

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



DENNIS P. CAFFERTY,
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

FINANCE AND INSURANCE COMMITTEE MEETING AND ENGINEERING COMMITTEE MEETING

December 15, 2025

7:30 a.m.

**BOARDROOM, DISTRICT OFFICE
24251 LOS ALISOS BLVD., LAKE FOREST, CA 92630**

This meeting will be held in person. As a convenience for the public, the meeting may also be accessed by Zoom and will be available by either computer or telephone audio as indicated below. Because this is an in-person meeting and the virtual component is not required, but rather is being offered as a convenience, if there are any technical issues during the meeting, this meeting will continue and will not be suspended.

Members of the public who wish to comment on any item within the jurisdiction of the District or on any item on the agenda, may attend the meeting in person at the District's office or may observe and address the Meeting by joining at this link:
<https://us02web.zoom.us/j/88015198519> (Meeting ID: 880 1519 8519).

Members of the public who wish only to listen to the telephonic meeting may dial in at the following numbers (669) 900-6833 or (346) 248-7799 with the same Meeting ID noted above. Please be advised the Meeting is being recorded.

CALL TO ORDER – President Gaskins

PLEDGE OF ALLEGIANCE – Vice President Freshley

ROLL CALL (Determination of a Quorum)

ORAL COMMUNICATIONS/PUBLIC COMMENTS

Members of the public may address the Board at this time or they may reserve this opportunity with regard to an item on the agenda until said item is discussed by the Board. Comments on other items will be heard at the times set aside for “COMMENTS REGARDING NON-AGENDA ENGINEERING COMMITTEE ITEMS” or for “COMMENTS REGARDING NON-AGENDA FIC ITEMS.” The public may 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 item(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. Consider Board Member’s Request for Remote Participation (AB 2449)

FINANCE AND INSURANCE COMMITTEE MEETING

CALL MEETING TO ORDER – Director Monin

2. Consent Calendar (Reference Material Included)

(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)

- a. Consider approving the minutes of the November 24, 2025 Finance and Insurance Committee meeting (Minutes included).

Recommended Action: Staff recommend that the Board of Directors approve the above Consent Calendar.

FINANCIAL INFORMATION ITEMS

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

Keith Stribling will review and comment on the investment performance of the District’s 401 (k) Retirement Savings Plan.

4. Deferred Compensation Plan (457 Plan) Quarterly Performance Report (Reference Material Included)

Staff will provide an update on the performance of the investment options in the District’s Deferred Compensation Plan (457 Plan).

5. **Financial Statements and Report** (Reference Material Included)

Staff will review and comment on the Financial Statements and Report for the month ending November 30, 2025.

FINANCIAL ACTION ITEMS

6. **General Manager Employment Agreement** (Reference Material Included)

The Board will consider approving the amended and restated General Manager Employment Agreement.

Recommended Action: The Board will consider approving the amended and restated General Manager Employment Agreement inclusive of the existing Employment Agreement entered into effective July 1, 2019 (“Agreement”) and incorporating changes in terms and compensation as identified in Amendment Nos. 1, 2, 3 and 4 and further incorporating the annual base salary approved at the November 25, 2025 Board Meeting.

7. **Administrative Code Update - Section 4000 – Directors’ Compensation Policy** (Reference Material Included)

The Board will review the Directors’ Compensation Policy and will discuss and consider whether an increase to the ETWD Director compensation is warranted and appropriate. Staff will provide an update on the statutory process to adopt an ordinance to increase Director compensation if the Directors determine an increase is warranted and appropriate. Staff is proposing minor non-monetary revisions to Section 4000 of the District Administrative Code – Directors’ Compensation Policy.

Recommended Action: Staff recommend that the Board approve the amendments to Section 4000 of the El Toro Water District Administrative Code.

8. **Quarterly Audit** (Reference Material Included)

Staff will review and comment on the quarterly audits of the District’s financials for the period from July 1, 2025 to September 30, 2025.

Recommended Action: Staff recommend that the Board receive and file the quarterly audit report for the period from July 1, 2025 to September 30, 2025 as presented by LSL, LLP.

9. **Financial Package - Authorization to Approve Payment of Bills for the Month Ending November 30, 2025** (Reference Material Included)

The Board will consider approving Bills for Consideration dated November 30, 2025.

Recommended Action: Staff recommend that the Board approve, ratify and confirm payment of those bills as set forth in the Payment Summary for the month ending November 30, 2025.

COMMENTS REGARDING NON-AGENDA FIC ITEMS

CLOSE FINANCE AND INSURANCE COMMITTEE MEETING

ENGINEERING COMMITTEE MEETING

CALL MEETING TO ORDER – Director Freshley

10. **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)

- a. Consider approving the minutes of the November 24, 2025 Engineering Committee meeting. (Minutes Included).

Recommended Action: Staff recommend that the Board of Directors approve the above consent calendar.

ENGINEERING INFORMATION ITEMS

11. **El Toro Water District Operations Report** (Reference Material Included)

Staff will review and comment on the El Toro Water District Operations Report.

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

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

13. Engineering Items Discussed at Various Conferences and Meetings

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

COMMENTS REGARDING NON-AGENDA ENGINEERING COMMITTEE ITEMS

CLOSE ENGINEERING COMMITTEE MEETING

ATTORNEY REPORT

CLOSED SESSION

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

1. Pursuant to Government Code Section 54956.9 (d) (2) to consult with legal counsel and staff – Anticipated Litigation.

REGULAR SESSION

REPORT ON CLOSED SESSION (Legal Counsel)

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

ADJOURNMENT

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, Marisol Melendez 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: Marisol Melendez.

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
AND THE
FINANCE & INSURANCE COMMITTEE MEETINGS.

November 24, 2025

At approximately 7:30 a.m. President Gaskins called the regular meeting to order.

Director Monin led the Pledge of Allegiance to the flag.

Committee Members MARK MONIN, MIKE GASKINS, KAY HAVENS, KATHRYN FRESHLEY, and WYATT McCLEAN participated.

Also participating were DENNIS P. CAFFERTY, General Manager, GILBERT J. GRANITO, General Counsel, VISHAV SHARMA, CFO, HANNAH FORD, Director of Engineering, RORY HARNISCH, Senior Engineer (8:10 a.m.), VU CHU, Water Resources Supervisor (Zoom), ABEL ESTRADA, Billing & Customer Service Supervisor (Zoom), CAROL MOORE, Laguna Woods City Council Member (Zoom), JANET FORDUNSKI, Member of the Public (Zoom, 7:39 a.m.), and MARISOL MELENDEZ, Recording Secretary.

Determination of a Quorum

Roll Call:

Director McClean	Present
Director Havens	Present
Director Monin	Present
Vice President Freshley	Present
President Gaskins	Present

Five Board members were present at the meeting and therefore a quorum has been determined.

Oral Communications/Public Comment

There were no comments.

Items Too Late to be Agendized

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

Finance and Insurance Committee Meeting

At approximately 7:32 a.m. Director Monin called the Finance and Insurance Committee meeting to order.

Consent Calendar

Director Monin asked for a Motion.

Motion: President Gaskins made a motion, seconded by Director Havens to approve the Consent Calendar.

Roll Call Vote:

Director McClean	aye
Director Havens	aye
Director Monin	aye
Vice President Freshley	aye
President Gaskins	aye

Financial Information Items

Fiscal Year 2024-25 Financial Reconciliation

Mr. Cafferty reported that all three enterprises- water, sewer, and recycled water- outperformed the FY 2024-25 budget, resulting in added working capital reserves. He noted that while the tiered conservation fund currently shows a negative balance due to recycled water debt service, the recycled water system improved its position by nearly \$1 million. Overall, about \$300,000 was added to reserves, largely due to investment income outperforming budget expectations.

Director Monin asked how much of the District’s strong investment performance was equity related and strategies to protect these funds. Mr. Cafferty stated that investment income exceeded the budget by approximately \$550,000. Mr. Sharma

added that \$6-8 million is actively managed, with about one-third invested in securities. He further stated that staff continues to operate within policy guidelines, opting for CDs while planning for major projects.

Mr. Sharma also followed up on Director Monin's inquiry, confirming that CAMP pool durations are generally one year or less and consist of treasuries, supranational and corporate pools.

Mr. Cafferty stated that staff has already started working on the upcoming budget and are addressing uncertainties in water supply costs. Staff is also working to improve the accuracy of expense accounting to better identify costs and improve accuracy on rate setting.

Financial Statements and Report

Mr. Sharma stated that the total District cash and investments amount to \$22,716,234, an increase of \$135,920 from the prior month due to higher receivables. The current ratio is 7.8 and the days of cash on hand is 237 days. Mr. Cafferty noted that the District's cash reserves policy sets a target of 180 days of cash on hand, which may become more difficult to maintain as a significant portion of reserves is dedicated to capital projects and will be spent down. Although a temporary decline is expected, there is a long-term plan to increase reserves to create a more stable base of cash on hand that is not reliant on capital reserves.

Mr. Sharma added that two new ratios were added to the report: the accounts receivable turnover ratio, which reflects the efficiency of receivables collection, and the accounts payable turnover ratio. For the current month, the accounts payable turnover is 33 days, with a year to date average of 28 days calculated from July-October.

Financial Action Items

Updated Comprehensive Financial Statement – Audit – Fiscal Year Ended June 30, 2025

Mr. Sharma reported that this item corrects the amounts for the unrestricted commodity supply charge and the restricted recycled water charge. During reconciliation, staff discovered that the figures had remained static from the prior year. Although the line-item amounts were corrected, the overall total was calculated correctly and remains unchanged.

Director Havens asked about the medium and high strength charges for markets and mortuaries. Mr. Cafferty stated he would follow up on the inquiry.

Director Monin asked for a Motion.

Motion: President Gaskins made a motion, seconded by Director Havens to receive and file the updated District’s Comprehensive financial statements for the Fiscal Year ended June 30, 2025.

Roll Call Vote:

Director McClean	aye
Director Havens	aye
Director Monin	aye
Vice President Freshley	aye
President Gaskins	aye

Financial Package - Authorization to Approve Payment of Bills for the Month Ending October 31, 2025

Director Monin asked for a Motion.

Motion: Vice President Freshley made a motion, seconded by President Gaskins to approve, ratify and confirm payment of those bills as set forth in the Payment Summary for the month ending October 31, 2025.

Roll Call Vote:

Director McClean	aye
Director Havens	aye
Director Monin	aye
Vice President Freshley	aye
President Gaskins	aye

Comments Regarding Non-Agenda FIC Items

There were no comments.

Adjournment

There being no further business the Finance and Insurance Committee meeting was closed at approximately 8:12 a.m.

Respectfully submitted

MARISOL MELENDEZ
Recording Secretary

APPROVED:

MIKE GASKINS, President
of the El Toro Water District and the
Board of Directors thereof

DENNIS P. CAFFERTY, Secretary
of the El Toro Water District and the
Board of Directors thereof



El Toro Water District

Investment Performance Review For the Quarter Ended September 30, 2025

Client Management Team

Keith Stribling, CFA
Senior Portfolio Manager

PFM Asset Management LLC

1735 Market Street
43rd Floor
Philadelphia, PA 19103

NOT FDIC INSURED : NO BANK GUARANTEE : MAY LOSE VALUE

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Financial Markets & Investment Strategy Review

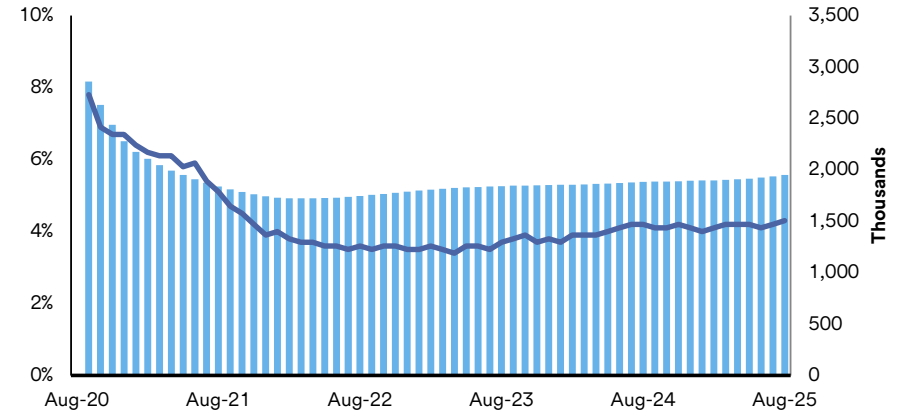
Index or Average Name	QTD	YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
DOMESTIC EQUITY							
S&P 500 (TR)	8.12%	14.83%	17.60%	24.91%	16.46%	14.44%	15.29%
Russell 3000	8.18%	14.40%	17.41%	24.09%	15.73%	13.70%	14.70%
Russell 1000 Growth	10.51%	17.24%	25.53%	31.58%	17.56%	18.09%	18.81%
Russell 1000	7.99%	14.60%	17.75%	24.61%	15.98%	14.17%	15.02%
Russell 1000 Value	5.33%	11.65%	9.44%	16.95%	13.87%	9.52%	10.71%
Russell Midcap	5.33%	10.42%	11.11%	17.67%	12.65%	10.06%	11.38%
Russell Midcap Growth	2.78%	12.84%	22.02%	22.82%	11.25%	11.99%	13.36%
Russell Midcap Value	6.18%	9.50%	7.58%	15.50%	13.66%	8.64%	9.95%
Russell 2000 Growth	12.19%	11.65%	13.56%	16.67%	8.41%	6.61%	9.90%
Russell 2000	12.39%	10.39%	10.76%	15.20%	11.55%	6.75%	9.76%
Russell 2000 Value	12.60%	9.04%	7.88%	13.55%	14.59%	6.39%	9.22%
INTERNATIONAL EQUITY							
MSCI EAFE	4.77%	25.14%	14.99%	21.68%	11.15%	7.71%	8.16%
MSCI AC World	7.62%	18.44%	17.27%	23.10%	13.54%	11.27%	11.90%
MSCI AC World ex USA	6.89%	26.02%	16.45%	20.65%	10.25%	7.48%	8.22%
MSCI AC World ex USA Small Cap	6.68%	25.54%	15.93%	19.34%	9.96%	7.16%	8.36%
MSCI EM (Emerging Markets)	10.64%	27.53%	17.32%	18.19%	7.01%	6.16%	7.98%
LISTED REAL ASSETS							
FTSE Nareit / Equity REITs - INV	4.77%	4.51%	-1.98%	10.79%	9.32%	6.10%	6.60%
MSCI US REIT INDEX	4.49%	3.75%	-2.88%	9.50%	8.03%	4.89%	5.31%
MSCI World Core Infrastructure	1.80%	15.48%	8.21%	11.33%	7.86%	7.46%	8.26%
FIXED INCOME							
Bloomberg U.S. Aggregate	2.03%	6.13%	2.88%	4.92%	-0.45%	2.06%	1.84%
Bloomberg U.S. Government/Credit	1.91%	5.93%	2.67%	4.87%	-0.61%	2.22%	1.99%
Bloomberg U.S. Intermediate Government/Credit	1.51%	5.70%	4.01%	5.17%	0.81%	2.61%	2.09%
Bloomberg U.S. Treasury (1-3 Y)	1.12%	3.99%	3.89%	4.35%	1.53%	2.24%	1.67%
ICE BofA U.S. High Yield	2.40%	7.06%	7.23%	10.96%	5.53%	5.17%	6.07%
Bloomberg Global Aggregate	0.60%	7.91%	2.40%	5.44%	-1.56%	0.79%	1.14%
CASH EQUIVALENT							
Bloomberg 3 Month T-Bill	1.08%	3.21%	4.43%	4.85%	3.03%	2.66%	2.11%

Source: Investment Metrics. Returns are expressed as percentages. Please refer to the last page of this document for important disclosures relating to this material.

THE ECONOMY

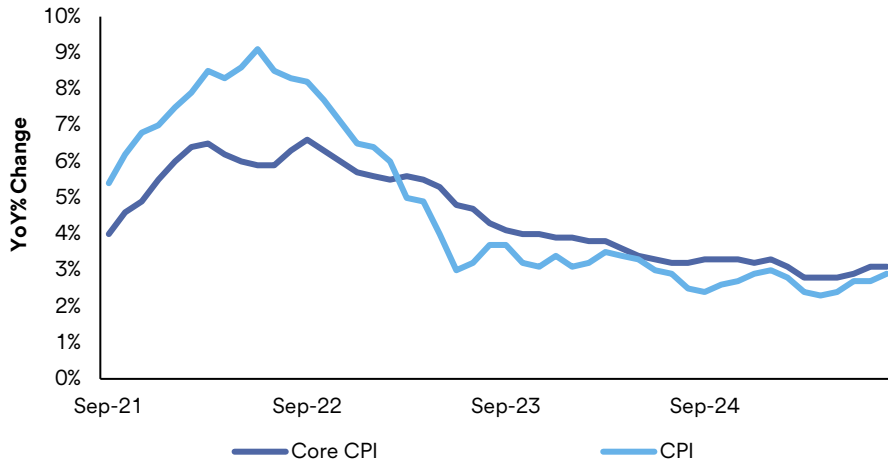
- In the second quarter, U.S. real gross domestic product (GDP) grew at a seasonally adjusted annualized rate of 3.8%, marking the strongest growth since Q3 2023. This rebound in growth was supported by an uptick in consumer spending and business investment. While the data still points to some moderation in activity compared to last year, the slowdown may not be as severe as originally feared.
- The U.S. unemployment rate ticked up over the quarter, rising to 4.3% in August. The latest initial jobless claims ended the quarter slightly lower at 218.0k (for the week ending September 20) after an early September spike, while the outstanding claims also fell to approximately 1,926.0k signaling layoffs remain subdued despite broader signs of labor market cooling. The other side of the “low-hire, low-fire” environment can be seen in the duration of unemployment, with 25.7% of the job seekers experiencing unemployment for more than six months, the highest share since February 2022.
- Inflation accelerated in the third quarter. Headline inflation (CPI) grew at a year-over-year (YoY) rate of 2.9% in August, the highest rate since January, as prices of food and energy rose while core CPI, which excludes volatile food and energy, grew at 3.10% on an annual basis.

U.S. Unemployment and Monthly Average Continued Claims



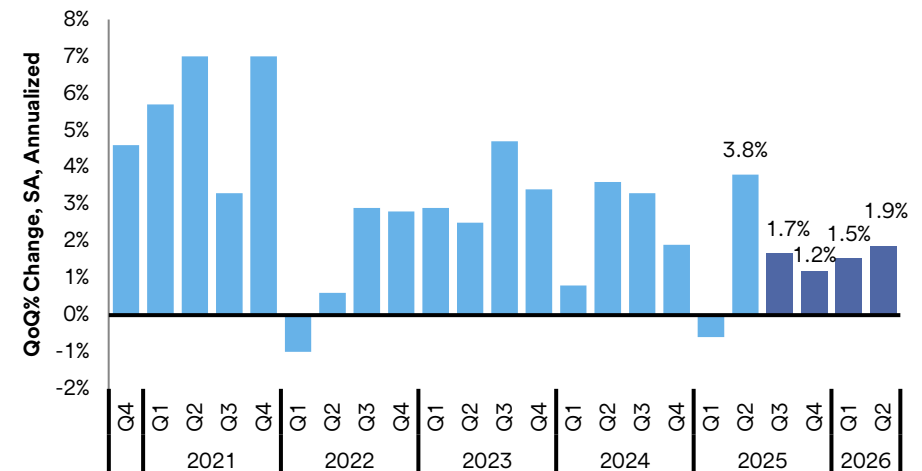
Source: Bloomberg.

U.S. Inflation Rate
Seasonally Adjusted (SA)



Source: Bureau of Labor Statistics.

U.S. GDP Growth

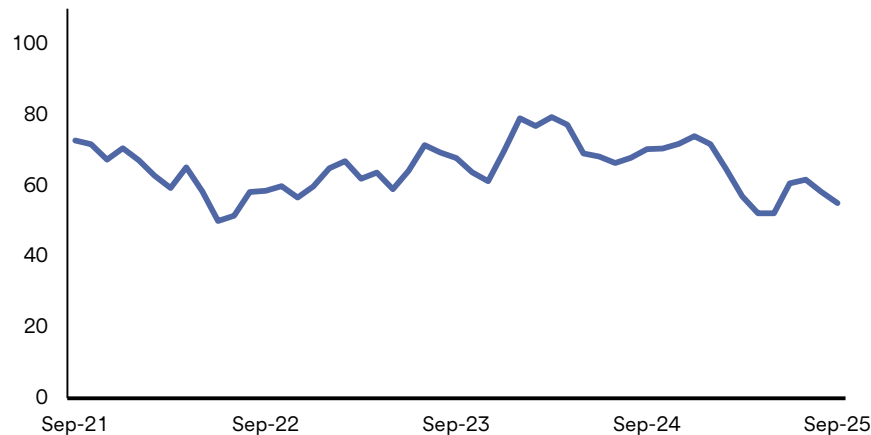


Source: Bloomberg. Light blue bars indicate actual numbers; dark blue bars indicate forecasted estimates.

WHAT WE'RE WATCHING

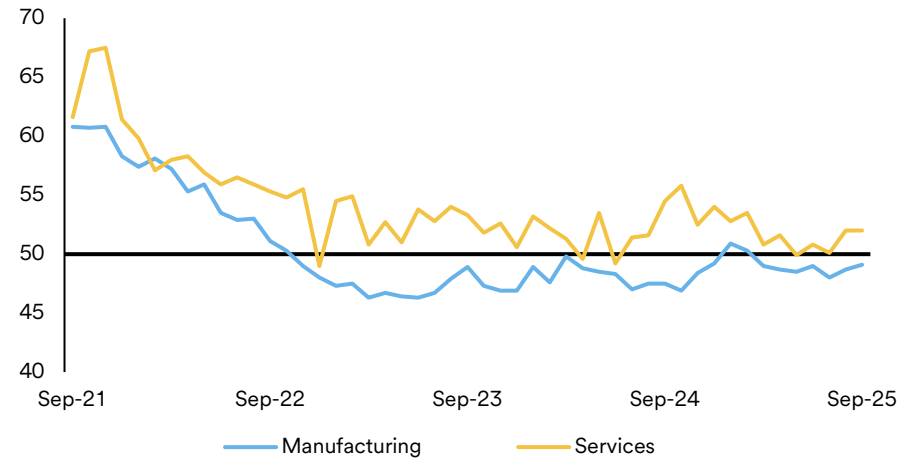
- The Federal Reserve (Fed) cut rates in the third quarter by a quarter percentage point, prompted by increasing weakness in the labor market. The Fed also signaled that two more quarter-percentage-point rate reductions are likely before the end of the year. However, with inflation above the 2% policy target, the Fed will be focused on balancing maximum employment and price stability. Outside of the U.S., the European Central Bank (ECB) which preceded the U.S. with cuts earlier in the year, held rates flat in the third quarter.
- U.S. consumer sentiment, as measured by the University of Michigan survey of consumers, fell during the third quarter as consumers continued to express concerns about the impact of high prices on personal finances. Consumer spending, which drives more than two-thirds of the economy, rose 0.6% month-over-month in August, supported by higher-income consumers benefiting from a strong wealth effect as equity markets continue to rise.
- Manufacturing in the U.S. remains challenged, with the ISM U.S. Manufacturing PMI reading coming in at 49.1 in September. This marked the seventh consecutive month of contraction as input prices remain elevated while demand is relatively weak. The threat of volatility stemming from trade and tariffs has mostly passed, though some trade agreement deadlines are set in Q4, which pose continued uncertainty for many countries and companies.

University of Michigan Consumer Sentiment



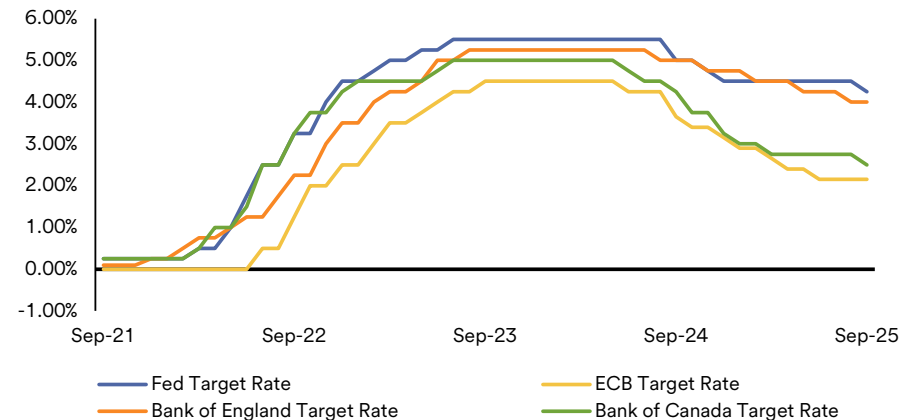
Source: Bloomberg.

U.S. ISM Manufacturing & Services PMI



Source: Bloomberg.

Global Central Bank Rates



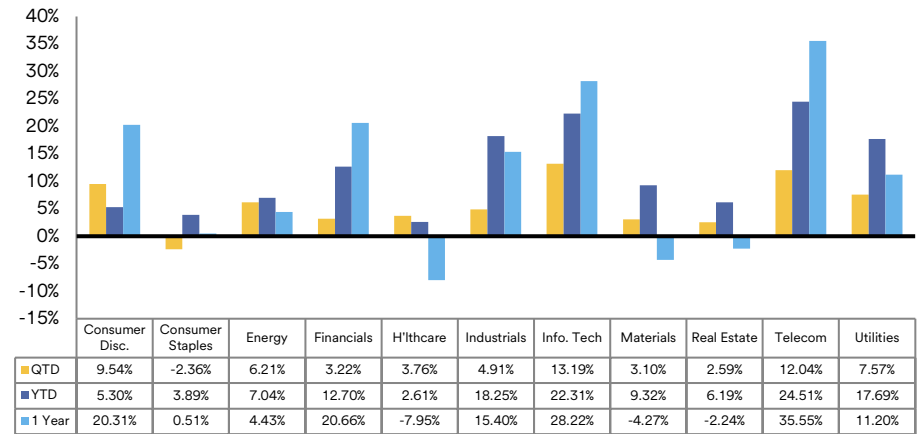
Source: Bloomberg.

DOMESTIC EQUITY

- The S&P 500 Index (S&P) posted an 8.1% return in the third quarter (of 2025). The Index has hit 23 new all-time closing highs and the year-to-date (YTD) return stands at 14.8%.
- Within the S&P, the performance varied greatly across sectors, with 10 of the 11 seeing positive returns. The best performing sectors were Information Technology (13.2%), Communication Services (12.0%), and Consumer Discretionary (9.5%). Real Estate saw a relatively weak return (2.6%) while only Consumer Staples saw a negative return (-2.4%).
- Positive returns were seen across all capitalizations with large caps, as represented by the Russell 1000 Index, returning 8.0% during the quarter while mid and small caps, as represented by the Russell Midcap and Russell 2000 indices returned 5.3% and 12.4% respectively. Small caps outperformed large caps over the quarter, and the Russell 2000 ended the quarter at an all-time high.
- According to FactSet Earnings Insight as of September 26, 2025, analysts are projecting earnings growth of 7.9% in Q3 2025, up from a prior estimate of 7.3% at the start of the quarter. This unusual upward revision (over the past 10 years estimates fell an average of 3.2% during the quarter) was led by the Information Technology sector as companies benefiting from artificial intelligence (AI) continued to have an outsized impact on the market. For calendar year 2025, analysts are projecting YoY earnings growth of 10.9%. If the projected earnings growth in Q3 is correct and comes to fruition, this will mark the ninth consecutive quarter of earnings growth for the index.
- At quarter end, the forward 12-month adjusted positive price-to-earnings (P/E) ratio (including only positive earnings results for consistency) for the S&P 500 is 27.4, which is above the 5-year average of 23.3. The Russell 2000 Index, which represents small cap stocks, had an adjusted positive forward P/E ratio of 21.2, also above its 5-year average of 17.7.

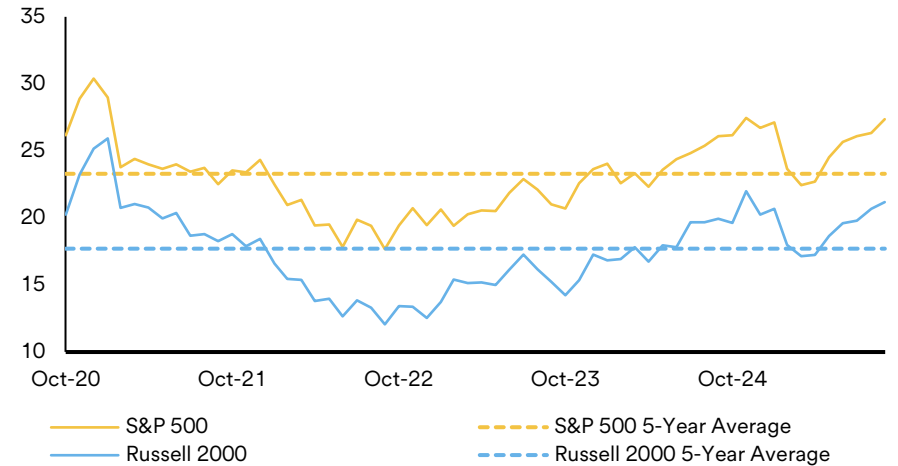
S&P 500 Index Performance by Sector

Periods Ended September 30, 2025



Source: Bloomberg.

P/E Ratios of Major Stock Indices*



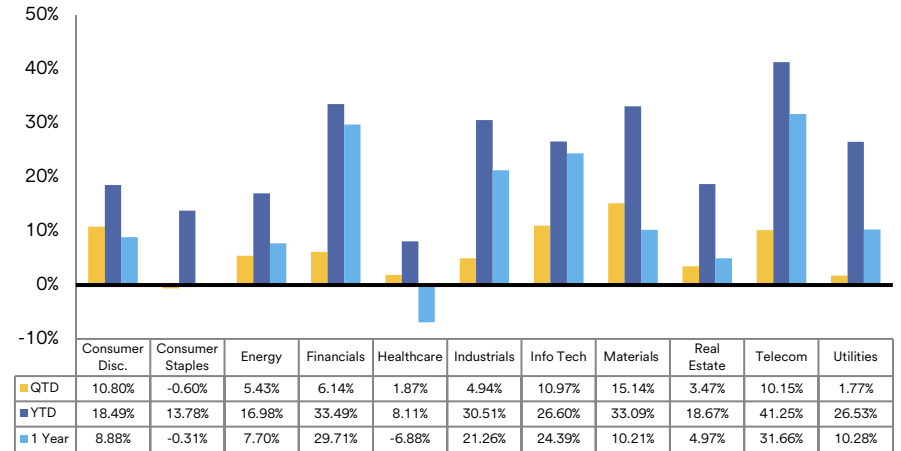
Source: Bloomberg.

*P/E ratios are calculated based on one-year forward estimates and adjusted to include only positive earnings results for consistency.

INTERNATIONAL EQUITY

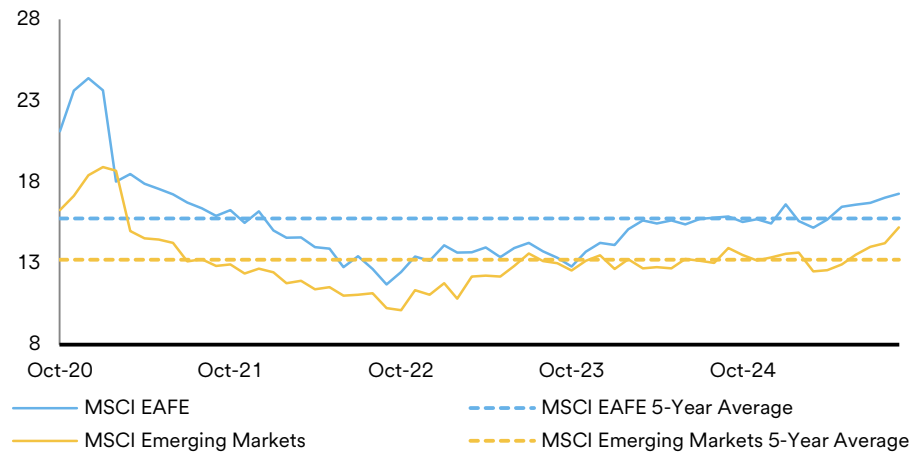
- Markets outside of the United States, as measured by the MSCI ACWI ex-U.S. Index, cooled somewhat in the third quarter returning 6.9%, just over half of the previous quarter's strong returns.
- 10 of the 11 sectors posted positive returns for the quarter. The top performing sectors were Materials (15.1%), Information Technology (11.0%) and Consumer Discretionary (10.8%). The worst performers for the quarter were Healthcare (1.9%), Utilities (1.8%), and Consumer Staples (-0.6%).
- Developed ex-U.S. Markets, as represented by the MSCI EAFE Index, underperformed emerging markets (EM), as represented by the MSCI Emerging Market Index, returning 4.8% versus 10.6% for the quarter. Returns from all international indices are in U.S. Dollars (USD) and were positively impacted by the continued softness of the U.S. dollar.
- Of the five largest-weighted countries in the MSCI EAFE Index, the MSCI Japan (8.0%) and MSCI United Kingdom (5.9%) indices outperformed the overall EAFE index. The MSCI France (3.2%) and MSCI Switzerland (1.4%) indices underperformed while the MSCI Germany Index (-1.1%) was the only of the top five that saw negative returns.
- Of the five largest-weighted countries in EM, MSCI China (20.7%), MSCI Taiwan (14.3%), and MSCI Korea (12.8%) outperformed the MSCI Emerging Markets index, while MSCI Brazil (8.3%) and MSCI India (-7.6%) underperformed. Taiwan and Korea continued their streak of double-digit returns supported by semiconductor names positively impacted by the AI theme.
- Value stocks outperformed growth stocks for the quarter as represented by the broad benchmarks. The MSCI AC World ex-USA Growth Index returned 5.7%, while the MSCI AC World ex-USA Value Index returned 8.1%. Within EM, growth outperformed value, returning 12.0% versus 7.9%. Small caps, as represented by the MSCI ACWI ex-U.S. Small Cap Index posted a return of 6.7%.
- Non-U.S. equity valuations rose over the third quarter. Both sit slightly above long-term averages. As of quarter-end, the MSCI EAFE's Adjusted Positive Forward P/E stood at 17.3 versus a 5-year average of 15.7. MSCI EM ended the quarter with an Adjusted Positive Forward P/E ratio of 15.2, above its 5-year average of 13.2.

MSCI ACWI ex-U.S. Sectors
Periods Ended September 30, 2025



Source: Bloomberg.

P/E Ratios of MSCI Equity Indices*



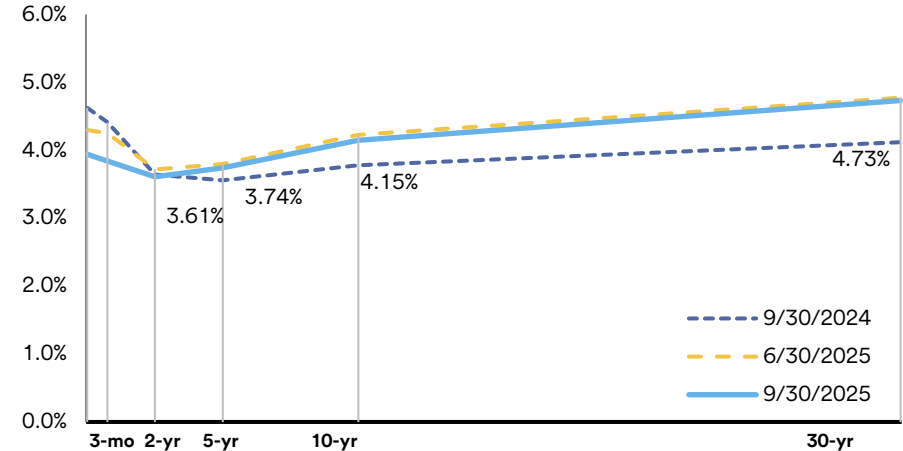
Source: Bloomberg.

*P/E ratios are calculated based on one-year forward estimates and adjusted to include only positive earnings results for consistency.

FIXED INCOME

- The U.S. bond market, represented by the Bloomberg U.S. Aggregate Index, returned 2.0% during the third quarter.
- The Bloomberg U.S. Treasury Index closed the quarter returning 1.5%. As the Fed cut rates for the first time in September 2025 and guided two more rate cuts for the year, the yield curve flattened slightly as rates fell across the duration spectrum. 30-year Treasury yields fell to 4.7%, while the 2-year ended at 3.6%. Cash markets continued to provide higher yields than the 2-year Treasuries.
- Corporate credit saw positive returns across the quality spectrum for the quarter. The Investment Grade Bloomberg U.S. Corporate (IG Corp) Index returned 2.6% while High Yield bonds, as represented by the ICE BofA High Yield (HY) Index, returned 2.4%. Spreads tightened slightly over the quarter and are now below the 10-year average for both investment-grade and high yield. High profit margins, continued issuance, continued buybacks and ongoing mergers and acquisitions (M&A) activity points to positive corporate sentiment.
- The fixed-rate mortgage market, as measured by the Bloomberg U.S. Mortgage-Backed Securities (MBS) Index returned 2.4%. On the commercial side, the Bloomberg U.S. Agency CMBS Index returned 1.6% while the non-agency CMBS Index posted a return of 1.9%.

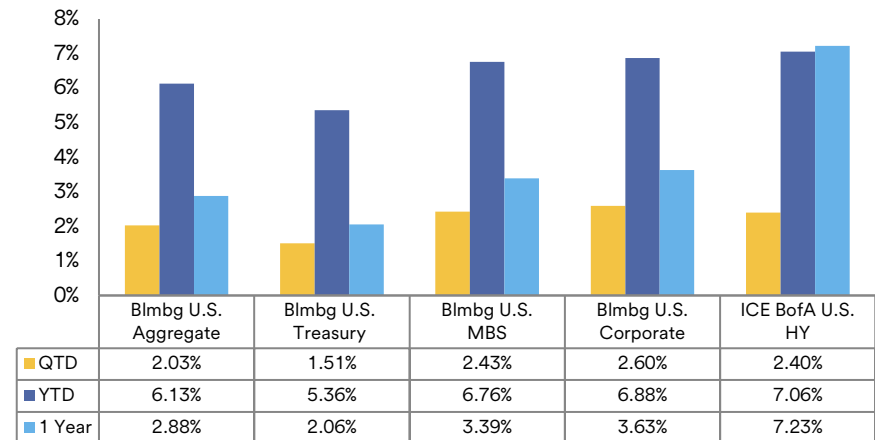
U.S. Treasury Yield Curve



Source: Bloomberg.

Returns for Fixed-Income Segments

Periods Ended September 30, 2025

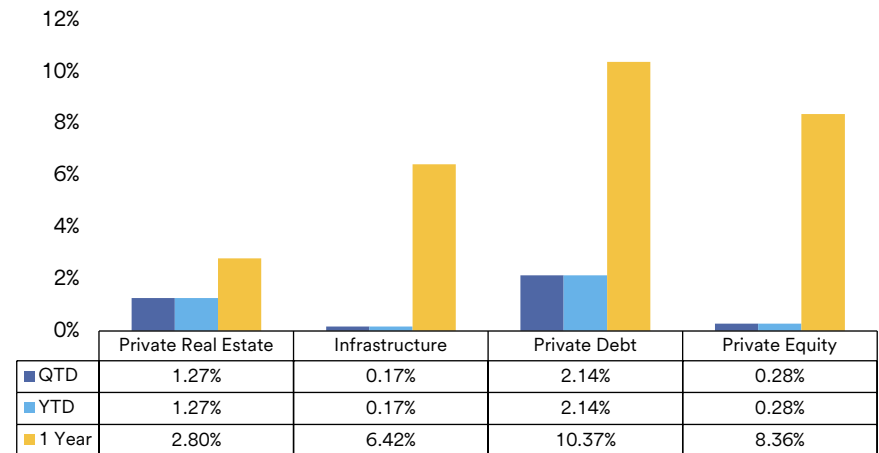


Source: Bloomberg.

ALTERNATIVES

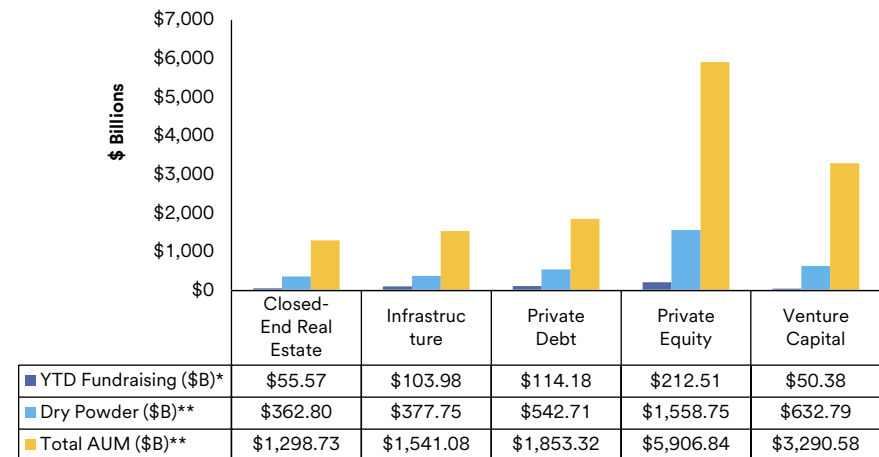
- Real estate investment trusts (REITs), as measured by the MSCI U.S. REITs Index, returned 4.8% in the third quarter (a reversal from negative returns in the second quarter) leading to a YTD return of 4.7%. Private real estate, as measured by the NCREIF Property Index, gained 1.27% in the first quarter of 2025. Q1 2025 marked the second quarter of positive total returns in two years as property value declines leveled off across most sectors. The Seniors Housing category was the top performer, returning 1.9%, while Hotels returned a marginally positive 0.5%.
- Listed infrastructure, as measured by the MSCI World Core Infrastructure Index, returned 1.8% in the third quarter, down from a 5.4% return in the prior quarter. By the end of Q2 2025, 39 private infrastructure funds raised \$104.0 billion, maintaining the brisk pace of Q1. Most of the capital went to funds larger than \$5 billion which seek to capitalize on rising AI demand. Infrastructure dry powder has fallen from the previous year and stands at \$377.8 billion as of the end of 2024. According to PitchBook, infrastructure funds posted a return of 0.2% in Q1 2025. The asset class has generated an annualized return of 11.1% for the five years ended Q1 2025.
- By the end of Q2 2025, 82 private debt funds raised \$114.2 billion, with fundraising now on pace for another strong year by historical standards. Private debt dry powder remains above the long-term average at \$542.7 billion as of the end of 2024; although over 50% has been outstanding for more than two years. According to PitchBook, private debt funds posted a return of 2.14% in Q1 2025. The asset class has generated an annualized return of 10.37% for the five years ended Q1 2025.
- As of Q2 2025, 252 private equity funds raised \$212.5 billion – continuing the slower pace compared to the historical norms as constrained distributions hindered fundraising efforts. The bulk of the capital raised continues to flow to experienced managers raising capital for funds larger than \$1 billion. Global private equity dry powder, which accounts for the bulk of private capital dry powder, remains high at \$1.6 trillion as of the end of 2024. Recent private equity performance continues to feel the effects of higher borrowing costs and a slowdown in deal activity. According to PitchBook, private equity funds posted a return of 0.3% in Q1 2025. The asset class has generated an annualized return of 18.29% for the five years ended Q1 2025.

Returns for Private Capital Assets



Source: NCREIF, PitchBook.
As of March 31, 2025, the most recent period for which all index data is available.

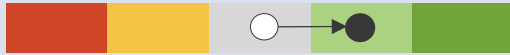
Private Capital Fundraising & Dry Powder



Sources: Pitchbook.
* Total capital raised in 2025 as of June 30, 2025 - most recent period for which ALL fundraising data is available.
** Cumulative dry powder and total AUM as of December 31, 2024.
*** Excluding open-end, evergreen fund vehicles.

Factors to Consider Over the Next 6-12 Months

Monetary Policy (Global):



- The Fed cut rates by 25 bps in September citing rising downside risks to employment despite inflation remaining above its 2% target. Further rate cuts expected in 2025 and 2026.
- Major central banks have already eased (ECB and BOE) or are in the process of further easing (U.S. and Canada) except for the BOJ.

Economic Growth (Global):



- Resilient U.S. growth driven by robust consumer spending and elevated business investment despite growing softness in the labor market.
- Trade tensions, elevated tariffs and a prolonged U.S. government shutdown remain key downside risks, while AI driven investment and fiscal support in some regions provide partial offsets.

Inflation (U.S.):



- Inflation accelerated in Q3 led by rising goods prices and sticky services costs, keeping core inflation closer to 3%, well above the Fed's 2% target – a consideration for further rate cuts.
- Fed Chair Powell noted tariffs have begun to push up goods prices in some categories, but the base case is for these effects to be short-lived.

Financial Conditions (U.S.):



- Financial conditions eased as tariff announcements were digested, renewing market confidence which resulted in equities reaching new all-time highs and credit spreads tightening to historical lows.
- Financial conditions expected to remain tailwind as monetary policy eases.

Consumer Spending (U.S.):



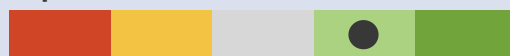
- Slower nominal wage growth combined with higher inflation has eroded real purchasing power. However, consumer activity remained resilient, driven by spending from higher income households.
- Further labor market softness, a significant correction in the equity market or higher pass-through of tariffs to goods prices remain the largest threats to consumer spending.

Labor Markets (U.S.):



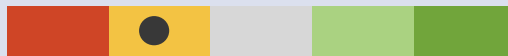
- Labor market conditions continued to cool with net new job creation nearing zero while being concentrated in just a few service sectors. Continued weakening can have impact on consumption.
- Despite some signs of cooling, the layoff rate remains low and points towards employers adopting a “no hire, no fire” approach.

Corporate Fundamentals:



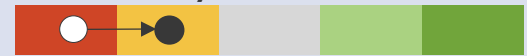
- Earnings growth expectations are positive across global equities, but expectations within U.S. positively impacted by AI spending tailwinds.
- In the U.S., capex deduction changes and rate cuts are positives while tariff/cost pressure impact on both earnings growth expectations and profit margins needs attention.

Valuations:



- U.S. equities and credit markets trade at valuations that are expensive relative to their history.
- Resilient growth, AI related spending tailwinds and higher profit margins are supportive of the current valuations while inflation and tariff risks are not fully reflected in the current valuations.

Political/Policy Risks:



- Reconciliation bill passage, ongoing trade deals, peace progress on Israel– Hamas conflict are positives on policy front.
- Prolonged U.S. government shutdown, legal challenges to tariffs and possibility of further tariffs, Russia-Ukraine conflict are negatives.

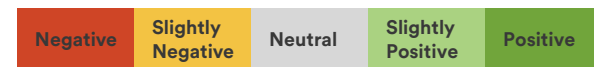


Statements and opinions expressed about the next 6-12 months were developed based on our independent research with information obtained from Bloomberg. The views expressed within this material constitute the perspective and judgment of PFM Asset Management, a division of U.S. Bancorp Asset Management, Inc., at the time of distribution (September 30, 2025) and are subject to change. Information is obtained from sources generally believed to be reliable and available to the public; however, we cannot guarantee its accuracy, completeness, or suitability.

Investment Strategy Overview

Asset Class	Our Q4 2025 Investment Outlook	Comments
U.S. Equities		<ul style="list-style-type: none"> Equity market rally on the back of trade deals led us to maintain neutral positioning through Q3 unwinding defensive stance taken in Q2. Looking ahead, we remain neutral at a time when easing monetary and fiscal policies and strong corporate earnings are positives while higher inflation, softening labor market, tariff/trade tensions (effective tariff rate currently at ~20%) and elevated valuations lead to some caution. Small-caps have been rallying recently in anticipation of Fed rate cuts, higher liquidity and improving sentiment, reaching their all time high at the end of Q3. We expect to remain neutral until we see some recovery across employment and manufacturing indicators.
Large-Caps		
Small-Caps		
Non-U.S. Equities		<ul style="list-style-type: none"> International equities have posted strong returns this year. Valuations are attractive relative to U.S. equities, but multiples have continued to creep higher this year as earnings growth has not kept the pace. Across Europe and China, we believe that there are structural/geopolitical issues that need to be addressed for long-term sustained outperformance. Fed rate cuts, weaker USD, improved sentiment and continued stimulus in China led to strong performance for EM equities but tariff driven uncertainty remains in place.
Developed Markets		
Emerging Markets		
Fixed Income		<ul style="list-style-type: none"> Fed cut rates by 25 bps in September for the first time in 2025 and provided guidance for two more rate cuts this year. Yield curve has steepened in anticipation of the rate cuts. We expect long term rates to be range-bound due to inflation expectations and fiscal debt concerns. We remain duration neutral at this time. Absolute yield levels look attractive even as credit spreads are closer to historical lows. We are neutral to credit sectors at this time given the tighter spreads even as corporate fundamentals remain strong.
Core Bonds		
Investment Grade Credit		
High Yield Credit		
Diversifying Assets		<ul style="list-style-type: none"> REIT performance has been sensitive to the long-term yields and have recently shown recovery in performance. Rate cuts and period of slow but continued growth are expected to be tailwinds. Improving AI sentiment bodes well for data center buildout and utilities are long-term tailwinds for listed infrastructure.
Listed Real Estate		
Listed Global Infrastructure		

● Current outlook ○ Outlook one quarter ago



The view expressed within this material constitute the perspective and judgment of PFM Asset Management, a division of U.S. Bancorp Asset Management, Inc., at the time of distribution (September 30, 2025) and are subject to change.

Sources

Factset

<https://www.bea.gov/sites/default/files/2024-12/gdp3q24-3rd-fax.pdf>

<https://www.bls.gov/news.release/pdf/empsit.pdf>

<https://www.bls.gov/news.release/pdf/cpi.pdf>

<http://www.sca.isr.umich.edu/>

NCREIF

PitchBook

Cliffwater

Disclosures

Indices shown are not available for investment. The index data reference herein is the property of the index provider and/or its licensors. The index provider assumes no liability in connections with its use and does not sponsor, endorse or recommend the products or services contained herein. Index returns do not reflect payment of any sales charges or fees an investor would pay to purchase the securities they represent. The imposition of these fees and charges would cause investment performance to be lower than the performance shown.

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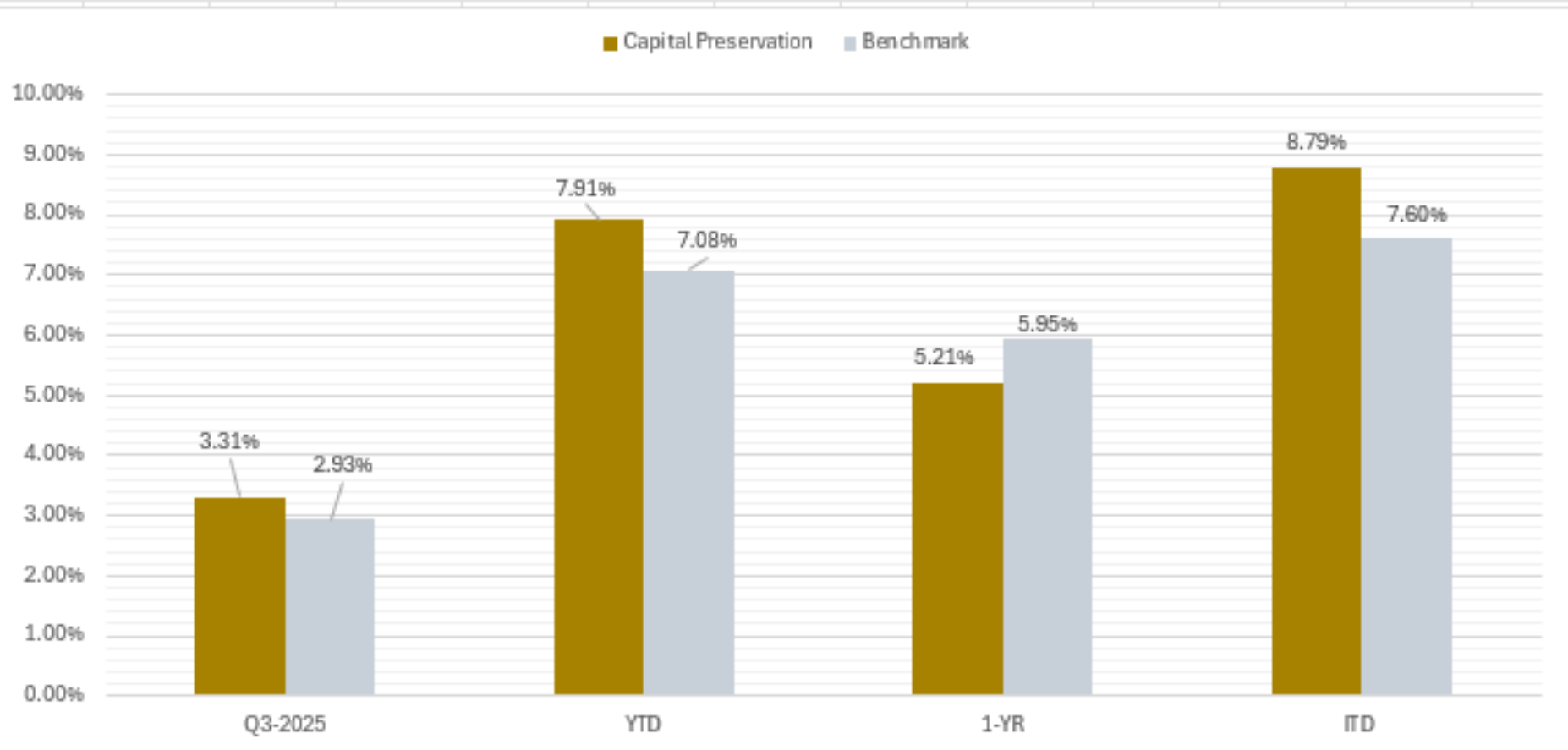
Further distribution is not permitted without prior written consent.

Plan Performance Summary

INVESTMENT RETURNS - CAPITAL PRESERVATION

El Toro Water District - 401(k) Plan

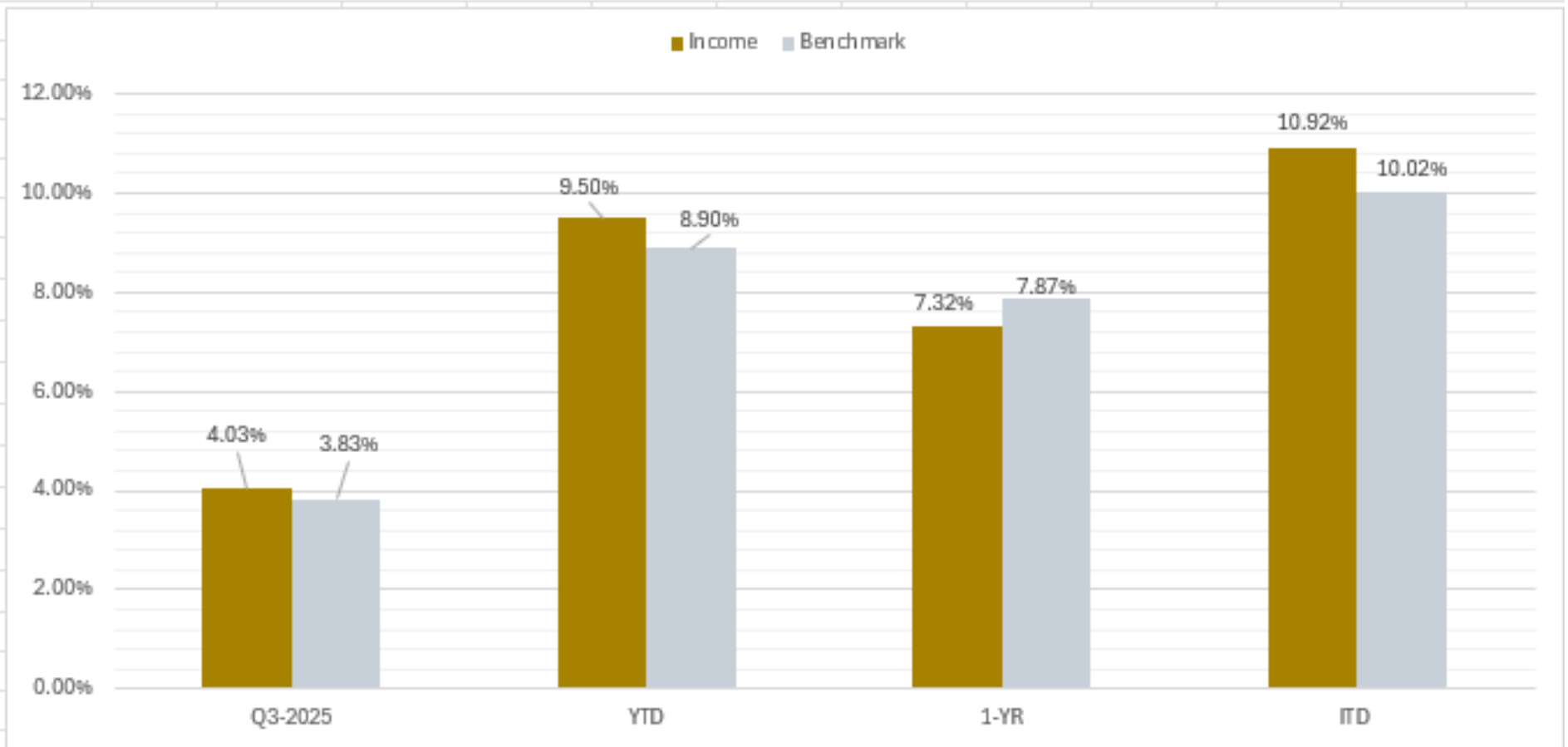
Annualized Total Rate of Return
as of September 30, 2025



INVESTMENT RETURNS - INCOME

El Toro Water District - 401(k) Plan

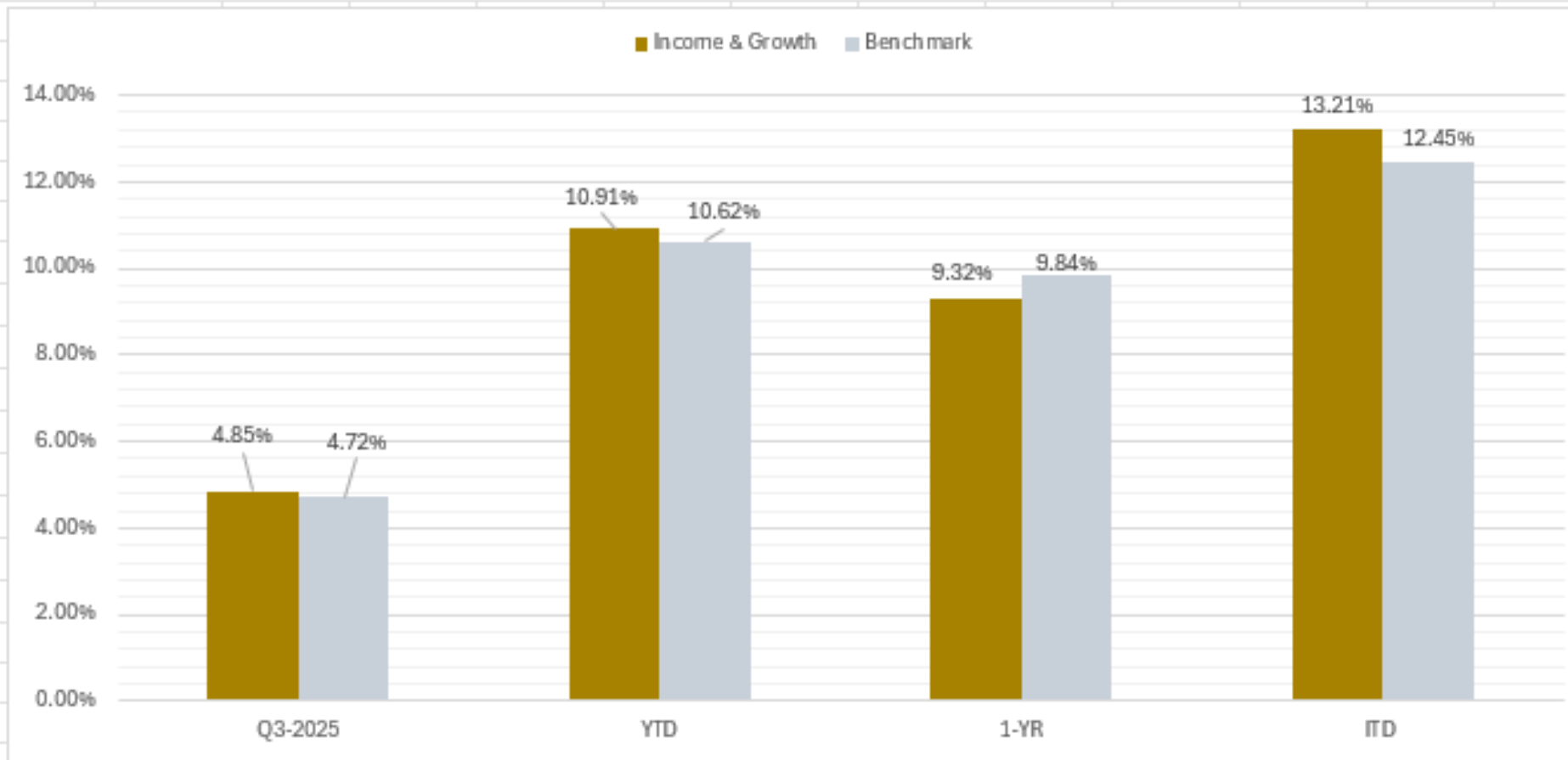
Annualized Total Rate of Return
as of September 30, 2025



INVESTMENT RETURNS - INCOME & GROWTH

El Toro Water District - 401(k) Plan

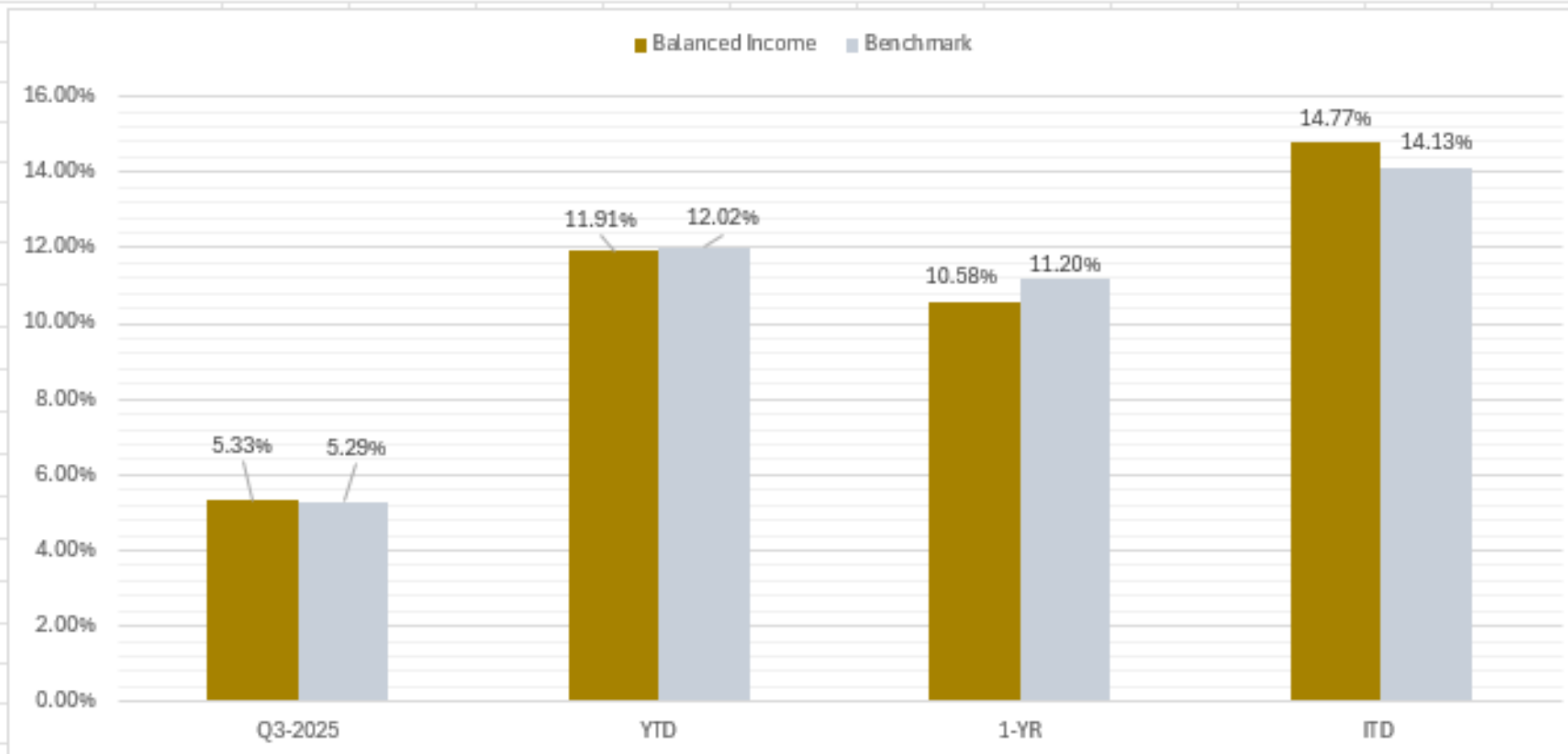
Annualized Total Rate of Return
as of September 30, 2025



INVESTMENT RETURNS - BALANCED INCOME

El Toro Water District - 401(k) Plan

Annualized Total Rate of Return
as of September 30, 2025

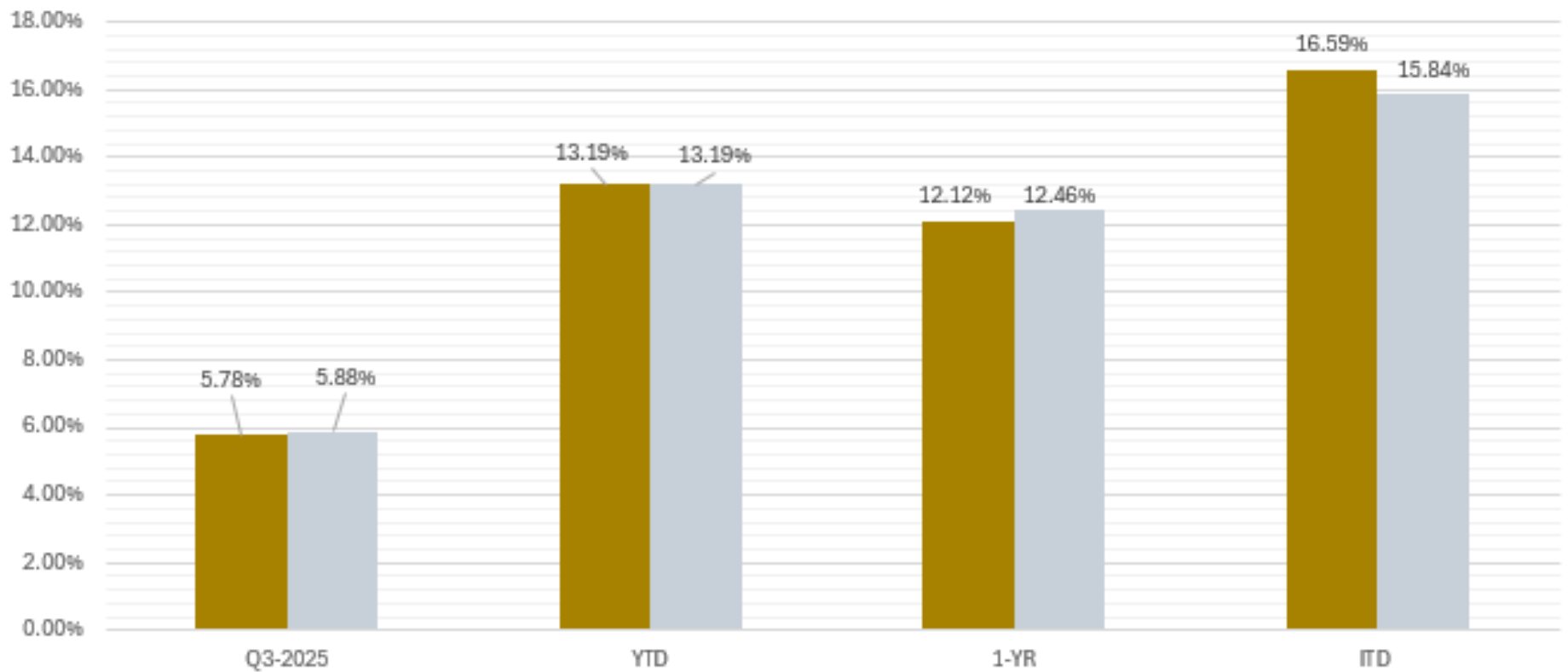


INVESTMENT RETURNS - BALANCED

El Toro Water District - 401(k) Plan

Annualized Total Rate of Return
as of September 30, 2025

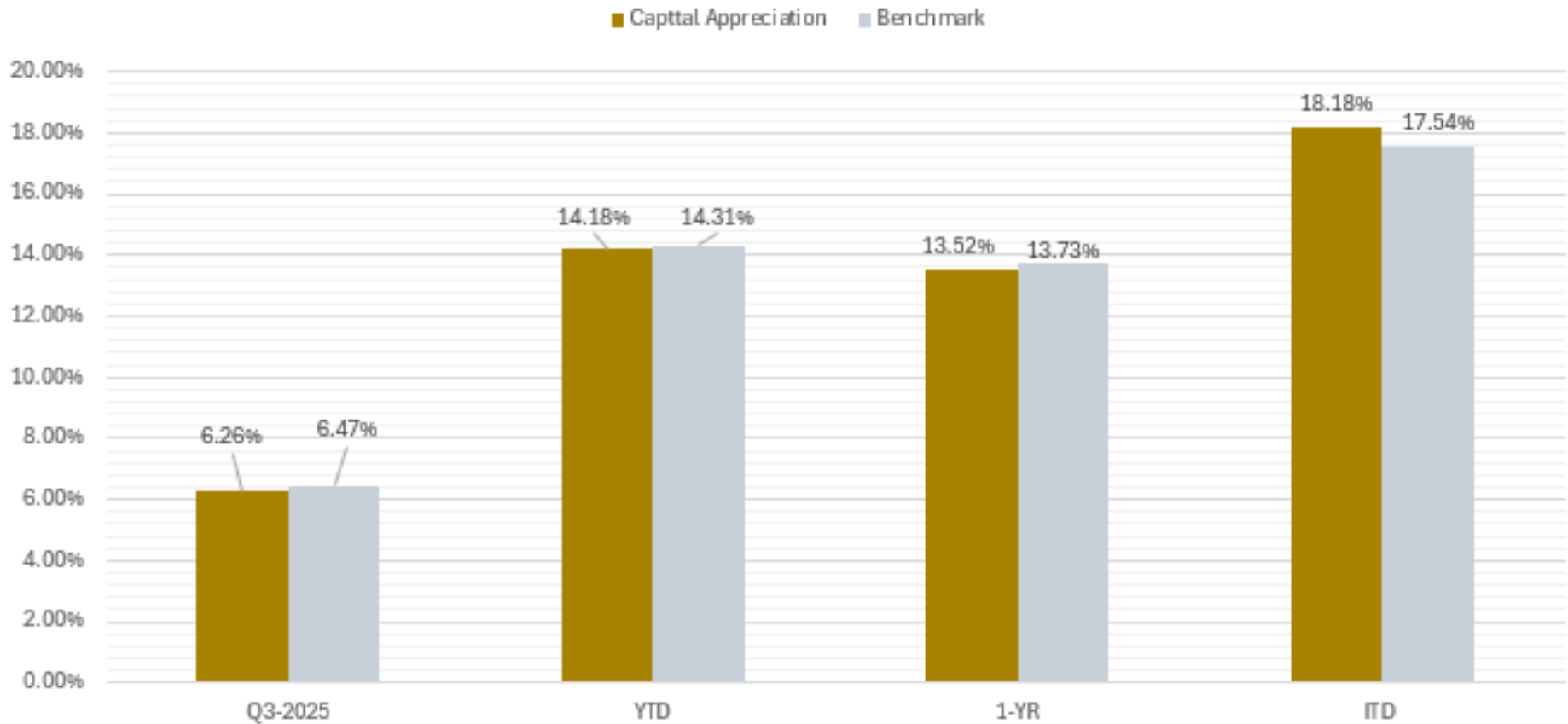
■ Balanced ■ Benchmark



INVESTMENT RETURNS - CAPTIAL APPRECIATION

El Toro Water District - 401(k) Plan

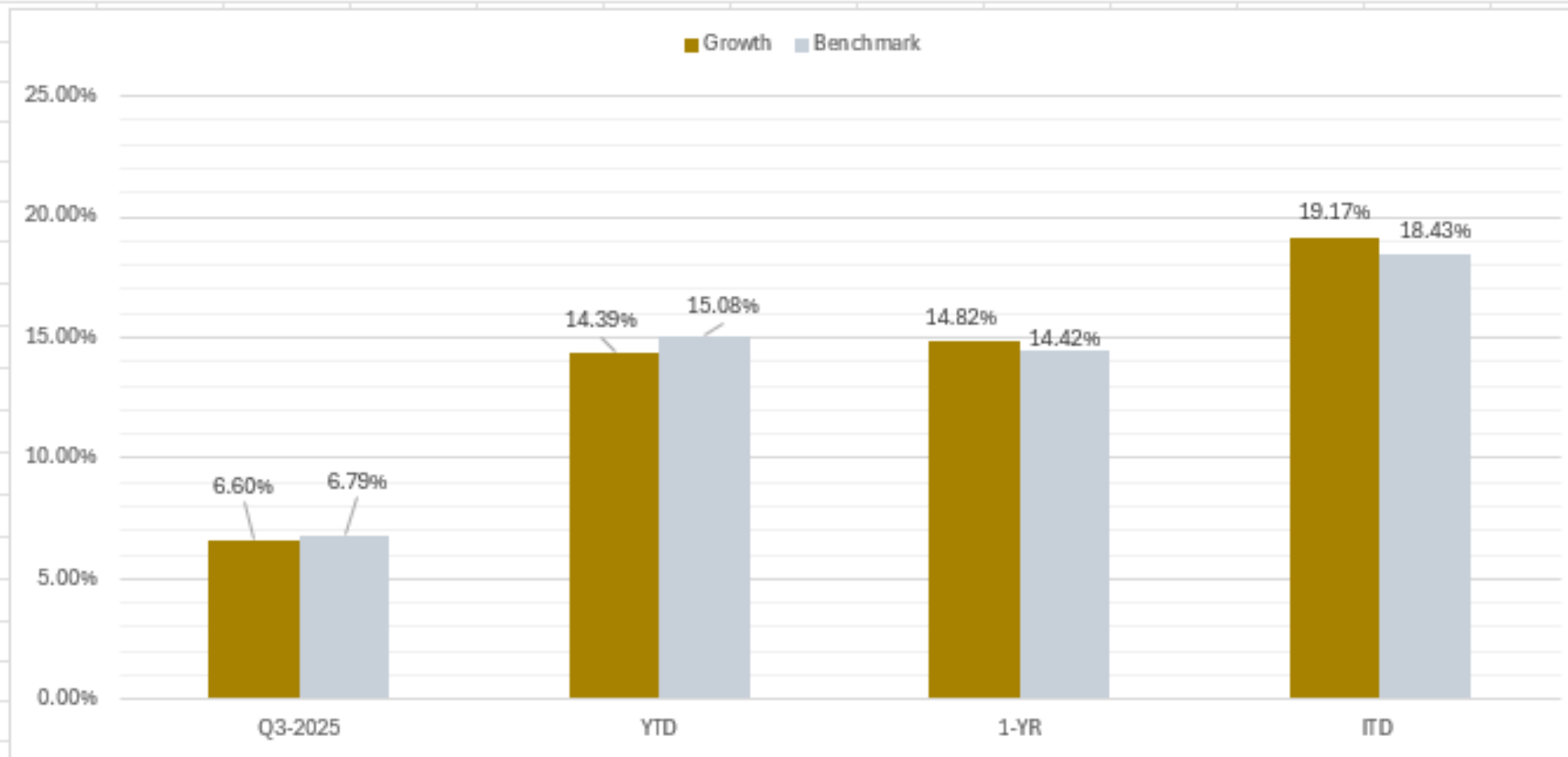
Annualized Total Rate of Return
as of September 30, 2025



INVESTMENT RETURNS - GROWTH

El Toro Water District - 401(k) Plan

Annualized Total Rate of Return
as of September 30, 2025



Asset Allocation & Performance

	Performance(%)						
	1 Quarter	Year To Date	1 Year	3 Years	5 Years	7 Years	10 Years
Domestic Equity							
<i>Russell 3000 Index</i>	8.18	14.40	17.41	24.12	15.74	13.71	14.71
Dodge & Cox Stock	3.15 (88)	10.88 (54)	9.18 (58)	19.01 (29)	17.12 (19)	11.24 (13)	13.02 (7)
PIMCO RAE US Instl	9.37 (6)	15.19 (12)	12.07 (26)	19.70 (20)	16.73 (22)	10.91 (16)	12.16 (13)
Columbia Contrarian Core Inst3	7.71 (30)	14.52 (32)	17.26 (28)	25.78 (18)	16.73 (15)	14.85 (9)	14.97 (21)
Vanguard Growth & Income Adm	8.00 (23)	15.19 (21)	19.12 (15)	24.84 (28)	16.92 (10)	14.33 (18)	15.16 (14)
Harbor Capital Appreciation Ret	5.13 (80)	13.10 (72)	20.16 (59)	30.82 (32)	13.04 (72)	15.99 (31)	N/A
Vanguard Growth Index Admiral	9.56 (22)	17.36 (22)	25.53 (12)	31.65 (19)	16.72 (15)	17.71 (10)	17.97 (11)
<i>S&P 500</i>	8.12	14.83	17.60	24.94	16.47	14.45	15.30
Vanguard Mid Cap Index Admiral	5.25 (25)	12.60 (27)	13.10 (42)	17.93 (39)	12.44 (9)	10.37 (29)	11.38 (53)
<i>Russell Midcap Index</i>	5.33	10.42	11.11	17.69	12.66	10.07	11.39
Undisc Managers Behavioral Val R6	5.31 (68)	2.60 (63)	2.27 (63)	13.85 (39)	19.84 (26)	8.37 (18)	10.47 (17)
Delaware Small Cap Core R6	6.55 (64)	2.63 (72)	3.31 (66)	11.52 (77)	11.70 (70)	6.41 (59)	N/A
Emerald Growth Institutional	17.99 (4)	24.36 (2)	27.59 (5)	23.39 (3)	11.99 (12)	9.81 (11)	11.80 (19)
<i>Russell 2000 Index</i>	12.39	10.39	10.76	15.21	11.56	6.76	9.77
International Equity							
<i>MSCI AC World ex USA (Net)</i>	6.89	26.02	16.45	20.67	10.26	7.49	8.23
Dodge & Cox International Stock	7.75 (18)	31.86 (17)	20.65 (38)	22.82 (70)	15.56 (19)	8.89 (28)	8.68 (17)
MFS International Growth R6	3.49 (54)	19.50 (67)	10.47 (71)	19.69 (48)	9.30 (30)	8.93 (26)	10.28 (6)
DFA Large Cap International I	5.72 (51)	27.08 (41)	17.39 (43)	22.44 (37)	12.24 (26)	8.39 (21)	8.79 (22)
<i>MSCI AC World ex USA (Net)</i>	6.89	26.02	16.45	20.67	10.26	7.49	8.23
Vanguard Emerging Mkts Stock Idx Adm	10.08 (46)	23.07 (69)	16.44 (58)	17.29 (62)	7.65 (35)	7.01 (34)	7.92 (39)
<i>MSCI EM (net)</i>	10.64	27.53	17.32	18.21	7.02	6.17	7.99
Other Growth							
American Beacon AHL Managed Futures R5	6.63 (49)	-3.95 (82)	-4.27 (73)	-4.10 (64)	4.19 (62)	3.99 (45)	2.42 (38)
Cohen & Steers Inst Realty Shares	1.24 (70)	5.81 (19)	-3.28 (36)	9.54 (23)	8.10 (22)	7.36 (7)	7.57 (5)
<i>MSCI US REIT Index</i>	4.81	4.72	-1.69	10.87	9.30	6.14	6.61
Lazard Global Listed Infrastructure Inst	1.80 (79)	17.99 (44)	15.63 (13)	15.26 (28)	11.65 (10)	9.19 (8)	9.72 (3)
<i>MSCI World Core Infrastructure Index (Net)</i>	1.80	15.48	8.21	11.34	7.86	7.47	8.27

Returns are gross of investment advisory fees and net of mutual fund fees. Returns are expressed as percentages and for periods over one year are annualized. Asset class level returns may vary from individual underlying manager returns due to cash flows. Total Portfolio returns prior to 1/1/2024 were provided by previous Advisor and believed to be accurate and reliable. Returns for January 2024 were calculated by the legacy performance system of previous Advisor and believed to be accurate and reliable.

Asset Allocation & Performance

	Performance(%)						
	1 Quarter	Year To Date	1 Year	3 Years	5 Years	7 Years	10 Years
Fixed Income							
<i>Blmbg. U.S. Aggregate</i>	2.03	6.13	2.88	4.93	-0.45	2.06	1.84
Dodge & Cox Income	2.51 (6)	6.94 (8)	3.39 (24)	6.57 (6)	1.29 (4)	3.27 (3)	3.23 (1)
DoubleLine Core Fixed Income I	2.03 (71)	6.31 (52)	3.62 (28)	5.72 (41)	0.66 (18)	N/A	N/A
PGIM Total Return Bond R6	2.37 (19)	6.57 (35)	3.73 (23)	6.58 (9)	0.39 (32)	2.79 (26)	2.82 (18)
PIMCO Income Instl	2.57 (22)	8.29 (8)	7.24 (4)	8.87 (24)	4.28 (11)	4.48 (11)	4.89 (7)
Vanguard Long-Term Investment-Grade Adm	3.54 (9)	7.48 (14)	0.05 (95)	5.96 (70)	-3.00 (93)	2.12 (77)	2.82 (60)
<i>Blmbg. U.S. Aggregate</i>	2.03	6.13	2.88	4.93	-0.45	2.06	1.84
Cash Equivalent							
<i>ICE BofA 3 Month U.S. T-Bill</i>	1.08	3.17	4.38	4.77	2.98	2.62	2.08
Guaranteed Income Fund	0.73 (99)	3.01 (63)	4.72 (1)	N/A	N/A	N/A	N/A
<i>ICE BofA 3 Month U.S. T-Bill</i>	1.08	3.17	4.38	4.77	2.98	2.62	2.08

Returns are gross of investment advisory fees and net of mutual fund fees. Returns are expressed as percentages and for periods over one year are annualized. Asset class level returns may vary from individual underlying manager returns due to cash flows. Total Portfolio returns prior to 1/1/2024 were provided by previous Advisor and believed to be accurate and reliable. Returns for January 2024 were calculated by the legacy performance system of previous Advisor and believed to be accurate and reliable.

Benchmark Performance

	Performance(%)			
	1 Quarter	Year To Date	1 Year	Jan-2023 To Sep-2025
Capital Preservation Benchmark	2.93	7.08	5.95	7.60
Income Benchmark	3.83	8.90	7.87	10.02
Income & Growth Benchmark	4.72	10.62	9.84	12.45
Balanced Income Benchmark	5.29	12.02	11.20	14.13
Balanced Benchmark	5.88	13.19	12.46	15.84
Capital Appreciation Benchmark	6.47	14.31	13.73	17.54
Growth Benchmark	6.79	15.08	14.42	18.43

Capital Preservation Benchmark - 12% S&P 500, 2% Russell MidCap, 2% Russell 2000, 3% MSCI EAFE, 1% MSCI Emerging Markets, 44% Bloomberg US Aggregate Bond, 17% Bloomberg 1-3 Year Government/Credit Bond, 14% HFRI FOF: Market Defensive Index*, 5% ICE BofAML 3 Mo US T-Bill

Income Benchmark - 21% S&P 500, 3% Russell MidCap, 3% Russell 2000, 6% MSCI EAFE, 2% MSCI Emerging Market, 36% Bloomberg US Aggregate Bond, 14% Bloomberg 1-3 Year Government/Credit Bond, 13% % HFRI FOF: Market Defensive Index*, 2% ICE BofAML 3 Mo US T-Bill

Income & Growth Benchmark - 30% S&P 500, 4% Russell MidCap, 4% Russell 2000, 9% MSCI EAFE, 3% MSCI Emerging Market, 25% Bloomberg US Aggregate Bond, 10% Bloomberg 1-3 Year Government/Credit Bond, 13% HFRI FOF: Market Defensive Index*, 2% ICE BofAML 3 Mo US T-Bill

Balanced Income Benchmark - 36% S&P 500, 4% Russell MidCap, 4% Russell 2000, 12% MSCI EAFE, 4% MSCI Emerging Market, 19% Bloomberg US Aggregate Bond, 8% Bloomberg 1-3 Year Government/Credit Bond, 12% HFRI FOF: Market Defensive Index*, 1% ICE BofAML 3 Mo US T-Bill

Balanced Benchmark - 42% S&P 500, 5% Russell MidCap, 5% Russell 2000, 14% MSCI EAFE, 4% MSCI Emerging Market, 14% Bloomberg Aggregate Bond, 6% Bloomberg 1-3 Year Government/Credit Bond, 9% HFRI FOF: Market Defensive Index*, 1% ICE BofAML 3 Mo US T-Bill

Capital Appreciation Benchmark - 48% S&P 500, 6% Russell MidCap, 6% Russell 2000, 16% MSCI EAFE, 4% MSCI Emerging Markets, 8% Bloomberg US Aggregate Bond, 4% Bloomberg 1-3 Year Government/Credit Bond, 7% HFRI FOF: Market Defensive Index*, 1% ICE BofAML 3 Mo US T-Bill

Growth Benchmark - 51% S&P 500, 6% Russell MidCap, 6% Russell 2000, 17% MSCI EAFE, 5% MSCI Emerging Markets, 6% Bloomberg US Aggregate Bond, 3% Bloomberg 1-3 Year Government/Credit Bond, 5% HFRI FOF: Market Defensive Index*, 1% ICE BofAML 3 Mo US T-Bill

*The official benchmark for the Plan is the Wilshire Liquid Alternatives Index. In 1Q 2025, PFMAM lost access to the historical performance of this index. For purposes of updating our blended benchmark, we are using a representative index for liquid alternative investing: the HFRI FOF: Market Defensive Index.

GoalMaker Performance Report

El Toro Water District

GoalMaker Performance Report

El Toro Water District

Performance as of September 30, 2025

	Target Date	Weighted Net Expense	Weighted Average Annual Return					Since Inception
			QTD	1 Year	3 Year	5 Year	10 Year	
	2070	0.45%	6.60	14.39	--	--	--	19.17
	2065	0.45%	6.60	14.39	--	--	--	19.17
	2060	0.45%	6.60	14.39	--	--	--	19.17
	2055	0.45%	6.60	14.39	--	--	--	19.17
	2050	0.45%	6.26	13.52	--	--	--	18.19
	2045	0.46%	5.78	12.10	--	--	--	16.59
	2040	0.47%	5.33	10.58	--	--	--	14.77
	2035	0.46%	4.85	9.32	--	--	--	13.21
	2030	0.48%	4.03	7.32	--	--	--	10.92
	2025	0.47%	3.31	5.21	--	--	--	8.79
	2020	0.47%	3.31	5.21	--	--	--	8.79
	2015	0.47%	3.31	5.21	--	--	--	8.79
	2010	0.47%	3.31	5.21	--	--	--	8.79
	2005	0.47%	3.31	5.21	--	--	--	8.79

The performance quoted represents past performance. The investment value and return will fluctuate so that an investment, when redeemed, may be worth more or less than original cost. Past performance does not guarantee future results. Current performance may be lower or higher than the performance data quoted. For performance data current to the most recent month end, please call 1-800-345-2345. Past performance is no guarantee of future performance.

GoalMaker Disclosures

The calculated returns shown are the weighted average returns of the underlying funds for the GoalMaker models based on allocations prior to 06/30/2025.

Returns are net of product expenses and fees and before any contract charges, with the exception of any fees the sponsor may have directed to be deducted from participant accounts. The performance shown for the GoalMaker models is for illustrative purposes only and does not reflect the actual experience of any individual participant in the program. This performance was calculated with the retroactive application of a model with the benefit of hindsight. The performance shown 1) was rebalanced on a periodic basis as per your plan 2) assumes no changes to the asset allocation percentages or to the investment options for the relevant periods 3) assumes that an individual was enrolled in GoalMaker for the entire relevant time period and 4) assumes an initial investment but does not include the effect of periodic contributions or withdrawals.

The performance quoted represents past performance. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. Past performance does not guarantee future results. Current performance may be lower or higher than the performance data quoted.

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Carefully consider the investment option's objectives, risks, fees, and expenses. Contact Empower for a prospectus, summary prospectus for SEC-registered products, or disclosure document for unregistered products, if available, containing this information. Read each carefully before investing.

GoalMaker Disclosures

Asset Allocation Models are pre-established asset allocation strategies comprised of the plan's core investment options. The models are not securities. Allocations to a model will be invested in various underlying investment options comprising each model, as made available by the plan and according to the model's allocation methodology.

An Asset Allocation Model provides targeted asset allocation and allocates your account across the model's underlying investments. The plan may include Asset Allocation Models designed according to certain risk levels (e.g. Aggressive, Moderate or Conservative), Asset Allocation Models that follow a glide path based on a target date (2025, 2030, 2035 etc.), or both model types depending upon the models selected by the plan. Neither of which is without risk or guarantee of positive returns. The date in the name of a target date model is an assumed date in which an investor will retire. The asset allocation becomes more conservative as the target retirement date nears, and depending on the model's design, can remain static at the target date or adjust further through retirement. There is no guarantee the investment will provide adequate retirement income.

Asset Allocation Models are subject to change at the plan's (or an authorized representative thereof) discretion.

Investors should review the prospectus, summary prospectus for SEC-registered products, or disclosure document for unregistered products, if available, for underlying fund objectives, risks, fees and expenses. Investors should also periodically reassess their investments to make sure their model continues to correspond to their changing risk tolerance and retirement time horizon.

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Data presented is as of the period specified for this report, unless otherwise specified within a table heading. Data and expense ratios presented are the most current made available at the time of production. For mutual funds, the fund company may have more recent data available on its website. Price corrections that impact performance data may occur after production of this material. Empower refers to the products and services offered by Empower Annuity Insurance Company of America (EAICA) and its subsidiaries. Empower Investments is a marketing name of EAICA and certain subsidiaries. This material is for informational purposes only and is not intended to provide investment, legal, or tax recommendations or advice. "EMPOWER" and "EMPOWER INVESTMENTS" and all associated logos and product names are trademarks of EAICA. ©2025 Empower Retirement, LLC. All rights reserved RO4070094-0625



STAFF REPORT

To: Board of Directors **Meeting Date:** December 15, 2025
From: Vishav Sharma, Chief Financial Officer
Subject: El Toro Water District Deferred Compensation Plan (457 Plan) report.

Background:

This report provides a comprehensive review of the District's 457 Plan. The 457 Plan is an employee self-directed plan offering a total of eighteen investment options, including Schwab SDB securities. A summary of the available investment options, plan allocation, and plan balance is included in the attached report.

The first 26 pages of the report provide an overview of the current capital markets, covering both U.S. and global economic conditions, as well as key highlights on the employment situation and broader economic trends.

Second half of the report focuses on the specific details of the 457 Plan, including investment options, plan allocations, performance, and fund analysis.



El Toro Water District

Plan Investment Review

Kirk Lebeck
Investment Director

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- 1) Capital Markets Overview
- 2) Plan Allocation
- 3) Fund Performance
- 4) Fund Analysis
- 5) Appendix and Disclosures



Capital Markets Overview

Third Quarter 2025

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Macroeconomic Summary

The U.S. economy has been resilient, though the full impact of tariffs has not yet shown up in the data

- **U.S. economic activity continued strong into the third quarter.** Business fixed investment and services spending continue to support growth. GDP estimates for Q3 are now above 3%, though the government shutdown has delayed the release of key data for September.
- **Economic fundamentals were strong during the quarter,** alleviating near-term recession concerns. Though overall confidence continues to be shaky due to the disparity between higher-and-lower income households, the aggregate consumer remains in good shape.
- **GDP remains positive despite cracks in the labor market.** Wage growth fell slightly over the summer and continuing jobless claims rose during the quarter. However, there was a sharp rise in productivity growth during the quarter.
- **Inflation measures increased in Q3** and overall core inflation remains above the Fed's 2% mandate. Since the U.S. is predominantly an import economy, recent USD weakness could be another inflationary dynamic that warrants monitoring.
- **Business and consumer inflation expectations remain at high levels.** Large businesses built sizeable inventories to protect against tariff shocks, however, as inventories are depleted in the coming quarters consumer prices can be expected to increase.
- **Trade policy uncertainty remains at high levels** relative to history. A variety of crosscurrents are keeping economic uncertainty elevated, which makes forecasting and decision-making challenging.

All developed markets have acknowledged that policy will be reactive to what transpires on trade

- The dual mandate of price stability and full employment is now in opposition. The **FOMC cut rates by 25 basis points** at the end of September, justifying it as an "insurance cut."
- The **median Dot Plot indicates two more cuts in 2025**, though there are two camps within the committee with diverging views.
- FOMC members are debating where the neutral Fed Funds rate lies. The FOMC is anticipating stagflation, but the timing and magnitude are unknown and proceeding with caution is the best course of action.
- Executive pressure on the Fed Chair in favor of lower rates and the interplay between the President and the FOMC warrants monitoring.

Market Summary

US Markets

- **U.S. capital markets finished the quarter with positive total returns** in both fixed income and equities.
- **Volatility was low** as earnings came in better than expected and financial conditions became more accommodative. These dynamics bolstered performance and drove equity markets to new record highs.
- For the quarter, the **S&P 500 and the NASDAQ were up 8.1% and 11.4%**, respectively. **Strong earnings growth** was the primary driver of performance. **The “Magnificent Seven” stocks were the primary drivers of the rally** as breadth decreased.
- **The Bloomberg Aggregate Bond Index had positive total returns** for the quarter as interest rates rallied on the shorter end of the curve while the long end held in.
- **The yield curve bull flattened** as markets digested tariffs, fiscal policy, and expected Fed rate cuts. Spreads continued to tightened to record levels.
- **Investment Grade corporate fundamentals are healthy** as earnings and balance sheets are both strong. All-in fixed income yields have come down slightly from the prior quarter but remain attractive.

Global Markets

- Within global markets both the **MSCI EAFE (“developed markets”) index** and the **EM (“emerging markets”) index** posted **positive results** in the third quarter, with emerging market equities outperforming developed markets.
- **Global bonds were mostly positive in Q3** with the Bloomberg Global Aggregate Bond Index posting a modest positive gain.
- Positive news continues to be fully discounted in markets leaving **little margin for downside surprises. Geopolitical risks remain elevated**, but markets have largely shrugged them off.

Equity Market Returns

(as of September 30, 2025)		QTD	YTD	1 Year Trailing	3 Year Trailing	5 Year Trailing	10 Year Trailing	2024	2023	2022	2021	2020	2019	2018
Domestic Equity														
Large Cap	S&P 500	8.1%	14.8%	17.6%	24.9%	16.5%	15.3%	25.0%	26.3%	-18.1%	28.7%	18.4%	31.5%	-4.4%
	S&P 500 Equal Weighted	4.8%	9.9%	7.8%	16.4%	14.0%	12.1%	13.0%	13.9%	-11.4%	29.6%	12.8%	29.2%	-7.6%
	Russell 1000 Value	5.3%	11.7%	9.4%	17.0%	13.9%	10.7%	14.4%	11.5%	-7.5%	25.2%	2.8%	26.5%	-8.3%
	Russell 1000 Growth	10.5%	17.2%	25.5%	31.6%	17.6%	18.8%	33.4%	42.7%	-29.1%	27.6%	38.5%	36.4%	-1.5%
Mid Cap	Russell Mid Cap	5.3%	10.4%	11.1%	17.7%	12.7%	11.4%	15.3%	17.2%	-17.3%	22.6%	17.1%	30.5%	-9.1%
	Russell Mid Cap Value	6.2%	9.5%	7.6%	15.5%	13.7%	10.0%	13.1%	12.7%	-12.0%	28.3%	5.0%	27.1%	-12.3%
	Russell Mid Cap Growth	2.8%	12.8%	22.0%	22.8%	11.3%	13.4%	22.1%	25.9%	-26.7%	12.7%	35.6%	35.5%	-4.8%
Small Cap	Russell 2000	12.4%	10.4%	10.8%	15.2%	11.6%	9.8%	11.5%	16.9%	-20.4%	14.8%	20.0%	25.5%	-11.0%
	Russell 2000 Value	12.6%	9.0%	7.9%	13.6%	14.6%	9.2%	8.1%	14.6%	-14.5%	28.3%	4.6%	22.4%	-12.9%
	Russell 2000 Growth	12.2%	11.7%	13.6%	16.7%	8.4%	9.9%	15.2%	18.7%	-26.4%	2.8%	34.6%	28.5%	-9.3%
International Equity														
Developed Markets	MSCI EAFE	4.8%	25.1%	15.0%	21.7%	11.2%	8.2%	3.8%	18.2%	-14.5%	11.3%	7.8%	22.0%	-13.8%
	Australia	3.5%	15.9%	2.7%	15.9%	11.4%	9.2%	1.2%	14.8%	-5.3%	9.4%	8.7%	22.9%	-12.0%
	Canada	9.7%	26.7%	24.4%	20.7%	15.4%	10.6%	11.9%	15.4%	-12.9%	26.0%	5.3%	27.5%	-17.2%
	France	3.2%	24.3%	11.5%	20.4%	12.2%	8.8%	-5.3%	21.4%	-13.3%	19.5%	4.1%	25.7%	-12.8%
	Germany	-1.1%	32.9%	25.3%	30.9%	10.4%	8.1%	10.2%	23.0%	-22.3%	5.3%	11.5%	20.8%	-22.2%
	Japan	8.0%	20.7%	16.4%	21.2%	9.0%	8.2%	8.3%	20.3%	-16.6%	1.7%	14.5%	19.6%	-12.9%
	Switzerland	1.4%	21.5%	7.9%	15.0%	7.8%	7.9%	-2.0%	15.7%	-18.3%	19.3%	11.6%	32.3%	-9.1%
UK	5.9%	26.3%	17.7%	21.9%	15.4%	7.2%	7.5%	14.1%	-4.8%	18.5%	-10.5%	21.0%	-14.2%	
Emerging Markets	MSCI Emerging Markets	10.6%	27.5%	17.3%	18.2%	7.0%	8.0%	7.5%	9.8%	-20.1%	-2.5%	18.3%	18.4%	-14.6%
	Brazil	8.3%	39.9%	12.8%	10.1%	11.0%	9.6%	-29.8%	32.7%	14.2%	-17.4%	-19.0%	26.3%	-0.5%
	China	20.7%	41.6%	30.8%	19.5%	0.4%	6.8%	19.4%	-11.2%	-21.9%	-21.7%	29.5%	23.5%	-18.9%
	India	-7.6%	-2.1%	-13.2%	10.3%	13.1%	9.1%	11.2%	20.8%	-8.0%	26.2%	15.6%	7.6%	-7.3%
	Indonesia	-3.1%	-7.0%	-21.6%	-5.7%	3.9%	3.9%	-12.9%	7.3%	3.6%	2.1%	-8.1%	9.1%	-9.2%
	Korea	12.7%	57.0%	26.8%	20.5%	5.8%	7.6%	-23.4%	23.2%	-29.4%	-8.4%	44.6%	12.5%	-20.9%
	Mexico	13.2%	48.1%	32.5%	19.6%	19.1%	5.8%	-27.1%	40.9%	-2.0%	22.5%	-1.9%	11.4%	-15.5%
Russia	0.0%	-100.0%	-100.0%	-99.0%	-93.0%	-73.8%	0.0%	0.0%	-100.0%	19.0%	-12.5%	50.9%	-0.4%	

Source: Morningstar Direct; Empower Investments Analysis Individual country returns are represented by MSCI indices and shown as USD returns

*Canada is not part of the EAFE Index

Past performance is not a guarantee or prediction of future results.

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Fixed Income and Specialty Returns

(as of September 30, 2025)

	QTD	YTD	1 Year Trailing	3 Year Trailing	5 Year Trailing	10 Year Trailing	2024	2023	2022	2021	2020	2019	2018
Fixed Income													
Bloomberg Barclays US Aggregate	2.0%	6.1%	2.9%	4.9%	-0.4%	1.8%	1.3%	5.5%	-13.0%	-1.5%	7.5%	8.7%	0.0%
Bloomberg Barclays US Treasury	1.5%	5.4%	2.1%	3.6%	-1.3%	1.2%	0.6%	4.1%	-12.5%	-2.3%	8.0%	6.9%	0.9%
Bloomberg Barclays US Govt/ Credit Intermediate	1.5%	5.7%	4.0%	5.2%	0.8%	2.1%	3.0%	5.2%	-8.2%	-1.4%	6.4%	6.8%	0.9%
Bloomberg Barclays US Govt/ Credit Long	3.2%	6.6%	-1.3%	4.0%	-4.6%	1.9%	-4.2%	7.1%	-27.1%	-2.5%	16.1%	19.6%	-4.7%
Bloomberg Barclays US TIPS	2.1%	6.9%	3.8%	4.9%	1.4%	3.0%	1.8%	3.9%	-11.8%	6.0%	11.0%	8.4%	-1.3%
Bloomberg Barclays US Corporate High Yield	2.5%	7.2%	7.4%	11.1%	5.5%	6.2%	8.2%	13.4%	-11.2%	5.3%	7.1%	14.3%	-2.1%
FTSE WGBI	0.2%	7.4%	1.6%	4.5%	-3.0%	0.4%	-2.9%	5.2%	-18.3%	-7.0%	10.1%	5.9%	-0.8%
FTSE Treasury Bill 3 Month	1.1%	3.3%	4.6%	5.0%	3.1%	2.1%	5.4%	5.3%	1.5%	0.0%	0.6%	2.3%	1.9%
Specialty													
Bloomberg Commodity	3.6%	9.4%	8.9%	2.8%	11.5%	4.0%	5.4%	-7.9%	16.1%	27.1%	-3.1%	7.7%	-11.2%
DJUS Select REIT	5.1%	4.5%	-1.7%	10.5%	9.4%	5.7%	8.1%	14.0%	-26.0%	45.9%	-11.2%	23.1%	-4.2%
FTSE EPRA/NAREIT Developed Ex US	3.6%	24.4%	5.6%	10.7%	3.0%	3.1%	-7.8%	7.1%	-23.8%	8.8%	-6.5%	21.8%	-5.8%

Source: Morningstar Direct; Empower Investments Analysis *Past performance is not a guarantee or prediction of future results.*

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Calendar Year Returns by Asset Class

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 YTD	Cumulative Return*
Mid Value 14.7	Lg Growth 5.7	Sm Value 31.7	Emrg Mkt 37.3	Agg Bond 0.0	Lg Growth 36.4	Lg Growth 38.5	Sm Value 28.3	Lg Value -7.54	Lg Growth 42.68	Lg Growth 33.36	Emrg Mkt 27.53	Lg Growth 447.57
Lg Value 13.5	Balanced 1.3	Mid Value 20.0	Lg Growth 30.2	Lg Growth -1.5	Mid Growth 35.5	Mid Growth 35.6	Mid Value 28.3	Mid Value -12.03	Mid Growth 25.87	Mid Growth 22.10	International 25.14	Mid Growth 237.28
Lg Growth 13.0	Agg Bond 0.5	Lg Value 17.3	Mid Growth 25.3	Balanced -2.4	Sm Growth 28.5	Sm Growth 34.6	Lg Growth 27.6	Agg Bond -13.01	Sm Growth 18.68	Sm Growth 15.15	Lg Growth 17.24	Lg Value 168.56
Mid Growth 11.9	Mid Growth -0.2	Sm Growth 11.3	International 25.0	Mid Growth -4.8	Mid Value 27.1	Emrg Mkt 18.3	Lg Value 25.2	International -14.45	International 18.24	Balanced 15.04	Mid Growth 12.84	Balanced 156.06
Balanced 10.6	International -0.8	Emrg Mkt 11.2	Sm Growth 22.2	Lg Value -8.3	Lg Value 26.5	Balanced 14.7	Balanced 15.9	Sm Value -14.48	Balanced 17.67	Lg Value 14.37	Lg Value 11.65	Mid Value 149.85
Agg Bond 6.0	Sm Growth -1.4	Balanced 8.3	Balanced 14.2	Sm Growth -9.3	Sm Value 22.4	International 7.8	Mid Growth 12.7	Balanced -15.79	Sm Value 14.65	Mid Value 13.07	Sm Growth 11.65	Sm Growth 140.90
Sm Growth 5.6	Lg Value -3.8	Mid Growth 7.3	Lg Value 13.7	Mid Value -12.3	Balanced 22.2	Agg Bond 7.5	International 11.3	Emrg Mkt -20.09	Mid Value 12.71	Sm Value 8.05	Balanced 11.43	Sm Value 133.30
Sm Value 4.2	Mid Value -4.8	Lg Growth 7.1	Mid Value 13.3	Sm Value -12.9	International 22.0	Mid Value 5.0	Sm Growth 2.8	Sm Growth -26.36	Lg Value 11.46	Emrg Mkt 7.50	Mid Value 9.50	Emrg Mkt 109.17
Emrg Mkt -2.2	Sm Value -7.5	Agg Bond 2.6	Sm Value 7.8	International -13.8	Emrg Mkt 18.4	Sm Value 4.6	Agg Bond -1.5	Mid Growth -26.72	Emrg Mkt 9.83	International 3.82	Sm Value 9.04	International 108.15
International -4.9	Emrg Mkt -14.9	International 1.0	Agg Bond 3.5	Emrg Mkt -14.6	Agg Bond 8.7	Lg Value 2.8	Emrg Mkt -2.5	Lg Growth -29.14	Agg Bond 5.53	Agg Bond 1.25	Agg Bond 6.13	Agg Bond 20.79

*Cumulative return is for the time period 9/1/2015 – 9/30/2025

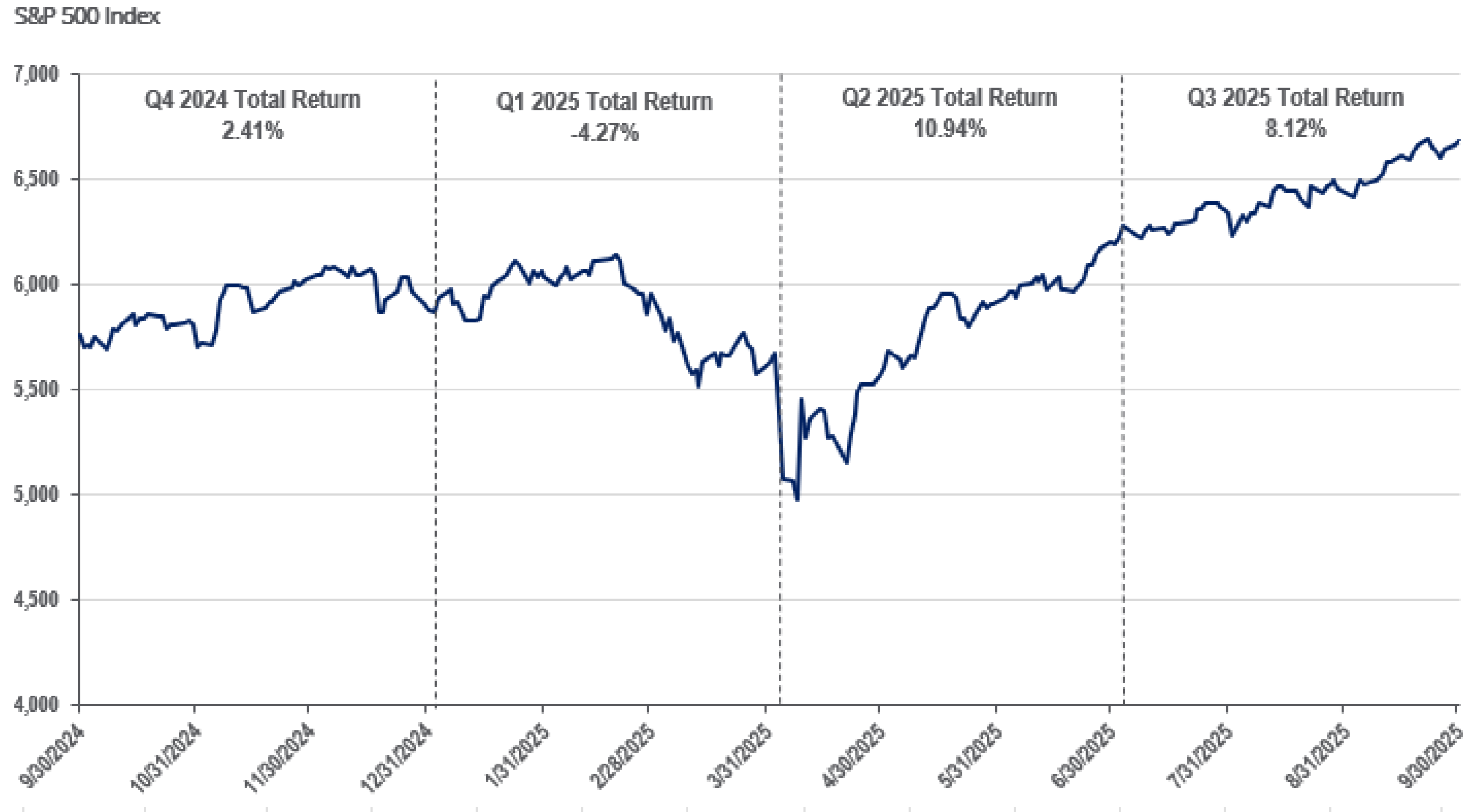
Source: Morningstar Direct; Empower Investments Analysis; Lg Growth – Russell 1000 Growth Index, Lg Value – Russell 1000 Value Index, Mid Growth – Russell Mid Cap Growth Index, Mid Value – Russell Mid Cap Value Index, Sm Growth – Russell 2000 Growth Index, Sm Value – Russell 2000 Value Index, International – MSCI EAFE NR Index, Emrg Mkt – MSCI EM NR Index, Agg Bond – Bloomberg US Aggregate Bond Index, Balanced – 60% S&P 500 Index and 40% Bloomberg US Aggregate Bond Index.

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The S&P 500[®] Index ended the quarter in positive territory



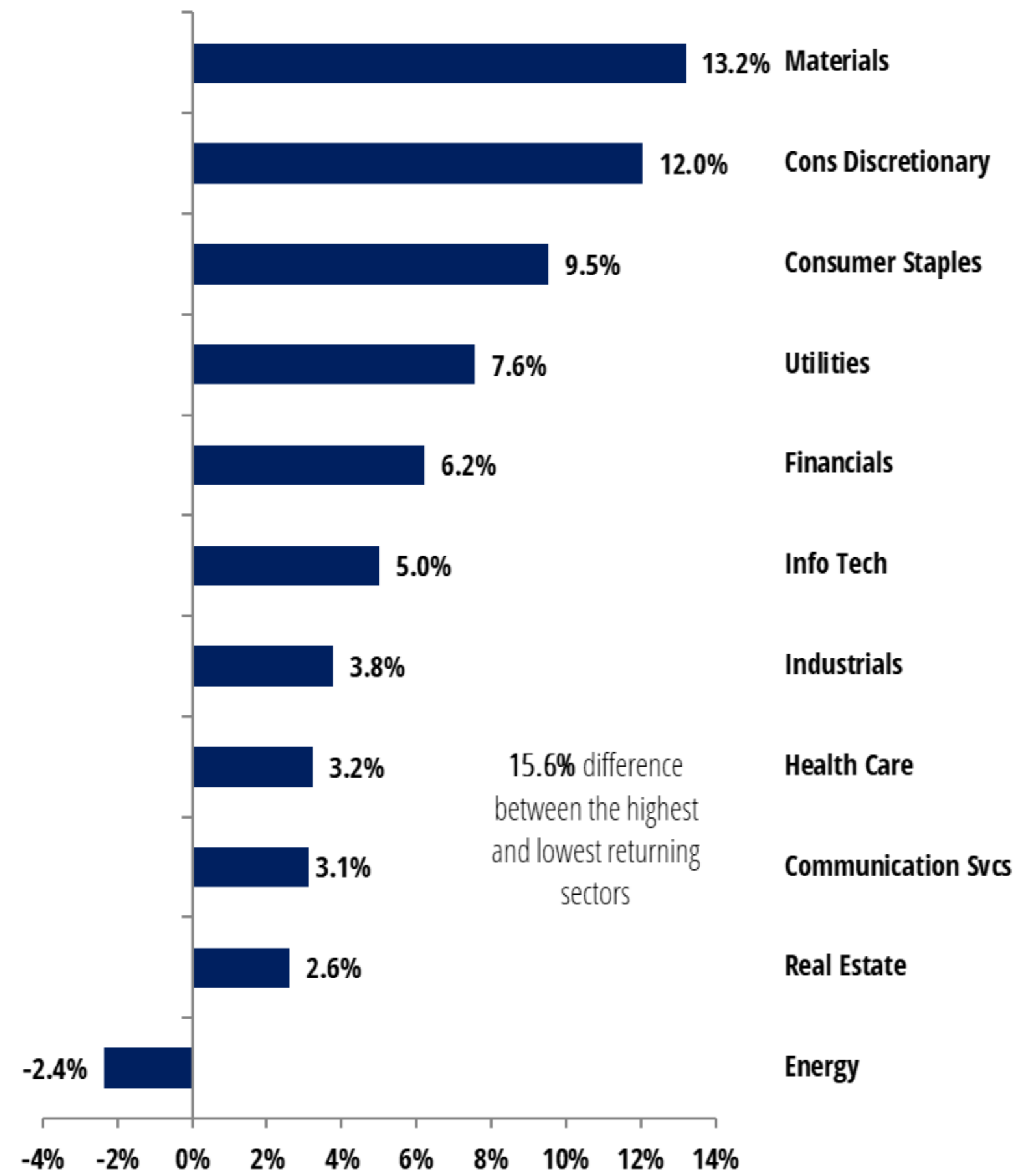
Source: Morningstar Direct; Empower Investments Analysis

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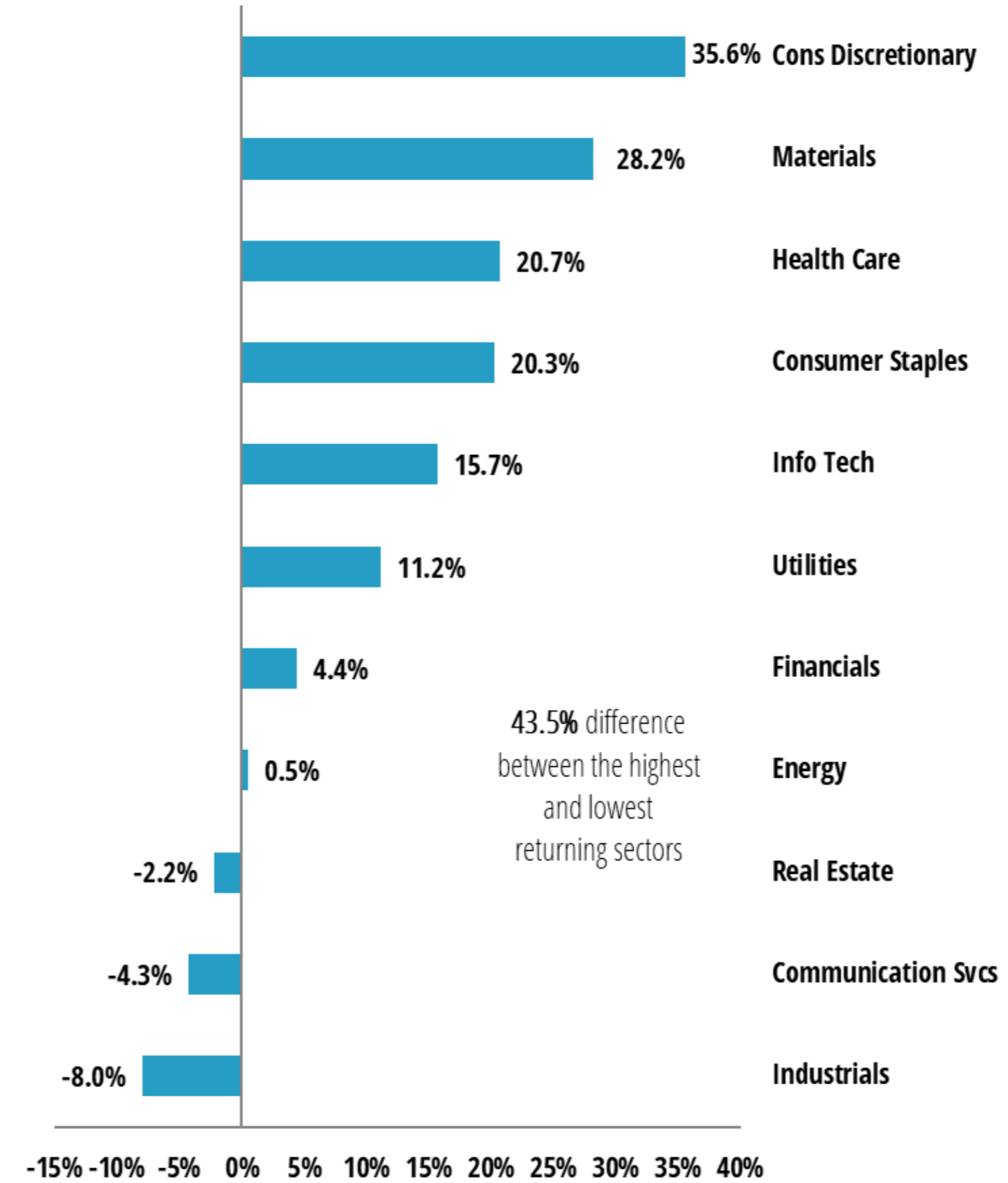
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S&P[®] 500 Sector Returns

QTD Returns
as of September 30, 2025



1 Year Trailing Returns
as of September 30, 2025

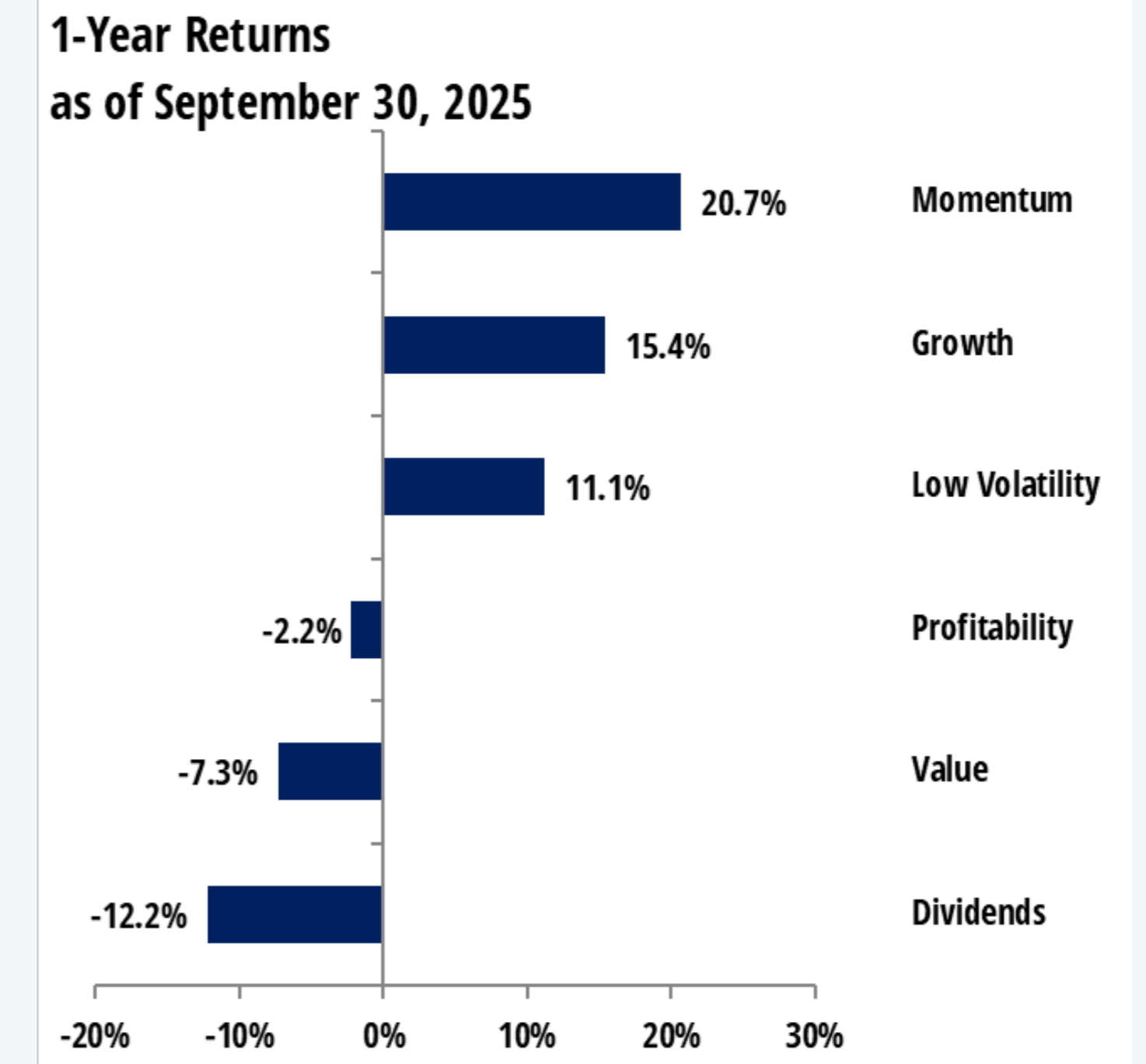
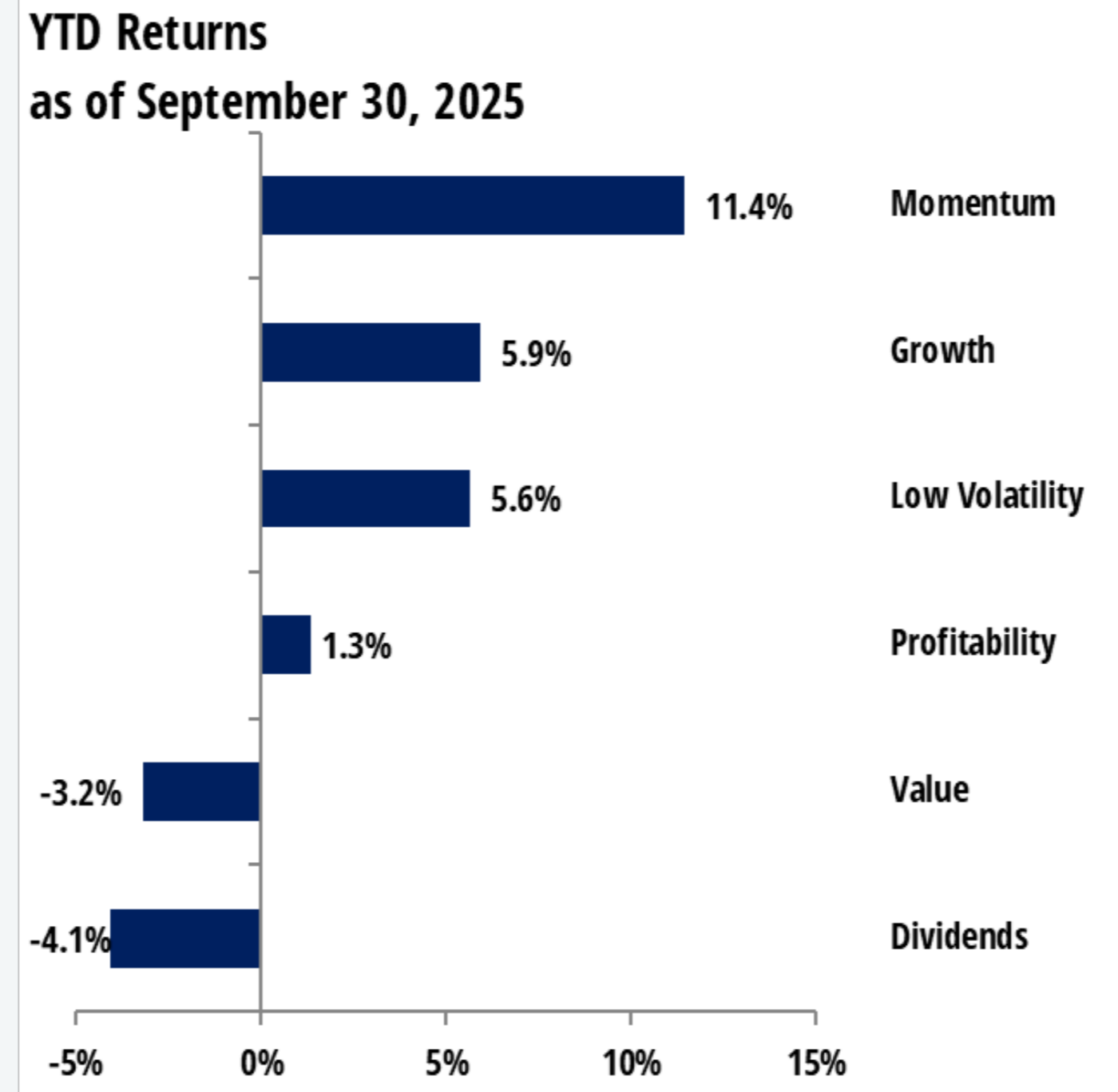
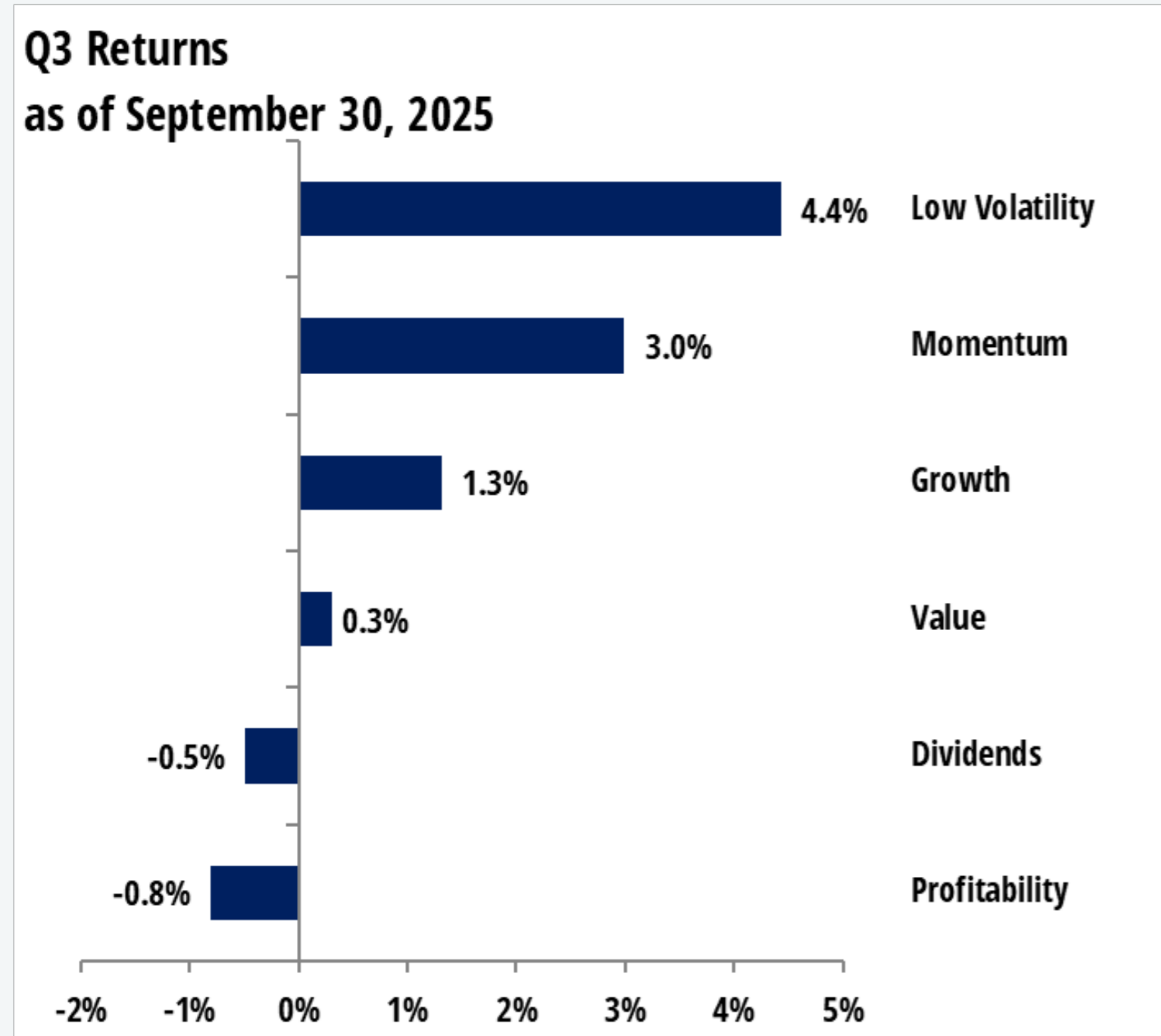


Source: Morningstar Direct; Empower Investments Analysis

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Style Factor Performance



Source: Bloomberg; Empower Investments Analysis. Factor definitions included in the disclosures.

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Returns by Style

3 Months

	Value	Blend	Growth
Large	5.3%	8.1%	10.5%
Mid	6.2%	5.3%	2.8%
Small	12.6%	12.4%	12.2%

1 Year

	Value	Blend	Growth
Large	9.4%	17.6%	25.5%
Mid	7.6%	11.1%	22.0%
Small	7.9%	10.8%	13.6%

Since Pre-Covid Market Peak (February, 2020)

	Value	Blend	Growth
Large	67.8%	116.4%	157.4%
Mid	62.7%	71.2%	82.7%
Small	58.9%	56.2%	49.0%

3 Year

	Value	Blend	Growth
Large	17.0%	24.9%	31.6%
Mid	15.5%	17.7%	22.8%
Small	13.6%	15.2%	16.7%

5 Year

	Value	Blend	Growth
Large	13.9%	16.5%	17.6%
Mid	13.7%	12.7%	11.3%
Small	14.6%	11.6%	8.4%

Since Covid Market Low (March, 2020)

	Value	Blend	Growth
Large	159.3%	215.7%	266.2%
Mid	175.5%	176.7%	177.0%
Small	171.2%	158.8%	140.8%

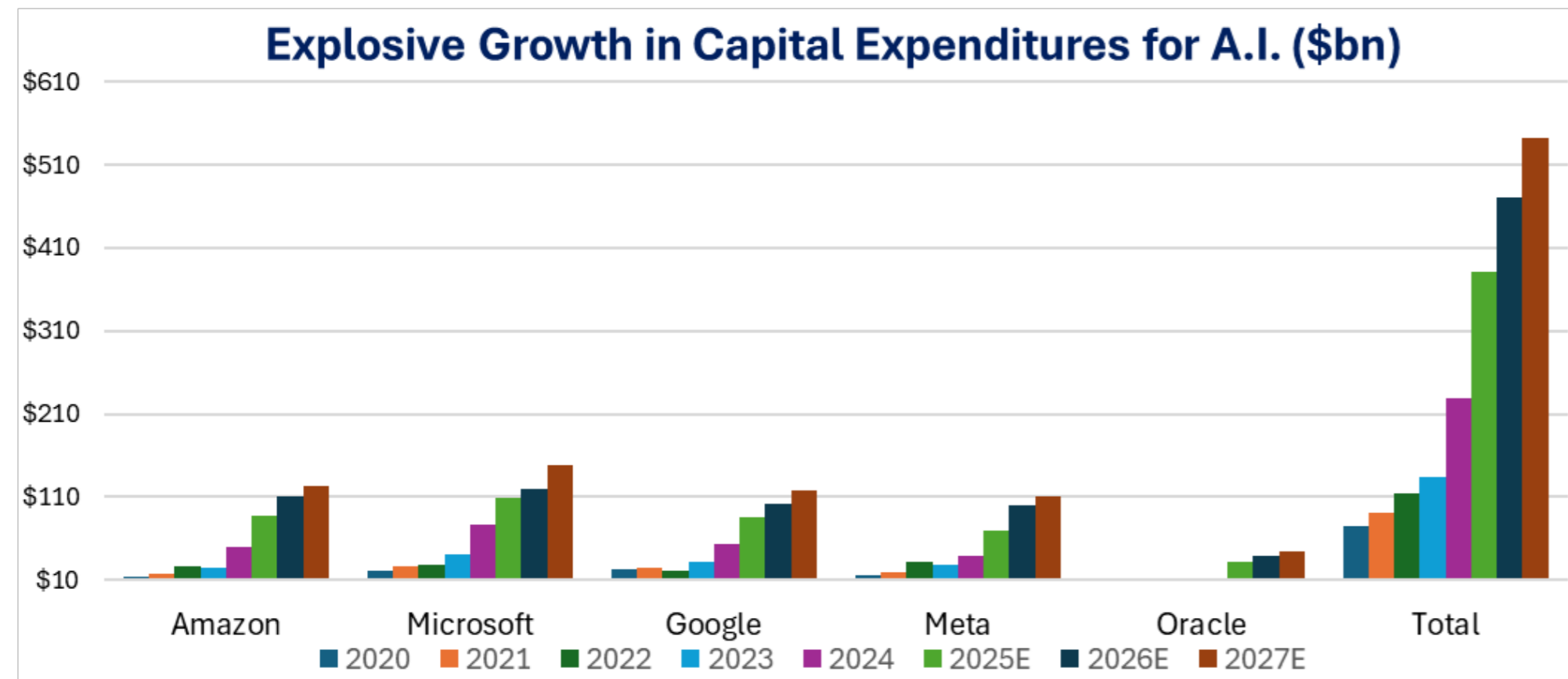
performance as of September 30, 2025

Source: Morningstar Direct; Empower Investments Analysis; Large Blend – S&P 500 Index, Large Value – Russell 1000 Value Index, Large Growth – Russell 1000 Growth Index, Mid Blend – Russell Mid Cap Index, Mid Value – Russell Mid Cap Value Index, Mid Growth – Russell Mid Cap Growth Index, Small Blend – Russell 2000 Index, Small Value – Russell 2000 Value Index, Small Growth – Russell 2000 Growth Index

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Growth Stocks Return with a Vengeance



Market Capitalization of Largest Hyperscalers							
	2020	2021	2022	2023	2024	25-Sep	5 Yr. CAGR
Microsoft Corp	1,295	1,749	2,331	1,845	2,954	3,086	19.0%
Amazon	1,000	1,615	1,522	1,057	1,612	2,519	20.3%
Meta	576	736	853	386	995	1,746	24.9%
Alphabet	985	1,235	1,791	1,272	1,752	2,496	20.4%
Oracle Corp	168	178	217	239	307	476	23.1%

- A key driver of recent market performance has been the amount of money being devoted to building out the infrastructure and capabilities for Artificial Intelligence.
- These investments are highly correlated to the market performance and growth in market capitalization of the world’s largest hyperscalers (Amazon, Microsoft, Google, Meta and Oracle).
- Some of the largest companies in the world are behind this growth in spending and have also been rewarded by equity markets in terms of stock market growth and valuations.
- Samples of some of the recent deals and commitments related to A.I.
 - OpenAI investing \$300 bn in Oracle
 - NVIDIA Investing \$100 bn in OpenAI
 - Amazon, Oracle, Microsoft and Google (top four hyper-scalers) plan to invest \$600 bn per year on data centers
- A recent concern is whether and when this spending will generate profits sufficient to justify this level of investment. Time will tell.

Source: Empower Investment Analysis, Morningstar Direct

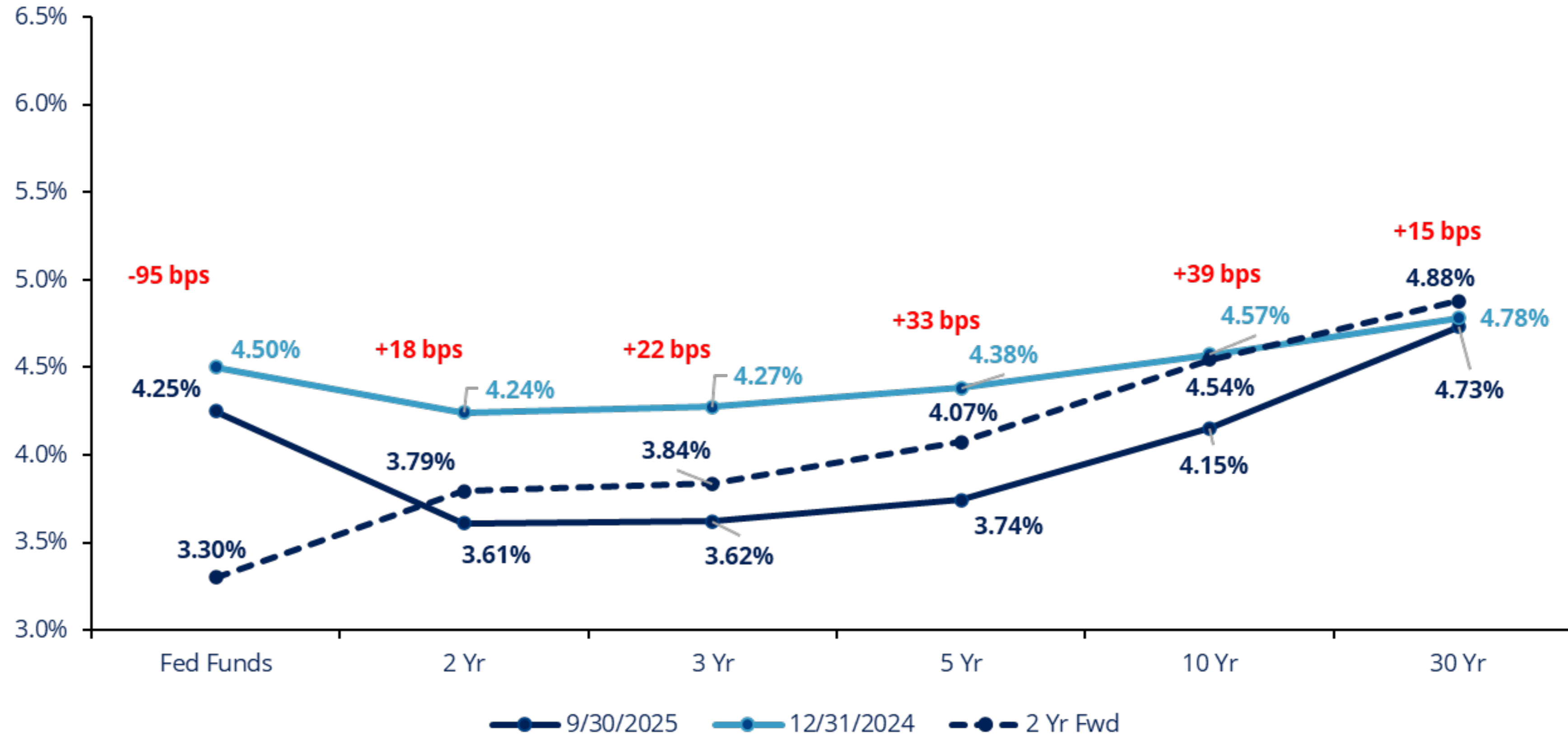
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Historical, Current and Forward Rates

U.S. Yield Curve

red represents projected change from current to two years forward



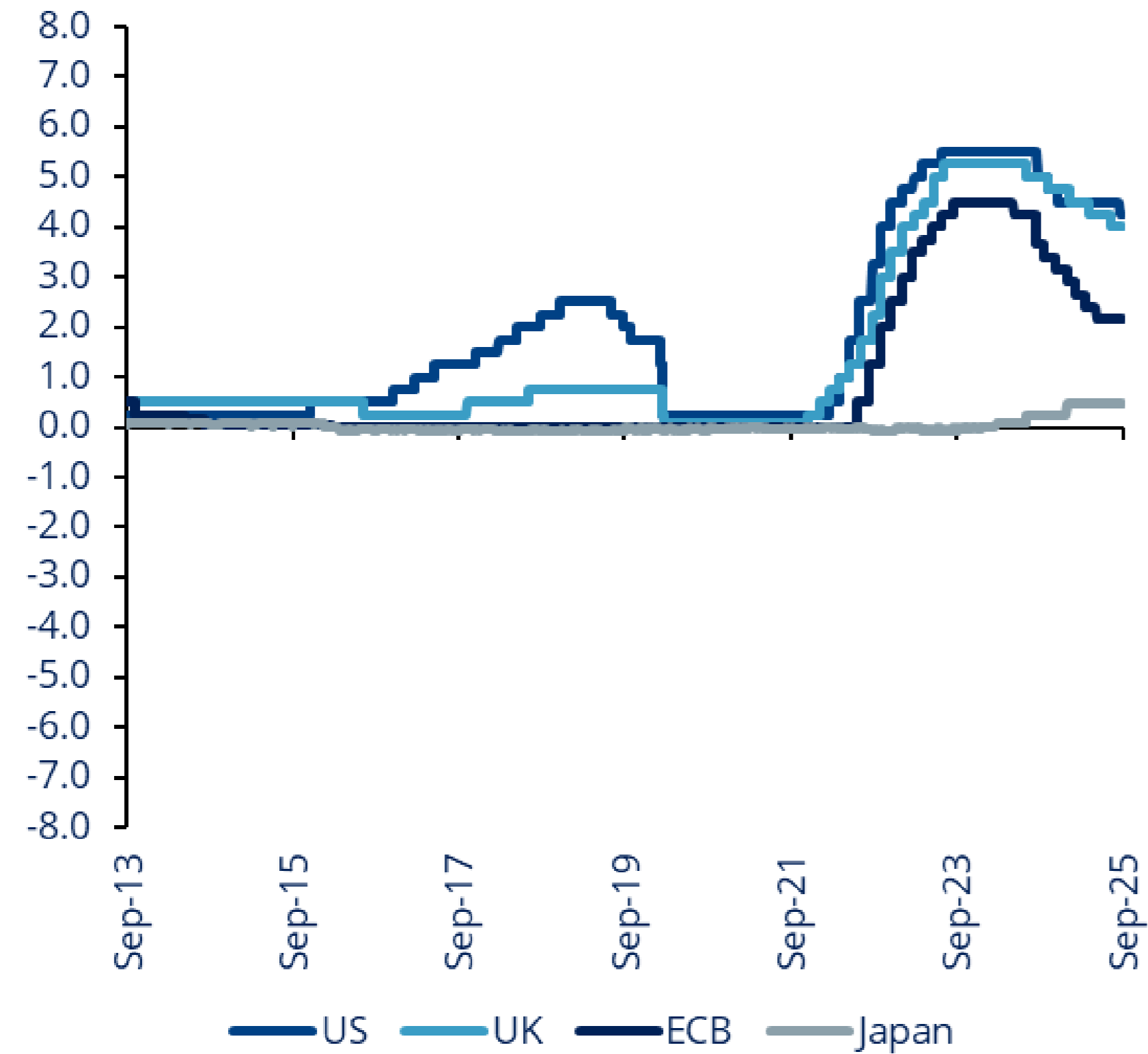
Source: Bloomberg; ECM Analysis

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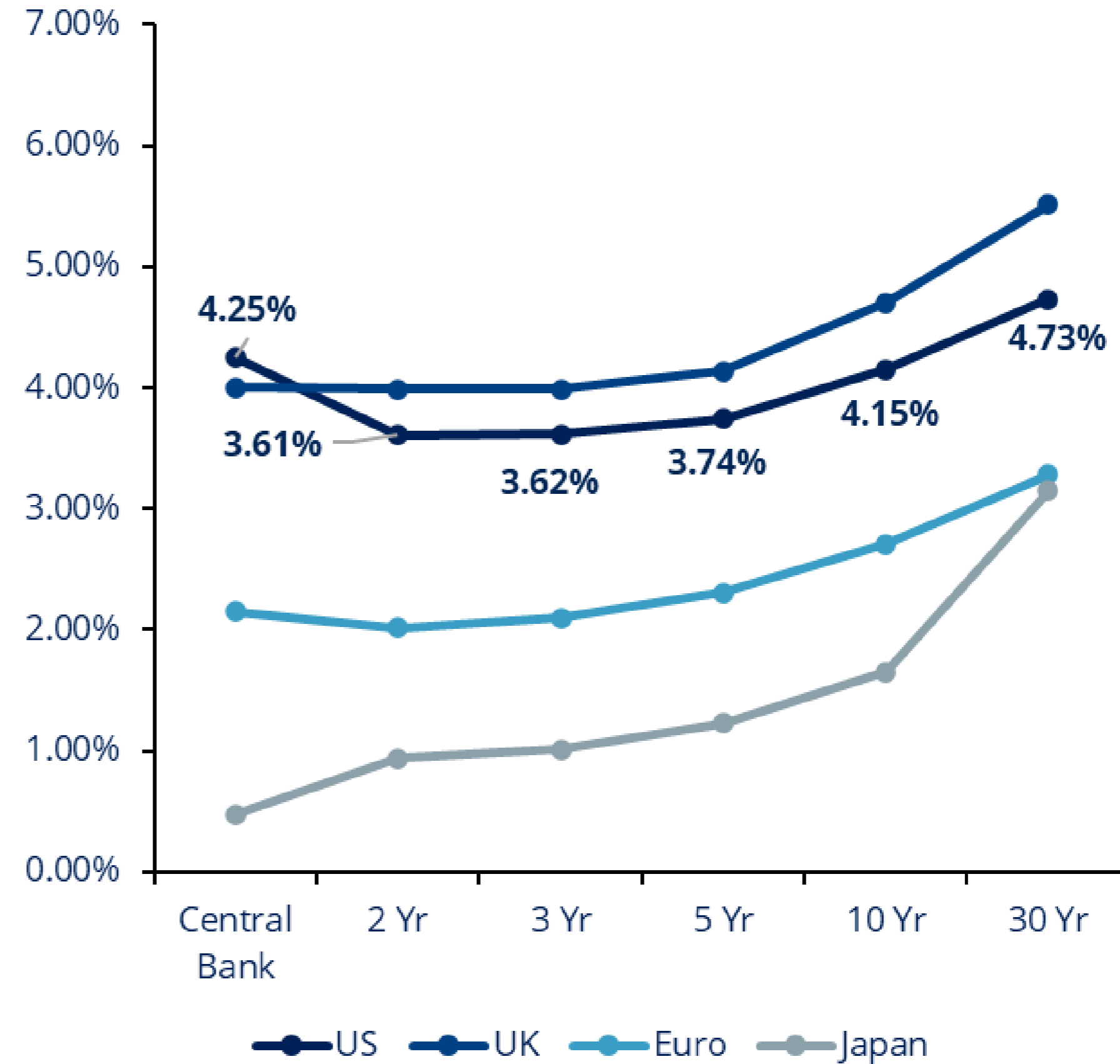
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Global Monetary Policies and Interest Rates

Global Central Bank Rates
through September 2025



Sovereign Yield Curve
as of September 2025



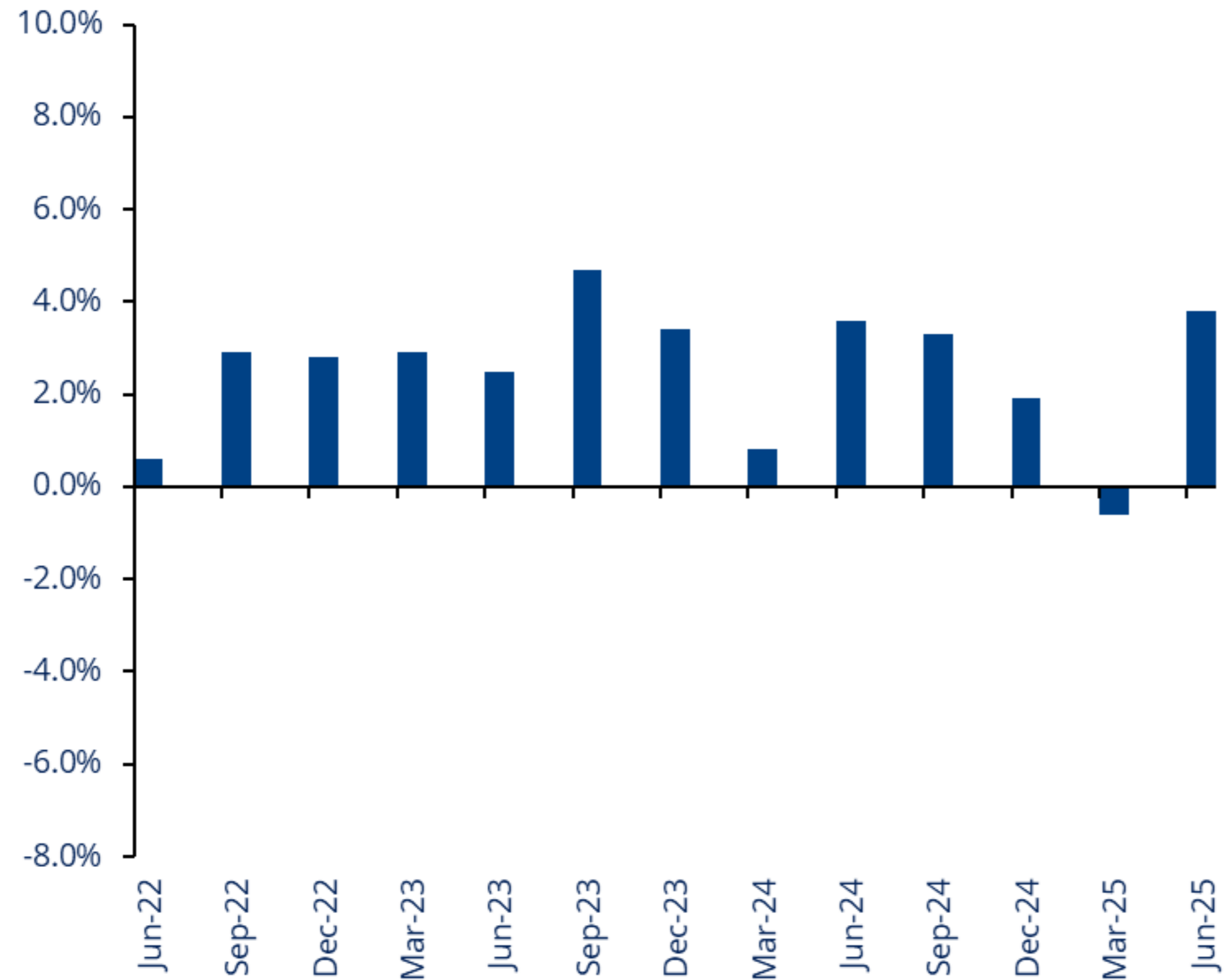
Source: Bloomberg; ECM Analysis

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State of the U.S. Economy

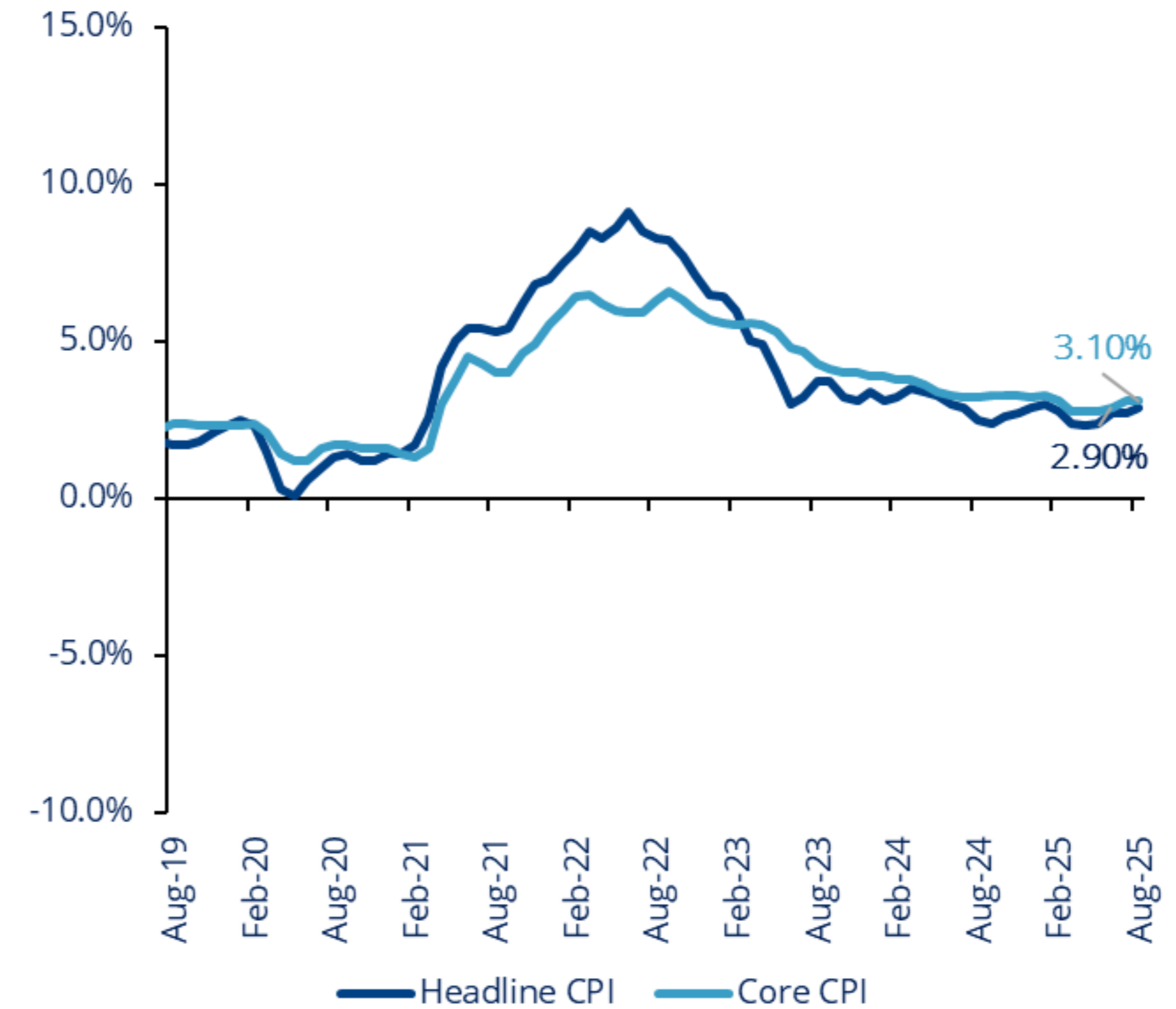
Real GDP Growth

quarter over quarter annualized, through June 2025



US Consumer Price Index

annual percent change, through August 2025



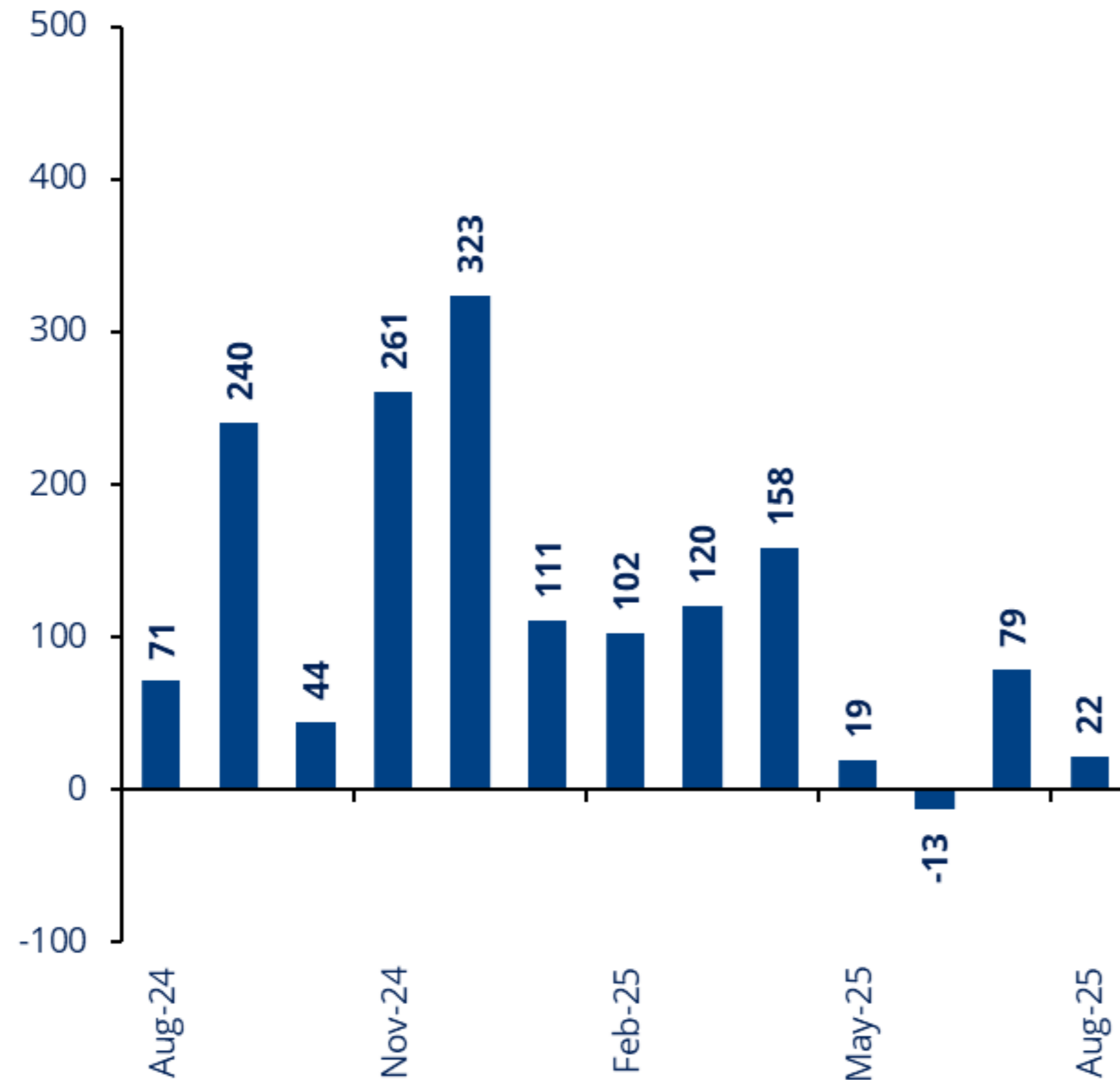
Source: Bloomberg; ECM Analysis

The core measure of inflation excludes food and energy prices while the headline measure of inflation does not
GDP estimates presented reflect the median estimate provided by Bloomberg

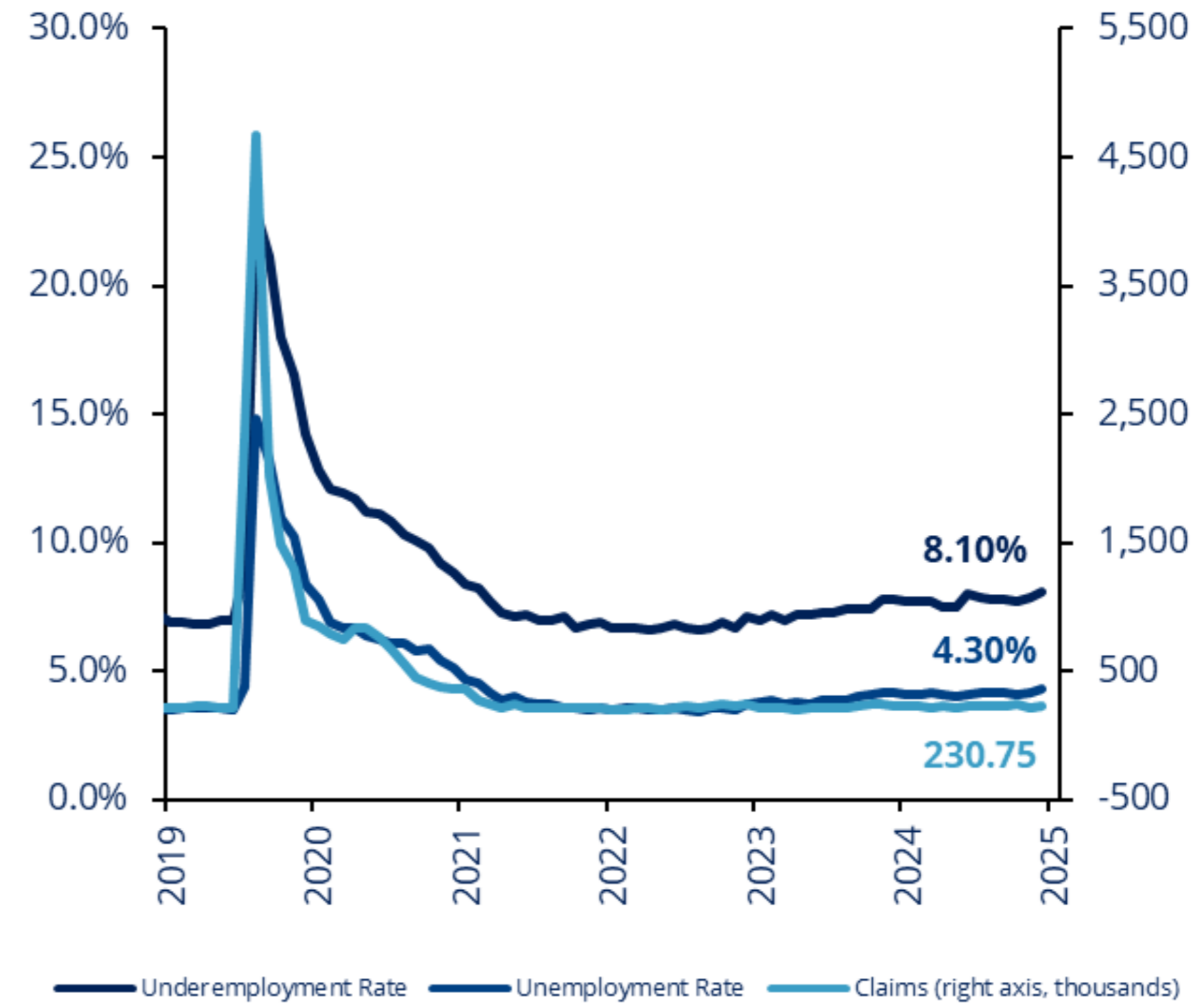
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U.S. Labor Market Trends

Number of Jobs Created Per Month
thousands, through August 2025



Unemployment and Underemployment Rates and Claims
through August 2025



Source: Bloomberg; Bureau of Labor Statistics; ECM Analysis

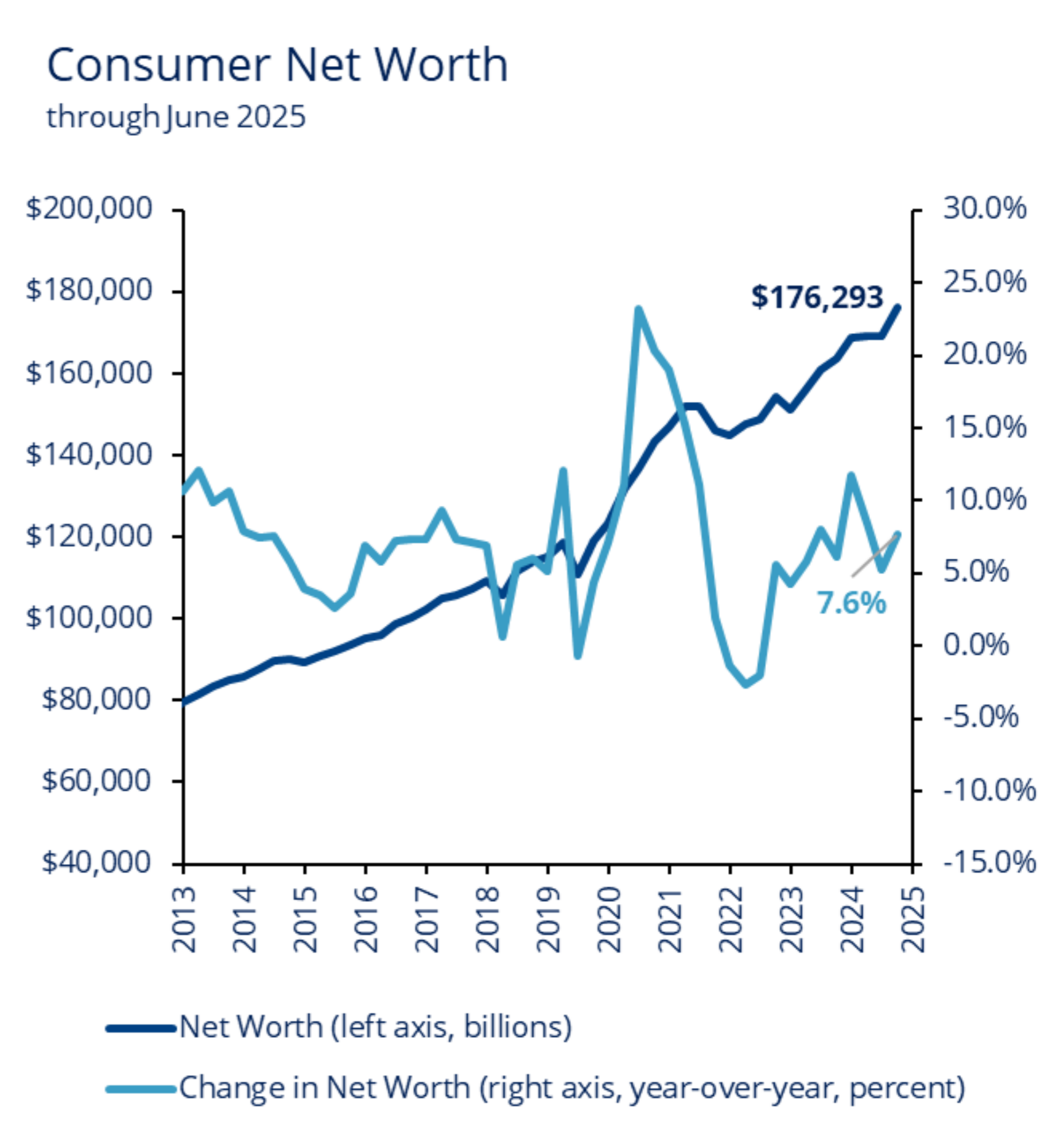
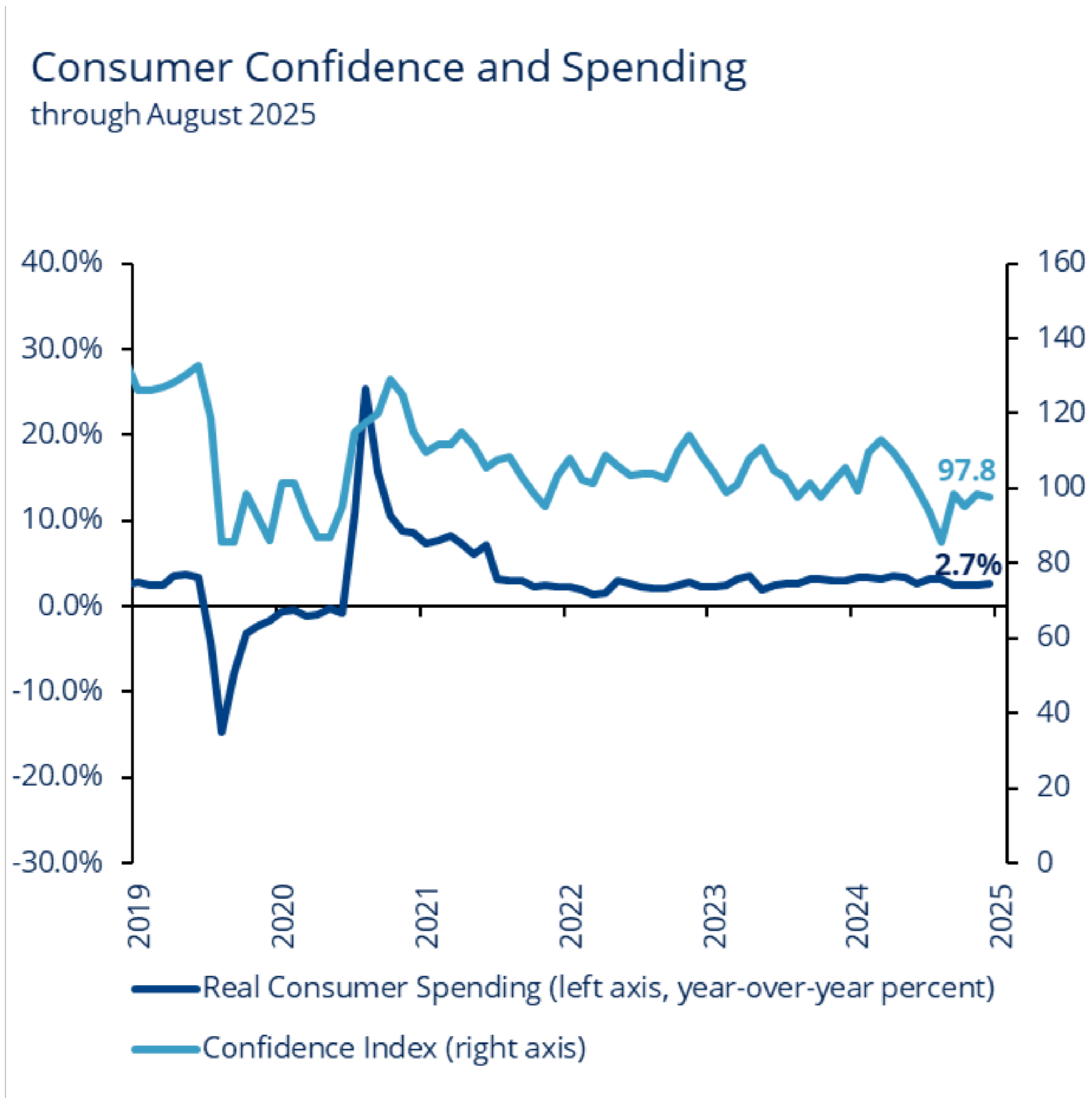
The Unemployment Rate represents total unemployed, as a percent of the civilian labor force

The Underemployment Rate represents total unemployed, plus all marginally attached workers, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all marginally attached workers

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U.S. Consumer Confidence, Spending and Net Worth



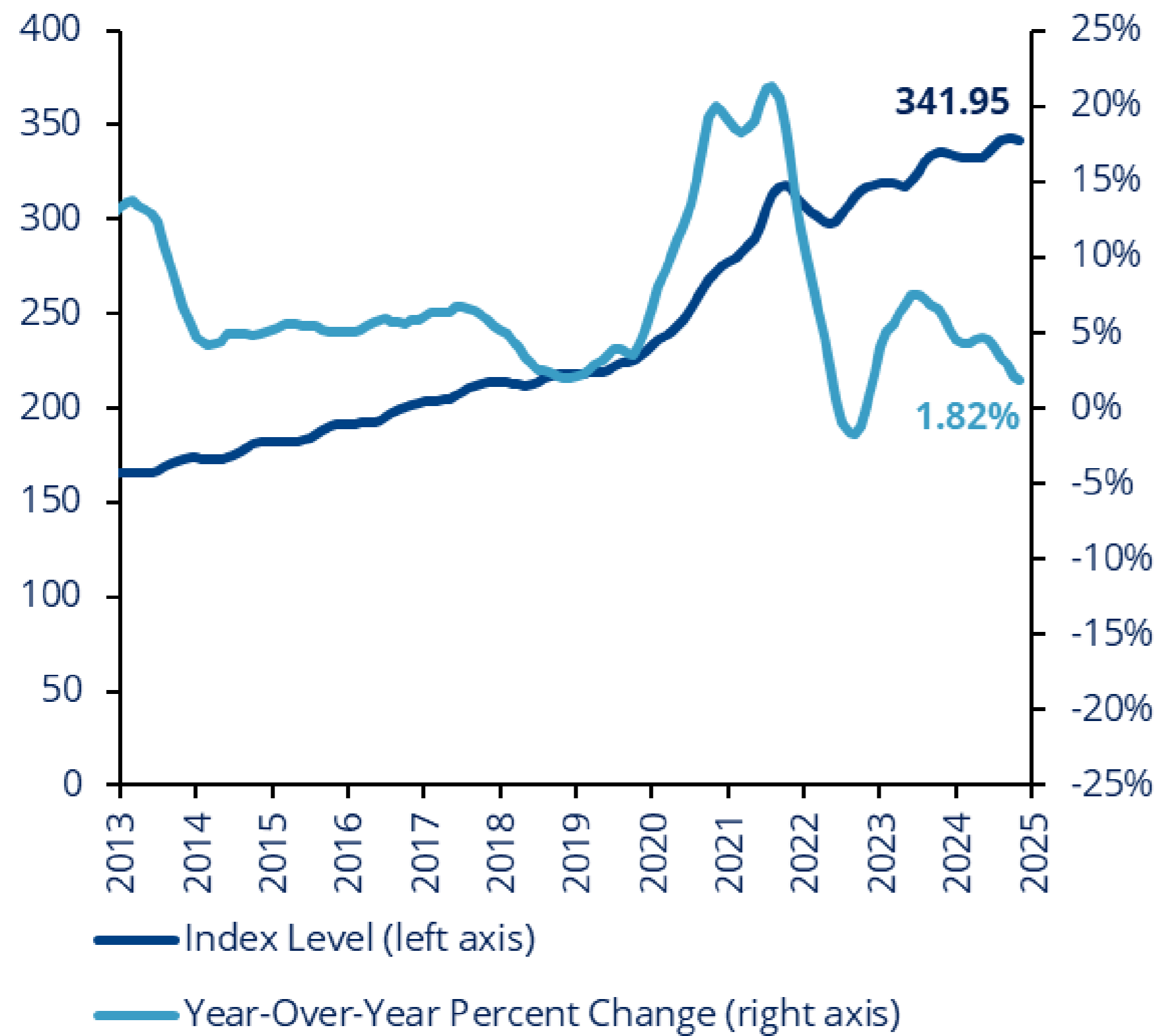
Source: Bloomberg; Federal Reserve; ECM Analysis

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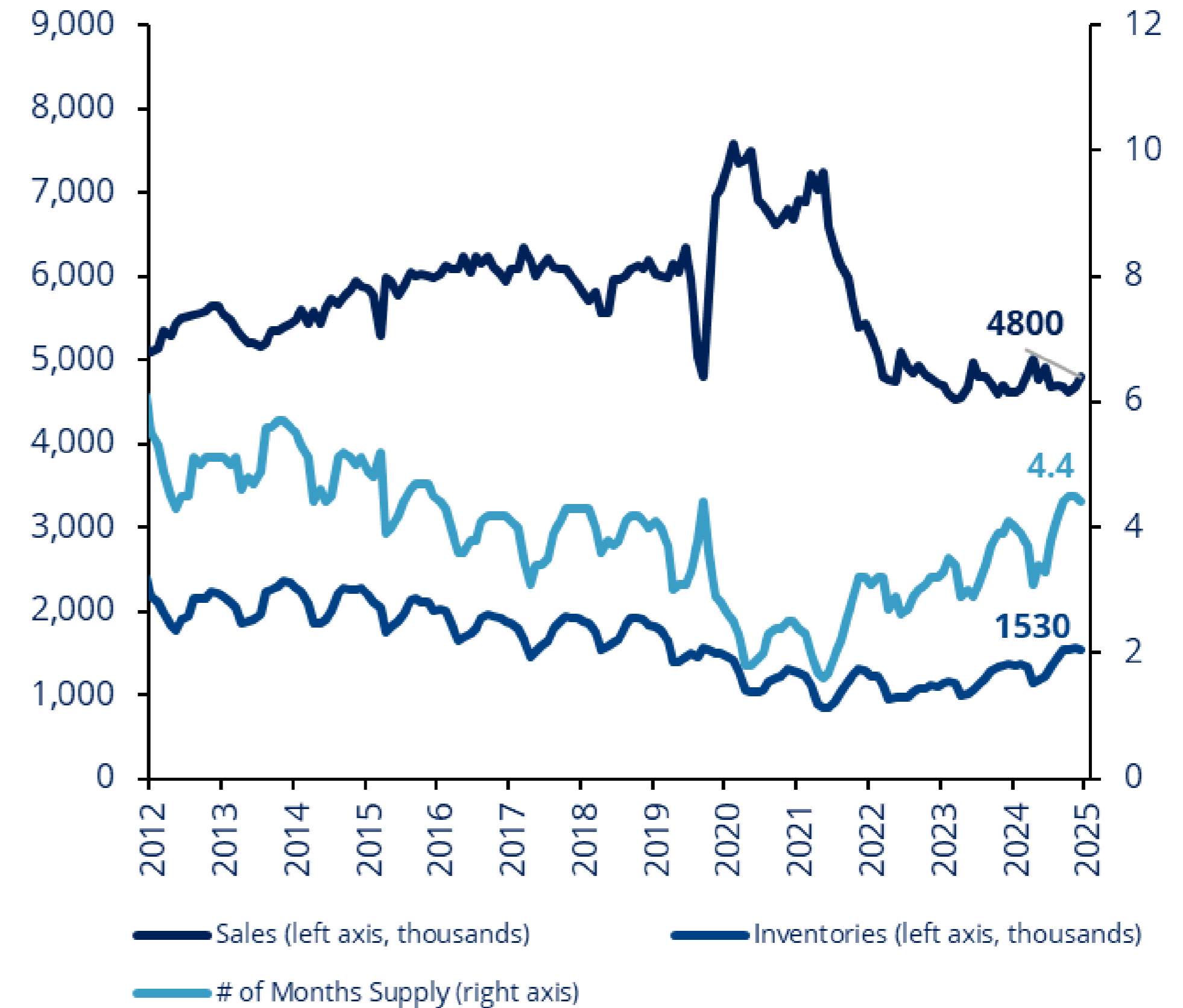
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U.S Housing Market Trends

Case Shiller 20 City Home Price Index through July 2025



Housing Supply and Demand through August 2025



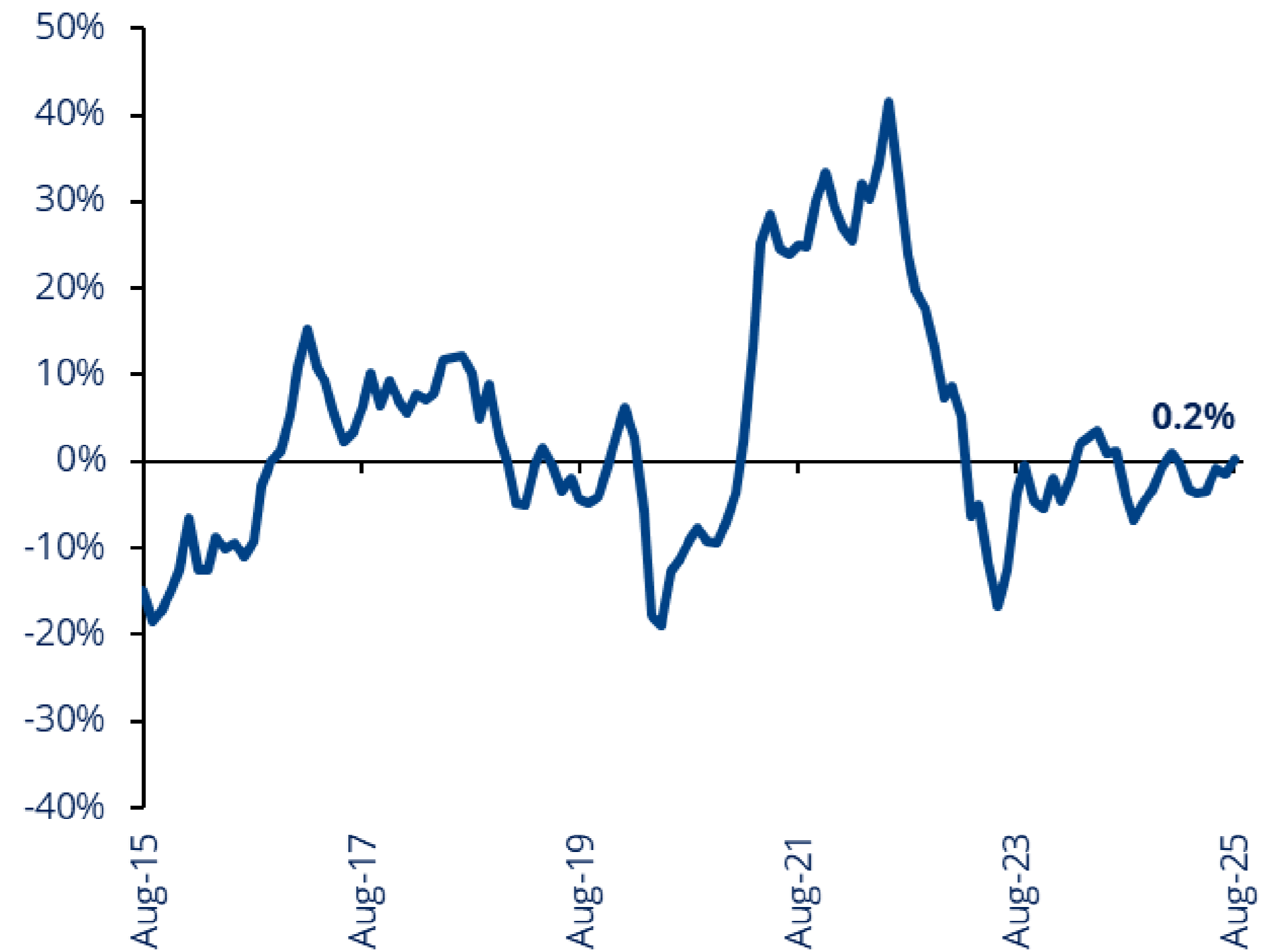
Source: Bloomberg; ECM Analysis

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Energy Inflation and Oil

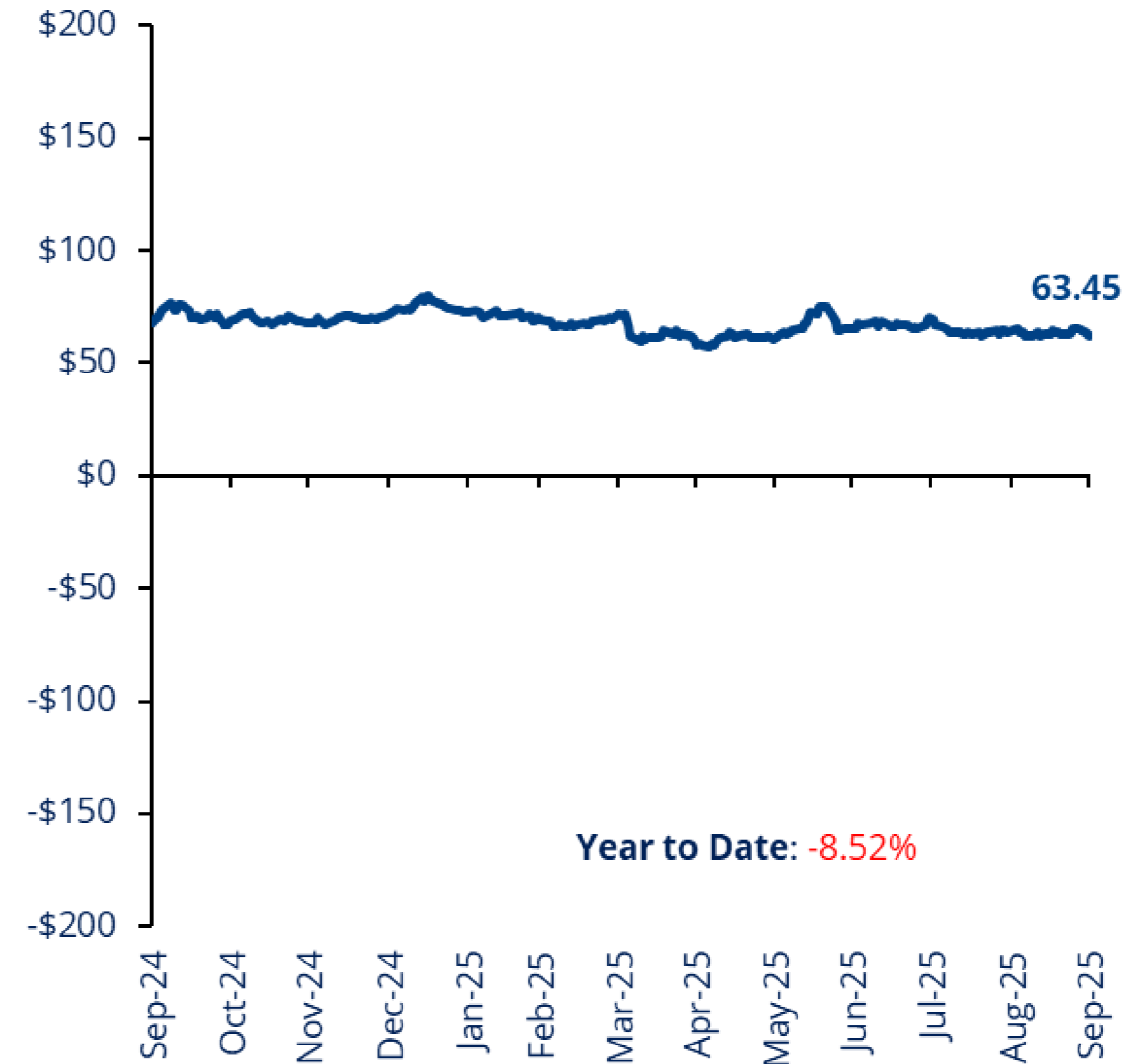
Energy Inflation

year-over-year percent change, through August 2025



Oil Price

\$/Barrel, through September 2025



Source: Bloomberg; ECM Analysis
Oil prices shown for West Texas Intermediate (WTI) Crude
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For definitions of benchmarks found in this material please refer to the benchmark provider website.

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Bloomberg's Equity Factors are derived using the Russell 1000 Index as a universe and stocks are grouped into quintiles by each respective characteristic. The factors are constructed on an equal weighted basis.

Factor List:

Value – Standardized composite metric calculated as weighting each stock's Book Value to Price, Cash Flow from Operations/Market Cap, Net Income LTM/Market Cap, EBITDA LTM/EV, Earnings/Price (BF1Y), and Sales LTM/EV

Momentum – Calculated as the arithmetic average of weekly return for trailing 52 weeks, lagged by 2 weeks

Growth – Standardized composite metric calculated as a weighting each stock's EPS Growth (FY2/FY1), 5Y Net Income CAGR, Sales Growth (FY2/FY1), 5Y Sales CAGR, and 5Y Asset CAGR.

Profitability – Standardized composite metric calculated as a weighting of each stock's EBITDA Margin %, ROA, ROCE, ROE LTM.

Dividends – Standardized dividend Yield (Indicated) metric

Low Volatility – Average of relative volatility over 6 months and 1 year within the universe

FI Term – Total Return of Bloomberg US Treasury 20+ Yr minus Total Return of Bloomberg US Treasury 1-3 Month

FI Credit – Return of ICE BofA 10+Y US Corp TR minus Return of ICE BofA 10+Y US Trsy

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Disclosures

Gross expense ratios are the funds' total annual operating costs expressed as a percentage of the funds' average net assets over a given time period. They are gross of any fee waivers or expense reimbursements. Net expense ratios are the expense ratios after the application of any voluntary or contractual waivers or reimbursements and are the actual ratios that investors paid during the funds' most recent fiscal year. Expense ratios are subject to change.

Morningstar rankings are based on total return and do not reflect of sales charges, which, if reflected, would reduce returns.

The date in a target date fund's name represents an approximate date when an investor is expected to retire (which is assumed to be at age 65) and/or begins withdrawing money. The principal value of the funds is not guaranteed at any time, including the target date. For more information, please refer to the fund prospectus and/or disclosure document. A target date fund will gradually shift its emphasis from more aggressive investments to more conservative ones based on its target date (which is the assumed retirement date for an investor).

Asset allocation and balanced investment options and models are subject to the risks of the underlying investments, which can be a mix of stocks/stock funds and bonds/bond funds. For more information, see the prospectus and/or disclosure documents.

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Investment return and principal value of a variable investment will fluctuate so that an investor's shares when redeemed, may be worth more or less than the original cost.

There is no guarantee that companies that can issue dividends will declare, continue to pay, or increase dividends.

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The Trustee of the JPMCB SmartRetirement Funds agrees to reimburse the Fund for such fund operating expenses, and/or to waive a portion of the Trustee's management fee, to the extent that the fund's total annual operating expenses (excluding management fees, service fees, underlying fund fees attributable to dividend and interest expenses on short sales, interest, expenses related to litigation and potential litigation, and extraordinary expenses not incurred in the ordinary course of the Fund's business) exceeds 0.04% of the Fund's average daily new assets through the expense cap expiration date.

The price of equity securities may rise or fall because of changes in the broad market or changes in a company's financial condition, sometimes rapidly or unpredictably. These price movements may result from factors affecting individual companies, sectors or industries selected for the Fund's portfolio or the securities market as a whole, such as changes in economic or political conditions. Equity securities are subject to "stock market risk" meaning that stock prices in general (or in particular, the prices of the types of securities in which a fund invests) may decline over short or extended periods of time. When the value of a fund's securities goes down, an investment in a fund decreases in value.

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Plan Allocation

El Toro Water District – 524723-02

EL TORO WATER DISTRICT DEFERRED COMPENSATION PLAN		
524723-02		
2025-09-30		
Investment	Total Balance	Allocation
Core Plus Bond / PGIM Fund	\$707,855.70	7.56%
Day One IncomeFlex Target Balanced	\$133,152.65	1.42%
Guaranteed Income Fund	\$1,827,666.70	19.52%
Intl Blend (sub-adv by Wellington Mgmt)	\$1,120,981.87	11.97%
Large Cap Growth / American Century Fu	\$1,112,206.62	11.88%
Large Cap Value (sub-adv by Wellington)	\$868,789.76	9.28%
Mid Cap Growth I Fund (managed by Ivy)	\$248,935.51	2.66%
Mid Cap Value / Integrity Fund	\$286,482.66	3.06%
PGIM Quant Sol MidCap Indx (IS Pltfrm)	\$414,828.33	4.43%
Real Estate / Cohen & Steers Fund	\$122,490.95	1.31%
Schwab SDB Securities	\$18,944.90	0.20%
Schwab SDB Sweep Program	\$27.05	0.00%
Small Cap Growth / TimesSquare Fund	\$227,930.26	2.43%
Small Cap Value / Kennedy Capital Fund	\$430,579.09	4.60%
Vanguard 500 Index Admiral	\$1,345,339.97	14.37%
Vanguard Interm-Term Bond Index Adm	\$120,775.84	1.29%
Vanguard Small Cap Index Adm	\$265,352.22	2.83%
Vanguard Total Intl Stock Index Admiral	\$112,153.44	1.20%
Total Balance	\$9,364,493.52	100.00%

Fund Performance

Carefully consider the investment objectives, risks, fees and expenses of the annuity and/or the investment options. Contact us for a prospectus, a summary prospectus and disclosure document, as available, containing this information. Read them carefully before investing.

Past performance is not a guarantee or prediction of future results.

Rankings provided based on total return.

Sources: Empower, MPI Stylus Web, Morningstar, Individual Investment Managers



Fund Performance by Asset Class

9/30/2025

Trailing Performance

	Ticker	Annualized Returns / Peer Ranks						Since Inception	
		3 Mo	YTD	1 Yr / Peer Rank	3 Yr / Peer Rank	5 Yr / Peer Rank	10 Yr / Peer Rank	Return	Date
Fixed Income									
Intermediate Core Bond									
Vanguard Interm-Term Bond Index Adm	VBILX	2.00	7.34	3.69 / 16	5.59 / 17	-0.29 / 42	2.26 / 21	4.14	11/12/2001
BBgBarc US Aggregate Bond Index		2.03	6.13	2.88 / 54	4.93 / 56	-0.45 / 54	1.84 / 52		
Intermediate Core Bond Median		2.04	6.14	2.91 / 50	5.01 / 50	-0.40 / 50	1.85 / 50		
Number of Funds in Peer Group		198	190	184	164	142	105		
Intermediate Core-Plus Bond									
Core Plus Bond / PGIM Fund		2.35	6.76	3.92 / 21	6.51 / 15	0.44 / 42	2.98 / 17		07/19/2002
BBgBarc US Aggregate Bond Index		2.03	6.13	2.88 / 86	4.93 / 88	-0.45 / 90	1.84 / 91		
Intermediate Core-Plus Bond Median		2.16	6.36	3.46 / 50	5.71 / 50	0.33 / 50	2.40 / 50		
Number of Funds in Peer Group		200	189	183	164	140	110		
Balanced									
Target-Date Retirement									
Day One IncomeFlex Target Balanced		4.46	10.10	8.50 / 4	12.04 / 4	7.36 / 1	6.82 / 1		06/30/2009
S&P Target Date Retirement Income		3.63	9.82	7.53 / 42	10.50 / 55	4.81 / 46	5.26 / 57		
Target-Date Retirement Median		3.53	9.39	7.40 / 50	10.66 / 50	4.71 / 50	5.32 / 50		
Number of Funds in Peer Group		32	32	32	30	29	23		
Equity									
Large Value									
Large Cap Value Fund (sub-advised by Wellington M		4.34	10.08	6.71 / 80	14.01 / 85	12.43 / 79	10.29 / 75		09/30/1999
Russell 1000 Value Index		5.33	11.65	9.44 / 54	16.96 / 53	13.88 / 58	10.72 / 59		
Large Value Median		5.37	11.54	9.75 / 50	17.06 / 50	14.47 / 50	10.95 / 50		
Number of Funds in Peer Group		445	434	425	386	358	295		
Large Blend									
Vanguard 500 Index Admiral	VFIAX	8.11	14.80	17.55 / 25	24.88 / 24	16.42 / 21	15.26 / 12	8.63	11/13/2000
S&P 500 Index		8.12	14.83	17.60 / 23	24.94 / 22	16.47 / 19	15.30 / 10		
Large Blend Median		7.52	13.69	15.58 / 50	23.41 / 50	15.49 / 50	14.21 / 50		
Number of Funds in Peer Group		661	635	619	546	484	356		
Large Growth									
Large Cap Growth / American Century Fund		10.64	14.41	20.35 / 57	28.74 / 53	15.07 / 38	17.20 / 27		01/28/2001
Russell 1000 Growth Index		10.51	17.24	25.53 / 21	31.61 / 25	17.58 / 8	18.83 / 10		
Large Growth Median		7.62	14.97	21.29 / 50	29.06 / 50	14.29 / 50	16.32 / 50		
Number of Funds in Peer Group		413	399	386	354	318	265		

Past performance is no guarantee of future results. Rankings provided based on total returns. Performance quoted for mutual funds may include performance of a predecessor fund/share class prior to the share class commencement of operations.

Fund Performance by Asset Class

9/30/2025

Trailing Performance

Ticker	Annualized Returns / Peer Ranks						Since Inception		
	3 Mo	YTD	1 Yr / Peer Rank	3 Yr / Peer Rank	5 Yr / Peer Rank	10 Yr / Peer Rank	Return	Date	
Mid-Cap Value									
Mid Cap Value / Integrity Fund	6.43	9.41	6.68 / 48	15.36 / 48	15.51 / 39	10.74 / 25		05/23/2005	
Russell Md-Cap Value Index	6.18	9.50	7.58 / 36	15.51 / 43	13.66 / 60	9.96 / 48			
<i>Mid-Cap Value Median</i>	5.79	7.78	6.48 / 50	15.13 / 50	14.50 / 50	9.91 / 50			
Number of Funds in Peer Group	169	164	164	143	132	104			
Mid-Cap Blend									
PGM Quant Solutions Mid Cap Index Fund (IS Platfor	5.48	5.63	5.96 / 61	15.69 / 57	13.47 / 30			09/29/2016	
Russell Md-Cap Index	5.33	10.42	11.11 / 24	17.69 / 27	12.66 / 49	11.39 / 22			
<i>Mid-Cap Blend Median</i>	5.36	7.50	6.91 / 50	16.07 / 50	12.62 / 50	10.46 / 50			
Number of Funds in Peer Group	207	203	201	175	160	121			
Mid-Cap Growth									
Mid Cap Growth I Fund (mgd by Ivy) (Watch List)	2.98	4.88	0.89 / 86	11.04 / 91	4.82 / 80	11.98 / 38		06/30/2004	
Russell Md-Cap Growth Index	2.78	12.84	22.02 / 19	22.85 / 12	11.26 / 15	13.37 / 12			
<i>Mid-Cap Growth Median</i>	3.54	7.78	11.23 / 50	16.30 / 50	8.16 / 50	11.22 / 50			
Number of Funds in Peer Group	166	165	164	152	139	121			
Small Value									
Small Cap Value / Kennedy Capital Fund	7.05	3.84	3.30 / 67	10.94 / 84	13.68 / 72	8.18 / 74		01/29/2001	
Russell 2000 Value Index	12.60	9.04	7.88 / 20	13.56 / 54	14.59 / 61	9.23 / 48			
<i>Small Value Median</i>	8.30	5.06	5.28 / 50	14.04 / 50	15.06 / 50	9.16 / 50			
Number of Funds in Peer Group	179	178	177	166	157	136			
Small Blend									
Vanguard Small Cap Index Admiral Shares	VSIMAX	7.57	6.89	8.67 / 32	15.94 / 26	12.21 / 59	10.57 / 22	9.23	11/13/2000
Russell 2000 Index		12.39	10.39	10.76 / 18	15.21 / 43	11.56 / 73	9.77 / 44		
<i>Small Blend Median</i>		8.66	6.73	6.02 / 50	14.73 / 50	12.64 / 50	9.64 / 50		
Number of Funds in Peer Group		262	257	255	231	220	179		
Small Growth									
Small Cap Growth/TimesSquare SP		2.13	2.54	6.98 / 49	12.89 / 59	6.44 / 64	9.46 / 70		12/04/1997
Russell 2000 Growth Index		12.19	11.65	13.56 / 23	16.68 / 29	8.41 / 45	9.91 / 57		
<i>Small Growth Median</i>		7.52	6.72	6.75 / 50	14.06 / 50	7.89 / 50	10.13 / 50		
Number of Funds in Peer Group		160	160	160	157	151	131		

Past performance is no guarantee of future results. Rankings provided based on total returns. Performance quoted for mutual funds may include performance of a predecessor fund/share class prior to the share class commencement of operations.

Fund Performance by Asset Class

9/30/2025

Trailing Performance

Ticker	Annualized Returns / Peer Ranks							Since Inception	
	3 Mo	YTD	1 Yr / Peer Rank	3 Yr / Peer Rank	5 Yr / Peer Rank	10 Yr / Peer Rank	Return	Date	
International									
Foreign Large Blend									
Vanguard Total Intl Stock Index Admiral	VTIAX	6.96	26.48	17.10 / 39	20.77 / 59	10.38 / 57	8.32 / 41	6.30	11/29/2010
International Blend Fund (sub-advised by Wellington)		5.01	24.14	16.81 / 42	19.89 / 73	8.99 / 79	7.65 / 72		02/24/2003
MSCI EAFE		4.83	25.72	15.58 / 57	22.33 / 26	11.71 / 22	8.70 / 28		
Foreign Large Blend Median		5.14	25.67	15.99 / 50	21.26 / 50	10.57 / 50	8.15 / 50		
Number of Funds in Peer Group		290	282	273	252	233	171		
Specialty									
Real Estate									
Real Estate/Cohen & Steers SP		1.53	5.62	-3.38 / 42	10.08 / 19	8.30 / 23	7.83 / 3	6.87	05/17/2007
MSCI US REIT		4.81	4.72	-1.69 / 18	10.87 / 13	9.30 / 6	6.61 / 26		
Real Estate Median		2.62	3.81	-3.88 / 50	8.63 / 50	7.16 / 50	5.98 / 50		
Number of Funds in Peer Group		95	93	92	84	73	60		

Past performance is no guarantee of future results. Rankings provided based on total returns. Performance quoted for mutual funds may include performance of a predecessor fund/share class prior to the share class commencement of operations.

Fund Analysis

Carefully consider the investment objectives, risks, fees and expenses of the annuity and/or the investment options. Contact us for a prospectus, a summary prospectus and disclosure document, as available, containing this information. Read them carefully before investing.

Past performance is not a guarantee or prediction of future results.

Rankings provided based on total return.

Sources: Empower, MPI Stylus Web, Morningstar, Individual Investment Managers



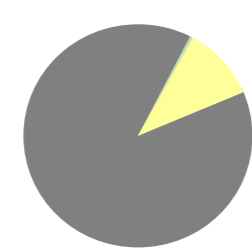
Vanguard Interm-Term Bond Index Adm VBILX

9/30/2025

Fund Incep Date: 11/12/2001	Benchmark: BBgBarc US Aggregate Bond Index	Category: Intermediate Core Bond	Net Assets: \$48,078.00M	Manager Name: Joshua C. Barrickman	Manager Start Date: 04/25/2008	Expense Ratio: 0.06%	Expense Rank: 9
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PORTFOLIO COMPOSITION (Holdings-based)

Assets



Cash	0.60%
US Stocks	0.00%
US Bonds	89.13%
Non-US Stocks	0.00%
Preferred Stocks	0.00%
Convertible Bonds	0.03%
Other	0.00%
Non-US Bonds	10.24%

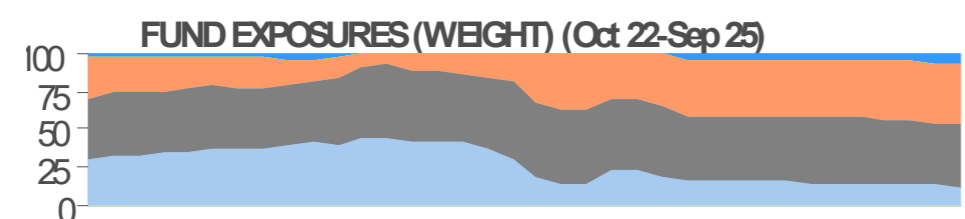
Credit Quality (%)

AAA	60.82%
AA	2.55%
A	16.53%
BBB	20.12%
BB	0.00%
B	0.00%
Below B	0.00%
NR/NA	-0.02%
Total:	100.00%

Sector (%)

% Government	62.72%
% Municipal	0.34%
% Corporate	36.29%
% Securitized	0.05%
% Cash and Equivalent	0.60%
% Derivative	0.00%
Total:	100.00%

ASSET LOADINGS (Returns-based)

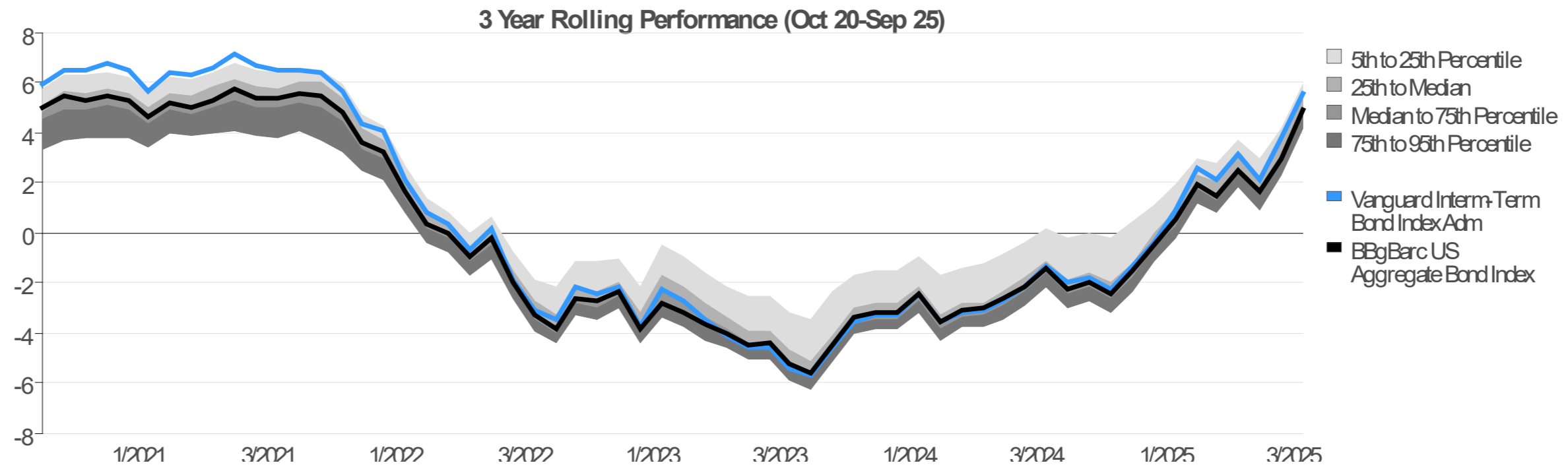


	Current		Average	
	Fund	Bnk	Fund	Bnk
Cash	0.0	0.3	0.0	0.6
Credit Bond	12.7	27.8	27.0	28.2
Govt Bond	40.7	45.5	43.8	44.0
HY Corp Bond	0.0	0.4	0.0	0.2
MBS	39.9	26.0	26.8	27.0
Muni Bond	0.0	0.0	0.0	0.0
TIPS	6.7	0.0	2.5	0.0

INVESTMENT OVERVIEW

The investment seeks to track the performance of the Bloomberg U.S. 5-10 Year Government/Credit Float Adjusted Index. This index includes all medium and larger issues of U.S. government, investment-grade corporate and investment-grade international dollar-denominated bonds that have maturities between 5 and 10 years and are publicly issued. All of the fund's investments will be selected through the sampling process, and at least 80% of its assets will be invested in bonds held in the index.

PERFORMANCE



	3M	YTD	1Y	3Y	5Y	7Y	10Y	SI
Fund	2.00	7.34	3.69 / 16	5.59 / 17	-0.29 / 42	2.72 / 8	2.26 / 21	4.14
Benchmark	2.03	6.13	2.88 / 54	4.93 / 56	-0.45 / 54	2.06 / 48	1.84 / 52	
Peer Group Median	2.04	6.14	2.91 / 50	5.01 / 50	-0.40 / 50	2.05 / 50	1.85 / 50	
Number of Funds			184	164	142	125	105	

CALENDAR	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	1.51	6.07	-13.27	-2.36	9.79	10.18	-0.17	3.85	2.83
Benchmark	1.25	5.53	-13.01	-1.54	7.51	8.72	0.01	3.54	2.65
Peer Group Median	1.58	5.62	-13.26	-1.56	7.65	8.58	-0.29	3.47	2.69

RISK & PERFORMANCE STATISTICS

	Fund	Benchmark	Peer Group Median
3 Yr			
Alpha	0.64	0.00	0.08
Beta	1.04	1.00	1.00
R-Squared	98.41	100.00	99.21
Sharpe Ratio	0.15	0.05	0.07
Up Market Capture	108.15	100.00	99.74
Down Market Capture	103.59	100.00	98.91
5 Yr			
Alpha	0.39	0.00	0.03
Beta	1.06	1.00	1.00
R-Squared	98.28	100.00	98.93
Sharpe Ratio	-0.44	-0.50	-0.49
Up Market Capture	111.22	100.00	99.44
Down Market Capture	107.92	100.00	99.48

NOTES

Core Plus Bond / PGIM Fund

9/30/2025

Fund Incep Date: 07/19/2002	Benchmark: BBgBarc US Aggregate Bond Index	Category: Intermediate Core-Plus Bond	Net Assets: NA	Manager Name: Team Managed	Manager Start Date: 07/19/2002	Expense Ratio: 0.37%	Expense Rank: 22
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PORTFOLIO COMPOSITION (Holdings-based)

Assets

Cash	0.00%
US Stocks	0.00%
US Bonds	0.00%
Non-US Stocks	0.00%
Preferred Stocks	0.00%
Convertible Bonds	0.00%
Other	0.00%
Non-US Bonds	0.00%

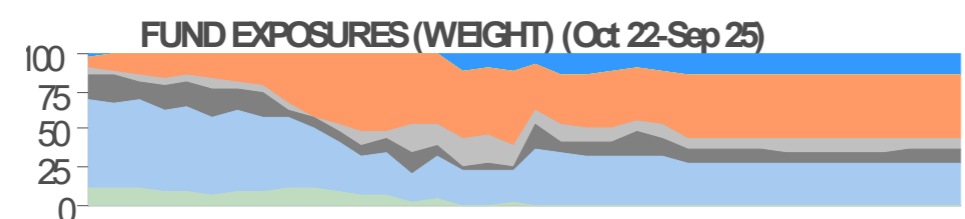
Credit Quality (%)

AAA	
AA	
A	
BBB	
BB	
B	
BelowB	
NR/NA	
Total:	0.00%

Sector (%)

% Government	
% Municipal	
% Corporate	
% Securitized	
% Cash and Equivalent	
% Derivative	
Total:	0.00%

ASSET LOADINGS (Returns-based)

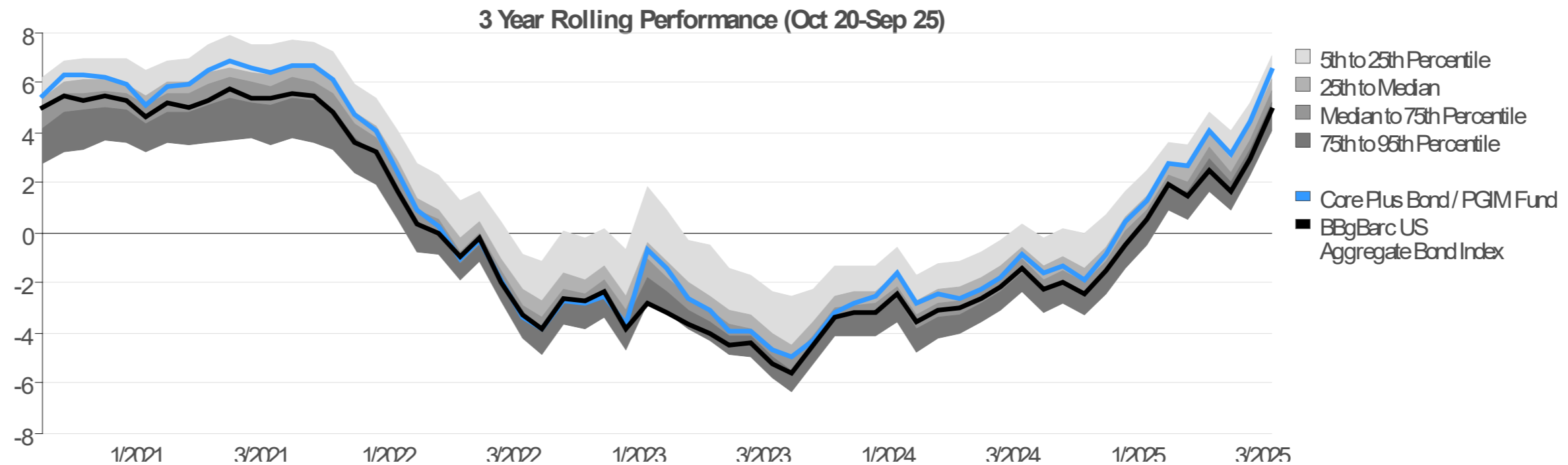


	Current		Average	
	Fund	Bnk	Fund	Bnk
Cash	0.0	0.3	3.7	0.6
Credit Bond	28.5	27.8	35.0	28.2
Govt Bond	7.8	45.5	10.0	44.0
HY Corp Bond	8.6	0.4	8.5	0.2
MBS	42.2	26.0	35.5	27.0
Muni Bond	0.0	0.0	0.0	0.0
TIPS	12.9	0.0	7.3	0.0

INVESTMENT OVERVIEW

The Separate Account seeks to add +150 bps of annualized excess return over a broad U.S. bond market index over a full market cycle (three to five years) by emphasizing relative-value based sector allocation, research-based security selection, and modest duration and yield curve positioning.

PERFORMANCE



	3M	YTD	1Y	3Y	5Y	7Y	10Y	SI
Fund	2.35	6.76	3.92 / 21	6.51 / 15	0.44 / 42	2.90 / 23	2.98 / 17	Expected at position
Benchmark	2.03	6.13	2.88 / 86	4.93 / 88	-0.45 / 90	2.06 / 80	1.84 / 91	
Peer Group Median	2.16	6.36	3.46 / 50	5.71 / 50	0.33 / 50	2.50 / 50	2.40 / 50	
Number of Funds			183	164	140	132	110	

CALENDAR	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	2.87	7.72	-14.72	-1.12	8.91	11.08	-0.71	6.79	5.24
Benchmark	1.25	5.53	-13.01	-1.54	7.51	8.72	0.01	3.54	2.65
Peer Group Median	2.34	6.36	-13.46	-0.64	8.33	9.42	-0.70	4.36	3.80

RISK & PERFORMANCE STATISTICS

	Fund	Benchmark	Peer Group Median
3 Yr			
Alpha	1.50	0.00	0.75
Beta	0.98	1.00	0.99
R-Squared	98.69	100.00	98.34
Sharpe Ratio	0.29	0.05	0.17
Up Market Capture	103.73	100.00	101.63
Down Market Capture	84.19	100.00	90.06
5 Yr			
Alpha	1.01	0.00	0.76
Beta	1.03	1.00	1.00
R-Squared	96.09	100.00	97.05
Sharpe Ratio	-0.34	-0.50	-0.38
Up Market Capture	109.93	100.00	103.53
Down Market Capture	98.94	100.00	93.74

NOTES

Day One IncomeFlex Target Balanced

9/30/2025

Fund Incep Date: 06/30/2009	Benchmark: S&P Target Date Retirement Income	Category: Target-Date Retirement	Net Assets: NA	Manager Name: Team Managed	Manager Start Date: 06/30/2009	Expense Ratio: 1.34%	Expense Rank: 99
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PORTFOLIO COMPOSITION (Holdings-based)

Assets

Cash	0.00%
US Stocks	0.00%
US Bonds	0.00%
Non-US Stocks	0.00%
Preferred Stocks	0.00%
Convertible Bonds	0.00%
Other	0.00%
Non-US Bonds	0.00%

Sector Breakdown

Sensitive

Communication Services	0.00%
Industrials	0.00%
Technology	0.00%
Energy	0.00%

Cyclical

Basic Materials	0.00%
Consumer Cyclical	0.00%
Real Estate	0.00%
Financial Services	0.00%

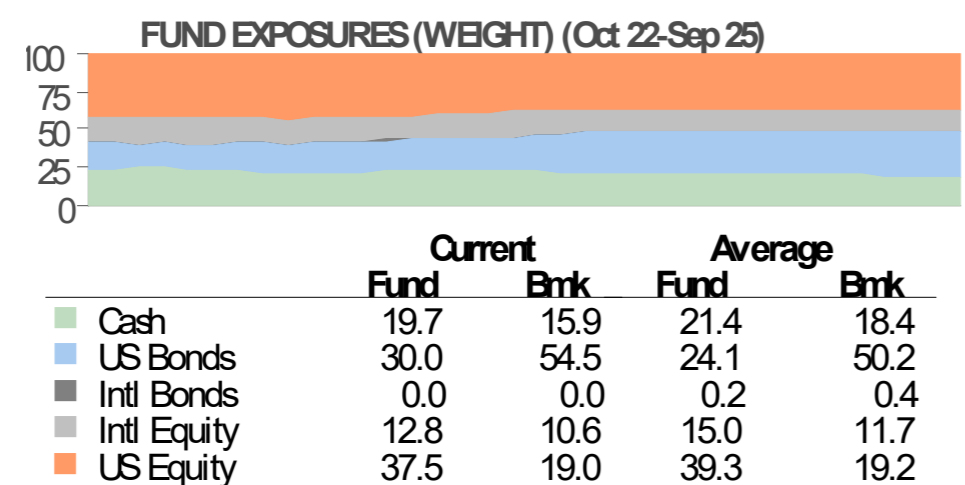
Defensive

Consumer Defensive	0.00%
Healthcare	0.00%
Utilities	0.00%

TOP 10 HOLDINGS

Total: NA%

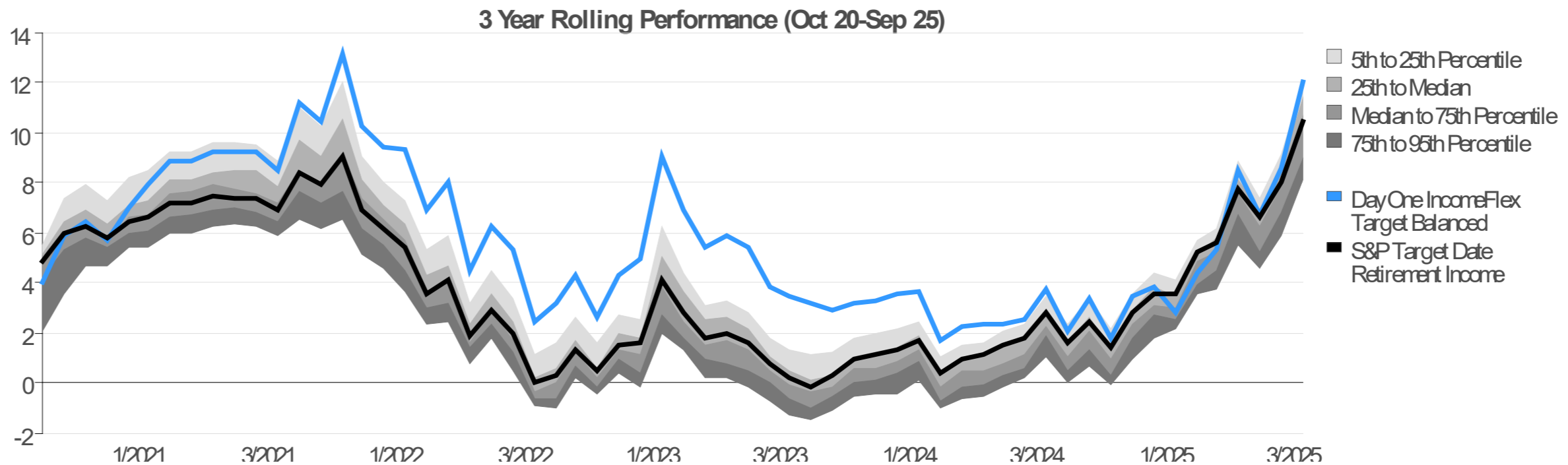
ASSET LOADINGS (Returns-based)



INVESTMENT OVERVIEW

The asset allocation is designed to increase the potential that the participants account balance, in conjunction with the Prudential IncomeFlex Target Guarantees, will provide a reliable source of lifetime income. The Prudential IncomeFlex Target Guarantees are supported by the general account of Prudential Retirement Insurance and Annuity Company; the asset allocation fund itself provides no guarantees. There is no assurance the objectives of the Fund will be met.

PERFORMANCE



	3M	YTD	1Y	3Y	5Y	7Y	10Y	SI
Fund	4.46	10.10	8.50 / 4	12.04 / 4	7.36 / 1	6.47 / 1	6.82 / 1	Not expected at position
Benchmark	3.63	9.82	7.53 / 42	10.50 / 55	4.81 / 46	5.22 / 57	5.26 / 57	
Peer Group Median	3.53	9.39	7.40 / 50	10.66 / 50	4.71 / 50	5.26 / 50	5.32 / 50	
Number of Funds			32	30	29	27	23	

CALENDAR	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	8.94	11.23	-12.87	13.44	9.53	16.48	-5.36	11.51	6.99
Benchmark	6.54	10.35	-11.17	5.11	8.81	13.33	-2.54	8.54	5.01
Peer Group Median	6.89	10.89	-12.39	6.01	9.42	13.16	-2.94	8.66	5.24

RISK & PERFORMANCE STATISTICS

	Fund	Benchmark	Peer Group Median
3 Yr			
Alpha	0.41	0.00	-0.38
Beta	1.20	1.00	1.04
R-Squared	92.13	100.00	98.10
Sharpe Ratio	0.86	0.85	0.79
Up Market Capture	122.89	100.00	103.53
Down Market Capture	132.28	100.00	106.28
5 Yr			
Alpha	2.00	0.00	-0.20
Beta	1.31	1.00	1.08
R-Squared	92.81	100.00	98.13
Sharpe Ratio	0.48	0.28	0.26
Up Market Capture	140.62	100.00	105.60
Down Market Capture	127.60	100.00	106.94

NOTES

Large Cap Value Fund (sub-advised by Wellington Mgmt)

9/30/2025

Fund Incep Date: 09/30/1999	Benchmark: Russell 1000 Value Index	Category: Large Value	Net Assets: NA	Manager Name: Team Managed	Manager Start Date: 09/30/1999	Expense Ratio: 0.52%	Expense Rank: 26
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PORTFOLIO COMPOSITION (Holdings-based)

Assets

Cash	0.00%
US Stocks	0.00%
US Bonds	0.00%
Non-US Stocks	0.00%
Preferred Stocks	0.00%
Convertible Bonds	0.00%
Other	0.00%
Non-US Bonds	0.00%

Sector Breakdown

Sensitive

Communication Services	0.00%
Industrials	0.00%
Technology	0.00%
Energy	0.00%

Cyclical

Basic Materials	0.00%
Consumer Cyclical	0.00%
Real Estate	0.00%
Financial Services	0.00%

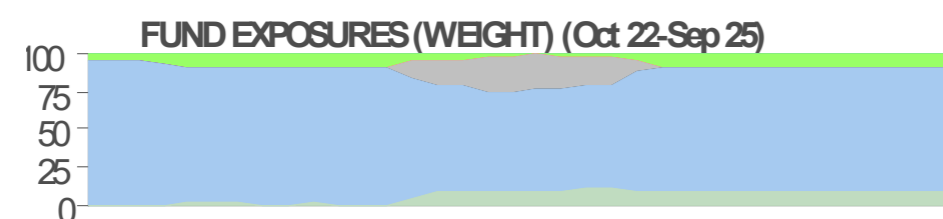
Defensive

Consumer Defensive	0.00%
Healthcare	0.00%
Utilities	0.00%

TOP 10 HOLDINGS

Total: NA%

ASSET LOADINGS (Returns-based)

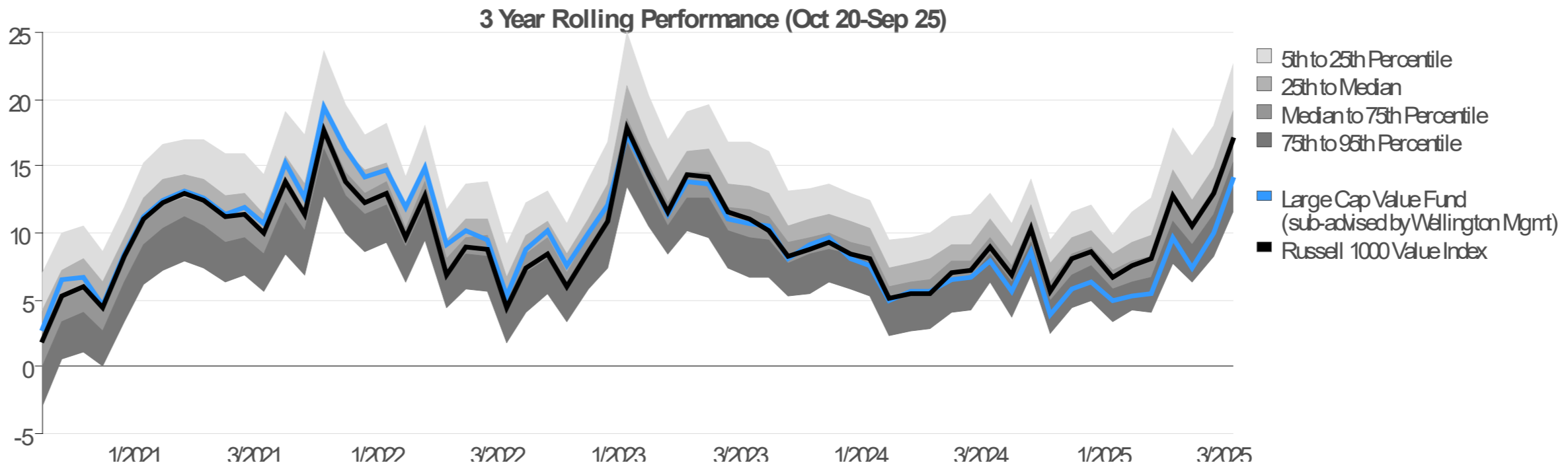


	Current		Average	
	Fund	Bnk	Fund	Bnk
Cash	8.7	0.0	6.1	0.0
Top Value	82.6	64.5	82.0	64.8
Top Growth	0.0	0.0	0.0	0.0
Mid Value	0.0	35.3	4.9	34.9
Mid Growth	0.0	0.0	0.0	0.0
Sm Value	8.7	0.2	7.0	0.1
Sm Growth	0.0	0.0	0.0	0.2

INVESTMENT OVERVIEW

The Separate Account is advised by Wellington Mgmt Company LLP following their Quality Value style. It seeks to provide long-term total returns in excess of the Russell 1000 Value Index by investing in high-quality, undervalued, large cap companies in out-of-favor industries with less downside risk than the overall market.

PERFORMANCE



	3M	YTD	1Y	3Y	5Y	7Y	10Y	SI
Fund	4.34	10.08	6.71 / 80	14.01 / 85	12.43 / 79	8.93 / 73	10.29 / 75	Not expected at position
Benchmark	5.33	11.65	9.44 / 54	16.96 / 53	13.88 / 58	9.53 / 58	10.72 / 59	
Peer Group Median	5.37	11.54	9.75 / 50	17.06 / 50	14.47 / 50	9.78 / 50	10.95 / 50	
Number of Funds			425	386	358	338	295	

CALENDAR	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	10.28	7.14	-5.12	27.65	2.87	29.47	-8.71	14.42	13.93
Benchmark	14.37	11.46	-7.54	25.16	2.80	26.54	-8.27	13.66	17.34
Peer Group Median	14.45	11.59	-5.89	26.11	3.04	25.86	-8.57	16.52	14.87

RISK & PERFORMANCE STATISTICS

	Fund	Benchmark	Peer Group Median
3 Yr			
Alpha	-1.81	0.00	0.83
Beta	0.93	1.00	0.95
R-Squared	95.72	100.00	93.95
Sharpe Ratio	0.70	0.85	0.88
Up Market Capture	86.71	100.00	97.13
Down Market Capture	93.92	100.00	91.82
5 Yr			
Alpha	-0.76	0.00	0.90
Beta	0.94	1.00	0.96
R-Squared	96.42	100.00	94.41
Sharpe Ratio	0.66	0.72	0.75
Up Market Capture	90.95	100.00	97.44
Down Market Capture	94.04	100.00	93.49

NOTES

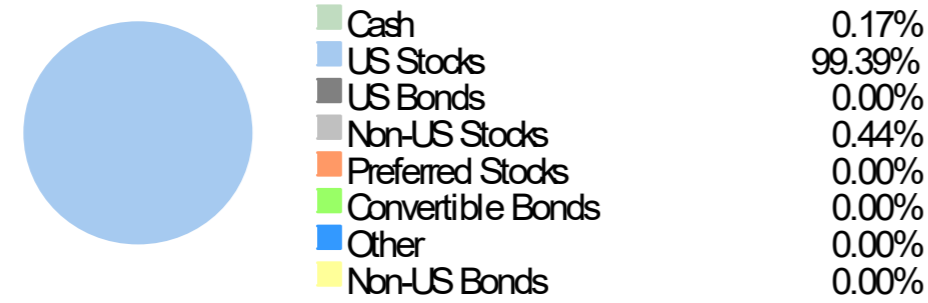
Vanguard 500 Index Admiral VFIAX

9/30/2025

Fund Incep Date: 11/13/2000	Benchmark: S&P 500 Index	Category: Large Blend	Net Assets: \$1,409,024.00M	Manager Name: Michelle Louie	Manager Start Date: 11/30/2017	Expense Ratio: 0.04%	Expense Rank: 4
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PORTFOLIO COMPOSITION (Holdings-based)

Assets



Sector Breakdown

Sensitive

Communication Services	10.03%
Industrials	7.66%
Technology	34.79%
Energy	3.03%

Cyclical

Basic Materials	1.68%
Consumer Cyclical	10.72%
Real Estate	1.99%
Financial Services	13.43%

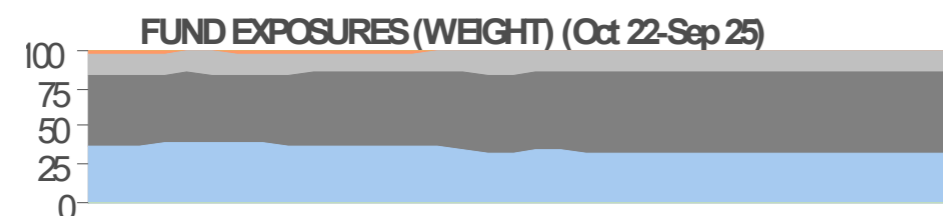
Defensive

Consumer Defensive	5.21%
Healthcare	9.09%
Utilities	2.36%

TOP 10 HOLDINGS

NVIDIA Corp	7.76%
Microsoft Corp	6.88%
Apple Inc	6.33%
Amazon.com Inc	3.95%
Meta Platforms Inc Class A	2.93%
Broadcom Inc	2.55%
Alphabet Inc Class A	2.26%
Alphabet Inc Class C	1.83%
Tesla Inc	1.71%
Berkshire Hathaway Inc Class B	1.68%
Total:	37.88%

ASSET LOADINGS (Returns-based)

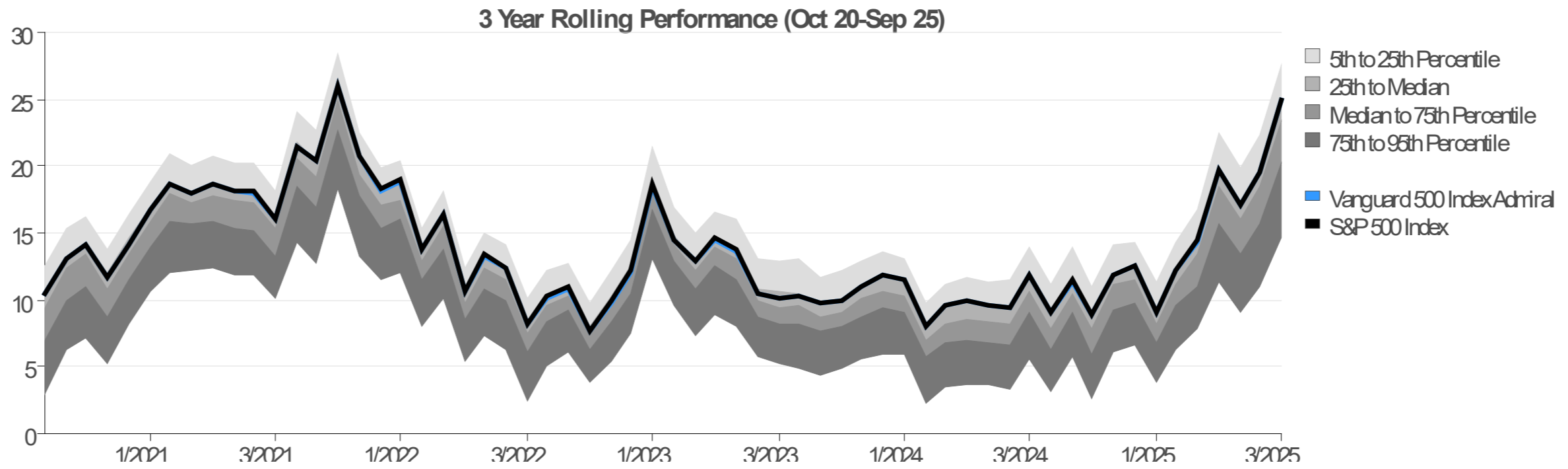


	Current		Average	
	Fund	Bnk	Fund	Bnk
Cash	0.0	0.0	0.0	0.0
Top Value	32.9	32.9	35.2	35.2
Top Growth	53.0	53.0	50.3	50.3
Mid Value	14.1	14.1	13.7	13.7
Mid Growth	0.0	0.0	0.8	0.8
Sm Value	0.0	0.0	0.0	0.0
Sm Growth	0.0	0.0	0.0	0.0

INVESTMENT OVERVIEW

The investment seeks to track the performance of the Standard & Poor's 500 Index that measures the investment return of large-capitalization stocks. The fund employs an indexing investment approach designed to track the performance of the Standard & Poor's 500 Index, a widely recognized benchmark of U.S. stock market performance that is dominated by the stocks of large U.S. companies. The advisor attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index. The fund is non-diversified.

PERFORMANCE



	3M	YTD	1Y	3Y	5Y	7Y	10Y	SI
Fund	8.11	14.80	17.55 / 25	24.88 / 24	16.42 / 21	14.41 / 18	15.26 / 12	8.63
Benchmark	8.12	14.83	17.60 / 23	24.94 / 22	16.47 / 19	14.45 / 15	15.30 / 10	
Peer Group Median	7.52	13.69	15.58 / 50	23.41 / 50	15.49 / 50	13.39 / 50	14.21 / 50	
Number of Funds			619	546	484	432	356	

CALENDAR	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	24.97	26.24	-18.15	28.66	18.37	31.46	-4.43	21.79	11.93
Benchmark	25.02	26.29	-18.11	28.71	18.40	31.49	-4.38	21.83	11.96
Peer Group Median	23.10	24.40	-18.18	26.68	17.94	30.21	-5.34	21.32	10.86

RISK & PERFORMANCE STATISTICS

	Fund	Benchmark	Peer Group Median
3 Yr			
Alpha	-0.04	0.00	-1.29
Beta	1.00	1.00	1.00
R-Squared	100.00	100.00	95.12
Sharpe Ratio	1.39	1.40	1.27
Up Market Capture	99.89	100.00	98.08
Down Market Capture	100.11	100.00	102.84
5 Yr			
Alpha	-0.04	0.00	-0.74
Beta	1.00	1.00	1.00
R-Squared	100.00	100.00	96.27
Sharpe Ratio	0.86	0.86	0.80
Up Market Capture	99.91	100.00	97.96
Down Market Capture	100.08	100.00	100.47

NOTES

Large Cap Growth / American Century Fund

9/30/2025

Fund Incep Date: 01/28/2001	Benchmark: Russell 1000 Growth Index	Category: Large Growth	Net Assets: NA	Manager Name: Team Managed	Manager Start Date: 01/28/2001	Expense Ratio: 0.57%	Expense Rank: 19
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PORTFOLIO COMPOSITION (Holdings-based)

Assets

Cash	0.00%
US Stocks	0.00%
US Bonds	0.00%
Non-US Stocks	0.00%
Preferred Stocks	0.00%
Convertible Bonds	0.00%
Other	0.00%
Non-US Bonds	0.00%

Sector Breakdown

Sensitive

Communication Services	0.00%
Industrials	0.00%
Technology	0.00%
Energy	0.00%

Cyclical

Basic Materials	0.00%
Consumer Cyclical	0.00%
Real Estate	0.00%
Financial Services	0.00%

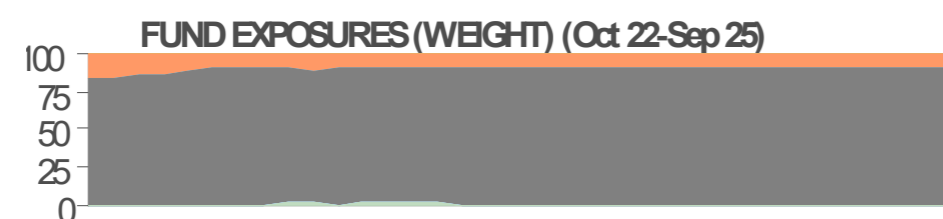
Defensive

Consumer Defensive	0.00%
Healthcare	0.00%
Utilities	0.00%

TOP 10 HOLDINGS

Total: NA%

ASSET LOADINGS (Returns-based)

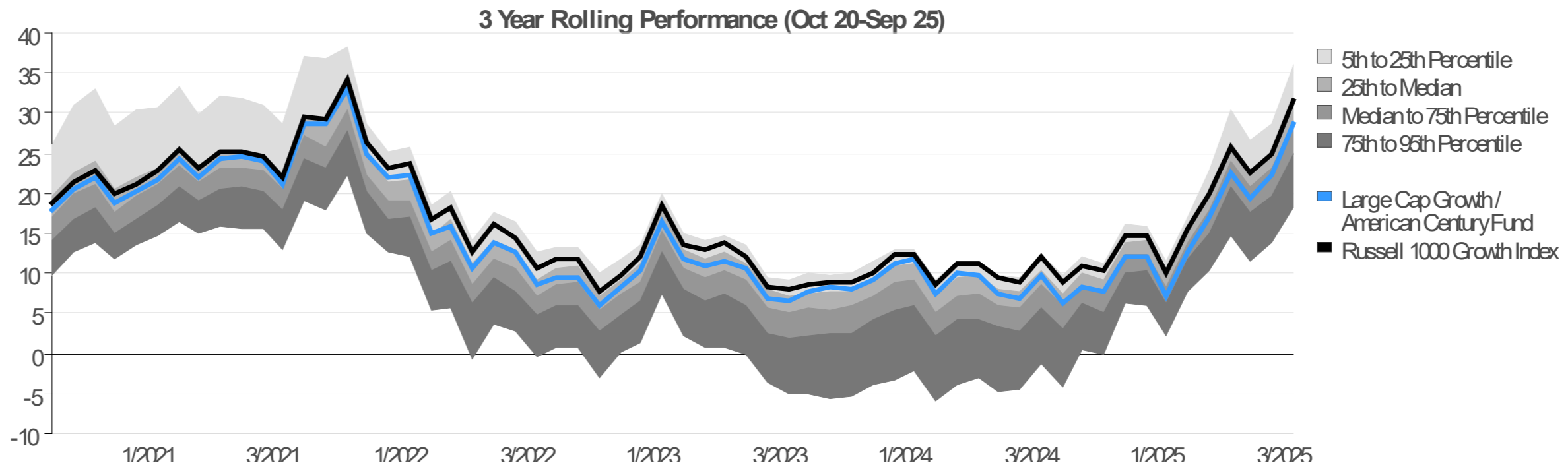


	Current		Average	
	Fund	Bnk	Fund	Bnk
Cash	0.0	0.0	0.4	0.1
Top Value	0.0	0.0	0.0	0.0
Top Growth	90.4	88.9	89.4	86.6
Mid Value	0.0	0.0	0.0	0.4
Mid Growth	9.7	11.1	10.2	12.8
Sm Value	0.0	0.0	0.0	0.1
Sm Growth	0.0	0.0	0.0	0.0

INVESTMENT OVERVIEW

The Separate Account is advised by American Century Investment Mgmt, Inc. The Fund follows a fundamental, bottom-up, risk-aware approach to security selection. The investment strategy is based on the belief that stock prices follow the underlying growth in corporate earnings, and that business improvement will be rewarded over time. The Funds objective is long-term capital growth.

PERFORMANCE



	3M	YTD	1Y	3Y	5Y	7Y	10Y	SI
Fund	10.64	14.41	20.35 / 57	28.74 / 53	15.07 / 38	16.02 / 33	17.20 / 27	Expected at position 19
Benchmark	10.51	17.24	25.53 / 21	31.61 / 25	17.58 / 8	18.10 / 10	18.83 / 10	
Peer Group Median	7.62	14.97	21.29 / 50	29.06 / 50	14.29 / 50	15.10 / 50	16.32 / 50	
Number of Funds			386	354	318	292	265	

CALENDAR	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	26.82	43.63	-31.21	27.83	35.45	35.84	-1.29	30.77	4.57
Benchmark	33.36	42.68	-29.14	27.60	38.49	36.39	-1.51	30.21	7.08
Peer Group Median	29.77	39.15	-30.72	22.51	35.34	32.82	-1.60	28.94	3.27

RISK & PERFORMANCE STATISTICS

	Fund	Benchmark	Peer Group Median
3 Yr			
Alpha	-2.21	0.00	-2.06
Beta	1.00	1.00	1.00
R-Squared	98.80	100.00	92.48
Sharpe Ratio	1.38	1.53	1.35
Up Market Capture	95.77	100.00	95.78
Down Market Capture	106.38	100.00	102.33
5 Yr			
Alpha	-2.27	0.00	-2.40
Beta	1.01	1.00	0.98
R-Squared	99.10	100.00	93.73
Sharpe Ratio	0.68	0.80	0.64
Up Market Capture	96.13	100.00	91.59
Down Market Capture	104.42	100.00	100.27

NOTES

Mid Cap Value / Integrity Fund

9/30/2025

Fund Incep Date: 05/23/2005	Benchmark: Russell Mid-Cap Value Index	Category: Mid-Cap Value	Net Assets: NA	Manager Name: Team Managed	Manager Start Date: 05/23/2005	Expense Ratio: 0.70%	Expense Rank: 33
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PORTFOLIO COMPOSITION (Holdings-based)

Assets

Cash	0.00%
US Stocks	0.00%
US Bonds	0.00%
Non-US Stocks	0.00%
Preferred Stocks	0.00%
Convertible Bonds	0.00%
Other	0.00%
Non-US Bonds	0.00%

Sector Breakdown

Sensitive

Communication Services	0.00%
Industrials	0.00%
Technology	0.00%
Energy	0.00%

Cyclical

Basic Materials	0.00%
Consumer Cyclical	0.00%
Real Estate	0.00%
Financial Services	0.00%

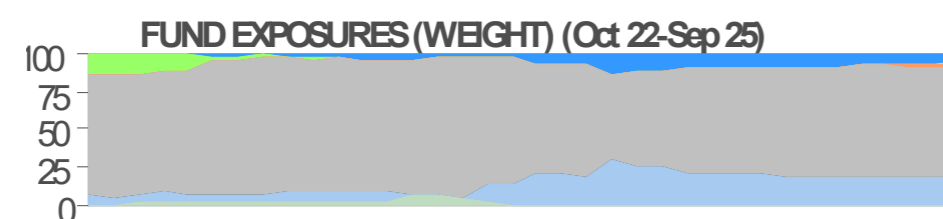
Defensive

Consumer Defensive	0.00%
Healthcare	0.00%
Utilities	0.00%

TOP 10 HOLDINGS

Total: NA%

ASSET LOADINGS (Returns-based)

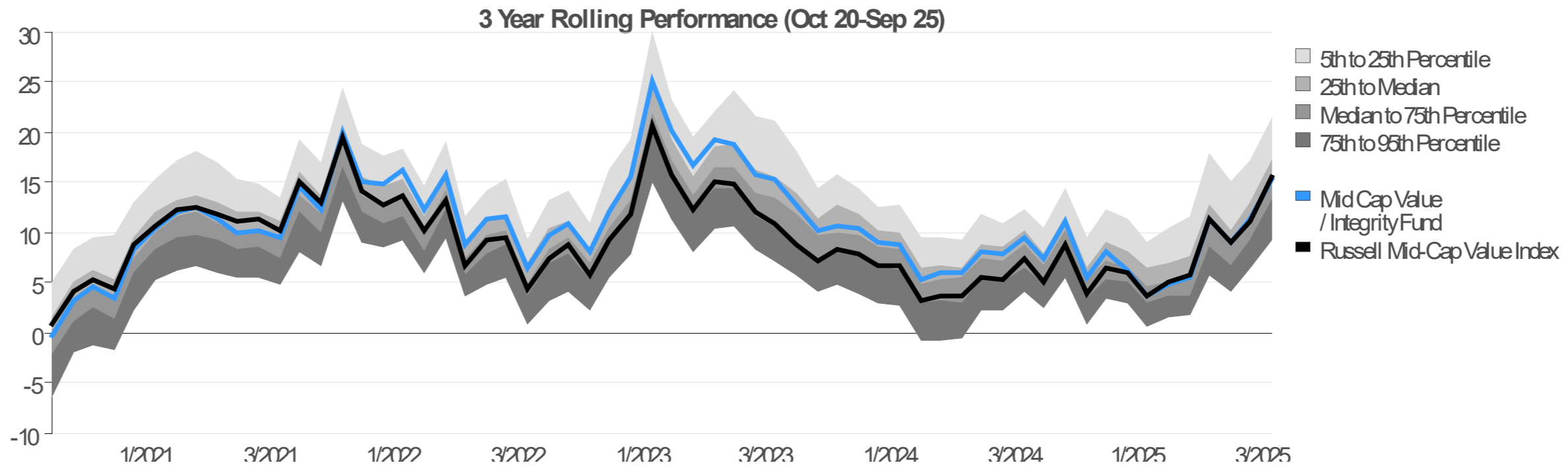


	Current		Average	
	Fund	Bnk	Fund	Bnk
Cash	0.0	0.0	1.2	0.0
Top Value	17.6	0.0	13.3	0.0
Top Growth	0.0	0.0	0.0	0.0
Mid Value	73.7	100.0	78.0	100.0
Mid Growth	1.1	0.0	0.1	0.0
Sm Value	2.0	0.0	2.3	0.0
Sm Growth	5.7	0.0	5.1	0.0

INVESTMENT OVERVIEW

The Separate Account is advised by Integrity Asset Mgmt, an investment franchise of Victory Capital Mgmt Inc. The Fund is managed pursuant to their mid-cap value investment strategy, investing primarily in the common stock of U.S. mid-capitalization companies. It seeks capital appreciation and to outperform the Russell Midcap Value Index by maintaining a diversified portfolio of mid-capitalization stocks.

PERFORMANCE



	3M	YTD	1Y	3Y	5Y	7Y	10Y	SI
Fund	6.43	9.41	6.68 / 48	15.36 / 48	15.51 / 39	9.07 / 38	10.74 / 25	Not expected at post
Benchmark	6.18	9.50	7.58 / 36	15.51 / 43	13.66 / 60	8.65 / 45	9.96 / 48	
Peer Group Median	5.79	7.78	6.48 / 50	15.13 / 50	14.50 / 50	8.45 / 50	9.91 / 50	
Number of Funds			164	143	132	126	104	

CALENDAR	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	11.93	12.65	-6.67	28.84	5.20	27.80	-14.92	16.74	20.83
Benchmark	13.07	12.71	-12.03	28.34	4.96	27.06	-12.29	13.34	20.00
Peer Group Median	11.49	12.48	-7.87	29.08	3.08	25.91	-12.87	13.85	17.65

RISK & PERFORMANCE STATISTICS

	Fund	Benchmark	Peer Group Median
3 Yr			
Alpha	0.09	0.00	-0.10
Beta	0.98	1.00	0.96
R-Squared	97.80	100.00	92.49
Sharpe Ratio	0.66	0.66	0.64
Up Market Capture	97.96	100.00	95.10
Down Market Capture	97.82	100.00	94.13
5 Yr			
Alpha	1.64	0.00	1.10
Beta	1.00	1.00	0.97
R-Squared	97.10	100.00	93.12
Sharpe Ratio	0.72	0.64	0.69
Up Market Capture	101.73	100.00	96.82
Down Market Capture	94.88	100.00	91.46

NOTES

PGIM Quant Solutions Mid Cap Index Fund (IS Platform)

9/30/2025

Fund Incep Date: 09/29/2016	Benchmark: Russell Mid-Cap Index	Category: Mid-Cap Blend	Net Assets: NA	Manager Name: Team Managed	Manager Start Date: 09/29/2016	Expense Ratio: 0.08%	Expense Rank: 7
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PORTFOLIO COMPOSITION (Holdings-based)

Assets

Cash	0.00%
US Stocks	0.00%
US Bonds	0.00%
Non-US Stocks	0.00%
Preferred Stocks	0.00%
Convertible Bonds	0.00%
Other	0.00%
Non-US Bonds	0.00%

Sector Breakdown

Sensitive

Communication Services	0.00%
Industrials	0.00%
Technology	0.00%
Energy	0.00%

Cyclical

Basic Materials	0.00%
Consumer Cyclical	0.00%
Real Estate	0.00%
Financial Services	0.00%

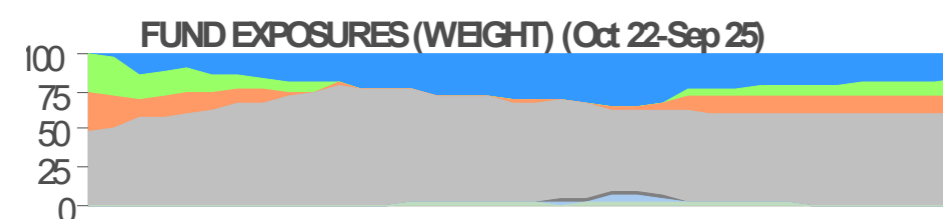
Defensive

Consumer Defensive	0.00%
Healthcare	0.00%
Utilities	0.00%

TOP 10 HOLDINGS

Total: NA%

ASSET LOADINGS (Returns-based)

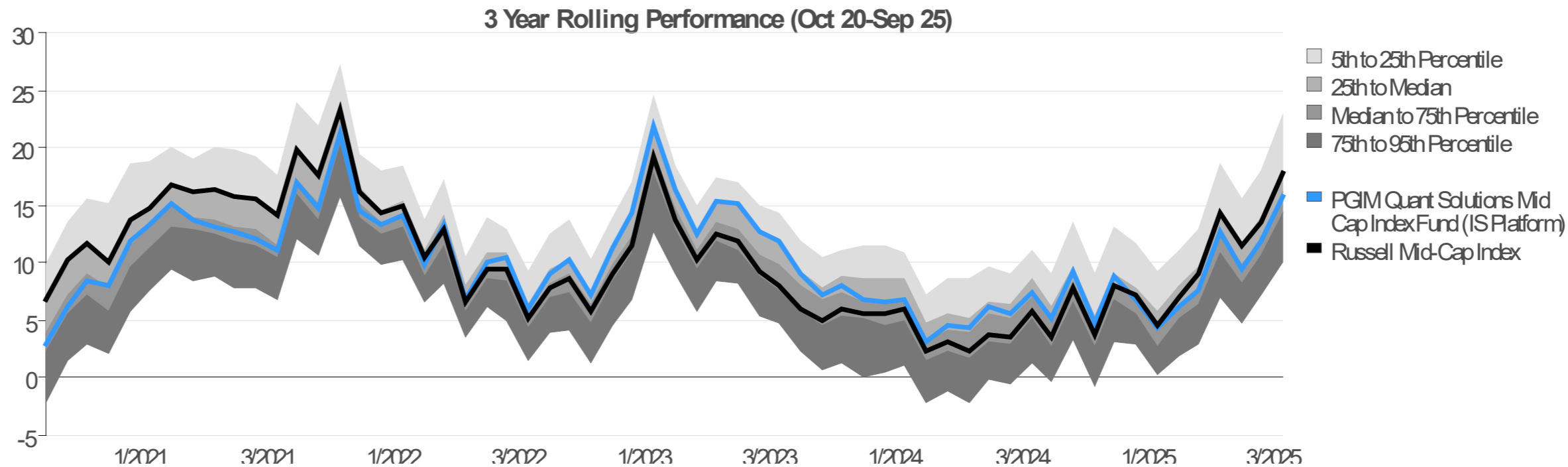


	Current		Average	
	Fund	Bnk	Fund	Bnk
Cash	0.7	0.0	1.1	0.1
Top Value	0.0	0.0	0.4	0.4
Top Growth	0.0	0.3	0.3	0.8
Mid Value	58.9	73.9	63.0	69.5
Mid Growth	13.7	25.5	7.7	28.0
Sm Value	9.8	0.1	6.3	0.7
Sm Growth	17.0	0.3	21.3	0.6

INVESTMENT OVERVIEW

To achieve the Funds investment objective, the Manager shall seek to replicate, to the extent possible, the S P MidCap 400 Index by investing substantially all of its assets in the stocks that make up the S P MidCap 400 Index, holding each stock in approximately the same proportion as its weighting in the Index.

PERFORMANCE



	3M	YTD	1Y	3Y	5Y	7Y	10Y	SI
Fund	5.48	5.63	5.96 / 61	15.69 / 57	13.47 / 30	8.73 / 59		Expected at position 2
Benchmark	5.33	10.42	11.11 / 24	17.69 / 27	12.66 / 49	10.07 / 25	11.39 / 22	
Peer Group Median	5.36	7.50	6.91 / 50	16.07 / 50	12.62 / 50	9.03 / 50	10.46 / 50	
Number of Funds			201	175	160	142	121	

CALENDAR	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	13.79	16.30	-13.10	24.60	13.70	26.12	-11.14	16.23	
Benchmark	15.34	17.23	-17.32	22.58	17.10	30.54	-9.06	18.52	13.80
Peer Group Median	13.86	16.31	-14.41	24.13	13.30	27.53	-10.62	16.95	15.37

RISK & PERFORMANCE STATISTICS

	Fund	Benchmark	Peer Group Median
3 Yr			
Alpha	-2.35	0.00	-1.32
Beta	1.06	1.00	1.00
R-Squared	97.28	100.00	93.53
Sharpe Ratio	0.64	0.78	0.69
Up Market Capture	103.20	100.00	97.99
Down Market Capture	113.95	100.00	103.84
5 Yr			
Alpha	0.51	0.00	0.24
Beta	1.04	1.00	0.99
R-Squared	96.78	100.00	93.09
Sharpe Ratio	0.61	0.59	0.59
Up Market Capture	104.31	100.00	99.08
Down Market Capture	102.02	100.00	97.41

NOTES

Mid Cap Growth I Fund (mgd by Ivy) (Watch List)

9/30/2025

Fund Incep Date: 06/30/2004	Benchmark: Russell Mid-Cap Growth Index	Category: Mid-Cap Growth	Net Assets: NA	Manager Name: Team Managed	Manager Start Date: 06/30/2004	Expense Ratio: 0.77%	Expense Rank: 20
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PORTFOLIO COMPOSITION (Holdings-based)

Assets

Cash	0.00%
US Stocks	0.00%
US Bonds	0.00%
Non-US Stocks	0.00%
Preferred Stocks	0.00%
Convertible Bonds	0.00%
Other	0.00%
Non-US Bonds	0.00%

Sector Breakdown

Sensitive

Communication Services	0.00%
Industrials	0.00%
Technology	0.00%
Energy	0.00%

Cyclical

Basic Materials	0.00%
Consumer Cyclical	0.00%
Real Estate	0.00%
Financial Services	0.00%

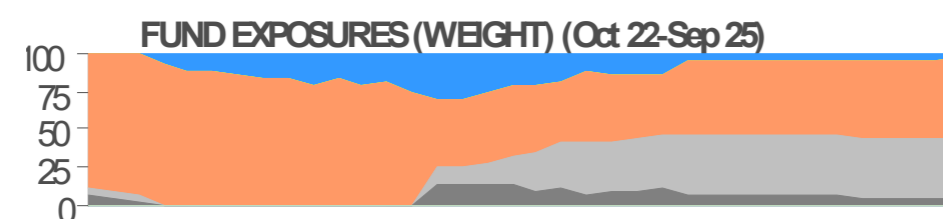
Defensive

Consumer Defensive	0.00%
Healthcare	0.00%
Utilities	0.00%

TOP 10 HOLDINGS

Total: NA%

ASSET LOADINGS (Returns-based)

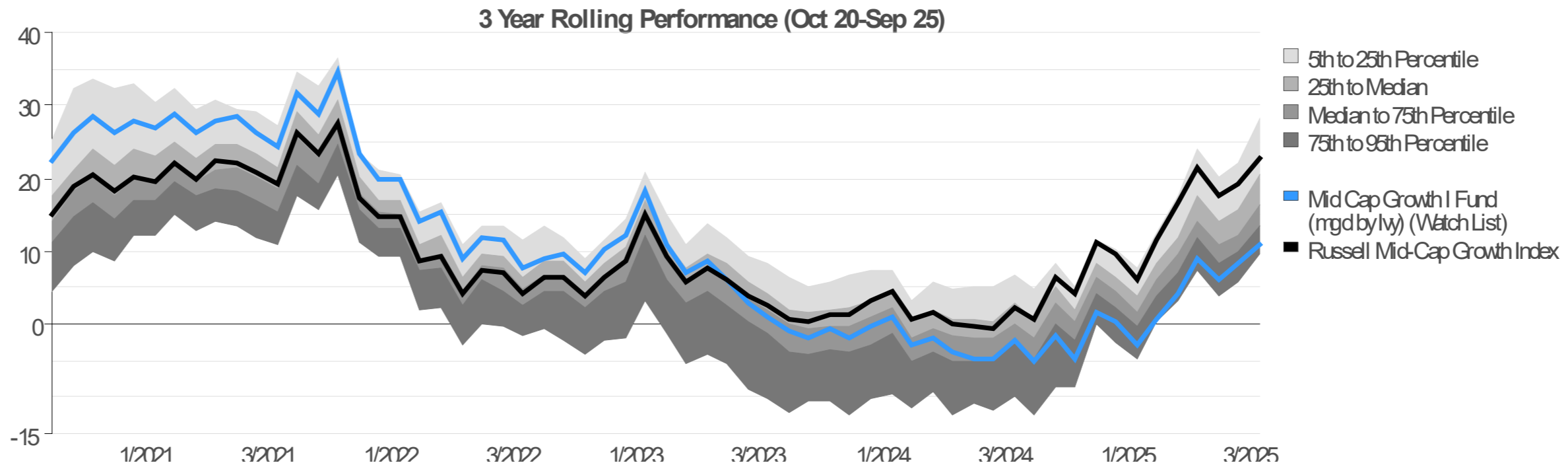


	Current		Average	
	Fund	Bnk	Fund	Bnk
Cash	0.0	0.0	0.0	0.0
Top Value	0.0	0.0	0.0	0.0
Top Growth	4.9	0.0	5.4	0.0
Mid Value	40.1	0.0	20.5	0.0
Mid Growth	51.7	100.0	61.9	100.0
Sm Value	0.1	0.0	0.0	0.0
Sm Growth	3.2	0.0	12.2	0.0

INVESTMENT OVERVIEW

The Separate Account aims to outperform the Russell Midcap Growth Index, over a complete market cycle, by investing primarily in common stocks of mid cap companies that Ivy Investment Mgmt Company (IICO), the Funds investment manager, believes to offer above-average growth potential.

PERFORMANCE



	3M	YTD	1Y	3Y	5Y	7Y	10Y	SI
Fund	2.98	4.88	0.89 / 86	11.04 / 91	4.82 / 80	8.89 / 53	11.98 / 38	Not expected at position
Benchmark	2.78	12.84	22.02 / 19	22.85 / 12	11.26 / 15	12.00 / 15	13.37 / 12	
Peer Group Median	3.54	7.78	11.23 / 50	16.30 / 50	8.16 / 50	8.99 / 50	11.22 / 50	
Number of Funds			164	152	139	130	121	

CALENDAR	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	2.43	20.16	-30.14	16.74	50.09	38.91	1.53	27.06	6.27
Benchmark	22.10	25.87	-26.72	12.73	35.59	35.47	-4.75	25.27	7.33
Peer Group Median	15.09	20.96	-28.14	12.67	34.84	33.08	-5.68	24.79	5.71

RISK & PERFORMANCE STATISTICS

	Fund	Benchmark	Peer Group Median
3 Yr			
Alpha	-9.54	0.00	-3.80
Beta	0.97	1.00	0.93
R-Squared	88.60	100.00	88.12
Sharpe Ratio	0.40	0.95	0.67
Up Market Capture	81.39	100.00	85.10
Down Market Capture	123.13	100.00	99.55
5 Yr			
Alpha	-5.72	0.00	-2.23
Beta	0.98	1.00	0.96
R-Squared	92.13	100.00	91.42
Sharpe Ratio	0.19	0.48	0.34
Up Market Capture	89.02	100.00	89.31
Down Market Capture	110.91	100.00	99.50

NOTES

Small Cap Value / Kennedy Capital Fund

9/30/2025

Fund Incep Date: 01/29/2001	Benchmark: Russell 2000 Value Index	Category: Small Value	Net Assets: NA	Manager Name: Team Managed	Manager Start Date: 01/29/2001	Expense Ratio: 0.86%	Expense Rank: 33
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PORTFOLIO COMPOSITION (Holdings-based)

Assets

Cash	0.00%
US Stocks	0.00%
US Bonds	0.00%
Non-US Stocks	0.00%
Preferred Stocks	0.00%
Convertible Bonds	0.00%
Other	0.00%
Non-US Bonds	0.00%

Sector Breakdown

Sensitive

Communication Services	0.00%
Industrials	0.00%
Technology	0.00%
Energy	0.00%

Cyclical

Basic Materials	0.00%
Consumer Cyclical	0.00%
Real Estate	0.00%
Financial Services	0.00%

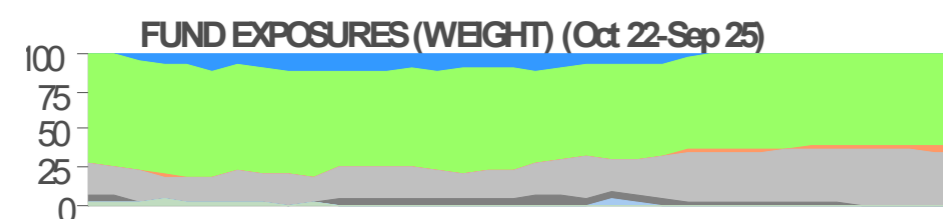
Defensive

Consumer Defensive	0.00%
Healthcare	0.00%
Utilities	0.00%

TOP 10 HOLDINGS

Total: NA%

ASSET LOADINGS (Returns-based)

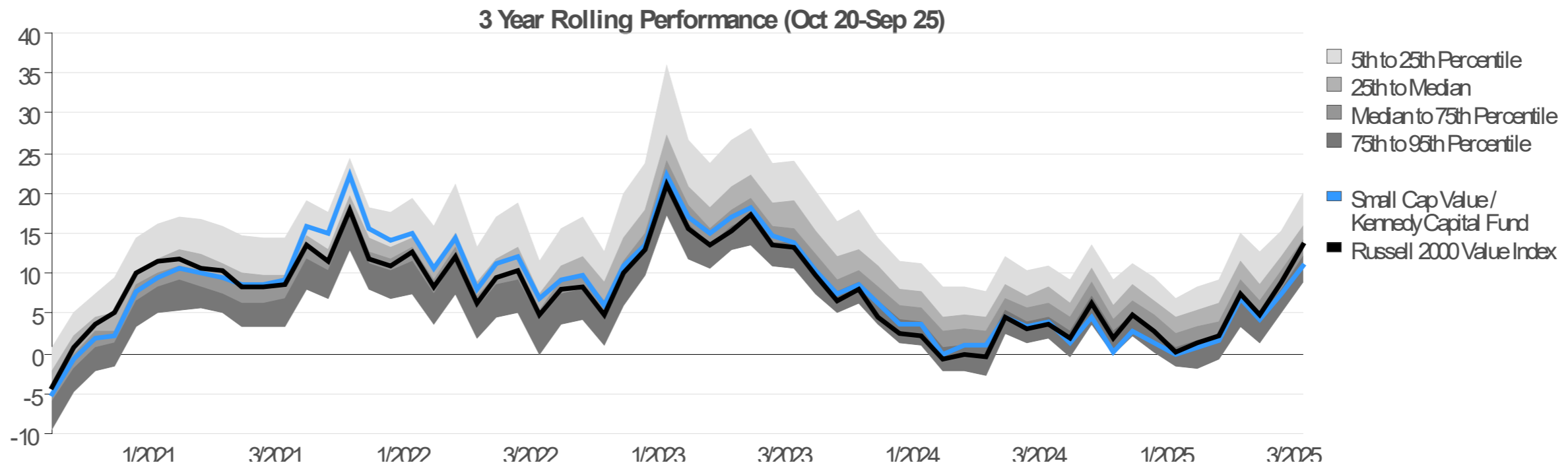


	Current		Average	
	Fund	Bnk	Fund	Bnk
Cash	0.2	0.0	0.8	0.0
Top Value	0.0	0.0	0.2	0.0
Top Growth	0.0	0.0	2.4	0.0
Mid Value	35.6	0.0	25.2	0.0
Mid Growth	3.6	0.0	0.9	0.0
Sm Value	60.7	100.0	64.8	100.0
Sm Growth	0.0	0.0	5.7	0.0

INVESTMENT OVERVIEW

The Separate Account is advised by Kennedy Capital Mgmt. The Fund is managed pursuant to its extended small-cap value investment strategy, investing primarily in the common stock of U.S. small capitalization companies that are viewed by Kennedy as overlooked by the marketplace.

PERFORMANCE



	3M	YTD	1Y	3Y	5Y	7Y	10Y	SI
Fund	7.05	3.84	3.30 / 67	10.94 / 84	13.68 / 72	6.05 / 76	8.18 / 74	Not expected at position
Benchmark	12.60	9.04	7.88 / 20	13.56 / 54	14.59 / 61	6.40 / 66	9.23 / 48	
Peer Group Median	8.30	5.06	5.28 / 50	14.04 / 50	15.06 / 50	7.12 / 50	9.16 / 50	
Number of Funds			177	166	157	147	136	

CALENDAR	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	9.28	12.21	-18.03	38.73	5.07	25.39	-19.88	13.06	22.78
Benchmark	8.05	14.65	-14.48	28.27	4.63	22.39	-12.86	7.84	31.74
Peer Group Median	9.06	16.21	-10.66	30.65	3.53	22.26	-14.49	8.97	25.85

RISK & PERFORMANCE STATISTICS

	Fund	Benchmark	Peer Group Median
3 Yr			
Alpha	-1.64	0.00	0.98
Beta	0.89	1.00	0.92
R-Squared	97.21	100.00	93.75
Sharpe Ratio	0.39	0.48	0.51
Up Market Capture	87.90	100.00	93.37
Down Market Capture	94.52	100.00	91.59
5 Yr			
Alpha	-0.04	0.00	1.50
Beta	0.92	1.00	0.93
R-Squared	96.21	100.00	93.31
Sharpe Ratio	0.58	0.59	0.65
Up Market Capture	91.23	100.00	94.81
Down Market Capture	92.71	100.00	91.72

NOTES

Vanguard Small Cap Index Admiral Shares VSMAX

9/30/2025

Fund Incep Date: 11/13/2000	Benchmark: Russell 2000 Index	Category: Small Blend	Net Assets: \$162,358.00M	Manager Name: Gerard C. O'Reilly	Manager Start Date: 04/27/2016	Expense Ratio: 0.05%	Expense Rank: 4
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PORTFOLIO COMPOSITION (Holdings-based)

Assets



Sector Breakdown

Sensitive

Communication Services	3.53%
Industrials	19.87%
Technology	16.43%
Energy	3.70%

Cyclical

Basic Materials	3.80%
Consumer Cyclical	12.99%
Real Estate	7.70%
Financial Services	13.86%

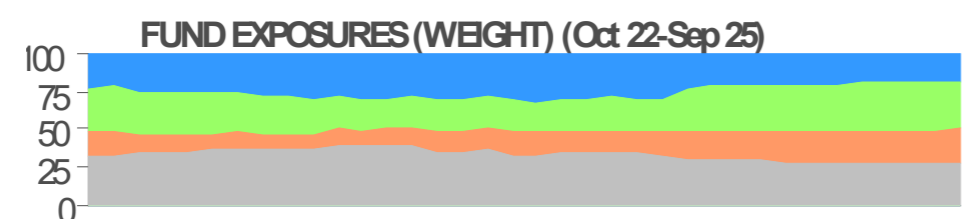
Defensive

Consumer Defensive	4.01%
Healthcare	10.82%
Utilities	3.30%

TOP 10 HOLDINGS

SoFi Technologies Inc Ordinary Shares	0.43%
NRG Energy Inc	0.42%
EMCOR Group Inc	0.41%
Atmos Energy Corp	0.39%
Reddit Inc Class A Shares	0.39%
PTC Inc	0.38%
Comfort Systems USA Inc	0.37%
Inmed Inc	0.37%
Smurfit WestRock PLC	0.37%
Pure Storage Inc Class A	0.36%
Total:	3.90%

ASSET LOADINGS (Returns-based)

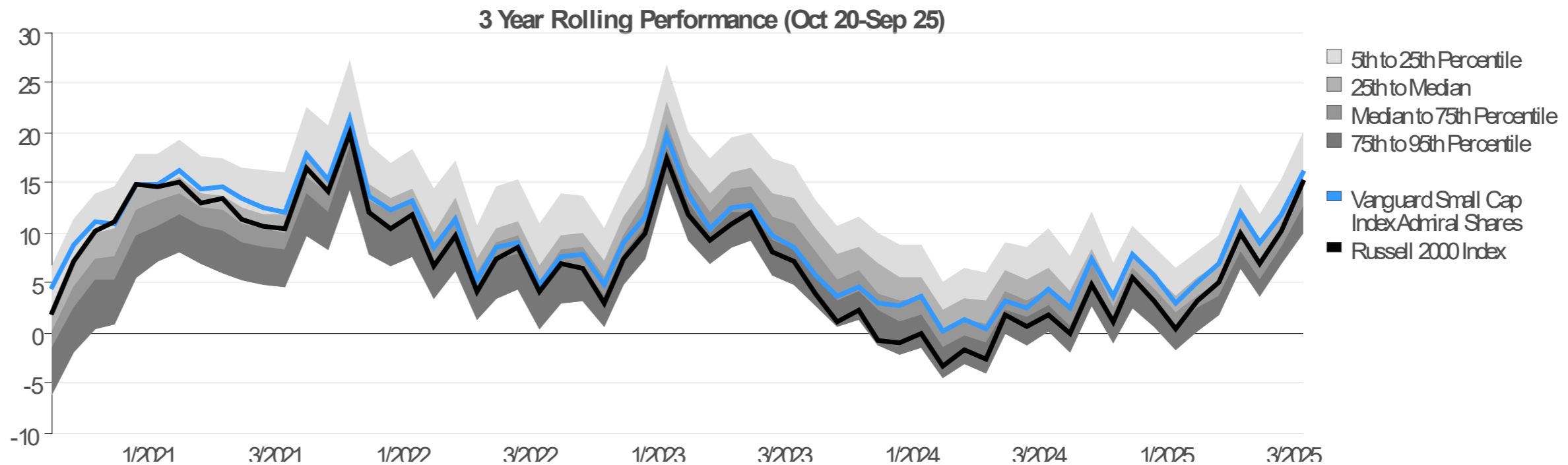


	Current		Average	
	Fund	Bnk	Fund	Bnk
Cash	0.0	0.0	0.0	0.0
Top Value	0.0	0.0	0.0	0.0
Top Growth	0.0	0.0	0.0	0.1
Mid Value	28.2	0.0	33.5	0.1
Mid Growth	21.8	0.0	15.3	0.1
Sm Value	31.7	49.4	25.7	50.0
Sm Growth	18.3	50.5	25.5	49.8

INVESTMENT OVERVIEW

The investment seeks to track the performance of the CRSP US Small Cap Index that measures the investment return of small-capitalization stocks. The fund advisor employs an indexing investment approach designed to track the performance of the CRSP US Small Cap Index, a broadly diversified index of stocks of small U.S. companies. The advisor attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index.

PERFORMANCE



	3M	YTD	1Y	3Y	5Y	7Y	10Y	SI
Fund	7.57	6.89	8.67 / 32	15.94 / 26	12.21 / 59	8.18 / 29	10.57 / 22	9.23
Benchmark	12.39	10.39	10.76 / 18	15.21 / 43	11.56 / 73	6.76 / 60	9.77 / 44	
Peer Group Median	8.66	6.73	6.02 / 50	14.73 / 50	12.64 / 50	7.22 / 50	9.64 / 50	
Number of Funds			255	231	220	205	179	

CALENDAR	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	14.23	18.20	-17.61	17.73	19.11	27.37	-9.31	16.24	18.30
Benchmark	11.54	16.93	-20.44	14.82	19.96	25.52	-11.01	14.65	21.31
Peer Group Median	11.06	16.90	-16.51	23.80	13.04	24.38	-11.92	13.19	20.71

RISK & PERFORMANCE STATISTICS

	Fund	Benchmark	Peer Group Median
3 Yr			
Alpha	1.54	0.00	0.45
Beta	0.89	1.00	0.91
R-Squared	96.53	100.00	94.92
Sharpe Ratio	0.62	0.55	0.56
Up Market Capture	92.48	100.00	91.55
Down Market Capture	88.72	100.00	91.34
5 Yr			
Alpha	1.26	0.00	1.74
Beta	0.90	1.00	0.90
R-Squared	96.72	100.00	93.36
Sharpe Ratio	0.53	0.48	0.54
Up Market Capture	93.42	100.00	95.00
Down Market Capture	90.76	100.00	90.11

NOTES

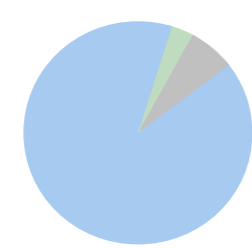
Small Cap Growth/TimesSquare SP

9/30/2025

Fund Incep Date: 12/04/1997	Benchmark: Russell 2000 Growth Index	Category: Small Growth	Net Assets: NA	Manager Name: Management Team	Manager Start Date: 12/04/1997	Expense Ratio: 0.90%	Expense Rank: 18
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PORTFOLIO COMPOSITION (Holdings-based)

Assets



Cash	3.48%
US Stocks	90.28%
US Bonds	0.00%
Non-US Stocks	6.24%
Preferred Stocks	0.00%
Convertible Bonds	0.00%
Other	0.00%
Non-US Bonds	0.00%

Sector Breakdown

Sensitive

Communication Services	0.00%
Industrials	0.00%
Technology	0.00%
Energy	0.00%

Cyclical

Basic Materials	0.00%
Consumer Cyclical	0.00%
Real Estate	0.00%
Financial Services	0.00%

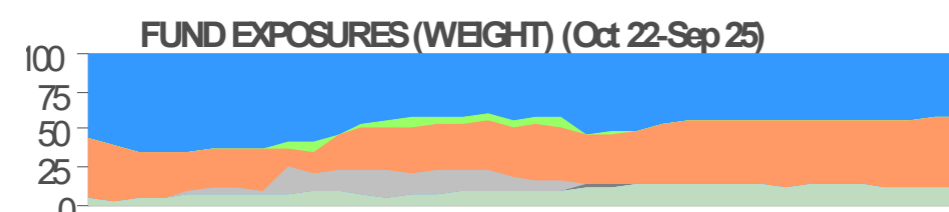
Defensive

Consumer Defensive	0.00%
Healthcare	0.00%
Utilities	0.00%

TOP 10 HOLDINGS

Total: NA%

ASSET LOADINGS (Returns-based)

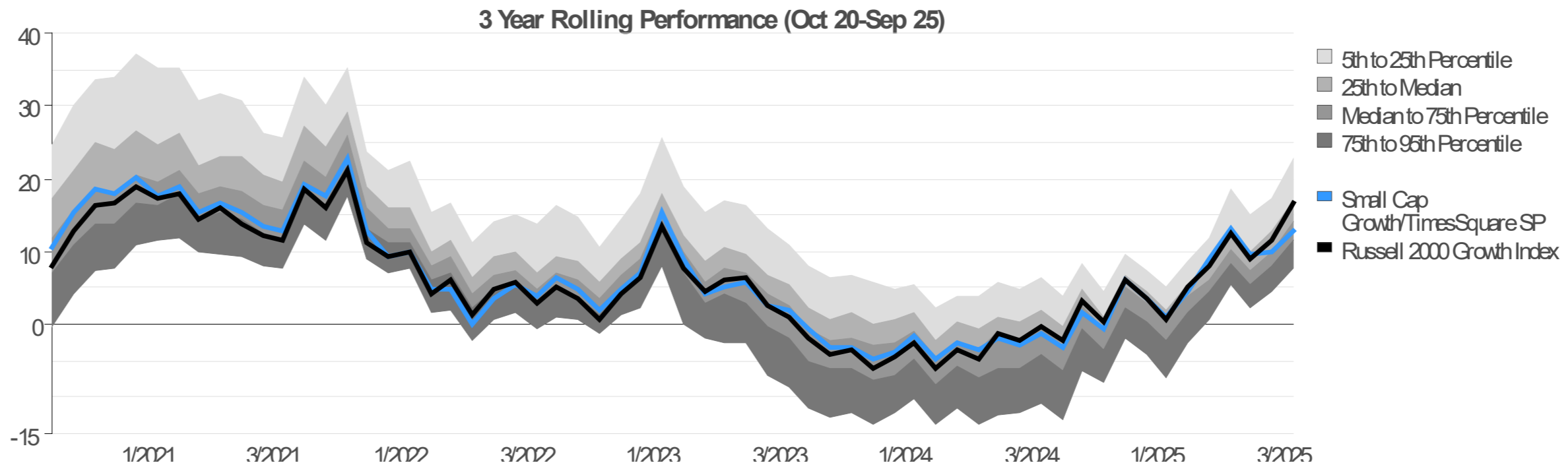


	Current		Average	
	Fund	Bnk	Fund	Bnk
Cash	12.8	0.0	9.6	0.0
Top Value	0.0	0.0	0.0	0.0
Top Growth	0.0	0.0	0.1	0.0
Mid Value	0.0	0.0	5.0	0.0
Mid Growth	44.6	0.0	34.2	0.0
Sm Value	0.0	0.0	1.7	0.0
Sm Growth	42.6	100.0	49.4	100.0

INVESTMENT OVERVIEW

The Separate Account (the Fund) is advised by TimesSquare Capital Management, LLC following their Small Capitalization Growth strategy. It seeks to achieve longterm capital appreciation.

PERFORMANCE



	3M	YTD	1Y	3Y	5Y	7Y	10Y	SI
Fund	2.13	2.54	6.98 / 49	12.89 / 59	6.44 / 64	5.75 / 71	9.46 / 70	Not expected at position
Benchmark	12.19	11.65	13.56 / 23	16.68 / 29	8.41 / 45	6.62 / 55	9.91 / 57	
Peer Group Median	7.52	6.72	6.75 / 50	14.06 / 50	7.89 / 50	6.75 / 50	10.13 / 50	
Number of Funds			160	157	151	144	131	

CALENDAR	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	15.11	16.25	-26.49	6.44	35.08	28.87	-3.85	21.08	9.41
Benchmark	15.15	18.66	-26.36	2.83	34.63	28.48	-9.31	22.17	11.32
Peer Group Median	13.76	17.13	-28.12	11.08	36.57	28.05	-4.98	21.78	10.52

RISK & PERFORMANCE STATISTICS

	Fund	Benchmark	Peer Group Median
3 Yr			
Alpha	-1.50	0.00	-1.21
Beta	0.81	1.00	0.89
R-Squared	91.93	100.00	90.96
Sharpe Ratio	0.50	0.61	0.53
Up Market Capture	73.74	100.00	84.46
Down Market Capture	78.42	100.00	89.84
5 Yr			
Alpha	-1.31	0.00	0.03
Beta	0.87	1.00	0.91
R-Squared	92.72	100.00	90.81
Sharpe Ratio	0.26	0.34	0.33
Up Market Capture	83.11	100.00	89.63
Down Market Capture	89.19	100.00	91.76

NOTES

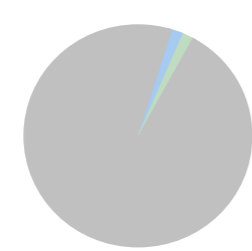
Vanguard Total Intl Stock Index Admiral VTIAX

9/30/2025

Fund Incep Date: 11/29/2010	Benchmark: MSCI EAFE	Category: Foreign Large Blend	Net Assets: \$545,534.00M	Manager Name: Michael Perre	Manager Start Date: 08/05/2008	Expense Ratio: 0.09%	Expense Rank: 6
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PORTFOLIO COMPOSITION (Holdings-based)

Assets



Cash	2.11%
US Stocks	0.80%
US Bonds	0.00%
Non-US Stocks	96.92%
Preferred Stocks	0.01%
Convertible Bonds	0.00%
Other	0.16%
Non-US Bonds	0.00%

Sector Breakdown

Sensitive

Communication Services	5.99%
Industrials	15.93%
Technology	13.37%
Energy	4.55%

Cyclical

Basic Materials	6.80%
Consumer Cyclical	10.18%
Real Estate	2.94%
Financial Services	23.20%

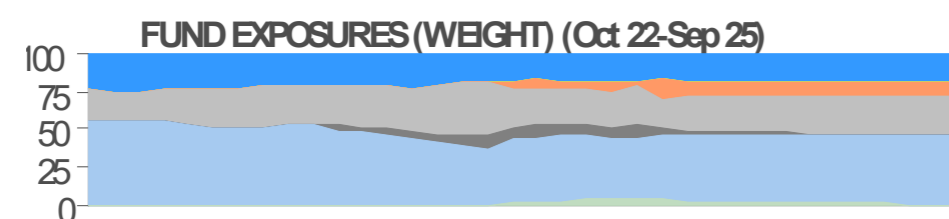
Defensive

Consumer Defensive	6.01%
Healthcare	8.01%
Utilities	3.03%

TOP 10 HOLDINGS

Taiwan Semiconductor Manufacturing Co Ltd	2.48%
Tencent Holdings Ltd	1.31%
Alibaba Group Holding Ltd Ordinary Shares	0.81%
ASML Holding NV	0.80%
SAP SE	0.76%
AstraZeneca PLC	0.65%
Nestle SA	0.65%
Novartis AG Registered Shares	0.64%
Samsung Electronics Co Ltd	0.64%
Roche Holding AG	0.62%
Total:	9.36%

ASSET LOADINGS (Returns-based)

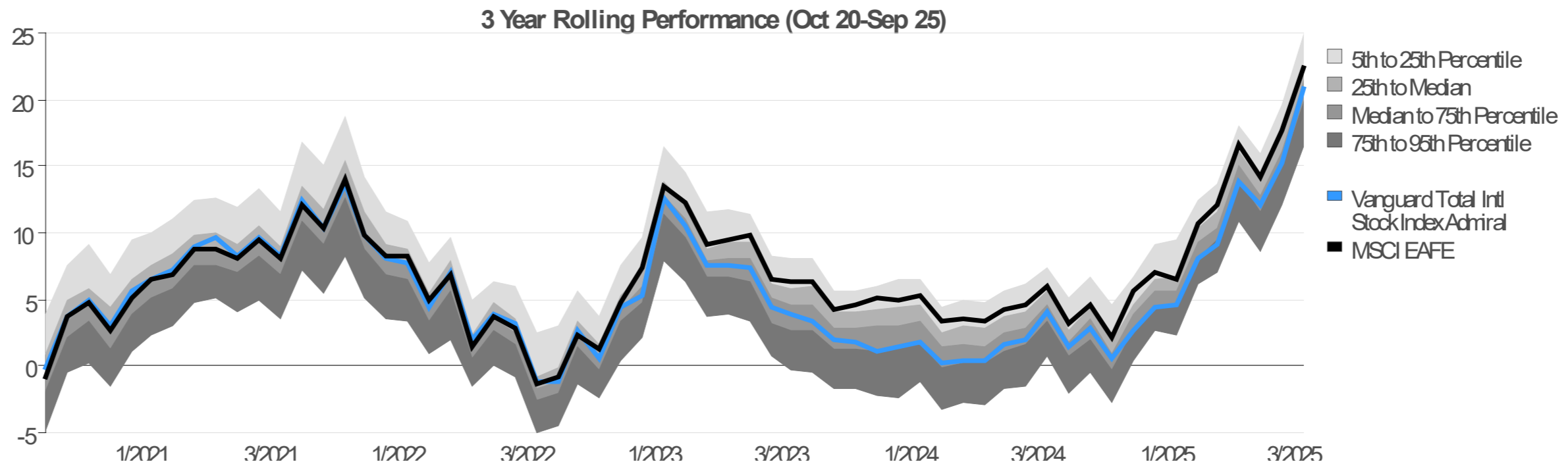


	Current		Average	
	Fund	Bnk	Fund	Bnk
Cash	0.7	2.7	1.3	2.7
Europe Lg	45.4	65.4	46.2	65.7
Europe Sm	0.1	1.9	3.0	1.9
AsiaPac Lg	26.6	30.0	25.2	28.9
AsiaPac Sm	7.4	0.0	4.2	0.5
Emg Europe	0.0	0.0	0.0	0.0
Emg Asia	19.7	0.0	20.2	0.3

INVESTMENT OVERVIEW

The investment seeks to track the performance of a benchmark index that measures the investment return of stocks issued by companies located in developed and emerging markets, excluding the United States. The manager employs an indexing investment approach designed to track the performance of the FTSE Global All Cap ex US Index, a float-adjusted market-capitalization-weighted index designed to measure equity market performance of companies located in developed and emerging markets, excluding the United States. The fund invests all, or substantially all, of its assets in the common stocks included in its target index.

PERFORMANCE



	3M	YTD	1Y	3Y	5Y	7Y	10Y	SI
Fund	6.96	26.48	17.10 / 39	20.77 / 59	10.38 / 57	7.64 / 53	8.32 / 41	6.30
Benchmark	4.83	25.72	15.58 / 57	22.33 / 26	11.71 / 22	8.25 / 26	8.70 / 28	
Peer Group Median	5.14	25.67	15.99 / 50	21.26 / 50	10.57 / 50	7.70 / 50	8.15 / 50	
Number of Funds			273	252	233	208	171	

CALENDAR	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	5.14	15.52	-16.01	8.62	11.28	21.51	-14.43	27.55	4.67
Benchmark	4.35	18.85	-14.01	11.78	8.28	22.66	-13.36	25.62	1.51
Peer Group Median	4.68	17.01	-15.71	10.77	9.24	21.94	-14.38	25.45	1.13

RISK & PERFORMANCE STATISTICS

3 Yr	Fund	Benchmark	Peer Group Median
Alpha	-1.04	0.00	-0.97
Beta	0.99	1.00	1.01
R-Squared	92.03	100.00	92.87
Sharpe Ratio	1.10	1.22	1.11
Up Market Capture	93.69	100.00	96.46
Down Market Capture	96.35	100.00	99.58

5 Yr	Fund	Benchmark	Peer Group Median
Alpha	-0.69	0.00	-0.79
Beta	0.94	1.00	0.98
R-Squared	94.02	100.00	93.98
Sharpe Ratio	0.53	0.59	0.52
Up Market Capture	90.13	100.00	95.63
Down Market Capture	93.22	100.00	100.56

NOTES

International Blend Fund (sub-advised by Wellington Mgmt)

9/30/2025

Fund Incep Date: 02/24/2003	Benchmark: MSCI EAFE	Category: Foreign Large Blend	Net Assets: NA	Manager Name: Team Managed	Manager Start Date: 02/24/2003	Expense Ratio: 0.78%	Expense Rank: 51
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PORTFOLIO COMPOSITION (Holdings-based)

Assets

Cash	0.00%
US Stocks	0.00%
US Bonds	0.00%
Non-US Stocks	0.00%
Preferred Stocks	0.00%
Convertible Bonds	0.00%
Other	0.00%
Non-US Bonds	0.00%

Sector Breakdown

Sensitive

Communication Services	0.00%
Industrials	0.00%
Technology	0.00%
Energy	0.00%

Cyclical

Basic Materials	0.00%
Consumer Cyclical	0.00%
Real Estate	0.00%
Financial Services	0.00%

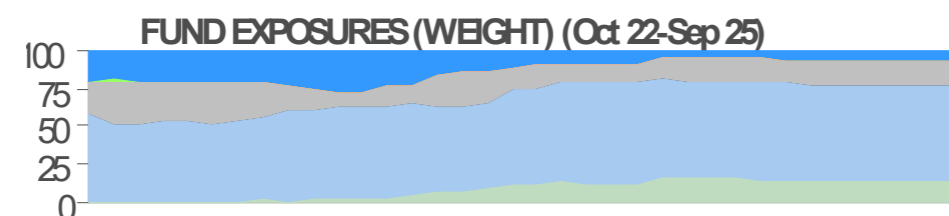
Defensive

Consumer Defensive	0.00%
Healthcare	0.00%
Utilities	0.00%

TOP 10 HOLDINGS

Total: NA%

ASSET LOADINGS (Returns-based)

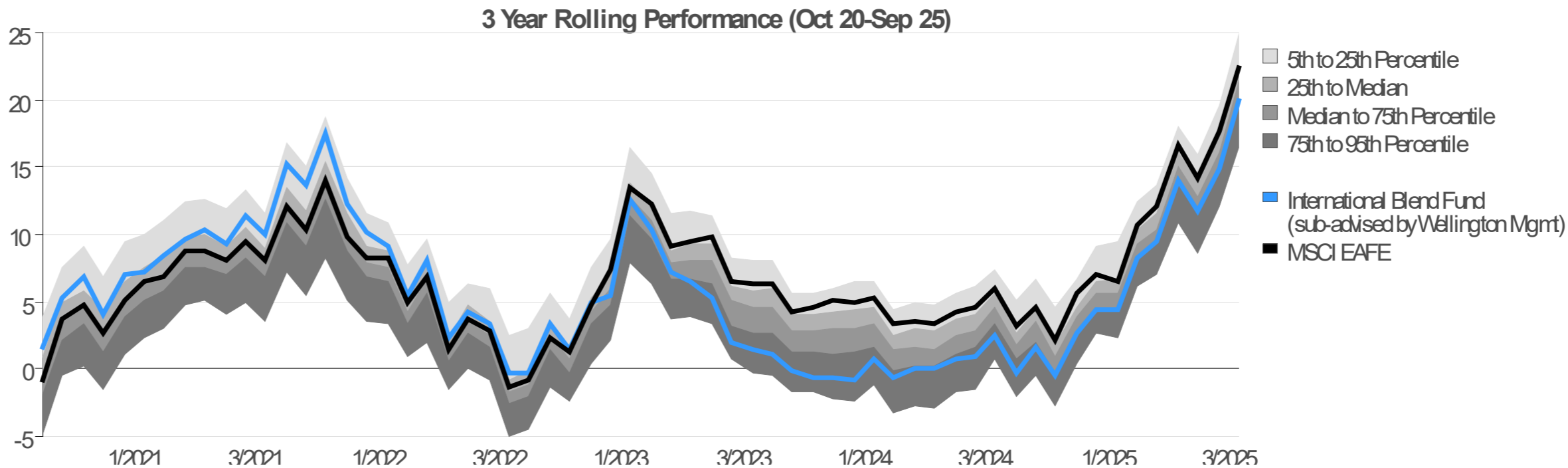


	Current		Average	
	Fund	Bnk	Fund	Bnk
Cash	13.3	2.7	8.3	2.7
Europe Lg	63.8	65.4	60.4	65.7
Europe Sm	0.0	1.9	0.0	1.9
AsiaPac Lg	16.3	30.0	17.4	28.9
AsiaPac Sm	0.0	0.0	0.0	0.5
Emg Europe	0.0	0.0	0.1	0.0
Emg Asia	6.7	0.0	13.7	0.3

INVESTMENT OVERVIEW

The Separate Account seeks to provide long-term total returns in excess of the MSCI All Country World ex US Index. The investment approach is driven by intensive fundamental research focused on companies with unique assets where opportunities to improve returns are misunderstood by the marketplace. The Fund is opportunistic in its stock selection, embracing ideas across the style spectrum, producing core-like characteristics over time.

PERFORMANCE



	3M	YTD	1Y	3Y	5Y	7Y	10Y	SI
Fund	5.01	24.14	16.81 / 42	19.89 / 73	8.99 / 79	7.65 / 52	7.65 / 72	Expected at position
Benchmark	4.83	25.72	15.58 / 57	22.33 / 26	11.71 / 22	8.25 / 26	8.70 / 28	
Peer Group Median	5.14	25.67	15.99 / 50	21.26 / 50	10.57 / 50	7.70 / 50	8.15 / 50	
Number of Funds			273	252	233	208	171	

CALENDAR	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	8.02	12.10	-18.68	7.34	19.66	26.10	-18.97	24.94	1.11
Benchmark	4.35	18.85	-14.01	11.78	8.28	22.66	-13.36	25.62	1.51
Peer Group Median	4.68	17.01	-15.71	10.77	9.24	21.94	-14.38	25.45	1.13

RISK & PERFORMANCE STATISTICS

	Fund	Benchmark	Peer Group Median
3 Yr			
Alpha	-1.15	0.00	-0.97
Beta	0.94	1.00	1.01
R-Squared	91.53	100.00	92.87
Sharpe Ratio	1.08	1.22	1.11
Up Market Capture	89.29	100.00	96.46
Down Market Capture	92.22	100.00	99.58
5 Yr			
Alpha	-1.79	0.00	-0.79
Beta	0.92	1.00	0.98
R-Squared	92.23	100.00	93.98
Sharpe Ratio	0.45	0.59	0.52
Up Market Capture	86.92	100.00	95.63
Down Market Capture	95.81	100.00	100.56

NOTES

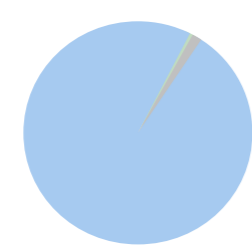
Real Estate/Cohen & Steers SP

9/30/2025

Fund Incep Date: 05/17/2007	Benchmark: MSCI US REIT	Category: Real Estate	Net Assets: NA	Manager Name: Management Team	Manager Start Date: 05/17/2007	Expense Ratio: 0.65%	Expense Rank: 39
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PORTFOLIO COMPOSITION (Holdings-based)

Assets



Cash	1.34%
US Stocks	97.54%
US Bonds	0.00%
Non-US Stocks	1.12%
Preferred Stocks	0.00%
Convertible Bonds	0.00%
Other	0.00%
Non-US Bonds	0.00%

Sector Breakdown

Sensitive

Communication Services	0.00%
Industrials	0.00%
Technology	0.00%
Energy	0.00%

Cyclical

Basic Materials	0.00%
Consumer Cyclical	0.00%
Real Estate	0.00%
Financial Services	0.00%

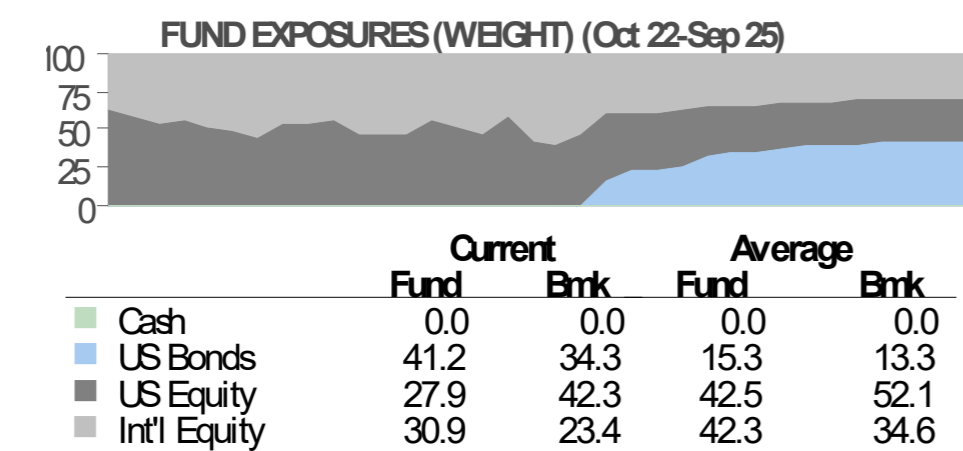
Defensive

Consumer Defensive	0.00%
Healthcare	0.00%
Utilities	0.00%

TOP 10 HOLDINGS

Total: NA%

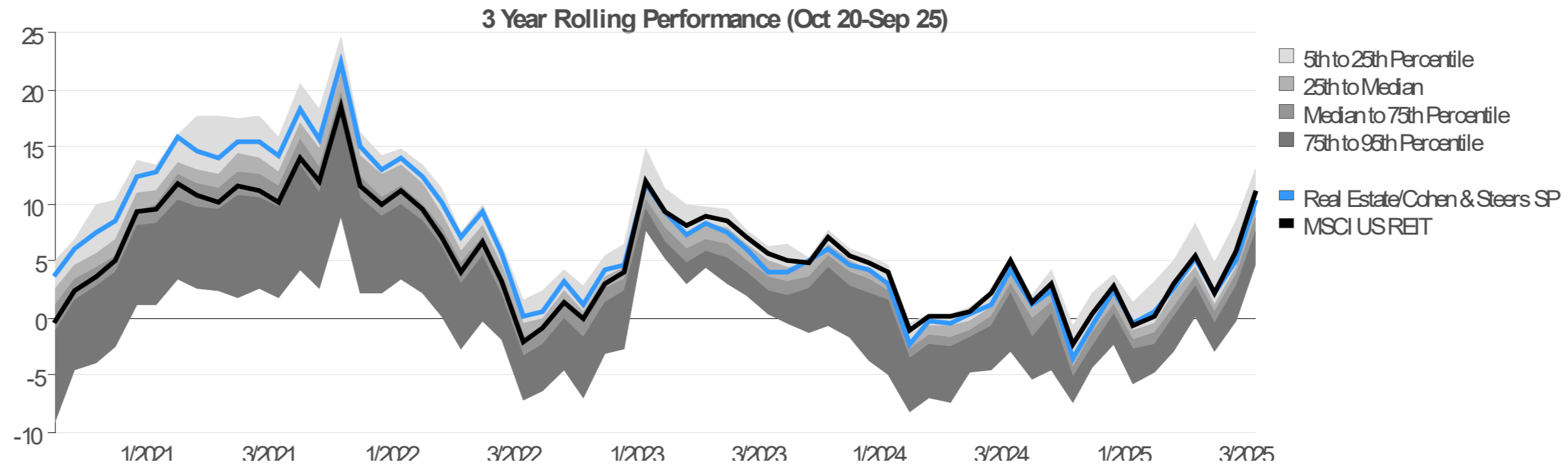
ASSET LOADINGS (Returns-based)



INVESTMENT OVERVIEW

The Separate Account is advised by Cohen Steers Capital Management, Inc. The investment objective of the Fund is total return through investment in real estate securities. In pursuing total return, the Fund emphasizes both capital appreciation and current income.

PERFORMANCE



	3M	YTD	1Y	3Y	5Y	7Y	10Y	SI
Fund	1.53	5.62	-3.38 / 42	10.08 / 19	8.30 / 23	7.21 / 12	7.83 / 3	6.87
Benchmark	4.81	4.72	-1.69 / 18	10.87 / 13	9.30 / 6	6.14 / 30	6.61 / 26	
Peer Group Median	2.62	3.81	-3.88 / 50	8.63 / 50	7.16 / 50	5.67 / 50	5.98 / 50	
Number of Funds			92	84	73	71	60	

CALENDAR	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	7.15	13.29	-26.06	42.15	-1.51	31.15	-3.90	8.42	8.21
Benchmark	8.75	13.74	-24.51	43.06	-7.57	25.84	-4.57	5.07	8.60
Peer Group Median	5.52	11.87	-26.11	41.23	-5.01	26.86	-5.53	5.29	6.79

RISK & PERFORMANCE STATISTICS

	Fund	Benchmark	Peer Group Median
3 Yr			
Alpha	-0.53	0.00	-1.92
Beta	0.97	1.00	0.99
R-Squared	94.08	100.00	96.30
Sharpe Ratio	0.37	0.42	0.30
Up Market Capture	92.97	100.00	92.09
Down Market Capture	94.84	100.00	100.44
5 Yr			
Alpha	-0.78	0.00	-1.90
Beta	0.98	1.00	0.99
R-Squared	96.32	100.00	97.02
Sharpe Ratio	0.36	0.41	0.30
Up Market Capture	94.85	100.00	94.27
Down Market Capture	98.06	100.00	101.14

NOTES

Appendix

Carefully consider the investment objectives, risks, fees and expenses of the annuity and/or the investment options. Contact us for a prospectus, a summary prospectus and disclosure document, as available, containing this information. Read them carefully before investing.

Past performance is not a guarantee or prediction of future results.

Rankings provided based on total return.

Sources: Empower, MPI Stylus Web, Morningstar, Individual Investment Managers



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Carefully consider the investment option's objectives, risks, fees and expenses. Contact Empower for a prospectus, summary prospectus for SEC registered products or disclosure document for unregistered products, if available, containing this information. Read each carefully before investing.

You could lose money by investing in a money market fund. Although the fund seeks to preserve the value of your investment at \$1 per share, it cannot guarantee it will do so. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

The performance data contained herein represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that shares or units when redeemed may be worth less than their original cost. Current performance may be lower or higher than the return data quoted herein. For more current fund performance, including the most recently completed calendar month, please visit empower.com.

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Cash alternatives are not federally guaranteed and may lose value. Cash alternative portfolios have interest rate, inflation, and credit risks that are associated with the underlying assets owned by the portfolio.

Bond prices generally fall when interest rates rise (and vice versa) and are subject to risks, including changes in credit quality, market valuations, inflation, liquidity and default. High-yield bonds have a greater risk of default.

The interest from Treasury inflation-protected securities (TIPS) is adjusted periodically according to the Consumer Price Index. The return from TIPS may understate the actual rate of inflation due to changes in the bond's underlying price. U.S. Treasury securities are neither issued nor guaranteed by the U.S. government.

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Funds may impose redemption fees and/or transfer restrictions if assets are held for less than the published holding period. For more information, see the fund's prospectus and/or disclosure documents.

Empower Annuity Insurance Company of America (EAICA) is affiliated with Great-West Lifeco Inc. (Lifeco) who sold Putnam Investments, LLC to Franklin Resources, Inc. (Franklin). As a result of the transaction, EAICA's affiliate owns approximately 6 % of Franklin as of January 1st, 2024. As a part of the transaction, Lifeco entered into arrangements with Franklin under which Lifeco has committed to allocate assets over a period of time to be managed by Franklin's investment managers and has agreed to support the availability of Franklin and its affiliates' products and services on enterprise platforms. If certain Franklin revenue thresholds are achieved under those arrangements, Lifeco will receive contingent transaction consideration and other financial benefits. Franklin also includes Alcentra, Benefit Street Partners, Brandywine Global, Clarion Partners, ClearBridge Investments, Franklin Templeton Investments, K2 Lexington Partners, Martin Currie, Putnam Investments, Royce Investment Partners and Western Asset Management as of January 1st, 2024.

Disclosures

Gross expense ratios are the funds' total annual operating costs expressed as a percentage of the funds' average net assets over a given time period. They are gross of any fee waivers or expense reimbursements. Net expense ratios are the expense ratios after the application of any voluntary or contractual waivers or reimbursements and are the actual ratios that investors paid during the funds' most recent fiscal year. Expense ratios are subject to change.

Disclosures

Morningstar rankings are based on total return and do not reflect a sales charges, which, if reflected, would reduce returns.

The date in a target date fund's name represents an approximate date when an investor is expected to retire (which is assumed to be at age 65) and/or begins withdrawing money. The principal value of the funds is not guaranteed at any time, including the target date. For more information, please refer to the fund prospectus and/or disclosure document. A target date fund will gradually shift its emphasis from more aggressive investments to more conservative ones based on its target date (which is the assumed retirement date for an investor).

Asset allocation and balanced investment options and models are subject to the risks of the underlying investments, which can be a mix of stocks/stock funds and bonds/bond funds. For more information, see the prospectus and/or disclosure documents.

Commodity and real asset investments may be affected by natural disasters and political and economic developments.

Real estate securities and trusts involve risks, including declining property values, changes in zoning laws or losses from casualty. Real estate securities that invest in foreign real estate involve additional risks, including currency fluctuations and political developments.

Securities of small and mid-size companies may be more volatile than those of larger, more established companies.

Investment return and principal value of a variable investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. There is no guarantee that companies that can issue dividends will declare, continue to pay, or increase dividends.

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The price of equity securities may rise or fall because of changes in the broad market or changes in a company's financial condition, sometimes rapidly or unpredictably. These price movements may result from factors affecting individual companies, sectors or industries selected for the Fund's portfolio or the securities market as a whole, such as changes in economic or political conditions. Equity securities are subject to "stock market risk" meaning that stock prices in general (or in particular, the prices of the types of securities in which a fund invests) may decline over short or extended periods of time. When the value of a fund's securities goes down, an investment in a fund decreases in value.

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Thank you



STAFF REPORT

To: Board of Directors **Meeting Date: December 15, 2025**

From: Vishav Sharma, Chief Financial Officer

Subject: November 2025 Financial Report and Analysis

The attached report provides an overview of the District's financial performance for the month of November 2025. It includes a comparison of Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position and actual revenues and expenses analysis to the budgeted figures, as well as highlights key financial trends and variances to assist the Board in monitoring the District's financial health and performance.

Assets

- **Current Assets:**

- The District's total Cash and Investments as of November, 2025, are \$22,343,992, including \$54,460 restricted for capital and Debt service expenditures. This represents a decrease of \$372,241 in total Cash & Cash equivalents from the prior month, reflecting lower liquidity.
- The Current ratio is 7.6, indicating strong ability of the District to meet its short-term obligations. This ratio measures the District's ability to pay short-term obligations that are due within one year.
- Days Cash on Hand stands at 233 days, showing the District's ability to operate for that period using available cash based on budgeted annual O&M and Debt service expenses excluding depreciation expense.
- Accounts Receivable decreased by \$68,385, from \$5,666,481 in October to \$5,598,096 in November. This decrease is primarily due to better collection of utility bills and lower utility bills in November as compared to prior month due to change in demand.
- Accounts receivable turnover ratio is 34 days for the month and 28 days for the year to date as of November 30. This ratio is calculated by dividing year to date net sales with average utility customers accounts receivable balance net of accruals. This ratio measures how effectively the District collects cash from its credit sales.
- Material and supplies inventory increased by \$24,579 mainly due to the lower consumption of supplies inventories.
- Prepaid Expenses increased by \$88,685 to a total of \$896,153, reflecting prepayments made for insurance, supplies or services (including subscriptions for softwares).

Overall, Current Assets total balance of \$30,912,989, reflects a decrease of \$327,362 from the previous month.

Non-Current Assets:

- Construction in Progress increased by \$254,566 reflecting continued investment in capital projects.
- Accumulated Depreciation increased by \$416,704, as expected.

The Non-Current Assets category balance at the end of the month is \$113,271,289, reflecting a net decrease of \$162,138 primarily from accumulated depreciation and construction in progress activities.

Liabilities

- **Current Liabilities:**

- Accounts Payable and Accrued Expenses increased by \$808,103 to \$1,735,169, reflecting higher short-term obligations.
- Accounts payable turnover ratio is 18 days for the month and 28 days for the year to date (July to November). This ratio is calculated by dividing monthly/year to date expenses net of Payroll, Benefits, Depreciation and Debt interest expense with average accounts payable balance. This ratio measures how effectively the District pays its bills.
- Accrued Interest Payable decreased by \$738,910, reflecting debt service payment.

Overall, Current Liabilities increased by \$68,536, Reflecting an increase in vendor obligations.

- **Non-Current Liabilities:**

- Loans Payable decreased slightly by \$42,671 with a remaining balance of \$48,080,448. Amortization of 2022 Bond premium contributed for this decrease.

The Total Liabilities amounted to \$65,370,718, reflecting an increase of \$25,865 compared to prior month.

Summary of Revenues

For the month of November 2025 and year to date, the District's total revenues were \$3,163,805 and \$17,285,792, respectively. This represents 45.1% of the total budgeted revenue for the fiscal year.

Key Revenues Categories:

- **Commodity Supply Charges:**
This month's revenue was \$990,568, with a YTD total of \$6,723,683 (50.4% of the budget). This category is performing above expectations. Commodity supply charge includes recycled water revenues. This month recycled revenue is 232,589 and year to date revenue is \$1,333,730 or 74.8% of the budget.
- **Service Charges:**
This month's revenue was \$1,339,797, and the YTD total stands at \$6,676,614, which is 41.7%. This is in line with expectations.
- **Capital Facility Charges:**
This month's revenue is \$534,976, and the YTD total stands at \$2,603,099, which is 41.6% of the annual budget. The District is on track with respect to capital charge collections.

- **Investment Income:**
The District received \$78,255 in investment income this month and YTD \$300,843 respectively, resulting in a 43% of the budgeted amount.
- **Grants, Rebates, and Reimbursements:**
The District received YTD total of \$234,989, or 85% of budgeted rebates and reimbursements from LRP subsidies.
- **Miscellaneous Revenue:**
Miscellaneous revenue this month is \$27,431, and YTD \$173,741 represent 49.7% of the budget. Miscellaneous revenue fluctuates from month to month due to some revenues collected only once a year. This category remains in line with projections.

Summary of Expenses

Total expenses for November 2025 are \$3,679,170 and YTD \$14,343,934, which is 37.6% of the annual budget.

Key Expense Categories:

- **Salary Expenses:**
Monthly salary-related expenses were \$578,894, resulting in a YTD total expense of 3,030,912 or 38.2% of the budget. Salary expenses are in line with expectations, Staff is paying a close attention to the overtime cost and analyzing it every pay period.
- **Benefit Expenses:**
Benefit expenses for the month totaled \$220,778, bringing the YTD total to \$1,232,243 or 41.2% of the budget. Retirement contribution and medical insurance expenses are the main drivers of this category.
- **Water Purchased for Resale:**
Water purchase expenses totaled \$1,670,295, with a YTD total of \$4,196,771 or 39.1% of the budget.
- **Contracted/Purchased Services:**
Total expenses for the month are \$497,898, with YTD expenses of \$2,279,049 or 33.3% of the budget. The District continues to manage contracts efficiently.
- **Other Expenses:**
This category includes costs related to retiree health insurance, depreciation, and debt interest. YTD expenses total \$2,888,196 (38.2% of annual budget). Notably, debt service and depreciation are on track as expected.

Net Position

The District's net position as of November 2025 is \$70,602.617. The net position decreased this month by \$515,365.

Conclusion

Through November 2025, the District continues to demonstrate stable financial performance. Revenues are exceeding budget targets, driven by water sales, while expenses remain within budget across most categories. The District maintains a solid net position, supporting ongoing operations and capital investments.

Attachment 1

Statement of Net Position for the period ended November 2025

EI Toro Water District
Interim Statement of Net Position for the Month of November, 2025

	6/30/2025 Audited	10/31/2025 Revised Interim	11/30/2025 Interim	Change
Assets				
Current Assets				
Cash & Cash Equivalents	15,977,712	16,678,256	16,434,723	(243,533)
Investments	6,054,410	6,036,360	5,909,267	(127,093)
Accounts Receivable	4,930,670	5,666,481	5,598,096	(68,385)
Materials & Supply Inventory	2,059,289	2,050,169	2,074,748	24,579
Prepaid Expenses	375,340	807,467	896,153	88,685
Restricted - Cash & Investments	1,444	1,617	3	(1,614)
Current Assets - Sub-total	29,398,865	31,240,351	30,912,989	(327,362)
Non-Current Assets				
Lease Receivable	4,012,747	4,012,747	4,012,747	-
Land & Easements	7,451,585	7,451,585	7,451,585	-
Capacity Rights	228,255	228,255	228,255	-
Capital Assets				
Water System	62,032,584	62,032,584	62,032,584	-
Wastewater System	63,294,850	63,294,850	63,294,850	-
Recycled System	55,554,540	55,554,540	55,554,540	-
Combined Assets	16,201,236	16,201,236	16,201,236	-
Construction in Progress	7,032,386	8,038,349	8,292,915	254,566
Accumulated Depreciation	(101,713,907)	(103,380,718)	(103,797,422)	(416,704)
Non-Current Assets - Sub-total	114,094,275	113,433,427	113,271,289	(162,138)
Total Assets	143,493,140	144,673,778	144,184,277	(489,500)
Deferred Outflows of Resources				
OPEB Deferred Outflow of Resources	1,917,324	1,917,324	1,917,324	-
Liabilities				
Current Liabilities				
Accounts Payable & Accrued Expenses	3,450,141	927,066	1,735,169	808,103
Accrued Salaries & Related Payables	191,358	(9,325)	(9,982)	(657)
Customer Deposits	65,653	16,850	16,850	-
Accrued Interest Payable	150,929	817,590	78,680	(738,910)
Long Term Liabilities - Due in One Year				
Compensated Absences	241,796	241,796	241,796	-
OPEB Liability	464,374	-	-	-
Loans Payable	2,014,077	2,014,077	2,014,077	-
Current Liabilities - Sub-total	6,578,328	4,008,054	4,076,590	68,536
Non-Current Liabilities				
Compensated Absences	1,562,867	1,562,867	1,562,867	-
Other Post-Employment Benefits Liability	11,186,439	11,650,813	11,650,813	-
Loans Payable	48,293,804	48,123,119	48,080,448	(42,671)
Non-Current Liabilities - Sub-total	61,043,110	61,336,799	61,294,128	(42,671)
Total Liabilities	67,621,438	65,344,853	65,370,718	25,865
Deferred Inflows of Resources				
Deferred Amounts from Leases	3,648,223	3,648,223	3,648,223	-
Deferred Amounts from OPEB	6,480,043	6,480,043	6,480,043	-
Total Deferred Inflows of Resources	10,128,266	10,128,266	10,128,266	-
Net Position				
Net Investment in Capital Assets	59,349,999	63,296,231	63,176,764	(119,467)
Restricted - Capital Projects	-	-	-	-
Restricted - Debt Service	-	-	-	-
Unrestricted	8,310,761	7,821,752	7,425,853	(395,898)
Total Net Position	67,660,760	71,117,983	70,602,617	(515,365)

Attachment 2
Statement of Revenues, Expenses, and Changes in Net Position
for November 2025

Attachment 3

Summary of Revenues and Expenses for the period ended November 2025

Summary of Revenues and Expenses for the Month of November, 2025

Account - Description	Month Actual	YTD Actual	2025-2026 Budgeted	Budget Remaining	% of Budget Earned/Spent
Summary of Total District Revenues					
District Totals					
Commodity Supply Charges	990,568	6,723,683	13,340,717	6,617,034	50.4%
Service Charges	1,339,797	6,676,614	15,993,872	9,317,257	41.7%
Capital Facility Charges	534,976	2,603,099	6,259,985	3,656,887	41.6%
Charges for Services	-	-	125,000	125,000	0.0%
Miscellaneous Revenue	27,431	173,741	349,600	175,859	49.7%
Grants, Rebates, Reimbursements	97,221	234,989	275,825	40,836	85.2%
Property Taxes	108,333	541,667	1,300,000	758,333	41.7%
Investment Income	59,984	300,843	700,000	399,157	43.0%
Donations & Capital Contributions	5,493	31,156	-	(31,156)	N/A
Total Revenue	3,163,805	17,285,792	38,344,999	21,059,207	45.1%
Summary of Total District Expenses					
Salary Expenses					
Directors Fees	11,804	55,648	144,616	88,968	38.5%
Exempt Salaries	125,370	638,272	1,583,800	945,528	40.3%
Non-exempt Salaries	399,270	2,146,212	5,366,100	3,219,889	40.0%
Other Salary Payments	-	-	250,400	250,400	0.0%
Overtime	30,688	129,618	405,437	275,819	32.0%
Overtime - On-call	6,720	34,944	81,900	46,956	42.7%
Stipends/Allowances	4,292	22,319	106,980	84,661	20.9%
Employee Service Awards	750	3,900	800	(3,100)	487.5%
Salary Expenses Sub-total	578,894	3,030,912	7,940,033	4,909,121	38.2%
Benefit Expenses					
Medical Insurance	96,019	573,266	1,215,016	641,750	47.2%
HSA Contributions	-	-	28,100	28,100	0.0%
Dental Insurance	7,961	47,766	98,200	50,434	48.6%
Vision Insurance	1,084	6,505	12,300	5,795	52.9%
Life Insurance	3,530	17,658	41,300	23,642	42.8%
Disability Insurance	4,506	22,531	41,400	18,869	54.4%
Long-term Care Insurance	929	4,473	21,600	17,127	20.7%
Workers Compensation Insurance	10,355	56,925	167,800	110,875	33.9%
State Unemployment Insurance	-	-	3,000	3,000	0.0%
401k Retirement Contributions	52,176	276,218	681,500	405,282	40.5%
401k Matching Contributions	35,491	186,377	287,700	101,323	64.8%
457b Matching Contributions	5,739	31,078	275,800	244,722	11.3%
Medicare Insurance	8,409	43,904	115,159	71,255	38.1%
FICA	497	2,022	4,300	2,278	47.0%
Capitalized Benefits	(5,917)	(36,482)	-	36,482	N/A
Benefit Expenses Sub-total	220,778	1,232,243	2,993,175	1,760,932	41.2%
Commodity Purchased for Resale					
Water Purchases - MWDOC	705,830	1,913,269	4,992,965	3,079,696	38.3%
Water Purchases - MWDOC Fixed	169,997	419,437	1,026,274	606,837	40.9%
Water Purchases - AMP/SAC	4,636	12,593	41,832	29,239	30.1%
Regional Water Supply Expenses	1,909	1,909	-	(1,909)	N/A
Water Purchases - Baker WTP	447,245	1,223,968	3,365,400	2,141,432	36.4%
Water Purchases - Baker O&M	240,877	249,309	1,171,500	922,191	21.3%
Water Purch - Other Agencies	87,690	316,149	-	(316,149)	N/A
MWDOC Service Connect Charge	12,111	60,138	145,000	84,862	41.5%
Commodity Purchased for Resale Sub-total	1,670,295	4,196,771	10,742,971	6,546,200	39.1%

Summary of Revenues and Expenses for the Month of November, 2025

Account - Description	Month Actual	YTD Actual	2025-2026 Budgeted	Budget Remaining	% of Budget Earned/Spent
Contracted/Purchased Services					
Consultants	15,326	36,904	152,790	115,886	24.2%
Engineering Services	-	2,453	40,390	37,937	6.1%
Audit & Accounting Services	10,200	42,700	54,150	11,450	78.9%
Technology Consultants	1,000	10,481	36,000	25,519	29.1%
SOCWA Contract	83,822	383,441	1,200,000	816,559	32.0%
Contractors	15,608	169,926	282,572	112,646	60.1%
Contracted Employees	5,954	5,954	10,000	4,046	59.5%
Legal Svcs - General Counsel	7,018	35,530	100,000	64,470	35.5%
Legal Svcs - Specialty Counsel	201	470	21,600	21,130	2.2%
Other Legal Services	-	4,851	1,000	(3,851)	485.1%
Employee Recruitmnt/Compliance	563	7,194	5,500	(1,694)	130.8%
Employee Health & Wellness	460	4,189	3,800	(389)	110.2%
Employee Relations Expenses	830	1,774	10,000	8,226	17.7%
Professional Services	-	-	-	-	N/A
Landscaping Services	22,841	43,103	171,341	128,238	25.2%
Janitorial Contracts	5,128	25,321	60,048	34,727	42.2%
Equipment Rental	1,262	6,294	37,000	30,706	17.0%
Uniform Rental	977	11,176	16,800	5,624	66.5%
Laboratory Services	2,440	7,981	25,500	17,519	31.3%
Disposal Services	8,750	39,338	91,500	52,162	43.0%
Security Services	1,439	9,296	50,340	41,044	18.5%
Insurance	39,178	194,173	452,500	258,327	42.9%
Financial Service Fees	9,450	31,153	53,500	22,347	58.2%
Printing & Reproduction	4,200	6,197	45,700	39,503	13.6%
Advertising & Publicity Svcs	200	1,919	9,020	7,101	21.3%
Postage	-	119	19,700	19,581	0.6%
Public Relations/Education	2,216	5,625	54,400	48,775	10.3%
Water Efficiency Services	8,328	24,385	45,000	20,615	54.2%
Licenses & Permits	25,716	80,702	264,290	183,588	30.5%
Software Maintenance/Licenses	61,884	114,909	327,470	212,561	35.1%
Electrical Power	129,680	777,965	2,262,300	1,484,335	34.4%
Natural Gas	276	835	2,000	1,165	41.8%
Cable Service	348	1,350	10,000	8,650	13.5%
Telecommunications	2,159	6,989	25,000	18,011	28.0%
Mobile Telecommunications	2,050	6,294	48,000	41,706	13.1%
Data Access	6,754	25,907	65,000	39,093	39.9%
Equipment Maintenance & Repair	16,462	42,097	196,100	154,003	21.5%
Pump Maintenance & Repair	-	9,549	54,500	44,951	17.5%
Motor Maintenance & Repair	-	15,082	132,500	117,418	11.4%
Electrical Maintenance/Repair	1,083	7,466	143,000	135,534	5.2%
Meter Maintenance & Repair	-	-	51,000	51,000	0.0%
Structure Maintenance & Repair	1,308	12,645	41,600	28,955	30.4%
Asphalt Maintenance & Repair	2,789	65,315	172,000	106,685	38.0%
Contracted/Purchased Services Sub-total	497,898	2,279,049	6,844,911	4,565,862	33.3%
Commodities					
Repair Parts & Materials	32,802	138,997	472,700	333,703	29.4%
Tools & Small Equipment	6,746	19,223	81,100	61,877	23.7%
Safety Equipment	514	9,958	27,200	17,242	36.6%
Employee Tools/Safety Equip	1,930	15,172	19,900	4,728	76.2%
Laboratory Tools & Small Equip	-	1,689	20,000	18,311	8.4%
Technology Tools/Small Equip	-	14,371	40,000	25,629	35.9%
Chemicals	23,697	170,324	375,200	204,876	45.4%
Laboratory Chemicals	3,126	21,526	41,000	19,474	52.5%
Gasoline & Oil	96	19,455	140,000	120,545	13.9%
Operating Supplies/Accessories	485	25,430	35,200	9,770	72.2%
Office Supplies & Accessories	2,121	4,978	24,700	19,722	20.2%
Technology Supplies/Components	115	3,136	30,000	26,864	10.5%
Lab Supplies & Accessories	6,925	12,638	20,500	7,862	61.6%
Meeting/Event Supplies & Food	2,739	7,702	48,300	40,598	15.9%
Water Use Efficiency Supplies	-	4,213	15,000	10,787	28.1%
Commodities Sub-total	81,296	468,812	1,390,800	921,988	33.7%

Summary of Revenues and Expenses for the Month of November, 2025

Account - Description	Month Actual	YTD Actual	2025-2026 Budgeted	Budget Remaining	% of Budget Earned/Spent
Professional Development					
Education & Training	3,378	8,905	95,480	86,575	9.3%
Education/Training - Directors	-	-	-	-	N/A
Licenses & Certifications	129	438	4,142	3,704	10.6%
Dues & Memberships	11,988	50,460	125,900	75,440	40.1%
Dues & Memberships - Directors	-	-	-	-	N/A
Meetings & Conferences	(328)	4,768	38,100	33,332	12.5%
Meetings/Conferences-Directors	600	8,376	13,500	5,124	62.0%
Travel Reimbursement	566	10,043	36,900	26,857	27.2%
Travel Reimbursement-Directors	-	7,576	35,000	27,424	21.6%
Publications & Subscriptions	885	885	3,200	2,315	27.7%
Professional Development Sub-total	17,219	91,452	352,222	260,770	26.0%
Miscellaneous Expenses					
Employee Appreciation Expenses	-	-	500	500	0.0%
Internal/External Event Expenses	-	-	1,500	1,500	0.0%
Election Expense	-	-	20,000	20,000	0.0%
Reimbursable Repair Expense	-	-	-	-	N/A
Property Taxes	2,507	2,507	3,000	493	83.6%
Uncollectible Accounts	-	-	19,500	19,500	0.0%
NSFs & Miscellaneous Fees	-	-	100	100	0.0%
Refund Overcharges	-	-	2,624	2,624	0.0%
Damage/Repair Reimbursements	-	-	576	576	0.0%
Misc Exp	-	-	-	-	N/A
Miscellaneous Sub-total	2,507	2,507	47,800	45,293	5.2%
Sub Total - General and O&M Expenses	3,068,887	11,301,745	30,311,911	19,010,167	37.3%
Capital Improvement Expenses					
Water System Projects					
Supply/Storage Projects	186	297	-	(297)	N/A
Pumping Projects	-	-	67,000	67,000	0.0%
Main/Service Line Projects	-	500	-	(500)	N/A
Wastewater System Projects					
Pumping Projects	-	-	35,000	35,000	0.0%
Wastewater Treatment Projects	-	23,404	-	(23,404)	N/A
Main/Service Line Projects	1,349	1,349	-	(1,349)	N/A
Recycled System Projects					
Pumping Projects	-	-	-	-	N/A
Tertiary Treatment Projects	23,404	23,404	-	(23,404)	N/A
Main/Service Line Projects	-	-	-	-	N/A
General Projects					
Operating Equipment Purchases	-	-	-	-	N/A
Vehicle & Related Equipment Purchases	14,040	19,859	-	(19,859)	N/A
Technology Projects & Purchases	-	18,500	44,000	25,500	42.0%
Building & Structure Improvements	-	-	-	-	N/A
General Capital Projects	-	66,680	116,000	49,320	57.5%
Construction in Progress	-	-	-	-	N/A
Capital Improvement Expenses Sub-total	38,979	153,994	262,000	108,007	58.8%
Other Expenses					
Retiree Health Insurance	30,606	184,706	407,000	222,294	45.4%
Depreciation	416,704	2,083,520	5,140,000	3,056,480	40.5%
Debt Interest Expense	123,994	619,969	2,006,335	1,386,366	30.9%
Other Expenses Sub-total	571,304	2,888,196	7,553,335	4,665,139	38.2%
Total Expenses	3,679,170	14,343,934	38,127,246	23,783,312	37.6%
Change in Net Position	(515,365)	2,941,858	217,753		

Attachment 4
Check Register November 2025

EI Toro Water District

Check Register for the Month of November 2025

<u>Check Number</u>	<u>Vendor</u>	<u>Date</u>	<u>Amount</u>
14542	ACWA JPIA	11/07/2025	142,561.83
14543	Alicia Air Conditioning & Heating, Inc.	11/07/2025	2,724.00
14544	Amberwick Corporation	11/07/2025	300.00
14545	AMS.NET, Inc.	11/07/2025	969.20
14546	California Department of Public Health	11/07/2025	711.00
14547	California Special District Association	11/07/2025	10,225.00
14548	Carollo Engineers, Inc	11/07/2025	5,445.00
14549	Certified Laboratories	11/07/2025	1,542.82
14550	Chris Goodchild	11/07/2025	274.99
14551	City of Laguna Hills	11/07/2025	1,170.00
14552	Cox Communications Inc	11/07/2025	1,022.79
14553	Doane and Hartwig Water Systems, Inc	11/07/2025	967.60
14554	Garth Botha	11/07/2025	140.00
14555	Haaker Equipment Company	11/07/2025	224.07
14556	Hach Company	11/07/2025	1,155.72
14557	Hill Brothers Chemical Co	11/07/2025	5,185.58
14558	Ignatius Holdings, Inc	11/07/2025	400.00
14559	Infosend, Inc	11/07/2025	3,483.81
14560	Irvine Pipe & Supply, Inc	11/07/2025	320.22
14561	Lake Forest Chamber of Commerce, Inc	11/07/2025	1,300.00
14562	Moulton Niguel Water District	11/07/2025	87,777.87
14564	Penske Truck Leasing Co., LP	11/07/2025	185.16
14565	Plumbers Depot Inc	11/07/2025	5,933.48
14566	Richard Brady & Associates, Inc	11/07/2025	968.50
14567	Rick Brown	11/07/2025	277.90
14568	ROI Engineering LLC	11/07/2025	2,610.00
14569	Santa Margarita Ford	11/07/2025	1,085.69
14570	Santiago Aqueduct Commission	11/07/2025	800.36
14571	Sherri Seitz	11/07/2025	207.41
14572	Sierra Analytical Labs, Inc	11/07/2025	227.50
14573	Southern California Edison Company	11/07/2025	2,080.63
14574	State Water Resources Control Board	11/07/2025	15,405.00
14575	Sully-Miller Contracting Co.	11/07/2025	1,372.60
14576	The Hose Guys	11/07/2025	170.95
14577	The Lincoln National Life Insurance Company	11/07/2025	8,035.74
14578	Verizon Communications Inc.	11/07/2025	3,458.84
14579	Vigilant LLC	11/07/2025	1,897.00
14580	We Save Bees	11/07/2025	125.00
14581	Municipal Water District of Orange County	11/07/2025	737,051.24
14582	Advance Refrigeration & Systems, Inc	11/13/2025	2,082.06
14583	American Family Life Assurance Company of Columbus	11/13/2025	2,088.60
14584	Arakelian Enterprises, Inc.	11/13/2025	3,871.40
14585	AT&T	11/13/2025	256.42
14586	BC Rental, LLC	11/13/2025	150.08
14587	California Water Environment Association	11/13/2025	370.00
14588	HSIAOTUNG CHEN	11/13/2025	105.47
14589	Complete Paperless Solutions, LLC	11/13/2025	910.95
14590	County of Orange	11/13/2025	273.68
14591	CR&R Incorporated	11/13/2025	696.05
14592	Employee Relations, Inc	11/13/2025	44.65
14593	Eversoft Inc	11/13/2025	422.78
14594	EWT Holdings Corp.	11/13/2025	1,333.71
14595	Ferguson US Holdings, Inc	11/13/2025	7,034.91
14596	FIRST TEAM PROPERTY MANAGEMENT	11/13/2025	78.16
14597	FleetCrew	11/13/2025	2,726.96
14598	Fuseco, Inc.	11/13/2025	867.22
14599	Haaker Equipment Company	11/13/2025	5,452.15
14600	Hach Company	11/13/2025	1,126.92
14601	HEBT West Los Angeles 1, LLC	11/13/2025	1,590.00
14602	JCI Jones Chemicals, Inc	11/13/2025	11,781.58
14603	Lance Francis Picotte	11/13/2025	1,400.00
14604	SARA MEKHAIL	11/13/2025	160.42

<u>Check Number</u>	<u>Vendor</u>	<u>Date</u>	<u>Amount</u>
14605	Mingoa's Faxworld, Inc	11/13/2025	666.00
14606	Mutual Liq. Gas & Equip. Co.	11/13/2025	95.74
14607	Nobel Systems, Inc.	11/13/2025	1,500.00
14608	Onesource Distributors, LLC.	11/13/2025	19,057.51
14609	Parkhouse Tire Service Inc	11/13/2025	1,549.17
14610	PeopleReady Inc	11/13/2025	4,871.52
14611	Quadient Leasing USA, Inc.	11/13/2025	595.77
14612	RapidScale, Inc	11/13/2025	2,017.62
14613	Redwine and Sherrill, LLP	11/13/2025	7,018.00
14614	Rincon Truck Center, Inc	11/13/2025	2,796.98
14615	Sims-Orange Welding Supply, Inc	11/13/2025	309.83
14616	South Coast Water District	11/13/2025	2,094.32
14617	South Orange County Wastewater Authority	11/13/2025	307,085.72
14618	Southern Counties Lubricants, LLC.	11/13/2025	544.20
14619	Springbrook Holdings Company, LLC	11/13/2025	223.75
14620	Takkt American Holdings	11/13/2025	2,477.84
14621	Tom Malloy Corporation	11/13/2025	309.12
14622	UNUM Life Insurance - EAP	11/13/2025	109.71
14623	UNUM Life Insurance - LTC	11/13/2025	1,050.95
14624	VMS INC THIRD	11/13/2025	114.50
14625	W.W. Grainger, Inc	11/13/2025	697.21
14626	Western Switches & Controls, Inc.	11/13/2025	3,036.73
14627	Wienhoff & Associates, Inc	11/13/2025	60.00
14628	American Water Works Association	11/20/2025	2,826.00
14629	Animal Pest Management Services, Inc	11/20/2025	913.00
14630	AT&T	11/20/2025	2,352.00
14631	Butier Engineering, Inc	11/20/2025	13,532.00
14632	Carollo Engineers, Inc	11/20/2025	40,202.50
14633	Coast Surveying, Inc.	11/20/2025	1,349.00
14634	County of Orange	11/20/2025	2,506.88
14635	Ferguson US Holdings, Inc	11/20/2025	5,994.32
14636	Fisher Scientific Company, LLC	11/20/2025	4,493.71
14637	GCI Construction Inc.	11/20/2025	25,487.26
14638	Hach Company	11/20/2025	2,147.58
14639	Hill Brothers Chemical Co	11/20/2025	2,989.70
14640	Indoff LLC	11/20/2025	1,356.25
14641	Nieves Landscape, Inc	11/20/2025	22,840.51
14642	Pearson Food Company, Inc	11/20/2025	3,739.68
14643	PeopleReady Inc	11/20/2025	1,082.56
14644	Quinn Company	11/20/2025	1,355.32
14645	Richard Brady & Associates, Inc	11/20/2025	930.00
14646	RockSpark Inc	11/20/2025	5,648.75
14647	ROI Engineering LLC	11/20/2025	56,601.05
14648	Safety Dynamics Group, Inc	11/20/2025	1,190.00
14649	Santa Margarita Ford	11/20/2025	1,424.24
14650	Sierra Analytical Labs, Inc	11/20/2025	878.50
14651	Southern California Edison Company	11/20/2025	142,818.99
14652	Southland Water Technologies, LLC	11/20/2025	1,448.00
14653	Springbrook Holdings Company, LLC	11/20/2025	50,322.85
14654	Tetra Tech, Inc	11/20/2025	33,340.00
14655	Traffic Supply, Inc	11/20/2025	610.12
14656	Trussell Technologies, Inc	11/20/2025	3,157.50
14657	Vestis Group, Inc.	11/20/2025	891.82
14658	W.W. Grainger, Inc	11/20/2025	37.36
14659	Waste Management, Inc of California	11/20/2025	1,610.13
14661	Citibank N.A.	11/21/2025	1,790.86
14662	ACWA JPIA	11/26/2025	146,849.73
14663	Analytik Jena US LLC	11/26/2025	228.46
14664	Angel Z Lopez	11/26/2025	5,003.56
14665	Animal Pest Management Services, Inc	11/26/2025	350.00
14666	ATS Communications	11/26/2025	2,753.75
14667	Best Best & Krieger, LLP	11/26/2025	201.20
14668	California Water Environment Association	11/26/2025	129.00
14669	CC Property Investments, LLC	11/26/2025	1,000.12
14670	Cody Tremenzozzi	11/26/2025	639.72

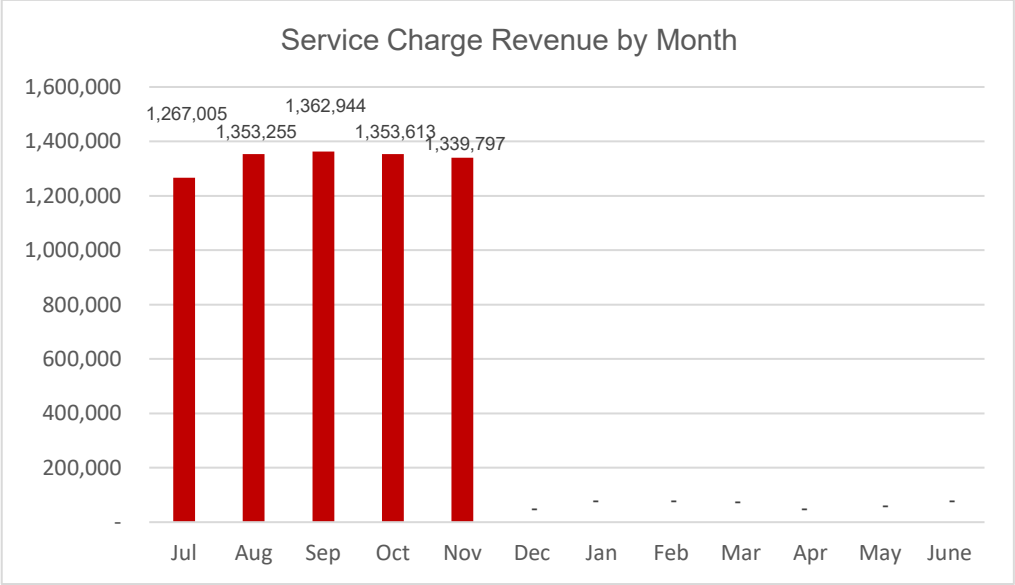
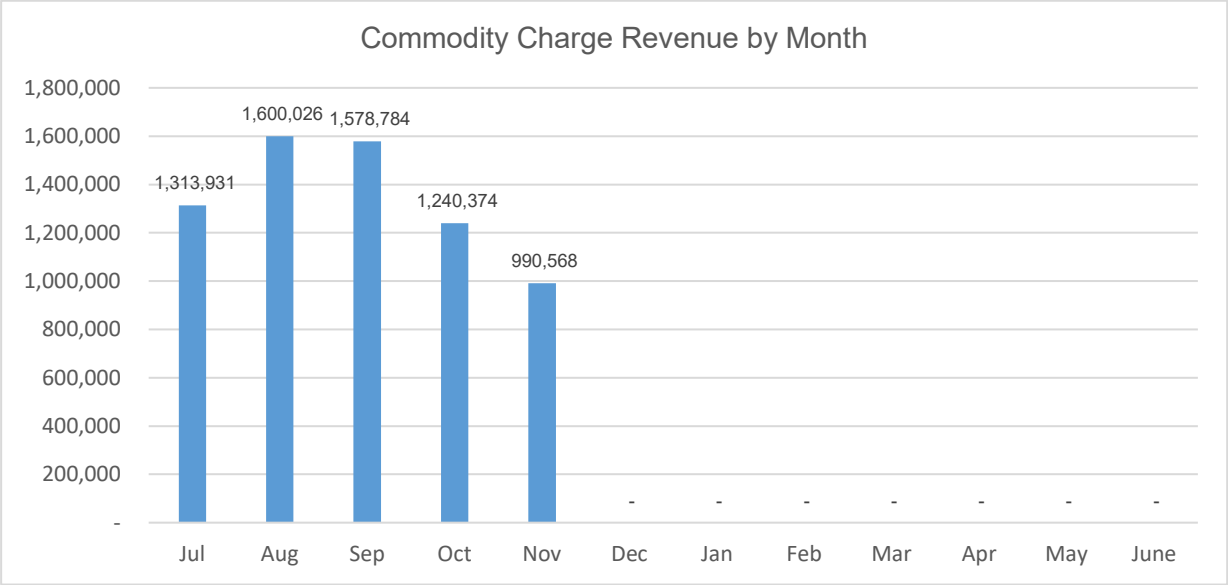
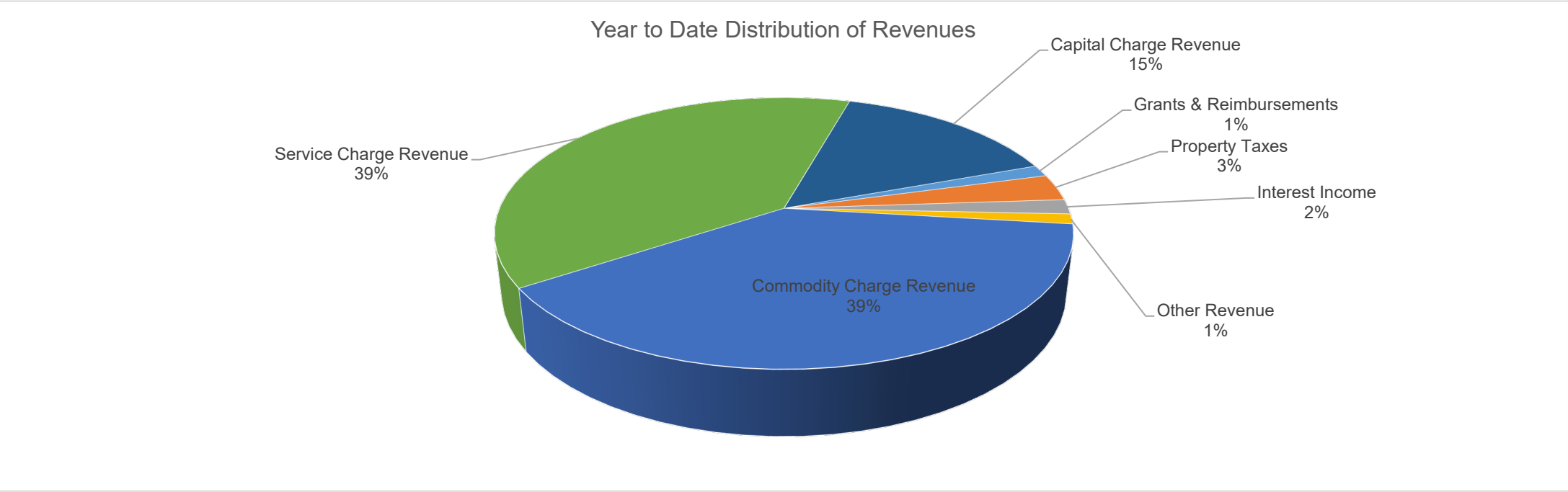
<u>Check Number</u>	<u>Vendor</u>	<u>Date</u>	<u>Amount</u>
14671	Cole-Parmer Instrument Company LLC	11/26/2025	426.46
14672	GINA CONNORS	11/26/2025	1.23
14673	County of Orange	11/26/2025	7,347.57
14674	County of Orange - OC Waste & Recycling	11/26/2025	2,666.72
14675	Cox Communications Inc	11/26/2025	1,022.79
14676	CR&R Incorporated	11/26/2025	172.31
14677	DXP Enterprises, Inc.	11/26/2025	6,391.75
14678	Edward G. Means III	11/26/2025	3,880.80
14679	Eversoft Inc	11/26/2025	422.78
14680	SERGIO GARCIA	11/26/2025	28.18
14681	IDEXX Distribution, Inc	11/26/2025	1,908.80
14682	Infosend, Inc	11/26/2025	5,679.14
14683	Johnson Controls US Holdings LLC	11/26/2025	1,402.04
14684	LSL, LLP	11/26/2025	10,200.00
14685	Moulton Niguel Water District	11/26/2025	564.09
14686	TAM NGUYEN-MOUDEN	11/26/2025	4.65
14687	Oscar Hernandez	11/26/2025	23.80
14688	Shane Fregin	11/26/2025	130.00
14689	Sherri Seitz	11/26/2025	41.30
14690	Southern California Gas Company	11/26/2025	275.59
14691	State Water Resources Control Board	11/26/2025	1,873.00
14692	The Hose Guys	11/26/2025	234.03
14693	Tripepi, Smith and Associates, Inc	11/26/2025	700.00
14694	U.S. Bank National Association	11/26/2025	11,008.49
14695	Underground Service Alert of SO CA	11/26/2025	228.00
14696	Vu Chu	11/26/2025	293.00
14697	MARGIE WARD	11/26/2025	12.31
14698	Western Switches & Controls, Inc.	11/26/2025	302.58

Total Checks issued from General and Payroll Accounts:

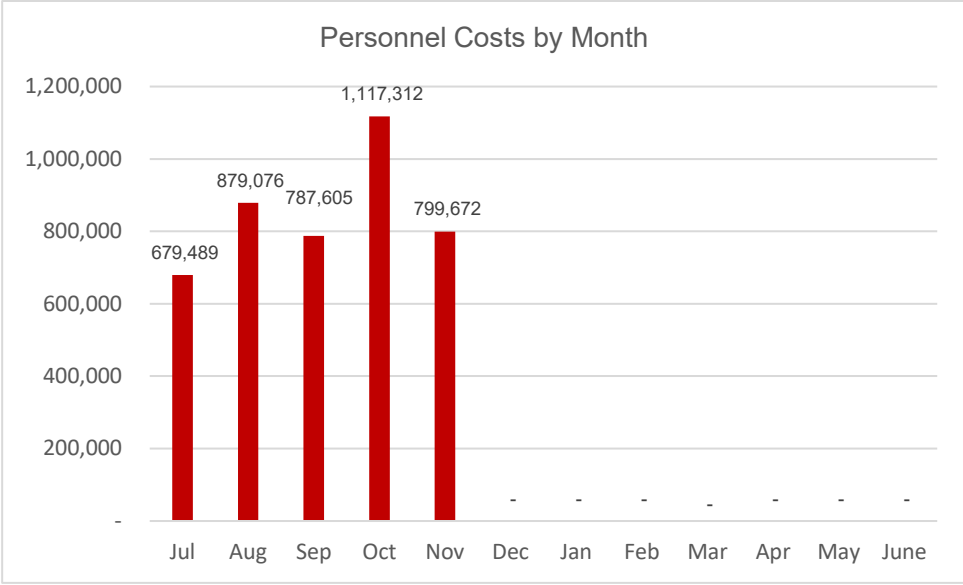
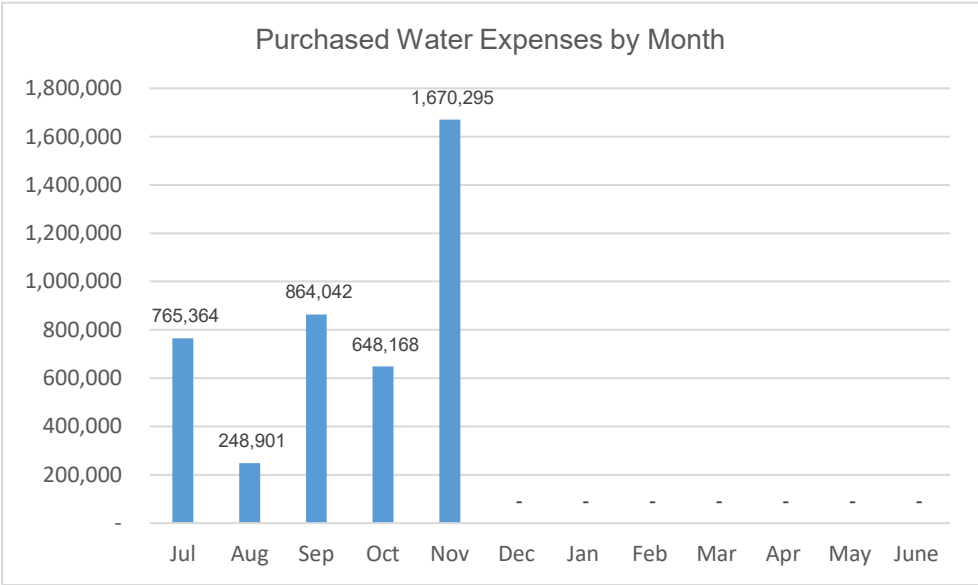
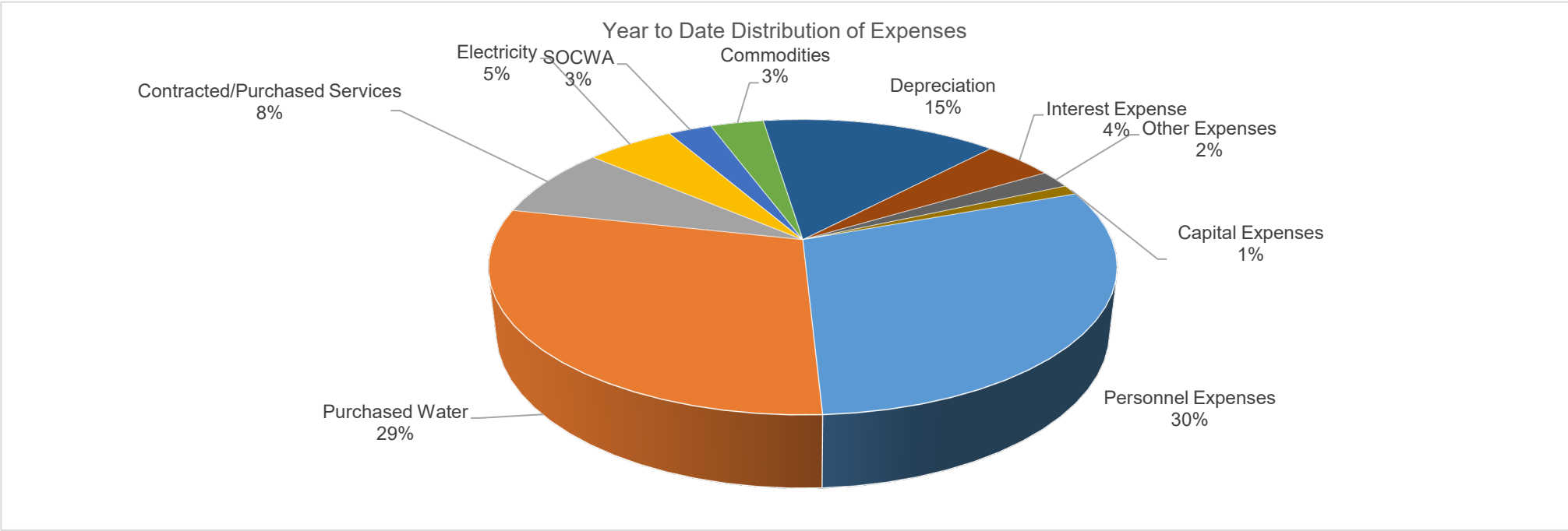
2,105,166.25

Attachment 5
Revenue and Expense Charts for November 2025

Revenue Charts -November Financial Report



Expense Chart -November Financial Report



Attachment 6

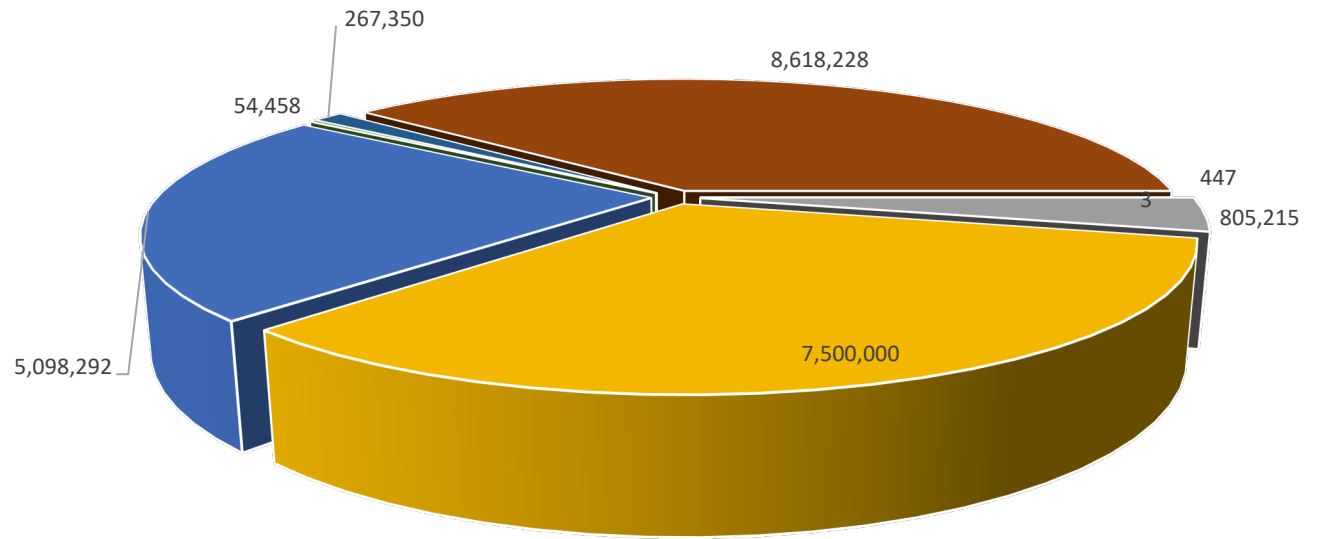
Summary of Cash & Investments at the end of November 2025

Summary of Cash & Investments
as of November 30, 2025

Summary of Cash & Investments

Cash & Equivalents	
Unrestricted - Cash & Equivalents	8,618,228
Unrestricted - Cash & Equivalents USB	267,350
Restricted - Cash & Equivalents	54,458
Investments	
Government Securities	5,098,292
CAMP -Term	7,500,000
Corporates Bonds/Notes	805,215
Asset Backed Securities	447
2022 Bond Money Market	3
Total Cash & Investments	22,343,992
Operating Cash & Investments	22,289,531
2022 Bond Proceeds Cash & Investments	3
Restricted - Cash & Equivalents	54,458

Summary of Cash & Investments



Cash & Equivalents

	Account Balance	Current Yield
Cash & Equivalents		
Demand Deposit Accounts		
US Bank - Checking Account	267,350	
US - Bank Capital Facilities Fee	54,458	
US Bank - 2022 Bond Proceeds/Interest/Principal	3	
Petty Cash	700	
Money Market Accounts		
US Bank - Money Market Account		
CAMP Money Market	2,351,135	
LAIF Money Market	6,266,393	
Total Cash & Equivalents	8,940,038	

Investments

	Purchase Cost	Par Amount	Premium/(Discount)	Market Value	Unrealized Gain/(Loss)	Coupon Rate	Yield to Maturity	Purchase Date	Maturity
Governmental Securities									
United States Treasury Bond									
US Treasury N/B - AA+	1,045,201	1,050,000	(4,799)	1,052,560	7,359	4.625%	4.90%	6/12/2024	3/15/2026
US Treasury N/B - AA+	1,026,744	1,050,000	(23,256)	1,049,270	22,526	3.625%	4.84%	6/12/2024	5/15/2026
US Treasury N/B - AA+	466,543	500,000	(33,457)	495,915	29,372	2.125%	4.20%	11/30/2022	5/31/2026
US Treasury N/B - AA+	464,531	500,000	(35,469)	492,129	27,598	2.250%	4.10%	11/30/2022	2/15/2027
US Treasury N/B - AA+	480,273	500,000	(19,727)	497,793	17,520	3.250%	4.25%	2/22/2023	6/30/2027
US Treasury N/B - AA+	502,500	500,000	2,500	505,313	2,813	4.125%	4.01%	11/30/2022	9/30/2027
US Treasury N/B - AA+	497,930	500,000	(2,070)	505,313	7,383	4.125%	4.22%	2/22/2023	9/30/2027
US Treasury N/B - AA+	485,332	500,000	(14,668)	500,000	14,668	3.500%	4.16%	2/22/2023	1/31/2028
United States Treasury Bond - Totals	4,969,055	5,100,000	(130,945)	5,098,292	129,237				

Investments (Continue)									
	Purchase Cost	Par Amount	Premium/ (Discount)	Market Value	Unrealized Gain/(Loss)	Coupon Rate	Yield to Maturity	Purchase Date	Maturity Date
Supra-National Agency Bond / Note									
Supra-National Agency Bond / Note Totals	-	-	-	-	-				
Municipal Bond / Note									
Municipal Bond / Note Totals	-	-	-	-	-				
Federal Agency Commercial Mortgage-Backed Security									
Federal Mortgage-Backed Security Totals	-	-	-	-	-				
Governmental Securities - Total Balances	4,969,055	5,100,000	(130,945)	5,098,292	129,237				
Corporate Notes									
Morgan Stanley Corp Notes	126,939	130,000	(3,062)	129,937	2,998	3.875%	5.41%	6/12/2024	1/27/2026
Caterpillar Finl Service Corp Notes	99,911	100,000	(89)	100,232	321	5.050%	5.11%	6/11/2024	2/27/2026
United Healthcare Group Inc Corp Notes	125,597	130,000	(4,403)	129,685	4,089	3.100%	5.14%	6/12/2024	3/15/2026
JPMorgan Chase & Co (Callable)	145,148	150,000	(4,853)	149,620	4,472	3.300%	5.20%	6/12/2024	4/1/2026
Bank of America Corp Notes	125,806	130,000	(4,194)	129,717	3,911	3.500%	5.35%	6/12/2024	4/19/2026
Toyota Motor Credit Corp Notes	130,074	130,000	74	130,738	664	5.200%	5.17%	6/12/2024	5/15/2026
American Express Co (Callable)	34,952	35,000	(48)	35,286	335	4.351%	4.39%	7/25/2025	7/20/2029
Corporate Bonds - Total Balances	788,426	805,000	(16,574)	805,215	16,789				

Investments (continued)									
	Purchase Cost	Par Amount	Premium/ (Discount)	Market Value	Unrealized Gain/(Loss)	Coupon Rate	Yield to Maturity	Purchase Date	Maturity Date
Asset Backed Securities									
GMCar 2022 - AAA	447	447	(0)	447	(0)	3.100%	3.10%	4/5/2022	2/16/2027
Corporate Bonds - Total Balances	447	447	(0)	447	(0)				

Attachment 7

Cash Reserve Balances for November 2025

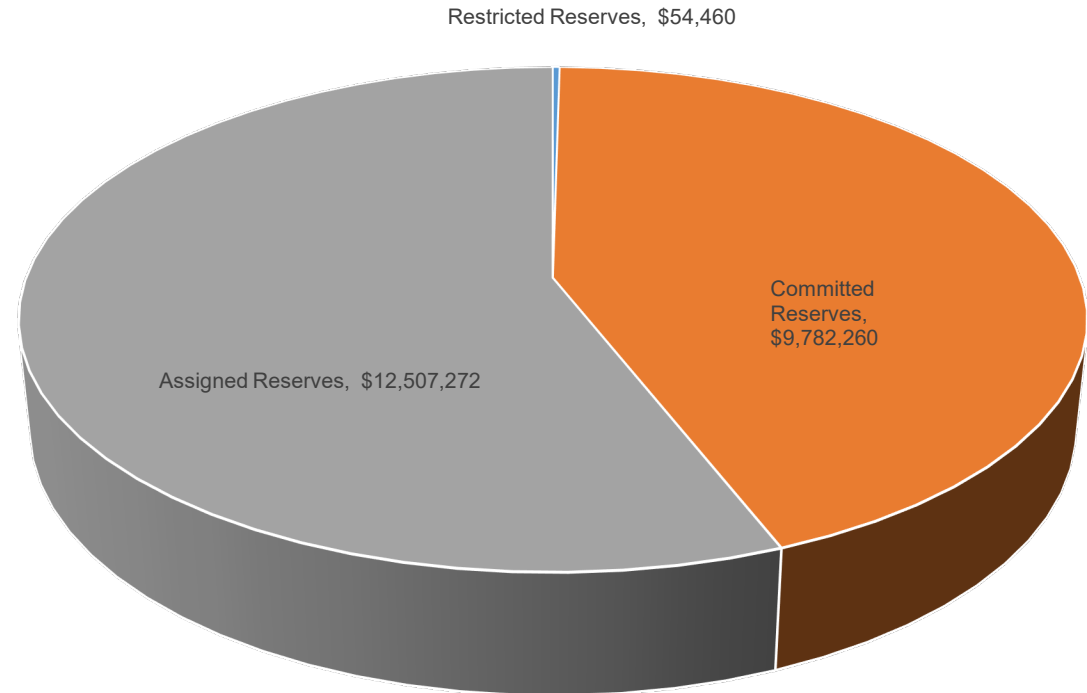
**El Toro Water District
Preliminary Cash Reserve Status Report
as of November 30, 2025**

	Cash Reserve Balances	Reserve Targets
Reconciled Cash Balance	\$ 22,343,992	
Restricted Reserves		
2022 Revenue Bonds Fund	2	-
Capital Facilities Charge Reserve	54,458	-
Sub Total Restricted Reserve	54,460	-
Committed Reserves		
Capital Construction Reserve	3,000,000	3,000,000
Rate Stabilization Reserve	2,400,000	2,400,000
Operational Continuity Reserve	2,400,000	2,400,000
Working Capital Reserve (1)	1,982,260	2,400,000
Sub Total Committed Reserves	9,782,260	10,200,000
Assigned Reserves		
CIP Reserves		
Capital Carryover	3,565,634	-
Accumulated Capital Reserve	535,240	-
CIP - Revenue Bond Unrestricted Reserve	6,091,508	-
SOCWA Capital Projects	3,627,694	-
Recycled Water Capital / Debt Service	88,395	-
Capital Plan Working Capital Reserve	2,230,194	-
Sub Total CIP Reserves	16,138,665	-
Water Supply Program Reserves		
Tiered Conservation Fund	(2,375,393)	-
Reverse Cyclic Water Purchase Program		
	(1,256,000)	
Sub Total Assigned Reserves	12,507,272	
Total Cash Reserves	22,343,992	
Adjusted Cash Reserves⁽²⁾	22,289,532	10,200,000

(1) Working Capital reserve amount is net of outstanding checks

(2) The Adjusted Cash Reserves excludes Capital Facilities Charge Reserve and 2022 Revenue Bond fund.

Distribution of Reserve Balances



- * The District Investment portfolio is in compliance with the District's Investment policy.
- * The District has the ability to meet its expenditure requirements for the next six months.

Attachment 8
Capital Project Expense Report through November 2025

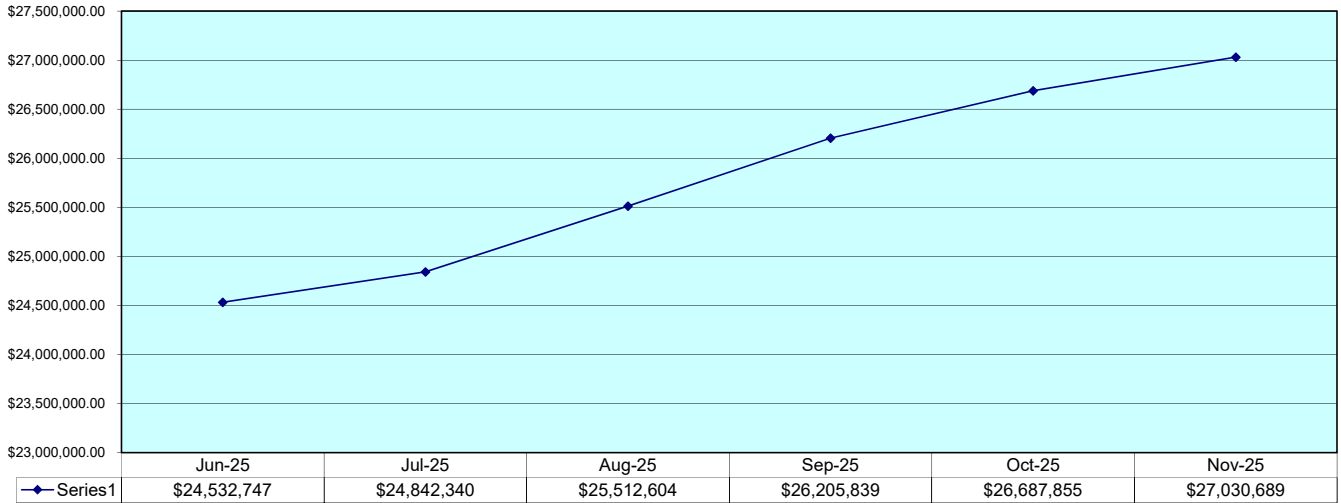
2025-2026 Capital Program Budget Information

PM Task Code	Account	Total Budget	Prior Year Ending Balance	2025 - 2026 Expenses												YTD Total	Budget Remaining	
				Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun			
CAP-0014 Scum Station/Clarifiers 3 & 4	40-000-15020	80,000.00	-				12,740.00										12,740.00	67,260.00
CAP-0050 Alscot PLC Upgrade/Water	40-000-15010	31,000.00	47,449.24		1,324.54	(10,131.18)											(8,806.64)	39,806.64
CAP-0051 Sewer PLC Upgrade	40-750-66230	31,000.00	-														-	31,000.00
CAP-0052 Water Station HMI Rplmnt	40-750-66120	10,000.00	9,431.52														-	10,000.00
CAP-0053 Sewer Station HMI Rplmnt	40-750-66230	10,000.00	24,817.29														-	10,000.00
CAP-0067 Influent Pump Station Isolation Gate Actuator Replacement	40-750-66230	-	12,068.00														-	-
CAP-0069 Remittance Processing Equipment Update	40-810-66120	-	4,600.00														-	-
CAP-0070 Documentum Replacement / Corporate Intranet Development	40-820-55100	-	-			6,225.00											6,225.00	(6,225.00)
CAP-0074 Puller Cable	40-800-66120	-	-				5,818.50										5,818.50	(5,818.50)
CAP-0075 OOPS HVAC Replacement	40-000-15020	-	-			14,592.00											14,592.00	(14,592.00)
CAP-0076 R-5 Reservoir PLC Upgrade	40-000-15010	-	-			10,131.18											10,131.18	(10,131.18)
Contingency	TBD	-	-														-	-
GEN-0112 New Warehouse	40-000-15040	-	4,078,864.32														-	-
GEN-0119 Main Office Warehouse Improvements	40-000-15040	-	147,776.53			85,295.50	121,000.00	28,727.19									235,022.69	(235,022.69)
GEN-0120 Main PR Hydro Turbine	-	-	-														-	-
RCE-0011 Baker Water Treatment Plant Capital Fund	40-710-66120	56,200.00	-		4,932.74				(4,932.74)								-	56,200.00
RCE-0013 JRWSS Capital Budget	40-710-66120	24,435.00	-				110.96										296.53	24,138.47
RCE-0014 Baker WTP Capital Fund	40-810-66120	-	-							185.57							-	185.57
RCE-0015 SOCWA Capital Expenses	40-000-15020	170,571.00	-		36,646.32				(9,851.81)								26,794.51	143,776.49
RCE-0016 MNWD Regional Treatment Plant	40-000-15020	-	-							26,794.51							-	26,794.51
RES-0016 Moulton/EI Toro Cathodic Protection Repair	40-000-15010	218,000.00	38,060.00				2,540.00										2,540.00	215,460.00
RES-0019 R-4 Reservoir RMS Mixer Replacement	40-000-15010	-	24,308.72			45,125.00											45,125.00	(45,125.00)
RES-0020 R-6 Reservoir SCE Meter Box Replacement at Seepage and Inlet	40-000-15010	-	-														-	-
RES-0021 R-6 Reservoir Southern Slope Stabilization	40-000-15010	500,000.00	7,905.73			11,120.03	(6,116.02)										5,004.01	494,995.99
RES-0022 R-5 Reservoir Rehabilitation	40-000-15010	194,000.00	-														-	194,000.00
RES-0023 PRV-19 Rehabilitation	40-000-15010	20,000.00	-														-	20,000.00
SLS-0115 Aliso Creek Pump Rehab 932-115	40-000-15020	-	642,632.80		924.00	5,598.25	6,605.75	33,340.00									46,468.00	(46,468.00)
SLS-0120 Freeway Electrical Equip Repl	40-000-15020	-	71,766.64		96,371.85												96,371.85	(96,371.85)
SLS-0121 Westline Main Switchboard Replacement	40-000-15020	113,000.00	-			5,282.40	779.22	2,896.88									8,958.50	104,041.50
SLS-0122 Westline Generator Unit 213 Replacement	40-000-15020	-	-														-	-
SLS-0123 4920 Lift Station Pump Replace	40-000-15020	25,000.00	-														-	25,000.00
SLS-0124 Freeway Lift Station Survey	40-000-15020	-	-				3,710.00										3,710.00	(3,710.00)
SLS-0125 Northline Lift Station Flow Meter	40-000-15020	-	-														-	-
SLS-0126 Aliso Creek VFD Replacement	40-000-15020	-	-					19,057.51									19,057.51	(19,057.51)
SPS-0050 Asset Management Study 31-050	40-840-55110	86,000.00	159,029.94			21,270.00	36,465.00										57,735.00	28,265.00
SPS-0051 Technology Master Plan	40-820-55110	-	-			500.00											500.00	(500.00)
SPS-0053 System Arc Flash Coord Study	40-840-55110	-	181,359.28														-	-
SPS-0055 Orange County Cross Connection Policy Handbook	40-710-55100	-	-														-	-
SPS-0056 Website Redesign, Hosting, and Maintenance Services	40-820-55100	-	14,400.00					18,000.00									18,000.00	(18,000.00)
SPS-0059 Potable Reuse Implementation	40-710-55100	-	-														-	-
SPS-0060 Energy Consulting Services	40-840-55110	-	22,441.52														-	-
SPS-0062 Radio Communications Conversion from Cellular	40-000-15040	70,000.00	-														-	70,000.00
TBD General Studies Fund	30,000.00	-	-														-	30,000.00
TCP-0009 WEROC Radios	40-000-15040	24,000.00	-														-	24,000.00
TCP-0010 Satellite Phones	40-820-66120	5,000.00	-														-	5,000.00
TCP-0011 Cyber Security Improvements	40-820-55100	15,000.00	-														-	15,000.00
VEH-0014 Solids Hauling Trailer	40-000-15020	307,000.00	-					197,845.83									197,845.83	109,154.17
VEH-TBD Vehicle Purchases	TBD	64,000.00	-														-	64,000.00
WPS-0095 P-3 Pump Station Rehab	40-000-15010	-	-														-	-
WPS-0099 P-1 Battery Project	40-000-15010	900,000.00	54,702.84		2,166.41												2,166.41	897,833.59
WPS-0100 Shendamoaah BS Pump & Motor	40-000-15010	198,000.00	-														-	198,000.00
WPS-0101 P-3 Motor Replacement	40-000-15010	15,000.00	-														-	15,000.00
WPS-0102 P-1 Chlorine Tank Replacement	40-000-15010	22,000.00	-			24,513.20											-	22,000.00
WRP-0134 Hach WIMS Implementation Proje	40-000-15020	-	40,410.00														-	40,410.00
WRP-0137 Tertiary Disinfection Optimization Project	40-000-15030	148,000.00	97,910.66														-	148,000.00
WRP-0142 Headworks and Secondary Clarifier No. 1 Rehabilitation	40-000-15020	4,785,000.00	824,836.10		8,648.50	21,509.00	2,192.71	109,167.55									139,325.05	4,645,674.95
WRP-0143 New Turbo Blower	40-000-15020	-	520,705.00		25,508.91	4,342.33	2,192.71	2,610.00									34,653.95	(34,653.95)
WRP-0144 OOPS MCC and Valve Rehabilitation Project	40-000-15020	-	41,821.18														-	41,821.18
WRP-0147 DAF No 1 MCC Replacement	40-000-15020	-	73,406.47		27,759.00	(7,199.00)											-	73,406.47
WRP-0149 ETM Trail Bridge Mitigation Project	40-000-15020	-	3,997.86														-	3,997.86
WRP-0150 IPS Check Valve Replacement	40-000-15020	-	19,901.43														-	19,901.43
WRP-0151 Secondary Clarifier No. 3 and 4 Drive Replacement	40-000-15020	-	135,185.17		25,047.50	1,037.06	60,883.00										86,967.56	(86,967.56)
WRP-0152 OOPS Motor Rehabilitation	40-000-15020	-	25,377.93			25,930.04											25,930.04	(25,930.04)
WRP-0154 OOPS Battery Project	40-000-15020	-	38,469.83		2,166.40												2,166.40	(2,166.40)
WRP-0155 Regional ETM Reliability and Resilience Project	40-000-15020	-	-														-	-
WRP-0156 DAF No. 2 Transformer Replacement Project	40-000-15020	-	-			7,199.00											7,199.00	(7,199.00)
Gross project cost excludes labor		8,152,206	7,388,149.20	0.00	257,426.21	240,255.24	447,679.44	244,091.53	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,148,617.65	7,003,588.35
Carryover Project Fund		852,215.00	-		98,620.39	62,841.61	220,510.80	36,422.45										418,395.25
2025-26 CIP Budget		3,823,982.00	-		7,099.15	32,390.03	25,416.24	109,167.55										174,072.97
Bond CIP Unrestricted Funds		2,213,259.00	-		45,294.82	21,509.00	(9,851.81)	-										56,952.01
Recycle Capital Projects		148,000.00	-		-	18,247.71	-	7,272.06										25,519.77
MNWD Payout		1,000,000.00	-		-	-	-	-										-
Accumulated Capital/Grants		869,750.00	-		-	-	-	-										-
Accumulated Capital Funds		-	-		106,411.85	105,266.89	211,604.21	91,229.47										514,512.42
		8,907,206.00	-	-	257,426.21	240,255.24	447,679.44	244,091.53	-	-	-	-	-	-	-	-	1,189,452.42	-

Attachment 9
Interim Report on 401k Plan Holdings
As of November 2025

Page 8
EL TORO WATER DISTRICT
 401K PLAN SUMMARY

401K PLAN MARKET VALUE



MARKET VALUE SUMMARY							
	Under 41 yrs. Old	41 to 48 yrs. Old	49 to 55 yrs. Old	56 to 58 yrs. Old	59 to 62 yrs. Old	63 to 65 yrs. Old	Over 65 yrs. Old
Balance at June 30, 2025	\$2,779,712.25	\$3,692,847.59	\$2,903,472.36	\$3,904,515.38	\$5,874,750.66	\$1,558,231.69	\$3,819,217.18
	Under 41 yrs. Old	41 to 48 yrs. Old	49 to 55 yrs. Old	56 to 58 yrs. Old	59 to 62 yrs. Old	63 to 65 yrs. Old	Over 65 yrs. Old
Balance at November 30, 2025	\$3,262,514.18	\$4,137,783.73	\$3,184,974.08	\$3,412,396.89	\$7,209,058.06	\$506,285.40	\$5,317,676.34

District Staff is working with Highmark and Empower to design a new 401k report. Once the data for the portfolios is being generated by Empower, the District portfolio information by age group will be updated.

Investments	Beginning Balance	Contributions	Withdrawals	Interest, Dividends and Appreciation Net of Fees & Charges	Ending Balance
American Beacon AHL Mgd Futs Strat A	749,958.23	357.70	0.00	(229,126.05)	521,189.88
Cohen & Steers Instl Realty Shares	920,176.81	4,767.46	0.00	59,568.66	984,512.93
Columbia Contrarian Core Instl 3	2,131,787.87	12,068.52	0.00	(10,352.64)	2,133,503.75
DFA Large Cap International I	1,389,665.92	8,983.34	0.00	116,420.05	1,515,069.31
Dodge & Cox Income - I	3,683,213.13	15,972.97	0.00	38,089.60	3,737,275.70
Dodge & Cox International Stock - I	321,832.37	2,493.43	0.00	4,656.89	328,982.69
Dodge & Cox Stock - I	1,106,641.39	6,003.88	0.00	(11,983.73)	1,100,661.54
DoubleLine Core Fixed Income R6	3,672,158.07	15,979.62	0.00	48,636.48	3,736,774.17
Emerald Growth Institutional	513,100.06	3,138.40	0.00	3,102.45	519,340.91
Guaranteed Income Fund	806,269.47	3,535.46	0.00	8,733.07	818,538.00
Harbor Capital Appreciation Retirement	1,056,746.83	7,107.56	0.00	(11,212.54)	1,052,641.85
Lazard Global Listed Infrast Port Inst	545,423.05	4,322.74	0.00	86,478.87	636,224.66
MFS International Growth R6	314,348.80	1,863.32	0.00	703.47	316,915.59
Nomura Small Cap Core R6	734,714.98	3,770.26	0.00	16,432.50	754,917.74
PGIM Total Return Bond R6	1,882,967.43	8,182.56	0.00	22,474.38	1,913,624.37
PIMCO Income Instl	373,440.86	1,762.16	0.00	3,679.19	378,882.21
PIMCO RAE US Instl	1,160,774.61	6,003.88	0.00	(18,545.42)	1,148,233.07
Undiscovered Mgrs Behavioral Value R6	431,017.69	2,971.60	0.00	24,752.63	458,741.92
Vanguard Emerging Mkts Stock Idx Adm	617,108.51	4,199.71	0.00	(6,116.07)	615,192.15
Vanguard Growth & Income Adm	2,141,400.38	12,864.92	0.00	9,627.89	2,163,893.19
Vanguard Growth Index Adm	927,234.94	6,830.35	0.00	(11,326.07)	922,739.22
Vanguard Long-Term Investment-Grade Adm	937,390.76	5,089.35	0.00	53,966.52	996,446.63
Vanguard Mid Cap Index Fund - Admiral	270,482.75	1,925.41	0.00	3,979.04	276,387.20
Grand Total	26,687,854.91	140,194.60	0.00	202,639.17	27,030,688.68



STAFF REPORT

To: Board of Directors

Meeting Date: December 15, 2025

From: Dennis Cafferty, General Manager

Subject: General Manager Employment Agreement

The original General Manager Employment Agreement was executed effective July 1, 2019. In the six and one half years since the execution of the original Agreement there have been four amendments that have changed certain terms of the agreement as well as the annual base salary.

At the November 25, 2025 Board meeting the Board authorized an increase in the Annual Base Salary (Section 6.1 of the Agreement). Rather than create a fifth amendment, and in light of the fact that Director McClean is not signatory to the original Agreement, the Agreement has been updated to reflect the Board direction from the November Board meeting and incorporate all the amendments into an "Amended and Restated Employment Agreement".

The attached redline document shows the revisions to specific terms that were implemented with Amendment No.3 and Amendment No. 4. Section 6.1 has also been updated to reflect the Board action at the November Board meeting.

No other changes have been made to the Agreement.

Recommended Action:

The Board will consider approving the amended and restated General Manager Employment Agreement inclusive of the existing Employment Agreement entered into effective July 1, 2019 ("Agreement") and incorporating changes in terms and compensation as identified in Amendment Nos. 1, 2, 3 and 4 and further incorporating the annual base salary approved at the November 25, 2025 Board Meeting.

AMENDED & RESTATED
EMPLOYMENT AGREEMENT
BETWEEN
EL TORO WATER DISTRICT
AND
DENNIS P. CAFFERTY

This Employment Agreement (the “Agreement”) is made and entered into effective ~~July 1, 2019~~December 15, 2025, by and between El Toro Water District (hereinafter referred to as “District”) and Dennis P. Cafferty (hereinafter referred to as “Employee”).

RECITALS

- A. WHEREAS, the District is a local public agency organized and operating pursuant to Division 13 of the California Water Code; and
- B. WHEREAS, the District performs a vital function in providing safe, reliable water, recycled water and sanitation services for the area it serves. In order to effectively carry out the District’s functions, it requires skilled, competent, experienced, and loyal management at the highest level; and
- C. WHEREAS, Employee has served as Assistant General Manager/District Engineer of the District since September 25, 2015 and previously served as Director of Operations and Engineering since August 20, 2001 and in the course of such service, Employee has demonstrated excellence in leadership and dedication to the fundamental functions of the District and the public which it serves; and

NOW, THEREFORE, the parties agree as follows:

AGREEMENT

- 1.0 Incorporation of Recitals. The Recitals set forth above are hereby made a part of this Agreement and are incorporated herein as though set forth in full by this reference.
- 2.0 Entire Agreement. This Agreement contains the entire agreement between the parties with respect to the subject matter of this Agreement and this Agreement shall supersede all prior agreements between the parties on this subject matter.

- 3.0 Employment. The District hereby employs Employee, who accepts such employment, to serve as its General Manager.
- 4.0 Term. The term of this Agreement shall be ~~three (3)~~eight (8) years from the effective date of this Agreement (e.g. 7/1/19 through ~~6/30/2027~~6/30/2022) unless otherwise terminated as provided for in Section 8.0 of this Agreement.
- 4.1 Unless the Board provides written notice to Employee that this Agreement will not be extended beyond its term, at least sixty (60) days prior to the expiration date, the term of this Agreement shall automatically be extended for an additional one (1) year. Within one hundred twenty (120) days prior to the expiration of the term of this Agreement, the Employee and/or the District's Manager of Human Resources shall provide the Board with written notice of the provisions of this Section 4.1.
- 5.0 Duties.
- 5.1 Employee, as General Manager, shall perform such duties as may be required of him by the District's Board of Directors. The General Manager is the chief administrative officer of the District, responsible directly to the Board of Directors. Employee shall have charge of and supervise the administrative activities of the District. Employee shall further be responsible to the Board of Directors for the operations of the District's functions and facilities; plan and carry out all construction work necessary or proper to carry out the functions of the District; make such recommendations to the Board of Directors concerning the affairs of the District as may seem desirable to him; prepare and submit to the Board of Directors an annual budget for the Board of Directors' consideration and such reports as may be required by the Board of Directors; and shall maintain the District's public relations. In addition to the foregoing, Employee shall perform the duties set forth in Exhibit A attached hereto.
- 5.2 Employee will devote his full time and best efforts to performing his duties and to District's business affairs.
- 5.3 Employee may devote a reasonable amount of time to professional and community-related activities so long as the time devoted to these activities does not interfere with the performance of his duties to the District. Participation at these activities will be subject to the review of Board of Directors.
- 6.0 Compensation.
- 6.1 Annual Base Salary. Employee shall be paid an annual salary of ~~\$247,000~~\$334,950. Said compensation shall be paid in equal bi-weekly payments.

6.2 Performance Review.

The Board will review the performance of Employee annually. The targeted annual review date is the month of December of each year, commencing in December, 2019. The review will cover the latest twelve (12) month period and will focus on the Employee's achievements, contributions, Board expectations, effectiveness and leadership. The review will also be used to establish the performance goals and objectives for the next twelve (12) months of service, or through the end of the contract term.

6.3 Merit Adjustment. On or about October 1 of each year, commencing October, 2019, the District's Board of Directors shall evaluate the performance of Employee and other relevant factors. In conjunction with each annual performance evaluation, at the Board's sole discretion, the Board shall consider making reasonable adjustments in the annual salary of Employee and/or a lump sum superior performance award, as the Board may deem appropriate, in accordance with such evaluation. The District Board of Directors shall meet and confer with Employee in regard to such evaluation and the conclusions to be reached therefrom. Salary adjustments, if any, shall be effective with the last payroll period in December. However, it is understood that the District makes no commitment to increase or otherwise adjust Employee's salary at any particular time or on any regular basis.

6.4 Overtime Pay. As an exempt managerial employee, under no circumstances will Employee be entitled to any overtime pay regardless of the number of hours he may work in any work week.

6.5 Benefits. Employee will be entitled to receive the following fringe benefits.

6.5.1 District will provide Employee with the same benefits as regular full-time employees of the District including, but not limited to: participation in the District's 401(k) plan and 457 deferred compensation plan, vacation and sick leave (including financial reconciliation of any payouts for same), paid holidays, medical insurance, dental insurance, vision care, life insurance, accidental death and dismemberment insurance, long term care, and long-term disability benefits.

6.5.2 District will provide Employee with a District cellular phone. All reasonable, documented expenses concerning this item will be the responsibility of District.

6.5.3 Inasmuch as Employee, in the performance of his duties and responsibilities will be required to travel regularly to meetings and activities outside the offices of the District, the District will provide Employee with a ~~\$600~~\$750 monthly Auto Allowance as compensation for depreciation, insurance, maintenance, operation costs and fuel for his personal vehicle. Employee shall not be entitled to any additional compensation for auto expenses and mileage.

7.0 Business Expenses. Employee will be reimbursed for documented and reasonable business expenses (exclusive of auto expenses) in connection with the performance of his duties under this Agreement and in accordance with District's general policies on business expenses.

8.0 Termination of Employment.

8.1 By Employee. Employee may terminate this Agreement upon giving ninety (90) days' written notice to the Board of Directors.

8.2 By District.

8.2.1 General Rule. Notwithstanding Section 4.0, Employee as General Manager, serves at the pleasure of the Board. Employee's employment with District is "at-will", which means that the District may terminate this Agreement, and Employee's employment, at any time, with or without cause. Any modification of the "at-will" nature of the employment relationship must be in writing and executed by both Employee and the Board of Directors.

8.2.2 A District decision to terminate shall be made in accordance with the laws including Brown Act provisions regarding personnel actions. In recognition of Employee's professional status and integrity, the District and Employee shall prepare a joint public statement, approved by both parties, to be made by the Board of Directors at the first public disclosure of termination by the District. Approval of the joint public statement by either party shall not be unreasonably withheld.

8.2.3 The Employee may choose to resign his office instead of being terminated if an action by the District to terminate has been made in a closed session of the Board of Directors. In such an event, the

public announcement as provided for in paragraph 8.2.2 above will note Employee has resigned, and other terms set forth in paragraph 8.2.2 remain applicable.

8.3 Separation Terms

In the event either the Employee or the District terminates this Agreement, with or without cause, Employee's eligibility for post-retirement benefits or compensation for unused vacation and unused but accrued sick leave pay will be as defined in the El Toro Water District Employee Handbook.

8.4 Severance Pay.

8.4.1 In the event Employee elects to terminate this Agreement, he shall not be entitled to severance pay.

8.4.2 In the event Employee's employment is terminated by the District at any time without cause, Employee will be entitled to severance pay equal to the lesser of (a) his monthly salary multiplied by six (6) or (b) his monthly salary multiplied by the number of months left on the unexpired term of this Agreement. (See Government Code section 53260.)

8.4.2.1 Employee will also receive medical, dental and vision benefits for a six (6) month period or until such time as Employee finds other employment, whichever occurs first.

8.4.3 In the event Employee's employment is terminated as a result of a merger, consolidation or dissolution of the District, he will be entitled to severance pay equal to the lesser of (a) his monthly salary multiplied by 12 or (b) his monthly salary multiplied by the number of months left on the unexpired term of this Agreement. (See Government Code section 53260.)

8.4.4 The severance pay provisions provided for in ~~8.3.28.4.2~~ and ~~8.3.38.4.3~~ shall be paid in full upon the termination of Employee's employment. in equal monthly installments, and reduced by the amount of any other compensation earned by Employee for services provided to any person or entity during any applicable month.

8.4.5 Reimbursement to District. Notwithstanding anything to the contrary in this Agreement, if Employee is convicted of a crime involving an abuse of his office or position, Employee shall fully reimburse the District as follows:

8.4.5.1 For any paid leave salary provided by the District pending an investigation. *See Government Code Section 53243.*

8.4.5.2 For any funds provided by the District for the legal criminal defense of Employee. *See Government Code Section 53243.1.*

8.4.5.3 For any cash settlement provided by the District related to the termination of Employee's employment. *See Government Code Section 53243.2.*

8.4.5.4 For purposes of this Section 8.4.5, "abuse of office or position" means either of the following:

(a) An abuse of public authority, including, but not limited to, waste, fraud, and violation of the law under color of authority. *See Government Code Section 53243.4 (a).*

(b) A crime against public justice, including but not limited to, a crime described in Title 7 (commencing with Section 92) of Part 1 of the Penal Code. *See Government Code Section 53243.4 (b).*

8.5 Termination for Cause.

8.5.1 In the event Employee's employment is terminated by the District for cause, he will not be entitled to severance pay.

8.5.2 Upon allegation that Employee has engaged in conduct that would result in his termination "for cause" as defined below, Employee shall be provided with written notice by the Board of Directors, or its designee, specifying the nature of the violation, the specific policy or rule being violated, the minimum standard necessary to cure the violation.

8.5.3 Employee shall be entitled to address and attempt to rebut those allegations defined in Paragraph 8.5.2, before the Board in a closed session prior to the Board making any final determination regarding the veracity of those allegations. If Employee requests a hearing, the hearing will be held at the Board's earliest convenience in a closed session; unless the right to a public hearing is required by statute and a public hearing is requested by Employee.

8.5.4 In the event the District terminates Employee's employment "for cause" as defined below upon vote of a majority of the Board (i.e., three of five members) at a duly noticed Board meeting, the District shall provide to Employee a written notice of termination. The written notice of termination will specify the particular cause(s) and the reason(s) justifying the termination of the Agreement for cause.

8.5.5 Definition of Cause. "Cause" means the occurrence or existence of any of the following with respect to Employee, as determined by the Board: (1) A material breach by Employee of the terms of his employment; (2) the repeated material breach by Employee of any duty referred to in paragraph 5.0 above on which at least one prior written notice was given; (3) any act of dishonesty, misappropriation, embezzlement, intentional fraud, or similar misconduct by Employee; (4) the conviction or the plea of nolo contendere or the equivalent in respect of a felony involving moral turpitude; (5) any damage of a material nature to any property of District caused by Employee's willful or grossly negligent conduct; (6) being under the influence of, or impaired by, an illegal or controlled substance, alcohol or marijuana while on the job. Using or possessing illegal or controlled substances, alcohol or marijuana while on the job (including the illegal use of prescription drugs and possessing drug paraphernalia); (7) the Board reasonably determines that Employee is unfit to serve as General Manager of District; (8) conduct by Employee that in the good faith determination of the Board demonstrates unfitness to serve as General Manager of District, including, without limitation, a finding by the Board or any regulatory authority that Employee committed acts of employee harassment or violated a material law or regulation applicable to the business of the District.

8.5.6 Termination for cause may not include a refusal by Employee to carry out a request of any single Board member to undertake an activity that is in actual contravention of statute, such as, but not necessarily limited to, the Brown Act, Public Records Act, ethics laws or Political Reform Act of 1974.

9.0 Dispute Resolution. Employee and District agree that, if a dispute arises concerning or relating to Employee's employment with District, or the termination thereof, including but not limited to severance pay, the dispute shall be submitted to binding arbitration under the rules of the American Arbitration

Association then in effect. The arbitration shall take place in Orange County, California, and both Employee and District agree to submit to the jurisdiction of the arbitrator selected in accordance with American Arbitration Association rules and procedures. This arbitration procedure will be the exclusive means of redress for any disputes relating to or arising from Employee's employment, or termination thereof, with District, including disputes over rights provided by federal, state, or local statutes, regulations, ordinances, and common law, including all laws that prohibit discrimination based on any protected classification. The parties expressly waive the right to a jury trial, and agree that the arbitrator's award shall be final and binding on both parties, and nonappealable. The arbitrator shall have discretion to award monetary and other damages, or to award no damages, and to fashion any other relief the arbitrator deems appropriate.

- 10.0 Successors and Assigns. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the District's successor agency or entity as the case may be.
- 11.0 Severability. If any term, provision, or part of this Agreement is found by a court to be invalid, illegal, or incapable of being enforced by any rule of law or public policy, all other terms, provisions, and parts of this Agreement shall nevertheless remain in full force and effect as long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. On such determination that any term, provision, or part of this Agreement is invalid, illegal, or incapable of being enforced, this Agreement shall be deemed to be modified so as to effect the parties' original intent as closely as possible to the end that the transactions contemplated by this Agreement and the terms and provisions of this Agreement are fulfilled to the greatest extent possible.



STAFF REPORT

To: Board of Directors **Meeting Date: December 15, 2025**
From: Dennis Cafferty, General Manager
Subject: Directors' Compensation Policy

The Directors' Compensation Policy, Section 4000 of the District Administrative Code, explicitly requires an annual review at the December meeting of the Board of Directors.

The Directors' Compensation Policy references District Ordinance No. 2025-1 which defines the compensation Directors receive for each day's service. In February 2025 the Board of Directors adopted Ordinance 2025-1 which authorized an increase in the amount of compensation for ETWD Directors from \$219 per day to \$240.90 per day effective on April 29, 2025. A survey of current Director compensation for several neighboring agencies is attached.

Section 20202 et seq. of the Water Code of California authorizes an increase in the amount of compensation that each governing board may receive, provided that such increase does not exceed an amount equal to five percent (5%) for each calendar year following the effective date of the last adjustment of compensation.

If the Board of Directors determines that an increase in Director compensation is warranted and appropriate, the following process is required by the Water Code.

- Approval of an increase in Director compensation requires a public hearing. The public hearing would require a notice in a newspaper once a week for two successive weeks commencing at least two weeks prior to the public hearing.
- Following the public hearing the Board can consider an agenda item for an increase in Director compensation. The action item would include the adoption, by resolution, of a new Ordinance defining the amount of an increase in Director compensation.
- The effective date of a compensation increase would be at least 60 days from the date of the passage of the Ordinance.

Separate from the discussion of Director compensation, Staff are proposing revisions to the Directors' Compensation Policy as noted in the attached redline to update the list of potential compensable functions and activities. The recommended action amends the Administrative Code to incorporate the staff recommended revisions to the current Directors' Compensation Policy.

Should the Board determine that a consideration of a revision of the Director compensation is warranted, Staff will take direction from the Board to schedule a Public Hearing to consider said revision.

Attachment 1 Directors' Compensation Survey

Attachment 2 Redline Directors' Compensation Policy (Admin Code Section 4000)

Recommended Action:

Staff recommend that the Board approve the amendments to Section 4000 of the El Toro Water District Administrative Code.

2025 ORANGE COUNTY BOARD OF DIRECTORS PER DIEM SURVEY
(as of November 24, 2025)

AGENCY	Service Connections	Combined Operating & Capital Budgets	Per Diem Meeting	Effective Date	Maximum Meetings Per Month
El Toro Water District	9,843	\$43.65 million	\$240.90	April 2025	10
Irvine Ranch Water District	~133,000	\$371.9 million	\$331.00	January 2024	10
Mesa Water District	24,475	\$54.6 million	\$369.00	January 2025	10
Moulton Niguel Water District	55,146	\$235.8 million	\$308	April 2025	10
Municipal Water District of Orange County	n/a	\$219.9 million	\$335.62	April 2025	10
Orange County Water District	~200	\$289.7 million	\$330.75	October 2023	10
Santa Margarita Water District	70,514	\$131 million	\$340.00	July 2025	10
South Coast Water District	13,947	\$102.3 million	\$310.00	May 2024	10
Yorba Linda Water District	25,600	\$54.3 million	\$171.99	January 1, 2026	10

§4000

DIRECTORS' COMPENSATION POLICY

1. PURPOSE

- A. Directors in their role of providing governance for the El Toro Water District ("District") are required to:
 - 1. Attend regular, special and committee meetings of the Board of Directors ("Board");
 - 2. Perform assigned duties and responsibilities, as officers;
 - 3. Represent the District at industry and community events; and
 - 4. Attend industry specific conferences and educational events.
- B. The El Toro Water District ("District") shall adhere to Government Code Sections 53232 through 53232.4 when dealing with issues of director remuneration and reimbursement.
- C. The Directors' Compensation Policy shall be reviewed annually at the December meeting of the Board of Directors.

2. QUALIFIED EVENTS

Subject to the District's enabling statutes, attendance at the following qualifies a Director to be eligible to receive compensation.

- A. A meeting of the District's Board of Directors;
- B. A meeting of a Committee of the District's Board of Directors to which the Director has been assigned;
- C. A conference or organized educational activity (subject to the prior approval of the President or Board) conducted in compliance with Government Code Section 54952.2(c), including but not limited to ethics training required by Government Code Section 53234.
- D. Official Business Representing the District (subject to the prior approval of the President or Board) at the following non-exclusive functions and activities:
 - 1. South Orange County Wastewater Authority Board of Directors (SOCWA)
 - 2. SOCWA Finance Committee
 - 3. Santiago Aqueduct Commission (SAC)
 - 4. MWDOC Board Meeting
 - 5. MWDOC Administration & Finance Committee Meeting
 - 6. MWDOC Planning & Operations Committee Meeting
 - 7. MWDOC MET Directors Workshop

8. MWDOC Elected Officials Forum
9. MWDOC/OCWD Joint Planning Committee Meeting
- ~~10.~~ MWDOC Policy Forum Events
- ~~10-11.~~ Metropolitan Water District Inspection Trips to the State Water Project or Colorado River
- ~~11-12.~~ Local Agency Formation Commission (LAFCO)
- ~~12-13.~~ Water Advisory Committee of Orange County (WACO)
- ~~13.~~ WAGO Planning Committee
- ~~14.~~ Independent Special Districts of Orange County (ISDOC) Quarterly Luncheon
- ~~14-15.~~ ISDOC Executive Committee
- ~~15-16.~~ Local TV Appearances Laguna Woods Village "Village Television" Appearances
- ~~16-17.~~ Orange County Water Association (OCWA) Luncheon Events
- ~~17-18.~~ Water Reuse of Orange County Luncheon Meetings
- ~~18-19.~~ Joint Powers Insurance Authority
- ~~19-20.~~ South OC Watershed Management Area Executive Committee
- ~~20-21.~~ South Orange County Agencies Group Meeting
- ~~21-22.~~ So Cal Water Committee
- ~~22-23.~~ South Orange County Economic Coalition
- ~~23-24.~~ Local Chamber of Commerce Functions Events in the Chambers for the 5 Cities Served by the District
- ~~24-25.~~ City Council Meetings in the 5 Cities served by the District at which there is an agenda item relevant to the District
- ~~25-26.~~ Meetings between Board President, Vice President and District General Manager or Attorney
- ~~26-27.~~ Community Advisory Group Meetings
- ~~27-28.~~ Supervisor/Congressperson Meetings in the Areas Served by the District
- ~~29.~~ Association of California Water Agencies (ACWA) Committees
- ~~28-30.~~ ACWA Region 10 Events
- ~~29-31.~~ Other functions defined in the "Board/Staff Organizational and Standing Committee Assignments" as periodically revised and adopted by Resolution of the Board of Directors

- E. Other functions and activities determined on an Ad Hoc basis as being beneficial to the District as approved by the Board President or the Board.

3. COMPENSATION

- A. When serving in the above capacity a Director shall receive a per diem compensation as established by Ordinance No. 2025-1 of the District for "each day" so served, at the request of the Board. Only one per diem compensation will be paid for each calendar day (regardless of the number of meetings or events attended on a calendar day) up to the maximum number of days permitted by the District's Ordinance No.

2025-1 (which presently is set at 10 in any calendar). Attendance at meetings and conferences shall be deemed to have been rendered “at the request of the Board” if:

1. The Director’s attendance is requested through posting of a notice of a District meeting;
 2. The Director’s attendance is requested by the President of the Board; or
 3. The Director’s attendance is approved by Board action at a regular or special meeting of the Board of Directors.
- B. Directors shall submit their compensation report form to the District office within the first week of each month for the prior month. The Board President or the General Manager will approve and sign director compensation forms before payment can be processed. The Board President’s compensation Form shall be approved by the General Manager or Assistant General Manager.
- C. It is against the law to falsify compensation reports. Penalties for misuse of public resources or violating this policy may include, but are not limited to, the following:
1. Restitution to the District;
 2. Civil penalties for misuse of public resources pursuant to Government Code Section 8314; and
 3. Prosecution for misuse of public resources, pursuant to Section 424 of the Penal Code, penalties for which include 2, 3 or 4 years in prison.
- D. In the event of a dispute or misunderstanding regarding compensation, the matter shall be reviewed by two members of the Board appointed by the Board (other than the Board member whose account is being questioned) and their findings and recommendations will be transmitted to the Board for a determination. The Board determination shall be final.
- E. Changes in the compensation of Board members will require the approval of the Board during a noticed public hearing of the Board held at least 60 days prior to the effective date of the change, no more than once in any twelve-month period.



STAFF REPORT

To: BOARD OF DIRECTORS Meeting Date: December 15, 2025
From: Vishav Sharma, Chief Financial Officer
Subject: Quarterly Audit Report for the period July 1, 2025 to September 30, 2025

Attached to this memo please find the quarterly audit (Agreed-Upon Procedures (AUP)) Report for the El Toro Water District for the quarter ended September 30, 2025.

The District's current auditors LSL CPAs are hired to perform this special audit on a quarterly basis. As part of this procedure the auditor obtained an understanding of the District's internal controls and tested transactions related to cash receipts, cash disbursements, investments, payroll, purchasing, accounts payable, and water and sewer billing. The Finance Staff is pleased to report that the audit found no exceptions.

Recommended Action: Staff recommends that the Board receive and file the quarterly audit report for the period from July 1, 2025 to September 30, 2025.

Attachments

- Attachment 1 - Agreed-Upon Procedures for the quarter Ended September 30, 2025



INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Directors
El Toro Water District
Lake Forest, CA 92630

We have performed the procedures enumerated below on El Toro Water District's (the "District") adherence to cash receipts, cash disbursements, purchasing and accounts payable, payroll, water and sewer billings and receivables, and investments procedures (the "procedures") for the quarter ended September 30, 2025. The District's management is responsible for adherence with the procedures.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of determining the District's adherence with the procedures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1. We obtained an understanding of the District's approved internal control procedures over cash receipts, cash disbursements, purchasing and accounts payable, payroll, water and sewer billings and receivables, and investments, through discussions with management.

Results: We performed procedures 2 to 6 based on our understanding of the District's adherence with procedures for cash receipts, cash disbursements, purchasing and accounts payable, payroll, water and sewer billings and receivables, and investments.

2. We tested adherence to approved cash receipt procedures by selecting three days' receipts. Each selected days' receipts were totaled for arithmetic accuracy and then traced to the general ledger for accurate account distribution. The days' total deposit was agreed to the monthly bank statement. A total of sixty-one water billing receivable receipts were traced and agreed to the subsidiary ledger detail.

Results: No exceptions were noted.

3. We tested adherence to approved water and sewer billing and receivable procedures by selecting ten customer billings. For each billing selected, we traced the billing rates to approved Board of Directors actions and verified the mathematical accuracy of the billing. We also verified that the billing was correctly posted to the customer record and verified subsequent receipt.

Results: No exceptions were noted.



Board of Directors
El Toro Water District
Lake Forest, CA

4. We tested adherence to approved cash disbursements, purchasing and accounts payable procedures by selecting fifteen voucher packages. For each voucher package selected, we inspected the cancelled check for endorsement and signature. We agreed the date, amount and payee to the cash disbursement journal. We also agreed the amount and payee to supporting invoices or other supporting documents, noting that the invoice was approved by an authorized employee and that the invoice was cancelled to prevent possible resubmission. We verified the account distribution and traced the account distribution to the cash disbursements journal.

Results: No exceptions were noted.

5. We tested adherence to approved payroll procedures by selecting five payroll disbursements. We examined supporting time cards for approval by supervisors, agreed hours worked as noted on the time cards to the payroll register, agreed the hourly or salary rate to an authorized pay schedule and recalculated computations of gross and net pay. We verified the posting of the amounts from the payroll register to the general ledger accounts.

Results: No exceptions were noted.

6. We tested adherence to the investment policy by selecting the Treasurer's report for the month ended September 30, 2025. For the investments held at month end we reviewed the investment type and verified that the investments were in compliance with the District's policy. We traced investments listed on the Treasurer's report to the trustees' statements and the general ledger.

Results: No exceptions were noted.

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

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

This report is intended solely for the information and use of El Toro Water District's management, and is not intended to be and should not be used by anyone other than those specified parties.

LSL, LLP

Irvine, California

December 8, 2025



STAFF REPORT

To: Board of Directors **Meeting Date: December 15, 2025**
From: Vishav Sharma, Chief Financial Officer
Subject: November 2025 bills for Approval

Attached for Board's approval is the payment summary report for the month of November 2025, which lists all checks, ACH and wire transfers that were paid during the month that exceeded \$75,000.

Presented below for your consideration are the payments of bills for the months of November 2025:

1. The total disbursement including payroll expense and ACH/Direct debts for the month of November 2025 is \$3,697,550.42
2. These disbursements include six checks greater than \$75,000, with the total equal to \$1,564,145.38. Staff recommends the Board approve these checks.
3. These disbursements also include one wire transfer for debt service greater than \$75,000, with the total equal to \$903,957.66. Staff recommends the Board approve this disbursement.
4. District employees were reimbursed \$2,028.12 for travel, education, meals, supplies and certification related expenses.
5. Payroll expenses of \$677,518.57 occurred during the month. This cost includes the cost of employee and Director's payroll, pension and benefits.

Recommended Action:

Staff recommend that the Board approve, ratify and confirm payment of those bills as set forth in the Payment Summary for the month ending November 30, 2025.

EL TORO WATER DISTRICT
Payment Summary
For the month ending November 30, 2025

CHECK NUMBER	PAYMENT DATE	VENDOR NAME	PAYMENT AMOUNT
14581	11/07/2025	Municipal Water District of Orange County	737,051.24
14617	11/13/2025	South Orange County Wastewater Authority	307,085.72
14662	11/26/2025	ACWA JPIA	146,849.73
14651	11/20/2025	Southern California Edison Company	142,818.99
14542	11/07/2025	ACWA JPIA	142,561.83
14562	11/07/2025	Moulton Niguel Water District	87,777.87
CHECKS OVER \$75,000			\$ 1,564,145.38
CHECKS UNDER \$75,000			\$ 541,020.87
TOTAL CHECKS PAID			\$ 2,105,166.25

REIMBURSEMENTS TO ETWD EMPLOYEES

CHECK NUMBER	PAYMENT DATE	PAYEE (DESCRIPTION)	PAYMENT AMOUNT
14670	11/26/2025	Cody Trementozzi (Work Boots and D4 Cert)	639.72
14696	11/26/2025	Vu Chu (Travel Expense)	293.00
14567	11/07/2025	Rick Brown (Work Boots)	277.90
14550	11/07/2025	Chris Goodchild (Work Boots)	274.99
14571	11/07/2025	Sherri Seitz (Trave Expense)	207.41
14554	11/07/2025	Garth Botha (SWRCB Application)	140.00
14688	11/26/2025	Shane Fregin (Certificate Renewal)	130.00
14689	11/26/2025	Sherri Seitz (Trave Expense)	41.30
14687	11/26/2025	Oscar Hernandez (Mileage)	23.80
TOTAL CHECKS TO EMPLOYEES			\$ 2,028.12

REINBURSEMENTS TO ETWD DIRECTORS

CHECK NUMBER	PAYMENT DATE	PAYEE (DESCRIPTION)	PAYMENT AMOUNT
TOTAL CHECKS TO DIRECTORS			\$ -

DEBIT TRANSFERS

11/14/2025	PAYROLL DIRECT DEPOSIT	183,866.85
11/14/2025	FEDERAL DEPOSIT LIABILITY	40,513.74
11/14/2025	SDI & STATE TAX	17,423.50
11/14/2025	EMPOWER (401K)	70,450.71
11/14/2025	EMPOWER (457)	18,767.30
11/14/2025	HEALTH SAVINGS ACCOUNT	207.70
11/14/2025	MEDICAL FLEXIBLE SPENDING ACCOUNT	830.82
11/14/2025	DEPENDANT CARE FLEXIBLE SPENDING ACCOUNT	384.31
11/14/2025	PAYROLL BOARD OF DIRECTOR	8,001.07
11/14/2025	SS, MEDICARE, SDI & STATE TAX	1,464.91
11/14/2025	EMPOWER (457)	2,681.19
11/14/2025	MEDICAL FLEXIBLE SPENDING ACCOUNT	125.00
11/28/2025	PAYROLL DIRECT DEPOSIT	182,597.01
11/28/2025	FEDERAL DEPOSIT LIABILITY	40,435.93
11/28/2025	SDI & STATE TAX	17,447.82
11/28/2025	EMPOWER (401K)	69,743.89
11/28/2025	EMPOWER (457)	21,153.99
11/28/2025	HEALTH SAVINGS ACCOUNT	207.70
11/28/2025	MEDICAL FLEXIBLE SPENDING ACCOUNT	830.82
11/28/2025	DEPENDANT CARE FLEXIBLE SPENDING ACCOUNT	384.31
Total Payroll Expense		677,518.57

ACH or Direct Debits

11/30/2025	BANK and ADP FEES	8,788.51
11/30/2025	ACH payments (Debt service Wire to US Bank)	903,957.66
11/30/2025	ACH payments (Health Equity)	2,119.43
Total Other Expense		914,865.60

TOTAL INTERBANK WIRES / DEBIT TRANSFERS \$ 1,592,384.17

TOTAL DISBURSEMENTS \$ 3,697,550.42

MINUTES OF THE REGULAR MEETING
& OF THE
ENGINEERING COMMITTEE MEETING

November 24, 2025

At approximately 8:12 a.m. Vice President Freshley called the Engineering Committee meeting to order.

Committee Members MARK MONIN, MIKE GASKINS, KAY HAVENS, KATHRYN FRESHLEY, and WYATT McCLEAN participated.

Also participating were DENNIS P. CAFFERTY, General Manager, GILBERT J. GRANITO, General Counsel, VISHAV SHARMA, CFO, HANNAH FORD, Director of Engineering, RORY HARNISCH, Senior Engineer, VU CHU, Water Resources Supervisor (Zoom), ABEL ESTRADA, Billing & Customer Service Supervisor (Zoom), CAROL MOORE, Laguna Woods City Council Member (Zoom), JANET FORDUNSKI, Member of the Public (Zoom), and MARISOL MELENDEZ, Recording Secretary.

Consent Calendar

Vice President Freshley asked for a Motion.

Motion: Director Monin made a Motion, seconded by Director McClean to approve the Consent Calendar.

Roll Call:

Director McClean	aye
Director Havens	aye
Director Monin	aye
Vice President Freshley	aye
President Gaskins	aye

Engineering Action Items

OOPS MCC and Valve Rehabilitation Project

Mr. Harnisch reported that the motor control center (MCC) and automatic transfer switch (ATS) for Ocean Outfall Pump Station are approximately 45 years old and have reached the end of their useful life. Both components were purchased separately to reduce costs and have already been received. Staff also prepared construction documents in-house for the removal and replacement of the electrical equipment. The WRP asset management plan flagged valves that staff will replace and install.

Mr. Harnisch stated that four bids were submitted by reputable contractors for the project. A notice of exemption was filed with the County under CEQA guidelines. Staff recommend awarding the contract for the electrical equipment installation to Hydro Tech Electric.

Vice President Freshley asked for a Motion.

Motion: President Gaskins made a Motion, seconded by Director Monin to authorize the District’s General Manager to enter into a contract with Hydro Tech Electric in the amount of \$51,700.00 for construction of the OOPS MCC and Valve Rehabilitation Project and to authorize the General Manager to fund the project costs from the District’s Capital Reserves as recommended by staff in accordance with the District’s adopted Capital Reserve Policy.

Roll Call:

Director McClean	aye
Director Havens	aye
Director Monin	aye
Vice President Freshley	aye
President Gaskins	aye

Westline Lift Station Generator Replacement

Mr. Harnisch explained that the generator for the Westline Lift Station was installed in 1984 and serves as a backup to the lift station in the event of a power outage. This equipment is critical as the lift station collects sewage, eventually transporting it to the District Water Recycling Plant. Due to its age and the inability to obtain replacement parts, staff recommend purchasing a new generator from Quinn Power Systems, Inc. A separate contractor will be recommended for installation closer to the delivery date.

Director Monin asked whether a natural gas generator could be used. Mr. Cafferty explained that there are no gas sources in the area but noted that staff will evaluate the feasibility of natural gas for future generator replacements.

Director Havens asked about District generators that do not have double containment. Ms. Ford explained that staff has developed a priority list for generator replacements based on installation year, obsolete parts, and criticality, and that the capital budget includes funding for future replacements. Mr. Cafferty added that the double containment concern primarily relates to underground fuel tanks, and the District currently has only one.

Vice President Freshley asked for a Motion.

Motion: Director Monin made a Motion, seconded by Director Havens to authorize the District's General Manager to issue a purchase order to Quinn Power Systems, Inc. in the amount of \$266,804.09 to furnish a new diesel generator for the Westline Lift Station and to authorize the General Manager to fund the project costs from the District's Capital Reserves as recommended by staff in accordance with the District's adopted Capital Reserve Policy.

Roll Call:

Director McClean	aye
Director Havens	aye
Director Monin	aye
Vice President Freshley	aye
President Gaskins	aye

Engineering Information Items

Emergency Groundwater Supply Project

Mr. Cafferty provided an overview of the Emergency Groundwater Supply Project in partnership with Moulton Niguel Water District, Orange County Water District, and the City of Santa Ana. He reviewed the project background and requested Board input on whether the District should consider pursuing this emergency supply opportunity. The proposed project involves the construction of new facilities to transfer groundwater to South Orange County through the East Orange County Feeder No. 2, to be used only in extreme emergency situations.

The Board discussed the Emergency Groundwater Supply Project, evaluating its costs, benefits, and overall need. While appreciative of the opportunity to collaborate with neighboring agencies, the Board agreed not to pursue participation in the project.

El Toro Water District Operations Report

Vice President Freshley asked about the spike in battery activity on the WRP battery storage system report and if the cause of the in-rush could be related to timing.

Ms. Ford explained that staff has to maintain certain treatment targets. A large part of the electrical use is from the blowers which are controlled by the dissolved oxygen concentration that vary through the day due to temperature and flow impacting aeration demand. A diurnal fluctuation at the treatment plant is inevitable.

El Toro Water District Capital Project Status Report

Moulton/El Toro Cathodic Protection Repair

Ms. Ford reported that the project was advertised for bids, but only one contractor responded, and the bid exceeded the estimate. After staff conducted a value engineering exercise, it was determined that reducing the number of sites for new anode groundbed installations would lower costs without compromising the level of protection. Another pre-bid meeting will be held, and staff anticipates bringing a recommendation for award in January.

Aliso Creek Lift Station Improvement Project

Ms. Ford reported that staff is reviewing a 90% design. Following the presentations to Golden Rain Foundation (GRF) and United Mutual Committees staff will move forward with temporary construction agreements with GRF. She also noted that Cal OES has completed the first round of review for the BCA, and if approved, the application will proceed to the federal review stage.

Ms. Fordunski left the meeting at approximately 9:28 a.m.

Main Office Warehouse Drainage Improvement Project

Mr. Harnisch reported that the new pump drain system has been in operation for several weeks and performed effectively during recent rain events. He also noted that the project was funded from capital reserves due to its urgency.

Westline Lift Station Main Switchboard Replacement

Mr. Harnisch reported that staff has coordinated with the contractor and SCE to operate the lift station in temporary mode. SCE will install a meter, after which the station will return to permanent mode. The project is expected to be completed in early December.

Headworks and Secondary Clarifier No. 1 Rehabilitation Project

Mr. Harnisch reported that staff is still in the submittal phase and is coordinating with the contractor to perform potholing activities at the WRP and Laguna Woods Golf Club.

R-6 Reservoir Southern Slope Repair Project

Mr. Harnisch reported that the District has entered into an agreement with MDB General Engineering, Inc. and issued a Notice to Proceed. Staff is reviewing the construction schedule, and the contractor is expected to mobilize next week.

Mr. Harnisch left the meeting at approximately 9:38 a.m.

Secondary Clarifier No. 4 Drive Replacement Project

Ms. Ford reported that the rehabilitation of Secondary Clarifier No. 4 Drive is complete. This will be followed by taking Clarifier No. 1 offline as part of the larger rehabilitation project.

Solar and Battery Projects

Ms. Ford reported that staff has selected a vendor who is providing a Foreign Entity of Concern (FEOC) compliant battery, eliminating the time pressure of having to order this year while still qualifying for Inflation Reduction Act funding. Legal counsel is reviewing the Energy Services Agreement, which will be presented along with the final cost details at the next Board meeting. Available funding is sufficient to cover the capital costs for both battery projects. Staff is also continuing to review potential solar project options with less time pressure.

Tertiary Disinfection Optimization Project

Ms. Ford reported that staff is waiting for DDW's final approval of the operations plan. WRP staff have installed three new free chlorine analyzers and District staff will construct the new local control panel in-house, resulting in cost savings.

Asset Management

Ms. Ford reported that staff held a kickoff meeting for the force main asset management project. As-built documents have been submitted, and staff is processing data requests. Initial results from the linear asset management project have been reviewed, and the project dashboard will be presented to the Board.

Freeway Electrical Equipment Replacement

Ms. Ford stated that this work will begin after the completion of the Westline Lift Station main switchboard project.

Comments Regarding Non-Agenda Engineering Committee Items

There were no comments.

Adjournment

There being no further business, the Engineering Committee meeting was adjourned at approximately 9:48 a.m.

Ms. Ford left the meeting at approximately 9:48 a.m.

Attorney Report

Mr. Granito reported that there is a need for a Closed Session today to address both items on today's Closed Session Agenda. Item number one on the Closed Session Agenda is a matter of anticipated litigation. Item number two resumes the annual performance evaluation of the District's General Manager.

Mr. Sharma provided follow up information for Director Monin stating that the District does not have equities in the CAMP pool but does invest in corporate bonds. He also noted that the current CAMP pool rate is 4.08%.

Closed Session

At approximately 9:50 a.m. everyone left the open session except the Board members, General Counsel, and Mr. Cafferty. In the first phase of the Closed Session, item number one of the Closed Session Agenda item was discussed.

Mr. Cafferty left the Closed Session meeting for the second phase to address item number two of the Closed Session Agenda. During this time the Board resumed the annual performance evaluation process of the District's General Manager.

Regular Session

At approximately 10:51 a.m., the Board returned to Regular Session. Also, at this time, Mr. Cafferty and Ms. Melendez returned to the meeting.

Open Session Report

Mr. Granito reported that the Board went into Closed Session to discuss both items on today's Closed Session Agenda. During the first phase of the Closed Session, the District's General Manager and General Counsel led a discussion on the anticipated litigation. No reportable action was taken. The second phase of the Closed Session concerned item two of today's Closed Session Agenda and the Board resumed the annual performance evaluation process of the District's General Manager. No reportable action was taken.

Adjournment

There being no further business to come before the Board, the meeting was adjourned at 10:54 a.m.

Respectfully submitted,

MARISOL MELENDEZ
Recording Secretary

APPROVED:

MIKE GASKINS, President
of the El Toro Water District and the
Board of Directors thereof

DENNIS P. CAFFERTY, Secretary
of the El Toro Water District and the
Board of Directors thereof



Operations Report

November 2025

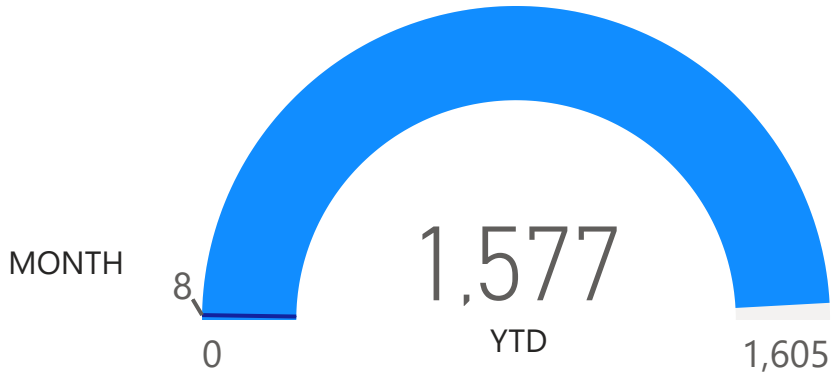
How to read the graphics in this report:



Valves

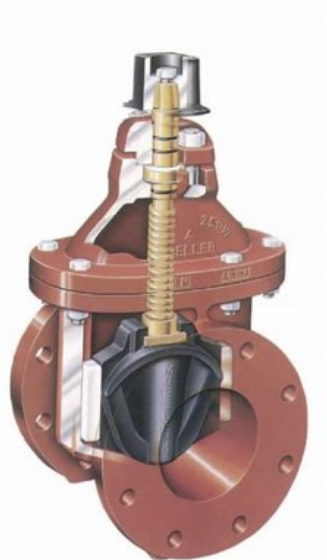
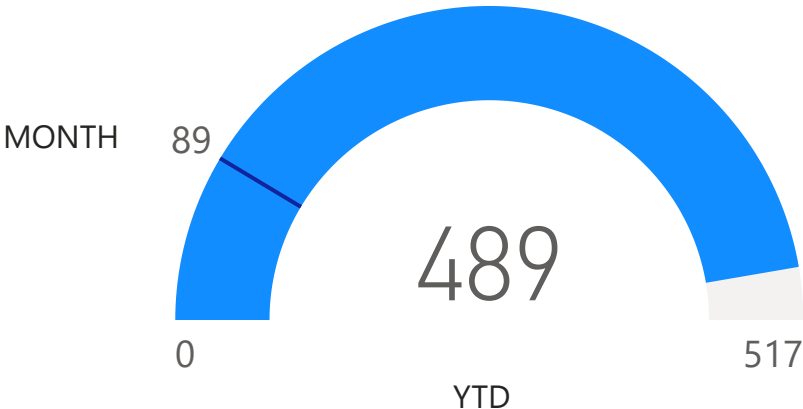
Distribution Valves Operated

Mainline



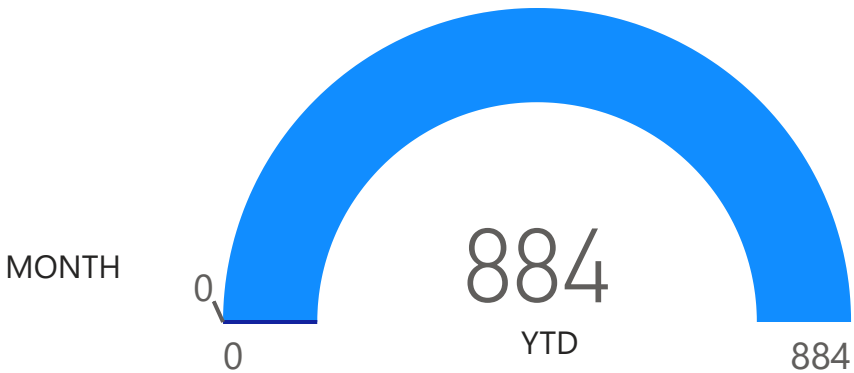
Arterial Valves Operated

Mainline



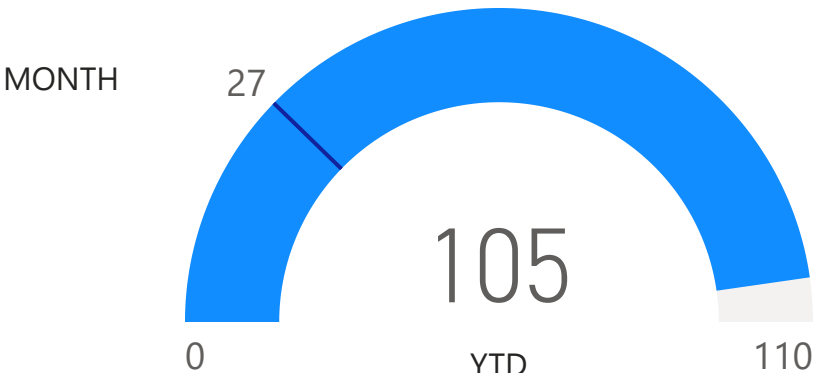
Distribution Valves Operated

Fire Hydrant



Arterial Valves Operated

Fire Hydrant



Asset	Month	YTD
Potable Valves Repaired	0	14
Potable Valves Replaced	0	22
Valve Cans Adjusted/Replaced	0	47
Valve Cans Cleaned	145	2,874
Total	145	2,957

Note:

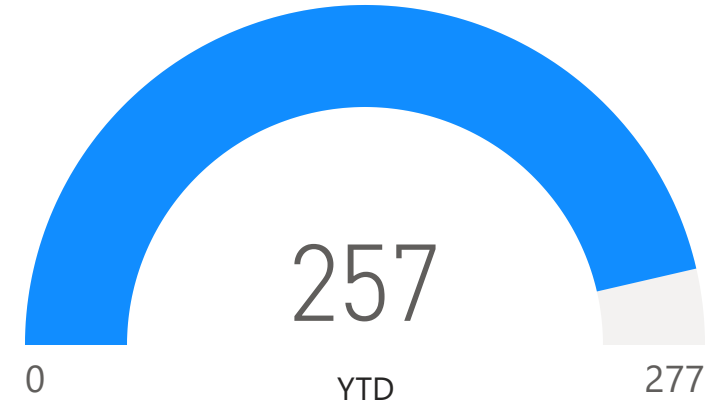
1. The distribution valve operation program strives to operate all distribution valves (mainline and fire) every two years. Goals shown on this page represent that for the calendar year (i.e., total number of distribution valves divided by two).
2. The arterial valve operation program strives to operate all arterial valves (mainline and fire) every year. Normally scheduled at the end of the year.

Cross Connection Program

Backflow Assemblies Tested

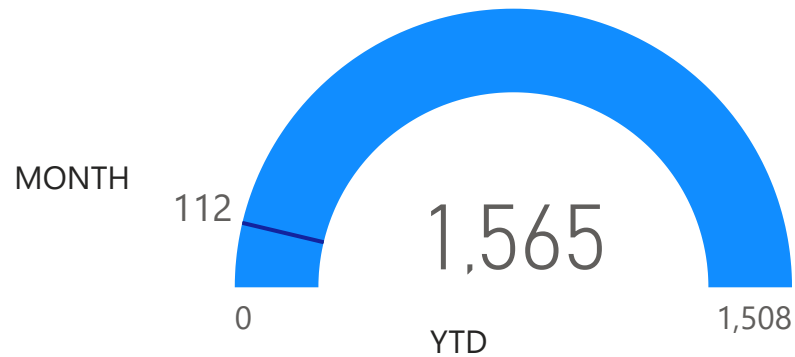


Recycled Water Inspections



Other Facility Maintenance

Generator Inspections



Underground Service Alerts Marked

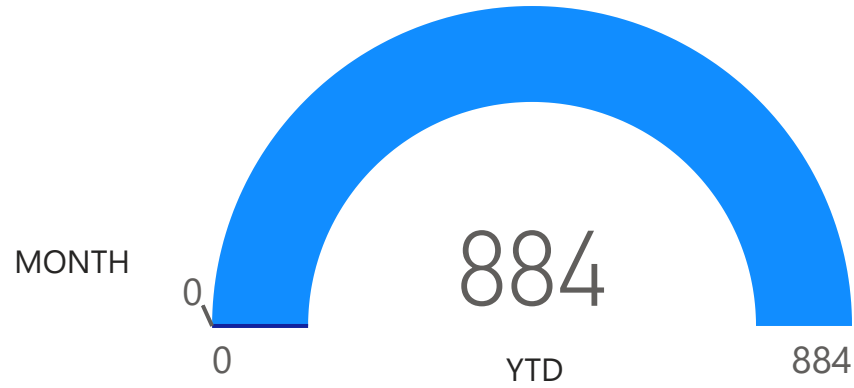
155
Month

Underground Service Alerts Marked

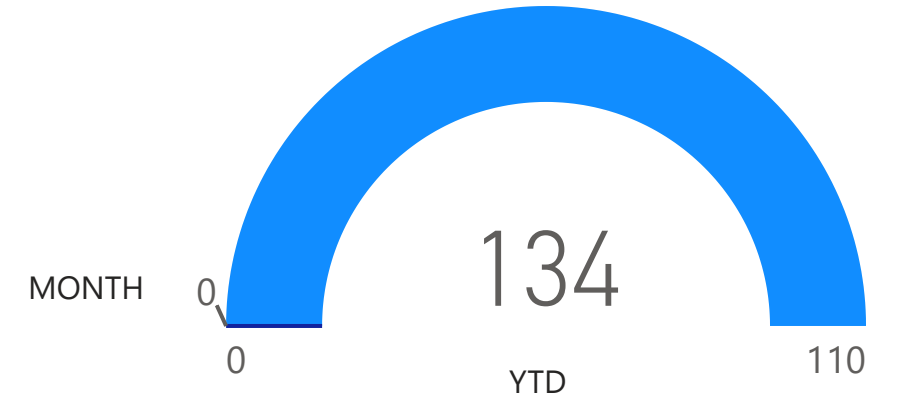
1,909
YTD

Fire Hydrants

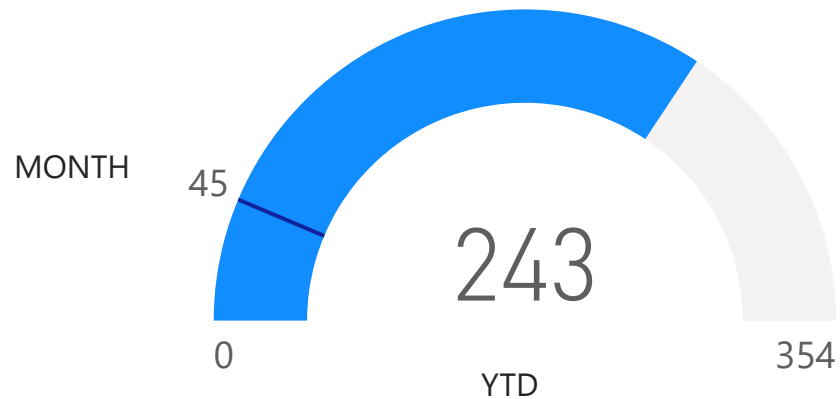
Distribution Hydrants Maintained



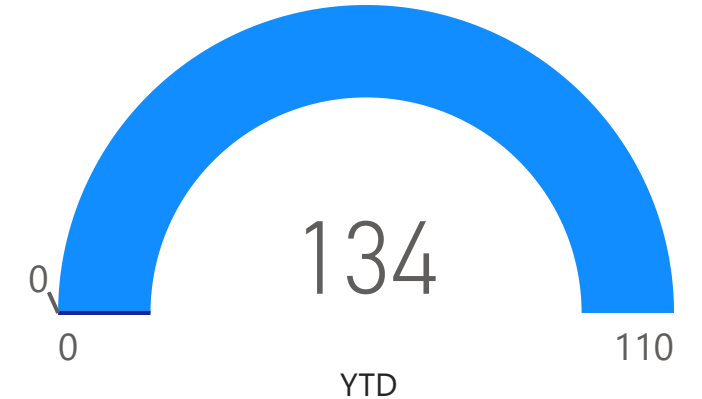
Arterial Hydrants Maintained



Distribution Hydrants Painted



Arterial Hydrants Painted



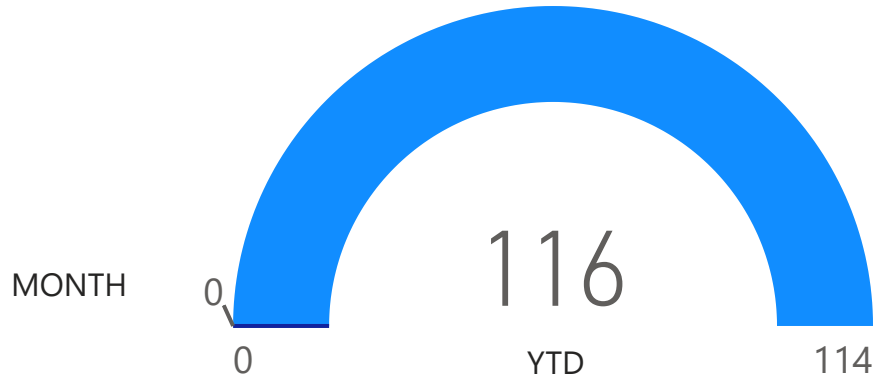
Asset	Month	YTD
Hydrants Repaired	1	12
Hydrants Replaced	1	30
Total	2	42

Note:

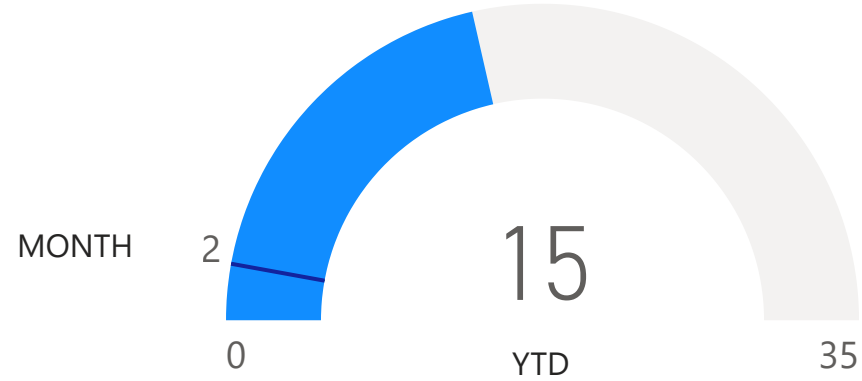
1. The hydrant program strives to maintain all distribution hydrants every two years and arterial hydrants every year. Goals shown on this page represent that for the calendar year (i.e., total number of distribution hydrants divided by two).
2. The hydrant program strives to paint all hydrants every five years. Goals shown on this page represent that for the calendar year (i.e., total number of hydrants divided by five).

Water Appurtenances

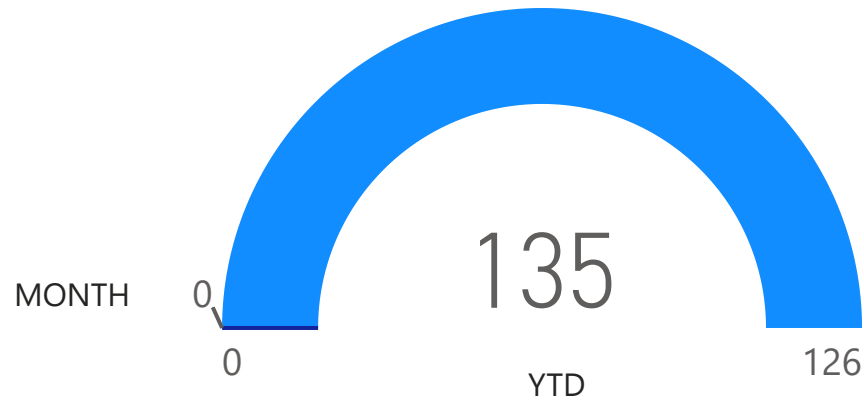
Air Vacs Maintained



PRVs Maintained

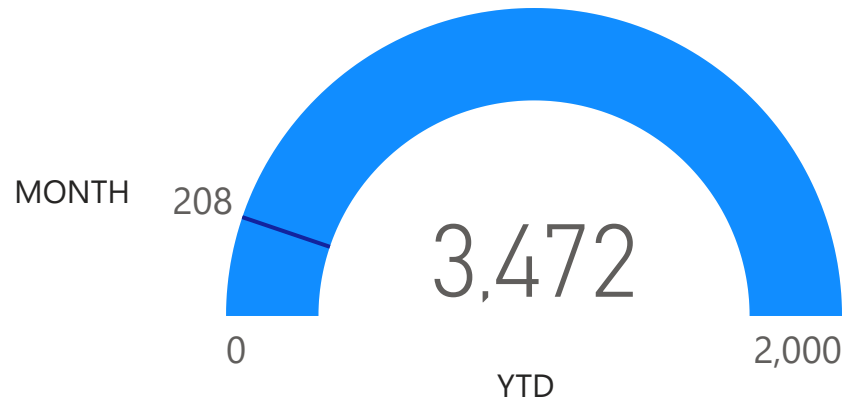


Blow Offs Flushed



Water Distribution System

Leak Detection Survey



System Flushing
gallons

19K
Month

System Flushing
gallons

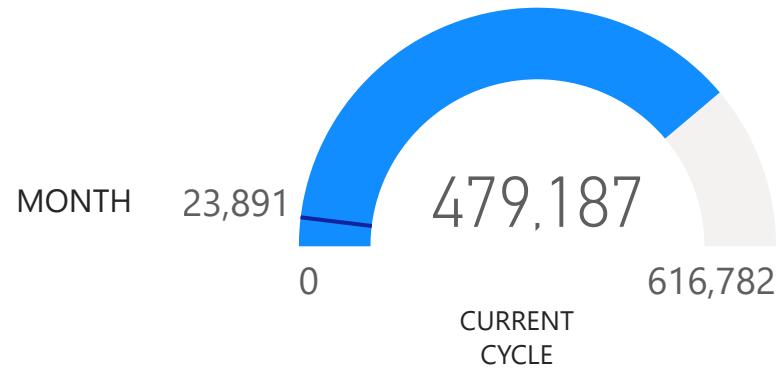
505K
YTD



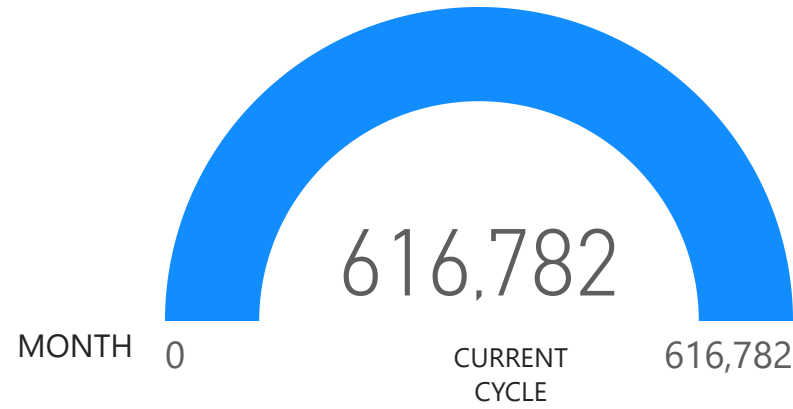
Asset	Month	YTD
Main Line Repairs	0	5
Service Line Repairs	2	13
Service Line Replacement	0	30
Water Pump Motor Services	0	8
Water Pump Services	0	8
Water Reservoir and Pump Station Inspections	336	1,348

Collection System

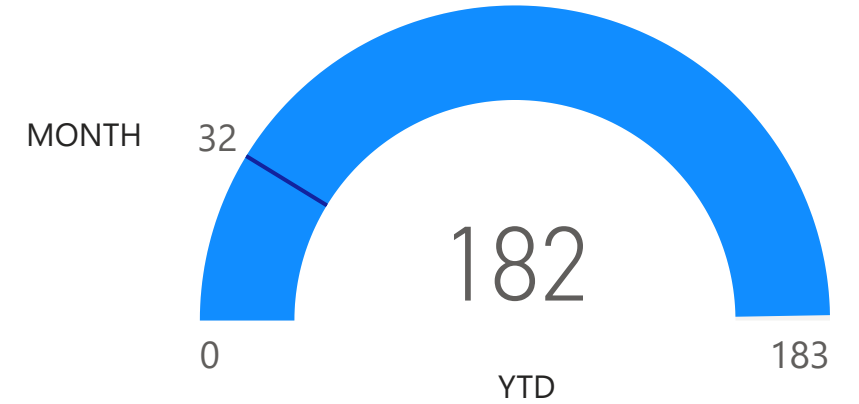
Line Cleaning
feet of pipe



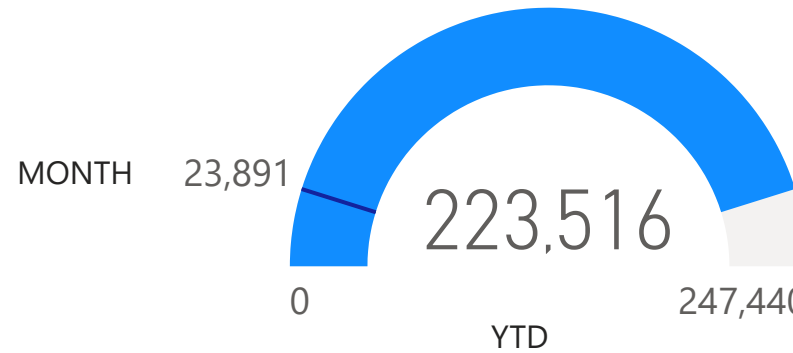
TV Inspection
feet of pipe



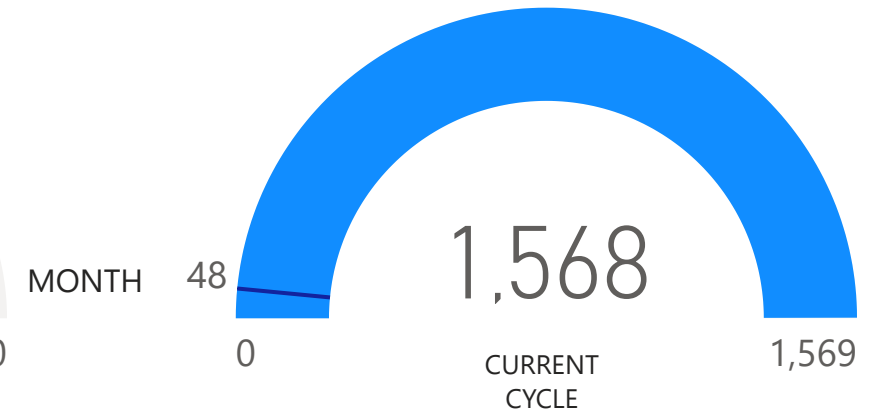
FOG Inspections



Hotspots
feet of pipe



Manhole Inspections



Asset	Month	YTD
Industrial Waste Inspections	0	41
Lift Station Inspections	80	976
Manhole Repairs	1	6
Odor Complaints	1	3
Root Cutting, feet of pipe	17,508	45,796
Root Foaming, feet of pipe	0	177
Sewer Mainline Repairs	0	0
Sewer Pump/Motor Maintenance	0	30
Sewer Service Line Repairs	0	1
Wet Well Cleaning	3	31

Note:

1. The line cleaning objective is a two year cycle to clean the entire system. The current cycle began on 7/1/2024.
2. The TV inspection objective is a five year cycle to inspect the entire system. The current cycle began on 1/25/2021.

MICROBIOLOGICAL MONITORING

PRESSURE ZONE LEGEND

GRAVITY 570	LOW 1 484	SPARTAN 620-710	MID 630
SHENANDOAH 894	LOW 2 465	REDUCED HIGH 537	ULTRA HIGH 800-920
CHERRY 770-815	LOW 3 409	HIGH 645-720	R-6 620

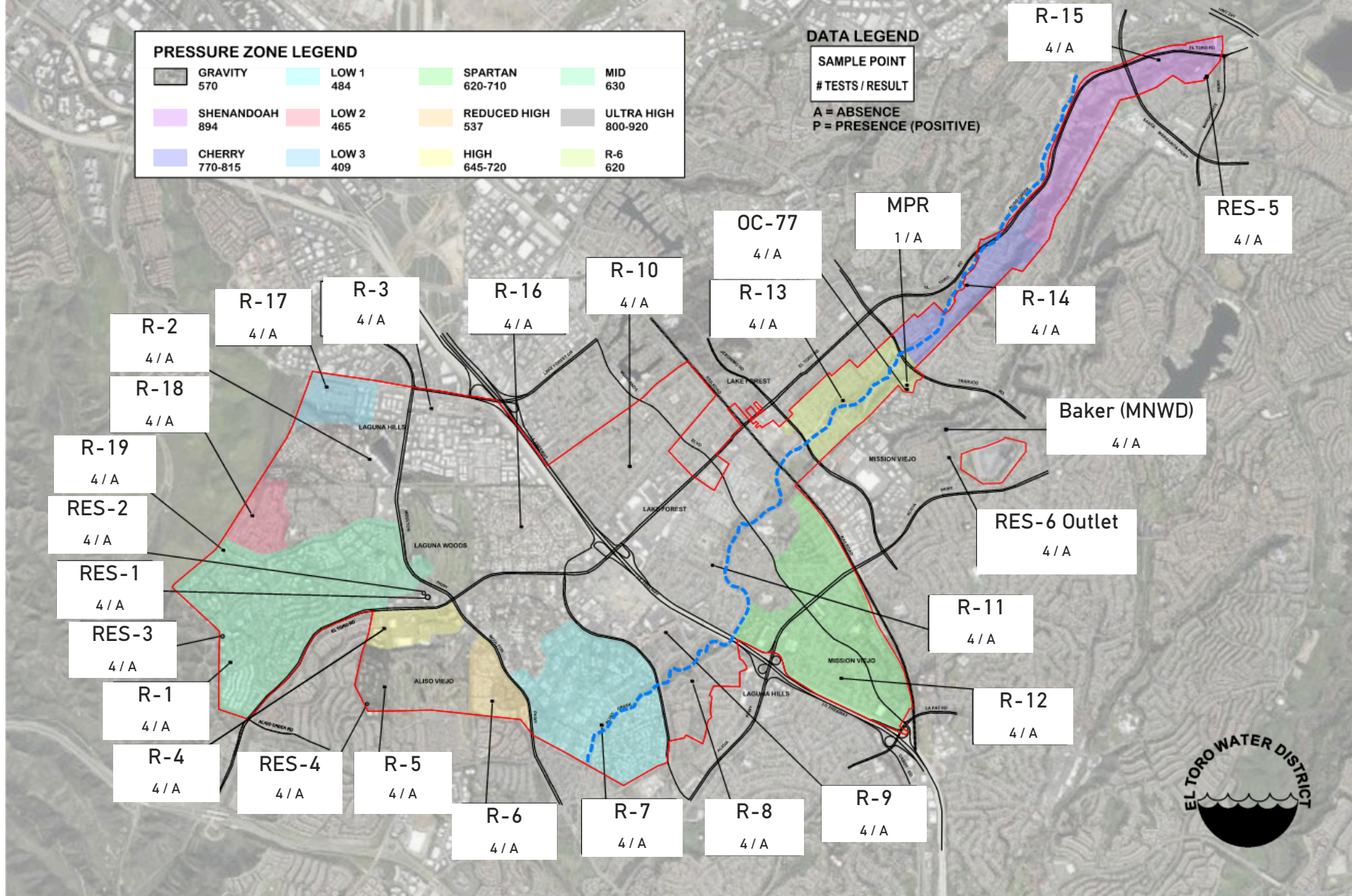
DATA LEGEND

SAMPLE POINT

TESTS / RESULT

A = ABSENCE

P = PRESENCE (POSITIVE)



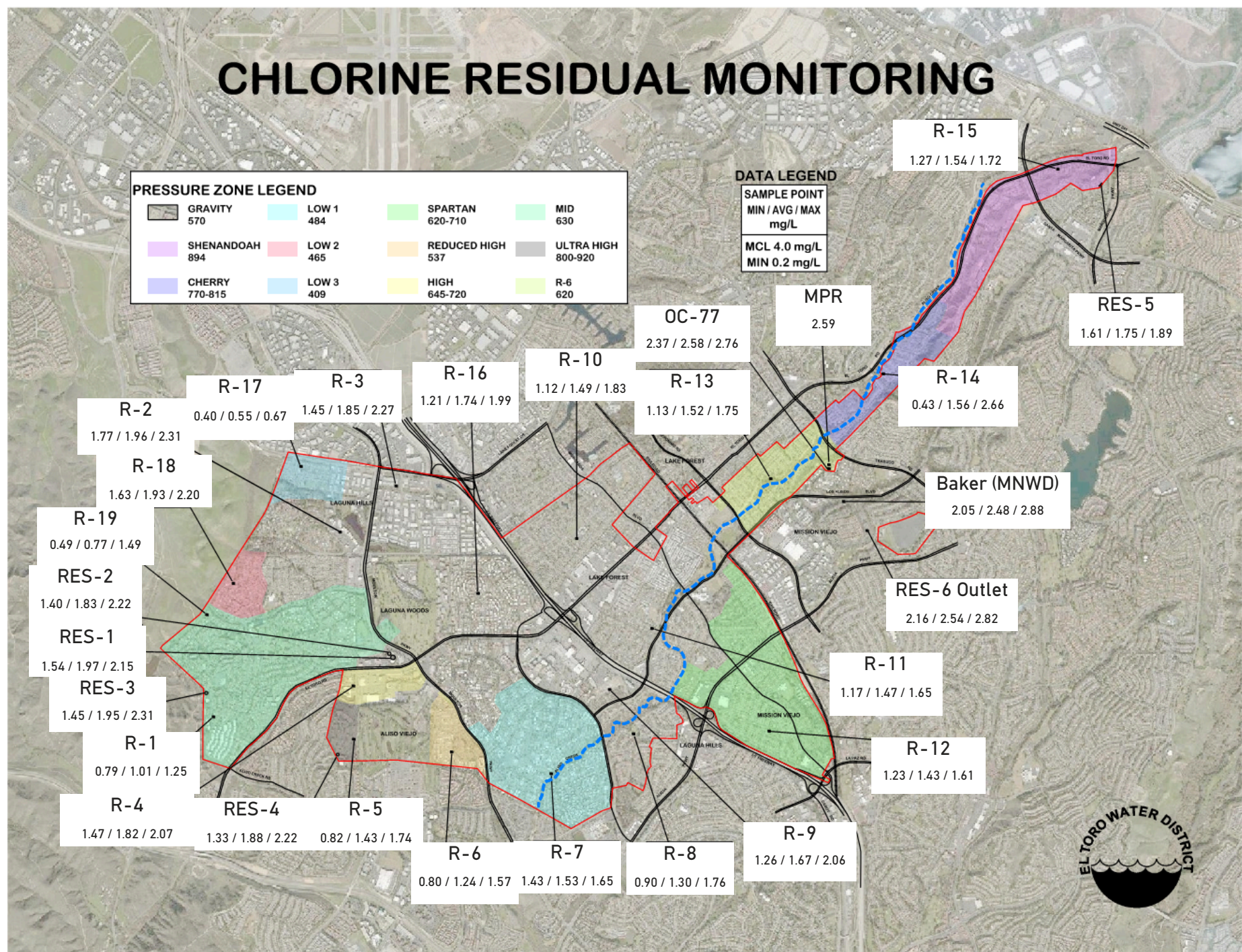
CHLORINE RESIDUAL MONITORING

PRESSURE ZONE LEGEND

GRAVITY 570	LOW 1 484	SPARTAN 620-710	MID 630
SHENANDOAH 894	LOW 2 465	REDUCED HIGH 537	ULTRA HIGH 800-920
CHERRY 770-815	LOW 3 409	HIGH 645-720	R-6 620

DATA LEGEND

SAMPLE POINT MIN / AVG / MAX mg/L
MCL 4.0 mg/L MIN 0.2 mg/L



- R-15**: 1.27 / 1.54 / 1.72
- RES-5**: 1.61 / 1.75 / 1.89
- OC-77**: 2.37 / 2.58 / 2.76
- MPR**: 2.59
- R-10**: 1.12 / 1.49 / 1.83
- R-13**: 1.13 / 1.52 / 1.75
- R-14**: 0.43 / 1.56 / 2.66
- Baker (MNWD)**: 2.05 / 2.48 / 2.88
- RES-6 Outlet**: 2.16 / 2.54 / 2.82
- R-17**: 0.40 / 0.55 / 0.67
- R-3**: 1.45 / 1.85 / 2.27
- R-16**: 1.21 / 1.74 / 1.99
- R-2**: 1.77 / 1.96 / 2.31
- R-18**: 1.63 / 1.93 / 2.20
- R-19**: 0.49 / 0.77 / 1.49
- RES-2**: 1.40 / 1.83 / 2.22
- RES-1**: 1.54 / 1.97 / 2.15
- RES-3**: 1.45 / 1.95 / 2.31
- R-1**: 0.79 / 1.01 / 1.25
- R-11**: 1.17 / 1.47 / 1.65
- R-12**: 1.23 / 1.43 / 1.61
- R-4**: 1.47 / 1.82 / 2.07
- RES-4**: 1.33 / 1.88 / 2.22
- R-5**: 0.82 / 1.43 / 1.74
- R-6**: 0.80 / 1.24 / 1.57
- R-7**: 1.43 / 1.53 / 1.65
- R-8**: 0.90 / 1.30 / 1.76
- R-9**: 1.26 / 1.67 / 2.06

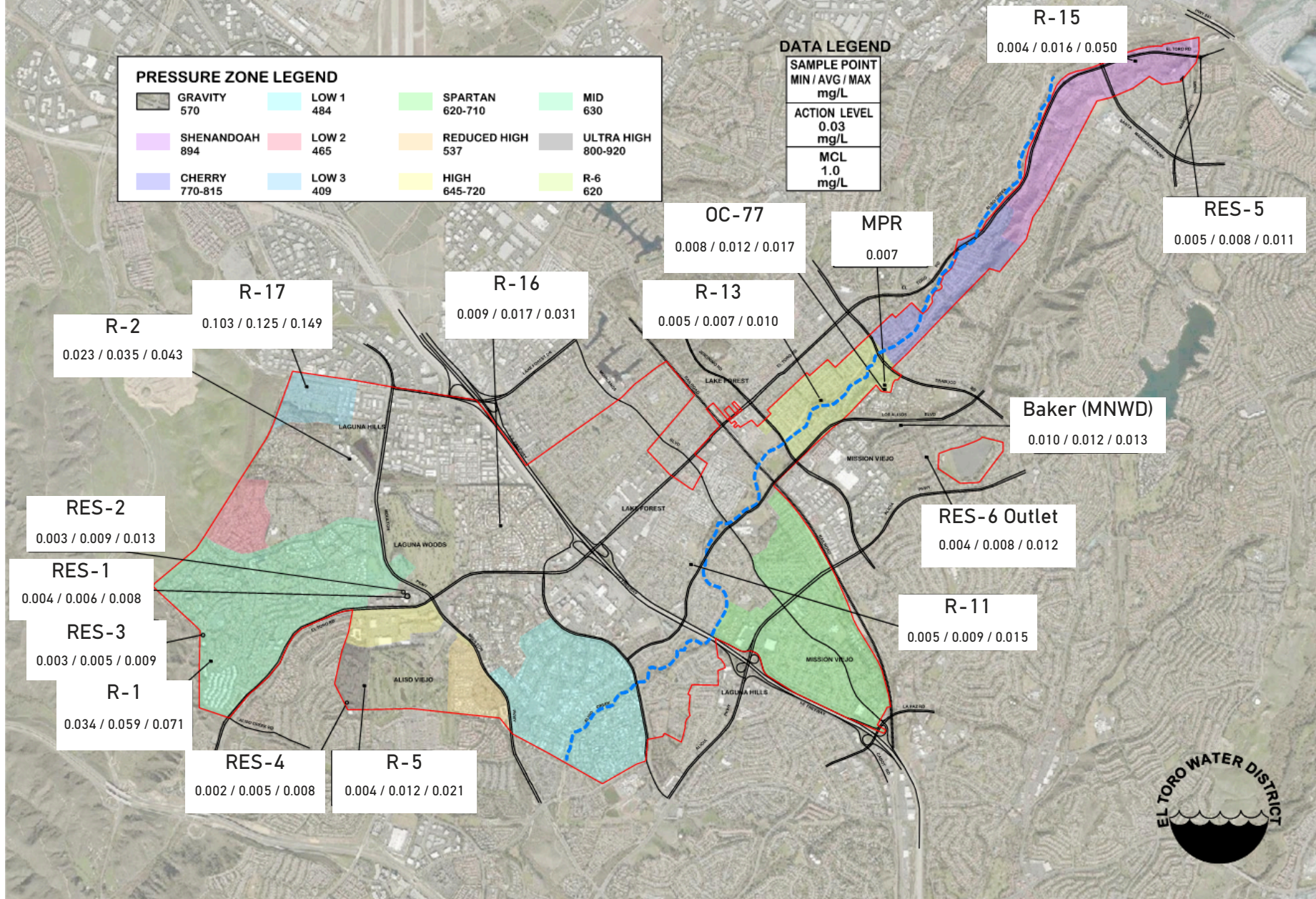


NITRITE MONITORING

PRESSURE ZONE LEGEND			
GRAVITY 570	LOW 1 484	SPARTAN 620-710	MID 630
SHENANDOAH 894	LOW 2 465	REDUCED HIGH 537	ULTRA HIGH 800-920
CHERRY 770-815	LOW 3 409	HIGH 645-720	R-6 620

DATA LEGEND

SAMPLE POINT MIN / AVG / MAX mg/L
ACTION LEVEL 0.03 mg/L
MCL 1.0 mg/L



**EL TORO WATER DISTRICT
MONTHLY POTABLE WATER QUALITY REPORT**

The quality and safety of drinking water in the U.S. is regulated by the federal government through the U.S. Environmental Protection Agency (USEPA). In California, those standards are enforced by the California Department of Public Health (CDPH). Water Quality parameters must meet both primary and secondary water quality standards as established by the CDPH.

PRIMARY STANDARDS - are intended to protect public health against substances in the water that may be harmful to humans if consumed for long periods of time.

SECONDARY STANDARDS - are to ensure esthetic qualities of water such as taste, odor or clarity. Rather than its healthfulness, these standards govern substances that may influence consumer acceptance of water.

Given that 100% of ETWD's potable water resource is fully treated and delivered by Metropolitan Water District of Southern California (MWDSC) through an enclosed and protected conveyance system, the majority of the State and federal primary and secondary source water quality monitoring requirements are performed by MWDSC. The District's physical responsibility for water quality monitoring is associated with the distribution system. To monitor the distribution system water quality the District utilizes both in-house and outside lab services. Routine distribution analysis conforming to CDPH requirements is conducted for the following constituents:

- 1) **Microbiological** - The number of microbiological samples and the frequency of analysis during the month is based on the population and/or service connections served. Utilizing a population of 50,000, the CDPH requires that 20 "representative" samples be collected and analyzed for coliform bacteria. The objective is to maintain water quality that is absent of coliform bacteria which is a general indicator for the existence of fecal coliform.
- 2) **Chlorine Residual** - The chlorine residual monitoring is performed in conjunction with the microbiological monitoring. The CDPH requirement for treated surface water mandates that the distribution system maintain a "detectable" residual. The number and frequency of sampling is determined utilizing the same formula applied to microbiological requirements. At a minimum, we are obligated to collect and analyze for chlorine residual each time we collect the representative microbiological samples. Per EPA Disinfectants & Disinfection Byproduct Rule (D/DBP), which was effective January 2002, requires quarterly reporting for all sampling.
- 3) **TTHM & HAA5 Stage 2 DBPR Compliance** The U.S. Environmental Protection Agency (EPA) published the Stage 2 Disinfectants and Disinfection Byproducts Rule (Stage 2 DBPR) on January 4, 2006. The Stage 2 DBPR builds on existing regulations by requiring water systems to meet disinfection byproduct (DBP)* maximum contaminant levels (MCLs) at each monitoring site in the distribution system to better protect public health. The Stage 2 DBP rule is intended to reduce potential cancer and reproductive and developmental health risks from disinfection byproducts (DBPs) in drinking water, which form when disinfectants are used to control microbial pathogens. This final rule strengthens public health protection for customers of systems that deliver disinfected water by requiring such systems to meet maximum contaminant levels as an average at each compliance monitoring location (instead of as a system-wide average as in previous rules) for two groups of DBPs, trihalomethanes (TTHM) and five haloacetic acids (HAA5). The rule targets systems with the greatest risk and builds incrementally on existing rules. This regulation will reduce DBP exposure and related potential health risks and provide more equitable public health protection. The Stage 2 DBPR is being released simultaneously with the Long Term 2 Enhanced Surface Water Treatment Rule to address concerns about risk tradeoffs between pathogens and DBPs.

The mandatory requirement under the Stage 2 DBP rule, known as an Initial Distribution System Evaluation (IDSE) was completed by ETWD in 2008 and a Stage 2 monitoring plan has been approved by CDPH. Full Stage 2 compliance begins in 2012. The IDSE identified the locations with high disinfection byproduct concentrations. These locations will then be used by the District as the 8 sampling sites for Stage 2 DBP rule compliance monitoring. Compliance with the maximum contaminant levels for two groups of disinfection byproducts (TTHM and HAA5) will be calculated for each monitoring location in the distribution system. This approach, referred to as the locational running annual average (LRAA), differs from current requirements, which determine compliance by calculating the running annual average of samples from all monitoring locations across the system. The Stage 2 DBP rule also requires each system to determine if they have exceeded an operational evaluation level, which is identified using their compliance monitoring results. The operational evaluation level provides an early warning of possible future MCL violations, which allows the system to take proactive steps to remain in compliance. A system that exceeds an operational evaluation level is required to review their operational practices and submit a report to the state that identifies actions that may be taken to mitigate future high DBP levels, particularly those that may jeopardize their compliance with the DBP MCLs.

- 4) **Physical Quality** - Physical Quality analysis is associated with the esthetic qualities of the finished water. Primarily, we are performing analysis for taste, odor and Turbidity (Clarity). In accordance with CDPH requirements, the District collects a minimum of 15 samples per month.
- 5) **Nitrites** - Although the chloramine disinfection process has been effective in controlling TTHM levels, it requires increased monitoring and adjustment as a result of its susceptibility to the Nitrification process. Nitrification is a biological process caused by naturally occurring ammonia oxidizing bacteria. Nitrification in chloraminated drinking water can have various adverse impacts on water quality, the most serious of which is the loss of total chlorine residual which is required by the CDPH and the subsequent potential to increase bacteriological activity within the finished or treated water system. MWD has developed an effective nitrification monitoring and prevention program which ETWD staff have adopted and incorporated into the District's daily water quality monitoring and action plan. The number and frequency of this type of monitoring is not currently regulated by CDPH. Staff monitor the level of nitrites in source water, reservoirs and the distribution system daily and weekly in conjunction with the microbiological and chlorine sampling program. A nitrite level of between 0.015 and 0.030 would signal an alert. > 0.030 would require action such as the addition of chlorine to produce a chloramine residual.

EL TORO WATER DISTRICT MONTHLY POTABLE WATER QUALITY ANALYSIS					
MONTH:		November		YEAR : 2025	
CONSTITUENT ANALYSIS	MCL	INSIDE LAB		OUTSIDE LAB	
		NO.	RESULTS	NO.	RESULTS
1 Microbiological	Pres/Absence	114	Absence		Average
2 Chlorine (ppm) In Field	Detectable Resid	123	*Average = 1.48 ppm		
3 TTHM (ppb) (Stage 2)	80 ppb				
3 HAA5 (ppb) (Stage 2)	60 ppb				
4 Physical Quality:			RANGE		
Turbidity (ppm)	5 NTU	20	0.10 to 0.10 Res.		
Odor	3 Units	20	ND<1		
Color	15 Units	20	ND<5		
Temperature	No standard	20	66°F To 78°F		
5 Nitrite (Alert/Action level) ppm	0.015 to 0.030 ppm	113	0.002 to 0.149		

To ensure water quality compliance, the District annually performs approximately 8,750 water quality analytical evaluations of the samples collected from the distribution system.

Abbreviations:

*Average	Monthly sample point CL2 average (R1-R19 & MPR)
RES	Indicates that the nitrification was isolated to a reservoir and treated
ND	None detected
Pres/Absence	Presence (P) or Absence (A) related to a positive or negative bacteriological result
MCL	Maximum Contaminant Level
NTU	Nephelometric Turbidity Units, a measure of the suspended material in the water
ppm	Parts per million
ppb	Parts per billion
Total Coliform	No more than 5% of the monthly samples may be total coliform-positive
N/A	Not available

4th Quarter 2025 Compliance Reports

November's Monthly Reports

October's Surface Water Treatment (Bactis)

Due November 10th
Submitted November 7th

Sent to Region 8, Dennis Cafferty and Scott Hopkins

October's Revised Total Coliform Monitoring (Bactis)

Due November 10th
Submitted November 7th

Sent to Region 8, Dennis Cafferty and Scott Hopkins

October's Self Monitoring Report for Planned Discharges

Due November 30th
Submitted November 7th

Sent to Region 8, Dennis Cafferty and Scott Hopkins

Octobers's Self Monitoring Report for Recycled Water

Due November 30th
Submitted November 20th

Sent to Region 8, Dennis Cafferty and Scott Hopkins

December's Monthly Reports

November's Surface Water Treatment (Bactis)

Due December 10th
Submitted December 5th

Sent to Region 8, Dennis Cafferty and Scott Hopkins

November's Revised Total Coliform Monitoring (Bactis)

Due December 10th
Submitted December 5th

Sent to Region 8, Dennis Cafferty and Scott Hopkins

November's Self Monitoring Report for Planned Discharges

Due December 10th
Submitted December 5th

Sent to Region 8, Dennis Cafferty and Scott Hopkins

Novembers's Self Monitoring Report for Recycled Water

Due December 30th

Sent to Region 8, Dennis Cafferty and Scott Hopkins

Staff Training Log 2025



First Quarter

Training Topic	Duration/Hrs	Assigned Hrs	Completed Hrs.	Frequency	Modality	Participants
Safety Tailgate Meeting	0.5	189.5	189.5	Weekly	In Person	Field Staff
Defensive Driver	1	41	39	Every 4 Years	In Person	Completed
Distracted Driving	1	58	54	Every 4 Years	Online	All Staff/Assigned
Bloodborne Pathogens	1	58	50	Annual	Online	All Staff/Assigned
Crane Training	24	240	240	Every 5 Years	In Person	Completed
Crane-Rigging/Signalman	4	40	40	Every 2 Years	In Person	Completed
		Total- 626.5	Total- 612.5			

Second Quarter

Training Topic	Duration/Hrs	Assigned Hrs	Completed Hrs.	Frequency	Modality	Participants
Safety Tailgate Meeting	0.5	195.5	195.5	Weekly	In Person	Field Staff
Fire Prevention	1	58	55	Annual	Online	All Staff/Assigned
Fire Extinguisher	1	58	53	Annual	Online	All Staff/Assigned
SPCC Training	1	41	36	Annual	Online	Field Staff/Assigned
WVPP	1	58	50	Annual	In Person	Need to Schedule
Fit Testing	1	33	29	Annual	In Person	In Process
Ergonomics	3	174	165	2 Years	In Person	Completed
		Total- 617.5	Total- 583.5			

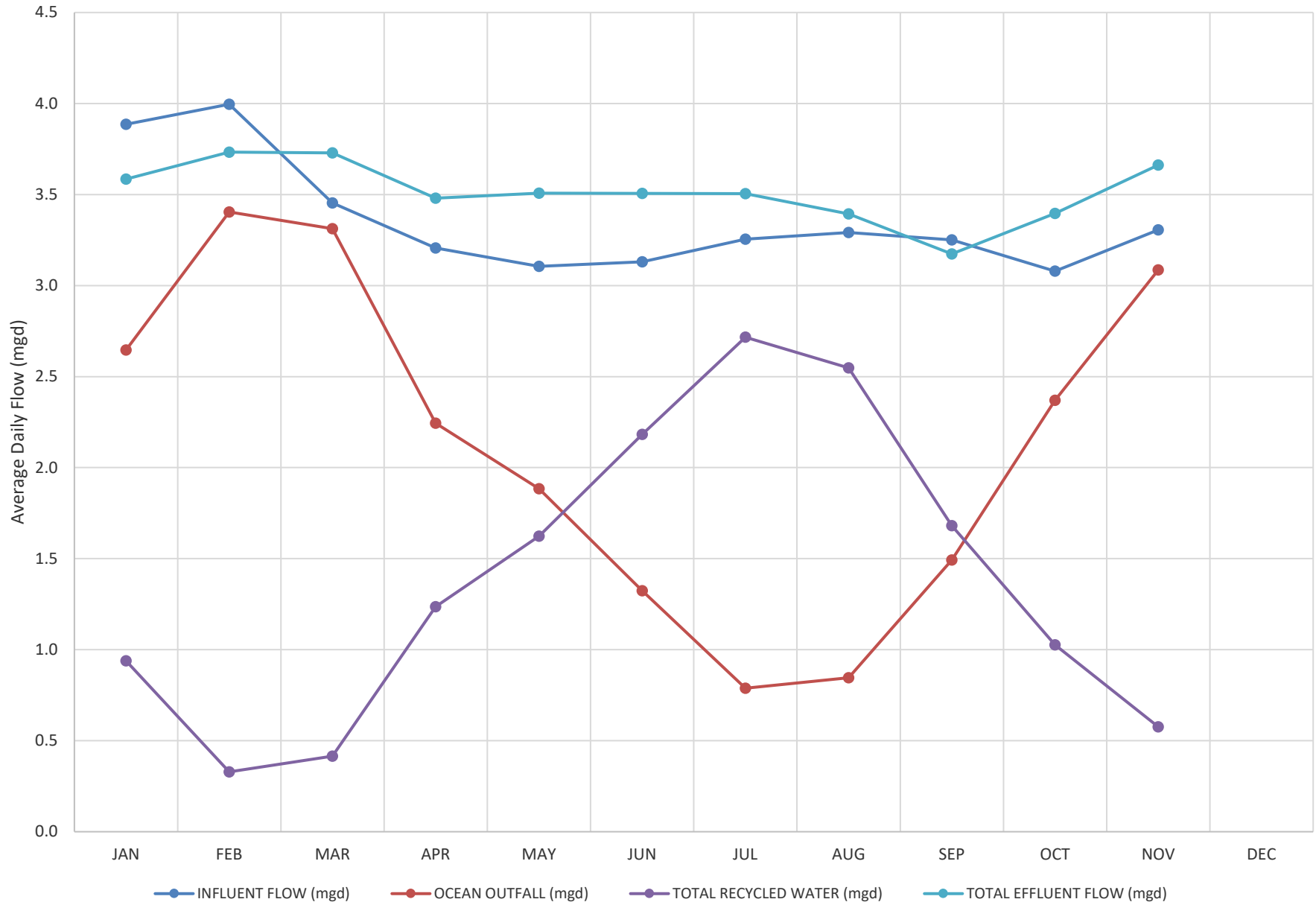
Third Quarter

Training Topic	Duration/Hrs	Assigned Hrs	Completed Hrs.	Frequency	Modality	Participants
Safety Tailgate Meeting	0.5	224.5	224.5	Weekly	In Person	Field Staff
Hearing	1	58	52	Annual	Online	All Staff/Assigned
Low Voltage Electrical Safety	1	58	53	Annual	Online	All Staff/Assigned
Asbestos/Silica	3	66	66	Annual	In Person	Scheduled - 9/24
DOT/Respirator Physicals	3	73	73	Annual	In Person	Field Staff/In Process
		Total- 479.5	Total- 468.5			

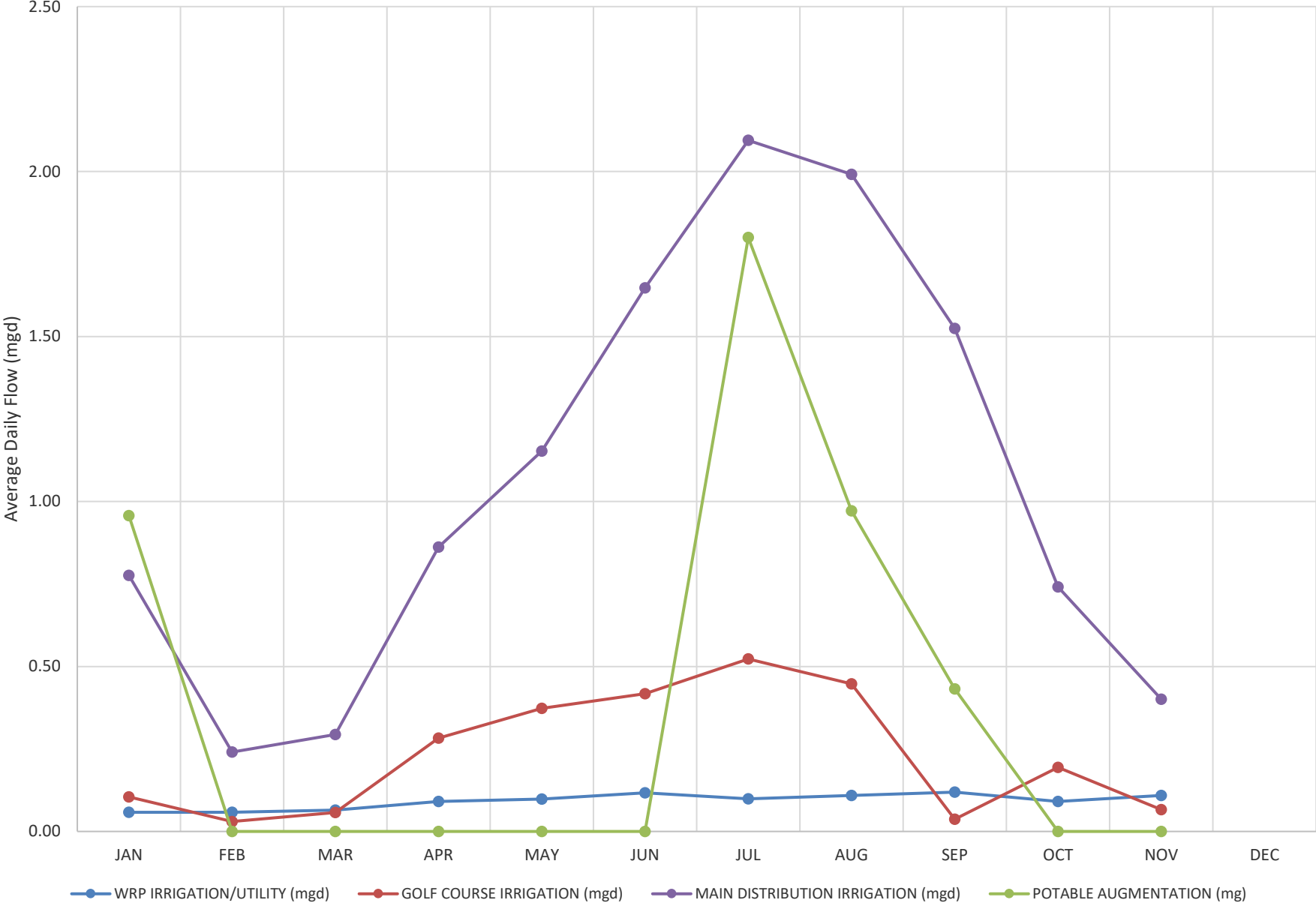
Fourth Quarter

Training Topic	Duration/Hrs	Assigned Hrs	Completed Hrs.	Frequency	Modality	Participants
Safety Tailgate Meeting	0.5	131	131	Weekly	In Person	Field Staff
Lock Out Tag Out	1	58	27	Every 2 Years	Online	All Staff/Assigned
Harassment Prevention for Supervisors	2	27	11	Every 2 Years	Online	Managers/Supervisors
Harassment Prevention for Employees	1	31	9	Every 2 Years	Online	Non Managerial Employees
HAZWOPER	8	296	264	Annual	In Person	Completed
HAZWOPER 40 Hour	40	80	80	Annual	In Person	Completed
Confined Space Entry/Rescue	8	224	0	Annual	In Person	Field Staff/Scheduled
		Total- 847	Total- 522			

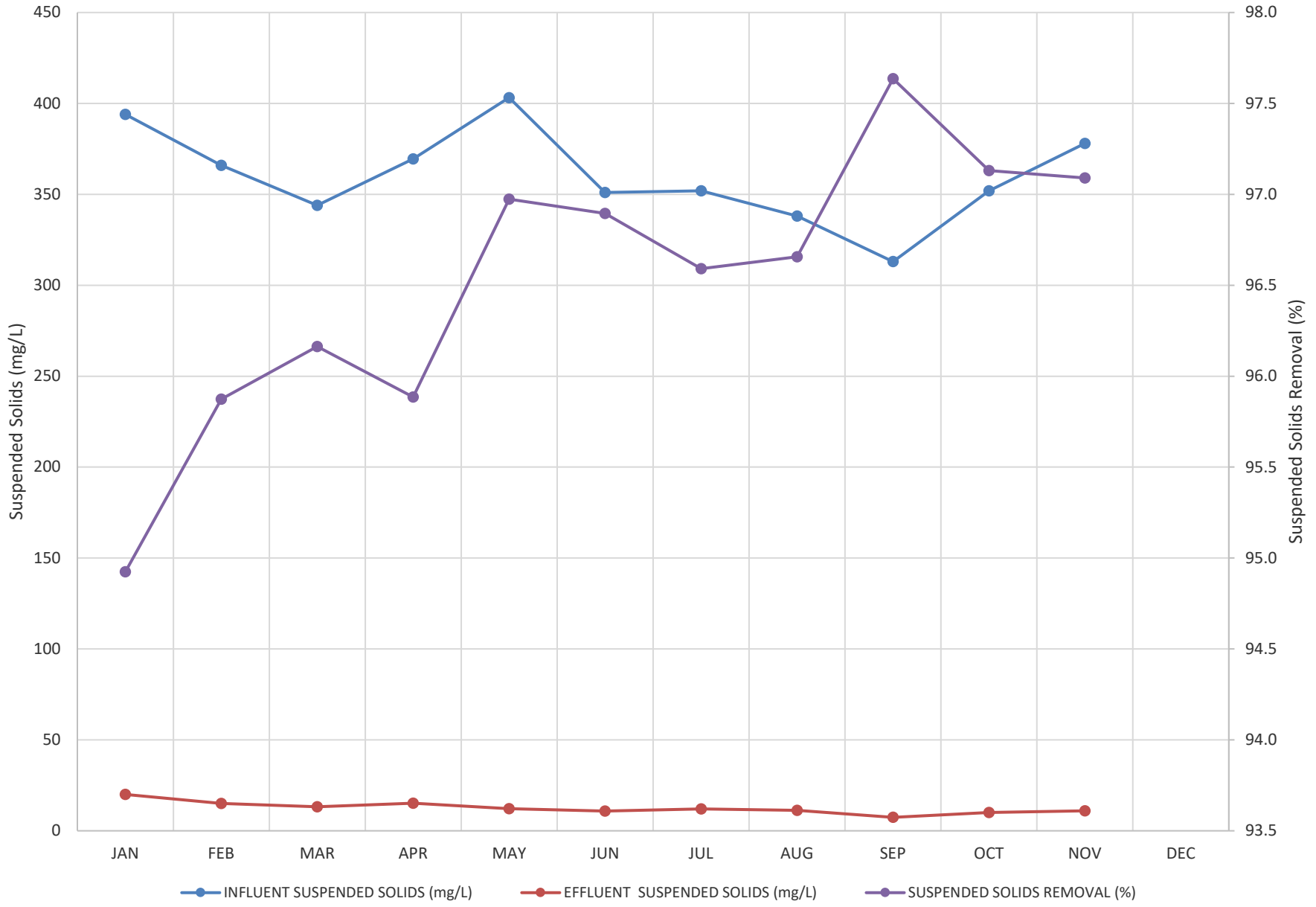
WRP Flow Trends



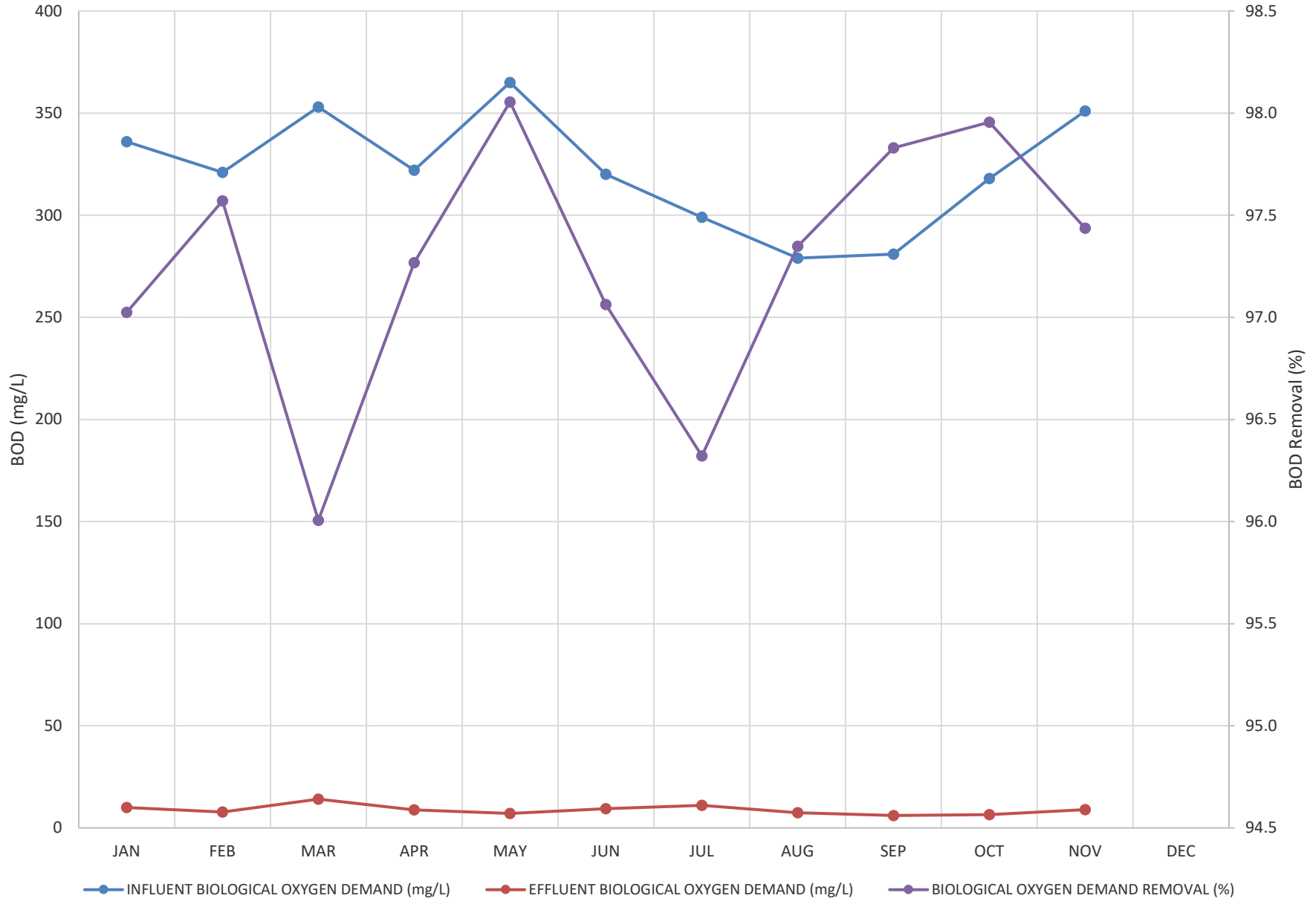
Recycled Water Flow Trends



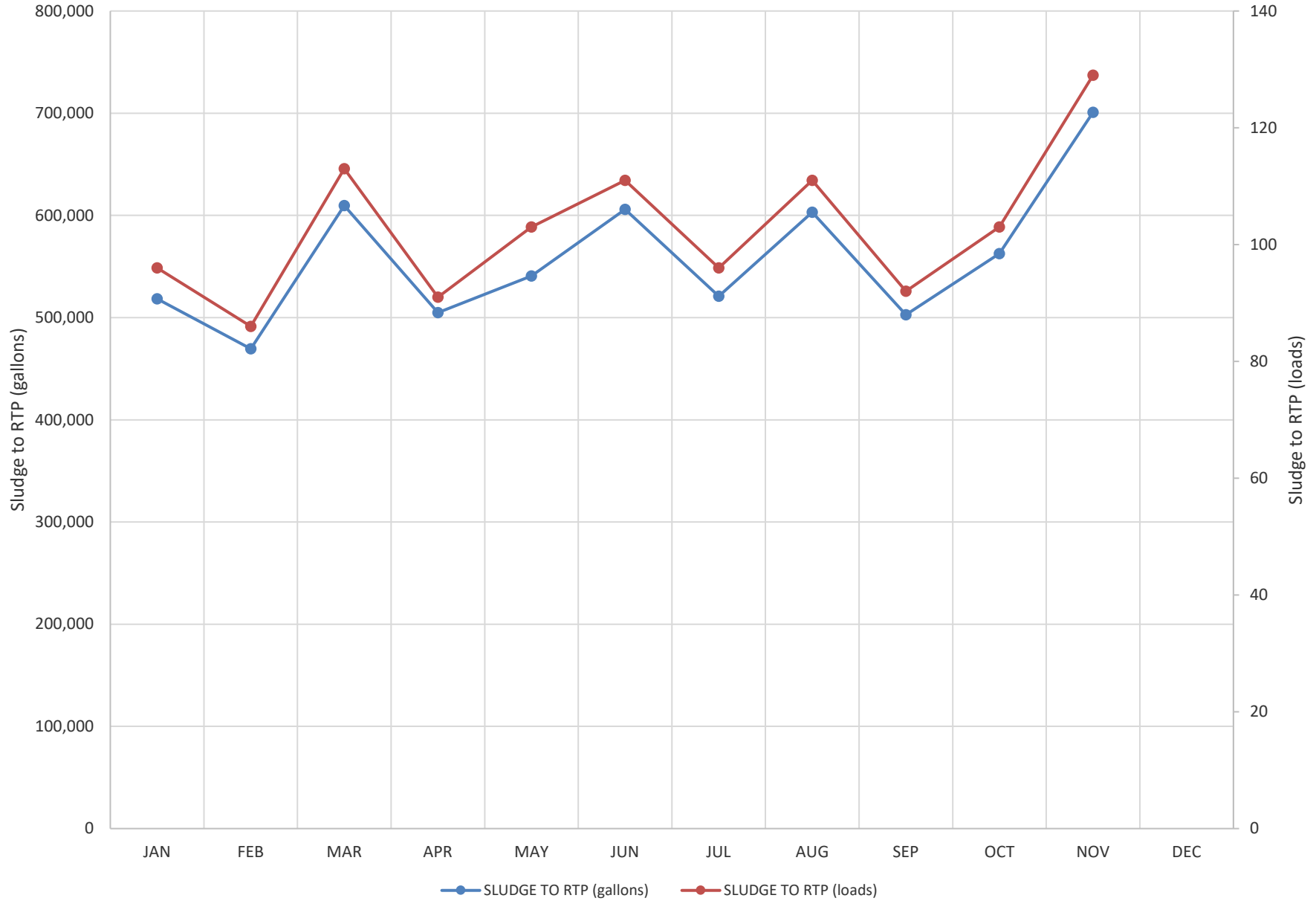
Suspended Solids Trends



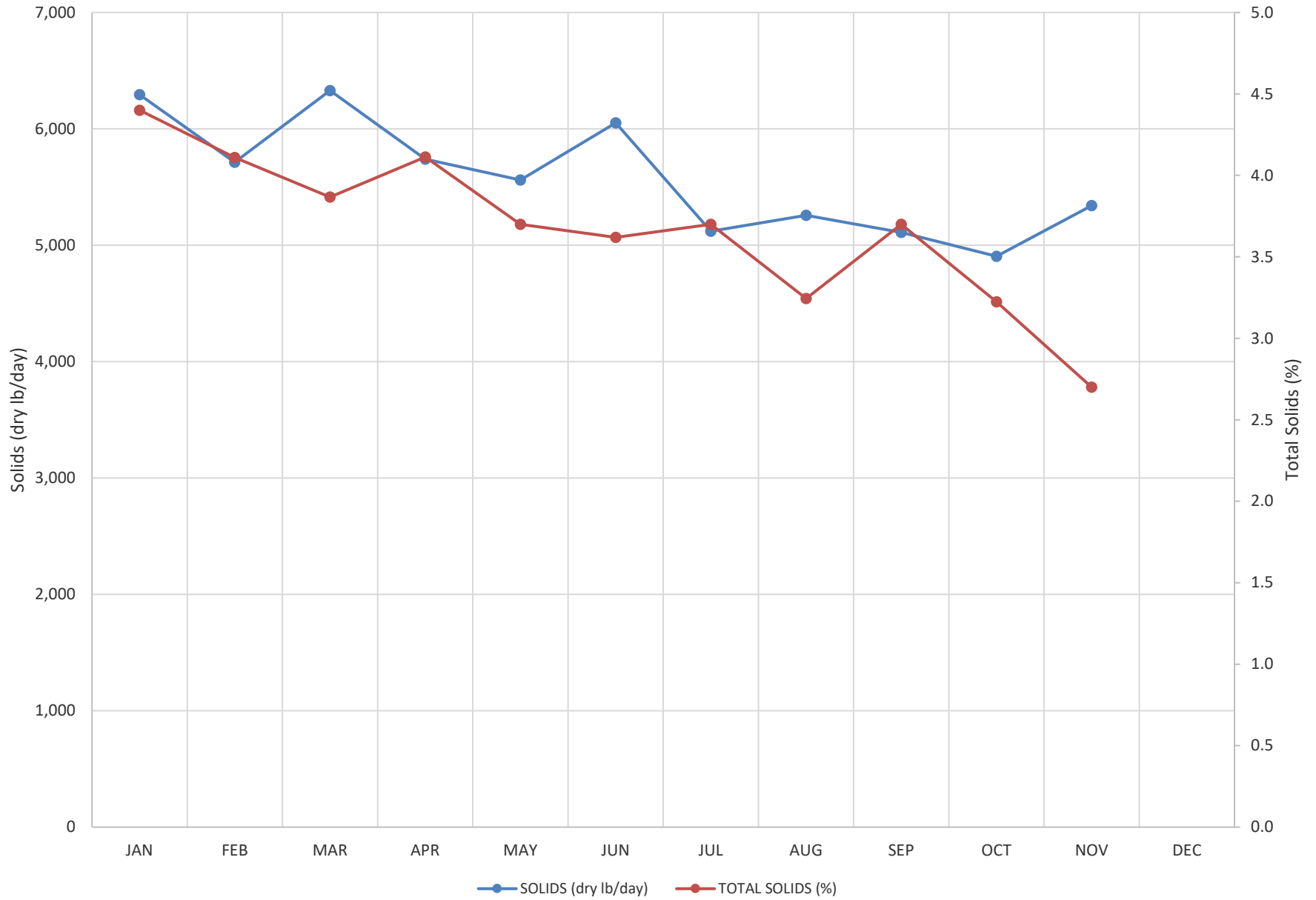
Biological Oxygen Demand (BOD) Trends



Regional Treatment Plant (RTP) Hauling Trends



Solids Trends



WRP BATTERY STORAGE SYSTEM MONTHLY REPORT

OCTOBER 2025



YEAR	BILLING PERIOD	BILL SAVINGS (\$)	NET SAVINGS (\$)	YEAR TOTAL (\$)
1	08/13/19 - 09/12/19	(917.75)	(2,507.75)	(15,448.23)
	09/12/19 - 10/11/19	3,265.76	1,675.76	
	10/11/19 - 11/13/19	(483.66)	(2,073.66)	
	11/13/19 - 12/13/19	232.10	(1,357.90)	
	12/13/19 - 01/14/20	(2,223.61)	(3,813.61)	
	01/14/20 - 02/12/20	1,004.27	(585.73)	
	02/12/20 - 03/13/20	432.82	(1,157.18)	
	03/13/20 - 04/13/20	(2,953.81)	(4,543.81)	
	04/13/20 - 05/13/20	414.86	(1,175.14)	
	05/13/20 - 06/12/20	3,464.46	1,874.46	
	06/12/20 - 07/15/20	898.72	(691.28)	
07/15/20 - 08/13/20	497.61	(1,092.39)		
2	08/13/20 - 09/14/20	1,727.18	137.18	21,670.61
	09/14/20 - 10/14/20	1,142.91	(447.09)	
	10/14/20 - 11/13/20	993.16	(596.84)	
	11/13/20 - 12/15/21	1,814.40	224.40	
	12/15/20 - 01/14/21	252.77	(1,337.23)	
	01/14/21 - 02/12/21	2,598.74	1,008.74	
	02/12/21 - 03/16/21	2,545.66	955.66	
	03/16/21 - 04/14/21	442.16	(1,147.84)	
	04/14/21 - 05/13/21	4,658.68	3,068.68	
	05/13/21 - 06/14/21	5,828.63	4,238.63	
	06/14/21 - 07/14/21	7,090.27	5,500.27	
07/14/21 - 08/12/21	11,656.05	10,066.05		
3	08/12/21 - 09/13/21	3,251.24	1,661.24	31,307.32
	09/13/21 - 10/13/22	4,854.74	3,264.74	
	10/13/21 - 11/12/21	1,835.55	245.55	
	11/12/21 - 12/14/21	1,953.12	363.12	
	12/14/21 - 01/13/22	(624.65)	(2,214.65)	
	01/13/22 - 02/11/22	40.42	(1,549.58)	
	02/11/22 - 03/15/22	647.37	(942.63)	
	03/15/22 - 04/13/22	2,556.61	966.61	
	04/13/22 - 05/13/22	92.84	(1,497.16)	
	05/13/22 - 06/14/22	8,377.93	6,787.93	
	06/14/22 - 07/14/22	20,486.96	18,896.96	
07/14/22 - 08/12/22	6,915.19	5,325.19		

WRP BATTERY STORAGE SYSTEM MONTHLY REPORT

OCTOBER 2025



YEAR	BILLING PERIOD	BILL SAVINGS (\$)	NET SAVINGS (\$)	YEAR TOTAL (\$)
4	08/12/22 - 09/13/22	8,171.50	6,581.50	27,820.60
	09/13/22 - 10/13/22	2,943.86	1,353.86	
	10/13/22 - 11/14/22	2,083.92	493.92	
	11/14/22 - 12/14/22	1,960.66	370.66	
	12/14/22 - 01/12/23	(3,571.97)	(5,161.97)	
	01/12/23 - 02/11/23	311.28	(1,278.72)	
	02/11/23 - 03/14/23	2,755.08	1,165.08	
	03/14/23 - 04/12/23	1,994.90	404.90	
	04/12/23 - 05/11/23	(558.88)	(2,148.88)	
	05/11/23 - 06/12/23	6,377.33	4,787.33	
	06/12/23 - 07/13/23	21,318.66	19,728.66	
	07/13/23 - 08/11/23	3,262.26	1,672.26	
	Performance Bonus	(148.00)	(148.00)	
5	08/11/23 - 09/12/23	1,749.86	159.86	29,645.11
	09/12/23 - 10/11/23	16,350.56	14,760.56	
	10/11/23 - 11/09/23	4,659.23	3,069.23	
	11/09/23 - 12/12/23	9,302.30	7,712.30	
	12/12/23 - 01/11/24	5,204.44	3,614.44	
	01/11/24 - 02/12/24	(828.52)	(2,418.52)	
	02/14/24 - 03/13/24	(2,433.90)	(4,023.90)	
	03/13/24 - 04/12/24	2,204.14	614.14	
	04/12/24 - 05/13/24	(37.79)	(1,627.79)	
	05/13/24 - 6/12/24	6,965.53	5,375.53	
	06/12/24 - 7/15/24	7,871.04	6,281.04	
	07/16/24 - 8/13/24	(308.78)	(1,898.78)	
	Performance Bonus	(1,973.00)	(1,973.00)	
6	8/13/24-9/12/24	5,410.44	3,820.44	38,028.85
	9/12/24-10/11/24	8,270.47	6,680.47	
	10/11/24-11/12/24	3,470.89	1,880.89	
	11/12/24-12/11/24	2,864.46	1,274.46	
	12/11/24-01/11/25	5,471.53	3,881.53	
	01/11/25-02/11/25	3,099.11	1,509.11	
	02/11/25-03/13/25	513.45	(1,076.55)	
	03/13/25-04/11/25	3,793.31	2,203.31	
	04/11/25-05/13/25	7,880.66	6,290.66	
	05/13/25-06/12/25	(4,962.65)	(6,552.65)	
	STEM Credit	11,365.00	11,365.00	
	06/12/25-07/15/25	11,961.11	10,371.11	
	07/12/25-08/13/25	8,326.07	6,736.07	
Performance Bonus	(10,355.00)	(10,355.00)		

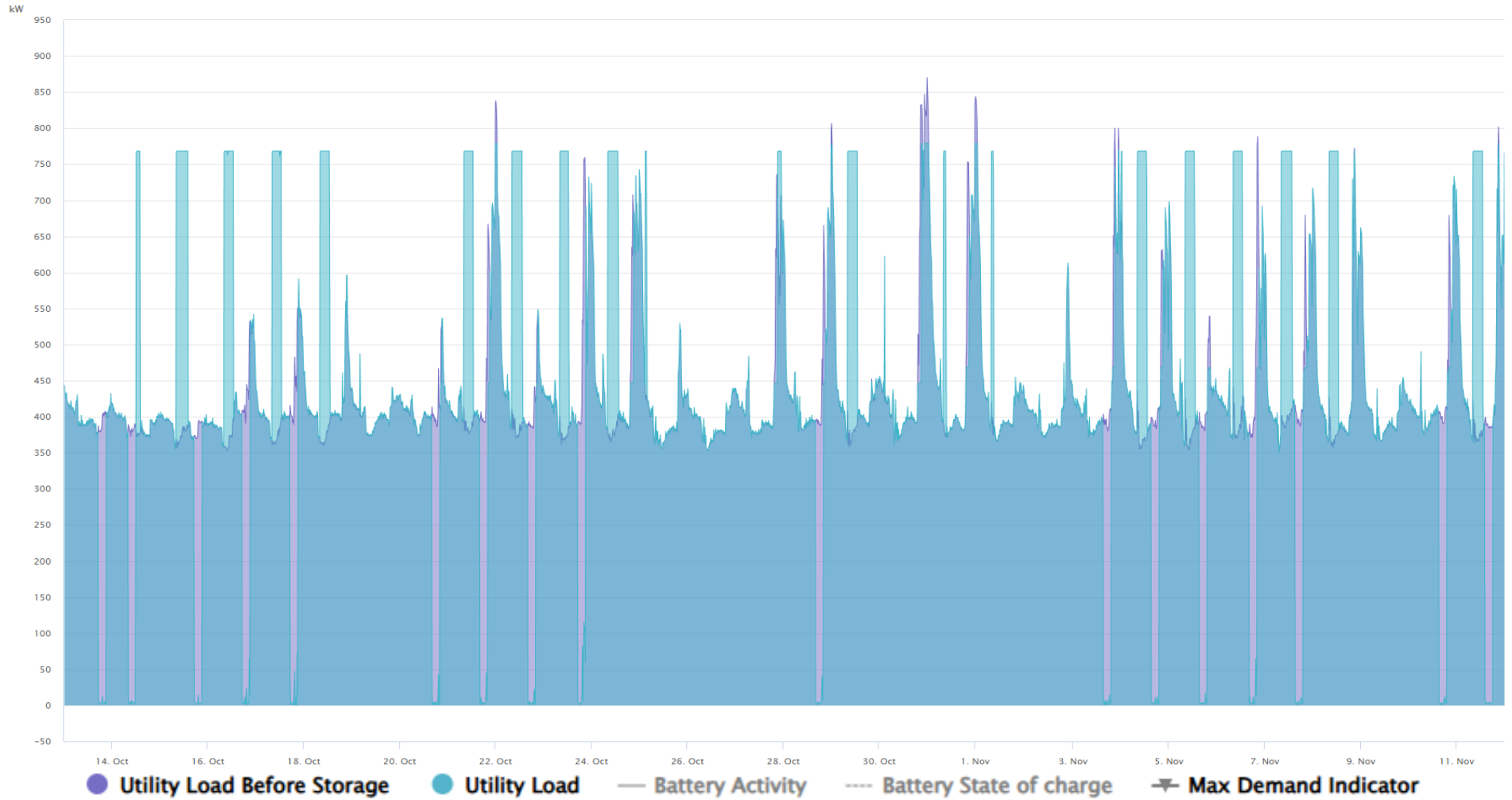
**WRP BATTERY STORAGE SYSTEM
MONTHLY REPORT**

OCTOBER 2025



YEAR	BILLING PERIOD	BILL SAVINGS (\$)	NET SAVINGS (\$)	YEAR TOTAL (\$)
7	08/13/25 - 09/12/25	10,886.89	9,296.89	
	09/12/25 - 10/13/25	10,365.71	8,775.71	
	10/13/25 - 11/12/25	7,260.24	5,670.24	
	TOTAL	173,075.90		23,742.84
				91,416.80

WRP BATTERY STORAGE SYSTEM MONTHLY REPORT 10/13/25 - 11/12/25



Savings Report - 2025-11

Oct 13, 2025 - Nov 12, 2025
SCE TOU 8 Option D (< 2kV)

Demand Charges	Before Storage		After Storage		Savings	
	kWh	\$	kWh	\$	kWh	\$
Facilities Related - Distribution	870kWh	\$19,936.88	779kWh	\$17,858.06	91kWh	\$2,078.82
Facilities Related - Transmission	870kWh	\$4,584.09	779kWh	\$4,106.11	91kWh	\$477.98
Time Related - Distribution - Winter Mid-Peak	832kWh	\$3,319.20	469kWh	\$1,871.85	363kWh	\$1,447.34
Time Related - Utility Retained Generation - Winter Mid-Peak	832kWh	\$5,240.84	469kWh	\$2,955.56	363kWh	\$2,285.28
Sub-total		\$33,081.00		\$26,791.58		\$6,289.43

Energy Charges	Before Storage		After Storage		Savings	
	kWh	\$	kWh	\$	kWh	\$
Competition Transition Charge	313,818kWh	\$(128.67)	314,244kWh	\$(128.84)	(426)kWh	\$0.17
Competition Transition Charge (URG Component)	313,818kWh	\$128.67	314,244kWh	\$128.84	(426)kWh	\$(0.17)
Distribution - Winter Mid-Peak	64,893kWh	\$1,147.31	39,845kWh	\$704.46	25,048kWh	\$442.85
Distribution - Winter Off-Peak	154,574kWh	\$2,485.54	154,710kWh	\$2,487.74	(137)kWh	\$(2.20)
Distribution - Winter Super Off-Peak	94,351kWh	\$1,428.48	119,689kWh	\$1,812.09	(25,338)kWh	\$(383.61)
Fixed Recovery Charge	313,818kWh	\$357.75	314,244kWh	\$358.24	(426)kWh	\$(0.49)
New System Generation Charge	313,818kWh	\$2,027.26	314,244kWh	\$2,030.02	(426)kWh	\$(2.75)
Nuclear Decommissioning Charge	313,818kWh	\$(3.14)	314,244kWh	\$(3.14)	(426)kWh	\$0.00
Public Purpose Programs Charge	313,818kWh	\$8,702.17	314,244kWh	\$8,713.99	(426)kWh	\$(11.82)
PUC Reimbursement Fee	313,818kWh	\$251.05	314,244kWh	\$251.40	(426)kWh	\$(0.34)
State Tax	313,818kWh	\$94.15	314,244kWh	\$94.27	(426)kWh	\$(0.13)
Transmission	313,818kWh	\$12.55	314,244kWh	\$12.57	(426)kWh	\$(0.02)
Utility Retained Generation - Winter Mid-Peak	64,893kWh	\$5,244.00	39,845kWh	\$3,219.89	25,048kWh	\$2,024.11
Utility Retained Generation - Winter Off-Peak	154,574kWh	\$12,568.37	154,710kWh	\$12,579.48	(137)kWh	\$(11.10)
Utility Retained Generation - Winter Super-Off-Peak	94,351kWh	\$4,025.97	119,689kWh	\$5,107.12	(25,338)kWh	\$(1,081.15)
Wildfire Fund Non-Bypassable Charge	313,818kWh	\$1,867.22	314,244kWh	\$1,869.75	(426)kWh	\$(2.54)
Sub-total		\$40,208.70		\$39,237.88		\$970.82

Other Monthly Charges	Before Storage		After Storage		Savings	
		\$		\$		\$
Customer Charge		\$511.90		\$511.90		\$ -
Sub-total		\$511.90		\$511.90		\$ -

Total	Before Storage		After Storage		Savings	
		\$		\$		\$
		\$73,801.60		\$66,541.35		\$7,260.24



STAFF REPORT

To: Board of Directors

Meeting Date: December 15, 2025

**From: Hannah Ford, Director of Engineering
Rory Harnisch, Senior Engineer**

Subject: Capital Project Status Report

I. Moulton/El Toro Cathodic Protection Repair

After a value engineering exercise, including field surveys to support design changes, District staff advertised the Project for bids, and four contractors attended the mandatory pre-bid meeting this month. District staff plan to recommend award in January.

II. Solar and Battery Projects

District staff narrowed selection for the P-1 and OOPS Battery Projects to a single vendor and are negotiating final costs and agreement terms. Projected combined savings for both sites exceed \$46,000 in the first year, with the potential for an additional \$13,000 through participation in utility demand-response programs. Despite these benefits, total project costs exceed \$2 million, making funding through SCE's Self-Generation Incentive Program (SGIP) and the federal Inflation Reduction Act (IRA) essential for achieving a reasonable payback period.

The vendor's proposed battery has not yet received SGIP equipment approval but anticipates doing so by March 2026. In addition, to qualify for IRA funding, the battery system must meet the requirement that at least 55% of its content be sourced from non-Foreign Entities of Concern (FEOC). Federal guidance on how to demonstrate FEOC compliance is still under development. The vendor is pursuing a third-party verification of the batteries' composition, which is also expected by March 2026. For these reasons, District staff recommend delaying the award until both SGIP approval and non-FEOC verification are obtained.

Under current SGIP rules, the District must meet an upcoming Proof of Project Milestone (PPM) deadline of January 10th for OOPS and January 24th for P-1, which requires an executed agreement with the vendor. To avoid premature commitment, the District requested SGIP extensions of both deadlines to April 10th and April 24th, respectively. TerraVerde anticipates that these extensions will be granted; however, SGIP has recently been slow to respond to extension requests. If SGIP does not confirm the requested extension before the current PPM deadlines, the District staff may need to consider cancelling the projects to avoid forfeiting the SGIP reservation fees of \$25,537 (OOPS) and \$41,770 (P-1).

The District engaged legal counsel with expertise in solar and battery energy storage agreements to review the draft Energy Services Agreement. District and TerraVerde staff met with the vendor to discuss proposed revisions and will continue working with the vendor to finalize terms, contingent on SGIP approval and FEOC verification. Staff also consulted with a Certified Public Accountant (CPA) to validate cost eligibility under IRA funding requirements.

District staff continue to evaluate proposals from solar vendors via Power Purchase Agreements (PPA). Upon completing this evaluation and coordinating with TerraVerde, staff will determine whether to recommend a solar project at the Water Recycling Plant (WRP).

III. Westline Lift Station Main Switchboard Replacement

Figure 1 shows the newly installed Main Switchboard (MSB) and its corresponding concrete pad. District staff are coordinating with Southern California Edison (SCE) to install and energize the SCE meter. Once complete, the contractor, Baker Electric & Renewables (Baker), will finalize the project. Baker expects to demobilize from the site by late December pending SCE's scheduling.



Figure 1 – New Main Switchboard

IV. Headworks and Secondary Clarifier No. 1 Rehabilitation Project

District staff and the contractor, Filanc Construction (Filanc), are still working through the submittal phase of this project while also holding progress meetings in November and December. Filanc performed potholing activities within the District’s WRP in early December as shown in Figures 2 and 3. District staff are coordinating with the Laguna Woods Golf Club to perform potholing activities near the Northline Lift Station. Mobilization is still scheduled to commence in January.



Figure 2 – Potholing at the WRP



Figure 3 – Potholing at the WRP

V. Ocean Outfall Pump Station (OOPS) MCC and Valve Rehabilitation Project

District staff issued the Notice of Award to Hydro Tech Electric (HTE) in late November and is in process of finalizing the Construction Agreement. Once finalized, Staff will issue Notice to Proceed, request the construction schedule, and schedule a preconstruction meeting with HTE. Staff anticipate HTE mobilization in early January.

VI. R-6 Reservoir Southern Slope Repair Project

The project contractor, MDB General Engineering, Inc (MDB) mobilized to the site in early December and installed the temporary fencing, relocated a fire hydrant, and removed some trees as shown in Figures 4 and 5 below. MDB continues slope repair efforts throughout December and anticipates brow ditch and down drain activities to commence in January.



Figure 4 – Tree Demolition



Figure 5 – Temporary Fence Installation

VII. Aliso Creek Lift Station Improvement Project

District staff conducted a series of presentations to Golden Rain Foundation (GRF) and United Mutual (United) Committees and Boards. Following completion of these presentations, District staff are drafting temporary construction agreements to enter with GRF for the trail and street closures necessary to enable the construction of this project. Once complete, District staff will finish their review of the 90 percent design submittal for the Aliso Creek Lift Station (ACLS) Improvements Project prepared by Tetra Tech.

California Office of Emergency Services (Cal OES) provided a second round of comments on the District's Hazard Mitigation Grant Program (HMGP) subapplication, and District staff are in the process of responding to those comments. Once complete, Cal OES will include the project in the State's application to FEMA for final review and potential grant award.

VIII. Tertiary Disinfection Optimization Project

District staff hired Baker to install the electrical power and wiring for the new free chlorine analyzers and anticipate their work to be complete by the end of the month. To reduce costs and expedite installation, District staff built the new local control panel in-house.

District staff developed an Operations Plan in-house and submitted it to the Division of Drinking Water (DDW) for review the first week of October. DDW confirmed receipt and anticipates completing its review by the end of the year.

IX. Asset Management

District staff continue to work with Hazen and Sawyer (Hazen) to further develop the linear and force main asset management efforts. District staff received the finalized inventory for the water distribution system and are reviewing recommendations for capital improvements projects with Hazen. Hazen is also leveraging the data provided by District staff to initiate the sewer force main asset management plan.

X. Freeway Electrical Equipment Replacement

District staff awarded a contract to Baker to complete the electrical installation required as part of this Project. Due to District resource constraints (staff time and availability of the temporary meter), Notice to Proceed has been delayed until the Westline Lift Station Main Switchboard Replacement is complete.

**F.Y. 2025/26 CAPITAL IMPROVEMENT PROGRAM BUDGET ITEMS > \$75,000
BOARD APPROVAL SCHEDULE**

Category	Project Description	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	CIP Budget	Board Approved Cost	
<i>2025/26 Capital Projects</i>																
	R-5 Reservoir Rehabilitation							E	E	E	B	A	C	\$194,000		
	R-6 Reservoir Southern Slope Stabilization	E	E	A / B	A	C	C	C	C	C				\$500,000	\$218,822	
	Asset Management	E	E	E	A	E	E	E	BP					\$86,000	\$194,420	
<i>2025/26 Capital Equipment</i>																
	Shenandoah Booster Station Pump & Motor Replacement	A	A				R							\$198,000	\$132,042	
	P-1 Battery Project	E	B	B	B	B	N	N	N	N	A	C	C	\$900,000		
	OOPS Battery Project	E	B	B	B	B	N	N	N	N	A	C	C	\$0		
	Main PR Hydro Turbine	Deferred unless alternative funding becomes available												\$603,000		
	Headworks and Secondary Clarifier No. 1 Rehabilitation	C	C	C	C	C	C	C	C	C	C	C	C	\$11,962,000	\$13,060,285	
	Solids Hauling Trailer			R										\$307,000	\$199,635	
<i>Previous Fiscal Year Carryover</i>																
	Moulton/El Toro Cathodic Protection Study	E	B	B	B	B	B	A	C	C				\$218,000		
	Aliso Creek Pump Station Improvements Project	E	A / E	BP / E	E	E	E	E	E					\$600,000	\$484,000	
	OOPS MCC and Valve Replacement Project	R	E	E	B	A	C	C						\$191,000	\$112,872	
	Secondary Clarifier No. 3 and 4 Drive Replacement Project		R	C	C	C								\$0	\$206,083	
	Westline Main Switchboard Replacement	A	C	C	C	C	C							\$113,000	\$164,778	
	Freeway Electrical Equipment Replacement	E	A				C	C	C					\$263,362	\$277,385	
	Tertiary Disinfection Optimization Project	B	O	R	C	C	C							\$132,000		
	Westline Generator Unit 213 Replacement	E	E	E	B	A	O				E	E	E	\$267,000	\$266,804	
														Total	\$14,788,000	\$13,875,962

Key:

	Water
	Wastewater
	Recycled Water
	Split between All Departments
	Board Involvement

Abbreviations:
A = Approve by Board
B = Bid
BP = Board Presentation
C = Construction

E = Engineering/Study
ET = Evaluate
L = Legal
N = Negotiate

O = Order
P = Permit
RFP = Request for Proposal
R = Receive

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 bacteria 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 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 process, 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 1970's. 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.

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 1000,000 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 member of the ACWA.

LAIIF: 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

OCBD: 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 homeowners 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 of 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 Publicity. 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 the 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 form 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
- EBSB – 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

SRE: 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 of 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.