



Board Meeting Agenda

Russ Baggerly, Director
Angelo Spandrio, Director
Brian Brennan, Director

Pete Kaiser, Director
James Word, Director

CASITAS MUNICIPAL WATER DISTRICT
Casitas Board Room
1055 Ventura Ave.
Oak View, CA 93022
December 12, 2018 @ 6:00 P.M.

Right to be heard: Members of the public have a right to address the Board directly on any item of interest to the public which is within the subject matter jurisdiction of the Board. The request to be heard should be made immediately before the Board's consideration of the item. No action shall be taken on any item not appearing on the agenda unless the action is otherwise authorized by subdivision (b) of ¶54954.2 of the Government Code and except that members of a legislative body or its staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights under section 54954.3 of the Government Code.

1. Roll Call
2. Swear in New Directors for Division 1 and Division 4.
3. Appoint temporary Board Officers for the position of Secretary and Vice President.
4. Public comments (Items not on the agenda – three minute limit).
5. General Manager Comments
6. Board of Director Comments
7. Board of Director Verbal Reports on Meetings Attended
8. Consent Agenda
 - a. Minutes of the November 28, 2018 Board Meeting
9. Review of District Accounts Payable Report for the Period of 11/21/18 - 12/05/18.

RECOMMENDED ACTION: Motion approving report.

10. Stage 4 Drought Declaration Public Hearing
 - a. Staff Comments
 - b. Board Member Comments
 - c. Public Comments
 - d. Resolution Declaring a Stage 4 Water Supply Condition at Lake Casitas.

RECOMMENDED ACTION: Adopt Resolution

11. Notice of Completion for La Conchita System Improvements.

RECOMMENDED ACTION: Motion approving Notice of Completion

12. Recommend awarding a purchase order contract to Great Western Recreation in the amount of \$33,085 for LCRA Playground Surface Replacement.

RECOMMENDED ACTION: Motion approving recommendation

13. Recommend approval for an additional \$10,000 to increase the awning covers for various pumping facilities budget from \$25,000 to \$35,000.

RECOMMENDED ACTION: Motion approving recommendation

14. Presentation by the Pun Group of the Comprehensive Annual Financial Report for Fiscal Year 2017-2018.

RECOMMENDED ACTION: Motion accepting the CAFR.

15. Information Items
 - a. Monthly Lake Casitas Recreation Area Report.
 - b. Monthly Engineering Status Report.
 - c. Water Resources Committee Minutes
 - d. Recreation Committee Minutes
 - e. Finance Committee Minutes
 - f. Water Consumption Report.
 - g. CFD No. 2013-1 (Ojai) Monthly Cost Analysis.
 - h. Investment Report.

16. Adjournment



Minutes of the Casitas Municipal Water District
Board Meeting Held
November 28, 2018

A meeting of the Board of Directors was held November 28, 2018 at the Casitas Municipal Water District located at 1055 Ventura Ave. in Oak View, California. The meeting was called to order at 3:00 p.m. President Word led the group in the flag salute.

1. Roll Call

Directors Baggerly, Kaiser, Bergen, Hicks and Word were present. Also present were Mike Flood, Interim General Manager, Rebekah Vieira, Clerk of the Board, and Attorney Robert Kwong. There were three staff members and eleven members of the public in attendance

2. Public comments (Items not on the agenda – three minute limit).

Carl thanked the board for the opportunity to go on the recent field trip. He expressed that he was at the last meeting and was encouraged to write some letters but felt that the letter sent to Supervisor Bennett didn't address some of the bigger problems such as the critical stage and seeing if we can get some exceptions. He added that it is taking way too long to get the agencies to understand the problem and get in sync with reality.

Chris Collier provided a brief public relations update explaining that the Public Relations committee is handling the day to day stuff. The tours were conducted and we are working on the diversion video and should have something out for review next week. Last week we released another video update from Mr. Flood. It is on the water security page and you have about 1200 views on Facebook right now.

Danny Carrillo, SEIU 721 Regional Director and Chief Negotiator thanked Directors Hicks and Bergen for their years of service to the district. Mr. Carrillo explained he is here on behalf of the member, representing their interests, and there are two sides of every story. There has been back and forth from both sides on the starting of these negotiations. A letter requesting information was sent on August 23 and we have not yet received the requested information. On November 20th we were told by your chief negotiator that he only had loose directions on what he could reach agreement to negotiate this successor agreement. Why did you only give specific instructions on November 21? We

made references to your team to reach an agreement before expiration. There are three new proposals and four outstanding. It is important to your employees and our members that there continues to be a lack of trust from your management. Out of 52 employees, 48 voluntarily pay union dues to have a voice and be a partner. We were told on Wednesday that the next availability of your chief negotiator is December 21. Due to these circumstances we request that you make your employees whole and implementing any new financials be made retroactive to Dec 3rd.

Renee Roth on behalf of the Ojai Valley Green Coalition thanked Mary Bergen and Director Hicks for their service over these many years. Some people think I am here to criticize but I am here to provide some balance and perspective, education and outreach. I attended one of the tours of the facility. Thank you for taking over the Ojai system. Thank you for hanging in there. I am here today to promote upcoming workshops to learn how to manage storm water and an opportunity to learn techniques to increase availability of groundwater. Renee encouraged homeowners to capture rain water and recycle grey water. We are trying to promote and educate and want to work with you in conjunction with your water surveys that Cinnamon had been doing. We want to work with you and get a message out and support that transition to stage 4.

3. General Manager comments.

Mr. Flood reported that the tours are complete. We did four of them and about 70 people overall attended. Folks enjoyed it. It is a good activity for the fall and may be helpful in the future.

On the diversion, the one issue for the whole season is clean out of the fish screen fore bay. We are working on four permits and have had a fifth permit added to that. Instream alteration from CA DFW. There have been several conversations with the Bureau of Reclamation as the Federal government is exempt but a state agency may not be. We expect to have all five done close to the same time at the end of December and we are ready to get in there and do what clean out we need to do in the first week of January. I have some concerns with the owner of the facility, the Federal Government, allowing a state agency to determine what and when maintenance can occur. Mr. Flood added that he is not convinced that the growth will cause issues and the sediment is 2-3 inches below the screens and brushes. Maybe it will help. Mr. Kwon added that the State of California has a different view of environmental issues that the current federal government. There was discussion on possible actions and their consequences.

Mr. Flood expressed that it has been great working with Bill and Mary.

4. Board of Director comments.

Director Baggerly asked that we adjourn the meeting in memory of Al Aviles, a long term board member.

Director Kaiser attended the last tour and it was good to see the public asking a lot of great questions. It was a beautiful day and can attest to the issue they are struggling with. The tour was long, with good questions and a lot of discussion. The public appreciated it and I suggest we do them again. President Word added that we welcome feedback from those that participated and if other areas can be incorporated we may alter the tour slightly. People normally don't get to the areas we covered.

5. Board of Director Verbal Reports on Meetings Attended.

President Word reported that the attended the Ventura Economic Development meeting with the Ventura Chamber. They gave a report on the building and construction and in a nutshell there is a lot of construction underway right now. You need to keep in mind it has been several years with none and things have been in the works for a number of years. There are a lot of apartments being built. All areas in Ventura county are way underbuilt for the demand that is out there for apartments and houses and not considering the over 500 lost in the Thomas fire and the additional ones in this last fire.

6. Consent Agenda. ADOPTED

- a. Minutes of the November 14, 2018 Special Meeting.
- b. Minutes of the November 14, 2018 Board Meeting.
- c. Minutes of the November 21, 2018 Special Meeting.

The Consent Agenda was offered by Director Bergen, seconded by Director Baggerly and approved by the following roll call vote:

AYES:	Directors:	Baggerly, Kaiser, Bergen, Hicks, Word
NOES:	Directors:	None
ABSENT:	Directors:	None

7. Review of District Accounts Payable Report for the Period of 11/08/18 - 11/20/18. APPROVED

On the motion of Director Hicks, seconded by Director Kaiser, the accounts payable report was approved by the following roll call vote:

AYES:	Directors:	Baggerly, Kaiser, Bergen, Hicks, Word
NOES:	Directors:	None
ABSENT:	Directors:	None

8. Recommend approval to enter an agreement with MKN Associates in the not to exceed amount of \$119,417 for the Robles Diversion Fish Screen Alternative Feasibility Study. APPROVED

On the motion of Director Bergen, seconded by Director Baggerly, the above recommendation was approved by the following roll call vote:

AYES: Directors: Baggerly, Kaiser, Bergen, Hicks, Word
NOES: Directors: None
ABSENT: Directors: None

9. Recommend approval of the Proposed Revision to the Water Allocation and Efficiency Program (WEAP) to Allow as Allocation Aggregation Variance by Agreement for All Qualifying Customers with Annual Allocations. APPROVED

On the motion of Director Baggerly, seconded by Director Kaiser, the above recommendation with minor revisions was approved by the following roll call vote:

AYES: Directors: Baggerly, Kaiser, Bergen, Hicks, Word
NOES: Directors: None
ABSENT: Directors: None

10. Recommend approval to enter into an agreement for Professional GIS Services with ESRI, Inc. in the not to exceed amount of \$47,000. APPROVED

On the motion of Director Baggerly, seconded by Director Bergen, the above recommendation was approved by the following roll call vote:

AYES: Directors: Baggerly, Kaiser, Bergen, Hicks, Word
NOES: Directors: None
ABSENT: Directors: None

11. Information Items: APPROVED
- a. Quagga Committee Minutes.
 - b. Letters from Supervisor Steve Bennett regarding emergency water supplies and the U.S. Forest Service Permit (FS299).
 - c. Investment Report.

On the motion of Director Kaiser, seconded by Director Hicks, the Information Items were approved by the following roll call vote:

AYES: Directors: Baggerly, Kaiser, Bergen, Hicks, Word
NOES: Directors: None
ABSENT: Directors: None

12. Resolution of appreciation to Mary Bergen for her Eight Years of Service as a Director for Division 4 on the Casitas Board of Directors. ADOPTED

President Word read the resolution of appreciation to Mary Bergen for her 8 years of service on the Board of Directors. President Word added that Mary joined the Finance Committee and did an in-depth study of the financials. Ms. Collin added that she had in depth knowledge of the water rate study as well.

Bruce Kuebler, chair of the UVRGA, expressed appreciation for Mary's service on the board. She is the chair of the ad hoc budget committee and chair of the funding options committee. She spent countless hours going over the finances and is a very supportive person on the board, helping form the agency four years ago. She is a tremendous person. She has worked well with the organization and thank you for appointing her and I wish you the best.

Renee Roth expressed here appreciation for Mary and her willingness to step up and have conversations and do things that are out of the norm. I appreciate seeing Mary in action in the different roles out there in the community and appreciated you being on the board.

President Word added you are going to be missed.

Director Bergen expressed that is was an honor to serve on this board. Every member here does their homework. They think about and deliberate honorably with thought to their own decisions. She thanked Robert and John Mathews for great legal device and thanked staff and Mike. The whole staff here are standup people and work hard and are not recognized as much as they should be.

Director Baggerly added the time flew by. You are appreciated here and your expertise in many areas and it will be missed.

Director Kaiser echoed everything that has been said. It has gone so quick. I am happy you were part of the negotiations with me and I learned a lot from you.

Director Baggerly added you were our farmer on the board. You may be gone but the farmers are not forgotten. I will protect their interest as much as you. Director Bergen added this board really does care about the different people in the valley. I will be here and might speak up at a hearing or two.

The resolution was offered by Director Kaiser, seconded by Director Hicks and passed by the following roll call vote:

AYES:	Directors:	Baggerly, Kaiser, Word
NOES:	Directors:	None
ABSTAIN:	Directors:	Bergan, Hicks

Resolution is numbered 18-28

- 13. Resolution of appreciation to Bill Hicks for his Twenty-Eight Years of Service as a Director for Division 1 on the Casitas Board of Directors.

ADOPTED

President Word read the resolution to Bill Hicks expressing appreciation for his 28 years of service on the Board of Directors adding that the resolution does not cover the breadth of his work in that time frame adding that he led the discussion on maintaining the lake as no body contact. He also added that Bill was the one that talked me into this. We used to be neighbors. He said you will learn something. Boy was that an understatement.

President Word also presented a certificate from the City of San Buena Ventura expressing appreciation for Bills leadership and community service which was signed by Mayor Andrews.

Director Hicks explained that I'm not going to miss this. I have to say this has been the best board. We have our differences but I think we have never got really mad at each other. There is not a lot of bitterness. I think it is important to remember that we are dealing with a public that doesn't understand what the water business is all about. I can't deal with Federal and State agencies any more. That is the reason I am leaving. This is a really good board. The people coming in will do a good job and will need your support. I thought Mary was one thing that made this board better than it was.

Director Baggerly said it is not going to be the same with Director Kaiser adding there are big shoes for your successors to fill. People don't realize how many hours these individuals give to the community. You are an example of Coach Wooden's Pyramid of Success. I wish you the best. Director Bergen added she enjoyed working with you and you will be missed.

The resolution was offered by Director Kaiser, seconded by Director Baggerly and passed by the following roll call vote:

AYES: Directors: Baggerly, Kaiser, Bergen, Hicks, Word
NOES: Directors: None
ABSENT: Directors: None

Resolution is numbered 18-29

- 14. Adjournment.

President Word adjourned the meeting at 4:04 p.m.

Secretary

CASITAS MUNICIPAL WATER DISTRICT
Payable Fund Check Authorization
Checks Dated 11/21/18-12/05/18
Presented to the Board of Directors For Approval December 12, 2018

Check	Payee			Description	Amount
000849	Payables Fund Account	#	9759651478	Accounts Payable Batch 112818	\$415,112.38
000850	Payables Fund Account	#	9759651478	Accounts Payable Batch 120518	\$643,643.13
					\$1,058,755.51
000851	Payroll Fund Account	#	9469730919	Estimated Payroll 12/20/18	\$190,000.00
				Total	\$1,248,755.51

Publication of check register is in compliance with Section 53065.6 of the Government Code which requires the District to disclose reimbursements to employees and/or directors.

The above numbered checks, 000849-000851 have been duly audited is hereby certified as correct.

Denise Collin, Accounting Manager/Treasurer

Signature

Signature

Signature

CERTIFICATION

Payroll disbursements for the pay period ending 12/01/18
Pay Date of 12/06/18
have been duly audited and are
hereby certified as correct.

Signed: Denise Collin 12/3/18
Denise Collin

Signed: _____
Signature

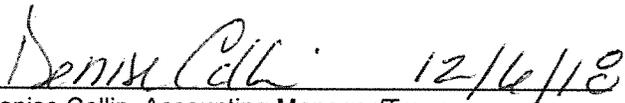
Signed: _____
Signature

Signed: _____
Signature

A/P Fund

Publication of check register is in compliance with Section 53065.6 of the Government Code which requires the District to disclose reimbursements to employees and/or directors.

000849	A/P Checks:	32148-32168
	A/P Draft to P.E.R.S.	
	A/P Draft to State of CA	
	A/P Draft to I.R.S.	
	Voids:	
000850	A/P Checks:	32169-32283
	A/P Draft to P.E.R.S.	000000
	A/P Draft to State of CA	000000
	A/P Draft to I.R.S.	000000
	Voids:	32174, 32228, 32229


Denise Collin, Accounting Manager/Treasurer

Signature

Signature

Signature

VENDOR SET: 01 Casitas Municipal Water D

BANK: * ALL BANKS

DATE RANGE: 11/21/2018 THRU 12/05/2018

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
C-CHECK	VOID CHECK	V	12/05/2018			032174		
C-CHECK	VOID CHECK	V	12/05/2018			032228		
C-CHECK	VOID CHECK	V	12/05/2018			032229		

* * T O T A L S * *

	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	0	0.00	0.00	0.00
HAND CHECKS:	0	0.00	0.00	0.00
DRAFTS:	0	0.00	0.00	0.00
EFT:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
VOID CHECKS:	3	VOID DEBITS 0.00		
		VOID CREDITS 0.00	0.00	0.00

TOTAL ERRORS: 0

VENDOR SET: 01	BANK:	TOTALS:	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
			3	0.00	0.00	0.00
BANK:	TOTALS:		3	0.00	0.00	0.00

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00049	STATE OF CALIFORNIA							
I-T2 201812031433	State Withholding	D	12/05/2018	11,769.12		000000		11,769.12
00128	INTERNAL REVENUE SERVICE							
I-T1 201811271429	Federal Withholding	D	12/05/2018	17.09		000000		
I-T1 201812031433	Federal Withholding	D	12/05/2018	30,291.56		000000		
I-T3 201811271429	FICA Withholding	D	12/05/2018	53.26		000000		
I-T3 201812031433	FICA Withholding	D	12/05/2018	25,587.76		000000		
I-T4 201811271429	Medicare Withholding	D	12/05/2018	12.46		000000		
I-T4 201812031433	Medicare Withholding	D	12/05/2018	7,960.59		000000		63,922.72
00187	CALPERS							
I-PBB201812031433	PERS BUY BACK	D	12/05/2018	150.08		000000		
I-PBP201812031433	PERS BUY BACK	D	12/05/2018	161.96		000000		
I-PEB201812031433	PEPRA EMPLOYEES PORTION	D	12/05/2018	5,368.46		000000		
I-PEM201812031433	PERS EMPLOYEE PORTION MGMT	D	12/05/2018	2,122.28		000000		
I-PER201812031433	PERS EMPLOYEE PORTION	D	12/05/2018	6,228.90		000000		
I-PRB201812031433	PEBRA EMPLOYER PORTION	D	12/05/2018	6,351.07		000000		
I-PRR201812031433	PERS EMPLOYER PORTION	D	12/05/2018	9,815.47		000000		30,198.22
00004	ACWA JOINT POWERS INSURANCE AU							
I-0572717	Health Insurance 10/18	R	11/28/2018	148,011.12		032148		
I-0577742	Health Insurance 11/18	R	11/28/2018	162,506.77		032148		310,517.89
01325	Aflac Worldwide Headquarters							
I-088582	Supplemental Insurance 11/18	R	11/28/2018	2,893.18		032149		2,893.18
01703	ARNOLD LAROCHELLE MATTHEWS							
I-54381	Matter # 5088-016 10/18	R	11/28/2018	7,139.54		032150		
I-54382	Matter # 5088-001 10/18	R	11/28/2018	2,898.22		032150		10,037.76
01666	AT & T							
I-000012217348	Acct#9391035541	R	11/28/2018	452.75		032151		452.75
00021	AWA OF VENTURA COUNTY							
I-112818	CCWUC Luncheon 11/28	R	11/28/2018	350.00		032152		350.00
01483	CORVEL CORPORATION							
I-6/13044066-1	Bill Review	R	11/28/2018	20.05		032153		
I-6/13084045-1	Bill Review	R	11/28/2018	9.50		032153		
I-C00205694988	Claim#1102WC190000002	R	11/28/2018	25.00		032153		
I-C00205699191	Claim#1102WC170500002	R	11/28/2018	25.00		032153		
I-M134007453121	Claim#1102WC180000001	R	11/28/2018	137.39		032153		216.94

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
02480 I-1810138	David Taussig & Associates, In D18-00115 CFD Tax Admin	R	11/28/2018	1,520.28		032154		1,520.28
00086 I-1550	E.J. Harrison & Sons Inc Acct#500546088	R	11/28/2018	1,526.09		032155		1,526.09
00086 I-5594	E.J. Harrison & Sons Inc Acct#1C00054230	R	11/28/2018	1,825.00		032156		1,825.00
00086 I-5595	E.J. Harrison & Sons Inc Acct#1C00054240	R	11/28/2018	193.33		032157		193.33
00091 I-US0132174543	ERNST & YOUNG LLP Client#60028334	R	11/28/2018	1,229.00		032158		1,229.00
02219 I-2288	Evans Excavating Timber Cutoff Wall Repairs-ENG	R	11/28/2018	4,079.05		032159		4,079.05
00625 I-52236862 I-52238507 I-52283062 I-52284911	OfficeTeam Conservation Temp Admin Temp Admin Temp Conservation Temp	R R R R	11/28/2018 11/28/2018 11/28/2018 11/28/2018	560.07 816.00 612.00 440.06		032160 032160 032160 032160		2,428.13
00188 I-112618	PETTY CASH Replenish Safe - LCRA	R	11/28/2018	7.00		032161		7.00
03651 I-INV-0539	Rincon LLC PR Professional Services -MGMT	R	11/28/2018	4,437.50		032162		4,437.50
00216 I-112718a I-112718b	Southern California Gas Co. Acct#00801443003 Acct#18231433006	R R	11/28/2018 11/28/2018	294.02 51.65		032163 032163		345.67
02643 I-8210939 I-8214521	Take Care by WageWorks Reimburse Med/Dep Care Reimburse Med/Dep Care	R R	11/28/2018 11/28/2018	192.31 333.00		032164 032164		525.31
03776 I-6/13084045-1	Two Trees Physical Therapy & W Patient#108619927 DOS 10/10/18	R	11/28/2018	134.30		032165		134.30
00234 I-112118	UNITED WATER CONSERVATION Surplus Money Investment	R	11/28/2018	24,055.75		032166		24,055.75

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
09775	VENTURA ORTHOPEDICS MEDICAL GR Patient #1229333 DOS 10/11/18	R	11/28/2018	225.95		032167		225.95
0949	CITY OF VENTURA Surplus Money Investment	R	11/28/2018	48,111.50		032168		48,111.50
02129	Tracy Medeiros Workers Comp 1102WC180000001	R	12/04/2018	2,661.74		032169		2,661.74
02587	A&M LAWNMOWER SHOP Generator Tune Up - LCRA	R	12/05/2018	57.86		032170		
	I-46943 Gloves & Chaps - MAINT	R	12/05/2018	322.56		032170		
	I-47110 Chains - LCRA	R	12/05/2018	61.90		032170		442.32
0010	AIRGAS USA LLC Safety Glasses - EM	R	12/05/2018	115.58		032171		
	I-9957480952 Cylinder Rentals - PL	R	12/05/2018	204.09		032171		319.67
0012	ALL-PHASE ELECTRIC SUPPLY CO. OVS Radio Install - EM	R	12/05/2018	1,322.18		032172		1,322.18
03044	Amazon Capital Services Accrue Use Tax	R	12/05/2018	55.10CR		032173		
	C-1HC6-TPGX-4C1Mb Accrue Use Tax	R	12/05/2018	4.31CR		032173		
	C-1RXX-R34C-PDF6b Accrue Use Tax	R	12/05/2018	1.55CR		032173		
	D-163C-K91Y-NVL4a Accrue Use Tax	R	12/05/2018	55.10		032173		
	D-1HC6-TPGX-4C1Ma Accrue Use Tax	R	12/05/2018	4.31		032173		
	D-1RXX-R34C-PDF6a Accrue Use Tax	R	12/05/2018	1.55		032173		
	I-163C-K91Y-NVL4 Manhole Cover - LCRA	R	12/05/2018	760.00		032173		
	I-1DHR-94CF-TMVW Wire Label Sleeves - EM	R	12/05/2018	200.72		032173		
	I-1FDN-DXVK-M36C Wire Label Sleeves - EM	R	12/05/2018	200.72		032173		
	I-1HC6-TPGX-4C1M Proximity Cards - LCRA	R	12/05/2018	59.40		032173		
	I-1PV3-TNWX-44PL Lock & Lever - GAR	R	12/05/2018	75.00		032173		
	I-1PV3-TNWX-44TD Earplugs - LCRA	R	12/05/2018	27.18		032173		
	I-1Q13-GKWD-4H3C Varidesks - ENG	R	12/05/2018	847.28		032173		
	I-1RXX-R34C-PDF6 Camera Float - FISH	R	12/05/2018	21.38		032173		2,191.68
00836	AMERICAN RED CROSS Pathogens Training - LCRA	R	12/05/2018	71.00		032175		71.00
00029	AMERICAN TOWER CORP Tower Rent-Red Mtn.Rincon Peak	R	12/05/2018	2,013.15		032176		2,013.15

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
0022	AMERICAN WATER WORKS ASSOC. 2019 Memberhip Dues	R	12/05/2018	433.00		032177		433.00
0014	AQUA-FLO SUPPLY Caps & Bushings - TP	R	12/05/2018	29.90		032178		
	I-SI1294839 Fittings & Teflon Tape - UT	R	12/05/2018	101.66		032178		
	I-SI1295402 Sand Bags - PL	R	12/05/2018	76.21		032178		
	I-SI1296005 Fittings & PVC Pipe - UT	R	12/05/2018	54.33		032178		
	I-SI1297092 Fittingsa & Teflon Tape - UT	R	12/05/2018	22.51		032178		
	I-SI1301469 Adapters & Fittings - LAB	R	12/05/2018	40.52		032178		325.13
0840	AQUA-METRIC SALES COMPANY 2" Water Meters - UT	R	12/05/2018	9,684.68		032179		
	I-INV0071754 6" Water Meter - UT	R	12/05/2018	1,586.06		032179		
	I-INV0071755 2" & 3" Water Meters - UT	R	12/05/2018	8,234.66		032179		19,505.40
2179	Art Street Interactive Res. Sys. Web Hosting/Maint.	R	12/05/2018	542.15		032180		542.15
1666	AT & T Acct#9391062398	R	12/05/2018	108.31		032181		108.31
1666	AT & T Acct#9391064013	R	12/05/2018	20.85		032182		20.85
3429	AT&T Acct#8310006908483	R	12/05/2018	1,075.73		032183		1,075.73
0030	B&R TOOL AND SUPPLY CO Wire, Charger, Batteries - UT	R	12/05/2018	311.90		032184		
	I-1900922617 Filters - WP	R	12/05/2018	94.81		032184		406.71
0036	BC TREE SERVICE, INC Tree Trimming @ Grand - MAINT	R	12/05/2018	950.00		032185		
	I-2869 Tree Trimming @ Grand - MAINT	R	12/05/2018	950.00		032185		1,900.00
2059	Berkadia G Mira Monte Loan Interest	R	12/05/2018	1,412.50		032186		1,412.50
3059	Brenntag Pacific Inc. Chlorine for Ojai Sys. - TP	R	12/05/2018	1,325.70		032187		1,325.70
0207	CA Department of Tax & Fee Adm Water Rights Fee - Casitas	R	12/05/2018	8,093.67		032188		8,093.67

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00207	CA Department of Tax & Fee Adm Water Rights Fee - Matilija	R	12/05/2018	538.17		032189		538.17
00463	Cal-Coast Machinery Hose & Dipstick - LCRA	R	12/05/2018	23.08		032190		23.08
02787	Lindsay Cao CWEA Lab Analysis Renewal	R	12/05/2018	92.00		032191		92.00
01843	COASTAL COPY Copier Usage - LCRA	R	12/05/2018	209.17		032192		
	I-823812 Copier Usage - WHS	R	12/05/2018	47.06		032192		256.23
00060	COASTLINE EQUIPMENT Rear Throttle Cable Control-PL	R	12/05/2018	900.51		032193		900.51
00061	COMPUWAVE Printer - ADM	R	12/05/2018	404.33		032194		
	I-SB02091388 Toner Collection Kit - ADM	R	12/05/2018	32.17		032194		
	I-SB02091396 Toner - LCRA	R	12/05/2018	468.15		032194		
	I-SB02091465 Toners - ADM	R	12/05/2018	437.58		032194		1,342.23
00062	CONSOLIDATED ELECTRICAL PLC Training Classes - EM	R	12/05/2018	500.00		032195		
	I-9009-782249 Rockwell Software Mobile - EM	R	12/05/2018	165.17		032195		665.17
00331	COORDINATED WIRE ROPE Thimble & Rope Clips - PL	R	12/05/2018	58.23		032196		
	I-83266 Shackles - PL	R	12/05/2018	65.10		032196		123.33
00719	CORELOGIC INFORMATION SOLUTION Realquest Subscription	R	12/05/2018	137.50		032197		137.50
03890	Tony Crudo Camping Cancellation - LCRA	R	12/05/2018	175.00		032198		175.00
03652	Cummins Inc. Load Bank Test @ Heildelberger	R	12/05/2018	988.57		032199		
	I-X3-13899 Loan Bank Test @ Signal	R	12/05/2018	848.98		032199		1,837.55
00616	DICK CORE MARINE Shifting Cable Repair-Unit 289	R	12/05/2018	413.14		032200		413.14

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00086	E.J. Harrison & Sons Inc							
I-5574	Acct#1C00053370	R	12/05/2018	182.77		032201		182.77
03891	Tami Emmerson							
I-703972	Camping Cancellation - LCRA	R	12/05/2018	185.00		032202		185.00
00095	FAMCON PIPE & SUPPLY							
I-212949	Pipe & Fittings - PL	R	12/05/2018	978.12		032203		
I-213216	Valves, Fittings, Pipe - PL	R	12/05/2018	8,809.52		032203		
I-213319	Valves & Adapters - PL	R	12/05/2018	1,288.07		032203		
I-213443	Fittings - PL	R	12/05/2018	74.00		032203		
I-213452	Hydrant Extensions & Tape - PL	R	12/05/2018	648.86		032203		
I-213834	Fittings & Clamps - PL	R	12/05/2018	352.85		032203		
I-213978	Gaskets - UT	R	12/05/2018	74.00		032203		12,225.42
00093	FEDERAL EXPRESS							
I-6-378-49778	Overnight Shipment - ADM	R	12/05/2018	8.30		032204		
I-6-384-96613	Overnight Shipping - ADM	R	12/05/2018	11.56		032204		19.86
00099	FGL ENVIRONMENTAL							
I-814413A	Nitrate Monitoring 10/30/18	R	12/05/2018	43.00		032205		
I-814414A	Lake Nutrient Monitoring 10/30	R	12/05/2018	1,288.00		032205		
I-814742A	Nitrate Monitoring 11/6/18	R	12/05/2018	61.00		032205		
I-814745A	Nitrate Monitoring 11/6/18	R	12/05/2018	18.00		032205		1,410.00
00104	FRED'S TIRE MAN							
I-112592	Tires&Computer Balance-Unit 13	R	12/05/2018	794.64		032206		
I-112647	Oil Service - Unit 17	R	12/05/2018	44.61		032206		839.25
03886	Ramiro Garcia							
I-112918	Class A License Exam Fee	R	12/05/2018	76.00		032207		76.00
00115	GRAINGER, INC							
I-9005110979	Scoop & Shovel - MAINT	R	12/05/2018	236.08		032208		
I-9005692984	Check Valve - TP	R	12/05/2018	121.17		032208		
I-9011306835	Hand Sanitizer - ADM	R	12/05/2018	21.48		032208		
I-9014631999	Ear Muffs - MAINT	R	12/05/2018	71.88		032208		
I-9019625400	Wipes & Batteries - ADM	R	12/05/2018	61.48		032208		512.09
03856	Granicus, LLC							
I-105405	Website Redesign - IT	R	12/05/2018	2,587.41		032209		2,587.41
02217	Greg Rents							
I-3643	Cement Slurry - PL	R	12/05/2018	169.44		032210		
I-3810	Cement Slurry - LCRA	R	12/05/2018	311.00		032210		
I-3839	Cement Slurry - PL	R	12/05/2018	169.44		032210		649.88

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00369 I-013A6516	HARRINGTON INDUSTRIAL PLASTICS CL2 Level Sensor - TP	R	12/05/2018	485.88		032211		485.88
03700 I-1200154598	HDR Engineering, Inc. Ojai East Res. Repairs - ENG	R	12/05/2018	4,708.00		032212		4,708.00
00122 I-Nov/Dec 18 I-Sept/Oct 18	BILL HICKS Reimburse Mileage 11/18-12/18 Reimburse Mileage 9/18-10/18	R R	12/05/2018 12/05/2018	152.60 237.08		032213 032213		389.68
00596 I-539901	HOME DEPOT Locking Adapters - EM	R	12/05/2018	64.33		032214		64.33
02914 I-1343	IE Safety Services, LLC Heavy Equipment Training	R	12/05/2018	2,507.17		032215		2,507.17
00127 I-194130-1 I-194315-1 I-199408-1	INDUSTRIAL BOLT & SUPPLY Bolts & Screws - PL Nuts - PL Bolts & Nuts - WP	R R R	12/05/2018 12/05/2018 12/05/2018	149.77 124.99 66.14		032216 032216 032216		340.90
00872 I-6457	Irrisoft, Inc. Weather Station Signal	R	12/05/2018	79.00		032217		79.00
00131 I-775265 I-775274	JCI JONES CHEMICALS, INC Chlorine - TP, CM775296 Chlorine - TP, CM 775297	R R	12/05/2018 12/05/2018	1,650.00 899.94		032218 032218		2,549.94
02986 I-765306	Pat Joyce Camping Cancellation - LCRA	R	12/05/2018	175.00		032219		175.00
03888 I-113018	Eric Lara Boot Reimbursement	R	12/05/2018	107.70		032220		107.70
03889 I-062318	Lifeline Medical Transport DOS 6/23/18 Claim#18-19594	R	12/05/2018	1,883.55		032221		1,883.55
00328 I-11161801	LIGHTNING RIDGE Uniform Shirts - IT	R	12/05/2018	88.79		032222		88.79
00527 I-NH775884	LINCOLN AQUATICS UV System Parts - WP	R	12/05/2018	734.78		032223		734.78

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
03892	Brandi Macias							
I-721008	Camping Cancellation - LCRA	R	12/05/2018	235.00		032224		235.00
03893	Michael Marzahl							
I-750683	Camping Cancellation - LCRA	R	12/05/2018	294.00		032225		294.00
03894	Diane McDonald							
I-704008	Camping Reduction - LCRA	R	12/05/2018	47.00		032226		47.00
00151	MEINERS OAKS ACE HARDWARE							
I-843936	PVC Adapters - PL	R	12/05/2018	0.71		032227		
I-850200	Drive Set & Bolts - IT	R	12/05/2018	10.64		032227		
I-851645	Paint - LCRA	R	12/05/2018	30.07		032227		
I-853727	Liquid Nails & Vanity - LCRA	R	12/05/2018	129.59		032227		
I-853757	Screwdriver Set & Tape - TP	R	12/05/2018	56.47		032227		
I-853763	Wrench, Adapter, Tape - UT	R	12/05/2018	56.06		032227		
I-853811	Batteries & Rope - LCRA	R	12/05/2018	63.13		032227		
I-853814	Silicone - LCRA	R	12/05/2018	5.85		032227		
I-853943	Roofing & Utility Knife - LCRA	R	12/05/2018	16.21		032227		
I-853998	Tube Brushes - TP	R	12/05/2018	21.63		032227		
I-854195	Rod Thread & Blade - WP	R	12/05/2018	18.70		032227		
I-854250	Sanding Mask & Oil - LCRA	R	12/05/2018	34.12		032227		
I-854529	Falnges, Gutters, Putty - LCRA	R	12/05/2018	92.04		032227		
I-854531	Gutters - LCRA	R	12/05/2018	19.28		032227		
I-854535	Paint Trays & Rollers - PL	R	12/05/2018	11.68		032227		
I-854536	Acetone & ID Tag - EM	R	12/05/2018	14.30		032227		
I-854553	Paintbrushes & Paint - UT	R	12/05/2018	52.79		032227		
I-854554	Paintbrushes & Paint - UT	R	12/05/2018	52.79		032227		
I-854572	Downspout & Tubes - LCRA	R	12/05/2018	15.77		032227		
I-854594	Hose - MAINT	R	12/05/2018	29.27		032227		
I-854666	Gutters - LCRA	R	12/05/2018	9.64		032227		
I-854811	Cables, Bolts, Screws - LCRA	R	12/05/2018	43.78		032227		
I-854943	Plastic Pails - TP	R	12/05/2018	11.87		032227		
I-855033	Caulk - MAINT	R	12/05/2018	6.82		032227		
I-855147	Level, Impact Set - MAINR	R	12/05/2018	53.15		032227		
I-855247	Elbow Fitting - LAB	R	12/05/2018	6.13		032227		
I-855356	Paint - LCRA	R	12/05/2018	34.95		032227		897.44
02627	Micro Quality Calibration, Inc							
I-17593	Insulation Tester - EM	R	12/05/2018	195.00		032230		195.00
03444	Mission Linen Supply							
I-508684270	Uniform Pants - TP	R	12/05/2018	28.43		032231		
I-508733021	Uniform Pants - TP	R	12/05/2018	28.43		032231		
I-508776716	Uniform Pants - TP	R	12/05/2018	28.43		032231		85.29

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
03701	MNS Engineers, Inc.							
I-71279	Arc Flash Hazard Analysis -ENG	R	12/05/2018	2,077.50		032232		
I-71284	Old Creek Rd. Pipe Relocate-ENG	R	12/05/2018	672.50		032232		2,750.00
03895	Arturo Montes							
I-754618	Camping Reduction - LCRA	R	12/05/2018	19.00		032233		19.00
03896	Jennifer Murphy							
I-704491	Camping Cancellation - LCRA	R	12/05/2018	147.00		032234		147.00
03897	Connie Naresh							
I-762081	Camping Cancellation - LCRA	R	12/05/2018	145.00		032235		145.00
03508	NTT Industrial Supply, Inc.							
I-2540	Bevel Cup Brush - EM	R	12/05/2018	24.97		032236		24.97
02185	Oasis Technology Inc.							
I-111618-1	Scada Support 11/5-11/18	R	12/05/2018	6,312.50		032237		6,312.50
00163	OFFICE DEPOT							
I-219097343001	Office Supplies - DO	R	12/05/2018	537.60		032238		
I-234910067001	Office Supplies - DO	R	12/05/2018	177.00		032238		
I-234917017001	Plastic Tables - MGMT	R	12/05/2018	492.84		032238		
I-234996250001	Calculator - ADM	R	12/05/2018	64.48		032238		1,271.92
00625	OfficeTeam							
I-52326167	Conservation Temp	R	12/05/2018	548.64		032239		548.64
01570	Ojai Auto Supply							
I-449065	Trailer Connector - Unit 88	R	12/05/2018	62.43		032240		62.43
00912	OJAI BUSINESS CENTER, INC							
I-13745a	Shipping - DO/LCRA	R	12/05/2018	121.14		032241		
I-13745B	Shipping - DO/LCRA	R	12/05/2018	81.24		032241		202.38
00165	OJAI LUMBER CO, INC							
C-1812-903179	Pallet Return 1712-854967	R	12/05/2018	64.35CR		032242		
I-1811-901530	Torch & Saw Blade - MAINT	R	12/05/2018	69.58		032242		5.23
00347	Ojai Recreation Department							
I-110918	Half Page Ad - WP	R	12/05/2018	495.00		032243		495.00
00602	OJAI TRUE VALUE							
I-52084	Batteries - LAB	R	12/05/2018	23.57		032244		23.57

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00178 I-732769	PARADISE CHEVROLET Door Panel Trim - Unit 51	R	12/05/2018	334.99		032245		334.99
02833 I-86132879	Praxair, Inc Liquid Oxygen - TP	R	12/05/2018	2,272.05		032246		2,272.05
02759 I-111850	The Pun Group AUdit Services 17-18	R	12/05/2018	10,000.00		032247		10,000.00
00306 I-8801	Rincon Consultants, Inc. Environmental Consulting - ENG	R	12/05/2018	10,892.25		032248		10,892.25
03651 I-INV-0495	Rincon LLC PR Professional Services -MGMT	R	12/05/2018	4,200.00		032249		4,200.00
03898 I-753983	Daniel Rivas Camping Cancellation - LCRA	R	12/05/2018	175.00		032250		175.00
03887 I-112918	Michael Robles Class A License Exam Fee	R	12/05/2018	76.00		032251		76.00
00313 I-25198 I-25262	ROCK LONG'S AUTOMOTIVE Oil Service&Check Eng- Unit 19 Oil Service&Check Eng.-Unit 24	R R	12/05/2018 12/05/2018	526.75 593.73		032252 032252		1,120.48
03899 I-759942	Yesenia Santacruz Camping Cancellation - LCRA	R	12/05/2018	109.00		032253		109.00
02756 I-1306746-IN	SC Fuels Gas & Diesel - LCRA	R	12/05/2018	4,104.01		032254		4,104.01
03602 I-767419	Ashley Shirck Camping Reduction - LCRA	R	12/05/2018	38.00		032255		38.00
00215 I-112818 I-112918 I-120118a I-120118b I-120118c I-120418	SOUTHERN CALIFORNIA EDISON Acct#2210507034 Acct#2210503702 Acct#2237789169 Acct#2210502480 Acct#2210505426 Acct#2269631768	R R R R R R	12/05/2018 12/05/2018 12/05/2018 12/05/2018 12/05/2018 12/05/2018	8,164.70 7,175.68 29.92 98,577.14 1,954.50 23.50		032256 032256 032256 032256 032256 032256		115,925.44
00048 I-120118	STATE OF CALIFORNIA State Water Plan Payment	R	12/05/2018	216,712.00		032257		216,712.00

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
03003 I-113018	Stephen Taylor Claim#1102WC170000001	R	12/05/2018	290.16		032258		290.16
03900 I-723135	Jaime Tellez Camping Cancellation - LCRA	R	12/05/2018	295.00		032259		295.00
02527 I-29485	Traffic Technologies LLC Warehouse Signs - WHS	R	12/05/2018	82.97		032260		82.97
00364 I-137018 I-137019	TRI-COUNTY OFFICE FURNITURE Office Chairs - MGMT Office Chairs - TP	R R	12/05/2018 12/05/2018	1,676.42 1,700.59		032261 032261		3,377.01
01662 I-025-242566	TYLER TECHNOLOGIES, INC. 2019 Incode Software Maint.	R	12/05/2018	29,053.37		032262		29,053.37
03901 I-771798	Amirabes Vahidi Camping Reduction - LCRA	R	12/05/2018	11.00		032263		11.00
03902 I-703751	Jennifer Van Loo Camping Cancellation - LCRA	R	12/05/2018	195.00		032264		195.00
01048 I-026004	VAUGHAN'S INDUSTRIAL REPAIR CO Ave 1 Pump #4 Repair - EM	R	12/05/2018	5,406.74		032265		5,406.74
03798 I-762369	Robert Vaughn Camping Cancellation - LCRA	R	12/05/2018	380.00		032266		380.00
10011 I-7306	VENTURA CONCRETE CUTTING Concrete Core Bit - LCRA	R	12/05/2018	325.00		032267		325.00
00246 I-1040199	VENTURA COUNTY AIR POLLUTION Air Permit Fee - LCRA	R	12/05/2018	602.00		032268		602.00
00257 I-113018a I-113018b	VENTURA RIVER WATER DISTRICT Acct#03-50100A Acct#05-37500A	R R	12/05/2018 12/05/2018	10.00 165.73		032269 032269		175.73
00245 I-112818	CITY OF VENTURA State Water Interconnect Study	R	12/05/2018	10,894.52		032270		10,894.52
03758 I-9117-1810	County of Ventura - Fleet Serv Equip.Ser -Units 109,212,68,88	R	12/05/2018	4,477.59		032271		4,477.59

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
03903	Deana Vesey I-761599 Camping Cancellation - LCRA	R	12/05/2018	147.00		032272		147.00
03203	Water Systems Consulting, Inc. I-3489 Ojai System Master Plan - ENG	R	12/05/2018	8,199.09		032273		8,199.09
00330	WHITE CAP CONSTRUCTION SUPPLY I-10009691236 Tape, Adapters, Vest - PL	R	12/05/2018	238.82		032274		238.82
00102	FRANCHISE TAX BOARD D-G03201812031433 Payroll Deduction I-G03201812031433 Payroll Deduction	R R	12/05/2018 12/05/2018	260.04 459.39		032275 032275		719.43
00124	ICMA RETIREMENT TRUST - 457 I-DCI201812031433 DEFERRED COMP FLAT I-DI%201812031433 DEFERRED COMP PERCENT	R R	12/05/2018 12/05/2018	575.00 141.44		032276 032276		716.44
00985	NATIONWIDE RETIREMENT SOLUTION I-CUN201812031433 457 CATCH UP I-DCN201812031433 DEFERRED COMP FLAT I-DN%201812031433 DEFERRED COMP PERCENT	R R R	12/05/2018 12/05/2018 12/05/2018	230.77 5,265.39 2,435.65		032277 032277 032277		7,931.81
00180	S.E.I.U. - LOCAL 721 I-COP201812031433 SEIU 721 COPE I-UND201812031433 UNION DUES	R R	12/05/2018 12/05/2018	42.00 808.50		032278 032278		850.50
	SHAW, DAVID I-000201811301430 UB REFUND	R	12/05/2018	17.23		032279		17.23
	KHALILI, DASTAN I-000201811301431 UB REFUND	R	12/05/2018	42.47		032280		42.47
	OLIVER, HENRY J I-000201811301432 UB REFUND	R	12/05/2018	46.30		032281		46.30
	PICKLESIMER, KEVIN J I-000201812041435 TS REFUND	R	12/05/2018	42.00		032282		42.00
	WAKELEE, EARL W I-000201812041434 TS REFUND	R	12/05/2018	38.10		032283		38.10

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
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* * T O T A L S * *	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	133	952,865.45	0.00	952,865.45
HAND CHECKS:	0	0.00	0.00	0.00
DRAFTS:	3	105,890.06	0.00	105,890.06
EFT:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
VOID CHECKS:	0	VOID DEBITS	0.00	
		VOID CREDITS	0.00	
			0.00	

TOTAL ERRORS: 0

VENDOR SET: 01	BANK: AP	TOTALS:	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
			136	1,058,755.51	0.00	1,058,755.51
BANK: AP	TOTALS:		136	1,058,755.51	0.00	1,058,755.51
REPORT TOTALS:			136	1,058,755.51	0.00	1,058,755.51

**Casitas Municipal Water District
 Reimbursement Disclosure Report (1)
 Fiscal Year 2017/18
 July 1, 2018-June 30, 2019**

<u>Date paid</u>	<u>Board of Director/Employee</u>	<u>Description</u>	<u>Amount Paid</u>
7/3/2018	Ken Grinnell	Reimburse Mileage	328.09
7/3/2018	Ken Grinnell	Conference Hotel	158.74
7/11/2018	Gerardo Herrera	English Composition Course Fee & Supplies	311.16
7/11/2018	Gerardo Herrera	Safety Boots	170.00
7/18/2018	Michael Gibson	PPE - Convertible Waders/Wading Boots	634.27
8/1/2018	Eric Grabowski	Water Management Course Fee	334.16
8/1/2018	Eric Grabowski	T3 Certification Exam Fee	100.00
8/1/2018	Mario Mariscal	Water/Wastewater Calculation Course Fee	138.00
8/22/2018	Stuart Birdsey	Trailer Storage Banners	152.89
8/22/2018	Stuart Birdsey	Ranger Training Course Fee	145.50
8/22/2018	Lindsay Cao	CWEA Membership Renewal Fee	188.00
8/29/2018	Luke Soholt	Ventura County Possessory Tax	391.47
9/5/2018	David Pope	Safety Boots	170.00
9/12/2018	Bill Hicks	Reimburse Mileage	106.28
9/19/2018	Vincent Godinez	Reimburse Mileage	115.54
9/19/2018	Vincent Godinez	Control Valve Course Hotel Fee	143.44
9/26/2018	Scott Lewis	Hotel 8/25-8/31	634.90
9/26/2018	Scott Lewis	Airfare to CMWD 8/25-9/1	431.60
9/26/2018	Scott Lewis	Airfare to CMWD 9/22-9/29	301.60
10/3/2018	Kyler Heath	Advanced Report Writing Course Fee	176.98
10/17/2018	Scott Lewis	Hotel 9/22-9/29	608.01
10/17/2018	Scott Lewis	Car Rental 9/22-9/29	417.59
10/24/2018	Carol Belser	Ranger Badge	108.00
10/31/2018	Steven Sharp	D4 Certification Exam Fee	130.00
10/31/2018	Michael Shields	D5 Certification Exam Fee	155.00
11/7/2018	Lindsay Cao	PE License Renewal	115.00
11/7/2018	Joe Evans	Propeller for Unit 289	366.35
11/7/2018	Scott Lewis	Hotel 10/23-10/28	406.15
11/7/2018	Scott Lewis	Airfare to CMWD 10/23-10/28	405.61
11/7/2018	Scott Lewis	Car Rental 10/23-10/28	452.49
11/7/2018	Scott Lewis	Airfare to CMWD 11/13-11/18	380.59
11/7/2018	James Word	Reimburse Mileage	134.82
11/14/2018	Russ Baggerly	Reimburse Mileage	129.17
12/5/2018	Bill Hicks	Reimburse Mileage	152.60
12/5/2018	Bill Hicks	Reimburse Mileage	237.08
12/5/2018	Eric Lara	Safety Boots	107.70

1) Reimbursement Disclosure Report prepared pursuant to California Government Code 53065.5

MEMORANDUM

TO: Board of Directors
From: Michael L. Flood, Interim General Manager
RE: **Resolution Declaring Stage 4 Water Supply Condition at Lake Casitas**
Date: December 6, 2018

RECOMMENDATION:

The Board of Directors consider adopting a resolution declaring that a Stage 4 Water Supply Condition exists for the Lake Casitas water supply and provide direction to staff to implement specific actions in accordance with the Casitas MWD Water Efficiency and Allocation Program (WEAP).

BACKGROUND:

On April 27, 2016, the Board of Directors adopted a resolution declaring that a Stage 3 water supply condition existed for the Lake Casitas water supply. Three categories of specific actions were identified to be part of the declaration:

Category 1: Communication and Outreach – this included intensification of public outreach focused on alerting the public to the existence of a Stage 3 water supply condition and that mandatory water use reductions were in place. Budget development to support outreach efforts was also part of this category.

Category 2: New Service Connections & Allocations - Direction to staff to bring back a recommendation on either a moratorium or controlled issuance of new water service connections and allocations.

Category 3: Specific Actions to Support Conservation – This involved a list of specific actions involving allocation adjustments, landscape irrigation limitations and conservation penalties.

Since the adoption of the Stage 3 resolution, the level in Lake Casitas saw a minor recovery in early 2017 but a continued decline since that time. As of early December 2018, the level at Lake Casitas is nearing the 30% full threshold which is one criteria within the WEAP (Section 5.4, Table 5) that the Board of Directors can use in consideration of a declaration of a Stage 4 water supply condition.

DISCUSSION:

The WEAP provides the Board of Directors full discretion to determine what water supply condition Stage to declare in response to a drought emergency and is contained primarily in Section 5.4. This includes (but is not limited to) the water level of Lake Casitas, the measured response to the call for conservation, and changes to water resource conditions.

A presentation will be provided during the Board meeting to go into more detail on these factors as well as others such as timing of its implementation, a summary of public feedback on the issue and actions being taken by Casitas' wholesale customers.

A summary of attendee comments from the Agricultural Town Hall Meeting of October 17th, 2018 is attached.

Agricultural Town Hall Meeting, October 17, 2018

QUESTIONS Asked Following M Flood's Presentation:

What Percentage Use is City of Ventura? What has been the Financial Impact of the drought? In a year what percentage of overall use is AG? Service charges cover fixed costs- discussion of the purpose of each? If it rains, will CMWD be able to open diversion more? What limits us from opening the diversion more? What is the real story with sediment, sediment clearing, and permits? Brush that has grown in lake bed – Why has in not been cleared? Why no diversions this year? Explain Rotating screens at Fish Passage? Have we tried to work with Brownly on clean-up of lake bed/fire implications? Have local politicians been helpful? Update on the concept of Connection to State Water and the deep wells concepts? Is there technology to stop evaporation from the surface of the lake? What types of well does CMWD have and which are being considered?

Public Comment (generalized from publicly taken facilitator notes):

DIV 3 VOTING QUESTION – why has it been so long since we voted on that position; seems like never.

Why does it seem like the CMWD is looking at short-term solutions for long-term problem? Drought has been a chronic problem in this area for centuries.

We need to fast-track solutions.

Farmers have really faced a “Perfect Storm” scenario over the last few years

- ~ Rate increases on the cost of water*
- ~ Plus increased meter charges. 3-4/acre*
- ~ Asian Citrus Psyllid treatments 4 times/yr (some 5 times a year)*

It takes 3-4/acre ft per acre of avocado.

Growers deal with a “Up year/Down year” growing cycle, but each year the fixed costs remain the same

Be sure to have the Preparation in place for Diversions: canal & fish passage

Board can delay rate increases, should consider it, because they will be facing diminished revenue without AG.

Crop Factor/Multiplier not in line with the microclimates in our valley – eTo calculations s cut the water use expectation in half before we start. Can take 5/af per acre for avocado.

With all this, growers are starting in deficit situation, and the condition calls for a new look at a new multiplier

A lot of acres have gone under recently (fires, fallow, ect). Any idea of how many?

There is a fear that this new conservation standard is the new “baseline” regarding expectations on growers’ water use

What is the ultimate VISION of Board? There does not seem to be a documented long-term vision.

Growers are worried they will be priced out of the market in this area due to water

If as a group, they are already at 50% reduction, then there shouldn’t be other penalties

The potential for penalties isn’t incentive to conserve. We are already trying.

1990 or 1987?? Which year was used to determine allocation? Because it seems inconsistent in terms of setting allocation numbers

With the Allocation ending in July (the penalty) is a double penalty. Couldn’t it be late winter?

**End of summer is the highest use.*

How can growers know more about their water use? They need quicker technology information.

The bills come two months late so it becomes extremely hard to manage on a day to day basis without more recent information on use.

Idea: Meter reading associated with actual read numbers, providing individualized allocation thresholds, e.g. “When your meter read is 87453, you will have reached your allocation ceiling.”

I’ve never seen bills come two months late with any other water district or utility!

Lots of negative comments about the two month billing cycle

If you can't measure it [water use], you cannot manage it [water use]

If we could know the potential decisions well-ahead of time, we could make better, more informed decisions.

For example, there is a big difference between young orchards and old trees in terms of water use, production, fallowing, etc.

Idea of a water market, where people could trade unused allocation numbers

When I bought extra allocations, Steve Wickstrum assured me that the extra allocation would be tied to the property through the County Recorder's office. It is not.

No one in the room has their allocation tied to a deed or a document at the County.

Is it possible to consider a Board by-law change?

I'd like to see a more representative government for agricultural interests.

Please work on the remote mic for the audience's questions. Thank you for the devices you did provide.

Some confusion about the billing statement. Is the allocation number on the statement the real allocation?

Is it going to be another 10% off the total or 10% off the current allocation numbers?

Can't the allocation program do more to match farming practices? Could we know when things are going to change? Like better planning if we could know if it was to happen two months from now

What Board Members are in the auditorium tonight: Russ, and Mary, and future member Brian Brennan

Special thanks to the solid agricultural representation of Mary & welcome to Brian Brennan

So, if the drought continues and we keep going down, in theory we might not make it through an entire growing season in a single stage of drought. Not make it through a full cycle of crops?

We'd like you to align the allocation program with the irrigation season

Is there any assurance you will pull the trigger to go up a stage with adequate rain?

If an average rain year hits,(23"?) will it raise the level of lake of stage?

Depends on type of rain

Board decision to raise levels and lower levels of the drought stages

Please hold off stage four as long as possible, because it becomes a point of difficult return

Explain about Coyote Cr & Santa Ana Creek being uncontrolled. Is that 60% of inflow?

Is the Canal 30-35% of inflow?

You never can predict what will happen when. Story of the washed out diversion in floods of 69

Agriculture holds a lot of value to this community besides water district revenue: charm, tourism, view shed is also very important even to only residential customers, etc.

CASITAS MUNICIPAL WATER DISTRICT

RESOLUTION NO. 18-

RESOLUTION DECLARING AND IMPLEMENTING
A STAGE 4 WATER SUPPLY CONDITION
FOR ALL CASITAS CUSTOMERS

WHEREAS, on April 26, 2016 the Board of Directors of the Casitas Municipal Water District adopted Resolution 16-09 declaring that a Stage 3 water supply condition did exist at Lake Casitas, and

WHEREAS, as of November 2018, Lake Casitas has continued to decline to nearly 30% of its full capacity of 237,975 Acre-Feet, and

WHEREAS, the National Weather Service in their November 15, 2018 U.S. Seasonal Drought Outlook indicates continued but improving drought conditions through February 28, 2019, and

WHEREAS, the Casitas Water Efficiency and Allocation Program adopted on May 9, 2018 identifies a decline to thirty (30) percent of storage available in Lake Casitas as the possible Stage 4 condition and subject to water demand reduction measures to preserve the Lake Casitas water supply during a continuation of the drought; and

WHEREAS, Article X, Section 2 of the California Constitution declares that the general welfare requires that water resources be put to beneficial use, that waste or unreasonable use or unreasonable method of use of water be prevented and that conservation of water be fully exercised with a view to the reasonable and beneficial use thereof; and

WHEREAS, California Water Code, Section 375, authorizes a water supplier to adopt and enforce a comprehensive water conservation program to reduce water consumption and conserve water supplies; and

WHEREAS, California Water Code, Section 71611 provides that a district may sell water under its control, without preference, to cities, other public corporations and agencies, and persons, within the district for use within the district.

WHEREAS, California Water Code Section 71640 authorizes the governing body of a municipal water district to restrict the use of district water during any emergency caused by drought, or other threatened or existing water shortage, and may prohibit the wastage of district water or the use of district water during such periods for any purpose other than

household uses or such other restricted uses as the district determines to be necessary, and may prohibit use of district water during such periods for specific uses which it finds to be nonessential; and

WHEREAS, California Water Code Section 71642 authorizes the governing body of a municipal water district to find the existence or threat of a drought emergency or other threatened or existing water shortage, and that finding is prima facie evidence of the fact or matter so found, and such fact or matter shall be presumed to continue unchanged unless and until a contrary finding is made by the board by resolution or ordinance; and

WHEREAS, pursuant to Water Code section 71641 and Government Code section 6061, the [District] must publish in a newspaper of general circulation any ordinance setting forth the restrictions, prohibitions, and exclusions determined to be necessary under Water Code section 71640 within 10 days after its adoption; and

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

1) Pursuant to Water Code section 71642, and for the reasons set forth herein, the Board continues with the determination of the existence or threat of a drought emergency or other water shortage condition; and

2) Pursuant to California Water Code Section 71611 and under the authority of Water Code Section 71640, any water that is delivered from Lake Casitas and the Casitas distribution system that is used outside the District boundaries is considered an unreasonable use and an unreasonable method of use; and

3) Casitas hereby declares that a Stage 4 water supply condition exists within the service area of the Casitas Municipal Water District; and

4) The Board of Directors hereby directs staff to take the following actions that are described in the 2018 Water Efficiency and Allocation Program for a Stage 4 condition in Lake Casitas, in the specified time, that include:

- a) Effective upon adoption of this Resolution:
 - i. Continue with the Stage 1, Stage 2 and Stage 3 measures; and
 - ii. Expand and intensify the public information campaign within Casitas Municipal Water District that an increased and continued mandatory reduction in water use is required during Stage 4 water supply conditions.
 - iii. Implement measures to inform and educate all water users within Casitas Municipal Water District as to methods for achieving the reduction in water use.

- iv. Increase the current level of public outreach in relation to a specific Stage 4 message.
 - v. Develop a budget including staffing requirements to support water conservation and public outreach efforts.
- b) Prior to February 12, 2019, bring forward to the Board of Directors recommendations to consider a moratorium or more restrictive controlled issuance of new water service connection and allocations.
- c) Effective XX,XX,20XX, implement the following Stage 4 actions and measures:
- i. Reduce the initial allocation of every customer by an additional ten (10) percent; and
 - ii. Maintain the conservation penalty at \$5.00 per unit for all water usage exceeding monthly allocations for residential customers and annual allocations for all other customers; and
 - iii. Restrict landscape irrigation watering to the hours of 8PM to 8AM.

5) The Stage 4 water supply condition shall be presumed to continue unchanged unless and until a contrary finding is made by the Board by resolution or ordinance or when Lake Casitas reaches a volume of 90,000 AF upon which time the water supply condition will be declared as Stage 3.

ADOPTED this 12th day of December, 2018.

James W. Word, President
Casitas Municipal Water District

ATTEST:

, Secretary
Casitas Municipal Water District

**CASITAS MUNICIPAL WATER DISTRICT
INTEROFFICE MEMORANDUM**

TO: MIKE FLOOD, INTERIM GENERAL MANAGER
FROM: VIRGIL CLARY, CIVIL ENGINEER
SUBJECT: LA CONCHITA VALVES AND APPURTENANCES REPLACEMENT PROJECT
FINAL ACCEPTANCE
DATE: DECEMBER 12, 2018

RECOMMENDATION:

It is recommended the Board of Directors:

1. Authorize staff to execute the Notice of Completion for the La Conchita Valves and Appurtenances Replacement Project, Specification No. 18-403 and have the same recorded; and
2. In the absence of claims from subcontractors and others, release the retention in the amount of \$7,917.39, 35 calendar days after filing the Notice of Completion.

BACKGROUND AND DISCUSSION:

On September 12, 2018, the Board awarded a construction contract to Travis Agricultural in the amount of \$186,520 for the La Conchita Valves and Appurtenances Replacement Project, Specification No. 18-403. The project involved the replacement of numerous fire hydrants and main line valves in the La Conchita neighborhood. Travis Agricultural completed all construction and there are no outstanding issues to prevent final acceptance of the project. Change Order #1 as well as Pay Request #1 reflecting 95% (5% retention withheld) of the revised contract total have been approved as they were within the General Manager's authority. Change Order #1 included the following items:

1. Deduction of 13 bollards to protect fire hydrants and valve cans.
2. Deduction of 3 meter service installations.
3. Addition of 4" and 6" gate valves.

A portion of work required for the project was performed by BSN Construction who is currently under contract to perform asphalt paving for the District. These items are:

1. Addition of asphalt berms to protect fire hydrants and valve cans.
2. Raising of 30 valve cans.

The following is a summary of the total contract cost with Travis Agricultural:

Description	Cost
Contract Award	\$ 186,520.00
Change Order #1	\$ (28,172.24)
Revised Contract Total	\$ 158,347.76

The La Conchita Valves and Appurtenances Replacement Project is complete. A Notice of Completion (NOC) form is attached readied for signature.

BUDGET IMPACT:

There is no financial impact.

Attachments:

Notice of Completion

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO	NO FEE PURSUANT TO GOVERNMENT CODE 27388
NAME: Casitas Municipal Water District	
STREET 1055 Ventura Avenue ADDRESS:	
CITY: Oak View	
STATE: CA 93022	
ZIP	
FILE: SPEC #	

NOTICE OF COMPLETION

Notice pursuant to Civil Code Section 3093, must be filed within 10 days after completion. (See reverse side for complete requirements.)

Notice is hereby given that:

1. The undersigned is owner or corporate officer of the owner of the interest or estate stated below in the property hereinafter described:
2. The full name of the owner is: **CASITAS MUNICIPAL WATER DISTRICT.**
3. The full address of the owner is **1055 VENTURA AVENUE, OAK VIEW, CA 93022.**
4. The nature of the interest or estate of the owner is: **PURCHASER UNDER CONTRACT OF PURCHASE.**
5. The full names and full addresses of all persons, if any, who hold title with the undersigned as joint tenants or as tenants in common are: **NONE.**
6. The full names and full addresses of the predecessors in interest of the undersigned, if the property was transferred subsequent to this commencement of the work or improvements herein referred to: **NONE.**
7. A work of improvement on the property hereinafter described was completed on _____. The work done was: _____.
8. The names of the contractor, if any, for such work of improvement was _____.
9. The date of the contract was: _____.
10. The property on which said work of improvement was completed is in an unincorporated area of the County of Ventura, State of California, and is described as follows: _____.
11. The street address of said property is: _____.

CASITAS MUNICIPAL WATER DISTRICT

Dated: _____

By: _____
Michael Flood, Interim General Manager

I, the undersigned, say: I am the Interim General Manager of Casitas Municipal Water District, the declarant of the foregoing Notice of Completion; I have read said Notice of Completion and know the contents thereof; the same is true to my own knowledge. I declare under penalty of perjury that the foregoing is true and correct.

Executed on _____ at Oak View, California.

Michael Flood, General Manager

DO NOT RECORD

REQUIREMENTS AS TO NOTICE OF COMPLETION

Notice of completion must be filed for record **WITHIN 10 DAYS** after the completion of the work of improvement (to be computed exclusive of the day of completion) as provided in Civil Code Section 3093.

The "owner" who must file for record a notice of completion of a building or other work of improvement means the owner (or his successor in-interest at the date the notice is filed) on whose behalf the work was done, though his ownership is less than the fee title. For example, if A is the owner in fee, and B, lessee under a lease, causes a building to be constructed, then B, or whoever has succeeded to his interest at the date the notice is filed, must file the notice.

If the ownership is in two or more persons as joint tenants or tenants in common, the notice may be signed by any one of the co-owners (in fact, the foregoing form is designed for giving of the notice by only one cotenant), but the names and addresses of the other co-owners must be stated in paragraph 5 of the form.

Note that any Notice of Completion signed by a successor in interest shall recite the names and addresses of his transferor or transferors.

In paragraphs 3, 5 and 6, the full address called for should include street number, city, county and state.

As to paragraphs 7 and 8, this form should be used only where the notice of completion covers the work of improvement as a whole. If the notice is to be given only of completion of a particular contract, where the work of improvement is made pursuant to two or more original contracts, then this form must be modified as follows: (1) Strike the words "A work of improvement" from paragraph 7 and insert a general statement of the kind of work done or materials furnished pursuant to such contract (e.g., "The foundation for the improvements"); (2) Insert the name of the contractor under the particular contract in paragraph 8.

In paragraph 8 of the notice, insert the name of the contractor for the work of improvement as a whole. No contractor's name need be given if there is no general contractor, e.g. on so-called "owner-builder jobs."

In paragraph 9, insert the full, legal description, not merely a street address or tax description. Refer to deed or policy of title insurance. If the space provided for description is not sufficient, a rider may be attached.

In paragraph 10, show the street address, if any, assigned to the property by any competent public or governmental authority.

**CASITAS MUNICIPAL WATER DISTRICT
INTEROFFICE MEMORANDUM**

TO: MICHAEL FLOOD, INTERIM GENERAL MANAGER
FROM: VIRGIL CLARY, CIVIL ENGINEER
SUBJECT: AWARD PURCHASE ORDER CONTRACT – LCRA PLAYGROUND SURFACE REPLACEMENT (IFB122)
DATE: DECEMBER 12, 2018

RECOMMENDATION:

It is recommended the Board of Directors accept the proposal submitted by Great Western Recreation under the U.S. Communities Government Purchasing Alliance, and award the purchase order contract for the construction of the Lake Casitas Recreation Area – Playground Surface Replacement (IFB122) – Creekside Playground to Great Western Recreation in the amount of \$33,085.00. It is further recommended the Board authorize the General Manager to approve the purchase order contract for said work and the Board authorize staff to proceed with the administration of the contract.

BACKGROUND AND DISCUSSION:

The Creekside Playground surface has been undermined by rodents and has deteriorated, necessitating the removal of the existing surface, installation of cement slurry along with new cushion and wear courses.

The City of Charlotte, North Carolina, on behalf of the U.S. Communities Government Purchasing Alliance, competitively solicited and awarded Contract No. 2017001134 for Playground and Outdoor Fitness Equipment, Site Accessories, Surfacing and Related Products & Services to GameTime Inc. on July 1, 2017 for an initial five-year term. This District may utilize said contract as a member of U.S. Communities.

Great Western Recreation, a subsidiary of GameTime Inc., completed a similar project for the resurfacing of Campground G's playground to the satisfaction of the District, has a current C-61/D34 Contractor's license in good standing, and is currently registered with the California Department of Industrial Relations.

The Fiscal Year 2018-19 budget includes \$30,000 to replace playground surfaces. This puts the total project cost slightly over budget. This project is eligible for a 50% reimbursement from the United States Bureau of Reclamation grant program. Performance and payment bonds are not required for this project as the cost is less than \$35,000.

This project is categorically exempt from the California Environmental Quality Act under Sections 15301 and 15302.

**CASITAS MUNICIPAL WATER DISTRICT
INTEROFFICE MEMORANDUM**

TO: MICHAEL FLOOD, INTERIM GENERAL MANAGER
FROM: VIRGIL CLARY, CIVIL ENGINEER
SUBJECT: REQUEST FOR ADDITIONAL FUNDS, AWNING COVERS FOR VARIOUS PUMPING FACILITIES (FY 18-19) (IFB121)
DATE: DECEMBER 12, 2018

RECOMMENDATION:

It is recommended the Board of Directors approve an additional \$10,000 to increase the awning covers for various pumping facilities budget from \$25,000 to \$35,000.

BACKGROUND AND DISCUSSION:

The District issued a Request for Proposal using the informal bidding process to have removable awnings constructed at four locations throughout the District's system. The intent is to protect the facilities from sun, heat, wind and rain. The awning covers will be removable to provide access for maintenance of covered facilities when necessary.

The Board authorized the issuance of a purchase order to AAA Awnings, Inc. in the amount of \$23,080 to construct a removable awning cover over the San Antonio Tank MCC panel which was within the approved budget for FY 2018-19. Since then staff requested an increase in height of the San Antonio Tank MCC panel awning from 8'-6" to 10'. The increase in height of the awning requires an additional \$2,960.

There has also been a noise complaint received from a neighbor of the Ojai Valley Pump Plant pertaining to the sound emanating from pump #4. The original scope of the contract included an awning in this location to protect it from the elements but was removed due to budget constraints. The installation of an awning cover over Ojai Valley Pump Plant Unit #4 will mitigate some of the sound created by the pump, as well as proceed with the goal of protecting it from the elements. AAA Awnings, Inc. submitted a proposal to install an awning cover over Ojai Valley Pump Plant Unit #4 in the amount of \$8,380. The total contract amount with AAA Awnings will be the total shown below.

Original Contract	\$23,080.00
Additional Height for San Antonio Tank MCC	\$ 2,960.00
Add Ojai Valley Pump Plant #4	\$ 8,380.00
TOTAL	\$34,420.00

Casitas Municipal Water District

*Comprehensive Annual Financial Report
For the Years Ended June 30, 2018 and 2017*



1055 Ventura Avenue, Oak View, California 93022. 805.649.2251

www.casitaswater.com

Casitas Municipal Water District
Oak View, California

Comprehensive Annual Financial Report

For the Years Ended June 30, 2018 and 2017

Prepared by:

Denise Collin – Accounting Manager / Treasurer

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**Casitas Municipal Water District
Comprehensive Annual Financial Report
For the Years Ended June 30, 2018 and 2017**

Table of Contents

	<u>Page</u>
Table of Contents	i
 <u>Introductory Section (Unaudited)</u>	
Letter of Transmittal	iii
Board of Directors and Management	vi
Organizational Chart	vii
Government Finance Officers Association – Certificate of Achievement in Financial Reporting	viii
 <u>Financial Section</u>	
Independent Auditor’s Report	1
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	5
Management’s Discussion and Analysis – Required Supplementary Information (Unaudited)	7
 <i>Basic Financial Statements:</i>	
Statements of Net Position	15
Statements of Revenues, Expenses and Changes in Net Position	16
Statements of Cash Flows	17
Notes to the Basic Financial Statements	19
 <i>Required Supplementary Information: (Unaudited)</i>	
Schedule of the District’s Proportionate Share of the Plan’s Net Pension Liability	57
Schedule of the District’s Contributions to the Pension Plan	58
Schedule of Changes in the District’s Total OPEB Liability and Related Ratio	59
Schedule of the District’s Contributions to the OPEB Plan	60
 <i>Supplementary Information:</i>	
Budgetary Comparison Schedule	63
Combining Balance Sheets	65
Combining Schedule of Revenues, Expenses and Changes in Net Position	69
Detail Schedule of Operating Expenses – Water Department	71
Detail Schedule of Operating Revenues and Expenses – Recreation Department	74

**Casitas Municipal Water District
Comprehensive Annual Financial Report
For the Years Ended June 30, 2018 and 2017**

Table of Contents (Continued)

	<u>Page</u>
<u>Statistical Section (Unaudited):</u>	
Statistical Section – Table of Contents	79
Changes in Net Position and Net Position by Component – Last Ten Fiscal Years	80
Operating Revenue by Source – Last Ten Fiscal Years.....	82
Operating Expenses by Activity – Last Ten Fiscal Years.....	83
Revenue Base – Last Ten Fiscal Years	84
Revenue Rates – Fiscal Years 2009 and 2011	85
Revenue Rates – Fiscal Years 2012 and 2017	86
Revenue Rates – Fiscal Year 2018	87
Customers by Type at the Fiscal Year-End– Last Ten Fiscal Years.....	88
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years.....	89
Debt Coverage – Last Ten Fiscal Years.....	90
Demographics and Economic Statistics – County of Ventura – Last Ten Fiscal Years	91
Operating and Capacity Indicators – Employees – Last Ten Fiscal Years	92
Operating and Capacity Indicators – Operations – Last Ten Fiscal Years	93

INTRODUCTORY SECTION

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December 12, 2018

Board of Directors
Casitas Municipal Water District

Introduction

It is our pleasure to submit the Comprehensive Annual Financial Report (CAFR) for the Casitas Municipal Water District (District) for the years ended June 30, 2018 and 2017, following guidelines set forth by the Governmental Accounting Standards Board. District staff prepared this financial report. The District is ultimately responsible for both the accuracy of the data and the completeness and the fairness of presentation, including all disclosures in this financial report. We believe that the data presented is accurate in all material respects. This report is designed in a manner that we believe necessary to enhance your understanding of the District's financial position and activities.

Generally Accepted Accounting Principles (GAAP) requires that management provide a narrative introduction, overview and analysis to accompany the financial statements in the form of the Management's Discussion and Analysis (MD&A) section. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately after the Independent Auditors' Report.

District Structure and Leadership

The Casitas Municipal Water District is a special district of the State of California that provides domestic and agricultural water services to the western portion of Ventura County. The District's Board of Directors is composed of five members who are elected in specified election divisions. The Directors serve terms of four years with an election held every two years for alternating divisions. The District also provides recreational activities at Lake Casitas. The water district and the lake activities are accounted for as an enterprise fund.

Formed in 1952, the District was the inspiration of area civic leaders, cattlemen, and citrus ranchers who were frustrated by a severe drought and subsequent water rationing. Between 1952 and 1956, when ground was broken for Casitas Dam, the District sought and obtained commitments for 50-year federal loans to construct Casitas Dam and the Robles-Casitas Diversion Canal. Engineers drilled through 1,800 feet of rock for the outlet tunnel, and built an earthen dam with 9.2 million cubic yards of earth. Final cost of the reservoir, dam and Lake Casitas Recreation Area was \$20 million.

Drawing from the 105-square mile watershed, Lake Casitas began to form in the Santa Ana Valley. In 1978, 19 years after the dam's completion, the lake overflowed for the first time. With a capacity of 254,000-acre feet, the reservoir has a shoreline of 35 miles and provides water to over 65,000 people.

Water quality is strictly controlled in the surrounding 3,200-acre Charles M. Teague Memorial Watershed. Since 1974, the federal government has spent more than \$25 million to purchase lands in the watershed to preserve water quality from the pollution of over development.

For the past forty-seven years, Casitas Municipal Water District has been a strong proponent of watershed protection and lake management. The efforts to protect the Lake Casitas watershed and lake management practices developed by the District provide an excellent quality of water to the customers. Regulatory changes affecting surface waters had moved the District through considerations for filtration avoidance to the conclusion that construction of a water filtration plant was necessary to meet regulatory requirements. The Marion R. Walker Pressure Filtration Plant was designed and constructed to meet those requirements and became fully operational on November 6, 1997. Casitas was proud to receive a water supply permit from the Department of Health Services granting the District permission to supply water for domestic purposes after completion of the treatment plant.

Economic Condition and Outlook

The District offices are located in the Ojai Valley in Ventura County. Santa Barbara and Ventura counties have shown the healthiest economic growth in the region. The economic outlook for Southern California is one of cautious and slow growth.

California's water supply continues to be a concern due to projected population increases. This concern has increased interest in conservation and in irrigation methods and systems. The District has led the area in its conservation efforts and will continue to make strides in this area.

Internal Control Structure

District management is responsible for the establishment and maintenance of the internal control structure that ensures the assets of the District are protected from loss, theft or misuse. The internal control structure also ensures adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The District's internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Control

The District's Board of Directors annually adopts an operating and capital budget prior to the new fiscal year. The budget authorizes and provides the basis for reporting and control of financial operations and accountability for the District's enterprise operations and capital projects.

The budget and reporting treatment applied to the District is consistent with the accrual basis of accounting and the financial statement basis.

Investment Policy

The Board of Directors annually adopts an investment policy that conforms to state law, District ordinance and resolutions, prudent money management, and the "prudent person" standards. The objective of the Investment Policy is safety, liquidity and yield. District funds are invested in the State Treasurer's Local Agency Investment Fund, County of Ventura Pooled Money Investment Fund, U.S. Treasury Bills, Notes and Bonds, and institutional savings and checking accounts.

Water Rates and District Revenues

District policy direction ensures that all revenues from user charges and surcharges generated from District customers must support all District operations including capital project funding. Accordingly, water rates are reviewed periodically. Water rates are user charges imposed on customers for services and are the primary component of the District's revenue. Water rates are composed of a commodity (usage) charge and a fixed (readiness-to-serve) charge.

Audit and Financial Reporting

State Law and Bond covenants require the District to obtain an annual audit of its financial statements by an independent certified public accountant. The accounting firm of The Pun Group, LLP has conducted the audit of the District's financial statements. Their unqualified Independent Auditor's Report appears in the Financial Section.

Awards and Acknowledgements

For the year ended June 30, 2017, the District received for the 24th year the Government Finance Officers Association of the United States and Canada's (GFOA) *Certificate of Achievement for Excellence in Financial Reporting*. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements. (See Page 6)

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Preparation of this report was accomplished by the combined efforts of District staff. We appreciate the dedicated efforts and professionalism that our staff members bring to the District. We would also like to thank the members of the Board of Directors for their continued support in the planning and implementation of the Casitas Municipal Water District's fiscal policies.

Respectfully submitted,

Casitas Municipal Water District

Directory

July 1, 2017 – June 30, 2018

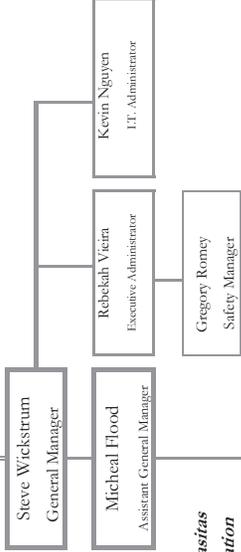
Board of Directors

Board Member	Division	Date of Original Election of Appointment	Ending Date of Term
Bill Hicks	Division 1	November, 1990	December, 2018
Jim Word	Division 2	May, 1997	December, 2020
Pete Kaiser	Division 3	November, 2002	December, 2020
Mary Bergen	Division 4	November, 2010	December, 2018
Russ Baggerly	Division 5	November, 2004	December, 2020

Staff

Steve Wickstrum	General Manager
Michael Flood	Assistant General Manager
Rebekah Vieira	Executive Administrator
Julia Aranda	Principal Civil Engineer
Carol Belser	Park Services Manager
Denise Collin	Accounting Manager / Treasurer
Michael Shields	O&M Manager
Scott Lewis	Fisheries Biologist
Gregory Romey	Safety Officer

Board of Directors
 Jim Word - President, Bill Hicks - Vice President
 Mary Bergen - Secretary, Pete Kaiser - Asst. Secretary
 Russ Baggerly - Director



**Lake Casitas
Recreation
Area**

Carol Belser
Park Services Manager

Scott Lewis
Fisheries Biologist

Denise Collin
Accounting Manager

Julia Aranda
Principal Civil Engineer

Open Position
Public Affairs-Resce MGR

Joe Evans
Division Officer

Michael Gibson
Fisheries Biologist

Nicole Panson
Accountant

Lindsay Cao
Civil Engineer

Cinnamon McIntosh
Water Cons. Specialist

Robert Faddis
Park Services Officer III

Daniel Holloway
Fisheries Aid

Deborah Gomez
Buyer

Todd Evans
Assistant Engineer

Bryan Sandoval
Water Cons. Analyst

Aaron Wall
Aquatic Supervisor

Lisa Barbee
Payroll Technician

Lisa Switzer
Engineer Technician

Jordan Switzer
Engineer Technician

Carole Iles
Administrative Assistant

Mich Tull
Park Services Officer II

Chelbi Kelly
Accounting Technician

Carole Iles
Administrative Assistant

Carole Iles
Administrative Assistant

Navwith Magallanes
Accounting Technician

Joe Martinez
Park Ranger IV

Traci Ozuna
Park Ranger II

Kyle Heath
Park Ranger I

Stephen Sulkowski
Park Ranger III

Jessica Collins
Guest Service Coordinator

Traci Ozauna
Park Ranger II

Kyle Heath
Park Ranger I

Stephen Sulkowski
Park Ranger III

Jessica Collins
Guest Service Coordinator

Stuart Birdsey
Park Ranger III

Robert Vasquez
Distribution Tech IV

Vincent Godinez
Distribution Tech III

Mario Mariscal
Distribution Tech I

Levi Maxwell
Distribution Tech I

Levi Maxwell
Distribution Tech I

Robert Vasquez
Distribution Tech IV

Vincent Godinez
Distribution Tech III

Mario Mariscal
Distribution Tech I

Levi Maxwell
Distribution Tech I

Levi Maxwell
Distribution Tech I

Robert Vasquez
Distribution Tech IV

Vincent Godinez
Distribution Tech III

Mario Mariscal
Distribution Tech I

Levi Maxwell
Distribution Tech I

Levi Maxwell
Distribution Tech I

Robert Vasquez
Distribution Tech IV

Vincent Godinez
Distribution Tech III

Mario Mariscal
Distribution Tech I

Levi Maxwell
Distribution Tech I

Levi Maxwell
Distribution Tech I

Robert Vasquez
Distribution Tech IV

Vincent Godinez
Distribution Tech III

Mario Mariscal
Distribution Tech I

Levi Maxwell
Distribution Tech I

Levi Maxwell
Distribution Tech I

**Operations
&
Maintenance**

Michael Shields
O & M Manager

Caron Smith
Operations Coordinator

Susan McMahon
Water Quality Supervisor

Brian Taylor
Pipeline Foreman

Timothy Lawson
Maintenance V Foreman

Joe Evans
Division Officer

Robert Faddis
Park Services Officer III

Aaron Wall
Aquatic Supervisor

Mich Tull
Park Services Officer II

Joe Martinez
Park Ranger IV

Eric Behrendt
Electrical Mech Supervisor

Willis Hand
Treatment Plant Sup

Kenneth Grinnell
Laboratory Technician

Geraldo Herrera
Pipeline Foreman

Lisa Kolar
Maintenance II

Robert Faddis
Park Services Officer III

Lisa Barbee
Payroll Technician

Chelbi Kelly
Accounting Technician

Carole Iles
Administrative Assistant

Navwith Magallanes
Accounting Technician

Henry Islas
Electrical Cnd & Inst Sp.

Joel Cox
Treatment Plant Op V

Kenneth Grinnell
Laboratory Technician

Geraldo Herrera
Pipeline Foreman

Lisa Kolar
Maintenance II

Robert Faddis
Park Services Officer III

Lisa Barbee
Payroll Technician

Chelbi Kelly
Accounting Technician

Carole Iles
Administrative Assistant

Navwith Magallanes
Accounting Technician

Scott Byron
E&M Systems Spec III

Laake Sobolt
Treatment Plant Op IV

Scott MacDonald
Treatment Plant Op III

Robert Vasquez
Distribution Tech IV

Ivan Lopez
Maintenance I

Mich Tull
Park Services Officer II

Chelbi Kelly
Accounting Technician

Carole Iles
Administrative Assistant

Carole Iles
Administrative Assistant

Navwith Magallanes
Accounting Technician

Tracy Medeiros
E&M Systems Spec II

Scott MacDonald
Treatment Plant Op III

William Reeder
Treatment Plant Op III

Robert Vasquez
Distribution Tech IV

Ivan Lopez
Maintenance I

Mich Tull
Park Services Officer II

Chelbi Kelly
Accounting Technician

Carole Iles
Administrative Assistant

Carole Iles
Administrative Assistant

Navwith Magallanes
Accounting Technician

Tracy Medeiros
E&M Systems Spec II

Scott MacDonald
Treatment Plant Op III

William Reeder
Treatment Plant Op III

Robert Vasquez
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Accounting Technician

Carole Iles
Administrative Assistant

Carole Iles
Administrative Assistant

Navwith Magallanes
Accounting Technician

David Pope
Maintenance III

Luis Mejia
Maintenance I



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Casitas Municipal Water District
California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
of the Casitas Municipal Water District
Oak View, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Casitas Municipal Water District (District), which comprises the statements of net position as of June 30, 2018 and 2017, and the related statements of revenues, expenses and changes in net position, and cash flows for the years then ended and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the District as of June 30, 2018 and 2017, and the respective changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

200 East Sandpointe Avenue, Suite 600, Santa Ana, California 92707

Tel: 949-777-8800 • Fax: 949-777-8850

www.pungroup.com

Emphasis of Matter

Change in Accounting Principle

As discussed in Note 1 to the financial statements, the District implemented Governmental Accounting Standards Board (“GASB”) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The adoption of the stand required retrospective application of previously reported net position and reclassification of certain accounts as of July 1, 2017 as described in Note 11 to the basic financial statements. In addition, total OPEB liability is reported in the statement of Net position in the amount of \$10,282,145 as of the measurement date. The District hired a qualified actuary to evaluate the Total OPEB Liability as of the measurement date as required by GASB Statement No. 75. The Total OPEB Liability is calculated by actuaries using estimates and actuarial techniques from actuarial valuation as of June 30, 2017. The actuary applied the Section 3.7.7(c)(4) of the ASOP No. 6, as revised, and determined age-adjusted rates are not necessary and therefore, the Implicit Rate Subsidy is not applicable in calculating the total projection of benefits payments. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis on pages 7 through 12 and the Schedule of the District's Proportionate Share of the Plan’s Net Pension Liability, the Schedule of the District’s Contributions to the Pension Plan, the Schedule of Changes in the District’s Total OPEB Liability and Related Ratio, and the Schedule of the District’s Contributions to the OPEB Plan, on pages 57 through 60, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District’s basic financial statements as a whole. The supplementary information on pages 63 through 74 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

To the Board of Directors
of the Casitas Municipal Water District
Oak View, California
Page 3

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements as a whole. The introductory and the statistical sections are presented for purposes of additional analysis and are not required parts of the basic financial statements. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2018, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

The PwC Group, LLP

Santa Ana, California
December 12, 2018

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Independent Auditors' Report

To the Board of Directors
of the Casitas Municipal Water District
Oak View, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Casitas Municipal Water District (District) as of and for the years ended June 30, 2018 and 2017, and the related notes to the financial statements, which collectively comprises the District's basic financial statements, and have issued our report thereon dated December 12, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

To the Board of Directors
of the Casitas Municipal Water District
Oak View, California
Page 2

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

The PwC Group, LLP

Santa Ana, California
December 12, 2018

Casitas Municipal Water District
Management's Discussion and Analysis (Unaudited)
For the Years Ended June 30, 2018 and 2017

The following Management's Discussion and Analysis (MD&A) of activities and financial performance of the Casitas Municipal Water District (District) provides an introduction to the financial statements of the District for the fiscal years ended June 30, 2018 and 2017. We encourage readers to consider the information presented here in conjunction with the basic financial statements and related notes, which follow this section.

Financial Highlights

- The District incurred a net loss of (\$3,964,883) and (\$5,736,057) for fiscal years ended June 30, 2018 and 2017, respectively.
- In 2018, total revenues increased by 30.0% or \$4,661,227 from \$15,517,755 to \$20,178,982 from the prior year, primarily due to the purchase of the Ojai System (CFD 2013-1) on June 8, 2017. Water consumption increased from \$5,391,087 to \$6,346,257 also due to the CFD 2013-1, The monthly water service charge increased from \$2,151,152 to \$3,680,853 and the CFD 2013-1 assessment increased from \$601,938 to \$2,592,342 to fund the bond repayment.
- In 2017, total revenues decreased by 8.7% or (\$1,496,676) from \$17,756,822 to \$15,517,755, from the prior year, primarily due to the increase in retail water consumption of (\$1,050,611) and wholesale water sales of (\$422,947) as the District continued with its water conservation measures as the California drought was declared over by the Governor on April 7, 2017.
- In 2018, total operating expenses for the District's operations before depreciation expense increased by 7.0% or \$1,065,172 from \$15,307,494 to \$16,372,666, respectively from the prior year, primarily due to operational costs in every area other than administrative expenses, which decreased from \$5,543,278 to 4,332,172, or \$-1,211,106, respectively due to the purchase of the Ojai System (CFD 2013-1) in June of 2017 resulting in less legal fees and issuance costs in 2018.
- In 2017, total operating expenses for the District's operations before depreciation expense increased by 9.8% or \$1,376,363 from \$13,931,131 to \$15,307,494, from the prior year, primarily due to an increase in general and administrative expenses of \$1,245,217 due to an increase in salaries and benefits of \$794,964 and professional services and contract of \$461,063.

Required Financial Statements

This annual report consists of a series of financial statements. The Statement of Net Position, Statement of Revenues, Expenses and Change in Net Position and Statement of Cash Flows provide information about the activities and performance of the District using accounting methods similar to those used by private sector companies.

The Statement of Net Position includes all of the District's investments in resources (assets) and the obligations to creditors (liabilities). It also provides the basis for computing a rate of return, evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District. All of the current year's revenue and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This statement measures the success of the District's operations over the past year and can be used to determine if the District has successfully recovered all of its costs through its rates and other charges. This statement can also be used to evaluate profitability and credit worthiness. The final required financial statement is the Statement of Cash Flows, which provides information about the District's cash receipts and cash payments during the reporting period. The Statement of Cash Flows reports cash receipts, cash payments and net changes in cash resulting from operations, investing, non-capital financing, and capital and related financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

Casitas Municipal Water District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Years Ended June 30, 2018 and 2017

Financial Analysis of the District

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position report information about the District in a way that helps answer this question.

These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting method used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the District's *net position* and changes in them. You can think of the District's net position – the difference between assets and liabilities – as one way to measure the District's financial health, or *financial position*. Over time, *increases or decreases* in the District's net position are one indicator of whether its *financial health* is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, zoning and new or changed government legislation.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Statements of Net Position

	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>Change</u>	<u>June 30, 2016</u>	<u>Change</u>
Assets:					
Current assets	\$ 31,037,807	\$ 30,999,175	\$ 38,632	\$29,273,544	\$ 1,725,631
Non-current assets	12,150,615	16,264,433	(4,113,818)	5,084,988	11,179,445
Capital assets, net	82,388,499	83,403,429	(1,014,930)	58,243,096	25,160,333
Total assets	<u>125,576,921</u>	<u>130,667,037</u>	<u>(5,090,116)</u>	<u>92,601,628</u>	<u>38,065,409</u>
Deferred outflows of resources	<u>7,202,723</u>	<u>5,839,055</u>	<u>1,363,668</u>	<u>566,878</u>	<u>5,272,177</u>
Liabilities:					
Current liabilities	5,118,926	6,066,411	(947,485)	1,863,239	4,203,172
Non-current liabilities	66,013,982	63,852,347	2,161,635	18,356,743	45,495,604
Total liabilities	<u>71,132,908</u>	<u>69,918,758</u>	<u>1,214,150</u>	<u>20,219,982</u>	<u>49,698,776</u>
Deferred inflows of resources	<u>1,616,824</u>	<u>1,996,455</u>	<u>(379,631)</u>	<u>2,621,588</u>	<u>(625,133)</u>
Net position:					
Net investment in capital assets	34,740,556	35,176,319	(435,763)	53,810,078	(18,633,759)
Restricted	5,233,089	8,510,347	(3,277,258)	25,720	8,484,627
Unrestricted	20,056,267	20,904,213	(847,946)	16,491,138	4,413,075
Total net position	<u>\$ 60,029,912</u>	<u>\$ 64,590,879</u>	<u>\$ (4,560,967)</u>	<u>\$70,326,936</u>	<u>\$(5,736,057)</u>

Casitas Municipal Water District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Years Ended June 30, 2018 and 2017

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources of the District exceeded liabilities and deferred inflows of resources by \$60,029,912 and \$64,590,879 as of June 30, 2018 and 2017, respectively.

The District's net position as of June 30, 2018 and of June 30, 2017 reflects the District's investment in capital assets (net of accumulated depreciation) less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to customers within the District's service area; consequently, these assets are not available for future spending.

At the end of fiscal years 2018 and 2017, the District showed a positive balance in its unrestricted net position of \$20,056,268 and \$20,904,213 respectively, which may be utilized in future years.

Statement of Revenues, Expenses and Change in Net Position

	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>Change</u>	<u>June 30, 2016</u>	<u>Change</u>
Operating revenues	\$ 14,828,090	\$ 12,758,081	\$ 2,070,009	\$12,869,735	\$ (111,654)
Operating expenses	<u>(16,370,951)</u>	<u>(15,307,494)</u>	<u>(1,063,457)</u>	<u>(13,931,131)</u>	<u>(1,376,363)</u>
Operating loss before depreciation	(1,542,861)	(2,549,413)	1,006,552	(1,061,396)	(1,488,017)
Depreciation expense	<u>(4,195,538)</u>	<u>(3,736,067)</u>	<u>(459,471)</u>	<u>(3,174,681)</u>	<u>(561,386)</u>
Operating loss	(5,738,399)	(6,285,480)	547,081	(4,236,077)	(2,049,403)
Non-operating revenues (expenses), net	<u>1,554,967</u>	<u>318,779</u>	<u>1,236,188</u>	<u>2,784,518</u>	<u>(2,465,739)</u>
Net loss before capital contributions	(4,183,432)	(5,966,701)	1,783,269	(1,451,559)	(4,515,142)
Capital contributions	<u>220,264</u>	<u>230,644</u>	<u>(10,380)</u>	<u>844,524</u>	<u>(613,880)</u>
Change in net position	(3,963,168)	(5,736,057)	1,772,889	(607,035)	(5,129,022)
Net position:					
Beginning of year	64,590,879	70,326,936	(5,736,057)	70,933,971	(607,035)
Prior period adjustment	<u>(597,799)</u>	<u>-</u>	<u>(597,799)</u>	<u>-</u>	<u>-</u>
End of year	<u>\$ 60,029,912</u>	<u>\$ 64,590,879</u>	<u>\$ (4,560,967)</u>	<u>\$70,326,936</u>	<u>\$(5,736,057)</u>

The statement of revenues, expenses and changes in net position shows how the District's net position changed during the fiscal years. In the case of the District, the District's net position decreased by (\$4,560,967) and (\$5,736,057) for the fiscal years ended June 30, 2018 and 2017, respectively.

Casitas Municipal Water District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Years Ended June 30, 2018 and 2017

Total Revenues

	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>Increase (Decrease)</u>	<u>June 30, 2016</u>	<u>Increase (Decrease)</u>
Operating revenues:					
Retail water consumption	\$ 5,321,304	\$ 4,433,772	\$ 887,532	\$ 5,484,383	\$(1,050,611)
Wholesale water sales	1,024,953	957,315	67,638	1,380,262	(422,947)
Monthly water service charge	3,680,853	2,151,152	1,529,701	2,123,742	27,410
Recreation revenue	3,905,083	4,027,340	(122,257)	3,592,600	434,740
Other water charges and services	895,897	1,188,502	(292,605)	288,748	899,754
Total operating revenues	<u>14,828,090</u>	<u>12,758,081</u>	<u>2,070,009</u>	<u>12,869,735</u>	<u>(111,654)</u>
Non-operating:					
Property taxes – ad valorem	2,313,211	2,164,262	148,949	2,199,074	(34,812)
Pass-through property tax increment	95,729	94,267	1,462	93,403	864
Property tax assessment for SWP	369,167	151,501	217,666	730,400	(578,899)
CFD 2013-1 assessment	2,592,342	601,938	1,990,404	454,543	147,395
Mira Monte assessment	19,012	19,280	(268)	19,049	231
Investment earnings	576,708	519,022	57,686	515,352	3,670
Change in fair-value of investments	(660,798)	(861,978)	201,180	203,143	(1,065,121)
Other non-operating revenues/(expenses), net	45,521	71,382	(25,861)	41,386	29,996
Total non-operating	<u>5,350,892</u>	<u>2,759,674</u>	<u>2,591,218</u>	<u>4,256,350</u>	<u>(1,496,676)</u>
Total revenues	<u>\$ 20,178,982</u>	<u>\$ 15,517,755</u>	<u>\$ 4,661,227</u>	<u>\$17,126,085</u>	<u>\$(1,608,330)</u>

In 2018, total revenues increased by 30.0% or \$4,661,227 from \$15,517,755 to \$20,178,982 from the prior year, primarily due to the purchase of the Ojai System (CFD 2013-1) on June 8, 2017. This increased water consumption from \$5,391,087 to \$6,346,257, respectively. The monthly water service charge increased from \$2,151,152 to \$3,680,853 and the CFD 2013-1 assessment increased from \$601,938 to \$2,592,342 respectively to fund the bond repayment.

In 2017, total revenues decreased by 8.7% or (\$1,496,676) from \$17,756,822 to \$15,517,755, from the prior year, primarily due to the decrease in retail water consumption of (\$1,050,611) and wholesale water sales of (\$422,947) as the District continued with its water conservation measures as the California drought was declared over by the Governor on April 7, 2017.

Casitas Municipal Water District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Years Ended June 30, 2018 and 2017

Total Expenses

	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>Increase (Decrease)</u>	<u>June 30, 2016</u>	<u>Increase (Decrease)</u>
Operating expenses:					
Source of supply	\$ 2,000,607	\$ 1,706,783	\$ 293,824	\$ 1,432,140	\$ 274,643
Pumping	1,585,222	1,204,538	380,684	1,360,622	(156,084)
Water treatment	1,259,158	1,168,090	91,068	1,372,695	(204,605)
Transmission and distribution	1,012,384	672,992	339,392	697,974	(24,982)
Telemetry	302,003	213,595	88,408	173,559	40,036
Customer accounts	682,832	548,117	134,715	367,204	180,913
Recreation expenses	5,199,660	4,250,101	949,559	4,228,876	21,225
General and administrative	4,329,085	5,543,278	(1,214,193)	4,298,061	1,245,217
Operating expenses before depreciation	<u>16,370,951</u>	<u>15,307,494</u>	<u>1,063,457</u>	<u>13,931,131</u>	<u>1,376,363</u>
Depreciation	4,195,538	3,736,067	459,471	3,174,681	561,386
Total operating expenses	<u>20,566,489</u>	<u>19,043,561</u>	<u>1,522,928</u>	<u>17,105,812</u>	<u>1,937,749</u>
Non-operating expenses:					
State water project expense	616,152	266,509	349,643	183,384	83,125
Change in water-in-storage inventory	1,279,005	(2,555,167)	3,834,172	1,193,960	(3,749,127)
Tax collection expense	38,038	27,697	10,341	32,050	(4,353)
Interest expense – long-term debt	1,639,245	168,407	1,470,838	62,438	105,969
Amortization of deferred loss and insurance	220,615	18,690	201,925	-	18,690
Acquisition expense of CFD 2013-1	-	3,975,599	(3,975,599)	-	3,975,599
Cost of debt issuance	2,870	539,160	(536,290)	-	539,160
Total non-operating	<u>3,795,925</u>	<u>2,440,895</u>	<u>1,355,030</u>	<u>1,471,832</u>	<u>969,063</u>
Total expenses	<u>\$ 24,362,414</u>	<u>\$ 21,484,456</u>	<u>\$ 2,877,958</u>	<u>\$ 18,577,644</u>	<u>\$ 2,906,812</u>

In 2018, total operating expenses for the District's operations before depreciation expense increased by 7.0% or \$1,065,172 from \$15,307,494 to \$16,372,666, respectively from the prior year, primarily due to the purchase and operational costs in every area other than administrative expenses, which decreased from \$5,543,278 to 4,332,172, or \$1,065,172, respectively due to the purchase of the Ojai System (CFD 2013-1) in June of 2017 resulting in less legal fees and issuance costs in 2018.

In 2017, total operating expenses for the District's operations before depreciation expense increased by 9.8% or \$1,376,363 from \$13,931,131 to \$15,307,494, from the prior year, primarily due to an increase in general and administrative expenses of \$1,245,217 due to an increase in salaries and benefits of \$794,964 and professional services and contract of \$461,063.

**Casitas Municipal Water District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Years Ended June 30, 2018 and 2017**

Capital Asset Administration

	Balance	Balance	Balance
	June 30, 2018	June 30, 2017	June 30, 2016
Capital assets:			
Non-depreciable assets	\$ 8,654,788	\$ 10,523,881	\$ 6,288,912
Depreciable assets	141,590,204	136,599,607	111,938,176
Accumulated depreciation	(67,856,493)	(63,720,059)	(59,983,992)
Total capital assets, net	<u>\$ 82,388,499</u>	<u>\$ 83,403,429</u>	<u>\$58,243,096</u>

At the end of fiscal year 2018, 2017 and 2016, the District's investment in capital assets amounted to \$82,388,499, \$83,403,429 and \$58,243,096 (net of accumulated depreciation), respectively. This investment in capital assets includes land, land improvements, structures, building, operating equipment and office equipment. See Note 6 for further information.

Debt Administration

The long-term debt position of the District is summarized below:

	Balance	Balance	Balance
	June 30, 2018	June 30, 2017	June 30, 2016
Long-term debt:			
Reimbursement agreement	\$ 2,625,757	\$ 2,702,986	\$ 2,780,214
Assessment bonds payable	56,500	73,500	89,500
Loans payable	1,136,523	1,398,725	1,398,725
Special tax bonds	43,885,662	44,125,399	4,215,399
Total	<u>\$ 47,704,442</u>	<u>\$ 48,300,610</u>	<u>\$ 8,483,838</u>

See Notes 6, 7 and 8 for further information.

Conditions Affecting Current Financial Position

Management is unaware of any conditions which could have a significant impact on the District's current financial position, net position or operating results based on past, present and future events.

Requests for Information

This financial report is designed to provide the District's funding sources, customers, stakeholders and other interested parties with an overview of the District's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact the District's Accounting Manager/Treasurer at 1055 Ventura Avenue, Oak View, California 93022 – (805) 649-2251 x 103.

BASIC FINANCIAL STATEMENTS

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Casitas Municipal Water District
Statements of Net Position
June 30, 2018 and 2017

ASSETS	2018	2017
Current assets:		
Cash and cash equivalents (Note 2)	\$ 4,942,219	\$ 3,304,457
Investments (Note 2)	20,031,043	20,696,527
Accrued interest receivable	125,070	123,513
Accounts receivable (Note 4)	5,205,399	6,033,970
Materials and supplies inventory	119,665	82,132
Prepaid expenses	614,411	758,576
Total current assets	31,037,807	30,999,175
Non-current assets:		
Restricted – cash and cash equivalents (Notes 2 and 3)	5,827,859	8,643,510
Restricted – special assessments receivable (Note 3)	76,826	95,988
Water-in-storage inventory (Note 5)	6,245,930	7,524,935
Capital assets – not being depreciated (Note 6)	8,654,788	10,523,881
Capital assets – being depreciated, net (Note 6)	73,733,711	72,879,548
Total non-current assets	94,539,114	99,667,862
Total assets	125,576,921	130,667,037
DEFERRED OUTFLOWS OF RESOURCES		
Deferred loss on refunding CFD 2013-1 (Note 10)	3,895,560	4,100,000
OPEB related deferred outflows of resources (Note 11)	570,358	-
Pensions related deferred outflows of resources (Note 12)	2,736,805	1,739,055
Total deferred outflows of resources	7,202,723	5,839,055
LIABILITIES		
Current liabilities:		
Accounts payable and accrued expenses	931,222	2,077,815
Deposits and unearned revenue	2,739,479	3,018,270
Accrued interest payable	624,253	166,920
Long-term liabilities – due within one year:		
Compensated absences (Note 7)	458,048	346,976
Reimbursement agreement (Note 8)	77,228	77,228
Assessment bonds payable (Note 9)	18,000	17,000
Long-term debt (Note 10)	270,696	362,202
Total current liabilities	5,118,926	6,066,411
Non-current liabilities:		
Long-term liabilities – due in more than one year:		
Compensated absences (Note 7)	458,047	520,465
Reimbursement agreement (Note 8)	2,548,530	2,625,758
Assessment bonds payable (Note 9)	38,500	56,500
Long-term debt (Note 10)	44,751,492	45,161,922
Net other post-employment benefits obligations (Note 11)	-	8,800,102
Net other post-employment benefits liability (Note 11)	10,282,145	-
Net pension liability (Note 12)	7,935,268	6,687,600
Total non-current liabilities	66,013,982	63,852,347
Total liabilities	71,132,908	69,918,758
DEFERRED INFLOWS OF RESOURCES		
Pensions related deferred inflows of resources (Note 12)	1,616,824	1,996,455
Total deferred inflows of resources	1,616,824	1,996,455
NET POSITION		
Net investment in capital assets (Note 13)	34,740,556	35,176,319
Restricted for debt service (Note 14)	5,233,089	8,510,347
Unrestricted	20,056,267	20,904,213
Total net position	\$ 60,029,912	\$ 64,590,879

Casitas Municipal Water District
Statements of Revenues, Expenses and Changes in Net Position
For the Years Ended June 30, 2018 and 2017

	2018	2017
Operating revenues:		
Retail water consumption	\$ 5,321,304	\$ 4,433,772
Wholesale water sales	1,024,953	957,315
Monthly water service charge	3,680,853	2,151,152
Recreation revenue	3,905,083	4,027,340
Other water charges and services	895,897	1,188,502
Total operating revenues	14,828,090	12,758,081
Operating expenses:		
Source of supply	2,000,607	1,706,783
Pumping	1,585,222	1,204,538
Water treatment	1,259,158	1,168,090
Transmission and distribution	1,012,384	672,992
Telemetry	302,003	213,595
Customer accounts	682,832	548,117
Recreation expenses	5,199,660	4,250,101
General and administrative	4,329,085	5,543,278
Depreciation – water department	3,873,898	3,415,057
Depreciation – recreation department	321,640	321,010
Total operating expenses	20,566,489	19,043,561
Operating (loss)	(5,738,399)	(6,285,480)
Non-operating revenues (expenses):		
Property taxes – ad valorem	2,313,211	2,164,262
Pass-through property tax increment	95,729	94,267
Property tax assessment for State Water Project	369,167	151,501
State water project expense	(616,152)	(266,509)
Change in water-in-storage inventory (Note 5)	(1,279,005)	2,555,167
CFD 2013-1 assessment	2,592,342	601,938
Mira Monte assessment	19,012	19,280
Tax collection expense	(38,038)	(27,697)
Investment earnings	576,708	519,022
Change in fair-value of investments	(660,798)	(861,978)
Interest expense – long-term debt	(1,639,245)	(168,407)
Amortization of deferred loss and bond insurance on CFD 2013-1	(220,615)	(18,690)
Acquisition expense of CFD 2013-1	-	(3,975,599)
Cost of debt issuance	(2,870)	(539,160)
Other, net	45,521	71,382
Total non-operating revenues (expenses)	1,554,967	318,779
Net (loss) before capital contributions	(4,183,432)	(5,966,701)
Capital contributions:		
Federal, state and local grants	220,264	230,644
Total capital contributions	220,264	230,644
Change in net position	(3,963,168)	(5,736,057)
Net position:		
Beginning of year	64,590,879	70,326,936
Restatement due to implementation of GASB 75	(597,799)	-
End of year	\$ 60,029,912	\$ 64,590,879

See Accompanying Notes to the Basic Financial Statements

Casitas Municipal Water District
Statements of Cash Flows
For the Years Ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Cash receipts from customers and others	\$ 15,423,391	\$ 12,272,918
Cash paid to employees for salaries and wages	(10,124,581)	(5,905,764)
Cash paid to vendors and suppliers for materials and services	(8,814,275)	(8,677,684)
Net cash (used in) operating activities	<u>(3,515,465)</u>	<u>(2,310,530)</u>
Cash flows from non-capital financing activities:		
Proceeds from property taxes and assessments	5,408,623	3,012,016
Tax collection expense	(38,038)	(27,697)
Net cash provided by non-capital financing activities	<u>5,370,585</u>	<u>2,984,319</u>
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(2,716,076)	(3,005,659)
Proceeds from capital grants	220,264	230,644
Proceeds from debt issuance	-	44,137,303
Cost of debt issuance	(2,870)	(539,160)
Principal paid on long-term debt	(596,164)	(347,307)
Interest paid on long-term debt	(1,181,912)	(55,864)
Net cash provided by (used in) capital and related financing activities	<u>(4,276,758)</u>	<u>40,419,957</u>
Cash flows from investing activities:		
Proceeds from the sale or maturity of investments	665,484	3,609,269
Purchases of investments, net	-	(4,684,894)
Acquisition of CFD 2013-1	-	(34,481,628)
Acquisition of CFD 2013-1 expenses	-	(366,372)
Investment earnings	578,265	497,505
Net cash provided by (used in) investing activities	<u>1,243,749</u>	<u>(35,426,120)</u>
Net increase (decrease) in cash and cash equivalents	(1,177,889)	5,667,626
Cash and cash equivalents:		
Beginning of year	11,947,967	6,280,341
End of year	<u>\$ 10,770,078</u>	<u>\$ 11,947,967</u>
Reconciliation of cash and cash equivalents to the balance sheet:		
Cash and cash equivalents	\$ 4,942,219	\$ 3,304,457
Restricted assets – cash and cash equivalents	5,827,859	8,643,510
Total cash and cash equivalents	<u>\$ 10,770,078</u>	<u>\$ 11,947,967</u>

Casitas Municipal Water District
Statements of Cash Flows (Continued)
For the Years Ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Reconciliation of operating (loss) to net cash (used in) operating activities:		
Operating (loss)	\$ (5,738,399)	\$ (6,285,480)
Adjustments to reconcile operating (loss) to net cash (used in) operating activities:		
Depreciation	4,195,538	3,736,067
State water project expense	(616,152)	(266,509)
Other, net	45,521	71,382
Change in assets – (increase) decrease:		
Accounts receivable	828,571	(3,035,246)
Materials and supplies inventory	(37,533)	14,461
Prepaid expenses	144,165	(514,938)
Change in deferred outflows of resources – (increase) decrease		
Pensions related deferred outflows of resources	(997,750)	(1,172,177)
Change in liabilities – increase(decrease):		
Accounts payable and accrued expenses	(1,146,593)	1,458,037
Deposits and unearned revenue	(278,791)	2,478,701
Compensated absences	48,654	9,177
Net other post-employment benefits obligations	-	(249,646)
Net other post-employment benefits liability	(830,733)	-
Net pension liability	1,247,668	2,070,774
Change in deferred inflows of resources – increase(decrease)		
Pensions related deferred inflows of resources	(379,631)	(625,133)
Total adjustments	<u>2,222,934</u>	<u>3,974,950</u>
Net cash (used in) operating activities	<u>\$ (3,515,465)</u>	<u>\$ (2,310,530)</u>
Non-cash investing, capital and financing transactions:		
Change in fair-value of investments	<u>\$ (660,798)</u>	<u>\$ (861,978)</u>

Casitas Municipal Water District
Notes to the Basic Financial Statements
For the Years Ended June 30, 2018 and 2017

Note 1 – Reporting Entity and Summary of Significant Accounting Policies

Established in 1952, the Casitas Municipal Water District provides domestic and agricultural water to the western portion of Ventura County. The District is governed by a five-member Board of Directors who serves overlapping four-year terms.

The criteria used in determining the scope of the financial reporting entity is based on the provisions of U.S. GAAP. The District is the primary governmental unit based on the foundation of a separately elected governing board that is elected by the citizens in a general popular election. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The District is financially accountable for a component that has substantively the same governing body as the District's governing body, and additionally (1) the primary government and the component unit have a financial benefit or burden relationship or (2) management (below the level of the elected officials) of the primary government have operational responsibility for the activities of the component unit. The District has no component units.

Financial Reporting

The District's basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District solely operates as a special-purpose government which means it is only engaged in business-type activities; accordingly, activities are reported in the District's enterprise fund.

Basis of Accounting and Measurement Focus

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the District is that the costs of providing water to its customers on a continuing basis be financed or recovered, primarily through user charges (water sales and services) or similar funding. The District segregates its Wholesale and Retail Zone accounting internally as separate entities. The financial statements are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred, regardless of when the related cash flows take place.

Operating revenues and expenses are generated and incurred through the water sales activities to the District's customers. Management, administration, and depreciation expenses are also considered operating expenses. Other revenues and expenses not included in the above categories are reported as non-operating revenues and expenses.

In accordance with U.S. GAAP, the Statement of Net Position reports separate sections for Deferred Outflows of Resources, and Deferred Inflows of Resources, when applicable.

Deferred Outflows of Resources represent outflows of resources (consumption of net position) that apply to future periods and that, therefore, will not be recognized as an expense until that time.

Deferred Inflows of Resources represent inflows of resources (acquisition of net position) that apply to future periods and that, therefore, will not be recognized as revenue until that time.

Cash and Cash Equivalents

Cash and cash equivalents include all highly liquid investments with original maturities of 90 days or less and are carried at cost, which approximates fair value.

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

Investments

Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

U.S. GAAP, defines fair value, establishes a framework for measuring fair value and establishes disclosures about fair value measurement. Investments, unless otherwise specified, recorded at fair value in the Statements of Net Position, are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Levels of inputs are as follows:

Level 1 – Inputs are unadjusted, quoted prices for identical assets and/or liabilities in active markets at the measurement date.

Level 2 – Inputs, other than quoted prices included in Level 1 that are observable for the assets or liabilities through corroboration with market data at the measurement date.

Level 3 – Unobservable inputs that reflect management’s best estimate of what market participants would use in pricing the assets or liabilities at the measurement date.

Receivables and Allowance for Doubtful Accounts

Customer accounts receivable consist of amounts owed by organizations for services rendered in the regular course of business operations. Uncollectable accounts are based on prior experience and management’s assessment of the collectability of existing accounts. As of June 30, 2018 and 2017, no allowance for doubtful accounts has been recorded as the District deems all accounts receivable balances collectable.

Property Taxes and Assessments

Property taxes are levied on July 1 and are payable in two installments: November 1 and February 1 of each year. Property taxes become delinquent on December 10 and April 10, for the first and second installments, respectively. The lien date is January 1. The County of Ventura, California (County) bills and collects property taxes and remits them to the District according to a payment schedule established by the County.

The County is permitted by State law to levy properties at 1% of full market value (at time of purchase) and can increase the property tax rate at no more than 2% per year. The District receives a share of this basic tax levy proportionate to what it received during the years 1976-1978. Property taxes are recognized in the fiscal year for which the taxes have been levied.

Property assessments are extended on the property tax bills and are collected by the County and distributed to the District throughout the year.

Materials and Supplies Inventory

Materials and supplies inventory consists primarily of water meters, pipe and pipefittings for construction and repair to the District’s water transmission and distribution system. Inventory is valued at cost using a weighted average method. Inventory items are charged to expense at the time that individual items are withdrawn from inventory or consumed.

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond the fiscal year ended are recorded as prepaid expenses.

Water-In-Storage Inventory

The value of water inventory is determined based upon the quantity of water in storage in Lake Casitas and the costs to divert the water into the lake.

Capital Assets

Capital assets are valued at historical cost, or estimated historical cost, if actual historical cost was not available. Donated capital assets are valued at their estimated acquisition value on the date donated. The District policy has set the capitalization threshold for reporting capital assets at \$5,000, all of which must have an estimated useful life in excess of one year. Depreciation is recorded on a straight-line basis over estimated useful lives of the assets as follows:

Transmission and distribution system	50 to 75 years
Pumping plant	10 to 30 years
Water treatment plant	10 to 30 years
Buildings and structures	10 to 30 years
Equipment	5 to 10 years
Fish ladder	5 years
Recreation assets	7 years
Alternate swimming facility	2 to 5 years

Major outlays for capital assets are capitalized as construction in progress until fully constructed. Once the construction is completed the capital asset is transferred and depreciated based on its useful life.

State Water Project Participation Rights

The District participates in the State Water Project (Project) entitling it to certain water rights. The District's participation in the Project is through cash payments. Monies used for the construction of capital assets, such as pipelines, pumping facilities, storage facilities, etc., are recorded as participation rights and amortized over the life of the agreements. Certain projects also require payments for on-going maintenance; those payments are charged to expenses as incurred.

Compensated Absences

The District's personnel policies provide for accumulation of vacation and sick leave. Liabilities for vacation and sick leave are recorded when benefits are earned. Cash payment of unused vacation is available to those qualified employees when retired or terminated.

Customer Deposits

Based on a customer's credit-worthiness, the District may require a deposit deemed reasonable by the District. These deposits are held to pay-off close out bills or to cover delinquent payments.

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plans and additions to/deductions from the plans’ fiduciary net position have been determined on the same basis as they are reported by the plans (Note 12). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value. The following timeframes are used for pension reporting:

<u>Fiscal year ended</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Valuation date	June 30, 2016	June 30, 2015
Measurement date	June 30, 2017	June 30, 2016
Measurement period	July 1, 2016 to June 30, 2017	July 1, 2015 to June 30, 2016

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized straight-line over 5 years. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

Net Other Post Employment Retirement Benefits

The District provides certain health care benefits for all retired employees that meet eligibility requirements. For the fiscal year ended June 30, 2018, governments are required to implement GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB 75). For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the plans and additions to/deductions from the plans’ fiduciary net position have been determined on the same basis as they are reported by the plans (Note 11). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value. The following timeframes are used for pension reporting:

<u>Fiscal year ended</u>	<u>June 30, 2018</u>
Valuation date	June 30, 2016
Measurement date	June 30, 2017
Measurement period	July 1, 2016 to June 30, 2017

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in OPEB expense systematically over time. The first amortized amounts are recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized straight-line over 5 years. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

Net Position

Net position represents the difference between all other elements in the statement of net position and should be displayed in the following three components:

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted – This component of net position is the amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of the contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Implementation of New GASB Pronouncements

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This statement applies to government employers who provide OPEB to their employees and for governments that finance OPEB for employees of other governments. This statement basically parallels GASB Statement 68 and replaces GASB Statement 45. Application of this statement is effective for the District's fiscal year ended June 30, 2018.

GASB Statement No. 81, *Irrevocable Split-Interest Agreements*. This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period. Application of this statement did not have a significant effect on the District's fiscal year ended June 30, 2018.

GASB Statement No. 85, *Omnibus 2017*. This Statement addresses practice issues that have been identified during implementation and application of certain GASB Statements. This Statement also addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). Application of this statement did not have a significant effect on the District's fiscal year ended June 30, 2018.

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

Implementation of New GASB Pronouncements (Continued)

GASB Statement No. 86, *Certain Debt Extinguishment Issues*. This Statement improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. Application of this statement did not have a significant effect on the District’s fiscal year ended June 30, 2018.

Note 2 – Cash and Investments

Cash and investments as of June 30 were classified in the accompanying financial statements as follows:

Description	June 30, 2018	June 30, 2017
Cash and cash equivalents	\$ 4,942,219	\$ 3,304,457
Investments	20,031,043	20,696,527
Restricted – cash and cash equivalents	5,827,859	8,643,510
Total	<u>\$ 30,801,121</u>	<u>\$ 32,644,494</u>

Cash and investments as of June 30 consisted of the following:

Description	June 30, 2018	June 30, 2017
Cash on hand	\$ 6,400	\$ 6,400
Deposits held with financial institutions	4,932,461	3,294,734
Investments	25,862,260	29,343,360
Total	<u>\$ 30,801,121</u>	<u>\$ 32,644,494</u>

Demand Deposits

At June 30, 2018 and 2017, the carrying amount of the District’s demand deposits was \$4,932,461 and \$3,294,732, respectively, and the financial institution balance was \$5,133,942 and \$4,712,483, respectively. The \$(201,479) and \$1,417,751 respective net difference as of June 30, 2018 and 2017 represents outstanding checks, deposits-in-transit and/or other reconciling items.

The California Government Code requires California banks and savings and loan associations to secure an entity's deposits by pledging government securities with a value of 110% of an entity's deposits. California law also allows financial institutions to secure entity deposits by pledging first trust deed mortgage notes having a value of 150% of an entity's total deposits. The entity's Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the FDIC.

The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized agent of depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an agent of depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an agent of depositor has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California agents of depository are considered to be held for, and in the name of, the local government.

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 2 – Cash and Investments (Continued)

Investments

The District's investments as of June 30, 2018 were as follows:

Type of Investments	Measurement Input	Credit Rating	Fair Value	Maturity		
				12 Months or Less	13 to 24 Months	25 to 120 Months
U.S. treasury obligations	Level 2	AAA	\$ 3,099,193	\$ 1,163,138	\$ 1,171,353	\$ 764,702
Government sponsored agency securities	Level 2	AAA	16,931,850	1,340,199	-	15,591,651
Money market mutual funds	Level 2	N/A	5,827,859	5,827,859	-	-
Local Agency Investment Fund (LAIF)	Uncategorized	N/A	456	456	-	-
Ventura County Pooled Investment Fund	Level 2	AAA/S-1+	2,902	2,902	-	-
Total investments			\$ 25,862,260	\$ 8,334,554	\$ 1,171,353	\$ 16,356,353

The District's investments as of June 30, 2017 were as follows:

Type of Investments	Measurement Input	Credit Rating	Fair Value	Maturity		
				12 Months or Less	13 to 24 Months	25 to 120 Months
U.S. treasury obligations	Level 2	AAA	\$ 3,119,948	\$ 1,151,779	\$ -	\$ 1,968,169
Government sponsored agency securities	Level 2	AAA	17,576,579	1,014,900	1,354,590	15,207,089
Money market mutual funds	Level 2	N/A	8,643,511	8,643,511	-	-
Local Agency Investment Fund (LAIF)	Uncategorized	N/A	451	451	-	-
Ventura County Pooled Investment Fund	Level 2	AAA/S-1+	2,873	2,873	-	-
Total investments			\$ 29,343,362	\$ 10,813,514	\$ 1,354,590	\$ 17,175,258

Authorized Deposits and Investments

The table below identifies the investment types that are authorized by the District in accordance with the California Government Code (or the District's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the District's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the District, rather than the general provisions of the California Government Code or the District's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. treasury obligations	10-years	None	None
Government sponsored entities securities	10-years	None	None
Non-negotiable certificates of deposit	10-years	None	None
Money market mutual funds	5-years	20%	20%
Collateralized bank deposits	None	None	None
County pooled investment funds	None	None	None
California Local Agency Investment Fund (LAIF)	None	None	None

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 2 – Cash and Investments (Continued)

Investment in California Local Agency Investment Fund (LAIF)

The District is a voluntary participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Further information about LAIF is available on the California State Controller's website: www.treasurer.ca.gov/pmia-laif/

The District's investments with LAIF at June 30, 2018 and 2017 included a portion of the pool funds invested in Structured Notes and Asset-Backed Securities:

Structured Notes: debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities: generally mortgage-backed securities that entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (for example, Collateralized Mortgage Obligations) or credit card receivables.

The District had \$456 and \$451 invested in LAIF, which had invested 2.67% and 2.89% of the pooled investment funds as of June 30, 2018 and June 30, 2017, respectively, in structured notes and medium-term asset-backed securities. The LAIF fair value factor of 0.998126869 and 0.998940671 was used to calculate the fair value of the investments in LAIF as of June 30, 2018 and 2017, respectively.

Investment in Ventura County Pooled Investment Fund (VCPIF)

The District is a voluntary participant in the VCPIF and the District determines the amount and term of its investment. The County Treasurer makes investments in accordance with a Statement of Investment Policy reviewed and approved annually by the Board of Supervisors. The Treasury Investment Oversight Committee comprised of the County Treasurer, a representative of the Board of Supervisors, the County Investment Manager, a representative of the County Superintendent of Schools and other Treasury Department support staff meets semi-annually to review the activities of the Treasurer and provide a report to the Board of Supervisors. Further information about the VCPIF is available on the Ventura County Treasurer-Tax Collector's website: www.ventura.org/ttc/

The County's Treasurer has indicated to the District that as of June 30, 2018 and 2017 that the value of the County's portfolio was approximately \$4.0 billion and \$2.1 billion, respectively. As of June 30, 2018 and 2017, the District has investment in the VCPIF \$2,902 and \$2,873, respectively. The VCPIF fair value factor of 1.00216836 and 1.00026119 was used to calculate the fair value of the investments in VCPIF as of June 30, 2018 and 2017, respectively.

Disclosures relating to Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. As of June 30, 2018 and 2017, the District's investment in the LAIF was not rated as noted in the table above and the District's investment in the VCPIF was rated AAf/S-1+.

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 2 – Cash and Investments (Continued)

Disclosures relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the fair values of investments with longer maturities have greater sensitivity to changes in market interest rates. The District's investment policy follows the Code as it relates to limits on investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates. The District has elected to use the segmented time distribution method of disclosure for the maturities of its investments as related to interest rate risk as noted in the table above.

Disclosures relating to Concentration of Credit Risk

The District's investment policy contains no limitations on the amount that can be invested in any one governmental agency or non-governmental issuer beyond that stipulated by the California Government Code. There were investments in one governmental or non-governmental issuer that represented 5% or more of the District's total investments except for those in money market mutual funds, LAIF and VCPIF as follows:

Description	June 30, 2018		June 30, 2017	
	Percentage	Balance	Percentage	Balance
U.S. treasury obligations	10%	\$ 3,099,193	10%	\$ 3,119,948
Government sponsored agency securities	55%	16,931,850	54%	17,576,579

Disclosures relating to Custodial Credit Risk

The custodial credit risk for *deposits* is the risk that in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's investment policy requires that collateral be held by an independent third party with whom the District has a current custodial agreement.

The custodial credit risk for *investments* is the risk that in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The District's investment policy requires that all security transactions are conducted on a delivery-versus-payment (DVP) method and that all securities are held by a qualified, third-party custodian, as evidenced by safekeeping receipts. The trust department of the District's bank may act as third-party custodian, provided that the custodian agreement is separate from the banking agreement. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF and VCPIF).

As of June 30, 2018 and 2017, none of the District's deposits and investments was exposed to custodial credit risk.

Note 3 – Restricted Assets

Restricted assets as of June 30 were classified in the accompanying financial statements as follows:

Description	June 30, 2018	June 30, 2017
Restricted – cash and cash equivalents	\$ 5,827,859	\$ 8,643,510
Restricted – special assessments receivable	76,826	95,988
Total restricted assets	\$ 5,904,685	\$ 8,739,498

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2018 and 2017

Note 3 – Restricted Assets (Continued)

Restricted assets as of June 30 consisted of the following:

<u>Description</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Proceeds from debt issuance – capital project funds	\$ 5,826,704	\$ 8,177,062
Proceeds from debt issuance – debt reserve funds	1,155	466,448
Special assessments receivable for debt service	76,826	95,988
Total restricted assets	<u>\$ 5,904,685</u>	<u>\$ 8,739,498</u>

Note 4 – Accounts Receivable

Accounts receivable as of June 30 consisted of the following:

<u>Description</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Accounts receivable – customers	\$ 2,316,248	\$ 3,178,189
Accounts receivable – others	33,963	145,379
Accounts receivable – property taxes	176,020	103,230
Accounts receivable – CFD 2013-1 assessment	2,679,168	2,607,172
Total accounts receivable	<u>\$ 5,205,399</u>	<u>\$ 6,033,970</u>

Note 5 – Water-in-Storage Inventory

The following schedule notes the change in the cost of the water held-in-storage in Casitas Lake. The increase or decrease in the water storage valuation balance denotes a way of accounting for water diversion expenses as explained in Note 1 in future years when the water in the lake is transmitted to the District’s customers.

Changes in water-in-storage inventory for the years ended June 30 were as follows:

<u>Description</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Beginning balance – water-in-storage	\$ 7,524,935	\$ 4,969,768
Current year water-in-storage valuation	<u>(1,279,005)</u>	<u>2,555,167</u>
Ending balance – water-in-storage	<u>\$ 6,245,930</u>	<u>\$ 7,524,935</u>

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 6 – Capital Assets

Summary changes in capital asset balances for the year ended June 30, 2018 were as follows:

Description	Balance July 1, 2017	Additions	Deletions/ Transfers	Balance June 30, 2018
Non-depreciable assets:				
Land	7,797,935	\$ -	\$ -	\$ 7,797,935
Easements	393,408	-	-	393,408
Construction-in-process	2,332,538	-	(1,869,093)	463,445
Total non-depreciable assets	10,523,881	-	(1,869,093)	8,654,788
Depreciable assets:				
State water project entitlement	3,005,581	-	-	3,005,581
Transmission and distribution system	56,223,437	2,175,008	-	58,398,445
Pumping plant	20,463,792	515,555	-	20,979,347
Water treatment plant	29,900,070	91,470	-	29,991,540
Buildings and structures	2,903,872	1,429,332	-	4,333,204
Equipment	4,714,594	780,240	-	5,494,834
Fish ladder	8,354,076	-	(59,104)	8,294,972
Recreation assets	9,098,280	58,096	-	9,156,376
Alternate swimming facility	1,935,905	-	-	1,935,905
Total depreciable assets	136,599,607	5,049,701	(59,104)	141,590,204
Accumulated depreciation:				
State water project entitlement	(1,954,030)	(2,803)	-	(1,956,833)
Transmission and distribution system	(20,096,719)	(679,011)	-	(20,775,730)
Pumping plant	(6,871,952)	(781,979)	-	(7,653,931)
Water treatment plant	(18,784,252)	(1,269,420)	-	(20,053,672)
Buildings and structures	(1,440,133)	(115,383)	-	(1,555,516)
Equipment	(2,696,413)	(664,700)	59,104	(3,302,009)
Fish ladder	(4,536,628)	(356,097)	-	(4,892,725)
Recreation assets	(6,178,391)	(229,350)	-	(6,407,741)
Alternate swimming facility	(1,161,541)	(96,795)	-	(1,258,336)
Total accumulated depreciation	(63,720,059)	(4,195,538)	59,104	(67,856,493)
Total depreciable assets, net	72,879,548	854,163	-	73,733,711
Total capital assets, net	\$ 83,403,429	\$ 854,163	\$ (1,869,093)	\$ 82,388,499

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 6 – Capital Assets (Continued)

Summary changes in capital asset balances for the year ended June 30, 2017 were as follows:

Description	Balance July 1, 2016	Additions	CFD 2013-1 Purchase	Deletions/ Transfers	Balance June 30, 2017
Non-depreciable assets:					
Land	\$ 6,047,935	\$ -	\$ 1,750,000	\$ -	\$ 7,797,935
Easements	-	-	393,408	-	393,408
Construction-in-process	240,977	2,091,561	-	-	2,332,538
Total non-depreciable assets	6,288,912	2,091,561	2,143,408	-	10,523,881
Depreciable assets:					
State water project entitlement	2,951,000	54,581	-	-	3,005,581
Transmission and distribution system	42,296,326	6,860	13,920,251	-	56,223,437
Pumping plant	11,098,895	63,219	9,301,678	-	20,463,792
Water treatment plant	29,034,612	341,091	524,367	-	29,900,070
Buildings and structures	2,865,014	38,858	-	-	2,903,872
Equipment	4,412,401	301,156	1,037	-	4,714,594
Fish ladder	8,288,923	65,153	-	-	8,354,076
Recreation assets	9,055,100	43,180	-	-	9,098,280
Alternate swimming facility	1,935,905	-	-	-	1,935,905
Total depreciable assets	111,938,176	914,098	23,747,333	-	136,599,607
Accumulated depreciation:					
State water project entitlement	(1,886,866)	(67,164)	-	-	(1,954,030)
Transmission and distribution system	(19,357,848)	(738,871)	-	-	(20,096,719)
Pumping plant	(6,211,403)	(660,549)	-	-	(6,871,952)
Water treatment plant	(17,490,644)	(1,293,608)	-	-	(18,784,252)
Buildings and structures	(1,353,336)	(86,797)	-	-	(1,440,133)
Equipment	(2,487,150)	(209,263)	-	-	(2,696,413)
Fish ladder	(4,180,531)	(356,097)	-	-	(4,536,628)
Recreation assets	(5,951,468)	(226,923)	-	-	(6,178,391)
Alternate swimming facility	(1,064,746)	(96,795)	-	-	(1,161,541)
Total accumulated depreciation	(59,983,992)	(3,736,067)	-	-	(63,720,059)
Total depreciable assets, net	51,954,184	(2,821,969)	23,747,333	-	72,879,548
Total capital assets, net	\$ 58,243,096	\$ (730,408)	\$ 25,890,741	\$ -	\$ 83,403,429

State Water Project Entitlement

In 1963, the Ventura County Flood Control District contracted with the State of California (State) for 20,000 acre-feet per year of water from the State Water Project (SWP). The SWP conveys water from Northern California to Southern California through a system of reservoirs, canals, pumps stations and power generation facilities. In 1971, the administration of the State Water Contract with the State was assigned to the District. Of the 20,000 acre-feet per year contracted, the District is assigned 5,000 acre-feet per year, United Water Conservation District is assigned 5,000 acre-feet per year, and the City of Ventura is assigned 10,000 acre-feet per year. Currently, only United Water Conservation District is receiving water from the SWP.

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 6 – Capital Assets (Continued)

State Water Project Entitlement (Continued)

The District is one of many participants contracting with the State of California for a system to provide water throughout California. Under the terms of the State Water Contract, as amended, the District is obligated to pay allocable portions of the cost of construction of the system and ongoing operations and maintenance costs through at least the year 2035, regardless of the quantities of water available from the project. The District and the other contractors may also be responsible to the State for certain obligations by any contractor who defaults on its payments to the State.

Management’s present intention is to exercise the District’s option to extend the contractual period to at least 2052, under substantially comparable terms. This corresponds to an estimated 80-year service life for the original facilities. The State is obligated to provide specific quantities of water throughout the life of the contract, subject to certain conditions.

In addition to system on-aqueduct power facilities, the State has, either on its own or through joint venture, financed certain off-aqueduct power facilities (OAPF). The power generated is utilized by the system for water transportation purposes. Power generated in excess of system needs is marketed to various utilities and California’s power market. The District is entitled to a proportionate share of the revenues resulting from sales of excess power. The District and the other water contractors are responsible for repaying the capital and operating costs of the OAPF regardless of the amount of power generated.

The District capitalizes its share of system construction costs as participation rights in state water facilities when such costs are billed by the State. Unamortized participation rights essentially represent a prepayment for future water deliveries through the State system. The District’s share of system operations and maintenance costs is charged to expense.

The District amortizes a portion of capitalized participation rights each year using a formula that considers the total estimated cost of the project, estimated useful life and estimated production capacity of the assets based upon information provided by the State of California.

Note 7 – Compensated Absences

Summary changes in compensated absences balances for the years ended June 30, 2018 was as follows:

<u>Balance</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2018</u>	<u>Due Within</u> <u>One Year</u>	<u>Due in More</u> <u>Than One Year</u>
\$ 867,441	\$ 540,644	\$ (491,990)	\$ 916,095	\$ 458,048	\$ 458,047

Summary changes in compensated absences balances for the years ended June 30, 2017 was as follows:

<u>Balance</u> <u>July 1, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2017</u>	<u>Due Within</u> <u>One Year</u>	<u>Due in More</u> <u>Than One Year</u>
\$ 858,264	\$ 364,200	\$ (355,023)	\$ 867,441	\$ 346,976	\$ 520,465

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 8 – Reimbursement Agreement

Casitas Dam Project – Seismic Safety of Casitas Dam

The United States Bureau of Reclamation (USBR) has undertaken and completed a project to strengthen Casitas Dam to better withstand seismic activity. Under Federal Law, the District is required to pay 15% of those costs. The District and the USBR have completed negotiations on the District’s share of the cost of the project which is \$3,011,898. The District is to reimburse the USBR \$77,228 each February 1st until February 1, 2052 as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2019	\$ 77,228
2020	77,228
2021	77,228
2022	77,228
2023	77,228
2024-2028	386,141
2029-2033	386,141
2034-2038	386,141
2039-2043	386,141
2044-2048	386,140
2049-2052	308,913
Total	<u>\$ 2,625,757</u>

Note 9 – Assessment Bonds Payable

Changes in assessment bonds payable amounts for the year ended June 30, 2018 were as follows:

<u>Long-Term Debt</u>	<u>Balance July 1, 2017</u>	<u>Additions/ Adjustments</u>	<u>Payments/ Amortization</u>	<u>Balance June 30, 2018</u>
Assessment bonds payable	\$ 73,500	\$ -	\$ (17,000)	\$ 56,500

Changes in assessment bonds payable amounts for the year ended June 30, 2017 were as follows:

<u>Long-Term Debt</u>	<u>Balance July 1, 2016</u>	<u>Additions/ Adjustments</u>	<u>Payments/ Amortization</u>	<u>Balance June 30, 2017</u>
Assessment bonds payable	\$ 89,500	\$ -	\$ (16,000)	\$ 73,500

Mira Monte Special Assessment Bonds Payable

The special assessment bonds payable were incurred to repay the District for upgrading the Mira Monte Water System in order to meet the District’s standards for water delivery systems. The bonds payable bear interest at an effective rate of 5% and is payable in annual installments of graduated amounts ranging from \$3,000 to \$19,500 through the year 2021. Debt service payments on the special assessment bonds are provided by assessments of property owners. Annual debt service requirements on the special assessment bonds payable are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 18,000	\$ 3,250	\$ 21,250
2020	19,000	2,375	21,375
2021	19,500	1,450	20,950
Total	<u>\$ 56,500</u>	<u>\$ 7,075</u>	<u>\$ 63,575</u>

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 10 – Long-term Debt

Changes in long-term debt amounts for the year ended June 30, 2018 were as follows:

<u>Long-Term Debt</u>	<u>Balance July 1, 2017</u>	<u>Additions/ Adjustments</u>	<u>Payments/ Amortization</u>	<u>Balance June 30, 2018</u>
Loans payable	\$ 1,398,725	\$ -	\$ (262,202)	\$ 1,136,523
Special tax bonds – Series A	100,000	-	(100,000)	-
Special tax bonds – Series B	39,810,000	-	-	39,810,000
Special tax bonds – Series B premium	4,215,399	-	(139,737)	4,075,662
Total long-term debt	45,524,124	<u>\$ -</u>	<u>\$ (501,939)</u>	45,022,185
Less current portion	(362,202)			(270,694)
Non-current portion	<u>\$ 45,161,922</u>			<u>\$ 44,751,491</u>

Changes in long-term debt amounts for the year ended June 30, 2017 were as follows:

<u>Long-Term Debt</u>	<u>Balance July 1, 2016</u>	<u>Additions/ Adjustments</u>	<u>Payments/ Amortization</u>	<u>Balance June 30, 2017</u>
Loans payable	\$ 1,652,804	\$ -	\$ (254,079)	\$ 1,398,725

Loans Payable

1991 California Department of Water Resources Loan

In 1991 the District contracted with the California Department of Water Resources for a \$5,203,965 30-year loan to assist in financing the construction of the treatment plant. The loan is scheduled to mature in 2022. Interest and principle are payable annually on March 20th each year at a rate of 3.2136%. Annual debt service requirements on the 1991 California Department of Water Resources Loan are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 270,694	\$ 34,374	\$ 305,068
2020	279,416	25,652	305,068
2021	288,552	16,516	305,068
2022	297,861	7,207	305,068
Total	<u>\$ 1,136,523</u>	<u>\$ 83,749</u>	<u>\$ 1,220,272</u>

Special Tax Bonds

In April 2017, the District issued \$39,910,000 in Special Tax Bonds – Series A and B for the purchase of the Ojai water facilities in Community Facilities District 2013-1 (CFD 2013-1) for \$34.4 million and capital improvements needed to upgrade the water facilities. The Special Tax Bonds are being issued by the District under the provisions of the Mello-Roos Community Facilities Act of 1982, as amended. A special assessment will be levied annually on the property owners of the CFD 2013-1 service area to repay their portion of the annual debt service for the acquisition of the water facilities.

The acquisition of CFD 2013-1 water facilities for \$34.4 million included capital assets of \$25.9 million and various other assets, liabilities and expenses totaling \$4.4 million leaving \$4,100,000 as a deferred loss on the acquisition of CFD 2013-1 that is being amortized over 30 years.

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 10 – Long-term Debt (Continued)

Special Tax Bonds (Continued)

The special tax bonds are scheduled to mature on September 1, 2047 with annual principal and interest payments due September 1st and March 1st. Annual interest rates range between 2.0% to 5.25%. The special tax bonds were issued with a \$4,227,203 bond premium and a prepaid Build America Mutual municipal bond insurance policy for \$472,314 both of which will be amortized over the remaining years of debt service life. The cost of debt issuance was \$539,160 and was expensed as incurred. Annual debt service requirements on the special tax bonds are as follows:

Fiscal Year	Principal	Interest	Total
2019	\$ 145,000	\$ 1,843,838	\$ 1,988,838
2020	190,000	1,839,537	2,029,537
2021	235,000	1,831,988	2,066,988
2022	285,000	1,821,587	2,106,587
2023	340,000	1,809,088	2,149,088
2024-2028	2,610,000	8,773,162	11,383,162
2029-2033	4,565,000	7,969,007	12,534,007
2034-2038	6,870,000	6,961,500	13,831,500
2039-2043	10,000,000	5,153,125	15,153,125
2044-2048	14,570,000	2,020,987	16,590,987
Total	<u>\$ 39,810,000</u>	<u>\$ 40,023,819</u>	<u>\$ 79,833,819</u>

Note 11 – Other Post-Employment Benefits

The District provides Other Post-Employment Benefits (OPEB) to employees who retire from the District and meet certain eligibility requirements. The contribution requirements of Plan members and the District are established and may be amended by the Board of Directors. In fiscal year 2017, the District entered into an agreement with the CalPERS California Employees Retirement Benefit Trust (CERBT) to fund its other post-employment benefits through the CERBT OPEB Trust program and contributed \$1,196,266. The plan is an agent multiple-employer plan. OPEB benefits are currently paid directly to the eligible retirees who request reimbursement. The total amount of these benefits paid may be deducted from the actuarial determined contribution or be reimbursed directly from the trust.

For fiscal year ended June 30, 2018, the District implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Due to practical reason, the District did not retrospective valuate the Total OPEB Liability under GASB 75 for the fiscal year ended June 30, 2017. Therefore, the District reported its Net OPEB Obligations under GASB Statement No. 45.

A. For the fiscal year ended June 30, 2018 - GASB Statement No. 75

General Information about the OPEB Plan

Plan Description

The District participates in the *California Employers' Retiree Benefit Trust* (the "Trust") in order to provide a means to fund the annual OPEB costs, referred to as the *Actuarially Determined Contribution (ADC)*. The ADC includes the normal cost (current accrual for benefits being earned) plus an amortization of the unfunded accrued liability or net OPEB liability over 15 years on level-percentage of pay basis.

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 11 – Other Post-Employment Benefits (Continued)

A. For the fiscal year ended June 30, 2018 - GASB Statement No. 75 (Continued)

Eligibility

Employees of the District are eligible for retiree health benefits if they retire from the District and commence pension benefits under PERS (typically on or after age 52 with at least five years of PERS eligible service). Membership in the plan consisted of the following at June 30, 2017, the date of the latest actuarial valuation.

Active employees	61
Inactive employees receiving benefits	39
Inactive employees entitled to but not receiving benefits	-
	100
	100

Net OPEB Liability

Actuarial Assumptions

The net OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	6.00%
Inflation	2.75%
Salary Increases	2.75%
Investment Rate of Return	6.00%
Healthcare Trend Rate	4.00%
Mortality Rate Table	2014 CalPERS Active Mortality for Miscellaneous
Retirement Rates	2009 CalPERS 2.0% @ 60 Rates for Miscellaneous Adjusted to reflect a minimum retirement age of 52 for those hired after 12/31/2012.
Service Requirement	100% at 20 Years of Service
Participation Rate	100%
Turnover Rate	2009 CalPERS Turnover for Miscellaneous

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2016 to June 30, 2017.

The actuary applied Section 3.7.7(c) 4 of Actuarial Standard of Practice No. 6, as revised, and determined age-adjusted rates are not necessary and therefore, the Implicit Rate Subsidy is not applicable in calculating the total projection of benefits payments.

Discount Rate

The discount rate used to measure the net OPEB liability was 6.0%. This discount rate assumes the District continues to fully fund for its retiree health benefits through the California Employers' Retiree Benefit Trust (CERBT) under its investment allocation strategy 1. The rate reflects the CERBT published median interest rate for strategy 1 of 7.28% with an additional margin for adverse deviation.

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 11 – Other Post-Employment Benefits (Continued)

A. For the fiscal year ended June 30, 2018 - GASB Statement No. 75 (Continued)

Discount Rate (Continued)

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	Percentage of Portfolio	Real Return ¹
US Large Cap	24.00%	7.795%
Long-Term Corporate Bonds	34.00%	5.295%
Long-Term Government Bonds	8.00%	4.500%
US Small Cap	8.00%	7.795%
Treasury Inflation Protected Securities (TIPS)	15.00%	7.795%
US Real Estate	8.00%	7.795%
All Commodities	3.00%	7.795%
	<u>100.00%</u>	

Change in the Net OPEB Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2016 (Valuation Date)	\$ 11,112,878	\$ -	\$ 11,112,878
Changes Recognized for the Measurement Period:			
Service Cost	226,427	-	226,427
Interest on the total OPEB liability	657,817	-	657,817
Changes of benefit terms	-	-	-
Difference between expected and actual experience	-	-	-
Changes of assumptions	-	-	-
Contributions from the employer	-	1,714,977	(1,714,977)
Contributions from employees	-	-	-
Net investment income, net of administrative expense	-	-	-
Benefit payments, including refunds of employee contributions	(518,711)	(518,711)	-
Administrative Expense	-	-	-
Net Changes during July 1, 2016 to June 30, 2017	<u>365,533</u>	<u>1,196,266</u>	<u>(830,733)</u>
Balance at June 30, 2017 (Measurement Date)	<u>\$ 11,478,411</u>	<u>\$ 1,196,266</u>	<u>\$ 10,282,145</u>

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2018 and 2017

Note 11 – Other Post-Employment Benefits (Continued)

A. For the fiscal year ended June 30, 2018 - GASB Statement No. 75 (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate 1-percentage point lower (5.00%) or 1-percentage point higher (7.00%) than the current discount rate:

Plan's OPEB Liability/(Asset)		
Discount Rate - 1% (5.00%)	Current Discount Rate (6.00%)	Discount Rate + 1% (7.00%)
\$ 11,940,008	\$ 10,282,145	\$ 8,944,157

Sensitivity of the Net OPEB Liability to Changes in Healthcare Cost Trend Rates

The following presents the total OPEB liability of the District, as well as what the total OPEB liability would be if it were calculated using a health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates, for the measurement period ended June 30, 2017:

Plan's OPEB Liability/(Asset)		
-1.00%	Healthcare Trend Rate	+1.00%
\$ 8,921,645	\$ 10,282,145	\$ 11,931,737

OPEB Liabilities, OPEB Expense and Deferred Outflows/Inflows of Resources to OPEB

For the year ended June 30, 2018, the City recognized OPEB expense of \$884,244 for the District Plan.

Since the prior valuation was performed in accordance with GASB 43/45, it is not practical to calculate compliant gains and losses. The District, based on the recommendation of the Actuary, applies GASB Statement No. 75, paragraph 244 during the transition period. Therefore, no deferred outflows/inflows of resources is reported in the accompanying financial statements.

B. For the fiscal year ended June 30, 2017 - GASB Statement No. 45

Funding Policy

An actuary determines the District's Annual Required Contributions (ARC) at least once every three years. The ARC is calculated in accordance with certain parameters, and includes (1) the Normal Cost for one year, and (2) a component for amortization of the total Unfunded Actuarial Accrued Liability (UAAL) over a period not to exceed 30 years.

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2018 and 2017

Note 11 – Other Post-Employment Benefits (Continued)

B. For the fiscal year ended June 30, 2017 - GASB Statement No. 45 (Continued)

Annual OPEB Cost and Net OPEB Obligation

The following table shows the components of the District's Annual OPEB cost for the fiscal year ended June 30, 2017, the amount actually contributed to the plan and the changes in the District's net OPEB obligation:

Description	June 30, 2017
Annual OPEB cost:	
Annual required contribution (ARC)	\$ 1,229,265
Interest on net OPEB obligation	407,239
Adjustment to annual required contribution	(176,631)
Total annual OPEB cost	1,459,873
Contributions made:	
Contributions	(1,709,519)
Total contributions made	(1,709,519)
Total change in net OPEB obligation	(249,646)
Net OPEB obligation(asset):	
Beginning of year	9,049,748
End of year	\$ 8,800,102

The District's annual OPEB cost, the amounts contributed to the irrevocable trust, retiree benefit payments, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation payable/asset for the fiscal year ended June 30, 2018 and the two preceding years are shown in the following table.

<i>Three-Year History of Net OPEB Obligation</i>				
Fiscal Year Ended	Annual OPEB Cost	Contributions Made	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2017	\$ 1,459,873	\$ 1,709,519	117.10%	\$ 8,800,102
June 30, 2016	1,406,145	469,613	33.40%	9,049,748
June 30, 2015	1,342,755	510,988	38.06%	8,113,216

The most recent valuation under GASB Statement No. 45 (dated June 30, 2015) includes an Actuarial Accrued Liability of \$14,591,064. Plan assets amounted to \$0. The covered payroll (annual payroll of active employees covered by the plan) for the year ended June 30, 2015 was \$4,800,000. The funded ratio of the liability was 0.00%.

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 11 – Other Post-Employment Benefits (Continued)

B. For the fiscal year ended June 30, 2017 - GASB Statement No. 45 (Continued)

Actuarial Methods and Assumptions

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and the pattern of sharing of costs between the employer and plan members to that point. Consistent with the long-term perspective of actuarial calculations, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities for benefits.

The following is a summary of the actuarial assumptions and methods:

Valuation date	June 30, 2015
Actuarial cost method	Entry age normal cost method
Amortization method	Level percent, closed 30 years
Remaining amortization period	25 Years as of the valuation date
Asset valuation method	30 Year smoothed market
Actuarial assumptions:	
Investment rate of return	4.50%
Projected salary increase	2.75%
Inflation - discount rate	2.75%
Health care trend rate	4.00%

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June 30, 2018 and 2017

Note 12 – Net Pension Liability and Defined Benefit Pension Plan

Changes in the net pension liability and the related deferred outflows and inflows of resources for the year ended June 30, 2018 were as follows:

Type of Account	Balance as of July 1, 2017	Additions	Deletions	Balance as of June 30, 2018
Deferred Outflows of Resources:				
Pension contributions made after the measurement date	\$ 555,952	\$ 133,070	\$ -	\$ 689,022
Changes in assumptions	-	1,498,676	-	1,498,676
Adjustment due to differences in proportions	350,591	-	(152,502)	198,089
Differences between projected and actual earnings on pension plan investments	819,681	-	(480,742)	338,939
Differences between expected and actual experience	12,831	-	(752)	12,079
Total deferred outflows of resources	\$ 1,739,055	\$ 1,631,746	\$ (633,996)	\$ 2,736,805
Net Pension Liability	\$ 6,687,600	\$ 1,247,668	\$ -	\$ 7,935,268
Deferred Inflows of Resources:				
Differences between projected and actual earnings on pension plan investments	\$ -	\$ -	\$ 173,049	\$ 173,049
Difference between actual and proportionate share of employer contributions	755,083	-	(12,661)	742,422
Adjustment due to differences in proportions	1,083,883	-	(496,806)	587,077
Changes in assumptions:	157,489	-	(43,213)	114,276
Total deferred inflows of resources	\$ 1,996,455	\$ -	\$ (379,631)	\$ 1,616,824

Changes in the net pension liability and the related deferred outflows and inflows of resources for the year ended June 30, 2017 were as follows:

Type of Account	Balance as of July 1, 2016	Additions	Deletions	Balance as of June 30, 2017
Deferred Outflows of Resources:				
Pension contributions made after the measurement date	\$ 465,843	\$ 555,952	\$ (465,843)	\$ 555,952
Adjustment due to differences in proportions	79,214	431,136	(159,759)	350,591
Differences between projected and actual earnings on pension plan investments	-	819,681	-	819,681
Differences between expected and actual experience	21,821	-	(8,990)	12,831
Total deferred outflows of resources	\$ 566,878	\$ 1,806,769	\$ (634,592)	\$ 1,739,055
Net Pension Liability	\$ 4,616,826	\$ 2,536,617	\$ (465,843)	\$ 6,687,600
Deferred Inflows of Resources:				
Differences between projected and actual earnings on pension plan investments	\$ 103,494	\$ -	\$ (103,494)	\$ -
Difference between actual and proportionate share of employer contributions	627,341	530,691	(402,949)	755,083
Adjustment due to differences in proportions	1,684,301	-	(600,418)	1,083,883
Changes in assumptions	206,452	-	(48,963)	157,489
Total deferred inflows of resources	\$ 2,621,588	\$ 530,691	\$ (1,155,824)	\$ 1,996,455

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 12 – Defined Benefit Pension Plan (Continued)

General Information about the Pension Plans

Plan Description

The District contributes to the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer defined benefit pension plan. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. A full description of the pension plan, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information are listed in the June 30, 2014 Annual Actuarial Valuation Report. This report and CalPERS' audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

Benefits Provided

CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. A Classic CalPERS Miscellaneous member becomes eligible for service retirement upon attainment of age 55 with at least 5 years of credited service. Public Employees' Pension Reform Act (PEPRA) Miscellaneous members become eligible for service retirement upon attainment of age 62 with at least 5 years of service. The service retirement benefit is a monthly allowance equal to the product of the benefit factor, years of service, and final compensation. The final compensation is the monthly average of the member's highest 36 full-time equivalent monthly pay. Retirement benefits for Classic Miscellaneous and Safety members are calculated as a percentage of their plan based the average final 36 months compensation. Retirement benefits for PEPRA Miscellaneous members are calculated as a percentage of their plan based the average final 36 months compensation.

Participant members are eligible for non-industrial disability retirement if they become disabled and have at least 5 years of credited service. There is no special age requirement. The standard non-industrial disability retirement benefit is a monthly allowance equal to 1.8% of final compensation, multiplied by service. Industrial disability benefits are not offered to miscellaneous employees.

A member's beneficiary may receive the basic death benefit if the member dies while actively employed. The member must be actively employed with the District to be eligible for this benefit. A member's survivor who is eligible for any other pre-retirement death benefit may choose to receive that death benefit instead of this basic death benefit. The basic death benefit is a lump sum in the amount of the members' accumulated contributions, where interest is currently credited at 7.5 percent per year, plus a lump sum in the amount of one month's salary for each completed year of current service, up to a maximum of six months' salary. For purposes of this benefit, one month's salary is defined as the member's average monthly full-time rate of compensation during the 12 months preceding death.

Upon the death of a retiree, a one-time lump sum payment of \$500 will be made to the retiree's designated survivor(s), or to the retiree's estate.

Benefit terms provide for annual cost-of-living adjustments to each member's retirement allowance. Beginning the second calendar year after the year of retirement, retirement and survivor allowances will be annually adjusted on a compound basis by 3%.

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 12 – Defined Benefit Pension Plan (Continued)

General Information about the Pension Plan (Continued)

Benefits Provided (Continued)

The Plan’s provisions and benefits in effect as of June 30, 2018 are summarized as follows:

	Miscellaneous Plans	
	Classic Tier 1	PEPRA Tier 2
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2.0% @ 60	2.0 @ 62
Benefit vesting schedule	5-years or service	5-years or service
Benefits payments	monthly for life	monthly for life
Retirement age	50 - 67 & up	52 - 67 & up
Monthly benefits, as a % of eligible compensation	1.092% to 2.418%	1.0% to 2.5%
Required member contribution rates	6.880%	6.308%
Required employer contribution rates – FY 2017	7.612%	
Required employer contribution rates – FY 2016	7.612%	6.555%

Members Covered by Benefit Terms

At June 30, 2016 (Valuation Date), the following members were covered by the benefit terms:

Plan Members	Miscellaneous Plans		Total
	Classic Tier 1	PEPRA Tier 2	
Active members	36	23	59
Transferred and terminated members	19	4	23
Retired members and beneficiaries	71	-	71
Total plan members	126	27	153

At June 30, 2015 (Valuation Date), the following members were covered by the benefit terms:

Plan Members	Miscellaneous Plans		Total
	Classic Tier 1	PEPRA Tier 2	
Active members	37	13	50
Transferred and terminated members	22	3	25
Retired members and beneficiaries	72	-	72
Total plan members	131	16	147

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 12 – Defined Benefit Pension Plan (Continued)

General Information about the Pension Plans (Continued)

Contributions

Section 20814(c) of the California Public Employees’ Retirement Law (PERL) requires that the employer contribution rates for all public employers will be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS’ annual actuarial valuation process. The public agency cost-sharing plans covered by the Miscellaneous risk pool, the Plan’s actuarially determined rate is based on the estimated amount necessary to pay the Plan’s allocated share of the risk pool’s costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of members. For the measurement period ending June 30, 2017 and 2016 (Measurement Dates), the active member contribution rate for the Classic Miscellaneous Plan and the PEPRA Miscellaneous Plan are based above in the Plans Description schedule.

Contributions for the year ended June 30, 2018 were as follows:

<u>Contribution Type</u>	<u>Miscellaneous Plans</u>		<u>Total</u>
	<u>Classic</u>	<u>PEPRA</u>	
	<u>Tier 1</u>	<u>Tier 2</u>	
Contributions – employer	\$ 573,354	\$ 115,668	\$ 689,022
Contributions – members	237,046	72,549	309,595
Total contributions	\$ 810,400	\$ 188,217	\$ 998,617

Contributions for the year ended June 30, 2017 were as follows:

<u>Contribution Type</u>	<u>Miscellaneous Plans</u>		<u>Total</u>
	<u>Classic</u>	<u>PEPRA</u>	
	<u>Tier 1</u>	<u>Tier 2</u>	
Contributions – employer	\$ 479,501	\$ 76,451	\$ 555,952
Contributions – members	237,046	72,549	309,595
Total contributions	\$ 716,547	\$ 149,000	\$ 865,547

Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans

Actuarial Methods and Assumptions Used to Determine the Total Pension Liability

For the measurement periods ending June 30, 2017 and 2016 (Measurement Dates), the total pension liability was determined by rolling forward the June 30, 2016 and 2015 total pension liabilities. The June 30, 2017, 2016 and 2015 total pension liabilities were based on the following actuarial methods and assumptions:

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 12 – Defined Benefit Pension Plan (Continued)

Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)

Actuarial Methods and Assumptions Used to Determine the Total Pension Liability (Continued)

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds.
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

All other actuarial assumptions used in the June 30, 2017 and 2016 Valuations were based on the results of an actuarial experience study for the period from 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

Change in Assumptions

GASB 68, paragraph 30 states that the long-term expected rate of return should be determined net of pension plan investment expense, but without reduction for pension plan administrative expense. In the current year, the discount rate was reduced from 7.65 percent to 7.15 percent. All other actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period 1997 to 2011, including updates to salary increase, mortality and retirement rates. Further details of the Experience Study can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent is applied to all plans in the Public Employees Retirement Fund. The cash flows used in the testing were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 12 – Defined Benefit Pension Plan (Continued)

Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)

Discount Rate (Continued)

In determining the long-term expected rate of return, staff took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

Investment Type	New Strategic Allocation	Real Return Years 1 - 10 ¹	Real Return Years 11+ ²
Global Equity	47.00%	4.90%	5.71%
Global Fixed Income	19.00%	80.00%	2.43%
Inflation Sensitive	6.00%	60.00%	3.36%
Private Equity	12.00%	6.60%	6.95%
Real Estate	11.00%	2.80%	5.13%
Infrastructure and Forestland	3.00%	3.90%	5.09%
Liquidity	2.00%	-0.40%	-1.05%
	<u>100.00%</u>		

¹ An expected inflation rate-of-return of 2.5% is used for years 1 – 10.

² An expected inflation rate-of-return of 3.0% is used for years 11+.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 7.15%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15%) or 1 percentage-point higher (8.15%) than the current rate for the June 30, 2016 Valuation Date as follows:

Plan Type	Plan's Net Pension Liability/(Asset)		
	Discount Rate - 1% 6.15%	Current Discount Rate 7.15%	Discount Rate + 1% 8.15%
CalPERS – Miscellaneous Plan	\$ 12,875,334	\$ 7,935,268	\$ 3,843,816

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 12 – Defined Benefit Pension Plan (Continued)

Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)

Sensitivity of the District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate (Continued)

The following presents the District’s proportionate share of the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 7.65%, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.65%) or 1 percentage-point higher (8.65%) than the current rate for the June 30, 2015 Valuation Date as follows:

Plan Type	Plan's Net Pension Liability/(Asset)		
	Discount Rate - 1% 6.65%	Current Discount Rate 7.65%	Discount Rate + 1% 8.65%
	CalPERS – Miscellaneous Plan	\$ 11,190,733	\$ 6,687,600

Pension Plan Fiduciary Net Position

Detail information about the plan’s fiduciary net position is available in the separately issued CalPERS financial report and can be obtained from CalPERS’ website under Forms and Publications.

Proportionate Share of Net Pension Liability and Pension Expense

The following table shows the plan’s proportionate share of the risk pool collective net pension liability over the measurement period for the Miscellaneous Plan for the fiscal year ended June 30, 2018:

Plan Type and Balance Descriptions	Plan Total Pension Liability	Plan Fiduciary Net Position	Change in Plan Ne Pension Liability
CalPERS – Miscellaneous Plan:			
Balance as of June 30, 2016 (Measurement Date)	\$ 33,447,932	\$ 26,760,332	\$ 6,687,600
Balance as of June 30, 2017 (Measurement Date)	\$ 35,915,506	\$ 27,980,238	\$ 7,935,268
Change in Plan Net Pension Liability	\$ 2,467,574	\$ 1,219,906	\$ 1,247,668

The following table shows the plan’s proportionate share of the risk pool collective net pension liability over the measurement period for the Miscellaneous Plan for the fiscal year ended June 30, 2017:

Plan Type and Balance Descriptions	Plan Total Pension Liability	Plan Fiduciary Net Position	Change in Plan Ne Pension Liability
CalPERS – Miscellaneous Plan:			
Balance as of June 30, 2015 (Measurement Date)	\$ 32,067,972	\$ 27,451,146	\$ 4,616,826
Balance as of June 30, 2016 (Measurement Date)	\$ 33,447,932	\$ 26,760,332	\$ 6,687,600
Change in Plan Net Pension Liability	\$ 1,379,960	\$ (690,814)	\$ 2,070,774

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 12 – Defined Benefit Pension Plan (Continued)

Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)

Proportionate Share of Net Pension Liability and Pension Expense (Continued)

The following is the approach established by the plan actuary to allocate the net pension liability and pension expense to the individual employers within the risk pool:

- (1) In determining a cost-sharing plan's proportionate share, total amounts of liabilities and assets are first calculated for the risk pool as a whole on the valuation date (June 30, 2016). The risk pool's fiduciary net position ("FNP") subtracted from its total pension liability ("TPL") determines the net pension liability ("NPL") at the valuation date.
- (2) Using standard actuarial roll forward methods, the risk pool TPL is then computed at the measurement date (June 30, 2017). Risk pool FNP at the measurement date is then subtracted from this number to compute the NPL for the risk pool at the measurement date. For purposes of FNP in this step and any later reference thereto, the risk pool's FNP at the measurement date denotes the aggregate risk pool's FNP at June 30, 2017 less the sum of all additional side fund (or unfunded liability) contributions made by all employers during the measurement period (FY2017).
- (3) The individual plan's TPL, FNP, and NPL are also calculated at the valuation date.
- (4) Two ratios are created by dividing the plan's individual TPL and FNP as of the valuation date from step (3) by the amounts in step (1), the risk pool's total TPL and FNP, respectively.
- (5) The plan's TPL as of the measurement date is equal to the risk pool TPL generated in step (2) multiplied by the TPL ratio generated in step (4). The plan's FNP as of the measurement date is equal to the FNP generated in step (2) multiplied by the FNP ratio generated in step (4) plus any additional side fund (or unfunded liability) contributions made by the employer on behalf of the plan during the measurement period.
- (6) The plan's NPL at the measurement date is the difference between the TPL and FNP calculated in step (5).

The District's proportionate share of the net pension liability for the June 30, 2017 measurement date was as follows:

	Percentage Share of Risk Pool		Change Increase/ (Decrease)
	Fiscal Year Ending June 30, 2018	Fiscal Year Ending June 30, 2017	
	June 30, 2017	June 30, 2016	
Measurement Date			
Percentage of Risk Pool Net Pension Liability	0.224240%	0.192511%	0.031729%
Percentage of Plan (PERF C) Net Pension Liability	0.080015%	0.077286%	0.002729%

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 12 – Defined Benefit Pension Plan (Continued)

Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)

Proportionate Share of Net Pension Liability and Pension Expense (Continued)

The District’s proportionate share of the net pension liability for the June 30, 2016 measurement date was as follows:

	Percentage Share of Risk Pool		Change Increase/ (Decrease)
	Fiscal Year Ending June 30, 2017	Fiscal Year Ending June 30, 2016	
	June 30, 2016	June 30, 2015	
Measurement Date			
Percentage of Risk Pool Net Pension Liability	0.192511%	0.168284%	0.024227%
Percentage of Plan (PERF C) Net Pension Liability	0.077286%	0.067262%	0.010024%

For the years ended June 30, 2018 and 2017, the District recognized pension expense in the amounts of \$559,309 and \$829,416, respectively, for the CalPERS Miscellaneous Plan.

The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized over 5-years straight line. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period.

Deferred Outflows of Resources and Deferred Inflows of Resources

At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Account Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions made after the measurement date	\$ 689,022	\$ -
Difference between actual and proportionate share of employer contributions	-	742,422
Adjustment due to differences in proportions	198,089	587,077
Differences between expected and actual experience	12,079	-
Differences between projected and actual earnings on pension plan investments	338,939	173,049
Changes in assumptions	1,498,676	114,276
Total Deferred Outflows/(Inflows) of Resources	\$ 2,736,805	\$ 1,616,824

The District will recognize \$555,952 reported as deferred outflows of resources related to pensions resulting from the District’s contributions subsequent to the measurement date as a reduction of the net pension liability in the fiscal year ended June 30, 2018, as noted above.

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 12 – Defined Benefit Pension Plan (Continued)

Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)

Amortization of Deferred Outflows of Resources and Deferred Inflows of Resources

Other remaining amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized to pension expense in future periods as follows:

Fiscal Year Ended June 30	Deferred Outflows/(Inflows) of Resources
2019	\$ (443,271)
2020	686,148
2021	389,316
2022	(201,234)
Total	\$ 430,959

Deferred Outflows of Resources and Deferred Inflows of Resources

At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Account Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions made after the measurement date	\$ 555,952	\$ -
Difference between actual and proportionate share of employer contributions	-	755,083
Adjustment due to differences in proportions	350,591	1,083,883
Differences between expected and actual experience	12,831	-
Differences between projected and actual earnings on pension plan investments	819,681	-
Changes in assumptions	-	157,489
Total Deferred Outflows/(Inflows) of Resources	\$ 1,739,055	\$ 1,996,455

The District will recognize \$465,843 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date as a reduction of the net pension liability in the fiscal year ended June 30, 2018, as noted above.

Fiscal Year Ended June 30	Deferred Outflows/(Inflows) of Resources
2018	\$ (793,359)
2019	(581,769)
2020	349,469
2021	212,307
Total	\$ (813,352)

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 13 – Net Investment in Capital Assets

Net investment in capital assets consisted of the following as of June 30:

Description	June 30, 2018	June 30, 2017
Non-current portion of assets:		
Capital assets – not being depreciated	8,654,788	10,523,881
Capital assets – being depreciated, net	73,733,711	72,879,548
Current portion of liabilities:		
Reimbursement agreement	(77,228)	(77,228)
Long-term debt	(270,694)	(362,202)
Non-current portion of liabilities:		
Reimbursement agreement	(2,548,530)	(2,625,758)
Long-term debt	(44,751,491)	(45,161,922)
Total net investment in capital assets	\$ 34,740,556	\$ 35,176,319

Note 14 – Restricted Net Position

Restricted net position consisted of the following as of June 30:

Description	June 30, 2018	June 30, 2017
Proceeds from debt issuance – debt reserve	\$ 1,155	\$ 466,448
Proceeds from debt issuance – capital project funds	5,826,704	8,177,062
Accrued interest payable – special tax bonds	(615,096)	(155,651)
Special assessments receivable for debt service	76,826	95,988
Assessment bonds payable – current portion	(18,000)	(17,000)
Assessment bonds payable – noncurrent portion	(38,500)	(56,500)
Total restricted net position	\$ 5,233,089	\$ 8,510,347

Note 15 – Deferred Compensation Savings Plan

For the benefit of its employees, the District participates in two 457 Deferred Compensation Programs (Programs). The purpose of these Programs is to provide deferred compensation for public employees that elect to participate in the Programs. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death or unforeseeable emergency. Until the funds are paid or otherwise made available to the employee, the employee is not obligated to report the deferred salary for income tax purposes.

Federal law requires deferred compensation assets to be held in trust for the exclusive benefit of the participants. Accordingly, the District is in compliance with this legislation. Therefore, these assets are not the legal property of the District, and are not subject to claims of the District’s general creditors. Market value of the plan assets held in trust by Nationwide at June 30, 2017 and 2016 was \$2,282,647 and \$1,897,204, respectively, and ICMA as of June 30, 2017 and 2016 was \$1,790,349 and \$1,640,788, respectively.

The District has implemented GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. Since the District has little administrative involvement and does not perform the investing function for this plan, the assets and related liabilities are not included in the accompanying financial statements.

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 16 – Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is self-insured for the first \$25,000 of general and auto liabilities for each occurrence, and the excess (up to \$10,000,000 per occurrence and in the aggregate) is covered through the purchase of an insurance policy. Employment practices liability coverage is self-insured for the \$25,000, and the excess (up to \$5,000,000 per occurrence and in the aggregate) is covered through the insurance policy.

The District is a member CSAC Excess Insurance Authority (Authority) for its workers’ compensation coverage. The District is self-insured for the first \$125,000 of each occurrence, and the Authority finances \$5,000,000 per occurrence. The District purchased additional excess coverage layers of \$95 million which increases the limits set forth by the Authority.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years. There were no reductions in insurance coverage in fiscal year 2017, 2016 and 2015. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR). There were no IBNR claims payable as of June 30, 2017, 2016 and 2015.

Note 17 – Commitments and Contingencies

State Water Contract

Estimates of the District’s share of the project fixed costs of the State Water Project (SWP) are provided annually by the State. The estimates are subject to future increases or decreases resulting from changes in planned facilities, refinements in cost estimates and inflation.

During the next five years payments under the State Water Contract, exclusive of variable power costs, are currently estimated by the State to be as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2019	\$ 1,073,324
2020	1,127,304
2021	1,291,316
2022	1,290,527
2023	1,214,737

As of June 30, 2018, the District has expended \$22.8 Million since the District started participating in the State Water Contract.

According to the State’s latest estimates, the District’s long-term obligations (25% share) under the contract, for capital and minimum operations and maintenance costs, including interest to the year 2035, are as follows:

Transportation facilities	\$ 10,826,092
Conservation facilities	6,475,851
Off-aqueduct power facilities	5,981
Revenue bond surcharge	2,035,829
Total long-term SWP contract obligations	<u><u>\$ 19,343,753</u></u>

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 17 – Commitments and Contingencies (Continued)

State Water Contract (Continued)

The amounts shown above do not contain any escalation for inflation and are subject to significant variation over time because the amounts are based on a number of assumptions and are contingent on future events. Accordingly, none of the estimated long-term obligations are recorded as liabilities in the accompanying basic financial statements.

Bay/Delta Regulatory and Planning Activities. The State Water Resources Control Board (State Board) is the agency responsible for setting water quality standards and administering water rights throughout California. Decisions of the State Board can affect the availability of water to the District and other water users by means of public proceedings leading to regulations and decisions. In 1995, the State Board adopted a Water Quality Control Plan establishing water quality standards and flow improvements in the Bay/Delta watershed.

In August 2000, the California Federal (CALFED) Bay/Delta Program Record of Decision (Decision) was approved with mandates to improve water quality, enhance water supply reliability, augment ecosystem restoration, and assure long-term protection for Delta levees. During its first three years, CALFED has invested more than \$2.0 billion in hundreds of local and regional projects to meet these program goals.

In May 2004, a Delta Improvement Package was proposed to facilitate implementation of the Decision. Funding is expected to be provided by state and federal appropriations and contributions from local users, including the District. CALFED's objective is to allocate project costs based on beneficiaries pay policy that is new costs would be commensurate with benefits received. At this time, the exact allocation of costs between the federal, state, and local users has not been determined, and therefore, the District cannot estimate the extent of timing of its contributions at this time.

There are other pending actions that may adversely impact the District's ability to control the sale of water transported through the SWP into its service area. The impact on future revenues of such actions cannot be determined.

Grant Awards

Grant funds received by the District are subject to audit by the grantor agencies. Such audit could lead to requests for reimbursements to the grantor agencies for expenditures disallowed under terms of the grant. Management of the District believes that such disallowances, if any, would not be significant.

Litigation

In the ordinary course of operations, the District is subject to claims and litigation from outside parties. After consultation with legal counsel, the District believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

Casitas Municipal Water District
Notes to the Basic Financial Statements (Continued)
For the Years Ended June, 30, 2018 and 2017

Note 18 – Prior Period Adjustments

For the fiscal year ended June 30, 2018, the District implemented Governmental Accounting Standards Board (“GASB”) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The adoption of the stand required retrospective application of previously reported net position of certain accounts as of July 1, 2017. According, net position as of July 1, 2017 was restated as follows:

Beginning of year, as originally reported	\$ 64,590,879
Restatement due to implementation of GASB 75	
Net OPEB Obligations under GASB 45	8,800,102
Deferred outflow on contributions made after measurement date	1,714,977
Beginning Net OPEB Liability under GASB 75	<u>(11,112,878)</u>
Total adjustments	<u>(597,799)</u>
Beginning of year, as restated	<u><u>\$ 63,993,080</u></u>

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REQUIRED SUPPLEMENTARY INFORMATION

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Casitas Municipal Water District
Required Supplementary Information (Unaudited)
Schedule of the District's Proportionate Share of the Plan's Net Pension Liability
For the Year Ended June 30, 2018

Last Ten Fiscal Years

California Public Employees' Retirement System (CalPERS) Miscellaneous Plan

Measurement Date:	<u>June 30, 2017¹</u>	<u>June 30, 2016¹</u>	<u>June 30, 2015¹</u>
District's Proportion of the Net Pension Liability	<u>0.080015%</u>	<u>0.077286%</u>	<u>0.067262%</u>
District's Proportionate Share of the Net Pension Liability	<u>\$ 7,935,268</u>	<u>\$ 6,687,600</u>	<u>\$ 4,616,826</u>
District's Covered-Employee Payroll	<u>\$ 4,602,594</u>	<u>\$ 4,334,649</u>	<u>\$ 4,123,809</u>
District's Proportionate Share of the Net Pension Liability as a Percentage of Covered-Employee Payroll	<u>172.41%</u>	<u>154.28%</u>	<u>111.96%</u>
Plan's Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	<u>73.31%</u>	<u>74.06%</u>	<u>78.40%</u>

¹ Historical information is presented only for measurement periods for which GASB No. 68 is applicable.

Casitas Municipal Water District
Required Supplementary Information (Unaudited)
Schedule of the District's Contributions to the Pension Plan
For the Year Ended June 30, 2018

Last Ten Fiscal Years

California Public Employees' Retirement System (CalPERS) Miscellaneous Plan

Fiscal Year:	2017-18¹	2016-17¹	2015-16¹	2014-15¹
Actuarially Determined Contribution ²	\$ 689,022	\$ 555,952	\$ 465,843	\$ 311,168
Contribution in Relation to the Actuarially Determined Contribution ²	<u>(689,022)</u>	<u>(555,952)</u>	<u>(465,843)</u>	<u>(311,168)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	<u>\$ 5,566,652</u>	<u>\$ 4,602,594</u>	<u>\$ 4,334,649</u>	<u>\$ 4,123,809</u>
Contributions as a Percentage of Covered-Employee Payroll	<u>12.38%</u>	<u>12.08%</u>	<u>10.75%</u>	<u>7.55%</u>

¹ Historical information is presented only for measurement periods for which GASB No. 68 is applicable.

² Employers are assumed to make contributions equal to the actuarially determined contributions (which is the actuarially determined contribution). However, some employers may choose to make additional contributions towards their side-fund or their unfunded liability. Employer contributions for such plan exceed the actuarial determined contributions. CalPERS has determined that employer obligations referred to as *side-funds* are not considered separately financed specific liabilities.

³ Covered-Employee Payroll represented above is based on pensionable earnings provided by the employer. However, GASB No. 68 defines covered-employee payroll as the total payroll of employees that are provided pensions through the pension plan. Accordingly, if pensionable earnings are different than total earnings for covered-employees, the employer should display in the disclosure footnotes the payroll based on total earnings for the covered group and recalculate the required payroll-related ratios.

Notes to the Schedule:

Change in Benefit Terms: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2013 as they have minimal cost impact. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes)

Casitas Municipal Water District
Required Supplementary Information (Unaudited)
Schedule of Changes in the District's Total OPEB Liability and Related Ratio
For the Year Ended June 30, 2018

Last Ten Fiscal Years

Measurement period	2016-17¹
Total OPEB liability	
Service cost	\$ 226,427
Interest	657,817
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions	-
Benefit payments, including refunds of employee contributions	(518,711)
Net change in total OPEB liability	365,533
Total OPEB liability - beginning	11,112,878
Total OPEB liability - ending (a)	\$ 11,478,411
OPEB fiduciary net position	
Contributions - employer	\$ 1,714,977
Contributions - employee	-
Net investment income	-
Benefit payments, including refunds of employee contributions	(518,711)
Other	-
Net change in plan fiduciary net position	1,196,266
Plan fiduciary net position - beginning	-
Plan fiduciary net position - ending (b)	\$ 1,196,266
District's net OPEB liability - ending (a) - (b)	\$ 10,282,145
Plan fiduciary net position as a percentage of the total OPEB liability	10.42%
Covered payroll	N/A
District's net OPEB liability as a percentage of covered payroll	N/A

¹ Historical information is presented only for measurement periods for which GASB No. 75 is applicable.

Casitas Municipal Water District
Required Supplementary Information (Unaudited)
Schedule of the District's Contributions to the OPEB Plan
For the Year Ended June 30, 2018

Last Ten Fiscal Years

Fiscal Year:	<u>2017-18¹</u>
Actuarially Determined Contribution	\$ 884,244
Contribution in Relation to the Actuarially Determined Contribution	<u>(1,714,977)</u>
Contribution Deficiency (Excess)	<u>\$ (830,733)</u>
District's Covered-Employee Payroll	<u>N/A</u>
Contributions as a Percentage of Covered- Employee Payroll	<u>N/A</u>

¹ Historical information is presented only for measurement periods for which GASB No. 75 is applicable.

SUPPLEMENTARY INFORMATION

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Casitas Municipal Water District
Budgetary Comparison Schedule
For the Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative)</u>
Operating revenues:			
Retail water consumption	\$ 7,628,801	\$ 5,321,304	\$ (2,307,497)
Wholesale water consumption	1,545,894	1,024,953	(520,941)
Monthly water service charge	3,574,672	3,707,098	132,426
Recreation revenue	4,110,740	3,905,083	(205,657)
Other water charges and services	136,848	869,653	732,805
Total operating revenues	<u>16,996,955</u>	<u>14,828,091</u>	<u>(2,168,864)</u>
Operating expenses:			
Source of supply	2,114,327	2,057,474	56,853
Pumping	1,444,181	1,585,524	(141,343)
Water Treatment	1,121,195	1,268,113	(146,918)
Transmission and distribution	1,012,661	1,013,968	(1,307)
Telemetry	239,326	303,570	(64,244)
Customer accounts	439,425	682,834	(243,409)
Recreation expenses	4,062,920	5,195,691	(1,132,771)
General and administrative	12,349,776	4,265,492	8,084,284
Depreciation – water department	3,873,898	3,873,898	-
Depreciation – recreation department	321,640	321,640	-
Total operating expenses	<u>26,979,349</u>	<u>20,568,204</u>	<u>6,411,145</u>
Operating (loss)	<u>(9,982,394)</u>	<u>(5,740,113)</u>	<u>(8,580,009)</u>
Non-operating revenue(expense)			
Property taxes – ad valorem	2,034,169	2,313,211	279,042
Pass-through property tax increment	73,279	95,729	22,450
Property tax assessment for State Water Project	-	369,167	369,167
State water project expense	-	(616,152)	(616,152)
Change in water-in-storage inventory	-	(1,279,005)	(1,279,005)
CFD 2013-1 assessment	2,594,838	2,592,342	(2,496)
Mira Monte assessment	19,351	19,012	(339)
Tax collection expense	-	(40,908)	(40,908)
Investment earnings	518,867	576,708	57,841
Change in fair-value of investments	-	(660,798)	(660,798)
Interest expense – long-term debt	-	(1,331,696)	(1,331,696)
Amortization of deferred loss and bond insurance on CFD 2013-1	-	(220,615)	(220,615)
Other, net	35,000	45,521	10,521
Total non-operating revenues, net	<u>5,275,504</u>	<u>1,862,516</u>	<u>(3,412,988)</u>
Net (loss) before capital contributions	<u>(4,706,890)</u>	<u>(3,877,597)</u>	<u>(11,992,997)</u>
Capital contributions:			
Federal, state and local capital grants	169,472	220,264	50,792
Capital contributions	<u>169,472</u>	<u>220,264</u>	<u>50,792</u>
Change in net position	<u>\$ (4,537,418)</u>	<u>(3,657,333)</u>	<u>\$ (11,942,205)</u>
Net position:			
Beginning of year		64,590,879	
Restatement due to implementation of GASB 75		(596,085)	
End of year		<u>\$ 60,337,461</u>	

Casitas Municipal Water District
Budgetary Comparison Schedule
For the Year Ended June 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative)</u>
Operating revenues:			
Retail water consumption	\$ 6,797,929	\$ 4,433,772	\$ (2,364,157)
Wholesale water consumption	1,646,946	957,315	(689,631)
Monthly water service charge	2,210,153	2,151,152	(59,001)
Recreation revenue	3,616,082	4,027,340	411,258
Other water charges and services	127,441	1,188,502	1,061,061
Total operating revenues	<u>14,398,551</u>	<u>12,758,081</u>	<u>(1,640,470)</u>
Operating expenses:			
Source of supply	1,470,865	1,706,783	(235,918)
Pumping	1,902,648	1,204,538	698,110
Water Treatment	1,167,576	1,168,090	(514)
Transmission and distribution	992,144	672,992	319,152
Telemetry	207,695	213,595	(5,900)
Customer accounts	533,164	548,117	(14,953)
Recreation expenses	4,247,049	4,250,101	(3,052)
General and administrative	8,380,842	5,543,278	2,837,564
Depreciation – water department	-	(3,415,057)	3,415,057
Depreciation – recreation department	-	(321,010)	321,010
Total operating expenses	<u>18,901,983</u>	<u>11,571,427</u>	<u>7,330,556</u>
Operating (loss)	<u>(4,503,432)</u>	<u>1,186,654</u>	<u>(8,971,026)</u>
Non-operating revenues (expenses)			
Property taxes – ad valorem	2,080,209	2,164,262	84,053
Pass-through property tax increment	62,500	94,267	31,767
Property tax assessment for State Water Project	-	151,501	151,501
State water project expense	-	(266,509)	(266,509)
Change in water-in-storage inventory	-	2,555,167	2,555,167
CFD 2013-1 assessment	150,000	601,938	451,938
Mira Monte assessment	19,351	19,280	(71)
Tax collection expense	(30,500)	(27,697)	2,803
Investment earnings	515,011	519,022	4,011
Change in fair-value of investments	-	(861,978)	(861,978)
Interest expense – long-term debt	(50,989)	(168,407)	(117,418)
Amortization of deferred loss and bond insurance on CFD 2013-1	-	(18,689)	(18,689)
Acquisition expense of CFD 2013-1	-	(3,975,600)	(3,975,600)
Cost of debt issuance	-	(539,160)	(539,160)
Other, net	35,000	71,382	36,382
Total non-operating revenues, net	<u>2,780,582</u>	<u>318,779</u>	<u>(2,461,803)</u>
Net (loss) before capital contributions	<u>(1,722,850)</u>	<u>1,505,433</u>	<u>(11,432,829)</u>
Capital contributions:			
Federal, state and local capital grants	153,784	230,644	76,860
Capital contributions	<u>153,784</u>	<u>230,644</u>	<u>76,860</u>
Change in net position	<u>\$ (1,569,066)</u>	<u>1,736,077</u>	<u>\$ (11,355,969)</u>
Net position:			
Beginning of year		<u>70,326,936</u>	
End of year		<u>\$ 72,063,013</u>	

Casitas Municipal Water District
Combining Balance Sheets
June 30, 2018

<i>Assets and Deferred Outflows of Resources</i>	Operating Fund	Financing Fund	Improvement Assessment Fund
Current assets:			
Cash and cash equivalents	\$ 4,942,219	\$ -	\$ -
Investments	20,031,043	-	-
Accrued interest receivable	125,070	-	-
Accounts receivable – customers	5,205,399	-	-
Due from other funds	154,764	9,438,010	-
Materials and supplies inventory	119,665	-	-
Prepaid expenses	614,411	-	-
Total current assets	31,192,571	9,438,010	-
Non-current assets:			
Restricted – cash and cash equivalents	5,827,859	-	-
Restricted – special assessments receivable	-	-	76,826
Water-in-storage inventory	6,245,930	-	-
Capital assets – not being depreciated	8,654,788	-	-
Capital assets – being depreciated, net	73,733,712	-	-
Total non-current assets	94,462,289	-	76,826
Total assets	125,654,860	9,438,010	76,826
Deferred outflows of resources	7,202,723	-	-
Total assets and deferred outflows of resources	\$ 132,857,583	\$ 9,438,010	\$ 76,826
<i>Liabilities, Deferred Outflows of Resources and Net Position</i>			
Current liabilities:			
Accounts payable and accrued expenses	\$ 931,222	\$ -	\$ -
Deposits and unearned revenue	2,739,479	-	-
Accrued interest payable	624,253	-	-
Due to other funds	-	9,438,010	154,764
Long-term liabilities – due within one year:			
Compensated absences	458,048	-	-
Reimbursement agreement	77,228	-	-
Assessment bonds payable	-	-	18,000
Long-term debt	270,696	-	-
Total current liabilities	5,100,926	9,438,010	172,764
Non-current liabilities:			
Long-term liabilities – due in more than one year:			
Compensated absences	458,047	-	-
Reimbursement agreement	2,548,530	-	-
Assessment bonds payable	-	-	38,500
Long-term debt	44,751,492	-	-
Net other post-employment benefits obligation	10,282,145	-	-
Net pension liability	7,935,268	-	-
Total non-current liabilities	65,975,482	-	38,500
Total liabilities	71,076,408	9,438,010	211,264
Deferred inflows of resources	1,616,824	-	-
Net position:			
Net investment in capital assets	34,740,556	-	-
Restricted for debt service	5,233,089	-	20,326
Unrestricted	20,190,706	-	(154,764)
Total net position	60,164,351	-	(134,438)
Total liabilities, deferred inflows of resources and net position	\$ 132,857,583	\$ 9,438,010	\$ 76,826

Casitas Municipal Water District
Combining Balance Sheets (Continued)
June 30, 2018

<i>Assets and Deferred Outflows of Resources</i>	Eliminations for Financial Reporting	Total
Current assets:		
Cash and cash equivalents	\$ -	\$ 4,942,219
Investments	-	20,031,043
Accrued interest receivable	-	125,070
Accounts receivable – customers	-	5,205,399
Due from other funds	(9,592,774)	-
Materials and supplies inventory	-	119,665
Prepaid items	-	614,411
Total current assets	(9,592,774)	31,037,807
Non-current assets:		
Restricted – special assessments receivable	-	5,827,859
Water-in-storage inventory	-	76,826
Capital assets – not being depreciated	-	6,245,930
Capital assets – being depreciated, net	-	8,654,788
	-	73,733,712
Total non-current assets	-	94,539,115
Total assets	(9,592,774)	125,576,922
Deferred outflows of resources	-	7,202,723
Total assets and deferred outflows of resources	\$ (9,592,774)	\$ 132,779,645
<i>Liabilities, Deferred Outflows of Resources and Net Position</i>		
Current liabilities:		
Accounts payable and accrued expenses	\$ -	\$ 931,222
Deposits and unearned revenue	-	2,739,479
Accrued interest payable	-	624,253
Due to other funds	(9,592,774)	-
Long-term liabilities – due within one year:		
Compensated absences	-	458,048
Reimbursement agreement	-	77,228
Special assessment bonds payable	-	18,000
Special assessment bonds payable	-	270,696
Total current liabilities	(9,592,774)	5,118,926
Non-current liabilities:		
Long-term liabilities – due in more than one year:		
Compensated absences	-	458,047
Reimbursement agreement	-	2,548,530
Loans payable	-	38,500
Special assessment bonds payable	-	44,751,492
Net other post-employment benefits obligation	-	10,282,145
Net pension liability	-	7,935,268
Total non-current liabilities	-	66,013,982
Total liabilities	(9,592,774)	71,132,908
Deferred inflows of resources	-	1,616,824
Net position:		
Net investment in capital assets	-	34,740,556
Restricted for debt service	-	5,253,415
Unrestricted	-	20,035,942
Total net position	-	60,029,913
Total liabilities, deferred inflows of resources and net position	\$ (9,592,774)	\$ 132,779,645

Casitas Municipal Water District
Combining Balance Sheets
June 30, 2017

<i>Assets and Deferred Outflows of Resources</i>	Operating Fund	Financing Fund	Improvement Assessment Fund
Current assets:			
Cash and cash equivalents	\$ 3,304,457	\$ -	\$ -
Investments	20,696,527	-	-
Accrued interest receivable	123,513	-	-
Accounts receivable – customers	6,033,970	-	-
Due from other funds	137,312	9,083,227	-
Materials and supplies inventory	82,132	-	-
Prepaid expenses	758,576	-	-
Total current assets	31,136,487	9,083,227	-
Non-current assets:			
Restricted – cash and cash equivalents	8,643,510	-	-
Restricted – special assessments receivable	-	-	95,988
Water-in-storage inventory	7,524,935	-	-
Capital assets – not being depreciated	10,521,881	-	-
Capital assets – being depreciated, net	72,879,548	-	-
Total non-current assets	99,569,874	-	95,988
Total assets	130,706,361	9,083,227	95,988
Deferred outflows of resources	5,839,055	-	-
Total assets and deferred outflows of resources	\$ 136,545,416	\$ 9,083,227	\$ 95,988
<i>Liabilities, Deferred Outflows of Resources and Net Position</i>			
Current liabilities:			
Accounts payable and accrued expenses	\$ 2,077,815	\$ -	\$ -
Deposits and unearned revenue	3,018,270	-	-
Accrued interest payable	166,920	-	-
Due to other funds	-	9,083,227	137,312
Long-term liabilities – due within one year:			
Compensated absences	346,976	-	-
Reimbursement agreement	77,228	-	-
Assessment bonds payable	-	-	17,000
Long-term debt	362,202	-	-
Total current liabilities	6,049,411	9,083,227	154,312
Non-current liabilities:			
Long-term liabilities – due in more than one year:			
Compensated absences	520,465	-	-
Reimbursement agreement	2,625,758	-	-
Assessment bonds payable	-	-	56,500
Long-term debt	45,161,922	-	-
Net other post-employment benefits obligation	8,800,102	-	-
Net pension liability	6,687,600	-	-
Total non-current liabilities	63,795,847	-	56,500
Total liabilities	69,845,258	9,083,227	210,812
Deferred inflows of resources	1,996,455	-	-
Net position:			
Net investment in capital assets	43,353,381	-	-
Restricted for debt service	310,797	-	22,488
Unrestricted	21,039,525	-	(137,312)
Total net position	64,703,703	-	(114,824)
Total liabilities, deferred inflows of resources and net position	\$ 136,545,416	\$ 9,083,227	\$ 95,988

Casitas Municipal Water District
Combining Balance Sheets (Continued)
June 30, 2017

<i>Assets and Deferred Outflows of Resources</i>	Eliminations for Financial Reporting	Total
Current assets:		
Cash and cash equivalents	\$ -	\$ 3,304,457
Investments	-	20,696,527
Accrued interest receivable	-	123,513
Accounts receivable – customers	-	6,033,970
Due from other funds	(9,220,539)	-
Materials and supplies inventory	-	82,132
Prepaid items	-	758,576
Total current assets	(9,220,539)	30,999,175
Non-current assets:		
Restricted – special assessments receivable	-	8,643,510
Water-in-storage inventory	-	95,988
Capital assets – not being depreciated	-	7,524,935
Capital assets – being depreciated, net	-	10,521,881
	-	72,879,548
Total non-current assets	-	99,665,862
Total assets	(9,220,539)	130,665,037
Deferred outflows of resources	-	5,839,055
Total assets and deferred outflows of resources	\$ (9,220,539)	\$ 136,504,092
<i>Liabilities, Deferred Outflows of Resources and Net Position</i>		
Current liabilities:		
Accounts payable and accrued expenses	\$ -	\$ 2,077,815
Deposits and unearned revenue	-	3,018,270
Accrued interest payable	-	166,920
Due to other funds	(9,220,539)	-
Long-term liabilities – due within one year:		
Compensated absences	-	346,976
Reimbursement agreement	-	77,228
Special assessment bonds payable	-	17,000
Special assessment bonds payable	-	362,202
Total current liabilities	(9,220,539)	6,066,411
Non-current liabilities:		
Long-term liabilities – due in more than one year:		
Compensated absences	-	520,465
Reimbursement agreement	-	2,625,758
Loans payable	-	56,500
Special assessment bonds payable	-	45,161,922
Net other post-employment benefits obligation	-	8,800,102
Net pension liability	-	6,687,600
Total non-current liabilities	-	63,852,347
Total liabilities	(9,220,539)	69,918,758
Deferred inflows of resources	-	1,996,455
Net position:		
Net investment in capital assets	-	43,353,381
Restricted for debt service	-	333,285
Unrestricted	-	20,902,213
Total net position	-	64,588,879
Total liabilities, deferred inflows of resources and net position	\$ (9,220,539)	\$ 136,504,092

Casitas Municipal Water District
Combining Schedule of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2018

	<u>Water Fund</u>	<u>Recreation Fund</u>	<u>Total</u>
Operating revenues:			
Retail water consumption	\$ 5,321,304	\$ -	\$ 5,321,304
Wholesale water consumption	1,024,953	-	1,024,953
Monthly water service charge	3,680,853	-	3,680,853
Recreation revenue	-	3,905,083	3,905,083
Other water charges and services	895,897	-	895,897
Total operating revenues	<u>10,923,007</u>	<u>3,905,083</u>	<u>14,828,090</u>
Operating expenses:			
Source of supply	2,000,607	-	2,000,607
Pumping	1,585,222	-	1,585,222
Water treatment	1,259,158	-	1,259,158
Transmission and distribution	1,012,384	-	1,012,384
Telemetry	302,003	-	302,003
Customer accounts	681,460	-	681,460
Recreation expenses	-	5,199,660	5,199,660
General and administrative	4,330,457	-	4,330,457
Total operating expenses	<u>11,171,291</u>	<u>5,199,660</u>	<u>16,370,951</u>
Operating (loss) before depreciation	(248,284)	(1,294,577)	(1,542,861)
Depreciation – water department	(3,873,898)	-	(3,873,898)
Depreciation – recreation department	-	(321,640)	(321,640)
Operating income(loss)	<u>(4,122,182)</u>	<u>(1,616,217)</u>	<u>(5,738,399)</u>
Non-operating revenue(expense)			
Property taxes – ad valorem	2,313,211	-	2,313,211
Pass-through property tax increment	95,729	-	95,729
Property tax assessment for State Water Project	369,167	-	369,167
State water project expense	(616,152)	-	(616,152)
Change in water-in-storage inventory	(1,279,005)	-	(1,279,005)
CFD 2013-1 assessment	2,592,342	-	2,592,342
Mira Monte assessment	19,012	-	19,012
Tax collection expense	(38,038)	-	(38,038)
Investment earnings	576,708	-	576,708
Change in fair-value of investments	(660,798)	-	(660,798)
Interest expense – long-term debt	(1,639,245)	-	(1,639,245)
Amortization of deferred loss and bond insurance on CFD 2013-1	(220,615)	-	(220,615)
Acquisition expense of CFD 2013-1	-	-	-
Cost of debt issuance	(2,870)	-	(2,870)
Other, net	45,521	-	45,521
Total non-operating revenue(expense), net	<u>1,554,967</u>	<u>-</u>	<u>1,554,967</u>
Net income(loss) before capital contributions	<u>(2,567,215)</u>	<u>(1,616,217)</u>	<u>(4,183,432)</u>
Capital contributions:			
Federal, state and local capital grants	14,675	205,589	220,264
Change in net position	<u>\$ (2,552,540)</u>	<u>\$ (1,410,628)</u>	<u>\$ (3,963,168)</u>

Casitas Municipal Water District
Combining Schedule of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2017

	<u>Water Fund</u>	<u>Recreation Fund</u>	<u>Total</u>
Operating revenues:			
Retail water consumption	\$ 4,433,772	\$ -	\$ 4,433,772
Wholesale water consumption	957,315	-	957,315
Monthly water service charge	2,151,152	-	2,151,152
Recreation revenue	-	4,027,340	4,027,340
Other water charges and services	1,188,502	-	1,188,502
Total operating revenues	<u>8,730,741</u>	<u>4,027,340</u>	<u>12,758,081</u>
Operating expenses:			
Source of supply	1,706,783	-	1,706,783
Pumping	1,204,538	-	1,204,538
Water treatment	1,168,090	-	1,168,090
Transmission and distribution	672,992	-	672,992
Telemetry	213,595	-	213,595
Customer accounts	548,117	-	548,117
Recreation expenses	-	4,250,101	4,250,101
General and administrative	5,543,278	-	5,543,278
Total operating expenses	<u>11,057,393</u>	<u>4,250,101</u>	<u>15,307,494</u>
Operating (loss) before depreciation	(2,326,652)	(222,761)	(2,549,413)
Depreciation – water department	(3,415,057)	-	(3,415,057)
Depreciation – recreation department	-	(321,010)	(321,010)
Operating income(loss)	<u>(5,741,709)</u>	<u>(543,771)</u>	<u>(6,285,480)</u>
Non-operating revenue(expense)			
Property taxes – ad valorem	2,164,262	-	2,164,262
Pass-through property tax increment	94,267	-	94,267
Property tax assessment for State Water Project	151,501	-	151,501
State water project expense	(266,509)	-	(266,509)
Change in water-in-storage inventory	2,555,167	-	2,555,167
CFD 2013-1 assessment	601,938	-	601,938
Mira Monte assessment	19,280	-	19,280
Tax collection expense	(27,697)	-	(27,697)
Investment earnings	519,022	-	519,022
Change in fair-value of investments	(861,978)	-	(861,978)
Interest expense – long-term debt	(168,407)	-	(168,407)
Amortization of deferred loss and bond insurance on CFD 2013-1	(18,689)	-	(18,689)
Acquisition expense of CFD 2013-1	(3,975,600)	-	(3,975,600)
Cost of debt issuance	(539,160)	-	(539,160)
Other, net	71,382	-	71,382
Total non-operating revenue(expense), net	<u>318,779</u>	<u>-</u>	<u>318,779</u>
Net income(loss) before capital contributions	<u>(5,422,930)</u>	<u>(543,771)</u>	<u>(5,966,701)</u>
Capital contributions:			
Federal, state and local capital grants	109,540	121,104	230,644
Change in net position	<u>\$ (5,313,390)</u>	<u>\$ (422,667)</u>	<u>\$ (5,736,057)</u>

Casitas Municipal Water District
Detail Schedules of Operating Expenses - Water Department
For the Years Ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Source of supply:		
Advertising and legal notices	\$ 5,455	\$ 7,318
Books and publications	191	73
Chlorine	25,594	2,195
Clothing and personal supplies	733	265
Communications	7,994	5,163
Computer upgrades – hardware and software	17,999	11,437
Costs applied	16,189	1,150
District equipment	10,738	8,142
Education and training	13,293	19,269
Insurance – Aflac service fee	70	242
Insurance – EAP	146	165
Licenses and permits	83,815	38,962
Memberships and dues	40,842	41,594
Office supplies	-	37
Other professional services	(4,947)	6,994
Outside contracts	356,029	152,759
Postage	7,454	15,405
Printing and binding	9,330	8,367
Public information program	962	225
Purchased water	190	1,645
Safety program	2,555	-
Salaries and benefits	1,200,985	1,289,920
Services and supplies	181,610	70,856
Small tools	-	4,723
Travel expense	18,267	15,253
Utilities	5,113	4,624
	<u>2,000,607</u>	<u>1,706,783</u>
Total source of supply		
Pumping:		
Communications	2,111	1,807
Outside contracts	23,226	31,364
Power purchased for pumping	1,479,266	1,121,709
Salaries and benefits	26,220	8,167
Service and supplies	42,522	38,872
Small tools	11,877	2,619
	<u>1,585,222</u>	<u>1,204,538</u>
Total pumping		
Water treatment:		
Ammonia	16,394	22,520
Caustics	61,553	62,144
Chlorine	56,400	56,925
Clothing and personal supplies	1,648	978
Communications	5,030	3,651
Computer upgrades – hardware and software	1,336	-
Education and training	475	615
Ferric	8,670	4,484
Licenses and permits	1,722	1,406
Liquid oxygen	146,798	131,921
Outside contracts	30,796	10,927
Polymer	31,237	30,102
Salaries and benefits	730,968	692,221
Service and supplies	65,820	72,997
Small tools	1,670	1,845
Travel	1,658	120
Utilities	96,983	75,234
	<u>96,983</u>	<u>75,234</u>
Total water treatment	<u>\$ 1,259,158</u>	<u>\$ 1,168,090</u>

Casitas Municipal Water District
Detail Schedules of Operating Expenses - Water Department (Continued)
For the Years Ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Transmission and distribution:		
Clothing and personal supplies	\$ 1,516	\$ 1,889
Communications	3,680	1,519
Computer upgrades – hardware and software	3,395	-
Education and training	4,380	3,531
Licenses and permits	32,181	9,628
Other operating expenses	19,162	19,232
Outside contracts	255,611	86,061
Salaries and benefits	510,151	377,239
Service and supplies	169,941	155,953
Small tools	10,840	17,265
Travel expense	1,527	675
	<u>1,012,384</u>	<u>672,992</u>
Telemetering:		
Books and publications	-	-
Communications	1,381	1,091
Computer upgrades – hardware and software	-	-
Outside contracts	48,348	32,242
Salaries and benefits	226,096	159,016
Service and supplies	1,955	685
Small tools	812	
Travel expense	658	
Utilities	22,753	20,561
	<u>302,003</u>	<u>213,595</u>
Customer accounts:		
Advertising and legal notices	-	400
Bad debt provision	4,637	4,803
Clothing and personal supplies	2,508	1,845
Communications	3,009	1,373
Computer upgrades – hardware and software	2,228	12,268
Education and training	3,988	3,881
Licenses and permits	314	230
Outside contracts	37,664	27,565
Postage	4,142	1,693
Printing and binding	1,224	507
Salaries and benefits	529,184	394,837
Service and supplies	90,728	98,630
Small tools	1,372	-
Travel expense	1,834	85
	<u>\$ 682,832</u>	<u>\$ 548,117</u>

Casitas Municipal Water District
Detail Schedules of Operating Expenses - Water Department (Continued)
For the Years Ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
General and administrative:		
Advertising and legal notices	\$ 3,973	\$ 383
Bank charges	50,089	29,873
Books and publications	6,677	5,719
Clothing and personal supplies	9,970	4,873
Communications	67,047	28,237
Computer upgrades – hardware and software	54,051	14,817
Directors election fees	-	7,168
District equipment	166,049	117,957
Education and training	22,334	14,591
Gains/losses on inventory	(25,932)	23,018
Insurance – Aflac	1,829	1,109
Insurance – EAP	1,081	1,037
Insurance – liability	63,241	60,866
Licenses and permits	6,571	10,323
Memberships and dues	89,905	47,756
Office equipment maintenance	5,134	5,423
Office supplies	12,185	12,120
Other professional services	178,123	699,660
Outside contracts	578,901	571,870
Petty cash (over)/short	(53)	(5)
Postage	640	3,175
Printing and binding	10,426	3,523
Private vehicle mileage	4,940	7,049
Safety program	9,269	6,304
Salaries and benefits	4,247,703	4,575,372
Service and supplies	297,121	159,565
Small tools	4,698	2,863
Travel expense	2,833	5,510
Utilities	36,796	37,421
Vehicle costs direct	106,070	74,549
Workers' compensation	149,820	146,963
Costs applied	(213,003)	(165,084)
Administrative overhead burden	(1,619,403)	(970,727)
Total general and administrative	<u>4,329,085</u>	<u>5,543,278</u>
Depreciation expense:		
Water department	<u>3,873,898</u>	<u>3,415,057</u>
Total depreciation expense	<u>3,873,898</u>	<u>3,415,057</u>
Total operating expenses – water department	<u>\$ 15,045,189</u>	<u>\$ 14,472,450</u>

Casitas Municipal Water District
Detail Schedule of Revenues and Expenses - Recreation Department
For the Years Ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Recreation revenue:		
Animal permit	\$ 13,808	\$ 8,629
Bad debt collection recovery	31	344
Boat fees - annual	30,340	33,057
Boat fees - daily	8,398	9,802
Boat fees - overnight	810	778
Boat inspection fees - Quagga	2,560	2,862
Boat lock revenue - Quagga	2,592	2,979
Boat rental - concession	56,893	63,549
Cafe - concession	23,053	27,774
Cafe pass fee	-	7,290
Cafe pass reimbursement	-	(8,830)
Camping fees	1,825,933	1,894,131
Commercials	-	5,650
Event reimbursement	2,246	2,159
Events	33,814	37,161
Gift cards and certificates	470	(196)
Guest pass	(240)	-
Impound fee	500	350
Kayak and canoes annual	3,552	3,167
Kayak and canoes daily	-	33
Miscellaneous revenue	1,942	2,234
Over / short - recreation	(1,678)	384
Over / short - water park	113	25
Park store	49,688	53,102
Rain checks	(349)	(268)
Reservations	137,998	144,635
Shower facility fees	20,992	20,928
Snow bird pumping	2,680	4,160
Trailer storage fees	168,375	195,302
Vehicle fees - daily	452,240	458,486
Violation ordinance fees	865	35
Visitor cards	135,103	142,378
Water park - group pass fee	(4,392)	(4,512)
Water park - guest pass	(186)	-
Water park - junior lifeguard	5,220	6,830
Water park - late day pass fee	100,065	102,691
Water park - lifeguard training	632	691
Water park - locker fee	1,314	1,128
Water park - next day pass fee	(1,094)	(1,217)
Water park - promotion	(556)	(556)
Water park - rain checks	(535)	(266)
Water park - reservation fee	51,793	45,224
Water park - season pass fee	26,472	24,622
Water park - shade rental fee	7,200	10,050
Water park - shower facility fee	16,317	17,000
Water park - single splash fee	711,173	694,938
Water park - special event fee	1,250	72
Water park - water fitness - fee	8,436	11,400
Water park snack bar	9,245	7,155
Total recreation revenue	<u>\$ 3,905,083</u>	<u>\$ 4,027,340</u>

Casitas Municipal Water District
Detail Schedule of Revenues and Expenses - Recreation Department (Continued)
For the Years Ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Recreation expenses:		
Administrative overhead burden	\$ 1,619,403	\$ 970,727
Advertising and legal notices	4,113	4,291
Bad debt provision	498	-
Bank charges	-	-
Chemicals – water playground	4,500	4,198
Chlorine	29,502	22,882
Clothing and personal supplies	16,330	24,194
Communications	13,595	11,202
Computer upgrades – hardware and software	5,377	4,712
Credit card fees	90,158	90,274
District equipment	148,038	113,924
Education and training	4,518	3,890
Fish purchases	-	-
Insurance	21,659	26,533
Licenses and permits	4,921	6,277
Memberships and dues	1,654	1,304
Office supplies	1,262	2,667
Other operating expenses	18	-
Other professional services	31,470	27,188
Outside contracts	108,694	261,273
Postage	1,292	1,002
Pre-employment screening	6,884	10,435
Printing and binding	4,170	5,274
Private vehicle mileage	617	431
Public information program	9,494	4,529
Purchased water	49,109	43,454
Safety program	1,476	503
Salaries and benefits	2,653,274	2,259,230
Service and supplies	209,204	203,138
Small tools	1,467	4,596
Travel expense	2,014	482
Uninsured losses - injuries	4,704	569
Utilities	150,245	140,922
	<u>5,199,660</u>	<u>4,250,101</u>
Total recreation expenses		
Recreation operating (loss) before depreciation	(1,294,577)	(222,761)
Depreciation – recreation department	(321,640)	(321,010)
	<u>(1,616,217)</u>	<u>(543,771)</u>
Recreation operating (loss)		

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STATISTICAL SECTION

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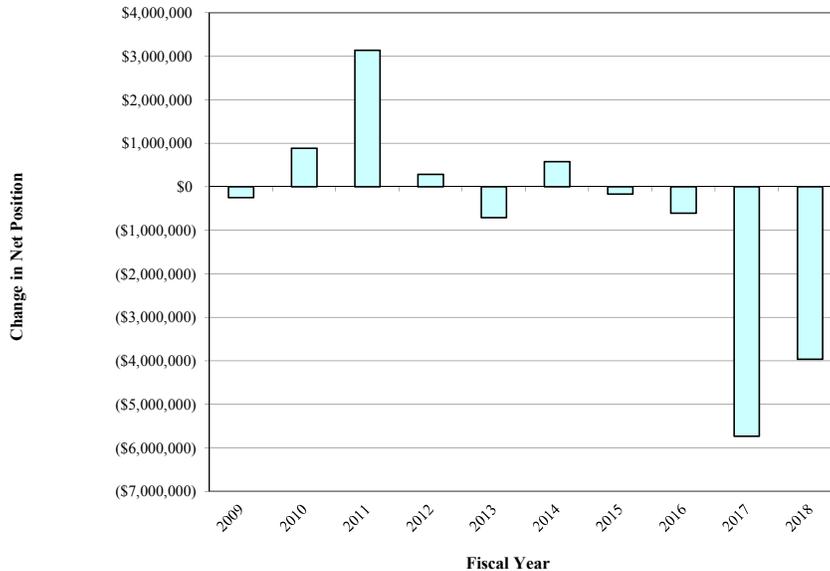
This part of the District’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District’s overall financial health.

Table of Contents

	<u>Page No.</u>
Financial Trends	
These schedules contain information to help the reader understand how the District’s financial performance and well-being have changed over time.	80-83
Revenue Capacity	84-88
These schedules contain information to help the reader assess the District’s most significant own-source revenue, water sales.	
Debt Capacity	89-90
These schedules present information to help the reader assess the affordability of the District’s current levels of outstanding debt and the District’s ability to issue additional debt in the future.	
Demographic Information	91
This schedule offers demographic indicators to help the reader understand the environment within which the District’s financial activities take place.	
Operating Information	92-93
This schedule contains service and infrastructure data to help the reader understand how the information in the District’s financial report relates to the service the District provides.	

Casitas Municipal Water District
Changes in Net Position and Net Position by Component
Last Ten Fiscal Years

	Fiscal Year				
	2009	2010	2011	2012	2013
Changes in net position:					
Operating revenues (see Schedule 2)	12,129,996	12,194,917	10,956,600	\$ 11,645,576	13,212,527
Operating expenses (see Schedule 3)	(13,384,114)	(11,171,141)	(11,587,130)	(12,047,019)	(13,639,029)
Depreciation and amortization	(2,834,977)	(2,863,329)	(3,037,340)	(3,097,495)	(3,084,521)
Operating income(loss)	(4,089,095)	(1,839,553)	(3,667,870)	(3,498,938)	(3,511,023)
Non-operating revenues(expenses)					
Property taxes	1,982,172	1,959,850	2,012,458	2,025,655	2,147,033
Clean Water Act surcharge	1,685,062	1,290,042	1,682,991	1,554,698	462,896
CFD 2013-1 assessment	-	-	-	-	-
Mira Monte assessment	18,914	18,601	17,113	17,630	19,783
Oak View availability charge	6,992	7,709	7,657	293	232
Property tax collection expense	(29,433)	(30,416)	(31,158)	(30,158)	(31,284)
Investment income/(loss)	213,695	129,472	402,229	449,707	(164,338)
Water-in-storage valuation	-	-	3,318,094	-	-
State water project expense	-	(666,442)	(787,665)	(382,908)	(517,749)
Interest expense	(116,361)	(106,239)	(102,295)	(94,969)	(87,015)
Amortization of deferred loss and bond insurance	-	-	-	-	-
Acquisition expense of CFD 2013-1	-	-	-	-	-
Cost of debt issuance	-	-	-	-	-
Other revenue/(expense), net	14,460	(6,638)	213,445	12,454	(20,137)
Total non-operating revenues(expenses), net	3,775,501	2,595,939	6,732,869	3,552,402	1,809,421
Net income before capital contributions	(313,594)	756,386	3,064,999	53,464	(1,701,602)
Capital contributions	63,784	131,179	74,095	232,755	990,526
Change in net position	(249,810)	887,565	3,139,094	\$ 286,219	(711,076)
Net position by component:					
Net investment in capital assets	55,408,560	55,277,544	55,261,613	\$ 55,501,696	54,428,683
Restricted	67,343	60,922	217,413	199,890	180,151
Unrestricted	22,131,554	23,156,556	26,155,090	26,218,749	26,600,425
Total net position	77,607,457	78,495,022	81,634,116	\$ 81,920,335	81,209,259



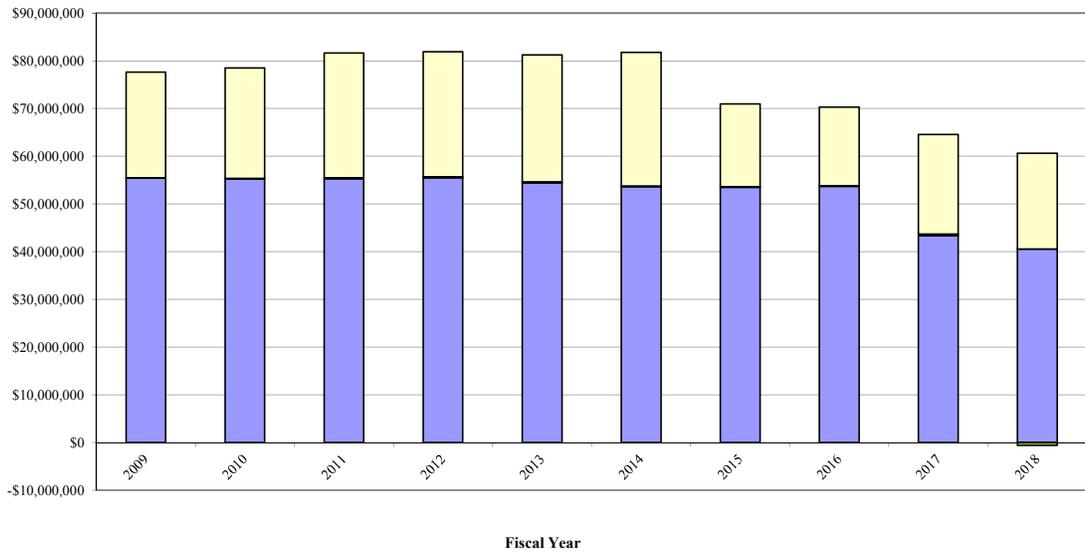
Notes:

- (1) The District made a prior period adjustment of \$796,383.
- (2) The District made a prior period adjustment of \$(10,684,160).

Source: Casitas Municipal Water District Accounting Department

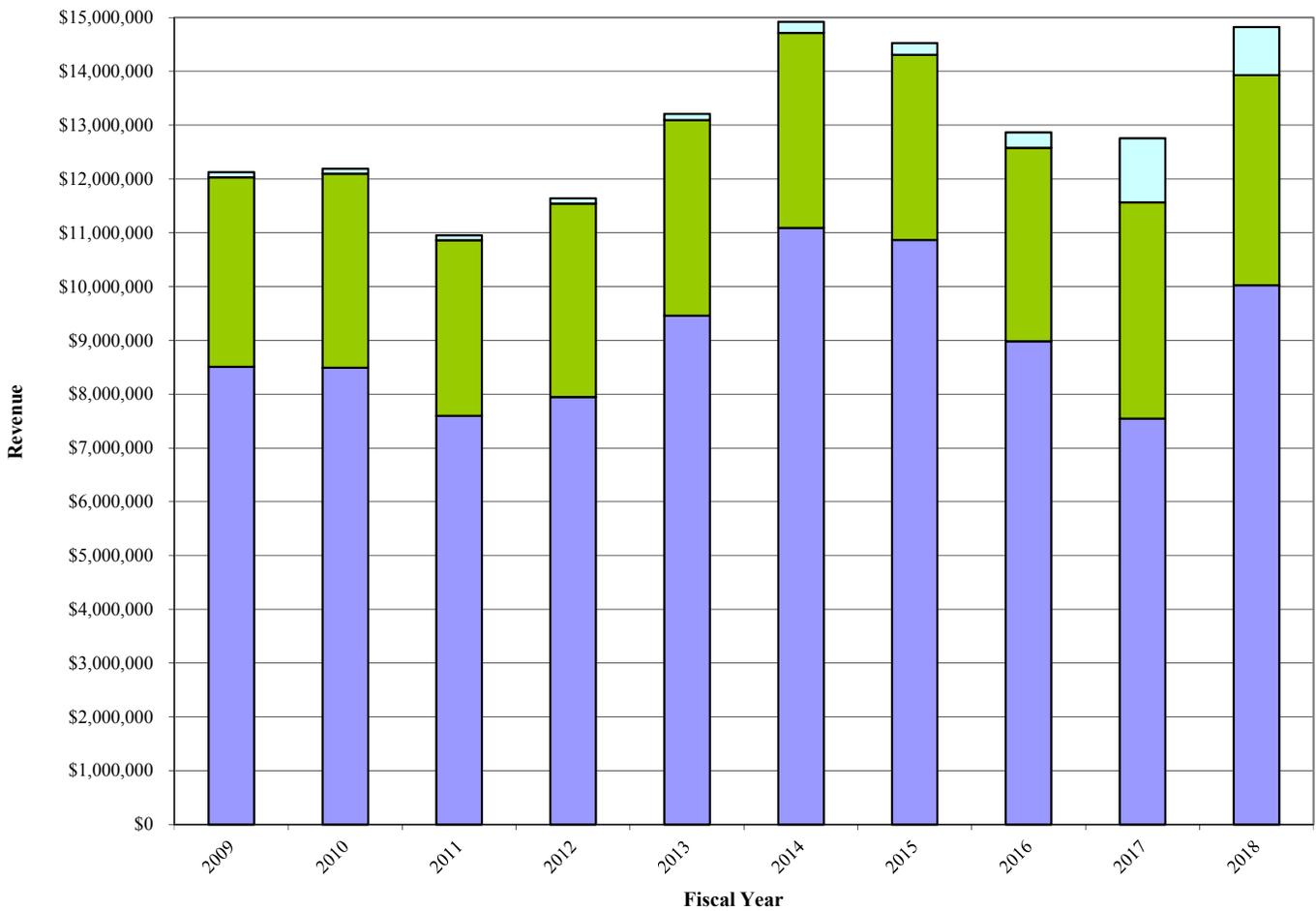
Casitas Municipal Water District
Changes in Net Position and Net Position by Component
Last Ten Fiscal Years (Continued)

	Fiscal Year				
	2014	2015	2016	2017	2018
Changes in net position:					
Operating revenues (see Schedule 2)	14,923,271	14,530,148	12,869,735	12,758,081	14,828,090
Operating expenses (see Schedule 3)	(14,238,444)	(13,277,286)	(13,931,131)	(15,307,494)	(16,372,666)
Depreciation and amortization	(3,152,038)	(3,164,097)	(3,174,681)	(3,736,067)	(4,195,538)
Operating income(loss)	(2,467,211)	(1,911,235)	(4,236,077)	(6,285,480)	(5,740,114)
Non-operating revenues(expenses)					
Property taxes	2,192,072	2,309,270	2,292,477	2,258,529	2,408,940
Clean Water Act surcharge	566,610	490,989	730,400	151,501	369,167
CFD 2013-1 assessment	-	-	454,543	601,938	2,592,342
Mira Monte assessment	31,797	19,434	19,049	19,280	19,012
Oak View availability charge	-	-	-	-	-
Property tax collection expense	(8,360)	(31,610)	(32,050)	(27,697)	(38,038)
Investment income/(loss)	281,851	227,483	718,495	(342,956)	(84,090)
Water-in-storage valuation	-	(1,171,790)	(1,193,960)	2,555,167	(1,279,005)
State water project expense	(451,590)	(696,576)	(183,384)	(266,509)	(616,152)
Interest expense	(79,124)	(70,887)	(62,438)	(168,407)	(1,639,245)
Amortization of deferred loss and bond insurance	-	-	-	(18,689)	(220,615)
Acquisition expense of CFD 2013-1	-	-	-	(3,975,600)	-
Cost of debt issuance	-	-	-	(539,160)	(2,870)
Other revenue/(expense), net	24,506	179,498	41,386	71,382	45,521
Total non-operating revenues(expenses), net	2,557,762	1,255,811	2,784,518	318,779	1,554,967
Net income before capital contributions	90,551	(655,424)	(1,451,559)	(5,966,701)	(4,185,147)
Capital contributions	489,071	484,674	844,524	230,644	220,264
Change in net position	579,622	(170,750)	(607,035)	(5,736,057)	(3,964,883)
Net position by component:					
Net investment in capital assets	53,612,183	53,488,631	53,720,578	43,353,381	40,567,259
Restricted	153,708	134,267	115,220	333,285	(593,615)
Unrestricted	28,022,990	17,311,073	16,491,138	20,902,213	20,056,268
Total net position	81,788,881	70,933,971 ⁽²⁾	70,326,936	64,588,879	60,029,912



Casitas Municipal Water District
Operating Revenue By Source
Last Ten Fiscal Years

Fiscal Year	Water Sales and Service	Recreation Revenue	Local Runoff	Other Operating Revenue	Total Operating Revenue
2009	\$ 8,507,054	\$ 3,526,264	\$ -	\$ 96,678	\$ 12,129,996
2010	8,488,083	3,611,110	-	1 95,724	12,194,918
2011	7,592,767	3,269,377	-	94,456	10,956,600
2012	7,944,558	3,599,744	-	101,274	11,645,576
2013	9,461,356	3,637,050	-	114,121	13,212,527
2014	11,092,279	3,625,800	-	205,192	14,923,271
2015	10,868,054	3,443,089	-	219,005	14,530,148
2016	8,988,387	3,592,600	-	288,748	12,869,735
2017	7,542,239	4,027,340	-	1,188,502	12,758,081
2018	10,027,110	3,905,083	-	895,897	14,828,090

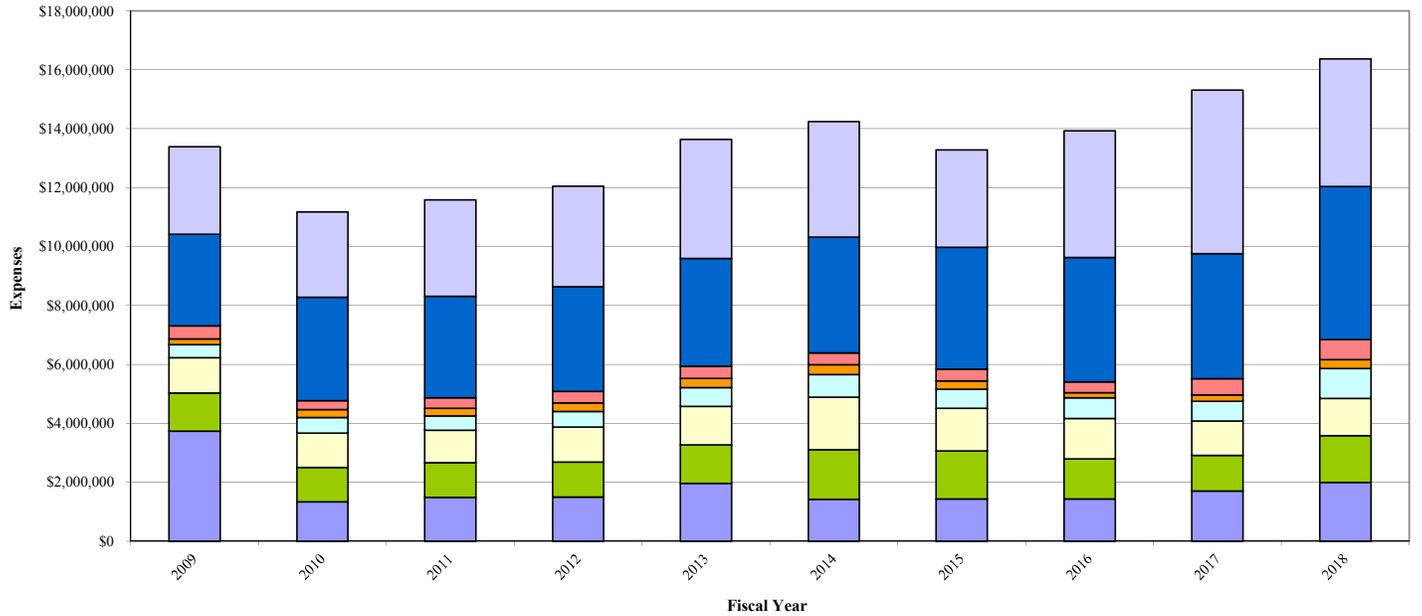


Note 1 - Beginning in FY 2010 the District classified the Water Storage Valuation as a Non-Operating Revenue

Source: Casitas Municipal Water District Accounting Department

**Casitas Municipal Water District
Operating Expenses by Activity
Last Ten Fiscal Years**

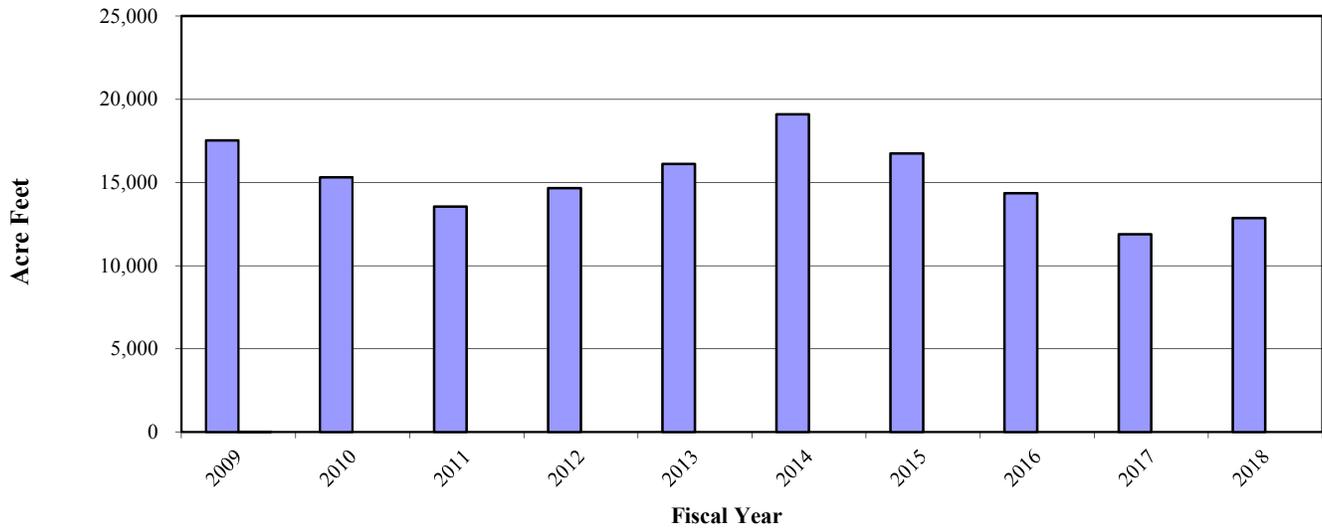
Fiscal Year	Source of Supply	Pumping	Water Treatment	Transmission and Distribution	Telemetry	Customer Accounts	Recreation Area	General and Administrative	Total Operating Expenses
2009	3,735,269	1,292,700	1,197,050	448,678	197,119	436,851	3,113,058	2,963,389	\$ 13,384,114
2010	1,338,079	1,166,950	1,165,062	530,798	266,133	308,364	3,504,726	2,891,029	11,171,141
2011	1,493,036	1,168,939	1,107,391	488,434	251,534	362,054	3,436,849	3,278,893	11,587,130
2012	1,498,408	1,194,225	1,184,305	527,004	294,816	387,735	3,551,695	3,408,831	12,047,019
2013	1,958,838	1,313,549	1,305,364	640,781	309,327	412,021	3,662,878	4,036,271	13,639,029
2014	1,421,801	1,685,967	1,783,448	762,346	332,776	400,493	3,939,152	3,912,461	14,238,444
2015	1,430,475	1,634,202	1,451,902	646,868	272,594	399,383	4,140,358	3,301,504	13,277,286
2016	1,432,140	1,360,622	1,372,695	697,974	173,559	367,204	4,228,876	4,298,061	13,931,131
2017	1,706,783	1,204,538	1,168,090	672,992	213,595	548,117	4,250,101	5,543,278	15,307,494
2018	2,000,607	1,585,222	1,259,158	1,012,384	302,003	681,460	5,199,660	4,332,172	16,372,666



Source: Casitas Municipal Water District Accounting Department

Casitas Municipal Water District
Revenue Base
Last Ten Fiscal Years

Fiscal Year	Water Sales (Acre Feet)
2009	17,533
2010	15,307
2011	13,549
2012	14,655
2013	16,106
2014	19,093
2015	16,746
2016	14,346
2017	11,891
2018	12,853



Note: See Schedule 2 "Operating Revenue by Source" for information regarding water revenues.

Source: Casitas Municipal Water District Accounting Department

Casitas Municipal Water District
Revenue Rates
Fiscal Years 2009 to 2011

In fiscal year 2009, the District changed its rate structure as follows:

			Rate per Unit **	
			GRAVITY	PUMPED
RATE SCHEDULE - CLASS 1 SERVICE				
Residential:				
Bi-Monthly Lifeline	0-20 Units	\$ 0.567	\$ 0.831	
Bi-Monthly Lifeline	21-34 Units	\$ 1.003	\$ 1.267	
Bi-Monthly Lifeline	35-100 units	\$ 1.404	\$ 1.668	
Bi-Monthly Lifeline	101 units +	\$ 2.200	\$ 2.464	
Business		\$ 1.259	\$ 1.524	
Industrial		\$ 1.259	\$ 1.524	
Resale		\$ 0.780	\$ 1.403	
Other		\$ 1.259	\$ 1.524	
Temporary		\$ 1.419	\$ 1.683	
Recreation		\$ 1.259	\$ 1.524	
RATE SCHEDULE - CLASS 3 SERVICE				
Ag-Residential:				
Monthly Lifeline	0-10 Units	\$ 0.567	\$ 0.831	
Monthly Usage	11-17 Units	\$ 1.003	\$ 1.267	
Monthly Usage	18 -50 Units	\$ 1.404	\$ 1.668	
Irrigation (AG)	51 units +	\$ 0.588	\$ 0.852	
** One unit equals 100 cubic feet (748 gallons)				
Cost per AF (example)	Irrigation	per AF = \$0.588 x 435.6 =	\$ 256.13	Gravity
		per AF = \$0.852 x 435.6 =	\$ 371.13	Pumped

METER SIZE		5/8"-3/4"	1"	1-1/2"	2"	2-1/2"	3"	4"	6"	Over 6"	
MAX CAPACITY	GPM	20-30	50	120	160	TEMP 300	320	1000	2000	over 2000	
RESIDENTIAL	Monthly	\$ 22.02	\$ 32.89	\$ 60.06	\$ 92.66	\$ 141.56	\$ 195.90	\$ 348.04	\$ 766.43	\$ 2,667.46	per gpm
	Bi-Monthly	\$ 38.32	\$ 60.06	\$ 114.39	\$ 179.60	N/A	\$ 386.07	\$ 690.36	\$ 1,527.13	\$ 5,334.92	per gpm
BUSINESS	Monthly	\$ 22.02	\$ 32.89	\$ 60.06	\$ 92.66	\$ 141.56	\$ 195.90	\$ 348.04	\$ 766.43	\$ 2,667.46	per gpm
	Bi-Monthly	\$ 38.32	\$ 60.06	\$ 114.39	\$ 179.60	N/A	\$ 386.07	\$ 690.36	\$ 1,527.13	\$ 5,334.92	per gpm
INDUSTRIAL	Monthly	\$ 22.02	\$ 32.89	\$ 60.06	\$ 92.66	\$ 141.56	\$ 195.90	\$ 348.04	\$ 766.43	\$ 2,667.46	per gpm
	Bi-Monthly	\$ 38.32	\$ 60.06	\$ 114.39	\$ 179.60	N/A	\$ 386.07	\$ 690.36	\$ 1,527.13	\$ 5,334.92	per gpm
IRRIGATION/ AG	Monthly	\$ 22.02	\$ 32.89	\$ 60.06	\$ 92.66	\$ 141.56	\$ 195.90	\$ 348.04	\$ 766.43	\$ 2,667.46	per gpm
	Bi-Monthly	\$ 38.32	\$ 60.06	\$ 114.39	\$ 179.60	N/A	\$ 386.07	\$ 690.36	\$ 1,527.13	\$ 5,334.92	per gpm
RESALE(G)	Monthly	\$ 22.02	\$ 32.89	\$ 60.06	\$ 92.66	\$ 141.56	\$ 195.90	\$ 348.04	\$ 766.43	\$ 2,667.46	per gpm
	Bi-Monthly	\$ 38.32	\$ 60.06	\$ 114.39	\$ 179.60	N/A	\$ 386.07	\$ 690.36	\$ 1,527.13	\$ 5,334.92	per gpm
RESALE(P)	Monthly	\$ 22.02	\$ 32.89	\$ 60.06	\$ 92.66	\$ 141.56	\$ 195.90	\$ 348.04	\$ 766.43	\$ 2,667.46	per gpm
	Bi-Monthly	\$ 38.32	\$ 60.06	\$ 114.39	\$ 179.60	N/A	\$ 386.07	\$ 690.36	\$ 1,527.13	\$ 5,334.92	per gpm
OTHER	Monthly	\$ 22.02	\$ 32.89	\$ 60.06	\$ 92.66	\$ 141.56	\$ 195.90	\$ 348.04	\$ 766.43	\$ 2,667.46	per gpm
	Bi-Monthly	\$ 38.32	\$ 60.06	\$ 114.39	\$ 179.60	N/A	\$ 386.07	\$ 690.36	\$ 1,527.13	\$ 5,334.92	per gpm
TEMPORARY	Monthly	\$ 22.02	\$ 32.89	\$ 60.06	\$ 92.66	\$ 141.56	\$ 195.90	\$ 348.04	\$ 766.43	\$ 2,667.46	per gpm
	Bi-Monthly	\$ 38.32	\$ 60.06	\$ 114.39	\$ 179.60	N/A	\$ 386.07	\$ 690.36	\$ 1,527.13	\$ 5,334.92	per gpm
RECREATION	Monthly	\$ 22.02	\$ 32.89	\$ 60.06	\$ 92.66	\$ 141.56	\$ 195.90	\$ 348.04	\$ 766.43	\$ 2,667.46	per gpm
	Bi-Monthly	\$ 38.32	\$ 60.06	\$ 114.39	\$ 179.60	N/A	\$ 386.07	\$ 690.36	\$ 1,527.13	\$ 5,334.92	per gpm

Source: Casitas Municipal Water District Finance Department

Casitas Municipal Water District
Revenue Rates
Fiscal Years 2012 to 2017

In fiscal year 2012, the District changed its rate structure as follows:

			Rate per Unit **	
			GRAVITY	PUMPED
RATE SCHEDULE - CLASS 1 SERVICE				
Residential:				
Bi-Monthly Lifeline	0-20 Units	\$	0.584	\$ 0.856
Bi-Monthly Lifeline	21-34 Units	\$	1.033	\$ 1.305
Bi-Monthly Lifeline	35-100 units	\$	1.446	\$ 1.718
Bi-Monthly Lifeline	101 units +	\$	2.266	\$ 2.538
Business		\$	1.297	\$ 1.570
Industrial		\$	1.297	\$ 1.570
Resale		\$	0.803	\$ 1.445
Other		\$	1.297	\$ 1.570
Temporary		\$	1.462	\$ 1.733
Recreation		\$	1.297	\$ 1.570
RATE SCHEDULE - CLASS 3 SERVICE				
Ag-Residential:				
Monthly Lifeline	0-10 Units	\$	0.584	\$ 0.856
Monthly Usage	11-17 Units	\$	1.033	\$ 1.305
Monthly Usage	18 -50 Units	\$	1.446	\$ 1.718
Irrigation (AG)	51 units +	\$	0.606	\$ 0.878
** One unit equals 100 cubic feet (748 gallons)				
Cost per AF (example)	Irrigation	per AF = \$0.606 x 435.6 =	\$ 263.97	Gravity
		per AF = \$0.878 x 435.6 =	\$ 382.46	Pumped

9.3.4 COMBINATION (CLASS C) SERVICE. Where more than one class of water service or use is provided through a single connection, the General Manager shall make an equitable proration of rates and fees, such proration shall be conclusive unless appealed within 30 days by the customer to the Board, in which case the determination of the Board shall be conclusive.

METER SIZE		5/8"-3/4"	1"	1-1/2"	2"	2-1/2"	3"	4"	6"	Over 6"	
MAX CAPACITY	GPM	20-30	50	120	160	TEMP 300	320	1000	2000	over 2000	
RESIDENTIAL	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2,827.51	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5,655.02	per gpm
BUSINESS	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2,827.51	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5,655.02	per gpm
INDUSTRIAL	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2,827.51	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5,655.02	per gpm
IRRIGATION/ AG	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2,827.51	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5,655.02	per gpm
RESALE(G)	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2,827.51	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5,655.02	per gpm
RESALE(P)	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2,827.51	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5,655.02	per gpm
OTHER	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2,827.51	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5,655.02	per gpm
TEMPORARY	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2,827.51	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5,655.02	per gpm
RECREATION	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2,827.51	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5,655.02	per gpm

Source: Casitas Municipal Water District Finance Department

**Casitas Municipal Water District
Revenue Rates
Fiscal Year 2018**

In fiscal year 2018, the District changed its rate structure as follows:

			Rate per Unit **	
			GRAVITY	PUMPED
RATE SCHEDULE - CLASS 1 SERVICE				
Residential:				
Bi-Monthly Lifeline	0-10 Units	\$ 0.490	\$ 0.960	
Bi-Monthly Lifeline	11-50 Units	\$ 0.990	\$ 1.460	
Bi-Monthly Lifeline	51+ units	\$ 1.890	\$ 2.360	
Bi-Monthly Lifeline		\$ -	\$ -	
Business		\$ 0.990	\$ 1.460	
Industrial		\$ 0.990	\$ 1.460	
Resale		\$ 0.990	\$ 1.460	
Other		\$ 0.990	\$ 1.460	
Temporary		\$ 0.990	\$ 1.460	
Recreation		\$ 0.990	\$ 1.460	
RATE SCHEDULE - CLASS 3 SERVICE				
Ag-Residential:				
Monthly Lifeline	0-10 Units	\$ 0.490	\$ 0.960	
Monthly Usage	11-50 Units	\$ 0.990	\$ 1.460	
Monthly Usage	51+ Units	\$ 1.890	\$ 2.360	
Irrigation (AG)	51 units +	\$ 0.620	\$ 1.090	
** One unit equals 100 cubic feet (748 gallons)				
Cost per AF (example)	Irrigation	per AF = \$0.606 x 435.6 =	\$ 263.97	Gravity
		per AF = \$0.878 x 435.6 =	\$ 382.46	Pumped

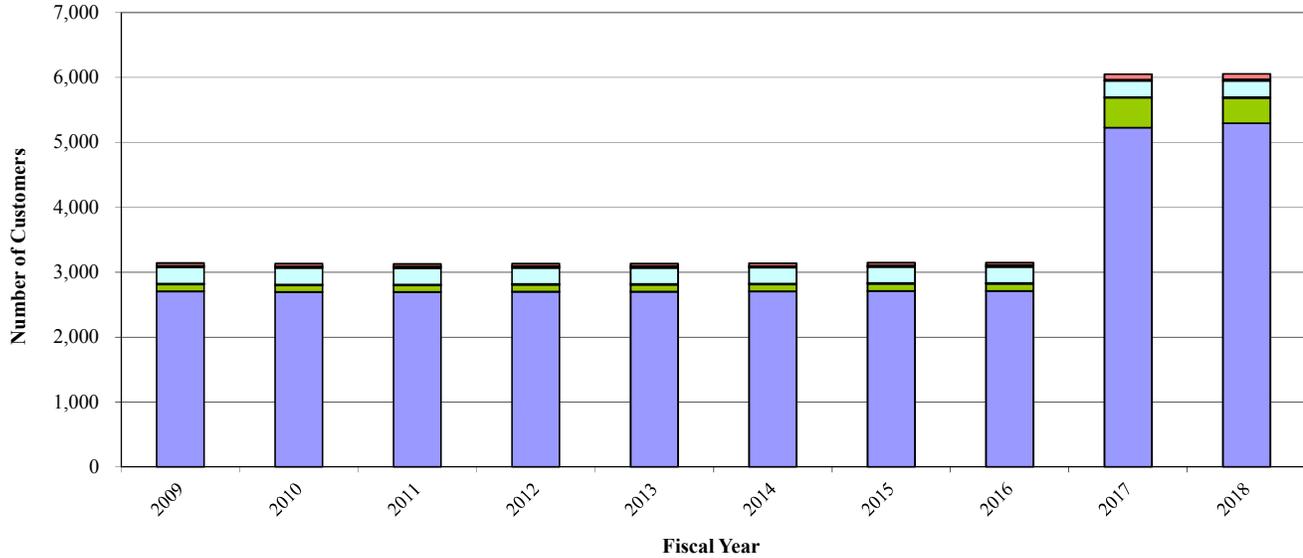
9.3.4 COMBINATION (CLASS C) SERVICE. Where more than one class of water service or use is provided through a single connection, the General Manager shall make an equitable proration of rates and fees, such proration shall be conclusive unless appealed within 30 days by the customer to the Board, in which case the determination of the Board shall be conclusive.

METER SIZE		5/8"-3/4"	1"	1-1/2"	2"	2-1/2"	3"	4"	6"	Over 6"	
MAX CAPACITY	GPM	20-30	50	120	160	TEMP 300	320	1000	2000	over 2000	
RESIDENTIAL	Monthly	\$ 28.75	\$ 47.91	\$ 95.82	\$ 153.31	\$ 255.52	\$ 335.37	\$ 603.67	\$ 995.29	\$ 2.82751	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5.65502	per gpm
BUSINESS	Monthly	\$ 22.97	\$ 38.28	\$ 76.56	\$ 122.50	\$ 204.16	\$ 267.96	\$ 482.33	\$ 995.29	\$ 2.82751	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5.65502	per gpm
INDUSTRIAL	Monthly	\$ 28.75	\$ 47.91	\$ 95.82	\$ 153.31	\$ 255.52	\$ 335.37	\$ 603.67	\$ 995.29	\$ 2.82751	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5.65502	per gpm
IRRIGATION/ AG	Monthly	\$ 28.75	\$ 47.91	\$ 95.82	\$ 153.31	\$ 255.52	\$ 335.37	\$ 603.67	\$ 995.29	\$ 2.82751	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5.65502	per gpm
RESALE(G)	Monthly	\$ 25.27	\$ 42.12	\$ 84.24	\$ 134.78	\$ 224.63	\$ 294.83	\$ 530.70	\$ 1,095.09	\$ 2.82751	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5.65502	per gpm
RESALE(P)	Monthly	\$ 25.27	\$ 42.12	\$ 84.24	\$ 134.78	\$ 224.63	\$ 294.83	\$ 530.70	\$ 1,095.09	\$ 2.82751	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5.65502	per gpm
OTHER	Monthly	\$ 20.54	\$ 34.24	\$ 68.47	\$ 109.55	\$ 182.59	\$ 239.65	\$ 431.36	\$ 1,095.09	\$ 2.82751	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5.65502	per gpm
TEMPORARY	Monthly	\$ 20.54	\$ 34.24	\$ 68.47	\$ 109.55	\$ 182.59	\$ 239.65	\$ 431.36	\$ 1,095.09	\$ 2.82751	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5.65502	per gpm
RECREATION	Monthly	\$ 28.75	\$ 47.91	\$ 95.82	\$ 153.31	\$ 255.52	\$ 335.37	\$ 603.67	\$ 995.29	\$ 2.82751	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5.65502	per gpm

Source: Casitas Municipal Water District Finance Department

**Casitas Municipal Water District
Customers by Type at Fiscal Year-End
Last Ten Fiscal Years**

Fiscal Year	Customer Type						Total
	Residential	Business	Industrial	Agricultural	Wholesale	Other	
2009	2,707	105	9	257	22	41	3,141
2010	2,696	104	9	258	22	41	3,130
2011	2,695	104	9	257	22	41	3,128
2012	2,700	108	9	252	22	41	3,132
2013	2,700	108	9	251	23	41	3,132
2014	2,703	112	9	247	23	41	3,135
2015	2,711	112	9	249	23	41	3,145
2016	2,711	114	9	248	25	41	3,148
2017	5,224	460	13	249	22	81	6,049
2018	5,292	391	13	251	22	83	6,052

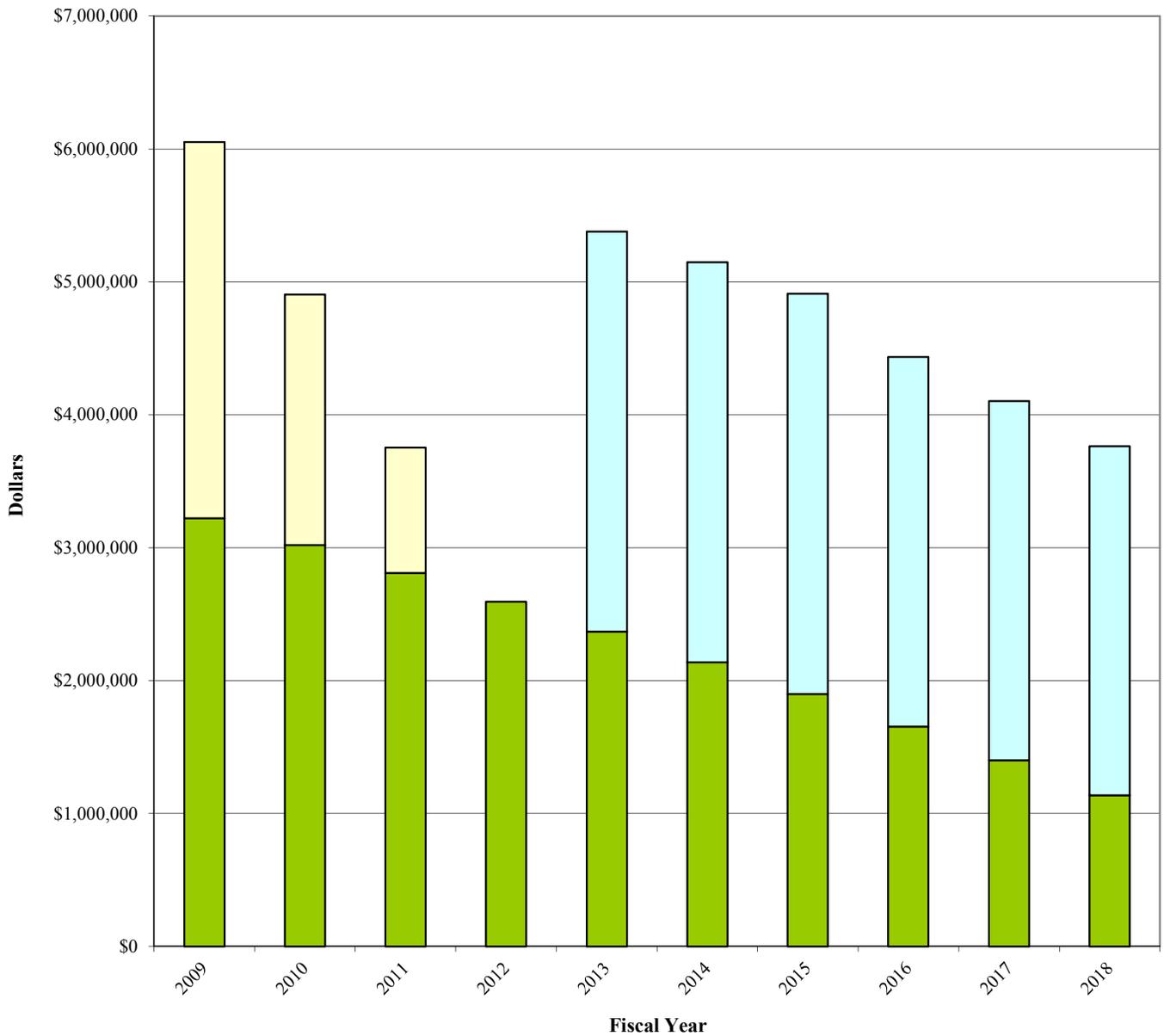


Note: Number of customers as of June 30 of fiscal year.

Source: Casitas Municipal Water District Accounting Department

Casitas Municipal Water District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Loans Payable	Notes Payable	Reimbursement Agreement	Total		
				Debt	Per Capita	As a Share of Personal Income
2009	\$ 3,220,825	\$ 2,830,938	\$ -	\$ 6,051,763	7.42	16.61%
2010	3,017,650	1,887,292	-	4,904,942	5.94	13.04%
2011	2,807,893	943,646	-	3,751,539	4.51	9.47%
2012	2,591,520	-	-	2,591,520	3.10	6.28%
2013	2,367,787	-	3,011,898	5,379,685	6.40	12.89%
2014	2,136,978	-	3,011,898	5,148,876	6.09	11.81%
2015	1,898,692	-	3,011,898	4,910,590	5.77	10.66%
2016	1,652,804	-	2,780,214	4,433,018	5.19	9.64%
2017	1,398,725	-	2,702,986	4,101,711	4.78	8.51%
2018	1,136,523	-	2,625,757	3,762,280	4.40	7.60%



Source: Casitas Municipal Water District Accounting Department

Casitas Municipal Water District
Debt Coverage
Last Ten Fiscal Years

Fiscal Year	Net Revenues	Operating Expenses ⁽¹⁾	Net Available Revenues	Debt Service			Coverage Ratio
				Principal	Interest	Total	
2009	\$ 17,172,474	(12,382,370)	4,790,104	1,151,666	118,147	1,269,813	3.77
2010	15,605,715	(10,169,397)	5,436,318	1,158,821	107,098	1,265,919	4.29
2011	15,304,255	(9,614,381)	5,689,874	1,165,403	96,491	1,261,894	4.51
2012	15,717,774	(10,948,207)	4,769,567	237,733	89,085	326,818	14.59
2013	15,752,090	(11,998,166)	3,753,924	244,809	81,334	326,143	11.51
2014	18,020,107	(12,234,997)	5,785,110	253,286	73,157	326,443	17.72
2015	17,937,802	(13,277,286)	4,660,516	261,888	64,830	326,718	14.26
2016	16,910,651	(13,931,131)	2,979,520	331,307	55,864	387,171	7.70
2017	15,758,515	(15,307,494)	451,021	339,430	42,866	382,296	1.18
2018	20,176,194	(16,372,666)	3,803,528	262,202	42,866	305,068	12.47

Notes:

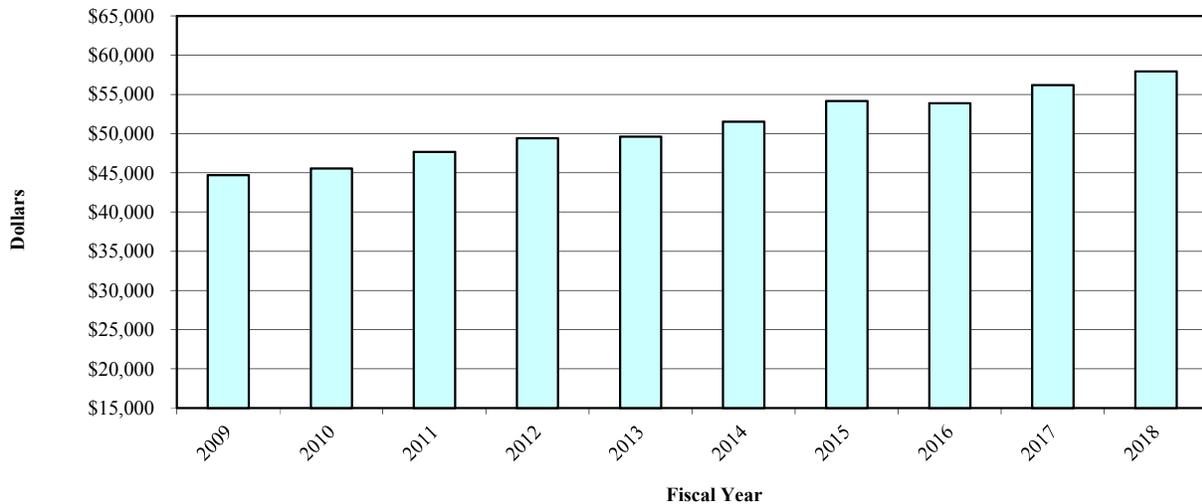
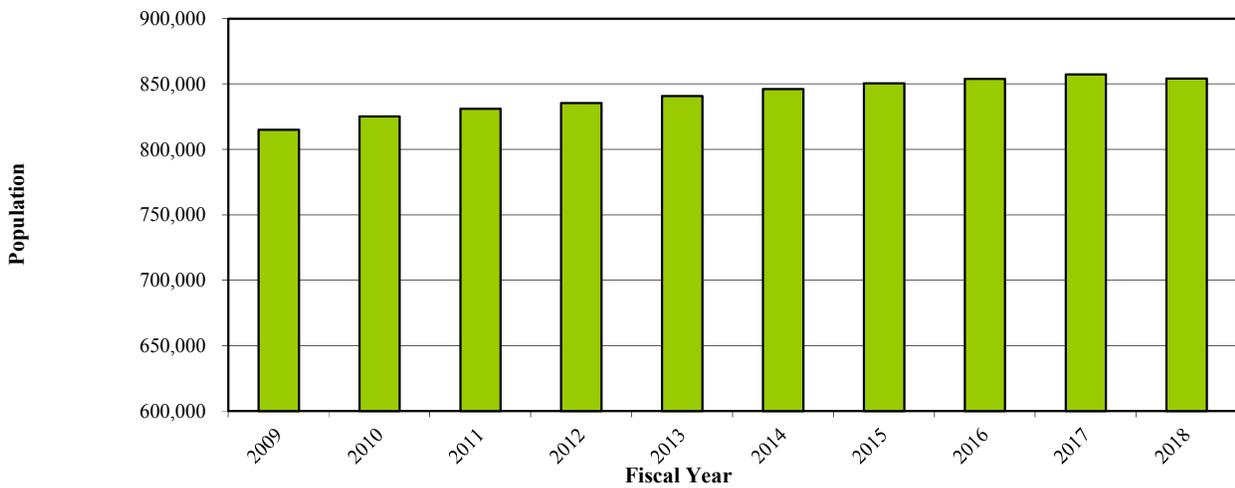
(1) Operating expenses exclude depreciation expense.

Assessment bonds and special tax bonds are not obligations of the District's operations - Mellos-Roos debt

Source: Casitas Municipal Water District Accounting Department

Casitas Municipal Water District
Demographics and Economic Statistics - County of Ventura
Last Ten Calendar Years

Year	Unemployment Rate	Population	Personal Income (thousands of dollars)	Personal Income per Capita
2009	9.6%	815,130	36,440,000	44,705
2010	10.8%	825,298	37,605,000	45,565
2011	10.2%	831,130	39,627,000	47,678
2012	9.1%	835,416	41,294,000	49,429
2013	7.9%	840,964	41,728,000	49,619
2014	6.6%	846,119	43,608,000	51,539
2015	5.6%	850,536	46,060,000	54,154
2016	5.2%	853,893	46,000,000	53,871
2017	4.5%	857,386	48,200,000	56,217
2018	3.1%	854,223	49,500,000	57,947



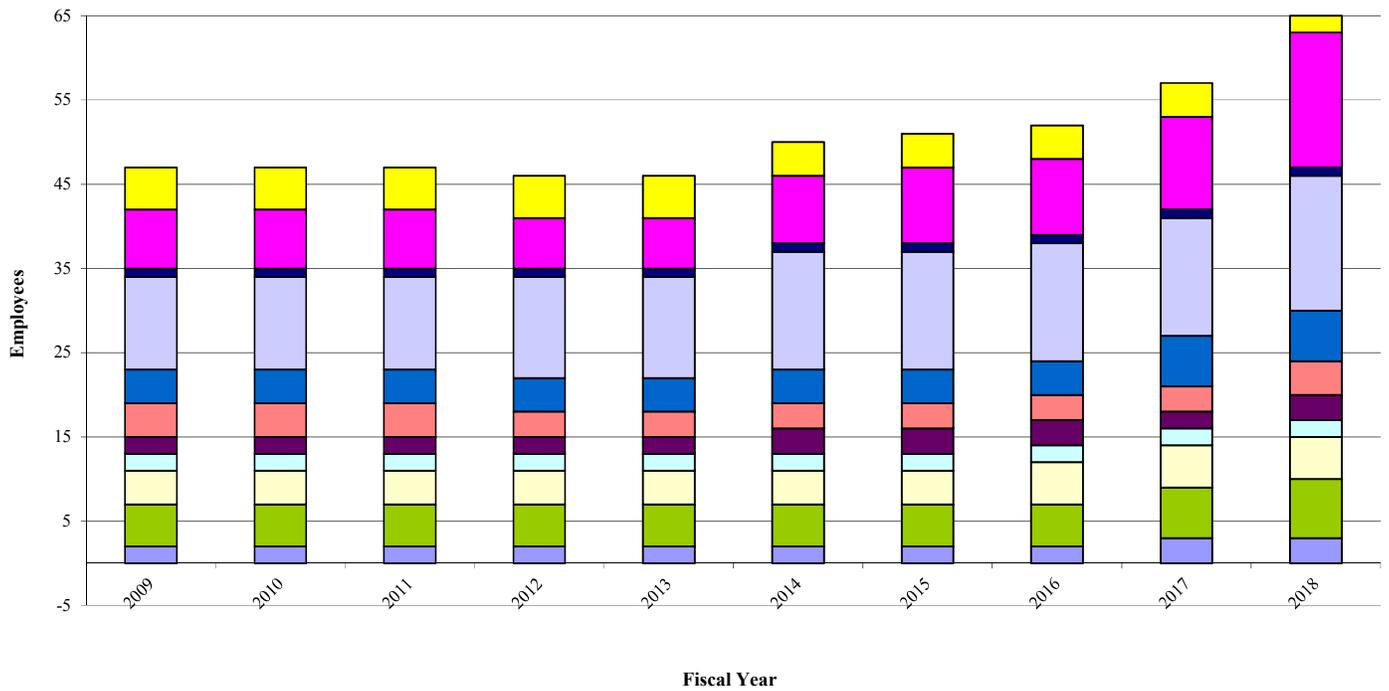
Sources: California Department of Finance and CaliforniaLaborMarketInfo

Notes:

(1) Only County data is updated annually. Therefore, the District has chose to use its data since the District believes that the County data is representative of the conditions and experience of the District.

**Casitas Municipal Water District
Operating and Capacity Indicators – Employees
Last Ten Fiscal Years**

Employees										
Department	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Management	2	2	2	2	2	2	2	2	3	3
Administration	5	5	5	5	5	5	5	5	6	7
Engineering	4	4	4	4	4	4	4	5	5	5
Water Quality Lab	2	2	2	2	2	2	2	2	2	2
Fisheries	2	2	2	2	2	3	3	3	2	3
Electrical and Mechanical	4	4	4	3	3	3	3	3	3	4
Distribution	4	4	4	4	4	4	4	4	6	6
Conservation and Treatment	11	11	11	12	12	14	14	14	14	16
Information Technology	1	1	1	1	1	1	1	1	1	1
Recreation Operations	7	7	7	6	6	8	9	9	11	16
Recreation Maintenance	5	5	5	5	5	4	4	4	4	2
Total	47	47	47	46	46	50	51	52	57	65



Sources: Casitas Municipal Water District Operations and Accounting Departments

**Casitas Municipal Water District
Operating and Capacity Indicators – Operations
Last Ten Fiscal Years**

Other Operating and Capacity Indicators					
Fiscal Year	Miles of Pipeline	Lake Storage Capacity (AF)	Lake Level at Year-End (AF)	Percentage of Lake Capacity	Daily System Capacity (MGD)
2009	105.7	254,000	199,851	78.7%	65
2010	105.7	254,000	194,405	76.5%	65
2011	105.7	254,000	218,328	86.0%	65
2012	105.7	254,000	197,199	77.6%	65
2013	105.7	254,000	171,748	67.6%	65
2014	105.7	254,000	145,253	57.2%	65
2015	105.7	254,000	122,050	48.1%	65
2016	105.7	254,000	100,696	39.6%	65
2017	138.4	254,000	106,322	41.9%	65
2018	138.4	254,000	80,996	31.9%	65

N/A - Data not available for these years

AF - Acre Feet

MGD - Millions of Gallons per Day

Sources: Casitas Municipal Water District Operations and Accounting Departments

CASITAS MUNICIPAL WATER DISTRICT
LAKE CASITAS RECREATION AREA

DATE: December 3, 2018
 TO: Board of Directors
 FROM: Carol Belser, Park Services Manager
 SUBJECT: Recreation Area Monthly Report for November 2018

This report was reviewed by the Recreation Committee at their December 3, 2018 meeting.

Visitation Numbers

The following is a comparison of visitations* for October 2018, November not yet available:

	October 2018	October 2017	September 2018
Visitor Days	32,288	39,500	54,936
Camps	3,005	3,362	6,227
Cars	8,072	9,875	13,734
Boats	87	106	131
Kayaks & Canoes	5	3	5

Fiscal Year to Date*	
2018/2019	289,544
2017/2018	299,564
%Change	-3.345

*The formulas for calculating the above attendance figures derived from the daily cash reports are as follows:

Visitor Days = Daily vehicles + 30 minute passes X 3 + café passes + attendance at special events + annual vehicle decals + replacement decals + campsites occupied + extra vehicles X 4

Camps = Campsites occupied + extra vehicles

Cars = Daily vehicles + 30 minute passes X 3 + café passes + attendance at special events + annual vehicle decals + replacement decals + campsites occupied + extra vehicles

Boats = Daily boats + overnight boats + annual decals + replacement decals

Kayaks & Canoes = Daily kayaks and canoes + overnight kayaks and canoes + annual kayaks and canoes

Fiscal Year to Date = Beginning July 2018 reflects the total of all visitation shown in the top graph.

Operations and Boating

At the November 2018 Recreation Committee meeting, a list of upcoming activities reviewed and discussed. The Committee requested the list be forwarded to the Board. The below list was provided to the Committee.

Organizer	2018/2019 Fiscal Year Budget	2019/2020 Plan to Budget or Prepare
CMWD	Junior Ranger Programs x 5	Junior Ranger Programs x 5
CMWD	Carp Rodeo / Carp Line	Carp Rodeo / Carp Line
CMWD	Kids Fishing Day April 2019	Kids Fishing Day April 2020

Organizer	2018/2019 Fiscal Year Budget	2019/2020 Plan to Budget or Prepare
CMWD	Jr. Lifeguards	Jr. Lifeguards
CMWD	Lazy River Water Aerobics	Lazy River Water Aerobics
CMWD	Movies in the Water Adventure x 5	Movies in the Water Adventure x 5
CMWD	Astronomy Night x 8	Astronomy Night x 8
CMWD	Campfires x 3	Campfires x 3
CMWD	Quagga Outreach and Education Fred Hall: San Diego, Bakersfield Nordhoff High School, Chaparral and Ventura schools Ojai Day, Ventura County Fair LCRA Set up - front gate area during heavy CWA pedestrian traffic	Quagga Outreach and Education Ventura County Fair, Ojai Day, Schools, Fred Hall Shows, Nordhoff High School, Chaparral and Ventura schools LCRA Set up - front gate area during heavy CWA pedestrian traffic
Non-CMWD / CMWD	CDFW Trout in Classroom Release x 5	CDFW Trout in Classroom Release x 5
Non-CMWD	Cyclocross In Campground Grebe	Cyclocross In Campground Grebe
CMWD	Veterans Day 5 k Run Agendize for Discussion/Approval	Veterans Day 5 k Run
CMWD	Casitas Corral Trail Ride and BBQ - Agendize for Discussion/Approval	Casitas Corral Trail Ride and BBQ
Non-CMWD	Ojai Unified/Ventura Unified School District X 5	Ojai Unified/Ventura Unified School District X 5
Non-CMWD / CMWD	Floating Classroom x 8	Floating Classroom x 8
Non-CMWD	Coyote Classic Disc Golf Tournament	Coyote Classic Disc Golf Tournament
Non-CMWD	Float Fly if water level improves	Float Fly if water level improves
Non-CMWD	Commercial Filming Unknown	Commercial Filming Unknown
Non-CMWD	Easter Sunrise Service	Easter Sunrise Service
Non-CMWD	Ojai Wine Festival	Ojai Wine Festival

The LCRA received authorization for an additional \$100,000 in funding from the Bureau of Reclamation for grant R18AP00028. The LCRA applied for a replacement floating restroom from California Division of Boating and Waterways. If approved the 2007 unit #199 will be

replaced. There are a total of three floating restrooms on the lake. The last cross country race of the season was held on November 1st. Park Ranger Martinez an instructor in active shooter preparation, instructed District employees on the topic. Park Services Officer Tull instructed LCRA staff in Watercraft Inspection Training I. The two-day instructional and practical material taught through the course, resulted in certifications for passing individuals in WIT I. There was a wedding and reception held in the event area.

Eleven boats passed the vessel inspection process for entry into Lake Casitas, 3 failed the first inspection. Two hundred ninety-three boats were retagged in November. Santa Ana Launch Ramp ceased operation after the water level decreased. Old Coyote was reactivated in July 2017 and continues to be the only launch ramp in use. Strict protocols continue to be in place to prevent quagga and zebra mussels from entering Lake Casitas.

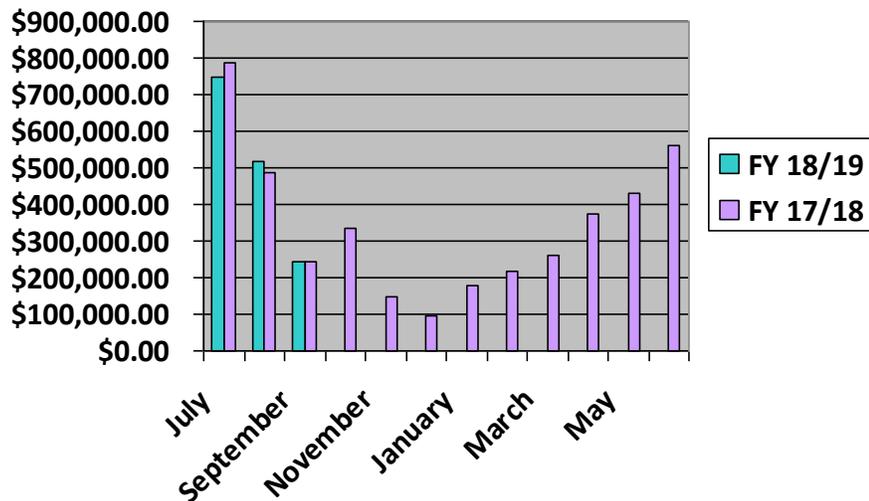
Incidents

There were 20 patrol observations where park staff made customer contact in November. Park Rangers handled 15 customer service issues. There were 4 medical responses, 4 that required an ambulance, 23 calls for service, and 6 disturbances with 1 requiring support from the Ventura County Sheriff’s Office. There were 3 unattended fires, 0 boating violations, 3 leash law violations, and 5 traffic violations with one CHP arrest for DUI, 4 parking violations that resulted in 1 citation.

Revenue Reporting

The 2018/2019

unaudited monthly revenue figures will be reported when made available in the respective months (operations, concessions, Water Adventure, etc.) per the District’s Financial Summary generated by the Finance Manager.



**CASITAS MUNICIPAL WATER DISTRICT
INTEROFFICE MEMORANDUM**

TO: MIKE FLOOD, INTERIM GENERAL MANAGER
FROM: JULIA ARANDA, ENGINEERING MANAGER
SUBJECT: MONTHLY ENGINEERING STATUS REPORT
DATE: 12/12/2018

RECOMMENDATION:

It is recommended the Board of Directors receive and file the Monthly Engineering Status Report for December 2018.

DISCUSSION:

The attached chart shows the status of engineering projects for December 2018. Significant activities include:

- Proposals for the Comprehensive Water Resources Plan were received due 12/07/18 and award of a contract is tentatively scheduled for 01/23/19.
- Request for Proposals for Casitas-Ventura State Water Project Interconnection Preliminary Design was released 12/10/18. Proposals are due 01/18/19 and award of a contract is tentatively scheduled for 02/27/19.
- Robles Diversion Fish Screens Alternatives Feasibility Study was awarded to MKN and Associates and the kickoff meeting is scheduled for 12/13/18.
- Ten qualification packages for Pipeline Contractors for 2019 were received and staff is evaluating. Approval of qualified contractors tentatively scheduled for 01/09/19.
- Qualification packages for Electrical Contractors for Rincon Pump Plant Electrical Upgrade are due 12/20/18.
- Preliminary design activities for Ojai Water System Improvements include field surveying, geotechnical work, and utility investigations. Pipeline alignments for Ventura Street and Ojai Avenue were reviewed with the design engineers. The Administrative Draft Initial Study/Mitigated Negative Declaration is scheduled for submittal on 12/13/18.
- Kickoff meetings were held for design of De La Garrigue and Rice Road Bridge Replacements.
- Construction is underway for Robles Canal Panel Replacement. Construction will be coordinated with weather forecasts and diversion activities.

Attachment: Monthly Engineering Status Report December 2018



Engineering Project Status December 2018



Casitas Water System
Ojai Water System
Lake Casitas Recreation Area



	NOT YET STARTED	CONSULTANT SELECTION	PLANNING	DESIGN	BIDDING	CONSTRUCTION
Casitas Water System	Reservoir Roads	Comprehensive Water Resources Plan	Camp Chaffee Pipeline Replacement	Upper Rincon Lateral Replacement		FY18-19 Asphalt Paving
	Maintain Casitas Dam and WTP Roads	Casitas-Ventura SWP Interconnection Preliminary Design	Ojai East Reservoir Recoating	Rincon Pump Plant Electrical Upgrade		Awnings for San Antonio & Ojai Valley Pump Plants
	Emergency Generators Rincon, Avenue 1, and Avenue 2 Pump Plants	Ayers Creek Pipeline Relocation	Matilija Vertical Well	De La Garrigue Bridge Replacement		Timber Cutoff Wall Repair
	Casitas Dam Hollow Jet Valve Replacement	Robles Diversion Fish Screen Alternatives Feasibility Study	Reservoir and Vault Fall Protection Improvements	Rice Road Bridge Replacement		Robles Diversion Canal Maintenance
		Teague Watershed Test Bores	Solimar Beach Corrosion Investigation			
			Diesel Tank Pad Design			
Ojai Water System	Emily Street Pipeline	Casitas-Ojai System Interties	Initial Study/Mitigated Negative Declaration	Sunset Place Pipeline		
			Running Ridge Zone Hydraulic Improvements	Cuyama, Palomar, El Paseo Pipeline		
			Signal Booster Zone Hydraulic Improvements	South San Antonio and Crestview Pipeline		
			Well Rehabilitation/Replacement	West and East Ojai Avenue Pipeline		
			Arc Flash Study	Valve and Appurtenance Replacement (Ventura St)		
				Mutual Well Field Pipeline		
				Grand Avenue Pipeline Optimization		
Lake Casitas Recreation Area	Road Improvements	Backwash-Vault Water Alternatives	Vegetation Management		Playground Resurfacing	
	Annual Electrical Maintenance Contract		Emergency Exit Road			
	Boat Inspection Awning					

CASITAS MUNICIPAL WATER DISTRICT

MINUTES

Water Resources Committee

DATE: December 6, 2018
TO: Board of Directors
FROM: Interim General Manager, Michael Flood
Re: Water Resources Committee Meeting of November 27, 2018, at 1000 hours.

RECOMMENDATION:

It is recommended that the Board of Directors receive and file this report.

BACKGROUND AND OVERVIEW:

1. **Roll Call.**
Director Russ Baggerly
Director Mary Bergen
Interim General Manager, Michael Flood
Engineering Manager, Julia Aranda
2. **Public Comments.**
Rene Roth made comments related to Green Coalition Events, will serve letters, and net zero offsets.
3. **Board comments.**
Director Baggerly made comments in relation to a video on diversions, Vim Jonker's well on the east end, Net Zero policy of Ventura County's Ojai Area Plan, and a gray water policy of Meiners Oaks Water District.
4. **Manager's Comments.**
IGM Flood reported tours were complete for 2018 and that the District is required to obtain five permits for the cleanout of the fish screen forebay of the Robles Fish Passage. All five permits were expected to be ready for work in January 2019.
5. **Discussion of the proposed Teague Watershed Test Bore Project.**
IGM Flood provided an update on discussions with the Bureau of Reclamation regarding permission to drill three test-bore water wells along Santa Ana road in the Teague Watershed area. IGM Flood also reported that Pueblo Water Resources has been engaged to provide technical assistance on this project.
6. **Discussion of coordination between the Rates & Regulations, Water Efficiency Allocation Program, Drought Contingency, Urban Water Management Plan and possible other District planning documents.**
Director Baggerly provided comments as to the upcoming need to coordinate the various water supply planning and administrative documents the agency has in place.

IGM Flood reported that work had commenced on some of the documents but the pending Comprehensive Water Resources Plan was a pivotal piece of doing this efficiently.

EM Aranda indicated that consultant responses for the requests for proposals (RPFs) were due on December 7th and they would be brought to the Committee prior to going to the Board of Directors for approval.

Director Baggerly asked that this item be included on all future Water Resources agendas.

CASITAS MUNICIPAL WATER DISTRICT

MINUTES
Recreation Committee

DATE: December 6, 2018
TO: Board of Directors
FROM: Interim General Manager, Michael Flood
Re: Recreation Committee Meeting of December 3, 2018, at 1000 hours.

RECOMMENDATION:

It is recommended that the Board of Directors receive and file this report.

BACKGROUND AND OVERVIEW:

1. **Roll Call.**
Director Peter Kaiser
Director Bill Hicks
Interim General Manager, Michael Flood
Park Manager, Carol Belser
Division Officer, Joe Evans
Park Maintenance Superintendent, Tim Lawson
2. **Public Comments.** None.
3. **Board/Management comments.**
Director Hicks commented on diversions, water supply and this being his last meeting as a director with the District.

Interim GM, Michael Flood commented on main break activity on Del Norte and Camp Chafee.
4. **Review Monthly Recreation Report**
PM Belser gave an update on the activities at the LCRA including work on obtaining quotes for a new mid-sized pumper truck.
5. **Discussion of two new event ideas organized by LCRA Staff.**
PM Belser discussed two ideas for possible future events at the LCRA.
 - a. Trail Ride and BBQ
 - b. 5K Veteran's Day RunThese ideas were presented and Committee members and members of the public asked clarifying questions. These items will be brought back to the Recreation Committee for continued discussion before being recommended to the Board of Directors for consideration.
6. **Review of Incidents and Comments**
Division Officer Evans presented the incident statistics for October 2018.

CASITAS MUNICIPAL WATER DISTRICT

MINUTES Finance Committee

DATE: December 6, 2018
TO: Board of Directors
FROM: Interim General Manager, Michael Flood
Re: Finance Committee Meeting of December 4, 2018, at 1300 hours.

RECOMMENDATION:

It is recommended that the Board of Directors receive and file this report.

BACKGROUND AND OVERVIEW:

1. **Roll Call.**
Director Jim Word
Director Peter Kaiser
Interim General Manager, Michael Flood
Accounting Manager, Denise Collin
Engineering Manager, Julia Aranda
2. **Public Comments.**
None.
3. **Board/Management comments.**
IGM Flood made comments regarding main breaks over the weekend on Del Norte Ave and Camp Chaffee.
4. **Request by Dale Ferranti for relief of the Conservation Penalty and Consumption totaling \$238.32.**
Mr. Ferranti presented information in regard to his appeal. The Committee indicated that policy dictates that the Committee recommends denial of this request.
5. **Request by Darla Marks for relief of the Conservation Penalty totaling \$275.00.**
Ms. Marks presented information in regard to her appeal. The Committee indicated that policy dictates that the Committee recommends denial of this request. Ms. Marks indicated that she would like her appeal to be forwarded to the Board of Directors for consideration.
6. **Review and presentation by the Pun Group of the draft C.A.F.R. for the Year Ending 06-30-2018.**
A draft of the CMWD 2018 Comprehensive Annual Financial Report was presented by Ken Kuhn of the Pun Group.
Committee members asked clarifying questions and answers were provided by Mr. Kuhn and CMWD Staff.
The Committee recommended that the 2018 CAFR be forwarded to the Board of Directors for consideration.
7. **Review of the Financial Statements for September, 2018.**
AM Collin presented the financial statements for September 2018. Committee members asked clarifying questions and AM Collin provided answers. The Committee recommended that the statements be forwarded to the Board of Directors for consideration.
8. **Review of the September, 2018 Consumption Report.**
AM Collin provided the 2018 Consumption Report for October 2018. Committee members asked clarifying questions and CMWD Staff provided answers. The Committee recommended that the

report be forwarded to the Board of Directors for consideration.

9. **Request to increase the budget for the Lake Casitas Recreation Area Playground Surface Replacement Project.**

EM Aranda presented information in regard to the requested increase in budget for this item. The Committee recommended that the request be forwarded to the Board of Directors for consideration.

10. **Request to increase the budget for awnings for various Casitas MWD pumping facilities.**

EM Aranda presented information in regard to the requested increase in budget for this item. IGM Flood provided some additional background information. The Committee recommended that the request be forwarded to the Board of Directors for consideration.



Consumption Report

Water Sales FY 2018-2019 (Acre-Feet)

Classification	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Month to Date		
													2018 / 2019	2017 / 2018	
													Total	Total	
AD Ag-Domestic	442	411	363	328										1,544	1,880
AG Ag	341	290	229	236										1,095	1,344
C Commercial	119	118	103	82										421	475
DI Interdepartmental	40	25	9	5										79	40
F fire	0	0	0	0										0	0
I Industrial	2	1	1	2										6	6
OT Other	26	23	23	18										91	127
R Residential	261	260	244	220										985	1,010
RS - P Resale Pumped	113	115	109	99										436	201
RS - G Resale Gravity	341	250	199	283										1,074	688
TE Temporary	2	2	2	1										7	6
Total	1,686	1,495	1,282	1,275	0	0	0	0	0	0	0	0	0	5,738	5,776
CMWD	1,512	1,320	1,084	1,119											
OJAI	174	175	167	116											
Total 2017 / 2018	1,355	1,185	1,608	1,628	1,026	1,085	592	898	384	815	1,078	1,200		N/A	12,853



CFD No. 2013-1 (Ojai) - Cost Analysis

	Services & Suplies	Legal Fees	Labor Expense	Other Services	Total Expenses
2011 / 2012	0.00	42,560.00	11,098.37	0.00	53,658.37
2012 / 2013	831.82	223,462.77	14,836.68	0.00	239,131.27
2013 / 2014	29.89	91,878.06	3,835.65	0.00	95,743.60
2014 / 2015	0.00	68,457.10	0.00	0.00	68,457.10
2015 / 2016	6.12	152,811.84	2,938.86	0.00	155,756.82
2016 / 2017	110.54	352,965.75	48,725.29	0.00	401,801.58
2017 / 2018	0.00	13,426.72	14,154.45	0.00	27,581.17
July	0.00	0.00	0.00	0.00	0.00
August	755.63	7,988.09	377.82	0.00	9,121.54
September	450.60	669.50	251.61	0.00	1,371.71
October	0.00	1,520.28	0.00	0.00	1,520.28
November	0.00	0.00	0.00	0.00	0.00
December					0.00
January					0.00
Feburary					0.00
March					0.00
April					0.00
May					0.00
June					0.00
Total YTD Cost	1,206.23	10,177.87	629.43	0.00	12,013.53
Total Cost	2,184.60	955,740.11	96,218.73	0.00	1,054,143.44
Less: Scanned Document Revenue			2012 / 2013		-289.50
Less: Tax Assessment - County of Ventura:			2015 / 2016		-460,342.64
Less: Tax Assessment - County of Ventura:			2016 / 2017		-464,386.26
Less: Bond Pre-Payments					-92,470.36
Less: Reimbursable District Staff Cost Bond Pre-payment					-36,000.00
Total CMWD CFD 2013-1 Cost					944.18

**CASITAS MUNICIPAL WATER DISTRICT
TREASURER'S MONTHLY REPORT OF INVESTMENTS
12/06/18**

Type of Invest	Institution	CUSIP	Date of Maturity	Adjusted Cost	Current Mkt Value	Rate of Interest	Date of Deposit	% of Portfolio	Days to Maturity
*TB	Farmer MAC	31315PYF0	5/2/2028	\$511,269	\$482,505	2.925%	11/20/2017	2.43%	3386
*TB	Federal Farm CR Bank	3133EGZW8	10/25/2024	\$833,918	\$785,999	2.014%	10/25/2016	3.95%	2119
*TB	Federal Farm CR Bank	31331VWN2	4/13/2026	\$885,956	\$815,736	1.901%	5/9/2016	4.10%	2647
*TB	Federal Farm CR Bank	3133EFK71	3/9/2026	\$851,234	\$805,963	2.790%	3/28/2016	4.05%	2613
*TB	Federal Farm CR Bank	3133EFYH4	2/8/2027	\$1,012,560	\$951,810	3.000%	3/24/2016	4.79%	2942
*TB	Federal Farm CR Bank	3133EGWD	9/29/2027	\$694,629	\$627,570	2.354%	11/17/2016	3.16%	3173
*TB	Farmer MAC	3133EEPH7	2/12/2029	\$480,069	\$448,995	2.710%	11/20/2017	2.26%	3666
*TB	Federal Home Loan Bank	3130A3DL	9/8/2023	\$1,561,058	\$1,458,270	1.486%	10/13/2016	7.33%	1712
*TB	Federal Home Loan Bank	313379EE5	6/14/2019	\$1,353,525	\$1,343,115	1.625%	10/3/2012	6.75%	188
*TB	Federal Home Loan Bank	3130A0EN	12/10/2021	\$526,128	\$498,645	1.107%	5/9/2016	2.51%	1084
*TB	Federal Home Loan Bank	3130A5R35	6/13/2025	\$757,248	\$700,936	2.875%	2/19/2016	3.52%	2347
*TB	Federal Home Loan Bank	313383YJ4	9/8/2023	\$456,563	\$421,951	1.203%	7/14/2016	2.12%	1712
*TB	Federal Home Loan Bank	3130A5VW6	7/10/2025	\$1,020,652	\$973,110	2.360%	5/10/2017	4.89%	2374
*TB	Federal Home Loan Bank	3130AIXJ2	6/14/2024	\$913,590	\$835,992	2.875%	8/2/2016	4.20%	1988
*TB	Federal Home Loan Bank	3130ADNW8	2/14/2020	\$998,230	\$978,430	3.400%	1/16/2013	4.92%	428
*TB	Federal Home Loan Bank	3133XFKF	6/11/2021	\$617,199	\$596,238	2.375%	9/8/2014	3.00%	905
*TB	Federal Home Loan MTG Corp	3137EADB	1/13/2022	\$671,945	\$653,715	1.721%	5/1/2016	3.29%	1117
*TB	Federal National Assn	31315P2J7	5/1/2024	\$783,842	\$733,700	2.625%	5/25/2016	3.69%	1945
*TB	Federal National Assn	3135G0ZR	9/6/2024	\$1,461,029	\$1,364,157	2.125%	5/25/2016	6.86%	2070
*TB	Federal National Assn	3135G0K3	4/24/2026	\$2,525,145	\$2,339,800	1.375%	7/6/2010	11.76%	2658
*TB	US Treasury Inflation Index NTS	912828MF	1/15/2020	\$1,171,594	\$1,165,469	1.375%	11/18/2015	5.86%	399
*TB	US Treasury Note	912828WE	11/15/2023	\$767,681	\$761,206	2.750%	12/13/2013	3.83%	1779

Accrued Interest

\$146,339

Total in Gov't Sec. (11-00-1055-00&1065)

\$20,855,063

\$19,889,650

99.98%

Total Certificates of Deposit: (11.13506)

\$0

\$0

0.00%

** **LAIF as of: (11-00-1050-00)**

N/A

\$461

\$461

2.16%

Estimated

0.00%

*** **COVI as of: (11-00-1060-00)**

N/A

\$2,914

\$2,914

1.96%

Estimated

0.01%

TOTAL FUNDS INVESTED

\$20,858,438

\$19,893,025

100.00%

Total Funds Invested last report

\$20,862,951

\$19,826,509

Total Funds Invested 1 Yr. Ago

\$21,115,106

\$20,728,924

**** **CASH IN BANK (11-00-1000-00) EST.**

\$2,354,167

\$2,354,167

CASH IN Western Asset Money Market

\$0

\$0

0.19%

TOTAL CASH & INVESTMENTS

\$23,212,605

\$22,247,192

TOTAL CASH & INVESTMENTS 1 YR AGO

\$22,429,782

\$22,043,600

*CD CD - Certificate of Deposit

*TB TB - Federal Treasury Bonds or Bills

** Local Agency Investment Fund

*** County of Ventura Investment Fund

Estimated interest rate, actual not due at present time.

**** Cash in bank

No investments were made pursuant to subdivision (i) of Section 53601, Section 53601.1 and subdivision (i) Section 53635 of the Government Code.

All investments were made in accordance with the Treasurer's annual statement of investment policy.