

I hereby certify that the following agenda was posted at least 72 hours prior to the time of the meeting so noticed below at 24251 Los Alisos Boulevard, Lake Forest, California.



Robert R. Hill, Secretary of the
El Toro Water District and the Board of
Directors thereof

AGENDA

EL TORO WATER DISTRICT

**REGULAR MEETING OF THE
BOARD OF DIRECTORS
ENGINEERING COMMITTEE MEETING
AND
FINANCE/INSURANCE COMMITTEE MEETING**

January 22, 2018

7:30 a.m.

CALL TO ORDER – Director Vergara

PLEDGE OF ALLEGIANCE – Director Adjarian

ORAL COMMUNICATION – PUBLIC COMMENT

Members of the public may address the Committee at this time or they may reserve this opportunity with regard to an item on the agenda until said item is discussed by the Committee. Comments on other items will be heard at the time set aside for “COMMENTS REGARDING NON-AGENDA ITEMS.” The public will identify themselves when called on and limit their comments to three minutes.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

Determine need and take action to agendize items(s) which arose subsequent to the posting of the Agenda. (ROLL CALL VOTE: Adoption of this recommendation requires a two-thirds vote of the Board members present, or, if less than two-thirds of the Board members are present, a unanimous vote of those members present.)

1. Approval of Minutes

The Engineering and FIC Committee will consider approving minutes for the December 18, 2017 Engineering and Finance/Insurance Committee meeting.

Recommended Action: Approve minutes for the December 18, 2017 Engineering and Finance/Insurance Committee meeting.

CAMP PRESENTATION

2. California Asset Management Program (CAMP) (Reference Material Included)

A CAMP Representative will update the Board on the District's investment holdings and philosophy based on the economic outlook. CAMP assists the District with short-term investment alternatives.

ENGINEERING COMMITTEE

ENGINEERING ACTION ITEMS

There are no action items.

ENGINEERING GENERAL INFORMATION ITEMS

3. El Toro Water District Capital Project Status Report (Reference Material Included)

Staff will review and comment on the El Toro Water District Capital Project Status Report.

4. Engineering Items Discussed at Various Conferences and Meetings (Oral Report)

The Committee will discuss any pertinent Engineering items discussed at Conferences.

COMMENTS REGARDING NON-AGENDA ENGINEERING COMMITTEE ITEMS

CLOSE ENGINEERING COMMITTEE MEETING

FINANCE/INSURANCE COMMITTEE MEETING

CALL MEETING TO ORDER – Director Monin

INSURANCE UPDATE

5. **Quarterly Insurance Update Report** (Reference Material Included)

Staff will review and comment on the Quarterly Insurance Report for the period October 1, 2017 through December 31, 2017.

FINANCIAL ACTION ITEMS

6. **Financial Package - Authorization to Approve Bills for Consideration dated January 22, 2017 and Receive and File Financial Statements as of December 31, 2017** (Reference Material Included)

Staff will review and comment on the Bills for Consideration dated January 22, 2018 and Receive and File Financial Statements as of December 31, 2017.

Recommended Action: Staff recommends that the Board: 1) Approve, ratify and confirm payment of those bills as set forth in the schedule of Bills for Consideration dated January 22, 2018, and 2) receive and file the Financial Statements for the period ending December 31, 2017.

FINANCIAL INFORMATION ITEMS

7. **2018/19 Fiscal Year Budget/Cost of Service Evaluation/Preparation and Tentative Schedule Status Report** (Reference Material Included)

Staff will review and comment on the 2018/19 fiscal year Budget/Cost of Service Evaluation/Preparation and Tentative Schedule.

8. **Tiered Water Usage and Revenue Tracking** (Reference Material Included)

Staff will review and comment on monthly and year to date Tiered Water Usage and Revenue tracking.

COMMENTS REGARDING NON-AGENDA FIC ITEMS

CLOSE FINANCE AND INSURANCE COMMITTEE MEETING

ATTORNEY REPORT - Technological Conferencing (Brown Act Requirements)

9. **Excerpts from League of Cities Open & Public V** (Reference Material Included)

CLOSED SESSION

At this time the Board will go into Closed Session as follows:

1. In accordance with Government Code Section 54956.8 to consult with the District's Negotiator (Dennis Cafferty, Assistant General Manager) regarding

the terms and conditions concerning the potential sale/disposition of the following property: Property and Easements within Assessor Parcel Number 613-011-01 (District's existing Pump Station site).

2. In accordance with Government Code Section 54956.96 in order to receive, discuss, and/or take action concerning information obtained by the District's representative pertaining to a closed session of the South Orange County Wastewater Authority ("SOCWA"), a joint powers agency.
3. To consult with General Counsel – in accordance with Government Code Section 54956.9 (potential litigation-one matter).
4. In accordance with Government Code Section 54957 to review the General Manager's Employment Agreement.
5. To conduct the General Manager's annual performance evaluation pursuant to Government Code Section 54957 (b) (1).

REGULAR SESSION

REPORT ON CLOSED SESSION (Legal Counsel)

Mr. Granito will provide an oral report on the Closed Session.

10. GENERAL MANAGER COMPENSATION

Board Action: The District's Board of Directors will discuss and consider granting the District's General Manager a compensation increase in the amount and form as determined by the Board.

ADJOURNMENT TO 7:30 a.m., Tuesday, February 20, 2018.

The agenda material for this meeting is available to the public at the District's Administrative Office, which is located at 24251 Los Alisos Blvd., Lake Forest, Ca. 92630. If any additional material related to an open session agenda item is distributed to all or a majority of the board of directors after this agenda is posted, such material will be made available for immediate public inspection at the same location.

Request for Disability-Related Modifications or Accommodations

If you require any disability-related accommodation, including auxiliary aids or services, in order to participate in this public meeting, please telephone the District's Recording Secretary, Polly Welsch at (949) 837-7050, extension 225 at least forty-eight (48) hours prior to said meeting. If you prefer, your request may be submitted in writing to El Toro Water District, P.O. Box 4000, Laguna Hills, California 92654, Attention: Polly Welsch.

MINUTES OF THE REGULAR MEETING
OF THE
ENGINEERING COMMITTEE MEETING
AND
FINANCE/INSURANCE COMMITTEE

December 18, 2017

Chairman Vergara called the Meeting of the Engineering Committee and Finance/Insurance Committee to order at 7:30 a.m. on December 18, 2017.

Director Monin led in the Pledge of Allegiance to the flag.

Present at today's meeting were Committee Members M. SCOTT GOLDMAN, WILLIAM H. KAHN, JOSE F. VERGARA, FRED ADJARIAN, and MARK MONIN.

Also present were ROBERT R. HILL, General Manager/Secretary, DENNIS P. CAFFERTY, Assistant General Manager/District Engineer, NEELY SHAHBAKHTI, Finance Manager/Controller, JUDY CIMORELL, Human Resources Manager, GILBERT J. GRANITO, General Counsel, PAUL KAYMARK, PUN Group, KATHRYN FRESHLEY, Customer, and CAROL MOORE, Customer.

Oral Communication/Public Comment

There were no comments.

Items Received too Late to be Agendized

Chairman Vergara asked if there were any items received too late to be agendized. Mr. Hill replied no.

Approval of Minutes

Chairman Vergara asked for a Motion.

Motion: Director Adjarian made a Motion, seconded by Director Monin and unanimously carried across the Board to approve the Minutes.

Roll Call

| | |
|---------------------|-----|
| Director Vergara | aye |
| Vice President Kahn | aye |
| President Goldman | aye |
| Director Monin | aye |
| Director Adjarian | aye |

Chairman Vergara stated that at this time we would be discussing item #4 of today's agenda.

ETWD Comprehensive Annual Financial Report/Audit – Fiscal Year Ended June 30, 2017

Ms. Shahbakhti introduced Mr. Kaymark, Partner of the PUN Group.

Mr. Kaymark provided an overview of the CAFR report. He further stated that included in the report is a letter of transmittal and a Certificate of Achievement for Excellence in Financial Reporting.

Mr. Kaymark stated that in their opinion, the financial statements present fairly in all material respects the financial position of the District, and respective changes in financial position, cash flows in accordance with accounting principles generally accepted in the USA.

Mr. Kaymark stated that also included in the report is a comparison between the two years of 2016 & 2017, Management's Discussion and Analysis. He further stated that the overall operations is pretty even throughout the year.

Mr. Kaymark stated that the report shows a decrease in debt. He further stated that Operating Income before Depreciation shows that what we are bringing in Revenues that exceed our Operating expenses overall.

President Goldman asked about the Baker Water Treatment Plant, as to whether we own the structure, capacity and/or a lease hold in the land. Mr. Cafferty replied that ETWD owns capacity in the Baker project, but not the structure and/or a lease hold.

Mr. Kaymark stated that depreciation is based on the rate payers schedule.

Director Adjarian asked under General Expenses, the report shows a decrease in Administrative expenses. Mr. Cafferty replied that we will be reconciling the actual numbers from the 2016/17 budget.

At approximately 7:50 o'clock a.m. Mr. Kaymark left the meeting.

Engineering Committee

At approximately 7:50 o'clock a.m. Chairman Vergara called the Engineering Committee meeting to order.

Engineering Action Items

There were no action items.

Engineering General Information Items

El Toro Water District Capital Project Status Report

Recycled Water Distribution System Projects

Mr. Cafferty stated that included in the report are attachments which provide financial information and any change order information. He further stated that the total

cost estimate and to date expenses are included.

Mr. Cafferty stated that a Construction Summary is also included in the report. He further stated that it has updates to the East Side System, the West Side System, and the Total Distribution System of the Pipeline Installation Progress.

2nd Street Pump Station Demolition

Mr. Cafferty stated that SCE has finally de-energized the building and S.S. Mechanical estimates the project will take 2 weeks to complete demolition activities in January.

President Goldman asked what is the cost of the demolition. Mr. Cafferty replied that it will cost approximately \$50,000-\$60,000, which will be split with IRWD.

Energy Efficiency Projects

Mr. Cafferty stated that staff is reviewing energy efficiency projects. He further stated that solar panels at the Plant and Admin office was also reviewed.

Engineering Items Discussed at Various Conferences and Meetings

There were no comments.

Comments Regarding Non-Agenda Engineering Committee Items

There were no comments.

Close Engineering Committee Meeting

At approximately 8:34 o'clock a.m. the Engineering meeting was closed.

FINANCE/INSURANCE COMMITTEE

At approximately 8:34 o'clock a.m. Director Monin called the Finance/Insurance

Committee meeting to order.

Financial Action Items

Financial Package – Authorization to Approve Bills for Consideration dated December 18, 2017 and Receive and File Financial Statements as of November 30, 2017

Ms. Shahbakhti stated that we are on track with the budget.

Director Monin asked for a Motion.

Motion: President Goldman made a Motion, seconded by Vice President Kahn and unanimously carried across the Board, to 1) approve, ratify and confirm payment of those bills as set forth in the schedule of Bills for Consideration dated December 18, 2017, and 2) receive and file the Financial Statements for the period ending November 30, 2017.

Roll Call:

| | |
|---------------------|-----|
| Director Vergara | aye |
| Vice President Kahn | aye |
| President Goldman | aye |
| Director Monin | aye |
| Director Adjarian | aye |

Financial Information Items

Tiered Water Usage and Revenue Tracking

Ms. Shahbakhti stated that the water use charts are included in the Board package.

Comments Regarding Non-Agenda FIC Items

There were no comments.

Close Finance and Insurance Committee Meeting

At approximately 8:39 o'clock a.m. the Finance meeting was closed.

Attorney Report

Mr. Granito reported that there is a need for a Closed Session at today's meeting to discuss items #3 and #4 of today's Closed Session agenda.

Closed Session

At approximately 8:41 o'clock a.m. the Board went into Closed Session to discuss items #3 and #4 of today's Closed Session agenda. Also at this time, Mr. Hill, Mr. Cafferty, Ms. Welsch, Ms. Shahbakhti, Ms. Freshley, and Ms. Moore left the meeting.

At approximately 8:50 o'clock a.m. Mr. Hill was called to the Closed Session.

Open Session Report

At approximately 9:11 o'clock a.m. the Board returned to Open Session. Also at this time, Ms. Welsch returned to the meeting.

Mr. Granito reported that the Board discussed items #3 and #4. Further discussion on items #3 and #4 will be discussed at the December 19, 2017 Board meeting.

Adjournment

There being no further business to come before the Board, the following motion was duly made and passed.

Motion: Director Monin made a Motion, seconded by Director Vergara and unanimously carried that today's meeting be adjourned at 9:15 o'clock a.m. to Monday, January 22, 2018 at 7:30 o'clock a.m. at the District's Administrative Offices at 24251 Los Alisos Blvd, Lake Forest, CA. 92630.

Roll Call:

| | |
|---------------------|-----|
| President Goldman | aye |
| Vice President Kahn | aye |
| Director Monin | aye |
| Director Adjarian | aye |
| Director Vergara | aye |

Respectfully submitted,

POLLY WELSCH
Recording Secretary

APPROVED:

M. SCOTT GOLDMAN, President
of the El Toro Water District and the
Board of Directors thereof

ROBERT R. HILL, Secretary
of the El Toro Water District and the
Board of Directors thereof



El Toro Water District

Portfolio Update

Period Ending December 31, 2017

Presented By:
Richard Babbe, Senior Managing Consultant

January 22, 2018

PFM Asset Management LLC
www.pfm.com

601 South Figueroa
Suite 4500
Los Angeles, CA
90017
Tel: (213) 489-4075

50 California Street
Suite 2300
San Francisco, CA
94111
Tel: (415) 982-5544



Key Themes

Economic conditions:

- I. The economy continued to grow at a moderate pace.
- II. The labor market remained strong with the unemployment rate reaching a post-financial-crisis low.
- III. Inflation steadied, but the outlook remains soft.
- IV. Yields increased sharply during the year with the largest increase coming during the fourth quarter, driven by federal tax reform and a third Fed rate hike.
- V. Based on current market conditions, the Federal Reserve expects three additional rate hikes over 2018.

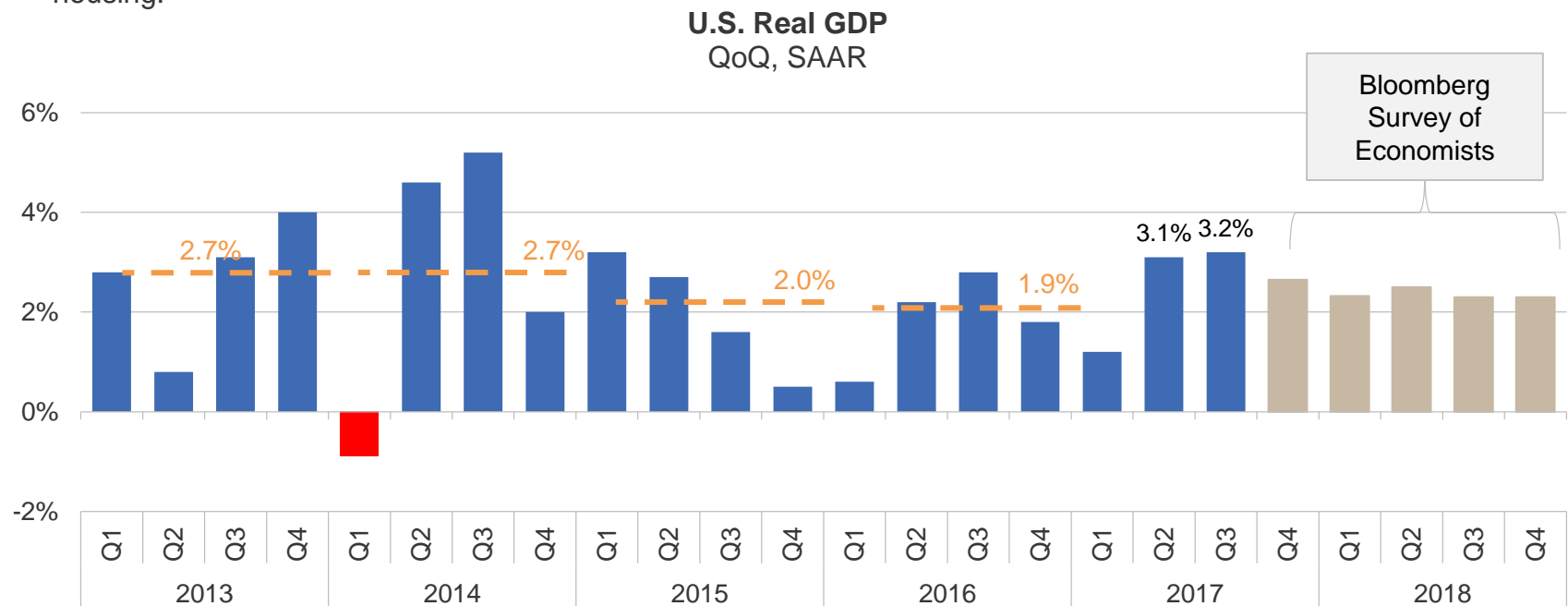
Strategy Considerations:

- I. The portfolio continues to perform well, consistent with the agreed upon strategy.
- II. Higher rates contribute to higher interest income but result in market value depreciation while the portfolio adjusts to higher rates.
- III. We continued to actively manage the portfolio to optimize its performance while managing its risk profile.



Economic Growth Remained Strong in Third Quarter

- Gross domestic product increased at an annualized rate of 3.2% in the third quarter of 2017. Growth in the second and third quarters was the fastest pace of expansion over two consecutive quarters since 2014. Growth has averaged 2.3% over the last four quarters.
- Third quarter GDP reflected positive contributions from personal consumption and business investment, boosted primarily by a rise in private inventories and exports which were offset by negative contributions from residential housing.



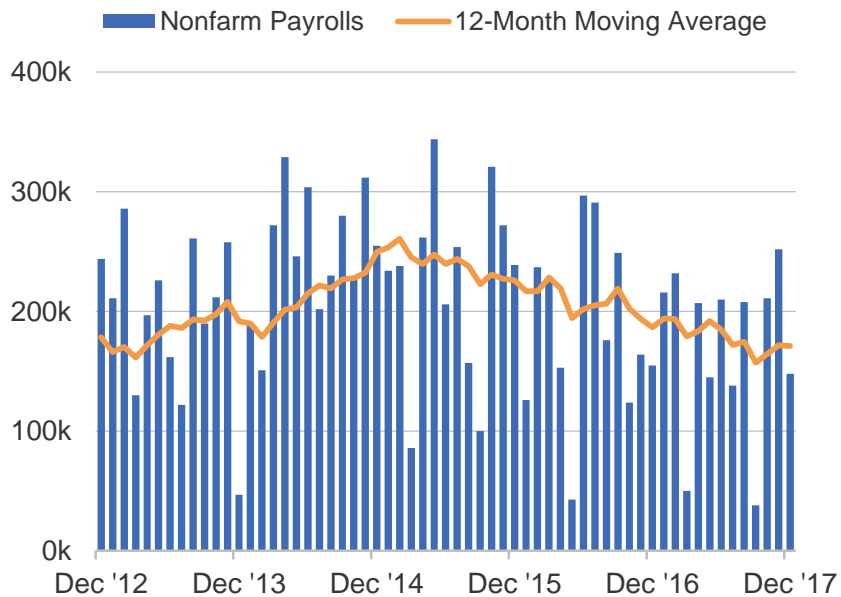
Source: Bloomberg, as of Q3 2017. SAAR is seasonally adjusted annualized rate. Orange denotes rolling four-quarter averages.



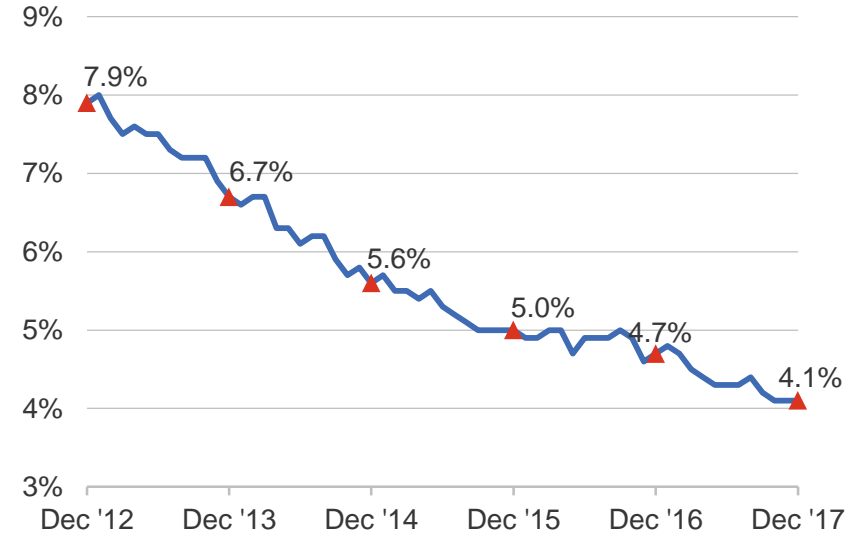
Labor Market Activity Slows in December

- The U.S. labor market added 148k jobs in December, well below expectations, while the headline unemployment rate held at 4.1%, the lowest level in 17 years.
- The U.S. economy added 2.06 million jobs in 2017, the lowest number in seven years.
- Average hourly earnings—an important gauge of wage growth—grew only 2.5% over the past 12 months.

Monthly Change in Nonfarm Payrolls



Unemployment Rate

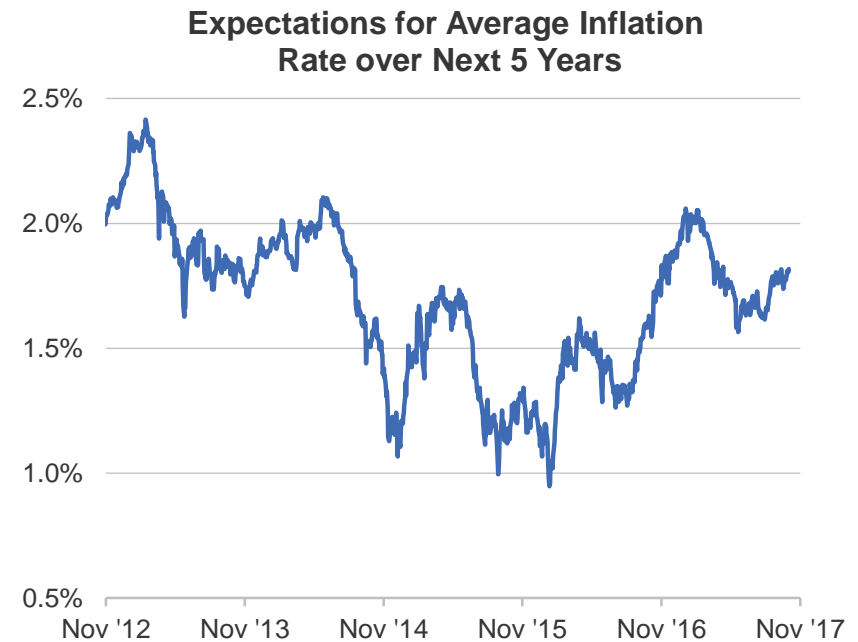
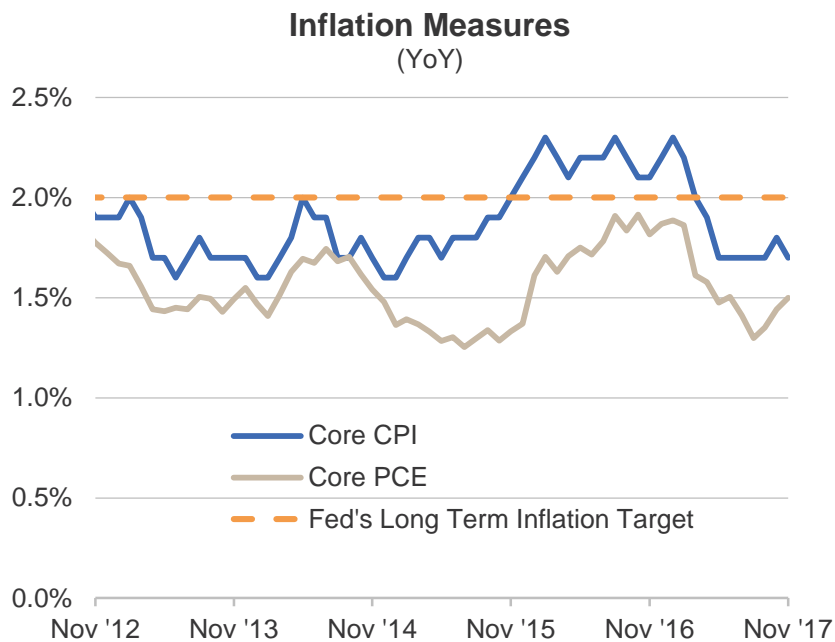


Source: Bloomberg, as of December 2017.



Inflation Steadies but Outlook Remains Weak

- The core personal consumption expenditures (PCE) price index, the Fed's preferred measure of inflation, remained at 1.5% year-over-year in November. However, most Fed officials expect that inflation will gradually rise to reach the 2% target over time.



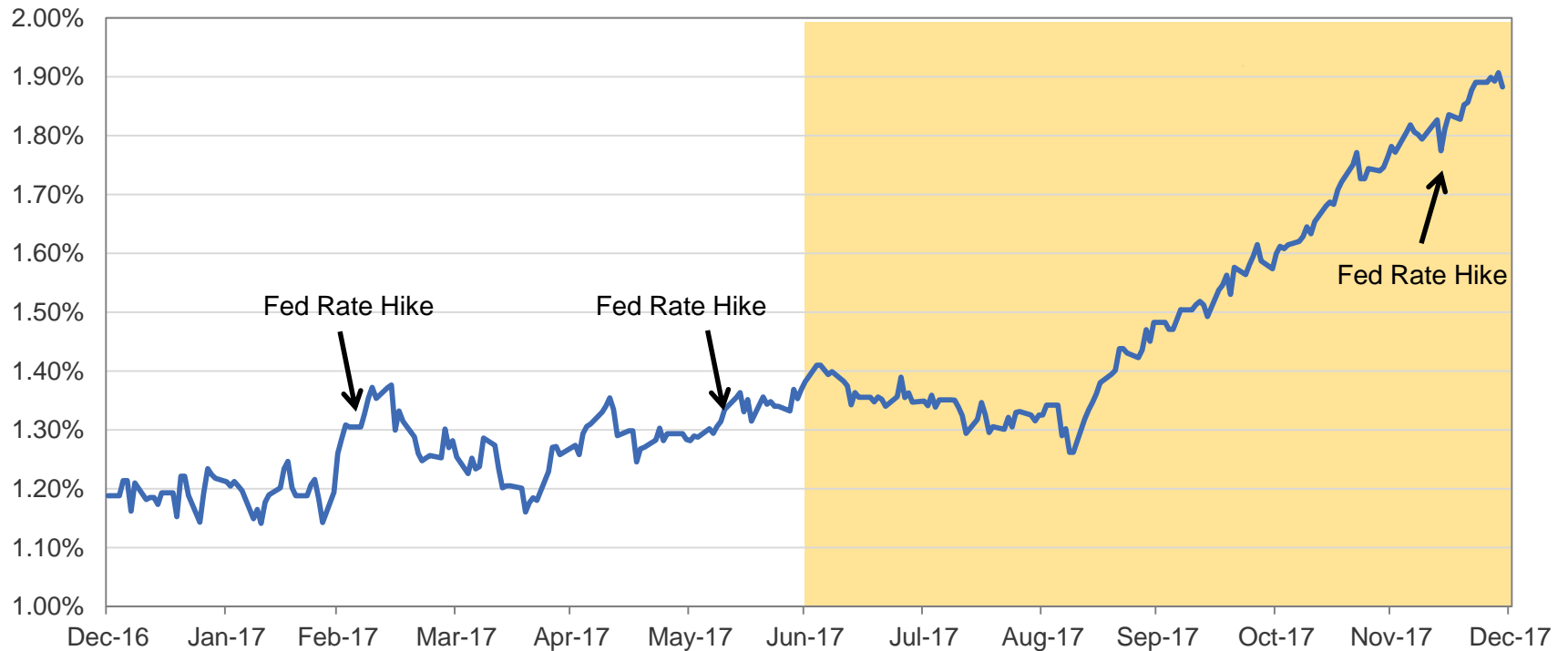
Source: Bloomberg, latest data available as of December 2017. Inflation expectations based on yield difference between 5-year Treasury note and 5-year Treasury Inflation Protected Securities (TIPS).



Interest Rate Update

- Two-year Treasury yields moved notably higher for the year ended December 31, 2017; the increase was most pronounced during the fourth quarter as markets responded to another rate hike by the Federal Reserve and the passage of the largest overhaul of the U.S. tax system in more than 30 years.

2-Year Treasury Yields
December 31, 2016 – December 31, 2017

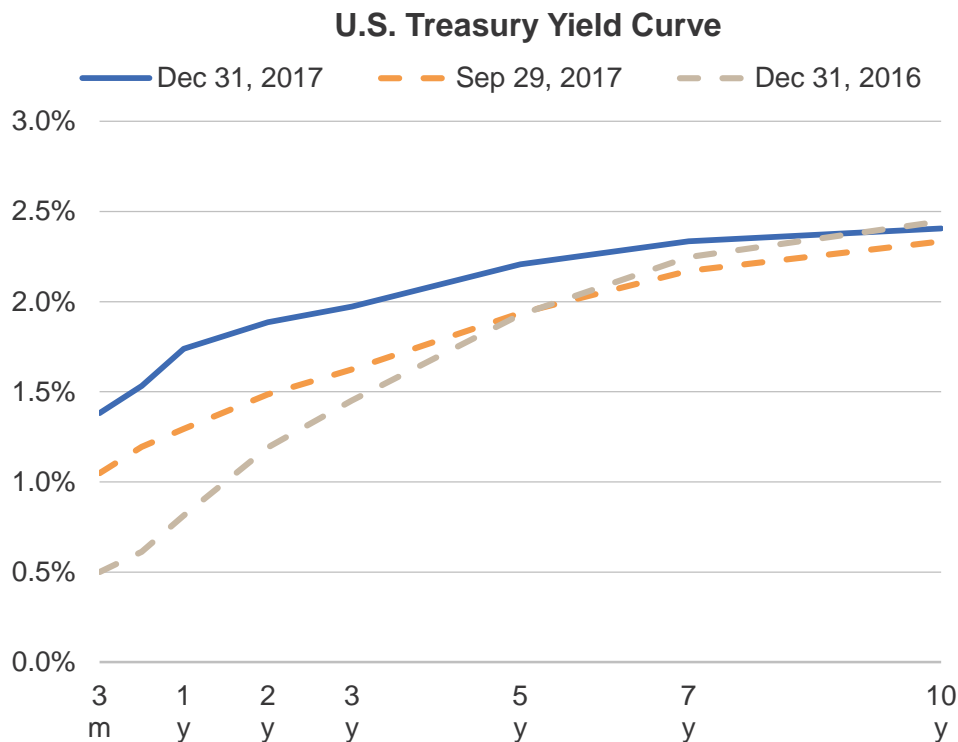


Source: Bloomberg, as of 12/31/17.



Short-Term Yields Higher in Fourth Quarter but Yield Curve Flattened

- Treasury yields are substantially higher in the short and intermediate term compared to a year ago.
 - Short-term yields rose as the Fed raised rates three times in 2017.
 - The yield curve flattened as long-term rates moved very little due to muted inflation expectations.



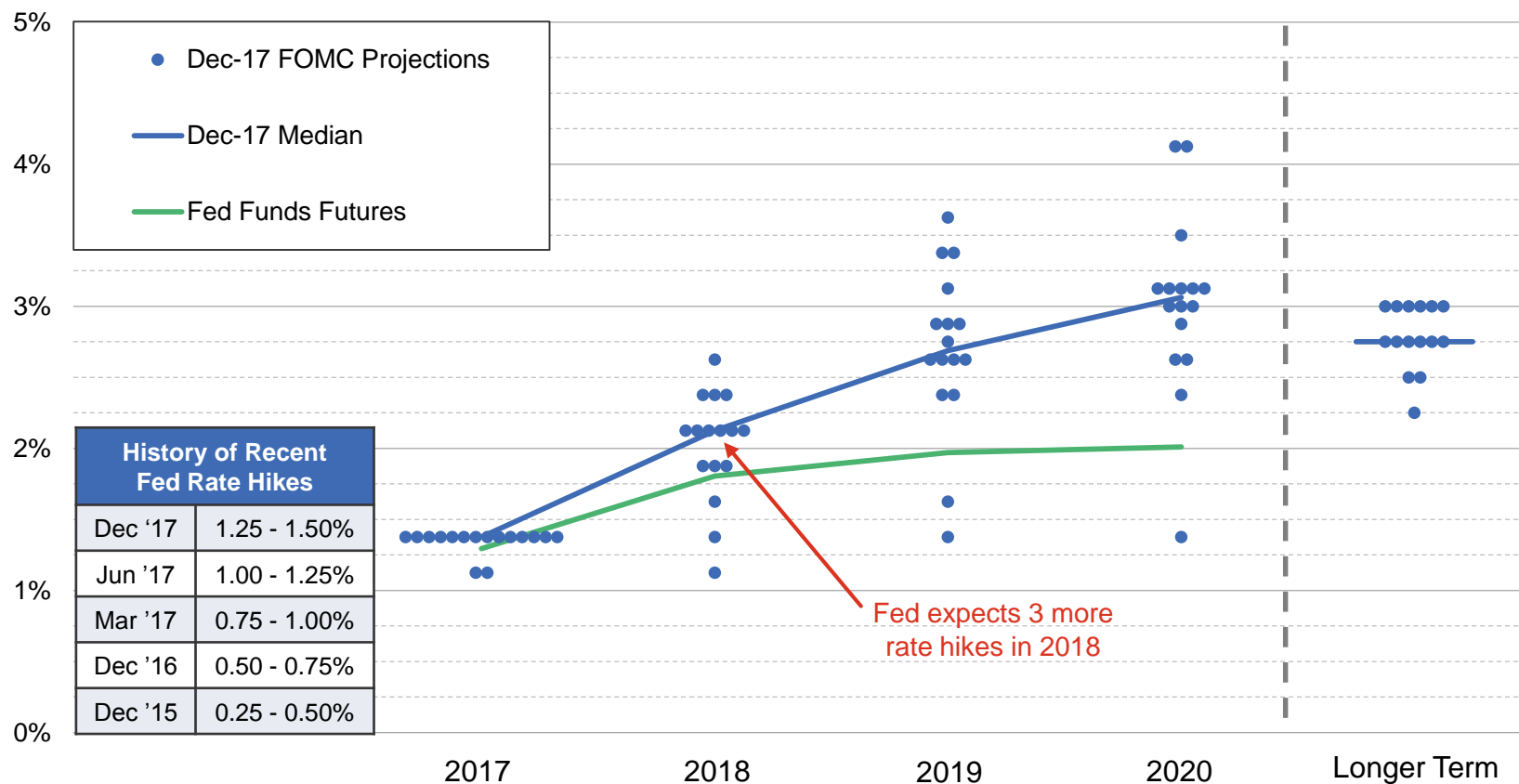
Source: Bloomberg, as of 1/2/18.

| Yield Curve History | | |
|---------------------|------------|------------|
| Maturity | 12/31/2017 | 12/31/2016 |
| 3-Mo. | 1.38 | 0.50 |
| 6-Mo. | 1.53 | 0.61 |
| 1-Yr. | 1.74 | 0.81 |
| 2-Yr. | 1.89 | 1.19 |
| 3-Yr. | 1.97 | 1.45 |
| 5-Yr. | 2.21 | 1.93 |
| 7-Yr. | 2.33 | 2.25 |
| 10-Yr. | 2.41 | 2.45 |
| 30-Yr. | 2.74 | 3.07 |



FOMC “Dot Plot” – December 2017

Fed Participants’ Assessments of ‘Appropriate’ Monetary Policy



Source: Federal Reserve and Bloomberg. Individual dots represent each Fed members’ judgement of the midpoint of the appropriate target range for the federal funds rate at each year-end. Fed funds futures as of 12/13/17.



Portfolio Composition

- The portfolio is in compliance with the District's Investment Policy.

Portfolio Market Values¹
December 31, 2017 versus June 30, 2017

| Investment Type | 12/31/17 | % of Portfolio | 6/30/17 | % of Portfolio | Permitted by Policy |
|-------------------------|---------------------|----------------|---------------------|----------------|---------------------|
| U.S. Treasury | \$921,718 | 6% | \$482,608 | 3% | 100% |
| Federal Agency | \$1,928,823 | 12% | \$4,198,957 | 25% | 100% |
| Supranational | \$526,296 | 3% | \$241,034 | 1% | 30% |
| Corporate | \$2,591,878 | 16% | \$2,013,065 | 12% | 30% |
| Negotiable CD | \$1,557,839 | 9% | \$996,622 | 6% | 30% |
| Asset-Backed Securities | \$1,314,287 | 8% | \$944,698 | 6% | 20% |
| Commercial Paper | \$149,814 | 1% | \$0 | 0% | 25% |
| CAMP Pool | \$52,759 | <1% | \$6,213 | <1% | 50% |
| LAIF | \$7,281,561 | 45% | \$7,744,029 | 46% | 30% |
| Total | \$16,324,975 | 100% | \$16,775,977 | 100% | |

1. Market value including accrued interest.



Issuer Distribution

- The portfolio is well diversified across sectors and issuers.

| Sector | Issuer | Percentage |
|----------|-----------------------|------------|
| Treasury | US Treasury | 5.6% |
| Agency | FNMA | 7.0% |
| Agency | FHLMC | 4.8% |
| Supra | IBRD | 1.8% |
| Supra | IADB | 1.5% |
| Corp | TOYOTA MOTOR CORP | 1.8% |
| Corp | US BANCORP | 0.9% |
| Corp | JP MORGAN CHASE & CO | 0.9% |
| Corp | CISCO SYSTEMS INC | 0.9% |
| Corp | AMERICAN HONDA | 0.9% |
| Corp | APPLE INC | 0.9% |
| Corp | BB&T CORPORATION | 0.6% |
| Corp | IBM | 0.6% |
| Corp | DEERE & COMPANY | 0.6% |
| Corp | BANK OF AMERICA CO | 0.6% |
| Corp | MICROSOFT CORP | 0.6% |
| Corp | GOLDMAN SACHS | 0.6% |
| Corp | INTEL CORPORATION | 0.6% |
| Corp | EXXON MOBIL CORP | 0.5% |
| Corp | UNITED PARCEL SERVICE | 0.5% |
| Corp | WAL-MART STORES INC | 0.5% |
| Corp | WALT DISNEY CORP | 0.5% |
| Corp | STATE STREET CORP | 0.5% |
| Corp | PEPSICO INC | 0.5% |
| Corp | CHEVRON CORPORATION | 0.4% |
| Corp | CATERPILLAR INC | 0.4% |
| Corp | MORGAN STANLEY | 0.2% |

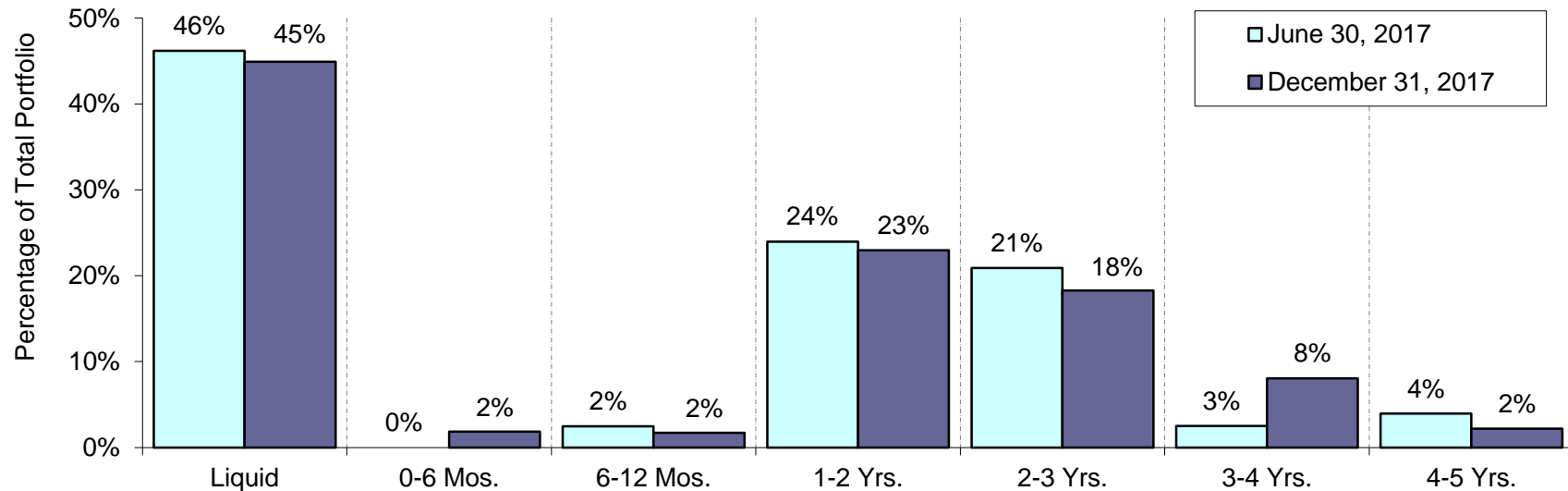
| Sector | Issuer | Percentage |
|--------------|--------------------------|---------------|
| Corp | HOME DEPOT INC | 0.2% |
| Corp | HONEYWELL INTERNATIONAL | 0.2% |
| Corp | VISA INC | 0.1% |
| Corp | PACCAR FINANCIAL CORP | 0.1% |
| CD | CANADIAN IMPERIAL BANK | 1.5% |
| CD | SVENSKA HANDELSBANKEN | 1.2% |
| CD | BANK OF MONTREAL | 1.1% |
| CD | SUMITOMO MITSUI INC | 1.1% |
| CD | BANK OF NOVA SCOTIA | 1.1% |
| CD | SKANDINAVISKA BANKEN | 1.1% |
| CD | WESTPAC BANKING CORP | 0.9% |
| CD | SWEDBANK AB | 0.8% |
| ABS | CITIGROUP INC | 1.8% |
| ABS | AMERICAN EXPRESS CO | 1.5% |
| ABS | CNH EQUIPMENT TRUST | 1.1% |
| ABS | FORD OWNER TRUST | 1.1% |
| ABS | ALLY AUTO TRUST | 0.9% |
| ABS | HONDA RECEIVABLES | 0.8% |
| ABS | HYUNDAI RECEIVABLES | 0.7% |
| ABS | JOHN DEERE TRUST | 0.4% |
| ABS | NISSAN RECEIVABLES | 0.3% |
| CP | MITSUBISHI UFJ FINANCIAL | 1.5% |
| CAMP | CAMP | 0.3% |
| LAIF | LAIF | 44.7% |
| TOTAL | | 100.0% |



Maturity Distribution

- The individual investments are concentrated in the 1-3 year maturity range, consistent with the benchmark. In addition, the District maintains significant assets in LAIF to provide liquidity and provide a cushion against market value fluctuations.

Portfolio Maturity Distribution
June 30, 2017 versus December 31, 2017



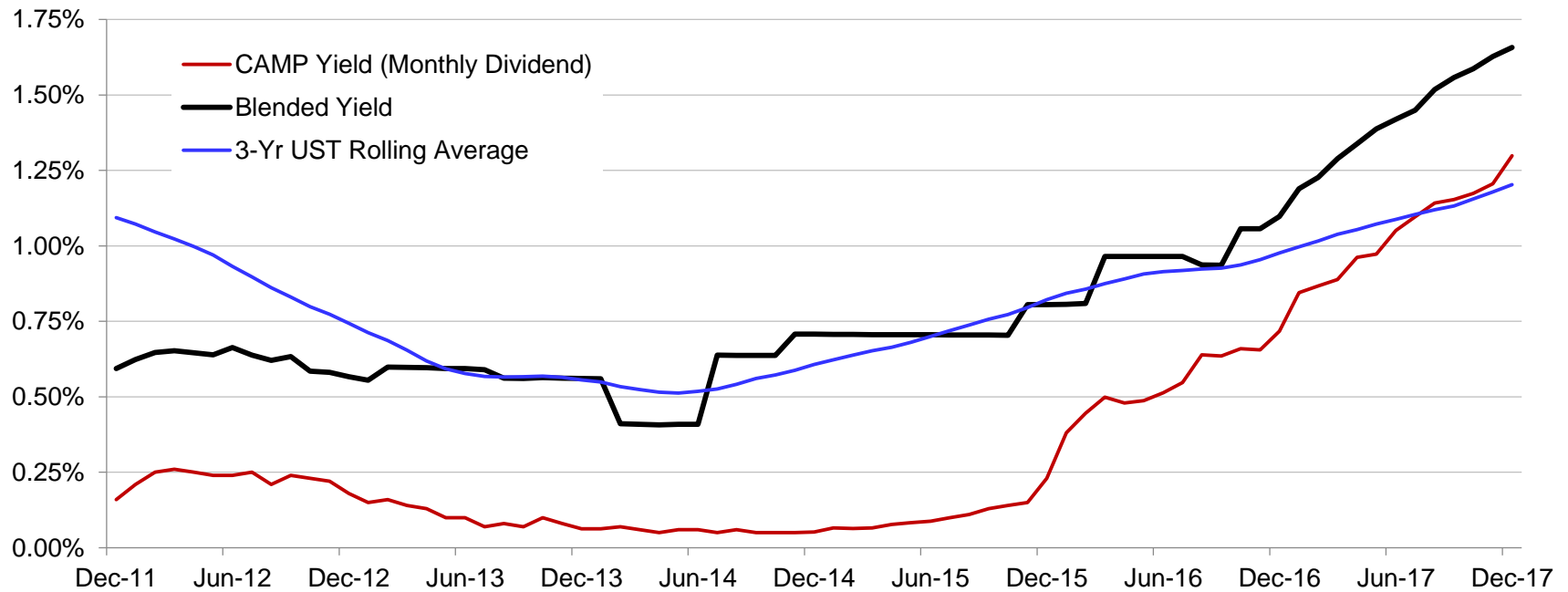
| | 6/30/17 | 6/30/17 |
|--|------------|------------|
| Weighted Average Duration (portfolio) | 1.83 years | 1.80 years |
| Weighted Average Duration (overall) | 0.98 years | 0.99 years |



Yield Comparison

- The portfolio's yield has moved higher during the past six months as the portfolio adjusts to current interest rate levels.
- The portfolio's yield should continue to trend upward with any further increases in interest rate.

Portfolio Yield Comparison History
December 2011 – December 2017



Treasury Yield Source: U.S. Department of the Treasury.



Portfolio Total Return Performance

- The portfolio continues to perform well relative to the benchmark.
- On an absolute basis, total returns were down, as the rise in interest rates drove market values lower (market values move inversely to the direction of interest rates). Market value fluctuations drive quarterly total return volatility but tend to average out over longer periods of time.

Total Returns^{1,2,3,4,5}

| | Duration (yrs.) | Total Returns Periods Ending 12/31/17 | | |
|----------------------------------|--------------------|--|----------------|-----------------|
| | | Fourth Quarter | Past 12 months | Since Inception |
| El Toro Water District | 1.81 | -0.14% | 0.88% | 0.47% |
| Merrill Lynch 1-3 Year UST Index | 1.80 | -0.25% | 0.42% | -0.01% |
| Difference | 0.01 | 0.11% | 0.46% | 0.48% |

Notes:

1. Performance on trade date basis, gross (i.e., before fees), in accordance with the CFA Institute's Global Investment Performance Standards (GIPS).
2. Merrill Lynch Indices provided by Bloomberg Financial Markets.
3. Returns for less than a year are unannualized. Returns periods longer than a year are presented on an annualized basis.
4. Excludes money fund balance in performance, duration, and yield computations.
5. Inception date is 9/30/16.



Portfolio Earnings



| | 1Q 17 | 2Q 17 | 3Q 17 | 4Q 17 | 2017 Totals |
|---------------------------|-----------------|-----------------|-----------------|-------------------|------------------|
| Accrual Basis | | | | | |
| Interest Earned | \$29,443 | \$32,074 | \$34,924 | \$37,521 | \$133,962 |
| Change in Value | (\$4,385) | (\$2,994) | (\$6,309) | (\$6,316) | (\$20,004) |
| Portfolio Earnings | \$25,058 | \$29,080 | \$28,616 | \$31,205 | \$113,958 |
| Market Value Basis | | | | | |
| Change in 2-Yr UST | +0.07% | +0.12% | +0.09% | +0.42% | +0.70% |
| Interest Earned | \$29,443 | \$32,074 | \$34,924 | \$37,521 | \$133,962 |
| Change in Value | (\$132) | (\$2,102) | (\$2,816) | (\$49,783) | (\$54,833) |
| Portfolio Earnings | \$29,311 | \$29,972 | \$32,108 | (\$12,262) | \$79,129 |
| Total Return | +0.33% | +0.33% | +0.36% | -0.14% | +0.88% |



CAMP Characteristics as of December 31, 2017

Total Fund Net Assets¹

\$3,059,868,456

Weighted Average Maturity

48 Days

Current 7-Day Yield²

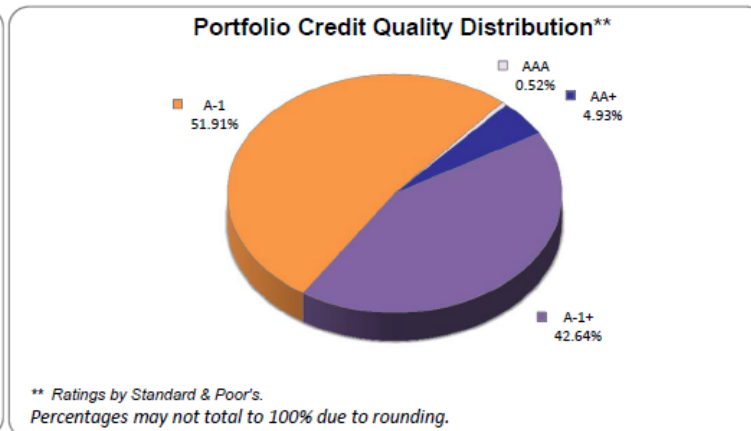
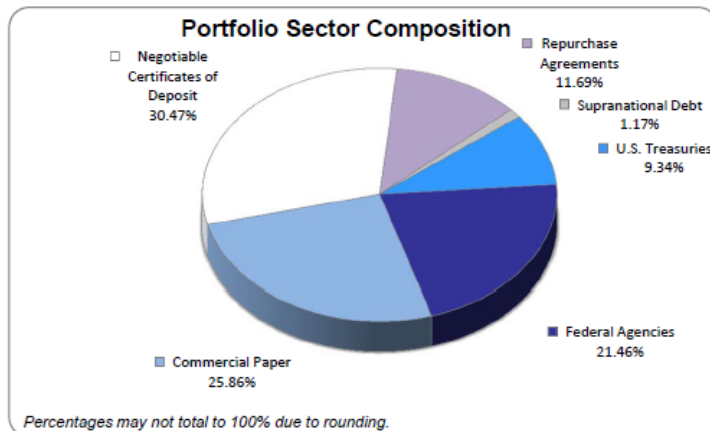
1.37%

Net Asset Value per Share

\$1.00

S&P Rating³

AAAm



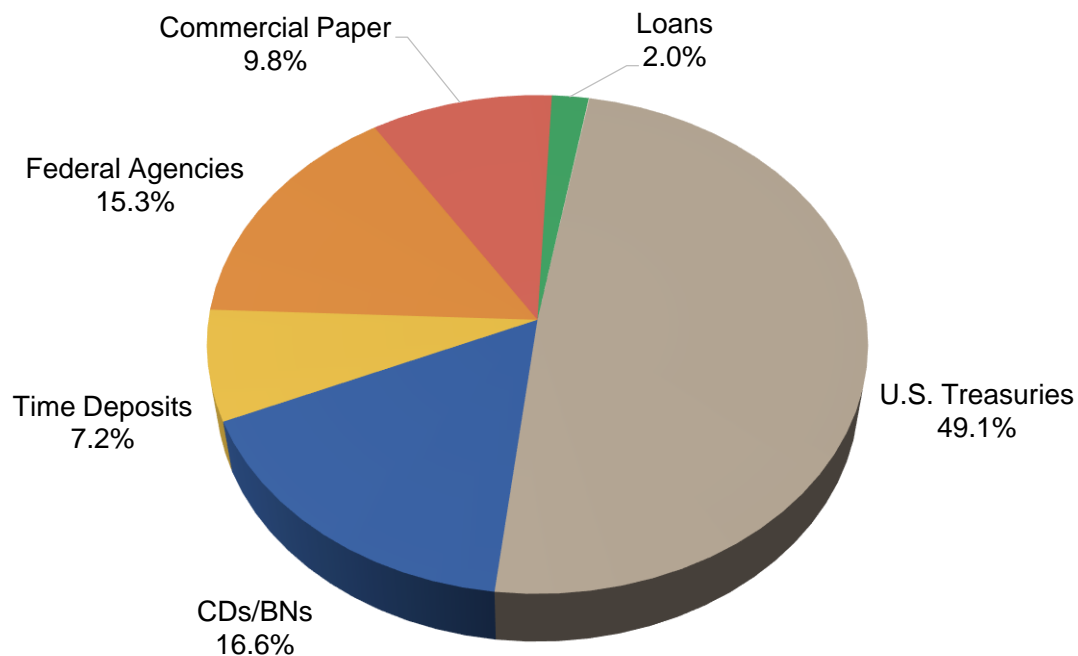
1. Total fund net assets, portfolio holdings valued at amortized cost, trade date based.
2. As of December 31, 2017, the current seven-day yield of the CAMP Cash Reserve Portfolio may, from time to time, be quoted in reports, literature and advertisements published by the Trust. The current seven-day yield, also known as the current annualized yield, represents the net change, exclusive of capital changes and income other than investment income, in the value of a hypothetical account with a balance of one share (normally \$1.00 per share) over a seven-day base period expressed as a percentage of the value of one share at the beginning of the seven-day period. This resulting net change in account value is then annualized by multiplying it by 365 and dividing the result by 7. Past performance is not indicative of future results and yields may vary.
3. Standard & Poor's fund ratings are based on analysis of credit quality, market price exposure, and management. According to Standard & Poor's rating criteria, the AAAm rating signifies excellent safety of investment principal and a superior capacity to maintain a \$1.00 per share net asset value. However, it should be understood that the rating is not a "market" rating nor a recommendation to buy, hold or sell the securities. For a full description on rating methodology, visit Standard & Poor's website (http://www.standardandpoors.com/en_US/web/guest/home).

This information is for institutional investor use only, not for further distribution to retail investors, and does not represent an offer to sell or a solicitation of an offer to buy or sell any fund or other security. Investors should consider the Trust's investment objectives, risks, charges and expenses before investing in the Trust. This and other information about the Trust is available in the Trust's current Information Statement, which should be read carefully before investing. A copy of the Trust's Information Statement may be obtained by calling 1-800-729-7665 or is available on the Trust's website at www.camponline.com. While the Trust seeks to maintain a stable net asset value of \$1.00 per share, it is possible to lose money investing in the Trust. An investment in the Trust is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Shares of the Trust are distributed by **PFM Fund Distributors, Inc.**, member Financial Industry Regulatory Authority (FINRA) (www.finra.org) and Securities Investor Protection Corporation (SIPC) (www.sipc.org). PFM Fund Distributors, Inc. is a wholly owned subsidiary of PFM Asset Management LLC.



LAIF Characteristics as of December 31, 2017

Pooled Money Investment Account Sector Distribution \$74.3 Billion as of December 31, 2017



Average Maturity: 186 days

Source: http://www.treasurer.ca.gov/pmia-laif/performance/PMIA-LAIF_perform.pdf



Disclosures

This material is based on information obtained from sources generally believed to be reliable and available to the public, however PFM Asset Management LLC cannot guarantee its accuracy, completeness or suitability. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation. All statements as to what will or may happen under certain circumstances are based on assumptions, some but not all of which are noted in the presentation. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Past performance does not necessarily reflect and is not a guaranty of future results. The information contained in this presentation is not an offer to purchase or sell any securities.



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2017**

EL TORO WATER DISTRICT - INVESTMENT ACCOUNT

| Security Type/Description Dated Date/Coupon/Maturity | CUSIP | Par | S&P Rating | Moody's Rating | Trade Date | Settle Date | Original Cost | YTM at Cost | Accrued Interest | Amortized Cost | Market Value |
|---|-----------|-------------------|---------------|-------------------|---------------|----------------|-------------------|----------------|---------------------|-------------------|-------------------|
| U.S. Treasury Bond / Note | | | | | | | | | | | |
| US TREASURY NOTES DTD 07/31/2015 1.625% 07/31/2020 | 912828XM7 | 60,000.00 | AA+ | Aaa | 07/05/17 | 07/07/17 | 60,037.50 | 1.60 | 408.02 | 60,031.88 | 59,538.30 |
| US TREASURY NOTES DTD 08/31/2015 1.375% 08/31/2020 | 912828L32 | 110,000.00 | AA+ | Aaa | 08/01/17 | 08/03/17 | 109,501.56 | 1.53 | 513.92 | 109,567.98 | 108,393.01 |
| US TREASURY NOTES DTD 08/31/2015 1.375% 08/31/2020 | 912828L32 | 260,000.00 | AA+ | Aaa | 08/31/17 | 09/01/17 | 259,522.66 | 1.44 | 1,214.71 | 259,575.39 | 256,201.66 |
| US TREASURY NOTES DTD 10/31/2015 1.375% 10/31/2020 | 912828L99 | 160,000.00 | AA+ | Aaa | 10/03/17 | 10/05/17 | 158,700.00 | 1.65 | 376.80 | 158,800.76 | 157,418.72 |
| US TREASURY N/B DTD 12/31/2015 1.750% 12/31/2020 | 912828N48 | 340,000.00 | AA+ | Aaa | 12/01/17 | 12/05/17 | 338,512.50 | 1.90 | 16.44 | 338,548.74 | 337,635.98 |
| Security Type Sub-Total | | 930,000.00 | | | | | 926,274.22 | 1.66 | 2,529.89 | 926,524.75 | 919,187.67 |
| Supra-National Agency Bond / Note | | | | | | | | | | | |
| INTL BANK OF RECON AND DEV GLOBAL NOTES DTD 10/27/2016 1.125% 11/27/2019 | 459058FS7 | 110,000.00 | AAA | Aaa | 08/18/17 | 08/23/17 | 109,097.85 | 1.50 | 116.88 | 109,238.31 | 108,164.21 |
| INTL BK RECON & DEVELOP NOTES DTD 03/21/2017 1.875% 04/21/2020 | 459058FZ1 | 90,000.00 | AAA | Aaa | 03/14/17 | 03/21/17 | 89,921.70 | 1.90 | 328.13 | 89,940.62 | 89,618.31 |
| INTER-AMERICAN DEVEL BK NOTE DTD 04/12/2017 1.625% 05/12/2020 | 4581X0CX4 | 150,000.00 | AAA | Aaa | 04/05/17 | 04/12/17 | 149,644.50 | 1.70 | 331.77 | 149,726.61 | 148,590.75 |
| INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 09/19/2017 1.561% 09/12/2020 | 45905UP32 | 90,000.00 | AAA | Aaa | 09/12/17 | 09/19/17 | 89,784.00 | 1.64 | 398.06 | 89,804.06 | 88,395.30 |
| INTER-AMERICAN DEVELOPMENT BANK DTD 11/08/2013 2.125% 11/09/2020 | 4581X0CD8 | 90,000.00 | AAA | Aaa | 10/02/17 | 10/10/17 | 90,834.22 | 1.81 | 276.25 | 90,775.27 | 90,076.05 |
| Security Type Sub-Total | | 530,000.00 | | | | | 529,282.27 | 1.70 | 1,451.09 | 529,484.87 | 524,844.62 |
| Federal Agency Bond / Note | | | | | | | | | | | |



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2017**

EL TORO WATER DISTRICT - INVESTMENT ACCOUNT

| Security Type/Description Dated Date/Coupon/Maturity | CUSIP | Par | S&P Rating | Moody's Rating | Trade Date | Settle Date | Original Cost | YTM at Cost | Accrued Interest | Amortized Cost | Market Value |
|--|-----------|---------------------|---------------|-------------------|---------------|----------------|---------------------|----------------|---------------------|---------------------|---------------------|
| Federal Agency Bond / Note | | | | | | | | | | | |
| FHLMC REFERENCE NOTE DTD 07/20/2016 0.875% 07/19/2019 | 3137EAEB1 | 800,000.00 | AA+ | Aaa | 10/06/16 | 10/07/16 | 795,616.00 | 1.08 | 3,150.00 | 797,543.92 | 787,491.20 |
| FNMA NOTES DTD 09/02/2016 1.000% 08/28/2019 | 3135G0P49 | 950,000.00 | AA+ | Aaa | 10/06/16 | 10/07/16 | 947,435.00 | 1.10 | 3,245.83 | 948,520.38 | 935,986.55 |
| FNMA NOTES DTD 02/28/2017 1.500% 02/28/2020 | 3135G0T29 | 200,000.00 | AA+ | Aaa | 02/24/17 | 02/28/17 | 199,872.00 | 1.52 | 1,025.00 | 199,907.34 | 197,924.60 |
| Security Type Sub-Total | | 1,950,000.00 | | | | | 1,942,923.00 | 1.13 | 7,420.83 | 1,945,971.64 | 1,921,402.35 |
| Corporate Note | | | | | | | | | | | |
| JPMORGAN CHASE & CO NOTES DTD 12/20/2007 6.000% 01/15/2018 | 46625HGY0 | 150,000.00 | A- | A3 | 11/20/15 | 11/25/15 | 163,206.00 | 1.79 | 4,150.00 | 150,243.69 | 150,208.65 |
| JOHN DEERE CAPITAL CORP DTD 01/06/2017 1.650% 10/15/2018 | 24422ETM1 | 30,000.00 | A | A2 | 01/03/17 | 01/06/17 | 29,980.50 | 1.69 | 104.50 | 29,991.15 | 29,933.31 |
| TOYOTA MOTOR CREDIT CORP DTD 01/09/2017 1.700% 01/09/2019 | 89236TDM4 | 150,000.00 | AA- | Aa3 | 01/04/17 | 01/09/17 | 149,947.50 | 1.72 | 1,218.33 | 149,972.94 | 149,689.65 |
| US BANCORP (CALLABLE) CORPORATE NOTES DTD 04/24/2014 2.200% 04/25/2019 | 91159HHH6 | 150,000.00 | A+ | A1 | 10/06/16 | 10/12/16 | 152,727.00 | 1.47 | 605.00 | 151,383.39 | 150,424.65 |
| PEPSICO INC CORP NOTE DTD 05/02/2017 1.550% 05/02/2019 | 713448DR6 | 50,000.00 | A+ | A1 | 04/27/17 | 05/02/17 | 49,962.50 | 1.59 | 127.01 | 49,974.82 | 49,724.50 |
| AMERICAN EXPRESS CREDIT (CALLABLE) NOTE DTD 05/03/2017 1.875% 05/03/2019 | 0258M0EK1 | 50,000.00 | A- | A2 | 04/27/17 | 05/03/17 | 49,979.50 | 1.90 | 151.04 | 49,986.20 | 49,799.05 |
| AMERICAN HONDA FINANCE DTD 07/12/2016 1.200% 07/12/2019 | 02665WBE0 | 150,000.00 | A+ | A2 | 10/06/16 | 10/12/16 | 148,887.00 | 1.48 | 845.00 | 149,375.50 | 147,925.35 |
| GOLDMAN SACHS GROUP INC CORP NOTE DTD 07/24/2017 1.950% 07/23/2019 | 38141GWP5 | 60,000.00 | BBB+ | A3 | 07/19/17 | 07/24/17 | 59,992.80 | 1.96 | 510.25 | 59,994.34 | 59,650.08 |
| CISCO SYSTEMS INC CORP NOTES DTD 09/20/2016 1.400% 09/20/2019 | 17275RBG6 | 150,000.00 | AA- | A1 | 10/06/16 | 10/12/16 | 149,931.00 | 1.42 | 589.17 | 149,959.53 | 148,435.20 |



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2017**

EL TORO WATER DISTRICT - INVESTMENT ACCOUNT

| Security Type/Description Dated Date/Coupon/Maturity | CUSIP | Par | S&P Rating | Moody's Rating | Trade Date | Settle Date | Original Cost | YTM at Cost | Accrued Interest | Amortized Cost | Market Value |
|--|-----------|------------|---------------|-------------------|---------------|----------------|------------------|----------------|---------------------|-------------------|-----------------|
| Corporate Note | | | | | | | | | | | |
| HONEYWELL INTERNATIONAL CORP NOTES DTD 10/30/2017 1.800% 10/30/2019 | 438516BQ8 | 25,000.00 | A | A2 | 10/23/17 | 10/30/17 | 24,980.50 | 1.84 | 76.25 | 24,982.13 | 24,867.85 |
| AMERICAN EXPRESS CREDIT (CALLABLE) CORP DTD 10/31/2016 1.700% 10/30/2019 | 0258M0EC9 | 100,000.00 | A- | A2 | 01/31/17 | 02/03/17 | 99,240.00 | 1.99 | 288.06 | 99,488.87 | 98,967.80 |
| CITIGROUP INC (CALLABLE) CORP NOTE DTD 01/10/2017 2.450% 01/10/2020 | 172967LF6 | 50,000.00 | BBB+ | Baa1 | 10/04/17 | 10/06/17 | 50,607.00 | 1.90 | 581.88 | 50,542.98 | 50,023.05 |
| BB&T CORP (CALLABLE) NOTE DTD 12/08/2014 2.450% 01/15/2020 | 05531FAS2 | 100,000.00 | A- | A2 | 01/31/17 | 02/03/17 | 101,052.60 | 2.08 | 1,129.72 | 100,725.36 | 100,331.00 |
| MORGAN STANLEY CORP BONDS DTD 01/27/2015 2.650% 01/27/2020 | 61747YDW2 | 40,000.00 | BBB+ | A3 | 01/31/17 | 02/03/17 | 40,346.00 | 2.35 | 453.44 | 40,242.90 | 40,180.60 |
| IBM CORP NOTES DTD 01/27/2017 1.900% 01/27/2020 | 459200JN2 | 100,000.00 | A+ | A1 | 01/24/17 | 01/27/17 | 99,904.00 | 1.93 | 812.78 | 99,933.11 | 99,542.00 |
| MICROSOFT CORP DTD 02/06/2017 1.850% 02/06/2020 | 594918BV5 | 90,000.00 | AAA | Aaa | 01/30/17 | 02/06/17 | 89,939.70 | 1.87 | 670.63 | 89,957.50 | 89,733.87 |
| APPLE INC BONDS DTD 02/09/2017 1.900% 02/07/2020 | 037833CK4 | 80,000.00 | AA+ | Aa1 | 02/02/17 | 02/09/17 | 79,960.80 | 1.92 | 608.00 | 79,972.25 | 79,759.36 |
| CHEVRON CORP NOTES DTD 03/03/2017 1.991% 03/03/2020 | 166764BP4 | 70,000.00 | AA- | Aa2 | 02/28/17 | 03/03/17 | 70,000.00 | 1.99 | 456.82 | 70,000.00 | 69,403.25 |
| WALT DISNEY COMPANY CORP NOTES DTD 03/06/2017 1.950% 03/04/2020 | 25468PDP8 | 20,000.00 | A+ | A2 | 03/01/17 | 03/06/17 | 19,994.80 | 1.96 | 126.75 | 19,996.19 | 19,935.00 |
| EXXON MOBIL (CALLABLE) CORP NOTE DTD 03/06/2015 1.912% 03/06/2020 | 30231GAG7 | 90,000.00 | AA+ | Aaa | 04/25/17 | 04/28/17 | 90,402.30 | 1.75 | 549.70 | 90,306.76 | 89,534.43 |
| JOHN DEERE CAPITAL CORP NOTES DTD 03/15/2017 2.200% 03/13/2020 | 24422ETQ2 | 40,000.00 | A | A2 | 03/10/17 | 03/15/17 | 39,968.80 | 2.23 | 264.00 | 39,976.86 | 39,957.96 |
| GOLDMAN SACHS GROUP INC CORP NOTES DTD 01/23/2015 2.600% 04/23/2020 | 38148LAA4 | 30,000.00 | BBB+ | A3 | 11/01/17 | 11/03/17 | 30,226.20 | 2.28 | 147.33 | 30,211.82 | 30,040.86 |
| APPLE INC BONDS DTD 05/11/2017 1.800% 05/11/2020 | 037833CS7 | 60,000.00 | AA+ | Aa1 | 05/04/17 | 05/11/17 | 59,938.80 | 1.84 | 150.00 | 59,951.56 | 59,491.86 |



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2017**

EL TORO WATER DISTRICT - INVESTMENT ACCOUNT

| Security Type/Description Dated Date/Coupon/Maturity | CUSIP | Par | S&P Rating | Moody's Rating | Trade Date | Settle Date | Original Cost | YTM at Cost | Accrued Interest | Amortized Cost | Market Value |
|---|-----------|-----------|---------------|-------------------|---------------|----------------|------------------|----------------|---------------------|-------------------|-----------------|
| Corporate Note | | | | | | | | | | | |
| INTEL CORP NOTES DTD 05/11/2017 1.850% 05/11/2020 | 458140AZ3 | 90,000.00 | A+ | A1 | 05/08/17 | 05/11/17 | 89,965.80 | 1.86 | 231.25 | 89,972.93 | 89,586.72 |
| HOME DEPOT INC CORP NOTES DTD 06/05/2017 1.800% 06/05/2020 | 437076BQ4 | 40,000.00 | A | A2 | 05/24/17 | 06/05/17 | 39,976.80 | 1.82 | 52.00 | 39,981.13 | 39,681.92 |
| WALT DISNEY COMPANY CORP NOTES DTD 06/06/2017 1.800% 06/05/2020 | 25468PDU7 | 70,000.00 | A+ | A2 | 06/01/17 | 06/06/17 | 69,918.80 | 1.84 | 91.00 | 69,933.88 | 69,420.40 |
| JOHN DEERE CAPITAL CORP NOTES DTD 06/22/2017 1.950% 06/22/2020 | 24422ETS8 | 20,000.00 | A | A2 | 06/19/17 | 06/22/17 | 19,987.80 | 1.97 | 9.75 | 19,989.88 | 19,858.16 |
| STATE STREET CORP NOTES DTD 08/18/2015 2.550% 08/18/2020 | 857477AS2 | 10,000.00 | A | A1 | 08/25/17 | 08/30/17 | 10,207.80 | 1.83 | 94.21 | 10,184.81 | 10,066.33 |
| STATE STREET CORP NOTES DTD 08/18/2015 2.550% 08/18/2020 | 857477AS2 | 70,000.00 | A | A1 | 08/25/17 | 08/30/17 | 71,471.40 | 1.82 | 659.46 | 71,308.60 | 70,464.31 |
| CATERPILLAR FINL SERVICE NOTE DTD 09/07/2017 1.850% 09/04/2020 | 1491302A6 | 70,000.00 | A | A3 | 09/05/17 | 09/07/17 | 69,941.20 | 1.88 | 410.08 | 69,947.25 | 69,182.82 |
| CITIGROUP INC CORP NOTES DTD 10/26/2015 2.650% 10/26/2020 | 172967KB6 | 40,000.00 | BBB+ | Baa1 | 11/01/17 | 11/03/17 | 40,359.60 | 2.34 | 191.39 | 40,340.75 | 40,133.88 |
| PACCAR FINANCIAL CORP NOTES DTD 11/13/2017 2.050% 11/13/2020 | 69371RN85 | 20,000.00 | A+ | A1 | 11/06/17 | 11/13/17 | 19,998.20 | 2.05 | 54.67 | 19,998.28 | 19,847.72 |
| VISA INC (CALLABLE) CORP NOTES DTD 12/14/2015 2.200% 12/14/2020 | 92826CAB8 | 20,000.00 | A+ | A1 | 08/25/17 | 08/30/17 | 20,220.00 | 1.85 | 20.78 | 20,197.76 | 19,984.24 |
| WAL-MART STORES INC CORP NOTE DTD 10/20/2017 1.900% 12/15/2020 | 931142EA7 | 90,000.00 | AA | Aa2 | 10/11/17 | 10/20/17 | 89,869.50 | 1.95 | 337.25 | 89,877.86 | 89,420.31 |
| UNITED PARCEL SERVICE CORPORATE BOND DTD 11/14/2017 2.050% 04/01/2021 | 911312BP0 | 90,000.00 | A+ | A1 | 11/09/17 | 11/14/17 | 89,857.80 | 2.10 | 240.88 | 89,862.86 | 89,523.99 |
| PEPSICO INC CORP (CALLABLE) NOTE DTD 10/10/2017 2.000% 04/15/2021 | 713448DX3 | 30,000.00 | A+ | A1 | 10/05/17 | 10/10/17 | 29,994.00 | 2.01 | 135.00 | 29,994.39 | 29,658.75 |
| BANK OF AMERICA CORP (CALLABLE) DTD 09/18/2017 2.328% 10/01/2021 | 06051GGS2 | 90,000.00 | A- | A3 | 09/13/17 | 09/18/17 | 90,000.00 | 2.33 | 599.46 | 90,000.00 | 89,746.29 |



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2017**

EL TORO WATER DISTRICT - INVESTMENT ACCOUNT

| Security Type/Description Dated Date/Coupon/Maturity | CUSIP | Par | S&P Rating | Moody's Rating | Trade Date | Settle Date | Original Cost | YTM at Cost | Accrued Interest | Amortized Cost | Market Value |
|--|-----------|---------------------|---------------|-------------------|---------------|----------------|---------------------|----------------|---------------------|---------------------|---------------------|
| Security Type Sub-Total | | 2,585,000.00 | | | | | 2,602,944.00 | 1.85 | 17,742.84 | 2,588,760.23 | 2,574,135.17 |
| Commercial Paper | | | | | | | | | | | |
| BANK OF TOKYO MITSUBISHI UFJ COMM PAPER DTD 05/01/2017 0.000% 01/26/2018 | 06538CAS0 | 150,000.00 | A-1 | P-1 | 05/01/17 | 05/02/17 | 148,296.33 | 1.54 | 0.00 | 149,841.67 | 149,814.00 |
| Security Type Sub-Total | | 150,000.00 | | | | | 148,296.33 | 1.54 | 0.00 | 149,841.67 | 149,814.00 |
| Certificate of Deposit | | | | | | | | | | | |
| CANADIAN IMPERIAL BANK NY CD DTD 12/05/2016 1.760% 11/30/2018 | 13606A5Z7 | 250,000.00 | A-1 | P-1 | 04/19/17 | 04/21/17 | 250,320.00 | 1.25 | 378.89 | 250,181.23 | 249,472.25 |
| SVENSKA HANDELSBANKEN NY LT CD DTD 01/12/2017 1.890% 01/10/2019 | 86958JHB8 | 200,000.00 | AA- | Aa2 | 01/10/17 | 01/12/17 | 200,000.00 | 1.91 | 1,837.50 | 200,000.00 | 199,115.80 |
| BANK OF MONTREAL CHICAGO CERT DEPOS DTD 02/09/2017 1.880% 02/07/2019 | 06427KRC3 | 180,000.00 | A+ | A1 | 02/08/17 | 02/09/17 | 180,000.00 | 1.90 | 1,353.60 | 180,000.00 | 180,222.66 |
| BANK OF NOVA SCOTIA HOUSTON LT CD DTD 04/06/2017 1.910% 04/05/2019 | 06417GUE6 | 180,000.00 | A+ | A1 | 04/05/17 | 04/06/17 | 180,000.00 | 1.91 | 840.40 | 180,000.00 | 179,348.40 |
| SUMITOMO MITSUI BANK NY CD DTD 05/04/2017 2.050% 05/03/2019 | 86563YVN0 | 180,000.00 | A | A1 | 05/03/17 | 05/04/17 | 180,000.00 | 2.05 | 604.75 | 180,000.00 | 179,876.88 |
| SKANDINAV ENSKILDA BANKEN NY CD DTD 08/04/2017 1.840% 08/02/2019 | 83050FXT3 | 180,000.00 | A+ | Aa3 | 08/03/17 | 08/04/17 | 179,929.80 | 1.85 | 1,380.00 | 179,944.26 | 177,688.72 |
| BANK TOKYO MITSUBISHI UFJ LTD LT CD DTD 09/27/2017 2.070% 09/25/2019 | 06539RGM3 | 100,000.00 | A+ | A1 | 09/25/17 | 09/27/17 | 100,000.00 | 2.07 | 552.00 | 100,000.00 | 99,532.10 |
| WESTPAC BANKING CORP NY CD DTD 08/07/2017 2.050% 08/03/2020 | 96121T4A3 | 150,000.00 | AA- | Aa3 | 08/03/17 | 08/07/17 | 150,000.00 | 2.05 | 1,230.00 | 150,000.00 | 149,751.00 |
| SWEDBANK (NEW YORK) CERT DEPOS DTD 11/17/2017 2.270% 11/16/2020 | 87019U6D6 | 135,000.00 | AA- | Aa3 | 11/16/17 | 11/17/17 | 135,000.00 | 2.30 | 383.06 | 135,000.00 | 134,270.73 |
| Security Type Sub-Total | | 1,555,000.00 | | | | | 1,555,249.80 | 1.87 | 8,560.20 | 1,555,125.49 | 1,549,278.54 |
| Asset-Backed Security / Collateralized Mortgage Obligation | | | | | | | | | | | |



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2017**

EL TORO WATER DISTRICT - INVESTMENT ACCOUNT

| Security Type/Description Dated Date/Coupon/Maturity | CUSIP | Par | S&P Rating | Moody's Rating | Trade Date | Settle Date | Original Cost | YTM at Cost | Accrued Interest | Amortized Cost | Market Value |
|---|-----------|------------|---------------|-------------------|---------------|----------------|------------------|----------------|---------------------|-------------------|-----------------|
| Asset-Backed Security / Collateralized Mortgage Obligation | | | | | | | | | | | |
| NISSAN ABS 2015-A A3 DTD 04/14/2015 1.050% 10/15/2019 | 65477UAC4 | 6,773.54 | NR | Aaa | 03/10/17 | 03/15/17 | 6,741.79 | 1.28 | 3.16 | 6,753.02 | 6,760.26 |
| CNH 2017-A A2 DTD 03/22/2017 1.640% 07/15/2020 | 12636WAB2 | 182,017.09 | AAA | NR | 03/15/17 | 03/22/17 | 182,010.10 | 1.80 | 132.67 | 182,011.43 | 181,752.35 |
| TOYOTA ABS 2017-A A3 DTD 03/15/2017 1.730% 02/15/2021 | 89238MAD0 | 50,000.00 | AAA | Aaa | 03/07/17 | 03/15/17 | 49,994.12 | 1.74 | 38.44 | 49,994.24 | 49,752.48 |
| JOHN DEERE ABS 2017-A A3 DTD 03/02/2017 1.780% 04/15/2021 | 47787XAC1 | 30,000.00 | NR | Aaa | 02/22/17 | 03/02/17 | 29,995.73 | 1.79 | 23.73 | 29,995.73 | 29,855.99 |
| TOYOTA ABS 2017-B A3 DTD 05/17/2017 1.760% 07/15/2021 | 89190BAD0 | 100,000.00 | AAA | Aaa | 05/09/17 | 05/17/17 | 99,992.33 | 1.76 | 78.22 | 99,992.33 | 99,340.85 |
| HONDA ABS 2017-1 A3 DTD 03/28/2017 1.720% 07/21/2021 | 43814TAC6 | 40,000.00 | NR | Aaa | 03/21/17 | 03/28/17 | 39,997.62 | 1.72 | 19.11 | 39,997.62 | 39,740.57 |
| HYUNDAI ABS 2017-A A3 DTD 03/29/2017 1.760% 08/15/2021 | 44931PAD8 | 40,000.00 | AAA | NR | 03/22/17 | 03/29/17 | 39,996.76 | 1.76 | 31.29 | 39,996.76 | 39,789.55 |
| NISSAN ABS 2017-A A3 DTD 03/28/2017 1.740% 08/15/2021 | 654747AD6 | 50,000.00 | NR | Aaa | 03/21/17 | 03/28/17 | 49,994.71 | 1.74 | 38.67 | 49,994.84 | 49,695.84 |
| ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021 | 02007HAC5 | 70,000.00 | NR | Aaa | 03/21/17 | 03/29/17 | 69,991.75 | 1.79 | 55.38 | 69,993.24 | 69,743.13 |
| HONDA ABS 2017-2 A3 DTD 06/27/2017 1.680% 08/15/2021 | 43811BAC8 | 90,000.00 | AAA | Aaa | 06/20/17 | 06/27/17 | 89,992.22 | 1.68 | 67.20 | 89,992.22 | 89,249.27 |
| CCCIT 2017-A9 A9 DTD 10/02/2017 1.800% 09/20/2021 | 17305EGH2 | 100,000.00 | AAA | NR | 09/25/17 | 10/02/17 | 99,992.55 | 1.80 | 445.00 | 99,993.05 | 99,488.46 |
| JOHN DEERE ABS 2017-B A3 DTD 07/15/2017 1.820% 10/15/2021 | 47788BAD6 | 30,000.00 | NR | Aaa | 07/11/17 | 07/18/17 | 29,997.80 | 1.82 | 24.27 | 29,998.05 | 29,776.14 |
| FORD ABS 2017-B A3 DTD 06/27/2017 1.690% 11/15/2021 | 34531HAD1 | 70,000.00 | AAA | Aaa | 06/20/17 | 06/27/17 | 69,996.89 | 1.69 | 52.58 | 69,996.89 | 69,902.22 |
| AMERICAN EXPRESS ABS 2017-4 A DTD 05/30/2017 1.640% 12/15/2021 | 02582JHG8 | 100,000.00 | AAA | NR | 05/22/17 | 05/30/17 | 99,983.98 | 1.65 | 72.89 | 99,985.89 | 99,482.79 |



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2017**

EL TORO WATER DISTRICT - INVESTMENT ACCOUNT

| Security Type/Description Dated Date/Coupon/Maturity | CUSIP | Par | S&P Rating | Moody's Rating | Trade Date | Settle Date | Original Cost | YTM at Cost | Accrued Interest | Amortized Cost | Market Value |
|---|-----------|-----------------------|---------------|-------------------|---------------|----------------|-----------------------|----------------|---------------------|-----------------------|-----------------------|
| Asset-Backed Security / Collateralized Mortgage Obligation | | | | | | | | | | | |
| HYUNDAI ABS 2017-B A3 DTD 08/16/2017 1.770% 01/15/2022 | 44932GAD7 | 80,000.00 | AAA | Aaa | 08/09/17 | 08/16/17 | 79,986.14 | 1.78 | 62.93 | 79,987.27 | 79,374.30 |
| ALLYA 2017-5 A3 DTD 11/22/2017 1.990% 03/15/2022 | 02007YAC8 | 70,000.00 | AAA | Aaa | 11/14/17 | 11/22/17 | 69,994.57 | 1.99 | 61.91 | 69,994.69 | 69,775.09 |
| FORDO 2017-C A3 DTD 11/21/2017 2.010% 03/15/2022 | 34532AAD5 | 110,000.00 | AAA | NR | 11/14/17 | 11/21/17 | 109,980.17 | 2.02 | 98.27 | 109,980.61 | 109,677.46 |
| CITIBANK ABS 2017-A3 A3 DTD 04/11/2017 1.920% 04/07/2022 | 17305EGB5 | 100,000.00 | AAA | NR | 05/15/17 | 05/22/17 | 100,267.00 | 1.82 | 448.00 | 100,243.30 | 99,376.19 |
| Security Type Sub-Total | | 1,318,790.63 | | | | | 1,318,906.23 | 1.79 | 1,753.72 | 1,318,901.18 | 1,312,532.94 |
| Managed Account Sub-Total | | 9,018,790.63 | | | | | 9,023,875.85 | 1.66 | 39,458.57 | 9,014,609.83 | 8,951,195.29 |
| Money Market Fund | | | | | | | | | | | |
| CAMP Pool | | 52,759.46 | AAAm | NR | | | 52,759.46 | | 0.00 | 52,759.46 | 52,759.46 |
| Money Market Sub-Total | | 52,759.46 | | | | | 52,759.46 | | 0.00 | 52,759.46 | 52,759.46 |
| Securities Sub-Total | | \$9,071,550.09 | | | | | \$9,076,635.31 | 1.66% | \$39,458.57 | \$9,067,369.29 | \$9,003,954.75 |
| Accrued Interest | | | | | | | | | | | \$39,458.57 |
| Total Investments | | | | | | | | | | | \$9,043,413.32 |

CAPITAL PROJECT / EQUIPMENT STATUS REPORT

January, 2018

I Oso Lift Station Improvement Project

Design is in progress. Staff provided comments on the 30% design submittal to Tetra Tech. The 60% design should be complete in January. The final design is expected to be complete in March.

II Phase II Recycled Water Distribution System Expansion Project

Construction

- **West Side System**

Pipeline construction is underway.

- **East Side System**

Pipeline construction is underway.

The following project information items are attached:

- **Cost Tracking & Estimate**
- **Construction Summary**
- **Change Order Log**

III Phase III Recycled Water Distribution System Expansion Project

Staff is working on a high level project summary that will evaluate and compare the costs and benefits of various recycled water project options. Staff is preparing to make a report to the Board, at a conceptual level, in the near future regarding potential future recycled water projects.

IV 2nd Street Pump Station Demolition Project

The demolition project is underway and should be complete by the end of January.

V Upcoming Projects

Staff will provide an update on anticipated projects that will be brought to the Board for approval in the next couple months.

VI South Orange County Supply and System Reliability Projects

A. Baker Water Treatment Product Water Conveyance Options

Moulton Niguel Water District is evaluating a potential new turnout on the South County Pipeline that would include a turnout connection dedicated to the ETWD Baker supply. MNWD has verbally indicated they are prepared to continue the temporary conveyance of water through the Los Alisos interconnection until such time that the permanent conveyance facilities are complete.

B. Poseidon HB Ocean Desalination Project

OCWD continues to work on preparation of CEQA (EIR) documentation for the project. The process is going slowly. The EIR will consider the impacts of injecting all of the water into the basin. That option would require over 30 new injection wells for which it has been difficult to find appropriate site locations. They are also studying how to construct a new six-mile pipeline to convey water to SOC as they suspect that Met will not allow them to use EOC Feeder No. 2 to convey the product water. This pipeline option will be incorporated into the EIR. The pipeline would be designed to convey 10 mgd (base loaded) to MNWD (4mgd), SMWD (5 mgd) and ETWD (1mgd).

At a hearing held on October 19 the State Lands Commission approved the Poseidon project as long as Poseidon agrees to a eliminate or reduce carbon emissisons. Poseidon will pursue renewal of their NPDES discharge permit with the Santa Ana Regional Water Quality Control Board in early 2018. It is anticipated that Poseidon will then seek project approval from the Coastal Commission sometime next summer.

The Project moving forward is contingent upon:

- Poseidon securing the Coastal Commission Permit
- Poseidon renewing their Regional Water Quality Control Board Permit
- MWDOC securing a Met LRP (\$475/acre foot over a 15-year period)
- If molecules were to be delivered to South County obtaining Met approval to introduce product water into East Orange County Feeder No. 2

Met approval of the LRP is subject to Poseidon receiving all applicable regulatory and environmental permits.

OCWD and Poseidon have agreed on a non-binding term sheet which will be the basis for negotiating a Water Purchase Agreement.

Agreed upon rate between Poseidon and OCWD Met rate plus an escalating surcharge over a 50-year period:

- **20% first 10 years**
- **15% second 10 years**
- **10% third ten years**
- **5% fourth ten years**
- **0% for the last ten years**

There is also a “reopener” to renegotiate based upon actual expenses at 15 years which, is tied to the proposed 15 year Met LRP.

OCWD takes delivery at the plant property line and is responsible for design, financing, construction and operation of the delivery system.

**PHASE II RECYCLED WATER
DISTRIBUTION SYSTEM EXPANSION PROJECT
TOTAL PROJECT COST ESTIMATE**

| | Estimate | | To Date |
|---|--------------------|--------------------|------------------|
| | December | January | |
| Construction | | | |
| West Side System | | | |
| E.J. Meyer Construcion Contract | \$3,708,888 | \$3,708,888 | |
| Allowance for Utility Conflicts | \$150,000 | \$150,000 | |
| Contingency | \$175,000 | \$175,000 | |
| Total | \$4,033,888 | \$4,033,888 | 273,698 |
| East Side System | | | |
| T.E. Roberts Construction Contract | \$1,337,411 | \$1,337,411 | |
| Allowance for Utility Conflicts | \$75,000 | \$75,000 | |
| Contingency | \$65,000 | \$65,000 | |
| Total | \$1,477,411 | \$1,477,411 | 76,575 |
| Total Construction | | | |
| Engineers Estimate | \$5,046,299 | \$5,046,299 | |
| Allowance for Utility Conflicts (Contingency) | \$225,000 | \$225,000 | |
| Contingency | \$240,000 | \$240,000 | |
| Total Construction | \$5,511,299 | \$5,511,299 | 350,273 |
| Engineering Design | | | |
| Engineering Design (Tetra Tech) | \$241,000 | \$241,000 | |
| Retrofit Site Plans | \$66,500 | \$66,500 | |
| Easement Exhibits (Tetra Tech) | \$32,500 | \$32,500 | |
| Subtotal Design | \$340,000 | \$340,000 | 288,449 |
| Planning | | | |
| CEQA (Dudek) | \$67,805 | \$67,805 | 67,805 |
| Funding Research | | \$9,701 | 9,701 |
| SRF Application Support | | \$13,536 | 13,536 |
| Subtotal Planning | \$67,805 | \$91,042 | 91,042 |
| Construction Support | | | |
| CEQA Construction Support | \$15,000 | \$15,000 | 550 |
| Engineering Construction Support - Tetra Tech | \$145,000 | \$145,000 | 9,942 |
| Construction Management & Inspection - MWH | \$435,991 | \$435,991 | 129,861 |
| Construction Management & Inspection - Geotech | \$85,995 | \$85,995 | |
| Labor Compliance Consultant - GSLC | \$42,840 | \$42,840 | |
| Public Relations | | \$75,000 | 4,921 |
| Miscellaneous Construction Support | \$75,000 | \$75,000 | 6,843 |
| Subtotal Construction Support | \$799,826 | \$874,826 | \$152,117 |
| Administration | | | |
| Legal | \$50,000 | \$50,000 | |
| Funding Research | \$9,701 | | |
| SRF Application Support | \$13,536 | | |
| Public Relations | \$75,000 | | |
| Miscellaneous | \$75,000 | \$75,000 | |
| Easements Compensation | \$34,600 | \$34,600 | |
| Title Insurance | \$16,500 | \$16,500 | \$16,500 |
| Subtotal Administration | \$274,337 | \$176,100 | \$16,500 |
| On Site Conversions/Retrofits Construction | \$700,000 | \$700,000 | \$0 |
| Total Project | \$7,693,267 | \$7,693,267 | 898,381 |

PHASE II RECYCLED WATER DISTRIBUTION SYSTEM EXPANSION PROJECT

CONSTRUCTION SUMMARY

EAST SIDE SYSTEM PIPELINE INSTALLATION PROGRESS

| DIAMETER | CONTRACT (LF) | INSTALLED (LF) | COMPLETION PERCENTAGE |
|--------------|------------------|-------------------|--------------------------|
| 6" | 3,671 | 1,050 | 29% |
| 4" | 4,002 | | 0% |
| TOTAL | 7,673 | 1,050 | 14% |

Construction Completion

| | | |
|-----------------------|----------|------|
| Progress Billings | \$76,575 | 6% |
| Allowance Utilization | \$0 | 0% |
| Change Orders | \$0.00 | 0.0% |

WEST SIDE SYSTEM PIPELINE INSTALLATION PROGRESS

| DIAMETER | CONTRACT (LF) | INSTALLED (LF) | COMPLETION PERCENTAGE |
|--------------|------------------|-------------------|--------------------------|
| 10" | 1,349 | 350 | 26% |
| 6" | 949 | | 0% |
| 4" | 18,343 | 4,050 | 22% |
| TOTAL | 20,641 | 4,400 | 21% |

Construction Completion

| | | |
|----------------------------|-------------|------|
| Progress Billings (August) | \$266,880 | 7% |
| Allowance Utilization | \$25,624.57 | 17% |
| Change Orders | \$6,817.99 | 0.2% |

TOTAL DISTRIBUTION SYSTEM PIPELINE INSTALLATION PROGRESS

| DIAMETER | CONTRACT (LF) | INSTALLED (LF) | COMPLETION PERCENTAGE |
|--------------|------------------|-------------------|--------------------------|
| 10" | 1,349 | 350 | 26% |
| 6" | 4,620 | 1,050 | 23% |
| 4" | 22,345 | 4,050 | 18% |
| TOTAL | 28,314 | 5,450 | 19% |

Construction Completion

| | | |
|-----------------------|-------------|------|
| Progress Billings | \$343,455 | 7% |
| Allowance Utilization | \$25,624.57 | 11% |
| Change Orders | \$6,817.99 | 0.1% |

**PHASE II RECYCLED WATER
DISTRIBUTION SYSTEM EXPANSION PROJECT**

CONSTRUCTION CHANGE ORDER SUMMARY

| PROJECT | ORIGINAL CONTRACT VALUE | TOTAL CHANGE ORDERS | CHANGE ORDER PERCENTAGE |
|--------------------------|-------------------------------|---------------------------|-------------------------------|
| EAST SIDE SYSTEM PROJECT | 1,337,411 | 0 | 0.0% |
| WEST SIDE SYSTEM PROJECT | 3,858,888 | 6,818 | 0.2% |
| TOTAL | 5,196,299 | 6,818 | 0.1% |

West Side System

Change Order No. 1

\$6,817.99

Additional pipeline cost due to Hurricane Harvey related supply issues.

**F.Y. 2017/18 CAPITAL REPLACEMENT AND REFURBISHMENT PROGRAM BUDGET ITEMS > \$50,000
BOARD APPROVAL SCHEDULE**

| Project Description | | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Budget Estimate | Board Approved Cost |
|----------------------------------|--|-----|-----|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|---------------------|---------------------|
| <i>2017/18 Capital Projects</i> | | | | | | | | | | | | | | | |
| 1 | Recycled Water Phase II | B | A | C | A | C | C | C | C | C | C | C | C | \$10,000,000 | \$4,439,879 |
| 2 | Replace R-6 Sodium Hypochlorite Tanks | E | E | E | | | | B | A | C | C | | | \$210,000 | |
| 3 | Oso Lift Station Improvement Project | E | E | E | E | E | E | E | E | E | B | A | C | \$1,000,000 | |
| 4 | AMR / AMI Implementation | | | | | | | | RFP | RFP | | | | \$200,000 | |
| 5 | Master Plan Update | | | | | | | RFP | RFP | A | E | E | | \$350,000 | |
| 6 | A/C Pavement Repair and Maintenance at Los Alisos Facility | | | | | | E | B | A | C | | | | \$100,000 | |
| <i>2017/18 Capital Equipment</i> | | | | | | | | | | | | | | | |
| 1 | Also Creek Lift Station Spare Grinder | | | Quote is <\$50K. Will be Purchased Under GM Authority | | | | | | | | | | \$52,500 | \$0 |
| 2 | Northline Lift Station Spare Grinder | | | A | | | | | | | | | | \$84,000 | \$82,946 |
| 3 | WRP Tractor | | | | | | | | | | A | | | \$200,000 | |
| 4 | Vehicle Replacement | | | | | | | | | A | | R | | \$100,000 | |
| 5 | 250KW Portable Emergency Generator | | A | | | | | | | | | | | \$210,000 | \$141,826 |
| 6 | Backhoe | | | | | | | | A | | R | | | \$168,000 | |
| Total | | | | | | | | | | | | | | \$12,674,500 | \$4,664,651 |

E = Engineering/Study
C = Construction
O = Order

R = Receive
P = Permit
CQ = CEQA

RFP = Request for Proposal
B = Bid
A = Approve by Board

ET = Evaluate
M = Monitoring
BP = Board Presentation

N = Negotiate

CO = Carry Over

Revised 01/18/18

**EL TORO WATER DISTRICT
INSURANCE UPDATE
January 2018**

Liability Program

The Liability Coverage has been renewed for another year by JPIA effective October 1, 2018. Premium for this year is \$137,304.20. Last year's premium was \$133,366.57. The premium is based on payroll and claims experience from previous year.

Property Insurance

There is nothing new to report this quarter.

Excess Public Employee Fidelity Program

There is nothing new to report this quarter.

Underground Storage Tank Pollution Liability

There is nothing new to report this quarter.

Dam Failure Liability

Dam Failure Liability was renewed in October 2017 for \$10,000,000.00 by JPIA. We have additional insurance for El Toro Reservoir & Rossmoor Dam for an additional \$10,000,000.00. The premium for this year \$15,855.00. Last year's premium was \$15,893.00.

Fiduciary Liability Policy

There is nothing new to report this quarter.

Liability & Property Claims

1. On February 20, 2017 there was a water main rupture at Clubhouse 4 in Laguna Woods Village. No claim had been sent until September 29, 2017 when Golden Rain Foundation of Laguna Woods sent in invoices for all the work that was done to fix their facilities. We realized there was damage but it is the first we heard from them. This claim was settled December 6, 2017.
2. On October 3, 2017 a district pipeline was damaged in the Willow Tree Plaza shopping center located on the N/E corner of El Toro Road and Moulton. The water flow ran through an active construction site. A main line was hit due to miss marking of pipeline so it is the District's fault. This claim was sent to JPIA & is still pending.
3. On November 15, 2017 a claim was sent due to a backed up sewer. Roto Rooter came out & TV'd the line. Our employees went out to verify the clean out was on our side. The customer was reimbursed for the plumbing bill. This claim is closed.

Workers' Compensation Policy

The Workers' Compensation Policy was renewed as of July 1, 2017 and runs through June 30, 2018. The District's experience modification rate is down from 1.37 to 1.17 for FY 17/18.

Workers' Compensation Claims

There were no worker's compensation claims this quarter.

Medical Insurance

The District offers three medical plans as follows:

Kaiser Health - \$10 office co-pay with no annual deductibles.

Anthem Blue Cross – HMO; Offers a \$10 copay with no annual deductibles.

Anthem Blue Cross – PPO; this plan offers benefits within the physician network and outside of the network. In network there is a co-pay of \$15.00 with an annual deductible of \$200 per person and \$600 per family. Out of the network, benefits are offered at 20% cost to the employee for all covered services with the same annual deductibles.

Average cost per month per employee for the second quarter is \$1252.89.

Vision Insurance

VSP provides vision coverage to our employees, Directors and dependents. It provides an annual eye exam and discounted rates for frames, lenses and contacts.

The cost per month per employee for the second quarter is \$17.21.

Dental Insurance

The District provides dental coverage with Delta Dental. Our dental insurance pays up to \$1,500 for the upcoming year for covered services. All preventative services are offered every six months with the copay waived.

Average cost per month per employee for the second quarter is \$77.84.

Long and Short Term Disability Insurance

The District offers Long and Short Term Disability Program through Lincoln National Life Insurance Company.

The Long Term Disability program provides a maximum monthly benefit of \$10,000. The Short Term Disability program provides a maximum weekly benefit of \$ 1,500.

Both Short and Long Term Disability Programs are paid by the District and provides disability payments up to 66 2/3 of an employee's weekly or monthly salary if the claim is approved.

Average cost per month per employee for the second quarter is \$46.06.

Long Term Care Insurance

Long Term care is a program that provides a monthly benefit of \$2,500 to be applied to home health care or an assisted living facility.

Average cost per month per employee for the second quarter is \$7.73

Life Insurance Coverage

The District offers Life Insurance coverage through Lincoln National Life Insurance Company at twice the employee's annual salary up to a maximum of \$300,000.

Lincoln National Life Insurance Company also provides life insurance coverage for the Directors.

Premium rates are based on age and salary of insured employees. The premium is adjusted on the employee's birthday every fifth year.

Average cost per month per employee for the second quarter is \$37.48.

Employee Assistance Program (EAP) Coverage

UNUM is our carrier for our Employee Assistance Program. This program offers assistance in many areas such as: childcare, eldercare, legal consultations, and health information, personal relationship issues, financial planning assistance, stress management and career development. This benefit also comes with a \$5,000 portable term life insurance benefit.

The cost per month per employee for the second quarter is \$1.70.

An insurance report of Budget vs. Actual Costs for fiscal year 2017/2018 is attached for the Board's review as well as a summary of currently held District insurance policies.

Submitted by:
Nancy Laursen
Judy Cimorell

Budget vs. Actual - Q2 2017/18
1/1/2018

| | Annual Budget | Actual Paid to Date | Difference | |
|---------------------------------|--------------------------|--------------------------------|--|-------------------|
| Insurance Coverage | | | | |
| Liability | \$135,000 | \$137,304 | \$2,304 | |
| Property | \$73,000 | \$70,172 | (\$2,828) | |
| Fiduciary Liability | \$6,300 | \$6,143 | (\$157) | |
| Dam Ins. (includes Excess) | \$15,900 | \$15,855 | (\$45) | |
| less SMWD- 50% & | (\$7,950) | (\$7,928) | \$23 | |
| MNWD 5% - R-6 | (\$795) | (\$793) | \$2 | |
| Underground Storage Tank | \$1,200 | \$1,193 | (\$7) | |
| Public Employee Fidelity | \$1,750 | \$1,734 | (\$16) | |
| Total Insurance | \$224,405 | \$223,681 | (\$724) | |
| | | | | |
| | Annual Budget | Q1 & Q2 Budget | Accumulative Q1 & Q2 Actual | Difference |
| Benefits - Directors | | | | |
| Long Term Care | \$18,471 | \$9,236 | \$4,200 | (\$5,035) |
| Dental | \$4,728 | \$2,364 | \$2,202 | (\$162) |
| Vision | \$1,045 | \$523 | \$516 | (\$6) |
| Life | \$185 | \$93 | \$73 | (\$20) |
| Total Benefits Directors | \$24,429 | \$12,215 | \$6,991 | (\$5,224) |
| | | | | |
| Retiree Benefits | | | | |
| Medical | \$218,101 | \$109,051 | \$101,485 | (\$7,566) |
| Employee paid | (\$21,810) | (\$10,905) | (\$10,517) | \$388 |
| Anthem Supplement | \$13,101 | \$6,551 | \$6,358 | (\$192) |
| Total retiree benefits | \$209,392 | \$104,696 | \$97,326 | (\$7,370) |
| | | | | |
| Employee Benefits | | | | |
| Emp.Assistance Program | \$1,276 | \$638 | \$592 | (\$46) |
| Medical | \$1,117,355 | \$558,678 | \$481,449 | (\$77,229) |
| Emp. Co-pay | (\$85,950) | (\$42,975) | (\$40,146) | \$2,829 |
| Life/AD&D | \$29,421 | \$14,711 | \$13,857 | (\$853) |
| Dental | \$63,750 | \$31,875 | \$28,889 | (\$2,986) |
| Vision | \$12,984 | \$6,492 | \$6,213 | (\$279) |
| LTD/STD | \$36,107 | \$18,054 | \$16,805 | (\$1,248) |
| LTC | \$9,066 | \$4,533 | \$3,770 | (\$763) |
| LTC-Emp. Paid | (\$2,598) | (\$1,299) | (\$984) | \$315 |
| Workers comp. | \$175,723 | \$87,862 | \$72,926 | (\$14,936) |
| Total Employee Benefits | \$1,357,134 | \$678,567 | \$583,371 | (\$95,196) |

SUMMARY OF COVERAGE

Page 5

| | | |
|---|---|---|
| Type of Coverage | <u>GENERAL LIABILITY</u> | Coverage Term: 10/17-18 |
| Coverage Includes | 1. Commercial General Liability 2. Contractual Liability 3. Products/Completed Operations 4. Personal Injury | Premium - \$137,304.20 |
| Coverage Limits | Insurance Carrier Pooled Self-insured | Policy Number MOLC - 100110 |
| Type of Coverage | <u>AUTO LIABILITY</u> | Coverage Term: 10/17-18 |
| Coverage Includes | 1. Owned Automobiles/Trucks 2. Non-owned Automobiles/Trucks 3. Hired Automobiles/Trucks | Premium - Included |
| Coverage Limits | Insurance Carrier Pooled Self-insured | Policy Number MOLC - 100110 |
| Type of Coverage | <u>PUBLIC OFFICIALS LIABILITY</u> | Coverage Term: 10/17-18 |
| Coverage Includes | 1. Errors & Omissions | Premium - Included |
| Coverage Limits | Insurance Carrier Pooled Self-insured | Policy Number MOLC - 100110 |
| Type of Coverage | <u>PROPERTY</u> | Coverage Term: 4/17 - 18 |
| Coverage Includes | 1. Basic Property Values- Building, Fixed Equipment, Personal Property 2. Mobile Equipment Value 3. Licensed Vehicle - Comprehensive & Collision - Private Passenger, Light Truck, Sport Utility, Other Vehicles | Premium - \$70,172 |
| Automobile Physical Damage Comprehensive - 83 Vehicles Collision - 83 Vehicles | | |
| Coverage Limits | Insurance Carrier Pooled Self-insured | Policy Number MOLC - 100110 |

| | | |
|-------------------|--|-------------------------|
| Type of Coverage | <u>EXCESS CRIME PROGRAM</u> | Coverage Term: 4/17- 18 |
| Coverage Includes | 1. Public Employee Dishonesty 2. Forgery or Alteration 3. Computer Fraud 4. Faithful Performance of Duty 5. Treasurer/Tax Collector/Board Members (included) | Premium - \$1,734 |
| Coverage Limits | Insurance Carrier | Policy Number |
| | Pooled Self-insured | MOLC - 100110 |

| | | |
|--|--|------------------------|
| Type of Coverage | <u>UNDERGROUND STORAGE TANK POLLUTION LIABILITY</u> | Coverage Term: 7/17-18 |
| Coverage Includes | 1. Claims-Made 2. Environmental Incident | Premium - \$1,193. |
| Covers 1 Tank Located at: 23542 Moulton Parkway Laguna Woods, CA 92637 | | |
| Coverage Limits | Insurance Carrier | Policy Number |
| | Pooled Self-insured | MOLC - 100110 |

| | | |
|---|--|-------------------------|
| Type of Coverage | <u>DAM FAILURE LIABILITY</u> | Coverage Term: 10/17-18 |
| Coverage (Includes Excess Ins. for El Toro Reservoir) | 1. Bodily Injury 2. Property Damage | Premium - \$15,855. |
| Covers: El Toro Reservoir Rossmoor Dam | | |
| Coverage Limits | Insurance Carrier | Policy Number |
| \$20 Million – ETWD & Rossmoor | Pooled Self-insured | MOLC - 100110 |

| | | |
|--|--|------------------------|
| Type of Coverage | <u>FIDUCIARY LIABILITY</u> | Coverage Term: 9/17-18 |
| Coverage Includes | 1. Executive Protection Policy | \$6,143.00 |
| Parent Organization: ETWD Retirement Savings Plan & Trust Agreement | | |
| Coverage Limits | Insurance Carrier | Policy Number |
| | Travelers Casualty & Surety Co. of America | 105992703 |

| | | |
|---------------------------------------|---|--|
| Type of Coverage | <u>WORKERS' COMPENSATION</u> | Coverage Term: 7/17 - 6/18 |
| Coverage Includes | 1. Coverage A - Workers' Compensation 2. Coverage B - Employer's Liability | Premium - Paid Quarterly Varies per Payroll |
| Coverage Limits | Insurance Carrier | Policy Number |
| Coverage A | | |
| \$0 - \$2 Million | Pooled Self-insured | MOLC - 100110 |
| \$2 Million to Statutory | | |
| Coverage Limits | Insurance Carrier | Policy Number |
| Coverage B | | |
| \$0 - \$2 Million | Pooled Self-insured | MOLC - 100110 |
| \$2 Million excess of \$2 Million SIR | | |

| | | |
|-------------------------|---|--------------------------------|
| Type of Coverage | <u>LIFE & ACCIDENT</u> | 2nd Quarter Premium \$6,858 |
| Coverage Includes | Coverage - 2 X Annual Income (Max. of \$300,000) | |
| Insurance Carrier | Lincoln National Life Insurance Co. | Policy # 10218807 |
| Eligibility Period | 2 Months After Hire | |
| Plan Wait or Deductible | 60 Days | |

| | | |
|-------------------------|---|--------------------------------|
| Type of Coverage | <u>LONG / SHORT TERM DISABILITY</u> | 2nd Quarter Premium \$8,383 |
| Coverage Includes | 66 2/3 Insured Earnings Max. of \$10,000 | |
| Insurance Carrier | Lincoln National Life Insurance Co. | Policy # 10218808 |
| Eligibility Period | 1 Year After Hire | |
| Plan Wait or Deductible | 30 Days STD 90 Days or 9 Weeks LTD | |

| | | |
|-------------------------|--|--------------------------------|
| Type of Coverage | <u>LONG TERM CARE</u> | 2nd Quarter Premium \$1,407 |
| Coverage Includes | \$2,500/Month \$150,000 Total Benefit | |
| Insurance Carrier | UNUM | Policy # 220384 |
| Eligibility Period | 1 Year After Hire | |
| Plan Wait or Deductible | 365 Days | |

| | | |
|-------------------------|------------------------------------|--------------------------------------|
| Type of Coverage | <u>PERSONAL ACCIDENT INSURANCE</u> | 2nd Quarter Premium Employee Paid |
| Coverage Includes | \$50,000 or \$100,000 | |
| Insurance Carrier | INA | Policy # OKH-1253-56 |
| Eligibility Period | Optional | |
| Plan Wait or Deductible | None | |

| | | |
|-------------------------|---------------------------------|---------------------------------|
| Type of Coverage | <u>DENTAL</u> | 2nd Quarter Premium \$15,268 |
| Coverage Includes | \$25.00 or \$50.00/Family | |
| Insurance Carrier | Delta Dental Plan of California | Policy #399-1012 |
| Eligibility Period | 2 Months After Hire | |
| Plan Wait or Deductible | 60 Days | |

| | | |
|-------------------------|---|----------------------------------|
| Type of Coverage | <u>MEDICAL</u> | 2nd Quarter Premium \$271,824 |
| Coverage Includes | HMO or PPO by Employee Choice | |
| Insurance Carrier | Anthem Blue Cross / Kaiser Insurance thru ACWA | Policy #229CA |
| Eligibility Period | 1 Month After Hire | |
| Plan Wait or Deductible | 30 Days | |

* Premium includes employees and retirees

| | | |
|-------------------------|---------------------------------|--------------------------------|
| Type of Coverage | <u>VISION</u> | 2nd Quarter Premium \$3,270 |
| Coverage Includes | Annual Exam/Frame Every 2 Years | |
| Insurance Carrier | Vision Service Plan thru ACWA | Policy #399-1012 |
| Eligibility Period | 2 Months After Hire | |
| Plan Wait or Deductible | 60 Days | |

EL TORO WATER DISTRICT
FINANCIAL REPORT
January 22, 2018

| | | |
|----|----------------------------------|---------|
| I. | Balance Sheet | 2 - 3 |
| A. | Cash & Investments | |
| 1) | Mix and Liquidity | 4 |
| 2) | Reserve Analysis | 5 |
| 3) | Change in Reserves | 6 |
| 4) | Bills for consideration | 7 |
| 5) | 401K Plan | 8 |
| B. | Other balance sheet items | |
| 1) | A/R aging | 9 |
| 2) | A/P aging | 9 |
| II | Revenue & Expense | 10 |
| A. | Analysis of Revenue & Expenses | 11 |
| B. | Revenues | |
| 1) | Where the money comes from | 12 |
| 2) | Who the money comes from | 12 |
| 3) | Revenue budget comparison | 13 |
| 4) | Miscellaneous Revenue | 14 |
| C. | Expenses | |
| 1) | Where the money goes | 15 |
| 2) | Expense budget comparison | 16 - 17 |
| 3) | Capital expenditures – equipment | 18 |
| 4) | Capital expenditures – projects | 18 |

**EL TORO WATER DISTRICT
BALANCE SHEET**

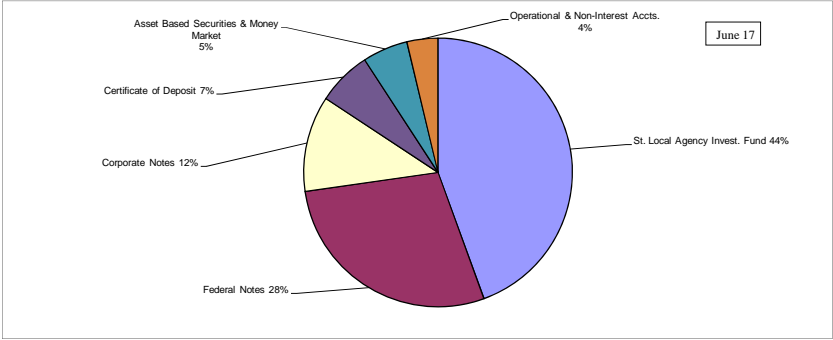
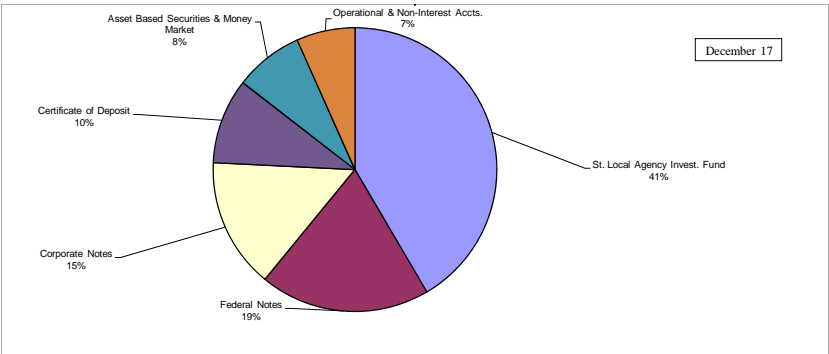
| | 12/31/17 (Unaudited) | June 30, 2017 (Audited) |
|---|---------------------------------|------------------------------------|
| ASSETS | | |
| Current Assets | | |
| Cash & Investments | \$5,908,905 | \$6,580,471 |
| Receivables: | | |
| Accounts Receivable | 2,491,075 | 3,037,710 |
| Notes Receivable | - | - |
| Inventories | 620,490 | 562,451 |
| Prepaid Expenses | 331,592 | 201,595 |
| Total Current Assets | 9,352,062 | 10,382,226 |
| Restricted Assets | | |
| Cash & Investments | 11,552,003 | 10,797,628 |
| Total Restricted Assets | 11,552,003 | 10,797,628 |
| Non-Current Assets | | |
| Utility Plant: | | |
| Land & Easements | 7,451,585 | 7,451,585 |
| Long Term Leases | 342,382 | 342,382 |
| Equipment | 111,721,275 | 111,005,328 |
| Collection & Impound Reservoirs | 6,243,706 | 6,243,706 |
| Structure & Improvements | 34,640,855 | 34,640,855 |
| Total Utility Plant | 160,399,804 | 159,683,857 |
| Less Accumulated Depreciation & Amortization | (68,900,728) | (66,782,443) |
| Net Utility Plant | 91,499,077 | 92,901,415 |
| Construction Work in Progress | 2,432,681 | 1,841,774 |
| Notes Receivable | - | - |
| Total Non-current Assets | 93,931,758 | 94,743,188 |
| TOTAL ASSETS | \$114,835,823 | \$115,923,043 |

**EL TORO WATER DISTRICT
BALANCE SHEET**

| | 12/31/17 (Unaudited) | June 30, 2017 (Audited) |
|-----------------------------------|---------------------------------|------------------------------------|
| LIABILITIES and EQUITY | | |
| Liabilities | | |
| Current Liabilities Payable | | |
| Accounts Payable | \$1,299,700 | \$1,869,851 |
| Current Portion of Long-Term Debt | 389,276 | 1,745,817 |
| Other Current Liabilities | 7,688,177 | 7,547,548 |
| | | |
| Total Current Liabilities Payable | | |
| From Current Assets | 9,377,153 | 11,163,216 |
| | | |
| Long Term Debt | | |
| Long Term Debt | 35,802,806 | 35,802,806 |
| | | |
| Total Long Term Debt | 35,802,806 | 35,802,806 |
| | | |
| Total Liabilities | 45,179,959 | 46,966,022 |
| | | |
| Fund Equity | | |
| Retained Earnings - Reserved | 22,174,300 | 22,174,300 |
| Contributed Capital | 8,744,767 | 8,744,767 |
| Retained Earnings - Unreserved | 38,037,954 | 38,615,382 |
| Net Income | 698,843 | (577,428) |
| Total Fund Equity | 69,655,864 | 68,957,021 |
| | | |
| Total Liabilities & Fund Equity | \$114,835,823 | \$115,923,043 |

CASH & INVESTMENTS
SUMMARY OF INVESTMENTS BY TYPE

| | Maturity Dates | Par | Market Value 12/31/17 | Financial Institution | YTM 12/31/17 | Original Cost 12/31/17 |
|---|----------------|-----------|--------------------------|--------------------------|-----------------|---------------------------|
| State Local Agency Investment Fund | NA | NA | \$7,281,561 | LAIF | 1.24% | \$7,281,561 |
| US Treasury N/B - Coupon Rate 1.625% | 7/31/2020 | 60,000 | 59,538 | US Bank/CAMP | 1.60% | 60,038 |
| US Treasury N/B - Coupon Rate 1.375% | 8/31/2020 | 110,000 | 108,393 | US Bank/CAMP | 1.53% | 109,502 |
| US Treasury N/B - Coupon Rate 1.375% | 8/31/2020 | 260,000 | 256,202 | US Bank/CAMP | 1.44% | 259,523 |
| US Treasury N/B - Coupon Rate 1.375% | 10/31/2020 | 160,000 | 157,419 | US Bank/CAMP | 1.65% | 158,700 |
| US Treasury N/B - Coupon Rate 1.750% | 12/31/2020 | 340,000 | 337,636 | US Bank/CAMP | 1.90% | 338,513 |
| Intl BK of Recon & Dev Global Notes - Coupon Rate 1.125% | 11/27/2019 | 110,000 | 108,164 | US Bank/CAMP | 1.50% | 109,098 |
| Intl BK of Recon & Dev Notes - Coupon Rate 1.875% | 4/21/2020 | 90,000 | 89,618 | US Bank/CAMP | 1.90% | 89,922 |
| Inter-American Devel BK Note - Coupon Rate 1.625% | 5/12/2020 | 150,000 | 148,591 | US Bank/CAMP | 1.70% | 149,645 |
| Intl BK of Recon & Dev Notes - Coupon Rate 1.561% | 9/12/2020 | 90,000 | 88,395 | US Bank/CAMP | 1.64% | 89,784 |
| Inter-American Development Bank - Coupon Rate 2.125% | 11/9/2020 | 90,000 | 90,076 | US Bank/CAMP | 1.81% | 90,834 |
| FHLMC Reference Note- Coupon Rate 0.875% | 7/19/2019 | 800,000 | 787,491 | US Bank/CAMP | 1.08% | 795,616 |
| FNMA Notes - Coupon Rate 1.000% | 8/28/2019 | 950,000 | 935,987 | US Bank/CAMP | 1.10% | 947,435 |
| FNMA Notes - Coupon Rate 1.500% | 2/28/2020 | 200,000 | 197,925 | US Bank/CAMP | 1.52% | 199,872 |
| Federal Notes | | 3,410,000 | 3,365,435 | | | 3,398,479 |
| JP Morgan Chase Notes - Coupon Rate 6.000% | 1/15/2018 | 150,000 | 150,209 | US Bank/CAMP | 1.79% | 163,206 |
| John Deere Capital Corp. - Coupon Rate 1.650% | 10/15/2018 | 30,000 | 29,933 | US Bank/CAMP | 1.69% | 29,981 |
| Toyota Motor Credit Corp. - Coupon Rate 1.700% | 1/9/2019 | 150,000 | 149,690 | US Bank/CAMP | 1.72% | 149,948 |
| US Bankcorp (Callable) Notes - Coupon Rate 2.200% | 4/25/2019 | 150,000 | 150,425 | US Bank/CAMP | 1.47% | 152,727 |
| Pepsico Inc. - Coupon Rate 1.550% | 5/2/2019 | 50,000 | 49,725 | US Bank/CAMP | 1.59% | 49,963 |
| American Express Credit - Coupon Rate 1.875% | 5/3/2019 | 50,000 | 49,799 | US Bank/CAMP | 1.90% | 49,980 |
| American Honda Finance - Coupon Rate 1.200% | 7/12/2019 | 150,000 | 147,925 | US Bank/CAMP | 1.48% | 148,887 |
| Goldman Sachs Group Inc - Coupon Rate 1.950% | 7/23/2019 | 60,000 | 59,650 | US Bank/CAMP | 1.96% | 59,993 |
| Cisco Systems Notes - Coupon Rate 1.400% | 9/20/2019 | 150,000 | 148,435 | US Bank/CAMP | 1.42% | 149,931 |
| Honeywell International Corp. Notes - Coupon Rate 1.800% | 10/30/2019 | 25,000 | 24,868 | US Bank/CAMP | 1.84% | 24,981 |
| American Express Credit Corp. - Coupon Rate 1.700% | 10/30/2019 | 100,000 | 98,968 | US Bank/CAMP | 1.99% | 99,240 |
| Citigroup Inc. Corp. Note - Coupon Rate 2.450% | 1/10/2020 | 50,000 | 50,023 | US Bank/CAMP | 1.90% | 50,607 |
| BB&T Corp. Note - Coupon Rate 2.450% | 1/15/2020 | 100,000 | 100,331 | US Bank/CAMP | 2.08% | 101,053 |
| Morgan Stanley Corp. Bonds - Coupon Rate 2.650% | 1/27/2020 | 40,000 | 40,181 | US Bank/CAMP | 2.35% | 40,346 |
| IBM Corp. Notes - Coupon Rate 1.900% | 1/27/2020 | 100,000 | 99,542 | US Bank/CAMP | 1.93% | 99,904 |
| Microsoft Corp. Note - Coupon Rate 1.850% | 2/6/2020 | 90,000 | 89,734 | US Bank/CAMP | 1.87% | 89,940 |
| Apple Inc. Bonds - Coupon Rate 1.900% | 2/7/2020 | 80,000 | 79,759 | US Bank/CAMP | 1.92% | 79,961 |
| Chevron Corp Notes - Coupon Rate 1.991% | 3/3/2020 | 70,000 | 69,403 | US Bank/CAMP | 1.99% | 70,000 |
| Walt Disney Corp Notes - Coupon Rate 1.950% | 3/4/2020 | 20,000 | 19,935 | US Bank/CAMP | 1.96% | 19,995 |
| Exxon Mobil Corp Note - Coupon Rate 1.912% | 3/6/2020 | 90,000 | 89,534 | US Bank/CAMP | 1.75% | 90,402 |
| John Deere Capital Corp. - Coupon Rate 2.200% | 3/13/2020 | 40,000 | 39,958 | US Bank/CAMP | 2.23% | 39,969 |
| Goldman Sachs Group Inc Corp Notes - Coupon Rate 2.600% | 4/23/2020 | 30,000 | 30,041 | US Bank/CAMP | 2.28% | 30,226 |
| Apple Inc. Bonds - Coupon Rate 1.800% | 5/11/2020 | 60,000 | 59,492 | US Bank/CAMP | 1.84% | 59,939 |
| Intel Corp Notes - Coupon Rate 1.850% | 5/11/2020 | 90,000 | 89,587 | US Bank/CAMP | 1.86% | 89,966 |
| Home Depot Inc Corp Notes - Coupon Rate 1.800% | 6/5/2020 | 40,000 | 39,682 | US Bank/CAMP | 1.82% | 39,977 |
| Walt Disney Corp Notes - Coupon Rate 1.800% | 6/5/2020 | 70,000 | 69,420 | US Bank/CAMP | 1.84% | 69,919 |
| John Deere Capital Corp Notes - Coupon Rate 1.950% | 6/22/2020 | 20,000 | 19,858 | US Bank/CAMP | 1.97% | 19,988 |
| State Street Corp Notes - Coupon Rate 2.550% | 8/18/2020 | 10,000 | 10,066 | US Bank/CAMP | 1.83% | 10,208 |
| State Street Corp Notes - Coupon Rate 2.550% | 8/18/2020 | 70,000 | 70,464 | US Bank/CAMP | 1.82% | 71,471 |
| Caterpillar Finl Service Note - Coupon Rate 1.850% | 9/4/2020 | 70,000 | 69,183 | US Bank/CAMP | 1.88% | 69,941 |
| Citigroup Inc Corp Notes - Coupon Rate 2.650% | 10/26/2020 | 40,000 | 40,134 | US Bank/CAMP | 2.34% | 40,360 |
| Paccar Financial Corp Notes - Coupon Rate 2.050% | 11/13/2020 | 20,000 | 19,848 | US Bank/CAMP | 2.05% | 19,998 |
| VISA Inc. (Callable) Corp Notes - Coupon Rate 2.200% | 12/14/2020 | 20,000 | 19,984 | US Bank/CAMP | 1.85% | 20,220 |
| Wal-Mart Stores Inc. Corp. Note - Coupon Rate 1.900% | 12/15/2020 | 90,000 | 89,420 | US Bank/CAMP | 1.95% | 89,870 |
| United Parcel Service Corporate Bond - Coupon Rate 2.050% | 4/1/2021 | 90,000 | 89,524 | US Bank/CAMP | 2.10% | 89,858 |
| Pepsico Inc. Corp. Note - Coupon Rate 2.000% | 4/15/2021 | 30,000 | 29,659 | US Bank/CAMP | 2.01% | 29,994 |
| Bank of America Note - Coupon Rate 2.328% | 10/1/2021 | 90,000 | 89,746 | US Bank/CAMP | 2.33% | 90,000 |
| Corporate Notes | | 2,585,000 | 2,574,135 | | | 2,602,944 |
| Bank of Tokyo Mitsubishi - Coupon Rate 0.000% | 1/26/2018 | 150,000 | 149,814 | US Bank/CAMP | 1.54% | 148,296 |
| Canadian Imperial Bank NY CD - Coupon Rate 1.760% | 11/30/2018 | 250,000 | 249,472 | US Bank/CAMP | 1.25% | 250,320 |
| Svenska Handelsbanken NY LT CD - Coupon Rate 1.890% | 1/10/2019 | 200,000 | 199,116 | US Bank/CAMP | 1.91% | 200,000 |
| Bank of Montreal Chicago CD - Coupon Rate 1.880% | 2/7/2019 | 180,000 | 180,223 | US Bank/CAMP | 1.90% | 180,000 |
| Bank of Nova Scotia Houston LT CD - Coupon Rate 1.910% | 4/5/2019 | 180,000 | 179,348 | US Bank/CAMP | 1.91% | 180,000 |
| Sumitomo Mitsui Bank CD - Coupon Rate 2.050% | 5/3/2019 | 180,000 | 179,877 | US Bank/CAMP | 2.05% | 180,000 |
| Skandinav Enskilda Banken NY CD - Coupon Rate 1.840% | 8/2/2019 | 180,000 | 177,689 | US Bank/CAMP | 1.85% | 179,930 |
| Bank of Tokyo Mitsubishi UFJ LTD CD- Coupon Rate 2.070% | 9/25/2019 | 100,000 | 99,532 | US Bank/CAMP | 2.07% | 100,000 |
| Westpac Banking Corp NY CD - Coupon Rate 2.050% | 8/3/2020 | 150,000 | 149,751 | US Bank/CAMP | 2.05% | 150,000 |
| Swedbank (NewYork) CD- Coupon Rate 2.270% | 11/16/2020 | 135,000 | 134,271 | US Bank/CAMP | 2.30% | 135,000 |
| Certificate of Deposit | | 1,705,000 | 1,699,093 | | | 1,703,546 |
| Nissan ABS 2015-A A3 - Coupon Rate 1.050% | 10/15/2019 | 6,774 | 6,760 | US Bank/CAMP | 1.28% | 6,742 |
| CNH 2017-A A2 -Coupon Rate 1.640% | 7/15/2020 | 182,017 | 181,752 | US Bank/CAMP | 1.80% | 182,010 |
| Toyota ABS 2017-A A3 - Coupon Rate 1.730% | 2/15/2021 | 50,000 | 49,752 | US Bank/CAMP | 1.74% | 49,994 |
| John Deere ABS 2017-A A3 - Coupon Rate 1.780% | 4/15/2021 | 30,000 | 29,856 | US Bank/CAMP | 1.79% | 29,996 |
| Toyota ABS 2017-B A3 - Coupon Rate 1.760% | 7/15/2021 | 100,000 | 99,341 | US Bank/CAMP | 1.76% | 99,992 |
| Honda ABS 2017-1 A3 - Coupon Rate 1.720% | 7/21/2021 | 40,000 | 39,741 | US Bank/CAMP | 1.72% | 39,998 |
| Hyundai ABS 2017-A A3 - Coupon Rate 1.760% | 8/15/2021 | 40,000 | 39,790 | US Bank/CAMP | 1.76% | 39,997 |
| Nissan ABS 2017-A A3 - Coupon Rate 1.740% | 8/15/2021 | 50,000 | 49,696 | US Bank/CAMP | 1.74% | 49,995 |
| Ally ABS 2017-2 A3 - Coupon Rate 1.780% | 8/15/2021 | 70,000 | 69,743 | US Bank/CAMP | 1.79% | 69,992 |
| Honda ABS 2017-2 A3 - Coupon Rate 1.680% | 8/15/2021 | 90,000 | 89,249 | US Bank/CAMP | 1.68% | 89,992 |
| CCCIT 2017-A9 A9 - Coupon Rate 1.800% | 9/20/2021 | 100,000 | 99,488 | US Bank/CAMP | 1.80% | 99,993 |
| John Deere ABS 2017-B A3 - Coupon Rate 1.820% | 10/15/2021 | 30,000 | 29,776 | US Bank/CAMP | 1.82% | 29,998 |
| Ford ABS 2017-B A3 - Coupon Rate 1.690% | 11/15/2021 | 70,000 | 69,902 | US Bank/CAMP | 1.69% | 69,997 |
| American Express 2017-4 A - Coupon Rate 1.640% | 12/15/2021 | 100,000 | 99,483 | US Bank/CAMP | 1.65% | 99,984 |
| Hyundai ABS 2017-B A3 - Coupon Rate 1.770% | 1/15/2022 | 80,000 | 79,374 | US Bank/CAMP | 1.78% | 79,986 |
| Ally 2017-5 A3 - Coupon Rate 1.990% | 3/15/2022 | 70,000 | 69,775 | US Bank/CAMP | 1.99% | 69,995 |
| Fordio 2017-C A3 - Coupon Rate 2.010% | 3/15/2022 | 110,000 | 109,677 | US Bank/CAMP | 2.02% | 109,980 |
| Citibank 2017-A3 A3 - Coupon Rate 1.920% | 4/7/2022 | 100,000 | 99,376 | US Bank/CAMP | 1.82% | 100,267 |
| CAMP Money Market Fund | NA | NA | 52,759 | US Bank/CAMP | 1.29% | 52,759 |
| Asset Based Securities & Money Market | | 1,318,791 | 1,365,292 | | | 1,371,666 |
| Total Camp Investments | | 9,018,791 | 9,003,955 | | | 9,076,635 |
| Operational & Non-Interest Bearing Accounts | | | | | | |
| ETWD General Cash Account | NA | NA | 1,146,165 | Union Bank of Cal. | 0.00% | 1,146,165 |
| ETWD Capital Facilities Reserve Account | NA | NA | 23,302 | Union Bank of Cal. | 0.00% | 23,302 |
| ETWD Payroll Account | NA | NA | 0 | Union Bank of Cal. | 0.00% | 0 |
| ETWD Petty Cash Account | NA | NA | 700 | Union Bank of Cal. | 0.00% | 700 |
| Operational & Non-Interest Accts. | | | 1,170,168 | | | 1,170,168 |
| | | | \$17,455,683 | Total Investments & Cash | | \$17,528,364 |



| LIQUIDITY | | | | | |
|---------------|-------------------|---------|--|---------------|---------|
| | December 31, 2017 | | | June 30, 2017 | |
| | \$ | % | | \$ | % |
| DEMAND | \$ 8,504,488 | 48.52% | | \$ 8,399,070 | 48.21% |
| 30 Days | \$ 311,502 | 1.78% | | \$ - | 0.00% |
| 31-180 Days | \$ - | 0.00% | | \$ - | 0.00% |
| 181 - 360 | \$ 280,301 | 1.60% | | \$ 420,306 | 2.41% |
| 361-1800 Days | \$ 8,432,073 | 48.11% | | \$ 8,602,295 | 49.38% |
| TOTAL | \$ 17,528,364 | 100.00% | | \$ 17,421,671 | 100.00% |

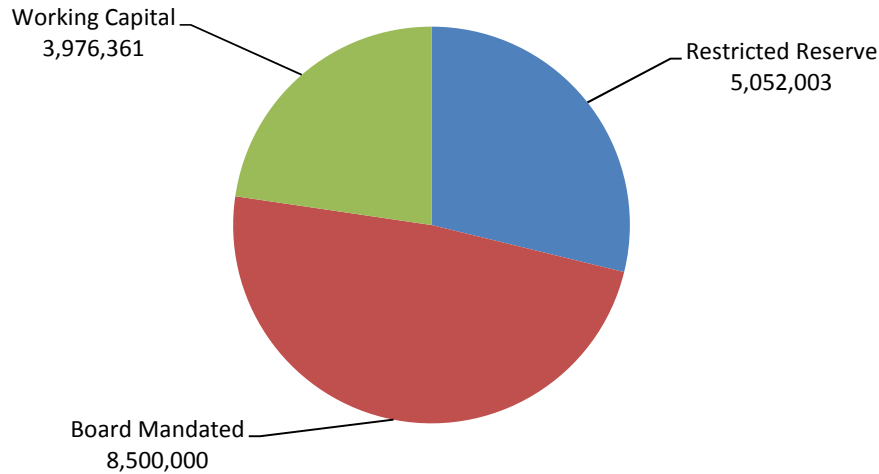
All investment actions since the prior report have been executed in full compliance with the District's Investment Policy and in accordance with California Government Code Sections 53646 (b) (2) and (3) requiring sufficient cash reserves for six months of District operations.

EL TORO WATER DISTRICT

RESERVE ANALYSIS

31-Dec-17

Reserves



| | | |
|-------------------------------|-----------|-------------------|
| Restricted Reserve | \$ | 5,052,003 |
| Board Mandated | \$ | 8,500,000 |
| Capital Cash Flow/ Compliance | \$ | 3,976,361 |
| Total | \$ | 17,528,364 |

Restricted Reserve

| | | |
|----------------------------|-----------|------------------|
| SRFL-Recycled | \$ | 1,602,958 |
| Capital Facilities Reserve | \$ | 23,302 |
| Tiered Cons Fund | \$ | 2,249,056 |
| Baker Funding | \$ | 1,176,687 |
| Total | \$ | 5,052,003 |

Board Mandated Minimum Reserve Levels

| | | |
|----------------------|-----------|------------------|
| Capital Construction | \$ | 3,000,000 |
| Rate Stabilization | \$ | 2,200,000 |
| Operations | \$ | 1,300,000 |
| Working Capital | \$ | 2,000,000 |
| Total | \$ | 8,500,000 |

Six months operating expense requirement:
Cash less restricted reserve on hand:

\$11,119,197
\$12,476,361

EL TORO WATER DISTRICT CHANGE IN RESERVES

| | <u>December 31, 2017</u> | <u>Year to Date</u> | <u>June 30, 2017</u> |
|---------------------------------------|---------------------------|-----------------------|-------------------------|
| Operating Revenue | 1,859,050 | 13,065,530 | 23,901,919 |
| Non-operating Revenue | 117,201 | 799,807 | 1,515,062 |
| Total Revenue | <u>1,976,250</u> | <u>13,865,337</u> | <u>25,416,981</u> |
| Operating Expenses | 1,635,705 | 10,648,767 | 21,225,829 |
| Depreciation | 352,477 | 2,114,862 | 4,061,898 |
| Non-operating Expenses | 67,144 | 402,864 | 706,683 |
| Total Expenses | <u>2,055,326</u> | <u>13,166,494</u> | <u>25,994,409</u> |
| NET INCOME | (79,076) | 698,843 | (577,428) |
| Non-Cash Items: | | | |
| Add: Depreciation | 352,477 | 2,114,862 | 4,061,898 |
| Change in Notes Receivable/Grant Fund | - | - | - |
| Loan Proceeds | - | - | - |
| Less: Debt Service | (1,356,541) | (1,356,541) | (407,429) |
| Capital Improvements | (314,823) | (1,310,589) | (3,627,387) |
| Total Non-Cash Items | <u>(1,318,887)</u> | <u>(552,268)</u> | <u>27,081</u> |
| CHANGE IN RESERVES | <u><u>(1,397,963)</u></u> | <u><u>146,575</u></u> | <u><u>(550,347)</u></u> |

| CHECK NUMBER | PAYMENT DATE | VENDOR NAME | PAYMENT AMOUNT |
|-----------------|-----------------|--|-------------------|
| 84321 | 12/15/2017 | STATE WATER RESOURCES CONTROL BOARD | 1,602,958.00 |
| 84263 | 12/07/2017 | MUNICIPAL WATER DISTRICT OF ORANGE CO. | 556,673.47 |
| 84360 | 12/21/2017 | STATE WATER RESOURCES CONTROL BOARD | 258,145.84 |
| 84276 | 12/07/2017 | TEXAS CAPITAL BANK LEASING DIVISION | 150,583.04 |
| 84327 | 12/21/2017 | ACWA HEALTH BENEFITS AUTHORITY | 117,454.15 |
| 84359 | 12/21/2017 | SO. CALIFORNIA EDISON CO. | 71,156.81 |

| | | |
|----------------------------|----|--------------|
| TOTAL CHECKS OVER \$50,000 | \$ | 2,756,971.31 |
|----------------------------|----|--------------|

| | | |
|--------------------------|----|--------------|
| TOTAL CHECKS IN REGISTER | \$ | 3,182,076.14 |
|--------------------------|----|--------------|

INTERBANK WIRES / DEBIT TRANSFERS

| | | |
|------------|-------------------------------|------------|
| 12/08/2017 | PAYROLL DIRECT DEPOSIT | 134,853.67 |
| 12/08/2017 | FEDERAL DEPOSIT LIABILITY | 33,495.16 |
| 12/08/2017 | SDI & STATE TAX | 10,841.13 |
| 12/08/2017 | WAGE GARNISHMENTS | 585.00 |
| 12/08/2017 | PRUDENTIAL (401K) | 49,367.59 |
| 12/08/2017 | PRUDENTIAL (457) | 13,728.24 |
| 12/15/2017 | PAYROLL BOARD OF DIRECTOR | 4,345.19 |
| 12/15/2017 | SS, MEDICARE, SDI & STATE TAX | 1,466.70 |
| 12/15/2017 | PRUDENTIAL (457) | 2,772.00 |
| 12/22/2017 | PAYROLL DIRECT DEPOSIT | 133,575.40 |
| 12/22/2017 | FEDERAL DEPOSIT LIABILITY | 33,533.35 |
| 12/22/2017 | SDI & STATE TAX | 10,816.84 |
| 12/22/2017 | WAGE GARNISHMENTS | 585.00 |
| 12/22/2017 | PRUDENTIAL (401K) | 49,353.85 |
| 12/22/2017 | PRUDENTIAL (457) | 13,014.00 |
| 12/31/2017 | ADP AND BANK FEES | 4,950.55 |

| | | |
|--|-----------|-------------------|
| TOTAL INTERBANK WIRES / DEBIT TRANSFERS | \$ | 497,283.67 |
|--|-----------|-------------------|

| | | |
|----------------------------|-----------|---------------------|
| TOTAL DISBURSEMENTS | \$ | 3,679,359.81 |
|----------------------------|-----------|---------------------|

ETWD EMPLOYEES

| CHECK NUMBER | PAYMENT DATE | PAYEE (DESCRIPTION) | PAYMENT AMOUNT |
|-----------------|-----------------|--|-------------------|
| 84309 | 12/15/2017 | MICHAEL MIAZGA (Expense Reimbursement) | 222.13 |
| 84306 | 12/15/2017 | JUDY CIMORELL (Expense Reimbursement) | 109.94 |
| 84270 | 12/07/2017 | ROMAN KOCIBAN (Expense Reimbursement) | 105.00 |
| 84350 | 12/21/2017 | MATT WAGNER (Expense Reimbursement) | 90.00 |
| 84247 | 12/07/2017 | ABEL ESTRADA (Expense Reimbursement) | 58.66 |

| | | |
|---------------------------|----|--------|
| TOTAL CHECKS TO EMPLOYEES | \$ | 585.73 |
|---------------------------|----|--------|

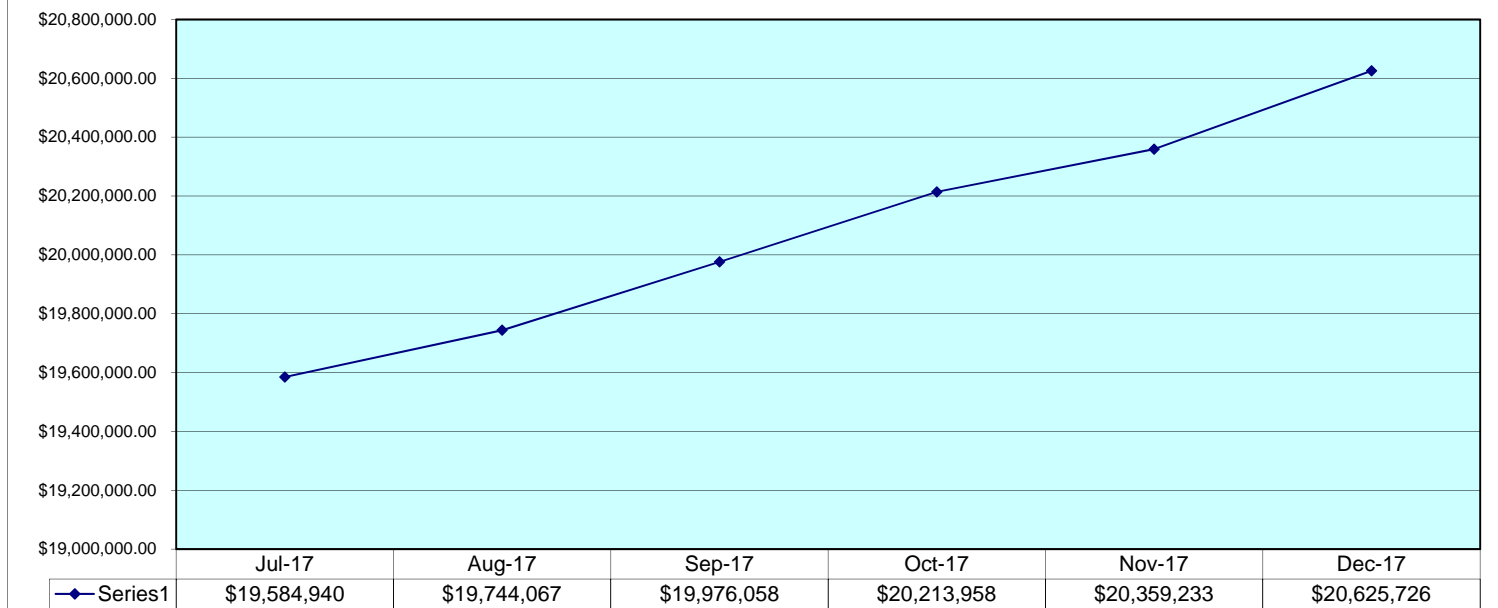
ETWD DIRECTORS

| CHECK NUMBER | PAYMENT DATE | PAYEE (DESCRIPTION) | PAYMENT AMOUNT |
|-----------------|-----------------|--|-------------------|
| 84308 | 12/15/2017 | MARK MONIN (Expense Reimbursement) | 325.28 |
| 84299 | 12/15/2017 | FREDERICK ADJARIAN (Expense Reimbursement) | 225.34 |
| 84305 | 12/15/2017 | JOSE VERGARA (Expense Reimbursement) | 182.39 |

| | | |
|----------------------------------|-----------|---------------|
| TOTAL CHECKS TO DIRECTORS | \$ | 733.01 |
|----------------------------------|-----------|---------------|

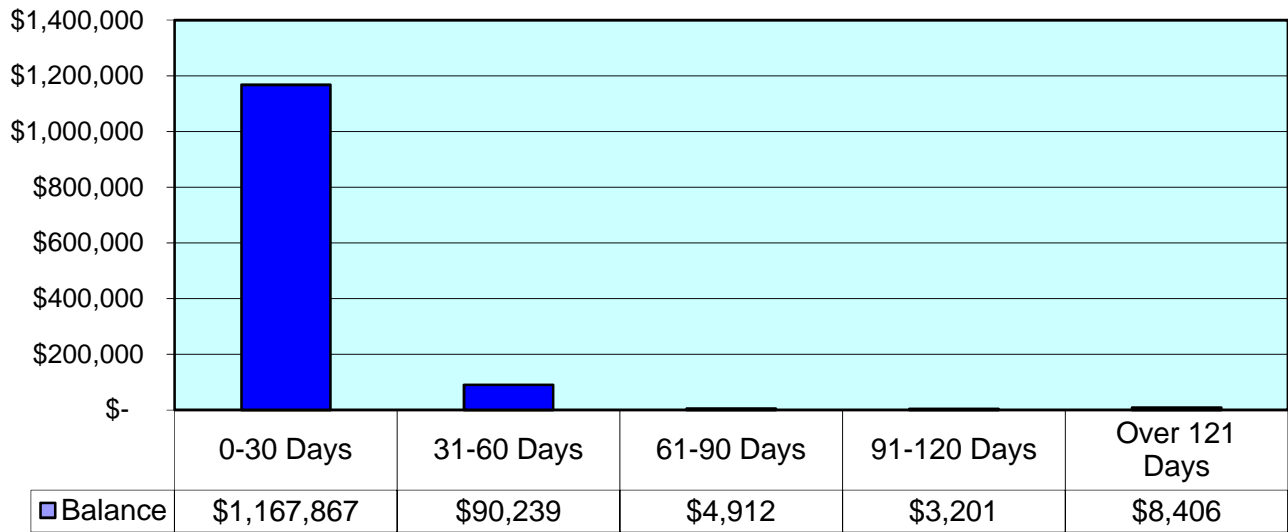
EL TORO WATER DISTRICT 401K PLAN SUMMARY

401K PLAN MARKET VALUE

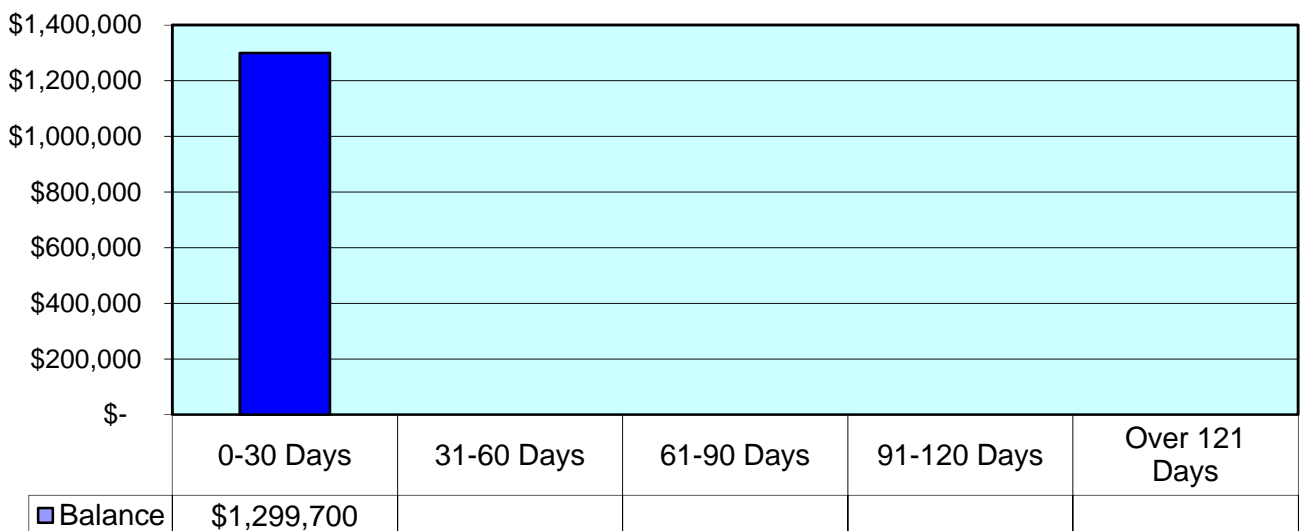


| MARKET VALUE SUMMARY | | | | |
|---|-----------------------------------|-------------------------------------|--------------------------------------|--|
| | Growth Port. Under 40 yrs. Old | Balanced Port. 40 to 50 yrs. Old | Income & Growth 50 to 60 yrs. Old | Capital Pres. Port Over 60 yrs. Old |
| Balance at July 1, 2017 | \$ 1,249,773.70 | \$2,323,855.06 | \$11,668,412.71 | \$4,022,103.68 |
| Contributions | 137,961.62 | 80,638.09 | 296,771.41 | 125,580.06 |
| Withdrawals | (2.92) | 0.00 | (49,416.68) | (110,284.03) |
| Transfers | (233,907.18) | (42,684.69) | (538,442.46) | 815,034.33 |
| Interest, dividends and appreciation net of fees and charges | 85,092.77 | 136,543.82 | 514,950.69 | 143,746.44 |
| Balance at December 31, 2017 | \$ 1,238,917.99 | \$2,498,352.28 | \$11,892,275.67 | \$4,996,180.48 |
| Average return YTD December 31, 2017 | 6.87% | 5.47% | 4.33% | 2.88% |

Average return is calculated by dividing the interest, dividends and appreciation, net of fees by ending fund balance and then annualize.

RECEIVABLES & PAYABLES AGEING**Receivables as of 12/31/17**

Bad Debts Year to Date: \$8,407

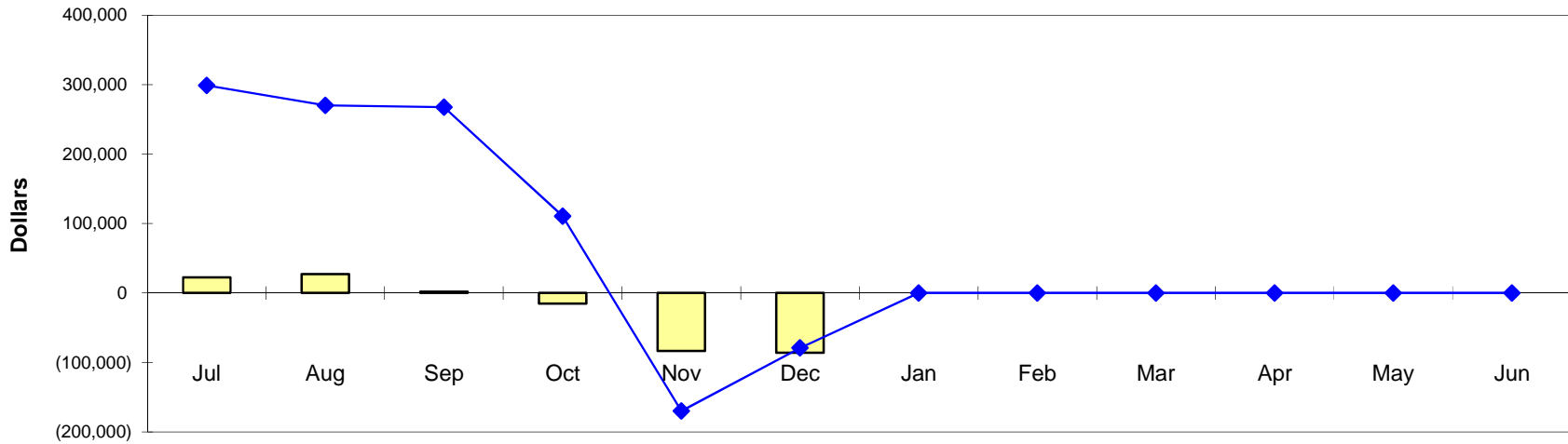
Accounts Payable as of 12/31/17

Year to Date Discounts Taken: \$1,385

Page 10
El Toro Water District
Income Statement
December 2017

| | Dec 17 | Budget | % of Budget | Jul - Dec 17 | YTD Budget | % of Budget | Annual Budget |
|--|--------------|--------------|-------------|---------------|---------------|-------------|---------------|
| Income | | | | | | | |
| 4600 · Water Service Charge | 254,956.14 | 256,107.50 | 99.55% | 1,511,311.48 | 1,536,645.00 | 98.35% | 3,073,290.00 |
| 4700 · Sanitary Service | 620,104.38 | 630,416.67 | 98.36% | 3,810,214.66 | 3,782,499.98 | 100.73% | 7,565,000.00 |
| 4722 · Recycled Water Tertiary Sales | 44,731.97 | 96,358.25 | 46.42% | 887,188.12 | 784,344.73 | 113.11% | 1,450,000.00 |
| 4724 · Service Charge - Recycled Water | 17,253.20 | 17,333.33 | 99.54% | 101,962.60 | 104,000.02 | 98.04% | 208,000.00 |
| 4750 · Capital Facilities Charge | 250,156.89 | 251,250.00 | 99.57% | 1,502,525.66 | 1,507,500.00 | 99.67% | 3,015,000.00 |
| 4800 · Commodity Charge | 666,896.69 | 592,001.91 | 112.65% | 5,190,672.20 | 4,818,825.29 | 107.72% | 8,908,451.00 |
| 4950 · Other Operating Income | 4,950.34 | 4,583.33 | 108.01% | 50,912.13 | 27,500.02 | 185.14% | 55,000.00 |
| 4960 · Other Income | 38,542.99 | 35,625.00 | 108.19% | 312,987.06 | 213,750.00 | 146.43% | 427,500.00 |
| 4967 · SMWD | 0.00 | 8,333.33 | 0.0% | 0.00 | 50,000.02 | 0.0% | 100,000.00 |
| 4970 · MNWD | 0.00 | 1,750.00 | 0.0% | 11,000.00 | 10,500.00 | 104.76% | 21,000.00 |
| 4980 · Interest Income | 15,756.24 | 8,333.33 | 189.08% | 92,971.87 | 50,000.02 | 185.94% | 100,000.00 |
| 4985 · Changes FMV CAMP | -10,598.90 | | | -37,162.04 | | | |
| 4986 · Changes FMV LAIF | 0.00 | | | -256.54 | | | |
| 4990 · Property Taxes | 73,500.45 | 69,583.33 | 105.63% | 431,009.85 | 417,500.02 | 103.24% | 835,000.00 |
| Total Income | 1,976,250.39 | 1,971,675.98 | 100.23% | 13,865,337.05 | 13,303,065.10 | 104.23% | 25,758,241.00 |
| Gross Profit | 1,976,250.39 | 1,971,675.98 | 100.23% | 13,865,337.05 | 13,303,065.10 | 104.23% | 25,758,241.00 |
| Expense | | | | | | | |
| 5100 · Personnel Cost | 682,421.72 | 658,579.42 | 103.62% | 3,887,260.06 | 3,951,476.48 | 98.38% | 7,902,953.00 |
| 5405 · Water Purchases | 464,060.73 | 511,434.72 | 90.74% | 3,974,805.90 | 4,159,986.38 | 95.55% | 7,691,757.00 |
| 5410 · Electrical Power | 73,202.31 | 80,341.66 | 91.11% | 558,503.77 | 482,050.04 | 115.86% | 964,100.00 |
| 5415 · Repair Parts & Materials | 19,140.95 | 34,372.44 | 55.69% | 238,854.59 | 206,235.36 | 115.82% | 412,470.00 |
| 5420 · Equipment Maintenance & Repair | 1,683.75 | 11,045.81 | 15.24% | 36,956.52 | 66,275.14 | 55.76% | 132,550.00 |
| 5425 · Pump Maintenance & Repair | 0.00 | 12,741.66 | 0.0% | 47,097.53 | 76,450.04 | 61.61% | 152,900.00 |
| 5430 · Motor Maintenance & Repair | 0.00 | 3,141.69 | 0.0% | 6,689.45 | 18,849.86 | 35.49% | 37,700.00 |
| 5440 · Electrical/Contl Maint & Repair | 657.32 | 5,500.01 | 11.95% | 6,362.65 | 32,999.94 | 19.28% | 66,000.00 |
| 5445 · Meter Maintenance & Repair | 1,434.00 | 183.33 | 782.2% | 2,774.31 | 1,100.02 | 252.21% | 2,200.00 |
| 5455 · Chemicals | 27,917.57 | 17,275.00 | 161.61% | 111,557.43 | 103,650.00 | 107.63% | 207,300.00 |
| 5460 · Structure Maint & Repair | 349.00 | 2,721.67 | 12.82% | 12,407.79 | 16,329.98 | 75.98% | 32,660.00 |
| 5465 · Asphalt Maintenance & Repair | 11,070.00 | 6,125.00 | 180.74% | 41,000.00 | 36,750.00 | 111.57% | 73,500.00 |
| 5470 · Consultants | 38,133.25 | 11,433.34 | 333.53% | 55,813.50 | 68,599.96 | 81.36% | 137,200.00 |
| 5475 · Contractors | 129,598.87 | 109,535.75 | 118.32% | 619,393.44 | 657,214.50 | 94.25% | 1,314,429.00 |
| 5480 · Engineers | 546.25 | 7,141.67 | 7.65% | 18,023.09 | 42,849.98 | 42.06% | 85,700.00 |
| 5482 · Dump Fees | 1,532.97 | 1,333.34 | 114.97% | 8,784.13 | 7,999.96 | 109.8% | 16,000.00 |
| 5485 · Laboratory | 1,096.01 | 1,558.34 | 70.33% | 9,834.44 | 9,349.96 | 105.18% | 18,700.00 |
| 5490 · License & Permits | 33,217.24 | 10,639.96 | 312.19% | 49,973.42 | 63,840.24 | 78.28% | 127,680.00 |
| 5495 · Gas & Oil | 7,296.29 | 7,500.00 | 97.28% | 44,129.20 | 45,000.00 | 98.07% | 90,000.00 |
| 5500 · Equipment Rental | 2,798.00 | 1,366.67 | 204.73% | 9,225.98 | 8,199.98 | 112.51% | 16,400.00 |
| 5505 · Landscaping | 3,738.33 | 6,888.33 | 54.27% | 34,716.82 | 41,330.02 | 84.0% | 82,660.00 |
| 5510 · Small Tools & Equipment | 4,278.94 | 4,708.34 | 90.88% | 25,483.15 | 28,249.96 | 90.21% | 56,500.00 |
| 5515 · Security | 1,587.81 | 1,587.94 | 99.99% | 14,101.29 | 9,527.36 | 148.01% | 19,055.00 |
| 5520 · Operating Supplies | 8,022.82 | 3,958.34 | 202.68% | 32,458.70 | 23,749.96 | 136.67% | 47,500.00 |
| 5525 · Safety Equipment | 1,211.07 | 1,958.33 | 61.84% | 28,913.64 | 11,750.02 | 246.07% | 23,500.00 |
| 5530 · Temporary Help | 0.00 | 4,583.34 | 0.0% | 0.00 | 27,499.96 | 0.0% | 55,000.00 |
| 5535 · Other Employee Cost | 11,269.52 | 6,583.34 | 171.18% | 51,307.95 | 39,499.96 | 129.89% | 79,000.00 |
| 5540 · Depreciation | 352,477.00 | 333,333.33 | 105.74% | 2,114,862.00 | 2,000,000.02 | 105.74% | 4,000,000.00 |
| 5545 · Insurance | 38,874.70 | 35,191.67 | 110.47% | 224,342.17 | 211,149.98 | 106.25% | 422,300.00 |
| 5555 · Advertising & Publicity | 0.00 | 208.33 | 0.0% | 3,161.00 | 1,250.02 | 252.88% | 2,500.00 |
| 5560 · Amortization | 570.49 | 570.83 | 99.94% | 3,422.94 | 3,425.02 | 99.94% | 6,850.00 |
| 5570 · Annual Event | 5,045.92 | 445.83 | 1,131.8% | 5,045.92 | 2,675.02 | 188.63% | 5,350.00 |
| 5575 · Audit | 0.00 | 2,500.00 | 0.0% | 8,400.00 | 15,000.00 | 56.0% | 30,000.00 |
| 5580 · Bad Debts | -280.48 | 1,666.67 | -16.83% | 8,407.08 | 9,999.98 | 84.07% | 20,000.00 |
| 5585 · Bank Charges | 4,950.55 | 4,500.00 | 110.01% | 26,718.94 | 27,000.00 | 98.96% | 54,000.00 |
| 5590 · Data Processing Supply & Access | 315.06 | 1,666.67 | 18.9% | 14,040.35 | 9,999.98 | 140.4% | 20,000.00 |
| 5595 · Data Processing Equipment | 0.00 | 3,333.33 | 0.0% | 12,714.64 | 20,000.02 | 63.57% | 40,000.00 |
| 5600 · Data Processing Consultants | 2,808.00 | 4,166.67 | 67.39% | 27,822.00 | 24,999.98 | 111.29% | 50,000.00 |
| 5605 · Directors Fees | 8,316.00 | 7,750.00 | 107.3% | 46,222.00 | 46,500.00 | 99.4% | 93,000.00 |
| 5610 · Dues & Memberships | 10,981.49 | 6,250.00 | 175.7% | 47,106.40 | 37,500.00 | 125.62% | 75,000.00 |
| 5615 · Education & Training | 618.60 | 2,625.00 | 23.57% | 21,776.81 | 15,750.00 | 138.27% | 31,500.00 |
| 5620 · Election Expense | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.0% | 0.00 |
| 5625 · Employee Service Awards | 0.00 | 333.33 | 0.0% | 0.00 | 2,000.02 | 0.0% | 4,000.00 |
| 5630 · Software Maintenance & Licenses | 7,738.34 | 6,616.67 | 116.95% | 57,240.75 | 39,699.98 | 144.18% | 79,400.00 |
| 5640 · Interest Expense | 67,144.07 | 67,144.08 | 100.0% | 402,864.42 | 402,864.52 | 100.0% | 805,729.00 |
| 5645 · Janitorial | 2,820.00 | 2,875.00 | 98.09% | 16,883.00 | 17,250.00 | 97.87% | 34,500.00 |
| 5650 · Legal | 41.63 | 12,500.00 | 0.33% | 29,936.59 | 75,000.00 | 39.92% | 150,000.00 |
| 5655 · Meets, Conventions & Travel | 1,744.55 | 2,916.67 | 59.81% | 22,841.40 | 17,499.98 | 130.52% | 35,000.00 |
| 5657 · Meets, Con & Travel - Directors | 1,507.02 | 2,166.67 | 69.56% | 10,310.11 | 12,999.98 | 79.31% | 26,000.00 |
| 5660 · Office Supplies | 2,317.29 | 1,916.67 | 120.9% | 9,702.75 | 11,499.98 | 84.37% | 23,000.00 |
| 5670 · Postage | 1,293.20 | 1,708.33 | 75.7% | 4,989.45 | 10,250.02 | 48.68% | 20,500.00 |
| 5675 · Printing & Reproduction | 901.42 | 1,750.00 | 51.51% | 6,936.64 | 10,500.00 | 66.06% | 21,000.00 |
| 5680 · Property Tax | 736.63 | 458.33 | 160.72% | 3,674.05 | 2,750.02 | 133.6% | 5,500.00 |
| 5685 · Public Education & Outreach | 7,085.87 | 20,016.67 | 35.4% | 49,412.65 | 120,099.98 | 41.14% | 240,200.00 |
| 5690 · Publications & Subscriptions | 85.71 | 250.00 | 34.28% | 1,644.38 | 1,500.00 | 109.63% | 3,000.00 |
| 5695 · Communications | 7,920.33 | 6,916.67 | 114.51% | 47,685.07 | 41,499.98 | 114.9% | 83,000.00 |
| 5700 · Utilities | 3,048.11 | 1,541.67 | 197.72% | 11,901.55 | 9,249.98 | 128.67% | 18,500.00 |
| Total Expense | 2,055,326.22 | 2,057,558.53 | 99.89% | 13,166,493.81 | 13,436,729.52 | 97.99% | 26,245,243.00 |
| Net Income | -79,075.83 | -85,882.55 | 92.07% | 698,843.24 | -133,664.42 | -522.83% | -487,002.00 |

ANALYSIS OF REVENUE & EXPENSE
Fiscal Year 2017/2018

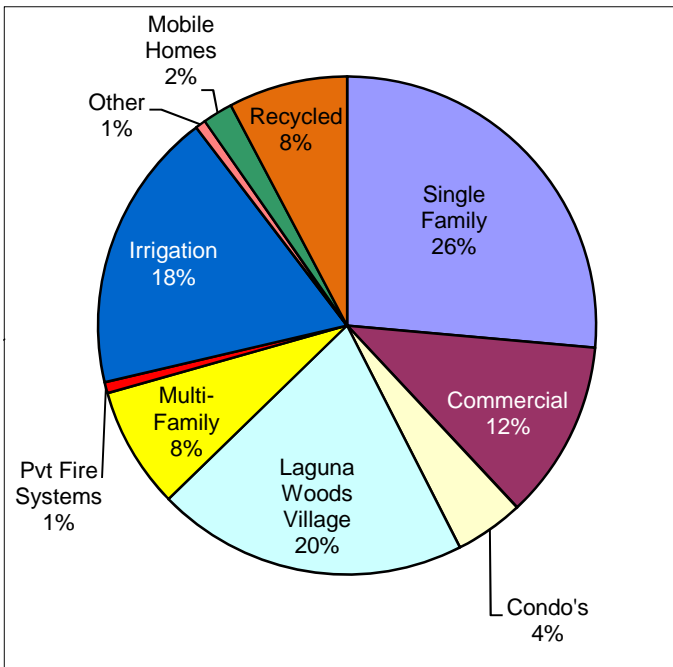
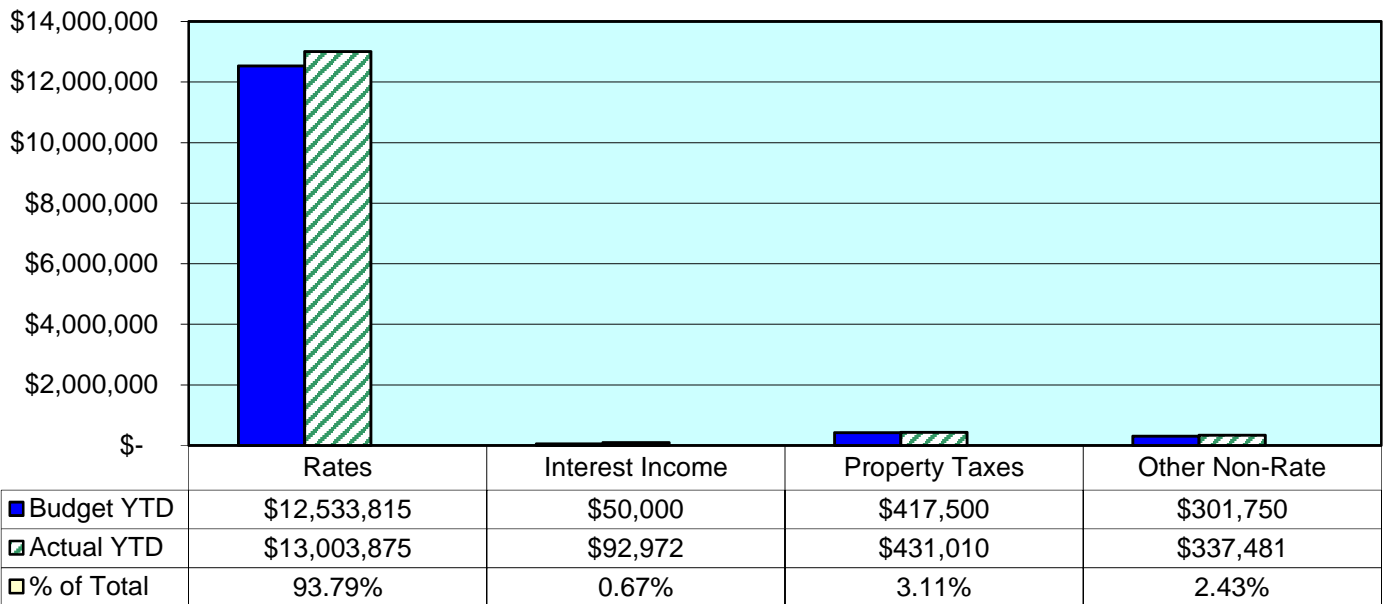


ANALYSIS OF REVENUES & EXPENSES
BUDGET COMPARED TO ACTUAL
FISCAL YEAR 2017/2018

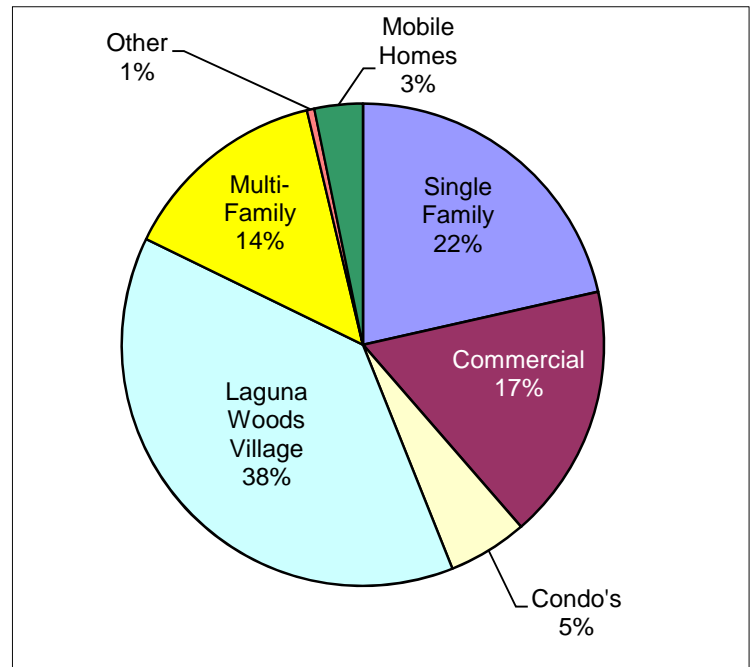
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun |
|---------------|-----------|-----------|-----------|-----------|-----------|-----------|-----|-----|-----|-----|-----|-----|
| Budget | | | | | | | | | | | | |
| Revenue | 2,389,705 | 2,407,351 | 2,310,146 | 2,243,693 | 1,980,495 | 1,971,676 | | | | | | |
| Expense | 2,367,284 | 2,380,357 | 2,308,337 | 2,259,101 | 2,064,093 | 2,057,559 | | | | | | |
| Profit/Loss | 22,421 | 26,993 | 1,809 | (15,408) | (83,598) | (85,883) | 0 | 0 | 0 | 0 | 0 | 0 |
| Actual | | | | | | | | | | | | |
| Revenue | 2,478,548 | 2,600,793 | 2,330,428 | 2,299,085 | 2,180,233 | 1,976,250 | | | | | | |
| Expense | 2,179,463 | 2,330,381 | 2,062,685 | 2,188,430 | 2,350,209 | 2,055,326 | | | | | | |
| Profit/Loss | 299,085 | 270,412 | 267,743 | 110,655 | (169,976) | (79,076) | 0 | 0 | 0 | 0 | 0 | 0 |

EL TORO WATER DISTRICT REVENUES FROM WATER & WASTE WATER SALES AS OF 12/31/17

Where the Money Comes From



WATER REVENUE YTD 2017/2018



WASTE WATER REVENUE YTD 2017/2018

**EL TORO WATER DISTRICT
REVENUE COMPARISON
For the Month Ended December 31, 2017**

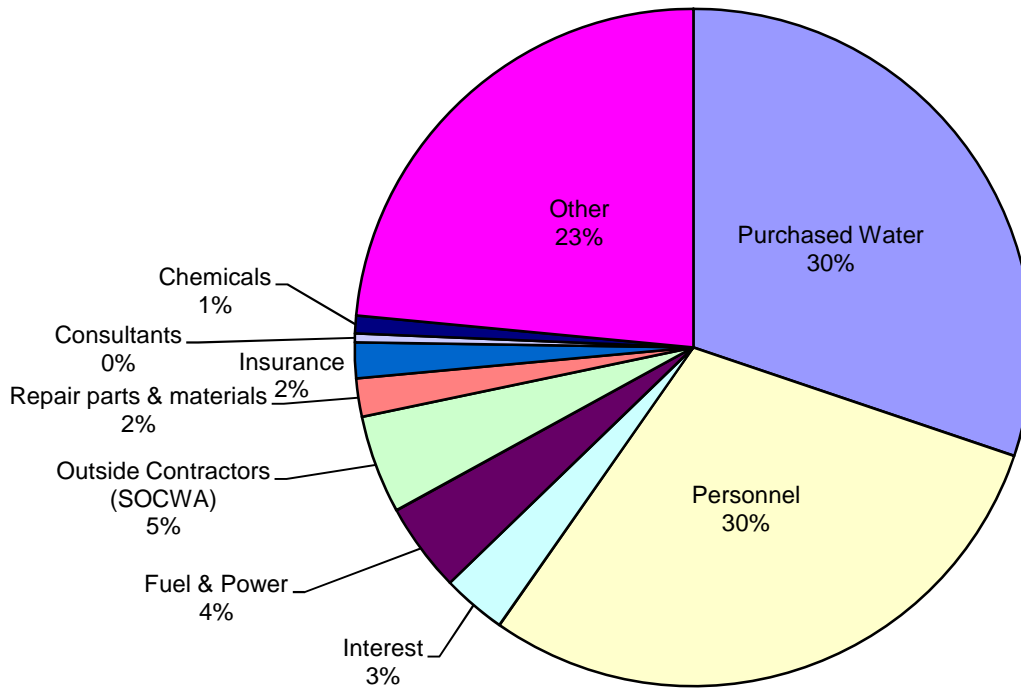
| | ACTUAL | CURRENT MONTH BUDGET | VARIANCE DOLLARS | % +/- | YEAR TO DATE ACTUAL | YEAR TO DATE BUDGET | VARIANCE DOLLARS | % +/- | BUDGET | REMAINING BUDGET |
|---------------------------------|------------------|----------------------------|---------------------|--------|---------------------------|---------------------------|---------------------|--------|-------------------|---------------------|
| <u>From Rates</u> | | | | | | | | | | |
| Capital Facilities Charge | \$ 250,157 | \$ 251,250 | \$ (1,093) | 0% | \$ 1,502,526 | \$ 1,507,500 | \$ (4,974) | 0% | \$ 3,015,000 | \$ 1,512,474 |
| Water sales - Commodity | 666,897 | 592,002 | 74,895 | 13% | 5,190,672 | 4,818,825 | 371,847 | 8% | 8,908,451 | 3,717,779 |
| Water sales - Fixed Meter | 254,956 | 256,108 | (1,151) | 0% | 1,511,311 | 1,536,645 | (25,334) | -2% | 3,073,290 | 1,561,979 |
| Waste water sales | 620,104 | 630,417 | (10,312) | -2% | 3,810,215 | 3,782,500 | 27,715 | 1% | 7,565,000 | 3,754,785 |
| Recycled water tertiary sales | 44,732 | 96,358 | (51,626) | -54% | 887,188 | 784,345 | 102,843 | 13% | 1,450,000 | 562,812 |
| Service charge - Recycled water | 17,253 | 17,333 | (80) | 0% | 101,963 | 104,000 | (2,037) | -2% | 208,000 | 106,037 |
| TOTAL FROM RATES | 1,854,099 | 1,843,468 | 10,632 | 1% | 13,003,875 | 12,533,815 | 470,060 | 4% | 24,219,741 | 11,215,866 |
| <u>Non-rate Revenue</u> | | | | | | | | | | |
| Admin fee | 2,130 | 1,600 | 530 | 33% | 35,157 | 9,600 | 25,557 | 266% | 19,200 | (15,957) |
| 48 Hour notice fee | 2,700 | 2,451 | 249 | 10% | 13,845 | 14,708 | (863) | -6% | 29,416.44 | 15,571 |
| Restoration fee | 50 | 370 | (320) | -86% | 1,250 | 2,220 | (970) | -44% | 4,440 | 3,190 |
| Unpaid check fee | 70 | 150 | (80) | -53% | 660 | 900 | (240) | -27% | 1,800 | 1,140 |
| Cut lock fee | - | 12 | (12) | -100% | - | 72 | (72) | -100% | 144 | 144 |
| TOTAL NON-RATE | 4,950 | 4,583 | 367 | 8% | 50,912 | 27,500 | 23,412 | 85% | 55,000 | 4,088 |
| <u>Other Revenue</u> | | | | | | | | | | |
| Interest | 15,756 | 8,333 | 7,423 | 89% | 92,972 | 50,000 | 42,972 | 86% | 100,000 | 7,028 |
| Change FMV Investment | (10,599) | - | (10,599) | 0% | (37,419) | - | (37,419) | 0% | - | 37,419 |
| Property taxes | 73,500 | 69,583 | 3,917 | 6% | 431,010 | 417,500 | 13,510 | 3% | 835,000 | 403,990 |
| Other | 38,543 | 35,625 | 2,917 | 8% | 312,987 | 213,750 | 99,237 | 46% | 427,500 | 114,513 |
| TOTAL OTHER REVENUE | 117,201 | 113,542 | 3,659 | 3% | 799,550 | 681,250 | 118,300 | 17% | 1,362,500 | 562,950 |
| <u>Contract Service</u> | | | | | | | | | | |
| Santa Margarita W. D. | - | 8,333 | (8,333) | -100% | - | 50,000 | (50,000) | -100% | 100,000 | 100,000 |
| Moulton Niguel W. D. | - | 1,750 | (1,750) | -100% | 11,000 | 10,500 | 500 | 5% | 21,000 | 10,000 |
| TOTAL CONTRACT SERVICES | - | 10,083 | (10,083) | -100% | 11,000 | 60,500 | (49,500) | -82% | 121,000 | 110,000 |
| TOTAL REVENUE | \$ 1,976,250 | \$ 1,971,676 | \$ 4,574 | 0% | \$ 13,865,337 | \$ 13,303,065 | \$ 562,272 | 4% | \$ 25,758,241 | \$ 11,892,904 |

**EL TORO WATER DISTRICT
NON-RATE REVENUE ANALYSIS
FOR THE MONTH ENDING November 30, 2017**

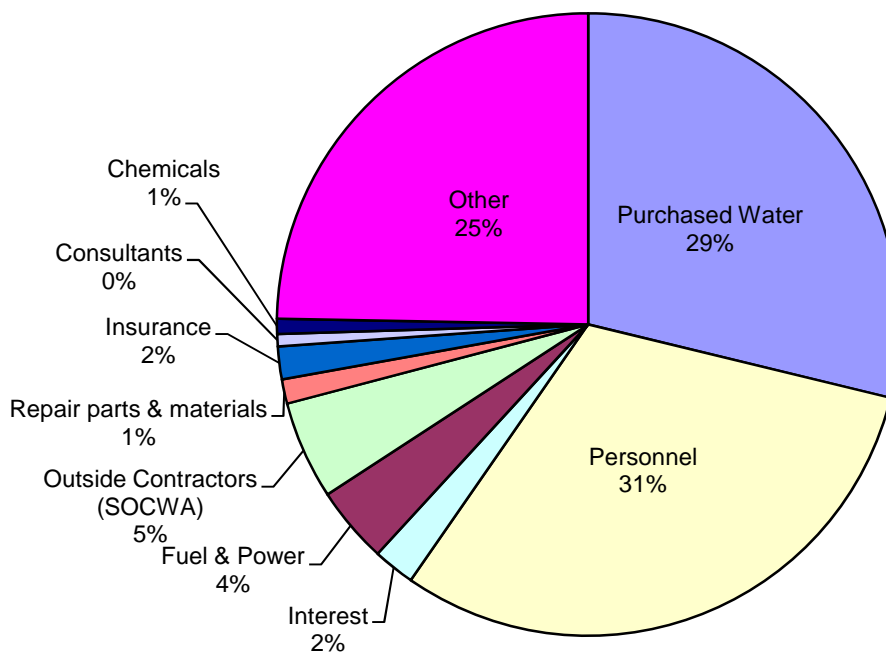
| | Dec-17 Actual | Dec-17 Budget | Jul 17-Dec 17 YTD Actual | Jul 17-Dec 17 YTD Budget |
|---|--------------------------|--------------------------|-------------------------------------|-------------------------------------|
| Site Leases | 15,476 | 15,833 | 92,277 | 94,998 |
| MWD Recycled Water LRP Rebate | 23,000 | 19,792 | 182,500 | 118,750 |
| SOCWA Refund | | - | - | - |
| MWDOC Budget Based Tier & 2015 Urban Water Refund | | - | 25,660 | - |
| Recycled Metal | - | - | - | - |
| Diesel Fuel Tax Refund | - | - | 56 | - |
| Sale of District Vehicle | | | 7,746 | - |
| Misc Work for Customers | 67 | - | 4,748 | - |
| | <u>\$ 38,543</u> | <u>\$ 35,625</u> | <u>\$ 312,988</u> | <u>\$ 213,748</u> |
| Other Operating Income | | | | |
| Sales to Santa Margarita | - | | - | |
| Sales to Moulton Niguel | - | | - | |
| | <u>-</u> | | <u>-</u> | |
| Total | <u>38,543</u> | | <u>312,988</u> | |

WHERE THE MONEY GOES

YTD EXPENSES AT 12/31/17



EXPENSES YEAR ENDING 6/30/17



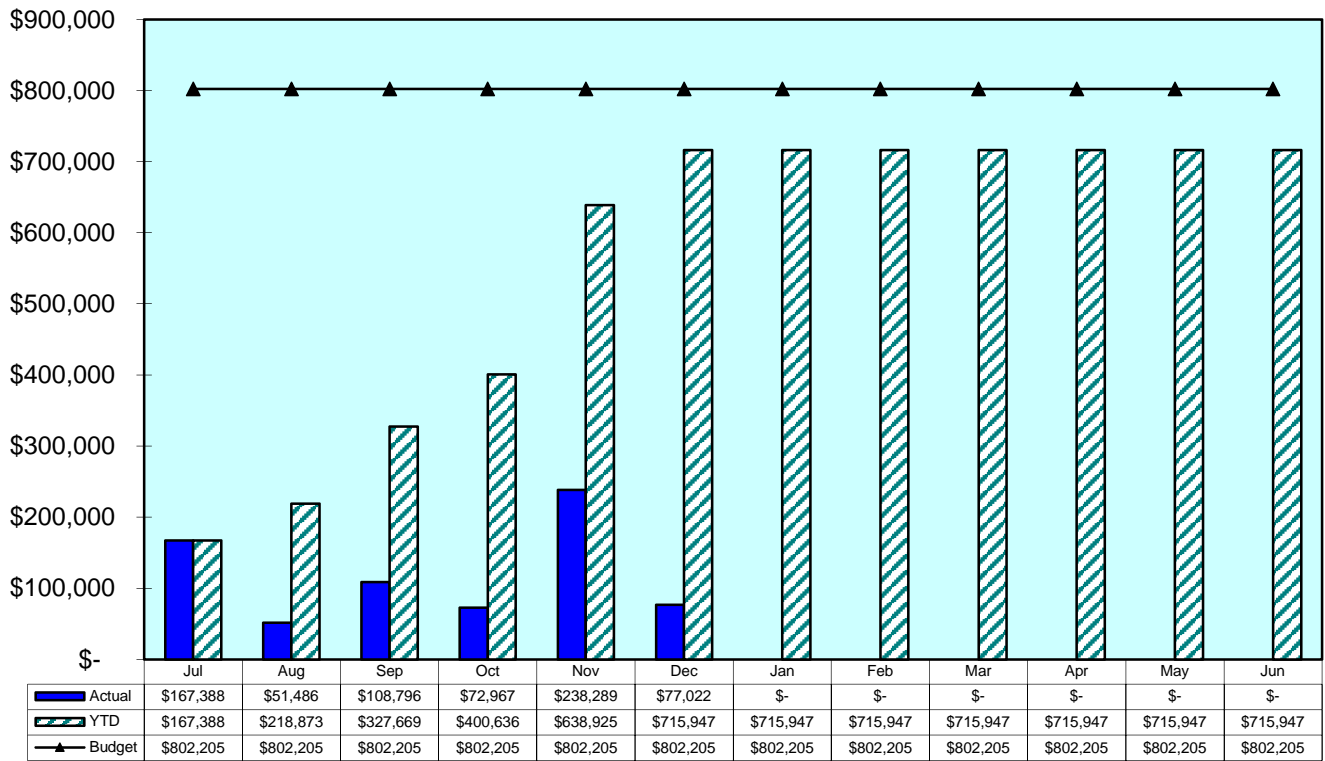
EL TORO WATER DISTRICT
Expense Comparison
For the Month Ended December 31, 2017

| | ACTUAL | CURRENT MONTH BUDGET | VARIANCE DOLLARS | % +/- | YEAR TO DATE ACTUAL | YEAR TO DATE BUDGET | VARIANCE DOLLARS | % +/- | Annual BUDGET | REMAINING BUDGET |
|----------------------------------|------------------|----------------------------|---------------------|-----------|---------------------------|---------------------------|---------------------|-----------|-------------------|---------------------|
| <u>Operating Expenses</u> | | | | | | | | | | |
| Personnel cost | \$682,422 | \$658,579 | (\$23,842) | -4% | \$3,887,260 | \$3,951,476 | \$64,216 | 2% | \$7,902,953 | 4,015,693 |
| Purchased water | 464,061 | 511,435 | 47,374 | 9% | 3,974,806 | 4,159,986 | 185,180 | 4% | 7,691,757 | 3,716,951 |
| Electrical power | 73,202 | 80,342 | 7,139 | 9% | 558,504 | 482,050 | (76,454) | -16% | 964,100 | 405,596 |
| Repair parts & materials | 19,141 | 34,372 | 15,231 | 44% | 238,855 | 206,235 | (32,619) | -16% | 412,470 | 173,615 |
| Equipment repairs & maintenance | 1,684 | 11,046 | 9,362 | 85% | 36,957 | 66,275 | 29,319 | 44% | 132,550 | 95,593 |
| Pump repairs & maintenance | - | 12,742 | 12,742 | 100% | 47,098 | 76,450 | 29,353 | 38% | 152,900 | 105,802 |
| Motor repairs & maintenance | - | 3,142 | 3,142 | 100% | 6,689 | 18,850 | 12,160 | 65% | 37,700 | 31,011 |
| Electrical repairs & maintenance | 657 | 5,500 | 4,843 | 88% | 6,363 | 33,000 | 26,637 | 81% | 66,000 | 59,637 |
| Meter repairs & maintenance | 1,434 | 183 | (1,251) | -682% | 2,774 | 1,100 | (1,674) | -152% | 2,200 | (574) |
| Chemicals | 27,918 | 17,275 | (10,643) | -62% | 111,557 | 103,650 | (7,907) | -8% | 207,300 | 95,743 |
| Structure repairs & maintenance | 349 | 2,722 | 2,373 | 87% | 12,408 | 16,330 | 3,922 | 24% | 32,660 | 20,252 |
| Asphalt repairs & maintenance | 11,070 | 6,125 | (4,945) | -81% | 41,000 | 36,750 | (4,250) | -12% | 73,500 | 32,500 |
| Consultants - outside | 38,133 | 11,433 | (26,700) | -234% | 55,814 | 68,600 | 12,786 | 19% | 137,200 | 81,387 |
| Contractors - outside | 129,599 | 109,536 | (20,063) | -18% | 619,393 | 657,215 | 37,821 | 6% | 1,314,429 | 695,036 |
| Engineers - outside | 546 | 7,142 | 6,595 | 92% | 18,023 | 42,850 | 24,827 | 58% | 85,700 | 67,677 |
| Dump fees | 1,533 | 1,333 | (200) | -15% | 8,784 | 8,000 | (784) | -10% | 16,000 | 7,216 |
| Laboratories | 1,096 | 1,558 | 462 | 30% | 9,834 | 9,350 | (484) | -5% | 18,700 | 8,866 |
| License & permits | 33,217 | 10,640 | (22,577) | -212% | 49,973 | 63,840 | 13,867 | 22% | 127,680 | 77,707 |
| Automotive fuel & oil | 7,296 | 7,500 | 204 | 3% | 44,129 | 45,000 | 871 | 2% | 90,000 | 45,871 |
| Equipment rental | 2,798 | 1,367 | (1,431) | -105% | 9,226 | 8,200 | (1,026) | -13% | 16,400 | 7,174 |
| Landscaping | 3,738 | 6,888 | 3,150 | 46% | 34,717 | 41,330 | 6,613 | 16% | 82,660 | 47,943 |
| Small tools & equipment | 4,279 | 4,708 | 429 | 9% | 25,483 | 28,250 | 2,767 | 10% | 56,500 | 31,017 |
| Security | 1,588 | 1,588 | 0 | 0% | 14,101 | 9,527 | (4,574) | -48% | 19,055 | 4,954 |
| Operating supplies | 8,023 | 3,958 | (4,064) | -103% | 32,459 | 23,750 | (8,709) | -37% | 47,500 | 15,041 |
| Safety equipment | 1,211 | 1,958 | 747 | 38% | 28,914 | 11,750 | (17,164) | -146% | 23,500 | (5,414) |
| Temporary help | - | 4,583 | 4,583 | 100% | 0 | 27,500 | 27,500 | 100% | 55,000 | 55,000 |
| Other employee cost | 11,270 | 6,583 | (4,686) | -71% | 51,308 | 39,500 | (11,808) | -30% | 79,000 | 27,692 |
| Employee service awards | - | 333 | 333 | 100% | - | 2,000 | 2,000 | 100% | 4,000 | 4,000 |
| Education & training | 619 | 2,625 | 2,006 | 76% | 21,777 | 15,750 | (6,027) | -38% | 31,500 | 9,723 |
| Total Operating Expenses | 1,526,883 | 1,527,198 | 314 | 0% | 9,948,206 | 10,254,565 | 306,360 | 3% | 19,880,914 | 9,932,708 |

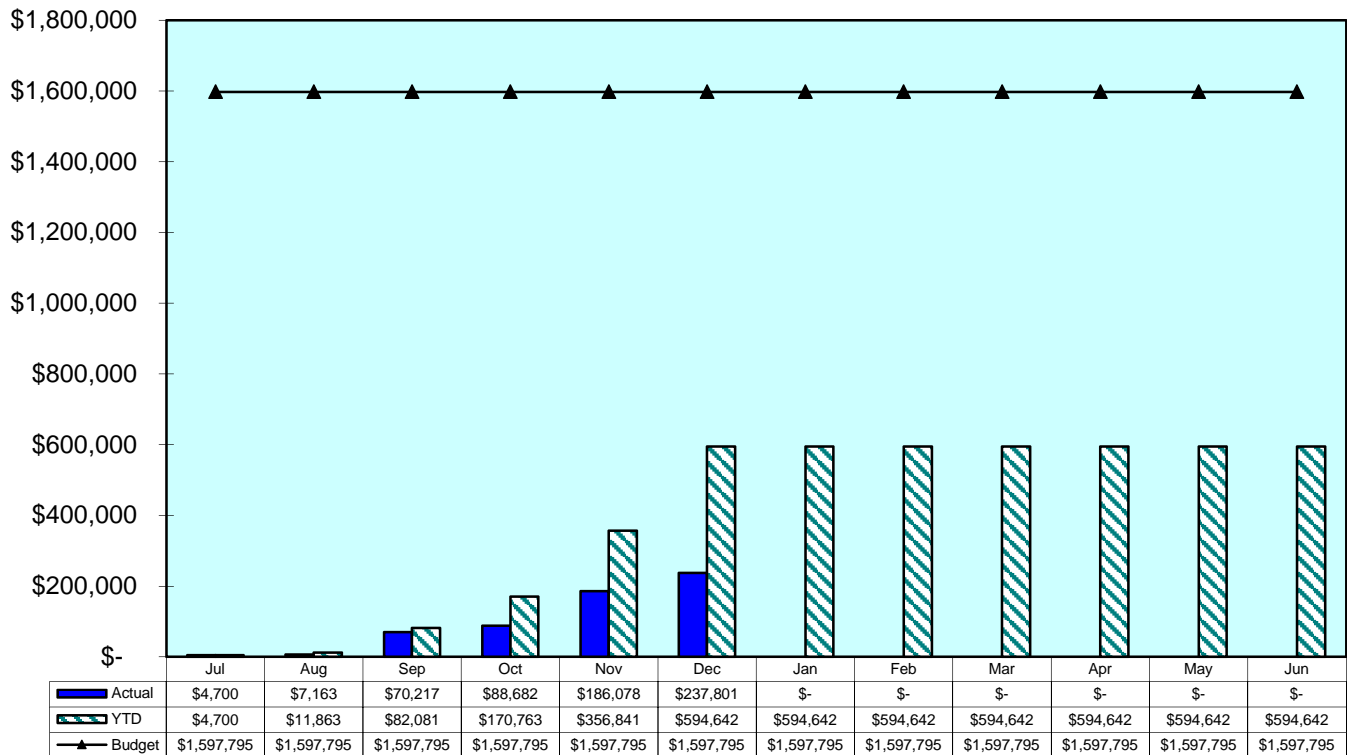
EL TORO WATER DISTRICT
Expense Comparison
For the Month Ended December 31, 2017

| | ACTUAL | CURRENT MONTH BUDGET | VARIANCE DOLLARS | % +/- | YEAR TO DATE ACTUAL | YEAR TO DATE BUDGET | VARIANCE DOLLARS | % +/- | Annual BUDGET | REMAINING BUDGET |
|----------------------------------|--------------------|----------------------------|---------------------|------------|---------------------------|---------------------------|---------------------|------------|---------------------|---------------------|
| <u>Indirect Cost</u> | | | | | | | | | | |
| Depreciation | 352,477 | 333,333 | (19,144) | -6% | 2,114,862 | 2,000,000 | (114,862) | -6% | 4,000,000 | 1,885,138 |
| Amortization | 570 | 571 | 0 | 0% | 3,423 | 3,425 | 2 | 0% | 6,850 | 3,427 |
| Insurance | 38,875 | 35,192 | (3,683) | -10% | 224,342 | 211,150 | (13,192) | -6% | 422,300 | 197,958 |
| Data processing supplies & assc. | 315 | 1,667 | 1,352 | 81% | 14,040 | 10,000 | (4,040) | -40% | 20,000 | 5,960 |
| Data processing equipment | 0 | 3,333 | 3,333 | 100% | 12,715 | 20,000 | 7,285 | 36% | 40,000 | 27,285 |
| Data processing consultants | 2,808 | 4,167 | 1,359 | 33% | 27,822 | 25,000 | (2,822) | -11% | 50,000 | 22,178 |
| Software maintenance & licenses | 7,738 | 6,617 | (1,122) | -17% | 57,241 | 39,700 | (17,541) | -44% | 79,400 | 22,159 |
| Janitorial | 2,820 | 2,875 | 55 | 2% | 16,883 | 17,250 | 367 | 2% | 34,500 | 17,617 |
| Printing & reproduction | 901 | 1,750 | 849 | 48% | 6,937 | 10,500 | 3,563 | 34% | 21,000 | 14,063 |
| Publications & subscriptions | 86 | 250 | 164 | 66% | 1,644 | 1,500 | (144) | -10% | 3,000 | 1,356 |
| Communications - voice | 3,384 | 1,250 | (2,134) | -171% | 19,502 | 7,500 | (12,002) | -160% | 15,000 | (4,502) |
| Communications - data | 2,321 | 3,917 | 1,596 | 41% | 14,162 | 23,500 | 9,338 | 40% | 47,000 | 32,838 |
| Communications - mobile | 2,215 | 1,750 | (465) | -27% | 14,021 | 10,500 | (3,521) | -34% | 21,000 | 6,979 |
| Utilities | 3,048 | 1,542 | (1,506) | -98% | 11,902 | 9,250 | (2,652) | -29% | 18,500 | 6,598 |
| Total Indirect Cost | 417,559 | 398,213 | (19,347) | -5% | 2,539,495 | 2,389,275 | (150,221) | -6% | 4,778,550 | 2,239,055 |
| <u>Overhead Cost</u> | | | | | | | | | | |
| Annual events | 5,046 | 446 | (4,600) | -1032% | 5,046 | 2,675 | (2,371) | -89% | 5,350 | 304 |
| Audit | - | 2,500 | 2,500 | 100% | 8,400 | 15,000 | 6,600 | 44% | 30,000 | 21,600 |
| Bad debts | (280) | 1,667 | 1,947 | 117% | 8,407 | 10,000 | 1,593 | 16% | 20,000 | 11,593 |
| Bank charges | 4,951 | 4,500 | (451) | -10% | 26,719 | 27,000 | 281 | 1% | 54,000 | 27,281 |
| Directors fees | 8,316 | 7,750 | (566) | -7% | 46,222 | 46,500 | 278 | 1% | 93,000 | 46,778 |
| Dues & memberships | 10,981 | 6,250 | (4,731) | -76% | 47,106 | 37,500 | (9,606) | -26% | 75,000 | 27,894 |
| Election Expense | - | - | 0 | 0% | 0 | 0 | 0 | 0% | 0 | 0 |
| Interest | 67,144 | 67,144 | 0 | 0% | 402,864 | 402,865 | 0 | 0% | 805,729 | 402,865 |
| Legal | 42 | 12,500 | 12,458 | 100% | 29,937 | 75,000 | 45,063 | 60% | 150,000 | 120,063 |
| Meetings, conventions & travel | 1,745 | 2,917 | 1,172 | 40% | 22,841 | 17,500 | (5,341) | -31% | 35,000 | 12,159 |
| Meets, con & travel - Directors | 1,507 | 2,167 | 660 | 30% | 10,310 | 13,000 | 2,690 | 21% | 26,000 | 15,690 |
| Office supplies | 2,317 | 1,917 | (401) | -21% | 9,703 | 11,500 | 1,797 | 16% | 23,000 | 13,297 |
| Postage | 1,293 | 1,708 | 415 | 24% | 4,989 | 10,250 | 5,261 | 51% | 20,500 | 15,511 |
| Property taxes | 737 | 458 | (278) | -61% | 3,674 | 2,750 | (924) | -34% | 5,500 | 1,826 |
| Advertising & Publicity | - | 208 | 208 | 100% | 3,161 | 1,250 | (1,911) | -153% | 2,500 | (661) |
| Public education & outreach | 7,086 | 20,017 | 12,931 | 65% | 49,413 | 120,100 | 70,687 | 59% | 240,200 | 190,787 |
| Total Overhead Cost | 110,884 | 132,148 | 21,265 | 16% | 678,793 | 792,890 | 114,097 | 14% | 1,585,779 | 906,986 |
| TOTAL EXPENSES | \$2,055,326 | \$2,057,559 | \$2,232 | 0% | \$13,166,494 | \$13,436,730 | \$270,236 | 2% | \$26,245,243 | \$13,078,749 |

COST ANALYSIS - EQUIPMENT 12/17



COST ANALYSIS - PROJECTS 12/17



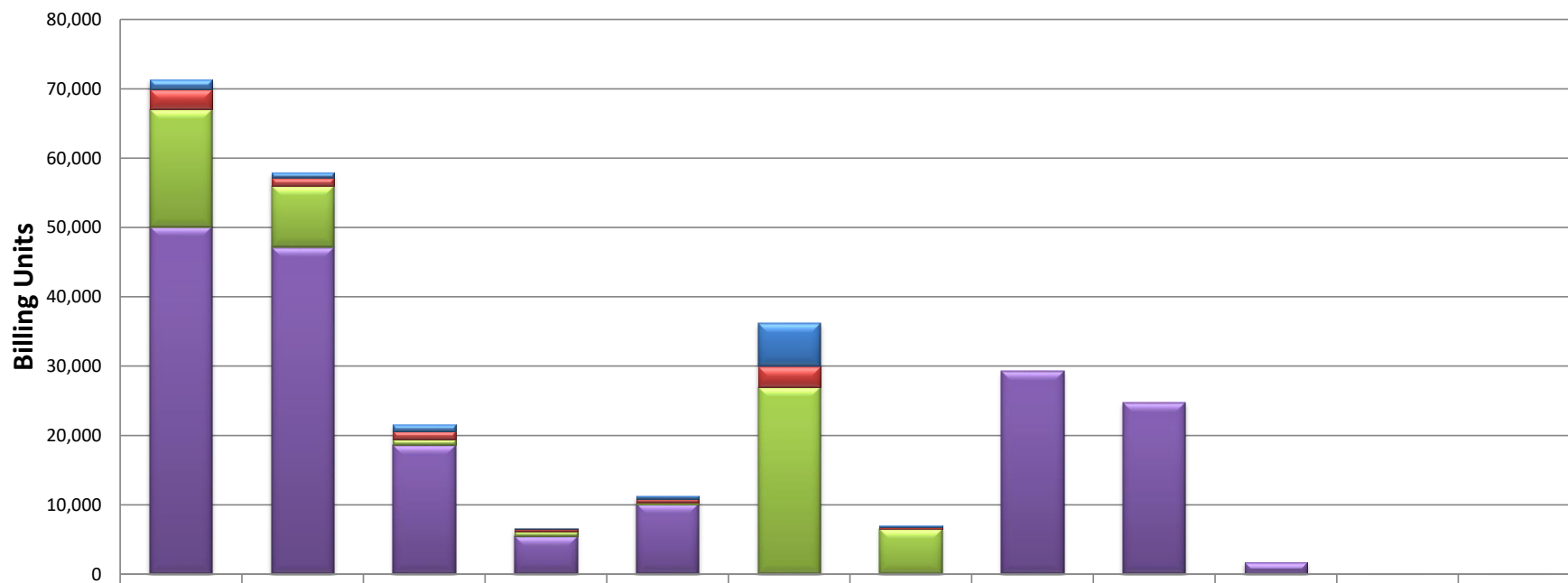
BUDGET SCHEDULE

FY 2018/2019

| DESCRIPTION | DATE | DAY |
|---|-------------|------------|
| Board Budget Committee #1 | 3/23/2018 | Fri |
| Board Budget Committee #2 | 4/6/2018 | Fri |
| Board Budget Workshop | 4/19/2018 | Thurs |
| E, F & I Budget Update | 4/24/2018 | Tues |
| Distribute Prop 218 Notice | 5/7/2018 | Mon |
| CAG | 5/10/2018 | Thurs |
| Publish Public Hearing Notice - Newspaper | 6/4/2018 | Mon |
| E, F & I Budget Update | 6/26/2018 | Tues |
| Conduct Public Hearing - Regular Board Meeting | 6/28/2018 | Thurs |
| Implement Board Action | 7/2/2018 | Mon |

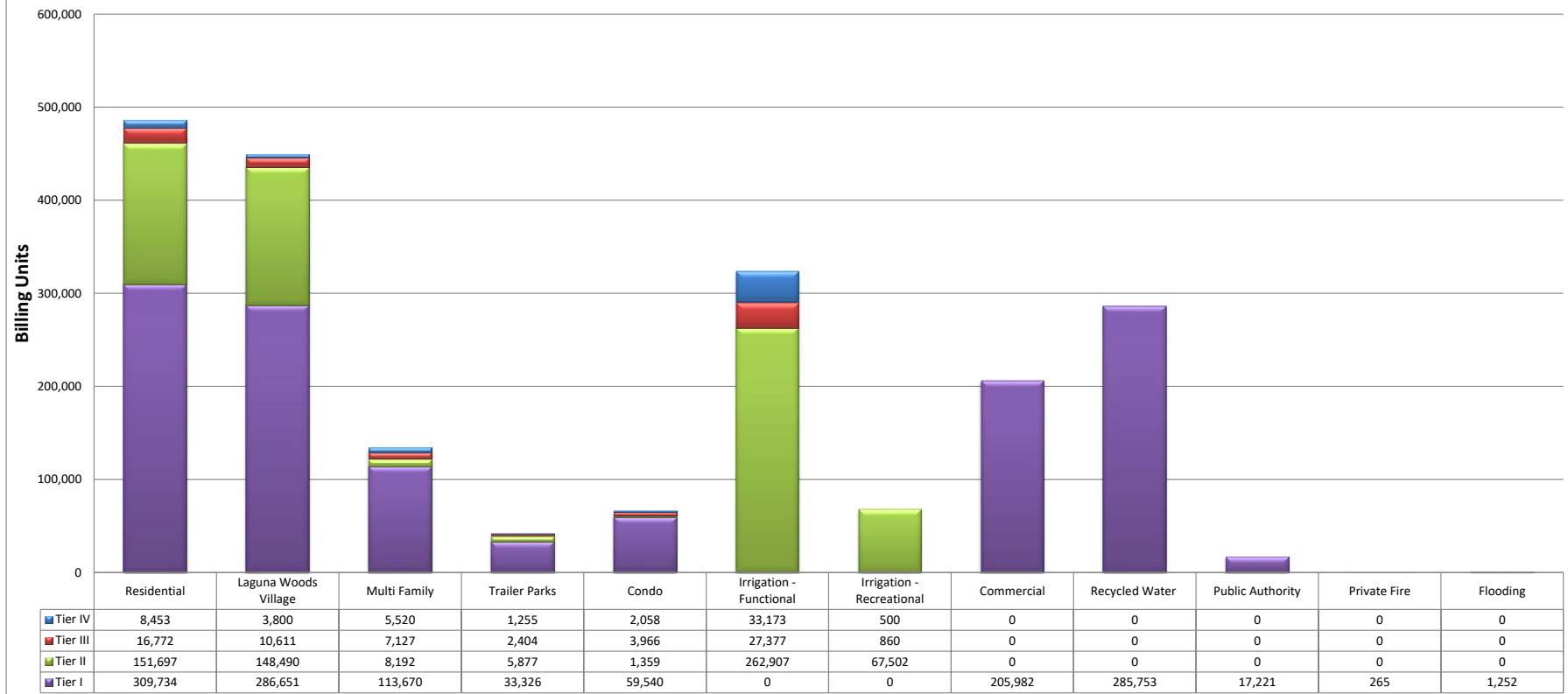
Note: Board Budget Committee #1, 2, and workshop are at 7:30 am

December 2017 Water Sales

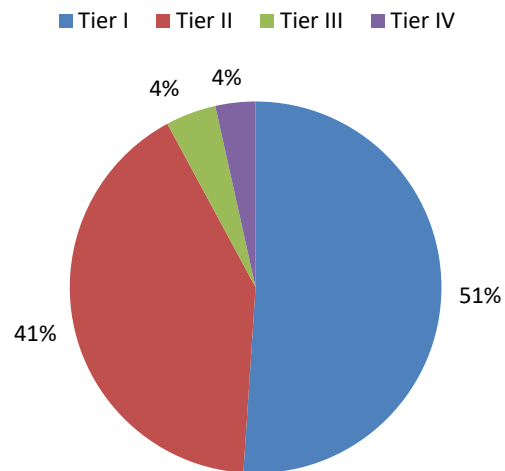


| | | | | | | | | | | | | |
|----------|--------|--------|--------|-------|--------|--------|-------|--------|--------|-------|----|----|
| Tier IV | 1,430 | 753 | 922 | 147 | 415 | 6,223 | 227 | 0 | 0 | 0 | 0 | 0 |
| Tier III | 2,914 | 1,139 | 1,177 | 388 | 586 | 2,995 | 303 | 0 | 0 | 0 | 0 | 0 |
| Tier II | 16,958 | 8,851 | 871 | 694 | 214 | 26,993 | 6,517 | 0 | 0 | 0 | 0 | 0 |
| Tier I | 50,066 | 47,159 | 18,601 | 5,464 | 10,100 | 0 | 0 | 29,253 | 24,752 | 1,690 | 18 | 55 |

Year-to-Date Water Sales as of December 2017

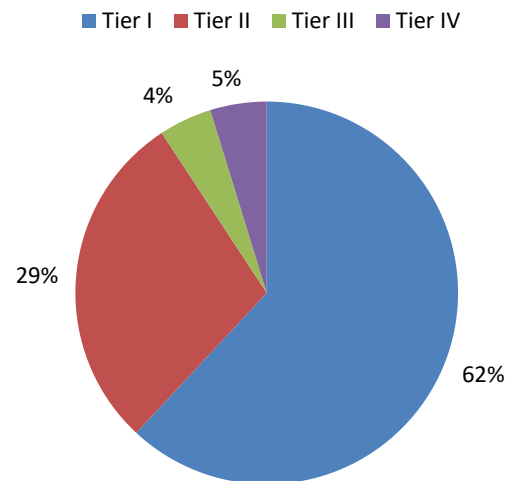


Year to Date Tiered Sales As of December 2017



| Year To Date Sales in ccf | | |
|---------------------------|-----------|---------|
| Tier I | 802,921 | 51.05% |
| Tier II | 646,024 | 41.07% |
| Tier III | 69,117 | 4.39% |
| Tier IV | 54,759 | 3.48% |
| | 1,572,821 | 100.00% |

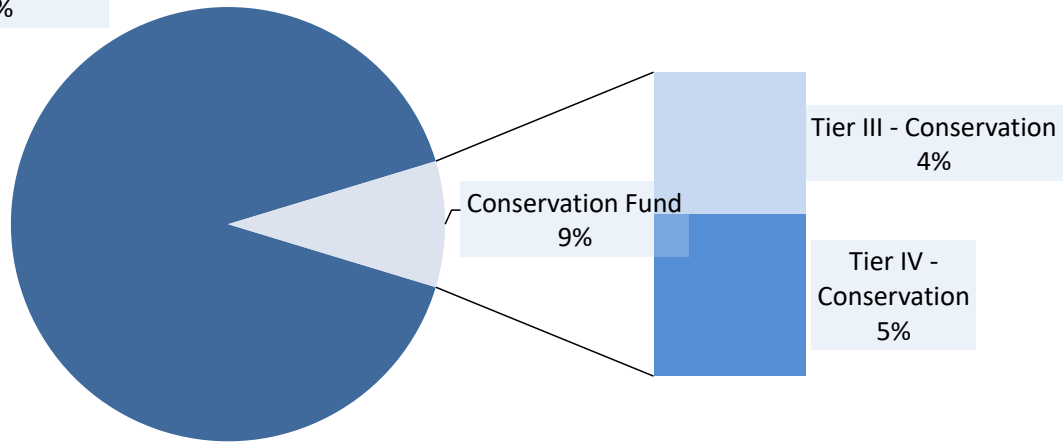
December 2017 Tiered Sales



| Current Month Sales in ccf | | |
|----------------------------|---------|---------|
| Tier I | 131,390 | 61.95% |
| Tier II | 61,098 | 28.81% |
| Tier III | 9,502 | 4.48% |
| Tier IV | 10,117 | 4.77% |
| | 212,107 | 100.00% |

Year to Date Water Sales as of December 2017

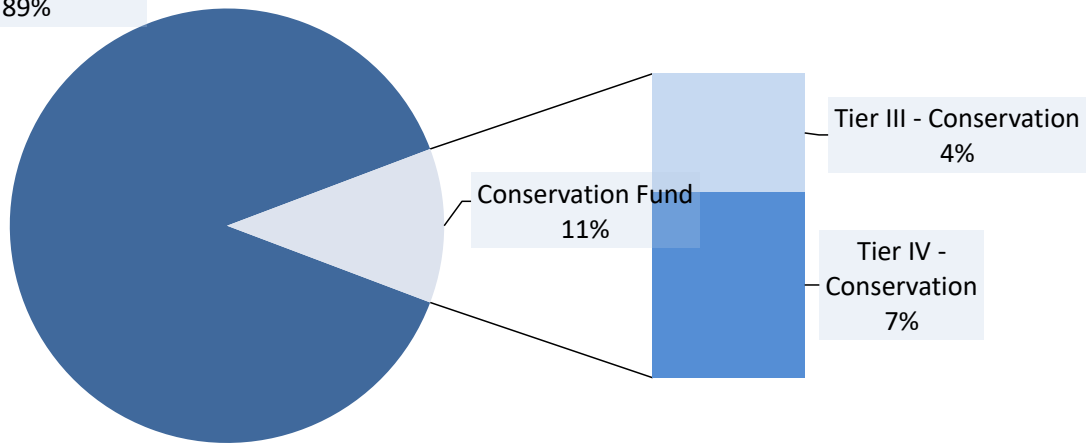
Water Delivery Cost
91%



| Category | Billings | Percentage |
|-------------------------|-----------------------|----------------|
| Water Delivery Cost | \$4,270,110.19 | 90.62% |
| Tier III - Conservation | \$206,328.39 | 4.38% |
| Tier IV - Conservation | \$235,475.49 | 5.00% |
| | \$4,711,914.07 | 100.00% |

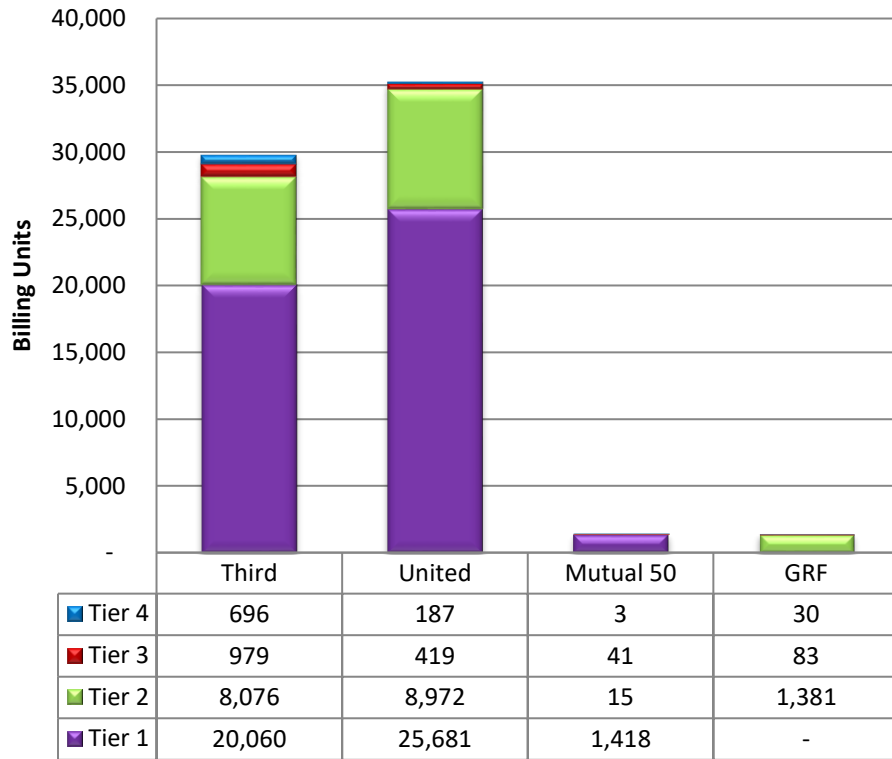
December 2017 Water Sales

Water Delivery Cost
89%

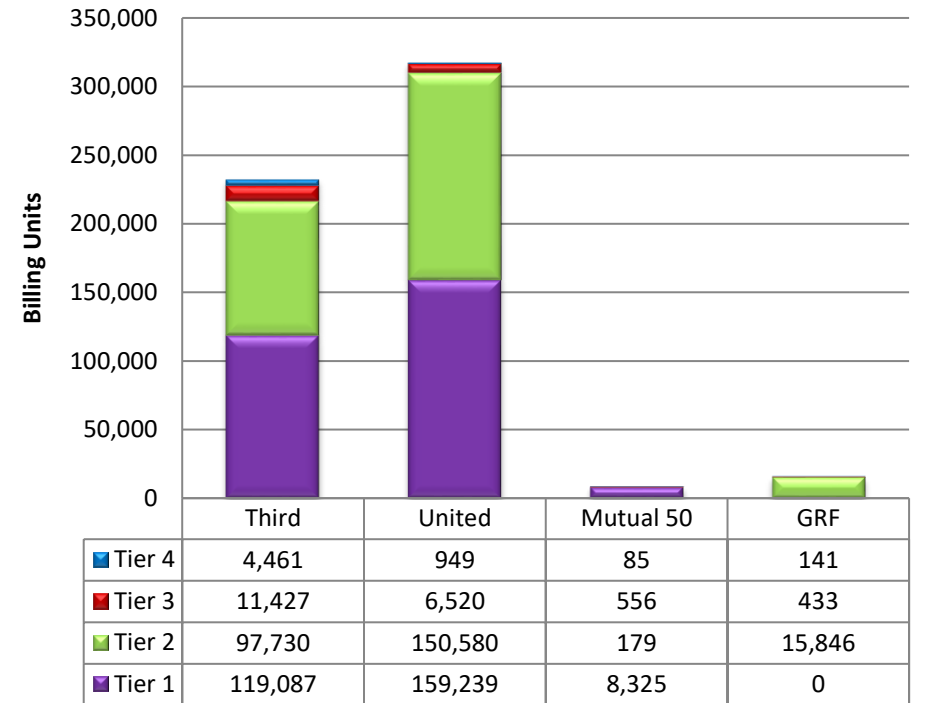


| Category | Billings | Percentage |
|-------------------------|---------------------|----------------|
| Water Delivery Cost | \$570,664.31 | 88.50% |
| Tier III - Conservation | \$28,886.08 | 4.48% |
| Tier IV - Conservation | \$45,242.25 | 7.02% |
| | \$644,792.64 | 100.00% |

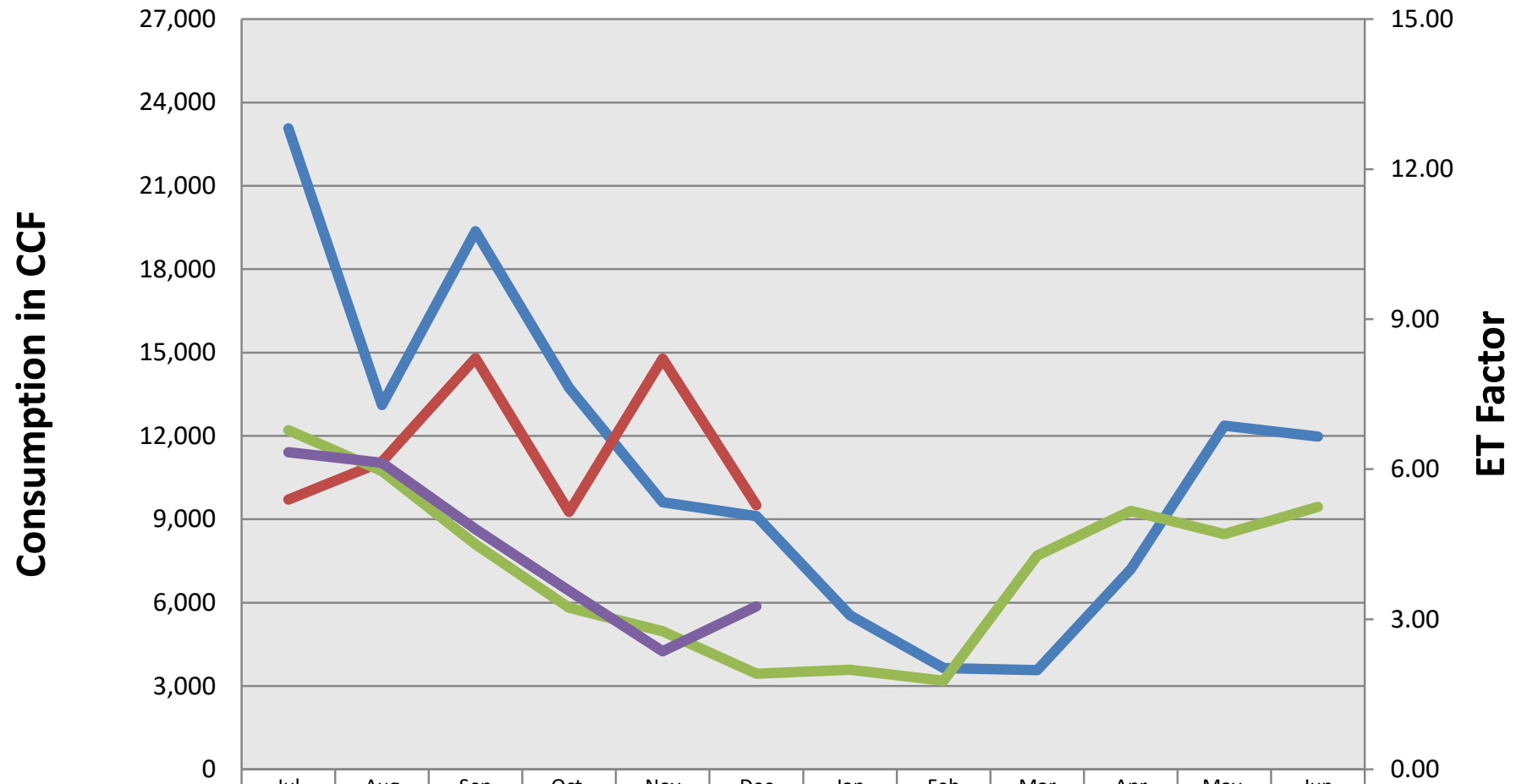
Laguna Woods Village December 2017 Water Sales



Laguna Woods Village Year-to-Date Water Sales December 2017

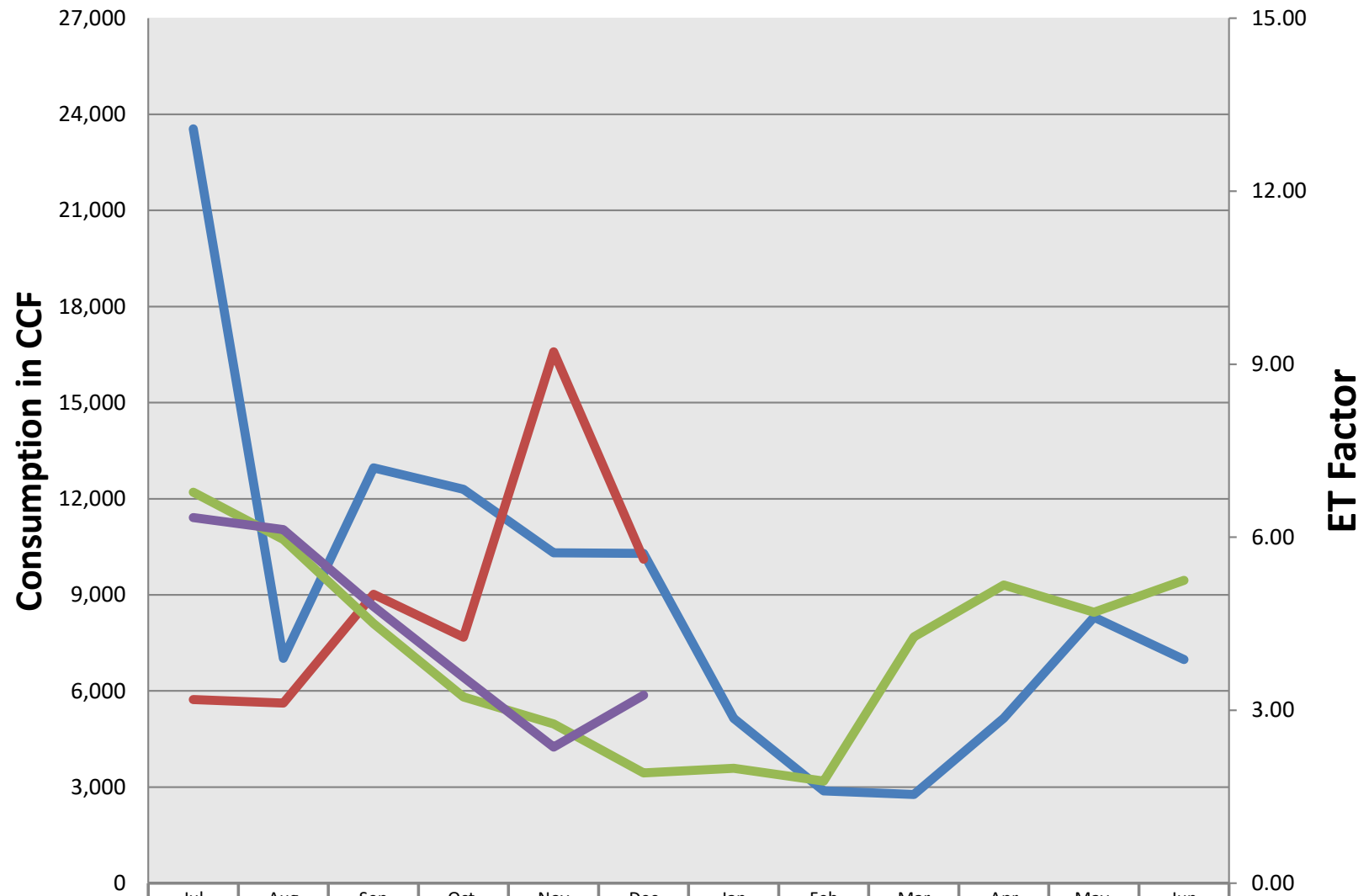


Tier III Consumption



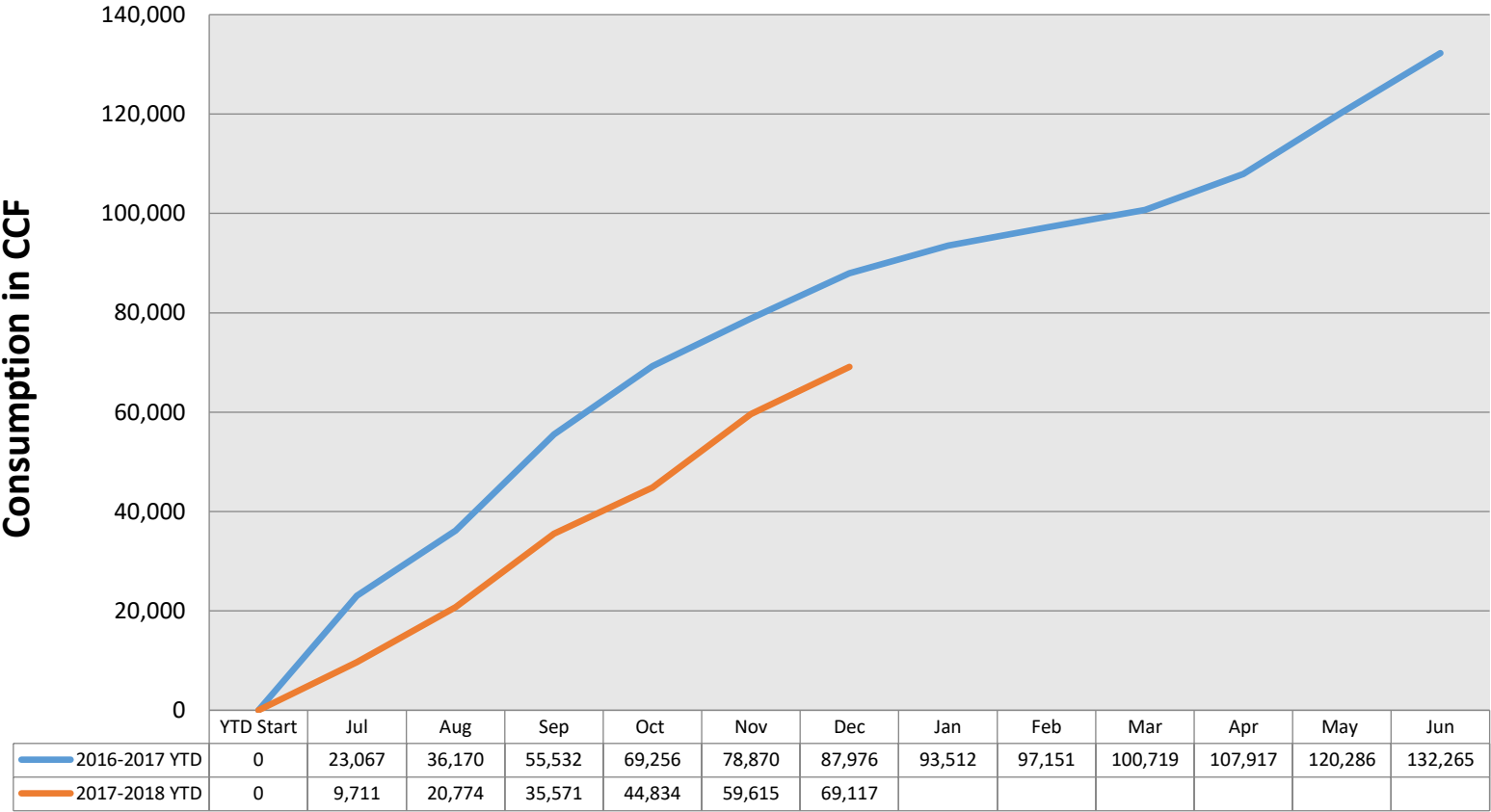
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun |
|-----------|--------|--------|--------|--------|--------|-------|-------|-------|-------|-------|--------|--------|
| 2016-2017 | 23,067 | 13,103 | 19,362 | 13,724 | 9,614 | 9,106 | 5,536 | 3,639 | 3,568 | 7,198 | 12,369 | 11,979 |
| 2017-2018 | 9,711 | 11,063 | 14,797 | 9,263 | 14,781 | 9,502 | | | | | | |
| 16/17 ET | 6.78 | 5.96 | 4.50 | 3.23 | 2.76 | 1.91 | 1.99 | 1.77 | 4.27 | 5.17 | 4.70 | 5.25 |
| 17/18 ET | 6.34 | 6.13 | 4.80 | 3.57 | 2.36 | 3.26 | | | | | | |

Tier IV Consumption

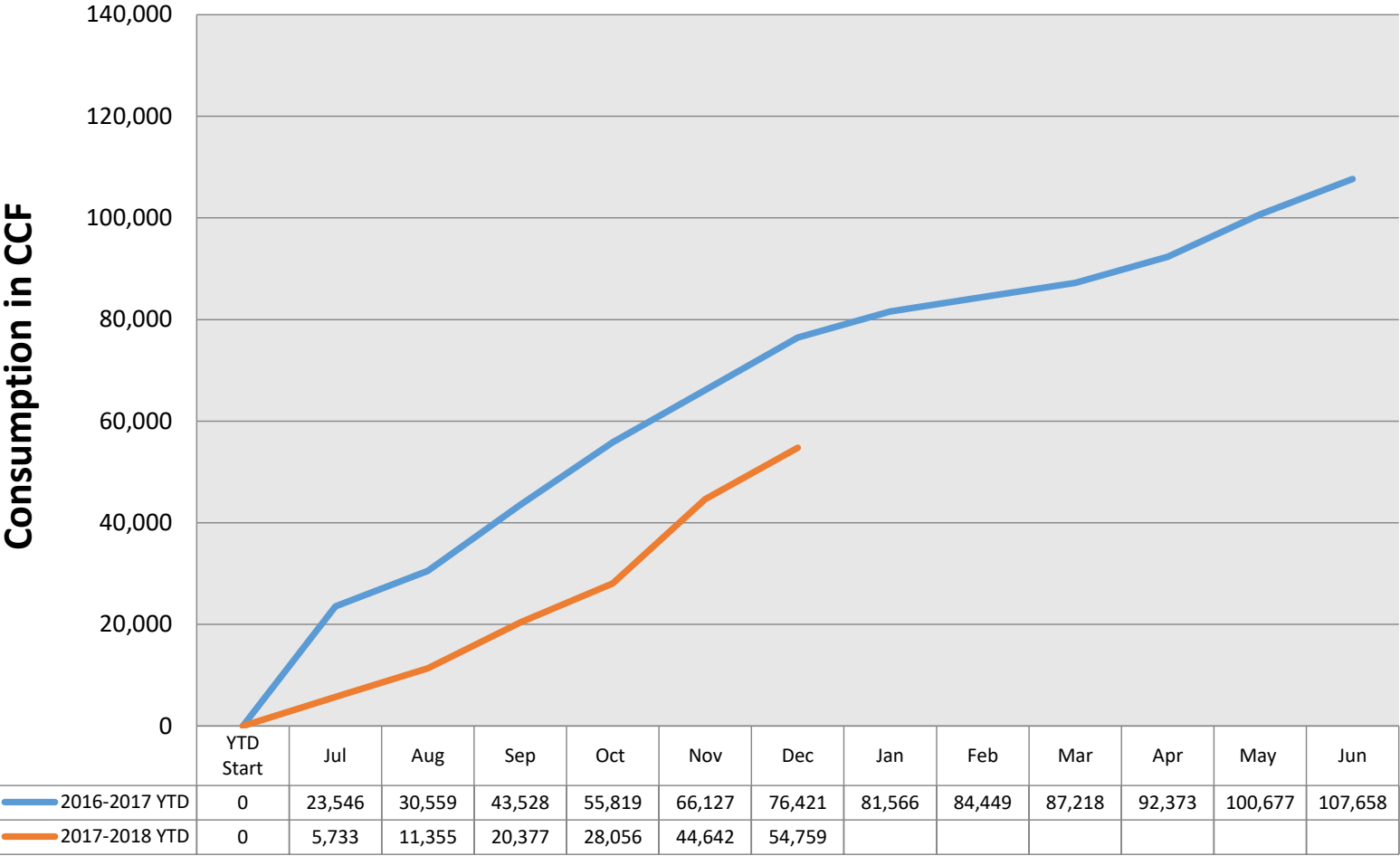


| | | | | | | | | | | | | |
|-----------|--------|-------|--------|--------|--------|--------|-------|-------|-------|-------|-------|-------|
| 2016-2017 | 23,546 | 7,013 | 12,969 | 12,291 | 10,308 | 10,294 | 5,145 | 2,883 | 2,769 | 5,155 | 8,304 | 6,981 |
| 2017-2018 | 5,733 | 5,622 | 9,022 | 7,679 | 16,586 | 10,117 | | | | | | |
| 16/17 ET | 6.78 | 5.96 | 4.50 | 3.23 | 2.76 | 1.91 | 1.99 | 1.77 | 4.27 | 5.17 | 4.70 | 5.25 |
| 17/18 ET | 6.34 | 6.13 | 4.80 | 3.57 | 2.36 | 3.26 | | | | | | |

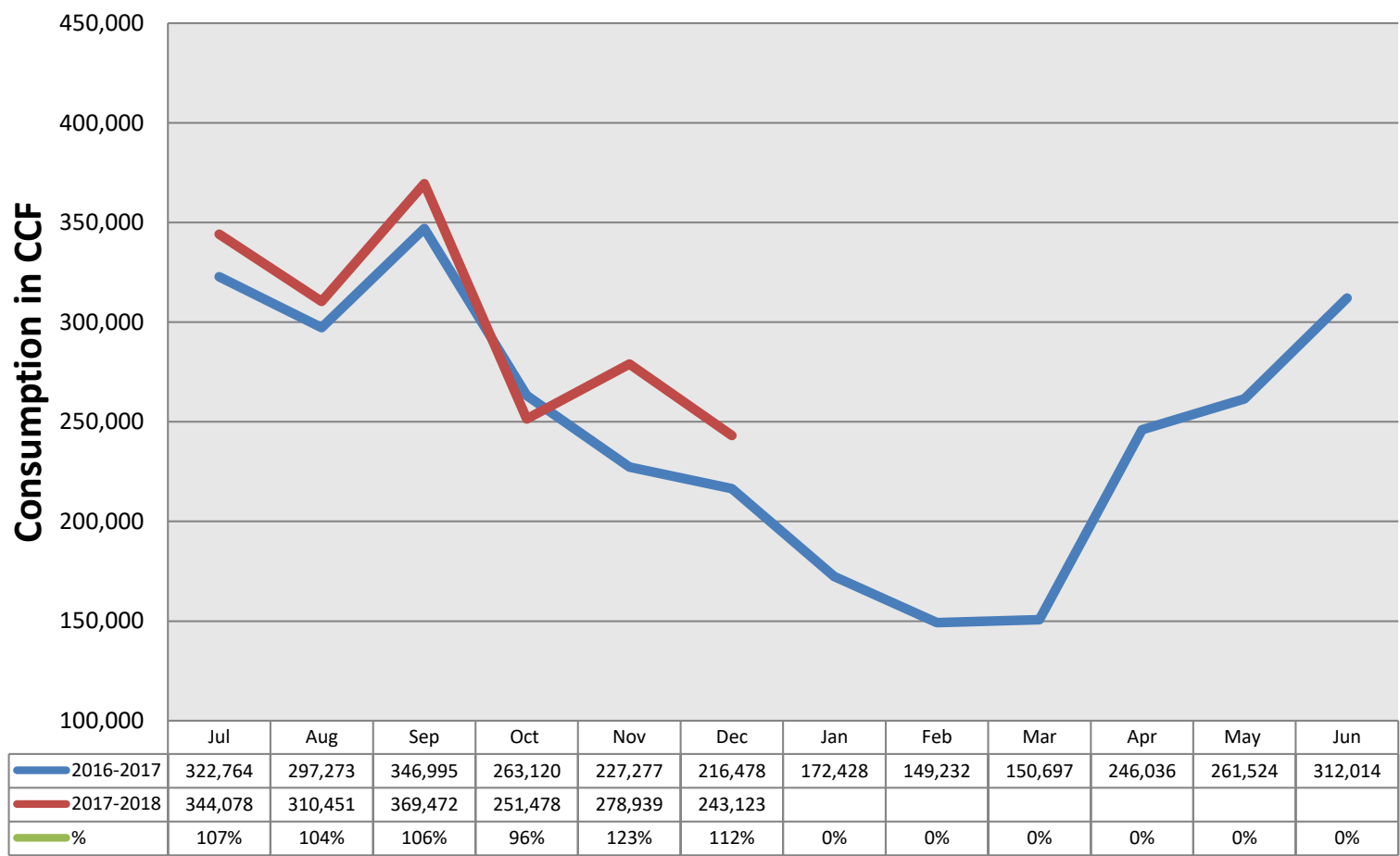
Tier III YTD Consumption



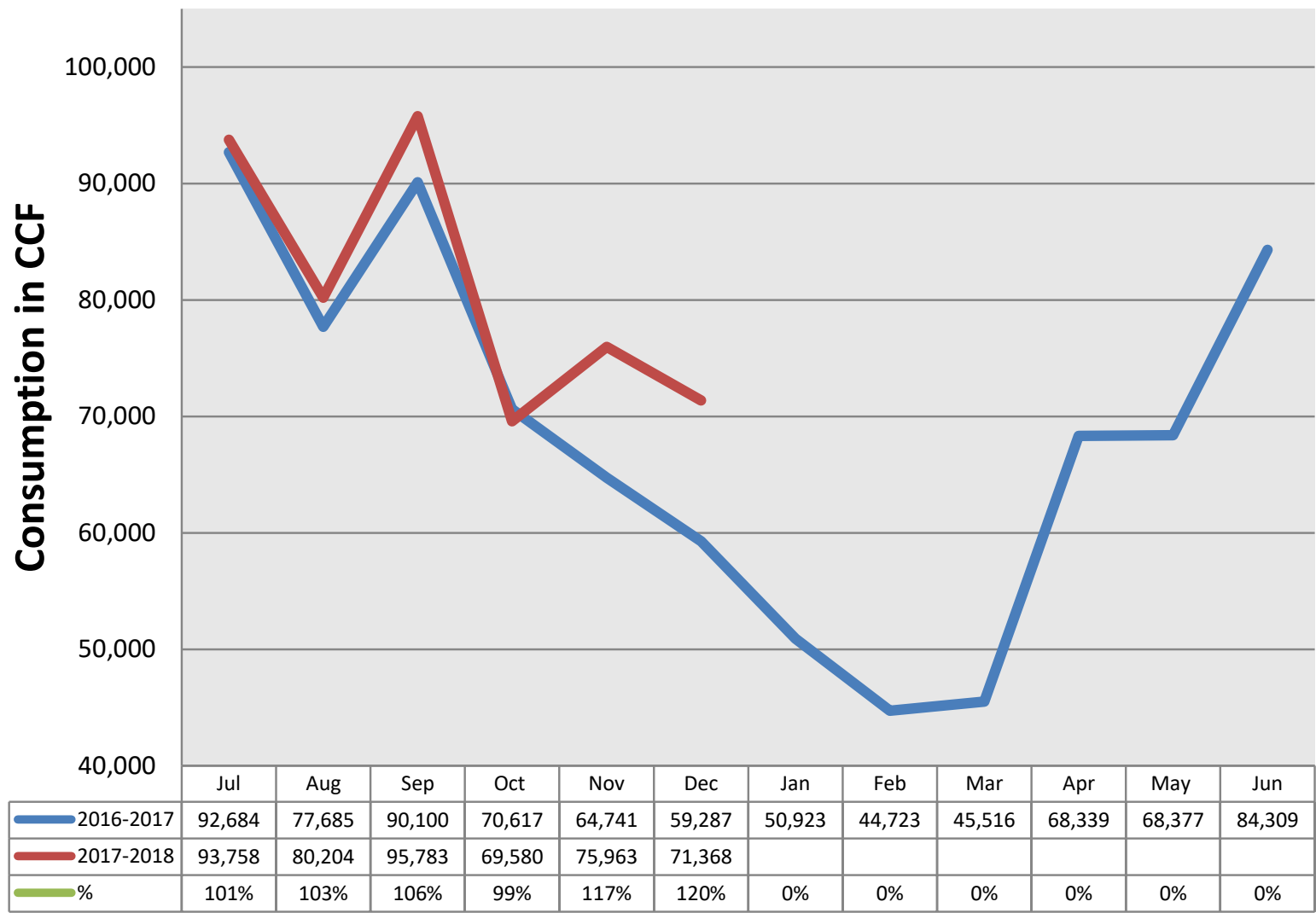
Tier IV YTD Consumption



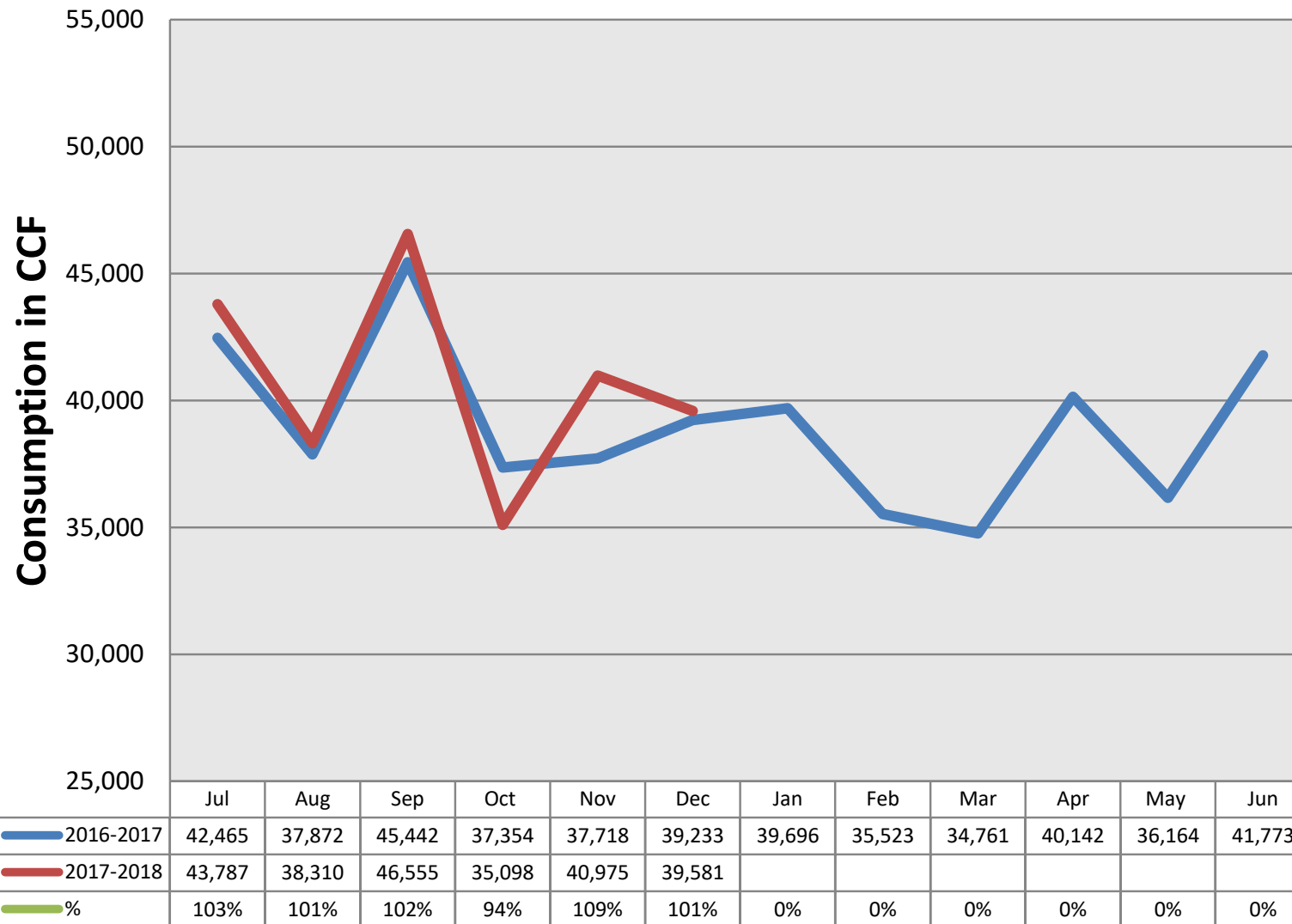
ETWD Total Consumption



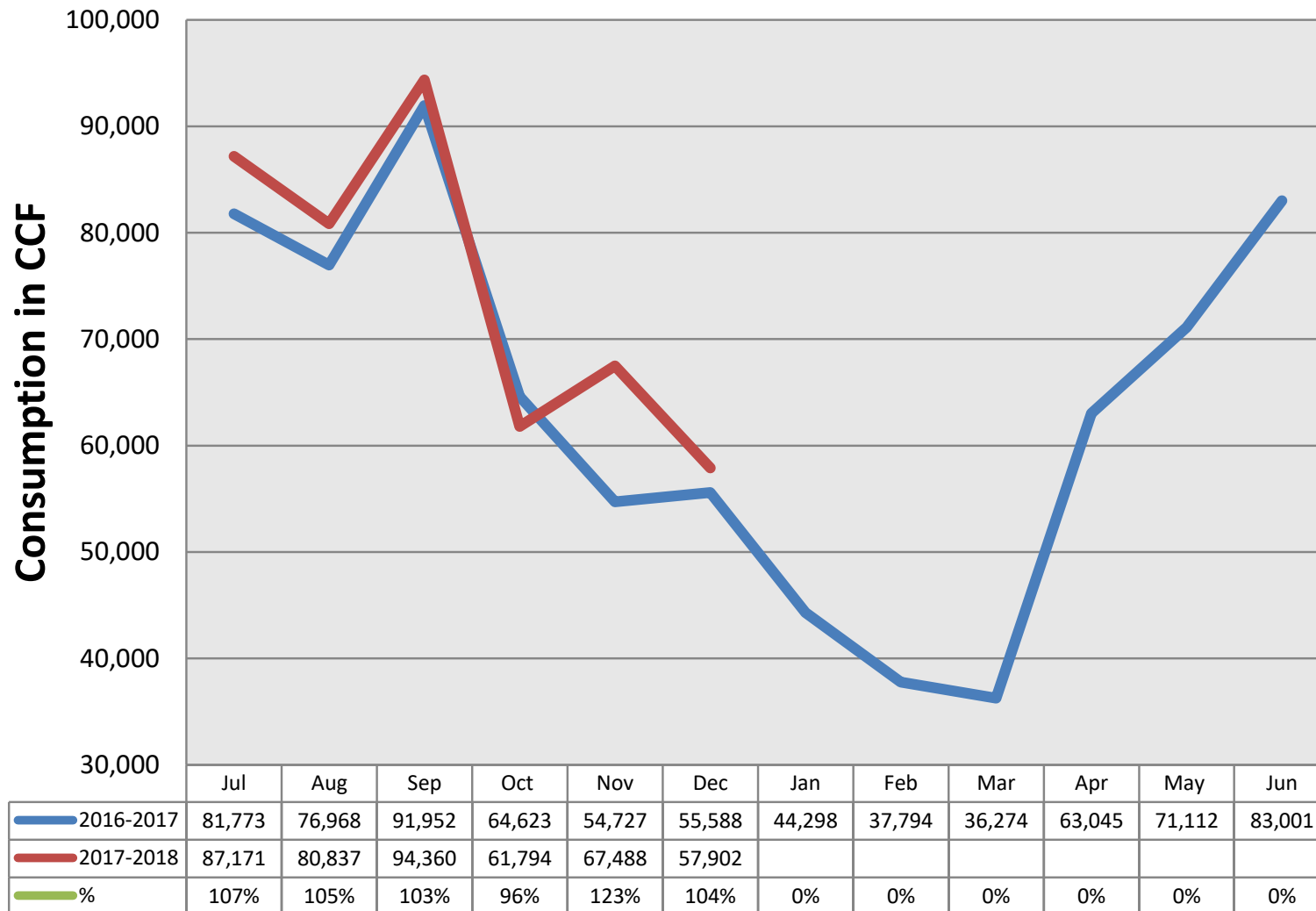
Single Family Residents Consumption



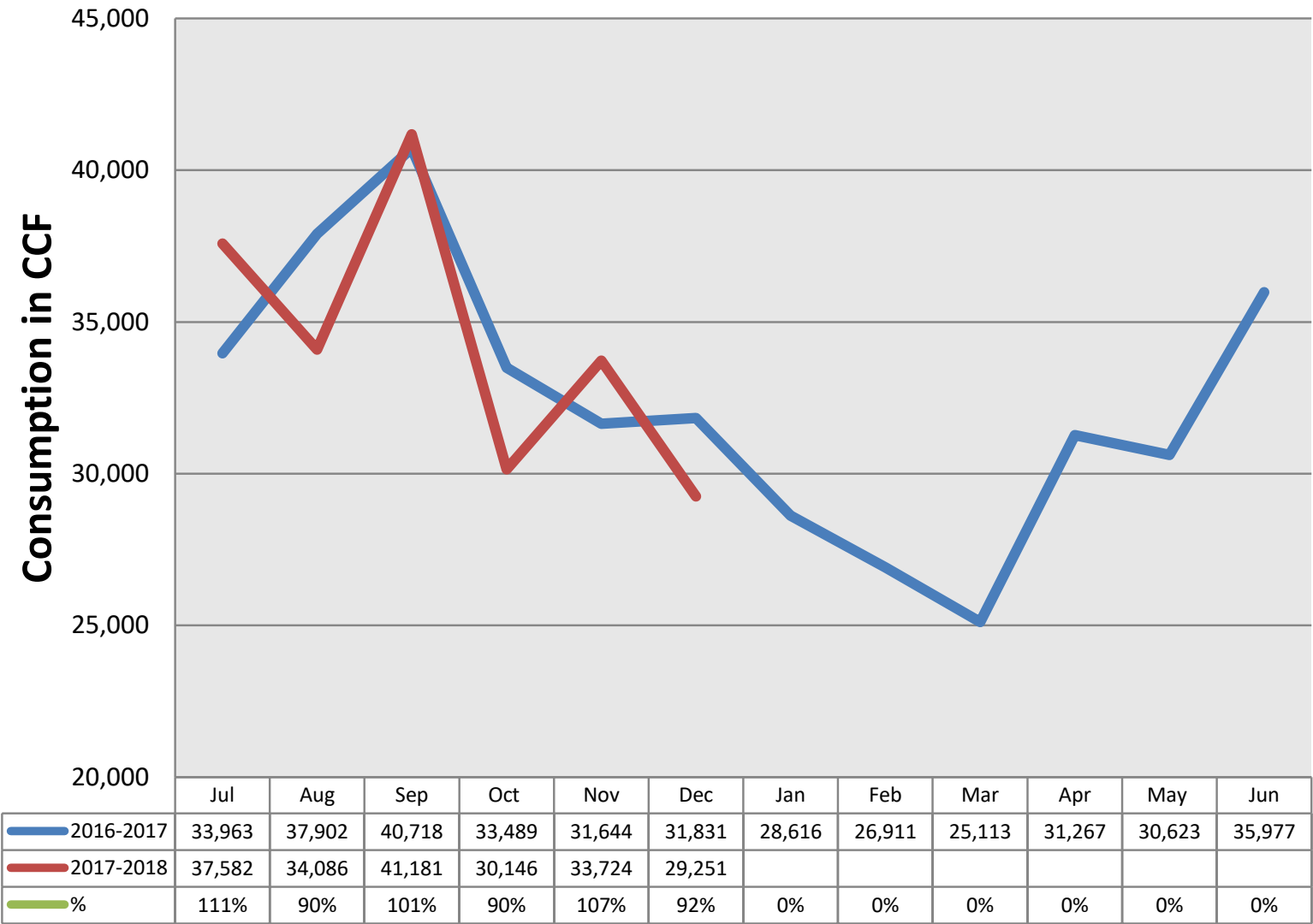
Multi Family Residents Consumption



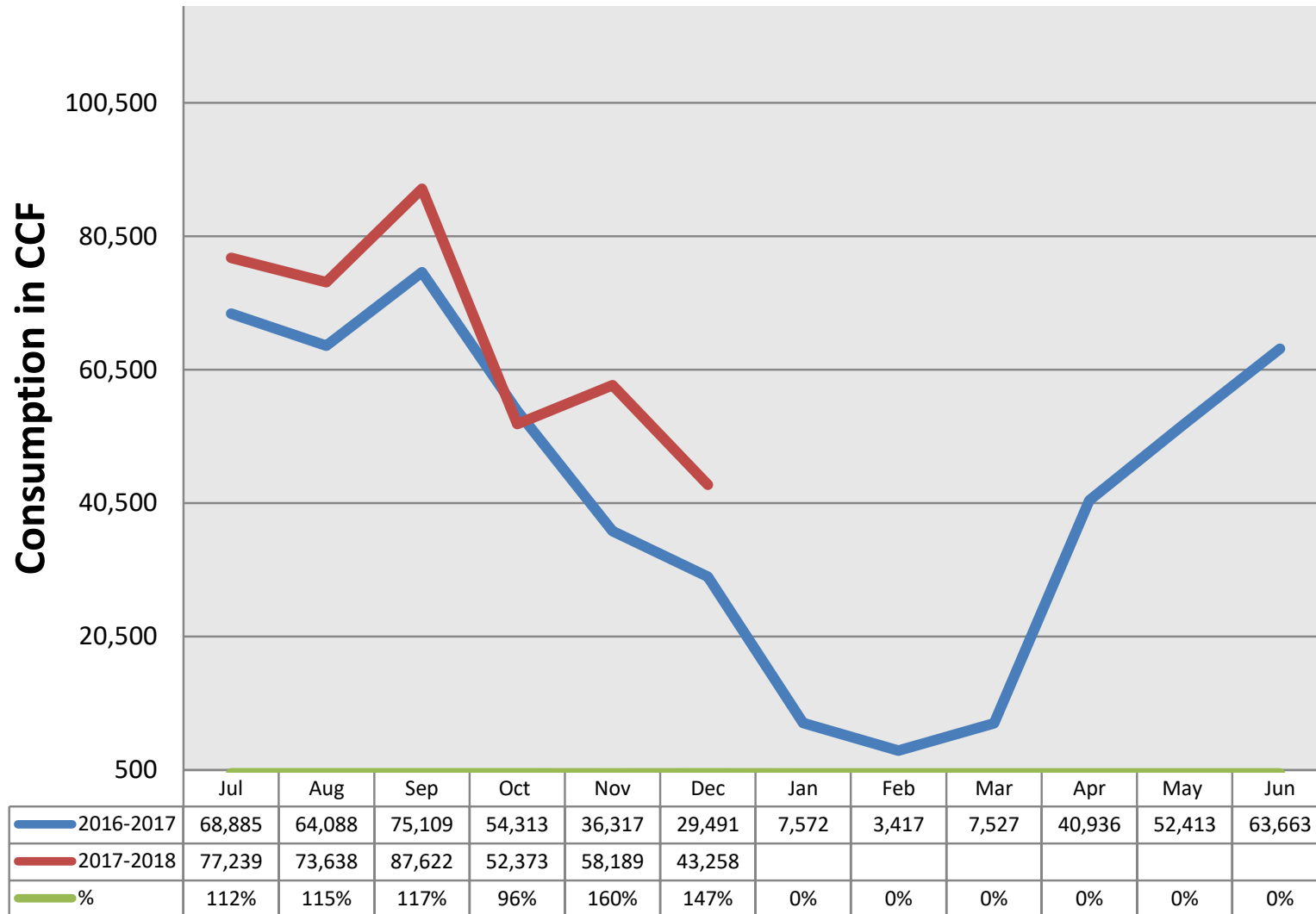
Laguna Woods Village Consumption (Excluding Dedicated Irrigation)



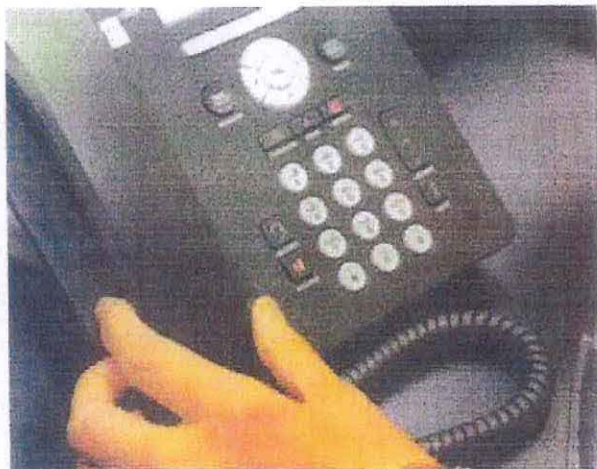
Commercial Consumption



Dedicated Irrigation Consumption (including LWV)



Excerpts From League Of Cities Open & Public V (A Guide To Ralph M. Brown Act)



Technological conferencing

Except for certain nonsubstantive purposes, such as scheduling a special meeting, a conference call including a majority of the members of a legislative body is an unlawful meeting. But, in an effort to keep up with information age technologies, the Brown Act specifically allows a legislative body to use any type of teleconferencing to meet, receive public comment and testimony, deliberate, or conduct a closed session.²⁰ While the Brown Act contains specific requirements for conducting a teleconference, the decision to use teleconferencing is entirely discretionary with the body. No person has a right under the Brown Act to have a meeting by teleconference.

"Teleconference" is defined as "a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either

audio or video, or both."²¹ In addition to the specific requirements relating to teleconferencing, the meeting must comply with all provisions of the Brown Act otherwise applicable. The Brown Act contains the following teleconferencing requirements:²²

- Teleconferencing may be used for all purposes during any meeting;
- At least a quorum of the legislative body must participate from locations within the local agency's jurisdiction;
- Additional teleconference locations may be made available for the public;
- Each teleconference location must be specifically identified in the notice and agenda of the meeting, including a full address and room number, as may be applicable;
- Agendas must be posted at each teleconference location, even if a hotel room or a residence;
- Each teleconference location, including a hotel room or residence, must be accessible to the public and have technology, such as a speakerphone, to enable the public to participate;
- The agenda must provide the opportunity for the public to address the legislative body directly at each teleconference location; and
- All votes must be by roll call.

Q. A member on vacation wants to participate in a meeting of the legislative body and vote by cellular phone from her car while driving from Washington, D.C. to New York. May she?

A. *She may not participate or vote because she is not in a noticed and posted teleconference location.*

The use of teleconferencing to conduct a legislative body meeting presents a variety of issues beyond the scope of this guide to discuss in detail. Therefore, before teleconferencing a meeting, legal counsel for the local agency should be consulted.

EL TORO WATER DISTRICT

Glossary of Water Terms

Accumulated overdraft: The amount of water necessary to be replaced in the intake area of the groundwater basin to prevent the landward movement of ocean water into the fresh groundwater body.

Acre-foot, AF: A common water industry unit of measurement. An acre-foot is 325,851 gallons, or the amount of water needed to cover one acre with water one foot deep. An acre-foot serves annual needs of two typical California families.

ACWA: Association of California Water Agencies.
A statewide group based in Sacramento that actively lobbies State and Federal Government on water issues.

Advanced treatment: Additional treatment processes used to clean wastewater even further following primary and secondary treatment. Also known as tertiary treatment.

AFY: Acre-foot per year.

Alluvium: A stratified bed of sand, gravel, silt, and clay deposited by flowing water.

AMP: Allen McCulloch pipeline.

Major pipeline transporting treated water to water districts between Yorba Linda, where it starts to El Toro Water District reservoir, where it terminates.

Annexation: The inclusion of land within a government agency's jurisdiction.

Annual overdraft: The quantity by which the production of water from the groundwater supplies during the water year exceeds the natural replenishment of such groundwater supplies during the same water year.

Aqueduct: A man-made canal or pipeline used to transport water.

Aquifer: An underground geologic formation of rock, soil or sediment that is naturally saturated with water; an aquifer stores groundwater.

Arid: Dry; deserts are arid places. Semi-arid places are almost as dry as a desert.

Artesian: An aquifer in which the water is under sufficient pressure to cause it to rise above the bottom of the overlying confining bed, if the opportunity is provided.

Artificial recharge: The addition of surface water to a groundwater reservoir by human activity, such as putting surface water into recharge basins. (See also: groundwater recharge and recharge basin.)

AWWA American Water Works Association
Nationwide group of public and private water purveyors and related industrial suppliers.

Base flow: The portion of river surface flow which remains after deduction of storm flow and/or purchased imported water.

Bay-Delta: The Sacramento-San Joaquin Bay-Delta is a unique natural resource of local, state and national significance. The Delta is home to more than 500,000 people; contains 500,000 acres of agriculture; provides habitat for 700 native plant and animal species; provides water for more than 25 million Californians and 3 million acres of agriculture; is traversed by energy, communications and transportation facilities vital to the economic health of California; and supports a \$400 billion economy.

BIA: Building Industry Association.

Biofouling: The formation of bacterial film (biofilm) on fragile reverse osmosis membrane surfaces.

Biosolids: Solid organic matter recovered from a sewage treatment process and used especially as fertilizer.

BMP: Best Management Practice. An engineered structure or management activity, or combination of these, that eliminates or reduces adverse environmental effects.

Brackish water: A mixture of freshwater and saltwater.

Brown Act: Ralph M. Brown Act enacted by the State legislature governing all meetings of legislative bodies. Also known as the Open Meeting requirements.

Canal: A ditch used to move water from one location to another.

CASA: California Association of Sanitation Agencies The sanitation equivalent of ACWA concerned solely with issues affecting the treatment and disposal of solid waste and wastewater.

CEQA: California Environmental Quality Act.

CERCLA: Comprehensive Environmental Response, Compensation and Liability Act. This federal law establishes the Superfund program for hazardous waste sites. It provides the legal basis for the United States EPA to regulate and clean up hazardous waste sites, and if appropriate, to seek financial compensation from entities responsible for the site.

CFS: Cubic feet per second.

Chloramines: A mixture of ammonia and chlorine used to purify water.

Clarify: To make clear or pure by separation and elimination of suspended solid material.

Coagulation: The clumping together of solids so they can more easily be settled out or filtered out of water. A chemical called aluminum sulfate (alum) is generally used to aid coagulation in water treatment and reclamation.

Coastkeepers: A non-profit organization dedicated to the protection and preservation of the marine habitats and watersheds of Orange County through programs of education, restoration, enforcement and advocacy.

Colored water: Groundwater extracted from the basin that is unsuitable for domestic use without treatment due to high color and odor exceeding drinking water standards.

Condensation: The process of water vapor (gas) changing into liquid water. An example of condensation can be seen in the tiny water droplets that form on the outside of a glass of iced tea as warmer air touches the cooler glass.

Confined aquifer: An aquifer that is bound above and below by dense layers of rock and contains water under pressure.

Conjunctive use: Storing imported water in a local aquifer, in conjunction with groundwater, for later retrieval and use.

Contaminate: To make unclean or impure by the addition of harmful substances.

CPCFA: California Pollution Control Financing Authority. State agency providing funds for wastewater reclamation projects.

Crisis:

1. **a:** The turning point for better or worse **b:** a paroxysmal attack of pain, distress, or disordered function **c:** an emotionally significant event or radical change of status in a person's life <a midlife crisis>
2. The decisive moment (as in a literary plot)
3. **a:** An unstable or crucial time or state of affairs in which a decisive change is impending; *especially* : one with the distinct possibility of a highly undesirable outcome <a financial crisis> **b:** a situation that has reached a critical phase

CTP Coastal Treatment Plant

CWPCA California Water Pollution Control Association. A 7000 member non-profit educational organization dedicated to water pollution control.

Dam: A barrier built across a river or stream to hold water.

Decompose: To separate into simpler compounds, substances or elements.

Deep percolation: The percolation of surface water through the ground beyond the lower limit of the root zone of plants into a groundwater aquifer.

Degraded water: Water within the groundwater basin that, in one characteristic or another, does not meet primary drinking water standards.

Delta: Where the rivers empty; an outlet from land to ocean, also where the rivers deposit sediment they carry forming landforms.

Delta Vision: Delta Vision is intended to identify a strategy for managing the Sacramento-San Joaquin Delta as a sustainable ecosystem that would continue to support environmental and economic functions that are critical to the people of California.

Demineralize: To reduce the concentrations of minerals from water by ion exchange, distillation, electro-dialysis, or reverse osmosis.

De-nitrification: The physical process of removing nitrate from water through reverse osmosis, microfiltration, or other means.

Desalting (or desalination): Removing salts from salt water by evaporation or distillation. Specific treatment processes, such as reverse osmosis or multi-stage flash distillation, to demineralize seawater or brackish (saline) waters for reuse. Also sometimes used in wastewater treatment to remove salts other pollutants.

Desilting: The physical process of removing suspended particles from water.

Dilute: To lessen the amount of a substance in water by adding more water.

Disinfection: Water treatment which destroys potentially harmful bacteria.

Drainage basin: The area of land from which water drains into a river, for example, the Sacramento River Basin, in which all land area drains into the Sacramento River. Also called catchment area, watershed, or river basin.

Drought: A prolonged period of below-average precipitation.

DPHS: California Department of Public Health Services. Regulates public water systems; oversees water recycling projects; permits water treatment devices; certifies drinking water treatment and distribution operators; supports and promotes water system security; provides support for small water systems and for improving technical, managerial, and financial (TMF) capacity; provides funding opportunities for water system improvements.

DVL: Diamond Valley Lake. Metropolitan's major reservoir near Hemet, in southwestern Riverside County.

DWR: California Department of Water Resources. Guides development/management of California's water resources; owns/operates State Water Project and other water facilities.

Endangered Species: A species of animal or plant threatened with extinction.

Endangered Species Act of 1973 (ESA): The most wide-ranging of the dozens of United States environmental laws passed in the 1970s. As stated in section 2 of the act, it was designed to protect critically imperiled species from extinction as a "consequence of economic growth and development untended by adequate concern and conservation.

Ecosystem: Where living and non-living things interact (coexist) in order to survive.

Effluent: Wastewater or other liquid, partially or completely treated or in its natural state, flowing from a treatment plant.

Evaporation: The process that changes water (liquid) into water vapor (gas).

Estuary: Where fresh water meets salt water.

Evapotranspiration: The quantity of water transpired (given off), retained in plant tissues, and evaporated from plant tissues and surrounding soil surface. Quantitatively, it is expressed in terms of depth of water per unit area during a specified period of time.

FCH Federal Clearing House – Environmental Review/Processing

FEMA Federal Emergency Management Agency

Filtration: The process of allowing water to pass through layers of a porous material such as sand, gravel or charcoal to trap solid particles. Filtration occurs in nature when rain water soaks into the ground and it passes through hundreds of feet of sand and gravel. This same natural process of filtration is duplicated in water and wastewater treatment plants, generally using sand and coal as the filter media.

Flocculation: A chemical process involving addition of a coagulant to assist in the removal of turbidity in water.

Forebay: A reservoir or pond situated at the intake of a pumping plant or power plant to stabilize water level; also, a portion of a groundwater basin where large quantities of surface water can recharge the basin through infiltration.

Gray water reuse: Reuse, generally without treatment, of domestic type wastewater for toilet flushing, garden irrigation and other non-potable uses. Excludes water from toilets, kitchen sinks, dishwashers, or water used for washing diapers.

Green Acres Project (GAP): A 7.5 million gallons per day (MGD) water reclamation project that serves tertiary treated recycled water to irrigation and industrial users in Costa Mesa, Fountain Valley, Huntington Beach, Newport Beach, and Santa Ana.

God Squad: A seven-member committee that is officially called the "Endangered Species Committee". Members consist of Secretary of the Interior, the Secretary of Agriculture, the Secretary of the Army, the Chairman of the Council of Economic Advisers, the Administrator of the National Oceanic and Atmospheric Administration and one individual from the affected state. The squad was established in 1978 by an amendment to the 1973 Endangered Species Act (ESA). It has only been called into action three times to deal with proposed federal agency actions that have been determined to cause "jeopardy" to any listed species. Such actions may receive an exemption from the ESA if five members of the committee determine that the action is of regional or national significance, that the benefits of the action clearly outweigh the benefits of conserving the species and that there are no reasonable and prudent alternatives to the action.

Groundwater: Water that has percolated into natural, underground aquifers; water in the ground, not water puddled on the ground.

Groundwater basin: A groundwater reservoir defined by the overlying land surface and the underlying aquifers that contain water stored in the reservoir. Boundaries of success-ively deeper aquifers may differ and make it difficult to define the limits of the basin.

Groundwater mining: The withdrawal of water from an aquifer in excess of recharge over a period of time. If continued, the underground supply would eventually be exhausted or the water table could drop below economically feasible pumping lifts.

Groundwater overdraft: The condition of a groundwater basin in which the amount of water withdrawn by pumping exceeds the amount of water that recharges the basin over a period of years during which water supply conditions approximate average.

Groundwater recharge: The action of increasing groundwater storage by natural conditions or by human activity. See also: Artificial recharge.

Ground Water Replenishment System (GWRS): A joint project of the Orange County Water District and the Orange County Sanitation District that will provide up to 100,000 acre-feet of reclaimed water annually. The high-quality water will be used to expand an existing underground seawater intrusion barrier and to replenish the groundwater basin underlying north and central Orange County.

Groundwater table: The upper surface of the zone of saturation (all pores of subsoil filled with water), except where the surface is formed by an impermeable body.

GPM: Gallons per minute.

Ground Water Replenishment System (GWRS): Orange County Water District's state-of-the-art, highly advanced, waste-water treatment facility.

Hydrologic balance: An accounting of all water inflow to, water outflow from, and changes in water storage within a hydrologic unit over a specified period.

Hydrologic cycle: The process of water constantly circulating from the ocean, to the atmosphere, to the earth in a form of precipitation, and finally returning to the ocean.

Imported water: Water that has originated from one hydrologic region and is transferred to another hydrologic region.

Inflatable rubber dams: Designed to replace temporary sand levees that wash out during heavy storm flow, the dams hold back high-volume river flows and divert the water into the off-river system for percolation.

Influent: Water or wastewater entering a treatment plant, or a particular stage of the treatment process.

Irrigation: Applying water to crops, lawns or other plants using pumps, pipes, hoses, sprinklers, etc.

JPIA Joint Powers Insurance Authority. A group of water agencies providing self-insurance to members of the ACWA.

LAIF Local Agency Investment Fund. Statewide pool of surplus public agency money managed by State Treasurer.

Leach: To remove components from the soil by the action of water trickling through.

MAF: Million acre feet.

MCL: Maximum contaminant level set by EPA for a regulated substance in drinking water. According to health agencies, the maximum amount of a substance that can be present in water that's safe to drink and which looks, tastes and smells good.

MET: Metropolitan Water District of Southern California.

MGD: Million gallons per day.

Microfiltration: A physical separation process where tiny, hollow filaments members separate particles from water.

Microorganism: An animal or plant of microscopic size.

MWD: Metropolitan Water District of Southern California.

MWDOC: Municipal Water District of Orange County. Intermediate wholesaler between MWD and 27 member agencies including ETWD.

Non-point source pollution: Pollution that is so general or covers such a wide area that no single, localized source of the pollution can be identified.

NPDES National Pollution Discharge Elimination System

OCBC: Orange County Business Council.

OCEMA Orange County Environmental Management Agency

OCWD: Orange County Water District.

Opportunity:

1. A favorable juncture of circumstances.
2. A good chance for advancement or progress .

Organism: Any individual form of life, such as a plant, animal or bacterium.

PCM Professional Community Management, Inc. Property Management company providing services to Laguna Woods Village and other homeowner associations.

Perched groundwater: Groundwater supported by a zone of material of low permeability located above an underlying main body of groundwater with which it is not hydrostatically connected.

Percolation: The downward movement of water through the soil or alluvium to the groundwater table.

Permeability: The capability of soil or other geologic formations to transmit water.

Point source: A specific site from which waste or polluted water is discharged into a water body, the source of which is identified. See also: non-point source.

Potable water: Suitable and safe for drinking.

PPB: Parts per billion.

Precipitation: Water from the atmosphere that falls to the ground as a liquid (rain) or a solid (snow, sleet, hail).

Primary treated water: First major treatment in a wastewater treatment facility, usually sedimentation but not biological oxidation.

Primary treatment: Removing solids and floating matter from wastewater using screening, skimming and sedimentation (settling by gravity).

Prior appropriation doctrine: Allocates water rights to the first party who diverts water from its natural source and applies the water to beneficial use. If at some point the first appropriator fails to use the water beneficially, another person may appropriate the water and gain rights to the water. The central principle is beneficial use, not land ownership.

Pumping Plant: A facility that lifts water up and over hills.

Recharge: The physical process where water naturally percolates or sinks into a groundwater basin.

Recharge basin: A surface facility, often a large pond, used to increase the infiltration of surface water into a groundwater basin.

Reclaimed wastewater: Wastewater that becomes suitable for a specific beneficial use as a result of treatment. See also: wastewater reclamation.

Reclamation project: A project where water is obtained from a sanitary district or system and which undergoes additional treatment for a variety of uses, including landscape irrigation, industrial uses, and groundwater recharge.

Recycling: A type of reuse, usually involving running a supply of water through a closed system again and again. Legislation in 1991 legally equates the term "recycled water" to reclaimed water.

Reservoir: A place where water is stored until it is needed. A reservoir can be an open lake or an enclosed storage tank.

Reverse osmosis: (RO) A method of removing salts or other ions from water by forcing water through a semi-permeable membrane.

RFP Request for Proposal

Riparian: Of or on the banks of a stream, river, or other body of water.

RO: Reverse osmosis. See the listing under "reverse osmosis."

R-O-W Right-of-way

Runoff: Liquid water that travels over the surface of the Earth, moving downward due to gravity. Runoff is one way in which water that falls as precipitation returns to the ocean.

RWQCB Regional Water Quality Control Board. State agency regulating discharge and use of recycled water.

Safe Drinking Water Act (SDWA): The Safe Drinking Water Act (SDWA) was originally passed by Congress in 1974 to protect public health by regulating the nation's public drinking water supply. The law was amended in 1986 and 1996 and requires many actions to protect drinking water and its sources: rivers, lakes, reservoirs, springs, and ground water wells. (SDWA does not regulate private wells which serve fewer than 25 individuals.) SDWA authorizes the United States Environmental Protection Agency (US EPA) to set national health-based standards for drinking water to protect against both naturally-occurring and man-made contaminants that may be found in drinking water. US EPA, states, and water systems work together to make sure that these standards are met.

Safe yield: The maximum quantity of water that can be withdrawn from a groundwater basin over a long period of time without developing a condition of overdraft, sometimes referred to as sustained yield.

SAFRA Santa Ana River Flood Protection Agency

Salinity: Generally, the concentration of mineral salts dissolved in water. Salinity may be measured by weight (total dissolved solids - TDS), electrical conductivity, or osmotic pressure. Where seawater is known to be the major source of salt, salinity is often used to refer to the concentration of chlorides in the water.

SAWPA: Santa Ana Watershed Project Authority.

SCADA Supervisory Control and Data Acquisition

SCAP Southern California Alliance of Publicly. Newly formed group of public agencies seeking reasonable regulation of sewer industry.

SCH State Clearing House – Environmental Review/Processing

Seasonal storage: A three-part program offered by Metropolitan Water District of Southern California:

STSS (Short Term Seasonal Storage) financially encourages agencies with local groundwater production capabilities to produce a higher percentage of their demand in the summer from their local groundwater supplies, thus shifting a portion of their demand on the MWD system from the summer to winter;

LTSS (Long Term Seasonal Storage) financially encourages retail agencies to take and store additional amounts of MWD water above their normal annual demands for later use; Replenishment Water provides less expensive interruptible water that is generally available and used to increase the operating yield of groundwater basins.

Seawater intrusion: The movement of salt water into a body of fresh water. It can occur in either surface water or groundwater basins.

Seawater barrier: A physical facility or method of operation designed to prevent the intrusion of salt water into a body of freshwater.

Secondary treatment: The biological portion of wastewater treatment which uses the activated sludge process to further clean wastewater after primary treatment. Generally, a level of treatment that produces 85 percent removal efficiencies for biological oxygen demand and suspended solids. Usually carried out through the use of trickling filters or by the activated sludge process.

Sedimentation: The settling of solids in a body of water using gravity.

Settle: To clarify water by causing impurities/solid material to sink to a container's bottom.

Sewer: The system of pipes that carries wastewater from homes and businesses to a treatment plant or reclamation plant. Sewers are separate from storm drains, which is a system of drains and pipes that carry rain water from urban streets back to the ocean. Overwatering your yard can also cause water to run into the streets and into storm drains. Storm drain water is not treated before it is discharged.

SigAlert: Any unplanned event that causes the closing of one lane of traffic for 30 minutes or more, as opposed to a planned event, like road construction, which is planned.

SJBA San Juan Basin Authority

Sludge: The solids that remain after wastewater treatment. This material is separated from the cleaned water, treated and composted into fertilizer. Also called biosolids.

SOCWA South Orange County Wastewater Authority. Regional Joint Powers Authority formed for collection and treatment of sewerage (previously known as AWMA/SERRA/SOCRA). SOCWA member agencies:

CSC – City of San Clemente

CSJC – City of San Juan Capistrano

CLB – City of Laguna Beach

ETWD – El Toro Water District

EBSD – Emerald Bay Service District

IRWD – Irvine Ranch Water District

MNWD – Moulton Niguel Water District

SCWD – South Coast Water District

SMWD – Santa Margarita Water District

TCWD – Trabuco Canyon Water District

SRF State Revolving Fund

Storm Drain: The system of pipes that carries rain water from urban streets back to the ocean. Overwatering your yard can also cause water to run into the streets and into storm drains. Storm drain

water is not treated before it is discharged. Storm drains are separate from sewers, which is a separate system of pipes to carry wastewater from homes and businesses to a treatment plant or reclamation plant for cleaning.

Storm flow: Surface flow originating from precipitation and run-off which has not percolated to an underground basin.

SWP: State Water Project. An aqueduct system that delivers water from northern California to central and southern California.

SWRCB State Water Resources Control Board

TDS: Total dissolved solids. A quantitative measure of the residual minerals dissolved in water that remain after evaporation of a solution. Usually expressed in milligrams per liter.

Tertiary treatment: The treatment of wastewater beyond the secondary or biological stage. Normally implies the removal of nutrients, such as phosphorous and nitrogen, and a high percentage of suspended solids.

THM: Trihalomethanes. Any of several synthetic organic compounds formed when chlorine or bromine combine with organic materials in water.

TMA: Too many acronyms.

TMDL: Total maximum daily load; A quantitative assessment of water quality problems, contributing sources, and load reductions or control actions needed to restore and protect bodies of water.

Transpiration: The process in which plant tissues give off water vapor to the atmosphere as an essential physiological process.

Turbidity: Thick or opaque with matter in suspension; muddy water.

Ultraviolet light disinfection: A disinfection method for water that has received either secondary or tertiary treatment used as an alternative to chlorination.

VE Value Engineering

VOC: Volatile organic compound; a chemical compound that evaporates readily at room temperature and contains carbon.

Wastewater: Water that has been previously used by a municipality, industry or agriculture and has suffered a loss of quality as a result.

Water Cycle: The continuous process of surface water (puddles, lakes, oceans) evaporating from the sun's heat to become water vapor (gas) in the atmosphere. Water condenses into clouds and then falls back to earth as rain or snow (precipitation). Some precipitation soaks into the ground (percolation) to replenish groundwater supplies in underground aquifers.

Water rights: A legally protected right to take possession of water occurring in a natural waterway and to divert that water for beneficial use.

Water-use Efficiency: The water requirements of a particular device, fixture, appliance, process, piece of equipment, or activity.

Water year (USGS): The period between October 1st of one calendar year to September 30th of the following calendar year.

Watermaster: A court appointed person(s) that has specific responsibilities to carry out court decisions pertaining to a river system or watershed.

Water Reclamation: The treatment of wastewater to make it suitable for a beneficial reuse, such as landscape irrigation. Also called water recycling.

Watershed: The total land area that from which water drains or flows to a river, stream, lake or other body of water.

Water table: The top level of water stored underground.

WEF Water Environment Federation. Formerly – Water Pollution Control Federation (WPCF). International trade group advising members of sewage treatment techniques and their effect on the environment.

Weir box: A device to measure/control surface water flows in streams or between ponds.

Wellhead treatment: Water quality treatment of water being produced at the well site.

Wetland: Any area in which the water table stands near, at, or above the land surface for a portion of the year. Wetlands are characterized by plants adapted to wet soil conditions.

Xeriscape: Landscaping that requires minimal water.