

**NOTICE OF SPECIAL MEETING
OF THE
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
FINANCE COMMITTEE**

**December 1, 2023
9:00 a.m.**

NOTICE IS HEREBY GIVEN that a Special Meeting of the South Orange County Wastewater Authority (SOCWA) Finance Committee was called to be held on **December 1, 2023, at 9:00 a.m.** SOCWA staff will be present and conducting the meeting at the SOCWA Administrative Office located at 34156 Del Obispo Street, Dana Point, California.

THE SOCWA MEETING ROOM IS WHEELCHAIR ACCESSIBLE. IF YOU REQUIRE ANY SPECIAL DISABILITY RELATED ACCOMMODATIONS, PLEASE CONTACT THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY SECRETARY'S OFFICE AT (949) 234-5452 AT LEAST TWENTY-FOUR (24) HOURS PRIOR TO THE SCHEDULED MEETING TO REQUEST SUCH ACCOMMODATIONS. THIS AGENDA CAN BE OBTAINED IN ALTERNATE FORMAT UPON REQUEST TO THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY'S SECRETARY AT LEAST TWENTY-FOUR (24) HOURS PRIOR TO THE SCHEDULED MEETING. MEMBERS OF THE PUBLIC HAVE THE OPTION TO PARTICIPATE IN AND MAY JOIN THE MEETING REMOTELY VIA VIDEO CONFERENCE FOR VISUAL INFORMATION ONLY (USE ZOOM LINK BELOW) AND BY TELECONFERENCE FOR AUDIO PARTICIPATION (USE PHONE NUMBERS BELOW). THIS IS A PHONE-CALL MEETING AND NOT A WEB-CAST MEETING, SO PLEASE REFER TO AGENDA MATERIALS AS POSTED ON THE WEBSITE AT WWW.SOCWA.COM, ON YOUR REQUEST, EVERY EFFORT WILL BE MADE TO ACCOMMODATE PARTICIPATION. FOR PARTIES PARTICIPATING REMOTELY, PUBLIC COMMENTS WILL BE TAKEN DURING THE MEETING FOR ORAL COMMUNICATION IN ADDITION TO PUBLIC COMMENTS RECEIVED BY PARTIES PARTICIPATING IN PERSON. COMMENTS MAY BE SUBMITTED PRIOR TO THE MEETING VIA EMAIL TO ASSISTANT SECRETARY DANITA HIRSH AT DHIRSH@SOCWA.COM WITH THE SUBJECT LINE "REQUEST TO PROVIDE PUBLIC COMMENT." IN THE EMAIL, PLEASE INCLUDE YOUR NAME, THE ITEM YOU WISH TO SPEAK ABOUT, AND THE TELEPHONE NUMBER YOU WILL BE CALLING FROM SO THAT THE COORDINATOR CAN UN-MUTE YOUR LINE WHEN YOU ARE CALLED UPON TO SPEAK. THOSE MAKING PUBLIC COMMENT REQUESTS REMOTELY VIA TELEPHONE IN REAL-TIME WILL BE ASKED TO PROVIDE YOUR NAME, THE ITEM YOU WISH TO SPEAK ABOUT, AND THE TELEPHONE NUMBER THAT YOU ARE CALLING FROM SO THE COORDINATOR CAN UN-MUTE YOUR LINE WHEN YOU ARE CALLED UPON TO SPEAK. ONCE THE MEETING HAS COMMENCED, THE CHAIR WILL INVITE YOU TO SPEAK AND ASK THE COORDINATOR TO UN-MUTE YOUR LINE AT THE APPROPRIATE TIME.

AGENDA ATTACHMENTS AND OTHER WRITINGS THAT ARE DISCLOSABLE PUBLIC RECORDS DISTRIBUTED TO ALL, OR A MAJORITY OF, THE MEMBERS OF THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY FINANCE COMMITTEE IN CONNECTION WITH A MATTER SUBJECT FOR DISCUSSION OR CONSIDERATION AT AN OPEN MEETING OF THE FINANCE COMMITTEE ARE AVAILABLE FOR PUBLIC INSPECTION IN THE AUTHORITY ADMINISTRATIVE OFFICE LOCATED AT 34156 DEL OBISPO STREET, DANA POINT, CA ("AUTHORITY OFFICE") OR BY PHONE REQUEST MADE TO THE AUTHORITY OFFICE AT 949-234-5452. IF SUCH WRITINGS ARE DISTRIBUTED TO MEMBERS OF THE FINANCE COMMITTEE LESS THAN TWENTY-FOUR (24) HOURS PRIOR TO THE MEETING, THEY WILL BE AVAILABLE IN THE RECEPTION AREA OF THE AUTHORITY OFFICE AT THE SAME TIME AS THEY ARE DISTRIBUTED TO THE FINANCE COMMITTEE AND SENT TO ANY REMOTE PARTICIPANTS REQUESTING EMAIL DELIVERY OR POSTED ON SOCWA'S WEBSITE. IF SUCH WRITINGS ARE DISTRIBUTED IMMEDIATELY PRIOR TO, OR DURING, THE MEETING, THEY WILL BE AVAILABLE IN THE MEETING ROOM OR IMMEDIATELY UPON VERBAL REQUEST TO BE DELIVERED VIA EMAIL TO REQUESTING PARTIES PARTICIPATING REMOTELY.

**THE PUBLIC MAY PARTICIPATE REMOTELY BY VIRTUAL MEANS FOR AUDIO OF MEETING USE
THE CALL IN PHONE NUMBERS BELOW AND FOR VIDEO USE THE ZOOM LINK BELOW.**

Join Zoom Meeting
<https://socwa.zoom.us/>

Meeting ID: 813 5142 0051
Passcode: 242419

Dial by your location:
+1 669 900 6833 US (San Jose) +1 253 215 8782 US (Tacoma)
+1 346 248 7799 US (Houston) +1 312 626 6799 US (Chicago)
Find your local number: <https://socwa.zoom.us/j/81351420051>

AGENDA

1. Call Meeting to Order
2. Public Comments

THOSE WISHING TO ADDRESS THE FINANCE COMMITTEE ON ANY ITEM LISTED ON THE AGENDA WILL BE REQUESTED TO IDENTIFY AT THE OPENING OF THE MEETING AND PRIOR TO THE CLOSE OF THE MEETING. THE AUTHORITY REQUESTS THAT YOU STATE YOUR NAME WHEN MAKING THE REQUEST IN ORDER THAT YOUR NAME MAY BE CALLED TO SPEAK ON THE ITEM OF INTEREST. THE CHAIR OF THE MEETING WILL RECOGNIZE SPEAKERS FOR COMMENT AND GENERAL MEETING DECORUM SHOULD BE OBSERVED IN ORDER THAT SPEAKERS ARE NOT TALKING OVER EACH OTHER DURING THE CALL.

PAGE NO.

3. Approval of Minutes..... 1
 - Finance Committee Meeting of September 19, 2023

Recommended Action: Staff recommends that the Finance Committee approve the subject minutes as submitted.

4. Financial Reports for the Month of August and September 2023 4
 - The financial reports included are as follows:
 - a. Summary of Disbursements for September 2023 (Exhibit A);
 - b. Schedule of Funds Available for Reinvestment (Exhibit B)
 - Local Agency Investment Fund (LAIF)
 - c. Schedule of Cash and Investments (Exhibit C)
 - d. Capital Schedule (Exhibit D)
 - Capital Projects – Graph (Exhibit D-1)
 - e. Budget vs. Actual Expenses:
 - Operations and Environmental Summary (Exhibit E-1)
 - Operations and Environmental by PC (E-1.2)
 - Residual Engineering, after transfer to Capital (Exhibit E-2)
 - Administration (Exhibit E-3)
 - Information Technology (IT) (Exhibit E-4)

Recommended Action: Staff recommends that the Finance Committee recommend that the Board of Directors (i) receive and file the August and September 2023 Financial Reports, (ii) ratify the August 2023 disbursement for the period from August 1, 2023, through August 31, 2023, totaling \$2,550,498, (iii) ratify the September 2023 disbursement for the period from September 1, 2023, through September 30, 2023, totaling \$2,109,054

5. Annual Comprehensive Financial Report (ACFR) for Fiscal Years ended June 30, 2023, and 2022 25
 - Independent Auditors Presentation by The Pun Group

Recommended Action: Staff recommends that the Finance Committee recommend that the Board of Directors receive and file the Annual Comprehensive Financial Report (ACFR), including the Independent Auditors Report for Fiscal Years ended June 30, 2023, and 2022.

PAGE NO.

6. Final Use Audit FY 2022-2023 Budget vs. Actual 29

Recommended Action: Staff recommends that the Finance Committee recommend that the Board of Directors approve the FY 2022-2023 Use Audit.

7. Fiscal Year 2022-2023 Updated Supplemental Financial Statements (Under Separate Cover) 30

Recommended Action: Staff recommends that the Finance Committee recommend that the Board of Directors receive and file the Supplemental Financial Statements for Fiscal Year ended June 30, 2023.

8. California Asset Management Program (“CAMP,” or the “Program”) is a California Joint Powers Authority (“JPA”) (Verbal Report).....

Recommended Action: Discussion/Direction/Action

9. SOCWA Budget Impact Assessment with Regional Treatment Plant (RTP) Operations by MNWD (previously transmitted materials).....

Recommended Action: Discussion/Direction/Action

Adjournment

I hereby certify that the foregoing Notice was personally emailed or mailed to each member of the SOCWA Finance Committee at least 24 hours prior to the scheduled time of the Special Meeting referred to above.

I hereby certify that the foregoing Notice was posted at least 24 hours prior to the time of the above-referenced Finance Committee meeting at the usual agenda posting location of the South Orange County Wastewater Authority and at www.socwa.com.

Dated this 28th day of November 2023.



Danita Hirsh, Assistant Secretary
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY

**MINUTES OF SPECIAL MEETING
OF THE
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY**

Finance Committee

September 19, 2023

DRAFT

The Special Meeting of the South Orange County Wastewater Authority (SOCWA) Finance Committee Meeting was held on September 19, 2023, at 10:30 a.m. in-person and via teleconference from the Administrative Offices located at 34156 Del Obispo Street, Dana Point, California. The following members of the Finance Committee were present via Zoom Meeting:

KATHRYN FRESHLEY	El Toro Water District	Director
ERICA CASTILLO	Santa Margarita Water District	Alternate Director
MATT COLLINGS	Moulton Niguel Water District	Director
PAM ARENDS-KING	South Coast Water District	Alternate Director

Absent:

BOB WHALEN	City of Laguna Beach	Director
------------	----------------------	----------

Staff Participation:

JIM BURROR	Acting General Manager
MARY CAREY	Finance Controller
AMBER BAYLOR	Director of Environmental Compliance
KONSTANTIN SHILKOV	Senior Accountant
ANNA SUTHERLAND	Accounts Payable
DINA ASH	HR Administrator
RONI GRANT	Associate Engineer
JEANETTE COTINOLA	Procurement/Contracts Manager
MATT CLARKE	IT Administrator

Also Participating:

ADRIANA OCHOA	Procopio Law
SHERRY WANNINGER	Moulton Niguel Water District
SAUNDRA JACOBS	Santa Margarita Water District

1. Call Meeting to Order

Chairperson Castillo called the meeting to order at 10:30 a.m.

2. Public Comments

None.

3. Approval of Minutes

- Finance Committee Meeting of June 20, 2023

ACTION TAKEN

A motion was made by Director Collings and seconded by Director Freshley to approve the Minutes for June 20, 2023, as submitted.

Motion carried: Aye 4, Nay 0, Abstained 0, Absent 1
Director Castillo Aye
Director Whalen Absent
Director Freshley Aye
Director Collings Aye
Director Arends-King Aye

4. Preliminary Financial Reports for the Month of June 2023 (Close of Fiscal Year) and Financial Reports for the Month of July 2023

ACTION TAKEN

A motion was made by Director Arends-King and seconded by Director Collings to recommend that the Board of Directors (i) receive and file the June 2023 (Preliminary) Financial Reports, (ii) ratify the June disbursements for the period from June 1, 2023, through June 30, 2023, totaling \$2,041,032, and (iii) ratify the July 2023 disbursements for the period from July 1, 2023, through July 31, 2023, totaling \$3,348,611.

Motion carried: Aye 4, Nay 0, Abstained 0, Absent 1
Director Castillo Aye
Director Whalen Absent
Director Freshley Aye
Director Collings Aye
Director Arends-King Aye

5. Net Pension & Net OPEB Liability

Ms. Mary Carey, Finance Controller, gave a presentation on the status update of the Net Pension and Net OPEB Liability. An open discussion ensued.

This was an information item; no action was taken.

6. PARS Investment Update

Ms. Mary Carey, Finance Controller, gave a presentation on the status update of the PARS Investment plan. An open discussion ensued.

This was an information item; no action was taken.

7. Audit Update

Ms. Mary Carey, Finance Controller, gave an update on the progress of the audit. An open discussion ensued.

This was an information item; no action was taken.

Adjournment

There being no further business, Chairperson Castillo adjourned the meeting at 11:05 a.m.

I HEREBY CERTIFY that the foregoing Minutes are a true and accurate copy of the Minutes of the Special Meeting of the South Orange County Wastewater Authority Finance Committee of September 19, 2023, and approved by the Finance Committee and received and filed by the Board of Directors of the South Orange County Wastewater Authority.

Danita Hirsh / Assistant Secretary
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY

Agenda Item

4

Finance Committee Meeting

Meeting Date: December 1, 2023

TO: Finance Committee

FROM: Jim Burror, General Manager/Director of Operations

STAFF CONTACT: Mary Carey, Finance Controller

SUBJECT: Financial Reports for the Month of August and September 2023

Summary/Discussion

The following selected financial reports are routinely provided monthly to the Finance Committee for recommendation to the Board of Directors to ratify Cash Disbursements and receive and file the remaining documents.

The reports included are as follows:

- a. Summary of Disbursements for August 2023 and September 2023 (Exhibit A)
- b. Schedule of Funds Available for Reinvestment (Exhibit B)
 - Local Agency Investment Fund (LAIF)
- c. Schedule of Cash and Investments (Exhibit C)
- d. Capital Schedule (Exhibit D)
 - Capital Projects – Graph (Exhibit D-1)
- e. Budget vs. Actual Expenses:
 - Operations and Environmental Summary (Exhibit E-1)
 - Operations and Environmental by PC (E-1.2)
 - Residual Engineering, after transfer to Capital (Exhibit E-2)
 - Administration (Exhibit E-3)
 - Information Technology (IT) (Exhibit E-4)

Fiscal Impact

August 2023 cash disbursements were: \$2,550,498.
September 2023 cash disbursements were: \$2,109,054.

- Monthly disbursements are summarized in the attached Exhibit A.2.
- The attached Exhibits B, C, D and E are informational reports only.

Recommended Action: Staff recommends that the Finance Committee recommend that the Board of Directors (i) receive and file the August and September 2023 Financial Reports, (ii) ratify the August 2023 disbursement for the period from August 1, 2023, through August 31, 2023, totaling \$2,550,498, (iii) ratify the September 2023 disbursement for the period from September 1, 2023, through September 30, 2023, totaling \$2,109,054

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
SCHEDULE OF FUNDS AVAILABLE FOR REINVESTMENT
as of August 31, 2023**

CASH IN BANK: (BEGINNING BAL.)	\$	1,802,585
L.A.I.F. FUNDS: (BEGINNING BAL.)		6,126,674
DEPOSITS, TRANSFERS & ADJUSTMENTS:		13,256,752
FUND REQUIREMENTS:		
BILLS FOR CONSIDERATION ¹		(2,550,498)
TOTAL CASH IN BANK	\$	18,635,513

¹ GL postings.

In accordance with Government Code 53646(c), since all funds are placed in the State LAIF, staff has included in the Financial Packet, the most current statement from the State LAIF, in lieu of the report required by Government Code 53646(b)(1).

In accordance with requirements of the Government Code and the "SOCWA Investment Policy", I hereby certify that:

- 1). All investment actions executed since the last report have been made in full compliance with the Investment Policy.
- 2). SOCWA does not have sufficient funds currently on hand to meet its expenditure obligations for the next six months (see note) due to the fact that SOCWA bills and receives operational funds on a quarterly basis only.

Jim Burror
Acting General Manager/Director of Operations

Note: Operational funds are collected on a quarterly basis at the beginning of the quarter. Capital funds are collected on a quarterly basis in connection with projected needs. Member agencies have pledged to have funds available to meet all obligations.

**South Orange County Wastewater Authority
Summary of Disbursements for August 2023
Staff Recommendation of Fiscal Matters**

	<u>Actual</u>
General Fund	\$ (809,405)
PC 2 - Jay B. Latham Plant	(690,771)
PC 5 - San Juan Creek Ocean Outfall	(26,076)
PC 8 - Pretreatment Program	(10,645)
PC 12 SO - Water Reclamation Permits	(21,557.55)
PC 15 - Coastal Treatment Plant/AWT	(302,111)
PC 17 - Joint Regional Wastewater Reclamation	(657,004)
PC 21 - Effluent Transmission Main	(894)
PC 23 - North Coast Interceptor	-
PC 24 - Aliso Creek Ocean Outfall	(32,035)
Total	<u><u>\$ (2,550,498)</u></u>

**South Orange County Wastewater Authority
Summary of Disbursements for September 2023
Staff Recommendation of Fiscal Matters**

	<u>Actual</u>
General Fund	\$ 214,894
PC 2 - Jay B. Latham Plant	(774,180)
PC 5 - San Juan Creek Ocean Outfall	(34,440)
PC 8 - Pretreatment Program	(27,696)
PC 12 SO - Water Reclamation Permits	(14,288.44)
PC 15 - Coastal Treatment Plant/AWT	(455,040)
PC 17 - Joint Regional Wastewater Reclamation	(953,452)
PC 21 - Effluent Transmission Main	(2,976)
PC 23 - North Coast Interceptor	-
PC 24 - Aliso Creek Ocean Outfall	(61,875)
Total	<u><u>\$ (2,109,054)</u></u>

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
SCHEDULE OF FUNDS AVAILABLE FOR REINVESTMENT
as of September 30, 2023**

CASH IN BANK: (BEGINNING BAL.)	\$	1,394,598
L.A.I.F. FUNDS: (BEGINNING BAL.)		13,621,674
DEPOSITS, TRANSFERS & ADJUSTMENTS:		157,857
FUND REQUIREMENTS:		
BILLS FOR CONSIDERATION ¹		(2,109,054)
TOTAL CASH IN BANK	\$	13,065,074

¹ GL postings.

In accordance with Government Code 53646(c), since all funds are placed in the State LAIF, staff has included in the Financial Packet, the most current statement from the State LAIF, in lieu of the report required by Government Code 53646(b)(1).

In accordance with requirements of the Government Code and the "SOCWA Investment Policy", I hereby certify that:

- 1). All investment actions executed since the last report have been made in full compliance with the Investment Policy.
- 2). SOCWA does not have sufficient funds currently on hand to meet its expenditure obligations for the next six months (see note) due to the fact that SOCWA bills and receives operational funds on a quarterly basis only.

Jim Burror
Acting General Manager/Director of Operations

Note: Operational funds are collected on a quarterly basis at the beginning of the quarter. Capital funds are collected on a quarterly basis in connection with projected needs. Member agencies have pledged to have funds available to meet all obligations.



PMIA/LAIF Performance Report as of 11/08/23



Quarterly Performance Quarter Ended 09/30/23

LAIF Apportionment Rate ⁽²⁾ :	3.59
LAIF Earnings Ratio ⁽²⁾ :	0.00009812538629360
LAIF Administrative Cost ^{(1)*} :	0.29
LAIF Fair Value Factor ⁽¹⁾ :	0.986307739
PMIA Daily ⁽¹⁾ :	3.48
PMIA Quarter to Date ⁽¹⁾ :	3.42
PMIA Average Life ⁽¹⁾ :	256

PMIA Average Monthly Effective Yields⁽¹⁾

October	3.670
September	3.534
August	3.434
July	3.305**
June	3.167
May	2.993

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 09/30/23 \$156.4 billion

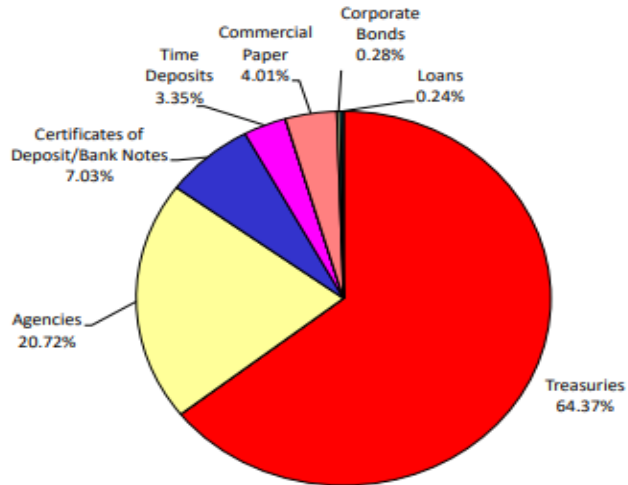


Chart does not include \$2,444,000.00 in mortgages, which equates to 0.002%. Percentages may not total 100% due to rounding.

Exhibit C

**South Orange County Wastewater Authority
Schedule of Cash and Investments
as of September 30, 2023**

MVA	\$ 13,933	(A)
A/P Checking	821,764	(B)
Payroll Checking	107,704	(C)
State LAIF	12,121,674	(D)
Total Cash in Bank¹	\$ 13,065,074	
Petty Cash	1,600	(E)
Total Operating Cash	\$ 13,066,674	
OPEB Trust	6,028,240	(F)
Total Cash and Investments	\$ 19,094,914	

¹Bank balance at the end of a month may differ from an accounting closing balance as there may be in-transit items that haven't cleared the bank.

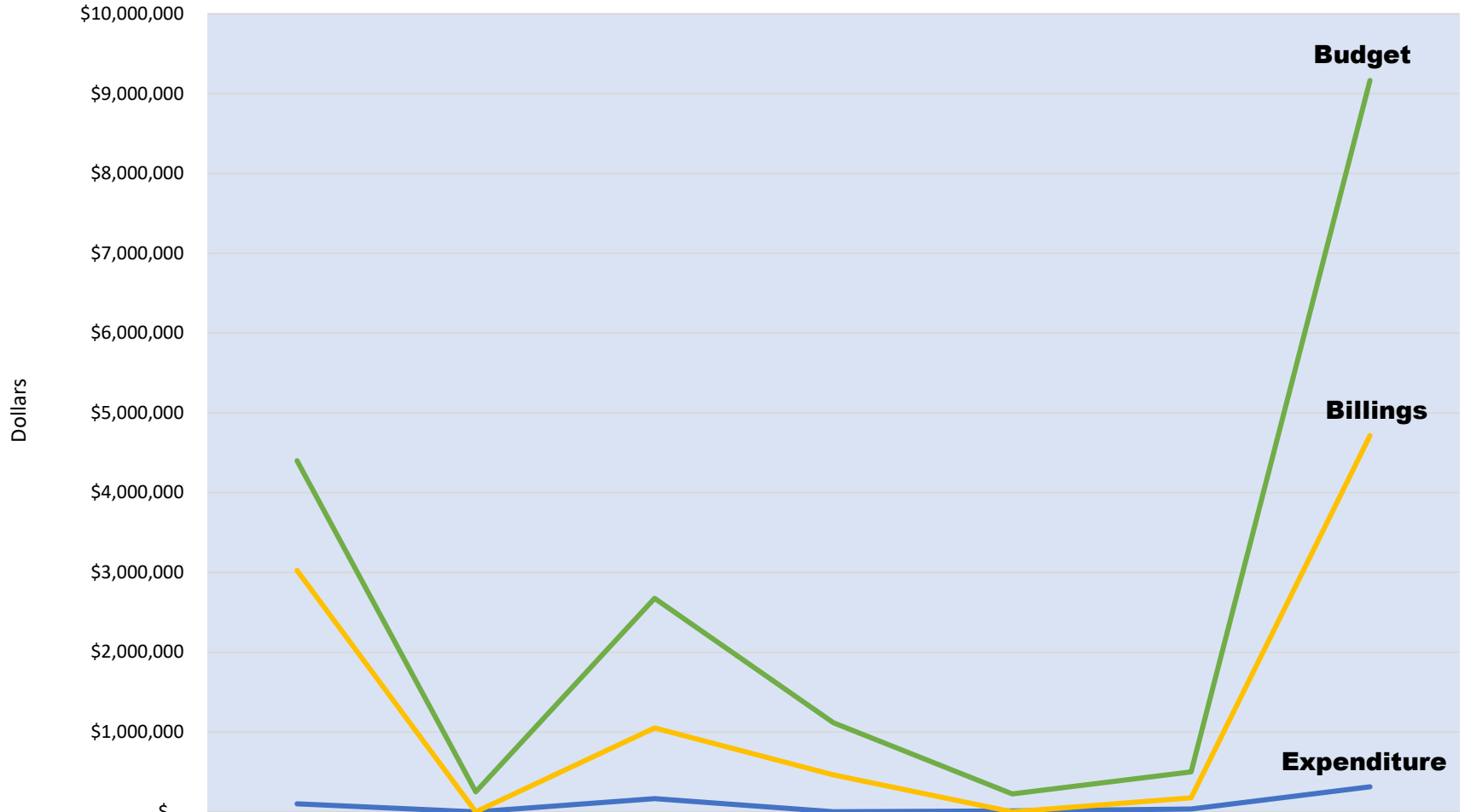
Notes:

- (A) Interest bearing account; all cash receipts are deposited in this account and later moved to the LAIF account.
- (B) Accounts Payable Checks are drawn against this account; money is transferred to this account, as needed, from the LAIF account.
- (C) Payroll including payroll taxes and related liabilities are drawn against this account; money is transferred into this account, as needed, from the LAIF account.
- (D) California State Local Agency Investment Fund (LAIF) balance.
- (E) Cash on hand with GM's office and held by Chief Operators at each Treatment facility.
- (F) OPEB Trust Fund; these funds can only be used for Retiree Health Benefits.

**South Orange County Wastewater Authority
Capital Projects Summaries
For the Period Ended September 30, 2023
(in dollars)**

FY 2022-23 Budget vs. Actual Spending								
<u>Description</u>	Capital Budget	Fiscal Year Spending	(Over)/ Under Budget	% Expended	Member Agency Billed	Member Agency Collections	Open Receivables	% Expended vs. Billed
PC 2-JB Latham	\$ 4,400,000	\$ 99,292	\$ 4,300,708	2.3%	\$ 3,025,000	\$ 3,025,000	\$ -	3.3%
PC 5-San Juan Creek Outfall	250,000	124	249,877	0.0%	-	-	-	-
PC 15-Coastal	2,675,000	164,150	2,510,850	6.1%	1,050,000	1,050,000	-	15.6%
PC 17-Regional	1,115,000	2,856	1,112,144	0.3%	465,000	465,000	-	0.6%
PC 21 Effluent Transmission	225,000	12,750	212,250	5.7%	-	-	-	-
PC 24 Aliso Creek Outfall	500,000	34,809	465,191	7.0%	175,000	175,000	-	19.9%
Total Large Capital	\$ 9,165,000	\$ 313,981	\$ 8,851,019	3.4%	\$ 4,715,000	\$ 4,715,000	\$ -	6.7%
Non-Capital Engineering	905,000	-	905,000	0.0%	213,750	213,750	-	0.0%
Non-Capital Misc Engineering	-	-	0	-	-	-	-	-
Small Internal Capital	2,013,000	446,836	1,566,164	22.2%	503,250	503,250	-	88.8%
Total Capital	\$ 12,083,000	\$ 760,817	\$ 11,322,183	6.3%	\$ 5,432,000	\$ 5,432,000	\$ -	14.0%

Large Capital Projects Fiscal Year 2023-24 Budget vs. Exhibit D-1 Year-to-Date Expenditures & Billings as of 9/30/2023



	PC 2-JB Latham	PC 5-San Juan Creek Outfall	PC 15-Coastal	PC 17-Regional	PC 21 Effluent Transmission	PC 24 Aliso Creek Outfall	Total Large Capital
Spent - YTD 9/30/2023	\$99,292	\$124	\$164,150	\$2,856	\$12,750	\$34,809	\$313,981
FY 23-24 Billings	\$3,025,000	\$-	\$1,050,000	\$465,000	\$-	\$175,000	\$4,715,000
Capital Budget FY 23-24	\$4,400,000	\$250,000	\$2,675,000	\$1,115,000	\$225,000	\$500,000	\$9,165,000

South Orange County Wastewater Authority
O & M & Environmental Safety Costs Summary¹
 For the Period Ended September 30, 2023
 (in dollars)

		FY 2023-24 Budget	Actual	(Over)/Under Budget	% Expended
Salary and Fringe					
5000--****	Regular Salaries-O&M	5,065,446	1,198,847	3,866,599	23.7%
5001--****	Overtime Salaries-O&M	82,008	37,732	44,276	46.0% (1)
5306--****	Scheduled Holiday Work	68,376	20,185	48,191	29.5%
5315--****	Comp Time - O&M	17,628	10,208	7,420	57.9%
5401--****	Fringe Benefits IN to PC's & Depts.	2,731,721	719,308	2,012,413	26.3%
5700--****	Standby Pay	104,000	25,700	78,300	24.7%
	Total Payroll Costs	8,069,179	2,011,980	6,057,199	24.9%
Other Expenses					
5002--****	Electricity	1,260,000	364,165	895,835	28.9%
5003--****	Natural Gas	490,500	97,387	393,113	19.9%
5004--****	Potable & Reclaimed Water	78,000	20,053	57,947	25.7%
5005--****	Co-generation Power Credit	(1,302,000)	(355,392)	(946,608)	27.3%
5006--****	Chlorine/Sodium Hypochlorite	181,000	81,662	99,338	45.1% (2)
5007--****	Polymer Products	1,040,000	394,544	645,456	37.9%
5008--****	Ferric Chloride	880,000	292,603	587,397	33.3%
5009--****	Odor Control Chemicals	155,000	50,884	104,116	32.8%
5010--****	Other Chemicals - Misc.	2,000	-	2,000	-
5011--****	Laboratory Services	56,632	9,124	47,508	16.1%
5012--****	Grit Hauling	132,500	38,807	93,693	29.3%
5013--****	Landscaping	211,000	59,111	151,889	28.0%
5015--****	Management Support Services	527,000	23,717	503,283	4.5%
5016--****	Audit - Environmental	1,304	-	1,304	0.0%
5017--****	Legal Fees	30,672	590	30,083	1.9%
5018--****	Public Notices/ Public Relations	1,500	-	1,500	-
5019--****	Contract Services Misc.	372,996	74,237	298,759	19.9%
5021--****	Small Vehicle Expense	24,128	11,484	12,644	47.6%
5022--****	Miscellaneous Expense	16,032	1,215	14,817	7.6%
5023--****	Office Supplies - All	48,000	8,989	39,011	18.7%
5024--****	Petroleum Products	27,000	9,281	17,719	34.4%
5025--****	Uniforms	78,000	21,901	56,099	28.1%
5026--****	Small Vehicle Fuel	20,272	5,543	14,729	27.3%
5027--****	Insurance - Property/Liability	535,873	387,884	147,989	72.4% (3)
5028--****	Small Tools & Supplies	77,668	23,310	54,358	30.0%
5030--****	Trash Disposal	9,000	3,502	5,498	38.9%
5031--****	Safety Program & Supplies	114,956	42,302	72,654	36.8%
5032--****	Equipment Rental	7,000	-	7,000	0.0%
5033--****	Recruitment	2,300	-	2,300	0.0%
5034--****	Travel Expense/Tech. Conferences	75,078	10,198	64,880	13.6%
5035--****	Training Expense	50,479	30,444	20,035	60.3% (3)
5036--****	Laboratory Supplies	127,092	35,277	91,815	27.8%
5037--****	Office Equipment	27,000	143	26,857	0.5%
5038--****	Permits	635,836	22,438	613,399	3.5%
5039--****	Membership Dues/Fees	13,153	17,765	(4,611)	135.1% (3)
5044--****	Offshore Monitoring	81,604	28,069	53,535	34.4%
5045--****	Offshore Biochemistry - 20B	22,500	-	22,500	-
5046--****	Effluent Chemistry	50,948	8,753	42,195	17.2%
5047--****	Access Road Expenses	45,000	2,460	42,540	0.1
5048--****	Storm Damage	20,000	-	20,000	-
5049--****	Biosolids Disposal	1,747,500	439,458	1,308,042	25.1% (4)
5050--****	Contract Services Generators - 29A	23,000	7,437	15,563	32.3% (3)

South Orange County Wastewater Authority
O & M & Environmental Safety Costs Summary¹
 For the Period Ended September 30, 2023
 (in dollars)

		FY 2023-24 Budget	Actual	(Over)/Under Budget	% Expended
_5052--**-**	Janitorial Services	95,000	22,143	72,857	23.3%
_5053--**-**	Contract Serv - Digester Cleaning - 29E	80,000	-	80,000	0.0%
_5054--**-**	Diesel Truck Maint	43,000	23,532	19,468	54.7%
_5055--**-**	Diesel Truck Fuel	11,800	2,286	9,514	19.4%
_5056--**-**	Maintenance Equip. & Facilities (Solids)	300,000	60,848	239,152	20.3%
_5057--**-**	Maintenance Equip. & Facilities (Liquids)	510,000	201,271	308,729	39.5%
_5058--**-**	Maintenance Equip. & Facilities (Common)	92,008	17,230	74,778	18.7%
_5059--**-**	Maintenance Equip. & Facilities (Co-Gen)	836,700	226,315	610,385	27.0%
_5060--**-**	Maintenance Equip. & Facilities (AWT)	39,000	962	38,038	2.5%
_5061--**-**	Mileage	2,900	563	2,337	19.4%
_5068--**-**	MNWD Potable Water Supplies & Svcs.	44,880	6,145	38,735	13.7%

(3)

South Orange County Wastewater Authority
O & M & Environmental Safety Costs Summary¹
 For the Period Ended September 30, 2023
 (in dollars)

	FY 2023-24 Budget	Actual	(Over)/Under Budget	% Expended	
_5076--**-**	SCADA Infrastructure	93,600	-	93,600	0.0%
_5077--**-**	IT Direct	45,000	-	45,000	0.0%
_5105--**-**	Co-Generation Power Credit - Offset	1,302,000	355,392	946,608	27.3%
_5303--**-**	Group Insurance Waiver	14,400	4,500	9,900	31.2%
_5305--**-**	Medicare Tax Payments for Employees	152	-	152	0.0%
_5309--**-**	Operating Leases	20,000	4,503	15,497	22.5%
_5705--**-**	Monthly Car Allowance	31,200	6,300	24,900	20.2%
_5797--**-**	Verily Stipends - WastewaterSCAN Monitoring	-	(5,850)	(5,850)	0.0%
_5799--**-**	Zephyr Wall Costs Share-O&M	(14,000)	-	(14,000)	0.0%
_6500--**-**	IT Allocations in to PC's & Depts.	620,553	181,969	438,584	29.3%
	Total Other Expenses	12,165,718	3,377,454	8,776,565	27.8%
	Total O&M Expenses	20,234,898	5,389,434	14,845,464	26.6%

¹ This report intends to monitor the Annual Budget % Expended at the Project Committee and Functional Department levels.

The financial information contained in this report, in some cases, is based on the full accrual basis of accounting, whereby expenses are recognized in the period in which the liability is incurred, i.e., payroll and fringe benefits.

There are instances where we will include the total expense for the entire accounting fiscal year if the information is available, i.e., property and liability insurance premiums.

The audited financial statements for the fiscal year recognize all expenses on the full accrual basis of accounting.

- (1) Staff over was elevated due to three (3) nighttime shutdowns to support the ACOO internal repair project and two (2) projects at JBL.
- (2) Bleach usage elevated during the initial months of the Fiscal for summer AWT production at CTP.
- (3) Annual charges incurred at the beginning of the Fiscal Year.
- (4) Biosolids costs are increased due to landfill closures on hotter days. This new type of closure was instituted in May 2023 at the landfill to help mitigate odor complaints at the landfill and was not anticipated with the preparation of the Budget.

South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC¹
 For the Period Ended September 30, 2023
 (in dollars)

	FY 2023-24 Budget	Actual	(Over)/Under Budget	% Expended	
02 - Jay B. Latham Plant					
Salary and Fringe					
02-5000-**-**	Regular Salaries-O&M	1,785,000	402,119	1,382,881	22.5%
02-5001-**-**	Overtime Salaries-O&M	27,208	16,779	10,429	61.7% (1)
02-5306-**-**	Scheduled Holiday Work	30,000	7,898	22,102	26.3%
02-5315-**-**	Comp Time - O&M	8,604	4,622	3,982	53.7% (1)
02-5401-**-**	Fringe Benefits IN to PC's & Depts.	962,625	241,271	721,353	25.1%
02-5700-**-**	Standby Pay	37,846	9,850	27,996	26.0%
	Total Payroll Costs	2,851,283	682,540	2,168,743	23.9%
Other Expenses					
02-5002-**-**	Electricity	660,000	202,711	457,289	30.7%
02-5003-**-**	Natural Gas	252,000	30,894	221,106	12.3%
02-5004-**-**	Potable & Reclaimed Water	27,000	6,210	20,790	23.0%
02-5006-**-**	Chlorine/Sodium Hypochlorite	21,000	13,419	7,581	63.9%
02-5007-**-**	Polymer Products	390,000	170,761	219,239	43.8%
02-5008-**-**	Ferric Chloride	300,000	90,371	209,629	30.1%
02-5009-**-**	Odor Control Chemicals	38,000	11,929	26,071	31.4%
02-5010-**-**	Other Chemicals - Misc.	1,000	-	1,000	-
02-5011-**-**	Laboratory Services	20,108	942	19,166	4.7%
02-5012-**-**	Grit Hauling	70,500	25,307	45,193	35.9%
02-5013-**-**	Landscaping	68,000	20,796	47,204	30.6%
02-5015-**-**	Management Support Services	16,500	5,476	11,024	33.2%
02-5017-**-**	Legal Fees	5,000	472	4,528	9.4%
02-5019-**-**	Contract Services Misc.	129,000	26,153	102,847	20.3%
02-5021-**-**	Small Vehicle Expense	11,000	4,733	6,267	43.0%
02-5022-**-**	Miscellaneous Expense	8,000	495	7,505	6.2%
02-5023-**-**	Office Supplies - All	30,000	4,188	25,812	14.0%
02-5024-**-**	Petroleum Products	11,000	647	10,353	5.9%
02-5025-**-**	Uniforms	36,000	9,677	26,323	26.9%
02-5026-**-**	Small Vehicle Fuel	8,000	2,036	5,964	25.4%
02-5027-**-**	Insurance - Property/Liability	188,606	140,158	48,448	74.3% (2)
02-5028-**-**	Small Tools & Supplies	35,000	3,035	31,965	8.7%
02-5030-**-**	Trash Disposal	3,000	436	2,564	14.5%
02-5031-**-**	Safety Program & Supplies	40,032	12,961	27,070	32.4% (2)
02-5032-**-**	Equipment Rental	3,000	-	3,000	-
02-5033-**-**	Recruitment	1,000	-	1,000	0.0%
02-5034-**-**	Travel Expense/Tech. Conferences	18,163	4,818	13,345	26.5%
02-5035-**-**	Training Expense	15,420	10,236	5,184	66.4%
02-5036-**-**	Laboratory Supplies	21,412	4,841	16,571	22.6%
02-5037-**-**	Office Equipment	14,000	121	13,879	0.9%
02-5038-**-**	Permits	27,032	21,274	5,758	78.7%
02-5039-**-**	Membership Dues/Fees	3,423	5,735	(2,312)	167.5%
02-5049-**-**	Biosolids Disposal	750,000	161,389	588,611	21.5% (3)
02-5050-**-**	Contract Services Generators - 29A	10,000	-	10,000	0.0%
02-5052-**-**	Janitorial Services	43,000	9,780	33,220	22.7%
02-5053-**-**	Contract Serv - Digester Cleaning - 29E	15,000	-	15,000	0.0%
02-5054-**-**	Diesel Truck Maint	23,000	11,766	11,234	51.2%
02-5055-**-**	Diesel Truck Fuel	3,300	1,391	1,909	42.1%
02-5056-**-**	Maintenance Equip. & Facilities (Solids)	125,000	13,149	111,851	10.5%
02-5057-**-**	Maintenance Equip. & Facilities (Liquids)	200,000	66,086	133,914	33.0%
02-5058-**-**	Maintenance Equip. & Facilities (Common)	30,000	11,011	18,989	36.7%
02-5059-**-**	Maintenance Equip. & Facilities (Co-Gen)	297,000	88,774	208,226	29.9% (2)
02-5061-**-**	Mileage	1,400	326	1,074	23.3%
02-5076-**-**	SCADA Infrastructure	31,200	-	31,200	0.0%
02-5077-**-**	IT Direct	15,000	-	15,000	0.0%
02-5303-**-**	Group Insurance Waiver	3,600	346	3,254	9.6%
02-5309-**-**	Operating Leases	20,000	4,503	15,497	22.5%
02-5705-**-**	Monthly Car Allowance	18,600	3,150	15,450	16.9%
02-5797-**-**	Verily Stipends - WastewaterSCAN Monitoring	-	(1,950)	(1,950)	100.0%
02-5799-**-**	Zephyr Wall Costs Share-O&M	(14,000)	-	(14,000)	0.0%
02-6500-**-**	IT Allocations in to PC's & Depts.	218,718	64,136	154,582	29.3%
	Total Other Expenses	4,263,015	1,264,690	2,998,325	29.7%
	Total Expenses	7,114,298	1,947,230	5,167,068	27.4%

South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC¹
 For the Period Ended September 30, 2023
 (in dollars)

	FY 2023-24 Budget	Actual	(Over)/Under Budget	% Expended	
05 - San Juan Creek Ocean Outfall					
Salary and Fringe					
05-5000-**-**-**	Regular Salaries-O&M	145,529	27,064	118,465	18.6%
05-5001-**-**-**	Overtime Salaries-O&M	72	127	(55)	176.7%
05-5306-**-**-**	Scheduled Holiday Work	468	95	373	20.4%
05-5315-**-**-**	Comp Time - O&M	-	-	-	100.0%
05-5401-**-**-**	Fringe Benefits IN to PC's & Depts.	78,482	16,238	62,244	20.7%
	Total Payroll Costs	224,551	43,524	181,026	19.4%
Other Expenses					
05-5015-**-**-**	Management Support Services	110,000	2,133	107,867	1.9%
05-5017-**-**-**	Legal Fees	7,000	-	7,000	0.0%
05-5022-**-**-**	Miscellaneous Expense	-	-	-	100.0%
05-5027-**-**-**	Insurance - Property/Liability	21,282	15,182	6,100	71.3% (2)
05-5031-**-**-**	Safety Supplies	1,020	-	1,020	-
05-5034-**-**-**	Travel Expense/Tech. Conferences	5,696	1,210	4,486	21.2%
05-5035-**-**-**	Training Expense	1,087	39	1,048	0.04
05-5036-**-**-**	Laboratory Supplies	33,500	9,748	23,752	29.1%
05-5038-**-**-**	Permits	302,496	-	302,496	0.0%
05-5039-**-**-**	Membership Dues/Fees	1,000	44	956	0.04
05-5044-**-**-**	Offshore Monitoring	40,800	14,034	26,766	34.4%
05-5045-**-**-**	Offshore Biochemistry - 20B	7,500	-	7,500	-
05-5046-**-**-**	Effluent Chemistry	28,000	4,381	23,619	15.6%
05-5058-**-**-**	Maintenance Equip. & Facilities (Common)	1,004	-	1,004	-
05-6500-**-**-**	IT Allocations in to PC's & Depts.	17,832	5,229	12,603	29.3%
	Total Other Expenses	578,218	52,000	526,217	9.0%
	Total Expenses	802,768	95,525	707,244	11.9%
08 - Pre Treatment					
Salary and Fringe					
08-5000-**-**-**	Regular Salaries-O&M	132,256	28,714	103,542	21.7%
08-5401-**-**-**	Fringe Benefits IN to PC's & Depts.	71,324	17,228	54,095	24.2%
	Total Payroll Costs	203,579	45,942	157,637	22.6%
Other Expenses					
08-5011-**-**-**	Laboratory Services	3,064	1,790	1,274	58.4%
08-5015-**-**-**	Management Support Services	20,000	-	20,000	-
08-5016-**-**-**	Audit - Environmental	1,304	-	1,304	-
08-5017-**-**-**	Legal Fees	2,672	-	2,672	0.0%
08-5018-**-**-**	Public Notices/ Public Relations	1,500	-	1,500	-
08-5021-**-**-**	Small Vehicle Expense - 31A	1,128	-	1,128	-
08-5022-**-**-**	Miscellaneous Expense	2,032	-	2,032	-
08-5026-**-**-**	Small Vehicle Fuel - 37A	1,272	-	1,272	-
08-5027-**-**-**	Insurance - Property/Liability	7,170	5,115	2,055	71.3% (2)
08-5028-**-**-**	Small Tools & Supplies	3,668	-	3,668	0.0%
08-5034-**-**-**	Travel Expense/Tech. Conferences	3,500	-	3,500	-
08-5035-**-**-**	Training Expense	2,044	109	1,935	-
08-5038-**-**-**	Permits and Fines	508	-	508	-
08-5039-**-**-**	Membership Dues/Fees	816	113	703	13.8%
08-6500-**-**-**	IT Allocations in to PC's & Depts.	16,205	4,752	11,453	29.3%
	Total Other Expenses	66,883	11,879	55,004	17.8%
	Total Expenses	270,462	57,821	212,641	21.4%
12 - Water Reclamation Permits					
Salary and Fringe					
12-5000-**-**-**	Regular Salaries-O&M	13,572	14,963	(1,390)	110.2% (4)
12-5401-**-**-**	Fringe Benefits IN to PC's & Depts.	7,319	8,978	(1,658)	122.7% (4)
	Total Payroll Costs	20,892	23,940	(3,048)	114.6%
Other Expenses					
12-5015-**-**-**	Management Support Services	35,000	271	34,729	0.8%
12-5017-**-**-**	Legal Fees	2,000	-	2,000	-
12-5027-**-**-**	Insurance - Property/Liability	2,473	1,764	709	71.3% (2)
12-5034-**-**-**	Travel Expense/Tech. Conferences	5,696	-	5,696	0.0%
12-5038-**-**-**	Permits	25,500	-	25,500	0.0%
12-5039-**-**-**	Membership Dues/Fees	68	-	68	-
12-6500-**-**-**	IT Allocations in to PC's & Depts.	1,663	488	1,175	29.3%
	Total Other Expenses	72,401	2,523	69,878	3.5%
	Total Expenses	93,293	26,463	66,829	28.4%

South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC¹
 For the Period Ended September 30, 2023
 (in dollars)

	FY 2023-24 Budget	Actual	(Over)/Under Budget	% Expended	
15 - Coastal Treatment Plant					
Salary and Fringe					
15-5000-**-**	Regular Salaries-O&M	971,637	233,546	738,091	24.0%
15-5001-**-**	Overtime Salaries-O&M	13,732	4,668	9,064	34.0% (5)
15-5306-**-**	Scheduled Holiday Work	10,260	1,933	8,327	18.8%
15-5315-**-**	Comp Time - O&M	2,000	1,417	583	70.8% (5)
15-5401-**-**	Fringe Benefits IN to PC's & Depts.	523,990	140,128	383,862	26.7%
15-5700-**-**	Standby Pay	18,462	4,425	14,037	24.0%
	Total Payroll Costs	1,540,081	386,117	1,153,963	25.1%
Other Expenses					
15-5002-**-**	Electricity	300,000	119,717	180,283	39.9%
15-5003-**-**	Natural Gas	3,500	97	3,403	2.8%
15-5004-**-**	Potable & Reclaimed Water	24,000	5,880	18,120	24.5%
15-5006-**-**	Chlorine/Sodium Hypochlorite	100,000	49,219	50,781	49.2% (6)
15-5007-**-**	Polymer Products	-	-	-	-
15-5008-**-**	Ferric Chloride	105,000	56,091	48,909	53.4%
15-5009-**-**	Odor Control Chemicals	50,000	17,090	32,910	34.2%
15-5011-**-**	Laboratory Services	10,000	3,075	6,925	30.8%
15-5012-**-**	Grit Hauling	22,000	4,792	17,208	21.8%
15-5013-**-**	Landscaping	63,000	15,017	47,983	23.8%
15-5015-**-**	Management Support Services	13,000	2,236	10,764	17.2%
15-5017-**-**	Legal Fees	5,000	-	5,000	0.0%
15-5019-**-**	Contract Services Misc.	110,000	22,927	87,073	20.8%
15-5021-**-**	Small Vehicle Expense - 31A	4,000	3,182	818	79.6%
15-5022-**-**	Miscellaneous Expense	1,000	57	943	5.7%
15-5023-**-**	Office Supplies - All	5,000	1,633	3,367	32.7%
15-5024-**-**	Petroleum Products	4,000	-	4,000	0.0%
15-5025-**-**	Uniforms	10,000	3,025	6,975	30.3%
15-5026-**-**	Small Vehicle Fuel	2,000	1,064	936	53.2%
15-5027-**-**	Insurance - Property/Liability	79,422	56,656	22,766	71.3% (2)
15-5028-**-**	Small Tools & Supplies	9,000	5,210	3,790	57.9%
15-5030-**-**	Trash Disposal	3,000	561	2,439	18.7%
15-5031-**-**	Safety Supplies	33,456	3,894	29,562	11.6%
15-5032-**-**	Equipment Rental	1,000	-	1,000	-
15-5033-**-**	Recruitment	300	-	300	0.0%
15-5034-**-**	Travel Expense/Tech. Conferences	18,163	1,430	16,733	7.9%
15-5035-**-**	Training Expense	15,420	9,930	5,490	64.4% (2)
15-5036-**-**	Laboratory Supplies	20,000	5,745	14,255	28.7%
15-5037-**-**	Office Equipment	3,000	23	2,977	0.8%
15-5038-**-**	Permits	5,000	714	4,286	14.3%
15-5039-**-**	Membership Dues/Fees	3,423	5,604	(2,181)	163.7% (2)
15-5047-**-**	Access Road Expenses	45,000	2,460	42,540	0.05
15-5048-**-**	Storm Damage	20,000	-	20,000	-
15-5050-**-**	Contract Services Generators	5,000	5,111	(111)	102.2% (2)
15-5052-**-**	Janitorial Services	15,000	3,445	11,555	23.0%
15-5054-**-**	Diesel Truck Maint - 31B	1,000	-	1,000	-
15-5055-**-**	Diesel Truck Fuel - 37B	500	-	500	-
15-5057-**-**	Maintenance Equip. & Facilities (Liquids)	110,000	21,740	88,260	19.8%
15-5058-**-**	Maintenance Equip. & Facilities (Common)	24,000	397	23,603	1.7%
15-5060-**-**	Maintenance Equip. & Facilities (AWT)	39,000	962	38,038	2.5%
15-5061-**-**	Mileage	500	140	360	28.0%
15-5076-**-**	SCADA Infrastructure	31,200	-	31,200	0.0%
15-5077-**-**	IT Direct	15,000	-	15,000	0.0%
15-5303-**-**	Group Insurance Waiver	3,600	900	2,700	25.0%
15-5705-**-**	Monthly Car Allowance	4,200	1,050	3,150	25.0%
15-5797-**-**	Verily Stipends - WastewaterSCAN Monitoring	-	(1,950)	(1,950)	100.0%
15-6500-**-**	IT Allocations in to PC's & Depts.	119,057	34,912	84,145	29.3%
	Total Other Expenses	1,455,741	464,036	987,805	31.9%
	Total Expenses	2,995,822	850,154	2,141,768	28.4%

South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC¹
 For the Period Ended September 30, 2023
 (in dollars)

	FY 2023-24 Budget	Actual	(Over)/Under Budget	% Expended	
17 - Joint Regional Wastewater Reclamation and Sludge Handling					
Salary and Fringe					
17-5000-**-**	Regular Salaries-O&M	1,884,409	465,195	1,419,215	24.7%
17-5001-**-**	Overtime Salaries-O&M	40,492	14,970	25,522	37.0% (5)
17-5306-**-**	Scheduled Holiday Work	27,356	10,259	17,097	37.5%
17-5315-**-**	Comp Time - O&M	7,024	3,584	3,440	51.0% (5)
17-5401-**-**	Fringe Benefits IN to PC's & Depts.	1,016,234	279,117	737,118	27.5%
17-5700-**-**	Standby Pay	47,692	11,425	36,267	24.0%
	Total Payroll Costs	3,023,208	784,549	2,238,659	26.0%
Other Expenses					
17-5002-**-**	Electricity	300,000	41,737	258,263	13.9%
17-5003-**-**	Natural Gas	235,000	66,396	168,604	28.3%
17-5004-**-**	Potable & Reclaimed Water	27,000	7,964	19,036	29.5%
17-5005-**-**	Co-generation Power Credit	(1,302,000)	(355,392)	(946,608)	27.3%
17-5006-**-**	Chlorine/Sodium Hypochlorite	60,000	19,024	40,976	31.7%
17-5007-**-**	Polymer Products	650,000	223,782	426,218	34.4%
17-5008-**-**	Ferric Chloride	475,000	146,140	328,860	30.8%
17-5009-**-**	Odor Control Chemicals	67,000	21,865	45,135	32.6%
17-5010-**-**	Other Chemicals - Misc.	1,000	-	1,000	-
17-5011-**-**	Laboratory Services	23,460	3,317	20,143	14.1%
17-5012-**-**	Grit Hauling - 21A	40,000	8,708	31,292	21.8%
17-5013-**-**	Landscaping	80,000	23,298	56,702	29.1%
17-5015-**-**	Management Support Services	17,500	5,787	11,713	33.1%
17-5017-**-**	Legal Fees	5,000	118	4,882	2.4%
17-5019-**-**	Contract Services Misc.	115,000	25,157	89,843	21.9%
17-5021-**-**	Small Vehicle Expense	8,000	3,570	4,430	44.6%
17-5022-**-**	Miscellaneous Expense	5,000	663	4,337	13.3%
17-5023-**-**	Office Supplies - All	13,000	3,168	9,832	24.4%
17-5024-**-**	Petroleum Products	12,000	8,634	3,366	72.0%
17-5025-**-**	Uniforms	32,000	9,199	22,801	28.7%
17-5026-**-**	Small Vehicle Fuel	9,000	2,443	6,557	27.1%
17-5027-**-**	Insurance - Property/Liability	212,048	151,266	60,782	71.3% (2)
17-5028-**-**	Small Tools & Supplies	30,000	15,064	14,936	50.2%
17-5030-**-**	Trash Disposal	3,000	2,505	495	83.5%
17-5031-**-**	Safety Supplies	39,428	25,446	13,982	64.5% (2)
17-5032-**-**	Equipment Rental	3,000	-	3,000	0.0%
17-5033-**-**	Recruitment	1,000	-	1,000	0.0%
17-5034-**-**	Travel Expense/Tech. Conferences	18,163	1,529	16,634	8.4%
17-5035-**-**	Training Expense	15,420	10,092	5,328	65.4% (2)
17-5036-**-**	Laboratory Supplies	25,660	6,127	19,533	23.9%
17-5037-**-**	Office Equipment	10,000	-	10,000	0.0%
17-5038-**-**	Permits	15,300	450	14,850	2.9%
17-5039-**-**	Membership Dues/Fees	3,423	6,223	(2,800)	181.8% (2)
17-5049-**-**	Biosolids Disposal	997,500	278,069	719,431	27.9% (3)
17-5050-**-**	Contract Services Generators - 29A	8,000	2,327	5,673	0.29
17-5052-**-**	Janitorial Services	37,000	8,918	28,083	24.1%
17-5053-**-**	Contract Serv - Digester Cleaning - 29E	65,000	-	65,000	0.0%
17-5054-**-**	Diesel Truck Maint	19,000	11,766	7,234	61.9%
17-5055-**-**	Diesel Truck Fuel	8,000	895	7,105	11.2%
17-5056-**-**	Maintenance Equip. & Facilities (Solids)	175,000	47,699	127,301	27.3%
17-5057-**-**	Maintenance Equip. & Facilities (Liquids)	200,000	113,444	86,556	56.7%
17-5058-**-**	Maintenance Equip. & Facilities (Common)	36,000	5,159	30,841	14.3%
17-5059-**-**	Maintenance Equip. & Facilities (Co-Gen)	539,700	137,541	402,159	25.5% (2)
17-5060-**-**	Maintenance Equip. & Facilities (AWT)	0	-	-	0.0%
17-5061-**-**	Mileage	1,000	97	903	9.7%
17-5068-**-**	MNWD Potable Water Supplies & Svcs.	44,880	6,145	38,735	13.7%
17-5076-**-**	SCADA Infrastructure	31,200	-	31,200	0.0%
17-5077-**-**	IT Direct	15,000	-	15,000	0.0%
17-5105-**-**	Co-Generation Power Credit - Offset	1,302,000	355,392	946,608	27.3%
17-5303-**-**	Group Insurance Waiver	7,200	3,254	3,946	45.2%
17-5305-**-**	Medicare Tax Payments for Employees	152	-	152	-
17-5705-**-**	Monthly Car Allowance	8,400	2,100	6,300	25.0%
17-5797-**-**	Verily Stipends - WastewaterSCAN Monitoring		(1,950)	(1,950)	100.0%
17-6500-**-**	IT Allocations in to PC's & Depts.	230,899	67,708	163,191	29.3%
	Total Other Expenses	4,975,334	1,522,846	3,448,588	30.6%
	Total Expenses	7,998,542	2,307,395	5,687,247	28.8%

South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC¹
 For the Period Ended September 30, 2023
 (in dollars)

		FY 2023-24 Budget	Actual	(Over)/Under Budget	% Expended
21 - Effluent Transmission Main					
Other Expenses					
21-5017-**-**-**	Legal Fees	500	-	500	0.0%
21-5019-**-**-**-**	Contract Services Misc.	18,996	-	18,996	0.0%
	Total Other Expenses	<u>19,496</u>	<u>-</u>	<u>19,496</u>	<u>0.0%</u>
	Total Expenses	<u>19,496</u>	<u>-</u>	<u>19,496</u>	<u>0.0%</u>
23 - North Coast Interceptor					
Salary and Fringe					
23-5000-**-**-**-**		1,000	-	1,000	0.0%
23-5401-**-**-**-**		539	-	539	0.0%
	Total Payroll Costs	<u>1,539</u>	<u>-</u>	<u>1,539</u>	<u>0.0%</u>
Other Expenses					
23-5017-**-**-**-**	Legal Fees	500	-	500	0.0%
	Management Support Services	-	3,277	(3,277)	100.0%
	Total Other Expenses	<u>500</u>	<u>3,277</u>	<u>(2,777)</u>	<u>655.4%</u>
	Total Expenses	<u>2,039</u>	<u>3,277</u>	<u>(1,238)</u>	<u>160.7%</u>
24 - Aliso Creek Ocean Outfall					
Salary and Fringe					
24-5000-**-**-**-**	Regular Salaries-O&M	132,042	27,247	104,796	20.6%
24-5001-**-**-**-**	Overtime Salaries-O&M	504	1,188	(684)	235.6% (5)
24-5306-**-**-**-**	Scheduled Holiday Work	292	-	292	0.0%
24-5315-**-**-**-**	Comp Time - O&M	-	585	(585)	100.0% (5)
24-5401-**-**-**-**	Fringe Benefits IN to PC's & Depts.	71,209	16,348	54,861	23.0%
	Total Payroll Costs	<u>204,047</u>	<u>45,367</u>	<u>158,680</u>	<u>22.2%</u>
Other Expenses					
24-5015-**-**-**-**	Management Support Services	315,000	4,538	310,462	1.4%
24-5017-**-**-**-**	Legal Fees	3,000	-	3,000	0.0%
24-5027-**-**-**-**	Insurance - Property/Liability	24,872	17,743	7,129	71.3% (2)
24-5031-**-**-**-**	Safety Supplies	1,020	-	1,020	-
24-5034-**-**-**-**	Travel Expense/Tech. Conferences	5,696	1,210	4,486	21.2%
24-5035-**-**-**-**	Training Expense	1,087	39	1,048	0.04
24-5036-**-**-**-**	Laboratory Supplies	26,520	8,816	17,704	33.2%
24-5038-**-**-**-**	Permits	260,000	-	260,000	0.0%
24-5039-**-**-**-**	Membership Dues/Fees	1,000	44	956	0.04
24-5044-**-**-**-**	Offshore Monitoring	40,804	14,034	26,770	34.4%
24-5045-**-**-**-**	Offshore Biochemistry - 20B	15,000	-	15,000	-
24-5046-**-**-**-**	Effluent Chemistry	22,948	4,372	18,576	19.1%
24-5058-**-**-**-**	Maintenance Equip. & Facilities (Common) 41-C	1,004	663	341	66.0%
24-6500-**-**-**-**	IT Allocations in to PC's & Depts.	16,179	4,744	11,435	29.3%
	Total Other Expenses	<u>734,131</u>	<u>56,203</u>	<u>677,927</u>	<u>7.7%</u>
	Total Expenses	<u>938,178</u>	<u>101,570</u>	<u>836,607</u>	<u>10.8%</u>
	Total O&M Expenses	<u>20,234,898</u>	<u>5,389,434</u>	<u>14,833,763</u>	<u>26.6%</u>

¹ This report intends to monitor the Annual Budget % Expended at the Project Committee and Functional Department levels.

The financial information contained in this report, in some cases, is based on the full accrual basis of accounting, whereby expenses are recognized in the period in which the liability is incurred, i.e., payroll and fringe benefits.

There are instances where we will include the total expense for the entire accounting fiscal year if the information is available, i.e., property and liability insurance premiums.

The audited financial statements for the fiscal year recognize all expenses on the full accrual basis of accounting.

South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC
For the Period Ended September 30, 2023

- (1) Overtime for two (2) nighttime shutdowns to repair critical equipment during low flow hours.
- (2) Annual charges incurred at the beginning of the Fiscal Year.
- (3) Biosolids costs are increased due to landfill closures on hotter days. This new type of closure was instituted in May 2023 at the landfill to help mitigate odor complaints at the landfill.
- (4) Salt and Nutrient Management Plan (SNMP) work effort is nearly complete for the year.
- (5) Staff over was elevated due to three (3) nighttime shutdowns to support the ACOO internal repair project.
- (6) Bleach usage elevated during the initial months of the Fiscal for summer AWT production at CTP.

**South Orange County Wastewater Authority
Budget vs. Actual Comparison - Engineering**

For the Period Ended September 30, 2023
(in dollars)

		FY 2023-24 Budget	Actual	(Over)/Under Budget	% Expended
Salary and Fringe					
01-5000-03-00-00	Regular Salaries-O&M	194,546	23,567	170,979	12.1%
01-5401-03-00-00	Fringe Benefits IN to PC's & Depts.	104,916	14,140	90,775	13.5%
	Total Payroll Costs	299,462	37,708	261,754	12.6%
Other Expenses					
01-5022-03-00-00	Miscellaneous Expense	2,000	323	1,677	16.2%
01-5034-03-00-00	Travel Expense/Tech. Conferences	8,500	-	8,500	-
01-5035-03-00-00	Training Expense	1,300	-	1,300	-
01-5037-03-00-00	Office Equipment	150	-	150	-
01-5039-03-00-00	Membership Dues/Fees	1,775	139	1,636	7.8%
01-5061-03-00-00	Mileage	250	-	250	0.0%
01-5077-03-00-00	IT Direct	250	-	250	0.0%
01-5309-03-00-00	Operating Leases	30,000	5,095	24,905	17.0%
01-5705-03-00-00	Monthly Car Allowance	4,200	646	3,554	15.4%
01-5802-03-00-00	Shipping/Freight	100	-	100	-
01-6500-03-00-00	IT Allocations in to PC's & Depts.	54,993	16,852	38,141	30.6%
	Total Other Expenses	103,518	23,056	80,462	22.3%
	Total Engineering Expenses	402,980	60,764	342,216	15.1%

South Orange County Wastewater Authority
Budget vs. Actual Comparison- Administration

For the Period Ended September 30, 2023

(in dollars)

		FY 2023-24 Budget	Actual	(Over)/Under Budget	% Expended
Salary and Fringe					
01-6000-04-00-00	Regular Salaries-Admin or IT	1,006,210	246,805	759,405	24.5%
01-6001-04-00-00	Overtime Salaries-Admin or IT	7,000	1,933	5,067	27.6%
01-6315-04-00-00	Comp Time - Admin	4,000	472	3,528	11.8%
01-6401-04-00-00	Fringe Benefits IN to ADMIN or IT	542,634	148,083	394,551	27.3%
	Total Payroll Costs	1,559,845	397,294	1,162,551	25.5%
Other Expenses					
01-6101-04-00-00	HR Recruitment & Employee Relations	48,100	6,695	41,405	13.9%
01-6102-04-00-00	Subscriptions	1,400	534	866	38.2%
01-6103-04-00-00	Contract Labor	30,000	11,315	18,685	37.7%
01-6200-04-00-00	Management Support Services	55,000	32,254	22,746	58.6%
01-6201-04-00-00	Audit	46,000	13,780	32,220	30.0%
01-6202-04-00-00	Legal	200,000	54,699	145,301	27.3%
01-6203-04-00-00	Outside Services	-	195	(195)	N/A
01-6204-04-00-00	Postage	1,500	685	815	45.7%
01-6223-04-00-00	Office Supplies - Admin	4,000	20	3,980	0.5%
01-6224-04-00-00	Office Equipment Admin or IT	1,000	2,337	(1,337)	233.7%
01-6234-04-00-00	Memberships & Trainings	105,000	24,422	80,578	23.3%
01-6239-04-00-00	Travel & Conference	25,000	1,759	23,241	7.0%
01-6240-04-00-00	Scholarship Sponsorship	1,000	-	1,000	
01-6241-04-00-00	Education Reimbursement	3,000	-	3,000	0.0%
01-6310-04-00-00	Miscellaneous	22,000	7,691	14,309	35.0%
01-6311-04-00-00	Mileage	600	-	600	0.0%
01-6317-04-00-00	Contract Services Misc	5,800	1,350	4,450	23.3%
01-6500-04-00-00	IT Allocations in to PC's & Depts.	123,292	36,154	87,138	29.3%
01-6601-04-00-00	Shipping/Freight	1,200	816	384	68.0%
01-6705-04-00-00	Monthly Car Allowance	12,000	2,550	9,450	21.3%
	Total Other Expenses	685,892	197,257	488,635	28.8%
	Total Admin Expenses	2,245,737	594,551	1,651,185	26.5%

South Orange County Wastewater Authority
Budget vs. Actual Comparison-IT
 For the Period Ended September 30, 2023
 (in dollars)

		FY 2023-24 Budget	Actual	(Over)/Under Budget	% Expended
Salary & Fringe					
01-6000-05-00-00	Regular Salaries-Admin or IT	116,046	30,391	85,656	26.2%
01-6401-05-00-00	Fringe Benefits IN to ADMIN or IT	62,582	18,234	44,348	29.1%
	Total Salary & Fringe	178,629	48,625	130,004	27.2%
Other Expenses					
01-6028-05-00-00	Small Tools & Supplies	1,000	-	1,000	-
01-6035-05-00-00	Training Expense	3,000	-	3,000	-
01-6224-05-00-00	Office Equipment Admin or IT	600	-	600	-
01-6234-05-00-00	Memberships & Trainings	2,750	-	2,750	0.0%
01-6239-05-00-00	Travel & Conference	1,500	-	1,500	-
01-6300-05-00-00	Software Maintenance Agreements	84,700	11,601	73,099	13.7%
01-6301-05-00-00	Hardware Maintenance Agreements	22,400	3,437	18,963	15.3%
01-6302-05-00-00	Cloud Subscriptions (Internet)	196,935	94,983	101,952	48.2% (1)
01-6303-05-00-00	Telecommunications	161,382	41,189	120,193	25.5%
01-6305-05-00-00	IT Professional Services	19,960	16,559	3,401	83.0% (1)
01-6306-05-00-00	Small Hardware Purchases (< \$5k)	25,400	4,350	21,050	17.1%
01-6307-05-00-00	Small Software Purchases & Licenses (<\$5k)	30,500	351	30,149	1.2%
01-6308-05-00-00	IT Memberships	160	-	160	-
01-6309-05-00-00	Operating Leases	64,200	13,175	51,025	20.5%
01-6310-05-00-00	Miscellaneous	5,000	-	5,000	-
01-6312-05-00-00	Computer & Photocopy Supplies	3,200	559	2,641	-
	Total Other Expenses	622,687	186,204	436,482	29.9%
	Total Expenses before Allocation	801,315	234,829	566,486	29.3%
IT Allocations (Out) to PC's & Depts					
01-6400-05-00-00	IT Allocations (OUT) to PC's & Depts.	(801,315)	(234,829)	(566,486)	29.3%
	Total IT Allocations (Out) to PC's & Depts	(801,315)	(234,829)	(566,486)	29.3%

(1) Annual charges incurred at the beginning of the Fiscal Year.

Agenda Item

5

Finance Committee Meeting

Meeting Date: December 1, 2023

TO: Finance Committee

FROM: Jim Burror, Acting General Manager/Director of Operations

STAFF CONTACT: Mary Carey, Finance Controller

SUBJECT: Annual Comprehensive Financial Report (ACFR) for Fiscal Years ended June 30, 2023, and 2022

Summary/Discussion

SOCWA is submitting the Annual Comprehensive Financial Report (ACFR) for the fiscal years ended June 30, 2023 and 2022.

The Authority's previous four (4) ACFR's have received The Government Finance Officers Association of the United States and Canada (GFOA) Award; a Certificate of Achievement for Excellence in Financial Reporting (attached).

GFOA's comments and suggestions for improvement of both ACFRs were minimal; GFOA's recommendations were acknowledged and are incorporated in the current year ACFR.

The ACFR includes the following documents (but not limited to) for your review:

- Independent Audit Report; an unmodified ("clean") opinion of the financials
- Management's Discussion and Analysis

The ACFR is presented to inform the readers about SOCWA, its services, service area and operations; and it provides a context to properly understand the financial statements and independent audit.

This package also includes a transmittal letter from The Pun Group to the Board of Directors.

Recommended Action: Staff recommends that the Finance Committee recommend that the Board of Directors receive and file the Annual Comprehensive Financial Report (ACFR), including the Independent Auditors Report for Fiscal Years ended June 30, 2023, and 2022.

November 16, 2023

www.pungroup.cpa



To the Board of Directors
of the South Orange County Wastewater Authority
Dana Point, California

We have audited the financial statements of the business-type activities of the South Orange County Wastewater Authority (the "Authority") for the years ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 15, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Authority are described in Note 2 to the financial statements. As discussed in Note 2 to the financial statements, the Authority implemented the following accounting standards:

May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements* (GASB Statement No. 96), to provide guidance on the accounting and financial reporting for subscription based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. GASB Statement No. 96 is effective for the Authority's fiscal year ended June 30, 2023.

No other new accounting policies were adopted and the application of existing policies was not changed during 2023. We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Authority's financial statements were:

- Management's estimate of the investment fair market value is based on information provided by the State of California for its investment in the Local Agency Investment Fund. We evaluated the key factors and assumptions used to develop the investment fair market value in determining that it is reasonable in relation to the financial statements taken as a whole.

- Management's estimate of the depreciation and amortization on capital assets and intangible asset - right to use asset is based on the industry standard and past experience on actual useful life of the asset groups. We evaluated the key factors and assumptions used to develop the depreciation and amortization on capital assets and intangible asset - right to use asset in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the net other postemployment benefits ("OPEB") liability is based on the actuarial valuation on total OPEB liability and financial statements on fiduciary net position. We evaluated the key factors and assumptions used to develop the OPEB liability in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the net pension liabilities is based on the actuarial valuation on total pension liability and based on audited financial statements on fiduciary net position for CalPERS plans. We evaluated the key factors and assumptions used to develop the net pension liability in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- Note 2 - Summary of Significant Accounting Policies
- Note 7 - Other Postemployment Benefits ("OPEB")
- Note 8 - Defined Benefit Pension Plan
- Note 11 - Commitments and Contingencies
- Note 12 - Restatement of 2022 Financial Statements

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 16, 2023.

To the Board of Directors
of the South Orange County Wastewater Authority
Dana Point, California
Page 3

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Authority's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

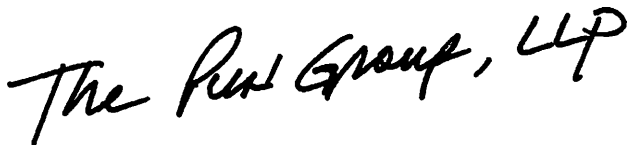
We applied certain limited procedures to the Management's Discussion and Analysis, the Schedule of the Authority's Proportionate Share of the Net Pension Liability and Related Ratios, the Schedule of the Authority's Contributions - Pensions, the Schedule of Changes in Net OPEB Liability and Related Ratios, and the Schedule of the Authority's Contributions - OPEB, which is required supplementary information ("RSI") that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were not engaged to report on Introductory and the Statistical Section, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of the Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



Santa Ana, California

Agenda Item

6

Finance Committee Meeting

Meeting Date: December 1, 2023

TO: Finance Committee

FROM: Jim Burror, Acting General Manager/Director of Operations

STAFF CONTACT: Mary Carey, Finance Controller

SUBJECT: Final Use Audit, FY 2022-23 Budget vs. Actual

Summary/Discussion

FY 2022-23 Use Audit

The O&M usage variance was discussed during the Finance Committee Meeting held on September 19, 2023.

Recommended Action: Staff recommends that the Finance Committee recommend that the Board of Directors approve the FY 2022-23 Use Audit.

Agenda Item

7

Finance Committee Meeting

Meeting Date: December 1, 2023

TO: Finance Committee

FROM: Jim Burror, Acting General Manager/Director of Operations

STAFF CONTACT: Mary Carey, Finance Controller

SUBJECT: Fiscal Year 2022-23 Supplemental Financial Report (Under Separate Cover)

Summary/Discussion

South Orange County Wastewater Authority (SOCWA) Audited Financial Statements are at the Consolidated/Authority Level; the attached Balance Sheet/Statement of Net Position and the Income Statement/Statement of Revenues, Expenses, and Changes in Net Position distributes the Audited Financial Statements by Project Committee and Member Agency as directed by SOCWA's Board of Directors.

The reports included are as follows:

- a. Management Discussion and Analysis of Supplemental Financial Statements
- b. Balance Sheet/Statement of Net Position as of June 30, 2023
- c. Income Statement/Statement of Revenues, Expenses, and Changes in Net Position for the Fiscal Year Ended June 30, 2023

Recommended Action: Staff recommends that the Finance Committee recommend that the Board of Directors receive and file the Supplemental Financial Statements for Fiscal Year ended June 30, 2023.