



moulton niguel water district

FINANCE & INFORMATION TECHNOLOGY

BOARD OF DIRECTORS' MEETING

MOULTON NIGUEL WATER DISTRICT

27500 La Paz Road, Laguna Niguel

January 16, 2019

8:30 AM

Approximate Meeting Time: 2 Hours

1. CALL MEETING TO ORDER
2. APPROVE THE MINUTES OF THE DECEMBER 19, 2018 FINANCE AND INFORMATION TECHNOLOGY BOARD OF DIRECTORS' MEETING

3. PUBLIC COMMENTS

Persons wishing to address the Board of Directors on matters not listed on the Agenda may do so at this time. "Request To Be Heard" forms are available at the entrance to the Board Room. Comments are limited to five minutes unless further time is granted by the Presiding Officer. Submit form to the Recording Secretary prior to the beginning of the meeting.

Those wishing to address the Board of Directors on any item listed on the Agenda should submit a "Request To Be Heard" form to the Recording Secretary before the Presiding Officer announces that agenda item. Your name will be called to speak at that time.

INFORMATION ITEMS

4. Monthly Financial Report
 - a. Summary of Financial Results
 - b. Budget Comparison Report
 - c. Statement of Net Position
 - d. Restricted Cash and Investments with Fiscal Agent
 - e. Net Position
 - f. Summary of Disbursements December 2018
5. Fiscal Year 2019-20 Budget Update
6. Investment Update

7. Water Efficiency Report
8. Future Agenda Items (Any items added under this section are for discussion at future meetings only)
9. Late Items (Appropriate Findings to be Made)
 - a. Need to take immediate action; and
 - b. Need for action came to District's attention after Agenda Posting. [Requires 2/3 vote (5 members) or unanimous vote if less than 2/3 are present]

ADJOURNMENT

The Board of Directors' Meeting Room is wheelchair accessible. If you require any special disability related accommodations (i.e., access to an amplified sound system, etc.), please contact the Moulton Niguel Water District Secretary's office at (949) 831-2500 at least forty-eight (48) hours prior to the scheduled meeting. This agenda can be obtained in alternate format upon written request to the Moulton Niguel Water District Secretary at least forty-eight (48) hours prior to the scheduled meeting.

Agenda exhibits and other writings that are disclosable public records distributed to all, or a majority of, the members of the Moulton Niguel Water District Board of Directors in connection with a matter subject to discussion or consideration at an open meeting of the Board of Directors are available for public inspection at the District Office, 27500 La Paz Road, Laguna Niguel, CA ("District Office"). If such writings are distributed to members of the Board less than seventy-two (72) hours prior to the meeting, they will be available in the reception area of the District Office at the same time as they are distributed except that, if such writings are distributed immediately prior to, or during the meeting, they will be available in the Board meeting room and on the District website at www.mnwd.com.



moulton niguel water district

DRAFT

MINUTES OF THE REGULAR MEETING OF THE FINANCE & INFORMATION TECHNOLOGY BOARD OF DIRECTORS OF THE MOULTON NIGUEL WATER DISTRICT

December 19, 2018

A Regular Meeting of the Finance & Information Technology Board of Directors of the Moulton Niguel Water District was held at the District offices, 27500 La Paz Road, Laguna Niguel, California, at 8:30 AM on December 19, 2018. There were present and participating:

DIRECTORS

Duane Cave	Vice President
Donald Froelich	President
Kelly Jennings	Director
Gary Kurtz	Director
Bill Moorhead	Director
Brian Probolsky	Vice President/Chair (arrived at 8:31 a.m.)

Also present and participating were:

STAFF MEMBERS, LEGAL COUNSEL, AND MEMBERS OF THE PUBLIC

Joone Lopez	General Manager
Matt Collings	Assistant General Manager
Rod Woods	Director of Engineering
Drew Atwater	Director of Finance & Water Resources
Gina Hillary	Director of Human Resources
Todd Novacek	Director of Operations
Jose Solorio	Government Affairs Officer
Jeff Ferre	Best, Best, & Krieger (General Counsel)
Paige Gulck	Board Secretary
Tim Bonita	Recording Secretary
Trevor Agrelius	MNWD
Matthew Brown	MNWD
Genevieve Ramirez	MNWD
Carole Wayman-Piascik	MNWD
Kevin Day	Alvarado Smith

#2.

Dan Shimmell	Best, Best, & Krieger
Jeff Probst	Chandler Asset Management
Doug Chotkevys	Chotkevys Consulting
Mike Dunbar	General Manager, Emerald Bay Service District
Juan Galvan	Jones Hall
Josh Anzel	Jones Hall
Michael Bell	Michael Bell Consulting, Inc.
Dan Kurz	Morgan Stanley
Tyler Old	Public Financial Management, Inc.
Brian Thomas	Public Financial Management, Inc.

1. CALL MEETING TO ORDER

The meeting was called to order by Donald Froelich at 8:30 a.m.

2. APPROVE THE MINUTES OF THE NOVEMBER 14, 2018 FINANCE AND INFORMATION TECHNOLOGY BOARD OF DIRECTORS' MEETING

MOTION DULY MADE BY DUANE CAVE AND SECONDED BY GARY KURTZ, MINUTES OF THE NOVEMBER 14, 2018 FINANCE AND INFORMATION TECHNOLOGY BOARD OF DIRECTORS' MEETING WERE APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, DONALD FROELICH, KELLY JENNINGS, GARY KURTZ, AND BILL MOORHEAD ALL VOTING 'AYE'. DIRECTOR BRIAN PROBOLSKY WAS ABSENT.

3. PUBLIC COMMENTS

None.

DISCUSSION ITEMS

4. Audit Reports for the Fiscal Year Ended June 30, 2018

Brian Probolsky arrived at 8:31 a.m.

Matt Collings provided information on the item. Staff recommends that the Board receive and file the following reports:

- *Comprehensive Annual Financial Report ("CAFR"), including auditors' opinion on the fair presentation of the financial statements*
- *Auditors' report on internal control*
- *Audit communication letter*
- *Article XIII-B Appropriations Limit Calculation report*

Discussion ensued regarding the CAFR.

Mike Dunbar provided public comment on the item.

5. 2009 Certificates of Participation (Build America Bonds) Refunding

Drew Atwater provided details on the item. Staff recommends that the Board of Directors approve the resolution entitled, "Authorizing the Issuance and Sale of Water Revenue Refunding Bonds in the Maximum Amount of \$60,000,000 to Refinance an Outstanding Installment Payment Obligation, and Approving Related Agreements and Actions." Discussion ensued regarding the bond refunding.

INFORMATION ITEMS

6. Monthly Financial Report

Trevor Agrelius provided the Monthly Financial Report.

7. Updated 10-Year Cashflow

Johnathan Cruz provided an update on the ten-year cashflow.

8. SB 555 Update

This item was pulled by staff.

9. Investment Update

Jeff Probst from Chandler Asset Management provided the investment update.

10. Future Agenda Items (Any items added under this section are for discussion at future meetings only)

None.

11. Late Items (Appropriate Findings to be Made)

None.

CLOSED SESSION

12. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

(Paragraph (1) of subdivision (d) of Government Code Section 54956.9)

Name of case: SOCWA, City of Laguna Beach, South Coast Water District and Emerald Bay Service District v. Moulton Niguel Water District

#2.

Case number 30-2017-00923143-CU-BC-CJC

The Board entered closed session at 9:36 a.m. and exited at 10:20 a.m. There was no reportable action.

ADJOURNMENT

The meeting was adjourned at 10:21 a.m.

Respectfully submitted,

Tim Bonita
Recording Secretary

DRAFT

MOULTON NIGUEL WATER DISTRICT
Summary of Financial Results
January 16, 2018

Unaudited results of operations for the five months ended November 30, 2018, are summarized below.

Total operating revenues were \$30.4 million for the five months ended, which came in at 48% of the budget. Total operating expenses ended at \$31.9 million, which amounted to 41% of the approved budget. Total Net Income (Loss) for the five months ended was (\$3.4) million, up from (\$3.9 million) from this same period in the prior year.

The Repairs and Maintenance – Facilities line item is trending over budget at 51% through November 30. The drivers impacting those costs relate to the reservoir repairs and emergency valve replacements.

The District currently has \$7.1 million available in the Water Efficiency Fund for new projects, rebate applications or additional programs. The remaining balance takes into account \$1.3 million in approved water efficiency program commitments and \$0.5 million for new radios as part of the Phase II AMI Project.

The District has a total of \$109.6 million in available Cash and Investments as of November 30, 2018, down approximately \$13.3 million from June 30, 2018. The main drivers for this decrease are scheduled debt service payments and planned capital spending. Note 1 on the Statement of Net Position has been added to include the amounts spent year to date on those activities.

Additionally, the District has \$7.3 million invested in reserve accounts to satisfy covenants associated with outstanding debt issuances. As of November 30, 2018, the District is meeting the minimum reserve requirements for the 2009 COPs and the 2015 Revenue Bonds. The portfolio continues to maintain a very secure AA+ average credit rating.

Based on the approved FY 18/19 Budget, the Board has established a target reserve level of \$67.6 million, and as of November 30, 2018, the District held \$67.7 million in reserves. Additionally, there is \$23.3 million available in the funds designated for capital projects. As the District receives its share of property tax receipts, additional monies will be moved to those designated funds.

Moulton Niguel Water District
All Funds - Budget Comparison Report
Year To Date Totals November 30, 2018

	1	2	3	=3-1	=1/3
Description	Fiscal Year to Date Actuals	Prior Fiscal Year to Date Actuals	Current Year Approved Budget	Current Year Budget Balance	% of Actuals to Budget
ALL FUNDS					
Operating Revenues					
Water Sales	\$ 13,853,469	\$ 13,478,212	\$ 29,719,565	\$ 15,866,096	47%
Recycled Water Sales	3,191,310	2,804,009	6,126,568	2,935,258	52%
Sewer Sales	10,399,875	8,691,548	22,677,534	12,277,659	46%
Water Efficiency	2,772,844	1,674,765	3,835,379	1,062,535	72%
Other Operating Income	195,764	212,134	643,065	447,301	30%
A Total Operating Revenue	30,413,261	26,860,668	63,002,110	32,588,849	48%
Operating Expenses					
Salaries	5,493,053	5,249,197	14,190,862	8,697,808	39%
PERs Employer Contributions	921,378	748,944	2,259,904	1,338,526	41%
Defined Contribution 401A	96,030	85,633	251,587	155,557	38%
Educational Courses	8,658	7,737	78,920	70,262	11%
Travel & Meetings	88,130	86,935	328,210	240,080	27%
Recruitment & Employee Relations	15,878	12,221	93,343	77,465	17%
General Services	112,936	92,283	488,149	375,213	23%
Annual Audit	20,115	15,050	54,000	33,885	37%
Member Agencies O&M	150,289	81,490	319,266	168,977	47%
Dues & Memberships	59,846	50,885	160,899	101,054	37%
Consulting Services	726,350	593,122	2,617,200	1,890,850	28%
Equipment Rental	21,059	24,833	61,500	40,441	34%
District Fuel	119,395	85,175	260,000	140,605	46%
Insurance - District	183,182	165,301	507,850	324,668	36%
Insurance - Personnel	162,594	142,884	395,425	232,831	41%
Insurance - Benefits ¹	1,567,159	1,160,796	3,941,106	2,373,947	40%
Legal Services - Personnel	13,685	1,463	50,000	36,315	27%
Legal Services - General	735,283	387,046	1,020,000	284,717	72%
District Office Supplies	220,743	215,911	703,975	483,232	31%
District Operating Supplies	160,808	146,538	522,904	362,096	31%
Repairs & Maintenance - Equipment	277,629	359,557	756,362	478,733	37%
Repairs & Maintenance - Facilities	2,118,496	1,180,201	4,170,831	2,052,336	51%
Safety Program & Compliance Requirements	108,256	80,679	324,725	216,469	33%
Wastewater Treatment	4,662,095	4,464,768	11,454,088	6,791,993	41%
Special Outside Assessments	27,412	26,473	114,500	87,088	24%
Utilities	980,234	1,179,325	2,359,573	1,379,338	42%
Water Purchases	12,458,760	11,878,048	27,333,491	14,874,731	46%
Meter / Vault Purchases	128,319	150,880	441,000	312,681	29%
Water Efficiency	306,364	390,351	2,750,000	2,443,636	11%
Other Operating Expenses	-	(42,669)	-	-	n/a
B Total Operating Expenses	31,944,135	29,021,054	78,144,670	46,200,535	41%
A-B Operating Income (Loss)	(1,530,873)	(2,160,386)	(15,142,560)	(13,611,686)	10%
Non-Operating Revenues (Expenses)					
Property Tax Revenue	5,645,373	5,695,655	28,194,179	22,548,805	20%
Investment Income ²	810,646	194,097	1,758,346	947,700	46%
Property Lease Income	727,427	852,734	1,732,671	1,005,244	42%
Interest Expense	(2,025,776)	(2,099,738)	(4,877,827)	(2,852,051)	42%
Misc. Non-Operating Income (Expense)	999,258	1,097,303	3,034,711	2,035,453	33%
Capacity Fees	88,849	507,847	614,970	526,121	14%
Demand Offset Fees	36,047	-	65,000	28,953	55%
C Total Non-Operating Revenue (Expenses)	6,281,824	6,247,897	29,842,080	23,560,255	21%
A-B+C Change in All Funds	\$ 4,750,951	\$ 4,087,511	\$ 14,699,520	\$ 9,948,569	
Other Non Cash Expenses					
Depreciation	8,143,551	7,996,052	-	(8,143,551)	n/a
D Total Change in Net Position	\$ (3,392,600)	\$ (3,908,541)	\$ 14,699,520	\$ 18,092,120	

Note: Totals may not sum due to rounding.

1. The District records unused paid time off as a benefit. This change was implemented in January 2018, so the prior year expenses for unused paid time off were recorded in the salaries line item.

2. Investment income is comprised of realized income of \$1,067,853 and unrealized income of (\$257,207).

#4.b.

**Moulton Niguel Water District
All Funds - Budget Comparison Report
Year To Date Totals November 30, 2018
Legal Services - General**

Firm	Water Use			Total
	General ³	Efficiency ³	Capital ⁴	
Alvarado Smith APC	\$ 297,271	\$ -	\$ -	\$ 297,271
Best Best & Krieger LLP	431,367	5,990	29,458	466,815
Total	728,638	6,646	29,458	764,086
Budget Amount	1,000,000	20,000	-	1,020,000
Budget Balance	\$ 271,362	\$ 13,354	n/a	\$ 284,716

Note: Totals may not sum due to rounding.

3. Legal Services - General on the previous page is made up of the General balance of \$728,638 and the \$6,646 Water Use Efficiency balance, for a total of \$735,283.

4. Capital legal services represent legal services rendered during construction and are capitalized by the District as part of the project. Each project has a separate budget for legal expenses and those individual budgets are not included as part of this schedule.

Consulting Services - Grant Administration

Firm	YTD	Overall
Nossaman LLP ⁵	\$ 13,750	\$ 52,250
West Yost Associates ⁶	53,747	134,742
Grants Received ⁷	(300,000)	(300,000)
Totals	\$ (232,503)	\$ (113,008)

5. Nossaman receives a fixed monthly retainer for general grant services, including identification, tracking, and administering of grants.

6. West Yost compiled the AMI WaterSmart final closeout documents and prepared documents for additional grant applications, including the AMI Phase II project.

7. The District received a \$300k grant through the U.S. Bureau of Reclamation for the AMI Phase II project.

Moulton Niguel Water District
General Fund - Budget Comparison Report
Year To Date Totals November 30, 2018

	1	2	=1-2	=2/1
Description	Approved Budget	Fiscal Year to Date Actuals	Budget Balance	% of Actuals to Budget
GENERAL FUND				
<u>Operating Revenues</u>				
Water Sales	\$ 29,719,565	\$ 13,853,469	\$ 15,866,096	47%
Recycled Water Sales	6,126,568	3,191,310	2,935,258	52%
Sewer Sales	22,677,534	10,399,875	12,277,659	46%
Other Operating Income	643,065	195,764	447,301	30%
A Total Operating Revenue	59,166,732	27,640,418	31,526,314	47%
<u>Operating Expenses</u>				
Salaries	13,164,836	5,115,486	8,049,350	39%
PERs Employer Contributions	2,204,117	863,382	1,340,735	39%
Defined Contribution 401A	240,620	89,183	151,437	37%
Educational Courses	76,420	8,588	67,832	11%
Travel & Meetings	299,710	77,438	222,272	26%
Employee Relations	93,343	15,878	77,465	17%
General Services	488,149	112,936	375,213	23%
Annual Audit	54,000	20,115	33,885	37%
Member Agencies O&M	319,266	150,289	168,977	47%
Dues & Memberships	134,415	57,146	77,269	43%
Election Expenses	135,000	-	135,000	0%
Consulting Services	1,717,200	407,596	1,309,604	24%
Equipment Rental	61,500	21,059	40,441	34%
District Fuel	260,000	119,395	140,605	46%
Insurance - District	507,850	183,182	324,668	36%
Insurance - Personnel	373,746	154,738	219,008	41%
Insurance - Benefits ¹	3,433,156	1,477,978	1,955,178	43%
Legal Services - Personnel	50,000	13,685	36,315	27%
Legal Services - General	1,000,000	728,637	271,363	73%
District Office Supplies	511,475	159,905	351,570	31%
District Operating Supplies	522,304	160,808	361,496	31%
Repairs & Maintenance - Equipment	743,362	275,625	467,737	37%
Repairs & Maintenance - Facilities	4,170,831	2,118,496	2,052,336	51%
Safety Program & Compliance Requirements ⁴	322,975	107,082	215,893	33%
Wastewater Treatment	11,454,088	4,662,095	6,791,993	41%
Special Outside Assessments	114,500	27,412	87,088	24%
Utilities	2,359,573	980,234	1,379,338	42%
Water Purchases	27,333,491	12,458,760	14,874,731	46%
Meter / Vault Purchases	441,000	128,319	312,681	29%
B Total Operating Expenses	72,586,927	30,695,445	41,891,481	42%
A-B Operating Income (Loss)	(13,420,195)	(3,055,028)	(10,365,167)	23%
<u>Non-Operating Revenues (Expenses)</u>				
Property Tax Revenue	28,194,179	5,645,373	22,548,806	20%
Investment Income	1,667,272	409,701	1,257,571	25%
Property Lease Income	1,732,671	727,427	1,005,244	42%
Misc. Non-Operating Income (Expense)	250,812	(48,567)	299,379	-19%
C Total Non-Operating Revenue (Expenses)	31,844,934	6,733,935	25,110,999	21%
A-B+C Change in General Fund	\$ 18,424,739	\$ 3,678,907	\$ 14,745,832	26%
<u>Other Non Cash Expenses</u>				
Depreciation	-	8,143,551	(8,143,551)	n/a
D Total Change in Net Position	\$ 18,424,739	\$ (4,464,643)	\$ 22,889,383	

Note: Totals may not sum due to rounding.

1. The District records unused paid time off as a benefit. This change was implemented in January 2018, so the prior year expenses for unused paid time off were recorded in the salaries line item.

#4.b.

Moulton Niguel Water District
Water Efficiency Fund - Budget Comparison Report
Year To Date Totals November 30, 2018

Description	1 Approved Budget	2 Fiscal Year to Date Actuals	=1-2 Budget Balance	=2/1 % of Actuals to Budget
WATER EFFICIENCY FUND				
<u>Projected Operating Revenue</u>				
Water Efficiency ¹	\$ 3,835,379	\$ 2,772,844	\$ 1,062,535	72%
A	3,835,379	2,772,844	1,062,535	72%
<u>Projected Operating Expenses</u>				
Labor	1,514,774	539,447	975,327	36%
Educational Courses	2,500	70	2,430	3%
Travel & Meetings	28,500	10,692	17,808	38%
Dues & Memberships	26,484	2,700	23,784	10%
Consulting Services	900,000	318,754	581,246	35%
Legal Services	20,000	6,646	13,354	33%
Conservation supplies	193,100	60,838	132,262	32%
Repairs and Maintenance - Equipment	13,000	2,004	10,996	15%
Water Efficiency	2,750,000	306,364	2,443,636	11%
B	5,448,359	1,247,515	4,200,843	23%
A-B	(1,612,980)	1,525,328	(3,138,308)	-95%
<u>Projected Non-Operating Revenue</u>				
Demand offset fees	65,000	36,047	28,953	55%
Investment Income	91,074	55,947	35,127	61%
C	156,074	91,994	64,080	59%
A-B+C	\$ (1,456,906)	\$ 1,617,322	\$ (3,074,229)	

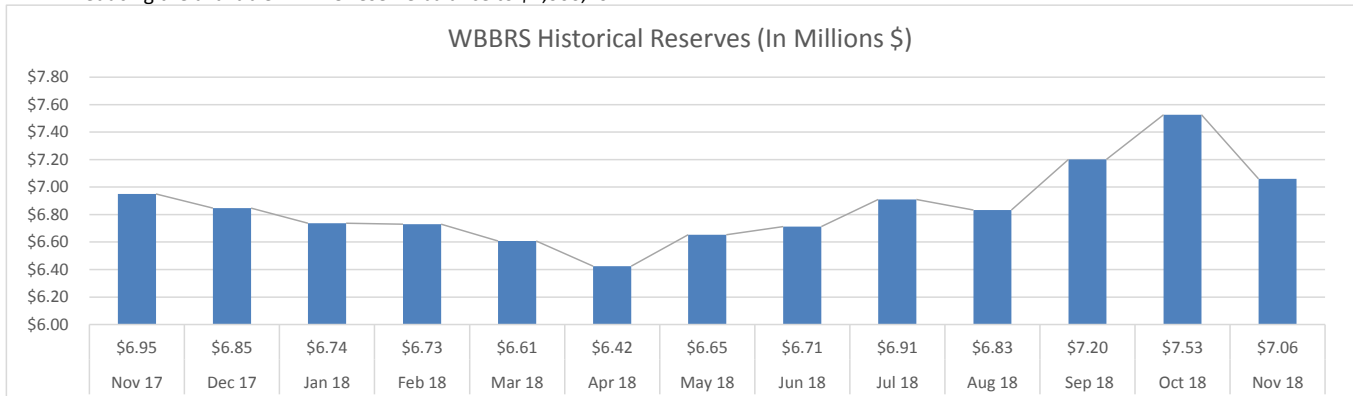
Note: Totals may not sum due to rounding.

1. The weather changed between the months of August and September and adjusting the watering schedules proved to be challenging.

Water Efficiency Available Net Position ²

Description	Approved Budget	Fiscal Year to Date Actuals	Budget Balance
Fund Net Position, Beginning of Year	\$ 7,191,459	\$ 7,191,459	\$ 7,191,459
Projected Change in Water Efficiency Fund	(1,456,906)	1,617,322	(3,074,229)
Project Commitments		\$ (1,269,247)	
Capital Spending	(950,000)	(479,134)	
Fund Net Position, Year To Date Totals November 30, 2018	\$ 4,784,553	\$ 7,060,401	

2. In addition to realized expenditures, including capital spending of \$479,134 , there is approximately \$1,269,247 in project commitments, reducing the available WBBRS reserve balance to \$7,060,401.



MOULTON NIGUEL WATER DISTRICT
STATEMENT OF NET POSITION

	(Unaudited)	
	November 30, 2018	June 30, 2018
CURRENT ASSETS:		
Cash and investments ¹	\$ 16,925,905	\$ 42,456,222
Restricted cash and investments with fiscal agent	7,255,448	7,257,989
Accounts receivables:		
Water and sanitation charges	4,132,281	4,114,801
Property taxes	-	280,221
Grant Reimbursements	-	-
Other accounts receivable	543,417	687,336
Interest receivable	580,406	825,763
Inventory	1,083,795	1,110,856
Prepaid expenses	1,769,487	562,137
	32,290,739	57,295,325
NONCURRENT ASSETS:		
Investments ¹	92,637,909	80,422,057
Retrofit loans receivable	495,010	506,303
Capital assets, net of accumulated depreciation	371,050,760	379,040,946
Capital assets not being depreciated:		
Land	1,091,910	1,091,910
Construction in progress ¹	15,945,981	7,455,835
	481,221,569	468,517,052
	513,512,308	525,812,377
DEFERRED OUTFLOW OF RESOURCES:		
Deferred Charges on Refunding	480,384	527,664
Deferred Items related to Pension	6,316,056	6,316,056
Deferred Items related to OPEB	477,082	477,082
	7,273,523	7,320,802
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 520,785,831	\$ 533,133,179

1. Total cash and investments has changed (\$13,314,465) during this fiscal year. This is primarily driven by \$8,640,455 in capital spending and \$4,569,041 in spending on debt service.

**MOULTON NIGUEL WATER DISTRICT
STATEMENT OF NET POSITION**

	(Unaudited)	
	November 30, 2018	June 30, 2018
CURRENT LIABILITIES:		
Accounts payable	\$ 5,645,584	\$ 9,432,089
Interest payable	1,189,204	1,694,354
Compensated absences	807,239	746,465
Current portion of long-term debt:		
Bonds payable	1,465,000	1,365,000
Loans Payable	173,548	1,399,041
Certificates of participation	1,895,000	1,805,000
	11,175,574	16,441,949
LONG-TERM LIABILITIES		
Compensated absences	269,080	248,822
Long-term debt:		
Bonds payable	8,565,000	11,925,000
Loans payable	5,088,318	5,261,865
Certificates of participation	60,000,000	60,000,000
Net Pension Liability	20,711,604	20,711,604
Net OPEB Liability	1,781,885	1,781,885
	96,415,886	99,929,176
Bond Discount/Premium	1,362,687	1,537,769
	108,954,148	117,908,894
DEFERRED INFLOW OF RESOURCES:		
Deferred Items related to Pension	2,163,337	2,163,337
Deferred items related to OPEB	19,083	19,083
	2,182,420	2,182,420
NET POSITION:		
Net investment in capital assets	310,019,482	304,822,680
Restricted for capital projects	284,954	604,783
Unrestricted	99,344,826	107,614,402
	409,649,263	413,041,865
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION	\$ 520,785,831	\$ 533,133,179

Note: Totals may not sum due to rounding.

MOULTON NIGUEL WATER DISTRICT
RESTRICTED CASH AND INVESTMENTS WITH FISCAL AGENT
As of November 30, 2018

	Reserve Requirement	(Unaudited) Balance 11/30/2018	Over (Under) Requirement	Balance 6/30/2018	Outstanding Debt Balance 11/30/2018
Restricted Cash and Investments:					
2009 COPS Trust Reserve	\$ 6,000,000	\$ 6,002,418	\$ 2,418	\$ 6,014,569	\$ 60,000,000
2009 COPS Installment	-	146	146	79	-
2010 Installment Payment	-	-	-	-	-
2010 COPS Trust Reserves	-	-	-	-	-
2014 Consolidated Ref Bonds	-	94	94	2	1,465,000
2015 Refunding Bonds	-	139	139	12	-
2015 Refunding Reserve	1,226,500	1,252,652	26,152	1,243,327	10,460,000
CIEDB Loans	-	-	-	-	725,047
SRF Loans	-	-	-	-	4,536,819
Total Restricted Trust Accounts	\$ 7,226,500	\$ 7,255,448	\$ 28,948	\$ 7,257,989	\$ 77,186,865

Note: Totals may not sum due to rounding.

FY	Outstanding Debt Payoff Schedule by Fiscal Year ¹				Total
	Principal*	Interest	Fees		
2019	\$ 4,742,589	\$ 4,877,827	\$ 2,175	\$ 9,622,591	
2020	4,643,260	4,695,935	1,655	9,340,850	
2021	3,297,912	4,548,783	1,119	7,847,814	
2022	3,418,059	4,421,761	229	7,840,049	
2023	3,354,087	4,289,234	-	7,643,321	
2024	2,300,000	4,156,476	-	6,456,476	
2025	2,645,000	4,019,864	-	6,664,864	
2026	2,750,000	3,855,749	-	6,605,749	
2027	2,870,000	3,679,883	-	6,549,883	
2028	2,995,000	3,487,338	-	6,482,338	
2029	3,130,000	3,279,395	-	6,409,395	
2030	3,270,000	3,062,115	-	6,332,115	
2031	3,425,000	2,831,737	-	6,256,737	
2032	3,580,000	2,587,613	-	6,167,613	
2033	3,750,000	2,332,162	-	6,082,162	
2034	3,920,000	2,064,863	-	5,984,863	
2035	4,105,000	1,785,191	-	5,890,191	
2036	4,295,000	1,492,451	-	5,787,451	
2037	4,495,000	1,186,120	-	5,681,120	
2038	4,700,000	865,674	-	5,565,674	
2039	4,920,000	530,417	-	5,450,417	
2040	5,150,000	179,478	-	5,329,478	
	\$ 81,755,907	\$ 64,230,064	\$ 5,177	\$ 145,991,148	

*Note: Total outstanding balance reconciles to balance as of the most recent audited fiscal year.

1. The District has made \$4,569,042 in principal payments to date this fiscal year.

MOULTON NIGUEL WATER DISTRICT
NET POSITION
As of November 30, 2018

	<u>Reserve Target</u>	(Unaudited)		(Unaudited)	
		<u>11/30/2018</u>	<u>Net Change</u>	<u>Balance</u>	<u>6/30/2018</u>
Adopted Reserve Targets ¹					
Designated for Self Insurance Reserve	\$ 250,000	\$ 247,333	\$ 2,998	\$ 244,335	
Designated for Rate Stabilization	14,097,089	14,194,428	(306,117)	14,500,545	
Designated for Emergency Reserves	35,300,000	35,300,000	-	35,300,000	
Designated for Operating Reserves ²	17,963,332	17,965,999	1,076,517	16,889,482	
Total Adopted Reserve Targets	\$ 67,610,421	\$ 67,707,760	\$ 773,398	\$ 66,934,362	
	FY Capital				
	Budget ⁴				
Designated for Capital Projects ³					
Designated for Replacement and Refurbishment	\$ 43,107,654	\$ 20,126,345	\$ 3,307,577	\$ 16,818,768	
Designated for Water Supply Reliability	-	342,305	(2,446)	344,751	
Designated for Planning and Construction	4,900,382	2,838,769	(13,486,293)	16,325,061	
Total Designated for Capital Projects	\$ 48,008,036	\$ 23,307,418	\$ (10,181,162)	\$ 33,488,580	
Other amounts					
Designated for Water Efficiency (WBBRS) ⁵		\$ 8,329,648	\$ 1,138,188	\$ 7,191,459	
Restricted for Capital Facilities (Projects)		284,954	(319,829)	604,783	
Net Investment in Capital Assets ⁶		310,019,482	5,196,803	304,822,680	
Total Other amounts		\$ 318,634,085	\$ 6,015,162	\$ 312,618,923	
Total Net Position		\$ 409,649,263	\$ (3,392,602)	\$ 413,041,865	

Note: Totals may not sum due to rounding.

1. Board designated balances represent available cash in that fund.
2. General Operating Reserves include the unrestricted, undesignated balance, and other general District accrued cash flows. This amount includes the remaining total cash balance of \$27,462,330.
3. Balances in the Capital Project Funds represent available and designated cash to fund identified CIP projects.
4. FY Budget also includes \$950,000 for capital expenses in Fund 6, bringing the total CIP budget to \$48,958,036.
5. In addition to realized expenditures, there is approximately \$1,269,247 in project commitments, reducing the available WBBRS reserve balance to \$7,060,401.
6. Net Investment in Capital Assets calculated as follows:

Total capital assets	\$ 388,088,651
Less capital related debt	(78,549,553)
Add deferred charges related to debt	480,384
Total Net Investment in Capital Assets	\$ 310,019,482

**MOULTON NIGUEL WATER DISTRICT
SUMMARY OF DISBURSEMENTS
FOR THE MONTH OF DECEMBER**

Summary of Disbursements in December:

General Fund Disbursements		5,549,191.51
<u>Restricted Fund Disbursements:</u>		
Water Efficiency Fund	143,781	
Replacement & Refurbishment Fund	1,281,750	
Water Supply Reliability Fund	1,662	
Planning & Construction Fund	106,771	1,533,965
Total Disbursements for all Funds	\$ 7,083,156	

Detail of Major Expenditures in December:

1. Municipal Water District of Orange County (MWDOC)		
October Water Purchases 2331.8 AF	2,127,737.00	
October Readiness to Serve	111,667	
October Capacity Charge	32,835	
October Turf Removal, Smart Timer Rebates, and Rotating Nozzles		
July-October SoCal WaterSmart Residential Rebate Program		
October SCP Operation Surcharge	8,081	
October SAC Operation Surcharge	837	2,281,156
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2. Pacific Hydrotech Corp.		
C#2015013 Reservoir Management Systems Replacement, progress payment #5		564,597
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3. Iflow Energy Solutions Inc.		
250 Stainless Steel Ultrasonic meters		198,567
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4. South Coast Water District (SCWD)		
FY 2018/19 Semi-Annual Payment to LAFCO, 1st Installment	184,697	
TR 12366 Agreement, November and December 2018 Sewer Sales	13,081	197,778
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5. Aqua-Metric Sales, Inc.		
752 3/4" long sensus perl meters		110,182
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6. A & Y Company Inc.		
Paving service on multiple locations		100,861

