



**ORANGE COUNTY WATER DISTRICT
18700 Ward Street
Fountain Valley, California 92708**

**ADDENDUM NO. 1
FOR
REQUEST FOR PROPOSALS (RFP-24-008)
PROFESSIONAL AUDITING SERVICES
3/4/2025**

This addendum serves as written notice of the following corrections, clarifications, additions and/or deletions to any and all copies of the Request for Proposals for Professional Auditing Services for OCWD.

The proposer shall execute the certification at the end of this addendum and shall attach it to the proposal submitted.

1. Q&A Table

- a. Please refer to Attachment A-1 of this Addendum No.1 for the QA Table, and additional referenced attachments.

ATTACHMENT A-1

Q & A Table

No.	QUESTIONS	ANSWERS
1	Has there been any turnover in management during the past year?	No
2	Has there been any turnover in accounting staff during the past year?	No
3	What accounting software do you use? Any plans for change?	JDE, No
4	How many journal entries were proposed by the auditor in the prior year?	None
5	Are any management letter comments outstanding from the prior year?	No
6	May we receive a copy of last year's management letter?	Attached
7	How many major programs are subject to a Single Audit?	1 or 2
8	Any known or suspected fraud?	No
9	When will the books be ready for the audit?	Mid August
10	Are financial records available electronically?	Not fully
11	Is remote auditing acceptable to the District?	Hybrid is preferred
12	Who prepares the financials?	Auditors
13	Were there any significant transactions (e.g., bond issuance, leases) during the year?	None
14	Significant changes to operations or funding sources?	No
15	Significant construction or capital projects?	Yes
16	Any audits or inspections by regulatory agencies?	No
17	Any changes to the governance structure of the organization?	No
18	Is the incumbent auditor invited to bid?	Yes
19	What were the audit fees for the prior year?	\$54,561
20	Are the current auditors invited to bid on this RFP?	Yes
21	Why is the District considering the change in auditor?	Ended 3 year agreement
22	Is there read-only access to the accounting system remotely?	No
23	Does the District have the capability to provide audit information electronically, to allow for remote fieldwork?	Not fully
24	Does the District prefer the auditors to be on-site for fieldwork? Or would the District be open to a remote or hybrid option?	Hybrid is preferred
25	What was the timing of the interim fieldwork, final fieldwork, and reports?	Mid May, Mid August, End of September

No.	QUESTIONS	ANSWERS
26	What were the fees for the FY 23-24 services? a.District audit b.Single Audit c.Gann Limit AUP d.SCO Report e.Money Purchase Plan & Deferred Compensation Plan Audits f.Money Purchase Plan SCO Report g.Ratio Analysis Report	a. District audit - \$42,764 b. Single audit - \$3,836 c. GANN Limit - N/A d. SCR - FS - \$1,181 e. MMP & 457B audits - \$4,993 f. MPP SCR - \$737 g. Ratio Analysis - \$1,050
27	Are there any new services requested in this RFP that were not included in the prior year audit fees?	No
28	Has the District entered into any major contracts, studies and/or started on any projects in the current fiscal year that were not reflected in the prior year financial statements?	Yes
29	Is the District involved in any litigation not included in the prior year financial statements?	No
30	Did the District have any layoffs, retirements, or replacements of key employees in the finance department?	No
31	Have there been any changes in the District's accounting system or other software since last year?	No
32	How many journal entries occurred after the TB was provided to the auditors – of these journal entries, how many were from the District and how many were from the audit?	Approx. seven OCWD JE's and zero Auditor JE's
33	Did the auditors identify any noncompliance, significant deficiencies, or material weaknesses in the FY 23-24 audit?	No
34	Approximately how many leases does the District have under GASB 87?	10
35	Approximately how many SBITAs does the District have under GASB 96?	6
36	Has the District hired consultants or other vendors for the calculations required by GASB 87 and GASB 96?	No, the District uses a software called Debtbook for the calculation
37	Can you please provide an example/template of the professional services agreement that we would be required to sign? We review this prior to submitting a proposal so any requested changes by our legal department can be communicated in advance to allow for prompt signing of the contract should we be selected.	Yes, this is referenced in the RFP and included as Exhibit B
38	Is the District expected to exceed \$1M in federal expenditures for FY 2025?	Yes

No.	QUESTIONS	ANSWERS
39	Is the Special District Financial Transactions Report included in the scope of services? If included in scope, please provide a copy of the FY 2024 report submitted.	Yes - attached
40	When does the District close its books have the trial balance ready for audit?	1st week in August
41	Have the auditors scheduled and conducted onsite fieldwork? Or is there a remote or hybrid model? What is the District's preference?	Hybrid is preferred
42	What, if any, were the audit adjustments identified for the FY 2024 financial statements?	None
43	What if any is the relationship between the Orange County Water District and the Municipal Water District of Orange County? We noted that the administrative office addresses are the same, however neither is reported as part of the other one's reporting entity or noted as a component unit.	Separate agencies - MWDOC is not part of OCWD
44	How many bargaining units does the District have and has the GASB 101 implementation analysis been started?	1, GASB 101 will be implemented FY24-25
45	Does the District use software to manage debt, leases and SBITA? If so, what software package?	Yes - Debtbook software
46	Will the District issue or refund debt during FY 2025?	No
47	Is the District planning any replacements or upgrades to accounting and/or billing software?	No
48	What software does the District use for its G/L, billing/collections, procurement and payroll?	JDE Oracle
49	Has the District implemented electronic workflows for billing/collections, disbursements, and payroll?	AP automation was implemented in FY23-24
50	Does the District collect cash receipts or contract through a bank lockbox or other collection vendor?	No
51	What management specialist does the District use? Actuary, investments, other?	Actuary
52	Page 4 of the RFP discuss the auditor preparing calculations related to debt and operations. Please provide a copy of the most recent report prepared by the auditors with the ratio calculations and analysis. Page 4 excerpt: In addition, the auditor will perform the necessary parity calculations whenever required.	See attached

No.	QUESTIONS	ANSWERS
	The auditor shall prepare an analysis of the District's current, quick, debt and operating margin ratios, days cash in hand and coverage ratio comparing them to the prior four-year historic trends. A copy of the District's prior year's ratio analysis report will be made available upon request.	
53	Page 12 Section 7.1. states: <i>The main directory of the flash drive shall contain the entire proposal as two separate PDF files for Part One and Part Two.</i> There are no other references to Part One and Part Two in the RFP, so please provide more detail.	Disregard Part Two (it does not apply to this RFP)
54	Page 7, section 6.6. Based on the request that the firm is also required to submit information on the report of its most recent peer review, are we required to attach the actual report itself and if so, is that page excluded from the maximum page count of 25?	Typically it's 1 - 2 page letter and would be included in the 25 page limit.
55	On Attachment NO.1 item 5 lists Company Background; would this be considered the items identified on page 7, section 6.6 Firm Qualifications and Experience?	Please complete the elements of the proposal for section 6.6 as indicated in the RFP to keep uniformity.
56	Understanding that the question deadline is March 3, would the District consider extending the proposal due date of March 10 to March 12 so that sufficient time is provided to review all questions and responses and appropriately apply that information to the proposal?	We cannot extend the date due to short time to complete the award.
57	Please clarify whether the auditor is required to draft the ACFR?	ACFR is required. Auditor prepares the FS and notes, OCWD prepares the MD&A and Statistical section.
58	Please provide copies of the Money Purchase Plan audit, Deferred Compensation Plan audit and the Ratio Analysis reports for the most recent year completed.	Attached
59	For the most recent audit, what were the time periods for interim fieldwork and final fieldwork?	Interim - Mid May Final fieldwork Mid August ACFR Draft report due end of September
60	How many auditors participated in the audit and for how many weeks at interim and final?	3-4 auditors at interim and final fieldwork, each approx 2 weeks.
61	Are the accounting records and related support centrally maintained in an electronic manner?	Accounting records are centralized and some are electronic, not all.
62	Is the scope of work in the current RFP the same as the prior year scope? If not, what is different?	Yes

No.	QUESTIONS	ANSWERS
63	How many hours were incurred in the prior year audit (by segment)?	District audit - 284 hours Single audit - 26 hours SCR - FS - 8 hours MMP & 457B audits - 35 hours MPP SCR - 4 hours Ratio Analysis - 6 hours
64	Is the District open to a hybrid (remote with targeted onsite fieldwork) audit approach?	Hybrid is preferred
65	What part of the engagement process would the District like to improve, if applicable?	No specific areas noted for improvement
66	Once trial balances were provided to the auditors, what was the overall nature of post-closing adjustments identified/provided by management?	Approx. 7 adjustments by OCWD
67	For FY 2024, what was the overall nature and volume of audit adjustments proposed by the external auditors?	None
68	Are there any major changes in operations that will affect the audits under this request for proposal?	No
69	Were there any major audit issues identified for 2024? Any anticipated ones for 2025?	None, None
70	What transition issues would the District be concerned about if the audit is awarded to new auditors?	The firm's audit approach, their transition process, and what are the firms measures for ensuring meeting our timelines on concluding the audit and the report.
71	What were the fees, by segment, for the last audit?	a. District audit - \$42,764 b. Single audit - \$3,836 c. GANN Limit - N/A d. SCR - FS - \$1,181 e. MMP & 457B audits - \$4,993 f. MPP SCR - \$737 g. Ratio Analysis - \$1,050

2024 State Controllers Report

SPECIAL DISTRICT FINANCIAL TRANSACTIONS REPORT COVER PAGE

Special District Name: Orange County Water District

Fiscal Year: **2024**

ID Number: **12453003500**

Certification:

I hereby certify that, to the best of my knowledge and belief, the report forms fairly reflect the financial transactions of the special district in accordance with the requirements as prescribed by the California State Controller.

Special District Fiscal Officer

Signature

Title

Name (Please Print)

Date

Per Government Code section 53891(a), this report is due within seven months after the close of the fiscal year or within the time prescribed by the Controller, whichever is later. The report shall contain underlying data from audited financial statements prepared in accordance with generally accepted accounting principles, if this data is available.

If submitted manually, please complete, sign, and mail this cover page to either address below:

Mailing Address:

Local Government Reporting Section - Special District
Local Government Programs and Services Division
California State Controller's Office
P.O. Box 942850
Sacramento, CA 94250

Express Mailing Address:

Local Government Reporting Section - Special District
Local Government Programs and Services Division
California State Controller's Office
3301 C Street, Suite 740
Sacramento, CA 95816

The Financial Transactions Report was successfully submitted to the State Controller's Office on 1/22/2025 3:07:51 PM

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
General Information

Fiscal Year: 2024

District Mailing Address

Street 1 ☐ Has Address Changed?

Street 2

City State Zip

Email

Members of the Governing Body

	First Name	M. I.	Last Name	Title
Member 1	Van		Tran	Vice President
Member 2	Roger		Yoh	Board Member
Member 3	Dina		Nguyen	Board Member
Member 4	Denis		Bilodeau	Vice President
Member 5	Cathy		Green	President
Member 6	Erik K		Weigand	Board Member
Member 7	Stephen		Sheldon	Board Member
Member 8	Valerie		Amezcuca	Board Member
Member 9	Bruce		Whitaker	Board Member
Member 10	Natalie		Meeks	Board Member
Member				

District Fiscal Officers

	First Name	M. I.	Last Name	Title	Email
Official 1	Randy		Fick	CFO	rfick@ocwd.com
Official 2	Melissa		Ochoa	Controller	mochoa@ocwd.com
Officials					

Report Prepared By

First Name M. I. Last Name

Telephone Email

Independent Auditor

Firm Name

First Name M. I. Last Name

Telephone

1. Is this district a component unit of a City, County, or Special District (Choose one)? If "Yes", answer question 2. ☐ Yes ☒ No

2. Is this district a blended component unit (BCU) or a discretely presented component unit (DPCU) of a City, County, or Special District (Choose one)? Refer to the Financial Transactions Report (FTR) instructions for definitions of these terms. If the district is a BCU, answer questions 3 - 5.

☐ BCU ☐ DPCU

3. Is financial data of this BCU included in the financial statements or Annual Comprehensive Financial Report (ACFR) of a City, County, or Special District (Choose one)?

☐ City ☐ County ☐ Special District

4. In which City, County, or Special District financial statements or ACFR is the financial data of this BCU included?

City name:

County name:

Special District name:

5. Is financial data of this BCU included in the City, County, or Special District FTR (Choose one)? ☐ Yes ☐ No

6. In preparing the District's financial transactions reports for governmental fund type accounts, which basis of accounting was used? (Choose one):

☐ Cash basis ☐ Modified cash basis ☐ Modified accrual basis ☐ Full accrual basis ☒ N/A

7. In preparing the District's financial transactions reports for proprietary fund type accounts (Internal Service Funds and Enterprise Funds), which basis of accounting was used? (Choose one):

☐ Cash basis ☐ Modified cash basis ☐ Modified accrual basis ☒ Full accrual basis ☐ N/A

8. In preparing the District's financial transactions reports for fiduciary fund type accounts, which basis of accounting was used? (Choose one):

☐ Cash basis ☐ Modified cash basis ☐ Modified accrual basis ☐ Full accrual basis ☒ N/A

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Water Enterprise Fund
Statement of Revenues, Expenses, and Changes in Fund Net Position

Fiscal Year: 2024

Operating Revenues

Water Sales Revenues

Retail Water Sales

R01.	Residential	
R02.	Business	
R03.	Industrial	
R04.	Irrigation	
R09.	Sales to Other Utilities for Resale	
R10.	Interdepartmental	
R11.	Other Water Sales Revenues	

Water Services Revenues

R12.	Fire Prevention	
R13.	Groundwater Replenishment	178,266,662
R14.	Connection Fees	
R15.	Standby and Availability Charges	
R16.	Service-Type Assessments	
R17.	Other Water Services Revenues	
R18.	Other Operating Revenues	2,636,908
R19.	Total Operating Revenues	\$180,903,570

Operating Expenses

Water Supply Expenses

R20.	Water Supply	
R21.	Water Purchases	5,398,965
R22.	Groundwater Replenishment	
R23.	Other Water Supply Expenses	
R24.	Pumping	
R25.	Treatment	63,184,715
R26.	Transmission and Distribution	
R28.	Customer Accounting and Collection	
R29.	Sales Promotion	
R30.	Personnel Services	22,400,804

R31.	Contractual Services	4,200,151
R32.	Materials and Supplies	3,850,138
R33.	General and Administrative Expenses	4,550,163
R34.	Depreciation and Amortization Expenses	39,852,607
R35.	Other Operating Expenses	
R36.	Total Operating Expenses	\$143,437,543
R37.	Operating Income (Loss)	\$37,466,027
Nonoperating Revenues		
R38.	Investment Income	15,971,840
R39.	Rents, Leases, Concessions, and Royalties	1,821,857
Taxes and Assessments		
SD40.	Current Secured and Unsecured (1%)	37,572,842
SD41.	Voter-Approved Taxes	
SD42.	Pass-through Property Taxes (ABX1 26)	
SD43.	Property Assessments	
SD44.	Special Assessments	
SD45.	Special Taxes	
SD46.	Prior-Year Taxes and Assessments	
SD47.	Penalties and Cost of Delinquent Taxes and Assessments	
Intergovernmental – Federal		
R48.	Aid for Construction	
R49.	Other Intergovernmental – Federal	
Intergovernmental – State		
R50.	Aid for Construction	
SD51.	Homeowners Property Tax Relief	129,067
SD52.	Timber Yield	
R53.	In-Lieu Taxes	
R54.	Other Intergovernmental – State	
R55.	Intergovernmental – County	
R56.	Intergovernmental – Other	344,521
R57.	Gain on Disposal of Capital Assets	324,572
R58.	Other Nonoperating Revenues	3,624,127
R59.	Total Nonoperating Revenues	\$59,788,826

Nonoperating Expenses		
R60.	Interest Expense	16,229,395
R61.	Loss on Disposal of Capital Assets	
R62.	Other Nonoperating Expenses	
R63.	Total Nonoperating Expenses	\$16,229,395
R64.	Income (Loss) Before Capital Contributions, Transfers, and Special and Extraordinary Items	\$81,025,458
Capital Contributions		
R65.	Federal	534,200
R66.	State	
R67.	Connection Fees (Capital)	
R68.	County	
R69.	Other Government	
R70.	Other Capital Contributions	-24,641,415
R71.	Total Capital Contributions	\$-24,107,215
R72.	Transfers In	
R73.	Transfers Out	
Special and Extraordinary Items		
R73.5	Special Item	
R73.6	Extraordinary Item	
R73.7	Total Special and Extraordinary Items	\$0
R74.	Change in Net Position	\$56,918,243
R75.	Net Position (Deficit), Beginning of Fiscal Year	\$472,675,468
R76.	Adjustment	
R77.	Reason for Adjustment	
R78.	Net Position (Deficit), End of Fiscal Year	\$529,593,711
Net Position (Deficit)		
R79.	Net Investment in Capital Assets	200,286,418
R80.	Restricted	2,158,992
R81.	Unrestricted	327,148,301
R82.	Total Net Position (Deficit)	\$529,593,711

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Long-Term Debt
Bonds and COPs

Go to Report: Detail Summary of Long-Term Debt

Fiscal Year: 2024

SD01. Districtwide or Improvement District/Zone	Districtwide
SD02. Improvement District/Zone (if applicable)	
R03. Purpose of Debt (1 of 5) (Record Completed)	Capital Improvements
R04. Nature of Revenue Pledged	Net revenues as defined by the bond indenture
R05. Percent of Pledge	100%
R06. Debt Type	Certificates of Participation
R07. Fund Type	Enterprise
SD08. Activity	Water Enterprise
R09. Year of Issue	2017
R10. Beginning Maturity Year	2035
R11. Ending Maturity Year	2043
R12. Principal Authorized	129,815,000
R13. Principal Issued to Date	129,815,000
R14. Principal Unspent	
R15. Principal Payable, Beginning of Fiscal Year	\$129,815,000
R16. Adjustment to Principal in Current Fiscal Year	
R17. Reason for Adjustment to Principal in Current Fiscal Year	
R18. Principal Issued in Current Fiscal Year	
R18.5 Bond Discount/Premium at Issuance in Current Fiscal Year	
R19. Principal Paid in Current Fiscal Year	
R19.5 Bond Discount/Premium Amortized in Current Fiscal Year	
R20. Principal Defeased in Current Fiscal Year	
R21. Principal Payable, End of Fiscal Year	\$129,815,000
R22. Principal Payable, Current Portion	
R23. Principal Payable, Noncurrent Portion	\$129,815,000
R24. Interest Paid in Current Fiscal Year	3,116,748
R25. Principal Delinquent, End of Fiscal Year	
R26. Interest Delinquent, End of Fiscal Year	
R27. Amount Held in Reserve	

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Long-Term Debt
Bonds and COPs

Go to Report: Detail Summary of Long-Term Debt

Fiscal Year: 2024

SD01. Districtwide or Improvement District/Zone	Districtwide
SD02. Improvement District/Zone (if applicable)	
R03. Purpose of Debt (2 of 5) (Record Completed)	Refunding Revenue Bonds
R04. Nature of Revenue Pledged	Net revenues as defined by the bond indenture
R05. Percent of Pledge	100%
R06. Debt Type	Revenue Bonds
R07. Fund Type	Enterprise
SD08. Activity	Water Enterprise
R09. Year of Issue	2017
R10. Beginning Maturity Year	2018
R11. Ending Maturity Year	2042
R12. Principal Authorized	105,500,000
R13. Principal Issued to Date	105,500,000
R14. Principal Unspent	
R15. Principal Payable, Beginning of Fiscal Year	\$112,089,578
R16. Adjustment to Principal in Current Fiscal Year	
R17. Reason for Adjustment to Principal in Current Fiscal Year	
R18. Principal Issued in Current Fiscal Year	
R18.5 Bond Discount/Premium at Issuance in Current Fiscal Year	
R19. Principal Paid in Current Fiscal Year	460,000
R19.5 Bond Discount/Premium Amortized in Current Fiscal Year	435,562
R20. Principal Defeased in Current Fiscal Year	
R21. Principal Payable, End of Fiscal Year	\$111,194,016
R22. Principal Payable, Current Portion	485,000
R23. Principal Payable, Noncurrent Portion	\$110,709,016
R24. Interest Paid in Current Fiscal Year	4,552,343
R25. Principal Delinquent, End of Fiscal Year	
R26. Interest Delinquent, End of Fiscal Year	
R27. Amount Held in Reserve	

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Long-Term Debt
Bonds and COPs

Go to Report: Detail Summary of Long-Term Debt

Fiscal Year: 2024

SD01. Districtwide or Improvement District/Zone	Districtwide
SD02. Improvement District/Zone (if applicable)	
R03. Purpose of Debt (3 of 5) (Record Completed)	Capital Improvements
R04. Nature of Revenue Pledged	Net revenues as defined by the bond indenture
R05. Percent of Pledge	100%
R06. Debt Type	Certificates of Participation
R07. Fund Type	Enterprise
SD08. Activity	Water Enterprise
R09. Year of Issue	2019
R10. Beginning Maturity Year	2020
R11. Ending Maturity Year	2032
R12. Principal Authorized	141,505,000
R13. Principal Issued to Date	141,505,000
R14. Principal Unspent	
R15. Principal Payable, Beginning of Fiscal Year	\$27,592,883
R16. Adjustment to Principal in Current Fiscal Year	
R17. Reason for Adjustment to Principal in Current Fiscal Year	
R18. Principal Issued in Current Fiscal Year	
R18.5 Bond Discount/Premium at Issuance in Current Fiscal Year	
R19. Principal Paid in Current Fiscal Year	20,340,000
R19.5 Bond Discount/Premium Amortized in Current Fiscal Year	971,340
R20. Principal Defeased in Current Fiscal Year	
R21. Principal Payable, End of Fiscal Year	\$6,281,543
R22. Principal Payable, Current Portion	160,000
R23. Principal Payable, Noncurrent Portion	\$6,121,543
R24. Interest Paid in Current Fiscal Year	295,850
R25. Principal Delinquent, End of Fiscal Year	
R26. Interest Delinquent, End of Fiscal Year	
R27. Amount Held in Reserve	

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Long-Term Debt
Bonds and COPs

Go to Report: Detail Summary of Long-Term Debt

Fiscal Year: 2024

SD01. Districtwide or Improvement District/Zone	Districtwide
SD02. Improvement District/Zone (if applicable)	
R03. Purpose of Debt (4 of 5) (Record Completed)	Refunding Revenue Bonds
R04. Nature of Revenue Pledged	Net revenues as defined by the bond indenture
R05. Percent of Pledge	100%
R06. Debt Type	Revenue Bonds
R07. Fund Type	Enterprise
SD08. Activity	Water Enterprise
R09. Year of Issue	2019
R10. Beginning Maturity Year	2020
R11. Ending Maturity Year	2036
R12. Principal Authorized	158,200,000
R13. Principal Issued to Date	158,200,000
R14. Principal Unspent	
R15. Principal Payable, Beginning of Fiscal Year	\$161,112,206
R16. Adjustment to Principal in Current Fiscal Year	
R17. Reason for Adjustment to Principal in Current Fiscal Year	
R18. Principal Issued in Current Fiscal Year	
R18.5 Bond Discount/Premium at Issuance in Current Fiscal Year	
R19. Principal Paid in Current Fiscal Year	5,585,000
R19.5 Bond Discount/Premium Amortized in Current Fiscal Year	1,691,578
R20. Principal Defeased in Current Fiscal Year	
R21. Principal Payable, End of Fiscal Year	\$153,835,628
R22. Principal Payable, Current Portion	5,850,000
R23. Principal Payable, Noncurrent Portion	\$147,985,628
R24. Interest Paid in Current Fiscal Year	5,508,546
R25. Principal Delinquent, End of Fiscal Year	
R26. Interest Delinquent, End of Fiscal Year	
R27. Amount Held in Reserve	

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Long-Term Debt
Bonds and COPs

Go to Report: Detail Summary of Long-Term Debt

Fiscal Year: 2024

SD01. Districtwide or Improvement District/Zone	Districtwide
SD02. Improvement District/Zone (if applicable)	
R03. Purpose of Debt (5 of 5) (Record Completed)	Capital Improvements
R04. Nature of Revenue Pledged	Net revenues as defined by the bond indenture
R05. Percent of Pledge	100%
R06. Debt Type	Certificates of Participation
R07. Fund Type	Enterprise
SD08. Activity	Water Enterprise
R09. Year of Issue	2022
R10. Beginning Maturity Year	2025
R11. Ending Maturity Year	2025
R12. Principal Authorized	94,420,000
R13. Principal Issued to Date	94,420,000
R14. Principal Unspent	
R15. Principal Payable, Beginning of Fiscal Year	\$99,613,649
R16. Adjustment to Principal in Current Fiscal Year	
R17. Reason for Adjustment to Principal in Current Fiscal Year	
R18. Principal Issued in Current Fiscal Year	
R18.5 Bond Discount/Premium at Issuance in Current Fiscal Year	
R19. Principal Paid in Current Fiscal Year	
R19.5 Bond Discount/Premium Amortized in Current Fiscal Year	3,205,954
R20. Principal Defeased in Current Fiscal Year	
R21. Principal Payable, End of Fiscal Year	\$96,407,695
R22. Principal Payable, Current Portion	94,420,000
R23. Principal Payable, Noncurrent Portion	\$1,987,695
R24. Interest Paid in Current Fiscal Year	3,776,800
R25. Principal Delinquent, End of Fiscal Year	
R26. Interest Delinquent, End of Fiscal Year	
R27. Amount Held in Reserve	

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Detail Summary of Long-Term Debt

Back to Form: Long-Term Debt

Fiscal Year: 2024

	Year of Issue	Principal Payable, Beginning of Fiscal Year	Principal Issued in Current Fiscal Year	Principal Paid in Current Fiscal Year	Principal Payable, End of Fiscal Year	Principal Payable, Current Portion	Principal Payable, Noncurrent Portion	Interest Paid in Current Fiscal Year
Enterprise								
Certificates of Participation								
Capital Improvements	2017	129,815,000	0	0	129,815,000	0	129,815,000	3,116,748
Capital Improvements	2019	27,592,883	0	20,340,000	6,281,543	160,000	6,121,543	295,850
Capital Improvements	2022	99,613,649	0	0	96,407,695	94,420,000	1,987,695	3,776,800
Revenue Bonds								
Refunding Revenue Bonds	2017	112,089,578	0	460,000	111,194,016	485,000	110,709,016	4,552,343
Refunding Revenue Bonds	2019	161,112,206	0	5,585,000	153,835,628	5,850,000	147,985,628	5,508,546
Total Enterprise Debt:		\$530,223,316	\$0	\$26,385,000	\$497,533,882	\$100,915,000	\$396,618,882	\$17,250,287

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Other Long-Term Debt
Loans, Notes, and Other

Go to Report: Detail Summary of Other Long-Term Debt

Fiscal Year: 2024

R01.	Purpose of Debt (1 of 2) (Record Completed)	Land Purchase
R02.	Nature of Revenue Pledged	Net revenues as defined by the bond indenture
R03.	Debt Type	Notes
R04.	Fund Type	Enterprise
SD05.	Activity	Water Enterprise
R06.	Year of Issue	2014
R07.	Beginning Maturity Year	2014
R08.	Ending Maturity Year	2024
R09.	Principal Authorized	28,400,000
R10.	Principal Received to Date	28,400,000
R11.	Principal Unspent	
R12.	Principal Outstanding, Beginning of Fiscal Year	\$12,900,000
R13.	Adjustment to Principal in Current Fiscal Year	
R14.	Reason for Adjustment to Principal in Current Fiscal Year	
R15.	Principal Received in Current Fiscal Year	
R16.	Principal Paid in Current Fiscal Year	
R17.	Principal Refinanced in Current Fiscal Year	
R18.	Principal Outstanding, End of Fiscal Year	\$12,900,000
R19.	Principal Outstanding, Current Portion	12,900,000
R20.	Principal Outstanding, Noncurrent Portion	\$0
R21.	Interest Paid in Current Fiscal Year	
R22.	Principal Delinquent, End of Fiscal Year	
R23.	Interest Delinquent, End of Fiscal Year	
SD24.	Principal Due but Not Presented (Time Warrants Only)	
SD25.	Interest Due but Not Presented (Time Warrants Only)	

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Other Long-Term Debt
Loans, Notes, and Other

Go to Report: Detail Summary of Other Long-Term Debt

Fiscal Year: 2024

R01.	Purpose of Debt (2 of 2) (Record Completed)	In-lieu Water Purchase
R02.	Nature of Revenue Pledged	Net revenues as defined by the bond indenture
R03.	Debt Type	Notes
R04.	Fund Type	Enterprise
SD05.	Activity	Water Enterprise
R06.	Year of Issue	2018
R07.	Beginning Maturity Year	2019
R08.	Ending Maturity Year	2025
R09.	Principal Authorized	40,000,000
R10.	Principal Received to Date	40,000,000
R11.	Principal Unspent	
R12.	Principal Outstanding, Beginning of Fiscal Year	\$14,500,000
R13.	Adjustment to Principal in Current Fiscal Year	
R14.	Reason for Adjustment to Principal in Current Fiscal Year	
R15.	Principal Received in Current Fiscal Year	
R16.	Principal Paid in Current Fiscal Year	14,500,000
R17.	Principal Refinanced in Current Fiscal Year	
R18.	Principal Outstanding, End of Fiscal Year	\$0
R19.	Principal Outstanding, Current Portion	
R20.	Principal Outstanding, Noncurrent Portion	\$0
R21.	Interest Paid in Current Fiscal Year	
R22.	Principal Delinquent, End of Fiscal Year	
R23.	Interest Delinquent, End of Fiscal Year	
SD24.	Principal Due but Not Presented (Time Warrants Only)	
SD25.	Interest Due but Not Presented (Time Warrants Only)	

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Detail Summary of Other Long-Term Debt

Back to Form: Other Long-Term Debt

Fiscal Year: 2024

	Year of Issue	Principal Outstanding, Beginning of Fiscal Year	Principal Received in Current Fiscal Year	Principal Paid in Current Fiscal Year	Principal Outstanding, End of Fiscal Year	Principal Outstanding, Current Portion	Principal Outstanding, Noncurrent Portion	Interest Paid in Current Fiscal Year
Enterprise								
Notes								
In-lieu Water Purchase	2018	14,500,000	0	14,500,000	0	0	0	0
Land Purchase	2014	12,900,000	0	0	12,900,000	12,900,000	0	0
Total Enterprise Debt:		\$27,400,000	\$0	\$14,500,000	\$12,900,000	\$12,900,000	\$0	\$0

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Construction Financing
Federal and State

Go to Report: Detail Summary of Construction Financing

Fiscal Year: 2024

R01.	Federal or State Financing	State Financing
R02.	Purpose of Debt (1 of 13)	Construct Water Facilities - GWRS Micro Filtratic ▼
R03.	Nature of Revenue Pledged	Net revenues as defined by the bond indenture
R04.	Debt Type	Loans ▼
R05.	Fund Type	Enterprise ▼
SPD06.	Activity	Water Enterprise ▼
R07.	Contract Date	11/19/2020
R08.	Maximum Repayment Obligation per Contract, Beginning of Fiscal Year	\$8,659,470
R09.	Initial Repayment Obligation	
R10.	Adjustment to Repayment Obligation in Current Fiscal Year	
R11.	Reason for Adjustment to Repayment Obligation in Current Fiscal Year	
R12.	Maximum Repayment Obligation per Contract, End of Fiscal Year	\$8,659,470
R13.	Year of Issue	2006
R14.	Beginning Maturity Year	2006
R15.	Ending Maturity Year	2024
R16.	Principal Authorized	8,659,470
R17.	Principal Received to Date	7,216,196
R18.	Principal Expended to Date	7,216,196
R19.	Principal Unspent	0
R20.	Principal Outstanding, Beginning of Fiscal Year	\$471,615
R21.	Adjustment to Principal in Current Fiscal Year	
R22.	Reason for Adjustment to Principal in Current Fiscal Year	
R23.	Principal Received in Current Fiscal Year	
R24.	Principal Paid in Current Fiscal Year	471,615
R24.5	Principal Refinanced in Current Fiscal Year	
R25.	Principal Paid to Date	\$3,523,063
R26.	Principal Outstanding, End of Fiscal Year	\$0
R27.	Principal Outstanding, Current Portion	
R28.	Principal Outstanding, Noncurrent Portion	\$0
R29.	Interest Paid in Current Fiscal Year	9,466
R30.	Principal Delinquent, End of Fiscal Year	
R31.	Interest Delinquent, End of Fiscal Year	

Note: Maximum Repayment Obligation refers to the maximum amount that may be borrowed as specified in each contract. DO NOT reduce Maximum Repayment Obligation by annual principal payments.

R32. **Estimated Payment Schedule**

Fiscal Year(s) (YYYY)	Principal	Interest	Total Debt Service	
				Delete
				Delete
				Delete
				Delete
				Delete
Fiscal Year(s) (YYYY-YYYY)	Principal	Interest	Total Debt Service	
				Add Year
Total Estimated Payments	\$0	\$0		

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Construction Financing
Federal and State

Go to Report: Detail Summary of Construction Financing

Fiscal Year: 2024

R01.	Federal or State Financing	State Financing
R02.	Purpose of Debt (2 of 13) (Record Completed)	Construct Water Facilities - GWRS Barrier Facili
R03.	Nature of Revenue Pledged	Net revenues as defined by the bond indenture
R04.	Debt Type	Loans
R05.	Fund Type	Enterprise
SPD06.	Activity	Water Enterprise
R07.	Contract Date	11/19/2020
R08.	Maximum Repayment Obligation per Contract, Beginning of Fiscal Year	\$4,491,018
R09.	Initial Repayment Obligation	
R10.	Adjustment to Repayment Obligation in Current Fiscal Year	
R11.	Reason for Adjustment to Repayment Obligation in Current Fiscal Year	
R12.	Maximum Repayment Obligation per Contract, End of Fiscal Year	\$4,491,018
R13.	Year of Issue	2006
R14.	Beginning Maturity Year	2006
R15.	Ending Maturity Year	2026
R16.	Principal Authorized	4,491,018
R17.	Principal Received to Date	3,479,837
R18.	Principal Expended to Date	3,479,837
R19.	Principal Unspent	0
R20.	Principal Outstanding, Beginning of Fiscal Year	\$635,056
R21.	Adjustment to Principal in Current Fiscal Year	
R22.	Reason for Adjustment to Principal in Current Fiscal Year	
R23.	Principal Received in Current Fiscal Year	
R24.	Principal Paid in Current Fiscal Year	207,714
R24.5	Principal Refinanced in Current Fiscal Year	
R25.	Principal Paid to Date	\$1,557,215
R26.	Principal Outstanding, End of Fiscal Year	\$427,342
R27.	Principal Outstanding, Current Portion	211,660
R28.	Principal Outstanding, Noncurrent Portion	\$215,682
R29.	Interest Paid in Current Fiscal Year	12,066
R30.	Principal Delinquent, End of Fiscal Year	
R31.	Interest Delinquent, End of Fiscal Year	

Note: Maximum Repayment Obligation refers to the maximum amount that may be borrowed as specified in each contract. DO NOT reduce Maximum Repayment Obligation by annual principal payments.

R32. **Estimated Payment Schedule**

Fiscal Year(s) (YYYY)	Principal	Interest	Total Debt Service	
2025	211,660	8,120	219,780	Delete
2026	215,682	4,099	219,781	Delete
				Add Year
Total Estimated Payments	\$427,342	\$12,219	\$439,561	

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Construction Financing
Federal and State

Go to Report: Detail Summary of Construction Financing

Fiscal Year: 2024

R01.	Federal or State Financing	State Financing
R02.	Purpose of Debt (3 of 13) (Record Completed)	Construct Water Facilities - GWRS Pipeline Unit
R03.	Nature of Revenue Pledged	Net revenues as defined by the bond indenture
R04.	Debt Type	Loans
R05.	Fund Type	Enterprise
SPD06.	Activity	Water Enterprise
R07.	Contract Date	12/10/2009
R08.	Maximum Repayment Obligation per Contract, Beginning of Fiscal Year	\$5,310,891
R09.	Initial Repayment Obligation	
R10.	Adjustment to Repayment Obligation in Current Fiscal Year	
R11.	Reason for Adjustment to Repayment Obligation in Current Fiscal Year	
R12.	Maximum Repayment Obligation per Contract, End of Fiscal Year	\$5,310,891
R13.	Year of Issue	2006
R14.	Beginning Maturity Year	2006
R15.	Ending Maturity Year	2026
R16.	Principal Authorized	5,310,891
R17.	Principal Received to Date	4,425,725
R18.	Principal Expended to Date	4,425,725
R19.	Principal Unspent	0
R20.	Principal Outstanding, Beginning of Fiscal Year	\$807,604
R21.	Adjustment to Principal in Current Fiscal Year	
R22.	Reason for Adjustment to Principal in Current Fiscal Year	
R23.	Principal Received in Current Fiscal Year	
R24.	Principal Paid in Current Fiscal Year	264,138
R24.5	Principal Refinanced in Current Fiscal Year	
R25.	Principal Paid to Date	\$1,979,923
R26.	Principal Outstanding, End of Fiscal Year	\$543,466
R27.	Principal Outstanding, Current Portion	269,169
R28.	Principal Outstanding, Noncurrent Portion	\$274,297
R29.	Interest Paid in Current Fiscal Year	15,382
R30.	Principal Delinquent, End of Fiscal Year	
R31.	Interest Delinquent, End of Fiscal Year	

Note: Maximum Repayment Obligation refers to the maximum amount that may be borrowed as specified in each contract. DO NOT reduce Maximum Repayment Obligation by annual principal payments.

R32. **Estimated Payment Schedule**

Fiscal Year(s) (YYYY)	Principal	Interest	Total Debt Service	
2025	269,169	10,351	279,520	Delete
2026	274,297	5,224	279,521	Delete
				Add Year
Total Estimated Payments	\$543,466	\$15,575	\$559,041	

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Construction Financing
Federal and State

Go to Report: Detail Summary of Construction Financing

Fiscal Year: 2024

R01.	Federal or State Financing	State Financing
R02.	Purpose of Debt (4 of 13) (Record Completed)	Construct Water Facilities - GWRS Pipeline Unit
R03.	Nature of Revenue Pledged	Net revenues as defined by the bond indenture
R04.	Debt Type	Loans
R05.	Fund Type	Enterprise
SPD06.	Activity	Water Enterprise
R07.	Contract Date	11/19/2020
R08.	Maximum Repayment Obligation per Contract, Beginning of Fiscal Year	\$3,452,552
R09.	Initial Repayment Obligation	
R10.	Adjustment to Repayment Obligation in Current Fiscal Year	
R11.	Reason for Adjustment to Repayment Obligation in Current Fiscal Year	
R12.	Maximum Repayment Obligation per Contract, End of Fiscal Year	\$3,452,552
R13.	Year of Issue	2006
R14.	Beginning Maturity Year	2006
R15.	Ending Maturity Year	2026
R16.	Principal Authorized	3,452,552
R17.	Principal Received to Date	2,877,115
R18.	Principal Expended to Date	2,877,115
R19.	Principal Unspent	0
R20.	Principal Outstanding, Beginning of Fiscal Year	\$524,917
R21.	Adjustment to Principal in Current Fiscal Year	
R22.	Reason for Adjustment to Principal in Current Fiscal Year	
R23.	Principal Received in Current Fiscal Year	
R24.	Principal Paid in Current Fiscal Year	171,665
R24.5	Principal Refinanced in Current Fiscal Year	
R25.	Principal Paid to Date	\$1,286,348
R26.	Principal Outstanding, End of Fiscal Year	\$353,252
R27.	Principal Outstanding, Current Portion	174,951
R28.	Principal Outstanding, Noncurrent Portion	\$178,301
R29.	Interest Paid in Current Fiscal Year	10,048
R30.	Principal Delinquent, End of Fiscal Year	
R31.	Interest Delinquent, End of Fiscal Year	

Note: Maximum Repayment Obligation refers to the maximum amount that may be borrowed as specified in each contract. DO NOT reduce Maximum Repayment Obligation by annual principal payments.

R32. **Estimated Payment Schedule**

Fiscal Year(s) (YYYY)	Principal	Interest	Total Debt Service	
2025	174,951	6,762	181,713	Delete
2026	178,301	3,413	181,714	Delete
				Add Year
Total Estimated Payments	\$353,252	\$10,175	\$363,427	

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Construction Financing
Federal and State

Go to Report: Detail Summary of Construction Financing

Fiscal Year: 2024

R01.	Federal or State Financing	State Financing
R02.	Purpose of Debt (5 of 13) (Record Completed)	Construct Water Facilities - GWRS Pipeline Unit
R03.	Nature of Revenue Pledged	Net revenues as defined by the bond indenture
R04.	Debt Type	Loans
R05.	Fund Type	Enterprise
SPD06.	Activity	Water Enterprise
R07.	Contract Date	12/10/2009
R08.	Maximum Repayment Obligation per Contract, Beginning of Fiscal Year	\$4,137,559
R09.	Initial Repayment Obligation	
R10.	Adjustment to Repayment Obligation in Current Fiscal Year	
R11.	Reason for Adjustment to Repayment Obligation in Current Fiscal Year	
R12.	Maximum Repayment Obligation per Contract, End of Fiscal Year	\$4,137,559
R13.	Year of Issue	2006
R14.	Beginning Maturity Year	2006
R15.	Ending Maturity Year	2026
R16.	Principal Authorized	4,137,559
R17.	Principal Received to Date	3,429,338
R18.	Principal Expended to Date	3,429,338
R19.	Principal Unspent	0
R20.	Principal Outstanding, Beginning of Fiscal Year	\$593,720
R21.	Adjustment to Principal in Current Fiscal Year	
R22.	Reason for Adjustment to Principal in Current Fiscal Year	
R23.	Principal Received in Current Fiscal Year	
R24.	Principal Paid in Current Fiscal Year	194,055
R24.5	Principal Refinanced in Current Fiscal Year	
R25.	Principal Paid to Date	\$1,451,358
R26.	Principal Outstanding, End of Fiscal Year	\$399,665
R27.	Principal Outstanding, Current Portion	197,882
R28.	Principal Outstanding, Noncurrent Portion	\$201,783
R29.	Interest Paid in Current Fiscal Year	11,705
R30.	Principal Delinquent, End of Fiscal Year	
R31.	Interest Delinquent, End of Fiscal Year	

Note: Maximum Repayment Obligation refers to the maximum amount that may be borrowed as specified in each contract. DO NOT reduce Maximum Repayment Obligation by annual principal payments.

R32. **Estimated Payment Schedule**

Fiscal Year(s) (YYYY)	Principal	Interest	Total Debt Service	
2025	197,882	7,880	205,762	Delete
2026	201,783	3,978	205,761	Delete
				Add Year
Total Estimated Payments	\$399,665	\$11,858	\$411,523	

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Construction Financing
Federal and State

Go to Report: Detail Summary of Construction Financing

Fiscal Year: 2024

R01.	Federal or State Financing	State Financing
R02.	Purpose of Debt (6 of 13) (Record Completed)	Construct Water Facilities - GWRS Advanced W
R03.	Nature of Revenue Pledged	Net revenues as defined by the bond indenture
R04.	Debt Type	Loans
R05.	Fund Type	Enterprise
SPD06.	Activity	Water Enterprise
R07.	Contract Date	12/10/2009
R08.	Maximum Repayment Obligation per Contract, Beginning of Fiscal Year	\$136,802,193
R09.	Initial Repayment Obligation	
R10.	Adjustment to Repayment Obligation in Current Fiscal Year	
R11.	Reason for Adjustment to Repayment Obligation in Current Fiscal Year	
R12.	Maximum Repayment Obligation per Contract, End of Fiscal Year	\$136,802,193
R13.	Year of Issue	2006
R14.	Beginning Maturity Year	2006
R15.	Ending Maturity Year	2028
R16.	Principal Authorized	136,802,193
R17.	Principal Received to Date	114,000,776
R18.	Principal Expended to Date	114,000,776
R19.	Principal Unspent	0
R20.	Principal Outstanding, Beginning of Fiscal Year	\$32,425,579
R21.	Adjustment to Principal in Current Fiscal Year	
R22.	Reason for Adjustment to Principal in Current Fiscal Year	
R23.	Principal Received in Current Fiscal Year	
R24.	Principal Paid in Current Fiscal Year	6,255,441
R24.5	Principal Refinanced in Current Fiscal Year	
R25.	Principal Paid to Date	\$47,048,943
R26.	Principal Outstanding, End of Fiscal Year	\$26,170,138
R27.	Principal Outstanding, Current Portion	6,368,226
R28.	Principal Outstanding, Noncurrent Portion	\$19,801,912
R29.	Interest Paid in Current Fiscal Year	584,633
R30.	Principal Delinquent, End of Fiscal Year	
R31.	Interest Delinquent, End of Fiscal Year	

Note: Maximum Repayment Obligation refers to the maximum amount that may be borrowed as specified in each contract. DO NOT reduce Maximum Repayment Obligation by annual principal payments.

R32. **Estimated Payment Schedule**

Fiscal Year(s) (YYYY)	Principal	Interest	Total Debt Service	
2025	6,368,226	471,847	6,840,073	Delete
2026	6,483,046	357,028	6,840,074	Delete
2027	6,478,792	361,281	6,840,073	Delete
2028	6,840,074	0	6,840,074	Delete
				Add Year
Total Estimated Payments	\$26,170,138	\$1,190,156	\$27,360,294	

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Construction Financing
Federal and State

Go to Report: Detail Summary of Construction Financing

Fiscal Year: 2024

R01.	Federal or State Financing	State Financing
R02.	Purpose of Debt (7 of 13) (Record Completed)	Construct Water Facilities - Fletcher Basin
R03.	Nature of Revenue Pledged	Net revenues as defined by the bond indenture
R04.	Debt Type	Loans
R05.	Fund Type	Enterprise
SPD06.	Activity	Water Enterprise
R07.	Contract Date	12/10/2009
R08.	Maximum Repayment Obligation per Contract, Beginning of Fiscal Year	\$2,879,342
R09.	Initial Repayment Obligation	
R10.	Adjustment to Repayment Obligation in Current Fiscal Year	
R11.	Reason for Adjustment to Repayment Obligation in Current Fiscal Year	
R12.	Maximum Repayment Obligation per Contract, End of Fiscal Year	\$2,879,342
R13.	Year of Issue	2013
R14.	Beginning Maturity Year	2013
R15.	Ending Maturity Year	2036
R16.	Principal Authorized	2,879,342
R17.	Principal Received to Date	2,879,342
R18.	Principal Expended to Date	2,879,342
R19.	Principal Unspent	0
R20.	Principal Outstanding, Beginning of Fiscal Year	\$2,006,733
R21.	Adjustment to Principal in Current Fiscal Year	
R22.	Reason for Adjustment to Principal in Current Fiscal Year	
R23.	Principal Received in Current Fiscal Year	
R24.	Principal Paid in Current Fiscal Year	137,539
R24.5	Principal Refinanced in Current Fiscal Year	
R25.	Principal Paid to Date	\$1,034,099
R26.	Principal Outstanding, End of Fiscal Year	\$1,869,194
R27.	Principal Outstanding, Current Portion	140,152
R28.	Principal Outstanding, Noncurrent Portion	\$1,729,042
R29.	Interest Paid in Current Fiscal Year	38,128
R30.	Principal Delinquent, End of Fiscal Year	
R31.	Interest Delinquent, End of Fiscal Year	

Note: Maximum Repayment Obligation refers to the maximum amount that may be borrowed as specified in each contract. DO NOT reduce Maximum Repayment Obligation by annual principal payments.

R32. **Estimated Payment Schedule**

Fiscal Year(s) (YYYY)	Principal	Interest	Total Debt Service	
2025	140,152	35,515	175,667	Delete
2026	142,815	32,852	175,667	Delete
2027	145,528	30,138	175,666	Delete
2028	148,293	27,373	175,666	Delete
2029	151,111	24,556	175,667	Delete
Fiscal Year(s) (YYYY-YYYY)	Principal	Interest	Total Debt Service	
2030-2034	799,727	78,605	878,332	Delete
2035-2036	341,568	9,766	351,334	Delete
				Add Year
Total Estimated Payments	\$1,869,194	\$238,805	\$2,107,999	

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Construction Financing
Federal and State

Go to Report: Detail Summary of Construction Financing

Fiscal Year: 2024

R01.	Federal or State Financing	State Financing
R02.	Purpose of Debt (8 of 13) (Record Completed)	Construct Water Facilities - Alamitos Barrier
R03.	Nature of Revenue Pledged	Net revenues as defined by the bond indenture
R04.	Debt Type	Loans
R05.	Fund Type	Enterprise
SPD06.	Activity	Water Enterprise
R07.	Contract Date	12/10/2009
R08.	Maximum Repayment Obligation per Contract, Beginning of Fiscal Year	\$14,485,000
R09.	Initial Repayment Obligation	
R10.	Adjustment to Repayment Obligation in Current Fiscal Year	
R11.	Reason for Adjustment to Repayment Obligation in Current Fiscal Year	
R12.	Maximum Repayment Obligation per Contract, End of Fiscal Year	\$14,485,000
R13.	Year of Issue	2013
R14.	Beginning Maturity Year	2019
R15.	Ending Maturity Year	2039
R16.	Principal Authorized	14,485,000
R17.	Principal Received to Date	14,386,762
R18.	Principal Expended to Date	14,386,762
R19.	Principal Unspent	0
R20.	Principal Outstanding, Beginning of Fiscal Year	\$11,951,160
R21.	Adjustment to Principal in Current Fiscal Year	
R22.	Reason for Adjustment to Principal in Current Fiscal Year	
R23.	Principal Received in Current Fiscal Year	
R24.	Principal Paid in Current Fiscal Year	646,175
R24.5	Principal Refinanced in Current Fiscal Year	
R25.	Principal Paid to Date	\$3,081,777
R26.	Principal Outstanding, End of Fiscal Year	\$11,304,985
R27.	Principal Outstanding, Current Portion	658,453
R28.	Principal Outstanding, Noncurrent Portion	\$10,646,532
R29.	Interest Paid in Current Fiscal Year	227,072
R30.	Principal Delinquent, End of Fiscal Year	
R31.	Interest Delinquent, End of Fiscal Year	

Note: Maximum Repayment Obligation refers to the maximum amount that may be borrowed as specified in each contract.
DO NOT reduce Maximum Repayment Obligation by annual principal payments.

R32. Estimated Payment Schedule

Fiscal Year(s) (YYYY)	Principal	Interest	Total Debt Service	
2025	658,452	214,795	873,247	Delete
2026	670,963	202,284	873,247	Delete
2027	683,711	189,536	873,247	Delete
2028	696,703	176,545	873,248	Delete
2029	709,939	163,308	873,247	Delete
Fiscal Year(s) (YYYY-YYYY)	Principal	Interest	Total Debt Service	
2030-2034	3,757,228	609,008	4,366,236	Delete
2035-2039	4,127,989	238,247	4,366,236	Delete
				Add Year
Total Estimated Payments	\$11,304,985	\$1,793,723	\$13,098,708	

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Construction Financing
Federal and State

Go to Report: Detail Summary of Construction Financing

Fiscal Year: 2024

R01.	Federal or State Financing	State Financing
R02.	Purpose of Debt (9 of 13) (Record Completed)	Construct Water Facilities - La Palma Basin
R03.	Nature of Revenue Pledged	Net revenues as defined by the bond indenture
R04.	Debt Type	Loans
R05.	Fund Type	Enterprise
SPD06.	Activity	Water Enterprise
R07.	Contract Date	12/10/2009
R08.	Maximum Repayment Obligation per Contract, Beginning of Fiscal Year	\$8,570,970
R09.	Initial Repayment Obligation	
R10.	Adjustment to Repayment Obligation in Current Fiscal Year	
R11.	Reason for Adjustment to Repayment Obligation in Current Fiscal Year	
R12.	Maximum Repayment Obligation per Contract, End of Fiscal Year	\$8,570,970
R13.	Year of Issue	2016
R14.	Beginning Maturity Year	2016
R15.	Ending Maturity Year	2047
R16.	Principal Authorized	8,570,970
R17.	Principal Received to Date	5,446,635
R18.	Principal Expended to Date	5,446,635
R19.	Principal Unspent	0
R20.	Principal Outstanding, Beginning of Fiscal Year	\$4,488,037
R21.	Adjustment to Principal in Current Fiscal Year	
R22.	Reason for Adjustment to Principal in Current Fiscal Year	
R23.	Principal Received in Current Fiscal Year	
R24.	Principal Paid in Current Fiscal Year	166,387
R24.5	Principal Refinanced in Current Fiscal Year	
R25.	Principal Paid to Date	\$1,130,031
R26.	Principal Outstanding, End of Fiscal Year	\$4,321,650
R27.	Principal Outstanding, Current Portion	168,051
R28.	Principal Outstanding, Noncurrent Portion	\$4,153,599
R29.	Interest Paid in Current Fiscal Year	44,880
R30.	Principal Delinquent, End of Fiscal Year	
R31.	Interest Delinquent, End of Fiscal Year	

Note: Maximum Repayment Obligation refers to the maximum amount that may be borrowed as specified in each contract.
DO NOT reduce Maximum Repayment Obligation by annual principal payments.

R32. Estimated Payment Schedule

Fiscal Year(s) (YYYY)	Principal	Interest	Total Debt Service	
2025	168,051	43,217	211,268	Delete
2026	169,732	41,536	211,268	Delete
2027	171,429	39,839	211,268	Delete
2028	173,143	38,124	211,267	Delete
2029	174,875	36,393	211,268	Delete
Fiscal Year(s) (YYYY-YYYY)	Principal	Interest	Total Debt Service	
2030-2034	900,956	155,382	1,056,338	Delete
2035-2039	946,913	109,423	1,056,336	Delete
2040-2044	995,216	61,121	1,056,337	Delete
2045-2048	621,335	12,468	633,803	Delete
				Add Year
Total Estimated Payments	\$4,321,650	\$537,503	\$4,859,153	

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Construction Financing
Federal and State

Go to Report: Detail Summary of Construction Financing

Fiscal Year: 2024

R01.	Federal or State Financing	State Financing
R02.	Purpose of Debt (10 of 13) (Record Completed)	Construct Water Facilities - Mid Basin Injection
R03.	Nature of Revenue Pledged	Net revenues as defined by the bond indenture
R04.	Debt Type	Loans
R05.	Fund Type	Enterprise
SPD06.	Activity	Water Enterprise
R07.	Contract Date	12/10/2009
R08.	Maximum Repayment Obligation per Contract, Beginning of Fiscal Year	\$18,542,882
R09.	Initial Repayment Obligation	
R10.	Adjustment to Repayment Obligation in Current Fiscal Year	
R11.	Reason for Adjustment to Repayment Obligation in Current Fiscal Year	
R12.	Maximum Repayment Obligation per Contract, End of Fiscal Year	\$18,542,882
R13.	Year of Issue	2018
R14.	Beginning Maturity Year	2021
R15.	Ending Maturity Year	2050
R16.	Principal Authorized	18,542,882
R17.	Principal Received to Date	18,542,882
R18.	Principal Expended to Date	18,542,882
R19.	Principal Unspent	0
R20.	Principal Outstanding, Beginning of Fiscal Year	\$16,966,682
R21.	Adjustment to Principal in Current Fiscal Year	
R22.	Reason for Adjustment to Principal in Current Fiscal Year	
R23.	Principal Received in Current Fiscal Year	
R24.	Principal Paid in Current Fiscal Year	493,546
R24.5	Principal Refinanced in Current Fiscal Year	
R25.	Principal Paid to Date	\$2,103,707
R26.	Principal Outstanding, End of Fiscal Year	\$16,473,136
R27.	Principal Outstanding, Current Portion	502,430
R28.	Principal Outstanding, Noncurrent Portion	\$15,970,706
R29.	Interest Paid in Current Fiscal Year	305,400
R30.	Principal Delinquent, End of Fiscal Year	
R31.	Interest Delinquent, End of Fiscal Year	

Note: Maximum Repayment Obligation refers to the maximum amount that may be borrowed as specified in each contract. DO NOT reduce Maximum Repayment Obligation by annual principal payments.

R32. **Estimated Payment Schedule**

Fiscal Year(s) (YYYY)	Principal	Interest	Total Debt Service	
2025	502,430	296,516	798,946	Delete
2026	511,473	287,473	798,946	Delete
2027	520,680	278,266	798,946	Delete
2028	530,052	268,894	798,946	Delete
2029	539,593	259,353	798,946	Delete
Fiscal Year(s) (YYYY-YYYY)	Principal	Interest	Total Debt Service	
2030-2034	2,847,200	1,147,531	3,994,731	Delete
2035-2039	3,112,840	881,890	3,994,730	Delete
2040-2044	3,403,264	591,466	3,994,730	Delete
2045-2049	3,720,785	273,946	3,994,731	Delete
2049-2050	784,819	14,127	798,946	Delete
				Add Year
Total Estimated Payments	\$16,473,136	\$4,299,462	\$20,772,598	

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Construction Financing
Federal and State

Go to Report: Detail Summary of Construction Financing

Fiscal Year: 2024

R01.	Federal or State Financing	State Financing
R02.	Purpose of Debt (11 of 13) (Record Completed)	GWRSFE 1
R03.	Nature of Revenue Pledged	Net revenues as determined by the bond indenture
R04.	Debt Type	Loans
R05.	Fund Type	Enterprise
SPD06.	Activity	Water Enterprise
R07.	Contract Date	
R08.	Maximum Repayment Obligation per Contract, Beginning of Fiscal Year	\$67,500,000
R09.	Initial Repayment Obligation	
R10.	Adjustment to Repayment Obligation in Current Fiscal Year	
R11.	Reason for Adjustment to Repayment Obligation in Current Fiscal Year	
R12.	Maximum Repayment Obligation per Contract, End of Fiscal Year	\$67,500,000
R13.	Year of Issue	2022
R14.	Beginning Maturity Year	2024
R15.	Ending Maturity Year	2054
R16.	Principal Authorized	67,500,000
R17.	Principal Received to Date	61,021,967
R18.	Principal Expended to Date	60,908,388
R19.	Principal Unspent	113,579
R20.	Principal Outstanding, Beginning of Fiscal Year	\$60,908,388
R21.	Adjustment to Principal in Current Fiscal Year	
R22.	Reason for Adjustment to Principal in Current Fiscal Year	
R23.	Principal Received in Current Fiscal Year	113,579
R24.	Principal Paid in Current Fiscal Year	
R24.5	Principal Refinanced in Current Fiscal Year	
R25.	Principal Paid to Date	
R26.	Principal Outstanding, End of Fiscal Year	\$61,021,967
R27.	Principal Outstanding, Current Portion	1,650,725
R28.	Principal Outstanding, Noncurrent Portion	\$59,371,242
R29.	Interest Paid in Current Fiscal Year	0
R30.	Principal Delinquent, End of Fiscal Year	
R31.	Interest Delinquent, End of Fiscal Year	

Note: Maximum Repayment Obligation refers to the maximum amount that may be borrowed as specified in each contract.
DO NOT reduce Maximum Repayment Obligation by annual principal payments.

R32. Estimated Payment Schedule

Fiscal Year(s) (YYYY)	Principal	Interest	Total Debt Service	
2025	1,650,725	854,308	2,505,033	Delete
2026	1,673,835	829,197	2,503,032	Delete
2027	1,697,269	807,764	2,505,033	Delete
2028	1,721,031	784,002	2,505,033	Delete
2029	1,745,125	759,908	2,505,033	Delete
Fiscal Year(s) (YYYY-YYYY)	Principal	Interest	Total Debt Service	
2030-2034	9,099,014	3,426,148	12,525,162	Delete
2035-2039	9,754,031	2,771,131	12,525,162	Delete
2040-2044	10,456,200	2,068,962	12,525,162	Delete
2045-2049	11,208,917	1,316,245	12,525,162	Delete
2050-2054	12,015,820	509,342	12,525,162	Delete
				Add Year
Total Estimated Payments	\$61,021,967	\$14,127,007	\$75,148,974	

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Construction Financing
Federal and State

Go to Report: Detail Summary of Construction Financing

Fiscal Year: 2024

R01.	Federal or State Financing	State Financing
R02.	Purpose of Debt (12 of 13) (Record Completed)	GWRSFE 2
R03.	Nature of Revenue Pledged	Net revenues as determined by the bond indenture
R04.	Debt Type	Loans
R05.	Fund Type	Enterprise
SPD06.	Activity	Water Enterprise
R07.	Contract Date	
R08.	Maximum Repayment Obligation per Contract, Beginning of Fiscal Year	\$67,500,000
R09.	Initial Repayment Obligation	
R10.	Adjustment to Repayment Obligation in Current Fiscal Year	
R11.	Reason for Adjustment to Repayment Obligation in Current Fiscal Year	
R12.	Maximum Repayment Obligation per Contract, End of Fiscal Year	\$67,500,000
R13.	Year of Issue	2022
R14.	Beginning Maturity Year	2024
R15.	Ending Maturity Year	2053
R16.	Principal Authorized	67,500,000
R17.	Principal Received to Date	65,174,118
R18.	Principal Expended to Date	65,174,118
R19.	Principal Unspent	0
R20.	Principal Outstanding, Beginning of Fiscal Year	\$65,065,631
R21.	Adjustment to Principal in Current Fiscal Year	
R22.	Reason for Adjustment to Principal in Current Fiscal Year	
R23.	Principal Received in Current Fiscal Year	108,487
R24.	Principal Paid in Current Fiscal Year	
R24.5	Principal Refinanced in Current Fiscal Year	
R25.	Principal Paid to Date	
R26.	Principal Outstanding, End of Fiscal Year	\$65,174,118
R27.	Principal Outstanding, Current Portion	1,763,046
R28.	Principal Outstanding, Noncurrent Portion	\$63,411,072
R29.	Interest Paid in Current Fiscal Year	0
R30.	Principal Delinquent, End of Fiscal Year	
R31.	Interest Delinquent, End of Fiscal Year	

Note: Maximum Repayment Obligation refers to the maximum amount that may be borrowed as specified in each contract.
DO NOT reduce Maximum Repayment Obligation by annual principal payments.

R32. Estimated Payment Schedule

Fiscal Year(s) (YYYY)	Principal	Interest	Total Debt Service	
2025	1,763,046	912,438	2,675,484	Delete
2026	1,787,729	887,755	2,675,484	Delete
2027	1,812,757	862,727	2,675,484	Delete
2028	1,838,136	837,348	2,675,484	Delete
2029	1,863,869	811,614	2,675,483	Delete
Fiscal Year(s) (YYYY-YYYY)	Principal	Interest	Total Debt Service	
2030-2034	9,718,143	3,659,276	13,377,419	Delete
2035-2039	10,417,729	2,959,689	13,377,418	Delete
2040-2044	11,167,677	2,209,742	13,377,419	Delete
2045-2048	11,971,612	1,405,807	13,377,419	Delete
2050-2054	12,833,420	543,999	13,377,419	Delete
				Add Year
Total Estimated Payments	\$65,174,118	\$15,090,395	\$80,264,513	

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Construction Financing
Federal and State

Go to Report: Detail Summary of Construction Financing

Fiscal Year: 2024

R01.	Federal or State Financing	Federal Financing
R02.	Purpose of Debt (13 of 13) (Record Completed)	WIFIA Loan
R03.	Nature of Revenue Pledged	Revenue
R04.	Debt Type	Loans
R05.	Fund Type	Enterprise
SPD06.	Activity	Water Enterprise
R07.	Contract Date	
R08.	Maximum Repayment Obligation per Contract, Beginning of Fiscal Year	\$115,357,848
R09.	Initial Repayment Obligation	
R10.	Adjustment to Repayment Obligation in Current Fiscal Year	18,493,229
R11.	Reason for Adjustment to Repayment Obligation in Current Fiscal Year	Additions
R12.	Maximum Repayment Obligation per Contract, End of Fiscal Year	\$133,851,077
R13.	Year of Issue	2021
R14.	Beginning Maturity Year	2027
R15.	Ending Maturity Year	2035
R16.	Principal Authorized	133,851,077
R17.	Principal Received to Date	133,851,077
R18.	Principal Expended to Date	
R19.	Principal Unspent	133,851,077
R20.	Principal Outstanding, Beginning of Fiscal Year	\$115,357,847
R21.	Adjustment to Principal in Current Fiscal Year	
R22.	Reason for Adjustment to Principal in Current Fiscal Year	
R23.	Principal Received in Current Fiscal Year	18,493,229
R24.	Principal Paid in Current Fiscal Year	
R24.5	Principal Refinanced in Current Fiscal Year	
R25.	Principal Paid to Date	
R26.	Principal Outstanding, End of Fiscal Year	\$133,851,076
R27.	Principal Outstanding, Current Portion	
R28.	Principal Outstanding, Noncurrent Portion	\$133,851,076
R29.	Interest Paid in Current Fiscal Year	
R30.	Principal Delinquent, End of Fiscal Year	
R31.	Interest Delinquent, End of Fiscal Year	

Note: Maximum Repayment Obligation refers to the maximum amount that may be borrowed as specified in each contract.
DO NOT reduce Maximum Repayment Obligation by annual principal payments.

R32. Estimated Payment Schedule

Fiscal Year(s) (YYYY)	Principal	Interest	Total Debt Service	
2025	-1	-1	-2	Delete
2026	2	2	4	Delete
2027	-1	-1	-2	Delete
2028	3,776,422	1,405,392	5,181,814	Delete
2029	3,815,799	1,366,015	5,181,814	Delete
Fiscal Year(s) (YYYY-YYYY)	Principal	Interest	Total Debt Service	
2030-2034	19,684,172	6,224,900	25,909,072	Delete
2035-2039	20,732,036	5,177,036	25,909,072	Delete
2040-2044	21,835,681	4,073,391	25,909,072	Delete
2045-2048	22,998,078	2,910,994	25,909,072	Delete
2050-2054	24,222,354	1,686,718	25,909,072	Delete
2055-2058	16,786,534	3,940,724	20,727,258	Delete
				Add Year
Total Estimated Payments	\$133,851,076	\$26,785,170	\$160,636,246	

Note:
(R11) Reason for Adjustment to Repayment Obligation in Current Fiscal Year: Additions

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Detail Summary of Construction Financing

Back to Form: Construction Financing

Fiscal Year: 2024								
	Year of Issue	Principal Outstanding, Beginning of Fiscal Year	Principal Received in Current Fiscal Year	Principal Paid in Current Fiscal Year	Principal Outstanding, End of Fiscal Year	Principal Outstanding, Current Portion	Principal Outstanding, Noncurrent Portion	Interest Paid in Current Fiscal Year
Federal Financing								
Enterprise								
Loans								
WIFIA Loan	2021	115,357,847	18,493,229	0	133,851,076	0	133,851,076	0
Total Enterprise Debt:		\$115,357,847	\$18,493,229	\$0	\$133,851,076	\$0	\$133,851,076	\$0
State Financing								
Enterprise								
Loans								
Construct Water Facilities - Alamitos Barrier	2013	11,951,160	0	646,175	11,304,985	658,453	10,646,532	227,072
Construct Water Facilities - Fletcher Basin	2013	2,006,733	0	137,539	1,869,194	140,152	1,729,042	38,128
Construct Water Facilities - GWRS Advanced Water Trtmt Fac	2006	32,425,579	0	6,255,441	26,170,138	6,368,226	19,801,912	584,633
Construct Water Facilities - GWRS Barrier Facilities	2006	635,056	0	207,714	427,342	211,660	215,682	12,066
Construct Water Facilities - GWRS Micro Filtration	2006	471,615	0	471,615	0	0	0	9,466
Construct Water Facilities - GWRS Pipeline Unit 1	2006	807,604	0	264,138	543,466	269,169	274,297	15,382
Construct Water Facilities - GWRS Pipeline Unit 2	2006	524,917	0	171,665	353,252	174,951	178,301	10,048
Construct Water Facilities - GWRS Pipeline Unit 3	2006	593,720	0	194,055	399,665	197,882	201,783	11,705
Construct Water Facilities - La Palma Basin	2016	4,488,037	0	166,387	4,321,650	168,051	4,153,599	44,880
Construct Water Facilities - Mid Basin Injection	2018	16,966,682	0	493,546	16,473,136	502,430	15,970,706	305,400
GWRSFE 1	2022	60,908,388	113,579	0	61,021,967	1,650,725	59,371,242	0
GWRSFE 2	2022	65,065,631	108,487	0	65,174,118	1,763,046	63,411,072	0
Total Enterprise Debt:		\$196,845,122	\$222,066	\$9,008,275	\$188,058,913	\$12,104,745	\$175,954,168	\$1,258,780

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Debt Service Reconciliation Report

Fiscal Year: 2024

	Governmental Funds	Internal Service Fund	Enterprise Funds
Debt Payments from Debt Forms			
R01. Long-Term Debt (Bonds, COP, and Other Agency Debt)			17,250,287
R02. Other Long-Term Debt			
R03. Construction Financing			1,258,780
R04. Lease Obligations (Purchase Agreements)			
R05. Total Debt Payments from Debt Forms	\$0	\$0	\$18,509,067
R06. Debt Service			16,229,395
R07. Difference	\$0	\$0	\$2,279,672
R08. Reason for Difference			Enterprise fund interest exp

Note:
(R08) Ent-Reason for Difference: Enterprise fund interest expense is on full accrual while the debt payment schedule is on cash basis. Interest payable amortization of discounts/premiums and bond defeasances will create a variance between debt payment schedu

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Statement of Net Position
Proprietary Funds

Fiscal Year: 2024

		Enterprise	Internal Service
Assets			
Current Assets			
Cash and Investments			
R01.	Unrestricted	282,562,959	
R02.	Restricted	6,244,423	
R03.	Accounts Receivable (net)	88,309,768	
R04.	Taxes Receivable		
R05.	Interest Receivable (net)	2,499,566	
R05.5	Lease Receivable	1,517,316	
R06.	Due from Other Funds		
R07.	Due from Other Governments	1,248,659	
R08.	Inventories	5,357,115	
R09.	Prepaid Items	1,727,203	
R10.	Other Current Assets 1	305,640	
R11.	Other Current Assets 2		
R12.	Total Current Assets	\$389,772,649	\$0
Noncurrent Assets			
R13.	Cash and Investments, Restricted		
R14.	Investments		
R14.5	Lease Receivable	12,157,632	
R15.	Other Loans, Notes, and Contracts Receivable	3,973,324	
Capital Assets			
R16.	Land	74,146,171	
R17.	Buildings and Improvements	743,496,131	
R18.	Equipment	581,208,873	
R18.5	Infrastructure	92,064,968	
R18.6	Lease Assets (Lessee)	20,413	
R19.	Other Intangible Assets – Amortizable	464,025	
R20.	Construction in Progress	231,162,014	
R21.	Intangible Assets – Nonamortizable	6,823,570	
R22.	Other Capital Assets		
R23.	Less: Accumulated Depreciation/Amortization	-704,307,007	
R23.5	Net Pension Asset		
R23.6	Net OPEB Asset		
R24.	Other Noncurrent Assets 1		
R25.	Other Noncurrent Assets 2		
R26.	Total Noncurrent Assets	\$1,041,210,114	\$0
R27.	Total Assets	\$1,430,982,763	\$0

Deferred Outflows of Resources

R28.	Related to Pensions	4,589,508	
R28.5	Related to OPEB	7,283,533	
R28.6	Related to Debt Refunding	3,958,531	
R29.	Other Deferred Outflows of Resources		
R30.	Total Deferred Outflows of Resources	\$15,831,572	\$0
R31.	Total Assets and Deferred Outflows of Resources	\$1,446,814,335	\$0

Liabilities

Current Liabilities

R32.	Accounts Payable	40,810,245	
R33.	Contracts and Retainage Payable	1,877,485	
R34.	Interest Payable	7,726,984	
R35.	Due to Other Funds		
R36.	Due to Other Governments	2,577,462	
R37.	Deposits and Advances	100	
R38.	Compensated Absences	462,691	
R39.	Long-Term Debt, Due Within One Year	125,919,745	0
R40.	Other Long-Term Liabilities, Due Within One Year		
R41.	Other Current Liabilities 1		
R42.	Other Current Liabilities 2	62,506	
R43.	Total Current Liabilities	\$179,437,218	\$0

Noncurrent Liabilities

R44.	Deposits and Advances		
R45.	Compensated Absences	6,231,664	
R46.	General Obligation Bonds		
R47.	Revenue Bonds	258,694,644	
R48.	Certificates of Participation	137,924,238	
R49.	Other Bonds		
R50.	Loans (Other Long-Term Debt)		
R51.	Notes (Other Long-Term Debt)		
R52.	Other (Other Long-Term Debt)		
R53.	Construction Financing – Federal	133,851,076	
R54.	Construction Financing – State	175,954,168	
R54.5	Lease Liability		
R55.	Lease-Obligations (Purchase Agreements)		
R56.	Net Pension Liability	406,472	
R57.	Net OPEB Liability		
R58.	Other Noncurrent Liabilities 1	3,958,531	
R59.	Other Noncurrent Liabilities 2	15,639	
R60.	Total Noncurrent Liabilities	\$717,036,432	\$0
R61.	Total Liabilities	\$896,473,650	\$0

Deferred Inflows of Resources			
R62.	Related to Pensions	7,260,955	
R62.5	Related to OPEB	505,089	
R62.6	Related to Debt Refunding	12,980,930	
R62.7	Related to Leases		
R63.	Other Deferred Inflows of Resources		
R64.	Total Deferred Inflows of Resources	\$20,746,974	\$0
R65.	Total Liabilities and Deferred Inflows of Resources	\$917,220,624	\$0
R66.	Total Net Position (Deficit)	\$529,593,711	\$0
Net Position (Deficit)			
R67.	Net Investment in Capital Assets	200,286,418	
R68.	Restricted	2,158,992	
R69.	Unrestricted	327,148,301	
R70.	Total Net Position (Deficit)	\$529,593,711	\$0

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Appropriations Limit Information

Fiscal Year: 2024

R01. Appropriations Limit		0
R02. Total Annual Appropriations Subject to the Limit		0
R03. Revenues Received (Over) Under Appropriations Limit		\$0

Special District Name: Orange County Water District
Special Districts' Financial Transactions Report
Summary

Fiscal Year: 2024

		Governmental Funds	Internal Service Fund	Enterprise Fund	Total
Governmental Revenues					
R01.	General				
R02.	Special Revenue				
R03.	Debt Service				
R04.	Capital Projects				
R05.	Permanent				
R06.	Transportation				
R07.	Total Governmental Revenues	\$0			
Internal Service Revenues					
R08.	Total Operating Revenues		\$0		
R09.	Total Non-Operating Revenues		\$0		
R10.	Total Internal Service Revenues		\$0		
Enterprise Revenues					
Operating Revenues					
R11.	Airport				
R12.	Electric				
R13.	Gas				
R14.	Harbor and Port				
R15.	Hospital				
R16.	Sewer				
R17.	Solid Waste				
R18.	Transit				
R19.	Water			180,903,570	
R20.	Other Enterprise				
R21.	Conduit				
R22.	Transportation				
R23.	Total Operating Revenues			\$180,903,570	
Non-Operating Revenues					
R24.	Airport				
R25.	Electric				
R26.	Gas				
R27.	Harbor and Port				
R28.	Hospital				
R29.	Sewer				
R30.	Solid Waste				
R31.	Transit				
R32.	Water			59,788,826	
R33.	Other Enterprise				
R34.	Conduit				
R35.	Transportation				
R36.	Total Non-Operating Revenues			\$59,788,826	
R36.5	Total Revenues	\$0	\$0	\$240,692,396	\$240,692,396

Governmental Expenditures				
R37.	General			
R38.	Special Revenue			
R39.	Debt Service			
R40.	Capital Projects			
R41.	Permanent			
R42.	Transportation			
R43.	Total Governmental Expenditures	\$0		
Internal Service Expenses				
R44.	Total Operating Expenses		\$0	
R45.	Total Non-Operating Expenses		\$0	
R46.	Total Internal Service Expenses		\$0	
Enterprise Expenses				
Operating Expenses				
R47.	Airport			
R48.	Electric			
R49.	Gas			
R50.	Harbor and Port			
R51.	Hospital			
R52.	Sewer			
R53.	Solid Waste			
R54.	Transit			
R55.	Water		143,437,543	
R56.	Other Enterprise			
R57.	Conduit			
R58.	Transportation			
R59.	Total Operating Expenses		\$143,437,543	
Non-Operating Expenses				
R60.	Airport			
R61.	Electric			
R62.	Gas			
R63.	Harbor and Port			
R64.	Hospital			
R65.	Sewer			
R66.	Solid Waste			
R67.	Transit			
R68.	Water		16,229,395	
R69.	Other Enterprise			
R70.	Conduit			
R71.	Transportation			
R72.	Total Non-Operating Expenses		\$16,229,395	
R72.5	Total Expenditures/Expenses	\$0	\$0	\$159,666,938
R73.	Transfer In			
R74.	Transfer Out			
R75.	Change in Fund Balance/Net Position	\$0	\$0	\$56,918,243
R76.	Fund Balance/Net Position (Deficit), Beginning of Fiscal Year	\$0	\$0	\$472,675,468

R77.	Adjustments				
R78.	Fund Balance/Net Position (Deficit), End of Fiscal Year	\$0	\$0	\$529,593,711	\$529,593,711
Assets					
R79.	Total Current Assets			389,772,649	389,772,649
R80.	Total Noncurrent Assets			1,041,210,114	1,041,210,114
R81.	Total Assets	\$0	\$0	\$1,430,982,763	\$1,430,982,763
Liabilities					
R82.	Total Current Liabilities			179,437,218	179,437,218
R83.	Total Noncurrent Liabilities			717,036,432	717,036,432
R84.	Total Liabilities	\$0	\$0	\$896,473,650	\$896,473,650
R85.	Total Fund Balance/Net Position (Deficit)	\$0	\$0	\$529,593,711	\$529,593,711

Special District of Orange County Water District
Special District Financial Transactions Report
Footnotes

Fiscal Year: 2024		
FORM DESC	FIELD NAME	FOOTNOTES
WaterEnterpriseFund	(R13)GroundwaterReplenishment	Primarily due to an increase in revenues for replenishment assessments
WaterEnterpriseFund	(R18)OtherOperatingRevenues	GAP Revenue and GWRS Water revenue
WaterEnterpriseFund	(R21)WaterPurchases	Due to the basin being in good condition with high water storage levels. The district didn't purchase untreated imported metropolitan water this fiscal year
WaterEnterpriseFund	(R56)IntergovernmentalOther	Operating grants
WaterEnterpriseFund	(R58)OtherNonoperatingRevenues	Legal settlements, net of expenses and other nonoperating revenues, net of expenses
WaterEnterpriseFund	(R70)OtherCapitalContributions	Capital contributions to other parties
LongTermDebt	(R19)PrincipalPaidinCurrentFiscalYear	(1_Capital Improvements) (1_Capital Improvements) Beginning maturity FY35
LongTermDebt	(R22)PrincipalPayableCurrentPortion	(1_Capital Improvements) (1_Capital Improvements) Beginning maturity FY35
LongTermDebt	(R19)PrincipalPaidinCurrentFiscalYear	(8_Capital Improvements) (8_Capital Improvements) Beginning maturity FY25
OtherLongTermDebt	(R16)PrincipalPaidinCurrentFiscalYear	(1_Land Purchase) Principle payable within a year
OtherLongTermDebt	(R18)PrincipalOutstandingEndofFiscalYear	(1_Land Purchase) Principle Payable within a year by 2025 Outstanding
OtherLongTermDebt	(R19)PrincipalOutstandingCurrentPortion	(1_Land Purchase) Principle Payable within a year Outstanding
OtherLongTermDebt	(R21)InterestPaidinCurrentFiscalYear	(1_Land Purchase) Principle Payable within a year by 2025 Outstanding
OtherLongTermDebt	(R19)PrincipalOutstandingCurrentPortion	(2_In-lieu Water Purchase) No Principal outstanding
OtherLongTermDebt	(R21)InterestPaidinCurrentFiscalYear	(2_In-lieu Water Purchase) No principal outstanding and paid everything by the end of the 2023
ConstructionFinancing	(R14)BeginningMaturityYear	(13_GWRSFE 1) Here software is not allowed to change the beginning maturity. It should be 2025 not 2024
ConstructionFinancing	(R24)PrincipalPaidinCurrentFiscalYear	(13_GWRSFE 1) There was no principal paid in the current year
ConstructionFinancing	(R29)InterestPaidinCurrentFiscalYear	(13_GWRSFE 1) maturity period will start in 2024. No interest paid during the year
ConstructionFinancing	(R14)BeginningMaturityYear	(14_GWRSFE 2) Here software is not allowed to change the beginning maturity. It should be 2025 not 2024
ConstructionFinancing	(R15)EndingMaturityYear	(14_GWRSFE 2) 2054
ConstructionFinancing	(R24)PrincipalPaidinCurrentFiscalYear	(14_GWRSFE 2) No Principal paid in the current year
ConstructionFinancing	(R29)InterestPaidinCurrentFiscalYear	(14_GWRSFE 2) The maturity period starts in 2024. No actual interest paid during the year
ConstructionFinancing	(R14)BeginningMaturityYear	(15_WIFIA Loan) The software didn't allow us to change the beginning maturity year. It should be 2028 instead of 2027.
ConstructionFinancing	(R24)PrincipalPaidinCurrentFiscalYear	(15_WIFIA Loan) No Principal paid in the current year
ConstructionFinancing	(R27)PrincipalOutstandingCurrentPortion	(15_WIFIA Loan) Principal payment not due until FY27
ConstructionFinancing	(R29)InterestPaidinCurrentFiscalYear	(15_WIFIA Loan) Interest not due until 2027
ConstructionFinancing	(R32a)Principal-EstimatedPaymentSchedule	(15_WIFIA Loan) The software doesn't allow us to fill in the blanks for Principal and Interest. Also site didn't allow us to add the YYYY-YYYY boxes unless we complete the four columns for the YYYY format.
ConstructionFinancing	(R27)PrincipalOutstandingCurrentPortion	(2_Construct Water Facilities - GWRS Micro Filtration) No Principal outstanding
ProprietaryFunds	(R02)Entpr-Restricted	Decrease due to rate of return on investments
ProprietaryFunds	(R10)Entpr-OtherCurrentAssets1	Current portion of notes receivable
ProprietaryFunds	(R15)Entpr-OtherLoansNotesandContractsReceivable	Notes receivable, less current portion
ProprietaryFunds	(R18.6)Entpr-LeaseAssets(Lessee)	Lease has been coming to end
ProprietaryFunds	(R20)Entpr-ConstructionInProgress	Primarily due to the construction of the GWRS and the construction of the PFAS treatment facilities. These are still progress
ProprietaryFunds	(R42)Entpr-OtherCurrentLiabilities2	Leases payables & subscription-related payables
ProprietaryFunds	(R43)Entpr-TotalCurrentLiabilities	Due to an increase in accounts payable and long-term debt payable within one year
ProprietaryFunds	(R58)Entpr-OtherNoncurrentLiabilities1	Liability from derivative instruments
ProprietaryFunds	(R59)Entpr-OtherNoncurrentLiabilities2	Subscriptions payable
AppropriationsLimitInformation	(R01)AppropriationsLimit	Not applicable
AppropriationsLimitInformation	(R02)TotalAnnualAppropriationsSubjecttotheLimit	Not applicable

Total Footnote: 39

OCWD 457(b) Deferred Compensation Plan



457(b) DEFERRED COMPENSATION PLAN
OF ORANGE COUNTY WATER DISTRICT
DECEMBER 31, 2023

FINANCIAL STATEMENTS &
INDEPENDENT AUDITORS' REPORT

Focused
on YOU



457(b) DEFERRED COMPENSATION PLAN
OF ORANGE COUNTY WATER DISTRICT

FINANCIAL STATEMENTS &
INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2023

TABLE OF CONTENTS

	Page <u>Number</u>
INDEPENDENT AUDITORS' REPORT	1
Statement of Net Position Available for Benefits	4
Statement of Changes in Net Position Available for Benefits	5
NOTES TO FINANCIAL STATEMENTS.....	6



INDEPENDENT AUDITORS' REPORT

Retirement Committee
457(b) Deferred Compensation Plan of
Orange County Water District
Fountain Valley, California

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of the 457(b) Deferred Compensation Plan of Orange County Water District (the Plan), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Plan's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Plan as of December 31, 2023, and the respective changes in financial position for the year ended December 31, 2023, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards* (GAS), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



Retirement Committee
457(b) Deferred Compensation Plan of
Orange County Water District
Fountain Valley, California

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, GAS, and the State Controller's Minimum Audit Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and GAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Responsibilities

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.



Retirement Committee
457(b) Deferred Compensation Plan of
Orange County Water District
Fountain Valley, California

Other Reporting Required by *Government Auditing Standards*

In accordance with GAS, we have also issued our report dated June 20, 2024, on our consideration of the Plan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Plan's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with GAS in considering the Plan's internal control over financial reporting and compliance.

Lance, Soll & Lughard, LLP

Brea, California
June 20, 2024

457(b) DEFERRED COMPENSATION PLAN
OF ORANGE COUNTY WATER DISTRICT
STATEMENT OF NET POSITION AVAILABLE FOR BENEFITS
DECEMBER 31, 2023

Assets

Investments:	
Mutual funds, at fair value	\$ 28,449,630
Annuities, at contract value	<u>7,895,428</u>
Total Investments	<u>36,345,058</u>
Net Position Available for Benefits	<u><u>\$ 36,345,058</u></u>

**457(b) DEFERRED COMPENSATION PLAN
OF ORANGE COUNTY WATER DISTRICT
STATEMENT OF CHANGES IN NET POSITION AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2023**

Additions

Investment Income:

Net appreciation in fair value of investments	\$ 2,958,818
Dividends	675,862
Interest	175,965
Capital gains	<u>198,978</u>

Total Investment Income	<u>4,009,623</u>
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Contributions:

Employer	472,819
Participants	1,947,650
Rollovers	<u>78,823</u>

Total Contributions	<u>2,499,292</u>
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Other Income	<u>16,408</u>
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Total Additions	<u>6,525,323</u>
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Deductions

Benefits paid to participants	1,652,382
Plan fees and administrative expenses	<u>17,602</u>

Total Deductions	<u>1,669,984</u>
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Net Increase in Net Position Available for Benefits	<u>4,855,339</u>
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Net Position Available for Benefits:

Beginning of Year	<u>31,489,719</u>
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End of Year	<u>\$ 36,345,058</u>
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**457(b) DEFERRED COMPENSATION PLAN
OF ORANGE COUNTY WATER DISTRICT**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

Note 1: Description of Plan

The following description of the 457(b) Deferred Compensation Plan of Orange County Water District (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Orange County Water District (District) maintains an eligible deferred compensation plan in accordance with Section 457 of the Internal Revenue Code (IRC 457). The Plan is described in the Adoption Agreement and is available to all District employees on a voluntary basis. The Plan permits employees to defer a portion of their compensation until future years. Under the Plan, participants are not taxed on the deferred portion of their compensation until distributed to them, unless the Roth elective deferral option is selected. Participants were permitted to make Roth elective deferral contributions effective January 1, 2020. An employee who elects to participate must sign a participation agreement that specifies the amount of the deferral and the investment options selected by the participant. As of December 31, 2023, the Plan had a membership of 318 consisting of 226 active members and 92 terminated members.

Through October 31, 2023, the Plan utilized Empower Retirement, LLC (Empower), formerly Prudential Bank & Trust, Federal Savings Bank (Prudential), as its custodian. Effective November 1, 2023, the Plan transferred all assets to Fidelity Management Trust Company (Fidelity). Therefore, all plan assets/investments including outstanding plan participant loans were held in trust/custody by Fidelity as of December 31, 2023. The assets of the Plan are administered by the Retirement Committee which consists of members of the District's Board of Directors (the Board) and District employees. The Retirement Committee makes recommendations to the Board. The Board initially established the Plan and holds authority to amend it.

Contributions

During each payroll period in which an employee is a participant in the Plan, the District will defer payment of the employee's compensation (as specified by the participating employee). The maximum that each participant may defer under the Plan for any taxable year shall not exceed the lesser of:

1. The dollar amount permitted under IRC 457, or
2. The percentage limitation applied to the participant's includible compensation.

In addition, the maximum deferral described above is not applicable for one or more of the participant's last three taxable years ending before the attainment of normal retirement age. In that instance, the maximum shall be twice the dollar amount permitted under IRC 457. Participants in the Plan may also contribute amounts representing distributions from other qualified IRC 457 deferred compensation plans of any local government, state, or tax-exempt organization.

Through June 30, 2023, the District matched contributions up to \$75 per pay period with an annual maximum of \$1,950 for full-time employees and \$162.50 per pay period with an annual maximum of \$1,950 for Board members. Effective July 1, 2023, the District matches contributions up to \$125 per pay period with an annual maximum of \$3,250 for full-time employees and \$270.84 per pay period with an annual maximum of \$3,250 for Board members.

**457(b) DEFERRED COMPENSATION PLAN
OF ORANGE COUNTY WATER DISTRICT**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

Note 1: Description of Plan (Continued)

Participant Accounts

Each participant's account is credited with the participant's contributions, the District's contributions and allocations of the Plan's earnings or losses and administrative expenses. Allocations are based on participant's account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately 100% vested all contributions to the Plan plus actual earnings or losses thereon. Participants are also immediately 100% vested with respect to discretionary matching contributions made by the District.

Payment of Benefits

On termination of service due to death, disability or retirement, a participant (or a participant's beneficiary) may elect to receive a lump-sum amount equal to the value of the participant's vested interest in his or her account or periodic installments during the lifetime of the participant less any federal or state income tax required to be withheld.

Note 2: Summary of Accounting Policies

Basis of Accounting

The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Contributions were recognized in the period that contributions are due. Payments to participants are recognized as deduction when due and payable under the provisions of the Plan.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments in mutual funds are stated at fair value. Quoted market prices are used to value investments. Shares of mutual funds are valued at quoted market prices which represent the net asset value of shares held by the Plan at year-end.

The Plan's investments in annuities consist of the Guaranteed Income Fund and is presented at contract value which approximates fair value. See Note 5 for further information.

**457(b) DEFERRED COMPENSATION PLAN
OF ORANGE COUNTY WATER DISTRICT**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

Note 2: Summary of Accounting Policies (Continued)

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Capital gains and/or losses are reported the day after trade date.

Net realized and unrealized appreciation is recorded in the accompanying statement of changes in net position available for benefits as net appreciation in fair value of investments.

Payment of Benefits

Benefits are recorded when paid.

Plan Fees and Administrative Expenses

Certain expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the District. Expenses that are paid by the District are excluded from these financial statements. Investment related expenses are included in net appreciation in fair value of investments.

Date of Management's Review

Events occurring after December 31, 2023, have been evaluated for possible adjustments to the financial statements or disclosures as of June 20, 2024, which is the date the financial statements were available to be issued.

Note 3: Investments

The Plan participants may direct contributions into any of the investment options offered by the Plan's investment administrators, which include various publicly traded mutual funds and annuity investments. It is the Plan's policy to permit participants to establish different investment strategies which have varying return and volatility characteristics to meet each participant's long-term retirement savings strategy.

**457(b) DEFERRED COMPENSATION PLAN
OF ORANGE COUNTY WATER DISTRICT**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

Note 3: Investments (Continued)

Investments held in the name of the Plan consist of the following as of December 31:

Investments	2023
Mutual Funds:	
AllianceBernstein Large Cap Growth Fund I	\$ 1,820,717
American Funds American Mutual Fund R6	1,527,550
BlackRock Inflation Protected Bond Fund IS	325,277
BlackRock Technology Opportunities Fund I	659,205
Fidelity Asset Manager 20%	446,878 **
Fidelity Asset Manager 40%	221,920 **
Fidelity Asset Manager 50%	985,326 **
Fidelity Asset Manager 60%	485,972 **
Fidelity Asset Manager 85%	522,031 **
Fidelity Small Cap Growth K6	758,969 **
Fidelity Stock Selector Small Cap	316,115 **
Franklin Gold and Precious Metals Fund Advisor	1,200,926
Franklin Small Cap Value Fund Advisor	74,030
Hartford Dividend and Growth R6	784,114
iShares US Aggregate Bond Index K	1,450,165
Ivy Mid Cap Growth Fund R6	509,308
J.P. Morgan Emerging Markets Equity Fund R6	261,618 *
J.P. Morgan Total Return Fund R5	1,174,535
J.P. Morgan US Equity Fund R6	737,069
John Hancock Balanced Fund I	536,736
John Hancock Enterprise Fund N	591,474
MFS International Equity Fund R6	1,092,311 *
MFS International Growth Fund R6	401,265 *
MFS Mid Cap Value Fund R4	687,546
PGIM High Yield Fund R6	225,352
Prudential Mid Cap S&P 400 Index Separate Account	736,928
Prudential Real Estate Securities Fund R6	212,176
Prudential Small Cap S&P 600 Index Separate Account	297,645
T. Rowe Price All Cap Opportunities Fund I	1,923,652
T. Rowe Price Health Sciences Fund	663,403
Touchstone Mid Cap Value Fund Y	218,503
Vanguard 500 Index Admiral	4,864,172
Vanguard Prime Money Market Fund	1,604,305
Virtus Duff & Phelps Water and Utility A	132,437
Total Mutual Funds	28,449,630
Annuities - Guaranteed Income Fund	7,895,428 **
Total Investments	\$ 36,345,058

* These investments represent international mutual funds.

** These investments are parties-in-interest.

**457(b) DEFERRED COMPENSATION PLAN
OF ORANGE COUNTY WATER DISTRICT**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

Note 3: Investments (Continued)

Interest Rate Risk

Interest Rate Risk is the risk that changes in interest rates will adversely affect the value of an investment. Some of the mutual funds held by the Plan invest in debt instruments that are subject to interest rate risk. The schedule presented below provides an indication of the interest rate risk associated with the funds holding debt obligations as of the most recent information available:

Investments	Fair Value / Contract Value	Effective Duration (Years)
Mutual Funds:		
Blackrock Inflation Protected Bond Fund Institutional Shares, at Fair Value	\$ 325,277	6.35
iShares U.S. Aggregate Bond Index Fund Class K, at Fair Value	1,450,165	6.08
JP Morgan Total Return Fund Class R5 Shares, at Fair Value	1,174,535	5.55
PGIM High Yield Fund- Class R6, at Fair Value	225,352	3.30
Annuitiies - Guaranteed Income Fund, at Contract Value	7,895,428	2.88

Custodial Credit Risk

Custodial Credit Risk is the risk that, in the event of a failure of the counterparty, the Plan would not be able to recover the value of its deposits, investments, or collateral securities that were in the possession of an outside party. Investment securities are exposed to custodial credit risk if they are uninsured or not registered in the name of the Plan and are held by either the counterparty or the counterparty's trust department or agent, but not in the Plan's name.

The Plan investments are evidenced by mutual fund shares and Guaranteed Income Fund units. In accordance with Government Accounting Standards Board (GASB) Statement No. 40, Deposit and Investment Risk Disclosures, investments in these funds are not subject to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form. The Plan's investment is the mutual fund share or the Guaranteed Income Fund unit, not the underlying security.

Credit Risk

Credit Risk is the risk that the Plan will lose money because of the default of the security of the issuer or investment counterparty. The Guarantee Income Fund and the mutual funds are unrated.

Concentration of Credit Risk

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the Plan's investment in a single issuer. The Plan's investments are managed by several fund managers. The concentrations of investments are determined by the participants' elections to invest in the available investment options as selected by the Board. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds or pools are excluded from concentration of credit risk requirements. The only investment that exceeds 5%, other than mutual funds, is the Guaranteed Income Fund.

**457(b) DEFERRED COMPENSATION PLAN
OF ORANGE COUNTY WATER DISTRICT**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

Note 3: Investments (Continued)

Foreign Currency Risk

Foreign Currency Risk is the risk that changes in exchange rates will adversely affect the fair value of the investment. The Plan includes an option to invest in mutual funds that include securities denominated in foreign currencies. Those mutual funds are not required to disclose the individual securities held in those funds. The fair value of these investments was \$1,755,194 as of December 31, 2023. The individual funds are identified on page 9.

Note 4: Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under GASB 72 are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2023.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open end mutual funds that are registered with the SEC. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Annuity contract: Fair value of the annuity contract is based upon the contract value the investments purchased through the annuity contract.

**457(b) DEFERRED COMPENSATION PLAN
OF ORANGE COUNTY WATER DISTRICT**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

Note 4: Fair Value Measurements (Continued)

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2023:

INVESTMENTS	Fair Value Measurements Using Input Type			2023
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 28,449,630	\$ -	\$ -	\$ 28,449,630
Investments in the fair value hierarchy	\$ 28,449,630	\$ -	\$ -	28,449,630
Investments measured at contract value				7,895,428
Total investments				\$ 36,345,058

In regards to the classification of investment options offered by the Plan, there were no reclassifications in or out of levels 1, 2 or 3 during the years ended December 31, 2023.

Note 5: Group Annuity Contract

The Plan has an active traditional fully benefit-responsive guaranteed investment contract with Empower Annuity Insurance Company (Empower) through October 31, 2023, and with Fidelity Management Trust Company (Fidelity) effective November 1, 2023, totaling \$7,895,428 at December 31, 2023. Empower and Fidelity maintain the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The guaranteed investment contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan. The crediting rate is based on a formula established by the contract issuer. The crediting rate is reviewed on a period basis for resetting. The guaranteed investment contract does not permit the insurance company to terminate the agreement prior to the scheduled maturity date.

This contract meets the fully benefit-responsive investment contract criteria and therefore is reported at contract value. Contract value is the relevant measure for fully benefit-responsive investment contracts because this is the amount received by participants if they were to initiate permitted transactions under the terms of the Plan. Contract value, as reported to the Plan by Empower, represents contributions made under the contract, plus earnings, less participant withdrawals, and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

**457(b) DEFERRED COMPENSATION PLAN
OF ORANGE COUNTY WATER DISTRICT**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

Note 5: Group Annuity Contract (Continued)

The Plan's ability to receive amounts due is dependent on the issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

Certain events might limit the ability of the Plan to transact at contract value with the issuer. Such events include (1) amendments to the Plan documents (including complete or partial Plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan sponsor or other Plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA (5) premature termination of the contract. No events are probable of occurring that might limit the ability of the Plan to transact at contract value with the contract issuers and that also would limit the ability of the plan to transact at contract value with the participants.

In addition, certain events allow the issuer to terminate the contract with the Plan and settle at an amount different from contract value. Such events include (1) an uncured violation of the Plan's investment guidelines, (2) a breach of material obligation under the contract, (3) a material misrepresentation, (4) a material amendment to the agreement without the consent of the issuer.

Note 6: Plan Termination

Although it has not expressed any intent to do so, the District has the right under the Plan to discontinue its contributions at any time and to terminate the Plan. In the event of Plan termination, participants will become 100% vested in their accounts.

Note 7: Party-In-Interest Transactions

The investments in annuities were managed by Empower Retirement, LLC, through October 31, 2023, and by Fidelity effective November 1, 2023, which are recordkeepers as defined by the Plan, and therefore, these investments qualify as party-in-interest transactions.

Note 8: Risks and Uncertainties

The Plan, as directed by participants, may invest in various types of investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risk. Due to the level of risk associated with certain investment securities, it is possible that changes in the values of investment securities may occur in the near term and that such change could materially affect the amounts reported in the statement of net position.

OCWD Audit Communication Letter



October 17, 2024

To the Board of Directors
Orange County Water District
Fountain Valley, California

We have audited the financial statements of the Orange County Water District, (the "District") for the years ended June 30, 2024 and June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 7, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2023-2024. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

Management's estimates of the net other postemployment benefits liability (OPEB) are based on actuarial valuations. We evaluated the methods, assumptions, and data used to develop the other postemployment benefits in determining that it is reasonable in relation to the financial statements taken as a whole.

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We are pleased to report that no such misstatements were identified during the course of our audit.



To the Board of Directors
Orange County Water District
Fountain Valley, California

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 17, 2024.

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

Other Matters

We applied certain limited procedures to management's discussion and analysis and the required other postemployment benefits schedules, which are required supplementary information ("RSI") that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Future GASB Pronouncements

The following Government Accounting Standards Board (GASB) pronouncements will be effective for the following fiscal years' audits and should be reviewed for proper implementation by management:

Fiscal Year 2024-2025

GASB Statement No. 101, *Compensated Absences*.

GASB Statement No. 102, *Certain Risk Disclosures*.

Fiscal Year 2025-2026

GASB Statement No. 103, *Financial Reporting Model Improvements*.



To the Board of Directors
Orange County Water District
Fountain Valley, California

Future Projects

Comprehensive Project, *Revenue and Expense Recognition*.

Major Project, *Going Concern Uncertainties and Severe Financial Stress*.

Major Project, *Infrastructure Assets*.

Practice Issue, *Classification of Nonfinancial Assets*.

Practice Issue, *Risks and Uncertainties Disclosures*.

Practice Issue, *Subsequent Events*.

Restriction on Use

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

Very truly yours,

A handwritten signature in black ink that reads "Lance, Soll & Lunghard, LLP". The signature is written in a cursive, flowing style.

Lance, Soll & Lunghard, LLP

OCWD Money Purchase Pension Plan



MONEY PURCHASE PENSION PLAN
FOR EMPLOYEES OF
ORANGE COUNTY WATER DISTRICT
DECEMBER 31, 2023

FINANCIAL STATEMENTS &
INDEPENDENT AUDITORS' REPORT

Focused
on YOU



MONEY PURCHASE PENSION PLAN
FOR EMPLOYEES OF
ORANGE COUNTY WATER DISTRICT

FINANCIAL STATEMENTS &
INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2023

TABLE OF CONTENTS

	<u>Page Number</u>
INDEPENDENT AUDITORS' REPORT	1
Statement of Net Position Available for Benefits	4
Statement of Changes in Net Position Available for Benefits	5
NOTES TO FINANCIAL STATEMENTS.....	6



INDEPENDENT AUDITORS' REPORT

Retirement Committee
Money Purchase Pension Plan for
Employees of Orange County Water District
Fountain Valley, California

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of the Money Purchase Pension Plan for Employees of Orange County Water District (the Plan), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Plan's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Plan as of December 31, 2023, and the respective changes in financial position for the year ended December 31, 2023, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards* (GAS), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



Retirement Committee
Money Purchase Pension Plan for
Employees of Orange County Water District
Fountain Valley, California

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, GAS, and the State Controller's Minimum Audit Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and GAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Responsibilities

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.



Retirement Committee
Money Purchase Pension Plan for
Employees of Orange County Water District
Fountain Valley, California

Other Reporting Required by *Government Auditing Standards*

In accordance with GAS, we have also issued our report dated June 20, 2024, on our consideration of the Plan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Plan's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with GAS in considering the Plan's internal control over financial reporting and compliance.

Lance, Soll & Lughard, LLP

Brea, California
June 20, 2024

**MONEY PURCHASE PENSION PLAN FOR EMPLOYEES
OF ORANGE COUNTY WATER DISTRICT
STATEMENT OF NET POSITION AVAILABLE FOR BENEFITS
DECEMBER 31, 2023**

Assets

Investments:

Mutual funds, at fair value	\$ 130,291,878
Annuities, at contract value	<u>42,888,378</u>

Total Investments	<u>173,180,256</u>
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Receivables:

Notes receivable from participants	<u>1,049,039</u>
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Total Receivables	<u>1,049,039</u>
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Net Position Available for Benefits	<u>\$ 174,229,295</u>
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**MONEY PURCHASE PENSION PLAN FOR EMPLOYEES
OF ORANGE COUNTY WATER DISTRICT
STATEMENT OF CHANGES IN NET POSITION AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2023**

Additions

Investment Income:

Net appreciation in fair value of investments	\$ 13,409,693
Dividends	3,979,081
Interest	866,461
Capital gains	<u>911,884</u>

Total Investment Income	<u>19,167,119</u>
-------------------------	-------------------

Interest Income on Notes Receivable from Participants	<u>56,359</u>
---	---------------

Contributions:

Employer	4,651,346
Participants	1,363,679
Rollovers	<u>69,853</u>

Total Contributions	<u>6,084,878</u>
---------------------	------------------

Other Income	<u>81,593</u>
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Total Additions	<u>25,389,949</u>
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Deductions

Benefits paid to participants	5,876,841
Plan fees and administrative expenses	<u>77,647</u>

Total Deductions	<u>5,954,488</u>
-------------------------	-------------------------

Net Increase in Net Position Available for Benefits	<u>19,435,461</u>
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Net Position Available for Benefits:

Beginning of Year	<u>154,793,834</u>
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End of Year	<u>\$ 174,229,295</u>
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See Independent Auditors' Report and Notes to Financial Statements.

**MONEY PURCHASE PENSION PLAN FOR EMPLOYEES
OF ORANGE COUNTY WATER DISTRICT**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

Note 1: Description of Plan

The following description of the Money Purchase Pension Plan for Employees of Orange County Water District (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering all general employees, officers and members of the board of directors of the Orange County Water District (the District) except an employee for whom contributions are made to any other pension or retirement benefit plan for which pension benefits have been a subject in union or group negotiations or any part-time or temporary employees. As of December 31, 2023, the Plan had a membership of 371 consisting of 226 active members and 145 terminated members.

Through October 31, 2023, the Plan utilized Empower Retirement, LLC (Empower), formerly Prudential Bank & Trust, Federal Savings Bank (Prudential), as its custodian. Effective November 1, 2023, the Plan transferred all assets to Fidelity Management Trust Company (Fidelity). Therefore, all plan assets/investments including outstanding plan participant loans were held in trust/custody by Fidelity as of December 31, 2023. The assets of the Plan are administered by the Retirement Committee which consists of members of the District's Board of Directors (the Board) and District employees. The Retirement Committee makes recommendations to the Board. The Board initially established the Plan and holds authority to amend it.

Contributions

First Layer

Beginning on the date of hire, each participant is required to make a mandatory contribution equal to the then current Social Security contribution requirement (7.65% for the year ended December 31, 2023). The District is required to make a contribution in an amount equal to the then current Social Security contribution requirement (7.65% for the year ended December 31, 2023) for the employer contribution. In addition, the District may elect in any year to contribute any portion or all of the participant's first layer contribution and the participant's first layer contribution shall be reduced by the amount so contributed by the District. The District elected to contribute 3% for the year ended December 31, 2023, of the participant's mandatory contribution.

Second Layer

Each eligible employee shall become a participant in the second layer of contribution as of the first day of the month following completion of twelve months of covered service. The District is required to contribute 6% of the participant's total monthly compensation each month.

Voluntary Contributions

Participants may elect to make a voluntary contribution not less than 2% of compensation, and not more than an amount that would cause all contributions to exceed the lesser of the maximum allowed under Section 415(d) of the Internal Revenue Code (\$66,000 for the year ended December 31, 2023) or 25% of total compensation for the year.

**MONEY PURCHASE PENSION PLAN FOR EMPLOYEES
OF ORANGE COUNTY WATER DISTRICT**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

Note 1: Description of Plan (Continued)

Participant Accounts

Each participant's account is credited with the participant's contributions, the District's contributions and allocations of the Plan earnings or losses and administrative expenses. Allocations are based on participant's account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Forfeitures

Forfeitures are used to reduce the District's second layer contribution. The forfeited non-vested accounts totaled \$75 as of December 31, 2023. The District utilized \$28,932 of forfeitures from nonvested accounts to reduce the District's contributions for the year ended December 31, 2023.

Vesting

Participants are immediately 100% vested in their contributions to the Plan and District first layer contributions. With respect to District second layer, the following vesting schedule applies:

<u>Years of Service</u>	<u>Percentage</u>
Less than 5	0%
5 or more	100%

Participants become fully vested upon termination for reason of retirement, death or disability. Nonvested benefits are forfeited by participants upon termination for any other reason.

Notes Receivable from Participants

Participants may borrow from their vested accounts a minimum of \$2,000 up to a maximum of \$50,000 or 50% of their vested account balance, whichever is less. The loans are secured by up to one-half (1/2) of the vested account balance in the participant's account and/or a security interest in the residence of the participant. Maximum maturity of a loan is 5 years or 15 years if the loan is used to purchase the participant's principal residence. The interest rate is determined at the time the loan is approved equal to bank prime rate plus 1%. Participants may only have one outstanding loan at any time. Interest rates on outstanding loans ranged from 4.25% to 9.50% at December 31, 2023. Participant loans receivable totaled \$1,049,039 as of December 31, 2023.

Payment of Benefits

On termination of service due to death, disability or retirement, a participant may elect to receive a lump-sum amount equal to the value of the participant's vested interest in his or her account, installments based on the life expectancy of the participant or designated beneficiary as an annuity, or a combination of these methods.

**MONEY PURCHASE PENSION PLAN FOR EMPLOYEES
OF ORANGE COUNTY WATER DISTRICT**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

Note 2: Summary of Accounting Policies

Basis of Accounting

The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Contributions were recognized in the period that contributions are due. Payments to participants are recognized as deduction when due and payable under the provisions of the Plan.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments in mutual funds are stated at fair value. Quoted market prices are used to value investments. Shares of mutual funds are valued at quoted market prices which represent the net asset value of shares held by the Plan at year-end.

The Plan's investments in annuities consist of the Guaranteed Income Fund and is presented at contract value which approximates fair value. See Note 5 for further information.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Capital gains and/or losses are reported the day after trade date.

Net realized and unrealized appreciation is recorded in the accompanying statement of changes in net position available for benefits as net appreciation on investments.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowances for credit losses have been recorded as of December 31, 2023. Delinquent notes receivable that are deemed by the plan administrator to be in default are treated as distributions based on the terms of the Plan document.

Payment of Benefits

Benefits are recorded when paid.

**MONEY PURCHASE PENSION PLAN FOR EMPLOYEES
OF ORANGE COUNTY WATER DISTRICT**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

Note 2: Summary of Accounting Policies (Continued)

Plan Fees and Administrative Expenses

Certain expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the District. Expenses that are paid by the District are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation of fair value of investments.

Date of Management's Review

Events occurring after December 31, 2023, have been evaluated for possible adjustments to the financial statements or disclosures as of June 20, 2024, which is the date the financial statements were available to be issued.

Note 3: Investments

The Plan participants may direct contributions into any of the investment options offered by the Plan's investment administrators, which include various publicly traded mutual funds (stocks, bonds, and fixed income), annuity investments, and U.S. government investments. It is the Plan's policy to permit participants to establish different investment strategies which have varying return and volatility characteristics to meet each participant's long-term retirement savings strategy.

**MONEY PURCHASE PENSION PLAN FOR EMPLOYEES
OF ORANGE COUNTY WATER DISTRICT**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

Note 3: Investments (Continued)

Investments held in the name of the Plan consist of the following as of December 31:

Investments	2023
Mutual Funds:	
American Funds Balanced Fund R6	\$ 3,651,444
American Funds Bond Fund of America R6	7,222,179
American Funds New Perspective Fund R6	2,092,590 *
American Funds New World Fund R6	1,440,558 *
American Funds Target Date 2010 Fund R6	740,725
American Funds Target Date 2020 Fund R6	1,561,379
American Funds Target Date 2030 Fund R6	2,101,098
American Funds Target Date 2040 Fund R6	1,340,310
American Funds Target Date 2050 Fund R6	672,693
American Funds Target Date 2060 Fund R6	7,612
BlackRock Advantage Small Cap Core Fund Institutional	416,160
C&S Institutional Realty Shares	2,548,410
Carillon Scout Mid Cap Fund	1,318,779
Columbia Select Technology & Information Fund Class I2	3,607,814
Columbia Small Cap Index Fund Class I2	1,016,176
Fidelity Global Commodity Stock Fund	1,745,628 **
Fidelity Large Cap Growth Index Fund	2,938,303 **
Fidelity Low - Priced Stock Fund	2,737,220 **
Fidelity U.S. Bond Index Fund	6,783,764 **
Goldman Sachs Inflation - Protected Securities Fund Institutional	434,713
Hartford Core Equity Fund R6	9,094,006
Invesco Gold & Special Minerals Fund Y	5,384,961
J.P. Morgan Equity Income Fund R6	1,923,139
J.P. Morgan Mid Cap Growth Fund R5	1,787,180
John Hancock Enterprise Fund N	1,900,274
MFS International Intrinsic Value Fund	4,520,740 *
Neuberger Berman Small Cap Growth Fund R6	1,822,007
Parnassus Core Equity Fund Institutional	2,774,425
PIF Midcap S&P 400 Index Fund	4,927,888
Putnam Large Cap Value Fund Y	7,586,207
T. Rowe Price All - Cap Opportunities Fund I	8,124,824
Vanguard 500 Index Fund Admiral	22,740,677
Vanguard International Growth Fund Admiral	3,756,554 *
Vanguard VMMR - Federal Money Market Fund	5,231,556
Victory Sophus Small Cap Opportunities Fund I	1,796,914
Victory Sycamore Established Value Fund	2,542,971
Total Mutual Funds	130,291,878
Annuities - Guaranteed Income Fund	42,888,378 **
Total Investments	<u>\$ 173,180,256</u>

* These investments represent international mutual funds.

** These investments are parties-in-interest.

**MONEY PURCHASE PENSION PLAN FOR EMPLOYEES
OF ORANGE COUNTY WATER DISTRICT**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

Note 3: Investments (Continued)

Interest Rate Risk

Interest Rate Risk is the risk that changes in interest rates will adversely affect the value of an investment. Some of the mutual funds held by the Plan invest in debt instruments that are subject to interest rate risk. The schedule presented below provides an indication of the interest rate risk associated with the funds holding debt obligations as of the most recent information available:

Investments	Fair Value / Contract Value	Effective Duration (Years)
Mutual Funds:		
American Funds Bond Fund of America R6, at Fair Value	\$7,222,179	5.91
Fidelity U.S. Bond Index Fund, at Fair Value	6,783,764	6.02
Goldman Sachs Inflation - Protected Securities Fund Institutional, at Fair Value	434,713	6.75
Annuities - Guaranteed Income Fund, at Contract Value	42,888,378	2.88

Custodial Credit Risk

Custodial Credit Risk is the risk that, in the event of a failure of the counterparty, the Plan would not be able to recover the value of its deposits, investments, or collateral securities that were in the possession of an outside party. Investment securities are exposed to custodial credit risk if they are uninsured or not registered in the name of the Plan and are held by either the counterparty or the counterparty's trust department or agent, but not in the Plan's name.

The Plan investments are evidenced by mutual fund shares and Guaranteed Income Fund units. In accordance with Government Accounting Standards Board (GASB) Statement No. 40, Deposit and Investment Risk Disclosures, investments in these funds are not subject to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form. The Plan's investment is the mutual fund share or the Guaranteed Income Fund unit, not the underlying security.

Credit Risk

Credit Risk is the risk that the Plan will lose money because of the default of the security of the issuer or investment counterparty. The Guarantee Income Fund and the mutual funds are unrated.

Concentration of Credit Risk

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the Plan's investment in a single issuer. The Plan's investments are managed by several fund managers. The concentrations of investments are determined by the participants' elections to invest in the available investment options as selected by the Board. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds or pools are excluded from concentration of credit risk requirements. The only investment that exceeds 5%, other than mutual funds, is the Guaranteed Income Fund.

**MONEY PURCHASE PENSION PLAN FOR EMPLOYEES
OF ORANGE COUNTY WATER DISTRICT**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

Note 3: Investments (Continued)

Foreign Currency Risk

Foreign Currency Risk is the risk that changes in exchange rates will adversely affect the fair value of the investment. The Plan includes an option to invest in mutual funds that include securities denominated in foreign currencies. Those mutual funds are not required to disclose the individual securities held in those funds. The fair value of these investments was \$11,810,442 as of December 31, 2023. The individual funds are identified on page 10.

Note 4: Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under GASB 72 are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2023.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open end mutual funds that are registered with the SEC. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Annuity contract: Fair value of the annuity contract is based upon the contract value the investments purchased through the annuity contract.

**MONEY PURCHASE PENSION PLAN FOR EMPLOYEES
OF ORANGE COUNTY WATER DISTRICT**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

Note 4: Fair Value Measurements (Continued)

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2023:

INVESTMENTS	Fair Value Measurements Using Input Type			2023
	Level 1	Level 2	Level 3	Total
Mutual funds	\$130,291,878	\$ -	\$ -	\$ 130,291,878
Investments in the fair value hierarchy	<u>\$130,291,878</u>	<u>\$ -</u>	<u>\$ -</u>	130,291,878
Investments measured at contract value				<u>42,888,378</u>
Total investments				<u>\$ 173,180,256</u>

In regards to the classification of investment options offered by the Plan, there were no reclassifications in or out of levels 1, 2 or 3 during the years ended December 31, 2023.

Note 5: Group Annuity Contract

The Plan has an active traditional fully benefit-responsive guaranteed investment contract with Empower Annuity Insurance Company (Empower) through October 31, 2023, and with Fidelity Management Trust Company (Fidelity) effective November 1, 2023, totaling \$42,888,378 at December 31, 2023. Empower and Fidelity maintain the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The guaranteed investment contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan. The crediting rate is based on a formula established by the contract issuer. The crediting rate is reviewed on a period basis for resetting. The guaranteed investment contract does not permit the insurance company to terminate the agreement prior to the scheduled maturity date.

This contract meets the fully benefit-responsive investment contract criteria and therefore is reported at contract value. Contract value is the relevant measure for fully benefit-responsive investment contracts because this is the amount received by participants if they were to initiate permitted transactions under the terms of the Plan. Contract value, as reported to the Plan by Empower, represents contributions made under the contract, plus earnings, less participant withdrawals, and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

**MONEY PURCHASE PENSION PLAN FOR EMPLOYEES
OF ORANGE COUNTY WATER DISTRICT**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

Note 5: Group Annuity Contract (Continued)

The Plan's ability to receive amounts due is dependent on the issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

Certain events might limit the ability of the Plan to transact at contract value with the issuer. Such events include (1) amendments to the Plan documents (including complete or partial Plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan sponsor or other Plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA (5) premature termination of the contract. No events are probable of occurring that might limit the ability of the Plan to transact at contract value with the contract issuers and that also would limit the ability of the plan to transact at contract value with the participants.

In addition, certain events allow the issuer to terminate the contract with the Plan and settle at an amount different from contract value. Such events include (1) an uncured violation of the Plan's investment guidelines, (2) a breach of material obligation under the contract, (3) a material misrepresentation, (4) a material amendment to the agreement without the consent of the issuer.

Note 6: Plan Termination

Although it has not expressed any intent to do so, the District has the right under the Plan to discontinue its contributions at any time and to terminate the Plan. In the event of Plan termination, participants will become 100% vested in their accounts.

Note 7: Tax Status

The Internal Revenue Service has determined and informed the District by a letter dated February 28, 2014, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, an updated determination letter is not required by the Internal Revenue Service and the Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 8: Party-In-Interest Transactions

The investments in annuities were managed by Empower Retirement, LLC, through October 31, 2023, and by Fidelity effective November 1, 2023, which are recordkeepers as defined by the Plan, and therefore, these investments qualify as party-in-interest transactions. Notes receivable from participants represent loans to employees, and therefore, also qualify as party-in-interest transactions.

**MONEY PURCHASE PENSION PLAN FOR EMPLOYEES
OF ORANGE COUNTY WATER DISTRICT**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

Note 9: Risks and Uncertainties

The Plan, as directed by participants, may invest in various types of investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risk. Due to the level of risk associated with certain investment securities, it is possible that changes in the values of investment securities may occur in the near term and that such change could materially affect the amounts reported in the statement of net position.

OCWD Ratio Analysis



INDEPENDENT ACCOUNTANT'S REPORT

Board of Directors
Orange County Water District
City of Fountain Valley, California

We have performed the procedures enumerated below on the accompanying ratios of the Orange County Water District (the District) for the years ended June 30, 2020, through June 30, 2024. The Orange County Water District is responsible for the ratios.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing ratios for financial analysis for the years ended June 30, 2020, through June 30, 2024. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

1. We calculated the District's leverage ratio, day's cash ratio, and all-in ADS coverage ratio. We included comparison information for Fitch medians from the 2024 U.S. Water and Sewer: Peer review published September 24, 2024, by rating category for the day's cash ratio and all-in ADS coverage ratio.

We were engaged by the Orange County Water District's management to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accompanying ratios. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

Brea, California
October 17, 2024

ORANGE COUNTY WATER DISTRICT
RATIOS FOR FINANCIAL ANALYSIS
JUNE 30, 2020 THROUGH JUNE 30, 2024

	Orange County Water District					Fitch Medians relative to Rating Category **		
	2024	2023	2022	2021	2020	AAA	AA	A
RATIO # 1								
TOTAL LONG-TERM DEBT	\$ 832,343,870	\$ 869,826,285	\$ 894,775,587	\$ 680,443,684	\$ 696,178,263			
TOTAL UNRESTRICTED CASH & INVESTMENTS	282,562,957	289,526,304	227,733,335	260,570,286	260,570,286			
NET REVENUES	132,100,560	97,343,725	94,992,876	115,762,687	110,100,421			
LEVERAGE RATIO	4.2	6.0	7.0	3.6	4.0	2.34	6.55	9.02

Total amount of utility long-term debt, net of deferred charges on refunding, less unrestricted cash and divided by net revenues. Indicates existing debt leverage relative to system equity.

RATIO # 2								
Total cash and investments (unrestricted)	282,562,958	289,526,304	287,260,396	274,974,408	249,590,630			
Total operating expenses and debt service from below	132,906,610	130,996,990	113,231,286	114,643,845	108,281,707			
Days Cash on hand	776	807	926	875	841	651	471	678

Current unrestricted cash and investments plus any restricted cash and investments (if available for general system purposes), divided by operating expenditures minus depreciation.

RATIO # 3								
Replenishment assessments	\$ 173,617,162	\$ 135,370,694	\$ 129,244,848	\$ 136,357,405	\$ 138,444,750			
Property tax	37,701,909	35,807,406	33,535,212	31,883,652	29,988,171			
Legal settlement revenue	-	3,500,000	1,800,000	18,950,000	3,679,500			
Reclaimed water revenue	2,636,908	2,429,591	3,020,902	3,228,393	2,656,593			
Rental income, net of expenses	1,824,857	1,729,446	1,642,856	1,711,390	1,610,943			
Interest earnings	10,537,047	7,782,227	1,026,960	2,525,091	6,347,215			
Operating grants	344,521	716,741	1,242,800	-	-			
Other revenues	3,886,734	3,659,100	3,560,332	3,631,344	3,564,442			
Total Revenues	230,549,138	190,995,205	175,073,910	198,287,275	186,291,614			
Operating Expenses Less Depreciation*	98,448,578	93,651,480	79,892,062	82,524,588	76,191,193			
Total Expenditures	98,448,578	93,651,480	79,892,062	82,524,588	76,191,193			
Net Revenues	132,100,560	97,343,725	95,181,848	115,762,687	110,100,421			
Interest Expense	19,254,757	22,503,073	18,813,933	19,287,505	17,501,813			
Principal Expense	15,203,275	14,842,437	14,336,319	12,831,752	14,588,701			
Annual Debt Service	34,458,032	37,345,510	33,150,252	32,119,257	32,090,514			
All-in ADS Coverage Ratio	3.8	2.6	2.9	3.6	3.4	2.4	1.5	1.8

*Operating expenses less depreciation consists of water production, general and administrative, PFAS and legal expenses.

Current year revenues available for debt service divided by current-year total debt service. Indicates the financial margin to meet current total ADS with current revenues available for debt service.

**Fitch medians for wholesale were obtained from the 2024 Water and Sewer: Peer Review published September 24, 2024.

END OF ADDENDUM

MANDATORY FORM

ACKNOWLEDGE RECEIPT OF ADDENDUM NO. 1

**REQUEST FOR PROPOSAL
PROFESSIONAL AUDITING SERVICES
(RFP-24-008)**

3/4/25

Proposer shall acknowledge receipt of this addendum by detaching, signing and attaching to his/her proposal, one (1) copy of this sheet.

I, _____

Name of Proposer, Company Name

Address, City, State, Zip

Hereby acknowledge receipt of Addendum No. 1 to the **Request for Proposal (RFP-24-008) Professional Auditing Services** and have considered these revisions in the preparation of my proposal. This addendum, consisting of this acknowledgement, shall become a part of any contract made pursuant thereto.

Proposer's Signature

Printed Proposer's Name

Date