



*Dedicated to  
Satisfying our Community's  
Water Needs*

**AGENDA  
MESA WATER DISTRICT  
BOARD OF DIRECTORS  
Thursday, December 20, 2018  
1965 Placentia Avenue, Costa Mesa, CA 92627  
3:30 p.m. Special Board Meeting**

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**FINANCE COMMITTEE MEETING  
Thursday, December 20, 2018 at 3:30 p.m.**

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**PUBLIC COMMENTS**

**Items Not on the Agenda:** Members of the public are invited to address the Board on matters which are not on the Agenda. Each speaker is limited to three minutes. The Board will set aside 30 minutes for public comments.

**Items on the Agenda:** Members of the public may comment on agenda items before action is taken, or after the Board has discussed the item. Each speaker is limited to three minutes. The Board will set aside 60 minutes for public comments.

**CONSENT CALENDAR ITEMS:**

*Approve all matters under the Consent Calendar by one motion unless a Board member, staff, or a member of the public requests a separate action.*

1. Accounts Paid Listing
2. Monthly Financial Reports
3. Major Staff Projects
4. Committee Policy & Resolution Review

**ACTION ITEMS:**

None

**PRESENTATION AND DISCUSSION ITEMS:**

*Items recommended for approval at this meeting may be agendaized for approval at a future Board meeting.*

5. Fiscal Year 2018 Audit Results and Comprehensive Annual Financial Report

**REPORTS:**

6. Report of the General Manager
7. Directors' Reports and Comments



## INFORMATION ITEMS:

8. Microsoft Great Plains/Cogsdale Support Services
9. Statement of Investment Policy

*In compliance with California law and the Americans with Disabilities Act, if you need disability-related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, or if you need the agenda provided in an alternative format, please contact the District Secretary at (949) 631-1206. Notification 48 hours prior to the meeting will enable Mesa Water District (Mesa Water) to make reasonable arrangements to accommodate your requests.*

*Members of the public desiring to make verbal comments utilizing a translator to present their comments into English shall be provided reasonable time accommodations that are consistent with California law.*

*Agenda materials that are public records, which have been distributed to a majority of the Mesa Water Board of Directors (Board), will be available for public inspection at the District Boardroom, 1965 Placentia Avenue, Costa Mesa, CA and on Mesa Water's website at [www.MesaWater.org](http://www.MesaWater.org). If materials are distributed to the Board less than 72 hours prior or during the meeting, the materials will be available at the time of the meeting.*

## ADJOURNMENT

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>CAPITAL</b>				
CIVIL SOURCE				
000028508	104258	M19-003 DESIGN SERVICES		6,608.00
000028508	104255	M19-003 DESIGN SERVICES		2,575.00
	11/15/2018		1	9,183.00
MCCALLS METERS INC				
000028451	31125	METER PARTS		337.59
	11/7/2018		1	337.59
MICHAEL BAKER INTERNATIONAL				
000028420	1024954	M18-003B DESIGN SERVICES		7,500.00
000028562	1018354	E400-0005 HYDRAULIC MODELING		1,716.00
000028562	1019469	E400-0005 HYDRAULIC MODELING		624.91
000028562	1023199	PP 63 GIS SUPPORT SERVICES		4,102.76
000028562	1024080	M19-003 DESIGN SERVICES		16,054.09
000028562	1026864	E400-0005 HYDRAULIC MODELING		364.22
000028562	1029406	PP 64 GIS SUPPORT SERVICES		5,043.76
000028562	1029793	E400-0005 HYDRAULIC MODELING		391.08
000028604	1030321	M18-118 OC44 REHAB/REPL EVAL		19,019.60
	11/28/2018		3	54,816.42
TETRA TECH, INC				
000028524	51364875	RES 1 CONCRETE EVAL		95.00
000028524	51367622	OCTA 2446INSP-405 WIDENING		1,872.00
000028534	51357992	M18-100 DESIGN SERVICES		44,312.75
	11/21/2018		2	46,279.75
<b>TOTAL CAPITAL</b>			<b>7</b>	<b>110,616.76</b>

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>DEPARTMENT EXPENSE</b>				
ACWA				
000028355	INV006460	ACWA REGION 10 PROGRAM		50.00
	11/1/2018		1	50.00
ACWA JOINT POWERS INSURANCE AUTHORITY				
000028497	DEC2018EAP	DECEMBER 2018 EAP		119.85
	11/15/2018		1	119.85
APPLE ONE EMPLOYMENT				
000028357	01-5000829	TEMP LABOR, ADMIN, WE 09/22		1,221.60
000028357	01-5007388	TEMP LABOR, ADMIN, WE 09/30		732.96
000028357	01-5027844	TEMP LABOR, FINANCE, WE 10/20		1,981.60
000028425	01-5027843	TEMP LABOR, PA, WE 10/20		1,296.40
000028425	01-5040179	TEMP LABOR, PA, WE 10/27		1,255.89
000028425	01-5040180	TEMP LABOR, FINANCE, WE 10/27		1,981.60
000028501	01-5046631	TEMP LABOR, FINANCE, WE 11/03		1,981.60
000028545	01-5046630	TEMP LABOR, HR/PA, WE 11/03		1,822.00
000028545	01-5053058	TEMP LABOR, FINANCE, WE 11/10		1,981.60
000028545	01-5053057	TEMP LABOR, HR/PA, WE 11/10		2,137.36
	11/21/2018		4	16,392.61
AQUA STAR INTERNATIONAL				
000028426	24653	WATER VENDING MACHINE PARTS		890.34
	11/7/2018		1	890.34
AMERICAN WATER WORKS ASSOCIATION				
000028428	7001608629	FY19 AWWA MEMBERSHIP RENEWAL		4,141.00
	11/7/2018		1	4,141.00
CA DEPT OF JUSTICE				
000028547	337325	PRE-EMPLOYMENT FINGERPRINTS		32.00
	11/21/2018		1	32.00
CALPERS BENEFIT PAYMENTS				
0145101	101218	PPE 10/12/18		29,557.82
0145102	15466401	NOVEMBER HEALTH		41,538.90
0145103	15466415	NOVEMBER PA HEALTH		5,585.14

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
0145173	102618	PPE 10/26/18		28,964.33
0145383	110918	PPE 11/9/18		28,913.22
	11/29/2018		5	134,559.41
 CASTLEROCK ENVIRONMENTAL, INC				
000028594	36275	M19-006 ASBESTOS ABATEMENT		6,845.00
	11/28/2018		1	6,845.00
 COLONIAL LIFE & ACCIDENT INS				
000028364	8892333-1102819	INSURANCE, PPE 10/12/18		241.84
000028434	8892333-1116003	INSURANCE, PPE 10/26/18		241.84
000028550	8892333-1130633	INSURANCE, PPE 11/08/18		241.84
	11/21/2018		3	725.52
 CA DEPT OF PUBLIC HEALTH				
000028369	914863	CY2019 WTR VENDING LICENSE		40.00
	11/1/2018		1	40.00
 EMPLOYMENT DEVELOPMENT DEPT				
000028595	L1651834784	UI LIABILITY 07/01/18-09/30/18		7,319.00
	11/28/2018		1	7,319.00
 FIRST BANKCARD				
0145447	1018FB	OCT 2018 CHARGES		22,616.45
	11/13/2018		1	22,616.45
 G&W TOWING				
000028509	442621	TOWING - UNIT #26		79.00
	11/15/2018		1	79.00
 GUARDIAN				
000028373	00430941NOV18	NOV 2018 DENTAL INSURANCE		5,193.80
000028598	00430941DEC18	DEC 2018 DENTAL INSURANCE		5,236.99
	11/28/2018		2	10,430.79
 HOOVER PRINTING				
000028511	92023	GRAPHICS/EDITING SERVICES		120.00
000028600	92138	PRINTING - NEWSLETTER		2,386.66
	11/28/2018		2	2,506.66

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>ICMA-RC RETIREMENT</b>				
0145098	102618	PPE 10/26/18		5,363.10
0145099	1026181	PPE 10/26/18		1,028.96
0145174	110918	PPE 11/9/18		1,028.96
0145175	1109181	PPE 11/9/18		4,420.80
0145380	112318	PPE 11/23/18		4,420.80
0145381	1123181	PPE 11/23/18		1,028.96
	11/29/2018		6	17,291.58
<b>4 IMPRINT</b>				
000028378	6771381	EMBROIDERED SHIRTS		464.41
	11/1/2018		1	464.41
<b>INTERNATIONAL FOUNDATION OF EMPLOYEE BENEFIT PLANS</b>				
000028515	INV-502961-R7V6S8	MEMBERSHIP CY2019		325.00
	11/15/2018		1	325.00
<b>NATIONWIDE RETIREMENT SOLUTIONS</b>				
0145100	102618	PPE 10/26/18		5,678.87
0145176	110918	PPE 11/9/18		5,678.87
0145382	112318	PPE 11/23/18		5,678.87
	11/29/2018		3	17,036.61
<b>ORANGE COUNTY EMPLOYEES ASSN</b>				
000028390	OCEA PPE102618	MEMBERSHIP DUES 10/26/18		275.52
000028519	OCEA PPE110918	MEMBERSHIP DUES 11/09/18		285.36
000028607	OCEA PPE112318	MEMBERSHIP DUES 11/23/18		285.36
	11/28/2018		3	846.24
<b>SHARON D BRIMER</b>				
000028398	OCT2018	BOARD MINUTES - OCT 2018		480.00
	11/1/2018		1	480.00
<b>SWMOA</b>				
000028401	2019-6204-MWD	SWMOA 2019 DISTRICT MEMBERSHIP		435.00
	11/1/2018		1	435.00

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>TASC</b>				
000028572	IN1373550	FSA ADMIN FEES - OCT 2018		125.37
	11/21/2018		1	125.37
<b>TRACKER, A DIVISION OF C2, LLC</b>				
000028405	18-0000-186-Q3	PORTFOLIO ACCTNG & REPORTING		1,450.00
	11/1/2018		1	1,450.00
<b>ULTIMATE STAFFING SERVICES</b>				
000028407	13653941	TEMP LABOR, HR, WE 10/21		2,795.20
000028527	13658542	TEMP LABOR, HR, WE 10/28		2,795.20
000028575	13661424	TEMP LABOR, HR, WE 11/04		3,004.84
000028575	13664384	TEMP LABOR, HR, WE 11/11		2,795.20
	11/21/2018		3	11,390.44
<b>VISTA DEL VERDE LANDSCAPE</b>				
000028472	31401	LANDSCAPE REPAIRS		125.61
000028472	31473	LANDSCAPE MAINT FEES - SEPT 18		3,006.00
	11/7/2018		1	3,131.61
<b>VISION SERVICE PLAN - (CA)</b>				
000028614	001016760001DEC1 8	DEC 2018 VISION INSURANCE		1,068.15
000028614	001016760002DEC1 8	DEC 2018 VISION INSURANCE		15.04
	11/28/2018		1	1,083.19
<b>TOTAL DEPARTMENT EXPENSE</b>			<b>49</b>	<b>260,807.08</b>

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>DIRECTOR CHECKS</b>				
FRED BOCKMILLER				
000028442	915632	FAX/INTERNET REIMBURSEMENT		130.13
	11/7/2018		1	130.13
MARICE DEPASQUALE				
000028387	915569	FAX/INTERNET REIMBURSEMENT		49.99
	11/1/2018		1	49.99
			<b>2</b>	<b>180.12</b>



# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>EMPLOYEE CHECKS</b>				
HOUI ANTHONY PHOU				
000028375	EXP102918	EXPENSE REIMBURSEMENT		793.45
	11/1/2018		1	793.45
RICHARD KOVACEVIC				
000028618	915878	FLEX PAY OUT 11/9/18-11/23/18		555.99
	11/28/2018		1	555.99
<b>TOTAL EMPLOYEE CHECKS</b>			<b>2</b>	<b>1,349.44</b>

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>GENERAL AND ADMINISTRATIVE</b>				
KARL KOGLER				
000028588	CHEQ00099006923	07917300 Overpayment		46.93
	11/28/2018		1	46.93
ORANGE COAST TRAILER SUPPLY				
000028589	CHEQ00099006924	06102001 Cheque Deposits 06102		55.21
000028589	CHEQ00099006925	06102002 Cheque Deposits 06102		163.65
	11/28/2018		1	218.86
JENNIFER M COVELLI				
000028484	CHEQ00099006903	10425400 Cheque Deposits 10425		54.48
	11/15/2018		1	54.48
MAUREEN MINNEY				
000028345	CHEQ00099006895	07703600 Cheque Deposits 07703		168.39
	11/1/2018		1	168.39
JEANNIE TUXFORD				
000028346	CHEQ00099006894	07410600 Overpayment		3,199.33
	11/1/2018		1	3,199.33
STEVEN FRATES				
000028347	916603	POOL COVER REBATE		50.00
	11/1/2018		1	50.00
LISA SECREST				
000028535	CHEQ00099006920	08511501 Cheque Deposits 08511		77.49
	11/21/2018		1	77.49
REYNA STEINHAUS				
000028485	CHEQ00099006905	03426701 Cheque Deposits 03426		26.54
	11/15/2018		1	26.54
REGINA KIRKLAND				
000028486	CHEQ00099006910	06003700 Cheque Deposits 06003		30.20
	11/15/2018		1	30.20

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
MIKE SCHMIDT				
000028536	CHEQ00099006919	06750101 Cheque Deposits 06750		155.64
11/21/2018			1	<u>155.64</u>
ANTHONY PERIJA				
000028537	CHEQ00099006917	06408000 Cheque Deposits 06408		170.98
11/21/2018			1	<u>170.98</u>
JOHN JACKSON				
000028487	CHEQ00099006914	04303500 Cheque Deposits 04303		309.99
11/15/2018			1	<u>309.99</u>
MATTHEW FLETCHER				
000028488	CHEQ00099006902	05208102 Cheque Deposits 05208		49.86
11/15/2018			1	<u>49.86</u>
SANDRA FOLEY				
000028348	CHEQ00099006897	06121704 Cheque Deposits 06121		36.33
11/1/2018			1	<u>36.33</u>
ESTHER M JOHNSON				
000028489	CHEQ00099006916	06620504 Deposit Refund		9.37
11/15/2018			1	<u>9.37</u>
ATIKAMIN, INC.				
000028490	CHEQ00099006906	04306201 Cheque Deposits 04306		144.89
11/15/2018			1	<u>144.89</u>
LORENZ MARQUEZ				
000028538	CHEQ00099006918	03616300 Cheque Deposits 03616		66.76
11/21/2018			1	<u>66.76</u>
PACIFIC RIM INVESTMENT CORP				
000028491	CHEQ00099006913	30000478 Cheque Deposits 30000		256.10
11/15/2018			1	<u>256.10</u>

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
JUAN FLORES				
000028539	CHEQ00099006922	09500401 Cheque Deposits 09500		49.84
11/21/2018			1	<u>49.84</u>
EAGLE PAVING COMPANY, INC.				
000028492	CHEQ00099006912	20070900 Cheque Deposits 20070		192.16
11/15/2018			1	<u>192.16</u>
CHRISTOPHER ALLEN				
000028349	CHEQ00099006893	08216100 Overpayment		180.79
11/1/2018			1	<u>180.79</u>
MARCO RODRIGUEZ				
000028493	CHEQ00099006909	09910300 Cheque Deposits 09910		148.47
11/15/2018			1	<u>148.47</u>
BRANDON SOWERS				
000028350	CHEQ00099006898	05012600 Cheque Deposits 05012		112.10
11/1/2018			1	<u>112.10</u>
ROBIN AMEZAGA				
000028494	CHEQ00099006904	03117200 Cheque Deposits 03117		60.58
11/15/2018			1	<u>60.58</u>
RICCARDO RUGGIERO				
000028351	CHEQ00099006900	08611600 Cheque Deposits 08611		15.47
11/1/2018			1	<u>15.47</u>
LANCE TARVIN				
000028352	CHEQ00099006892	00806000 Cheque Deposits 00806		404.98
11/1/2018			1	<u>404.98</u>
JULIE REISTER				
000028495	CHEQ00099006907	08225310 Cheque Deposits 08225		20.38
11/15/2018			1	<u>20.38</u>

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>GARRETT KNOX</b>				
000028496	CHEQ00099006915	30001451 Cheque Deposits 30001		438.61
	11/15/2018		1	438.61
<b>BREEZE REAL ESTATE</b>				
000028540	CHEQ00099006921	06117400 Overpayment		117.10
	11/21/2018		1	117.10
<b>ALEXA HRADECKY</b>				
000028353	CHEQ00099006901	01706700 Cheque Deposits 01706		16.05
	11/1/2018		1	16.05
<b>SANDRA MCGINTY</b>				
000028354	CHEQ00099006899	08510201 Cheque Deposits 08510		94.61
	11/1/2018		1	94.61
<b>24 CARROTS CATERING</b>				
000028422	60993	IT SERVICES RFP		305.56
000028590	61181	FALL EVENT		748.86
	11/28/2018		2	1,054.42
<b>ABATIX CORP</b>				
000028541	7737713	ASBESTOS DISPOSAL BAGS		293.51
	11/21/2018		1	293.51
<b>ALAN'S LAWNMOWER &amp; GARDEN CENTER</b>				
000028543	835992	SUPPLIES		21.53
	11/21/2018		1	21.53
<b>APOLLO PRINTING &amp; GRAPHICS</b>				
000028424	242628	PRINTING- NOTE CARDS/ENVELOPES		497.81
000028424	242569	PRINTING- BUSINES CARDS		36.64
000028500	239634	PRINTING - BUSINESS CARDS		36.64
	11/15/2018		2	571.09

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>AT&amp;T MOBILITY</b>				
000028504	87023041770X10282 018	WIRELESS COMM 9/21 - 10/20		2,045.96
	11/15/2018		1	<u>2,045.96</u>
<b>B &amp; W COMMUNICATIONS</b>				
000028359	18-201222	RADIOS-REPROGRAM/INSTALLATION		3,163.91
	11/1/2018		1	<u>3,163.91</u>
<b>BARTEL &amp; ASSOCIATES LLC</b>				
000028546	18-1022	CONSULTING - OPEB VALUATION		6,153.50
	11/21/2018		1	<u>6,153.50</u>
<b>BEST BEST &amp; KRIEGER</b>				
000028430	834128	PROFESSIONAL SERVICES		1,052.50
	11/7/2018		1	<u>1,052.50</u>
<b>BLUECOSMO SATELLITE COMMUNICATIONS</b>				
000028431	BU01087280	SATELLITE PHONE SERVICE		100.53
	11/7/2018		1	<u>100.53</u>
<b>BSI EHS SERVICES AND SOLUTIONS</b>				
000028505	48591	EHS SUPPORT SERVICES		11,547.50
	11/15/2018		1	<u>11,547.50</u>
<b>CALIFORNIA ADVOCATES INC.</b>				
000028592	111839	PROFESSIONAL SERVICES		7,587.40
	11/28/2018		1	<u>7,587.40</u>
<b>CALIFORNIA CRANE SAFETY CONSULTING</b>				
000028506	430454	CRANE CERTIFICATION		625.00
	11/15/2018		1	<u>625.00</u>
<b>CANON FINANCIAL SERVICES, INC.</b>				
000028432	19300059	PRINTER EQUIPMENT LEASE/USAGE		4,449.62
000028548	19409828	PRINTER EQUIPMENT LEASE/USAGE		4,888.57
	11/21/2018		2	<u>9,338.19</u>

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
CITY OF SANTA ANA				
000028362	35821304OCT18	CRODDY WATER/SEWER		277.50
000028362	35776303OCT18	CHANDLER WATER/SEWER		153.09
	11/1/2018		1	<u>430.59</u>
COGSDALE SOFTWARE CORPORATION				
000028363	HCC00435	HARRIS CONFERENCE/WORKSHOP		2,125.00
	11/1/2018		1	<u>2,125.00</u>
CCS ORANGE COUNTY JANITORIAL INC.				
000028435	77816716	JANITORIAL SUPPLIES - OCT 2018		60.77
000028435	410514	JANITORIAL SERVICES - NOV 2018		2,900.00
	11/7/2018		1	<u>2,960.77</u>
COOPERATIVE PERSONNEL SERVICES				
000028366	SOP47615	HR EXAM - PA ADMIN ASSISTANT		1,084.45
	11/1/2018		1	<u>1,084.45</u>
COSTCO WHOLESALE				
000028532	Turkey2018	ANNUAL TURKEY GIVEAWAY		1,338.62
	11/19/2018		1	<u>1,338.62</u>
EAGLE RECOGNITION				
000028437	0770712	EMPLOYEE SERVICE AWARD		130.23
	11/7/2018		1	<u>130.23</u>
EAN SERVICES LLC				
000028551	19108141	CAR RENTAL		310.60
	11/21/2018		1	<u>310.60</u>
EMPLOYEE RELATIONS INC				
000028438	83504	PRE-EMPLOYMENT VEHICLE REPORTS		7.85
	11/7/2018		1	<u>7.85</u>
ENTERPRISE FM TRUST				
000028552	FBN3591319	GM AUTO LEASE - NOV 2018		520.61
	11/21/2018		1	<u>520.61</u>

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>FULL CIRCLE RECYCLING</b>				
000028443	21660	PAPER RECYCLING - OCT 2018		89.00
	11/7/2018		1	89.00
<b>INFOSEND INC</b>				
000028380	142128	CUSTOMER BILLING SERVICE		1,245.06
000028380	142334	CUSTOMER BILLING SERVICE		1,531.17
000028380	142963	CUSTOMER BILLING SERVICE		1,874.24
000028380	143117	MONTHLY MAINTENANCE FEE		2,825.60
000028380	143227	CUSTOMER BILLING SERVICE		1,425.93
000028514	143405	CUSTOMER BILLING SERVICE		1,185.14
	11/15/2018		2	10,087.14
<b>JOHN ROBINSON CONSULTING, INC.</b>				
000028559	MW201502-37	PP 37 WATER RESOURCES		3,700.00
	11/21/2018		1	3,700.00
<b>KLEEN KRAFT SERVICES</b>				
000028381	0980754	UNIFORMS, MATS & TOWELS		240.59
000028449	0981429	UNIFORMS, MATS & TOWELS		286.04
000028516	0982107	UNIFORMS, MATS & TOWELS		252.14
000028560	0982785	UNIFORMS, MATS & TOWELS		227.14
000028603	0983475	UNIFORMS, MATS & TOWELS		220.89
	11/28/2018		5	1,226.80
<b>LA CONSULTING INC</b>				
000028517	0014622	PP 45 BUS PROCESS IMPLEMENTATN		4,529.70
	11/15/2018		1	4,529.70
<b>LIEBERT CASSIDY WHITMORE</b>				
000028384	1467207	PROFESSIONAL SERVICES-SEPT 18		3,404.00
000028384	1467874	PROFESSIONAL SERVICES-SEPT 18		945.00
	11/1/2018		1	4,349.00



# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
LIFECOM, INC.				
000028385	2083872-IN	REPAIR/CALIBRATE-RKI EAGLE		145.82
	11/1/2018		1	145.82
MOUNTAIN COUNTIES WATER RESOURCES ASSOCIATION				
000028561	110918	FY19 MCWRA Membership Dues		320.83
	11/21/2018		1	320.83
MESA SMOG				
000028452	1101594-092018	SMOG CHECK #4		42.75
000028452	1360752-092418	SMOG CHECK #1		42.75
000028452	1120660-092418	SMOG CHECK #25		42.75
000028452	025380-092418	SMOG CHECK #29		42.75
000028452	1057132-092418	SMOG CHECK #38		42.75
000028452	1086865-092518	SMOG CHECK #37		42.75
000028452	1254265-100218	SMOG CHECK #28		42.75
000028452	1174537-100318	SMOG CHECK #7		42.75
000028452	1101593-100318	SMOG CHECK #31		42.75
000028452	056714-102918	SMOG CHECK #30		42.75
	11/7/2018		1	427.50
MORAN CONSULTING, INC.				
000028453	3396	CS CONSULTANT-TRAVEL EXPENSES		1,723.37
	11/7/2018		1	1,723.37
MOUSE GRAPHICS				
000028605	423213	PRINTING-FESTIVAL OF CHILDREN		106.13
	11/28/2018		1	106.13
NEXTDAY DELIVERY SERVICE, LLC				
000028564	742143	MAIL DELIVERY SERVICE-NOV 2018		563.14
	11/21/2018		1	563.14
NORTHROP GRUMMAN				
000028389	26068	METER READER CHARGER		5,012.53
	11/1/2018		1	5,012.53

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
NOVATIME TECHNOLOGY INC				
000028606	PSI093155	MONTHLY FEE - TIME CARD NT		174.50
	11/28/2018		1	174.50
ORANGE COUNTY TREASURER - TAX COLLECTOR				
000028391	415-024-17-FY19	FY19 SPECIAL ASSESSMENT-CRODDY		427.72
000028391	415-014-03-FY19	FY19 SPECIAL ASSESSMNT-CHANDLR		540.36
000028391	422-301-03-FY19	FY19 SPECIAL ASSESSMNT-1965PLA		2,912.74
000028391	140-041-57-FY19	FY19 SPECIAL ASSESSMENT		335.00
	11/1/2018		1	4,215.82
ORANGE COAST TRAILER				
000028520	038875	TRAILER PARTS		361.58
	11/15/2018		1	361.58
OFFICIAL PAYMENTS CORPORATION				
000028455	3954603	ONLINE PAYMENTS MAINT FEE		150.00
	11/7/2018		1	150.00
O'NEIL STORAGE #0481				
000028608	1810060	FILE STORAGE - OCT 2018		216.60
	11/28/2018		1	216.60
ORANGE COUNTY HEALTH CARE AGENCY				
000028566	IN1158682	CALARP ANNUAL FEES		698.50
000028566	IN1158683	CALARP ANNUAL FEES		1,429.00
	11/21/2018		1	2,127.50
OSTS INC				
000028457	49478	FORKLIFT OPERATOR TRAINING		242.50
	11/7/2018		1	242.50
PERS PUBLIC AGENCY COALITION				
000028521	7344	MEMBERSHIP SEP-2018 -AUG 2019		250.00
	11/15/2018		1	250.00

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>PETE'S ROAD SERVICE</b>				
000028393	272590-00	TIRE REPAIR - UNIT 26		123.00
000028393	274355-00	TIRE REPAIR - UNIT 4		160.00
	11/1/2018		1	<u>283.00</u>
<b>PROCARE WORK INJURY CENTER (DBA)</b>				
000028459	250321	PHYSICAL EXAM		70.00
	11/7/2018		1	<u>70.00</u>
<b>RAYNE WATER SYSTEMS</b>				
000028460	30486NOV18	SOFT WATER SERVICE - NOV 2018		39.45
	11/7/2018		1	<u>39.45</u>
<b>HERITAGE ENVIRONMENTAL/RINECO</b>				
000028395	1906323	HAZARDOUS WASTE DISPOSAL		4,860.56
	11/1/2018		1	<u>4,860.56</u>
<b>SECTRAN SECURITY INC</b>				
000028568	18110887	WEEKLY BANK DEPOSITS- NOV 2018		192.95
	11/21/2018		1	<u>192.95</u>
<b>SHAUN FERRELL</b>				
000028569	EXP112018	SAFETY SHOES		134.69
	11/21/2018		1	<u>134.69</u>
<b>STAFFING SOLUTIONS</b>				
000028400	26551	TEMP LABOR, CUST SERV,WE 10/07		1,392.00
000028400	26602	TEMP LABOR, CUST SERV,WE 10/14		1,442.75
000028461	26655	TEMP LABOR, CUST SERV,WE 10/21		1,417.38
000028523	26709	TEMP LABOR, CUST SERV,WE 10/28		1,455.44
000028570	26763	TEMP LABOR, CUST SERV,WE 11/04		1,442.75
000028570	26825	TEMP LABOR, CUST SERV,WE 11/11		1,417.38
	11/21/2018		4	<u>8,567.70</u>
<b>SUPERIOR RESTORATION</b>				
000028533	18-1606-EMS-OC	M19-006 WATER MITIGATION SRVCS		46,062.87
000028612	18-1606-CON-OUT-OC	M19-006 CONTENTS REMEDIATION		9,733.38
	11/28/2018		2	<u>55,796.25</u>

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
SWRCB				
000028402	RW-1018580	FY18 RECYCLED WATER FEES		17.60
	11/1/2018		1	17.60
T2 TECHNOLOGY GROUP, LLC				
000028421	3480	IS OPERATIONS SUPPORT-SEP 2018		47,087.50
000028483	3499	IS OPERATIONS SUPPORT-OCT 2018		43,750.00
	11/15/2018		2	90,837.50
THEODORE ROBINS FORD				
000028403	C12195	AUTO REPAIRS & MAINTENANCE #22		405.01
000028403	C11327	AUTO REPAIRS & MAINTENANCE #60		3,442.32
000028403	C12408	AUTO REPAIRS & MAINTENANCE #26		125.00
000028463	C12164	AUTO REPAIRS & MAINTENANCE #50		6,908.67
000028525	C12970	AUTO REPAIRS & MAINTENANCE-#27		2,097.67
	11/15/2018		3	12,978.67
TIME WARNER CABLE				
000028464	1048224100918	INTERNET - DISTRICT		2,119.00
000028526	0012934102318	CABLE-DISTRICT, INTERNET-RES 2		319.35
000028574	1524356110518	INTERNET - MWRF SUBLEASE		184.98
000028574	0679649110818	INTERNET - MWRF		324.98
000028574	1048224110918	INTERNET - DISTRICT		2,114.00
	11/21/2018		3	5,062.31
TOTAL FUNDS BY HASLER				
000028465	5780OCT18	POSTAGE - OCT 2018		500.00
	11/7/2018		1	500.00
UNION BANK				
000028408	1118013	CY19 Q1 BANK DEPOSITORY FEE		875.00
	11/1/2018		1	875.00
UNIVERSAL WASTE SYSTEMS, INC				
000028529	0000117155	WASTE REMOVAL - NOV 2018		87.00
	11/15/2018		1	87.00

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>UNUM</b>				
000028530	04205600016DEC18	LIFE INSURANCE - DEC 2018		2,466.73
	11/15/2018		1	2,466.73
<b>VERIZON WIRELESS</b>				
000028471	9816653962	MOBILE INTERNET - 09/17-10/16		2,527.98
	11/7/2018		1	2,527.98
<b>VORTEX INDUSTRIES, INC</b>				
000028615	09-1290702	BRDRM/LOBBY DOOR LOCK REPLCMNT		2,714.70
000028615	09-1293966	KEYPAD REPLACEMENT		3,213.73
	11/28/2018		1	5,928.43
<b>WASTE MANAGEMENT OF OC</b>				
000028474	0370471-2515-0	TR CONTAINER RENTAL - NOV 2018		794.88
000028531	0025462-2884-8	ROLL OFF CONTAINER RENTAL		401.29
	11/15/2018		2	1,196.17
<b>WE SAVE BEES</b>				
000028475	4435	BEE REMOVAL SERVICES		175.00
000028475	4442	BEE REMOVAL SERVICES		175.00
	11/7/2018		1	350.00
<b>WHITE NELSON DIEHL EVANS LLP</b>				
000028476	186301	FY18 AUDIT SERVICES		5,800.00
	11/7/2018		1	5,800.00
<b>YORKE ENGINEERING, LLC</b>				
000028617	17465	AQ & ES COMPLIANCE ASSISTANCE		3,369.25
	11/28/2018		1	3,369.25
<b>TOTAL GENERAL AND ADMINISTRATIVE</b>			<b>114</b>	<b>301,347.74</b>

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>RETIREE CHECKS</b>				
ALAN COOK				
000028356	9155061118	NOV 2018 INSURANCE SUBSIDY		106.46
	11/1/2018		1	<u>106.46</u>
BRIAN HUNT				
000028360	9155081118	NOV 2018 INSURANCE SUBSIDY		6.00
	11/1/2018		1	<u>6.00</u>
COLEEN L MONTELEONE				
000028365	9155091118	NOV 2018 INSURANCE SUBSIDY		235.96
	11/1/2018		1	<u>235.96</u>
DIANA LEACH				
000028370	9155071118	NOV 2018 INSURANCE SUBSIDY		271.63
	11/1/2018		1	<u>271.63</u>
LORI MULLER				
000028386	9155101118	NOV 2018 INSURANCE SUBSIDY		106.46
	11/1/2018		1	<u>106.46</u>
PATTI REYNOLDS				
000028392	9155121118	NOV 2018 INSURANCE SUBSIDY		7.63
	11/1/2018		1	<u>7.63</u>
SCOTT PECA				
000028397	9155111118	NOV 2018 INSURANCE SUBSIDY		122.68
	11/1/2018		1	<u>122.68</u>
<b>TOTAL RETIREE CHECKS</b>			<b>7</b>	<b><u>856.82</u></b>

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>CHECK SIGNATURE EXEMPT</b>				
SOUTHERN CALIFORNIA EDISON CO				
000028482	2236281499AUG18C	ELECTRICITY - AUG 2018		2.73
000028482	2236281499SEP18B	ELECTRICITY - SEPT 2018		23,843.28
000028482	2236281499OCT18A	ELECTRICITY - OCT 2018		70,137.94
11/15/2018			1	93,983.95
<b>TOTAL CHECK SIGNATURE EXEMPT</b>			<b>1</b>	<b>93,983.95</b>

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>WATER SUPPLY</b>				
AIRGAS USA LLC				
000028542	9957461925	CYLINDER RENTAL		110.81
	11/21/2018		1	110.81
AUTOMOBILE CLUB OF SOUTHERN CALIFORNIA				
000028358	NOV18LEASE	WELL 8 LAND LEASE - NOV 2018		6,541.61
	11/1/2018		1	6,541.61
D&H WATER SYSTEMS				
000028368	I2018-1067	MWRF PUMP SUPPLIES		496.69
	11/1/2018		1	496.69
HILL BROTHERS CHEMICAL CO.				
000028446	07044852	AMMONIA		4,548.82
	11/7/2018		1	4,548.82
JCI JONES CHEMICAL CO.				
000028448	772627	CAUSTIC SODA		1,831.50
000028558	774157	CAUSTIC SODA		1,334.30
	11/21/2018		2	3,165.80
NALCO WATER PRETREATMENT SOLUTIONS				
000028388	2284443	MWRF GARDEN SUPPLIES		417.52
000028388	2284122	MWRF GARDEN SUPPLIES		8.62
	11/1/2018		1	426.14
OCWD				
0145104	19496	SEPT GAP WATER		95,624.18
	11/1/2018		1	95,624.18
PACIFIC HYDROTECH CORPORATION				
000028587	26	M17-100 WELL AUTOMATION/REHAB		149,819.79
0145384	26RET	M17-100 WELL AUTOMATION/REHAB		7,885.24
	11/29/2018		2	157,705.03



# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>SEPARATION PROCESSES, INC</b>				
000028610	9207	MWRF SUPPORT SERVICES		2,251.07
	11/28/2018		1	2,251.07
<b>TESTOIL</b>				
000028573	222831	PAT1/COMENG ENG OIL SAMPLES		462.00
000028573	222900	PAT1/COMENG ENG OIL SAMPLES		33.00
	11/21/2018		1	495.00
<b>UNIVAR USA, INC.</b>				
000028468	LA681273	SOD HYPO		2,483.27
000028576	LA682724	SOD BISULFITE		1,747.20
000028576	LA682727	SOD HYPO		4,593.47
000028576	LA682853	SOD HYPO		184.92
000028576	LA684457	SOD HYPO		2,113.40
000028576	LA684573	SOD HYPO		647.81
000028576	LA684572	SOD HYPO		2,087.03
	11/21/2018		2	13,857.10
<b>UNITED WATERWORKS INC.</b>				
000028410	S100070593.002	WATER OPS PARTS		144.39
000028410	S100070593.003	WATER OPS PARTS		4,132.86
000028469	S100071082.001	WATER OPS PARTS		206.88
	11/7/2018		2	4,484.13
<b>TOTAL WATER SUPPLY</b>			<b>16</b>	<b>289,706.38</b>

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>WATER SYSTEM</b>				
ARMORCAST PRODUCTS CO				
000028427	0195724-IN	METER BOXES AND COVERS		19,412.37
	11/7/2018		1	19,412.37
BATTERY MART INC				
000028429	31692	BATTERIES		389.79
	11/7/2018		1	389.79
EISEL ENTERPRISES, INC.				
000028596	112232	VALVE BOXES AND COVERS		5,934.87
	11/28/2018		1	5,934.87
EWLES MATERIALS INC				
000028440	348030	M19-001FH BOBTAIL DUMP FEES		640.00
000028553	349762	BOBTAIL DUMP FEES		480.00
	11/21/2018		2	1,120.00
EXPRESS PIPE & SUPPLY CO. INC				
000028441	S105134697.001	PIPE SUPPLIES		254.07
	11/7/2018		1	254.07
FERGUSON WATERWORKS				
000028597	0655476	WATER OPS SUPPLIES		1,444.60
	11/28/2018		1	1,444.60
FERRELLGAS				
000028372	1102907771	PROPANE		837.85
	11/1/2018		1	837.85
LARRY'S BUILDING MATERIALS				
000028382	CM-114700	BUILDING MATERIALS		30.98
000028450	CM-114853	BUILDING MATERIALS		30.98
000028450	CM-114975	BUILDING MATERIALS		30.98
	11/7/2018		2	92.94
NATIONAL METER & AUTOMATION INC.				
000028563	S1106963.001	METER READING PARTS		278.00

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
000028563	S1106984.001	METERS		31,187.16
	11/21/2018		1	<u>31,465.16</u>
<b>OMAR &amp; SON'S TRUCKING</b>				
000028456	4608	DIRT HAULING		637.00
000028565	4616	DIRT HAULING		728.00
	11/21/2018		2	<u>1,365.00</u>
<b>PRAXAIR DISTRIBUTION, INC.</b>				
000028394	85677395	CYLINDER RENTAL - ACETYLENE		28.95
000028609	86223055	CYLINDER RENTAL - ACETYLENE		29.91
	11/28/2018		2	<u>58.86</u>
<b>PRAXAIR</b>				
000028458	85773317	CARBON DIOXIDE		3,079.76
000028458	85835425	CARBON DIOXIDE		3,052.29
000028458	85967883	CARBON DIOXIDE TANK RENTAL		2,164.70
000028567	86030569	CARBON DIOXIDE		3,068.52
	11/21/2018		2	<u>11,365.27</u>
<b>TAMORI DESIGNS</b>				
000028571	1264	PRINTING - FINAL NOTICE FORMS		749.25
	11/21/2018		1	<u>749.25</u>
<b>UNDERGROUND SERVICE ALERT/SC</b>				
000028528	1020180433	UNDERGROUND SERVICE ALERT		661.75
	11/15/2018		1	<u>661.75</u>
<b>VULCAN MATERIALS</b>				
000028412	71997640	PAVING SUPPLIES		87.98
000028412	71997641	PAVING SUPPLIES		122.59
000028473	72007030	PAVING SUPPLIES		206.14
000028578	72015174	PAVING SUPPLIES		166.52
	11/21/2018		3	<u>583.23</u>
<b>TOTAL WATER SYSTEM</b>			<b>22</b>	<b><u>75,735.01</u></b>

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>VARIOUS</b>				
ALISON COTTER, COPYWRITER				
000028498	104	NOV/DEC NEWSLETTER DESIGN		662.50
	11/15/2018		1	662.50
AMAZON BUSINESS				
000028499	1WGX-9VHN-D1NW	OFFICE SUPPLIES		15.93
000028544	11GX-HPPG-Y4GD	OFFICE SUPPLIES		75.99
000028544	14TR-H49H-C6WG	OFFICE SUPPLIES		139.43
000028544	17T3-76N6-7XGD	OFFICE SUPPLIES		47.20
000028544	11GX-HPPG-X9W9	OFFICE SUPPLIES		9.99
000028544	1D64-7JCW-LJGW	OFFICE SUPPLIES		78.03
000028544	17T3-76N6-9XLV	OFFICE SUPPLIES		10.99
000028591	1DCT-DGHW-94JF	OFFICE SUPPLIES		13.12
	11/28/2018		3	390.68
AMEC FOSTER WHEELER ENVIRONMENT & INFRASTRUCTURE				
000028423	S49831924	M18-103 AC PIPE SAMPLE/EDS		7,650.00
	11/7/2018		1	7,650.00
AT&T				
000028477	000011989425	INTERNET - DISTRICT		1,671.74
000028478	000011990283	ACCT#9391061444 - SEPT 2018		55.59
000028502	000012133351	ACCT#9391061444 - OCT 2018		55.59
000028502	000012132493	INTERNET - DISTRICT		1,671.74
	11/15/2018		3	3,454.66
AT&T				
000028413	0926OCT18	949-650-0926 OCT 2016		963.20
000028414	8883OCT18	949-631-8883 OCT 2018		226.99
000028415	3044OCT18	949-574-3044 OCT 2018		1,670.52
000028416	9024OCT18	339-264-9024 OCT 2018		351.40
000028417	0779OCT18	339-263-0779 OCT 2018		1,594.48
000028418	3066OCT18	DIST FAX 960-350-3066 OCT 2018		3,350.76
000028419	40540001OCT2018	ACCT#0302034054001 OCT 2018		81.22
000028479	8315OCT18	714-241-8315 09/25 - 10/24		492.41
000028480	8274OCT18	949-722-8274 10/08 - 11/07		134.58
000028481	9335NOV18	714-435-9337 10/20 - 11/19		1,291.11

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
000028503	8315NOV18	714-241-8315 10/25 - 11/24		503.16
000028579	0926NOV18	949-650-0926 11/01 -11/30		1,117.67
000028580	0779NOV18	339-263-0779 NOV 2018		1,594.48
000028581	3044NOV18	949-574-3044 NOV 2018		1,884.60
000028582	8883NOV18	949-631-8883 NOV 2018		277.01
000028583	3066NOV18	DIST FAX 960-350-3066 NOV 2018		3,403.62
000028584	9024NOV18	339-264-9024 NOV 2018		351.40
000028585	4054001NOV18	ACCT#0302034054001 NOV 2018		85.23
000028586	8274NOV18	949-722-8274 11/08 - 12/07		144.43
	11/21/2018		19	<u>19,518.27</u>
CAROLLO ENGINEERS				
000028361	0170939	M17-100 WELL AUTO & REHAB		2,323.70
000028593	0171608	M17-100 WELL AUTO & REHAB		8,466.82
	11/28/2018		2	<u>10,790.52</u>
CAROUSEL INDUSTRIES NORTH AMERICA				
000028433	2296675H0918	FUZE SIMPLICITY VOICE CLOUD		4,379.20
	11/7/2018		1	<u>4,379.20</u>
CITADEL ENVIRONMENTAL SERVICES INC				
000028507	0023046	EHS AUDIT		6,733.15
	11/15/2018		1	<u>6,733.15</u>
COAST CRANE CO.				
000028549	902845	DECALS		52.26
	11/21/2018		1	<u>52.26</u>
CROWN ACE HARDWARE				
000028367	047090	SUPPLIES		38.94
000028367	047095	SUPPLIES		39.86
000028436	047118	SUPPLIES		20.85
000028436	047119	SUPPLIES		10.26
	11/7/2018		2	<u>109.91</u>
E REQUESTOR- PAPERLESS BUSINESS SYSTEMS				
000028371	PF8-0001020	EREQUESTER- ON SITE TRAINING		2,000.00
000028439	PF5-0001020	EREQUESTER IMPLEMENTATION		4,950.00

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
000028439	PF7-0001020	EREQUESTER ONSITE TRAINING		6,000.00
	11/7/2018		2	12,950.00
FEDERAL EXPRESS CORPORATION				
000028554	6-363-69877	MISC SHIPPING		62.53
	11/21/2018		1	62.53
GRAINGER				
000028444	9942821902	SAFETY TOOLS & EQUIPMENT		295.65
000028555	9956571799	SAFETY TOOLS & EQUIPMENT		137.96
	11/21/2018		2	433.61
HASHTAG PINPOINT				
000028599	1176	SOCIAL ADVOCACY SERVICES		4,000.00
	11/28/2018		1	4,000.00
HELPMATES STAFFING SERVICES				
000028374	876852	TEMP LABOR, CUST SERV,WE 10/14		2,000.29
000028445	876992	TEMP LABOR, CUST SERV,WE 10/21		2,135.16
000028510	877094	TEMP LABOR, CUST SERV,WE 10/28		1,944.13
000028556	877247	TEMP LABOR, CUST SERV,WE 11/04		2,337.44
000028556	877341	TEMP LABOR, CUST SERV,WE 11/11		2,371.16
	11/21/2018		4	10,788.18
THE HOME DEPOT COMMERCIAL ACCT				
000028447	1915OCT18	SUPPLIES		835.49
	11/7/2018		1	835.49
THE HOWARD E NYHART CO. INC.				
000028512	143640	GASB 68 REPORT CONSULTING		1,500.00
	11/15/2018		1	1,500.00
HRCHITECT				
000028376	2018-0975	M18-110 HRIS SYSTEM CONSULTING		175.00
000028513	2018-1024	M18-110 HRIS SYSTEM CONSULTING		1,093.75
	11/15/2018		2	1,268.75

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>HUB AUTO SUPPLY</b>				
000028377	44586	AUTO SUPPLIES		13.98
	11/1/2018		1	<u>13.98</u>
<b>INDEPENDENT STATIONERS</b>				
000028379	SI00313129	OFFICE SUPPLIES		127.82
000028379	SI00313136	OFFICE SUPPLIES		166.53
000028379	SI00313288	OFFICE SUPPLIES		24.64
000028557	SI00317291	OFFICE SUPPLIES		666.89
000028601	SI00313137	OFFICE SUPPLIES		290.93
	11/28/2018		3	<u>1,276.81</u>
<b>JETT CONSTRUCTION MANAGEMENT LLC</b>				
000028602	18-004-01	M19-006 CONSTRUCTION MNGMENT		5,425.00
000028602	18-001-02	M17-106 CONSTRUCTION MNGMENT		9,450.00
	11/28/2018		1	<u>14,875.00</u>
<b>LEED ELECTRIC</b>				
000028518	181026	ON CALL ELECTRICAL REPAIRS		1,072.00
	11/15/2018		1	<u>1,072.00</u>
<b>LEWIS CONSULTING GROUP</b>				
000028383	2018-173	GOV'T RELATIONS SERVICES		4,000.00
	11/1/2018		1	<u>4,000.00</u>
<b>NORTHERN SAFETY CO INC</b>				
000028454	903175779	SAFETY SUPPLIES		465.02
	11/7/2018		1	<u>465.02</u>
<b>SOUTHERN CALIFORNIA GAS CO</b>				
000028396	08520813000OCT18	NATURAL GAS, DISTRICT,OCT 2018		93.50
000028396	08940813002OCT18	NATURAL GAS, RES 1,OCT 2018		760.35
000028522	05060829008OCT18	NATURA GAS, WELL 5, OCT 2018		7,981.86
	11/15/2018		2	<u>8,835.71</u>

# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>STEIN TECHNOLOGY CONSULTING GROUP</b>				
000028462	I-16	PROFESSIONAL SERVICES-PHN SYS		4,613.36
	11/7/2018		1	<u>4,613.36</u>
<b>SBE CONTRACTING/STOUT &amp; BURG</b>				
000028611	001649	ELECTRICAL/IRRIGATION REPAIRS		500.37
	11/28/2018		1	<u>500.37</u>
<b>TJC &amp; ASSOCIATES INCORPORATED</b>				
000028404	32937	M18-005A MWRP PLC REPLC STUDY		17,696.18
	11/1/2018		1	<u>17,696.18</u>
<b>TRU-ECO ENVIRONMENTAL CONSULTING LLC</b>				
000028613	4925	M19-006 ASBESTOS SURVEY TEST		1,130.00
	11/28/2018		1	<u>1,130.00</u>
<b>TRUSSELL TECHNOLOGIES INC</b>				
000028406	5166	M18-116 DISINFCTION CONV STUDY		14,033.50
	11/1/2018		1	<u>14,033.50</u>
<b>TYCO/ JOHNSON CONTROLS</b>				
000028466	31357503	SERVICE CALL		1,583.46
	11/7/2018		1	<u>1,583.46</u>
<b>UNITED INTERIORS</b>				
000028409	3048	DESK CHAIR		980.04
000028467	3064	DESK ELECTRICAL FEEDS		256.45
	11/7/2018		2	<u>1,236.49</u>
<b>VALLEY POWER</b>				
000028411	B40584	RES 2 - 2 ENGINE SERVICE		7,799.35
000028470	B40228	ENGINE COOLANT		3,731.77
000028470	B40655	WELL 5 ENGINE SERVICE		4,373.23
000028577	B40658	RES 1/RES 2 ENGINE REPAIRS		8,584.30
	11/21/2018		3	<u>24,488.65</u>



# ACCOUNTS PAID LISTING

FROM 11/1/2018 TO 11/30/2018

Vendor Check Number	Invoice Number	Description	Check Count	Amount
WESTBOUND COMMUNICATIONS				
000028616	3618	STRATEGIC MESSAGING DEV		9,000.00
	11/28/2018		1	9,000.00
<b>TOTAL VARIOUS</b>			<b>70</b>	<b>190,400.24</b>
<b>GRAND TOTAL</b>			<b>290</b>	<b>1,324,983.54</b>



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## MEMORANDUM

TO: Finance Committee  
FROM: Marwan Khalifa, CPA, MBA, Chief Financial Officer  
DATE: December 20, 2018  
SUBJECT: Monthly Financial Reports

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### RECOMMENDATION

This item is provided for information only.

### STRATEGIC PLAN

Goal #3: Be financially responsible and transparent.

### PRIOR BOARD ACTION/DISCUSSION

None.

### DISCUSSION

Staff will provide updated monthly financial reports at the Finance Committee meeting.

### FINANCIAL IMPACT

None.

### ATTACHMENTS

None.



## FINANCE COMMITTEE

### Major Staff Projects

Title	Comments	Status
Fiscal Year 2018 Audit	Year End Audit Preparation	In Process
Human Resource Information System/Payroll System	Human Resource Information System/Payroll System	In Process
Procurement Software	Procurement System	In Process



## COMMITTEE POLICY & RESOLUTION REVIEW

### FINANCE COMMITTEE

#### Policy Assignments for 2018

Policy Name	Resolution No.	Date Adopted	Revision Schedule	Last Reviewed
Investment Policy and Delegation of Authority	1506	12/14/17	Review and update as needed  *Scheduled for 12/20/18 meeting	12/14/17
Designated Funds - Financial Policies and Guidelines in Establishing Rates	1443	03/15/14	Review at least once every 5 years  * Scheduled for the 03/21/19 meeting	03/15/14
Miscellaneous Water Services, Fees, and Charges	1423	10/23/12	Review at least annually  * Scheduled for the 03/21/19 meeting	10/23/12
Travel and Business Expense Reimbursement	1467	11/16/15	Review and update as needed  * Scheduled for the 04/18/19 meeting	3/20/17
Auditors, Policy to Solicit Proposals for Outside Services	1501	06/08/17	Review and update as needed	06/08/17
Capacity Charges	1449	08/14/14	Review and update as needed	08/14/14
Disposal of Surplus Property	1513	06/21/18	Review and update as needed	06/21/18
Identity Theft Prevention Program	1372	03/24/09	Review and update as needed	03/24/09
Procurement Guidelines/ Disbursement Guidelines	1508	01/18/18	Review and update as needed	01/18/18



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## MEMORANDUM

TO: Finance Committee  
FROM: Marwan Khalifa, CPA, MBA, Chief Financial Officer  
DATE: December 20, 2018  
SUBJECT: Fiscal Year 2018 Audit Results and Comprehensive Annual Financial Report

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### RECOMMENDATION

Receive the presentation.

### STRATEGIC PLAN

Goal #3: Be financially responsible and transparent.

### PRIOR BOARD ACTION/DISCUSSION

None.

### DISCUSSION

The Fiscal Year (FY) 2018 audit for Mesa Water District (Mesa Water®) has been completed and the draft Comprehensive Annual Financial Report (CAFR) is expected to be issued on or before December 20, 2018 and will be presented at the Finance Committee meeting. The CAFR was prepared in accordance with guidelines established by the Governmental Accounting Standards Board (GASB). White Nelson Diehl Evans LLP (WNDE) conducted an independent audit of Mesa Water's financial records in accordance with generally accepted auditing standards and has expressed an unmodified opinion on the District's financial statements for the fiscal year ended June 30, 2018.

Representatives from WNDE will attend the Finance Committee meeting to present the results of the audit and a summary of the financial results for the fiscal year ended June 30, 2018.

FY 2018 financial results (as of June 30, 2018) are summarized below

- Mesa Water has met or exceeded its Fiscal Year Target goals for Days Cash Ratio and Cash on Hand:
  - Days Cash Ratio was 482 days (Target 408 Days)
  - Cash on Hand was \$34.6 million (Target \$29.5M)

### **Statement of Net Position (Balance Sheet)**

Highlights include:

- Current assets, including cash, investments and receivables, decreased \$8.9 million, primarily due to the funding of the Pension Stabilization Trust account.
- Non-current assets increased \$12.2 million, primarily due to continued construction on capital assets.
- Current liabilities decreased \$.7 million, primarily due to a decrease in customer advances and deposits.
- Non-current liabilities decreased by \$1 million, primarily due to the issuance of the 2017 Certificates of Participation (COPs) and paying off of the 2010 COPs.



## **Statement of Revenues, Expenses and Changes in Net Position (Income Statement)**

For the fiscal year ending June 30, 2018, the Change in Net Position was an increase (income) of \$7.2 million.

Highlights include:

- Operating revenues increased from \$31.1 million to \$35.7 million, due to the increase in water consumption sales of \$4.6 million.
- Operating expenses increased by \$2.7 million, due to an increased replenishment assessment, and transmission and distribution costs totaling \$1.1 million.
- Capital contributions decreased \$1.1 million, as a result of reduced new development in the City of Costa Mesa.

### FINANCIAL IMPACT

In Fiscal Year 2019, \$32,000 is budgeted for Auditing Services; \$22,000 has been spent to date.

### ATTACHMENTS

None.

**REPORTS:**

6. REPORT OF THE GENERAL MANAGER:

**REPORTS:**

7. DIRECTORS' REPORTS AND COMMENTS:





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## MEMORANDUM

TO: Finance Committee  
FROM: Kurt Lind, Business Administrator  
DATE: December 20, 2018  
SUBJECT: Microsoft Great Plains/Cogsdale Support Services

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### RECOMMENDATION

This item is provided for information only.

### STRATEGIC PLAN

Goal #3: Be financially responsible and transparent.  
Goal #6: Provide outstanding customer service.

### PRIOR BOARD ACTION/DISCUSSION

None.

### DISCUSSION

After January 31, 2019, our current consultant Sophos Solutions, will no longer be providing Microsoft Great Plains (MGP) Financial System and Cogsdale Customer Information System CIS (Cogsdale) support services.

Mesa Water District (Mesa Water®) is seeking a MGP Financial System consultant and a separate Cogsdale CIS consultant for system support, upgrades, and configurations including budgeting, accounts receivable, accounts payable, fixed assets, financial reporting, collections, revenue management, meter reading, billing, and other system functions.

The MGP/Cogsdale system was installed and implemented in 1999. Most recently, Mesa Water® has made significant improvements to the functionality of MGP and Cogsdale including:

- Simplifying the chart of accounts
- Reconfiguration and implementation of project accounting
- Purchasing commitment controls
- Implementation of eRequester procurement management system
- Simplifying rate structures for billing
- Simplifying location classes
- Establishment of Sequel Server Reporting Services reports

Mesa Water will select two separate consultants (MGP and Cogsdale) that will at times work as a team for two specific service areas of need:

- Annual System Support
- As Directed Services

The selection of the Support Consultants will be based on experience and qualifications related to the two support areas and expertise in either MGP or Cogsdale. Support Consultants will be allowed to propose on one or both areas of need.



Staff anticipates a start date of February 15, 2019 for the Support Services and will present a recommendation at the January 17, 2019 Finance Committee Meeting.

### **Key Future Projects**

There are two upcoming projects that will be impactful to the operation of both MGP and Cogsdale. The Support Consultants will be expected to have the experience and capability to assist Mesa Water with the following:

- Invoice Cloud Implementation: Anticipated kickoff in March 2019
- Badger Software Implementation: Anticipated kickoff in October 2019

### **FINANCIAL IMPACT**

In Fiscal Year 2019, \$75,000 is budgeted for Support Services; \$22,000 has been spent to date.

### **ATTACHMENTS**

None.



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## MEMORANDUM

TO: Finance Committee  
FROM: Marwan Khalifa, CPA, MBA, Chief Financial Officer  
DATE: December 20, 2018  
SUBJECT: Statement of Investment Policy

---

### RECOMMENDATION

This item is provided for information only.

### STRATEGIC PLAN

Goal #3: Be financially responsible and transparent.

### PRIOR BOARD ACTION/DISCUSSION

At its December 14, 2017 meeting, the Board of Directors (Board) adopted Resolution No.1506 Delegating Authority Relative to Investment or Reinvestment of Funds, and Providing for a Revised Statement of Policy, Rescinding Resolution No. 1431. The resolution sets forth the delegation of such authority to its District Treasurer to invest, reinvest, sell, or exchange securities in accordance with the Statement of Investment Policy. The intention of this resolution is to maintain proper financial controls and reinforce the Board's oversight.

### DISCUSSION

Staff and legal counsel have reviewed the current policy and are not proposing any updates; therefore, staff does not have any recommended changes at this time.

### FINANCIAL IMPACT

None.

### ATTACHMENTS

Attachment A: Resolution No. 1506

## RESOLUTION NO. 1506

### RESOLUTION OF THE MESA WATER DISTRICT BOARD OF DIRECTORS DELEGATING AUTHORITY RELATIVE TO INVESTMENT OR REINVESTMENT OF FUNDS, AND PROVIDING FOR A REVISED STATEMENT OF INVESTMENT POLICY, RESCINDING RESOLUTION NO. 1431

WHEREAS, the Mesa Water District (Mesa Water®) is a county water district organized and operating pursuant to the provisions of California (State or California) law; and

WHEREAS, Mesa Water from time to time has money held by its District Treasurer not required for the immediate necessities of Mesa Water (investment portfolio) and is authorized by law including, but not by way of limitation, Section 53601, et. seq., of the Government Code of the State of California, to invest such money in the manner provided by law; and

WHEREAS, Section 53607 of the Government Code authorizes the Board of Directors of Mesa Water to delegate such authority to its District Treasurer to invest, reinvest, sell, or exchange securities until such time as this delegation of authority is revoked; and

WHEREAS, Mesa Water has previously adopted Resolution No. 1431, delegating authority relative to investment or reinvestment of funds and providing for a Statement of Investment Policy; and

WHEREAS, it is the desire of the Board of Directors of Mesa Water to renew the delegation of such authority and provide for a revised Statement of Investment Policy.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE MESA WATER DISTRICT DOES HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

**Section 1.** That the Board of Directors of Mesa Water does hereby delegate authority to the District Treasurer to invest and reinvest funds pursuant to all applicable laws, statutes, and regulations of the State of California as set forth in this Resolution. The Board of Directors reserves the right to provide for delegation of investment authority in the future by way of resolution or by motion.

**Section 2.** That the revised Statement of Investment Policy of Mesa Water is hereby adopted as set forth in Exhibit "A" attached to this Resolution, which is incorporated by this reference and shall be deemed to be effective on December 14, 2017 and every fiscal year hereafter unless changed or modified by further action of this Board of Directors.

**Section 3.** That Resolution No. 1431 of Mesa Water is rescinded effective December 14, 2017.

ADOPTED, SIGNED, and APPROVED this 14<sup>th</sup> day of December 2017 by a roll call vote.

AYES: DIRECTORS: DePasquale, Dewane, Fisler, Bockmiller, Atkinson  
NOES: DIRECTORS:  
ABSENT: DIRECTORS:  
ABSTAIN: DIRECTORS:

  
\_\_\_\_\_  
Denise Garcia  
District Secretary

  
\_\_\_\_\_  
Jim Atkinson  
President, Board of Directors

# RESOLUTION NO. 1506

## EXHIBIT A

### RESOLUTION OF THE MESA WATER DISTRICT BOARD OF DIRECTORS DELEGATING AUTHORITY RELATIVE TO INVESTMENT OR REINVESTMENT OF FUNDS, AND PROVIDING FOR A REVISED STATEMENT OF INVESTMENT POLICY, RESCINDING RESOLUTION NO. 1431

Statement of Investment Policy  
FY18

#### **1.0 Policy**

It is the policy of Mesa Water District (Mesa Water®) to invest public funds in a manner that will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District. The investment policies and practices of Mesa Water are based upon prudent money management and shall conform to all federal, state and other applicable laws governing the investment of public funds.

Although no longer required by California Government Code (CGC) Section 53646, the District Treasurer will render to the Board of Directors (Board) a Statement of Investment Policy for consideration and approval at a public meeting. Any investment currently held at that time that does not meet the guidelines of this policy, as changed from time to time by the Board, shall be exempt from the requirements of this policy. However, at the investment's maturity or liquidation, such funds shall be reinvested only as provided by this policy.

#### **2.0 Scope**

This Statement of Investment Policy (SIP) applies to all financial assets of Mesa Water except the California Public Employees Retirement System (CalPERS) (which has its own investment policy), Public Agencies Post-Employment Benefits Trust (which is administered by Resolution No. 1499), deferred compensation plan (governed by a separate Plan Document) and Certificate of Participation (COP) funds (governed by the applicable Trust Indentures), which are administered separately.

This SIP is set forth by Mesa Water for the following purposes:

- a. To establish a clear understanding for the Board, Finance Committee, Mesa Water management and responsible employees, citizens and third parties, of the objectives, policies and guidelines for the investment of Mesa Water's excess funds that are not required for immediate use.
- b. To offer guidance to investment staff, brokers and any external investment advisors on the investment of Mesa Water funds.

### **3.0 Objective**

Subject to the overriding requirement of compliance with all federal, state and other applicable laws governing the investment of moneys under the control of the District Treasurer, and as specified in the CGC Section 53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives, in priority order, of the investment activities shall be:

#### **3.1 Safety of Principal**

Safety of principal is the foremost objective. Investments of Mesa Water shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall investment portfolio. To attain this objective diversification is advisable in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

Each investment transaction shall seek to ensure that capital losses are avoided, whether from issuer default, broker/dealer default or erosion of market value. Mesa Water shall seek to preserve capital by mitigating credit risk and market risk, as identified below:

##### **3.1. A Credit Risk**

Credit risk is the risk of loss due to failure of the issuer to repay an obligation. It shall be mitigated by investing in only very safe institutions and by diversifying the investment portfolio so that the failure of any one issuer would not unduly harm Mesa Water's cash flow.

##### **3.1. B Market Risk**

Market risk is the risk of market value fluctuations due to overall changes in the general level of interest rates and shall be mitigated by:

- 1) Structuring the investment portfolio so that securities mature at the same time major cash outflows occur, thereby eliminating the need to sell securities prior to their maturity; and
- 2) Prohibiting the selling of securities that Mesa Water does not own (taking short positions); and
- 3) Limiting the maximum maturity of any one security in the investment portfolio to five years.

It is explicitly recognized that, in a diversified investment portfolio, occasional market value losses may be inevitable even in investments to be held to maturity. Such losses must be considered within the context of overall investment return.

### **3.2 Liquidity**

Mesa Water's investment portfolio will remain sufficiently liquid to enable the District to meet all operating and emergency requirements, which might be reasonably anticipated.

An amount equal to the adopted levels of the Operating Fund and Working Capital Cash will be kept fully liquid at all times.

### **3.3 Return on Investments**

State law requires that the objective of return on investments be subordinate to the objectives of safety and liquidity. Mesa Water's investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, taking into account Mesa Water's investment risk constraints and the cash flow characteristics and requirements of Mesa Water's funds and of the portfolio.

Whenever possible, consistent with risk limitations and prudent investment principles, Mesa Water shall make an effort to achieve returns at the market average rate of return, defined, for the purpose of this SIP, as the average rate of return on three-month US Treasury Bills or other benchmarks, as appropriate, depending on the make-up of the portfolio.

### **4.0 Delegation of Authority**

Authority to manage Mesa Water's investment program is derived from Section 53607 of the CGC, which authorizes the Board of Mesa Water to delegate authority to invest, reinvest, sell or exchange securities for a period of one year. This responsibility may be delegated to the District Treasurer (by Board action), who shall establish written procedures for the administration of this SIP. The Board may renew this delegation pursuant to state law each year.

The Board of Mesa Water, the General Manager, District Treasurer and the District Secretary shall be signatories on all accounts at commercial banks, the Orange County Treasurer's Money Market Investment Pool (OCIP) and at the State managed Local Agency Investment Fund (LAIF), to access accounts for these and other authorized investments consistent with this SIP.

### **5.0 Prudence**

Investments shall be made in the context of the "Prudent Investor" standard pursuant to CGC Section 53600.3, which states in relevant part:

"When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law."

Mesa Water employees, acting in accordance with the provisions of the written policies and procedures and this SIP, and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided



that deviations from expectations are reported to the Finance Committee at the next regularly scheduled Finance Committee meeting, but within 30 days, and that appropriate action is taken to control adverse developments.

## **6.0 Ethics and Conflicts of Interest**

The District Treasurer and other Mesa Water Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or which could impair their ability to make impartial investment decisions. The District Treasurer and investment employees shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio and shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of Mesa Water.

During the course of the year, if there is an event subject to disclosure that could impair the ability of the District Treasurer or investment employees to make impartial decisions, Mesa Water's General Manager and Board will be notified as soon as practicable upon discovery of the event.

The District Treasurer is required to file annual disclosure statements as required by the Fair Political Practices Commission (FPPC).

## **7.0 Authorized Financial Dealers and Institutions**

Mesa Water shall transact business only with commercial banks, savings and loans, LAIF, OCIP and registered investment securities dealers. The purchase of any investment, other than those purchased directly from the issuer, shall be purchased either from an institution licensed by the State of California (State) as a broker-dealer, as defined in Section 25004 of the Corporations Code, who is a member of the National Association of Securities Dealers, or a member of a Federally regulated securities exchange, a National or State-Chartered Bank, or a savings association or Federal Association (as defined by Section 5102 of the Financial Code).

The District Treasurer shall investigate all institutions that wish to do business with Mesa Water in order to determine if they are adequately capitalized, make markets in securities appropriate to Mesa Water's needs and agree to abide by the conditions set forth in this SIP.

The District Treasurer shall maintain a list of broker/dealers and institutions authorized to provide investment services and shall conduct an annual review of the financial condition of qualified institutions. In addition, a current financial statement is required to be on file for each qualified institution.

## **8.0 Authorized and Suitable Investments**

Authorized investments are stated in the CGC Sections 16429.1, 53601, 53635 and 53649. Mesa Water's authorized investments are more restrictive than the investments authorized by law.

The following investments are authorized under this Statement of Investment Policy:

- 8.1** United States Treasury notes, bonds, bills or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
- 8.2** United States agencies; federal agency or United States Government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
- 8.3** Registered State of California (State) warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the State or by a department, board, agency, or authority of the state.
- 8.4** Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this State, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency. Investments in this category must be rated at least investment grade as provided for by a Nationally Recognized Statistical-Rating Organization (NRSRO).
- 8.5** Purchases of Banker Acceptances which may not exceed 180 days maturity or 40 percent of the agency's money and no more than 30 percent of the agency's money may be invested in the banker's acceptances of any one commercial bank.
- 8.6** Commercial paper of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided for by a NRSRO. Eligible paper is further limited to issuing corporations that are organized and operating within the United States as a general corporation and having total assets in surplus of five hundred million dollars (\$500,000,000) and having an "A" or higher rating (or equivalent) for the issuer's debt, other than commercial paper, if any, as provided for by a NRSRO. Purchases of eligible commercial paper may not exceed 270 days maturity nor represent more than 10 percent of the outstanding paper of an issuing corporation. Purchases of commercial paper may not exceed 25 percent of Mesa Water's investment portfolio at any time.
- 8.7** Negotiable certificates of deposits issued by a nationally or state-chartered bank, a savings association or federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a federal or state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit may not exceed 30 percent of the investment portfolio and the maximum maturity date shall not exceed five years, and are subject to the limitations of CGC Section 53601(i).

- 8.8** Investments in repurchase agreements may be made, on any investment authorized in this section, when the term of the agreement does not exceed one year. The market value of the securities used as collateral for the repurchase agreements shall be monitored by the investment staff and shall not be allowed to fall below 102 percent of the value of the repurchase agreement.

Reverse repurchase agreements or securities lending agreements may be utilized only when all the conditions in CGC Section 53601(j) are met.

- 8.9** Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by a corporation organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated "A" or better by a NRSRO. Purchases of medium-term notes shall not include other instruments authorized by this section and may not exceed 30 percent of Mesa Water's money that may be invested pursuant to CGC Section 53601 and Mesa Water's SIP.
- 8.10** Notes, bonds, or other obligations that are at all times secured by a valid first priority security interest in securities of the types listed by CGC Section 53651 as eligible securities for the purpose of securing local agency deposits having a market value at least equal to that required by CGC Section 53652 for the purpose of securing local agency deposits. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, and the security interest shall be perfected in accordance with the requirements of the Uniform Commercial Code or federal regulations applicable to the types of securities in which the security interest is granted.
- 8.11** Any mortgage pass through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass through certificate, or consumer receivable-backed bond of a maximum of five years maturity. Securities eligible for investment under this subdivision shall be issued by an issuer having an "A" or higher rating for the issuer's debt as provided by a nationally recognized rating service and rated in a rating category of "AA" or its equivalent or better by a nationally recognized rating service. Purchase of securities authorized by this subdivision may not exceed 10 percent of the agency's surplus money that may be invested.
- 8.12** Shares of beneficial interest issued by a joint powers authority organized pursuant to CGC Section 6509.7. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment advisor that meets all of the following criteria:

- 8.12. A.** The advisor is registered or exempt from registration with the Securities and Exchange Commission.
- 8.12. B.** The advisor has not less than five years of experience investing in the securities and obligations authorized in CGC Section 6509.7.
- 8.12. C.** The advisor has assets under management in excess of five hundred million dollars (\$500,000,000).
- 8.13** United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated in a rating category of "AA" or its equivalent or better by an NRSRO and shall not exceed 30 percent of Mesa Water's moneys that may be invested pursuant to this section.
- 8.14** Notwithstanding CGC Section 53601 or any other provision of this code, a local agency, at its discretion, may invest a portion of its surplus funds in Certificates of Deposit Account Registry Service (CDARS) at a commercial bank, savings bank, savings and loan association, or credit union that uses a private sector entity that assists in the placement of certificates of deposit, provided that the purchases of certificates of deposit pursuant to this section, CGC Section 53601.8, and subdivision (h) of Section 53601 do not, in total, exceed 30 percent of the agency's funds that may be invested for this purpose. The following conditions shall apply:
- (a) The local agency shall choose a nationally or state chartered commercial bank, savings bank, savings and loan association, or credit union in this state to invest the funds, which shall be known as the "selected" depository institution.
- (b) The selected depository institution may use a private sector entity to help place local agency deposits with one or more commercial banks, savings banks (savings and loan associations), or credit unions that are located in the United States and are within the network used by the private sector entity for this purpose.
- (c) Any private sector entity used by a selected depository institution to help place its local agency deposits shall maintain policies and procedures requiring both of the following:
- (1) The full amount of the principal and the interest that may be accrued during the maximum term of each certificate of deposit shall at all times be insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration; and
  - (2) Every depository institution where funds are placed shall be capitalized at a level that is sufficient, and be otherwise eligible, to receive such deposits pursuant to regulations of the Federal

Deposit Insurance Corporation or the National Credit Union Administration, as applicable.

(d) The selected depository institution shall serve as a custodian for each such deposit.

(e) On the same date that the local agency's funds are placed pursuant to subdivision (b) by the private sector entity, the selected depository institution shall receive an amount of insured deposits from other financial institutions that, in total, are equal to, or greater than, the full amount of the principal that the local agency initially deposited through the selected depository institution pursuant to subdivision (b).

(f) Notwithstanding subdivisions (a) to (e), inclusive, a credit union shall not act as a selected depository institution under this section or CGC Section 53601.8 unless both of the following conditions are satisfied:

(1) The credit union offers federal depository insurance through the National Credit Union Administration.

(2) The credit union is in possession of written guidance or other written communication from the National Credit Union Administration authorizing participation of federally-insured credit unions in one or more certificate of deposit placement services and affirming that the moneys held by those credit unions while participating in a deposit placement service will at all times be insured by the federal government.

(g) The depositions placed pursuant to this section and CGC Section 53635.8 shall not, in total, exceed 30 percent of Mesa Water's funds that may be invested for this purpose.

**8.15** The Local Agency Investment Fund, established by the California State Treasurer for the benefit of local agencies and identified under the CGC Section 16429.1. The maximum investment authorized is the maximum amount permitted by the State Treasurer, currently at \$50,000,000 per account.

**8.16** Time deposits, non-negotiable and collateralized in accordance with California Government Code, may be purchased through banks or savings and loan associations. The maximum maturity date shall not exceed five years.

**8.17** The Orange County Treasurer's Money Market Investment Pool, established by the County of Orange. Mesa Water's investments will be made in accordance with the CGC Section 53684.

**8.18** Shares of beneficial interest issued by diversified management companies (otherwise known as "mutual funds"), as defined in Section 23701 of the Revenue and Taxation Code, investing in the securities and obligations stated in the CGC Sections 16429.1, 53601 and 53649. No more than 20 percent of Mesa Water's investment portfolio shall be invested in this option at any time. No more than 10 percent of Mesa Water's portfolio may be invested in shares of a beneficial interest of any one mutual fund.

To be eligible for investment by Mesa Water, diversified management companies shall:

- 8.18. A.** Attain the highest ranking or the highest letter and numerical rating provided by not less than two of the three largest NRSRO's; and
- 8.18. B.** Have an investment advisor registered with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations stated in the CGC Sections 16429.1, 53601 and 53649, and with assets under management in excess of five hundred million dollars (\$500,000,000); and
- 8.18. C.** Shall not include in the purchase price of shares of beneficial interest purchased any commission that these companies may charge.

## **9.0 Investment Pools**

A thorough investigation of the pool/fund is required prior to investing, and on a continual basis. A questionnaire shall be developed by the District Treasurer that will address the following general considerations:

- A description of eligible investment securities, and a written statement of investment policy and objectives.
- A description of interest calculations and how it is distributed, and how gains and losses are treated.
- A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
- A description of who may invest in the program, how often and what size deposit and withdrawal.
- A schedule for receiving statements and portfolio listings.
- Are reserves, retained earnings, etc., used by the pool/fund?
- A fee schedule and when and how it is assessed.
- Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

## **10.0 Prohibited Investment Vehicles and Practices**

Investment staff is prohibited from investing Mesa Water's portfolio in the following:

- State laws notwithstanding, any investments not specifically described herein under Sections 8.0 through 9.0 are prohibited.
- Borrowing for investment purposes (Leverage) is prohibited.
- Buying or selling securities "on Margin" is prohibited.
- Investing in any instrument that is commonly known as a "derivative" instrument (options, futures, swaps, caps, floors, collars, U.S. Treasury zero coupon bonds, U.S. Treasury strips, interest-only bonds, interest-only strips derived from mortgage pools), or any investment that may result in a zero interest accrual, even if held to maturity, is prohibited.
- Under the provisions of CGC Sections 53601.6 and 53631.5, Mesa Water shall not invest any funds covered by this SIP in instruments known as Structured

Notes (e.g., inverse floaters, leverage floaters, structured CD's, range notes, equity-linked securities). Any such investments are prohibited.

- Trading securities for the sole purpose of speculating on the future direction of interest rates is prohibited.

### **11.0 Collateralization**

The CGC Sections 53652 through 53667, inclusive, requires depositories to post certain types and levels of collateral for public funds above the Federal Deposit Insurance Corporation (FDIC) insurance amounts. The collateral requirements apply to bank deposits, both active (checking and savings accounts) and inactive (non-negotiable time certificates of deposit).

### **12.0 Safekeeping and Custody**

All investment transactions, including collateral for repurchase agreements, entered into by Mesa Water shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third party custodian, acting as an agent for Mesa Water under the terms of the custody agreement, designated by the District Treasurer and evidenced by safekeeping receipts.

### **13.0 Diversification**

Mesa Water will diversify its investments by security type and institution. With the exception of U.S Treasuries, the LAIF, or the OCIP, no more than 50 percent of Mesa Water's total investment portfolio will be invested in a single security type or with a single financial institution.

### **14.0 Maximum Maturities**

To the extent practical, Mesa Water will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, Mesa Water will not directly invest in securities maturing more than five years from the date of purchase.

### **15.0 Internal Controls and External Review**

The District Treasurer shall maintain a system of internal controls in order to assure compliance with Mesa Water's written policies and procedure, this SIP, and also including but not limited to prior authorization and approvals, properly designed records, security of assets and records, segregation of incompatible duties, periodic reconciliations, periodic verification and timely preparation of reports in conformance with Section 17.0.

As part of Mesa Water's annual audit, the external auditor retained by the Board shall review the internal controls. The external audit shall provide those reviews and opinions as are required for the independent auditor's reports. The Board reserves the right to request additional reviews or opinions as to this SIP as the Board shall determine and direct.

## **16.0 Performance Standards**

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles commensurate with Mesa Water's investment risk constraints and cash flow needs.

## **17.0 Reporting**

### **17.1 Monthly Transaction Report**

The District Treasurer shall submit a monthly report of investment transactions through the Finance Committee to Mesa Water's Board of Directors in conformance with the CGC Section 53607.

### **17.2 Quarterly Investment Report**

The District Treasurer shall submit quarterly investment reports, through the Finance Committee, to Mesa Water's Board, the General Manager, and Mesa Water's internal auditor (Controller/Auditor) within 30 days following the end of the quarter covered by the report although no longer required by CGC Section 53646(b). For each specific investment, security, and money held by Mesa Water®, these reports shall contain the following information:

- The type of investment
- Name of issuer
- Date of maturity
- Market value
- Cost of acquisition

Description of any of Mesa Water's funds, investment, or programs that are under management of contracted parties, including lending programs. With respect to all securities held by Mesa Water, and under management of an outside agency that is not also a local agency or the LAIF, the report shall also include the current market value as of the date of the report, and shall include the source of this same valuation.

For local agency investments that have been placed in LAIF, created by CGC Section 16429.1, in National Credit Union Share Insurance Fund-insured accounts in a credit union, in accounts insured or guaranteed pursuant to Financial Code Section 14858, or in Federal Deposit Insured Corporation—insured accounts in a bank or savings and loan association, in a county investment pool, or any combination of these, the District Treasurer may supply the Board, the General Manager and Mesa Water's outside auditor with the most recent statement or statements received by Mesa Water from these institutions in lieu of the specific investment, security, and money information required under this section.

A description of compliance with this SIP or an explanation of why it is not in compliance.



A statement indicating Mesa Water's ability to meet its cash flow needs for the next six months or an explanation as to why sufficient money may not be available.

**18.0 Investment Policy Adoption and Periodic Review**

This SIP shall be adopted by resolution of the Board. This policy shall be reviewed on an annual basis by the District Treasurer and Mesa Water's Finance Committee and approved annually by the Board.

## GLOSSARY

**AGENCIES:** Federal agency securities and/or Government – sponsored enterprises.

**ASK:** The price at which securities are offered.

**BANKERS' ACCEPTANCE (BA):** A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

**BENCHMARK:** A comparative base for measuring the performance of risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

**BID:** The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

**BROKER:** A broker brings buyers and sellers together for a commission.

**CERTIFICATE OF DEPOSIT (CD):** A time deposit with a specific maturity evidenced by a certificate. Large-denomination CD's are typically negotiable.

**COLLATERAL:** Securities, evidence of deposit, or other property that a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public moneys.

**COMMERCIAL PAPER:** Short-term, negotiable unsecured promissory notes of corporations.

**COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR):** The official annual report for Mesa Water District. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

**COUPON:** (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

**CUSIP (COMMITTEE ON UNIFORM SECURITIES IDENTIFICATION PROCEDURES):** A unique nine character identification number which serves as a "DNA" for securities and is assigned to all U.S. Government Bonds, Municipal Bonds, Negotiable Certificates of Deposit and other Securities. A CUSIP uniquely identifies the type of security and the issuer.

**DEALER:** A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

**DEBENTURE:** A bond secured only by the general credit of the issuer.

**DELIVERY VERSUS PAYMENT (DVP):** There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

**DISCOUNT:** The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

**DISCOUNT SECURITIES:** Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value; e.g., U.S. Treasury Bills.

**DIVERSIFICATION:** Dividing investment funds among a variety of securities offering independent returns.

**FEDERAL CREDIT AGENCIES:** Agencies of the federal government set up to supply credit to various classes of institutions and individuals; e.g., S&L's, small-business firms, students, farmers, farm cooperatives, and exporters.

**FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC):** A federal agency that insures bank deposits, currently up to \$100,000 per deposit.

**FEDERAL FUNDS RATE:** The rate of interest at which federal funds are traded. The Federal Reserve through open-market operations currently pegs this rate.

**FEDERAL HOME LOAN BANKS (FHLB):** Government sponsored wholesale banks (currently 12 regional banks) that lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions, and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district bank.

**FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA):** FNMA, like GNMA, was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

**FEDERAL OPEN MARKET COMMITTEE (FOMC):** Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

**FEDERAL RESERVE SYSTEM:** The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, DC, 12 regional banks and about 5,700 commercial banks that are members of the system.

**GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae):** Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage banks, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. The FHA, VA, or FMHM mortgages back Ginnie Mae securities. The term "pass-throughs" is often used to describe Ginnie Maes.

**LIQUIDITY:** A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

**LOCAL AGENCY INVESTMENT FUND (LAIF):** A pooled investment vehicle for local agencies in California sponsored by the State of California and administered by the State Treasurer.

**MARKET CYCLE:** A market cycle is defined as a period of time which includes a minimum of two consecutive quarters of falling interest rates followed by a minimum of two consecutive quarters of rising interest rates.

**MARKET VALUE:** The price at which a security is traded and could presumably be purchased or sold.

**MATURITY:** The date upon which the principal or states value of an investment becomes due and payable.

**MONEY MARKET:** The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

**NATIONALLY RECOGNIZED STATISTICAL-RATING ORGANIZATION (NRSRO):** The credit rating agencies whose ratings are permitted to be used for investment purposes such as Moody's Investor Service, Standard & Poor's, and Fitch Rating.

**NEGOTIABLE CERTIFICATE OF DEPOSIT:** A large denomination certificate of deposit that can be sold in the open market prior to maturity.

**OFFER:** The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See ASK and BID.

**ORANGE COUNTY INVESTMENT POOL (OCIP):** A pooled investment vehicle for Orange County California agencies administered by the Orange County Treasurer.

**PORTFOLIO:** Collection of securities held by an investor.

**PRIMARY DEALER:** Group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include

Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

**PRUDENT PERSON RULE:** An investment standard. In some states, the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state – the so-called legal list. In other states, the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital. Governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to CGC Section 53600 et seq. are trustees and therefore fiduciaries subject to the prudent person rule. Within the limitations of the CGC Section 53600 et seq. and considering individual investments as part of an overall strategy, a trustee is allowed to acquire investments as authorized by law.

**QUALIFIED PUBLIC DEPOSITORIES:** A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has aggregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

**RATE OF RETURN:** The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

**SAFEKEEPING:** A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

**SECONDARY MARKET:** A market made for the purchase and sale of outstanding issues following the initial distribution.

**SECURITIES & EXCHANGE COMMISSION (SEC):** Agency created by Congress to protect investors in securities transactions by administering securities legislation.

**TIME CERTIFICATE OF DEPOSIT:** A non-negotiable certificate of deposit that cannot be sold prior to maturity.

**TOTAL RATE OF RETURN:** Represents growth (or decline) in the value of a portfolio, including both capital appreciation and income, as a proportion of the starting market value.

**TIME-WEIGHTED RATE OF RETURN:** A modified measurement of Total Rate of Return that eliminates the effect of the timing of funds flows to and/or from a security or portfolio.

**TREASURY BILLS:** A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

**TREASURY BOND:** Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

**TREASURY NOTES:** Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of 2 to 10 years.

**YIELD:** The rate of annual income return on an investment, expressed as a percentage.

**YIELD TO MATURITY:** The calculated rate of return based upon the present value of the cash flow from each interest payment, plus the present value of the cash flow from the investment's redemption value at maturity vs. the purchase price.

**RESOLUTION NO. 1506**

**EXHIBIT B  
RESOLUTION OF THE  
MESA WATER DISTRICT BOARD OF DIRECTORS  
DELEGATING AUTHORITY RELATIVE TO INVESTMENT OR  
REINVESTMENT OF FUNDS, AND PROVIDING FOR A REVISED  
STATEMENT OF INVESTMENT POLICY,  
RESCINDING RESOLUTION NO. 1431**

Summary of Investments Authorized Under California  
Government Code Sections 53601, 53684, 16429.1  
Statement of Investment Policy  
FY18

**SUMMARY OF INVESTMENTS AUTHORIZED UNDER CALIFORNIA  
GOVERNMENT CODE SECTIONS 53601, 53684, 16429.1  
MESA WATER DISTRICT FY18 STATEMENT OF INVESTMENT POLICY**

CGC Section	Investment Type	ALLOWED BY STATUTE			AUTHORIZED BY MESA WATER DISTRICT		
		Maximum Maturity	Authorized Limit (%)	Required Rating	Maximum Maturity	Authorized Limit	Required Rating
53601(a)	Local Agency Bonds	5 Years	None	None	5 Years	None	None
53601(b)	U.S. Treasury Obligations	5 Years	None	None	5 Years	None	None
53601(c)	State of California Obligations	5 Years	None	None	5 Years	None	None
53601(d)	Other State Obligations	5 Years	None	None	5 Years	None	None
53601(e)	California Local Agency Obligations	5 Years	None	None	5 Years	None	None
53601(f)	Federal Agency or U.S. Government Obligations (GSE's)	5 Years	None	None	5 Years	None	None
53601(g)	Bankers' Acceptances	180 Days	40%/30% <sup>(1)</sup>	None	180 Days	40%/30% <sup>(1)</sup>	None
53601(h)	Commercial Paper	270 Days	25% or 10% <sup>(2)</sup>	A1/P1/F1	270 Days	25% or 10% <sup>(2)</sup>	A1/P1/F1
53601(i)	Negotiable Certificates of Deposit <sup>(8)</sup>	5 Years	30% <sup>(7)</sup>	None	5 Years	30% <sup>(7)</sup>	None
53601(j)	Repurchase Agreements	1 Year	None	None	1 Year	None	None
53601(j)	Reverse Repurchase Agreements	92 Days	20% of base	Various <sup>(3)</sup>	92 Days	20% of base	Various <sup>(3)</sup>
53601(k)	Medium-Term Notes	5 Years	30%	A	5 Years	30%	A
53601(l)	Mutual Funds	N/A	20%/10% <sup>(4)</sup>	Various <sup>(5)</sup>	N/A	20%/10% <sup>(4)</sup>	Various <sup>(5)</sup>
53601(l)	Money Market Mutual Funds	N/A	20%/10% <sup>(4)</sup>	Various <sup>(5)</sup>	N/A	20%/10% <sup>(4)</sup>	Various <sup>(5)</sup>
53601(m)	Trust Indenture or Other Contract	Per Contract	Per Contract	Per Contract	Per Contract	Per Contract	Per Contract
53601(n)	Collateralized Bank Deposits <sup>(8)</sup>	5 Years	None	None	5 Years	None	None
53601(o)	Mortgage Pass-Through Securities	5 Years	20%	AA	5 Years	10%	AA
53601(p)	Shares of beneficial interest in JPA's	N/A	None	None	N/A	None	None
53601.8	Certificates of Deposits (CDAR's) <sup>(8)</sup>	5 Years	30% <sup>(7)</sup>	None	5 Years	30% <sup>(7)</sup>	None
16429.1	Local Agency Investment Fund (LAIF)	N/A	None	None	N/A	None <sup>(6)</sup>	None
53684	County Pooled Investment Funds	N/A	None	None	N/A	None	None
	Time Deposits <sup>(8)</sup>	5 Years	None	None	5 Years	None	None

(1) 30% limit for one commercial bank.

(2) 10% limit for the outstanding commercial paper of any single corporate issue.

(3) Securities used for the agreement must have been held by the issuer for 30 days, investments can only be made with primary dealers of the Federal Reserve Bank of New York.

(4) No more than 10% can be invested in any one fund.

(5) Highest ranking by 2 of 3 of the nationally recognized rating agencies, and retain an investment advisor who is registered with the SEC and has at least 5 years' experience investing in securities authorized in CGC Section 53601 and 53635 with assets in excess of \$500 million.

(6) LAIF currently allows a maximum of \$50 million per account.

(7) No more than 30% of total funds may be invested in these CD's.

(8) Subject to FDIC limitations. Also subject to other limits with investments in credit unions.