

**ORANGE COUNTY WATER UTILITIES SYSTEM
STATEMENTS OF NET POSITION
MAY 31 AND APRIL 30, 2021**

	MAY	APRIL
<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>		
Current assets:		
Cash and investments	\$ 123,636,941	\$ 116,296,132
Accrued interest receivable	309,951	309,951
Accounts receivable, net	22,274,977	21,839,115
Due from other governmental agencies	17,756	17,756
Inventories and prepaid costs	11,685,383	13,634,925
Total current assets	157,925,008	152,097,879
Restricted assets:		
Cash and investments	115,128,921	123,146,307
Capital assets:		
Land	103,112,787	103,098,190
Construction in progress	371,858,405	361,008,051
Buildings and improvements	2,448,728,647	2,443,469,750
Machinery and equipment	107,012,245	110,500,415
Intangible assets	178,218,656	173,360,040
Less accumulated depreciation and amortization	(1,494,234,218)	(1,487,222,855)
Total capital assets	1,714,696,522	1,704,213,591
Total noncurrent and restricted assets	1,829,825,443	1,827,359,898
Total assets	1,987,750,451	1,979,457,777
Deferred outflows of resources:		
Related to pensions and OPEB	16,906,667	16,906,667
Total assets and deferred outflows of resources	\$ 2,004,657,118	\$ 1,996,364,444
<u>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</u>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 32,639,046	\$ 32,914,419
Due to other governmental agencies	626,604	630,371
Net pension liability	159,737	159,737
Total current liabilities	33,425,387	33,704,527
Liabilities payable from restricted assets:		
Accrued interest payable on bonds and loans	2,103,109	1,154,085
Revenue bonds payable (net of unamortized costs)	3,780,000	3,780,000
Customer deposits	10,572,376	10,553,439
Total liabilities payable from restricted assets	16,455,485	15,487,524
Noncurrent liabilities:		
Compensated absences payable	1,934,762	1,934,762
Loans payable	90,401,021	90,401,021
Revenue bonds payable (net of unamortized costs)	259,343,685	259,686,515
Net pension and OPEB liability	58,228,010	58,228,010
Total noncurrent liabilities	409,907,478	410,250,308
Total liabilities	459,788,350	459,442,359
Deferred inflows of resources:		
Related to pensions and OPEB	1,718,526	1,718,526
Total liabilities and deferred inflows of resources	461,506,876	461,160,885
<u>NET POSITION</u>		
Net investment in capital assets	1,412,281,741	1,411,177,064
Restricted for debt service	51,343,511	50,607,774
Unrestricted	79,524,990	73,418,721
Total net position	1,543,150,242	1,535,203,559
Total liabilities and net position	\$ 2,004,657,118	\$ 1,996,364,444

**ORANGE COUNTY WATER UTILITIES SYSTEM
CASH AND INVESTMENTS DETAIL
MAY 31 AND APRIL 30, 2021**

	<u>MAY</u>	<u>APRIL</u>
Current:		
Reserve revenue	\$ 56,337,049	\$ 50,338,286
Water connection fees	10,742,116	10,713,862
Wastewater connection fees	56,551,676	55,237,884
Petty cash	<u>6,100</u>	<u>6,100</u>
Total current cash and investments	<u>123,636,941</u>	<u>116,296,132</u>
Restricted:		
Issuance Costs	-	12,902
Series 2020 account	51,109,925	60,831,009
Operation and maintenance reserve	31,891,815	31,900,670
Renewal and replacement	8,003,592	8,005,842
Bond reserve (1)	6,422,306	6,422,302
Bond principal	2,520,032	2,205,015
Bond interest	1,580,290	785,705
Loan debt service	2,268,104	1,668,728
Loan repayment reserve	760,481	760,695
Customer deposits	<u>10,572,376</u>	<u>10,553,439</u>
Total restricted cash and investments	<u>115,128,921</u>	<u>123,146,307</u>
Total cash and investments	<u>\$ 238,765,862</u>	<u>\$ 239,442,439</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 MAY 31, 2021**

	<u>MAY</u>	<u>FISCAL YEAR TO DATE</u>
Operating revenues:		
Water service	\$ 5,394,175	\$ 37,681,694
Wastewater service	11,653,130	90,244,060
Reclaimed water service	1,080,877	7,400,558
Miscellaneous	<u>705,022</u>	<u>6,198,409</u>
Total operating revenues	<u>18,833,204</u>	<u>141,524,721</u>
Operating and maintenance expenses:		
Personal services	5,149,915	40,285,194
Contractual services	2,607,504	21,079,206
Materials and supplies	450,629	4,751,852
Utilities	1,033,311	8,838,707
Repairs and maintenance	1,867,084	12,931,814
Other administrative expenses	<u>504,428</u>	<u>8,291,278</u>
Total operating and maintenance expenses	<u>11,612,871</u>	<u>96,178,051</u>
Operating income before depreciation	7,220,333	45,346,670
Depreciation and amortization	<u>7,117,418</u>	<u>56,954,033</u>
Operating income (loss)	<u>102,915</u>	<u>(11,607,363)</u>
Nonoperating revenues (expenses):		
Interest revenue	102,644	907,095
Interest expense and fiscal charges	(606,372)	(3,522,145)
Gain on disposal of assets	5,158	1,510,679
Bond issuance costs	-	(634,202)
Federal and state grants	<u>-</u>	<u>47,951</u>
Total net nonoperating revenues (expenses)	<u>(498,570)</u>	<u>(1,690,622)</u>
Loss before contributions and transfers	(395,655)	(13,297,985)
Capital contributions	8,342,338	47,938,828
Transfers out	<u>-</u>	<u>(9,700,000)</u>
Change in net position	7,946,683	24,940,843
Total net position, beginning of period	<u>1,535,203,559</u>	<u>1,518,209,399</u>
Total net position, end of period	<u>\$ 1,543,150,242</u>	<u>\$ 1,543,150,242</u>

See accompanying notes to financial statements

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

	MAY BUDGET	MAY ACTUAL	FISCAL YTD BUDGET	FISCAL YTD ACTUAL	ANNUAL BUDGET	FISCAL YTD (STD 67%)
Water service:						
Residential	\$ 2,400,194	\$ 2,595,141	\$ 19,201,552	\$ 19,793,214	\$ 28,802,327	69%
Commercial	1,572,426	1,308,352	12,579,408	9,866,427	18,869,110	52%
Conservation surcharge	979,603	1,490,682	7,836,824	8,022,053	11,755,234	68%
Total water service	<u>4,952,223</u>	<u>5,394,175</u>	<u>39,617,784</u>	<u>37,681,694</u>	<u>59,426,671</u>	63%
Wastewater service:						
Residential	6,166,684	6,638,439	49,333,472	51,405,599	74,000,210	69%
Commercial	5,676,816	4,744,715	45,414,528	36,570,927	68,121,789	54%
Environmental surcharge	230,952	185,111	1,847,616	1,551,241	2,771,421	56%
Industrial	3,146	2,432	25,168	18,480	37,747	49%
Septic and portable	68,289	80,479	546,312	627,986	819,462	77%
Capacity maintenance fees	10,779	1,954	86,232	69,827	129,343	54%
Total wastewater service	<u>12,156,666</u>	<u>11,653,130</u>	<u>97,253,328</u>	<u>90,244,060</u>	<u>145,879,972</u>	62%
Reclaimed water service:						
Residential	490,050	529,676	3,920,400	3,667,037	5,880,602	62%
Commercial	512,684	528,285	4,101,472	3,590,245	6,152,210	58%
Reclaimed water-cooling tower	23,297	22,916	186,376	143,276	279,564	51%
Total reclaimed water service	<u>1,026,031</u>	<u>1,080,877</u>	<u>8,208,248</u>	<u>7,400,558</u>	<u>12,312,376</u>	60%
Miscellaneous:						
Initiate account service	42,953	38,450	343,624	314,534	515,440	61%
Turn off/on service	30,397	10,792	243,176	139,515	364,766	38%
Lien fee charges	510	260	4,080	2,740	6,114	45%
Meter removal/testing	3,103	3,505	24,824	25,115	37,241	67%
Meter/line damage	1,842	1,754	14,736	13,943	22,101	63%
NSF charges	6,910	4,537	55,280	38,727	82,917	47%
Plans and specifications	82,861	97,446	662,888	747,369	994,337	75%
Charges to other funds	1,115	1,787	8,920	12,976	13,383	97%
Developer reimb of plan review	49,114	40,730	392,912	460,384	589,362	78%
Cross Connection Control Program	229,840	246,944	1,838,720	1,925,603	2,758,076	70%
Miscellaneous	163,075	258,817	1,304,600	2,517,503	1,956,896	129%
Total miscellaneous	<u>611,720</u>	<u>705,022</u>	<u>4,893,760</u>	<u>6,198,409</u>	<u>7,340,633</u>	84%
Total operating revenues	<u>\$ 18,746,640</u>	<u>\$ 18,833,204</u>	<u>\$ 149,973,120</u>	<u>\$ 141,524,721</u>	<u>\$ 224,959,652</u>	63%

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

	MAY BUDGET	MAY ACTUAL	FISCAL YTD BUDGET	FISCAL YTD ACTUAL	ANNUAL BUDGET	FISCAL YTD (STD 67%)
Personal services:						
Salaries	\$ 3,747,682	\$ 3,756,125	\$ 29,981,456	\$ 29,307,478	\$ 44,972,183	65%
Fringe benefits	1,641,053	1,393,790	13,128,424	10,977,716	19,692,641	56%
Total personal services	5,388,735	5,149,915	43,109,880	40,285,194	64,664,824	62%
Contractual services:						
Research and studies	93,963	-	751,704	129,990	1,127,561	12%
Legal services	11,582	258	92,656	26,026	138,978	19%
Indirect costs	666,196	666,195	5,329,568	5,329,565	7,994,348	67%
Purchased water	133,687	93,968	1,069,496	881,997	1,604,249	55%
Effluent disposal	279,402	242,089	2,235,216	1,564,811	3,352,823	47%
Comptroller fees	171,401	171,402	1,371,208	1,371,237	2,056,816	67%
Officer fees	761	559	6,088	3,165	9,130	35%
Payments to other governments	322,097	301,457	2,576,776	2,425,953	3,865,166	63%
Janitorial	40,694	38,763	325,552	270,528	488,329	55%
Employment agency	120,824	69,950	966,592	694,888	1,449,889	48%
Training	21,628	1,770	173,024	22,951	259,534	9%
Paving	200,876	117,234	1,607,008	668,463	2,410,509	28%
Software licensing/support fee	225,050	166,554	1,800,400	1,427,647	2,700,601	53%
Other professional fees	245,916	111,959	1,967,328	475,238	2,950,993	16%
Contractual services	1,642,686	625,346	13,141,488	5,786,747	19,712,229	29%
Total contractual services	4,176,763	2,607,504	33,414,104	21,079,206	50,121,155	42%
Materials and supplies:						
Graphic reproduction services	5,482	1,275	43,856	11,581	65,785	18%
Office supplies	14,142	8,788	113,136	46,510	169,703	27%
Event/meal reimbursement	288	-	2,304	-	3,460	0%
Software <\$1000	12,579	-	100,632	53,079	150,948	35%
Computer equipment <\$500	6,962	6,004	55,696	57,426	83,545	69%
Equipment <\$1000	27,772	40,324	222,176	440,378	333,261	132%
Tools	15,364	15,919	122,912	135,210	184,372	73%
Medical	96	-	768	10	1,150	1%
Liquid oxygen	19,354	-	154,832	42,923	232,248	18%
Chemical and pesticides	8	-	64	-	100	0%
Solar salt	27,815	21,433	222,520	125,952	333,776	38%
Chlorine	192,844	70,298	1,542,752	865,969	2,314,130	37%
Fluoride	18,012	7,561	144,096	55,132	216,149	26%
Alum	9,389	12,624	75,112	37,173	112,670	33%
Polymer	183,086	47,061	1,464,688	770,004	2,197,029	35%
Sealing chemicals	208	-	1,664	-	2,500	0%
Corrosion control	68,763	55,210	550,104	427,930	825,158	52%
Carbon dioxide	70,409	22,961	563,272	420,921	844,906	50%
Sodium hydroxide	54,424	22,768	435,392	306,035	653,085	47%
Supplemental carbon	74,461	39,604	595,688	171,274	893,531	19%
Miscellaneous chemicals	32,454	10,484	259,632	90,300	389,446	23%
Material for construction	27,898	150	223,184	150,450	334,780	45%
Clothing	19,612	13,225	156,896	104,054	235,347	44%
Gas-oil-lube-brfl-ant	28,470	665	227,760	65,039	341,634	19%
Miscellaneous expenses	97,290	54,275	778,320	374,502	1,167,484	32%
Total materials & supplies	1,007,182	450,629	8,057,456	4,751,852	12,086,197	39%

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

	MAY BUDGET	MAY ACTUAL	FISCAL YTD BUDGET	FISCAL YTD ACTUAL	ANNUAL BUDGET	FISCAL YTD (STD 67%)
Utilities:						
Communications	\$ 70,288	\$ 121,427	\$ 562,304	\$ 685,231	\$ 843,451	81%
Water	9,927	4,157	79,416	60,532	119,124	51%
Solid waste tipping fees	44,093	-	352,744	188,733	529,117	36%
Garbage disposal	6,471	728	51,768	26,058	77,656	34%
Gas	18,511	5,279	148,088	60,141	222,127	27%
Electric	1,223,875	901,720	9,791,000	7,818,012	14,686,494	53%
Total utilities	1,373,165	1,033,311	10,985,320	8,838,707	16,477,969	54%
Repairs and maintenance:						
Building and grounds	672,443	551,707	5,379,544	4,105,952	8,069,312	51%
Equipment	852,584	758,967	6,820,672	4,970,511	10,231,013	49%
Vehicle maintenance	384,513	314,492	3,076,104	2,624,320	4,614,151	57%
Services	101,710	50,483	813,680	267,940	1,220,515	22%
Mains	441,484	139,119	3,531,872	661,110	5,297,806	12%
Water meters	20,642	-	165,136	45,113	247,703	18%
Fire lines	1,300	-	10,400	450	15,605	3%
Meter installations	42	-	336	-	500	0%
Valves	196,079	52,316	1,568,632	256,418	2,352,951	11%
Utility relocations	42	-	336	-	500	0%
Total repairs & maintenance	2,670,839	1,867,084	21,366,712	12,931,814	32,050,056	40%
Other administrative:						
Local travel	2,716	530	21,728	3,571	32,590	11%
Out of county travel	4,625	-	37,000	-	55,505	0%
Postage and messenger services	78,565	4,206	628,520	284,712	942,775	30%
Moving expenses	125	-	1,000	-	1,500	0%
Toll charges	19,934	18,900	159,472	155,835	239,210	65%
Rental of equipment	84,944	78,496	679,552	485,498	1,019,326	48%
Dues and memberships	14,109	2,237	112,872	128,169	169,308	76%
Subscriptions	2,353	473	18,824	7,530	28,239	27%
Training fees	26,811	9,849	214,488	22,032	321,727	7%
License and certification	3,821	1,098	30,568	10,787	45,854	24%
Advertising	1,410	-	11,280	1,540	16,920	9%
Promotional	12,364	5,612	98,912	22,897	148,371	15%
Educational assistance	2,775	835	22,200	1,889	33,300	6%
Scholarships, awards	651	-	5,208	-	7,810	0%
Improvements to non-county assets	36,950	-	295,600	-	443,397	0%
Bad debt expense	32,000	18,483	256,000	267,799	384,000	70%
Bank charges	137,988	94,087	1,103,904	518,343	1,655,853	31%
Self insurance	310,347	310,345	2,482,776	2,482,757	3,724,164	67%
Refunds of prior year revenue	66,667	4,525	533,336	132,408	800,000	17%
Operating permits	11,654	-	93,232	-	139,849	0%
Accrued expenses	-	(45,248)	-	3,765,511	-	0%
Total other administrative	850,809	504,428	6,806,472	8,291,278	10,209,698	81%
Total O&M expenses	\$ 15,467,493	\$ 11,612,871	\$ 123,739,944	\$ 96,178,051	\$ 185,609,899	52%

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

	MAY BUDGET	MAY ACTUAL	FISCAL YTD BUDGET	FISCAL YTD ACTUAL	ANNUAL BUDGET	FISCAL YTD (STD 67%)
Interest revenue:						
Net revenue	\$ 139,667	\$ 80,138	\$ 1,117,336	\$ 787,455	\$ 1,676,004	47%
Connection fees	-	22,577	-	119,933	-	0%
Bond reserve	-	4	-	821	-	0%
Less: Customer deposits expense	-	(75)	-	(1,114)	-	0%
Total interest revenue	139,667	102,644	1,117,336	907,095	1,676,004	54%
Interest expense:						
Bonds and revolving loans	(869,600)	(949,024)	(6,956,800)	(6,263,578)	(10,435,197)	60%
Capital lease	(207)	(178)	(1,656)	(1,205)	(2,485)	48%
Debt service fees	(184,083)	-	(1,472,664)	-	(2,209,000)	0%
Amortization of bond premium	-	342,830	-	2,742,638	-	(1)
Total interest expense	(1,053,890)	(606,372)	(8,431,120)	(3,522,145)	(12,646,682)	28%
Gain (loss) on disposal of assets:						
Proceeds from sale	-	24,915	-	(37)	-	0%
Gain on disposal of fixed assets	-	-	-	239,734	-	(1)
Gain (loss) on abandoned projects	-	(19,757)	-	1,270,982	-	(1)
Total gain (loss) on disposal of assets	-	5,158	-	1,510,679	-	(1)
Bond issuance costs	(58,333)	-	(466,664)	(634,202)	(700,000)	91%
Hurricane related reimbursements	-	-	-	47,951	-	0%
Total revenue related to hurricanes	-	-	-	47,951	-	
Total non-operating revenues (expenses)	\$ (972,556)	\$ (498,570)	\$ (7,780,448)	\$ (1,690,622)	\$ (11,670,678)	14%

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

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

	<u>MAY BUDGET</u>	<u>MAY ACTUAL</u>	<u>FISCAL YTD BUDGET</u>	<u>FISCAL YTD ACTUAL</u>	<u>ANNUAL BUDGET</u>	<u>FISCAL YTD (STD 67%)</u>
CONNECTION FEES COLLECTED:						
Water connection fees:						
Residential/Commercial	\$ 791,738	\$ 485,054	\$ 6,333,904	\$ 6,275,093	\$ 9,500,853	66%
Irrigation	<u>46,554</u>	<u>33,760</u>	<u>372,432</u>	<u>287,420</u>	<u>558,649</u>	51%
Total water connection fees	<u>838,292</u>	<u>518,814</u>	<u>6,706,336</u>	<u>6,562,513</u>	<u>10,059,502</u>	65%
Wastewater connection fees:						
Residential/Commercial	<u>1,848,729</u>	<u>1,270,818</u>	<u>14,789,832</u>	<u>17,362,366</u>	<u>22,184,743</u>	78%
Total wastewater connection fees	<u>1,848,729</u>	<u>1,270,818</u>	<u>14,789,832</u>	<u>17,362,366</u>	<u>22,184,743</u>	78%
Less reductions:						
Refunds of prior year collections	<u>(83,333)</u>	<u>(7,570)</u>	<u>(666,664)</u>	<u>(34,630)</u>	<u>(1,000,000)</u>	3%
Total reductions	<u>(83,333)</u>	<u>(7,570)</u>	<u>(666,664)</u>	<u>(34,630)</u>	<u>(1,000,000)</u>	3%
Net connection fees	<u>2,603,688</u>	<u>1,782,062</u>	<u>20,829,504</u>	<u>23,890,249</u>	<u>31,244,245</u>	76%
DONATED SYSTEMS:						
Donated easements	-	4,849,000	-	12,925,900	-	0%
Developer fixed assets	-	1,702,625	-	11,080,228	-	0%
Developer reimbursements	-	456	-	2,631	-	0%
Line extensions	<u>-</u>	<u>8,195</u>	<u>-</u>	<u>39,820</u>	<u>-</u>	0%
Total donated systems	<u>-</u>	<u>6,560,276</u>	<u>-</u>	<u>24,048,579</u>	<u>-</u>	0%
Total capital contributions	<u>\$ 2,603,688</u>	<u>\$ 8,342,338</u>	<u>\$ 20,829,504</u>	<u>\$ 47,938,828</u>	<u>\$ 31,244,245</u>	153%

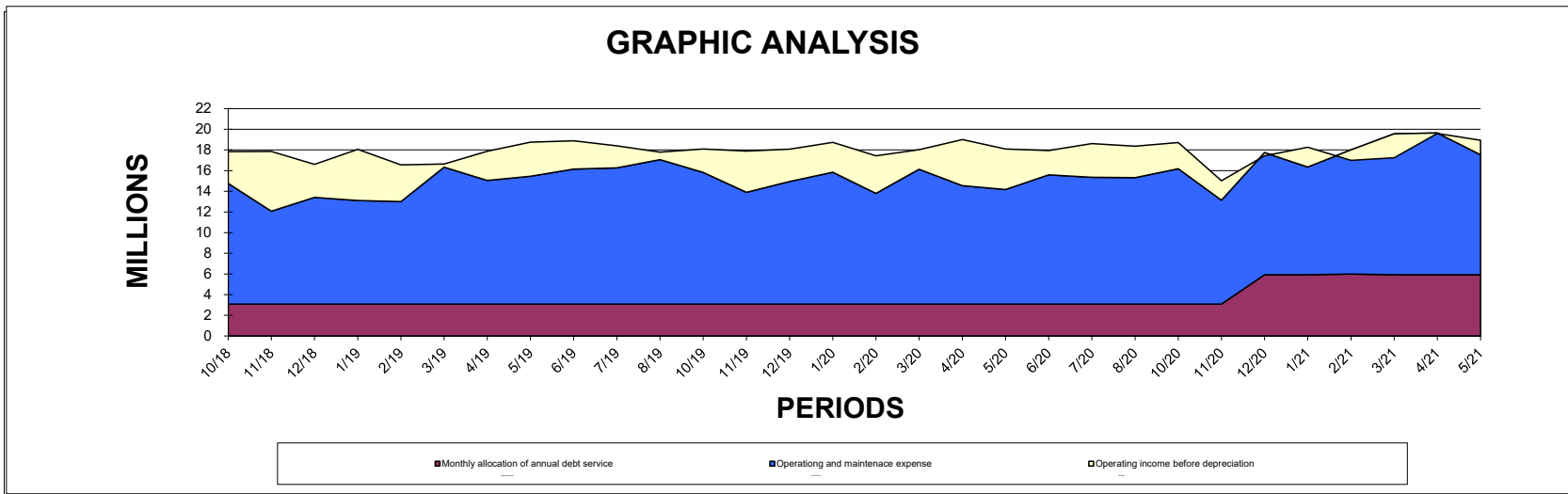
**ORANGE COUNTY WATER UTILITIES SYSTEM
OTHER DISBURSEMENTS DETAIL
FOR THE MONTH ENDED MAY 31, 2021**

	MAY BUDGET	MAY ACTUAL	FISCAL YTD BUDGET	FISCAL YTD ACTUAL	ANNUAL BUDGET	FISCAL YTD (STD 67%)
Capital outlay:						
Land	\$ 68,590	\$ 7,488	\$ 548,720	\$ 33,001	\$ 823,083	4%
Buildings	78,228	8,439	625,824	523,283	938,732	56%
Structures	17,331,558	10,884,775	138,652,464	75,206,277	207,978,696	36%
Equipment	<u>1,115,483</u>	<u>185,202</u>	<u>8,923,864</u>	<u>6,137,033</u>	<u>13,385,800</u>	46%
Total capital outlay	18,593,859	11,085,904	148,750,872	81,899,594	223,126,311	37%
Debt service principal	<u>803,222</u>	<u>751,752</u>	<u>6,425,776</u>	<u>5,993,868</u>	<u>9,638,668</u>	62%
Total other disbursements	<u>\$ 19,397,081</u>	<u>\$ 11,837,656</u>	<u>\$ 155,176,648</u>	<u>\$ 87,893,462</u>	<u>\$ 232,764,979</u>	38%

**ORANGE COUNTY WATER UTILITIES SYSTEM
ANALYTICAL DATA
FISCAL YEAR 2021**

	<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	0.68	0.70	0.68	0.68	0.57	0.69	0.80	0.71	0.62			
Water	0.89	0.92	1.10	0.93	0.63	0.93	1.09	0.91	0.72			
Wastewater	0.55	0.57	0.52	0.52	0.50	0.55	0.63	0.56	0.53			
Bond Coverage Ratios*	5.74	10.84	9.28	5.62	7.87	5.36	3.47	5.80	7.31			

*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 MAY 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 \$15.7 million.