

**ORANGE COUNTY WATER UTILITIES SYSTEM  
STATEMENTS OF NET POSITION  
OCTOBER 31, 2021**

OCTOBER

**ASSETS AND DEFERRED OUTFLOWS OF RESOURCES**

Current assets:	
Cash and investments	\$ 154,958,375
Accrued interest receivable	563,805
Accounts receivable, net	25,004,401
Due from other governmental agencies	521,991
Inventories and prepaid costs	6,506,492
Total current assets	<u>187,555,064</u>
Restricted assets:	
Cash and investments	<u>78,219,001</u>
Capital assets:	
Land	103,117,004
Construction in progress	324,264,313
Buildings and improvements	2,548,972,301
Machinery and equipment	112,372,414
Intangible assets	188,478,256
Less accumulated depreciation and amortization	<u>(1,529,738,806)</u>
Total capital assets	<u>1,747,465,482</u>
Total noncurrent and restricted assets	<u>1,825,684,483</u>
Total assets	<u>2,013,239,547</u>
Deferred outflows of resources:	
Related to pensions and OPEB	<u>12,037,144</u>
Total assets and deferred outflows of resources	<u>\$ 2,025,276,691</u>

**LIABILITIES AND DEFERRED INFLOWS OF RESOURCES**

Current liabilities:	
Accounts payable and accrued liabilities	\$ 43,209,145
Due to other governmental agencies	560,487
Net pension liability	76,191
Total current liabilities	<u>43,845,823</u>
Liabilities payable from restricted assets:	
Accrued interest payable on bonds and loans	1,181,618
Revenue bonds payable (net of unamortized costs)	8,575,000
Customer deposits	10,992,640
Total liabilities payable from restricted assets	<u>20,749,258</u>
Noncurrent liabilities:	
Compensated absences payable	2,343,590
Loans payable	85,322,684
Revenue bonds payable (net of unamortized costs)	248,997,119
Net pension and OPEB liability	23,035,043
Total noncurrent liabilities	<u>359,698,436</u>
Total liabilities	<u>424,293,517</u>
Deferred inflows of resources:	
Related to pensions and OPEB	<u>27,699,090</u>
Total liabilities and deferred inflows of resources	<u>451,992,607</u>

**NET POSITION**

Net investment in capital assets	1,421,721,734
Restricted for debt service	48,893,688
Unrestricted	102,668,662
Total net position	<u>1,573,284,084</u>
Total liabilities and net position	<u>\$ 2,025,276,691</u>

**ORANGE COUNTY WATER UTILITIES SYSTEM  
CASH AND INVESTMENTS DETAIL  
OCTOBER 31, 2021**

OCTOBER

Current:

Reserve revenue	\$	67,794,896
Water connection fees		16,759,483
Wastewater connection fees		70,397,896
Petty cash		<u>6,100</u>
Total current cash and investments		<u>154,958,375</u>

Restricted:

Series 2020 account		17,151,055
Operation and maintenance reserve		31,522,219
Renewal and replacement		8,002,083
Bond reserve (1)		6,425,298
Bond principal		714,618
Bond interest		769,971
Loan debt service		1,880,779
Loan repayment reserve		760,338
Customer deposits		<u>10,992,640</u>
Total restricted cash and investments		<u>78,219,001</u>
Total cash and investments	\$	<u><u>233,177,376</u></u>

Note: (1) The Bond Reserve requirement is prescribed in the 2016 Series bond covenants as the maximum annual debt service for the 2016 Series outstanding, \$6,173,644. The amount reflected in this statement represents the current market value of this account.

**ORANGE COUNTY WATER UTILITIES SYSTEM  
STATEMENT OF REVENUES, EXPENSES  
AND CHANGE IN NET POSITION  
FOR THE MONTH ENDED OCTOBER 31, 2021**

	<u>OCTOBER</u>	<u>FISCAL YEAR TO DATE</u>
Operating revenues:		
Water service	\$ 4,812,723	\$ 4,812,723
Wastewater service	11,777,812	11,777,812
Reclaimed water service	1,005,764	1,005,764
Miscellaneous	<u>455,810</u>	<u>455,810</u>
Total operating revenues	<u>18,052,109</u>	<u>18,052,109</u>
Operating and maintenance expenses:		
Personal services	5,164,376	5,164,376
Contractual services	1,476,854	1,476,854
Materials and supplies	195,775	195,775
Utilities	1,760,386	1,760,386
Repairs and maintenance	651,830	651,830
Other administrative expenses	<u>4,458,974</u>	<u>4,458,974</u>
Total operating and maintenance expenses	<u>13,708,195</u>	<u>13,708,195</u>
Operating income before depreciation	4,343,914	4,343,914
Depreciation and amortization	<u>7,284,083</u>	<u>7,284,083</u>
Operating loss	<u>(2,940,169)</u>	<u>(2,940,169)</u>
Nonoperating revenues (expenses):		
Interest revenue	56,812	56,812
Interest expense and fiscal charges	(528,268)	(528,268)
Federal and state grants	<u>191,317</u>	<u>191,317</u>
Total net nonoperating expenses	<u>(280,139)</u>	<u>(280,139)</u>
Loss before contributions and transfers	(3,220,308)	(3,220,308)
Capital contributions	<u>3,599,492</u>	<u>3,599,492</u>
Change in net position	379,184	379,184
Total net position, beginning of period	<u>1,572,904,900</u>	<u>1,572,904,900</u>
Total net position, end of period	<u>\$ 1,573,284,084</u>	<u>\$ 1,573,284,084</u>

See accompanying notes to financial statements

**ORANGE COUNTY WATER UTILITIES SYSTEM  
OPERATING REVENUE DETAIL  
FOR THE MONTH ENDED OCTOBER 31, 2021**

	OCTOBER BUDGET	OCTOBER ACTUAL	FISCAL YTD BUDGET	FISCAL YTD ACTUAL	ANNUAL BUDGET	FISCAL YTD (STD 8%)
<b>Water service:</b>						
Residential	\$ 2,652,246	\$ 2,476,788	\$ 2,652,246	\$ 2,476,788	\$ 31,826,947	8%
Commercial	1,263,803	1,320,958	1,263,803	1,320,958	15,165,640	9%
Conservation surcharge	1,018,881	1,014,977	1,018,881	1,014,977	12,226,567	8%
Total water service	<u>4,934,930</u>	<u>4,812,723</u>	<u>4,934,930</u>	<u>4,812,723</u>	<u>59,219,154</u>	8%
<b>Wastewater service:</b>						
Residential	6,900,327	6,493,441	6,900,327	6,493,441	82,803,918	8%
Commercial	4,343,187	4,953,707	4,343,187	4,953,707	52,118,245	10%
Environmental surcharge	200,479	253,400	200,479	253,400	2,405,742	11%
Industrial	2,558	2,634	2,558	2,634	30,694	9%
Septic and portable	76,212	72,263	76,212	72,263	914,538	8%
Capacity maintenance fees	10,731	2,367	10,731	2,367	128,767	2%
Total wastewater service	<u>11,533,494</u>	<u>11,777,812</u>	<u>11,533,494</u>	<u>11,777,812</u>	<u>138,401,904</u>	9%
<b>Reclaimed water service:</b>						
Residential	516,715	539,771	516,715	539,771	6,200,581	9%
Commercial	514,028	465,993	514,028	465,993	6,168,337	8%
Reclaimed water-cooling tower	32,986	-	32,986	-	395,835	0%
Total reclaimed water service	<u>1,063,729</u>	<u>1,005,764</u>	<u>1,063,729</u>	<u>1,005,764</u>	<u>12,764,753</u>	8%
<b>Miscellaneous:</b>						
Initiate account service	37,585	35,090	37,585	35,090	451,018	8%
Turn off/on service	18,616	16,458	18,616	16,458	223,387	7%
Lien fee charges	405	-	405	-	4,855	0%
Meter removal/testing	3,202	3,050	3,202	3,050	38,421	8%
Meter/line damage	1,412	(439)	1,412	(439)	16,949	-3%
NSF charges	5,306	7,928	5,306	7,928	63,669	12%
Plans and specifications	80,611	30,522	80,611	30,522	967,328	3%
Charges to other funds	1,258	-	1,258	-	15,099	0%
Developer reimb of plan review	58,959	44,227	58,959	44,227	707,513	6%
Cross Connection Control Program	237,019	252,648	237,019	252,648	2,844,222	9%
Miscellaneous	183,411	66,326	183,411	66,326	2,200,935	3%
Total miscellaneous	<u>627,784</u>	<u>455,810</u>	<u>627,784</u>	<u>455,810</u>	<u>7,533,396</u>	6%
Total operating revenues	<u>\$ 18,159,937</u>	<u>\$ 18,052,109</u>	<u>\$ 18,159,937</u>	<u>\$ 18,052,109</u>	<u>\$ 217,919,207</u>	8%

**ORANGE COUNTY WATER UTILITIES SYSTEM  
OPERATING AND MAINTENANCE EXPENSES DETAIL  
FOR THE MONTH ENDED OCTOBER 31, 2021**

	OCTOBER BUDGET	OCTOBER ACTUAL	FISCAL YTD BUDGET	FISCAL YTD ACTUAL	ANNUAL BUDGET	FISCAL YTD (STD 8%)
<b>Personal services:</b>						
Salaries	\$ 3,961,684	\$ 4,405,774	\$ 3,961,684	\$ 4,405,774	\$ 47,540,205	9%
Fringe benefits	1,831,893	758,602	1,831,893	758,602	21,982,714	3%
<b>Total personal services</b>	<b>5,793,577</b>	<b>5,164,376</b>	<b>5,793,577</b>	<b>5,164,376</b>	<b>69,522,919</b>	<b>7%</b>
<b>Contractual services:</b>						
Research and studies	116,245	11,835	116,245	11,835	1,394,943	1%
Legal services	15,354	-	15,354	-	184,253	0%
Indirect costs	710,539	710,539	710,539	710,539	8,526,473	8%
Purchased water	133,687	1,607	133,687	1,607	1,604,249	0%
Effluent disposal	291,556	99,039	291,556	99,039	3,498,666	3%
Comptroller fees	180,173	180,173	180,173	180,173	2,162,076	8%
Officer fees	761	-	761	-	9,130	0%
Payments to other governments	266,440	113,310	266,440	113,310	3,197,281	4%
Janitorial	51,350	-	51,350	-	616,196	0%
Employment agency	136,801	5,280	136,801	5,280	1,641,609	0%
Training	23,019	-	23,019	-	276,233	0%
Paving	211,885	15,838	211,885	15,838	2,542,621	1%
Software licensing/support fee	289,589	10,300	289,589	10,300	3,475,073	0%
Other professional fees	232,396	6,530	232,396	6,530	2,788,752	0%
<b>Contractual services</b>	<b>1,448,334</b>	<b>322,403</b>	<b>1,448,334</b>	<b>322,403</b>	<b>17,380,010</b>	<b>2%</b>
<b>Total contractual services</b>	<b>4,108,129</b>	<b>1,476,854</b>	<b>4,108,129</b>	<b>1,476,854</b>	<b>49,297,565</b>	<b>3%</b>
<b>Materials and supplies:</b>						
Graphic reproduction services	5,469	-	5,469	-	65,622	0%
Office supplies	13,475	-	13,475	-	161,703	0%
Event/meal reimbursement	276	-	276	-	3,310	0%
Software <\$1000	9,507	-	9,507	-	114,078	0%
Computer equipment <\$500	9,954	-	9,954	-	119,444	0%
Equipment <\$1000	31,664	-	31,664	-	379,973	0%
Tools	18,039	1,063	18,039	1,063	216,468	0%
Medical	513	-	513	-	6,150	0%
Liquid oxygen	19,297	4,955	19,297	4,955	231,558	2%
Chemical and pesticides	8	-	8	-	100	0%
Solar salt	29,004	1,242	29,004	1,242	348,052	0%
Chlorine	206,024	22,874	206,024	22,874	2,472,288	1%
Fluoride	17,362	6,794	17,362	6,794	208,345	3%
Alum	11,863	2,526	11,863	2,526	142,359	2%
Polymer	190,124	84,483	190,124	84,483	2,281,492	4%
Sealing chemicals	208	-	208	-	2,500	0%
Corrosion control	74,947	36,127	74,947	36,127	899,358	4%
Carbon dioxide	67,443	-	67,443	-	809,321	0%
Sodium hydroxide	53,425	15,459	53,425	15,459	641,105	2%
Supplemental carbon	69,480	13,213	69,480	13,213	833,756	2%
Miscellaneous chemicals	33,987	1,548	33,987	1,548	407,840	0%
Material for construction	32,757	-	32,757	-	393,081	0%
Clothing	22,764	4,286	22,764	4,286	273,166	2%
Gas-oil-lube-brfl-ant	33,842	1,032	33,842	1,032	406,099	0%
Miscellaneous expenses	98,956	173	98,956	173	1,187,471	0%
<b>Total materials &amp; supplies</b>	<b>1,050,388</b>	<b>195,775</b>	<b>1,050,388</b>	<b>195,775</b>	<b>12,604,639</b>	<b>2%</b>

**ORANGE COUNTY WATER UTILITIES SYSTEM  
OPERATING AND MAINTENANCE EXPENSES DETAIL, (continued)  
FOR THE MONTH ENDED OCTOBER 31, 2021**

	OCTOBER BUDGET	OCTOBER ACTUAL	FISCAL YTD BUDGET	FISCAL YTD ACTUAL	ANNUAL BUDGET	FISCAL YTD (STD 8%)
<b>Utilities:</b>						
Communications	\$ 92,535	\$ 90,935	\$ 92,535	\$ 90,935	\$ 1,110,414	8%
Water	10,079	24,955	10,079	24,955	120,944	21%
Solid waste tipping fees	41,609	-	41,609	-	499,308	0%
Garbage disposal	7,188	822	7,188	822	86,251	1%
Gas	19,378	9,345	19,378	9,345	232,539	4%
Electric	1,243,686	1,634,329	1,243,686	1,634,329	14,924,226	11%
<b>Total utilities</b>	<b>1,414,475</b>	<b>1,760,386</b>	<b>1,414,475</b>	<b>1,760,386</b>	<b>16,973,682</b>	<b>10%</b>
<b>Repairs and maintenance:</b>						
Building and grounds	719,373	138,517	719,373	138,517	8,632,478	2%
Equipment	953,065	142,906	953,065	142,906	11,436,785	1%
Vehicle maintenance	401,274	250,580	401,274	250,580	4,815,285	5%
Services	101,710	-	101,710	-	1,220,515	0%
Mains	585,403	115,567	585,403	115,567	7,024,841	2%
Water meters	17,048	4,260	17,048	4,260	204,581	2%
Fire lines	1,300	-	1,300	-	15,605	0%
Meter installations	42	-	42	-	500	0%
Valves	161,996	-	161,996	-	1,943,951	0%
Utility relocations	42	-	42	-	500	0%
<b>Total repairs &amp; maintenance</b>	<b>2,941,253</b>	<b>651,830</b>	<b>2,941,253</b>	<b>651,830</b>	<b>35,295,041</b>	<b>2%</b>
<b>Other administrative:</b>						
Local travel	2,716	43	2,716	43	32,590	0%
Out of county travel	4,584	1,027	4,584	1,027	55,002	2%
Postage and messenger services	81,992	77	81,992	77	983,898	0%
Toll charges	21,733	1,656	21,733	1,656	260,790	1%
Rental of equipment	95,451	10,429	95,451	10,429	1,145,414	1%
Dues and memberships	14,145	1,246	14,145	1,246	169,744	1%
Subscriptions	2,243	-	2,243	-	26,919	0%
Training fees	25,433	-	25,433	-	305,196	0%
License and certification	3,494	829	3,494	829	41,929	2%
Advertising	1,600	-	1,600	-	19,200	0%
Promotional	10,342	-	10,342	-	124,106	0%
Educational assistance	2,775	-	2,775	-	33,300	0%
Scholarships, awards	697	-	697	-	8,361	0%
Improvements to non-county assets	12,500	-	12,500	-	150,000	0%
Bad debt expense	31,333	(24,632)	31,333	(24,632)	376,000	-7%
Bank charges	127,861	-	127,861	-	1,534,336	0%
Self insurance	302,248	302,248	302,248	302,248	3,626,981	8%
Refunds of prior year revenue	66,667	-	66,667	-	800,000	0%
Operating permits	11,654	-	11,654	-	139,849	0%
Accrued expenses	-	4,166,051	-	4,166,051	-	0%
<b>Total other administrative</b>	<b>819,468</b>	<b>4,458,974</b>	<b>819,468</b>	<b>4,458,974</b>	<b>9,833,615</b>	<b>45%</b>
<b>Total O&amp;M expenses</b>	<b>\$ 16,127,290</b>	<b>\$ 13,708,195</b>	<b>\$ 16,127,290</b>	<b>\$ 13,708,195</b>	<b>\$ 193,527,461</b>	<b>7%</b>

**ORANGE COUNTY WATER UTILITIES SYSTEM  
NON-OPERATING REVENUE AND EXPENSE DETAIL  
FOR THE MONTH ENDED OCTOBER 31, 2021**

	OCTOBER BUDGET	OCTOBER ACTUAL	FISCAL YTD BUDGET	FISCAL YTD ACTUAL	ANNUAL BUDGET	FISCAL YTD (STD 8%)
Interest revenue:						
Net revenue	\$ 108,692	\$ 38,808	\$ 108,692	\$ 38,808	\$ 1,304,300	3%
Connection fees	-	18,087	-	18,087	-	0%
Bond reserve	-	(14)	-	(14)	-	0%
Less: Customer deposits expense	-	(69)	-	(69)	-	0%
Total interest revenue	<u>108,692</u>	<u>56,812</u>	<u>108,692</u>	<u>56,812</u>	<u>1,304,300</u>	4%
Interest expense:						
Bonds and revolving loans	(1,042,777)	(928,516)	(1,042,777)	(928,516)	(12,513,325)	7%
Capital lease	(96)	-	(96)	-	(1,146)	0%
Debt service fees	(41,667)	-	(41,667)	-	(500,000)	0%
Amortization of bond premium	-	400,248	-	400,248	-	(1)
Total interest expense	<u>(1,084,540)</u>	<u>(528,268)</u>	<u>(1,084,540)</u>	<u>(528,268)</u>	<u>(13,014,471)</u>	4%
Federal and state grants	-	191,317	-	191,317	-	0%
Total revenue related to federal and state grants	<u>-</u>	<u>191,317</u>	<u>-</u>	<u>191,317</u>	<u>-</u>	
Total non-operating revenues (expenses)	<u>\$ (975,848)</u>	<u>\$ (280,139)</u>	<u>\$ (975,848)</u>	<u>\$ (280,139)</u>	<u>\$ (11,710,171)</u>	2%

(1) These are noncash items, and therefore not included in adopted budget.

**ORANGE COUNTY WATER UTILITIES SYSTEM  
CAPITAL CONTRIBUTIONS DETAIL  
FOR THE MONTH ENDED OCTOBER 31, 2021**

	<u>OCTOBER BUDGET</u>	<u>OCTOBER ACTUAL</u>	<u>FISCAL YTD BUDGET</u>	<u>FISCAL YTD ACTUAL</u>	<u>ANNUAL BUDGET</u>	<u>FISCAL YTD (STD 8%)</u>
<b>CONNECTION FEES COLLECTED:</b>						
Water connection fees:						
Residential/Commercial	\$ 721,468	\$ 943,794	\$ 721,468	\$ 943,794	\$ 8,657,613	11%
Irrigation	<u>35,798</u>	<u>22,300</u>	<u>35,798</u>	<u>22,300</u>	<u>429,571</u>	5%
Total water connection fees	<u>757,266</u>	<u>966,094</u>	<u>757,266</u>	<u>966,094</u>	<u>9,087,184</u>	11%
Wastewater connection fees:						
Residential/Commercial	<u>1,899,153</u>	<u>2,623,047</u>	<u>1,899,153</u>	<u>2,623,047</u>	<u>22,789,841</u>	12%
Total wastewater connection fees	<u>1,899,153</u>	<u>2,623,047</u>	<u>1,899,153</u>	<u>2,623,047</u>	<u>22,789,841</u>	12%
Less reductions:						
Refunds of prior year collections	<u>(83,333)</u>	<u>-</u>	<u>(83,333)</u>	<u>-</u>	<u>(1,000,000)</u>	0%
Total reductions	<u>(83,333)</u>	<u>-</u>	<u>(83,333)</u>	<u>-</u>	<u>(1,000,000)</u>	0%
Net connection fees	<u>2,573,086</u>	<u>3,589,141</u>	<u>2,573,086</u>	<u>3,589,141</u>	<u>30,877,025</u>	12%
<b>DONATED SYSTEMS:</b>						
Developer reimbursements	-	1,131	-	1,131	-	0%
Line extensions	<u>-</u>	<u>9,220</u>	<u>-</u>	<u>9,220</u>	<u>-</u>	0%
Total donated systems	<u>-</u>	<u>10,351</u>	<u>-</u>	<u>10,351</u>	<u>-</u>	0%
Total capital contributions	<u>\$ 2,573,086</u>	<u>\$ 3,599,492</u>	<u>\$ 2,573,086</u>	<u>\$ 3,599,492</u>	<u>\$ 30,877,025</u>	12%



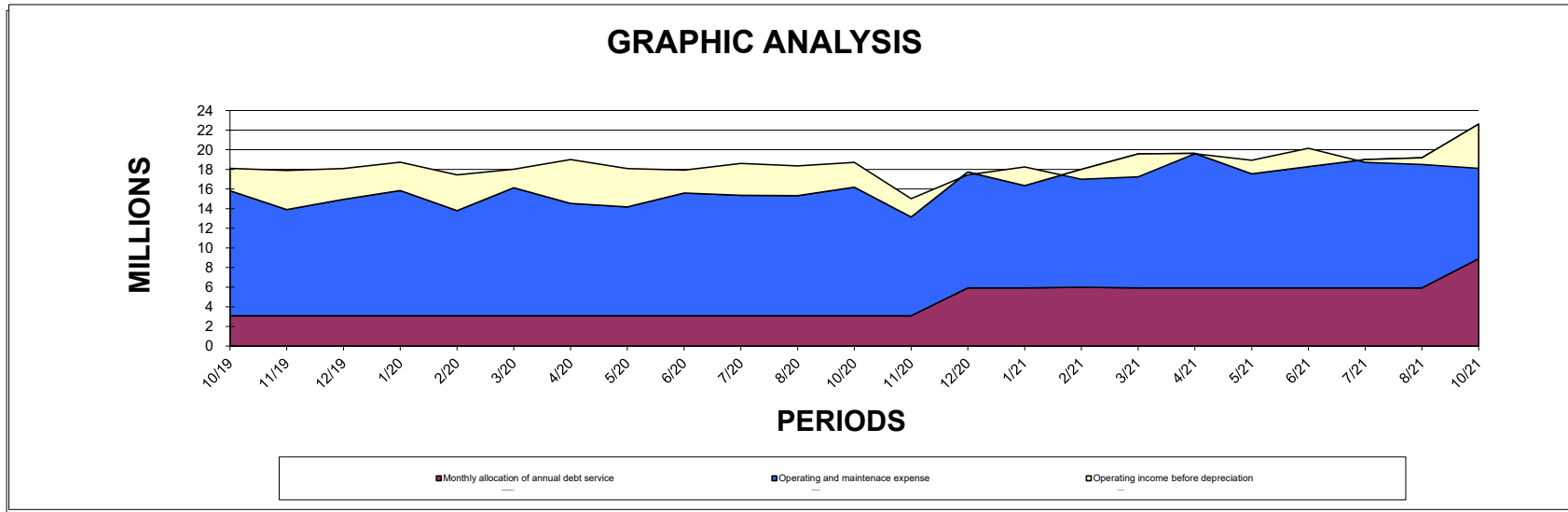
**ORANGE COUNTY WATER UTILITIES SYSTEM  
OTHER DISBURSEMENTS DETAIL  
FOR THE MONTH ENDED OCTOBER 31, 2021**

	OCTOBER BUDGET	OCTOBER ACTUAL	FISCAL YTD BUDGET	FISCAL YTD ACTUAL	ANNUAL BUDGET	FISCAL YTD (STD 8%)
Capital outlay:						
Land	\$ 46,329	\$ 88	\$ 46,329	\$ 88	\$ 555,945	0%
Buildings	663,679	-	663,679	-	7,964,151	0%
Structures	16,747,889	900,706	16,747,889	900,706	200,974,671	0%
Equipment	1,553,115	8,956	1,553,115	8,956	18,637,377	0%
Total capital outlay	19,011,012	909,750	19,011,012	909,750	228,132,144	0%
Debt service principal	1,175,165	1,156,093	1,175,165	1,156,093	14,101,981	8%
Total other disbursements	<u>\$ 20,186,177</u>	<u>\$ 2,065,843</u>	<u>\$ 20,186,177</u>	<u>\$ 2,065,843</u>	<u>\$ 242,234,125</u>	1%

**ORANGE COUNTY WATER UTILITIES SYSTEM  
ANALYTICAL DATA  
FISCAL YEAR 2022**

	<u>Year to Date</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>
Operating Ratios												
Overall	0.76	0.76										
Water	1.07	1.07										
Wastewater	0.61	0.61										
Bond Coverage Ratios*	2.93	2.93										

\*Net operating income (excluding connection fees) divided by the annual debt service payments. The bond resolution requires coverage of 1.10.



**ORANGE COUNTY WATER UTILITIES SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
FOR THE MONTH ENDED OCTOBER 31, 2021**

Pursuant to Section 37-304 of Orange County Ordinance No. 92-10, water and wastewater capacity has been sold net of \$10.7 million in affordable multi-family housing discounts, since inception of the program. Pursuant to Orange County ordinance No. 94-21, the County also offers a discount on water & wastewater connection fees for each residential lot that receives service from a Reclaimed Water Distribution System. Since inception of this program water & wastewater capacity has been sold net of \$16.0 million.