Orange County

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

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

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

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

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

WHEREAS, the Board of Directors has reviewed the water supply, water demand and

replenishment conditions in the Orange County Water District (OCWD) Basin and the impact these conditions will have on MWDOC's imported water purchases from Metropolitan; and,

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

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

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

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

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

WHEREAS, beginning with the budget year commencing July 1, 2011 through June 30, 2012, the MWDOC Board approved changing the format of the budget and how certain "Choice" services are to be funded by those MWDOC member agencies and the cities of Anaheim, Fullerton and Santa Ana (3 Cities) electing to receive such services; and,

WHEREAS, the MWDOC Board has approved the "Choice" services, the associated budgets, and the methods for allocating such costs to the member agencies and 3 Cities, and

has directed staff to bill for those costs pursuant to Section 10 of this Resolution as part of MWDOC's water rates and charges; and,

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

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

SECTION 1. RATES FOR CLASSES OF WATER SERVICE.

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

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

Rate Component	July 1 through December 31, 2025	Beginning January 1, 2026
Untreated Full Service	\$912.00	\$984.00
Treated Full Service	\$1,395.00	\$1,528.00
Unbundled Rate By Component:		
System Access Rate	\$463.00	\$492.00
System Power Rate	\$159.00	\$179.00
MWDOC Melded Supply Rate	\$290.00	\$313.00
Subtotal Untreated Full Service:	\$912.00	\$984.00
Treatment Surcharge	\$483.00	\$544.00
Total Treated Full Service:	\$1,395.00	\$1,528.00

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

(b) MWDOC Drought Allocation Surcharge

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

(c) MWDOC Melded Supply Rate

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

Melded Supply Rate is equal to Metropolitan's Tier 1 Supply Rate.

SECTION 2. MWDOC READINESS-TO-SERVE CHARGE.

(a) Amount Due to Metropolitan from MWDOC

Metropolitan has notified MWDOC that for fiscal year 2025-26 Metropolitan estimates that the amount of Metropolitan's Readiness-to-Serve (RTS) Charge applicable to MWDOC, which exceeds the standby charges collected in MWDOC's service area (Net RTS) is \$17,600,208. The Net RTS Charge will be allocated among the MWDOC member agencies, as provided herein and invoiced as a fixed charge to each MWDOC member agency. Metropolitan will bill MWDOC for the Net RTS Charge on a monthly installment basis. The MWDOC Net RTS Charge will be invoiced to each MWDOC member agencies on a monthly basis.

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

The MWDOC method of apportioning the Net RTS Charge to the MWDOC member agencies uses the most recently completed four-year rolling average of fiscal year full service purchases of water ending one year prior to the year of the charge being imposed (i.e., for fiscal year 2025-26 charges, the four-year average shall be based on fiscal years 2020-21 through 2023-24). The Net RTS Charge to MWDOC shall be apportioned to the MWDOC member agencies based on the four-year average of full service sales, which would include all cyclic, wheeled, and transferred water.

(c) Fiscal Year 2025-26 MWDOC RTS Charge

For fiscal year 2025-26, MWDOC will charge the MWDOC member agencies total Net RTS Charges of \$17,600,208. The amount of the Net RTS Charge to be apportioned to each of the MWDOC member agencies is set forth in **Exhibit A**, attached hereto and by this reference incorporated herein made an operative part hereof.

(d) Adjustment of RTS Charge

Metropolitan determines its Net RTS Charge to each member agency based on the estimated revenue derived from the Metropolitan Standby Charge within each member agency (less delinquencies and administrative costs). The projected Net Standby Charge revenue for MWDOC in fiscal year 2025-26 is set forth in **Exhibit A**. Once the actual Net Standby Charge revenue is known, Metropolitan may adjust the amount of the Net RTS Charge for the prior year through an additional charge or credit. Any adjustment necessary to reconcile the estimated Net RTS Charge with the actual Net RTS Charge will be charged or credited to each MWDOC member agency in the next regularly scheduled water billing following the preparation of the reconciliation report by Metropolitan.

SECTION 3. MWDOC CAPACITY CHARGE

(a) Amount due to Metropolitan from MWDOC

Metropolitan has notified MWDOC that for calendar year 2026, the amount of the Metropolitan Capacity Charge to be imposed on MWDOC will be \$4,089,000. The Metropolitan Capacity Charge will be allocated among the MWDOC member agencies as provided herein and invoiced as a fixed charge to each member agency. Metropolitan will bill MWDOC for the Capacity Charge on a monthly installment basis. The MWDOC Capacity Charge will be invoiced to the MWDOC member agencies on a monthly basis.

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

The MWDOC method of apportioning the Capacity Charge to the MWDOC member agencies uses each member agency's highest peak day flow for delivery of full service water, which includes wheeled and transferred water, during the period of May 1 through September 30 of each year for the three-year period ending one year prior to the year of the charge being imposed (i.e., for calendar year 2026 charges, the highest peak day flow shall be based on

May 1 through September 30, 2022, 2023, and 2024). The peak day flow for each MWDOC member agency is used to apportion the Capacity Charge based upon the ratio of each agency's highest peak day flow to the sum of all member agencies' highest peak day flows. The amount of the 2026 Capacity Charge apportioned to each member agency is set forth in **Exhibit B**, attached hereto and by this reference incorporated herein and made an operative part hereof.

SECTION 4. **MWDOC'S RETAIL METER CHARGE.**

The annual charge to be imposed by MWDOC on each member agency except for Orange County Water District (OCWD) for each retail water meter served by such MWDOC member agency which is in service as of January 1 of each year (MWDOC's Retail Meter Charge) shall be **\$15.25**. MWDOC's Retail Meter Charge shall be collected in accordance with Section 10 of this Resolution. Annually, or at such time as determined to be necessary, MWDOC will request supporting documentation from each member agency to verify the number of retail meters within their service area, and such documentation shall be signed by a representative of the member agency. MWDOC is also authorized to conduct random on-site visits with the member agencies to verify the data on the number of retail meters.

SECTION 5. **MWDOC GROUNDWATER CUSTOMER CHARGE**

The annual charge to be imposed on OCWD for Core services provided by MWDOC for fiscal year 2025-26 shall be **\$414,371**. MWDOC's Groundwater Customer Charge to be imposed on OCWD shall be collected in accordance with Section 10 of this Resolution.

The Groundwater Customer Charge is calculated based on OCWD's proportionate share of all of MWDOC's cost centers of MWDOC's fiscal year 2025-26 general fund core budget; excluding the WEROC cost center. OCWD's proportionate share is calculated as one

twenty-sixth of all core cost centers except for WEROC.

SECTION 6. CHOICE SERVICES TO THE MWDOC MEMBER AGENCIES 2025-26

The Choice services to the member agencies shall be provided and charged for as follows for Fiscal Year 2025-26. Each Choice service is voluntary and provided at the option of the member agency, and the costs for such Choice services are not “imposed” for purposes of article XIII C, section 1(e) of the California constitution:

- (a) Water Use Efficiency Program – The cost of MWDOC’s Water Use Efficiency Program shall be allocated to those agencies electing to participate in the program. The costs shall be apportioned to the participants in proportion to the benefits received from Metropolitan and/or any other outside sources of funding in calendar year 2024. There may be other costs allocated over and above these costs for participation in certain water use efficiency program efforts in various parts of Orange County that are separate from this basic program. Anything beyond the basic program will be implemented separately by agreement or memorandum of understanding with each participating agency. The costs to be charged shall reflect any carry-over or deficit funds from the preceding fiscal year.
- (b) The MWDOC Elementary School Program provides comprehensive water education for Orange County elementary school students in Grades K-5. Through this program, each participating agency may set a target number of sessions to offer in their service area. In grades K-2, the MWDOC Elementary School Program charges participating agencies per school assembly, at a cost based on the size of the school assembly. In grades 3-5, the MWDOC Elementary School Program charges each participating agency at a cost per

session based on the actual number of sessions provided.

- (c) The MWDOC Middle School Program provides comprehensive water education for Orange County middle school students in Grades 6-8. Through this program, each participating agency may set a target number of sessions to offer in their service area. The MWDOC Middle School Program charges each participating agency at a cost per session based on the actual number of sessions provided.
- (d) The MWDOC High School Program provides comprehensive water education for Orange County high school students in Grades 9-12. Through this program, each participating agency may set a target number sessions to offer in their service area. The MWDOC High School Program charges each participating agency at a cost per session based on the actual number of sessions provided.
- (e) Blank
- (f) The Water Loss Control Program provides a complement of technical assistance and shared service through consultants and in-house operations to retail agencies in Orange County. The costs for the program varies per agency according to the level of professional and technical service selected by each participating agency. The costs to be charged shall reflect any carry-over or deficit funds from the preceding fiscal year.

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

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

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

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

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

- (a) A one-time administrative charge, based on actual time spent to account for the staff time and legal counsel required for preparation of an agreement or agreements to establish the legal and administrative framework for water to be wheeled or transferred through exchanges with Metropolitan.
- (b) Unless otherwise specified by written agreement with MWDOC, an annual charge will be assessed, based on actual time spent in any year in which water is wheeled or transferred through exchanges with Metropolitan, to cover staff time to account for and bill for the water.

- (c) Other charges established by written agreement between MWDOC and a member agency that reflect additional costs of wheeling water.

SECTION 8. MWDOC WATER SUPPLY ALLOCATION PLAN (WSAP)

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

SECTION 9. EFFECTIVE DATE.

The rates set forth in this Resolution shall become effective as of July 1, 2025 or thereafter as specified and shall remain in effect until changed by subsequent Resolution of the Board of Directors.

SECTION 10. BILLING AND PAYMENT.

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

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

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

SECTION 11. EXEMPTION FROM CEQA.

The Board of Directors finds that the adoption of the rates and charges as set forth in this Resolution are exempt from the California Environmental Quality Act under Section 21080(b)(8) of the Public Resources Code in that the water rates established herein are for

the purpose of meeting operating expenses of MWDOC, including employee wages and fringe benefits, purchasing or leasing of supplies, equipment and materials, meeting financial reserve needs and requirements and, obtaining funds for capital projects necessary to maintain service within existing service areas.

SECTION 12. **REASONABLE COST.**

The Board of Directors finds that the water rates established herein are in accordance with the adopted fiscal year 2025-26 budget, and that said rates do not exceed the reasonable cost of providing water service and other services and regulatory functions for which they are charged.

SECTION 13. **SUPERSEDES PRIOR RESOLUTIONS.**

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

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

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

SECTION 15. **IMPLEMENTATION.**

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

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

Said Resolution No. was adopted on April ____, 2025 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

MARIBETH GOLDSBY, District Secretary
Municipal Water District of Orange County

EXHIBIT A

Readiness-to-serve Charge for MWDOC Client Agencies for FY 2025-26

Metropolitan Readiness-to-Serve (RTS) Charge to MWDOC for FY 2025/26 = \$ 25,200,162	
Expected Standby Revenue Less Metropolitan Administrative Charge Plus Delinquencies & Uncollectibles FY 2025/26 = \$ (7,599,954)	Final
Net MWD RTS Charge = \$ 17,600,208	

Agency	AF Share (%)				Net RTS	RTS Adjustment	Net RTS	Monthly Charge July - December	Monthly Charge January - June
	2020-21	2021-22	2022-23	2023-24					
Brea	34	254	5	477	193	\$ 24,170.96	\$ -	\$ 1,971.95	\$ 2,056.55
Buena Park	1,475	1,650	1,302	665	1,273	\$ 159,669.35	\$ -	\$ 13,026.36	\$ 13,585.20
East Orange County Water District	3,014	5,713	5,040	3,389	4,289	\$ 537,934.74	\$ -	\$ 43,886.50	\$ 45,769.29
El Toro Water District	7,392	7,244	5,530	6,588	6,689	\$ 838,855.40	\$ -	\$ 68,436.61	\$ 71,372.62
Fountain Valley	0	0	0	0	-	\$ -	\$ -	\$ -	\$ -
Garden Grove	5,318	5,297	3,642	4	3,565	\$ 447,126.06	\$ -	\$ 36,478.03	\$ 38,042.98
Golden State Water Company	7,451	8,709	8,714	7,469	8,086	\$ 1,014,107.15	\$ -	\$ 82,734.23	\$ 86,283.63
Huntington Beach	4,040	4,841	3,469	3,320	3,918	\$ 491,336.12	\$ -	\$ 40,084.83	\$ 41,804.52
Irvine Ranch Water District	17,134	25,245	16,773	12,085	17,809	\$ 2,233,569.32	\$ -	\$ 182,222.01	\$ 190,039.55
La Habra	562	565	222	60	352	\$ 44,174.94	\$ -	\$ 3,603.94	\$ 3,758.55
La Palma	0	120	4	0	31	\$ 3,887.92	\$ -	\$ 317.19	\$ 330.80
Laguna Beach County Water District	3,054	3,350	2,552	2,993	2,987	\$ 374,657.70	\$ -	\$ 30,565.82	\$ 31,877.13
Mesa Water District	67	3	0	0	17	\$ 2,182.25	\$ -	\$ 178.04	\$ 185.67
Moulton Niguel Water District	24,785	24,305	19,894	19,420	22,101	\$ 2,771,823.29	\$ -	\$ 226,134.56	\$ 235,836.00
Newport Beach	677	3,747	2,249	2,712	2,346	\$ 294,265.26	\$ -	\$ 24,007.14	\$ 25,037.07
Orange	6,707	11,796	3,296	1,535	5,833	\$ 731,594.18	\$ -	\$ 59,685.89	\$ 62,246.48
Orange County Water District	9	22,996	19,458	0	10,616	\$ 1,331,420.47	\$ -	\$ 108,621.71	\$ 113,281.71
San Clemente	7,671	7,535	6,464	6,301	6,993	\$ 877,002.28	\$ -	\$ 71,548.76	\$ 74,618.29
Santa Margarita Water District (ID9)	6,063	5,679	5,482	4,564	5,447	\$ 683,136.08	\$ -	\$ 55,732.51	\$ 58,123.50
Santa Margarita Water District	25,314	24,303	20,398	19,740	22,439	\$ 2,814,203.67	\$ -	\$ 229,592.09	\$ 239,441.86
Seal Beach	1,102	606	590	631	732	\$ 91,845.88	\$ -	\$ 7,493.09	\$ 7,814.55
Serrano Water District	1,394	1,109	819	0	831	\$ 104,158.68	\$ -	\$ 8,497.61	\$ 8,862.17
South Coast Water District	5,000	4,812	4,142	4,475	4,607	\$ 577,829.83	\$ -	\$ 47,141.28	\$ 49,163.70
Trabuco Canyon Water District	2,421	2,901	1,800	1,170	2,073	\$ 259,982.19	\$ -	\$ 21,210.21	\$ 22,120.15
Westminster	0	1	1,046	0	262	\$ 32,815.31	\$ -	\$ 2,677.18	\$ 2,792.04
Yorba Linda Water District	9,727	12,815	2,699	2,138	6,845	\$ 858,458.96	\$ -	\$ 70,035.94	\$ 73,040.56
Sum of MWDOC Agencies	140,411	185,594	135,592	99,738	140,334	\$ 17,600,208.00	\$ -	\$ 1,435,863.48	\$ 1,497,484.57

*totals may not foot due to rounding

EXHIBIT B
DRAFT Capacity Charge for MWDOC Member Agencies for CY 2026

Final 4/1/2025

	2022	2023	2023	2024	Peak
MWDOC's Peak to MWD (cfs)	282.0	233.6	233.6	258.5	282.0
Date	8/15/2022	8/9/2023	8/2/2024	8/15/2022	8/15/2022

Metropolitan Capacity Charge to MWDOC for CY 2025 \$ **4,089,000***

Agency	Capacity Charge Eligible Flows (CFS)				CFS Share (%)	Annual Capacity Charge	Monthly Capacity Charge
	2022	2023	2024	3-Yr Peak			
City of Brea	1.3	7.7	15.1	15.1	3.93%	\$ 160,582	\$ 13,382
City of Buena Park	4.3	4.5	4.6	4.6	1.20%	\$ 48,919	\$ 4,077
East Orange County Water District	18.2	17.2	17.5	18.2	4.73%	\$ 193,550	\$ 16,129
El Toro Water District	17.1	13.7	12.0	17.1	4.45%	\$ 181,851	\$ 15,154
City of Fountain Valley	0.0	0.0	0.0	0.0	0.00%	\$ -	\$ -
City of Garden Grove	22.3	0.0	10.7	22.3	5.80%	\$ 237,151	\$ 19,763
Golden State Water Company	12.5	15.0	17.4	17.4	4.53%	\$ 185,042	\$ 15,420
City of Huntington Beach	21.9	15.2	16.4	21.9	5.70%	\$ 232,898	\$ 19,408
Irvine Ranch Water District	55.4	35.0	54.9	55.4	14.41%	\$ 589,156	\$ 49,096
City of La Habra	4.1	2.1	3.1	4.1	1.07%	\$ 43,602	\$ 3,633
City of La Palma	0.7	0.0	0.0	0.7	0.18%	\$ 7,444	\$ 620
Laguna Beach County Water District	7.5	7.4	7.6	7.6	1.98%	\$ 80,823	\$ 6,735
Mesa Water District	0.0	0.0	0.0	0.0	0.00%	\$ -	\$ -
Moulton Niguel Water District	43.1	32.6	34.2	43.1	11.21%	\$ 458,351	\$ 38,196
City of Newport Beach	8.1	9.6	7.9	9.6	2.50%	\$ 102,092	\$ 8,508
Orange County Water District	0.0	0.0	0.0	0.0	0.00%	\$ -	\$ -
City of Orange	21.0	13.6	18.3	21.0	5.46%	\$ 223,326	\$ 18,611
City of San Clemente	22.0	18.9	18.9	22.0	5.72%	\$ 233,961	\$ 19,497
Santa Margarita Water District (ID9)	13.0	16.8	9.5	16.8	4.37%	\$ 178,661	\$ 14,888
Santa Margarita Water District	55.0	38.0	39.1	55.0	14.30%	\$ 584,902	\$ 48,742
City of Seal Beach	7.5	0.1	6.0	7.5	1.95%	\$ 79,759	\$ 6,647
Serrano Water District	0.0	0.0	0.0	0.0	0.00%	\$ -	\$ -
South Coast Water District	8.4	8.4	10.1	10.1	2.63%	\$ 107,409	\$ 8,951
Trabuco Canyon Water District	4.6	4.2	4.8	4.8	1.25%	\$ 51,046	\$ 4,254
City of Westminster	0.3	0.0	0.0	0.3	0.08%	\$ 3,190	\$ 266
Yorba Linda Water District	9.9	8.7	8.0	9.9	2.57%	\$ 105,282	\$ 8,774
Total				384.5	100%	\$ 4,089,000	\$ 340,750
						MWDOC Capacity Charge Per CFS: \$ 10,635	

* Based on MWDOC's aggregate peak flow of 282 cfs on 8/15/2022 charge at MET's 2026 rate of \$14,500 per cfs

Exhibit C

MWDOC Member Agency Choice Services Program Summary

Cost Allocations by Agencies for FY 2025-26

DRAFT

Retail Agency	Water Use Efficiency [1]	School Education (K-2)[2]	School Education (3-5)[2]	School Education (6-8)[2]	School Education (9-12)[2]	Water Loss Control Program [3]	Total Choice Allocation [4]
Brea	\$ 24,957.85	\$ 5,000.00	\$ 10,000.00	\$ 10,000.00	\$ 2,500.00		\$ 52,458
Buena Park	\$ 20,304.31	\$ 5,191.20	\$ 5,420.16	\$ 3,271.98	\$ 1,090.66		\$ 35,278
East Orange County WD	\$ 231.01	\$ 1,623.28	\$ -	\$ -	\$ 2,181.32		\$ 4,036
El Toro WD	\$ 101,932.68	\$ 7,000.00	\$ 4,000.00	\$ 2,500.00	\$ 1,200.00		\$ 116,633
Fountain Valley	\$ 15,815.57	\$ 2,484.00	\$ 2,778.00	\$ 4,364.00	\$ 6,546.00		\$ 31,988
Garden Grove	\$ 34,856.84	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00		\$ 74,857
Golden State Water Company	\$ 10,348.50	\$ -	\$ -	\$ -	\$ -		\$ 10,349
Huntington Beach	\$ 69,729.26	\$ 15,759.00	\$ 15,808.65	\$ 10,906.57	\$ 8,725.25		\$ 120,929
Irvine Ranch WD	\$ 258,362.45	\$ -	\$ -	\$ -	\$ -		\$ 258,362
La Habra	\$ 43,477.03	\$ 4,000.00	\$ 4,000.00	\$ 7,000.00	\$ -		\$ 58,477
La Palma	\$ 1,666.97	\$ -	\$ -	\$ -	\$ -		\$ 1,667
Laguna Beach County WD	\$ 1,898.88	\$ -	\$ -	\$ -	\$ -		\$ 1,899
Mesa Water	\$ 47,751.84	\$ -	\$ -	\$ -	\$ -		\$ 47,752
Moulton Niguel WD	\$ 207,328.24	\$ 11,500.00	\$ 9,000.00	\$ 2,200.00	\$ 4,400.00		\$ 234,428
Newport Beach	\$ 15,073.33	\$ -	\$ -	\$ -	\$ -		\$ 15,073
Orange	\$ 62,422.08	\$ 4,391.92	\$ 2,777.79	\$ -	\$ -		\$ 69,592
Orange County WD	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
San Clemente	\$ 24,716.98	\$ 6,588.00	\$ 1,852.00	\$ 1,098.00	\$ 1,091.00		\$ 35,346
Santa Margarita WD	\$ 119,324.70	\$ 8,750.00	\$ 8,750.00	\$ 8,750.00	\$ 8,750.00		\$ 154,325
Seal Beach	\$ 7,209.07	\$ 1,209.22	\$ 1,388.90	\$ -	\$ -		\$ 9,807
Serrano WD	\$ 287.28	\$ -	\$ 2,000.00	\$ -	\$ -		\$ 2,287
South Coast WD	\$ 58,703.28	\$ 2,840.00	\$ 2,800.00	\$ 1,100.00	\$ 4,400.00		\$ 69,843
Trabuco Canyon WD	\$ 26,360.46	\$ 1,623.28	\$ 462.96	\$ 1,090.66	\$ -		\$ 29,537
Tustin	\$ 16,984.55	\$ 8,911.56	\$ 6,944.47	\$ 7,634.60	\$ 6,543.94		\$ 47,019
Westminster	\$ 29,779.70	\$ 5,000.00	\$ 10,000.00	\$ 12,000.00	\$ 8,000.00		\$ 64,780
Yorba Linda WD	\$ 50,882.79	\$ 3,000.00	\$ 6,000.00	\$ 10,000.00	\$ 5,000.00		\$ 74,883
Anaheim	\$ 967.65	\$ 9,500.00	\$ 9,500.00	\$ 9,500.00	\$ 9,500.00		\$ 38,968
Fullerton	\$ 558.03	\$ 4,000.00	\$ 3,000.00	\$ 5,000.00	\$ -		\$ 12,558
Santa Ana	\$ 209.66	\$ 20,000.00	\$ 30,000.00	\$ 15,000.00	\$ 15,000.00		\$ 80,210
Orange County Total	\$ 1,252,141	\$ 138,371	\$ 146,483	\$ 121,416	\$ 94,928	\$ -	\$ 1,753,339

Note: Totals may not foot due to rounding.

** These numbers are draft and subject to change

[1] Preliminary Cost Allocation for the Choice Water Use Efficiency Program for FY 2025-26.

[2] FY 2025-26 costs dependent upon selection of vendor and each agency's level of participation.

[3] For FY 2025-26 the Water Loss Control Program includes Technical Assistance (Year XI) and the Water Loss Control Shared Services (Year VII). Agency costs will vary based on the selection of technical assistance and shared services.

[4] Actual costs for the programs will be reflected based on agency selections, roll-over of funds from prior fiscal years, and any changes an agency may make throughout the fiscal year.



Administration Activities Report

March 6, 2025 – March 28, 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 two Public Records Act request. • Reviewed files for Records Management clean-up. • Reviewed and filed Form 700s • Prepared agenda/training for new District Secretary • Registered Staff and Directors for various conferences, training, made travel accommodations, processed business expenses, and updated the travel budget spreadsheet. • Updated and paid membership accounts as needed. • Prepared agreements, solicited signatures, and requested insurance documents for Engineering. • Hosted the ISDOC Executive Meeting • Drafted and sent ISDOC Associate Member dues email. • Planning upcoming MWD OC Office events
Records Management	<ul style="list-style-type: none"> • Working on cleaning/reorganizing Shared Drive. • Continued to review incoming mail and log necessary documents into the Laserfiche system. • Staff continue to review documents and update information in Laserfiche.
Health and Welfare Benefits	<ul style="list-style-type: none"> • No new information this month.
Recruitment / Departures	<ul style="list-style-type: none"> • A candidate has been selected to fill the position of Executive Assistant to the GM/Board Secretary. The individual is anticipated to start on April 21st. • An offer has been presented for the Assistant Board Secretary position; the candidate is anticipated to start early May. • Recruitment activities continue the part-time Accountant and full-time Public Affairs Communications Manager positions. • Human Resources continues to coordinate with the General Manager and AGM on a recruitment timeline to fill vacancies.
Projects/ Activities	<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,



	<p>note taking and coordinating with WACO president and speakers and updating WACO information to website.</p> <ul style="list-style-type: none">• 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 graduation ceremony for the Supervisor Training course through the Centre for Organizational Effectiveness will be held on April 7th at Yorba Linda Water District.• Staff continue to review and organize all electronic files in preparation for transitioning to SharePoint.• Staff continue to update the District Contacts lists with the latest changes based on the 2025 Directory.• Staff Retirement Plan Evaluation Committee meeting with Hyas Group Representative, Ted Grigsby, was held on March 21 via Zoom. Mr. Grigsby reviewed the District's 401 and 457 Plan Assets, current Investment Funds and best practices. A follow-up Zoom meeting with the Retirement Plan Evaluation Committee has been scheduled for April 11 to review recommended investment funds and the next steps.• HR is finalizing the Annual Water Agency Merit/Cola survey in preparation for 25/26 Budget. The survey results will be included in the 25/26 Budget document.• HR is coordinating two ½ day training sessions one for all staff and one for management.• HR participated in Interviews for the Board Secretary position and Assistant Board Secretary position.• HR has scheduled Harassment Prevention training for all employees on June 11, 2025.• Staff is continuing to assist the Board Secretary in preparation for the Elected Officials Forum with evites and registration.• Staff is meeting with PeopleSpace on evaluating workspaces for new positions.• Staff is getting quotes for air duct cleaning for the whole office.• All Staff Meeting was held on March 20th.• HR met with GM and AGM to review and discuss proposed changes to Performance Review process.
--	---



INFORMATION ITEM

April 9, 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 5 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 99% complete
Finance	ERP	Began discovery stages and attended various ERP demo sessions
Finance	Other	On-going process improvement

Information Technology (IT)

Security	Backups	Weekly reviews of backup reports show systems consistently and securely backed up according to schedule and to multiple locations.
	Email	Continue to tune email defense system for impersonation, fraud detection, and incident response. Of the nearly 43K emails received in the month, 29% were rejected due to unsafe content or impersonation, and 6 incident responses opened (i.e. multiple users requiring analyst intervention)
	Policies/Procedures	Project underway to develop, evaluate, and update IT Policies and Procedures to improve overall security.
Services	Board Room Audio/Visual	Board Room A/V replacement project implementation kickoff on March 5; installation is targeting early June or July.
	SharePoint	All MWDOC departments migrated to SharePoint/Document Libraries for file storage, which provides file synchronization across devices, enhanced security and privacy, and integration with Microsoft 365.
		Efforts underway to develop an Intranet site for District staff. Planning release in April.
	Support Tickets	188 new support tickets opened: 148 tickets completed and 19 remain pending, in progress, or on-hold status.
Vulnerability Scanning	Weekly external vulnerability scans report no identified exposures or weaknesses	
Training	Cybersecurity	IT Analyst attended 1 hour of training on Microsoft Copilot/Artificial Intelligence.
		Entire District participated in cybersecurity training – ‘Social Engineering Red Flags’.