MEETING OF THE BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Jointly with the
ADMINISTRATION & FINANCE COMMITTEE
18700 Ward Street, Conference Room 101, Fountain Valley, CA 92708
April 8, 2026, 8:30 a.m.

Teleconference Sites:
17420 Walnut Street, Fountain Valley, CA 92708
25652 Paseo De La Paz, San Juan Capistrano, CA 92675

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**
Webinar ID: **882 866 5300#**

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

Staff: H. De La Torre, M. Baum-Haley, A. Crespi, C. Harris, H. Chumpitazi, K. Pham

Ex Officio Member: President Dick

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 need and take action to agendize item(s), which arose 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 THE 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 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 Website, accessible at http://www.mwdoc.com.

PROPOSED BOARD CONSENT CALENDAR ITEMS

1. TREASURER'S REPORT
   a. Revenue/Cash Receipt Report – March 2026
   b. Disbursement Approval Report for the month of April 2026
   c. Disbursement Ratification Report for the month of March 2026
   d. GM Approved Disbursement Report for the month of March 2026
   e. Consolidated Summary of Cash and Investment – February 2026
   f. OPEB and Pension Trust Fund statement

2. FINANCIAL REPORT
   a. Combined Financial Statements and Budget Comparative for the Period Ending February 28, 2026

ACTION ITEMS

3. SCHEDULE PUBLIC HEARING FOR CONSIDERATION OF ORDINANCE REGARDING DIRECTOR COMPENSATION

4. SCHEDULE PUBLIC HEARING FOR CONSIDERATION OF ORDINANCE ESTABLISHING CLASSES OF WATER SERVICE & TERMS AND CONDITIONS OF WATER SERVICE WITHIN THE DISTRICT

5. ADOPT A RESOLUTION APPROVING THE FINAL DRAFT BUDGET FOR FISCAL YEARS 2026-27 & 2027-28

6. ADOPT A RESOLUTION ESTABLISHING WATER RATES FOR FISCAL YEARS 2026-27 & 2027-28

7. ADOPT A RESOLUTION APPROVING THE LOAN POLICY FOR THE 401(a) MONEY PURCHASE PENSION PLAN

8. AWARD OF CONTRACT FOR CO-MANAGED INFORMATION TECHNOLOGY (IT) SERVICES

INFORMATION ITEMS

9. DEPARTMENT ACTIVITIES REPORTS
   a. Administration
   b. Finance and Information Technology

10. MONTHLY WATER USAGE DATA AND WATER SUPPLY INFORMATION

OTHER ITEMS

11. 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 Angela Crespi, District Secretary, at (714) 963-3058, or writing to Municipal Water District of Orange County at 18700 Ward Street, Unit B, Fountain Valley, CA 92708. 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 2026

WATER REVENUES

Date	From	Description		Amount
3/03/2026	City of La Palma	January 2026 Water deliveries	$	952.14
3/06/2026	City of Garden Grove	January 2026 Water deliveries		67,088.24
3/06/2026	City of San Clemente	January 2026 Water deliveries		641,041.42
3/09/2026	Santa Margarita Water District	January 2026 Water deliveries		1,304,283.12
3/09/2026	Santa Margarita Water District (ID9)	January 2026 Water deliveries		412,780.67
3/10/2026	Laguna Beach County Water District	January 2026 Water deliveries		349,656.43
3/10/2026	Mesa Water District	January 2026 Water deliveries		186.23
3/10/2026	South Coast Water District	January 2026 Water deliveries		272,236.24
3/11/2026	City of Orange	January 2026 Water deliveries		376,407.00
3/11/2026	City of Seal Beach	January 2026 Water deliveries		15,248.72
3/11/2026	East Orange Co Water District	January 2026 Water deliveries		184,123.55
3/12/2026	City of Westminster	January 2026 Water deliveries		3,066.31
3/12/2026	Yorba Linda Water District	January 2026 Water deliveries		226,871.01
3/13/2026	El Toro Water District	January 2026 Water deliveries		450,489.42
3/13/2026	Golden State Water Company	January 2026 Water deliveries		704,912.61
3/13/2026	Moulton Niguel Water District	January 2026 Water deliveries		1,750,630.91
3/13/2026	Orange County Water District	January 2026 Water deliveries		113,623.09
3/23/2026	City of La Habra	February 2026 Water deliveries		7,403.37
3/23/2026	Serrano Water District	February 2026 Water deliveries		8,888.87
3/27/2026	City of Buena Park	February 2026 Water deliveries		18,313.92
3/27/2026	City of Huntington Beach	February 2026 Water deliveries		431,114.59
3/27/2026	City of San Clemente	February 2026 Water deliveries		684,376.16
3/27/2026	City of Seal Beach	February 2026 Water deliveries		15,248.72
3/31/2026	City of Newport Beach	February 2026 Water deliveries		33,772.97
		TOTAL WATER REVENUES	**$**	**8,072,715.71**

Municipal Water District of Orange County
REVENUE / CASH RECEIPT REPORT
March 2026

MISCELLANEOUS REVENUES

Date	From	Description	Amount
3/02/2026	Stan Sprague	February 2026 Retiree Health insurance	$ 245.65
3/02/2026	Keith Lyon	March 2026 Retiree Health insurance	245.65
3/03/2026	Joseph Berg	March 2026 Retiree Health insurance	420.74
3/03/2026	Steve Hedges	March 2026 Retiree Health insurance	57.17
3/10/2026	Judy Pfister	March 2026 Retiree Health insurance	39.85
3/10/2026	Maribeth Goldsby	March 2026 Retiree Health insurance	245.65
3/25/2026	Stan Sprague	March 2026 Retiree Health insurance	245.65
3/24/2026	Karl Seckel	April 2026 Retiree Health insurance	245.65
3/30/2026	Keith Lyon	April 2026 Retiree Health insurance	245.65
3/02/2026	Christina Hernandez	Purchase of surplus property	40.00
3/18/2026	US Bank	CAL Card rebate check	1,179.43
3/27/2026	Larry Dick	MWDOC apparel purchase	80.00
3/02/2026	US Bank Custodial Account	Leaders Credit Union Interest payment	794.52
3/18/2026	US Bank Custodial Account	Citigroup Interest payment	5,631.16
3/23/2026	US Bank Custodial Account	Toyota Financial Interest payment	4,525.00
3/30/2026	US Bank Custodial Account	Leaders Credit Union Interest payment	821.92
3/31/2026	US Bank	Monthly Interest	101.82
3/11/2026	Metropolitan Water District	Community Partnering Program Sponsorship for Enviroscape Educational Models	3,000.00
3/18/2026	Santa Margarita Water District	January 2026 Smartimer rebate program	57.00
3/10/2026	Mesa Water District	September 2025 Turf Removal rebate program	104.00
3/12/2026	Trabuco Canyon Water District	September 2025 Spray to Drip rebate program	1,025.00
3/10/2026	City of Fountain Valley	January 2026 Spray to Drip rebate program	337.20
3/10/2026	City of La Habra	January 2026 Spray to Drip rebate program	438.00
3/10/2026	Golden State Water Company	January 2026 Spray to Drip rebate program	1,066.00
3/13/2026	City of Buena Park	January 2026 Spray to Drip rebate program	876.00
3/20/2026	City of Huntington Beach	January 2026 Spray to Drip rebate program	5,115.65
3/25/2026	City of Orange	January 2026 Spray to Drip rebate program	447.42
3/30/2026	City of Garden Grove	January 2026 Spray to Drip rebate program	2,720.40
3/12/2026	Trabuco Canyon Water District	January 2026 Clothes Washers rebate program	290.00
3/23/2026	Laguna Beach County Water District	January 2026 Clothes Washers rebate program	65.00
3/18/2026	Mesa Water District	January 2026 Smartimer and Spray to Drip rebate program	1,991.53
3/20/2026	City of Tustin	January 2026 Turf Removal and Spray to Drip rebate program	312.00
3/30/2026	City of Orange	February 2026 Turf Removal and Spray to Drip rebate program	416.00
3/06/2026	City of San Clemente	December 2025 Turf Removal and Clothes Washers rebate program	319.00
3/13/2026	Irvine Ranch Water District	January 2026 Smartimer, Turf Removal and Spray to Drip rebate program	3,562.75
3/18/2026	Moulton Niguel Water District	January 2026 Smartimer, Turf Removal and Clothes Washers rebate program	3,257.88
3/20/2026	City of San Clemente	January 2026 Turf Removal, Spray to Drip and Clothes Washers rebate program	2,299.00
3/13/2026	City of Fullerton	Additional Funding FY 2024-26 Conservation Framework TAP	72,721.97
3/25/2026	City of Newport Beach	FY 2024-26 Conservation Framework Technical Assistance program	12,521.30
3/03/2026	City of Santa Ana	Jul-Dec 2025 School Billing	50,128.78
3/23/2026	City of Garden Grove	Addition to the Choice School billing	5,684.15
3/03/2026	City of Fountain Valley	5 days Supervisor training	2,400.00
3/20/2026	City of San Clemente	2025 Urban Water Management Plan	58,813.00
3/10/2026	City of Fountain Valley	AWIA Emergency Response Plan	17,250.00
3/13/2026	City of Buena Park	AWIA Emergency Response Plan	17,250.00
3/18/2026	Yorba Linda Water District	AWIA Emergency Response Plan	63,250.00
3/19/2026	City of Westminster	AWIA Emergency Response Plan	17,250.00
3/20/2026	City of Tustin	AWIA Emergency Response Plan	17,250.00
3/25/2026	City of Newport Beach	AWIA Emergency Response Plan	34,500.00
3/27/2026	City of San Clemente	AWIA Emergency Response Plan	17,250.00
3/31/2026	El Toro Water District	AWIA Emergency Response Plan	34,500.00
3/06/2026	City of Brea	AWIA Risk and Resilience Assessment	32,200.00
3/10/2026	Serrano Water District	AWIA Risk and Resilience Assessment	32,200.00
3/11/2026	City of Seal Beach	AWIA Risk and Resilience Assessment	32,200.00
3/12/2026	Trabuco Canyon Water District	AWIA Risk and Resilience Assessment	32,200.00
		TOTAL MISCELLANEOUS REVENUES	**$ 592,234.54**
		TOTAL REVENUES	**$ 8,664,950.25**

Melissa Baum-Haley
Harvey De La Torre, General Manager

Hilary Chumpitazi
Hilary Chumpitazi, Treasurer

Municipal Water District of Orange County
Disbursement Approval Report
For the month of April 2026

Vendor/ Invoice	Description	Amount to Pay
Core Expenditures:		
Ackerman Consulting-Richard C Ackerman		
1466	March 2026 Legal and regulatory specialized consulting services	3,500.00
Total		**3,500.00**
Alta FoodCraft		
12611247	March 2026 Coffee and tea supplies	132.04
Total		**132.04**
Best Best and Krieger LLP		
55401-FEB26	February 2026 Legal services	17,112.78
Total		**17,112.78**
Calif Environmental Edu Foundation-CEEF		
03-09-26	WEEA Sponsorship 2026 CEEF Teacher Institute on "Best Practices in Environmental Education and Stewardship"	5,000.00
Total		**5,000.00**
Carollo Engineers Inc		
FB79984	February 2026 Urban Water Management Plan Development services	250,150.63
Total		**250,150.63**
California Council for Environmental and Economic Balance-CCEEB		
2026-225	Participation in CCEEB Projects from 07/01/26-06/30/27	29,000.00
Total		**29,000.00**
Consultadd Inc		
41724	March 2026 Enterprise Resource Planning (ERP) Implementation services	10,935.00
Total		**10,935.00**
Green Thumb (Indoor Plant Care) LLC-Dedo Verde Interior		
20260301	April 2026 Indoor plant service	350.50
Total		**350.50**
Dopudja & Wells Consulting Inc		
2576	February 2026 Senior Advisory Consulting Services for State and Federal Legislative and Policy Matters	385.00
2596	February 2026 Consulting services on MET Strategic Issues and Priorities	8,025.23
Total		**8,410.23**
Elevated Health Inc		
April 2026	Pre-employment physical for new staff member	145.00
Total		**145.00**

Municipal Water District of Orange County
Disbursement Approval Report
For the month of April 2026

Vendor/ Invoice	Description	Amount to Pay
E Source Companies LLC		
14841	February 2026 Advanced Metering Infrastructure Technical Assistance Workgroups - Customer Meter Analysis	17,150.00
14844	February 2026 Technical Assistance Program services for Water Loss Control	6,780.00
Total		**23,930.00**
Maribeth Goldsby		
30626	January-March 2026 Retiree medical premium	1,623.20
Total		**1,623.20**
GovConnection Inc		
77412204	Monthly SharePoint cloud storage and annual license subscriptions for Dynamics 365 Finance & Operations for Enterprise Resource Planning (ERP)	9,907.60
Total		**9,907.60**
Hashtag Pinpoint Corporation		
2042	March 2026 Social Media consultation and services	7,913.00
Total		**7,913.00**
Jill Promotions		
12865	03/11/26 New Hire Polo shirts and 75th logo apparel for Director	1,361.33
Total		**1,361.33**
Lawnscape Systems Inc		
458561	March 2026 Landscape maintenance for Atrium	495.00
Total		**495.00**
Phil Letrong		
31526	January-March 2026 Retiree medical premium	608.70
Total		**608.70**
Natural Resource Results LLC		
5852	March 2026 Federal Advocacy Agreement services	8,000.00
Total		**8,000.00**
NDS		
864727	03/06/26 Board packet delivery service	171.39
864832	03/13/26 Board packet delivery service	171.39
865134	03/27/26 Board packet delivery service	171.39
Total		**514.17**
ODP Business Solutions LLC		
462245749001	03/10/26 Office supplies	59.70
462727316001	03/12/26 Office supplies	178.98
Total		**238.68**

Municipal Water District of Orange County
Disbursement Approval Report
For the month of April 2026

Vendor/ Invoice	Description	Amount to Pay
Office Solutions		
I-20029934	03/10/26 Office supplies	87.76
I-20030341	03/11/26 Office supplies	76.65
I-20030752	03/12/26 Office supplies	48.54
I-20032077	03/17/26 Office supplies	15.81
I-20033221	03/19/26 Name plate for new staff member	19.30
I-20033660	03/20/26 Office supplies	171.56
I-20034012	03/23/26 Office supplies	52.14
I-20034218	03/24/26 Office supplies	126.26
I-20034159	03/24/26 Business cards for staff	51.93
Total		**649.95**
Orange County Water District		
28283	February 2026 Postage, shared office & maintenance expense	10,431.76
Total		**10,431.76**
Judy Pfister		
31026	October-December 2025 Retiree medical premium	555.00
Total		**555.00**
Predict Success-Anne Sandberg		
3/13/26	03/13/26 New employee assessments and Executive Coaching sessions	1,200.00
Total		**1,200.00**
Print & Finishing Solutions-Ordway Corporation		
INV22079	2-year maintenance agreement for binding machine from 02/18/26-02/17/28	1,640.00
Total		**1,640.00**
Mary Snow		
33126	January-March 2026 Retiree medical premium	608.70
Total		**608.70**
Soto Resources-Joey C Soto		
GA-MAR-111	March 2026 Grant Research and Acquisition	3,250.00
Total		**3,250.00**
Pauline D Wennerstrom		
30226	January-March 2026 Retiree medical premium	608.70
Total		**608.70**
Whittingham Public Affairs Advisors-WPAA		
3401	April 2026 Strategic guidance on local & regional issues	5,000.00
Total		**5,000.00**

Municipal Water District of Orange County
Disbursement Approval Report
For the month of April 2026

Vendor/ Invoice	Description	Amount to Pay
West Coast Advisors		
14540	March 2026 State Legislative Advocacy services	8,500.00
Total		**8,500.00**
Total Core Expenditures		**411,771.97**

Choice Expenditures:

Bryton Printing Inc		
19089	Water Use Efficiency Spring 2026 bill inserts for member agencies	5,485.12
Total		**5,485.12**
Building Block Entertainment		
4004-2	March 2026 Choice Elementary School Program K-2	8,837.00
Total		**8,837.00**
Grainger		
9848239613	Water Loss Control Shared Services supplies	238.99
Total		**238.99**
Mission RCD		
3560	March 2026 Field inspection and verification for Water Use Efficiency rebate programs	9,703.18
Total		**9,703.18**
Orange County Dept of Education		
94WI2210	February 2026 Choice School Program for grades 3-8	25,680.98
Total		**25,680.98**
Orange County Water District		
28283	February 2026 Postage for Water Use Efficiency rebate programs	18.50
Total		**18.50**
Westerly Meter Service Co.-Lane M Matsuno		
18091	March 2026 Meter Accuracy Testing for Mesa Water District	3,000.00
Total		**3,000.00**
Total Choice Expenditures		**52,963.77**

Municipal Water District of Orange County
Disbursement Approval Report
For the month of April 2026

Vendor/ Invoice	Description	Amount to Pay
Other Funds Expenditures:		
Environmental Incentives Inc		
MWDOC TAP-12	February 2026 Frameworks Technical Assistance Program services	89,168.98
Total		**89,168.98**
Mega Maids Cleaning Service		
14696	03/27/26 Cleaning of the WEROC Logistics EOC (formerly N. EOC) office area	130.00
Total		**130.00**
Mission RCD		
3560	March 2026 Field inspection and verification for Water Use Efficiency rebate programs	7,463.17
Total		**7,463.17**
Total Other Funds Expenditures		**96,762.15**
Total Expenditures		**561,497.89**

Municipal Water District of Orange County
Disbursement Ratification Report
For the Month of March 2026

Name/ Date	Check/ EFT	Invoice	Description	Amount
Core Disbursements:				
Tiffany Baca				
3/31/2026	EFT	22526	February 2026 Business expense	245.69
Total				**245.69**
Heather Baez				
3/31/2026	EFT	12626	January 2026 Business expense	188.23
3/31/2026	EFT	22626	February 2026 Business expense	253.13
Total				**441.36**
Melissa Buendia				
3/31/2026	144559	12626	January 2026 Business expense	441.59
Total				**441.59**
Corodata Records Management				
3/31/2026	EFT	RS7158591	February 2026 Records Storage Fees	74.15
Total				**74.15**
Jared Dawson				
3/31/2026	EFT	120925	December 2025 Business expense	82.31
3/31/2026	EFT	21026	February 2026 Business expense	48.08
3/31/2026	EFT	22726	February 2026 Business expense	239.92
Total				**370.31**
Larry Dick				
3/31/2026	EFT	21926	February 2026 Business expense	139.95
Total				**139.95**
Sam Fetter				
3/31/2026	EFT	22526	February 2026 Business expense	21.00
Total				**21.00**
Frontier Communications Holdings LLC				
3/13/2026	144537	120125-5-MAR26	March 2026 Internet expense	675.00
Total				**675.00**
Rachel Waite				
3/31/2026	EFT	20326	February 2026 Business expense	35.96
Total				**35.96**
Mesa Water District				
3/31/2026	EFT	21726	Refund for cancellation of 01/26/26 Water Policy Forum & Dinner table reservation	1,350.00
Total				**1,350.00**
Al Nederhood				
3/31/2026	EFT	22726	February 2026 Business expense	325.55
Total				**325.55**
Jasmine Orozco				
3/31/2026	EFT	20426	February 2026 Business expense	106.71
Total				**106.71**
Petty Cash				
3/13/2026	144541	OCT25-FEB26	10/01/25-02/28/26 Petty cash reimbursement	(49.32)
Total				**(49.32)**

Municipal Water District of Orange County
Disbursement Ratification Report
For the Month of March 2026

Name/ Date	Check/ EFT	Invoice	Description	Amount
Ricoh USA Inc				
3/31/2026	EFT	9033586001	11/28/25-02/27/26 Ricoh copier maintenance	62.66
Total				**62.66**
Megan Schneider				
3/31/2026	EFT	22026	February 2026 Business expense	189.69
Total				**189.69**
Karl Seckel				
3/31/2026	EFT	21926	February 2026 Business expense	47.15
Total				**47.15**
Jeffery Thomas				
3/31/2026	EFT	22726	February 2026 Business expense	208.80
Total				**208.80**
US Bank				
3/31/2026	144564	2978/4192/8910/1189-FEB26	01/23/26-02/23/26 Cal Card Charges	39,710.57
Total				**39,710.57**
Verizon Wireless				
3/13/2026	144543	6136804390	February 2026 4G Mobile broadband unlimited service	80.02
Total				**80.02**
Jennifer Wicks				
3/31/2026	EFT	20326	February 2026 Business expense	86.09
Total				**86.09**
Sarah Wilson				
3/31/2026	EFT	22426	February 2026 Business expense	25.38
Total				**25.38**
Total Core Disbursements				**44,588.31**

Choice Disbursements:

US Bank				
3/31/2026	144564	1189-FEB26	01/23/26-02/23/26 Cal Card Charges	1,197.39
Total				**1,197.39**
US Bank Voyager Fleet Systems				
3/13/2026	EFT	8694349932609	01/25/26-02/24/26 Fuel for Water Loss Control Shared Services Vehicles	678.26
Total				**678.26**
Total Choice Disbursements				**1,875.65**

Other Funds Disbursements:

Miriam L Aldana Vargas				
3/31/2026	144558	22526	February 2026 Business expense	156.92
Total				**156.92**

Municipal Water District of Orange County
Disbursement Ratification Report
For the Month of March 2026

Name/ Date	Check/ EFT	Invoice	Description	Amount
AT&T				
3/18/2026	144544	24862334	February 2026 Telephone expense for WEROC N. EOC	40.69
Total				**40.69**
Metropolitan Water District				
3/30/2026	EFT0330202	12105	January 2026 Water deliveries	7,761,286.98
Total				**7,761,286.98**
Petty Cash				
3/13/2026	144541	OCT25-FEB26	10/01/25-02/28/26 Petty cash reimbursement	237.44
Total				**237.44**
San Bernardino Valley Municipal WD				
3/31/2026	144562	22526	Prop 1 Project Partner Reimbursement per Report 20	63,371.51
Total				**63,371.51**
Santiago Aqueduct Commission				
3/31/2026	144563	12026	January 2026 SAC Pipeline Operation Surcharge	2,791.88
Total				**2,791.88**
Janine Schunk				
3/25/2026	144546	21226	February 2026 Business expense	183.51
Total				**183.51**
Santa Margarita Water District				
3/31/2026	EFT	12026	January 2026 SCP Operation Surcharge	20,869.36
Total				**20,869.36**
Spray to Drip Rebate				
3/13/2026	144530	S2D6-C-YLWD-48864-19498	Kellogg Terrace	3,420.00
3/13/2026	144524	S2D7-C-BP-54399-23835	Icm Jae Investments	7,584.00
3/13/2026	144525	S2D7-C-FV-54399-23822	Icm Jae Investments	4,632.00
3/13/2026	144522	S2D7-C-IRWD-55004-23820	Buckhead Properties LP	3,241.00
3/31/2026	144552	S2D7-R-ETWD-55192-24000	L. Lobb	1,393.00
3/31/2026	144555	S2D7-R-HB-55179-23956	D. Skinner	1,384.00
3/31/2026	144550	S2D7-R-SM-55149-23927	D. Lassen	693.00
3/31/2026	144548	S2D7-R-SM-55172-23938	J. Cotter	2,068.00
Total				**24,415.00**
Turf Rebate				
3/13/2026	144526	TR17-C-BP-54399-53683	Icm Jae Investments	36,125.00
3/13/2026	144519	TR17-C-BREA-54763-53652	925-1075 Lambert RoadLlc Bb	106,755.00
3/13/2026	144520	TR17-C-BREA-54763-53653	925-1075 Lambert RoadLlc Bb	47,970.00
3/13/2026	144527	TR17-C-FV-54399-53674	Icm Jae Investments	18,180.00
3/13/2026	144528	TR17-C-FV-54399-53761	Icm Jae Investments	53,990.00
3/13/2026	144532	TR17-C-IRWD-49870-53187	Woodbridge Village Association	12,745.00
3/13/2026	144533	TR17-C-IRWD-49870-53789	Woodbridge Village Association	4,695.00
3/13/2026	144534	TR17-C-IRWD-49870-53790	Woodbridge Village Association	4,940.00
3/13/2026	144535	TR17-C-IRWD-49870-53792	Woodbridge Village Association	10,133.39
3/13/2026	144521	TR17-C-IRWD-54611-53766	Baker Ranch Area I Owners Association	123,305.00
3/13/2026	144523	TR17-C-IRWD-55004-53676	Buckhead Properties LP	12,390.00
3/13/2026	144529	TR17-C-MESA-54399-53733	Icm Jae Investments	56,130.00
3/13/2026	144531	TR17-C-SM-42878-53534	Samlarc Homeowners Association	135,679.50
3/31/2026	144553	TR17-R-ETWD-55192-53980	L. Lobb	3,171.00
3/31/2026	144557	TR17-R-HB-54916-53635	J. Tran	2,056.00
3/31/2026	144556	TR17-R-HB-55179-53946	D. Skinner	2,908.00
3/31/2026	144547	TR17-R-LH-54898-53597	A. Chang	5,395.00
3/31/2026	144551	TR17-R-SM-55149-53877	D. Lassen	1,663.00

Municipal Water District of Orange County
Disbursement Ratification Report
For the Month of March 2026

Name/ Date	Check/ EFT	Invoice	Description	Amount
Turf Rebate (continued)				
3/31/2026	144554	TR17-R-TUST-55076-53804	S. McMillin	3,599.00
3/31/2026	144549	TR17-R-YLWD-54930-53642	B. Lanthier	5,102.00
Total				**646,931.89**
US Bank				
3/31/2026	144564	3115-FEB26	01/23/26-02/23/26 Cal Card Charges - WEROC	6,997.24
Total				**6,997.24**
Verizon Wireless				
3/13/2026	144543	6136804390	February 2026 4G Mobile broadband unlimited service	200.09
Total				**200.09**
Total Other Funds Disbursements				**8,527,482.51**
Total Disbursements				**8,573,946.47**

Harvey De La Torre, General Manager

Hilary Chumpitazi, Treasurer

Cal Card Charges
Statement Date: February 23, 2026
Payment Date: March 31, 2026

Date	Description	Amount
General Manager Card:		
1/21/2026	ACWA 2026 Legislative Symposium in Sacramento, CA on 02/11/26-02/12/26 - Airfare for H. Baez	490.95
1/22/2026	AWWA 2026 Individual Webinar Subscription for S. Sriboonlue	195.00
1/23/2026	ISDOC Quarterly Luncheon in Fountain Valley, CA on 01/29/26 - Registration for A. Nederhood	25.00
1/26/2026	January 2026 Meals for H. De La Torre's meetings	28.05
1/26/2026	CMUA Capital Days in Sacramento, CA on 01/26/26 - Accommodations for H. Baez	209.96
1/27/2026	2025-26 ACWA CLE Workshop 3-Session Series (Webinar) - Contract Drafting for Water Lawyers: Risk Allocation Basics on 04/16/26 - Registration for B. Fahl	225.00
1/27/2026	Federal Grants Training Webinars on 02/24/26-03/05/26 - Registrations for R. Waite-Harvey and S. Fetter	998.00
1/28/2026	CSDA 2026 Special Districts Legislative Days in Sacramento on 04/07/26-04/08/26 - Registration for H. Baez	395.00
1/28/2026	CSDA 2026 Special Districts Legislative Days in Sacramento on 04/07/26-04/08/26 - Airfare for H. Baez	516.81
2/05/2026	CSDA 2026 Essential Leadership Skills Courses - Registration for H. Baez	1,305.00
2/09/2026	ACWA Spring Conference in Sacramento, CA from 05/05/26-05/07/26 - Registrations for H. De La Torre and H. Baez	1,998.00
2/12/2026	ACWA 2026 Legislative Symposium in Sacramento, CA on 02/11/26 - Accommodations for H. Baez	296.28
2/13/2026	CSDA Overview of Special District Law Virtual Workshop on 06/10/26-06/11/26 Registration for C. Harris	265.00
2/17/2026	PRSA Accreditation in Public Relations Study Course on 03/02/26 - Webinar registration for M. Buendia	250.00
2/17/2026	PRSA membership and Accreditation in Public Relations application fee for M. Buendia	788.00
2/19/2026	February 2026 Meals for H. De La Torre's meetings	399.49
2/19/2026	ACWA Spring Conference in Sacramento, CA from 05/05/26-05/07/26 - Registrations for A. Nederhood, J. Thomas, and M. Yoo Schneider	2,997.00
2/20/2026	OCBC 2026 Sacramento Advocacy Trip in Sacramento, CA from 03/23/26-03/24/26 - Registration for H. Baez	950.00
2/20/2026	OCBC 2026 Sacramento Advocacy Trip in Sacramento, CA from 03/23/26-03/24/26 - Airfare for H. Baez	534.80
Total:		**12,867.34**
Assistant General Manager Card:		
1/21/2026	M. Hurtado farewell team lunch	215.02
1/23/2026	WUE training lunch meeting	84.16
2/09/2026	February 2026 M. Baum-Haley's business expense	15.00

Cal Card Charges
Statement Date: February 23, 2026
Payment Date: March 31, 2026

Date	Description	Amount
Assistant General Manager Card (continued):		
2/10/2026	Metropolitan meetings in Los Angeles, CA from 02/09/26-02/10/26 - Accommodation and parking for M. Baum-Haley	286.93
Total:		**601.11**
Public Affairs Card:		
1/23/2026	Balloons for 01/26/26 Water Policy Dinner	17.15
1/26/2026	Sign holders for community events	45.26
1/28/2026	Team lunch for successful implementation of 01/26/26 Water Policy Dinner	306.91
1/30/2026	February 2026 Open AI monthly subscription, language processing tool	20.00
2/03/2026	February 2026 Monthly Public Storage Unit for Public Affairs	840.00
2/08/2026	Battery for Ricky Raindrop costume and bags for member agencies	38.79
2/09/2026	Coastal Watershed models and Drinking, Water, Wastewater & Your Watershed models for Education Initiatives	7,334.54
2/17/2026	CAPIO Accessible Video in Practice: Meeting ADA Requirements for Public-Sector Video Content on 02/24/26 - Webinar registration for K. Vincent	30.00
2/20/2026	Coastal Watershed models and Drinking, Water, Wastewater & Your Watershed models for Education Initiatives - Refund for damaged case	(549.00)
Total:		**8,083.65**
Administration Card:		
1/22/2026	Lunch for All Staff meeting	1,109.83
1/24/2026	Rack mounted keyboard, video, and mouse (KVM) console for server room management	1,520.13
1/24/2026	2025 W-2 Federal e-file	72.54
1/25/2026	Office supplies	96.31
1/25/2026	January 2026 web hosting and database charges for MWDOC website	152.99
1/26/2026	Birthday bagels	61.28
1/26/2026	Micro single-board computer to monitor network availability and performance	77.16
1/27/2026	Tripepi Smith and Associates annual Local Information Network of Knowledge (LINK) membership subscription	48.00
1/28/2026	Satellite dish and equipment for redundant/backup internet connection	2,228.29
1/29/2026	January 2026 C. Harris business expenses - Team building	168.83
1/29/2026	UPS shipping fee for recycling used batteries	956.36
1/29/2026	Replacement toner for two printers	301.11
1/29/2026	Adjustable shelves for server room	65.25
1/29/2026	1099 MISC recipient e-file and mail services	719.84
1/29/2026	1099 NEC recipient e-file and mail services	78.24
1/30/2026	QLED display for Assistant General Manager's office - To be returned	373.56
1/30/2026	CSDA Sample Policy Handbook	225.00
1/30/2026	Office supplies	19.50

Cal Card Charges
Statement Date: February 23, 2026
Payment Date: March 31, 2026

Date	Description	Amount
Administration Card (continued):		
1/31/2026	Room Alert annual service for server room environment monitoring and alerting	449.95
2/01/2026	Stool/seat for server room	45.01
2/01/2026	February 2026 Monthly subscription for email services to support the secure delivery of email from AccuFund	25.00
2/02/2026	Security safe for IT	59.80
2/02/2026	LED wall mount for Assistant General Manager's office	21.73
2/02/2026	Management staff lunch	118.29
2/03/2026	ACWA DC2026 - Annual Washington, D.C. Conference at Washington, D.C. from 02/24/26-02/26/26 - Registration refund for H. Baez, M. Baum-Haley, and R. Crane	(2,625.00)
2/03/2026	Plotter paper rack for server room	35.84
2/03/2026	(4) 16 TB hard drives to modernize and expand the Network Attached Storage (NAS) device for backup services	2,609.96
2/03/2026	Office supplies	684.81
2/03/2026	Monthly charge for redundant/backup internet services serving MWDOC office	65.00
2/04/2026	Federal Tax ID verification for 2025 1099 MISC and NEC	230.10
2/04/2026	Annual web hosting service for mwdoc.com website	702.00
2/04/2026	Annual service to create short links, track analytics, and generate QR codes	480.00
2/05/2026	Annual software subscription for software to backup document repository	179.99
2/08/2026	2-year registration for domain name (ocwatersmarthomes.com)	44.38
2/09/2026	Toner (secure yield) for check printer in finance	261.97
2/09/2026	January 2026 monthly charges for Azure storage, networking, compute, and database	1,294.93
2/10/2026	Meter box lid lifters for Water Loss Control	252.84
2/10/2026	15ft HDMI cable for Assistant General Manager's office	9.78
2/10/2026	Additional hard drive for server room backup	761.24
2/10/2026	Charging cable for Assistant General Manager's office and supplies for IT	39.23
2/11/2026	Farewell lunch for A. Cavazos	220.56
2/11/2026	A/V wall kit for Assistant General Manager's office	32.61
2/11/2026	Annual service charge to monitor/dashboard wired and wireless network	100.00
2/12/2026	Gift certificate for employee 15-years of service	150.00
2/12/2026	Office supplies	34.24
2/12/2026	Replacement laptop used for Directors' meetings	304.49
2/13/2026	February 2026 Monthly charge for 1.25TB of SharePoint storage	262.50
2/13/2026	QLED display for Assistant General Manager's office	438.81
2/15/2026	Office Supplies	30.96
2/16/2026	Water filters for kitchen sink	81.33
2/17/2026	February 2026 cloud storage fee to archive Laserfiche documents for compliance/immutability	19.60
2/17/2026	February 2026 Wireless Internet Backup	45.00
2/17/2026	(2) Microsoft Pro licenses for IT	198.00
2/18/2026	(2) Laptop computers for Public Affairs and Board Support staff	3,163.73

Cal Card Charges
Statement Date: February 23, 2026
Payment Date: March 31, 2026

Date	Description	Amount
Administration Card (continued):		
2/19/2026	March 2026 eFax service charge	10.00
2/20/2026	Office supplies	50.47
2/20/2026	Lunch for HR interviews on 02/19/26	70.06
2/21/2026	Office supplies	25.35
2/21/2026	Lunch for HR interviews on 02/20/26	97.08
Total:		**19,355.86**
WEROC Card:		
1/28/2026	2026 CESA Annual membership for M. Aldana and T. Rajapaksha	130.00
1/28/2026	2026 CESA Annual Conference and Training from 05/04/26-05/08/26 in San Diego, CA - Registration fee for V. Osborn	774.00
1/28/2026	Motorola Solutions, Inc portable radio batteries for MWDOC EOC	540.47
1/30/2026	2026 CESA Annual Conference and Training from 05/04/26-05/08/26 in San Diego, CA - Registration fees for M. Aldana & T. Rajapaksha	1,548.00
2/01/2026	February 2026 Starlink Standby Mode fees for WEROC's Mobile Command Vehicle	5.00
2/03/2026	February 2026 Iridium Standby Plan service charge for WEROC's three satellite phones	67.17
2/05/2026	Catering service for Member Agency Coordination quarterly meeting hosted on 02/09/26 at MWDOC	427.50
2/06/2026	2026 AWWA membership renewal for V. Osborn	347.00
2/19/2026	Damaged laptop replacement for V. Osborn	3,158.10
Total:		**6,997.24**

Municipal Water District of Orange County
GM Approved Disbursement Report [1]
For the Month of March 2026

Name/ Date	Check/ EFT	Invoice	Description	Amount
Core Disbursements:				
Davis Farr LLP				
3/31/2026	EFT	4368	Professional services for FY 2024-25 Single Audit	4,635.00
Total				**4,635.00**
Jill Promotions				
3/31/2026	EFT	12858	Promotional item - Branded navy brim hats	5,590.65
Total				**5,590.65**
National Water Resources Association				
3/31/2026	144560	7236	2026 Annual membership renewal	525.00
Total				**525.00**
Petra Sosa				
3/18/2026	144545	752862	Lunch for MWDOC & Three Cities Managers meeting in Fountain Valley, CA on 03/19/26	740.00
Total				**740.00**
Total Core Disbursements				**11,490.65**
Choice Disbursements:				
Total Choice Disbursements				-
Other Funds Disbursements:				
Total Other Funds Disbursements				-
Total Disbursements				**11,490.65**

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.

MWDOC

Address:
18700 Ward Street, Unit B
Fountain Valley, California 92708

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

Larry D. Dick
President

Jeffery M. Thomas
Vice President

Randall Crane, Ph.D.
Director

Bob McVicker, P.E.
Director

Al Nederhood
Director

Karl W. Seckel, P.E.
Director

Megan Yoo Schneider, Ed.D., 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
Consolidated Summary of Cash and Investments
February 28, 2026

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	$ 436,815	2.07%
Pension 115 Trust	2,404,382	11.39%
Total Restricted Reserves	$2,841,197	13.46%
Designated Reserves		
Operating Reserves	$4,241,768	20.08%
Election Reserve	1,569,152	7.43%
OPEB Reserve	219,815	1.04%
Total Designated Reserves	$6,030,735	28.55%
General Operations Fund	$10,704,581	50.68%
Water Purchase Payments Fund	1,312,605	6.22%
Conservation Fund	212,114	1.00%
Trustee Activities – AMP	19,210	0.09%
Total Other Funds	$12,248,510	57.99%
Total	**$21,120,442**	**100.00%**

The funds are invested as follows:

Term of Investment	% of Portfolio	Book Value	Market Value
Cash	0.67%	$ 140,986	$ 140,986
Pension 115 Trust	11.39%	2,404,382	2,404,382
Short-term investment			
• LAIF	51.36%	10,847,357	10,847,357
• CAMP	21.91%	4,627,717	4,627,717
Long-term investment			
• US Government Issues	1.18%	250,000	250,000
• Corporate Bond	5.68%	1,200,000	1,197,702
• Certificates of Deposit	7.81%	1,650,000	1,658,746
Total	**100.00%**	**$21,120,442**	**$21,126,890**

The average number of days to maturity/call as of February 28, 2026, equaled 94, and the average yield to maturity is 3.880%. During the month of February 2026, the District's average daily balance was $23,657,161.62. Funds were invested in US Bank, Pension 115 Trust, Negotiable Certificate of Deposits, Corporate Bonds, US Government Issues, Local Agency Investment Funds (LAIF), and California Asset Management Program (CAMP).

The $6,448 difference between the book value and the market value as of February 28, 2026, represents the exchange difference that would have resulted 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 near-term cash flow requirements that would require the sale of these securities prior to maturity.

Harvey De La Torre
General Manager

Hilary Chumpitazi
Treasurer

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

Portfolio Management - Portfolio Summary

February 28, 2026

2/28/2026	Par Value	Market Value	Book Value	% of Portfolio	Days to Mat/Call	YTM @ Cost
Negotiable Certificate Of Deposit	1,650,000.00	1,658,746.00	1,650,000.00	8.88	816	3.679
Corporate Bond	1,200,000.00	1,197,702.00	1,200,000.00	6.46	251	4.458
US Government Issues	250,000.00	250,000.00	250,000.00	1.35	363	3.750
Local Agency Investment Funds	10,847,356.69	10,847,356.69	10,847,356.69	58.40	1	3.871
California Asset Management Program	4,627,716.92	4,627,716.92	4,627,716.92	24.91	1	3.830
Total Investments	**18,575,073.61**	**18,581,521.61**	**18,575,073.61**	**100.00**	**94**	**3.880**
Cash						
Cash	140,986.20	140,986.20	140,986.20		1	0.00
Pension 115 Trust	2,404,382.02	2,404,382.02	2,404,382.02		1	0.00
Total Cash and Investments	**21,120,441.83**	**21,126,889.83**	**21,120,441.83**		**94**	**3.880**

Total Earnings	Month Ending February	Fiscal Year to Date
Current Year	**68,065.79**	**752,979.16**
Average Daily Balance	**23,657,161.62**	
Effective Rate of Return	**3.880%**	

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.

Melissa Baum-Haley (for) — 04/02/2026

Harvey De La Torre, General Manager — Date

Hilary Chumpitazi — 04/02/2026

Hilary Chumpitazi, Treasurer — Date

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Long-Term Portfolio Details - Investments
February 28, 2026

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	198,792.00	200,000.00	3.350	3.350	507	7/20/2027
Discover Bank	2546736R2	7/26/2023	250,000.00	253,767.50	250,000.00	4.500	4.500	877	7/24/2028
Leaders Credit Union	52171MAN5	8/30/2024	250,000.00	251,177.50	250,000.00	4.000	4.000	1,279	8/30/2029
Magyar Bank	55977RCD3	7/30/2024	250,000.00	251,877.50	250,000.00	4.100	4.100	1,248	7/30/2029
Sallie Mae Bank	7954507A7	7/14/2021	200,000.00	197,904.00	200,000.00	1.000	1.000	136	7/14/2026
State Bank of India	8562852Q3	8/10/2023	250,000.00	255,847.50	250,000.00	4.550	4.550	894	8/10/2028
Toyota Financial SGS Bank	89235MPD7	9/27/2022	250,000.00	249,380.00	250,000.00	3.650	3.650	571	9/22/2027
Sub Total			**1,650,000.00**	**1,658,746.00**	**1,650,000.00**	**3.679**	**3.679**	**816**	
US Government Issues									
FHLMC	3134HCVR7	2/26/2026	250,000.00	250,000.00	250,000.00	3.750	3.750	363	2/26/2031
Sub Total			**250,000.00**	**250,000.00**	**250,000.00**	**3.750**	**3.750**	**363**	
Corporate Bond									
Barclays Bank	06746CSC4	8/20/2025	250,000.00	249,547.50	250,000.00	4.500	4.500	173	8/20/2030
Citigroup Inc	17292GAL9	9/18/2025	250,000.00	250,112.50	250,000.00	4.500	4.500	202	9/18/2030
Goldman Sachs	38151FQL0	11/28/2025	250,000.00	247,545.00	250,000.00	4.250	4.250	273	11/12/2030
Morgan Stanley Fin LLC	61766YKH3	6/29/2022	200,000.00	200,382.00	200,000.00	4.500	4.500	486	6/29/2027
Wells Fargo	95001DLD0	8/18/2025	250,000.00	250,115.00	250,000.00	4.550	4.550	168	8/15/2030
Sub Total			**1,200,000.00**	**1,197,702.00**	**1,200,000.00**	**4.458**	**4.458**	**251**	
Total Investments			**3,100,000.00**	**3,106,448.00**	**3,100,000.00**	**3.986**	**3.986**	**561**	

Total Earnings	Month Ending February	Fiscal Year To Date
Current Year	8,873.49	69,800.23

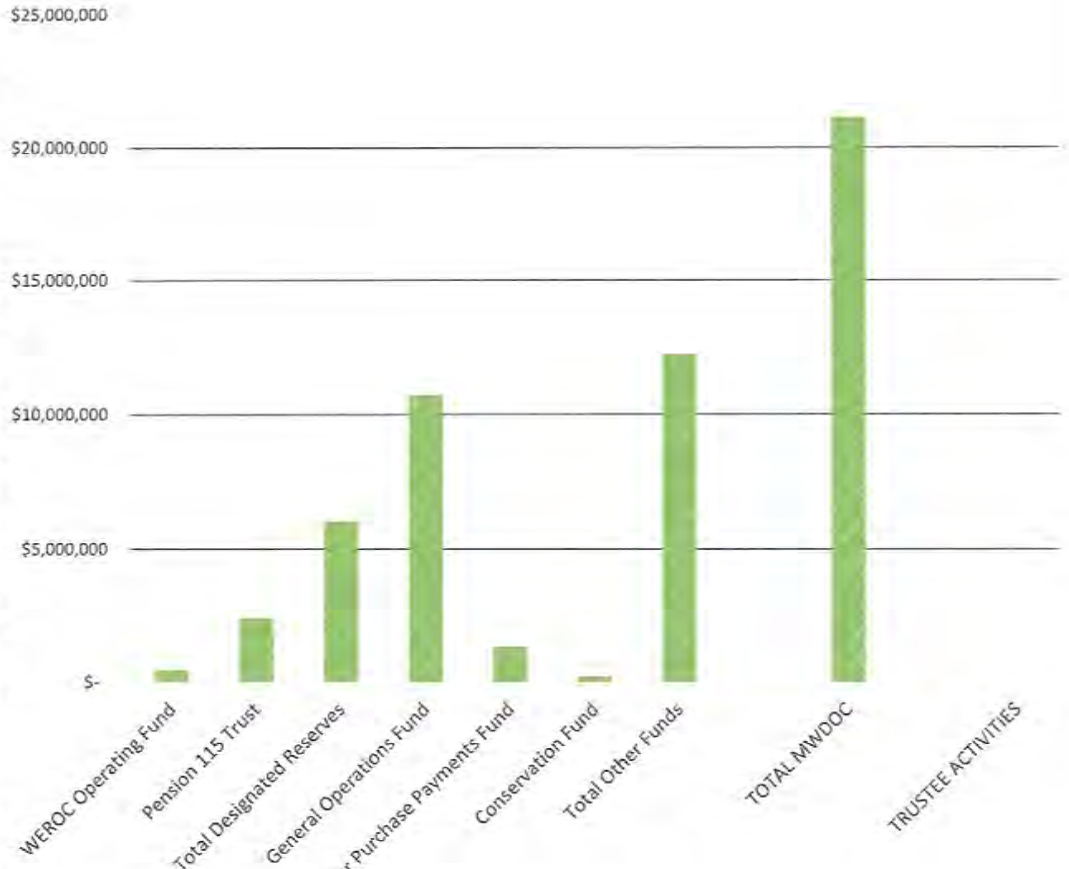
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Short-Term Portfolio Details - Cash and Investments
February 28, 2026

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	10,847,356.69	10,847,356.69	10,847,356.69	3.871	3.871	1	N/A
Sub Total			**10,847,356.69**	**10,847,356.69**	**10,847,356.69**	**3.871**	**3.871**	**1**	
California Asset Management Program									
CAMP LGIP	CAMP6269	4/1/2025	4,627,716.92	4,627,716.92	4,627,716.92	3.830	3.830	1	N/A
Sub Total			**4,627,716.92**	**4,627,716.92**	**4,627,716.92**	**3.830**	**3.830**	**1**	
Total Investments			**15,475,073.61**	**15,475,073.61**	**15,475,073.61**	**3.859**	**3.859**	**1**	
Cash									
Petty Cash Cash	CASH	7/1/2010	500.00	500.00	500.00	0.000	0.000	1	N/A
US Bank Cash	CASHUSBANK	7/25/2018	140,486.20	140,486.20	140,486.20	0.000	0.000	1	N/A
Pension 115 Trust	PENSION115TRUST	7/31/2018	2,404,382.02	2,404,382.02	2,404,382.02	0.000	0.000	1	N/A
Total Cash			**2,545,368.22**	**2,545,368.22**	**2,545,368.22**	**0.000**	**0.000**	**1**	
Total Cash and Investments			**18,020,441.83**	**18,020,441.83**	**18,020,441.83**	**3.859**	**3.859**	**1**	

Total Earnings	Month Ending February	Fiscal Year To Date
Current Year	59,192.30	683,178.93

Municipal Water District of Orange County
Cash and Investments at February 28, 2026

ALLOCATION	AMOUNT	%
MWDOC		
Restricted Reserves		
WEROC Operating Fund	$ 436,815	2.07%
Pension 115 Trust	2,404,382	11.39%
Total Restricted Reserves	$ 2,841,197	13.46%
Designated Reserves		
Operating Reserve	$ 4,241,768	20.08%
Election Reserve	1,569,152	7.43%
OPEB Reserve	219,815	1.04%
Total Designated Reserves	$ 6,030,735	28.55%
General Operations Fund	$ 10,704,581	50.68%
Water Purchase Payments Fund	1,312,605	6.22%
Conservation Fund	212,114	1.00%
Total Other Funds	$ 12,229,299	57.90%
TOTAL MWDOC	$ 21,101,232	99.91%
TRUSTEE ACTIVITIES		
AMP Sales Admin	$ 19,210	0.09%
TOTAL TRUSTEE ACTIVITIES	$ 19,210	0.09%
TOTAL CASH & INVESTMENTS	**$ 21,120,442**	**100.00%**



PARS PUBLIC AGENCY RETIREMENT SERVICES

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

Account Report for the Period
2/1/2026 to 2/28/2026

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

Account Summary

Source	Balance as of 2/1/2026	Contributions	Earnings	Expenses	Distributions	Transfers	Balance as of 2/28/2026
OPEB	$3,375,443.19	$0.00	$57,199.36	$2,511.62	$0.00	$0.00	$3,430,130.93
PENSION	$2,808,513.77	$0.00	$47,592.32	$2,089.78	$0.00	$0.00	$2,854,016.31
Totals	$6,183,956.96	$0.00	$104,791.68	$4,601.40	$0.00	$0.00	$6,284,147.24

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

				Annualized Return			
Source	1-Month	3-Months	1-Year	3-Years	5-Years	10-Years	Plan's Inception Date
OPEB	1.70%	3.42%	13.49%	12.32%	6.02%	7.99%	10/26/2011
PENSION	1.70%	3.42%	13.47%	12.33%	6.03%	-	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, 2025 THRU FEBRUARY 28, 2026

Municipal Water District of Orange County
Combined Balance Sheet
As of February 28, 2026

	Amount
ASSETS	
Cash in Bank	140,986.20
Investments	20,979,455.63
Accounts Receivable	15,927,170.43
Accounts Receivable - Other	966,021.99
Accrued Interest Receivable	127,205.42
Water Inventory	622,976.00
Prepaids/Deposits	365,663.34
Leasehold Improvements	7,119,285.04
Furniture, Fixtures & Equipment	1,053,854.50
Less: Accumulated Depreciation	(4,485,120.14)
TOTAL ASSETS	**42,817,498.41**
LIABILITIES AND FUND BALANCES	
LIABILITIES	
Accounts Payable	18,150,556.40
Accrued Salaries and Benefits Payable	943,071.33
Other Liabilities	1,971,999.35
Unearned Revenue	1,045,799.20
TOTAL LIABILITIES	**22,111,426.28**
FUND BALANCES	
Restricted Fund Balances	
WEROC Reserve	581,898.34
Pension 115 Trust	2,404,382.02
Total Restricted Fund Balances	2,986,280.36
Unrestricted Fund Balances	
Designated Reserves	
General Operations	4,241,768.00
Election Expense	1,569,152.00
OPEB	219,815.00
Total Designated Reserves	6,030,735.00
General Fund	7,044,312.19
General Fund Capital	246,408.19
Total Unrestricted Fund Balances	13,321,455.38
Excess Revenue over Expenditure	
Operating Fund	4,910,452.14
Other Funds	(512,115.75)
TOTAL FUND BALANCES	**20,706,072.13**
TOTAL LIABILITIES AND FUND BALANCES	**42,817,498.41**

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
General Fund
July 1, 2025 thru February 28, 2026

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
REVENUES						
Retail Connection Charge	0.00	9,939,370.50	9,939,371.00	100.00%	0.00	0.50
Ground Water Customer Charge	0.00	414,371.00	414,371.00	100.00%	0.00	0.00
Water Rate Revenues	**0.00**	**10,353,741.50**	**10,353,742.00**	**100.00%**	**0.00**	**0.50**
Interest Revenue	67,141.54	780,088.32	916,000.00	85.16%	0.00	135,911.68
Subtotal	**67,141.54**	**11,133,829.82**	**11,269,742.00**	**98.79%**	**0.00**	**135,912.18**
Choice Programs	1,400.00	1,257,959.00	1,534,798.00	81.96%	0.00	276,839.00
MWD Revenue - Shared Services	99,999.90	146,409.90	297,079.00	49.28%	0.00	150,669.10
Miscellaneous Income	13.00	2,114.38	5,000.00	42.29%	0.00	2,885.62
School Contracts	8,498.02	495,378.79	511,211.00	96.90%	0.00	15,832.21
Delinquent Payment Penalty	0.00	6,682.51	0.00	0.00%	0.00	(6,682.51)
Transfer-In from Reserve	0.00	0.00	123,869.00	0.00%	0.00	123,869.00
Subtotal	**109,910.92**	**1,908,544.58**	**2,471,957.00**	**77.21%**	**0.00**	**563,412.42**
TOTAL REVENUES	**177,052.46**	**13,042,374.40**	**13,741,699.00**	**94.91%**	**0.00**	**699,324.60**

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
General Fund
July 1, 2025 thru February 28, 2026

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
EXPENSES						
Salaries & Wages	432,684.93	3,754,968.00	5,841,489.00	64.28%	0.00	2,086,521.00
Salaries & Wages - Grant Recovery	0.00	(7,636.00)	(48,000.00)	(15.91)%	0.00	(40,364.00)
Director's Compensation	21,815.30	171,501.82	281,917.00	60.83%	0.00	110,415.18
MWD Representation	11,411.08	93,637.98	161,096.00	58.13%	0.00	67,458.02
Employee Benefits	139,870.34	1,158,937.49	1,774,275.00	65.32%	0.00	615,337.51
Employee Benefits - Grant Recovery	0.00	(1,155.14)	0.00	0.00%	0.00	1,155.14
CalPers Unfunded Liability Contribution	0.00	207,000.00	207,000.00	100.00%	0.00	0.00
Director's Benefits	10,689.00	82,352.35	158,371.00	52.00%	0.00	76,018.65
Health Insurance for Retirees	7,718.16	68,565.56	122,517.00	55.96%	0.00	53,951.44
Training Expense	3,198.00	34,983.93	84,445.00	41.43%	0.00	49,461.07
Tuition Reimbursement	0.00	4,757.00	6,500.00	73.18%	0.00	1,743.00
Temporary Help Expense	0.00	0.00	5,000.00	0.00%	0.00	5,000.00
Personnel Expenses	**627,386.81**	**5,567,912.99**	**8,594,610.00**	**64.78%**	**0.00**	**3,026,697.01**
Engineering Expense	25,959.71	239,188.61	570,000.00	41.96%	85,858.07	244,953.32
Legal Expense	17,112.78	159,962.24	260,000.00	61.52%	100,132.16	(94.40)
Audit Expense	0.00	27,810.00	37,445.00	74.27%	4,635.00	5,000.00
Professional Services	102,984.12	828,256.01	1,597,790.00	51.84%	888,028.18	(118,494.19)
Professional Fees	**146,056.61**	**1,255,216.86**	**2,465,235.00**	**50.92%**	**1,078,653.41**	**131,364.73**
Conference - Staff	2,263.00	22,387.00	42,497.00	52.68%	0.00	20,110.00
Conference - Directors	3,482.00	16,470.19	17,155.00	96.01%	0.00	684.81
Travel & Accom. - Staff	2,652.20	35,903.98	85,900.00	41.80%	0.00	49,996.02
Travel & Accom. - Directors	0.00	14,648.46	36,625.00	40.00%	0.00	21,976.54
Travel & Conference	**8,397.20**	**89,409.63**	**182,177.00**	**49.08%**	**0.00**	**92,767.37**
Membership/Sponsorship	1,438.00	210,247.07	221,386.00	94.97%	0.00	11,138.93
CDR Support	0.00	54,486.39	72,650.00	75.00%	18,162.15	1.46
Dues & Memberships	**1,438.00**	**264,733.46**	**294,036.00**	**90.03%**	**18,162.15**	**11,140.39**
Business Expense	442.54	3,131.62	5,500.00	56.94%	0.00	2,368.38
Office Maintenance	11,584.89	94,509.15	156,000.00	60.58%	54,984.26	6,506.59
Building Repair & Maintenance	455.12	54,287.27	57,200.00	94.91%	7,281.01	(4,368.28)
Storage Rental & Equipment Lease	74.15	593.20	1,125.00	52.73%	531.80	0.00
Office Supplies	2,050.58	14,593.19	28,000.00	52.12%	2,046.90	11,359.91
Supplies - Water Loss Control	309.77	1,552.02	4,000.00	38.80%	0.00	2,447.98
Postage/Mail Delivery	846.38	5,285.23	9,450.00	55.93%	540.83	3,623.94
Subscriptions & Books	243.00	7,456.35	10,000.00	74.56%	0.00	2,543.65
Reproduction Expense	72.06	79,211.20	108,500.00	73.01%	3,553.97	25,734.83
Maintenance - Computers	627.20	6,937.97	15,850.00	43.77%	0.00	8,912.03
Software Purchase	13,749.78	93,035.05	271,731.00	34.24%	73,632.00	105,063.95
Software Support	0.00	1,462.50	20,000.00	7.31%	0.00	18,537.50
Computers and Equipment	11,697.37	26,364.58	45,250.00	58.26%	0.00	18,885.42
Automotive Expense	1,383.15	7,894.23	11,600.00	68.05%	0.00	3,705.77
Vehicle Expense	678.26	6,104.09	10,000.00	61.04%	0.00	3,895.91
Toll Road Charges	17.48	796.19	950.00	83.81%	0.00	153.81
Insurance Expense	19,117.45	143,994.07	234,150.00	61.50%	0.00	90,155.93
Utilities - Telephone	4,529.52	32,718.97	49,586.00	65.98%	299.56	16,567.47
Bank Fees	0.00	167.79	2,400.00	6.99%	0.00	2,232.21
Miscellaneous Expense	13,995.83	75,157.21	181,200.00	41.48%	3,360.00	102,682.79
MWDOC's Contrb. to WEROC	29,429.04	235,432.36	353,149.00	66.67%	0.00	117,716.64
Depreciation Expense	6,321.74	50,574.54	0.00	0.00%	0.00	(50,574.54)
Other Expenses	**117,625.31**	**941,258.78**	**1,575,641.00**	**59.74%**	**146,230.33**	**488,151.89**
Election Expense	0.00	0.00	605,000.00	0.00%	0.00	605,000.00
Capital Aquisition	0.00	11,402.03	25,000.00	45.61%	0.00	13,597.97
Building Expense	0.00	1,988.51	0.00	0.00%	0.00	(1,988.51)
TOTAL EXPENSES	**900,903.93**	**8,131,922.26**	**13,741,699.00**	**59.18%**	**1,243,045.89**	**4,366,730.85**
NET INCOME (LOSS)	**(723,851.47)**	**4,910,452.14**	**0.00**	**0.00%**	**(1,243,045.89)**	**(3,667,406.25)**

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
Water Fund
July 1, 2025 thru February 28, 2026

	Month to Date	Year to Date	Annual Budget	% Used	Budget Remaining
WATER REVENUES					
Water Sales	6,224,546.30	95,943,371.60	175,492,249.00	54.67%	79,548,877.40
Readiness to Serve Charge	1,501,996.00	11,685,216.45	16,934,350.00	69.00%	5,249,133.55
Capacity Charge CCF	340,750.00	2,867,450.00	4,624,125.00	62.01%	1,756,675.00
SCP/SAC Pipeline Surcharge	23,103.47	229,839.39	443,000.00	51.88%	213,160.61
TOTAL WATER REVENUES	**8,090,395.77**	**110,725,877.44**	**197,493,724.00**	**56.07%**	**86,767,846.56**
WATER PURCHASES					
Water Sales	6,224,546.30	95,943,371.60	175,492,249.00	54.67%	79,548,877.40
Readiness to Serve Charge	1,501,996.00	11,685,216.45	16,934,350.00	69.00%	5,249,133.55
Capacity Charge CCF	340,750.00	2,867,450.00	4,624,125.00	62.01%	1,756,675.00
SCP/SAC Pipeline Surcharge	23,103.47	229,839.39	443,000.00	51.88%	213,160.61
TOTAL WATER PURCHASES	**8,090,395.77**	**110,725,877.44**	**197,493,724.00**	**56.07%**	**86,767,846.56**
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, 2025 thru February 28, 2026

	Year to Date Actual	Annual Budget	% Used
HECW Rebate Program(3411)			
Revenues	27,681.12	49,236.00	56.22%
Expenses	25,935.00	49,236.00	52.67%
Excess of Revenues over Expenditures	1,746.12	0.00	
CII Rebate Program(3416)			
Revenues	250.00	1,000.00	25.00%
Expenses	250.00	1,000.00	25.00%
Excess of Revenues over Expenditures	0.00	0.00	
Turf Removal Program(3418)			
Revenues	5,561,760.54	5,501,750.00	101.09%
Expenses	5,582,572.86	5,501,750.00	101.47%
Excess of Revenues over Expenditures	(20,812.32)	0.00	
Tree Incentive Program(3420)			
Revenues	26,700.00	50,000.00	53.40%
Expenses	27,300.00	50,000.00	54.60%
Excess of Revenues over Expenditures	(600.00)	0.00	
Spray To Drip Conversion(3423)			
Revenues	861,775.22	995,000.00	86.61%
Expenses	1,137,106.13	995,000.00	114.28%
Excess of Revenues over Expenditures	(275,330.91)	0.00	
Member Agency Administered Pass-Thru(3425)			
Revenues	0.00	75,000.00	0.00%
Expenses	0.00	75,000.00	0.00%
Excess of Revenues over Expenditures	0.00	0.00	
Comprehensive Landscape (CLWUE) (3427)			
Revenues	88,075.06	226,882.88	38.82%
Expenses	121,084.01	226,882.88	53.37%
Excess of Revenues over Expenditures	(33,008.95)	0.00	
Framework TAP(3429)			
Revenues	231,359.66	1,222,638.40	18.92%
Expenses	388,975.10	1,222,638.40	31.81%
Excess of Revenues over Expenditures	(157,615.44)	0.00	
Land Design Program(3431)			
Revenues	30,099.00	59,000.00	51.02%
Expenses	29,099.00	59,000.00	49.32%
Excess of Revenues over Expenditures	1,000.00	0.00	

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
Water Use Efficiency
July 1, 2025 thru February 28, 2026

	Year to Date Actual	Annual Budget	% Used
WSIP - Industrial Program(3432)			
Revenues	19,323.72	36,250.10	53.31%
Expenses	19,323.72	36,250.10	53.31%
Excess of Revenues over Expenditures	0.00	0.00	
Recycled Water Program(3433)			
Revenues	2,479.75	62,640.50	3.96%
Expenses	2,479.75	62,640.50	3.96%
Excess of Revenues over Expenditures	0.00	0.00	
Dedicated Irrigation Meters Measurement Project (DIMM)(3439)			
Revenues	18,330.00	70,000.00	26.19%
Expenses	33,835.71	70,000.00	48.34%
Excess of Revenues over Expenditures	(15,505.71)	0.00	
SAWPA-USBR LAM(3440)			
Revenues	0.00	100.00	0.00%
Expenses	0.00	100.00	0.00%
Excess of Revenues over Expenditures	0.00	0.00	
Total WUE Projects			
Revenues	6,867,834.07	8,349,497.88	82.25%
Expenses	7,367,961.28	8,349,497.88	88.24%
Excess of Revenues over Expenditures	(500,127.21)	0.00	
WEROC			
Revenues	588,580.89	710,997.00	82.78%
Expenses	560,050.31	710,997.00	78.77%
Excess of Revenues over Expenditures	28,530.58	0.00	

Item No. 3

ACTION ITEM
April 15, 2026

TO: **Board of Directors**

FROM: **Administration & Finance Committee**

Harvey De La Torre, General Manager

Staff Contact: Angela Crespi, District Secretary

SUBJECT: **SCHEDULE PUBLIC HEARING FOR CONSIDERATION OF ORDINANCE REGARDING DIRECTOR COMPENSATION**

STAFF RECOMMENDATION

Staff recommends the Administration & Finance Committee direct staff to schedule a public hearing for the April 15 Regular Board meeting to consider a draft ordinance that, if adopted by the Board of Directors, would adjust Director Compensation.

COMMITTEE RECOMMENDATION

(To be determined at Committee Meeting)

REPORT

Purpose

This item requests the Administration & Finance Committee authorize staff to schedule a public hearing at the Regular Board meeting on April 15 so that the Board of Directors (Board or Director) may consider adopting an ordinance amending its compensation. Following the direction of District Counsel, any deliberation regarding a potential compensation increase shall take place at the Regular Board Meeting.

Background

Compensation for the Municipal Water District of Orange County (MWDOC or District) Board is governed by Chapter 2, Division 10 of the Water Code of the State of California

Budgeted: ☒ Yes ☐ No ☐ N/A		Budgeted amount: $2,880 for FY 2026-27
Core: ☒	Choice: ☐	Movement between funds: ☐ Yes ☒ No
Action item amount: N/A		

(Water Code § 20202), which stipulates that an increase in Director Compensation may not exceed an amount equal to 5%, for each calendar year following the operative date of the last adjustment, of the compensation which is received when the ordinance is adopted. Director Compensation is further governed by Section 1400 of the MWDOC Administrative Code, which states that members of the Board shall be compensated in line with the most recently adopted ordinance on Director Compensation.

The last compensation increase for the Board was established by Ordinance No. 56 and provided for a 2.5% increase in the per diem rate from $327.43 to $335.62, effective July 1, 2025, for Fiscal Year (FY) 2025-26.

Discussion

Budget Planning

The District Budget schedule is designed to facilitate the budget and rate schedules of our Member Agencies. For budgeting purposes, the 2nd Draft Budget presented to the Administration & Finance Committee on March 11 included a Director Compensation adjustment based on the Urban Consumer Price Index (CPI) estimate of 3.2% for FY 2026-27, as well as the cost to post the required notice.

Public Notification

In addition to appropriating the necessary funds in the budget, the Board must follow a notification process to consider or discuss a possible adjustment to Director Compensation. As discussed at the March 11 Administration & Finance Committee meeting, staff initiated the public notification process so that the Board may hold the required public hearing to consider its options.

The District is statutorily required to place an advertisement announcing the public hearing in a local newspaper of general circulation for two weeks, with at least five days between publication dates. To meet this requirement, a notice of public hearing regarding a potential change in Director Compensation was published in the Orange County Register on April 1 and is scheduled to be republished on April 8.

Also in accordance with guidelines, a draft ordinance was electronically posted on the District website, physically posted on the posting board near the facility entrance, and emailed to the Member Agencies. Should the Board decide to adjust its compensation following the April 15 public hearing, a signed ordinance must also be published in the newspaper and placed on the District posting board for ten days.

Next Steps

For FY 2026-27, the Board may consider an increase of any amount up to the statutory maximum of 5%. In accordance with the Water Code, at least 60 days must elapse before an approved increase takes effect. If the Board authorizes an increase, the earliest effective date would be July 1, 2026, which aligns with the first year (FY 2026-27) of the biennial budget.

Staff recommends the Administration & Finance Committee select Option #1 to direct staff to schedule a public hearing for the April 15 Regular Board meeting to consider a draft ordinance that, if adopted by the Board, would adjust Director Compensation.

ALIGNMENT WITH BOARD STRATEGIC PRIORITIES

- ☒ *Clarifying MWDOC's mission and role; defining functions and actions.*
- ☐ *Balance support for Metropolitan's regional mission and OC values and interests.*
- ☐ *Strengthen communication 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.*

BOARD OPTIONS

Option #1: Direct staff to schedule a public hearing for the April 15 Regular Board meeting to consider a draft ordinance that, if adopted by the Board, would adjust Director Compensation.

Fiscal Impact: An estimated cost of $2,880 to post the required notice was included in FY 2026-27 budget. The fiscal impact of any adjustment to Director Compensation will depend on the amount, if any, that the Board chooses to increase Director Compensation.

Option #2: Take no action.

Fiscal Impact: Should the committee take no action, staff would notice a cancellation of the April 15 public hearing.

Attachments/Links:
N/A

Item No. 4

ACTION ITEM
April 15, 2026

TO: **Board of Directors**

FROM: **Administration & Finance Committee**

Harvey De La Torre, General Manager

Staff Contact: Melissa Baum-Haley, Assistant General Manager
Kevin Hostert, Senior Water Resources Analyst
Jared Dawson, Water Resources Analyst

SUBJECT: **SCHEDULE PUBLIC HEARING FOR CONSIDERATION OF ORDINANCE ESTABLISHING CLASSES OF WATER SERVICE & TERMS AND CONDITIONS OF WATER SERVICE WITHIN THE DISTRICT**

STAFF RECOMMENDATION

Staff recommends the Administration & Finance Committee direct staff to schedule a public hearing for the April 15 Regular Board meeting to consider a draft ordinance that, if adopted by the Board of Directors, would establish classes of water service and terms and conditions of water service within the District.

COMMITTEE RECOMMENDATION

(To be determined at Committee Meeting)

REPORT

Purpose

This item requests the Administration & Finance Committee authorize staff to schedule a public hearing at the Regular Board meeting on April 15 so that the Board of Directors (Board) may consider adopting an ordinance that would establish classes of water service and terms and conditions of water service within the district.

Budgeted: ☒ Yes ☐ No ☐ N/A		Budgeted amount: $2,000
Core: ☒	Choice: ☐	Movement between funds: ☐ Yes ☒ No
Action item amount: N/A		

Background

The procedure for establishing new water rates is outlined in Municipal Water District of Orange County (MWDOC or District) Administrative Code Chapter 1, Section 1117, which stipulates that the classes and conditions of water service shall be established by Board ordinance, and water rates for the various classes of water service and other fees and charges shall be established by Board resolution.

The current classes and conditions of water service were established in May 2020 through the Board adoption of Ordinance No. 55.

Discussion

Recently, the Metropolitan Water District of Southern California (Metropolitan) Board approved a treated water cost recovery rate structure that incorporates fixed charges for a peaking capacity charge, a standby capacity charge, and a remaining standby capacity charge.

Following Metropolitan approval of the new rate structure, MWDOC staff collaborated with District Counsel to draft modifications to the District's ordinance. The proposed ordinance modifications reflect Metropolitan's recently approved treated water fixed costs and incorporate other revisions deemed necessary by staff to keep the ordinance as current as possible.

Public Notification

A notice of public hearing regarding a potential change in classes and conditions of water service was published in the Orange County Register on April 1 and is scheduled to be republished on April 8. In accordance with MWDOC Administrative Code guidelines, a notice of the meeting and a copy of the draft ordinance were emailed to the Member Agencies.

Should the Board decide to adopt the proposed ordinance following the April 15 public hearing, staff will provide written notice of its adoption to the Member Agencies, along with a copy of the adopted ordinance. At the same time, a certified copy of the full text of the ordinance, along with the names of the Board members voting for and against the ordinance, will be placed on the District posting board for not less than ten days.

Next Steps

Staff recommends the Administration & Finance Committee select Option #1 to direct staff to schedule a public hearing for the April 15 Regular Board meeting to consider a draft ordinance that, if adopted by the Board of Directors, would establish classes of water service and terms and conditions of water service within the District.

ALIGNMENT WITH BOARD STRATEGIC PRIORITIES

☒ *Clarifying MWDOC's mission and role; defining functions and actions.*
☒ *Balance support for Metropolitan's regional mission and OC values and interests.*
☐ *Strengthen communication 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.*

BOARD OPTIONS

Option #1: Direct staff to schedule a public hearing for the April 15 Regular Board meeting to consider a draft ordinance that, if adopted by the Board of Directors, would establish classes of water service and terms and conditions of water service within the District.

Fiscal Impact: There is no direct fiscal impact associated with the scheduling of a public hearing to consider the proposed draft ordinance.

Option #2: Take no action.

Fiscal Impact: Should the committee take no action, staff would notice a cancellation of the April 15 public hearing.

Attachments/Links:
N/A

Item No. 5

ACTION ITEM
April 15, 2026

TO: **Board of Directors**

FROM: **Administration & Finance Committee**

Harvey De La Torre, General Manager

Staff Contact: Melissa Baum-Haley, Assistant General Manager
Hilary Chumpitazi, Director of Finance/IT

SUBJECT: **ADOPT A RESOLUTION APPROVING THE FINAL DRAFT BUDGET FOR FISCAL YEARS 2026-27 & 2027-28**

STAFF RECOMMENDATION

Staff recommends the Board of Directors review and discuss the Final Draft Budget and adopt a resolution approving and establishing the Biennial Budget for Fiscal Years 2026-27 and 2027-28.

COMMITTEE RECOMMENDATION

(To be determined at Committee Meeting)

REPORT

Purpose

This item presents the Municipal Water District of Orange County (MWDOC or District) Final Draft Biennial Budget for the Board of Directors (Board or Director) to review and discuss before adopting a resolution approving and establishing the Biennial Budget for Fiscal Years (FY) 2026-27 and 2027-28. The Final Draft incorporates feedback received during the March 11 Administration & Finance (A&F) Committee meeting and continued Member Agency Choice-funded program participation feedback. Staff is seeking Committee support for the Final Draft Budget, which will be presented to the Board for adoption at its April 15 Regular Board Meeting.

Budgeted: ☐ Yes ☐ No ☒ N/A		Budgeted amount:
Core: ☐	Choice: ☐	Movement between funds: ☐ Yes ☐ No
Action item amount:		

Discussion

The MWDOC Budget schedule was set up to facilitate the budget and rate schedules of our Member Agencies. On February 11, staff presented the 1st Draft Budget to the A&F Committee. The 2nd Draft Budget was presented at the A&F Committee meeting on March 11. The Final Draft Biennial Budget for FYs 2026-27 and 2027-28, incorporating comments from the March A&F Committee discussion and any additional feedback from Member Agencies, will be presented for final adoption at the Board meeting on April 15.

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 the District's key priorities and initiatives by cost center for FYs 2026-27 and 2027-28.

Budget Highlights

Pertinent aspects of MWDOC's Final Draft Budget for FYs 2026-27 and 2027-28 include:

Proposed Rates and Charges

- Charges are calculated under the rate structure methodology adopted by the MWDOC Board:
    - A proposed retail meter service rate of $15.70 per retail meter for FY 2026-27, an increase of $0.45 **(2.95%)**, and $16.25 per retail meter for FY 2027-28, an increase of $0.55 **(3.50%)**. This is consistent with last year's Budget-projected rate increase, adhering to the notion of modest and gradual rate increases; and
    - A proposed Groundwater Customer Charge of $427,658 for FY 2026-27, an increase of $13,287 (3.21%), and $441,989 for FY 2027-28, an increase of $14,331 **(3.35%)**.

Revenue Highlights

- **Total Revenue:** FY 2026-27 total revenue of $205,057,207 includes Core, Choice, water sales, outside funding, and Water Emergency Response Organization of Orange County (WEROC). This is an overall decrease of -$15,265,172 (-6.93%), mainly due to the water sales projections for FY 2026-27. FY 2027-28 total revenue is $225,755,666.
    - **Consolidated (Core and Choice) Revenue:** The FY 2026-27 Consolidated (Core and Choice) Budget is $15,076,394 (revenue). This is an increase of $1,308,235 (9.5%) over the FY 2025-26 Budget, mainly due to an increase in Choice Program activity, which will be refined at the mid-cycle review. The FY 2027-28 Consolidated (Core and Choice) Budget is $15,349,397. Note: The Consolidated Budget does not include Outside Funding for Water Use Efficiency (WUE) programs.

- **Core Revenue:** FY 2026-27 total revenue for the Core Budget is $12,026,760, an increase of $629,501 (5.5%) over FY 2025-26 Budget. The anticipated interest revenue is budgeted at $962,952, a $46,952 increase (5.1%) to reflect current market earnings. FY 2027-28 total revenue for the Core Budget is $12,166,784.
- **Choice Revenue:** FY 2026-27 Choice revenue and expenses are balanced at $3,049,634, an increase of $678,734 (28.6%) over the FY 2025-26 Budget. FY 2027-28 Choice revenue and expenses are balanced at $3,182,613. Both years will be refined at the mid-cycle review based on final Member Agency participation.

- **Outside Funding:** FY 2026-27 outside funding used by WUE from rebates and grants is budgeted at $6,942,515, a decrease of -$1,406,983 (-16.9%) in funding over the FY 2025-26 Budget. This is mainly due to a decrease in anticipated activity in the Metropolitan regional rebate program. FY 2027-28 outside funding is budgeted at $6,235,562, a decrease of -$706,953 (-10.2%) from FY 2026-27.

Expense Highlights

- **Total Core Expenses:** The total expenses for the Core Budget for FY 2026-27 are $11,966,553, an increase of $567,942 (5.0%) over FY 2025-26 Budget. Total expenses for the Core Budget for FY 2027-28 are $12,231,290, an increase of $264,737 (2.2%). The most significant drivers of increased Core expenses are Consulting Services, Building Expenses, and Employee Salaries/Benefits.
  - **Consulting Services:** The increase in Consulting Services expenses is due to several Engineering efforts, including pass-through-funded Shared Services, as well as the Comprehensive Salary and Benefits Study.
  - **Building Expenses:** Building maintenance and facility improvements, including the completion of the Joint Boardroom audio-video system, installation of shading material, and a noise-cancelling system to reduce office noise.
  - **Succession Planning (FY 2027-28):** FY 2027-28 includes an increase to Employee Salaries/Benefits for succession planning to prepare for the retirement of critical employees.
- **Budget Reorganization:** This Biennial Budget includes expense reassignments to more appropriately capture the breadth of MWDOC's activities and Shared Services efforts for more efficient management and tracking (for example, the transfer of Center for Demographic Research (CDR) support from Administration to Engineering cost centers and the centralization of all District-wide software subscriptions in the Information Technology (IT) cost center).

Impacts on Reserves

- The proposed Final Draft Budget estimates a net put of $60,207 into reserves for FY 2026-27 and estimates a net draw of -$64,506 from reserves for FY 2027-28.

Other Highlights

- **Total Water Budget:** The proposed Total Water Budget for FY 2026-27 includes Water Purchases of 119,158 acre-feet (AF) and anticipated Local Resource Program incentives of $2,872,750, a decrease of -$967,826 (-25.2%) from the FY 2025-26 Budget. The proposed Total Water Budget for FY 2027-28 includes Water Purchases of 124,158 AF and anticipated Local Resource Program incentives of $2,987,660. Year 2 projections are preliminary and will be refined at the mid-cycle review based on Metropolitan's adopted rates and charges.
- **Compensation Pool:** For FY 2026-27, the 2025 annual Consumer Price Index (CPI) of 3.20% for the region yields a compensation pool of 5.92%, which was used to calculate the increase in employee salary expense. For FY 2027-28, the University of California, Los Angeles (UCLA) Anderson School economic forecast projects a regional CPI of 3.35%, yielding a preliminary compensation pool of 6.20%, which will be refined at the mid-cycle review based on actual 2026 CPI data. No COLA (Cost of Living Adjustment) is being proposed.
- **Staffing Levels:** For FY 2026-27, the overall staffing level decreases by 0.4 Full-Time Equivalent (FTE) due to organizational restructuring, including the transition of a Choice-funded finance position to Core funding and the repurposing of other positions. This resulted in a 1.3 FTE decrease in Choice-funded staffing and a 0.9 FTE increase in Core-funded staffing. FY 2027-28 includes an overall increase of 1.3 FTEs due to succession planning to prepare for the retirement of critical employees.

Key Priorities and Initiatives

MWDOC's functions and services span several key areas in support of its Member Agencies and Orange County's long-term water reliability. At the core of MWDOC's work is Metropolitan representation and water policy, through which MWDOC monitors, analyzes, and engages on Metropolitan policy, rates, and regional water supply issues to ensure Orange County's interests are represented in decisions that affect the cost and reliability of imported water. MWDOC also provides long-term water supply and demand analysis and infrastructure coordination with Metropolitan, as well as administers the Water Emergency Response Organization of Orange County (WEROC), which delivers emergency management services to 36 water and wastewater agencies across the county. The District conducts federal, state, and local legislative advocacy on issues critical to Orange County's water future.

MWDOC's Choice-based Shared Services programs have grown significantly in recent years, reflecting strong and expanding Member Agency participation. By pooling resources across the service area, these programs provide Member Agencies with access to high-quality, professionally managed services, from conservation compliance support to leak detection and water education, at a fraction of the cost of implementing them individually. In support of water use efficiency, MWDOC administers a broad menu of landscape and indoor water efficiency programs, rebates, and grants on behalf of

Member Agencies, leveraging Metropolitan and federal funding to minimize local costs while supporting state regulatory compliance. MWDOC's Water Loss Control program complements these efforts by providing technical assistance, leak detection, meter accuracy testing, and pressure surveys that help Member Agencies reduce system losses, comply with state regulations, and avoid costly infrastructure damage. The District also supports Member Agencies through K-12 water education and workforce development programs throughout Orange County.

Items Incorporated in the Final Draft Budget

The following new initiatives were incorporated into the Budget following Board discussion and direction:

Comprehensive Salary and Benefits Study

- As MWDOC maintains its commitment to succession planning and prepares for upcoming retirements and recruitments, a comprehensive understanding of both salary and benefits competitiveness is essential to attract and retain top talent. While the District's policy is to perform a Salary Benchmark Survey every three years (last completed in Spring 2024, with the next scheduled for Fall 2026-Spring 2027), these surveys do not closely evaluate the benefits component or compare MWDOC's benefits to those of similar agencies. Staff proposes initiating a Comprehensive Salary and Benefits Study early in FY 2026-27. The concurrent review of the District's benefits and salaries will provide an opportunity to reduce duplicative analysis and yield a comprehensive set of recommended changes that support one another.
    - Estimated cost: $60,000 in FY 2026-27.

Expansion of Education Program Initiatives

- This increase supports the expansion of education and workforce development programming, including new Career Technical Education partnerships, teacher training and professional learning opportunities, engagement with post-secondary institutions, student-focused events, and regional workforce collaboration initiatives.
    - Estimated Cost: A $10,000 increase to the Education Initiatives allocation within Cost Center 32 would raise the total from $35,000 to $45,000 for FY 2026–27 and FY 2027–28.

Orange County Taxpayers Association Membership

- The Orange County Taxpayers Association (OC TAX) is a nonpartisan organization that promotes efficient, economical, and accountable government in Orange County. OC TAX hosts events, publishes research, and facilitates dialogue among business leaders, elected officials, and community stakeholders on fiscal policy issues. Membership would provide MWDOC with enhanced visibility among Orange County's business and civic leadership, opportunities to educate key stakeholders about water supply reliability and infrastructure needs, and a platform

to advocate for sound policies that support long-term water system sustainability. Members receive analyses of tax and spending proposals, meet regularly with government leaders, and have a clear voice in public policy issues. In addition, OC TAX hosts regular events with the Orange County federal, state, and local delegations, providing additional opportunities for engagement and advocacy. Membership aligns with MWDOC's strategic priorities and communication objectives.

- Estimated Cost: $2,500 per year, initiating in FY 2026-27.

Sustain Southern California Membership

- Sustain Southern California (Sustain SoCal) accelerates cleantech economic growth and sustainability initiatives through innovation, collaboration, and education, fostering cooperation among the public, private, and academic sectors. Membership would position MWDOC at the intersection of water, energy, and cleantech across the region, with benefits including cross-sector networking, exposure to emerging water-management technologies, enhanced visibility, and engagement on legislation and policy. Mentorship and strategic partnership opportunities align with MWDOC's commitment to innovation and regional leadership.
  - Estimated Cost: $2,000 per year, initiating in FY 2026-27.

Director Compensation Adjustment

- Pursuant to Chapter 2, Division 10 of the Water Code of the State of California (Water Code § 20202), Director compensation may be increased by a maximum of 5.0% for each consecutive calendar year since the last approved compensation adjustment. If the Board chooses to align Director compensation with the Urban Consumer Price Index (CPI), the adjustment would be determined by the lesser of the CPI or the 5.0% maximum allowed by the Water Code. For FY 2026-27, the Board could approve an increase of up to 5.0% based on the Water Code allowance. For FY 2027-28, Director compensation would be preliminarily projected based on Board direction during the mid-cycle review in February 2027, taking into account the 2026 CPI data and any adjustments approved for Year 1.
  - For budgeting purposes, Director compensation adjustments have been included at CPI estimates, not to exceed statutory requirements.
  - Estimated Cost: $17,062 in FY 2026-27 based on Urban CPI at 3.20% plus $2,880 cost to post required notice; and $18,679 in FY 2027-28 based on UCLA Anderson School economic forecast model CPI estimated at 3.35% plus $2,995 cost to post required notice.

Items NOT Included in the Final Draft Budget

The following items are not incorporated into the Final Draft Budget and will be presented for Board discussion and direction at the mid-cycle review period:

MWDOC Reliability Study Update

- MWDOC's last comprehensive Water Reliability Study was completed in 2023. An updated study would assess current and projected water supply reliability in Orange County, evaluate the adequacy of existing and planned water supply portfolios, analyze potential supply disruption scenarios, and provide recommendations to enhance regional water supply resilience. The study would incorporate recent developments, including Metropolitan's Climate Adaptation Master Plan for Water (CAMP4W), Pure Water Southern California, Colorado River post-2026 guidelines, State Water Project conditions, and local resource development. An updated Water Reliability Study would provide critical analytical support for MWDOC's advocacy on Metropolitan issues, inform Member Agency planning processes, and guide the District's strategic priorities. Estimated cost: $450,000 spread over two years, initiating in FY 2027-28.
    - Staff Recommendation: Based on feedback received, staff will return to the Board for discussion at the mid-cycle point to review timing for initiation of study.
    - Estimated Cost: $225,000 in the first year of the study period covered via reserve funds, and up to $225,000 in the second year of the study period based on assessment of study costs.

Next Steps

Staff recommends the Board of Directors review and discuss the Final Draft Budget and adopt a resolution approving and establishing the Biennial Budget for FYs 2026-27 and 2027-28.

ALIGNMENT WITH BOARD STRATEGIC PRIORITIES

☒ *Clarifying MWDOC's mission and role; defining functions and actions.*
☐ *Balance support for Metropolitan's regional mission and OC values and interests.*
☐ *Strengthen communication 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.*

Attachments/Links:
Attachment 1: Final Draft Budget Narrative
Attachment 2: Final Draft Budget Tables
Attachment 3: Final Draft Budget Presentation
Attachment 4: Resolution Approving and Establishing the Biennial Budget for FYs 2026-27 and 2027-28

Municipal Water District of Orange County

April 2026

Final Draft Budget for Fiscal Years 2026-27 & 2027-28



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BUDGET OVERVIEW

The Municipal Water District of Orange County (MWDOC or District) serves as The Metropolitan Water District of Southern California (Metropolitan) Member Agency representative for the majority of Orange County, advocating on behalf of its 27 Member Agencies, which include 13 cities, 13 water districts, and one groundwater wholesale agency, to ensure reliable, cost-effective water supplies for Orange County residents and ratepayers.

The MWDOC Budget schedule was set up to facilitate the budget and rate schedules of our Member Agencies. On February 11, staff presented the 1st Draft Budget to the Administration & Finance (A&F) Committee. The 2nd Draft Budget, incorporating comments from the February A&F Committee discussion and any from our Member Agencies, was presented at the A&F Committee meeting on March 11. The 3rd (FINAL) Draft Budget presentation is scheduled for the A&F Committee meeting on April 8, with anticipated adoption of the FINAL Biennial Budget for Fiscal Years (FY) 2026-27 and 2027-28 at the Board of Directors (Board or Director) meeting on April 15.

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 the District's key priorities and initiatives by cost center for FY 2026-27 and FY 2027-28.

BUDGET HIGHLIGHTS

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- Charges are calculated under the rate structure methodology adopted by the MWDOC Board:
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- **Total Revenue:** FY 2026-27 total revenue of $205,057,207 includes Core, Choice, water sales, outside funding, and Water Emergency Response Organization of Orange County (WEROC). This is an overall decrease of -$15,265,172 (-6.93%), mainly due to the water sales projections for FY 2026-27. FY 2027-28 total revenue is $225,755,666 .
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EXPENSE HIGHLIGHTS

- **Total Core Expenses:** The total expenses for the Core Budget for FY 2026-27 are $11,966,553, an increase of $567,942 (5.0%) over FY 2025-26 Budget. Total expenses for the Core Budget for FY 2027-28 are $12,231,290, an increase of $264,737 (2.2%). The most significant drivers of increased Core expenses are Consulting Services, Building Expenses, and Employee Salaries/Benefits.
  - **Consulting Services:** The increase in Consulting Services expenses is due to several Engineering efforts, including pass-through-funded Shared Services, as well as the Comprehensive Salary and Benefits Study.
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  - **Succession Planning (FY 2027-28):** FY 2027-28 includes an increase to Employee Salaries/Benefits for succession planning to prepare for the retirement of critical employees.
- **Budget Reorganization:** This Biennial Budget includes expense reassignments to more appropriately capture the breadth of MWDOC's activities and Shared Services efforts for more efficient management and tracking (for example, the transfer of Center for Demographic Research (CDR) support from Administration to Engineering cost centers and the centralization of all District-wide software subscriptions in the Information Technology (IT) cost center).

IMPACTS ON RESERVES

- The proposed Final Draft Budget estimates a net put of $60,207 into reserves for FY 2026-27 and estimates a net draw of -$64,506 from reserves for FY 2027-28.

OTHER HIGHLIGHTS

- **Total Water Budget:** The proposed Total Water Budget for FY 2026-27 includes Water Purchases of 119,158 acre-feet (AF) and anticipated Local Resource Program incentives of $2,872,750, a decrease of -$967,826 (-25.2%) from the FY 2025-26 Budget. The proposed Total Water Budget for FY 2027-28 includes Water Purchases of 124,158 AF and anticipated Local Resource Program incentives of $2,987,660. Year 2 projections are preliminary and will be refined at the mid-cycle review based on Metropolitan's adopted rates and charges.

- **Compensation Pool:** For FY 2026-27, the 2025 annual Consumer Price Index (CPI) of 3.20% for the region yields a compensation pool of 5.92%, which was used to calculate the increase in employee salary expense. For FY 2027-28, the University of California, Los Angeles (UCLA) Anderson School economic forecast projects a regional CPI of 3.35%, yielding a preliminary compensation pool of 6.20%, which will be refined at the mid-cycle review based on actual 2026 CPI data. No COLA (Cost of Living Adjustment) is being proposed.
- **Staffing Levels:** For FY 2026-27, the overall staffing level decreases by 0.4 Full-Time Equivalent (FTE) due to organizational restructuring, including the transition of a Choice-funded finance position to Core funding and the repurposing of other positions. This resulted in a 1.3 FTE decrease in Choice-funded staffing and a 0.9 FTE increase in Core-funded staffing. FY 2027-28 includes an overall increase of 1.3 FTEs due to succession planning to prepare for the retirement of critical employees.

KEY PRIORITIES AND INITIATIVES

MWDOC's functions and services span several key areas in support of its Member Agencies and Orange County's long-term water reliability. At the core of MWDOC's work is Metropolitan representation and water policy, through which MWDOC monitors, analyzes, and engages on Metropolitan policy, rates, and regional water supply issues to ensure Orange County's interests are represented in decisions that affect the cost and reliability of imported water. MWDOC also provides long-term water supply and demand analysis and infrastructure coordination with Metropolitan, as well as administers the Water Emergency Response Organization of Orange County (WEROC), which delivers emergency management services to 36 water and wastewater agencies across the county. The District conducts federal, state, and local legislative advocacy on issues critical to Orange County's water future.

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NEW ITEMS INCLUDED FOR FY 2026-27 & FY 2027-28

The following new initiatives were incorporated into the Budget following Board discussion and direction:

COMPREHENSIVE SALARY AND BENEFITS STUDY

- As MWDOC maintains its commitment to succession planning and prepares for upcoming retirements and recruitments, a comprehensive understanding of both salary and benefits competitiveness is essential to attract and retain top talent. While the District's policy is to perform a Salary Benchmark

Survey every three years (last completed in Spring 2024, with the next scheduled for Fall 2026-Spring 2027), these surveys do not closely evaluate the benefits component or compare MWDOC's benefits to those of similar agencies. Staff proposes initiating a Comprehensive Salary and Benefits Study early in FY 2026-27. The concurrent review of the District's benefits and salaries will provide an opportunity to reduce duplicative analysis and yield a comprehensive set of recommended changes that support one another.

- Estimated cost: $60,000 in FY 2026-27.

EXPANSION OF EDUCATION PROGRAM INITIATIVES

- This increase supports the expansion of education and workforce development programming, including new Career Technical Education partnerships, teacher training and professional learning opportunities, engagement with post-secondary institutions, student-focused events, and regional workforce collaboration initiatives.
    - Estimated Cost: A $10,000 increase to the Education Initiatives allocation within Cost Center 32 would raise the total from $35,000 to $45,000 for FY 2026–27 and FY 2027–28.

ORANGE COUNTY TAXPAYERS ASSOCIATION MEMBERSHIP

- The Orange County Taxpayers Association (OC TAX) is a nonpartisan organization that promotes efficient, economical, and accountable government in Orange County. OC TAX hosts events, publishes research, and facilitates dialogue among business leaders, elected officials, and community stakeholders on fiscal policy issues. Membership would provide MWDOC with enhanced visibility among Orange County's business and civic leadership, opportunities to educate key stakeholders about water supply reliability and infrastructure needs, and a platform to advocate for sound policies that support long-term water system sustainability. Members receive analyses of tax and spending proposals, meet regularly with government leaders, and have a clear voice in public policy issues. In addition, OC TAX hosts regular events with the Orange County federal, state, and local delegations, providing additional opportunities for engagement and advocacy. Membership aligns with MWDOC's strategic priorities and communication objectives.
    - Estimated Cost: $2,500 per year, initiating in FY 2026-27.

SUSTAIN SOUTHERN CALIFORNIA MEMBERSHIP

- Sustain Southern California (Sustain SoCal) accelerates cleantech economic growth and sustainability initiatives through innovation, collaboration, and education, fostering cooperation among the public, private, and academic sectors. Membership would position MWDOC at the intersection of water, energy, and cleantech across the region, with benefits including cross-sector networking, exposure to emerging water-management technologies, enhanced visibility, and engagement on legislation and policy. Mentorship and strategic partnership opportunities align with MWDOC's commitment to innovation and regional leadership.
    - Estimated Cost: $2,000 per year, initiating in FY 2026-27.

DIRECTOR COMPENSATION ADJUSTMENT

- Pursuant to Chapter 2 of Division 10 of the Water Code of the State of California (Water Code § 20202), Director compensation may be increased by a maximum of 5.0% for each consecutive calendar year since the last approved compensation adjustment. If the Board chooses to align Director compensation with the Urban Consumer Price Index (CPI), the adjustment would be determined by the lesser of the CPI or the 5.0% maximum allowed by the Water Code. For FY 2026-27, the Board could approve an increase of up to 5.0% based on the Water Code allowance. For FY 2027-28, Director compensation would be preliminarily projected based on Board direction during the mid-cycle review in February 2027, taking into account the 2026 CPI data and any adjustments approved for Year 1.
    - For budgeting purposes, Director compensation adjustments have been included at CPI estimates, not to exceed statutory requirements.
    - Estimated Cost: $17,062 in FY 2026-27 based on Urban CPI at 3.20% plus $2,880 cost to post required notice; and $18,679 in FY 2027-28 based on UCLA Anderson School economic forecast model CPI estimated at 3.35% plus $2,995 cost to post required notice.

ITEMS NOT INCLUDED IN THE FINAL DRAFT BUDGET

The following items are not incorporated into the Final Draft Budget and will be presented for Board discussion and direction at the mid-cycle review period:

MWDOC RELIABILITY STUDY UPDATE

- MWDOC's last comprehensive Water Reliability Study was completed in 2023. An updated study would assess current and projected water supply reliability in Orange County, evaluate the adequacy of existing and planned water supply portfolios, analyze potential supply disruption scenarios, and provide recommendations to enhance regional water supply resilience. The study would incorporate recent developments, including Metropolitan's Climate Adaptation Master Plan for Water (CAMP4W), Pure Water Southern California, Colorado River post-2026 guidelines, State Water Project conditions, and local resource development. An updated Water Reliability Study would provide critical analytical support for MWDOC's advocacy on Metropolitan issues, inform Member Agency planning processes, and guide the District's strategic priorities.
    - Based on feedback received, staff will return to the Board for discussion at the mid-cycle point to review timing for initiation of study.
    - Estimated Cost: $225,000 in the first year of the study period covered via reserve funds, and up to $225,000 in the second year of the study period based on assessment of study costs.

GENERAL MANAGER'S TRANSMITTAL LETTER

MWDOC BIENNIAL BUDGET FOR FISCAL YEARS 2026-27 & 2027-28

I am pleased to present the Municipal Water District of Orange County's (MWDOC or District) Biennial Budget for Fiscal Years (FY) 2026-27 and 2027-28. This represents a significant milestone in our District's financial planning and management, aligning our budget process with The Metropolitan Water District of Southern California's (Metropolitan) biennial cycle while enhancing our ability to provide predictable, high-quality services to our Member Agencies.

Why Two-Year Budgeting Now? The transition to biennial budgeting offers several strategic advantages that will strengthen our operations and better serve Orange County. By synchronizing with Metropolitan's budget cycle, we can ensure that our rates and charges accurately reflect the wholesale water costs passed through to our Member Agencies, eliminating the uncertainty that can arise when our budget cycles are out of alignment. This coordination is particularly important given that Metropolitan's rates and charges represent the largest component of our overall budget.

A two-year planning horizon also enables more comprehensive strategic planning, particularly for multi-year initiatives that have become increasingly central to our work. Whether we are supporting the development of 2025 Urban Water Management Plans (UWMP), implementing our integrated Geographic Information Systems (GIS), or helping Member Agencies navigate compliance with the Making Conservation a California Way of Life Framework, these efforts require sustained commitment and resources over multiple years. The two-year budget framework allows us to plan and commit resources more effectively for these long-term priorities.

Perhaps most importantly, this approach provides our Member Agencies with greater rate predictability as they develop their own budgets and manage their Proposition 218 processes. By offering a two-year rate outlook, we give our partners the clarity they need for their planning while maintaining the modest and predictable rate trajectory that has characterized MWDOC's approach in recent years. At the same time, reducing the intensity of the annual budget cycle process allows our staff to dedicate more time to program implementation and direct support for our Member Agencies.

Investing in Our Team. One of the most valuable benefits of the two-year budget framework is the enhanced capacity it provides for staff development and organizational strengthening. This budget reflects our commitment to investing in our workforce through comprehensive onboarding programs for new team members, expanded professional development opportunities, thoughtful succession planning, and strategic organizational planning that ensures we have the right capabilities to meet both current and future challenges. By providing greater stability and predictability in our budget cycle, we create more opportunities for our team to grow, develop expertise, and build the institutional knowledge that will serve Orange County's water future for decades to come.

Maintaining Flexibility. While we are adopting a two-year budget framework, we recognize that water management operates in a dynamic environment where conditions can change quickly. That is why we have built flexibility into this Budget through a comprehensive, mid-cycle review scheduled for October 2026. This review will provide an opportunity to assess Year 1 (FY 2026-27) performance, refine Year 2 (FY 2027-28) projections, and

respond to changing conditions such as Metropolitan rate adjustments, regulatory developments, or emerging Member Agency needs. This balanced approach captures the strategic benefits of biennial budgeting while maintaining our ability to adapt and respond to the needs of our service area.

Commitment to Values. As we embrace this new two-year budget framework, our fundamental commitments remain unchanged. This Budget continues our dedication to modest and predictable rate increases that support cost recovery in a financially prudent manner. Every dollar we have budgeted aligns with our Board of Directors (Board) Strategic Priorities and supports our mission of providing reliable, high-quality water supplies at equitable and economical costs. We remain committed to comprehensive collaboration with our Member Agencies and to transparent, participatory budget processes that welcome input and reflect the diverse needs of Orange County's water community.

Looking Ahead. The next two years present both significant opportunities and important challenges for our region. As MWDOC commemorates its 75th anniversary, we reflect on three-quarters of a century of service to Orange County while looking forward to the work ahead. We will be expanding our GIS capabilities to provide better data and analysis for decision-making across our organization and for our Member Agencies. We will be supporting agencies as they work to achieve compliance with the Making Conservation a California Way of Life Framework, one of the most significant changes in California water regulation in recent years. And we will continue to engage deeply in Metropolitan's financial and reliability discussions, ensuring that Orange County's voice is heard as key decisions are discussed regarding regional projects, such as Pure Water Southern California, and statewide projects, such as Sites Reservoir.

This budget positions MWDOC to meet these challenges while maintaining our core mission of providing reliable, cost-effective water services. With the support and guidance of this Board, and in partnership with our Member Agencies, I am confident that the next two years will strengthen our District and enhance our service to Orange County.

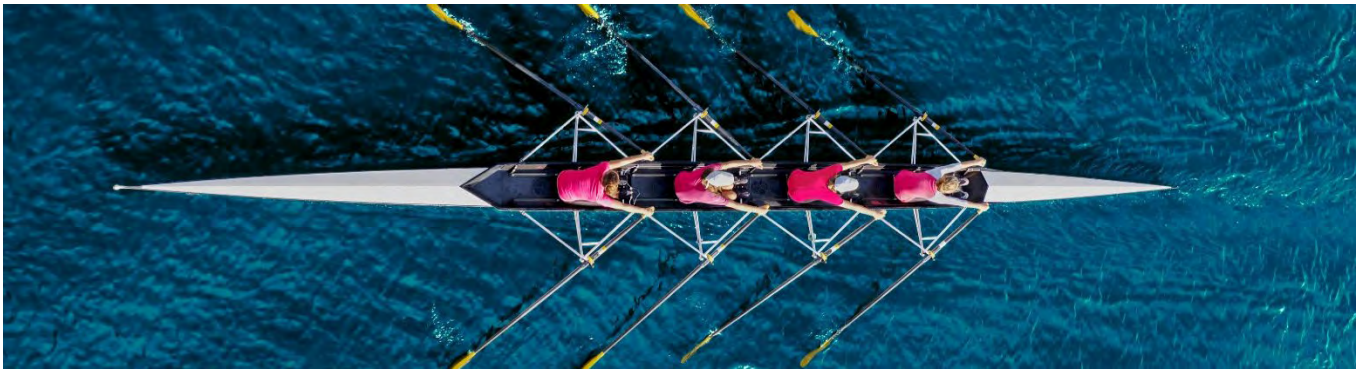
I look forward to our budget discussions and appreciate the Board's continued support and guidance.

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

MWDOC's Mission

To provide reliable, high-quality supplies from Metropolitan 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.

Municipal Water District of Orange County (MWDOC or District) was formed in 1951 to serve the majority of Orange County as its Metropolitan Water District of Southern California (Metropolitan) Member Agency representative and to make imported water available within Orange County. In 2000, MWDOC consolidated with Coastal Municipal Water District, which had been formed in 1941 to represent Orange County coastal agencies at Metropolitan. Metropolitan representation 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 27 Member Agencies, which include 13 cities, 13 water districts, and one groundwater wholesale agency, to provide water reliability and value to the residents and ratepayers in Orange County. All functions included in the Biennial Budget address components of MWDOC's mission.

In June 2023, the MWDOC Board of Directors (Board or Director) identified seven 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 our 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
MWDOC's Mission	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.
Metropolitan Policy Positions	Balance support for Metropolitan's regional mission and Orange County values and interests, with an emphasis on completing the Integrated Water Resources Plan (IRP) and shaping a sustainable business model.
Metropolitan Director Consultation	Ensure that Metropolitan Directors regularly reach out to and collaborate with MWDOC's Member Agencies to represent their interests and needs at Metropolitan.
Reliability Planning	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.
Member Agency Collaboration	Solicit input and feedback from Member Agencies to support their needs and create opportunities that benefit Orange County's water future.
Communications	Strengthen communications and coordination of messaging with Member Agencies, tailored to large and small agency needs.
Staff Development	Invest in workforce development and succession planning to continuously strengthen and renew MWDOC's staff capabilities.

In September 2023, the Board approved staff's Implementation Plan [1], which outlines the "means" (actions/programs) staff developed to help achieve these overarching Strategic 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 biennial 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 Discussions [2], comments and suggestions from several Member Agencies 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 among the Member Agencies that MWDOC should avoid establishing a process perceived as "telling agencies what is needed," but rather seek out what the agencies want and need from MWDOC. This has been reflected in improved communication methods and in the approach MWDOC used when developing the programs, studies, and shared services in the Choice Programs.



[1] Staff Implementation Plan: https://go.mwdoc.com/4TZVGW

[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 proposes adopting the *Biennial Budget for Fiscal Years 2026-27 & 2027-28* at the April 15, 2026 Board meeting. This timeline was implemented to facilitate the budget and rate schedules of our Member Agencies. The Draft Budgets are presented to the Administration & Finance (A&F) Committee. The 1st, Draft Budget was presented on February 11, 2026, the 2nd Draft Budget on March 11, 2026, and the Final (3rd) Draft Budget will be presented on April 8, 2026.

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 percentages for both fiscal years. The Year 1 (FY 2026-27) merit pool calculations are based on the final 12-month Consumer Price Index (CPI) average for 2025, while the Year 2 (FY 2027-28) merit pool will be preliminarily estimated and subject to refinement based on 2026 data.

This Budget Narrative includes a description of the District's key priorities and initiatives for FY 2026-27 and FY 2027-28. As part of the biennial budget process, the General Manager meets with each cost center lead to review current and projected cost center budgets for both fiscal years, including anticipated Choice Budget activity.

Similar to MWDOC's previous annual budget process, the Choice Budget elections occur on a distinct schedule that accommodates our Member Agencies' planning cycles. For Year 1 (FY 2026-27), staff will bring back a revised FINAL Choice Budget in October 2026 to reflect the reconciliations and final program commitments of Member Agencies. For Year 2 (FY 2027-28), the mid-cycle review in October 2026 will also provide updated Choice Program offerings and preliminary participation commitments, with final reconciliation occurring in October 2027. It should be noted that changes to Choice Programs do not affect the rates and charges adopted in April 2026 for Core activities.

FY 2026-27 & FY 2027-28 BUDGET SCHEDULE

NOVEMBER 2025

- Notification to Member Agencies of the start of the biennial budget process and solicitation of input
- Begin internal preparation of budget document

DECEMBER 2025 AND JANUARY 2026

- Review of preliminary budget input by staff on a line-item basis
- Preparation of an internal, draft conceptual budget, and review changes for the upcoming fiscal year
- Request for Member Agencies' preliminary indication of participation in Choice Programs

FEBRUARY 2026

- Review of 1st Draft Budget with A&F Committee with discussion of budget issues with Member Agencies for feedback (2-11-26)
- Formally request comments from all Member Agencies
- Member Agencies' INITIAL participation in Choice-funded Programs (2-17-26)
- Discuss 1st Draft Budget at Member Agency Managers Meeting (2-19-26)
- Meet with Member Agencies as requested or scheduled

MARCH 2026

- Revised information completed on the prior year's Choice-funded benefits to Member Agencies to serve as the basis of charging agencies for the upcoming year's Choice-funded activities
- Discuss 2nd Draft Budget at A&F Committee (3-11-26)
- Review 2nd Draft Budget at Member Agency Managers' Meeting (3-19-26)
- Update Choice-funded Program Participation
- Member Agencies submit Formal Comments on the Budget (3-27-26)

APRIL 2026

- 3rd/FINAL Draft Budget and Rates presented to A&F Committee (4-8-26)
- Member Agencies' Formal Comments presented to A&F Committee (4-8-26)
- Board approval of FINAL Biennial Budget and Rates (4-15-26)

AUGUST 2026

- Reconciliation of the prior fiscal year's Choice-funded Programs participation

OCTOBER 2026

- Updated Choice FY 2026-27 FINAL Budget
    - Presented to A&F Committee (10-14-26)
    - Board action (10-21-26)

JANUARY 2027

- Request for Member Agencies' preliminary indication of participation in Choice Programs

FEBRUARY 2027

- Mid-cycle review of Budget presented to A&F Committee (2-10-27)
- Member Agencies' INITIAL participation in Choice-funded Programs (2-16-27)

MARCH 2026

- Revised information completed on the prior year's Choice-funded benefits to Member Agencies to serve as the basis of charging agencies for the upcoming year's Choice-funded activities
- Update Choice-funded Program Participation

AUGUST 2027

- Reconciliation of the prior fiscal year's Choice-funded Programs participation

OCTOBER 2027

- Updated FINAL FY 2027-28 Choice Budget
    - Presented to A&F Committee (10-13-27)
    - Board action (10-20-27)

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 support our proposed activities in alignment with the Board's Strategic Priorities to provide value to our Member Agencies. 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 Metropolitan.
- **Principle #3: Efficient Program Design & Performance**
  - Budgeted programs must consider complementary and cooperative designs to maximize benefits and value from other regional and local water resource programs.
- **Principle #4: Cost Recovery**
  - The Budget will be developed to support cost recovery of all expenses via the rates and charges in a financially prudent manner, adhering to our Reserve Policy.
- **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 on Reserve Funds. The stated goals of the Board are to have reserves fully funded and to balance the Budget to meet 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 2022-23, 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.

Designated Reserves are 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 amount in the Election Reserve exceeds the estimated costs, the Board may consider alternative uses to reduce the District's long-term costs.
- **Other Post-Employment Benefits (OPEB) Reserve** - The Board requested that staff fully fund the OPEB liability in 2016. The actuarial recommendation is to fund between 85% and 95% of the liability and place the remaining amount in an OPEB Reserve fund to avoid overfunding 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. Beginning in 2018, the OPEB Reserve will be re-evaluated every two years 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 the District's 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** - Fund includes grants, Metropolitan, and Member Agency payments for Water Use Efficiency. These funds may have a negative balance when MWDOC pays rebates and invoices in advance.
- **Trustee Activities** – Funds held for specific trustee activities, such as the Allen McCullough Pipeline (AMP).

Current District investments and cash balances are reflected monthly as part of the A&F Committee Treasurer's Report (1.e. Consolidated Summary of Cash & Investments).

4. COMPENSATION GUIDELINES

MWDOC's compensation system is designed to attract, retain, and reward talented professionals who serve Orange County's water community. This section outlines the guidelines for both Director and staff compensation, including the methodologies used to determine appropriate salary adjustments for the biennial budget period.

DIRECTOR COMPENSATION

Pursuant to Chapter 2 of Division 10 of the Water Code of the State of California (Water Code § 20202), Director compensation may be increased by a maximum of 5.0% for each consecutive calendar year since the last approved compensation adjustment. The Board approved a 2.5% increase in Director compensation for FY 2025-26 (adopted April 16, 2025, Ordinance No. 56).

For FY 2026-27, the Board could approve an increase of up to 5.0% based on the Water Code allowance. If the Board chooses to align Director compensation with the Urban Consumer Price Index (CPI), the adjustment would be determined by the lesser of the CPI or the 5.0% maximum allowed by the Water Code. For FY 2027-28, Director compensation would be preliminarily projected based on Board direction during the mid-cycle review in February 2027, taking into account the 2026 CPI data and any adjustments approved for Year 1.

The following has been incorporated into the Final Draft Budget as a placeholder pending Board direction:

- For budgeting purposes, Director compensation adjustments have been included in the Final Draft Budget at CPI estimates, not to exceed statutory requirements.
- **Estimated Cost:** $17,062 in FY 2026-27 based on Urban CPI at 3.20% plus $2,880 to post required notice; and $18,679 in FY 2027-28 based on the UCLA Anderson School economic forecast CPI estimate of 3.35% plus $2,995 to post required notice.

On April 15, the Board will determine whether to include Director compensation adjustments in the Budget and, if so, at what level within the statutory maximum.

STAFF COMPENSATION

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 that align with the District's labor market.

JOB CLASSIFICATION SALARY RANGES

MWDOC annually adjusts salary ranges by the local CPI for the previous calendar year.

For FY 2026-27, the 2025 CPI average (through December 2025) for the Los Angeles/Long Beach/Anaheim area is 3.2%, which is lower than the 2024 annual average of 3.3%. The CPI of 3.2% falls into MWDOC's moderate inflation range. The 2025 CPI will be refined with the complete 12-month data in subsequent draft budgets.

For FY 2027-28, the salary range adjustment will be based on the 2026 calendar year CPI, which will not be available until early 2027. This adjustment will be refined during the October 2026 mid-cycle review based on available data at that time.

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

EMPLOYEE-SPECIFIC SALARIES

MWDOC does not have a Cost-of-Living Adjustment (COLA). Instead, MWDOC establishes a Compensation Pool that facilitates employee salary increases allocated solely on merit. This approach differs from most water agencies surveyed, which provide defined merit and COLA components to their annual salary increases. The functional difference is that while both approaches cover merit and inflation, other agencies guarantee a COLA pay increase to all employees, whereas MWDOC employees are at risk of no salary increase depending upon their performance.

MWDOC utilizes a system of CPI-based formulas to calculate the proposed Compensation Pool. An analysis of 10-year compensation increases and CPI data was conducted to quantify the past practices that 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 not reward merit as intended. At the other end of the range, different problems can arise. To minimize the impact of extremes, a system of four CPI ranges with associated Compensation Pool formulas is summarized below.

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

FY 2026-27 COMPENSATION POOL (YEAR 1)

For FY 2026-27, the 2025 annual CPI of 3.2% for the region falls within the Moderate inflation range (2.4% to 4.7%). Applying the Moderate inflation range formula (CPI x 1.85) to the 3.2% CPI yields a compensation pool of **5.92%**, which was used to calculate the increase in employee salary expense for Year 1.

FY 2027-28 COMPENSATION POOL (YEAR 2 - PRELIMINARY)

For Year 2 budgeting purposes, reliable inflation estimates are based on the University of California, Los Angeles (UCLA) Anderson School economic forecast. For FY 2027-28, the UCLA Anderson forecast projects a CPI estimate of 3.35% for the region. Applying the Moderate inflation range formula (CPI x 1.85) to the estimated 3.35% CPI

yields a preliminary compensation pool of **6.20%**, which was used to calculate the increase in employee salary expense for the Year 2 placeholder. The actual Year 2 salary range adjustments will continue to be based on the United States Department of Labor, Bureau of Labor Statistics CPI for the Los Angeles/Long Beach/Anaheim area. This preliminary estimate will be refined during the mid-cycle review, based on actual 2026 CPI data through the third quarter, with final calculations completed once the full 2026 calendar-year CPI data becomes available.

MARKET COMPARISON

MWDOC conducts an annual direct labor market survey as part of the budget process. The survey of approximately 20 water utilities provides an objective comparison of how MWDOC's salary system has performed relative to the market. As noted above, MWDOC's salary ranges have generally tracked labor market conditions. In addition, MWDOC salaries have largely remained in the mid-range, with only long-tenured employees approaching the range ceiling for their positions. Below are the Merit/COLA Survey results from FY 2025-26. This survey will be updated once FY 2026-27 data are collected.

MERIT/COLA 2025-26 Survey				
Agency Name	**COLA (%)**	**Merit Max (%)**	**Avg. Merit Increase Granted (%)**	**Total (%) COLA + Avg. Merit**
Calleguas Municipal Water District	NR	NR		
Eastern Municipal Water District	2.70%	5.00%	4.30%	7.00%
El Toro Water District	NC	9.30%	6.30%	6.30%
Inland Empire Utilities Agency	NR	NR		
Irvine Ranch Water District	TBD	4.00%	4.00%	4.00%
Laguna Beach County Water District	2.90%	2.50%	2.25%	5.15%
Las Virgenes Municipal Water District	3.00%	8.00%	5.00%	8.00%
Mesa Water District	3.00%	5.00%	2.50%	5.50%
Moulton Niguel Water District	5.00%	5.00%	2.50%	7.50%
Orange County Sanitation District	NC	5.00%	5.00%	5.00%
Orange County Water District	TBD	6.00%	3.00%	3.00%
San Diego County Water Authority	TBD	7.50%	5.00%	5.00%
Santa Margarita Water District	3.00%	5.00%	3.00%	6.00%
South Coast Water District	5.00%	5.00%	3.50%	8.50%
Three Valleys Municipal Water District	3.24%	8.24%	5.00%	8.24%
Walnut Valley Water District	2.50%	5.00%	5.00%	7.50%
West Basin Municipal Water District	NR	NR		
Western Municipal Water District	3.20%	5.00%	3.50%	6.70%
Yorba Linda Water District	5.00%	5.00%	5.00%	10.00%
Average	6.46%			
MWDOC	5.92%			

TBD: Determination in progress, NC: No Cola, NR: No reponse

5. BUDGET INPUT FROM MEMBER AGENCIES

MWDOC staff initiated the Biennial Budget process for FY 2026-27 and FY 2027-28 in November 2025 with an A&F Committee posting of the Budget Schedule. At the November 2025 Member Agency General Managers Meeting, Member Agencies were informed that the budget process had begun and that input was being solicited. The 1st Draft Budget was presented on February 11, 2026, the 2nd Draft Budget on March 11, 2026, and the 3rd Draft Budget will be presented on April 8, 2026. Final adoption by the Board is anticipated on April 15, 2026.

Member Agency participation is vital in shaping our FY 2026-27 and FY 2027-28 Budget, and we encourage Member Agencies to share initial suggestions and subsequent comments throughout the budget development process and during the mid-cycle review. These insights are essential to delivering services and resources that meet the needs of each agency's service area over the two-year budget cycle.

While no formal written input has been received to date, staff discussions with Member Agencies have yielded positive feedback. Member Agencies expressed appreciation for the gradual, predictable rate structure and noted the value of MWDOC's inclusive, transparent approach to developing shared services programs that meet their needs. They also appreciated MWDOC staff's efforts to explain Metropolitan's new fixed treated water charges and the implications for their agencies.

6. KEY PRIORITIES & INITIATIVES

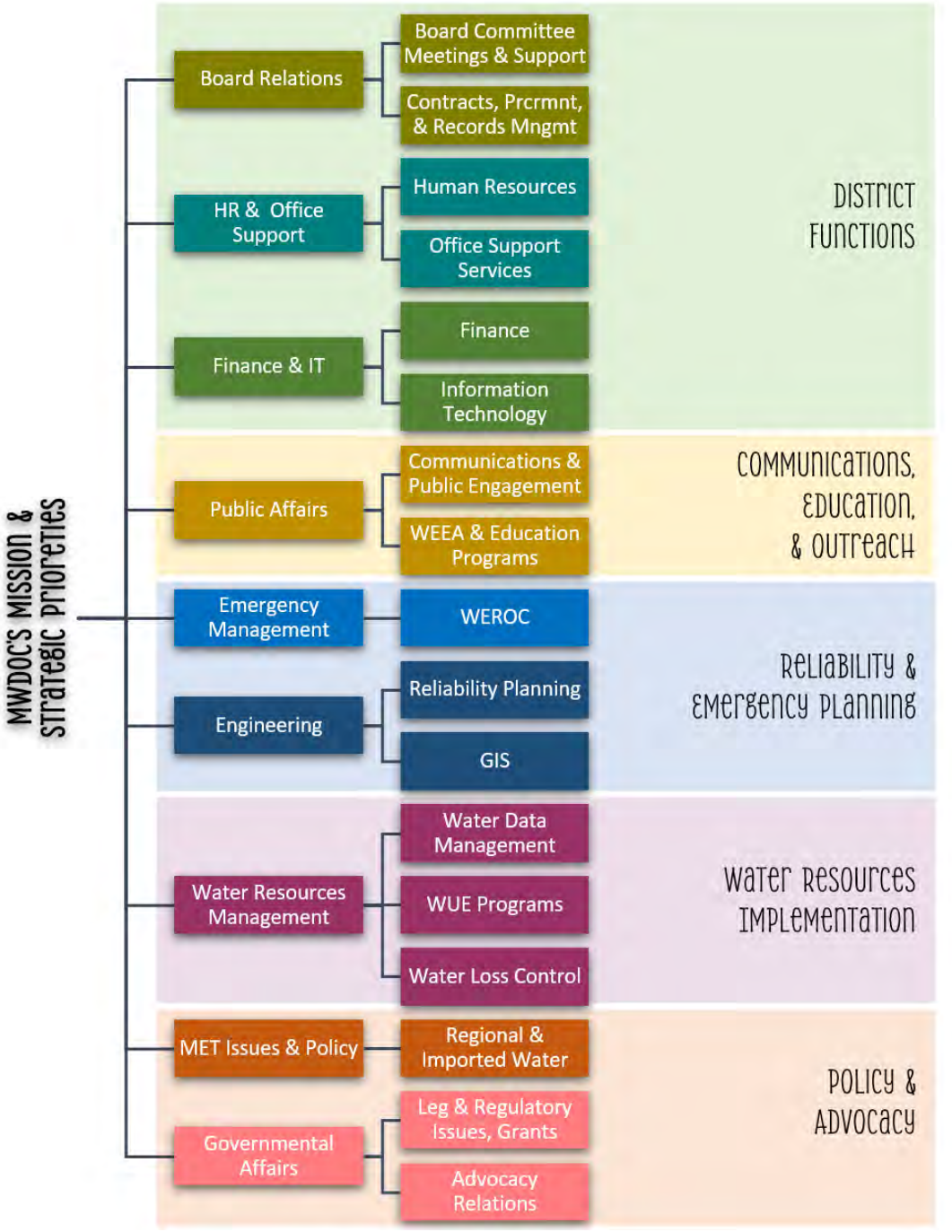
In 2024, MWDOC completed a comprehensive Needs Assessment to evaluate our organizational effectiveness, current and needed resources, and processes. The Needs Assessment sought to ensure proper alignment with the Board's Strategic Priorities by carefully examining the resources required to achieve MWDOC's mission and services. Based on the findings of this Assessment, the organizational structure was refined and is now in place 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 resources management, and Member Agency support.

Central to this two-year budget is a strategic emphasis on developing and retaining our talented team. The two-year budget framework provides enhanced opportunities for comprehensive staff development initiatives, including robust onboarding programs that ensure new team members are fully integrated into MWDOC's culture and operations. We are committed to expanding professional development opportunities that build technical expertise and leadership capabilities across all levels of the organization. Thoughtful succession planning ensures continuity of institutional knowledge and prepares the next generation of leaders to guide MWDOC into the future. Additionally, enhanced organizational planning processes allow managers to develop their teams strategically, align individual development with organizational needs, and create clear career pathways for staff growth. These investments in our workforce directly support one of the Board's Strategic Priorities: strengthening and renewing MWDOC's staff capabilities through workforce development and succession planning.

The organizational structure features five focus areas:

- **District Functions**
  - Board Relations ..... Cost Center 11
  - Administration & Overhead ..... Cost Centers 12, 19
  - Human Resources ..... Cost Center 13
  - Finance & Information Technology ..... Cost Centers 41, 45
- **Communications, Education, & Outreach**
  - Public Affairs Communications ..... Cost Center 32
  - Education & Workforce Development ..... Cost Centers 32, 63
- **Reliability & Emergency Planning**
  - Engineering & Planning ..... Cost Center 21
  - Water Emergency Response (WEROC) ..... Cost Center 25
- **Water Resources Implementation**
  - Water Use Efficiency ..... Cost Centers 34, 35, 62
  - Water Loss Control ..... Cost Centers 36, 70
- **Policy & Advocacy**
  - Metropolitan & Water Resources ..... Cost Center 23
  - Government Affairs & Policy ..... Cost Center 31

This organizational structure achieves several interconnected objectives. It creates more efficient communication channels while enhancing collaboration between related functional areas within the District. The structure establishes clear lines of accountability for strategic priorities, ensuring that responsibilities are well-defined and trackable. Additionally, it better aligns resources with organizational objectives, ensuring that personnel, budget, and other assets are optimally distributed to support the District's core mission and goals. Importantly, this structure provides clarity for career development pathways and supports succession planning by identifying key roles and development opportunities throughout the organization.



BOARD RELATIONS

COST CENTER 11

Board Relations supports the District's governance framework, ensuring transparency, accountability, and legal compliance across all board operations and public-facing activities. From managing the full lifecycle of board meetings—including agenda preparation, minute-taking, and hybrid meeting coordination—to safeguarding public access through records management and legal notice publication, Board Relations provides essential support to uphold the District's commitment to open government. The scope of activities and initiatives extends beyond traditional board support to encompass comprehensive compliance monitoring, contract management coordination, and proactive governance of regulatory requirements to serve the District with integrity and excellence.

Fundamental activities include:

- Staff attendance, preparation, and compilation of Board and Committee agendas, packets, 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, Assembly Bill (AB) 2449, AB 1234, etc.).
- Manages vacancies, publishes required election notices, and coordinates election materials with the Orange County Registrar of Voters.
- Provides support to the Office of the General Manager, including managing correspondence, handling public inquiries, and maintaining the District seal.

KEY INITIATIVES FOR FY 2026-27 & FY 2027-28

Administrative Code Updates - Conduct a comprehensive review and update of the District Administrative Code to reflect current organizational structure, operational practices, and legal requirements. This effort will ensure alignment with the 2024 Needs Assessment recommendations and incorporate lessons learned from the transition to biennial budgeting. Following the updates, provide training and guidance to staff and Board members on revised provisions to ensure smooth implementation and compliance.

Enhanced Contract Management Procedures - Implement improved contract development and compliance monitoring procedures following the organizational changes that established Board Relations as the central contract management hub. This includes developing standardized processes for contract lifecycle management, providing training and guidance for staff, and exploring enhanced reporting capabilities offered by the new Enterprise Resources Planning (ERP) system. The effectiveness of these improvements will be assessed and refined based on user feedback and operational experience.

Board Support Technology Enhancement - Evaluate and implement modernized tools for agenda management, document distribution, and hybrid meeting support to improve efficiency and accessibility for Board members, staff, Member Agencies, and the public. Tools will be refined and expanded based on user feedback and identified opportunities for additional functionality or integration.

Americans with Disabilities Act (ADA) Title II Web and Mobile Application Accessibility Rule – In April 2024, the United States Department of Justice published a rule establishing technical requirements for state and local governments to ensure their websites and mobile apps are accessible to people with disabilities. To ensure compliance, staff will evaluate all digitally available Board materials and implement standards and procedures by the April 26, 2027, deadline for special district governments.

Compliance Calendar System - Implement a centralized tracking system for all regulatory deadlines and filing requirements, including State, County, and Fair Political Practices Commission obligations, to ensure proactive compliance management.

Public Records Request Process Improvement - Streamline response procedures and implement enhanced tracking systems to improve efficiency, ensure compliance with legal timelines, and provide reporting on public records activity.

Records Management Optimization and Planning - Evaluate and refine electronic records management processes, including assessment of current retention practices and exploration of opportunities to enhance efficiency through technology improvements and staff training enhancements. Develop a strategic plan for electronic records management that addresses long-term storage, accessibility, and compliance needs, incorporating emerging technologies and best practices.

Cost Center 11: Board Relations	***Adopted FY25-26***	***Proposed FY26-27***	***Proposed FY27-28***	***FY25-26 to FY26-27 Variance***	***FY26-27 to FY27-28 Variance***
Director Conference & Travel Expenses (See Exh F)	53,780	53,184	55,153	(596)	1,969
Director Salaries & Benefits	601,384	632,169	654,375	30,785	22,206
Election Expenses	605,000	600,000	470,000	(5,000)	(130,000)
Employee Salaries & Benefits	605,527	496,580	522,882	(108,947)	26,302
Facilities & Vehicle Expenses	7,300	7,300	7,300	-	-
Legal Expenses (See Exh J)	235,000	230,000	235,000	(5,000)	5,000
Memberships & Sponsorships (See Exh D)	48,652	47,084	48,785	(1,568)	1,701
Other Expenses*	12,000	15,380	15,995	3,380	615
Training Expenses (See Exh J)	2,500	2,500	2,500	-	-
Expenditure Total	**2,171,143**	**2,084,197**	**2,011,990**	**(86,946)**	**(72,207)**

*Other Expenses include postage and miscellaneous expenses.

ADMINISTRATION & OVERHEAD

COST CENTERS 12, 19

Administrative Services provides support to the entire District to ensure operations run smoothly and efficiently.

Fundamental activities include:

- Oversight and maintenance of District mailing lists to provide a centralized database for staff in improving efficiencies.
- Personnel-related activities such as recruitment, screening, selection, employee orientation, benefits and compensation administration, employee documentation, performance management, research and surveys, and 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 the purchase 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.
- Intra-District support.

KEY INITIATIVES FOR FY 2026-27 & FY 2027-28

Lunch and Learn Training Program - Continue and expand the District-wide Lunch and Learn series that provides accessible professional development opportunities for all staff. Topics will cover a broad range of subjects, including industry trends, technical skills, leadership development, wellness, and emerging issues in water management. This informal learning format encourages intra-District knowledge sharing and builds organizational capacity.

Retirement Plan Financial Advisory Services – Continue to utilize the District's financial advisor to review the 401 and 457 retirement plan investment funds and implement necessary plan improvements. This includes evaluating fund performance, assessing fee structures, reviewing investment options for appropriateness and diversity, and ensuring the plans remain competitive with market offerings. Provide one-on-one meetings with participants and

[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 (such as those listed in Exhibits E and 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 and F. After Budget adoption, any new out-of-state conferences will be brought to the Board for consideration and approval.

informational meetings on the financial market, finances, and retirement. Recommendations will be developed to optimize retirement benefits for employees while maintaining fiscal responsibility.

Building Maintenance and Facility Improvements - Maintain ongoing oversight of building maintenance and repairs to ensure all necessary upkeep is performed, including the installation of shading material to reduce glare entering the office and affecting various work areas and a noise-cancelling system to reduce office noise. Continue coordination with Orange County Water District (OCWD) regarding facility improvements, including the completion of any remaining audiovisual equipment upgrades in the MWDOC/OCWD Joint Boardroom and the assessment of other facility enhancement needs.

Safety and Risk Management Program Enhancement - Conduct comprehensive reviews of the District's Workers Compensation, Liability, and Property Insurance programs to ensure appropriate coverage levels and identify opportunities for cost savings or risk mitigation. Enhance workplace safety protocols and training programs to maintain a safe working environment and minimize liability exposure.

Administrative Systems Optimization - Evaluate and refine administrative support systems, including purchasing processes, travel coordination, and District support services, to improve efficiency and responsiveness. This includes assessing opportunities for automation, streamlining approval workflows, and ensuring administrative functions align with the organizational structure implemented following the 2024 Needs Assessment.

Database Management Enhancement - Continue overseeing and optimizing District mailing lists, ensuring centralized databases remain current and support efficient communication across the District and with external stakeholders. Implement improvements to data management practices and explore opportunities for enhanced functionality.

Cost Center 12: Administration	*Adopted FY25-26*	*Proposed FY26-27*	*Proposed FY27-28*	*FY25-26 to FY26-27 Variance*	*FY26-27 to FY27-28 Variance*
CDR Support**	72,650	-	-	(72,650)	-
Employee Conference & Travel Expenses (See Exh E)	128,397	45,955	47,270	(82,442)	1,315
Employee Salaries & Benefits	794,697	696,026	698,035	(98,671)	2,009
Facilities & Vehicle Expenses	4,750	4,750	4,940	-	190
Memberships & Sponsorships (See Exh D)	151,684	34,663	36,049	(117,021)	1,386
Other Expenses*	24,300	21,020	21,661	(3,280)	641
Professional Services (See Exh J)	-	21,000	21,840	21,000	840
Training Expenses (See Exh J)	6,000	-	-	(6,000)	-
Expenditure Total	**1,182,478**	**823,414**	**829,795**	**(359,064)**	**6,381**

*Other Expenses include temporary help expenses, business expenses, book subscriptions, and miscellaneous expenses.

**Cost Center reassigned (CDR Support moved from Cost Center 12 to Cost Center 21).

Cost Center 19: Overhead	*Adopted FY25-26*	*Proposed FY26-27*	*Proposed FY27-28*	*FY25-26 to FY26-27 Variance*	*FY26-27 to FY27-28 Variance*
Employee Salaries & Benefits	769,357	979,547	1,044,417	210,190	64,870
Facilities & Vehicle Expenses	214,325	303,936	238,095	89,611	(65,841)
Other Expenses*	167,717	159,034	165,331	(8,683)	6,297
Professional Services (See Exh J)	5,000	975	1,014	(4,025)	39
Expenditure Total	**1,156,399**	**1,443,492**	**1,448,857**	**287,093**	**5,365**

*Other Expenses include health insurance for retirees, office supplies, postage, reproduction expenses, bank fees, and miscellaneous expenses.

HUMAN RESOURCES

COST CENTER 13

Human Resources (HR) is dedicated to attracting, developing, and retaining a talented and engaged workforce that supports MWDOC's mission and Strategic Priorities. HR serves as a strategic partner across the District, providing comprehensive support in talent management, employee relations, benefits administration, and organizational development.

Fundamental activities include:

- Recruitment, screening, and selection of qualified candidates
- New employee onboarding and orientation programs
- Benefits and compensation administration
- Maintenance of employee documentation and records
- Performance management and employee relations
- Compliance with employment laws and regulations
- Training and professional development coordination
- Organizational development and culture initiatives

KEY INITIATIVES FOR FY 2026-27 & FY 2027-28

Comprehensive Onboarding Program - Develop and implement an enhanced onboarding experience that ensures new team members are fully integrated into MWDOC's culture and operations. The program will include structured orientation sessions, mentorship opportunities, role-specific training, and regular check-ins during the first 90 days. Success metrics will be established to evaluate onboarding effectiveness and new hire retention.

Professional Development Framework - Expand professional development opportunities across all levels of the organization to build technical expertise and leadership capabilities. This includes identifying core competencies for each role, creating individual development plans, facilitating access to external training and certification programs, and supporting attendance at industry conferences and workshops. The framework will align individual growth with organizational needs and career pathway development.

Succession Planning Program - Implement a comprehensive succession planning strategy to ensure continuity of institutional knowledge and prepare the next generation of leaders. This includes identifying critical positions and high-potential employees, creating development plans for succession candidates, facilitating knowledge transfer from critical staff, and establishing leadership development pipelines. The program will be integrated with District planning processes to ensure organizational readiness for future transitions.

District Planning Support - Partner with senior management to develop strategic workforce plans that align staffing and development needs with organizational goals and priorities. This includes conducting workforce assessments, identifying skill gaps, developing hiring and training strategies, and creating clear career pathways that support employee growth and organizational effectiveness.

Performance Management Enhancement - Refine performance management processes to ensure they effectively support employee development, recognize achievements, and address performance concerns. This includes updating evaluation tools, providing manager training on effective feedback and coaching techniques, and ensuring alignment between individual performance goals and District strategic priorities.

Paylocity HR Software Module – HR will be working with Finance in the implementation of a new Finance software system and HR module. This will allow improved tracking of employee personnel records and the ability to generate various HR reports in an efficient manner.

Employee Engagement and Culture Initiatives - Develop and implement programs that strengthen organizational culture, enhance employee engagement, and support work-life balance. This includes conducting employee surveys, facilitating team-building activities, recognizing employee contributions, and creating forums for employee feedback and participation in District improvements.

Compensation and Benefits Competitiveness - A comprehensive understanding of both salary and benefits competitiveness is essential for attracting and retaining top talent. While the District's policy is to perform a Salary Benchmark Survey every three years (last completed in Spring 2024, with the next scheduled for Fall 2026-Spring 2027), these surveys do not closely evaluate the benefits component or compare MWDOC's benefits to those of similar agencies. Staff proposes initiating a Comprehensive Salary and Benefits Study early in FY 2026-27. Concurrent review of both the District's benefits and salaries will provide an opportunity to reduce duplicative analysis and yield a comprehensive set of recommended changes that support one another.

Mandatory Compliance Training - Ensure timely completion of all required training, including Harassment Prevention, Workplace Violence Prevention, and other legally mandated programs. Develop tracking systems to monitor compliance, schedule regular training sessions, and maintain documentation in accordance with legal requirements.

Cost Center 13: Human Resources	***Adopted FY25-26***	***Proposed FY26-27***	***Proposed FY27-28***	***FY25-26 to FY26-27 Variance***	***FY26-27 to FY27-28 Variance***
Employee Conference & Travel Expenses (See Exh E)**	-	5,600	5,764	5,600	164
Employee Salaries & Benefits	535,329	542,498	581,393	7,169	38,895
Legal Expenses (See Exh J)	25,000	27,040	28,121	2,040	1,081
Memberships & Sponsorships (See Exh D)**	-	1,398	1,453	1,398	55
Other Expenses*	35,500	39,520	41,000	4,020	1,480
Professional Services (See Exh J)	-	60,000	-	60,000	(60,000)
Training Expenses (See Exh J)	58,945	54,000	56,000	(4,945)	2,000
Expenditure Total	**654,774**	**730,056**	**713,731**	**75,282**	**(16,325)**

*Other Expenses include miscellaneous expenses.

**Cost Center reassigned (Employee Conference & Travel Expenses and Memberships & Sponsorships moved from Cost Center 12 to Cost Center 13).

FINANCE & INFORMATION TECHNOLOGY

COST CENTERS 41, 45

Finance, Accounting, and Information Technology (IT) serve 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. Finance and IT staff prioritize cybersecurity to protect the District's systems and data and stay informed on emerging technologies and best practices to keep the IT infrastructure resilient. Finance and IT staff also maintain focus on financial stewardship while ensuring adherence to prevailing audit standards.

FINANCE

Finance and Accounting staff support MWDOC by managing payroll, accounts payable and receivable, fixed assets, investments, grant funding, reconciliations, and technology systems. In addition, Finance provides comprehensive monthly accounting to our Member Agencies, including billing for water deliveries, in-lieu credits, Local Resource Program payments, conservation rebates, shared services, and other Choice Programs.

Fundamental activities include:

- General ledger accounting, journal entries, account reconciliations, and fund accounting in compliance with Governmental Accounting Standards
- Preparation of monthly and annual financial statements and the State Controller's Financial Transactions Report
- Coordination of the annual independent external financial audit
- Budget development, monitoring, and management of revenues, expenditures, and fund balances in compliance with Board-approved budgets
- Accounts payable and receivable, including vendor invoice processing, Member Agency billing for wholesale water deliveries and special program costs, and conservation rebate processing
- Payroll processing, benefits accounting, and compliance with CalPERS, IRS, and labor regulations
- Treasury and cash management in accordance with the California Government Code and District investment policy, including preparation of monthly investment reports for the Board
- Contract review for financial accuracy and budget alignment
- Financial reporting and presentations in support of Board meetings and public transparency requirements

KEY INITIATIVES FOR FY 2026-27 & FY 2027-28

Two-Year Budget Cycle Financial Management - Adapt financial reporting, tracking, and forecasting systems to support the biennial budget framework. This includes developing Year 1 versus Year 2 tracking mechanisms, enhancing mid-cycle review reporting capabilities, and improving multi-year financial projections. Evaluate the effectiveness of the first two-year budget cycle and develop recommendations for future biennial budgets.

Member Agency Billing System Enhancement - Explore improvements to Member Agency billing systems to enhance accuracy, efficiency, and transparency. This includes streamlining billing processes for water deliveries,

Choice Programs, and shared services, as well as improving reporting capabilities for Member Agency financial planning.

Grant Management and Tracking Improvements - Explore enhanced systems for tracking grant funding, expenditures, compliance, and reporting requirements. This includes improving coordination between cost centers on grant-funded activities and ensuring timely and accurate reporting to funding agencies.

Streamline Financial Procedures – Continue to identify operational efficiencies by automating manual processes, reducing redundancies, and optimizing workflows.

Cost Center 41: Finance	***Adopted FY25-26***	***Proposed FY26-27***	***Proposed FY27-28***	***FY25-26 to FY26-27 Variance***	***FY26-27 to FY27-28 Variance***
Audit Expenses (See Exh J)	37,445	38,418	39,420	973	1,002
Employee Conference & Travel Expenses (See Exh E)**	-	-	1,700	-	1,700
Employee Salaries & Benefits	712,128	914,314	1,007,116	202,186	92,802
Memberships & Sponsorships (See Exh D)**	-	510	516	510	6
Other Expenses*	1,000	1,200	1,200	200	-
Professional Services (See Exh J)	15,200	9,700	11,800	(5,500)	2,100
Software & Hardware**	135,000	-	-	(135,000)	-
Expenditure Total	**900,773**	**964,142**	**1,061,752**	**63,369**	**97,610**

*Other Expenses include miscellaneous expenses.

**Cost Center reassigned (Employee Conference & Travel Expenses and Memberships & Sponsorships moved from Cost Center 12 to Cost Center 41, Software & Hardware moved from Cost Center 41 to Cost Center 45.

INFORMATION TECHNOLOGY

IT prioritizes cybersecurity to protect our systems and data, stays informed on emerging technologies and best practices to keep our IT infrastructure resilient, and also focuses on financial stewardship while ensuring adherence to prevailing audit standards.

IT 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 in hybrid environments. Paramount to the success of IT is maintaining a focus on cybersecurity to protect assets, maintain trust, and ensure business continuity. IT also manages all District-wide software licenses and subscriptions, ensuring cost-effective procurement, compliance with licensing agreements, and optimal utilization of technology resources.

KEY INITIATIVES FOR FY 2026-27 & 2027-28

Enterprise Resource Planning (ERP) System Implementation and Optimization - Working in partnership with Finance, complete the implementation of the new ERP system to replace the legacy system, which no longer meets the District's needs. IT will manage the technical implementation, system architecture, data migration, security configuration, and integration with existing systems. Year 1 will focus on full system deployment,

technical infrastructure setup, staff training on system access and functionality, and initial optimization. Year 2 will emphasize system refinements, performance tuning, advanced functionality implementation, and ongoing technical support. This modern solution will enhance efficiency, streamline processes, and facilitate data-driven decision-making across finance and administrative functions.

GIS System Implementation and Integration - Implement an integrated GIS platform to support District-wide operations. Year 1 will focus on completing the GIS scoping assessment, establishing core system architecture, developing data integration protocols, and providing initial training for key staff. Year 2 will emphasize specific application development for Water Use Efficiency, Water Loss Control, Engineering, and WEROC, as well as advanced spatial analysis capabilities and potential public-facing mapping tools. This initiative directly supports multiple District priorities and enhances decision-making capabilities across the District.

Infrastructure Modernization and Optimization - Execute a comprehensive infrastructure replacement and modernization program to address end-of-life IT equipment. This includes server consolidation and modernization (phased over both years), a desktop and laptop replacement program (distributed across both years), Network Attached Storage (NAS) upgrades for centralized storage and backup, and network equipment updates to strengthen cybersecurity defenses, ensure high availability, and improve operational efficiencies.

Software License and Subscription Management - Consolidate management of all District-wide computer software licenses and subscriptions under IT to improve cost tracking, ensure compliance, optimize utilization, and identify opportunities for cost savings through volume licensing or subscription consolidation. This centralized approach will provide better visibility into total technology costs and support more strategic software procurement decisions.

Cybersecurity Program Enhancement - Maintain and enhance comprehensive cybersecurity measures to protect District assets and data. Ongoing initiatives include conducting Cyber Hygiene scans in coordination with the Department of Homeland Security (DHS), performing cyber vulnerability scans and analyses with our Managed Security Service Provider (MSSP), testing backup systems reliability and effectiveness (integrity testing), refining Security Information and Event Management (SIEM) software configuration and utilization, monitoring intelligent end-point detection and response systems for real-time and historical visibility, and conducting periodic security awareness training and phishing testing for all staff.

Business Systems Support - Provide comprehensive technical support for the implementation and optimization of key business systems, including the new ERP system, the WUE Database modernization, a GIS platform, and other applicable applications. This includes ensuring proper system integration, maintaining data integrity, providing user support, and facilitating training and adoption.

Disaster Recovery and Business Continuity - Maintain and enhance disaster recovery capabilities for both the District office and WEROC's Emergency Operations Center. This includes regular testing of backup and recovery systems, updating business continuity plans, and ensuring redundancy for critical systems and data.

Cloud and Hybrid Environment Management - Continue to optimize the District's hybrid technology environment, balancing cloud-based, on-premises, and hybrid solutions to maximize efficiency, security, and cost-effectiveness while maintaining appropriate control and accessibility.

Cost Center 45: Information Technology	*Adopted FY25-26*	*Proposed FY26-27*	*Proposed FY27-28*	*FY25-26 to FY26-27 Variance*	*FY26-27 to FY27-28 Variance*
Employee Salaries & Benefits	179,860	210,476	222,984	30,616	12,508
Facilities & Vehicle Expenses	25,000	-	-	(25,000)	-
Memberships & Sponsorships (See Exh D)**	-	771	803	771	32
Other Expenses*	1,500	2,000	2,000	500	-
Professional Services (See Exh J)	65,000	69,000	69,360	4,000	360
Software & Hardware**	210,511	260,193	274,662	49,682	14,469
Expenditure Total	**481,871**	**542,440**	**569,809**	**60,569**	**27,369**

*Other Expenses include miscellaneous expenses.

**Cost Center reassigned (Memberships & Sponsorships moved from Cost Center 12 to Cost Center 45, Software & Hardware moved from Cost Center 41 and Cost Center 21 to Cost Center 45).

COMMUNICATIONS, EDUCATION & OUTREACH

COST CENTERS 32, 63

Public Affairs (PA) serves as MWDOC's primary voice to the public, Member Agencies, stakeholders, and the broader water community. Through strategic communications, education programs, and workforce development initiatives, PA enhances public awareness of critical water issues, supports Member Agency communications efforts, and builds the next generation of water professionals. PA also works closely with the cities of Anaheim, Fullerton, and Santa Ana to ensure that essential programs, initiatives, and incentives reach communities throughout Orange County in a consistent and impactful way. PA's work spans from K-12 education to professional workforce development and from community engagement to regional communications coordination.

PUBLIC AFFAIRS COMMUNICATIONS

The Public Affairs Communications team advances regional water conservation and efficiency by delivering clear, compelling, and accessible information to the public. The Communications team elevates awareness of critical water issues and District priorities through integrated communications efforts, including events, digital content, educational materials, presentations, and outreach programs.

Fundamental activities include:

- Regional communications collaboration, strategic communications alignment, and Member Agency Public Information Officer (PIO) support.
- Community engagement through events, the Speakers Bureau, Ricky the Rambunctious Raindrop™ mascot appearances, and an award-winning social media presence
- Digital outreach through videos, media toolkits, public service announcements, news articles, briefing papers, and communications materials
- Special events, including the Water Policy Forum & Dinner and the annual OC Water Summit (co-hosted with OCWD)

KEY INITIATIVES FOR FY 2026-27 & FY 2027-28

Expanded Video Content Strategy - Strengthen visibility and public engagement through an expanded video strategy that highlights Member Agency spotlights showcasing collaborative efforts across Orange County; annual *Year in Review* videos that capture key achievements and progress; and informative content explaining critical infrastructure work, such as leak detection and emergency management. This approach will also include short-form, social-media-optimized videos tailored for platforms like Instagram and YouTube.

75th Anniversary Commemoration (FY 2026-27) – Continue executing a year-long celebration of MWDOC's 75th Anniversary featuring commemorative events, including Water Policy Dinners with water industry leaders, legacy publications chronicling MWDOC's contributions to Orange County's water reliability, such as an Orange County Register retrospective insert, and community partnerships with local organizations, schools, and businesses to expand the reach and impact of anniversary programing.

Public Awareness and Engagement Enhancement - Address declining local news capacity by strengthening digital storytelling through expanded social media engagement and targeted newsletters; implement localized content marketing strategies that leverage search engine optimization and community-based events; and build innovative partnerships with influencers, local businesses, civic organizations, the Orange County Grand Jury, and schools to amplify outreach, extend message reach, and strengthen trusted community connections.

Website Optimization and Digital Communications - Leverage the newly refreshed MWDOC website, designed to support a future transition to a high-performance hosting environment, including an intuitive user experience, expanded and accessible resources, enhanced ADA compliance, a regularly updated insights blog, and improved search engine optimization to increase visibility, deepen public engagement, and reinforce the District's leadership in water stewardship, efficiency, and transparency.

Member Agency Communications Support - Expand and elevate Public Affairs Workgroup meetings to deliver timely and actionable program updates to Member Agency Public Information Officers, align and coordinate unified regional messaging, and provide strategic communications support, best-practice sharing, and targeted professional training that strengthens consistency, effectiveness, and collaboration in countywide and broader regional water communications efforts.

EDUCATION & WORKFORCE DEVELOPMENT

The Education and Workforce Development team creates pathways that connect water education to career awareness by engaging students, educators, and industry partners. These efforts include K-12 Choice School Programs, Career Technical Education activities, teacher training(s), student events, and workforce collaborations, all of which form a connected learning network supporting water literacy, sustainable stewardship behaviors, and water career awareness across Orange County.

Fundamental activities include:

- K-12 Choice School Programs providing standards-aligned water education to Orange County students
- Career Technical Education (CTE) partnerships with high schools and post-secondary institutions
- Teacher training(s) and professional learning opportunities
- Student engagement events and facility tours
- Water Energy Education Alliance (WEEA) leadership and coordination

KEY INITIATIVES FOR FY 2026-27 & FY 2027-28

K-12 Choice School Programs Renewal – Assist, through interactive assemblies and inquiry-based activities that align with academic standards, Orange County's youngest water users in developing 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. During this budget biennium, staff will also explore Orange County Stormwater's participation in the Middle School Program, which aligns with California science standards addressing watersheds, stormwater systems, and water quality while expanding the funding base for current participants.

CTE Program Development - Serve as a core industry partner in developing a pilot CTE Program at Villa Park High School in coordination with Orange Unified School District, WEEA, and regional water agencies. Support curriculum development for the Sustainable Water Technology & Systems course, facilitate industry presentations and career exploration activities for students, and coordinate hands-on learning experiences, including facility tours with OCWD and Metropolitan. This pilot Program introduces high school students to water-related careers through applied coursework and focused industry engagement.

Teacher Training and Capacity Building - Expand educator capacity through Project Water Education Today (Project WET) teacher trainings delivered in partnership with our Member Agencies, providing educators with objective, science-based, standards-aligned water education activities. Host Project WET facilitator training(s) in partnership with Metropolitan to increase the number of local trainers serving Orange County, enabling more frequent, locally-delivered, professional learning opportunities for educators across the region.

Post-Secondary Education Engagement - Strengthen connections with community colleges and universities through events, collaborations, and career pathway programming. Support film screenings, expert panels, and networking opportunities that connect students with water professionals and career opportunities. Advance collaboration between WEEA and Water UCI on workforce development research and regional discovery sessions that inform applied research and guide workforce priorities.

Student Engagement Events - Continue participation in signature events, such as the Children's Water Education Festival, providing educational booths and interactive activities that reach hundreds of students while introducing water career pathways and connecting early education with workforce awareness. Additional programming includes facility tours, career presentations, panel discussions with water professionals, and student workshops that build early understanding of water supply systems and water quality and connect classroom learning to real-world applications.

WEEA Leadership - Continue MWDOC's pivotal leadership role in WEEA, a dynamic statewide workforce collaborative that bridges the gap between education and industry. WEEA leverages members' collective resources, expertise, and relationships to create sustainable career pathways for California students into high-quality, living-wage jobs in the water and energy sectors. Through this leadership, MWDOC helps shape the next generation of skilled workers, addresses workforce shortages in critical sectors, and positions the District as a key influencer in developing policies and programs aligned with California's long-term sustainability goals. The WEEA 2024-25 Year-End Report[4] highlights the Program's growth to more than 250 member organizations and

[4] Water Energy Education Alliance (WEEA) FY 2024-25 Year-End Report, July 2025 (https://go.mwdoc.com/9slQZT)

showcases its success in connecting students with water and energy careers through strategic partnerships, data-driven insights, leadership roundtables, and innovative initiatives like the Education-to-Workforce Tour.

WEEA's outside sponsors provide financial or in-kind contributions to the WEEA Program to help support and review Program deliverables. These financial partners and sponsors are primarily in Orange, Los Angeles, Riverside, and San Diego counties. Financial contributors currently include Metropolitan, Inland Empire Utilities Agency, Eastern Municipal Water District, Moulton Niguel Water District, Water Replenishment District, Western Municipal Water District, and Tomorrow's Talent. These outside sponsors are engaged in the WEEA Leadership Roundtable and Workforce Advisory groups. In turn, the sponsors promote the WEEA program and promote and distribute WEEA resources and collateral materials. The in-kind contributors (e.g., California Environmental Education Foundation and California Community Colleges) provide regionally specific, technical advice and market research on career exploration activities, curricula, and training.

Note: The Education Initiatives allocation includes a $10,000 increase, raising the total from $35,000 to $45,000 for FY 2026–27 and FY 2027–28. This increase supports the expansion of education and workforce development programming, including new CTE partnerships, teacher training(s) and professional learning opportunities, engagement with post-secondary institutions, student-focused events, and regional workforce collaboration initiatives. Existing programs, including the K–12 Choice School Programs and WEEA, will continue as ongoing educational activities.

Cost Center 32: Public Affairs	***Adopted FY25-26***	***Proposed FY26-27***	***Proposed FY27-28***	***FY25-26 to FY26-27 Variance***	***FY26-27 to FY27-28 Variance***
Reimbursements***	-	33,333	33,333	33,333	-
Revenue Total	**-**	**33,333**	**33,333**	**33,333**	**-**
Education Initiatives	35,000	45,000	45,000	10,000	-
Employee Conference & Travel Expenses (See Exh E)**	-	9,349	10,614	9,349	1,265
Employee Salaries & Benefits	1,078,575	1,294,259	1,375,815	215,684	81,556
Memberships & Sponsorships (See Exh D)**	-	3,356	2,809	3,356	(547)
Other Expenses*	167,400	130,500	137,470	(36,900)	6,970
Professional Services (See Exh J)	220,000	170,000	175,000	(50,000)	5,000
Expenditure Total	**1,500,975**	**1,652,464**	**1,746,708**	**151,489**	**94,244**

*Other Expenses include reproduction expenses and miscellaneous expenses.

**Cost Center reassigned (Employee Conference & Travel Expenses and Memberships & Sponsorships moved from Cost Center 12 to Cost Center 32).

***Change in representation of reimbursement from prior year.

Cost Center 63: School Program (Choice)	*Adopted FY25-26*	*Proposed FY26-27*	*Proposed FY27-28*	*FY25-26 to FY26-27 Variance*	*FY26-27 to FY27-28 Variance*
Choice Revenue	504,809	524,947	542,463	20,138	17,516
Revenue Total	**504,809**	**524,947**	**542,463**	**20,138**	**17,516**
Employee Salaries & Benefits	17,151	20,595	22,913	3,444	2,318
Professional Services (See Exh J)	487,658	504,352	519,550	16,694	15,198
Expenditure Total	**504,809**	**524,947**	**542,463**	**20,138**	**17,516**

ENGINEERING & PLANNING

COST CENTER 21, 71 *(NEW)*

The Reliability Planning and Engineering (Engineering) 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 activities tie directly back to MWDOC's mission and Strategic Priorities.

Fundamental activities include:

- Long-term water supply and demand analysis
- Emergency planning and coordination
- Coordination with Metropolitan on service connections, metering, and pipeline operations
- Water quality monitoring and communications
- Technical support for Member Agencies
- Regional planning and collaboration

KEY INITIATIVES FOR FY 2026-27 & FY 2027-28

Demographics Analysis with Center for Demographic Research – Ongoing partnership with California State University, Fullerton's Center for Demographic Research (CDR) to conduct comprehensive demographic analyses supporting long-term water supply and demand planning for Orange County. These analyses provide critical data for Member Agency planning efforts, UWMP updates, and regional water resource management decisions. MWDOC's membership with CDR is now funded through the Engineering cost center to ensure continued access to expert demographic analysis and forecasting.

GIS Implementation Project Continuation - Continue the multi-year GIS implementation effort in coordination with IT. Engineering-specific applications will focus on infrastructure mapping, asset management, emergency planning, spatial tools, service connection tracking, and integration with Metropolitan's systems. This work supports enhanced visualization and analysis of location-based and time-based data critical to Engineering operations.

Water Quality Data Hub Development (new) - Building upon the quarterly Water Quality Workgroups established in 2024, develop a centralized water quality data hub to improve communications and information sharing between Metropolitan, MWDOC, and our Member Agencies. This platform will enhance the timeliness of water quality reporting, provide access to monitoring data, and support Member Agencies' operational and planning needs.

Hydraulic Model Maintenance - Maintain and update the Orange County hydraulic model that supports water system planning, operations analysis, and emergency response capabilities. Regular model maintenance ensures accuracy and reliability for our Member Agency technical support and regional coordination with Metropolitan.

Consumer Confidence Reports - Continue coordinating and providing technical services to our Member Agencies and the cities of Fullerton and Santa Ana for the preparation of mandated water quality Consumer Confidence Reports (CCRs). This long-standing program saves participating agencies time and money while providing consistent regional water quality messaging in Orange County. In accordance with California Code of Regulations Title 22, Chapter 15, Article 20, and Health and Safety Code Section 116470, MWDOC fulfills its responsibility as a wholesale system to provide consecutive systems with relevant monitoring and compliance data.

Metropolitan Coordination and Technical Support - Provide ongoing technical coordination with Metropolitan on service connections, water quality issues, pipeline operations, and system reliability. This includes representation at Metropolitan technical committees, coordination on infrastructure projects, and advocacy for Orange County's interests in regional water system planning and operations.

Lead and Copper Rule Improvement Technical Support - Provide pass-through, Shared Service technical support to our Member Agencies as they navigate compliance with the Lead and Copper Rule Improvements. This assistance helps agencies understand regulatory requirements, develop compliance strategies, and implement necessary system improvements.

Cost Center 21: Engineering & Planning	***Adopted FY25-26***	***Proposed FY26-27***	***Proposed FY27-28***	***FY25-26 to FY26-27 Variance***	***FY26-27 to FY27-28 Variance***
CDR Support**	-	77,272	77,272	77,272	-
Employee Conference & Travel Expenses (See Exh E)**	-	800	832	800	32
Employee Salaries & Benefits	728,457	879,671	959,755	151,214	80,084
Memberships & Sponsorships (See Exh D)**	-	15,333	16,406	15,333	1,073
Other Expenses*	7,500	-	-	(7,500)	-
Professional Services (See Exh J)	470,000	355,000	295,000	(115,000)	(60,000)
Software & Hardware**	4,900	-	-	(4,900)	-
Expenditure Total	**1,210,857**	**1,328,076**	**1,349,265**	**117,219**	**21,189**

*Other Expenses include miscellaneous expenses.

** Cost Center reassigned (CDR Support, Employee Conference & Travel Expenses, and Memberships & Sponsorships moved from Cost Center 12 to Cost Center 21, Software & Hardware moved from Cost Center 21 to Cost Center 45).

Cost Center 71: Engineering (Choice)	***Adopted FY25-26***	***Proposed FY26-27***	***Proposed FY27-28***	***FY25-26 to FY26-27 Variance***	***FY26-27 to FY27-28 Variance***
Choice Revenue	-	203,000	215,667	203,000	12,667
Revenue Total	**-**	**203,000**	**215,667**	**203,000**	**12,667**
Professional Services (See Exh J)	-	203,000	215,667	203,000	12,667
Expenditure Total	**-**	**203,000**	**215,667**	**203,000**	**12,667**

WATER EMERGENCY RESPONSE

COST CENTER 25

MWDOC provides the administrative umbrella for the Water Emergency Response Organization of Orange County (WEROC). WEROC provides sector-specific emergency management services to 36 potable water and wastewater agencies serving Orange County communities. Acting as an extension of Member Agencies, WEROC delivers coordinated emergency management support tailored to the operational, regulatory, and risk environment of the water and wastewater sector. Services include emergency planning and plan review, regulatory compliance support, training and exercises, incident coordination, recovery assistance, and regional and statewide advocacy.

Fundamental activities include:

- Emergency planning and standard operating procedure development and review
- State and federal required training for grant eligibility and disaster readiness
- Disaster exercise development and facilitation
- Grant identification and application support
- Response and recovery coordination
- Regional coordination and situational awareness during incidents

KEY INITIATIVES FOR FY 2026-27 & 2027-28

Regional Fuel Resiliency Plan Development and Implementation - Advance and operationalize the Regional Water and Wastewater Fuel Plan, building on the comprehensive fuel database updated in 2025 with survey data from 32 of 36 Member Agencies. Complete gap analysis, develop strategies to address identified vulnerabilities, establish partnerships for fuel supply during emergencies, and integrate fuel planning into agency emergency response plans and regional coordination protocols.

America Water Infrastructure Act (AWIA) Compliance Support and Integration - Continue oversight of the multi-year AWIA contract, supporting participating agencies with five-year updates to Risk and Resilience Assessments and Emergency Response Plans. Transition focus from compliance completion to the integration of risk and resilience findings into agency planning processes, capital improvement programs, and operational procedures. Provide technical assistance for agencies implementing assessment recommendations and strengthening system resilience.

Training and Exercise Program - Continue delivering comprehensive training and exercise programs that strengthen workforce readiness and generate substantial cost savings for Member Agencies. Programs include Incident Command System (ICS) courses, Emergency Operations Center (EOC) section-specific training, cybersecurity awareness, communications and alerting systems, and scenario-based tabletop and functional exercises. Support credentialing and professional development aligned with Standardized Emergency Management System (SEMS) and National Incident Management System (NIMS) requirements.

GIS Integration and Operational Tools - Continue expanding GIS capabilities in coordination with MWDOC's District-wide GIS implementation. Develop user-friendly emergency management dashboards, update damage assessment tools, enhance the Water and Wastewater Atlas with additional critical infrastructure layers, and integrate Public Safety Power Shutoff (PSPS) zone mapping. These tools support real-world coordination during

incidents and enhance situational awareness for Member Agencies and regional partners.

Emergency Water Distribution Capabilities - Build on partnerships established with cities, water agencies, and Community Emergency Response Team (CERT) volunteers to expand emergency drinking water distribution capabilities. Refine operational protocols validated during the January 2025 countywide CERT Full-Scale Exercise, develop additional distribution site locations, enhance water tender operations, and strengthen public messaging strategies for emergency water distribution scenarios.

Cybersecurity Coordination and Information Sharing - Enhance sector-specific cybersecurity threat notifications and information sharing in coordination with the Orange County Intelligence Assessment Center and the Department of Homeland Security Cybersecurity and Infrastructure Security Agency (CISA). Continue hosting regional cybersecurity exercises, provide technical assistance on cybersecurity preparedness, and facilitate information sharing on emerging threats and protective measures.

Regional Coordination and Incident Support - Maintain WEROC's role as the trusted regional coordination hub for water and wastewater emergency management. Provide coordination and situational awareness during incidents; facilitate timely information sharing; coordinate resource requests; support mutual aid through California Worker Adjustment and Retraining Notification (CalWARN); and strengthen relationships with county, state, and federal emergency management partners.

Hazard Mitigation Plan Implementation and Maintenance - Support participating agencies in implementing the federally-approved Multi-Jurisdictional Hazard Mitigation Plan, pursuing identified mitigation projects, and leveraging eligibility for federal hazard mitigation funding through April 2030. Coordinate plan maintenance updates and prepare for the next five-year plan update cycle.

Note: WEROC's budget is approved separately by the seven WEROC funding agencies (City of Anaheim, City of Fullerton, City of Santa Ana, Municipal Water District of Orange County, Orange County Sanitation District, Orange County Water District, and South Orange County Wastewater Authority). The WEROC FY 2026-27 budget was approved by the funding agencies on January 22, 2026.

Cost Center 25: WEROC	*Adopted FY25-26*	*Proposed FY26-27*	*Proposed FY27-28*	*FY25-26 to FY26-27 Variance*	*FY26-27 to FY27-28 Variance*
Revenue - Other	4,700	-	-	(4,700)	-
Revenue From MWDOC	353,149	365,686	391,347	12,537	25,661
WEROC Contracts	353,149	365,686	391,347	12,537	25,661
Revenue Total	**710,998**	**731,372**	**782,694**	**20,374**	**51,322**
Employee Conference & Travel Expenses (See Exh E)	24,200	17,850	17,450	(6,350)	(400)
Employee Salaries & Benefits	652,248	678,722	721,894	26,474	43,172
Facilities & Vehicle Expenses	6,350	6,850	7,100	500	250
Memberships & Sponsorships (See Exh D)	1,450	950	950	(500)	-
Other Expenses*	4,750	3,500	3,500	(1,250)	-
Professional Services (See Exh J)	-	-	5,000	-	5,000
Software & Hardware	14,000	15,500	16,800	1,500	1,300
Training Expenses (See Exh J)	8,000	8,000	10,000	-	2,000
Expenditure Total	**710,998**	**731,372**	**782,694**	**20,374**	**51,322**

*Other Expenses include office supplies and miscellaneous expenses.

WATER USE EFFICIENCY

COST CENTERS 34, 35, 62

Water Use Efficiency collaborates with Member Agencies, cities, and stakeholders to promote water use efficiency and sustainable water practices. MWDOC advocates for water-related policies at the state level, supporting regulations and legislation that promote responsible water use. Conservation and efficient water use remain 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. With approximately 60% of Orange County's total water use applied to irrigating landscapes, most program implementation efforts focus on landscape water efficiency.

Fundamental activities include:

- Landscape water use efficiency programs (Turf Replacement, Smart Irrigation Timers, Spray-to-Drip Conversions, Low-volume Sprinkler Nozzles)
- Regulatory compliance support
- Grant acquisition and program funding coordination
- Regional program development and implementation
- Monthly Water Use Efficiency Workgroup meetings
- Consumer education and outreach
- Program marketing and communications
- Research and evaluation

KEY INITIATIVES FOR FY 2026-27 & 2027-28

Conservation Framework Technical Assistance Program - Assist Member Agencies in preparing for and achieving compliance with the Conservation as a California Way of Life Framework (the Conservation Framework), adopted by the State Water Board in July 2024, which includes a 2027 Urban Water-Use Objective compliance deadline. MWDOC contracted with Environmental Incentives, Inc. (with subconsultants Maureen Erbeznik and Associates and M.Cubed) in a five-year engagement beginning March 2025 to provide comprehensive technical assistance. Services offered to Member Agencies through the Choice-based structure include Readiness Assessments, Framework Compliance Plans, CII BMP Implementation Plans, CII Customer Classification Systems, and Annual Reporting support and data management.

Landscape Area Measurements Program - Complete landscape classification and measurement services in partnership with Member Agencies and consultant NV5 to support compliance with the Conservation Framework. MWDOC contracted with NV5 in 2021 for Choice-based Member Agency services, including (1) measurement and classification of landscape areas associated with dedicated irrigation meters (DIMs), which is required for calculating the Urban Water Use Objective with a regulatory deadline of 2028; (2) identification of landscapes greater than ½ acre irrigated by mixed-use meters, which is required by the CII Performance Measures component of the Conservation Framework with a regulatory deadline of 2027; and (3) reconciliation of DIM and residential

landscape area measurements conducted by Department of Water Resources to ensure data accuracy and completeness.

Water Use Efficiency Workgroup Framework Support - Facilitate monthly Water Use Efficiency Workgroup meetings to build awareness and knowledge of the Conservation Framework among Member Agency staff. Utilize the Environmental Incentives consultant team to provide deep dives into focused Framework components, create opportunities for information sharing among agencies, and facilitate detailed question-and-answer sessions.

Nonfunctional Turf - Support Member Agencies and public and private commercial property owners with compliance of AB1572, which bans the potable irrigation of non-functional turf starting in 2027. Disseminate information through marketing campaigns, public speaking engagements, and other public interactions.

Landscape Water Efficiency Program Implementation - Continue emphasizing the importance of landscape water use efficiency programs and promoting all programs and resources to consumers in collaboration with Member Agencies. Maximize access to grant funding for program implementation to minimize local funding requirements.

Refreshed Rebate Processing Platform - Implement MWDOC's upgraded rebate processing platform to deliver a top-of-the-line experience for members of the public and Member Agency staff. In January 2026, MWDOC contracted with Submittable Holdings, Inc. for a minimum of five years to deliver a fully refreshed platform with enhanced aesthetics and increased administrative efficiencies.

Research and Evaluation - Conduct, support, and engage with innovative research that advances water use efficiency, regulatory compliance, and related initiatives. Evaluate MWDOC's Trees as a Sustainability Feature Pilot, designed to reduce public costs and increase the benefits of the Turf Replacement Program. Evaluate MWDOC's Pressure Regulating Valve Pilot. Continue to engage in research efforts organized through the California Water Efficiency Partnership, Alliance for Water Efficiency, local universities, and other partners.

Data Innovation - Utilize the newly-upgraded water use efficiency database with updated functionality to store, visualize, and share information with Member Agencies and the public, serving as a regional water use efficiency data hub.

OC Data Acquisition Partnership - Participate in the OC Data Acquisition Partnership to acquire new aerial imagery and related products that support legislative compliance, research activities, water use efficiency program quality control, and other Member Agency needs.

Cost Center 34: Water Use Efficiency (Outside Funding)	*Adopted FY25-26*	*Proposed FY26-27*	*Proposed FY27-28*	*FY25-26 to FY26-27 Variance*	*FY26-27 to FY27-28 Variance*
Department Of Water Resources	395,962	387,775	205,000	(8,187)	(182,775)
Grants From USBR	519,051	321,936	58,750	(197,115)	(263,186)
Revenue - Member Agencies	1,572,525	756,804	424,812	(815,721)	(331,992)
Revenue From MWD	5,861,960	5,476,000	5,547,000	(385,960)	71,000
Revenue Total	**8,349,498**	**6,942,515**	**6,235,562**	**(1,406,983)**	**(706,953)**
Consulting Services	8,349,498	6,942,515	6,235,562	(1,406,983)	(706,953)
Expenditure Total	**8,349,498**	**6,942,515**	**6,235,562**	**(1,406,983)**	**(706,953)**

Cost Center 35: Water Use Efficiency	*Adopted FY25-26*	*Proposed FY26-27*	*Proposed FY27-28*	*FY25-26 to FY26-27 Variance*	*FY26-27 to FY27-28 Variance*
Employee Conference & Travel Expenses (See Exh E)**	-	18,320	18,522	18,320	202
Employee Salaries & Benefits	301,967	291,260	306,876	(10,707)	15,616
Memberships & Sponsorships (See Exh D)	8,550	9,050	9,250	500	200
Other Expenses*	6,000	6,000	6,000	-	-
Professional Services (See Exh J)	215,000	70,000	75,000	(145,000)	5,000
Expenditure Total	**531,517**	**394,630**	**415,648**	**(136,887)**	**21,018**

*Other Expenses include miscellaneous expenses.

**Cost Center reassigned (Employee Conference & Travel Expenses moved from Cost Center 12 to Cost Center 35).

Cost Center 62: Water Use Efficiency (Choice)	*Adopted FY25-26*	*Proposed FY26-27*	*Proposed FY27-28*	*FY25-26 to FY26-27 Variance*	*FY26-27 to FY27-28 Variance*
Choice Revenue	1,183,382	953,736	1,006,935	(229,646)	53,199
Revenue Total	**1,183,382**	**953,736**	**1,006,935**	**(229,646)**	**53,199**
Employee Salaries & Benefits	1,037,202	798,136	866,335	(239,066)	68,199
Other Expenses*	6,650	6,500	6,500	(150)	-
Professional Services (See Exh J)	139,530	149,100	134,100	9,570	(15,000)
Expenditure Total	**1,183,382**	**953,736**	**1,006,935**	**(229,646)**	**53,199**

*Other Expenses include postage and miscellaneous expenses.

WATER LOSS CONTROL

COST CENTERS 36 *(NEW)*, 70

MWDOC's Water Loss Control (WLC) Program helps Member Agencies improve operational accountability by auditing water supplies and implementing controls to minimize system losses. The Program comprises two integral components: the Water Loss Control Technical Assistance Program (WLC-TAP), which provides data analysis services that help agencies comply with state regulations and strategically guide field interventions to achieve an economically optimized level of water loss, and the WLC Shared Services Program, which provides field interventions such as leak detection, customer meter accuracy testing, and pressure surveys.

Since 2015, water loss control regulations have evolved through Senate Bill 555, SB 606, Assembly Bill 1668, AB 1414, and an extensive State Water Resources Control Board formal rulemaking process. To meet Member Agency needs, the WLC-TAP has expanded from five (5) to twelve (12) technical assistance tasks. The WLC Shared Services Program has played an integral role in reducing water loss across the county, with over 7,000 miles of main surveyed and 3,842 leaks found and repaired to date. Every Orange County retail water agency has participated in either the WLC-TAP or the WLC Shared Services Program.

Fundamental activities include:

- Water Loss Control Technical Assistance Program (WLC-TAP)
- Distribution system leak detection services
- Customer meter accuracy testing
- Pressure surveys and system analysis
- Bi-monthly Water Loss Control Workgroup meetings
- State regulatory compliance support
- Water audit validation

KEY INITIATIVES FOR FY 2026-27 & 2027-28

Water Loss Control Technical Assistance Program - Continue providing comprehensive one-on-one technical assistance to Member Agencies through Choice-funded services. In November 2025, the Board approved a new professional services agreement to continue the Water Loss Control Technical Assistance Program (WLC-TAP), which has been in existence for 10 years and has overwhelmingly positive agency participation and feedback. Technical assistance services include State Water Resources Control Board water loss standard assistance, water audit compilation, source or production meter volumetric accuracy testing, water loss compliance plan development, and billing data chain assessment. These activities are fully funded by a combination of participating agency and Metropolitan funding and, therefore, have not previously been included in the MWDOC budget. Starting with the FY26-28 Biennial Budget, the revenue and expenses for these activities are now reflected in the Water Loss Control Choice Budget.

Distribution System Leak Detection Services - Continue expanding the District's highly successful leak detection services that have grown from an initial 500 miles per year to more than 1,600 miles per year. As of FY 2025-26, 26 out of 29 Orange County retail water agencies (89%) have accessed these services. To date, 3,842 hidden leaks

(leaks that have not surfaced) have been found through this program, with water savings estimated at more than 1,070 acre-feet per year (valued at $908,111 annually based on variable production and customer retail unit costs). Beyond variable cost savings, the program has saved Member Agencies significant capital costs by detecting and repairing system leaks before they result in potentially catastrophic damage to facilities, assets, or private property.

Metropolitan Funding Coordination - Continue securing Metropolitan funding to offset costs for participating retail agencies, maximizing the value of the Water Loss Control Program and minimizing local funding requirements.

Water Loss Control Workgroup - Facilitate bi-monthly Water Loss Control Workgroup meetings with consistent, robust attendance from retail water agency staff. These workgroups serve as a venue for agencies to develop an understanding of water loss control regulations and best practices, share experiences and ideas, and receive updates on regulatory developments and technical assistance opportunities.

Regulatory Compliance Support - Provide ongoing monitoring, tracking, and technical assistance to help Member Agencies comply with existing and evolving water loss control regulations. Advocate for Orange County agencies by interfacing directly with the State Water Resources Control Board and Department of Water Resources staff. Support agencies in meeting reporting requirements, achieving compliance targets, and implementing cost-effective water loss reduction strategies.

Data Management and Analysis Tools - Continue utilizing and enhancing dashboards developed to manage, analyze, and interpret compliance trends, customer meter accuracy testing results, and leak detection data. These tools support both MWDOC staff program management and Member Agency decision-making.

Cost Center 36: Water Loss Control	***Adopted FY25-26***	***Proposed FY26-27***	***Proposed FY27-28***	***FY25-26 to FY26-27 Variance***	***FY26-27 to FY27-28 Variance***
Employee Conference & Travel Expenses (See Exh E)**	-	13,750	14,305	13,750	555
Employee Salaries & Benefits**	-	182,814	197,792	182,814	14,978
Memberships & Sponsorships (See Exh D)**	-	2,285	2,376	2,285	91
Professional Services (See Exh J)**	-	100,000	100,000	100,000	-
Expenditure Total	-	298,849	314,473	298,849	15,624

**Cost Center reassigned (Employee Salaries & Benefits and Professional Services moved from Cost Center 35 to Cost Center 36, Employee Conference & Travel Expenses and Memberships & Sponsorships moved from Cost Center 12 to Cost Center 36).

Cost Center 70: Water Loss Control (Choice)	*Adopted FY25-26*	*Proposed FY26-27*	*Proposed FY27-28*	*FY25-26 to FY26-27 Variance*	*FY26-27 to FY27-28 Variance*
Choice Revenue	369,444	1,119,596	1,169,193	750,152	49,597
Revenue From MWD	312,321	248,355	248,355	(63,966)	-
Revenue Total	**681,765**	**1,367,951**	**1,417,548**	**686,186**	**49,597**
Employee Salaries & Benefits	574,575	619,651	658,228	45,076	38,577
Facilities & Vehicle Expenses	10,500	14,100	14,120	3,600	20
Other Expenses*	9,000	9,000	10,000	-	1,000
Professional Services (See Exh J)	83,270	720,000	730,000	636,730	10,000
Software & Hardware	2,420	3,200	3,200	780	-
Training Expenses (See Exh J)	2,000	2,000	2,000	-	-
Expenditure Total	**681,765**	**1,367,951**	**1,417,548**	**686,186**	**49,597**

*Other Expenses include miscellaneous expenses.

METROPOLITAN & WATER RESOURCES

COST CENTER 23

Metropolitan Issues and Water Policy provides analysis on regional issues and policies, as well as water supply and demand coordination and analysis. Over the years, the Metropolitan Issues and Water Policy team has also become the primary clearinghouse on local, regional, state, and federal water policy issues. Staff 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 team 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.

Fundamental activities include:

- Metropolitan policy analysis and Board engagement
- Preparation and delivery of Metropolitan pass-through water charges to Member Agencies
- Preparation of monthly/annual water usage reports and maintenance of various water usage databases
- Water supply reporting, demand coordination, and forecasting
- Regional and state water policy monitoring and analysis
- Financial and rate analysis
- Orange County advocacy on Metropolitan issues
- Strategic planning and long-term reliability assessment
- Coordination with the MWDOC-MET Delegation

KEY INITIATIVES FOR FY 2026-27 & 2027-28

Pure Water Southern California Development - Evaluate and analyze Pure Water Southern California's planning, staging, and financial configuration as Metropolitan presents proposals to its Board for consideration. Conduct cost-of-service analysis to assess rate impacts on MWDOC and Member Agencies. Advocate for cost-effective implementation that supports regional water supply reliability while maintaining equitable cost allocation. Monitor project development milestones, financing strategies, and integration with Metropolitan's overall water supply portfolio.

State Water Project Reliability Enhancement - Support prioritizing improvements to the operational flexibility of State Water Project-dependent areas of the Metropolitan system to ensure a balanced reliability for all Metropolitan Member Agencies. Encourage Metropolitan's engagement in addressing subsidence issues along the California Aqueduct and in investing in additional storage access, particularly through involvement in the Sites Reservoir. Advocate for Metropolitan to renegotiate storage and banking programs along the State Water Project to improve "take" capacity and enhance drought resilience.

Colorado River Post-2026 Guidelines Implementation - Monitor key meetings and discussions on Colorado River management following implementation of post-2026 updated guidelines. Analyze impacts on Metropolitan's Colorado River supplies and associated costs to MWDOC and its Member Agencies. Advocate for suitable Colorado River salinity control measures and actions. Coordinate with California water agencies and the MWDOC-MET

Delegation to protect Orange County's interests in Colorado River management decisions.

Climate Adaptation Master Plan for Water - Fully engage in Metropolitan's Climate Adaptation Master Plan for Water (CAMP4W) process while Metropolitan analyzes additional long-term improvements to create a drought-resilient network of facilities that strengthens regional water supply reliability. Evaluate Time-Bound Targets, the Framework for Climate Decision-Making, new policies and initiatives, and alignment with Metropolitan's Business Model. Continue dialogue to develop meaningful long-term objectives and reinforce collective dedication to advancing Metropolitan's mission while protecting Orange County interests.

Cost Center 23: Metropolitan & Water Resources	***Adopted FY25-26***	***Proposed FY26-27***	***Proposed FY27-28***	***FY25-26 to FY26-27 Variance***	***FY26-27 to FY27-28 Variance***
Employee Conference & Travel Expenses (See Exh E)**	-	850	884	850	34
Employee Salaries & Benefits	482,629	531,473	557,483	48,844	26,010
Memberships & Sponsorships (See Exh D)**	-	17,680	18,387	17,680	707
Other Expenses*	1,500	1,500	1,500	-	-
Professional Services (See Exh J)	100,000	95,000	103,000	(5,000)	8,000
Expenditure Total	**584,129**	**646,503**	**681,254**	**62,374**	**34,751**

*Other Expenses include miscellaneous expenses.

**Cost Center Reassigned (Employee Conference & Travel Expenses and Memberships & Sponsorships moved from Cost Center 12 to Cost Center 23).

GOVERNMENT AFFAIRS & POLICY

COST CENTER 31

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

GA relies on local, state, and federal advocates to track, monitor, and assist in educational outreach. The Grants Tracking and Acquisition Program continues to be an asset for Member Agencies, providing timely information and helpful tools to obtain funding for various programs and infrastructure. Outreach to new and returning members of the Orange County congressional, state, and local delegations remains a high priority.

Fundamental activities include:

- Federal, state, and local legislative outreach and advocacy
- Grant identification and application support
- Orange County delegation engagement
- Policy analysis and position development
- Coalition building and stakeholder coordination
- Regulatory compliance advocacy
- Administration of the Water Advisory Committee of Orange County (WACO) and the Independent Special Districts of Orange County (ISDOC)

KEY INITIATIVES FOR FY 2026-27 & 2027-28

WaterSMART Grant Program Advocacy - Work with the Orange County Congressional delegation and federal administration to maintain and advocate for WaterSMART grant funding opportunities that benefit Orange County water agencies. Collaborate with Water Use Efficiency and Water Loss Control to enhance MWDOC's programs by highlighting successes while actively working to increase federal funding opportunities. Currently, the United States Bureau of Reclamation's WaterSMART grant program does not provide grants for distribution system leak detection. Meet with members of the Orange County congressional delegation to highlight Water Loss Control Program successes and request assistance with the Bureau. Meet with WaterSMART program staff and other Bureau personnel to advocate for expanded funding criteria. Work with Bureau staff or Congress to modify funding criteria to include distribution system leak detection and other water efficiency measures.

Conservation as a California Way of Life Compliance Advocacy - Engage in state-level advocacy to support Member Agency compliance with Conservation as a California Way of Life Framework requirements. Advocate for adequate state funding and technical assistance to support compliance efforts. Coordinate with Member Agencies to identify and address implementation challenges.

Colorado River Post-2026 Operations - Continue monitoring activities and processes relating to Colorado River management following the expiration of interim guidelines and drought contingency plans at the end of 2026.

Work with California water agencies to present strong arguments and messaging for California's role and leadership in the Colorado River Basin. Identify opportunities to engage the California congressional delegation to support legislation that helps California and the Basin. Ensure dedicated federal dollars benefit California water agencies. Coordinate with Metropolitan's Washington, D.C. staff on all Colorado River matters to support Metropolitan as the water rights holder for MWDOC's imported water from the Colorado River. Once the new operating agreement has been adopted by all seven states and Mexico, both federal and state legislation will be required for implementation, so the focus will shift to legislation development.

Low-Income Rate Assistance (LIRA) Program Development - Support water industry-led efforts to develop workable low-income rate assistance programs. Participate in working groups and task force meetings with the California Municipal Utilities Association (CMUA) and Association of California Water Agencies (ACWA). Meet with members of the Orange County delegation to request support for industry-sponsored proposals. Engage in outreach efforts that highlight the need for flexibility in LIRA programs, recognizing that different water providers serve different populations and have varying administrative infrastructure and funding capabilities to implement programs.

Grants Training and Capacity Building - Provide grants training led by experienced and successful grant consultants to build capacity among MWDOC and Member Agency staff. Training will cover strategies for crafting competitive proposals, understanding funding agency priorities, developing program budgets, and navigating application processes. Enhance Member Agencies' abilities to secure federal, state, and local funding for water infrastructure, conservation programs, and other priority projects.

State Legislative and Regulatory Engagement - Track, analyze, and engage on state legislation and regulations affecting water agencies, including water supply development, conservation requirements, water quality standards, and utility operations. Coordinate with water industry associations and coalition partners to advance positions that benefit Orange County water agencies and their customers.

Cost Center 31: Government Affairs & Policy	***Adopted FY25-26***	***Proposed FY26-27***	***Proposed FY27-28***	***FY25-26 to FY26-27 Variance***	***FY26-27 to FY27-28 Variance***
Employee Conference & Travel Expenses (See Exh E)**	-	27,107	26,505	27,107	(602)
Employee Salaries & Benefits	247,546	182,986	184,940	(64,560)	1,954
Memberships & Sponsorships (See Exh D)**	12,500	69,178	71,883	56,678	2,705
Other Expenses*	1,500	10,000	10,000	8,500	-
Professional Services (See Exh J)	394,000	370,000	370,000	(24,000)	-
Training Expenses (See Exh J)	15,000	-	-	(15,000)	-
Expenditure Total	**670,546**	**659,271**	**663,328**	**(11,275)**	**4,057**

*Other Expenses include miscellaneous expenses.

**Cost Center reassigned (Employee Conference & Travel Expenses and Memberships & Sponsorships moved from Cost Center 12 to Cost Center 31).

7. CHOICE & SHARED SERVICES PROGRAMS FOR FY 2026-27 AND 2027-28

MWDOC also offers several programs through a Shared Services structure via the Choice Program format.[5] This provides MWDOC's Member Agencies with a mechanism for pooling resources to develop high-quality programs with an economies-of-scale approach. Many of these program offerings provide Member Agencies with a pathway to meet regulatory requirements, adhere to best management practices, and perform other common water utility functions at a fraction of the cost or administrative burden of implementing the program individually. Additionally, by participating in these programs, MWDOC's Member Agencies can customize them to suit their individual needs while ensuring 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 funded by participating retail agencies as Choice activities. All Orange County retail agencies actively participate in MWDOC's Choice-based Water Use Efficiency Programs.

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

Shared Services that support Member Agencies' compliance with the Making Conservation a California Way of Life Framework (Conservation Framework) are offered through the Conservation Framework Technical Assistance Program (Framework TAP) and the Meter Area Measurements Program (MAM Program).

Through the Framework TAP, Member Agencies may access consultant services for Compliance Readiness Assessments, Framework Compliance Plans, Commercial, Industrial, and Institutional (CII) BMP Implementation Plans, CII Customer Classification Systems, and annual reporting support and data management. Twenty-one (21) of Orange County's twenty-six (26) urban water suppliers have accessed these services. In addition to providing funding through Metropolitan's Conservation Credits Program, MWDOC has secured two federal grants totaling $200,000 for this project. Through 2025, MWDOC has provided a 60% cost-share, directly reducing Member Agency participation costs.

[5] 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.

The MAM Program supports Member Agency compliance with the landscape mapping requirements of the Conservation Framework, including the identification, measurement and classification of landscape areas associated with dedicated irrigation meters (DIMs), the identification of landscapes greater than ½ acre irrigated by mixed-use meters, and the reconciliation of DIM and residential landscape area measurements conducted by the Department of Water Resources to ensure data accuracy and completeness. Twenty (20) Orange County urban water suppliers access the MAM program. With funding from the Metropolitan Conservation Credits Program and $218,000 in procured state grant funding, MWDOC has provided an 80% cost share for this Program, significantly reducing the cost of Member Agency participation.

WATER LOSS CONTROL SHARED SERVICES

MWDOC's Water Loss Control Program is centered around Shared Services. Since 2019, MWDOC has offered Water Audit Validation, Distribution System Leak Detection services, Meter Accuracy Testing, and Pressure Surveys as ongoing Shared Services. Water Audit Validation remains a popular service, with 25 agencies using MWDOC to validate their water audits in compliance with SB 555. The Meter Accuracy Testing Program has seen increased participation, with over 2,700 meters tested to date.

Distribution System Leak Detection services have expanded significantly since 2020. There has been over a 220% increase in the miles of distribution system surveyed from FY 2019-20 to FY 2025-26, bringing the total surveyed to 7,163 miles. Additionally, the number of agencies accessing these services each year has also been increasing over time. As of FY 2025-26, 26 out of 29 retail water agencies (89%) in Orange County have accessed these services.

To date, 3,842 hidden leaks (leaks that have not surfaced) have been found through this Program. Water savings are estimated at more than 1,070 acre-feet per year with a value of $908,111 annually (based on variable production and customer retail unit costs). 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.



MWDOC leak detection technicians use listening equipment to find hidden leaks.

K-12 WATER EDUCATION PROGRAM

Through interactive assemblies and inquiry-based activities aligned with academic standards, Orange County's youngest water users develop a strong foundation in 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

LEAD AND COPPER RULE IMPROVEMENT TECHNICAL SUPPORT

Provide pass-through, Shared Service technical support to Member Agencies as they navigate compliance with the Lead and Copper Rule Improvements. This assistance helps agencies understand regulatory requirements, develop compliance strategies, and implement necessary system improvements.



8. WATER RATES AND CHARGES

MWDOC's rates and fees generally fall into three categories: (1) 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 is comprised of 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 methodology for the Groundwater Customer Charge. This 2021 rate structure is used for the FY 2026-27 and FY 2027-28 Budget and rates.

PROPOSED NEW RATES

Based on the Proposed Budget and the current rate structure:

- **For FY 2026-27, the proposed Retail Meter Service Charge is $15.70 per meter**
- **For FY 2027-28, the proposed Retail Meter Service Charge is $16.25 per meter**

- **For FY 2026-27, the proposed Groundwater Customer Charge is $427,658**
- **For FY 2027-28, the proposed Groundwater Customer Charge is $441,989**

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

The proposed Total Water Budget for FY 2026-27 and FY 2027-28 includes water purchases of 119,158 Acre-Feet (AF) and 124,158 AF, respectively, as well as anticipated Local Resource Program incentives of $2,872,750 and $2,987,660 respectively, a decrease of -$967,826 (-25.2%), RTS Charges, Capacity Charges, Treated Peaking Capacity Charge, Treatment Used Standby Capacity Charge, Treatment Used Standby Charge, and the South County Pipeline (SCP) / Santiago Aqueduct Commission (SAC) Surcharge[6].

[6] Summary of Water Fund revenues and expenses can be found in Exhibit A5.

Municipal Water District of Orange County (MWDOC)

BIENNIAL BUDGET

Fiscal Years 2026–27 & 2027–28

Final Draft

Mission Statement

To provide reliable, high-quality supplies from the Metropolitan Water District of Southern California (Metropolitan) 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.

Municipal Water District of Orange County (MWDOC) Biennial Budget
Summary Of Revenue And Expenses By Accounts
Core Fund

	Adopted FY25-26	Projected FY25-26	Proposed FY26-27	Proposed FY27-28	FY25-26 to FY26-27 Variance	FY26-27 to FY27-28 Variance
Revenue						
4050-RETAIL CONNECTION CHARGE (See Exh C)	$ 9,939,371	$ 9,939,371	$ 10,278,727	$ 10,686,812	$ 339,356	$ 408,085
4055-GROUND WATER CUSTOMER CHARGE	$ 414,371	$ 414,371	$ 427,658	$ 441,989	$ 13,287	$ 14,331
4105-INTEREST REVENUE	$ 916,000	$ 931,000	$ 962,952	$ 810,785	$ 46,952	$ (152,167)
4230-REIMBURSEMENTS	$ -	$ 1,222,000	$ 33,333	$ 33,333	$ 33,333	$ -
4240-MISCELLANEOUS INCOME	$ 5,000	$ 1,200	$ 5,000	$ 5,000	$ -	$ -
4705-PRIOR YEAR CARRYOVER	$ -	$ -	$ 195,380	$ 60,207	$ 195,380	$ (135,173)
4XXX-REIMB FROM OPEB RESERVE/115 TRUST	$ 122,517	$ 107,000	$ 123,710	$ 128,658	$ 1,193	$ 4,948
Revenue Total	**$ 11,397,259**	**$ 12,614,942**	**$ 12,026,760**	**$ 12,166,784**	**$ 629,501**	**$ 140,024**
Expenditure						
6010-SALARIES AND WAGES - ADMIN	$ 4,952,736	$ 4,881,633	$ 5,361,437	$ 5,761,020	$ 408,701	$ 399,583
6012-GRANT RECOVERY - SALARIES	$ (33,000)	$ (33,000)	$ -	$ -	$ 33,000	$ -
6090-DIRECTORS COMPENSATION - MWDOC	$ 281,917	$ 275,208	$ 290,942	$ 300,923	$ 9,025	$ 9,981
6095-DIRECTORS COMPENSATION-MET	$ 161,096	$ 156,399	$ 166,253	$ 171,956	$ 5,157	$ 5,703
6105-BENEFITS ADMIN	$ 1,525,517	$ 1,592,790	$ 1,784,137	$ 1,864,065	$ 258,620	$ 79,928
6109-UNFUNDED PENSION	$ 207,000	$ 207,000	$ 207,000	$ 207,000	$ -	$ -
6111-OVERHEAD REIMBURSEMENT	$ (504,105)	$ (94,640)	$ (439,671)	$ (473,083)	$ 64,434	$ (33,412)
6115-DIRECTORS BENEFITS	$ 158,371	$ 152,929	$ 174,974	$ 181,496	$ 16,603	$ 6,522
6120-HEALTH INSURANCE FOR RETIREES	$ 122,517	$ 107,000	$ 123,710	$ 128,658	$ 1,193	$ 4,948
6205-TRAINING EXPENSE (See Exh J)	$ 82,445	$ 52,000	$ 56,500	$ 58,500	$ (25,945)	$ 2,000
6210-TUITION REIMBURSEMENT	$ 6,500	$ 7,662	$ 6,900	$ 7,100	$ 400	$ 200
6220-TEMPORARY HELP EXPENSE	$ 5,000	$ -	$ 5,000	$ 5,000	$ -	$ -
7010-OUTSIDE CONSULTING SERVICES (See Exh J)	$ 570,000	$ 1,707,850	$ 450,000	$ 398,000	$ (120,000)	$ (52,000)
7020-LEGAL EXPENSE (See Exh J)	$ 260,000	$ 266,000	$ 257,040	$ 263,121	$ (2,960)	$ 6,081
7030-AUDIT EXPENSE (See Exh J)	$ 37,445	$ 32,455	$ 38,418	$ 39,420	$ 973	$ 1,002
7040-PROFESSIONAL SERVICES (See Exh J)	$ 914,200	$ 821,000	$ 870,675	$ 824,014	$ (43,525)	$ (46,661)
7110-CONFERENCE - EMPLOYEE (See Exh E)	$ 42,497	$ 39,465	$ 46,111	$ 48,570	$ 3,614	$ 2,459
7115-CONFERENCE EXPENSE-DIRECTOR (See Exh F)	$ 17,155	$ 21,095	$ 21,784	$ 22,617	$ 4,629	$ 833
7150-TRAVEL/ACCOMMODATION-EMPLOYEE (See Exh E)	$ 85,900	$ 78,169	$ 75,620	$ 77,826	$ (10,280)	$ 2,206
7155-TRAVEL/ACCOMMODATION-DIRECTOR (See Exh F)	$ 36,625	$ 36,050	$ 31,400	$ 32,536	$ (5,225)	$ 1,136
7210-MEMBERSHIP & SPONSORSHIP (See Exh D)	$ 221,386	$ 220,941	$ 201,308	$ 208,717	$ (20,078)	$ 7,409
7220-EDUCATION INITIATIVE	$ 35,000	$ -	$ 45,000	$ 45,000	$ 10,000	$ -
7250-CDR SUPPORT	$ 72,650	$ 72,648	$ 77,272	$ 77,272	$ 4,622	$ -
7305-BUSINESS EXPENSE	$ 5,500	$ 5,607	$ 5,720	$ 5,949	$ 220	$ 229
7310-OFFICE MAINTENANCE	$ 156,000	$ 150,000	$ 163,385	$ 169,921	$ 7,385	$ 6,536
7315-BUILDING REPAIR & MAINTENANCE	$ 57,200	$ 59,000	$ 64,381	$ 66,957	$ 7,181	$ 2,576
7320-STORAGE RENTAL AND EQUIP LEASE	$ 1,125	$ 1,000	$ 1,170	$ 1,217	$ 45	$ 47
7330-OFFICE SUPPLIES	$ 28,000	$ 25,000	$ 28,000	$ 29,120	$ -	$ 1,120
7340-POSTAGE-MAIL DELIVERY	$ 8,800	$ 7,500	$ 8,124	$ 8,209	$ (676)	$ 85
7350-SUBSCRIPTIONS-BOOKS	$ 10,000	$ 11,500	$ 6,500	$ 6,760	$ (3,500)	$ 260
7360-REPRODUCTION EXPENSE	$ 108,500	$ 110,000	$ 104,000	$ 109,970	$ (4,500)	$ 5,970
7410-COMPUTER AND PERIPHERALS MAINT	$ 15,850	$ 13,000	$ 15,300	$ 16,853	$ (550)	$ 1,553
7430-SOFTWARE PURCHASE	$ 269,311	$ 154,900	$ 228,543	$ 241,259	$ (40,768)	$ 12,716
7440-SOFTWARE SUPPORT	$ 20,000	$ 59,600	$ 3,600	$ 3,800	$ (16,400)	$ 200
7450-COMPUTERS AND EQUIPMENT	$ 45,250	$ 30,000	$ 12,750	$ 12,750	$ (32,500)	$ -
7610-AUTOMOTIVE EXPENSE-MILEAGE	$ 11,500	$ 10,600	$ 11,500	$ 11,680	$ -	$ 180
7615-TOLL ROAD CHARGES	$ 550	$ 500	$ 550	$ 560	$ -	$ 10
7620-INSURANCE EXPENSE	$ 233,950	$ 210,000	$ 238,426	$ 247,965	$ 4,476	$ 9,539
7640-UTILITIES-TELEPHONE	$ 47,474	$ 38,430	$ 43,675	$ 45,421	$ (3,799)	$ 1,746
7650-BANK FEES	$ 2,400	$ 100	$ 1,600	$ 1,600	$ (800)	$ -
7670-MISCELLANEOUS EXPENSE	$ 135,200	$ 160,152	$ 103,500	$ 106,891	$ (31,700)	$ 3,391
8510-MWDOCS CONTRIB TO PROGRAMS	$ 353,149	$ 353,149	$ 399,019	$ 424,680	$ 45,870	$ 25,661
8710-ELECTION EXPENSES	$ 605,000	$ 605,000	$ 600,000	$ 470,000	$ (5,000)	$ (130,000)
8810-CAPITAL ACQUISITION	$ 25,000	$ 7,500	$ -	$ -	$ (25,000)	$ -
8811-BUILDING EXPENSE	$ -	$ -	$ 75,000	$ -	$ 75,000	$ (75,000)
Expenditure Total	**$ 11,398,611**	**$ 12,613,192**	**$ 11,966,553**	**$ 12,231,290**	**$ 567,942**	**$ 264,737**
Net Increase to (Use of) Reserves	**$ (1,352)**	**$ 1,749**	**$ 60,207**	**$ (64,506)**	**$ 61,559**	**$ (124,713)**

Municipal Water District of Orange County (MWDOC) Biennial Budget
Summary Of Revenue And Expenses By Accounts
Choice Fund

	Adopted FY25-26	Projected FY25-26	Proposed FY26-27	Proposed FY27-28	FY25-26 to FY26-27 Variance	FY26-27 to FY27-28 Variance
Revenue						
4215-CHOICE REVENUE	$ 2,057,635	$ 1,712,991	$ 2,598,279	$ 2,718,591	$ 540,644	$ 120,312
4230-REIMBURSEMENTS	$ -	$ -	$ 203,000	$ 215,667	$ 203,000	$ 12,667
4305-REVENUE FROM MWD	$ 312,321	$ 252,011	$ 248,355	$ 248,355	$ (63,966)	$ -
4705-PRIOR YEAR CARRYOVER	$ 944	$ 3	$ -	$ -	$ (944)	$ -
Revenue Total	**$ 2,370,900**	**$ 1,965,005**	**$ 3,049,634**	**$ 3,182,613**	**$ 678,734**	**$ 132,979**
Expenditure						
6010-SALARIES AND WAGES - ADMIN	$ 889,498	$ 757,449	$ 788,413	$ 845,351	$ (101,085)	$ 56,938
6012-GRANT RECOVERY - SALARIES	$ (15,000)	$ (6,578)	$ -	$ -	$ 15,000	$ -
6105-BENEFITS ADMIN	$ 248,957	$ 208,118	$ 207,218	$ 225,942	$ (41,739)	$ 18,724
6111-OVERHEAD REIMBURSEMENT	$ 504,105	$ 420,879	$ 439,671	$ 473,083	$ (64,434)	$ 33,412
6205-TRAINING EXPENSE (See Exh J)	$ 2,000	$ 2,200	$ 2,000	$ 2,000	$ -	$ -
7040-PROFESSIONAL SERVICES (See Exh J)	$ 710,458	$ 555,300	$ 1,576,452	$ 1,599,317	$ 865,994	$ 22,865
7332-SUPPLIES - WATER LOSS CONTROL	$ 4,000	$ 3,400	$ 4,000	$ 4,500	$ -	$ 500
7340-POSTAGE-MAIL DELIVERY	$ 650	$ 500	$ 500	$ 500	$ (150)	$ -
7430-SOFTWARE PURCHASE	$ 2,420	$ 2,200	$ 3,200	$ 3,200	$ 780	$ -
7610-AUTOMOTIVE EXPENSE-MILEAGE	$ 100	$ 100	$ 100	$ 120	$ -	$ 20
7612-VEHICLE EXPENSE	$ 10,000	$ 10,000	$ 12,000	$ 12,000	$ 2,000	$ -
7615-TOLL ROAD CHARGES	$ 400	$ 1,500	$ 2,000	$ 2,000	$ 1,600	$ -
7620-INSURANCE EXPENSE	$ 200	$ 177	$ 200	$ 220	$ -	$ 20
7640-UTILITIES-TELEPHONE	$ 2,112	$ 2,760	$ 2,880	$ 2,880	$ 768	$ -
7670-MISCELLANEOUS EXPENSE	$ 11,000	$ 7,000	$ 11,000	$ 11,500	$ -	$ 500
Expenditure Total	**$ 2,370,900**	**$ 1,965,005**	**$ 3,049,634**	**$ 3,182,613**	**$ 678,734**	**$ 132,979**
Net Increase to (Use of) Reserves	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Municipal Water District of Orange County (MWDOC) Biennial Budget
Summary Of Revenue And Expenses By Accounts
Consolidated (Core And Choice Funds)

	Adopted FY25-26	Projected FY25-26	Proposed FY26-27	Proposed FY27-28	FY25-26 to FY26-27 Variance	FY26-27 to FY27-28 Variance
Revenue						
4050-RETAIL CONNECTION CHARGE (See Exh C)	$ 9,939,371	$ 9,939,371	$ 10,278,727	$ 10,686,812	$ 339,356	$ 408,085
4055-GROUND WATER CUSTOMER CHARGE	$ 414,371	$ 414,371	$ 427,658	$ 441,989	$ 13,287	$ 14,331
4105-INTEREST REVENUE	$ 916,000	$ 931,000	$ 962,952	$ 810,785	$ 46,952	$ (152,167)
4215-CHOICE REVENUE	$ 2,057,635	$ 1,712,991	$ 2,598,279	$ 2,718,591	$ 540,644	$ 120,312
4230-REIMBURSEMENTS	$ -	$ 1,222,000	$ 236,333	$ 249,000	$ 236,333	$ 12,667
4240-MISCELLANEOUS INCOME	$ 5,000	$ 1,200	$ 5,000	$ 5,000	$ -	$ -
4305-REVENUE FROM MWD	$ 312,321	$ 252,011	$ 248,355	$ 248,355	$ (63,966)	$ -
4705-PRIOR YEAR CARRYOVER	$ 944	$ 3	$ 195,380	$ 60,207	$ 194,436	$ (135,173)
4XXX-REIMB FROM OPEB RESERVE/115 TRUST	$ 122,517	$ 107,000	$ 123,710	$ 128,658	$ 1,193	$ 4,948
Revenue Total	**$ 13,768,159**	**$ 14,579,947**	**$ 15,076,394**	**$ 15,349,397**	**$ 1,308,235**	**$ 273,003**
Expenditure						
6010-SALARIES AND WAGES - ADMIN	$ 5,842,234	$ 5,639,082	$ 6,149,850	$ 6,606,371	$ 307,616	$ 456,521
6012-GRANT RECOVERY - SALARIES	$ (48,000)	$ (39,578)	$ -	$ -	$ 48,000	$ -
6090-DIRECTORS COMPENSATION - MWDOC	$ 281,917	$ 275,208	$ 290,942	$ 300,923	$ 9,025	$ 9,981
6095-DIRECTORS COMPENSATION-MET	$ 161,096	$ 156,399	$ 166,253	$ 171,956	$ 5,157	$ 5,703
6105-BENEFITS ADMIN	$ 1,774,474	$ 1,800,908	$ 1,991,355	$ 2,090,007	$ 216,881	$ 98,652
6109-UNFUNDED PENSION	$ 207,000	$ 207,000	$ 207,000	$ 207,000	$ -	$ -
6111-OVERHEAD REIMBURSEMENT	$ -	$ 326,239	$ -	$ -	$ -	$ -
6115-DIRECTORS BENEFITS	$ 158,371	$ 152,929	$ 174,974	$ 181,496	$ 16,603	$ 6,522
6120-HEALTH INSURANCE FOR RETIREES	$ 122,517	$ 107,000	$ 123,710	$ 128,658	$ 1,193	$ 4,948
6205-TRAINING EXPENSE (See Exh J)	$ 84,445	$ 54,200	$ 58,500	$ 60,500	$ (25,945)	$ 2,000
6210-TUITION REIMBURSEMENT	$ 6,500	$ 7,662	$ 6,900	$ 7,100	$ 400	$ 200
6220-TEMPORARY HELP EXPENSE	$ 5,000	$ -	$ 5,000	$ 5,000	$ -	$ -
7010-OUTSIDE CONSULTING SERVICES (See Exh J)	$ 570,000	$ 1,707,850	$ 450,000	$ 398,000	$ (120,000)	$ (52,000)
7020-LEGAL EXPENSE (See Exh J)	$ 260,000	$ 266,000	$ 257,040	$ 263,121	$ (2,960)	$ 6,081
7030-AUDIT EXPENSE (See Exh J)	$ 37,445	$ 32,455	$ 38,418	$ 39,420	$ 973	$ 1,002
7040-PROFESSIONAL SERVICES (See Exh J)	$ 1,624,658	$ 1,376,300	$ 2,447,127	$ 2,423,331	$ 822,469	$ (23,796)
7110-CONFERENCE - EMPLOYEE (See Exh E)	$ 42,497	$ 39,465	$ 46,111	$ 48,570	$ 3,614	$ 2,459
7115-CONFERENCE EXPENSE-DIRECTOR (See Exh F)	$ 17,155	$ 21,095	$ 21,784	$ 22,617	$ 4,629	$ 833
7150-TRAVEL/ACCOMMODATION-EMPLOYEE (See Exh E)	$ 85,900	$ 78,169	$ 75,620	$ 77,826	$ (10,280)	$ 2,206
7155-TRAVEL/ACCOMMODATION-DIRECTOR (See Exh F)	$ 36,625	$ 36,050	$ 31,400	$ 32,536	$ (5,225)	$ 1,136
7210-MEMBERSHIP & SPONSORSHIP (See Exh D)	$ 221,386	$ 220,941	$ 201,308	$ 208,717	$ (20,078)	$ 7,409
7220-EDUCATION INITIATIVE	$ 35,000	$ -	$ 45,000	$ 45,000	$ 10,000	$ -
7250-CDR SUPPORT	$ 72,650	$ 72,648	$ 77,272	$ 77,272	$ 4,622	$ -
7305-BUSINESS EXPENSE	$ 5,500	$ 5,607	$ 5,720	$ 5,949	$ 220	$ 229
7310-OFFICE MAINTENANCE	$ 156,000	$ 150,000	$ 163,385	$ 169,921	$ 7,385	$ 6,536
7315-BUILDING REPAIR & MAINTENANCE	$ 57,200	$ 59,000	$ 64,381	$ 66,957	$ 7,181	$ 2,576
7320-STORAGE RENTAL AND EQUIP LEASE	$ 1,125	$ 1,000	$ 1,170	$ 1,217	$ 45	$ 47
7330-OFFICE SUPPLIES	$ 28,000	$ 25,000	$ 28,000	$ 29,120	$ -	$ 1,120
7332-SUPPLIES - WATER LOSS CONTROL	$ 4,000	$ 3,400	$ 4,000	$ 4,500	$ -	$ 500
7340-POSTAGE-MAIL DELIVERY	$ 9,450	$ 8,000	$ 8,624	$ 8,709	$ (826)	$ 85
7350-SUBSCRIPTIONS-BOOKS	$ 10,000	$ 11,500	$ 6,500	$ 6,760	$ (3,500)	$ 260
7360-REPRODUCTION EXPENSE	$ 108,500	$ 110,000	$ 104,000	$ 109,970	$ (4,500)	$ 5,970
7410-COMPUTER AND PERIPHERALS MAINT	$ 15,850	$ 13,000	$ 15,300	$ 16,853	$ (550)	$ 1,553
7430-SOFTWARE PURCHASE	$ 271,731	$ 157,100	$ 231,743	$ 244,459	$ (39,988)	$ 12,716
7440-SOFTWARE SUPPORT	$ 20,000	$ 59,600	$ 3,600	$ 3,800	$ (16,400)	$ 200
7450-COMPUTERS AND EQUIPMENT	$ 45,250	$ 30,000	$ 12,750	$ 12,750	$ (32,500)	$ -
7610-AUTOMOTIVE EXPENSE-MILEAGE	$ 11,600	$ 10,700	$ 11,600	$ 11,800	$ -	$ 200
7612-VEHICLE EXPENSE	$ 10,000	$ 10,000	$ 12,000	$ 12,000	$ 2,000	$ -
7615-TOLL ROAD CHARGES	$ 950	$ 2,000	$ 2,550	$ 2,560	$ 1,600	$ 10
7620-INSURANCE EXPENSE	$ 234,150	$ 210,177	$ 238,626	$ 248,185	$ 4,476	$ 9,559
7640-UTILITIES-TELEPHONE	$ 49,586	$ 41,190	$ 46,555	$ 48,301	$ (3,031)	$ 1,746
7650-BANK FEES	$ 2,400	$ 100	$ 1,600	$ 1,600	$ (800)	$ -
7670-MISCELLANEOUS EXPENSE	$ 146,200	$ 167,152	$ 114,500	$ 118,391	$ (31,700)	$ 3,891
8510-MWDOCS CONTRIB TO PROGRAMS	$ 353,149	$ 353,149	$ 399,019	$ 424,680	$ 45,870	$ 25,661
8710-ELECTION EXPENSES	$ 605,000	$ 605,000	$ 600,000	$ 470,000	$ (5,000)	$ (130,000)

Municipal Water District of Orange County (MWDOC) Biennial Budget
Summary Of Revenue And Expenses By Accounts
Consolidated (Core And Choice Funds)

	Adopted FY25-26	Projected FY25-26	Proposed FY26-27	Proposed FY27-28	FY25-26 to FY26-27 Variance	FY26-27 to FY27-28 Variance
8810-CAPITAL ACQUISITION	$ 25,000	$ 7,500	$ -	$ -	$ (25,000)	$ -
8811-BUILDING EXPENSE	$ -	$ -	$ 75,000	$ -	$ 75,000	$ (75,000)
Expenditure Total	**$ 13,769,511**	**$ 14,578,197**	**$ 15,016,187**	**$ 15,413,903**	**$ 1,246,676**	**$ 397,716**
Net Increase to (Use of) Reserves	**$ (1,352)**	**$ 1,749**	**$ 60,207**	**$ (64,506)**	**$ 61,559**	**$ (124,713)**

Municipal Water District of Orange County (MWDOC) Biennial Budget
Summary Of Revenue And Expenses By Accounts
Water Fund

	Adopted FY25-26	Projected FY25-26	Proposed FY26-27	Proposed FY27-28	FY25-26 to FY26-27 Variance	FY26-27 to FY27-28 Variance
Revenue						
4005-LOCAL RESOURCE PROGRAM INCENTIVES	$ (3,840,576)	$ (2,762,235)	$ (2,872,750)	$ (2,987,660)	$ 967,826	$ (114,910)
4005-WATER SALES	$ 179,332,825	$ 175,139,815	$ 162,834,152	$ 183,136,328	$(16,498,673)	$ 20,302,176
4030-READINESS TO SERVE CHRGE-SALES	$ 16,934,350	$ 17,401,299	$ 17,654,354	$ 18,360,528	$ 720,004	$ 706,174
4041-CAPACITY CHARGE (CCF) REVENUE	$ 4,624,125	$ 4,371,900	$ 4,230,450	$ 4,399,668	$ (393,675)	$ 169,218
4090-SCP/SAC PIPELINE SURCHARGE	$ 443,000	$ 405,012	$ 460,720	$ 479,149	$ 17,720	$ 18,429
Revenue Total	**$ 197,493,724**	**$ 194,555,791**	**$ 182,306,926**	**$ 203,388,013**	**$(15,186,798)**	**$ 21,081,087**
Expenditure						
5110-LOCAL RESOURCE PROGRAM INCENTIVES	$ (3,840,576)	$ (2,762,235)	$ (2,872,750)	$ (2,987,660)	$ 967,826	$ (114,910)
5110-WATER PURCHASES - MET	$ 179,332,825	$ 175,139,815	$ 162,834,152	$ 183,136,328	$(16,498,673)	$ 20,302,176
5230-READINESS TO SERVE CHRGE-PURCH	$ 16,934,350	$ 17,401,299	$ 17,654,354	$ 18,360,528	$ 720,004	$ 706,174
5241-CAPACITY CHARGE (CCF)	$ 4,624,125	$ 4,371,900	$ 4,230,450	$ 4,399,668	$ (393,675)	$ 169,218
5290-SCP/SAC PIPELINE SURCHARGE	$ 443,000	$ 405,012	$ 460,720	$ 479,149	$ 17,720	$ 18,429
Expenditure Total	**$ 197,493,724**	**$ 194,555,791**	**$ 182,306,926**	**$ 203,388,013**	**$(15,186,798)**	**$ 21,081,087**
Net Increase to (Use of) Reserves	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Municipal Water District of Orange County (MWDOC) Biennial Budget
Summary Of Revenue And Expenses By Accounts
Water Use Efficiency Program Fund

	Adopted FY25-26	Projected FY25-26	Proposed FY26-27	Proposed FY27-28	FY25-26 to FY26-27 Variance	FY26-27 to FY27-28 Variance
Revenue						
4305-REVENUE FROM MWD	$ 5,861,960	$7,862,119	$ 5,476,000	$ 5,547,000	$ (385,960)	$ 71,000
4340-REVENUE - MEMBER AGENCIES	$ 1,572,525	$728,938	$ 756,804	$ 424,812	$ (815,721)	$ (331,992)
4405-GRANTS FROM USBR	$ 519,051	$810,625	$ 321,936	$ 58,750	$ (197,115)	$ (263,186)
4410-DEPARTMENT OF WATER RESOURCES	$ 395,962	$310,126	$ 387,775	$ 205,000	$ (8,187)	$ (182,775)
Revenue Total	**$ 8,349,498**	**$9,711,809.00**	**$ 6,942,515**	**$ 6,235,562**	**$ (1,406,983)**	**$ (706,953)**
Expenditure						
1215-CONSULTANT ADMINISTRATION	$ 1,222,638	$650,000	$ 534,744	$ 129,246	$ (687,894)	$ (405,498)
1225-INSTALLATION VERIFICATION	$ 121,353	$112,794	$ 74,000	$ 53,000	$ (47,353)	$ (21,000)
1230-REBATE INCENTIVES	$ 6,935,507	$8,810,425	$ 6,235,996	$ 5,978,316	$ (699,511)	$ (257,680)
1235-SURVEYS AND AUDITS	$ 70,000	$138,590	$ 97,775	$ 75,000	$ 27,775	$ (22,775)
Expenditure Total	**$ 8,349,498**	**$9,711,809.00**	**$ 6,942,515**	**$ 6,235,562**	**$ (1,406,983)**	**$ (706,953)**
Net Increase to (Use of) Reserves	**$ -**	**-**	**$ -**	**$ -**	**$ -**	**$ -**

Municipal Water District of Orange County (MWDOC) Biennial Budget
Detail Of Expenditures By Cost Centers Including FTEs
Core and Choice Funds

Fund	CostCenter	Adopted FY25-26	Projected FY25-26	Proposed FY26-27	Proposed FY27-28	Adopted FY25-26 FTE	Proposed FY26-27 FTE	Proposed FY27-28 FTE
Core Fund	CC#00 General	$ -	$ -	$ 33,333	$ 33,333	0.00	0.00	0.00
	CC#11 Board Relations	$ 2,171,143	$ 2,020,045	$ 2,084,197	$ 2,011,990	2.74	2.25	2.25
	CC#12 Administration	$ 1,182,478	$ 840,557	$ 823,414	$ 829,795	5.08	4.07	3.97
	CC#13 Human Resources	$ 654,774	$ 631,386	$ 730,056	$ 713,731	2.09	2.05	2.54
	CC#19 Overhead	$ 1,156,399	$ 1,588,250	$ 1,443,492	$ 1,448,857	3.80	4.33	4.56
	CC#21 Engineering & Planning	$ 1,210,857	$ 2,381,471	$ 1,328,076	$ 1,349,265	3.03	3.25	3.60
	CC#23 Metropolitan & Water Resources	$ 584,129	$ 571,655	$ 646,503	$ 681,254	2.07	2.05	2.06
	CC#24 MWDOC Contribution to WEROC	$ 353,149	$ 353,149	$ 365,686	$ 391,347	3.19	3.19	3.20
	CC#31 Government Affairs & Policy	$ 670,546	$ 697,949	$ 659,271	$ 663,328	0.89	0.61	0.58
	CC#32 Public Affairs	$ 1,500,975	$ 1,500,316	$ 1,652,464	$ 1,746,708	5.93	6.07	6.10
	CC#35 Water Use Efficiency	$ 531,517	$ 679,781	$ 394,630	$ 415,648	1.76	1.36	1.34
	CC#36 Water Loss Control	$ -	$ 15,243	$ 298,849	$ 314,473	[redacted]	1.29	1.31
	CC#41 Finance	$ 900,773	$ 918,269	$ 964,142	$ 1,061,752	3.41	4.38	4.59
	CC#45 Information Technology	$ 481,871	$ 415,121	$ 542,440	$ 569,809	0.95	0.96	0.96
Core Fund Total		**$ 11,398,611**	**$ 12,613,192**	**$ 11,966,553**	**$ 12,231,290**	**34.94**	**35.86**	**37.06**
Choice Fund	CC#61 AMP Administration	$ 944	$ 3	$ -	$ -	0.00	0.00	0.00
	CC#62 Water Use Efficiency (Choice)	$ 1,183,382	$ 1,054,339	$ 953,736	$ 1,006,935	5.99	4.38	4.43
	CC#63 School Program (Choice)	$ 504,809	$ 377,786	$ 524,947	$ 542,463	0.05	0.07	0.08
	CC#70 Water Loss Control (Choice)	$ 681,765	$ 532,877	$ 1,367,951	$ 1,417,548	3.03	3.33	3.34
	CC#71 Engineering (Choice)	$ -	$ -	$ 203,000	$ 215,667	0.00	0.00	0.00
Choice Fund Total		**$ 2,370,900**	**$ 1,965,005**	**$ 3,049,634**	**$ 3,182,613**	**9.07**	**7.78**	**7.85**
Grand Total		**$ 13,769,511**	**$ 14,578,197**	**$ 15,016,187**	**$ 15,413,903**	**44.01**	**43.64**	**44.91**

Municipal Water District of Orange County (MWDOC) Biennial Budget

Fiscal Master Plan for Fiscal Years 2026-27 2027-28 (Exh C)

(in thousands unless otherwise stated)

	Adopted Budget FY25/26	Projected Budget FY25/26	Proposed Budget FY26/27	Proposed Budget FY27/28	Plan Projections[1] FY28/29	Plan Projections[1] FY29/30	Plan Projections[1] FY30/31
Beginning Designated Reserve Balance - MWDOC	$ 6,151	$ 6,065	$ 6,061	$ 6,022	$ 6,113	$ 6,159	$ 6,276
less OPEB Reserve	$ 297	$ 113	$ 107	$ -	$ -	$ -	$ -
Adjusted Reserve Balance	$ 5,854	$ 5,953	$ 5,954	$ 6,022	$ 6,113	$ 6,159	$ 6,276
Revenues							
Water Rate Revenues:							
Retail Meter Agency Charge	$ 9,939	$ 9,939	$ 10,279	$ 10,687	$ 11,098	$ 11,513	$ 11,932
Ground Water Customer Charge	$ 414	$ 414	$ 428	$ 442	$ 457	$ 473	$ 490
Subtotal	$ 10,354	$ 10,354	$ 10,706	$ 11,129	$ 11,556	$ 11,987	$ 12,422
Other Revenues:							
Choice Revenues	$ 2,343	$ 1,965	$ 3,050	$ 3,183	$ 3,294	$ 3,409	$ 3,529
Interest Earnings	$ 916	$ 931	$ 963	$ 811	$ 852	$ 904	$ 971
Misc./Reimbursements	$ 5	$ 1,330	$ 365	$ 383	$ 396	$ 410	$ 424
Subtotal	$ 3,264	$ 4,226	$ 4,378	$ 4,376	$ 4,542	$ 4,723	$ 4,924
Total Revenues	$ 13,618	$ 14,580	$ 15,084	$ 15,505	$ 16,098	$ 16,710	$ 17,345
Expenses							
Core Expenses	$ 10,769	$ 12,001	$ 11,367	$ 11,761	$ 12,173	$ 12,599	$ 13,040
Choice Expenses	$ 2,343	$ 1,965	$ 3,050	$ 3,183	$ 3,294	$ 3,409	$ 3,529
Capital Acquisitions (not including building)	$ 25	$ 8	$ -	$ -	$ -	$ -	$ -
Total Expenses w/o Election	$ 13,137	$ 13,973	$ 14,416	$ 14,944	$ 15,467	$ 16,008	$ 16,569
Revenue Over Expenses w/o Election	$ 481	$ 607	$ 668	$ 561	$ 631	$ 702	$ 777
ELECTION Reserve Beginning Balance	$ 1,570	$ 1,570	$ 2,175	$ 1,436	$ 1,906	$ 705	$ 1,290
Annual Election Reserve Contribution	$ 605	$ 605	$ 600	$ 470	$ 585	$ 585	$ 600
Annual Election Expense	$ -	$ -	$ 1,339	$ -	$ 1,785	$ -	$ 1,339
Election Reserve Ending Balance	$ 2,175	$ 2,175	$ 1,436	$ 1,906	$ 705	$ 1,290	$ 551
Ending General Fund & Designated Reserves	**$ 3,555**	**$ 3,780**	**$ 4,587**	**$ 4,208**	**$ 5,454**	**$ 4,986**	**$ 5,902**

Document does not reflect MWDOC's irrevocable trust towards OPEB Pension liability

MWDOC Water Rates (Figures are unscaled)

Total Retail Customer Meters	**651,762**	**651,762**	**654,696**	**657,650**	**660,610**	**663,590**	**666,580**
Connection Charge	**$ 15.25**	**$ 15.25**	**$ 15.70**	**$ 16.25**	**$ 16.80**	**$ 17.35**	**$ 17.90**
Rate Increase Proposal:							
Rate Change %			**2.95%**	**3.50%**	**3.38%**	**3.27%**	**3.17%**
Connection Charge			**$ 0.45**	**$ 0.55**	**$ 0.55**	**$ 0.55**	**$ 0.55**

1 Assumptions for FMP:

Projected Inflation rate: 3.50% per year

Rate of return on Investment of portfolio: 4.25% per year

Municipal Water District of Orange County (MWDOC) Biennial Budget

Proposed Participation Costs and Registration/Travel Budgets (Staff & Board) (Exh: D,E,F)

Fiscal Years 2026-27 & 2027-28

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

		Exh D (see Exh G for add'n details) Proposed District Participation Costs				Exh E Proposed Staff Registration & Travel Budget*				Exh F Proposed Board Registration & Travel Budget*			
Conference / Meeting	Approval included in Budget Approval	Adopted Budget FY25/26	Projected Budget FY25/26	Proposed Budget FY26/27	Proposed Budget FY27/28	Proposed Budget FY26/27 Registration	Proposed Budget FY26/27 Travel	Proposed Budget FY27/28 Registration	Proposed Budget FY27/28 Travel	Proposed Budget FY26/27 Registration	Proposed Budget FY26/27 Travel	Proposed Budget FY27/28 Registration	Proposed Budget FY27/28 Travel
Board Related													
Association of California Cities- Orange County (ACCOC)	√	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 500	$ 800	$ 520	$ 832
Association of California Water Agencies (ACWA)	√	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 7,709	$ 9,800	$ 8,017	$ 10,192
Cal Desal	√	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 200	$ 600	$ 210	$ 624
California Council for Environmental and Economic Balance (CCEEB	√	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,500	$ 1,600	$ 1,560	$ 1,664
California Special Districts Association (CSDA)	√	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 800	$ 1,600	$ 832	$ 1,664
Colorado River Water Users Association (CRWUA)	√	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,875	$ 3,000	$ 1,950	$ 3,120
Festival of Butterflies Sponsorship	√	$ 2,575	$ 2,575	$ 2,678	$ 2,785	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
LAFCO	√	$ 48,652	$ 51,381	$ 39,906	$ 41,500	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Legislative Advocacy	√	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,000	$ 3,000	$ 1,000	$ 3,000
Orange County Business Council (OCBC)	√	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,600	$ 2,500	$ 1,664	$ 2,600
Orange County Taxpayers Association (OC Tax)	New	$ -	$ -	$ 2,500	$ 2,500	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Sustain Southern California (Sustain SoCal)	New	$ -	$ -	$ 2,000	$ 2,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Urban Water Institute	√	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,800	$ 6,000	$ 4,992	$ 6,240
Undetermined Conference / Meeting	√	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,800	$ 2,500	$ 1,872	$ 2,600
Board Related Total		**$ 51,227**	**$ 53,956**	**$ 47,084**	**$ 48,785**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 21,784**	**$ 31,400**	**$ 22,617**	**$ 32,536**
Staff Related													
(DWR)/State Water Resources Control Board (SWRCB)	√	$ -	$ -	$ -	$ -	$ -	$ 1,800	$ -	$ 1,800	$ -	$ -	$ -	$ -
3CMA: City-County Communications & Marketing Assoc.	New	$ -	$ -	$ 1,030	$ 400	$ -	$ 1,200	$ 931	$ 1,248	$ -	$ -	$ -	$ -
Alliance for Water Use Efficiency	√	$ -	$ -	$ -	$ -	$ 1,400	$ 3,720	$ 1,456	$ 3,869	$ -	$ -	$ -	$ -
American Water Works Association (AWWA)	√	$ 2,445	$ 2,197	$ 2,285	$ 2,376	$ 3,400	$ 5,150	$ 3,541	$ 5,356	$ -	$ -	$ -	$ -
Association of California Cities- Orange County (ACCOC)	√	$ 5,150	$ 5,150	$ 5,356	$ 5,570	$ 500	$ 800	$ 520	$ 832	$ -	$ -	$ -	$ -
Association of California Water Agencies (ACWA)	√	$ 27,965	$ 27,150	$ 28,236	$ 29,365	$ 10,055	$ 16,600	$ 10,450	$ 17,260	$ -	$ -	$ -	$ -
CA Chamber of Commerce (HR California)	√	$ 979	$ 979	$ 1,018	$ 1,059	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CA Water for all	√	$ 10,000	$ 10,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cal Desal	√	$ 5,150	$ 5,000	$ 5,200	$ 5,408	$ 200	$ 600	$ 208	$ 624	$ -	$ -	$ -	$ -
California Association of Public Information Officers (CAPIO)	√	$ 1,150	$ 1,275	$ 900	$ 936	$ 300	$ 2,300	$ 300	$ 2,432	$ -	$ -	$ -	$ -
California Association of Science Educators (CASE)	New	$ -	$ -	$ -	$ -	$ 700	$ 1,000	$ 700	$ 1,000	$ -	$ -	$ -	$ -
California Council for Environmental and Economic Balance (CCEEB	√	$ 29,000	$ 29,000	$ 30,160	$ 31,366	$ 2,250	$ 2,400	$ 936	$ 2,496	$ -	$ -	$ -	$ -
California Data Collaborative	√	$ 16,500	$ 17,000	$ 17,680	$ 18,387	$ -	$ 850	$ -	$ 884	$ -	$ -	$ -	$ -
California Employees Public Retirement System(CalPERS)	√	$ -	$ -	$ -	$ -	$ 1,500	$ 400	$ 1,600	$ 416	$ -	$ -	$ -	$ -
California Environmental Literacy Initiative	√	$ -	$ -	$ -	$ -	$ 500	$ 500	$ 520	$ 520	$ -	$ -	$ -	$ -
California Municipal Treasurers Association (CMTA)	√	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
California Municipal Utilities Association (CMUA)	√	$ 11,047	$ 11,655	$ 12,121	$ 12,606	$ 582	$ 300	$ 605	$ 312	$ -	$ -	$ -	$ -
California Society of Municipal Finance Officers (CSMFO)	√	$ 150	$ 155	$ 160	$ 166	$ -	$ -	$ 1,400	$ 300	$ -	$ -	$ -	$ -
California Special Districts Association (CSDA)	√	$ 9,835	$ 9,930	$ 10,327	$ 10,740	$ 2,825	$ 6,350	$ 2,940	$ 6,600	$ -	$ -	$ -	$ -
California Water Efficiency Partnership (CalWEP)	√	$ 6,300	$ 6,300	$ 6,300	$ 6,500	$ 2,800	$ 5,220	$ 2,912	$ 5,220	$ -	$ -	$ -	$ -
California Water, Energy and Education Alliance (CWEEA)	√	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Colorado River Water Users Association (CRWUA)	√	$ -	$ -	$ -	$ -	$ 2,500	$ 4,000	$ 2,600	$ 4,160	$ -	$ -	$ -	$ -
Department of Water Resources Education Committee	√	$ -	$ -	$ -	$ -	$ 500	$ 750	$ 520	$ 780	$ -	$ -	$ -	$ -
ESRI-GIS	√	$ -	$ -	$ -	$ -	$ 3,200	$ 2,000	$ 3,328	$ 2,080	$ -	$ -	$ -	$ -

Municipal Water District of Orange County (MWDOC) Biennial Budget

Proposed Participation Costs and Registration/Travel Budgets (Staff & Board) (Exh: D,E,F)

Fiscal Years 2026-27 & 2027-28

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

		Exh D (see Exh G for add'n details) Proposed District Participation Costs				Exh E Proposed Staff Registration & Travel Budget*				Exh F Proposed Board Registration & Travel Budget*			
Conference / Meeting	Approval included in Budget Approval	Adopted Budget FY25/26	Projected Budget FY25/26	Proposed Budget FY26/27	Proposed Budget FY27/28	Proposed Budget FY26/27 Registration	Proposed Budget FY26/27 Travel	Proposed Budget FY27/28 Registration	Proposed Budget FY27/28 Travel	Proposed Budget FY26/27 Registration	Proposed Budget FY26/27 Travel	Proposed Budget FY27/28 Registration	Proposed Budget FY27/28 Travel
Government Finance Officers Association (GFOA)	√	$ 187	$ 350	$ 350	$ 350	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Information Systems Audit and Control Association (ISACA)	√	$ 155	$ 155	$ 161	$ 168	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
International Association of Business Communicators (IABC)	√	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Irrigation Association Show & Education Week	New	$ -	$ -	$ -	$ -	$ 350	$ 1,460	$ 364	$ 1,268	$ -	$ -	$ -	$ -
League of California Cities	√	$ 2,575	$ 2,500	$ 2,600	$ 2,704	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Legislative Advocacy	√	$ -	$ -	$ -	$ -	$ 2,000	$ 5,000	$ 2,000	$ 5,000	$ -	$ -	$ -	$ -
Liebert, Cassidy Whitmore	√	$ -	$ -	$ -	$ -	$ 1,200	$ 2,500	$ 1,248	$ 2,500	$ -	$ -	$ -	$ -
Multi-State Salinity Coalition	√	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
National Association of Government Communicators	New	$ -	$ -	$ 180	$ 187	$ 1,050	$ -	$ 1,092	$ -	$ -	$ -	$ -	$ -
National Water Resources Assn., Mun. Caucus	√	$ 574	$ 574	$ 597	$ 621	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
OC Chapter-Calif. Landscape Contractors Assoc.	√	$ 2,250	$ 2,750	$ 2,750	$ 2,750	$ 350	$ 1,220	$ 364	$ 1,269	$ -	$ -	$ -	$ -
Orange County Business Council (OCBC)	√	$ 5,150	$ 5,000	$ 5,200	$ 5,408	$ 1,600	$ 2,500	$ 1,664	$ 2,600	$ -	$ -	$ -	$ -
Orange County Public Affairs Association (OCPAA)	√	$ 100	$ 100	$ 105	$ 110	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Orange County Water Association (OCWA)	√	$ 515	$ 515	$ 536	$ 557	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pilot MWDOC Ambassador Program + Outreach Tours	√	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Public Relations Society of America/O.C. (PRSA)	√	$ 1,236	$ 1,236	$ 1,061	$ 1,093	$ 549	$ -	$ 571	$ -	$ -	$ -	$ -	$ -
Public Sector HR Assoc	√	$ 66	$ 66	$ 69	$ 71	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Radio and Television News Directors Association	√	$ 77	$ 77	$ 80	$ 83	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Society of Human Resources Management (SHRM)	√	$ 252	$ 299	$ 311	$ 323	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
South OC Watershed Management Area Dues	√	$ 9,100	$ 7,444	$ 9,000	$ 9,820	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
South Orange County Economic Coalition (SOCEC)	√	$ 1,797	$ 1,797	$ 1,869	$ 1,944	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Southern California Water Coalition (SCWC)	√	$ 1,125	$ 1,500	$ 1,545	$ 1,545	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Urban Water Institute	√	$ 6,180	$ 6,180	$ 6,427	$ 6,684	$ 4,800	$ 6,000	$ 4,800	$ 6,000	$ -	$ -	$ -	$ -
Water Environment Federation	√	$ 62	$ 64	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
WaterISAC (International Security And Network)	√	$ 587	$ 587	$ 610	$ 635	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Undetermined Conference / Meeting	√	$ 12,500	$ 10,000	$ -	$ -	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ -	$ -	$ -	$ -
Staff Related Total		**$ 170,159**	**$ 166,985**	**$ 154,224**	**$ 159,932**	**$ 46,111**	**$ 75,620**	**$ 48,570**	**$ 77,826**	**$ -**	**$ -**	**$ -**	**$ -**
WEROC Related													
AWWA CA/NV Section	√	$ 311	$ 311	$ 311	$ 311	$ 2,000	$ 4,000	$ 1,500	$ 4,000	$ -	$ -	$ -	$ -
AWWA National Conference	√	$ -	$ -	$ -	$ -	$ 800	$ 2,000	$ 850	$ 2,000	$ -	$ -	$ -	$ -
California Emergency Services Association	√	$ 239	$ 239	$ 239	$ 239	$ 1,800	$ 4,000	$ 1,200	$ 5,200	$ -	$ -	$ -	$ -
California Utilities Emergency Association (CUEA)	√	$ 500	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
International Association of Emergency Managers	√	$ 400	$ 400	$ 400	$ 400	$ 2,000	$ 1,250	$ 700	$ 2,000	$ -	$ -	$ -	$ -
WEROC Related Total		**$ 1,450**	**$ 950**	**$ 950**	**$ 950**	**$ 6,600**	**$ 11,250**	**$ 4,250**	**$ 13,200**	**$ -**	**$ -**	**$ -**	**$ -**

Municipal Water District of Orange County (MWDOC) Biennial Budget

Proposed Membership Costs by Cost Centers(Exh G)

Fiscal Years 2026-27 & 2027-28

CC	Membership Name	Approval included in Budget Approval	Adopted Budget FY25/26	Projected Budget FY25/26	Proposed Budget FY26/27	Proposed Budget FY27/28
CC#11 Board Relations	Festival of Butterflies Sponsorship	√	$ 2,575	$ 2,575	$ 2,678	$ 2,785
	LAFCO	√	$ 48,652	$ 51,381	$ 39,906	$ 41,500
	Orange County Taxpayers Association (OC Tax)	New	$ -	$ -	$ 2,500	$ 2,500
	Sustain Southern California (Sustain SoCal)	New	$ -	$ -	$ 2,000	$ 2,000
CC#11 Board Relations Total			**$ 51,227**	**$ 53,956**	**$ 47,084**	**$ 48,785**
CC#12 Administration	Association of California Water Agencies (ACWA)	√	$ 27,965	$ 27,150	$ 28,236	$ 29,365
	Urban Water Institute	√	$ 6,180	$ 6,180	$ 6,427	$ 6,684
	Water Environment Federation	√	$ 62	$ 64	$ -	$ -
CC#12 Administration Total			**$ 34,207**	**$ 33,394**	**$ 34,663**	**$ 36,049**
CC#13 Human Resources	CA Chamber of Commerce (HR California)	√	$ 979	$ 979	$ 1,018	$ 1,059
	Public Sector HR Assoc	√	$ 66	$ 66	$ 69	$ 71
	Society of Human Resources Management (SHRM)	√	$ 252	$ 299	$ 311	$ 323
CC#13 Human Resources Total			**$ 1,297**	**$ 1,344**	**$ 1,398**	**$ 1,453**
CC#21 Engineering & Planning	Cal Desal	√	$ 5,150	$ 5,000	$ 5,200	$ 5,408
	National Water Resources Assn., Mun. Caucus	√	$ 574	$ 574	$ 597	$ 621
	Orange County Water Association (OCWA)	√	$ 515	$ 515	$ 536	$ 557
	South OC Watershed Management Area Dues	√	$ 9,100	$ 7,444	$ 9,000	$ 9,820
CC#21 Engineering & Planning Total			**$ 15,339**	**$ 13,533**	**$ 15,333**	**$ 16,406**
CC#23 Metropolitan & Water Resources	California Data Collaborative	√	$ 16,500	$ 17,000	$ 17,680	$ 18,387
CC#23 Metropolitan & Water Resources Total			**$ 16,500**	**$ 17,000**	**$ 17,680**	**$ 18,387**
CC#31 Government Affairs & Policy	Association of California Cities- Orange County (ACCOC)	√	$ 5,150	$ 5,150	$ 5,356	$ 5,570
	CA Water for all	√	$ 10,000	$ 10,000	$ -	$ -
	California Council for Environmental and Economic Balance (CCEEB)	√	$ 29,000	$ 29,000	$ 30,160	$ 31,366
	California Municipal Utilities Association (CMUA)	√	$ 11,047	$ 11,655	$ 12,121	$ 12,606
	California Special Districts Association (CSDA)	√	$ 9,835	$ 9,930	$ 10,327	$ 10,740
	League of California Cities	√	$ 2,575	$ 2,500	$ 2,600	$ 2,704
	Orange County Business Council (OCBC)	√	$ 5,150	$ 5,000	$ 5,200	$ 5,408
	South Orange County Economic Coalition (SOCEC)	√	$ 1,797	$ 1,797	$ 1,869	$ 1,944
	Southern California Water Coalition (SCWC)	√	$ 1,125	$ 1,500	$ 1,545	$ 1,545
	Undetermined Conference / Meeting	√	$ 12,500	$ 10,000	$ -	$ -
CC#31 Government Affairs & Policy Total			**$ 88,179**	**$ 86,532**	**$ 69,178**	**$ 71,883**
CC#32 Public Affairs	3CMA: City-County Communications & Marketing Assoc.	New	$ -	$ -	$ 1,030	$ 400
	California Association of Public Information Officers (CAPIO)	√	$ 1,150	$ 1,275	$ 900	$ 936
	National Association of Government Communicators	New	$ -	$ -	$ 180	$ 187
	Orange County Public Affairs Association (OCPAA)	√	$ 100	$ 100	$ 105	$ 110
	Public Relations Society of America/O.C. (PRSA)	√	$ 1,236	$ 1,236	$ 1,061	$ 1,093
	Radio and Television News Directors Association	√	$ 77	$ 77	$ 80	$ 83
CC#32 Public Affairs Total			**$ 2,563**	**$ 2,688**	**$ 3,356**	**$ 2,809**
CC#35 Water Use Efficiency	California Water Efficiency Partnership (CalWEP)	√	$ 6,300	$ 6,300	$ 6,300	$ 6,500
	OC Chapter-Calif. Landscape Contractors Assoc.	√	$ 2,250	$ 2,750	$ 2,750	$ 2,750
CC#35 Water Use Efficiency Total			**$ 8,550**	**$ 9,050**	**$ 9,050**	**$ 9,250**
CC#36 Water Loss Control	American Water Works Association (AWWA)	√	$ 2,445	$ 2,197	$ 2,285	$ 2,376
CC#36 Water Loss Control Total			**$ 2,445**	**$ 2,197**	**$ 2,285**	**$ 2,376**
CC#41 Finance	California Society of Municipal Finance Officers (CSMFO)	√	$ 150	$ 155	$ 160	$ 166
	Government Finance Officers Association (GFOA)	√	$ 187	$ 350	$ 350	$ 350
CC#41 Finance Total			**$ 337**	**$ 505**	**$ 510**	**$ 516**
CC#45 Information Technology	Information Systems Audit and Control Association (ISACA)	√	$ 155	$ 155	$ 161	$ 168
	WaterISAC (International Security And Network)	√	$ 587	$ 587	$ 610	$ 635
CC#45 Information Technology Total			**$ 742**	**$ 742**	**$ 771**	**$ 803**
CC#25 WEROC	AWWA CA/NV Section	√	$ 311	$ 311	$ 311	$ 311
	California Emergency Services Association	√	$ 239	$ 239	$ 239	$ 239
	California Utilities Emergency Association (CUEA)	√	$ 500	$ -	$ -	$ -
	International Association of Emergency Managers	√	$ 400	$ 400	$ 400	$ 400
CC#25 WEROC Total			**$ 1,450**	**$ 950**	**$ 950**	**$ 950**

Municipal Water District of Orange County (MWDOC) Biennial Budget

Professional / Special Services Authorized (Exh J)

Fiscal Years 2026-27 & 2027-28

Core Fund

Cost Center	Vendor	Description of Service(s)	Adopted Budget FY 25-26	Proposed Budget FY 26-27	Proposed Budget FY 27-28	* Approval included in Budget Approval
7010-OUTSIDE CONSULTING SERVICES						
CC#21 Engineering & Planning	CDR	Demographics analysis	30,000	40,000	40,000	√
	(To be determined)	MWDOC 2025 UWMP	60,000	-	-	√
	(To be determined)	Water Quality Data Hub	60,000	-	-	√
	(To be determined)	GIS - Water Quality Analyzer Pilot	-	5,000	-	New
	(To be determined)	Real Time Water Quality Analyzer Pilot	40,000	-	-	√
	(To be determined)	GIS Implementation Project	130,000	150,000	120,000	√
	(To be determined)	Water Quality Workgroup Technical Support	15,000	15,000	15,000	√
	B&V	Hydraulic Model Maintenance	-	35,000	15,000	New
	(To be determined)	On Call Work	30,000	-	-	√
	(To be determined)	Additional WUE Analysis	-	5,000	-	New
	Hazen	Demand Projections 2025 UWMP by Oct 2025	15,000	-	-	√
	Stetson Engineering	Consumer Confidence Report	80,000	90,000	95,000	√
	(To be determined)***	Demand Model Maintenance	-	-	10,000	New
	Ed Means Consulting	EOCF#2 Pilot Project	10,000	15,000	-	√
CC#23 Metropolitan & Water Resources	(To be determined)	Discussion and coordination on emerging MET issues	10,000	15,000	20,000	√
	Dopudja & Wells Consulting- Paul Jones	MET and Reliability Planning	$ 90,000	$ 80,000	$ 83,000	√
		Total	**$ 570,000**	**$ 450,000**	**$ 398,000**	
7020-LEGAL EXPENSE						
CC#11 Board Relations	Best, Best & Krieger	General Legal Counsel Services	$ 235,000	$ 230,000	$ 235,000	√
CC#13 Human Resources	Best, Best & Krieger	Labor Counsel Services	$ 25,000	$ 27,040	$ 28,121	√
		Total	**$ 260,000**	**$ 257,040**	**$ 263,121**	
7030-AUDIT EXPENSE						
CC#41 Finance	Davis Farr, LLP	Annual Financial Audit and Federal Single Audit	$ 32,445	$ 38,418	$ 39,420	√
	Davis Farr, LLP	WUE Grant Review	$ 5,000	$ -	$ -	√
		Total	**$ 37,445**	**$ 38,418**	**$ 39,420**	
6205-TRAINING EXPENSE						
CC#11 Board Relations	(To be determined)	Form 700 Workgroup Training	$ 2,500	$ 2,500	$ 2,500	√
CC#12 Administration	(To be determined)	Various Lunch and learn+training	$ 6,000	$ -	$ -	√
CC#13 Human Resources	Cal State University Fullerton/Centre for Organization Effectiveness/Predict Success/ Knight leadership solution	Professional Development /Staff Technical Training/Leadership Training/Coaching/ Lunch and Learn	$ 58,945	$ 54,000	$ 56,000	√
CC#31 Government Affairs & Policy	(To be determined)	Grants Workshop Training	$ 15,000	$ -	$ -	√
		Total	**$ 82,445**	**$ 56,500**	**$ 58,500**	
7040-PROFESSIONAL SERVICES						
CC#12 Administration	Morgan Stanley Capitol Management	Financial Advisor for retirement plans	$ -	$ 20,000	$ 20,800	√
	Gladwell Services	Records Management Consulting	$ -	$ 1,000	$ 1,040	√
CC#13 Human Resources	(To be determined)	Triennial Benchmark Study	$ -	$ 60,000	$ -	New
CC#19 Overhead	IGOE	IGOE and COBRA Administration Services	$ 5,000	$ 757	$ 787	√
	Health Equity	H S A Admin	$ -	$ 218	$ 227	√
CC#31 Government Affairs & Policy	West Coast Advisors	Sacramento Lobbyist	$ -	$ 102,000	$ 102,000	New
	Syrus Devers Advocacy	Sacramento Lobbyist	$ 96,000	$ -	$ -	√
	Natural Resource Results	Federal Legislative Advocate	$ 96,000	$ 96,000	$ 96,000	√
	Dopudja & Wells	Legislative and Local GA Assistance	$ 25,000	$ 25,000	$ 25,000	√
	Whittingham Public Affairs Adv.	County Advocate	$ 90,000	$ 60,000	$ 60,000	√
	Soto Services	Grant Research and Acquisition Assistance	$ 39,000	$ 39,000	$ 39,000	√
	Ackerman	Legal and Regulatory	$ 42,000	$ 42,000	$ 42,000	√
	Travel	Travel	$ 6,000	$ 6,000	$ 6,000	√
CC#32 Public Affairs	Hashtag Pinpoint	Strategic Digital Consulting Services	$ 95,000	$ 95,000	$ 95,000	√
	(To be determined)	Water Awareness Campaign	$ 30,000	$ 30,000	$ 30,000	√
	LA Design	Website Maintenance	$ 5,000	$ -	$ -	√
	(Various)	Special Events	$ 50,000	$ 30,000	$ 30,000	√
	VoxCivic, SCNG, etc.	Advertising	$ 40,000	$ 15,000	$ 20,000	√
CC#35 Water Use Efficiency	(To be determined)	General WUE Research	$ 25,000	$ 25,000	$ 25,000	√
	Environmental Incentive	WUE Work Group Support - Way of Life TAP	$ 50,000	$ -	$ -	√
	E Source	Water Loss Control Work Grp (WLC)	$ 55,000	$ -	$ -	√
	E Source	WLC Business Plan Implementation	$ 35,000	$ 35,000	$ 40,000	√
	OC Data Acquisition P/S (OCDAP)	Aerial Imagery and Landscape Measurement Project	$ 50,000	$ 10,000	$ 10,000	√
CC#36 Water Loss Control	E Source	Water Loss Control Work Grp (WLC)		$ 100,000	$ 100,000	√
CC#41 Finance	U.S. Bank	Custodial Bank fees	$ 10,000	$ 6,500	$ 6,500	√
	CalPERS	CalPERS GASB 68 Report	$ 700	$ 350	$ 350	√
	Nyhart	OPEB Actuarial	$ 1,000	$ 2,100	$ 4,200	√
	Tracker C2	Investment Tracking	$ 3,500	$ -	$ -	√
	1099 Filing Fee	1099 Filing Fee	$ -	$ 150	$ 150	New
	Greenshades	EIN validations	$ -	$ 600	$ 600	New
CC#45 Information Technology	(To be determined)	Managed Service Provider and Various IT projects	$ 65,000	$ 69,000	$ 69,360	√
		Total	**$ 914,200**	**$ 870,675**	**$ 824,014**	

Municipal Water District of Orange County (MWDOC) Biennial Budget

Professional / Special Services Authorized (Exh J)

Fiscal Years 2026-27 & 2027-28

Choice Funds + WEROC Fund

Choice Funds

Cost Center	Vendor	Description of Service(s)	Adopted Budget FY 25-26	Proposed Budget FY 26-27	Proposed Budget FY 27-28	* Approval included in Budget Approval
6205-TRAINING EXPENSE						
CC#70 Water Loss Control (Choice)	(To be determined)	Water loss training	$ 2,000	$ 2,000	$ 2,000	√
7040-PROFESSIONAL SERVICES						
CC#62 Water Use Efficiency (Choice)	Various Vendors	Marketing of WUE Programs	$ 40,000	$ 40,000	$ 40,000	√
	ARC GIS	GIS	$ 2,030	$ -	$ -	√
	Droplet	Web Based Rebate Processing Platform (Turf & Drip)	$ 47,500	$ -	$ -	√
	Submittable	Web Based Rebate Processing Platform (Turf & Drip)	$ -	$ 74,100	$ 59,100	New
	Mission Resource Cnsvr District	Residential Installation Verification Inspections	$ 50,000	$ 35,000	$ 35,000	√
CC#63 School Program (Choice)	Shows that teach/The OC Department of Education	Assemblies (Elementary School)	$ 276,557	$ 285,737	$ 294,310	√
	The OC Department of Education	Assemblies (Middle School)	$ 117,879	$ 122,595	$ 126,273	√
	The OC Department of Education	Assemblies (High School)	$ 93,222	$ 96,020	$ 98,967	√
	ITO	Digital Program	$ -	$ -	$ -	√
CC#70 Water Loss Control (Choice)	Westerley & McCall's	Meter Accuracy Testing	$ 83,270	$ 400,000	$ 400,000	√
	E Source	Water Loss Control Technical Assistance for SB555 Compliance	$ -	$ 70,000	$ 80,000	New
	(To be determined)	Production meter testing	$ -	$ 250,000	$ 250,000	New
CC#71 Engineering (Choice)	(To be determined)	Demand Model Maintenance	$ -	$ -	$ 12,500	New
	(To be determined)	Lead & Copper Rule Improvements Technical Support	$ -	$ 200,000	$ 200,000	New
	Stetson Engineering	Consumer Confidence Report	$ -	$ 3,000	$ 3,167	√
		Total	**$ 710,458**	**$ 1,576,452**	**$ 1,599,317**	

WEROC Funds

Cost Center	Vendor	Description of Service(s)	Adopted Budget FY 25-26	Proposed Budget FY 26-27	Proposed Budget FY 27-28	* Approval included in Budget Approval
6205-TRAINING EXPENSE						
CC#25 WEROC	Various	CSTI,NDTC, ICS; certifications (In House Training Certification with State and FEMA on Classes and Material Costs)/Planning Meeting & Exercises. Also includes needed WEROC Staff Training (new staff requires training)	$ 6,000	$ 6,000	$ 6,000	√
		Total	**$ 6,000**	**$ 6,000**	**$ 6,000**	
7040-PROFESSIONAL SERVICES						
CC#25 WEROC	Various	GIS and other Support Services as required	$ -	$ -	$ 5,000	√
		Total	**$ -**	**$ -**	**$ 5,000**	

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

Municipal Water District of Orange County (MWDOC) Biennial Budget
Detail Of Revenue and Expenditure By Accounts And Cost Centers
Core Fund

Type	Adopted FY25-26	Projected FY25-26	Proposed FY26-27	Proposed FY27-28	FY25-26 to FY26-27 Variance	FY26-27 to FY27-28 Variance
Revenue						
4050-RETAIL CONNECTION CHARGE (See Exh C)						
CC#00 General	$ 9,939,371	$ 9,939,371	$ 10,278,727	$ 10,686,812	$ 339,356	$ 408,085
4050-RETAIL CONNECTION CHARGE (See Exh C) Total	**$ 9,939,371**	**$ 9,939,371**	**$ 10,278,727**	**$ 10,686,812**	**$ 339,356**	**$ 408,085**
4055-GROUND WATER CUSTOMER CHARGE						
CC#00 General	$ 414,371	$ 414,371	$ 427,658	$ 441,989	$ 13,287	$ 14,331
4055-GROUND WATER CUSTOMER CHARGE Total	**$ 414,371**	**$ 414,371**	**$ 427,658**	**$ 441,989**	**$ 13,287**	**$ 14,331**
4105-INTEREST REVENUE						
CC#00 General	$ 916,000	$ 931,000	$ 962,952	$ 810,785	$ 46,952	$ (152,167)
4105-INTEREST REVENUE Total	**$ 916,000**	**$ 931,000**	**$ 962,952**	**$ 810,785**	**$ 46,952**	**$ (152,167)**
4230-REIMBURSEMENTS						
CC#21 Engineering & Planning	$ -	$ 1,222,000	$ -	$ -	$ -	$ -
CC#32 Public Affairs	$ -	$ -	$ 33,333	$ 33,333	$ 33,333	$ -
4230-REIMBURSEMENTS Total	**$ -**	**$ 1,222,000**	**$ 33,333**	**$ 33,333**	**$ 33,333**	**$ -**
4240-MISCELLANEOUS INCOME						
CC#00 General	$ 5,000	$ 1,200	$ 5,000	$ 5,000	$ -	$ -
4240-MISCELLANEOUS INCOME Total	**$ 5,000**	**$ 1,200**	**$ 5,000**	**$ 5,000**	**$ -**	**$ -**
4705-PRIOR YEAR CARRYOVER						
CC#00 General	$ -	$ -	$ 195,380	$ 60,207	$ 195,380	$ (135,173)
4705-PRIOR YEAR CARRYOVER Total	**$ -**	**$ -**	**$ 195,380**	**$ 60,207**	**$ 195,380**	**$ (135,173)**
4XXX-REIMB FROM OPEB RESERVE/115 TRUST						
CC#00 General	$ 122,517	$ 107,000	$ 123,710	$ 128,658	$ 1,193	$ 4,948
4XXX-REIMB FROM OPEB RESERVE/115 TRUST Total	**$ 122,517**	**$ 107,000**	**$ 123,710**	**$ 128,658**	**$ 1,193**	**$ 4,948**
Revenue Total	**$ 11,397,259**	**$ 12,614,942**	**$ 12,026,760**	**$ 12,166,784**	**$ 629,501**	**$ 140,024**
Expenditure						
6010-SALARIES AND WAGES - ADMIN						
CC#11 Board Relations	$ 468,708	$ 352,312	$ 369,234	$ 388,250	$ (99,474)	$ 19,016
CC#12 Administration	$ 573,603	$ 466,437	$ 505,351	$ 508,048	$ (68,252)	$ 2,697
CC#13 Human Resources	$ 406,292	$ 381,432	$ 405,224	$ 447,653	$ (1,068)	$ 42,429
CC#19 Overhead	$ 605,102	$ 642,309	$ 699,451	$ 769,469	$ 94,349	$ 70,018
CC#21 Engineering & Planning	$ 567,060	$ 579,461	$ 669,333	$ 738,561	$ 102,273	$ 69,228
CC#23 Metropolitan & Water Resources	$ 377,920	$ 342,384	$ 404,093	$ 425,306	$ 26,173	$ 21,213
CC#31 Government Affairs & Policy	$ 187,335	$ 150,266	$ 137,476	$ 139,619	$ (49,859)	$ 2,143
CC#32 Public Affairs	$ 851,284	$ 875,491	$ 970,090	$ 1,034,137	$ 118,806	$ 64,047
CC#35 Water Use Efficiency	$ 232,533	$ 341,527	$ 222,401	$ 234,487	$ (10,132)	$ 12,086
CC#36 Water Loss Control	$ -	$ 600	$ 139,317	$ 151,265	$ 139,317	$ 11,948
CC#41 Finance	$ 547,775	$ 594,526	$ 682,240	$ 756,765	$ 134,465	$ 74,525
CC#45 Information Technology	$ 135,124	$ 154,888	$ 157,227	$ 167,460	$ 22,103	$ 10,233
6010-SALARIES AND WAGES - ADMIN Total	**$ 4,952,736**	**$ 4,881,633**	**$ 5,361,437**	**$ 5,761,020**	**$ 408,701**	**$ 399,583**
6012-GRANT RECOVERY - SALARIES						
CC#32 Public Affairs	$ (33,000)	$ (33,000)	$ -	$ -	$ 33,000	$ -
6012-GRANT RECOVERY - SALARIES Total	**$ (33,000)**	**$ (33,000)**	**$ -**	**$ -**	**$ 33,000**	**$ -**
6090-DIRECTORS COMPENSATION - MWDOC						
CC#11 Board Relations	$ 281,917	$ 275,208	$ 290,942	$ 300,923	$ 9,025	$ 9,981
6090-DIRECTORS COMPENSATION - MWDOC Total	**$ 281,917**	**$ 275,208**	**$ 290,942**	**$ 300,923**	**$ 9,025**	**$ 9,981**
6095-DIRECTORS COMPENSATION-MET						
CC#11 Board Relations	$ 161,096	$ 156,399	$ 166,253	$ 171,956	$ 5,157	$ 5,703
6095-DIRECTORS COMPENSATION-MET Total	**$ 161,096**	**$ 156,399**	**$ 166,253**	**$ 171,956**	**$ 5,157**	**$ 5,703**
6105-BENEFITS ADMIN						

Municipal Water District of Orange County (MWDOC) Biennial Budget
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Core Fund

Type	Adopted FY25-26	Projected FY25-26	Proposed FY26-27	Proposed FY27-28	FY25-26 to FY26-27 Variance	FY26-27 to FY27-28 Variance
CC#11 Board Relations	$ 136,819	$ 112,796	$ 127,346	$ 134,632	$ (9,473)	$ 7,286
CC#12 Administration	$ 221,094	$ 173,968	$ 190,675	$ 189,987	$ (30,419)	$ (688)
CC#13 Human Resources	$ 122,537	$ 119,948	$ 130,374	$ 126,640	$ 7,837	$ (3,734)
CC#19 Overhead	$ 180,486	$ 215,651	$ 230,666	$ 247,645	$ 50,180	$ 16,979
CC#21 Engineering & Planning	$ 161,397	$ 175,675	$ 210,338	$ 221,194	$ 48,941	$ 10,856
CC#23 Metropolitan & Water Resources	$ 104,709	$ 110,771	$ 127,380	$ 132,177	$ 22,671	$ 4,797
CC#31 Government Affairs & Policy	$ 60,211	$ 51,114	$ 45,510	$ 45,321	$ (14,701)	$ (189)
CC#32 Public Affairs	$ 259,741	$ 280,607	$ 324,169	$ 341,678	$ 64,428	$ 17,509
CC#35 Water Use Efficiency	$ 69,434	$ 105,404	$ 68,859	$ 72,389	$ (575)	$ 3,530
CC#36 Water Loss Control	$ -	$ 182	$ 43,497	$ 46,527	$ 43,497	$ 3,030
CC#41 Finance	$ 164,353	$ 194,183	$ 232,074	$ 250,351	$ 67,721	$ 18,277
CC#45 Information Technology	$ 44,736	$ 52,491	$ 53,249	$ 55,524	$ 8,513	$ 2,275
6105-BENEFITS ADMIN Total	**$ 1,525,517**	**$ 1,592,790**	**$ 1,784,137**	**$ 1,864,065**	**$ 258,620**	**$ 79,928**
6109-UNFUNDED PENSION						
CC#19 Overhead	$ 207,000	$ 207,000	$ 207,000	$ 207,000	$ -	$ -
6109-UNFUNDED PENSION Total	**$ 207,000**	**$ 207,000**	**$ 207,000**	**$ 207,000**	**$ -**	**$ -**
6111-OVERHEAD REIMBURSEMENT						
CC#19 Overhead	$ (504,105)	$ (94,640)	$ (439,671)	$ (473,083)	$ 64,434	$ (33,412)
6111-OVERHEAD REIMBURSEMENT Total	**$ (504,105)**	**$ (94,640)**	**$ (439,671)**	**$ (473,083)**	**$ 64,434**	**$ (33,412)**
6115-DIRECTORS BENEFITS						
CC#11 Board Relations	$ 158,371	$ 152,929	$ 174,974	$ 181,496	$ 16,603	$ 6,522
6115-DIRECTORS BENEFITS Total	**$ 158,371**	**$ 152,929**	**$ 174,974**	**$ 181,496**	**$ 16,603**	**$ 6,522**
6120-HEALTH INSURANCE FOR RETIREES						
CC#19 Overhead	$ 122,517	$ 107,000	$ 123,710	$ 128,658	$ 1,193	$ 4,948
6120-HEALTH INSURANCE FOR RETIREES Total	**$ 122,517**	**$ 107,000**	**$ 123,710**	**$ 128,658**	**$ 1,193**	**$ 4,948**
6205-TRAINING EXPENSE (See Exh J)						
CC#11 Board Relations	$ 2,500	$ -	$ 2,500	$ 2,500	$ -	$ -
CC#12 Administration	$ 6,000	$ -	$ -	$ -	$ (6,000)	$ -
CC#13 Human Resources	$ 58,945	$ 52,000	$ 54,000	$ 56,000	$ (4,945)	$ 2,000
CC#31 Government Affairs & Policy	$ 15,000	$ -	$ -	$ -	$ (15,000)	$ -
6205-TRAINING EXPENSE (See Exh J) Total	**$ 82,445**	**$ 52,000**	**$ 56,500**	**$ 58,500**	**$ (25,945)**	**$ 2,000**
6210-TUITION REIMBURSEMENT						
CC#13 Human Resources	$ 6,500	$ 7,662	$ 6,900	$ 7,100	$ 400	$ 200
6210-TUITION REIMBURSEMENT Total	**$ 6,500**	**$ 7,662**	**$ 6,900**	**$ 7,100**	**$ 400**	**$ 200**
6220-TEMPORARY HELP EXPENSE						
CC#12 Administration	$ 5,000	$ -	$ 5,000	$ 5,000	$ -	$ -
6220-TEMPORARY HELP EXPENSE Total	**$ 5,000**	**$ -**	**$ 5,000**	**$ 5,000**	**$ -**	**$ -**
7010-OUTSIDE CONSULTING SERVICES (See Exh J)						
CC#21 Engineering & Planning	$ 470,000	$ 1,607,850	$ 355,000	$ 295,000	$ (115,000)	$ (60,000)
CC#23 Metropolitan & Water Resources	$ 100,000	$ 100,000	$ 95,000	$ 103,000	$ (5,000)	$ 8,000
7010-OUTSIDE CONSULTING SERVICES (See Exh J) Total	**$ 570,000**	**$ 1,707,850**	**$ 450,000**	**$ 398,000**	**$ (120,000)**	**$ (52,000)**
7020-LEGAL EXPENSE (See Exh J)						
CC#11 Board Relations	$ 235,000	$ 235,000	$ 230,000	$ 235,000	$ (5,000)	$ 5,000
CC#13 Human Resources	$ 25,000	$ 31,000	$ 27,040	$ 28,121	$ 2,040	$ 1,081
7020-LEGAL EXPENSE (See Exh J) Total	**$ 260,000**	**$ 266,000**	**$ 257,040**	**$ 263,121**	**$ (2,960)**	**$ 6,081**
7030-AUDIT EXPENSE (See Exh J)						
CC#41 Finance	$ 37,445	$ 32,455	$ 38,418	$ 39,420	$ 973	$ 1,002
7030-AUDIT EXPENSE (See Exh J) Total	**$ 37,445**	**$ 32,455**	**$ 38,418**	**$ 39,420**	**$ 973**	**$ 1,002**
7040-PROFESSIONAL SERVICES (See Exh J)						

Municipal Water District of Orange County (MWDOC) Biennial Budget
Detail Of Revenue and Expenditure By Accounts And Cost Centers
Core Fund

Type	Adopted FY25-26	Projected FY25-26	Proposed FY26-27	Proposed FY27-28	FY25-26 to FY26-27 Variance	FY26-27 to FY27-28 Variance
CC#12 Administration	$ -	$ 21,000	$ 21,000	$ 21,840	$ 21,000	$ 840
CC#13 Human Resources	$ -	$ -	$ 60,000	$ -	$ 60,000	$ (60,000)
CC#19 Overhead	$ 5,000	$ 5,000	$ 975	$ 1,014	$ (4,025)	$ 39
CC#31 Government Affairs & Policy	$ 394,000	$ 381,000	$ 370,000	$ 370,000	$ (24,000)	$ -
CC#32 Public Affairs	$ 220,000	$ 165,000	$ 170,000	$ 175,000	$ (50,000)	$ 5,000
CC#35 Water Use Efficiency	$ 215,000	$ 205,000	$ 70,000	$ 75,000	$ (145,000)	$ 5,000
CC#36 Water Loss Control	$ -	$ -	$ 100,000	$ 100,000	$ 100,000	$ -
CC#41 Finance	$ 15,200	$ 4,000	$ 9,700	$ 11,800	$ (5,500)	$ 2,100
CC#45 Information Technology	$ 65,000	$ 40,000	$ 69,000	$ 69,360	$ 4,000	$ 360
7040-PROFESSIONAL SERVICES (See Exh J) Total	**$ 914,200**	**$ 821,000**	**$ 870,675**	**$ 824,014**	**$ (43,525)**	**$ (46,661)**
7110-CONFERENCE - EMPLOYEE (See Exh E)						
CC#12 Administration	$ 42,497	$ 20,830	$ 18,355	$ 18,850	$ (24,142)	$ 495
CC#13 Human Resources	$ -	$ -	$ 2,700	$ 2,848	$ 2,700	$ 148
CC#21 Engineering & Planning	$ -	$ 1,000	$ 200	$ 208	$ 200	$ 8
CC#31 Government Affairs & Policy	$ -	$ 7,230	$ 9,757	$ 8,665	$ 9,757	$ (1,092)
CC#32 Public Affairs	$ -	$ 2,530	$ 3,599	$ 4,634	$ 3,599	$ 1,035
CC#35 Water Use Efficiency	$ -	$ 3,000	$ 4,900	$ 5,096	$ 4,900	$ 196
CC#36 Water Loss Control	$ -	$ 4,875	$ 6,600	$ 6,869	$ 6,600	$ 269
CC#41 Finance	$ -	$ -	$ -	$ 1,400	$ -	$ 1,400
7110-CONFERENCE - EMPLOYEE (See Exh E) Total	**$ 42,497**	**$ 39,465**	**$ 46,111**	**$ 48,570**	**$ 3,614**	**$ 2,459**
7115-CONFERENCE EXPENSE-DIRECTOR (See Exh F)						
CC#11 Board Relations	$ 17,155	$ 21,095	$ 21,784	$ 22,617	$ 4,629	$ 833
7115-CONFERENCE EXPENSE-DIRECTOR (See Exh F) Total	**$ 17,155**	**$ 21,095**	**$ 21,784**	**$ 22,617**	**$ 4,629**	**$ 833**
7150-TRAVEL/ACCOMMODATION-EMPLOYEE (See Exh E)						
CC#12 Administration	$ 85,900	$ 28,373	$ 27,600	$ 28,420	$ (58,300)	$ 820
CC#13 Human Resources	$ -	$ -	$ 2,900	$ 2,916	$ 2,900	$ 16
CC#21 Engineering & Planning	$ -	$ 1,800	$ 600	$ 624	$ 600	$ 24
CC#23 Metropolitan & Water Resources	$ -	$ -	$ 850	$ 884	$ 850	$ 34
CC#31 Government Affairs & Policy	$ -	$ 21,807	$ 17,350	$ 17,840	$ 17,350	$ 490
CC#32 Public Affairs	$ -	$ 7,000	$ 5,750	$ 5,980	$ 5,750	$ 230
CC#35 Water Use Efficiency	$ -	$ 11,800	$ 13,420	$ 13,426	$ 13,420	$ 6
CC#36 Water Loss Control	$ -	$ 7,389	$ 7,150	$ 7,436	$ 7,150	$ 286
CC#41 Finance	$ -	$ -	$ -	$ 300	$ -	$ 300
7150-TRAVEL/ACCOMMODATION-EMPLOYEE (See Exh E) Total	**$ 85,900**	**$ 78,169**	**$ 75,620**	**$ 77,826**	**$ (10,280)**	**$ 2,206**
7155-TRAVEL/ACCOMMODATION-DIRECTOR (See Exh F)						
CC#11 Board Relations	$ 36,625	$ 36,050	$ 31,400	$ 32,536	$ (5,225)	$ 1,136
7155-TRAVEL/ACCOMMODATION-DIRECTOR (See Exh F) Total	**$ 36,625**	**$ 36,050**	**$ 31,400**	**$ 32,536**	**$ (5,225)**	**$ 1,136**
7210-MEMBERSHIP & SPONSORSHIP (See Exh D)						
CC#11 Board Relations	$ 48,652	$ 53,956	$ 47,084	$ 48,785	$ (1,568)	$ 1,701
CC#12 Administration	$ 151,684	$ 33,394	$ 34,663	$ 36,049	$ (117,021)	$ 1,386
CC#13 Human Resources	$ -	$ 1,344	$ 1,398	$ 1,453	$ 1,398	$ 55
CC#21 Engineering & Planning	$ -	$ 13,533	$ 15,333	$ 16,406	$ 15,333	$ 1,073
CC#23 Metropolitan & Water Resources	$ -	$ 17,000	$ 17,680	$ 18,387	$ 17,680	$ 707
CC#31 Government Affairs & Policy	$ 12,500	$ 86,532	$ 69,178	$ 71,883	$ 56,678	$ 2,705
CC#32 Public Affairs	$ -	$ 2,688	$ 3,356	$ 2,809	$ 3,356	$ (547)
CC#35 Water Use Efficiency	$ 8,550	$ 9,050	$ 9,050	$ 9,250	$ 500	$ 200
CC#36 Water Loss Control	$ -	$ 2,197	$ 2,285	$ 2,376	$ 2,285	$ 91
CC#41 Finance	$ -	$ 505	$ 510	$ 516	$ 510	$ 6
CC#45 Information Technology	$ -	$ 742	$ 771	$ 803	$ 771	$ 32
7210-MEMBERSHIP & SPONSORSHIP (See Exh D) Total	**$ 221,386**	**$ 220,941**	**$ 201,308**	**$ 208,717**	**$ (20,078)**	**$ 7,409**
7220-EDUCATION INITIATIVE						
CC#32 Public Affairs	$ 35,000	$ -	$ 45,000	$ 45,000	$ 10,000	$ -
7220-EDUCATION INITIATIVE Total	**$ 35,000**	**$ -**	**$ 45,000**	**$ 45,000**	**$ 10,000**	**$ -**

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Core Fund

Type	Adopted FY25-26	Projected FY25-26	Proposed FY26-27	Proposed FY27-28	FY25-26 to FY26-27 Variance	FY26-27 to FY27-28 Variance
7250-CDR SUPPORT						
CC#12 Administration	$ 72,650	$ 72,648	$ -	$ -	$ (72,650)	$ -
CC#21 Engineering & Planning	$ -	$ -	$ 77,272	$ 77,272	$ 77,272	$ -
7250-CDR SUPPORT Total	**$ 72,650**	**$ 72,648**	**$ 77,272**	**$ 77,272**	**$ 4,622**	**$ -**
7305-BUSINESS EXPENSE						
CC#12 Administration	$ 5,500	$ 5,607	$ 5,720	$ 5,949	$ 220	$ 229
7305-BUSINESS EXPENSE Total	**$ 5,500**	**$ 5,607**	**$ 5,720**	**$ 5,949**	**$ 220**	**$ 229**
7310-OFFICE MAINTENANCE						
CC#19 Overhead	$ 156,000	$ 150,000	$ 163,385	$ 169,921	$ 7,385	$ 6,536
7310-OFFICE MAINTENANCE Total	**$ 156,000**	**$ 150,000**	**$ 163,385**	**$ 169,921**	**$ 7,385**	**$ 6,536**
7315-BUILDING REPAIR & MAINTENANCE						
CC#19 Overhead	$ 57,200	$ 59,000	$ 64,381	$ 66,957	$ 7,181	$ 2,576
7315-BUILDING REPAIR & MAINTENANCE Total	**$ 57,200**	**$ 59,000**	**$ 64,381**	**$ 66,957**	**$ 7,181**	**$ 2,576**
7320-STORAGE RENTAL AND EQUIP LEASE						
CC#19 Overhead	$ 1,125	$ 1,000	$ 1,170	$ 1,217	$ 45	$ 47
7320-STORAGE RENTAL AND EQUIP LEASE Total	**$ 1,125**	**$ 1,000**	**$ 1,170**	**$ 1,217**	**$ 45**	**$ 47**
7330-OFFICE SUPPLIES						
CC#19 Overhead	$ 28,000	$ 25,000	$ 28,000	$ 29,120	$ -	$ 1,120
7330-OFFICE SUPPLIES Total	**$ 28,000**	**$ 25,000**	**$ 28,000**	**$ 29,120**	**$ -**	**$ 1,120**
7340-POSTAGE-MAIL DELIVERY						
CC#11 Board Relations	$ 6,000	$ 6,000	$ 6,000	$ 6,000	$ -	$ -
CC#19 Overhead	$ 2,800	$ 1,500	$ 2,124	$ 2,209	$ (676)	$ 85
7340-POSTAGE-MAIL DELIVERY Total	**$ 8,800**	**$ 7,500**	**$ 8,124**	**$ 8,209**	**$ (676)**	**$ 85**
7350-SUBSCRIPTIONS-BOOKS						
CC#12 Administration	$ 10,000	$ 11,500	$ 6,500	$ 6,760	$ (3,500)	$ 260
7350-SUBSCRIPTIONS-BOOKS Total	**$ 10,000**	**$ 11,500**	**$ 6,500**	**$ 6,760**	**$ (3,500)**	**$ 260**
7360-REPRODUCTION EXPENSE						
CC#19 Overhead	$ 8,500	$ 10,000	$ -	$ -	$ (8,500)	$ -
CC#32 Public Affairs	$ 100,000	$ 100,000	$ 104,000	$ 109,970	$ 4,000	$ 5,970
7360-REPRODUCTION EXPENSE Total	**$ 108,500**	**$ 110,000**	**$ 104,000**	**$ 109,970**	**$ (4,500)**	**$ 5,970**
7410-COMPUTER AND PERIPHERALS MAINT						
CC#45 Information Technology	$ 15,850	$ 13,000	$ 15,300	$ 16,853	$ (550)	$ 1,553
7410-COMPUTER AND PERIPHERALS MAINT Total	**$ 15,850**	**$ 13,000**	**$ 15,300**	**$ 16,853**	**$ (550)**	**$ 1,553**
7430-SOFTWARE PURCHASE						
CC#21 Engineering & Planning	$ 4,900	$ -	$ -	$ -	$ (4,900)	$ -
CC#41 Finance	$ 120,000	$ 34,900	$ -	$ -	$ (120,000)	$ -
CC#45 Information Technology	$ 144,411	$ 120,000	$ 228,543	$ 241,259	$ 84,132	$ 12,716
7430-SOFTWARE PURCHASE Total	**$ 269,311**	**$ 154,900**	**$ 228,543**	**$ 241,259**	**$ (40,768)**	**$ 12,716**
7440-SOFTWARE SUPPORT						
CC#41 Finance	$ 15,000	$ 56,600	$ -	$ -	$ (15,000)	$ -
CC#45 Information Technology	$ 5,000	$ 3,000	$ 3,600	$ 3,800	$ (1,400)	$ 200
7440-SOFTWARE SUPPORT Total	**$ 20,000**	**$ 59,600**	**$ 3,600**	**$ 3,800**	**$ (16,400)**	**$ 200**
7450-COMPUTERS AND EQUIPMENT						
CC#45 Information Technology	$ 45,250	$ 30,000	$ 12,750	$ 12,750	$ (32,500)	$ -
7450-COMPUTERS AND EQUIPMENT Total	**$ 45,250**	**$ 30,000**	**$ 12,750**	**$ 12,750**	**$ (32,500)**	**$ -**
7610-AUTOMOTIVE EXPENSE-MILEAGE						
CC#11 Board Relations	$ 7,000	$ 7,000	$ 7,000	$ 7,000	$ -	$ -

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Core Fund

Type	Adopted FY25-26	Projected FY25-26	Proposed FY26-27	Proposed FY27-28	FY25-26 to FY26-27 Variance	FY26-27 to FY27-28 Variance
CC#12 Administration	$ 4,500	$ 3,600	$ 4,500	$ 4,680	$ -	$ 180
7610-AUTOMOTIVE EXPENSE-MILEAGE Total	**$ 11,500**	**$ 10,600**	**$ 11,500**	**$ 11,680**	**$ -**	**$ 180**
7615-TOLL ROAD CHARGES						
CC#11 Board Relations	$ 300	$ 300	$ 300	$ 300	$ -	$ -
CC#12 Administration	$ 250	$ 200	$ 250	$ 260	$ -	$ 10
7615-TOLL ROAD CHARGES Total	**$ 550**	**$ 500**	**$ 550**	**$ 560**	**$ -**	**$ 10**
7620-INSURANCE EXPENSE						
CC#19 Overhead	$ 233,950	$ 210,000	$ 238,426	$ 247,965	$ 4,476	$ 9,539
7620-INSURANCE EXPENSE Total	**$ 233,950**	**$ 210,000**	**$ 238,426**	**$ 247,965**	**$ 4,476**	**$ 9,539**
7640-UTILITIES-TELEPHONE						
CC#19 Overhead	$ 46,924	$ 38,430	$ 43,675	$ 45,421	$ (3,249)	$ 1,746
CC#32 Public Affairs	$ 550	$ -	$ -	$ -	$ (550)	$ -
7640-UTILITIES-TELEPHONE Total	**$ 47,474**	**$ 38,430**	**$ 43,675**	**$ 45,421**	**$ (3,799)**	**$ 1,746**
7650-BANK FEES						
CC#19 Overhead	$ 2,400	$ 100	$ 1,600	$ 1,600	$ (800)	$ -
7650-BANK FEES Total	**$ 2,400**	**$ 100**	**$ 1,600**	**$ 1,600**	**$ (800)**	**$ -**
7670-MISCELLANEOUS EXPENSE						
CC#11 Board Relations	$ 6,000	$ 6,000	$ 9,380	$ 9,995	$ 3,380	$ 615
CC#12 Administration	$ 3,800	$ 3,000	$ 3,800	$ 3,952	$ -	$ 152
CC#13 Human Resources	$ 35,500	$ 38,000	$ 39,520	$ 41,000	$ 4,020	$ 1,480
CC#19 Overhead	$ 3,500	$ 3,400	$ 3,600	$ 3,744	$ 100	$ 144
CC#21 Engineering & Planning	$ 7,500	$ 2,152	$ -	$ -	$ (7,500)	$ -
CC#23 Metropolitan & Water Resources	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ -	$ -
CC#31 Government Affairs & Policy	$ 1,500	$ -	$ 10,000	$ 10,000	$ 8,500	$ -
CC#32 Public Affairs	$ 67,400	$ 100,000	$ 26,500	$ 27,500	$ (40,900)	$ 1,000
CC#35 Water Use Efficiency	$ 6,000	$ 4,000	$ 6,000	$ 6,000	$ -	$ -
CC#41 Finance	$ 1,000	$ 1,100	$ 1,200	$ 1,200	$ 200	$ -
CC#45 Information Technology	$ 1,500	$ 1,000	$ 2,000	$ 2,000	$ 500	$ -
7670-MISCELLANEOUS EXPENSE Total	**$ 135,200**	**$ 160,152**	**$ 103,500**	**$ 106,891**	**$ (31,700)**	**$ 3,391**
8510-MWDOCS CONTRIB TO PROGRAMS						
CC#00 General	$ -	$ -	$ 33,333	$ 33,333	$ 33,333	$ -
CC#24 MWDOC Contribution to WEROC	$ 353,149	$ 353,149	$ 365,686	$ 391,347	$ 12,537	$ 25,661
8510-MWDOCS CONTRIB TO PROGRAMS Total	**$ 353,149**	**$ 353,149**	**$ 399,019**	**$ 424,680**	**$ 45,870**	**$ 25,661**
8710-ELECTION EXPENSES						
CC#11 Board Relations	$ 605,000	$ 605,000	$ 600,000	$ 470,000	$ (5,000)	$ (130,000)
8710-ELECTION EXPENSES Total	**$ 605,000**	**$ 605,000**	**$ 600,000**	**$ 470,000**	**$ (5,000)**	**$ (130,000)**
8810-CAPITAL ACQUISITION						
CC#19 Overhead	$ -	$ 7,500	$ -	$ -	$ -	$ -
CC#45 Information Technology	$ 25,000	$ -	$ -	$ -	$ (25,000)	$ -
8810-CAPITAL ACQUISITION Total	**$ 25,000**	**$ 7,500**	**$ -**	**$ -**	**$ (25,000)**	**$ -**
8811-BUILDING EXPENSE						
CC#19 Overhead	$ -	$ -	$ 75,000	$ -	$ 75,000	$ (75,000)
8811-BUILDING EXPENSE Total	**$ -**	**$ -**	**$ 75,000**	**$ -**	**$ 75,000**	**$ (75,000)**
Expenditure Total	**$ 11,398,611**	**$ 12,613,192**	**$ 11,966,553**	**$ 12,231,290**	**$ 567,942**	**$ 264,737**
Net Increase to (Use of) Reserves	**$ (1,352)**	**$ 1,749**	**$ 60,207**	**$ (64,506)**	**$ 61,559**	**$ (124,713)**

Municipal Water District of Orange County (MWDOC) Biennial Budget
Detail Of Revenue and Expenditure By Accounts And Cost Centers
Choice Fund

Type	Adopted FY25-26	Projected FY25-26	Proposed FY26-27	Proposed FY27-28	FY25-26 to FY26-27 Variance	FY26-27 to FY27-28 Variance
Revenue						
4215-CHOICE REVENUE						
CC#62 Water Use Efficiency (Choice)	$ 1,183,382	$ 1,054,339	$ 953,736	$ 1,006,935	$ (229,646)	$ 53,199
CC#63 School Program (Choice)	$ 504,809	$ 377,786	$ 524,947	$ 542,463	$ 20,138	$ 17,516
CC#70 Water Loss Control (Choice)	$ 369,444	$ 280,866	$ 1,119,596	$ 1,169,193	$ 750,152	$ 49,597
4215-CHOICE REVENUE Total	**$ 2,057,635**	**$ 1,712,991**	**$ 2,598,279**	**$ 2,718,591**	**$ 540,644**	**$ 120,312**
4230-REIMBURSEMENTS						
CC#71 Engineering (Choice)	$ -	$ -	$ 203,000	$ 215,667	$ 203,000	$ 12,667
4230-REIMBURSEMENTS Total	**$ -**	**$ -**	**$ 203,000**	**$ 215,667**	**$ 203,000**	**$ 12,667**
4305-REVENUE FROM MWD						
CC#70 Water Loss Control (Choice)	$ 312,321	$ 252,011	$ 248,355	$ 248,355	$ (63,966)	$ -
4305-REVENUE FROM MWD Total	**$ 312,321**	**$ 252,011**	**$ 248,355**	**$ 248,355**	**$ (63,966)**	**$ -**
4705-PRIOR YEAR CARRYOVER						
CC#61 AMP Administration	$ 944	$ 3	$ -	$ -	$ (944)	$ -
4705-PRIOR YEAR CARRYOVER Total	**$ 944**	**$ 3**	**$ -**	**$ -**	**$ (944)**	**$ -**
Revenue Total	**$ 2,370,900**	**$ 1,965,005**	**$ 3,049,634**	**$ 3,182,613**	**$ 678,734**	**$ 132,979**
Expenditure						
6010-SALARIES AND WAGES - ADMIN						
CC#61 AMP Administration	$ 745	$ -	$ -	$ -	$ (745)	$ -
CC#62 Water Use Efficiency (Choice)	$ 579,176	$ 511,614	$ 443,070	$ 476,555	$ (136,106)	$ 33,485
CC#63 School Program (Choice)	$ 8,815	$ 9,253	$ 10,511	$ 11,757	$ 1,696	$ 1,246
CC#70 Water Loss Control (Choice)	$ 300,762	$ 236,582	$ 334,832	$ 357,039	$ 34,070	$ 22,207
6010-SALARIES AND WAGES - ADMIN Total	**$ 889,498**	**$ 757,449**	**$ 788,413**	**$ 845,351**	**$ (101,085)**	**$ 56,938**
6012-GRANT RECOVERY - SALARIES						
CC#62 Water Use Efficiency (Choice)	$ (15,000)	$ (6,578)	$ -	$ -	$ 15,000	$ -
6012-GRANT RECOVERY - SALARIES Total	**$ (15,000)**	**$ (6,578)**	**$ -**	**$ -**	**$ 15,000**	**$ -**
6105-BENEFITS ADMIN						
CC#61 AMP Administration	$ 199	$ 3	$ -	$ -	$ (199)	$ -
CC#62 Water Use Efficiency (Choice)	$ 149,585	$ 132,072	$ 110,243	$ 124,066	$ (39,342)	$ 13,823
CC#63 School Program (Choice)	$ 3,069	$ 3,233	$ 3,775	$ 4,137	$ 706	$ 362
CC#70 Water Loss Control (Choice)	$ 96,104	$ 72,810	$ 93,200	$ 97,739	$ (2,904)	$ 4,539
6105-BENEFITS ADMIN Total	**$ 248,957**	**$ 208,118**	**$ 207,218**	**$ 225,942**	**$ (41,739)**	**$ 18,724**
6111-OVERHEAD REIMBURSEMENT						
CC#62 Water Use Efficiency (Choice)	$ 322,961	$ 284,251	$ 244,343	$ 265,234	$ (78,618)	$ 20,891
CC#63 School Program (Choice)	$ 5,267	$ -	$ 6,309	$ 7,019	$ 1,042	$ 710
CC#70 Water Loss Control (Choice)	$ 175,877	$ 136,628	$ 189,019	$ 200,830	$ 13,142	$ 11,811
6111-OVERHEAD REIMBURSEMENT Total	**$ 504,105**	**$ 420,879**	**$ 439,671**	**$ 473,083**	**$ (64,434)**	**$ 33,412**
6205-TRAINING EXPENSE (See Exh J)						
CC#70 Water Loss Control (Choice)	$ 2,000	$ 2,200	$ 2,000	$ 2,000	$ -	$ -
6205-TRAINING EXPENSE (See Exh J) Total	**$ 2,000**	**$ 2,200**	**$ 2,000**	**$ 2,000**	**$ -**	**$ -**
7040-PROFESSIONAL SERVICES (See Exh J)						
CC#62 Water Use Efficiency (Choice)	$ 139,530	$ 130,000	$ 149,100	$ 134,100	$ 9,570	$ (15,000)
CC#63 School Program (Choice)	$ 487,658	$ 365,300	$ 504,352	$ 519,550	$ 16,694	$ 15,198
CC#70 Water Loss Control (Choice)	$ 83,270	$ 60,000	$ 720,000	$ 730,000	$ 636,730	$ 10,000
CC#71 Engineering (Choice)	$ -	$ -	$ 203,000	$ 215,667	$ 203,000	$ 12,667
7040-PROFESSIONAL SERVICES (See Exh J) Total	**$ 710,458**	**$ 555,300**	**$ 1,576,452**	**$ 1,599,317**	**$ 865,994**	**$ 22,865**

Municipal Water District of Orange County (MWDOC) Biennial Budget
Detail Of Revenue and Expenditure By Accounts And Cost Centers
Choice Fund

Type	Adopted FY25-26	Projected FY25-26	Proposed FY26-27	Proposed FY27-28	FY25-26 to FY26-27 Variance	FY26-27 to FY27-28 Variance
7332-SUPPLIES - WATER LOSS CONTROL						
CC#70 Water Loss Control (Choice)	$ 4,000	$ 3,400	$ 4,000	$ 4,500	$ -	$ 500
7332-SUPPLIES - WATER LOSS CONTROL Total	**$ 4,000**	**$ 3,400**	**$ 4,000**	**$ 4,500**	**$ -**	**$ 500**
7340-POSTAGE-MAIL DELIVERY						
CC#62 Water Use Efficiency (Choice)	$ 650	$ 500	$ 500	$ 500	$ (150)	$ -
7340-POSTAGE-MAIL DELIVERY Total	**$ 650**	**$ 500**	**$ 500**	**$ 500**	**$ (150)**	**$ -**
7430-SOFTWARE PURCHASE						
CC#70 Water Loss Control (Choice)	$ 2,420	$ 2,200	$ 3,200	$ 3,200	$ 780	$ -
7430-SOFTWARE PURCHASE Total	**$ 2,420**	**$ 2,200**	**$ 3,200**	**$ 3,200**	**$ 780**	**$ -**
7610-AUTOMOTIVE EXPENSE-MILEAGE						
CC#70 Water Loss Control (Choice)	$ 100	$ 100	$ 100	$ 120	$ -	$ 20
7610-AUTOMOTIVE EXPENSE-MILEAGE Total	**$ 100**	**$ 100**	**$ 100**	**$ 120**	**$ -**	**$ 20**
7612-VEHICLE EXPENSE						
CC#70 Water Loss Control (Choice)	$ 10,000	$ 10,000	$ 12,000	$ 12,000	$ 2,000	$ -
7612-VEHICLE EXPENSE Total	**$ 10,000**	**$ 10,000**	**$ 12,000**	**$ 12,000**	**$ 2,000**	**$ -**
7615-TOLL ROAD CHARGES						
CC#70 Water Loss Control (Choice)	$ 400	$ 1,500	$ 2,000	$ 2,000	$ 1,600	$ -
7615-TOLL ROAD CHARGES Total	**$ 400**	**$ 1,500**	**$ 2,000**	**$ 2,000**	**$ 1,600**	**$ -**
7620-INSURANCE EXPENSE						
CC#70 Water Loss Control (Choice)	$ 200	$ 177	$ 200	$ 220	$ -	$ 20
7620-INSURANCE EXPENSE Total	**$ 200**	**$ 177**	**$ 200**	**$ 220**	**$ -**	**$ 20**
7640-UTILITIES-TELEPHONE						
CC#62 Water Use Efficiency (Choice)	$ 480	$ 480	$ 480	$ 480	$ -	$ -
CC#70 Water Loss Control (Choice)	$ 1,632	$ 2,280	$ 2,400	$ 2,400	$ 768	$ -
7640-UTILITIES-TELEPHONE Total	**$ 2,112**	**$ 2,760**	**$ 2,880**	**$ 2,880**	**$ 768**	**$ -**
7670-MISCELLANEOUS EXPENSE						
CC#62 Water Use Efficiency (Choice)	$ 6,000	$ 2,000	$ 6,000	$ 6,000	$ -	$ -
CC#70 Water Loss Control (Choice)	$ 5,000	$ 5,000	$ 5,000	$ 5,500	$ -	$ 500
7670-MISCELLANEOUS EXPENSE Total	**$ 11,000**	**$ 7,000**	**$ 11,000**	**$ 11,500**	**$ -**	**$ 500**
Expenditure Total	**$ 2,370,900**	**$ 1,965,005**	**$ 3,049,634**	**$ 3,182,613**	**$ 678,734**	**$ 132,979**
Net Increase to (Use of) Reserves	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Municipal Water District of Orange County (MWDOC) Biennial Budget
Detail Of Revenue Source And Expenditure By Cost Centers And Accounts
Core Fund

Cost Centers	Adopted FY25-26	Projected FY25-26	Proposed FY26-27	Proposed FY27-28	FY25-26 to FY26-27 Variance	FY26-27 to FY27-28 Variance
CC#00 General						
Revenue						
4050-RETAIL CONNECTION CHARGE (See Exh C)	$ 9,939,371	$ 9,939,371	$ 10,278,727	$ 10,686,812	$ 339,356	$ 408,085
4055-GROUND WATER CUSTOMER CHARGE	$ 414,371	$ 414,371	$ 427,658	$ 441,989	$ 13,287	$ 14,331
4105-INTEREST REVENUE	$ 916,000	$ 931,000	$ 962,952	$ 810,785	$ 46,952	$ (152,167)
4240-MISCELLANEOUS INCOME	$ 5,000	$ 1,200	$ 5,000	$ 5,000	$ -	$ -
4705-PRIOR YEAR CARRYOVER	$ -	$ -	$ 195,380	$ 60,207	$ 195,380	$ (135,173)
4XXX-REIMB FROM OPEB RESERVE/115 TRUST	$ 122,517	$ 107,000	$ 123,710	$ 128,658	$ 1,193	$ 4,948
Revenue Total	**$ 11,397,259**	**$ 11,392,942**	**$ 11,993,427**	**$ 12,133,451**	**$ 596,168**	**$ 140,024**
Expenditure						
8510-MWDOCS CONTRIB TO PROGRAMS	$ -	$ -	$ 33,333	$ 33,333	$ 33,333	$ -
Expenditure Total	**$ -**	**$ -**	**$ 33,333**	**$ 33,333**	**$ 33,333**	**$ -**
CC#11 Board Relations						
Expenditure						
6010-SALARIES AND WAGES - ADMIN	$ 468,708	$ 352,312	$ 369,234	$ 388,250	$ (99,474)	$ 19,016
6090-DIRECTORS COMPENSATION - MWDOC	$ 281,917	$ 275,208	$ 290,942	$ 300,923	$ 9,025	$ 9,981
6095-DIRECTORS COMPENSATION-MET	$ 161,096	$ 156,399	$ 166,253	$ 171,956	$ 5,157	$ 5,703
6105-BENEFITS ADMIN	$ 136,819	$ 112,796	$ 127,346	$ 134,632	$ (9,473)	$ 7,286
6115-DIRECTORS BENEFITS	$ 158,371	$ 152,929	$ 174,974	$ 181,496	$ 16,603	$ 6,522
6205-TRAINING EXPENSE (See Exh J)	$ 2,500	$ -	$ 2,500	$ 2,500	$ -	$ -
7020-LEGAL EXPENSE (See Exh J)	$ 235,000	$ 235,000	$ 230,000	$ 235,000	$ (5,000)	$ 5,000
7115-CONFERENCE EXPENSE-DIRECTOR (See Exh F)	$ 17,155	$ 21,095	$ 21,784	$ 22,617	$ 4,629	$ 833
7155-TRAVEL/ACCOMMODATION-DIRECTOR (See Exh F)	$ 36,625	$ 36,050	$ 31,400	$ 32,536	$ (5,225)	$ 1,136
7210-MEMBERSHIP & SPONSORSHIP (See Exh D)	$ 48,652	$ 53,956	$ 47,084	$ 48,785	$ (1,568)	$ 1,701
7340-POSTAGE-MAIL DELIVERY	$ 6,000	$ 6,000	$ 6,000	$ 6,000	$ -	$ -
7610-AUTOMOTIVE EXPENSE-MILEAGE	$ 7,000	$ 7,000	$ 7,000	$ 7,000	$ -	$ -
7615-TOLL ROAD CHARGES	$ 300	$ 300	$ 300	$ 300	$ -	$ -
7670-MISCELLANEOUS EXPENSE	$ 6,000	$ 6,000	$ 9,380	$ 9,995	$ 3,380	$ 615
8710-ELECTION EXPENSES	$ 605,000	$ 605,000	$ 600,000	$ 470,000	$ (5,000)	$ (130,000)
Expenditure Total	**$ 2,171,143**	**$ 2,020,045**	**$ 2,084,197**	**$ 2,011,990**	**$ (86,946)**	**$ (72,207)**
CC#12 Administration						
Expenditure						
6010-SALARIES AND WAGES - ADMIN	$ 573,603	$ 466,437	$ 505,351	$ 508,048	$ (68,252)	$ 2,697
6105-BENEFITS ADMIN	$ 221,094	$ 173,968	$ 190,675	$ 189,987	$ (30,419)	$ (688)
6205-TRAINING EXPENSE (See Exh J)	$ 6,000	$ -	$ -	$ -	$ (6,000)	$ -
6220-TEMPORARY HELP EXPENSE	$ 5,000	$ -	$ 5,000	$ 5,000	$ -	$ -
7040-PROFESSIONAL SERVICES (See Exh J)	$ -	$ 21,000	$ 21,000	$ 21,840	$ 21,000	$ 840
7110-CONFERENCE - EMPLOYEE (See Exh E)	$ 42,497	$ 20,830	$ 18,355	$ 18,850	$ (24,142)	$ 495
7150-TRAVEL/ACCOMMODATION-EMPLOYEE (See Exh E)	$ 85,900	$ 28,373	$ 27,600	$ 28,420	$ (58,300)	$ 820
7210-MEMBERSHIP & SPONSORSHIP (See Exh D)	$ 151,684	$ 33,394	$ 34,663	$ 36,049	$ (117,021)	$ 1,386
7250-CDR SUPPORT	$ 72,650	$ 72,648	$ -	$ -	$ (72,650)	$ -
7305-BUSINESS EXPENSE	$ 5,500	$ 5,607	$ 5,720	$ 5,949	$ 220	$ 229
7350-SUBSCRIPTIONS-BOOKS	$ 10,000	$ 11,500	$ 6,500	$ 6,760	$ (3,500)	$ 260
7610-AUTOMOTIVE EXPENSE-MILEAGE	$ 4,500	$ 3,600	$ 4,500	$ 4,680	$ -	$ 180
7615-TOLL ROAD CHARGES	$ 250	$ 200	$ 250	$ 260	$ -	$ 10
7670-MISCELLANEOUS EXPENSE	$ 3,800	$ 3,000	$ 3,800	$ 3,952	$ -	$ 152
Expenditure Total	**$ 1,182,478**	**$ 840,557**	**$ 823,414**	**$ 829,795**	**$ (359,064)**	**$ 6,381**
CC#13 Human Resources						
Expenditure						
6010-SALARIES AND WAGES - ADMIN	$ 406,292	$ 381,432	$ 405,224	$ 447,653	$ (1,068)	$ 42,429
6105-BENEFITS ADMIN	$ 122,537	$ 119,948	$ 130,374	$ 126,640	$ 7,837	$ (3,734)
6205-TRAINING EXPENSE (See Exh J)	$ 58,945	$ 52,000	$ 54,000	$ 56,000	$ (4,945)	$ 2,000
6210-TUITION REIMBURSEMENT	$ 6,500	$ 7,662	$ 6,900	$ 7,100	$ 400	$ 200
7020-LEGAL EXPENSE (See Exh J)	$ 25,000	$ 31,000	$ 27,040	$ 28,121	$ 2,040	$ 1,081
7040-PROFESSIONAL SERVICES (See Exh J)	$ -	$ -	$ 60,000	$ -	$ 60,000	$ (60,000)

Municipal Water District of Orange County (MWDOC) Biennial Budget
Detail Of Revenue Source And Expenditure By Cost Centers And Accounts
Core Fund

Cost Centers	Adopted FY25-26	Projected FY25-26	Proposed FY26-27	Proposed FY27-28	FY25-26 to FY26-27 Variance	FY26-27 to FY27-28 Variance
7110-CONFERENCE - EMPLOYEE (See Exh E)	$ -	$ -	$ 2,700	$ 2,848	$ 2,700	$ 148
7150-TRAVEL/ACCOMMODATION-EMPLOYEE (See Exh E)	$ -	$ -	$ 2,900	$ 2,916	$ 2,900	$ 16
7210-MEMBERSHIP & SPONSORSHIP (See Exh D)	$ -	$ 1,344	$ 1,398	$ 1,453	$ 1,398	$ 55
7670-MISCELLANEOUS EXPENSE	$ 35,500	$ 38,000	$ 39,520	$ 41,000	$ 4,020	$ 1,480
Expenditure Total	**$ 654,774**	**$ 631,386**	**$ 730,056**	**$ 713,731**	**$ 75,282**	**$ (16,325)**
CC#19 Overhead						
Expenditure						
6010-SALARIES AND WAGES - ADMIN	$ 605,102	$ 642,309	$ 699,451	$ 769,469	$ 94,349	$ 70,018
6105-BENEFITS ADMIN	$ 180,486	$ 215,651	$ 230,666	$ 247,645	$ 50,180	$ 16,979
6109-UNFUNDED PENSION	$ 207,000	$ 207,000	$ 207,000	$ 207,000	$ -	$ -
6111-OVERHEAD REIMBURSEMENT	$ (504,105)	$ (94,640)	$ (439,671)	$ (473,083)	$ 64,434	$ (33,412)
6120-HEALTH INSURANCE FOR RETIREES	$ 122,517	$ 107,000	$ 123,710	$ 128,658	$ 1,193	$ 4,948
7040-PROFESSIONAL SERVICES (See Exh J)	$ 5,000	$ 5,000	$ 975	$ 1,014	$ (4,025)	$ 39
7310-OFFICE MAINTENANCE	$ 156,000	$ 150,000	$ 163,385	$ 169,921	$ 7,385	$ 6,536
7315-BUILDING REPAIR & MAINTENANCE	$ 57,200	$ 59,000	$ 64,381	$ 66,957	$ 7,181	$ 2,576
7320-STORAGE RENTAL AND EQUIP LEASE	$ 1,125	$ 1,000	$ 1,170	$ 1,217	$ 45	$ 47
7330-OFFICE SUPPLIES	$ 28,000	$ 25,000	$ 28,000	$ 29,120	$ -	$ 1,120
7340-POSTAGE-MAIL DELIVERY	$ 2,800	$ 1,500	$ 2,124	$ 2,209	$ (676)	$ 85
7360-REPRODUCTION EXPENSE	$ 8,500	$ 10,000	$ -	$ -	$ (8,500)	$ -
7620-INSURANCE EXPENSE	$ 233,950	$ 210,000	$ 238,426	$ 247,965	$ 4,476	$ 9,539
7640-UTILITIES-TELEPHONE	$ 46,924	$ 38,430	$ 43,675	$ 45,421	$ (3,249)	$ 1,746
7650-BANK FEES	$ 2,400	$ 100	$ 1,600	$ 1,600	$ (800)	$ -
7670-MISCELLANEOUS EXPENSE	$ 3,500	$ 3,400	$ 3,600	$ 3,744	$ 100	$ 144
8810-CAPITAL ACQUISITION	$ -	$ 7,500	$ -	$ -	$ -	$ -
8811-BUILDING EXPENSE	$ -	$ -	$ 75,000	$ -	$ 75,000	$ (75,000)
Expenditure Total	**$ 1,156,399**	**$ 1,588,250**	**$ 1,443,492**	**$ 1,448,857**	**$ 287,093**	**$ 5,365**
CC#21 Engineering & Planning						
Revenue						
4230-REIMBURSEMENTS	$ -	$ 1,222,000	$ -	$ -	$ -	$ -
Revenue Total	**$ -**	**$ 1,222,000**	**$ -**	**$ -**	**$ -**	**$ -**
Expenditure						
6010-SALARIES AND WAGES - ADMIN	$ 567,060	$ 579,461	$ 669,333	$ 738,561	$ 102,273	$ 69,228
6105-BENEFITS ADMIN	$ 161,397	$ 175,675	$ 210,338	$ 221,194	$ 48,941	$ 10,856
7010-OUTSIDE CONSULTING SERVICES (See Exh J)	$ 470,000	$ 1,607,850	$ 355,000	$ 295,000	$ (115,000)	$ (60,000)
7110-CONFERENCE - EMPLOYEE (See Exh E)	$ -	$ 1,000	$ 200	$ 208	$ 200	$ 8
7150-TRAVEL/ACCOMMODATION-EMPLOYEE (See Exh E)	$ -	$ 1,800	$ 600	$ 624	$ 600	$ 24
7210-MEMBERSHIP & SPONSORSHIP (See Exh D)	$ -	$ 13,533	$ 15,333	$ 16,406	$ 15,333	$ 1,073
7250-CDR SUPPORT	$ -	$ -	$ 77,272	$ 77,272	$ 77,272	$ -
7430-SOFTWARE PURCHASE	$ 4,900	$ -	$ -	$ -	$ (4,900)	$ -
7670-MISCELLANEOUS EXPENSE	$ 7,500	$ 2,152	$ -	$ -	$ (7,500)	$ -
Expenditure Total	**$ 1,210,857**	**$ 2,381,471**	**$ 1,328,076**	**$ 1,349,265**	**$ 117,219**	**$ 21,189**
CC#23 Metropolitan & Water Resources						
Expenditure						
6010-SALARIES AND WAGES - ADMIN	$ 377,920	$ 342,384	$ 404,093	$ 425,306	$ 26,173	$ 21,213
6105-BENEFITS ADMIN	$ 104,709	$ 110,771	$ 127,380	$ 132,177	$ 22,671	$ 4,797
7010-OUTSIDE CONSULTING SERVICES (See Exh J)	$ 100,000	$ 100,000	$ 95,000	$ 103,000	$ (5,000)	$ 8,000
7150-TRAVEL/ACCOMMODATION-EMPLOYEE (See Exh E)	$ -	$ -	$ 850	$ 884	$ 850	$ 34
7210-MEMBERSHIP & SPONSORSHIP (See Exh D)	$ -	$ 17,000	$ 17,680	$ 18,387	$ 17,680	$ 707
7670-MISCELLANEOUS EXPENSE	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ -	$ -
Expenditure Total	**$ 584,129**	**$ 571,655**	**$ 646,503**	**$ 681,254**	**$ 62,374**	**$ 34,751**
CC#24 MWDOC Contribution to WEROC						
Expenditure						
8510-MWDOCS CONTRIB TO PROGRAMS	$ 353,149	$ 353,149	$ 365,686	$ 391,347	$ 12,537	$ 25,661
Expenditure Total	**$ 353,149**	**$ 353,149**	**$ 365,686**	**$ 391,347**	**$ 12,537**	**$ 25,661**

Municipal Water District of Orange County (MWDOC) Biennial Budget
Detail Of Revenue Source And Expenditure By Cost Centers And Accounts
Core Fund

Cost Centers	Adopted FY25-26	Projected FY25-26	Proposed FY26-27	Proposed FY27-28	FY25-26 to FY26-27 Variance	FY26-27 to FY27-28 Variance
CC#31 Government Affairs & Policy						
Expenditure						
6010-SALARIES AND WAGES - ADMIN	$ 187,335	$ 150,266	$ 137,476	$ 139,619	$ (49,859)	$ 2,143
6105-BENEFITS ADMIN	$ 60,211	$ 51,114	$ 45,510	$ 45,321	$ (14,701)	$ (189)
6205-TRAINING EXPENSE (See Exh J)	$ 15,000	$ -	$ -	$ -	$ (15,000)	$ -
7040-PROFESSIONAL SERVICES (See Exh J)	$ 394,000	$ 381,000	$ 370,000	$ 370,000	$ (24,000)	$ -
7110-CONFERENCE - EMPLOYEE (See Exh E)	$ -	$ 7,230	$ 9,757	$ 8,665	$ 9,757	$ (1,092)
7150-TRAVEL/ACCOMMODATION-EMPLOYEE (See Exh E)	$ -	$ 21,807	$ 17,350	$ 17,840	$ 17,350	$ 490
7210-MEMBERSHIP & SPONSORSHIP (See Exh D)	$ 12,500	$ 86,532	$ 69,178	$ 71,883	$ 56,678	$ 2,705
7670-MISCELLANEOUS EXPENSE	$ 1,500	$ -	$ 10,000	$ 10,000	$ 8,500	$ -
Expenditure Total	**$ 670,546**	**$ 697,949**	**$ 659,271**	**$ 663,328**	**$ (11,275)**	**$ 4,057**
CC#32 Public Affairs						
Revenue						
4230-REIMBURSEMENTS	$ -	$ -	$ 33,333	$ 33,333	$ 33,333	$ -
Revenue Total	**$ -**	**$ -**	**$ 33,333**	**$ 33,333**	**$ 33,333**	**$ -**
Expenditure						
6010-SALARIES AND WAGES - ADMIN	$ 851,284	$ 875,491	$ 970,090	$ 1,034,137	$ 118,806	$ 64,047
6012-GRANT RECOVERY - SALARIES	$ (33,000)	$ (33,000)	$ -	$ -	$ 33,000	$ -
6105-BENEFITS ADMIN	$ 259,741	$ 280,607	$ 324,169	$ 341,678	$ 64,428	$ 17,509
7040-PROFESSIONAL SERVICES (See Exh J)	$ 220,000	$ 165,000	$ 170,000	$ 175,000	$ (50,000)	$ 5,000
7110-CONFERENCE - EMPLOYEE (See Exh E)	$ -	$ 2,530	$ 3,599	$ 4,634	$ 3,599	$ 1,035
7150-TRAVEL/ACCOMMODATION-EMPLOYEE (See Exh E)	$ -	$ 7,000	$ 5,750	$ 5,980	$ 5,750	$ 230
7210-MEMBERSHIP & SPONSORSHIP (See Exh D)	$ -	$ 2,688	$ 3,356	$ 2,809	$ 3,356	$ (547)
7220-EDUCATION INITIATIVE	$ 35,000	$ -	$ 45,000	$ 45,000	$ 10,000	$ -
7360-REPRODUCTION EXPENSE	$ 100,000	$ 100,000	$ 104,000	$ 109,970	$ 4,000	$ 5,970
7640-UTILITIES-TELEPHONE	$ 550	$ -	$ -	$ -	$ (550)	$ -
7670-MISCELLANEOUS EXPENSE	$ 67,400	$ 100,000	$ 26,500	$ 27,500	$ (40,900)	$ 1,000
Expenditure Total	**$ 1,500,975**	**$ 1,500,316**	**$ 1,652,464**	**$ 1,746,708**	**$ 151,489**	**$ 94,244**
CC#35 Water Use Efficiency						
Expenditure						
6010-SALARIES AND WAGES - ADMIN	$ 232,533	$ 341,527	$ 222,401	$ 234,487	$ (10,132)	$ 12,086
6105-BENEFITS ADMIN	$ 69,434	$ 105,404	$ 68,859	$ 72,389	$ (575)	$ 3,530
7040-PROFESSIONAL SERVICES (See Exh J)	$ 215,000	$ 205,000	$ 70,000	$ 75,000	$ (145,000)	$ 5,000
7110-CONFERENCE - EMPLOYEE (See Exh E)	$ -	$ 3,000	$ 4,900	$ 5,096	$ 4,900	$ 196
7150-TRAVEL/ACCOMMODATION-EMPLOYEE (See Exh E)	$ -	$ 11,800	$ 13,420	$ 13,426	$ 13,420	$ 6
7210-MEMBERSHIP & SPONSORSHIP (See Exh D)	$ 8,550	$ 9,050	$ 9,050	$ 9,250	$ 500	$ 200
7670-MISCELLANEOUS EXPENSE	$ 6,000	$ 4,000	$ 6,000	$ 6,000	$ -	$ -
Expenditure Total	**$ 531,517**	**$ 679,781**	**$ 394,630**	**$ 415,648**	**$ (136,887)**	**$ 21,018**
CC#36 Water Loss Control						
Expenditure						
6010-SALARIES AND WAGES - ADMIN	$ -	$ 600	$ 139,317	$ 151,265	$ 139,317	$ 11,948
6105-BENEFITS ADMIN	$ -	$ 182	$ 43,497	$ 46,527	$ 43,497	$ 3,030
7040-PROFESSIONAL SERVICES (See Exh J)	$ -	$ -	$ 100,000	$ 100,000	$ 100,000	$ -
7110-CONFERENCE - EMPLOYEE (See Exh E)	$ -	$ 4,875	$ 6,600	$ 6,869	$ 6,600	$ 269
7150-TRAVEL/ACCOMMODATION-EMPLOYEE (See Exh E)	$ -	$ 7,389	$ 7,150	$ 7,436	$ 7,150	$ 286
7210-MEMBERSHIP & SPONSORSHIP (See Exh D)	$ -	$ 2,197	$ 2,285	$ 2,376	$ 2,285	$ 91
Expenditure Total	**$ -**	**$ 15,243**	**$ 298,849**	**$ 314,473**	**$ 298,849**	**$ 15,624**
CC#41 Finance						
Expenditure						
6010-SALARIES AND WAGES - ADMIN	$ 547,775	$ 594,526	$ 682,240	$ 756,765	$ 134,465	$ 74,525
6105-BENEFITS ADMIN	$ 164,353	$ 194,183	$ 232,074	$ 250,351	$ 67,721	$ 18,277
7030-AUDIT EXPENSE (See Exh J)	$ 37,445	$ 32,455	$ 38,418	$ 39,420	$ 973	$ 1,002
7040-PROFESSIONAL SERVICES (See Exh J)	$ 15,200	$ 4,000	$ 9,700	$ 11,800	$ (5,500)	$ 2,100

Municipal Water District of Orange County (MWDOC) Biennial Budget
Detail Of Revenue Source And Expenditure By Cost Centers And Accounts
Core Fund

Cost Centers	Adopted FY25-26	Projected FY25-26	Proposed FY26-27	Proposed FY27-28	FY25-26 to FY26-27 Variance	FY26-27 to FY27-28 Variance
7110-CONFERENCE - EMPLOYEE (See Exh E)	$ -	$ -	$ -	$ 1,400	$ -	$ 1,400
7150-TRAVEL/ACCOMMODATION-EMPLOYEE (See Exh E)	$ -	$ -	$ -	$ 300	$ -	$ 300
7210-MEMBERSHIP & SPONSORSHIP (See Exh D)	$ -	$ 505	$ 510	$ 516	$ 510	$ 6
7430-SOFTWARE PURCHASE	$ 120,000	$ 34,900	$ -	$ -	$ (120,000)	$ -
7440-SOFTWARE SUPPORT	$ 15,000	$ 56,600	$ -	$ -	$ (15,000)	$ -
7670-MISCELLANEOUS EXPENSE	$ 1,000	$ 1,100	$ 1,200	$ 1,200	$ 200	$ -
Expenditure Total	**$ 900,773**	**$ 918,269**	**$ 964,142**	**$ 1,061,752**	**$ 63,369**	**$ 97,610**
CC#45 Information Technology						
Expenditure						
6010-SALARIES AND WAGES - ADMIN	$ 135,124	$ 154,888	$ 157,227	$ 167,460	$ 22,103	$ 10,233
6105-BENEFITS ADMIN	$ 44,736	$ 52,491	$ 53,249	$ 55,524	$ 8,513	$ 2,275
7040-PROFESSIONAL SERVICES (See Exh J)	$ 65,000	$ 40,000	$ 69,000	$ 69,360	$ 4,000	$ 360
7210-MEMBERSHIP & SPONSORSHIP (See Exh D)	$ -	$ 742	$ 771	$ 803	$ 771	$ 32
7410-COMPUTER AND PERIPHERALS MAINT	$ 15,850	$ 13,000	$ 15,300	$ 16,853	$ (550)	$ 1,553
7430-SOFTWARE PURCHASE	$ 144,411	$ 120,000	$ 228,543	$ 241,259	$ 84,132	$ 12,716
7440-SOFTWARE SUPPORT	$ 5,000	$ 3,000	$ 3,600	$ 3,800	$ (1,400)	$ 200
7450-COMPUTERS AND EQUIPMENT	$ 45,250	$ 30,000	$ 12,750	$ 12,750	$ (32,500)	$ -
7670-MISCELLANEOUS EXPENSE	$ 1,500	$ 1,000	$ 2,000	$ 2,000	$ 500	$ -
8810-CAPITAL ACQUISITION	$ 25,000	$ -	$ -	$ -	$ (25,000)	$ -
Expenditure Total	**$ 481,871**	**$ 415,121**	**$ 542,440**	**$ 569,809**	**$ 60,569**	**$ 27,369**
Net Increase to (Use of) Reserves	**$ (1,352)**	**$ 1,749**	**$ 60,207**	**$ (64,506)**	**$ 61,559**	**$ (124,713)**

Municipal Water District of Orange County (MWDOC) Biennial Budget
Detail Of Revenue Source And Expenditure By Cost Centers And Accounts
Choice Fund

Cost Centers	Adopted FY25-26	Projected FY25-26	Proposed FY26-27	Proposed FY27-28	FY25-26 to FY26-27 Variance	FY26-27 to FY27-28 Variance
CC#61 AMP Administration						
Revenue						
4705-PRIOR YEAR CARRYOVER	$ 944	$ 3	$ -	$ -	$ (944)	$ -
Revenue Total	**$ 944**	**$ 3**	**$ -**	**$ -**	**$ (944)**	**$ -**
Expenditure						
6010-SALARIES AND WAGES - ADMIN	$ 745	$ -	$ -	$ -	$ (745)	$ -
6105-BENEFITS ADMIN	$ 199	$ 3	$ -	$ -	$ (199)	$ -
Expenditure Total	**$ 944**	**$ 3**	**$ -**	**$ -**	**$ (944)**	**$ -**
CC#62 Water Use Efficiency (Choice)						
Revenue						
4215-CHOICE REVENUE	$ 1,183,382	$ 1,054,339	$ 953,736	$ 1,006,935	$ (229,646)	$ 53,199
Revenue Total	**$ 1,183,382**	**$ 1,054,339**	**$ 953,736**	**$ 1,006,935**	**$ (229,646)**	**$ 53,199**
Expenditure						
6010-SALARIES AND WAGES - ADMIN	$ 579,176	$ 511,614	$ 443,070	$ 476,555	$ (136,106)	$ 33,485
6012-GRANT RECOVERY - SALARIES	$ (15,000)	$ (6,578)	$ -	$ -	$ 15,000	$ -
6105-BENEFITS ADMIN	$ 149,585	$ 132,072	$ 110,243	$ 124,066	$ (39,342)	$ 13,823
6111-OVERHEAD REIMBURSEMENT	$ 322,961	$ 284,251	$ 244,343	$ 265,234	$ (78,618)	$ 20,891
7040-PROFESSIONAL SERVICES (See Exh J)	$ 139,530	$ 130,000	$ 149,100	$ 134,100	$ 9,570	$ (15,000)
7340-POSTAGE-MAIL DELIVERY	$ 650	$ 500	$ 500	$ 500	$ (150)	$ -
7640-UTILITIES-TELEPHONE	$ 480	$ 480	$ 480	$ 480	$ -	$ -
7670-MISCELLANEOUS EXPENSE	$ 6,000	$ 2,000	$ 6,000	$ 6,000	$ -	$ -
Expenditure Total	**$ 1,183,382**	**$ 1,054,339**	**$ 953,736**	**$ 1,006,935**	**$ (229,646)**	**$ 53,199**
CC#63 School Program (Choice)						
Revenue						
4215-CHOICE REVENUE	$ 504,809	$ 377,786	$ 524,947	$ 542,463	$ 20,138	$ 17,516
Revenue Total	**$ 504,809**	**$ 377,786**	**$ 524,947**	**$ 542,463**	**$ 20,138**	**$ 17,516**
Expenditure						
6010-SALARIES AND WAGES - ADMIN	$ 8,815	$ 9,253	$ 10,511	$ 11,757	$ 1,696	$ 1,246
6105-BENEFITS ADMIN	$ 3,069	$ 3,233	$ 3,775	$ 4,137	$ 706	$ 362
6111-OVERHEAD REIMBURSEMENT	$ 5,267	$ -	$ 6,309	$ 7,019	$ 1,042	$ 710
7040-PROFESSIONAL SERVICES (See Exh J)	$ 487,658	$ 365,300	$ 504,352	$ 519,550	$ 16,694	$ 15,198
Expenditure Total	**$ 504,809**	**$ 377,786**	**$ 524,947**	**$ 542,463**	**$ 20,138**	**$ 17,516**
CC#70 Water Loss Control (Choice)						
Revenue						
4215-CHOICE REVENUE	$ 369,444	$ 280,866	$ 1,119,596	$ 1,169,193	$ 750,152	$ 49,597
4305-REVENUE FROM MWD	$ 312,321	$ 252,011	$ 248,355	$ 248,355	$ (63,966)	$ -
Revenue Total	**$ 681,765**	**$ 532,877**	**$ 1,367,951**	**$ 1,417,548**	**$ 686,186**	**$ 49,597**
Expenditure						
6010-SALARIES AND WAGES - ADMIN	$ 300,762	$ 236,582	$ 334,832	$ 357,039	$ 34,070	$ 22,207
6105-BENEFITS ADMIN	$ 96,104	$ 72,810	$ 93,200	$ 97,739	$ (2,904)	$ 4,539
6111-OVERHEAD REIMBURSEMENT	$ 175,877	$ 136,628	$ 189,019	$ 200,830	$ 13,142	$ 11,811
6205-TRAINING EXPENSE (See Exh J)	$ 2,000	$ 2,200	$ 2,000	$ 2,000	$ -	$ -
7040-PROFESSIONAL SERVICES (See Exh J)	$ 83,270	$ 60,000	$ 720,000	$ 730,000	$ 636,730	$ 10,000
7332-SUPPLIES - WATER LOSS CONTROL	$ 4,000	$ 3,400	$ 4,000	$ 4,500	$ -	$ 500
7430-SOFTWARE PURCHASE	$ 2,420	$ 2,200	$ 3,200	$ 3,200	$ 780	$ -
7610-AUTOMOTIVE EXPENSE-MILEAGE	$ 100	$ 100	$ 100	$ 120	$ -	$ 20
7612-VEHICLE EXPENSE	$ 10,000	$ 10,000	$ 12,000	$ 12,000	$ 2,000	$ -
7615-TOLL ROAD CHARGES	$ 400	$ 1,500	$ 2,000	$ 2,000	$ 1,600	$ -
7620-INSURANCE EXPENSE	$ 200	$ 177	$ 200	$ 220	$ -	$ 20
7640-UTILITIES-TELEPHONE	$ 1,632	$ 2,280	$ 2,400	$ 2,400	$ 768	$ -
7670-MISCELLANEOUS EXPENSE	$ 5,000	$ 5,000	$ 5,000	$ 5,500	$ -	$ 500
Expenditure Total	**$ 681,765**	**$ 532,877**	**$ 1,367,951**	**$ 1,417,548**	**$ 686,186**	**$ 49,597**
CC#71 Engineering (Choice)						
Revenue						

Municipal Water District of Orange County (MWDOC) Biennial Budget
Detail Of Revenue Source And Expenditure By Cost Centers And Accounts
Choice Fund

Cost Centers	Adopted FY25-26	Projected FY25-26	Proposed FY26-27	Proposed FY27-28	FY25-26 to FY26-27 Variance	FY26-27 to FY27-28 Variance
4230-REIMBURSEMENTS	$ -	$ -	$ 203,000	$ 215,667	$ 203,000	$ 12,667
Revenue Total	**$ -**	**$ -**	**$ 203,000**	**$ 215,667**	**$ 203,000**	**$ 12,667**
Expenditure						
7040-PROFESSIONAL SERVICES (See Exh J)	$ -	$ -	$ 203,000	$ 215,667	$ 203,000	$ 12,667
Expenditure Total	**$ -**	**$ -**	**$ 203,000**	**$ 215,667**	**$ 203,000**	**$ 12,667**
Net Increase to (Use of) Reserves	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Municipal Water District of Orange County (MWDOC) Biennial Budget
Detail Of Revenue Source And Expenditure By Cost Centers And Accounts
WEROC Fund

Cost Centers	Adopted FY25-26	Projected FY25-26	Proposed FY26-27	Proposed FY27-28	FY25-26 to FY26-27 Variance	FY26-27 to FY27-28 Variance
CC#25 WEROC						
Revenue						
4210-WEROC CONTRACTS	$ 353,149	$ 353,149	$ 365,686	$ 391,347	$ 12,537	$ 25,661
4320-REVENUE FROM MWDOC	$ 353,149	$ 378,687	$ 365,686	$ 391,347	$ 12,537	$ 25,661
4350-REVENUE - OTHER	$ 4,700	$ 4,700	$ -	$ -	$ (4,700)	$ -
Revenue Total	**$ 710,998**	**$ 736,536**	**$ 731,372**	**$ 782,694**	**$ 20,374**	**$ 51,322**
Expenditure						
6010-SALARIES AND WAGES - ADMIN	$ 492,542	$ 520,127	$ 491,465	$ 524,498	$ (1,077)	$ 33,033
6105-BENEFITS ADMIN	$ 153,706	$ 195,055	$ 183,757	$ 193,896	$ 30,051	$ 10,139
6205-TRAINING EXPENSE (See Exh J)	$ 6,000	$ -	$ 6,000	$ 6,000	$ -	$ -
7040-PROFESSIONAL SERVICES (See Exh J)	$ -	$ -	$ -	$ 5,000	$ -	$ 5,000
7110-CONFERENCE - EMPLOYEE (See Exh E)	$ 6,430	$ 6,580	$ 6,600	$ 4,250	$ 170	$ (2,350)
7150-TRAVEL/ACCOMMODATION-EMPLOYEE (See Exh E)	$ 17,770	$ 17,770	$ 11,250	$ 13,200	$ (6,520)	$ 1,950
7210-MEMBERSHIP & SPONSORSHIP (See Exh D)	$ 1,450	$ 950	$ 950	$ 950	$ (500)	$ -
7330-OFFICE SUPPLIES	$ 750	$ -	$ 500	$ 500	$ (250)	$ -
7410-COMPUTER AND PERIPHERALS MAINT	$ 2,000	$ -	$ 2,000	$ 2,000	$ -	$ -
7440-SOFTWARE SUPPORT	$ 12,000	$ -	$ 13,500	$ 14,800	$ 1,500	$ 1,300
7510-SITE MAINTENANCE	$ 350	$ -	$ 350	$ 350	$ -	$ -
7580-MAINTENANCE EXPENSE	$ 1,000	$ -	$ 500	$ 500	$ (500)	$ -
7581-MAINTENANCE - COMMUNICATIONS	$ 3,000	$ -	$ 3,500	$ 3,750	$ 500	$ 250
7582-MAINTENANCE - EOC	$ 1,500	$ -	$ 1,500	$ 1,500	$ -	$ -
7610-AUTOMOTIVE EXPENSE-MILEAGE	$ 500	$ -	$ 1,000	$ 1,000	$ 500	$ -
7640-UTILITIES-TELEPHONE	$ 6,000	$ -	$ 3,500	$ 3,500	$ (2,500)	$ -
7670-MISCELLANEOUS EXPENSE	$ 4,000	$ -	$ 3,000	$ 3,000	$ (1,000)	$ -
7671-MISCELLANEOUS - TRAINING	$ 2,000	$ -	$ 2,000	$ 4,000	$ -	$ 2,000
Expenditure Total	**$ 710,998**	**$ 740,482**	**$ 731,372**	**$ 782,694**	**$ 20,374**	**$ 51,322**
CC#25 WEROC Total	**$ -**	**$ (3,946)**	**$ -**	**$ -**	**$ -**	**$ -**
Net Increase to (Use of) WEROC Reserves	**$ -**	**$ (3,946)**	**$ -**	**$ -**	**$ -**	**$ -**

Municipal Water District of Orange County (MWDOC) Biennial Budget
FY 2025-26 Consolidated Budget Summary

**Choice Funds Column includes AMP Proceeds Agreement Administration

	Core Fund	Choice Fund	Water Fund	Water Use Efficiency Program Grant Fund	WEROC Fund	Total
Revenue						
4005-LOCAL RESOURCE PROGRAM INCENTIVES			$ (3,840,576)			$ (3,840,576)
4005-WATER SALES			$ 179,332,825			$ 179,332,825
4030-READINESS TO SERVE CHRGE-SALES			$ 16,934,350			$ 16,934,350
4041-CAPACITY CHARGE (CCF) REVENUE			$ 4,624,125			$ 4,624,125
4050-RETAIL CONNECTION CHARGE (See Exh C)	$ 9,939,371					$ 9,939,371
4055-GROUND WATER CUSTOMER CHARGE	$ 414,371					$ 414,371
4090-SCP/SAC PIPELINE SURCHARGE			$ 443,000			$ 443,000
4105-INTEREST REVENUE	$ 916,000					$ 916,000
4210-WEROC CONTRACTS					$ 353,149	$ 353,149
4215-CHOICE REVENUE		$ 2,057,635				$ 2,057,635
4230-REIMBURSEMENTS	$ -	$ -				$ -
4240-MISCELLANEOUS INCOME	$ 5,000					$ 5,000
4305-REVENUE FROM MWD		$ 312,321		$ 5,861,960		$ 6,174,281
4320-REVENUE FROM MWDOC					$ 353,149	$ 353,149
4340-REVENUE - MEMBER AGENCIES				$ 1,572,525		$ 1,572,525
4350-REVENUE - OTHER					$ 4,700	$ 4,700
4405-GRANTS FROM USBR				$ 519,051		$ 519,051
4410-DEPARTMENT OF WATER RESOURCES				$ 395,962		$ 395,962
4705-PRIOR YEAR CARRYOVER	$ -	$ 944				$ 944
4XXX-REIMB FROM OPEB RESERVE/115 TRUST	$ 122,517					$ 122,517
Revenue Total	**$ 11,397,259**	**$ 2,370,900**	**$ 197,493,724**	**$ 8,349,498**	**$ 710,998**	**$ 220,322,379**
Expenditure						
1215-CONSULTANT ADMINISTRATION				$ 1,222,638		$ 1,222,638
1225-INSTALLATION VERIFICATION				$ 121,353		$ 121,353
1230-REBATE INCENTIVES				$ 6,935,507		$ 6,935,507
1235-SURVEYS AND AUDITS				$ 70,000		$ 70,000
5110-LOCAL RESOURCE PROGRAM INCENTIVES			$ (3,840,576)			$ (3,840,576)
5110-WATER PURCHASES - MET			$ 179,332,825			$ 179,332,825
5230-READINESS TO SERVE CHRGE-PURCH			$ 16,934,350			$ 16,934,350
5241-CAPACITY CHARGE (CCF)			$ 4,624,125			$ 4,624,125
5290-SCP/SAC PIPELINE SURCHARGE			$ 443,000			$ 443,000
6010-SALARIES AND WAGES - ADMIN	$ 4,952,736	$ 889,498			$ 492,542	$ 6,334,776
6012-GRANT RECOVERY - SALARIES	$ (33,000)	$ (15,000)				$ (48,000)
6090-DIRECTORS COMPENSATION - MWDOC	$ 281,917					$ 281,917
6095-DIRECTORS COMPENSATION-MET	$ 161,096					$ 161,096
6105-BENEFITS ADMIN	$ 1,525,517	$ 248,957			$ 153,706	$ 1,928,180
6109-UNFUNDED PENSION	$ 207,000					$ 207,000
6111-OVERHEAD REIMBURSEMENT	$ (504,105)	$ 504,105				$ -
6115-DIRECTORS BENEFITS	$ 158,371					$ 158,371
6120-HEALTH INSURANCE FOR RETIREES	$ 122,517					$ 122,517
6205-TRAINING EXPENSE (See Exh J)	$ 82,445	$ 2,000			$ 6,000	$ 90,445
6210-TUITION REIMBURSEMENT	$ 6,500					$ 6,500
6220-TEMPORARY HELP EXPENSE	$ 5,000					$ 5,000
7010-OUTSIDE CONSULTING SERVICES (See Exh J)	$ 570,000					$ 570,000
7020-LEGAL EXPENSE (See Exh J)	$ 260,000					$ 260,000
7030-AUDIT EXPENSE (See Exh J)	$ 37,445					$ 37,445
7040-PROFESSIONAL SERVICES (See Exh J)	$ 914,200	$ 710,458			$ -	$ 1,624,658
7110-CONFERENCE - EMPLOYEE (See Exh E)	$ 42,497				$ 6,430	$ 48,927
7115-CONFERENCE EXPENSE-DIRECTOR (See Exh F)	$ 17,155					$ 17,155
7150-TRAVEL/ACCOMMODATION-EMPLOYEE (See Exh E)	$ 85,900				$ 17,770	$ 103,670
7155-TRAVEL/ACCOMMODATION-DIRECTOR (See Exh F)	$ 36,625					$ 36,625
7210-MEMBERSHIP & SPONSORSHIP (See Exh D)	$ 221,386				$ 1,450	$ 222,836
7220-EDUCATION INITIATIVE	$ 35,000					$ 35,000
7250-CDR SUPPORT	$ 72,650					$ 72,650
7305-BUSINESS EXPENSE	$ 5,500					$ 5,500
7310-OFFICE MAINTENANCE	$ 156,000					$ 156,000
7315-BUILDING REPAIR & MAINTENANCE	$ 57,200					$ 57,200

Municipal Water District of Orange County (MWDOC) Biennial Budget
FY 2025-26 Consolidated Budget Summary

**Choice Funds Column includes AMP Proceeds Agreement Administration

	Core Fund	Choice Fund	Water Fund	Water Use Efficiency Program Grant Fund	WEROC Fund	Total
7320-STORAGE RENTAL AND EQUIP LEASE	$ 1,125					$ 1,125
7330-OFFICE SUPPLIES	$ 28,000				$ 750	$ 28,750
7332-SUPPLIES - WATER LOSS CONTROL		$ 4,000				$ 4,000
7340-POSTAGE-MAIL DELIVERY	$ 8,800	$ 650				$ 9,450
7350-SUBSCRIPTIONS-BOOKS	$ 10,000					$ 10,000
7360-REPRODUCTION EXPENSE	$ 108,500					$ 108,500
7410-COMPUTER AND PERIPHERALS MAINT	$ 15,850				$ 2,000	$ 17,850
7430-SOFTWARE PURCHASE	$ 269,311	$ 2,420				$ 271,731
7440-SOFTWARE SUPPORT	$ 20,000				$ 12,000	$ 32,000
7450-COMPUTERS AND EQUIPMENT	$ 45,250					$ 45,250
7510-SITE MAINTENANCE					$ 350	$ 350
7580-MAINTENANCE EXPENSE					$ 1,000	$ 1,000
7581-MAINTENANCE - COMMUNICATIONS					$ 3,000	$ 3,000
7582-MAINTENANCE - EOC					$ 1,500	$ 1,500
7610-AUTOMOTIVE EXPENSE-MILEAGE	$ 11,500	$ 100			$ 500	$ 12,100
7612-VEHICLE EXPENSE		$ 10,000				$ 10,000
7615-TOLL ROAD CHARGES	$ 550	$ 400				$ 950
7620-INSURANCE EXPENSE	$ 233,950	$ 200				$ 234,150
7640-UTILITIES-TELEPHONE	$ 47,474	$ 2,112			$ 6,000	$ 55,586
7650-BANK FEES	$ 2,400					$ 2,400
7670-MISCELLANEOUS EXPENSE	$ 135,200	$ 11,000			$ 4,000	$ 150,200
7671-MISCELLANEOUS - TRAINING					$ 2,000	$ 2,000
8510-MWDOCS CONTRIB TO PROGRAMS	$ 353,149					$ 353,149
8710-ELECTION EXPENSES	$ 605,000					$ 605,000
8810-CAPITAL ACQUISITION	$ 25,000					$ 25,000
8811-BUILDING EXPENSE	$ -					$ -
Expenditure Total	**$ 11,398,611**	**$ 2,370,900**	**$ 197,493,724**	**$ 8,349,498**	**$ 710,998**	**$ 220,323,731**
Total	**$ (1,352)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (1,352)**

Municipal Water District of Orange County (MWDOC) Biennial Budget
FY 2026-27 Consolidated Budget Summary

**Choice Funds Column includes AMP Proceeds Agreement Administration

	Core Fund	Choice Fund	Water Fund	Water Use Efficiency Program Grant Fund	WEROC Fund	Total
Revenue						
4005-LOCAL RESOURCE PROGRAM INCENTIVES			$ (2,872,750)			$ (2,872,750)
4005-WATER SALES			$ 162,834,152			$ 162,834,152
4030-READINESS TO SERVE CHRGE-SALES			$ 17,654,354			$ 17,654,354
4041-CAPACITY CHARGE (CCF) REVENUE			$ 4,230,450			$ 4,230,450
4050-RETAIL CONNECTION CHARGE (See Exh C)	$ 10,278,727					$ 10,278,727
4055-GROUND WATER CUSTOMER CHARGE	$ 427,658					$ 427,658
4090-SCP/SAC PIPELINE SURCHARGE			$ 460,720			$ 460,720
4105-INTEREST REVENUE	$ 962,952					$ 962,952
4210-WEROC CONTRACTS					$ 365,686	$ 365,686
4215-CHOICE REVENUE		$ 2,598,279				$ 2,598,279
4230-REIMBURSEMENTS	$ 33,333	$ 203,000				$ 236,333
4240-MISCELLANEOUS INCOME	$ 5,000					$ 5,000
4305-REVENUE FROM MWD		$ 248,355		$ 5,476,000		$ 5,724,355
4320-REVENUE FROM MWDOC					$ 365,686	$ 365,686
4340-REVENUE - MEMBER AGENCIES				$ 756,804		$ 756,804
4350-REVENUE - OTHER					$ -	$ -
4405-GRANTS FROM USBR				$ 321,936		$ 321,936
4410-DEPARTMENT OF WATER RESOURCES				$ 387,775		$ 387,775
4705-PRIOR YEAR CARRYOVER	$ 195,380	$ -				$ 195,380
4XXX-REIMB FROM OPEB RESERVE/115 TRUST	$ 123,710					$ 123,710
Revenue Total	**$ 12,026,760**	**$ 3,049,634**	**$ 182,306,926**	**$ 6,942,515**	**$ 731,372**	**$ 205,057,207**
Expenditure						
1215-CONSULTANT ADMINISTRATION				$ 534,744		$ 534,744
1225-INSTALLATION VERIFICATION				$ 74,000		$ 74,000
1230-REBATE INCENTIVES				$ 6,235,996		$ 6,235,996
1235-SURVEYS AND AUDITS				$ 97,775		$ 97,775
5110-LOCAL RESOURCE PROGRAM INCENTIVES			$ (2,872,750)			$ (2,872,750)
5110-WATER PURCHASES - MET			$ 162,834,152			$ 162,834,152
5230-READINESS TO SERVE CHRGE-PURCH			$ 17,654,354			$ 17,654,354
5241-CAPACITY CHARGE (CCF)			$ 4,230,450			$ 4,230,450
5290-SCP/SAC PIPELINE SURCHARGE			$ 460,720			$ 460,720
6010-SALARIES AND WAGES - ADMIN	$ 5,361,437	$ 788,413			$ 491,465	$ 6,641,315
6012-GRANT RECOVERY - SALARIES	$ -	$ -				$ -
6090-DIRECTORS COMPENSATION - MWDOC	$ 290,942					$ 290,942
6095-DIRECTORS COMPENSATION-MET	$ 166,253					$ 166,253
6105-BENEFITS ADMIN	$ 1,784,137	$ 207,218			$ 183,757	$ 2,175,112
6109-UNFUNDED PENSION	$ 207,000					$ 207,000
6111-OVERHEAD REIMBURSEMENT	$ (439,671)	$ 439,671				$ -
6115-DIRECTORS BENEFITS	$ 174,974					$ 174,974
6120-HEALTH INSURANCE FOR RETIREES	$ 123,710					$ 123,710
6205-TRAINING EXPENSE (See Exh J)	$ 56,500	$ 2,000			$ 6,000	$ 64,500
6210-TUITION REIMBURSEMENT	$ 6,900					$ 6,900
6220-TEMPORARY HELP EXPENSE	$ 5,000					$ 5,000
7010-OUTSIDE CONSULTING SERVICES (See Exh J)	$ 450,000					$ 450,000
7020-LEGAL EXPENSE (See Exh J)	$ 257,040					$ 257,040
7030-AUDIT EXPENSE (See Exh J)	$ 38,418					$ 38,418
7040-PROFESSIONAL SERVICES (See Exh J)	$ 870,675	$ 1,576,452			$ -	$ 2,447,127
7110-CONFERENCE - EMPLOYEE (See Exh E)	$ 46,111				$ 6,600	$ 52,711
7115-CONFERENCE EXPENSE-DIRECTOR (See Exh F)	$ 21,784					$ 21,784
7150-TRAVEL/ACCOMMODATION-EMPLOYEE (See Exh E)	$ 75,620				$ 11,250	$ 86,870
7155-TRAVEL/ACCOMMODATION-DIRECTOR (See Exh F)	$ 31,400					$ 31,400
7210-MEMBERSHIP & SPONSORSHIP (See Exh D)	$ 201,308				$ 950	$ 202,258
7220-EDUCATION INITIATIVE	$ 45,000					$ 45,000
7250-CDR SUPPORT	$ 77,272					$ 77,272
7305-BUSINESS EXPENSE	$ 5,720					$ 5,720
7310-OFFICE MAINTENANCE	$ 163,385					$ 163,385
7315-BUILDING REPAIR & MAINTENANCE	$ 64,381					$ 64,381

Municipal Water District of Orange County (MWDOC) Biennial Budget
FY 2026-27 Consolidated Budget Summary

**Choice Funds Column includes AMP Proceeds Agreement Administration

	Core Fund	Choice Fund	Water Fund	Water Use Efficiency Program Grant Fund	WEROC Fund	Total
7320-STORAGE RENTAL AND EQUIP LEASE	$ 1,170					$ 1,170
7330-OFFICE SUPPLIES	$ 28,000				$ 500	$ 28,500
7332-SUPPLIES - WATER LOSS CONTROL		$ 4,000				$ 4,000
7340-POSTAGE-MAIL DELIVERY	$ 8,124	$ 500				$ 8,624
7350-SUBSCRIPTIONS-BOOKS	$ 6,500					$ 6,500
7360-REPRODUCTION EXPENSE	$ 104,000					$ 104,000
7410-COMPUTER AND PERIPHERALS MAINT	$ 15,300				$ 2,000	$ 17,300
7430-SOFTWARE PURCHASE	$ 228,543	$ 3,200				$ 231,743
7440-SOFTWARE SUPPORT	$ 3,600				$ 13,500	$ 17,100
7450-COMPUTERS AND EQUIPMENT	$ 12,750					$ 12,750
7510-SITE MAINTENANCE					$ 350	$ 350
7580-MAINTENANCE EXPENSE					$ 500	$ 500
7581-MAINTENANCE - COMMUNICATIONS					$ 3,500	$ 3,500
7582-MAINTENANCE - EOC					$ 1,500	$ 1,500
7610-AUTOMOTIVE EXPENSE-MILEAGE	$ 11,500	$ 100			$ 1,000	$ 12,600
7612-VEHICLE EXPENSE		$ 12,000				$ 12,000
7615-TOLL ROAD CHARGES	$ 550	$ 2,000				$ 2,550
7620-INSURANCE EXPENSE	$ 238,426	$ 200				$ 238,626
7640-UTILITIES-TELEPHONE	$ 43,675	$ 2,880			$ 3,500	$ 50,055
7650-BANK FEES	$ 1,600					$ 1,600
7670-MISCELLANEOUS EXPENSE	$ 103,500	$ 11,000			$ 3,000	$ 117,500
7671-MISCELLANEOUS - TRAINING					$ 2,000	$ 2,000
8510-MWDOCS CONTRIB TO PROGRAMS	$ 399,019					$ 399,019
8710-ELECTION EXPENSES	$ 600,000					$ 600,000
8810-CAPITAL ACQUISITION	$ -					$ -
8811-BUILDING EXPENSE	$ 75,000					$ 75,000
Expenditure Total	**$ 11,966,553**	**$ 3,049,634**	**$ 182,306,926**	**$ 6,942,515**	**$ 731,372**	**$ 204,997,000**
Total	**$ 60,207**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 60,207**

Municipal Water District of Orange County (MWDOC) Biennial Budget
FY 2027-28 Consolidated Budget Summary

**Choice Funds Column includes AMP Proceeds Agreement Administration

	Core Fund	Choice Fund	Water Fund	Water Use Efficiency Program Grant Fund	WEROC Fund	Total
Revenue						
4005-LOCAL RESOURCE PROGRAM INCENTIVES			$ (2,987,660)			$ (2,987,660)
4005-WATER SALES			$ 183,136,328			$ 183,136,328
4030-READINESS TO SERVE CHRGE-SALES			$ 18,360,528			$ 18,360,528
4041-CAPACITY CHARGE (CCF) REVENUE			$ 4,399,668			$ 4,399,668
4050-RETAIL CONNECTION CHARGE (See Exh C)	$ 10,686,812					$ 10,686,812
4055-GROUND WATER CUSTOMER CHARGE	$ 441,989					$ 441,989
4090-SCP/SAC PIPELINE SURCHARGE			$ 479,149			$ 479,149
4105-INTEREST REVENUE	$ 810,785					$ 810,785
4210-WEROC CONTRACTS					$ 391,347	$ 391,347
4215-CHOICE REVENUE		$ 2,718,591				$ 2,718,591
4230-REIMBURSEMENTS	$ 33,333	$ 215,667				$ 249,000
4240-MISCELLANEOUS INCOME	$ 5,000					$ 5,000
4305-REVENUE FROM MWD		$ 248,355		$ 5,547,000		$ 5,795,355
4320-REVENUE FROM MWDOC					$ 391,347	$ 391,347
4340-REVENUE - MEMBER AGENCIES				$ 424,812		$ 424,812
4350-REVENUE - OTHER					$ -	$ -
4405-GRANTS FROM USBR				$ 58,750		$ 58,750
4410-DEPARTMENT OF WATER RESOURCES				$ 205,000		$ 205,000
4705-PRIOR YEAR CARRYOVER	$ 60,207	$ -				$ 60,207
4XXX-REIMB FROM OPEB RESERVE/115 TRUST	$ 128,658					$ 128,658
Revenue Total	**$ 12,166,784**	**$ 3,182,613**	**$ 203,388,013**	**$ 6,235,562**	**$ 782,694**	**$ 225,755,666**
Expenditure						
1215-CONSULTANT ADMINISTRATION				$ 129,246		$ 129,246
1225-INSTALLATION VERIFICATION				$ 53,000		$ 53,000
1230-REBATE INCENTIVES				$ 5,978,316		$ 5,978,316
1235-SURVEYS AND AUDITS				$ 75,000		$ 75,000
5110-LOCAL RESOURCE PROGRAM INCENTIVES			$ (2,987,660)			$ (2,987,660)
5110-WATER PURCHASES - MET			$ 183,136,328			$ 183,136,328
5230-READINESS TO SERVE CHRGE-PURCH			$ 18,360,528			$ 18,360,528
5241-CAPACITY CHARGE (CCF)			$ 4,399,668			$ 4,399,668
5290-SCP/SAC PIPELINE SURCHARGE			$ 479,149			$ 479,149
6010-SALARIES AND WAGES - ADMIN	$ 5,761,020	$ 845,351			$ 524,498	$ 7,130,869
6012-GRANT RECOVERY - SALARIES	$ -	$ -				$ -
6090-DIRECTORS COMPENSATION - MWDOC	$ 300,923					$ 300,923
6095-DIRECTORS COMPENSATION-MET	$ 171,956					$ 171,956
6105-BENEFITS ADMIN	$ 1,864,065	$ 225,942			$ 193,896	$ 2,283,903
6109-UNFUNDED PENSION	$ 207,000					$ 207,000
6111-OVERHEAD REIMBURSEMENT	$ (473,083)	$ 473,083				$ -
6115-DIRECTORS BENEFITS	$ 181,496					$ 181,496
6120-HEALTH INSURANCE FOR RETIREES	$ 128,658					$ 128,658
6205-TRAINING EXPENSE (See Exh J)	$ 58,500	$ 2,000			$ 6,000	$ 66,500
6210-TUITION REIMBURSEMENT	$ 7,100					$ 7,100
6220-TEMPORARY HELP EXPENSE	$ 5,000					$ 5,000
7010-OUTSIDE CONSULTING SERVICES (See Exh J)	$ 398,000					$ 398,000
7020-LEGAL EXPENSE (See Exh J)	$ 263,121					$ 263,121
7030-AUDIT EXPENSE (See Exh J)	$ 39,420					$ 39,420
7040-PROFESSIONAL SERVICES (See Exh J)	$ 824,014	$ 1,599,317			$ 5,000	$ 2,428,331
7110-CONFERENCE - EMPLOYEE (See Exh E)	$ 48,570				$ 4,250	$ 52,820
7115-CONFERENCE EXPENSE-DIRECTOR (See Exh F)	$ 22,617					$ 22,617
7150-TRAVEL/ACCOMMODATION-EMPLOYEE (See Exh E)	$ 77,826				$ 13,200	$ 91,026
7155-TRAVEL/ACCOMMODATION-DIRECTOR (See Exh F)	$ 32,536					$ 32,536
7210-MEMBERSHIP & SPONSORSHIP (See Exh D)	$ 208,717				$ 950	$ 209,667
7220-EDUCATION INITIATIVE	$ 45,000					$ 45,000
7250-CDR SUPPORT	$ 77,272					$ 77,272
7305-BUSINESS EXPENSE	$ 5,949					$ 5,949
7310-OFFICE MAINTENANCE	$ 169,921					$ 169,921
7315-BUILDING REPAIR & MAINTENANCE	$ 66,957					$ 66,957

Municipal Water District of Orange County (MWDOC) Biennial Budget
FY 2027-28 Consolidated Budget Summary

**Choice Funds Column includes AMP Proceeds Agreement Administration

	Core Fund	Choice Fund	Water Fund	Water Use Efficiency Program Grant Fund	WEROC Fund	Total
7320-STORAGE RENTAL AND EQUIP LEASE	$ 1,217					$ 1,217
7330-OFFICE SUPPLIES	$ 29,120				$ 500	$ 29,620
7332-SUPPLIES - WATER LOSS CONTROL		$ 4,500				$ 4,500
7340-POSTAGE-MAIL DELIVERY	$ 8,209	$ 500				$ 8,709
7350-SUBSCRIPTIONS-BOOKS	$ 6,760					$ 6,760
7360-REPRODUCTION EXPENSE	$ 109,970					$ 109,970
7410-COMPUTER AND PERIPHERALS MAINT	$ 16,853				$ 2,000	$ 18,853
7430-SOFTWARE PURCHASE	$ 241,259	$ 3,200				$ 244,459
7440-SOFTWARE SUPPORT	$ 3,800				$ 14,800	$ 18,600
7450-COMPUTERS AND EQUIPMENT	$ 12,750					$ 12,750
7510-SITE MAINTENANCE					$ 350	$ 350
7580-MAINTENANCE EXPENSE					$ 500	$ 500
7581-MAINTENANCE - COMMUNICATIONS					$ 3,750	$ 3,750
7582-MAINTENANCE - EOC					$ 1,500	$ 1,500
7610-AUTOMOTIVE EXPENSE-MILEAGE	$ 11,680	$ 120			$ 1,000	$ 12,800
7612-VEHICLE EXPENSE		$ 12,000				$ 12,000
7615-TOLL ROAD CHARGES	$ 560	$ 2,000				$ 2,560
7620-INSURANCE EXPENSE	$ 247,965	$ 220				$ 248,185
7640-UTILITIES-TELEPHONE	$ 45,421	$ 2,880			$ 3,500	$ 51,801
7650-BANK FEES	$ 1,600					$ 1,600
7670-MISCELLANEOUS EXPENSE	$ 106,891	$ 11,500			$ 3,000	$ 121,391
7671-MISCELLANEOUS - TRAINING					$ 4,000	$ 4,000
8510-MWDOCS CONTRIB TO PROGRAMS	$ 424,680					$ 424,680
8710-ELECTION EXPENSES	$ 470,000					$ 470,000
8810-CAPITAL ACQUISITION	$ -					$ -
8811-BUILDING EXPENSE	$ -					$ -
Expenditure Total	**$ 12,231,290**	**$ 3,182,613**	**$ 203,388,013**	**$ 6,235,562**	**$ 782,694**	**$ 225,820,172**
Total	**$ (64,506)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (64,506)**



MWDOC FY 2026-27 & 2027-28 Budget

Final Draft Budget

Administration & Finance Committee

Budget Presentation Agenda

- MWDOC Budget Schedule
- MWDOC Budget Overview
- Recap of Items Incorporated in Final Draft
- Next Steps for Board Approval

MWDOC FY 2026-27 & 2027-28 Budget - Schedule

January 2026

- ☑ Request for Member Agencies' preliminary indication of participation in Choice programs

February 2026

- ☑ 1st Draft Budget @ A&F Committee (2-11)
- ☑ Initial Member Agency Choice Participation Confirmation (2-17)
- ☑ Member Agency Managers Meeting (2-19)

March 2026

- ☑ 2nd Draft Budget @ A&F Committee (3-11)
- ☑ Member Agency Managers Meeting (3-19)
- ☑ Update Choice-funded Program Participation
- ☑ Member Agencies submit Formal Comments (3-27)

April 2026

- FINAL Budget and Rates @ A&F Committee (4-8)
- Member Agencies' Formal Comments presented to A&F Committee (4-8)
- Board approval of Budget and Rates (4-15)

October 2026

- Updated FY 2026-27 Choice Budget @ A&F Committee (10-14)
- Board Approval of Updated FY 2026-27 Choice Budget (10-21)

February 2027

- Biennial Budget mid-cycle review @ A&F Committee (2-10)

MWDOC Budget Overview - Rates

No Change

FY 2026-27

RATES

- Fixed Meter Charge @ $15.70 — YTY Increase of 2.95% or $0.45
- OCWD Contribution @ $427,658 — YTY Increase of 3.21% or $13,287

FY 2027-28

RATES

- Fixed Meter Charge @ $16.25 — YTY Increase of 3.50% or $0.55
- OCWD Contribution @ $441,989 — YTY Increase of 3.35% or $14,331

MWDOC Budget Overview - Core

Updated

FY 2026-27

REVENUES

- **Core** Revenues @ $12,026,760 — YTY Increase of 5.5% or $629,501

OPERATING EXPENSES

- **Core** Expenses @ $11,966,553 — YTY Increase of 5.0% or $567,942
  (Biggest driver: Employee Benefits)

FY 2027-28

REVENUES

- **Core** Revenues @ $12,166,784 — YTY Increase of 1.2% or $140,024

OPERATING EXPENSES

- **Core** Expenses @ $12,231,290 — YTY Increase of 2.2% or $264,737

MWDOC Budget Overview – Choice

Updated

FY 2026-27

INITIAL CHOICE REVENUE & EXPENSES

- **Choice** Rev & Exp @ $3,049,634 — YTY Increase of 28.6% or $678,734

TOTAL OUTSIDE WUE FUNDING

- $6,942,515 — YTY decrease of -16.9%

FY 2027-28

INITIAL CHOICE Y-T-Y REVENUE & EXPENSES

- **Choice** Rev & Exp @ $3,182,613 — YTY Increase of 4.4% or $132,979

TOTAL OUTSIDE WUE FUNDING

- $6,235,562 — YTY decrease of -10.2%

MWDOC Budget Overview – Staffing

No Change



FY 2025-26

Total 46 people
Total 44.01 FTE
Core 34.9 FTE
Choice 9.1 FTE



FY 2026-27

Total 46 people
Total 43.7 FTE
Core 35.9 FTE
Choice 7.8 FTE



FY 2027-28

Total 46 people
+3 succession planning
Total 44.9 FTE
Core 37.1 FTE
Choice 7.9 FTE

Recap of Draft Budget Discussions

Commitment to Values.
This Budget continues our commitment to modest, predictable rate increases that support cost recovery in a financially prudent manner.



INITIATIVES INCLUDED IN BUDGET

COMPREHENSIVE SALARY AND BENEFITS STUDY

Staff proposed initiating a Comprehensive Salary and Benefits Study early in FY 2026-27, reducing duplicative analysis and yield a comprehensive set of recommended changes.

EXPANSION OF EDUCATION PROGRAM INTIATIVES

Including Career Technical Education, teacher training, engagement with post-secondary institutions, student-focused events, and regional workforce collaboration.

NEW BOARD REQUESTED MEMBERSHIPS

- Orange County Taxpayers Association
- Sustain Southern California

ITEMS TO RETURN AT MID-CYCLE

MWDOC Reliability Study
Based on feedback received, staff will return to Board to review timing for initiation of study.

Actual 2026 Urban CPI
To update the Salary Merit Pool and Board Compensation estimates.

Choice Program Selections
Remains on annual cycle

WEROC Annual Budget
Remains on annual cycle

Next Steps for Board Approval

Final Draft Budget Actions

- Adoption of Director Compensation Ordinance
  - Public hearing
- Adoption of Water Rates Ordinance
  - Public hearing
- Adoption of Final MWDOC Budget for FY 2026-27 and FY 2027-28
  - By resolution
- Adoption of Proposed MWDOC Water Rates FY 2026-27 and FY 2027-28
  - Including new treated water charges
  - By resolution

RESOLUTION NO. ____

**RESOLUTION OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
BOARD OF DIRECTORS
APPROVING AND ESTABLISHING THE BIENNIAL BUDGET FOR
FISCAL YEARS 2026-27 AND 2027-28**

BE IT RESOLVED by the Board of Directors of Municipal Water District of Orange County that the Budget for financing the District's operations for Fiscal Years 2026-27 and 2027-28, as recommended, be and the same is hereby adopted as follows:

Fund	**FY2026-27**	**FY2027-28**
General (Inclusive of Expenses funded by Reserves)	15,016,187	15,413,903
Water Purchases	182,306,926	203,388,013
Water Use Efficiency	6,942,515	6,235,562
WEROC	731,372	782,694
AMP	0	0
Subtotal	204,997,000	225,820,172
Interfund transfer: MWDOC Contribution to WEROC*	-365,686	-391,347
Total Budget Resolution	**204,631,314**	**225,428,825**

*Account#8510, CC#24

Upon Board approval and the adoption of the Budget and rate resolution, the General Manager will expend, under District policy, such budgeted amounts as necessary for the purposes identified in the Budget for the Municipal Water District of Orange County.

PASSED AND ADOPTED by the Board of Directors of the Municipal Water District of Orange County at its regular meeting held on April 15, 2026, by the following roll call vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Angela Crespi
District Secretary
Municipal Water District of Orange County

Item No. 6

ACTION ITEM
April 15, 2026

TO: **Board of Directors**

FROM: **Administration & Finance Committee**

Harvey De La Torre, General Manager

Staff Contact: Melissa Baum-Haley, Assistant General Manager
Kevin Hostert, Senior Water Resources Analyst
Jared Dawson, Water Resources Analyst

SUBJECT: **ADOPT A RESOLUTION ESTABLISHING WATER RATES FOR FISCAL YEARS 2026-27 AND 2027-28**

STAFF RECOMMENDATION

Staff recommends the Board of Directors adopt a Resolution Establishing Water Rates for Fiscal Years 2026-27 and 2027-28.

REPORT

Purpose

This item requests the Municipal Water District of Orange County (MWDOC or District) Board of Directors (Board) adopt a Resolution Establishing Water Rates for Fiscal Years (FY) 2026-27 and 2027-28. Adoption of the resolution will support MWDOC's Biennial Budget and recover the costs of providing imported water.

Discussion

MWDOC adopts a Water Rate resolution at the beginning of the budget to reflect water rates and charges required to collect revenue to support MWDOC's Biennial Budget and to recover the costs of providing imported water. Attachment 1 is the proposed Water Rates Resolution for FYs 2026-27 and 2027-28 with redline revisions.

Budgeted: ☐ Yes ☐ No ☒ N/A		Budgeted amount:
Core: ☒	Choice: ☐	Movement between funds: ☐ Yes ☐ No
Action item amount: N/A		

Below is a summary of the proposed Rates and Charges for FYs 2026-27 and 2027-28:

MWDOC Proposed Rates & Charges	Proposed Rates July 1, 2026	Proposed Rates July 1, 2027
Retail Meter Charge	$15.70/meter	$16.25/meter
Groundwater Customer Charge	$427,658	$441,989

MET Rates & Charges	Current Rates January 1, 2026	Proposed Rates January 1, 2027	Proposed Rates January 1, 2028
Supply Rate	$313	See Note[1]	See Note[1]
System Access Rate	$492		
System Power Rate	$179		
Full Service Untreated Volumetric ($/AF)	**$984**		
Treatment Surcharge ($/AF)	$544		
Full Service Treated Volumetric ($/AF)	**$1,528**		
Treatment Peaking Capacity Charge ($/CFS)	-		
Treatment Used Standby Capacity Charge ($/AF)	-		
Treatment Remaining Capacity Charge ($/AF)	-		
Capacity Charge ($/CFS)	$14,500		
Total Readiness-to-Serve Charge ($/M)	$188		

Pending Metropolitan's budget adoption on April 14, 2026

[1] Metropolitan Water District of Southern California (Metropolitan) rates and charges for January 1, 2027 and January 1, 2028 are pending Metropolitan's budget adoption on April 14, 2026, and will be incorporated upon confirmation.

Next Steps

Staff recommends the Board select Option #1, to adopt a resolution establishing Water Rates for FYs 2026-27 and 2027-28.

Adopting this Resolution will in turn accomplish the following:

a. Increase the MWDOC Retail Meter Charge from $15.25 to $15.70 per meter in FY 2026-27, and then to $16.25 effective FY 2027-28,

b. Increase the Groundwater Customer Charge from $414,371 to $427,658 effective FY 2026-27 and then to $441,989 effective FY 2027-28; and

c. Set forth all rates and charges to be effective July 1, 2026, January 1, 2027, July 1, 2027, and January 1, 2028, as stipulated in the Water Rates Resolution.

ALIGNMENT WITH BOARD STRATEGIC PRIORITIES

☒ *Clarifying MWDOC's mission and role; defining functions and actions.*
☐ *Balance support for Metropolitan's regional mission and OC values and interests.*
☐ *Strengthen communication 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.*

BOARD OPTIONS

Option #1: Adopt a Resolution Establishing Water Rates for FYs 2026-27 and 2027-28.

Fiscal Impact: Adopting the proposed rates will generate the projected revenue needed to meet the District's expenses for FYs 2026-27 and 2027-28.

Option #2: Do not adopt the Resolution at this time, and present revisions to the Board in May or June of 2026.

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

Attachments/Links:
Attachment 1: Water Rates Resolution - Redline
Attachment 2: Water Rates Resolution

RESOLUTION NO. ____

RESOLUTION OF THE MUNICIPAL WATER DISTRICT OF ORANGE COUNTY BOARD OF DIRECTORS ESTABLISHING WATER RATES

WHEREAS, pursuant to Water Code sections 71610, 71614 and 71616, the Municipal Water District of Orange County (MWDOC or District) 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~~10); 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~~14 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.~~

WHEREAS, on July 8, 2025, the Metropolitan Board of Directors approved a treated water cost recovery rate structure that incorporates fixed charges for a peaking capacity charge, used standby capacity charge, and a remaining standby capacity charge.

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~~ MET Rates & Charges	~~July 1 through December 31,~~	~~Beginning~~Current Rates January 1, 2026	Proposed Rates January 1, 2027	Proposed Rates January 1, 2028

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~~2025~~			
Supply Rate	$313	See Note[1]	See Note[1]
System Access Rate	$492		
System Power Rate	$179		
~~Untreated~~ **Full Service**	~~$912.00~~	**$984.~~00~~**	
~~**Treated Full Service**~~ **Untreated Volumetric ($/AF)**	~~**$1,395.00**~~	**$1,528.00**	
Treatment Surcharge ($/AF)	$544		
~~**Unbundled Rate By Component:**~~			
~~System Access Rate~~	~~$463.00~~		
~~System Power Rate~~	~~$159.00~~ ~~$290.00~~ ~~**$912.00**~~		
~~MWDOC Melded Supply Rate~~	~~$483.00~~ ~~**$1,395.00**~~	~~$492.00~~ ~~$179.00~~ ~~$313.00~~	
~~**Subtotal Untreated**~~ **Full Service~~:~~**			
~~Treatment Surcharge~~		~~**$984.00**~~ ~~$544.00~~	
~~**Total**~~ **Treated** ~~**Full Service:**~~**Volumetric ($/AF)**		**$1,528.~~00~~**	
Treatment Peaking Capacity Charge ($/CFS)			
Treatment Used Standby Capacity Charge ($/AF)			
Treatment Remaining Capacity Charge ($/AF)			
Capacity Charge ($/CFS)	$14,500		
Total Readiness-to-Serve Charge ($/M)	$188		

Pending Metropolitan's budget adoption on April 14, 2026

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

[1] Metropolitan Water District of Southern California (Metropolitan) rates and charges for January 1, 2027 and January 1, 2028 are pending Metropolitan's budget adoption on April 14, 2026, and will be incorporated upon confirmation.

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.

~~MWDOC Melded~~

c. System Access Rate

The System Access Rate is established by Board action to recover Metropolitan's system access rate. The System Access Rate is recovered on a volumetric rate equal to Metropolitan's system access rate.

d. System Power Rate

The System Power Rate is established by Board action to recover Metropolitan's system power rate. The System Power Rate is recovered on a volumetric rate equal to Metropolitan's system power rate.

e. 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~~

SECTION 2. TREATMENT SURCHARGE

a. Amount Due to Metropolitan from MWDOC

Metropolitan's ~~Tier 1 Supply Rate.~~treatment surcharge is assessed at a volumetric rate to MWDOC at $ for every acre-foot of treated water purchased by MWDOC.

b. Apportionment of Metropolitan's Treatment Surcharge to MWDOC Member Agencies

MWDOC will apportion Metropolitan's treatment surcharge to MWDOC's Member Agencies at the volumetric rate of $ for every acre-foot of treated water purchased by the Member Agency.

SECTION ~~2.~~ 3. MWDOC READINESS-TO-SERVE CHARGE~~.~~

a. Amount Due to Metropolitan from MWDOC

Metropolitan has notified MWDOC that for fiscal year ~~2025-26~~2026-27 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 Charge) 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~~agency 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~~2026-27 charges, the four-year average shall be based on fiscal years ~~2020-21~~2021-22 through ~~2023-24~~2024-25). 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.

~~a.~~c. Fiscal Year ~~2025-26~~2026-27 MWDOC RTS Charge

For fiscal year ~~2025-26~~2026-27, 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~~, and made ~~an~~ operative ~~part hereof.~~by this reference.

~~b.~~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~~2026-27 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.~~ 4. MWDOC CAPACITY CHARGE

~~a.~~ Amount due to Metropolitan from MWDOC

Metropolitan has notified MWDOC that for calendar year ~~2026~~2027, 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~~2027 charges, the highest peak day flow shall be based on May 1 through September 30, ~~2022,~~ 2023, 2024, and ~~2024).~~2025). 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~~2027 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~~by this reference.

SECTION 5. TREATMENT PEAKING CAPACITY CHARGE

a. Amount due to Metropolitan from MWDOC

For Calendar Year (CY) 2027, Metropolitan will assess the treatment peaking capacity charge based on MWDOC's fiscal year 2025 average daily treated water demand in CFS.

b. Apportionment of Metropolitan's Treatment Peaking Capacity Charge to MWDOC's Member Agencies

Each Member Agency's highest average one-day flow from the previous three summers (May 1 to September 30) converted to each Member Agency's proportional share of MWDOC's highest average one-day flow, excluding untreated flows.

SECTION 6. TREATMENT USED STANDBY CAPACITY CHARGE

a. Amount due to Metropolitan from MWDOC

For CY 2027, Metropolitan will assess the treatment used standby capacity charge based on MWDOC's fiscal year 2025 treated firm demands in AF.

b. Apportionment of Metropolitan's Treatment Used Standby Capacity Charge to MWDOC's Member Agencies

Each Member Agency's proportional share of MWDOC's fiscal year 2025 total treated usage.

SECTION 7. TREATMENT REMAINING STANDBY CAPACITY CHARGE

a. Amount due to Metropolitan from MWDOC

For CY 2027, Metropolitan will assess the treatment remaining standby capacity charge based on MWDOC's fiscal year 2025 Treated firm demands in AF.

b. Apportionment of Metropolitan's Treatment Remaining Standby Capacity Charge to MWDOC's Member Agencies

Each Member Agency's proportional share of MWDOC's fiscal year 2025 total treated usage.

SECTION ~~4.~~ 8. 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~~.70** for fiscal year 2026-27 and **$16.25** for fiscal year 2027-28. MWDOC's Retail Meter Charge shall be collected in accordance with Section ~~10~~14 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.~~ 9. MWDOC GROUNDWATER CUSTOMER CHARGE

The annual charge to be imposed on OCWD for Core services provided by MWDOC shall be **$427,658** for fiscal year ~~2025-26 shall be **$414,371**~~2026-27 and **$441,989** for fiscal year 2027-28. MWDOC's Groundwater Customer Charge to be imposed on OCWD shall be collected in accordance with Section ~~10~~14 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~~2026-27 general fund Core budget; excluding the Water Emergency Response Organization of Orange County (WEROC) cost center. OCWD's proportionate share is calculated as one twenty-sixth of all Core cost centers except for WEROC.
~~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~~10. CHOICE SERVICES TO THE MWDOC ~~MEMBER AGENCIES 2025-~~

~~26~~CUSTOMERS 2026-27

The Choice services to the ~~member agencies~~customers shall be provided and charged for as follows for Fiscal Year ~~2025-26~~2026-27. 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~~Article XIII C, ~~section~~Section 1(e) of the California ~~constitution~~Constitution:

a. The Water Use Efficiency Program provides cost-effective demand management measures and regulatory compliance technical assistance. ~~—~~The cost of ~~MWDOC's~~ the 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.~~2025. 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.

~~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 of 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~~14 and are set forth in **Exhibit ~~C~~F**, attached hereto ~~and by this reference~~, incorporated herein, and made ~~an~~ operative ~~part hereof~~by this reference.

SECTION ~~7~~11. 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,~~ Exchanged or transferred water will also be assessed, unless otherwise specified by written agreement, at the then-applicable rates for ~~wheeling~~transportation 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 repealed its Administrative Code~~. Metropolitan's~~ based water wheeling rate ~~for~~effective January 1, 2021. As such all water wheeling ~~service does not include power utilized for delivery, which the~~ rates approved by prior resolutions of the MWDOC Board of Directors are hereby repealed. All future water wheeling rates applicable to member agencies, and wheeling to third-parties, will be determined on a case-by-case basis and established by contract with the requesting 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~~or exchanged 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~~or exchanged with Metropolitan, to cover staff time to account for and bill for the water.

~~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~~supplying water.

SECTION ~~8.~~ 12. 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 (WSAP or 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 it's 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~~13. EFFECTIVE DATE~~.~~

The rates set forth in this Resolution shall become effective as of July 1, ~~2025~~2026 or thereafter as specified and shall remain in effect until changed by subsequent Resolution of the Board of Directors.

SECTION ~~10.~~ 14. 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;
~~the~~
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~~the MWDOC Treatment Peaking Capacity Charge shall be billed in monthly installments on the water billing in accordance with **Exhibit C;** the MWDOC Treated Used Standby Capacity Charge shall be billed in monthly installments on the water billing in accordance with **Exhibit D;** the MWDOC Treatment Remaining Standby Capacity Charge shall be billed in monthly installments on the water billing in accordance with **Exhibit E.**

~~the~~

d. The MWDOC Choice services shall be billed once annually on or after July 1st

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of each year ~~or as otherwise during the fiscal year~~ in accordance with **Exhibit ~~C~~F** 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~~9 hereof, shall be billed to OCWD annually at the beginning of the fiscal year on July 1st.

f. 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~~15. 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~~16. REASONABLE COST~~.~~

The Board of Directors finds that the water rates established herein are in accordance with the adopted fiscal ~~year 2025-26~~years 2026-27 and 2027-28 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.

~~SECTON 13.~~

SECTION 17. SUPERSEDES PRIOR RESOLUTIONS~~.~~

All resolutions, ~~ordinance~~ordinances, 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~~18. 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~~19. IMPLEMENTATION~~.~~

The General Manager is directed to ~~establish procedures~~take all actions necessary to implement this Resolution.

BE IT FURTHER RESOLVED that a copy of this Resolution be sent to each of

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MWDOC's member agencies.

PASSED AND ADOPTED by the Board of Directors of the Municipal Water District of Orange County at its regular meeting held on April ~~16, 2025~~15, 2026, by the following roll call vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Angela Crespi
District Secretary
Municipal Water District of Orange County

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RESOLUTION NO. ____

RESOLUTION OF THE MUNICIPAL WATER DISTRICT OF ORANGE COUNTY BOARD OF DIRECTORS ESTABLISHING WATER RATES

WHEREAS, pursuant to Water Code sections 71610, 71614 and 71616, the Municipal Water District of Orange County (MWDOC or District) 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. ___ 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 10); 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, 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-

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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 14 of this Resolution as part of MWDOC's water rates and charges; and,

WHEREAS, on July 8, 2025, the Metropolitan Board of Directors approved a treated water cost recovery rate structure that incorporates fixed charges for a peaking capacity charge, used standby capacity charge, and a remaining standby capacity charge.

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.

MET Rates & Charges	Current Rates January 1, 2026	Proposed Rates January 1, 2027	Proposed Rates January 1, 2028
Supply Rate	$313	See Note[1]	See Note[1]
System Access Rate	$492		
System Power Rate	$179		
Full Service Untreated Volumetric ($/AF)	**$984**		
Treatment Surcharge ($/AF)	$544		
Full Service Treated Volumetric ($/AF)	**$1,528**		
Treatment Peaking Capacity Charge ($/CFS)			
Treatment Used Standby Capacity Charge ($/AF)			
Treatment Remaining Capacity Charge ($/AF)			
Capacity Charge ($/CFS)	$14,500		
Total Readiness-to-Serve Charge ($/M)	$188		

Pending Metropolitan's budget adoption on April 14, 2026

[1] Metropolitan Water District of Southern California (Metropolitan) rates and charges for January 1, 2027 and January 1, 2028 are pending Metropolitan's budget adoption on April 14, 2026, and will be incorporated upon confirmation.

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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. System Access Rate

The System Access Rate is established by Board action to recover Metropolitan's system access rate. The System Access Rate is recovered on a volumetric rate equal to Metropolitan's system access rate.

d. System Power Rate

The System Power Rate is established by Board action to recover Metropolitan's system power rate. The System Power Rate is recovered on a volumetric rate equal to Metropolitan's system power rate.

e. Supply Rate

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

SECTION 2. TREATMENT SURCHARGE

a. Amount Due to Metropolitan from MWDOC

Metropolitan's treatment surcharge is assessed at a volumetric rate to MWDOC at $_____ for every acre-foot of treated water purchased by MWDOC.

b. Apportionment of Metropolitan's Treatment Surcharge to MWDOC Member Agencies

MWDOC will apportion Metropolitan's treatment surcharge to MWDOC's Member Agencies at the volumetric rate of $_____ for every acre-foot of treated water purchased by the Member Agency.

SECTION 3. MWDOC READINESS-TO-SERVE CHARGE

a. Amount Due to Metropolitan from MWDOC

Metropolitan has notified MWDOC that for fiscal year 2026-27 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 Charge) is $_____. 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 agency on a monthly basis.

b. Apportionment of Net Metropolitan RTS Charge to MWDOC's Member

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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 2026-27 charges, the four-year average shall be based on fiscal years 2021-22 through 2024-25). 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 2026-27 MWDOC RTS Charge

For fiscal year 2026-27, MWDOC will charge the MWDOC member agencies total Net RTS Charges of $_____. 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, incorporated, and made operative by this reference.

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 2026-27 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 4. MWDOC CAPACITY CHARGE

a. Amount due to Metropolitan from MWDOC

Metropolitan has notified MWDOC that for calendar year 2027, the amount of the Metropolitan Capacity Charge to be imposed on MWDOC will be $_____. 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 2027 charges,

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the highest peak day flow shall be based on May 1 through September 30, 2023, 2024, and 2025). 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 2027 Capacity Charge apportioned to each member agency is set forth in **Exhibit B**, attached hereto, incorporated, and made operative by this reference.

SECTION 5. TREATMENT PEAKING CAPACITY CHARGE

a. Amount due to Metropolitan from MWDOC

For Calendar Year (CY) 2027, Metropolitan will assess the treatment peaking capacity charge based on MWDOC's fiscal year 2025 average daily treated water demand in CFS.

b. Apportionment of Metropolitan's Treatment Peaking Capacity Charge to MWDOC's Member Agencies

Each Member Agency's highest average one-day flow from the previous three summers (May 1 to September 30) converted to each Member Agency's proportional share of MWDOC's highest average one-day flow, excluding untreated flows.

SECTION 6. TREATMENT USED STANDBY CAPACITY CHARGE

a. Amount due to Metropolitan from MWDOC

For CY 2027, Metropolitan will assess the treatment used standby capacity charge based on MWDOC's fiscal year 2025 treated firm demands in AF.

b. Apportionment of Metropolitan's Treatment Used Standby Capacity Charge to MWDOC's Member Agencies

Each Member Agency's proportional share of MWDOC's fiscal year 2025 total treated usage.

SECTION 7. TREATMENT REMAINING STANDBY CAPACITY CHARGE

a. Amount due to Metropolitan from MWDOC

For CY 2027, Metropolitan will assess the treatment remaining standby capacity charge based on MWDOC's fiscal year 2025 Treated firm demands in AF.

b. Apportionment of Metropolitan's Treatment Remaining Standby Capacity Charge to MWDOC's Member Agencies

Each Member Agency's proportional share of MWDOC's fiscal year 2025 total treated usage.

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SECTION 8. 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 **$15.70** for fiscal year 2026-27 and **$16.25** for fiscal year 2027-28. MWDOC's Retail Meter Charge shall be collected in accordance with Section 14 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 9. MWDOC GROUNDWATER CUSTOMER CHARGE

The annual charge to be imposed on OCWD for Core services provided by MWDOC shall be **$427,658** for fiscal year 2026-27 and **$441,989** for fiscal year 2027-28. MWDOC's Groundwater Customer Charge to be imposed on OCWD shall be collected in accordance with Section 14 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 2026-27 general fund Core budget; excluding the Water Emergency Response Organization of Orange County (WEROC) cost center. OCWD's proportionate share is calculated as one twenty-sixth of all Core cost centers except for WEROC.

SECTION 10. CHOICE SERVICES TO THE MWDOC CUSTOMERS 2026-27

The Choice services to the customers shall be provided and charged for as follows for Fiscal Year 2026-27. 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. The Water Use Efficiency Program provides cost-effective demand management measures and regulatory compliance technical assistance. The cost of the 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 2025. 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 of 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 14 and are set forth in **Exhibit F**, attached hereto, incorporated herein, and made operative by this reference.

SECTION 11. RATES AND CHARGES FOR EXCHANGED OR TRANSFERRED WATER

Unless otherwise specified by written agreement with MWDOC, MWDOC shall charge the member agencies for water exchanged or transferred through exchanges with Metropolitan into the MWDOC service area in accordance with the provisions below. Exchanged or transferred water will also be assessed, unless otherwise specified by written agreement, at the then-applicable rates for transportation 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 repealed its Administrative Code based water wheeling rate effective January 1, 2021. As such all water wheeling rates approved by prior resolutions of the MWDOC Board of Directors are hereby repealed. All future water wheeling rates

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applicable to member agencies, and wheeling to third-parties, will be determined on a case-by-case basis and established by contract with the requesting party.

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 transferred or exchanged 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 transferred or exchanged 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 supplying water.

SECTION 12. MWDOC WATER SUPPLY ALLOCATION PLAN

In the event that a regional water shortage is declared, the MWDOC Board can implement, adjust, or adopt an updated Water Supply Allocation Plan (WSAP or 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 it's 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 13. EFFECTIVE DATE

The rates set forth in this Resolution shall become effective as of July 1, 2026 or thereafter as specified and shall remain in effect until changed by subsequent Resolution of the Board of Directors.

SECTION 14. 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

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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;** the MWDOC Treatment Peaking Capacity Charge shall be billed in monthly installments on the water billing in accordance with **Exhibit C;** the MWDOC Treated Used Standby Capacity Charge shall be billed in monthly installments on the water billing in accordance with **Exhibit D;** the MWDOC Treatment Remaining Standby Capacity Charge shall be billed in monthly installments on the water billing in accordance with **Exhibit E.**

d. The MWDOC Choice services shall be billed once annually on or after July 1st of each year in accordance with **Exhibit F** 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. ___ and referred to in Section 9 hereof, shall be billed to OCWD annually at the beginning of the fiscal year on July 1st.

f. 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 15. 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 16. REASONABLE COST

The Board of Directors finds that the water rates established herein are in accordance with the adopted fiscal years 2026-27 and 2027-28 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 17. SUPERSEDES PRIOR RESOLUTIONS

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

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extent of such inconsistency.

SECTION 18. RATES SUBJECT TO ORDINANCE

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

SECTION 19. IMPLEMENTATION

The General Manager is directed to take all actions necessary to implement this Resolution.

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

PASSED AND ADOPTED by the Board of Directors of the Municipal Water District of Orange County at its regular meeting held on April 15, 2026, by the following roll call vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

_____
Angela Crespi
District Secretary
Municipal Water District of Orange County

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EXHIBIT A

Readiness-to-serve Charge for MWDOC Client Agencies for FY 2026-27

Metropolitan Readiness-to-Serve (RTS) Charge to MWDOC for FY 2026/27 =	**$**
Expected Standby Revenue Less Metropolitan Administrative Charge Plus Delinquencies & Uncollectables FY 2026/27 =	**$**

Agency	2021-22	2022-23	2023-24	2024-25	4-Yr Ave	AF Share (%)	Net RTS	Net RTS	Monthly Charge July - December	Monthly Charge January - June
Brea										
Buena Park										
East Orange County Water District										
El Toro Water District										
Fountain Valley										
Garden Grove										
Golden State Water Company										
Huntington Beach										
Irvine Ranch Water District										
La Habra										
La Palma										
Laguna Beach County Water District										
Mesa Water District										
Moulton Niguel Water District										
Newport Beach										
Orange										
Orange County Water District										
San Clemente										
Santa Margarita Water District (ID9)										
Santa Margarita Water District										
Seal Beach										
Serrano Water District										
South Coast Water District										
Trabuco Canyon Water District										
Westminster										
Yorba Linda Water District										
Sum of MWDOC Agencies										

*totals may not foot due to rounding

Pending Metropolitan's budget adoption on April 14, 2026

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

	2023	2024	2025	Peak
MWDOC's Peak to MWD (cfs)	233.6	258.5	260.5	260.5
Date	8/9/2023	8/2/2024	7/12/2025	7/12/2025

Metropolitan Capacity Charge to MWDOC for CY 2026 $ *

Agency	Capacity Charge Eligible Flows (CFS) 2023	2024	2025	3-Yr Peak	CFS Share (%)	Annual Capacity Charge	Monthly Capacity Charge
City of Brea							
City of Buena Park							
East Orange County Water District							
El Toro Water District							
City of Fountain Valley							
City of Garden Grove							
Golden State Water Company							
City of Huntington Beach							
Irvine Ranch Water District							
City of La Habra							
City of La Palma							
Laguna Beach County Water District							
Mesa Water District							
Moulton Niguel Water District							
City of Newport Beach							
Orange County Water District							
City of Orange							
City of San Clemente							
Santa Margarita Water District (ID9)							
Santa Margarita Water District							
City of Seal Beach							
Serrano Water District							
South Coast Water District							
Trabuco Canyon Water District							
City of Westminster							
Yorba Linda Water District							

Pending Metropolitan's budget adoption on April 14, 2026

EXHIBIT C

DRAFT Treatment Peaking Capacity Charge for MWDOC Member Agencies for CY 2027

	2025	2026	2027	Peak
MWDOC's Treatment Average Daily Flow to MWD (cfs)				

Metropolitan Treatment Peaking Capacity Charge to MWDOC for CY 2025	$

Agency	TP Capacity Charge Eligible Flows (CFS) 2025	2026	2027	3-Yr Peak	CFS Share (%)	Annual TP Capacity Charge	Monthly TP Capacity Charge
City of Brea							
City of Buena Park							
East Orange County Water District							
El Toro Water District							
City of Fountain Valley							
City of Garden Grove							
Golden State Water Company							
City of Huntington Beach							
Irvine Ranch Water District							
City of La Habra							
City of La Palma							
Laguna Beach County Water District							
Mesa Water District							
Moulton Niguel Water District							
City of Newport Beach							
Orange County Water District							
City of Orange							
City of San Clemente							
Santa Margarita Water District (ID9)							
Santa Margarita Water District							
City of Seal Beach							
Serrano Water District							
South Coast Water District							
Trabuco Canyon Water District							
City of Westminster							
Yorba Linda Water District							
MWDOC Treatment Peaking Capacity Charge Per CFS:						$	

Pending Metropolitan's budget adoption on April 14, 2026

EXHIBIT D

Treated Used Standby Capacity Charge for MWDOC Client Agencies for FY 2026-27

Net Treated Used Standby Charge = $ per AF	$	

Agency	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	A 10-Yr Max	B 10 Yr Avg	A - B = C Used Standby	AF Share (%)	Net TUSCC	Monthly Charge July - December Breakdown	Monthly Charge January - June Breakdown
Brea																	
Buena Park																	
East Orange County Water District																	
El Toro Water District																	
Fountain Valley																	
Garden Grove																	
Golden State Water Company																	
Huntington Beach																	
Irvine Ranch Water District																	
La Habra																	
La Palma																	
Laguna Beach County Water District																	
Mesa Water District																	
Moulton Niguel Water District																	
Newport Beach																	
Orange																	
Orange County Water District																	
San Clemente																	
Santa Margarita Water District (ID9)																	
Santa Margarita Water District																	
Seal Beach																	
Serrano Water District																	
South Coast Water District																	
Trabuco Canyon Water District																	
Westminster																	
Yorba Linda Water District																	
Sum of MWDOC Agencies																	

*totals may not foot due to rounding **(0)**

Pending Metropolitan's budget adoption on April 14, 2026

	2026 July - December	2027 January - June
6 Month Charge		
6 Month Net TUSCC Charge		

EXHIBIT E

Treated Remaining Standby Capacity Charge for MWDOC Client Agencies for FY 2026-27

Net Treated Used Standby Charge = $ per AF	$	$

Agency	2024-25	2025-26	2026-27	2027-28	2028-29	5 Year Max	AFShare (%)	Net TRSCC	Monthly Charge July - December Breakdown	Monthly Charge January - June Breakdown
Brea										
Buena Park										
East Orange County Water District										
El Toro Water District										
Fountain Valley										
Garden Grove										
Golden State Water Company										
Huntington Beach										
Irvine Ranch Water District										
La Habra										
La Palma										
Laguna Beach County Water District										
Mesa Water District										
Moulton Niguel Water District										
Newport Beach										
Orange										
Orange County Water District										
San Clemente										
Santa Margarita Water District (ID9)										
Santa Margarita Water District										
Seal Beach										
Serrano Water District										
South Coast Water District										
Trabuco Canyon Water District										
Westminster										
Yorba Linda Water District										
Sum of MWDOC Agencies										

*totals may not foot due to rounding **(0)**

Pending Metropolitan's budget adoption on April 14, 2026

	2026 July - December	2027 January - June
6 Month Charge		
Monthly Net TRSCC Charge		$

Exhibit F

MWDOC Member Agency Choice Services Program Summary

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Cost Allocations by Agencies for FY 2026-27

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	$ 13,896.77	$ -	$ -	$ -	$ -	$ -	**$ 13,897**
Buena Park	$ 48,114.02	$ -	$ -	$ -	$ -	$ -	**$ 48,114**
East Orange County WD	$ 53.28	$ -	$ -	$ -	$ -	$ -	**$ 53**
El Toro WD	$ 22,503.05	$ -	$ -	$ -	$ -	$ -	**$ 22,503**
Fountain Valley	$ 3,916.71	$ -	$ -	$ -	$ -	$ -	**$ 3,917**
Garden Grove	$ 14,410.68	$ -	$ -	$ -	$ -	$ -	**$ 14,411**
Golden State Water Company	$ 10,048.89	$ -	$ -	$ -	$ -	$ -	**$ 10,049**
Huntington Beach	$ 26,032.13	$ -	$ -	$ -	$ -	$ -	**$ 26,032**
Irvine Ranch WD	$ 287,996.00	$ -	$ -	$ -	$ -	$ -	**$ 287,996**
La Habra	$ 4,241.94	$ -	$ -	$ -	$ -	$ -	**$ 4,242**
La Palma	$ 1,112.32	$ -	$ -	$ -	$ -	$ -	**$ 1,112**
Laguna Beach County WD	$ 1,416.59	$ -	$ -	$ -	$ -	$ -	**$ 1,417**
Mesa Water	$ 64,064.13	$ -	$ -	$ -	$ -	$ -	**$ 64,064**
Moulton Niguel WD	$ 136,657.33	$ -	$ -	$ -	$ -	$ -	**$ 136,657**
Newport Beach	$ 12,497.85	$ -	$ -	$ -	$ -	$ -	**$ 12,498**
Orange	$ 50,659.90	$ -	$ -	$ -	$ -	$ -	**$ 50,660**
Orange County WD	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
San Clemente	$ 36,473.38	$ -	$ -	$ -	$ -	$ -	**$ 36,473**
Santa Margarita Water District (ID9)	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Santa Margarita Water District	$ 121,378.59	$ -	$ -	$ -	$ -	$ -	**$ 121,379**
Seal Beach	$ 1,267.04	$ -	$ -	$ -	$ -	$ -	**$ 1,267**
Serrano WD	$ 121.17	$ -	$ -	$ -	$ -	$ -	**$ 121**
South Coast WD	$ 33,029.38	$ -	$ -	$ -	$ -	$ -	**$ 33,029**
Trabuco Canyon WD	$ 3,978.89	$ -	$ -	$ -	$ -	$ -	**$ 3,979**
Tustin	$ 13,513.83	$ -	$ -	$ -	$ -	$ -	**$ 13,514**
Westminster	$ 1,446.25	$ -	$ -	$ -	$ -	$ -	**$ 1,446**
Yorba Linda WD	$ 36,350.29	$ -	$ -	$ -	$ -	$ -	**$ 36,350**
Anaheim	$ 313.02	$ -	$ -	$ -	$ -	$ -	**$ 313**
Fullerton	$ 245.50	$ -	$ -	$ -	$ -	$ -	**$ 246**
Santa Ana	$ 264.08	$ -	$ -	$ -	$ -	$ -	**$ 264**
Orange County Total	**$ 946,003**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	$ 946,003

TBD: Pending Each Agency's Level of Service

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 2026-27.

[2] FY 2026-27 costs dependent upon selection of vendor and each agency's level of participation.

[3] For FY 2026-27 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.

Item No. 7

ACTION ITEM
April 15, 2026

TO: **Board of Directors**

FROM: **Administration & Finance Committee**

Harvey De La Torre, General Manager

Staff Contact: Cathleen Harris, Director of HR/Administration

SUBJECT: **ADOPT A RESOLUTION APPROVING THE LOAN POLICY FOR THE 401(a) MONEY PURCHASE PENSION PLAN**

STAFF RECOMMENDATION

Staff recommends the Board of Directors adopt a resolution approving the Loan Policy for the 401(a) Money Purchase Pension Plan.

COMMITTEE RECOMMENDATION

(To be determined at Committee Meeting)

REPORT

Purpose

This item requests the Municipal Water District of Orange County (MWDOC or District) Board of Directors (Board) approval to adopt the Loan Policy for the MWDOC 401(a) Money Purchase Pension Plan (Loan Policy) under the new recordkeeper, Empower Trust Company, LLC (Empower). Adoption of the resolution, and accompanying Loan Policy, will allow participants to continue requesting loans in accordance with its provisions.

Discussion

At its March 18 meeting, the Board adopted Resolution No. 2169 approving the restatement of the MWDOC 401(a) Money Purchase Pension Plan, effective April 1, with

Budgeted: ☐ Yes ☐ No ☒ N/A		Budgeted amount:
Core: ☒	Choice: ☐	Movement between funds: ☐ Yes ☒ No
Action item amount: NA		

Empower as the new recordkeeper. Since the prior Loan Policy was created when VOYA Financial, Inc. (VOYA) served as the recordkeeper, the District is required to adopt a new Loan Policy under Empower.

Empower provided the District with a Loan Policy (Attachment 1, Resolution Exhibit A). Staff completed a review of the proposed loan provisions and found them to be similar to the previous Loan Policy with VOYA. District Counsel also reviewed the Loan Policy and recommended that it be presented to the Board for its consideration.

Next Steps

Staff recommends the Board select Option #1, to adopt a resolution approving the Loan Policy for the 401(a) Money Purchase Pension Plan.

Adopting this resolution will in turn accomplish the following:

a. Approve the Loan Policy (Attachment 1, Resolution Exhibit A); and
b. Authorize the General Manager, or his designee, to execute the necessary documents on behalf of the District.

If approved, this action will authorize Empower to implement the Loan Policy.

ALIGNMENT WITH BOARD STRATEGIC PRIORITIES

☐ *Clarifying MWDOC's mission and role; defining functions and actions.*
☐ *Balance support for Metropolitan's regional mission and OC values and interests.*
☐ *Strengthen communication 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.*

BOARD OPTIONS

Option #1: Adopt a resolution approving the Loan Policy for the 401(a) Money Purchase Pension Plan.

Fiscal Impact: There is no direct fiscal impact on the District. Fees associated with the Loans are paid by the Participant.

Option #2: Do not adopt the resolution and discontinue the allowance of loans under the 401(a) Money Purchase Pension Plan with Empower.

Fiscal Impact: None.

Attachments/Links:
Attachment 1: Resolution Approving the Loan Policy for the 401(a) Money Purchase Pension Plan

RESOLUTION NO. ____

RESOLUTION OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
BOARD OF DIRECTORS
APPROVING THE LOAN POLICY FOR
THE 401(a) MONEY PURCHASE PENSION PLAN

WHEREAS, the Municipal Water District of Orange County (District) previously established a qualified retirement plan known as the Municipal Water District of Orange County Money Purchase Pension Plan (Pension Plan) for the benefit of certain employees;

WHEREAS, on March 18, 2026, the Board of Directors (Board) adopted a Resolution to approve the restatement of the Pension Plan to be effective as of April 1, 2026;

WHEREAS, the Pension Plan provides for loans to participants in accordance with a loan program established by the District in a separate written document forming part of the Pension Plan;

WHEREAS, the Board has been presented with a Plan Loan Administration Policy (Loan Policy) for the Pension Plan describing the terms under which loans will be granted to participants; and

WHEREAS, the Board wishes to adopt the Loan Policy for the Pension Plan.

NOW, THEREFORE, be it resolved, determined and ordered by the Board of Directors of the Municipal Water District of Orange County as follows:

Section 1. That the above recitals are true and correct.

Section 2. That the Board hereby approve the Loan Policy attached as Exhibit A.

Section 3. That the District hereby authorizes the General Manager, or his designee, on behalf of the District to duly execute the Loan Policy and to perform any other actions necessary and appropriate to reflect the foregoing approval.

PASSED AND ADOPTED by the Board of Directors of the Municipal Water District of Orange County at its regular meeting held on April 15, 2026, by the following roll call vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Angela Crespi
District Secretary
Municipal Water District of Orange County

Exhibit A

Plan Loan Administration Policy

Plan Name: Municipal Water District of Orange County Money Purchase Plan (Plan) Plan Number: 744733-02

Article I. Loan Eligibility

1.01
Loans may be requested by a participant via the participant's account online and/or by speaking with a Participant Call Center representative, as determined by the Plan's administration procedures.

Only active participants in the Plan may request a loan.

Article II. Loan Origination and Administration Fees

2.01
Loan origination and administration fees, as applicable may be assessed and deducted from the participant's account, as directed by the Plan Administrator. Applicable loan fees are disclosed and agreed to by the Plan Sponsor and are also disclosed and agreed to by the participant at the time the loan is requested.

Article Ill. Minimum and maximum loan amounts

3.01
The minimum loan amount that a participant may request is $1000.

3.02
The maximum loan amount that a participant may request is $50,000.00 or 50% of the vested account balance, whichever is less. The $50,000.00 is reduced by the highest outstanding loan balance during the past 12 months or any existing loan balances on the date a new loan is made, whichever is greater.

3.03
The Plan Administrator is solely responsible for ensuring that the aggregated loan amount available to participants in all plans sponsored by the same employer (or by a member of the employer’s controlled group) is the lesser $50,000.00 or 50% of the vested account balance and for reducing the maximum loan amount available from the Plan by the highest outstanding loan balance during the past 12 months for any loan(s) issued by such other plan(s). The Plan Administrator is solely responsible to direct the Plan’s recordkeeper to aggregate Plan loans with loans issued by such other plan(s) and to provide loan data from such other plan(s) which is required by the recordkeeper in order to process and administer loans from the Plan for purposes of this section.

Article IV. Number of loans permitted

4.01
The number of loans a participant may have outstanding at one time is one (1).

Article V. Loan Requests and Loan Refinancing

5.01 Loans require an Enforceable Agreement
An enforceable agreement between the participant and the Plan is required for all loans. Loans will not be issued by the Plan unless the participant acknowledges and agrees to the Loan terms. If the loan proceeds are issued from the Plan via a check, the participant must acknowledge and agree to the loan terms which appear with the check by endorsing and depositing the loan proceeds. If the loan proceeds are issued from the Plan via an ACH transfer to the participant, the participant must acknowledge and agree to the loan terms at the time the loan is requested.

5.02 Loan Refinancing
A participant may not request an additional loan amount by refinancing and replacing the existing loan(s) with a new loan. The refinanced loan term cannot exceed the shortest term of all replaced loan(s) and cannot be refinanced if the term of replacement loan is less than the minimum term for a new loan as allowed under this Loan Policy. Participants may not refinance a loan that has been reported as a deemed distribution.

5.03 Plan Administrator Approval
The Plan Administrator must adopt the Plan Loan Policy before loan requests will be processed by the Plan's recordkeeper. Participant loan requests require the approval of the Plan Administrator prior to issuance by the Plan, consistent with the Plan's administration procedures.

Article VI. Distribution of loan amount

6.01
Loan distribution amounts will be depleted across the available money sources in a prorated manner pursuant to the plan's procedures or as otherwise instructed by the Plan Administrator.

Article VII. Types of loans available

7.01 General Purpose Loan
A General Purpose Loan has a term of twelve (12) - sixty {60) months. No reason or documentation is required when a participant requests a General Purpose Loan. The interest rate for this type of loan is fixed for the life of the loan. The interest rate is 0% over the Prime Rate published in the Wall Street Journal on the first business day of the month the loan is originated.

7.02 Principal Residence Loan
A Principal Residence Loan has a term of sixty-one (61) - two hundred and forty (240) months. This type of loan must be utilized for the purchase of a primary residence. The interest rate is 0% over the Prime Rate published in the Wall Street Journal on the first business day of the month the loan is originated.

Article VIII. Deduction of Interest on Plan Loans

8.01
Interest paid on Plan loans is not eligible for an income tax deduction by the participant.

Article IX. Loan Payment Requirements

9.01 Repayments in General
Active employees must make timely loan repayments as per the amortization schedule. Further, where this loan policy allows partial repayments and early loan payoff, the administrative policies of the plan allow for repayments to be made via a method other than payroll deduction. Loan repayments will be allocated to the participant's account according to the investment election in effect at the time the payment is processed. Loan repayments are generally deposited pro rata into the money sources originally used to fund the loan proceeds.

9.02 Repayment Method
The Plan Sponsor will deduct and remit loan repayments following the plan's issuance of a loan. The Plan Sponsor is responsible for providing the recordkeeper information regarding the employment status of the participant in a timely manner. The Plan Sponsor will ensure that loan repayments are deducted in full and remitted on a timely basis in accordance with the loan amortization schedule. However, the Plan Administrator may determine, on a uniform and nondiscriminatory basis, to allow such Participants to remit loan installment repayments via Payroll deduction. Any repayment amount remitted and credited to the loan that is less than the full installment payment amount required per the amortization schedule, plus accrued interest, results in a loan in arrears and subject to default. Exceptions to this Section appear in Section 10.02.

9.03 Delinquent Loans and Repayment Grace Period
Loans are in arrears and delinquent when any payment is missed, an amount remitted and credited to the loan is less than that required under the amortization schedule, plus accrued interest, or as otherwise treated as delinquent pursuant to this loan policy. Subject to any restrictions on repayments after termination of employment described in Section 9.06 and the conditions under which a loan will be automatically offset under Section 9.07 of this policy, the Plan's grace period allows for the late loan repayment(s) to be cured by the applicable deadline. The late loan repayments, plus any accrued interest, must be made by the end of the grace period. The Plan's loan grace period shall be the end of the calendar quarter following the calendar quarter in which payment is first delinquent. If the late loan payment plus accrued interest is not repaid to the Plan by the end of the Plan's grace period, the entire outstanding loan balance, consisting of the missed payments, remaining principal and accrued but unpaid interest, will be treated as a deemed distribution from the Plan.

9.04 Deemed Distribution in General
A loan delinquency that is not cured by the end of the plan's grace period results in a loan default and treatment of the loan under this policy as a deemed distribution. A deemed distribution of a defaulted loan is not an actual plan distribution, but is treated as a distribution for tax purposes. IRS regulations require the defaulted loan to be reported to the IRS as a deemed distribution and as taxable income to the participant on IRS Form 1099-R in the year in which the loan defaulted.

Since a deemed distribution is not treated as an actual distribution, the loan obligation against the participant's account remains and the participant's obligation to repay the loan shall continue. In addition, interest on the loan shall continue to accrue until such time as the loan is either offset or fully paid.

Participants with a previously defaulted loan are generally not allowed to take a new loan under this policy until such loan is fully paid. However, the Plan Administrator may determine, on a uniform and nondiscriminatory basis, to allow such Participants to take a new loan(s) and will direct the recordkeeper accordingly. Participants may not refinance a loan that has been reported as a deemed distribution. Any loan payments made after the loan is treated as a deemed distribution will be recorded on an after-tax cost basis within the Participant's account.

9.05 Repayment upon Distributable Event other than Termination of Employment

If a Participant has not terminated service, but is otherwise eligible for a distributable event (e.g., age 59 ½ partial withdrawal), the repayment obligation continues under the terms of the amortization schedule and any outstanding loan amount will reduce the amount available for partial distribution(s) and any new loan, as applicable.

If the loan is not timely repaid in accordance with Sections 9.01 and 9.02, the Plan Administrator may direct the recordkeeper to offset the unpaid loan obligation against the participant's vested balance. In addition, the participant may elect to offset the loan balance when a distributable event occurs under the plan.

9.06 Repayment of Outstanding Loan upon Termination of Employment

Repayment via installment of an outstanding loan upon termination of service is not allowed under this policy. Participants who leave service prior to the end of the loan term will be required to pay off the loan at termination of employment. The loan shall be due and payable upon termination of employment and will be offset in accordance with Section 9.07.

9.07 Loan Offset Following Termination of Employment

The participant's outstanding loan balance will be offset upon the Participant receiving any form of distribution after termination of employment. Notwithstanding the above, prior to receiving a distribution, the participant may elect to offset the loan balance against the vested account balance. In such event unless the delinquent loan has not already been reported as a deemed distribution on IRS Form 1099-R, the entire amount of the outstanding loan balance (plus accrued interest) will be reported as a loan offset distribution on IRS Form 1099-R in the year the offset occurs.

9.08 Death

The Plan Administrator may direct the recordkeeper to offset the loan of a deceased participant. If the recordkeeper is not notified a participant is deceased, outstanding loans of a deceased participant remain subject to the provisions of this policy that address the reporting of a delinquent loan as a deemed distribution and the reporting of a deemed distribution as taxable income to the participant on IRS Form 1099-R. At the time a claim for benefits deemed to be in good order is made by the beneficiary, the outstanding loan principal and accrued interest shall be treated as an offset distribution from the plan. Unless the delinquent loan has not already been reported as a deemed distribution on IRS Form 1099-R, the entire amount of the outstanding loan balance (plus accrued interest) will be reported as a loan offset distribution and as taxable income to the participant on IRS Form 1099-R in the year the offset occurs. A deceased participant's loan may not be transferred or assumed by the participant's beneficiary(ies).

9.09 Leaves of Absence

Suspension of loan repayments administered by the Plan Sponsor via payroll deduction is permitted during a participant's leave of absence approved by the Plan Sponsor for a period not exceeding one (1) year either without pay from the employer or at a rate of pay that is less than the amount of the installment payments required under the terms of the loan. The Plan Administrator must provide information to the plan's recordkeeper concerning the start and stop dates of an approved leave of absence and to the extent the participant does not elect to continue making repayments, the Plan Administrator directs the recordkeeper to reamoratize the loan effective when the participant returns from the approved leave of absence. Notwithstanding the plan loan leave of absence policies described above, the participant must repay the loan in full by the original maturity date of the loan. Interest on the loan continues to accrue during the leave of absence.

If the participant takes a military leave of absence and the interest rate on the loan is greater than 6% during the leave period, the Plan Administrator may direct the recordkeeper to reduce the interest rate on the loan to 6%. Upon the participant's return from military leave, the Plan Administrator may direct the recordkeeper to extend the term of the loan by the term of the military leave, not to exceed five (5) years. The loan will be reamortized to reflect the new payment schedule, as applicable. Interest on the loan continues to accrue during the leave of absence.

Article X. Loan Payoffs

10.01 Loan Payoffs in Full

A loan can be repaid at any time. The participant may obtain a loan payoff quote via the participant website or a participant services representative. Where a loan is paid in full, but a trailing payment is received, the recordkeeper will return the excess back to the participant.

Repayment in full of the outstanding loan principal and accrued interest may be made at any time. If payment is made by any means other than certified funds, then subsequent loans and distributions will be held for ten (10) calendar days following the receipt of the payment.

10.02 Exceptions to Standard Loan Repayment Policies

A participant may make loan repayments via payroll deduction or by other means in order to catch-up on a past due amount or to reduce the principal amount of the loan. Additional loan repayments in advance of the applicable due date reflected on the amortization schedule are credited to the loan in accordance with the administrative policies of the Plan. Any loan repayments will first be applied to the accrued interest and remaining principal amount of any payment in arrears.

Article XI. Adoption of the Loan Policy by the Plan

Administrator Section 11.01

The Plan Administrator is responsible for adopting, amending, interpreting and administering the provisions of the Plan's Loan Policy. The Plan Administrator has developed this Loan Policy consistent with the requirements of the Plan's recordkeeper and will consult with the recordkeeper prior to making any changes.

Board Adopted Policy on _____

_____ _____

Harvey DeLaTorre, General Manager Date

Item No. 8

ACTION ITEM
April 15, 2026

TO: **Board of Directors**

FROM: **Administration & Finance Committee**

Harvey De La Torre, General Manager

Staff Contact: Hilary Chumpitazi, Director of Finance/IT
Dave Anderson, IT Systems Administrator

SUBJECT: **AWARD OF CONTRACT FOR CO-MANAGED INFORMATION TECHNOLOGY (IT) SERVICES**

STAFF RECOMMENDATION

Staff recommends the Board of Directors award Highroad Information Technology a 1-year contract in the amount of $37,000, with the option of four additional 1-year renewals for a total not to exceed amount of $185,000 over five years, to provide co-managed Information Technology services and authorize the General Manager to execute the contract.

COMMITTEE RECOMMENDATION

(To be determined at Committee Meeting)

REPORT

Purpose

This item requests the Municipal Water District of Orange County (MWDOC or District) Board of Directors (Board) award a contract for co-managed information technology (IT) services to ensure operational continuity and strengthen the District's technical resilience.

Budgeted: ☒ Yes ☐ No ☐ N/A		Budgeted amount: $37,000 for FY 2026-27
Core: ☐	Choice: ☒	Movement between funds: ☐ Yes ☒ No
Action item amount: Not to exceed $185,000; $37,000 per year for five years commencing FY 2026-27		

Background

MWDOC currently has one full-time IT Systems Administrator responsible for managing District servers, workstations, networks, and business applications. Approximately 70 support tickets from staff are typically resolved each month, covering issues such as system access, application deployment, and hardware and software problems. The IT Systems Administrator also oversees all IT projects, including server upgrades, data backup systems, cybersecurity efforts, and routine system administration.

To ensure operational continuity and maintain technical resilience, the District plans to establish an agreement with a Managed Service Provider (MSP) to provide additional support when the IT Systems Administrator is unavailable, during periods of increased workload, and for complex issues requiring specialized expertise.

The District previously engaged MSPs through board-approved agreements in 2024 and 2025. Although the MSP model provided a clear scope of coverage, experience showed that a flat-rate, co-managed services structure did not fully align with District operational patterns and support needs. An hourly, as-needed contract model offers improved flexibility, cost transparency, and scalability, allowing the District to bring in additional IT resources exactly when and at the level needed, without the fixed overhead costs common in traditional MSP agreements.

Discussion

A Request for Proposals (RFP) was developed based on the redefined MSP scope and contract model to provide co-managed IT services. Due to the confidential nature of MWDOC's IT infrastructure and operations, the District Counsel authorized a competitive, but confidential, RFP process wherein the RFP document was distributed directly to qualified vendors with existing relationships with the District rather than posted publicly to protect sensitive information about internal systems and infrastructure.

Staff prepared and issued an RFP for co-managed IT services under the schedule below:

RFP PROJECT TIMELINE	
Task Item	**Completion Date**
1. MWDOC completion of draft in-house RFP	February 20
2. RFP release	February 25
3. Closing date for submittal of questions	March 4
4. Proposals due	March 11
5. Convene a review panel to review proposals and select candidates for interviews	March 19
6. Interviews with firms and review panel rankings	March 27
7. Recommendation to the A&F Committee	April 8
8. Authorization by MWDOC Board	April 15
9. Contract starts	April 16

Proposal Evaluation Process

Staff released an RFP seeking a qualified firm to provide co-managed IT services. The scope of services included three levels of on-demand technical support: Level 1 (desktop and end-user support), Level 2 (intermediate systems support), and Level 3 (advanced infrastructure and server support), as well as access to virtual Chief Technology Officer (CTO) services to assist with strategic technology planning, long-term systems road mapping, and oversight of District-wide technology projects.

The RFP was sent to six qualified vendors with existing relationships with the District. Three responsive proposals were received, reviewed, and scored by an internal cross-departmental selection committee. Proposals were evaluated based on the overall value proposition, implementation timeline, experience, support, and public-sector experience. The top-ranked proposer was then invited for an in-person interview. Based on the evaluation and interview, Highroad Information Technology (Highroad) was selected.

Selected Firm Overview

Founded in 2004, Highroad is a full-service IT systems provider with over 20 years of experience in systems integration, infrastructure support, and business continuity management. Highroad specializes in co-managed IT services, providing supplemental technical support alongside existing IT staff, the model MWDOC is seeking. The firm's established expertise in system uptime, network management, and on-demand support positions them to effectively complement MWDOC's existing IT operations and provide reliable coverage during periods of high workload, staff absence, or technical complexity. Highroad was selected based on its qualifications, competitive pricing, and demonstrated ability to deliver flexible, scalable IT support to organizations with existing IT infrastructure.

Next Steps

Staff recommends the Board of Directors select Option #1 to award Highroad Information Technology a 1-year contract in the amount of $37,000, with the option of four additional 1-year renewals for a total not to exceed amount of $185,000 over five years, to provide co-managed Information Technology services and authorize the General Manager to execute the contract.

ALIGNMENT WITH BOARD STRATEGIC PRIORITIES

- ☒ *Clarifying MWDOC's mission and role; defining functions and actions.*
- ☐ *Balance support for Metropolitan's regional mission and OC values and interests.*
- ☐ *Strengthen communication 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.*

BOARD OPTIONS

Option #1: Award Highroad Information Technology a 1-year contract in the amount of $37,000, with the option of four additional 1-year renewals for a total not to exceed amount of $185,000 over five years, to provide co-managed Information Technology services and authorize the General Manager to execute the contract.

Fiscal Impact: $37,000 for FY 2026-27, with an option to renew annually for a total not to exceed $185,000 over five years.

Option #2: Take no action.

Fiscal Impact: Without MSP support, the District may experience gaps in technical coverage during staff absences, peak workloads, or unexpected system issues. This could increase operational risks, extend system outages, and reduce the District's ability to respond quickly to critical technology needs.

Attachments/Links:
N/A

Administration, Board Support & Human Resources Activities

March 5, 2026 to April 1, 2026

Activity	Summary
Board Support	• Attended all Board and Committee Meetings, as well as preparation for these meetings, including packet preparation, coordinating speakers, Zoom coordination, etc. • Coordinated and hosted the Member Agencies Managers Meeting. • Provided support for annual Form 700 filing requirements as we approached the April 1 deadline. • Registered Directors and staff for various conferences and training, made travel accommodations, and processed business expenses. • Reviewed Request for Proposals (RFPs), contracts, and agreements for content and consistency with the Administrative Code. • Reviewed, coordinated, and responded to 4 Public Records requests. • District Secretary attended Supervisor Academy Day 4 training. Senate Bill 827 Compliance Training: Essential Fiscal and Financial Oversight for Public Agency Officials. • Assistant Board Secretary attended Contracting for Public Works, Services, Equipment, and Supplies Training.
Administrative and Human Resources (HR) Projects and Activities	• Assisted the Finance Department with filing, processing invoices, purchase requisitions, business expense reports, and credit card reconciliations. • Updated and paid membership accounts, as needed. • Ordered lunches for department meetings. • Registered for and made hotel accommodations and flights for Directors and staff. • HR continues to work with the District's Financial Investment Advisor, Morgan Stanley Institutional Investment Advisors LLC, on the District's Retirement Plans: o Continue to participate in weekly Zoom meetings throughout the month of March with Empower representatives regarding the transition of the current Voya 401(a) Money Purchase Pension Plan to EMPOWER and amendments to the 457 Plan Documents. o Continued coordination with Legal Counsel on review of the 401(a) Money Purchase Pension Plan Loan Policy to be presented to the Board for approval in April. o The 457 Plan document will be reviewed by staff, District Counsel, and Investment Advisor to ensure compliance with mandates and to evaluate the addition of available plan options. It is anticipated that the 457 Plan documents will be presented to the Board for approval in May or June. o Educational meetings will be held via Zoom in April or May with Empower and consultant Ted Grigsby to reintroduce the Empower Plan to all eligible participants, as well as a review of the Empower website.

Administrative and HR Projects and Activities (continued)	• HR staff is continuing to work together with finance on the implementation of the new HRIS and updating all data to be transferred to the new system. The implementation is expected to launch in July. • Supervisor Training will be completed on April 6. The next training session is being evaluated with the Center for Organization Effectiveness and member agencies to determine if a 3rd Supervisor Training or Management Certification will be presented. • HR is working with management in reviewing the annual performance evaluation forms to continue to improve processes and efficiencies. • Coordinated and set up meetings, including scheduling and working with all departments to support their meeting needs. • Collaborated with Information Technology to configure the various layout options for Conference Room 101. • Updated the Front Desk procedures manual. • Updated contacts for Engineering. • A large percentage of scheduled staff and Board members have completed mandatory training for Senate Bill 827 and Assembly Bill 1234. • The all-staff meeting was held on March 26. • HR completed the annual water agency COLA/Merit survey. • Staff is reviewing options for a September training session with California State University, Fullerton.
Recruitments/ Departures	• Janine Schunk, Emergency Management Coordinator, retired, effective March 27. • Marlena Quintana joined the District as an Accountant on March 16.
Health and Welfare Benefits	• Staff will attend the April Joint Powers Insurance Authority (JPIA) benefits Board meeting for a preview of any changes to benefits and/or costs for the 2027 year. • Staff continues participation in the Wellness Walking Challenge, tracking over 3,400 miles.
Records Management	• Continued to review incoming mail and log necessary documents into the Laserfiche system. • Staff continues to review documents and update information in Laserfiche.

Item No. 9b

INFORMATION ITEM
April 8, 2026

TO: **Administration & Finance Committee**

FROM: **Harvey De La Torre, General Manager**

Staff Contact: Dave Andereson, IT Systems Administrator
Steven Hung, Sr. Financial Analyst/Database Analyst

SUBJECT: **FINANCE AND INFORMATION TECHNOLOGY**

STAFF RECOMMENDATION

Staff recommends the Administration & Finance Committee receive and file the information.

REPORT

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

Finance

Accounting	Request for Proposals	Possible new custodian for long-term investments (if fees increase).
Finance	Enterprise Resource Planning (ERP) Implementation Project	Started developing a comprehensive migration strategy in collaboration with our partners.
Finance	Budget	Completed the Final draft of MWDOC's Biennial budget.

Budgeted: ☐ Yes ☐ No ☒ N/A		Budgeted amount:
Core: ☐	Choice: ☐	Movement between funds: ☐ Yes ☐ No
Action item amount:		

Information Technology (IT)

Security/ Resilience	Backups	An assessment of backup reports shows that systems are reliably and securely backed up on schedule and stored in two or more locations using immutable storage.
	Email	The District's email security system defends against malware, impersonation, and fraud. Out of 62,000 inbound emails, 45% were blocked or quarantined due to unsafe content or attachments. District staff sent over 16,000 emails in the month, and eight email incidents required Information Technology (IT) assessment and/or mitigation.
	Vulnerability Scanning	Weekly external vulnerability scans conducted by Cyber Security Infrastructure Security Agency (CISA) have identified no exposures or vulnerabilities.
Services	RFP	Distributed an Request For Proposal for a Managed Service Provider (MSP) to bolster IT operational continuity and enhance the District's technical resilience.
	Projects	IT supported two major initiatives: ERP and Water Use Efficiency database replacement, which involved technical planning, configuration, and security.
	Support Tickets	70 tickets opened; 53 closed/resolved.
	Website	Migrated the mwdoc.com website to a new web host that provides better performance and additional features.
Training	Artificial Intelligence	The Systems Administrator completed a six-week program through the University of California, Irvine Division of Continuing Education. The course concentrated on the use of AI in the water sector and included lectures, literature reviews, discussions, and evaluations of respective agencies' environments.

SUBJECT: COMPLETED CYBERSECURITY ASSESSMENT

The Department of Homeland Security (DHS) Cybersecurity and Infrastructure Security Agency (CISA) completed its scheduled cybersecurity assessment for the District in January 2026, which included both internal and external penetration tests. The goal was to identify vulnerabilities in systems and to locate potential attack entry points into the network. As noted by CISA, the assessment was intentionally kept simple and used publicly accessible tools, ensuring a controlled, transparent, and non-disruptive process.

Their work involved gathering open-source intelligence about our public network footprint, exposed email addresses, and any breach-related credentials. They conducted external penetration tests to identify systems and services, performed comprehensive vulnerability scans, and conducted targeted manual testing to assess whether an attacker could access underlying operating systems. CISA also evaluated applications by examining authentication methods, database security, and the exposure of sensitive data. They conducted both technical and user-focused phishing assessments to assess the risks of malicious code execution or credential theft. Additionally, internal operations testing was conducted to assess password policies, domain configurations, privilege-escalation routes, and overall network hygiene.

CISA has confidentially shared its findings and recommendations with Information Technology staff. Several suggested security improvements have already been implemented, with additional remediation efforts underway. This includes strengthening authentication controls, optimizing system configurations, reducing network exposure, and enhancing internal monitoring and detection.

The Municipal Water District of Orange County will continue to collaborate with CISA during the remediation process, including its 90-day follow-up, to ensure that recommendations are fully implemented and verified.

SUBJECT: QUARTERLY CYBERSECURITY REVIEW
(November 2025 - January 2026)

The Municipal Water District of Orange County (MWDOC or District) partners with eSentire for Security Operations Center (SOC) services, providing continuous monitoring, threat detection, and incident response through a team of trained analysts and an integrated technology platform. This partnership enables the District to operate a centralized team that can identify suspicious activity, verify real threats, and respond quickly to contain them. The SOC functions as an extension of the District's internal Information Technology (IT) team, offering 24/7 oversight of endpoints, networks, cloud services, and identities. It ensures a professional and controlled approach to investigations and mitigation efforts.

This model helps the District enhance its security without revealing operational details, ensuring threats are addressed quickly and reliably while maintaining a stable and predictable environment.

Threat Hunts and Sweeps

During the reporting period, cybersecurity personnel conducted **174** threat hunts, of which **16** were classified as critical or time-sensitive events. ***All threat hunts were completed without any signs of exposure or suspicious activity***.

Behavioral Threat Hunts (proactive investigation of attacker behaviors, patterns, and tactics)				
37	**26**	**2**	**20**	**83**
Log	Endpoint	Cloud	Network	Total

Indicators of Compromise (observation in logs, files, or behavior signaling malicious activity or compromise)				
5	**80**	**6**	**0**	**91**
File Hashes	Domains	IP Addresses	File Paths	Total

Response and Remediation

The SOC's advanced Extended Detection and Response platform, along with 24-hour SOC support and ongoing threat hunting and security operations leadership, ensures that both known and unknown threats are neutralized before they can affect District systems.

Indicators of Compromise						
Automation			Human Engagement			
303,383	Leading to →	**38**	**11**	Leading to →	**5**	**1**
Raw Signals		Signals	Investigations		Threat Cases	Response

Item No. 10

INFORMATION ITEM
April 8, 2026

TO: **Administration & Finance Committee**

FROM: **Harvey De La Torre, General Manager**

Staff Contact: Kevin Hostert, Senior Water Resources Analyst

SUBJECT: **MONTHLY WATER USAGE DATA AND WATER SUPPLY INFORMATION**

STAFF RECOMMENDATION

Staff recommends the Administration & Finance Committee receive and file the information.

REPORT

The attached figures show the recent trend of water consumption in Orange County (OC), an estimate of Imported Water Sales for the Municipal Water District of Orange County (MWDOC or District), and selected water supply information. This information is also presented utilizing the following link: MWDOC Monthly Water Usage Data and Water Supply Information.

- OC Water Usage, Monthly by Supply – Orange County Water District (OCWD) Groundwater was the main supply in February.

- Estimated OC Water Usage, Monthly, Comparison to Previous Years - Water usage in February 2026 was above average compared to the last 5 years. Water usage for Fiscal Year (FY) 2025-26 is projected to be lower compared to FY 2024-25.

- Historical OC Water Consumption - Orange County Municipal and Industrial (M&I) water consumption is projected to be 503,500 acre-feet (AF) for FY 2025-26 (this includes ~9 thousand acre-feet (TAF) of agricultural usage and non-retail water

Budgeted: ☐ Yes ☐ No ☒ N/A		Budgeted amount:
Core: ☐	Choice: ☐	Movement between funds: ☐ Yes ☐ No
Action item amount:		

agency usage). This is about 20,500 AF less than FY 2024-25 and is about 35,000 AF more than FY 2023-24. Water usage per person is projected to be 141 gallons per day in FY 2025-26 for Orange County (including recycled water). Although the OC population has increased 20% over the past two decades, water usage has not increased, on average. A long-term decrease in per-capita water usage is mainly attributed to Water Use Efficiency (water conservation) efforts. OC Water Usage has declined significantly since the end of FY 2013-14. Since the start of FY 2014-15, the average OC Annual Water usage is 522,500 AF, a decline of 99,000 AF since FY 2013-14. FY 2023-24 Orange County M&I water consumption was the lowest since FY 1978-79 (45 Years).

- Water Supply Information includes data on rainfall in OC; the OCWD Basin overdraft; Northern California and Colorado River Basin hydrologic data; the State Water Project (SWP) Allocation, and regional storage volumes. The data have implications for the magnitude of water supply from the three watersheds, which are the principal sources of water for OC. Note that a hydrologic year runs from October 1 to September 30.

- Orange County's accumulated precipitation through *late March was well above average* for this period. Water Year (WY) year-to-date rainfall in Orange County is 13.1 inches, which is 115% of normal.

- Northern California accumulated precipitation through late March *was 99% of normal for this period*. WY 2025 was 113% of normal, while WY 2024 was 96% of normal. As of March 30, 2026, the Northern California snowpack was 5% of normal*. As of late March, 0.0%* of California is experiencing *moderate drought conditions*. *0.0%* of California is experiencing *severe to exceptional drought conditions.* The State Water Project Contractors Table A Allocation was increased to 30% in January 2026 for WY 2026.

- Colorado River Basin accumulated precipitation through *late March was 123% of normal* for this period. The *Upper Colorado Basin snowpack data was 25% of normal as of March 31, 2026. Lake Mead and Lake Powell* combined have approximately *47% of their average storage volume* for this time of year, and are at 28*.6% of their total capacity*. Lake Mead's *levels have been below the "trigger" limit of 1,075 ft. since the start of CY 2022*. The U.S. Bureau of Reclamation (USBR) has declared a shortage at Lake Mead, impacting Colorado River water deliveries to the Lower Basin states. Lake Mead, as of late March, *was* 12*.6' BELOW the "trigger" limit*. The USBR has declared a *shortage on the Colorado River, which began on January 1, 2022*. *There is a 93% chance of the shortage continuing in 2027, 97% in 2028, and 90% in 2029.* Lake Mead, as of late March, *was* 17*.4' ABOVE the State of California "trigger" limit*. *There is a 0% chance of mandatory cutbacks for California in 2027, 13% in 2028, and 10% in 2029.*

- Lake Powell's current water levels as of March 30, 2026, stood at approximately 3,528.15 feet above sea level, which is about 171.85 ft below full pool (3,700 ft).

Water storage remains critically low, at around 24.0% of full capacity. Projected WY 2026 inflows are projected to be 46% of the average. The USBR projects that Lake Powell may dip to near dead pool levels (below ~3,500 ft), putting hydropower generation at risk by September 2026. However, although the lake is hovering around 25% capacity, past lows (especially in 2021) did not quite reach dead pool levels, suggesting it may still be avoidable with management efforts.

ALIGNMENT WITH BOARD STRATEGIC PRIORITIES

- ☒ *Clarifying MWDOC's mission and role; defining functions and actions.*
- ☐ *Balance support for Metropolitan's regional mission and OC values and interests.*
- ☐ *Strengthen communication 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.*

Attachments/Links:
Attachment 1: Monthly Water Usage Data and Water Supply Figures Link 1: https://go.mwdoc.com/jzY8ch

Fig. 1 OC Water Usage, Monthly by Supply with Projection to End of Fiscal Year

Chart Info.

FY: 2025-26

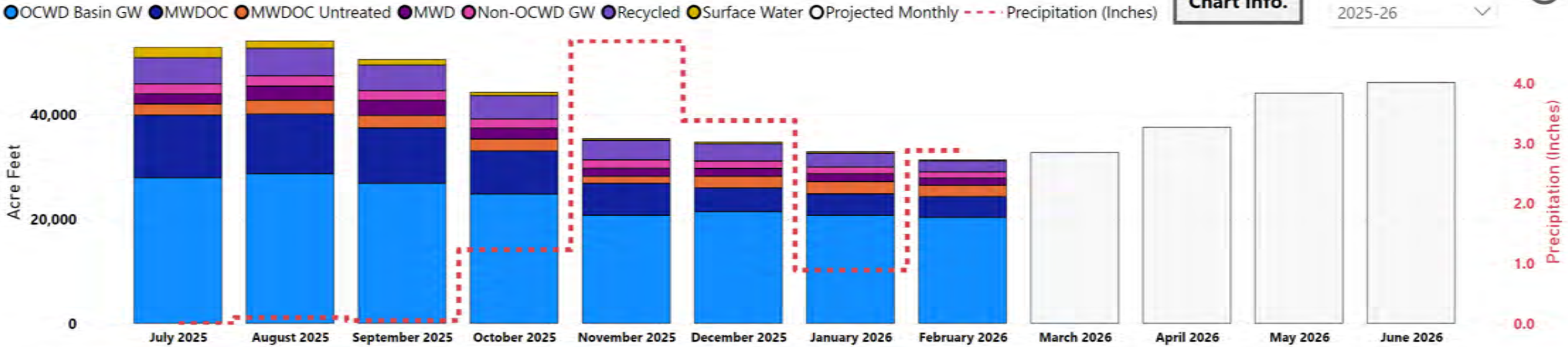


Fig. 2 OC Monthly Water Usage: Compared to Last 4 Fiscal Years

FY: Multiple selec...

Month: February

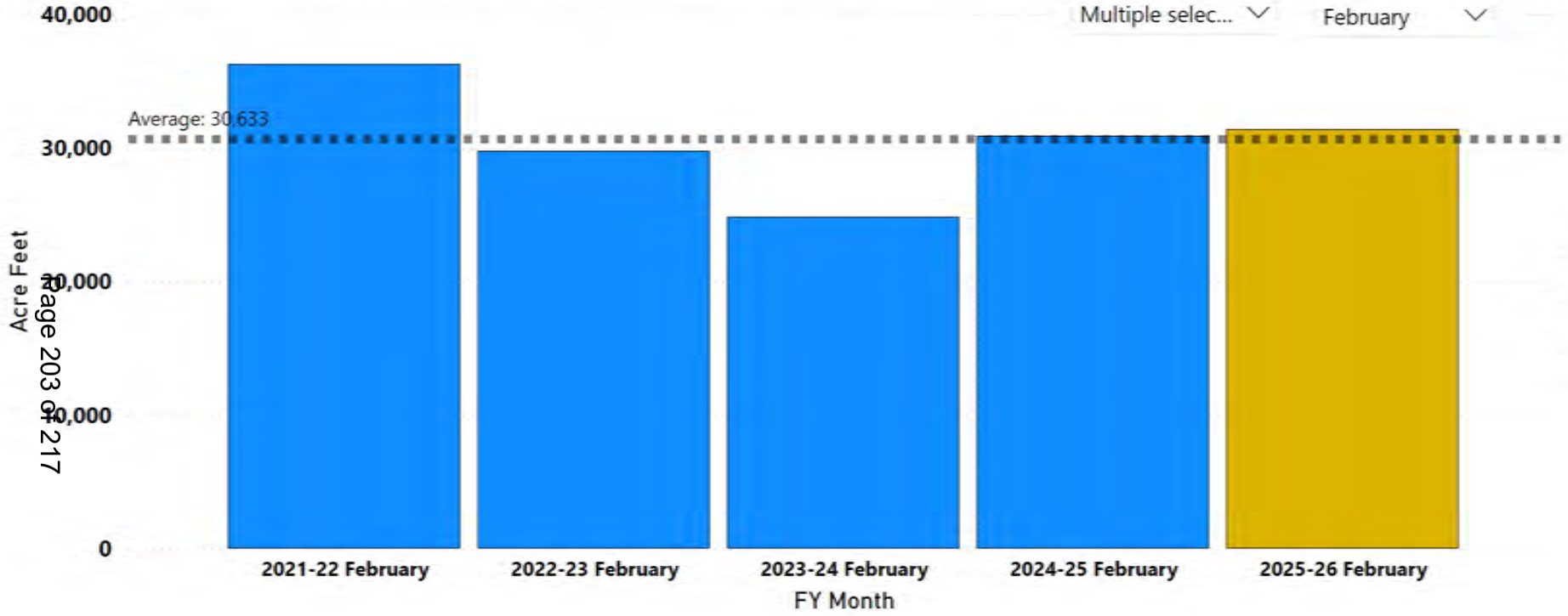


Fig. 2A Partial Year Subtotals

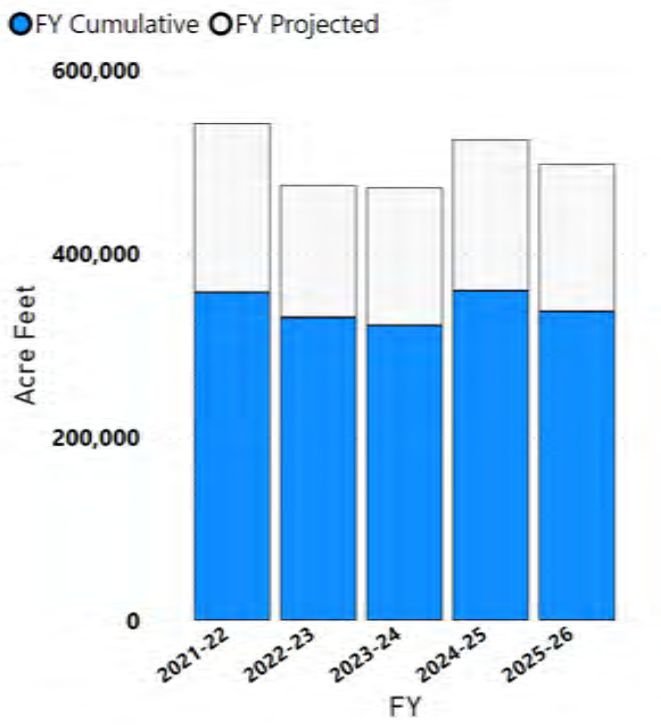


Fig. 3 OC Water Usage Last 3 Years

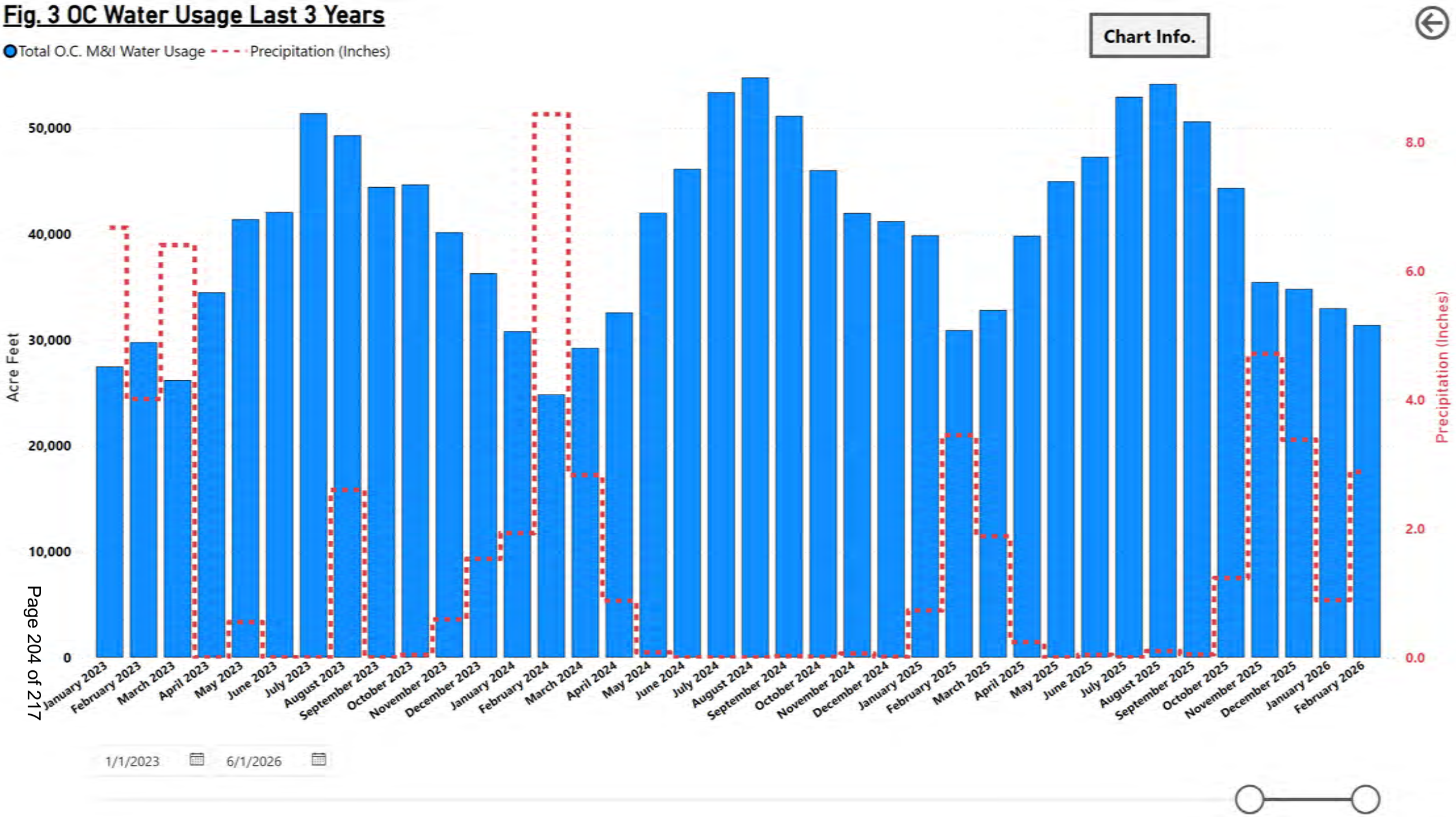


Fig. 4 Orange County Cumulative Rainfall vs. Average

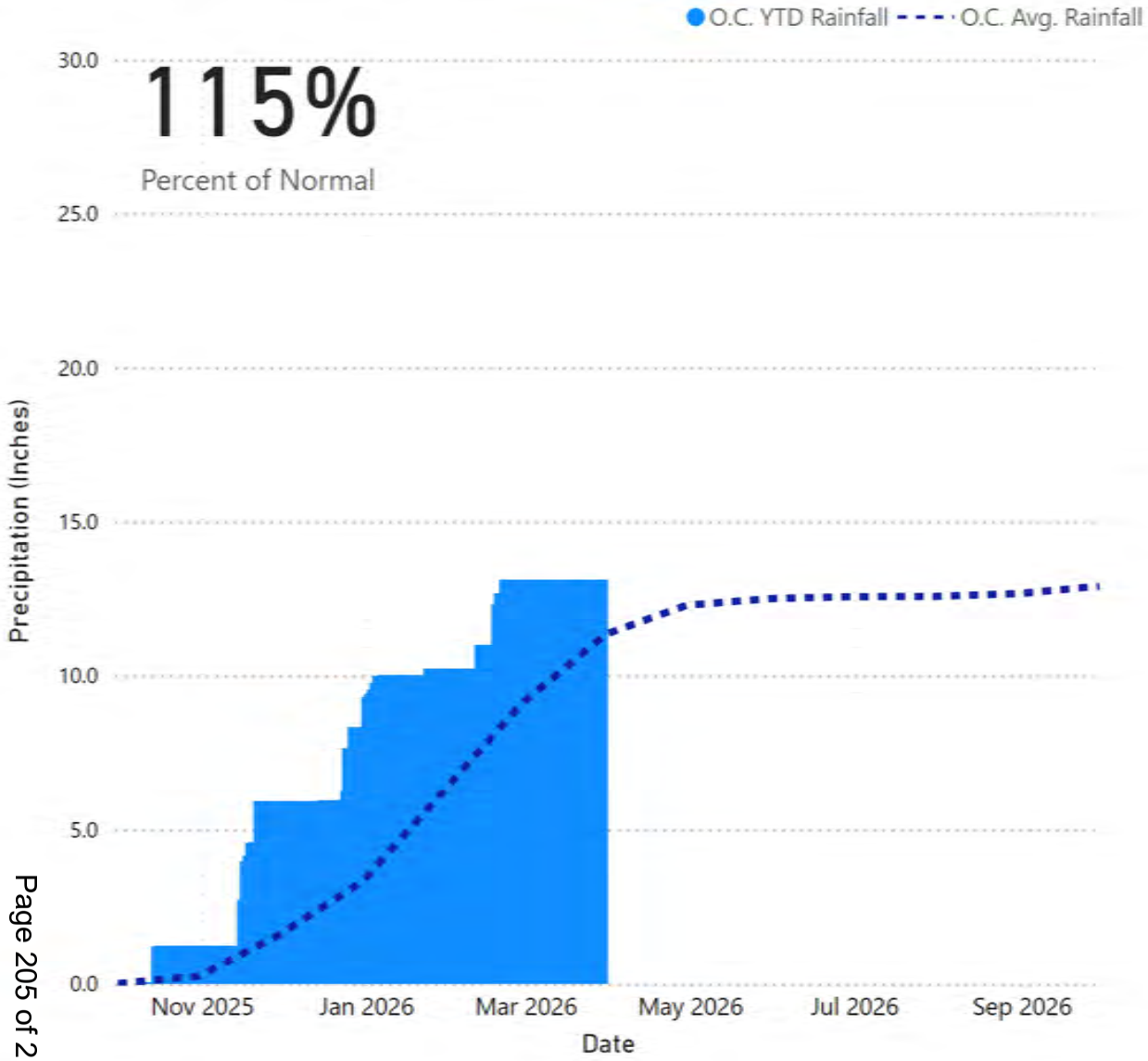
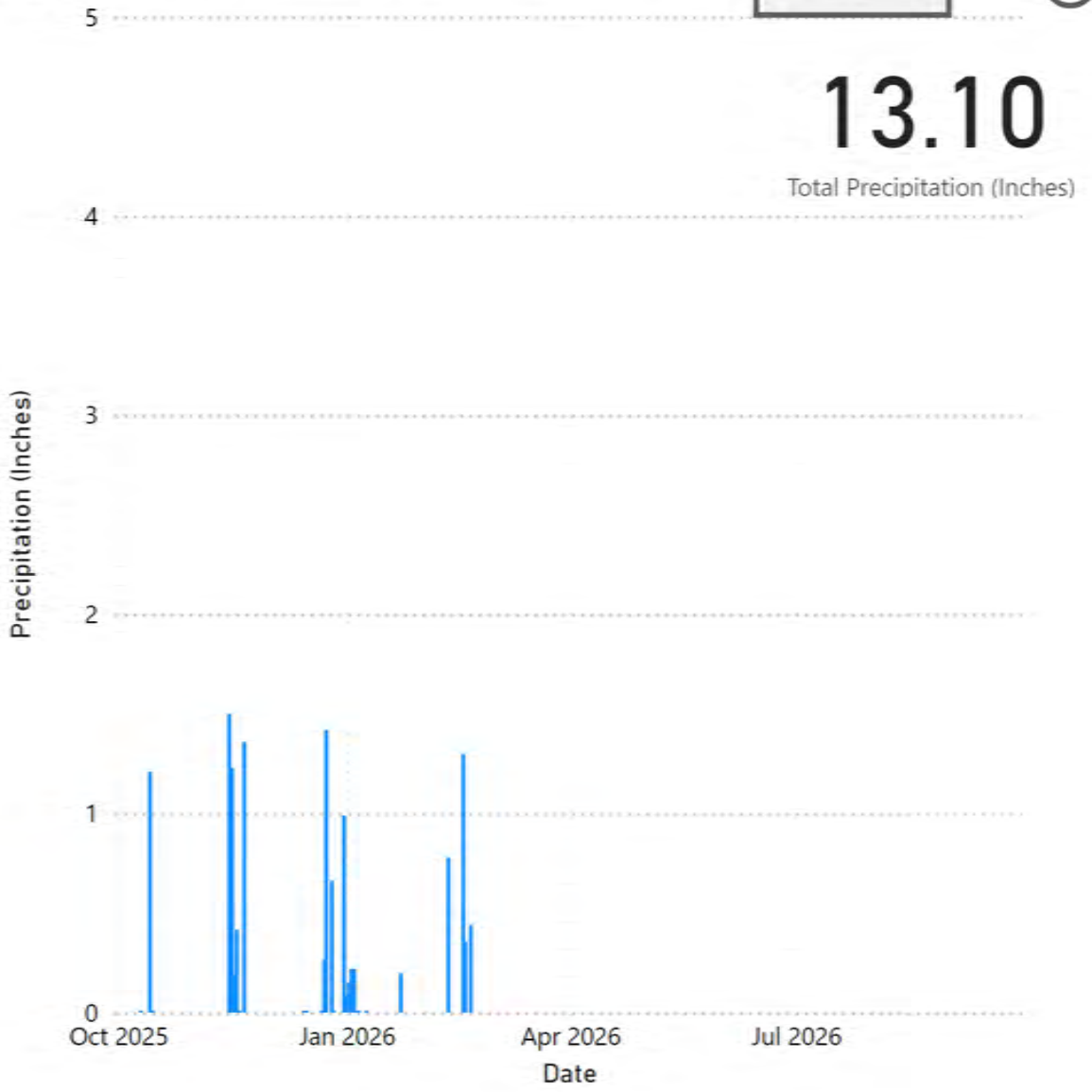


Fig. 4A Orange County Daily Rainfall

Chart Info.



Water Year

2025-26	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11

Fig. 5 The 8 Station Index Cumulative Rainfall vs. Average

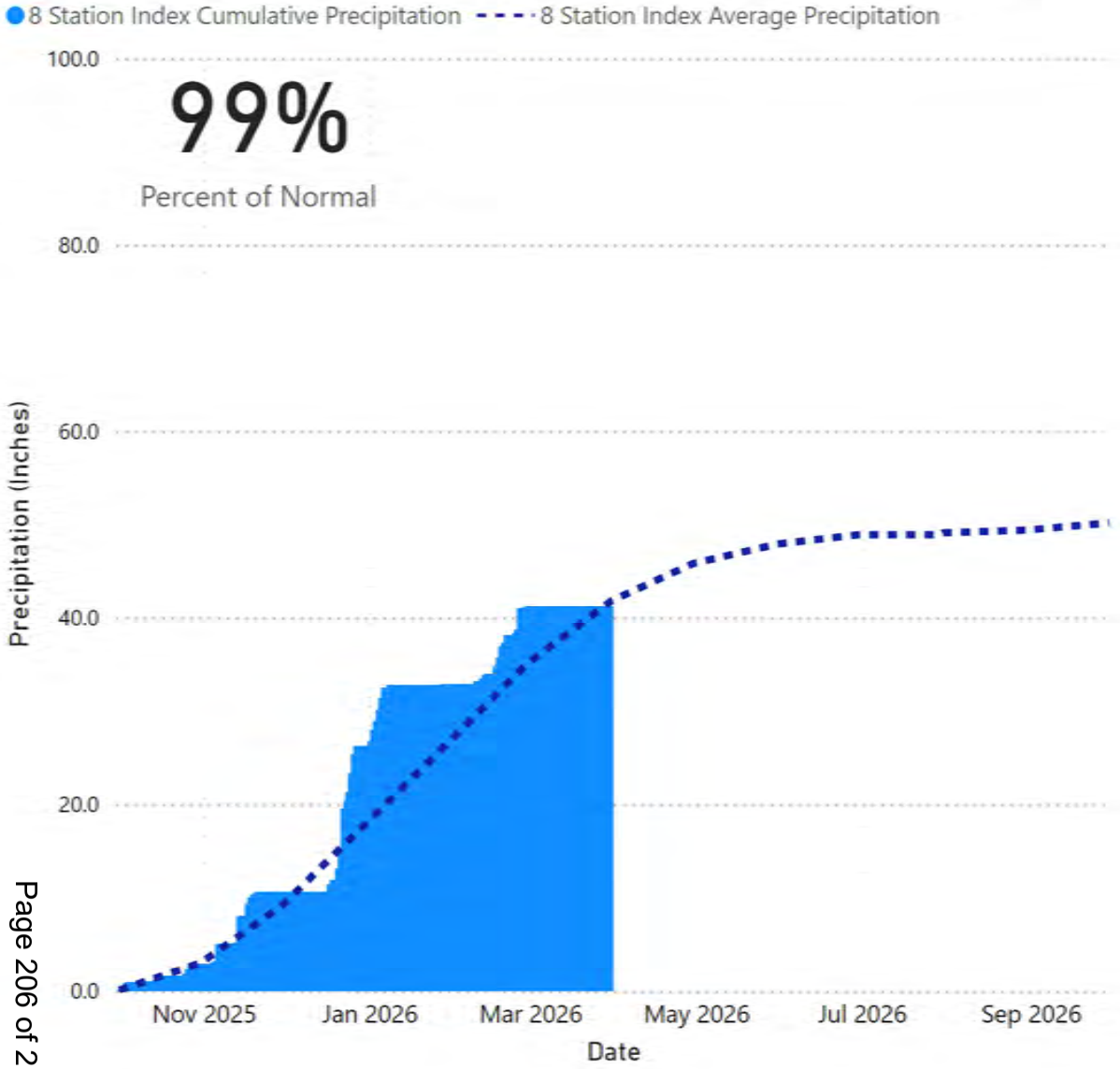
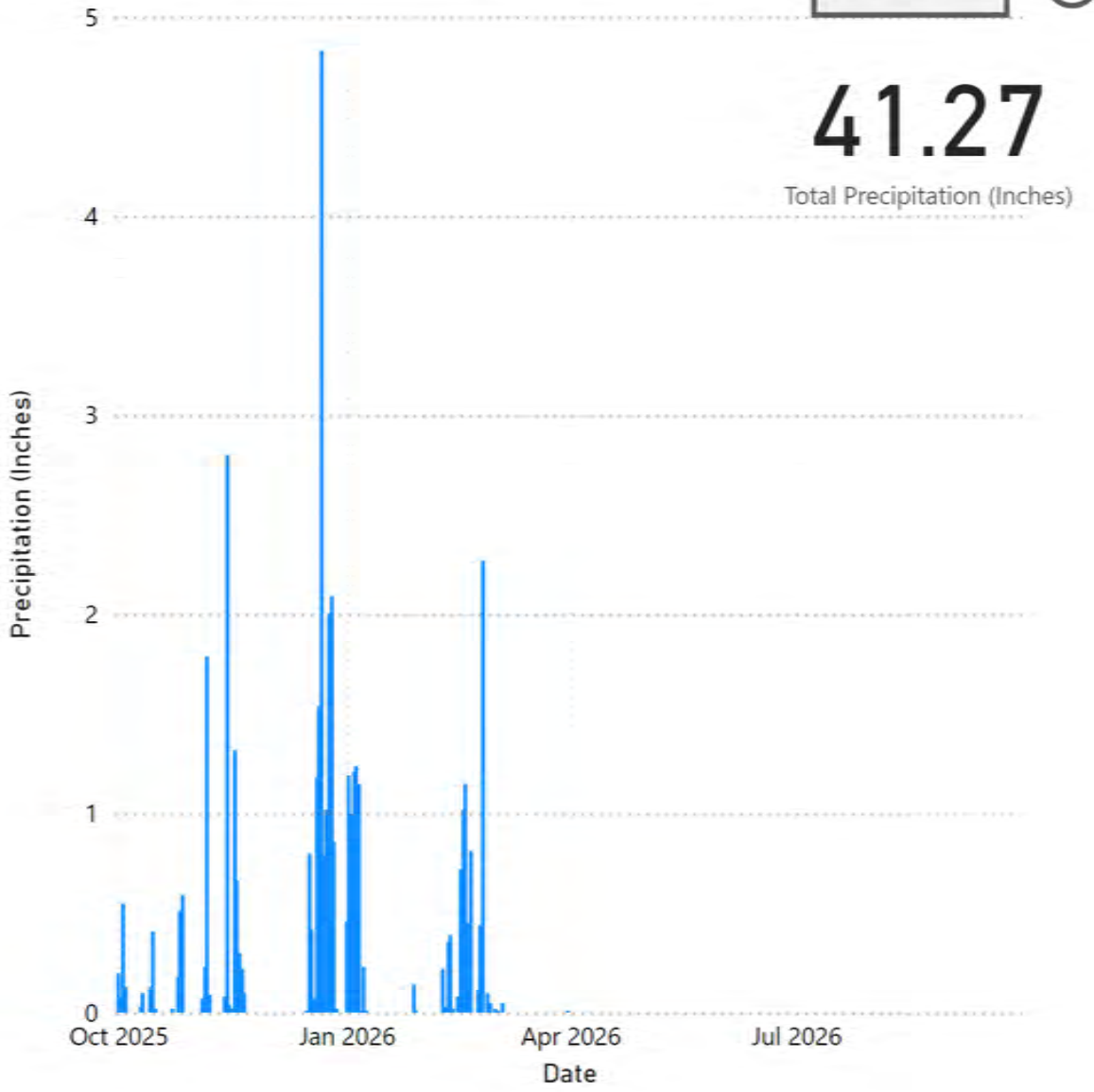


Fig. 5A The 8 Station Index Daily Rainfall



Water Year

2025-26 | 2024-25 | 2023-24 | 2022-23 | 2021-22 | 2020-21 | 2019-20 | 2018-19 | 2017-18 | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 | 2011-12 | 2010-11

Fig. 6 Upper Colorado River Basin Cumulative Rainfall vs. Average

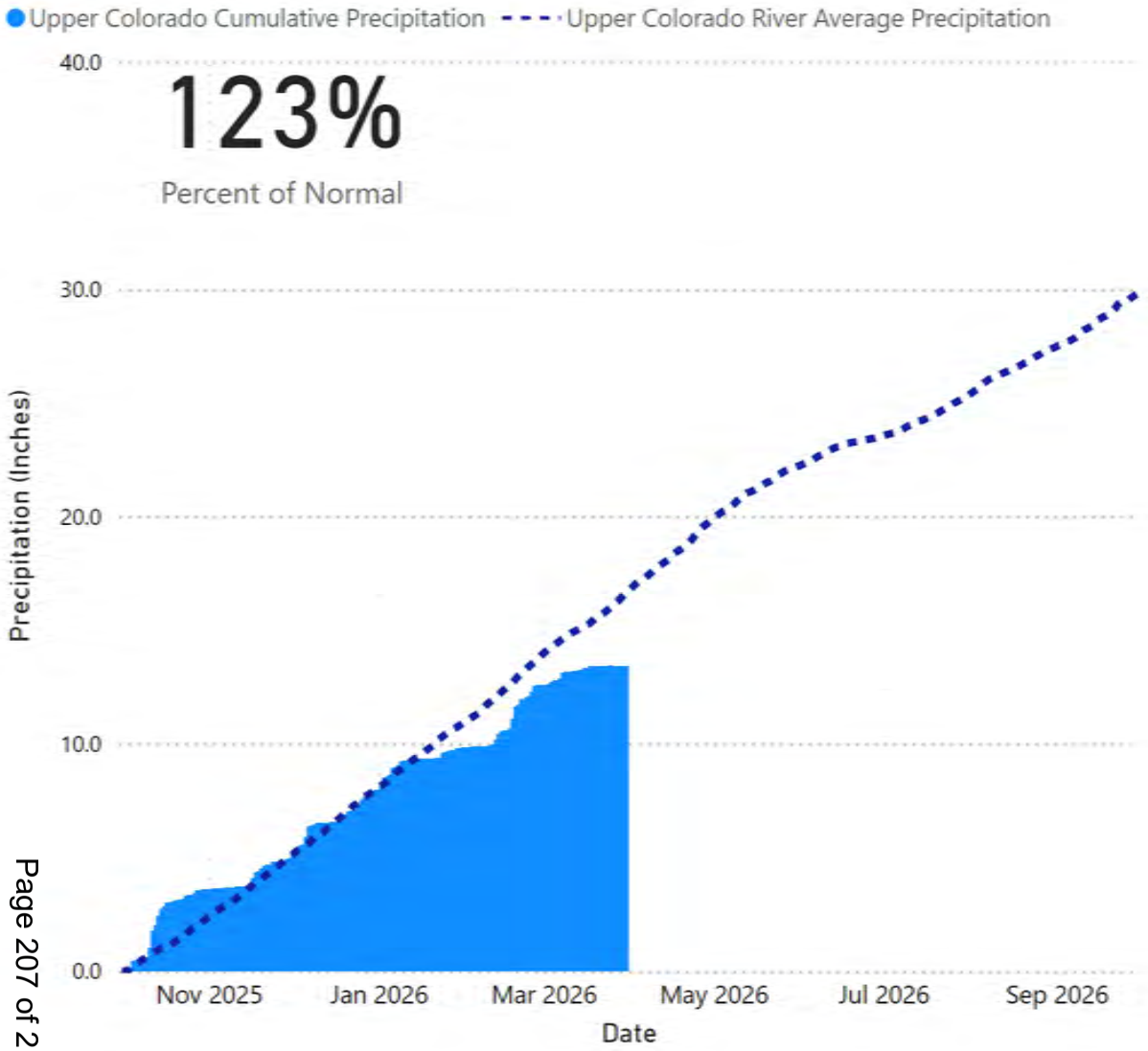


Fig. 6A Upper Colorado River Basin Daily Rainfall

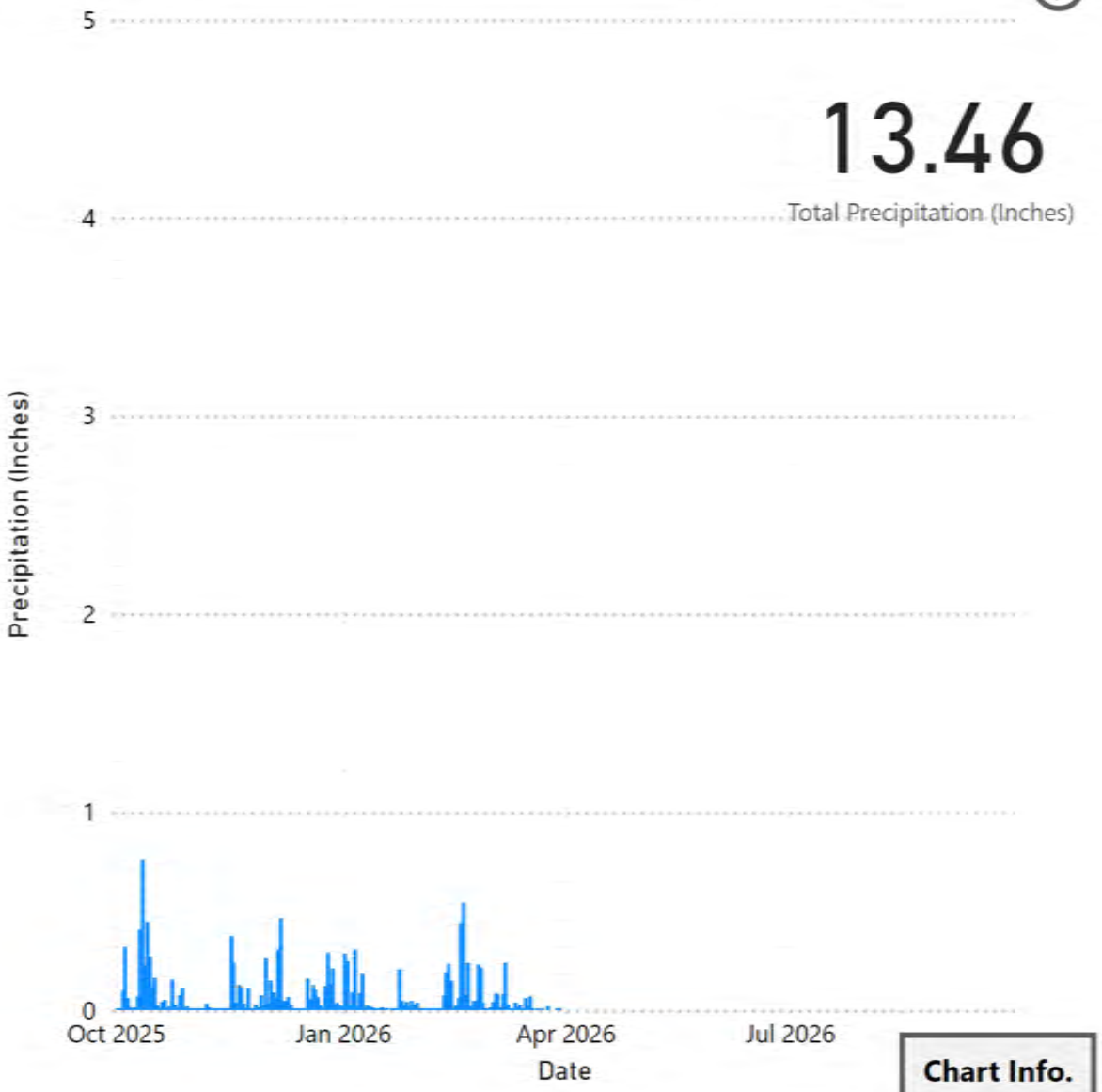


Chart Info.

Water Year

2025-26 | 2024-25 | 2023-24 | 2022-23 | 2021-22 | 2020-21 | 2019-20 | 2018-19 | 2017-18 | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 | 2011-12 | 2010-11

Fig. 7 Lake Mathews Storage

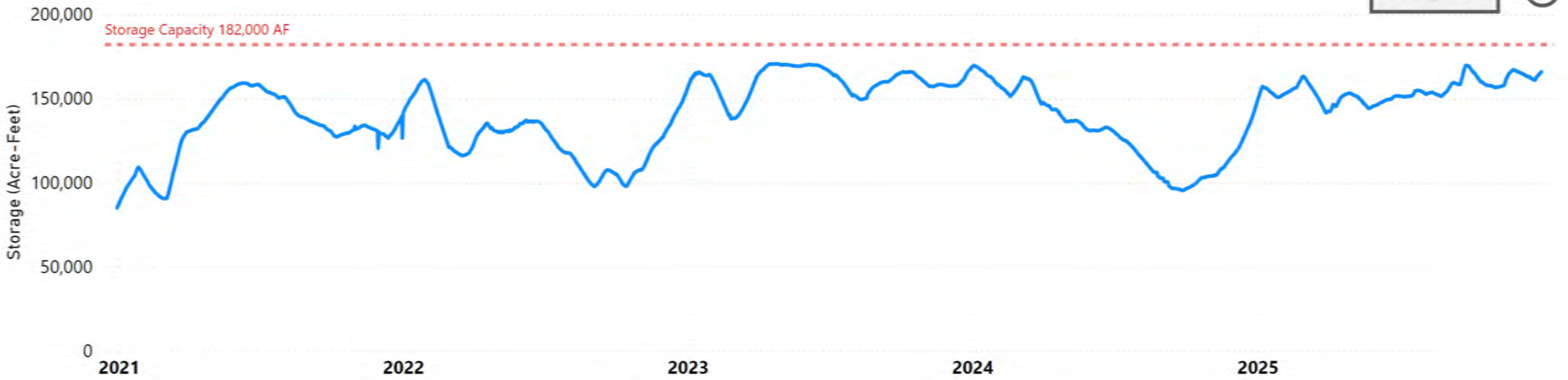


Fig. 8 Diamond Valley Lake Storage

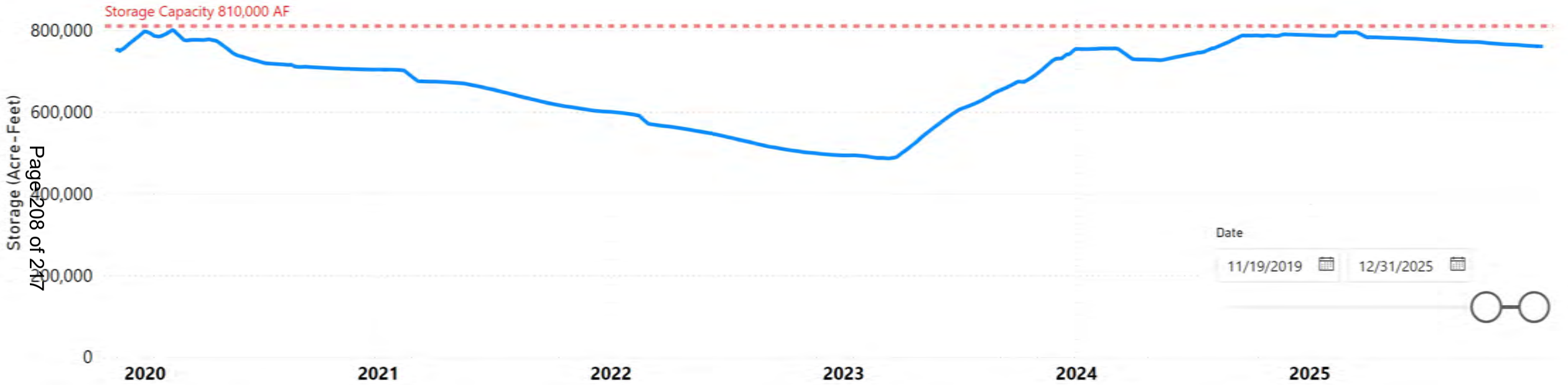


Fig. 9 Lake Oroville Storage vs. Historical Average

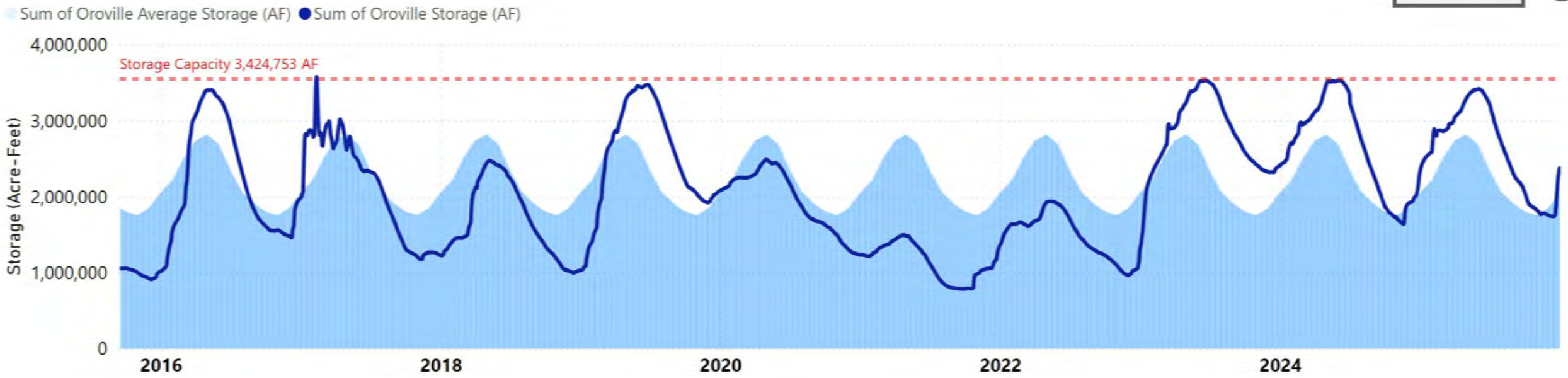


Fig. 10 San Luis Storage vs. Historical Average

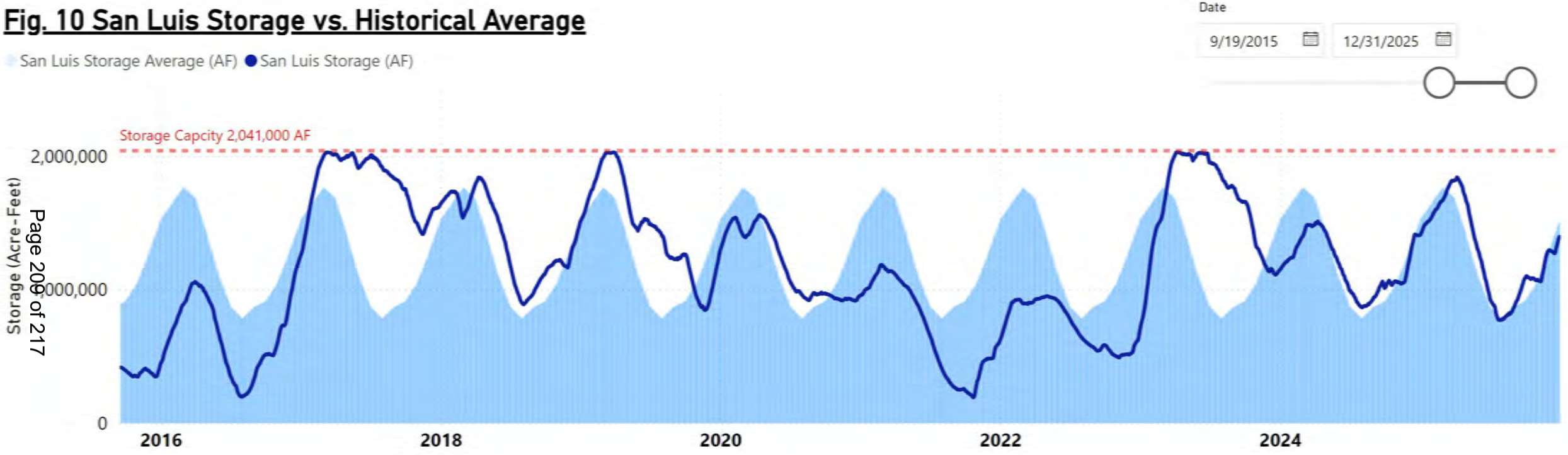


Fig. 11 Northern California SWE vs. Average

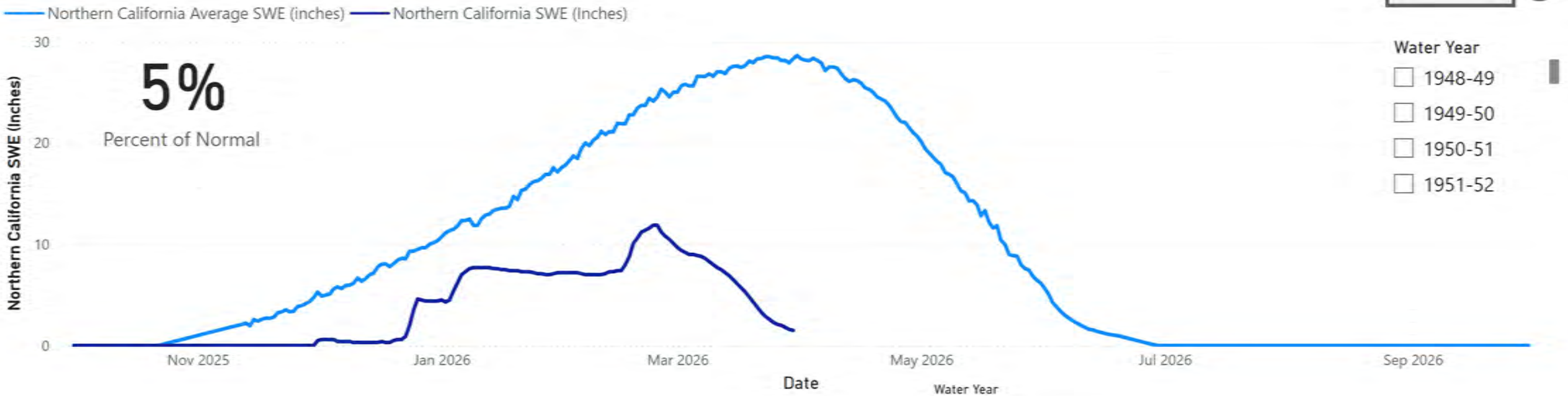


Fig. 11A Northern California SWE April 1st Peak (Inches) by Water Year

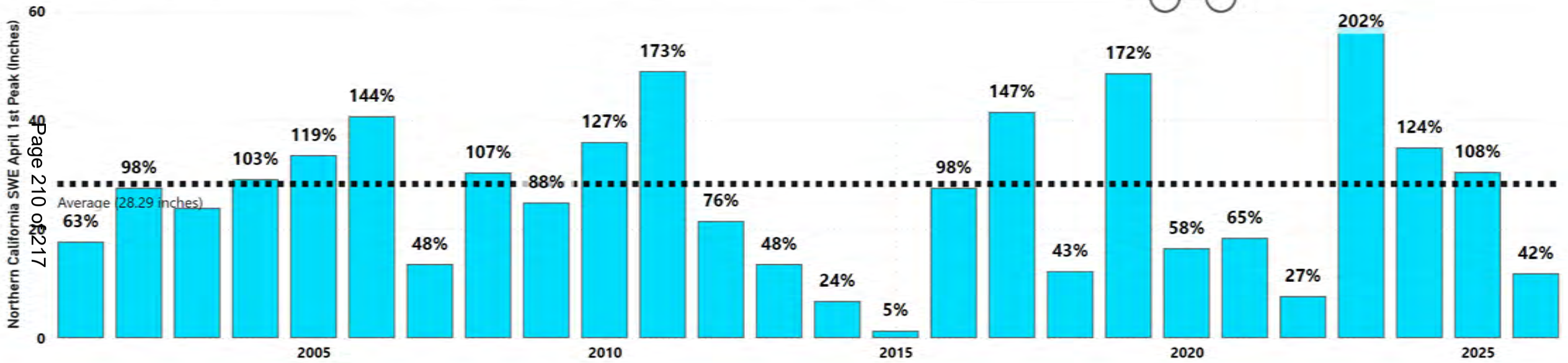


Fig. 12 Upper Colorado SWE vs. Average

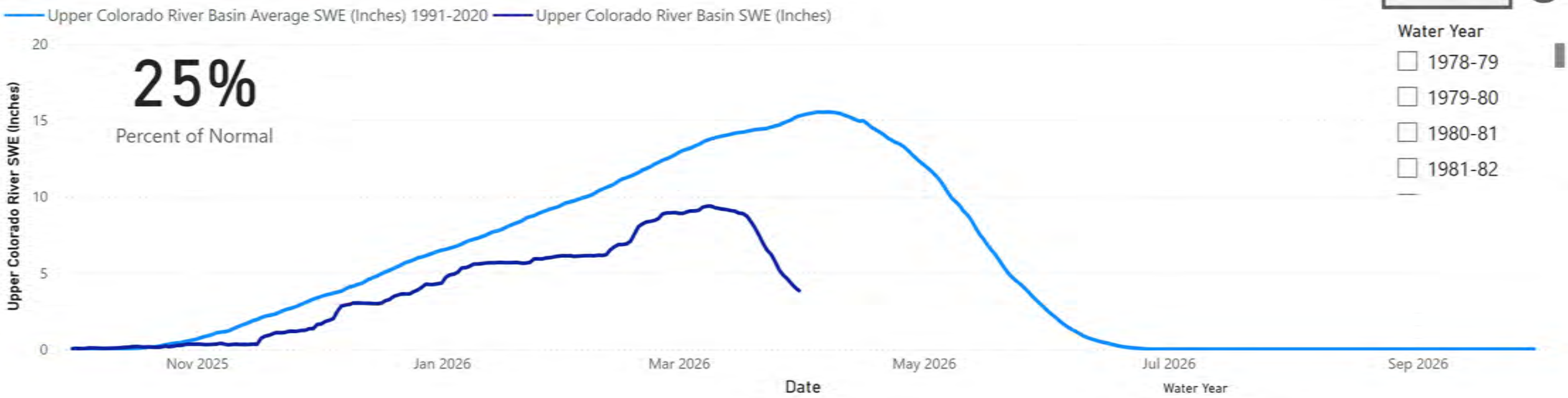


Fig. 12A Upper Colorado SWE April 15th Peak (Inches) by Water Year

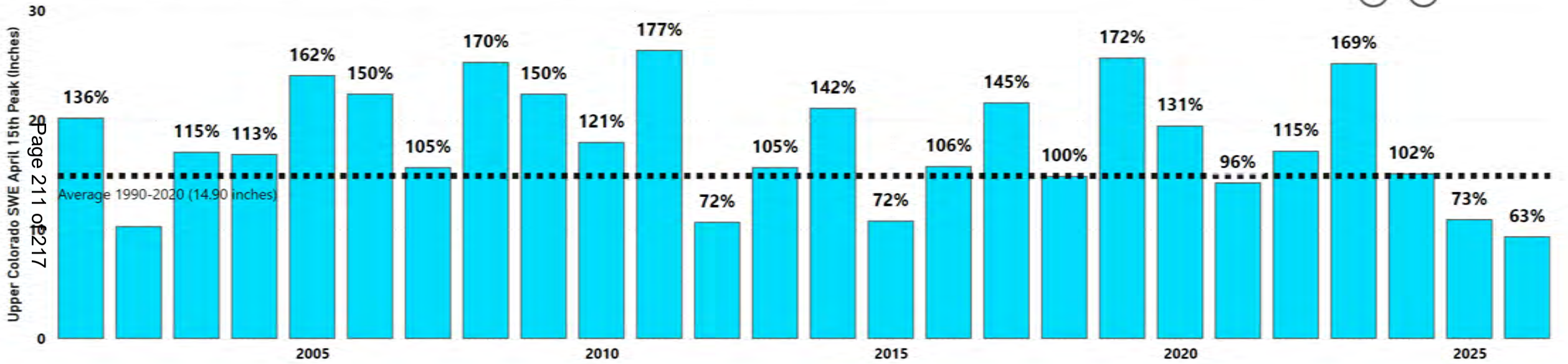


Fig. 13 SWP Table A Allocation Percentage

Chart Info.

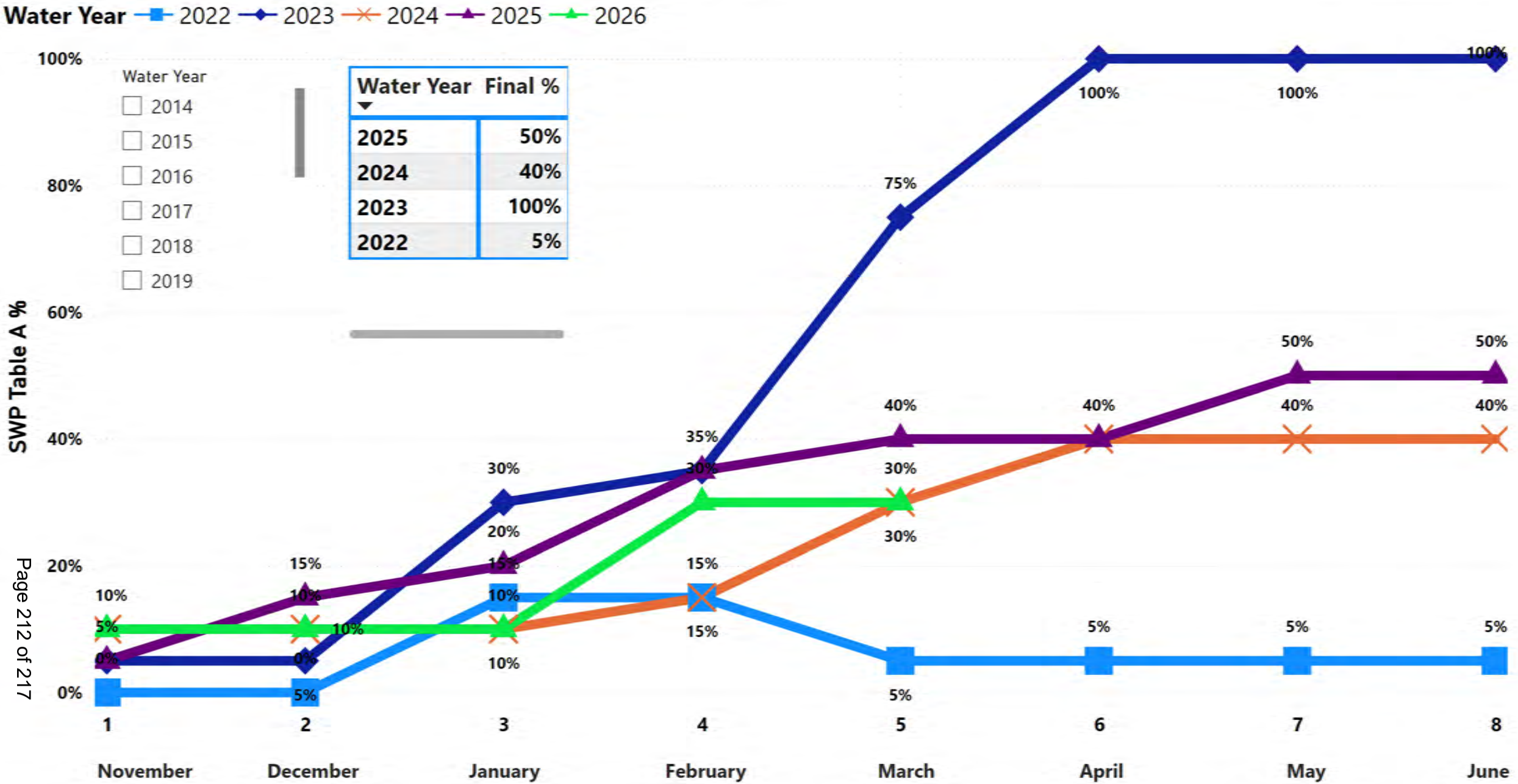


Fig. 14 Lake Mead Levels: Historical and Projected

Chart Info.



Fig. 15 Lake Powell Levels: Historical and Projected

Chart Info.

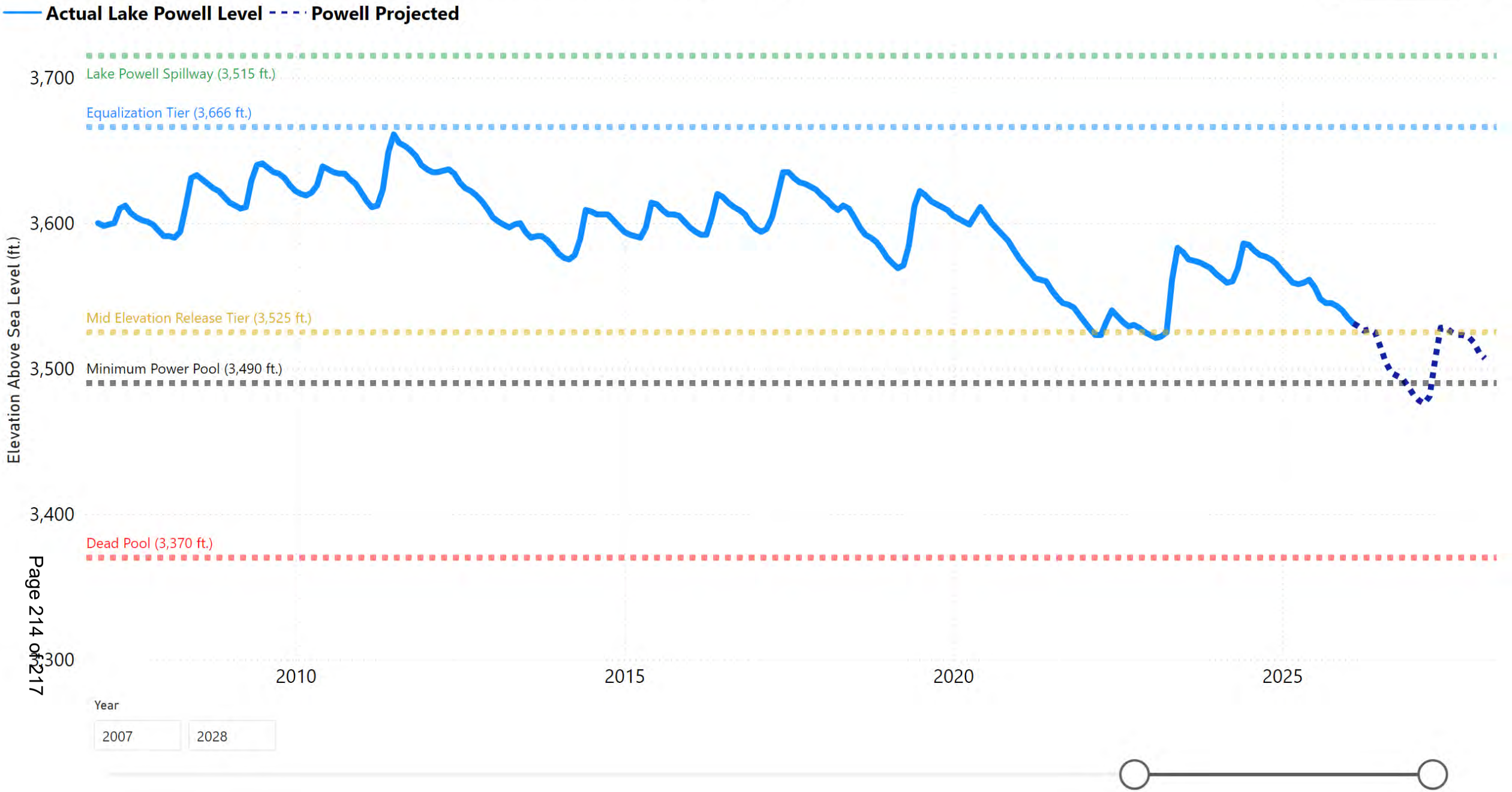


Fig. 16 Northern California SWE April 1st Peak (Inches) and Northern California Runoff (MAF) by Water Year

Chart Info.

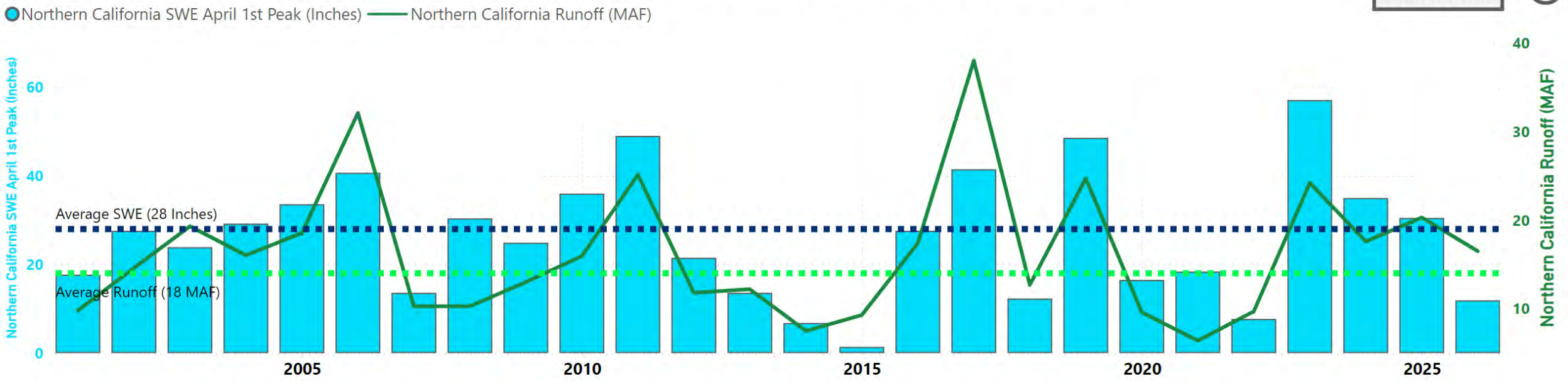


Fig. 17 Upper Colorado SWE April 15th Peak (Inches) and Actual Lake Powell Inflow (MAF) by Water Year

Water Year

2001 2026

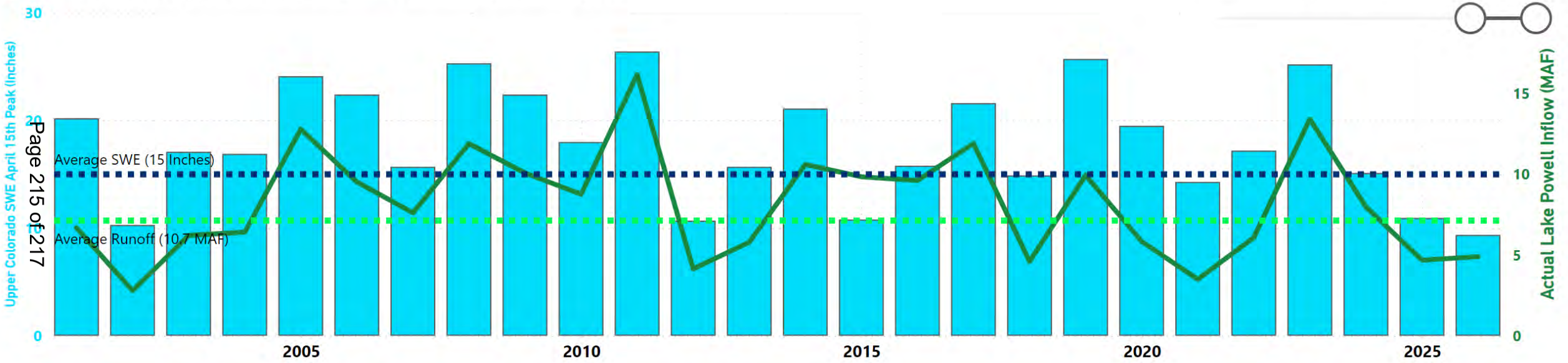


Fig. 18 Accumulated Overdraft of the OCWD Groundwater Basin

Chart Info.

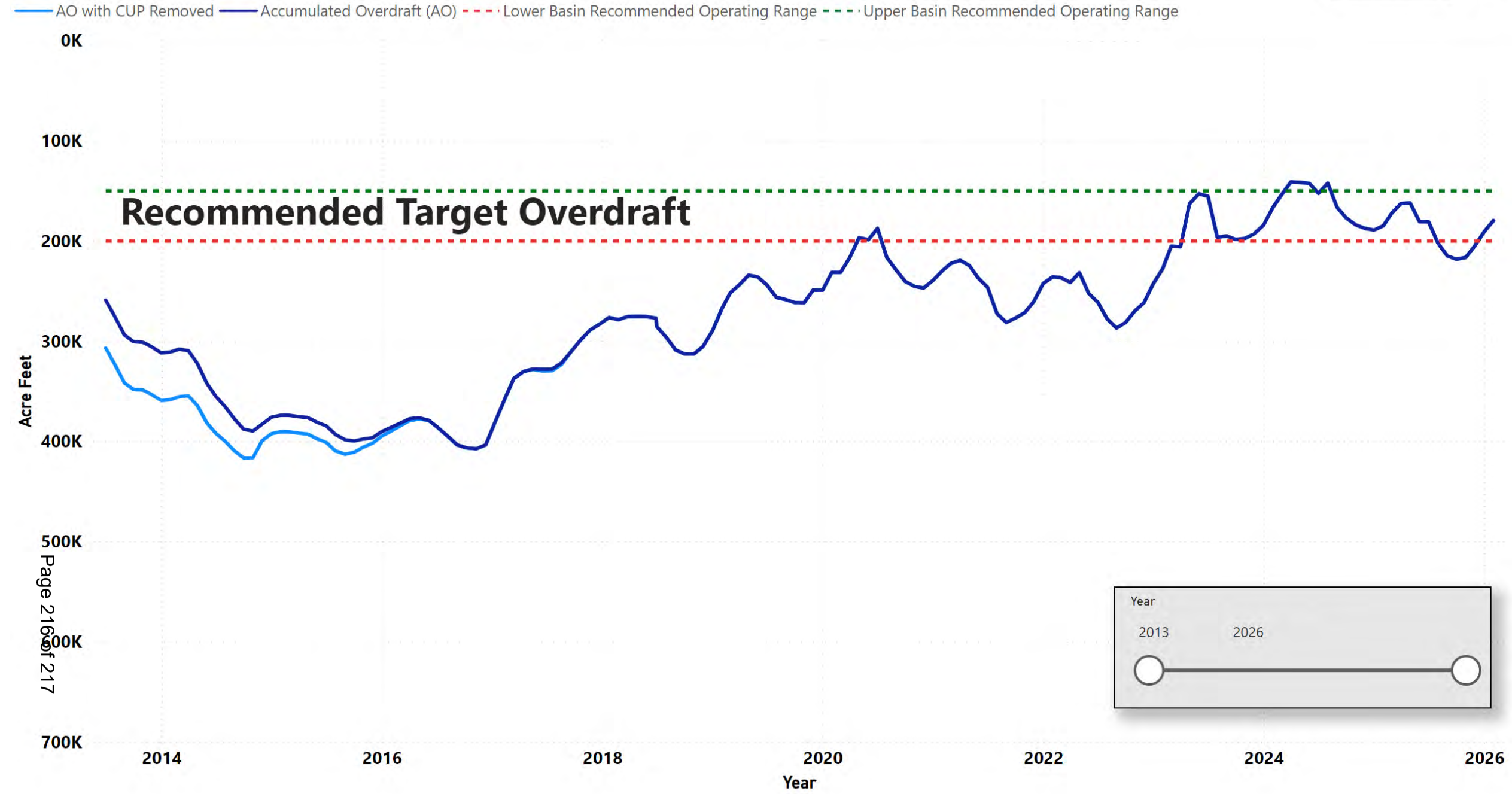


Fig. 19 MWD Historical Dry Year Storage

Chart Info.

Emergency Storage | Dry Year Storage | MWD Lake Mead Intentionally-Created Surplus | Estimated Water Supply Shortage Event

