



FALLBROOK PUBLIC UTILITY DISTRICT
BOARD OF DIRECTORS

REGULAR BOARD MEETING AND PUBLIC HEARING

AGENDA

MONDAY, MARCH 26, 2018
4:00 P.M.

FALLBROOK PUBLIC UTILITY DISTRICT
990 E. MISSION RD., FALLBROOK, CA 92028
PHONE: (760) 728-1125

If you have a disability and need an accommodation to participate in the meeting, please call the Secretary at (760) 728-1125, ext. 1130 for assistance so the necessary arrangements can be made.

Writings that are public records and are distributed during a public meeting are available for public inspection at the meeting if prepared by the local agency or a member of its legislative body or after the meeting if prepared by some other person.

I. PRELIMINARY FUNCTIONS

CALL TO ORDER / ROLL CALL / ESTABLISH A QUORUM

PLEDGE OF ALLEGIANCE

ADDITIONS TO AGENDA PER GC § 54954.2(b)

APPROVAL OF AGENDA

PUBLIC COMMENT

Members of the public are invited to address the Board of Directors on any item that is within the subject matter jurisdiction of the legislative body. The Board President may limit comments to three (3) minutes.

A. MANAGER'S AWARDS

1. Mickey Case
2. Jeff Marchand
3. Paula Clark
4. Mick Cothran
5. Soleil Develle
6. Faye Robinson
7. Mavis Canpinar
8. Jason Jared
9. Noelle Denke
10. Kelly Laughlin

II. CONSENT CALENDAR----- (ITEMS B–F)

All items appearing on the Consent Calendar may be disposed of by a single motion. Items shall be removed from the Consent Calendar if any member of the Board of Directors or the public requests removal prior to a vote on a motion to approve the items. Such items shall be considered separately for action by the Board.

B. APPROVAL OF MINUTES

1. Regular Board Meeting of February 26, 2018
2. Special Board Meeting of March 13, 2018
3. Special Board Meeting of March 19, 2018

Recommendation: The Board approve the minutes of the aforementioned meetings of the Board of Directors of the Fallbrook Public Utility District.

C. ADVANCE APPROVAL TO ATTEND MEETINGS

Recommendation: The Board approve in advance Directors' attendance to "Special Districts Legislative Days" May 22-23, 2018, at the Sacramento Convention Center in Sacramento, CA.

D. CONSIDER AUTHORIZING STAFF TO FILE THE NOTICE OF COMPLETION FOR THE DONNIL PUMP STATION EMERGENCY GENERATOR PROJECT WITH THE COUNTY OF SAN DIEGO, ASSESSOR/RECORDER/COUNTY CLERK

Recommendation: That the Board authorize staff to file the Notice of Completion with the County Of San Diego, Assessor/Recorder/County Clerk.

E. CONSIDER LABORATORY TECHNICIAN I/II JOB DESCRIPTION REVISIONS; RESOLUTION NO. 4926

Recommendation: Staff recommends approving the proposed changes to the Laboratory Technician I/II job description to more accurately reflect the current duties and responsibilities of the position and adopt Resolution No. 4926.

F. CONSIDER RECLASSIFICATION OF DROUGHT MANAGEMENT COORDINATOR POSITION TO ENGINEERING TECHNICIAN I; RESOLUTION NO. 4927

Recommendation: That the Board approve the reclassification of the Drought Management Coordinator position to Engineering Technician I and adopting Resolution No. 4927.

III. INFORMATION----- (ITEMS G – J)

G. DISTRICT AGRICULTURAL WATER PROGRAMS

Presented by: Mick Cothran, Drought Coordinator

H. ACWA JPIA REFUND CHECK

Presented by: Larry Ragsdale, Safety and Risk Administrator

I. ENGINEERING AND OPERATIONS PERFORMANCE METRICS

Presented by: Jason Cavender, System Operations Manager; Steve Stone, Construction/Maintenance Supervisor; Todd Lange, System Service/Shop Supervisor; and Kyle Drake, Collection Supervisor

J. OPERATION AND MAINTENANCE OF THE SANTA MARGARITA RIVER PROPERTY

Presented by: Jason Cavender, System Operations Manager

IV. PUBLIC HEARING----- (ITEM K)

K. PUBLIC HEARING ON REQUEST FOR ANNEXATION TO DISTRICT SEWER SERVICE AREA

Recommendation: That the Board open a public hearing to allow the public an opportunity to address the Board concerning the consideration of expansion of latent sewer powers proposed annexation into the District Sewer Service Area, and, upon hearing all such oral protests and receiving written protests, close the public hearing.

V. ACTION / DISCUSSION CALENDAR----- (ITEMS L–O)

L. CONSIDER REQUEST FOR EXPANSION OF LATENT SEWER POWERS FOR ANNEXATION TO DISTRICT SEWER SERVICE AREA AND MAKE CERTAIN FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; RESOLUTION NO. 4925

Recommendation: That the Board adopt Resolution No. 4925 requesting LAFCO to take proceedings for the expansion of latent sewer powers for annexation of the parcel to the District Sewer Service Area and making findings under the California Environmental Quality Act, and authorize staff to move forward with preparing materials for submission to LAFCO. The property owner shall be responsible for all filing, annexation and capacity fees to LAFCO and the District, as required.

M. SELECTION OF THE RECOMMENDED PROFESSIONAL AUDITING FIRM

Recommendation: That the Board authorize staff to enter into a professional services agreement with WNDE for a five-year term at a not-to-exceed cost of \$170,000. The five-year contract term begins with fiscal year 2017-18. While the contract is for five years, it can be terminated at any time.

N. CONSIDER CALIFORNIA SPECIAL DISTRICTS ASSOCIATION BOARD OF DIRECTORS CALL FOR NOMINATIONS SEAT A

Recommendation: Staff supports the Board's direction.

O. CONSIDER DONATION OF SUPPLIES TO COMMUNITY GROUPS

Recommendation: Staff supports the Board's direction.

VI. **ORAL/WRITTEN REPORTS**-----**(ITEMS 1-8)**

1. General Legal Counsel
2. SDCWA Representative
3. Acting General Manager / Assistant General Manager/District Engineer
 - a. Engineering Report Summary
 - b. Annual Production; Total Potable Production
 - c. Ag and M&I Sales; Recycled Water Production & Sales
 - d. 12-Month Running Water Sales
 - e. Meter Exchange; Backflow Testing
4. Assistant General Manager/Chief Financial Officer
 - a. Treasurer's Report
 - b. Budget Status Report
 - c. Warrant List
5. Public Affairs Specialist
6. Notice of Approval of Per Diem for Meetings Attended
7. Director Comments / Reports on Meetings Attended
8. Miscellaneous

VII. **ADJOURNMENT OF MEETING**

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DECLARATION OF POSTING

I, Mary Lou West, Secretary of the Board of Directors of the Fallbrook Public Utility District, do hereby declare that I posted a copy of the foregoing agenda in the glass case at the entrance of the District Office located at 990 East Mission Road, Fallbrook, California, at least 72 hours prior to the meeting in accordance with Government Code § 54954.2(a).

I, Mary Lou West, further declare under penalty of perjury and under the laws of the State of California that the foregoing is true and correct.

March 21, 2018
Dated / Fallbrook, CA

Mary Lou West
Secretary, Board of Directors

M E M O

TO: Board of Directors
FROM: Jack Bebee, Acting General Manager *JRB*
DATE: March 26, 2018
SUBJECT: Manager's Awards

Mickey Case, Jeff Marchand, Paula Clark, Mick Cothran, Soleil Develle, Faye Robinson, Mavis Canpinar, Jason Jared, Noelle Denke and Kelly Laughlin were presented with Manager's Awards for their hard work and dedication during the new rate/ bill implementation process. They developed outreach about the changes and helped organize workshops and address public comments. They modified the bill to make it easier to understand and implemented significant rate changes without any issues. This effort included adding rate codes to Springbrook, checking calculation methodologies and bills, changing the way residential sewer bills are determined (new winter averaging methodology) and generally doing an awesome job working together and getting this done.

The New Rate/Bill Outreach and Implementation Team each received a letter from the General Manager and will be presented with a certificate and a check for \$25.

M E M O

TO: Board of Directors
FROM: Mary Lou West, Secretary *mw*
DATE: March 26, 2018
SUBJECT: Approval of Minutes

Recommendation

The Board approve the minutes of the following meetings of the Board of Directors of the Fallbrook Public Utility District:

1. Regular Board Meeting of February 26, 2018
2. Special Board Meeting of March 13, 2018
3. Special Board Meeting of March 19, 2018

**Minutes of the
February 26, 2018 Regular Board Meeting**

**FALLBROOK PUBLIC UTILITY DISTRICT
BOARD OF DIRECTORS
REGULAR BOARD MEETING**

MINUTES

**MONDAY, FEBRUARY 26, 2018
4:00 P.M.**

**FALLBROOK PUBLIC UTILITY DISTRICT
990 E. MISSION RD., FALLBROOK, CA 92028
PHONE: (760) 728-1125**

I. PRELIMINARY FUNCTIONS

CALL TO ORDER / ROLL CALL / ESTABLISH A QUORUM

President Gebhart called the regular meeting of the Board of Directors of the Fallbrook Public Utility District to order at 4:01 p.m. A quorum was established with attendance as follows:

Board of Directors

Present: Milt Davies, Member
Jennifer DeMeo, Member
Al Gebhart, Member/President
Don McDougal, Member/Vice-President
Charley Wolk, Member

Absent: None

District Staff

Present: Paula de Sousa Mills, General Legal Counsel
Jack Bebee, Acting General Manager
David Shank, Assistant General Manager/Chief Financial Officer
Jason Cavender, System Operations Manager
Lisa Chaffin, Human Resources Manager
David Deem, Chief Plant Operator
Noelle Denke, Public Affairs Specialist
Jeff Marchand, Engineering Supervisor
Kelly Laughlin, Administrative Office Specialist
Matt Lian, Systems Operator I
Owni Toma, Environmental Compliance Tech

Also present were others, including, but not limited to: Tracy West, Jessica Heath, Marianne Hebner, Lita Tabish, Donna Gebhart, and Paul Melzer, Zach Kantor-Anaya, and David Myers of The Wildlands Conservancy.

PLEDGE OF ALLEGIANCE

President Gebhart led the Pledge of Allegiance.

ADDITIONS TO AGENDA PER GC § 54954.2(b)

There were no additions to the agenda.

APPROVAL OF AGENDA

MOTION: Director Davies moved to approve the agenda as submitted; Vice-President McDougal seconded. Motion carried; VOTE:

AYES: Directors Davies, DeMeo, Gebhart, McDougal, and Wolk
NOES: None
ABSTAIN: None
ABSENT: None

PUBLIC COMMENT

Members of the public are invited to address the Board of Directors on any item that is within the subject matter jurisdiction of the legislative body. The Board President may limit comments to three (3) minutes.

Tracy West stepped to the podium concerning the meter exchanges occurring in San Diego and questioned if Fallbrook was following the same procedure. Acting General Manager Bebee explained that the meters are still the same meters we have always used with only a different transmitter and the problems with the city of San Diego is related to implementation. Mr. West also discussed the purpose of the per diem. President Gebhart gave an explanation of the per diems.

A. EMPLOYEE OF THE QUARTER FOR FEBRUARY 2018 1. Matt Lian

The Board commended Matt Lian for being chosen as the Employee of the Quarter for February 2018 by Todd Jester, the previous Employee of the Quarter. Mrs. Denke took a photograph of President Gebhart and Acting General Manager Bebee congratulating Mr. Lian.

II. **CONSENT CALENDAR**----- (ITEMS B-C)

All items appearing on the Consent Calendar may be disposed of by a single motion. Items shall be removed from the Consent Calendar if any member of the Board of Directors or the public requests removal prior to a vote on a motion to approve the items. Such items shall be considered separately for action by the Board.

B. APPROVAL OF MINUTES

1. Regular Board Meeting of January 22, 2018

Recommendation: The Board approve the minutes of the aforementioned meeting of the Board of Directors of the Fallbrook Public Utility District.

C. CONSIDER EXCUSING DIRECTOR'S ABSENCE FROM A PREPAID MEETING

Recommendation: That the Board excuse Director DeMeo' absence from the Council of Water Utilities meeting on January 16, 2018, and not require Director DeMeo to reimburse the District the \$40 reservation fee paid on her behalf.

MOTION: Director Davies moved to approve the Consent Calendar as presented; Vice-President McDougal seconded. Motion carried; VOTE:

AYES: Directors Davies, DeMeo, Gebhart, McDougal, and Wolk

NOES: None

ABSTAIN: None

ABSENT: None

III. INFORMATION------(ITEMS D-F)

President Gebhart announced that Item F would be considered prior to Items D and E.

D. WATER RECLAMATION PLANT OPERATIONS EFFICIENCY REPORT

Presented by: David Deem, Chief Plant Operator and Owni Toma, Environmental Compliance Tech

Mr. David Deem and Mr. Owni Toma gave a presentation titled "Fallbrook Water Reclamation Plant Operations Efficiency" which explained the improvement in efficiency due to the upgrades and improvements that have been made to the Water Reclamation Plant over the past couple years. The upgrades have resulted in a reduction of call-out overtime, a decrease in the amount of potable water that was required, and a growth in the recycle water network.

Mr. West asked questions regarding why more people (residential and commercial) are not using recycled water. Acting General Manager Bebee explained that it is not cost effective to have residential users use recycled water due to state requirements. Vice-President McDougal explained that the state does not allow recycled water on residential property at this time. Acting General Manager Bebee invited Mr. West to come in and speak with him regarding all the opportunities for Recycled Water.

E. REVIEW OF PIPELINE AND VALVE REPLACEMENT NEEDS AND CAPITAL IMPROVEMENT CHARGE

Presented by: Jack Bebee, Acting General Manager

Acting General Manager Bebee gave a review of the capital improvement charge. This is in compliance with the Administrative Code to review the capital improvement charge progress every five years. Acting General Manager Bebee stated that the budget for the overall capital improvement projects has been updated. Additional funds are still being used to pay for the capital improvements. All projects are still on track.

F. PRESENTATION OF THE PROPOSAL RECEIVED FROM THE WILDLANDS CONSERVANCY ON THE PRESERVATION OF THE SANTA MARGARITA PROPERTY

Presented by: Jack Bebee, Acting General Manager

Acting General Manager Bebee gave an update on the preservation of the Santa Margarita property. In September 2017, a request went out looking for proposals for the preservation of the property. One proposal was received from The Wildlands Conservancy. The Wildlands Conservancy's plan is to use the funds from Proposition 68 to purchase the property.

Mr. David Myers, of The Wildlands Conservancy, explained their overall plan for the Santa Margarita property includes how they plan to manage the property and the planned usage of the property. They have been working with the Fallbrook Trails Council to increase the knowledge and use of the Santa Margarita River trails. The goal is to attract more visitors through enhancement of the facilities. Mr. Myers gave an in-depth description of the benefits The Wildlands Conservancy will have on the property, the trails, and Fallbrook. Mr. Meyers presented a fiscal plan of how The Wildlands Conservancy will pay for the property.

Ms. Jessica Heath stepped to the podium to explain her love of the trails. She explained all the benefits that she has experienced from riding the trails, as well as the benefits the trails has on the community.

Ms. Marianne Hebner, from Udder Feed, explained that a large percentage of the clientele are riders of the Santa Margarita trails. She stated that she feels that this has already become a destination for riders and asked the Board to make the purchase happen to ensure the long-term use of the trails.

Ms. Lita Tabish came to the podium and explained her love for Fallbrook. She stated the she feels that The Wildlands Conservancy is a good fit for the Santa Margarita trails and Fallbrook as a whole. Her one concern was the Cal Trout Bridge and what that would mean for the trails.

Mrs. Donna Gebhart stepped to the podium to thank the Board, the town, and The Wildlands Conservancy for their work and belief in the Santa Margarita Valley. Mrs. Gebhart explained that the Trails Council is working with The Wildlands Conservancy to find an accurate count of the number of riders using the trails. Mrs. Gebhart stated that the economic impact from horse owners on the town of Fallbrook was important. She explained the concerns she had regarding the Cal Trout Bridge and their work with the government and federal funding. She requested that the Board consider whatever language needs to be put into a Purchase and Sale Agreement to indicate the Valley's recreational aspects not be impacted because of future projects.

IV. ACTION / DISCUSSION CALENDAR ----- (ITEMS G–J)

G. CONSIDER AUTHORIZING AWARD OF THE OLD STAGE PIPELINE REPLACEMENT PROJECT TO SRK ENGINEERING

Recommendation: That the Board authorize award of the Old Stage Pipeline Replacement Project the apparent lowest responsible bidder of SRK Engineering, Inc. at an amount of \$523,420.

Acting General Manager Bebee explained that this is a high priority target due to many leaks occurring. This was sent out for bid and the lowest responsive bidder was SRK Engineering. Legal requirements and personnel qualifications were reviewed and met. Acting General Manager Bebee explained that it is not cost effective to have our internal crews complete these projects.

MOTION: Director Davies moved to approve staff's recommendation; Director Wolk seconded. Motion carried; **VOTE:**

AYES: Directors Davies, DeMeo, Gebhart, McDougal, and Wolk
NOES: None
ABSTAIN: None
ABSENT: None

H. CONSIDER REQUEST FOR SEWER ANNEXATION

Recommendation: That the Board provide direction and authorize staff to move forward with preparing materials for consideration by the Board and subsequent submission to LAFCO for annexation of the development to LAFCO. The property owner is responsible for annexation and capacity fees and filing fees to both the District and LAFCO.

Acting General Manager Bebee explained that a small lot is requesting to be added to our sewer line due to a failed septic on their property. They will be responsible for all fees. There are still some administrative steps to move forward for a public hearing for the annexation, this is just to approve the staff to move forward with the administrative steps.

MOTION: Director Davies moved to approve staff's recommendation; Vice-President McDougal seconded. Motion carried; VOTE:

AYES: Directors Davies, DeMeo, Gebhart, McDougal, and Wolk

NOES: None

ABSTAIN: None

ABSENT: None

I. CONSIDER AWARD OF AS-NEEDED PAVING CONTRACTORS

Recommendation: That the Board authorize an asphalt paving contract not-to-exceed a total of \$328,400 based on the unit costs bid to Joe's Paving Company as the primary contractor with Kirk Paving, Inc. being the secondary contractor using their unit costs bid (The total combined amount by both Contractors will not exceed \$328,400). That the Board authorize a concrete Paving contract not-to-exceed \$164,800 to Hardy and Harper, Inc. based on the unit costs in their bid. By utilizing this approach, the District will be able to minimize impacts due to pipeline repair and construction.

Acting General Manager Bebee explained that this is to set up unit costs for paving in order to speed up the process for paving the roads after work is done. This is to create an as-needed contractor rather than having to wait for multiple jobs to accumulate to reach a target goal for a contractor to come do the work.

MOTION: Director Davies moved to approve staff's recommendation; Director DeMeo seconded. Motion carried; VOTE:

AYES: Directors Davies, DeMeo, Gebhart, McDougal, and Wolk

NOES: None

ABSTAIN: None

ABSENT: None

J. CONSIDER LETTERS OF OPPOSITION TO SB 623

Recommendation: That the Board adopt a position of opposition to Senate Bill 623, unless it is amended, and authorize staff to submit the following letters to legislators on behalf of the Board and District.

Acting General Manager Bebee explained that ACWA is asking all participating member agencies to send letters of opposition of the new Senate Bill 623 to state legislators. The purpose of this bill is to add a water tax that the District would have to collect and send up to the state to help communities with compliance issues. The way this money will be used is not yet clear. The concern is if this is the most efficient way to address the issue. Mrs. de Sousa Mills explained that this has been changed and is now a budget trailer bill. Director Wolk stated that he would like more forceful letters sent over stating our opposition. Acting General Manager Bebee explained that ACWA

is also asking for a financial donation to help the cause of this measure if the Board would like to participate in that campaign.

MOTION: Vice-President McDougal moved to approve staff's recommendation; Director Davies seconded. Motion carried; VOTE:

AYES: Directors Davies, DeMeo, Gebhart, McDougal, and Wolk
NOES: None
ABSTAIN: None
ABSENT: None

V. ORAL/WRITTEN REPORTS------(ITEMS 1-8)

1. General Legal Counsel
 - Mrs. de Sousa Mills gave an update and some background on SB 998, which is a bill confirming that everyone has the right to water and stop predatory water termination. This bill is set to allow for a lengthier period of time for the impoverished to make payments before their water is terminated.
2. SDCWA Representative
3. Acting General Manager / Assistant General Manager/District Engineer
 - a. Engineering Report Summary
 - b. Annual Production; Total Potable Production
 - c. Ag and M&I Sales; Recycled Water Production & Sales
 - d. 12-Month Running Water Sales
 - e. Meter Exchange; Backflow Testing
 - f. Sewer Overflow/Spills
4. Assistant General Manager/Chief Financial Officer
 - a. Treasurer's Report
 - b. Budget Status Report
 - c. Warrant List
 - d. Finance Projects Schedule
 - Assistant General Manager/Chief Financial Officer Shank gave an overview of the work on the Treasurer's Report and how the revised format will show all of the funds.
 - In addition, Mr. Shank is working on a new Budget Status Report which will give a high-level summary of the budget activities.
 - Finally, Mr. Shank stated that the District is making progress with digital time entry using Timeclocks Plus.

5. Public Affairs Specialist
 - Public Affairs Specialist Denke explained that there are two WaterSmart workshops coming up to give customers more knowledge on the program.
 - Mrs. Denke is also working on the District's involvement with four community events in Fallbrook.
6. Notice of Approval of Per Diem for Meetings Attended
7. Director Comments / Reports on Meetings Attended
 - Director DeMeo gave a report regarding the CSDA dinner she attended on February 15, 2018.
 - Director DeMeo gave her report of the MWD Tour of the Colorado River she attended on January 19th and 20th.
 - Director Davies brought up the idea of having video cameras in the Boardroom to record meetings.
 - Director Davies inquired about the idea of using social media to reach the public.
8. Miscellaneous

ADJOURN TO CLOSED SESSION

The Board adjourned to Closed Session at 5:52 p.m. following an oral announcement of Closed Session Items VI.(1), VI.(2), and VI.(3) by President Gebhart.

VI. CLOSED SESSION

1. CONFERENCE TO PROVIDE DIRECTION TO REAL PROPERTY NEGOTIATORS PER GC § 54956.8

PROPERTY: SANTA MARGARITA RIVER PROPERTY (ABOUT 1,380 ACRES OF WILD WATERSHED LAND NORTH OF FALLBROOK AROUND THE SANTA MARGARITA RIVER PRESERVE)

AGENCY NEGOTIATORS: JACK BEBEE, ACTING GENERAL MANAGER

NEGOTIATING PARTIES: THE WILDLIFE CONSERVANCY

UNDER NEGOTIATION: DISCUSSION OF ESSENTIAL TERMS NECESSARY AS A CONDITION PRECEDENT TO DETERMINATION OF PRICE AND TERMS OF PAYMENT

2. CONFERENCE WITH LABOR NEGOTIATORS PER GC § 54957.6:

AGENCY DESIGNATED NEGOTIATORS: BOARD OF DIRECTORS

UNREPRESENTED EMPLOYEE: ACTING GENERAL MANAGER

3. PUBLIC EMPLOYEE APPOINTMENT PER GC § 54957:

TITLE: GENERAL MANAGER (UPDATE ON AND DISCUSSION REGARDING
GENERAL MANAGER RECRUITMENT)

RECONVENE TO OPEN SESSION

The Board returned from Closed Session and reconvened to Open Session at 6:40 p.m.

REPORT FROM CLOSED SESSION

There was no reportable action taken in Closed Session.

VII. ADJOURNMENT OF MEETING

There being no further business to discuss, President Gebhart adjourned the regular meeting of the Board of Directors of the Fallbrook Public Utility District at 6:41 p.m.

President, Board of Directors

ATTEST:

Acting Secretary, Board of Directors

**Minutes of the
March 13, 2018 Special Board Meeting**

**FALLBROOK PUBLIC UTILITY DISTRICT
BOARD OF DIRECTORS
SPECIAL BOARD MEETING**

MINUTES

**TUESDAY, MARCH 13, 2018
8:00 A.M.**

**FALLBROOK PUBLIC UTILITY DISTRICT
990 E. MISSION RD., FALLBROOK, CA 92028
PHONE: (760) 728-1125**

I. PRELIMINARY FUNCTIONS

President Gebhart called the Special Meeting of the Board of Directors of the Fallbrook Public Utility District to order at 8:08 a.m. A quorum was established with attendance as follows:

Board of Directors

Present: Milt Davies, Member
Jennifer DeMeo, Member
Al Gebhart, Member/President
Don McDougal, Member/Vice-President
Charley Wolk, Member

District Staff

Present: Lisa Chaffin, Human Resource Manager

PLEDGE OF ALLEGIANCE

President Gebhart led the Pledge of Allegiance.

APPROVAL OF AGENDA

MOTION: Vice-President McDougal moved to approve the agenda as submitted; Director Wolk seconded. Motion carried; **VOTE:**

AYES: Directors Davies, DeMeo, Gebhart, McDougal, and Wolk
NOES: None
ABSTAIN: None
ABSENT: None

Also present were others, including, but not limited to: There were no others present.

PUBLIC COMMENT

There were no comments from members of the public.

ADJOURN TO CLOSED SESSION

The Board adjourned to Closed Session at 8:10 a.m.

II. CLOSED SESSION

1. PUBLIC EMPLOYMENT APPOINTMENT PER GC § 54957

TITLE: GENERAL MANAGER

RECONVENE TO OPEN SESSION

The Board returned from Closed Session and reconvened to Open Session at 4:43 p.m.

REPORT FROM CLOSED SESSION (*As Necessary*)

Vice-President McDougal moved the Board appoint a General Manager subject to completion of successful negotiations; Director Wolk seconded. The motion passed unanimously by a vote of 5-0.

III. ADJOURNMENT OF MEETING

There being no further business to discuss, President Gebhart adjourned the Special Meeting of the Board of Directors of the Fallbrook Public Utility District at 4:45 p.m.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

**Minutes of the
March 19, 2018 Special Board Meeting**

**FALLBROOK PUBLIC UTILITY DISTRICT
BOARD OF DIRECTORS
SPECIAL BOARD MEETING**

MINUTES

MONDAY, MARCH 19, 2018
1:30 P.M.

FALLBROOK PUBLIC UTILITY DISTRICT
990 E. MISSION RD., FALLBROOK, CA 92028
PHONE: (760) 728-1125

I. PRELIMINARY FUNCTIONS

CALL TO ORDER / ROLL CALL / ESTABLISH A QUORUM

President Gebhart called the Special Meeting of the Board of Directors of the Fallbrook Public Utility District to order at 1:30 p.m. A quorum was established with attendance as follows:

Board of Directors

Present: Milt Davies, Member
Jennifer DeMeo, Member
Al Gebhart, Member/President
Don McDougal, Member/Vice-President
Charley Wolk, Member

District Staff

Present: Arlene Prater, District Counsel
Bruce Beach, District Counsel
Jack Bebee, Acting General Manager

PLEDGE OF ALLEGIANCE

President Gebhart led the Pledge of Allegiance.

APPROVAL OF AGENDA

MOTION: Vice-President McDougal moved to approve the agenda as submitted;
Director Davies seconded. Motion carried; VOTE:

AYES: Directors Davies, DeMeo, Gebhart, McDougal, and Wolk
NOES: None
ABSTAIN: None
ABSENT: None

PUBLIC COMMENT

Mr. Bruce Schwandt addressed the Board of Directors stating he was willing to work with the District concerning an easement dedicated for use by District staff and agents working for the District. Mr. Schwandt further stated he would like to be informed of any substantive changes moving forward.

ADJOURN TO CLOSED SESSION

The Board of Directors adjourned to Closed Session at 1:45 p.m. following an announcement by President Gebhart of Closed Session Items II.1., II.2., and II.3.

II. CLOSED SESSION

1. PUBLIC EMPLOYEE APPOINTMENT PER GC § 54957

TITLE: GENERAL MANAGER

2. CONFERENCE TO PROVIDE DIRECTION TO REAL PROPERTY NEGOTIATORS PER GC § 54956.8

PROPERTY: SANTA MARGARITA RIVER PROPERTY (ABOUT 1,380 ACRES OF WILD WATERSHED LAND NORTH OF FALLBROOK AROUND THE SANTA MARGARITA RIVER PRESERVE)

AGENCY NEGOTIATORS: JACK BEBEE, ACTING GENERAL MANAGER

NEGOTIATING PARTIES: THE WILDLANDS CONSERVANCY

UNDER NEGOTIATION: DISCUSSION OF ESSENTIAL TERMS NECESSARY AS A CONDITION PRECEDENT TO DETERMINATION OF PRICE AND TERMS OF PAYMENT

3. CONFERENCE WITH REAL PROPERTY NEGOTIATORS PER GC § 54956.8:

PROPERTY: 1492 NORTH STAGECOACH LANE, FALLBROOK, CA

AGENCY NEGOTIATORS: JACK BEBEE, JEFF MARCHAND

NEGOTIATING PARTIES: BRUCE E. SCHWANDT, TRACEY L. SCHWANDT

UNDER NEGOTIATION: TERMS

RECONVENE TO OPEN SESSION

The Board returned from Closed Session and reconvened to Open Session at 3:55 p.m.

REPORT FROM CLOSED SESSION (*As Necessary*)

President Gebhart announced there was no reportable action taken in Closed Session.

III. **ADJOURNMENT OF MEETING**

There being no further business to discuss, President Gebhart adjourned the Special Meeting of the Board of Directors of the Fallbrook Public Utility District at 3:57 p.m.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

MEMO

TO: Board of Directors
 FROM: Mary Lou West, Secretary *mw*
 DATE: March 26, 2018
 SUBJECT: Advance Approval to Attend Meetings

Purpose

To authorize Directors' attendance, travel, and expenses to an event requiring advance approval by the Board of Directors.

Summary

Compensation for attendance and reimbursement for expenses at other occasions, events, or meetings related to District business, other than those listed in Article 2.12 of the Administrative Code, shall be determined by the Board of Directors in advance.

In addition, Article 12.1.3(1) provides that travel associated with the attendance of meetings or functions for Directors shall be approved in advance by the Board of Directors at a regular meeting with the item agendized under "Advance Approval to Attend Meetings."

Director DeMeo has requested approval of attendance to the following course offered by the California Special Districts Association (*details on attached*):

1. "Special Districts Legislative Days"
 - When: May 22-23, 2018
 - Where: Sacramento Convention Center
 - Registration:
 - Early bird fees: \$275 if registered before April 20th
 - Regular fees: \$325 after April 20th

Recommended Action

The Board approve in advance Directors' attendance to "Special Districts Legislative Days," May 22-23, 2018, at the Sacramento Convention Center in Sacramento, California.



SPECIAL DISTRICTS LEGISLATIVE DAYS

2018
May 22-23
Agenda

#districtsadvocate

Tuesday, May 22 - Advocacy Day

7:30 – 8:30 a.m.

Registration and District NetWorks Café - Room 202/203

at the Sacramento Convention Center 1400 J Street, Sacramento, CA 95814

ENJOY A LIGHT BREAKFAST WITH YOUR NETWORK'S SPECIAL DISTRICT LEADERS

8:30 – 10:00 a.m.

Legislative Briefing

- Legislator of the Year Award
- What's Next After the Little Hoover Commission Report?
- Capitol Office Visit Preparation

10:00 a.m. – 12:30 p.m.

Capitol Office Visits – Round One

Between office visits, attendees can grab a water bottle, rest legs, and hear insights from veteran Capitol staffers in Capitol Room 127

12:30 – 2:30 p.m.

Lunch and Keynote Address

- Marcie Frost, CEO, CalPERS
- Special District Awards
- Debrief First Round of Capitol Office Visits

2:30 – 5:00 p.m.

Capitol Office Visits – Round Two

Between office visits, attendees can grab a water bottle, rest legs, and hear insights from veteran Capitol staffers in Capitol Room 127

5:00 – 6:30 p.m.

Legislative Reception at Mayahuel

1200 K Street, Sacramento, CA 95814

SPONSORED BY SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY (SDRMA)



May 23 schedule on reverse

Agenda and speakers are subject to change • All events held at the Sacramento Convention Center unless otherwise noted.

Wednesday, May 23 - Policy Day

8:00 – 9:30 a.m.

Policy Briefing with Breakfast

Get your fill on the major legislative and voter initiatives facing special districts

9:30 – 11:00 a.m.

In-Depth Policy Breakouts

Expert practitioners present the most significant court rulings and legislative actions impacting special districts in 2018 and proposed for 2019

- **Human Resources and Personnel (MCLE Credit) - Room 104**

Gage Dungy, Partner, Liebert Cassidy Whitmore

This session will provide employment law updates and anticipated future legislative actions. Specifically, it will touch on paid sick leave, MOU bargaining trends, sexual harassment, and other newly enacted and proposed laws employers should be aware of. Included will be a discussion on recent court decisions and their impacts on employment law.

This session qualifies for minimum continuing legal education by the State Bar of California in the amount of one (1) hour of General Participatory credit.

- **Public Works and Facilities - Room 202/203**

Deborah Wilder, President, Contractor Compliance and Monitoring

This session will be a discussion of prevailing wage updates, challenges, and possible changes. Specifically, we will touch on an agency's obligation to timely file a PWC-100 and the imposition of fines by the DIR for untimely filing, as well as fines imposed for the employment of unregistered contractors on a project.

- **Revenue (MCLE Credit) - Room 103**

Kelly Salt, Partner, Best Best & Krieger, LLP

This session will provide an update on proposed and adopted legislation and court decisions that impact the revenues and finances of special districts in California.

This session qualifies for minimum continuing legal education by the State Bar of California in the amount of one (1) hour of General Participatory credit.

11:00 a.m. – 12:00 p.m.

Closing Panel

Join together with the practitioners and legislative advocates for a final lightning round of questions and answers.



SPECIAL DISTRICTS LEGISLATIVE DAYS

Advocacy Day and Policy Day

EARLY BIRD DISCOUNT!
Register at legislatedays.csda.net.

EARLY BIRD PRICING – REGISTER ON OR BEFORE APRIL 20, 2018

- CSDA Member - \$275 Early Registration / \$325 Regular Registration
- Non-Member - \$365 Early Registration / \$440 Regular Registration

Three Ways to Register

- **Online:** Visit legislatedays.csda.net
- **Fax number:** 916.520.2465. All faxed forms must include credit card payment.
- **Mail:** CSDA, 1112 I Street, Suite 200, Sacramento, CA 95814. Please include registration form and payment. Checks should be made payable to: California Special Districts Association.

Who qualifies for “member” rates?

All California Special Districts Association and Special District Risk Management Authority members.

Not sure if you are a member? Simply contact Cathrine Lemaire at cathrinel@csda.net or call toll-free at 877-924-2732.

It's not too late to become a CSDA member.

Registration includes the evening reception, legislative visits arranged by CSDA, written materials, and meals as indicated in the agenda.

Payment must accompany registration in order to process.

CSDA Member: \$275/EARLY BIRD

Non-Member: \$365/EARLY BIRD

CSDA Member: \$325/AFTER APRIL 20

Non-Member: \$440/AFTER APRIL 20

Total \$:

Name/Title:

District:

Address:

City:

State:

ZIP:

Phone:

Fax:

Email:

Emergency Contact Name/Phone Number:

LEGISLATIVE OFFICE VISITS

CSDA will make every attempt to schedule meetings, for you and other attendees from your region, with your region's legislative representatives or staff. You will advocate as a group on the top issues facing special districts.

Yes, I want to participate in prearranged meetings in the Capitol.

No, I do not want to participate in prearranged meetings in the Capitol.

PAYMENT

Check Visa MasterCard Discover American Express

Acct. name:

Acct. Number:

Expiration date:

Authorized Signature:

SPECIAL NEEDS

Vegetarian Other:

CANCELLATION POLICY: Cancellations must be made IN WRITING and received via fax, mail or email no later than three days prior to the event. All cancellations made within the specified time will be refunded less a \$75 processing fee.

MEMO

TO: Board of Directors
FROM: Jack Bebee, Acting General Manager *JAB*
DATE: March 26, 2018
SUBJECT: Notice of Completion – Donnil Pump Station Emergency Generator – Job 2993

Purpose

File Notice of Completion of the **Donnil Pump Station Emergency Generator** project with San Diego County Recorder.

Summary

The contract for the **Donnil Pump Station Emergency Generator** – Job 2993 was completed on January 18, 2018. The Contract was awarded to Newest Construction. The final total contract amount was **\$139,900**. The budgeted project amount was **\$200,000** which included the installation of an Emergency Generator, with the required automatic transfer switch equipment.

Recommended Action

That the Board authorize staff to file the Notice of Completion with the County Of San Diego, Assessor/Recorder/County Clerk.

RECORDING REQUESTED BY:
Fallbrook Public Utility District

AND WHEN RECORDED MAIL TO:
Fallbrook Public Utility District
990 E. Mission Road
Fallbrook CA 92088

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN THAT:

1. The undersigned is the owner of the interest or estate stated below in the property hereinafter described.
2. The full name of the undersigned is Fallbrook Public Utility District.
3. The full address of the undersigned is 990 E Mission Road, Fallbrook, CA 92088.
4. The nature of the title of the undersigned is public utility district in fee.
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:

<u>NAMES</u>	<u>ADDRESSES</u>
Fallbrook Public Utility District	990 E Mission Road, Fallbrook CA 92088

6. The names of the predecessors in interest of the undersigned, if the property was transferred subsequent to the commencement of the work of improvement herein referred to are (OR IF NO TRANSFER WAS MADE INSERT THE WORD "None")

<u>NAMES</u>	<u>ADDRESSES</u>
None	

7. The work of improvement on the property hereinafter described was completed on **January 18, 2018**.
8. The name of the original contractor, if any, for the work of improvement was: **NEWest Construction Co., Inc.**
The kind of work done or material furnished was for the **Donnil Pump Station Emergency Generator**.
9. The property on which the work of improvement was completed is in the unincorporated area of Fallbrook, county of San Diego, state of California, and is described as follows: **Donnil Pump Station**
10. The street address of the said property is: **Donnil Lane, APN 102-082-08**

DATED: March 26, 2018

Jack Bebee, Acting General Manager
Fallbrook Public Utility District

VERIFICATION

I, the undersigned, say:

I am the person who signed the foregoing notice. I have read the above notice and know its contents, and the facts stated therein are true of my own knowledge.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on _____, 2018 at Fallbrook, California.

Signature

M E M O

TO: Board of Directors
FROM: Lisa Chaffin, Human Resources Manager 
DATE: March 26, 2018
SUBJECT: Laboratory Technician I/II Job Description Revisions; Resolution No. 4926

Purpose

To obtain approval for the proposed revisions to the job description for the District's Laboratory Technician I/II job classification.

Summary

The proposed changes to the job description more adequately describe the current scope of duties and responsibilities of the position. Attached to Resolution No. 4926 is the redline version of the job description.

With the anticipated July 13, 2018 retirement of the current incumbent, the District's early recruitment efforts of this position will allow for some overlap and on-the-job training.

No change in compensation is being proposed.

Recommended Action

Staff recommends approving the proposed changes to the Laboratory Technician I/II job description to more accurately reflect the current duties and responsibilities of the position and adopt Resolution No. 4926.

RESOLUTION NO. 4926

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE FALLBROOK PUBLIC UTILITY DISTRICT
AMENDING THE ADMINISTRATIVE CODE ARTICLE 11, PERSONNEL
REGULATIONS

* * * * *

WHEREAS, the Laboratory Technician I/II job description does not adequately describe the current scope of duties and responsibilities of the position.

NOW, THEREFORE, BE IT RESOLVED that Administrative Code Article 11, Personnel Regulations shall be amended to revise the Laboratory Technician I/II job description as follows:

1. Article 11, Personal Regulations as they apply to the Laboratory Technician I/II job description, shall be amended with the proposed revisions as shown in Attachment "A" attached hereto and incorporated herein.
2. The remaining provisions of Article 11 are unaffected and reconfirmed hereby.

PASSED AND ADOPTED by the Board of Directors of the Fallbrook Public Utility District at a regular meeting of the Board held on the 26th day of March, 2018, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

President, Board of Directors

ATTEST:

Secretary, Board of Directors

Attachment “A”

Blue – Proposed additions

Red – Proposed removals

LABORATORY TECHNICIAN

Definition

This series specification describes two classes which, under general supervision, perform the physical, chemical, and biological testing related to plant operations and NPDES permit requirements; **maintain the laboratory quality assurance manual**, and perform related work as required.

Class Characteristics

This series consists of two levels of work and are differentiated by the level of certification, training and experience required to perform the assigned laboratory duties. The Laboratory Technician I learns and performs working level laboratory duties under the supervision of the Chief Plant Operator. The Laboratory Technician II is responsible for performing journey level laboratory testing, reporting and recordkeeping. The Laboratory Technician II performs work which has variation and which allows or requires the exercise of technical judgment in the application of designed methods or procedures. Incumbents are expected to refer matters which do not fit an established pattern of precedent and practice to the Chief Plant Operator for instruction.

Examples of Duties

Laboratory Technician I and II

Performs physical, chemical and biological testing normally associated with a water wastewater sampling/testing laboratory in accordance with the **current** appropriate “Standard Methods.” ~~according to NPDES permit requirements~~ Analyses include but are not limited to: those required on a daily basis for compliance with the District’s NPDES permit such as turbidity, pH, total and volatile suspended solids, biological oxygen demand, chemical oxygen demand, settleable solids, temperature, chlorine residual, alkalinity, membrane filtration; and wastewater solids analyses required regularly for process control (1); maintains and updates the laboratory quality assurance manual(1); maintains appropriate records as required (2); ~~assembles data to generate required reports~~(2); communicates necessary information regarding test results to Chief Plant Operator and Environmental Compliance Technician(1); prepares culture media and chemical reagents(2); maintains laboratory inventory(2); maintains cleanliness of laboratory and sampling equipment, instruments, supplies and prepares glassware to ensure accurate results; ~~prepares glassware and other laboratory equipment as required to ensure accurate test results~~(2); calibrates laboratory equipment (2); maintains a clean and orderly laboratory; operates various plant equipment (2); operates District vehicles; and performs related work as required.

Laboratory Technician II

~~In addition, maintains and updates quality assurance manual, laboratory hygiene reports and industrial waste records, providing the required documentation(1); compiles data for monthly, quarterly, semi-annual and annual NPDES, EPA DMR, Department of Health reports(1); Communicates necessary information regarding test results to Chief Plant Operator and Environmental Compliance Technician(1); maintains laboratory inventory(2); Prepares cost estimates and requisitions materials(2); participates in plant public relations tours(2); and train others in the procedures of a water and wastewater sampling/testing laboratory (2).~~

1-The performance of this function is the reason the job exists.

2-There are limited employees among whom the performance of this function can be distributed.

Qualifications

Knowledge of:

Laboratory Technician I & II:

English usage;

Proper **Standard** Methods, materials, tools, **instruments, and sampling** equipment used in a water and wastewater sampling/testing laboratory;

Knowledge of the principles of laboratory maintenance;

Knowledge of conventional QA/QC practices for the wastewater laboratory;

All current permits (NPDES, recycled water, etc.);

All applicable laboratory regulations, **specifically TNI standards / ELAP regulations for small-labs**

Wastewater treatment processes and process control;

Conventional quality assurance and quality control practices;

Computer software programs (word processing, spreadsheet, and database);

Appropriate safety precautions and procedures, including confined space entry and hazardous materials handling;

Ability to work both independently and as a member of a team.

Laboratory Technician II, in addition:

All applicable reporting requirements for Federal, State and local agencies;

Pumps, motors, mechanical and electrical equipment;

Industrial wastewater, lift stations and collection systems.

Ability to:

Laboratory Technician I & II

Achieve and maintain all required certifications and educational standards;

Operate at a level consistent with the designation (I or II);

Operate, calibrate and maintain plant and laboratory equipment;

Attend training seminars and conferences;

~~Operate a personal computer/computer remote terminal;~~

Operate a personal computer for word processing and data management using Microsoft Windows applications such as Excel and Word;

Perform quality control and quality assurance tests and maintain control procedures in the laboratory;

Maintain logs and records;

Meet, interact and mutually problem solve and negotiate effectively with others contacted in the course of work;

Operate a vehicle observing legal and defensive driving practices.

Laboratory Technician II, in addition:

Train others in the procedures of a water and wastewater sampling/testing laboratory; Prepare oral and written reports, cost estimates and material requisitions;

Licenses and Certifications

Possession of a valid and appropriate California driver's license;

Possession of Grade I Laboratory Technologist certification from California Water Environment Association (Lab Tech I);
Possession of Grade II Laboratory Technologist certification from California Water Environment Association (Lab Tech II);
Possession of Grade I Wastewater Treatment Plant Operator certification is highly desirable (Lab Tech II)

Training and Experience

Any combination of training, education and experience which demonstrates possession of the knowledge and abilities stated above and the ability to perform the duties of the position. A typical qualifying entrance background is:

Laboratory Technician I - Two years of laboratory analysis of water and/or wastewater and possession of working knowledge of regulatory requirements for water and wastewater.

Laboratory Technician II - Four years of laboratory analysis of water and/or wastewater, equivalent to two years of training from a university, college, or junior college of recognized standing in the physical or biological sciences, possession of journey-level knowledge of regulatory requirements for water and wastewater;

Or

Two years of experience at Laboratory Technician I level in the Fallbrook Public Utility District from which the incumbent has acquired the knowledge and abilities listed above.

Physical Demands

Hands/Arms: Operates computer for up to 8 hours per day; seizes, holds or works with hands.

Walking: Moves about on foot often over grating.

Lifting: Raises or lowers various items.

Reaching: Extends hands and arms in various directions.

Climbing: Ascends and descends stairs and ladders.

Vision: Sees well enough to read instrument displays, ~~work tickets~~, reports and logs, [the ability to distinguish colors and shades, depth perception.](#)

Hearing: Hears well enough to discern various audible alarms.

Sitting/standing: Sits in chair or stool for up to 8 hours per day [or is frequently required to stand for prolonged periods of time.](#)

Physical Strength

Lifting: 50 pounds on occasion.

Environmental Conditions

Noise: Works in conditions with intermittent noise.

Temperature/Weather: Occasionally works outside with variations of temperature and weather.

This position may include periodic to frequent disagreeable working conditions including dirt, fumes, vibration, heat, cold, dampness, sewage, wastewater solids and hazardous chemicals.

Protective Devices Required


Lab coat, District uniform, safety glasses, gloves, safety shoes, hardhat, self-contained breathing apparatus (SCBA), respirator, hearing protection, chemical suit and seat belt.

Reasonable accommodation will be considered.

SALARY RANGE: 32- Lab Tech I -LT I (Target)
33 -Lab Tech I - LT I + OTHER
35 -Lab Tech II -LT II (Target)
36- Lab Tech II -LT II + OTHER

Board Approved Effective Date 7/96
Board Approved Revision Date 2/99 9/00 7/01 10/04 7/05

MEMO

TO: Board of Directors
FROM: Lisa Chaffin, Human Resources Manager 
DATE: March 26, 2018
SUBJECT: Reclassification of Drought Management Coordinator Position to Engineering Technician I; Resolution No. 4927

Purpose

To obtain approval for the proposed reclassification of the Drought Management Coordinator position to Engineering Technician I.

Summary

The growing Capital Improvement Program (CIP), along with increased development, has increased overall staff support needs within engineering and the Drought Management Coordinator's duties and responsibilities have expanded to include this engineering-support role.

Upon approval of the proposed reclassification, the Drought Management Coordinator's duties and responsibilities, including the District's reporting requirements currently performed by this position, will be allocated across and incorporated into engineering.

There is no immediate fiscal impact; however, the top hourly rate for Engineering Technician I (\$31.68/hr.) is \$2.99 per hour higher than Drought Management Coordinator (\$28.69/hr.).

Recommended Action

Staff recommends approving the reclassification of the Drought Management Coordinator position to Engineering Technician I and adopting Resolution No. 4927.

RESOLUTION NO. 4927

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE FALLBROOK PUBLIC UTILITY DISTRICT
AMENDING THE ADMINISTRATIVE CODE ARTICLE 11, PERSONNEL
REGULATIONS

* * * * *

WHEREAS, the growing Capital Improvement Program, along with increased development, has affected overall staff support needs within Engineering and the Drought Management Coordinator's duties and responsibilities have expanded to include this engineering support role; and

WHEREAS, as a result of the increased engineering duties and responsibilities of the Drought Management Coordinator, the Drought Management Coordinator position should be reclassified to Engineering Technician I; and

WHEREAS, upon reclassification, the Drought Management Coordinator's duties and responsibilities, including the District's reporting requirements, will be allocated across and incorporated into engineering in the role.

NOW, THEREFORE, BE IT RESOLVED that Administrative Code Article 11, Personnel Regulations shall be amended as follows:

1. Article 11, Personal Regulations as they apply to the Drought Management Coordinator position, shall be reclassified to Engineering Technician I.
2. The remaining provisions of Article 11 are unaffected and reconfirmed hereby.

PASSED AND ADOPTED by the Board of Directors of the Fallbrook Public Utility District at a regular meeting of the Board held on the 26th day of March, 2018, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

President, Board of Directors

ATTEST:

Secretary, Board of Directors

M E M O

TO: Board of Directors
FROM: Mick Cothran, Engineering
DATE: March 26, 2018
SUBJECT: District Agricultural Water Programs

MC

Purpose

Discuss current administrative requirements for FPUD agricultural water programs.

Summary

The TSAWR (Transitional Special Agricultural Water Rate) program was established by contract between FPUD and SDCWA (San Diego County Water Authority) to replace the MWD's (Metropolitan Water District) IAWP (Interruptible Agricultural Water Program), which expired in 2012. The program provides discounted water to former IAWP farmers who operate a farm with over one acre of agricultural production that grosses at least \$1,000 per year, and who were enrolled in the IAWP in 2008. The TSAWR program is administered by FPUD and SDCWA. For accounts that were not enrolled in the IAWP in 2008, but that meet the acreage and sales definitions of agriculture, FPUD offers discounted water through the Commercial Agricultural water program. This program is administered by FPUD.

During severe drought or supply emergencies, participants in both programs acknowledge that their water use may be subject to allocations or cutbacks.

Costs incurred by the SDCWA for emergency supply and storage diversification projects, such as the Carlsbad desalination plant or canal lining in the Imperial and Coachella valleys, are not paid for by TSAWR accounts. Omitting these charges is how TSAWR customers receive a lower water rate. Consequentially, when supply conditions are limited due to drought or other supply emergencies, water deliveries to TSAWR accounts are cut back as determined by wholesalers at that time. These cutbacks may lead to water allocations, as has been the case during two droughts in the past ten years.

Commercial agriculture water accounts receive a lower water rate by acknowledging that water deliveries are interruptible in the event of a water supply emergency. These conditions are agreed upon by a customer during the enrollment process for the Commercial Agricultural water program.

TSAWR accounts require certification to acknowledge the stipulations of the program and to confirm each account's eligibility. FPUD records of TSAWR accounts are periodically audited by SDCWA.

Commercial agriculture accounts currently require certification to ensure customers acknowledge the stipulations of the program and confirm each account's eligibility. State definitions of agriculture necessitate District water use to be classed correctly to comply with monthly and annual reporting requirements, or water use restrictions, when in place. Agriculture as defined by the state is,

"...the growing of agricultural, horticultural or floricultural product(s), produced for human consumption or for the market, or (2) for the feeding of fowl or livestock produced for human consumption or for the market, or (3) for the feeding of fowl or livestock for the purpose of obtaining their products for human consumption or for the market. Such products must be grown or raised on a parcel of land having an area of not less than one acre utilized exclusively therefore."

All accounts that participate in the TSAWR and Commercial Agriculture water programs require a completed certification form and a single "bill of sale" document to be kept on file for review during periodic audits. The most common document currently on file for both programs is a produce "packout" summary, but other acceptable documents include a bill of sale, sales receipts, a license to sell nursery stock, a pest control operator ID, a farming Schedule F form, a donation receipt, or a request for an extension to provide a bill of sale in the event that an agricultural operation had a fallow year. Any of these documents are accepted to meet the "bill of sale" requirements to verify a commercial agricultural operation on the property.

The Engineering Department's standard operating procedure "Eng SOP – 12" and a current "Certification for Commercial Agricultural Water Program" form are attached to this memo.

Recommendation

This item is for information purposes only and no action is required.

Fallbrook Public Utility District	Eng-SOP 12	
	ID #	
TSAWR Certification	Original Date:	3-14-2018
	Revision Date:	
	Supersedes:	
	Approved by:	

Purpose:

To process and document the certification of TSAWR (Transitional Special Agricultural Water Rate) water accounts

Scope:

FPUD accounts classed AS (TSAWR only), and AT (TSAWR Domestic)

References:


FPUD Administration Code Section 19.11

Responsibility:

FPUD customers who elect to participate in the TSAWR program are required to certify the eligibility of their account at the time they enter the program, or during periodic re-certifications as required by SDCWA (San Diego County Water Authority) or the District.

Procedure:

1. Eligibility to participate in TSAWR program requires customer certification.
2. Through certification, a customer acknowledges that their water account is qualified for the program and recognize the stipulations of the program as described in the FPUD Administrative Code, Section 19.11:
 - a) Water received is an interruptible supply, as determined by SDCWA or the District.
 - b) Water received may be subject to a mandatory supply reduction.
 - c) TSAWR account's water use is subject to periodic data and field audits to confirm eligibility
 - d) Failure to respond to audit or re-certification inquiries will result in an accounts removal from the TSAWR program
 - e) If an audit determines that water used on a property did not meet the qualifications of the TSAWR program, said usage may be assessed retroactive supplemental water rates, penalties or charges, which a participant agrees to pay.
 - f) If an audit determines that an account does not qualify for TSAWR program, the associated water account will be removed from the program, and reclassified as "Domestic" or "Commercial"
3. District staff shall make reasonable efforts to communicate a certification or re-certification requirement, and may do so via mail, phone or email. Customers that do not respond to District attempts at contact shall be notified by certified letter.
4. District staff shall assist customers in preparing the necessary documentation as needed, confirm each account's eligibility and maintain a certification packet on file for all TSAWR accounts. Periodic SDCWA audits of the TSAWR program will require certification packet review of any participating TSAWR account at any time.
5. A complete certification packet includes:
 - a) A completed certification form (all necessary sections initialed, signed and dated)
 - b) A single "Verification of Commercial Sales" document or bill of sale (examples of qualifying documents include; bill of sale, sales receipts, fruit production "packout" summary, a License to Sell Nursery Stock, a pest control operator ID, a farming Schedule F, or a donation receipt)
 - c) TSAWR customers who would like to request an extension to provide a "Verification of Commercial Sales" document (due to a fallow period or other circumstances) must do so in writing.
6. TSAWR accounts that fail to certify and acknowledge eligibility as required by SDCWA or the District will be removed from the program.

 Fallbrook Public Utility District Certification for Commercial Agricultural Water Program	Name: _____ Owner/ Title: _____ Site Address: _____ Mailing Address: _____ Phone: _____ Email: _____ FPUD Account # _____ Meter # _____
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To participate in the COMMERCIAL AGRICULTURAL WATER PROGRAM as administered by Fallbrook Public Utility District, the applicant shall be required to provide the information, certification and acknowledgement as indicated on this form for each FPUD account.

Section 1 – QUALIFICATIONS FOR PROGRAM

To qualify for the above stated program, the water used shall be limited to parcels of land with a minimum of 1 acre of irrigated land used exclusively for the growing of agricultural, horticultural or floricultural product(s), produced for human consumption or for the market, or (2) for the feeding of fowl or livestock produced for human consumption or for the market, or (3) for the feeding of fowl or livestock for the purpose of obtaining their products for human consumption or for the market. Such products must be grown or raised on a parcel of land having an area of not less than one acre utilized exclusively therefore. Evidence of an Agricultural business must be provided via sales receipts, tax returns (such as the Schedule F), a “pack out” summary of production, License to Sell Nursery Stock, or a pest control operator ID. For other special circumstances, please contact FPUD.

Section 2 – PROPERTY INFORMATION

Complete this table for each parcel associated with the METER/ Account above.

Assessor's Parcel Number (APN)	Acreage of Parcel	Acreage Planted & Irrigated	Is there a residence on the Parcel	Type of crop	Number of trees	Approx. Income
EXAMPLE...125-125-10104YESAvocados#00>\$1,000

Section 3 – CERTIFICATION AND ACKNOWLEDGEMENT

Initial _____; I hereby certify that I am the owner, or authorized agent of the owner, of the above referenced property and that the information provided herein is true and correct. I further certify that water purchased under this Program will be utilized in accordance with the rules described above.

Initial _____; I hereby acknowledge as a participant in this Program that water purchased for agricultural purposes, as defined, is subject to reduction in delivery as defined by the FPUD.


Initial _____; I further acknowledge water purchased under the program, but done so on the basis of incorrect information supplied by the applicant of this form, or water utilized for uses other than agricultural purposes, may result in the assessment by the Fallbrook Public Utility District of water rates, penalties and charges as required, which I hereby agree to pay.

Property Owner's Signature _____ Date _____

FPUD Audit: <input type="checkbox"/> This property does not qualify. Note Reason: <input type="checkbox"/> This property qualifies. Irrigated Acreage _____, # trees: _____, Bill of sale reviewed?: _____ <input type="checkbox"/> Backflow requirements met: Yes ___ No ___ Comments _____

Fallbrook Public Utility District, 990 E. Mission Rd, Fallbrook, CA 92028

M E M O

TO: Board of Directors
FROM: Larry Ragsdale, Safety & Risk Administrator 
DATE: March 26, 2018
SUBJECT: ACWA JPIA Refund Check

Summary

The Joint Powers Insurance Authority (JPIA) presented the District with a refund check from the Retrospective Premium Adjustment (RPA) Stabilization Fund in the sum of \$74,761.62 and explained in the letter from the JPIA dated January 21, 2018, which is included with this agenda item. This refund is due to overall improvement in the District performance related to insurance claims.

Background:

The RPA Stabilization fund was implemented to stabilize retrospective premium adjustments for prior policy years. The pooled program consist of property, liability, workers compensation and is maintained separately for other member's "account" and is subject to change as our cost of claims become known.

Management has set established goals/Key Performance Indicators (KPI's) for programs that affect our insurance cost. These goals established a set of measures to assist in meeting those objectives. These measures allow the District to align with JPIA's - RPA program producing an outcome for the District to obtain refunds.

Recommended Action

This item is for information only. No action is required.

TO: FALLBROOK PUBLIC UTILITY DISTRICT

FROM: David deBernardi, Director of Finance 

DATE: January 30, 2018

RE: RPA Stabilization Fund Report

Enclosed is the RPA Stabilization Fund Report for your agency including backup documentation. For those agencies that have a balance that exceeds the attachment point, a check for the amount over the attachment point is also enclosed. Approximately 196 members are receiving a check with this report. Total refunds approximate \$6.7 million.

The RPA Stabilization Fund was established in 1999 to help stabilize the fluctuating cycle of refunds and billings for prior policy years. In 2001, the Executive Committee authorized expanding the Fund to include all pooled programs.

The report has several parts. It starts with the beginning balance, the amount on the books for each member before adjustments. The first adjustment is the Liability Program's 10/1/15-16 policy year Deposit Premium for actual payroll vs. estimated payroll. Afterwards, there are adjustments for the Liability, Property and Workers' Compensation programs. These program adjustments are Retrospective Premium Adjustments for prior policy years that still have open claims. Finally, if the resulting balance is negative by more than 40% (or positive by more than 50%) of the attachment point, the district is billed (refunded) for the difference.

Also enclosed is your agency Catastrophic Fund (CAT Fund) statement. This reports discloses the activity in the CAT Fund for the both the liability and workers' compensation programs.


It should be noted that each agency's balance is maintained separately for both RPA Stabilization Fund and CAT Fund and not all agencies' balances change at the same rate.

If you have any questions regarding the RPA Stabilization Fund or any of the adjustments, please call (800) 231-5742 or e-mail me at ddebernardi@acwaipia.com.

CONGRATULATIONS!

This page intentionally left blank.

M E M O

TO: Board of Directors
FROM: Jason Cavender, System Operations Manager 
DATE: March 26, 2018
SUBJECT: Operation and Maintenance of the Santa Margarita River Property

Purpose

To provide information to the Board on the operation and maintenance of the Santa Margarita River (SMR) Property

Summary

The District is currently providing security for the trailhead parking lot and is assisting with routine trash removal. Staff has also been working with the County of San Diego, Cal Fire, and North County Fire to address safety and emergency response issues. Staff will provide an update on property management and the recommendations from the fire districts.

Recommended Action

This is an information item. No board action needed.

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M E M O

TO: Board of Directors
FROM: Jack Bebee, Acting General Manager, JRB
DATE: February 26, 2018
SUBJECT: Consider a Resolution Requesting the Local Agency Formation Commission to Take Proceedings for the Expansion of Latent Sewer Powers and Making Certain Findings under the California Environmental Quality Act

Purpose

To present to the Board for consideration the proposed expansion of latent sewer powers for annexation of 0.56 acres adjacent to Winter Haven Rd and Hummingbird Hill Lane into the District Sewer Service Area and certain findings under the California Environmental Quality Act (“CEQA”).

Summary

A proposed parcel, 0.56 acres, adjacent to the District Sewer Service Area has requested annexation into the District’s sewer service area (see attached). Their septic system has failed and the owner is unable to repair the septic system without high costs. Staff has reviewed the request and the property can be served through existing District facilities in Winter Haven Rd. There is collection systems and treatment capacity to serve the development. At the February 2018 District board meeting, the board authorized staff to take necessary steps to advance the annexation, including required public noticing. The noticing has been completed.

California Environmental Quality Act

The proposed action is not subject to environmental review under State CEQA Guidelines section 15378 (not a project), State CEQA Guidelines section 15319 (Class 19 categorical exemption, annexations of existing facilities), and State CEQA Guidelines section 15061, subdivision (b)(3) (no possibility the proposed action may have a significant impact on the environment).

Recommended Action

That the Board adopt Resolution No. 4925 requesting LAFCO to take proceedings for the expansion of latent sewer powers for annexation of the parcel into the District’s Sewer Service Area and authorize staff to move forward with preparing materials for submission to LAFCO. The property owner shall responsible for all filing, annexation and capacity fees to LAFCO and the District, as required.

March 15, 2018

Fallbrook Public Utility District

990 E Mission Rd

Fallbrook CA 92028

Subject: annexation to the Sewer Service Area, APN 106-272-09-00

To: the Board of the Fallbrook Public Utility District

We respectfully request that our property be annexed into the Fallbrook Public Utility District Sewer Service Area.

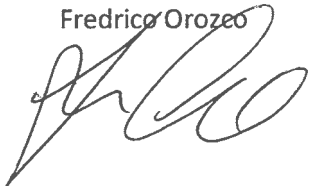
The reason for this request is the septic System is failing and we are unable to install a new leach field due to hardscape and other obstacles.

This property is 0.56 acres and is located at the intersection of Winter Haven Rd and Hummingbird Hill Lane, in the northwesterly corner of said intersection. Existing sewer mainline is located in Winter Haven Rd, in front of the subject property, and would not require any offsite sewer mainline extensions.

Your consideration of this request will be greatly appreciated.

Respectively submitted

Fredrico Orozco

A handwritten signature in black ink, appearing to read 'Fredrico Orozco', written over the printed name.

RESOLUTION NO. 4925

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE FALLBROOK PUBLIC UTILITY DISTRICT REQUESTING THE LOCAL AGENCY FORMATION COMMISSION TO TAKE PROCEEDINGS FOR THE EXPANSION OF LATENT SEWER POWERS AND MAKING CERTAIN FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

* * * * *

WHEREAS, the Board of Directors of the Fallbrook Public Utility District (FPUD) desires to initiate proceedings pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Division 3, commencing with Section 56000 of the California Government Code of expansion of latent sewer powers; and

WHEREAS, the Local Agency Formation Commission has previously granted latent sewer powers for the provision of sewer services consisting of collection, treatment, reclamation and disposal within specified areas of the FPUD; and

WHEREAS, the action requested is to expand FPUD's latent sewer powers for the annexation of the property specifically defined in the attached Exhibit "A" for the expansion of FPUD's latent sewer powers within FPUD's boundary; and

WHEREAS, it is the intention of FPUD to exercise its latent sewer powers to provide sewer service to the territory described in Exhibit "A"; and

WHEREAS, it is desired that the expansion of latent sewer powers be subject to the terms and conditions set forth in the District's Administrative Code and also subject to the terms and conditions set forth by LAFCO; and

WHEREAS, the reason for the proposed expansion of latent sewer powers is as follows: to provide sewer service to the applicant and/or owner of the property described in attached Exhibit "A"; and

WHEREAS, this proposal is consistent with the sphere of influence of the FPUD; and,

WHEREAS, in accordance with the provisions of Government Code section 56824.12, the Board of Directors held a public hearing at which the Board considered all written materials and oral testimony concerning the expansion of the latent sewer powers for annexation to provide sewer service to the applicant and/or owner of the property as described in Attached Exhibit "A;" and

WHEREAS, pursuant to the provisions of the California Environmental Quality Act ("CEQA"), the State CEQA Guidelines, and the FPUD's Local CEQA Guidelines, the proposed action is not a project under State CEQA Guidelines section 15378 because it does not have the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment; and

WHEREAS, in the event the proposed action is considered a project, it is categorically exempt from environmental review under State CEQA Guidelines section 15319 (Class 19) as an annexation to a special district containing an existing private structure developed to the density allowed by the current zoning where the extension of utility services to the existing facilities would have a capacity to serve only the existing facilities. The property that would receive sewer services contains a single family residence consistent with the County of San Diego's zoning for the property as R2 (Residential 2.0 Dwellings Units/Acre), and only the existing structure would be served. None of the exceptions to the exemptions found in State CEQA Guidelines section 15300.2 apply; and

WHEREAS, the proposed action is further exempt under State CEQA Guidelines section 15061, subdivision (b)(3) because it can be seen with certainty that there is no possibility the proposed action may have a significant impact on the environment.

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Directors of the Fallbrook Public Utility District request the Local Agency Formation Commission of San Diego County to take proceedings for the expansion of latent sewer powers to include the territory described in Exhibit "A", according to the terms and conditions stated above and in the manner provided by the Cortese-Knox Local Government Reorganization Act of 1985.

BE IT FURTHER RESOLVED THAT the Secretary of the FPUD is hereby authorized and directed to file a certified copy of this Resolution with the Local Agency Formation Commission and the Acting General Manager is authorized to take such other and future action as may be required to accomplish the expansion of latent sewer powers. All documents and other materials constituting the record of proceedings for this action shall be maintained by the Acting General Manager, or his designee, on file at the FPUD's offices located at 990 East Mission Road, Fallbrook, California 92028.

PASSED AND ADOPTED by the Board of Directors of the Fallbrook Public Utility District at a regular meeting of the Board held on the 26th day of March, 2018, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

President, Board of Directors

ATTEST:

Secretary, Board of Directors

EXHIBIT “A”



PROPOSED ANNEXATION SEWER SERVICE AREA
 FREDRICO OROZCO, 1206 WINTER HAVEN ROAD
 PARCEL APN: 106-272-09, 0.56 AC.

EXHIBIT "A"

LEGAL DESCRIPTION

APN: 106-272-09

THE LAND REFERRED TO HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF SAN DIEGO, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

THE WESTERLY 180.00 FEET OF THAT PORTION OF LOT 19 OF THE SUBDIVISION OF RANCHO MONSERATE, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 821 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY SEPTEMBER 26, 1896, DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT ON THE SOUTHERLY LINE OF SAID LOT 19, DISTANT THEREON SOUTH 89°38'12" EAST, 329.44 FEET FROM THE SOUTHWEST CORNER OF SAID LOT, SAID POINT OF BEGINNING BEING THE SOUTHEAST CORNER OF THE WEST 10 ACRES OF SAID LOT CONVEYED TO GARDNER H. NARBONNE, BY DEED DATED APRIL 30, 1914 AND RECORDED IN BOOK 653, PAGE 55 OF DEEDS, RECORDS OF SAID COUNTY; THENCE NORTH 00°09'12" WEST ALONG THE EAST LINE OF SAID LAND CONVEYED TO NARBONNE 80.15 FEET TO THE TRUE POINT OF BEGINNING, SAID LAST MENTIONED POINT ALSO BEING A POINT ON THE CENTER LINE OF COUNTY ROAD SURVEY NO. 398, AS FILED IN THE OFFICE OF THE COUNTY SURVEYOR OF SAN DIEGO COUNTY; THENCE ALONG THE CENTER LINE OF SAID COUNTY ROAD, NORTH 76°46'00" EAST 229.73 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 1000.00 FEET; THENCE NORTHEASTERLY ALONG SAID CURVE, 171.83 FEET THROUGH AN ANGLE OF 09°50'42" TO A POINT ON THE WEST LINE OF THE EAST 21.65 ACRES OF SAID LOT AS CONVEYED TO A. W. MORTON, BY DEED DATED JANUARY 6, 1914 AND RECORDED IN BOOK 643, PAGE 49 OF DEEDS; THENCE ALONG THE WEST LINE OF SAID EAST 21.45 ACRES, NORTH 00°09'14" WEST 250.00 FEET; THENCE PERPENDICULAR TO THE WEST LINE OF SAID EAST 21.65 ACRES, SOUTH 89°50'46" WEST 187.00 FEET; THENCE PARALLEL TO THE WEST LINE OF SAID EAST 21.65 ACRES, NORTH 00°09'14" WEST 219.43 FEET; THENCE PERPENDICULAR TO THE WEST LINE OF SAID EAST 21.65 ACRES, SOUTH 89°50'46" WEST 200.00 FEET TO A POINT ON THE EAST LINE OF SAID LAND CONVEYED TO NARBONNE; THENCE ALONG THE EAST LINE OF SAID LAND CONVEYED TO NARBONNE, SOUTH 00°09'14" EAST 574.46 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM THE NORTHERLY 390.00 FEET THEREOF.

M E M O

TO: Board of Directors
FROM: Fiscal Policy & Insurance Committee
DATE: March 26, 2018
SUBJECT: Selection of the Recommended Professional Auditing Firm

Purpose

Select an auditing firm to audit the District's financial statements and internal controls.

Summary

The District's current auditing firm is Macias Gini & O'Connell LLP (MGO). The engagement partner for MGO been in place since 2011. It is a best management practice to rotate auditors, when it is practical to do so, periodically. A new auditor can provide the Board with a fresh outlook and greater independence from management. Given MGO has served as the District's auditor for more than seven years, the Committee decided to conduct a solicitation for professional auditing services.

On December 21, 2017, the District issued a Request for Proposals (RFP) to Provide Professional Auditing Services. On February 26, 2018, the District received 12 responsive proposals. All of the proposals were evaluated based upon criteria that included firm qualifications, experience with water and wastewater districts, proposed team's qualifications, cost and time commitment and input from professional references. On March 14, 2018, the Committee and District staff interviewed the top three firms, which included Davis Farr, LLP, Leaf & Cole, LLP, and White Nelson Diehl Evans, LLP (WNDE). Each firm that was interviewed was evaluated based upon their response to the District's questions and the selection team's assessment of which auditor would best meet the Board's needs and work well with management. Based upon these criteria, the Committee is recommending the selection of WNDE. WNDE not only offered a highly qualified team and a firm with a deep bench of experts, but also a team with extensive local water experience. In addition, the proposed pricing was also very competitive. The District's auditing costs over the next five-years will be reduced by approximately \$65,000 when compared to the current annual cost levels. The Professional Service Contract and WNDE's engagement letter are provided as Attachment A.

Recommended Action

That the Board authorize staff to enter into a professional services agreement with WNDE for a five-year term at a not-to-exceed cost of \$170,000. The five-year contract term begins with fiscal year 2017-18. While the contract is for five years, it can be terminated at any time.

Attachment “A”

**AGREEMENT FOR PROFESSIONAL SERVICES
BETWEEN FALLBROOK PUBLIC UTILITY DISTRICT
AND
WHITE NELSON DIEHL EVANS LLP**

This Agreement is made and entered into as of March 19, 2018 by and between **FALLBROOK PUBLIC UTILITY DISTRICT** (hereinafter referred to as the “District”), a public utility district organized and operating under the Public Utility District Act, California Public Utilities Code section 15501 et seq. and **WHITE NELSON DIEHL EVANS LLP**, a certified public accounting and consulting firm (hereinafter referred to as “Consultant” or “Auditor”).

RECITALS

- A. District is a public agency of the State of California and is in need of professional services for the following project: Certified Audit (hereinafter referred to as “the Project”).
- B. Consultant is duly licensed and has the necessary qualifications to provide such services.
- C. The parties desire by this Agreement to establish the terms for District to retain Consultant to provide the services described herein.

AGREEMENT

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

- 1. Services. Consultant shall provide District with the services described in the Scope of Services attached hereto as Exhibit “A.”
- 2. Compensation.
 - a. Subject to paragraph 2(b) below, the District shall pay for such services in accordance with the Schedule of Charges set forth in Exhibit “B.”
 - b. In no event shall the total amount paid for services rendered by Consultant pursuant to Exhibit “A” exceed the sum of \$ **170,000** without the written approval of the District. Periodic payments shall be made within 30 days of receipt of a statement for services rendered. Payments to Consultant for work performed will be made on a monthly billing basis.
- 3. Additional Work. If changes in the work seem merited by Consultant or the District, and informal consultations with the other party indicate that a change is warranted, it shall be processed by in the following manner: a letter outlining the changes shall be forwarded to the District by Consultant with a statement of estimated changes in fee or time schedule. An amendment to the Agreement shall be prepared by the District and executed by both parties before performance of such

services or the District will not be required to pay for the changes in the scope of work. Such amendment shall not render ineffective or invalidate unaffected portions of this Agreement.

4. Maintenance of Records. Books, documents, papers, accounting records, and other evidence pertaining to costs incurred shall be maintained by Consultant and made available at all reasonable times during the Agreement period and for four (4) years from the date of final payment under the Agreement for inspection by the District.
5. Time of Performance. Consultant shall perform its annual services hereunder in a prompt and timely manner and shall commence performance upon receipt of a written Notice to Proceed from the District. Consultant shall complete the annual services required hereunder by the end of November each calendar year. The Notice to Proceed shall set forth the date of commencement of the work.
6. Delays in Performance.
 - a. Neither the District nor Consultant shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing party. For purposes of this Agreement, such circumstances include but are not limited to, abnormal weather conditions; floods; earthquakes; fire; epidemics; war; riots and other civil disturbances; strikes, lockouts, work slowdowns, and other labor disturbances; sabotage or judicial restraint.
 - b. Should such circumstances occur, the non-performing party shall, within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement.
7. Compliance with Law.
 - a. Consultant shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local government.
 - b. Consultant shall assist the District, as requested, in obtaining and maintaining all permits required of Consultant by Federal, State and local regulatory agencies.
 - c. Consultant is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled as a result of Consultant's services or operations performed under this Agreement.
8. Standard of Care. Consultant's services will be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions.

9. Assignment and Subconsultant. Consultant shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the District, which may be withheld for any reason. Nothing contained herein shall prevent Consultant from employing independent associates, and subconsultants as Consultant may deem appropriate to assist in the performance of services hereunder.
10. Independent Consultant. Consultant is retained as an independent contractor and is not an employee of the District. No employee or agent of Consultant shall become an employee of the District. The work to be performed shall be in accordance with the work described in Exhibit "A," subject to such directions and amendments from the District as herein provided.
11. Integration. This Agreement represents the entire understanding of the District and Consultant as to those matters contained herein, and supersedes and cancels any prior oral or written understanding, promises or representations with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing signed by both parties hereto. This is an integrated Agreement.
12. Insurance. Consultant shall not commence work for the District until it has provided evidence satisfactory to the District it has secured all insurance required under this section. In addition, Consultant shall not allow any subcontractor or subconsultant to commence work on any subcontract until it has secured all insurance required under this section.
 - a. Commercial General Liability.
 - (i) The Consultant shall take out and maintain, during the performance of all work under this Agreement, in amounts not less than specified herein, Commercial General Liability Insurance, in a form and with insurance companies acceptable to the District.
 - (ii) Coverage for Commercial General Liability insurance shall be at least as broad as the following:
 - (1) Insurance Services Office Commercial General Liability coverage (Occurrence Form CG 00 01) or exact equivalent.
 - (2) The policy shall contain no endorsements or provisions limiting coverage for (A) contractual liability; (B) cross liability exclusion for claims or suits by one insured against another; (C) products/completed operations liability; or (D) contain any other exclusion contrary to the Agreement.
 - (iii) Commercial General Liability Insurance must include coverage for the following:
 - (1) Bodily Injury and Property Damage

- (2) Personal Injury/Advertising Injury
- (3) Premises/Operations Liability
- (4) Products/Completed Operations Liability
- (5) Aggregate Limits that Apply per Project
- (6) Explosion, Collapse and Underground (UCX) exclusion deleted
- (7) Contractual Liability with respect to this Agreement
- (8) Broad Form Property Damage
- (9) Independent Consultants Coverage

- (iv) All such policies shall name the Fallbrook Public Utility District, the Board and each member of the Board, its officers, directors, employees, agents and the Fallbrook Public Utility District designated volunteers as Additional Insureds under the policy using ISO endorsement forms CG 20 10 10 01 and 20 37 10 01, or endorsements providing the exact same coverage.
- (v) The general liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by the District, and provided that such deductibles shall not apply to the District as an additional insured.

b. Automobile Liability.

- (i) At all times during the performance of the work under this Agreement the Consultant shall maintain Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned and hired vehicles, in a form and with insurance companies acceptable to the District.
- (ii) Coverage for automobile liability insurance shall be at least as broad as Insurance Services Office Form Number CA 00 01 (ed. 6/92) covering automobile liability, Code 1 (any auto).
- (iii) The automobile liability program may utilize deductibles, but not a self-insured retention, subject to written approval by the District and provided that such deductibles shall not apply to the District as an additional insured.
- (iv) All such policies shall name the Fallbrook Public Utility District, the Board and each member of the Board, its officers, directors, employees, agents and Fallbrook Public Utility District designated volunteers as Additional Insureds under the policies.

c. Workers' Compensation/Employer's Liability.

- (i) Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be

insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and he/she will comply with such provisions before commencing work under this Agreement.

- (ii) To the extent Consultant has employees at any time during the term of this Agreement, at all times during the performance of the work under this Agreement, the Consultant shall maintain full compensation insurance for all persons employed directly by him/her to carry out the work contemplated under this Agreement, all in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California and any acts amendatory thereof, and Employer's Liability Coverage in amounts indicated herein. Consultant shall require all subcontractors to obtain and maintain, for the period required by this Agreement, workers' compensation coverage of the same type and limits as specified in this section.
- (iii) Such insurance shall include an insurer's Waiver of Subrogation in favor of the District and will be in a form and with insurance companies acceptable to the District.

d. Professional Liability (Errors and Omissions).

- (i) At all times during the performance of the work under this Agreement the Consultant shall maintain professional liability insurance or Errors and Omissions insurance appropriate to its profession, in a form and with insurance companies acceptable to the District and in an amount indicated herein. This insurance shall be endorsed to include contractual liability applicable to this Agreement and shall be written on a policy form specifically designed to protect against acts, errors or omissions of the Consultant. "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend. The retroactive date, if any, of each such policy is to be no later than the effective date of this Agreement, and Consultant shall maintain such coverage continuously for a period of at least three (3) years following the completion of work under this Agreement.

e. Minimum Policy Limits Required.

- (i) The following insurance limits are required for the Agreement:

Combined Single Limit

Commercial General Liability	\$1,000,000 per occurrence/\$2,000,000 aggregate for bodily injury, personal injury and property damage
Automobile Liability	\$1,000,000 per occurrence for bodily injury and property damage
Workers' Compensation	Statutory
Employer's Liability	\$1,000,000 per occurrence
Professional Liability (E&O)	\$1,000,000 per claim and aggregate

- (ii) Defense costs shall be payable in addition to the limits.
- (iii) Requirement of specific coverage or minimum limits contained in this Agreement are not intended as a limitation on coverage, limits or any other requirement, or a waiver of any coverage normally provided by any insurance. Any available coverage shall be provided to the parties required to be named as Additional Insured pursuant to this Agreement.

f. Evidence Required.

- (i) Prior to execution of the Agreement, the Consultant shall file with the District evidence of insurance from an insurer or insurers certifying to the coverage of all insurance required herein. Such evidence shall include original copies of the ISO CG 00 01 (or insurer's equivalent) signed by the insurer's representative and Certificate of Insurance (Acord Form 25-S or equivalent), together with all endorsements to the policies described therein. All evidence of insurance shall be signed by a properly authorized officer, agent or qualified representative of the insurer and shall certify the names of the insured, any additional insureds, where appropriate, the type and amount of the insurance, the location and operations to which the insurance applies, and the expiration date of such insurance.

g. Policy Provisions Required.

- (i) All policies shall contain a provision for thirty (30) days prior written notice by the insurer(s) to the District of cancellation of any policy required by this Agreement, except that the Contractor shall provide at least ten (10) days prior written notice of cancellation of any such policy due to non-payment of premium. Statements that the carrier "will endeavor" and "that failure to mail such notice shall impose no obligation and liability upon the company, its agents or representatives," will not be acceptable on certificates. In the event

any insurer providing coverage required under this Agreement shall fail to provide the notice required in this section, Contractor shall be responsible to provide such notice to the District. If any of the required coverage is cancelled or expires during the term of this Agreement, the Contractor shall deliver renewal certificate(s) including the General Liability Additional Insured Endorsement to the District at least ten (10) days prior to the effective date of cancellation or expiration.

- (ii) All policies of Commercial General Liability and Automobile Liability Insurance shall contain a provision stating that Contractor's policies are primary insurance and that any insurance, self-insurance or other coverage maintained by the District or any named insureds shall not be called upon to contribute to any loss.
- (iii) All policies of Commercial General Liability and Automobile Liability insurance shall contain or shall be endorsed to contain a waiver of subrogation in favor of the Fallbrook Public Utility District, the Board and each member of the Board, its officers, directors, employees, agents and designated volunteers; or shall specifically allow Contractor or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Contractor hereby waives its own right of recovery against Fallbrook Public Utility District, the Board and each member of the Board, its officers, directors, employees, agents and designated volunteers, and shall require similar written express waivers and insurance clauses from each of its subcontractors.
- (iv) The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Further, the limits set forth herein shall not be construed to relieve the Contractor from liability in excess of such coverage, nor shall it limit the Contractor's indemnification obligations to the District and shall not preclude the District from taking such other actions available to the District under other provisions of the Agreement or law.

h. Qualifying Insurers.

- (i) All policies required shall be issued by acceptable insurance companies, as determined by the District, which satisfy the following minimum requirements:

Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and admitted to transact in the business of insurance in the State of California, or otherwise allowed to place insurance

through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

- i. Additional Insurance Provisions.
 - (i) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by the District, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.
 - (ii) If at any time during the life of the Agreement, the Consultant fails to maintain in full force any insurance required by the Agreement documents, the District has the right but not the duty to acquire the insurance it deems necessary and deduct the cost thereof from the appropriate progress payments due the Consultant, or backcharge the Consultant for such costs in the event they exceed the amount of unpaid progress payments due the Consultant. In the alternative, District may in its sole discretion terminate this Agreement for cause.
 - (iii) The District may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.
 - (iv) Neither the District, nor the Board, nor any member of the Board, nor any of the directors, officers, employees, agents or volunteers shall be personally responsible for any liability arising under or by virtue of the Agreement.
 - (v) Insurance certificates shall be attached hereto as Exhibit "C."
 - j. Subcontractor Insurance Requirements. Contractor shall not allow any subcontractors or subconsultants to commence work on any subcontract until they have provided evidence satisfactory to the District that they have secured all insurance required under this section. Policies of commercial general liability insurance provided by such subcontractors or subconsultants shall be endorsed to name the District as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage.
13. Indemnification. To the fullest extent permitted by law, Consultant shall defend (with counsel of District's choosing), indemnify and hold the District, its Board, members of the Board, employees, and authorized volunteers free and harmless from any and all claims, demands, causes of action, suits, actions, proceedings, costs, expenses, liability, judgments, awards, decrees, settlements, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any alleged acts,

errors or omissions, or willful misconduct of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant's services, the Project or this Agreement, including without limitation the payment of all consequential damages, expert witness fees and attorneys' fees and other related costs and expenses. Notwithstanding the foregoing, to the extent Consultant's services are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to Claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the District, its Board, members of the Board, employees, or authorized volunteers.

14. California Labor Code Requirements.

- a. Consultant is aware of the requirements of California Labor Code Sections 1720 et seq and 1770 et seq., which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws, if applicable. Consultant shall defend, indemnify and hold the District, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It shall be mandatory upon the Consultant and all subconsultants to comply with all California Labor Code provisions, which include but are not limited to prevailing wages, employment of apprentices, hours of labor and debarment of contractors and subcontractors.
- b. If the services are being performed as part of an applicable "public works" or "maintenance" project, in addition to the foregoing, then pursuant to Labor Code Sections 1725.5 and 1771.1, the Consultant and all subconsultants must be registered with the Department of Industrial Relations ("DIR"). Consultant shall maintain registration for the duration of the project and require the same of any subconsultants. This project may also be subject to compliance monitoring and enforcement by the DIR. It shall be Consultant's sole responsibility to comply with all applicable registration and labor compliance requirements, including the submission of payroll records directly to the DIR.

15. District Material Requirements. Consultant is hereby made aware of the District's requirements regarding materials, as set forth in District Standards, which are deemed to be a part of this Agreement.

16. Laws, Venue, and Attorneys' Fees. This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to

interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of San Diego, State of California. In the event of any such litigation between the parties, the prevailing party shall be entitled to recover all reasonable costs incurred, including reasonable attorney's fees, as determined by the court.

17. Termination or Abandonment.

- a. The District has the right to terminate or abandon any portion or all of the work under this Agreement by giving ten (10) calendar days written notice to Consultant. In such event, the District shall be immediately given title and possession to all original field notes, drawings and specifications, written reports and other documents produced or developed for that portion of the work completed and/or being abandoned. The District shall pay Consultant the reasonable value of services rendered for any portion of the work completed prior to termination. If said termination occurs prior to completion of any task for the Project for which a payment request has not been received, the charge for services performed during such task shall be the reasonable value of such services, based on an amount mutually agreed to by the District and Consultant of the portion of such task completed but not paid prior to said termination. The District shall not be liable for any costs other than the charges or portions thereof which are specified herein. Consultant shall not be entitled to payment for unperformed services, and shall not be entitled to damages or compensation for termination of work.
- b. Consultant may terminate its obligation to provide further services under this Agreement upon ninety (90) calendar days' written notice to the District only in the event of substantial failure by the District to perform in accordance with the terms of this Agreement through no fault of Consultant.

18. Documents. Except as otherwise provided in Section 17, above, all original field notes, written reports, Drawings and Specifications and other documents, produced or developed for the Project shall, upon payment in full for the services described in this Agreement, be furnished to and become the property of the District.

19. Organization. Consultant shall David Forman, CPA as Project Manager. The Project Manager shall not be removed from the Project or reassigned without the prior written consent of the District.

20. Notice. Any notice or instrument required to be given or delivered by this Agreement may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to:

District:

Fallbrook Public Utility District
P.O. Box 2290
Fallbrook, CA 92088-2290

Consultant:

White Nelson Diehl Evans LLP
2965 Roosevelt Street, Suite A
Carlsbad, CA 92008

Attn.:

Attn.:

and shall be effective upon receipt thereof.

- 21. Third Party Rights. Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than the District and the Consultant.
- 22. Severability. The unenforceability, invalidity or illegality of any provision(s) of this Agreement shall not render the other provisions unenforceable, invalid or illegal.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

FALLBROOK PUBLIC UTILITY DISTRICT

WHITE NELSON DIEHL EVANS LLP

By: _____
 Jack Bebee
 Acting General Manager

By: _____
 Name: _____
 Title: _____

EXHIBIT A

PROPOSED SCOPE OF WORK

Scope of Required Services

The Consultant will be required to provide the following services: (Note: this may not be a complete list of all services required to complete the annual audit). The Auditor's Engagement Letter is provided as Exhibit D.

1. Audit the District's basic financial statements in accordance with Generally Accepted Auditing Standards (GAAS) 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 State Controller's Minimum Audit Requirements for California Special Districts and any other applicable standards.
2. The District is requesting the Auditor examine the District's financial information Express an opinion on both financial statements as to whether they present fairly, in all material respects, the financial position of the District and the changes in financial position and cash flows in conformity with Generally Accepted Accounting Principles (GAAP), and issue an independent Auditor's report stating this opinion.
3. The auditor will evaluate the adequacy of the internal control system and where weaknesses are noted, make appropriate recommendations for improvements.
4. The Auditor will be required to make an immediate written report of all irregularities, fraud and illegal acts, of which they become aware, to the Board President and General Manager.
5. The audit will cover the general purpose financial statements and supporting documentation and schedules. The Auditor will assist the District in providing more meaningful and concise financial statements by seeking improved methods of reporting.
6. The Auditor shall also be responsible for performing certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards.
7. If necessary, the Auditor shall prepare a Single Audit in conformance with Governmental Accounting Standards. For June 30, 2018, a Single Audit is not anticipated.
8. Prepare the Annual Audited Financial Statements, including all required notes and Management Discussion and Analysis (as needed) and the Supplementary Information contained in the Audited Financial Statements.
9. The Auditor shall at a minimum each year conduct the following meetings: Fiscal Policy & Insurance Committee (Two); Board/Committee (One).
10. Management will provide the Introductory and Statistical Section of the CAFR, and the Auditor will apply limited procedures.
11. Review the final draft of the audit for compliance with the GFOA Certificate of Achievement for Excellence in Financial Reporting. It is anticipated that June 30, 2018 will be the first year the CAFR will be submitted for the award.
12. Draft of the Audit shall be submitted to the Committee no later than November 1 each year.
13. All working papers and reports must be retained, at the Auditor's expense, for a minimum of five (5) years, unless the firm is notified in writing by the District of the need to extend the retention period.

EXHIBIT B

SCHEDULE OF CHARGES

Consultant will invoice Fallbrook Public Utility District (“District”) on a monthly cycle. Consultant will include with each invoice a detailed progress report that indicates the amount of budget spent on each task and the percent complete for each task. Consultant will inform District regarding any out-of-scope work prior to that work being performed by Consultant. This is a time-and-materials contract.

	Year Ending 6/30/2018	Year Ending 6/30/2019	Year Ending 6/30/2020	Year Ending 6/30/2021	Year Ending 6/30/2022
Financial audit and preparation of the basic financial statements	\$33,000	\$33,500	\$34,000	\$34,500	\$35,000
Total All- Inclusive Price	\$33,000	\$33,500	\$34,000	\$34,500	\$35,000

EXHIBIT C
INSURANCE CERTIFICATES

EXHIBIT D

March 19, 2018

Mr. Jack Bebee, Acting General Manager &
Mr. David Shank, Assistant General Manager & Chief Financial Officer
Fallbrook Public Utility District
990 E. Mission Road
P.O. Box 2290
Fallbrook, CA 92088

Dear Mr. Bebee & Mr. Shank:

We are pleased to confirm our understanding of the services we are to provide Fallbrook Public Utility District for the year ending June 30, 2018. We will audit the financial statements of the Enterprise Fund and Fiduciary Fund, including the related notes to the financial statements, which collectively comprise the basic financial statements of Fallbrook Public Utility District as of and for the year ending June 30, 2018. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Fallbrook Public Utility District's 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. As part of our engagement, we will apply certain limited procedures to Fallbrook Public Utility District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding 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 will 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. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Cost- Sharing Defined Benefit Pension Plan Schedule of the District's Proportionate Share of the Net Pension Liability
- 3) Cost- Sharing Defined Benefit Pension Plan Schedule of Contributions
- 4) Schedule of Changes in the District's Net OPEB Liability and Related Ratios
- 5) OPEB - Schedule of District Contributions

We have also been engaged to report on supplementary information other than RSI that accompanies Fallbrook Public Utility District's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit for the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole.

- 1) Schedule of Revenue and Expenses by Operating Department for the Year Ended June 30, 2018
- 2) Schedule of Revenue and Expenses by Operating Department for the Year Ended June 30, 2017

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditors' report will not provide an opinion or any assurance on that other information.

- 1) Introductory Section
- 2) Statistical Section

Audit Objective

The objective of our audit is the expression of an opinion as to whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information listed above when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such an opinion. We will issue a written report upon the completion of our audit of Fallbrook Public Utility District's financial statements. Our report will be addressed to the Board of Directors of Fallbrook Public Utility District. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add emphasis-of-matter or other-matter paragraphs. If our opinion on the financial statements is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or may withdraw from this engagement.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. 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 will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the District or to acts by management or employees acting on behalf of the District.

Audit Procedures—General (continued)

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditor.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the District and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Fallbrook Public Utility District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion

Other Services

We will also assist in preparing the financial statements of Fallbrook Public Utility District in conformity with U.S. generally accepted accounting principles based on information provided by you. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgement, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for designing, implementing, and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the District received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the District complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management Responsibilities (continued)

You agree to assume all management responsibilities for financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

We expect to begin our June 30, 2018 audit in July 2018 and to issue our reports no later than November 15, 2018. David B. Forman, CPA, is the engagement partner and is responsible for supervising the engagement and signing the report.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree our gross fee, including expenses, will not exceed the following amounts:

District Audit – June 30, 2018	<u>\$ 33,000</u>
Total All-Inclusive Price	<u>\$ 33,000</u>

Engagement Administration, Fees, and Other (continued)

Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Any disputes arising under this agreement shall be mediated under the rules of the American Arbitration Association.

* * * *

We appreciate the opportunity to be of service to Fallbrook Public Utility District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

White Nelson Diehl Evans LLP

By 

David B. Forman CPA
Engagement Partner

RESPONSE:

This letter currently sets forth the understanding of Fallbrook Public Utility District.

By: Jack Bebee, ^{Acting} General Manager

By: David Shank, Assistant General Manager and Chief Financial Officer

Signature: _____

Signature: _____

Date: _____

Date: _____

M E M O

TO: Board of Directors
FROM: Jack Bebee, Acting General Manager , JRB
DATE: March 26, 2018
SUBJECT: California Special Districts Association Board of Directors Call for Nominations Seat A

Purpose

Fallbrook Public Utility District is a member of the California Special Districts Association (CSDA), and the CSDA Elections and Bylaws Committee is looking for Independent Special District Board Members, or their General Managers, who are interested in leading the direction of CSDA for the 2019-2021 term.

Summary

The leadership of CSDA is elected from six geographical networks, and each network has three seats on the Board with staggered 3-year terms. Fallbrook Public Utility District is located within the Southern Network, and the current Call for Nominations is for Seat A. The incumbent in Seat A is Jo Mackenzie, who is a Director of the Vista Irrigation District, and will be running for re-election.

Attached are the following items for the Board's information: (1) CSDA Board of Directors Call for Nominations Seat A, (2) 2018 Board of Directors Nomination Form, (3) 2018 CSDA Board Candidate Information Sheet, and (4) draft resolution. The Call for Nominations enumerates the commitment and expectations of the position.

If nominated by the Board, the nominee's name will be inserted in attached draft Resolution No. 4928 and forwarded to CSDA by April 18, 2018, the deadline for nominations, along with the Nomination Form and Candidate Information Sheet.

Recommended Action

Staff supports the Board's direction.



**California Special
Districts Association**

Districts Stronger Together

DATE: February 16, 2018
TO: CSDA Voting Member Presidents and General Managers
FROM: CSDA Elections and Bylaws Committee
**SUBJECT: CSDA BOARD OF DIRECTORS CALL FOR NOMINATIONS
SEAT A**

The Elections and Bylaws Committee is looking for Independent Special District Board Members or their General Managers who are interested in leading the direction of the California Special Districts Association for the 2019 - 2021 term.

The leadership of CSDA is elected from its six geographical networks. Each of the six networks has three seats on the Board with staggered 3-year terms. Candidates must be affiliated with an independent special district that is a CSDA Regular member in good standing and located within the geographic network that they seek to represent. (See attached CSDA Network Map)

The CSDA Board of Directors is the governing body responsible for all policy decisions related to CSDA's member services, legislative advocacy, education and resources. The Board of Directors is crucial to the operation of the Association and to the representation of the common interests of all California's special districts before the Legislature and the State Administration. Serving on the Board requires one's interest in the issues confronting special districts statewide.

Commitment and Expectations:

- Attend all Board meetings, usually 4-5 meetings annually, at the CSDA office in Sacramento.
- Participate on at least one committee, meets 3-5 times a year at the CSDA office in Sacramento.
(CSDA reimburses Directors for their related expenses for Board and committee meetings as outlined in Board policy).
- Attend, at minimum, the following CSDA annual events: Special Districts Legislative Days - held in the spring, and the CSDA Annual Conference - held in the fall.
- Complete all four modules of CSDA's Special District Leadership Academy within 2 years of being elected.
(CSDA does not reimburse for expenses for the two conferences or the Academy classes even if a Board or committee meeting is held in conjunction with the events).

(over)

Nomination Procedures: Any Regular Member in good standing is eligible to nominate one person, a board member or managerial employee (as defined by that district's Board of Directors), for election to the CSDA Board of Directors.

- **A copy of the member district's resolution or minute action and Candidate Information Sheet must accompany the nomination.**
- **Deadline for receiving nominations is April 18, 2018. Nominations and supporting documentation may be mailed or emailed to Beth Hummel. No faxes please.**

Mail: CSDA Attention: Beth Hummel
1112 I Street, Suite 200, Sacramento, CA 95814
E-mail: bethh@csda.net

Once received, nominees will receive a candidate's letter in the mail. The letter will serve as confirmation that CSDA has received the nomination and will also include campaign guidelines.

Expiring Terms

(See enclosed map for Network breakdown)

Northern Network Seat A-Ralph Emerson, GM, Garberville Sanitary District*
Sierra Network Seat A-Noelle Mattock, Director, El Dorado Hills CSD*
Bay Area Network Seat A-Robert Silano, Director, Menlo Park Fire Protection District*
Central Network Seat A-Joel Bauer, GM, West Side Cemetery District*
Coastal Network Seat A-Elaine Magner, Director, Pleasant Valley Recreation & Park District*
Southern Network Seat A-Jo MacKenzie, Director, Vista Irrigation District*
(* = Incumbent is running for re-election)

If you have any questions, please contact Beth Hummel at 877-924-CSDA or bethh@csda.net.

NEW THIS YEAR!

This year we will be using a web-based online voting system, allowing your district to cast your vote easily and securely. *Electronic Ballots will be emailed to the main contact in your district June 18, 2018. All votes must be received through the system no later than 5:00 p.m. August 10, 2018.*

*Districts can opt to cast a paper ballot instead; but you must contact Beth by e-mail Bethh@csda.net by **April 18, 2018** in order to ensure that you will receive a paper ballot on time.*

CSDA will mail paper ballots on June 17 per district request only. ALL ballots must be received by CSDA no later than 5:00 p.m. August 10, 2018.

The successful candidates will be notified no later than August 14, 2018. All selected Board Members will be introduced at the Annual Conference in Indian Wells, CA in September 2018.



**California Special
Districts Association**
Districts Stronger Together

2018 BOARD OF DIRECTORS NOMINATION FORM

Name of Candidate: _____

District: _____

Mailing Address: _____

Network: _____ (see map on back)

Telephone: _____
(PLEASE BE SURE THE PHONE NUMBER IS ONE WHERE WE CAN REACH THE CANDIDATE)

Fax: _____

E-mail: _____

Nominated by (optional): _____

Return this form and a Board resolution/minute action supporting the candidate and Candidate Information Sheet by mail, or email to:

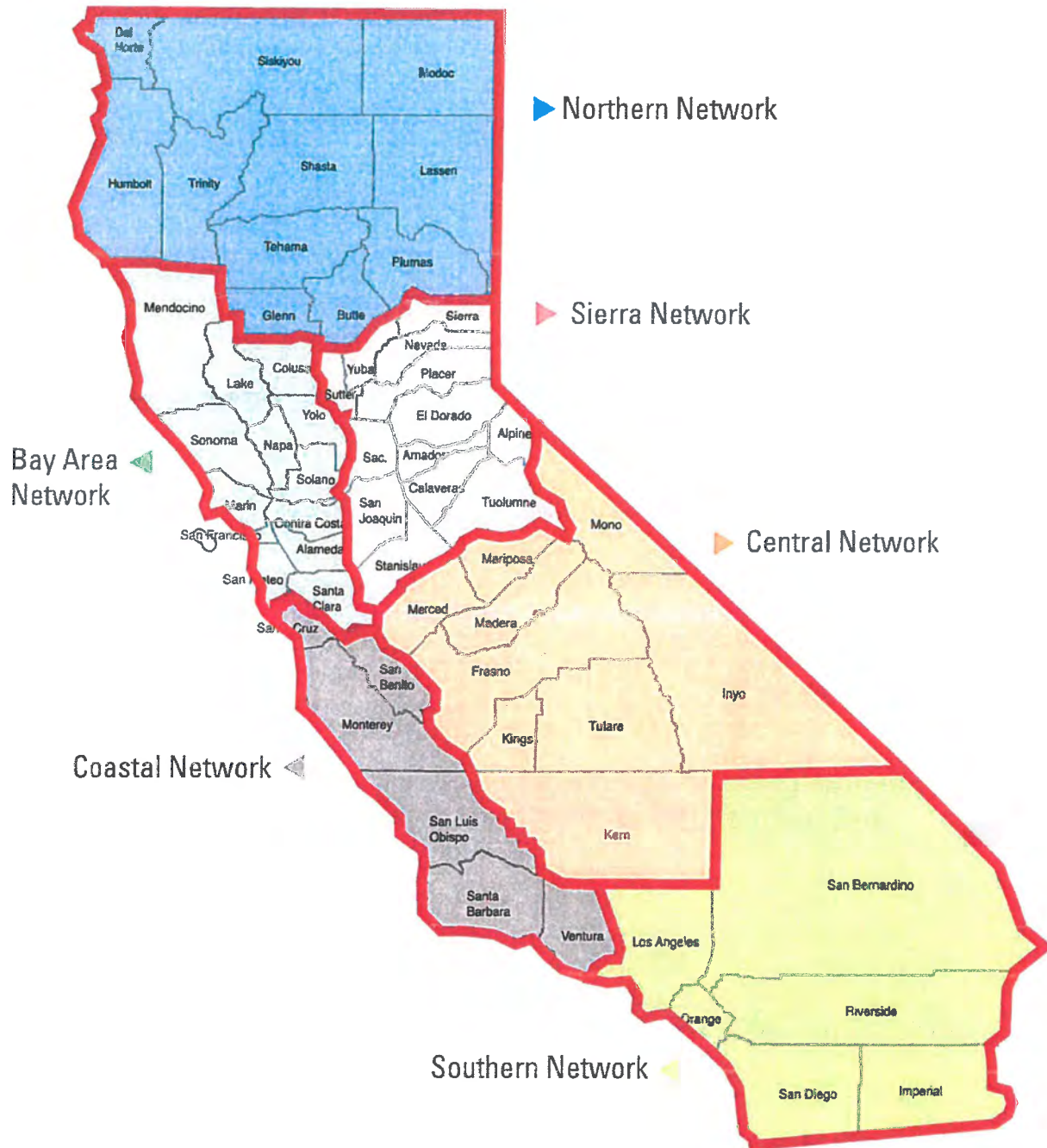
CSDA
Attn: Beth Hummel
1112 I Street, Suite 200
Sacramento, CA 95814
(877) 924-2732 (916) 442-7889 fax

bethh@csla.net

DEADLINE FOR RECEIVING NOMINATIONS – April 18, 2018



California Special Districts Association
DISTRICT NETWORKS





2018 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

Name: _____

District/Company: _____

Title: _____

Elected/Appointed/Staff: _____

Length of Service with District: _____

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):

2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):

3. List local government involvement (such as LAFCo, Association of Governments, etc.):

4. List civic organization involvement:

****Candidate Statement** – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. **Any statements received in the CSDA office after May 31, 2018 will not be included with the ballot.**

RESOLUTION NO. 4928

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE FALLBROOK PUBLIC UTILITY DISTRICT
NOMINATING [INSERT NAME HERE] AS A MEMBER OF THE
CALIFORNIA SPECIAL DISTRICTS ASSOCIATION BOARD OF
DIRECTORS REPRESENTING THE SOUTHERN NETWORK

* * * * *

WHEREAS, being a member district of the California Special Districts Association (CSDA), the Board of Directors of the Fallbrook Public Utility District (FPUD) does encourage and support the participation of its members in CSDA affairs; and

WHEREAS, [Insert Name Here] has served as a member of the FPUD Board of Directors and has indicated a desire to serve as a member of the CSDA Board for the Southern Network.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Fallbrook Public Utility District does place its full and unreserved support in the nomination of [Insert Name Here] for the CSDA Board position representing the Southern Network; and

PASSED AND ADOPTED by the Board of Directors of the Fallbrook Public Utility District at a regular meeting of the Board held on the 26th day of March, 2018, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

President, Board of Directors

ATTEST:

Secretary, Board of Directors

M E M O

TO: Board of Directors
FROM: Noelle Denke, Public Affairs Specialist
DATE: March 26, 2018
SUBJECT: Donation of Supplies to Community Groups

Purpose

To determine if the Board wishes to supply donations of supplies to local, nonprofit community groups.

Summary

Periodically, entities such as youth sports, local schools and nonprofits for community events will request monetary donations. In the past, the practice has been to inform these local organizations that as a public entity, we cannot give a cash donation but can instead donate supplies such as trash bags for a community clean-up event. Going forward, it is prudent to seek the Board's direction with these donations. Below is a list of requests:

- Fallbrook Youth Soccer League: requests 150 reusable sports water bottles with the FPUD logo. Last year, the District made this donation and the children used them on the playing field throughout the season.
- Foundation for Senior Care with REINS Therapeutic Horsemanship Program: requests a general donation for a May 5 fundraising event.
- William H. Frazier School PTSA: requests donations for school supplies or to fund school field trips, assemblies and other functions.

Supporting documentation is included with this memo.

Recommended Action

Staff supports Board's direction.



FALLBROOK YOUTH SOCCER LEAGUE
P.O. BOX 271
FALLBROOK, CA 92088

760.529.0909

www.fbysl.org



Dear Potential Sponsor,

We are proud to be entering our 42nd year providing Fallbrook with its largest youth sports organization, serving over 1000 children. With appreciation, we directly attribute our continued success to the support of many volunteers along with generous donations from community businesses and individuals.

As a non-profit organization, we operate primarily on registration fees and generous donations. Many of our soccer players would not have the opportunity to play soccer without our Financial Aid Assistance Program and the generous donations from sponsors like you. Your donation also helps pay for fields, equipment and training to keep the costs down for all players.

We believe that all children should be able to participate in programs that enrich their lives and provide them with the physical, mental and character building benefits that being part of a soccer team provides.

Every child with the desire can play soccer. Families who may be financially challenged are able to request help through our Financial Aid Assistance Program. It is our desire to keep this Program funded. Through various fundraising efforts and the additional support coming from our sponsors, the children greatly benefit and are able to stay involved in organized sports. FYSL provides this venue to boys and girls of all ages with a goal "that each and every child be given the chance to play".

Fallbrook Youth Soccer thanks you in advance for your consideration and support. All donations are tax deductible and will be placed in our general fund to benefit the children. A donation receipt will be mailed to you.

Keeping our children running about in bright colored uniforms, kicking a soccer ball to good health and having a great time is a **wow!!!!** We certainly appreciate your help continuing to make this happen.

Sincerely,

Fallbrook Youth Soccer League
Board of Directors

Thank you for supporting Fallbrook Youth Soccer League and helping our children.



Fallbrook Public Utility District
Mary Lou Boultinghouse
P.O. Box 2290
Fallbrook, CA 92088

February 7, 2018

Dear Mary Lou,

We are excited to announce that due to the popularity of the last years event, REINS Therapeutic Horsemanship Program and the Foundation for Senior Care will again host:

'Horses, Hats & Hope' a **Kentucky Derby Party**
benefitting REINS Therapeutic Horsemanship Program and the Foundation for Senior Care
will be held on **May 5th** at **REINS in Fallbrook**.

Our organizations already serve many of the same clients. In fact, the Foundation for Senior Care's Care Van program helps provide transportation for some of REINS students.

Together we provide services and resources that serve our youngest to oldest community members. Both agencies have served the community for over 30 years and are excited to partner for this joint fundraiser. Whether your passion is in caring for children, adults, or seniors this is your event.

The event will feature a **Jumbo Screen** live streaming **NBC Kentucky Derby** coverage beginning at 12:00 pm. This year's race date falls on Cinco de Mayo, so in addition to the derby favorites of Mint Juleps, Bourbon Tasting Bar, and Race Day Raffles, a fabulous Mexican lunch with Tequila Tastings will be served. Ladies are encouraged to don their most stylish hats, while the gentlemen can show off their best derby attire!

Like many other nonprofits, we rely on fundraising events to generate money to cover program and operating expenses. We look to our community for sponsorships, raffle prizes and ticket sales. We have put together some great sponsorship opportunities and hope you will take a moment to see how your business can participate in this unique event. Both organizations have strong social media and community reach ensuring your organization maximum recognition for your sponsorship. Thank you for considering sponsorship of this great event and two fabulous nonprofit partners.



Aldo Angeles gives two thumbs up to REINS and the Foundation for Senior Care!

In gratitude,

Rachel A. Mason, M.S., M.A.
Executive Director
Foundation for Senior Care

Debbie Shinner
Executive Director
REINS Therapeutic Horsemanship Program

P.O. Box 2155, Fallbrook, CA 92088
Tax id# 95-3389263



P.O. Box 1283, Bonsall, CA 92003
Tax id# 33-0035455

All sponsors will receive prominent display of sponsor logo on both organizations websites, recognition for a year in E-Newsletters and dedicated social media postings through each organization's site (creating visibility to over 12,000 followers/connections).

Churchhill Downs Sponsor \$10,000

- Three Reserved Tables and bottomless drinks, seating for 8 with table recognition
- Event materials and prominent placement on each event program
- **Foundation for Senior Care** will recognize the sponsor with a rear window signage on Care Van for one year, with 2 additional logo medallion signs on the remaining 2 Care Vans
- Two Corporate Bricks (8"x8") with company name or in memorial on Foundation for Senior Care's campus walkway
- **REINS** will recognize the sponsor with a dedicated therapy horse sponsorship, a large logo banner displayed at the entrance to the facility, and an inscribed brick along Clip-Clop Way

Grandstand Sponsor \$5,000

- Two Reserved Tables and bottomless drinks, seating for 8 with table recognition
- Event materials and prominent placement on each event program
- **Foundation for Senior Care** will recognize sponsor with a top-mount sign on Care Van for one year.
- One Corporate Brick (8"x8") with company name or in memorial on Foundation for Senior Care's campus walkway
- **REINS** will recognize the sponsor with a dedicated therapy horse sponsorship, a large logo banner displayed at the entrance to the facility, and an inscribed brick along Clip-Clop Way

Centerfield Sponsor \$2,500

- One Reserved Table and bottomless drinks, seating for 8 with table recognition
- Event materials and prominent placement on each event program
- **Foundation for Senior Care** will recognize the sponsor with 2 logo medallion signs on the Care Vans and logo on banner posted on campus

Stand by the Rail Sponsor \$1,000

- Four VIP event tickets with bottomless drinks and souvenir glasses
- Event materials and prominent placement on each event program
- **Foundation for Senior Care** will recognize the sponsor with one logo medallion sign on a Care Van and logo on banner posted on campus

Thoroughbred Sponsor \$500

- Two VIP event tickets with bottomless drinks and souvenir glasses
- Sponsorship listing on all event materials

Horseshoe Sponsor

Donated Raffle and Auction items are also great way to support our event and get sponsorship recognition.

Please contact Kim at (760)731-9168 or kim@reinsprogram.org to reserve your sponsorship opportunity today!



Yes, We Want to be an Event Partner!

Select sponsor level:

- | | |
|---|---|
| <input type="radio"/> Churchill Downs - \$10,000 | <input type="radio"/> Grandstand - \$5,000 |
| <input type="radio"/> Centerfield - \$2,500 | <input type="radio"/> Stand by the Rail - \$1,000 |
| <input type="radio"/> Thoroughbred - \$500 | |
| <input type="radio"/> Other - donation amount _____ | |

Company/Name: _____

Contact Person: _____

Phone Number: (____) _____ Email: _____

Address: _____

City/State: _____ Zip: _____

Credit Card Number: _____

Expiration Date: _____ CVV Code: _____ Billing zip code: _____

Name on Card: _____

Check is enclosed: _____

Yes, we want to be a Horseshoe Sponsor and offer a donation of goods or services!

Description: _____

Value: _____

**Please mail form and payment to:
REINS Therapeutic Horsemanship Program
PO Box 1283, Bonsall, CA 92003**

**For questions, please contact Kim Shinner at
760-731-9168 or kim@reinsprogram.org**

REINS Therapeutic Horsemanship Program is a tax exempt, 501 (c)(3) nonprofit charitable organization.

Tax ID 33-0035455

Foundation for Senior Care is a tax exempt, 501 (c)(3) nonprofit charitable organization.

Tax ID 95-3389263

Your donation is tax-deductible to the extent allowable by the IRS.



January 12, 2018

Dear Local Business Owner,

I am a representative of William H. Frazier Elementary School PTSA, located in Fallbrook. The dollars our PTSA raises all go towards funding the school's field trips, assemblies, music program, equipment for PE and school supplies that enable our students to enjoy a well-rounded, enriched and fulfilling educational experience. We need your help. Without monetary donation support from businesses like yours, these programs would not be possible.

William H. Frazier is a Title I, K-6 Elementary School; our PTSA is a non-profit 501(c)3 organization, Tax ID#33-0859469, California PTA ID#5432.

If you are unable to assist with a monetary donation, we are hosting an end of the school year Silent Auction Fundraiser on May 15th, if you have something you would like to donate towards that.

On behalf of the William H. Frazier PTSA, we would like to thank you for your support and donation.

Sincerely,
William H. Frazier Elementary PTSA

Contact Info:
Courtney Hilborn – 760-807-7673 (Cell)
PTSA – President
William H. Frazier Elementary
1835 Gum Tree Lane
Fallbrook, CA 92028

All checks are made payable to: WHF PTA

1. **Public Outreach**

The SDCWA has initiated a “Brought to you by Water Campaign” to help inform the region on the importance of continued investments in water supplies and infrastructure. The Board approved a contract with Southwest Strategies for \$244,000 to continue to expand the outreach under this program. The main goals of this program is to promote the value of water, re-energize stakeholders and expand outreach. The program will be coordinated with member agencies.

2. **Legislation**

SDCWA continues to monitor some key legislation that would impact local water district’s operations including the proposed water tax to fund Disadvantaged Communities and new long-term water use efficiency regulations. The water tax was brought back to life through a budget trailer bill and it is being monitored closely by SDCWA staff.

3. **Engineering and Operations**

SDCWA is continuing to pursue a energy storage project at San Vicente Reservoir. The project is intended to be a public-private-partnership project that would be funded by the private entity. More details are expected to be provided at the March 22 Board meeting and updates will be reported during the District Board meeting.

4. **MWD Litigation**

There continue to be a number of outstanding litigation issues between MWD and SDCWA. SDCWA has submitted the Local Resource Program (LRP) applications to MWD to request funded to off-set new water supplies. The District’s application was submitted to MWD. SDCWA at the same time is continuing to litigate that the program that funds LRP is illegal.

Status of Key Capital Projects

Harris PS Electrical Improvements

Awarded Construction Cost	\$392,750
Change Orders	\$ -
Total Cost	\$ 392,750.00
Total Completed	\$ 22,000.00
Percent Complete	6%
End Date	6/4/2018
Days Added	
Funding Source	Water Capital

SMRCUP Design

Awarded Design Cost*	\$ 3,205,140.00
Contract Ammendments	\$ 2,619.00
Total Cost	\$ 3,207,759.00
Total Completed	\$2,431,431
Percent Complete**	76%
End Date	4/1/2017
Days Added	0
* Only Preliminary Design and Design Task was Authorized for \$2,433,846	
**Authorized Tasks Completed (Design Complete)	
Funding Source	Prop 50 Grant: \$2.4 Million Balance Water Capital

Overland Trail Lift Station Design

Awarded Design Cost	\$252,842
Change Orders	\$ -
Total Cost	\$ 252,842.00
Total Completed	\$ -
Percent Complete	0%
End Date	
Days Added	
Funding Source	Wastewater Capital

8 MG Tank Recoating

Awarded Construction Cost	\$804,060
Change Orders	\$ -
Total Cost	\$ 804,060.00
Total Completed	\$ 423,684.00
Percent Complete	53%
End Date	3/18/2018
Days Added	
Funding Source	Water Capital

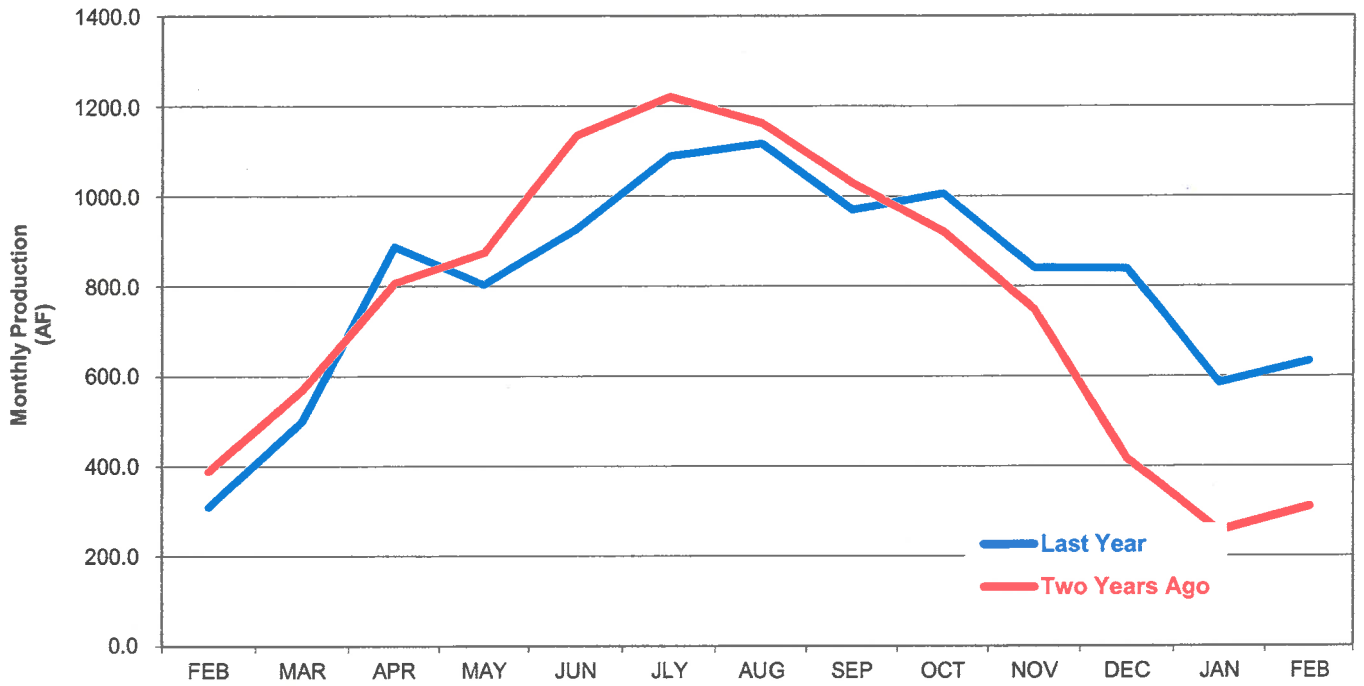
Old Stage Pipeline Replacement

Awarded Construction Cost	\$ 523,420
Change Orders*	\$ -
Total Cost	\$ 523,420
Total Completed	\$ 26,000
Percent Complete	5%
End Date	11/14/2018
Days Added	
Funding Source	Water Capital

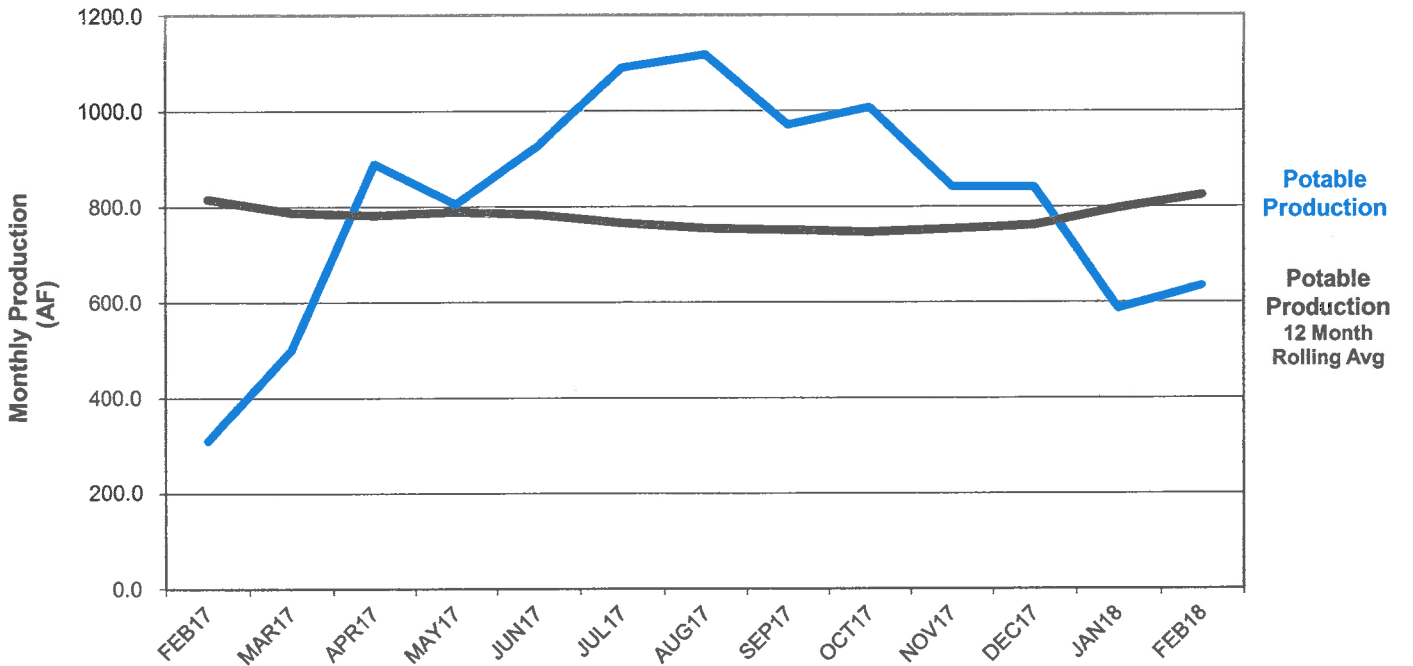
24" FB3 Pipeine Replacement Under I-15

Awarded Construction Cost	\$ 460,727
Change Orders*	\$ -
Total Cost	\$ 460,727
Total Completed	\$ 23,000
Percent Complete	5%
End Date	10/18/2018
Days Added	
Funding Source	Water Capital

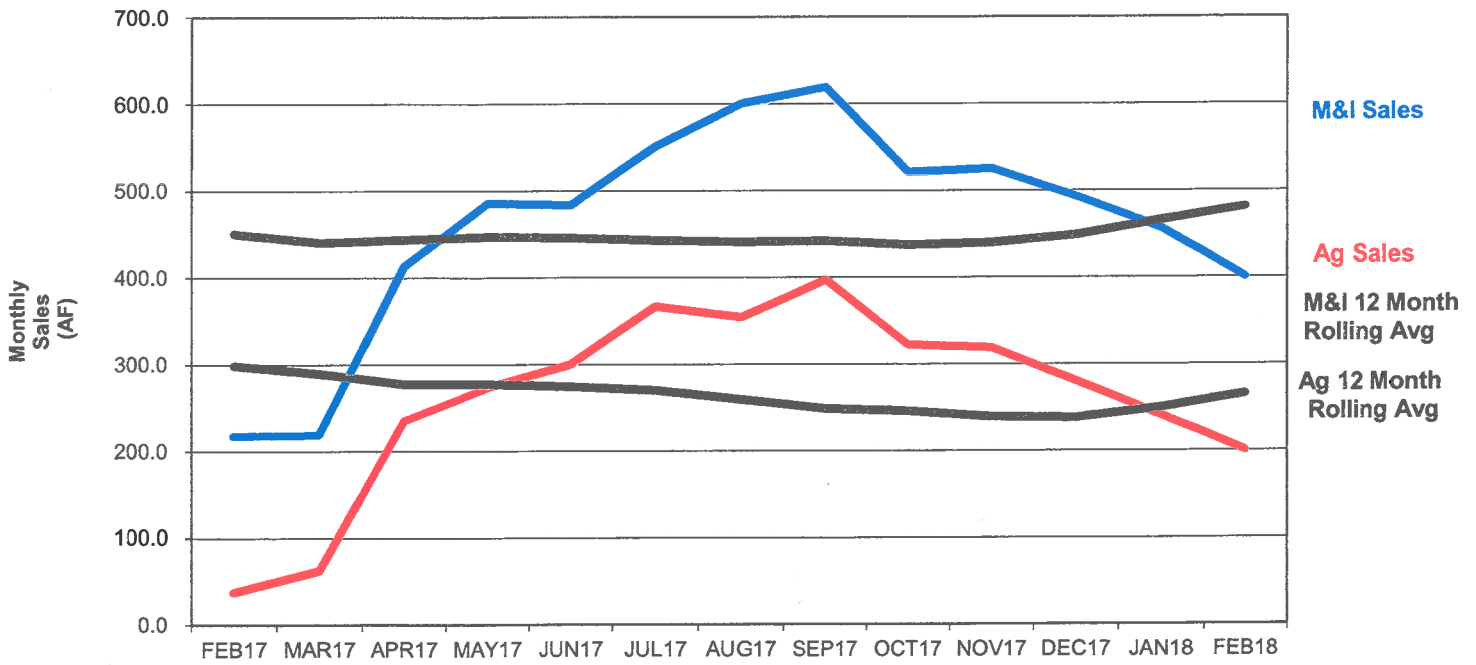
Fallbrook Public Utility District Annual Production



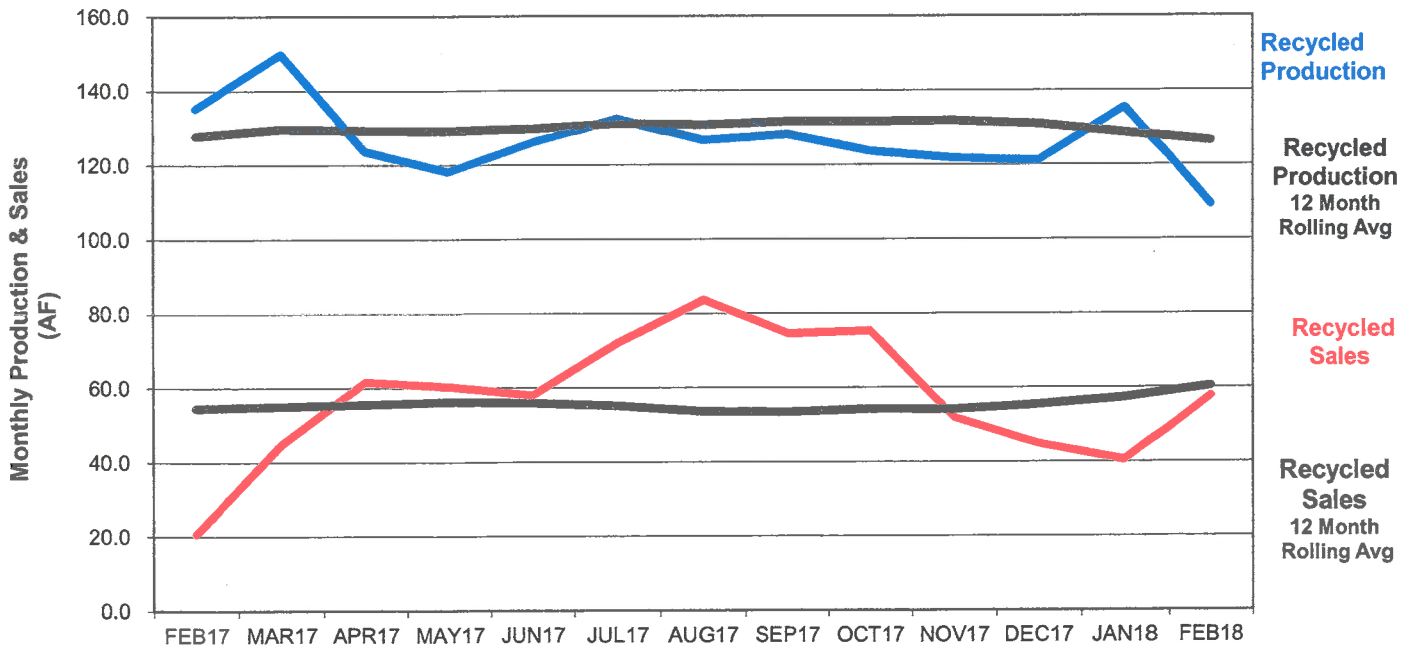
Fallbrook Public Utility District Total Potable Production



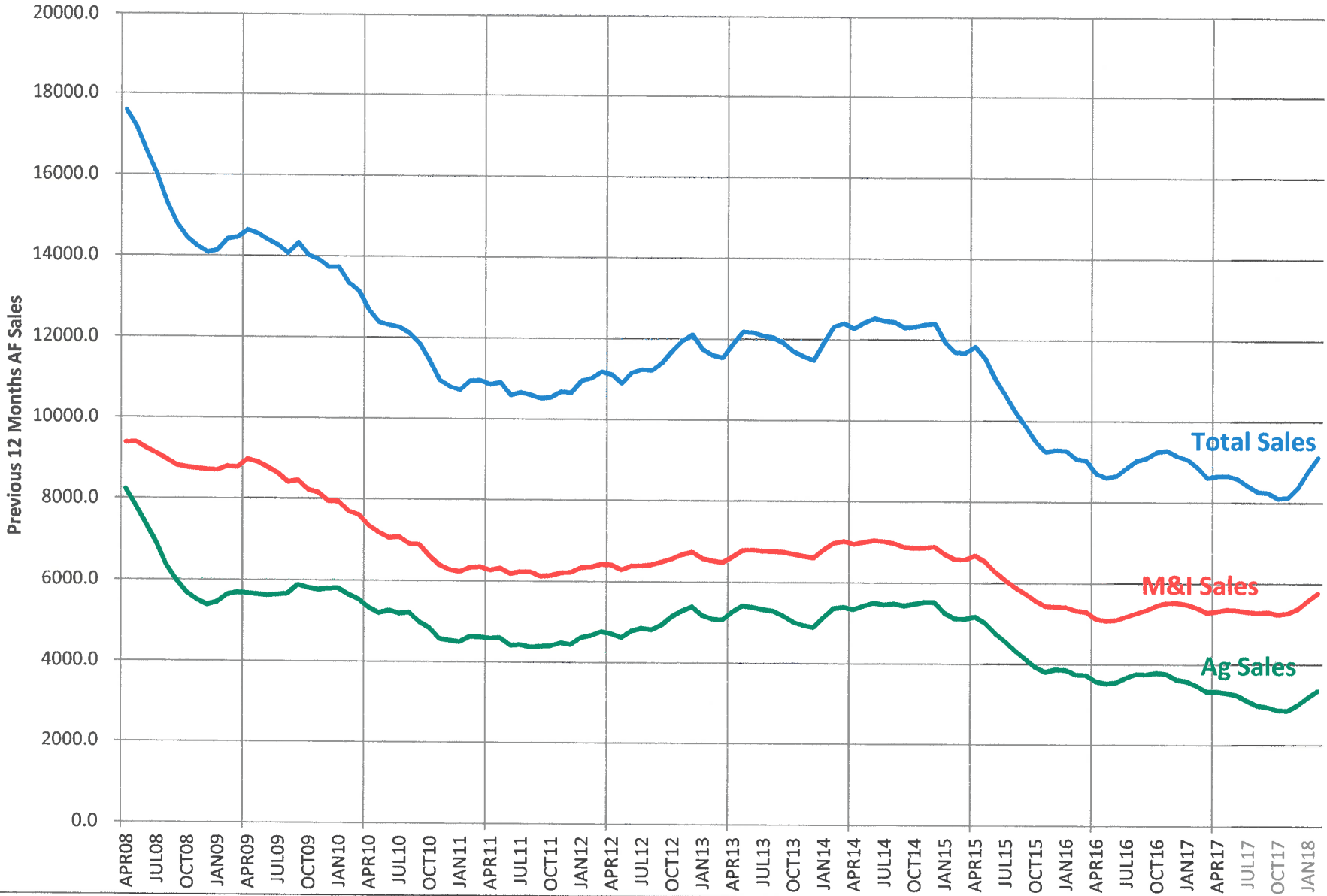
Fallbrook Public Utility District Ag and M&I Sales



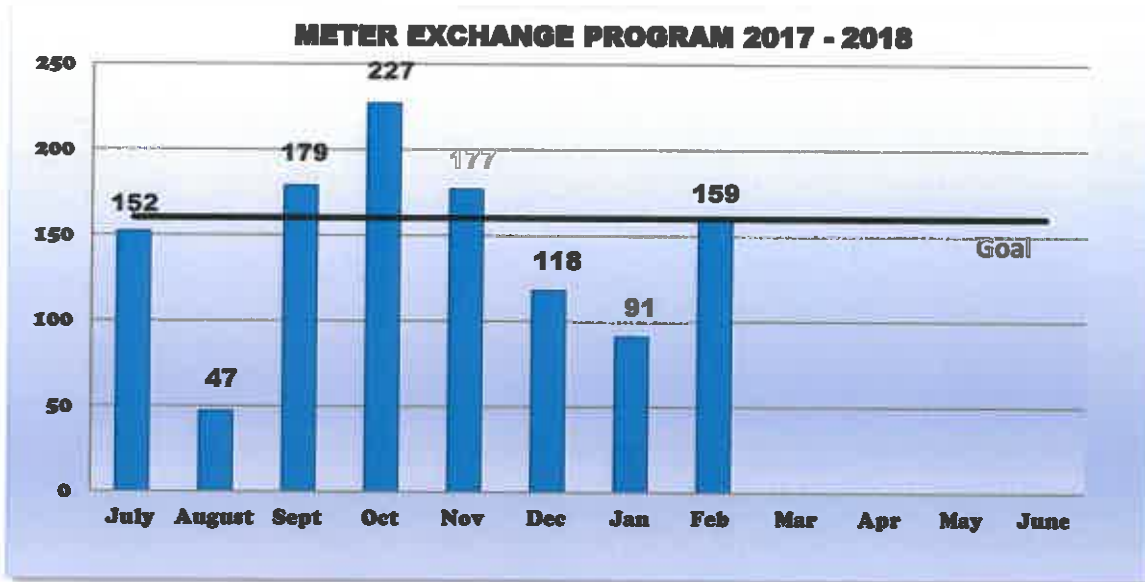
Fallbrook Public Utility District Recycled Water Production & Sales



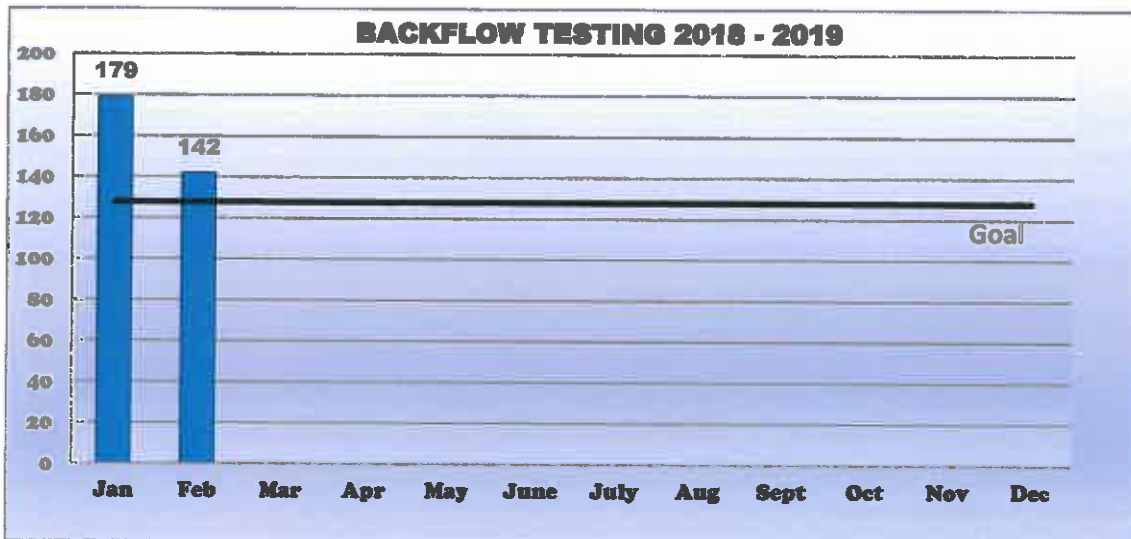
FPUD 12 Month Running Water Sales



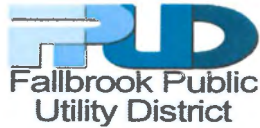
**DEPT 5
MONTHLY REPORTS**



TOTAL # METERS TO EXCHANGE:	1920
TOTAL # METERS EXCHANGED:	1150
METERS LEFT TO EXCHANGE:	770
PERCENTAGE REMAINING	40.10%



TOTAL TESTED GOAL:	1505
TOTAL TESTED TO DATE:	321
TOTAL NUMBER OF DEVICES ON STAND BY:	126
DEVICES REMAINING TO TEST:	1058
PERCENTAGE REMAINING	70.30%



990 East Mission Road
 Fallbrook, California
 92028-2232

(760) 728-1125

Board of Directors

Milt Davies
 Jennifer DeMeo
 Al Gebhart
 Don McDougal
 Charley Wolk

Staff

Jack Bebee
Acting General Manager

David Shank
*Assistant General Manager/
 Chief Financial Officer*

Paula de Sousa Mills
General Counsel

Mary Lou West
Secretary

Treasurer's Report
 February 28, 2018

Money Market Account

Disbursements		2,537,606.91
Receipts	\$	2,326,628.32
Interest		
Balance as of 01/31/2018	\$	1,963,807.27
Balance as of 02/28/2018	\$	1,752,828.68

Operating Account

Disbursements	\$	2,528,560.21
Receipts	\$	2,533,390.59
Balance as of 01/31/2018	\$	10,194.17
Balance as of 02/28/2018	\$	15,024.55

All investments have been made in accordance with the District's Annual Statement of Investment Policy.

David Shank
 March 15, 2018



pfm

PFM Asset Management LLC

One Keystone Plaza, Suite 300 • North Front & Market Streets • Harrisburg, PA 17101

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Reports - Transaction Query Results

TRANSACTION DETAILS FOR:
DATE RANGE: 2/1/2018 - 2/28/2018
TRANSACTION TYPE: All Types

28710100 - FPUD - INVESTMENT PORTFOLIO

Transaction Type	Trade Date	Settle Date	Security Description	CUSIP	Principal Proceeds	Accrued Interest	Total Amount
INTEREST	2/1/2018	2/25/2018	FNMA SERIES 2016-M9 ASQ2	3136ASPX8	\$0.00	\$51.27	\$51.27
PAYDOWNS	2/1/2018	2/25/2018	FNMA SERIES 2016-M9 ASQ2	3136ASPX8	\$3,156.63	\$0.00	\$3,156.63
BUY	2/1/2018	2/6/2018	IBM CORP CORP NOTES	44932HAG8	\$139,931.40	\$0.00	\$139,931.40
SELL	2/1/2018	2/6/2018	US TREASURY NOTES	912828XE5	\$63,928.52	\$182.14	\$64,110.66
SELL	2/1/2018	2/6/2018	US TREASURY NOTES	912828XE5	\$73,763.67	\$210.17	\$73,973.84
INTEREST	2/1/2018	2/1/2018	MONEY MARKET FUND	MONEY0002	\$0.00	\$51.15	\$51.15
INTEREST	2/2/2018	2/2/2018	SKANDINAV ENSKILDA BANKEN NY CD	83050FXT3	\$0.00	\$1,720.91	\$1,720.91
SELL	2/7/2018	2/8/2018	US TREASURY NOTES	912828H52	\$142,479.49	\$40.06	\$142,519.55
BUY	2/7/2018	2/8/2018	CREDIT SUISSE NEWYORK CERT DEPOS	22549LFR1	\$145,000.00	\$0.00	\$145,000.00
INTEREST	2/7/2018	2/7/2018	BANK OF MONTREAL CHICAGO CERT DEPOS	06427KRC3	\$0.00	\$2,632.00	\$2,632.00
INTEREST	2/7/2018	2/7/2018	WESTPAC BANKING CORP NY CD	96121T4A3	\$0.00	\$2,665.00	\$2,665.00
INTEREST	2/12/2018	2/12/2018	CAPTIAL ONE BANK USA NA LT CD	140420UE8	\$0.00	\$2,470.14	\$2,470.14
INTEREST	2/14/2018	2/14/2018	AMERICAN HONDA FINANCE	02665WBM2	\$0.00	\$900.00	\$900.00
INTEREST	2/15/2018	2/15/2018	JOHN DEERE ABS 2016-B A3	47788NAC2	\$0.00	\$36.46	\$36.46
INTEREST	2/15/2018	2/15/2018	TOYOTA ABS 2016-B A3	89231UAD9	\$0.00	\$108.09	\$108.09
INTEREST	2/15/2018	2/15/2018	FORDO 2017-C A3	34532AAD5	\$0.00	\$234.50	\$234.50
INTEREST	2/15/2018	2/15/2018	CARMAX ABS 2016-3 A2	14314EAB7	\$0.00	\$28.76	\$28.76
INTEREST	2/15/2018	2/15/2018	TOYOTA ABS 2016-C A3	89237WAD9	\$0.00	\$42.75	\$42.75
INTEREST	2/15/2018	2/15/2018	FORD ABS 2017-A A3	34531EAD8	\$0.00	\$132.21	\$132.21
INTEREST	2/15/2018	2/15/2018	CNH 2017-A A2	12636WAB2	\$0.00	\$159.39	\$159.39
INTEREST	2/15/2018	2/15/2018	ALLY ABS 2017-4 A3	02007FAC9	\$0.00	\$145.83	\$145.83
INTEREST	2/15/2018	2/15/2018	HYUNDAI ABS 2016-B A3	44891EAC3	\$0.00	\$80.63	\$80.63
INTEREST	2/15/2018	2/15/2018	JOHN DEERE ABS 2017-B A3	47788BAD6	\$0.00	\$45.50	\$45.50
INTEREST	2/15/2018	2/15/2018	JOHN DEERE ABS 2017-A A3	47787XAC1	\$0.00	\$44.50	\$44.50
INTEREST	2/15/2018	2/15/2018	ALLYA 2017-5 A3	02007YAC8	\$0.00	\$182.42	\$182.42
PAYDOWNS	2/15/2018	2/15/2018	CNH 2017-A A2	12636WAB2	\$17,964.25	\$0.00	\$17,964.25
PAYDOWNS	2/15/2018	2/15/2018	CARMAX ABS 2016-3 A2	14314EAB7	\$8,451.75	\$0.00	\$8,451.75
PAYDOWNS	2/15/2018	2/15/2018	TOYOTA ABS 2016-B A3	89231UAD9	\$7,881.44	\$0.00	\$7,881.44
BUY	2/20/2018	2/22/2018	NORDEA BANK AB NY CD	65590ASN7	\$280,000.00	\$0.00	\$280,000.00
BUY	2/21/2018	2/28/2018	JDOT 2018-A A3	47788CAC6	\$34,997.48	\$0.00	\$34,997.48
SELL	2/21/2018	2/28/2018	US TREASURY N/B NOTES	912828357	\$54,740.04	\$85.08	\$54,825.12
SELL	2/21/2018	2/28/2018	US TREASURY NOTES	912828H52	\$98,105.47	\$96.69	\$98,202.16
BUY	2/21/2018	2/28/2018	NAROT 2018-A A3	65478DAD9	\$74,991.43	\$0.00	\$74,991.43
SELL	2/21/2018	2/28/2018	US TREASURY NOTES	912828XE5	\$73,617.19	\$278.16	\$73,895.35
SELL	2/21/2018	2/26/2018	CATERPILLAR FINANCIAL CORP NOTES	14912L6F3	\$64,603.50	\$345.31	\$64,948.81
BUY	2/21/2018	2/26/2018	NATIONAL RURAL UTIL COOP	63743HER9	\$59,933.40	\$0.00	\$59,933.40
BUY	2/22/2018	2/28/2018	HAROT 2018-1 A3	43814UAC3	\$124,983.84	\$0.00	\$124,983.84
SELL	2/22/2018	2/22/2018	US TREASURY NOTES	912828WN6	\$231,456.64	\$1,084.62	\$232,541.26
INTEREST	2/24/2018	2/24/2018	BNY MELLON (CALLABLE) CORP NOTE	06406HCZ0	\$0.00	\$3,784.00	\$3,784.00
SELL	2/26/2018	2/28/2018	US TREASURY N/B NOTES	912828357	\$34,861.91	\$54.14	\$34,916.05
BUY	2/26/2018	2/28/2018	US TREASURY NOTES	9128282P4	\$97,101.56	\$145.03	\$97,246.59
SELL	2/26/2018	2/28/2018	BANK OF TOKYO MITSUBISHI UFJ LTD COMM PA	06538CEV9	\$149,231.25	\$0.00	\$149,231.25
BUY	2/26/2018	2/28/2018	US TREASURY NOTES	912828N30	\$180,989.26	\$640.73	\$181,629.99
SELL	2/26/2018	2/28/2018	US TREASURY NOTES	912828XE5	\$98,269.53	\$370.88	\$98,640.41
INTEREST	2/28/2018	2/28/2018	US TREASURY NOTES	912828D72	\$0.00	\$4,000.00	\$4,000.00

FALLBROOK PUBLIC UTILITY DISTRICT
PARS Post-Employment Benefits Trust

Account Report for the Period
1/1/2018 to 1/31/2018

Paula Clark
Accounting Supervisor
Fallbrook Public Utility District
PO Box 2290
Fallbrook, CA 92088

Account Summary

Source	Beginning Balance as of 1/1/2018	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 1/31/2018
OPEB	\$797,245.43	\$0.00	\$14,658.65	\$330.95	\$0.00	\$0.00	\$811,573.13 ✓
PENSION	\$643,810.65	\$0.00	\$11,837.50	\$267.26	\$0.00	\$0.00	\$655,380.89 ✓
Totals	\$1,441,056.08	\$0.00	\$26,496.15	\$598.21	\$0.00	\$0.00	\$1,466,954.02

Investment Selection

Source	
OPEB	Moderate Index PLUS
PENSION	Moderate Index PLUS

Investment Objective

Source	
OPEB	The dual goals of the Moderate Strategy are growth of principal and income. It is expected that dividend and interest income will comprise a significant portion of total return, although growth through capital appreciation is equally important. The portfolio will be allocated between equity and fixed income investments.
PENSION	The dual goals of the Moderate Strategy are growth of principal and income. It is expected that dividend and interest income will comprise a significant portion of total return, although growth through capital appreciation is equally important. The portfolio will be allocated between equity and fixed income investments.

Investment Return

Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
				3-Years	5-Years	10-Years	
OPEB	1.84%	3.77%	10.61%	-	-	-	2/16/2017
PENSION	1.84%	3.77%	9.52%	-	-	-	2/16/2017

Information as provided by US Bank, Trustee for PARS; Not FDIC Insured; No Bank Guarantee; May Lose Value

Past performance does not guarantee future results. Performance returns may not reflect the deduction of applicable fees, which could reduce returns. Information is deemed reliable but may be subject to change.
Investment Return: Annualized rate of return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return.
Account balances are inclusive of Trust Administration, Trustee and Investment Management fees



Customer Service
PO Box 11813
Harrisburg, PA 17108-1813

ACCOUNT STATEMENT

For the Month Ending
February 28, 2018

FALLBROOK PUBLIC UTILITY DISTRICT

Client Management Team

Sarah Meacham

Managing Director
601 South Figueroa, Suite 4500
Los Angeles, CA 90017
213-489-4075
meachams@pfm.com

Henry Sun

Senior Analyst
601 South Figueroa, Suite 4500
Los Angeles, CA 90017
213-415-1645
sunh@pfm.com

Contents

- Cover/Disclosures
- Summary Statement
- Individual Accounts

Accounts included in Statement

28710100	FPUD - INVESTMENT PORTFOLIO
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FALLBROOK PUBLIC UTILITY DISTRICT
DAVID SHANK
990 E. MISSION RD.
FALLBROOK, CA 92028

Online Access www.pfm.com

Customer Service 1-717-232-2723



Important Disclosures

Important Disclosures

This statement is for general information purposes only and is not intended to provide specific advice or recommendations. PFM Asset Management LLC ("PFM") is an investment advisor registered with the Securities and Exchange Commission, and is required to maintain a written disclosure statement of our background and business experience. If you would like to receive a copy of our current disclosure statement, please contact Service Operations at the address below.

Proxy Voting PFM does not normally receive proxies to vote on behalf of its clients. However, it does on occasion receive consent requests. In the event a consent request is received the portfolio manager contacts the client and then proceeds according to their instructions. PFM's Proxy Voting Policy is available upon request by contacting Service Operations at the address below.

Questions About an Account PFM's monthly statement is intended to detail our investment advisory activity as well as the activity of any accounts held by clients in pools that are managed by PFM. The custodian bank maintains the control of assets and executes (i.e., settles) all investment transactions. The custodian statement is the official record of security and cash holdings and transactions. PFM recognizes that clients may use these reports to facilitate record keeping and that the custodian bank statement and the PFM statement should be reconciled and differences resolved. Many custodians use a settlement date basis which may result in the need to reconcile due to a timing difference.

Account Control PFM does not have the authority to withdraw funds from or deposit funds to the custodian. Our clients retain responsibility for their internal accounting policies; implementing and enforcing internal controls and generating ledger entries or otherwise recording transactions.

Market Value Generally, PFM's market prices are derived from closing bid prices as of the last business day of the month as supplied by ICE Data Services or Bloomberg. Where prices are not available from generally recognized sources the securities are priced using a yield-based matrix system to arrive at an estimated market value. Prices that fall between data points are interpolated. Non-negotiable FDIC-insured bank certificates of deposit are priced at par. Although PFM believes the prices to be reliable, the values of the securities do not always represent the prices at which the securities could have been bought or sold. Explanation of the valuation methods for money market and TERM funds is contained in the appropriate fund information statement.

Amortized Cost The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short term securities (those with less than one year to maturity at time of issuance) is amortized on a straightline basis. Such discount or premium with respect to longer term securities is amortized using the constant yield basis.

Tax Reporting Cost data and realized gains / losses are provided for informational purposes only. Please review for accuracy and consult your tax advisor to determine the tax consequences of your security transactions. PFM does not report such information to the IRS or other taxing authorities and is not responsible for the accuracy of such information that may be required to be reported to federal, state or other taxing authorities.

Financial Situation In order to better serve you, PFM should be promptly notified of any material change in your investment objective or financial situation.

Callable Securities Securities subject to redemption prior to maturity may be redeemed in whole or in part before maturity, which could affect the yield represented.

Portfolio The securities in this portfolio, including shares of mutual funds, are not guaranteed or otherwise protected by PFM, the FDIC (except for certain non-negotiable certificates of deposit) or any government agency. Investment in securities involves risks, including the possible loss of the amount invested. Actual settlement values, accrued interest, and amortized cost amounts may vary for securities subject to an adjustable interest rate or subject to principal paydowns. Any changes to the values shown may be reflected within the next monthly statement's beginning values.

Rating Information provided for ratings is based upon a good faith inquiry of selected sources, but its accuracy and completeness cannot be guaranteed. Shares of some money market and TERM funds are marketed through representatives of PFM's wholly owned subsidiary, PFM Fund Distributors, Inc. PFM Fund Distributors, Inc. is registered with the SEC as a broker/dealer and is a member of the Financial Industry Regulatory Authority ("FINRA") and the Municipal Securities Rulemaking Board ("MSRB"). You may reach the FINRA by calling the FINRA Regulator Public Disclosure Hotline at 1-888-289-9999 or at the FINRA Regulation Internet website address www.nasd.com. A brochure describing the FINRA Regulation Public Disclosure Program is also available from the FINRA upon request.

Key Terms and Definitions

Dividends on money market funds consist of interest earned, plus any discount ratably amortized to the date of maturity, plus all realized gains and losses on the sale of securities prior to maturity, less ratably amortization of any premium and all accrued expenses to the fund. Dividends are accrued daily and may be paid either monthly or quarterly. The monthly earnings on this statement represent the estimated dividend accrued for the month for any program that distributes earnings on a quarterly basis. There is no guarantee that the estimated amount will be paid on the actual distribution date.

Current Yield is the net change, exclusive of capital changes and income other than investment income, in the value of a hypothetical fund account with a balance of one share over the seven-day base period including the statement date, expressed as a percentage of the value of one share (normally \$1.00 per share) at the beginning of the seven-day period. This resulting net change in account value is then annualized by multiplying it by

365 and dividing the result by 7. The yields quoted should not be considered a representation of the yield of the fund in the future, since the yield is not fixed.

Average maturity represents the average maturity of all securities and investments of a portfolio, determined by multiplying the par or principal value of each security or investment by its maturity (days or years), summing the products, and dividing the sum by the total principal value of the portfolio. The stated maturity date of mortgage backed or callable securities are used in this statement. However the actual maturity of these securities could vary depending on the level or prepayments on the underlying mortgages or whether a callable security has or is still able to be called.

Monthly distribution yield represents the net change in the value of one share (normally \$1.00 per share) resulting from all dividends declared during the month by a fund expressed as a percentage of the value of one share at the beginning of the month. This resulting net change is then annualized by multiplying it by 365 and dividing it by the number of calendar days in the month.

YTM at Cost The yield to maturity at cost is the expected rate of return, based on the original cost, the annual interest receipts, maturity value and the time period from purchase date to maturity, stated as a percentage, on an annualized basis.

YTM at Market The yield to maturity at market is the rate of return, based on the current market value, the annual interest receipts, maturity value and the time period remaining until maturity, stated as a percentage, on an annualized basis.

Managed Account A portfolio of investments managed discretely by PFM according to the client's specific investment policy and requirements. The investments are directly owned by the client and held by the client's custodian.

Unsettled Trade A trade which has been executed however the final consummation of the security transaction and payment has not yet taken place.

Please review the detail pages of this statement carefully. If you think your statement is wrong, missing account information, or if you need more information about a transaction, please contact PFM within 60 days of receipt. If you have other concerns or questions regarding your account you should contact a member of your client management team or PFM Service Operations at the address below.

PFM Asset Management LLC
Attn: Service Operations
213 Market Street
Harrisburg, PA 17101



Account Statement

For the Month Ending **February 28, 2018**

Consolidated Summary Statement

FALLBROOK PUBLIC UTILITY DISTRICT

Portfolio Summary		
Portfolio Holdings	Cash Dividends and Income	Closing Market Value
PFM Managed Account	(3,432.76)	14,261,637.32
State Pool	0.00	524,694.71
San Diego County Treasurer	0.00	14,757.54
Total	(\$3,432.76)	\$14,801,089.57

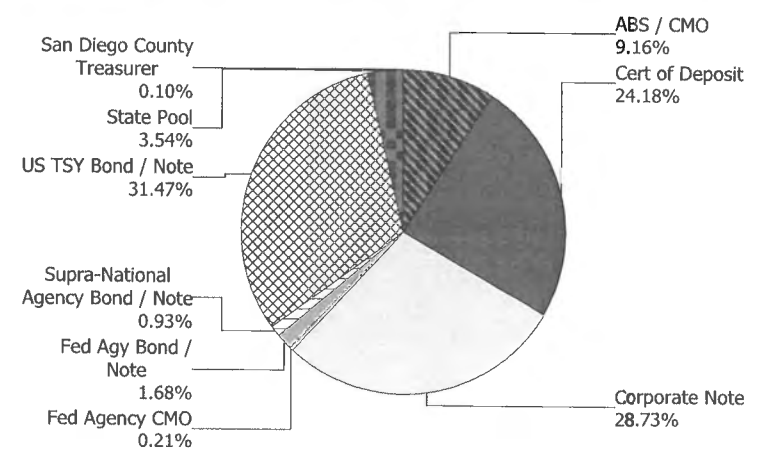
Investment Allocation		
Investment Type	Closing Market Value	Percent
Asset-Backed Security / Collateralized Mortgage C	1,355,952.12	9.16
Certificate of Deposit	3,579,598.32	24.18
Corporate Note	4,252,410.65	28.73
Federal Agency Collateralized Mortgage Obligatio	31,193.33	0.21
Federal Agency Bond / Note	248,471.24	1.68
Supra-National Agency Bond / Note	137,018.28	0.93
U.S. Treasury Bond / Note	4,656,993.38	31.47
State Pool	524,694.71	3.54
San Diego County Treasurer	14,757.54	0.10
Total	\$14,801,089.57	100.00%

Maturity Distribution (Fixed Income Holdings)

Portfolio Holdings	Closing Market Value	Percent
Under 30 days	539,452.25	3.64
31 to 60 days	0.00	0.00
61 to 90 days	0.00	0.00
91 to 180 days	0.00	0.00
181 days to 1 year	1,283,797.81	8.67
1 to 2 years	3,017,521.55	20.39
2 to 3 years	2,927,364.53	19.78
3 to 4 years	4,745,343.14	32.06
4 to 5 years	2,287,610.29	15.46
Over 5 years	0.00	0.00
Total	\$14,801,089.57	100.00%

Weighted Average Days to Maturity 986

Sector Allocation





Managed Account Summary Statement

For the Month Ending February 28, 2018

FPUD - INVESTMENT PORTFOLIO - 28710100

Transaction Summary - Managed Account		Cash Transactions Summary - Managed Account	
Opening Market Value	\$14,300,914.78	Maturities/Calls	0.00
Maturities/Calls	(37,454.07)	Sale Proceeds	1,087,804.46
Principal Dispositions	(1,085,057.21)	Coupon/Interest/Dividend Income	19,515.51
Principal Acquisitions	1,137,928.37	Principal Payments	37,454.07
Unsettled Trades	0.00	Security Purchases	(1,228,455.43)
Change in Current Value	(54,694.55)	Net Cash Contribution	0.00
Closing Market Value	\$14,261,637.32	Reconciling Transactions	0.00
Earnings Reconciliation (Cash Basis) - Managed Account		Cash Balance	
Interest/Dividends/Coupons Received	22,262.76	Closing Cash Balance	\$12,185.37
Less Purchased Interest Related to Interest/Coupons	(790.73)		
Plus Net Realized Gains/Losses	(24,904.79)		
Total Cash Basis Earnings	(\$3,432.76)		
Earnings Reconciliation (Accrual Basis)		Total	
Ending Amortized Value of Securities	14,489,957.75		
Ending Accrued Interest	62,186.84		
Plus Proceeds from Sales	1,087,804.46		
Plus Proceeds of Maturities/Calls/Principal Payments	37,454.07		
Plus Coupons/Dividends Received	19,515.51		
Less Cost of New Purchases	(1,138,714.13)		
Less Beginning Amortized Value of Securities	(14,496,923.29)		
Less Beginning Accrued Interest	(59,208.47)		
Total Accrual Basis Earnings	\$2,072.74		



Portfolio Summary and Statistics

For the Month Ending February 28, 2018

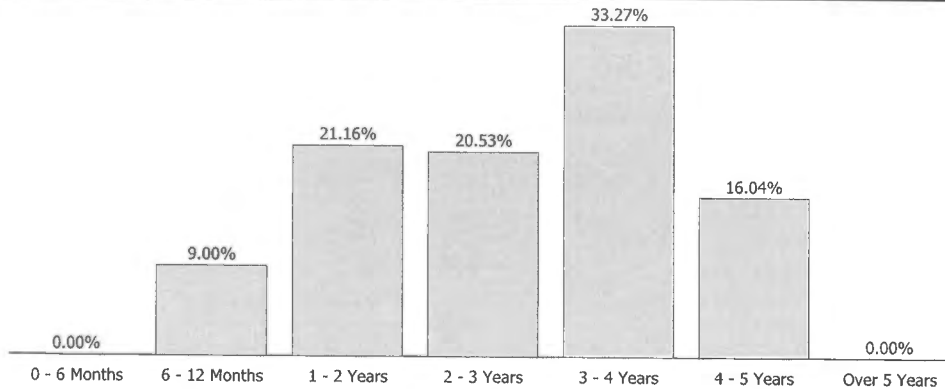
FPUD - INVESTMENT PORTFOLIO - 28710100

Account Summary

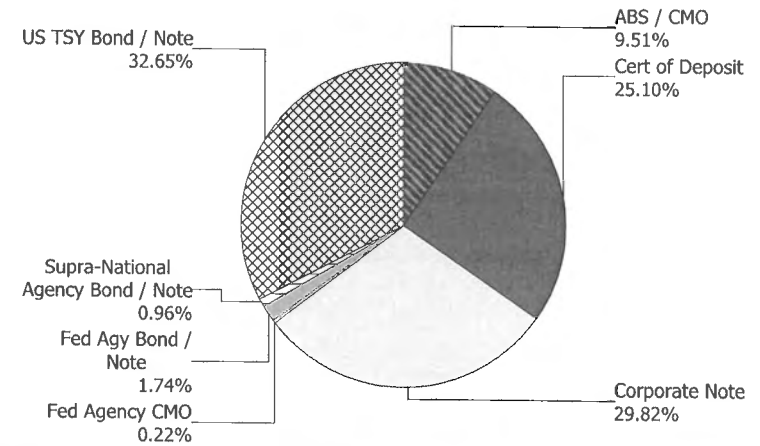
Description	Par Value	Market Value	Percent
U.S. Treasury Bond / Note	4,795,000.00	4,656,993.38	32.65
Supra-National Agency Bond / Note	140,000.00	137,018.28	0.96
Federal Agency Collateralized Mortgage Obligation	31,312.83	31,193.33	0.22
Federal Agency Bond / Note	255,000.00	248,471.24	1.74
Corporate Note	4,272,000.00	4,252,410.65	29.82
Certificate of Deposit	3,595,000.00	3,579,598.32	25.10
Asset-Backed Security / Collateralized Mortgage Obligation	1,366,602.21	1,355,952.12	9.51
Managed Account Sub-Total	14,454,915.04	14,261,637.32	100.00%
Accrued Interest		62,186.84	
Total Portfolio	14,454,915.04	14,323,824.16	

Unsettled Trades 0.00 0.00

Maturity Distribution



Sector Allocation



Characteristics

Yield to Maturity at Cost	1.99%
Yield to Maturity at Market	2.51%
Duration to Worst	2.55
Weighted Average Days to Maturity	1023



Managed Account Issuer Summary

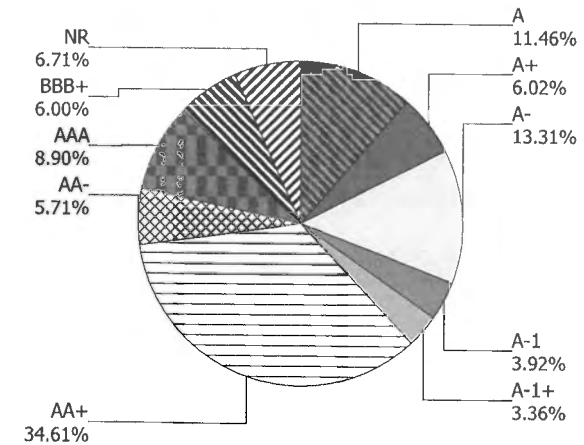
For the Month Ending February 28, 2018

FPUD - INVESTMENT PORTFOLIO - 28710100

Issuer Summary

Issuer	Market Value of Holdings	Percent
ALLY AUTO RECEIVABLES TRUST	207,328.65	1.45
AMERICAN EXPRESS CO	522,512.13	3.66
AMERICAN HONDA FINANCE	113,368.63	0.79
BANK OF AMERICA CO	230,260.93	1.61
BANK OF MONTREAL	279,957.72	1.96
BANK OF NOVA SCOTIA	278,603.36	1.95
BB&T CORPORATION	538,562.10	3.78
BURLINGTON NORTHERN SANTA FE	206,610.00	1.45
CANADIAN IMPERIAL BANK OF COMMERCE	279,372.80	1.96
CAPITAL ONE FINANCIAL CORP	244,790.53	1.72
CARMAX AUTO OWNER TRUST	21,035.93	0.15
CATERPILLAR INC	485,170.78	3.40
CITIGROUP INC	357,040.72	2.50
CNH EQUIPMENT TRUST	98,346.51	0.69
CREDIT SUISSE GROUP	145,838.54	1.02
FANNIE MAE	31,193.33	0.22
FEDERAL HOME LOAN BANKS	248,471.24	1.74
FORD CREDIT AUTO OWNER TRUST	232,436.02	1.63
GOLDMAN SACHS GROUP INC	285,147.14	2.00
HONDA AUTO RECEIVABLES	124,983.84	0.88
HYUNDAI AUTO RECEIVABLES	73,974.17	0.52
IBM CORP	139,075.30	0.98
INTL BANK OF RECONSTRUCTION AND DEV	137,018.28	0.96
JOHN DEERE OWNER TRUST	129,041.86	0.90
JP MORGAN CHASE & CO	470,622.88	3.30
MITSUBISHI UFJ FINANCIAL GROUP INC	138,859.56	0.97
MORGAN STANLEY	470,920.48	3.30
NATIONAL RURAL UTILITIES CO FINANCE CORP	59,886.42	0.42
NISSAN AUTO RECEIVABLES	74,991.43	0.53
NORDEA BANK AB	559,754.72	3.92
PACCAR FINANCIAL CORP	39,273.36	0.28
SKANDINAVISKA ENSKILDA BANKEN AB	179,957.46	1.26

Credit Quality (S&P Ratings)





Managed Account Issuer Summary

For the Month Ending February 28, 2018

FPUD - INVESTMENT PORTFOLIO - 28710100

Issuer	Market Value of Holdings	Percent
STATE BANK OF INDIA	245,376.81	1.72
SUMITOMO MITSUI FINANCIAL GROUP INC	249,402.75	1.75
SVENSKA HANDELSBANKEN AB	199,093.00	1.40
SWEDBANK AB	276,486.56	1.94
THE BANK OF NEW YORK MELLON CORPORATION	348,032.26	2.44
TOYOTA MOTOR CORP	135,927.59	0.95
UNITED PARCEL SERVICE INC	107,927.16	0.76
UNITED STATES TREASURY	4,656,993.38	32.66
WELLS FARGO & COMPANY	380,289.91	2.67
WESTPAC BANKING CORP	257,701.08	1.81
Total	\$14,261,637.32	100.00%



Managed Account Detail of Securities Held

For the Month Ending **February 28, 2018**

FPUD - INVESTMENT PORTFOLIO - 28710100

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note												
US TREASURY NOTES	DTD 02/02/2015 1.250% 01/31/2020	912828H52	75,000.00	AA+	Aaa	01/02/18	01/04/18	73,983.40	1.92	75.10	74,057.70	73,579.13
US TREASURY NOTES	DTD 06/01/2015 1.500% 05/31/2020	912828XE5	285,000.00	AA+	Aaa	09/01/16	09/02/16	289,597.86	1.06	1,068.75	287,785.96	279,801.03
US TREASURY NOTES	DTD 12/02/2013 2.000% 11/30/2020	912828A42	190,000.00	AA+	Aaa	04/27/16	04/29/16	195,803.91	1.31	950.00	193,520.96	187,996.07
US TREASURY NOTES	DTD 05/02/2016 1.375% 04/30/2021	912828O78	25,000.00	AA+	Aaa	01/03/17	01/05/17	24,501.95	1.86	114.90	24,631.16	24,170.90
US TREASURY NOTES	DTD 05/02/2016 1.375% 04/30/2021	912828O78	150,000.00	AA+	Aaa	02/01/17	02/03/17	147,035.16	1.86	689.40	147,764.46	145,025.40
US TREASURY NOTES	DTD 06/02/2014 2.000% 05/31/2021	912828WN6	165,000.00	AA+	Aaa	10/04/16	10/05/16	170,704.10	1.23	825.00	169,018.68	162,544.31
US TREASURY NOTES	DTD 08/01/2016 1.125% 07/31/2021	912828S76	175,000.00	AA+	Aaa	05/08/17	05/10/17	170,016.60	1.83	157.72	170,939.58	167,125.00
US TREASURY N/B	DTD 07/31/2014 2.250% 07/31/2021	912828WY2	295,000.00	AA+	Aaa	11/22/16	11/23/16	301,268.75	1.78	531.73	299,626.58	292,476.28
US TREASURY NOTES	DTD 09/02/2014 2.000% 08/31/2021	912828D72	400,000.00	AA+	Aaa	12/01/16	12/05/16	401,406.25	1.92	21.74	401,054.46	393,031.20
US TREASURY NOTES	DTD 10/31/2016 1.250% 10/31/2021	912828T67	245,000.00	AA+	Aaa	08/30/17	08/31/17	241,152.73	1.64	1,023.65	241,602.44	234,022.78
US TREASURY NOTES	DTD 10/31/2016 1.250% 10/31/2021	912828T67	250,000.00	AA+	Aaa	03/14/17	03/16/17	240,703.13	2.10	1,044.54	242,559.59	238,798.75
US TREASURY NOTES	DTD 01/03/2017 2.000% 12/31/2021	912828U81	390,000.00	AA+	Aaa	06/26/17	06/28/17	394,737.89	1.72	1,292.82	394,054.62	382,001.88
US TREASURY NOTES	DTD 02/02/2015 1.500% 01/31/2022	912828H86	460,000.00	AA+	Aaa	07/05/17	07/07/17	452,435.16	1.88	552.76	453,469.33	441,689.70
US TREASURY NOTES	DTD 03/31/2017 1.875% 03/31/2022	912828W89	110,000.00	AA+	Aaa	06/26/17	06/28/17	110,648.83	1.75	861.26	110,560.99	106,970.71



Managed Account Detail of Securities Held

For the Month Ending **February 28, 2018**

FPUD - INVESTMENT PORTFOLIO - 28710100

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note												
US TREASURY NOTES	DTD 06/30/2017 1.750% 06/30/2022	912828XW5	235,000.00	AA+	Aaa	09/01/17	09/07/17	235,330.47	1.72	681.63	235,300.67	226,765.84
US TREASURY NOTES	DTD 07/31/2017 1.875% 07/31/2022	9128282P4	100,000.00	AA+	Aaa	12/04/17	12/06/17	98,824.22	2.14	150.21	98,881.30	96,894.50
US TREASURY NOTES	DTD 07/31/2017 1.875% 07/31/2022	9128282P4	100,000.00	AA+	Aaa	02/26/18	02/28/18	97,101.56	2.57	150.21	97,103.29	96,894.50
US TREASURY NOTES	DTD 07/31/2017 1.875% 07/31/2022	9128282P4	195,000.00	AA+	Aaa	11/01/17	11/03/17	193,666.99	2.03	292.90	193,755.77	188,944.28
US TREASURY NOTES	DTD 07/31/2017 1.875% 07/31/2022	9128282P4	245,000.00	AA+	Aaa	01/02/18	01/04/18	241,363.28	2.22	368.01	241,481.29	237,391.53
US TREASURY NOTES	DTD 09/30/2015 1.750% 09/30/2022	912828L57	250,000.00	AA+	Aaa	12/04/17	12/06/17	245,429.69	2.15	1,826.92	245,642.67	240,507.75
US TREASURY NOTES	DTD 09/30/2015 1.750% 09/30/2022	912828L57	270,000.00	AA+	Aaa	10/04/17	10/05/17	267,510.94	1.94	1,973.08	267,704.10	259,748.37
US TREASURY NOTES	DTD 12/31/2015 2.125% 12/31/2022	912828N30	185,000.00	AA+	Aaa	02/26/18	02/28/18	180,989.26	2.60	651.59	180,991.44	180,613.47
Security Type Sub-Total			4,795,000.00					4,774,212.13	1.84	15,303.92	4,771,507.04	4,656,993.38
Supra-National Agency Bond / Note												
INTL BANK OF RECON AND DEV GLOBAL NOTES	DTD 08/29/2017 1.625% 09/04/2020	459058GA5	140,000.00	AAA	Aaa	08/22/17	08/29/17	139,970.60	1.63	1,150.14	139,975.54	137,018.28
Security Type Sub-Total			140,000.00					139,970.60	1.63	1,150.14	139,975.54	137,018.28
Federal Agency Collateralized Mortgage Obligation												
FNMA SERIES 2016-M9 ASQ2	DTD 06/01/2016 1.785% 06/01/2019	3136ASPX8	31,312.83	AA+	Aaa	06/09/16	06/30/16	31,625.95	1.05	46.58	31,417.16	31,193.33
Security Type Sub-Total			31,312.83					31,625.95	1.05	46.58	31,417.16	31,193.33



Managed Account Detail of Securities Held

For the Month Ending February 28, 2018

FPUD - INVESTMENT PORTFOLIO - 28710100

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Bond / Note											
FHLB NOTES DTD 09/08/2017 1.375% 09/28/2020	3130ACE26	10,000.00	AA+	Aaa	09/07/17	09/08/17	9,967.90	1.48	58.44	9,972.83	9,743.97
FHLB NOTES DTD 09/08/2017 1.375% 09/28/2020	3130ACE26	245,000.00	AA+	Aaa	09/18/17	09/19/17	243,238.45	1.62	1,431.72	243,494.99	238,727.27
Security Type Sub-Total		255,000.00					253,206.35	1.61	1,490.16	253,467.82	248,471.24
Corporate Note											
CITIGROUP INC CORP NOTES DTD 06/09/2016 2.050% 06/07/2019	172967KS9	100,000.00	BBB+	Baa1	06/02/16	06/09/16	99,948.00	2.07	478.33	99,977.60	99,154.60
BURLINGTON NRTH CORP DTD 09/24/2009 4.700% 10/01/2019	12189TBC7	200,000.00	A	A3	06/03/16	06/08/16	220,780.00	1.48	3,916.67	210,055.08	206,610.00
CATERPILLAR FINANCIAL CORP NOTES DTD 12/01/2014 2.250% 12/01/2019	14912L6F3	390,000.00	A	A3	04/24/15	04/24/15	398,408.40	1.76	2,193.75	393,277.29	387,465.78
AMERICAN HONDA FINANCE DTD 02/16/2017 2.000% 02/14/2020	02665WBM2	90,000.00	A+	A2	02/13/17	02/16/17	89,872.20	2.05	85.00	89,915.75	88,837.65
BNY MELLON (CALLABLE) CORP NOTE DTD 02/24/2015 2.150% 02/24/2020	06406HCZ0	352,000.00	A	A1	07/07/15	07/07/15	352,148.30	2.14	147.16	352,066.89	348,032.26
AMERICAN HONDA FINANCE CORP NOTES DTD 07/20/2017 1.950% 07/20/2020	02665WBT7	25,000.00	A+	A2	07/17/17	07/20/17	24,974.75	1.98	55.52	24,979.80	24,530.98
JP MORGAN CHASE & CO NOTES DTD 07/22/2010 4.400% 07/22/2020	46625HHS2	455,000.00	A-	A3	04/27/16	04/29/16	493,065.30	2.31	2,168.83	476,977.18	470,622.88
CATERPILLAR FINL SERVICE NOTE DTD 09/07/2017 1.850% 09/04/2020	14913Q2A6	100,000.00	A	A3	09/05/17	09/07/17	99,916.00	1.88	894.17	99,929.20	97,705.00
PACCAR FINANCIAL CORP NOTES DTD 11/13/2017 2.050% 11/13/2020	69371RN85	40,000.00	A+	A1	11/06/17	11/13/17	39,996.40	2.05	246.00	39,996.75	39,273.36
WELLS FARGO & COMPANY NOTES DTD 12/07/2015 2.550% 12/07/2020	94974BGR5	385,000.00	A-	A2	04/27/16	04/29/16	391,579.65	2.16	2,290.75	389,032.02	380,289.91
IBM CORP CORP NOTES DTD 02/06/2018 2.650% 02/05/2021	44932HAG8	140,000.00	A+	A1	02/01/18	02/06/18	139,931.40	2.67	257.64	139,932.93	139,075.30



Managed Account Detail of Securities Held

For the Month Ending February 28, 2018

FPUD - INVESTMENT PORTFOLIO - 28710100

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
NATIONAL RURAL UTIL COOP DTD 02/26/2018 2.900% 03/15/2021	63743HER9	60,000.00	A	A2	02/21/18	02/26/18	59,933.40	2.94	24.17	59,933.71	59,886.42
UNITED PARCEL SERVICE CORPORATE BOND DTD 11/14/2017 2.050% 04/01/2021	911312BP0	110,000.00	A+	A1	11/09/17	11/14/17	109,826.20	2.10	670.24	109,840.27	107,927.16
MORGAN STANLEY CORP NOTES DTD 04/21/2016 2.500% 04/21/2021	61746BEA0	260,000.00	BBB+	A3	05/10/16	05/13/16	261,492.40	2.38	2,347.22	260,969.70	255,551.92
GOLDMAN SACHS GRP INC CORP NT (CALLABLE) DTD 04/25/2016 2.625% 04/25/2021	38141GVU5	290,000.00	BBB+	A3	08/10/16	08/15/16	296,693.20	2.11	2,664.38	294,526.00	285,147.14
AMERICAN EXPRESS CREDIT (CALLABLE) NOTES DTD 05/05/2016 2.250% 05/05/2021	0258M0EB1	285,000.00	A-	A2	05/05/16	05/10/16	286,558.95	2.13	2,066.25	286,003.37	278,108.70
BRANCH BANKING & TRUST (CALLABLE) NOTE DTD 05/10/2016 2.050% 05/10/2021	05531FAV5	250,000.00	A-	A2	05/10/16	05/16/16	249,835.00	2.06	1,580.21	249,892.69	242,791.50
BANK OF AMERICA CORP (CALLABLE) DTD 09/18/2017 2.328% 10/01/2021	06051GGS2	90,000.00	A-	A3	09/13/17	09/18/17	90,000.00	2.33	948.66	90,000.00	88,466.94
MORGAN STANLEY BONDS DTD 11/17/2016 2.625% 11/17/2021	61746BED4	220,000.00	BBB+	A3	02/01/17	02/03/17	216,755.00	2.96	1,668.33	217,450.71	215,368.56
BANK OF AMERICA CORP CORP NOTES DTD 01/24/2012 5.700% 01/24/2022	06051GEM7	130,000.00	A-	A3	09/01/17	09/07/17	147,414.80	2.46	761.58	145,585.18	141,793.99
BB&T CORP (CALLABLE) NOTES DTD 03/21/2017 2.750% 04/01/2022	05531FAX1	300,000.00	A-	A2	04/03/17	04/06/17	302,265.00	2.59	3,437.50	301,870.11	295,770.60
Security Type Sub-Total		4,272,000.00					4,371,394.35	2.20	28,902.36	4,332,212.23	4,252,410.65
Certificate of Deposit											
CANADIAN IMPERIAL BANK NY CD DTD 12/05/2016 1.760% 11/30/2018	13606A5Z7	280,000.00	A-1	P-1	12/01/16	12/05/16	279,781.60	1.78	1,245.69	279,917.46	279,372.80



Managed Account Detail of Securities Held

For the Month Ending **February 28, 2018**

FPUD - INVESTMENT PORTFOLIO - 28710100

Security Type/Description	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Certificate of Deposit											
NORDEA BANK FINLAND NY CD DTD 12/05/2016 1.760% 11/30/2018	65558LWA6	280,000.00	A-1+	P-1	12/01/16	12/05/16	280,000.00	1.74	1,245.69	280,000.00	279,997.48
STATE BANK OF INDIA LT CD DTD 12/18/2013 2.050% 12/18/2018	856283VY9	245,000.00	NR	NR	12/19/13	12/19/13	245,000.00	1.96	1,004.50	245,000.00	245,376.81
SVENSKA HANDELSBANKEN NY LT CD DTD 01/12/2017 1.890% 01/10/2019	86958JHB8	200,000.00	A-1+	P-1	01/10/17	01/12/17	200,000.00	1.91	525.00	200,000.00	199,093.00
BANK OF MONTREAL CHICAGO CERT DEPOS DTD 02/09/2017 1.880% 02/07/2019	06427KRC3	280,000.00	A-1	P-1	02/08/17	02/09/17	280,000.00	1.90	350.93	280,000.00	279,957.72
BANK OF NOVA SCOTIA HOUSTON LT CD DTD 04/06/2017 1.910% 04/05/2019	06417GUE6	280,000.00	A+	A1	04/05/17	04/06/17	280,000.00	1.91	2,183.77	280,000.00	278,603.36
SUMITOMO MITSUI BANK NY CD DTD 05/04/2017 2.050% 05/03/2019	86563YVNO	250,000.00	A	A1	05/03/17	05/04/17	250,000.00	2.05	1,679.86	250,000.00	249,402.75
AMERICAN EXPRESS BK FSB LT CD DTD 07/24/2014 2.000% 07/24/2019	02587CAJ9	245,000.00	NR	NR	07/25/14	07/25/14	245,000.00	1.92	483.29	245,000.00	244,403.43
SKANDINAV ENSKILDA BANKEN NY CD DTD 08/04/2017 1.840% 08/02/2019	83050FXT3	185,000.00	A+	Aa3	08/03/17	08/04/17	184,927.85	1.85	255.30	184,948.56	179,957.46
CAPTIAL ONE BANK USA NA LT CD DTD 08/12/2015 2.000% 08/12/2019	140420UE8	245,000.00	NR	NR	08/12/15	08/12/15	245,000.00	1.94	228.22	245,000.00	244,790.53
BANK OF TOKYO-MITSUBISHI NY CD DTD 09/27/2017 2.070% 09/25/2019	06539RGM3	140,000.00	A	A1	09/25/17	09/27/17	140,000.00	2.07	1,247.75	140,000.00	138,859.56
CREDIT SUISSE NEW YORK CERT DEPOS DTD 02/08/2018 2.670% 02/07/2020	22549LFR1	145,000.00	A	A1	02/07/18	02/08/18	145,000.00	2.67	247.35	145,000.00	145,838.54
NORDEA BANK AB NY CD DTD 02/22/2018 2.720% 02/20/2020	65590ASN7	280,000.00	AA-	Aa3	02/20/18	02/22/18	280,000.00	2.72	190.40	280,000.00	279,757.24
WESTPAC BANKING CORP NY CD DTD 08/07/2017 2.050% 08/03/2020	96121T4A3	260,000.00	AA-	Aa3	08/03/17	08/07/17	260,000.00	2.05	355.33	260,000.00	257,701.08
SWEDBANK (NEW YORK) CERT DEPOS DTD 11/17/2017 2.270% 11/16/2020	87019U6D6	280,000.00	AA-	Aa3	11/16/17	11/17/17	280,000.00	2.30	1,836.18	280,000.00	276,486.56



Managed Account Detail of Securities Held

For the Month Ending **February 28, 2018**

FPUD - INVESTMENT PORTFOLIO - 28710100

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	S&P Par	Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Security Type Sub-Total			3,595,000.00					3,594,709.45	2.04	13,079.26	3,594,866.02	3,579,598.32
Asset-Backed Security / Collateralized Mortgage Obligation												
CARMAX ABS 2016-3 A2 DTD 07/20/2016 1.170% 08/15/2019		14314EAB7	21,048.22	AAA	NR	07/14/16	07/20/16	21,046.50	1.18	10.95	21,047.45	21,035.93
TOYOTA ABS 2016-B A3 DTD 05/11/2016 1.300% 04/15/2020		89231UAD9	91,891.79	AAA	Aaa	05/02/16	05/11/16	91,887.09	1.30	53.09	91,889.52	91,332.38
JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020		47788NAC2	35,000.00	NR	Aaa	07/19/16	07/27/16	34,997.21	1.25	19.44	34,998.52	34,749.28
CNH 2017-A A2 DTD 03/22/2017 1.640% 07/15/2020		12636WAB2	98,662.20	AAA	NR	03/15/17	03/22/17	98,658.41	1.80	71.91	98,659.31	98,346.51
TOYOTA ABS 2016-C A3 DTD 08/10/2016 1.140% 08/15/2020		89237WAD9	45,000.00	AAA	Aaa	08/01/16	08/10/16	44,998.79	1.14	22.80	44,999.33	44,595.21
CITIBANK ABS 2017-A2 A2 DTD 01/26/2017 1.740% 01/17/2021		17305EGA7	120,000.00	AAA	Aaa	01/19/17	01/26/17	119,977.02	1.75	255.20	120,000.00	119,369.46
JOHN DEERE ABS 2017-A A3 DTD 03/02/2017 1.780% 04/15/2021		47787XAC1	30,000.00	NR	Aaa	02/22/17	03/02/17	29,995.73	1.79	23.73	29,995.87	29,719.46
HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021		44891EAC3	75,000.00	AAA	Aaa	09/14/16	09/21/16	74,989.91	1.30	43.00	74,993.43	73,974.17
FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021		34531EAD8	95,000.00	NR	Aaa	01/18/17	01/25/17	94,999.65	1.67	70.51	94,999.76	93,939.75
CCCIT 2017-A9 A9 DTD 10/02/2017 1.800% 09/20/2021		17305EGH2	140,000.00	AAA	NR	09/25/17	10/02/17	139,989.57	1.80	1,043.00	139,990.75	138,516.66
JOHN DEERE ABS 2017-B A3 DTD 07/15/2017 1.820% 10/15/2021		47788BAD6	30,000.00	NR	Aaa	07/11/17	07/18/17	29,997.80	1.82	24.27	29,998.12	29,575.64
ALLY ABS 2017-4 A3 DTD 08/23/2017 1.750% 12/15/2021		02007FAC9	100,000.00	AAA	NR	08/15/17	08/23/17	99,998.71	1.75	77.78	99,998.87	98,705.09
HAROT 2018-1 A3 DTD 02/15/2018 2.640% 02/15/2022		43814UAC3	125,000.00	AAA	Aaa	02/22/18	02/28/18	124,983.84	2.65	146.67	124,983.85	124,983.84
ALLYA 2017-5 A3 DTD 11/22/2017 1.990% 03/15/2022		02007YAC8	110,000.00	AAA	Aaa	11/14/17	11/22/17	109,991.46	1.99	97.29	109,991.98	108,623.56



Managed Account Detail of Securities Held

For the Month Ending **February 28, 2018**

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Security Type/Description	S&P	Moody's	Trade	Settle	Original	YTM	Accrued	Amortized	Market		
Dated Date/Coupon/Maturity	Par	Rating	Rating	Date	Cost	at Cost	Interest	Cost	Value		
CUSIP											
Asset-Backed Security / Collateralized Mortgage Obligation											
FORDO 2017-C A3 DTD 11/21/2017 2.010% 03/15/2022	34532AAD5	140,000.00	AAA	NR	11/14/17	11/21/17	139,974.76	2.02	125.07	139,976.27	138,496.27
JDOT 2018-A A3 DTD 02/28/2018 2.660% 04/15/2022	47788CAC6	35,000.00	NR	Aaa	02/21/18	02/28/18	34,997.48	2.66	41.38	34,997.48	34,997.48
NAROT 2018-A A3 DTD 02/15/2018 2.650% 05/15/2022	65478DAD9	75,000.00	AAA	Aaa	02/21/18	02/28/18	74,991.43	2.66	88.33	74,991.43	74,991.43
Security Type Sub-Total		1,366,602.21					1,366,475.36	1.86	2,214.42	1,366,511.94	1,355,952.12
Managed Account Sub-Total		14,454,915.04					14,531,594.19	1.99	62,186.84	14,489,957.75	14,261,637.32
Securities Sub-Total		\$14,454,915.04					\$14,531,594.19	1.99%	\$62,186.84	\$14,489,957.75	\$14,261,637.32
Accrued Interest											\$62,186.84
Total Investments											\$14,323,824.16



Managed Account Fair Market Value & Analytics

For the Month Ending **February 28, 2018**

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Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	Par	Broker	Next Call Date	Market Price	Market Value	Unreal G/L On Cost	Unreal G/L Amort Cost	Effective Duration	Duration to Worst at Mkt	YTM
U.S. Treasury Bond / Note												
US TREASURY NOTES	DTD 02/02/2015 1.250% 01/31/2020	912828H52	75,000.00	MORGAN_S		98.11	73,579.13	(404.27)	(478.57)	1.88	1.88	2.26
US TREASURY NOTES	DTD 06/01/2015 1.500% 05/31/2020	912828XE5	285,000.00	TD SEC U		98.18	279,801.03	(9,796.83)	(7,984.93)	2.19	2.19	2.34
US TREASURY NOTES	DTD 12/02/2013 2.000% 11/30/2020	912828A42	190,000.00	CITIGRP		98.95	187,996.07	(7,807.84)	(5,524.89)	2.65	2.65	2.40
US TREASURY NOTES	DTD 05/02/2016 1.375% 04/30/2021	912828O78	25,000.00	MERRILL		96.68	24,170.90	(331.05)	(460.26)	3.06	3.06	2.47
US TREASURY NOTES	DTD 05/02/2016 1.375% 04/30/2021	912828O78	150,000.00	CITIGRP		96.68	145,025.40	(2,009.76)	(2,739.06)	3.06	3.06	2.47
US TREASURY NOTES	DTD 06/02/2014 2.000% 05/31/2021	912828WN6	165,000.00	MORGANST		98.51	162,544.31	(8,159.79)	(6,474.37)	3.11	3.11	2.48
US TREASURY NOTES	DTD 08/01/2016 1.125% 07/31/2021	912828S76	175,000.00	CITIGRP		95.50	167,125.00	(2,891.60)	(3,814.58)	3.32	3.32	2.51
US TREASURY N/B	DTD 07/31/2014 2.250% 07/31/2021	912828WY2	295,000.00	BNP PARI		99.14	292,476.28	(8,792.47)	(7,150.30)	3.27	3.27	2.51
US TREASURY NOTES	DTD 09/02/2014 2.000% 08/31/2021	912828D72	400,000.00	MORGANST		98.26	393,031.20	(8,375.05)	(8,023.26)	3.35	3.35	2.52
US TREASURY NOTES	DTD 10/31/2016 1.250% 10/31/2021	912828T67	245,000.00	MORGAN_S		95.52	234,022.78	(7,129.95)	(7,579.66)	3.54	3.54	2.54
US TREASURY NOTES	DTD 10/31/2016 1.250% 10/31/2021	912828T67	250,000.00	CITIGRP		95.52	238,798.75	(1,904.38)	(3,760.84)	3.54	3.54	2.54
US TREASURY NOTES	DTD 01/03/2017 2.000% 12/31/2021	912828U81	390,000.00	HSBC		97.95	382,001.88	(12,736.01)	(12,052.74)	3.65	3.65	2.56
US TREASURY NOTES	DTD 02/02/2015 1.500% 01/31/2022	912828H86	460,000.00	MORGAN_S		96.02	441,689.70	(10,745.46)	(11,779.63)	3.77	3.77	2.57
US TREASURY NOTES	DTD 03/31/2017 1.875% 03/31/2022	912828W89	110,000.00	MORGAN_S		97.25	106,970.71	(3,678.12)	(3,590.28)	3.87	3.87	2.59
US TREASURY NOTES	DTD 06/30/2017 1.750% 06/30/2022	912828XW5	235,000.00	HSBC		96.50	226,765.84	(8,564.63)	(8,534.83)	4.13	4.13	2.61
US TREASURY NOTES	DTD 07/31/2017 1.875% 07/31/2022	912828P4	100,000.00	BARCLAYS		96.89	96,894.50	(1,929.72)	(1,986.80)	4.20	4.20	2.62
US TREASURY NOTES	DTD 07/31/2017 1.875% 07/31/2022	912828P4	100,000.00	MORGAN_S		96.89	96,894.50	(207.06)	(208.79)	4.20	4.20	2.62



Managed Account Fair Market Value & Analytics

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Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	Broker	Next Call Date	Market Price	Market Value	Unreal G/L On Cost	Unreal G/L Amort Cost	Effective Duration	Duration to Worst at Mkt	YTM
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 07/31/2017 1.875% 07/31/2022	9128282P4	195,000.00	MORGAN_S		96.89	188,944.28	(4,722.71)	(4,811.49)	4.20	4.20	2.62
US TREASURY NOTES DTD 07/31/2017 1.875% 07/31/2022	9128282P4	245,000.00	HSBC		96.89	237,391.53	(3,971.75)	(4,089.76)	4.20	4.20	2.62
US TREASURY NOTES DTD 09/30/2015 1.750% 09/30/2022	912828L57	250,000.00	BARCLAYS		96.20	240,507.75	(4,921.94)	(5,134.92)	4.33	4.33	2.63
US TREASURY NOTES DTD 09/30/2015 1.750% 09/30/2022	912828L57	270,000.00	CITIGRP		96.20	259,748.37	(7,762.57)	(7,955.73)	4.33	4.33	2.63
US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	185,000.00	HSBC		97.63	180,613.47	(375.79)	(377.97)	4.54	4.54	2.65
Security Type Sub-Total		4,795,000.00				4,656,993.38	(117,218.75)	(114,513.66)	3.60	3.60	2.54
Supra-National Agency Bond / Note											
INTL BANK OF RECON AND DEV GLOBAL NOTES DTD 08/29/2017 1.625% 09/04/2020	459058GA5	140,000.00	JPM_CHAS		97.87	137,018.28	(2,952.32)	(2,957.26)	2.43	2.43	2.50
Security Type Sub-Total		140,000.00				137,018.28	(2,952.32)	(2,957.26)	2.43	2.43	2.50
Federal Agency Collateralized Mortgage Obligation											
FNMA SERIES 2016-M9 ASQ2 DTD 06/01/2016 1.785% 06/01/2019	3136ASPX8	31,312.83	CSFB		99.62	31,193.33	(432.62)	(223.83)	0.64	1.10	2.02
Security Type Sub-Total		31,312.83				31,193.33	(432.62)	(223.83)	0.64	1.10	2.02
Federal Agency Bond / Note											
FHLB NOTES DTD 09/08/2017 1.375% 09/28/2020	3130ACE26	10,000.00	BARCLAYS		97.44	9,743.97	(223.93)	(228.86)	2.50	2.50	2.40
FHLB NOTES DTD 09/08/2017 1.375% 09/28/2020	3130ACE26	245,000.00	DEUTSCHE		97.44	238,727.27	(4,511.18)	(4,767.72)	2.50	2.50	2.40
Security Type Sub-Total		255,000.00				248,471.24	(4,735.11)	(4,996.58)	2.50	2.50	2.40



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Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	Broker	Next Call Date	Market Price	Market Value	Unreal G/L On Cost	Unreal G/L Amort Cost	Effective Duration	Duration to Worst at Mkt	YTM
Corporate Note											
CITIGROUP INC CORP NOTES DTD 06/09/2016 2.050% 06/07/2019	172967KS9	100,000.00	CITIGRP		99.15	99,154.60	(793.40)	(823.00)	1.24	1.24	2.73
BURLINGTON NRTH CORP DTD 09/24/2009 4.700% 10/01/2019	12189TBC7	200,000.00	GOLDMAN		103.31	206,610.00	(14,170.00)	(3,445.08)	1.51	1.51	2.57
CATERPILLAR FINANCIAL CORP NOTES DTD 12/01/2014 2.250% 12/01/2019	14912L6F3	390,000.00	NEW ACCT		99.35	387,465.78	(10,942.62)	(5,811.51)	1.70	1.70	2.63
AMERICAN HONDA FINANCE DTD 02/16/2017 2.000% 02/14/2020	02665WBM2	90,000.00	MIZUHO		98.71	88,837.65	(1,034.55)	(1,078.10)	1.91	1.91	2.68
BNY MELLON (CALLABLE) CORP NOTE DTD 02/24/2015 2.150% 02/24/2020	06406HCZ0	352,000.00	NEW ACCT	01/24/20	98.87	348,032.26	(4,116.04)	(4,034.63)	1.92	1.93	2.74
AMERICAN HONDA FINANCE CORP NOTES DTD 07/20/2017 1.950% 07/20/2020	02665WBT7	25,000.00	BARCLAYS		98.12	24,530.98	(443.77)	(448.82)	2.31	2.31	2.76
JP MORGAN CHASE & CO NOTES DTD 07/22/2010 4.400% 07/22/2020	46625HHS2	455,000.00	BONY		103.43	470,622.88	(22,442.42)	(6,354.30)	2.26	2.26	2.91
CATERPILLAR FINL SERVICE NOTE DTD 09/07/2017 1.850% 09/04/2020	14913O2A6	100,000.00	BARCLAYS		97.71	97,705.00	(2,211.00)	(2,224.20)	2.41	2.41	2.80
PACCAR FINANCIAL CORP NOTES DTD 11/13/2017 2.050% 11/13/2020	69371RN85	40,000.00	CITIGRP		98.18	39,273.36	(723.04)	(723.39)	2.60	2.60	2.75
WELLS FARGO & COMPANY NOTES DTD 12/07/2015 2.550% 12/07/2020	94974BGR5	385,000.00	WELLSFAR		98.78	380,289.91	(11,289.74)	(8,742.11)	2.64	2.64	3.01
IBM CORP CORP NOTES DTD 02/06/2018 2.650% 02/05/2021	44932HAG8	140,000.00	BNP_PARI		99.34	139,075.30	(856.10)	(857.63)	2.80	2.80	2.89
NATIONAL RURAL UTIL COOP DTD 02/26/2018 2.900% 03/15/2021	63743HER9	60,000.00	RBC		99.81	59,886.42	(46.98)	(47.29)	2.90	2.90	2.96
UNITED PARCEL SERVICE CORPORATE BOND DTD 11/14/2017 2.050% 04/01/2021	911312BP0	110,000.00	JPM_CHAS		98.12	107,927.16	(1,899.04)	(1,913.11)	2.95	2.95	2.69
MORGAN STANLEY CORP NOTES DTD 04/21/2016 2.500% 04/21/2021	61746BEA0	260,000.00	SCOTIA		98.29	255,551.92	(5,940.48)	(5,417.78)	2.97	2.97	3.07
GOLDMAN SACHS GRP INC CORP NT (CALLABLE) DTD 04/25/2016 2.625% 04/25/2021	38141GVU5	290,000.00	JPMCHASE	03/25/21	98.33	285,147.14	(11,546.06)	(9,378.86)	2.97	2.98	3.19



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Corporate Note												
AMERICAN EXPRESS CREDIT (CALLABLE) NOTES	DTD 05/05/2016 2.250% 05/05/2021	0258M0EB1	285,000.00	GOLDMAN	04/04/21	97.58	278,108.70	(8,450.25)	(7,894.67)	3.02	3.02	3.05
BRANCH BANKING & TRUST (CALLABLE) NOTE	DTD 05/10/2016 2.050% 05/10/2021	05531FAV5	250,000.00	KEYBAN	04/09/21	97.12	242,791.50	(7,043.50)	(7,101.19)	3.05	3.05	3.00
BANK OF AMERICA CORP (CALLABLE) DTD 09/18/2017 2.328% 10/01/2021		06051GGS2	90,000.00	MERRILL	10/01/20	98.30	88,466.94	(1,533.06)	(1,533.06)	2.73	3.38	2.83
MORGAN STANLEY BONDS	DTD 11/17/2016 2.625% 11/17/2021	61746BED4	220,000.00	MORGAN_S		97.89	215,368.56	(1,386.44)	(2,082.15)	3.48	3.48	3.23
BANK OF AMERICA CORP CORP NOTES	DTD 01/24/2012 5.700% 01/24/2022	06051GEM7	130,000.00	INCAPITA		109.07	141,793.99	(5,620.81)	(3,791.19)	3.50	3.50	3.21
BB&T CORP (CALLABLE) NOTES	DTD 03/21/2017 2.750% 04/01/2022	05531FAX1	300,000.00	MORGAN_S	03/01/22	98.59	295,770.60	(6,494.40)	(6,099.51)	3.79	3.79	3.12
Security Type Sub-Total			4,272,000.00				4,252,410.65	(118,983.70)	(79,801.58)	2.60	2.62	2.92
Certificate of Deposit												
CANADIAN IMPERIAL BANK NY CD	DTD 12/05/2016 1.760% 11/30/2018	13606A5Z7	280,000.00	GOLDMAN		99.78	279,372.80	(408.80)	(544.66)	0.74	0.74	2.03
NORDEA BANK FINLAND NY CD	DTD 12/05/2016 1.760% 11/30/2018	65558LWA6	280,000.00	MERRILL		100.00	279,997.48	(2.52)	(2.52)	0.75	0.75	1.74
STATE BANK OF INDIA LT CD	DTD 12/18/2013 2.050% 12/18/2018	856283VY9	245,000.00	NEW ACCT		100.15	245,376.81	376.81	376.81	0.80	0.80	1.71
SVENSKA HANDELSBANKEN NY LT CD	DTD 01/12/2017 1.890% 01/10/2019	86958JHB8	200,000.00	MERRILL		99.55	199,093.00	(907.00)	(907.00)	0.86	0.86	2.38
BANK OF MONTREAL CHICAGO CERT DEPOS	DTD 02/09/2017 1.880% 02/07/2019	06427KRC3	280,000.00	GOLDMAN		99.98	279,957.72	(42.28)	(42.28)	0.93	0.93	1.85
BANK OF NOVA SCOTIA HOUSTON LT CD	DTD 04/06/2017 1.910% 04/05/2019	06417GUE6	280,000.00	MERRILL		99.50	278,603.36	(1,396.64)	(1,396.64)	1.09	1.09	1.47
SUMITOMO MITSUI BANK NY CD	DTD 05/04/2017 2.050% 05/03/2019	86563YVNO	250,000.00	JPM_CHAS		99.76	249,402.75	(597.25)	(597.25)	1.17	1.17	1.37



Managed Account Fair Market Value & Analytics

For the Month Ending **February 28, 2018**

FPUD - INVESTMENT PORTFOLIO - 28710100

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	Par	Broker	Next Call Date	Market Price	Market Value	Unreal G/L On Cost	Unreal G/L Amort Cost	Effective Duration	Duration to Worst at Mkt	YTM
Certificate of Deposit												
AMERICAN EXPRESS BK FSB LT CD	DTD 07/24/2014 2.000% 07/24/2019	02587CAJ9	245,000.00	NEW ACCT		99.76	244,403.43	(596.57)	(596.57)	1.39	1.39	2.02
SKANDINAV ENSKILDA BANKEN NY CD	DTD 08/04/2017 1.840% 08/02/2019	83050FXT3	185,000.00	BARCLAYS		97.27	179,957.46	(4,970.39)	(4,991.10)	1.39	1.39	2.48
CAPTIAL ONE BANK USA NA LT CD	DTD 08/12/2015 2.000% 08/12/2019	140420UE8	245,000.00	NEW ACCT		99.91	244,790.53	(209.47)	(209.47)	1.44	1.44	1.95
BANK OF TOKYO-MITSUBISHI NY CD	DTD 09/27/2017 2.070% 09/25/2019	06539RGM3	140,000.00	MITSU		99.19	138,859.56	(1,140.44)	(1,140.44)	1.56	1.56	2.02
CREDIT SUISSE NEW YORK CERT DEPOS	DTD 02/08/2018 2.670% 02/07/2020	22549LFR1	145,000.00	CSFB		100.58	145,838.54	838.54	838.54	1.87	1.87	2.36
NORDEA BANK AB NY CD	DTD 02/22/2018 2.720% 02/20/2020	65590ASN7	280,000.00	GOLDMAN		99.91	279,757.24	(242.76)	(242.76)	1.91	1.91	2.77
WESTPAC BANKING CORP NY CD	DTD 08/07/2017 2.050% 08/03/2020	96121T4A3	260,000.00	JPM_CHAS		99.12	257,701.08	(2,298.92)	(2,298.92)	2.40	2.40	2.35
SWEDBANK (NEW YORK) CERT DEPOS	DTD 11/17/2017 2.270% 11/16/2020	87019U6D6	280,000.00	MERRILL		98.75	276,486.56	(3,513.44)	(3,513.44)	2.59	2.59	2.79
Security Type Sub-Total			3,595,000.00				3,579,598.32	(15,111.13)	(15,267.70)	1.38	1.38	2.07
Asset-Backed Security / Collateralized Mortgage Obligation												
CARMAX ABS 2016-3 A2	DTD 07/20/2016 1.170% 08/15/2019	14314EAB7	21,048.22	CSFB		99.94	21,035.93	(10.57)	(11.52)	0.12	1.29	1.22
TOYOTA ABS 2016-B A3	DTD 05/11/2016 1.300% 04/15/2020	89231UAD9	91,891.79	CITIGRP		99.39	91,332.38	(554.71)	(557.14)	0.57	1.36	1.75
JOHN DEERE ABS 2016-B A3	DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	35,000.00	RBC CAP		99.28	34,749.28	(247.93)	(249.24)	0.77	1.54	1.72
CNH 2017-A A2	DTD 03/22/2017 1.640% 07/15/2020	12636WAB2	98,662.20	CITIGRP		99.68	98,346.51	(311.90)	(312.80)	0.52	1.65	1.83
TOYOTA ABS 2016-C A3	DTD 08/10/2016 1.140% 08/15/2020	89237WAD9	45,000.00	MITSU		99.10	44,595.21	(403.58)	(404.12)	0.70	1.71	1.67
CITIBANK ABS 2017-A2 A2	DTD 01/26/2017 1.740% 01/17/2021	17305EGA7	120,000.00	CITIGRP		99.47	119,369.46	(607.56)	(630.54)	0.88	1.59	2.07
JOHN DEERE ABS 2017-A A3	DTD 03/02/2017 1.780% 04/15/2021	47787XAC1	30,000.00	MERRILL		99.06	29,719.46	(276.27)	(276.41)	1.11	2.02	2.24



Managed Account Fair Market Value & Analytics

For the Month Ending **February 28, 2018**

FPUD - INVESTMENT PORTFOLIO - 28710100

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	Par	Broker	Next Call Date	Market Price	Market Value	Unreal G/L On Cost	Unreal G/L Amort Cost	Effective Duration	Duration to Worst at Mkt	YTM
Asset-Backed Security / Collateralized Mortgage Obligation												
HYUNDAI ABS 2016-B A3	DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	75,000.00	JPMCHASE		98.63	73,974.17	(1,015.74)	(1,019.26)	1.22	2.57	1.83
FORD ABS 2017-A A3	DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	95,000.00	CITIGRP		98.88	93,939.75	(1,059.90)	(1,060.01)	1.33	2.35	2.15
CCCIT 2017-A9 A9	DTD 10/02/2017 1.800% 09/20/2021	17305EGH2	140,000.00	CITIGRP		98.94	138,516.66	(1,472.91)	(1,474.09)	1.52	1.76	2.40
JOHN DEERE ABS 2017-B A3	DTD 07/15/2017 1.820% 10/15/2021	47788BAD6	30,000.00	MITSU		98.59	29,575.64	(422.16)	(422.48)	1.49	1.51	2.76
ALLY ABS 2017-4 A3	DTD 08/23/2017 1.750% 12/15/2021	02007FAC9	100,000.00	DEUTSCHE		98.71	98,705.09	(1,293.62)	(1,293.78)	1.46	1.89	2.44
HAROT 2018-1 A3	DTD 02/15/2018 2.640% 02/15/2022	43814UAC3	125,000.00	SOCGEN		99.99	124,983.84	0.00	(0.01)	2.02	1.97	2.65
ALLYA 2017-5 A3	DTD 11/22/2017 1.990% 03/15/2022	02007YAC8	110,000.00	CITIGRP		98.75	108,623.56	(1,367.90)	(1,368.42)	1.62	2.01	2.62
FORDO 2017-C A3	DTD 11/21/2017 2.010% 03/15/2022	34532AAD5	140,000.00	MERRILL		98.93	138,496.27	(1,478.49)	(1,480.00)	1.67	2.01	2.55
JDOT 2018-A A3	DTD 02/28/2018 2.660% 04/15/2022	47788CAC6	35,000.00	RBC		99.99	34,997.48	0.00	0.00	2.18	1.68	2.66
NAROT 2018-A A3	DTD 02/15/2018 2.650% 05/15/2022	65478DAD9	75,000.00	MERRILL		99.99	74,991.43	0.00	0.00	2.16	2.09	2.66
Security Type Sub-Total			1,366,602.21				1,355,952.12	(10,523.24)	(10,559.82)	1.34	1.87	2.26
Managed Account Sub-Total			14,454,915.04				14,261,637.32	(269,956.87)	(228,320.43)	2.49	2.55	2.51
Securities Sub-Total			\$14,454,915.04				\$14,261,637.32	(\$269,956.87)	(\$228,320.43)	2.49	2.55	2.51%
Accrued Interest							\$62,186.84					
Total Investments							\$14,323,824.16					



Managed Account Security Transactions & Interest

For the Month Ending February 28, 2018

FPUD - INVESTMENT PORTFOLIO - 28710100

Transaction Type					Principal	Accrued		Realized G/L	Realized G/L	Sale
Trade	Settle	Security Description	CUSIP	Par	Proceeds	Interest	Total	Cost	Amort Cost	Method
BUY										
01/31/18	02/01/18	US TREASURY N/B NOTES DTD 01/31/2018 2.000% 01/31/2020	9128283S7	90,000.00	(89,736.33)	(4.97)	(89,741.30)			
02/01/18	02/06/18	IBM CORP CORP NOTES DTD 02/06/2018 2.650% 02/05/2021	44932HAG8	140,000.00	(139,931.40)	0.00	(139,931.40)			
02/07/18	02/08/18	CREDIT SUISSE NEW YORK CERT DEPOS DTD 02/08/2018 2.670% 02/07/2020	22549LFR1	145,000.00	(145,000.00)	0.00	(145,000.00)			
02/20/18	02/22/18	NORDEA BANK AB NY CD DTD 02/22/2018 2.720% 02/20/2020	65590ASN7	280,000.00	(280,000.00)	0.00	(280,000.00)			
02/21/18	02/26/18	NATIONAL RURAL UTIL COOP DTD 02/26/2018 2.900% 03/15/2021	63743HER9	60,000.00	(59,933.40)	0.00	(59,933.40)			
02/21/18	02/28/18	NAROT 2018-A A3 DTD 02/15/2018 2.650% 05/15/2022	65478DAD9	75,000.00	(74,991.43)	0.00	(74,991.43)			
02/21/18	02/28/18	JDOT 2018-A A3 DTD 02/28/2018 2.660% 04/15/2022	47788CAC6	35,000.00	(34,997.48)	0.00	(34,997.48)			
02/22/18	02/28/18	HAROT 2018-1 A3 DTD 02/15/2018 2.640% 02/15/2022	43814UAC3	125,000.00	(124,983.84)	0.00	(124,983.84)			
02/26/18	02/28/18	US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	185,000.00	(180,989.26)	(640.73)	(181,629.99)			
02/26/18	02/28/18	US TREASURY NOTES DTD 07/31/2017 1.875% 07/31/2022	912828P4	100,000.00	(97,101.56)	(145.03)	(97,246.59)			
Transaction Type Sub-Total				1,235,000.00	(1,227,664.70)	(790.73)	(1,228,455.43)			
INTEREST										
02/01/18	02/01/18	MONEY MARKET FUND	MONEY0002	0.00	0.00	51.15	51.15			
02/01/18	02/25/18	FNMA SERIES 2016-M9 ASQ2 DTD 06/01/2016 1.785% 06/01/2019	3136ASPX8	34,469.46	0.00	51.27	51.27			
02/02/18	02/02/18	SKANDINAV ENSKILDA BANKEN NY CD DTD 08/04/2017 1.840% 08/02/2019	83050FXT3	185,000.00	0.00	1,720.91	1,720.91			
02/07/18	02/07/18	WESTPAC BANKING CORP NY CD DTD 08/07/2017 2.050% 08/03/2020	96121T4A3	260,000.00	0.00	2,665.00	2,665.00			
02/07/18	02/07/18	BANK OF MONTREAL CHICAGO CERT DEPOS DTD 02/09/2017 1.880% 02/07/2019	06427KRC3	280,000.00	0.00	2,632.00	2,632.00			



Managed Account Security Transactions & Interest

For the Month Ending February 28, 2018

FPUD - INVESTMENT PORTFOLIO - 28710100

Transaction Type	Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
INTEREST											
	02/12/18	02/12/18	CAPTIAL ONE BANK USA NA LT CD DTD 08/12/2015 2.000% 08/12/2019	140420UE8	245,000.00	0.00	2,470.14	2,470.14			
	02/14/18	02/14/18	AMERICAN HONDA FINANCE DTD 02/16/2017 2.000% 02/14/2020	02665WBM2	90,000.00	0.00	900.00	900.00			
	02/15/18	02/15/18	JOHN DEERE ABS 2017-A A3 DTD 03/02/2017 1.780% 04/15/2021	47787XAC1	30,000.00	0.00	44.50	44.50			
	02/15/18	02/15/18	JOHN DEERE ABS 2017-B A3 DTD 07/15/2017 1.820% 10/15/2021	47788BAD6	30,000.00	0.00	45.50	45.50			
	02/15/18	02/15/18	ALLYA 2017-5 A3 DTD 11/22/2017 1.990% 03/15/2022	02007YAC8	110,000.00	0.00	182.42	182.42			
	02/15/18	02/15/18	FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	95,000.00	0.00	132.21	132.21			
	02/15/18	02/15/18	TOYOTA ABS 2016-C A3 DTD 08/10/2016 1.140% 08/15/2020	89237WAD9	45,000.00	0.00	42.75	42.75			
	02/15/18	02/15/18	HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	75,000.00	0.00	80.63	80.63			
	02/15/18	02/15/18	ALLY ABS 2017-4 A3 DTD 08/23/2017 1.750% 12/15/2021	02007FAC9	100,000.00	0.00	145.83	145.83			
	02/15/18	02/15/18	CNH 2017-A A2 DTD 03/22/2017 1.640% 07/15/2020	12636WAB2	116,626.45	0.00	159.39	159.39			
	02/15/18	02/15/18	CARMAX ABS 2016-3 A2 DTD 07/20/2016 1.170% 08/15/2019	14314EAB7	29,499.97	0.00	28.76	28.76			
	02/15/18	02/15/18	FORDO 2017-C A3 DTD 11/21/2017 2.010% 03/15/2022	34532AAD5	140,000.00	0.00	234.50	234.50			
	02/15/18	02/15/18	TOYOTA ABS 2016-B A3 DTD 05/11/2016 1.300% 04/15/2020	89231UAD9	99,773.23	0.00	108.09	108.09			
	02/15/18	02/15/18	JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	35,000.00	0.00	36.46	36.46			
	02/24/18	02/24/18	BNY MELLON (CALLABLE) CORP NOTE DTD 02/24/2015 2.150% 02/24/2020	06406HCZ0	352,000.00	0.00	3,784.00	3,784.00			
	02/28/18	02/28/18	US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	400,000.00	0.00	4,000.00	4,000.00			
Transaction Type Sub-Total					2,752,369.11	0.00	19,515.51	19,515.51			



Managed Account Security Transactions & Interest

For the Month Ending **February 28, 2018**

FPUD - INVESTMENT PORTFOLIO - 28710100

Transaction Type	Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
PAYDOWNS											
	02/01/18	02/25/18	FNMA SERIES 2016-M9 ASQ2 DTD 06/01/2016 1.785% 06/01/2019	3136ASPX8	3,156.63	3,156.63	0.00	3,156.63	(31.57)	0.00	
	02/15/18	02/15/18	CNH 2017-A A2 DTD 03/22/2017 1.640% 07/15/2020	12636WAB2	17,964.25	17,964.25	0.00	17,964.25	0.69	0.00	
	02/15/18	02/15/18	TOYOTA ABS 2016-B A3 DTD 05/11/2016 1.300% 04/15/2020	89231UAD9	7,881.44	7,881.44	0.00	7,881.44	0.40	0.00	
	02/15/18	02/15/18	CARMAX ABS 2016-3 A2 DTD 07/20/2016 1.170% 08/15/2019	14314EAB7	8,451.75	8,451.75	0.00	8,451.75	0.69	0.00	
Transaction Type Sub-Total					37,454.07	37,454.07	0.00	37,454.07	(29.79)	0.00	
SELL											
	02/01/18	02/06/18	US TREASURY NOTES DTD 06/01/2015 1.500% 05/31/2020	912828XE5	75,000.00	73,763.67	210.17	73,973.84	(3,049.81)	(2,313.70)	FIFO
	02/01/18	02/06/18	US TREASURY NOTES DTD 06/01/2015 1.500% 05/31/2020	912828XE5	65,000.00	63,928.52	182.14	64,110.66	(2,120.11)	(1,724.51)	FIFO
	02/07/18	02/08/18	US TREASURY NOTES DTD 02/02/2015 1.250% 01/31/2020	912828H52	145,000.00	142,479.49	40.06	142,519.55	(555.08)	(644.49)	FIFO
	02/21/18	02/26/18	CATERPILLAR FINANCIAL CORP NOTES DTD 12/01/2014 2.250% 12/01/2019	14912L6F3	65,000.00	64,603.50	345.31	64,948.81	(1,797.90)	(946.99)	FIFO
	02/21/18	02/28/18	US TREASURY NOTES DTD 06/01/2015 1.500% 05/31/2020	912828XE5	75,000.00	73,617.19	278.16	73,895.35	(2,592.77)	(2,116.84)	FIFO
	02/21/18	02/28/18	US TREASURY NOTES DTD 02/02/2015 1.250% 01/31/2020	912828H52	100,000.00	98,105.47	96.69	98,202.16	(539.06)	(636.34)	FIFO
	02/21/18	02/28/18	US TREASURY N/B NOTES DTD 01/31/2018 2.000% 01/31/2020	9128283S7	55,000.00	54,740.04	85.08	54,825.12	(98.83)	(104.75)	FIFO
	02/22/18	02/22/18	US TREASURY NOTES DTD 06/02/2014 2.000% 05/31/2021	912828WN6	235,000.00	231,456.64	1,084.62	232,541.26	(11,667.39)	(9,300.14)	FIFO
	02/26/18	02/28/18	US TREASURY N/B NOTES DTD 01/31/2018 2.000% 01/31/2020	9128283S7	35,000.00	34,861.91	54.14	34,916.05	(35.55)	(39.32)	FIFO
	02/26/18	02/28/18	US TREASURY NOTES DTD 06/01/2015 1.500% 05/31/2020	912828XE5	100,000.00	98,269.53	370.88	98,640.41	(3,343.75)	(2,709.18)	FIFO
	02/26/18	02/28/18	BANK OF TOKYO MITSUBISHI UFJ LTD COMM PA -- 0.000% 05/29/2018	06538CEV9	150,000.00	149,231.25	0.00	149,231.25	925.25	(191.25)	FIFO



Managed Account Security Transactions & Interest

For the Month Ending **February 28, 2018**

FPUD - INVESTMENT PORTFOLIO - 28710100

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
Transaction Type Sub-Total				1,100,000.00	1,085,057.21	2,747.25	1,087,804.46	(24,875.00)	(20,727.51)	
Managed Account Sub-Total					(105,153.42)	21,472.03	(83,681.39)	(24,904.79)	(20,727.51)	
Total Security Transactions					(\$105,153.42)	\$21,472.03	(\$83,681.39)	(\$24,904.79)	(\$20,727.51)	



Managed Account Summary Statement

For the Month Ending **February 28, 2018**

FPUD - INVESTMENT PORTFOLIO - 28710100

Transaction Summary - Managed Account	
Opening Market Value	\$14,300,914.78
Maturities/Calls	(37,454.07)
Principal Dispositions	(1,085,057.21)
Principal Acquisitions	1,137,928.37
Unsettled Trades	0.00
Change in Current Value	(54,694.55)
Closing Market Value	\$14,261,637.32

Cash Transactions Summary - Managed Account	
Maturities/Calls	0.00
Sale Proceeds	1,087,804.46
Coupon/Interest/Dividend Income	19,515.51
Principal Payments	37,454.07
Security Purchases	(1,228,455.43)
Net Cash Contribution	0.00
Reconciling Transactions	0.00

Earnings Reconciliation (Cash Basis) - Managed Account	
Interest/Dividends/Coupons Received	22,262.76
Less Purchased Interest Related to Interest/Coupons	(790.73)
Plus Net Realized Gains/Losses	(24,904.79)
Total Cash Basis Earnings	(\$3,432.76)

Cash Balance	
Closing Cash Balance	\$12,185.37

Earnings Reconciliation (Accrual Basis)	Total
Ending Amortized Value of Securities	14,489,957.75
Ending Accrued Interest	62,186.84
Plus Proceeds from Sales	1,087,804.46
Plus Proceeds of Maturities/Calls/Principal Payments	37,454.07
Plus Coupons/Dividends Received	19,515.51
Less Cost of New Purchases	(1,138,714.13)
Less Beginning Amortized Value of Securities	(14,496,923.29)
Less Beginning Accrued Interest	(59,208.47)
Total Accrual Basis Earnings	\$2,072.74

M E M O

TO: Board of Directors
FROM: David Shank, Assistant General Manager/CFO
DATE: March 26, 2018
SUBJECT: Budget Status Report

Purpose

Provide a Budget Status Report of the District's budget to the Board.

Summary

Water sales levels continue to outperform budget assumptions largely due to the lack of winter rainfall. The water and recycled water sales levels are shown in the charts below. Higher sales levels have resulted in higher than expected water sales revenues and expenditures this month and year-to-date. New wastewater service charge rates should boost revenues and improve year-end results.

Non-operating revenue shows the higher than expected pumping charge and capacity charge revenues. The pumping charge revenues is due to higher than expected sales and capacity charge revenues is due to the sale of more meters than projected.

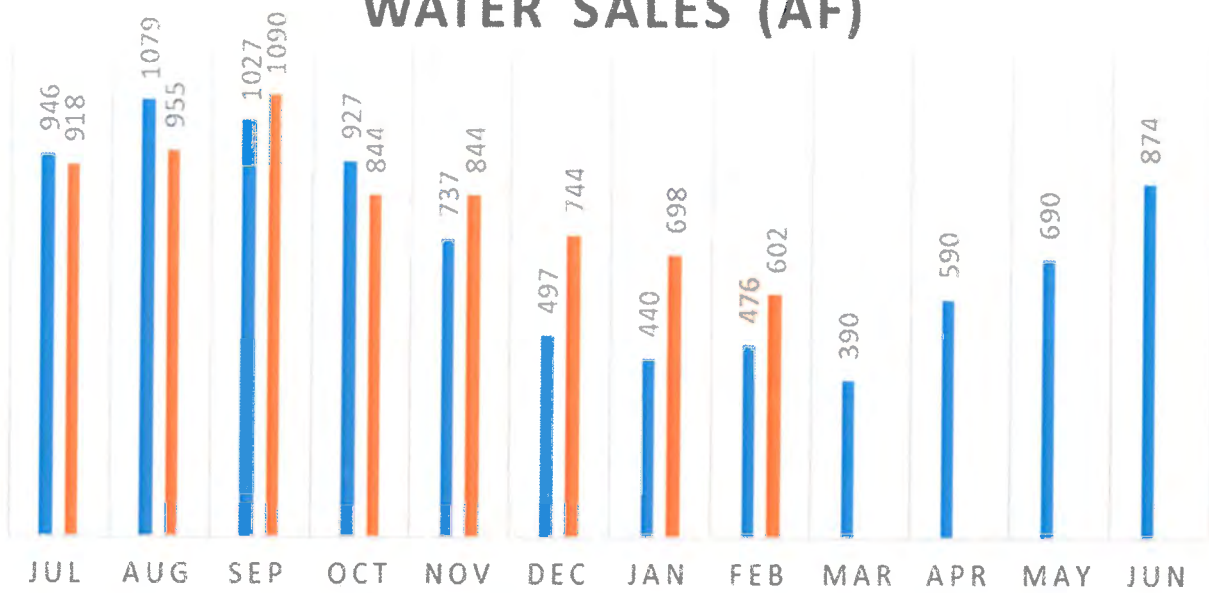
The District's expenditures are slightly over budget due to the higher than budgeted purchased water expense. This, as discussed above, is due to higher than expected water sales. The District's consolidated operating department expenses are slightly over budget.

Total revenue is \$1,124,479 or 5.1% over budget and expenditures are \$741,714 or 3.8% over budget. Capital spending is trending towards the budget after a large capital project expense earlier this year. As a result, the District financial position is in-line with budget expectations.

Recommended Action

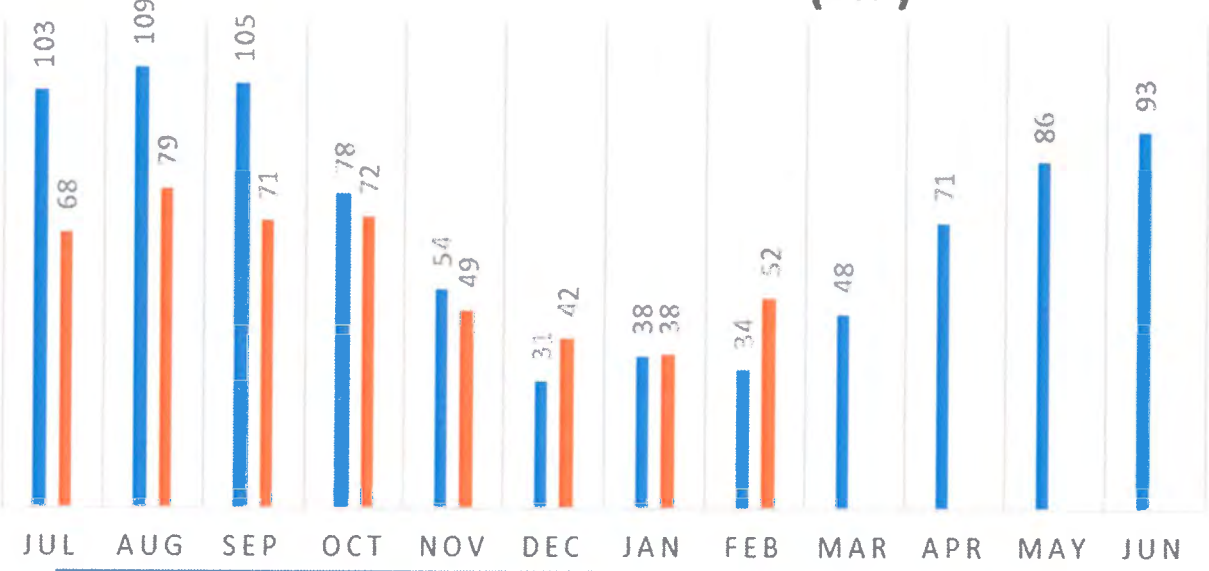
This item is for discussion only. No action is required.

WATER SALES (AF)



Year-to-Date Actual 6,695 AF Year-to-Date Budget 6,129 AF

RECYCLED WATER (AF)



Year-to-Date Actual 471 Year-to-Date Budget 552

Monthly Budget Report for February

Favorable Variance Shown as a positive number

	Current Month		Year-To-Date				Annual Budget		
	Actual	Budget	Actual	Budget	Variance	%	Budget	Remaining Balance	%
Operating Revenues:									
Water Sales*	1,091,186	894,334	11,427,905	10,414,689	1,013,216	9.7%	15,388,356	3,960,451	25.7%
MWD Readiness to Serve*	17,374	17,463	312,945	237,558	75,387	31.7%	357,204	44,259	12.4%
CWA Infrastructure Access Charge	35,275	34,278	267,274	274,221	(6,947)	-2.5%	411,331	144,057	35.0%
Meter Service Charges	516,489	445,702	3,685,731	3,565,613	120,118	3.4%	5,348,419	1,662,688	31.1%
Wastewater Service Charges	410,418	482,325	3,555,851	3,858,603	(302,752)	-7.8%	5,787,904	2,232,053	38.6%
Sundry Other Revenue	38,141	25,508	286,946	204,067	82,879	40.6%	306,100	19,154	6.3%
CWA Rebates	7,600	13,537	92,740	108,299	(15,559)	-14.4%	162,448	69,708	42.9%
Total Operating Revenue	2,116,483	1,913,147	19,629,391	18,663,049	966,342	5.2%	27,761,762	8,132,371	29.3%
Non Operating Revenues:									
Capital Improvement Charge	199,638	199,683	1,538,917	1,597,467	(58,550)	-3.7%	2,396,200	857,283	35.8%
Property Taxes	49,358	127,610	1,275,728	1,241,715	34,013	2.7%	1,916,938	641,210	33.4%
Water Standby/Availability Charge	4,908	6,974	123,800	123,921	(121)	-0.1%	203,000	79,200	39.0%
Water/Wastewater Capacity Charges	30,529	11,410	105,575	91,276	14,299	15.7%	136,914	31,339	22.9%
Portfolio Interest	3,360	17,280	148,639	138,237	10,402	7.5%	207,356	58,717	28.3%
Pumping Charge	20,218	10,987	128,059	87,893	40,166	45.7%	131,840	3,781	2.9%
Prop 84 & 50 Funds	-	-	67,100	-	67,100	NA	-	(67,100)	NA
SRF Loan Proceeds	-	-	-	-	-	NA	-	-	NA
CSI Rebate	-	-	-	-	-	NA	-	-	NA
Facility Rents & Other Non Operating Revenues	23,666	14,421	166,198	115,370	50,828	44.1%	173,055	6,857	4.0%
Total Non Operating Revenues	331,678	388,365	3,554,016	3,395,879	158,137	4.7%	5,165,303	1,611,287	31.2%
Total Revenues	2,448,161	2,301,512	23,183,407	22,058,928	1,124,479	5.1%	32,927,065	9,743,658	29.6%
Expenditures									
Purchased Water Expense	947,359	845,048	9,851,454	9,165,262	(686,192)	-7.5%	13,228,586	3,377,132	25.5%
MWD Readiness to Serve*	29,767	29,767	238,131	238,136	6	0.0%	357,204	119,074	33.3%
CWA Infrastructure Access Charge*	37,170	37,170	277,056	277,056	-	0.0%	425,736	148,680	34.9%
Production-Water Quality & Treatment	84,852	106,783	742,027	961,045	219,018	22.8%	1,388,176	646,149	46.5%
Distribution & Pumping	216,239	145,852	1,312,900	1,312,665	(235)	0.0%	1,896,071	583,171	30.8%
Customer Service	111,666	109,317	981,596	983,852	2,256	0.2%	1,421,119	439,523	30.9%
General Administration	390,466	391,861	3,717,989	3,526,750	(191,240)	-5.4%	5,094,194	1,376,205	27.0%
Collection, Treatment & Disposal	238,400	210,120	1,976,213	1,891,080	(85,133)	-4.5%	2,731,560	755,347	27.7%
Total Operating Expenses	2,055,919	1,875,917	19,097,365	18,355,844	(741,521)	-4.0%	26,542,646	7,445,281	28.1%
Debt Service Expenses									
CalPERS UAL	-	-	572,652	572,652	-	0.0%	572,652	-	0.0%
Red Mountain SRF	-	-	395,637	395,424	(213)	-0.1%	395,424	(213)	-0.1%
WWTP SRF	-	-	-	-	-	NA	1,845,746	1,845,746	100.0%
QECB Solar Debt (Net of Subsidy)	-	-	186,270	186,290	20	0.0%	372,854	186,584	50.0%
Total Debt Service	-	-	1,154,559	1,154,366	(193)	0.0%	2,614,024	1,459,464	55.8%
Total Expenses	2,055,919	1,875,917	20,251,924	19,510,210	(741,714)	-3.8%	29,156,670	8,904,745	30.5%
Net Revenue/(loss) From Operations and Debt Service	392,241	425,594	2,931,482	2,548,717	382,765	15.0%	3,770,395	838,913	22.3%
Capital Investment									
Construction Expenditures*	503,766	504,269	4,558,671	4,034,149	(524,522)	-13.0%	6,051,223	1,492,552	24.7%
Net Revenue/(Loss)	(111,525)	(78,674)	(1,627,189)	(1,485,431)	(141,757)	9.5%	(2,280,828)	(653,639)	28.7%

* Annual and monthly budgeted amounts updated.

02/28/2018

Treasurer's Warrant No. February

TO: Treasurer of the Fallbrook Public Utility District

The bills and claims listed below are approved as authorized by resolution no. 3538 of the Board of Directors dated July 8, 1985. You are hereby authorized and directed to pay said prospective claims in the amounts stated (less discounts in instances where discounts are allowed).

Payroll -02/18

Computer Check Register

Payroll #1	133,846.93
Payroll #2	<u>128,879.78</u>
	<u>262,726.71</u>

Accounts Payable

Checks by Date - Summary by Check Date

User: AnnaleceB
Printed: 3/5/2018 8:53 AM



Fallbrook Public Utility District

Purchasing Dept. Phone: (760) 728-1151, Fax: (760) 728-8491

Main Office Phone: (760) 728-1125, Fax: (760) 728-6029

Check No	Vendor No	Vendor Name	Check Date	Check Amount
77273	91163	AM Diesel INC.	02/07/2018	6,246.02
77274	06710	AQUAGISTICS	02/07/2018	1,500.00
77275	06235	JACK BEBEE	02/07/2018	74.16
77276	90921	BOB MURRAY & ASSOCIATES	02/07/2018	4,296.00
77277	00898	BP BATTERY	02/07/2018	44.55
77278	06572	CCL CONSTRUCTION INC	02/07/2018	68,783.03
77279	91241	LISA CHAFFIN	02/07/2018	60.00
77280	02925	DATA NET SOLUTIONS	02/07/2018	1,637.70
77281	05180	NOELLE DENKE	02/07/2018	56.41
77282	05192	DIAMOND ENVIRONMENTAL SERVIC	02/07/2018	196.83
77283	91123	DIGITAL DEPLOYMENT, INC.	02/07/2018	550.00
77284	01582	FALLBROOK MUFFLER	02/07/2018	70.03
77285	00169	FALLBROOK OIL COMPANY	02/07/2018	3,904.09
77286	01155	FALLBROOK REFUSE	02/07/2018	167.72
77287	01432	FERGUSON WATERWORKS #1083	02/07/2018	3,607.04
77288	91204	FIRST BANKCARD	02/07/2018	585.15
77289	00182	GLENNIE'S OFFICE PRODUCTS, INC	02/07/2018	608.27
77290	03174	HAAKER EQUIPMENT COMPANY	02/07/2018	12,345.60
77291	05925	HD SUPPLY WATERWORKS	02/07/2018	36.04
77292	02773	HDS WHITE CAP CONST SUPPLY	02/07/2018	38.06
77293	06429	HEALTHPOINTE MEDICAL GROUP, INC	02/07/2018	75.00
77294	03276	HOME DEPOT CREDIT SERVICES	02/07/2018	1,002.06
77295	06577	INFOSEND INC	02/07/2018	3,819.20
77296	05871	ITRON INC	02/07/2018	14,872.72
77297	00190	JCI JONES CHEMICALS INC.	02/07/2018	3,376.55
77298	05505	TODD JESTER	02/07/2018	186.83
77299	04027	JOES HARDWARE	02/07/2018	2,018.18
77300	05401	JOE'S PAVING	02/07/2018	19,081.46
77301	04926	KONICA MINOLTA PREMIER FINANCE	02/07/2018	3,434.24
77302	03322	LIGHTHOUSE AUTOMOTIVE	02/07/2018	409.35
77303	90887	LLOYD PEST CONTROL	02/07/2018	367.00
77304	04638	LOWE'S CORPORATION	02/07/2018	3,075.25
77305	UB*00129	EAST COUNTY MATERIALS	02/07/2018	506.44
77306	06338	MYTHOS TECHNOLOGY INC	02/07/2018	481.76
77307	06354	NATIONAL BALANCE AND SCALE CO	02/07/2018	1,450.00
77308	00718	NATIONWIDE RETIREMENT SOLUTIO	02/07/2018	2,868.07
77309	06298	ONESOURCE DISTRIBUTORS, LLC	02/07/2018	91.40
77310	01267	PACIFIC PIPELINE	02/07/2018	800.07
77311	91136	DUANE RULE	02/07/2018	1,137.50
77312	05636	SAM'S CLUB	02/07/2018	1,002.70
77313	00231	SAN DIEGO COUNTY WATER AUTH	02/07/2018	1,262,110.00
77314	06401	SONSRAY MACHINERY LLC	02/07/2018	1,265.60
77315	00159	SUPERIOR READY MIX	02/07/2018	3,706.41
77316	05747	TEMECULA VALLEY PIPE & SUPPLY	02/07/2018	11,396.04
77317	05883	TESTAMERICA LABORATORIES, INC.	02/07/2018	1,163.40
77318	03027	UPS STORE	02/07/2018	97.04

Check No	Vendor No	Vendor Name	Check Date	Check Amount
			Total for 2/7/2018:	1,444,600.97
ACH	00152	FPUD EMPL ASSOCIATION	02/14/2018	917.32
ACH	06758	US TREASURY - PAYROLL TAXES	02/14/2018	65,685.91
ACH	06759	STATE OF CA - PR TAXES	02/14/2018	9,145.79
ACH	06760	STATE OF CA - SDI	02/14/2018	2,371.44
ACH	06761	LINCOLN FINANCIAL GROUP	02/14/2018	22,125.54
ACH	06763	PERS - PAYROLL	02/14/2018	33,739.80
ACH	06763	PERS - PAYROLL	02/14/2018	3,169.44
77323	00101	ACWA JPIA	02/14/2018	82,049.41
77324	91229	AMP United, LLC	02/14/2018	213,135.84
77325	06403	APPLEONE EMPLOYMENT SERVICES	02/14/2018	880.64
77326	91160	AVI SYSTEMS, INC.	02/14/2018	3,286.66
77327	05958	BAMM! PROMOTIONAL PRODUCTS, I	02/14/2018	153.51
77328	06235	JACK BEBEE	02/14/2018	294.09
77329	00898	BP BATTERY	02/14/2018	106.65
77330	05897	FILOMENO CABALBAG	02/14/2018	437.93
77331	06375	CALGON CARBON CORPORATION	02/14/2018	663.45
77332	06012	CALIFORNIA DEPT OF CSS	02/14/2018	231.00
77333	03978	CAMERON WELDING SUPPLY	02/14/2018	61.82
77334	01719	MICKEY M. CASE	02/14/2018	60.00
77335	06115	CDW GOVERNMENT INC.	02/14/2018	587.46
77336	05899	PAULA CLARK	02/14/2018	630.09
77337	05953	CORODATA RECORDS MANAGEMENT	02/14/2018	566.60
77338	00370	CROP PRODUCTION SERVICES, INC.	02/14/2018	2,126.94
77339	09705	CSDA SAN DIEGO CHAPTER	02/14/2018	30.00
77340	91243	CUSTOM UPHOLSTERY UNLIMITED	02/14/2018	140.00
77341	02925	DATA NET SOLUTIONS	02/14/2018	1,140.00
77342	02372	DION INTERNATIONAL	02/14/2018	326.25
77343	03391	ELECTRICAL SALES INC	02/14/2018	57.73
77344	05588	ESCONDIDO METAL SUPPLY	02/14/2018	411.61
77345	09523	FALLBROOK EQUIP RENTALS	02/14/2018	1,194.29
77346	01099	FALLBROOK IRRIGATION INC	02/14/2018	154.30
77347	05560	FRANCHISE TAX BOARD	02/14/2018	250.00
77348	00182	GLENNIE'S OFFICE PRODUCTS, INC	02/14/2018	124.63
77349	04958	GOSCH FORD TEMECULA	02/14/2018	1,304.55
77350	02170	GRAINGER, INC.	02/14/2018	351.04
77351	03174	HAAKER EQUIPMENT COMPANY	02/14/2018	3,959.85
77352	05380	HACH CO	02/14/2018	3,037.56
77353	06577	INFOSEND INC	02/14/2018	1,278.35
77354	90889	JAUREGUI & CULVER, INC.	02/14/2018	1,570.56
77355	91224	KEN WEINBERG WATER RESOURCES	02/14/2018	11,020.00
77356	91222	LAKE CHEVROLET	02/14/2018	28,747.83
77357	03322	LIGHTHOUSE AUTOMOTIVE	02/14/2018	178.81
77358	91029	MALLORY SAFETY AND SUPPLY CO	02/14/2018	1,217.26
77359	06596	MCS INSPECTION GROUP	02/14/2018	7,471.00
77360	90932	NAPA AUTO PARTS	02/14/2018	541.41
77361	06298	ONESOURCE DISTRIBUTORS, LLC	02/14/2018	74.65
77362	01267	PACIFIC PIPELINE	02/14/2018	10,873.88
77363	04800	ROOTX	02/14/2018	1,870.25
77364	91094	SCADA INTEGRATIONS	02/14/2018	4,309.25
77365	06610	STETSON ENGINEERS INC	02/14/2018	13,131.80
77366	05883	TESTAMERICA LABORATORIES, INC.	02/14/2018	209.48
77367	91067	UPODIUM ENTERPRISES, LLC	02/14/2018	118.43
77368	00458	VERIZON WIRELESS	02/14/2018	1,731.34
77369	06726	WCT PRODUCTS, INC	02/14/2018	6,593.70

Check No	Vendor No	Vendor Name	Check Date	Check Amount
77370	06495	WRECK N' BALL ENTERPRISES	02/14/2018	47.50
Total for 2/14/2018:				545,894.64
77371	04995	AMERICAN MESSAGING	02/21/2018	102.73
77372	06403	APPLEONE EMPLOYMENT SERVICES	02/21/2018	880.64
77373	02805	ASBURY ENVIRONMENTAL SERVICES	02/21/2018	987.80
77374	05088	AT&T	02/21/2018	869.59
77375	06020	BABCOCK & SONS, INC.	02/21/2018	2,128.50
77376	02743	BEST BEST & KRIEGER	02/21/2018	3,622.03
77377	06713	BISHOP'S TREE SERVICE, INC.	02/21/2018	3,000.00
77378	00898	BP BATTERY	02/21/2018	86.34
77379	03003	CALIFORNIA ASSOCIATION OF SANIT	02/21/2018	8,570.00
77380	91245	CALIFORNIA BUILDING EVALUATION	02/21/2018	20,900.00
77381	03978	CAMERON WELDING SUPPLY	02/21/2018	239.88
77382	06336	CAPITAL ONE COMMERCIAL	02/21/2018	120.00
77383	91128	CENTER FOR HEARING HEALTH, INC.	02/21/2018	1,035.50
77384	01657	CLAIREMONT EQUIPMENT CO	02/21/2018	125.13
77385	02176	CORELOGIC SOLUTIONS, LLC	02/21/2018	225.00
77386	06675	CORODATA SHREDDING, INC	02/21/2018	54.50
77387	04128	CUES	02/21/2018	248.08
77388	91242	DATA MANAGEMENT, INC.	02/21/2018	5,215.60
77389	02925	DATA NET SOLUTIONS	02/21/2018	96.00
77390	06041	DEMSEY,FILLIGER & ASSOC, LLC	02/21/2018	500.00
77391	05192	DIAMOND ENVIRONMENTAL SERVIC	02/21/2018	322.31
77392	02411	FALLBROOK PRINTING CORP	02/21/2018	126.56
77393	01155	FALLBROOK REFUSE	02/21/2018	136.66
77394	00170	FALLBROOK WASTE & RECYCLING	02/21/2018	657.70
77395	04494	FEDERAL EXPRESS CORPORATION	02/21/2018	131.47
77396	05798	FOOTHILL LOCK & KEY INC	02/21/2018	85.00
77397	06575	TODD FRAME	02/21/2018	3,144.00
77398	06286	GARDA CL WEST, INC.	02/21/2018	233.82
77399	04958	GOSCH FORD TEMECULA	02/21/2018	68.99
77400	03174	HAAKER EQUIPMENT COMPANY	02/21/2018	3,671.94
77401	02773	HDS WHITE CAP CONST SUPPLY	02/21/2018	500.00
77402	06429	HEALTHPOINTE MEDICAL GROUP,INC	02/21/2018	75.00
77403	91240	INDUSTRIAL VAN & TRUCK INTERIOI	02/21/2018	2,848.47
77404	06577	INFOSEND INC	02/21/2018	3,951.38
77405	05871	ITRON INC	02/21/2018	840.00
77406	06267	J2 GLOBAL IRELAND LIMITED	02/21/2018	59.91
77407	06380	JANI-KING OF CALIFORNIA, INC - SA	02/21/2018	2,722.99
77408	06243	JIM'S SIGN SHOP	02/21/2018	252.14
77409	91249	KOGA INSTITUTE	02/21/2018	175.00
77410	06263	LOS ANGELES FREIGHTLINER, LLC	02/21/2018	98.72
77411	06633	MAINTENANCE CONNECTION INC	02/21/2018	756.20
77412	04649	MAR-CON PRODUCTS, INC	02/21/2018	2,313.44
77413	91192	MISSION LINEN SUPPLY	02/21/2018	889.04
77414	03944	MISSION RESOURCE CONSV DISTRIC	02/21/2018	187.50
77415	06602	MORAES/PHAM & ASSOCIATES	02/21/2018	1,885.00
77416	91077	MULTI SERVICE TECHNOLOGY SOLU	02/21/2018	735.64
77417	06338	MYTHOS TECHNOLOGY INC	02/21/2018	2,585.94
77418	03201	NATIONAL SAFETY COMPLIANCE INC	02/21/2018	205.55
77419	91007	PFM ASSET MANGEMENT LLC	02/21/2018	1,235.84
77420	03137	GARY PITTS	02/21/2018	599.54
77421	06199	PLUMBERS DEPOT INC	02/21/2018	528.97
77422	04075	RAYNE WATER SYSTEMS	02/21/2018	125.00
77423	91246	RELIABLE WATER SOLUTIONS, LLC	02/21/2018	2,601.14

Check No	Vendor No	Vendor Name	Check Date	Check Amount
77424	02958	RSIS INC	02/21/2018	813.00
77425	03738	SAN DIEGO COUNTY SUPERINTENDE	02/21/2018	526.00
77426	90929	SOUTHWEST ANSWERING SERVICE, I	02/21/2018	833.46
77427	91107	SPECTRUM BUSINESS	02/21/2018	105.58
77428	06735	TCN, INC.	02/21/2018	72.91
77429	91082	TELETRAC, INC	02/21/2018	1,105.48
77430	05883	TESTAMERICA LABORATORIES, INC.	02/21/2018	4,606.05
77431	04159	THOMSON REUTERS - WEST	02/21/2018	88.89
77432	00250	TRY ENTERPRISES	02/21/2018	1,170.00
77433	00724	UNDERGROUND SERVICE ALERT	02/21/2018	448.90
77434	06005	UNIFIRST CORP.	02/21/2018	836.41
77435	06211	UNITED IMAGING	02/21/2018	646.68
77436	05909	WAGNER & BONSIGNORE, CONSULTI	02/21/2018	62.50
77437	06231	WESTERN WATER WORKS SUPPLY CC	02/21/2018	0.34
Total for 2/21/2018:				95,074.38
ACH	00152	FPUD EMPL ASSOCIATION	02/28/2018	901.78
ACH	06758	US TREASURY - PAYROLL TAXES	02/28/2018	51,957.74
ACH	06759	STATE OF CA - PR TAXES	02/28/2018	7,871.02
ACH	06760	STATE OF CA - SDI	02/28/2018	2,022.91
ACH	06761	LINCOLN FINANCIAL GROUP	02/28/2018	5,125.54
ACH	06763	PERS - PAYROLL	02/28/2018	33,286.64
77444	UB*00131	FAISSAL & CAROL ABOU	02/28/2018	293.62
77445	01460	AFLAC	02/28/2018	1,416.73
77446	06403	APPLEONE EMPLOYMENT SERVICES	02/28/2018	660.48
77447	06696	AT & T MOBILTIY	02/28/2018	55.32
77448	06375	CALGON CARBON CORPORATION	02/28/2018	915.23
77449	06012	CALIFORNIA DEPT OF CSS	02/28/2018	231.00
77450	04178	CALOLYMPIC SAFETY CO., INC.	02/28/2018	2,038.41
77451	90885	CENTRO BUSINESS FORMS. INC	02/28/2018	669.10
77452	91243	CUSTOM UPHOLSTERY UNLIMITED	02/28/2018	935.00
77453	UB*00132	MELANIE DINELLI	02/28/2018	10.60
77454	04425	DOMINICK'S SANDWICHES	02/28/2018	35.49
77455	UB*00135	RON & RO ELGAS	02/28/2018	363.35
77456	05588	ESCONDIDO METAL SUPPLY	02/28/2018	92.67
77457	05987	FALLBROOK GARAGE & QWIK LUBE	02/28/2018	357.00
77458	01099	FALLBROOK IRRIGATION INC	02/28/2018	305.06
77459	00169	FALLBROOK OIL COMPANY	02/28/2018	6,559.90
77460	91198	FIRST BANKCARD	02/28/2018	566.95
77461	91200	FIRST BANKCARD	02/28/2018	2,301.48
77462	91202	FIRST BANKCARD	02/28/2018	331.71
77463	91204	FIRST BANKCARD	02/28/2018	640.00
77464	91225	FIRST BANKCARD	02/28/2018	2,209.83
77465	91235	FIRST BANKCARD	02/28/2018	317.53
77466	05560	FRANCHISE TAX BOARD	02/28/2018	748.87
77467	06764	G & W TRUCK ACCESSORIES	02/28/2018	2,918.90
77468	UB*00134	SARA GAEGOS	02/28/2018	489.96
77469	00182	GLENNE'S OFFICE PRODUCTS, INC	02/28/2018	743.37
77470	04958	GOSCH FORD TEMECULA	02/28/2018	980.86
77471	02767	GRANGETTO FARM & GARDEN SUPPI	02/28/2018	150.18
77472	UB*00133	ANNE HARRILL	02/28/2018	90.31
77473	06577	INFOSEND INC	02/28/2018	3,871.08
77474	06261	LAWTON GROUP	02/28/2018	439.56
77475	06596	MCS INSPECTION GROUP	02/28/2018	8,145.00
77476	91077	MULTI SERVICE TECHNOLOGY SOLU	02/28/2018	141.90
77477	00718	NATIONWIDE RETIREMENT SOLUTIO	02/28/2018	2,868.07

Check No	Vendor No	Vendor Name	Check Date	Check Amount
77478	04900	PARADISE CHEVROLET CADILLAC	02/28/2018	971.16
77479	91236	PLATINUM CONSULTING GROUP LLC	02/28/2018	4,575.00
77480	06199	PLUMBERS DEPOT INC	02/28/2018	3,439.55
77481	00232	SAN DIEGO GAS & ELECTRIC	02/28/2018	25,244.12
77482	UB*00130	SUN REALTY SUN PLAZA	02/28/2018	20.48
77483	00159	SUPERIOR READY MIX	02/28/2018	3,281.07
77484	06554	VOLVO CONSTRUCTION EQUIPMENT	02/28/2018	159.45
77485	00865	WATER EDUCATION FOUNDATION	02/28/2018	882.00
Total for 2/28/2018:				182,632.98
Report Total (216 checks):				2,268,202.97



Jack Bebee

Acting General Manager