

CALAVERAS COUNTY WATER DISTRICT FINANCE COMMITTEE MEETING

AGENDA

OUR MISSION

Protect, enhance, and develop Calaveras County's water resources and watersheds to provide safe, reliable, and cost-effective services to our communities.

2021-2026 Strategic Plan, Adopted April 28, 2021, and can be viewed at this [link](#)

Committee Meeting
Tuesday February 18, 2025
1:00 p.m.

Calaveras County Water District
120 Toma Court
San Andreas, California 95249

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Administration Office at 209-754-3028. Notification in advance of the meeting will enable CCWD to make reasonable arrangements to ensure accessibility to this meeting. Any documents related to agenda items that are made available to the Board before or at the meeting shall be available for review by the public at 120 Toma Court, San Andreas, CA 95249.

District Board Meetings are open to in-person attendance by the public and are conducted virtually. The public may participate in the District's Board meeting with the link below. Members of the public who participate in the meeting via teleconference or web conference will be given the opportunity to speak and address the Board, and their comments will be included in the recording of the meeting.

While the District makes efforts to facilitate remote participation, please be aware that remote Teams involvement is offered solely for convenience. In the event of a technological malfunction, the Board can only guarantee the receipt of live comments through in-person attendance. The Board retains the right to proceed with the meeting without remote access in case of a malfunction.

Microsoft Teams meeting

Join on your computer, mobile app or room device

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Meeting ID: 236 189 580 456

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Phone Conference ID: 664 105 427#

COMMITTEE MEMBERS

Cindy Secada, Director

Bertha Underhill, Director

ORDER OF BUSINESS

CALL TO ORDER / PLEDGE OF ALLEGIANCE

1. **PUBLIC COMMENT:** Comments limited to three minutes per person.

2. **APPROVAL OF MINUTES:** For the meeting of December 17, 2024.

3. **NEW BUSINESS**
 - 3a Report on the Monthly Financial Reports for January 2025 (Pre-Audit)
(Jeffrey Meyer, Director of Administrative Services)

 - 3b* Discussion/Direction Regarding Policy Changes to Address Delinquencies
(Michael Minkler, General Manager)

 - 3c Discussion/Direction regarding Amending Certain Financing Agreements Relating to the Districts Outstanding Long-Term Indebtedness.
(Jeffrey Meyer, Director of Administrative Services)

 - 3d Discussion/Direction Regarding the PFM Investment Policy Statement for the District's Other Post Employment Benefits Trust
(Jeffrey Meyer, Director of Administrative Services)

 - 3e* FY 2024-25 Budget Update
(Jeffrey Meyer, Director of Administrative Services)

 - 3f* Tyler Implementation Update
(Kelly Richards, Business Services Manager)

4. **DIRECTOR OF ADMINISTRATIVE SERVICES COMMENTS**

5. **GENERAL MANAGER COMMENTS**

6. **DIRECTOR COMMENTS AND FUTURE AGENDA ITEMS**

7. **NEXT COMMITTEE MEETING**

Tuesday March 18, 2025, at 1:00 p.m.

8. **ADJOURNMENT**

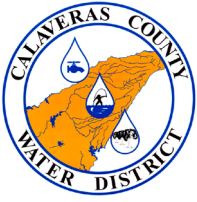
* No Paperwork in the packet

Minutes



A G E N D A
I T E M

Minutes



**CALAVERAS COUNTY WATER DISTRICT
FINANCE COMMITTEE MEETING**

**MINUTES
December 17, 2024**

The following Committee Members were present:

Cindy Secada	Director
Bertha Underhill	Director

Staff Present:

Michael Minkler	General Manager
Jeffrey Meyer	Director of Administrative Services
Rebecca Hitchcock*	Clerk to the Board
Kelly Richards	Business Services Manager
Kylie Muetterties	Accountant I
Michael Bear	Accountant II
Kelly Gerkenmeyer	External Affairs Manager
Mark Rincon-Ibarra*	District Engineer
Bana Rousan-Gerdese*	Water Resources Specialist
Dylan Smith*	Information Systems Administrator
Kevin Williams*	Senior Civil Engineer
Damon Wyckoff	Director of Operations
Tiffany Burke*	Administrative Technician Senior
Scott Ratterman*	Director

Public Present:

No Public Present.

*Attended Virtually

ORDER OF BUSINESS

CALL TO ORDER / PLEDGE OF ALLEGIANCE

Meeting called to order at 2:00 p.m., the Pledge of Allegiance was led by Director Secada.

- PUBLIC COMMENT:** No public comment was heard.
- APPROVAL OF MINUTES:** Director Secada moved to approve the Minutes for the meeting of October 15, 2024
- NEW BUSINESS**
 - 3a Report on the Monthly Financial Reports for November 2024 (Pre-Audit)
(Jeffrey Meyer, Director of Administrative Services)

DISCUSSION: Mr. Meyer presented the Monthly Financial Reports and responded to questions from the committee.

PUBLIC COMMENT: No public comment was heard.

- 3b FY 2023-24 Audit Update
(Jeffrey Meyer, Director of Administrative Services)

DISCUSSION: Mr. Meyer discussed the FY 2023-24 Audit update.

PUBLIC COMMENT: No public comment was heard.

- 3b Tyler Conversion Update
(Kelly Richards, Business Services Manager)

DISCUSSION: Ms. Richards discussed the Tyler conversion and responded to questions from the committee.

PUBLIC COMMENT: No public comment was heard.

4. DIRECTOR OF ADMINISTRATIVE SERVICES COMMENTS:

Nothing to Report

5. GENERAL MANAGER COMMENTS

Nothing to Report

6. DIRECTOR COMMENTS AND FUTURE AGENDA ITEMS

7. NEXT COMMITTEE MEETING

Tuesday January 17, 2025, at 1:00 p.m.

8. ADJOURNMENT

With no further business, the meeting was adjourned at 3:20 p.m.

Respectfully Submitted,

Michael Bear
Accountant II

3 a

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January 2025 Budget Status Report (Pre-Audit)

The Budget Status Report represents a standard of analysis to identify material issues with the understanding that line-item variances are normal, and the areas of concern are isolated to **Account Types** that are at least 5% over or under the benchmark. These amounts are subject to change pending the district’s annual audit.

The following charts analyze the trends related to this fiscal year’s revenues and operating expenses. The prior two years are presented as the Full fiscal year, and the current year is presented as Actuals through the Period month. The comparison of Year-to-Date activity versus budget further identifies if there are any impending issues.

District Operating Revenues (Water & Sewer Funds)

Operating Account Expense Summary	Period			7	Benchmark	
Account Type	2023	2024	2025	Budget	Remaining Balance	58% of Budget
W01-Sales & Charges	14,531,657	16,765,990	12,639,878	25,542,100	12,902,222	49.49%
41000-Water/Sewer Sales/Resid	14,296,874	16,500,911	12,492,384	25,240,800	12,748,416	49.49%
41100-Irrigation Water Sales	12,675	6,390	-	13,500	13,500	0.00%
41200-Water Sales-Fire Hydrant	185,304	217,262	120,065	178,900	58,835	67.11%
44100-Account Establishment Fees	33,446	37,611	23,520	37,900	14,380	62.06%
44110-Delinquent Account Charge	1,814	3,816	2,623	71,000	68,377	3.69%
44115-County Recording Fees	84		42		(42)	0.00%
44120-Termination of Services	1,460		1,244		(1,244)	0.00%
W02-Water/Sewer Fees	53,900	31,169	18,571	26,700	8,129	69.55%
44300-Install Water Meter	36,096	27,914	15,838	26,700	10,862	59.32%
48100-Concept Approval Fees	17,804	3,255	2,733		(2,733)	0.00%
W03-Misc. Operating Revenue	275,983	394,033	323,710	363,700	39,990	89.00%
42000-Inspection Fees	627	508	1,004	3,700	2,696	27.14%
44200-Backflow Certification Testing	2,933	2,611	2,661	3,500	839	76.03%
44500-Repair Labor/Materials	12,265	2,144	3,543	5,000	1,457	70.86%
44510-Reimbursable Expense	93,006	140,147	104,474	118,000	13,526	88.54%
44900-Other Water/Sewer Charges	19	50	457		(457)	0.00%
48190-Miscellaneous Operating Rev	124,197	224,173	169,619	219,500	49,881	77.28%
54610-Miscellaneous Income	42,936	24,400	41,952	14,000	(27,952)	299.66%
X01-Property Tax/Assmt Rev	3,500,941	3,756,619	2,110,339	3,806,031	1,695,692	55.45%
52100-Property Taxes	3,471,513	3,726,441	2,105,882	3,806,031	1,700,149	55.33%
53100-HOPTR	29,428	30,179	4,457		(4,457)	0.00%
X02-Grant Revenue	-	204,581	20,007	393,100	373,093	5.09%
54510-Grant Revenue/Federal Agencies	-	172,006		393,100	393,100	
54520-Grant Revenue/State Agencies	-	2,601	20,007		(20,007)	0.00%
54530-Grant Revenues/Other Agencies		29,973				
X03-Interest Income	305,624	749,972	9,885	19,200	9,315	51.48%
51100-Interest Income/CCWD Invest	16,104	27,479	9,885	19,200	9,315	51.48%
51700-Net Mark to Market Value	289,520	722,493				
X05-Power Sales	975,223	1,092,651	557,176	1,003,400	446,224	55.53%
54300-Power Sales-North Fork	730,195	784,376	487,006	819,600	332,594	59.42%
54400-Power Sales-New Hogan	245,028	308,275	70,170	183,800	113,630	38.18%
X06-Other Revenue	1,048,453	874,975	470,777	959,821	489,044	49.05%
48130-Rental Revenue	14,395	14,569	6,317	83,000	76,683	7.61%
51600-Gain/(Loss) on Sale of Assets	30,925	-				
52420-Standby Fees	126,230	125,550	64,510	131,000	66,490	49.24%
54600-Other Non-Operating Revenue	618,602	734,856	399,950	745,821	345,871	53.63%
54700-Contributed Capital Revenue	258,301					
Grand Total	20,772,119	24,030,813	16,150,343	32,114,052	15,963,709	50.29%

Analysis of District Revenues identifies the following accounts to note:

Water Sales & Charges

41000-Water/Sewer Sales/Resid	14,296,874	16,500,911	12,492,384	25,240,800	12,748,416	49.49%
41200-Water Sales-Fire Hydrant	185,304	217,262	120,065	178,900	58,835	67.11%
44110-Delinquent Account Charge	1,814	3,816	2,623	71,000	68,377	3.69%

41000 Water/Sewer Sales are below budget.

41200 Fire Hydrant water sales are based on developer projects and are above benchmark.

44110 Reminder notices are being mailed to customers. Staff will monitor the effectiveness of reminders prior to deciding to reinstate the fees.

Miscellaneous Operating Revenue

42000-Inspection Fees	627	508	1,004	3,700	2,696	27.14%
44200-Backflow Certification Testing	2,933	2,611	2,661	3,500	839	76.03%
44500-Repair Labor/Materials	12,265	2,144	3,543	5,000	1,457	70.86%
44510-Reimbursable Expense	93,006	140,147	104,474	118,000	13,526	88.54%
48190-Miscellaneous Operating Rev	124,197	224,173	93,877	219,500	125,623	42.77%
54610-Miscellaneous Income	42,936	24,400	41,952	14,000	(27,952)	299.66%

42000 Inspection Fees are coming in lower than budgeted due to less sewer inspections.

44200 Backflow Certification Testing is coming in over budget due to timing of testing.

44500 Repair Labor/Materials is customer driven and is trending above budget.

44510 Reimbursable Expenses are coming in higher than anticipated.

48190 Miscellaneous Operating Revenue includes the Credit Card and Tyler Convenience Fees collected. This helps offset the expense account "Third Party Payment Processing, "which is listed below in account 61485 in Department 59." There are no customer fees collected through the lockbox payment service.

61485-Third Party Payment Processing	225,773	321,200	231,031	292,600	61,569	78.96%
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54610 Miscellaneous Income is coming in higher than anticipated due to V754 Total Loss Settlement.

Interest Income

51100-Interest Income/CCWD Invest	16,104	27,479	9,885	19,200	9,315	51.48%
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51100 Interest Income is below budget due to LAIF investment income being recorded quarterly.

Power Sales

54400-Power Sales-New Hogan	245,028	308,275	70,170	183,800	113,630	38.18%
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54400 New Hogan/MID revenue is based on actual usage and is coming in lower than the budgeted amount.

Other Revenue

48130-Rental Revenue	14,395	14,569	6,317	83,000	76,683	7.61%
52420-Standby Fees	126,230	125,550	64,510	131,000	66,490	49.24%

48130 The GASB87 accounting entry for Cell Tower Lease Revenue occurs at the end of the year.

52420 New Hogan/MID revenue is based on actual usage and is coming in lower than the budgeted amount.

Non-Operating Fund Revenue (all funds except Water & Sewer Operating)

Operating Account Expense Summary		Period		
		7		
Account Type		2023	2024	2025
☐ W01-Sales & Charges		4,606,691	4,691,407	2,720,697
41010-Capital R&R				2,719,736
41010-Capital R&R-Sewer		1,223,555	1,300,000	
41010-Capital R&R-Water		3,374,086	3,400,000	
41300-Water Sales Slurry Line		9,050	(8,593)	961
☐ W03-Misc. Operating Revenue		862	80	77
48190-Miscellaneous Operating Rev		862	80	
54610-Miscellaneous Income				77
☐ X01-Property Tax/Assmt Rev		824,720	860,673	386,482
52100-Property Taxes		617,813	662,933	372,413
52200-Assessment Revenue		181,907	197,740	14,069
52220-Assessment Revenue - Forclsur		25,000		
☐ X02-Grant Revenue		2,307,685	4,946,034	1,653,733
54510-Grant Revenue/Federal Agencies		419,133	721,198	8,412
54520-Grant Revenue/State Agencies		1,888,552	4,224,836	1,645,321
☐ X03-Interest Income		1,245,204	1,864,031	974,718
51100-Interest Income/CCWD Invest		1,225,207	1,855,895	970,378
51200-Interest Income/Trusteed Funds		4,247	8,136	4,340
51500-Interest Income-Loans		15,750		
☐ X04-Expansion/Assemt Fees		915,726	547,133	239,381
52410-Expansion Fees		915,726	547,133	239,381
☐ X06-Other Revenue		8,530		7,418
48130-Rental Revenue				2,636
52230-Prepaid Assessment Revenue				4,782
54600-Other Non-Operating Revenue		8,530		
☐ X30-Transfers In				5,257,770
59100-Transfer In From Funds				5,257,770
Grand Total		9,909,418	12,909,357	11,240,276

The above table represents all District revenues received to date in the category of non-operating, such as Capital R&R, CIP, and Expansion Funds. These revenues are often restricted to specific purposes. Please note that the historical/prior years are the FULL year, while the current year ACTUALS reflects the beginning of the year through the current fiscal period. Additionally, we will true up the transfer of capital funding from the water and sewer operating funds to the water and sewer Capital R&R.

District Operating Expense Detail

Overall Expenses at the end of January are below the 58% benchmark. Please note that some accounts will track low at the start of the year as invoices are accrued in the prior year. This report is pre-audit, and the amounts are subject to change. See each department for detailed explanations.

Operating Account Expense Summary		Period			7	Benchmark	
Account Type	2023	2024	2025	Budget	Remaining Balance	58% of Budget	
<input type="checkbox"/> Y01-Sal/Wage/Benefits	10,821,250	11,259,878	7,031,476	13,126,482	6,095,006	53.57%	
60000-Salaries/Wages	6,397,205	6,695,127	4,102,856	7,771,541	3,668,685	52.79%	
60005-Payouts	129,687	208,953	171,123	189,600	18,477	90.25%	
60010-On Call Pay	2,850			21,100	21,100		
60015-Standby Pay	68,500	13,900	12,816	24,500	11,684	52.31%	
60030-Overtime	406,551	257,347	142,624	215,500	72,876	66.18%	
60035-CTO Payout		119,432	131,781	138,600	6,819	95.08%	
60100-Benefits	2,546,602	2,703,362	1,626,074	3,203,558	1,577,484	50.76%	
60110-Retirement Expense	709,201	770,016	440,947	864,895	423,948	50.98%	
60115-CalPERS UAL	513,650	443,895	366,589	644,868	278,279	56.85%	
60117-Retiree Health Benefit	47,004	47,845	36,666	52,320	15,654	70.08%	
<input type="checkbox"/> Y02-Utility Service	2,247,174	2,196,023	814,067	1,971,631	1,157,564	41.29%	
60210-Power	2,033,658	2,004,621	707,472	1,771,210	1,063,738	39.94%	
60220-Water	10,679	8,501	5,770	11,551	5,781	49.95%	
60230-Sewage	47,548	44,123	22,140	43,970	21,830	50.35%	
60240-Telephone Lease Lines	(0)						
60250-Telephone	133,706	115,175	63,156	122,900	59,744	51.39%	
60260-Refuse/Disposal	21,584	23,602	15,529	22,000	6,471	70.59%	
<input type="checkbox"/> Y03-Materials/Supplies	1,556,347	1,916,408	913,807	1,669,621	755,814	54.73%	
60310-Materials and Supplies	183,739	247,846	159,530	200,751	41,221	79.47%	
60311-Herbicide		797	521	1,500	979	34.73%	
60312-Safety Eq Repl consumables	38,980	50,402	7,702	40,800	33,098	18.88%	
60313-Tools	35,530	43,329	13,508	42,300	28,792	31.93%	
60314-Uniforms - New	14,323	21,757	22,584	22,000	(584)	102.65%	
60316-Materials and Supplies-CalFire	4,635	5,365	3,246	18,000	14,754	18.03%	
60320-Safety Materials and Supplies	4,869	4,666	689	42,500	41,811	1.62%	
60325-Lab Supplies Consumables	48,899	91,260	36,994	40,000	3,006	92.49%	
60327-Ozone System Parts	2,374	1,125	1,572	10,000	8,428	15.72%	
60328-UV Parts and Supplies	58,645	68,045	23,871	110,000	86,129	21.70%	
60331-Electrical Parts Replacement	73,010	108,935	38,473	70,000	31,527	54.96%	
60332-Leak Repair Supplies	166,552	134,626	83,489	120,000	36,511	69.57%	
60333-Road Repair Materials	32,177	29,394	10,289	31,251	20,962	32.92%	
60334-SCADA Radio Supplies	14,861	5,348	112	52,059	51,947	0.22%	
60335-Septic Tanks - New and Repairs	8,113	18,242	4,279	12,000	7,721	35.66%	
60338-Meters New Conn and Repl	4,322	34,012	3,498	10,000	6,502	34.98%	
60350-Aerator/Compressor etc repair	15,616	23,764	6,568	18,000	11,432	36.49%	
60353-Computers/peripherals	761	3,575					
60354-Control Sys/Pressure Transducer	5,205	1,581		9,000	9,000		
60355-Headworks/Solids Removal Rep.	22,997	29,001	7,526	21,660	14,134	34.75%	
60356-HVAC	10,520	31,956	7,387	15,500	8,113	47.66%	
60357-Mixers	10,883	3,936	5,734	25,000	19,266	22.94%	
60358-Monitor Wells Repair		1,147		5,000	5,000		
60359-Pumps/Motors Repair	79,701	360,361	91,772	140,000	48,228	65.55%	
60360-Solids Handling Equip Repair	87	3,693		5,000	5,000		
60390-Admin. Technologies/Comm.	91,932	48,385	40,750	107,300	66,550	37.98%	
60395-Chemicals	627,615	543,857	343,713	500,000	156,287	68.74%	

District Operating Expense Detail

Operating Account Expense Summary		Period			7	Benchmark	
Account Type	2023	2024	2025	Budget	Remaining Balance	58% of Budget	
Y04-Outside Services	864,442	963,517	556,495	1,225,741	669,246	45.40%	
60400-Outside Services	91,864	99,843	45,634	135,238	89,604	33.74%	
60401-Fire Ext. Testing Cust. Base	2,000	2,000		2,200	2,200		
60402-Spraying - Weeds & Insects	28,812	33,685	27,554	42,751	15,197	64.45%	
60403-Snow Removal	22,000	1,125		7,200	7,200		
60404-Uniform Launder	26,726	36,648	26,307	23,737	(2,570)	110.83%	
60405-Fire Hydrant Maintenance	26,564	17,725	22,071	56,625	34,554	38.98%	
60410-Service Maintenance Contracts	86,486	159,078	4,370	147,588	143,218	2.96%	
60412-Groundwater Monitoring	38,968	37,070	24,894	45,000	20,106	55.32%	
60413-Instrumentation Tech	3,916	4,496	4,224	8,500	4,276	49.69%	
60414-Ozone System PM		3,260	11,701	7,000	(4,701)	167.16%	
60415-Backflow Device Testing	1,925	2,656	2,045	4,000	1,955	51.13%	
60416-SCADA Consulting (A-Teem)	6,682	3,542	5,660	10,000	4,340	56.60%	
60417-Hauling / Dig / Crane	475	2,090	1,580	5,000	3,420	31.60%	
60419-Pave / Seal / Asphalt Repair	55,596	48,114	31,910	75,000	43,090	42.55%	
60420-Drug and Alcohol Testing	5,189	3,588	3,053	4,000	947	76.33%	
60423-Telemetry / Radio	763						
60424-Septic Hauling	49,345	45,053	10,750	50,000	39,250	21.50%	
60424-Sludge Pumping	1						
60425-Tank Cleaning	11,800	28,960	6,362	64,730	58,368	9.83%	
60426-Building Repairs	1,435	11,797	4,843	35,000	30,157	13.84%	
60427-UV System PM	639	6,232	478	10,000	9,522	4.78%	
60429-Recruiting	31,574	28,555	7,983	29,751	21,768	26.83%	
60430-Claims/Damages	7,722	6,874	13,815	5,000	(8,815)	276.30%	
60431-Computer Lic Maint Contracts	112,778	187,280	185,751	283,001	97,250	65.64%	
60440-Janitorial Services	23,220	22,242	11,991	24,420	12,429	49.10%	
60470-Laboratory Services	176,515	164,705	101,659	145,000	43,341	70.11%	
60480-Rental (Non Vehicle and Equip)	51,446	6,900	1,860	5,000	3,140	37.20%	
Y05-Professional Services	572,882	599,253	421,518	1,539,840	1,118,322	27.37%	
60510-Accounting/Auditing	39,400	45,600	6,510	44,800	38,290	14.53%	
60541-Advertising/Publicity	1,824	2,433		3,500	3,500		
60590-Professional Services	531,657	551,220	415,008	1,491,540	1,076,532	27.82%	
Y06-Vehicle/Equipment	587,844	583,592	357,688	563,151	205,463	63.52%	
60610-Operating Exp Gas and Oil	374,709	374,015	180,420	360,151	179,731	50.10%	
60620-Repair Exp/Parts and Repairs	115,941	192,443	124,280	135,000	10,720	92.06%	
60625-Fuel/Repair - Generators	9,069	15,182					
60625-Generators - Fuel			52,873	20,000	(32,873)	264.37%	
60630-Generators - Repair				-	-		
60650-Rental Exp Vehicles and Equip	17,086	1,952	104	11,500	11,396	0.90%	
60660-Vehicle Lease & Maintenance	32,351	0	11	36,500	36,489	0.03%	
60665-Capital Lease Interest	38,688						
Y07-Office Expense	169,043	175,830	150,007	216,228	66,221	69.37%	
60700-Forms and Supplies	1,896	2,545	163	2,951	2,788	5.52%	
60710-Permits and Licenses	26,036	21,290	9,592	48,051	38,459	19.96%	
60720-Postage	7,564	13,225	8,642	6,500	(2,142)	132.95%	
60730-Publications/Subscriptions	2,163	2,124	1,667	14,451	12,784	11.54%	
60732-Memberships and Dues	131,385	136,600	129,664	142,075	12,411	91.26%	
60760-Recording/Title Reports		46	52	1,700	1,648	3.06%	
60780-Printing			227	500	273	45.40%	

District Operating Expense Detail

Operating Account Expense Summary		Period			7	Benchmark	
Account Type	2023	2024	2025	Budget	Remaining Balance	58% of Budget	
[-] Y08-Travel/Training	108,042	71,915	51,022	121,453	70,431	42.01%	
60810-Training Conf and Travel	108,042	71,915	49,581	118,951	69,370	41.68%	
60820-Other Travel Costs			1,441	2,502	1,061	57.59%	
[-] Y10-Purchased Water	423,460	992	-	20,000	20,000	0.00%	
61100-New Hogan OMPayment	423,460	992					
61100-Purchased Water			-	20,000	20,000	0.00%	
61101-Purchased Water	0						
[-] Y11-Retired Employees	737,017	759,247	562,296	902,000	339,704	62.34%	
61200-Retired Employee Costs	737,017	759,247	562,296	902,000	339,704	62.34%	
[-] Y12-Bad Debts	98,389	78,912	38,728	54,000	15,272	71.72%	
61310-Bad Debt Expense	98,389	78,912	38,728	54,000	15,272	71.72%	
[-] Y13-Misc Operating Exp	1,634,658	1,800,116	1,464,477	2,311,809	847,332	63.35%	
61150-New Hogan Op/Maint Expense	0	0		474,000	474,000		
61315-Rate Assistance Program	44,448	41,288	28,108	60,000	31,892	46.85%	
61409-Unemployment Claims	18,760	33,569	6,255	36,000	29,745	17.38%	
61410-Insurance	315,059	370,736	457,466	331,025	(126,441)	138.20%	
61420-State Water and Sewer Fees	267,282	307,891	315,618	300,000	(15,618)	105.21%	
61430-Federal Dam and Admin Fees	620,545	612,098	360,810	702,000	341,190	51.40%	
61435-State/Federal/County Fees	135,003	109,982	63,679	112,184	48,505	56.76%	
61450-Mandated Plans		2,087					
61455-Water Conservation	7,789	1,170	1,500	4,000	2,500	37.50%	
61485-Third Party Payment Processing	225,773	321,200	231,031	292,600	61,569	78.96%	
61490-Misc Operating Expense		94	10		(10)	0.00%	
[-] Y15-Director Costs	145,402	137,231	73,614	176,703	103,089	41.66%	
60000-Salaries/Wages	30,840	34,192	17,280	43,200	25,920	40.00%	
60100-Benefits	87,774	82,717	45,455	107,352	61,897	42.34%	
60310-Materials and Supplies	483	735	503	3,751	3,248	13.41%	
60810-Training Conf and Travel	20,927	13,543	7,198	17,500	10,302	41.13%	
60820-Other Travel Costs	5,378	6,044	3,178	4,900	1,722	64.86%	
[-] Y16-Legal	310,160	269,994	64,001	340,000	275,999	18.82%	
60505-Outside Legal Fees	310,160	269,994	64,001	340,000	275,999	18.82%	

District Operating Expense Detail

Operating Account Expense Summary		Period			7	Benchmark	
Account Type	2023	2024	2025	Budget	Remaining Balance	58% of Budget	
Z02-Debt Repayment	1,230,959	1,158,433	868,305	3,574,625	2,706,320	24.29%	
72120-Interest Exp-PERS UAL Loan	149,705	138,954	67,097	131,422	64,325	51.05%	
72210-Interest Exp-USDAAMI AMR	52,714	59,726	34,601		(34,601)	0.00%	
72220-Interest Exp-USDAAMI Loan				82,145	82,145		
72310-Interest Exp-Vac Con Truck	8,660	5,805	2,049	1,878	(171)	109.11%	
72350-Interest Exp-USDAEP Reach 3A	53,430	52,344	25,898	51,234	25,336	50.55%	
72400-Interest Exp-Water Fund Loan	15,348	12,915		10,433	10,433		
72500-Interest Exp New Hogan Loan	6,551	4,065		2,198	2,198		
72600-Interest Exp OPHQ	15,750						
72700-Interest Exp-VacCon Truck	6,318	(392)	230	1,376	1,146	16.72%	
72850-Interest Exp-Water CIP Loan 22	573,813	550,205	267,614	535,227	267,613	50.00%	
72860-Interest Exp-Sewer CIP Loan 22	348,670	334,812	162,960	325,920	162,960	50.00%	
73120-Principal-PERS UAL Loan			167,000	338,000	171,000	49.41%	
73210-Principal-USDAAMI AMR				91,000	91,000		
73310-Principal-Vac Con Truck			59,918	122,057	62,139	49.09%	
73350-Principal-USDA Reach 3A			49,900	49,900	-	100.00%	
73400-Principal-Water Fnd Ln				481,567	481,567		
73500-Principal-New Hogan				48,837	48,837		
73700-Principal-VacCon			31,038	92,431	61,393	33.58%	
73850-Principal-Water CIP Loan 2022				782,000	782,000		
73860-Principal-Sewer CIP Loan 22				427,000	427,000		
Z03-Capital Equipment	418,334	804,250	389,434	1,626,311	1,236,877	23.95%	
75110-Vehicles Capital Lease	219,397	378,701	263,463	645,211	381,748	40.83%	
75200-Equipment Purchased	282,707	348,688	97,528	330,500	232,972	29.51%	
75300-Materials - Capital Outlay	83,355	76,860		620,600	620,600		
75300-Materials - Projects	9,198		28,443	30,000	1,557	94.81%	
75400-Outside Svcs - Capital Outlay	43,073						
76000-Contra Cap Outlay-Lease Veh	(219,396)						
Z04-Misc. Non-Operating	54,174	21,845	13,918	18,100	4,182	76.90%	
60715-Late Fees and Other Penalties	5,635	2,775	2,034		(2,034)	0.00%	
78200-Calaveras County Fees	205			5,000	5,000		
78210-LAFCO Contribution	12,706	12,909	11,874	13,100	1,226	90.64%	
78700-Construction Contracts	29,250						
78990-Misc Non-Operating Costs	6,379	6,161	10		(10)	0.00%	
Z30-Transfers Out	2,146,409	1,316,961		5,440,000	5,440,000		
79100-Transfers Out	2,146,409	1,316,961		5,440,000	5,440,000		
Grand Total	24,125,985	24,114,394	13,770,853	34,897,695	21,126,842	39.46%	

DEPARTMENTAL EXPENSE REPORTS

Dept 50 – Non-Departmental

Operating Account Expense Summary		Period			7	Benchmark	
Account Type	2023	2024	2025	Budget	Remaining Balance	58% of Budget	
+ Y01-Sal/Wage/Benefits		265,813	231,231	396,388	165,157	58.33%	
+ Y02-Utility Service	37,669	31,496	12,286	43,910	31,624	27.98%	
+ Y03-Materials/Supplies	40,757	40,956	22,514	61,800	39,286	36.43%	
+ Y04-Outside Services	71,921	81,738	70,145	135,863	65,718	51.63%	
+ Y05-Professional Services	1,393	2,725					
+ Y11-Retired Employees	737,017	759,247	562,296	902,000	339,704	62.34%	
+ Y13-Misc Operating Exp	315,059	370,736	457,466	331,025	(126,441)	138.20%	
+ Z02-Debt Repayment	1,230,961	1,158,432	868,305	3,574,625	2,706,320	24.29%	
+ Z03-Capital Equipment	23,677		22,044	30,000	7,956	73.48%	
+ Z04-Misc. Non-Operating	14,924	12,909	11,874	13,100	1,226	90.64%	
Grand Total	2,473,378	2,724,052	2,258,161	5,488,711	3,230,550	41.14%	

Analysis shows that Non-Departmental expenses are below the year-to-date benchmark. Accounts to note are:

Materials/Supplies

60356-HVAC	5,125	1,765	2,000	235	88.25%
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60356 HVAC is over budget due to Mini Split A/C Install at OP HQ.

Outside Services

60430-Claims/Damages	7,722	6,874	13,815	(8,815)	276.30%
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60430 Claims/Damage is over budget caused by numerous leaks on the district side.

Misc Operating Exp

61410-Insurance	315,059	370,736	457,466	331,025	(126,441)	138.20%
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61410 Most of the District’s insurance premiums are paid in the first half of the year. Also, the final insurance rates were not available when the budget was approved.

Capital Equipment

Z03-Capital Equipment	23,677	22,044	30,000	7,956	73.48%
75200-Equipment Purchased	14,479	22,044		(22,044)	0.00%
75300-Materials - Projects	9,198		30,000	30,000	

75200 Equipment Purchased in Department 50 was not budgeted. The District needed to replace a copier/printer that was at the end of its lease and purchasing the copier/printer has a lower cost than entering a new lease.

Misc. Non-Operating

78210-LAFCO Contribution	12,706	12,909	11,874	13,100	1,226	90.64%
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78210 These fees were collected on the first property tax apportionment payment received from the County in January. This amount will remain static for the remainder of the year.

Dept. 54 - Utility Services Department

Operating Account Expense Summary		Period			7	Benchmark	
Account Type	2023	2024	2025	Budget	Remaining Balance	58% of Budget	
⊕ Y01-Sal/Wage/Benefits	7,637,213	7,643,113	4,679,676	8,322,492	3,642,816	56.23%	
⊕ Y02-Utility Service	2,209,505	2,164,527	801,781	1,927,721	1,125,940	41.59%	
⊕ Y03-Materials/Supplies	1,400,607	1,806,702	841,646	1,472,270	630,624	57.17%	
⊕ Y04-Outside Services	591,509	568,520	397,648	820,079	422,431	48.49%	
⊕ Y05-Professional Services	135,409	93,735	30,580	80,500	49,920	37.99%	
⊕ Y06-Vehicle/Equipment	587,787	583,592	357,633	563,151	205,518	63.51%	
⊕ Y07-Office Expense	40,362	43,969	23,239	70,600	47,361	32.92%	
⊕ Y08-Travel/Training	39,950	30,324	29,230	43,500	14,270	67.20%	
⊕ Y10-Purchased Water	11,871	992	-	20,000	20,000	0.00%	
⊕ Y13-Misc Operating Exp	267,282	307,891	315,618	300,000	(15,618)	105.21%	
⊕ Y15-Director Costs	300	345					
⊕ Z03-Capital Equipment	394,657	764,893	367,390	1,195,711	828,321	30.73%	
⊕ Z04-Misc. Non-Operating	2,829	1,575	34		(34)	0.00%	
Grand Total	13,319,281	14,010,178	7,844,475	14,816,024	6,971,549	52.95%	

This table shows the Utilities Service’s expenses are below the year-to-date benchmark. Accounts to note are:

Sal/Wage/Benefits

60005-Payouts	90,186	122,484	92,937	124,900	31,963	74.41%
60030-Overtime	367,560	235,280	135,741	200,000	64,259	67.87%
60035-CTO Payout		100,188	116,599	114,800	(1,799)	101.57%
60117-Retiree Health Benefit	30,035	30,019	21,378	31,920	10,542	66.97%

60005 PTO payouts per MOU policy are a one-time expense that occur in December, which skews the Percent of Budget number.

60030 Overtime is being monitored by all departments.

60035 CTO Payout is authorized at management level and the overtime is only charged as needed.

60117 Retiree Health Benefit is coming in slightly over budget and will be accounted for in next year’s budget.

Utility Service

60260-Refuse/Disposal	21,584	23,062	15,529	22,000	6,471	70.59%
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60260 Refuse is coming in over budget and will be accounted for in next year’s budget.

Materials/Supplies

60310-Materials and Supplies	133,428	202,648	133,277	152,000	18,723	87.68%
60325-Lab Supplies Consumables	48,899	91,260	36,994	40,000	3,006	92.49%
60332-Leak Repair Supplies	166,552	134,626	83,489	120,000	36,511	69.57%
60359-Pumps/Motors Repair	79,701	360,361	91,772	140,000	48,228	65.55%
60390-Admin. Technologies/Comm.	0	12,353	17,418	27,500	10,082	63.34%
60395-Chemicals	627,615	543,857	343,713	500,000	156,287	68.74%

Materials/supplies for repairs and maintenance are purchased as needed.

Outside Services

60402-Spraying - Weeds & Insects	28,076	33,308	27,360	42,000	14,640	65.14%
60404-Uniform Launder	26,726	36,648	26,307	23,737	(2,570)	110.83%
60414-Ozone System PM		3,260	11,701	7,000	(4,701)	167.16%
60440-Janitorial Services		6,762	1,600	1,200	(400)	133.33%
60470-Laboratory Services	176,515	164,705	101,659	145,000	43,341	70.11%

60402 Spraying is coming in over budget and will be accounted for in next year's budget.

60404 Uniform Laundering is higher than expected. Finance will continue to monitor this account.

60414 Ozone Start-up & Training came in higher than expected. Finance will continue to monitor this account.

60440 Janitorial Services are coming in higher than budget due to new vendor and contract.

60470 Laboratory Services are higher than budgeted. Finance will continue to monitor this account.

Vehicle/Equipment

60620-Repair Exp/Parts and Repairs	115,941	192,443	124,280	135,000	10,720	92.06%
60625-Generators - Fuel			52,873	20,000	(32,873)	264.37%

60620 Unexpected repairs for various vehicles were required.

60625 Unexpected repairs were required for two generators. Finance will be splitting generator expenses between 60625 Fuel and

Travel/Training

60810-Training Conf and Travel	39,950	30,324	29,219	43,000	13,781	67.95%
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60810 Training Conf and Travel costs are slightly over budget, but a large part of the training and conferences occurred in the first half of the year.

Misc Operating Exp

61420-State Water and Sewer Fees	267,282	307,891	315,618	300,000	(15,618)	105.21%
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61420 State Water and Sewer Fees annual permit fees came in higher than budgeted.

Dept 56 – General Management

Operating Account Expense Summary			Period		7		Benchmark
Account Type	2023	2024	2025	Budget	Remaining Balance	58% of Budget	
⊕ Y01-Sal/Wage/Benefits	692,641	928,886	526,362	1,004,239	477,877	52.41%	
⊕ Y03-Materials/Supplies	7,825	33,396	29,183	74,700	45,517	39.07%	
⊕ Y04-Outside Services	36,763	32,143	8,583	34,451	25,868	24.91%	
⊕ Y07-Office Expense	49,953	48,421	71,152	49,727	(21,425)	143.09%	
⊕ Y08-Travel/Training	29,559	20,891	10,707	31,451	20,744	34.04%	
⊕ Y13-Misc Operating Exp	18,760	33,569	6,255	36,000	29,745	17.38%	
⊕ Y15-Director Costs		665					
⊕ Y16-Legal	131,149	92,556	30,600	120,000	89,400	25.50%	
Grand Total	1,086,915	1,306,538	728,219	1,518,368	790,149	47.96%	

Analysis shows that General Management's overall expenses are below the year-to-date benchmark. Accounts to note are:

Sal/Wage/Benefit

60005-Payouts	25,743	37,208	43,078	38,000	(5,078)	113.36%
60100-Benefits	132,941	186,705	121,161	178,614	57,453	67.83%

60005 PTO payouts per MOU policy were higher than budget expectations.

60100 Benefits are coming in slightly over budget.

Materials/Supplies

60310-Materials and Supplies	2,956	7,816	6,905	10,200	3,295	67.70%
60314-Uniforms - New		18,684	19,944	22,000	2,056	90.65%

60310 Materials/supplies for repairs and maintenance are purchased as needed. Finance will continue to monitor these accounts.

60314 Most of the uniforms are purchased annually, which skews the percent to benchmark.

Outside Services

60420-Drug and Alcohol Testing	5,189	3,588	3,053	4,000	947	76.33%
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60420 Drug and Alcohol Testing is higher than the budget due to the annual consortium membership fee paid in December and should level out by year end.

Office Expense

60730-Publications/Subscriptions	935	1,091	1,058	151	(907)	700.66%
60732-Memberships and Dues	48,917	47,001	70,307	47,376	(22,931)	148.40%

60730 Publications/Subscriptions is over budget due to Water Code Updates & Handbooks.

60732 Memberships and Dues are over budget due to UMRWA membership charged to General Management instead of Water Resources, where it was budgeted. This will be corrected.

Travel/Training

60820-Other Travel Costs			1,238	751	(487)	164.85%
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60820 Other Travel Costs are coming in over budget.

Dept 57 – Board of Directors

Operating Account Expense Summary				Period	7	Benchmark	
Account Type	2023	2024	2025	Budget	Remaining Balance	58% of Budget	
Y15-Director Costs	144,979	136,198	73,614	176,703	103,089	41.66%	
Z04-Misc. Non-Operating				5,000	5,000		
Grand Total	144,979	136,198	73,614	181,703	108,089	40.51%	

Analysis shows that the Board of Director's overall expenses are below the year-to-date benchmark. Accounts to note are:

Travel/Training

60820-Other Travel Costs	4,955	5,010	3,178	4,900	1,722	64.86%
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60820 Other Travel Costs are coming in slightly over budget.

Dept 58 – Engineering

Operating Account Expense Summary		Period				7		Benchmark
Account Type	2023	2024	2025	Budget	Remaining Balance	58% of Budget		
⊕ Y01-Sal/Wage/Benefits	794,056	944,310	524,781	1,538,924	1,014,143	34.10%		
⊕ Y03-Materials/Supplies	9,269	12,128	608	12,800	12,192	4.75%		
⊕ Y04-Outside Services	1,196	19,409	8,443	32,120	23,677	26.29%		
⊕ Y05-Professional Services	1,520	10,957	42,797	625,000	582,203	6.85%		
⊕ Y06-Vehicle/Equipment	57		55		(55)	0.00%		
⊕ Y07-Office Expense	5,652	3,524	878	22,531	21,653	3.90%		
⊕ Y08-Travel/Training	24,653	7,601	4,854	26,751	21,897	18.15%		
⊕ Y15-Director Costs		1						
⊕ Z03-Capital Equipment		6,887		7,500	7,500			
⊕ Z04-Misc. Non-Operating	29,250							
Grand Total	865,654	1,004,818	582,416	2,265,626	1,683,210	25.71%		

Analysis shows that Engineering's overall expenses are below the year-to-date benchmark.

Sal/Wage/Benefits

60005-Payouts	12,908	19,194	26,284	13,900	(12,384)	189.09%
60035-CTO Payout		15,934	13,673	19,500	5,827	70.12%
60117-Retiree Health Benefit	4,340	7,745	5,867	7,680	1,813	76.39%

60005 PTO payouts per MOU policy were higher than budget expectations.

60035 CTO Payout are coming in over budget due to end of year CTO payout.

60117 Retiree Health Benefit is coming in slightly over budget and will be accounted for in next year's budget.

Dept 59 – Administrative Services

Operating Account Expense Summary		Period				7		Benchmark
Account Type	2023	2024	2025	Budget	Remaining Balance	58% of Budget		
⊕ Y01-Sal/Wage/Benefits	1,399,164	1,282,090	739,707	1,538,133	798,426	48.09%		
⊕ Y03-Materials/Supplies	92,438	22,431	18,263	47,051	28,788	38.82%		
⊕ Y04-Outside Services	163,052	258,600	63,884	198,528	134,644	32.18%		
⊕ Y05-Professional Services	177,679	185,475	88,253	215,040	126,787	41.04%		
⊕ Y07-Office Expense	9,359	15,418	5,224	8,741	3,517	59.76%		
⊕ Y08-Travel/Training	9,691	10,370	1,765	13,751	11,986	12.84%		
⊕ Y12-Bad Debts	98,389	78,912	30,152	54,000	23,848	55.84%		
⊕ Y13-Misc Operating Exp	278,010	363,252	193,321	352,600	159,279	54.83%		
⊕ Y15-Director Costs	93	5						
⊕ Z03-Capital Equipment		32,469						
⊕ Z04-Misc. Non-Operating	7,171	7,361	610		(610)	0.00%		
⊕ Z30-Transfers Out	2,146,409	1,316,961		5,440,000	5,440,000			
Grand Total	4,381,456	3,573,345	1,141,179	7,867,844	6,726,665	14.50%		

Analysis shows that Administrative Services are below the year-to-date benchmark. Accounts to note are:

Sal/Wage/Benefits

60005-Payouts	26,829	8,824	12,300	3,476	71.74%
60035-CTO Payout	163	699	500	(199)	139.80%
60117-Retiree Health Benefit	8,015	6,625	7,800	1,095	85.96%

60005 PTO payouts per MOU policy are a one-time expense that occur in December, which skews the Percent of Budget number.

60035 CTO Payout are coming in slightly over budget.

60117 Retiree Health Benefit is coming in slightly over budget and will be accounted for in next year's budget.

Outside Services

60431-Computer Lic Maint Contracts	81,388	103,043	66,720	54,530	(12,190)	122.35%
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60431 Computer license maintenance contracts are often paid in the first half of the year but are coming in over budget and will continue to be monitored by Finance.

Professional Services

60590-Professional Services	138,279	139,875	121,127	170,240	49,113	71.15%
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Professional Services is coming in over budget due to higher than anticipated Tyler conversion costs.

Office Expenses

60720-Postage	7,564	13,225	8,642	6,500	(2,142)	132.95%
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60720 Postage is coming in higher than expected.

Bad Debts

61310-Bad Debt Expense	98,389	78,912	38,728	54,000	15,272	71.72%
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61310 Bad Debt is higher than expected.

Y13-Misc Operating Exp

61485-Third Party Payment Processing	225,773	321,200	231,031	292,600	61,569	78.96%
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61485 Third Party Payment Processing represents the Credit Card and Tyler Convenience Fees paid. This is offset by the revenue account "Miscellaneous Operating Revenue" (48190). There are no customer fees collected through the lockbox payment service.

48190-Miscellaneous Operating Rev	124,197	224,173	169,619	219,500	49,881	77.28%
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Dept 60 – Water Resources

Operating Account Expense Summary		Period			7	Benchmark	
Account Type	2023	2024	2025	Budget	Remaining Balance	58% of Budget	
⊕ Y01-Sal/Wage/Benefits	298,176	195,666	106,085	326,306	220,221	32.51%	
⊕ Y03-Materials/Supplies	5,451	793		1,000	1,000		
⊕ Y04-Outside Services		3,108		4,700	4,700		
⊕ Y05-Professional Services	136,615	190,350	153,808	451,500	297,692	34.07%	
⊕ Y07-Office Expense	63,717	64,498	9,084	64,629	55,545	14.06%	
⊕ Y08-Travel/Training	4,189	2,728	1,671	6,000	4,329	27.85%	
⊕ Y10-Purchased Water	411,589						
⊕ Y13-Misc Operating Exp	755,547	724,668	391,739	1,292,184	900,445	30.32%	
⊕ Y15-Director Costs	29	17					
⊕ Y16-Legal	179,011	177,438	32,469	220,000	187,531	14.76%	
⊕ Z03-Capital Equipment				393,100	393,100		
Grand Total	1,854,325	1,359,265	694,856	2,759,419	2,064,563	25.18%	

Analysis shows that Water Resources expenses are below the year-to-date benchmark. Accounts to note are:

Office Expense

60732-Memberships and Dues	63,717	64,498	45,183	64,629	19,446	69.91%
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60732 Memberships and Dues are currently slightly over budget. However, fees are often paid in the first half of the year. Finance will monitor.

CCWD - Fund Cash Balance Report
As of January 31, 2025

Fund	Description	Unaudited	Transactions	Unaudited	Unrestricted	Restricted	Agency
		6/30/2024	FY24-25	1/31/2025	1/31/2025	1/31/2025	1/31/2025
104	Admin Replacement	24,148.77	2,991.53	27,140.30	-	27,140.30	-
108	Interest Reserve	12,227,959.90	603,142.59	12,831,102.49	-	12,831,102.49	-
300	Water Fund	1,314,552.78	(47,694.89)	1,266,857.89	1,266,857.89	-	-
302	Slurry Line	(6,581.17)	12,349.10	5,767.93	-	5,767.93	-
320	CIP - Water	-	(3,819,326.97)	(3,819,326.97)	-	(3,819,326.97)	-
323	CIP Loan - Water	17,393,375.34	(2,178,099.47)	15,215,275.87	-	15,215,275.87	-
325	Capital R&R - Water	6,066,392.42	1,554,511.64	7,620,904.06	7,620,904.06	-	-
327	USDA RD AMI/AMR	(187,812.99)	310,744.29	122,931.30	-	122,931.30	-
344	Water Expansion Fund - West Point	309,223.17	4,695.17	313,918.34	-	313,918.34	-
354	Water Expansion Fund - Ebbetts Pass	835,034.09	60,772.69	895,806.78	895,806.78	-	-
356	Water Expansion Fund - Sheep Ranch	26,116.18	396.54	26,512.72	-	26,512.72	-
364	Water Expansion Fund - Jenny Lind	643,480.40	163,104.64	806,585.04	-	806,585.04	-
374	Water Expansion Fund - Copper Cove	3,775,634.89	(216,557.98)	3,559,076.91	-	3,559,076.91	-
394	Water Expansion Fund - Wallace	18,686.82	283.74	18,970.56	-	18,970.56	-
400	Hydro Fund	-	409,243.35	409,243.35	-	409,243.35	-
500	Sewer Fund	(1,286,022.54)	277,177.97	(1,008,844.57)	-	(1,008,844.57)	-
520	CIP - Sewer	-	(3,069,356.84)	(3,069,356.84)	-	(3,069,356.84)	-
523	CIP Loan - Sewer	9,355,764.37	(3,687,173.19)	5,668,591.18	5,668,591.18	-	-
525	Capital R&R - Sewer	2,925,395.86	2,519,513.38	5,444,909.24	5,444,909.24	-	-
540	Sewer Expansion Fund - Forest Meadows	423,831.51	8,527.56	432,359.07	-	432,359.07	-
542	Sewer Expansion Fund - Big Trees Village	12,377.30	187.95	12,565.25	-	12,565.25	-
544	Sewer Expansion Fund - Arnold	848,303.06	18,148.82	866,451.88	-	866,451.88	-
546	Sewer Expansion Fund - Vallecito	1,215,667.93	18,458.45	1,234,126.38	-	1,234,126.38	-
548	Sewer Expansion Fund - Six Mile Village	26,852.44	407.73	27,260.17	-	27,260.17	-
554	Sewer Expansion Fund - West Point	888,600.31	11,176.35	899,776.66	-	899,776.66	-
564	Sewer Expansion Fund - La Contenta	589,861.96	2,119.64	591,981.60	-	591,981.60	-
565	Sewer Expansion Fund - Southworth	287,569.62	4,366.40	291,936.02	-	291,936.02	-
584	Sewer Expansion Fund - Copper Cove	2,463,507.75	(22,411.62)	2,441,096.13	-	2,441,096.13	-
594	Sewer Expansion Fund - Wallace	18,686.82	283.74	18,970.56	-	18,970.56	-
722	Assessment District - West Point Acres	15,686.49	238.17	15,924.66	-	-	15,924.66
732	Assessment District - Wilseyville	5.43	0.08	5.51	-	-	5.51
752	Assessment District - Arnold	42,647.43	11,681.55	54,328.98	-	-	54,328.98
812	Assessment District - La Contenta (604)	95,977.89	(158.60)	95,819.29	-	-	95,819.29
832	Assessment District - Saddle Creek	121,377.47	1,842.97	123,220.44	-	-	123,220.44
842	Assessment District - DaLee/Cassidy	(3,512.40)	(1,623.50)	(5,135.90)	-	-	(5,135.90)
852	Assessment District - Fly In Acres	(5,793.59)	2,511.26	(3,282.33)	-	-	(3,282.33)
862	Assessment District - Wallace	162,342.79	(103,502.67)	58,840.12	-	58,840.12	-
920	Advance Grant Fund	4,707.23	71.48	4,778.71	-	4,778.71	-
	TOTAL	60,644,045.73	(7,146,956.95)	53,497,088.78	20,897,069.15	32,319,138.98	280,880.65

Fund Activity Report as of 01.31.2025

	Water Fund	Sewer Fund
Revenue	10,468,694.69	4,637,744.82
Expenditure	(9,543,667.75)	(3,681,951.61)
Net Fund Activity	<u>925,026.94</u>	<u>955,793.21</u>

Capital Improvement Program
Schedule of Cash Flow - Water Projects
FY 2024-25 thru FY 2026-2027

Project No	Fund	Water Projects Project Description	Project Budget	Expenses to Date	Projected Balance	FY 24-25 YTD Expenditures	FY 24-25 Remaining Balance	Cash Flow			Funding FY 24-25				
								FY 24-25	FY 25-26	FY 26-27	Expansion Funds	Reserves	Capital R & R	CIP Loan	Grants
Copper Cove															
11083C	374/123	Copper Cove Tank B/Clearwell	8,600,000	6,465,538	2,134,462	1,049,786	2,950,214	4,000,000	-	-	186,110	-	-	3,813,890	-
11104	374/125	Lake Tulloch Intertie Project	7,500,000	187,798	7,312,202	100,119	649,881	750,000	-	-	150,000	-	600,000	-	-
11122	125	Copper C Tank Trans Pipeline	10,000,000	459,321	9,540,679	180,235	(80,235)	100,000	4,500,000	4,500,000	-	-	100,000	-	-
11132		Copper Cove O'Byrnes Water Line Extension	60,000	32,657	27,343	837	(837)	-	-	-	-	-	-	-	-
11133		Copper Cove Ozone Unit Replacement	300,000	289,897	10,103	-	-	-	-	-	-	-	-	-	-
Ebbetts Pass															
11083L		Larkspur Tank Replacement	687,567	586,984	100,583	-	-	-	-	-	-	-	-	-	-
11083S	125	Ebbetts Pass Sawmill Tank	3,160,000	122,070	3,037,930	110,939	239,061	350,000	2,800,000	-	-	-	350,000	-	-
11095		Ebbetts Pass Redwood Tanks HMGP	4,300,000	4,011,008	288,992	-	-	-	-	-	-	-	-	-	-
11099		Ebbetts Pass Meadowmont PS / Rehab.	100,000	-	100,000	-	-	-	-	100,000	-	-	-	-	-
11103	125	Hunters Raw Water Pumps (Hazard Mitigation)	2,400,000	213,019	2,186,981	7,588	2,292,412	2,300,000	-	-	-	-	575,000	-	1,725,000
11108		Big Trees Pump Stations 4 & 5 Replacement	2,100,000	5,916	2,094,084	-	-	-	450,000	1,650,000	-	-	-	-	-
11109		White Pines Tule Removal/Spillway	96,715	40,053	56,662	-	-	-	-	-	-	-	-	-	-
11115		Ebbetts Pass Larkspur PS Rehab / Electrical	1,500,000	-	1,500,000	-	-	-	-	-	-	-	-	-	-
11135		Timber Trails Redwood Water Storage Tank & P/S	3,500,000	-	3,500,000	-	-	-	-	-	-	-	-	-	-
11083H		Hunters WTP Clearwell Replacement	3,000,000	-	3,000,000	-	-	-	-	-	-	-	-	-	-
Jenny Lind / Wallace															
11083J	125	Jenny Lind Clearwell #2	850,000	410,726	439,274	311,688	188,312	500,000	-	-	-	-	500,000	-	-
11088	123	Jenny Lind A-B Transmission Main	13,500,000	4,279,756	9,220,244	2,092,420	3,907,580	6,000,000	5,136,110	-	-	-	-	6,000,000	-
11119		Jenny Lind Tanks A, B, E & F Rehabilitation	1,500,000	-	1,500,000	-	-	-	-	-	-	-	-	-	-
11131		Jenny Lind WTP - Rehab Filters 1 & 2	960,000	907,290	52,710	413	(413)	-	-	-	-	-	-	-	-
11083W		Wallace Tanks	1,500,000	173,167	1,500,000	166,147	(166,147)	-	-	-	-	-	-	-	-
West Point / Wilseyville / Vallecito															
11106		West Point Backup Filter	3,000,000	2,839,003	160,997	16,513	(16,513)	-	-	-	-	-	-	-	-
11134	125	West Point Regulator Repair/Tule Removal	200,000	-	200,000	-	200,000	200,000	-	-	-	-	200,000	-	-
11107		West Point SCADA Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-
11129		West Point Drought Water Supply	8,700,000	23,943	8,676,057	-	-	-	-	-	-	-	-	-	-
Other															
11083	125	Tank Rehabilitation Program	6,000,000	-	6,000,000	-	-	1,000,000	1,250,000	1,750,000	-	-	1,000,000	-	-
Total Water Projects			\$ 83,514,282	\$ 21,048,148	\$ 62,639,301	\$ 4,036,685	\$ 10,163,315	\$ 15,200,000	\$ 14,136,110	\$ 8,000,000	\$ 336,110	\$ -	\$ 3,325,000	\$ 9,813,890	\$ 1,725,000

Capital Improvement Program
Schedule of Cash Flow - Wastewater Projects
FY 2024-25 thru FY 2026-27

Project No.	Fund	Wastewater Projects Project Description	Project Budget	Expenses to Date	Project Balance	FY 24-25 YTD Expenditures	FY 24-25 Remaining Balance	Cash Flow			Funding FY 24-25				
								FY 24-25	FY 25-26	FY 26-27	Expansion Funds	Reserves	Capital R & R	CIP Loan	Grants
Arnold / Forest Meadows															
15095	544/135	Arnold Secondary Clarifier/WWTP Improvements	9,200,000	762,831	8,437,169	48,680	674,358	723,038	4,170,000	3,706,593	250,000	-	473,038	-	-
15106	133	FM UV Disinfection System Replacement	500,000	452,230	47,770	-	-	-	-	-	-	-	-	-	-
15115		Arnold Lift Station 2 & 3 Rehabilitation	3,500,000	-	3,500,000	-	-	-	-	750,000	-	-	-	-	-
Copper Cove															
15076	133	CC Lift Station 6, 8 & Force Main Bypass	5,500,000	4,777,461	722,539	660,320	1,339,680	2,000,000	-	-	-	-	-	2,000,000	-
15080	133	CC Lift Station 15 & 18 Rehab/Replacement	3,600,000	3,563,718	36,282	572,613	427,387	1,000,000	-	-	-	-	-	1,000,000	-
15094T	133	CC Tertiary, DAF, and UV Improvements	1,996,190	1,085,347	910,843	369,447	1,130,553	1,500,000	-	-	-	-	-	1,500,000	-
15112	584/135	CC Pond 6 Dam Raise	4,543,810	125,507	4,418,303	13,110	654,509	667,619	1,838,096	1,838,096	467,619	-	200,000	-	-
		CC Lower/Upper X-Country Gravity/Force Main	3,250,000	-	3,250,000	-	-	-	500,000	-	-	-	-	-	-
La Contenta / Wallace															
15087		Wallace Treatment Plant Renovation	50,000	189,806	(139,806)	-	-	-	-	-	-	-	-	-	-
15097	135	LC Biolac, Clarifier, & UV Improvements	15,000,000	297,269	14,702,731	284,715	465,285	750,000	-	4,200,000	-	-	750,000	-	-
15101		La Contenta Spray Fields	-	-	-	-	-	-	-	-	-	-	-	-	-
15092B	564/135	Huckleberry Lift Station Improvements	2,300,000	152,153	2,147,847	142,791	257,209	400,000	1,100,000	-	270,000	-	130,000	-	-
West Point / Wilseyville / Vallecito															
15091		West Point/Wilseyville Consolidation Project	10,000,000	8,012,327	1,987,673	1,668,863	831,137	2,500,000	-	-	-	-	-	-	2,500,000
15111		Vallecito WWTP - System Improvements	150,000	118,907	31,093	-	-	-	-	-	-	-	-	-	-
Other															
15109	135	Collections System Rehab and I&I Mitigation	900,000	211,343	688,657	-	150,000	150,000	150,000	150,000	-	-	150,000	-	-
Total Wastewater Projects			\$ 60,490,000	\$ 19,748,899	\$ 40,741,101	\$ 3,760,538	\$ 5,930,119	\$ 9,690,657	\$ 7,758,096	\$ 10,644,689	\$ 987,619	\$ -	\$ 1,703,038	\$ 4,500,000	\$ 2,500,000
TOTAL WATER & WASTEWATER PROJECTS			\$ 128,804,282	\$ 37,814,630	\$ 90,998,682	\$ 6,101,852	\$ 17,788,805	\$ 24,890,657	\$ 22,144,206	\$ 19,894,689	\$ 1,323,729	\$ -	\$ 5,028,038	\$ 14,313,890	\$ 4,225,000

3c

A G E N D A
I T E M

3c

Agenda Item

DATE: October 15, 2024

TO: Finance Committee

FROM: Jeffrey Meyer, Director of Administrative Services

SUBJECT: Discussion/Direction regarding Amending Certain Financing Agreements Relating to the Districts Outstanding Long-Term Indebtedness

RECOMMENDED ACTION:

Discussion/Direction regarding Amending Certain Financing Agreements Relating to the District's Outstanding Long-Term Indebtedness.

SUMMARY:

For several strategic and operational reasons, the District has determined that establishing a dedicated hydroelectric enterprise, separate from its other enterprise operations, is in the best interest of the District and its ratepayers. However, the legal agreements securing the District's outstanding long-term indebtedness (collectively, the "Existing Legal Agreements") currently include a pledge of net revenues from hydroelectric operations. To proceed with this restructuring, the Existing Legal Agreements must be amended to legally release the pledge of hydroelectric revenues from the bond covenants. Additionally, the consent of each lender is required for these amendments to take effect. The District has retained the services of Cameron Weist of Weist Law to assist the District in this effort.

Over the past eight years the District has executed and delivered the following Existing Legal Agreements providing for the issuance of the following long-term debt obligations:

1. On June 16, 2016, the District, through the Calaveras County Water District Public Financing Authority (the "Authority"), issued its "Series 2016 Water Enterprise Revenue Bonds (Ebbetts Pass Reach 3A Improvement Project), Bank Qualified" (the "2016 Obligations"), secured by an Installment Sale Agreement, dated as of June 1, 2016 (the "2016 Installment Sale Agreement"), by and between the District and the Authority, and issued in accordance with a Trust Agreement, dated as of June 1, 2016 (the "2016 Trust Agreement"), by and among the District, the Authority and the Director of Administrative Services of the District, as the trust administrator named therein (the "Trust Administrator").
2. On February 26, 2019, the District issued its "Series 2019 Taxable Revenue Refunding Loan Obligations (CalPERS Refunding Project)" (the "2019 Obligations"), pursuant to a Loan Agreement, dated as of February 1, 2019, by and

between Umpqua Bank (“Umpqua Bank”) and the District (the “2019 Loan Agreement”).

3. On June 24, 2021, the District, through the Authority, issued its “Series 2021 Water Revenue Certificates of Participation (Automatic Radio Read Meter Project), Bank Qualified” (the “2021 Obligations”), secured by an Installment Sale Agreement, dated as of June 1, 2021 (the “2021 Installment Sale Agreement”), by and between the District and the Authority, and issued in accordance with a Trust Agreement, dated as of June 1, 2021 (the “2021 Trust Agreement”), by and among the District, the Authority and the Trust Administrator.
4. On June 16, 2022, the District issued its “Series 2022 Water Obligations” (the “2022 Water Obligations”), pursuant to an Installment Purchase Contract, dated as of June 1, 2022 (the “2022 Water Installment Purchase Contract”), by and between the District and the Authority, all of the rights of which were assigned to Webster Bank (“Webster Bank”) pursuant to an Assignment Agreement, dated as of June 1, 2022 (the “Water Assignment Agreement”), by and between the District and Webster Bank.
5. On June 16, 2022, the District issued its “Series 2022 Wastewater Obligations” (the “2022 Wastewater Obligations”), pursuant to an Installment Purchase Contract, dated as of June 1, 2022 (the “2022 Wastewater Installment Purchase Contract”), by and between the District and the Authority, all of the rights of which were assigned to First Foundation Public Finance (“First Foundation”) pursuant to an Assignment Agreement, dated as of June 1, 2022 (the “Wastewater Assignment Agreement”), by and between the District and First Foundation.

To proceed with this restructuring, the Existing Legal Agreements must be amended to formally release the pledge of hydroelectric revenues from the bond covenants. Exhibits A through E of the subject resolution contain the proposed amendments to each of the Existing Legal Agreements (collectively, the “Proposed Amendments”). By adopting the resolution, the Board will approve the form of the Proposed Amendments and authorize the District’s Authorized Officers to execute and process the amendments as required.

Once the District and the respective lenders finalize and execute the Proposed Amendments, the pledge of hydroelectric net revenues will be released, enabling the District to move forward with establishing a dedicated hydroelectric enterprise.

Staff will review the proposed changes and request comments and direction from the Finance Committee prior to presenting the item to the Board of Directors.

FINANCIAL CONSIDERATIONS:

The cost to amend the Existing Legal Agreements is estimated to be \$15,000 and is included in the Water Resources budget within the Hydropower Fund, Fund 400.

RESOLUTION NO. 2025-

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CALAVERAS COUNTY WATER DISTRICT**

**APPROVING AND AUTHORIZING THE AMENDMENT OF CERTAIN
FINANCING AGREEMENTS RELATING TO THE DISTRICTS
OUTSTANDING LONG-TERM INDEBTEDNESS**

WHEREAS, the Calaveras County Water District (the “District”) is a county water district duly organized and existing under and pursuant to the laws of the State of California; and

WHEREAS, the District has previously authorized and executed certain financial transactions resulting in the incurrence of long-term indebtedness of its enterprise funds, including:

1. On June 16, 2016, the District, through the Calaveras County Water District Public Financing Authority (the “Authority”), issued its “Series 2016 Water Enterprise Revenue Bonds (Ebbetts Pass Reach 3A Improvement Project), Bank Qualified” (the “2016 Obligations”). These obligations were secured by an Installment Sale Agreement, dated as of June 1, 2016 (the “2016 Installment Sale Agreement”), between the District and the Authority, and issued under a Trust Agreement, dated as of June 1, 2016 (the “2016 Trust Agreement”), by and among the District, the Authority and the Director of Administrative Services of the District, as the Trust Administrator.
2. On February 26, 2019, the District issued its “Series 2019 Taxable Revenue Refunding Loan Obligations (CalPERS Refunding Project)” (the “2019 Obligations”), pursuant to a Loan Agreement, dated as of February 1, 2019, between Umpqua Bank and the District (the “2019 Loan Agreement”).
3. On June 24, 2021, the District, through the Authority, issued its “Series 2021 Water Revenue Certificates of Participation (Automatic Radio Read Meter Project), Bank Qualified” (the “2021 Obligations”). These obligations were secured by an Installment Sale Agreement, dated as of June 1, 2021 (the “2021 Installment Sale Agreement”), between the District and the Authority, and issued under a Trust Agreement, dated as of June 1, 2021 (the “2021 Trust Agreement”), by and among the District, the Authority and the Trust Administrator.
4. On June 16, 2022, the District issued its “Series 2022 Water Obligations” (the “2022 Water Obligations”), pursuant to an Installment Purchase Contract, dated as of June 1, 2022 (the “2022 Water Installment Purchase Contract”), between the District and the Authority, the rights of which were assigned to Webster Bank (“Webster Bank”) pursuant to an Assignment Agreement, dated

as of June 1, 2022 (the “Water Assignment Agreement”), by and between the District and Webster Bank.

5. On June 16, 2022, the District issued its “Series 2022 Wastewater Obligations” (the “2022 Wastewater Obligations”), pursuant to an Installment Purchase Contract, dated as of June 1, 2022 (the “2022 Wastewater Installment Purchase Contract”), between the District and the Authority, the rights of which were assigned to First Foundation Public Finance (“First Foundation”) pursuant to an Assignment Agreement, dated as of June 1, 2022 (the “Wastewater Assignment Agreement”), by and between the District and First Foundation.

WHEREAS, the District proposes to amend the agreements identified above (collectively referred to as the “Financing Agreements”) to remove all revenues and expenses associated with the District’s hydroelectric power operations from any pledges established under the Financing Agreements, as further reflected in the proposed amendments (collectively, the “Amended Financing Agreements”); and

WHEREAS, each proposed Amended Financing Agreement is attached hereto as Exhibits A through E; and

WHEREAS, the Board of Directors of the District (the “Board”), after due investigation and deliberation, has determined that it is in the public interests of the District to approve each of the Amended Financing Agreements; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the District as follows:

Section 1. Recitals. The Board hereby specifically finds and declares that each of the statements, findings and determinations of the District set forth in the recitals set forth above are true and correct.

Section 2. Authorized Representatives. The Board President, General Manager, Director of Administrative Services, Trust Administrator, Clerk to the Board, and any other person authorized by the General Manager to act on behalf of the District shall each be an “Authorized Representative” of the District for the purposes of providing for the execution and delivery of the Amended Agreements, and are hereby authorized, jointly and severally, for and in the name of and on behalf of the District, to execute and deliver any and all documents and certificates that may be required to be executed in connection with Amended Agreements (including, but not limited to, the documents referenced in this Resolution, and any other documentation required or necessary in connection therewith), and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Board has approved in this Resolution.

Section 3. Significant Public Benefits. The Board hereby finds and determines that the execution of the Amended Agreements is expected to result in significant public benefits to the District.

Section 4. Approval of Amended Agreements. The Board hereby authorizes and approves each of the Amended Agreements in substantially the form set forth in Exhibits A through E hereto, together with any additions thereto or changes therein deemed necessary or advisable by an Authorized Representative of the District. Each Authorized Representative, acting singly, is hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver each of the Amended Agreements in substantially said form, with such changes therein as the Authorized Representative executing the same may approve (such approval to be conclusively evidenced by such Authorized Representative's execution and delivery thereof). The Board hereby authorizes the delivery and performance of the Amended Agreements.

Section 5. Confirmation and Direction to Proceed. All actions heretofore taken by the officers and agents of the District with respect to the Amended Agreements are hereby approved, confirmed and ratified. The Authorized Representatives and all other officers of the District are each authorized and directed in the name and on behalf of the District to make any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents which they or any of them might deem necessary or appropriate in order to consummate any of the actions and transactions contemplated by this Resolution. Whenever any officer of the District is authorized to execute or countersign any document or take any action contemplated by this Resolution and each of the respective Amended Agreements, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer is absent or unavailable.

Section 6. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

PASSED AND ADOPTED this ___th day of February 2025 by the following vote:

AYES:

NAYES:

ABSTAIN:

ABSENT:

CALAVERAS COUNTY WATER DISTRICT

President
Board of Directors

ATTEST:

Rebecca Hitchcock
Clerk to the Board

DRAFT

EXHIBIT A

FORM OF FIRST AMENDMENT TO 2016 TRUST AGREEMENT

FIRST AMENDMENT TO 2016 TRUST AGREEMENT

Dated as of February 1, 2025

by and among the

CALAVERAS COUNTY WATER DISTRICT

and the

CALAVERAS COUNTY WATER DISTRICT PUBLIC FINANCING AUTHORITY

and the

**DIRECTOR OF ADMINISTRATIVE SERVICES
OF THE CALAVERAS COUNTY WATER DISTRICT,
as Trust Administrator**

Relating to and Supplementing the

TRUST AGREEMENT

Dated as of June 1, 2016

Relating to

\$2,622,000

**CALAVERAS COUNTY WATER DISTRICT PUBLIC FINANCING AUTHORITY
(Calaveras County, California)
SERIES 2016 WATER ENTERPRISE REVENUE BONDS
(Ebbetts Pass Reach 3A Improvement Project)
BANK QUALIFIED**

FIRST AMENDMENT TO 2016 TRUST AGREEMENT

THIS FIRST AMENDMENT TO TRUST AGREEMENT (this “First Amendment”), dated as of February 1, 2025, by and among the CALAVERAS COUNTY WATER DISTRICT PUBLIC FINANCING AUTHORITY (the “Authority”), a joint powers authority duly created and lawfully existing under the laws of the State of California (the “State”), the CALAVERAS COUNTY WATER DISTRICT, a county water district, duly organized and validly existing under the laws of the State (the “District”) and DIRECTOR OF ADMINISTRATIVE SERVICES OF THE CALAVERAS COUNTY WATER DISTRICT, as Trust Administrator (the “Trust Administrator”).

W I T N E S S E T H:

WHEREAS, on June 16, 2016, the District, through the Authority, issued its “Series 2016 Water Enterprise Revenue Bonds (Ebbetts Pass Reach 3A Improvement Project), Bank Qualified” (the “2016 Obligations”), secured by an Installment Sale Agreement, dated as of June 1, 2016 (the “2016 Installment Sale Agreement”), by and between the District and the Authority, and issued in accordance with a Trust Agreement, dated as of June 1, 2016 (the “2016 Trust Agreement”), by and among the District, the Authority and the Trust Administrator; and

WHEREAS, the 2016 Installment Sale Agreement and the 2016 Trust Agreement and the corresponding rights and obligations of the District, Authority and of the owners of the 2016 Obligations (the “Owners” or “2016 Bond Owners”), may be modified or amended at any time by a supplemental agreement which shall become effective when the written consent of the Owners of at least sixty percent (60%) in aggregate principal amount of the 2016 Obligations then Outstanding; and

WHEREAS, the Board has determined that establishing a dedicated hydroelectric enterprise, separate from its other enterprise and general fund operations, is in the best interest of the District and its ratepayers; and

WHEREAS, the 2016 Installment Sale Agreement and 2016 Trust Agreement currently include a pledge of net revenues from hydroelectric operations; and

WHEREAS, the District has determined that it is necessary to amend the 2016 Trust Agreement to legally release the pledge of hydroelectric revenues from the bond covenants, as provided and secured through this First Amendment; and

NOW, THEREFORE, THIS FIRST AMENDMENT TO 2016 TRUST AGREEMENT WITNESSETH:

That in consideration of the premises, the acceptance by the Trust Administrator of the trusts originally created by the 2016 Trust Agreement, the mutual covenants contained therein and the purchase and acceptance of the 2016 Obligations by the Owners thereof, and for other valuable consideration, the receipt of which is hereby acknowledged, and in order to secure the payment of the principal of, premium, if any, and interest on the 2016 Obligations according to their tenor and

effect, and the performance and observance by the District, the Authority and the Trust Administrator of all of the covenants and conditions in the 2016 Trust Agreement contained on its part to be performed, it is agreed by and between the District, the Authority and the Trust Administrator as follows:

Section 1. First Amendment to 2016 Trust Agreement. This First Amendment is supplemental and amendatory to the 2016 Trust Agreement.

Section 2. Authority for First Amendment. This First Amendment is entered into pursuant to the provisions of Sections 10.01(a) and 10.02 of the 2016 Trust Agreement.

Section 3. Amendment of the 2016 Trust Agreement. The 2016 Trust Agreement is hereby amended as follows:

(a) The definition of Gross Revenues contained in Section 1.01 of the 2016 Trust Agreement is amended in its entirety to read as follows:

“Gross Revenues” means all gross income and revenue received or receivable by the District from the ownership and operation of the Water System, calculated in accordance with Generally Accepted Accounting Principles, including all rates, fees, charges (including connection fees), insurance proceeds and condemnation awards received by the District and all other income and revenue howsoever derived by the District from the Water System, including, without limitation, property taxes, interest income, and all other operating and non-operating revenue; provided, however, that (i) any specific charges levied for the express purpose of reimbursing others for all or a portion of the cost of the acquisition or construction of specific water facilities, (ii) grants that are designated by the grantor for a specific water purpose and are therefore not available for other purposes, or (iii) customers’ water related deposits or any other water related deposits subject to refund until such deposits have become the property of the District, (iv) any and all income and revenue received or receivable by the District from the ownership and operation of its hydroelectric operations, and (v) the proceeds of any special assessments or special taxes levied upon real property within any improvement district served by the District for the purpose of paying special assessment bonds or special tax obligations of the District relating to the Water System, are not Gross Revenues and are not subject to the lien hereof.

(b) The definition of Operation and Maintenance Expenses contained in Section 1.01 of the 2016 Trust Agreement is amended in its entirety to read as follows:

“Operation and Maintenance Expenses” means the reasonable and necessary costs and expenses paid or incurred by the District for maintaining and operating the Water System, determined in accordance with Generally Accepted Accounting Principles, including but not limited to (a) costs of acquisition of water, including all associated treatment and delivery costs, to be used by the Water System, (b) costs of electricity and other forms of energy supplied to the Water System, (c) the reasonable expenses of management and repair and other costs and expenses necessary to maintain and preserve the Water System in good repair and working order, (d) the reasonable administrative costs of the District attributable to the operation and maintenance of the Water System, such as salaries and wages of employees, overhead, taxes (if any) and insurance premiums, and (e) all other reasonable and necessary costs of the District or charges required to

be paid by it to comply with the terms hereof or of any resolution authorizing the issuance of any Parity Debt or of such Parity Debt, such as compensation, reimbursement and indemnification of any trustees for any such Parity Debt, as well as fees and expenses of Independent Certified Public Accountants, Independent Counsel, Independent Financial Consultants, Independent Engineers and other necessary consultants, but in all cases excluding (i) debt service payable on obligations incurred by the District with respect to the Water System, including but not limited to the Installment Payments and payments on any Parity Debt, (ii) depreciation, replacement and obsolescence charges or reserves therefor, (iii) any costs and expenses paid or incurred by the District relating to the ownership and operation of its hydroelectric operations, and (iv) amortization of intangibles or other bookkeeping entries of a similar nature.

Section 4. 2016 Trust Agreement to Remain in Effect. Save and except as amended by this First Amendment, the 2016 Trust Agreement shall remain in full force and effect.

Section 5. Effectiveness. This First Amendment shall become effective upon the date hereof.

Section 6. Counterparts. This First Amendment may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same instrument.

[Signature Page to Follow on Next Page]

IN WITNESS WHEREOF, the District, the Authority and the Trust Administrator have each caused this First Amendment to 2016 Trust Agreement to be signed in its official capacity, all as of the date first above written.

CALAVERAS COUNTY WATER DISTRICT

By _____
General Manager

Attest:

By _____
Clerk to the Board

CALAVERAS COUNTY WATER DISTRICT
PUBLIC FINANCING AUTHORITY

By _____
Executive Director

Attest:

By _____
Secretary

DIRECTOR OF ADMINISTRATIVE SERVICES,
as Trust Administrator

By _____
Director of Administrative Services

Exhibit B

FORM OF FIRST AMENDMENT TO SERIES 2019 LOAN AGREEMENT

FIRST AMENDMENT TO SERIES 2019 LOAN AGREEMENT

Dated as of February 1, 2025

by and between the

CALAVERAS COUNTY WATER DISTRICT

and

UMPQUA BANK

Relating to and Supplementing the

SERIES 2019 LOAN AGREEMENT

Dated as of February 1, 2019

Relating to

\$5,665,000

**CALAVERAS COUNTY WATER DISTRICT
SERIES 2019 TAXABLE REVENUE REFUNDING LOAN OBLIGATIONS
(CALPERS REFUNDING PROJECT)**

FIRST AMENDMENT TO SERIES 2019 LOAN AGREEMENT

THIS FIRST AMENDMENT TO SERIES 2019 LOAN AGREEMENT (this “First Amendment”), dated as of February 1, 2025, by and between the CALAVERAS COUNTY WATER DISTRICT, a county water district, duly organized and validly existing under the laws of the State (the “District”) and UMPQUA BANK, an Oregon state chartered bank (the “Umpqua Bank”).

WITNESSETH:

WHEREAS, on February 26, 2019, the District issued its “Series 2019 Taxable Revenue Refunding Loan Obligations (CalPERS Refunding Project)” (the “2019 Obligations”), pursuant to a Series 2019 Loan Agreement, dated as of February 1, 2019, between Umpqua Bank and the District (the “2019 Loan Agreement”); and

WHEREAS, the 2019 Loan Agreement, along with the respective rights and obligations of the District and Umpqua Bank as the owners of the 2019 Obligations (the “Owners”), may be modified or amended at any time through a supplemental agreement mutually executed by both parties; and

WHEREAS, the Board has determined that establishing a dedicated hydroelectric enterprise, separate from the District’s other enterprise and general fund operations, is in the best interest of the District and its ratepayers; and

WHEREAS, the 2019 Loan Agreement currently includes a pledge of net revenues derived from hydroelectric operations; and

WHEREAS, the District has determined that it is necessary to amend the 2019 Loan Agreement to legally release the pledge of hydroelectric revenues from the bond covenants, as provided and secured through this First Amendment; and

NOW, THEREFORE, THIS FIRST AMENDMENT TO 2019 LOAN AGREEMENT WITNESSETH:

That in consideration of the premises, the acceptance of the trusts originally created by the 2019 Loan Agreement, the mutual covenants contained therein and the purchase and acceptance of the 2019 Obligations by the Owners thereof, and for other valuable consideration, the receipt of which is hereby acknowledged, and in order to secure the payment of the principal of, premium, if any, and interest on the 2019 Obligations according to their tenor and effect, and the performance and observance by the District, the Authority and the Trust Administrator of all of the covenants and conditions in the 2019 Loan Agreement contained on its part to be performed, it is agreed by and between the District, the Authority and the Trust Administrator as follows:

Section 1. First Amendment to 2019 Loan Agreement. This First Amendment is supplemental and amendatory to the 2019 Loan Agreement.

Section 2. Authority for First Amendment. This First Amendment is entered into pursuant to the provisions of Section 8.1 of the 2019 Loan Agreement.

Section 3. Amendment of the 2019 Loan Agreement. The 2019 Loan Agreement is hereby amended as follows:

(a) The definition of Gross Revenues contained in Section 1.1 of the 2019 Loan Agreement is amended in its entirety to read as follows:

“Gross Revenues” means, as to each Enterprise, for any Fiscal Year or other period, all gross income and revenue received or receivable by the District from the ownership and operation of the corresponding respective Enterprise, calculated in accordance with Generally Accepted Accounting Principles, including, but not limited to all rates, fees, charges (including connection fees), insurance proceeds and condemnation awards received by the District and all other income and revenue howsoever derived by the District from the corresponding respective Enterprise, including, without limitation, property taxes, interest income, and all other operating and nonoperating revenue; provided, however, that (i) any specific charges levied for the express purpose of reimbursing others for all or a portion of the cost of the acquisition or construction of specific water facilities, (ii) grants that are designated by the grantor for a specific water purpose and are therefore not available for other purposes, or (iii) customers’ deposits or any other related deposits subject to refund until such deposits have become the property of the District, (iv) any and all income and revenue received or receivable by the District from the ownership and operation of its hydroelectric operations, and (v) the proceeds of any special assessments or special taxes levied upon real property within any improvement district served by the District for the purpose of paying special assessment bonds or special tax obligations of the District relating to the Water System or Wastewater System, as applicable, are not Gross Revenues and are not subject to the lien hereof.

(b) The definition of Operation and Maintenance Expenses contained in Section 1.1 of the 2019 Loan Agreement is amended in its entirety to read as follows:

“Operation and Maintenance Expenses” means, with respect to the Water Enterprise or the Wastewater Enterprise, as applicable, all reasonable and necessary costs and expenses paid or incurred by the District for maintaining and operating the Water Enterprise or the Wastewater Enterprise, as the case may be, determined in accordance with generally accepted accounting principles, including but not limited to (a) all reasonable expenses of management and repair and other expenses necessary to operate, maintain and preserve the Water Enterprise or the Wastewater Enterprise as the case may be, in good repair and working order, (b) all administrative costs of the District that are charged directly or apportioned to the operation of the Water Enterprise or the Wastewater Enterprise, as the case may be, such as salaries and wages of employees, overhead, taxes (if any) and insurance, and (c) administrative costs of the Obligation which the District is required to pay hereunder, including Additional Payments. “Operation and Maintenance Costs” do not include (i) payments of debt service on bonds, notes, contracts or other obligations issued by the District with respect to the Water Enterprise or the Wastewater Enterprise, as applicable, (ii) depreciation, replacement and obsolescence charges or reserves therefor, (iii) any costs and expenses paid or incurred by the District relating to the ownership and operation of its

hydroelectric operations, and (iv) amortization of intangibles or other bookkeeping entries of a similar nature.

Section 4. 2019 Loan Agreement to Remain in Effect. Save and except as amended by this First Amendment, the 2019 Loan Agreement shall remain in full force and effect.

Section 5. Effectiveness. This First Amendment shall become effective upon the date hereof.

Section 6. Counterparts. This First Amendment may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the District and Umpqua Bank have each caused this First Amendment to 2019 Loan Agreement to be signed in its official capacity, all as of the date first above written.

CALAVERAS COUNTY WATER DISTRICT

By _____
General Manager

Attest:

By _____
Clerk to the Board

UMPQUA BANK,
an Oregon state chartered bank

By _____
Authorized Officer

Exhibit C

FORM OF FIRST AMENDMENT TO 2021 TRUST AGREEMENT

FIRST AMENDMENT TO 2021 TRUST AGREEMENT

Dated as of February 1, 2025

by and among the

CALAVERAS COUNTY WATER DISTRICT

and the

CALAVERAS COUNTY WATER DISTRICT PUBLIC FINANCING AUTHORITY

and the

**DIRECTOR OF ADMINISTRATIVE SERVICES
OF THE CALAVERAS COUNTY WATER DISTRICT,
as Trust Administrator**

Relating to and Supplementing the

TRUST AGREEMENT

Dated as of June 1, 2021

Relating to

**\$5,000,000 (not to exceed)
CALAVERAS COUNTY WATER DISTRICT PUBLIC FINANCING AUTHORITY
(Calaveras County, California)
SERIES 2021 WATER REVENUE CERTIFICATE OF PARTICIPATION
(Automatic Radio Read Meter Project)
BANK QUALIFIED**

FIRST AMENDMENT TO 2021 TRUST AGREEMENT

THIS FIRST AMENDMENT TO TRUST AGREEMENT (this “First Amendment”), dated as of February 1, 2025, by and among the CALAVERAS COUNTY WATER DISTRICT PUBLIC FINANCING AUTHORITY (the “Authority”), a joint powers authority duly created and lawfully existing under the laws of the State of California (the “State”), the CALAVERAS COUNTY WATER DISTRICT, a county water district, duly organized and validly existing under the laws of the State (the “District”) and DIRECTOR OF ADMINISTRATIVE SERVICES OF THE CALAVERAS COUNTY WATER DISTRICT, as Trust Administrator (the “Trust Administrator”).

WITNESSETH:

WHEREAS, on June 24, 2021, the District, through the Authority, issued its “Series 2021 Water Revenue Certificates of Participation (Automatic Radio Read Meter Project), Bank Qualified” (the “2021 Obligations”), secured by an Installment Sale Agreement, dated as of June 1, 2021 (the “2021 Installment Sale Agreement”), by and between the District and the Authority, and issued in accordance with a Trust Agreement, dated as of June 1, 2021 (the “2021 Trust Agreement”), by and among the District, the Authority and the Trust Administrator; and

WHEREAS, the 2021 Installment Sale Agreement and the 2021 Trust Agreement and the corresponding rights and obligations of the District, Authority and of the owners of the 2021 Obligations (the “Owners” or “2021 Bond Owners”), may be modified or amended at any time by a supplemental agreement which shall become effective when the written consent of the Owners of at least sixty percent (60%) in aggregate principal amount of the 2021 Obligations then Outstanding; and

WHEREAS, the Board has determined that establishing a dedicated hydroelectric enterprise, separate from its other enterprise and general fund operations, is in the best interest of the District and its ratepayers; and

WHEREAS, the 2021 Installment Sale Agreement and 2021 Trust Agreement currently include a pledge of net revenues from hydroelectric operations; and

WHEREAS, the District has determined that it is necessary to amend the 2021 Trust Agreement to legally release the pledge of hydroelectric revenues from the bond covenants, as provided and secured through this First Amendment; and

NOW, THEREFORE, THIS FIRST AMENDMENT TO 2021 TRUST AGREEMENT WITNESSETH:

That in consideration of the premises, the acceptance by the Trust Administrator of the trusts originally created by the 2021 Trust Agreement, the mutual covenants contained therein and the purchase and acceptance of the 2021 Obligations by the Owners thereof, and for other valuable consideration, the receipt of which is hereby acknowledged, and in order to secure the payment of the principal of, premium, if any, and interest on the 2021 Obligations according to their tenor and

effect, and the performance and observance by the District, the Authority and the Trust Administrator of all of the covenants and conditions in the 2021 Trust Agreement contained on its part to be performed, it is agreed by and between the District, the Authority and the Trust Administrator as follows:

Section 1. First Amendment to 2021 Trust Agreement. This First Amendment is supplemental and amendatory to the 2021 Trust Agreement.

Section 2. Authority for First Amendment. This First Amendment is entered into pursuant to the provisions of Sections 10.01(a) and 10.02 of the 2021 Trust Agreement.

Section 3. Amendment of the 2021 Trust Agreement. The 2021 Trust Agreement is hereby amended as follows:

(a) The definition of Gross Revenues contained in Section 1.01 of the 2021 Trust Agreement is amended in its entirety to read as follows:

“Gross Revenues” means all gross income and revenue received or receivable by the District from the ownership and operation of the Water System, calculated in accordance with Generally Accepted Accounting Principles, including all rates, fees, charges (including connection fees), insurance proceeds and condemnation awards received by the District and all other income and revenue howsoever derived by the District from the Water System, including, without limitation, property taxes, interest income, and all other operating and non-operating revenue; provided, however, that (i) any specific charges levied for the express purpose of reimbursing others for all or a portion of the cost of the acquisition or construction of specific water facilities, (ii) grants that are designated by the grantor for a specific water purpose and are therefore not available for other purposes, or (iii) customers’ water related deposits or any other water related deposits subject to refund until such deposits have become the property of the District, (iv) any and all income and revenue received or receivable by the District from the ownership and operation of its hydroelectric operations, and (v) the proceeds of any special assessments or special taxes levied upon real property within any improvement district served by the District for the purpose of paying special assessment bonds or special tax obligations of the District relating to the Water System, are not Gross Revenues and are not subject to the lien hereof.

(b) The definition of Operation and Maintenance Expenses contained in Section 1.01 of the 2021 Trust Agreement is amended in its entirety to read as follows:

“Operation and Maintenance Expenses” means the reasonable and necessary costs and expenses paid or incurred by the District for maintaining and operating the Water System, determined in accordance with Generally Accepted Accounting Principles, including but not limited to (a) costs of acquisition of water, including all associated treatment and delivery costs, to be used by the Water System, (b) costs of electricity and other forms of energy supplied to the Water System, (c) the reasonable expenses of management and repair and other costs and expenses necessary to maintain and preserve the Water System in good repair and working order, (d) the reasonable administrative costs of the District attributable to the operation and maintenance of the Water System, such as salaries and wages of employees, overhead, taxes (if any) and insurance premiums, and (e) all other reasonable and necessary costs of the District or charges required to

be paid by it to comply with the terms hereof or of any resolution authorizing the issuance of any Parity Debt or of such Parity Debt, such as compensation, reimbursement and indemnification of any trustees for any such Parity Debt, as well as fees and expenses of Independent Certified Public Accountants, Independent Counsel, Independent Financial Consultants, Independent Engineers and other necessary consultants, but in all cases excluding (i) debt service payable on obligations incurred by the District with respect to the Water System, including but not limited to the Installment Payments and payments on any Parity Debt, (ii) depreciation, replacement and obsolescence charges or reserves therefor, (iii) any costs and expenses paid or incurred by the District relating to the ownership and operation of its hydroelectric operations, and (iv) amortization of intangibles or other bookkeeping entries of a similar nature.

Section 4. 2021 Trust Agreement to Remain in Effect. Save and except as amended by this First Amendment, the 2021 Trust Agreement shall remain in full force and effect.

Section 5. Effectiveness. This First Amendment shall become effective upon the date hereof.

Section 6. Counterparts. This First Amendment may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same instrument.

[Signature Page to Follow on Next Page]

IN WITNESS WHEREOF, the District, the Authority and the Trust Administrator have each caused this First Amendment to 2021 Trust Agreement to be signed in its official capacity, all as of the date first above written.

CALAVERAS COUNTY WATER DISTRICT

By _____
General Manager

Attest:

By _____
Clerk to the Board

CALAVERAS COUNTY WATER DISTRICT
PUBLIC FINANCING AUTHORITY

By _____
Executive Director

Attest:

By _____
Secretary

DIRECTOR OF ADMINISTRATIVE SERVICES,
as Trust Administrator

By _____
Director of Administrative Services

Exhibit D

**FORM OF FIRST AMENDMENT TO
2022 WATER INSTALLMENT PURCHASE CONTRACT**

**FIRST AMENDMENT TO
2022 WATER INSTALLMENT PURCHASE CONTRACT**

Dated as of February 1, 2025

by and among the

CALAVERAS COUNTY WATER DISTRICT

and the

CALAVERAS COUNTY WATER DISTRICT PUBLIC FINANCING AUTHORITY

and

WEBSTER BANK

Relating to and Supplementing the

INSTALLMENT PURCHASE CONTRACT

Dated as of June 1, 2022

FIRST AMENDMENT TO 2022 WATER INSTALLMENT PURCHASE CONTRACT

THIS FIRST AMENDMENT TO 2022 WATER INSTALLMENT PURCHASE CONTRACT (this “First Amendment”), dated as of February 1, 2025, by and among the CALAVERAS COUNTY WATER DISTRICT PUBLIC FINANCING AUTHORITY (the “Authority”), a joint powers authority duly created and lawfully existing under the laws of the State of California (the “State”), CALAVERAS COUNTY WATER DISTRICT, a county water district, duly organized and validly existing under the laws of the State (the “District”) and Webster Bank, National Association (the “Webster Bank”).

WITNESSETH:

WHEREAS, on June 16, 2022, the District issued its “Series 2022 Water Obligations” (the “2022 Water Obligations”), pursuant to an Installment Purchase Contract, dated as of June 1, 2022, between the Authority and the District (the “2022 Water Agreement”), the rights of which have been assigned by the Authority to Webster Bank pursuant to an Assignment Agreement, dated as of June 1, 2022, between the Authority and Webster Bank (the “Assignment Agreement”); and

WHEREAS, the 2022 Water Agreement, along with the respective rights and obligations of the Authority, the District and Webster Bank, may be modified or amended at any time through a supplemental agreement mutually executed by applicable parties; and

WHEREAS, the Board has determined that establishing a dedicated hydroelectric enterprise, separate from the District’s other enterprise and general fund operations, is in the best interest of the District and its ratepayers; and

WHEREAS, the 2022 Water Agreement currently includes a pledge of net revenues derived from hydroelectric operations; and

WHEREAS, the District has determined that it is necessary to amend the 2022 Water Agreement to legally release the pledge of hydroelectric revenues from the bond covenants, as provided and secured through this First Amendment; and

NOW, THEREFORE, THIS FIRST AMENDMENT TO 2022 WATER AGREEMENT WITNESSETH:

That in consideration of the premises, the acceptance of the trusts originally created by the 2022 Water Agreement, the mutual covenants contained therein, and for other valuable consideration, the receipt of which is hereby acknowledged, and in order to secure the payment of the principal of, premium, if any, and interest on the 2022 Water Obligations according to their tenor and effect, and the performance and observance by the District, the Authority and Webster Bank of all of the covenants and conditions in the 2022 Water Agreement and Assignment Agreement contained on its part to be performed, it is agreed by and between the District, the Authority and Webster Bank as follows:

Section 1. First Amendment to 2022 Water Agreement. This First Amendment is supplemental and amendatory to the 2022 Water Agreement.

Section 2. Authority for First Amendment. This First Amendment is entered into pursuant to the provisions of Section 8.12 of the 2022 Water Agreement.

Section 3. Amendment of the 2022 Water Agreement. The 2022 Water Agreement is hereby amended as follows:

(a) The definition of Revenues contained in Section 1.01 of the 2022 Water Agreement is amended in its entirety to read as follows:

“Revenues” means all gross income and revenue received or receivable by the District from the ownership and operation of the Enterprise, calculated in accordance with Generally Accepted Accounting Principles, including all rates, fees, charges (including connection fees), insurance proceeds and condemnation awards received by the District and all other income and revenue howsoever derived by the District from the Enterprise, including, without limitation, property taxes, interest income, and all other operating and non-operating revenue; provided, however, that (i) any specific charges levied for the express purpose of reimbursing others for all or a portion of the cost of the acquisition or construction of specific water facilities, (ii) grants that are designated by the grantor for a specific water purpose and are therefore not available for other purposes, (iii) any and all income and revenue received or receivable by the District from the ownership and operation of its hydroelectric operations, or (iv) customers’ water related deposits or any other water related deposits subject to refund until such deposits have become the property of the District, are not Revenues and are not subject to the lien hereof. Notwithstanding the foregoing, there shall be deducted from Revenues any amounts (of Revenues) transferred into the Rate Stabilization Fund as contemplated by Section 3.05(c) hereof, and there shall be added to Revenues any amounts transferred out of the Rate Stabilization Fund and into the Revenue Fund, as contemplated by Section 3.05(c) hereof

(b) The definition of Maintenance and Operation Costs contained in Section 1.01 of the 2022 Water Agreement is amended in its entirety to read as follows:

“Maintenance and Operation Costs” means the reasonable and necessary costs and expenses paid or incurred by the District for maintaining and operating the Enterprise, determined in accordance with Generally Accepted Accounting Principles, including but not limited to (a) costs of acquisition of water, including all associated treatment and delivery costs, to be used by the Enterprise, (b) costs of electricity and other forms of energy supplied to the Enterprise, (c) the reasonable expenses of management and repair and other costs and expenses necessary to maintain and preserve the Enterprise in good repair and working order, (d) the reasonable administrative costs of the District attributable to the operation and maintenance of the Enterprise, such as salaries and wages of employees, overhead, taxes (if any) and insurance premiums, and (e) all other reasonable and necessary costs of the District or charges required to be paid by it to comply with the terms hereof or of any resolution authorizing the issuance of any Parity Obligations or of such Parity Obligations, such as compensation, reimbursement and indemnification of the trustee for any such Parity Obligations and fees and expenses of Independent Certified Public Accountants and independent engineers, but in all cases excluding (i) debt service payable on obligations

incurred by the District with respect to the Enterprise, (ii) depreciation, replacement and obsolescence charges or reserves therefor, (iii) any costs and expenses paid or incurred by the District relating to the ownership and operation of its hydroelectric operations, and (iv) amortization of intangibles or other bookkeeping entries of a similar nature.

Section 4. 2022 Water Agreement to Remain in Effect. Save and except as amended by this First Amendment, the 2022 Water Agreement shall remain in full force and effect.

Section 5. Effectiveness. This First Amendment shall become effective upon the date hereof.

Section 6. Counterparts. This First Amendment may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same instrument.

[Signature Page to Follow on Next Page]

IN WITNESS WHEREOF, the District and Webster Bank have each caused this First Amendment to 2022 Water Agreement to be signed in its official capacity, all as of the date first above written.

CALAVERAS COUNTY WATER DISTRICT

By _____
General Manager

Attest:

By _____
Clerk to the Board

**CALAVERAS COUNTY WATER DISTRICT
PUBLIC FINANCING AUTHORITY**

By _____
Executive Director

Attest:

By _____
Secretary

WEBSTER BANK, NATIONAL ASSOCIATION

By _____
Kevin C. King
Senior Managing Director

Exhibit E

**FORM OF FIRST AMENDMENT TO
2022 WASTEWATER INSTALLMENT PURCHASE CONTRACT**

**FIRST AMENDMENT TO
2022 WASTEWATER INSTALLMENT PURCHASE CONTRACT**

Dated as of February 1, 2025

by and among the

CALAVERAS COUNTY WATER DISTRICT

and the

CALAVERAS COUNTY WATER DISTRICT PUBLIC FINANCING AUTHORITY

and

FIRST FOUNDATION PUBLIC FINANCE

Relating to and Supplementing the

INSTALLMENT PURCHASE CONTRACT

Dated as of June 1, 2022

FIRST AMENDMENT TO 2022 WASTEWATER INSTALLMENT PURCHASE CONTRACT

THIS FIRST AMENDMENT TO 2022 WASTEWATER INSTALLMENT PURCHASE CONTRACT (this “First Amendment”), dated as of February 1, 2025, by and among the CALAVERAS COUNTY WATER DISTRICT PUBLIC FINANCING AUTHORITY (the “Authority”), a joint powers authority duly created and lawfully existing under the laws of the State of California (the “State”), CALAVERAS COUNTY WATER DISTRICT, a county water district, duly organized and validly existing under the laws of the State (the “District”) and First Foundation Public Finance, a Delaware statutory trust and a wholly-owned subsidiary of First Foundation Bank (“First Foundation”).

WITNESSETH:

WHEREAS, on June 16, 2022, the District issued its “Series 2022 Wastewater Obligations” (the “2022 Wastewater Obligations”), pursuant to an Installment Purchase Contract, dated as of June 1, 2022, between the Authority and the District (the “2022 Wastewater Agreement”), the rights of which have been assigned by the Authority to First Foundation pursuant to an Assignment Agreement, dated as of June 1, 2022, between the Authority and First Foundation (the “Assignment Agreement”); and

WHEREAS, the 2022 Wastewater Agreement, along with the respective rights and obligations of the Authority, the District and First Foundation, may be modified or amended at any time through a supplemental agreement mutually executed by applicable parties; and

WHEREAS, the Board has determined that establishing a dedicated hydroelectric enterprise, separate from the District’s other enterprise and general fund operations, is in the best interest of the District and its ratepayers; and

WHEREAS, the 2022 Wastewater Agreement currently includes a pledge of net revenues derived from hydroelectric operations; and

WHEREAS, the District has determined that it is necessary to amend the 2022 Wastewater Agreement to legally release the pledge of hydroelectric revenues from the bond covenants, as provided and secured through this First Amendment; and

NOW, THEREFORE, THIS FIRST AMENDMENT TO 2022 WASTEWATER AGREEMENT WITNESSETH:

That in consideration of the premises, the acceptance of the trusts originally created by the 2022 Wastewater Agreement, the mutual covenants contained therein, and for other valuable consideration, the receipt of which is hereby acknowledged, and in order to secure the payment of the principal of, premium, if any, and interest on the 2022 Wastewater Obligations according to their tenor and effect, and the performance and observance by the District, the Authority and First Foundation of all of the covenants and conditions in the 2022 Wastewater Agreement and Assignment Agreement contained on its part to be performed, it is agreed by and between the District, the Authority and First Foundation as follows:

Section 1. First Amendment to 2022 Wastewater Agreement. This First Amendment is supplemental and amendatory to the 2022 Wastewater Agreement.

Section 2. Authority for First Amendment. This First Amendment is entered into pursuant to the provisions of Section 8.12 of the 2022 Wastewater Agreement.

Section 3. Amendment of the 2022 Wastewater Agreement. The 2022 Wastewater Agreement is hereby amended as follows:

(a) The definition of Revenues contained in Section 1.01 of the 2022 Wastewater Agreement is amended in its entirety to read as follows:

“Revenues” means all gross income and revenue received or receivable by the District from the ownership and operation of the Enterprise, calculated in accordance with Generally Accepted Accounting Principles, including all rates, fees, charges (including connection fees), insurance proceeds and condemnation awards received by the District and all other income and revenue howsoever derived by the District from the Enterprise, including, without limitation, property taxes, interest income, and all other operating and non-operating revenue; provided, however, that (i) any specific charges levied for the express purpose of reimbursing others for all or a portion of the cost of the acquisition or construction of specific wastewater facilities, (ii) grants that are designated by the grantor for a specific wastewater purpose and are therefore not available for other purposes, (iii) any and all income and revenue received or receivable by the District from the ownership and operation of its hydroelectric operations, or (iv) customers’ wastewater related deposits or any other wastewater related deposits subject to refund until such deposits have become the property of the District, are not Revenues and are not subject to the lien hereof. Notwithstanding the foregoing, there shall be deducted from Revenues any amounts (of Revenues) transferred into the Rate Stabilization Fund as contemplated by Section 3.05(c) hereof, and there shall be added to Revenues any amounts transferred out of the Rate Stabilization Fund and into the Revenue Fund, as contemplated by Section 3.05(c) hereof

(b) The definition of Maintenance and Operation Costs contained in Section 1.01 of the 2022 Wastewater Agreement is amended in its entirety to read as follows:

“Maintenance and Operation Costs” means the reasonable and necessary costs and expenses paid or incurred by the District for maintaining and operating the Enterprise, determined in accordance with Generally Accepted Accounting Principles, including but not limited to (a) costs of treating or disposing of sewage, (b) costs of electricity and other forms of energy supplied to the Enterprise, (c) the reasonable expenses of management and repair and other costs and expenses necessary to maintain and preserve the Enterprise in good repair and working order, (d) the reasonable administrative costs of the District attributable to the operation and maintenance of the Enterprise, such as salaries and wages of employees, overhead, taxes (if any) and insurance premiums, and (e) all other reasonable and necessary costs of the District or charges required to be paid by it to comply with the terms hereof or of any resolution authorizing the issuance of any Parity Obligations or of such Parity Obligations, such as compensation, reimbursement and indemnification of the trustee for any such Parity Obligations and fees and expenses of Independent Certified Public Accountants and independent engineers, but in all cases excluding

(i) debt service payable on obligations incurred by the District with respect to the Enterprise, (ii) depreciation, replacement and obsolescence charges or reserves therefor, (iii) any costs and expenses paid or incurred by the District relating to the ownership and operation of its hydroelectric operations, and (iv) amortization of intangibles or other bookkeeping entries of a similar nature.

Section 4. 2022 Wastewater Agreement to Remain in Effect. Save and except as amended by this First Amendment, the 2022 Wastewater Agreement shall remain in full force and effect.

Section 5. Effectiveness. This First Amendment shall become effective upon the date hereof.

Section 6. Counterparts. This First Amendment may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same instrument.

[Signature Page to Follow on Next Page]

IN WITNESS WHEREOF, the District and First Foundation have each caused this First Amendment to 2022 Wastewater Agreement to be signed in its official capacity, all as of the date first above written.

CALAVERAS COUNTY WATER DISTRICT

By _____
General Manager

Attest:

By _____
Clerk to the Board

**CALAVERAS COUNTY WATER DISTRICT
PUBLIC FINANCING AUTHORITY**

By _____
Executive Director

Attest:

By _____
Secretary

**FIRST FOUNDATION PUBLIC FINANCE,
a Delaware statutory trust and a wholly-owned
subsidiary of First Foundation Bank**

By _____
Authorized Signatory

3d

A G E N D A
I T E M

3d

Agenda Item

DATE: February 18, 2025

TO: Finance Committee

FROM: Jeffrey Meyer, Director of Administrative Services

SUBJECT: Discussion/Direction Regarding the PFM Investment Policy Statement for the District's Other Post Employment Benefits Trust

RECOMMENDED ACTION:

Discussion/Direction Regarding the PFM Investment Policy Statement for the District's Other Post Employment Benefits Trust.

SUMMARY:

The District maintains an IRS Section 115 trust (Trust) to help fund the District's Other Post Employment Benefits (OPEB) with the Public Employees' Retirement Services (PARS). This account has existed for over fifteen years and can help fund retiree health benefits.

U.S. Bank partners with PARS to serve as trustee, and its sub-adviser, HighMark Capital Management, Inc., has provided investment management services for the program. HighMark Capital was recently purchased by U.S. Bank and has been merged into U.S. Bank's asset management division, Public Financial Management Group (PFM). PFM requires that the District adopt an Investment Policy Statement (attached) for its OPEB Trust.

Staff met with Andrew Brown of PFM, reviewed the Investment Policy Statement, and provided comments. The proposed Investment Policy Statement (attached) incorporates those changes. Staff will review the Investment Policy Statement and address questions and comments from the Finance Committee. Staff also requests direction from the Finance Committee prior to presenting the item to the Board of Directors.

FINANCIAL CONSIDERATIONS:

None at this time.

Attachment: Proposed Investment Policy Statement for Calaveras County Water District - Other Post Employment Benefits Trust

INVESTMENT POLICY STATEMENT
FOR
CALAVERAS COUNTY WATER DISTRICT
OTHER POST-EMPLOYMENT BENEFITS TRUST

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The Calaveras County Water District “District” has established the Calaveras County Water District Other Post-Employment Benefits Trust (the “Trust”). This Trust is intended to provide funding of non-pension post-employment benefits (“OPEB”) for those employees who meet the age and service requirements. The Board of Directors for the District hereby adopt this Investment Policy Statement (“Policy Statement”) for the following purposes.

Purpose

The main investment objective of the Trust is to achieve long-term growth of Trust assets by maximizing long-term rate of return on investments and minimizing risk of loss to fulfill the District’s current and long-term OPEB obligations.

The purpose of this Policy Statement is to achieve the following:

1. Document investment objectives, performance expectations and investment guidelines for Trust assets.
2. Establish an appropriate investment strategy for managing all Trust assets, including an investment time horizon, risk tolerance ranges and asset allocation to provide sufficient diversification and overall return over the long-term time horizon of the Trust.
3. Establish investment guidelines to control overall risk and liquidity.
4. Establish periodic performance reporting requirements to monitor investment results and confirm that the investment policy is being followed.
5. Comply with fiduciary, prudence, due diligence and legal requirements for Trust assets.

Investment Authority

The Board of Directors of the District has appointed the Plan Administrator, (the “Administrator”) to oversee certain policies and procedures related to the operation and administration of the Trust. The Administrator will have authority to implement the investment policy and guidelines in the best interest of the Trust to best satisfy the purposes of the Trust. In implementing this Policy Statement, the Administrator believes it may delegate certain functions to:

1. An investment advisor (“Advisor”) to assist the Administrator in the investment process and to maintain compliance with this Policy Statement. The Advisor may assist the Administrator in establishing investment policy objectives and guidelines. The Advisor will adjust asset allocation for the Trust subject to the guidelines and limitations set forth in this Policy Statement. The Advisor will also select investment managers (“Managers”) and strategies consistent with its role as a fiduciary for the Trust. The investment vehicles allowed may include mutual funds,

commingled trusts, separate accounts, limited partnerships and other investment vehicles deemed to be appropriate by the Advisor. The Advisor is also responsible for monitoring and reviewing investment managers; measuring and evaluating performance; and other tasks as deemed appropriate in its role as Advisor for Trust assets. The Advisor may also select investments with discretion to purchase, sell, or hold specific securities, such as Exchange Traded Funds, that will be used to meet the Trust's investment objectives. The Advisor shall never take possession of securities, cash or other assets of the Trust, all of which shall be held by the custodian. The Advisor must be registered with the Securities and Exchange Commission.

2. A custodian selected by the Trust to maintain possession of physical securities and records of street name securities owned by the Trust, collect dividend and interest payments, redeem maturing securities, and effect receipt and delivery following purchases and sales. The custodian may also perform regular accounting of all assets owned, purchased, or sold, as well as movement of assets into and out of the Trust.
3. A trustee appointed by the Trust, such as a bank trust department, if the Trust does not have its own Trustees, to assume fiduciary responsibility for the administration of Trust assets; provided, however, that if the Administrator shall have appointed an investment advisor, then any trustee appointed under this paragraph shall have no authority with respect to selection of investments.
4. Specialists such as attorneys, auditors, actuaries and, retirement plan consultants to assist the Administrator in meeting its responsibilities and obligations to administer Trust assets prudently.

Statement of Investment Objectives

The investment objectives of the Trust are as follows:

1. To invest assets of the Trust in a manner consistent with the following fiduciary standards: (a) all transactions undertaken must be for the sole interest of Trust beneficiaries, and (b) assets are to be diversified in order to minimize the impact of large losses from individual investments.
2. To provide for funding and anticipated withdrawals on a continuing basis for payment of benefits and reasonable expenses of operation of the Trust.
3. To enhance the value of Trust assets in real terms over the long-term through asset appreciation and income generation, while maintaining a reasonable investment risk profile.
4. Subject to performance expectations over the long-term, to minimize principal fluctuations over the Time Horizon (as defined below).
5. To achieve a long-term level of return commensurate with contemporary economic conditions and equal to or exceeding the investment objective set forth in this Policy Statement under the section labeled "Performance Expectations".

Investment Guidelines

Within this section of the Policy Statement, several terms will be used to articulate various investment concepts. The descriptions are meant to be general and may share investments otherwise considered to be in the same asset class. They are:

"Growth Assets" - a collection of investments and/or asset classes whose primary risk and return characteristics are focused on capital appreciation. Investments within the Growth Assets category can include income and risk mitigating characteristics, so long as the predominant investment risk and return characteristic is capital appreciation. Examples of such investments or asset classes are: domestic and international equities or equity funds, private or leveraged equity, and certain real estate investments.

"Income Assets" - a collection of investments and/or asset classes whose primary risk and return characteristics are focused on income generation. Investments within the Income Assets category can include capital appreciation and risk mitigating characteristics, so long as the primary investment risk and return characteristic is income generation. Examples of such investments or asset classes are: fixed income securities, guaranteed investment contracts, and certain real estate investments.

"Real Return Assets" - a collection of investments and/or asset classes whose primary risk and return characteristics are focused on real returns, net of inflation. Investments within the Real Return category may include, but are not limited to, inflation protected securities, commodities, certain real estate investments, natural resources, and liquid alternatives.

Time Horizon

The Trust's investment objectives are based on a long-term investment horizon ("Time Horizon") of five years or longer. Interim fluctuations should be viewed with appropriate perspective. The Administrator has adopted a long-term investment horizon such that the risks and duration of investment losses are carefully weighed against the long-term potential for appreciation of assets

Liquidity and Diversification

In general, the Trust may hold some cash, cash equivalent, and/or money market funds for near-term Trust benefits and expenses (the "Trust Distributions"). Remaining assets will be invested in longer-term investments and shall be diversified with the intent to minimize the risk of long-term investment losses. Consequently, the total portfolio will be constructed and maintained to provide diversification with regard to the concentration of holdings in individual issues, issuers, countries, governments or industries.

Asset Allocation

The Administrator believes that to achieve the greatest likelihood of meeting the Trust's investment objectives and the best balance between risk and return for optimal diversification, assets will be invested

in accordance with the targets for each asset class as follows to achieve an average total annual rate of return that is equal to or greater than the Trust’s target rate of return over the long-term, as described in the section titled “Performance Expectations”.

<u>Asset Classes</u>	<u>Asset Weightings</u>	
	<u>Range</u>	<u>Target</u>
Growth Assets		
Domestic Equity	15% - 39%	30.0%
International Equity	1% - 25%	15.0%
Other	0% - 15%	5.0%
Income Assets		
Fixed Income	33% - 60%	48%
Other	0% - 9%	0%
Real Return Assets	0% - 10%	0%
Cash Equivalents	0% - 20%	2%

The Advisor and each Manager will be evaluated against their peers on the performance of the total funds under their direct management.

Rebalancing Philosophy

The asset allocation range established by this Policy Statement represents a long-term perspective. As such, rapid unanticipated market shifts or changes in economic conditions may cause the asset mix to fall outside Policy Statement ranges. When allocations breach the specified ranges, the Advisor will rebalance the assets within the specified ranges. The Advisor may also rebalance based on market conditions.

Risk Tolerance

Subject to investment objectives and performance expectations, the Trust will be managed in a style that seeks to minimize principal fluctuations over the established Time Horizon.

Performance Expectations

Over the long-term, five years or longer, the performance objective for the Trust will be to achieve an average total annual rate of return that is equal to or greater than the Trust’s actuarial discount rate. Additionally, it is expected that the annual rate of return on Trust assets will be commensurate with the

then prevailing investment environment. Measurement of this return expectation will be judged by reviewing returns in the context of industry standard benchmarks, peer universe comparisons for individual Trust investments and blended benchmark comparisons for the Trust in its entirety.

Selection of Investment Managers

The Advisor shall prudently select appropriate Managers to invest the assets of the Trust. Managers must meet the following criteria:

- The Manager must provide historical quarterly performance data compliant with Global Investment Performance Standards (GIPS[®]), Securities & Exchange Commission (“SEC”), Financial Industry Regulatory Agency (“FINRA”) or industry recognized standards, as appropriate.
- The Manager must provide detailed information on the history of the firm, key personnel, support personnel, key clients, and fee schedule (including most-favored-nation clauses). This information can be a copy of a recent Request for Proposal (“RFP”) completed by the Manager or regulatory disclosure.
- The Manager must clearly articulate the investment strategy that will be followed and document that the strategy has been successfully adhered to over time.
- The investment professionals making the investment decisions must have a minimum of three (3) years of experience managing similar strategies either at their current firm or at previous firms.
- Where other than common funds such as mutual funds or commingled trusts are utilized, the Manager must confirm receipt, understanding and adherence to this Policy Statement and any investment specific policies by signing a consent form provided to the Manager prior to investment of Trust assets.

Guidelines for Portfolio Holdings

Direct Investments by Advisor

Every effort shall be made, to the extent practical, prudent and appropriate, to select investments that have investment objectives and policies that are consistent with this Policy Statement (as outlined in the following sub-sections of the “Guidelines for Portfolio Holdings”). However, given the nature of the investments, it is recognized that there may be deviations between this Policy Statement and the objectives of these investments.

Limitations on Portfolio Holdings

EQUITIES

No more than 5% of the total equity portfolio valued at market may be invested in the common equity of any one corporation; ownership of the shares of one company shall not exceed 5% of those outstanding; and not more than 40% of Equity valued at Market may be held in any one sector [excluding Mutual Funds and/or ETFs], as defined by Bloomberg (BB) Sector standards.

Domestic Equities. Other than the above constraints, there are no quantitative guidelines as to issues, industry or individual security diversification. However, prudent diversification standards should be developed and maintained by the Manager.

International Equities. The overall non-U.S. equity allocation should include a diverse global mix that is comprised of the equity of companies from multiple countries, regions and sectors.

FIXED INCOME

Fixed income securities of any one issuer shall not exceed 5% of the total bond portfolio at time of purchase. The 5% limitation does not apply to issues of the U.S. Treasury or other Federal Agencies.

Eligible Investments

- Debt obligations of the U.S. Government, its agencies, and Government Sponsored Enterprises
- Mortgage-Backed Securities (MBS)
- Asset Backed Securities (ABS)
- Collateralized Mortgage Obligations (CMO)
- Commercial Mortgage-Backed Securities (CMBS)
- Corporate debt securities issued by U.S. or foreign entities including, but not limited to, limited partnerships, equipment trust certificates and enhanced equipment trust certificates
- Municipal Bonds
- Fixed income mutual funds.
- Eligible instruments issued pursuant to SEC Rule 144a (only if the Client is a documented Qualified Institutional Buyer ; QIB)

Quality

The individual securities portfolio will maintain a minimum weighted average effective quality of A- at all times. At the time of purchase, individual securities shall have a minimum effective quality rating of BBB-.

For purposes of determining an effective rating, when three agencies rate a security (S&P, Moody's, Fitch) the middle rating will be used. When only two of the three agencies rate a security the lower of the two ratings will be used. When only one agency rates a security that rating will be used.

Duration

The manager will maintain the portfolio duration within +/- 25% of the Bloomberg US Aggregate Bond Index duration at all times for the individual securities portfolio.

OTHER ASSETS (ALTERNATIVES)

Diversifying Liquid Alternatives: Primary objective shall be to enhance the risk-return profile of the overall portfolio. This can be accomplished by using liquid alternative strategies that may enhance returns at a reasonable level of risk or reduce volatility while providing a reasonable level of return. These asset classes may differ from traditional public market asset classes due to the use of certain strategies including short-selling, leverage, and derivatives. Liquid alternatives may also invest across asset classes. For purposes of asset allocation targets and limitations, liquid alternatives funds will be categorized under the specific asset class of the fund. For example, a long/short U.S. equity fund will be categorized as “Other” in the Growth Assets category while a long/short credit fund will be categorized as “Other” in the Income Assets category. Multi-strategy liquid alternatives funds that cannot be easily categorized under one asset class will be included in “Other” under either the Growth Assets or Income Assets category depending on the risk-return profile of the strategy.

Real Assets: Real assets are typically physical assets that have intrinsic worth due to their substance and properties. Real assets are primarily used for their lower correlation to traditional assets (i.e. stocks and bonds) and their inflation hedging properties. Categories of real asset investments include, but are not limited to, real estate, infrastructure, land, farmland, timberland, precious metals, and commodities. Public real assets are publicly traded and liquid. The benefit of lower correlation investments is that, when implemented correctly, these investments can potentially improve a portfolio’s expected risk-adjusted return over the long-term. The real assets category can be extended to include other forms of assets that offer similar inflation hedging properties such as pooled vehicles holding: commodities contracts, Treasury Inflation Protected Securities (“TIPS”), index-linked derivative contracts, certain forms of intellectual property, and the equity of companies in businesses thought to hedge inflation. For purposes of asset allocation targets and limitations, real assets may be categorized as “Other” under either the Growth Assets or Income Assets category or in the Real Return Assets category, depending on the nature and risk/return profile of the investment.

CASH EQUIVALENTS

Cash equivalents shall be held in funds complying with Rule 2(a)-7 of the Investment Company Act of 1940.

Portfolio Risk Hedging

Portfolio investments designed to hedge various risks including volatility risk, interest rate risk, etc. are allowed to the extent that the investments are not used for the sole purpose of leveraging Trust assets. One example of a hedge vehicle is an exchange traded fund (“ETF”) which takes short positions.

Prohibited Investments

Except for purchase within authorized investments, securities having the following characteristics are not authorized and shall not be purchased: letter stock and other unregistered securities, direct commodities or commodity contracts, or private placements (with the exception of Rule 144A securities). Further, derivatives, options, or futures for the sole purpose of direct portfolio leveraging are prohibited. Direct/physical ownership of real estate, natural resource properties such as oil, gas or timber and the purchase of collectibles is also prohibited.

Safekeeping

All assets of the Trust shall be held by a custodian approved by the Administrator for safekeeping of Trust assets. The custodian shall produce statements on a monthly basis, listing the name and value of all assets held, and the dates and nature of all transactions in accordance with the terms in the Trust Agreement. Investments of the Trust not held as liquidity or investment reserves shall, at all times, be invested in interest-bearing accounts. Investments and portfolio securities may not be loaned.

Control Procedures

Review of Investment Objectives

The Advisor shall review annually and report to the Administrator the appropriateness of this Policy Statement for achieving the Trust's stated objectives. It is not expected that this Policy Statement will change frequently. In particular, short-term changes in the financial markets should not require an adjustment in this Policy Statement.

Review of Investment Performance

The Advisor shall report on a quarterly basis to the Administrator to review the investment performance of the Trust. In addition, the Advisor will be responsible for keeping the Administrator advised of any material change in investment strategy, Managers, and other pertinent information potentially affecting performance of the Trust.

The Advisor shall compare the investment results on a quarterly basis to appropriate peer universe benchmarks, as well as market indices in both equity and fixed income markets. Examples of benchmarks and indexes that will be used include the Russell 3000 Index for broad U.S. equity strategies; S&P 500 Index for large cap U.S. equities, Russell 2000 Index for small cap U.S. equities, MSCI ACWI ex-U.S. Index for broad based non-U.S. equity strategies, MSCI Europe, Australasia, and Far East (EAFE) Index for developed markets international equities, Bloomberg US Aggregate Bond Index for fixed income securities, and the U.S. 91 Day T-bill for cash equivalents. The Russell 3000 Index will be used to benchmark the U.S. equities portfolio; the MSCI ACWI ex-U.S. Index will be used to benchmark the non-U.S. equities portfolio; the Bloomberg US Aggregate Bond Index will be used to benchmark the fixed income portfolio. The categories "Other" will be benchmarked against appropriate indices depending on the specific characteristics of the strategies and funds used.

Voting of Proxies

The Administrator recognizes that proxies are a significant and valuable tool in corporate governance. The voting rights of individual stocks held in separate accounts or collective, common, or pooled funds will be exercised by the investment managers in accordance with their own proxy voting policies. The voting rights of funds will be exercised by the Advisor.

Adoption of Investment Policy Statement

Any changes and exceptions to this Policy Statement will be made in writing and adopted by the Administrator. Once adopted, changes and exceptions will be delivered to each Manager, as appropriate, by the Advisor.

Approved by the Calaveras County Water District Plan Administrator:

General Manager

Date

Acknowledged by PFMAM Investment Manager:

Member

Date