

3I 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**

May 21, 2019

7:30 a.m.

CALL TO ORDER – Director Freshley

PLEDGE OF ALLEGIANCE – Director Gaskins

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. Quarterly Review of the District’s 401(k) Retirement Savings Plan**
(Reference Material Included)

A HighMark representative will review and comment on the investment performance of the District's 401(k) Retirement Savings Plan.

2. **Resolution No. 19-5-1 Adopting the Eighth Amendment to the District's Bylaws** (Reference Material Included)

Staff will review and comment on the Eighth Amendment to the District's Bylaws.

Recommended Action: Staff recommends that the Board of Directors 1) adopt Resolution No. 19-5-1 effective May 21, 2019, and 2) authorize and direct the Secretary or his delegate to record the Eighth Amendment to the District's Bylaws with the Orange County Recorder's Office.

RESOLUTION NO. 19-5-1

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EL TORO WATER DISTRICT
ADOPTING THE EIGHTH AMENDMENT TO
THE DISTRICT'S BYLAWS

3. **Resolution No. 19-5-2 adding a Standing Water Quality (WQ) Committee and Modifying Standing Committee and External Organization Board/Staff Assignments** (Reference Material Included)

The Board President will review and comment on Resolution No. 19-5-2 adding a Standing Water Quality (WQ) Committee and Modifying Standing Committee and External Organization Board/Staff Assignments for the balance of Calendar Year 2019, effective May 21, 2019.

Recommended Action: The Board of Directors will consider adopting Resolution No. 19-5-2, effective May 21, 2019.

RESOLUTION NO. 19-5-2

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
EL TORO WATER DISTRICT
ADDING A STANDING WATER QUALITY COMMITTEE AND
MODIFYING STANDING AND EXTERNAL ORGANIZATION
BOARD AND STAFF ASSIGNMENTS FOR THE BALANCE OF 2019
EFFECTIVE MAY 21, 2019

4. **Appointment Process and timeline for OC LAFCO Regular and Alternate Special District Member Seats** (Reference Material Included)

One of two OC LAFCO Regular Special District Member seats was vacated on April 10, 2019. The expiration date of this term is June 30, 2020. If the incumbent Alternate Special District member decides to run and is elected to

the regular Special District Seat, the alternate seat will also be open. The OC LAFCO Executive Officer will accept nominations for both the regular and alternate seats. Nominations and the Declaration of Qualification to Vote for designating the authorized regular and alternate voting member of ETWD must be received by OC LAFCO no later than 3 PM on Friday, June 7, 2019. Ballots will be emailed to all Special District presiding officers/designees on June 17, 2019. Ballots due to OC LAFCO on July 19, 2019.

Recommended Action: Staff recommends that the Board of Directors 1) consider submitting a candidate's name for the Regular and Alternate Seats and 2) complete and submit the Declaration of Qualification to Vote for designating the authorized regular voting member and the alternate voting member for ETWD, for this appointment process.

ENGINEERING COMMITTEE

CONSENT CALENDAR

(All matters under the Consent Calendar will be approved by one motion unless a Board member or a member of the public requests separate action or discussion on a specific item)

5. Consider approving the April 23, 2019 Engineering Committee meeting minutes.

APPROVAL OF ITEMS REMOVED FROM TODAY'S ENGINEERING COMMITTEE CONSENT CALENDAR

The Board will discuss items removed from today's Engineering Committee Consent Calendar requiring further discussion.

Recommended Action: The Board will be requested to approve the items removed from today's consent Calendar.

ENGINEERING ACTION ITEMS

There are no action items.

ENGINEERING GENERAL INFORMATION ITEMS

6. **EI Toro Water District Capital Project Status Report**
(Reference Material Included)

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

7. **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 – Vice President Monin

CONSENT CALENDAR

(All matters under the Consent Calendar will be approved by one motion unless a Board member or a member of the public requests separate action or discussion on a specific item)

8. Consider approving the April 11, 2019 Board Budget Workshop meeting minutes

Consider approving the April 23, 2019 Finance Committee meeting minutes

APPROVAL OF ITEMS REMOVED FROM TODAY'S FINANCE COMMITTEE

CONSENT CALENDAR

The Board will discuss items removed from today's Finance Committee Consent Calendar requiring further discussion.

Recommended Action: The Board will be requested to approve the items removed from today's consent Calendar.

FINANCIAL ACTION ITEMS

9. **Financial Package - Authorization to Approve Bills for Consideration dated May 21, 2019 and Receive and File Financial Statements as of April 30, 2019** (Reference Material Included)

The Board will consider approving the Bills for Consideration dated May 21, 2019 and Receive and File Financial Statements as of April 30, 2019.

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 May 21, 2019, and 2) receive and file the Financial Statements for the period ending April 30, 2019.

FINANCIAL INFORMATION ITEMS

10. Internship Program (Oral Report)

Staff will review and comment on the District's practices with regards to periodic utilization of Interns to meet and/or assist in carrying out certain District projects and programs. Currently the District has no written Internship Policy. Discussion will include determining whether a written Policy memorializing current and future Internship practices should be developed for Board review/consideration and possibly added to the District's Employee Handbook.

11. 2019/20 Proposition 218 Notice Distribution/Qualified Protest Communications (Oral Report)

Staff will provide a status report on the 2019/20 Proposition 218 Notice distribution and any Qualified Protest Communications received.

12. 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

CLOSED SESSION

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

1. 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.
2. Pursuant to Government Code Section 54957 (b) (1), to discuss and/or consider the appointment/employment of an Acting General Manager effective following Mr. Hill's scheduled retirement.

REGULAR SESSION

REPORT ON CLOSED SESSION (Legal Counsel)

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

ADJOURNMENT TO 7:30 a.m., Tuesday, June 25, 2019.

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.

**El Toro Water District 401(k) Plan
First Quarter 2019**



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Economic and Market Perspectives
Q2 2019

Market Overview

A new year ushered in a new tone for U.S. monetary policy, translating to a much-needed pivot point for investor sentiment following the worst quarterly decline for the S&P 500 Index since the fourth quarter of 2011, during the height of the European Sovereign Debt Crisis. In the span of a few hours on January 4, the equity markets boogey man, a hawkish leaning Federal Reserve ("Fed"), seemingly vanished almost as quickly as it emerged as an underappreciated risk exactly three months earlier. Fed Chairman Jay Powell cast aside past comments indicating that monetary policy was on a predetermined tightening track, opting for more dovish terms that pleased equity market investors, like "patience" and "data dependence".

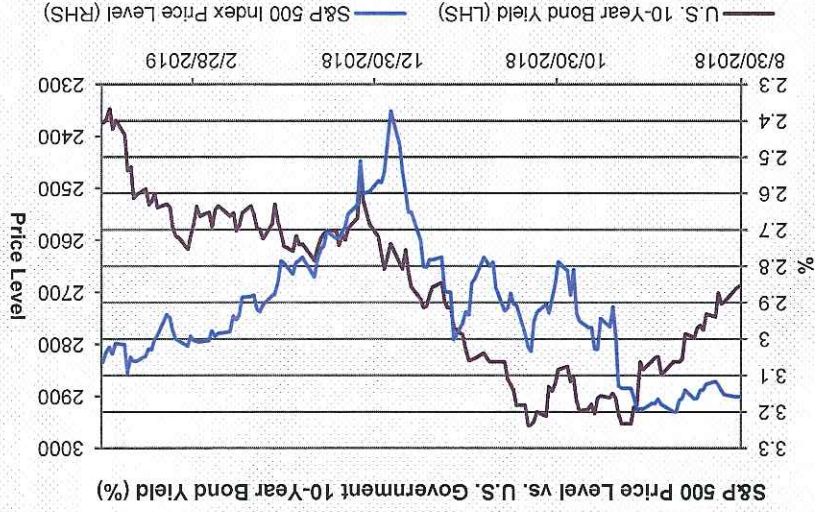
In the minds of many investors before Powell's about-face, the Fed was ignoring softening economic data not only at home but especially abroad. Perhaps the most concerning datapoint was a downshift in forward looking measures of economic activity in Europe and China. It seemed improbable that the U.S. could remain on an isolated economic island of prosperity as the rest of the world flirted with recession. Since then, the data has confirmed fears of a global economic deceleration with growth in the U.S. slowing in the fourth quarter of last year to 2.2% after having peaked in the second quarter at 4.2%.

Company fundamentals have not been immune to the economic malaise emanating from overseas. Adverse management guidance and analyst earnings estimate downgrades for 2019 have reflected the moderation of global growth. Yet investors piled back into global equities under the assumption that the Fed is on hold and may even retreat (i.e., cut rates).

Facing the threat of a global economic slowdown, the removal of a potential accelerant by way of tighter monetary policy substantially reduced investors' fear factor and resulted in a "V" shaped recovery for riskier assets across the board. At the

end of the first quarter, as shown in the chart below, the S&P 500 Index stood at just 3% below its all-time high set in late September 2018.

Stock/Bond Divergence



Source: Bloomberg

The renewed optimism coursing through global equity markets did not carry over into the bond market, however, where yields on longer-term issues continued to decline reflecting a lower growth and inflation outlook. Since peaking in early November 2018 at 3.22%, the yield on the bellwether 10-year Treasury Note fell 81 basis points (0.81%) to end the first quarter at 2.41% as shown in the chart above.

Reporting Period Ending: March 31, 2019

In a potentially prescient signal for the economy and equity market, longer-term yields fell so far that the Treasury yield curve inverted briefly at the end of the quarter for the first time since 2007. Sustained yield curve inversions have preceded each of the past six recessions.

Dismissing the bond market's skeptical outlook, the equity market's more sanguine view also implied that lingering and unresolved geopolitical issues are likely to see a positive outcome in the near future. Not surprisingly, escalation of U.S./China trade tensions was avoided and expectations of a forthcoming resolution have increased. Meanwhile, Brexit has seen little progress save for buying a little more time for the UK Parliament to agree on a deal to leave the European Union. Given the current status of the stalemate, a disorderly 'no deal' Brexit cannot be ruled out.

Event risk aside, there is no doubt that global growth is slowing. What is debatable is the effectiveness of the varying policy responses from both a fiscal and monetary perspective. The European Central Bank and Peoples Bank of China have joined the dovish central bank chorus. China has also deployed fiscal stimulus measures, including tax cuts, in an effort to reaccelerate growth. The early read from March data is showing signs of green shoots, but more time will be needed to determine if the current expansionary cycle will get a second wind. Until then, the divergent views between stock and bond investors are likely to go unreconciled.

2019 Year End Economic & Market Forecasts	
S&P 500 Year End Price Targets	
High	2800
Low	2725
S&P 500 Earnings (\$ per share)	
High	\$170
Low	\$164
US GDP Real (Y/Y Real) (%)	
High	2.50%
Low	2.00%
Core PCE Inflation (Y/Y) (%)	
High	2.20%
Low	1.90%
Unemployment Rate (%)	
	3.70%
Fed Funds Target (%)	
High	2.75%
Low	2.25%
10-Year Treasury Yield (%)	
High	3.25%
Low	2.75%

Source: HighMark Asset Allocation Committee, Bloomberg

Market Returns as of March 31, 2019

As of 3/31/2019	% Total Return					
	Q1 2019	YTD 2019	1-Year	3-Year	5-Year	10-Year
S&P 500	13.7	13.7	9.5	13.5	10.9	15.9
MSCI EAFE	10.0	10.0	-3.7	7.3	2.3	9.0
MSCI Emerging Markets	9.9	9.9	-7.4	10.7	3.7	8.9
Bloomberg Barclays US Aggregate Bond	2.9	2.9	4.5	2.0	2.7	3.8
ICE BofA ML US Treasury Bills	0.6	0.6	2.2	1.2	0.8	0.5
Bloomberg Commodity	6.3	6.3	-5.3	2.2	-8.9	-2.6

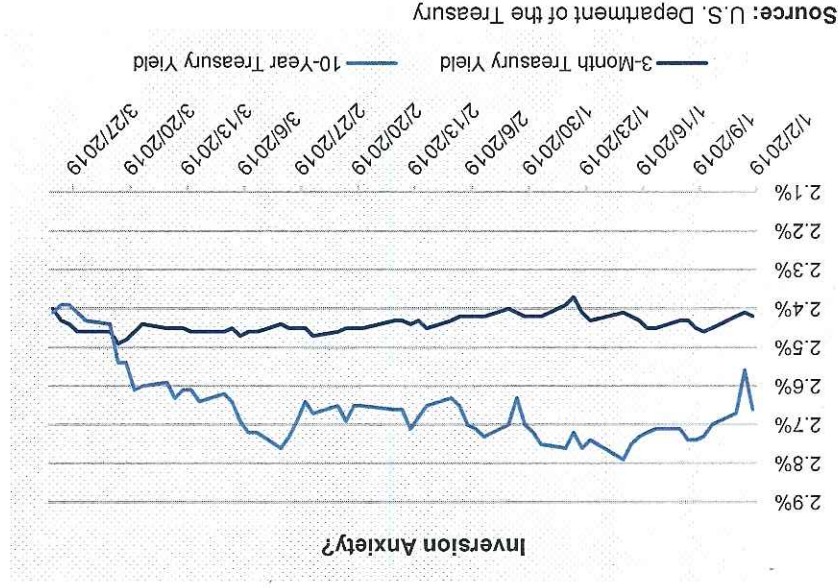
Source: Morningstar Direct
 Periods greater than one year are annualized.

Bond Market Review

Bond markets were unusually volatile towards the end of the first quarter as the Fed signaled a dovish pause in both tightening and balance sheet tapering. It also suggested that it might even return to cutting rates for the first time since the depths of the great recession if first quarter economic growth repeats the lackluster results of fourth quarter 2018.

Meanwhile, investors digested the news that the U.S. Treasury yield curve had inverted for the first time in a decade with reactions ranging from a shrug to a shudder depending on their view as to whether or not inversion invariably leads to recession. While inversion is a strong signal that has often, but not always, led to recession, the key question is when: on average, inversion is followed by recession around 14 months later.

This does not imply that the U.S. will enter recession around a year from now—just as the 2020 presidential election heats up—and few pundits have been bold enough to read yield curve inversion as a date-certain for economic recession.



Source: U.S. Department of the Treasury

Our Canadian neighbors also witnessed a yield curve inversion as concerns over global growth rates migrated from Europe to North America. Central Banks at home and abroad paused their cycle of rate hikes with several even hinting that rate cuts may be forthcoming.

Our view on yield curve inversion is similar to that of equity investors—more shrug than shudder—and we believe the Fed under Chairman Powell differs from prior FOMCs in its proactive response to available data on employment, income and inflation. While a pause in rate hikes leaves less ammunition for the next economic rough patch, Powell and his colleagues will do everything they can to prevent a recession. Bond markets seem to agree, with a rate cut now expected within the next year to two years.

We do, however, see warning signals in both domestic and international bond markets that appear to forecast a hard economic landing; notably developments in German government bond markets.

Back to the Future?

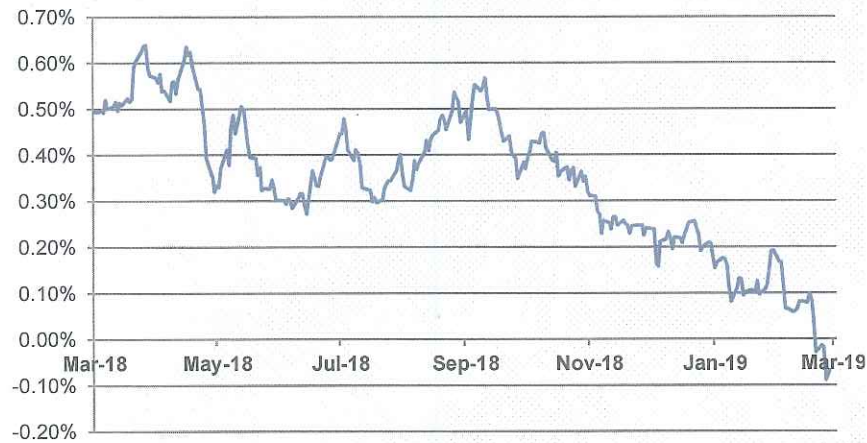
Today's global economic environment is, in many ways, similar to the 2015/2016 period and Germany's debt markets are a good example of the disconnect between a risk-on equity market supported by Fed actions and fixed income markets signaling a risk-off, cautious stance.

In the case of Germany, 10-year government bond ("bund") yields slipped back into negative territory for the first time since October 2016 following manufacturing data falling to a six-year low and export sales and orders slipping back to pre-financial crisis levels. Germany is often seen as a harbinger of global macroeconomic trends, and recent trade uncertainty and softening export demand may point to global manufacturing doldrums.

German 10-year bunds are often seen as safe-haven investments for investors across Europe, particularly those concerned that Brexit and slowing growth may push the region into recession. With German GDP growth flattened at 0.0% for the fourth quarter of 2018, and the European Central Bank cutting growth forecasts for 2019 to 1.1% from 1.7% in early March, the concerns are real. In conjunction, the bund's yield collapse has pushed the supply of global government debt with negative yields back above the \$10 trillion threshold for the first time since the summer of 2017.

Reporting Period Ending: March 31, 2019

German 10-Year Bund Yield (%)



Source: FactSet

Farther Out, Harder to See

With recessionary signals around the world turning yellow, or red in some cases, and the U.S. yield curve inverting, investors seeking macroeconomic clarity frequently turn to the domestic Treasury market. But the information content of the longer end of the curve, in particular, may be less than hoped for.

The Fed, as opposed to non-governmental entities, holds a significant portion of the yield curve, particularly in publicly-traded notes with longer maturities, as shown in the chart in the column to the right:

U.S. Treasuries Held by the Federal Reserve Maturing in Over 10 years



Source: Board of Governors of the Federal Reserve

While the Fed has begun to reduce its holdings in these longer-dated issues, at least until the recent taper-pause, it still retains roughly half of publicly-traded, longer-term debt. This makes changes in the longer end of the yield curve less likely to provide information that is useful in forecasting economic conditions, whether helpful or harmful to Treasury prices and yields. The situation is somewhat similar to trying to determine valuations of a publicly-traded company where most of the equity is closely held by the founders.

The Fed's decision to pause its planned tapering of the balance sheet through asset sales further complicates using market activity in longer maturity bonds as a source of information: the greater the concentration of debt held at the Fed, the higher the probability that the Treasury curve fails to accurately reflect a normal market view. While equity market participants welcomed the pause in tapering, bond managers rued the loss of a helpful metric.

The combination of warning signals from debt markets, and the muddled picture the Fed ownership presents, has led our bond strategy to avoid Treasuries with maturities

greater than two years. Caution in both equity issue selection and U.S. Treasury holdings is certainly warranted until market forces lead us to a soft or hard landing.¹

Equity Market Review

In the first quarter of 2019, U.S. stocks mostly recovered from 2018's end-of-year downturn despite meaningful downgrades to corporate earnings growth and a growing disconnect between equity market prices and fundamentals. The first quarter rally seems to indicate that market returns continue to be driven by sentiment and the Fed's intervention (in the form of monetary stimulus) rather than fundamentals. In the current environment, equity markets are seemingly anticipating an economic soft landing versus the hard landing anticipated by bond and currency markets.

Where Have All the Earnings Gone?

The S&P 500 Index delivered a total return of 13.7% in the first quarter, making it the best performing quarter since the third quarter of 2009². Despite this result, analysts dialed back corporate earnings during the quarter largely due to fears of a synchronized global economic slowdown and continued uncertainty regarding ongoing trade negotiations between the U.S. and China. Estimated earnings of S&P 500 companies fell by 7.2% for first quarter from year-end 2018, representing larger declines than averages from the prior 5-, 10-, and 15-year periods.³

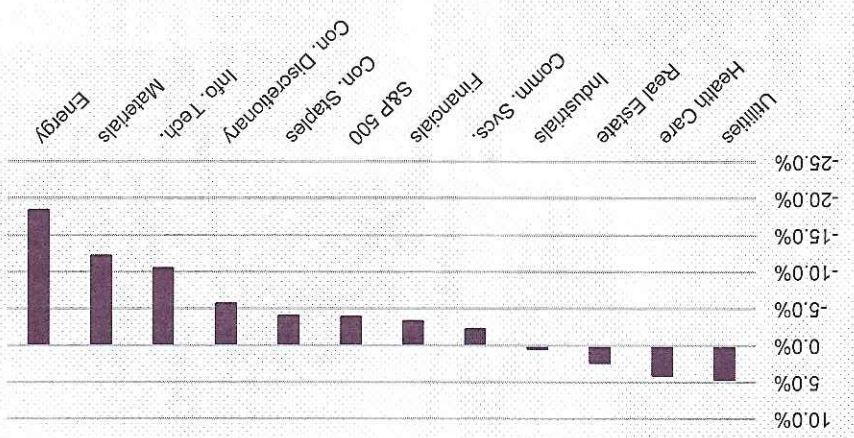
As shown in the chart in the column to the right, seven of the 11 S&P 500 sectors are forecast to report negative year-over-year earnings for the period ending the first quarter of 2019, with three sectors—energy, materials and information technology—declining at double-digit rates. The weakening in earnings growth has been rapid and pronounced. For the same time period, but ending at year-end 2018, 10 of the 11 S&P 500 sectors recorded positive earnings growth rates led by energy, health care and industrials.

¹ A soft landing occurs when an economy shifts from growth to slow-growth to potentially flat, approaching but avoiding a recession. A hard landing means a marked economic slowdown or downturn following a period of rapid growth.

² FactSet, Standard & Poor's

³ FactSet Earnings Insight, March 29, 2019

Estimated Earnings Growth by Sector
First Quarter 2019



Source: FactSet

Additionally, broader consensus estimates for calendar year 2019 earnings have also been reduced significantly—from 11% to 5%⁴, a decrease of over 50%. What does this mean for investors? Strong corporate earnings form the backbone of durable, healthy market advances. Without the support of earnings, stock market rallies can fade over time. As such, weakening corporate earnings could be a harbinger of future trouble for equity markets.

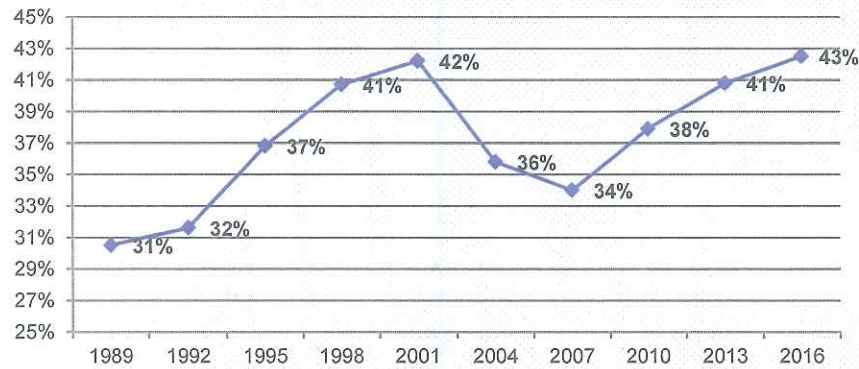
Deteriorating corporate earnings and their potential negative impact on financial markets become particularly important given that financial assets⁵ now represent a much larger share of American household net worth than they have historically. As shown in the chart on the next page, between 2007 and 2016, financial assets as a percentage of total household assets grew from 34% to 43%, an increase of over 25%. If market returns begin to track declining earnings reports, the decline would have a magnified impact on household net worth, which has become increasingly tied to gains in the stock market over the most recent bull market run.

⁴ Bloomberg, Bianco Research, L.L.C.

⁵ Includes transaction accounts, certificates of deposit, savings bonds, stocks, pooled investment funds (excluding money market funds), retirement accounts, cash value life insurance, and other managed assets.

Reporting Period Ending: March 31, 2019

Financial Assets as a Percentage of Household Net Worth



Source: Federal Reserve Survey of Consumer Finances, 1989-2016

Although earnings estimates for the first quarter were dismal, equity markets rallied nonetheless due to valuation expansion and lower market volatility. The Price to Earnings (P/E) ratio for the S&P 500 Index grew from 13.5 in late December 2018 to over 16.5 by the end of the first quarter. While this most recent P/E level is not necessarily high by historical measures, the increase of three points is notable in that this type of rise is typically reserved for markets that are recovering from recessions, not from a growth scare in an overvalued market.

We believe that equity markets were due for a bounce-back after the tumultuous end of 2018 market selloff. While this recent market rally has largely pushed aside fears of an impending recession, the market backdrop remains complex and fraught with risks. In the near term, our focus will be on the outlook for corporate earnings, particularly given the numerous headwinds pressuring growth and margins.

Conclusion

Our view is that mean reversion is a potent force and that we are likely transitioning to a slower corporate growth environment. Divergent signals from stock and bond

markets are continuing into the second quarter this year, providing little resolution to the question of whether we are headed for a hard or soft economic landing.

Going forward, we believe that the market landscape will look markedly different from the outsized returns that characterized the last cycle. As the first quarter of 2019 marks the 10th anniversary of the U.S equity bull market, investors should recalibrate their expectations to include more moderate stock prices and lower (but not necessarily negative) returns. Caution with regard to embracing risk in an environment of slowing global growth is warranted going forward, we believe, and investors may benefit in the long run from a combination of judicious asset allocation and actively managed stock and bond portfolios.

Economic and Market Perspectives
Q2 2019

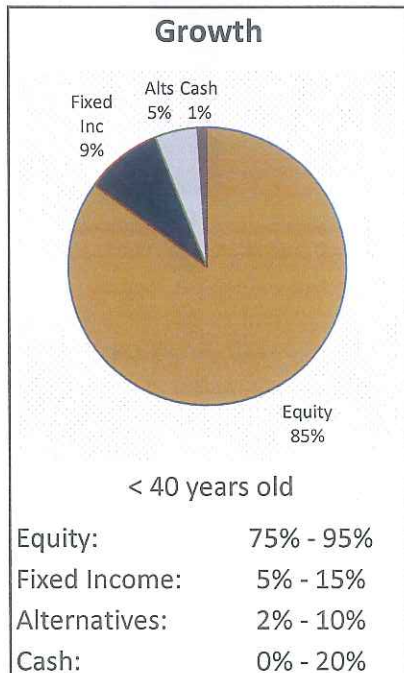
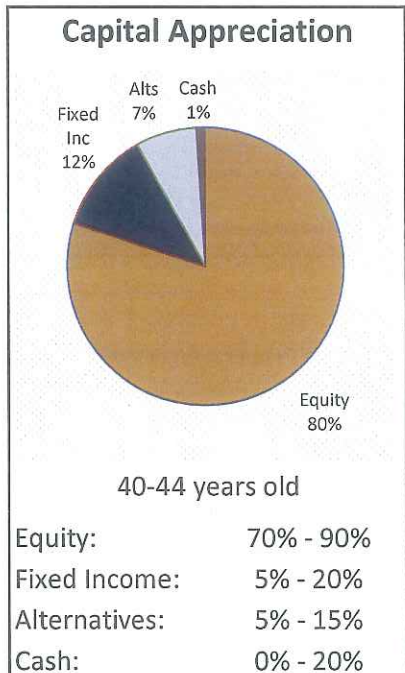
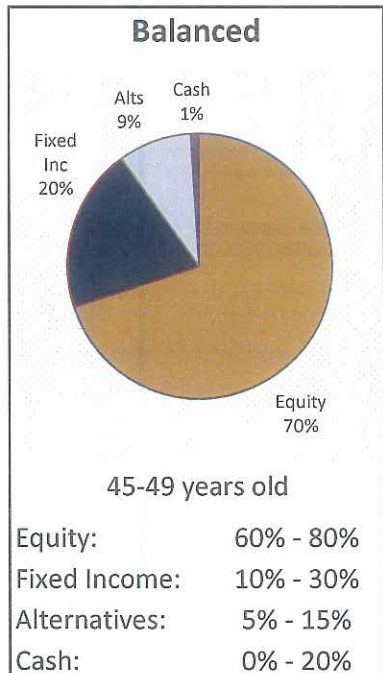
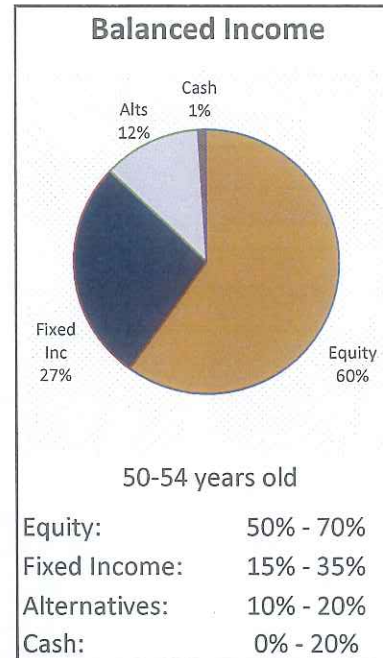
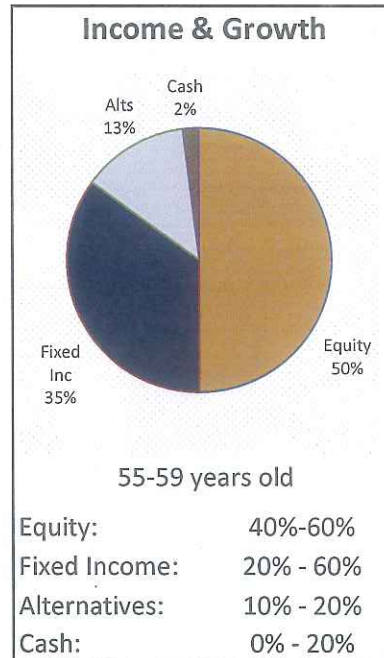
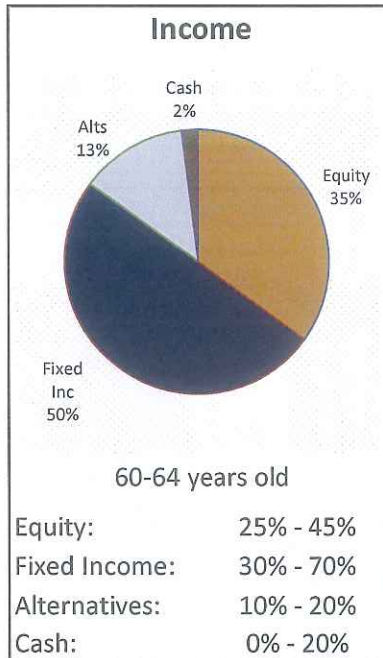
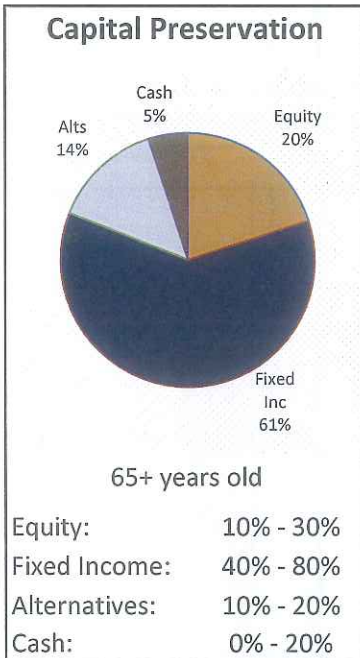
David Wines, President and Chief Executive Officer
James St. Aubin, Managing Director and Head of Investment Strategy
Todd Lowenstein, Managing Director and Chief Equity Strategist

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INVESTMENT POOLS - ASSET ALLOCATION

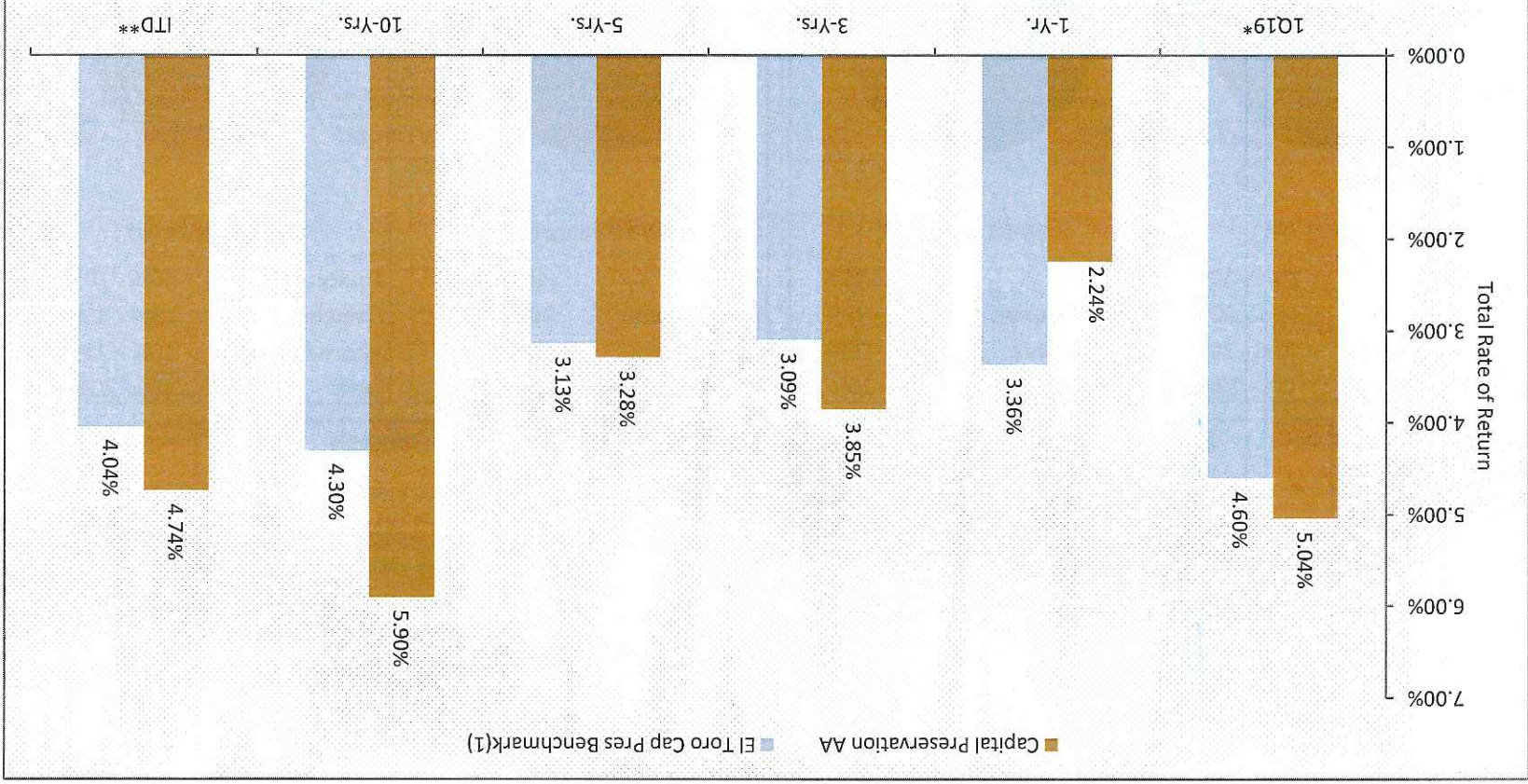
El Toro Water District - 401(k) Plan



INVESTMENT RETURNS - CAPITAL PRESERVATION PORTFOLIO

El Toro Water District - 401(k) Plan

Annualized Total Rate of Return
as of March 31, 2019



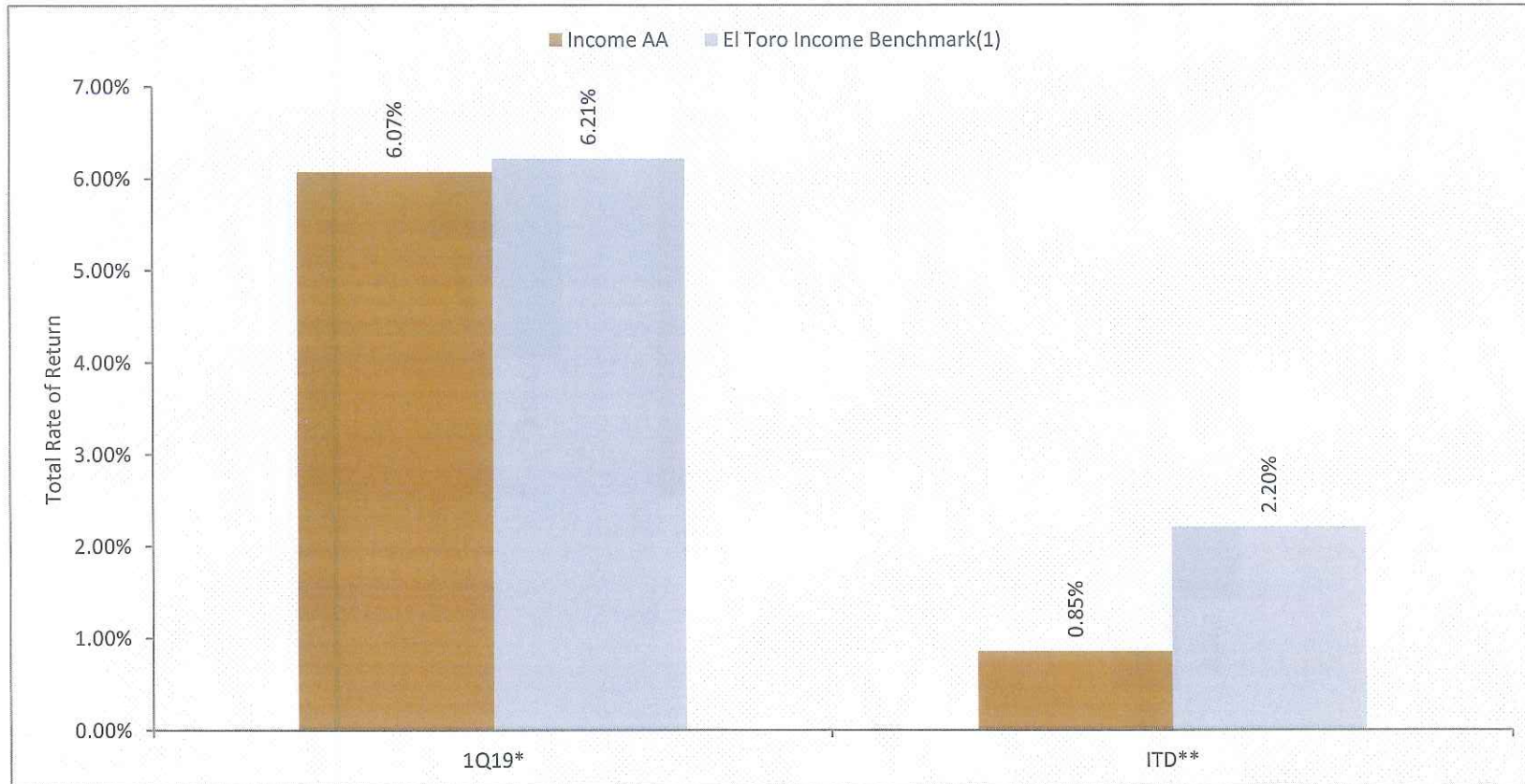
*Returns for periods under one year are not annualized
**Inception date: January 2006

(1) El Toro Cap Pres Benchmark: 12% S&P 500, 2% Russell MidCap, 2% Russell 2000, 3% MSCI EAFE, 1% MSCI Emerging Markets, 44% Barclays US Aggregate Bond, 17% Barclays 1-3 Year Government/Credit Bond, 14% Wilshire Liquid Alternatives, 5% ICE BofAML 3 Mo US T-Bill
Note: Alternatives benchmark was changed from HFRI FOF Index to Wilshire Liquid Alternatives Index as of 5/31/18

INVESTMENT RETURNS - INCOME PORTFOLIO

El Toro Water District - 401(k) Plan

Annualized Total Rate of Return
as of March 31, 2019



*Returns for periods under one year are not annualized

**Inception date: August 2018

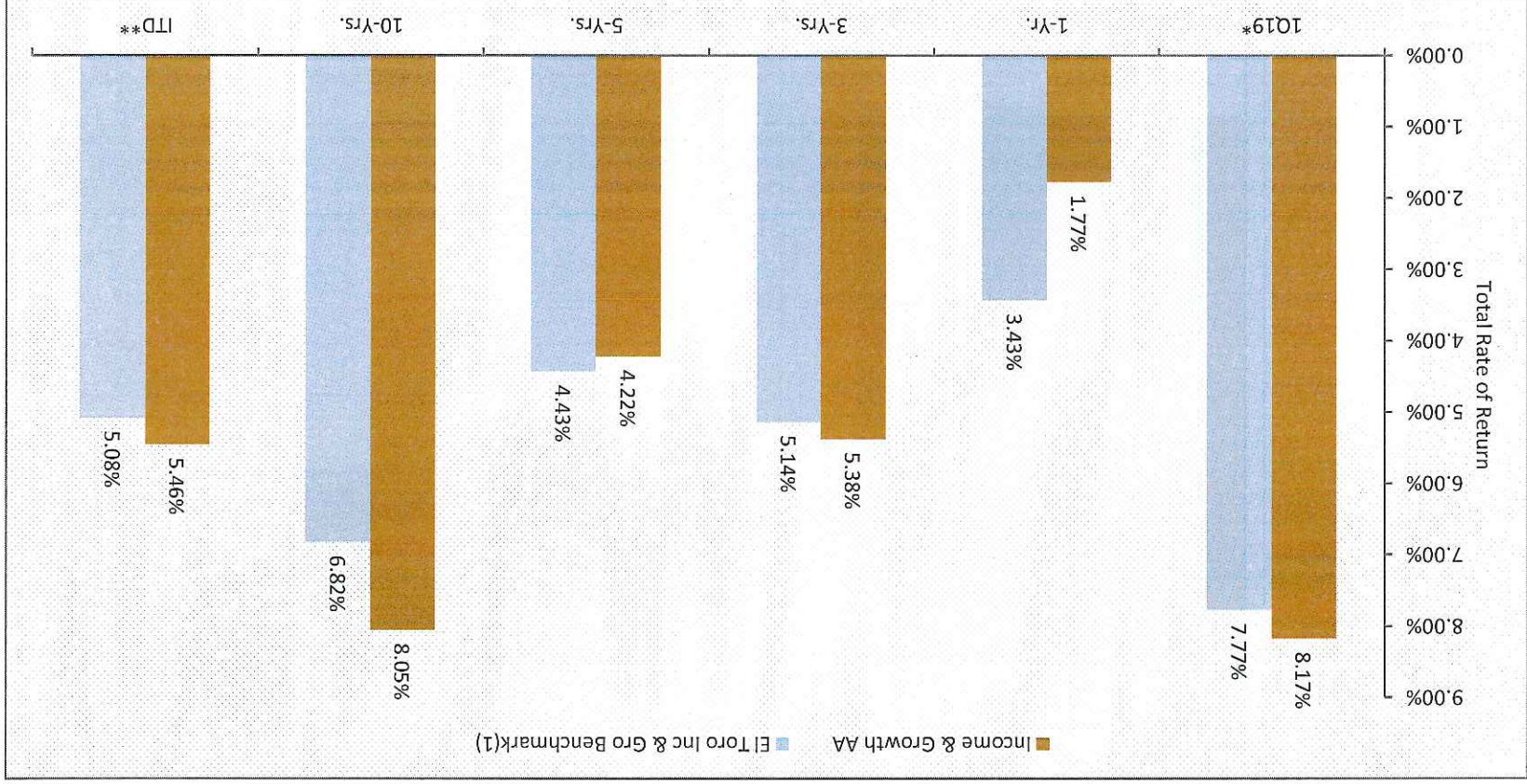
(1) El Toro Income Benchmark: 21% S&P 500, 3% Russell MidCap, 3% Russell 2000, 6% MSCI EAFE, 2% MSCI Emerging Market, 36% Barclays US Aggregate Bond, 14% Barclays 1-3 Year Government/Credit Bond, 13% Wilshire Liquid Alternatives, 2% ICE BofAML 3 Mo US T-Bill

Note: Alternatives benchmark was changed from HFRI FOF Index to Wilshire Liquid Alternatives Index as of 5/31/18

INVESTMENT RETURNS - INCOME & GROWTH PORTFOLIO

El Toro Water District - 401(k) Plan

Annualized Total Rate of Return
as of March 31, 2019



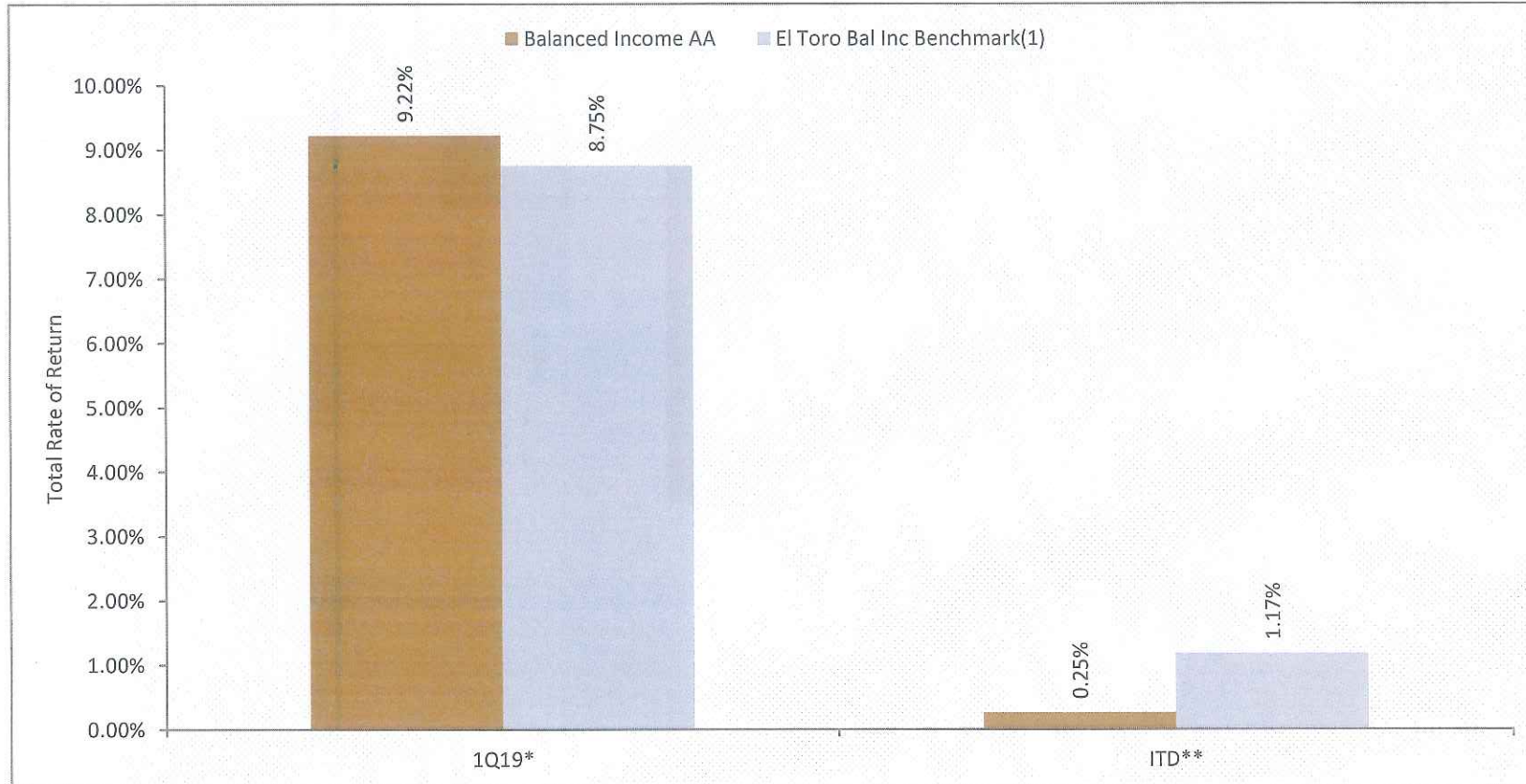
*Returns for periods under one year are not annualized
**Inception date: January 2006

(1) El Toro Inc & Gro Benchmark: 30% S&P 500, 4% Russell MidCap, 4% Russell 2000, 9% MSCI EAFE, 3% MSCI Emerging Market, 25% Barclays US Aggregate Bond, 10% Barclays 1-3 Year Government/Credit Bond, 13% Wilshire Liquid Alternatives, 2% ICE BofAML 3 Mo US T-Bill
Note: Alternatives benchmark was changed from HFRI FOF Index to Wilshire Liquid Alternatives Index as of 5/31/18

INVESTMENT RETURNS - BALANCED INCOME PORTFOLIO

El Toro Water District - 401(k) Plan

Annualized Total Rate of Return
as of March 31, 2019



*Returns for periods under one year are not annualized

**Inception date: August 2018

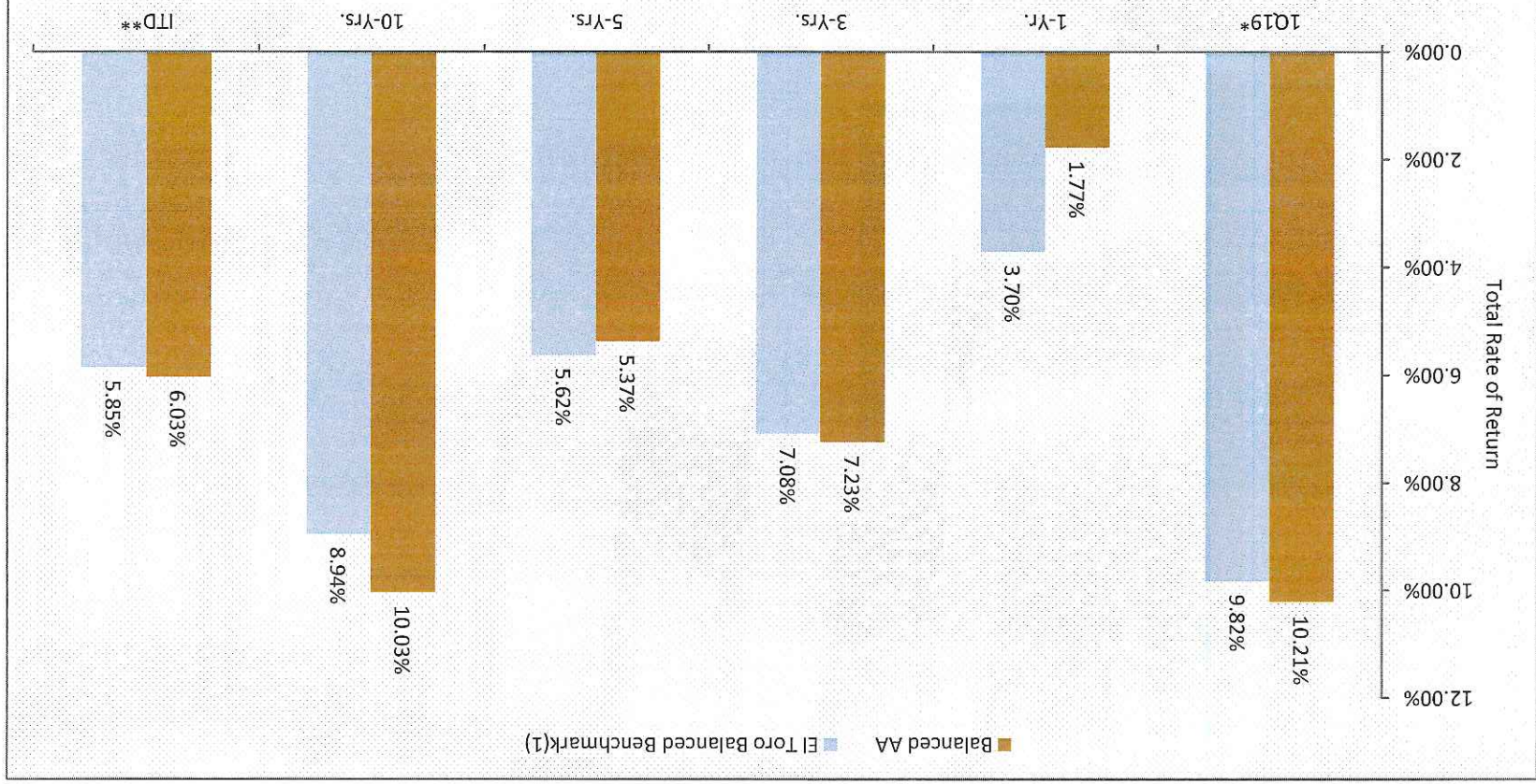
(1) El Toro Bal Inc Benchmark: 36% S&P 500, 4% Russell MidCap, 4% Russell 2000, 12% MSCI EAFE, 4% MSCI Emerging Market, 19% Barclays US Aggregate Bond, 8% Barclays 1-3 Year Government/Credit Bond, 12% Wilshire Liquid Alternatives, 1% ICE BofAML 3 Mo US T-Bill

Note: Alternatives benchmark was changed from HFRI FOF Index to Wilshire Liquid Alternatives Index as of 5/31/18

INVESTMENT RETURNS - BALANCED PORTFOLIO

El Toro Water District - 401(k) Plan

Annualized Total Rate of Return
as of March 31, 2019



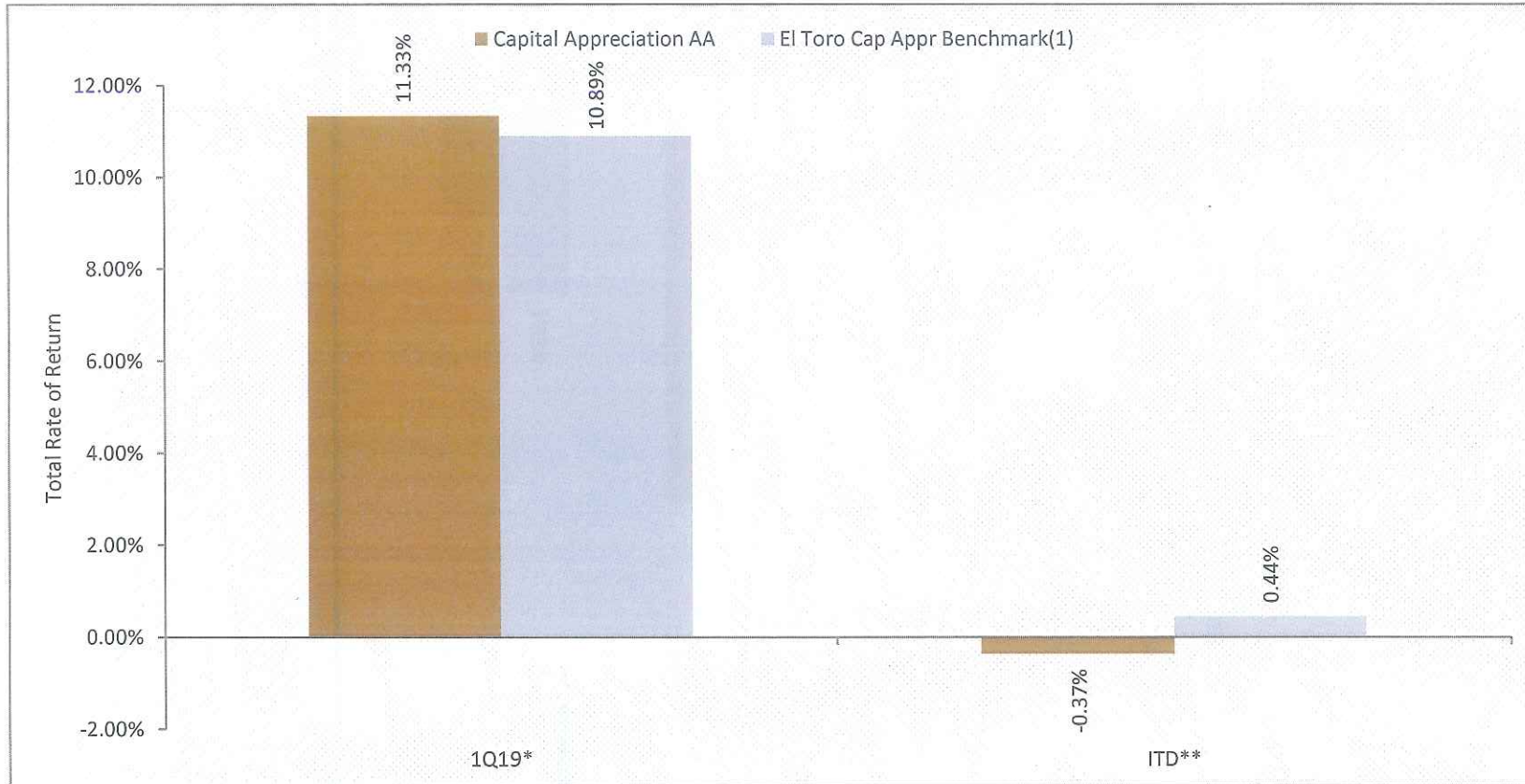
*Returns for periods under one year are not annualized
**Inception date: January 2006

(1) El Toro Balanced Benchmark: 42% S&P 500, 5% Russell MidCap, 5% Russell 2000, 14% MSCI EAFE, 4% MSCI Emerging Market, 14% Barclays US Aggregate Bond, 6% Barclays 1-3 Year Government/Credit Bond, 9% Wilshire Liquid Alternatives, 1% ICE BofAML 3 Mo US T-Bill
Note: Alternatives benchmark was changed from HFRI FOF Index to Wilshire Liquid Alternatives Index as of 5/31/18

INVESTMENT RETURNS - CAPITAL APPRECIATION PORTFOLIO

El Toro Water District - 401(k) Plan

Annualized Total Rate of Return
as of March 31, 2019



*Returns for periods under one year are not annualized

**Inception date: August 2018

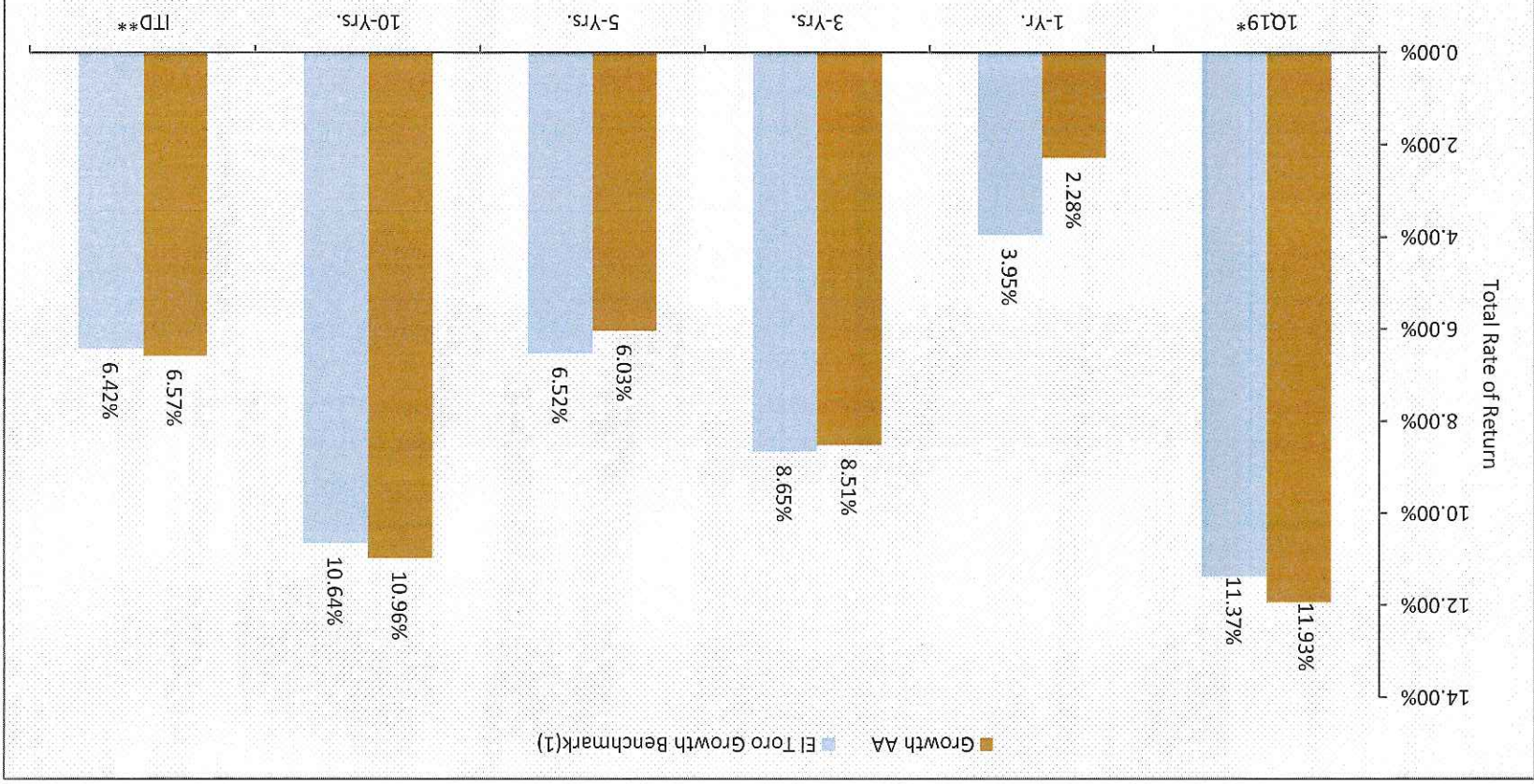
(1) El Toro Cap Appr Benchmark: 48% S&P 500, 6% Russell MidCap, 6% Russell 2000, 16% MSCI EAFE, 4% MSCI Emerging Market, 8% Barclays US Aggregate Bond, 4% Barclays 1-3 year Government/Credit, 7% Wilshire Liquid Alternatives, 1% ICE BofAML 3 Mo US T-Bill

Note: Alternatives benchmark was changed from HFRI FOF Index to Wilshire Liquid Alternatives Index as of 5/31/18

INVESTMENT RETURNS - GROWTH PORTFOLIO

El Toro Water District - 401(k) Plan

Annualized Total Rate of Return
as of March 31, 2019



*Returns for periods under one year are not annualized
**Inception date: January 2006

(1) El Toro Growth Benchmark: 51% S&P 500, 6% Russell MidCap, 6% Russell 2000, 17% MSCI EAFE, 5% MSCI Emerging Market, 6% Barclays US Aggregate Bond, 3% Barclays 1-3 year Government/Credit, 5% Wilshire Liquid Alternatives, 1% ICE BofAML 3 Mo US T-Bill
Note: Alternatives benchmark was changed from HFRI FOF Index to Wilshire Liquid Alternatives Index as of 5/31/18

INVESTMENT RETURNS - FIXED INCOME FUNDS

El Toro Water District - 401(k) Plan

Annualized Total Rate of Return (%) as of 03/31/2019

Ticker	Name	MStar Rating*	3-Mos.**	YTD**	1-Yr.	3-Yrs.	5-Yrs.	10-Yrs.
Short-Term Bond								
PYSBX	Payden Low Duration Fund	3	1.45	1.45	2.67	1.66	1.31	2.17
VFSUX	Vanguard Short-Term Investment-Grade Adm	4	2.18	2.18	3.70	2.11	2.05	3.56
Intermediate-Term Bond								
DODIX	Dodge & Cox Income	4	3.70	3.70	4.31	3.64	3.15	5.37
DBLFX	DoubleLine Core Fixed Income I	5	2.96	2.96	3.71	3.00	3.27	-
PTTRX	PIMCO Total Return Instl	4	2.78	2.78	3.83	2.80	2.85	4.84
PTRQX	PGIM Total Return Bond R6	5	4.02	4.02	4.78	3.85	3.92	6.62

*Morningstar overall rating

**Returns for periods under one year are not annualized

Returns are shown net of embedded expense ratios

Source: Morningstar Direct

INVESTMENT RETURNS - EQUITY FUNDS

El Toro Water District - 401(k) Plan

Annualized Total Rate of Return (%) as of 03/31/2019

Ticker	Name	Mstar Rating*	3-Mos.**	YTD**	1-Yr.	3-Yrs.	5-Yrs.	10-Yrs.
Large Blend								
COPYX	Columbia Contrarian Core Inst3	3	14.22	14.22	6.76	11.13	9.81	16.03
VGAX	Vanguard Growth & Income Adm	4	13.32	13.32	8.84	13.03	10.88	15.82
Large Value								
DODGX	Dodge & Cox Stock	4	10.29	10.29	4.31	14.10	8.65	16.14
PKAIX	PIMCO RAE US Instl	3	11.40	11.40	5.19	10.47	-	-
Large Growth								
HNACX	Harbor Capital Appreciation Retirement	4	17.59	17.59	11.60	18.57	13.99	17.23
LSITX	ClearBridge Large Cap Growth IS	5	15.77	15.77	13.85	16.39	13.98	16.90
Mid Blend								
VO	Vanguard Mid-Cap ETF	5	16.77	16.77	5.99	11.60	8.85	16.67
Small Blend								
DCRX	Delaware Small Cap Core R6	4	14.70	14.70	2.56	12.61	7.92	16.53
VB	Vanguard Small-Cap ETF	5	16.19	16.19	5.59	12.79	7.91	16.98

*Morningstar overall rating

**Returns for periods under one year are not annualized

Returns are shown net of embedded expense ratios

Source: Morningstar Direct

INVESTMENT RETURNS - EQUITY FUNDS

El Toro Water District - 401(k) Plan

		Annualized Total Rate of Return (%) as of 03/31/2019						
Ticker	Name	MStar Rating*	3-Mos.**	YTD**	1-Yr.	3-Yrs.	5-Yrs.	10-Yrs.
Small Growth								
PRJIX	T. Rowe Price New Horizons I	5	20.78	20.78	18.40	23.06	14.29	22.14
Small Cap Value								
UBVFX	Undiscovered Managers Behavioral Val R6	4	13.99	13.99	-0.18	8.35	7.29	18.32
Foreign Large Value								
DODFX	Dodge & Cox International Stock	4	9.78	9.78	-8.00	7.87	0.85	10.25
Foreign Large Blend								
DFALX	DFA Large Cap International I	3	10.49	10.49	-4.19	7.69	2.28	8.86
HEFA	iShares Currency Hedged MSCI EAFE ETF	5	11.85	11.85	4.95	10.27	6.71	-
Foreign Large Growth								
MGRDX	MFS International Growth R6	5	12.61	12.61	3.94	11.28	6.15	11.18
Diversified Emerging Markets								
HHHYX	Hartford Schroders Emerging Mkts Eq Y	4	10.51	10.51	-8.83	12.27	4.51	9.17

*Morningstar overall rating

**Returns for periods under one year are not annualized

Returns are shown net of embedded expense ratios

Source: Morningstar Direct

INVESTMENT RETURNS - ALTERNATIVE FUNDS

El Toro Water District - 401(k) Plan

Annualized Total Rate of Return (%) as of 03/31/2019

Ticker	Name	Mstar Rating*	3-Mos.**	YTD**	1-Yr.	3-Yrs.	5-Yrs.	10-Yrs.
QMNIX	AQR Equity Market Neutral I	2	-2.14	-2.14	-13.55	-1.74	-	-
BSIKX	BlackRock Strategic Income Opps k	3	2.49	2.49	1.67	3.73	2.49	6.01
Managed Futures								
AQMIX	AQR Managed Futures Strategy I	2	0.71	0.71	-5.26	-6.06	-0.18	-
AMFNX	Natixis ASG Managed Futures Strategy N	3	1.98	1.98	-6.40	-5.37	2.16	-
Merger Arbitrage								
ARBNX	Arbitrage I	4	0.91	0.91	3.26	2.69	2.56	2.77
Global Macro								
EGRSX	Eaton Vance Gbl Macro Abs Ret Advtg R6	3	2.42	2.42	-6.55	1.73	3.12	-
LAOSX	Western Asset Macro Opportunities IS	5	4.73	4.73	-0.34	6.11	4.82	-
Fund of Hedge Funds								
BXMIX	Blackstone Alternative Multi-Strategy I	4	3.76	3.76	2.85	4.59	-	-
QSPIX	AQR Style Premia Alternative I	3	-0.22	-0.22	-13.13	-0.70	3.25	-
REITs								
ICF	iShares Cohen & Steers REIT ETF	4	16.97	16.97	22.78	6.01	9.90	18.77

*Morningstar overall rating

**Returns for periods under one year are not annualized

Returns are shown net of embedded expense ratios

Source: Morningstar Direct

INVESTMENT RETURNS & RANKINGS - FIXED INCOME FUNDS

El Toro Water District - 401(k) Plan

Ticker	Name	Exp Ratio	MStar Rtg*	Annualized Total Rate of Return (%) as of 03/31/2019																				Lipper Category
				3-Mos**			YTD**			1-Year			3-Years			5-Years			10-Years			3 Yr Shrp%	3 Yr SD	
				Tot ROR	Mstar Rnkg	Lipper Rnkg	Tot ROR	Mstar Rnkg	Lipper Rnkg	Tot ROR	Mstar Rnkg	Lipper Rnkg	Tot ROR	Mstar Rnkg	Lipper Rnkg	Tot ROR	Mstar Rnkg	Lipper Rnkg	Tot ROR	Mstar Rnkg	Lipper Rnkg			
Short-Term Bond																								
PYSBX	Payden Low Duration Fund	0.43	3	1.45	66	67	1.45	66	74	2.67	76	74	1.66	61	61	1.31	62	58	2.17	68	69	0.55	0.67	Lipper Sht Inv Grade Debt Funds
VFSUX	Vanguard Short-Term Investment-Grade Adm	0.10	4	2.18	22	15	2.18	22	7	3.70	15	7	2.11	29	33	2.05	16	13	3.56	18	16	0.65	1.26	Lipper Sht Inv Grade Debt Funds
Peer Group	US Fund Short-Term Bond			1.71			1.71			2.97			1.87			1.45			2.70			0.49	1.08	
Index	BBgBarc US Govt/Credit 1-3 Yr TR USD			1.21			1.21			3.03			1.32			1.22			1.59			0.04	0.86	
Intermediate-Term Bond																								
DBLFX	DoubleLine Core Fixed Income I	0.42	5	2.96	62	80	2.96	62	66	3.71	70	66	3.00	20	42	3.27	10	20	-	-	n.a.	0.69	2.48	Lipper Core Plus Bond Funds
DODIX	Dodge & Cox Income	0.42	4	3.70	21	15	3.70	21	34	4.31	36	34	3.64	8	3	3.15	13	8	5.37	23	17	0.98	2.37	Lipper Core Bond Funds
PTTRX	PIMCO Total Return Instl	0.46	4	2.78	74	88	2.78	74	58	3.83	62	58	2.80	27	54	2.85	29	45	4.84	40	68	0.55	2.76	Lipper Core Plus Bond Funds
PTRQX	PGIM Total Return Bond R6	0.41	5	4.02	10	28	4.02	10	14	4.78	12	14	3.85	6	14	3.92	3	6	6.62	7	n.a.	0.74	3.45	Lipper Core Plus Bond Funds
Peer Group	US Fund Intermediate-Term Bond			3.13			3.13			3.98			2.37			2.51			4.56			0.40	2.76	
Index	BBgBarc US Agg Bond TR USD			2.94			2.94			4.48			2.03			2.74			3.77			0.26	2.97	

*Morningstar overall rating

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Returns are shown net of embedded expense ratios. Mstar Rnkg - Fund's ranking within Morningstar's category ("Peer Group"). Funds are ranked in descending order by return. For example, a Fund with a 20 ranking indicates that it is ranked in the top 20th percentile.

Source: Morningstar Direct; Wilshire Compass (Lipper Rankings)

INVESTMENT RETURNS & RANKINGS - EQUITY FUNDS

El Toro Water District - 401(k) Plan

Annualized Total Rate of Return (%) as of 03/31/2019

Ticker	Name	Exp Ratio	Mstar Rng*	3-Mos**	YTD**	1-Year			3-Years			5-Years			10-Years			Lipper Category
						Tot Rng	Mstar Rng	Lipper Rng	Tot Rng	Mstar Rng	Lipper Rng	Tot Rng	Mstar Rng	Lipper Rng	Tot Rng	Mstar Rng	Lipper Rng	

COPYX	Columbia Contrarian Core Inst3	0.63	3	14.22	17	20	14.22	17	61	6.76	60	61	11.13	71	73	9.81	39	40	16.03	11	n.a.	0.88	11.23	Lipper Large-Cap Core Funds
VGIAX	Vanguard Growth & Income Adm	0.23	4	13.32	49	44	13.32	49	34	8.84	36	34	13.03	34	35	10.88	10	13	15.82	17	16	1.07	10.87	Lipper Large-Cap Core Funds
Peer Group	US Fund Large Blend			12.94			12.94			6.90			11.84			8.91			14.54			0.95	11.13	
Index	Russell 1000 TR USD			14.00			14.00			9.30			13.52			10.63			16.05			1.11	10.87	
Index	S&P 500 TR USD			13.65			13.65			9.50			13.51			10.91			15.92			1.12	10.73	

Large Value																								
DODGX	Dodge & Cox Stock	0.52	4	10.29	79	79	10.29	79	50	4.31	52	50	14.10	4	4	8.65	21	11	16.14	8	7	1.01	12.60	Lipper Large-Cap Value Funds
Peer Group	US Fund Large Value			11.29			11.29			4.48			10.01			7.20			13.68			0.81	11.14	
Index	Russell 1000 Value TR USD			11.93			11.93			5.67			10.45			7.72			14.52			0.87	10.63	

Large Growth																								
HNAICX	Harbor Capital Appreciation Retirement	0.57	4	17.59	18	16	17.59	18	57	11.60	43	57	18.57	16	17	13.99	14	n.a.	17.23	24	n.a.	1.22	13.74	Lipper Large-Cap Growth Funds
Peer Group	ClearBridge Large Cap Growth IS			15.77			15.77			13.85			16.39			13.98			16.90			n.a.	11.55	
Index	Russell 1000 Growth TR USD			16.10			16.10			12.75			16.53			13.50			17.52			1.22	12.19	

Mid Core																								
VO	Vanguard Mid-Cap ETF	0.04	5	16.77	7	7	16.77	7	14	5.99	20	14	11.60	28	20	8.85	11	12	16.67	10	6	0.87	11.96	Lipper Mid-Cap Core Funds
Peer Group	US Fund Mid-Cap Blend			13.94			13.94			2.33			9.67			6.34			14.51			0.69	12.91	
Index	Russell Mid-Cap TR USD			16.54			16.54			6.47			11.82			8.81			16.88			0.87	12.19	

*Morningstar overall rating
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 Source: Morningstar Direct, Wisshive Compass (Lipper Rankings)

INVESTMENT RETURNS & RANKINGS - EQUITY FUNDS

El Toro Water District - 401(k) Plan

Ticker	Name	Exp Ratio	MStar Rtg*	Annualized Total Rate of Return (%) as of 03/31/2019																			Lipper Category	
				3-Mos**			YTD**			1-Year			3-Years			5-Years			10-Years			3 Yr Shrp%		3 Yr SD
				Tot ROR	Mstar Rnkg	Lipper Rnkg	Tot ROR	Mstar Rnkg	Lipper Rnkg	Tot ROR	Mstar Rnkg	Lipper Rnkg	Tot ROR	Mstar Rnkg	Lipper Rnkg	Tot ROR	Mstar Rnkg	Lipper Rnkg	Tot ROR	Mstar Rnkg	Lipper Rnkg			
Small Value																								
UBVFX	Undiscovered Managers Behavioral Val R6	0.8	4	13.99	16	44	13.99	16	53	-0.18	23	53	8.35	48	72	7.29	4	25	18.32	2	n.a.	0.50	16.05	Lipper Small-Cap Value Funds
Peer Group	US Fund Small Value			12.13			12.13			-2.55			8.30			3.94			14.12			0.49	16.30	
Index	Russell 2000 Value TR USD			11.93			11.93			0.17			10.86			5.59			14.12			0.64	16.12	
Small Blend																								
DCZRFX	Delaware Small Cap Core R6	0.74	4	14.70	27	30	14.70	27	24	2.56	24	24	12.61	17	n.a.	7.92	10	n.a.	16.53	12	n.a.	0.74	16.18	Lipper Small-Cap Core Funds
VB	Vanguard Small-Cap ETF	0.05	5	16.19	11	11	16.19	11	11	5.59	8	11	12.79	15	17	7.91	10	14	16.98	7	6	0.82	14.34	Lipper Small-Cap Core Funds
Peer Group	US Fund Small Blend			13.34			13.34			-0.03			10.17			5.62			14.67			0.62	15.52	
Index	Russell 2000 TR USD			14.58			14.58			2.05			12.92			7.05			15.36			0.76	15.90	
Small Growth																								
PRJIX	T. Rowe Price New Horizons I	0.65	5	20.78	18	23	20.78	18	23	18.40	5	5	23.06	3	2	14.29	1	n.a.	22.14	1	n.a.	1.49	13.81	Lipper Small-Cap Growth Funds
Peer Group	US Fund Small Growth			17.01			17.01			7.70			15.88			8.45			16.24			0.91	16.22	
Index	Russell 2000 Growth TR USD			17.14			17.14			3.85			14.87			8.41			16.52			0.86	16.27	

*Morningstar overall rating

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Source: Morningstar Direct; Wilshire Compass (Lipper Rankings)

INVESTMENT RETURNS & RANKINGS - EQUITY FUNDS

El Toro Water District - 401(k) Plan

Ticker	Name	Annualized Total Rate of Return (%) as of 03/31/2019													
		Exp Ratio	Mstar Rtg*	3-Mos**		YTD**		1-Year		3-Years		5-Years		10-Years	
				Mstar Rng	Tot Rng	Mstar Rng	Tot Rng	Mstar Rng	Tot Rng	Mstar Rng	Tot Rng	Mstar Rng	Tot Rng	Mstar Rng	Tot Rng

DFLX	DFA Large Cap International	0.3		32	26	10.49	32	27	-4.19	36	27	7.69	21	19	2.28	43	45	8.86	35	32	0.64	10.45	Lipper International Large-Cap Core
HEFA	iShares Currency Hedged MSCI EAFE ETF	0.03		5	11	11.85	11	7	4.95	1	2	10.27	2	3	6.71	2	2	-	-	n.a.	0.97	9.16	Lipper International Multi-Cap Core
	Peer Group			10.24	10.24	10.24	10.24	10.24	-5.01	6.62	6.62	2.10	2.10	2.10	2.10	2.10	2.10	8.43	8.43		0.54	10.72	
	US Fund Foreign Large Blend			10.92	10.92	10.92	10.92	10.92	-4.34	6.01	6.01	1.22	1.22	1.22	1.22	1.22	1.22	9.26	9.26		0.44	12.22	
	Peer Group			9.98	9.98	9.98	9.98	9.98	-3.71	7.27	7.27	2.33	2.33	2.33	2.33	2.33	2.33	8.96	8.96		0.60	10.47	
	Index			MSCI EAFE NR USD														8.85	8.85		0.67	10.56	
	Index			MSCI ACWI Ex USA NR USD														8.85	8.85		0.67	10.56	

	Foreign Large Value			9.78	24	62	24	9.78	24	74	-8.00	64	74	7.87	20	16	0.85	45	75	10.25	9	1	0.56	12.55	Lipper International Large-Cap Growth
	Peer Group			8.71	8.71	8.71	8.71	8.71	8.71	8.71	-6.27	5.92	5.92	5.92	5.92	5.92	5.92	8.08	8.08		0.47	10.91			
	US Fund Foreign Large Value			7.92	7.92	7.92	7.92	7.92	7.92	7.92	-6.13	6.90	6.90	6.90	6.90	6.90	6.90	8.12	8.12		0.54	11.12			
	Index			MSCI EAFE Value NR USD														8.19	8.19		0.62	10.88			
	Index			MSCI ACWI Ex USA Value NR USD														8.19	8.19		0.62	10.88			

	Foreign Large Growth			12.61	53	45	12.61	53	5	3.94	5	11.28	9	2	6.15	11	8	11.18	19	6	0.95	10.48	Lipper International Multi-Cap Growth
	Peer Group			13.00	13.00	13.00	13.00	13.00	13.00	13.00	-3.20	8.05	8.05	8.05	8.05	8.05	8.05	9.97	9.97		0.56	11.61	
	US Fund Foreign Large Growth			12.04	12.04	12.04	12.04	12.04	12.04	12.04	-1.30	7.61	7.61	7.61	7.61	7.61	7.61	9.74	9.74		0.61	10.89	
	Index			MSCI EAFE Growth NR USD														9.47	9.47		0.67	11.08	
	Index			MSCI ACWI Ex USA Growth NR USD														9.47	9.47		0.67	11.08	

	Diversified Emerging Markets			10.51	44	48	10.51	44	46	-8.83	49	46	12.27	14	n.a.	4.51	15	n.a.	9.17	39	n.a.	0.84	13.31	Lipper Emerging Markets Funds
	Peer Group			10.27	10.27	10.27	10.27	10.27	10.27	10.27	-9.31	9.11	9.11	9.11	9.11	9.11	9.11	8.92	8.92		0.63	13.04		
	US Fund Diversified Emerging Mkts			9.91	9.91	9.91	9.91	9.91	9.91	9.91	-7.41	10.68	10.68	10.68	10.68	10.68	10.68	3.68	3.68		0.75	13.02		
	Index			MSCI EM NR USD														8.94	8.94		0.75	13.02		

*Morningstar overall rating
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 Source: Morningstar Direct, Wilshire Compass (Lipper Rankings)

INVESTMENT RETURNS & RANKINGS - ALTERNATIVE FUNDS

El Toro Water District - 401(k) Plan

Ticker	Name	Exp Ratio	MStar Rtg*	Annualized Total Rate of Return (%) as of 03/31/2019																				Lipper Category
				3-Mos**			YTD**			1-Year			3-Years			5-Years			10-Years			3 Yr Shrp%	3 Yr SD	
				Tot ROR	Mstar Rnkg	Lipper Rnkg	Tot ROR	Mstar Rnkg	Lipper Rnkg	Tot ROR	Mstar Rnkg	Lipper Rnkg	Tot ROR	Mstar Rnkg	Lipper Rnkg	Tot ROR	Mstar Rnkg	Lipper Rnkg	Tot ROR	Mstar Rnkg	Lipper Rnkg			
Market Neutral																								
QMNIX	AQR Equity Market Neutral I	1.99	2	-2.14	78	61	-2.14	78	95	-13.55	96	95	-1.74	75	70	-	-	n.a.	-	-	n.a.	-0.50	5.68	Lipper Alt Equity Mkt Neutral
BSIKX	BlackRock Strategic Income Opps K	1	3	2.49	55	62	2.49	55	54	1.67	57	54	3.73	48	51	2.49	38	n.a.	6.01	26	n.a.	1.43	1.60	Lipper Alt Credit Focus Funds
Managed Futures																								
AQMIX	AQR Managed Futures Strategy I	1.16	2	0.71	57	59	0.71	57	83	-5.26	75	83	-6.06	88	90	-0.18	73	82	-	-	n.a.	-0.84	8.53	Lipper Alt Managed Futures
AMFNX	Natixis ASG Managed Futures Strategy N	1.36	3	1.98	37	36	1.98	37	88	-6.40	84	88	-5.37	83	n.a.	2.16	33	n.a.	-	-	n.a.	-0.53	11.64	Lipper Alt Managed Futures
Merger Arbitrage																								
ARBNX	Arbitrage I	1.65	4	0.91	44	93	0.91	44	57	3.26	27	57	2.69	30	56	2.56	18	47	2.77	38	77	0.77	1.79	Lipper Alt Event Driven Funds
Global Macro																								
EGRSX	Eaton Vance Gbl Macro Abs Ret Advtg R6	1.1	3	2.42	58	81	2.42	58	97	-6.55	99	97	1.73	85	n.a.	3.12	20	n.a.	-	-	n.a.	0.13	3.73	Lipper Alt Global Macro Funds
LAOSX	Western Asset Macro Opportunities IS	1.21	5	4.73	13	11	4.73	13	78	-0.34	79	78	6.11	14	16	4.82	3	1	-	-	n.a.	0.77	6.32	Lipper Alt Credit Focus Funds
Fund of Hedge Funds																								
BXMIX	Blackstone Alternative Multi-Strategy I	2.2	4	3.76	57	56	3.76	57	17	2.85	26	17	4.59	25	18	-	-	n.a.	-	-	n.a.	0.97	3.32	Lipper Alt Multi-Strategy Funds
QSPIX	AQR Style Premia Alternative I	2.24	3	-0.22	97	95	-0.22	97	100	-13.13	99	100	-0.70	91	93	3.25	7	13	-	-	n.a.	-0.30	5.98	Lipper Absolute Return
REITs																								
ICF	iShares Cohen & Steers REIT ETF	0.34	4	16.97	33	31	16.97	33	4	22.78	4	4	6.01	44	38	9.90	11	11	18.77	15	10	0.41	13.30	Lipper Real Estate Funds

*Morningstar overall rating

**Returns for periods under one year are not annualized

Returns are shown net of embedded expense ratios. Mstar Rnkg - Fund's ranking within Morningstar's category ("Peer Group"). Funds are ranked in descending order by return. For example, a Fund with a 20 ranking indicates that it is ranked in the top 20th percentile. Source: Morningstar Direct; Wilshire Compass (Lipper Rankings)

TARGET FUND ALLOCATIONS

El Toro Water District - 401(k) Plan

	Equity	20%	Capital Preservation	30%	Income & Growth	49%	Balanced Income	59%	Balanced Capital	70%	Capital Appreciation	79%	Growth	83%
Large Cap Blend	3.16%	4.78%	4.79%	8.18%	9.11%	7.67%	9.11%	10.62%	10.56%	11.42%	11.74%	11.74%	11.74%	Columbia Contrarian Core Inst3
Large Cap Growth	1.23%	1.81%	1.62%	3.20%	3.88%	3.20%	3.45%	4.22%	4.08%	6.07%	5.85%	5.85%	5.85%	Harbor Capital Appreciation Retirement
Large Cap Value	1.09%	1.62%	1.86%	3.01%	3.99%	3.01%	3.99%	4.63%	4.63%	5.92%	5.97%	5.97%	5.97%	PIMCO RAE US Instl
Large Cap Blend	0.34%	0.57%	1.83%	2.96%	3.93%	2.96%	3.93%	4.58%	4.58%	5.92%	5.88%	5.88%	5.88%	Dodge & Cox Stock
Mid Cap Blend	0.34%	1.00%	1.64%	1.00%	1.64%	1.00%	1.64%	2.53%	2.53%	0.00%	0.00%	0.00%	0.00%	Vanguard Mid-Cap ETF
Small Cap Blend	0.65%	1.40%	1.84%	1.67%	1.84%	1.67%	1.84%	2.14%	2.14%	2.30%	2.37%	2.37%	2.37%	Delaware Small Cap Core R6
Small Cap Growth	1.15%	1.76%	2.74%	3.25%	3.93%	2.74%	3.25%	3.93%	3.29%	4.54%	5.03%	5.03%	5.03%	Vanguard Small-Cap ETF
Small Cap Value	1.22%	1.88%	3.04%	3.60%	4.20%	3.04%	3.60%	4.20%	4.20%	4.52%	4.74%	4.74%	4.74%	Undiscovered Managers Behavioral Val R6
Foreign Large Blend	1.04%	1.31%	1.49%	1.76%	1.78%	1.49%	1.76%	1.78%	2.21%	3.19%	3.19%	3.19%	3.19%	iShares Currency Hedged MSCI EAFE ETF
Foreign Large Growth	0.54%	0.91%	1.16%	1.78%	2.12%	1.16%	1.78%	2.12%	2.34%	2.57%	2.57%	2.57%	2.57%	MFS International Growth R6
Foreign Large Value	0.52%	0.88%	1.50%	1.73%	2.04%	1.50%	1.73%	2.04%	2.14%	2.34%	2.34%	2.34%	2.34%	Dodge & Cox International Stock
Emerging Markets	1.00%	1.53%	2.95%	3.03%	3.93%	2.95%	3.03%	3.93%	3.93%	4.45%	4.67%	4.67%	4.67%	Hartford Schroders Emerging Mkts Eq Y
Alternatives	1.3%	1.0%	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%	6%	4%	4%	4%	Fund Name
Global Macro	1.70%	1.28%	1.41%	1.35%	0.93%	1.41%	1.35%	0.93%	0.73%	0.73%	0.52%	0.52%	0.52%	Eaton Vance Gbl Macro Abs Ret Advtg R6
Managed Futures	1.30%	1.13%	1.30%	1.19%	0.79%	1.30%	1.19%	0.79%	0.66%	0.43%	0.43%	0.43%	0.43%	AQR Managed Futures Strategy I
Managed Futures	1.34%	1.11%	1.28%	1.19%	0.79%	1.28%	1.19%	0.79%	0.64%	0.44%	0.44%	0.44%	0.44%	Natixis ASG Managed Futures Strategy N
Merge/Arbitrage	1.46%	1.23%	1.39%	1.31%	0.88%	1.39%	1.31%	0.88%	0.69%	0.51%	0.51%	0.51%	0.51%	Arbitrage I
Market Neutral	0.67%	0.52%	0.60%	0.37%	0.30%	0.60%	0.37%	0.30%	0.21%	0.21%	0.21%	0.21%	0.21%	AQR Equity Market Neutral I
Multi-Strategy / Fund of Funds	1.58%	1.21%	1.28%	1.31%	0.90%	1.28%	1.31%	0.90%	0.71%	0.52%	0.52%	0.52%	0.52%	BlackRock Strategic Income Cpps K
REITs	1.42%	1.17%	1.32%	1.22%	0.85%	1.32%	1.22%	0.85%	0.64%	0.46%	0.46%	0.46%	0.46%	AQR Style Premia Alternative I
REITs	1.28%	0.51%	0.61%	0.51%	0.33%	0.61%	0.51%	0.33%	0.37%	0.28%	0.28%	0.28%	0.28%	iShares Cohen & Steers REIT ETF
Fixed Income	63%	44%	35%	26%	19%	44%	35%	26%	11%	8%	8%	8%	8%	Fund Name
Short Term Bond	6.11%	4.94%	3.20%	1.92%	2.54%	4.94%	3.20%	1.92%	0.61%	0.15%	0.15%	0.15%	0.15%	Vanguard Short-Term Investment-Grade Adm
Intermediate-Term Bond	12.99%	8.70%	7.11%	5.53%	3.86%	8.70%	7.11%	5.53%	3.86%	2.51%	1.95%	1.95%	1.95%	PIMCO Total Return Instl
Intermediate-Term Bond	12.99%	8.69%	7.11%	5.51%	3.88%	8.69%	7.11%	5.51%	3.88%	2.51%	1.95%	1.95%	1.95%	Doubleline Core Fixed Income I
Intermediate-Term Bond	13.15%	8.81%	7.20%	5.61%	3.91%	8.81%	7.20%	5.61%	3.91%	2.54%	1.97%	1.97%	1.97%	PIMCO Total Return Bond R6
Cash	13.06%	8.73%	7.14%	5.53%	3.90%	8.73%	7.14%	5.53%	3.90%	2.52%	1.96%	1.96%	1.96%	Dodge & Cox Income
Cash & Equivalents	4.14%	15.83%	4.42%	3.89%	3.04%	4.42%	3.89%	3.04%	4.17%	4.28%	4.28%	4.28%	4.28%	Fidelity Money Market Government Portfolio I
TOTAL	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	

Target Allocations are subject to change without notice.

INVESTMENT PORTFOLIO SUMMARY - CAPITAL PRESERVATION

El Toro Water District - 401(k) Plan

Account Number: xxx11389
 Data as of: 03/31/2019

Portfolio Manager:
 Keith Stribling, CFA

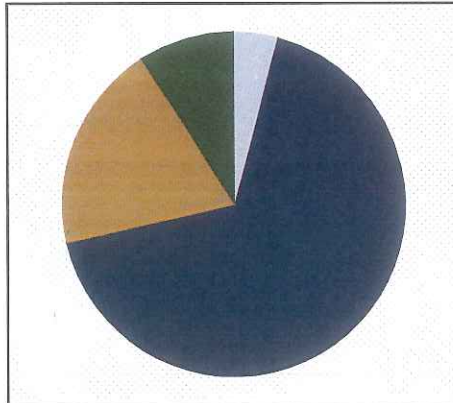
Account Snapshot

Asset Class	Market Value	Tax Cost	Est. Annual Income	Current Yield (%)
Cash & Equivalents	\$117,213.87	\$117,213.87	\$310.62	0.27%
Fixed Income	\$1,905,470.02	\$1,927,686.81	\$61,565.74	3.23%
Equities	\$552,791.38	\$522,561.29	\$8,584.85	1.55%
Alternatives	\$256,192.98	\$268,008.21	\$2,600.36	1.02%
Other	\$0.00	\$0.00	\$0.00	0.00%
Total	\$2,831,668.25	\$2,835,470.18	\$73,061.56	2.58%

Yields are gross of any fees and reflect the reinvestment of dividends and other income

Asset Allocation

4.1%	Cash & Equivalents
67.3%	Fixed Income
19.5%	Equities
9.0%	Alternatives
0.0%	Other



Income Summary (1, 2)

Cash & Equivalents Income Earned YTD	\$561
Taxable Fixed Income Income Earned YTD	\$14,410
Tax-Exempt Fixed Income Income Earned YTD	\$0
Equity Income Earned YTD	\$1,844
Alternative Income Earned YTD	\$164
Other Income Earned YTD	\$0
Total	\$16,978

Net Gain/Loss Summary (3)

	Realized	Unrealized
Net Short Term Gain/Loss	-\$319	
Net Long Term Gain/Loss	\$1,499	
Total	\$1,180	-\$3,802

(1) As of 03/31/2019

(2) Information is calculated on a calendar year basis and includes income, dividends, and capital gain distributions

(3) Gain/Loss information is for informational purposes only.

HOLDINGS REPORT

El Toro Water District 401(k) - Capital Preservation

As of First Quarter 2019

TICKER	CUSIP	ASSET NAME	SHARES/UNITS	COST BASIS	PRICE	MARKET VALUE (MV)	MV AS % OF ASSET TYPE	MV AS % OF TOTAL
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CASH EQUIVALENTS

MONEY MARKET FUNDS/CASH

n.a.	CASH		(3,900.3800)	(\$3,900.38)	1.00	(\$3,900.38)	-3.33%	-0.14%
FPZXX	n.a.	CASH FUND	121,114.25	\$121,114.25	1.00	\$121,114.25	103.33%	4.28%

TOTAL CASH

			\$117,213.87	\$117,213.87				4.14% T
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FIXED INCOME

Short-Term Bond Funds

PYSBX	704329200	Payden Low Duration Fund	13,482.44	135,726.46	10	134,824.42	7.55%	4.76%
VFSUX	922031836	Vanguard Short-Term Investment-Grade Adm	16,343.03	173,394.33	10.59	173,072.66	9.69%	6.11%

Intermediate-Term Bond Funds

DBLFX	258620301	Doubleline Core Fixed Income I	33,969.88	368,884.02	10.83	367,893.84	20.60%	12.99%
DODIX	256210105	Dodge & Cox Income	27,112.49	371,935.09	13.64	369,814.39	20.71%	13.06%
PTRQX	74408884	PGIM Total Return Bond R6	25,940.30	377,865.71	14.36	372,502.77	20.86%	13.15%
PTTRX	693390700	PIMCO Total Return Instl	36,351.05	380,594.75	10.12	367,872.62	20.60%	12.99%

			\$1,499,279.57	\$1,499,279.57				52.20% T
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TOTAL FIXED INCOME

			\$1,808,400.36	\$1,808,400.36				63.07% T
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EQUITY

Large Cap Blend Funds

COFFX	19766M709	Columbia Contrarian Core Inst3	3,580.26	81,475.22	24.98	89,434.77	16.18%	3.16%
VGIAX	921913208	Vanguard Growth & Income Adm	1,157.74	83,184.31	77.27	89,458.42	16.18%	3.16%

			\$164,659.53	\$164,659.53				6.32% T
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Large Cap Value Funds

DODGX	256219106	Dodge & Cox Stock	191.46	35,568.34	183.47	35,126.43	6.35%	1.24%
PKAIX	72202L462	PIMCO RAE US Instl	3,286.68	35,422.98	10.85	35,660.43	6.45%	1.26%

			\$70,991.32	\$70,991.32				2.50% T
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Large Cap Growth Funds

HNACX	411512528	Harbor Capital Appreciation Retirement	477.92	30,880.76	72.81	34,797.43	6.29%	1.23%
LSITX	52469H255	Clearbridge Large Cap Growth IS	617.28	27,766.54	50.22	30,999.70	5.61%	1.09%

			\$58,647.30	\$58,647.30				2.32% T
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HOLDINGS REPORT

El Toro Water District 401(k) - Capital Preservation

As of First Quarter 2019

TICKER	CUSIP	ASSET NAME	SHARES/UNITS	COST BASIS	PRICE	MARKET VALUE (MV)	MV AS % OF ASSET TYPE	MV AS % OF TOTAL
Mid Cap Blend Funds								
VO	922908629	Vanguard Mid-Cap ETF	60.00	9,520.97	160.75	9,645.00	1.74%	0.34% T
Small Cap Value Funds								
UBVFX	904504479	Undiscovered Managers Behavioral Val R6	565.17	37,145.31	61.02	34,486.43	6.24%	1.22% T
Small Cap Blend Funds								
DCZRX	24610B826	Delaware Small Cap Core R6	834.41	20,054.99	22	18,356.95	3.32%	0.65%
VB	922908751	Vanguard Small-Cap ETF	83.00	12,246.24	152.8	12,682.40	2.29%	0.45%
				<u>\$32,301.23</u>		<u>\$31,039.35</u>		<u>1.10% T</u>
Small Cap Growth Funds								
PRJIX	779562206	T. Rowe Price New Horizons I	556.97	29,457.85	58.29	32,465.55	5.87%	1.15% T
Foreign Large Value Funds								
DODFX	256206103	Dodge & Cox International Stock	365.11	15,092.06	40.52	14,794.42	2.68%	0.52% T
Foreign Large Blend Funds								
DFALX	233203868	DFA Large Cap International I	1,905.64	40,188.89	22	41,924.10	7.58%	1.48%
HEFA	46434V803	iShares Currency Hedged MSCI EAFE ETF	1,017.00	26,289.27	28.87	29,360.79	5.31%	1.04%
				<u>\$66,478.16</u>		<u>\$71,284.89</u>		<u>2.52% T</u>
Foreign Large Growth Funds								
MGRDX	552746356	MFS International Growth R6	458.52	12,812.00	33.32	15,277.95	2.76%	0.54% T
Diversified Emerging Markets								
HHHYX	41665H797	Hartford Schroders Emerging Mkts Eq Y	1,844.99	25,455.56	15.35	28,320.61	5.12%	1.00%
				<u>\$25,455.56</u>		<u>\$28,320.61</u>		<u>1.00% T</u>
TOTAL EQUITY				\$522,561.29		\$552,791.38		19.52% T

HOLDINGS REPORT

El Toro Water District 401(k) - Capital Preservation

As of First Quarter 2019

TICKER	CUSIP	ASSET NAME	SHARES/UNITS	COST BASIS	PRICE	MARKET VALUE (MV)	MV AS % OF ASSET TYPE	MV AS % OF TOTAL
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ALTERNATIVES

Market Neutral								
GMNIX	00191K799	AQR Equity Market Neutral I	1,792.86	20,832.76	10.53	18,878.83	3.42%	0.67%
BSIKX	09260B374	BlackRock Strategic Income Opps K	2,141.70	21,107.12	9.76	20,902.99	3.78%	0.74%
Managed Futures								
AQMIX	00203H859	AQR Managed Futures Strategy I	4,352.23	42,604.89	8.47	36,863.39	6.67%	1.30%
AMFNX	63873P825	Natix ASG Managed Futures Strategy N	4,112.80	43,617.35	9.25	38,043.39	6.88%	1.34%
Merger Arbitrage								
ARBNX	03875R205	Arbitrage I	3,117.67	40,687.49	13.25	41,309.07	7.47%	1.46%
Global Macro								
EGRSX	27830W108	Eaton Vance Gbl Macro Abs Ret Advtg R6	4,948.22	49,613.23	9.74	48,195.69	8.72%	1.70%
LAOSX	95768D509	Western Asset Macro Opportunities IS	4,556.12	48,566.10	11.06	50,390.64	9.12%	1.78%
Fund of Hedge Funds								
BXMIX	09257V201	Blackstone Alternative Multi-Strategy I	4,156.66	43,570.57	10.76	44,725.69	8.09%	1.58%
QSPIX	00203H420	AQR Style Premia Alternative I	4,470.29	44,188.03	9	40,232.61	7.28%	1.42%
REITS								
ICF	464287564	iShares Cohen & Steers REIT ETF	325.00	32,507.12	111.2	36,140.00	6.54%	1.28%

TOTAL ALTERNATIVES

\$387,294.66								
\$375,682.30								
13.27% T								

TOTAL - ALL ASSETS

\$2,835,470.18								
\$2,831,668.25								
100.00%								

INVESTMENT PORTFOLIO SUMMARY - INCOME

El Toro Water District - 401(k) Plan

Account Number: xxx51389
 Data as of: 03/31/2019

Portfolio Manager:
 Keith Stribling, CFA

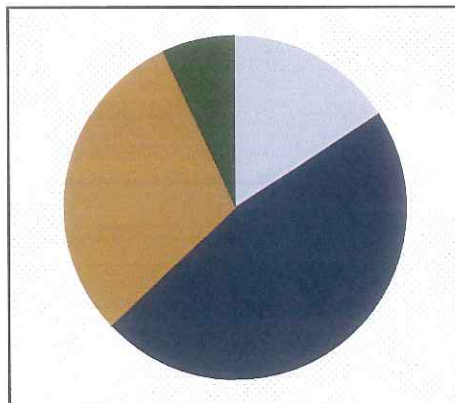
Account Snapshot

Asset Class	Market Value	Tax Cost	Est. Annual Income	Current Yield (%)
Cash & Equivalents	\$403,640.30	\$403,640.30	\$1,069.65	0.27%
Fixed Income	\$1,202,438.63	\$1,186,334.54	\$38,574.23	3.21%
Equities	\$767,900.79	\$809,003.22	\$11,387.97	1.48%
Alternatives	\$175,235.09	\$178,610.76	\$1,761.11	1.01%
Other	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$2,549,214.81	\$2,577,588.82	\$52,792.96	2.07%

Yields are gross of any fees and reflect the reinvestment of dividends and other income

Asset Allocation

15.8%	Cash & Equivalents
47.2%	Fixed Income
30.1%	Equities
6.9%	Alternatives
0.0%	Other



Income Summary (1, 2)

Cash & Equivalents Income Earned YTD	\$559
Taxable Fixed Income Income Earned YTD	\$10,095
Tax-Exempt Fixed Income Income Earned YTD	\$0
Equity Income Earned YTD	\$2,259
Alternative Income Earned YTD	\$147
Other Income Earned YTD	\$0
Total	\$13,060

Net Gain/Loss Summary (3)

	Realized	Unrealized
Net Short Term Gain/Loss	-\$35,813	
Net Long Term Gain/Loss	\$1,450	
Total	-\$34,362	-\$26,673

(1) As of 03/31/2019

(2) Information is calculated on a calendar year basis and includes income, dividends, and capital gain distributions

(3) Gain/Loss information is for informational purposes only.

HOLDINGS REPORT

El Toro Water District 401(k) - Income

As of First Quarter 2019

TICKER	CUSIP	ASSET NAME	SHARES/UNITS	COST BASIS	PRICE	MARKET VALUE (MV)	MV AS % OF ASSET TYPE	MV AS % OF TOTAL
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CASH EQUIVALENTS

MONEY MARKET FUNDS/CASH

n.a.	n.a.	CASH	(2,763,420)	(\$2,763,42)	1.00	(\$2,763,42)	-0.68%	-0.11%
FPXX	n.a.	CASH FUND	406,403.72	\$406,403.72	1.00	\$406,403.72	100.68%	15.94%

TOTAL CASH

			\$403,640.30	\$403,640.30			15.83%	T
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FIXED INCOME

Short-Term Bond Funds

PYSBX	704329200	Payden Low Duration Fund	10,282.19	102,306.65	10	102,821.93	9.19%	4.03%
VFSUX	922031836	Vanguard Short-Term Investment-Grade Adm	11,887.10	124,509.27	10.59	125,884.37	11.25%	4.94%
				\$226,815.92				8.97%

Intermediate-Term Bond Funds

DBLFX	258620301	Doubleline Core Fixed Income I	20,451.85	218,488.42	10.83	221,493.51	19.79%	8.69%
DODIX	256210105	Dodge & Cox Income	16,323.30	219,216.67	13.64	222,649.80	19.90%	8.73%
PTRQX	74408884	PGIM Total Return Bond R6	15,631.42	219,576.65	14.36	224,467.12	20.06%	8.81%
PTRRX	693390700	PIMCO Total Return Instl	21,902.63	218,267.00	10.12	221,654.63	19.81%	8.70%
				\$875,548.74				34.92%

TOTAL FIXED INCOME

			\$1,102,364.66	\$1,118,971.36			43.89%	T
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EQUITY

Large Cap Blend Funds

COFYX	19766M709	Columbia Contrarian Core Inst3	4,877.17	131,532.57	24.98	121,831.68	15.87%	4.78%
VGIAX	921913208	Vanguard Growth & Income Adm	1,581.16	128,846.85	77.27	122,176.54	15.91%	4.79%
				\$260,379.42				9.57%

Large Cap Value Funds

DODGX	256219106	Dodge & Cox Stock	254.09	53,042.09	183.47	46,617.34	6.07%	1.83%
PKAIX	72202L462	PIMCO RAE US Instl	4,361.86	51,189.15	10.85	47,326.14	6.16%	1.86%
				\$104,231.24				3.69%

HOLDINGS REPORT

El Toro Water District 401(k) - Income

As of First Quarter 2019

TICKER	CUSIP	ASSET NAME	SHARES/UNITS	COST BASIS	PRICE	MARKET VALUE (MV)	MV AS % OF ASSET TYPE	MV AS % OF TOTAL
Large Cap Growth Funds								
HNACX	411512528	Harbor Capital Appreciation Retirement	635.10	47,881.94	72.81	46,241.63	6.02%	1.81%
LSITX	52469H255	ClearBridge Large Cap Growth IS	823.00	41,686.85	50.22	41,331.11	5.38%	1.62%
				<u>\$89,568.79</u>		<u>\$87,572.74</u>		<u>3.44% T</u>
Mid Cap Blend Funds								
VO	922908629	Vanguard Mid-Cap ETF	90.00	14,246.55	160.75	14,467.50	1.88%	0.57% T
Small Cap Value Funds								
UBVFX	904504479	Undiscovered Managers Behavioral Val R6	784.46	54,817.05	61.02	47,867.99	6.23%	1.88% T
Small Cap Blend Funds								
DCZRX	24610B826	Delaware Small Cap Core R6	1,622.44	40,364.92	22	35,693.75	4.65%	1.40%
VB	922908751	Vanguard Small-Cap ETF	131.00	19,307.75	152.8	20,016.80	2.61%	0.79%
				<u>\$59,672.67</u>		<u>\$55,710.55</u>		<u>2.19% T</u>
Small Cap Growth Funds								
PRJIX	779562206	T. Rowe Price New Horizons I	770.08	45,107.85	58.29	44,887.79	5.85%	1.76% T
Foreign Large Value Funds								
DODFX	256206103	Dodge & Cox International Stock	553.78	24,605.05	40.52	22,439.04	2.92%	0.88% T
Foreign Large Blend Funds								
DFALX	233203868	DFA Large Cap International I	2,786.66	58,682.35	22	61,306.45	7.98%	2.40%
HEFA	46434V803	iShares Currency Hedged MSCI EAFE ETF	1,157.00	33,483.66	28.87	33,402.59	4.35%	1.31%
				<u>\$92,166.01</u>		<u>\$94,709.04</u>		<u>3.72% T</u>
Foreign Large Growth Funds								
MGRDX	552746356	MFS International Growth R6	695.45	24,161.16	33.32	23,172.39	3.02%	0.91% T
Diversified Emerging Markets								
HHHYX	41665H797	Hartford Schoders Emerging Mkts Eq Y	2,548.67	40,047.43	15.35	39,122.05	5.09%	1.53%
				<u>\$40,047.43</u>		<u>\$39,122.05</u>		<u>1.53% T</u>
TOTAL EQUITY					\$809,003.22		\$767,900.79	30.12% T

HOLDINGS REPORT

El Toro Water District 401(k) - Income

As of First Quarter 2019

TICKER	CUSIP	ASSET NAME	SHARES/UNITS	COST BASIS	PRICE	MARKET VALUE (MV)	MV AS % OF ASSET TYPE	MV AS % OF TOTAL
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ALTERNATIVES

Market Neutral

QMNIX	00191K799	AQR Equity Market Neutral I	1,262.52	14,048.96	10.53	13,294.34	1.73%	0.52%
BSIX	09260B374	BlackRock Strategic Income Opps K	1,625.29	15,856.65	9.76	15,862.80	2.07%	0.62%
				<u>\$29,905.61</u>		<u>\$29,157.14</u>		<u>1.14%</u> T

Managed Futures

AQMIX	00203H859	AQR Managed Futures Strategy I	3,398.34	29,735.47	8.47	28,783.94	3.75%	1.13%
AMFNX	63873P825	Natixis ASG Managed Futures Strategy N	3,052.94	29,735.49	9.25	28,239.68	3.68%	1.11%
				<u>\$59,470.96</u>		<u>\$57,023.62</u>		<u>2.24%</u> T

Merger Arbitrage

ARBNX	03875R205	Arbitrage I	2,364.32	30,902.09	13.25	31,327.21	4.08%	1.23%
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Global Macro

EGRSX	27830W108	Eaton Vance Gbl Macro Abs Ret Advtg R6	3,353.76	33,771.59	9.74	32,665.63	4.25%	1.28%
LAOSX	95768D509	Western Asset Macro Opportunities IS	3,159.03	34,341.64	11.06	34,938.84	4.55%	1.37%
				<u>\$68,113.23</u>		<u>\$67,604.47</u>		<u>2.65%</u> T

Fund of Hedge Funds

BXMIX	09257V201	Blackstone Alternative Multi-Strategy I	2,873.42	30,729.07	10.76	30,918.04	4.03%	1.21%
QSPFX	00203H420	AQR Style Premia Alternative I	3,308.08	31,870.58	9	29,772.68	3.88%	1.17%
				<u>\$62,599.65</u>		<u>\$60,690.72</u>		<u>2.38%</u> T

REITs

ICF	464287564	iShares Cohen & Steers REIT ETF	116.00	11,589.10	111.2	12,899.20	1.68%	0.51%
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TOTAL ALTERNATIVES

				<u>\$262,580.64</u>		<u>\$258,702.36</u>		<u>10.15%</u> T
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TOTAL - ALL ASSETS

				<u>\$2,577,588.82</u>		<u>\$2,549,214.81</u>		<u>100.00%</u>
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INVESTMENT PORTFOLIO SUMMARY - INCOME & GROWTH

El Toro Water District - 401(k) Plan

Account Number: xxx21389
 Data as of: 03/31/2019

Portfolio Manager:
 Keith Stribling, CFA

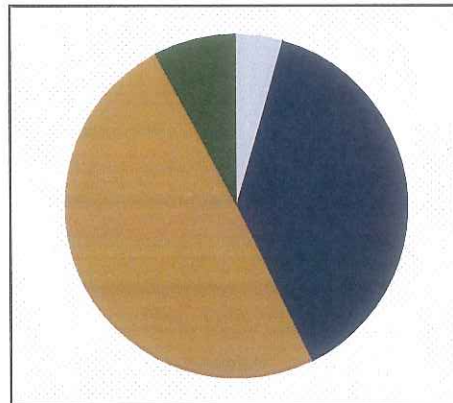
Account Snapshot

Asset Class	Market Value	Tax Cost	Est. Annual Income	Current Yield (%)
Cash & Equivalents	\$273,879.87	\$273,879.87	\$725.78	0.27%
Fixed Income	\$2,378,294.17	\$2,414,434.96	\$76,581.07	3.22%
Equities	\$3,055,529.73	\$2,825,769.26	\$45,374.62	1.49%
Alternatives	\$481,863.22	\$516,311.64	\$4,698.17	0.98%
Other	\$0.00	\$0.00	\$0.00	0.00%
Total	\$6,189,566.99	\$6,030,395.73	\$127,379.64	2.06%

Yields are gross of any fees and reflect the reinvestment of dividends and other income

Asset Allocation

4.4%	Cash & Equivalents
38.4%	Fixed Income
49.4%	Equities
7.8%	Alternatives
0.0%	Other



Income Summary (1, 2)

Cash & Equivalents Income Earned YTD	\$563
Taxable Fixed Income Income Earned YTD	\$17,555
Tax-Exempt Fixed Income Income Earned YTD	\$0
Equity Income Earned YTD	\$8,023
Alternative Income Earned YTD	\$302
Other Income Earned YTD	\$0
Total	\$26,442

Net Gain/Loss Summary (3)

	Realized	Unrealized
Net Short Term Gain/Loss	-\$951	
Net Long Term Gain/Loss	\$9,677	
Total	\$8,727	\$159,171

(1) As of 03/31/2019

(2) Information is calculated on a calendar year basis and includes income, dividends, and capital gain distributions

(3) Gain/Loss information is for informational purposes only.

HOLDINGS REPORT

El Toro Water District 401(k) - Income & Growth

As of First Quarter 2019

TICKER	CUSIP	ASSET NAME	SHARES/UNITS	COST BASIS	PRICE	MARKET VALUE (MV)	MV AS % OF ASSET TYPE	MV AS % OF TOTAL
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CASH EQUIVALENTS

MONEY MARKET FUNDS/CASH

n.a.	n.a.	CASH	(5,598.1700)	(\$5,598.17)	1.00	(\$5,598.17)	-2.04%	-0.09%
FPZXX	n.a.	CASH FUND	279,478.04	\$279,478.04	1.00	\$279,478.04	102.04%	4.52%

TOTAL CASH

			\$273,879.87	\$273,879.87			4.42% T	
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FIXED INCOME

Short-Term Bond Funds

PYSBX	704329200	Payden Low Duration Fund	19,470.58	195,992.01	10	194,705.79	9.01%	3.15%
VFSUX	922031836	Vanguard Short-Term Investment-Grade Adm	18,701.00	198,975.99	10.59	198,043.57	9.17%	3.20%
				\$394,968.00		\$392,749.36		6.35% T

Intermediate-Term Bond Funds

DBLFX	258620301	Doubleline Core Fixed Income I	40,619.80	441,371.70	10.83	439,912.38	20.36%	7.11%
DODIX	256210105	Dodge & Cox Income	32,420.01	446,138.53	13.64	442,208.88	20.47%	7.14%
PTROX	744408884	PGIM Total Return Bond R6	31,018.19	453,631.96	14.36	445,421.22	20.62%	7.20%
PTRRX	693390700	PIMCO Total Return Instl	43,466.57	461,186.21	10.12	439,881.67	20.36%	7.11%
				\$1,802,328.40		\$1,767,424.15		28.55% T

TOTAL FIXED INCOME

			\$2,197,296.40	\$2,197,296.40			34.90% T	
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EQUITY

Large Cap Blend Funds

COPYX	19766M709	Columbia Contrarian Core Inst3	18,998.24	411,250.65	24.98	474,575.96	15.53%	7.67%
VGIAX	921913208	Vanguard Growth & Income Adm	6,550.28	465,711.75	77.27	506,139.75	16.56%	8.18%
				\$876,962.40		\$980,715.71		15.84% T

Large Cap Value Funds

DODGX	256219106	Dodge & Cox Stock	999.68	183,509.06	183.47	183,411.47	6.00%	2.96%
PKAIX	72202L462	PIMCO RAE US Instl	17,161.31	183,545.23	10.85	186,200.25	6.09%	3.01%
				\$367,054.29		\$369,611.72		5.97% T

Large Cap Growth Funds

HNACX	411512528	Harbor Capital Appreciation Retirement	2,721.57	172,018.45	72.81	198,157.37	6.49%	3.20%
LSITX	52469H255	ClearBridge Large Cap Growth IS	3,484.11	156,702.93	50.22	174,972.21	5.73%	2.83%
				\$328,721.38		\$373,129.58		6.03% T

HOLDINGS REPORT

El Toro Water District 401(k) - Income & Growth

As of First Quarter 2019

TICKER	CUSIP	ASSET NAME	SHARES/UNITS	COST BASIS	PRICE	MARKET VALUE (MV)	MV AS % OF ASSET TYPE	MV AS % OF TOTAL
Mid Cap Blend Funds								
VO	922908629	Vanguard Mid-Cap ETF	385.00	61,092.88	160.75	61,888.75	2.03%	1.00% T
Small Cap Value Funds								
UBVFX	904504479	Undiscovered Managers Behavioral Val R6	3,080.45	195,803.92	61.02	187,968.75	6.15%	3.04% T
Small Cap Blend Funds								
DCZRX	24610B826	Delaware Small Cap Core R6	4,693.46	113,041.55	22	103,256.05	3.38%	1.67%
VB	922908751	Vanguard Small-Cap ETF	583.00	84,488.60	152.8	89,082.40	2.92%	1.44%
				<u>\$197,530.15</u>		<u>\$192,338.45</u>		<u>3.11% T</u>
Small Cap Growth Funds								
PRJIX	779562206	T. Rowe Price New Horizons I	2,907.58	145,178.46	58.29	169,483.01	5.55%	2.74% T
Foreign Large Value Funds								
DODFX	256206103	Dodge & Cox International Stock	2,287.72	93,749.32	40.52	92,698.54	3.03%	1.50% T
Foreign Large Blend Funds								
DFALX	233203868	DFA Large Cap International I	12,780.94	267,173.58	22	281,180.66	9.20%	4.54%
HEFA	46434V803	iShares Currency Hedged MSCI EAFE ETF	3,185.00	79,257.38	28.87	91,950.95	3.01%	1.49%
				<u>\$346,430.96</u>		<u>\$373,131.61</u>		<u>6.03% T</u>
Foreign Large Growth Funds								
MGRDX	552746356	MFS International Growth R6	2,160.39	57,004.31	33.32	71,984.19	2.36%	1.16% T
Diversified Emerging Markets								
HHHYX	41665H797	Hartford Schrodgers Emerging Mkts Eq Y	11,894.43	156,241.19	15.35	182,579.42	5.98%	2.95%
				<u>\$156,241.19</u>		<u>\$182,579.42</u>		<u>2.95% T</u>
TOTAL EQUITY					\$2,825,769.26		\$3,055,529.73	49.37% T

HOLDINGS REPORT

El Toro Water District 401(k) - Income & Growth

As of First Quarter 2019

TICKER	CUSIP	ASSET NAME	SHARES/UNITS	COST BASIS	PRICE	MARKET VALUE (MV)	MV AS % OF ASSET TYPE	MV AS % OF TOTAL
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ALTERNATIVES

MARKET NEUTRAL	QMNIX	00191K799	AQR Equity Market Neutral I	3,477.09	40,656.38	10.53	36,613.73	1.20%	0.59%
	BSIKX	09260B374	BlackRock Strategic Income Opps k	3,877.19 <th>38,235.49</th> <th>9.76</th> <th>37,841.34</th> <th>1.24%</th> <th>0.61%</th>	38,235.49	9.76	37,841.34	1.24%	0.61%
					<u>\$78,891.87</u>		<u>\$74,455.07</u>		<u>1.20% T</u>
MANAGED FUTURES	AQMIX	00203H859	AQR Managed Futures Strategy I	9,471.51	94,621.08	8.47	80,223.68	2.63%	1.30%
	AMFNX	63873P825	Natixis ASG Managed Futures Strategy N	8,589.96	92,731.18	9.25	79,457.14	2.60%	1.28%
					<u>\$187,352.26</u>		<u>\$159,680.82</u>		<u>2.58% T</u>
MERGER ARBITRAGE	ARBNX	03875R205	Arbitrage I	6,511.53	85,087.73	13.25	86,277.81	2.82%	1.39% T
GLOBAL MACRO	EGRSX	27830W108	Eaton Vance Gbl Macro Abs Ret Advtg R6	8,938.59	90,423.66	9.74	87,061.85	2.85%	1.41%
	LAOSX	95768D509	Western Asset Macro Opportunities IS	8,428.34	88,479.41	11.06	93,217.47	3.05%	1.51%
					<u>\$178,903.07</u>		<u>\$180,279.32</u>		<u>2.91% T</u>
FUND OF HEDGE FUNDS	BXMIX	09257V201	Blackstone Alternative Multi-Strategy I	7,366.54	76,708.39	10.76	79,263.96	2.59%	1.28%
	QSPIX	00203H420	AQR Style Premia Alternative I	9,110.72	92,346.97	9	81,996.50	2.68%	1.32%
					<u>\$169,055.36</u>		<u>\$161,260.46</u>		<u>2.61% T</u>
REITS	ICF	464287564	iShares Cohen & Steers REIT ETF	342.00	34,159.91	111.2	38,030.40	1.24%	0.61% T
					<u>\$733,450.20</u>		<u>\$699,983.88</u>		<u>11.31% T</u>
TOTAL ALTERNATIVES					<u>\$6,030,395.73</u>		<u>\$6,189,566.99</u>		<u>100.00%</u>

INVESTMENT PORTFOLIO SUMMARY -BALANCED INCOME

El Toro Water District - 401(k) Plan

Account Number: xxx61389
 Data as of: 03/31/2019

Portfolio Manager:
 Keith Stribling, CFA

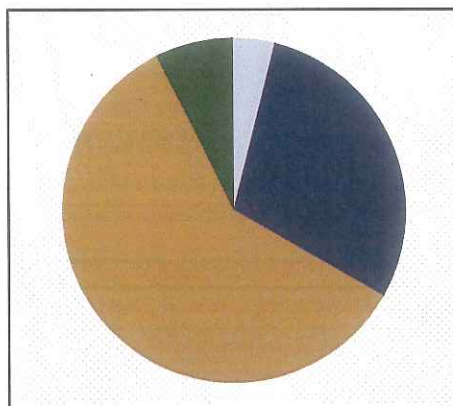
Account Snapshot

Asset Class	Market Value	Tax Cost	Est. Annual Income	Current Yield (%)
Cash & Equivalents	\$224,215.13	\$224,215.13	\$594.17	0.27%
Fixed Income	\$1,696,130.16	\$1,674,929.46	\$55,056.38	3.25%
Equities	\$3,417,592.92	\$3,584,537.31	\$50,614.55	1.48%
Alternatives	\$422,188.54	\$430,465.96	\$4,217.66	1.00%
Other	\$0.00	\$0.00	\$0.00	0.00%
Total	\$5,760,126.75	\$5,914,147.86	\$110,482.77	1.92%

Yields are gross of any fees and reflect the reinvestment of dividends and other income

Asset Allocation

- 3.9% Cash & Equivalents
- 29.4% Fixed Income
- 59.3% Equities
- 7.3% Alternatives
- 0.0% Other



Income Summary (1, 2)

Cash & Equivalents Income Earned YTD	\$518
Taxable Fixed Income Income Earned YTD	\$12,242
Tax-Exempt Fixed Income Income Earned YTD	\$0
Equity Income Earned YTD	\$9,675
Alternative Income Earned YTD	\$292
Other Income Earned YTD	\$0
Total	\$22,727

Net Gain/Loss Summary (3)

	Realized	Unrealized
Net Short Term Gain/Loss	-\$33,435	
Net Long Term Gain/Loss	\$7,049	
Total	-\$26,386	-\$154,021

(1) As of 03/31/2019

(2) Information is calculated on a calendar year basis and includes income, dividends, and capital gain distributions

(3) Gain/Loss information is for informational purposes only.

HOLDINGS REPORT

El Toro Water District 401(k) - Balanced Income

As of First Quarter 2019

TICKER	CUSIP	ASSET NAME	SHARES/UNITS-	COST BASIS	PRICE	MARKET VALUE (MV)	MV AS % OF ASSET TYPE	MV AS % OF TOTAL
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CASH EQUIVALENTS

MONEY MARKET FUNDS/CASH

n.a.	n.a.	CASH	(4,650.0200)	(\$4,650.02)	1.00	(\$4,650.02)	-2.07%	-0.08%
FPZXX	n.a.	CASH FUND	228,865.15	\$228,865.15	1.00	\$228,865.15	102.07%	3.97%

TOTAL CASH

			\$224,215.13	\$224,215.13			3.89%	T
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FIXED INCOME

Short-Term Bond Funds

PYSBX	704329200	Payden Low Duration Fund	10,939.05	108,842.25	10	109,390.51	7.30%	1.90%
VFSUX	922031836	Vanguard Short-Term Investment-Grade Adm	10,435.41	109,156.75	10.59	110,510.98	7.38%	1.92%
				\$217,999.00				3.82%

Intermediate-Term Bond Funds

DBLFX	258620301	Doubleline Core Fixed Income I	29,293.32	313,097.87	10.83	317,246.61	21.18%	5.51%
DODIX	256210105	Dodge & Cox Income	23,365.60	313,976.92	13.64	318,706.76	21.28%	5.53%
PTRQX	744408884	PGIM Total Return Bond R6	22,492.11	316,142.07	14.36	322,986.69	21.57%	5.61%
PTTRX	693390700	PIMCO Total Return Instl	31,498.31	313,982.07	10.12	318,762.89	21.28%	5.53%
				\$1,257,198.93				22.18%

TOTAL FIXED INCOME

			\$1,475,197.93	\$1,497,604.44			26.00%	T
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EQUITY

Large Cap Blend Funds

COFYX	19766M709	Columbia Contran Core Inst3	20,996.22	565,032.15	24.98	524,485.63	15.35%	9.11%
VGIAX	921913208	Vanguard Growth & Income Adm	6,790.40	552,896.83	77.27	524,694.44	15.35%	9.11%
				\$1,117,928.98				18.21%

Large Cap Value Funds

DODGX	256219106	Dodge & Cox Stock	1,235.08	255,355.02	183.47	226,600.31	6.63%	3.93%
PKAIX	72202L462	PIMCO RAE US Instl	21,202.95	246,624.29	10.85	230,052.04	6.73%	3.99%
				\$501,979.31				7.93%

Large Cap Growth Funds

HNACX	411512528	Harbor Capital Appreciation Retirement	3,066.71	229,574.51	72.81	223,287.45	6.53%	3.88%
LSITX	52469H255	Clearbridge Large Cap Growth IS	3,961.62	200,065.36	50.22	198,952.61	5.82%	3.45%
				\$429,639.87				7.33%

HOLDINGS REPORT

El Toro Water District 401(k) - Balanced Income

As of First Quarter 2019

TICKER	CUSIP	ASSET NAME	SHARES/UNITS	COST BASIS	PRICE	MARKET VALUE (MV)	MV AS % OF ASSET TYPE	MV AS % OF TOTAL
Mid Cap Blend Funds								
VO	922908629	Vanguard Mid-Cap ETF	589.00	93,464.18	160.75	94,681.75	2.77%	1.64% T
Small Cap Value Funds								
UBVFX	904504479	Undiscovered Managers Behavioral Val R6	3,402.35	235,881.73	61.02	207,611.52	6.07%	3.60% T
Small Cap Blend Funds								
DCZRX	24610B826	Delaware Small Cap Core R6	4,812.47	120,848.46	22	105,874.32	3.10%	1.84%
VB	922908751	Vanguard Small-Cap ETF	690.00	99,361.27	152.8	105,432.00	3.08%	1.83%
				<u>\$220,209.73</u>		<u>\$211,306.32</u>		<u>3.67% T</u>
Small Cap Growth Funds								
PRJIX	779562206	T. Rowe Price New Horizons I	3,211.59	190,147.52	58.29	187,203.58	5.48%	3.25% T
Foreign Large Value Funds								
DODFX	256206103	Dodge & Cox International Stock	2,456.68	109,169.82	40.52	99,544.80	2.91%	1.73% T
Foreign Large Blend Funds								
DFALX	233203868	DFA Large Cap International I	14,118.02	295,317.32	22	310,596.46	9.09%	5.39%
HEFA	46434V803	iShares Currency Hedged MSCI EAFE ETF	3,516.00	104,932.29	28.87	101,506.92	2.97%	1.76%
				<u>\$400,249.61</u>		<u>\$412,103.38</u>		<u>7.15% T</u>
Foreign Large Growth Funds								
MGRDX	552746356	MFS International Growth R6	3,085.18	107,200.77	33.32	102,798.16	3.01%	1.78% T
Diversified Emerging Markets								
HHHYX	41665H797	Hartford Schoders Emerging Mkts Eq Y	11,353.16	178,665.79	15.35	174,270.93	5.10%	3.03%
				<u>\$178,665.79</u>		<u>\$174,270.93</u>		<u>3.03% T</u>
TOTAL EQUITY				\$3,584,537.31		\$3,417,592.92		59.33% T

HOLDINGS REPORT

El Toro Water District 401(k) - Balanced Income

As of First Quarter 2019

TICKER	CUSIP	ASSET NAME	SHARES/UNITS	COST BASIS	PRICE	MARKET VALUE (MV)	MV AS % OF ASSET TYPE	MV AS % OF TOTAL
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ALTERNATIVES

TICKER	CUSIP	ASSET NAME	SHARES/UNITS	COST BASIS	PRICE	MARKET VALUE (MV)	MV AS % OF ASSET TYPE	MV AS % OF TOTAL
QMNIX	00191K799	AQR Equity Market Neutral I	3,259.33	37,488.14	9.76	34,320.77	1.00%	0.60%
BSIKX	09260B374	BlackRock Strategic Income Opps K	3,842.58	37,488.14	9.76	37,503.53	1.10%	0.65%
Managed Futures								
AQMIX	00203H859	AQR Managed Futures Strategy I	8,095.31	70,833.95	8.47	68,567.27	2.01%	1.19%
AMFNX	63873P825	Natixis ASG Managed Futures Strategy N	7,412.76	72,199.99	9.25	68,568.05	2.01%	1.19%
Merger Arbitrage								
ARBNX	03875R205	Arbitrage I	5,685.75	74,313.87	13.25	75,336.23	2.20%	1.31%
Global Macro								
EGRSX	27830W108	Eaton Vance Gbl Macro Abs Ret Advtg R6	8,007.00	80,628.69	9.74	77,988.22	2.28%	1.35%
LAOSX	95768D509	Western Asset Macro Opportunities IS	7,507.59	81,614.70	11.06	83,033.97	2.43%	1.44%
Fund of Hedge Funds								
BXMIX	09257V201	Blackstone Alternative Multi-Strategy I	7,031.58	75,197.37	10.76	75,659.83	2.21%	1.31%
QSPIX	00203H420	AQR Style Premia Alternative I	7,807.60	75,219.77	9	70,268.39	2.06%	1.22%
REITS								
ICF	464287564	iShares Cohen & Steers REIT ETF	265.00	26,432.09	111.2	29,468.00	0.86%	0.51%
TOTAL ALTERNATIVES								
			\$630,197.49	\$150,417.14		\$145,928.22		10.78% T
			\$620,714.26					
TOTAL - ALL ASSETS								
			\$5,914,147.86			\$5,760,126.75		100.00%

INVESTMENT PORTFOLIO SUMMARY - BALANCED

El Toro Water District - 401(k) Plan

Account Number: xxx31389
 Data as of: 03/31/2019

Portfolio Manager:
 Keith Stribling, CFA

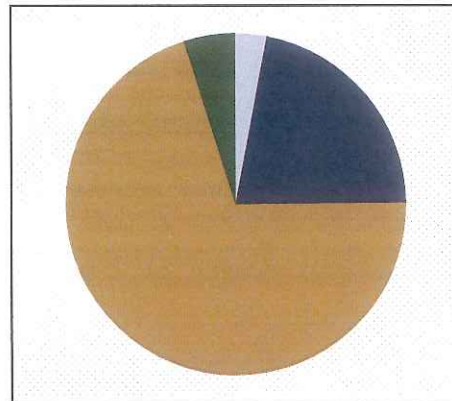
Account Snapshot

Asset Class	Market Value	Tax Cost	Est. Annual Income	Current Yield (%)
Cash & Equivalents	\$54,011.96	\$54,011.96	\$143.13	0.27%
Fixed Income	\$387,183.59	\$390,558.08	\$12,463.44	3.22%
Equities	\$1,246,851.54	\$1,160,983.45	\$18,453.40	1.48%
Alternatives	\$86,939.09	\$93,216.27	\$872.87	1.00%
Other	\$0.00	\$0.00	\$0.00	0.00%
Total	\$1,774,986.18	\$1,698,769.76	\$31,932.84	1.80%

Yields are gross of any fees and reflect the reinvestment of dividends and other income

Asset Allocation

3.0%	Cash & Equivalents
21.8%	Fixed Income
70.2%	Equities
4.9%	Alternatives
0.0%	Other



Income Summary (1, 2)

Cash & Equivalents Income Earned YTD	\$408
Taxable Fixed Income Income Earned YTD	\$2,565
Tax-Exempt Fixed Income Income Earned YTD	\$0
Equity Income Earned YTD	\$3,392
Alternative Income Earned YTD	\$58
Other Income Earned YTD	\$0
Total	\$6,423

Net Gain/Loss Summary (3)

	Realized	Unrealized
Net Short Term Gain/Loss	-\$228	
Net Long Term Gain/Loss	\$1,994	
Total	\$1,767	\$76,216

(1) As of 03/31/2019

(2) Information is calculated on a calendar year basis and includes income, dividends, and capital gain distributions

(3) Gain/Loss information is for informational purposes only.

HOLDINGS REPORT

El Toro Water District 401(k) - Balanced

As of First Quarter 2019

TICKER	CUSIP	ASSET NAME	SHARES/UNITS	COST BASIS	PRICE	MARKET VALUE (MV)	MV AS % OF ASSET TYPE	MV AS % OF TOTAL
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CASH EQUIVALENTS

MONEY MARKET FUNDS/CASH

n.a.	n.a.	CASH	1.00	(\$1,182.34)	1.00	(\$1,182.34)	-2.19%	-0.07%
FPZXX	n.a.	CASH FUND	55,194.30	\$55,194.30	1.00	\$55,194.30	102.19%	3.11%

TOTAL CASH

			\$54,011.96	\$54,011.96			\$54,011.96	3.04% T
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FIXED INCOME

Short-Term Bond Funds

PYSBX	704329200	Payden Low Duration Fund	2,433.86	24,436.90	10	24,338.55	7.05%	1.37%
VFSUX	922031836	Vanguard Short-Term Investment-Grade Adm	4,249.19	44,897.35	10.59	44,998.96	13.03%	2.54%

Intermediate-Term Bond Funds

DBLFX	258620301	Doubleline Core Fixed Income I	6,363.36	69,052.41	10.83	68,915.20	19.95%	3.88%
DODIX	256210105	Dodge & Cox Income	5,076.43	69,638.19	13.64	69,242.52	20.04%	3.90%
PTROX	744408884	PGIM Total Return Bond R6	4,829.58	70,257.99	14.36	69,352.70	20.08%	3.91%
PTTRX	693390700	PIMCO Total Return Instl	6,778.71	71,077.20	10.12	68,600.55	19.86%	3.86%

			\$280,025.79	\$280,025.79			\$276,110.97	15.56% T
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TOTAL FIXED INCOME

			\$349,360.04	\$349,360.04			\$345,448.48	19.46% T
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EQUITY

Large Cap Blend Funds

COPYX	19766M709	Columbia Contrarian Core Inst3	7,544.98	164,014.47	24.98	188,473.65	15.12%	10.62%
VGIAX	921913208	Vanguard Growth & Income Adm	2,426.49	173,529.95	77.27	187,494.88	15.04%	10.56%

Large Cap Value Funds

DODGX	256219106	Dodge & Cox Stock	443.10	81,923.05	183.47	81,295.92	6.52%	4.58%
PKAIX	722021462	PIMCO RAE US Instl	7,574.62	80,889.46	10.85	82,184.61	6.59%	4.63%

Large Cap Growth Funds

HNAAX	411512528	Harbor Capital Appreciation Retirement	1,027.74	66,065.98	72.81	74,829.68	6.00%	4.22%
LSITX	52469H255	ClearBridge Large Cap Growth IS	1,443.43	65,634.77	50.22	72,489.16	5.81%	4.08%

			\$131,700.75	\$131,700.75			\$147,318.84	8.30% T
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HOLDINGS REPORT

El Toro Water District 401(k) - Balanced

As of First Quarter 2019

TICKER	CUSIP	ASSET NAME	SHARES/UNITS	COST BASIS	PRICE	MARKET VALUE (MV)	MV AS % OF ASSET TYPE	MV AS % OF TOTAL
Mid Cap Blend Funds								
VO	922908629	Vanguard Mid-Cap ETF	279.00	44,272.50	160.75	44,849.25	3.60%	2.53% T
Small Cap Value Funds								
UBVFX	904504479	Undiscovered Managers Behavioral Val R6	1,222.32	78,086.56	61.02	74,585.91	5.98%	4.20% T
Small Cap Blend Funds								
DCZRX	24610B826	Delaware Small Cap Core R6	1,728.02	41,190.30	22	38,016.44	3.05%	2.14%
VB	922908751	Vanguard Small-Cap ETF	255.00	36,436.45	152.8	38,964.00	3.12%	2.20%
				<u>\$77,626.75</u>		<u>\$76,980.44</u>		4.34% T
Small Cap Growth Funds								
PRJIX	779562206	T. Rowe Price New Horizons I	1,195.26	60,251.53	58.29	69,671.76	5.59%	3.93% T
Foreign Large Value Funds								
DODFX	256206103	Dodge & Cox International Stock	894.38	36,519.75	40.52	36,240.28	2.91%	2.04% T
Foreign Large Blend Funds								
DFALX	233203868	DFA Large Cap International I	5,395.57	112,272.58	22	118,702.56	9.52%	6.69%
HEFA	46434V803	iShares Currency Hedged MSCI EAFE ETF	1,097.00	27,966.66	28.87	31,670.39	2.54%	1.78%
				<u>\$140,239.24</u>		<u>\$150,372.95</u>		8.47% T
Foreign Large Growth Funds								
MGRDX	552746356	MFS International Growth R6	1,128.15	30,626.10	33.32	37,589.79	3.01%	2.12% T
Diversified Emerging Markets								
HHHYX	41665H797	Hartford Schrodgers Emerging Mkts Eq Y	4,546.79	61,303.34	15.35	69,793.26	5.60%	3.93%
				<u>\$61,303.34</u>		<u>\$69,793.26</u>		3.93% T
TOTAL EQUITY				\$1,160,983.45		\$1,246,851.54		70.25% T

HOLDINGS REPORT

El Toro Water District 401(k) - Balanced

As of First Quarter 2019

TICKER	CUSIP	ASSET NAME	SHARES/UNITS	COST BASIS	PRICE	MARKET VALUE (MV)	MV AS % OF ASSET TYPE	MV AS % OF TOTAL
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ALTERNATIVES

Market Neutral

QMNIX	00191K799	AQR Equity Market Neutral I	621.28	7,291.83	10.53	6,542.08	0.52%	0.37%
BSIKX	09260B374	BlackRock Strategic Income Opps K	753.26	7,435.01	9.76	7,351.84	0.59%	0.41%
				<u>\$14,726.84</u>		<u>\$13,893.92</u>		<u>0.78% T</u>

Managed Futures

AQMIX	00203H859	AQR Managed Futures Strategy I	1,652.33	16,557.47	8.47	13,995.26	1.12%	0.79%
AMFNX	63873P825	Natixis ASG Managed Futures Strategy N	1,512.68	16,400.10	9.25	13,992.27	1.12%	0.79%
				<u>\$32,957.57</u>		<u>\$27,987.53</u>		<u>1.58% T</u>

Merger Arbitrage

ARBNX	03875R205	Arbitrage I	1,176.40	15,330.45	13.25	15,587.26	1.25%	0.88% T
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Global Macro

EGRSX	27830W108	Eaton Vance Gbl Macro Abs Ret Advlg R6	1,699.46	16,898.39	9.74	16,552.73	1.33%	0.93%
LAOSX	95768D509	Western Asset Macro Opportunities IS	1,612.17	16,864.64	11.06	17,830.54	1.43%	1.00%
				<u>\$33,763.03</u>		<u>\$34,383.27</u>		<u>1.94% T</u>

Fund of Hedge Funds

BXMIX	09257V201	Blackstone Alternative Multi-Strategy I	1,478.96	15,411.77	10.76	15,913.56	1.28%	0.90%
QSPIX	00203H420	AQR Style Premia Alternative I	1,680.70	17,037.91	9	15,126.26	1.21%	0.85%
				<u>\$32,449.68</u>		<u>\$31,039.82</u>		<u>1.75% T</u>

REITS

ICF	464287564	iShares Cohen & Steers REIT ETF	52.00	5,186.74	111.2	5,782.40	0.46%	0.33% T
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TOTAL ALTERNATIVES

				<u>\$134,414.31</u>		<u>\$128,674.20</u>		<u>7.25% T</u>
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TOTAL - ALL ASSETS

				<u>\$1,698,769.76</u>		<u>\$1,774,986.18</u>		<u>100.00%</u>
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INVESTMENT PORTFOLIO SUMMARY - CAPITAL APPRECIATION

El Toro Water District - 401(k) Plan

Account Number: xxx71389
Data as of: 03/31/2019

Portfolio Manager:
Keith Stribling, CFA

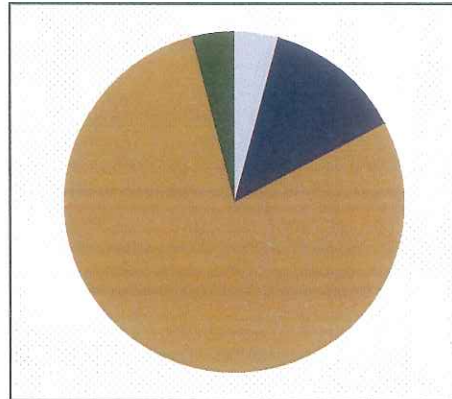
Account Snapshot

Asset Class	Market Value	Tax Cost	Est. Annual Income	Current Yield (%)
Cash & Equivalents	\$21,533.76	\$21,533.76	\$57.06	0.27%
Fixed Income	\$67,929.25	\$67,044.61	\$2,223.32	3.27%
Equities	\$406,124.08	\$423,519.54	\$5,831.94	1.44%
Alternatives	\$20,630.80	\$20,981.05	\$205.48	1.00%
Other	\$0.00	\$0.00	\$0.00	0.00%
Total	\$516,217.89	\$533,078.96	\$8,317.81	1.61%

Yields are gross of any fees and reflect the reinvestment of dividends and other income

Asset Allocation

4.2%	Cash & Equivalents
13.2%	Fixed Income
78.7%	Equities
4.0%	Alternatives
0.0%	Other



Income Summary (1, 2)

Cash & Equivalents Income Earned YTD	\$75
Taxable Fixed Income Income Earned YTD	\$482
Tax-Exempt Fixed Income Income Earned YTD	\$0
Equity Income Earned YTD	\$1,268
Alternative Income Earned YTD	\$14
Other Income Earned YTD	\$0
Total	\$1,840

Net Gain/Loss Summary (3)

	Realized	Unrealized
Net Short Term Gain/Loss	-\$3,741	
Net Long Term Gain/Loss	\$951	
Total	-\$2,790	-\$16,861

(1) As of 03/31/2019

(2) Information is calculated on a calendar year basis and includes income, dividends, and capital gain distributions

(3) Gain/Loss information is for informational purposes only.

HOLDINGS REPORT

El Toro Water District 401(k) - Capital Appreciation
As of First Quarter 2019

TICKER	CUSIP	ASSET NAME	SHARES/UNITS	COST BASIS	PRICE	MARKET VALUE (MV)	MV AS % OF ASSET TYPE	MV AS % OF TOTAL
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CASH EQUIVALENTS

MONEY MARKET FUNDS/CASH

n.a.	n.a.	CASH	(270.540)	(\$270.54)	1.00	(\$270.54)	-1.26%	-0.05%
FPZXX	n.a.	CASH FUND	21,804.30	\$21,804.30	1.00	\$21,804.30	101.26%	4.22%

TOTAL CASH

			\$21,533.76	\$21,533.76		\$21,533.76		4.17% T
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FIXED INCOME

Short-Term Bond Funds

PYSBX	704329200	Payden Low Duration Fund	313.54	3,119.71	10	3,135.43	5.37%	0.61%
VFSUX	922031836	Vanguard Short-Term Investment-Grade Adm	298.60	3,123.41	10.59	3,162.14	5.42%	0.61%

Intermediate-Term Bond Funds

DBLFX	25620301	Doubleline Core Fixed Income I	1,197.00	12,781.47	10.83	12,963.46	22.20%	2.51%
DODIX	256210105	Dodge & Cox Income	955.36	12,822.78	13.64	13,031.12	22.32%	2.52%
PTROX	74408884	PGIM Total Return Bond R6	914.07	12,831.30	14.36	13,126.03	22.48%	2.54%
PTTRX	693390700	PIMCO Total Return Instl	1,280.91	12,759.77	10.12	12,962.79	22.20%	2.51%

TOTAL FIXED INCOME

			\$57,438.44	\$57,438.44		\$58,380.97		11.31% T
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EQUITY

Large Cap Blend Funds

COFYX	19766M709	Columbia Contrarian Core Inst3	2,358.94	62,931.17	24.98	58,262.37	14.51%	11.42%
VGIAX	921913208	Vanguard Growth & Income Adm	762.77	61,661.64	77.27	58,938.85	14.51%	11.42%

Large Cap Value Funds

DODGX	256219106	Dodge & Cox Stock	166.61	33,892.89	183.47	30,568.49	7.53%	5.92%
PKAIX	72202L462	PIMCO RAE US Instl	2,816.12	32,278.03	10.85	30,554.88	7.52%	5.92%

Large Cap Growth Funds

HNACX	411512528	Harbor Capital Appreciation Retirement	430.46	31,953.11	72.81	31,341.57	7.72%	6.07%
LSITX	52469H255	ClearBridge Large Cap Growth IS	554.68	27,873.49	50.22	27,856.03	6.86%	5.40%

			\$59,826.60	\$59,826.60		\$59,197.60		11.47% T
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HOLDINGS REPORT

El Toro Water District 401(k) - Capital Appreciation

As of First Quarter 2019

TICKER	CUSIP	ASSET NAME	SHARES/UNITS	COST BASIS	PRICE	MARKET VALUE (MV)	MV AS % OF ASSET TYPE	MV AS % OF TOTAL
Mid Cap Blend Funds								
VO	922908629	Vanguard Mid-Cap ETF	0.00	0.00	160.75	0.00	0.00%	0.00% T
Small Cap Value Funds								
UBVFX	904504479	Undiscovered Managers Behavioral Val R6	382.20	26,546.79	61.02	23,321.84	5.74%	4.52% T
Small Cap Blend Funds								
DCZRX	24610B826	Delaware Small Cap Core R6	540.73	13,406.85	22	11,896.13	2.93%	2.30%
VB	922908751	Vanguard Small-Cap ETF	111.00	16,382.62	152.8	16,960.80	4.18%	3.29%
				<u>\$29,789.47</u>		<u>\$28,856.93</u>		5.59% T
Small Cap Growth Funds								
PRJIX	779562206	T. Rowe Price New Horizons I	401.64	23,721.99	58.29	23,411.83	5.76%	4.54% T
Foreign Large Value Funds								
DODFX	256206103	Dodge & Cox International Stock	272.03	12,060.28	40.52	11,022.49	2.71%	2.14% T
Foreign Large Blend Funds								
DFALX	233203868	DFA Large Cap International I	1,585.46	33,072.12	22	34,880.01	8.59%	6.76%
HEFA	46434V803	iShares Currency Hedged MSCI EAFE ETF	395.00	11,694.58	28.87	11,403.65	2.81%	2.21%
				<u>\$44,766.70</u>		<u>\$46,283.66</u>		8.97% T
Foreign Large Growth Funds								
MGRDX	552746356	MFS International Growth R6	362.75	12,574.38	33.32	12,086.73	2.98%	2.34% T
Diversified Emerging Markets								
HHHYX	41665H797	Hartford Schrodgers Emerging Mkts Eq Y	1,495.40	23,469.60	15.35	22,954.41	5.65%	4.45%
				<u>\$23,469.60</u>		<u>\$22,954.41</u>		4.45% T
TOTAL EQUITY					\$423,519.54		\$406,124.08	78.67% T

HOLDINGS REPORT

El Toro Water District 401(k) - Capital Appreciation

As of First Quarter 2019

TICKER	CUSIP	ASSET NAME	SHARES/UNITS	COST BASIS	PRICE	MARKET VALUE (MV)	MV AS % OF ASSET TYPE	MV AS % OF TOTAL
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ALTERNATIVES

Market Neutral								
QMNIX	00191K799	AQR Equity Market Neutral I	145.19	1,615.65	10.53	1,528.86	0.38%	0.30%
BSIKX	09260B374	BlackRock Strategic Income Opps K	185.02	1,803.51	9.76	1,805.78	0.44%	0.35%
			<u>330.21</u>	<u>\$3,419.16</u>		<u>\$3,334.64</u>		<u>0.65% T</u>
Managed Futures								
AQMIX	00203H859	AQR Managed Futures Strategy I	400.00	3,500.00	8.47	3,388.00	0.83%	0.66%
AMFNX	63873P825	Natixis ASG Managed Futures Strategy N	359.34	3,499.99	9.25	3,323.92	0.82%	0.64%
			<u>759.34</u>	<u>\$6,999.99</u>		<u>\$6,711.92</u>		<u>1.30% T</u>
Merger Arbitrage								
ARBNX	03875R205	Arbitrage I	269.31	3,519.93	13.25	3,568.36	0.88%	0.69% T
Global Macro								
EGRSX	27830W108	Eaton Vance Gbl Macro Abs Ret Advtg R6	387.92	3,906.22	9.74	3,778.30	0.93%	0.73%
LAOSX	95768D509	Western Asset Macro Opportunities IS	358.43	3,896.44	11.06	3,964.20	0.98%	0.77%
			<u>746.35</u>	<u>\$7,802.66</u>		<u>\$7,742.50</u>		<u>1.50% T</u>
Fund of Hedge Funds								
BXMIX	09257V201	Blackstone Alternative Multi-Strategy I	338.50	3,620.03	10.76	3,642.29	0.90%	0.71%
QSPFX	00203H420	AQR Style Premia Alternative I	365.44	3,520.72	9	3,288.97	0.81%	0.64%
			<u>703.94</u>	<u>\$7,140.75</u>		<u>\$6,931.26</u>		<u>1.34% T</u>
REITS								
ICF	464287564	iShares Cohen & Steers REIT ETF	17.00	1,704.73	111.2	1,890.40	0.47%	0.37% T
			<u>17.00</u>	<u>1,704.73</u>		<u>1,890.40</u>		<u>0.47% T</u>
								<u>5.85% T</u>
								<u>\$30,587.22</u>
								<u>\$30,179.08</u>
								<u>\$516,217.89</u>
								<u>\$533,078.96</u>
								<u>100.00%</u>

INVESTMENT PORTFOLIO SUMMARY - GROWTH

El Toro Water District - 401(k) Plan

Account Number: xxx41389
 Data as of: 03/31/2019

Portfolio Manager:
 Keith Stribling, CFA

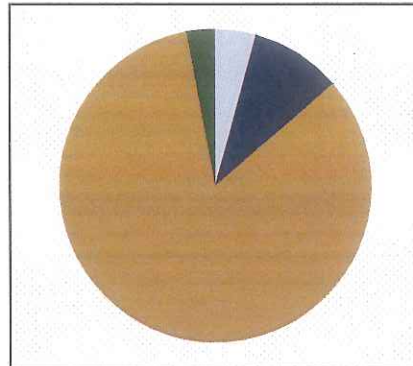
Account Snapshot

Asset Class	Market Value	Tax Cost	Est. Annual Income	Current Yield (%)
Cash & Equivalents	\$59,961.04	\$59,961.04	\$158.90	0.27%
Fixed Income	\$132,496.11	\$133,880.51	\$4,404.17	3.32%
Equities	\$1,170,054.80	\$1,113,211.89	\$16,930.69	1.45%
Alternatives	\$39,881.64	\$42,298.38	\$404.40	1.01%
Other	\$0.00	\$0.00	\$0.00	0.00%
Total	\$ 1,402,394	\$ 1,349,352	\$ 21,898	1.56%

Yields are gross of any fees and reflect the reinvestment of dividends and other income

Asset Allocation

	4.3%	Cash & Equivalents
	9.4%	Fixed Income
	83.4%	Equities
	2.8%	Alternatives
	0.0%	Other



Income Summary (1, 2)

Cash & Equivalents Income Earned YTD	\$203
Taxable Fixed Income Income Earned YTD	\$956
Tax-Exempt Fixed Income Income Earned YTD	\$0
Equity Income Earned YTD	\$3,555
Alternative Income Earned YTD	\$28
Other Income Earned YTD	\$0
Total	\$4,743

Net Gain/Loss Summary (3)

	Realized	Unrealized
Net Short Term Gain/Loss	\$21,515	
Net Long Term Gain/Loss	\$124,926	
Total	\$146,441	\$53,042

(1) As of 03/31/2019

(2) Information is calculated on a calendar year basis and includes income, dividends, and capital gain distributions

(3) Gain/Loss information is for informational purposes only.

HOLDINGS REPORT

El Toro Water District 401(k) - Growth

As of First Quarter 2019

TICKER	CUSIP	ASSET NAME	SHARES/UNITS	COST BASIS	PRICE	MARKET VALUE (MV)	MV AS % OF ASSET TYPE	MV AS % OF TOTAL
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CASH EQUIVALENTS

MONEY MARKET FUNDS/CASH

n.a.	n.a.	CASH	(596.8300)	(\$596.83)	1.00	(\$596.83)	-1.00%	-0.04%
FPZXX	n.a.	CASH FUND	60,557.87	\$60,557.87	1.00	\$60,557.87	101.00%	4.32%

TOTAL CASH

			\$59,961.04	\$59,961.04				
						\$59,961.04	4.28% T	

FIXED INCOME

Short-Term Bond Funds

PYSBX	704329200	Payden Low Duration Fund	213.02	2,143.54	10	2,130.19	1.87%	0.15%
VFSUX	922031836	Vanguard Short-Term Investment-Grade Adm	203.96	2,170.14	10.59	2,159.89	1.89%	0.15%

Intermediate-Term Bond Funds

DBLFX	258620301	Doubleline Core Fixed Income I	2,523.91	27,411.99	10.83	27,333.93	23.95%	1.95%
DODIX	256210105	Dodge & Cox Income	2,014.42	27,700.28	13.64	27,476.62	24.08%	1.96%
PTRCX	74408884	PGIM Total Return Bond R6	1,927.41	28,075.88	14.36	27,677.56	24.25%	1.97%
PTTRX	693390700	PIMCO Total Return Instl	2,700.92	28,189.37	10.12	27,333.33	23.95%	1.95%

TOTAL FIXED INCOME

			\$115,691.20	\$115,691.20				
						\$114,111.52	8.14% T	

EQUITY

Large Cap Blend Funds

COFYX	19766M709	Columbia Contrarian Core Inst3	6,592.30	148,584.98	24.98	164,675.65	14.07%	11.74%
VGIAV	921913208	Vanguard Growth & Income Adm	2,131.54	153,314.31	77.27	164,703.94	14.08%	11.74%

Large Cap Value Funds

DODGX	256219106	Dodge & Cox Stock	449.57	84,745.95	183.47	82,483.16	7.05%	5.88%
PKAIX	722021462	PIMCO RAE US Instl	7,718.15	83,834.23	10.85	83,741.89	7.16%	5.97%

Large Cap Growth Funds

HNACX	411512528	Harbor Capital Appreciation Retirement	1,127.36	76,086.74	72.81	82,082.86	7.02%	5.85%
LSITX	52469H255	ClearBridge Large Cap Growth IS	1,451.88	67,701.51	50.22	72,913.21	6.23%	5.20%

HOLDINGS REPORT

El Toro Water District 401(k) - Growth

As of First Quarter 2019

TICKER	CUSIP	ASSET NAME	SHARES/UNITS	COST BASIS	PRICE	MARKET VALUE (MV)	MV AS % OF ASSET TYPE	MV AS % OF TOTAL
Mid Cap Blend Funds								
VO	922908629	Vanguard Mid-Cap ETF	317.00	50,302.45	160.75	50,957.75	4.36%	3.63% T
Small Cap Value Funds								
UBVFX	904504479	Undiscovered Managers Behavioral Val R6	1,089.05	71,486.99	61.02	66,454.01	5.68%	4.74% T
Small Cap Blend Funds								
DCZRX	24610B826	Delaware Small Cap Core R6	1,510.82	36,049.88	22	33,237.95	2.84%	2.37%
VB	922908751	Vanguard Small-Cap ETF	218.00	32,118.25	152.8	33,310.40	2.85%	2.38%
				<u>\$68,168.13</u>		<u>\$66,548.35</u>		<u>4.75% T</u>
Small Cap Growth Funds								
PRJIX	779562206	T. Rowe Price New Horizons I	1,210.38	61,929.83	58.29	70,553.05	6.03%	5.03% T
Foreign Large Value Funds								
DODFX	256206103	Dodge & Cox International Stock	809.10	33,604.07	40.52	32,784.65	2.80%	2.34% T
Foreign Large Blend Funds								
DFALX	233203868	DFA Large Cap International I	3,902.70	82,141.31	22	85,859.36	7.34%	6.12%
HEFA	46434V803	iShares Currency Hedged MSCI EAFE ETF	1,548.00	40,097.25	28.87	44,690.76	3.82%	3.19%
				<u>\$122,238.56</u>		<u>\$130,550.12</u>		<u>9.31% T</u>
Foreign Large Growth Funds								
MGRDX	552746356	MFS International Growth R6	1,083.28	32,564.18	33.32	36,094.86	3.08%	2.57% T
Diversified Emerging Markets								
HHHYX	41665H797	Hartford Schoders Emerging Mkts Eq Y	4,267.84	58,649.96	15.35	65,511.30	5.60%	4.67%
				<u>\$58,649.96</u>		<u>\$65,511.30</u>		<u>4.67% T</u>
TOTAL EQUITY				\$1,113,211.89		\$1,170,054.80		83.43% T

HOLDINGS REPORT

El Toro Water District 401(k) - Growth

As of First Quarter 2019

TICKER	CUSIP	ASSET NAME	SHARES/UNITS	COST BASIS	PRICE	MARKET VALUE (MV)	MV AS % OF ASSET TYPE	MV AS % OF TOTAL
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ALTERNATIVES

Market Neutral

QMNIX	00191K799	AQR Equity Market Neutral I	278.22	3,284.53	10.53	2,929.68	0.25%	0.21%
BSIKX	09260B374	BlackRock Strategic Income Opps K	372.19	3,674.03	9.76	3,632.61	0.31%	0.26%
				<u>\$6,958.56</u>		<u>\$6,562.29</u>		<u>0.47% T</u>

Managed Futures

AQMIX	00203H859	AQR Managed Futures Strategy I	703.74	6,948.78	8.47	5,960.65	0.51%	0.43%
AMFNX	63873P825	Natixis ASG Managed Futures Strategy N	661.88	7,010.54	9.25	6,122.35	0.52%	0.44%
				<u>\$13,959.32</u>		<u>\$12,083.00</u>		<u>0.86% T</u>

Merger Arbitrage

ARBNX	03875R205	Arbitrage I	541.87	7,102.86	13.25	7,179.72	0.61%	0.51% T
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Global Macro

EGRSX	27830W108	Eaton Vance Gbl Macro Abs Ret Advtg R6	743.84	7,378.22	9.74	7,244.98	0.62%	0.52%
LAOSX	95768D509	Western Asset Macro Opportunities IS	678.75	7,137.06	11.06	7,507.00	0.64%	0.54%
				<u>\$14,515.28</u>		<u>\$14,751.98</u>		<u>1.05% T</u>

Fund of Hedge Funds

BXMIX	09257V201	Blackstone Alternative Multi-Strategy I	680.92	7,121.77	10.76	7,326.73	0.63%	0.52%
QSPIX	00203H420	AQR Style Premia Alternative I	718.95	7,329.72	9	6,470.51	0.55%	0.46%
				<u>\$14,451.49</u>		<u>\$13,797.24</u>		<u>0.98% T</u>

REITs

ICF	464287564	iShares Cohen & Steers REIT ETF	35.00	3,500.18	111.2	3,892.00	0.33%	0.28% T
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TOTAL ALTERNATIVES

				<u>\$60,487.69</u>		<u>\$58,266.23</u>		<u>4.15% T</u>
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TOTAL - ALL ASSETS

				<u>\$1,349,351.82</u>		<u>\$1,402,393.59</u>		<u>100.00%</u>
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DISCLOSURES

HighMark Capital Management, Inc. (HighMark), an SEC-registered investment adviser, is a subsidiary of MUFG Union Bank, N.A. (MUB). HighMark manages institutional separate account portfolios for a wide variety of for-profit and nonprofit organizations, public agencies, public and private retirement plans, and personal trusts of all sizes. It may also serve as sub-adviser for mutual funds, common trust funds, and collective investment trusts. MUB, a subsidiary of MUFG Americas Holdings Corporation, provides certain services to HighMark and is compensated for these services. Past performance does not guarantee future results. Individual account management and construction will vary depending on each client's investment needs and objectives. Investments employing HighMark strategies are NOT insured by the FDIC or by any other Federal Government Agency, are NOT Bank deposits, are NOT guaranteed by the Bank or any Bank affiliate, and MAY lose value, including possible loss of principal.

Some information provided herein was obtained from third party sources deemed to be reliable; HighMark and its affiliates make no representations or warranties with respect to the timeliness, accuracy, or completeness of the information provided. Any information provided is subject to change without notice.

Benchmark returns do not reflect the deduction of advisory fees, custody fees, transaction costs, or other expenses of investing. An investor cannot invest directly in an index. The unmanaged S&P 500 Index is generally representative of the performance of large companies in the U.S. stock market. The MSCI EAFE Index (Europe, Australasia, Far East) is a free float-adjusted market capitalization index that is designed to measure developed market equity performance, excluding the U.S. & Canada. The Russell 2000 Index measures the performance of the 2,000 smallest companies in the Russell 3000 Index, which represents approximately 8% of the total market capitalization of the Russell 3000 Index. The unmanaged Barclays Capital (BC) U.S. Aggregate Bond Index is generally representative of the U.S. taxable bond market as a whole. The unmanaged BC 1-3 Year U.S. Government/Credit Index is a subset of the BC U.S. Government/Credit Index with maturities ranging from 1-3 years. The unmanaged Citigroup 3-month T-bill Index tracks the yield of the 3-month U.S. Treasury bill. Total returns assume the reinvestment of dividends and other earnings. Results for periods greater than one year are annualized.

RESOLUTION NO. 19-5-1

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EL TORO WATER DISTRICT ADOPTING
THE EIGHTH AMENDMENT TO THE BYLAWS**

WHEREAS, the Bylaws of the El Toro Water District, a California Water District, in the County of Orange, State of California, were first duly approved by the Board of Supervisors on or about January 10, 1961, and were thereafter amended seven times, the last being December 15, 1994 (Seventh Amendment), and

WHEREAS, it is in the best interest of the District that the District's Bylaws be amended in their entirety for the primary purpose of limiting the term of office for Board President and Vice President to a one (1) year ROTATIONAL BASIS.

NOW, THEREFORE, BE IT RESOLVED, that the District hereby adopts the Eighth Amendment to the Bylaws of the El Toro Water District, a California Water District, which Eighth Amendment is attached hereto marked as Exhibit "A" and incorporated herein by this reference; and

BE IT FURTHER RESOLVED, that the Secretary of the District or his delegate is authorized and directed to record the Eighth Amendment to the Bylaws with the Orange County Recorder's Office following processing and/or approval of this Amendment by the Board of Supervisors.

ADOPTED, SIGNED AND APPROVED this 23rd day of May, 2019 by the following vote:

JOSE VERGARA, President
EL TORO WATER DISTRICT and of
the Board of Directors thereof

(SEAL)

ROBERT R. HILL, Secretary
EL TORO WATER DISTRICT and of
the Board of Directors thereof

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

I, ROBERT R. HILL, Secretary of the Board of Directors of the El Toro Water District, do hereby certify that the above and foregoing Resolution No. 19-5-1 was duly adopted by the Board of Directors of said District at a Regular Meeting of said District held on May 23, 2019, and that it was so adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINS:

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

(SEAL)

EIGHTH AMENDMENT TO BYLAWS

EL TORO WATER DISTRICT

A California Water District

The Bylaws of the El Toro Water District, a California Water District, in the County of Orange, State of California, were first duly approved by the Board of Supervisors on or about January 10, 1961, and were thereafter amended seven times, the last being December 15, 1994 (Seventh Amendment).

Said Bylaws, as last amended, are hereby amended in their entirety by this Eighth Amendment to Bylaws pursuant to Section 35220 of the Water Code of the State of California as follows:

I.

BOARD OF DIRECTORS

1. Membership. The Board of Directors of the District shall consist of five (5) Directors, elected as provided by law. Each Director shall be a resident of the District and shall be a registered voter in the County of Orange at the time of their election and/or appointment and during their term of office.
2. General Authority. The Board of Directors, except as otherwise specifically provided by law, shall manage and conduct the business and affairs of the District.
3. Meetings. Regular meetings of the Board of Directors shall be held at such time and place as may be agreed upon by resolution of the Board.

4. Quorum: Votes Necessary. Three (3) Directors shall constitute a quorum of the Board for the transaction of business. The vote of a majority of the Directors present at any meeting attended by a quorum shall be necessary and sufficient to determine any proposition or resolution presented.

5. Terms of Office. The term of office of elected Directors shall be four (4) years and shall be on a staggered basis. The five (5) Directors Seats and the staggered terms of office of each seat are set forth in Schedule 1 hereto and incorporated herein by this reference.

II.

ELECTIONS

All general District elections shall be held in November of even-numbered years and shall be consolidated with the November statewide elections. The right to vote and the manner of the voting shall be the same as provided by the laws of the State of California.

III.

PRINCIPAL OFFICE

1. The principal office of the District shall be located in Orange County, State of California, at a place designated from time to time by the Board of Directors by resolution of the Board.

2. Until changed by resolution of the Board of Directors, the principal office of the District shall be located at 24251 Los Alisos Boulevard, Lake Forest, California 92630.

IV.

SEAL

The District shall have and maintain a seal, described as follows:

Two concentric circles, the outer circle being approximately one and one-half inches in diameter and the inner circle approximately one inch in diameter; with the words "EL TORO WATER DISTRICT" in the upper part of the space between the circles; with the word "CALIFORNIA" in the lower part of the space between the circles; and with the words "FORMED September 25, 1960" inside the inner circle.

V.

OFFICERS

1. Officers Other than Directors. In addition to the Directors, the officers of the District shall be: President, Vice President, Treasurer, and Secretary.
2. Elimination. The offices of the Assessor and Tax Collector have been eliminated by appropriate Resolution on or about July 10, 1975 pursuant to Section 34711 of the Water Code of the State of California.
3. President (Term of Office). The term of office of the President shall be for one (1) calendar year.
4. Succession to Presidency. The office of Vice President shall automatically succeed to the office of President when a vacancy occurs in the office of President or the current President's term of office has expired.
5. Vice President (Election-Term of Office-Succession to Presidency). At the Board's organizational meeting in December, the Board shall elect a Vice President whose term of office shall be for one (1) calendar year. The President for the preceding year shall not be eligible for the Vice Presidency the following year. The Vice President shall succeed to the

office of President as provided in Article 5 herein. In the event a vacancy occurs in the office of any President before the term of said presidency has expired, the Vice President shall succeed to the office of President for the unexpired term of said presidency, in addition, to the one (1) year term regularly specified, had such vacancy not occurred.

6. Secretary. The Secretary shall be appointed by the Board of Directors and shall serve at its pleasure. The Secretary shall have the duties and authority assigned to him/her by law and such other duties and authority, not inconsistent therewith, as shall be assigned to him/her from time to time by the Board of Directors. The Board may from time to time, appoint one or more Assistant Secretaries. Under the direction of the Board and Secretary, each such Assistant Secretary shall assist the Secretary in the performance of his/her duties and shall have such other duties and authority as shall be provided by the Board.

7. Treasurer. The Treasurer shall be appointed by the Board of Directors and shall serve at its pleasure. He/she shall have duties and authority assigned to him/her by law and such other duties and authorities, not inconsistent therewith, as shall be assigned to him/her from time to time by the Board of Directors.

8. Compensation. The Officers and Directors shall receive the following compensation for their services:

- (a) The Secretary and Treasurer shall receive sums as shall be fixed by the Board.
- (b) Each Director shall receive compensation in the amount provided by Ordinance duly adopted by Resolution of the Board pursuant to Section 20200 et seq. of the Water Code of the State of California, together with

any expenses incurred in the performance of his/her duties required or authorized by law and the Board.

9. Employees. The Board of Directors may employ and appoint from time to time such other officers and such agents and employees as it shall deem appropriate to carry on the business of the District. The qualifications, duties, authority, and compensation of such other officers and of such agents and employees shall be fixed by the Board of Directors.

VI.

PENALTY FOR VIOLATING BYLAWS

When it shall be deemed in the manner provided by law that any person has violated these Bylaws, he/she shall be subject to the maximum penalties provided by Section 35304 (d) of the Water Code of the State of California.

VII.

AMENDMENT OR REPEAL OF BYLAWS

These Bylaws may be repealed or amended as provided by law. These Bylaws shall at all times be consistent with the Constitution and laws of the State of California, including the provisions of Division 13 of the Water Code of the State of California, and shall be so construed. If any Bylaw is or becomes a conflict with any law of the State of California, it shall be invalid and void to the extent of such conflict. However, such invalidity shall not affect the remaining valid provisions of these Bylaws which shall continue in full force and effect.

The foregoing Eighth Amendment to the Bylaws of the EL TORO WATER DISTRICT was adopted pursuant to Resolution No. 19-5-1 at Regular Meeting of the Board of Directors held on the 21st day of May, 2019, by the affirmative vote of all the Directors present.

ROBERT R. HILL, Secretary
EL TORO WATER DISTRICT and of
the Board of Directors thereof

SCHEDULE I
ARTICLE 1 - SECTION 2 - TERMS OF OFFICE/ELECTIONS
DISTRICT BYLAWS

		N O V	N O V	N O V	N O V	J A N	N O V	N O V	J U L	N O V	A P R	N O V	N O V	N O V	N O V	N O V	N O V
DIRECTORS		2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		1	1	1	1	1	1	1	1	1	1	1	2	2	2	2	2
		1	2	3	4	5	6	7	8	8	9	9	0	1	2	3	4
Seat 1	Mark Monin					A	E	*		*		*					
Seat 2	Jose F. Vergara		E	*	*	*	E	*		*		*					
Seat 3	Mike Gaskins								E		*	*					
Seat 4	Kay Havens									A	*						
Seat 5	Kathryn Freshley								A	E	*	*					

LEGEND: A - Appointed
E - Elected

RESOLUTION NO. 19-5-2

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
EL TORO WATER DISTRICT
ADDING A STANDING COMMITTEE AND EXTERNAL
ORGANIZATION BOARD/STAFF ASSIGNMENTS
FOR THE BALANCE OF 2019
EFFECTIVE MAY 21, 2019

WHEREAS, the Board of Directors of the EL TORO WATER DISTRICT deems it to be in the best interest of the District to add the President's appointment of Board/Staff to Standing Committee and External Organization assignments; and

WHEREAS, said list of appointments is attached hereto marked Exhibit "A," and made part of this Resolution.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Board of Directors of the EL TORO WATER DISTRICT hereby confirms the adding of Board/Staff to Standing Committee and External Organization assignments as listed in Exhibit "A".

ADOPTED, SIGNED AND APPROVED this 21st day of May 2019.

JOSE F. VERGARA, President
El Toro Water District and the
Board of Directors thereof

(SEAL)

ATTEST:

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

STATE OF CALIFORNIA))
COUNTY OF ORANGE))

I, ROBERT R. HILL, Secretary of the Board of Directors of the El Toro Water District, do hereby certify that the above and foregoing is a full, true and correct copy of Resolution No. 19-5-2 of said Board, and that the same has not been amended or repealed.

DATED: May 21, 2019

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

(SEAL)

BOARD MEMBER ORGANIZATIONAL AND STANDING COMMITTEE ASSIGNMENTS – 2019
(May 2019)

<u>ORGANIZATION</u>	<u>REPRESENTATIVE</u>	<u>ALTERNATE</u>	<u>FREQUENCY</u>
WACO Planning	Monin Vergara	Monin Vergara	Monthly
WaterReuse	Vergara	Havens Goldman	Bi-Monthly
SOCWA Board	Goldman Freshley	Freshley Gaskin	Monthly
SOCWA Finance	Freshley Dennis	Dennis Freshley	Monthly
ISDOC	Monin	Gaskins	Monthly
LAFCO	Freshley	Gaskins	As Required
JPIA	Freshley	Gaskins	Semi-Annual
MWDOC Board	Vergara	Monin	Monthly
MWDOC Finance	Monin	Vergara	Monthly
MWDOC Public Affairs	Gaskins	Vergara Havens	Monthly
MWDOC Plan & Ops	Freshley	Vergara	Monthly
SAC	Freshley	Gaskins	Semi-Annual
South Co. Watershed Exec	Monin Havens	Freshley	As Required
South OC Economic Coalition	Vergara	Gaskins	Monthly
South OC Water Agencies Grp	Vergara	Goldman Monin	Bi-Monthly

<u>ETWD COMMITTEE</u>	<u>CHAIRMAN</u>	<u>ALTERNATE</u>	<u>FREQUENCY</u>
Agenda Review	Vergara	Monin	Monthly
Engineering	Goldman Freshley	Freshley Vergara	Monthly (Full Board)
Finance/Insurance Committee (FIC)	Monin	Freshley	Monthly (Full Board)
Community Advisory Group (CAG)	Gaskins	Vergara Havens	Quarterly
Regional Reclamation Committee (RRC)	Goldman Freshley	Freshley Vergara	Monthly
Computer Technology	Freshley	Gaskins	Annual/As Required
Audit Committee	Monin	Freshley	Annual/As Required
Budget Committee	Freshley	Monin	Annual/As Required
HR Committee	Gaskins	Monin	Annual/As Required
WQ Committee	Vergara	Havens	Annual/As Required

DIRECTORS WILL NOT BE COMPENSATED FOR ATTENDING MEETINGS NOT LISTED UNLESS AUTHORIZED BY THE BOARD PRESIDENT, WITH THE EXCEPTION OF OCWA, WACO, CAG, ISDOC quarterly luncheon, MWDOC Quarterly Policy Forum events, MWDOC/Met Directors, MWDOC Elected Officials forum, So Cal Water Committee, City Council meetings in the 5 cities we serve, Supervisor/Congressmen meetings in the areas we serve.

Polly Welsch

From: Bob Hill
Sent: Wednesday, May 1, 2019 1:47 PM
To: Polly Welsch
Subject: FW: Appointment Process for OC LAFCO Regular and Alternate Special District Seats
Attachments: VERGARA_EL TORO.pdf

Hard copy please of the attachment. Let's talk about what this means to what we need to do on our May agenda.

Thanks

From: Cheryl Carter-Benjamin [mailto:ccarter-benjamin@oclafco.org]
Sent: Wednesday, May 1, 2019 12:08 PM
To: El Toro Water District <District@etwd.com>
Cc: Bob Hill <bhill@etwd.com>; Polly Welsch <pwelsch@etwd.com>
Subject: Appointment Process for OC LAFCO Regular and Alternate Special District Seats

Dear Presiding Officers:

The nomination period for the OC LAFCO special district member seats is now open and runs from May 1 to June 7, 2019. Attached are the nomination process letter and additional materials. Please note that the nominations must be received by OC LAFCO no later than 3PM on June 7, 2019.

Carolyn Emery
Executive Officer
cemery@oclafco.org
(714) 640-5100



Please note this office is closed every other Friday. You may download the OC LAFCO annual calendar at www.oclafco.org

Cheryl Carter-Benjamin

Office Manager/Commission Clerk
ORANGE COUNTY LAFCO
ccarter-benjamin@oclafco.org
714.640.5100 (Main)



May 1, 2019

REGULAR MEMBERS

CHAIR
CHERYL BROTHERS
CITY MEMBER

VICE CHAIR
DOUGLASS DAVERT
SPECIAL DISTRICT MEMBER

IMMEDIATE PAST CHAIR
DEREK J. MCGREGOR
PUBLIC MEMBER

LISA BARTLETT
COUNTY MEMBER

DR. ALLAN BERNSTEIN
CITY MEMBER

DONALD P. WAGNER
COUNTY MEMBER

VACANT
SPECIAL DISTRICT MEMBER

ALTERNATES

WENDY BUCKNUM
CITY MEMBER

JAMES FISLER
SPECIAL DISTRICT MEMBER

LOU PENROSE
PUBLIC MEMBER

MICHELLE STEEL
COUNTY MEMBER

STAFF

CAROLYN EMERY
Executive Officer

TO: Independent Special Districts Presiding Officers

FROM: Carolyn Emery, Executive Officer

SUBJECT: **Appointment Process for OC LAFCO Regular and Alternate Special District Member Seats**

One of the two OC LAFCO Regular Special District Member seats was vacated on April 10, 2019. The expiration date of this term is June 30, 2020.

If the incumbent Alternate Special District member decides to run for and is elected to the regular special district seat, the alternate seat will also be open. The incumbent is not required to resign from the alternate seat if he decides to run for the open regular seat. Therefore, the OC LAFCO Executive Officer will accept nominations for both the regular and alternate special district seats. Nominations must be received by OC LAFCO no later than **3 PM** on Friday, June 7, 2019.

The appointment process for special district seats is governed by Government Code Section 56332 and the Independent Special District Selection Committee Bylaws. In accordance with the Committee's Bylaws, the appointment process is conducted by mailed ballot and attached to this notification are the following:

- (1) The "**Declaration of Qualification to Vote**" for designating the authorized regular voting member and the alternate voting member of your district, for this appointment process. This form must be returned to OC LAFCO no later than **3 PM** on **Friday, June 7, 2019**. Please note that if OC LAFCO does not receive the form by that date, your district will be ineligible to vote.
- (2) The "**2019 Nomination Form**" for submitting a candidate's name for the Regular and Alternate Special District seats. If your district is nominating a candidate for the OC LAFCO Regular and/or Alternate Special District Member seats, the form must be filled out completely and returned to OC LAFCO no later than **3 PM** on **Friday, June 7, 2019**. Candidate resumes or other supplemental

information may also be included and will be distributed with the ballots.

Both forms may be returned to OC LAFCO by any of the following:

Email: cemery@oclafco.org

Mail: Orange County LAFCO
 2677 North Main Street, Suite 1050
 Santa Ana, CA 92705
 Attn: Carolyn Emery, Executive Officer

FAX: (714) 640-5139
 Attn: Carolyn Emery, Executive Officer

For your reference, a timeline of key dates for the appointment process is below:

<i>Nomination Process for Appointment of OC LAFCO Special District Seats</i>	
DATE	EVENT
May 1, 2019	OC LAFCO Executive Officer emails notification letters with Declaration of Qualification to Vote and Nomination Form to independent special district presiding officers, special district general managers.
June 7, 2019	Deadline for submitting Declaration of Qualification to Vote and Nomination Form for the regular and alternate special district members to OC LAFCO by 3:00 p.m.*
June 10 - 14, 2019	OC LAFCO develops ballots.
June 17, 2019	Ballots emailed to all special district presiding officers/designees. <i><u>Please ensure that ballot is executed by the designee indicated in your Declaration of Qualification to Vote.</u></i>
July 19, 2019	Ballots due to OC LAFCO by 3:00 p.m.
July 22, 2019	OC LAFCO staff (or designee) tabulates ballots and announces results.
August 14, 2019	Oath of office administered (Commission Hearing).
* Pursuant to Government Code §56332 (c)(1), if only one candidate is nominated for a vacant seat, that candidate shall be deemed selected, with no further proceedings.	

Appointment Process for OC LAFCO Regular and Alternate Special District Seats

May 1, 2019

Page 3 of 3

Should you have any questions regarding the appointment process, please contact me or our Commission Clerk, Cheryl-Carter Benjamin at (714) 640-5100.

Sincerely,



Carolyn Emery
Executive Officer

Attachments:

- A. Declaration of Qualification to Vote
- B. 2019 Nomination Form - Regular and Alternate Special District Member

cc: Special District General Managers
Special District Board Clerks

2019 NOMINATION FORM

Candidates for the Orange County Local Agency Formation Commission (OC LAFCO)

CANDIDATE INFORMATION FOR REGULAR SPECIAL DISTRICT MEMBER:

NAME: _____

TITLE: _____

DISTRICT: _____

Check box if resume or statement of qualifications is attached.

CANDIDATE INFORMATION FOR ALTERNATE SPECIAL DISTRICT MEMBER IF THE INCUMBENT ALTERNATE SPECIAL DISTRICT MEMBER IS ELECTED TO THE REGULAR SPECIAL DISTRICT MEMBER SEAT:

NAME: _____

TITLE: _____

DISTRICT: _____

Check box if resume or statement of qualifications is attached.

SPECIAL DISTRICT SELECTION COMMITTEE MEMBER SUBMITTING NOMINATION
(Must be the presiding officer or a designated alternate board member.)

NAME: _____ DATE: _____

SIGNATURE: _____

TITLE: _____

DISTRICT: _____

A resume or other supplemental information about the candidate may be included and will be distributed with the ballots. All completed nomination forms and any supplemental information must be returned to OC LAFCO by:

1. Email at: cemery@oclafco.org, or
2. Mail at: Orange County LAFCO
2677 North Main Street, Suite 1050
Santa Ana, CA 92705
Attn: Carolyn Emery, or
3. Fax at: (714) 640-5139, Attn: Carolyn Emery

All forms and supplemental information must be received by OC LAFCO by 3:00 p.m. on Friday, June 7, 2019. Nomination forms or candidate information received after that deadline will not be considered.

DECLARATION OF QUALIFICATION TO VOTE

Jose Vergara, Presiding Officer
El Toro Water District
24251 Los Alisos
El Toro, CA 92630-5246
district@etwd.com

I, _____, * hereby attest that
_____ **has been authorized by the Board of
_____ to vote in the Orange County Special
District Selection Committee election as the regular voting member.
The Board also designated _____ **as the alternate
voting member.

Name and Title*: _____

Signature*: _____

Date: _____

**Must be signed by either Board President or Board Secretary*

*** Must be a member of the Board*

Completed forms must be received by OC LAFCO by 3 PM, Friday, June 7, 2019.
Forms must be delivered to OC LAFCO by:

(1) Email at: cemery@oclafco.org, or

(2) Mail at: Orange County LAFCO
2677 North Main Street, Suite 1050
Santa Ana, CA 92705
Attn: Carolyn Emery, or

(3) FAX at: (714) 640-5139, Attn: Carolyn Emery

MINUTES OF THE REGULAR MEETING
OF THE
ENGINEERING COMMITTEE MEETING

April 23, 2019

Director Freshley called the Meeting of the Engineering Committee to order at 7:30 a.m. on April 23, 2019.

Vice President Monin led in the Pledge of Allegiance to the flag.

Present at today's meeting were Committee Members JOSE F. VERGARA, MARK MONIN, KATHRYN FRESHLEY, and MIKE GASKINS.

Also present were DENNIS P. CAFFERTY, Assistant General Manager/District Engineer, JUDY CIMORELL, Human Resources Manager, NEELY SHAHBAKHTI, Finance Manager/Controller, NANCY LAURSEN, Accountant/Insurance Administrator, RICK OLSON, Operations Superintendent, BOBBY YOUNG, Project Engineer, GILBERT J. GRANITO, General Counsel, POLLY WELSCH, Recording Secretary, BILL MOORHEAD, MWND Director, and CAROL MOORE, Laguna Woods City Council.

ROBERT R. HILL, General Manager/Secretary, was absent.

Oral Communication/Public Comment

Mr. Bill Moorhead introduced himself as a Director on the Board at Moulton Niguel Water District (MNWD). He further stated that he is also a Principal Water Engineer for the City of Anaheim.

Mr. Moorhead stated that he is a liaison between MNWD and ETWD, and will be attending more of our meetings. He commented on an infrastructure program, and the possibility of partnering on some projects with MNWD.

Items Received too Late to be Agendized

Director Freshley asked if there were any items received too late to be agendized. Mr. Cafferty replied no.

Action Item

Resolution No. 19-4-1 Adopting the Eighth Amendment to the District's Bylaws

Mr. Cafferty stated that the package includes draft amended bylaws intended to reflect direction from the Board at a recent Strategic Planning meeting regarding Succession of Board Officers.

Director Gaskins stated that he read the amended bylaws and feels that they capture what was discussed.

Chairman Freshley stated that page 4, item #5 & #6, Order of Succession states that there is no voting, and she feels that is inappropriate. She further stated that the Vice President should not automatically move up to President without a Board vote.

Chairman Freshley stated that the Vice President may not have the ability to lead the agency, nor want to hold the responsibility of being the Board President.

President Vergara stated that the Board could vote to take action to skip over a Board member for the President position.

Vice President Monin stated that any vote to skip a Board member's succession should be unanimous.

Mr. Granito stated that staff will require additional time to amend the bylaws to include a voting process.

Ms. Moore stated that she also feels it should not be an automatic succession form Vice President to President without a voting of the Board members.

President Vergara stated that the reason this change came about was because the President position was not challenged for many years, and each Board member should have the opportunity to be a leader, if they desire to.

Chairman Freshley commented on the Schedule 1 that she was “appointed” to the Board in July 2018 and “elected” in November 2018. Staff will amend the Schedule 1 to reflect this correction.

Chairman Freshley asked for a Motion.

Motion: President Vergara made a Motion, seconded by Director Gaskins, and unanimously carried across the Board to send the bylaws back to General Counsel and Management staff to modify the Order of Succession of the Board to include a voting procedure for the positions of Vice President and President.

Roll Call Vote:

Director Gaskins	aye
Vice President Monin	aye
President Vergara	aye
Director Freshley	aye

Engineering Committee

Consent Calendar

1. Consider approving the minutes of the March 26, 2019 Engineering Committee meeting.

Director Freshley asked for a Motion.

Motion: President Vergara made a Motion, seconded by Vice President Monin, and unanimously carried across the Board to approve the Consent Calendar.

Roll Call Vote:

President Vergara	aye
Director Freshley	aye
Vice President Monin	aye
Director Gaskins	aye

Engineering Action Items

Aliso Creek Lift Station Skid Pump and Trailer Mounted Emergency Pump

Mr. Cafferty stated that originally these were two separate line items in the Budget that have been combined into a single project. Mr. Olson stated that the two pumps are identical and the only difference between a skid-mounted pump and a portable trailer-mounted pump is what it's attached to. He further stated that the trailer-mounted pump will stay in the same spot connected and adds flexibility in case of an emergency someplace else.

Mr. Olson stated that Northline and Aliso Creek lift stations are the two largest in the system. He further stated that the pumps include sound attenuated enclosures and comply with current AQMD regulations.

Vice President Monin asked about the price difference between the two pumps. Mr. Olson replied that the price difference is very small as the trailer is a minimal cost of approximately \$1,000.

Chairman Freshley asked if there are standardized points of connection. Mr. Olson replied that the pumps and connection hoses and fittings were selected to accommodate the sewer lift stations with different flow characteristics, suction lines, and discharge lines.

Mr. Olson stated that some of the equipment may be housed at the station, and others will be kept mobile.

Chairman Freshley asked for a Motion.

Motion: Vice President Monin made a Motion, seconded by Director Gaskins, and unanimously carried across the Board to authorize the District's General Manager to (1) issue a purchase order contract to Rain for Rent in the amount of \$208,588.60 for purchase of two 173 HP pumps, (2) enter into a contract with S.S. Mechanical in the amount \$45,175.00 for installation of the pump at the Aliso Creek Lift Station, and (3) issue a purchase order contract to Rain for Rent in the amount of \$19,242.34 for the purchase of pipes hoses and fittings for the portable, trailer mounted pump.

Roll Call Vote:

Director Gaskins	aye
Vice President Monin	aye
President Vergara	aye
Director Freshley	aye

Engineering General Information Items

Capital Project Status Report

Mr. Cafferty stated that Bobby Young will report on some of the Capital Projects.

Oso Lift Station Project

Mr. Young stated that we are still in a holding pattern, but making progress as the City of Laguna Woods is working with the County who believe they have all of the information they need for the lease amendment approval at an upcoming Board of Supervisors meeting. Mr. Cafferty stated that we are ready to go out to bid as soon as the land issue is resolved.

Chairman Freshley asked how long the project will take to complete. Mr. Young replied that completion is estimated at 6 months, which depends on mitigation issues such as bird nesting season.

Chairman Freshley asked if this station has an emergency generator. Mr. Cafferty replied yes, it is tested weekly and can run 24 hours without refueling.

Phase II Recycled Water Distribution System Expansion Project

Mr. Young stated that staff is working with the County and State for approval of the retrofit plans. He further stated that they are asking to see mini phases of the plan for their review process, but once we are ready to go out to bid, it will be one complete package.

Advanced Metering Infrastructure (AMI) Feasibility Study & Alternatives Analysis

Mr. Cafferty stated that in order to allow time for staff to provide comments on a draft report to MC Engineering, as well as evaluate data from a meter pilot study, staff anticipates bringing the results to the Board in May.

Poseidon Huntington Beach Ocean Desal Project

Mr. Cafferty stated that OCWD has requested a soft commitment quantifying potential participation in the Poseidon Project in the form of an MOU. He further stated that OCWD drafted an MOU that staff and General Counsel are reviewing.

Mr. Cafferty stated that staff is doing analysis to see if this project is feasible for ETWD.

Chairman Freshley asked when we would have an answer on this project. Mr. Cafferty replied that we should have a decision in May or June.

Engineering Items Discussed at Various Conferences and Meetings

There were no comments.

Comments Regarding Non-Agenda Engineering Committee Items

There were no comments.

Adjournment

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

Motion: Director Gaskins made a Motion, seconded by Vice President Monin and unanimously carried that today's meeting be adjourned at 8:28 o'clock a.m. to Tuesday, May 21, 2019 at 7:30 o'clock a.m. at the District's Administrative Offices at 24251 Los Alisos Blvd, Lake Forest, CA. 92630.

Roll Call:

Vice President Monin	aye
Director Gaskins	aye
President Vergara	aye
Director Freshley	aye

Respectfully submitted,

POLLY WELSCH
Recording Secretary

APPROVED:

JOSE F. VERGARA, 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

CAPITAL PROJECT / EQUIPMENT STATUS REPORT

May, 2019

I Oso Lift Station Improvement Project

The project design is complete.

The project design requires the expansion of the site by ten feet on the east side of the property. The proposed lot line adjustment from the City of Laguna Woods will need to be approved by the County of Orange due to an existing lease agreement between the City and the County relative to the Woods End Wilderness Preserve/Laguna Coast Wilderness Park. It is staff's understanding that the County will recommend the lease amendment to the Board of Supervisors for approval at the Board of Supervisors meeting on June 25.

The City recently identified an additional agreement between the City of Laguna Woods and the State Coastal Conservancy that will require approval from the Coastal Conservancy for the property transfer. The City of Laguna Woods, as the signatory to the agreement, contacted the Coastal Conservancy to seek the necessary approval. The Coastal Conservancy requested a description of the project benefits to justify the proposed property transfer. District staff provided the requested benefits description. The City of Laguna Woods continues to engage the Coastal Conservancy staff to facilitate the approval. Recent discussions between the City and the Coastal Conservancy suggest they seem to agree that an arrangement for the transfer can be made. Currently the City is working with the Coastal Conservancy to define the value of the property while the Coastal Conservancy works with their attorney to determine what type of agreement will be necessary to effectuate the property transfer.

District staff continues to work with Moulton Niguel Water District regarding the plans and Agreement for the proposed emergency overflow connection from the Oso Lift Station to the MNWD sewer collection system near the station.

Staff is prepared to bid the project once the property acquisition is finalized.

II Phase II Recycled Water Distribution System Expansion Project

Staff is working with the State and County to finalize plan check comments. Staff met both the County and the State in an effort to facilitate and expedite the approval of the retrofit plans. Following the meeting staff submitted revised plans and subsequently a further revision after receiving comments from the County. Staff has been aggressively performing site coverage tests to best prepare for State and County required testing prior to construction. It is anticipated that close coordination with the County will take place during testing, before site conversion can take place.

Staff is preparing to bid a retrofit project including the East Side system and certain sites in the West Side System. The project will go out to bid simultaneously while receiving plan approval from County and State Health. The remaining sites in the West Side System will be handled separately due to unique characteristics that could result in the designation of the sites as “dual-plumbed” as defined in Title 22.

District Staff is working with the staff at Village Management Services to facilitate the execution of the “Recycled Water On-Site Conversion Entry License Agreement” for Third and United. These Agreements will provide authorization for the District’s contractor to construct the retrofits on the private property.

III Advanced Metering Infrastructure (AMI) Feasibility Study & Alternatives Analysis

Staff is reviewing the revised report submitted by MC Engineering incorporating staff comments. The revised report includes the results from a meter replacement and technology pilot study. Staff anticipates presenting the results of the AMI feasibility analysis to the Board in June of 2019.

IV Laboratory Certification Update

Staff’s work with SOCWA to complete the proficiency training that will allow ETWD lab personnel to perform work in the SOCWA lab under the SOCWA ELAP certification is nearly complete.

ELAP Staff recently conducted an on-site assessment at the ETWD lab. The ELAP staff was generally complimentary of the ETWD lab staff. Staff is waiting for the assessor’s report. Staff anticipates the issuance of a permit in the next 2 to 3 months.

V South Orange County Supply and System Reliability Projects

A. Baker Water Treatment Product Water Conveyance Options

MNWD is continuing the property appraisal process to facilitate the acquisition of the property for 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. MNWD recently indicated they are planning to schedule a meeting with ETWD staff to discuss the details of the proposed turnout facility.

There have been discussions about the possibility of storing water in Irvine Lake that could be used to sustain 60 days of supply to the Baker Plant in the event of an interruption of raw water supply from MWD. IRWD is working with Serrano Water District to work out details of the potential storage opportunity. Issues under consideration include the on-going costs of water lost due to evaporation and any overflows as well as capital and maintenance costs associated with the use of the Irvine Lake facilities. IRWD will convene a meeting of the Baker Partners in the near future to discuss the details of a proposal for the potential use of Irvine Lake for emergency storage.

B. Poseidon HB Ocean Desalination Project

OCWD has executed a Term Sheet with Poseidon Resources to investigate and consider the project. However, OCWD has not ultimately committed to receiving and paying for the Poseidon water.

Poseidon indicates they expect to be before the Santa Ana Regional Water Quality Board for consideration of their NPDES Permit renewal in the Spring of 2019 and before the Coastal Commission in the Fall of 2019. The feasibility of the project remains contingent upon obtaining all regulatory and environmental approvals/permits along with approval of Met LRP funding based on \$475/AF over 15 years.

ETWD hosted a meeting on January 31st where OCWD and Poseidon presented to ETWD, SMWD, CLB, MNWD and IRWD more detail with regards to conveyance alternatives to deliver HB product water to South County along with more definitive Treatment Plant and Distribution costs specifically for South County Agencies. Total Net Project Unit Cost inclusive of a MWD LRP Subsidy of \$475/AF to deliver 10 MGD to SOC is estimated to be \$2,125/AF and to deliver 20 MGD to SOC is estimated to be \$1,825/AF.

OCWD is now requesting that any agency wanting to participate in the Poseidon project execute an MOU. The MOU will not represent a contractual commitment to the project, but it will require approval by governing boards. In light of the considerable time, money and effort OCWD anticipates expending to finalize a project distribution plan OCWA believes an MOU will give them greater confidence in knowing which agencies are serious about the project and ultimately negotiating and considering a final water purchase agreement.

OCWA has drafted an MOU for review and comment by interested agencies with a desire to have an MOU executed by the end of July. Staff is reviewing draft MOU as well as the available information regarding the project. Staff proposes to present an analysis of the project to the ETWD Board in the next few months.

Tentative overall project schedule:

RWQCB	Spring 2019
Coastal Commission	Fall 2019
MWD LRP	Mid 2020
Design, Bidding, Construction	2024/25

**F.Y. 2018/19 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>2018/19 Capital Projects</i>															
1	Recycled Water Phase II - Retrofits	E	E	E	P	P	P	P	P	P	P	BP	A	\$700,000	
2	Replace R-6 Sodium Hypochlorite Tanks (CO)		B	A								C	C	\$210,000	\$163,257
3	Oso Lift Station Improvement Project (CO)	E/CQ	E/CQ	E/CQ	CQ	CQ		Construction Deferred to 2019/20 Fiscal Year						\$1,000,000	
4	Aliso Creek Lift Station Skid Pump and Piping			E	E	E	E	B	B	B	A		R	\$200,000	\$198,006
5	Reconstruct (West Side) Drainage Swale at the Holding Pond								E	E	E			\$68,250	
6	AMR / AMI Implementation	RFP	A	E	E	E	E	E	E	E	E	E	BP	\$200,000	\$64,550
7	Master Plan Update (CO)									RFP	RFP	RFP	RFP	\$350,000	
8	Old Treatment Plant / Clear Well Demo		ET	ET	ET	ET	ET	ET	ET	ET		RFP	RFP	\$400,000	
<i>2018/19 Capital Equipment</i>															
1	8-inch Trailer Mounted Emergency Pump		E	E	E	E	B	B	B	B	A		R	\$85,000	\$85,000
2	300-375KW Emergency Generator Trailer		E	E	A			R						\$175,000	\$142,024
Total														\$3,388,250	\$652,837

E = Engineering/Study

C = Construction

O = Order

N = Negotiate

R = Receive

P = Permit

CQ = CEQA

CO = Carry Over

RFP = Request for Proposal

B = Bid

A = Approve by Board

ET = Evaluate

M = Monitoring

BP = Board Presentation

5/17/2019

MINUTES OF THE SPECIAL BOARD BUDGET WORKSHOP MEETING
OF THE
EL TORO WATER DISTRICT

April 11, 2019

President Vergara called the meeting of the Board Budget Committee of the Board of Directors of the ELTORO WATER DISTRICT to order at 7:30 o'clock a.m. on April 11, 2019 at the El Toro Water District Administrative Offices, 24251 Los Alisos Boulevard, Lake Forest, California.

President Vergara led the Pledge of Allegiance to the flag.

Directors JOSE F. VERGARA, MARK MONIN, KATHRYN FRESHLEY, and MIKE GASKINS were present.

NEELY SHAHBAKHTI, Finance Manager/Controller, was absent.

Also present were ROBERT R. HILL, General Manager, DENNIS P. CAFFERTY, Assistant General Manager/District Engineer, JUDY CIMORELL, Human Resources Manager, GIL GRANITO, General Counsel, and POLLY WELSCH, Recording Secretary.

ORAL COMMUNICATIONS - PUBLIC COMMENT

President Vergara stated that at this time members of the public may address the Board or they may reserve this opportunity with regard to an item on the agenda, until said item is discussed by the Board later in the meeting.

There were no comments received.

APPROVAL OF MINUTES

The Committee reviewed and approved the minutes of the April 1, 2019 Budget Committee #2 meeting.

President Vergara asked for a Motion.

Motion: Director Freshley made a Motion, seconded by Vice President Monin and unanimously carried across the Board to approve the Budget Committee #2 meeting minutes.

Roll Call Vote

President Vergara	aye
Director Freshley	aye
Vice President Monin	aye
Director Gaskins	aye

ETWD's Draft 2019/20 Budget, Water, Sewer & Recycled Water Cost of Service (COS) and Prop 218 Notice

Staff and the Committee reviewed and discussed the draft 2019/20 Budget assumptions and associated fiscal implications, the draft COS, the draft Prop 218 Notice, and the schedule to distribute and conduct a Public Hearing.

Mr. Hill stated that the budget review process started in December, and the Budget Committee had 2 previous meetings to review the draft budget. He further stated that staff and the Budget Committee have reached consensus on the analysis included in today's Board package.

Mr. Cafferty stated that Raftelis prepared the Cost of Service Study (COS).

Director Freshley stated that staff did a good job preparing the budget and following the guidelines. Vice President Monin concurred and felt that staff did a well done job. President Vergara stated that he was also impressed by the good job that staff did in preparing the budget.

Mr. Hill stated that Mr. Cafferty will provide a power point presentation and if more clarification is needed on a particular slide, we will refer to the worksheets in the binders.

Mr. Cafferty stated that the process included two in-depth Meetings with the Board Designated Budget Committee.

Mr. Cafferty stated that the Financial Objectives include:

- Establishing a Revenue Cash Flow plan sufficient to fund the Operating Budget inclusive of the Capital R&R Program
- Establishing a Reliable, Stable, and Predictable rate adjustment strategy that minimizes impacts to customers
- Maintaining minimum Reserve levels sufficient to fund legally restricted, board restricted, and board designated requirements
- Employing cost containment and reduction strategies and practices as appropriate to cost effectively maintain reliable service levels

Mr. Cafferty stated that the Financial Principles include:

- Annual MWDOC/MET pass-thru as necessary
- Annual Cost of Service evaluation and adjustments as necessary
- An overall annual revenue increase for the three enterprises (Water, Sewer, and Recycled Water) capped at 5%
- Individual enterprise rate or charge increases capped at 10%
- Maintenance of a minimum Board designated Reserve level of \$8.5 million

- Prudent use of Reserves to minimize customer impact while maintaining required minimum debt coverage ratios

Mr. Cafferty showed slides on the 2019/20 Proposed Revenues and Proposed Expenses.

Mr. Cafferty stated that there are no proposed changes to Water, Recycled Water, or Sewer Capital Charges.

Mr. Cafferty stated that Purchased Water expense increases will increase the Commodity Rate by 6 cents across every Tier.

Mr. Cafferty stated that the tertiary water use charge is tied to the potable water use, which is 90% of the Tier II rate, resulting in a 5 cent increase in the recycled water rate.

Mr. Cafferty stated that the cost of service line item indicates the total amount of increased revenue associated with the increase in our fixed meter water revenues.

Mr. Cafferty stated that we are not proposing to increase sewer rates.

Mr. Cafferty stated that the Capital Charge of \$3 million is generating money toward Capital as a line item on the bill and we are not proposing any change.

Mr. Cafferty stated that our 10-year plan keeps faith with the COS approach and is not designed to generate additional Reserves. He further stated that this keeps large rate increases down.

Mr. Cafferty stated that property tax revenue is taken into account, and the restricted reserves come from Tier III and IV revenue. He further stated that restricted reserves can only be used for water supply projects.

Mr. Cafferty stated that we are proposing a draw down of Reserves of approximately \$450,000 in order to minimize the required rate increase.

Mr. Cafferty stated the net overall increase in Revenue is approximately 2.4%.

President Vergara asked what the Outside Treatment Sewer line item is. Mr. Cafferty replied that is primarily SOCWA.

Mr. Cafferty stated that the major expense drivers are Purchased Water, Labor and Benefits, Depreciation, Interest Expense, and Other Operating Expenses.

Mr. Cafferty stated that Tab 2 details Purchased Water, showing the MET costs increase due to purchasing less water, and Baker O&M will adequately cover costs.

Mr. Cafferty stated that the Labor Budget has been reviewed by the HR and Budget Committees and is described under Tab 3. He further stated that Salaries are driven by the merit pool which is based on the Consumer Pricing Index at 3.9% and a merit component at 3% resulting in a total Labor Pool of 6.9%. Mr. Cafferty stated that staff surveyed neighboring agencies and the average Merit Pool is around 7%.

President Vergara asked if there are staff who do not receive increases. Mr. Cafferty replied that the increases are based on the employee's performance and on occasion there are staff who do not receive increases.

President Vergara asked if this is legal. Director Gaskins replied yes, it is within the management staff's authority.

Director Freshley asked how someone who is top of range receives an increase. Mr. Cafferty replied that when someone tops out in their range, they can get a salary increase up to the amount of their new top of range, and if their increase is higher than that, they would receive a check for the remaining value of their increase.

Mr. Cafferty stated that under Tab 4 is the Medical Analysis and Breakdown. He further stated that medical costs came in lower than anticipated, so there are no big changes.

Mr. Cafferty stated that Tab 6 of the package is the 10-year Cash Flow. He further stated that non-rate Revenues include cell site leases, property taxes, interest income, and LRP rebates.

Mr. Cafferty stated that the net is a draw down on Reserves, allowing a less than 10% increase in the Fixed Meter charge.

Mr. Cafferty stated that the debt coverage ratio required on the SRF loan is 120%, and the Texas Capital loan is 110%. He further stated that revenue increases do not exceed 5% of the Capital.

Mr. Cafferty stated that the details of the Capital Improvement Plan are under Tab 8 that presents a 5-year Capital plan.

Rate Adjustments

Mr. Cafferty stated that on the water and recycled water fixed meters are ranging in increased percentages of just under 10%. He further stated that there is no increase in sewer rates.

Mr. Cafferty stated that potable water, tiered rates, and commercial, institutional, and industrial rates are increasing slightly. He further stated that the water supply charge went up by 6 cents.

Mr. Cafferty stated that Capital Charges are not increasing at this time. He further stated that water charges are based on meter size, calculated by Raftelis' Cost of Service Study.

Mr. Cafferty stated that Single Family Residents will increase slightly less than 3%. He further stated that HOA's and cities are also increasing slightly.

Proposed Schedule

Mr. Cafferty stated that the Proposed Schedule identifies distribution of the Prop 218 at the upcoming CAG meeting, the May Board meeting dates, and publication of the Public Hearing Notice in the OC Register, and approval of the 2019/20 budget and rate implementation.

President Vergara asked how many protest letters does it take the District to receive in order for the rate increase not to go through. Mr. Cafferty replied that it takes 51% of the parcel owners to protest the rate increase in writing in order for the rates not to be increased.

President Vergara asked to consider approving all 4 action items at today's meeting in one Motion.

Motion: Director Freshley made a Motion, seconded by Vice President Monin, and unanimously carried across the Board to: 1) approve the 2019/20 Operating Budget, 2) approve the 2019/20 Water, Sewer and Recycled Water Cost of Service Study Report, 3) approve the 2019/20 Proposition 218 Notice, and 4) authorize staff and Counsel to distribute the Proposition 218 Notice in accordance with applicable noticing requirements.

Roll Call Vote:

Director Freshley	aye
Vice President Monin	aye
President Vergara	aye
Director Gaskins	aye

ADJOURNMENT

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

MOTION: Vice President Monin moved, seconded by Director Freshley, and unanimously carried across the Board that today's meeting be hereby adjourned at 9:58 o'clock a.m.

Respectfully submitted,

Polly Welsch
Recording Secretary

APPROVED:

JOSE VERGARA, 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

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

April 23, 2019

Vice President Monin called the Meeting of the Finance/Insurance Committee to order at 8:28 o'clock a.m. on April 25, 2019.

Present at today's meeting were Committee Members JOSE F. VERGARA, MARK MONIN, MIKE GASKINS, and KATHRYN FRESHLEY.

Also present were DENNIS P. CAFFERTY, Assistant General Manager/District Engineer, JUDY CIMORELL, Human Resources Manager, NEELY SHAHBAKHTI, Finance Manager/Controller, NANCY LAURSEN, Accountant/Insurance Administrator, RICK OLSON, Operations Superintendent, BOBBY YOUNG, Project Engineer, GILBERT J. GRANITO, General Counsel, POLLY WELSCH, Recording Secretary, BILL MOORHEAD, MWND Director, and CAROL MOORE, Laguna Woods City Council.

ROBERT R. HILL, General Manager/Secretary, was absent.

Vice President Monin stated that we would be taking items out of order and having the Attorney Report and Closed Session first.

Attorney Report

Mr. Granito reported that there is a need for discussion on item #2 of today's Closed Session agenda.

Closed Session

At approximately 8:28 o'clock a.m. the Board went into Closed Session. At this time, Ms. Shahbakhti, Mr. Cafferty, Ms. Moore, Mr. Moorhead, and Ms. Welsch left the meeting.

Open Session Report

At approximately 8:48 o'clock a.m. Regular Session resumed. Also at this time, Mr. Cafferty, Ms. Cimorell, and Ms. Welsch returned to the meeting.

Mr. Granito reported that at approximately 8:28 o'clock a.m. the Board did go into Closed Session to discuss item #2 of today's Closed Session agenda. Mr. Granito further reported that during the early phase of that discussion, Ms. Cimorell, Human Resources Manager participated and was excused shortly thereafter, and the Board proceeded with deliberations with regard to the subject matter.

No further reportable action was taken.

Consent Calendar

- a. Consider approving the March 26, 2019 Finance Committee meeting minutes.

Vice President Monin asked for a Motion.

Motion: Director Freshley made a Motion, seconded by Director Gaskins and unanimously carried across the Board to approve the Consent calendar.

Roll Call Vote:

Director Gaskins	aye
President Vergara	aye
Vice President Monin	aye
Director Freshley	aye

Approval of Items Removed from Today's FIC Consent Calendar

There were no items removed.

Finance Action Items

Quarterly Insurance Report

Ms. Cimorell stated that there were no new incidents this quarter, other than one

Workers Comp claim with modified duty and no loss time.

Ms. Cimorell stated that under the Anthem Supplemental, a long-term employee has been removed and therefore this line item will be removed.

Vice President Monin asked for a Motion.

Motion: Director Gaskins made a Motion, seconded by Director Freshley and unanimously carried across the Board to Receive and File the Quarterly Insurance Report for the Period January 1, 2019 through March 31, 2019.

Roll Call Vote:

Director Gaskins	aye
Vice President Monin	aye
President Vergara	aye
Director Freshley	aye

Finance Report

Mr. Cafferty stated that staff met yesterday with the Ad Hoc Committee to discuss the questions that will be provided to HighMark to address performance of the 401(k) Plan.

Mr. Cafferty stated that staff had a conference call yesterday with Prudential on whether or not there was a Money Market fund option available for our 457 Plan. He further stated that in Prudential's lineup they have a Guaranteed Income Fund where the interest is set for a 6-month period in advance until it resets 6 months later.

Mr. Cafferty stated that Prudential pointed out that the Guaranteed Income Fund is extremely popular with the District participants. He further stated that Prudential does not allow the Money Market Fund to compete with the Guaranteed Income Fund because they don't want a flood of participants leaving the Guaranteed Income Fund for a higher interest rate in a short term as it impacts their ability to maintain the stability of

the fund.

Mr. Cafferty stated that Prudential does offer a Self-Directed Broker Option which opens up some potential other investment options including Money Market investments. He further stated that these options carry additional fees.

Vice President Monin asked if we could replace the Guaranteed Income Fund with a Money Market Fund with no fees. Mr. Cafferty replied that staff will pose the question to Prudential.

President Vergara asked if the self-directed means that the participant can choose their own investments. Mr. Cafferty replied yes.

Vice President Monin asked for a Motion.

Motion: Director Gaskins made a Motion, seconded by President Vergara, 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 April 23, 2019, and 2) receive and file the Financial Statements for the period ending March 31, 2019.

Roll Call Vote:

President Vergara	aye
Vice President Monin	aye
Director Freshley	aye
Director Gaskins	aye

At approximately 8:57 o'clock a.m. Ms. Laursen left the meeting.

Finance Information Items

2019/20 Fiscal Year Budget/Cost of Service Evaluation/Preparation and Tentative

Schedule Status Report

Mr. Cafferty stated that we are finalizing the Prop 218 Notice and will be distributing to the customers next week.

Tiered Water Usage and Revenue Tracking

Ms. Shahbakhti stated that included in the package are graphs for the month on March and year to date by Tiers and usage.

Comments Regarding Non-Agenda FIC Items

There were no comments.

Close Finance and Insurance Committee Meeting

At approximately 8:59 o'clock a.m. the FIC meeting was closed.

Attorney Report

Mr. Granito reported that there is no need for an Attorney Report at today's meeting.

Adjournment

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

Motion: Director Gaskins made a Motion, seconded by Director Freshley and unanimously carried that today's meeting be adjourned at 9:00 o'clock a.m. to Tuesday, May 21, 2019, Lake Forest, CA. 92630.

Roll Call:

Director Freshley	aye
President Vergara	aye
Director Gaskins	aye
Vice President Monin	aye

Respectfully submitted,

POLLY WELSCH
Recording Secretary

APPROVED:

JOSE F. VERGARA, 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
FINANCIAL REPORT
May 21, 2019

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**EL TORO WATER DISTRICT
BALANCE SHEET**

	4/30/19 (Unaudited)	June 30, 2018 (Audited)
ASSETS		
Current Assets		
Cash & Investments	\$6,118,330	\$2,459,711
Receivables:		
Accounts Receivable	2,858,266	3,282,569
Notes Receivable	-	-
Inventories	659,627	659,179
Prepaid Expenses	351,713	207,509
Total Current Assets	9,987,937	6,608,969
Restricted Assets		
Cash & Investments	12,563,022	11,589,909
Total Restricted Assets	12,563,022	11,589,909
Non-Current Assets		
Utility Plant:		
Land & Easements	7,451,585	7,451,585
Long Term Leases	342,382	342,382
Equipment	113,970,035	112,921,077
Collection & Impound Reservoirs	6,243,706	6,243,706
Structure & Improvements	34,776,657	34,734,945
Total Utility Plant	162,784,366	161,693,697
Less Accumulated Depreciation & Amortization	(74,552,423)	(71,020,533)
Net Utility Plant	88,231,943	90,673,164
Construction Work in Progress	6,610,653	5,436,790
Notes Receivable	-	-
Total Non-current Assets	94,842,595	96,109,954
TOTAL ASSETS	\$117,393,554	\$114,308,831

**EL TORO WATER DISTRICT
BALANCE SHEET**

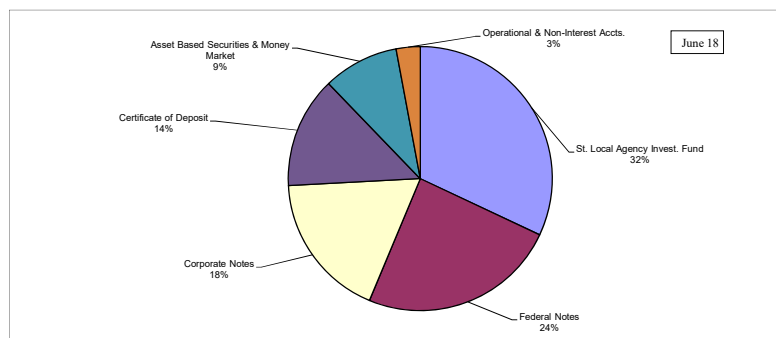
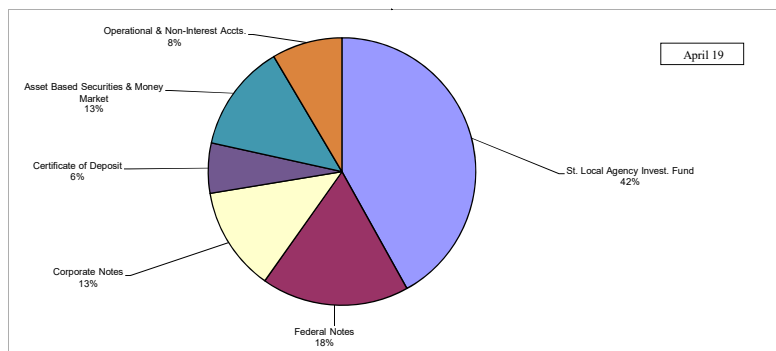
	4/30/19 (Unaudited)	June 30, 2018 (Audited)
LIABILITIES and EQUITY		
Liabilities		
Current Liabilities Payable		
Accounts Payable	\$1,592,158	\$2,478,256
Current Portion of Long-Term Debt	401,152	1,782,485
Other Current Liabilities	1,861,391	2,109,095
Total Current Liabilities Payable		
From Current Assets	3,854,701	6,369,836
Long Term Debt		
Long Term Debt	50,195,811	45,218,263
Total Long Term Debt	50,195,811	45,218,263
Total Liabilities	54,050,512	51,588,100
Fund Equity		
Retained Earnings - Reserved	17,034,893	17,034,893
Contributed Capital	8,744,767	8,744,767
Retained Earnings - Unreserved	36,941,072	38,037,954
Net Income	622,310	(1,096,882)
Total Fund Equity	63,343,042	62,720,732
Total Liabilities & Fund Equity	\$117,393,554	\$114,308,831

CASH & INVESTMENTS
SUMMARY OF INVESTMENTS BY TYPE

	Maturity Dates	Par	Market Value 4/30/19	Financial Institution	YTM 4/30/19	Original Cost 4/30/19
State Local Agency Investment Fund	NA	NA	\$7,838,506	LAIF	2.45%	\$7,838,506
US Treasury N/B - Coupon Rate 1.625%	7/31/2020	60,000	59,461	US Bank/CAMP	1.60%	60,038
US Treasury N/B - Coupon Rate 1.375%	8/31/2020	110,000	108,586	US Bank/CAMP	1.53%	109,502
US Treasury N/B - Coupon Rate 1.375%	8/31/2020	260,000	256,658	US Bank/CAMP	1.44%	259,523
US Treasury N/B - Coupon Rate 1.375%	10/31/2020	95,000	93,683	US Bank/CAMP	1.65%	94,228
US Treasury N/B - Coupon Rate 1.750%	12/31/2020	340,000	336,866	US Bank/CAMP	1.90%	338,513
US Treasury N/B - Coupon Rate 1.375%	1/31/2021	50,000	49,201	US Bank/CAMP	2.05%	49,006
US Treasury N/B - Coupon Rate 1.125%	2/28/2021	150,000	146,871	US Bank/CAMP	2.41%	144,428
US Treasury N/B - Coupon Rate 2.000%	5/31/2021	490,000	487,339	US Bank/CAMP	2.62%	481,272
Intl BK of Recon & Dev Global Notes - Coupon Rate 1.125%	11/27/2019	110,000	109,104	US Bank/CAMP	1.50%	109,098
Intl BK of Recon & Dev Notes - Coupon Rate 1.875%	4/21/2020	90,000	89,520	US Bank/CAMP	1.90%	89,922
Inter-American Devel BK Note - Coupon Rate 1.625%	5/12/2020	150,000	148,732	US Bank/CAMP	1.70%	149,645
Intl BK of Recon & Dev Notes - Coupon Rate 1.561%	9/12/2020	90,000	88,903	US Bank/CAMP	1.64%	89,784
Inter-American Development Bank - Coupon Rate 2.125%	11/9/2020	90,000	89,689	US Bank/CAMP	1.81%	90,834
Intl Finance Note - Coupon Rate 2.250%	1/25/2021	70,000	69,841	US Bank/CAMP	2.35%	69,794
Intl Finance Corporation Note - Coupon Rate 2.635%	3/9/2021	90,000	89,963	US Bank/CAMP	2.66%	89,933
Inter-American Dev Bank Note - Coupon Rate 1.875%	3/15/2021	200,000	198,314	US Bank/CAMP	2.56%	196,046
Inter-American Dev Bank Note - Coupon Rate 2.625%	4/19/2021	70,000	70,333	US Bank/CAMP	2.70%	69,846
CA ST TXBL GO Bonds - Coupon Rate 2.800%	4/1/2021	100,000	100,791	US Bank/CAMP	2.80%	100,004
FNA 2018-M5 A2 - Coupon Rate 3.560%	9/25/2021	48,918	49,581	US Bank/CAMP	2.27%	49,891
FNMA Notes - Coupon Rate 1.000%	8/28/2019	500,000	497,566	US Bank/CAMP	1.10%	498,650
FNMA Notes - Coupon Rate 1.500%	2/28/2020	200,000	198,581	US Bank/CAMP	1.52%	199,872
Federal Notes		3,363,918	3,339,582			3,339,826
American Honda Finance - Coupon Rate 1.200%	7/12/2019	150,000	149,550	US Bank/CAMP	1.48%	148,887
Goldman Sachs Group Inc - Coupon Rate 1.950%	7/23/2019	60,000	59,901	US Bank/CAMP	1.96%	59,993
Cisco Systems Notes - Coupon Rate 1.400%	9/20/2019	150,000	149,317	US Bank/CAMP	1.42%	149,931
Honeywell International Corp. Notes - Coupon Rate 1.800%	10/30/2019	25,000	24,906	US Bank/CAMP	1.84%	24,981
American Express Credit Corp. - Coupon Rate 1.700%	10/30/2019	100,000	99,565	US Bank/CAMP	1.99%	99,240
Citigroup Inc. Corp. Note - Coupon Rate 2.450%	1/10/2020	50,000	49,902	US Bank/CAMP	1.90%	50,607
BB&T Corp. Note - Coupon Rate 2.450%	1/15/2020	100,000	99,809	US Bank/CAMP	2.08%	101,053
Morgan Stanley Corp. Bonds - Coupon Rate 2.650%	1/27/2020	40,000	39,976	US Bank/CAMP	2.35%	40,346
IBM Corp. Notes - Coupon Rate 1.900%	1/27/2020	100,000	99,528	US Bank/CAMP	1.93%	99,904
Microsoft Corp. Note - Coupon Rate 1.850%	2/6/2020	90,000	89,539	US Bank/CAMP	1.87%	89,940
Apple Inc. Bonds - Coupon Rate 1.900%	2/7/2020	80,000	79,605	US Bank/CAMP	1.92%	79,961
Chevron Corp Notes - Coupon Rate 1.991%	3/3/2020	70,000	69,664	US Bank/CAMP	1.99%	70,000
Walt Disney Corp Notes - Coupon Rate 1.950%	3/4/2020	20,000	19,884	US Bank/CAMP	1.96%	19,995
Exxon Mobil Corp Note - Coupon Rate 1.912%	3/6/2020	90,000	89,530	US Bank/CAMP	1.75%	90,402
John Deere Capital Corp. - Coupon Rate 2.200%	3/13/2020	40,000	39,856	US Bank/CAMP	2.23%	39,969
Goldman Sachs Group Inc Corp Notes - Coupon Rate 2.600%	4/23/2020	30,000	29,938	US Bank/CAMP	2.28%	30,226
General Dynamics Corp. - Coupon Rate 2.875%	5/11/2020	50,000	50,170	US Bank/CAMP	3.06%	49,823
Apple Inc. Bonds - Coupon Rate 1.800%	5/11/2020	60,000	59,549	US Bank/CAMP	1.84%	59,939
Intel Corp Notes - Coupon Rate 1.850%	5/11/2020	90,000	89,333	US Bank/CAMP	1.86%	89,966
Home Depot Inc Corp Notes - Coupon Rate 1.800%	6/5/2020	40,000	39,649	US Bank/CAMP	1.82%	39,977
Walt Disney Corp Notes - Coupon Rate 1.800%	6/5/2020	70,000	69,478	US Bank/CAMP	1.84%	69,919
John Deere Capital Corp Notes - Coupon Rate 1.950%	6/22/2020	20,000	19,852	US Bank/CAMP	1.97%	19,988
State Street Corp Notes - Coupon Rate 2.550%	8/18/2020	10,000	9,993	US Bank/CAMP	1.83%	10,208
State Street Corp Notes - Coupon Rate 2.550%	8/18/2020	70,000	69,954	US Bank/CAMP	1.82%	71,471
Caterpillar Finl Service Note - Coupon Rate 1.850%	9/4/2020	70,000	69,301	US Bank/CAMP	1.88%	69,941
Citigroup Inc Corp Notes - Coupon Rate 2.650%	10/26/2020	40,000	39,943	US Bank/CAMP	2.34%	40,360
Paccar Financial Corp Notes - Coupon Rate 2.050%	11/13/2020	20,000	19,857	US Bank/CAMP	2.05%	19,998
VISA Inc. (Callable) Corp Notes - Coupon Rate 2.200%	12/14/2020	20,000	19,901	US Bank/CAMP	1.85%	20,220
Wal-Mart Stores Inc. Corp. Note - Coupon Rate 1.900%	12/15/2020	90,000	89,143	US Bank/CAMP	1.95%	89,870
Paccar Financial Corp Notes - Coupon Rate 2.800%	3/1/2021	30,000	30,092	US Bank/CAMP	2.82%	29,985
National Rural Util Coop - Coupon Rate 2.900%	3/15/2021	35,000	35,203	US Bank/CAMP	2.94%	34,961
United Parcel Service Corporate Bond - Coupon Rate 2.050%	4/1/2021	90,000	89,124	US Bank/CAMP	2.10%	89,858
Toyota Motor Credit Corp Notes - Coupon Rate 2.950%	4/13/2021	90,000	90,629	US Bank/CAMP	2.96%	89,964
Pepsico Inc. Corp. Note - Coupon Rate 2.000%	4/15/2021	30,000	29,726	US Bank/CAMP	2.01%	29,994
Hershey Company Corp. Note - Coupon Rate 3.100%	5/15/2021	40,000	40,464	US Bank/CAMP	3.12%	39,972
American Express Co. - Coupon Rate 3.375%	5/17/2021	45,000	45,544	US Bank/CAMP	3.38%	44,992
Charles Schwab Corp. Corp. Notes - Coupon Rate 3.250%	5/21/2021	55,000	55,660	US Bank/CAMP	3.25%	54,998
Bank of America Note - Coupon Rate 2.328%	10/1/2021	90,000	89,279	US Bank/CAMP	2.33%	90,000
Corporate Notes		2,350,000	2,342,312			2,351,838
Sumitomo Mitsui Bank CD - Coupon Rate 2.050%	5/3/2019	180,000	179,993	US Bank/CAMP	2.05%	180,000
Skandinav Enskilda Banken NY CD - Coupon Rate 1.840%	8/2/2019	180,000	179,650	US Bank/CAMP	1.85%	179,930
MUFG Bank LTD/NY CD - Coupon Rate 2.070%	9/25/2019	100,000	99,700	US Bank/CAMP	2.07%	100,000
Credit Suisse New York CD - Coupon Rate 2.670%	2/7/2020	100,000	100,124	US Bank/CAMP	2.67%	100,000
Nordea Bank AB NY CD - Coupon Rate 2.720%	2/20/2020	90,000	90,205	US Bank/CAMP	2.72%	90,000
Bank of Nova Scotia Houston CD - Coupon Rate 3.080%	6/5/2020	100,000	100,676	US Bank/CAMP	3.10%	99,962
Westpac Banking Corp NY CD - Coupon Rate 2.050%	8/3/2020	150,000	149,243	US Bank/CAMP	2.05%	150,000
Swedbank (NewYork) CD - Coupon Rate 2.270%	11/16/2020	135,000	134,004	US Bank/CAMP	2.30%	135,000
Royal Bank of Canada NY CD - Coupon Rate 3.240%	6/7/2021	100,000	101,542	US Bank/CAMP	3.24%	100,000
Certificate of Deposit		1,135,000	1,135,137			1,134,892
Toyota ABS 2017-A A3 - Coupon Rate 1.730%	2/15/2021	31,418	31,286	US Bank/CAMP	1.74%	31,414
John Deere ABS 2017-A A3 - Coupon Rate 1.780%	4/15/2021	18,032	17,967	US Bank/CAMP	1.79%	18,029
Toyota ABS 2017-B A3 - Coupon Rate 1.760%	7/15/2021	85,893	85,490	US Bank/CAMP	1.76%	85,887
Honda ABS 2017-1 A3 - Coupon Rate 1.720%	7/21/2021	24,332	24,205	US Bank/CAMP	1.72%	24,331
Hyundai ABS 2017-A A3 - Coupon Rate 1.760%	8/15/2021	31,651	31,492	US Bank/CAMP	1.76%	31,648
Nissan ABS 2017-A A3 - Coupon Rate 1.740%	8/15/2021	40,329	40,135	US Bank/CAMP	1.74%	40,325
Ally ABS 2017-2 A3 - Coupon Rate 1.780%	8/15/2021	44,190	44,008	US Bank/CAMP	1.79%	44,184
Honda ABS 2017-2 A3 - Coupon Rate 1.680%	8/16/2021	74,401	73,950	US Bank/CAMP	1.68%	74,394
CCCIT 2017-A9 A9 - Coupon Rate 1.800%	9/20/2021	100,000	99,685	US Bank/CAMP	1.80%	99,993
John Deere ABS 2017-B A3 - Coupon Rate 1.820%	10/15/2021	29,243	29,088	US Bank/CAMP	1.82%	29,241
Ford ABS 2017-B A3 - Coupon Rate 1.690%	11/15/2021	70,000	69,571	US Bank/CAMP	1.69%	69,997
American Express 2017-4 A - Coupon Rate 1.640%	12/15/2021	100,000	99,963	US Bank/CAMP	1.65%	99,984
Hyundai ABS 2017-B A3 - Coupon Rate 1.770%	1/15/2022	80,000	79,461	US Bank/CAMP	1.78%	79,986
Ally 2017-6 A3 - Coupon Rate 1.990%	3/15/2022	70,000	69,695	US Bank/CAMP	1.99%	69,995
Ford 2017-C A3 - Coupon Rate 2.010%	3/15/2022	110,000	109,392	US Bank/CAMP	2.02%	109,980
Citibank 2017-A3 A3 - Coupon Rate 1.920%	4/7/2022	100,000	99,426	US Bank/CAMP	1.82%	100,267
JDOT 2018-A A3 - Coupon Rate 2.660%	4/15/2022	20,000	20,001	US Bank/CAMP	2.66%	19,999
Hart 2018-A A3 - Coupon Rate 2.790%	7/15/2022	35,000	35,121	US Bank/CAMP	2.80%	34,995
MBart 2018-1 A3 - Coupon Rate 3.030%	1/15/2023	55,000	55,445	US Bank/CAMP	3.03%	54,998
CAMP Money Market Fund	NA	NA	1,316,623	US Bank/CAMP	2.55%	1,316,623
Asset Based Securities & Money Market		1,119,488	2,432,004			2,436,269
Total Camp Investments		7,968,406	9,249,036			9,262,824

Operational & Non-Interest Bearing Accounts

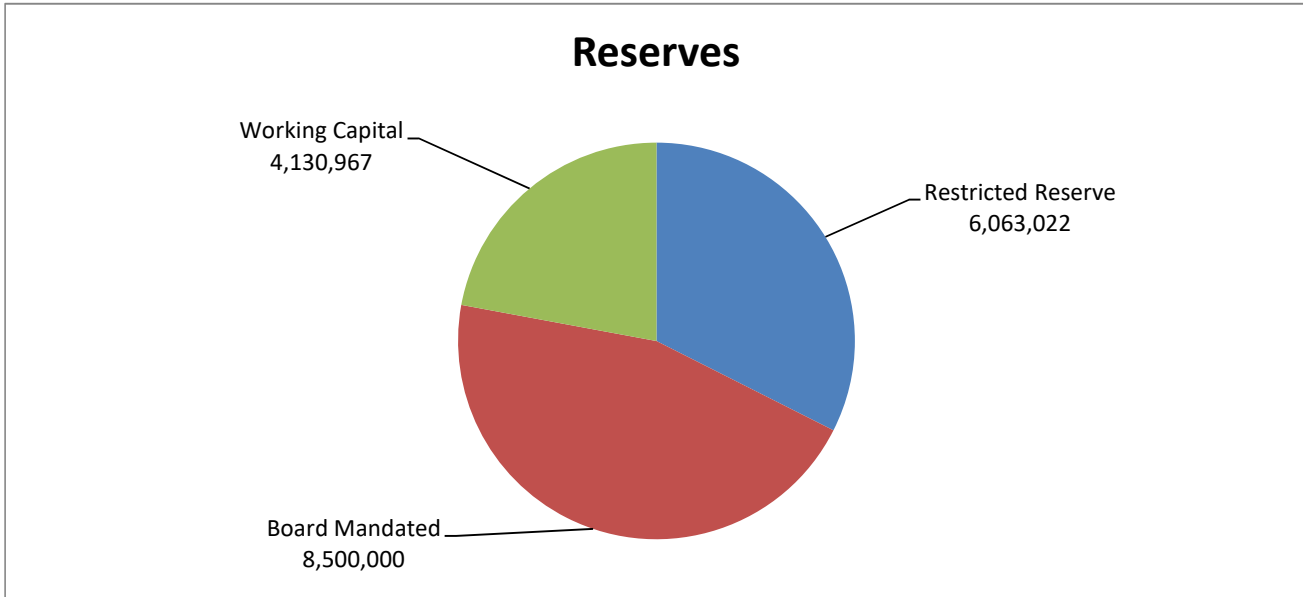
ETWD General Cash Account	NA	NA	1,546,105	Union Bank of Cal.	0.00%	1,546,105
ETWD Capital Facilities Reserve Account	NA	NA	45,853	Union Bank of Cal.	0.00%	45,853
ETWD Payroll Account	NA	NA	0	Union Bank of Cal.	0.00%	0
ETWD Petty Cash Account	NA	NA	700	Union Bank of Cal.	0.00%	700
Operational & Non-Interest Accts.			1,592,659			1,592,659
			\$18,680,200	Total Investments & Cash		\$18,693,989



LIQUIDITY

	April 30, 2019		June 30, 2018	
	\$	%	\$	%
DEMAND	\$ 10,747,788	57.49%	\$ 4,910,610	35.03%
30 Days	\$ 180,000	0.96%	\$ -	0.00%
31-180 Days	\$ 1,137,391	6.08%	\$ 398,073	2.84%
181 - 360	\$ 1,425,514	7.63%	\$ 712,727	5.08%
361-1800 Days	\$ 5,203,296	27.83%	\$ 7,995,983	57.04%
TOTAL	\$ 18,693,989	100.00%	\$ 14,017,392	100.00%

**EL TORO WATER DISTRICT
RESERVE ANALYSIS
30-Apr-19**



Restricted Reserve	\$	6,063,022
Board Mandated	\$	8,500,000
Capital Cash Flow / Compliance	\$	4,130,967
Total	\$	18,693,989

Restricted Reserve

SRFL-Recycled	\$	1,602,958
Capital Facilities Reserve	\$	64,514
Tiered Cons Fund	\$	2,552,191
Baker Funding	\$	1,843,359
Total	\$	6,063,022

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:	\$11,119,197
Cash less restricted reserve on hand:	\$12,630,967

EL TORO WATER DISTRICT CHANGE IN RESERVES

	<u>April 30, 2019</u>	<u>Year to Date</u>	<u>June 30, 2018</u>
Operating Revenue	2,120,198	20,263,297	25,189,081
Non-operating Revenue	208,501	1,961,518	1,601,543
Total Revenue	<u>2,328,699</u>	<u>22,224,815</u>	<u>26,790,623</u>
Operating Expenses	1,898,076	17,296,921	22,753,546
Depreciation	366,470	3,664,700	4,343,207
Non-operating Expenses	64,088	640,884	790,753
Total Expenses	<u>2,328,635</u>	<u>21,602,505</u>	<u>27,887,506</u>
NET INCOME	65	622,310	(1,096,882)
Non-Cash Items:			
Add: Depreciation	366,470	3,664,700	4,343,207
Change in Notes Receivable/Grant Fund	-	-	-
Loan Proceeds	-	4,977,548	(1,776,305)
Less: Debt Service	-	(1,381,333)	36,668
Capital Improvements	(246,591)	(2,318,158)	(5,604,856)
Total Non-Cash Items	<u>119,879</u>	<u>4,942,757</u>	<u>(3,001,286)</u>
CHANGE IN RESERVES	<u>119,943</u>	<u>5,565,067</u>	<u>(4,098,168)</u>

EL TORO WATER DISTRICT
Cash Sheet
For the month ending April 30, 2019

CHECK NUMBER	PAYMENT DATE	VENDOR NAME	PAYMENT AMOUNT
86760	04/04/2019	SOUTH ORANGE COUNTY WASTEWATER AUTHORITY	247,241.00
86793	04/11/2019	MUNICIPAL WATER DISTRICT OF ORANGE CO.	245,045.29
86805	04/11/2019	SOUTH ORANGE COUNTY WASTEWATER AUTHORITY	134,448.00
86774	04/11/2019	ACWA HEALTH BENEFITS AUTHORITY	122,877.43
86866	04/25/2019	SO. CALIFORNIA EDISON CO.	73,239.04
TOTAL CHECKS OVER \$50,000			\$ 822,850.76
TOTAL CHECKS IN REGISTER			\$ 1,150,657.25

INTERBANK WIRES / DEBIT TRANSFERS

04/12/2019	PAYROLL DIRECT DEPOSIT	155,886.76
04/12/2019	FEDERAL DEPOSIT LIABILITY	30,921.90
04/12/2019	SDI & STATE TAX	12,130.42
04/12/2019	WAGE GARNISHMENTS	585.00
04/12/2019	PRUDENTIAL (401K)	54,999.40
04/12/2019	PRUDENTIAL (457)	18,025.76
04/15/2019	PAYROLL BOARD OF DIRECTOR	4,626.44
04/15/2019	SS, MEDICARE, SDI & STATE TAX	1,415.76
04/15/2019	PRUDENTIAL (457)	2,854.60
04/15/2019	PAYROLL DIRECT DEPOSIT	141,047.56
04/26/2019	FEDERAL DEPOSIT LIABILITY	28,827.00
04/26/2019	SDI & STATE TAX	11,484.22
04/26/2019	WAGE GARNISHMENTS	585.00
04/26/2019	PRUDENTIAL (401K)	50,870.58
04/26/2019	PRUDENTIAL (457)	17,000.16
04/30/2019	ADP AND BANK FEES	5,268.59
TOTAL INTERBANK WIRES / DEBIT TRANSFERS		\$ 536,529.15

TOTAL DISBURSEMENTS \$ 1,687,186.40

ETWD EMPLOYEES

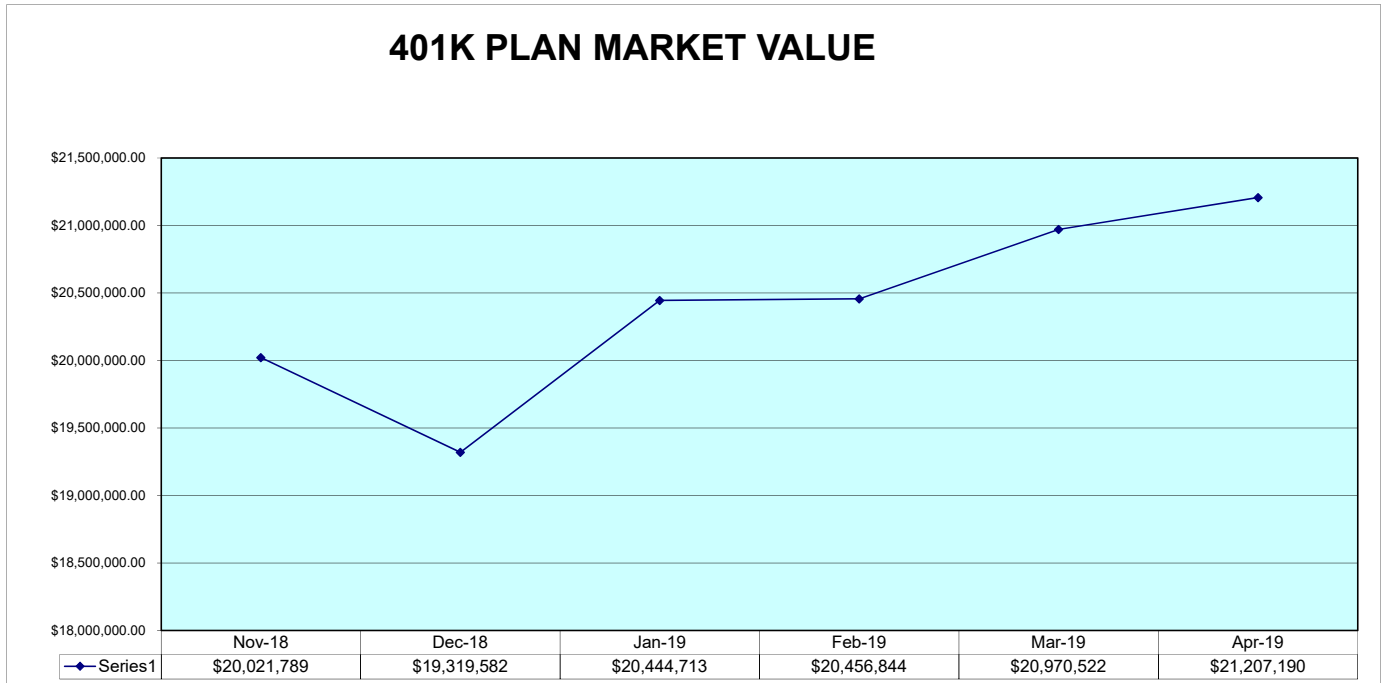
CHECK NUMBER	PAYMENT DATE	PAYEE (DESCRIPTION)	PAYMENT AMOUNT
86824	04/18/2019	ERIC NGUYEN (Expense Reimbursement)	140.36
86740	04/04/2019	GARTH BOTHA (Expense Reimbursement)	90.00
86849	04/25/2019	BOB HILL (Expense Reimbursement)	90.00
86858	04/25/2019	RALPH PALOMARES (Expense Reimbursement)	69.90
TOTAL CHECKS TO EMPLOYEES			\$ 390.26

ETWD DIRECTORS

CHECK NUMBER	PAYMENT DATE	PAYEE (DESCRIPTION)	PAYMENT AMOUNT
86747	04/04/2019	JOSE VERGARA (Expense Reimbursement)	192.56
86748	04/04/2019	KATHRYN FRESHLEY (Expense Reimbursement)	155.99
TOTAL CHECKS TO DIRECTORS			\$ 348.55

**EL TORO WATER DISTRICT
401K PLAN SUMMARY**

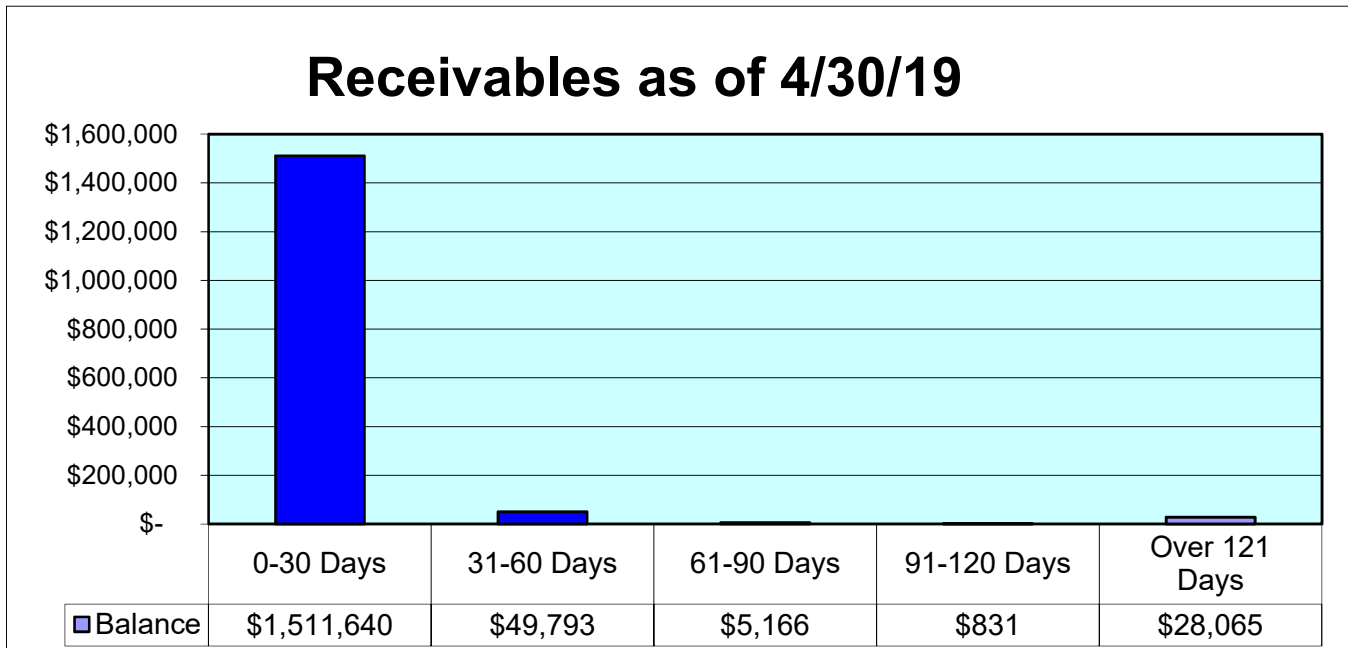
401K PLAN MARKET VALUE



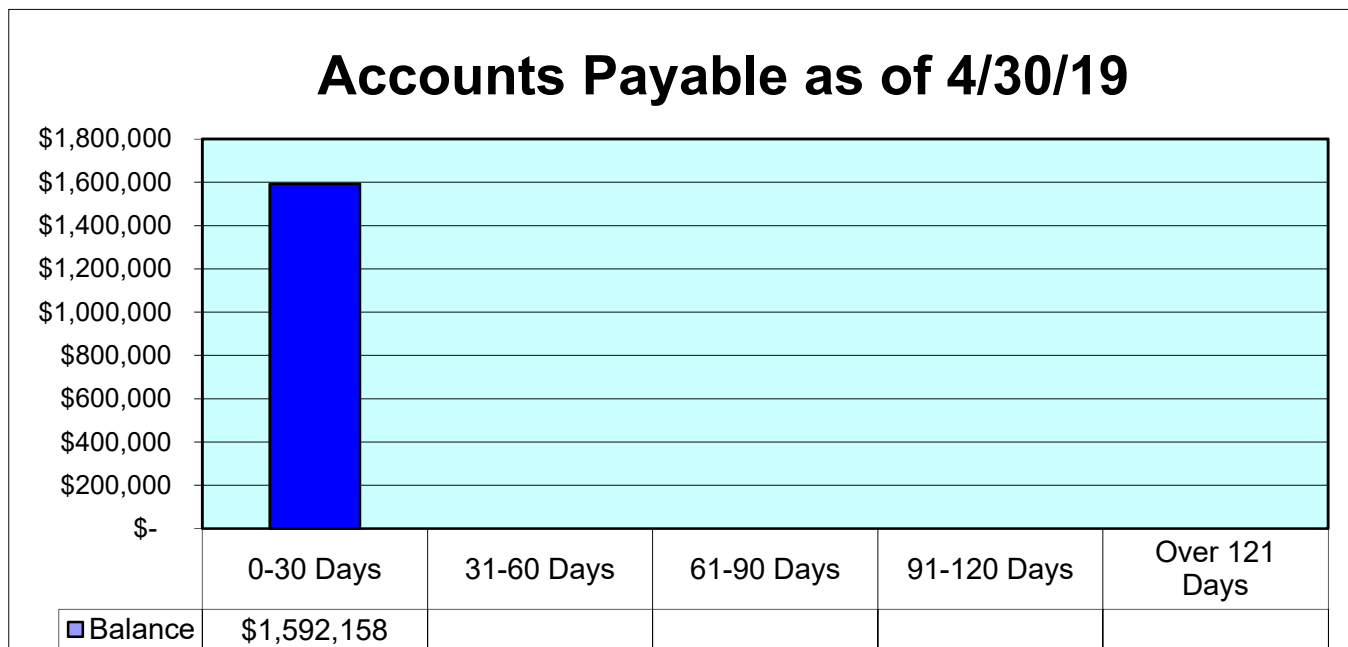
MARKET VALUE SUMMARY							
	Growth Under 40 yrs. Old	Capital Appreciation 40 to 44 yrs. Old	Balanced 45 to 49 yrs. Old	Balanced Income 50 to 54 yrs. Old	Income & Growth 55 to 59 yrs. Old	Income 60 to 64 yrs. Old	Capital Pres. Port Over 65 yrs. Old
Balance at July 1, 2018	\$ 1,361,579.56	\$0.00	\$2,590,730.79	\$0.00	\$11,389,155.42	\$0.00	\$4,945,449.62
Contributions	227,061.50	57,770.93	113,030.65	201,655.21	252,597.12	481,299.80	112,294.97
Withdrawals	(82,829.35)	0.00	0.00	0.00	(177,155.88)	(903,496.37)	(271,218.27)
Transfers	(107,465.90)	460,635.42	(1,052,400.42)	5,554,333.46	(5,594,854.49)	2,794,956.15	(2,055,204.22)
Interest, dividends and appreciation net of fees and charges	73,344.86	21,125.19	184,425.47	148,722.25	334,886.63	25,170.91	121,588.74
Balance at April 30, 2019	\$ 1,471,690.67	\$539,531.54	\$1,835,786.49	\$5,904,710.92	\$6,204,628.80	\$2,397,930.49	\$2,852,910.84
Average return YTD April 30, 2019	4.98%	3.92%	10.05%	2.52%	5.40%	1.05%	4.26%

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

RECEIVABLES & PAYABLES AGEING



Bad Debts Year to Date: \$5,887

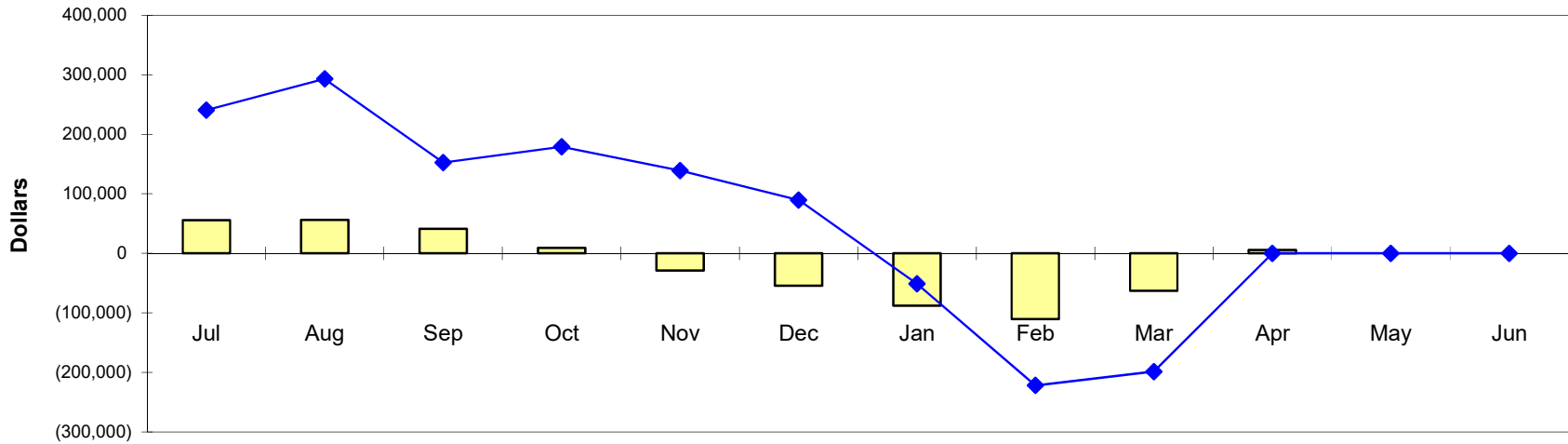


Year to Date Discounts Taken: \$993

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El Toro Water District
Income Statement
April 2019

	<u>Apr 19</u>	<u>Budget</u>	<u>% of Budget</u>	<u>Jul '18 - Apr 19</u>	<u>YTD Budget</u>	<u>% of Budget</u>	<u>Annual Budget</u>
Income							
4600 · Water Service Charge	280,342.35	280,341.25	100.0%	2,773,887.21	2,803,412.50	98.95%	3,364,095.00
4700 · Sanitary Service	627,525.84	650,000.00	96.54%	6,407,683.72	6,500,000.00	98.58%	7,800,000.00
4722 · Recycled Water Tertiary Sales	128,823.57	151,001.22	85.31%	1,060,636.09	1,381,816.96	76.76%	1,695,000.00
4724 · Service Charge - Recycled Water	18,954.50	18,750.00	101.09%	187,843.70	187,500.00	100.18%	225,000.00
4750 · Capital Facilities Charge	250,635.35	251,250.00	99.76%	2,504,221.40	2,512,500.00	99.67%	3,015,000.00
4800 · Commodity Charge	668,939.61	838,861.02	79.74%	6,988,634.12	7,676,444.04	91.04%	9,416,278.00
4950 · Other Operating Income	4,316.67	4,583.33	94.18%	188,730.93	45,833.34	411.78%	55,000.00
4960 · Other Income	87,986.96	45,812.51	192.06%	825,114.41	458,124.98	180.11%	549,750.00
4967 · SMWD	127,225.54	9,166.67	1,387.91%	127,225.54	91,666.66	138.79%	110,000.00
4970 · MNWD	13,434.50	1,916.67	700.93%	24,434.50	19,166.66	127.48%	23,000.00
4980 · Interest Income	30,552.40	11,250.00	271.58%	275,527.78	112,500.00	244.91%	135,000.00
4985 · Changes FMV CAMP	5,335.61			86,295.71			
4986 · Changes FMV LAIF	8,543.29			10,487.54			
4990 · Property Taxes	76,083.09	72,916.67	104.34%	764,092.74	729,166.66	104.79%	875,000.00
Total Income	2,328,699.28	2,335,849.34	99.69%	22,224,815.39	22,518,131.80	98.7%	27,263,123.00
Gross Profit	2,328,699.28	2,335,849.34	99.69%	22,224,815.39	22,518,131.80	98.7%	27,263,123.00
Expense							
5100 · Personnel Cost	666,100.97	690,653.10	96.45%	6,611,016.65	6,906,531.05	95.72%	8,287,837.25
5405 · Water Purchases	708,454.58	715,083.87	99.07%	5,907,610.99	6,544,958.08	90.26%	8,027,968.00
5410 · Electrical Power	75,714.68	89,787.48	84.33%	845,522.10	897,875.04	94.17%	1,077,450.00
5415 · Repair Parts & Materials	35,028.53	32,133.75	109.01%	286,019.50	321,337.50	89.01%	385,605.00
5420 · Equipment Maintenance & Repair	26,627.61	8,172.52	325.82%	102,857.24	81,724.96	125.86%	98,070.00
5425 · Pump Maintenance & Repair	5,437.50	10,525.01	51.66%	100,333.71	105,249.98	95.33%	126,300.00
5430 · Motor Maintenance & Repair	0.00	2,150.01	0.0%	17,159.26	21,499.98	79.81%	25,800.00
5440 · Electrical/Contl Maint & Repair	1,287.66	5,791.67	22.23%	46,430.15	57,916.66	80.17%	69,500.00
5445 · Meter Maintenance & Repair	0.00	291.66	0.0%	3,511.38	2,916.68	120.39%	3,500.00
5455 · Chemicals	8,377.28	18,008.33	46.52%	149,668.49	180,083.34	83.11%	216,100.00
5460 · Structure Maint & Repair	10,073.88	1,780.00	565.95%	49,672.72	17,800.00	279.06%	21,360.00
5465 · Asphalt Maintenance & Repair	12,150.00	8,141.66	149.23%	117,703.75	81,416.68	144.57%	97,700.00
5470 · Consultants	150.25	9,516.67	1.58%	26,441.43	95,166.66	27.78%	114,200.00
5475 · Contractors	117,595.41	102,599.15	114.62%	996,167.23	1,025,991.70	97.09%	1,231,190.00
5480 · Engineers	7,562.25	6,333.33	119.4%	35,092.76	63,333.34	55.41%	76,000.00
5482 · Dump Fees	1,465.29	1,333.34	109.9%	9,305.50	13,333.32	69.79%	16,000.00
5485 · Laboratory	25,683.14	2,950.00	870.62%	66,427.17	29,500.00	225.18%	35,400.00
5490 · License & Permits	3,097.12	10,736.30	28.85%	109,166.02	107,362.40	101.68%	128,835.00
5495 · Gas & Oil	8,670.00	7,500.00	115.6%	83,650.36	75,000.00	111.53%	90,000.00
5500 · Equipment Rental	1,579.88	1,366.67	115.6%	14,653.04	13,666.66	107.22%	16,400.00
5505 · Landscaping	7,060.66	8,671.67	81.42%	107,505.60	86,716.66	123.97%	104,060.00
5510 · Small Tools & Equipment	2,692.01	5,129.17	52.48%	36,731.32	51,291.66	71.61%	61,550.00
5515 · Security	2,764.24	1,587.94	174.08%	20,523.01	15,879.12	129.25%	19,055.00
5520 · Operating Supplies	3,137.14	4,333.33	72.4%	38,621.83	43,333.34	89.13%	52,000.00
5525 · Safety Equipment	40.00	3,216.67	1.24%	10,504.35	32,166.66	32.66%	38,600.00
5530 · Temporary Help	0.00	2,833.34	0.0%	0.00	28,333.32	0.0%	34,000.00
5535 · Other Employee Cost	20,388.07	7,500.00	271.84%	123,982.67	75,000.00	165.31%	90,000.00
5540 · Depreciation	366,470.00	358,333.33	102.27%	3,664,700.00	3,583,333.34	102.27%	4,300,000.00
5545 · Insurance	38,215.72	40,712.49	93.87%	431,575.23	407,125.02	106.01%	488,550.00
5555 · Advertising & Publicity	0.00	208.33	0.0%	200.00	2,083.34	9.6%	2,500.00
5560 · Amortization	570.49	570.83	99.94%	5,704.90	5,708.34	99.94%	6,850.00
5570 · Annual Event	0.00	445.83	0.0%	5,585.07	4,458.34	125.27%	5,350.00
5575 · Audit	1,500.00	2,500.00	60.0%	24,000.00	25,000.00	96.0%	30,000.00
5580 · Bad Debts	-159.17	1,666.67	-9.55%	5,887.47	16,666.66	35.33%	20,000.00
5585 · Bank Charges	5,182.90	4,708.33	110.08%	54,037.31	47,083.34	114.77%	56,500.00
5590 · Data Processing Supply & Access	1,588.34	3,041.66	52.22%	12,898.38	30,416.68	42.41%	36,500.00
5595 · Data Processing Equipment	0.00	3,333.34	0.0%	25,717.83	33,333.32	77.15%	40,000.00
5600 · Data Processing Consultants	1,800.00	2,083.33	86.4%	38,522.00	20,833.34	184.91%	25,000.00
5605 · Directors Fees	9,836.00	8,750.00	112.41%	93,946.00	87,500.00	107.37%	105,000.00
5610 · Dues & Memberships	5,906.07	6,833.33	86.43%	73,716.33	68,333.34	107.88%	82,000.00
5615 · Education & Training	287.30	2,437.50	11.79%	28,413.50	24,375.00	116.57%	29,250.00
5620 · Election Expense	0.00	2,500.00	0.0%	33,532.54	25,000.00	134.13%	30,000.00
5625 · Employee Service Awards	0.00	483.33	0.0%	3,916.65	4,833.34	81.03%	5,800.00
5630 · Software Maintenance & Licenses	28,501.87	13,416.67	212.44%	154,953.58	134,166.66	115.49%	161,000.00
5640 · Interest Expense	64,088.38	64,088.42	100.0%	640,883.80	640,884.16	100.0%	769,061.00
5645 · Janitorial	2,859.00	2,816.67	101.5%	28,371.00	28,166.66	100.73%	33,800.00
5650 · Legal	13,240.00	12,500.00	105.92%	80,476.08	125,000.00	64.38%	150,000.00
5655 · Meets, Conventions & Travel	808.08	3,250.00	24.86%	23,564.05	32,500.00	72.51%	39,000.00
5657 · Meets, Con & Travel - Directors	1,951.37	2,333.33	83.63%	29,490.06	23,333.34	126.39%	28,000.00
5660 · Office Supplies	346.38	1,916.67	18.07%	10,395.99	19,166.66	54.24%	23,000.00
5670 · Postage	10,285.63	1,708.33	602.09%	15,895.51	17,083.34	93.05%	20,500.00
5675 · Printing & Reproduction	0.00	1,750.00	0.0%	9,198.45	17,500.00	52.56%	21,000.00
5680 · Property Tax	4,549.51	458.33	992.63%	8,516.86	4,583.34	185.82%	5,500.00
5685 · Public Education & Outreach	8,871.66	18,600.00	47.7%	73,785.04	186,000.00	39.67%	223,200.00
5690 · Publications & Subscriptions	403.35	250.00	161.34%	2,475.40	2,500.00	99.02%	3,000.00
5695 · Communications	9,082.25	8,500.00	106.85%	89,790.69	85,000.00	105.64%	102,000.00
5700 · Utilities	1,311.49	1,775.00	73.89%	16,076.98	17,750.00	90.58%	21,300.00
Total Expense	2,328,634.77	2,330,098.36	99.94%	21,602,504.93	22,695,102.35	95.19%	27,408,141.25
Net Income							
	64.51	5,750.98	1.12%	622,310.46	-176,970.55	-351.65%	-145,018.25

ANALYSIS OF REVENUE & EXPENSE
Fiscal Year 2018/2019

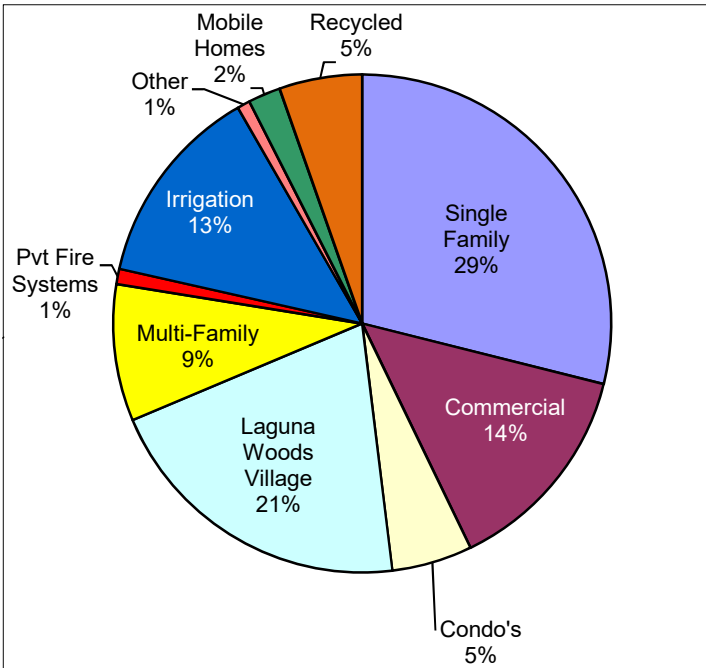
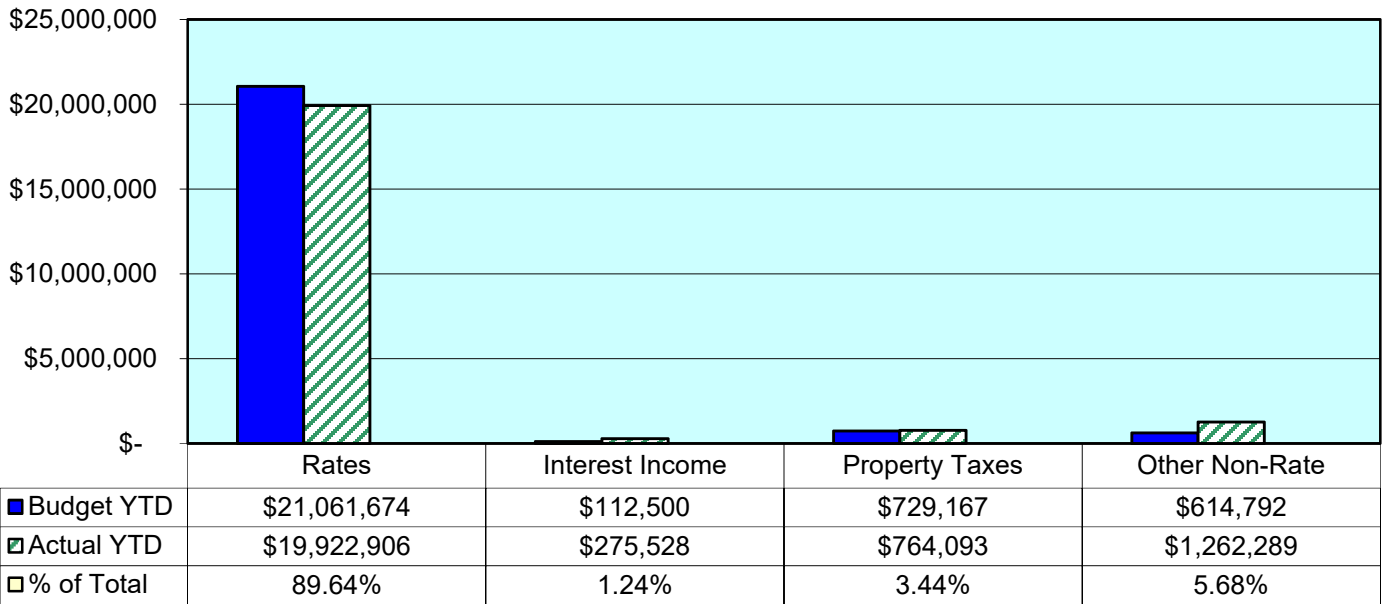


ANALYSIS OF REVENUES & EXPENSES
BUDGET COMPARED TO ACTUAL
FISCAL YEAR 2018/2019

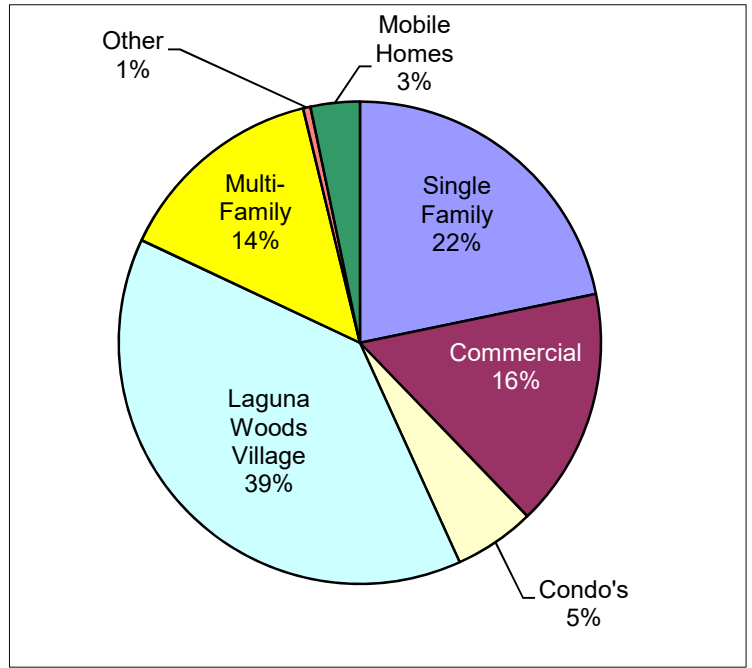
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Budget												
Revenue	2,515,047	2,517,047	2,463,124	2,347,535	2,210,901	2,119,512	2,000,277	1,919,796	2,089,043	2,335,849		
Expense	2,459,295	2,460,738	2,421,860	2,338,524	2,240,013	2,174,124	2,088,159	2,030,134	2,152,157	2,330,098		
Profit/Loss	55,752	56,309	41,264	9,012	(29,113)	(54,612)	(87,882)	(110,338)	(63,114)	5,751	0	0
Actual												
Revenue	2,470,725	2,786,638	2,286,776	2,499,456	2,111,415	2,165,482	2,180,118	1,635,554	1,759,953	2,328,699		
Expense	2,229,745	2,493,502	2,134,197	2,320,325	1,972,404	2,076,044	2,231,339	1,857,592	1,958,723	2,328,635		
Profit/Loss	240,979	293,137	152,579	179,132	139,011	89,438	(51,222)	(222,038)	(198,770)	65	0	0

EL TORO WATER DISTRICT REVENUES FROM WATER & WASTE WATER SALES AS OF 4/30/19

Where the Money Comes From



WATER REVENUE YTD 2018/2019



WASTE WATER REVENUE YTD 2018/2019

**EL TORO WATER DISTRICT
REVENUE COMPARISON
For the Month Ended April 30, 2019**

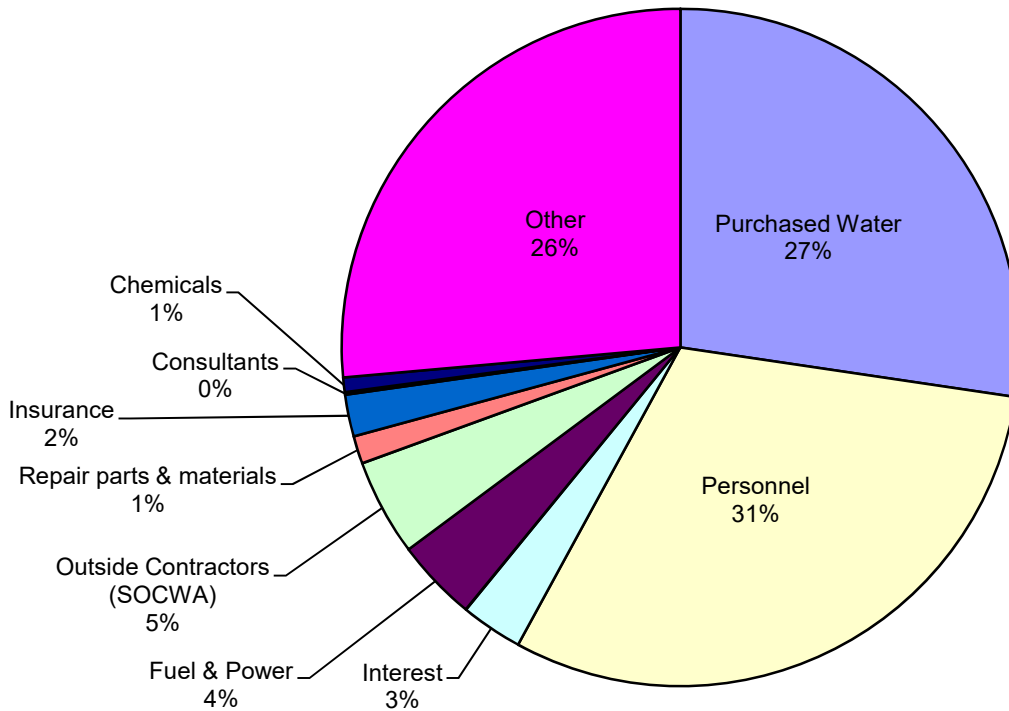
	ACTUAL	CURRENT MONTH BUDGET	VARIANCE DOLLARS	% +/-	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	VARIANCE DOLLARS	% +/-	BUDGET	REMAINING BUDGET
<u>From Rates</u>										
Capital Facilities Charge	\$ 250,635	\$ 251,250	\$ (615)	0%	\$ 2,504,221	\$ 2,512,500	\$ (8,279)	0%	\$ 3,015,000	\$ 510,779
Water sales - Commodity	668,940	838,861	(169,921)	-20%	6,988,634	7,676,444	(687,810)	-9%	9,416,278	2,427,644
Water sales - Fixed Meter	280,342	280,341	1	0%	2,773,887	2,803,413	(29,525)	-1%	3,364,095	590,208
Waste water sales	627,526	650,000	(22,474)	-3%	6,407,684	6,500,000	(92,316)	-1%	7,800,000	1,392,316
Recycled water tertiary sales	128,824	151,001	(22,178)	-15%	1,060,636	1,381,817	(321,181)	-23%	1,695,000	634,364
Service charge - Recycled water	18,955	18,750	205	1%	187,844	187,500	344	0%	225,000	37,156
TOTAL FROM RATES	1,975,221	2,190,203	(214,982)	-10%	19,922,906	21,061,674	(1,138,767)	-5%	25,515,373	5,592,467
<u>Non-rate Revenue</u>										
Admin fee	1,922	1,600	322	20%	162,621	16,000	146,621	916%	19,200	(143,421)
48 Hour notice fee	2,040	2,451	(411)	-17%	23,360	24,514	(1,154)	-5%	29,416.44	6,056
Restoration fee	200	370	(170)	-46%	1,420	3,700	(2,280)	-62%	4,440	3,020
Unpaid check fee	155	150	5	3%	1,130	1,500	(370)	-25%	1,800	670
Cut lock fee	-	12	(12)	-100%	200	120	80	67%	144	(56)
TOTAL NON-RATE	4,317	4,583	(267)	-6%	188,731	45,834	142,897	312%	55,000	(133,730)
<u>Other Revenue</u>										
Interest	30,552	11,250	19,302	172%	275,528	112,500	163,028	145%	135,000	(140,528)
Change FMV Investment	13,879	-	13,879	0%	96,783	-	96,783	0%	-	(96,783)
Property taxes	76,083	72,917	3,166	4%	764,093	729,167	34,926	5%	875,000	110,907
Other	87,987	45,813	42,173	92%	825,114	458,125	366,989	80%	549,750	(275,364)
TOTAL OTHER REVENUE	208,501	129,979	78,522	60%	1,961,518	1,299,792	661,727	51%	1,559,750	(401,768)
<u>Contract Service</u>										
Santa Margarita W. D.	127,226	9,167	118,059	1288%	127,226	91,667	35,559	39%	110,000	(17,226)
Moulton Niguel W. D.	13,435	1,917	11,518	601%	24,435	19,167	5,268	27%	23,000	(1,435)
TOTAL CONTRACT SERVICES	140,660	11,083	129,577	1169%	151,660	110,833	40,827	37%	133,000	(18,660)
TOTAL REVENUE	\$ 2,328,699	\$ 2,335,849	\$ (7,150)	0%	\$ 22,224,815	\$ 22,518,132	\$ (293,317)	-1%	\$ 27,263,123	\$ 5,038,308

**EL TORO WATER DISTRICT
NON-RATE REVENUE ANALYSIS
FOR THE MONTH ENDING April 30, 2019**

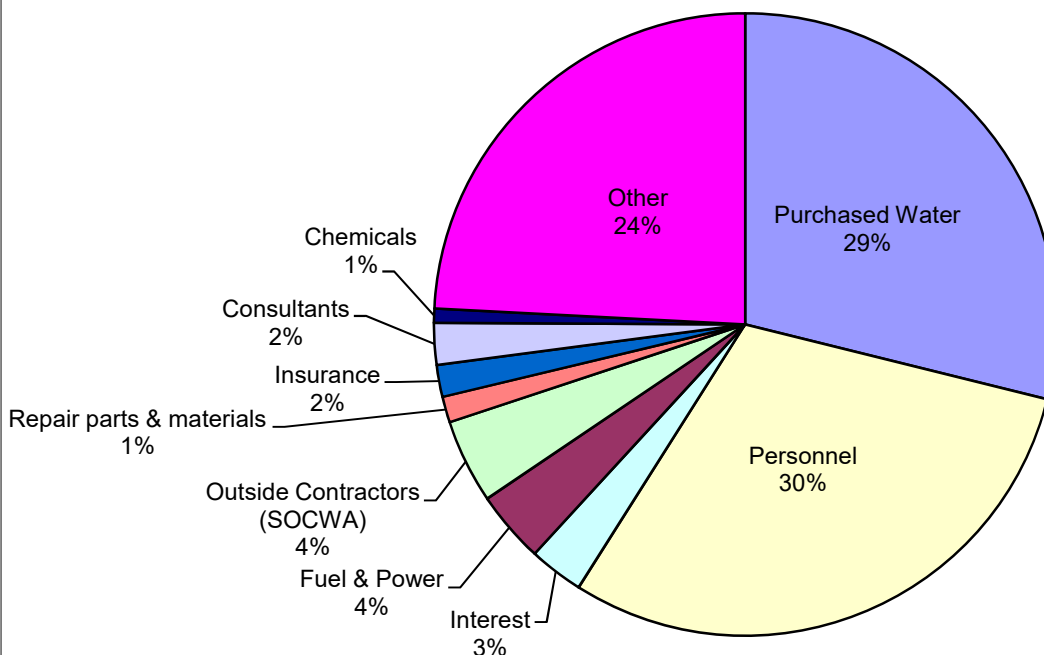
	Apr-19 Actual	Apr-19 Budget	Jul 18- Apr 19 YTD Actual	Jul 18- Apr 19 YTD Budget
Site Leases	32,265	26,229	169,844	262,292
MWD Recycled Water LRP Rebate	2,750	17,917	226,400	179,167
JPIA Refund	48,119	-	52,102	-
SOCWA Settlement	-	-	296,618	-
Recycled Metal	-	-	14,543	-
Diesel Fuel Tax Refund	-	-	393	-
Equipment Sales	4,695	-	37,822	-
Edison Rebate for Turbo Blower	-	-	21,694	-
Misc Work for Customers	157	1,667	5,698	16,667
	<u>\$ 87,987</u>	<u>\$ 45,813</u>	<u>\$ 825,114</u>	<u>\$ 458,125</u>
Other Operating Income				
Sales to Santa Margarita	-	-	-	-
Sales to Moulton Niguel	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u><u>87,987</u></u>	<u><u>-</u></u>	<u><u>825,114</u></u>	<u><u>-</u></u>

WHERE THE MONEY GOES

YTD EXPENSES AT 4/30/19



EXPENSES YEAR ENDING 6/30/18



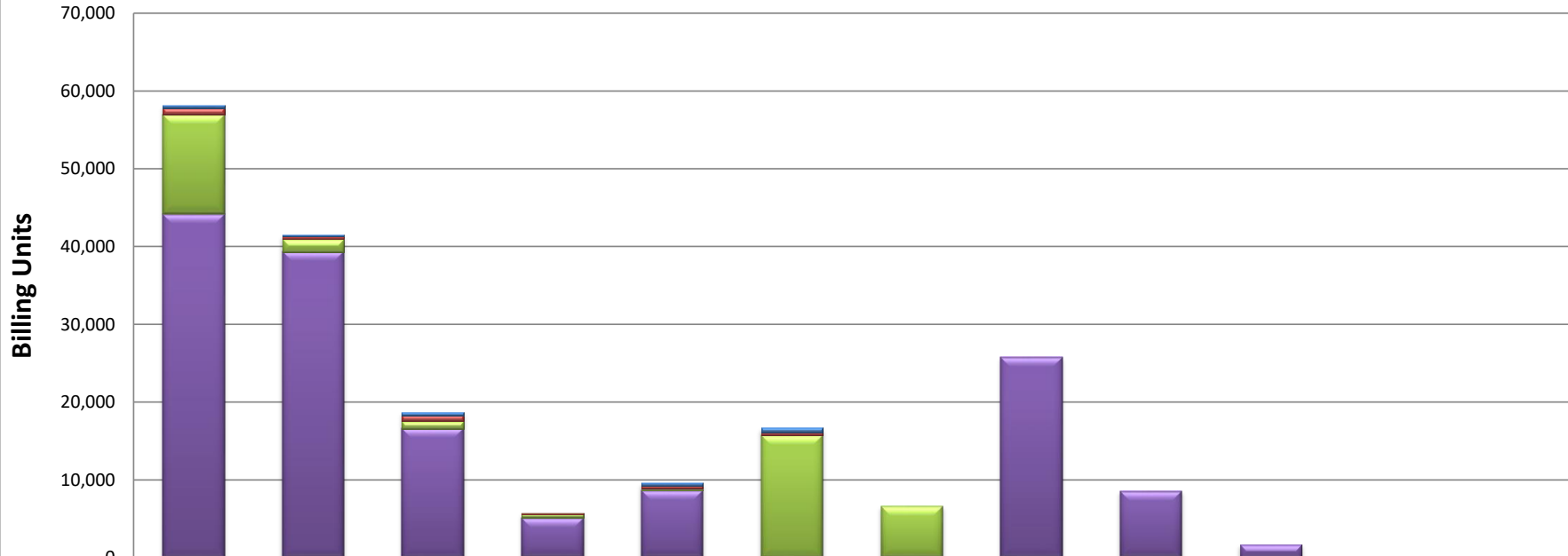
EL TORO WATER DISTRICT
Expense Comparison
For the Month Ended April 30, 2019

	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	\$666,101	\$690,653	\$24,552	4%	\$6,611,017	\$6,906,531	\$295,514	4%	\$8,287,837	1,676,821
Purchased water	708,455	715,084	6,629	1%	5,907,611	6,544,958	637,347	10%	8,027,968	2,120,357
Electrical power	75,715	89,787	14,073	16%	845,522	897,875	52,353	6%	1,077,450	231,928
Repair parts & materials	35,029	32,134	(2,895)	-9%	286,020	321,338	35,318	11%	385,605	99,586
Equipment repairs & maintenance	26,628	8,173	(18,455)	-226%	102,857	81,725	(21,132)	-26%	98,070	(4,787)
Pump repairs & maintenance	5,438	10,525	5,088	48%	100,334	105,250	4,916	5%	126,300	25,966
Motor repairs & maintenance	-	2,150	2,150	100%	17,159	21,500	4,341	20%	25,800	8,641
Electrical repairs & maintenance	1,288	5,792	4,504	78%	46,430	57,917	11,487	20%	69,500	23,070
Meter repairs & maintenance	-	292	292	100%	3,511	2,917	(595)	-20%	3,500	(11)
Chemicals	8,377	18,008	9,631	53%	149,668	180,083	30,415	17%	216,100	66,432
Structure repairs & maintenance	10,074	1,780	(8,294)	-466%	49,673	17,800	(31,873)	-179%	21,360	(28,313)
Asphalt repairs & maintenance	12,150	8,142	(4,008)	-49%	117,704	81,417	(36,287)	-45%	97,700	(20,004)
Consultants - outside	150	9,517	9,366	98%	26,441	95,167	68,725	72%	114,200	87,759
Contractors - outside	117,595	102,599	(14,996)	-15%	996,167	1,025,992	29,824	3%	1,231,190	235,023
Engineers - outside	7,562	6,333	(1,229)	-19%	35,093	63,333	28,241	45%	76,000	40,907
Dump fees	1,465	1,333	(132)	-10%	9,306	13,333	4,028	30%	16,000	6,695
Laboratories	25,683	2,950	(22,733)	-771%	66,427	29,500	(36,927)	-125%	35,400	(31,027)
License & permits	3,097	10,736	7,639	71%	109,166	107,362	(1,804)	-2%	128,835	19,669
Automotive fuel & oil	8,670	7,500	(1,170)	-16%	83,650	75,000	(8,650)	-12%	90,000	6,350
Equipment rental	1,580	1,367	(213)	-16%	14,653	13,667	(986)	-7%	16,400	1,747
Landscaping	7,061	8,672	1,611	19%	107,506	86,717	(20,789)	-24%	104,060	(3,446)
Small tools & equipment	2,692	5,129	2,437	48%	36,731	51,292	14,560	28%	61,550	24,819
Security	2,764	1,588	(1,176)	-74%	20,523	15,879	(4,644)	-29%	19,055	(1,468)
Operating supplies	3,137	4,333	1,196	28%	38,622	43,333	4,712	11%	52,000	13,378
Safety equipment	40	3,217	3,177	99%	10,504	32,167	21,662	67%	38,600	28,096
Temporary help	-	2,833	2,833	100%	0	28,333	28,333	100%	34,000	34,000
Other employee cost	20,388	7,500	(12,888)	-172%	123,983	75,000	(48,983)	-65%	90,000	(33,983)
Employee service awards	-	483	483	100%	3,917	4,833	917	19%	5,800	1,883
Education & training	287	2,438	2,150	88%	28,414	24,375	(4,039)	-17%	29,250	836
Total Operating Expenses	1,751,425	1,761,047	9,622	1%	15,948,608	17,004,593	1,055,985	6%	20,579,530	4,630,922

EL TORO WATER DISTRICT
Expense Comparison
For the Month Ended April 30, 2019

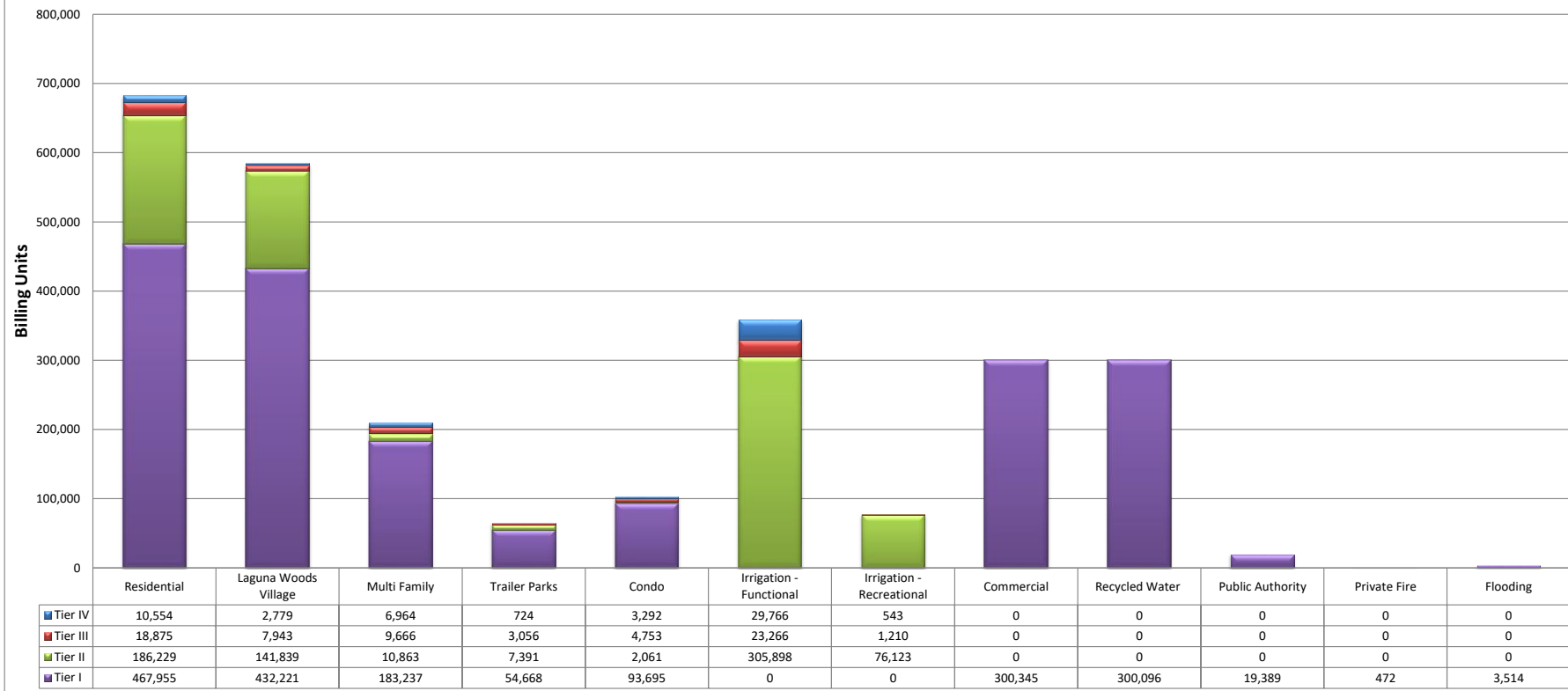
	ACTUAL	CURRENT MONTH BUDGET	VARIANCE DOLLARS	% +/-	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	VARIANCE DOLLARS	% +/-	Annual BUDGET	REMAINING BUDGET
<u>Indirect Cost</u>										
Depreciation	366,470	358,333	(8,137)	-2%	3,664,700	3,583,333	(81,367)	-2%	4,300,000	635,300
Amortization	570	571	0	0%	5,705	5,708	3	0%	6,850	1,145
Insurance	38,216	40,712	2,497	6%	431,575	407,125	(24,450)	-6%	488,550	56,975
Data processing supplies & assc.	1,588	3,042	1,453	48%	12,898	30,417	17,518	58%	36,500	23,602
Data processing equipment	0	3,333	3,333	100%	25,718	33,333	7,615	23%	40,000	14,282
Data processing consultants	1,800	2,083	283	14%	38,522	20,833	(17,689)	-85%	25,000	(13,522)
Software maintenance & licenses	28,502	13,417	(15,085)	-112%	154,954	134,167	(20,787)	-15%	161,000	6,046
Janitorial	2,859	2,817	(42)	-2%	28,371	28,167	(204)	-1%	33,800	5,429
Printing & reproduction	0	1,750	1,750	100%	9,198	17,500	8,302	47%	21,000	11,802
Publications & subscriptions	403	250	(153)	-61%	2,475	2,500	25	1%	3,000	525
Communications - voice	3,316	3,333	17	1%	31,559	33,333	1,774	5%	40,000	8,441
Communications - data	2,903	2,667	(236)	-9%	31,773	26,667	(5,106)	-19%	32,000	227
Communications - mobile	2,863	2,500	(363)	-15%	26,458	25,000	(1,458)	-6%	30,000	3,542
Utilities	1,311	1,775	464	26%	16,077	17,750	1,673	9%	21,300	5,223
Total Indirect Cost	450,803	436,583	(14,219)	-3%	4,479,984	4,365,833	(114,151)	-3%	5,239,000	759,016
<u>Overhead Cost</u>										
Annual events	-	446	446	100%	5,585	4,458	(1,127)	-25%	5,350	(235)
Audit	1,500	2,500	1,000	40%	24,000	25,000	1,000	4%	30,000	6,000
Bad debts	(159)	1,667	1,826	110%	5,887	16,667	10,779	65%	20,000	14,113
Bank charges	5,183	4,708	(475)	-10%	54,037	47,083	(6,954)	-15%	56,500	2,463
Directors fees	9,836	8,750	(1,086)	-12%	93,946	87,500	(6,446)	-7%	105,000	11,054
Dues & memberships	5,906	6,833	927	14%	73,716	68,333	(5,383)	-8%	82,000	8,284
Election Expense	-	2,500	2,500	100%	33,533	25,000	(8,533)	-34%	30,000	(3,533)
Interest	64,088	64,088	0	0%	640,884	640,884	0	0%	769,061	128,177
Legal	13,240	12,500	(740)	-6%	80,476	125,000	44,524	36%	150,000	69,524
Meetings, conventions & travel	808	3,250	2,442	75%	23,564	32,500	8,936	27%	39,000	15,436
Meets, con & travel - Directors	1,951	2,333	382	16%	29,490	23,333	(6,157)	-26%	28,000	(1,490)
Office supplies	346	1,917	1,570	82%	10,396	19,167	8,771	46%	23,000	12,604
Postage	10,286	1,708	(8,577)	-502%	15,896	17,083	1,188	7%	20,500	4,604
Property taxes	4,550	458	(4,091)	-893%	8,517	4,583	(3,934)	-86%	5,500	(3,017)
Advertising & Publicity	-	208	208	100%	200	2,083	1,883	90%	2,500	2,300
Public education & outreach	8,872	18,600	9,728	52%	73,785	186,000	112,215	60%	223,200	149,415
Total Overhead Cost	126,407	132,468	6,061	5%	1,173,912	1,324,676	150,764	11%	1,589,611	415,699
TOTAL EXPENSES	\$2,328,635	\$2,330,098	\$1,464	0%	\$21,602,505	\$22,695,102	\$1,092,597	5%	\$27,408,141	\$5,805,636

April 2019 Water Sales

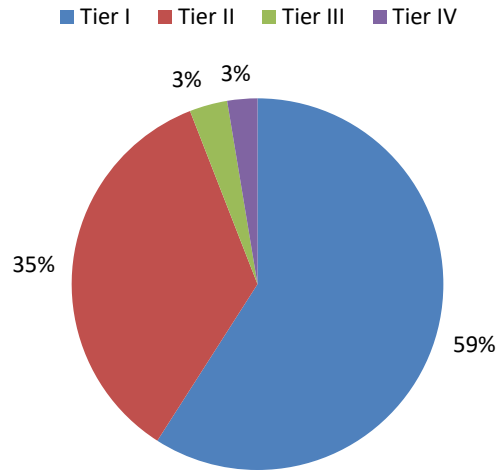


	Residential	Laguna Woods Village	Multi Family	Trailer Parks	Condo	Irrigation - Functional	Irrigation - Recreational	Commercial	Recycled Water	Public Authority	Private Fire	Flooding
■ Tier IV	340	186	400	47	381	591	0	0	0	0	0	0
■ Tier III	852	297	746	168	417	338	0	0	0	0	0	0
■ Tier II	12,815	1,673	974	495	178	15,788	6,574	0	0	0	0	0
■ Tier I	44,158	39,332	16,588	5,126	8,688	0	0	25,740	8,554	1,666	63	7

Year-to-Date Water Sales as of April 2019

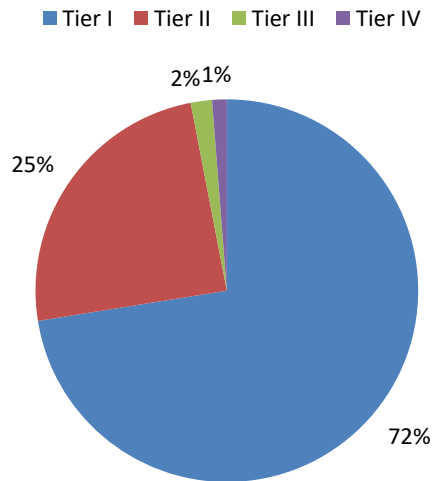


Year to Date Tiered Sales As of April 2019



Year To Date Sales in ccf		
Tier I	1,231,776	59.06%
Tier II	730,404	35.02%
Tier III	68,769	3.30%
Tier IV	54,622	2.62%
	2,085,571	100.00%

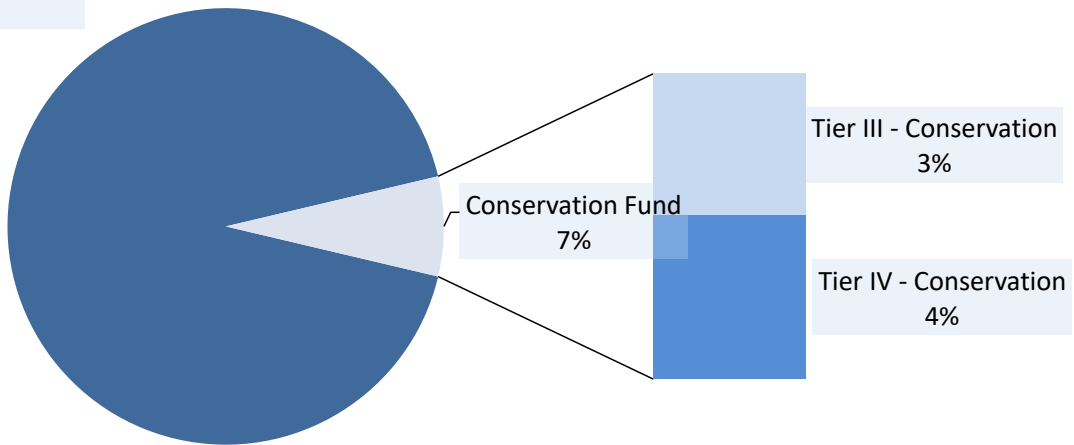
April 2019 Tiered Sales



Current Month Sales in ccf		
Tier I	113,892	72.47%
Tier II	38,497	24.50%
Tier III	2,818	1.79%
Tier IV	1,945	1.24%
	157,152	100.00%

Year to Date Water Sales as of April 2019

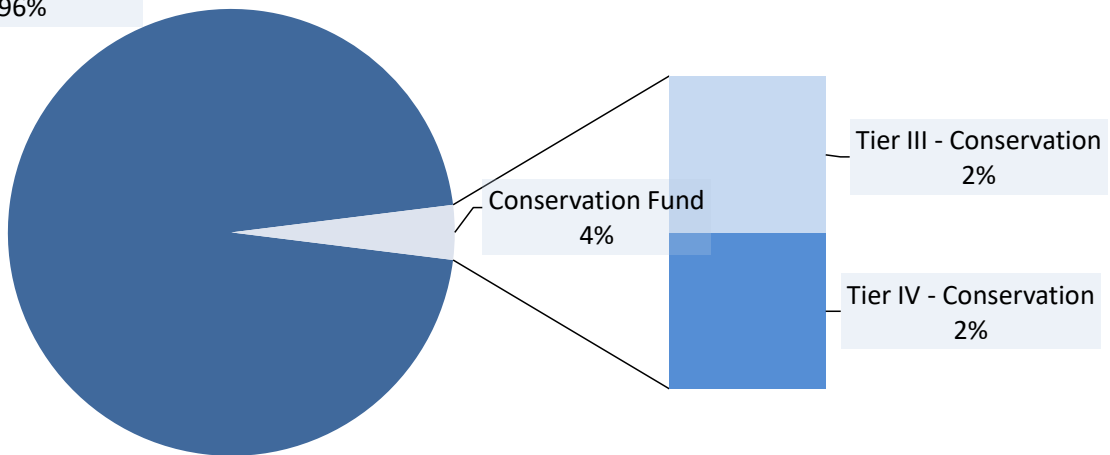
Water Delivery Cost
93%



Category	Billings	Percentage
Water Delivery Cost	\$5,613,465.88	92.62%
Tier III - Conservation	\$207,978.56	3.43%
Tier IV - Conservation	\$239,361.48	3.95%
	\$6,060,805.92	100.00%

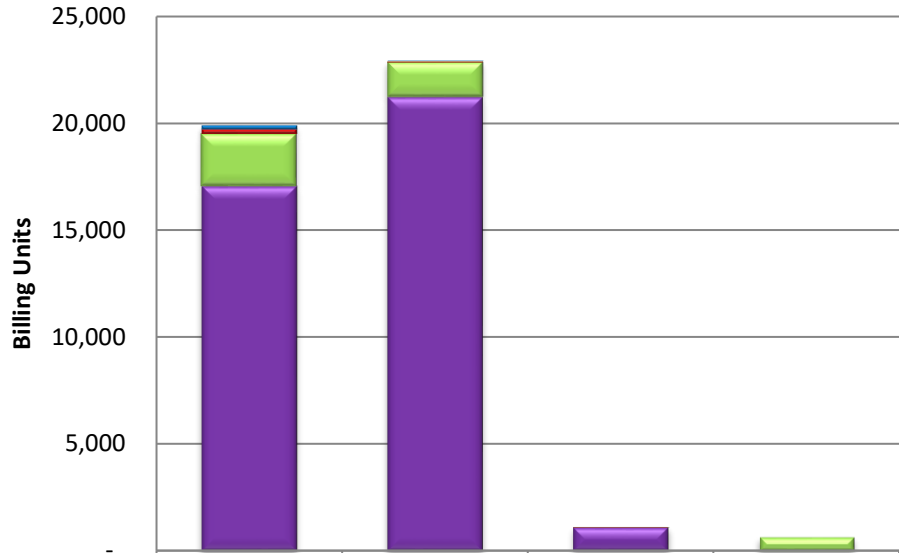
April 2019 Water Sales

Water Delivery Cost
96%



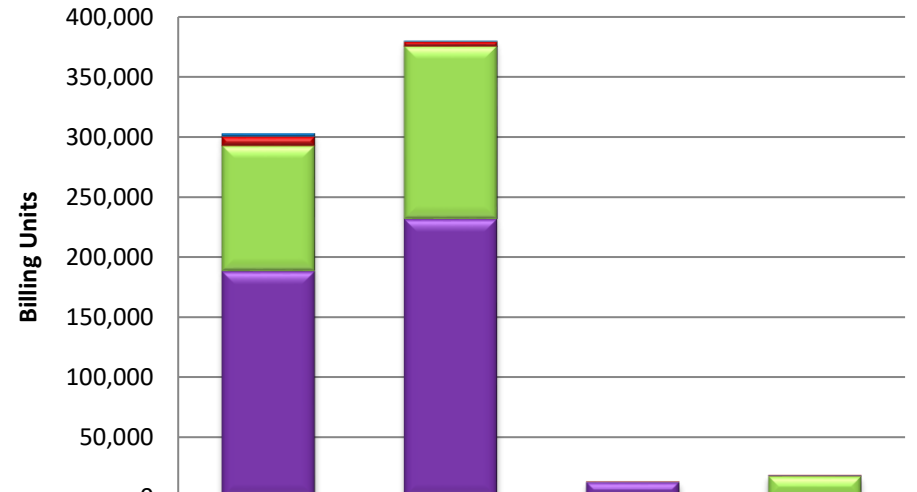
Category	Billings	Percentage
Water Delivery Cost	\$413,922.08	96.06%
Tier III - Conservation	\$8,566.72	1.99%
Tier IV - Conservation	\$8,421.25	1.95%
	\$430,910.05	100.00%

Laguna Woods Village April 2019 Water Sales



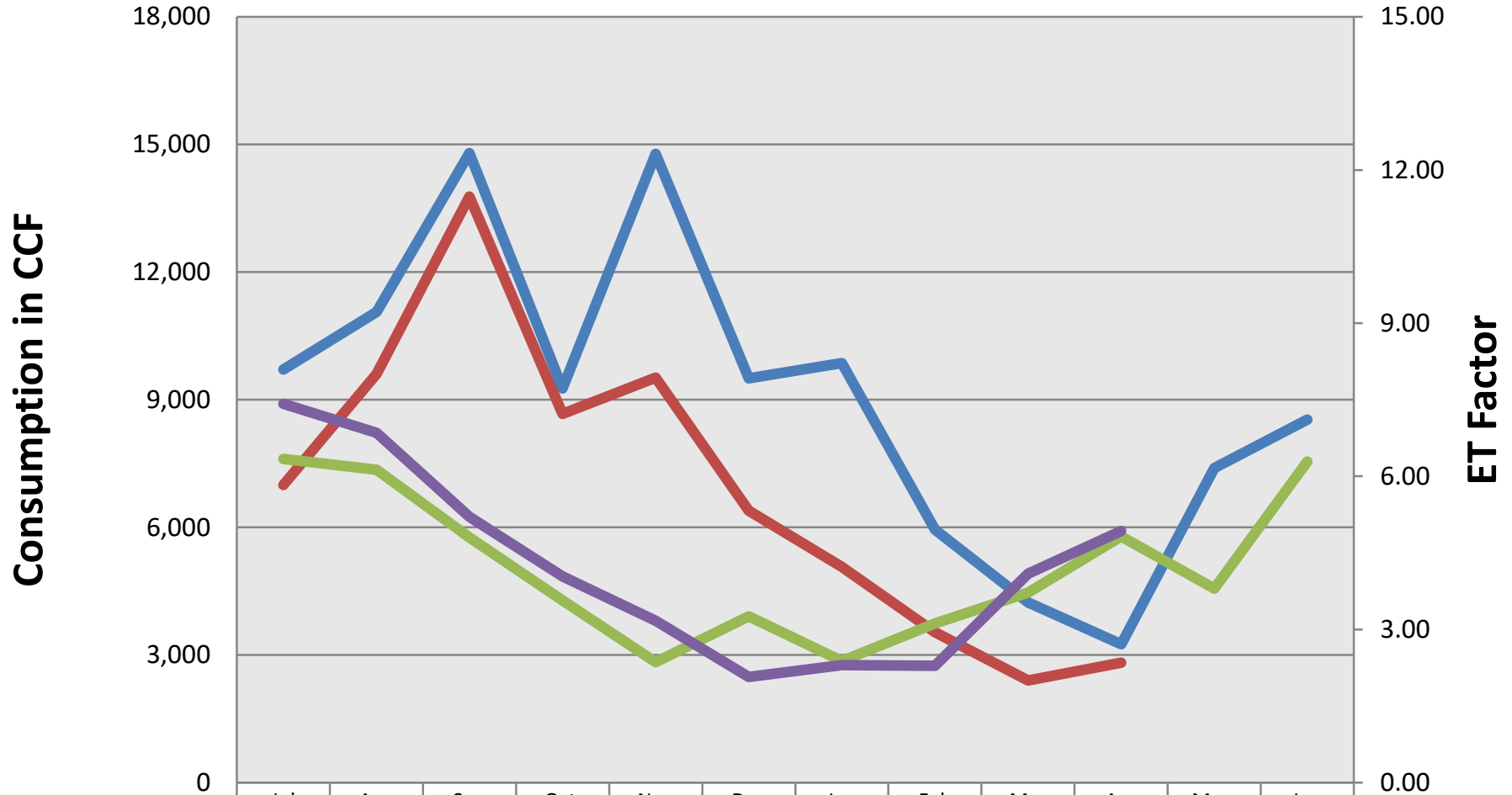
	Third	United	Mutual 50	GRF
Tier 4	178	8	-	-
Tier 3	245	49	3	-
Tier 2	2,465	1,653	6	655
Tier 1	17,029	21,187	1,116	-

Laguna Woods Village Year-to-Date Water Sales April 2019



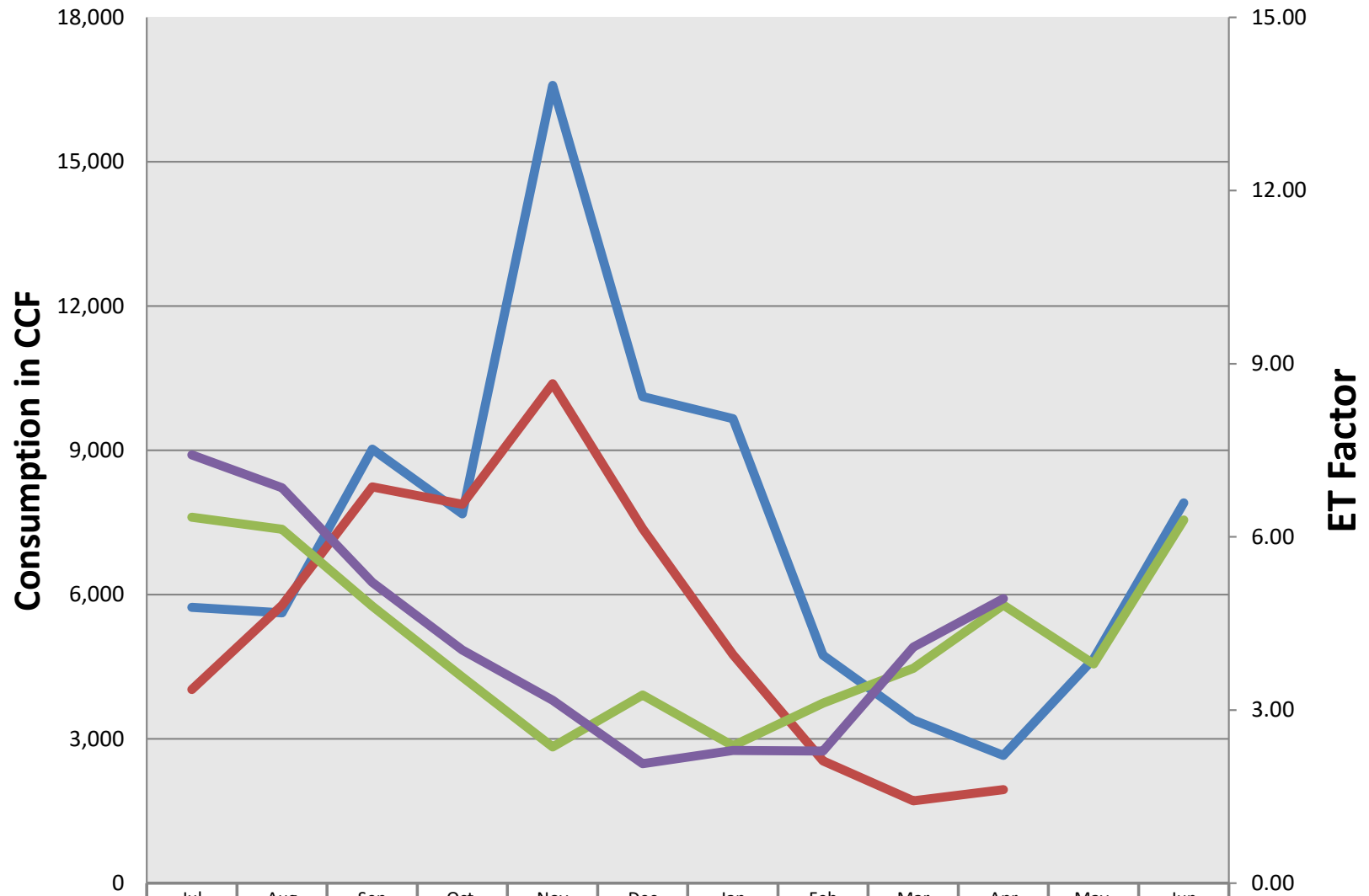
	Third	United	Mutual 50	GRF
Tier 4	2,671	802	0	104
Tier 3	7,813	3,976	314	833
Tier 2	104,975	144,018	133	17,673
Tier 1	187,916	231,337	12,968	0

Tier III Consumption



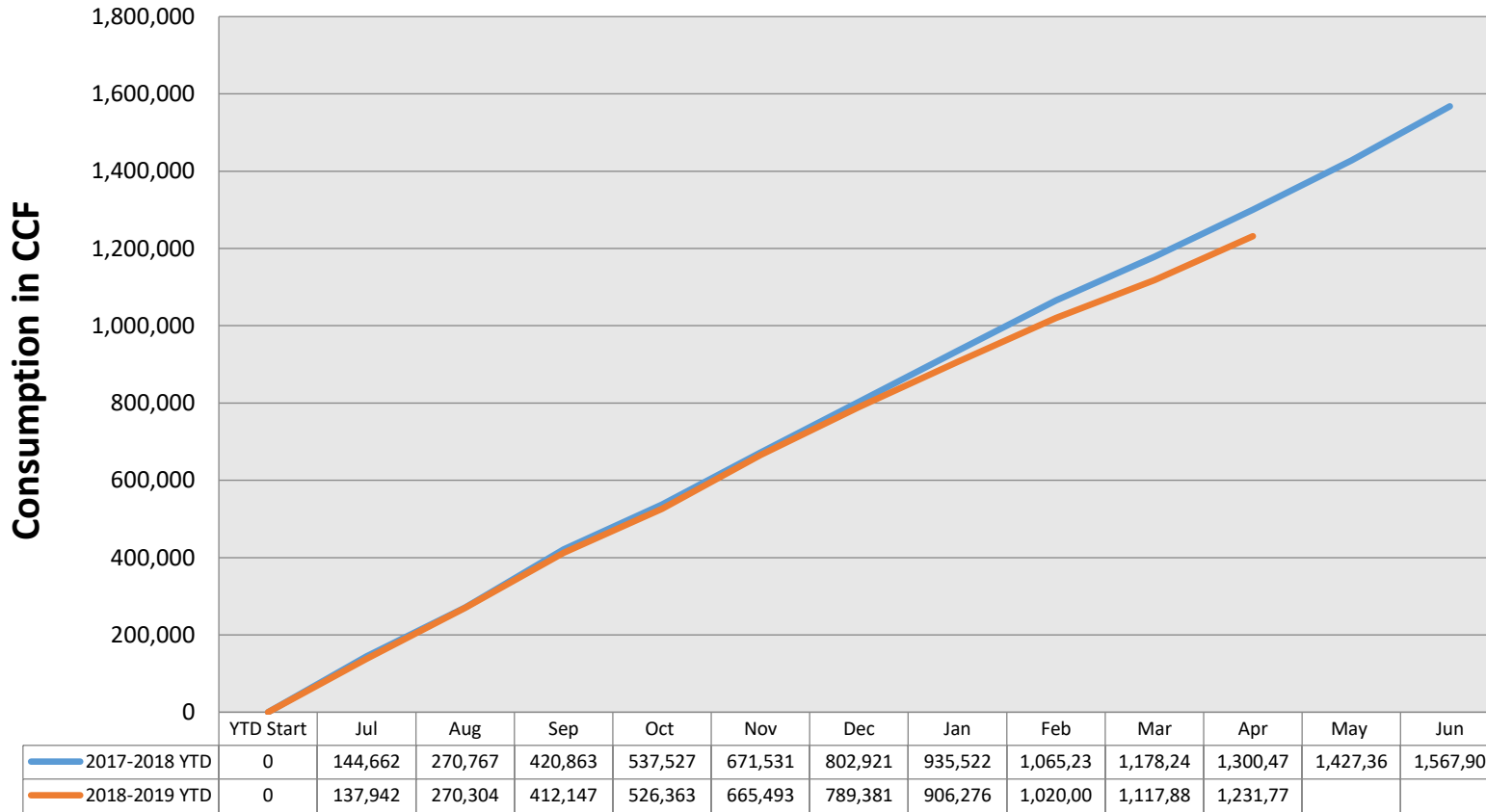
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2017-2018	9,711	11,063	14,797	9,263	14,781	9,502	9,859	5,949	4,236	3,252	7,396	8,533
2018-2019	6,994	9,606	13,775	8,664	9,520	6,389	5,069	3,533	2,401	2,818		
17/18 ET	6.34	6.13	4.80	3.57	2.36	3.26	2.38	3.12	3.72	4.82	3.80	6.29
18/19 ET	7.42	6.85	5.21	4.04	3.17	2.07	2.30	2.29	4.09	4.93		

Tier IV Consumption

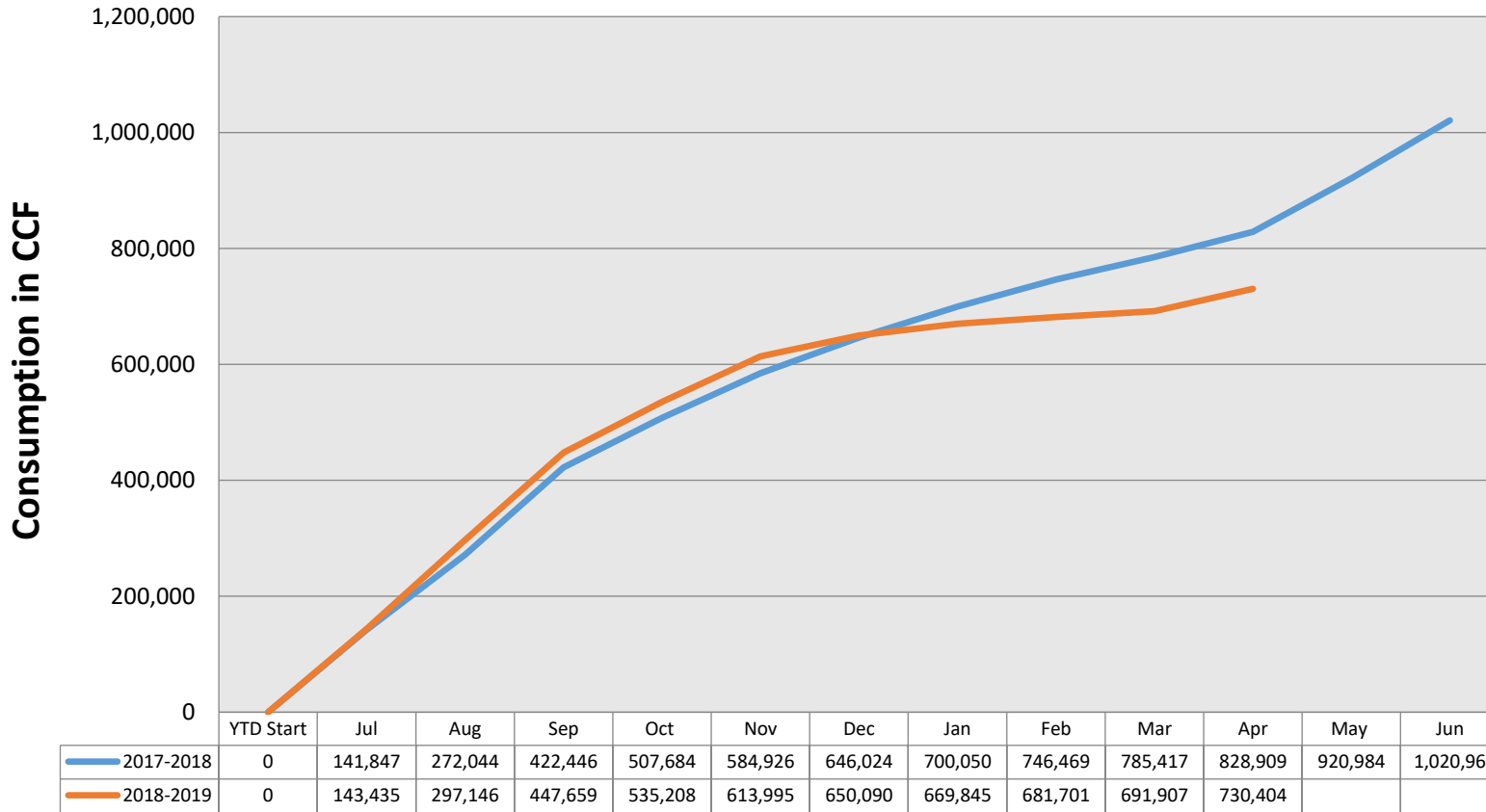


	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2017-2018	5,733	5,622	9,022	7,679	16,586	10,117	9,658	4,741	3,394	2,656	4,664	7,909
2018-2019	4,028	5,777	8,236	7,879	10,384	7,370	4,752	2,539	1,712	1,945		
17/18 ET	6.34	6.13	4.80	3.57	2.36	3.26	2.38	3.12	3.72	4.82	3.80	6.29
18/19 ET	7.42	6.85	5.21	4.04	3.17	2.07	2.30	2.29	4.09	4.93		

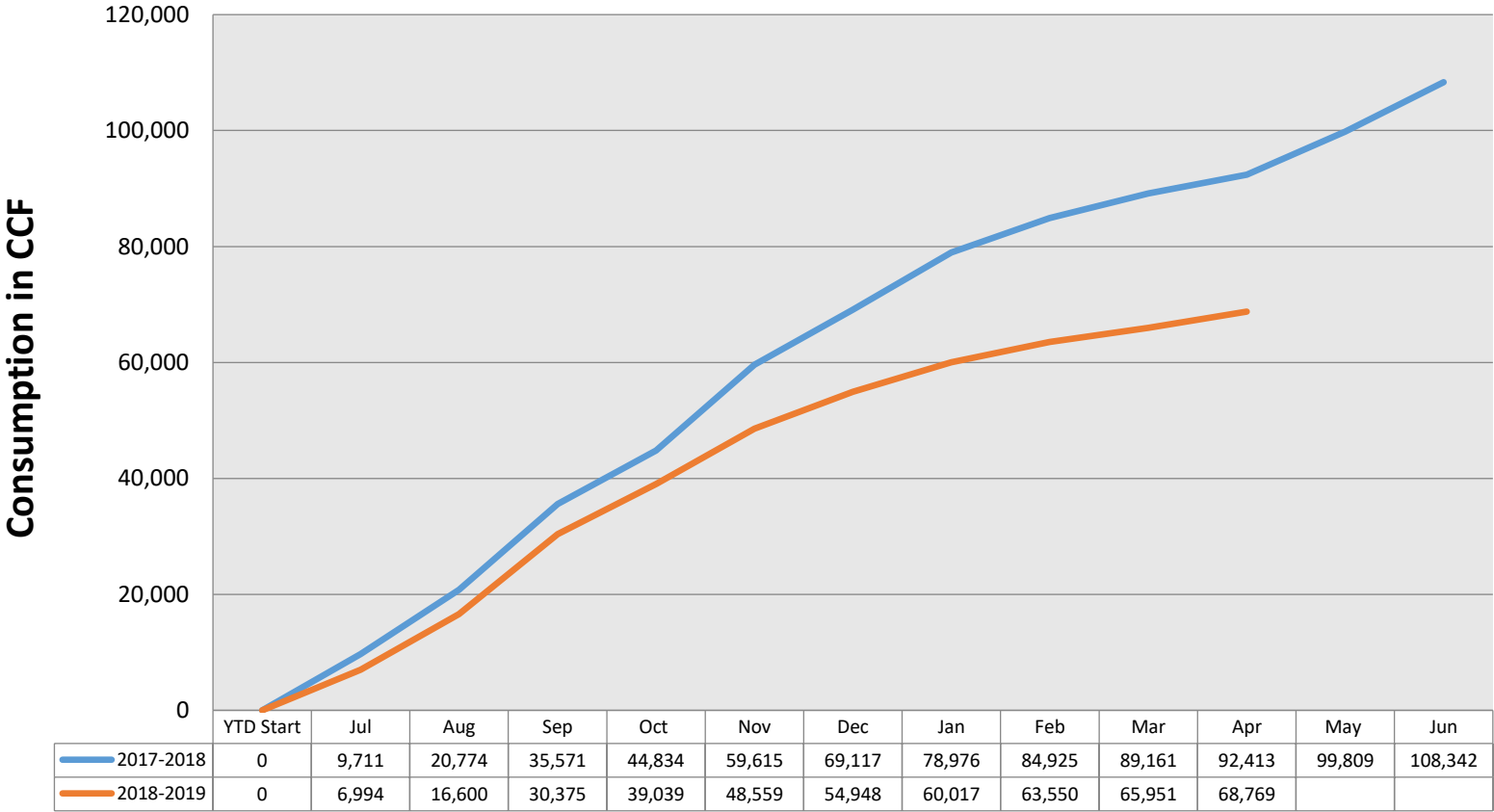
Tier I YTD Consumption



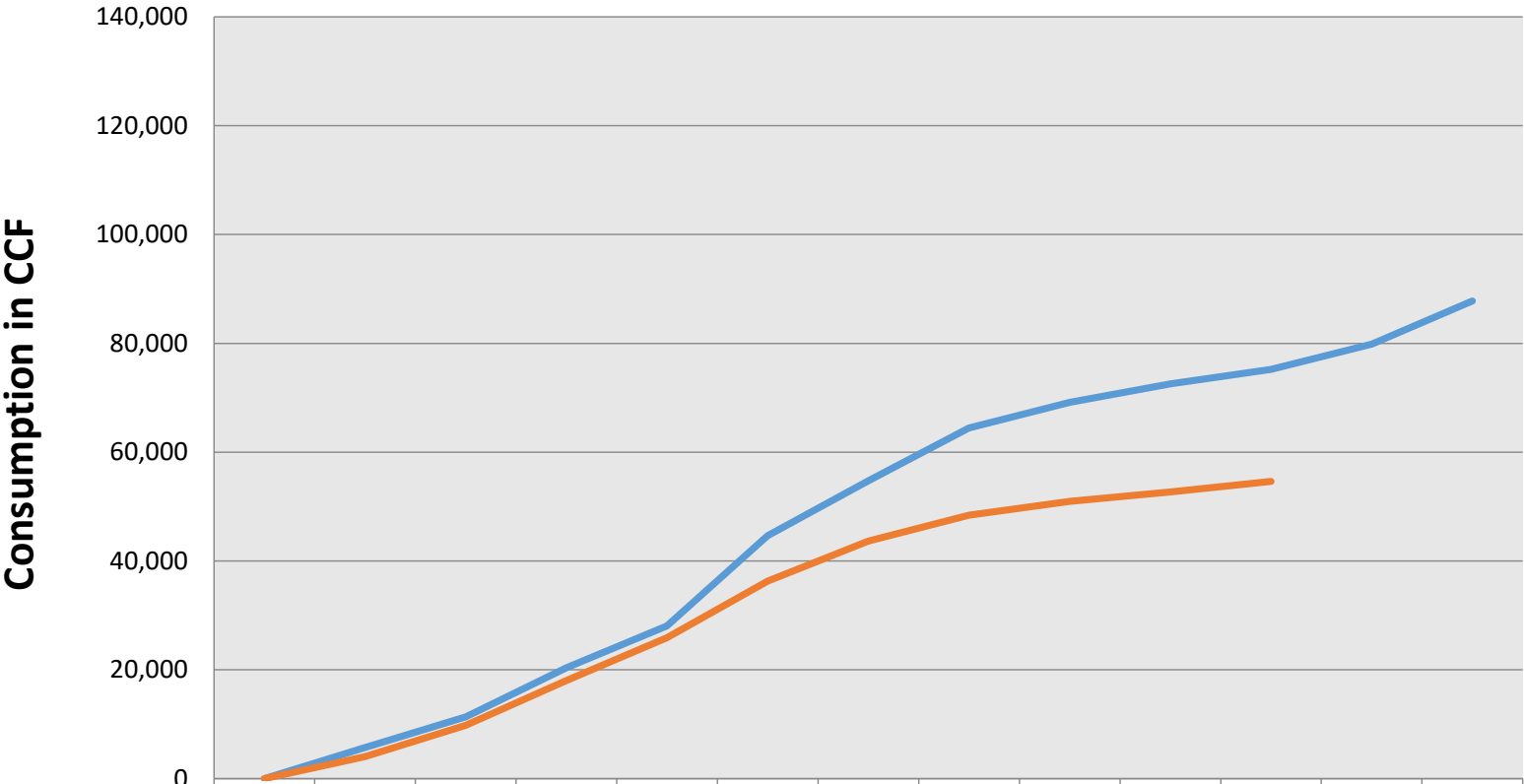
Tier II YTD Consumption



Tier III YTD Consumption

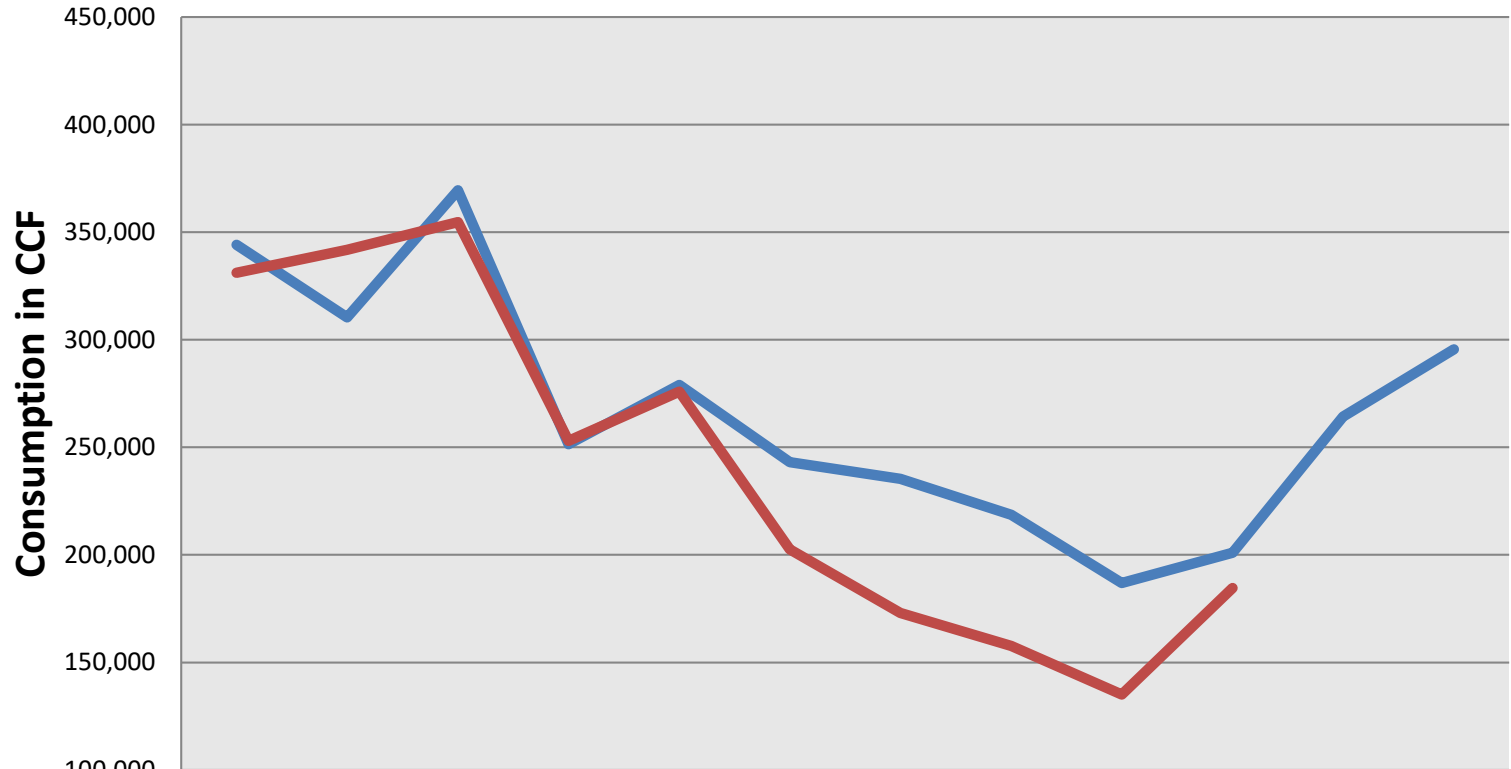


Tier IV YTD Consumption



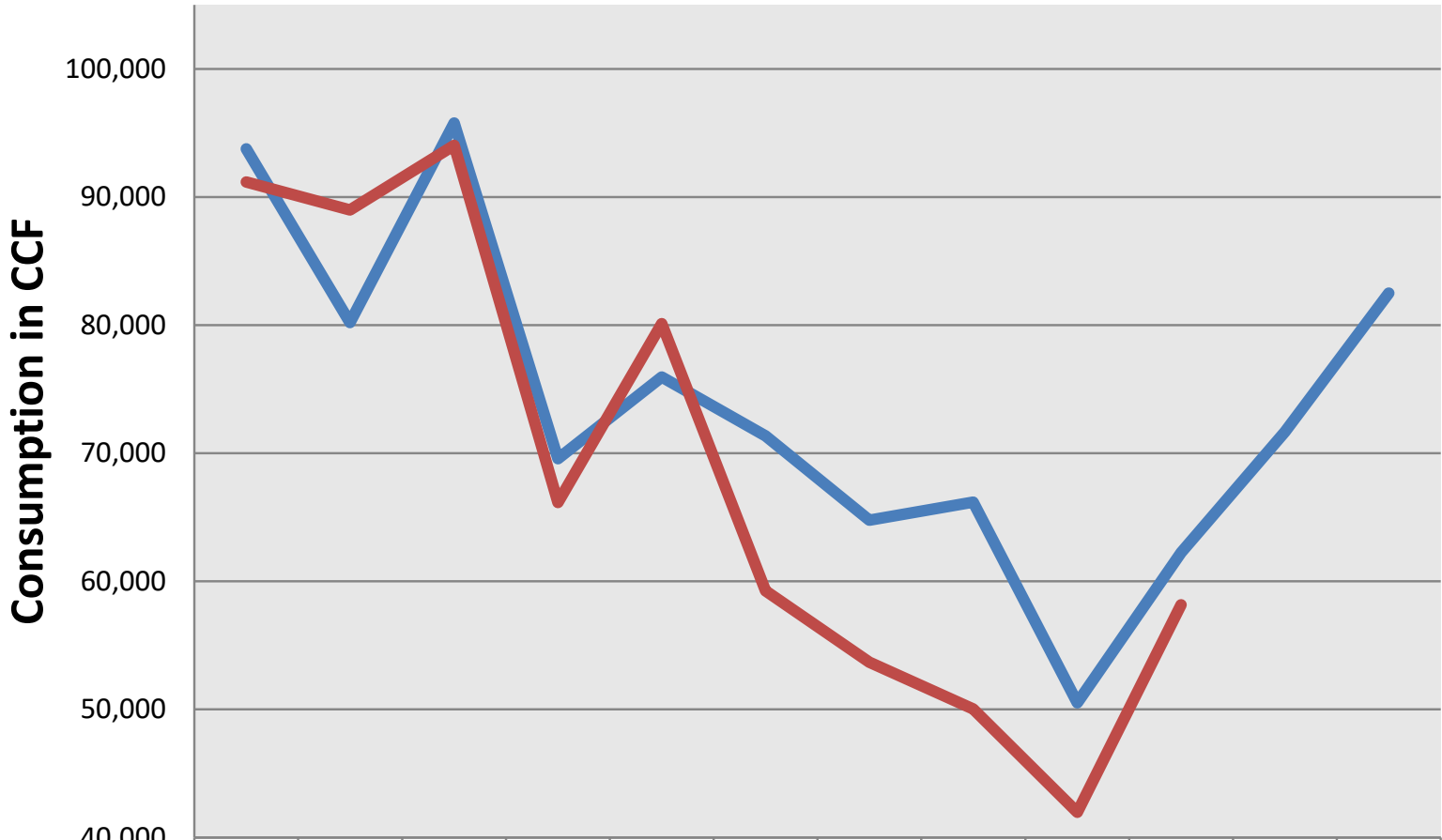
	YTD Start	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2017-2018	0	5,733	11,355	20,377	28,056	44,642	54,759	64,417	69,158	72,552	75,208	79,872	87,781
2018-2019	0	4,028	9,805	18,041	25,920	36,304	43,674	48,426	50,965	52,677	54,622		

ETWD Total Consumption



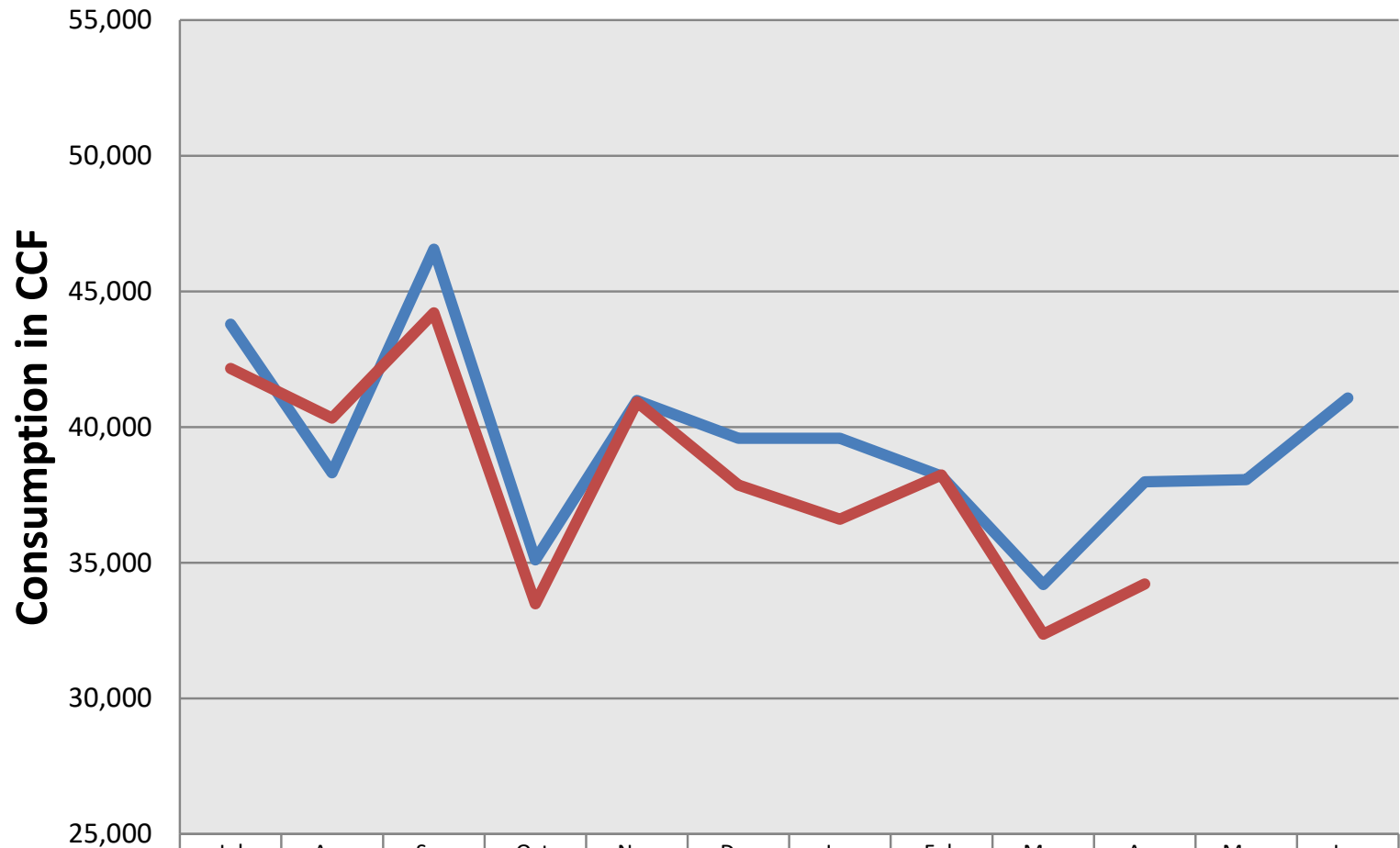
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2017-2018	344,078	310,451	369,472	251,478	278,939	243,123	235,364	218,623	186,920	201,067	264,239	295,506
2018-2019	331,098	341,819	354,683	253,007	275,853	202,506	172,911	157,696	135,090	184,628		
%	96%	110%	96%	101%	99%	83%	73%	72%	72%	92%	0%	0%

Single Family Residents Consumption



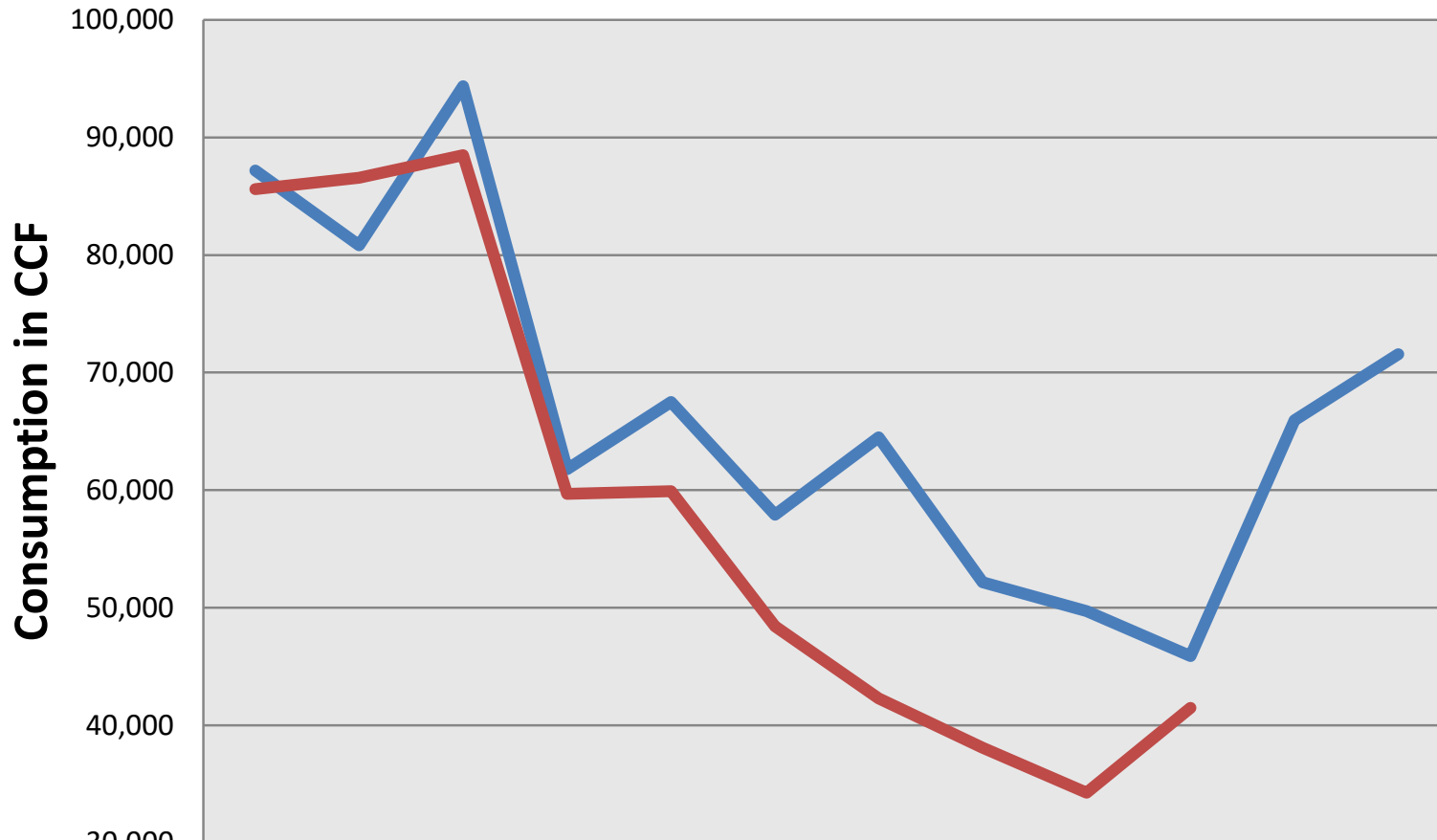
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2017-2018	93,758	80,204	95,783	69,580	75,963	71,368	64,788	66,175	50,520	62,246	71,660	82,501
2018-2019	91,178	89,009	94,035	66,147	80,118	59,264	53,677	50,046	41,974	58,165		
%	97%	111%	98%	95%	105%	83%	83%	76%	83%	93%	0%	0%

Multi Family Residents Consumption



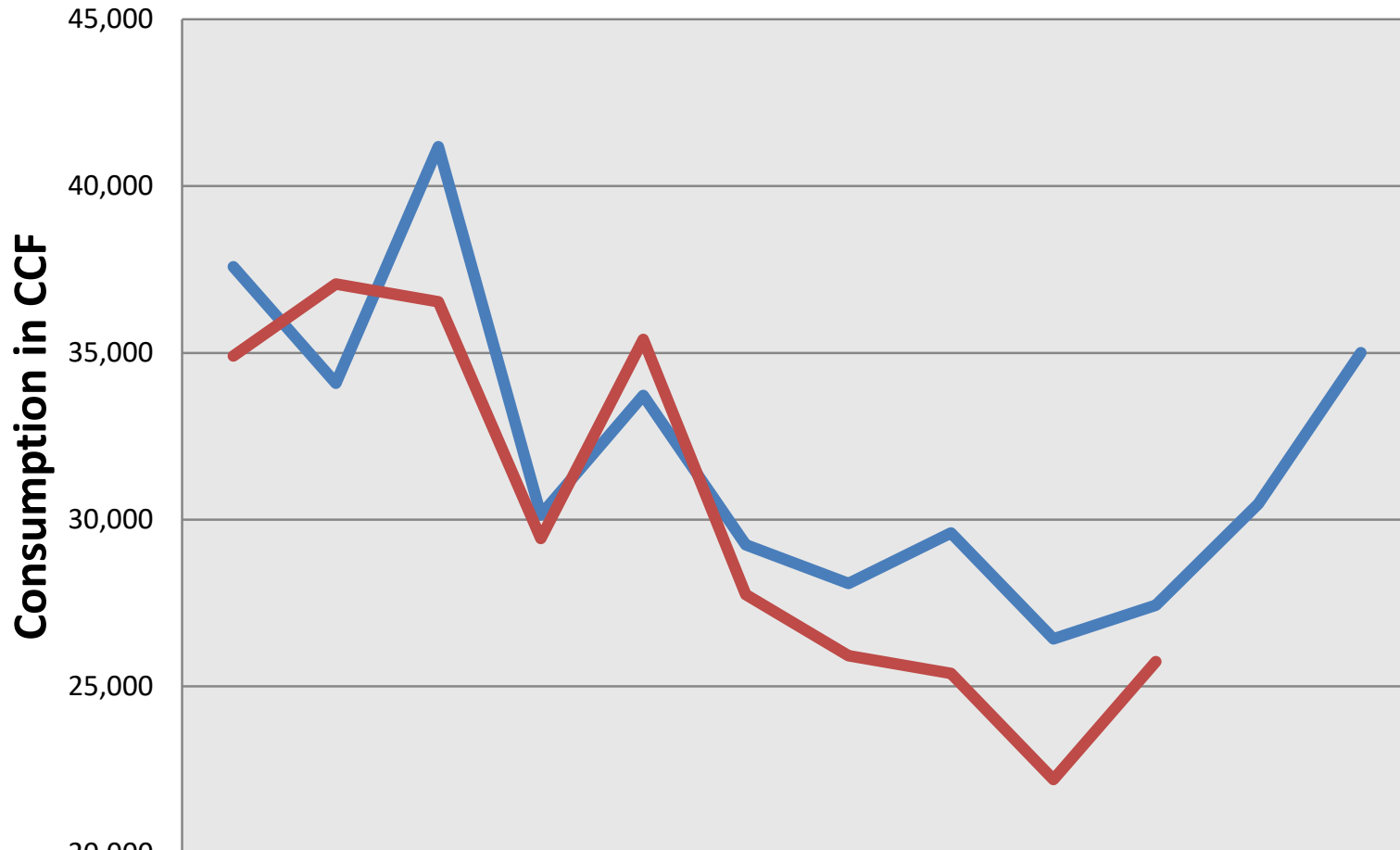
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
— 2017-2018	43,787	38,310	46,555	35,098	40,975	39,581	39,586	38,194	34,194	37,977	38,055	41,072
— 2018-2019	42,163	40,322	44,209	33,491	40,924	37,866	36,596	38,228	32,364	34,208		
— %	96%	105%	95%	95%	100%	96%	92%	100%	95%	90%	0%	0%

Laguna Woods Village Consumption (Excluding Dedicated Irrigation)



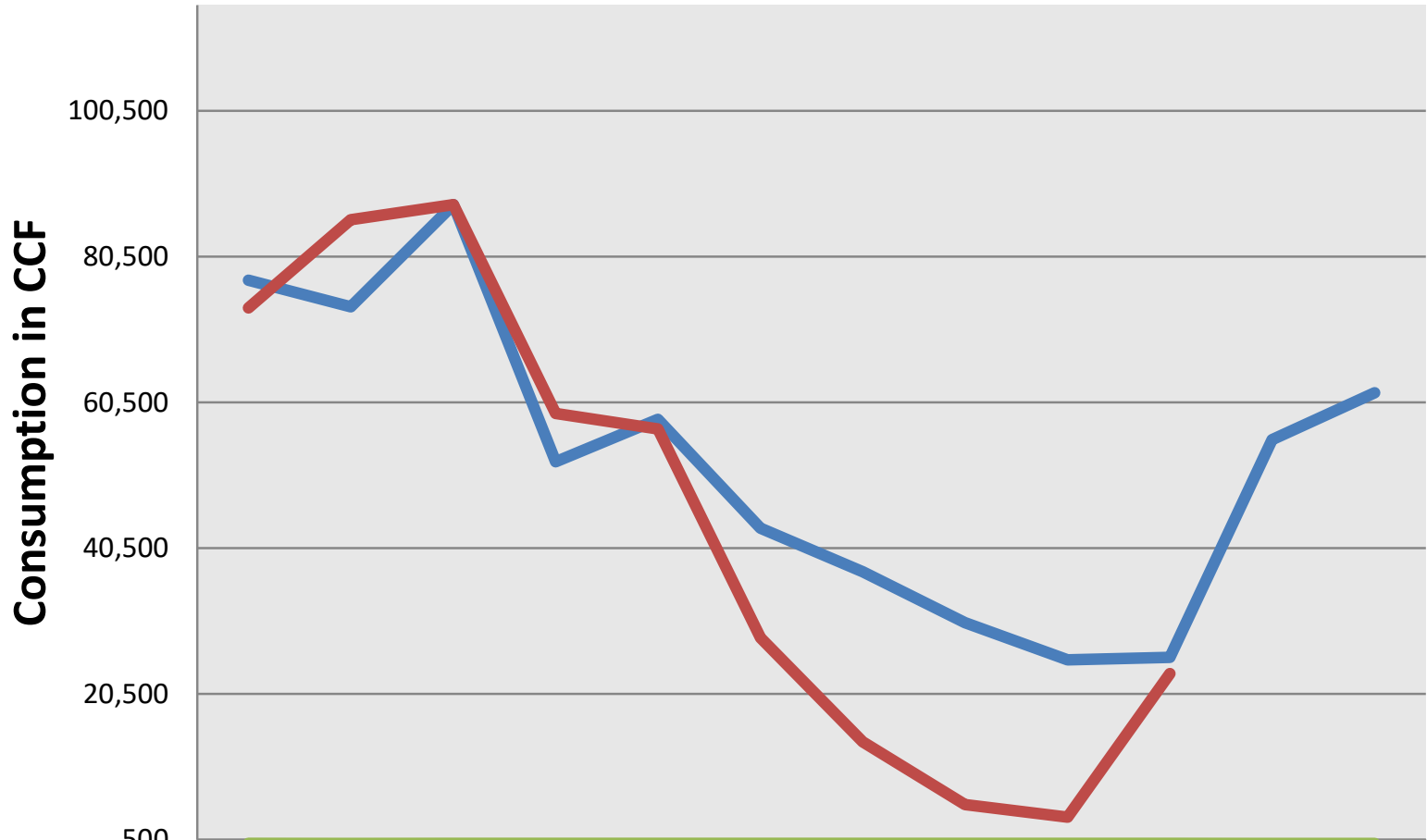
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2017-2018	87,171	80,837	94,360	61,794	67,488	57,902	64,481	52,144	49,690	45,880	65,940	71,568
2018-2019	85,610	86,572	88,490	59,693	59,905	48,420	42,272	38,076	34,256	41,488		
%	98%	107%	94%	97%	89%	84%	66%	73%	69%	90%	0%	0%

Commercial Consumption



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
— 2017-2018	37,582	34,086	41,181	30,146	33,724	29,251	28,092	29,598	26,426	27,438	30,476	35,009
— 2018-2019	34,907	37,064	36,532	29,437	35,401	27,750	25,918	25,385	22,210	25,740		
— %	93%	109%	89%	98%	105%	95%	92%	86%	84%	94%	0%	0%

Dedicated Irrigation Consumption (including LWV)



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2017-2018	77,239	73,638	87,622	52,373	58,189	43,258	37,291	30,308	25,185	25,525	55,374	61,823
2018-2019	73,448	85,554	87,633	58,977	56,874	28,192	13,926	5,306	3,605	23,291		
%	95%	116%	100%	113%	98%	65%	37%	18%	14%	91%	0%	0%

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.