VALLEJO FLOOD AND WASTEWATER DISTRICT
REGULAR MEETING
AGENDA

District Manager
Melissa Morton

DECEMBER 12, 2023
6:00 P.M.
MEETING AT VALLEJO CITY HALL
COUNCIL CHAMBERS
555 SANTA CLARA STREET
VALLEJO, CA 94590
WWW.VALLEJOWASTEWATER.ORG

NOTE: IF THE MEETING HAS NOT BEGUN AT 6:00 PM, IT MAY BE DUE TO THE VALLEJO CITY COUNCIL MEETING BEING IN SESSION PAST 6PM, AND THIS REGULAR MEETING WILL BEGIN FOLLOWING THAT MEETING'S ADJOURNMENT.

Members of the public will be able to participate in-person or remotely via Zoom.

Members of the public interested in participating or observing remotely can join the Zoom webinar: https://ZoomClosed.CityOfVallejo.net

The meeting may also be viewed by tuning in locally on Comcast Channel 28, or click this link to find and follow the meeting livestreamed.

PUBLIC COMMENT: Members of the Public may provide public comments during the Board Meeting in person, via Zoom, or via phone, by dialing (669) 900-6833. For additional instructions on how to make public comment, please click here.

Members of the public shall have the opportunity to comment on any item listed on this notice before or during consideration of that item by emailing as defined above. No other items may be discussed during this meeting.

The District will use best efforts to respond to any requests for disability-related modifications or accommodations, aids or services. Such requests should be made to the Clerk of the Board's office no less than 48 hours prior to the meeting as required by Section 202 of the Americans with Disabilities Act of 1990 and the federal rules and regulations adopted in implementation thereof. Please contact our office at (707) 644-8949.

Any writings or documents related to an agenda item for the open session of this meeting are available for public inspection on our website at www.vallejowastewater.org or at the District offices located at 450 Ryder Street, Vallejo, CA 94590. Note: Meetings are held at City Hall and not at the District's offices.

1. CALL TO ORDER

2. ROLL CALL AND PLEDGE OF ALLEGIANCE

3. PRESENTATIONS AND COMMENDATIONS

A. Adopt and present a Proclamation recognizing Melissa Morton, District Manager, upon her retirement from the District.

4. CLOSED SESSION:
The Board may recess to consider matters of pending litigation (GC 54956.9), personnel (GC 54957), labor relations (GC 54957.6), and real property negotiations (GC 54956.8) Records are not available for public inspection.

A. ADJOURN TO CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL – Anticipated Litigation – Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2): 1 Case.

B. RECONVENE TO OPEN SESSION: Report on action taken by the Board during Closed Session, if any, pursuant to California Government Code Section 54957.

5. COMMENTS ON CONSENT CALENDAR BY MEMBERS OF THE PUBLIC: ***Members of the public wishing to address the Board on Consent Calendar Items are requested to follow the procedures noted here. Each speaker is limited to five minutes. Requests for removal of Consent Items received from the public are subject to approval by a majority vote of the Board of Trustees. Items removed from the Consent Calendar will be heard immediately after approval of the Consent Calendar and Agenda.***

6. CONSENT CALENDAR AND APPROVAL OF AGENDA: All matters are approved under one motion unless requested to be removed for discussion by the Board, District Manager, or requested for removal by a member of the public, which requires approval by a majority vote of the Board.

A. APPROVE MINUTES FROM THE REGULAR MEETING OF NOVEMBER 14, 2023

PROPOSED ACTION
Approve the minutes from the regular meeting of November 14, 2023.

B. APPROVE DISBURSEMENTS REGISTER FOR DECEMBER 12, 2023

PROPOSED ACTION
Adopt a resolution approving the Disbursements Register for December 12, 2023.

C. RECEIVE MONTHLY INVESTMENT REPORT FOR OCTOBER 2023

PROPOSED ACTION
Receive the Monthly Investment Report for October 2023 as submitted.

D. RECEIVE INFORMATION UPDATE ON MARE ISLAND – DECEMBER 2023

PROPOSED ACTION
Receive information update on Mare Island

E. ADOPT RESOUTION APPROVING THE 2024 REGULAR MEETING SCHEDULE FOR THE BOARD OF TRUSTEES AND FINANCING CORPORATION

PROPOSED ACTION
Adopt a resolution approving the 2024 regular meeting schedule for the Board of Trustees and the Financing Corporation.

F. ADOPT RESOLUTION TO ACCEPT THE ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDING JUNE 30, 2023.

PROPOSED ACTION
Adopt resolution to accept the Annual Comprehensive Financial Report for fiscal year ending June 30, 2023, as submitted.

G. AUTHORIZE THE DISTRICT MANAGER TO AWARD AND EXECUTE THREE PROFESSIONAL SERVICES AGREEMENTS FOR ON-CALL DEVELOPMENT REVIEW AND STAFF AUGMENTATION SERVICES

PROPOSED ACTION
Authorize the District Manager to award and execute three separate professional services agreements for on-call development review and staff augmentation services to Coastland Civil Engineering, Haley & Aldrich, and Ponticello Enterprises Consulting Engineers, each in an amount not to exceed $500,000 per year for the term of each agreement.

H. REJECT ALL BIDS FOR THE WASTEWATER TREATMENT PLAN (WWTP) SOLIDS FACILITY CONDUIT & WIRE PROJECT (PSH009).

PROPOSED ACTION
Authorize the District Manager to reject all bids for the WWTP Solids Facility Conduit & Wire Project (PSH009)

I. RATIFICATION OF RESOLUTION OF APPOINTMENT OF MARK TOMKO AS GENERAL MANAGER AND APPROVAL OF EMPLOYMENT AGREEMENT

PROPOSED ACTION
Ratify and adopt the Resolution of Appointment of Mark Tomko as General Manager and Approval of Employment Agreement, attached as Exhibit A to the Resolution.

J. RECEIVE 2022 PERFORMANCE MEASUREMENT REPORT

PROPOSED ACTION
Receive the 2022 Performance Measurement Report as submitted.

7. ADMINISTRATIVE ITEMS

A. PROVIDE DIRECTION ON OPTIONS FOR REFINANCING 2011A AND 2014A REVENUE BONDS.

PROPOSED ACTION
Direct staff to proceed with the refinancing of 2011A and 2014A Revenue Bonds under Scenario 2, with level debt service and a final maturity in 2034.

8. DISTRICT MANAGER'S REPORT

9. COMMUNITY FORUM: *Anyone wishing to address the Board on any matter for which another opportunity to speak is not provided on the agenda, and which is within the jurisdiction of the Board to resolve, may follow the procedures noted here. Pursuant to VFWD Rules of Procedure, Community Forum is limited to 15 minutes, with each speaker limited to three minutes.*

10. REPORTS BY PRESIDING OFFICERS AND TRUSTEES

11. ADJOURNMENT

I, Rachelle Canones, Acting Clerk of the Board for the Vallejo Flood and Wastewater District declare that the foregoing agenda for the December 12, 2023, Regular Meeting was posted and available for review by the required time as prescribed by law at the District office located at 450 Ryder Street, Vallejo, California. This agenda is also available on the District website at www.vallejowastewater.org.

Proclamation of the Vallejo Flood & Wastewater District Board of Trustees
Recognizing Melissa Morton, General Manager upon her retirement as District Manager of the Vallejo Flood and Wastewater District

WHEREAS, Melissa Morton was appointed by the Board of Trustees on January 13, 2014 as District Manager.

WHEREAS, among Ms. Morton's numerous accomplishments, she successfully negotiated two five-year labor agreements between the District and the Teamsters Local 315 union and the VFWD Management Association and increased the full-time equivalent staff from 63 to 97 in 10 years.

WHEREAS, Ms. Morton oversaw the implementation of an agencywide Performance Measurement Program, providing quantitative evaluation of the District and increasing the transparency of District performance with the Board and the public.

WHEREAS, Ms. Morton has effectively prioritized succession planning from within the organization, and her focus in this area has been fruitful in the development of District staff at all levels.

WHEREAS, Ms. Morton oversaw the development of the Wastewater Treatment Plant, Collection System, and Stormwater System Master Plans, 10-year capital improvement plan budget, and development of Asset Management to prepare short- and long-range plans for a reliable and resilient future.

WHEREAS, Ms. Morton successfully negotiated two five-year wastewater treatment plant discharge permits to allow for the continued discharge of cleaned wastewater to the Carquinez and Mare Island Straits, preserving public and environmental health in Vallejo.

WHEREAS, Ms. Morton is retiring on December 30, 2023; and

WHEREAS, upon her retirement as the District Manager, she will have 10 years of outstanding service to the District.

IT IS, THEREFORE, RESOLVED that I, Robert McConnell, President of the Board of Trustees, the Trustees of the Vallejo Flood and Wastewater District, and the citizens of Vallejo thank and express our appreciation to Melissa Morton for her dedicated years of service.

Dated: 12th of December 2023

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Robert McConnell
President
Board of Trustees

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VALLEJO FLOOD AND WASTEWATER DISTRICT
REGULAR MEETING MINUTES

NOVEMBER 14, 2023
6:00 P.M.
VALLEJO CITY HALL COUNCIL CHAMBERS
555 SANTA CLARA STREET, VALLEJO CA

1. **CALL TO ORDER** - The regular meeting of the Vallejo Flood and Wastewater District was called to order at 6:06 PM by President McConnell.

2. **ROLL CALL AND PLEDGE OF ALLEGIANCE** – On roll call, present were President McConnell, Trustee Arriola, Trustee Bregenzer, Trustee Loera-Diaz, Trustee Matulac, and Trustee Palmares. Trustee Hannigan and Trustee Verder Aliga were excused absent.

   Others present were Melissa Morton, District Manager; Rachelle Canones, Acting Clerk of the Board; Jeff Tucker, Director of Finance; Mark Tomko, Director of Engineering; Jennifer Harrington, Director of Environment Services; Claire Collins, General Counsel, Hanson Bridgett.

3. **CLOSED SESSION: (6:08 pm) The Board may recess to consider matters of pending litigation (GC 54956.9), personnel (GC 54957), labor relations (GC 54957.6), and real property negotiations (GC 54956.8). Records are not available for public inspection.**

   A. ADJOURN TO CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957: PUBLIC EMPLOYMENT APPOINTMENT
   Title: General Manager

   B. ADJOURN TO CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9: CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:
   Vallejo Flood and Wastewater District v. Vallejo Mobile Estates, LLC; Biggs Realty, Inc., Solano County Superior Court Case No: FCS055103. –

   C. RECONVENE TO OPEN SESSION: (6:41 pm) Report on action taken by the Board during Closed Session, if any, pursuant to California Government Code Section 54957. – Legal counsel stated that there were no decisions made during closed session that are required to be reported under the Brown Act.

4. **COMMENTS ON CONSENT CALENDAR BY MEMBERS OF THE PUBLIC:** *Members of the public wishing to address the Board on Consent Calendar Items are requested to follow the procedures noted here. Each speaker is limited to five minutes. Requests for removal of Consent Items received from the public are subject to approval by a majority vote of the Board of Trustees. Items removed from the Consent Calendar will be heard immediately after approval of the Consent Calendar and Agenda.*

5. **CONSENT CALENDAR AND APPROVAL OF AGENDA:** *All matters are approved under one motion unless requested to be removed for discussion by the Board, District Manager, or requested for removal by a member of the public, which requires approval by a majority vote of the Board.*

Trustee Verder-Aliga moved to approve the Agenda and Consent Calendar

AYES:	President McConnell, Trustees Arriola, Bregenzer, Loera-Diaz, Matulac, Palmares and Verder-Aliga
NOES:	None
ABSENT:	Trustee Hannigan
ABSTAIN:	None

A. APPROVE MINUTES FROM THE REGULAR MEETING OF OCTOBER 10, 2023, AND SPECIAL MEETING OF OCTOBER 25, 2023

PROPOSED ACTION
Approve the minutes from the regular meeting of October 10, 2023, and special meeting of October 25, 2023.

B. APPROVE DISBURSEMENTS REGISTER FOR NOVEMBER 14, 2023

PROPOSED ACTION
Adopt a resolution approving the Disbursements Register for November 14, 2023
Resolution 2023-6096

C. RECEIVE MONTHLY INVESTMENT REPORT FOR SEPTEMBER 2023

PROPOSED ACTION
Receive the Monthly Investment Report for September 2023 as submitted.

D. RECEIVE INFORMATION UPDATE ON MARE ISLAND – NOVEMBER 2023

PROPOSED ACTION
Receive information update on Mare Island

E. APPROVE CHANGES TO DISTRICT INVESTMENT POLICY

PROPOSED ACTION
Approve the attached Investment Policy Guidelines.

F. CONSIDER ADOPTING RESOLUTION TO AMEND BUDGET FOR FISCAL YEAR 2023-24

PROPOSED ACTION
Adopt resolution to amend the final biennial budget for Fiscal Year 2023-24.
Resolution 2023-6097

G. RECEIVE FIRST QUARTER BUDGET TO ACTUAL REPORT FOR FY 2023-24

PROPOSED ACTION
Receive 1st quarter budget to actual report as submitted.

H. AWARD CONSTRUCTION CONTRACT TO ARGOS CONSTRUCTION FOR THE BUILDING 68 REHABILITATION PROJECT (BPL010)

PROPOSED ACTION
Award the Project construction contract to Argos Construction of South San Francisco, CA for its bid amount of $241,400 and authorize the District Manager to execute the construction contract and any necessary change orders.

I. APPROVAL TO AWARD SOLE SOURCE CONTRACT WITH AVEVA SELECT CALIFORNIA for full-service Supervisory Control and Data Acquisition systems conversion, training, and deployment.

PROPOSED ACTION
Authorize the District Manager to award a sole source, negotiated contract with AVEVA SELECT California, for an amount not to exceed the approved budget of $500,000.

6. ADMINISTRATIVE ITEMS

A. APPOINTMENT OF NEW GENERAL MANAGER

PROPOSED ACTION
Adopt Resolution to appoint Mark Tomko as the General Manager of the District, to succeed District Manager Melissa Morton upon her retirement, and approve Employment Agreement with Mr. Tomko, with proposed terms to be announced at the meeting prior to the Board's vote.

General Counsel announced that as required by the Government Code, upon the Board's intent to consider appointing a new executive, including the General Manager, the proposed terms of the contract must be announced orally or provided on the Agenda. Counsel will provide terms of the contract appointing Mr. Mark Tomko as the new General Manager effective December 31, 2023 upon the Board's vote. If the Board should adopt the resolution to appoint Mr. Tomko and approve the proposed employment agreement, the terms of that agreement would be as follows:

1. A start date of December 31, 2023
2. A term of five years.
3. A base salary of $307,894 per year, with an annual cost of living adjustment (COLA) consistent with the Management Association's Memorandum of Understanding (MOU)
4. A deferred compensation of 4% of base salary annually.
5. One day sick leave a month; four weeks' vacation a year, with a maximum accrual of 12 weeks per year, consistent with the Management Association MOU approved by the Board.
6. Severance of up to six months' pay, not to exceed the remaining number of months on the term of the contract.
7. A car allowance of $570 per month.

The Board may consider a resolution appointing Mr. Tomko and approving his employment contract as proposed. A copy of the proposed contract is available at the public table for inspection.

Trustee Verder-Aliga moved to adopt a resolution to appoint Mark Tomko as the General Manager of the District, to succeed District Manager Melissa Morton upon her retirement, and approve the employment agreement with proposed terms as announced by General Counsel.

AYES: President McConnell, Trustees Arriola, Bregenzer, Loera-Diaz, Matulac, Palmares and Verder-Aliga
NOES: None
ABSENT: Trustee Hannigan
ABSTAIN: None

7. **DISTRICT MANAGER'S REPORT** – District Manager Melissa Morton stated that as the Board is aware, the District is currently under a Cease-and-Desist Order (CDO) with the Regional Water Quality Control Board for our stormwater program. The District is at 100% compliance, and Ms. Morton sent a request this week asking that the CDO be removed, and to calendar this matter for the District. We are working with our consultant to ensure this happens. Ms. Morton added that the District has had another no-spill month, which is excellent in terms of compliance. The District is also pleased to welcome Right Guard as the plant's new security vendor. Ms. Morton also congratulated Mr. Tomko on his appointment.

8. **COMMUNITY FORUM:** *Anyone wishing to address the Board on any matter for which another opportunity to speak is not provided on the agenda, and which is within the jurisdiction of the Board to resolve, may follow the procedures noted here. Pursuant to VFWD Rules of Procedure, Community Forum is limited to 15 minutes, with each speaker limited to* ***three minutes.*** – None

9. **REPORTS BY PRESIDING OFFICER AND TRUSTEES** – President McConnell congratulated Mr. Tomko on his appointment. Trustee Bregenzer likewise congratulated Mr. Tomko on his appointment. Trustee Loera-Diaz thanked Mr. Tomko for applying and looked forward to working with him in the future.

President McConnell thanked and acknowledged the negotiating team of Trustee Bregenzer and Trustee Hannigan for their work in drafting the agreement with Mr. Tomko and the time they invested into securing said contract on behalf of the District.

10. **ADJOURNMENT** – meeting adjourned at 6:52 PM

This is to certify that the foregoing is the true
and correct meeting minutes as approved
by the Board of Trustees on December 12, 2023

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VALLEJO FLOOD AND WASTEWATER DISTRICT
DISBURSEMENTS REGISTER
REGULAR MEETING OF THE BOARD OF TRUSTEES
MEETING DATE: DECEMBER 12, 2023

CHECK DATE	NAME	INVOICE	CHECK NO	INVOICE NET	INVOICE DESCRIPTION
11/03/23	AAA BUSINESS SUPPLIES	2295582-0	4084	152.93	SUPPLIES FOR OPS
11/03/23	AAA BUSINESS SUPPLIES	2289171-0	4084	905.39	ERGO CHAIR - D.JONES
11/03/23	AAA WATER SYSTEMS	367719852	4085	899.32	SALT 50LB SALT CUBES
11/03/23	AFLAC	231013	4086	470.49	PD 10/13/23
11/03/23	AFLAC	231027	4086	470.49	PD 10/27/23
11/03/23	AMAZON CAPITAL SERVICES	1FLX-JWXN-74KW	4087	91.60	Qty (2) Stabilus 4B-965360 Fits F250 F350 F
11/03/23	AMAZON CAPITAL SERVICES	1TM1-JQ3R-NXRT	4087	236.96	Wonder Grip WG318XXL Liquid-Proof Double-Co
11/03/23	AMAZON CAPITAL SERVICES	1T6X-DXYY-67YC	4087	398.19	Insect Traps & Facial Tissues
11/03/23	AMAZON CAPITAL SERVICES	240183	4087	24.66	Various ENG and Admin Office Supplies
11/03/23	AMAZON CAPITAL SERVICES	1VF1-MG34-PH4T	4087	65.83	Carbon Monoxide Detectors & Hole Punch
11/03/23	AMAZON CAPITAL SERVICES	19L4-JPTC-QPMT	4087	286.70	Phone cases and flash drives for District
11/03/23	AMAZON CAPITAL SERVICES	1XG9-G7RK-RFKC	4087	89.35	Insect Sticky Traps, Remote Holders, Safety Vests
11/03/23	AMAZON CAPITAL SERVICES	1CQ3-NXNV-R1JJ	4087	449.36	Amazon Order—FM - Generator
11/03/23	AMAZON CAPITAL SERVICES	1J6X-16FM-RL7M	4087	78.91	GLOW PLUG RESISTOR
11/03/23	AMAZON CAPITAL SERVICES	141Y-R3QQ-KKVY	4087	23.54	AA BATTERIES
11/03/23	AMAZON CAPITAL SERVICES	1QT1-Y39G-L7HR	4087	348.22	SUPPLIES FOR FOPS
11/03/23	AMAZON CAPITAL SERVICES	1VHK-P3NJ-9K3P	4087	127.59	OtterBox iPhone 11 Defender Series Case - B
11/03/23	AMAZON CAPITAL SERVICES	1FFN-ND41-J1C9	4087	25.55	Non-Class A Glassware Engraver & Marker
11/03/23	AMAZON CAPITAL SERVICES	191K-3Y7V-PYYT	4087	32.22	HR OFFICE SUPPLIES
11/03/23	AT&T	000020645429	4088	1,756.39	BAN#9391051754 - 9/10-10/9/23
11/03/23	AT&T	000020731737	4088	200.85	09/27-10/26/2023 BAN#9391035199
11/03/23	JEFF AUSTIN	REIM 103123	4089	134.30	10/23-26/2023 AVEVA WORLD CONFERENCE
11/03/23	BANNER BANK	0359-07 RETENTION	4090	164,690.66	ESCROW #2151MIPS 3W Effluent Bypass 0359-07 RET
11/03/23	BEARING ENGINEERING CO	5653973	4091	899.94	SHEAVE/QD BUSHING/KEYSTOCK 12 IN
11/03/23	BEARING ENGINEERING CO	5654051	4091	161.84	AEROKROIL 13 OZ AER KANO
11/03/23	BEECHER ENGINEERING INC	1023-99	4092	1,200.00	09/25 - 10/24/2023 ELECTRICAL ENGINEER SVCS
11/03/23	BELL PRODUCTS INC	224105	4093	201.70	HVAC MAINTENANCE AND REPAIR
11/03/23	BELL PRODUCTS INC	224106	4093	298.00	HVAC MAINTENANCE AND REPAIR
11/03/23	BERT WILLIAMS & SONS INC	2438948	4094	325.44	V#259 MTP48/H6 BATTERY
11/03/23	BEST FIRE EQUIPMENT COMPANY	2471102623	4095	784.84	10/26/23 FIRE EXTINGUISHER TRAINING
11/03/23	BLUEPRINT EXPRESS CORP	BEN-42199	4096	24.25	PLANROOM PROJECT
11/03/23	BOUCHER LAW, PC	1619	4097	8,333.33	10/18/2023 - PARALEGAL AND CONSULTING SVCS
11/03/23	BOUCHER LAW, PC	1617	4097	10,030.83	08/01-31/2023 - PARALEGAL AND CONSULTING SVCS
11/03/23	DENNIS C BURGESS	NOV 2023 - AGR 2007	4098	12.86	NOV 2023 AGR 2007
11/03/23	CALIFORNIA NEWSPAPERS LIMITED PARTNERSHIP	0001392043	4099	1,632.00	ROP ADVERTISING VJO CHAMBER MAG
11/03/23	CALTEST LAB	712584	4100	1,061.15	Test for CYANIDE
11/03/23	CALTEST LAB	712507	4100	127.30	Test for NITRATE
11/03/23	CALTEST LAB	712424	4100	532.95	Test for ICPMS-CM METALS
11/03/23	CALTEST LAB	711839	4100	57.00	Test for FLUORIDE
11/03/23	CASA	7635	4101	22,145.00	MEMBERSHIP RENEWAL THROUGH 12/31/24
11/03/23	CC PROPERTY INVESTMENTS, LLC	INV-23034-3727807	4102	1,020.00	CLOUD BACKUP FOR VEEAM
11/03/23	CDW GOVERNMENT INC	MN27453	4103	15,140.00	NNPF761 Adobe Subscription support Renewal
11/03/23	CDW GOVERNMENT INC	MN71787	4103	47,523.75	NMFQ174 Edge Switch Replacement
11/03/23	CDW GOVERNMENT INC	MR71768	4103	81.41	TRIPP DISPLAY MOUNT
11/03/23	CDW GOVERNMENT INC	MS05741	4103	1,516.66	1CCL188 MECHLUNCHROOM Monitor Replacement
11/03/23	CDW GOVERNMENT INC	ZR00412188	4103	3,999.80	Zoom Renewal 20 User License
11/03/23	CHARLES LOMELI - TAX COLLECTOR	SEC060818	4104	173.70	10/05/2023 - SECURED PROPERTY TAX BILL
11/03/23	CHARLES LOMELI - TAX COLLECTOR	SEC603335	4104	602.02	10/05/2023 - SECURED PROPERTY TAX BILL
11/03/23	CINTAS CORPORATION NO 3	4171304978	4105	1,040.96	Uniform Services
11/03/23	CINTAS CORPORATION NO 3	4172016599	4105	1,678.19	Uniform Services
11/03/23	CINTAS CORPORATION NO 2	5180363529	4106	177.09	FIRST AID SUPPLIES RESTOCK
11/03/23	CIRCUIT BREAKER SALES LLC	ICB35602	4107	4,271.22	CIRCUIT BREAKER - RECONDITIONED
11/03/23	CITY OF VALLEJO WATER BILLING	10/27/23 12630959210	4108	82.92	12630959210: 301 Greenmont Dr - IRR
11/03/23	CITY OF VALLEJO WATER BILLING	10/27/23 739782874	4108	111.70	739782874: 1500 Columbus Pkwy
11/03/23	CITY OF VALLEJO WATER BILLING	10/27/23 14027566718	4108	164.56	14027566718: 1501 Landmark Dr.
11/03/23	CITY OF VALLEJO WATER BILLING	10/27/23 14027966720	4108	197.40	14027966720: 1649 Landmark Dr. Irr
11/03/23	CITY OF VALLEJO WATER BILLING	10/27/23 14774380434	4108	91.13	14774380434: 7098 Alder Creek Rd.
11/03/23	CIVICPLUS LLC	280552	4109	660.00	ONLINE CODE HOSTING
11/03/23	COMCAST	10242023	4110	186.73	ACCT:8155 30 024 1165646 - 10/29-11/28/23
11/03/23	CORE & MAIN LP	T778775	4111	8,125.15	RESTOCK INVENTORY FOR FOPS
11/03/23	CORODATA MEDIA STORAGE INC	RS3545515	4112	55.65	STORAGE FOR SEP 2023 FIN
11/03/23	CORODATA MEDIA STORAGE INC	RS3545514	4112	83.79	STORAGE FOR SEP 2023 ENG
11/03/23	CORODATA MEDIA STORAGE INC	RS3545513	4112	55.65	STORAGE FOR SEP 2023 ADM
11/03/23	DEPENDABLE JANITORIAL SVC & SUPPLY	1724	4113	3,049.80	JANITORIAL SERVICES FOR OCTOBER
11/03/23	E & M INC	429200	4114	1,311.00	Siemens Siepro Software Update Service Renewal
11/03/23	EAST BAY TIRE CO	1984389	4115	542.52	V#251 225/75R16 TIRE
11/03/23	EBIX INC	0973388-IN	4116	425.00	OCT 2023 RV HOSTING/ASP
11/03/23	ELAVON INC	K3273100490	4117	129.56	SEPT 2023 MERCHANT FEES
11/03/23	ENTERPRISE FLEET MANAGEMENT	FOT0162222	4118	32.25	Lease/Maint
11/03/23	ENTERPRISE FLEET MANAGEMENT	FMR0189789	4118	10,231.52	Lease
11/03/23	ENTERPRISE RENT-A-CAR	33840276	4119	230.24	TRI STATE SEMINAR CAR RENTAL
11/03/23	EUROFINS CALSCIENCE INC	5700147634	4120	1,348.00	ANNUAL TUBBS ISLAND 2023
11/03/23	FRANK OLSEN COMPANY	252432	4121	1,201.76	2 actuators for gates at aeration basin
11/03/23	GENERAL PLUMBING SUPPLY CO	S6028538.001	4122	171.62	SLOAN FLUSHOMETER
11/03/23	GLOBALSTAR USA	000000058892601	4123	133.37	10/16 - 11/15/23 MONTHLY SATELITE SVCS
11/03/23	GOOGLE INC	4835900600	4124	36.69	OCT 2023 GOOGLE WORKSPACE BUS STARTER
11/03/23	W W GRAINGER	9866347801	4125	440.23	SPEEDAIRE AIR COMPRESSOR
11/03/23	W W GRAINGER	9872919668	4125	81.22	MULTIMETER FUSE
11/03/23	W W GRAINGER	9877190299	4125	931.76	KEEPSTOCK PROGRAM GLOVES AND BATTERIES
11/03/23	W W GRAINGER	9872919676	4125	(160.41)	PUMP UTITLITY NICKEL PLATED BRASS
11/03/23	W W GRAINGER	9888395630	4125	97.13	TUBING REAMER 2-1/4 IN
11/03/23	GRAYMONT WESTERN US INC	4-415261RI	4126	10,342.49	10/24/23 - QUICKLIME SUPPLY AND DELIVERY
11/03/23	HANSON BRIDGETT LLP	1361037	4127	67,655.20	10/31/23 LEGAL SERVICES RENDERED
11/03/23	HAZEN AND SAWYER	20075-008-5	4128	8,057.50	LOW COST NUTRIENT ANALYSIS
11/03/23	HD SUPPLY, INC	INV00169915	4129	3,623.91	OHAUS MB23 MOISTURE BALANCE/ PAN LINER
11/03/23	HOLT OF CALIFORNIA	SW050345183	4130	1,923.00	Holt of CA -Gas Forklift repair-quote#155504-1
11/03/23	INDUSTRIAL SCIENTIFIC CORP	2679307	4131	3,319.39	OCT 2023 - iNet 48 month usage w/Autorepl
11/03/23	INLAND BUSINESS SYSTEMS	IN3769062	4132	58.63	CONTRACT BASE OVERAGE 10/28 - 11/27/23
11/03/23	INLAND BUSINESS SYSTEMS	IN3769063	4132	300.70	CONTRACT BASE OVERAGE 10/30 - 11/29/23
11/03/23	JOE HILL CONSULTING AND ENGINEERING CORPORATION	2039	4133	16,197.41	VFWD - Arc Flash Study
11/03/23	KIMBALL MIDWEST	101559860	4134	992.35	SUPPLIES FOR MAINT
11/03/23	KIMBALL MIDWEST	101579609	4134	561.86	SUPPLIES FOR PLANT MAINT

VALLEJO FLOOD AND WASTEWATER DISTRICT
DISBURSEMENTS REGISTER
REGULAR MEETING OF THE BOARD OF TRUSTEES
MEETING DATE: DECEMBER 12, 2023

CHECK DATE	NAME	INVOICE	CHECK NO	INVOICE NET	INVOICE DESCRIPTION
11/03/23	LC CLEANING SERVICES AND MAINTENANCE	4	4135	6,450.00	deep cleaning of fops building
11/03/23	LC CLEANING SERVICES AND MAINTENANCE	5	4135	4,150.00	OCT 2023 JANITORIAL SERVICES
11/03/23	LEGALSHIELD	231013	4136	91.82	PD 10/13/23
11/03/23	LEGALSHIELD	231027	4136	91.82	PD 10/27/23
11/03/23	LIEBERT CASSIDY WHITMORE	252994	4137	1,731.00	Legal Services for SEP 2023
11/03/23	LINDE GAS & EQUIPMENT INC	38982563	4138	19.11	IND HIGH PRESSURE
11/03/23	MCMASTER-CARR SUPPLY COMPANY	15879749	4139	44.79	SPRING CLIP HOLDER
11/03/23	MCMASTER-CARR SUPPLY COMPANY	16107699	4139	21.46	BUTTON/COIL CELL BATTERY
11/03/23	MCMASTER-CARR SUPPLY COMPANY	16207043	4139	30.15	VITON FLUOROELASTOMER
11/03/23	MCMASTER-CARR SUPPLY COMPANY	16327985	4139	140.93	LOAD RATED THREADED BUMPER
11/03/23	MCMASTER-CARR SUPPLY COMPANY	16343764	4139	64.27	PVDF CAM AND GROOVE HOSE
11/03/23	MCMASTER-CARR SUPPLY COMPANY	16566791	4139	21.80	KEYED CAM LOCK
11/03/23	MCMASTER-CARR SUPPLY COMPANY	16660187	4139	416.52	MINI BULB/OPEN-END WRENCH/RAIL MOUNT
11/03/23	MCMASTER-CARR SUPPLY COMPANY	16708849	4139	21.52	KEYED CAM LOCK
11/03/23	MCMASTER-CARR SUPPLY COMPANY	16703335	4139	342.46	LOW PRESS STEEL PIPE FLANGE/HIGH-MEDIUM PRESSURE
11/03/23	MCMASTER-CARR SUPPLY COMPANY	16720323	4139	22.85	WING HANDLE CAM LATCH
11/03/23	MOSCHETTI INC	116397	4140	135.00	COFFEE FOR MAINT
11/03/23	MUNICIPAL MAINTENANCE EQUIPMENT	015165	4141	208.08	needle/variable valve
11/03/23	MUNICIPAL MAINTENANCE EQUIPMENT	014215	4141	8,112.00	VAC-CON AUX MOTOR SERVICE
11/03/23	MYERS & SONS CONSTRUCTION LP	0359-07	4142	3,293,813.20	MIPS 3W Effluent Bypass Project
11/03/23	NEIGHBORLY PEST MANAGEMENT, INC	310862	4143	127.00	OCT 2023 GENERAL PEST CONTROL
11/03/23	NEW IMAGE LANDSCAPE COMPANY	419735	4144	1,250.00	09/08/23 CLEANUP LAKE DALWIGK,MOBILE EST CHABOT
11/03/23	NORFIELD	1918	4145	1,860.00	LOCATOR LOGIX PRODUCT FEES
11/03/23	PETER HARRIS	1427 RICE ST	4146	1,350.00	UPPER LATERAL REPLACE/TWO WAY CLEANOUT
11/03/23	PACIFIC GAS & ELECTRIC	0782990870-1: 101923	4147	2,154.46	09/13/23-10/12/23
11/03/23	PACIFIC GAS & ELECTRIC	9366350772-6: 102423	4147	10,679.80	09/18/23-10/17/23
11/03/23	PACIFIC GAS & ELECTRIC	7656692521-0: 103023	4147	34.67	9/22/23-10/23/23
11/03/23	POINT 1 ELECTRICAL SYSTEM INC	28853	4148	763.50	NOV 2023 - MONITORING OF BUILDING 67
11/03/23	POLYDYNE INC	1776172	4149	19,765.29	CLARIFLOC WE-2100
11/03/23	POLYDYNE INC	1780803	4149	19,765.29	CLARIFLOC WE-2100
11/03/23	PREFERRED ALLIANCE INC	0189386-IN	4150	331.88	DRUG SCREENING 21-60 ONSITE PARTICIPANTS
11/03/23	PROFORMA RESOURCES	B644007997A	4151	109.25	BLACK &DECKER ELEC HEDGE
11/03/23	PSOMAS	201567	4152	145,612.29	08/25/23 - 09/28/23 MIPS PROJECT
11/03/23	QUADIENT FINANCE USA INC	101323	4153	410.06	POSTAGE OCT 2023
11/03/23	RAMOS OIL CO	IN-0086480	4154	18,661.32	Fuel
11/03/23	RAMOS OIL CO	IN-0087112	4154	18,498.40	Fuel
11/03/23	RED WING SHOE STORE	167-1-152227	4155	70.43	INSOLES - R.HUMPHERY
11/03/23	SETON IDENTIFICATION	9354428070	4156	1,483.08	Lock Out Tags
11/03/23	SGS NORTH AMERICA INC	2310406S	4157	135.33	BOTTLE LABELS/ VACUUM PUMP
11/03/23	SIERRA SAFETY TRAINING INC	2268	4158	1,800.00	10/24/23 - Aerial Lift Training GOOD FOR 3 YEARS
11/03/23	SONOMA COUNTY TAX COLLECTOR	068-180-020-000FY24	4159	2,530.56	5000 SEARS POINT RD
11/03/23	SVT GRUPPE INC	11224	4160	4,850.00	OCT 2023 ON CALL SECURITY SVCS
11/03/23	TERRACON CONSULTANTS INC	TK18070	4161	1,198.75	TUBBS ISLAND LEVEE REPAIR
11/03/23	TERRACON CONSULTANTS INC	TK11574	4161	1,315.00	TUBBS ISLAND LEVEE REPAIR
11/03/23	THATCHER COMPANY OF CALIFORNIA	2023250112671	4162	9,605.69	SIERRA SANI-CHLOR
11/03/23	THATCHER COMPANY OF CALIFORNIA	2023250112783	4162	9,791.77	SIERRA SANI-CHLOR
11/03/23	THE PAPE' GROUP, INC	1544107	4163	5,334.42	asphalt roller repairs
11/03/23	TPX COMMUNICATIONS	175344627-0	4164	1,371.79	10/23/23 IN HOUSE PHONE SYSTEM
11/03/23	TRANSPORT PRODUCTS UNLIMITED INC	51725	4165	1,000.00	Container modification for Electrical
11/03/23	TRITON TRUCK REPAIR INC	14726	4166	135.00	V#267 BIT INSPECTION
11/03/23	TRITON TRUCK REPAIR INC	14727	4166	135.00	V#290
11/03/23	TRITON TRUCK REPAIR INC	14729	4166	135.00	V#285 BIT INSPECTION
11/03/23	TRITON TRUCK REPAIR INC	14730	4166	663.70	V#241 EXHAUST REPAIR
11/03/23	TRITON TRUCK REPAIR INC	14732	4166	3,278.03	V#221T BRAKES AND SUPPLIES
11/03/23	TRITON TRUCK REPAIR INC	14754	4166	3,005.28	V#261 DEF SYSTEM REPAIR
11/03/23	TRITON TRUCK REPAIR INC	14857	4166	135.00	V#241 BIT INSPECTION
11/03/23	TRITON TRUCK REPAIR INC	14858	4166	135.00	V#268 BIT INSPECTION
11/03/23	TRITON TRUCK REPAIR INC	14859	4166	135.00	V#249 BIT INSPECTION
11/03/23	TRITON TRUCK REPAIR INC	14860	4166	135.00	V#250 BIT INSPECTION
11/03/23	TRITON TRUCK REPAIR INC	14861	4166	337.30	V#277 OIL CHANGE
11/03/23	TRITON TRUCK REPAIR INC	14862	4166	337.30	V#280 OIL CHANGE
11/03/23	TRITON TRUCK REPAIR INC	14863	4166	135.00	V#244 BIT INSPECTION
11/03/23	TRITON TRUCK REPAIR INC	14864	4166	135.00	V#248 BIT INSPECTION
11/03/23	TRITON TRUCK REPAIR INC	14872	4166	387.50	V#251 MAP SENSOR CLEAR CODES
11/03/23	UNICO MECHANICAL CORP	423-0193-1	4167	14,734.80	Unico Recycle Pump Rebuild
11/03/23	UNITED RENTALS (NORTH AMERICA) INC	225452447-001	4168	5,415.14	BOOM 76-85 ARTICULATING
11/03/23	UNITED SITE SERVICES OF CALIFORNIA	INV-02116139	4169	465.87	10/25/23 -11/21/23 2STN HAND SINK/ADA REST
11/03/23	UNIVAR SOLUTIONS USA INC	51554131	4170	10,117.30	SOD BISULFITE
11/03/23	UNIVAR SOLUTIONS USA INC	51566521	4170	715.81	CAUSTIC SODA 25%MN BULK
11/03/23	UNIVAR SOLUTIONS USA INC	51573794	4170	803.91	CAUSTIC SODA 25%MN BULK
11/03/23	CARMEN LAUREN UNSON	REIM 103123	4171	134.30	10/23-26/2023 AVEVA WORLD CONFERENCE
11/03/23	VALLEJO ELECTRIC MOTOR	SI-3202	4172	5,259.00	ADDITIONAL INSURANCE FOR 2024
11/03/23	VALLEJO ELECTRIC MOTOR	SI-3211	4172	6,813.92	Vallejo Electric Boom Truck -quote#SQ3124
11/03/23	VALLEJO ELECTRIC MOTOR	SI-3215	4172	10,834.65	Vallejo Electric RAS Motor- Quote# SQ3062
11/03/23	VALLEY YELLOW PAGES	100123	4173	346.00	ADVERTISING CHRGS OCT 2023
11/03/23	VEOLIA WTS SERVICES USA INC	902366520	4174	133.56	GALAGE METER CONNECTIONS/LABOR
11/03/23	VISION SERVICE PLAN (CA)	101923	4175	3,373.75	VSP PREM NOV 2023
11/03/23	WATSON-MARLOW INC	S1247715	4176	1,075.39	Watson Marlow - SHC Pump Hose-quote AM231011WM
11/03/23	WECO INDUSTRIES LLC	0052303-IN	4177	483.04	PIGTAIL 12 PIN MALE W/FEMALE PIN 17""
11/03/23	WECO INDUSTRIES LLC	0052389-IN	4177	6,072.56	WHEEL STL 6"" WTEIII SPIKED
11/03/23	WECO INDUSTRIES LLC	0052391-IN	4177	6,144.45	CAM SONDE LOCATOR
11/03/23	WECO INDUSTRIES LLC	0052392-IN	4177	391.31	SERVICE ON PTO PUMP
11/03/23	WEST YOST & ASSOCIATES	2055596	4178	1,007.00	09/09/23 - 10/06/23 Trash Capture Modeling Service
11/03/23	WEST YOST & ASSOCIATES	2055594	4178	1,533.82	09/09/23 - 10/06/23 New Bedford Wastewater Pump St
11/03/23	WEST YOST & ASSOCIATES	2055595	4178	1,489.83	09/09/23 - 10/06/23 Vista Cove PS Rev (WGR#2081,
11/03/23	XEROX CORP	4876245	4179	275.32	PHOTOCOPIER LEASE - 9/30 - 10/29/23
11/03/23	YP WESTERN DIRECTORY LLC	100723	4180	131.90	ACT#800438706 OCT 23 ADVERTISING
11/03/23	YP WESTERN DIRECTORY LLC	101123	4180	199.00	ACT#800438711 OCT 23 ADVERTISING
			TOTAL	4,125,057.66	

RESOLUTION NUMBER 2023-

A RESOLUTION TO APPROVE THE DISBURSEMENT REGISTER FOR December 12 , 2023

BE IT RESOLVED, by the Board of Trustees of the Vallejo Flood and Wastewater District of Solano County, California as follows:

WHEREAS, the District maintains general checking to facilitate operating cash disbursements;

WHEREAS, general checking disbursements must be authorized by the Board of Trustees;

WHEREAS, claims as enumerated on the attached Disbursement Register and for the respective amounts set opposite the name of each person or firm total $4,125,057.66.

IT IS, THEREFORE, RESOLVED, by the Board of Trustees of the Vallejo Flood and Wastewater District that the Board approves the Disbursement Register for December 12th, 2023.

BE IT FURTHER RESOLVED, that all claims be paid.

ADOPTED by the Board of Trustees of the Vallejo Flood and Wastewater District on the 12th day of December 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

WITNESS my hand and the Seal of said District this 12th day of December, 2023.

____
RACHELLE CANONES
Acting Clerk of the Board

Return to Agenda

District Manager
Melissa Morton

December 12, 2023

BOARD COMMUNICATION

Consent Item 6C

TO: **THE HONORABLE PRESIDENT AND BOARD OF TRUSTEES**

FROM: **MELISSA MORTON, DISTRICT MANAGER**
JEFF TUCKER, FINANCE DIRECTOR/TREASURER

SUBJECT: **RECEIVE MONTHLY INVESTMENT REPORT FOR OCTOBER 2023**

BACKGROUND AND DISCUSSION

The California Government Code, Section 53607, requires monthly reporting of investments to the Board of Trustees. The composition of investments must conform to the District's investment policy adopted annually, and must be sufficiently liquid to meet cash flow needs for the next six months. The District adjusts its cash and investment book balances to reflect market value. The condensed investment report attached meets applicable reporting requirements.

The portfolio is designed to provide *safety* through balance, diversification, credit worthiness, and volatility reduction; *liquidity* through short-term pools, negotiable deposits, and investment laddering; and *yield* (*rate of return)* through longer duration, callable governments, and higher yielding corporate notes where safe.

The portfolio incorporates the principles of the prudent investor standard and follows policy prepared in accordance with the requirements of the California Government Code. These requirements include public investing objectives, authorized investments, maturities, prohibited investments, reporting requirements, and Board oversight.

The District staff works closely with the Investment Advisor, Chandler Asset Management, to implement an investment strategy that considers the District's historical and anticipated liquidity needs and the current market conditions to maintain safety and maximize yield. Investments are and will continue to be purchased based upon conformance with District policy. All investments within the portfolio meet/met the California Government Code requirements for credit quality, maturity dates, and bond class percentages at the time of purchase.

The District has the financial ability to meet its cash flow requirements for the next six months.

RECOMMENDATION

Receive the Monthly Investment Report for October 2023 as submitted.

ALTERNATIVES CONSIDERED

None

ENVIRONMENTAL REVIEW
This is not a project under CEQA and no environmental review is required.

FISCAL IMPACT
None

PROPOSED ACTION
Receive the Monthly Investment Report for October 2023.

DOCUMENTS ATTACHED
A. Monthly Investment Report – October 2023

CONTACT PERSON
Jeff Tucker, Finance Director/Treasurer, (707) 652-7802

Vallejo Flood & Wastewater District Consolidated - Account #10761

MONTHLY ACCOUNT STATEMENT

OCTOBER 1, 2023 THROUGH OCTOBER 31, 2023

Chandler Team:
For questions about your account, please call (800) 317-4747,
or contact **operations@chandlerasset.com**

CHANDLER ASSET MANAGEMENT
chandlerasset.com

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures.

Vallejo Flood & Wastewater District Consolidated

Account #10761

Portfolio Summary

As of October 31, 2023

PORTFOLIO CHARACTERISTICS

Average Modified Duration	0.76
Average Coupon	3.52%
Average Purchase YTM	3.76%
Average Market YTM	4.90%
Average S&P/Moody Rating	AAA/Aa1
Average Final Maturity	0.86 yrs
Average Life	0.79 yrs

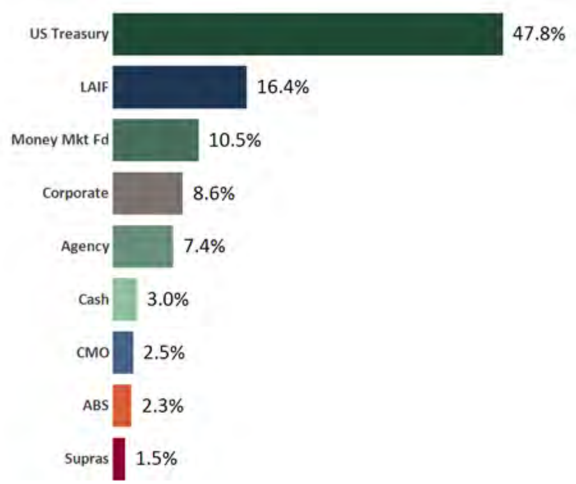
ACCOUNT SUMMARY

	Beg. Values as of 9/30/23	End Values as of 10/31/23
Market Value	38,189,658	31,812,443
Accrued Interest	267,098	79,021
Total Market Value	**38,456,756**	**31,891,465**
Income Earned	77,507	148,739
Cont/WD		
Par	38,823,860	32,392,629
Book Value	38,546,673	32,168,746
Cost Value	38,516,673	32,097,066

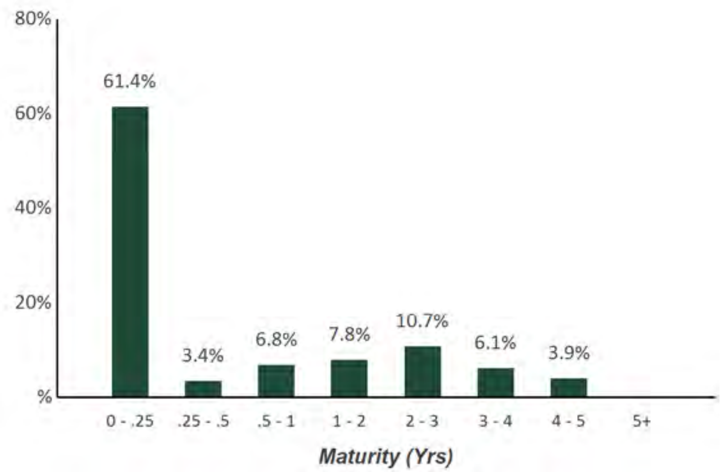
TOP ISSUERS

Government of United States	47.8%
Local Agency Investment Fund	16.4%
First American Govt Oblig Fund	10.5%
Federal Home Loan Mortgage Corp	3.6%
Federal Farm Credit Bank	3.4%
Custodial Checking Account	3.0%
Federal Home Loan Bank	2.3%
Deere & Company	0.9%
Total	**87.9%**

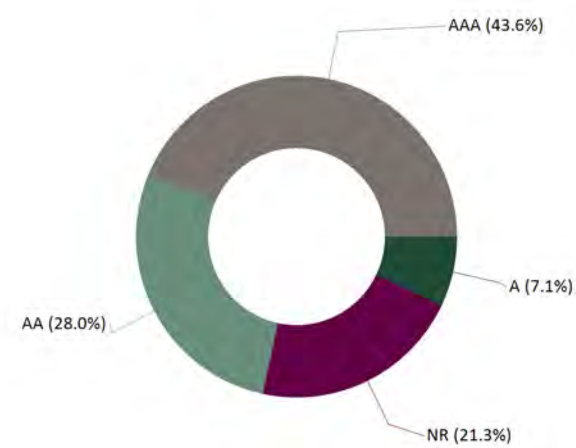
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



Statement of Compliance

As of October 31, 2023

Vallejo Flood & Wastewater District Consolidated

This portfolio is a consolidation of assets managed by Chandler Asset Management and assets managed internally by Client. Chandler relies on Client to provide accurate information for reporting assets and producing this compliance statement.

Category	Standard	Comment
U.S. Treasuries	No limitations; Full faith and credit of the U.S. are pledged for the payment of principal and interest	*Complies*
Federal Agencies/ U.S. Government Sponsored Enterprises	25% max per Agency/GSE issuer; 20% max federal agency callable securities; Federal agencies or U.S. government-sponsored enterprise obligations, participations, or other instruments, including those issued or fully guaranteed as to principal and interest by federal agencies or U.S. government sponsored enterprises.	*Complies*
Municipal Securities	"A" rating category or better by a Nationally Recognized Statistical Rating Organization ("NRSRO"); 30% maximum; 5% max per issuer; Include obligations of the District, State of California, and any local agency within the State of California; Bonds of any of the other 49 states in addition to California; Including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state, or by a department, board, agency, or authority of any of the other 49 states, in addition to California.	*Complies*
Supranational Obligations	"AA" rating category or higher by a NRSRO; 30% maximum; 10% max per issuer; USD denominated senior unsecured unsubordinated obligations; Issued or unconditionally guaranteed by International Bank for Reconstruction (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB)	*Complies*
Corporate Medium Term Notes	"A" rating category or better by a NRSRO; 30% maximum; 5% max per issuer; Issuing corporations must be organized and operating within the U.S. or be depository institutions licensed by the U.S. or any state and operating within the U.S.	*Complies*
Negotiable Certificates of Deposit (NCD)	No rating required if amount of the NCD is covered by FDIC insured limit; If amount is above FDIC insured limit, requires "A-1" short-term rated or better by a NRSRO; or "A" long-term issuer rating category or better by a NRSRO; 30% maximum; 5% max per issuer; Issued by a nationally or state-chartered bank, or a federal or state association, a state or federal credit union, or by a federally-licensed or state-licensed branch of a foreign bank.	*Complies*
Time Certificates of Deposit	FDIC insured/Collateralized; or Non-negotiable, fixed-term Certificates of Deposit collateralized in accordance with California Government Code; In order to secure such deposits, an institution shall maintain in the collateral pool securities having a market value of at least 10% in excess of the total amount deposited (50% in excess of the total amount of deposits secured by promissory notes secured by first mortgages and first trust deeds). The District is permitted to waive the first $250,000 of collateral security for such deposits of the institution is insured pursuant to federal law.	*Complies*
Commercial Paper	"A-1" rated or higher by a NRSRO; "A" issuer rated or higher by a NRSRO, if any debt; 25% maximum; 5% max per issuer; 10% max of the outstanding commercial paper of any one issuer; 270 days max maturity; Issuing corporation shall be 1) organized and operating within the U.S. as a general corporation, with assets > $500 million, and has debt, if any, that is rated "A" or higher by a NRSRO; or 2) organized within the U.S. as a special purpose corporation, trust, or LLC; has program-wide credit enhancements, including, but not limited to, over-collateralization, LOC, and rated "A-1" or higher by a NRSRO.	*Complies*
Banker's Acceptances	"A-1" short-term debt rated or better by a NRSRO; or "A" long-term debt rating category or better by a NRSRO; 40% maximum; 5% max in bankers acceptance of any one commercial bank; 180 days max maturity	*Complies*
Asset-Backed, Mortgage-Backed, Mortgage Pass-Through Securities, Collateralized Mortgage Obligations	"AA" rating category or better by a NRSRO; 20% maximum; 5% max per Asset-Backed or Commercial Mortgage issuer; From Issuers not issued by the U.S. Government and its Federal Agencies.	*Complies*

Mutual Funds and Money Market Mutual Funds	Highest rating or "AAA" rated by two NRSROs; or SEC registered investment adviser with AUM >$500 million and experience > 5 years; 20% maximum in Money Market Mutual Funds; 10% maximum in Mutual Funds; 20% maximum combined Mutual Funds and Money Market Mutual Funds	*Complies*
Local Agency Investment Fund (LAIF)	As authorized by government code section 16429.1; Pooled investment money market fund established by the State of California and managed by the California State Treasurer's Office; Not used by investment adviser	*Complies*
Repurchase Agreements	1 year max maturity; Maintain at a level of at least 102% of the market value of the Repurchase Agreement; Securities used as collateral will be delivered to an acceptable third party custodian; Subject to Master Repurchase Agreement between the District and the provider of repurchase agreement; Not used by investment adviser	*Complies*
Prohibited	Inverse floaters; Ranges notes, Mortgage-derived or Interest-only strips from pool of mortgages; Zero interest accrual securities if held to maturity; Trading securities for the sole purpose of speculating on the future direction of interest rates; Purchasing or selling securities on margin; Reverse repurchase agreements; Securities lending or any other form of borrowing or leverage; Foreign currency denominated securities	*Complies*
Social Responsibility	Invest in companies that have a positive impact on the environment and fair workplace practices; Investments are encouraged in entities that support equality of rights, regardless of sex, race, religion, age, disability or sexual orientation; No investment is to be made in a company that receives more than 51% of its gross revenues from the production or manufacture of fossil fuels, weapons manufacturing, cigarettes, alcohol, or gaming products.	*Complies*
Max Per Issuer	5% max per issuer, with the exception of U.S. Treasuries, Federal Agencies, LAIF, Mutual Funds, Money Market Funds, or Supranational securities, or unless otherwise specified in the policy.	*Complies*
Maximum Maturity	5 years maximum maturity	*Complies*

Holdings Report

As of October 31, 2023

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
ABS									
36262XAC8	GM Financial Auto Lease Trust 2021-3 A2 0.39% Due 10/21/2024	15,700.70	08/10/2021 0.39%	15,700.49 15,700.68	99.52 6.06%	15,625.42 1.87	0.05% (75.26)	NR / AAA AAA	0.98 0.08
47787NAC3	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	170.96	07/14/2020 0.52%	170.93 170.96	99.79 6.39%	170.60 0.04	0.00% (0.36)	Aaa / NR AAA	1.04 0.03
58769KAD6	Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024	15,025.78	06/22/2021 0.40%	15,024.64 15,025.69	99.38 5.49%	14,932.20 2.67	0.05% (93.49)	NR / AAA AAA	1.04 0.12
09690AAC7	BMW Vehicle Lease Trust 2021-2 A3 0.33% Due 12/26/2024	3,248.04	09/08/2021 0.34%	3,247.70 3,248.02	99.65 5.41%	3,236.62 0.18	0.01% (11.40)	Aaa / NR AAA	1.16 0.07
89236XAC0	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	2,318.29	10/06/2020 0.36%	2,317.86 2,318.17	99.66 6.02%	2,310.33 0.36	0.01% (7.84)	NR / AAA AAA	1.21 0.06
05601XAC3	BMW Vehicle Lease Trust 2022-1 A3 1.1% Due 3/25/2025	15,785.98	01/11/2022 1.11%	15,783.62 15,785.55	99.05 6.00%	15,635.27 2.89	0.05% (150.28)	NR / AAA AAA	1.40 0.19
43813GAC5	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	11,976.08	02/17/2021 0.27%	11,975.87 11,976.05	98.39 5.98%	11,783.28 0.90	0.04% (192.77)	Aaa / NR AAA	1.47 0.28
89240BAC2	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 5/15/2025	23,035.53	02/02/2021 0.27%	23,031.27 23,035.02	98.46 6.04%	22,681.52 2.66	0.07% (353.50)	Aaa / NR AAA	1.54 0.26
47788UAC6	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	13,576.63	03/02/2021 0.37%	13,574.01 13,575.93	97.85 5.84%	13,284.35 2.17	0.04% (291.58)	Aaa / NR AAA	1.88 0.39
44933LAC7	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	17,263.17	04/20/2021 0.38%	17,261.35 17,262.85	98.09 6.11%	16,933.74 2.92	0.05% (329.11)	NR / AAA AAA	1.88 0.33
43815EAC8	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	39,892.22	08/17/2021 0.41%	39,891.64 39,892.03	96.98 5.95%	38,687.63 5.91	0.12% (1,204.40)	NR / AAA AAA	2.05 0.54
05593AAC3	BMW Vehicle Lease Trust 2023-1 A3 5.16% Due 11/25/2025	20,000.00	02/07/2023 5.22%	19,999.52 19,999.68	99.07 6.19%	19,814.22 17.20	0.06% (185.46)	Aaa / AAA AAA	2.07 0.95
44934KAC8	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	50,642.42	07/20/2021 0.39%	50,631.25 50,639.31	97.38 6.08%	49,314.32 8.55	0.15% (1,324.99)	NR / AAA AAA	2.21 0.46

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ABS									
43815GAC3	Honda Auto Receivables Trust 2021-4 A3 0.88% Due 1/21/2026	28,078.63	11/16/2021 0.89%	28,072.71 28,076.24	96.59 5.91%	27,121.51 6.86	0.09% (954.73)	Aaa / NR AAA	2.23 0.68
47789QAC4	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	31,470.56	07/13/2021 0.52%	31,467.76 31,469.51	96.54 6.26%	30,381.24 7.27	0.10% (1,088.27)	Aaa / NR AAA	2.38 0.60
89238JAC9	Toyota Auto Receivables Trust 2021-D A3 0.71% Due 4/15/2026	24,342.25	11/09/2021 0.71%	24,341.73 24,342.04	96.35 6.22%	23,454.63 7.68	0.07% (887.41)	NR / AAA AAA	2.46 0.66
05602RAD3	BMW Vehicle Owner Trust 2022-A A3 3.21% Due 8/25/2026	35,000.00	05/10/2022 3.23%	34,998.18 34,999.03	97.63 6.09%	34,168.89 18.73	0.11% (830.14)	Aaa / AAA NR	2.82 0.83
362554AC1	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	20,319.87	10/13/2021 0.68%	20,319.34 20,319.66	96.13 6.11%	19,533.08 5.76	0.06% (786.58)	Aaa / AAA NR	2.88 0.71
47787JAC2	John Deere Owner Trust 2022-A A3 2.32% Due 9/16/2026	44,271.46	03/10/2022 2.34%	44,261.67 44,266.22	97.04 6.14%	42,959.83 45.65	0.13% (1,306.39)	Aaa / NR AAA	2.88 0.78
379929AD4	GM Financial Auto Leasing 2023-3 A3 5.38% Due 11/20/2026	30,000.00	08/08/2023 5.45%	29,996.40 29,996.72	99.10 5.98%	29,729.22 49.32	0.09% (267.50)	NR / AAA AAA	3.06 1.68
362585AC5	GM Financial Securitized ART 2022-2 A3 3.1% Due 2/16/2027	35,000.00	04/05/2022 3.13%	34,992.69 34,996.00	97.29 5.82%	34,050.00 45.21	0.11% (946.00)	Aaa / AAA NR	3.30 1.01
43815JAC7	Honda Auto Receivables Owner 2023-1 A3 5.04% Due 4/21/2027	35,000.00	02/16/2023 5.10%	34,993.50 34,994.91	98.55 5.97%	34,493.03 49.00	0.11% (501.88)	Aaa / NR AAA	3.47 1.67
58770AAC7	Mercedes-Benz Auto Receivable 2023-1 A3 4.51% Due 11/15/2027	45,000.00	01/18/2023 4.56%	44,994.60 44,995.79	98.01 5.91%	44,103.20 90.20	0.14% (892.59)	NR / AAA AAA	4.04 1.47
362583AD8	GM Auto Receivable Trust 2023-2 A3 4.47% Due 2/16/2028	50,000.00	04/04/2023 4.51%	49,998.63 49,998.86	97.54 6.19%	48,771.90 93.13	0.15% (1,226.96)	Aaa / AAA NR	4.30 1.47
161571HT4	Chase Issuance Trust 23-A1 A 5.16% Due 9/15/2028	145,000.00	09/07/2023 5.23%	144,959.81 144,961.53	98.99 5.61%	143,528.98 332.53	0.45% (1,432.55)	NR / AAA AAA	4.88 2.59
Total ABS		**752,118.57**	**2.82%**	**752,007.17** **752,046.45**	**5.95%**	**736,705.01** **799.66**	**2.31%** **(15,341.44)**	**Aaa / AAA** **AAA**	**3.09** **1.18**

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AGENCY									
3137EAEZ8	FHLMC Note 0.25% Due 11/6/2023	210,000.00	11/03/2020 0.28%	209,811.00 209,999.14	99.93 5.35%	209,851.11 255.21	0.66% (148.03)	Aaa / AA+ AA+	0.02 0.01
3135G06H1	FNMA Note 0.25% Due 11/27/2023	185,000.00	11/23/2020 0.29%	184,789.10 184,995.00	99.63 5.45%	184,306.81 197.85	0.58% (688.19)	Aaa / AA+ AA+	0.07 0.07
3137EAFA2	FHLMC Note 0.25% Due 12/4/2023	150,000.00	12/02/2020 0.28%	149,851.50 149,995.52	99.50 5.73%	149,250.00 153.13	0.47% (745.52)	Aaa / AA+ AA+	0.09 0.09
3133EMRZ7	FFCB Note 0.25% Due 2/26/2024	170,000.00	02/22/2021 0.26%	169,938.80 169,993.46	98.28 5.75%	167,067.67 76.74	0.52% (2,925.79)	Aaa / AA+ AA+	0.32 0.31
3133ENPY0	FFCB Note 1.75% Due 2/25/2025	200,000.00	03/16/2022 2.12%	197,936.00 199,071.97	95.49 5.34%	190,988.20 641.67	0.60% (8,083.77)	Aaa / AA+ AA+	1.32 1.27
3133EN5E6	FFCB Note 4% Due 12/29/2025	250,000.00	12/29/2022 4.27%	248,120.00 248,645.37	97.59 5.19%	243,970.50 3,388.89	0.78% (4,674.87)	Aaa / AA+ AA+	2.16 2.01
3133EPSW6	FFCB Note 4.5% Due 8/14/2026	270,000.00	08/09/2023 4.58%	269,379.00 269,423.76	98.77 4.98%	266,677.65 2,598.75	0.84% (2,746.11)	Aaa / AA+ AA+	2.79 2.56
3130AWTQ3	FHLB Note 4.625% Due 9/11/2026	250,000.00	09/12/2023 4.83%	248,592.50 248,655.54	99.05 4.98%	247,620.50 2,794.27	0.79% (1,035.04)	Aaa / AA+ NR	2.87 2.62
3130AWC24	FHLB Note 4% Due 6/9/2028	250,000.00	07/06/2023 4.49%	244,617.50 244,959.15	96.11 4.95%	240,277.00 4,166.67	0.77% (4,682.15)	Aaa / AA+ NR	4.61 4.07
3130AWTR1	FHLB Note 4.375% Due 9/8/2028	250,000.00	09/07/2023 4.49%	248,725.00 248,762.68	97.60 4.94%	243,990.25 2,643.23	0.77% (4,772.43)	Aaa / AA+ NR	4.86 4.27
3133EPWK7	FFCB Note 4.5% Due 9/22/2028	200,000.00	10/12/2023 4.71%	198,146.00 198,162.45	98.21 4.91%	196,428.80 975.00	0.62% (1,733.65)	Aaa / AA+ AA+	4.90 4.31
Total Agency		**2,385,000.00**	**3.06%**	**2,369,906.40** **2,372,664.04**	**5.19%**	**2,340,428.49** **17,891.41**	**7.39%** **(32,235.55)**	**Aaa / AA+** **AA+**	**2.39** **2.15**
CASH									
90CHECK$1	Checking Deposit Bank Account	944,647.75	Various 0.00%	944,647.75 944,647.75	1.00 0.00%	944,647.75 0.00	2.96% 0.00	NR / NR NR	0.00 0.00
Total Cash		**944,647.75**	**N/A**	**944,647.75** **944,647.75**	**0.00%**	**944,647.75** **0.00**	**2.96%** **0.00**	**NR / NR** **NR**	**0.00** **0.00**

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CMO									
3137BKRJ1	FHLMC K047 A2 3.329% Due 5/25/2025	100,000.00	05/19/2022 3.05%	100,578.13 100,294.72	96.67 5.64%	96,668.60 277.42	0.30% (3,626.12)	NR / NR AAA	1.57 1.38
3137BNGT5	FHLMC K054 A2 2.745% Due 1/25/2026	250,000.00	02/15/2023 4.92%	237,392.58 240,444.90	94.60 5.44%	236,489.00 571.88	0.74% (3,955.90)	NR / AAA NR	2.24 1.99
3137BVZ82	FHLMC K063 3.43% Due 1/25/2027	100,000.00	12/05/2022 4.29%	96,816.41 97,506.75	94.37 5.39%	94,372.20 285.83	0.30% (3,134.55)	NR / NR AAA	3.24 2.85
3137FBBX3	FHLMC K068 A2 3.244% Due 8/25/2027	125,000.00	05/12/2023 4.00%	121,352.54 121,751.22	92.73 5.39%	115,911.88 337.92	0.36% (5,839.34)	Aaa / NR NR	3.82 3.43
3137FBU79	FHLMC K069 A2 3.187% Due 9/25/2027	135,000.00	05/18/2023 4.65%	129,679.10 130,222.60	92.46 5.40%	124,820.46 358.54	0.39% (5,402.14)	NR / AAA NR	3.90 3.46
3137FETN0	FHLMC K073 A2 3.35% Due 1/25/2028	135,000.00	05/24/2023 4.34%	129,747.66 130,226.27	92.44 5.39%	124,788.06 75.38	0.39% (5,438.21)	NR / NR AAA	4.24 3.76
Total CMO		**845,000.00**	**4.35%**	**815,566.42** **820,446.46**	**5.44%**	**793,050.20** **1,906.97**	**2.49%** **(27,396.26)**	**Aaa / AAA** **AAA**	**3.08** **2.74**
CORPORATE									
24422EVN6	John Deere Capital Corp Note 0.45% Due 1/17/2024	145,000.00	03/01/2021 0.47%	144,897.05 144,992.44	98.91 5.68%	143,417.18 188.50	0.45% (1,575.26)	A2 / A A+	0.21 0.21
808513BN4	Charles Schwab Corp Callable Note Cont 2/18/2024 0.75% Due 3/18/2024	150,000.00	Various 0.69%	150,272.40 150,027.26	97.99 6.14%	146,990.55 134.38	0.46% (3,036.71)	A2 / A- A	0.38 0.37
023135BW5	Amazon.com Inc Note 0.45% Due 5/12/2024	85,000.00	05/10/2021 0.50%	84,875.90 84,978.15	97.36 5.58%	82,751.75 179.56	0.26% (2,226.40)	A1 / AA AA-	0.53 0.52
91324PEB4	United Health Group Inc Callable Note Cont 5/15/2022 0.55% Due 5/15/2024	50,000.00	11/08/2021 0.78%	49,713.00 49,938.66	97.36 5.59%	48,680.80 126.81	0.15% (1,257.86)	A2 / A+ A	0.54 0.52
14913R2L0	Caterpillar Financial Service Note 0.45% Due 5/17/2024	130,000.00	05/10/2021 0.50%	129,825.80 129,968.53	97.20 5.74%	126,365.59 266.50	0.40% (3,602.94)	A2 / A A+	0.55 0.53
89114QCA4	Toronto Dominion Bank Note 2.65% Due 6/12/2024	125,000.00	08/25/2021 0.61%	132,032.50 126,544.39	97.93 6.14%	122,406.75 1,278.99	0.39% (4,137.64)	A1 / A AA-	0.62 0.59
06051GJY6	Bank of America Corp Callable Note Cont 6/14/2023 5.71% Due 6/14/2024	100,000.00	06/07/2021 5.75%	100,006.40 100,000.00	99.88 5.95%	99,877.00 761.33	0.32% (123.00)	A1 / A- AA-	0.62 0.12

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CORPORATE									
89236TJH9	Toyota Motor Credit Corp Note 0.5% Due 6/18/2024	80,000.00	06/15/2021 0.54%	79,904.80 79,980.02	96.79 5.76%	77,428.24 147.78	0.24% (2,551.78)	A1 / A+ A+	0.63 0.61
79466LAG9	Salesforce.com Inc Callable Note Cont 7/15/2022 0.625% Due 7/15/2024	20,000.00	06/29/2021 0.64%	19,989.80 19,997.61	96.51 5.74%	19,302.16 36.81	0.06% (695.45)	A2 / A+ NR	0.71 0.68
91159HHX1	US Bancorp Callable Note Cont 6/28/2024 2.4% Due 7/30/2024	200,000.00	02/05/2021 0.47%	212,966.00 202,519.71	97.21 6.27%	194,412.00 1,213.33	0.61% (8,107.71)	A3 / A A	0.75 0.72
78015K7C2	Royal Bank of Canada Note 2.25% Due 11/1/2024	150,000.00	02/05/2021 0.53%	159,499.50 152,554.60	96.45 5.96%	144,668.85 1,687.50	0.46% (7,885.75)	A1 / A AA-	1.01 0.95
87612EBL9	Target Corp Callable Note Cont 4/15/25 2.25% Due 4/15/2025	125,000.00	03/15/2022 2.51%	124,027.50 124,539.34	95.48 5.53%	119,344.25 125.00	0.37% (5,195.09)	A2 / A A	1.46 1.40
713448CT3	Pepsico Inc. Callable Note Cont 1/30/2025 2.75% Due 4/30/2025	150,000.00	12/28/2022 4.66%	143,733.00 145,983.82	96.16 5.45%	144,245.70 11.46	0.45% (1,738.12)	A1 / A+ NR	1.50 1.44
06367WB85	Bank of Montreal Note 1.85% Due 5/1/2025	125,000.00	08/29/2022 4.02%	118,191.25 121,176.19	93.98 6.11%	117,476.25 1,156.25	0.37% (3,699.94)	A2 / A- AA-	1.50 1.43
594918BJ2	Microsoft Callable Note Cont 8/3/2025 3.125% Due 11/3/2025	150,000.00	01/20/2023 4.28%	145,509.00 146,753.55	95.96 5.28%	143,936.40 2,317.71	0.46% (2,817.15)	Aaa / AAA NR	2.01 1.88
023135CN4	Amazon.com Inc Note 4.6% Due 12/1/2025	100,000.00	12/28/2022 4.61%	99,956.00 99,968.62	98.72 5.25%	98,720.70 1,916.67	0.32% (1,247.92)	A1 / AA AA-	2.09 1.92
857477BR3	State Street Bank Callable Note Cont 2/6/2025 1.746% Due 2/6/2026	35,000.00	02/02/2022 1.75%	35,000.00 35,000.00	94.51 6.32%	33,078.71 144.29	0.10% (1,921.29)	A1 / A AA-	2.27 1.21
037833BY5	Apple Inc Callable Note Cont 11/23/2025 3.25% Due 2/23/2026	150,000.00	02/21/2023 4.78%	143,640.00 145,096.53	95.71 5.24%	143,560.65 920.83	0.45% (1,535.88)	Aaa / AA+ NR	2.32 2.17
00440EAV9	Chubb INA Holdings Inc Callable Note Cont 2/3/2026 3.35% Due 5/3/2026	150,000.00	03/14/2023 4.75%	143,952.00 145,167.94	94.70 5.64%	142,055.40 2,484.58	0.45% (3,112.54)	A3 / A A	2.51 2.31
69371RS56	Paccar Financial Corp Note 5.05% Due 8/10/2026	125,000.00	08/03/2023 5.07%	124,937.50 124,942.23	99.39 5.29%	124,238.25 1,420.31	0.39% (703.98)	A1 / A+ NR	2.78 2.53
89236TKX2	Toyota Motor Credit Corp Note 5% Due 8/14/2026	150,000.00	09/28/2023 5.42%	148,354.50 148,401.65	98.76 5.48%	148,138.95 1,604.17	0.47% (262.70)	A1 / A+ A+	2.79 2.54

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CORPORATE									
24422EXD6	John Deere Capital Corp Note 5.15% Due 9/8/2026	150,000.00	09/28/2023 5.29%	149,410.50 149,427.00	99.53 5.33%	149,291.10 1,137.29	0.47% (135.90)	A2 / A A+	2.86 2.60
665859AW4	Northern Trust Company Callable Note Cont 4/10/2027 4% Due 5/10/2027	150,000.00	01/10/2023 4.25%	148,507.50 148,784.45	93.99 5.91%	140,991.00 2,850.00	0.45% (7,793.45)	A2 / A+ A+	3.53 3.16
Total Corporate		**2,795,000.00**	**2.91%**	**2,789,201.90** **2,776,742.69**	**5.70%**	**2,711,378.23** **22,110.05**	**8.57%** **(65,364.46)**	**A1 / A+** **A+**	**1.56** **1.42**
LAIF									
90LAIF$00	Local Agency Investment Fund State Pool	5,211,919.73	Various 3.65%	5,211,919.73 5,211,919.73	1.00 3.65%	5,211,919.73 15,929.04	16.39% 0.00	NR / NR NR	0.00 0.00
Total LAIF		**5,211,919.73**	**3.65%**	**5,211,919.73** **5,211,919.73**	**3.65%**	**5,211,919.73** **15,929.04**	**16.39%** **0.00**	**NR / NR** **NR**	**0.00** **0.00**
MONEY MARKET FUND									
31846V203	First American Govt Obligation Fund Class Y	3,280,011.80	Various 4.97%	3,280,011.80 3,280,011.80	1.00 4.97%	3,280,011.80 0.00	10.28% 0.00	Aaa / AAA AAA	0.00 0.00
31846V203	First American Govt Obligation Fund Class Y	83,931.00	Various 4.97%	83,931.00 83,931.00	1.00 4.97%	83,931.00 0.00	0.26% 0.00	Aaa / AAA AAA	0.00 0.00
Total Money Market Fund		**3,363,942.80**	**4.97%**	**3,363,942.80** **3,363,942.80**	**4.97%**	**3,363,942.80** **0.00**	**10.55%** **0.00**	**Aaa / AAA** **AAA**	**0.00** **0.00**
SUPRANATIONAL									
459058JM6	Intl. Bank Recon & Development Note 0.25% Due 11/24/2023	105,000.00	11/17/2020 0.32%	104,774.25 104,995.26	99.68 5.28%	104,663.06 114.48	0.33% (332.20)	Aaa / AAA AAA	0.07 0.06
459058GQ0	Intl. Bank Recon & Development Note 2.5% Due 3/19/2024	125,000.00	01/26/2021 0.26%	133,742.50 126,060.39	98.84 5.59%	123,544.38 364.58	0.39% (2,516.01)	Aaa / AAA AAA	0.38 0.38
4581X0DZ8	Inter-American Dev Bank Note 0.5% Due 9/23/2024	165,000.00	09/15/2021 0.52%	164,877.90 164,963.57	95.58 5.63%	157,709.81 87.08	0.49% (7,253.76)	Aaa / AAA NR	0.90 0.87

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SUPRANATIONAL									
45950KCR9	International Finance Corp Note 1.375% Due 10/16/2024	100,000.00	07/12/2021 0.54%	102,690.00 100,791.18	96.08 5.63%	96,080.30 57.29	0.30% (4,710.88)	Aaa / AAA NR	0.96 0.93
Total Supranational		**495,000.00**	**0.42%**	**506,084.65** **496,810.40**	**5.55%**	**481,997.55** **623.43**	**1.51%** **(14,812.85)**	**Aaa / AAA** **AAA**	**0.60** **0.58**
US TREASURY									
912796YT0	US Treasury Bill 5.281% Due 11/2/2023	850,000.00	09/25/2023 5.38%	845,386.90 849,875.32	99.99 5.38%	849,875.32 0.00	2.66% 0.00	P-1 / A-1+ F-1+	0.01 0.01
912797HJ9	US Treasury Bill 5.271% Due 11/7/2023	300,000.00	09/25/2023 5.38%	298,155.33 299,736.48	99.91 5.38%	299,736.48 0.00	0.94% 0.00	P-1 / A-1+ F-1+	0.02 0.02
912797HL4	US Treasury Bill 5.315% Due 11/21/2023	2,750,000.00	09/27/2023 5.43%	2,728,075.63 2,741,879.86	99.70 5.43%	2,741,879.86 0.00	8.60% 0.00	P-1 / A-1+ F-1+	0.06 0.06
912796ZD4	US Treasury Bill 5.295% Due 11/30/2023	1,000,000.00	09/27/2023 5.42%	990,733.75 995,734.58	99.57 5.42%	995,734.58 0.00	3.12% 0.00	P-1 / A-1+ F-1+	0.08 0.08
912797FT9	US Treasury Bill 5.306% Due 12/7/2023	500,000.00	09/27/2023 5.44%	494,841.88 497,347.25	99.47 5.44%	497,347.25 0.00	1.56% 0.00	P-1 / A-1+ F-1+	0.10 0.10
912797FU6	US Treasury Bill 5.303% Due 12/14/2023	1,700,000.00	09/27/2023 5.44%	1,680,715.88 1,689,230.95	99.37 5.44%	1,689,230.95 0.00	5.30% 0.00	P-1 / A-1+ F-1+	0.12 0.12
912797FV4	US Treasury Bill 5.327% Due 12/21/2023	650,000.00	09/27/2023 5.47%	641,919.96 645,190.45	99.26 5.47%	645,190.45 0.00	2.02% 0.00	P-1 / A-1+ F-1+	0.14 0.14
912797FW2	US Treasury Bill 5.3% Due 1/4/2024	800,000.00	09/27/2023 5.45%	788,457.78 792,462.22	99.06 5.45%	792,462.22 0.00	2.48% 0.00	P-1 / A-1+ F-1+	0.18 0.17
91282CBE0	US Treasury Note 0.125% Due 1/15/2024	250,000.00	01/12/2021 0.24%	249,111.33 249,939.13	98.93 5.34%	247,334.00 92.56	0.78% (2,605.13)	Aaa / AA+ AA+	0.21 0.20
912797HZ3	US Treasury Bill 5.332% Due 1/16/2024	500,000.00	09/27/2023 5.50%	491,853.13 494,371.25	98.87 5.50%	494,371.25 0.00	1.55% 0.00	P-1 / A-1+ F-1+	0.21 0.21
91282CBM2	US Treasury Note 0.125% Due 2/15/2024	200,000.00	02/23/2021 0.22%	199,429.69 199,944.33	98.48 5.43%	196,961.00 52.99	0.62% (2,983.33)	Aaa / AA+ AA+	0.29 0.29
91282CBR1	US Treasury Note 0.25% Due 3/15/2024	200,000.00	03/30/2021 0.33%	199,554.69 199,944.34	98.11 5.42%	196,211.00 64.56	0.62% (3,733.34)	Aaa / AA+ AA+	0.37 0.37

Holdings Report

As of October 31, 2023

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US TREASURY									
91282CBV2	US Treasury Note 0.375% Due 4/15/2024	250,000.00	04/29/2021 0.34%	250,224.61 250,034.49	97.73 5.46%	244,336.00 43.55	0.77% (5,698.49)	Aaa / AA+ AA+	0.46 0.45
91282CCG4	US Treasury Note 0.25% Due 6/15/2024	250,000.00	06/09/2021 0.31%	249,550.78 249,906.96	96.81 5.53%	242,031.25 237.36	0.76% (7,875.71)	Aaa / AA+ AA+	0.62 0.61
91282CCL3	US Treasury Note 0.375% Due 7/15/2024	250,000.00	07/13/2021 0.42%	249,667.97 249,922.14	96.50 5.50%	241,240.25 277.68	0.76% (8,681.89)	Aaa / AA+ AA+	0.71 0.69
912828YE4	US Treasury Note 1.25% Due 8/31/2024	250,000.00	01/08/2021 0.30%	258,554.69 251,958.30	96.58 5.50%	241,455.00 532.28	0.76% (10,503.30)	Aaa / AA+ AA+	0.84 0.81
91282CCX7	US Treasury Note 0.375% Due 9/15/2024	200,000.00	09/10/2021 0.44%	199,585.94 199,879.48	95.68 5.51%	191,351.60 96.84	0.60% (8,527.88)	Aaa / AA+ AA+	0.88 0.85
91282CDB4	US Treasury Note 0.625% Due 10/15/2024	200,000.00	10/14/2021 0.63%	199,984.38 199,995.03	95.54 5.48%	191,078.20 58.06	0.60% (8,916.83)	Aaa / AA+ AA+	0.96 0.93
91282CDH1	US Treasury Note 0.75% Due 11/15/2024	200,000.00	11/10/2021 0.80%	199,710.94 199,899.78	95.31 5.45%	190,617.20 692.93	0.60% (9,282.58)	Aaa / AA+ AA+	1.04 1.01
91282CDN8	US Treasury Note 1% Due 12/15/2024	200,000.00	02/01/2022 1.38%	197,882.81 199,170.92	95.26 5.41%	190,515.60 759.56	0.60% (8,655.32)	Aaa / AA+ AA+	1.13 1.09
912828Z52	US Treasury Note 1.375% Due 1/31/2025	200,000.00	06/07/2021 0.48%	206,500.00 202,226.76	95.26 5.34%	190,523.40 694.97	0.60% (11,703.36)	Aaa / AA+ AA+	1.25 1.21
912828ZC7	US Treasury Note 1.125% Due 2/28/2025	200,000.00	02/09/2022 1.59%	197,226.56 198,792.53	94.67 5.32%	189,336.00 383.24	0.59% (9,456.53)	Aaa / AA+ AA+	1.33 1.29
912828ZF0	US Treasury Note 0.5% Due 3/31/2025	200,000.00	03/15/2022 2.06%	190,875.00 195,742.77	93.55 5.29%	187,101.60 87.43	0.59% (8,641.17)	Aaa / AA+ AA+	1.42 1.38
912828ZL7	US Treasury Note 0.375% Due 4/30/2025	200,000.00	03/22/2022 2.41%	187,906.25 194,177.08	93.07 5.24%	186,148.40 2.06	0.58% (8,028.68)	Aaa / AA+ AA+	1.50 1.46
912828K74	US Treasury Note 2% Due 8/15/2025	200,000.00	06/01/2022 2.83%	194,921.88 197,165.80	94.68 5.15%	189,359.40 847.83	0.60% (7,806.40)	Aaa / AA+ AA+	1.79 1.72
9128285C0	US Treasury Note 3% Due 9/30/2025	250,000.00	12/28/2022 4.24%	242,041.02 244,469.85	96.19 5.11%	240,468.75 655.74	0.76% (4,001.10)	Aaa / AA+ AA+	1.92 1.82
9128285J5	US Treasury Note 3% Due 10/31/2025	250,000.00	12/28/2022 4.24%	241,806.64 244,232.25	96.07 5.09%	240,175.75 20.60	0.75% (4,056.50)	Aaa / AA+ AA+	2.00 1.91
912828M56	US Treasury Note 2.25% Due 11/15/2025	200,000.00	08/29/2022 3.44%	192,835.94 195,446.05	94.59 5.07%	189,187.60 2,078.80	0.60% (6,258.45)	Aaa / AA+ AA+	2.04 1.93

Holdings Report

As of October 31, 2023

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US TREASURY									
9128286L9	US Treasury Note 2.25% Due 3/31/2026	250,000.00	12/28/2022 4.12%	235,869.14 239,520.80	93.86 4.98%	234,658.25 491.80	0.74% (4,862.55)	Aaa / AA+ AA+	2.42 2.30
9128286S4	US Treasury Note 2.375% Due 4/30/2026	250,000.00	12/29/2022 4.13%	236,445.31 239,853.47	93.98 4.96%	234,961.00 16.31	0.74% (4,892.47)	Aaa / AA+ AA+	2.50 2.38
912828YD6	US Treasury Note 1.375% Due 8/31/2026	250,000.00	01/05/2023 4.10%	227,158.20 232,281.75	90.74 4.92%	226,845.75 585.51	0.71% (5,436.00)	Aaa / AA+ AA+	2.84 2.71
912828U24	US Treasury Note 2% Due 11/15/2026	250,000.00	01/05/2023 4.06%	231,796.88 235,659.71	91.89 4.90%	229,716.75 2,309.78	0.73% (5,942.96)	Aaa / AA+ AA+	3.04 2.86
912828V98	US Treasury Note 2.25% Due 2/15/2027	250,000.00	01/20/2023 3.65%	236,894.53 239,384.92	92.08 4.88%	230,205.00 1,192.26	0.73% (9,179.92)	Aaa / AA+ AA+	3.30 3.09
91282CEF4	US Treasury Note 2.5% Due 3/31/2027	200,000.00	12/12/2022 3.90%	189,023.44 191,283.11	92.62 4.87%	185,242.20 437.16	0.58% (6,040.91)	Aaa / AA+ AA+	3.42 3.20
91282CEW7	US Treasury Note 3.25% Due 6/30/2027	250,000.00	12/29/2022 4.02%	242,158.20 243,618.69	94.59 4.88%	236,474.50 2,737.77	0.75% (7,144.19)	Aaa / AA+ AA+	3.67 3.36
91282CFH9	US Treasury Note 3.125% Due 8/31/2027	250,000.00	01/20/2023 3.59%	245,068.36 245,895.68	93.91 4.89%	234,765.75 1,330.70	0.74% (11,129.93)	Aaa / AA+ AA+	3.84 3.53
91282CFM8	US Treasury Note 4.125% Due 9/30/2027	250,000.00	08/16/2023 4.52%	246,308.59 246,495.00	97.33 4.88%	243,330.00 901.64	0.77% (3,165.00)	Aaa / AA+ AA+	3.92 3.55
9128283F5	US Treasury Note 2.25% Due 11/15/2027	200,000.00	06/07/2023 4.05%	185,554.69 186,855.75	90.46 4.88%	180,914.00 2,078.80	0.57% (5,941.75)	Aaa / AA+ AA+	4.04 3.74
Total US Treasury		**15,600,000.00**	**4.14%**	**15,343,788.70** **15,429,525.23**	**5.33%**	**15,228,373.56** **19,760.77**	**47.81%** **(201,151.67)**	**Aaa / AAA** **AAA**	**0.82** **0.78**
TOTAL PORTFOLIO		**32,392,628.85**	**3.76%**	**32,097,065.52** **32,168,745.55**	**4.90%**	**31,812,443.32** **79,021.33**	**100.00%** **(356,302.23)**	**Aa1 / AAA** **AAA**	**0.86** **0.76**
TOTAL MARKET VALUE PLUS ACCRUED						**31,891,464.65**			

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	10/02/2023	24422EXD6	150,000.00	John Deere Capital Corp Note 5.15% Due 9/8/2026	99.607	5.29%	149,410.50	515.00	149,925.50	0.00
Purchase	10/02/2023	31846V203	250.00	First American Govt Obligation Fund Class Y	1.000	4.94%	250.00	0.00	250.00	0.00
Purchase	10/02/2023	31846V203	250,000.00	First American Govt Obligation Fund Class Y	1.000	4.94%	250,000.00	0.00	250,000.00	0.00
Purchase	10/02/2023	31846V203	141.10	First American Govt Obligation Fund Class Y	1.000	4.94%	141.10	0.00	141.10	0.00
Purchase	10/02/2023	31846V203	31,494.43	First American Govt Obligation Fund Class Y	1.000	4.94%	31,494.43	0.00	31,494.43	0.00
Purchase	10/02/2023	89236TKX2	150,000.00	Toyota Motor Credit Corp Note 5% Due 8/14/2026	98.903	5.42%	148,354.50	1,000.00	149,354.50	0.00
Purchase	10/03/2023	31846V203	1,498,465.69	First American Govt Obligation Fund Class Y	1.000	4.94%	1,498,465.69	0.00	1,498,465.69	0.00
Purchase	10/03/2023	31846V203	1,534.31	First American Govt Obligation Fund Class Y	1.000	4.94%	1,534.31	0.00	1,534.31	0.00
Purchase	10/12/2023	31846V203	500,000.00	First American Govt Obligation Fund Class Y	1.000	4.94%	500,000.00	0.00	500,000.00	0.00
Purchase	10/13/2023	90LAIF$00	231,693.95	Local Agency Investment Fund State Pool	1.000	3.61%	231,693.95	0.00	231,693.95	0.00
Purchase	10/15/2023	31846V203	2,500.00	First American Govt Obligation Fund Class Y	1.000	4.94%	2,500.00	0.00	2,500.00	0.00
Purchase	10/16/2023	3133EPWK7	200,000.00	FFCB Note 4.5% Due 9/22/2028	99.073	4.71%	198,146.00	600.00	198,746.00	0.00
Purchase	10/16/2023	31846V203	791.13	First American Govt Obligation Fund Class Y	1.000	4.94%	791.13	0.00	791.13	0.00
Purchase	10/16/2023	31846V203	165,000.00	First American Govt Obligation Fund Class Y	1.000	4.94%	165,000.00	0.00	165,000.00	0.00
Purchase	10/16/2023	31846V203	90.42	First American Govt Obligation Fund Class Y	1.000	4.94%	90.42	0.00	90.42	0.00
Purchase	10/16/2023	31846V203	186.25	First American Govt Obligation Fund Class Y	1.000	4.94%	186.25	0.00	186.25	0.00

Transaction Ledger

As of October 31, 2023

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	10/16/2023	31846V203	623.50	First American Govt Obligation Fund Class Y	1.000	4.94%	623.50	0.00	623.50	0.00
Purchase	10/16/2023	31846V203	169.12	First American Govt Obligation Fund Class Y	1.000	4.94%	169.12	0.00	169.12	0.00
Purchase	10/16/2023	31846V203	1,248.72	First American Govt Obligation Fund Class Y	1.000	4.94%	1,248.72	0.00	1,248.72	0.00
Purchase	10/16/2023	31846V203	2,293.08	First American Govt Obligation Fund Class Y	1.000	4.94%	2,293.08	0.00	2,293.08	0.00
Purchase	10/16/2023	31846V203	4,844.48	First American Govt Obligation Fund Class Y	1.000	4.94%	4,844.48	0.00	4,844.48	0.00
Purchase	10/16/2023	31846V203	815.54	First American Govt Obligation Fund Class Y	1.000	4.94%	815.54	0.00	815.54	0.00
Purchase	10/16/2023	31846V203	533.49	First American Govt Obligation Fund Class Y	1.000	4.94%	533.49	0.00	533.49	0.00
Purchase	10/16/2023	31846V203	1,551.63	First American Govt Obligation Fund Class Y	1.000	4.94%	1,551.63	0.00	1,551.63	0.00
Purchase	10/16/2023	31846V203	1,767.94	First American Govt Obligation Fund Class Y	1.000	4.94%	1,767.94	0.00	1,767.94	0.00
Purchase	10/16/2023	31846V203	4,570.78	First American Govt Obligation Fund Class Y	1.000	4.94%	4,570.78	0.00	4,570.78	0.00
Purchase	10/16/2023	31846V203	1,515.04	First American Govt Obligation Fund Class Y	1.000	4.94%	1,515.04	0.00	1,515.04	0.00
Purchase	10/16/2023	31846V203	1,622.10	First American Govt Obligation Fund Class Y	1.000	4.94%	1,622.10	0.00	1,622.10	0.00
Purchase	10/16/2023	31846V203	3,548.95	First American Govt Obligation Fund Class Y	1.000	4.94%	3,548.95	0.00	3,548.95	0.00
Purchase	10/18/2023	31846V203	3,419.98	First American Govt Obligation Fund Class Y	1.000	4.94%	3,419.98	0.00	3,419.98	0.00
Purchase	10/19/2023	31846V203	500,000.00	First American Govt Obligation Fund Class Y	1.000	4.94%	500,000.00	0.00	500,000.00	0.00
Purchase	10/20/2023	31846V203	134.50	First American Govt Obligation Fund Class Y	1.000	4.94%	134.50	0.00	134.50	0.00

Transaction Ledger

As of October 31, 2023

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	10/20/2023	31846V203	7,262.31	First American Govt Obligation Fund Class Y	1.000	4.94%	7,262.31	0.00	7,262.31	0.00
Purchase	10/23/2023	31846V203	147.00	First American Govt Obligation Fund Class Y	1.000	4.94%	147.00	0.00	147.00	0.00
Purchase	10/23/2023	31846V203	1,943.05	First American Govt Obligation Fund Class Y	1.000	4.94%	1,943.05	0.00	1,943.05	0.00
Purchase	10/23/2023	31846V203	1,943.24	First American Govt Obligation Fund Class Y	1.000	4.94%	1,943.24	0.00	1,943.24	0.00
Purchase	10/24/2023	31846V203	2,500,000.00	First American Govt Obligation Fund Class Y	1.000	4.94%	2,500,000.00	0.00	2,500,000.00	0.00
Purchase	10/25/2023	31846V203	277.42	First American Govt Obligation Fund Class Y	1.000	4.94%	277.42	0.00	277.42	0.00
Purchase	10/25/2023	31846V203	571.88	First American Govt Obligation Fund Class Y	1.000	4.94%	571.88	0.00	571.88	0.00
Purchase	10/25/2023	31846V203	285.83	First American Govt Obligation Fund Class Y	1.000	4.94%	285.83	0.00	285.83	0.00
Purchase	10/25/2023	31846V203	93.63	First American Govt Obligation Fund Class Y	1.000	4.94%	93.63	0.00	93.63	0.00
Purchase	10/25/2023	31846V203	376.88	First American Govt Obligation Fund Class Y	1.000	4.94%	376.88	0.00	376.88	0.00
Purchase	10/25/2023	31846V203	358.54	First American Govt Obligation Fund Class Y	1.000	4.94%	358.54	0.00	358.54	0.00
Purchase	10/25/2023	31846V203	337.92	First American Govt Obligation Fund Class Y	1.000	4.94%	337.92	0.00	337.92	0.00
Purchase	10/25/2023	31846V203	86.00	First American Govt Obligation Fund Class Y	1.000	4.94%	86.00	0.00	86.00	0.00
Purchase	10/25/2023	31846V203	3,103.60	First American Govt Obligation Fund Class Y	1.000	4.94%	3,103.60	0.00	3,103.60	0.00
Purchase	10/25/2023	31846V203	2,446.53	First American Govt Obligation Fund Class Y	1.000	4.94%	2,446.53	0.00	2,446.53	0.00
Purchase	10/30/2023	31846V203	2,062.50	First American Govt Obligation Fund Class Y	1.000	4.97%	2,062.50	0.00	2,062.50	0.00

Transaction Ledger

As of October 31, 2023

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	10/31/2023	31846V203	7,093.75	First American Govt Obligation Fund Class Y	1.000	4.97%	7,093.75	0.00	7,093.75	0.00
Subtotal			**6,239,196.21**				**6,235,107.21**	**2,115.00**	**6,237,222.21**	**0.00**
Security Contribution	10/31/2023	90CHECK$1	192,791.71	Checking Deposit Bank Account	1.000		192,791.71	0.00	192,791.71	0.00
Subtotal			**192,791.71**				**192,791.71**	**0.00**	**192,791.71**	**0.00**
Short Sale	10/02/2023	31846V203	-299,280.00	First American Govt Obligation Fund Class Y	1.000		-299,280.00	0.00	-299,280.00	0.00
Short Sale	10/16/2023	31846V203	-198,746.00	First American Govt Obligation Fund Class Y	1.000		-198,746.00	0.00	-198,746.00	0.00
Subtotal			**-498,026.00**				**-498,026.00**	**0.00**	**-498,026.00**	**0.00**
TOTAL ACQUISITIONS			**5,933,961.92**				**5,929,872.92**	**2,115.00**	**5,931,987.92**	**0.00**
DISPOSITIONS										
Closing Purchase	10/02/2023	31846V203	-299,280.00	First American Govt Obligation Fund Class Y	1.000		-299,280.00	0.00	-299,280.00	0.00
Closing Purchase	10/16/2023	31846V203	-198,746.00	First American Govt Obligation Fund Class Y	1.000		-198,746.00	0.00	-198,746.00	0.00
Subtotal			**-498,026.00**				**-498,026.00**	**0.00**	**-498,026.00**	**0.00**
Sale	10/02/2023	31846V203	299,280.00	First American Govt Obligation Fund Class Y	1.000	4.94%	299,280.00	0.00	299,280.00	0.00
Sale	10/16/2023	31846V203	198,746.00	First American Govt Obligation Fund Class Y	1.000	4.94%	198,746.00	0.00	198,746.00	0.00
Subtotal			**498,026.00**				**498,026.00**	**0.00**	**498,026.00**	**0.00**
Paydown	10/16/2023	161571HT4	0.00	Chase Issuance Trust 23-A1 A 5.16% Due 9/15/2028	100.000		0.00	623.50	623.50	0.00
Paydown	10/16/2023	362554AC1	1,236.50	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	100.000		1,236.50	12.22	1,248.72	0.00

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
DISPOSITIONS										
Paydown	10/16/2023	362583AD8	0.00	GM Auto Receivable Trust 2023-2 A3 4.47% Due 2/16/2028	100.000		0.00	186.25	186.25	0.00
Paydown	10/16/2023	362585AC5	0.00	GM Financial Securitized ART 2022-2 A3 3.1% Due 2/16/2027	100.000		0.00	90.42	90.42	0.00
Paydown	10/16/2023	44933LAC7	2,286.89	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	100.000		2,286.89	6.19	2,293.08	0.00
Paydown	10/16/2023	44934KAC8	4,826.91	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	100.000		4,826.91	17.57	4,844.48	0.00
Paydown	10/16/2023	47787JAC2	728.54	John Deere Owner Trust 2022-A A3 2.32% Due 9/16/2026	100.000		728.54	87.00	815.54	0.00
Paydown	10/16/2023	47787NAC3	533.19	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	100.000		533.19	0.30	533.49	0.00
Paydown	10/16/2023	47788UAC6	1,547.09	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	100.000		1,547.09	4.54	1,551.63	0.00
Paydown	10/16/2023	47789QAC4	1,753.54	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	100.000		1,753.54	14.40	1,767.94	0.00
Paydown	10/16/2023	58769KAD6	4,564.25	Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024	100.000		4,564.25	6.53	4,570.78	0.00
Paydown	10/16/2023	58770AAC7	0.00	Mercedes-Benz Auto Receivable 2023-1 A3 4.51% Due 11/15/2027	100.000		0.00	169.12	169.12	0.00
Paydown	10/16/2023	89236XAC0	1,513.92	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	100.000		1,513.92	1.12	1,515.04	0.00
Paydown	10/16/2023	89238JAC9	1,606.75	Toyota Auto Receivables Trust 2021-D A3 0.71% Due 4/15/2026	100.000		1,606.75	15.35	1,622.10	0.00
Paydown	10/16/2023	89240BAC2	3,543.19	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 5/15/2025	100.000		3,543.19	5.76	3,548.95	0.00
Paydown	10/18/2023	43815EAC8	3,405.19	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	100.000		3,405.19	14.79	3,419.98	0.00

Transaction Ledger

As of October 31, 2023

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
DISPOSITIONS										
Paydown	10/20/2023	36262XAC8	7,254.85	GM Financial Auto Lease Trust 2021-3 A2 0.39% Due 10/21/2024	100.000		7,254.85	7.46	7,262.31	0.00
Paydown	10/20/2023	379929AD4	0.00	GM Financial Auto Leasing 2023-3 A3 5.38% Due 11/20/2026	100.000		0.00	134.50	134.50	0.00
Paydown	10/23/2023	43813GAC5	1,939.92	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	100.000		1,939.92	3.13	1,943.05	0.00
Paydown	10/23/2023	43815GAC3	1,921.24	Honda Auto Receivables Trust 2021-4 A3 0.88% Due 1/21/2026	100.000		1,921.24	22.00	1,943.24	0.00
Paydown	10/23/2023	43815JAC7	0.00	Honda Auto Receivables Owner 2023-1 A3 5.04% Due 4/21/2027	100.000		0.00	147.00	147.00	0.00
Paydown	10/25/2023	05593AAC3	0.00	BMW Vehicle Lease Trust 2023-1 A3 5.16% Due 11/25/2025	100.000		0.00	86.00	86.00	0.00
Paydown	10/25/2023	05601XAC3	3,086.30	BMW Vehicle Lease Trust 2022-1 A3 1.1% Due 3/25/2025	100.000		3,086.30	17.30	3,103.60	0.00
Paydown	10/25/2023	05602RAD3	0.00	BMW Vehicle Owner Trust 2022-A A3 3.21% Due 8/25/2026	100.000		0.00	93.63	93.63	0.00
Paydown	10/25/2023	09690AAC7	2,444.96	BMW Vehicle Lease Trust 2021-2 A3 0.33% Due 12/26/2024	100.000		2,444.96	1.57	2,446.53	0.00
Paydown	10/25/2023	3137BKRJ1	0.00	FHLMC K047 A2 3.329% Due 5/25/2025	100.000		0.00	277.42	277.42	0.00
Paydown	10/25/2023	3137BNGT5	0.00	FHLMC K054 A2 2.745% Due 1/25/2026	100.000		0.00	571.88	571.88	0.00
Paydown	10/25/2023	3137BVZ82	0.00	FHLMC K063 3.43% Due 1/25/2027	100.000		0.00	285.83	285.83	0.00
Paydown	10/25/2023	3137FBBX3	0.00	FHLMC K068 A2 3.244% Due 8/25/2027	100.000		0.00	337.92	337.92	0.00
Paydown	10/25/2023	3137FBU79	0.00	FHLMC K069 A2 3.187% Due 9/25/2027	100.000		0.00	358.54	358.54	0.00

Transaction Ledger

As of October 31, 2023

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
DISPOSITIONS										
Paydown	10/25/2023	3137FETN0	0.00	FHLMC K073 A2 3.35% Due 1/25/2028	100.000		0.00	376.88	376.88	0.00
Subtotal			**44,193.23**				**44,193.23**	**3,976.12**	**48,169.35**	**0.00**
Maturity	10/02/2023	3133EMBS0	250,000.00	FFCB Note 0.2% Due 10/2/2023	100.000		250,000.00	0.00	250,000.00	0.00
Maturity	10/03/2023	912797GV3	1,500,000.00	US Treasury Bill 5.261% Due 10/3/2023	100.000		1,498,465.69	1,534.31	1,500,000.00	-1,534.31
Maturity	10/12/2023	912797FA0	500,000.00	US Treasury Bill 5.279% Due 10/12/2023	100.000		500,000.00	0.00	500,000.00	0.00
Maturity	10/16/2023	3137EAEY1	165,000.00	FHLMC Note 0.125% Due 10/16/2023	100.000		165,000.00	0.00	165,000.00	0.00
Maturity	10/19/2023	912797FB8	500,000.00	US Treasury Bill 5.271% Due 10/19/2023	100.000		500,000.00	0.00	500,000.00	0.00
Maturity	10/24/2023	912797HC4	2,500,000.00	US Treasury Bill 5.28% Due 10/24/2023	100.000		2,500,000.00	0.00	2,500,000.00	0.00
Subtotal			**5,415,000.00**				**5,413,465.69**	**1,534.31**	**5,415,000.00**	**-1,534.31**
Security Withdrawal	10/05/2023	31846V203	270,000.00	First American Govt Obligation Fund Class Y	1.000		270,000.00	0.00	270,000.00	0.00
Security Withdrawal	10/06/2023	31846V203	4,650,000.00	First American Govt Obligation Fund Class Y	1.000		4,650,000.00	0.00	4,650,000.00	0.00
Security Withdrawal	10/12/2023	31846V203	430,000.00	First American Govt Obligation Fund Class Y	1.000		430,000.00	0.00	430,000.00	0.00
Security Withdrawal	10/19/2023	31846V203	1,050,000.00	First American Govt Obligation Fund Class Y	1.000		1,050,000.00	0.00	1,050,000.00	0.00
Security Withdrawal	10/26/2023	31846V203	1,000.00	First American Govt Obligation Fund Class Y	1.000		1,000.00	0.00	1,000.00	0.00
Security Withdrawal	10/26/2023	31846V203	505,000.00	First American Govt Obligation Fund Class Y	1.000		505,000.00	0.00	505,000.00	0.00
Subtotal			**6,906,000.00**				**6,906,000.00**	**0.00**	**6,906,000.00**	**0.00**
TOTAL DISPOSITIONS			**12,365,193.23**				**12,363,658.92**	**5,510.43**	**12,369,169.35**	**-1,534.31**

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
OTHER TRANSACTIONS										
Interest	10/02/2023	3133EMBS0	250,000.00	FFCB Note 0.2% Due 10/2/2023	0.000		250.00	0.00	250.00	0.00
Interest	10/15/2023	87612EBL9	125,000.00	Target Corp Callable Note Cont 4/15/25 2.25% Due 4/15/2025	0.000		1,406.25	0.00	1,406.25	0.00
Interest	10/15/2023	91282CBV2	250,000.00	US Treasury Note 0.375% Due 4/15/2024	0.000		468.75	0.00	468.75	0.00
Interest	10/15/2023	91282CDB4	200,000.00	US Treasury Note 0.625% Due 10/15/2024	0.000		625.00	0.00	625.00	0.00
Interest	10/16/2023	3137EAEY1	165,000.00	FHLMC Note 0.125% Due 10/16/2023	0.000		103.13	0.00	103.13	0.00
Interest	10/16/2023	45950KCR9	100,000.00	International Finance Corp Note 1.375% Due 10/16/2024	0.000		688.00	0.00	688.00	0.00
Interest	10/30/2023	713448CT3	150,000.00	Pepsico Inc. Callable Note Cont 1/30/2025 2.75% Due 4/30/2025	0.000		2,062.50	0.00	2,062.50	0.00
Interest	10/31/2023	9128285J5	250,000.00	US Treasury Note 3% Due 10/31/2025	0.000		3,750.00	0.00	3,750.00	0.00
Interest	10/31/2023	9128286S4	250,000.00	US Treasury Note 2.375% Due 4/30/2026	0.000		2,968.75	0.00	2,968.75	0.00
Interest	10/31/2023	912828ZL7	200,000.00	US Treasury Note 0.375% Due 4/30/2025	0.000		375.00	0.00	375.00	0.00
Subtotal			**1,940,000.00**				**12,697.38**	**0.00**	**12,697.38**	**0.00**
Dividend	10/02/2023	31846V203	154,560,300.24	First American Govt Obligation Fund Class Y	0.000		31,494.43	0.00	31,494.43	0.00
Dividend	10/02/2023	31846V203	692,456.72	First American Govt Obligation Fund Class Y	0.000		141.10	0.00	141.10	0.00
Dividend	10/15/2023	90LAIF$00	2,304,865,116.82	Local Agency Investment Fund State Pool	0.000		231,693.95	0.00	231,693.95	0.00
Subtotal			**2,460,117,873.78**				**263,329.48**	**0.00**	**263,329.48**	**0.00**
TOTAL OTHER TRANSACTIONS			**2,462,057,873.78**				**276,026.86**	**0.00**	**276,026.86**	**0.00**

Income Earned

As of October 31, 2023

CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
FIXED INCOME						
00440EAV9	Chubb INA Holdings Inc Callable Note Cont 2/3/2026 3.35% Due 05/03/2026	03/14/2023 03/16/2023 150,000.00	145,004.06 0.00 0.00 145,167.94	2,065.83 0.00 2,484.58 418.75	163.88 0.00 163.88 582.63	582.63
023135BW5	Amazon.com Inc Note 0.45% Due 05/12/2024	05/10/2021 05/12/2021 85,000.00	84,974.64 0.00 0.00 84,978.15	147.69 0.00 179.56 31.87	3.51 0.00 3.51 35.38	35.38
023135CN4	Amazon.com Inc Note 4.6% Due 12/01/2025	12/28/2022 12/30/2022 100,000.00	99,967.34 0.00 0.00 99,968.62	1,533.33 0.00 1,916.67 383.34	1.28 0.00 1.28 384.62	384.62
037833BY5	Apple Inc Callable Note Cont 11/23/2025 3.25% Due 02/23/2026	02/21/2023 02/23/2023 150,000.00	144,916.64 0.00 0.00 145,096.53	514.58 0.00 920.83 406.25	179.89 0.00 179.89 586.14	586.14
05593AAC3	BMW Vehicle Lease Trust 2023-1 A3 5.16% Due 11/25/2025	02/07/2023 02/15/2023 20,000.00	19,999.66 0.00 0.00 19,999.68	17.20 86.00 17.20 86.00	0.02 0.00 0.02 86.02	86.02
05601XAC3	BMW Vehicle Lease Trust 2022-1 A3 1.1% Due 03/25/2025	01/11/2022 01/19/2022 15,785.98	18,871.66 0.00 3,086.30 15,785.55	3.46 17.30 2.89 16.73	0.19 0.00 0.19 16.92	16.92
05602RAD3	BMW Vehicle Owner Trust 2022-A A3 3.21% Due 08/25/2026	05/10/2022 05/18/2022 35,000.00	34,998.98 0.00 0.00 34,999.03	18.73 93.63 18.73 93.63	0.05 0.00 0.05 93.68	93.68
06051GJY6	Bank of America Corp Callable Note Cont 6/14/2023 5.71% Due 06/14/2024	06/07/2021 06/14/2021 100,000.00	100,000.00 0.00 0.00 100,000.00	269.64 0.00 761.33 491.69	0.00 0.00 0.00 491.69	491.69
06367WB85	Bank of Montreal Note 1.85% Due 05/01/2025	08/29/2022 08/31/2022 125,000.00	120,959.49 0.00 0.00 121,176.19	963.54 0.00 1,156.25 192.71	216.70 0.00 216.70 409.41	409.41

Income Earned

As of October 31, 2023

CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
09690AAC7	BMW Vehicle Lease Trust 2021-2 A3 0.33% Due 12/26/2024	09/08/2021 09/15/2021 3,248.04	5,692.94 0.00 2,444.96 3,248.02	0.31 1.57 0.18 1.44	0.04 0.00 0.04 1.48	1.48
14913R2L0	Caterpillar Financial Service Note 0.45% Due 05/17/2024	05/10/2021 05/17/2021 130,000.00	129,963.60 0.00 0.00 129,968.53	217.75 0.00 266.50 48.75	4.93 0.00 4.93 53.68	53.68
161571HT4	Chase Issuance Trust 23-A1 A 5.16% Due 09/15/2028	09/07/2023 09/15/2023 145,000.00	144,960.40 0.00 0.00 144,961.53	332.53 623.50 332.53 623.50	1.13 0.00 1.13 624.63	624.63
24422EVN6	John Deere Capital Corp Note 0.45% Due 01/17/2024	03/01/2021 03/04/2021 145,000.00	144,989.40 0.00 0.00 144,992.44	134.13 0.00 188.50 54.37	3.04 0.00 3.04 57.41	57.41
24422EXD6	John Deere Capital Corp Note 5.15% Due 09/08/2026	09/28/2023 10/02/2023 150,000.00	0.00 149,410.50 0.00 149,427.00	0.00 (515.00) 1,137.29 622.29	16.50 0.00 16.50 638.79	638.79
3130AWC24	FHLB Note 4% Due 06/09/2028	07/06/2023 07/10/2023 250,000.00	244,866.25 0.00 0.00 244,959.15	3,333.33 0.00 4,166.67 833.34	92.90 0.00 92.90 926.24	926.24
3130AWTQ3	FHLB Note 4.625% Due 09/11/2026	09/12/2023 09/13/2023 250,000.00	248,615.66 0.00 0.00 248,655.54	1,830.73 0.00 2,794.27 963.54	39.88 0.00 39.88 1,003.42	1,003.42
3130AWTR1	FHLB Note 4.375% Due 09/08/2028	09/07/2023 09/08/2023 250,000.00	248,741.05 0.00 0.00 248,762.68	1,731.77 0.00 2,643.23 911.46	21.63 0.00 21.63 933.09	933.09
3133EMBS0	FFCB Note Due 10/02/2023	10/05/2020 10/06/2020 0.00	249,999.60 0.00 250,000.00 0.00	248.61 250.00 0.00 1.39	0.40 0.00 0.40 1.79	1.79

Income Earned

As of October 31, 2023

CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
3133EMRZ7	FFCB Note 0.25% Due 02/26/2024	02/22/2021 02/26/2021 170,000.00	169,991.73 0.00 0.00 169,993.46	41.32 0.00 76.74 35.42	1.73 0.00 1.73 37.15	37.15
3133EN5E6	FFCB Note 4% Due 12/29/2025	12/29/2022 12/30/2022 250,000.00	248,592.15 0.00 0.00 248,645.37	2,555.56 0.00 3,388.89 833.33	53.22 0.00 53.22 886.55	886.55
3133ENPY0	FFCB Note 1.75% Due 02/25/2025	03/16/2022 03/21/2022 200,000.00	199,012.28 0.00 0.00 199,071.97	350.00 0.00 641.67 291.67	59.69 0.00 59.69 351.36	351.36
3133EPSW6	FFCB Note 4.5% Due 08/14/2026	08/09/2023 08/14/2023 270,000.00	269,406.20 0.00 0.00 269,423.76	1,586.25 0.00 2,598.75 1,012.50	17.56 0.00 17.56 1,030.06	1,030.06
3133EPWK7	FFCB Note 4.5% Due 09/22/2028	10/12/2023 10/16/2023 200,000.00	0.00 198,146.00 0.00 198,162.45	0.00 (600.00) 975.00 375.00	16.45 0.00 16.45 391.45	391.45
3135G06H1	FNMA Note 0.25% Due 11/27/2023	11/23/2020 11/25/2020 185,000.00	184,989.04 0.00 0.00 184,995.00	159.31 0.00 197.85 38.54	5.96 0.00 5.96 44.50	44.50
3137BKRJ1	FHLMC K047 A2 3.329% Due 05/25/2025	05/19/2022 05/24/2022 100,000.00	100,311.43 0.00 0.00 100,294.72	277.42 277.42 277.42 277.42	0.00 16.71 (16.71) 260.71	260.71
3137BNGT5	FHLMC K054 A2 2.745% Due 01/25/2026	02/15/2023 02/21/2023 250,000.00	240,070.90 0.00 0.00 240,444.90	571.88 571.88 571.88 571.88	374.00 0.00 374.00 945.88	945.88
3137BVZ82	FHLMC K063 3.43% Due 01/25/2027	12/05/2022 12/09/2022 100,000.00	97,441.31 0.00 0.00 97,506.75	285.83 285.83 285.83 285.83	65.44 0.00 65.44 351.27	351.27

Income Earned

As of October 31, 2023

CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
3137EAEY1	FHLMC Note Due 10/16/2023	10/14/2020 10/16/2020 0.00	164,991.57 0.00 165,000.00 0.00	94.53 103.13 0.00 8.60	8.43 0.00 8.43 17.03	17.03
3137EAEZ8	FHLMC Note 0.25% Due 11/06/2023	11/03/2020 11/05/2020 210,000.00	209,993.79 0.00 0.00 209,999.14	211.46 0.00 255.21 43.75	5.35 0.00 5.35 49.10	49.10
3137EAFA2	FHLMC Note 0.25% Due 12/04/2023	12/02/2020 12/04/2020 150,000.00	149,991.32 0.00 0.00 149,995.52	121.88 0.00 153.13 31.25	4.20 0.00 4.20 35.45	35.45
3137FBBX3	FHLMC K068 A2 3.244% Due 08/25/2027	05/12/2023 05/17/2023 125,000.00	121,677.66 0.00 0.00 121,751.22	337.92 337.92 337.92 337.92	73.56 0.00 73.56 411.48	411.48
3137FBU79	FHLMC K069 A2 3.187% Due 09/25/2027	05/18/2023 05/23/2023 135,000.00	130,118.59 0.00 0.00 130,222.60	358.54 358.54 358.54 358.54	104.01 0.00 104.01 462.55	462.55
3137FETN0	FHLMC K073 A2 3.35% Due 01/25/2028	05/24/2023 05/30/2023 135,000.00	130,130.55 0.00 0.00 130,226.27	75.38 376.88 75.38 376.88	95.72 0.00 95.72 472.60	472.60
362554AC1	GM Financial Securitized Term 2021-4 A3 0.68% Due 09/16/2026	10/13/2021 10/21/2021 20,319.87	21,556.13 0.00 1,236.50 20,319.66	6.11 12.22 5.76 11.87	0.03 0.00 0.03 11.90	11.90
362583AD8	GM Auto Receivable Trust 2023-2 A3 4.47% Due 02/16/2028	04/04/2023 04/12/2023 50,000.00	49,998.82 0.00 0.00 49,998.86	93.13 186.25 93.13 186.25	0.04 0.00 0.04 186.29	186.29
362585AC5	GM Financial Securitized ART 2022-2 A3 3.1% Due 02/16/2027	04/05/2022 04/13/2022 35,000.00	34,995.82 0.00 0.00 34,996.00	45.21 90.42 45.21 90.42	0.18 0.00 0.18 90.60	90.60

Income Earned

As of October 31, 2023

CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
36262XAC8	GM Financial Auto Lease Trust 2021-3 A2 0.39% Due 10/21/2024	08/10/2021 08/18/2021 15,700.70	22,955.51 0.00 7,254.85 15,700.68	2.74 7.46 1.87 6.59	0.02 0.00 0.02 6.61	6.61
379929AD4	GM Financial Auto Leasing 2023-3 A3 5.38% Due 11/20/2026	08/08/2023 08/16/2023 30,000.00	29,996.59 0.00 0.00 29,996.72	49.32 134.50 49.32 134.50	0.13 0.00 0.13 134.63	134.63
43813GAC5	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 04/21/2025	02/17/2021 02/24/2021 11,976.08	13,915.96 0.00 1,939.92 11,976.05	1.04 3.13 0.90 2.99	0.01 0.00 0.01 3.00	3.00
43815EAC8	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	08/17/2021 08/25/2021 39,892.22	43,297.19 0.00 3,405.19 39,892.03	6.41 14.79 5.91 14.29	0.03 0.00 0.03 14.32	14.32
43815GAC3	Honda Auto Receivables Trust 2021-4 A3 0.88% Due 01/21/2026	11/16/2021 11/24/2021 28,078.63	29,997.16 0.00 1,921.24 28,076.24	7.33 22.00 6.86 21.53	0.32 0.00 0.32 21.85	21.85
43815JAC7	Honda Auto Receivables Owner 2023-1 A3 5.04% Due 04/21/2027	02/16/2023 02/24/2023 35,000.00	34,994.74 0.00 0.00 34,994.91	49.00 147.00 49.00 147.00	0.17 0.00 0.17 147.17	147.17
44933LAC7	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 09/15/2025	04/20/2021 04/28/2021 17,263.17	19,549.64 0.00 2,286.89 17,262.85	3.30 6.19 2.92 5.81	0.10 0.00 0.10 5.91	5.91
44934KAC8	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 01/15/2026	07/20/2021 07/28/2021 50,642.42	55,465.59 0.00 4,826.91 50,639.31	9.37 17.57 8.55 16.75	0.63 0.00 0.63 17.38	17.38
4581X0DZ8	Inter-American Dev Bank Note 0.5% Due 09/23/2024	09/15/2021 09/23/2021 165,000.00	164,960.12 0.00 0.00 164,963.57	18.33 0.00 87.08 68.75	3.45 0.00 3.45 72.20	72.20

Income Earned

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CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
459058GQ0	Intl. Bank Recon & Development Note 2.5% Due 03/19/2024	01/26/2021 01/28/2021 125,000.00	126,296.88 0.00 0.00 126,060.39	104.17 0.00 364.58 260.41	0.00 236.49 (236.49) 23.92	23.92
459058JM6	Intl. Bank Recon & Development Note 0.25% Due 11/24/2023	11/17/2020 11/24/2020 105,000.00	104,988.87 0.00 0.00 104,995.26	92.60 0.00 114.48 21.88	6.39 0.00 6.39 28.27	28.27
45950KCR9	International Finance Corp Note 1.375% Due 10/16/2024	07/12/2021 07/14/2021 100,000.00	100,861.25 0.00 0.00 100,791.18	630.21 688.00 57.29 115.08	0.00 70.07 (70.07) 45.01	45.01
47787JAC2	John Deere Owner Trust 2022-A A3 2.32% Due 09/16/2026	03/10/2022 03/16/2022 44,271.46	44,994.44 0.00 728.54 44,266.22	46.40 87.00 45.65 86.25	0.32 0.00 0.32 86.57	86.57
47787NAC3	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	07/14/2020 07/22/2020 170.96	704.14 0.00 533.19 170.96	0.16 0.30 0.04 0.18	0.01 0.00 0.01 0.19	0.19
47788UAC6	John Deere Owner Trust 2021-A A3 0.36% Due 09/15/2025	03/02/2021 03/10/2021 13,576.63	15,122.88 0.00 1,547.09 13,575.93	2.42 4.54 2.17 4.29	0.14 0.00 0.14 4.43	4.43
47789QAC4	John Deere Owner Trust 2021-B A3 0.52% Due 03/16/2026	07/13/2021 07/21/2021 31,470.56	33,222.92 0.00 1,753.54 31,469.51	7.68 14.40 7.27 13.99	0.13 0.00 0.13 14.12	14.12
58769KAD6	Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024	06/22/2021 06/29/2021 15,025.78	19,589.86 0.00 4,564.25 15,025.69	3.48 6.53 2.67 5.72	0.08 0.00 0.08 5.80	5.80
58770AAC7	Mercedes-Benz Auto Receivable 2023-1 A3 4.51% Due 11/15/2027	01/18/2023 01/25/2023 45,000.00	44,995.66 0.00 0.00 44,995.79	90.20 169.12 90.20 169.12	0.13 0.00 0.13 169.25	169.25

Income Earned

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CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
594918BJ2	Microsoft Callable Note Cont 8/3/2025 3.125% Due 11/03/2025	01/20/2023 01/24/2023 150,000.00	146,616.25 0.00 0.00 146,753.55	1,927.08 0.00 2,317.71 390.63	137.30 0.00 137.30 527.93	527.93
665859AW4	Northern Trust Company Callable Note Cont 4/10/2027 4% Due 05/10/2027	01/10/2023 01/12/2023 150,000.00	148,755.15 0.00 0.00 148,784.45	2,350.00 0.00 2,850.00 500.00	29.30 0.00 29.30 529.30	529.30
69371RS56	Paccar Financial Corp Note 5.05% Due 08/10/2026	08/03/2023 08/10/2023 125,000.00	124,940.47 0.00 0.00 124,942.23	894.27 0.00 1,420.31 526.04	1.76 0.00 1.76 527.80	527.80
713448CT3	Pepsico Inc. Callable Note Cont 1/30/2025 2.75% Due 04/30/2025	12/28/2022 12/30/2022 150,000.00	145,755.80 0.00 0.00 145,983.82	1,730.21 2,062.50 11.46 343.75	228.02 0.00 228.02 571.77	571.77
78015K7C2	Royal Bank of Canada Note 2.25% Due 11/01/2024	02/05/2021 02/09/2021 150,000.00	152,770.98 0.00 0.00 152,554.60	1,406.25 0.00 1,687.50 281.25	0.00 216.38 (216.38) 64.87	64.87
79466LAG9	Salesforce.com Inc Callable Note Cont 7/15/2022 0.625% Due 07/15/2024	06/29/2021 07/12/2021 20,000.00	19,997.33 0.00 0.00 19,997.61	26.39 0.00 36.81 10.42	0.28 0.00 0.28 10.70	10.70
808513BN4	Charles Schwab Corp Callable Note Cont 2/18/2024 0.75% Due 03/18/2024	Various Various 150,000.00	150,035.23 0.00 0.00 150,027.26	40.63 0.00 134.38 93.75	0.85 8.82 (7.97) 85.78	85.78
857477BR3	State Street Bank Callable Note Cont 2/6/2025 1.746% Due 02/06/2026	02/02/2022 02/07/2022 35,000.00	35,000.00 0.00 0.00 35,000.00	93.36 0.00 144.29 50.93	0.00 0.00 0.00 50.93	50.93
87612EBL9	Target Corp Callable Note Cont 4/15/25 2.25% Due 04/15/2025	03/15/2022 03/21/2022 125,000.00	124,512.45 0.00 0.00 124,539.34	1,296.88 1,406.25 125.00 234.37	26.89 0.00 26.89 261.26	261.26

Income Earned

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CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
89114QCA4	Toronto Dominion Bank Note 2.65% Due 06/12/2024	08/25/2021 08/27/2021 125,000.00	126,758.13 0.00 0.00 126,544.39	1,002.95 0.00 1,278.99 276.04	0.00 213.74 (213.74) 62.30	62.30
89236TJH9	Toyota Motor Credit Corp Note 0.5% Due 06/18/2024	06/15/2021 06/18/2021 80,000.00	79,977.33 0.00 0.00 79,980.02	114.44 0.00 147.78 33.34	2.69 0.00 2.69 36.03	36.03
89236TKX2	Toyota Motor Credit Corp Note 5% Due 08/14/2026	09/28/2023 10/02/2023 150,000.00	0.00 148,354.50 0.00 148,401.65	0.00 (1,000.00) 1,604.17 604.17	47.15 0.00 47.15 651.32	651.32
89236XAC0	Toyota Auto Receivables 2020-D A3 0.35% Due 01/15/2025	10/06/2020 10/13/2020 2,318.29	3,831.99 0.00 1,513.92 2,318.17	0.60 1.12 0.36 0.88	0.10 0.00 0.10 0.98	0.98
89238JAC9	Toyota Auto Receivables Trust 2021-D A3 0.71% Due 04/15/2026	11/09/2021 11/15/2021 24,342.25	25,948.77 0.00 1,606.75 24,342.04	8.19 15.35 7.68 14.84	0.02 0.00 0.02 14.86	14.86
89240BAC2	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 05/15/2025	02/02/2021 02/08/2021 23,035.53	26,578.00 0.00 3,543.19 23,035.02	3.07 5.76 2.66 5.35	0.21 0.00 0.21 5.56	5.56
91159HHX1	US Bancorp Callable Note Cont 6/28/2024 2.4% Due 07/30/2024	02/05/2021 02/09/2021 200,000.00	202,845.17 0.00 0.00 202,519.71	813.33 0.00 1,213.33 400.00	0.00 325.46 (325.46) 74.54	74.54
9128283F5	US Treasury Note 2.25% Due 11/15/2027	06/07/2023 06/08/2023 200,000.00	186,579.50 0.00 0.00 186,855.75	1,699.73 0.00 2,078.80 379.07	276.25 0.00 276.25 655.32	655.32
9128285C0	US Treasury Note 3% Due 09/30/2025	12/28/2022 12/29/2022 250,000.00	244,224.60 0.00 0.00 244,469.85	20.49 0.00 655.74 635.25	245.25 0.00 245.25 880.50	880.50

Income Earned

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CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
9128285J5	US Treasury Note 3% Due 10/31/2025	12/28/2022 12/29/2022 250,000.00	243,987.32 0.00 0.00 244,232.25	3,138.59 3,750.00 20.60 632.01	244.93 0.00 244.93 876.94	876.94
9128286L9	US Treasury Note 2.25% Due 03/31/2026	12/28/2022 12/29/2022 250,000.00	239,152.07 0.00 0.00 239,520.80	15.37 0.00 491.80 476.43	368.73 0.00 368.73 845.16	845.16
9128286S4	US Treasury Note 2.375% Due 04/30/2026	12/29/2022 12/30/2022 250,000.00	239,508.20 0.00 0.00 239,853.47	2,484.71 2,968.75 16.31 500.35	345.27 0.00 345.27 845.62	845.62
912828K74	US Treasury Note 2% Due 08/15/2025	06/01/2022 06/02/2022 200,000.00	197,031.25 0.00 0.00 197,165.80	510.87 0.00 847.83 336.96	134.55 0.00 134.55 471.51	471.51
912828M56	US Treasury Note 2.25% Due 11/15/2025	08/29/2022 08/31/2022 200,000.00	195,256.56 0.00 0.00 195,446.05	1,699.73 0.00 2,078.80 379.07	189.49 0.00 189.49 568.56	568.56
912828U24	US Treasury Note 2% Due 11/15/2026	01/05/2023 01/06/2023 250,000.00	235,259.22 0.00 0.00 235,659.71	1,888.59 0.00 2,309.78 421.19	400.49 0.00 400.49 821.68	821.68
912828V98	US Treasury Note 2.25% Due 02/15/2027	01/20/2023 01/23/2023 250,000.00	239,111.16 0.00 0.00 239,384.92	718.41 0.00 1,192.26 473.85	273.76 0.00 273.76 747.61	747.61
912828YD6	US Treasury Note 1.375% Due 08/31/2026	01/05/2023 01/06/2023 250,000.00	231,750.55 0.00 0.00 232,281.75	292.75 0.00 585.51 292.76	531.20 0.00 531.20 823.96	823.96
912828YE4	US Treasury Note 1.25% Due 08/31/2024	01/08/2021 01/11/2021 250,000.00	252,158.00 0.00 0.00 251,958.30	266.14 0.00 532.28 266.14	0.00 199.70 (199.70) 66.44	66.44

Income Earned

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CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
912828Z52	US Treasury Note 1.375% Due 01/31/2025	06/07/2021 06/07/2021 200,000.00	202,377.81 0.00 0.00 202,226.76	463.32 0.00 694.97 231.65	0.00 151.05 (151.05) 80.60	80.60
912828ZC7	US Treasury Note 1.125% Due 02/28/2025	02/09/2022 02/10/2022 200,000.00	198,715.35 0.00 0.00 198,792.53	191.62 0.00 383.24 191.62	77.18 0.00 77.18 268.80	268.80
912828ZF0	US Treasury Note 0.5% Due 03/31/2025	03/15/2022 03/21/2022 200,000.00	195,487.00 0.00 0.00 195,742.77	2.73 0.00 87.43 84.70	255.77 0.00 255.77 340.47	340.47
912828ZL7	US Treasury Note 0.375% Due 04/30/2025	03/22/2022 03/23/2022 200,000.00	193,846.48 0.00 0.00 194,177.08	313.86 375.00 2.06 63.20	330.60 0.00 330.60 393.80	393.80
91282CBE0	US Treasury Note 0.125% Due 01/15/2024	01/12/2021 01/15/2021 250,000.00	249,913.97 0.00 0.00 249,939.13	66.24 0.00 92.56 26.32	25.16 0.00 25.16 51.48	51.48
91282CBM2	US Treasury Note 0.125% Due 02/15/2024	02/23/2021 02/24/2021 200,000.00	199,928.05 0.00 0.00 199,944.33	31.93 0.00 52.99 21.06	16.28 0.00 16.28 37.34	37.34
91282CBR1	US Treasury Note 0.25% Due 03/15/2024	03/30/2021 03/31/2021 200,000.00	199,931.55 0.00 0.00 199,944.34	21.98 0.00 64.56 42.58	12.79 0.00 12.79 55.37	55.37
91282CBV2	US Treasury Note 0.375% Due 04/15/2024	04/29/2021 04/30/2021 250,000.00	250,040.93 0.00 0.00 250,034.49	432.89 468.75 43.55 79.41	0.00 6.44 (6.44) 72.97	72.97
91282CCG4	US Treasury Note 0.25% Due 06/15/2024	06/09/2021 06/15/2021 250,000.00	249,894.25 0.00 0.00 249,906.96	184.43 0.00 237.36 52.93	12.71 0.00 12.71 65.64	65.64

Income Earned

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CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
91282CCL3	US Treasury Note 0.375% Due 07/15/2024	07/13/2021 07/15/2021 250,000.00	249,912.75 0.00 0.00 249,922.14	198.71 0.00 277.68 78.97	9.39 0.00 9.39 88.36	88.36
91282CCX7	US Treasury Note 0.375% Due 09/15/2024	09/10/2021 09/15/2021 200,000.00	199,867.77 0.00 0.00 199,879.48	32.97 0.00 96.84 63.87	11.71 0.00 11.71 75.58	75.58
91282CDB4	US Treasury Note 0.625% Due 10/15/2024	10/14/2021 10/15/2021 200,000.00	199,994.58 0.00 0.00 199,995.03	577.19 625.00 58.06 105.87	0.45 0.00 0.45 106.32	106.32
91282CDH1	US Treasury Note 0.75% Due 11/15/2024	11/10/2021 11/15/2021 200,000.00	199,891.60 0.00 0.00 199,899.78	566.58 0.00 692.93 126.35	8.18 0.00 8.18 134.53	134.53
91282CDN8	US Treasury Note 1% Due 12/15/2024	02/01/2022 02/02/2022 200,000.00	199,108.23 0.00 0.00 199,170.92	590.16 0.00 759.56 169.40	62.69 0.00 62.69 232.09	232.09
91282CEF4	US Treasury Note 2.5% Due 03/31/2027	12/12/2022 12/13/2022 200,000.00	191,066.24 0.00 0.00 191,283.11	13.66 0.00 437.16 423.50	216.87 0.00 216.87 640.37	640.37
91282CEW7	US Treasury Note 3.25% Due 06/30/2027	12/29/2022 12/30/2022 250,000.00	243,470.73 0.00 0.00 243,618.69	2,053.33 0.00 2,737.77 684.44	147.96 0.00 147.96 832.40	832.40
91282CFH9	US Treasury Note 3.125% Due 08/31/2027	01/20/2023 01/23/2023 250,000.00	245,804.73 0.00 0.00 245,895.68	665.35 0.00 1,330.70 665.35	90.95 0.00 90.95 756.30	756.30
91282CFM8	US Treasury Note 4.125% Due 09/30/2027	08/16/2023 08/17/2023 250,000.00	246,418.96 0.00 0.00 246,495.00	28.18 0.00 901.64 873.46	76.04 0.00 76.04 949.50	949.50

Income Earned

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91324PEB4	United Health Group Inc Callable Note Cont 5/15/2022 0.55% Due 05/15/2024	11/08/2021 11/10/2021 50,000.00	49,928.95 0.00 0.00 49,938.66	103.89 0.00 126.81 22.92	9.71 0.00 9.71 32.63	32.63
Total Fixed Income		**13,822,118.57**	**13,600,641.47** **495,911.00** **459,193.23** **13,642,406.91**	**52,641.10** **14,558.50** **63,092.29** **25,009.69**	**6,492.53** **1,444.86** **5,047.67** **30,057.36**	**30,057.36**

CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
CASH & EQUIVALENT						
31846V203	First American Govt Obligation Fund Class Y	Various Various 3,363,942.80	5,260,466.54 5,009,476.26 6,906,000.00 3,363,942.80	0.00 31,635.53 0.00 31,635.53	0.00 0.00 0.00 31,635.53	31,635.53
90CHECK$1	Checking Deposit Bank Account	Various Various 944,647.75	751,856.04 192,791.71 0.00 944,647.75	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00
912796YT0	US Treasury Bill 5.281% Due 11/02/2023	09/25/2023 09/26/2023 850,000.00	846,010.29 0.00 0.00 849,875.32	0.00 0.00 0.00 0.00	3,865.03 0.00 3,865.03 3,865.03	3,865.03
912796ZD4	US Treasury Bill 5.295% Due 11/30/2023	09/27/2023 09/28/2023 1,000,000.00	991,175.00 0.00 0.00 995,734.58	0.00 0.00 0.00 0.00	4,559.58 0.00 4,559.58 4,559.58	4,559.58
912797FA0	US Treasury Bill Due 10/12/2023	09/25/2023 09/26/2023 0.00	499,193.56 0.00 500,000.00 0.00	0.00 0.00 0.00 0.00	806.44 0.00 806.44 806.44	806.44
912797FB8	US Treasury Bill Due 10/19/2023	09/25/2023 09/26/2023 0.00	498,682.38 0.00 500,000.00 0.00	0.00 0.00 0.00 0.00	1,317.62 0.00 1,317.62 1,317.62	1,317.62

Income Earned

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CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
912797FT9	US Treasury Bill 5.306% Due 12/07/2023	09/27/2023 09/28/2023 500,000.00	495,062.94 0.00 0.00 497,347.25	0.00 0.00 0.00 0.00	2,284.31 0.00 2,284.31 2,284.31	2,284.31
912797FU6	US Treasury Bill 5.303% Due 12/14/2023	09/27/2023 09/28/2023 1,700,000.00	1,681,467.21 0.00 0.00 1,689,230.95	0.00 0.00 0.00 0.00	7,763.74 0.00 7,763.74 7,763.74	7,763.74
912797FV4	US Treasury Bill 5.327% Due 12/21/2023	09/27/2023 09/28/2023 650,000.00	642,208.53 0.00 0.00 645,190.45	0.00 0.00 0.00 0.00	2,981.92 0.00 2,981.92 2,981.92	2,981.92
912797FW2	US Treasury Bill 5.3% Due 01/04/2024	09/27/2023 09/28/2023 800,000.00	788,811.11 0.00 0.00 792,462.22	0.00 0.00 0.00 0.00	3,651.11 0.00 3,651.11 3,651.11	3,651.11
912797GV3	US Treasury Bill Due 10/03/2023	09/25/2023 09/26/2023 0.00	1,499,561.63 0.00 1,500,000.00 0.00	0.00 1,534.31 0.00 1,534.31	438.37 0.00 438.37 1,972.68	1,972.68
912797HC4	US Treasury Bill Due 10/24/2023	09/25/2023 09/26/2023 0.00	2,491,566.66 0.00 2,500,000.00 0.00	0.00 0.00 0.00 0.00	8,433.34 0.00 8,433.34 8,433.34	8,433.34
912797HJ9	US Treasury Bill 5.271% Due 11/07/2023	09/25/2023 09/26/2023 300,000.00	298,374.93 0.00 0.00 299,736.48	0.00 0.00 0.00 0.00	1,361.55 0.00 1,361.55 1,361.55	1,361.55
912797HL4	US Treasury Bill 5.315% Due 11/21/2023	09/27/2023 09/28/2023 2,750,000.00	2,729,293.65 0.00 0.00 2,741,879.86	0.00 0.00 0.00 0.00	12,586.21 0.00 12,586.21 12,586.21	12,586.21
912797HZ3	US Treasury Bill 5.332% Due 01/16/2024	09/27/2023 09/28/2023 500,000.00	492,075.32 0.00 0.00 494,371.25	0.00 0.00 0.00 0.00	2,295.93 0.00 2,295.93 2,295.93	2,295.93

Income Earned

As of October 31, 2023

CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
Total Cash & Equivalent		**13,358,590.55**	**19,965,805.79** **5,202,267.97** **11,906,000.00** **13,314,418.91**	**0.00** **33,169.84** **0.00** **33,169.84**	**52,345.15** **0.00** **52,345.15** **85,514.99**	**85,514.99**
LOCAL AGENCY INVESTMENT FUND						
90LAIF$00	Local Agency Investment Fund State Pool	Various Various 5,211,919.73	4,980,225.78 231,693.95 0.00 5,211,919.73	214,456.59 231,693.95 15,929.04 33,166.40	0.00 0.00 0.00 33,166.40	33,166.40
Total Local Agency Investment Fund		**5,211,919.73**	**4,980,225.78** **231,693.95** **0.00** **5,211,919.73**	**214,456.59** **231,693.95** **15,929.04** **33,166.40**	**0.00** **0.00** **0.00** **33,166.40**	**33,166.40**
TOTAL PORTFOLIO		**32,392,628.85**	**38,546,673.04** **5,929,872.92** **12,365,193.23** **32,168,745.55**	**267,097.69** **279,422.29** **79,021.33** **91,345.93**	**58,837.68** **1,444.86** **57,392.82** **148,738.75**	**148,738.75**

Cash Flow Report

As of October 31, 2023

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
11/01/2023	Interest	06367WB85	125,000.00	Bank of Montreal Note 1.85% Due 5/1/2025	0.00	1,156.25	1,156.25
11/01/2023	Interest	78015K7C2	150,000.00	Royal Bank of Canada Note 2.25% Due 11/1/2024	0.00	1,687.50	1,687.50
11/02/2023	Maturity	912796YT0	850,000.00	US Treasury Bill	850,000.00	0.00	850,000.00
11/03/2023	Interest	00440EAV9	150,000.00	Chubb INA Holdings Inc Callable Note Cont 2/3/2026 3.35% Due 5/3/2026	0.00	2,512.50	2,512.50
11/03/2023	Interest	594918BJ2	150,000.00	Microsoft Callable Note Cont 8/3/2025 3.125% Due 11/3/2025	0.00	2,343.75	2,343.75
11/06/2023	Maturity	3137EAEZ8	210,000.00	FHLMC Note 0.25% Due 11/6/2023	210,000.00	262.50	210,262.50
11/07/2023	Maturity	912797HJ9	300,000.00	US Treasury Bill 5.271% Due 11/7/2023	300,000.00	0.00	300,000.00
11/10/2023	Interest	665859AW4	150,000.00	Northern Trust Company Callable Note Cont 4/10/2027 4% Due 5/10/2027	0.00	3,000.00	3,000.00
11/12/2023	Interest	023135BW5	85,000.00	Amazon.com Inc Note 0.45% Due 5/12/2024	0.00	191.25	191.25
11/15/2023	Interest	9128283F5	200,000.00	US Treasury Note 2.25% Due 11/15/2027	0.00	2,250.00	2,250.00
11/15/2023	Interest	912828M56	200,000.00	US Treasury Note 2.25% Due 11/15/2025	0.00	2,250.00	2,250.00
11/15/2023	Interest	91324PEB4	50,000.00	United Health Group Inc Callable Note Cont 5/15/2022 0.55% Due 5/15/2024	0.00	137.50	137.50
11/15/2023	Interest	912828U24	250,000.00	US Treasury Note 2% Due 11/15/2026	0.00	2,500.00	2,500.00
11/15/2023	Interest	91282CDH1	200,000.00	US Treasury Note 0.75% Due 11/15/2024	0.00	750.00	750.00
11/15/2023	Paydown	161571HT4	145,000.00	Chase Issuance Trust 23-A1 A 5.16% Due 9/15/2028	0.00	623.50	623.50
11/15/2023	Paydown	44933LAC7	17,263.17	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	2,463.76	5.47	2,469.23

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
11/15/2023	Paydown	47787NAC3	170.96	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	56.97	0.07	57.04
11/15/2023	Paydown	47788UAC6	13,576.63	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	1,129.37	4.07	1,133.44
11/15/2023	Paydown	47789QAC4	31,470.56	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	1,849.85	13.64	1,863.49
11/15/2023	Paydown	58770AAC7	45,000.00	Mercedes-Benz Auto Receivable 2023-1 A3 4.51% Due 11/15/2027	0.00	169.13	169.13
11/15/2023	Paydown	89240BAC2	23,035.53	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 5/15/2025	4,604.11	4.99	4,609.10
11/15/2023	Paydown	47787JAC2	44,271.46	John Deere Owner Trust 2022-A A3 2.32% Due 9/16/2026	1,897.81	85.59	1,983.40
11/15/2023	Paydown	58769KAD6	15,025.78	Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024	5,008.13	5.01	5,013.14
11/15/2023	Paydown	89238JAC9	24,342.25	Toyota Auto Receivables Trust 2021-D A3 0.71% Due 4/15/2026	1,514.65	14.40	1,529.05
11/15/2023	Paydown	44934KAC8	50,642.42	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	4,601.74	16.04	4,617.78
11/15/2023	Paydown	89236XAC0	2,318.29	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	158.87	0.68	159.55
11/16/2023	Paydown	362583AD8	50,000.00	GM Auto Receivable Trust 2023-2 A3 4.47% Due 2/16/2028	0.00	186.25	186.25
11/16/2023	Paydown	362585AC5	35,000.00	GM Financial Securitized ART 2022-2 A3 3.1% Due 2/16/2027	0.00	90.42	90.42
11/16/2023	Paydown	362554AC1	20,319.87	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	1,193.06	11.51	1,204.57
11/17/2023	Interest	14913R2L0	130,000.00	Caterpillar Financial Service Note 0.45% Due 5/17/2024	0.00	292.50	292.50
11/18/2023	Paydown	43815EAC8	39,892.22	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	3,064.95	13.63	3,078.58
11/19/2023	Paydown	3137BNGT5	0.00	FHLMC K054 A2 2.745% Due 1/25/2026	0.00	571.88	571.88
11/19/2023	Paydown	3137FBBX3	0.00	FHLMC K068 A2 3.244% Due 8/25/2027	0.00	337.92	337.92

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
11/19/2023	Paydown	3137FBU79	0.00	FHLMC K069 A2 3.187% Due 9/25/2027	0.00	358.54	358.54
11/19/2023	Paydown	3137BKRJ1	0.00	FHLMC K047 A2 3.329% Due 5/25/2025	0.00	277.42	277.42
11/19/2023	Paydown	3137BVZ82	0.00	FHLMC K063 3.43% Due 1/25/2027	0.00	285.83	285.83
11/20/2023	Paydown	36262XAC8	15,700.70	GM Financial Auto Lease Trust 2021-3 A2 0.39% Due 10/21/2024	5,232.52	5.10	5,237.62
11/20/2023	Paydown	379929AD4	30,000.00	GM Financial Auto Leasing 2023-3 A3 5.38% Due 11/20/2026	0.00	134.50	134.50
11/21/2023	Maturity	912797HL4	2,750,000.00	US Treasury Bill 5.315% Due 11/21/2023	2,750,000.00	0.00	2,750,000.00
11/21/2023	Paydown	43815JAC7	35,000.00	Honda Auto Receivables Owner 2023-1 A3 5.04% Due 4/21/2027	0.00	147.00	147.00
11/21/2023	Paydown	43813GAC5	11,976.08	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	2,394.06	2.69	2,396.75
11/21/2023	Paydown	43815GAC3	28,078.63	Honda Auto Receivables Trust 2021-4 A3 0.88% Due 1/21/2026	1,751.85	20.59	1,772.44
11/24/2023	Maturity	459058JM6	105,000.00	Intl. Bank Recon & Development Note 0.25% Due 11/24/2023	105,000.00	131.25	105,131.25
11/25/2023	Paydown	05593AAC3	20,000.00	BMW Vehicle Lease Trust 2023-1 A3 5.16% Due 11/25/2025	0.00	86.00	86.00
11/25/2023	Paydown	3137FBBX3	125,000.00	FHLMC K068 A2 3.244% Due 8/25/2027	0.00	337.92	337.92
11/25/2023	Paydown	3137FBU79	135,000.00	FHLMC K069 A2 3.187% Due 9/25/2027	0.00	358.54	358.54
11/25/2023	Paydown	3137BKRJ1	100,000.00	FHLMC K047 A2 3.329% Due 5/25/2025	0.00	277.42	277.42
11/25/2023	Paydown	3137FETN0	135,000.00	FHLMC K073 A2 3.35% Due 1/25/2028	0.00	376.88	376.88
11/25/2023	Paydown	3137BNGT5	250,000.00	FHLMC K054 A2 2.745% Due 1/25/2026	0.00	571.88	571.88
11/25/2023	Paydown	3137BVZ82	100,000.00	FHLMC K063 3.43% Due 1/25/2027	0.00	285.83	285.83

Cash Flow Report

As of October 31, 2023

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
11/25/2023	Paydown	05601XAC3	15,785.98	BMW Vehicle Lease Trust 2022-1 A3 1.1% Due 3/25/2025	3,129.64	14.47	3,144.11
11/25/2023	Paydown	05602RAD3	35,000.00	BMW Vehicle Owner Trust 2022-A A3 3.21% Due 8/25/2026	3,924.49	93.63	4,018.12
11/25/2023	Paydown	09690AAC7	3,248.04	BMW Vehicle Lease Trust 2021-2 A3 0.33% Due 12/26/2024	1,623.83	0.89	1,624.72
11/27/2023	Maturity	3135G06H1	185,000.00	FNMA Note 0.25% Due 11/27/2023	185,000.00	231.25	185,231.25
11/30/2023	Maturity	912796ZD4	1,000,000.00	US Treasury Bill 5.295% Due 11/30/2023	1,000,000.00	0.00	1,000,000.00
NOV 2023					**5,445,599.66**	**25,485.58**	**5,471,085.24**
12/01/2023	Interest	023135CN4	100,000.00	Amazon.com Inc Note 4.6% Due 12/1/2025	0.00	2,300.00	2,300.00
12/04/2023	Maturity	3137EAFA2	150,000.00	FHLMC Note 0.25% Due 12/4/2023	150,000.00	187.50	150,187.50
12/07/2023	Maturity	912797FT9	500,000.00	US Treasury Bill 5.306% Due 12/7/2023	500,000.00	0.00	500,000.00
12/09/2023	Interest	3130AWC24	250,000.00	FHLB Note 4% Due 6/9/2028	0.00	5,222.22	5,222.22
12/12/2023	Interest	89114QCA4	125,000.00	Toronto Dominion Bank Note 2.65% Due 6/12/2024	0.00	1,656.25	1,656.25
12/14/2023	Interest	06051GJY6	100,000.00	Bank of America Corp Callable Note Cont 6/14/2023 5.71% Due 6/14/2024	0.00	1,443.36	1,443.36
12/14/2023	Maturity	912797FU6	1,700,000.00	US Treasury Bill 5.303% Due 12/14/2023	1,700,000.00	0.00	1,700,000.00
12/15/2023	Interest	91282CDN8	200,000.00	US Treasury Note 1% Due 12/15/2024	0.00	1,000.00	1,000.00
12/15/2023	Interest	91282CCG4	250,000.00	US Treasury Note 0.25% Due 6/15/2024	0.00	312.50	312.50
12/15/2023	Paydown	47787JAC2	44,271.46	John Deere Owner Trust 2022-A A3 2.32% Due 9/16/2026	1,900.25	81.92	1,982.17
12/15/2023	Paydown	47788UAC6	13,576.63	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	1,129.74	3.73	1,133.47

Cash Flow Report

As of October 31, 2023

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
12/15/2023	Paydown	58769KAD6	15,025.78	Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024	5,008.59	3.34	5,011.93
12/15/2023	Paydown	89238JAC9	24,342.25	Toyota Auto Receivables Trust 2021-D A3 0.71% Due 4/15/2026	1,515.54	13.51	1,529.05
12/15/2023	Paydown	44933LAC7	17,263.17	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	2,464.56	4.69	2,469.25
12/15/2023	Paydown	47787NAC3	170.96	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	56.99	0.05	57.04
12/15/2023	Paydown	47789QAC4	31,470.56	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	1,850.02	12.84	1,862.86
12/15/2023	Paydown	58770AAC7	45,000.00	Mercedes-Benz Auto Receivable 2023-1 A3 4.51% Due 11/15/2027	0.00	169.13	169.13
12/15/2023	Paydown	89240BAC2	23,035.53	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 5/15/2025	4,605.61	3.99	4,609.60
12/15/2023	Paydown	161571HT4	145,000.00	Chase Issuance Trust 23-A1 A 5.16% Due 9/15/2028	0.00	623.50	623.50
12/15/2023	Paydown	44934KAC8	50,642.42	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	4,602.17	14.58	4,616.75
12/15/2023	Paydown	89236XAC0	2,318.29	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	158.28	0.63	158.91
12/16/2023	Paydown	362554AC1	20,319.87	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	1,193.33	10.84	1,204.17
12/16/2023	Paydown	362583AD8	50,000.00	GM Auto Receivable Trust 2023-2 A3 4.47% Due 2/16/2028	0.00	186.25	186.25
12/16/2023	Paydown	362585AC5	35,000.00	GM Financial Securitized ART 2022-2 A3 3.1% Due 2/16/2027	1,586.87	90.42	1,677.29
12/18/2023	Interest	89236TJH9	80,000.00	Toyota Motor Credit Corp Note 0.5% Due 6/18/2024	0.00	200.00	200.00
12/18/2023	Paydown	43815EAC8	39,892.22	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	3,065.57	12.58	3,078.15
12/20/2023	Paydown	36262XAC8	15,700.70	GM Financial Auto Lease Trust 2021-3 A2 0.39% Due 10/21/2024	5,233.57	3.40	5,236.97
12/20/2023	Paydown	379929AD4	30,000.00	GM Financial Auto Leasing 2023-3 A3 5.38% Due 11/20/2026	0.00	134.50	134.50

Cash Flow Report

As of October 31, 2023

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
12/21/2023	Maturity	912797FV4	650,000.00	US Treasury Bill 5.327% Due 12/21/2023	650,000.00	0.00	650,000.00
12/21/2023	Paydown	43813GAC5	11,976.08	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	2,394.63	2.16	2,396.79
12/21/2023	Paydown	43815JAC7	35,000.00	Honda Auto Receivables Owner 2023-1 A3 5.04% Due 4/21/2027	0.00	147.00	147.00
12/21/2023	Paydown	43815GAC3	28,078.63	Honda Auto Receivables Trust 2021-4 A3 0.88% Due 1/21/2026	1,752.25	19.31	1,771.56
12/25/2023	Paydown	3137BKRJ1	100,000.00	FHLMC K047 A2 3.329% Due 5/25/2025	0.00	277.42	277.42
12/25/2023	Paydown	3137FETN0	135,000.00	FHLMC K073 A2 3.35% Due 1/25/2028	0.00	376.88	376.88
12/25/2023	Paydown	05593AAC3	20,000.00	BMW Vehicle Lease Trust 2023-1 A3 5.16% Due 11/25/2025	0.00	86.00	86.00
12/25/2023	Paydown	3137BNGT5	250,000.00	FHLMC K054 A2 2.745% Due 1/25/2026	0.00	571.88	571.88
12/25/2023	Paydown	3137FBBX3	125,000.00	FHLMC K068 A2 3.244% Due 8/25/2027	0.00	337.92	337.92
12/25/2023	Paydown	3137FBU79	135,000.00	FHLMC K069 A2 3.187% Due 9/25/2027	0.00	358.54	358.54
12/25/2023	Paydown	05602RAD3	35,000.00	BMW Vehicle Owner Trust 2022-A A3 3.21% Due 8/25/2026	3,698.24	83.13	3,781.37
12/25/2023	Paydown	09690AAC7	3,248.04	BMW Vehicle Lease Trust 2021-2 A3 0.33% Due 12/26/2024	1,624.21	0.45	1,624.66
12/25/2023	Paydown	05601XAC3	15,785.98	BMW Vehicle Lease Trust 2022-1 A3 1.1% Due 3/25/2025	3,143.36	11.60	3,154.96
12/25/2023	Paydown	3137BVZ82	100,000.00	FHLMC K063 3.43% Due 1/25/2027	0.00	285.83	285.83
12/29/2023	Interest	3133EN5E6	250,000.00	FFCB Note 4% Due 12/29/2025	0.00	5,000.00	5,000.00
12/31/2023	Interest	91282CEW7	250,000.00	US Treasury Note 3.25% Due 6/30/2027	0.00	4,062.50	4,062.50
DEC 2023					**3,046,983.78**	**25,312.35**	**3,072,296.13**

Cash Flow Report

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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
01/04/2024	Maturity	912797FW2	800,000.00	US Treasury Bill 5.3% Due 1/4/2024	800,000.00	0.00	800,000.00
01/15/2024	Dividend	90LAIF$00	158,557,490.28	Local Agency Investment Fund State Pool	0.00	15,906.31	15,906.31
01/15/2024	Interest	91282CCL3	250,000.00	US Treasury Note 0.375% Due 7/15/2024	0.00	468.75	468.75
01/15/2024	Interest	79466LAG9	20,000.00	Salesforce.com Inc Callable Note Cont 7/15/2022 0.625% Due 7/15/2024	0.00	62.50	62.50
01/15/2024	Maturity	91282CBE0	250,000.00	US Treasury Note 0.125% Due 1/15/2024	250,000.00	156.25	250,156.25
01/15/2024	Paydown	47787NAC3	170.96	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	57.01	0.02	57.03
01/15/2024	Paydown	47788UAC6	13,576.63	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	1,130.09	3.40	1,133.49
01/15/2024	Paydown	58769KAD6	15,025.78	Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024	5,009.05	1.67	5,010.72
01/15/2024	Paydown	89238JAC9	24,342.25	Toyota Auto Receivables Trust 2021-D A3 0.71% Due 4/15/2026	1,516.44	12.61	1,529.05
01/15/2024	Paydown	44933LAC7	17,263.17	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	2,465.36	3.91	2,469.27
01/15/2024	Paydown	44934KAC8	50,642.42	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	4,602.59	13.12	4,615.71
01/15/2024	Paydown	47787JAC2	44,271.46	John Deere Owner Trust 2022-A A3 2.32% Due 9/16/2026	1,902.69	78.25	1,980.94
01/15/2024	Paydown	47789QAC4	31,470.56	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	1,850.20	12.03	1,862.23
01/15/2024	Paydown	58770AAC7	45,000.00	Mercedes-Benz Auto Receivable 2023-1 A3 4.51% Due 11/15/2027	0.00	169.13	169.13
01/15/2024	Paydown	161571HT4	145,000.00	Chase Issuance Trust 23-A1 A 5.16% Due 9/15/2028	0.00	623.50	623.50
01/15/2024	Paydown	89236XAC0	2,318.29	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	157.69	0.58	158.27
01/15/2024	Paydown	89240BAC2	23,035.53	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 5/15/2025	4,607.10	3.00	4,610.10

Cash Flow Report

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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
01/16/2024	Maturity	912797HZ3	500,000.00	US Treasury Bill 5.332% Due 1/16/2024	500,000.00	0.00	500,000.00
01/16/2024	Paydown	362583AD8	50,000.00	GM Auto Receivable Trust 2023-2 A3 4.47% Due 2/16/2028	0.00	186.25	186.25
01/16/2024	Paydown	362585AC5	35,000.00	GM Financial Securitized ART 2022-2 A3 3.1% Due 2/16/2027	1,587.26	86.32	1,673.58
01/16/2024	Paydown	362554AC1	20,319.87	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	1,193.62	10.16	1,203.78
01/17/2024	Maturity	24422EVN6	145,000.00	John Deere Capital Corp Note 0.45% Due 1/17/2024	145,000.00	326.25	145,326.25
01/18/2024	Paydown	43815EAC8	39,892.22	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	3,066.17	11.54	3,077.71
01/20/2024	Paydown	36262XAC8	15,700.70	GM Financial Auto Lease Trust 2021-3 A2 0.39% Due 10/21/2024	5,234.61	1.70	5,236.31
01/20/2024	Paydown	379929AD4	30,000.00	GM Financial Auto Leasing 2023-3 A3 5.38% Due 11/20/2026	0.00	134.50	134.50
01/21/2024	Paydown	43815GAC3	28,078.63	Honda Auto Receivables Trust 2021-4 A3 0.88% Due 1/21/2026	1,752.66	18.02	1,770.68
01/21/2024	Paydown	43815JAC7	35,000.00	Honda Auto Receivables Owner 2023-1 A3 5.04% Due 4/21/2027	0.00	147.00	147.00
01/21/2024	Paydown	43813GAC5	11,976.08	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	2,395.21	1.62	2,396.83
01/25/2024	Paydown	3137BKRJ1	100,000.00	FHLMC K047 A2 3.329% Due 5/25/2025	0.00	277.42	277.42
01/25/2024	Paydown	3137BNGT5	250,000.00	FHLMC K054 A2 2.745% Due 1/25/2026	0.00	571.88	571.88
01/25/2024	Paydown	3137FETN0	135,000.00	FHLMC K073 A2 3.35% Due 1/25/2028	0.00	376.88	376.88
01/25/2024	Paydown	05601XAC3	15,785.98	BMW Vehicle Lease Trust 2022-1 A3 1.1% Due 3/25/2025	3,157.14	8.72	3,165.86
01/25/2024	Paydown	05593AAC3	20,000.00	BMW Vehicle Lease Trust 2023-1 A3 5.16% Due 11/25/2025	0.00	86.00	86.00
01/25/2024	Paydown	05602RAD3	35,000.00	BMW Vehicle Owner Trust 2022-A A3 3.21% Due 8/25/2026	3,471.56	73.23	3,544.79

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
01/25/2024	Paydown	3137BVZ82	100,000.00	FHLMC K063 3.43% Due 1/25/2027	0.00	285.83	285.83
01/25/2024	Paydown	3137FBBX3	125,000.00	FHLMC K068 A2 3.244% Due 8/25/2027	0.00	337.92	337.92
01/25/2024	Paydown	3137FBU79	135,000.00	FHLMC K069 A2 3.187% Due 9/25/2027	0.00	358.54	358.54
01/30/2024	Interest	91159HHX1	200,000.00	US Bancorp Callable Note Cont 6/28/2024 2.4% Due 7/30/2024	0.00	2,400.00	2,400.00
01/31/2024	Interest	912828Z52	200,000.00	US Treasury Note 1.375% Due 1/31/2025	0.00	1,375.00	1,375.00
JAN 2024					**1,740,156.45**	**24,589.81**	**1,764,746.26**
02/06/2024	Interest	857477BR3	35,000.00	State Street Bank Callable Note Cont 2/6/2025 1.746% Due 2/6/2026	0.00	305.55	305.55
02/10/2024	Interest	69371RS56	125,000.00	Paccar Financial Corp Note 5.05% Due 8/10/2026	0.00	3,156.25	3,156.25
02/14/2024	Interest	89236TKX2	150,000.00	Toyota Motor Credit Corp Note 5% Due 8/14/2026	0.00	3,750.00	3,750.00
02/14/2024	Interest	3133EPSW6	270,000.00	FFCB Note 4.5% Due 8/14/2026	0.00	6,075.00	6,075.00
02/15/2024	Interest	912828V98	250,000.00	US Treasury Note 2.25% Due 2/15/2027	0.00	2,812.50	2,812.50
02/15/2024	Interest	912828K74	200,000.00	US Treasury Note 2% Due 8/15/2025	0.00	2,000.00	2,000.00
02/15/2024	Maturity	91282CBM2	200,000.00	US Treasury Note 0.125% Due 2/15/2024	200,000.00	125.00	200,125.00
02/15/2024	Paydown	47788UAC6	13,576.63	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	1,130.46	3.06	1,133.52
02/15/2024	Paydown	89238JAC9	24,342.25	Toyota Auto Receivables Trust 2021-D A3 0.71% Due 4/15/2026	1,517.34	11.71	1,529.05
02/15/2024	Paydown	44933LAC7	17,263.17	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	2,466.16	3.13	2,469.29
02/15/2024	Paydown	47787JAC2	44,271.46	John Deere Owner Trust 2022-A A3 2.32% Due 9/16/2026	1,905.13	74.57	1,979.70

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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
02/15/2024	Paydown	47789QAC4	31,470.56	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	1,850.36	11.23	1,861.59
02/15/2024	Paydown	58770AAC7	45,000.00	Mercedes-Benz Auto Receivable 2023-1 A3 4.51% Due 11/15/2027	0.00	169.13	169.13
02/15/2024	Paydown	89240BAC2	23,035.53	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 5/15/2025	4,608.60	2.00	4,610.60
02/15/2024	Paydown	161571HT4	145,000.00	Chase Issuance Trust 23-A1 A 5.16% Due 9/15/2028	0.00	623.50	623.50
02/15/2024	Paydown	44934KAC8	50,642.42	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	4,603.02	11.66	4,614.68
02/15/2024	Paydown	89236XAC0	2,318.29	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	157.08	0.54	157.62
02/16/2024	Paydown	362554AC1	20,319.87	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	1,193.89	9.49	1,203.38
02/16/2024	Paydown	362583AD8	50,000.00	GM Auto Receivable Trust 2023-2 A3 4.47% Due 2/16/2028	0.00	186.25	186.25
02/16/2024	Paydown	362585AC5	35,000.00	GM Financial Securitized ART 2022-2 A3 3.1% Due 2/16/2027	1,587.64	82.22	1,669.86
02/18/2024	Call	808513BN4	90,000.00	Charles Schwab Corp Callable Note Cont 2/18/2024 0.75% Due 3/18/2024	90,000.00	281.25	90,281.25
02/18/2024	Paydown	43815EAC8	39,892.22	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	3,066.79	10.49	3,077.28
02/20/2024	Paydown	379929AD4	30,000.00	GM Financial Auto Leasing 2023-3 A3 5.38% Due 11/20/2026	0.00	134.50	134.50
02/21/2024	Paydown	43813GAC5	11,976.08	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	2,395.79	1.08	2,396.87
02/21/2024	Paydown	43815GAC3	28,078.63	Honda Auto Receivables Trust 2021-4 A3 0.88% Due 1/21/2026	1,753.07	16.74	1,769.81
02/21/2024	Paydown	43815JAC7	35,000.00	Honda Auto Receivables Owner 2023-1 A3 5.04% Due 4/21/2027	0.00	147.00	147.00
02/23/2024	Interest	037833BY5	150,000.00	Apple Inc Callable Note Cont 11/23/2025 3.25% Due 2/23/2026	0.00	2,437.50	2,437.50
02/25/2024	Interest	3133ENPY0	200,000.00	FFCB Note 1.75% Due 2/25/2025	0.00	1,750.00	1,750.00

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
02/25/2024	Paydown	3137FBBX3	125,000.00	FHLMC K068 A2 3.244% Due 8/25/2027	0.00	337.92	337.92
02/25/2024	Paydown	3137BKRJ1	100,000.00	FHLMC K047 A2 3.329% Due 5/25/2025	0.00	277.42	277.42
02/25/2024	Paydown	3137FETN0	135,000.00	FHLMC K073 A2 3.35% Due 1/25/2028	0.00	376.88	376.88
02/25/2024	Paydown	05601XAC3	15,785.98	BMW Vehicle Lease Trust 2022-1 A3 1.1% Due 3/25/2025	3,170.97	5.83	3,176.80
02/25/2024	Paydown	05602RAD3	35,000.00	BMW Vehicle Owner Trust 2022-A A3 3.21% Due 8/25/2026	3,244.42	63.95	3,308.37
02/25/2024	Paydown	3137BVZ82	100,000.00	FHLMC K063 3.43% Due 1/25/2027	0.00	285.83	285.83
02/25/2024	Paydown	05593AAC3	20,000.00	BMW Vehicle Lease Trust 2023-1 A3 5.16% Due 11/25/2025	0.00	86.00	86.00
02/25/2024	Paydown	3137BNGT5	250,000.00	FHLMC K054 A2 2.745% Due 1/25/2026	0.00	571.88	571.88
02/25/2024	Paydown	3137FBU79	135,000.00	FHLMC K069 A2 3.187% Due 9/25/2027	0.00	358.54	358.54
02/26/2024	Maturity	3133EMRZ7	170,000.00	FFCB Note 0.25% Due 2/26/2024	170,000.00	212.50	170,212.50
02/29/2024	Interest	912828YD6	250,000.00	US Treasury Note 1.375% Due 8/31/2026	0.00	1,718.75	1,718.75
02/29/2024	Interest	912828YE4	250,000.00	US Treasury Note 1.25% Due 8/31/2024	0.00	1,562.50	1,562.50
02/29/2024	Interest	91282CFH9	250,000.00	US Treasury Note 3.125% Due 8/31/2027	0.00	3,906.25	3,906.25
02/29/2024	Interest	912828ZC7	200,000.00	US Treasury Note 1.125% Due 2/28/2025	0.00	1,125.00	1,125.00
FEB 2024					**494,650.72**	**35,080.60**	**529,731.32**
03/08/2024	Interest	24422EXD6	150,000.00	John Deere Capital Corp Note 5.15% Due 9/8/2026	0.00	3,862.50	3,862.50
03/08/2024	Interest	3130AWTR1	250,000.00	FHLB Note 4.375% Due 9/8/2028	0.00	6,501.74	6,501.74

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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
03/11/2024	Interest	3130AWTQ3	250,000.00	FHLB Note 4.625% Due 9/11/2026	0.00	6,969.62	6,969.62
03/14/2024	Interest	06051GJY6	100,000.00	Bank of America Corp Callable Note Cont 6/14/2023 5.71% Due 6/14/2024	0.00	1,456.00	1,456.00
03/15/2024	Interest	91282CCX7	200,000.00	US Treasury Note 0.375% Due 9/15/2024	0.00	375.00	375.00
03/15/2024	Maturity	91282CBR1	200,000.00	US Treasury Note 0.25% Due 3/15/2024	200,000.00	250.00	200,250.00
03/15/2024	Paydown	47789QAC4	31,470.56	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	1,850.53	10.43	1,860.96
03/15/2024	Paydown	58770AAC7	45,000.00	Mercedes-Benz Auto Receivable 2023-1 A3 4.51% Due 11/15/2027	0.00	169.13	169.13
03/15/2024	Paydown	161571HT4	145,000.00	Chase Issuance Trust 23-A1 A 5.16% Due 9/15/2028	0.00	623.50	623.50
03/15/2024	Paydown	47788UAC6	13,576.63	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	1,130.83	2.72	1,133.55
03/15/2024	Paydown	89238JAC9	24,342.25	Toyota Auto Receivables Trust 2021-D A3 0.71% Due 4/15/2026	1,518.24	10.81	1,529.05
03/15/2024	Paydown	89236XAC0	2,318.29	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	156.48	0.49	156.97
03/15/2024	Paydown	89240BAC2	23,035.53	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 5/15/2025	4,610.10	1.00	4,611.10
03/15/2024	Paydown	44933LAC7	17,263.17	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	2,466.97	2.34	2,469.31
03/15/2024	Paydown	44934KAC8	50,642.42	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	4,603.43	10.21	4,613.64
03/15/2024	Paydown	47787JAC2	44,271.46	John Deere Owner Trust 2022-A A3 2.32% Due 9/16/2026	1,907.57	70.89	1,978.46
03/16/2024	Paydown	362554AC1	20,319.87	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	1,194.17	8.81	1,202.98
03/16/2024	Paydown	362583AD8	50,000.00	GM Auto Receivable Trust 2023-2 A3 4.47% Due 2/16/2028	0.00	186.25	186.25
03/16/2024	Paydown	362585AC5	35,000.00	GM Financial Securitized ART 2022-2 A3 3.1% Due 2/16/2027	1,588.02	78.12	1,666.14

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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
03/18/2024	Maturity	808513BN4	60,000.00	Charles Schwab Corp Callable Note Cont 2/18/2024 0.75% Due 3/18/2024	60,000.00	225.00	60,225.00
03/18/2024	Paydown	43815EAC8	39,892.22	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	3,067.40	9.44	3,076.84
03/19/2024	Maturity	459058GQ0	125,000.00	Intl. Bank Recon & Development Note 2.5% Due 3/19/2024	125,000.00	1,562.50	126,562.50
03/20/2024	Paydown	379929AD4	30,000.00	GM Financial Auto Leasing 2023-3 A3 5.38% Due 11/20/2026	0.00	134.50	134.50
03/21/2024	Paydown	43813GAC5	11,976.08	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	2,396.37	0.54	2,396.91
03/21/2024	Paydown	43815JAC7	35,000.00	Honda Auto Receivables Owner 2023-1 A3 5.04% Due 4/21/2027	0.00	147.00	147.00
03/21/2024	Paydown	43815GAC3	28,078.63	Honda Auto Receivables Trust 2021-4 A3 0.88% Due 1/21/2026	1,753.48	15.45	1,768.93
03/22/2024	Interest	3133EPWK7	200,000.00	FFCB Note 4.5% Due 9/22/2028	0.00	4,500.00	4,500.00
03/23/2024	Interest	4581X0DZ8	165,000.00	Inter-American Dev Bank Note 0.5% Due 9/23/2024	0.00	412.50	412.50
03/25/2024	Paydown	05601XAC3	15,785.98	BMW Vehicle Lease Trust 2022-1 A3 1.1% Due 3/25/2025	3,184.87	2.92	3,187.79
03/25/2024	Paydown	3137BNGT5	250,000.00	FHLMC K054 A2 2.745% Due 1/25/2026	0.00	571.88	571.88
03/25/2024	Paydown	05602RAD3	35,000.00	BMW Vehicle Owner Trust 2022-A A3 3.21% Due 8/25/2026	3,016.86	55.27	3,072.13
03/25/2024	Paydown	3137BVZ82	100,000.00	FHLMC K063 3.43% Due 1/25/2027	0.00	285.83	285.83
03/25/2024	Paydown	3137FETN0	135,000.00	FHLMC K073 A2 3.35% Due 1/25/2028	0.00	376.88	376.88
03/25/2024	Paydown	3137BKRJ1	100,000.00	FHLMC K047 A2 3.329% Due 5/25/2025	0.00	277.42	277.42
03/25/2024	Paydown	05593AAC3	20,000.00	BMW Vehicle Lease Trust 2023-1 A3 5.16% Due 11/25/2025	0.00	86.00	86.00
03/25/2024	Paydown	3137FBBX3	125,000.00	FHLMC K068 A2 3.244% Due 8/25/2027	0.00	337.92	337.92

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
03/25/2024	Paydown	3137FBU79	135,000.00	FHLMC K069 A2 3.187% Due 9/25/2027	0.00	358.54	358.54
03/31/2024	Interest	912828ZF0	200,000.00	US Treasury Note 0.5% Due 3/31/2025	0.00	500.00	500.00
03/31/2024	Interest	91282CEF4	200,000.00	US Treasury Note 2.5% Due 3/31/2027	0.00	2,500.00	2,500.00
03/31/2024	Interest	91282CFM8	250,000.00	US Treasury Note 4.125% Due 9/30/2027	0.00	5,156.25	5,156.25
03/31/2024	Interest	9128285C0	250,000.00	US Treasury Note 3% Due 9/30/2025	0.00	3,750.00	3,750.00
03/31/2024	Interest	9128286L9	250,000.00	US Treasury Note 2.25% Due 3/31/2026	0.00	2,812.50	2,812.50
MAR 2024					**419,445.32**	**44,667.90**	**464,113.22**
04/15/2024	Interest	91282CDB4	200,000.00	US Treasury Note 0.625% Due 10/15/2024	0.00	625.00	625.00
04/15/2024	Interest	87612EBL9	125,000.00	Target Corp Callable Note Cont 4/15/25 2.25% Due 4/15/2025	0.00	1,406.25	1,406.25
04/15/2024	Maturity	91282CBV2	250,000.00	US Treasury Note 0.375% Due 4/15/2024	250,000.00	468.75	250,468.75
04/15/2024	Paydown	47789QAC4	31,470.56	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	1,850.70	9.63	1,860.33
04/15/2024	Paydown	58770AAC7	45,000.00	Mercedes-Benz Auto Receivable 2023-1 A3 4.51% Due 11/15/2027	0.00	169.13	169.13
04/15/2024	Paydown	161571HT4	145,000.00	Chase Issuance Trust 23-A1 A 5.16% Due 9/15/2028	0.00	623.50	623.50
04/15/2024	Paydown	44934KAC8	50,642.42	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	4,603.86	8.75	4,612.61
04/15/2024	Paydown	89236XAC0	2,318.29	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	155.86	0.45	156.31
04/15/2024	Paydown	44933LAC7	17,263.17	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	2,467.77	1.56	2,469.33
04/15/2024	Paydown	47787JAC2	44,271.46	John Deere Owner Trust 2022-A A3 2.32% Due 9/16/2026	1,910.02	67.20	1,977.22

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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
04/15/2024	Paydown	47788UAC6	13,576.63	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	1,131.20	2.38	1,133.58
04/15/2024	Paydown	89238JAC9	24,342.25	Toyota Auto Receivables Trust 2021-D A3 0.71% Due 4/15/2026	1,519.13	9.92	1,529.05
04/16/2024	Interest	45950KCR9	100,000.00	International Finance Corp Note 1.375% Due 10/16/2024	0.00	687.50	687.50
04/16/2024	Paydown	362554AC1	20,319.87	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	1,194.45	8.13	1,202.58
04/16/2024	Paydown	362583AD8	50,000.00	GM Auto Receivable Trust 2023-2 A3 4.47% Due 2/16/2028	0.00	186.25	186.25
04/16/2024	Paydown	362585AC5	35,000.00	GM Financial Securitized ART 2022-2 A3 3.1% Due 2/16/2027	1,588.41	74.01	1,662.42
04/18/2024	Paydown	43815EAC8	39,892.22	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	3,068.02	8.39	3,076.41
04/20/2024	Paydown	379929AD4	30,000.00	GM Financial Auto Leasing 2023-3 A3 5.38% Due 11/20/2026	0.00	134.50	134.50
04/21/2024	Paydown	43815GAC3	28,078.63	Honda Auto Receivables Trust 2021-4 A3 0.88% Due 1/21/2026	1,753.89	14.16	1,768.05
04/21/2024	Paydown	43815JAC7	35,000.00	Honda Auto Receivables Owner 2023-1 A3 5.04% Due 4/21/2027	0.00	147.00	147.00
04/25/2024	Paydown	05593AAC3	20,000.00	BMW Vehicle Lease Trust 2023-1 A3 5.16% Due 11/25/2025	0.00	86.00	86.00
04/25/2024	Paydown	3137FBU79	135,000.00	FHLMC K069 A2 3.187% Due 9/25/2027	0.00	358.54	358.54
04/25/2024	Paydown	05602RAD3	35,000.00	BMW Vehicle Owner Trust 2022-A A3 3.21% Due 8/25/2026	2,788.85	47.20	2,836.05
04/25/2024	Paydown	3137BVZ82	100,000.00	FHLMC K063 3.43% Due 1/25/2027	0.00	285.83	285.83
04/25/2024	Paydown	3137FBBX3	125,000.00	FHLMC K068 A2 3.244% Due 8/25/2027	0.00	337.92	337.92
04/25/2024	Paydown	3137BKRJ1	100,000.00	FHLMC K047 A2 3.329% Due 5/25/2025	0.00	277.42	277.42
04/25/2024	Paydown	3137BNGT5	250,000.00	FHLMC K054 A2 2.745% Due 1/25/2026	0.00	571.88	571.88

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
04/25/2024	Paydown	3137FETN0	135,000.00	FHLMC K073 A2 3.35% Due 1/25/2028	0.00	376.88	376.88
04/30/2024	Interest	9128286S4	250,000.00	US Treasury Note 2.375% Due 4/30/2026	0.00	2,968.75	2,968.75
04/30/2024	Interest	713448CT3	150,000.00	Pepsico Inc. Callable Note Cont 1/30/2025 2.75% Due 4/30/2025	0.00	2,062.50	2,062.50
04/30/2024	Interest	912828ZL7	200,000.00	US Treasury Note 0.375% Due 4/30/2025	0.00	375.00	375.00
04/30/2024	Interest	9128285J5	250,000.00	US Treasury Note 3% Due 10/31/2025	0.00	3,750.00	3,750.00
APR 2024					**274,032.16**	**16,150.38**	**290,182.54**
05/01/2024	Interest	06367WB85	125,000.00	Bank of Montreal Note 1.85% Due 5/1/2025	0.00	1,156.25	1,156.25
05/01/2024	Interest	78015K7C2	150,000.00	Royal Bank of Canada Note 2.25% Due 11/1/2024	0.00	1,687.50	1,687.50
05/03/2024	Interest	594918BJ2	150,000.00	Microsoft Callable Note Cont 8/3/2025 3.125% Due 11/3/2025	0.00	2,343.75	2,343.75
05/03/2024	Interest	00440EAV9	150,000.00	Chubb INA Holdings Inc Callable Note Cont 2/3/2026 3.35% Due 5/3/2026	0.00	2,512.50	2,512.50
05/10/2024	Interest	665859AW4	150,000.00	Northern Trust Company Callable Note Cont 4/10/2027 4% Due 5/10/2027	0.00	3,000.00	3,000.00
05/12/2024	Maturity	023135BW5	85,000.00	Amazon.com Inc Note 0.45% Due 5/12/2024	85,000.00	191.25	85,191.25
05/15/2024	Interest	912828U24	250,000.00	US Treasury Note 2% Due 11/15/2026	0.00	2,500.00	2,500.00
05/15/2024	Interest	91282CDH1	200,000.00	US Treasury Note 0.75% Due 11/15/2024	0.00	750.00	750.00
05/15/2024	Interest	9128283F5	200,000.00	US Treasury Note 2.25% Due 11/15/2027	0.00	2,250.00	2,250.00
05/15/2024	Interest	912828M56	200,000.00	US Treasury Note 2.25% Due 11/15/2025	0.00	2,250.00	2,250.00

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05/15/2024	Maturity	91324PEB4	50,000.00	United Health Group Inc Callable Note Cont 5/15/2022 0.55% Due 5/15/2024	50,000.00	137.50	50,137.50
05/15/2024	Paydown	161571HT4	145,000.00	Chase Issuance Trust 23-A1 A 5.16% Due 9/15/2028	0.00	623.50	623.50
05/15/2024	Paydown	89236XAC0	2,318.29	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	155.24	0.40	155.64
05/15/2024	Paydown	44933LAC7	17,263.17	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	2,468.57	0.78	2,469.35
05/15/2024	Paydown	44934KAC8	50,642.42	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	4,604.28	7.29	4,611.57
05/15/2024	Paydown	47787JAC2	44,271.46	John Deere Owner Trust 2022-A A3 2.32% Due 9/16/2026	1,912.47	63.51	1,975.98
05/15/2024	Paydown	47789QAC4	31,470.56	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	1,850.87	8.83	1,859.70
05/15/2024	Paydown	58770AAC7	45,000.00	Mercedes-Benz Auto Receivable 2023-1 A3 4.51% Due 11/15/2027	0.00	169.13	169.13
05/15/2024	Paydown	47788UAC6	13,576.63	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	1,131.57	2.04	1,133.61
05/15/2024	Paydown	89238JAC9	24,342.25	Toyota Auto Receivables Trust 2021-D A3 0.71% Due 4/15/2026	1,520.03	9.02	1,529.05
05/16/2024	Paydown	362583AD8	50,000.00	GM Auto Receivable Trust 2023-2 A3 4.47% Due 2/16/2028	0.00	186.25	186.25
05/16/2024	Paydown	362585AC5	35,000.00	GM Financial Securitized ART 2022-2 A3 3.1% Due 2/16/2027	1,588.79	69.91	1,658.70
05/16/2024	Paydown	362554AC1	20,319.87	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	1,194.72	7.46	1,202.18
05/17/2024	Maturity	14913R2L0	130,000.00	Caterpillar Financial Service Note 0.45% Due 5/17/2024	130,000.00	292.50	130,292.50
05/18/2024	Paydown	43815EAC8	39,892.22	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	3,068.63	7.34	3,075.97
05/20/2024	Paydown	379929AD4	30,000.00	GM Financial Auto Leasing 2023-3 A3 5.38% Due 11/20/2026	0.00	134.50	134.50

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
05/21/2024	Paydown	43815GAC3	28,078.63	Honda Auto Receivables Trust 2021-4 A3 0.88% Due 1/21/2026	1,754.30	12.88	1,767.18
05/21/2024	Paydown	43815JAC7	35,000.00	Honda Auto Receivables Owner 2023-1 A3 5.04% Due 4/21/2027	0.00	147.00	147.00
05/25/2024	Paydown	05593AAC3	20,000.00	BMW Vehicle Lease Trust 2023-1 A3 5.16% Due 11/25/2025	0.00	86.00	86.00
05/25/2024	Paydown	05602RAD3	35,000.00	BMW Vehicle Owner Trust 2022-A A3 3.21% Due 8/25/2026	2,560.41	39.74	2,600.15
05/25/2024	Paydown	3137BVZ82	100,000.00	FHLMC K063 3.43% Due 1/25/2027	0.00	285.83	285.83
05/25/2024	Paydown	3137FBBX3	125,000.00	FHLMC K068 A2 3.244% Due 8/25/2027	0.00	337.92	337.92
05/25/2024	Paydown	3137FBU79	135,000.00	FHLMC K069 A2 3.187% Due 9/25/2027	0.00	358.54	358.54
05/25/2024	Paydown	3137BKRJ1	100,000.00	FHLMC K047 A2 3.329% Due 5/25/2025	0.00	277.42	277.42
05/25/2024	Paydown	3137BNGT5	250,000.00	FHLMC K054 A2 2.745% Due 1/25/2026	0.00	571.88	571.88
05/25/2024	Paydown	3137FETN0	135,000.00	FHLMC K073 A2 3.35% Due 1/25/2028	0.00	376.88	376.88
MAY 2024					**288,809.88**	**22,855.30**	**311,665.18**
06/01/2024	Interest	023135CN4	100,000.00	Amazon.com Inc Note 4.6% Due 12/1/2025	0.00	2,300.00	2,300.00
06/09/2024	Interest	3130AWC24	250,000.00	FHLB Note 4% Due 6/9/2028	0.00	5,000.00	5,000.00
06/12/2024	Maturity	89114QCA4	125,000.00	Toronto Dominion Bank Note 2.65% Due 6/12/2024	125,000.00	1,656.25	126,656.25
06/14/2024	Maturity	06051GJY6	100,000.00	Bank of America Corp Callable Note Cont 6/14/2023 5.71% Due 6/14/2024	100,000.00	1,472.00	101,472.00
06/15/2024	Interest	91282CDN8	200,000.00	US Treasury Note 1% Due 12/15/2024	0.00	1,000.00	1,000.00
06/15/2024	Maturity	91282CCG4	250,000.00	US Treasury Note 0.25% Due 6/15/2024	250,000.00	312.50	250,312.50

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06/15/2024	Paydown	47788UAC6	13,576.63	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	1,131.94	1.70	1,133.64
06/15/2024	Paydown	89238JAC9	24,342.25	Toyota Auto Receivables Trust 2021-D A3 0.71% Due 4/15/2026	1,520.93	8.12	1,529.05
06/15/2024	Paydown	47787JAC2	44,271.46	John Deere Owner Trust 2022-A A3 2.32% Due 9/16/2026	1,914.93	59.81	1,974.74
06/15/2024	Paydown	47789QAC4	31,470.56	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	1,851.04	8.02	1,859.06
06/15/2024	Paydown	58770AAC7	45,000.00	Mercedes-Benz Auto Receivable 2023-1 A3 4.51% Due 11/15/2027	0.00	169.13	169.13
06/15/2024	Paydown	161571HT4	145,000.00	Chase Issuance Trust 23-A1 A 5.16% Due 9/15/2028	0.00	623.50	623.50
06/15/2024	Paydown	44934KAC8	50,642.42	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	4,604.70	5.83	4,610.53
06/15/2024	Paydown	89236XAC0	2,318.29	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	154.61	0.36	154.97
06/16/2024	Paydown	362554AC1	20,319.87	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	1,195.01	6.78	1,201.79
06/16/2024	Paydown	362583AD8	50,000.00	GM Auto Receivable Trust 2023-2 A3 4.47% Due 2/16/2028	0.00	186.25	186.25
06/16/2024	Paydown	362585AC5	35,000.00	GM Financial Securitized ART 2022-2 A3 3.1% Due 2/16/2027	1,589.17	65.81	1,654.98
06/18/2024	Maturity	89236TJH9	80,000.00	Toyota Motor Credit Corp Note 0.5% Due 6/18/2024	80,000.00	200.00	80,200.00
06/18/2024	Paydown	43815EAC8	39,892.22	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	3,069.24	6.30	3,075.54
06/20/2024	Paydown	379929AD4	30,000.00	GM Financial Auto Leasing 2023-3 A3 5.38% Due 11/20/2026	0.00	134.50	134.50
06/21/2024	Paydown	43815JAC7	35,000.00	Honda Auto Receivables Owner 2023-1 A3 5.04% Due 4/21/2027	0.00	147.00	147.00
06/21/2024	Paydown	43815GAC3	28,078.63	Honda Auto Receivables Trust 2021-4 A3 0.88% Due 1/21/2026	1,754.71	11.59	1,766.30
06/25/2024	Paydown	3137BKRJ1	100,000.00	FHLMC K047 A2 3.329% Due 5/25/2025	0.00	277.42	277.42

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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
06/25/2024	Paydown	3137FETN0	135,000.00	FHLMC K073 A2 3.35% Due 1/25/2028	0.00	376.88	376.88
06/25/2024	Paydown	05602RAD3	35,000.00	BMW Vehicle Owner Trust 2022-A A3 3.21% Due 8/25/2026	2,331.52	32.89	2,364.41
06/25/2024	Paydown	05593AAC3	20,000.00	BMW Vehicle Lease Trust 2023-1 A3 5.16% Due 11/25/2025	1,965.73	86.00	2,051.73
06/25/2024	Paydown	3137BNGT5	250,000.00	FHLMC K054 A2 2.745% Due 1/25/2026	0.00	571.88	571.88
06/25/2024	Paydown	3137BVZ82	100,000.00	FHLMC K063 3.43% Due 1/25/2027	0.00	285.83	285.83
06/25/2024	Paydown	3137FBBX3	125,000.00	FHLMC K068 A2 3.244% Due 8/25/2027	0.00	337.92	337.92
06/25/2024	Paydown	3137FBU79	135,000.00	FHLMC K069 A2 3.187% Due 9/25/2027	0.00	358.54	358.54
06/28/2024	Call	91159HHX1	200,000.00	US Bancorp Callable Note Cont 6/28/2024 2.4% Due 7/30/2024	200,000.00	1,973.33	201,973.33
06/29/2024	Interest	3133EN5E6	250,000.00	FFCB Note 4% Due 12/29/2025	0.00	5,000.00	5,000.00
06/30/2024	Interest	91282CEW7	250,000.00	US Treasury Note 3.25% Due 6/30/2027	0.00	4,062.50	4,062.50
JUN 2024					**778,083.53**	**26,738.64**	**804,822.17**
07/15/2024	Maturity	91282CCL3	250,000.00	US Treasury Note 0.375% Due 7/15/2024	250,000.00	468.75	250,468.75
07/15/2024	Maturity	79466LAG9	20,000.00	Salesforce.com Inc Callable Note Cont 7/15/2022 0.625% Due 7/15/2024	20,000.00	62.50	20,062.50
07/15/2024	Paydown	44934KAC8	50,642.42	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	4,605.12	4.38	4,609.50
07/15/2024	Paydown	47787JAC2	44,271.46	John Deere Owner Trust 2022-A A3 2.32% Due 9/16/2026	1,917.38	56.11	1,973.49
07/15/2024	Paydown	161571HT4	145,000.00	Chase Issuance Trust 23-A1 A 5.16% Due 9/15/2028	0.00	623.50	623.50
07/15/2024	Paydown	47788UAC6	13,576.63	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	1,132.30	1.36	1,133.66

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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
07/15/2024	Paydown	89238JAC9	24,342.25	Toyota Auto Receivables Trust 2021-D A3 0.71% Due 4/15/2026	1,521.83	7.22	1,529.05
07/15/2024	Paydown	47789QAC4	31,470.56	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	1,851.21	7.22	1,858.43
07/15/2024	Paydown	58770AAC7	45,000.00	Mercedes-Benz Auto Receivable 2023-1 A3 4.51% Due 11/15/2027	0.00	169.13	169.13
07/15/2024	Paydown	89236XAC0	2,318.29	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	153.98	0.31	154.29
07/16/2024	Paydown	362554AC1	20,319.87	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	1,195.29	6.10	1,201.39
07/16/2024	Paydown	362583AD8	50,000.00	GM Auto Receivable Trust 2023-2 A3 4.47% Due 2/16/2028	0.00	186.25	186.25
07/16/2024	Paydown	362585AC5	35,000.00	GM Financial Securitized ART 2022-2 A3 3.1% Due 2/16/2027	1,589.56	61.70	1,651.26
07/18/2024	Paydown	43815EAC8	39,892.22	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	3,069.86	5.25	3,075.11
07/20/2024	Paydown	379929AD4	30,000.00	GM Financial Auto Leasing 2023-3 A3 5.38% Due 11/20/2026	0.00	134.50	134.50
07/21/2024	Paydown	43815JAC7	35,000.00	Honda Auto Receivables Owner 2023-1 A3 5.04% Due 4/21/2027	0.00	147.00	147.00
07/21/2024	Paydown	43815GAC3	28,078.63	Honda Auto Receivables Trust 2021-4 A3 0.88% Due 1/21/2026	1,755.11	10.31	1,765.42
07/25/2024	Paydown	3137BKRJ1	100,000.00	FHLMC K047 A2 3.329% Due 5/25/2025	0.00	277.42	277.42
07/25/2024	Paydown	3137BNGT5	250,000.00	FHLMC K054 A2 2.745% Due 1/25/2026	0.00	571.88	571.88
07/25/2024	Paydown	05593AAC3	20,000.00	BMW Vehicle Lease Trust 2023-1 A3 5.16% Due 11/25/2025	1,973.27	77.55	2,050.82
07/25/2024	Paydown	3137FBBX3	125,000.00	FHLMC K068 A2 3.244% Due 8/25/2027	0.00	337.92	337.92
07/25/2024	Paydown	3137FBU79	135,000.00	FHLMC K069 A2 3.187% Due 9/25/2027	0.00	358.54	358.54
07/25/2024	Paydown	05602RAD3	35,000.00	BMW Vehicle Owner Trust 2022-A A3 3.21% Due 8/25/2026	2,102.20	26.65	2,128.85

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
07/25/2024	Paydown	3137BVZ82	100,000.00	FHLMC K063 3.43% Due 1/25/2027	0.00	285.83	285.83
07/25/2024	Paydown	3137FETN0	135,000.00	FHLMC K073 A2 3.35% Due 1/25/2028	0.00	376.88	376.88
07/31/2024	Interest	912828Z52	200,000.00	US Treasury Note 1.375% Due 1/31/2025	0.00	1,375.00	1,375.00
JUL 2024					**292,867.11**	**5,639.26**	**298,506.37**
08/06/2024	Interest	857477BR3	35,000.00	State Street Bank Callable Note Cont 2/6/2025 1.746% Due 2/6/2026	0.00	305.55	305.55
08/10/2024	Interest	69371RS56	125,000.00	Paccar Financial Corp Note 5.05% Due 8/10/2026	0.00	3,156.25	3,156.25
08/14/2024	Interest	3133EPSW6	270,000.00	FFCB Note 4.5% Due 8/14/2026	0.00	6,075.00	6,075.00
08/14/2024	Interest	89236TKX2	150,000.00	Toyota Motor Credit Corp Note 5% Due 8/14/2026	0.00	3,750.00	3,750.00
08/15/2024	Interest	912828V98	250,000.00	US Treasury Note 2.25% Due 2/15/2027	0.00	2,812.50	2,812.50
08/15/2024	Interest	912828K74	200,000.00	US Treasury Note 2% Due 8/15/2025	0.00	2,000.00	2,000.00
08/15/2024	Paydown	47787JAC2	44,271.46	John Deere Owner Trust 2022-A A3 2.32% Due 9/16/2026	1,919.85	52.40	1,972.25
08/15/2024	Paydown	89238JAC9	24,342.25	Toyota Auto Receivables Trust 2021-D A3 0.71% Due 4/15/2026	1,522.73	6.32	1,529.05
08/15/2024	Paydown	161571HT4	145,000.00	Chase Issuance Trust 23-A1 A 5.16% Due 9/15/2028	0.00	623.50	623.50
08/15/2024	Paydown	44934KAC8	50,642.42	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	4,605.54	2.92	4,608.46
08/15/2024	Paydown	47788UAC6	13,576.63	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	1,132.67	1.02	1,133.69
08/15/2024	Paydown	89236XAC0	2,318.29	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	153.33	0.27	153.60
08/15/2024	Paydown	47789QAC4	31,470.56	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	1,851.38	6.42	1,857.80

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
08/15/2024	Paydown	58770AAC7	45,000.00	Mercedes-Benz Auto Receivable 2023-1 A3 4.51% Due 11/15/2027	0.00	169.13	169.13
08/16/2024	Paydown	362554AC1	20,319.87	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	1,195.57	5.42	1,200.99
08/16/2024	Paydown	362583AD8	50,000.00	GM Auto Receivable Trust 2023-2 A3 4.47% Due 2/16/2028	0.00	186.25	186.25
08/16/2024	Paydown	362585AC5	35,000.00	GM Financial Securitized ART 2022-2 A3 3.1% Due 2/16/2027	1,589.95	57.59	1,647.54
08/18/2024	Paydown	43815EAC8	39,892.22	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	3,070.47	4.20	3,074.67
08/20/2024	Paydown	379929AD4	30,000.00	GM Financial Auto Leasing 2023-3 A3 5.38% Due 11/20/2026	0.00	134.50	134.50
08/21/2024	Paydown	43815GAC3	28,078.63	Honda Auto Receivables Trust 2021-4 A3 0.88% Due 1/21/2026	1,755.53	9.02	1,764.55
08/21/2024	Paydown	43815JAC7	35,000.00	Honda Auto Receivables Owner 2023-1 A3 5.04% Due 4/21/2027	0.00	147.00	147.00
08/23/2024	Interest	037833BY5	150,000.00	Apple Inc Callable Note Cont 11/23/2025 3.25% Due 2/23/2026	0.00	2,437.50	2,437.50
08/25/2024	Interest	3133ENPY0	200,000.00	FFCB Note 1.75% Due 2/25/2025	0.00	1,750.00	1,750.00
08/25/2024	Paydown	05602RAD3	35,000.00	BMW Vehicle Owner Trust 2022-A A3 3.21% Due 8/25/2026	1,872.42	21.03	1,893.45
08/25/2024	Paydown	05593AAC3	20,000.00	BMW Vehicle Lease Trust 2023-1 A3 5.16% Due 11/25/2025	1,980.84	69.06	2,049.90
08/25/2024	Paydown	3137FBBX3	125,000.00	FHLMC K068 A2 3.244% Due 8/25/2027	0.00	337.92	337.92
08/25/2024	Paydown	3137FBU79	135,000.00	FHLMC K069 A2 3.187% Due 9/25/2027	3,340.54	358.54	3,699.08
08/25/2024	Paydown	3137BKRJ1	100,000.00	FHLMC K047 A2 3.329% Due 5/25/2025	0.00	277.42	277.42
08/25/2024	Paydown	3137BNGT5	250,000.00	FHLMC K054 A2 2.745% Due 1/25/2026	0.00	571.88	571.88
08/25/2024	Paydown	3137BVZ82	100,000.00	FHLMC K063 3.43% Due 1/25/2027	0.00	285.83	285.83

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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
08/25/2024	Paydown	3137FETN0	135,000.00	FHLMC K073 A2 3.35% Due 1/25/2028	0.00	376.88	376.88
08/31/2024	Interest	912828ZC7	200,000.00	US Treasury Note 1.125% Due 2/28/2025	0.00	1,125.00	1,125.00
08/31/2024	Interest	91282CFH9	250,000.00	US Treasury Note 3.125% Due 8/31/2027	0.00	3,906.25	3,906.25
08/31/2024	Interest	912828YD6	250,000.00	US Treasury Note 1.375% Due 8/31/2026	0.00	1,718.75	1,718.75
08/31/2024	Maturity	912828YE4	250,000.00	US Treasury Note 1.25% Due 8/31/2024	250,000.00	1,562.50	251,562.50
AUG 2024					**275,990.82**	**34,303.82**	**310,294.64**
09/08/2024	Interest	24422EXD6	150,000.00	John Deere Capital Corp Note 5.15% Due 9/8/2026	0.00	3,862.50	3,862.50
09/08/2024	Interest	3130AWTR1	250,000.00	FHLB Note 4.375% Due 9/8/2028	0.00	5,468.75	5,468.75
09/11/2024	Interest	3130AWTQ3	250,000.00	FHLB Note 4.625% Due 9/11/2026	0.00	5,781.25	5,781.25
09/15/2024	Maturity	91282CCX7	200,000.00	US Treasury Note 0.375% Due 9/15/2024	200,000.00	375.00	200,375.00
09/15/2024	Paydown	47788UAC6	13,576.63	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	1,133.04	0.68	1,133.72
09/15/2024	Paydown	89238JAC9	24,342.25	Toyota Auto Receivables Trust 2021-D A3 0.71% Due 4/15/2026	1,523.63	5.42	1,529.05
09/15/2024	Paydown	44934KAC8	50,642.42	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	4,605.97	1.46	4,607.43
09/15/2024	Paydown	47787JAC2	44,271.46	John Deere Owner Trust 2022-A A3 2.32% Due 9/16/2026	1,922.31	48.69	1,971.00
09/15/2024	Paydown	161571HT4	145,000.00	Chase Issuance Trust 23-A1 A 5.16% Due 9/15/2028	0.00	623.50	623.50
09/15/2024	Paydown	47789QAC4	31,470.56	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	1,851.55	5.62	1,857.17
09/15/2024	Paydown	58770AAC7	45,000.00	Mercedes-Benz Auto Receivable 2023-1 A3 4.51% Due 11/15/2027	1,875.26	169.13	2,044.39

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
09/15/2024	Paydown	89236XAC0	2,318.29	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	152.69	0.22	152.91
09/16/2024	Paydown	362554AC1	20,319.87	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	1,195.84	4.75	1,200.59
09/16/2024	Paydown	362583AD8	50,000.00	GM Auto Receivable Trust 2023-2 A3 4.47% Due 2/16/2028	0.00	186.25	186.25
09/16/2024	Paydown	362585AC5	35,000.00	GM Financial Securitized ART 2022-2 A3 3.1% Due 2/16/2027	1,590.33	53.49	1,643.82
09/18/2024	Paydown	43815EAC8	39,892.22	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	3,071.09	3.15	3,074.24
09/20/2024	Paydown	379929AD4	30,000.00	GM Financial Auto Leasing 2023-3 A3 5.38% Due 11/20/2026	0.00	134.50	134.50
09/21/2024	Paydown	43815GAC3	28,078.63	Honda Auto Receivables Trust 2021-4 A3 0.88% Due 1/21/2026	1,755.94	7.73	1,763.67
09/21/2024	Paydown	43815JAC7	35,000.00	Honda Auto Receivables Owner 2023-1 A3 5.04% Due 4/21/2027	0.00	147.00	147.00
09/22/2024	Interest	3133EPWK7	200,000.00	FFCB Note 4.5% Due 9/22/2028	0.00	4,500.00	4,500.00
09/23/2024	Maturity	4581X0DZ8	165,000.00	Inter-American Dev Bank Note 0.5% Due 9/23/2024	165,000.00	412.50	165,412.50
09/25/2024	Paydown	05593AAC3	20,000.00	BMW Vehicle Lease Trust 2023-1 A3 5.16% Due 11/25/2025	1,988.44	60.54	2,048.98
09/25/2024	Paydown	05602RAD3	35,000.00	BMW Vehicle Owner Trust 2022-A A3 3.21% Due 8/25/2026	1,642.21	16.02	1,658.23
09/25/2024	Paydown	3137BVZ82	100,000.00	FHLMC K063 3.43% Due 1/25/2027	0.00	285.83	285.83
09/25/2024	Paydown	3137FBBX3	125,000.00	FHLMC K068 A2 3.244% Due 8/25/2027	0.00	337.92	337.92
09/25/2024	Paydown	3137FBU79	135,000.00	FHLMC K069 A2 3.187% Due 9/25/2027	3,351.56	349.67	3,701.23
09/25/2024	Paydown	3137BKRJ1	100,000.00	FHLMC K047 A2 3.329% Due 5/25/2025	0.00	277.42	277.42
09/25/2024	Paydown	3137BNGT5	250,000.00	FHLMC K054 A2 2.745% Due 1/25/2026	0.00	571.88	571.88

Cash Flow Report

As of October 31, 2023

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
09/25/2024	Paydown	3137FETN0	135,000.00	FHLMC K073 A2 3.35% Due 1/25/2028	0.00	376.88	376.88
09/30/2024	Interest	9128286L9	250,000.00	US Treasury Note 2.25% Due 3/31/2026	0.00	2,812.50	2,812.50
09/30/2024	Interest	9128285C0	250,000.00	US Treasury Note 3% Due 9/30/2025	0.00	3,750.00	3,750.00
09/30/2024	Interest	912828ZF0	200,000.00	US Treasury Note 0.5% Due 3/31/2025	0.00	500.00	500.00
09/30/2024	Interest	91282CEF4	200,000.00	US Treasury Note 2.5% Due 3/31/2027	0.00	2,500.00	2,500.00
09/30/2024	Interest	91282CFM8	250,000.00	US Treasury Note 4.125% Due 9/30/2027	0.00	5,156.25	5,156.25
SEP 2024					**392,659.86**	**38,786.50**	**431,446.36**
10/15/2024	Interest	87612EBL9	125,000.00	Target Corp Callable Note Cont 4/15/25 2.25% Due 4/15/2025	0.00	1,406.25	1,406.25
10/15/2024	Maturity	91282CDB4	200,000.00	US Treasury Note 0.625% Due 10/15/2024	200,000.00	625.00	200,625.00
10/15/2024	Paydown	89238JAC9	24,342.25	Toyota Auto Receivables Trust 2021-D A3 0.71% Due 4/15/2026	1,524.53	4.52	1,529.05
10/15/2024	Paydown	47787JAC2	44,271.46	John Deere Owner Trust 2022-A A3 2.32% Due 9/16/2026	1,924.78	44.97	1,969.75
10/15/2024	Paydown	47789QAC4	31,470.56	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	1,851.71	4.82	1,856.53
10/15/2024	Paydown	58770AAC7	45,000.00	Mercedes-Benz Auto Receivable 2023-1 A3 4.51% Due 11/15/2027	1,882.45	162.08	2,044.53
10/15/2024	Paydown	47788UAC6	13,576.63	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	1,133.41	0.34	1,133.75
10/15/2024	Paydown	89236XAC0	2,318.29	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	152.03	0.18	152.21
10/15/2024	Paydown	161571HT4	145,000.00	Chase Issuance Trust 23-A1 A 5.16% Due 9/15/2028	0.00	623.50	623.50
10/16/2024	Maturity	45950KCR9	100,000.00	International Finance Corp Note 1.375% Due 10/16/2024	100,000.00	687.50	100,687.50

Cash Flow Report

As of October 31, 2023

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
10/16/2024	Paydown	362583AD8	50,000.00	GM Auto Receivable Trust 2023-2 A3 4.47% Due 2/16/2028	0.00	186.25	186.25
10/16/2024	Paydown	362585AC5	35,000.00	GM Financial Securitized ART 2022-2 A3 3.1% Due 2/16/2027	1,590.71	49.38	1,640.09
10/16/2024	Paydown	362554AC1	20,319.87	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	1,196.12	4.07	1,200.19
10/18/2024	Paydown	43815EAC8	39,892.22	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	3,071.70	2.10	3,073.80
10/20/2024	Paydown	379929AD4	30,000.00	GM Financial Auto Leasing 2023-3 A3 5.38% Due 11/20/2026	0.00	134.50	134.50
10/21/2024	Paydown	43815GAC3	28,078.63	Honda Auto Receivables Trust 2021-4 A3 0.88% Due 1/21/2026	1,756.35	6.44	1,762.79
10/21/2024	Paydown	43815JAC7	35,000.00	Honda Auto Receivables Owner 2023-1 A3 5.04% Due 4/21/2027	1,779.35	147.00	1,926.35
10/25/2024	Paydown	05602RAD3	35,000.00	BMW Vehicle Owner Trust 2022-A A3 3.21% Due 8/25/2026	1,411.55	11.63	1,423.18
10/25/2024	Paydown	3137FBBX3	125,000.00	FHLMC K068 A2 3.244% Due 8/25/2027	0.00	337.92	337.92
10/25/2024	Paydown	3137BKRJ1	100,000.00	FHLMC K047 A2 3.329% Due 5/25/2025	0.00	277.42	277.42
10/25/2024	Paydown	3137FETN0	135,000.00	FHLMC K073 A2 3.35% Due 1/25/2028	0.00	376.88	376.88
10/25/2024	Paydown	05593AAC3	20,000.00	BMW Vehicle Lease Trust 2023-1 A3 5.16% Due 11/25/2025	1,996.06	51.99	2,048.05
10/25/2024	Paydown	3137BNGT5	250,000.00	FHLMC K054 A2 2.745% Due 1/25/2026	0.00	571.88	571.88
10/25/2024	Paydown	3137BVZ82	100,000.00	FHLMC K063 3.43% Due 1/25/2027	0.00	285.83	285.83
10/25/2024	Paydown	3137FBU79	135,000.00	FHLMC K069 A2 3.187% Due 9/25/2027	3,362.62	340.76	3,703.38
10/30/2024	Interest	713448CT3	150,000.00	Pepsico Inc. Callable Note Cont 1/30/2025 2.75% Due 4/30/2025	0.00	2,062.50	2,062.50
OCT 2024					**324,633.37**	**8,405.71**	**333,039.08**
TOTAL					**13,773,912.66**	**308,015.85**	**14,081,928.51**

Important Disclosures

Chandler Asset Management, Inc. ("Chandler") is an SEC registered investment adviser. For additional information about our firm, please see our current disclosures (Form ADV). To obtain a copy of our current disclosures, you may contact your client service representative by calling the number on the front of this statement or you may visit our website at www.chandlerasset.com.

Information contained in this monthly statement is confidential and is provided for informational purposes only and should not be construed as specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of this statement, but may become outdated or superseded at any time without notice.

Custody: Your qualified custodian bank maintains control of all assets reflected in this statement and we urge you to compare this statement to the one you receive from your qualified custodian. Chandler does not have any authority to withdraw or deposit funds from/to the custodian account.

Valuation: Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance: Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

Ratings: Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.

District Manager
Melissa Morton

December 12, 2023

BOARD COMMUNICATION

Consent Item 6D

TO: THE HONORABLE PRESIDENT AND BOARD OF TRUSTEES

FROM: MELISSA MORTON, DISTRICT MANAGER
MARK TOMKO, DIRECTOR OF ENGINEERING

SUBJECT: RECEIVE INFORMATION UPDATE ON MARE ISLAND – DECEMBER 2023

BACKGROUND AND DISCUSSION

The purpose of this Board Communication is to summarize recent activity on Mare Island that involved Vallejo Flood and Wastewater District.

PERMITS UNDER REVIEW

- 110 Pintado Street (BP22-00906) - Mare Island Art Studios
    - The applicant for the Mare Island Art Studios has contacted the District to finalize this permit and the District is in discussions to enable this to move forward.
    - The District continues to work with the Mare Island Company (MIC) to address deficiencies in the sewer system, including DOM3 Lift Station that serves the Mare Island Art Studios location.

- 975 Nimitz Avenue (BP22-00306) – Tenant Improvement to convert second floor of Building 483 to wine barrel storage.
    - District Conditionally Approved the project on May 5, 2023, pending receipt and approval of the designs for the pH Pre-Treatment System and Flow Monitoring/Sampling Station.
    - District Environmental Compliance Division (ECD) coordinated with the applicant to resolve design challenges related to the pre-treatment system and gave their approval on 9/22/2023.
    - District has been following up with the applicant regularly and will inspect the pre-treatment system and connection once notified of completion to ensure it has been constructed per plan.

- Preliminary Review (PR23-0004) – Use of Berth 18 for Materials Handling Facility by PG&E for dewatering and off-haul of dredged materials.
    - No updates.

- Building Demolition (DM23-00026) – Demolition of Building 409, a 6,000 sq ft wooden warehouse located at 759 Azuar Drive, just south of A Street.
    - District review is not required, no existing sewer connections.

- Building Demolition (DM23-00027) – Demolition of Building 720, a 6,147 sq ft wooden structure located at 425 Waterfront Avenue, adjacent to Berth 20.
    - District met with the MIC on 10/19/2023 to discuss preferred cutoff location of the sewer line.
    - After investigation a sewer line cutoff location has been determined and MIC is moving forward to demolish Building 720.

- Building Demolition (DM23-00028) – Building 742, demolition of a 3,000 sq ft wood frame lean-to addition on the east side of Building 742, located at 1290 Nimitz Avenue.
    - District review is not required, no existing sewer connections.

- Building Demolition (DM23-00029) – Demolition of Building 742A, a 1,452 sq ft wooden latrine structure on the west side of Building 742, located at 1290 Nimitz Avenue.
    - District evaluated cutoff locations of the sewer line with MIC.
    - After investigation, a sewer line cutoff location has been determined and MIC is moving forward to demolish Building 742A.

<u>MARE ISLAND INFRASTRUCTURE ASSESSMENT</u>

- Monthly Project Management Meeting, November 6, 2023
    - West Yost met with District, City, and MIC staff to discuss project status.
- CCTV inspections began on October 23, 2023 and are currently ongoing. The scope for this work includes the following:
    - CCTV approximately 15,000 linear feet of sewer line mostly in and around Railroad Avenue.
    - Inspect approximately 80 maintenance holes.
    - District plans to supplement CCTV work with District crews for areas identified as having significant inflow and infiltration (I&I).
- Flow Monitoring
    - Flow monitoring report provided July 21, 2023; wet to dry weather peaking factor found to be as high as 29.2 with a peak measured flow of 26.31 MGD.
- Documents and Technical Memorandums Provided for Review and Comment
    - TM 174 – MIIA, Sea Level Rise, dated 10/3/2023.
    - Draft of Chapter 5, the Sanitary Sewer section of the Final report was provided for District information and review on November 7, 2023.

<u>DOM 4 LIFT STATION</u>

- DOM 4 is the final sewer lift station on Mare Island that pumps all Mare Island sewer flow to the mainland side.
- The District contracted with HydroScience Engineers, Inc. in August 2022 to prepare a Technical Memorandum and design documents for replacing the existing Variable Frequency Drives (VFDs). During this work it was discovered that the Motor Control Center (MCC) and the Programmable Logic Controller (PLC) were in poor condition and in need of replacement.
- The District is currently working with HydroScience to complete the design documents for the replacement of the VFDs, MCC, and PLC as recommended and is anticipating issuing the project for bid in December 2023. The estimated construction cost for this work (new capital) is $617,000. Responsibility for new capital costs on MIC property has not been determined; however, the need to complete this work is essential to continue pumping wastewater from Mare Island to the mainland.

<u>DOM 3 LIFT STATION</u>

- DOM 3 is a sewer lift station that pumps sewer flow on Mare Island to DOM 4. Various maintenance activities are required for DOM 3 including the replacement of both pumps and the influent valves. To accomplish this, sediment built up in the wet well will need to be removed. The sediment was tested and found to be contaminated by heavy metals and will need to be disposed of at a suitable location.

- On 10/14/2022, DOM 3 Pump 1 experienced a failure of the pump volute due to excessive corrosion that flooded the Dry Well. District staff responded to pump down the flooded area and isolate the failed pump. Currently, DOM 3 is operating on a single, heavily corroded pump with no redundancy and has been for the past year.
- The cost estimate received for the sediment removal and disposal is $67,850 on a Time & Materials basis. The materials estimate prepared by the District to replace the failed pump and influent valves would be $50,000. Replacement of both pumps would be approximately $90,000 - $100,000.

MEETING

- The District held a meeting on November 15 with MIC and the City to restart discussions on the sanitary sewer and stormwater infrastructure on Mare Island. The meeting provided a working path forward to coordinate efforts that are essential for the development of Mare Island.

RECOMMENDATION
Information only

ALTERNATIVES CONSIDERED
None

ENVIRONMENTAL REVIEW

This is an administrative update and is not considered a project under CEQA per Section 15378; therefore, no environmental review is required.

FISCAL IMPACT
The fiscal impact of connection fees, operation and maintenance costs, and capital costs is part of ongoing discussion with MIC/City.

PROPOSED ACTION
Receive information update on Mare Island

DOCUMENTS ATTACHED
A. None

CONTACT PERSON
Bill Ash, Associate Engineer, (707) 558-3409

Vallejo
FLOOD & WASTEWATER DISTRICT

Return to Agenda

District Manager
Melissa Morton

December 12, 2023

BOARD COMMUNICATION

Consent Item 6E

TO: THE HONORABLE PRESIDENT AND BOARD OF TRUSTEES

FROM: MELISSA MORTON, DISTRICT MANAGER *Melissa Morton*
RACHELLE CANONES, ACTING CLERK OF THE BOARD

SUBJECT: ADOPT RESOLUTION APPROVING THE 2023 REGULAR MEETING SCHEDULE FOR THE BOARD OF TRUSTEES AND THE FINANCING CORPORATION

BACKGROUND AND DISCUSSION

The Board of Trustees' regular meetings are typically held on the second Tuesday of the month. In addition to the regular meeting schedule as shown in the attached document (Attachment B), special meetings may be scheduled on an as-needed basis.

The attached document also includes the annual regular meeting schedule of the Vallejo Sanitation and Flood Control District Financing Corporation (Financing Corporation), for which the Board of Trustees serves as the Board of Directors.

RECOMMENDATION

District staff recommends that the Board of Trustees approve the proposed 2024 regular meeting schedule for the District's Board of Trustees and the Financing Corporation's Board of Directors.

ALTERNATIVES CONSIDERED

None

ENVIRONMENTAL REVIEW

This is not a project under CEQA, and no environmental review is required.

FISCAL IMPACT

None

PROPOSED ACTION

Adopt a resolution approving the 2024 regular meeting schedule for the Board of Trustees and the Financing Corporation.

DOCUMENTS ATTACHED

A. Resolution
B. 2024 Meeting Schedule

CONTACT PERSON

Rachelle Canones, Acting Clerk of the Board, (707) 644-8949 ext. 1104

RESOLUTION NUMBER 2023 -

ADOPTION OF THE BOARD OF TRUSTEES AND THE FINANCING CORPORATION MEETING SCHEDULE FOR 2024

The Board of Trustees of the Vallejo Sanitation and Flood Control District ("District") has designated 6:00 p.m. on the second Tuesday of each month as the date for the regular Board of Trustees meeting.

The Board of Trustees also serves as the Board of Directors of the Vallejo Sanitation and Flood Control District Financing Corporation ("Financing Corporation"), which was formed to provide financial assistance to the District.

The Financing Corporation holds its regular Board meeting once per year, generally at 6:00 p.m. on the second Tuesday of July, to be consistent with the District Board's monthly regular meeting schedule.

IT IS, THEREFORE, RESOLVED by the Board of Trustees of the Vallejo Flood and Wastewater District that it adopts the regular meeting schedule for 2024 for the District's Board of Trustees and the Financing Corporation's Board of Directors, as shown on the attached schedule.

ADOPTED by the Board of Trustees of the Vallejo Flood and Wastewater District on the 12th day of December, 2023 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

WITNESS my hand and the Seal of said District this 12th day of December, 2023.

RACHELLE CANONES
Acting Clerk of the Board

BOARD MEETINGS
DISTRICT HOLIDAYS
FINANCE CORP MEETING

2024

VALLEJO FLOOD & WASTEWATER DISTRICT
MEETING SCHEDULE

JANUARY 2024

Sun	Mon	Tue	Wed	Thur	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

FEBRUARY 2024

Sun	Mon	Tue	Wed	Thur	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29		

MARCH 2024

Sun	Mon	Tue	Wed	Thur	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

APRIL 2024

Sun	Mon	Tue	Wed	Thur	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

MAY 2024

Sun	Mon	Tue	Wed	Thur	Fri	Sat
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

JUNE 2024

Sun	Mon	Tue	Wed	Thur	Fri	Sat
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

JULY 2024

Sun	Mon	Tue	Wed	Thur	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

AUGUST 2024

Sun	Mon	Tue	Wed	Thur	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

SEPTEMBER 2024

Sun	Mon	Tue	Wed	Thur	Fri	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

OCTOBER 2024

Sun	Mon	Tue	Wed	Thur	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

NOVEMBER 2024

Sun	Mon	Tue	Wed	Thur	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

DECEMBER 2024

Sun	Mon	Tue	Wed	Thur	Fri	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

2024
Board Meeting Schedule and Deadlines

MEETING DATE	Board Memo's in SharePoint by 5:00 PM *18 Days Prior	District Manager Review Complete by 5:00 PM * 13 Days Prior	Attorney Review Complete by 5:00 PM *11 Days Prior	Final Agenda Published by 4:00 PM *6 Days Prior
Tue, Jan 09, 2024	**Thu, Dec 21, 2023**	Wed, Dec 27, 2023	**Fri, Dec 29, 2023**	Wed, Jan 03, 2024
Tue, Feb 13, 2024	Fri, Jan 26, 2024	Wed, Jan 31, 2024	Fri, Feb 02, 2024	Wed, Feb 07, 2024
Tue, Mar 12, 2024	Fri, Feb 23, 2024	Wed, Feb 28, 2024	Fri, Mar 01, 2024	Wed, Mar 06, 2024
Tue, Apr 09, 2024	Fri, Mar 22, 2024	Wed, Mar 27, 2024	Fri, Mar 29, 2024	Wed, Apr 03, 2024
Tue, May 14, 2024	Fri, Apr 26, 2024	Wed, May 01, 2024	Fri, May 03, 2024	Wed, May 08, 2024
Tue, Jun 11, 2024	Fri, May 24, 2024	Wed, May 29, 2024	Fri, May 31, 2024	Wed, Jun 05, 2024
Tue, Jul 09, 2024	Fri, Jun 21, 2024	Wed, Jun 26, 2024	Fri, Jun 28, 2024	Wed, Jul 03, 2024
Tue, Aug 13, 2024	Fri, Jul 26, 2024	Wed, Jul 31, 2024	Fri, Aug 02, 2024	Wed, Aug 07, 2024
Tue, Sep 10, 2024	Fri, Aug 23, 2024	Wed, Aug 28, 2024	Fri, Aug 30, 2024	Wed, Sep 04, 2024
Tue, Oct 08, 2024	Fri, Sep 20, 2024	Wed, Sep 25, 2024	Fri, Sep 27, 2024	Wed, Oct 02, 2024
Tue, Nov 12, 2024	Fri, Oct 25, 2024	Wed, Oct 30, 2024	Fri, Nov 01, 2024	Wed, Nov 06, 2024
Tue, Dec 10, 2024	**Wed, Nov 20, 2024**	**Mon, Nov 25, 2024**	**Wed, Nov 27, 2024**	Wed, Dec 04, 2024

(Dates adjusted for Holidays)

Typical Timeline for Processing Agenda Packet

MON	TUE	WED	THURS	FRI
				Reports Due in SharePoint **(-18 days)**
		District Manager Review Complete **(-13 days)**		Legal Review Complete **(-11 days)**
		Publish Packet **(-6 days)**		
	Board Meeting **(0 days)**			

Last Revised 12/7/2023

Return to Agenda

District Manager
Melissa Morton

December 12, 2023

BOARD COMMUNICATION

Consent Item 6F

TO: THE HONORABLE PRESIDENT AND BOARD OF TRUSTEES

FROM: MELISSA MORTON, DISTRICT MANAGER
JEFF TUCKER, DIRECTOR OF FINANCE/TREASURER
OLIVIA RUIZ, FINANCE MANAGER

SUBJECT: ADOPT RESOLUTION TO ACCEPT THE ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDING JUNE 30, 2023

BACKGROUND AND DISCUSSION

The District's June 30, 2023, Annual Comprehensive Financial Report (ACFR) including auditor communications is attached for your review and acceptance. The ACFR is a comprehensive document reflecting the financial position of the District. The Fiscal Year 2022-2023 ACFR has been prepared in conformance with Generally Accepted Accounting Principles (GAAP) and with the additional requirements of presentation as set by the Government Finance Officers Association (GFOA). The ACFR Transmittal Letter and Management's Discussion and Analysis provide an overview and analysis of the financial activities of the year ended June 30, 2023.

Each year, the District is required by the California Government Code and bond covenants to have an independent audit of its financial records. For Fiscal Year 2022-2023 the District engaged MUN CPAs LLC, an independent certified public accounting firm, to perform the annual audit of the Vallejo Flood and Wastewater District including all funds: wastewater, stormwater and upper lateral program. The audit has been completed with an unmodified opinion and is attached for your review.

There was one audit finding related to internal controls and reporting. The issues identified were related to the implementation of the new ERP and have been addressed with new and improved procedures appropriate to the new ERP. Additional information on this can be found in the attached Government Auditing Standards (GAS) Letter. There are also some minor control deficiencies identified in the Management Letter, which is also attached.

RECOMMENDATION

Accept the Annual Comprehensive Financial Report for fiscal year ending June 30, 2023, as submitted.

ALTERNATIVES CONSIDERED

None

ENVIRONMENTAL REVIEW

This is not a project under CEQA and no environmental review is required.

FISCAL IMPACT

None

PROPOSED ACTION

Adopt resolution to accept the Annual Comprehensive Financial Report for fiscal year ending June 30, 2023, as submitted.

DOCUMENTS ATTACHED

A. Resolution
B. Annual Comprehensive Financial Report for fiscal year ending June 30, 2023
C. Government Auditing Standards (GAS) Letter from Auditor
D. Management Letter from Auditor
E. Conclusion Communication Letter from Auditor
F. Popular Annual Financial Report for fiscal year ending June 30, 2023

CONTACT PERSON

Jeff Tucker, Director of Finance/Treasurer (707) 644-8949, ext. 1201

RESOLUTION NUMBER 2023 -

A RESOLUTION TO ACCEPT THE ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDING JUNE 30, 2023

BE IT RESOLVED, by the Board of Trustees of the Vallejo Flood and Wastewater District of Solano County, California as follows:

WHEREAS, the California Government Code requires an annual financial audit of all California Special Districts, and that the audit be performed by independent certified public accountants;

WHEREAS, the Vallejo Flood & Wastewater District is a California Special District;

WHEREAS, an Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023, has been prepared and presented to the Board of Trustees; and

WHEREAS, the Annual Comprehensive Financial Report includes the audited financial statements.

IT IS, THEREFORE, RESOLVED, by the Board of Trustees of the Vallejo Flood and Wastewater District that the Board accepts the Annual Comprehensive Financial Report for fiscal year ending June 30, 2023, as submitted.

ADOPTED by the Board of Trustees of the Vallejo Flood & Wastewater District on the 12th day of December, 2023 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

WITNESS my hand and the Seal of said District this 12th day of December, 2023.

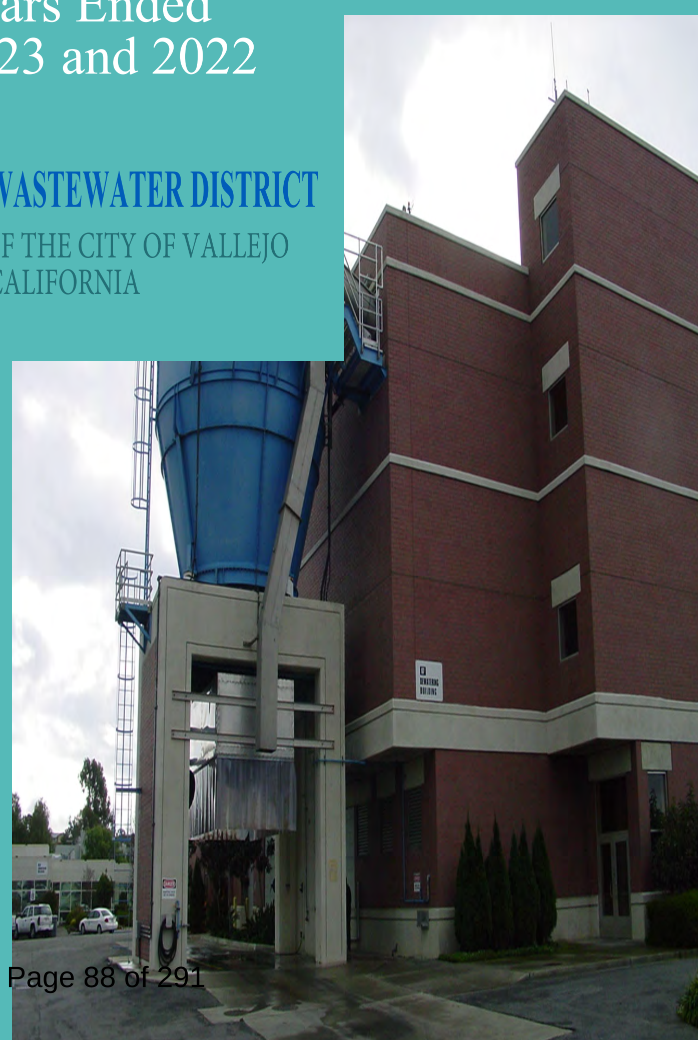
Rachelle Canones
Acting Clerk of the Board

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Years Ended
June 30, 2023 and 2022

VALLEJO FLOOD AND WASTEWATER DISTRICT

A COMPONENT UNIT OF THE CITY OF VALLEJO
VALLEJO, CALIFORNIA



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Annual Comprehensive Financial Report
For the Vallejo Flood and Wastewater District
A Component Unit of the City of Vallejo, California

Fiscal Years Ending June 30, 2023 and 2022

Prepared by the Finance Department
Vallejo Flood and Wastewater District

Jasmine Herber, Accountant
Olivia Ruiz, Finance Manager
Jeff Tucker, Director of Finance/Treasurer

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
JUNE 30, 2023 AND 2022

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VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
JUNE 30, 2023 AND 2022

TABLE OF CONTENTS (CONTINUED)

Introductory Section

VAC-CON

(707) 644-8949 (Admin)
(707) 644-8976 (Billing)
www.VallejoWastewater.org
450 Ryder Street
Vallejo, CA 94590

Letter of Transmittal

Board of Trustees
Vallejo Flood and Wastewater District
December 1, 2023

Management of the Vallejo Flood and Wastewater District (VFWD), a component unit of the City of Vallejo, has prepared this Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023, with comparative information for June 30, 2022. This document, which contains a complete set of basic financial statements, is presented in accordance with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants.

This report contains management's representations concerning the finances of the District. Management assumes full responsibility for the completeness and reliability of the information contained in the report, including estimates and judgments made by management. To provide a reasonable basis for making these representations, VFWD management has established a comprehensive framework of internal controls. These controls are designed to protect the District's assets from loss, theft, or misuse, and to ensure sufficiently reliable information for the preparation of the District's basic financial statements in accordance with GAAP. The District's internal controls have been designed to provide appropriate assurance that the basic financial statements will be free from material misstatement. However, one inherent limitation of internal control is that a certain degree of risk will always be unavoidable because of cost/benefit considerations.

California statutes and District bond covenants require that VFWD annually report on its financial position and results of operations, and that this report be audited by independent certified public accountants. MUN CPAs, LLP performed the audit. The goal of the independent audit was to provide reasonable assurance that the financial statements for the fiscal year ended June 30, 2023 are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The auditor rendered an unmodified opinion that the District's basic financial statements are fairly presented in conformity with GAAP.

(707) 644-8949 (Admin)
(707) 644-8976 (Billing)
www.VallejoWastewater.org
450 Ryder Street
Vallejo, CA 94590

A profile of the District is presented in this Introductory Section. In the Financial Section, Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Melissa Morton
District Manager

Jeff Tucker
Director of Finance/Treasurer

DISTRICT PROFILE

Mission
Our mission is to make Vallejo a healthy place to live and work. We do this by keeping the City's wastewater and stormwater free from pollution.

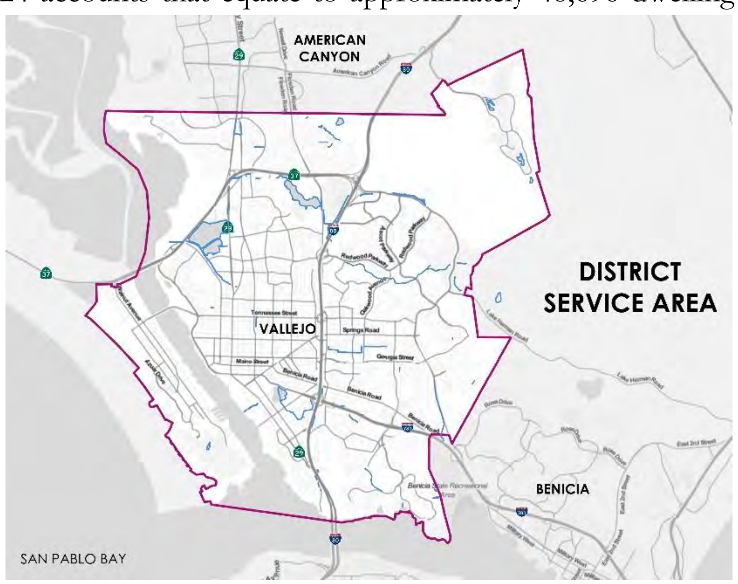
Vision
The Vallejo Flood and Wastewater District will continue to be a model of customer service, environmental sensitivity, innovation and regional cooperation.

Values
Honesty and Integrity ♦ Responsible Stewardship of Public Facilities and Funds ♦ Excellent Customer Service ♦ Protection of the Environment ♦ Innovation and Initiative ♦ A Good Work Environment

District Overview
Located in southern-most Solano County along the northeast interior of the San Pablo Bay, the Vallejo Flood and Wastewater District (VFWD or District) is a special district created by an Act of the California State Legislature in 1952. The District serves the City of Vallejo and adjacent unincorporated County areas. VFWD's net overall service area covers approximately thirty-six square miles.

VFWD provides uninterrupted wastewater collection, treatment and disposal as well as storm water pollution control and conveyance services, 24-hours a day, to all customers within its boundary. The District operates and maintains 395 miles of sewer main and 217 miles of storm water main and channel, 30 wastewater lift stations together with 9 storm water pump stations, a secondary treatment wastewater treatment plant, and manages biosolids disposal through District owned land on Tubbs Island in Sonoma County. The District makes beneficial use of its biosolids by providing farming fertilizer for crops used as silage. The District also protects land and inhabitants from flood damage through the operation and maintenance of its storm drainage systems. Several of the storm drainage basins drain into Lake Dalwigk, a District owned storage facility that appeals aesthetically with its park setting and provides marsh habitat for salamanders, frogs, grasses, birds and other ecologically compatible wildlife.

Public Services
The District services approximately 37,724 accounts that equate to approximately 48,696 dwelling units. Dwelling units exceed accounts due to multi-residential apartments and mobile home parks. VFWD's service area is predominantly residential with 1,416 commercial accounts attributed to low strength commercial establishments and professional offices. The District does not contain any large industrial users; however, there are several significant dischargers such as Six Flags Discovery Kingdom, hospitals, and certain high density residential customers.



District Governance and Financial Structure

The District is governed by an eight-member Board of Trustees, composed of the seven members of the Vallejo City Council and one member from the Solano County Board of Supervisors. Accordingly, the District is a component unit of the City of Vallejo under accounting rules but is a separate legal entity. The Board sets policy for the District and appoints the District Manager and Treasurer who serve at the pleasure of the Board. The District Manager is the chief executive officer responsible for the District's day-to-day operations in accordance with Board policies, approved budget and legal and regulatory compliance. The Treasurer is charged with cash and investment management in accordance with California law, policy, and general direction.

The Board of Trustees approves the District's audit and budget, and certain financial information must also be submitted to the State Controller's Office as well as the County of Solano. In addition to financial accountability, the District is also subject to other forms of accountability such as open meeting laws established by California's Ralph M. Brown Act and the California Public Records Act. Citizens are welcome and encouraged to attend meetings, ask questions and voice opinions.

The District is organized into several departments: Administration, Human Resources/Safety and Risk Management, Finance, Engineering, Field Operations, Plant Operations, and Environmental Services. Some department are broken down further into divisions. Each department is headed by a Department Director who reports directly to the District Manager, and each director is responsible for operating and capital expenses within her or his department. There are also three funds within the District (Wastewater, Stormwater, and Upper Lateral), with oversight and controls in place to ensure that the restricted fee-based revenues within each fund are spent only on appropriate and related expenses.

Biennially, the Board adopts a user-fee based budget to serve as the approved financial plan. The District utilizes wastewater, upper lateral, and storm drainage fee ordinances to authorize rates required to fund the District's operations and capital programs with resolutions approving the specific rates in effect. The budget is used as a key control device (1) to ensure Board approval for amounts set for operations and capital projects, (2) to monitor expenses and project progress and (3) as compliance that approved spending levels have not been exceeded. All operating and capital activities of the District are included within the approved budget, and project financial plans are adopted for all capital projects.

Financial policy supports the fiduciary responsibility of proper safekeeping and custody of assets. Financial management must follow various requirements set forth by law, accounting principles, ordinance, regulatory agencies, and covenants. The District utilizes six financial related programs for the administration of operating goals and objectives, as summarized below. Each of these programs plays an integral role in connection with the financial operations of the District.

Cash and Investments Management

The District revised its Investment Policy in June 2021 and partners with an Independent Investment Advisor to develop a more comprehensive strategy around the three foundational principles of safety, liquidity and yield. Billing annual service charges as assessments on the Solano County Tax Roll, and administered under a Teeter plan (a program to ensure 100% collection of assessments), improves cash collections and cash liquidity projections.

Utility Billing and Customer Service

The District bills its customers for wastewater, upper lateral and storm drainage services directly to the property owner of record as an assessment on the Solano County Secured Property Tax Statement. The customer service program's objective is to help customers understand this billing system through efficient, timely, and consistent interactions.

Capital Assets and Debt Management

The management, operation and maintenance of wastewater collection, wastewater treatment and storm water conveyance system is a capital intensive endeavor. The District inventories capital assets and performs condition assessments which drive the development of the Capital Improvement Plan (CIP). The CIP is a ten-year rolling plan focused on capital projects and significant equipment, in compliance with Budget and Capital Outlay policies adopted in April 2021. Though the District's debt burden is not considered high for a public utility, the District's preferred method is to finance capital projects on a pay-as-you-go basis, and use debt financing only for new and very large projects. Debt policies were updated in April 2020 and provide debt-related guidance to staff and the Board.

Purchasing

The District has a purchasing program, managed under the framework of purchasing policies last updated in September 2020, that guides procurement activities in conformance with all applicable laws, rules, and regulations, and with the highest ethical standards of business conduct. The District will contract for the purchase, rent or lease of materials, supplies and equipment, and secure services for the District's use with the objective that such goods and services will be available at the proper time, in the proper place, and in quantity, quality, and price so as to receive maximum value; and, to maintain inventories of goods at minimum levels consistent with user department's needs to allow for maximum conservation of District funds.

Financial Reporting

The District issues an Annual Comprehensive Financial Report (ACFR) prepared in accordance with Generally Accepted Accounting Principles and audited by an independent firm of certified public accountants in accordance with Generally Accepted Auditing Standards. The report is submitted to the Board of Trustees for review and approval. The ACFR is prepared in three sections: introductory, financial, and statistical. Responsibility for all disclosures rests with management of VFWD. The report is available no earlier than the date of the auditor's opinion and no later than December 31st of each year.

In addition to annual audited financial statements, the District has various other financial reporting requirements monthly, quarterly, and annually. The District also prepares a Popular Annual Financial Report based on the ACFR.

Cooperative Efforts

The District participates in significant cooperative efforts with the City of Vallejo, Solano County public agencies, and utilities when common needs arise. Examples include participation with City programs for street sweeping and odor control, and certain animal control in unincorporated areas. The District works in conjunction with the Solano County Disaster Council, a coalition of Solano County

safety personnel, to adequately prepare and respond in the event of an emergency. The District also participates in joint training efforts with the greater area for emergency response and safety.

Financial Condition

The information presented in the Financial Section is perhaps best understood in the context of the economic environment in which VFWD operates and the strategic direction which VFWD has chosen to take, as discussed below.

Local Economy

Solano County is centrally located between San Francisco and Sacramento, on Interstate 80. The Sacramento River, San Pablo and Suisun Bays, and the Carquinez Strait are the vital water transportation arteries that surround and serve the County. The County encompasses approximately 910 square miles consisting of 830 square miles of land and 80 square miles of water. Approximately 128 square miles of the county, or 14 percent of the total land area, lies within seven incorporated cities of Benicia, Dixon, Fairfield, Rio Vista, Suisun City, Vacaville, and Vallejo. Ninety-five percent of the County's residents live within the seven cities. The County has a rich history as both the cities of Vallejo and Benicia have served as California's state capital during the 1850's.

The County supports diversification of the local economy so that many activities contribute to the County's prosperity and offer opportunities for residents to meet their needs.

The City of Vallejo is home to a popular ferry terminal providing transportation into downtown San Francisco. Predominantly a residential community, Vallejo's housing prices are extremely competitive with the surrounding larger metropolitan centers, although approximately 45% of the city of Vallejo residents are renters. The median household income is $78,243, compared to the State of California at $84,097. The city has a higher high school degree attainment rate than the state as a whole (87.8% compared to 84.2%), but a lower 4-year college degree attainment rate (27.4% to 35.3%) (US Census, 2022 data).

Impacts of Coronavirus Pandemic

Prior to the Coronavirus pandemic, the City of Vallejo economy was showing signs of continued gains with a stabilized revenue base, modest growth, and employment rates, property tax and sales tax revenues increasing.

The pandemic and the accompanying response have impacted the community of Vallejo similarly to other cities in California and the nation as a whole. However, the specific long-term impacts to the District are still unknown at this time. The overall flow and loading to the wastewater treatment plant has seen neither a noticeable increase nor decrease. Because utility fees are collected as property assessments, there has not been any appreciable impact to collection rates. To date, the most significant impact to the District has been to pension-related liabilities and investment income. It remains to be seen if and how the economic changes due to the Coronavirus pandemic will significantly impact the long-term financial condition of the District.

Awards and Acknowledgements

Awards

The District is the recipient of many awards of excellence at the local, state and national levels for maintaining an efficient, well run operation. These awards have been received from the local chapter of the California Water Environment Association (CWEA), the state CWEA, the national Water Environment Federation, and the National Association of Clean Water Agencies (NACWA). Awards received typically are for plant of the year, collection system of the year, Burke award for safety, excellence in management recognition, and awards for individual achievements. The District has been awarded the Distinguished Budget Presentation Award and the Popular Annual Financial Reporting Award from the Government Finance Officers Association of the United States and Canada. The VFWD Investment Policies have also been awarded a certification from the California Municipal Treasurers Association.

For the fiscal year ended June 30, 2022, the District received the Certificate of Achievement for Excellence in Financial Reporting for its Annual Comprehensive Financial Report from the Government Finance Officers Association of the United States and Canada. Staff believes the current Report for fiscal year end June 30, 2023 conforms to Certificate of Achievement program requirements and has submitted it for award.

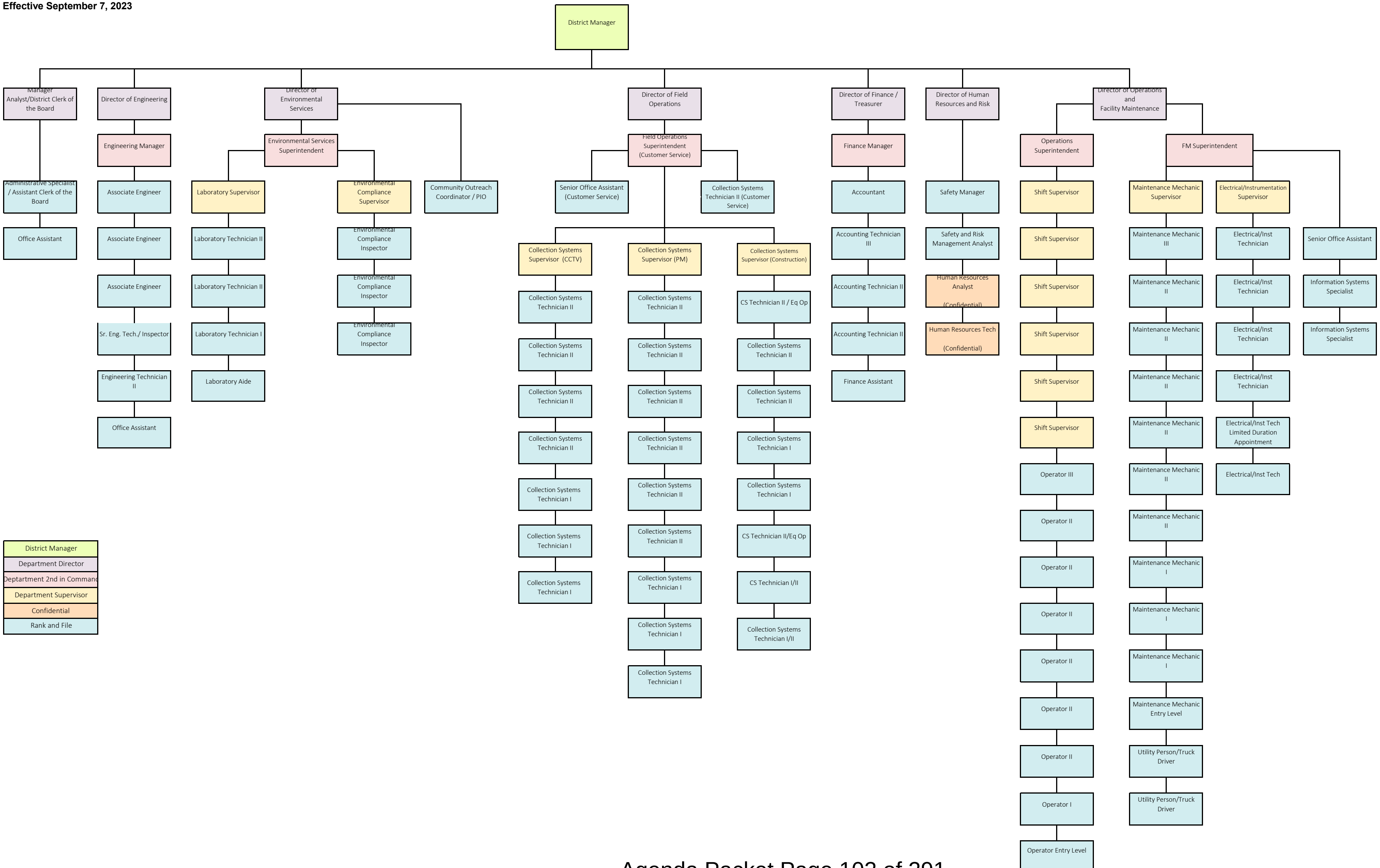
Acknowledgments

In submitting this Annual Comprehensive Financial Report, sincere appreciation is expressed to the Trustees of VFWD for their support and the members of all of the District departments that provided information for this report. The Finance Department would like to thank MUN CPAs for their professional guidance and audit services.

The District would like to express special thanks to the following for their commitment to financial accountability and transparency, and for all their contributions made during the preparation of this report. Without their tireless efforts, this ACFR would not be possible:

Jeff Tucker, Director of Finance/Treasurer ♦ Olivia Ruiz, Finance Manager
Jasmine Herber, Accountant ♦ Giselle Relado, Accounting Technician
Jennifer Diniz, Accounting Technician ♦ David Jones, Accounting Technician
Ines Fulgencio, Finance Assistant

Vallejo Flood Wastewater District
Organization Chart without Employee Names
Effective September 7, 2023



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Vallejo Flood and Wastewater District California

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

June 30, 2022

Christopher P. Morrill

Executive Director/CEO

Financial Section

MUN CPAs, LLP

GLENDALE • ROSEVILLE • SACRAMENTO • NEVADA • KAUAI, HAWAII

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Vallejo Flood and Wastewater District
Vallejo, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and each major fund of Vallejo Flood and Wastewater District, a component unit of City of Vallejo, as of and for the years ended June 30, 2023 and June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of Vallejo Flood and Wastewater District, as of June 30, 2023 and June 30, 2022, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Vallejo Flood and Wastewater District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in Notes 1 and 15 to the financial statements, in 2023, Vallejo Flood and Wastewater District adopted new accounting guidance, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Vallejo Flood and Wastewater District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

SACRAMENTO OFFICE • 1760 CREEKSIDE OAKS WAY, SUITE 160 • SACRAMENTO, CA 95833 • O. 916.929.0540 • F. 916.929.0541
WWW.MUNCPAS.COM

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud my involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Vallejo Flood and Wastewater District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Vallejo Flood and Wastewater District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension related schedules, and OPEB related schedules as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2023, on our consideration of Vallejo Flood and Wastewater District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Vallejo Flood and Wastewater District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Vallejo Flood and Wastewater District's internal control over financial reporting and compliance.

MUN CPAs, LLP

Sacramento, California
December 1, 2023

Management's Discussion and Analysis

General

The following overview of the financial activities of the Vallejo Flood and Wastewater District summarizes changes in the District's basic financial statements. Basic financial statements consist of the Statements of Net Position, Statements of Revenues and Expenses and Changes in Net Position, Statements of Cash Flows and Notes to Basic Financial Statements. The main purpose of these statements is to provide the reader with sufficient information to assess whether or not the District's overall financial position has improved or deteriorated. Increases or decreases in net position over time are an indicator of the District's overall financial health and should be considered together with management's short and long-term plans for prospectively financing programs and services. The statistical section of this report contains a table of changes in net position presented on a ten-year basis.

The Statements of Net Position include all District assets and liabilities and deferred inflows-outflows of resources and provide information about the nature and amounts of investments in resources (assets) and obligations to creditors (liabilities). These Statements provide data for calculating analytical review measures such as rate of return, capital structure, and liquidity. Revenues and expenses are accounted for in the Statements of Revenues and Expenses and Changes in Net Position. These statements measure the success of District operations for the year and determine cost recovery through user fees and other charges, sustainability, and credit worthiness. Lastly, the Statements of Cash Flows provide information about District cash receipts and disbursements and net changes in cash that result from operating activities, non-capital financing activities, capital financing activities and investing activities.

The format of the District's financial statements is in accordance with business-type activities known as enterprise funds. Enterprise funds are self-supporting funds that charge fees to users to cover the costs of operation, maintenance and recurring capital replacement (OM&R) similar to the accounting used by private sector companies. Enterprise funds report on the accrual basis of accounting recognizing all assets, liabilities, deferred inflows-outflows of resources, and revenues and expenses applicable as of the financial statement date. Although the District separately issues its own financial report, the District is a component unit of the City of Vallejo by nature of the composition of the Board. Accordingly, the governing body of the District, the Board of Trustees, is substantively the same as the governing body of the primary government, the Vallejo City Council of the City of Vallejo.

Changes in Net Position

The following table of Consolidated Statements of Net Position provides a comparison of net position for fiscal year 2022-23 and fiscal year 2021-22. Net position for Fiscal Year 2022-23 increased in total by $9,129,172, or 5.2% from prior year.

In FY 2022-23, current and other assets increased $4,702,171, or 8.8%, over the prior year. Pooled cash and investments increased $3,070,970. Current assets include receivable for a loan drawdown from California State Water Resources Control Board of $3,519,407. The net increase in capital assets was $1,294,034. Increases in capital assets were primarily due to the completion of several collection systems projects and subscriptions assets.

Condensed Statement of Net Position Description	Fiscal Year Ended 6/30/2023	Fiscal Year Ended 6/30/2022	Amount Increase (Decrease)	Percent Increase (Decrease)
Current and other assets	$ 57,923,921	$ 53,221,750	$ 4,702,171	8.8%
Capital assets - net	193,546,054	192,252,020	1,294,034	0.7%
Total assets	251,469,975	245,473,770	5,996,205	2.4%
Deferred outlflows of resources	16,917,012	10,608,928	6,308,084	59.5%
Long-term debt - net	31,313,725	30,229,417	1,084,308	3.6%
Other liabilities	45,731,893	33,185,202	12,546,691	37.8%
Total liabilities	77,045,618	63,414,619	13,630,999	21.5%
Deferred inflows of resources	5,220,150	15,676,032	(10,455,882)	-66.7%
Investment in capital assets	162,990,387	162,918,336	72,051	0.0%
Restricted for capital improvements	25,256,263	21,428,265	3,827,998	17.9%
Restricted for debt service	1,534,122	1,487,666	46,456	3.1%
Unrestricted	(3,659,553)	(8,842,220)	5,182,667	58.6%
Total net position	$ 186,121,219	$ 176,992,047	$ 9,129,172	5.2%

Increase in long-term debt of $1,084,308 was due to the annual addition of new SRF debt offset by timely payments of debts. The Other liabilities category increased total liabilities by $12,546,691 due primarily to an increase in net pension liability resulting from differences between projected and actual investment earnings.

Deferred outflows of resources increased $6,308,084 primarily due to pension-related changes. Deferred inflows of resources decreased $10,455,882 primarily due to changes in net difference between projected and actual earnings on pension plan investments.

Increase in net position restricted for capital improvements, $3,827,998, was due to an increase in connection fee revenue net of eligible capital expenses, interest earnings, and changes in investment values attributed to these balances.

Looking at a fund perspective, the increase in net position in the current fiscal year was most notable in the Unrestricted Net Position in the Wastewater Fund, where the net position improved from ($15,557,548) to ($10,016,462). These negative Unrestricted Net Positions are due to the implementation of GASB Accounting and Financial Reporting requirements for pensions and OPEB which require full reporting of the pension and OPEB liabilities on the financial statements. There were other notable increases in Net Position in Restricted for capital improvements in the Wastewater Fund, $1,557,713, and Stormwater Fund, $2,270,285.

The following table of Consolidated Statements of Net Position continues the comparison of net position. Net position for Fiscal Year 2021-22 decreased in total by ($921,055) from the previous fiscal year.

Condensed Statement of Net Position Description	Fiscal Year Ended 6/30/2022	Fiscal Year Ended 6/30/2021	Amount Increase (Decrease)	Percent Increase (Decrease)
Current and other assets	$ 53,221,750	$ 47,859,816	$ 5,361,934	11.2%
Capital assets - net	192,252,020	194,486,289	(2,234,269)	-1.1%
Total assets	245,473,770	242,346,105	3,127,665	1.3%
Deferred outlflows of resources	10,608,928	10,741,181	(132,253)	-1.2%
Long-term debt - net	30,229,417	30,771,624	(542,207)	-1.8%
Other liabilities	33,181,769	41,118,280	(7,936,511)	-19.3%
Total liabilities	63,414,619	71,889,904	(8,475,285)	-11.8%
Deferred inflows of resources	15,676,032	3,284,280	12,391,752	377.3%
Investment in capital assets	162,918,336	164,597,367	(1,679,031)	-1.0%
Restricted for capital improvements	21,428,265	20,790,891	637,374	3.1%
Restricted for debt service	1,487,666	1,492,101	(4,435)	-0.3%
Unrestricted	(8,842,220)	(8,967,257)	125,037	1.4%
Total net position	$ 176,992,047	$ 177,913,102	$ (921,055)	-0.5%

Current assets in FY 2021-22 increased $5,361,934 or 11.2% over prior year. Pooled cash and investments increased $5,882,112. Current assets include receivables for a loan drawdown from the California State Water Resources Control Board of $2,025,735. The net decrease in capital assets was $2,234,269. Increases in capital assets were offset by retirement and depreciation expenses for the fiscal year.

Reductions of $542,207 in Long-term debt is due to consistent timely payments of existing debt, with annual reductions greater than the annual addition of new SRF debt. Total Other liabilities decreased by $7,936,511 due primarily to changes in net liability for pension and OPEB resulting from differences between projected and actual investment earnings.

Deferred outflows of resources decreased $132,253 primarily due to an increase related to pension-related changes. Deferred inflows of resources increased $12,391,752 primarily due to significant increases in net difference between projected and actual earnings on plan investments.

Results of Operations

Condensed Statement of Revenues, Expenses and Changes in Net Position

Description	Fiscal Year Ended 6/30/2023	Fiscal Year Ended 6/30/2022	Amount Increase (Decrease)	Percent Increase (Decrease)
Service charges	42,927,480	42,262,119	665,361	1.6%
Other operating revenues	81,350	99,663	(18,313)	-18.4%
Property taxes	1,465,897	1,363,915	101,982	7.5%
Interest and investment income	861,134	(624,765)	1,485,899	237.8%
Other non-operating revenues (expenses)	509,473	344,063	165,410	48.1%
Total revenues	45,845,334	43,444,995	2,400,339	5.5%
Salaries and benefits	14,567,502	24,596,715	(10,029,213)	-40.8%
Operations materials, supplies and services	7,777,403	6,474,234	1,303,169	20.1%
Depreciation and amortization	8,950,356	9,014,349	(63,993)	-0.7%
Utilities and telephone	3,108,315	2,288,111	820,204	35.8%
General and administrative	2,509,310	2,203,747	305,563	13.9%
Interest expense	1,148,718	1,242,577	(93,859)	-7.6%
Total expenses	38,061,604	45,819,733	(7,758,129)	-16.9%
Income before capital contributions	7,783,730	(2,374,738)	10,158,468	427.8%
Connection fee revenue	1,127,514	1,278,915	(151,401)	-11.8%
Capital contributions received	217,928	940,601	(722,673)	-76.8%
Increase (decrease) in net position	9,129,172	(155,222)	9,284,394	5981.4%
Net position - beg of year, restated	176,992,047	177,913,102	(921,055)	-0.5%
Change in accounting princple	-	(395,899)	395,899	-100.0%
Prior period adjustment	-	(369,934)	369,934	-100.0%
Net position - end of year	186,121,219	176,992,047	9,129,172	5.2%

Service charges increased in the 2022-23 fiscal year as a result of the Board of Trustees approved wastewater fee increase of 3.0% offset by decreased fee revenue collected from non-residential customers. Interest and investment income increased $1,485,899 (237.8%) as the investment environment during the fiscal year resulted in higher investment earnings, while the investments purchased at low yields experienced a decrease in market value due to an investment environment of increased yields. The net was an increase in interest and investment income.

Salary and benefit expense in the current fiscal year experienced a 40.8% decrease, which is the net of a 5.25% cost of living increase on July 1, 2022, and the recording of negative $2,279,446 in pension expense as required under GASB 68 (compared to an increase of $8,066,478 in FY 2021-22). Operations materials, supplies and services increased by 20.1%, and utilities and telephone increased by 35.8% due primarily to the impact of inflation that impacted the overall economy during the fiscal year. Overall, total expenses decreased by $7,758,129 or 16.9%, as the increases in salaries and benefits paid to employees, operating materials, supplies and services, utilities, and general and administrative expenses were less than the GAAP adjustments for GASB 68.

Connection fee revenue in FY 2022-23 was down 11.8%, along with decreases in contributed capital (76.8%). The net position in FY 2022-23 increased $9,129,172 and resulted in a 5.2% increase in Net Position for the year.

Condensed Statement of Revenues, Expenses and Changes in Net Position

Description	Fiscal Year Ended 6/30/2022	Fiscal Year Ended 6/30/2021	Amount Increase (Decrease)	Percent Increase (Decrease)
Service charges	$ 42,262,119	$ 39,446,883	$ 2,815,236	7.1%
Other operating revenues	99,663	40,794	58,869	144.3%
Property taxes	1,363,915	1,303,856	60,059	4.6%
Interest and investment income	(624,765)	81,822	(706,587)	-863.6%
Other non-operating revenues (expenses)	344,063	408,309	(64,246)	-15.7%
Total revenues	43,444,995	41,281,664	2,163,331	5.2%
Salaries and benefits	24,596,715	19,045,797	5,550,918	29.1%
Operations materials, supplies and services	6,474,234	6,138,203	336,031	5.5%
Depreciation and amortization	9,014,349	8,716,890	297,459	3.4%
Utilities and telephone	2,288,111	1,621,255	666,856	41.1%
General and administrative	2,203,747	1,969,597	234,150	11.9%
Interest expense	1,242,577	1,323,229	(80,652)	-6.1%
Total expenses	45,819,733	38,814,971	7,004,762	18.0%
Income before capital contributions	(2,374,738)	2,466,693	(4,841,431)	-196.3%
Connection fee revenue	1,278,915	179,457	1,099,458	612.7%
Capital contributions received	940,601	2,051,309	(1,110,708)	-54.1%
Increase (decrease) in net position	(155,222)	4,697,459	(4,852,681)	-103.3%
Net position - beg of year, restated	177,913,102	173,207,342	4,705,760	2.7%
Change in accounting princple	(395,899)	-	(395,899)	100.0%
Prior period adjustment	(369,934)	-	(369,934)	100.0%
Net position - end of year	$ 176,992,047	$ 177,904,801	$ (912,754)	-0.5%

Service charges increased in the 2021-22 fiscal year as a result of the Board of Trustees approved wastewater fee increase of 4.5% and increased fee revenue from commercial customers. Interest and investment income decreased $706,587 (-863.6%) as the investment environment during the fiscal year resulted in lower investment valuations. The investments purchased at low yields experienced a decrease in market value due to an investment environment of increasing yields. This equates to a lower market value compared to book value and is recorded as a loss of investment income.

Salary and benefit expense in the current fiscal year experienced a 29.1% increase, in line with expectations after a 4.05% cost of living increase on July 1, 2021, and the recording of $8,066,478 in pension expense as required under GASB 68 (compared to $3,887,611 in FY 2020-21). Operations materials, supplies and services increased by 5.5%, and utilities and telephone increased by 41.1% due primarily to the impact of inflation that impacted the overall economy during the fiscal year. Overall, total expenses increased by $7,004,762 or 18.0%.

Connection fee revenue increases in FY 2021-22 offset some of the increases in total expenses, as more fees were collected and development projects were completed, allowing the District to convert the fees from liabilities to revenue.

The net position in FY 2021-22, after adjusting for changes in accounting principles and a prior period adjustment, decreased $912,754, or 0.5%. In addition to the items noted above, the change in net position was also impacted by lower capital contributions received in FY 2021-22 compared to the prior year.

Capital Assets and Debt Administration (Notes 3 and 6, respectively)
The District maintains an ongoing capital improvement program which significantly impacts the District's budgets and rate-setting. The 10-year Capital Improvement Plan (CIP) is updated every two years, concurrent with the biennial budget adoption. The CIP sets forth a series of projects to upgrade and replace aging District

sewer systems with emphasis on sewer main and treatment equipment rehabilitation, inflow and infiltration reduction, and the elimination of sewer overflows.

The total program annual budgeted amounts are approximately $29.6 million (FY23) and $20 million (FY22), financed from rates and capital reserves using the “pay-as-you-go” method, with the exception of SRF loan financing for the MIPS project and state grant funding for the Trash Capture project. During the years presented, the District completed and placed into service projects and various capital assets. While Total Capital Assets increased $9,369,923, Total Capital Assets net of accumulated depreciation increased only $554,650 in FY 2022-23. This follows a decrease of $2,205,118 in the prior fiscal year.

	Fiscal Year Ended		Increase/
Description	June 30, 2023	June 30, 2022	(Decrease)
Land and land improvements	$ 2,810,716	$ 2,810,716	$ -
Construction in progress	19,162,173	21,810,765	(2,648,592)
Treatment plant & facilities	142,757,787	141,073,348	1,684,439
Pump stations	45,204,413	45,174,207	30,206
Collection/trans systems	188,339,828	178,931,585	9,408,243
Buildings and improvements	4,607,533	3,868,149	-
Machinery and equipment	13,789,517	13,675,807	113,710
Right-to-use-lease assets	2,058,577	1,923,495	135,082
Subscription assets	904,272	122,354	781,918
Total Capital Assets	419,634,816	409,390,426	9,505,006
Accumulated Depreciation/Amortization	(226,088,762)	(217,138,406)	(8,950,356)
Total Capital Assets - Net	$ 193,546,054	$ 192,252,020	$ 554,650

	Fiscal Year Ended		Increase/
Description	June 30, 2022	June 30, 2021	(Decrease)
Land and land improvements	$ 2,810,716	$ 2,810,716	$ -
Construction in progress	21,810,765	16,643,934	5,166,831
Treatment plant & facilities	141,073,348	140,314,142	759,206
Pump stations	45,174,207	44,894,655	279,552
Collection/trans systems	178,931,585	178,795,784	135,801
Buildings and improvements	3,868,149	3,868,149	-
Machinery and equipment	13,675,807	13,773,155	(97,348)
Right-to-use-lease assets	1,923,495	1,666,889	256,606
Subscription assets	122,354	-	122,354
Total Capital Assets	409,390,426	402,767,424	6,623,002
Accumulated Depreciation/Amortization	(217,138,406)	(208,310,286)	(8,828,120)
Total Capital Assets - Net	$ 192,252,020	$ 194,457,138	$ (2,205,118)

Some of the more significant capital assets placed in service and construction in progress in FY 2022-23 included:

Project		Cost
Mare Island Pump Station (MIPS)	$	3,513,944
Sears Point Pump Station/Mechanical Rehab		2,511,864
2022 Sewer Rehab		1,341,570
Secondary Clarifiers		1,227,599
Solids Buiding Fire Alarm System		252,027
Total	$	8,847,004

Some of the more significant capital assets placed in service and construction in progress the prior fiscal year included:

Project	Cost
2021 Sewer Rehabilitation – Meadows	1,565,993
Mare Island Pump Station (MIPS)	950,818
Collection System Master Plan	509,744
New Bedford Sanitary Sewer Pump Station	356,471
Solids Building Fire Alarm System	338,762
Total	3,721,788

Long-term debt net of premium (discount) is as follows:

Description	Fiscal Year Ended June 30, 2023	Fiscal Year Ended June 30, 2022	Amount Increase (Decrease)	Percent Increase (Decrease)
2014 Revenue bonds - net	$ 23,782,394	$ 25,106,347	$ (1,323,953)	-5.3%
2011 Revenue bonds - net	610,002	892,729	(282,727)	-31.7%
2021 State Revolving Fund loan	5,539,131	2,025,735	3,513,396	173.4%
2008 State Revolving Fund loan	612,753	908,401	(295,648)	-32.5%
2004 State Revolving Fund loan	-	884,948	(884,948)	-100.0%
Lease Liability	346,063	335,903	10,160	3.0%
Subscription Liability	423,382	75,354	348,028	461.9%
Long term liabilities - net	$ 31,313,725	$ 30,229,417	$ 1,084,308	3.6%

Description	Fiscal Year Ended June 30, 2022	Fiscal Year Ended June 30, 2021	Amount Increase (Decrease)	Percent Increase (Decrease)
2014 Revenue bonds - net	$ 25,106,347	$ 26,380,300	$ (1,273,953)	-4.8%
2011 Revenue bonds - net	892,729	1,165,456	(272,727)	-23.4%
2021 State Revolving Fund loan	2,025,735	-	2,025,735	100.0%
2008 State Revolving Fund loan	908,401	1,197,121	(288,720)	-24.1%
2004 State Revolving Fund loan	884,948	1,748,312	(863,364)	-49.4%
Lease Liability	335,903	252,500	83,403	33.0%
Subscription Liability	75,354	-	75,354	100.0%
Long term liabilities - net	$ 30,229,417	$ 30,743,689	$ (514,272)	-1.7%

The District continues to expand, upgrade and improve the quality of its sewage collection and treatment systems to keep current with environmental regulations and the needs of its service area. The District occasionally uses debt to finance the significant costs of major upgrades to spread the costs to future as well as current residents as a way to promote intergenerational equity for improvements.

There are two issuances of bonded debt outstanding as of June 30, 2023. There are also three loans from the Clean Water State Revolving Fund.

The District issued Series 2011 Revenue Bonds to refund the Series 2001 Certificates of Participation (COPs), replacing variable-rate debt with fixed rate. The Series 2001 COPs were issued to finance the first phase of the Sanitary Sewer Overflow Elimination Program (SSOEP).

The District issued Series 2014 Revenue Bonds to refund the 2006 COPs. The Series 2006 COPs were issued to finance the construction of the Ryder Street Storage Basin and to correct a collection system bottleneck (the Calaveras / Mendocino / Mariposa sewer improvement project).

The District entered into a loan dated August 24, 2004, with the State of California's State Water Resources Control Board Clean Water State Revolving Fund program to finance an additional phase of the SSOEP project, and other improvements. The loan was defeased in fiscal year 2023.

The District entered into another State Revolving Fund loan on January 24, 2008 in the principal amount of $4,406,072 with interest at 2.4% for repayment over 20 years, to finance the construction of the Vallejo South Interceptor Conveyance Improvement Project.

The District entered into a State Revolving Fund loan with the California State Water Resources Control Board on May 9, 2022 to finance the construction of Vallejo Mare Island Pump Station 3W Effluent Bypass (MIPS) Project. The project funding amount is estimated at $50M. The District drew down $5,539,131 as of June 30, 2023. Final drawdown is expected in 2026. First payment is due one year after final drawdown and completion of the construction project, estimated to be in December 2026.

The District implemented GASB 96 – SBITA during fiscal year 2022-23. GASB 96 requires recognition of subscription-based information technology arrangement assets and liabilities that meet the reporting requirements of GASB 96.

Total principal repayment for FY 2022-23 was $3,145,841, while repayments in FY 2021-22 were $2,863,319. The above capital asset and debt administration information is summary only. See the notes to the financial statements for additional details.

Rates and Other Economic Factors

The District is governed in part by provisions of the State Water Resources Control Board which state that rate-based revenues must at minimum cover the costs of operation, maintenance and recurring capital replacement (OM&R). Additionally, the District's debt includes bond covenants that require rates and other operating revenues to exceed the annual operating and maintenance costs for the District by a determined debt coverage ratio.

Due to the collection of most of the District's operating revenues as property tax assessments, the majority of the District's revenue is insulated from the immediate impacts of economic downturns, such as was experienced with the coronavirus pandemic. However, economic downturns can still result in increased customer bankruptcies and foreclosures that can reduce utility revenues in future years. Economic downturn can also result in reduced construction activity and the associated connection fees revenue received by the District. Nonoperating revenues can also be affected, such as by declines in assessed property values that reduce property taxes, or reduction in investment returns. Accordingly, the District aims to set its rates to cover the costs of OM&R and debt financed capital improvements, taking into consideration any increments for known or anticipated programmatic or regulatory changes or impacts from the economy in general.

For the wastewater fund, the Wastewater Rate Study and Long-Term Financial Plan was completed in June 2023 with rate adjustments approved by the Board of Trustees for each of the five-fiscal years beginning July 1, 2023 to fund operations/maintenance, implement a robust capital program and establish reserves in accordance with best practices and the District's Long Term Financial Plan. The rate adjustments from FY 2023-24 through FY 2027-28 were set at 15%, 15%, 15%, 6%, and 6% respectively.

The stormwater fund's last increase to its base rate was in 1997, with an increase from $1.77 per month to $1.97 per month. After a rate study, workshops with the Citizens Advisory Committee and community outreach, the District proposed and the voters approved a restructuring of the fee, effective July 1, 2015, that retained the $1.97 monthly rate for most residential properties but increased the rates for commercial properties in an effort to become more equitable between customer classes, particularly when factors regarding runoff and pollutant loading are considered. A rate study was conducted in FY 2020-21 to determine whether an increase to the $1.97 monthly rate was necessary or justified to fund the ongoing operations, maintenance, capital replacement, reserve and cash flow requirements. In November 2021, the Board approved a plan to ask property owners to vote in April 2022 whether to increase the stormwater rates. The property owners rejected the proposed fee increase.

The upper lateral fund's rate was last adjusted in FY 2004-05, increasing from $0.69 per month to $1.38 per month. Spending in the upper lateral program is a function of customer demand. The wastewater rate study in FY 2022-23 included an evaluation of this fee. In June 2023, the Board of Trustees approved a fee increase to $1.70 per month in FY 2023-24, $2.04 per month in FY 2024-25, and $2.40 per month in FY 2025-26.

District Funding: With each budget cycle, the District begins by reviewing financial requirements for salaries & benefits, operating materials, supplies & services, debt service, insurance, and capital improvements, and balances those needs against available operating revenue, nonoperating revenue and reserves.

For Fiscal Year 2022-23, there were 37,724 customer accounts generating rate-based service charges from which the District recognized approximately $42.9 million in revenue. The District diligently pursues control of its service charges with its review of expenses, revenues, and cash reserves. The statistical section of this report contains a table of service charge rates that shows steady growth.

Property Taxes: The District receives an allocation of property taxes that amounted to approximately $1.5 million in Fiscal Year 2022-23. Foreclosures have stabilized from the 2008-09 recession, and property tax revenues for the District will remain approximately the same for the next few years unless there is a significant decrease to property assessed values. Growth in property assessed values is subject to California Proposition 13 (1978) and other restrictions.

Requests for Information

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Direct of Finance/Treasurer, Vallejo Flood and Wastewater District, 450 Ryder Street, Vallejo, CA 94590.

For questions regarding this report, contact the District at (707) 644-8949.

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATEMENT OF NET POSITION
JUNE 30, 2023

	Business-type Activities Enterprise Funds			
	Wastewater	**Storm Water**	**Upper Lateral**	**Total**
ASSETS				
Current assets				
Pooled cash and investments (Note 2)	$ 19,089,368	$ 27,830,831	$ 1,593,197	$ 48,513,396
Investments restricted for bonds (Note 2)	1,782,979	-	-	1,782,979
Receivables:				
Accounts, net of allowance	698,588	1,288,462	5,687	1,992,737
Due from other governments	3,519,407	-	-	3,519,407
Interest	170,868	221,796	9,052	401,716
Leases - current portion (Note 5)	48,604	-	-	48,604
Deposits	190	-	-	190
Prepaid expenses	420,766	341,628	2,589	764,983
Inventory	416,646	21,098	-	437,744
Total current assets	26,147,416	29,703,815	1,610,525	57,461,756
Noncurrent assets				
Capital assets:				
Non-depreciable	16,526,274	5,446,615	-	21,972,889
Depreciable, net	143,282,794	27,162,941	1,127,430	171,573,165
Total capital assets (Note 3)	159,809,068	32,609,556	1,127,430	193,546,054
Notes receivable (Note 4)	185,688	94,919	-	280,607
Leases receivable - net of current (Note 5)	171,722	-	-	171,722
Advance due from other funds (Note 9)	9,836	-	-	9,836
Total noncurrent assets	160,176,314	32,704,475	1,127,430	194,008,219
Total Assets	186,323,730	62,408,290	2,737,955	251,469,975
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amounts on refunding - revenue bonds	758,058	-	-	758,058
Deferred outflows related to pension (Note 10)	12,026,835	672,098	304,795	13,003,728
Deferred outflows related to OPEB (Note 11)	2,848,467	264,688	42,071	3,155,226
Total Deferred Outflows of Resources	15,633,360	936,786	346,866	16,917,012

See accompanying notes to the basic financial statements.

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATEMENT OF NET POSITION (continued)
JUNE 30, 2023

	Business-type Activities Enterprise Funds			
	Wastewater	**Storm Water**	**Upper Lateral**	**Total**
LIABILITIES				
Current liabilities				
Accounts payable	1,496,710	143,638	2,116	1,642,464
Accrued salaries and employee benefits	858,905	102,334	(10,365)	950,874
Retention payable	315,368	-	-	315,368
Accrued interest on long-term debt	204,514	106	61	204,681
Refundable connection deposits	732,360	29,410	-	761,770
Unearned revenue	-	1,158,720	-	1,158,720
Current portion of revenue bonds payable (Note 6)	1,475,000	-	-	1,475,000
Current portion of loans (Note 6)	302,744	-	-	302,744
Current portion of lease liability (Note 6)	115,433	7,686	1,312	124,431
Current portion of subscription liability (Note 6)	128,025	6,058	1,886	135,969
Current portion of compensated absences (Note 7)	759,296	57,649	9,561	826,506
Other current liabilities	17,600	34,918	-	52,518
Total current liabilities	6,405,955	1,540,519	4,571	7,951,045
Noncurrent liabilities				
Revenue bonds payable, net of premium (Note 6)	22,917,396	-	-	22,917,396
Loans (Note 6)	5,849,140	-	-	5,849,140
Lease liability (Note 6)	189,532	22,044	10,056	221,632
Subscription liability (Note 6)	266,504	15,161	5,748	287,413
Advance due to other funds (Note 9)	-	9,836	-	9,836
Compensated absences (Note 7)	1,138,945	86,474	14,341	1,239,760
Net pension liability (Note 10)	28,177,084	1,758,764	489,338	30,425,186
Net OPEB liability (Note 11)	7,352,413	683,209	108,588	8,144,210
Total long-term liabilities	65,891,014	2,575,488	628,071	69,094,573
Total Liabilities	72,296,969	4,116,007	632,642	77,045,618
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pension (Note 10)	2,776,294	(177,361)	103,208	2,702,141
Deferred inflows related to OPEB (Note 11)	2,080,464	193,323	30,728	2,304,515
Deferred inflows related to leases (Note 5)	213,494	-	-	213,494
Total Deferred Inflows of Resources	5,070,252	15,962	133,936	5,220,150
NET POSITION				
Net Investment in capital assets	129,323,352	32,558,607	1,108,428	162,990,387
Restricted for capital improvements	3,748,857	21,507,406	-	25,256,263
Restricted for debt service	1,534,122	-	-	1,534,122
Unrestricted	(10,016,462)	5,147,094	1,209,815	(3,659,553)
Total Net Position	$ 124,589,869	$ 59,213,107	$ 2,318,243	$ 186,121,219

See accompanying notes to the basic financial statements.

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2023

	Business-type Activities Enterprise Funds			
	Wastewater	**Storm Water**	**Upper Lateral**	**Total**
OPERATING REVENUES				
Service charges	$ 40,240,110	$ 1,868,910	$ 818,460	$ 42,927,480
Other operating revenue	79,006	1,889	455	81,350
Total operating revenues	40,319,116	1,870,799	818,915	43,008,830
OPERATING EXPENSES				
Salaries and benefits	13,114,478	1,286,791	166,233	14,567,502
Operations materials, supplies, and services	6,831,201	728,985	217,217	7,777,403
Depreciation and amortization	7,757,297	1,153,408	39,651	8,950,356
Utilities and telephone	3,033,020	75,295	-	3,108,315
General and administrative	2,224,400	257,123	27,787	2,509,310
Total operating expenses	32,960,396	3,501,602	450,888	36,912,886
Operating income (loss)	7,358,720	(1,630,803)	368,027	6,095,944
NONOPERATING REVENUE (EXPENSE)				
Property taxes	114,175	1,351,722	-	1,465,897
Interest and other investment income	449,794	382,830	28,510	861,134
Interest expense	(1,146,584)	(1,850)	(284)	(1,148,718)
Other nonoperating revenue (Note 8)	509,473	-	-	509,473
Total nonoperating revenue (expense)	(73,142)	1,732,702	28,226	1,687,786
Income before contributions	7,285,578	101,899	396,253	7,783,730
Connection fee revenue	828,427	299,087	-	1,127,514
Capital grants and contributions	-	217,928	-	217,928
Total Contributions	828,427	517,015	-	1,345,442
Increase in net position	8,114,005	618,914	396,253	9,129,172
NET POSITION, BEGINNING OF YEAR	116,475,864	58,594,193	1,921,990	176,992,047
NET POSITION, END OF YEAR	$ 124,589,869	$ 59,213,107	$ 2,318,243	$ 186,121,219

See accompanying notes to the basic financial statements.

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

	Business-type Activities Enterprise Funds			
	Wastewater	**Storm Water**	**Upper Lateral**	**Total**
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from user charges	$ 40,086,388	$ 2,995,471	$ 818,558	$ 43,900,417
Paid for employee salaries and benefits	(18,713,874)	(1,629,251)	(331,832)	(20,674,957)
Payments to utilities	(3,033,020)	(75,295)	-	(3,108,315)
Payments to contractual/professional services	(6,831,201)	(728,985)	(217,217)	(7,777,403)
Payments to vendors and suppliers	(2,035,043)	(117,740)	(29,277)	(2,182,060)
NET CASH PROVIDED BY OPERATING ACTIVITIES	9,473,250	444,200	240,232	10,157,682
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Interfund loan repayments made	(382,016)	-	-	(382,016)
Interfund loan repayments received	-	382,016	-	382,016
Property taxes received	114,175	1,351,722	-	1,465,897
Tubbs Island share crop	421,895	-	-	421,895
Radio station site lease	47,168	-	-	47,168
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	201,222	1,733,738	-	1,934,960
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Connection fees received	1,542,667	307,947	-	1,850,614
Capital contributions	-	494,662	210	494,872
Acquisition of capital assets	(9,265,309)	(168,872)	(93,456)	(9,527,637)
Principal payments on long-term debt	(3,111,809)	(23,976)	(10,056)	(3,145,841)
Interest paid on long-term debt	(1,101,231)	(1,744)	(223)	(1,103,198)
Loan proceeds	2,080,753	-	-	2,080,753
NET CASH PROVIDED BY (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES	(9,854,929)	608,017	(103,525)	(9,350,437)
CASH FLOWS FROM INVESTING ACTIVITIES				
Issuance of note	(15,078)	-	-	(15,078)
Interest income	383,028	234,205	21,923	639,156
NET CASH PROVIDED BY INVESTING ACTIVITIES	367,950	234,205	21,923	624,078
NET INCREASE IN CASH AND CASH EQUIVALENTS	187,493	3,020,160	158,630	3,366,283

See accompanying notes to the basic financial statements.

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATEMENT OF CASH FLOWS (continued)
FOR THE YEAR ENDED JUNE 30, 2023

	Business-type Activities Enterprise Funds			
	Wastewater	**Storm Water**	**Upper Lateral**	**Total**
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	20,684,854	24,810,671	1,434,567	46,930,092
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 20,872,347	$ 27,830,831	$ 1,593,197	$ 50,296,375
Cash and Cash Equivalents Reconciliation:				
Pooled cash and investments	$ 19,089,368	$ 27,830,831	$ 1,593,197	$ 48,513,396
Investments restricted	1,782,979	-	-	1,782,979
TOTAL CASH AND CASH EQUIVALENTS	$ 20,872,347	$ 27,830,831	$ 1,593,197	$ 50,296,375
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating income (loss)	$ 7,358,720	$ (1,630,803)	$ 368,027	$ 6,095,944
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation and amortization	7,757,297	1,153,408	39,651	8,950,356
Non-operating miscellaneous revenue	40,410	-	-	40,410
(Increase) decrease in:				
Accounts receivable	(270,235)	(34,048)	(357)	(304,640)
Deposits	176	-	-	176
Inventory and prepaid expenses	(47,917)	1,382	(1,777)	(48,312)
Leases receivable	(2,903)	-	-	(2,903)
Increase (decrease) in:				
Accounts payable	9,708	103,083	287	113,078
Salaries and employee benefits	(196,919)	2,851	(21,791)	(215,859)
Retention payable	210,587	-	-	210,587
Other current liabilities	16,803	34,918	-	51,721
Unearned revenue	-	1,158,720	-	1,158,720
Compensated absences	39,558	(10,166)	(16,471)	12,921
Net pension liability	(5,306,004)	(493,103)	(78,168)	(5,877,275)
Net OPEB liability	(136,031)	157,958	(49,169)	(27,242)
Net cash provided by operating activities	$ 9,473,250	$ 444,200	$ 240,232	$ 10,157,682
SCHEDULE OF NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of right to use assets	$ 839,339	$ 58,038	$ 19,623	$ 917,000
Inception of leases and SBITAs	(654,556)	(45,005)	(17,192)	(716,753)
Amortization of deferred amount on refunding	62,323	-	-	62,323

See accompanying notes to the basic financial statements.

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATEMENT OF NET POSITION RESTATED
JUNE 30, 2022

	Business-type Activities Enterprise Funds			
	Wastewater	**Storm Water**	**Upper Lateral**	**Total**
ASSETS				
Current assets				
Pooled cash and investments (Note 2)	$ 19,197,188	$ 24,810,671	$ 1,434,567	$ 45,442,426
Investments restricted for bonds (Note 2)	1,487,666	-	-	1,487,666
Receivables:				
Accounts, net of allowance	428,353	1,254,414	5,330	1,688,097
Due from other governments	2,086,764	276,734	210	2,363,708
Interest	104,102	73,171	2,465	179,738
Leases - current portion (Note 5)	47,299	-	-	47,299
Deposits	366	-	-	366
Prepaid expenses	433,274	343,010	812	777,096
Inventory	356,221	21,098	-	377,319
Total current assets	24,141,233	26,779,098	1,443,384	52,363,715
Noncurrent assets				
Capital assets:				
Non-depreciable	11,589,361	13,030,003	2,117	24,621,481
Depreciable, net	146,057,139	20,519,084	1,054,316	167,630,539
Total capital assets (Note 3)	157,646,500	33,549,087	1,056,433	192,252,020
Notes receivable (Note 4)	170,610	94,919	-	265,529
Leases receivable - net of current (Note 5)	220,326	-	-	220,326
Advance due from other funds (Note 9)	-	372,180	-	372,180
Total noncurrent assets	158,037,436	34,016,186	1,056,433	193,110,055
Total Assets	182,178,669	60,795,284	2,499,817	245,473,770
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amounts on refunding - revenue bonds	820,379	-	-	820,379
Deferred outflows related to pension (Note 10)	5,222,342	39,735	204,552	5,466,629
Deferred outflows related to OPEB (Note 11)	3,967,522	267,959	86,439	4,321,920
Total Deferred Outflows of Resources	10,010,243	307,694	290,991	10,608,928

See accompanying notes to the basic financial statements.

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATEMENT OF NET POSITION RESTATED (continued)
JUNE 30, 2022

	Business-type Activities Enterprise Funds			
	Wastewater	**Storm Water**	**Upper Lateral**	**Total**
LIABILITIES				
Current liabilities				
Accounts payable	1,487,002	40,555	1,829	1,529,386
Accrued salaries and employee benefits	1,055,824	99,483	11,426	1,166,733
Retention payable	104,781	-	-	104,781
Accrued interest on long-term debt	221,482	-	-	221,482
Refundable connection deposits	18,120	20,550	-	38,670
Current portion of revenue bonds payable (Note 6)	1,400,000	-	-	1,400,000
Current portion of loans (Note 6)	1,180,596	-	-	1,180,596
Current portion of lease liability (Note 6)	87,379	5,876	1,009	94,264
Current portion of subscription liability (Note 6)	33,670	-	-	33,670
Current portion of compensated absences (Note 7)	743,473	61,716	16,149	821,338
Other current liabilities	797	-	-	797
Total current liabilities	6,333,124	228,180	30,413	6,591,717
Noncurrent liabilities				
Revenue bonds payable, net of premium (Note 6)	24,599,076	-	-	24,599,076
Loans (Note 6)	2,638,488	-	-	2,638,488
Lease liability (Note 6)	206,738	24,044	10,857	241,639
Subscription liability (Note 6)	41,684	-	-	41,684
Advance due to other funds (Note 9)	372,180	-	-	372,180
Compensated absences payable (Note 7)	1,115,210	92,573	24,224	1,232,007
Net pension liability (Note 10)	15,552,538	585,524	303,355	16,441,417
Net OPEB liability (Note 11)	10,333,386	697,897	225,128	11,256,411
Total long-term liabilities	54,859,300	1,400,038	563,564	56,822,902
Total Liabilities	61,192,424	1,628,218	593,977	63,414,619
DEFERRED INFLOWS OF RESOURCES				
Deferred inflow related to pension (Note 10)	13,902,351	856,619	267,116	15,026,086
Deferred inflow related to OPEB (Note 11)	354,577	23,948	7,725	386,250
Deferred inflow related to leases (Note 5)	263,696	-	-	263,696
Total Deferred Inflows of Resources	14,520,624	880,567	274,841	15,676,032
NET POSITION				
Net Investment in capital assets	128,354,602	33,519,167	1,044,567	162,918,336
Restricted for capital improvements	2,191,144	19,237,121	-	21,428,265
Restricted for debt service	1,487,666	-	-	1,487,666
Unrestricted	(15,557,548)	5,837,905	877,423	(8,842,220)
Total Net Position	$ 116,475,864	$ 58,594,193	$ 1,921,990	$ 176,992,047

See accompanying notes to the basic financial statements.

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION RESTATED
FOR THE YEAR ENDED JUNE 30, 2022

	Business-type Activities Enterprise Funds			
	Wastewater	Storm Water	Upper Lateral	Total
OPERATING REVENUES				
Service charges	$ 39,069,694	$ 2,505,557	$ 686,868	$ 42,262,119
Other operating revenue	101,438	(1,320)	(455)	99,663
Total operating revenues	39,171,132	2,504,237	686,413	42,361,782
OPERATING EXPENSES				
Salaries and benefits	22,766,077	1,441,600	389,038	24,596,715
Operations materials, supplies, and services	5,532,818	735,449	205,967	6,474,234
Depreciation and amortization	7,819,503	1,161,058	33,788	9,014,349
Utilities and telephone	2,243,951	44,094	66	2,288,111
General and administrative	2,037,115	148,725	17,907	2,203,747
Total operating expenses	40,399,464	3,530,926	646,766	44,577,156
Operating income (loss)	(1,228,332)	(1,026,689)	39,647	(2,215,374)
NONOPERATING REVENUE (EXPENSE)				
Property taxes	129,946	1,233,969	-	1,363,915
Interest and other investment income	(213,976)	(394,252)	(16,537)	(624,765)
Interest expense	(1,242,100)	(318)	(159)	(1,242,577)
Other nonoperating revenue (Note 8)	339,018	5,043	2	344,063
Total nonoperating revenue (expense)	(987,112)	844,442	(16,694)	(159,364)
Income (loss) before contributions	(2,215,444)	(182,247)	22,953	(2,374,738)
Connection fee revenue	792,395	486,520	-	1,278,915
Capital grants and contributions	61,029	879,362	210	940,601
Total contributions	853,424	1,365,882	210	2,219,516
Increase (decrease) in net position	(1,362,020)	1,183,635	23,163	(155,222)
NET POSITION, BEGINNING OF YEAR	118,225,919	57,797,249	1,889,934	177,913,102
CHANGE IN ACCOUNTING PRINCIPLE (Note 15)	(382,007)	(13,892)	-	(395,899)
PRIOR PERIOD ADJUSTMENT (Note 15)	(6,028)	(372,799)	8,893	(369,934)
NET POSITION, BEGINNING OF YEAR - RESTATED	117,837,884	57,410,558	1,898,827	177,147,269
NET POSITION, END OF YEAR	$ 116,475,864	$ 58,594,193	$ 1,921,990	$ 176,992,047

See accompanying notes to the basic financial statements.

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATEMENT OF CASH FLOWS RESTATED
FOR THE YEAR ENDED JUNE 30, 2022

	Business-type Activities Enterprise Funds			
	Wastewater	**Storm Water**	**Upper Lateral**	**Total**
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from user charges	$ 39,280,404	$ 2,454,953	$ 686,796	$ 42,422,153
Paid for employee salaries and benefits	(17,379,724)	(1,445,236)	(270,247)	(19,095,207)
Payments to utilities	(2,243,951)	(44,094)	(66)	(2,288,111)
Payments to contractual/professional services	(5,532,818)	(735,449)	(205,967)	(6,474,234)
Payments to vendors and suppliers	(1,362,019)	(1,050,063)	(35,149)	(2,447,231)
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	12,761,892	(819,889)	175,367	12,117,370
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Interfund loan repayments made	$ (364,888)	$ -	$ -	$ (364,888)
Interfund loan repayments received	-	364,888	-	364,888
Property taxes received	129,946	1,233,969	-	1,363,915
Tubbs Island share crop	193,592	-	-	193,592
Radio station site lease	47,895	-	-	47,895
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	6,545	1,598,857	-	1,605,402
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Connection fees received	632,929	420,188	-	1,053,117
Capital contributions	-	2,349,445	-	2,349,445
Acquisition of capital assets	(6,168,957)	(296,260)	(86,781)	(6,551,998)
Disposal of capital assets	20,825	736	-	21,561
Principal payments on long-term debt	(2,848,507)	(12,848)	(5,442)	(2,866,797)
Interest paid on long-term debt	(1,193,997)	(318)	(159)	(1,194,474)
NET CASH PROVIDED BY (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES	(9,557,707)	2,460,943	(92,382)	(7,189,146)
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts on note	7,346	-	-	7,346
Interest income (loss)	(244,974)	(400,504)	(17,817)	(663,295)
NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES	(237,628)	(400,504)	(17,817)	(655,949)
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,973,102	2,839,407	65,168	5,877,677

See accompanying notes to the basic financial statements.

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATEMENT OF CASH FLOWS RESTATED (continued)
FOR THE YEAR ENDED JUNE 30, 2022

	Business-type Activities Enterprise Funds			
	Wastewater	**Storm Water**	**Upper Lateral**	**Total**
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	17,711,752	21,971,264	1,369,399	41,052,415
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 20,684,854	$ 24,810,671	$ 1,434,567	$ 46,930,092
Cash and Cash Equivalents Reconciliation:				
Pooled cash and investments	$ 19,197,188	$ 24,810,671	$ 1,434,567	$ 45,442,426
Investments restricted	1,487,666	-	-	1,487,666
TOTAL CASH AND CASH EQUIVALENTS	$ 20,684,854	$ 24,810,671	$ 1,434,567	$ 46,930,092
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:				
Operating income (loss)	$ (1,228,332)	$ (1,026,689)	$ 39,647	$ (2,215,374)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation and amortization	7,819,503	1,161,058	33,788	9,014,349
Non-operating miscellaneous revenue	145,426	5,043	2	150,471
(Increase) decrease in:				
Accounts receivable	(33,723)	(54,327)	381	(87,669)
Deposits	151	-	-	151
Inventory and prepaid expenses	93,650	(11,325)	1,880	84,205
Leases receivable	(2,431)	-	-	(2,431)
Increase (decrease) in:				
Accounts payable	953,117	(890,013)	(19,122)	43,982
Salaries and employee benefits	286,949	25,241	1,037	313,227
Retention payable	104,781	-	-	104,781
Other current liabilities	(476,603)	-	-	(476,603)
Compensated absences	98,792	13,993	(3,427)	109,358
Net pension liability	4,369,160	295,085	95,189	4,759,434
Net OPEB liability	631,452	(337,955)	25,992	319,489
Net cash provided by (used for) operating activities	$ 12,761,892	$ (819,889)	$ 175,367	$ 12,117,370
SCHEDULE OF NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of right to use assets	$ 363,784	$ 12,985	$ 2,191	$ 378,960
Inception of leases and SBITAs	(308,136)	(12,985)	(2,191)	(323,312)
Amortization of deferred amount on refunding	62,323	-	-	62,323

See accompanying notes to the basic financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General

The Vallejo Flood and Wastewater District (the District) is a special district body corporate and politic of the County of Solano formed May 19, 1952 by Act 8934 of the California Legislature. The District is not coterminous with the City of Vallejo and serves additional unincorporated County areas. The District provides wastewater collection and treatment and storm water transmission over its entire service area.

B. Financial Reporting Entity

The nucleus of the financial reporting entity usually is a primary government, but may be a component unit when the component unit provides separately issued financial statements. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability exists in situations where a voting majority of an organization's governing body is substantively the same as the governing body of the primary government. The District's Board of Trustees consists of the seven members of the Vallejo City Council (primary government) and one member appointed by the Solano County Board of Supervisors. There is no financial benefit or burden relationship with the primary government or operational responsibility. The District is a discrete component unit of the City of Vallejo.

C. Financing Corporation

The Vallejo Flood and Wastewater District's Financing Corporation (the Corporation) was organized July 1, 1993 under the Non-Profit Public Benefit Corporation Law of the State of California solely for the purpose of providing financial assistance to the District by acquiring, constructing, improving, and financing various facilities, land, and equipment, and by leasing or selling certain facilities, land, and equipment for the use, benefit, and enjoyment of the public served by the District. The Corporation has no members and its Board of Directors consists of the same persons who serve as the Board of Trustees of the District. There is no financial benefit or burden relationship with the primary government or operational responsibility. The Corporation is a blended component unit of the District. There are no separate financial statements prepared for the Corporation.

D. Measurement Focus, Basis of Accounting and Presentation

The financial statements have been prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States.

Enterprise funds are accounted for on the flow of economic resources measurement focus utilizing the full accrual basis of accounting. Under this method, revenues from user fees and other sources are recorded when earned, and expenses for goods and services are recorded when the related obligations are incurred.

E. Cash and Cash Equivalents

The District considers cash and all highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less to be cash equivalents. The District's cash and cash equivalents consist of cash, deposits in financial institutions, short-term investments with the State of California's Local Agency Investment Fund and the money portion of custody investment and debt service trustee accounts. The statement of cash flows measures and identifies changes in these cash and cash equivalents.

F. Investments

Investments consist of custody securities with a fiscal agent, and construction and reserve funds with trustee banks. The District records its investments at fair value. Changes in fair value are reported as investment income in the statement of revenues, expenses and changes in net position.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Accounts Receivable

Accounts receivable represents service charges and other revenues billed and uncollected at year-end, along with amounts accrued for items billed after year-end for service periods before year-end. Each year the District records liens for delinquent charges and collects through the property tax bill for active accounts, and pursues full-collection for closed accounts with unpaid balances. The District records an allowance for doubtful accounts for non-recoverable collections.

H. Inventory

Inventory is valued at cost, using the first in first out method (FIFO). This method approximates market because ending inventory consists of the most recent items purchased. Inventories are recorded as expenses when consumed rather than when purchased.

I. Restricted Assets

Certain proceeds of the District's long-term debt issuances are classified as restricted assets because bond covenants limit their use. Reserve balances are to be maintained as set forth in installment purchase contracts or trust agreements, as applicable.

J. Capital Assets

Capital assets including wastewater and storm drainage facilities purchased or constructed are stated at cost less accumulated depreciation, except for right-of-use lease assets and subscription assets. Assets contributed have been recorded at acquisition value at the date received. The cost of normal repairs and maintenance that do not add to the value of an asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets as applicable. Donated capital assets and capital assets received in a service concession arrangement are reported at acquisition value. The District capitalizes assets with an original cost of $10,000 or more, right-of-use lease assets with a present value of $10,000 or more, and subscription assets with a present value of $10,000 or more. All depreciation/amortization is computed on the straight-line basis over the following useful lives:

	Years
Wastewater treatment plant and facilities	5 - 40
Wastewater and storm water pump stations	5 - 25
Wastewater collection and storm water transmission systems	5 - 50
Buildings and improvements	5 - 40
Machinery and equipment	5 - 25
Right-of-use lease assets	3 - 10
Subscription assets	3 - 10

K. Long-term Debt Issuance Costs

Costs of issuance are expensed as incurred in the year of the related debt issue. Discount, premium, and deferred amounts on refunding are components of interest expense.

L. Compensated Absences

Accumulated vacation and vested sick leave benefits are recorded as an expense and liability of the applicable enterprise funds as the benefits accrue to employees. No liability is recorded for the non-vesting portion of sick leave benefits.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. Refundable Connection Deposits

Connection fees represent a one-time contribution of resources imposed on contractors and developers for the purpose of financing capital improvements. Connection fees remain the property of the contractor for a period of one year and are recorded as a liability. They are recognized as revenue when the development is complete and passed final engineering inspection. The unspent balance of connection fees available at year-end, if any, is classified as net position restricted for capital improvements.

N. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan, and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by California Public Employees Retirement System (CalPERS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Plan investments are reported at fair value.

O. Other Post-employment Benefits (OPEB)

For purposes of measuring the net OPEB liability and deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's plan (OPEB Plan), and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Measurement Period	July 1, 2022 - June 30, 2023

P. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Q. Net Position

Net position represents the excess of assets and deferred outflows over liabilities and deferred inflows. Net position is presented in three broad components: net investment in capital assets; restricted; and unrestricted. Net investment in capital assets includes capital assets, net of accumulated depreciation, and less the outstanding principal balances of debt and related deferred outflows and inflows attributable to the acquisition, construction or improvement of those assets. Net position is restricted when constraints are imposed by external parties or by law through constitutional provisions or enabling legislation. All other net position is unrestricted. The District first applies unrestricted net position to transactions and adjusts restricted net position as applicable.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

R. Leases

Lessee

The District is a lessee for several noncancellable leases of equipment and vehicles. The District recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the financial statements. The District recognizes lease liabilities with an initial, individual present value of $10,000 or more.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor

The District is a lessor for a noncancellable lease of land. The District recognizes a lease receivable and a deferred inflow of resources in the financial statements.

At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the District determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease terms, and (3) lease receipts.

- The District uses its incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The District monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

S. Subscription-Based Information Technology Arrangements (SBITA)

A SBITA is defined as a contractual agreement that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a minimum contractual period of greater than one year, in an exchange or exchange-like transaction.

The District uses various SBITA assets that it contracts through cloud computing arrangements, such as software as a service and platform as a service. The related obligations are presented in amounts equal to the present value of subscription payments, payable during the remaining SBITA term. SBITA assets are reported with other capital assets and SBITA liabilities are reported with long-term debt on the statement of net position.

T. Service Charges

The District charges separate user fees established by Ordinance for each of its three business-type activities, wastewater, storm water, and upper lateral.

U. Operating and Non-operating Revenues and Expenses

Operating revenues and expenses generally result from providing services and the costs of operation and maintenance and recurring capital replacement (OM&R), respectively. Non-operating revenues and expenses are non-rate based and are received from or paid to other sources.

V. Capital Contributions

Certain capital projects financed or constructed by external parties and contributed to the District with or without restrictions are reported separately as income after operating and non-operating revenues. District constructed projects may receive financing assistance from intergovernmental or other sources, such as developers, and developers may construct and transfer ownership of sewage and storm drainage facilities to the District at acceptance of the project.

W. Property Taxes

State statutes authorize the allocation of property tax revenues to Special Districts. The County of Solano administers the program and remits applicable installments in December and April of each year. These revenues are considered subventions not restricted as to purpose.

Secured property taxes are attached as an enforceable lien and levied on property as of January 1st. Taxes are due in two installments, on or before December 10th and April 10th. The District recognizes property tax receivables on January 1st and defers revenue recognition until the period for which the property taxes are levied (July 1st through June 30th). Property tax revenue is derived from property tax assessments levied within the entire District. The District relies upon the competency of the County of Solano for assessing the property tax and establishing a lien date, and for billing, collecting and distributing its share of the property tax revenue.

X. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Y. Reclassification

Certain reclassifications may have been made to prior year amounts in order to be consistent with current year's presentation.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Z. Implementation of Governmental Accounting Standards Board Statements

Effective July 1, 2022, the District implemented the following accounting and financial reporting standards:

Governmental Accounting Standards Board Statement No. 91

In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The Statement clarifies the existing definition of a conduit debt obligation; establishes that a conduit debt obligation is not a liability of the issuer; establishes standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improves required note disclosures. The adoption of this accounting standard had no significant effect on the District's financial statements.

Governmental Accounting Standards Board Statement No. 94

In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). A PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use nonfinancial assets, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). An APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The adoption of this accounting standard had no significant effect on the District's financial statements.

Governmental Accounting Standards Board Statement No. 96

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for governments, defines a SBITA, establishes that a SBITA results in a right-to-use subscription asset-an intangible asset-and a corresponding liability, provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA, and requires note disclosures regarding a SBITA. See Notes 5 and 15 for additional details.

Governmental Accounting Standards Board Statement No. 99

In April 2022, GASB issued Statement No. 99, *Omnibus 2022*. The primary objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for guarantees. The District adopted the requirements of this statement related to leases, PPPs and SBITAs for its June 30, 2023 year-end. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for the District's fiscal year ending June 30, 2024.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

AA. Future Governmental Accounting Standards Board Statements

These statements are not effective until July 1, 2023 or later and may be applicable for the District. However, the District has not determined the effects, if any, on the financial statements.

Governmental Accounting Standards Board Statement No. 100

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections - An Amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this statement are effective for the District's fiscal year ending June 30, 2024.

Governmental Accounting Standards Board Statement No. 101

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The primary objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences by aligning the recognition and measurement guidance under a unified model and amending certain previously required disclosures. The requirements of this statement are effective for the District's fiscal year ending June 30, 2025.

NOTE 2: CASH AND INVESTMENTS

Classification

Cash and investments are classified in the financial statements as shown below, based on whether or not their use is restricted.

	June 30, 2023	June 30, 2022
Cash, available for District operations	$ 2,513,790	$ 1,118,709
Investments, available for District operations	45,999,606	44,323,717
Restricted cash and investments	1,782,979	1,487,666
Total cash and investments	$ 50,296,375	$ 46,930,092

Cash and investments as of June 30, 2023 and 2022 consisted of the following:

	June 30, 2023	June 30, 2022
Cash on hand	$ 13,897	$ 14,050
Deposits in financial institutions	2,748,750	1,104,658
Investments	47,533,728	45,811,384
Total cash and investments	$ 50,296,375	$ 46,930,092

NOTE 2: CASH AND INVESTMENTS (continued)

Investments Authorized by the California Government Code and the District's Investment Policy

The District's investment policy and the California Government Code allow the District to invest in the following, provided the credit ratings of the issuers are acceptable to the District and approved percentages and maturities are not exceeded. The table below identifies certain provisions of the California Government Code or the District's investment policy, where more restrictive, that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Percentage of Portfolio
Government Agency Obligations (callable)	20%
Medium Term Corporate Notes, Rated A or better	30%
Certificates of Deposit - Non-negotiable	None
California Local Agency Investment Fund	None
Shares in Beneficial Interest Money Market Funds, Rated two of the highest ratings	20%
United States Treasury Securities	None
Certificates of Deposit - Negotiable	30%
Bankers' Acceptances	40%
Commercial Paper of "Prime" Quality	25%
Repurchase Agreements	None
Municipal Securities	30%
Asset-Backed Securities	20%
Supranationals	30%

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District's interest rate risk is mitigated is by purchasing a combination of longer term and shorter term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the District's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following tables that show the distribution of the District's investments by maturity or earliest call dates, at June 30, 2023 and 2022:

Investment Maturities June 30, 2023

Investment Type	12 Months or Less	13 to 60 Months	Fair Value
Government Agency Obligations	$ 204,814	$ 2,109,489	$ 2,314,303
US Treasury	250,123	6,194,956	6,445,079
Asset Backed Securities	-	735,204	735,204
Supranationals	-	475,892	475,892
Medium Term Corporate Notes	986,318	1,444,040	2,430,358
Collateralized Mortgage Obligation	-	801,880	801,880
California Local Agency Investment Fund	32,732,601	-	32,732,601
Money Market Funds	64,289	-	64,289
Held by Trustee:			
Money Market Mutual Funds	1,534,122	-	1,534,122
	$ 35,772,267	$ 11,761,461	$ 47,533,728

NOTE 2: CASH AND INVESTMENTS (continued)

Investment Maturities June 30, 2022

Investment Type	12 Months or Less	13 to 60 Months	Fair Value
Government Agency Obligations	$ 272,979	$ 2,247,609	$ 2,520,588
US Treasury	250,123	3,765,767	4,015,890
Asset Backed Securities	-	842,349	842,349
Supranationals	-	477,651	477,651
Medium Term Corporate Notes	656,034	1,491,172	2,147,206
Collateralized Mortgage Obligations	-	99,727	99,727
California Local Agency Investment Fund	34,187,958	-	34,187,958
Money Market Funds	32,349	-	32,349
Held by Trustee:			
Money Market Mutual Funds	1,487,666	-	1,487,666
	$ 36,887,109	$ 8,924,275	$ 45,811,384

The Local Agency Investment Fund (LAIF) is an external investment pool administered by the California State Treasurer's Office authorized under Section 16429.1, 2 and 3 of the California Government Code. The fund is a voluntary program created by statute as an investment alternative for California municipalities and special districts. LAIF has oversight by the Local Agency Investment Advisory Board. The Board consists of five members designated by statute. The difference between the fair value of the District's equity in the pool and pool shares is not material, and accordingly, no adjustment has been recorded. Money market mutual funds are available for withdrawal on demand. At June 30, 2023 and 2022 these investments matured in an average of 43 days and 43 days, respectively.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the depositor will not be able to recover deposits or collateral securities that are in possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) of a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provisions:

- Deposits - The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies.

- Investments - The District investment policy requires collateral for investments in certificates of deposit of at least 102% of market value of principal and accrued interest. The only securities acceptable as collateral shall be direct obligations which are fully guaranteed as to principal and interest by the United States Government or any agency or government sponsored enterprise of the United States. Collateral must be held in the District's name by an independent third party with whom the District has a current custodial agreement.

California law also allows financial institutions to secure District's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2023 and 2022, deposits, uninsured and collateralized with securities held by the pledging bank's trust department or agent not in the District's name, totaling $1,242,971 and $993,256, respectively, were exposed to custodial credit risk.

NOTE 2: CASH AND INVESTMENTS (continued)

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investment policy sets specific parameters by type of investment to be met at the time of purchase.

Presented below is the actual rating as of June 30, 2023 and 2022 for each investment type as provided by Standard and Poor's investment rating system:

June 30, 2023

Investment Type	AAA/AAAm	AA+/AA/A/A+/A-	Total
Government Agency Obligations	$ -	$ 2,314,303	$ 2,314,303
US Treasury	-	6,445,079	6,445,079
Asset Backed Securities	735,204	-	735,204
Supranationals	475,892	-	475,892
Medium Term Corporate Notes	-	2,430,358	2,430,358
Money Market Funds	64,289	-	64,289
Money Market Mutual Funds	1,534,122	-	1,534,122
Totals	$ 2,809,507	$ 11,189,740	13,999,247
Not Rated:			
Collateralized Mortgage Obligation			801,880
California Local Agency Investment Fund			32,732,601
Total Investments			$ 47,533,728

June 30, 2022

Investment Type	AAA/AAAm	AA+/AA/A/A+/A-	Total
Government Agency Obligations	$ -	$ 2,520,588	$ 2,520,588
US Treasury	-	4,015,890	4,015,890
Asset Backed Securities	499,711	-	499,711
Supranationals	477,651	-	477,651
Medium Term Corporate Notes	-	2,147,206	2,147,206
Money Market Funds	32,349	-	32,349
Money Market Mutual Funds	1,487,666	-	1,487,666
Totals	$ 2,497,377	$ 8,683,684	11,181,061
Not Rated:			
Asset Backed Securities			342,638
Collateralized Mortgage Obligations			99,727
California Local Agency Investment Fund			34,187,958
Total Investments			$ 45,811,384

NOTE 2: CASH AND INVESTMENTS (continued)

Concentration Risk

The District had no investments in the securities of any individual issuer, other than U.S. Treasury securities, mutual funds, and external investment pools, that represent 5% or more of total investments for the years ending June 30, 2023 and 2022.

Pooled Investment Funds

Pooled investment funds consist of cash deposited in LAIF. The fair value of the pooled investments deposited in the California state pool is greater than the fair value of the pool shares. The District's deposits are maintained in recognized pooled investment funds under the care of oversight agencies. LAIF, in addition to being part of a Pooled Money Investment Account with oversight provided by the Pooled Money Investment Board and an in-house Investment Committee, also has oversight by the Local Agency Investment Advisory Board.

Because the District's deposits are maintained in recognized pooled investment funds under the care of a third party and the District's share of the pool does not consist of specific identifiable investment securities owned by the District, no disclosure of the individual deposits is required. The District's deposits in the funds are considered to be highly liquid. LAIF representatives have indicated there are no derivatives in the pools as of June 30, 2023 and 2022. LAIF does invest in structured notes and asset-based securities.

Investment Valuation

The District categorizes the fair value measurements of its investments based on the fair value hierarchy established by generally accepted accounting principles. The hierarchy, which has three levels, is based on the valuation inputs used to measure an asset’s fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District does not have any investments that are measured using Level 1 and 3 inputs.

Following is a description of the valuation methodologies used:

> *Government Agency Obligations, U.S. Treasuries, Asset Backed Securities, Supranational, and Medium Term Corporate Notes*: Fair values are based on quoted market prices for similar securities in markets that are not active, and model-based techniques for which all significant assumptions are observable in the market, resulting in a Level 2 valuation.

NOTE 2: CASH AND INVESTMENTS (continued)

The following tables set forth by level, within the fair value hierarchy, the District's assets at fair value as of June 30, 2023 and 2022.

	Level 1	Level 2	Total June 30, 2023
Investments by Fair Value Level:			
Held by the District:			
Government Agency Obligations	$ -	$ 2,314,303	$ 2,314,303
US Treasury	-	6,445,079	6,445,079
Asset Backed Securities	-	735,204	735,204
Supranationals	-	475,892	475,892
Medium Term Corporate Notes	-	2,430,358	2,430,358
Collateralized Mortgage Obligation	-	801,880	801,880
Subtotal	$ -	$ 13,202,716	13,202,716
Investments Measured at Amortized Cost:			
Held by the District:			
Money Market Funds			64,289
Held by the Trustee:			
Money Market Mutual Funds			1,534,122
Investments Exempt from Fair Value Hierarchy:			
LAIF			32,732,601
Total Investments			$ 47,533,728

	Level 1	Level 2	Total June 30, 2022
Investments by Fair Value Level:			
Held by the District:			
Government Agency Obligations	$ -	$ 2,520,588	$ 2,520,588
US Treasury	-	4,015,890	4,015,890
Asset Backed Securities	-	842,349	842,349
Supranationals	-	477,651	477,651
Medium Term Corporate Notes	-	2,147,206	2,147,206
Collateralized Mortgage Obligations	-	99,727	99,727
Subtotal	$ -	$ 10,103,411	10,103,411
Investments Measured at Amortized Cost:			
Held by the District:			
Money Market Funds			32,349
Held by the Trustee:			
Money Market Mutual Funds			1,487,666
Investments Exempt from Fair Value Hierarchy:			
LAIF			34,187,958
Total Investments			$ 45,811,384

NOTE 3: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 was as follows:

	July 1, 2022	Additions	Retirements	Transfers	June 30, 2023
Capital assets not being depreciated/ amortized					
Land and improvements	$ 2,810,716	$ -	$ -	$ -	$ 2,810,716
Construction in progress	21,810,765	9,319,459	(243,124)	(11,724,927)	19,162,173
Total capital assets not being depreciated/amortized	24,621,481	9,319,459	(243,124)	(11,724,927)	21,972,889
Capital assets being depreciated/ amortized					
Buildings and improvements	3,868,149	-	-	739,384	4,607,533
Pump stations	45,174,207	30,206	-	-	45,204,413
Plant and facilities	138,907,993	75,724	-	1,608,715	140,592,432
Collection systems	132,787,316	91,025	-	9,317,218	142,195,559
Collection systems - con cap	46,144,269	-	-	-	46,144,269
Plant and facilities - con cap	2,165,355	-	-	-	2,165,355
Machinery, equipment, vehicles	13,675,807	54,100	-	59,610	13,789,517
Right-to-use lease assets	1,923,495	135,082	-	-	2,058,577
Right-to-use subscription assets	122,354	781,918	-	-	904,272
Total capital assets being depreciated/amortized	384,768,945	1,168,055	-	11,724,927	397,661,927
Less accumulated depreciation/ amortization					
Buildings and improvements	(2,789,973)	(102,812)	-	-	(2,892,785)
Pump stations	(31,485,167)	(1,080,209)	-	-	(32,565,376)
Plant and facilities	(91,052,656)	(3,116,533)	-	-	(94,169,189)
Collection systems	(47,580,901)	(2,753,968)	-	-	(50,334,869)
Collection systems - con cap	(32,510,221)	(848,213)	-	-	(33,358,434)
Plant and facilities - con cap	(1,357,861)	(54,134)	-	-	(1,411,995)
Machinery, equipment, vehicles	(10,110,468)	(612,945)	-	-	(10,723,413)
Right-to-use lease assets	(240,862)	(164,591)	-	-	(405,453)
Right-to-use subscription assets	(10,297)	(216,951)	-	-	(227,248)
Total accumulated depreciation/amortization	(217,138,406)	(8,950,356)	-	-	(226,088,762)
Total capital assets being depreciated/amortized, net	167,630,539	(7,782,301)	-	11,724,927	171,573,165
Capital assets, net	$ 192,252,020	$ 1,537,158	$ (243,124)	$ -	$ 193,546,054

NOTE 3: CAPITAL ASSETS (continued)

Capital asset activity for the year ended June 30, 2022 was as follows:

	July 1, 2021	Additions	Retirements	Transfers	June 30, 2022
Capital assets not being depreciated/ amortized					
Land and improvements	$ 2,810,716	$ -	$ -	$ -	$ 2,810,716
Construction in progress	16,643,934	6,451,832	-	(1,285,001)	21,810,765
Total capital assets not being depreciated/amortized	19,454,650	6,451,832	-	(1,285,001)	24,621,481
Capital assets being depreciated/ amortized					
Buildings and improvements	3,868,149	-	-	-	3,868,149
Pump stations	44,894,655	-	-	279,552	45,174,207
Plant and facilities	138,148,787	-	-	759,206	138,907,993
Collection systems	132,651,515	-	-	135,801	132,787,316
Collection systems - con cap	46,144,269	-	-	-	46,144,269
Plant and facilities - con cap	2,165,355	-	-	-	2,165,355
Machinery, equipment, vehicles	13,773,155	-	(207,790)	110,442	13,675,807
Right-to-use lease assets	1,666,889	256,606	-	-	1,923,495
Right-to-use subscription assets	-	122,354	-	-	122,354
Total capital assets being depreciated/amortized	383,312,774	378,960	(207,790)	1,285,001	384,768,945
Less accumulated depreciation/ amortization					
Buildings and improvements	(2,667,531)	(122,442)	-	-	(2,789,973)
Pump stations	(30,409,962)	(1,075,205)	-	-	(31,485,167)
Plant and facilities	(87,867,670)	(3,184,986)	-	-	(91,052,656)
Collection systems	(44,848,661)	(2,732,240)	-	-	(47,580,901)
Collection systems - con cap	(31,638,027)	(872,194)	-	-	(32,510,221)
Plant and facilities - con cap	(1,299,215)	(58,646)	-	-	(1,357,861)
Machinery, equipment, vehicles	(9,500,071)	(796,626)	186,229	-	(10,110,468)
Right-to-use lease assets	(79,149)	(161,713)	-	-	(240,862)
Right-to-use subscription assets	-	(10,297)	-	-	(10,297)
Total accumulated depreciation/amortization	(208,310,286)	(9,014,349)	186,229	-	(217,138,406)
Total capital assets being depreciated/amortized, net	175,002,488	(8,635,389)	(21,561)	1,285,001	167,630,539
Capital assets, net	$ 194,457,138	$ (2,183,557)	$ (21,561)	$ -	$ 192,252,020

NOTE 3: CAPITAL ASSETS (continued)

Depreciation/amortization expense for the years ended June 30, 2023 and 2022 was charged to the different activities as follows:

	2023	2022
Wastewater	$ 7,757,297	$ 7,819,503
Storm Water	1,153,408	1,161,058
Upper Lateral	39,651	33,788
	$ 8,950,356	$ 9,014,349

NOTE 4: NOTES RECEIVABLE

Notes receivable at June 30, 2023 and 2022 consisted of the following:

	2023	2022
Note receivable with Sereno Village Associates for connection fees dated November 19, 2002, in the principal amount of $351,635, secured by deed of trust, bearing simple interest at 3% payable from net surplus cash with the entire unpaid interest and principal due in 15 years. As of June 30, 2023, the note is still outstanding and management is working on establishing new loan terms with Sereno Village. Management deems the note as collectible.	$ 248,860	$ 248,860
Note receivable between the District and District employees for the Computer Literacy program that allows employees to borrow, an amount approved by the District Manager, to purchase personal computers. The principal balance of $31,747, with the rate of interest equal to the rate of interest being earned by the District that shall not exceed 9% is to be paid off within 36 months from the date of the loan.	31,747	16,669
Total	$ 280,607	$ 265,529

NOTE 5: LEASE RECEIVABLE

The District has entered into a lease agreement with New Inspiration Broadcasting Company, Inc. for certain land on Tubbs Island, California for use as a tower site. The terms of this agreement include monthly rental payments increasing annually based on the Consumer Price Index (CPI) for all Urban Consumers for the San Francisco/Oakland/San Jose Metropolitan Area published by the United States Department of Labor. This lease commenced on April 1, 2021. The lease receivable was discounted to a net present value at April 1, 2021 using a 0.5% interest rate and CPI increase of 2.2% per year. For the year ended June 30, 2023, the District received $47,299 in lease revenue and $1,231 in lease interest revenue. For the year ended June 30, 2022, the District received $37,364 in lease revenue and $2,544 in lease interest revenue. Future payments due to the District under the non-cancellable agreement are as follows for the year ending June 30:

Year Ended June 30	Principal	Interest	Total
2024	$ 48,604	$ 1,900	$ 50,504
2025	49,257	1,432	50,689
2026	50,856	948	51,804
2027	52,495	449	52,944
2028	19,114	36	19,150
Total	$ 220,326	$ 4,765	$ 225,091

Also, the District has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of June 30, 2023 and 2022, the balance of the deferred inflow of resources was $213,494 and $263,696, respectively.

NOTE 6: LONG TERM LIABILITIES

During the years ended June 30, 2023 and 2022, the following changes occurred in long-term liabilities:

	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023	Due Within One Year	Due in More Than One Year
2014 Revenue Bonds	$ 25,106,347	$ -	$ (1,323,953)	$ 23,782,394	$ 1,180,000	$ 22,602,394
2011 Revenue Bonds	892,729	-	(282,727)	610,002	295,000	315,002
2021 State Revolving Fund Loan	2,025,735	3,513,396	-	5,539,131	-	5,539,131
2008 State Revolving Fund Loan	908,401	-	(295,648)	612,753	302,744	310,009
2004 State Revolving Fund Loan	884,948	-	(884,948)	-	-	-
Lease liability	335,903	134,985	(124,825)	346,063	124,431	221,632
Subscription (SBITA) liability	75,354	581,768	(233,740)	423,382	135,969	287,413
Total	$ 30,229,417	$ 4,230,149	$ (3,145,841)	$ 31,313,725	$ 2,038,144	$ 29,275,581

NOTE 6: LONG TERM LIABILITIES (continued)

	Balance July 1, 2021	Additions	Reductions	Balance June 30, 2022	Due Within One Year	Due in More Than One Year
2014 Revenue Bonds	$ 26,380,300	$ -	$ (1,273,953)	$ 25,106,347	$ 1,120,000	$ 23,986,347
2011 Revenue Bonds	1,165,456	-	(272,727)	892,729	280,000	612,729
2021 State Revolving Fund Loan	-	2,025,735	-	2,025,735	-	2,025,735
2008 State Revolving Fund Loan	1,197,121	-	(288,720)	908,401	295,648	612,753
2004 State Revolving Fund Loan	1,748,312	-	(863,364)	884,948	884,948	-
Lease liability	252,500	200,958	(117,555)	335,903	94,264	241,639
Subscription (SBITA) liability	-	122,354	(47,000)	75,354	33,670	41,684
Total	$ 30,743,689	$ 2,349,047	$ (2,863,319)	$ 30,229,417	$ 2,708,530	$ 27,520,887

A description of the long-term liabilities follows:

2014 Revenue Bonds

The District and the WateReuse Finance Authority issued 2014 Revenue Bonds in the principal amount of $29,825,000 at a premium of $4,469,967 in an advance refunding (1) to prepay the outstanding principal of 2006 Certificates of Participation, (2) to fund a reserve fund for the bonds, and (3) to pay certain costs of issuing the bonds. The bonds are fully registered with principal due annually on May 1, and interest payable semi-annually on May 1 and November 1. The bonds maturing on or after May 1, 2025 are subject to optional redemption on any date on or after May 1, 2024, together with accrued interest to the redemption date, without a premium.

The transaction resulted in a deferred amount on refunding of $1,282,720, a decrease in total cash flows of $2,024,106, and an economic gain of $323,440. The deferred amount on refunding is carried as a deferred outflow of resources, and the premium is carried as a net reduction of the 2014 Revenue Bonds. The deferred amount on refunding and the premium are amortized on a straight-line basis over the life of the bonds as components of interest expense.

2011 Revenue Bonds

The District and the WateReuse Finance Authority issued 2011 Revenue Bonds in the principal amount of $3,345,000 at a premium of $38,409 in a current refunding (1) to prepay the outstanding principal of 2001 Certificates of Participation, (2) to fund a reserve fund for the bonds, and (3) to pay certain costs of issuing the bonds. The bonds are fully registered with principal due annually on May 1, and interest payable semi-annually on May 1 and November 1. The bonds maturing on or after May 1, 2022 are subject to optional redemption on any date on or after May 1, 2021, together with accrued interest to the redemption date, without a premium.

The transaction paid the scheduled principal due on the 2001 Certificates of Participation in the amount of $145,000 and redeemed the remaining principal of $3,315,000, pursuant to notice and exercise of optional prepayment of the Certificates, for a total of $3,460,000. The transaction resulted in a deferred amount on refunding of $53,447 and a decrease in total cash flows of $262,952. The deferred amount on refunding is carried as a deferred outflow of resources, and the premium is carried as a net reduction of the 2011 Revenue Bonds. The deferred amount on refunding and the premium are amortized on a straight-line basis over the life of the bonds as components of interest expense.

NOTE 6: LONG TERM LIABILITIES (continued)

Annual debt service requirements for the bonds are as follows:

	2014 Revenue Bonds		
	Principal	Interest	Total
Years ending June 30,			
2024	$ 1,180,000	$ 1,131,425	$ 2,311,425
2025	1,240,000	1,072,425	2,312,425
2026	1,305,000	1,010,425	2,315,425
2027	1,370,000	945,175	2,315,175
2028	1,435,000	876,676	2,311,676
2029 - 2033	8,405,000	3,149,854	11,554,854
2034 - 2037	6,230,000	697,676	6,927,676
Subtotal	21,165,000	8,883,656	30,048,656
Premium	2,617,394	-	2,617,394
Total	$ 23,782,394	$ 8,883,656	$ 32,666,050

	2011 Revenue Bonds		
	Principal	Interest	Total
Years ending June 30,			
2024	$ 295,000	$ 30,250	$ 325,250
2025	310,000	15,500	325,500
Subtotal	605,000	45,750	650,750
Premium	5,002	-	5,002
Total	$ 610,002	$ 45,750	$ 655,752

	Revenue Bonds Premium	
	2014 Revenue Bonds Premium	2011 Revenue Bonds Premium
Years ending June 30,		
2024	$ 203,953	$ 2,727
2025	203,953	2,275
2026	203,953	-
2027	203,953	-
2028	203,953	-
2029 - 2033	1,019,765	-
2034 - 2037	577,864	-
Total	$ 2,617,394	$ 5,002

2021 State Revolving Fund Loan

During the fiscal year ended June 30, 2022, the District entered into a loan agreement with the State Water Resources Control Board's Division of Financial Assistance. The loan is dated April 26, 2022, and is in the principal amount of up to $40,000,000. The District is drawing down on the loan as the project progresses. There has been no repayment schedule set as of June 30, 2023. Interest is to accrue at a rate of 0.8% per annum and will begin with each disbursement. Final payment date is set at December 31, 2055.

NOTE 6: LONG TERM LIABILITIES (continued)

2008 State Revolving Fund Loan

During the fiscal year ended June 30, 2008, the District completed a second loan agreement with the State Water Resources Control Board's Division of Financial Assistance. The loan is dated January 24, 2008, and is in the principal amount of $4,406,072. Payments in the amount of $317,450 with interest at 2.4% commenced January 24, 2009, and are due annually thereafter until maturity in 2025.

2004 State Revolving Fund Loan

During the fiscal year ended June 30, 2005, the District entered into a loan agreement with the State Water Resources Control Board's Division of Financial Assistance under the Clean Water State Revolving loan program. The loan is dated August 1, 2004, and is in the principal amount of $13,798,201. Payments in the amount of $907,072 with interest at 2.5% commenced May 1, 2005, with final payment made in 2023.

Annual debt service requirements for the loans are as follows:

	2008 State Revolving Fund Loan		
	Principal	Interest	Total
Years ending June 30,			
2024	$ 302,744	$ 14,706	$ 317,450
2025	310,009	7,440	317,449
Total	$ 612,753	$ 22,146	$ 634,899

Leases

The District, as a lessee, has lease agreements involving a postage machine, gas monitoring equipment, copy machines, and vehicles. The total of the District's lease assets are recorded at a cost of $2,058,577, less accumulated amortization of $405,453.

The future principal and interest lease payments are as follows:

	Leases		
	Principal	Interest	Total
Years ending June 30,			
2024	$ 124,431	$ 8,373	$ 132,804
2025	124,584	4,618	129,202
2026	92,120	1,255	93,375
2027	4,928	23	4,951
Total	$ 346,063	$ 14,269	$ 360,332

Subscriptions (SBITAs)

The District has entered into SBITAs involving various software subscriptions. The total of the District's SBITA assets are recorded at a cost of $904,272 less accumulated amortization of $227,248.

NOTE 6: LONG TERM LIABILITIES (continued)

The future principal and interest SBITA payments are as follows:

	SBITAs		
	Principal	Interest	Total
Years ending June 30,			
2024	$ 135,969	$ 11,243	$ 147,212
2025	95,035	2,314	97,349
2026	95,804	1,545	97,349
2027	96,574	775	97,349
Total	$ 423,382	$ 15,877	$ 439,259

NOTE 7: COMPENSATED ABSENCES

Compensated absences balance and activity for the years ended June 30, 2023 and 2022 were as follows:

Fund	July 1, 2022	Additions	Reductions	June 30, 2023	Current Portion	Long-term Portion
Wastewater	$ 1,858,683	$ 1,369,990	$ (1,330,432)	$ 1,898,241	$ 759,296	$ 1,138,945
Stormwater	154,289	115,029	(125,195)	144,123	57,649	86,474
Upper Lateral	40,373	9,639	(26,110)	23,902	9,561	14,341
Total	$ 2,053,345	$ 1,494,658	$ (1,481,737)	$ 2,066,266	$ 826,506	$ 1,239,760

Fund	July 1, 2021	Additions	Reductions	June 30, 2022	Current Portion	Long-term Portion
Wastewater	$ 1,759,891	$ 1,313,203	$ (1,214,411)	$ 1,858,683	$ 743,473	$ 1,115,210
Stormwater	140,296	103,068	(89,075)	154,289	61,716	92,573
Upper Lateral	43,800	13,655	(17,082)	40,373	16,149	24,224
Total	$ 1,943,987	$ 1,429,926	$ (1,320,568)	$ 2,053,345	$ 821,338	$ 1,232,007

NOTE 8: OTHER NON-OPERATING REVENUES

	For the Years Ended	
	June 30, 2023	June 30, 2022
Tubbs Island share crop income	$ 421,895	$ 193,592
Radio station site lease income	47,168	43,125
Gain on capital assets	-	82,382
Other revenue	40,410	24,964
Total Other Non-Operating Revenues	$ 509,473	$ 344,063

NOTE 9: INTERFUND ADVANCES

On October 11, 2011, the Storm Water fund advanced the principal amount of $4,014,704 to the Wastewater fund to payoff the CalPERS Side Fund. The advance is due in twelve annual payments of $379,629 with interest at 2% beginning June 1, 2012. As of June 30, 2023 and 2022, the outstanding balance was $- and $372,180, respectively. During the year ended June 30, 2023, the Stormwater fund used inventory that had been paid for by the Wastewater fund resulting in a balance due to the Wastewater fund by the Stormwater fund of $9,836 at June 30, 2023.

NOTE 10: PENSION PLAN

A. General Information about the Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the District's Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan), administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a miscellaneous risk pool. Plan assets may be used to pay benefits for any employer rate plan of the miscellaneous pool. Accordingly, rate plans within the miscellaneous pool are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous pool. Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for the Plan are applied as specified by the Public Employees' Retirement Law.

The District has one Miscellaneous Retirement Benefit Plan, with two tiers. Tier I benefits for members hired before January 1, 2013 are under the 2.7% at 55 retirement formula, and Tier II benefits for members hired on or after January 1, 2013 are under the 2% at 62 retirement formula.

Tier I final compensation is calculated using the highest average pay rate and special compensation during a three year period. Tier I employee contributions are shared by the employer and employee. This tier and retirement formula is closed to employees hired on or after January 1, 2013 with the exception of employees considered to be Classic Members with a break in CalPERS qualified employment of less than 6 months and who did not receive a refund of their contributions on deposit with the retirement fund. Tier II final compensation is calculated using the highest average pay rate and special compensation during any consecutive three-year period. Tier II employee contributions are paid by the employee.

NOTE 10: PENSION PLAN (continued)

The rate plan's provisions and benefits in effect at June 30, 2023 and 2022, are summarized as follows:

	Miscellaneous Plan			
	Hired prior to January 1, 2013		Hired on or after January 1, 2013	
Benefit Formula	2.7% at 55		2.0% at 62	
Benefit Vesting Schedule	5 years service		5 years service	
Benefit Payments	monthly for life		monthly for life	
Retirement Age	50 - 55		52 - 67	
Monthly Benefits, as a % of Eligible Compensation	2.0% - 2.7%		1.0% - 2.5%	
Required Employee Contribution Rate	8.000%		6.250%	
	2023	2022	2023	2022
Required Employer Contribution Rate	14.03 %	14.02 %	7.47 %	7.59 %
Required UAL Contribution	$2,210,888	$1,940,986	$ 8,408	$ 7,556

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The District's contributions to the Plan for the years ended June 30, 2023 and 2022 were $3,597,832 and $3,307,047, respectively.

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2023 and 2022, the District reported a net pension liability of $30,425,186 and $16,441,417, respectively, for its proportionate share of the net pension liability of the Plan.

The District's net pension liability is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2022, and the total pension liability of the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability as of June 30, 2023 and 2022, was follows:

Proportion - June 30, 2022	0.86588 %
Proportion - June 30, 2023	0.65022 %
Change - decrease	(0.21566)%

NOTE 10: PENSION PLAN (continued)

For the year ended June 30, 2023, the District recognized pension expense (credit) of $(2,325,783). At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to the measurement date	$ 3,597,832	$ -
Change in employer's proportion	104,118	1,727,730
Difference between expected and actual experience	610,997	409,221
Changes in assumptions	3,117,696	-
Difference between employer contributions and the employer's proportionate share of the risk pool's contributions	-	565,190
Net difference between projected and actual earning on plan investments	5,573,085	-
Total	$ 13,003,728	$ 2,702,141

$3,597,832 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ended June 30,	Amount
2024	$ 1,470,192
2025	1,201,139
2026	623,736
2027	3,408,688

For the year ended June 30, 2022, the District recognized pension expense of $8,066,478. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to the measurement date	$ 3,307,047	$ -
Change in employer's proportion	315,854	267,650
Difference between expected and actual experience	1,843,728	-
Difference between employer contributions and the employer's proportionate share of the risk pool's contributions	-	405,947
Net difference between projected and actual earning on plan investments	-	14,352,489
Total	$ 5,466,629	$ 15,026,086

NOTE 10: PENSION PLAN (continued)

Actuarial Assumptions

The total pension liabilities in the June 30, 2021 and 2020 actuarial valuations were determined using the following actuarial assumptions:

	Fiscal Year 2023	Fiscal Year 2022
Valuation Date	June 30, 2021	June 30, 2020
Measurement Date	June 30, 2022	June 30, 2021
Actuarial Cost Method	Entry-age Normal Cost Method	Entry-age Normal Cost Method
Actuarial Assumptions:		
Discount Rate	6.90%	7.15%
Inflation	2.30%	2.50%
Salary Increases	Varies by Entry Age and Service	Varies by Entry Age and Service
Investment Rate of Return	6.90% net of pension plan investment expenses, includes inflation	6.90% net of pension plan investment expenses, includes inflation
Mortality (1)	Derived using CalPERS' membership data for all funds	Derived using CalPERS membership data for all funds
Post Retirement Benefit Increase	Contract COLA up to 2.30% until purchasing power protection allowance floor on purchasing power applies, 2.30% thereafter	Contract COLA up to 2.50% until purchasing power protection allowance floor on purchasing power applies, 2.30% thereafter

(1) The mortality table used was developed based on CalPERS' specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

Changes in Assumptions

Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%.

Discount Rate

The discount rate used to measure the total pension liability was 6.90 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Long-term Expected Rate of Return

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund (PERF) cash flows. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long term projected portfolio return.

NOTE 10: PENSION PLAN (continued)

The expected real rates of return by asset class are as follows:

Asset class	Assumed asset allocation	Real return years 1-10 (1, 2)
Global Equity - Cap-weighted	30.0%	4.45%
Global Equity - Non Cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	(5.0%)	(0.59%)

(1) An expected inflation of 2.3% used for this period.
(2) Figures are based on the 2021-22 Asset Liability Management study.

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

The following presents the District's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Discount Rate - 1% 5.90%	Current Discount Rate 6.90%	Discount Rate + 1% 7.90%
2023	$44,715,394	$30,425,186	$18,667,885

	Discount Rate - 1% 6.15%	Current Discount Rate 7.15%	Discount Rate + 1% 8.15%
2022	$29,389,434	$16,441,417	$5,737,476

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

NOTE 11: OTHER POST EMPLOYMENT BENEFITS (OPEB) PLAN

A. General Information about the OPEB Plan

Plan Description

The District's defined benefit post-employment healthcare plan, Public Agency Post-Retirement Health Care Plan (the Plan), provides medical benefits to eligible retired employees and their beneficiaries. The California Employers' Retiree Benefit Trust (CERBT) Fund administers the Plan, an agent multiple-employer trust arrangement established to provide economies of scale and efficiency of administration to public agencies that hold assets used to fund OPEB obligations. Plan benefits were established in accordance with Board policy and Memorandums of Understanding for respective employee groups, and may be amended by the Board of Trustees. CERBT provides an annual financial report that can be found on the CalPERS website.

Funding Policy

The Plan is funded by employer contributions plus a requirement for employee matching in the amount of 2% of gross salary for all employees. As the plan's sponsor, the District establishes and may amend employee and employer contribution requirements.

Benefits Provided

Following is a summary of Plan benefits by employee group as of June 30, 2023 and 2022:

Eligibility	- Attained age 50 - Completed 5 years of District service (if hired after 11/01/13) - Retire concurrently from both Vallejo and CalPERS after leaving Vallejo employment	
Benefit		
Hired prior to 11/01/2013	The District will pay the retired employee's entire monthly medical premium which may include his/her spouse and/or dependents, up to the highest cost local HMO.	
Hired on or after 11/01/2013	Follows State of California Vesting Schedule, employer pays:	
	- 10 years (PERS covered service)	50%
	- Each additional year, add	5%
	- 20+ years	100%

Employees Covered by Benefit Terms

Membership in the plan consisted of the following:

Measurement date	June 30, 2023	June 30, 2022
Valuation date	June 30, 2022	June 30, 2020
Active plan members	92	92
Inactive entitled to but not yet receiving benefits	-	-
Inactive currently receiving benefits	89	84
Total	181	176

NOTE 11: OTHER POST EMPLOYMENT BENEFITS (OPEB) PLAN (continued)

B. Net OPEB Liability

Actuarial Methods and Assumptions

The District's total OPEB liabilities in the June 30, 2023 and 2022 actuarial valuations were determined using the following actuarial assumptions:

	Fiscal Year 2023	Fiscal Year 2022
Valuation Date	June 30, 2022	June 30, 2020
Measurement Date	June 30, 2023	June 30, 2022
Actuarial Cost Method	Entry Age Normal	Entry Age Method
Actuarial Assumptions:		
Discount Rate	6.00%	5.75%
Inflation	2.30%	2.25%
Investment Rate of Return	6.00%	5.75%
Mortality Rate	Based on assumptions for Public Agency Miscellaneous members published in the November 2021 CalPERS Experience Study.	Based on assumptions for Public Agency Miscellaneous members published in the December 2017 CalPERS Experience Study. These tables include 15 years of static mortality improvement using 90% of scale MP-2016.
Healthcare Trend Rate	Based on 2022 Getzen model that reflects actual premium increases from 2022 to 2023, followed by 6.50% non-Medicare/5.40% Medicare, decreasing gradually to an ultimate rate of 3.73%.	6.70% for FY 2021, gradually decreasing over several decades to an ultimate rate of 3.8% in FY 2076 and later years.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return net of investment expense are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target allocation percentage.

Expected future real rates of return by asset class are shown below:

Asset Class	Target Allocation at Measurement Date	Projected Rates of Return[1]
Global Equity	49.00 %	4.50 %
Fixed Income	23.00 %	1.40 %
Global Real Estate (REITs)	20.00 %	3.70 %
Treasury Inflation-Protected Securities (TIPS)	5.00 %	0.50 %
Commodities	3.00 %	1.10 %
Total	100.00 %	

[1]The assumed inflation rate of 2.30% is added to the weighted expected future real rate of return to obtain the assumed discount rate. Projected long-term real rates of return are compound returns (time-weighted and net of all fees), adjusted for inflation, as shown in the CERBT Investment Policy Information - 2022 Capital Market Assumptions adopted by the CalPERS Board of Administration in November 2021.

NOTE 11: OTHER POST EMPLOYMENT BENEFITS (OPEB) PLAN (continued)

Discount Rate

The final equivalent single discount rate used for accounting is 6.00 percent with the expectation that the Plan Sponsor will contribute in accordance with the Funding Policy. Under this Funding Policy, the OPEB Trust is not expected to be depleted in the future.

Changes in Net OPEB Liability

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2021 (Measurement Date)	$ 23,981,726	$ 14,964,995	$ 9,016,731
Changes Recognized for the Measurement Period:			
Service cost	916,059	-	916,059
Interest on the total OPEB liability	1,388,866	-	1,388,866
Differences between expected and actual experience	73,206	-	73,206
Contributions - employer	-	1,987,182	(1,987,182)
Contributions - employee	-	210,111	(210,111)
Net investment income	-	(2,056,062)	2,056,062
Administrative expenses	-	(2,780)	2,780
Benefit payments	(1,487,182)	(1,487,182)	-
Net changes	890,949	(1,348,731)	2,239,680
Balance at June 30, 2022 (Measurement Date)	24,872,675	13,616,264	11,256,411
Changes Recognized for the Measurement Period:			
Service cost	950,869	-	950,869
Interest on the total OPEB liability	1,443,515	-	1,443,515
Differences between expected and actual experience	(2,280,906)	-	(2,280,906)
Changes of assumptions	(153,210)	-	(153,210)
Contributions - employer	-	1,958,265	(1,958,265)
Contributions - employee	-	222,071	(222,071)
Net investment income	-	899,005	(899,005)
Administrative expenses	-	(6,872)	6,872
Benefit payments	(1,458,265)	(1,458,265)	-
Net changes	(1,497,997)	1,614,204	(3,112,201)
Balance at June 30, 2023 (Measurement Date)	$ 23,374,678	$ 15,230,468	$ 8,144,210

NOTE 11: OTHER POST EMPLOYMENT BENEFITS (OPEB) PLAN (continued)

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

The following presents the net OPEB liability of the District, calculated using the discount rate, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
2023	$ 10,796,149	$ 8,144,210	$ 5,918,413

	1% Decrease (4.75%)	Current Discount Rate (5.75%)	1% Increase (6.75%)
2022	$ 14,266,825	$ 11,256,411	$ 8,747,188

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

The following presents the net OPEB liability of the District, calculated using the healthcare trend rate, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
2023	$ 5,437,753	$ 8,144,210	$ 11,432,719

	1% Decrease	Current Healthcare Cost Trend Rate (6.70% to 3.80%)	1% Increase
2022	$ 8,042,070	$ 11,256,411	$ 15,197,378

OPEB Expenses and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2023, the District recognized OPEB expense of $1,931,023. As of June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 620,663	$ 2,176,840
Changes in assumptions	1,684,280	127,675
Net difference between projected and actual earnings on plan investments	850,283	-
Total	$ 3,155,226	$ 2,304,515

NOTE 11: OTHER POST EMPLOYMENT BENEFITS (OPEB) PLAN (continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as follows:

For the Fiscal Year Ending June 30,	Recognized Net Deferred Outflows (Inflows) of Resources
2024	$ 643,147
2025	562,400
2026	468,679
2027	(417,829)
2028	(405,686)

For the fiscal year ended June 30, 2022, the District recognized OPEB expense of $2,306,671. As of June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 920,869	$ 386,250
Changes in assumptions	2,350,004	-
Net difference between projected and actual earnings on plan investments	1,051,047	-
Total	$ 4,321,920	$ 386,250

NOTE 12: RELATED PARTY TRANSACTIONS

In May 2005, the District entered into an operating lease agreement for land with the City of Vallejo as the site for the Ryder Street Storage Basin. The lease term is 66 years commencing September 1, 2005 and does not transfer ownership. The lease calls for seven annual payments in the amount of $250,000 and 59 annual payments of $100 for years thereafter. With the implementation of GASB Statement No. 87, the District has reported a right of use lease asset for the balance at the date of implementation and is amortizing the right of use lease asset on a straight-line basis over the life of the lease. The remaining annual lease payments of $100 are recorded as rent expense for the fiscal years 2023 and 2022, respectively.

NOTE 13: RISK MANAGEMENT

The District is exposed to various risks of loss, such as torts; theft of, damage to, and destruction of assets; injuries to employees; errors and omissions; employment practices; pollution; auto physical damage; and natural disasters. The District participates in a joint powers agreement with other public entities that form the California Sanitation Risk Management Authority (CSRMA), a public entity risk pool operating as a common risk management and insurance program for 60 member entities. CSRMA spreads the adverse effects of losses among its member entities for its pooled programs, and purchases excess insurance, reinsurance, and commercial insurance, where applicable and as a group, for its group insurance programs to reduce costs.

CSRMA is governed by a Board of Directors composed of one representative from each member agency that meet three times per year in conjunction with meetings of the California Association of Sanitation Agencies. The Board controls CSRMA's operations including selection of management and approval of operating budgets, independent of any influence by member entities.

NOTE 13: RISK MANAGEMENT (continued)

The District pays annual deposits to CSRMA for the programs listed below. Pooled liability and pooled workers' compensation programs charge the member funded SIR (self-insured reserve) for claims below limits, and utilize excess insurance and reinsurance for claims above the SIR. The primary, pollution, and property programs are entirely covered through commercial insurance.

Settled claims for CSRMA have not exceeded coverage in any of the past three fiscal years. The District also maintains employee fidelity bonds to protect against the risk of employee theft or defalcation. Public official bonds are used for the District Manager and Treasurer, a notary bond for the District Clerk, and a public employee dishonesty bond for all other employees.

The following summarizes active insurance policies as of June 30, 2023, together with coverage limits for each insured event:

Insurance Program	Limits	Coverage Description
Pooled Liability Program		
CSRMA - Self Insurance Retention	$ 450,000	$2,500 E&O DED, $25,000 EPL DED
CSRMA - Munich American Reinsurance Company	$ 15,500,000	$250,000 Sewer Backup DED
Primary Insurance Program		
CSRMA - AGCS Marine Insurance Company	$ 3,563,285	Automobile liability, $1,000/2,000 DED
	Cash value	Physical damage of sched vehicles
Pollution Remediation Program		
CSRMA - Harbor Insurance Company	$ 1,000,000	$5,000,000 AGG, $25,000 RET
Property Insurance Program		
CSRMA - Public Entity Program	$ 187,777,466	$10,000 DED
CSRMA - Public Entity Pollution	$ -	$25,000,000 AGG
CSRMA - Cyber Coverage	$ -	$2,000,000 AGG
Workers' Compensation Program		
CSRMA - Self Insurance Retention	$ 750,000	Workers' compensation, employer's
CSRMA - Safety National Casualty Corporation	$ 1,000,000	Liability: $0 DED

NOTE 14: COMMITMENTS AND CONTINGENCIES

A. Contractual Obligations

The District has various ongoing capital projects that involve long-term construction contracts with progress payments billed and paid on a percentage-of-completion basis. Construction commitments related to those contracts amounted to approximately $40,306,982 and $6,913,535 as of June 30, 2023, and 2022, respectively.

B. Contingencies

The District has received federal and state grants for specific purposes that are subject to review and audit by the grant agencies. Although such audits could result in expenditure disallowance's under grant terms, any required reimbursements are not expected to be material.

The District is also subject to legal proceedings and claims that arise in the ordinary course of business. In the opinion of management, the amount of ultimate liability with respect to such actions will not materially affect the financial position or results of operations of the District. Accordingly, no provision has been made for a contingent liability that meets the criteria for accrual set forth in current government accounting standards.

NOTE 15: CHANGE IN ACCOUNTING PRINCIPLE AND PRIOR PERIOD ADJUSTMENT

During the fiscal year ending June 30, 2023, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription Based Information Technology Arrangements*. These changes were incorporated in the District's financial statements.

During the fiscal year ending June 30, 2022, the District adopted a new inventory policy and wrote off items recorded in inventory that did not meet the new policy threshold, which is reported as a change in estimate.

The effects of the implementation of GASB 96 and the change in inventory resulted in a restatement of the June 30, 2022 balances as follows:

	As Previously Reported	Restated	Change in Net Position
Prepaid expense	$ 808,429	$ 777,096	$ (31,333)
Right-to-use SBITA asset, net	-	112,057	112,057
Inventory	786,064	388,227	(397,837)
Accrued interest on long-term debt	218,050	221,482	(3,432)
SBITA liability	-	(75,354)	(75,354)
			$ (395,899)

During the fiscal year ending June 30, 2022, the District determined prior year accounts receivable and depreciation were incorrectly stated and the right-to-use lease asset and lease liability recorded during the implementation of Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, were incorrectly stated and recorded a prior period adjustment.

The effects of the restatement of accounts receivable, depreciation, right-to-use lease assets, and lease liability resulted in a restatement of the June 30, 2022 balances as follows:

	As Previously Reported	Restated	Change in Net Position
Accounts receivable	$ 4,080,612	$ 1,688,097	$ (2,392,515)
Due from other governments	337,973	2,363,708	2,025,735
Right-to-use lease assets, net	1,713,722	1,682,633	(31,089)
Lease liability	(363,838)	(335,903)	27,935
			$ (369,934)

NOTE 16: SUBSEQUENT EVENT

Management has evaluated events subsequent to June 30, 2023 through December 1, 2023, the date on which the financial statements were available for issuance. Management has determined no subsequent events requiring disclosure have occurred.

REQUIRED SUPPLEMENTARY INFORMATION

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
AS OF JUNE 30, 2023
LAST 10 YEARS *

	Measurement Period								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Plan's proportion of the net pension liability	0.65022 %	0.08659 %	0.61886 %	0.60568 %	0.59373 %	0.57650 %	0.56725 %	0.14712 %	0.18915 %
Plan's proportionate share of the net pension liability	$ 30,425,186	$ 16,441,417	$ 26,104,014	$ 24,254,485	$ 22,376,039	$ 22,725,984	$ 19,705,443	$ 15,432,136	$ 11,769,980
Plan's covered payroll	$ 10,603,644	$ 10,393,617	$ 9,670,727	$ 8,773,461	$ 8,334,859	$ 8,022,314	$ 7,682,568	$ 7,753,967	$ 7,653,802
Plan's proportionate share of the net pension liability as a percentage of covered payroll	286.93 %	158.19 %	269.93 %	276.45 %	268.46 %	283.28 %	256.50 %	199.02 %	153.78 %
Plan's fiduciary net position as a percentage of the plan's total pension liability	76.68 %	88.30 %	75.10 %	75.30 %	73.69 %	73.31 %	74.06 %	78.40 %	79.82 %

Notes to Schedule:

Benefit changes: In 2015, benefit terms were modified to base public safety employee pensions on a final three-year average salary instead of a final five-year average salary.

Changes in assumptions: In 2022, the accounting discount rate was reduced from 7.15 percent to 6.90 percent. In 2021, 2020 and 2019, there were no changes. In 2018, the demographic assumptions and inflation rate were changed in accordance with the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. In 2017, the accounting discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5 percent discount rate.

* Schedule is intended to show information for ten years. Fiscal year 2015 was the first year of implementation, therefore only nine years are shown. Additional years' information will be displayed as it becomes available.

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CONTRIBUTIONS TO THE COST SHARING DEFINED BENEFIT PENSION PLAN
AS OF JUNE 30, 2023
LAST 10 YEARS *

	Fiscal Year-End								
	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	$ 3,597,832	$ 3,307,047	$ 3,026,216	$ 2,668,281	$ 2,253,819	$ 1,944,314	$ 899,758	$ 1,064,678	$ 1,274,837
Contributions in relation to the actuarially determined contributions	3,597,832	3,307,047	3,026,216	2,668,281	2,253,819	1,944,314	899,758	1,064,678	1,274,837
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 11,699,877	$ 10,603,644	$ 10,393,617	$ 9,670,727	$ 8,773,461	$ 8,334,859	$ 8,022,314	$ 7,682,568	$ 7,753,967
Contributions as a percentage of covered payroll	30.75 %	31.19 %	29.12 %	27.59 %	25.69 %	23.33 %	11.22 %	13.86 %	16.44 %

Note: Contractually required contributions and contributions in relation to the actuarially determined contributions for fiscal year 2017 and prior do not include payments toward the District's unfunded accrued liability.

* Schedule is intended to show information for ten years. Fiscal year 2015 was the first year of implementation, therefore only nine years are shown. Additional years' information will be displayed as it becomes available.

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE DISTRICT'S NET OPEB LIABILITY AND RELATED RATIOS
For the Measurement Periods Ended June 30
Last 10 Years*

	2023	2022	2021	2020
Total OPEB liability				
Service cost	$ 950,869	$ 916,059	$ 352,376	$ 362,299
Interest on the total OPEB liability	1,443,515	1,388,866	1,456,214	1,296,524
Differences between expected and actual experience	(2,280,906)	73,206	(603,460)	1,721,805
Changes in assumptions	(153,210)	-	3,681,452	-
Benefit payments, including refunds of employee contributions	(1,458,265)	(1,487,182)	(1,276,392)	(1,041,544)
Net change in total OPEB liability	(1,497,997)	890,949	3,610,190	2,339,084
Total OPEB liability, beginning	24,872,675	23,981,726	20,371,536	18,032,452
Total OPEB liability, ending (a)	$23,374,678	$24,872,675	$23,981,726	$20,371,536
Plan fiduciary net position				
Contributions - employer	$ 1,958,265	$ 1,987,182	$ 1,776,392	$ 1,541,544
Contributions - member	222,071	210,111	214,047	191,439
Net investment income	899,005	(2,056,062)	3,091,825	352,141
Benefit payments	(1,458,265)	(1,487,182)	(1,276,392)	(1,041,544)
Administrative expense	(6,872)	(2,780)	(2,635)	(2,780)
Other changes in net position	-	-	(589)	(84,912)
Net change in plan fiduciary net position	1,614,204	(1,348,731)	3,802,648	955,888
Plan fiduciary net position, beginning	13,616,264	14,964,995	11,162,347	10,206,459
Plan fiduciary net position, ending (b)	$15,230,468	$13,616,264	$14,964,995	$11,162,347
Net OPEB liability, ending (a) - (b)	$ 8,144,210	$11,256,411	$ 9,016,731	$ 9,209,189
Plan fiduciary net position as a percentage of the total OPEB liability	65.2 %	54.7 %	62.4 %	54.8 %
Covered payroll	$11,699,877	$10,603,644	$10,393,617	$ 9,670,727
Net OPEB liability as a percentage of covered employee payroll	69.6 %	106.2 %	86.8 %	95.2 %

Notes to Schedule:

Changes of assumptions: For the measurement period June 30, 2023, the discount rate was increased from 5.75 percent to 6.00 percent. For the measurement period ended June 30, 2022, there were no changes in assumptions. For the measurement period ended June 30, 2021, the discount rate was changed from 7.25 percent (net of administrative expense) to 5.75 percent and the inflation rate was changed from 2.75 percent to 2.25 percent. For the measurement period ended June 30, 2020, to maintain consistency with CalPERS demographic rates, rates of retirement, termination, disability, and mortality were updated. For the measurement period ended June 30, 2018, the discount rate was changed from 5.09 percent (net of administrative expense) to 5.52 percent.

* Schedule is intended to show information for ten years. Fiscal year 2017 was the first year of implementation, therefore only seven years are shown. Additional years' information will be displayed as it becomes available.

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE DISTRICT'S NET OPEB LIABILITY AND RELATED RATIOS (CONTINUED)
For the Measurement Periods Ended June 30
Last 10 Years*

	2019	2018	2017
Total OPEB liability			
Service cost	$ 351,747	$ 341,502	$ 323,479
Interest on the total OPEB liability	1,252,722	1,209,603	1,166,959
Differences between expected and actual experience	-	(6,230)	-
Changes in assumptions	-	-	-
Benefit payments, including refunds of employee contributions	(981,223)	(940,234)	(836,221)
Net change in total OPEB liability	623,246	604,641	654,217
Total OPEB liability, beginning	17,409,206	16,804,565	16,150,348
Total OPEB liability, ending (a)	$18,032,452	$17,409,206	$16,804,565
Plan fiduciary net position			
Contributions - employer	$ 1,481,223	$ 1,440,234	$ 1,336,221
Contributions - member	173,100	156,902	171,665
Net investment income	1,070,440	83,311	794,510
Benefit payments	(981,223)	(940,234)	(836,221)
Administrative expense	(2,348)	(3,094)	(36,633)
Other changes in net position	-	-	-
Net change in plan fiduciary net position	1,741,192	737,119	1,429,542
Plan fiduciary net position, beginning	8,465,267	7,728,148	6,298,606
Plan fiduciary net position, ending (b)	$10,206,459	$ 8,465,267	$ 7,728,148
Net OPEB liability, ending (a) - (b)	$ 7,825,993	$ 8,943,939	$ 9,076,417
Plan fiduciary net position as a percentage of the total OPEB liability	56.6 %	48.6 %	46.0 %
Covered payroll	$10,102,073	$ 8,334,837	$ 8,022,329
Net OPEB liability as a percentage of covered employee payroll	77.5 %	107.3 %	113.1 %

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF OPEB CONTRIBUTIONS
For the Fiscal Year Ended June 30
Last 10 Years*

	2023	2022	2021	2020
Actuarially Determined Contribution (ADC)	$ 1,788,161	$ 1,740,303	$ 1,143,845	$ 1,110,529
Contributions in relation to the ADC	1,958,265	1,987,182	1,776,392	1,541,544
Contribution deficiency (excess)	$ (170,104)	$ (246,879)	$ (632,547)	$ (431,015)
Covered payroll	$11,699,877	$10,603,644	$10,393,617	$ 9,670,727
Contributions as a percentage of covered payroll	16.7%	18.7%	17.1%	15.9%

* Schedule is intended to show information for ten years. Fiscal year 2017 was the first year of implementation, therefore only seven years are shown. Additional years' information will be displayed as it becomes available.

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF OPEB CONTRIBUTIONS (CONTINUED)
For the Fiscal Year Ended June 30
Last 10 Years*

	2019	2018	2017
Actuarially Determined Contribution (ADC)	$ 1,082,230	$ 1,050,709	$ 1,092,974
Contributions in relation to the ADC	1,481,223	1,440,234	1,336,221
Contribution deficiency (excess)	$ (398,993)	$ (389,525)	$ (243,247)
Covered payroll	$10,102,073	$ 8,334,837	$ 8,022,329
Contributions as a percentage of covered payroll	14.7%	17.3%	16.7%

Statistical Section

STATISTICAL SECTION

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

Contents | **Page**

Source: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATISTICAL SECTION
FINANCIAL TRENDS INFORMATION
JUNE 30, 2023

Description: Financial trend information helps the reader to understand changes in financial performance and financial well-being over time.

Table 1 - Net Position by Component	2023	2022	2021	2020	2019
Net investment in capital assets	$ 162,990,387	$ 162,918,336	$ 164,597,367	$ 162,730,906	$ 157,539,569
Restricted for capital improvements	25,256,263	21,428,265	20,790,891	20,544,113	24,670,913
Restricted for debt service	1,534,122	1,487,666	1,492,101	1,555,574	7,064,556
Unrestricted	(3,659,553)	(8,842,220)	(8,967,257)	(11,623,251)	(15,162,175)
Total net position	$ 186,121,219	$ 176,992,047	$ 177,913,102	$ 173,207,342	$ 174,112,863

Table 2 - Changes in Net Position	2023	2022	2021	2020	2019
OPERATING REVENUES:					
Service charges	$ 42,927,480	$ 42,262,119	$ 39,446,883	$ 36,086,680	$ 31,229,741
Other operating revenues	81,350	99,663	40,794	34,507	66,449
Total operating revenues	43,008,830	42,361,782	39,487,677	36,121,187	31,296,190
OPERATING EXPENSES:					
Salaries and benefits	14,567,502	24,596,715	19,045,797	18,651,967	14,897,875
Operations materials, supplies and services	7,777,403	6,474,234	6,138,203	6,817,660	5,291,610
Depreciation and amortization	8,950,356	9,014,349	8,810,332	8,531,121	8,399,593
Utilities and telephone	3,108,315	2,288,111	1,621,255	1,727,047	1,681,079
General and administrative	2,509,310	2,203,747	1,877,630	2,278,445	2,319,472
Total operating expenses	36,912,886	44,577,156	37,493,217	38,006,240	32,589,629
Operating income (loss)	6,095,944	(2,215,374)	1,994,460	(1,885,053)	(1,293,439)
NONOPERATING REVENUES (EXPENSES):					
Property taxes	1,465,897	1,363,915	1,303,856	1,260,685	1,190,908
Interest and other investment income	861,134	(624,765)	82,837	645,835	1,487,352
Interest expense	(1,148,718)	(1,242,577)	(1,323,229)	(1,414,901)	(1,716,618)
Other nonoperating revenue (expense)	509,473	344,063	408,792	310,163	67,310
Total nonoperating revenues (expenses)	1,687,786	(159,364)	472,256	801,782	1,028,952
Income (loss) before capital contributions	7,783,730	(2,374,738)	2,466,716	(1,083,271)	(264,487)
Add: connection fee revenue	1,127,514	1,278,915	179,457	111,333	854,442
Add: contributions from developers	217,928	940,601	2,051,309	66,417	8,299,534
Increase (decrease) in net position	9,129,172	(155,222)	4,697,482	(905,521)	8,889,489
Net position - beg of year	176,992,047	177,913,102	173,207,342	174,112,863	168,717,118
Add (less): change in accounting principle		(395,899)			
prior period adjustments		(369,934)	8,278		(3,493,744)
Net position - end of year	$ 186,121,219	$ 176,992,047	$ 177,913,102	$ 173,207,342	$ 174,112,863

Source: Audited District Financial Statements

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATISTICAL SECTION
FINANCIAL TRENDS INFORMATION
JUNE 30, 2023

Description: Financial trend information helps the reader to understand changes in financial performance and financial well-being over time.

Table 1 - Net Position by Component	2018	2017	2016	2015	2014
Net investment in capital assets	$ 141,950,984	$ 143,829,651	$ 132,461,371	$ 136,530,088	$ 141,859,146
Restricted for capital improvements	24,670,913	23,648,793	25,657,307	26,231,838	24,637,821
Restricted for debt service	7,466,046	4,793,109	7,464,736	4,993,354	6,953,027
Unrestricted	(5,370,824)	5,466,334	13,733,607	7,846,075	16,549,479
Total net position	$ 168,717,119	$ 177,737,887	$ 179,317,021	$ 175,601,355	$ 189,999,473

Table 2 - Changes in Net Position	2018	2017	2016	2015	2014
OPERATING REVENUES:					
Service charges	$ 32,134,713	$ 27,369,291	$ 30,855,988	$ 28,208,614	$ 27,312,302
Other operating revenues	369,674	576,521	878,596	434,531	761,584
Total operating revenues	32,504,387	27,945,812	31,734,584	28,643,145	28,073,886
OPERATING EXPENSES:					
Salaries and benefits	15,150,831	12,775,045	13,174,775	13,144,752	12,893,571
Operations materials, supplies and services	3,645,242	5,329,280	4,119,126	2,338,680	2,953,539
Depreciation and amortization	8,352,480	8,541,123	8,492,399	8,328,691	8,336,273
Utilities and telephone	1,515,034	1,726,859	1,549,718	1,670,587	1,548,515
General and administrative	2,163,963	1,741,911	2,254,644	2,461,696	2,558,376
Total operating expenses	30,827,550	30,114,218	29,590,662	27,944,406	28,290,274
Operating income (loss)	1,676,837	(2,168,406)	2,143,922	698,739	(216,388)
NONOPERATING REVENUES (EXPENSES):					
Property taxes	1,114,502	1,040,270	949,071	876,878	778,473
Interest and other investment income	285,376	339,036	840,119	752,513	1,209,719
Interest expense	(1,921,753)	(2,105,121)	(2,312,283)	(2,529,416)	(2,676,177)
Other nonoperating revenue (expense)	(2,192,096)	772,062	427,071	518,096	453,552
Total nonoperating revenues (expenses)	(2,713,971)	46,247	(96,022)	(381,929)	(234,433)
Income (loss) before capital contributions	(1,037,134)	(2,122,159)	2,047,900	316,810	(450,821)
Add: connection fee revenue	303,665	519,549	1,645,935	100,179	216,982
Add: contributions from developers	91,972	23,476	21,831		
Increase (decrease) in net position	(641,497)	(1,579,134)	3,715,666	416,989	(233,839)
Net position - beg of year	177,737,887	179,317,021	175,601,355	189,999,473	190,797,364
Add (less): prior period adjustments	(8,379,271)			(14,815,107)	(564,052)
Net position - end of year	$ 168,717,118	$ 177,737,887	$ 179,317,021	$ 175,601,355	$ 189,999,473

Source: Audited District Financial Statements

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATISTICAL SECTION
REVENUE CAPACITY INFORMATION
JUNE 30, 2023

Table 1 - Service Charge Base Rates

FYE June 30	Base Monthly WW Rate	Increase/ (Decrease)	Base Monthly SW Rate	Increase/ (Decrease)	Base Monthly UL Rate	Increase/ (Decrease)	Combined Monthly Rate
2023	$64.12	3.0%	$1.97	0.0%	$1.38	0.0%	$67.47
2022	$62.25	4.5%	$1.97	0.0%	$1.38	0.0%	$65.60
2021	$59.56	9.0%	$1.97	0.0%	$1.38	0.0%	$62.91
2020	$54.64	12.0%	$1.97	0.0%	$1.38	0.0%	$57.99
2019	$48.78	12.5%	$1.97	0.0%	$1.38	0.0%	$52.13
2018	$43.35	0.0%	$1.97	0.0%	$1.38	0.0%	$46.70
2017	$43.35	0.0%	$1.97	0.0%	$1.38	0.0%	$46.70
2016	$43.35	0.0%	$1.97	0.0%	$1.38	0.0%	$46.70
2015	$43.35	2.5%	$1.97	0.0%	$1.38	0.0%	$46.70
2014	$42.29	2.5%	$1.97	0.0%	$1.38	0.0%	$45.64

Source: District Rate Ordinances

Table 2 - Sewer Service Accounts by Type

FYE June 30	Single Family	Multi Family	Commercial	Govt	Total Billable Accounts	Total Billable Units (1)
2023	33,522	2,786	1,227	189	37,724	48,696
2022	34,332	2,057	1,195	189	37,773	49,456
2021	34,396	2,080	1,586	177	38,239	49,147
2020	34,402	2,106	1,638	50	38,196	48,629
2019	34,402	2,119	2,024	50	38,595	48,629
2018	34,361	2,106	1,638	50	38,155	48,525
2017	34,361	2,106	1,638	50	38,155	48,525
2016	34,361	2,106	1,638	50	38,155	48,525
2015	34,270	2,106	1,630	50	38,056	48,360
2014	34,056	2,106	1,624	50	37,836	48,201

Source: District Finance staff and billing data

(1) Certain accounts contain multiple units. Residential rates are flat-rate per unit. Commercial rates are based upon a combination of wintertime water consumption and strength.

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATISTICAL SECTION
REVENUE CAPACITY INFORMATION
JUNE 30, 2023

Table 3 - Service Area Ten Largest Users and Percentage of Annual Service Charges

	Fiscal Year Ended									
Ten Largest Users	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Six Flags Discovery Kingdom	$ 249,082	$ 237,632	$ 243,245	$ 222,864	$ 325,658	$ 359,913	$ 341,613	$ 313,609	$ -	$ 195,449
Prime Ascot DBA Blue Rock Village			203,633	187,101	339,456	303,503	298,332	291,312	291,312	296,289
Fairgrounds Mobile Estates	217,937	211,936	202,659	185,918	164,439	147,290	146,774	146,774		142,789
WRPV XIII BV Vallejo LLC			189,089	173,738						
Vallejo Mobile Estates			185,453	170,397	152,192	135,850	135,850	132,651	132,648	134,918
Vallejo Mobile Home Community			147,513	135,653	121,160					
Solano Vista II Housing Inv LP			141,093	129,640	115,789	103,356	103,356	100,918	100,920	102,648
Carquinez Highlands LTD			140,718	129,181	115,789					
MG (Broadstone) Sterling Village Apts			135,276	124,294		99,095	99,095	96,757	96,756	-
Seabreeze Apartments				122,958		98,030	98,030	95,716		
Glen Cove Landing					157,011	140,605	136,436	133,205	133,176	135,461
H&W Enterprises Bay Village					155,176					
C S Marine Construction					120,285					
Hillcrest Park HOA						175,762	171,870	171,906	164,388	162,971
Riley Bower Apartments II						98,030	98,030		95,712	
Seafood City Supermarket								121,762	108,180	116,957
Larissa Lane Partners									95,712	
Waterstone Owners Association									93,636	
Sundance - Vallejo										154,493
KW/WDC Vallejo LLC										149,073
DO TKNN LLC			151,101							
Totals	$ 467,019	$ 449,568	$ 1,739,780	$ 1,581,744	$ 1,766,955	$ 1,661,434	$ 1,629,386	$ 1,604,610	$ 1,312,440	$ 1,591,048
Annual Service Charges	$ 43,008,830	$ 42,927,480	$ 42,262,119	$ 36,086,680	$ 31,229,741	$ 32,134,713	$ 27,369,291	$ 30,855,988	$ 26,436,670	$ 25,599,090

Percentage of Annual Service Charges:	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Six Flags Discovery Kingdom	0.58%	0.55%	0.58%	0.62%	1.04%	1.12%	1.25%	1.02%		0.76%
Prime Ascot DBA Blue Rock Village			0.48%	0.52%	1.09%	0.94%	1.09%	0.94%	1.10%	1.16%
Fairgrounds Mobile Estates	0.51%	0.49%	0.48%	0.52%	0.53%	0.46%	0.54%	0.48%		0.56%
WRPV XIII BV Vallejo LLC			0.45%	0.48%						
Vallejo Mobile Estates			0.44%	0.47%	0.49%	0.42%	0.50%	0.43%	0.50%	0.53%
Vallejo Mobile Home Community			0.35%	0.38%	0.39%					
Solano Vista II Housing Inv LP			0.33%	0.36%	0.37%	0.32%	0.38%	0.33%	0.38%	0.40%
Carquinez Highlands LTD			0.33%	0.36%	0.37%					
MG (Broadstone) Sterling Village Apts			0.32%	0.34%		0.31%	0.36%	0.31%	0.37%	
Seabreeze Apartments				0.34%		0.31%	0.36%	0.31%		
Glen Cove Landing					0.50%	0.44%	0.50%	0.43%	0.50%	0.53%
H&W Enterprises Bay Village					0.50%					
C S Marine Construction					0.39%					
Hillcrest Park HOA						0.55%	0.63%	0.56%	0.62%	0.64%
Riley Bower Apartments II						0.31%	0.36%		0.36%	
Seafood City Supermarket								0.39%	0.41%	0.46%
Larissa Lane Partners									0.36%	
Waterstone Owners Association									0.35%	
Sundance - Vallejo										0.60%
KW/WDC Vallejo LLC										0.58%
Totals	1.09%	1.05%	3.76%	4.38%	5.66%	5.17%	5.95%	5.20%	4.95%	6.22%

Source: Audited District Financial Statements

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATISTICAL SECTION
DEBT CAPACITY INFORMATION
JUNE 30, 2023

Description: These tables present information that help the reader assess the affordability of the District's current levels of outstanding debt and the ability to pay debt.

Table 1 - Ratios of Outstanding Debt by Type

Fiscal Year Ended June 30	2021 State Revolving Fund Loan	2014 Revenue Bonds	2011 Revenue Bonds	2008 State Revolving Fund Loan	2004 State Revolving Fund Loan	1993 Certificates of Participation	Lease Liability	Subscription Liability	Total Outstanding Debt	Total Debt Per Capita (1)	Total Debt Per Billing Unit (1)	Wastewater Debt Service Coverage	District Population
2023	$ 5,539,131	$ 23,782,394	$ 610,002	$ 612,753	$ -	$ -	$ 346,063	$ 423,382	$ 31,313,725	$ 257	$ 643	577%	121,658
2022	2,025,735	25,106,347	892,729	908,401	884,948	-	335,903	75,354	30,229,417	245	611	185%	123,190
2021	-	26,380,300	1,165,456	1,197,121	1,748,312	-	280,435	-	30,771,624	236	626	168%	117,846
2020	-	27,604,253	1,428,183	1,479,073	2,590,618	-	-	-	33,102,127	278	681	239%	119,063
2019	-	28,778,206	1,680,910	1,754,417	3,412,380	2,640,000	-	-	38,265,913	320	787	177%	119,544
2018	-	29,907,159	1,923,637	2,023,307	4,214,099	5,084,656	-	-	43,152,858	362	889	126%	119,252
2017	-	29,942,159	1,933,637	2,029,461	4,233,176	5,199,656	-	-	43,338,089	369	893	138%	117,322
2016	-	32,060,065	2,379,091	2,542,329	5,759,352	9,618,968	-	-	52,359,805	446	1,079	158%	117,322
2015	-	33,089,018	2,591,818	2,792,753	6,503,828	11,718,624	-	-	56,696,041	465	1,176	165%	119,683
2014	-	33,000,128	2,758,432	3,037,308	7,230,146	13,718,280	-	-	59,744,294	504	1,239	153%	118,470

Table 2 - Pledged Revenue Coverage

Fiscal Year Ended June 30	Pledge Revenue	Less Operating Expenses	Net Revenues Available	2021 State Revolving Fund Loan	2014 Revenue Bonds	2011 Revenue Bonds	2008 State Revolving Fund Loan	2006 Certificates of Participation	2004 State Revolving Fund Loan	1993 Certificates of Participation	Total Annual Debt Service
2023	$ 42,220,985	$ 25,203,099	$ 17,017,886	$ -	$ 2,307,425	$ 324,250	$ 317,450	$ -	$ -	$ -	$ 2,949,125
2022	39,749,686	32,595,628	7,154,058	-	2,310,925	327,750	317,450	-	907,072	-	3,863,197
2021	37,279,831	24,726,106	12,553,725	-	2,311,925	328,475	317,450	-	907,072	-	3,864,922
2020	34,341,064	25,108,887	9,232,177	-	2,310,425	328,475	317,450	-	907,072	-	3,863,422
2019	32,328,384	20,696,633	11,631,751	-	2,311,675	328,075	317,450	-	907,072	2,709,875	6,574,147
2018	27,615,956	19,402,604	8,213,352	-	2,312,275	327,275	317,449	-	907,072	2,652,750	6,516,221
2017	28,503,418	19,478,930	9,024,488	-	2,311,475	326,075	317,450	-	907,072	2,657,500	6,519,571
2016	29,512,834	19,213,676	10,299,158	-	2,314,475	324,475	317,450	-	907,072	2,661,500	6,524,971
2015	28,790,606	17,893,442	10,897,164	-	2,318,519	331,626	317,449	-	907,072	2,721,750	6,596,416
2014	28,108,940	18,005,941	10,102,999	-	82,728	327,693	315,062	2,231,956	904,119	2,743,844	6,605,402

(1) Denominators per population and billing unit tables

Source: Audited District Financial Statements

Demographic and Economic Statistics
Last Ten Calendar Years

Calendar Year	Population	Personal Income (in thousands)	Per Capita Personal Income	Unemployment Rate *
2014	118,470	3,130,333	26,423	8.9%
2015	119,683	3,111,279	25,996	8.3%
2016	117,322	3,043,919	25,945	5.6%
2017	118,280	3,421,840	28,930	5.1%
2018	119,252	3,199,293	26,828	4.4%
2019	119,544	3,391,224	28,368	4.4%
2020	119,063	3,558,198	29,885	11.3%
2021	117,846	3,680,331	31,230	8.9%
2022	123,190	4,043,835	32,826	4.9%
2023	121,658	4,464,240	36,695	5.0%

Note: * Starting in 2018, the unemployment rate reported is the average of the Vallejo City unemployment rate for the first 9 months of the calendar year. In previous years, the unemployment rate in this table was determined by averaging the Vallejo-Fairfield MSA monthly figures.

Sources : (1) State Department of Finance (revised)

(2) U.S. Bureau of Economic Analysis (2007 to 2012); U.S. Census Bureau (2013 and forward)

(3) State of California Employment Development Department (data shown is for the City)

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATISTICAL SECTION
ECONOMIC AND DEMOGRAPHIC INFORMATION
JUNE 30, 2023

Top 10 Principal Employers
Current Year and Nine Years Ago

	2023		2014	
Employer	Number of Employees	Percent of Total Employment	Number of Employees	Percent of Total Employment
Kaiser Permanente Medical Center **	4,417	8.13%	3,906	6.73%
Six Flags Discovery Kingdom	1,300	2.39%	1,600	2.41%
Vallejo Unified School District	1,133	2.09%	1,600	2.41%
Sutter Solano Medical Center*	610	1.12%	690	1.04%
City of Vallejo	519	0.96%	509	0.77%
Touro University California	351	0.65%	385	0.58%
California Maritime Academy	345	0.64%	N/A	N/A
Costco	325	0.60%	N/A	N/A
Safeway (3 Locations)	319	0.59%	N/A	N/A
Adventist Health Vallejo	155	0.29%	N/A	N/A
Kaiser Permanente Call Center	N/A	N/A	950	1.43%
California Highway Patrol, Regional Office	N/A	N/A	400	0.60%
U.S.D.A. Forest Service	N/A	N/A	300	0.45%
Petrochem Corporate Headquarters	N/A	N/A	225	0.34%

"Total Employment" as used above represents the total employment of all employers located within City limits.

Source: City of Vallejo Finance Department (MuniServices LLC/and Avenu Insights & Analytics Company
* Includes full and part time employees
** Includes call center. Physicians data is unavailable and not included in our count.

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATISTICAL SECTION
OPERATING INFORMATION
JUNE 30, 2023

	Fiscal Year Ended									
Table 1 - Employees by Department	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Administration	4	4	5	5	6	6	6	6	5	5
Safety and Risk Management	3	2	3	3	3	3	3	3	2	2
Finance	7	7	7	7	9	9	9	9	8	8
Engineering	8	6	6	6	6	5	5	6	5	6
Field Operations	25	26	24	28	28	25	25	25	24	24
Plant Operations	15	14	17	17	18	17	15	14	14	14
Environmental Services	11	11	12	12	11	11	11	11	11	11
Facilities Maintenance	14	13	12	12	16	14	16	17	15	15
Electrical/Information Technology	7	7	7	7						
Human Resources	2	3	2	2						
Total district employees	96	93	95	99	97	90	90	91	84	85

Table 2 - Operating Indicators	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
New connections	77	1	56	53	109	51	52	43	23	6
Number of upper laterals replaced	118	108	124	131	162	153	174	170	169	165
Number of service calls - wastewater	818	813	789	717	800	808	1,083	1,187	1,066	1,066
Number of service calls - storm drain	114	135	31	46	63	50	160	63	55	55
Blockages in mains - wastewater	17	12	14	7	3	7	2	23	27	27
Blockages in laterals - wastewater	87	132	110	92	90	104	126	204	241	241
Blockages in mains - storm drain	10	13	7	3	1	3	1	3	3	3
Amounts of wastewater treated (MG)	4,013	3,526	2,860	3,055	3,652	3,372	4,549	3,541	3,657	3,413
Operating costs net of depreciation per MG	6,280	9,595	9,108	8,682	6,137	5,393	4,745	5,396	5,590	6,153
Dry tons of sludge produced	3,739	3,624	3,518	3,757	3,799	3,559	3,702	3,718	3,748	3,616
Number of effluent violations	1	1	0	0	0	0	2	0	0	1

Table 3 - Capital Assets Data	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Area served (square miles)	36	36	36	36	36	36	36	36	36	36
Number of treatment plants	1	1	1	1	1	1	1	1	1	1
Permitted treatment capacity - dry (mgd)	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5
Permitted treatment capacity - wet (mgd)	60	60	60	60	60	60	60	60	60	60
Number of pump stations - wastewater	30	30	30	30	30	36	36	36	36	36
Number of pump stations - storm water	9	9	9	9	9	9	9	9	9	9
Miles of main - wastewater	407	407	407	395	395	436	436	436	436	436
Miles of main - storm water	211	211	211	211	211	220	220	220	220	220
Miles of channel - storm water	6	6	6	6	6	6	6	6	6	6
Main line rep/rplc - wastewater (feet)	6,401	6,379	4,595	5,776	2,035	4,061	7,757	4,332	410	115
Main line rep/rplc - storm water (feet)	80	325	69	0	100	50	120	369	0	586
Service line rep/rplc - wastewater (feet)	1,139	4,888	3,247	3,289	4,839	2,534	2,075	2,140	1,290	1,290
Open channel cleaned - storm water (feet)	12,104	9,643	12,784	17,581	15,255	17,175	15,778	10,560	16,640	16,640

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATISTICAL SECTION
OTHER INFORMATION
JUNE 30, 2023

Connection (Capacity) Fee Report
Per California Government Code Section 66013(d) and (e)
Fiscal Year Ended June 30, 2023

	Wastewater	Stormwater	Total
Connection Fee Fund, beginning cash balance as of July 1, 2022	$ 1,260,338	$ 19,821,859	$ 21,082,197
FY 2023 INFLOWS			
Connection Fees Revenue (Earned)	825,293	299,027	1,124,320
Connection Fees Received (Held in Deposit)	732,360	29,410	761,770
Connection Fees Invoiced (AR)		(22,620)	(22,620)
Other Associated Revenue	61	60	121
Interest Earned	26,224	338,854	365,078
Cash Received in Current Fiscal Year	**$ 1,583,938**	**$ 644,731**	**$ 2,228,669**
FY 2023 OUTFLOWS			
Capital Expenditures			
None in FY 2022/23	-	-	-
Refunds			
None in FY 2022/23	-	-	-
Total Outflows	**$ -**	**$ -**	**$ -**
Net Changes for Fiscal Year 2023	**$ 1,583,938**	**644,731**	**2,228,669**
Connection Fee Fund, ending cash balance as of June 30, 2023	**$ 2,844,276**	**$ 20,466,590**	**$ 23,310,866**

Budgeted Connection Fee Expenses for FY 2024	Wastewater	Stormwater	Total
CWM901 - Annual SS Capacity Upgrade Program	350,000	-	
CDM022 - CMP SD Replacements		150,000	
CDM024 - Cypress/Palm SD Rehab/Expansion		60,000	
CDD001 - Mono Street Trash Capture		71,165	
CDM901 - SW Capacity Development Study		75,000	
Total Budgeted Expenses for FY 2024	**$ 350,000**	**$ 356,165**	**$ 706,165**

The Fiscal Year 2023 connection fee for single family dwelling units was $4,420 for sewer connections and $7,520 for stormwater connections. Commerical and industrial connection fees vary based on several factors, including size and anticipated waste characteristics. A complete fee schedle can be found at www.VallejoWastewater.org.

California Government Code (CGC) Section 66013 (c) requires the District to place capital facilities connection fees received and any interest income earned from the investment of these monies in a separate fund. These monies are to be used solely for the purposes for which they were collected and not commingled with other District funds.

CGC Section 66013(d) requires the District to make certain information available to the public within 180 days after the close of each fiscal year. CGC Section 66013(e) allows the required information to be included in the District's annual financial report. This Connection (Capacity) Fee Report meets this requirement.

Source: Audited District Financial Statements and Engineering staff

VALLEJO FLOOD AND WASTEWATER DISTRICT
A COMPONENT UNIT OF THE CITY OF VALLEJO
STATISTICAL SECTION
OTHER INFORMATION
JUNE 30, 2023

<u>General:</u>

Authority	Established by Enabling Act 8934 of the State of California, as amended July 1995
Governing Body	Seven members of Vallejo City Council and one member appointed from Solano County Board of Supervisors
Reporting Entity	Component unit of the City of Vallejo
Chief Executive Officer	District Manager
Date of Formation	May 19, 1952
Type of Service	Sewage collection, treatment and disposal; storm water transmission and remediation; and upper lateral program
Service Area	City of Vallejo, Mare Island plus unincorporated County Areas
Square Mileage	Approximately 36 square miles

<u>Employee Benefit Plans Contact Information:</u>

Pubilc Employee's Retirement System
Lincoln Plaza
400 Q Street
Sacramento, CA 95811
(916) 326-3420

Pubilc Employee's Retirement System
CERBT/OPEB
400 Q Street
Sacramento, CA 95811
(888) 225-7377

<u>Primary Government Contact Information:</u>

City of Vallejo
City Hall
555 Santa Clara Street
Vallejo, CA 94590

Finance Department
(707) 648-4592

VALLEJO FLOOD AND WASTEWATER DISTRICT
GOVERNMENT AUDITING STANDARDS REPORT AND
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED
JUNE 30, 2023

MUN CPAs, LLP
1760 Creekside Oaks Drive, Suite 160
Sacramento, California 95833

VALLEJO FLOOD AND WASTEWATER DISTRICT
***GOVERNMENT AUDITING STANDARDS* REPORT**
FOR THE YEAR ENDED JUNE 30, 2023

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

To the Board of Directors
Vallejo Flood and Wastewater District
Vallejo, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and each major fund of Vallejo Flood and Wastewater District (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 1, 2023.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

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

District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

RHUN CPAs, LLP

Sacramento, California
December 1, 2023

Finding 2023-001: Financial Close Process (Significant Deficiency)

Criteria

An effective internal control system and timely financial reporting provides reasonable assurance for the safeguarding of assets, the reliability of financial information, and compliance with laws and regulations.

Condition

Over 25 journal entries were proposed and posted to the trial balance to be audited. Specific financial statement areas that required adjustments included:

Pooled Cash – Various audit adjustments due to reclassifications and the removal of payroll liabilities from the pooled cash fund.

Accounts Receivable – A $366,000 prior period adjustment was identified related to the accounts receivable module not being properly reconciled to the general ledger. In addition, entries related to properly recording refunds due were recorded.

Capital Assets – It was identified that depreciation expense was initially double booked for the fiscal year and calculated incorrectly. In addition, it was identified that the former capital asset database was not calculating depreciation correctly. This miscalculation resulted in a prior period adjustment.

Right-of-Use Lease Asset and Related Liability - A prior period adjustment was identified related to the initial implementation of GASB 87, *Leases*, in the prior year.

Net Pension Liability – In recording the adjustment to true-up the net pension liability, the District double applied prepayment of the unfunded actuarial liability to the net pension liability.

Net OPEB Liability – In recording the adjustment to true-up the net OPEB liability, the District recorded the deferred inflow portion backwards.

Account Reclassifications – Various reclassification entries were posted to the trial balance.

Cause

The District implemented a new ERP system in the current year which resulted in conversion issues. In addition, turnover in the Finance Department lead to changes in the year-end close process.

Effect

The financial statements as presented to the auditors contained misstatements that required material adjustments.

Recommendation

We recommend the District develop checklists or other guidance documents over the District's financial closing process that are specific to their new ERP system to ensure all closing entries are captured in the District's general ledger in a timely manner, and supporting schedules agree and reconcile to respective account balances prior to the trial balance being provided for the audit.

Views of Responsible Officials

The implementation of a new ERP did result in some conversion and other year-end issues for the District and the production of the financial statements. However, the conversion also resulted in the District identifying problems that were inherent within its legacy software that were corrected. District management agrees with the recommendation that with the implementation of the new ERP, it is necessary to revise and develop checklists for the financial closing process and to ensure timely and accurate entries.

VALLEJO FLOOD AND WASTEWATER DISTRICT
SCHEDULE OF PRIOR YEAR FINDINGS
JUNE 30, 2023

No prior year findings.

Vallejo

FLOOD & WASTEWATER DISTRICT

POPULAR ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2023

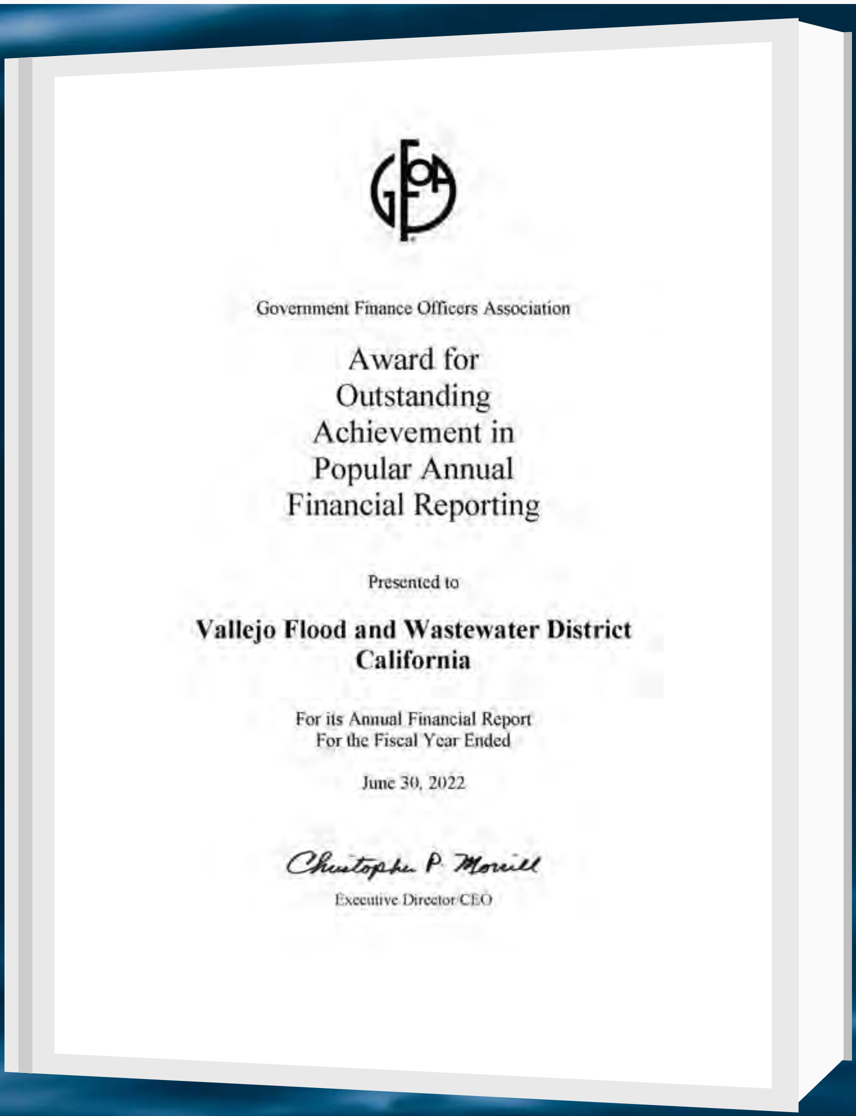
VALLEJO, CA

Mission

Our mission is to make Vallejo a healthy place to live and work. We do this by keeping the city's wastewater and stormwater free from pollution.

Wastewater. Stormwater. Floodwater.

Popular Annual Financial Reporting Award



Government Finance Officers Association

Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting

Presented to

Vallejo Flood and Wastewater District
California

For its Annual Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morrill

Executive Director/CEO

The Government Finance Officers Association (GFOA) encourages governments to demonstrate accountability and transparency in the Popular Annual Financial Reporting program by making financial information of the highest quality readily accessible to the general public and other interested parties without a background in public finance. The GFOA recognizes governments that meet certain standards based on information presented, understandability, distribution, and other elements. The District met these requirements and received the award for its FY 2021-22 PAFR.

The information in this report is drawn from our Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2023 which can be found online at www.vallejowastewater.org

Photo By VisitVallejo-Capitol Stairs Mosaic - Dalia Vidor

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Dear Customers,

Vallejo Flood and Wastewater District is pleased to share with you the Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2023.

This report is intended to be a brief but meaningful summary of the work that the District performs for ratepayers, and a way for ratepayers to see how the funds they entrust to us for the sewer and stormwater systems are bringing benefit to the community through maintenance, rehabilitation, and investment in the infrastructure of the future.

Financial information in this report is presented in a consolidated, easy-to-read format, to provide readers a quick summary of our financial activities and condition. The PAFR is presented in conformity with generally accepted accounting principles (GAAP). If you are interested, we invite you to read our Annual Comprehensive Financial Report (ACFR) and audited financial statements which provide a more in-depth financial review of our operations. The ACFR is available online at www.VallejoWastewater.org, or you may request a printed copy of this information by contacting us at 707-644-8976.

Thank you for your interest. We welcome your comments and suggestions on how we might improve future reports.

SINCERELY,

Melissa Morton

MELISSA MORTON
DISTRICT MANAGER

JEFF TUCKER
DIRECTOR OF FINANCE/TREASURER

Photo: VisitVallejo- Loma Vista Farm

36 Square Miles
Net Service Area

121,658
2023 Population

48,696
Homes & Businesses

211 Miles
Stormwater Pipes & Channels

407 Miles
Sewer Pipes

39
Pump Stations

FAST FACTS

932
Service Calls

4.0 Billion Gallons
Wastewater Treated

3,739 Dry Tons
Biosolids Recycled as Fertilizer

DISTRICT MANAGER

Melissa Morton District Manager

MANAGEMENT TEAM

Jennifer Harrington
Director of Environmental Services
Johnson Ho
Director of Plant Operations and Maintenance
Alexandria Houston
Director of Human Resources/Safety & Risk Management
Justin Keating
Director of Field Operations
Mark Tomko
Director of Engineering
Jeff Tucker
Director of Finance/Treasurer

Who We Are

Vallejo Flood & Wastewater District (VFWD), located 30 miles northeast of San Francisco, serves the greater Vallejo community. Our mission is to make Vallejo a healthy place to live and work. We do this by keeping the community's wastewater and stormwater free from pollution.

Wastewater

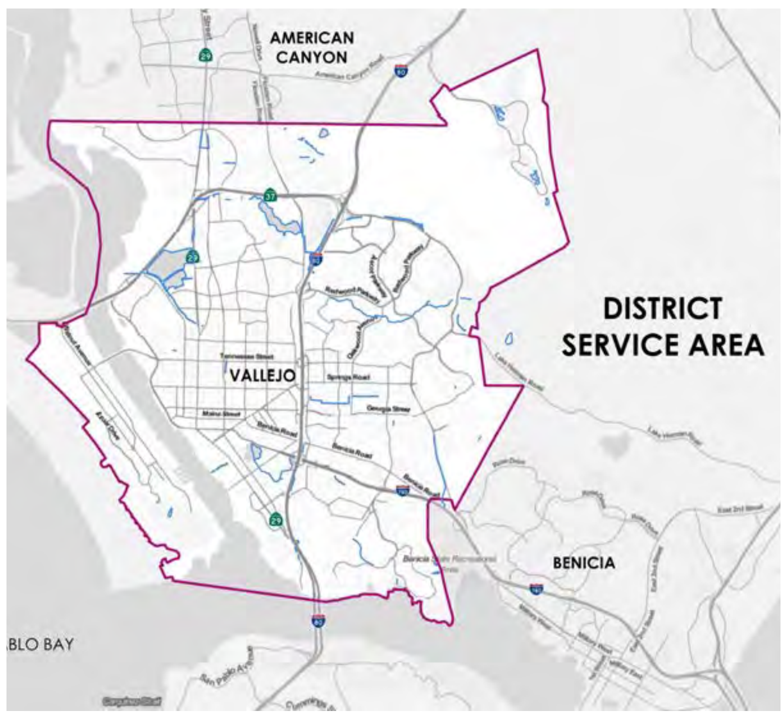
We collect all the used water from sinks, showers, toilets, washing machines and dishwashers, then treat it to high standards before discharging it into the Mare Island Strait.

VFWD is a special district created by an Act of the California State Legislature in 1952. VFWD provides uninterrupted wastewater collection, treatment and disposal as well as storm water pollution control and conveyance services, 24-hours a day, to all customers within its boundary. The District operates and maintains 407 miles of sewer main and 217 miles of storm water main and channel, 30 wastewater lift stations together with 9 storm water pump stations, a secondary treatment wastewater treatment plant, and manages biosolids disposal by providing farming fertilizer for crops used as silage.

The District serves approximately 37,724 accounts that equate to approximately 48,696 dwelling units.

Stormwater

As rainwater flows over cities, it picks up trash, debris, and other pollutants and deposits them untreated into local creeks, lakes, and the San Francisco Bay. The District removes pollutants from storm drains and waterways with trash capture devices, and engages the community in volunteer cleanups and environmental education.



Making Significant Infrastructure Investments

Several large construction contracts are underway as of the end of the 2022-23 fiscal year. The construction of a new stormwater trash capture device at the Austin Creek 108-inch culvert outlet, west of Sonoma Blvd., will bring the District and City of Vallejo into compliance with current trash capture requirements regulated by the Regional Water Quality Control Board.

Construction activities continue at the District's largest sewer lift station, Sears Point, replacing major mechanical and electrical components. Work has commenced on the replacement of the New Bedford Sewer Lift Station in Glen Cove.

The 2023 Sewer Collection System improvement project, focused to reduce infiltration and inflow in the Meadows area, is scheduled for contract award in July.

At the wastewater treatment plant, the large $50 million Mare Island Pump Station project is underway; pile driving is scheduled for the summer in preparation for the construction of a new chlorine contact basin and associated piping. Additional plant work is also planned this summer to rehabilitate the former solids processing building for reuse as a maintenance storage facility which will significantly increase efficiency for District inventory management.

Finally, electrical corrosion rehabilitation and structure upgrades are scheduled to begin in the current solids handling facility.

Construction is underway on this stormwater trash capture device

Repairs being made on Hermosa Avenue

Dewatering equipment in need of rehabilitation

Demographics and Economic Statistics

Calendar Year	Population	Personal Income (in thousands)	Per Capita Personal Income	Unemployment Rate*
2023	121,658	4,464,240	36,695	5.0%
2022	123,190	4,043,835	32,826	4.9%
2021	117,846	3,680,331	31,230	8.9%
2020	119,063	3,558,198	29,885	11.3%
2019	119,544	3,391,224	28,368	4.4%
2018	199,252	3,199,293	26,828	4.4%
2017	118,280	3,421,840	28,930	5.1%
2016	117,322	3,043,919	25,945	5.6%
2015	119,683	3,111,279	25,996	8.3%
2014	118,470	3,130,333	26,426	8.9%

* Starting in 2018, the unemployment rate reported is the average of the Vallejo City unemployment rate for the first 9 months of the calendar year. In previous years, the unemployment rate in this table was determined by averaging the Vallejo-Fairfield MSA monthly figures.

Economic Factors and Fees for Service

Most of the District's operating revenues are collected as part of the property tax assessments. As such, the District is insulated from the immediate impacts of economic upswings and downturns, but not from inflation. The District sets its rates taking into consideration the costs of operation, maintenance and recurring capital replacement, debt financed capital improvements and any increments for known or anticipated programmatic or regulatory changes or impacts from the economy in general.

The Board of Trustees approves wastewater rates every five years. An adjustment was made in 2018 for each of the five fiscal years beginning July 1, 2018 to fund operations/maintenance, implement a robust capital program and establish reserves in accordance with best practices and the District's Long Term Financial Plan. In June 2023, the Board approved rates for the next five years. The last stormwater rate increase for typical residential customer was in 1997. In April 2022, the Board asked voters whether to approve an increase the stormwater rates to fund the ongoing operations, maintenance, capital replacement, reserve and cash flow requirements. However, the property owners rejected the proposed fee increase. The upper lateral rate has been the same since 2004, but has been increased as part of the fee increases approved in June 2023. A rate schedule can be found on the District's website at www.VallejoWastewater.org.

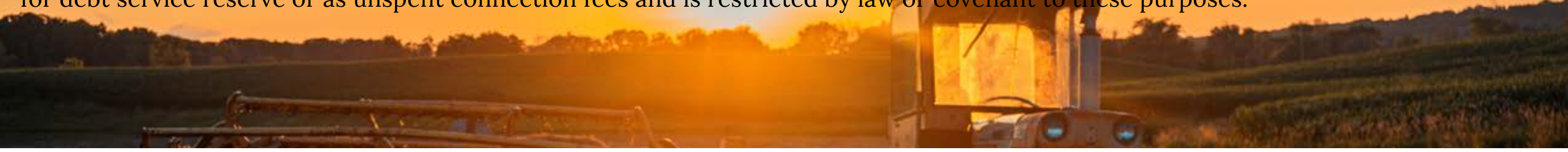
Statement of Net Position

The Statement of Net Position, sometimes called a balance sheet, is a financial statement that summarizes what VFWD owns and owes at the end of the fiscal year (June 30), with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator as to whether VFWD's financial position is improving or weakening.

AS OF JUNE 30, 2023 AND 2022 (IN MILLIONS)

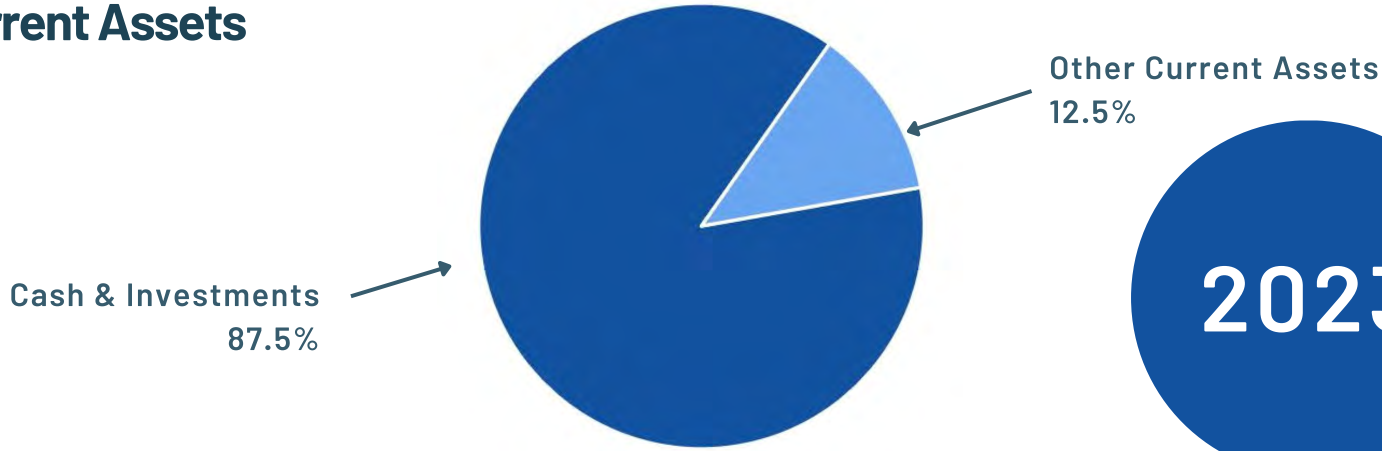
	FY 22/23	FY 21/22	Increase/ (Decrease)	Percentage Change
Current Assets	57.5	52.4	5.1	9.7%
Capital Assets	193.5	192.3	1.3	0.7%
Other Noncurrent Assets	0.5	0.9	(0.4)	(44.4%)
Deferred Outflows of Resources	16.9	10.6	6.3	59.5%
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$268.4	$256.1	$12.3	4.8%
Current Liabilities	8.0	6.6	1.4	20.6%
Noncurrent Liabilities	69.1	56.8	12.3	21.6%
Deferred Inflows of Resources	5.2	15.7	(10.5)	(66.7%)
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	$82.3	$79.1	$3.2	4.0%
Net Investment in Capital Assets	163.0	162.9	0.1	0.0%
Restricted	26.8	22.9	3.9	16.9%
Unrestricted	(3.7)	(8.8)	5.2	58.6%
TOTAL NET POSITION	$186.1	$177.0	$9.1	5.2%

Current Assets are cash and items expected to be converted into cash within one year. ***Capital Assets*** includes land, treatment plant, facilities, pipelines, buildings and equipment, net of depreciation. ***Other Noncurrent Assets*** are prepaid leases, notes receivable and advances due from other funds. ***Deferred Outflows of Resources*** includes the use of resources that will be applied to future accounting periods, including deferred employer pension and OPEB contributions. ***Current Liabilities*** are monies owed by VFWD and due within 12 months. ***Noncurrent Liabilities*** are debt or other obligations that are due more than 12 months in the future. ***Deferred Inflows of Resources*** are the purchase of resources that will be applied to future accounting periods, including pension and OPEB. ***Net Investment in Capital Assets*** are amounts invested in capital assets less accumulated depreciation. ***Restricted and Unrestricted Net Position*** are net amounts of total assets and total liabilities, not included in the net investment in capital assets. ***Restricted*** is related to amounts held for debt service reserve or as unspent connection fees and is restricted by law or covenant to these purposes.



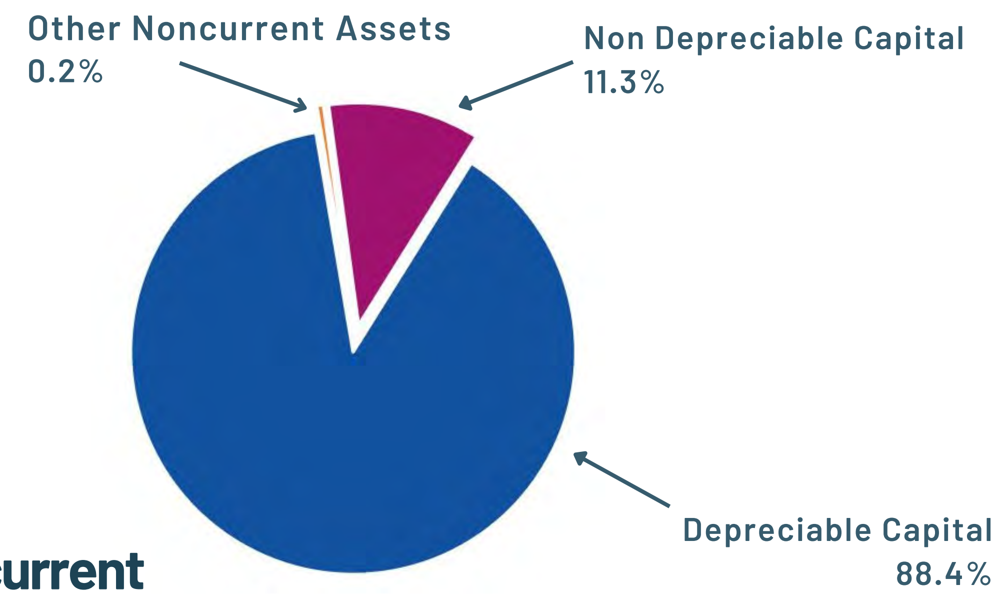
* Percentages and totals may not match due to rounding.

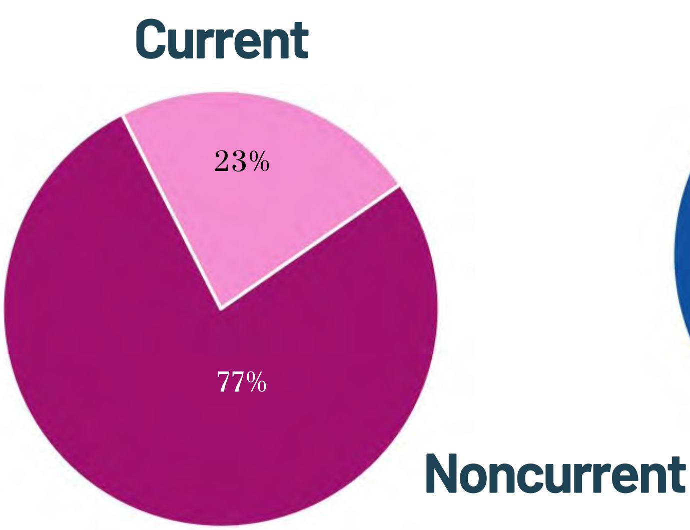
Current Assets



2023

Noncurrent Assets





Total 2023 Assets

Statement of Revenues, Expenses and Changes in Net Position

AS OF JUNE 30, 2023 AND 2022
(IN MILLIONS)

	FY 22/23	FY 21/22	Increase/ (Decrease)	Percentage Change
Service Charges	$42.9	$42.3	$0.7	1.6%
Other Operating Revenue	0.1	0.1	(0.02)	(18.4%)
Total Operating Revenues	**$43.0**	**$42.4**	**$0.6**	**1.5%**
Salaries and Benefits	14.6	24.6	(10.0)	(40.8%)
Materials, Supplies and Services	7.8	6.5	1.3	20.1%
Depreciation and Amortization	9.0	9.0	(0.1)	(0.7%)
Utilities and Telephone	3.1	2.3	0.8	35.8%
General Administration	2.5	2.2	0.3	13.9%
Total Operating Expenses	**$36.9**	**$44.6**	**($7.7)**	**(17.2)%**
Operating Income/(Loss)	$6.1	($2.2)	$8.3	375.2%
Property Taxes	1.5	1.4	0.1	7.5%
Interest and Other Investment Income	0.9	(0.6)	1.5	237.8%
Interest Expense	(1.1)	(1.2)	0.1	7.6%
Other Nonoperating Revenue (Expense)	0.5	0.3	0.2	48.1%
Total Nonoperating Revenues (Expense)	**$1.7**	**($0.2)**	**$1.8**	**1,159.1%**
Income/(Loss) Before Contributions	$7.8	($2.4)	$10.2	427.8%
Connection Fee Revenue	1.1	1.3	(0.2)	(11.8%)
Capital Grants and Contributions	0.2	0.9	(0.7)	(76.8%)
Increase (Decrease) in Net Position	$9.1	($0.2)	$9.3	5,981.4%
Net Position, Beginning of Year, restated	**$177.0**	**$177.9**	**($0.9)**	**(0.5%)**
Change in Accounting Principle and Prior Period Adj.		0.8	(0.8)	
Net Position, End of Year	**$186.1**	**$177.0**	**$9.1**	**5.2%**

Operating revenues are income received from providing sewer or storm water services.

Operating expenses are costs associated with running the day-to-day operations of the District.

Nonoperating revenues and expenses are income and expenditures not directly related to ongoing operations.

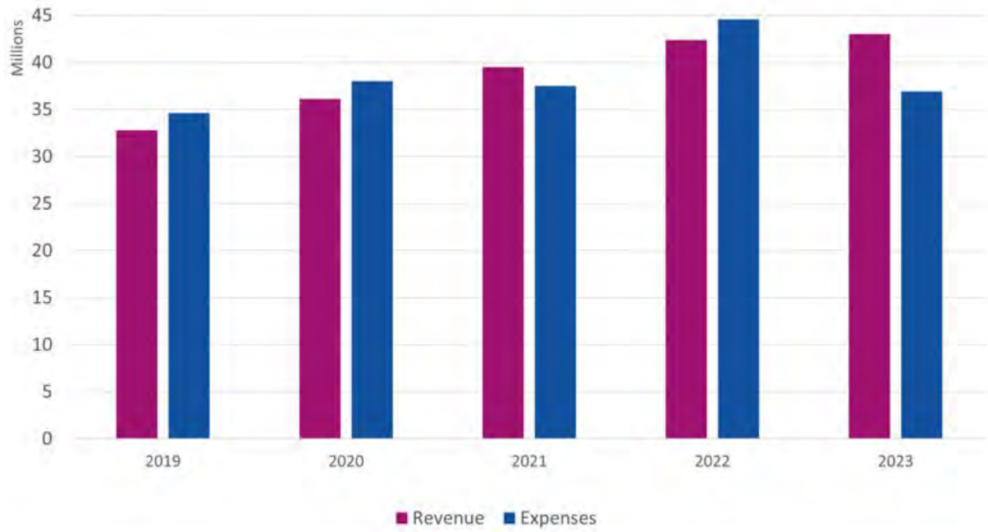
* Percentages and totals may not match due to rounding.

MORE ON REVENUES AND EXPENSES

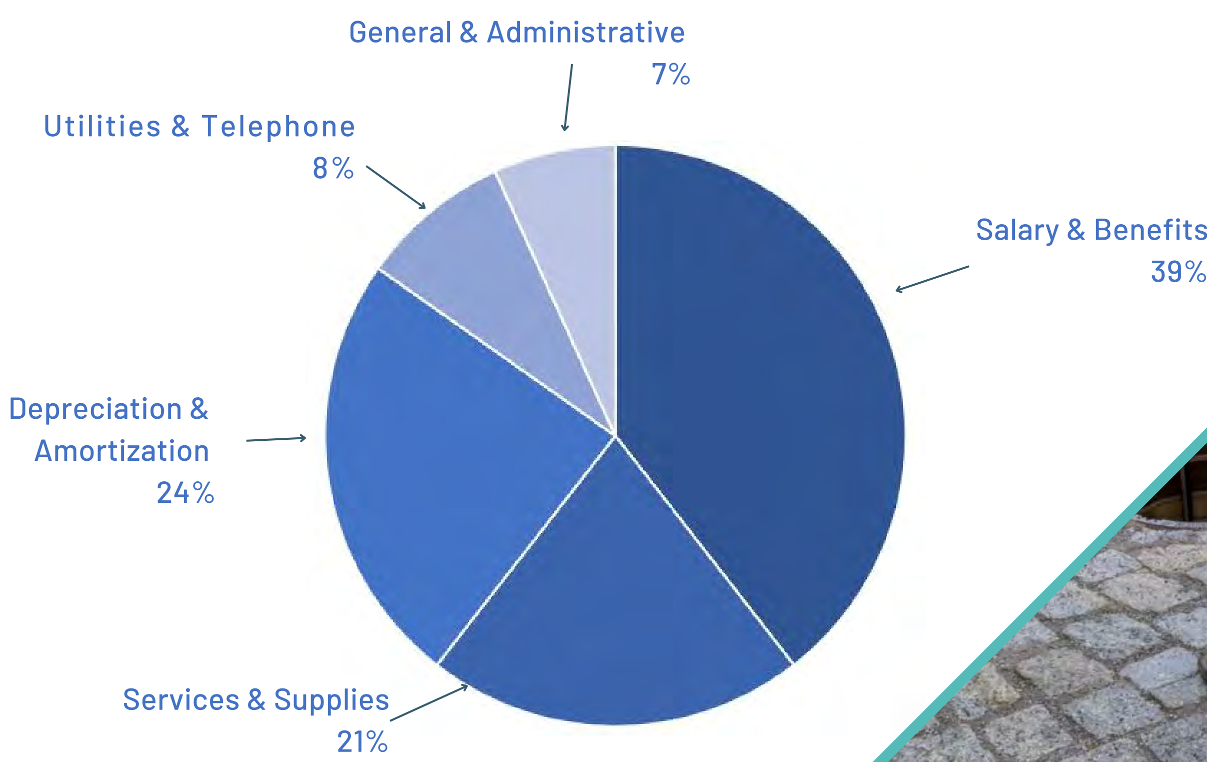
Five Year Trend
2019-2023

Operating revenues were little changed in FY 2022-23. Non-operating revenues were mostly impacted by interest and other investment income, where the increased interest rate environment in FY 2022-23 lead to dividend earnings increases (realized gains) as well as positive changes in the fair market value of investments held (unrealized gains), especially compared to prior year where there were unrealized investment losses.

Operating expenses such as materials, chemicals, natural gas, electricity, and insurance, were impacted by inflation. The salary and benefit expenses are reported on a GAAP basis, and include expenses related to pension and other post-employment benefits that are actuarially determined and significantly impacted by returns on investments. The result in FY 2022-23 was to see a significant drop in salary and benefit expenses. Adjusting for those GAAP entries, on a cash basis, salary and benefit expenses increased just over 8%.



OPERATING EXPENSES DETAIL 2023



* May not add to 100% due to rounding.

Statement of Cash Flows

The cash flow statement summarizes the net cash coming in and going out of VFWD during the year. In fiscal year 2022-23, cash flow from operating activities decreased primarily due to increased operating expenses. Changes in non-capital financing activities include a reduction in debt service payments in FY 2022-23, and capital and related activities includes increased spending on capital projects.

AS OF JUNE 30, 2023 AND 2022 (IN MILLIONS)	FY 22/23	FY 21/22	Increase/ (Decrease)	Percentage Change
Cash flows from operating activities	$10.2	$12.1	($2.0)	(16.2%)
Cash flows from non-capital financing activities	1.9	1.6	0.3	20.5%
Cash flows from capital and related activities	(9.4)	(7.2)	(2.2)	(30.1%)
Cash flows from investing activities	0.6	(0.7)	1.3	195.1%
Net Increase (Decrease) in Cash and Equivalents	$3.4	$5.9	($2.5)	(42.7%)
Cash and Equivalents, Beginning of Year	$46.9	$41.1	$5.9	14.3%
CASH AND EQUIVALENTS, END OF YEAR	$50.3	$46.9	$5.8	7.2%

Cash flows from operating activities are all cash received or spent related to daily normal business activities.

Cash flows from non-capital financing activities includes cash in and out from non-operating revenues, insurance settlement proceeds, dividends and rebates received, and taxes and assessments paid.

Cash flows from capital activities are cash received or cash spent related to the construction of infrastructure.

Cash flows from investing activities are cash received or spent related to investing cash reserves and from land leases.

* Percentages and numbers may not match due to rounding.

Cash And Investments

AS OF JUNE 30, 2023 AND 2022
(IN MILLIONS)

	2023 Market Value	2022 Market Value
Unrestricted Cash on Hand and Investments	$48.5	$45.4
Restricted Cash and Investments	1.8	1.5
Total Cash and Investments	$50.3	$46.9

INVESTMENTS DETAIL

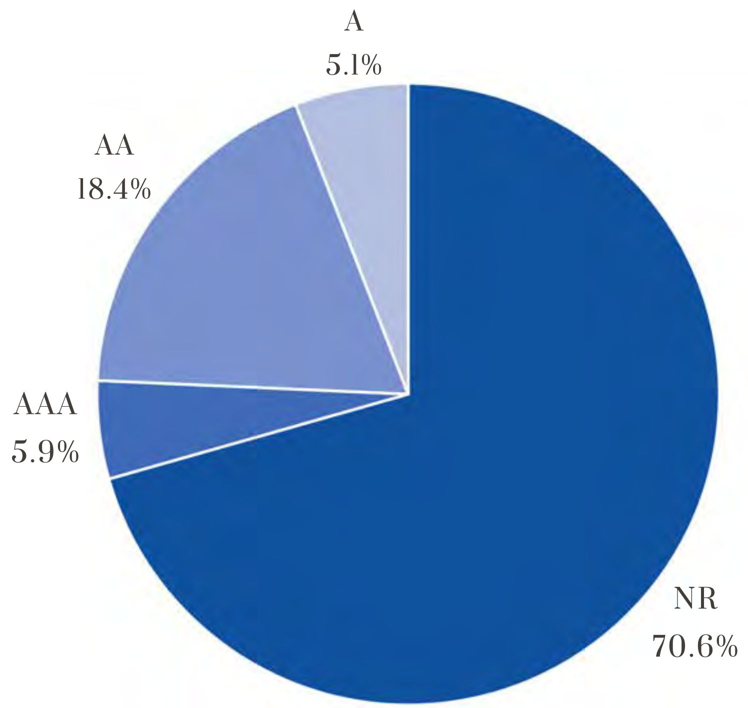
"FAIR VALUE" AS OF JUNE 30, 2023 AND 2022
(IN MILLIONS)

	2023 Market Value	2022 Market Value
U. S. Government Agencies	$2.3	$2.5
U. S. Treasury	6.4	4.0
Asset Backed Securities	0.7	0.8
Supranationals	0.5	0.5
Corporate Notes	2.4	2.1
Collateralized Mortgage Obligations	0.8	0.1
California Local Agency Investment Fund	32.7	34.6
Money Market Funds	0.1	0.0
Other	-	-
Held by Trustee (Restricted Debt Reserve):		
Money Market Mutual Funds	1.5	1.5
Total Market Value	$47.5	$45.8

* Totals may not match due to rounding.

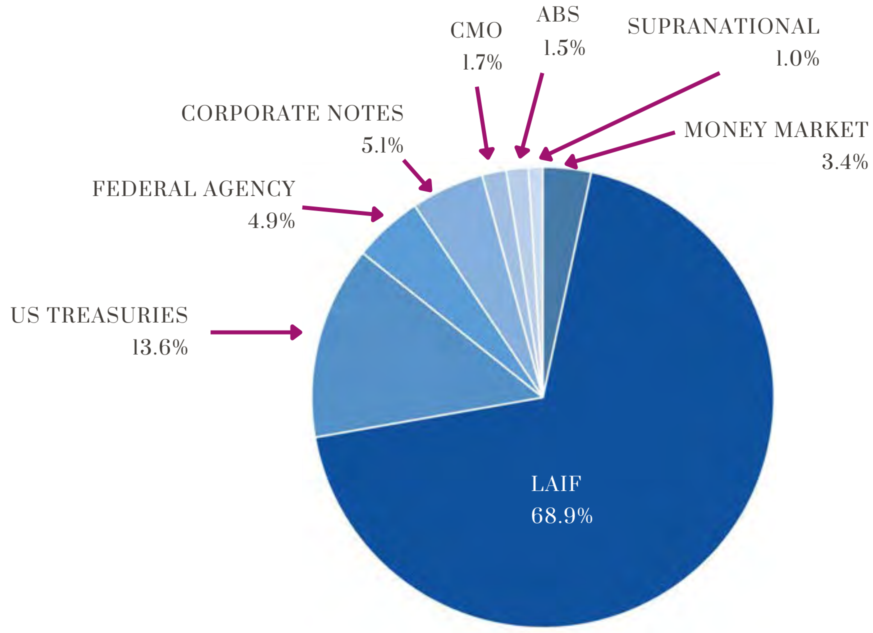
Investments by Credit Rating

The District's investments of over $47 million (market value) were invested in either high quality "Not Rated" (NR) securities such as the California Local Agency Investment Fund (LAIF), or were held in high quality investments rated "A" or higher.



2023

Investments by Sector



The majority of the District's investments are with the Local Agency Investment Fund (LAIF). The LAIF program is administrated by the California State Treasurer's Office and offers next-day liquidity investments to all California local governments.

* Totals may not equal 100% due to rounding.

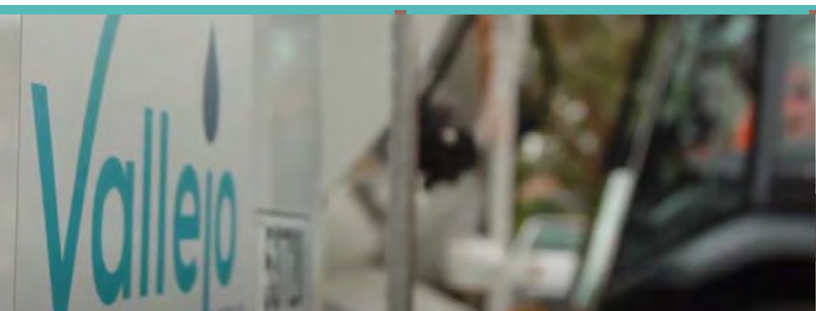
Current Ratio

FIVE YEAR TREND 2019-2023

Current Ratio measures the ability to pay short-term obligations using current assets and should be above 1.0. The current ratio improved during FY 2022-23 due to increase in pooled cash and investments and increase in accounts receivable.

Debt Service Coverage Ratio

This ratio measures Net Income as a percentage of annual debt service, and is required to be above 125% per policy. The District outstanding debt consists of Series 2011A Revenue bonds, 2014A Revenue Bonds, a 2008 loan with the State of California Water Resources Control Board Clean Water State Revolving Fund program, and a 2021 State Revolving Fund Loan. Coverage has increased due to increase in sewer charges and lower expenses. This chart differs from Continuing Disclosure documents in that it includes revenues and expenses on a GAAP bases, rather than a cash basis.



Vallejo Flood & Wastewater District

450 RYDER STREET
VALLEJO, CA 94590

707.644.8949

Popular Annual Financial Report, Annual Comprehensive Financial Report and Biannual Budget documents are available on the District's website

www.VallejoWastewater.org

FY 2022-23 PAFR

Prepared by:
Jasmine Herber, Accountant
Olivia Ruiz, Finance Manager
Jeff Tucker, Director of Finance/Treasurer

Return to Agenda

District Manager
Melissa Morton

December 12, 2023

BOARD COMMUNICATION

Consent Item 6G

TO: THE HONORABLE PRESIDENT AND BOARD OF TRUSTEES

FROM: MELISSA MORTON, DISTRICT MANAGER
MARK TOMKO, DIRECTOR OF ENGINEERING

SUBJECT: AUTHORIZE THE DISTRICT MANAGER TO AWARD AND EXECUTE THREE PROFESSIONAL SERVICES AGREEMENTS FOR ON-CALL DEVELOPMENT REVIEW AND STAFF AUGMENTATION SERVICES

BACKGROUND AND DISCUSSION

The Engineering Department currently utilizes on-call development review and staff augmentation services to augment staff for development reviews and Engineering support. Due to the quantity of development projects taking place within the District and the need for plan review, three engineering firms have been selected to provide professional development review and staff augmentation services on an on-call basis.

On October 10, 2023, a Request for Proposals (RFP) for On-Call Development Review and Staff Augmentation Services was advertised. Proposals were received from three qualified engineering firms. A selection committee made up of District staff evaluated proposals based on criteria established in the RFP. The selection committee evaluated the proposals and determined all three firms to be qualified: Coastland Civil Engineering, Haley & Aldrich, and Ponticello Enterprises Consulting Engineers.

District staff will request proposals from one or more of the on-call consultants for development review as well as staff augmentation, as needed, and issue task orders detailing the work and cost. Each on-call development review and staff augmentation services agreement is for a two-year term ending December 31, 2025, with an option to extend for up to three additional years. To allow flexibility, a not-to-exceed amount of $500,000 per fiscal year is established as the maximum amount of compensation to be paid to each consultant.

RECOMMENDATION

Staff recommends the Board authorize the District Manager to award and execute three separate professional services agreements for on-call development review and staff augmentation services to Coastland Civil Engineering, Haley & Aldrich, and Ponticello Enterprises Consulting Engineers, each in an amount not to exceed $500,000 per fiscal year for the term of each agreement.

ALTERNATIVES CONSIDERED

The District could procure services on an individual project basis. This method of procurement is more time and labor intensive and does not result in a guaranteed cost-benefit. The hiring of additional District staff is not budgeted; further, on-call consultants have larger teams with specialized expertise. On-call consultants provide the District substantial flexibility to hire skilled experts to manage extensive project needs.

The District is not obligated to issue task orders for work under any of the proposed agreements and is not committed to a minimum expenditure.

ENVIRONMENTAL REVIEW

The proposed action is not a project as identified by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

FISCAL IMPACT

Each on-call agreement has a not-to-exceed amount of $500,000 per fiscal year, a two-year term, and an option to renew the agreements for an additional three-year period. Task orders will be issued for each assignment indicating the scope, schedule, and budget. Cost for services is included in the approved CIP budget or will be reimbursed by development projects, as applicable.

PROPOSED ACTION

Authorize the District Manager to award and execute three separate professional services agreements for on-call development review and staff augmentation services to Coastland Civil Engineering, Haley & Aldrich, and Ponticello Enterprises Consulting Engineers, each in an amount not to exceed $500,000 per year for the term of each agreement.

DOCUMENTS ATTACHED

A. Agreements (available upon request)

CONTACT PERSON

David Espinoza, Associate Engineer, (707) 652-7809

Return to Agenda

District Manager
Melissa Morton

December 12, 2023

BOARD COMMUNICATION **Consent Item 6H**

TO: THE HONORABLE PRESIDENT AND BOARD OF TRUSTEES

FROM: MELISSA MORTON, DISTRICT MANAGER
TRACY RIDEOUT, ENGINEERING MANAGER

SUBJECT: REJECT ALL BIDS FOR THE WASTEWATER TREATMENT PLANT (WWTP) SOLIDS FACILITY CONDUIT & WIRE PROJECT (PSH009)

BACKGROUND AND DISCUSSION

The existing Solids Processing Facility, constructed around 1994, consists of three belt filter presses, two gravity belt thickeners, conveyors, and associated equipment in a multi-story process building. The solids thickening and dewatering processes create a moist and corrosive environment that has caused damage to the metallic conduit system.

The District engaged HydroScience to perform a visual inspection and field assessment of the Solids Processing Facility conduit system and prepare design documents for rehabilitation and replacement as necessary.

On November 16, 2023, the District received two bids for the WWTP Solids Facility Conduit & Wire Project that includes the replacement of corroded electrical components with corrosion resistant materials and refurbishment of other components. The following bids were received:

Order	Contractor	Location of Business	Bid Amount
1	Radman Electric	Hayward, CA	$355,655
2	James Day Construction, Inc. DBA Coastal Mountain Electric	Clearlake, CA	$478,738
		Engineer's Estimate	**$340,000**

On November 16, James Day Construction, Inc. DBA Coastal Mountain Electric (CME) submitted a bid protest letter claiming the apparent low bid from Radman Electric (Radman) was nonresponsive due to Radman's failure to comply with Section 00010-2.0, which states all prime contractors must purchase a complete set of Contract Documents from the District's Planroom and be listed on the plan holders list to receive addenda. Staff investigated the validity of the protest confirmed that Radman did not purchase Contract Documents as required. District staff determined Radman's bid to be nonresponsive. The District responded to the bid protest on November 17, 2023 affirming Radman's bid rejection decision.

The lone responsive bid submittal from CME is $478,738. This bid is 40% above the engineer's estimate of $340,000 and exceeds the FY24 project budget of $450,000. With only two bids, it is challenging to determine the actual market price; however, the engineer's estimate and non-responsive, low bid are separated by just 5% indicating rebidding may yield a more favorable bid result.

The Engineering Department intends to update the project documents and readvertise the project for construction with an expected award of contract in April or May 2024. Rebidding will also take advantage of dry weather flows and will reduce risk to treatment plant operations by ensuring that solids handling process redundancy is maintained during the work.

RECOMMENDATION
Authorize the District Manager to reject all bids received for the WWTP Solids Facility Conduit & Wire Project (PSH009).

ALTERNATIVES CONSIDERED
The District could choose to award the contract to CME of Clearlake, CA for its responsive bid in the amount of $478,738. This option is not recommended. Engineering staff propose to readvertise the project, and believe that greater competition will ensue, resulting in a better contract price for the District.

The District could reject all bids and pursue alternate methods of construction, without further complying with the Public Contract Code bidding requirements. This option is not recommended as staff anticipates rebidding will yield a favorable contract price, within budget.

Rebidding the project will still allow for electrical component replacement and rehabilitation to begin within the current fiscal year, result in safe and effective use of the facility and ensure continued operation of the critical process equipment.

ENVIRONMENTAL REVIEW
The project is Categorically Exempt per Section 15301(c) as it consists of alterations to existing public facilities involving no expansion of an existing use.

FISCAL IMPACT
The Building 67 Electrical Rehabilitation Project (CIP# PSH009) is budgeted at $450,000.

The lowest responsive bid received was $478,738. Engineering staff anticipates rebidding the project will reduce the overall cost to the District.

The Capital Improvement Program budget has sufficient funding.

PROPOSED ACTION
Authorize the District Manager to reject all bids for the WWTP Solids Facility Conduit & Wire Project (PSH009).

DOCUMENTS ATTACHED
None

CONTACT PERSON
Bill Ash, Associate Engineer, (707) 558-3409
Tracy Rideout, Engineering Manager, (707) 651-7139

Vallejo Flood & Wastewater District
District Manager
Melissa Morton

December 12, 2023

BOARD COMMUNICATION

Consent Item 6I

TO: THE HONORABLE PRESIDENT AND BOARD OF TRUSTEES

FROM: CLAIRE COLLINS, GENERAL COUNSEL

SUBJECT: RATIFICATION OF RESOLUTION OF APPOINTMENT OF MARK TOMKO AS GENERAL MANAGER AND APPROVAL OF EMPLOYMENT AGREEMENT

BACKGROUND AND DISCUSSION

On November 14, 2023, the Board of Directors voted to appoint Mark Tomko, Director of Engineering, to be VFWD's new General Manager upon the retirement of the current District Manager, Melissa Morton, and to adopt a resolution to that effect and approving an employment agreement with Mr. Tomko.

The resolution was inadvertently not attached to the public agenda. This agenda item is intended to clarify the record and confirm the adoption of the resolution.

RECOMMENDATION

Ratify and adopt the Resolution of Appointment of Mark Tomko as General Manager and Approval of Employment Agreement.

PROPOSED ACTION

Ratify and adopt the Resolution of Appointment of Mark Tomko as General Manager and Approval of Employment Agreement, attached as Exhibit A to the Resolution.

DOCUMENTS ATTACHED

A. Resolution (including Exhibit A, Employment Agreement)

CONTACT PERSON

Rachelle Canones, Acting Clerk of the Board (707) 644-8949 ext. 1104

RESOLUTION NUMBER 2023 -

RATIFICATION OF RESOLUTION OF APPOINTMENT OF MARK TOMKO AS GENERAL MANAGER AND APPROVAL OF EMPLOYMENT AGREEMENT

A. District Manager Melissa A. Morton has duly advised the Board of Trustees (“**Board**”) of the Vallejo Flood and Wastewater District (“**District**”) that she will retire effective December 30, 2023.

B. The District undertook a competitive process to recruit Ms. Morton’s successor, which process was managed by Boucher Law, and culminated in two rounds of interviews.

C. Following the Board’s consideration of the candidates, it appointed an Ad Hoc Committee comprised of Trustees Bregenzer and Hannigan to provide direction on the negotiation of a contract with the preferred candidate.

D. The District has also determined to change the name of the position from “District Manager” to “General Manager” to be consistent with common practices in the industry.

E. The Board previously approved the appointment of Mark Tomko at its November 14, 2023 Regular Meeting, but the resolution was erroneously omitted from the publicly-available meeting agenda packet.

F. Board intends by this resolution to ratify and confirm the appointment of Mark Tomko to the position of General Manager, upon Ms. Morton’s retirement, and the approval of the attached Employment Agreement.

The Board of Trustees of the Vallejo Flood and Wastewater District therefore RESOLVES as follows:

(1) That the position of District Manager shall, upon the retirement of Melissa A. Morton, be renamed to “General Manager” and shall have all the associated rights and duties. District staff shall change, wherever applicable throughout the District’s documents, publications, websites, policies, or other records, references to the “District Manager” to “General Manager,” except when referring to District Managers when they officially used that title;
(2) That Mark Tomko is hereby appointed as General Manager; and
(3) The Employment Agreement with Mark Tomko attached as Exhibit A to this Resolution is hereby approved.

ADOPTED by the Board of Trustees of the Vallejo Flood and Wastewater District on November 14, 2023, and ratified by the Board and re-adopted on December 12, 2023 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

WITNESS my hand and the Seal of the District on December 12, 2023.

RACHELLE CANONES
Acting Clerk of the Board

<u>EMPLOYMENT AGREEMENT</u>

(General Manager)

This General Manager Employment Agreement (“**Agreement**”) is effective as of December 31, 2023 (“**Effective Date**”) and is between Vallejo Flood and Wastewater District, a California special district (“**District**”) and Mark Tomko, an individual.

Mr. Tomko currently serves as the District's Director of Engineering.

The current chief executive of the District is the District Manager, Melissa Morton, who announced her retirement effective as of December 30, 2023.

Following her announcement, the Board of Trustees of the District held a competitive recruitment and interview process, and determined that Mr. Tomko was the best qualified candidate to succeed Ms. Morton. The Board has also determined to change the name of the chief executive to "General Manager" to align with industry standards.

The parties intend by this Agreement to set out the terms and conditions under which Mr. Tomko will be employed as the District's General Manager.

The parties therefore agree as follows:

1. <u>Employment and Duties</u>.

1.1 District hereby employs Mr. Tomko in the position of General Manager for a five-year term effective as of December 31, 2023 and expiring December 31, 2028 ("**Term**").

1.2 Mr. Tomko shall perform the duties of General Manager to the best of his ability in accordance with the highest professional and ethical standards and shall comply with all generally-applicable rules and regulations established by District.

1.3 Mr. Tomko shall devote his full time, ability, attention, energy, skill and knowledge to performing the duties of General Manager. He shall not engage in any activity which is or may become a conflict of interest, prohibited contract, or which may create an incompatibility of office as defined under California law. Prior to performing any services under this Agreement and annually thereafter, Mr. Tomko must complete disclosure forms required by California law and the code of conduct of the District. Mr. Tomko shall not engage in any other outside business activities that would interfere with the performance of his duties under this Agreement without the prior approval of the Board.

1.4 As General Manager, Mr. Tomko will have full power and authority to manage and conduct the business of the District in accordance with all applicable policies, ordinances, and regulations of the District that are now in effect or may hereafter be established by the Board. Mr. Tomko's duties will include, but not be limited to: managing all District employees, either directly or through subordinates; being the hiring and terminating authority for all District employees (except District Legal Counsel); maintaining outside agency relationships; representing the District; and generally furthering the goals and interests of the District.

1.5 Mr. Tomko shall perform his duties on site at the District's primary business offices located at 450 Ryder Street, Vallejo, California. However, the District recognizes that he will, in the full performance of his duties, devote a great deal of time outside normal office hours of the District. Mr. Tomko, in recognition of that fact, will be allowed to adjust his office hours reasonably.

2. Compensation.

2.1 Salary. The District shall pay Mr. Tomko an annual base salary of $307,894 ("**Base Salary**"), commencing as of December 31, 2023. The Base Salary will be paid in equal installments at the same frequency the District pays all other employees and will be subject to the usual withholdings for taxes and benefits applicable to other District employees. Salary will be subject to annual cost of living increases and adjustments in compensation consistent with the Memorandum of Understanding with the Management Association, attached as Exhibit A ("**MOU**").

2.2 Annual Review. The Board of Trustees will conduct a performance review of Mr. Tomko in June of 2024, and annually thereafter during the month of June. The Board of Trustees may consider increases in the base salary and/or other benefits of the General Manager in the amounts and to the extent as District, in its sole discretion, after consultation with Mr. Tomko, may determine is justified. Increases may include additional compensation to salary, and/or the deferred compensation account.

3. Additional Benefits. Mr. Tomko will be afforded the same retirement (health and welfare), holiday, safety shoes, and logo wear benefits on the same basis as all other District management employees, as specified in the then-current MOU, except for those benefits identified in this Agreement, which supersedes the MOU.

3.1 Sick Leave/Vacation: Sick leave will accrue at one day per month of employment (3.6923 hours per pay period). Vacation will accrue at the rate of four weeks per year, with a maximum accrual not to exceed twelve weeks.

3.2 Vehicle Allowance: District shall pay to Mr. Tomko an allowance of $570 per month as compensation for use of his own automobile in the course and scope of employment with the District. Mr. Tomko will continue to be eligible for reimbursement of mileage expenses at the IRS rate, and use of District vehicles when appropriate.

3.3 Deferred Compensation: District shall contribute 4% of General Manager's annual base salary to the Deferred Compensation Plan.

3.4 Life Insurance: District shall provide Mr. Tomko with life insurance coverage with an appropriate insurance carrier, as determined by the District, which provides a death benefit equal to $250,000.

4. Professional Development Expenses. The District shall pay or reimburse Mr. Tomko for travel and subsistence expenses for professional and official travel, and meetings necessary and desirable to continue his professional development, and to adequately pursue official and other functions of the District. This includes Mr. Tomko's travel and subsistence

expenses for seminars, conferences, and short courses necessary for professional development and for the good of the District. Reimbursement will only be paid upon Mr. Tomko's submission of documentation reasonably necessary to substantiate that the expense was incurred in the performance of his duties.

5. Termination of Employment.

5.1 Incapacity. If Mr. Tomko becomes unable to perform his duties because of sickness, accident, injury, or mental incapacity for a period in excess of six months, then the District may terminate this Agreement without further payment of compensation and benefits (except as required by State or Federal law). Termination pursuant to this Section will preclude any payment of Severance Benefits.

5.2 By the District - For Cause. Mr. Tomko may be terminated for cause. If termination of employment is for cause, he will not be entitled to any Severance Benefits and the District's total liability will be limited to the payment of compensation earned up to the date of termination by District, together with any other benefits as may have been accrued by and vested at the date of termination and that are payable to him. As used in this section "cause" means only one or more of the following:

A. Conviction of a felony or a plea of no contest, guilty, or equivalent with respect to a felony charge;

B. Continued abuse of drugs or alcohol that materially affects the performance of the General Manager's duties or violates the District's policy against working under the influence of drugs or alcohol;

C. Repeated and protracted unexcused absences;

D. Willful abandonment of duties;

E. Any act of misappropriation, embezzlement, fraud or similar conduct by Manager;

F. Any material breach of this Agreement or of the District's Standards of Conduct or equivalent if that breach results in adverse impacts to the District and only after Mr. Tomko receives notice and has the opportunity to be heard by the Board in a performance review, which may be scheduled at any time for the purpose of this section;

G. Conviction of any crime involving an abuse of office or position as defined by California Government Code § 53243.4; or

H. Employment which is inconsistent with full-time employment as General Manager of this District or in violation of Section 1.3.

5.3 By the District - Without Cause. Mr. Tomko is an at-will employee serving at the pleasure of the District. The District, in its sole discretion, reserves the right to terminate this Agreement for any reason, without cause, to be effective upon 30 days' written notice to the Board ("**Termination Notice**"). The total liability of the District in the event of such a termination will be as follows:

A. Salary & Benefits through Termination Date. If District terminates Mr. Tomko without cause, then the District shall continue to pay Mr. Tomko his base salary, benefits, and other compensation and Mr. Tomko shall continue to accrue vacation, sick and any other applicable benefits through the termination date. Mr. Tomko will be expected to continue to perform the duties of the General Manager through the Termination Date, unless otherwise determined by the Board.

B. Severance Benefits. If District terminates Mr. Tomko without cause, then Mr. Tomko will be entitled to "**Severance Benefits**" consisting of the following: (i) a severance payment, the form and timing of which will be at the sole discretion of Mr. Tomko, in an amount equal to his Base Salary for six months or the remaining duration of the Term, whichever is shorter, at the rate in effect at the time of the Termination Notice; and (ii) all benefits for a period of six months or the remaining duration of the Term, whichever is shorter, except that Mr. Tomko will not receive the Vehicle Allowance.

5.4 Extension of Notice Period Around an Election. If the District terminates Mr. Tomko without cause within the two months prior to or after a general election day, then the notice required under the Termination Notice will be extended to 60 days.

5.5 By the General Manager. Mr. Tomko may terminate this Agreement for any reason upon 90 days' written notice to the District. The total liability of the District in the event of termination by will be the salary and benefits to which he is entitled through the 90th day after notice of termination. Mr. Tomko will not be entitled to any Severance Benefits.

6. Defense and Indemnification.

6.1 To the extent required by law, the District shall defend, hold harmless, and indemnify Mr. Tomko against any tort, professional liability, claim and demand or other claim or legal action, arising out of an alleged act or omission occurring in the course and scope of his duties as General Manager. The District will provide the defense through legal counsel selected by the District, until such time as all legal action on the matter is concluded.

6.2 The respective rights, duties and obligations of District and the General Manager with respect to the defense and indemnity of any claim or action brought against the General Manager, or against District for the alleged acts or omissions of the General Manager and without respect to the payment of any judgment, settlement or compromise in such claim or action, will be as set forth in sections 825 through 825.6 of the California Government Code or any other applicable provision of the Government Code as now existing or as hereinafter amended.

6.3 The District may conduct the defense of claims and actions described in above, reserving the rights of District not to pay the judgment, compromise or settlement until it is established that the injury arose out of an act or omission occurring within the scope of General Manager's employment as an employee of the District and as provided in Government Code section 825 through 825.6 or any other applicable provision of the Government Code as now existing or as amended.

6.4 Pursuant to Government Code section 53243, et seq., if a General Manager is convicted of a crime involving an abuse of his office or position, all of the following will apply upon final conviction: (1) if General Manager is provided with administrative leave pay pending an investigation, General Manager will be required to fully reimburse such amounts paid; (2) if the District, in its discretion, pays for the criminal legal defense of the General Manager, then the General Manager will be required to fully reimburse the amounts paid; and (3) if the General Manager is provided with any severance pay and/or settlement pay, then the General Manager will be required to reimburse that pay. For purposes of this Section, "abuse of office or position" will be as defined under California Government Code section 53243.4.

7. <u>Mediation & Arbitration</u>. Any litigation initiated without complying with this Section will be subject to demurrer or motion to dismiss.

7.1 <u>Mediation</u>. In the event of a dispute regarding the terms of this Agreement, or asserting any breach thereof, the aggrieved party shall serve a written demand for mediation upon the opposing party. The demand for mediation must provide that it is given pursuant to this Section of the Agreement, briefly describe the nature of the claim(s) sought to be mediated, and request that the opposing party respond in writing within a reasonable time with the opposing party's willingness to participate in mediation. A demand for mediation need not include the names of potential mediators, nor the proposed time and place of mediation. If the opposing party declines to participate in mediation, the aggrieved party may immediately commence arbitration. If the opposing party agrees to participate in mediation, the aggrieved party may not initiate arbitration until completion of the mediation, or reasonable and good faith efforts to schedule a mediation have proven unsuccessful.

7.2 <u>Arbitration</u>. If either party is unwilling to participate in mediation, or if mediation is conducted and unsuccessful in resolving all elements of the dispute, then the matter must be arbitrated. Mr. Tomko (who may employ separate counsel but will not be represented by the District's counsel in the matter) and the President of the Board (upon advice of the General Counsel or other designated counsel) shall select from a list of arbitrators supplied by the State Mediation and Conciliation Service, using a "strike list" if necessary. Mr. Tomko and the District shall equally share arbitrator and court reporter fees and other expenses. Each party shall bear its own costs of participating in the arbitration, including any legal fees. The determination of the arbitrator will be final.

7.3 Governing Law and Venue. This Agreement and any matter or dispute arising out of the parties' relationship or this Agreement will be governed by, and interpreted and enforced in accordance with the laws of the State of California, whether sounding in tort, contract, statute or otherwise and notwithstanding any conflicting choice of law principles of California or any other forum.

8. Entire Agreement; Amendments.

8.1 This Agreement contains the entire agreement between the parties and supersedes all prior or contemporaneous oral or written agreements.

8.2 No oral modifications, express or implied, may alter or vary the terms of this Agreement. No amendment or other modification of this Agreement may be made except by a writing signed by the Board and Mr. Tomko. No other employee, or member of the Board is authorized to alter or vary the terms of this Agreement (or to represent otherwise) on behalf of District except by written agreement signed by both parties. Subsequent to the expiration or termination of this Agreement, Mr. Tomko shall make himself reasonably available to District to provide information, documents, declarations, depositions, and testimony relevant to any action or proceeding to which District is a party or in which District is involved.

9. Severability. If any paragraph, provision, or other portion of this Agreement or the application of such clause, provision or other portion to any person or circumstance is to any extent determined invalid or unenforceable by an arbitrator or a court of competent jurisdiction, then that provision will be deemed severed to the minimum extent necessary to make this Agreement legally enforceable and the remainder of this Agreement, and the other applications of such portion, shall remain valid and enforceable to the fullest extent permitted by law.

10. Waiver. The parties will not be deemed to have waived any of their respective rights under this Agreement unless the waiver is in writing and signed by the party whose rights are being deemed waived. A waiver of right of one section of the Agreement will not operate as a waiver of that right on any other section. A waiver of right on one occasion will not operate as a waiver of right on a future occasion. No delay in exercising any right will be considered a waiver.

11. Notices. Any notice required by this Agreement to be given by one party to the other shall be sufficient if given to the other party by personal delivery or if mailed to the party by first class mail post prepaid, addressed as follows:

If to the District:
Vallejo Flood and Wastewater District
450 Ryder Street
Vallejo, CA 94590
with a copy to General Counsel

If to Mr. Tomko:
Mark Tomko
450 Ryder Street

Vallejo, CA 94590

12. Headings. The headings contained in this Agreement are for reference purposes only and do not affect in any way the meaning or interpretation of this Agreement.

13. Provisions Remaining in Effect Following Termination. Sections 5, 6, 7, 8, and 9 of this Agreement will survive the expiration or earlier termination of this Agreement.

The parties are signing this agreement as of the dates opposite their signatures.

VALLEJO FLOOD AND WASTEWATER DISTRICT

Date:____________________ By: ______________________________
Robert McConnell
President, Board of Trustees

Date:____________________ By: ______________________________
Mark Tomko

Attest:

____
Rachelle Canones, Acting Clerk of the Board

Approved as to Form:
Hanson Bridgett, LLP

By: __________________________
District Counsel

EXHIBIT A

MOU with Management Association

MEMORANDUM OF UNDERSTANDING
BETWEEN

VALLEJO FLOOD & WASTEWATER DISTRICT AND VFWD MANAGEMENT ASSOCIATION

JULY 1, 2023 THROUGH JUNE 30, 2028

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MEMORANDUM OF UNDERSTANDING

Vallejo Flood & Wastewater District and VFWD Management Association
July 1, 2023 through June 30, 2028

MEMORANDUM OF UNDERSTANDING

Between

VALLEJO FLOOD & WASTEWATER DISTRICT

and the

VFWD MANAGEMENT ASSOCIATION

July 1, 2023 – June 30, 2028

PREAMBLE

This Memorandum of Understanding (MOU) is a mutual agreement between the Vallejo Flood & Wastewater District (District) and the VFWD Management Association (Association). This MOU is entered into and is pursuant to provisions of all state and federal laws applicable to public sector employee organizations formed for the purpose of employee representation. As approved by the Board of Trustees of the District and the Association, this MOU is binding upon the District and the employees represented by the Association.

ARTICLE 1 – RECOGNITION

The Association is recognized by the District as the representative of the management employees of the District. The management employees ("Members") are those within the classifications included in Exhibit A to this MOU.

ARTICLE 2 – PURPOSE

It is the purpose of this MOU to set forth the understanding and terms of conditions of employment of the classifications covered by it.

ARTICLE 3 – WAGE PROVISIONS

3.1 WAGES AND SALARIES

The salary of Members covered by this document will be as set forth in the most recent resolution adopted by the Board of Trustees establishing wages and salaries including any adjustments in salaries approved by the Board.

3.2 ADJUSTMENT IN COMPENSATION

In general, the salary of Members covered by this document shall be adjusted on an annual basis. It should be recognized that all adjustments to salaries are merit adjustments. The method of determination and amount of adjustment of salaries shall be as negotiated with the Association and approved by the Board of Trustees.

For purposes of this adjustment, salaries shall be defined as the annual wage paid an Association Member exclusive of any payment by the District for pension, health, dental, Management Benefit or any other benefit provided to the Association Member in compliance with the MOU.

A. **For fiscal years beginning the pay period that includes July 1, 2023 and each subsequent years, effective at the beginning of the pay period that includes July 1, for the term of the contract:**

Wages shall be increased by the percentage increase in the Consumer Price Index, Urban and Clerical Workers for San Francisco-Oakland-Hayward, measured from February to February ("CPI"). Such wage increase shall not be less than 2.0 percent or greater than 4.0 percent and if the CPI goes above 4% then ½ the difference would be added to the percentage (e.g. if the CPI increases 1.5% the wage increase shall be 2.0%; if the CPI increases 3.5% the wage increase shall be 3.5%; if the CPI increases 5.6% the wage increase shall be 4% plus ½ the amount above 4% or 4.8%) CPI calculation shall be rounded to the nearest one-hundredth of a percent, with the wage increase rounded to nearest tenth of a percent.

B. **Catastrophic Revenue Loss:**

If the District suffers an unplanned, unanticipated catastrophic revenue loss or short-term expenditure requirement during the term of the contract, the Management Association agrees to immediately forego

75% of the next occurring COLA. Catastrophic means a loss in revenue or required expenditure in excess of 10% of the operating expenditures for the Sewer Fund.

3.3 CERTIFICATION/LICENSE FEES

The District shall pay for certifications and licenses held by the Association Members who are required as a condition of employment or continued employment to obtain state or other certification or licensing in the field in which they are employed by the District. The District may also pay for the cost of certificates and licenses that are not required, but are considered to be beneficial to the Association Member's employment with the District, at the sole discretion of the District Manager or his or her designee. The District shall pay for membership in professional organization(s), such as WEF or CWEA, that may be required for the Member to maintain the certification or license, or is deemed by the District as beneficial toward providing continuing education units, training, or networking that benefits the professional development of the Member.

3.4 HOURS OF WORK

The District establishes working hours that are consistent with the operating requirements and responsibilities of the various departments. Other work shifts, alternative work schedules, remote work, flextime, days, hours, and periods can be established and modified by the District within the limits prescribed by law, based on operating conditions and requirements of the District.

3.5 OVERTIME PAY

All Members in classifications covered by this MOU are exempt from overtime pay in accordance with provision of the Federal Fair Labor Standards Act.

3.6 COMPENSATORY TIME OFF/MANAGEMENT LEAVE

It is recognized that Members covered by this MOU will at times work more than a standard 40-hour week. Time off granted to Members for this overtime additional work is solely at the discretion of the District Manager. There is not, however, assumed to be a direct or indirect correlation between additional hours worked and approved time off by the District Manager, nor is there an implied direct entitlement of the Members of time off for extra hours worked.

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3.7 WORKING IN A HIGHER CLASSIFICATION

A Member may be specifically reassigned by a Department Head or the duly authorized representative of the Department Head to perform the duties of a higher classification in a temporary upgrade or acting appointment. The decision to make or not make a temporary upgrade or acting appointment is a District management right and not subject to the Association consensus or approval.

A. Temporary Upgrade (TU) Assignment

I. Criteria:

1. A Member may be assigned to a TU on a temporary basis due to a planned absence including vacation, termination, sick leave, leave of absence or other vacancy.
2. Temporary Upgrade assignments will be in writing on an approval form indicating the name of the Member, the regular classification of the Member, the higher classification to which the Member is assigned on a temporary basis, and the term of the assignment. The approval form must be signed by the Department Head or duly authorized representative of the Department Head and approved by the District Manager or his/her designee before becoming effective.
3. No cascading effect will be allowed except in instances deemed necessary by the District Manager or Director of Human Resources. Cascading effect means when a TU creates multiple vacancies in the lower classifications over the same period.

II. Eligibility: To be reassigned to a Temporary Upgrade Assignment, all of the following conditions must be met:

1. The Member must possess the minimum qualifications or the requisite knowledge, skills and abilities to perform the work of the higher classification.
2. The duties of the higher classification are outside of the scope of the Member's current classification as determined

by the Department Head or duly authorized representative of the Department Head.

3. The Member must perform some of the duties and assume some the responsibilities of the higher classification.

4. The term of the Temporary Upgrade Assignment will be at least four (4) consecutive work days, but no longer than six (6) months, unless the District is in the process of selecting a person to fill the position.

5. Non-permanent Members (e.g. probationary, part-time, limited duration, Members with poor performance) will not be assigned a Temporary Upgrade Assignment unless specifically authorized by the District Manager or his/her designee.

III. Compensation:

1. A Member working on a Temporary Upgrade Assignment will be paid at either ten percent (10%) above the Member’s current base rate or the first step of the classification the Member upgraded into, whichever is less for each day the Member is so assigned in the higher classification.

2 The Temporary Upgrade Pay will commence on the first date of the Temporary Upgrade Assignment.

B. Acting Appointments

I. Criteria:

1. A Member may be appointed to an acting vacant position if the vacancy will be at least sixty (60) calendar days or more, or in the event an incumbent is expected to be on a leave status for a period in excess of sixty (60) calendar days. Upon return of the incumbent from leave, the acting appointment will be immediately terminated, and the acting appointee will resume the duties and receive compensation and privileges as if he/she had continued his/her duties in his/her previous classification or position.

II. Eligibility: To be appointed to an acting position, all of the following conditions must be met:

1. The Member must possess the minimum qualifications or the requisite knowledge, skills and abilities to perform the work of the higher classification.
2. The duties of the higher classification are outside of the scope of the Member's current classification as determined by the Department Head or duly authorized representative of the Department Head.
3. The Member must perform all of the duties and assume all the responsibilities of the higher classification.
4. The term of the acting appointment will not have a limited time period.
5. Acting appointments of a retired annuitant will not exceed nine hundred sixty (960) hours in a fiscal year.

III. Compensation:

1. A Member working in an Acting Appointment will be paid at the first step of the higher classification for each day the Member is assigned to act in the higher classification.
2. The Acting Appointment compensation will commence on the first date of the Acting Assignment.

ARTICLE 4 – OTHER COMPENSATION AND REIMBURSEMENT

4.1 EDUCATION ASSISTANCE/SEMINARS

A. Work-Related Training. The District shall pay for the cost of tuition, enrollment fees, books, registration fees, travel cost, hotel cost, meals, mileage and other direct cost directly related to trainings, classes, and seminars attended by the Association Member, that in the opinion of the District Manager, increases the Member's competence in their current position, supports the Member's certification requirements for continuing education units, or prepares them for advancement in the District.

B. Educational Benefit. Association Members enrolled at a college or university seeking a degree may be reimbursed for tuition, enrollment fees, and registration fees, with a maximum annual limit of $4,000 per calendar year. Reimbursement shall be provided upon proof of costs paid and successful completion of the course with a passing grade. Prior approval of the District Manager for the Educational Benefit is required.

4.2 MILEAGE REIMBURSEMENT

The District will reimburse Members for the use of their private vehicles for District business at the then current rate allowed by the Internal Revenue Service (IRS).

4.3 BILINGUAL PAY

Members who are routinely and consistently assigned to positions requiring communication skills in languages other than English will receive Bilingual Pay of $75.00 per month.

In order to be eligible for bilingual pay, the Member must meet the following criteria:

1. The Member is in a position that has been certified by the department head and approved by the District Manager as requiring skills in an approved language other than English;
2. The Member must pass a proficiency test established and administered by the Human Resources Department; and
3. The Member shall be subject to recertification at any time, but not more than once annually. If the District Manager determines that the Member is no longer using bilingual skills on a regular basis, or that the bilingual skills are no longer necessary in the position, the bilingual pay shall cease at the beginning of the next full pay period.
4. The District Manager's determination regarding what positions shall be eligible for bilingual pay, what languages shall be approved, and whether bilingual pay should be ended shall be final and shall not be appealable or subject to the District's grievance procedures.

4.4 SAFETY SHOES

All Members who work in classifications whose work has been determined by the District to require wearing safety shoes, shall wear such shoes. The District will determine the specification and price of the safety shoes and shall provide the shoes for the Members not to exceed $350. Replacement safety shoes that wear out due to normal wear and tear will be provided on an as needed basis. Failure to wear safety shoes, or abuse of safety shoes, may result in disciplinary action.

4.5 LOGO WEAR

The District will provide the following attire with District logo to Members with an expectation that this attire will be worn when directed to do so by the District. The style and color of this apparel may be determined by the District. “Shirts” shall be polo or button-up style. “Outerwear” shall be a jacket, vest, or sweater.

Upon Contract ratification	Two shirts and one outerwear
Upon initial hire to the District	Two shirts and one outerwear
Each calendar year (starting Jan. 2024)	Two shirts
Every other calendar year (starting Jan. 2025)	One outerwear

Any unused allowance or unordered attire in one calendar year may not be rolled over into future calendar years.

4.6 RETIREMENT

1. The District has contracted with CalPERS for the following retirement benefits for Members who are not considered to be “New Members” as defined by the California Public Employees; Pension Reform Act of 2013 (PEPRA); The retirement formula is 2.7%@ 55, Single Highest Year. Each Member pays 8% of his or her compensation to fund the Member contribution.
2. Members who are “New Members” as defined by PEPRA (e.g. Members hired on or after 1/1/2013 who have never been a CalPERS member or member of a reciprocal system or who had a break in CalPERS service of at least six (6) months or more) will be subject to all the applicable PEPRA provisions. The retirement formula for new Members is 2% @ 62, Average of Three Highest Years. Each “New Member” pays 50% of the normal cost of his or her pension as calculated by CalPERS.
3. The District implements the provision of section 414(h)(2) of the Internal Revenue Code (IRC) for the member contributions deducted from the salary of Members. This shall not be construed as a guarantee by the District of the existence or continuation of any tax benefits arising from this section of the IRC, nor shall the District indemnify any Member against any loss that

may result from any different interpretation, change or elimination of the relevant sections of the IRC.

4. The District shall provide the Indexed Level of 1959 Survivors Benefit.
5. The District provides bargaining Members may "buy back" time served on active duty with the United States military prior to employment with the District according to CalPERS rules and regulations on a cost-neutral basis to the District.

4.7 <u>DEFERRED COMPENSATION</u>

The District shall maintain a tax deferred compensation plan under Internal Revenue Code Section 457(b) and a post-tax Roth 457 plan. Members shall be required to enroll in a deferred compensation plan and contribute at least $125 per pay period. The District will match the member's contribution with a contribution of $125 per pay period into the Member's Section 457(b) deferred compensation account. There are no vesting requirements for the District's contribution. Contributions are limited by IRS rules, and in no way will District match be applied in a way that violate these rules.

4.8 <u>COMPUTER LITERACY</u>

Effective July 1, 2023, Management Association Members are not eligible for the District's Computer Literacy loan program. Loan agreements entered into as part of the Computer Literacy loan program prior to July 1, 2023 shall not be impacted and shall continue under the existing terms of the loan agreement.

<u>ARTICLE 5 – HEALTH AND WELFARE</u>

A. <u>Health</u>

1. **Members**: The health plan will be the State of California Public Employee Medical and Hospital Care Act (PEMHCA) program currently in effect and as provided by District's contract with the California Public Employee Retirement System (CalPERS)
2. **District Contributions:**
    a. <u>Members Hired Before July 1, 2023</u>: The District will contribute the full cost of any eligible PERS Health Plan limited to a value no greater than the highest available CalPERS HMO Bay Area rate as selected by the Member.

b. Members Hired On or After July 1, 2023, the District will contribute the full cost of any eligible CalPERS Health Plan limited to a value no greater than the Kaiser rate applicable to the Member.

3. Cash in Lieu: For those Members who elect not to take District coverage and can show proof of group coverage for the Member from another source, the District will pay the Member cash in lieu of paying medical insurance premiums the following amounts on a monthly basis, based on the eligibility of the Member to receive the benefit:

	Calendar Year					
	2023	**2024**	**2025**	**2026**	**2027**	**2028**
EE-only	457	450	425	400	388	375
EE + 1	913	900	850	800	775	750
EE + Fam	1,188	1,170	1,100	1,050	1,000	975

4. Retirees: At the time of retirement, Members are eligible for one of the health plans offered by CalPERS and subject to PEMHCA. The retiree will be subjected to the same guidelines as the current Members of the District as outlined by the PEMHCA.

1. **Members Hired Prior to Vesting Schedule**

   A. For Members hired prior to the District implementing the State vesting scheduled through CalPERS PEHMCA and who retire prior to June 30, 2025, (to connect with July 1, 2025 and avoid a 2 year gap see B. below), the District will contribute toward the cost of the coverage plan selected by the retiree up to the value of the highest available CalPERS HMO Bay Area rate.

   B. For Members hired prior to the District implementing the State vesting scheduled through CalPERS PEHMCA and who retire on July 1, 2025 or later, the District will contribute toward the cost of any eligible CalPERS Health Plan limited to a value no greater than the Kaiser rate applicable to the retiree.

   C. However, if the retiree does not choose to remain in a health plan provided by CalPERS, the Member will be reimbursed for other coverage limited to a value no greater than the CalPERS

Kaiser rate they are eligible for with proof of alternative health coverage.

2. **Members Hired After the Vesting Schedule**
   The District has implemented the State vesting schedule through CalPERS PEHMCA. Any Members hired on or after the first of the month following Board approval of the State vesting resolution is subject to the State vesting schedule for health coverage into retirement.
3. **OPEB – Other Post-Employment Benefits**:
   The District has instituted an OPEB defined benefit post-employment health care plan. Members will contribute 2% of their after-tax base salary to the OPEB Medical Trust. The District will contribute to the Trust the Actuarially Determined Contribution, less the amounts credited for benefits paid to existing retirees from District assets and the amount paid by Members, up to but not in excess of $500,000. Any monies contributed by the Members will not be refunded. Both the District and the Management Association agree to meet and confer on the funding level necessary to fully fund the Trust.

B. Vision

The District shall provide vision coverage for eligible Members and their dependents, at District expense. The benefit shall be at a benefit level to include annual eye exams and glasses or contacts every 12 months.

C. Life Insurance

The District shall for the term of the contract maintain a Life Insurance and Accidental Death and Dismemberment Benefit with the following benefits: (1) Life Insurance - $225,000; (2) Accidental Death and Dismemberment - $225,000. In addition, Members may be eligible to purchase at their own cost additional Life Insurance. The District will maintain the retirement contract with CalPERS to provide a post-retirement death benefit of $5,000.

D. Disability

The District shall for the term of the contract maintain a Short Term Disability Plan with the following benefits: (1) Weekly Indemnity – 66 2/3% of weekly earnings to a maximum benefit of $950; (2) Begins the sixteenth (16th) day of any one (1) continuous period of disability; (3) Maximum of 52 weeks during any one (1) continuous period of disability.The District shall continue to provide the Non-Industrial (Non-Job Related) Disability Retirement benefit of a monthly allowance equal to 30% of final compensation for the first 5 years of service, plus 1% for each additional year of service to a maximum of 50% of final compensation, in its contract with CalPERS.

E. Dental Plan

The District will for the term of the contract maintain a dental plan with the following benefits: Delta Dental Premier Plan

F. Flexible Spending Accounts

The District will implement medical and dependent care flexible spending accounts in accordance with the provisions of the Internal Revenue Codes governing the operation and administration of such plans. It is understood that participation in this program is voluntary.

ARTICLE 6 – LEAVES

6.1 HOLIDAYS

A. Floating Holidays

In addition to the above holidays, each Member is entitled to 40 hours of floating holidays. The Member may take the floating holidays in accordance with the following:

1. Prior approval of the department head or District Manager is required.
2. Members hired during the year shall be entitled to a starting balance of floating holidays in accordance with the following schedule:

Quarter	# Of Holidays Eligible For
July 1st – September 30th	40 Hours of Floating Holiday

October 1st – December 31st	30 Hours of Floating Holiday
January 1st – March 31st	20 Hours of Floating Holiday
April 1st – June 30th	10 Hours of Floating Holiday

3. In light of the Holiday Pool, Members may not have more than twenty-seven (27) hours of Floating Holiday remaining at the end of the fiscal year.
4. At the time of termination, Members may be allowed to cash out up to twenty-seven (27) hours of Floating Holiday. Members shall be notified by April 15th each year of their remaining floating holidays. The type of notification shall be at the discretion of the District.

The following shall be recognized as holidays. When the named holiday falls on a Saturday, the preceding regularly scheduled workday shall be the holiday. When the holiday falls on a Sunday, the following regularly scheduled workday shall be recognized as the holiday.

The following days shall be recognized as holidays.

1. New Year's Day (January 1)
2. Martin Luther King Jr.'s Birthday (3rd Monday in January)
3. President's Day (3rd Monday in February)
4. Memorial Day (Last Monday in May)
5. Juneteenth (June 19)
6. Independence Day (July 4)
7. Labor Day (1st Monday in September)
8. Veteran's Day (November 11)
9. Thanksgiving Day (4th Thursday in November)
10. Day after Thanksgiving (4th Friday in November)
11. Christmas Day (December 25)

The list shall include as a holiday any day designated by Congress during the term of this contract to be a national public holiday. If this designation is less than 48 hours prior to the beginning of the holiday, the District at its discretion may elect to add

8 hours to the Member's holiday bank the first year of the holiday in lieu of allowing time off.

B. Holiday Bank

In order to maintain the work schedule as outlined in Section 3.4 Hours Of Work, a Holiday Bank will be maintained to allow the Member to accumulate time when a holiday falls on their regular scheduled day off. When a holiday falls on the Member's normal scheduled day off, the normal schedule hours for that day will be accumulated as a banked holiday time that may be used at a later date. The Member will not automatically get the next day or day before the holiday off. If the Member wants the next day or day before the holiday off, they must request the time off as they would for any other time off.

6.2 VACATION

A. Accrual of Vacation Leave

Members covered by this document shall earn vacation time for each month (approximately 173.33 hours) of continuous service according to the following schedule.

Pay Period of Continuous Service	Vacation Credit Per Pay Period/Per Year	Maximum Earnable Vacation Accrual
0 through 130 (-5 yrs)	4.62 hrs/ (3 wks/yr)	360 hrs – 9 weeks
131 – 260 (10 yrs)	5.39 hrs/ (3 ½ wks/yr)	420 hrs – 10 ½ weeks
261 through 390 (-15 yrs)	6.16 hrs/ (4 wks/yr)	480 hrs – 12 weeks
391 through 520 (-20 yrs)	6.93 hrs (4½ wks/yr)	540 hrs – 13½ weeks
521 and over (+20 yrs)	7.70 hrs (5 wks/yr)	600 hrs – 15 weeks

B. Cash Out of Vacation Leave:

1. Prior to the start of a new calendar year, Members may make in writing an Irrevocable Request to Cash Out Vacation Leave for vacation leave that will be earned the following calendar year. If the employee is within sixty (60) hours of their maximum accrual limit on December 1, the Member may cash out up to sixty (60) hours of vacation leave the following year at his/her base pay rate.

2. All vacation leave cash outs will be made in the calendar year following the Irrevocable Request, in the month of July. All cash out of vacation leave is subject to IRS regulations governing cash out of accumulated leave.

6.3 SICK LEAVE - MEMBER

Members shall accrue 3.6923 hours of sick leave per pay period. Such leave may be accumulated from year to year without limitation as to the number of hours accumulated. The District Manager, HR Director, or Department Head, at his/her discretion, may require a doctor's certification of an illness before compensation for sick leave shall be approved.

A. **Cash Out of Sick Leave:**

Prior to the start of a new calendar year, Members may make in writing an Irrevocable Request to Cash Out Sick Leave for sick leave that will be earned the following calendar year. The amount requested shall be limited to the following:

1. If the Member has a minimum of forty-eight (48) hours of sick leave in their accrual bank, the Member may cash out up to eight (8) hours at his/her base pay rate.
2. If the Member has a minimum of eighty-seven (87) hours of sick leave in their accrual bank, the Member may cash out up to sixteen (16) hours at his/her base pay rate.
3. If the Member has eighty-eight (88) hours or more of sick leave in their accrual bank, the Member may cash out up to twenty-four (24) hours at his/her base pay rate.
4. All sick leave cash outs will be made in the calendar year following the Irrevocable Request, in the month of April. All cash out of sick leave is subject to IRS regulations governing cash out of accumulated leave.

B. **Termination/Separation of Employment:**

Termination of a Member's continuous service shall cancel all sick leave accrued to the time of termination. No payment shall be made to any Member for unused sick leave accumulated to his/her credit at the time of termination of employment, except as follows:

1. Members separating employment due to their death shall be paid fifty (50) percent of their accumulated unused sick leave.
2. Members separating employment for reasons of regular retirement or disability retirement shall be paid up to fifty (50) percent of their accumulated unused sick leave.
3. Members separating employment due to Reduction in Force, or Members with ten (10) or more years of service with the District who terminate voluntarily shall be paid up to fifty (50) percent of the accumulated sick leave.
4. Any accrued sick leave not paid out above may be applied toward Sick Leave Conversion in accordance with CalPERS rules, provided the Member retires with CalPERS within 120 days of separation from the District.

6.4 SICK LEAVE – IMMEDIATE FAMILY

The Member may utilize sick leave for an illness of immediate family Member in compliance with the California FMLA (Family Medical Leave Act). The immediate family is construed to mean the mother, father, mother-in-law, father-in-law, brother, sister, spouse, domestic partner, child, stepchild, grandparents and grandchildren and step grandchildren of the Member. As of 2023, eligible employees may take CFRA leave for a child, spouse, domestic partner, parent, parent-in-law, grandparent, grandchild, sibling, or someone else related by blood or in a family-like relationship ("designated person") with a serious health condition.

6.5 SICK LEAVE – ON THE JOB INJURY

Whenever any Member of the District sustains any injury, or disability arising out of and in the course of his/her employment with the District as set forth and defined in the California State Labor Code, and by reason thereof, becomes entitled to receive compensation under provisions of the Worker's Compensation Insurance and Safety Act of the State of California, or under any state law, said Member will be granted on the job injury leave by the District in accordance with the following procedures:

1. All Members will be entitled to a special six hundred (600) hours of on-the-job injury leave per incident. The special six hundred (600) hours of injury leave shall be granted to the employee and used by the employee for work time loss due to the on-the-job injury, or time off for

rehabilitation due to an on-the-job injury, before any use of accumulated regular sick leave, accumulated compensatory time, accumulated vacation time, or floating holidays. The employee must, within five (5) working days of the District receiving notice of the employee receiving compensation, assign to the District any and all compensation allowed him/her under the Worker's Compensation Insurance and Safety Act. The employee assigning such funds will be paid his/her full salary and receive all other benefits, except no additional regular sick leave will be accumulated during the period the employee is off duty due to an injury. Failure to assign funds will result in the District withholding pay to the employee.

A. If the employee is not fully disabled and it has been determined that the employee can perform light duty work and he/she comes to work on a light duty status, the employee will not receive pay from the workers compensation insurance. The employee will be considered to be working and will receive his/her normal District pay. The total time allowed for light duty will be approximately two hundred-forty (240) hours. The use of light duty work beyond this time will have to be approved by the District Manager.

B. If the employee utilizes all the special six hundred (600) hours injury leave in (1) above, and is still unable to return to work because of the on-the-job injury, he/she shall be allowed to utilize all other accumulated benefit time in the following order:

First	All accumulated regular sick leave
Second	All accumulated vacation time
Third	All accumulated floating time

The employee must assign to the District any and all compensation allowed him/her under the Worker's Compensation Insurance and Safety Act. The employee shall assign said funds within five (5) working days of the District receiving notice of the employee being paid compensation. The reduction in the appropriate accumulated leave will be equivalent to the difference between the full District salary paid the employee and the Worker's Compensation Insurance assigned to the District. The employee assigning such funds shall be paid his/her full District salary and receive all other benefits, except no additional regular sick leave will be accumulated. Failure to assign funds will result in the District withholding pay to the employee.

2. If the employee utilized all the special injury leave in (1) above and other leave as stipulated in (2) above, he/she shall cease to assign any compensation from Worker's Compensation Insurance to the District. The employee will be placed in the leave-without-pay status by the District and will be entitled to no further compensation or benefits from the District.

Unless there is a compelling business justification that precludes reinstatement, the District is required by law to reinstate an employee to his/her original position, once an employee is able to return from an on-the-job injury or illness. If the District is unable to reinstate the employee to his/her original position the employee will be so notified in writing. The notice will clearly state the reason for the denial of reinstatement.

6.6 SICK LEAVE - DISABILITY

Whenever any Member of the District is out more than fifteen (15) days due to illness or non-job-related injury, he/she may become entitled to receive compensation under provisions of the District's Short-Term Disability Policy. If such illness continues for more than fifteen (15) days and said member receives compensation from the District in the form of Sick Leave Pay, said Member shall assign to the district any compensation allowed him under the Short-Term Disability Policy. After the fifteenth (15) day of illness, the equivalent dollar amount of credit for sick leave used will be given for the assigned Short-Term Disability funds. Sick leave shall be deducted from said Member 's accumulated sick leave for each working day's absence so long as sick leave credits remain.

If the Member utilizes all the accumulated sick leave in (1) above, and is still unable to return to work because of illness, he/she shall be allowed to utilize all other accumulated benefit time in the following order:

First	All accumulated vacation time

Second	All accumulated floating holidays

The Member must assign any Short-Term Disability compensation to the District once all accumulated sick leave is taken, in order to utilize these other benefits.

If a Member is granted a leave without pay, he/she will no longer receive compensation from the District in the form of Sick Leave Pay, but will receive compensation from the Short-Term Disability Policy, in accordance with such plan.

6.7 MILITARY LEAVE

The District will provide Members with military leave in accordance with the California Military and Veterans Code and the Uniformed Services Employment and Reemployment Act (USERRA). The District will provide Members with paid leave only to the extent required by law.

6.8 JURY DUTY

A Member who is summoned jury duty during working hours shall be compensated for such time, provided that the Member is expected work on any day(s) the Member is released from service. Members who receive a jury summons shall notify their supervisor at least one (1) week prior to the date of service. The Member shall provide their immediate supervisor with appropriate documentation that indicates the anticipated day(s) required for attendance and proof of attendance.

6.9 BEREAVEMENT LEAVE

Members shall be entitled to up to five (5) days of paid bereavement leave, not chargeable to vacation or sick leave, in the event of a death in the Member's immediate family.

Bereavement leave is intended to be granted only for attendance of the funeral services or to make necessary arrangements for the services and/or affairs of the deceased which require the personal attention of the Member. Members must inform their supervisor prior to commencing bereavement leave. The District may require verification of death and relation to the deceased.

Bereavement leave may only be taken on regularly scheduled workdays and does not need to be taken on consecutive days. However, the leave is only available during the three (3) months following the immediate family member's death, or extended longer if required of and approved by the District Manager.

For the purposes of this Article, the term “immediate family” shall be defined as a spouse, registered domestic partner, child, stepchild, parent, stepparent, sibling, grandparent, parent-in-law, or any other individual that falls under the definition of “immediate family” under applicable state and federal laws regarding bereavement leave.

6.10 <u>LEAVE OF ABSENCE – WITHOUT PAY</u>

Members may request a leave of absence without pay through his or her supervisor. A leave of absence without pay must be approved by the District Manager. The leave of absence without pay provided under this Section 6.10 may not be taken for the Member’s own medical condition. For leaves taken due to the Member’s own medical condition, the District will provide leave in accordance with the Family Medical Leave Act (“FMLA”), California Family Rights Act (“CFRA”), or other applicable laws or local ordinances.

Any request for a leave of absence without pay in excess of thirty (30) days (“extended leave”) may only be approved if the District Manager, at his or her sole discretion, determines that there is a compelling reason for the extended leave and the Member’s operating department will not be affected by the Member’s absence. A leave without pay may be for a period of no more than three (3) months. During an extended leave, the Member’s employment status and seniority will remain unchanged. Health plan insurance benefits will not be continued during the leave. All other rights, privileges, and benefits of employment will be suspended until the Member’s return to active employment.

<u>ARTICLE 7 – EVALUATION OF MEMBERS</u>

All Members will be evaluated annually. Members are evaluated during their probation period at (3) three, (6) six, (9) nine, and (12) twelve month and annually thereafter. The evaluation will be in writing and will be prepared by the Member’s immediate supervisor. The evaluation shall be presented and discussed with the Member.

The content of performance evaluations of the Member is not subject to appeal. A Member with unsatisfactory performance evaluation may be placed on a Performance Improvement Plan (PIP) for up to one (1) year in duration, as determined by the Department Director, which is not subject to appeal. All performance evaluations must be completed before a PIP can be issued.

ARTICLE 8 – DISCIPLINARY PROCEDURE

Association Members are required to maintain a professional standard of conduct in the performance of their duties. Unsatisfactory performance and/or misconduct may subject a Member to discipline.

The District will endeavor to use a progressive discipline system to address a Member's performance or behavioral issue. However, the District reserves the right to impose any form of disciplinary action it deems appropriate, including termination on a "first time" basis, based on the severity of the Member's action.

8.1 TYPES OF DISCIPLINARY ACTIONS

A. Lesser Disciplinary Actions

Lesser disciplinary actions include the following:

1. *Verbal Counseling*: Member is informed of their poor performance or misconduct verbally by his/her supervisor. Written account of the verbal counseling may be issued to the Member, but not placed in the Member's personnel file.
2. *Written Warning/Reprimand*: An official notification to the Member that there is cause for dissatisfaction with the Member's performance or conduct, and that further disciplinary measures may be taken if said cause is not corrected. A written reprimand shall be given in the manner and on forms prescribed by the Department Director or Director of Human Resources.

For these lesser disciplinary actions, the Member shall have no right to prior notice prior to imposition of the disciplinary action or any right to appeal the decision.

B. Serious Disciplinary Actions

Serious disciplinary actions at the District include the following:

1. *Suspension Without Pay*: A temporary separation from District service without pay.

2. *Involuntary Demotion*: An involuntary reduction in classification or rank with reduction in pay.
3. *Employment Termination*: A permanent dismissal or discharge of a Member from District service.

Prior to imposition of any serious disciplinary actions, the District will follow the Procedures for Disciplinary Action set forth in Section 8.2. In addition, the Member's right to appeal the District's decision is limited to the procedure set forth in Section 8.3.

C. Causes for Disciplinary Action

Disciplinary actions may be taken for sufficient cause. The form of the disciplinary action taken shall be commensurate with the action and taking into consideration the Member's prior employment history and disciplinary record. Cause may include, but is not limited to, the following:

1. Insubordination with respect to refusing to comply with lawful instructions or failure to perform duties assigned;
2. Theft of, harm to, or waste of District property or the personal property of another;
3. Dishonesty of any kind relating to the Member's job duties or responsibilities, including falsification of time records, driver logs, or other official documents;
4. Unauthorized absence from employment or excessive unexcused tardiness;
5. Misappropriation or unauthorized use of District property;
6. Threats or acts of violence in the workplace or creating a threatening or intimidating work environment;
7. Engaging in unsafe work practices;
8. Reporting for work, or being at work, under the influence of or in possession of alcohol, or non-prescribed controlled substances;
9. Failure to maintain satisfactory working relationships with other employees or the public, including engaging in behavior that creates discord or disharmony in the workplace;
10. Failure to maintain employment qualification of the Member's position;
11. Violation of ordinances, regulations, rules, and/or administrative policies and procedures; or of standards established under California or federal law; and
12. Violation of any District or department rules, regulations, or policies.

8.2 PROCEDURES FOR DISCIPLINARY ACTION

A. Notice of Proposed Disciplinary Action

In instances of serious disciplinary actions as defined above, Members will be afforded an opportunity to present mitigating information before any final disciplinary action is imposed. Specifically, the Member shall be given a written notice of proposed disciplinary action, which include the following:

1. The proposed disciplinary action to be taken against the Member;
2. The specific charges/violations upon which the proposed disciplinary action is based;
3. A factual summary upon which the charges/violations are based;
4. A copy of all written materials upon which the proposed disciplinary action is based;
5. Notice of the Member's right to respond to the proposed disciplinary action and/or charges, either orally or in writing, to the District Manager or designee with the presence of the proposing or most factually informed manager;
6. The date, time, and person before whom the Member may respond, in no more than five (5) working days from the date of the notice is received by the Member; and
7. Notice that failure to respond at the specified time shall constitute a waiver of the right to respond prior to the final action being imposed.

B. Notice of Final Decision

Within ten (10) working days after receipt of the Member's timely written response, oral response (including a pre-disciplinary hearing), or the Member's failure to timely respond, the District Manager or designee shall provide a notice to the Member, either in person or by delivery through first class postal service mailing, giving notice of the District's final decision on the matter which may include sustaining, modifying, or rejecting the proposed disciplinary action.

8.3 APPEAL OF DISCIPLINARY ACTION

A. Right to Arbitration

Any Member who has received a Notice of Final Decision imposing serious disciplinary action shall be entitled to request an evidentiary appeal of the imposition of discipline.

B. Requesting Arbitration

A Member wishing to appeal the imposition of a serious disciplinary action shall initiate the appeal by filing a written request with the District Manager within five (5) working days of the date of the Notice of Final Discipline if it was received by the Member or his/her representative. The request shall be addressed to the District Manager, and shall identify the subject matter of the appeal, the grounds for the appeal, and the relief desired by the Member.

C. Arbitration

1. The disciplinary appeal shall be referred to an impartial arbitrator who shall be designated by mutual agreement between the District Manager and the Member. The District Manager and Member shall select from a list of arbitrators supplied by the State Mediation and Conciliation Service (SMCS). The District Manager and the Member shall equally share arbitrator and court reporter fees and other expenses. Each party shall bear the cost of its own presentation, including preparation and post hearing briefs, if any.
2. If an impartial arbitrator finds that the District had the right to take the disciplinary action subject to the appeal, the arbitrator may not substitute his/her judgment for the judgment of management and if he/she finds that the District had such right, he/she may not order reinstatement and may not assess a penalty upon the District.

D. Administrative Leave with Pay

Where it is deemed necessary and appropriate, the District may place a Member on paid administrative leave until the cause of the proposed disciplinary action is thoroughly investigated and the Member notified of the final determination, or when the Director of Human Resources or District Manager determines that it is in the best interests of the District. The Member must be reasonably available by telephone during his/her normal working hours and able to report to the District at the start of the next business day if directed to do so. When a Member is placed on Administrative Leave with Pay during this investigation, he/she shall not discuss the alleged violation or the Disciplinary Action with anyone, except a representative of his/her choice. Failure to remain reasonably reachable by telephone or to report to the District at the start of the next business day of being directed to do so shall be considered insubordination, and could result in additional Disciplinary Action. The Member shall be informed that communicating with others, except a representative of his/her choice, about a pending investigation constitutes insubordination and is a separate and independent ground for discipline. This section is not intended to prevent the Member from communicating with his/her legal counsel.

ARTICLE 9 – MEMBER RESIGNATION OR RETIREMENT

A Member resigning or retiring from his or her position will give a minimum of thirty (30) days written notice to the Member's supervisor in order to enable the District to take appropriate action for filling the position. Unless the District Manager or his or her designee approves a shorter notice period, a Member who fails to give at least thirty (30) days written notice will be deemed to have separated from the District service not in "good standing."

ARTICLE 10 – CONCLUDING PROVISIONS

10.1 MEET AND CONFER

The District and Association agree to meet and confer in good faith regarding matters within the scope of representation including wages, hours and other terms and conditions of employment.

The Association may designate specific or all Managers as representatives to attend scheduled meetings with the District Manager on any matter subject to the meet and confer clause.

10.2 CONCLUSIONS OF MEET AND CONFER

The Association and the District agree that during the term of this Memorandum of Understanding each party shall make no demand upon the other to meet and confer with respect to any subject or matter within the scope of meeting and conferring. This provision shall not preclude the parties from meeting and consulting or mutually agreeing to meet and confer during the term of this Memorandum of Understanding.

10.3 RE-OPENER

To the extent any provision in this MOU conflicts with or is affected by new laws or regulations, then this will be cause for a reopener as to the affected provisions. The District or the Management Association must request a reopener for this purpose. Such reopener request shall be filed as required by District Resolution.

10.4 <u>TERM</u>

The understandings herein set forth between the District and the Association for the period beginning 12:00a.m., July 1, 2023 and ending 11:59p.m., June 30, 2028 on which this Memorandum of Understanding shall terminate.

10.5 <u>PRIOR MEMORANDUM OF UNDERSTANDING</u>

This Memorandum of Understanding sets forth the full and entire understanding of the District and of the Association regarding the matters set forth herein, and all prior to existing Memoranda, understanding, understandings and agreements whether formal or informal, are superseded and terminated to their entirety.

//

10.6 ADOPTION

The parties hereto have met and conferred concerning the terms and conditions of a Memorandum of Understanding for the Association in this representation unit consisting of those listed in Resolution #______________ and the association's representatives have submitted the proposal for adoption by the Members. Adoption having been achieved, the Memorandum of Understanding is submitted to the Trustees of the District for determination with the recommendation of both parties.

VALLEJO FLOOD & WASTEWATER DISTRICT

By ______________________ Date: 7 Sep 23
President, Board of Trustees

Attest:

By ______________________
District Clerk

MANAGEMENT ASSOCIATION

FOR THE DISTRICT:	FOR THE MANAGEMENT ASSOCIATION:
Melissa Morton, District Manager	Mark Tomko, Director of Engineering
Alexandria Bell, Human Resources Director	Justin Keating, Director of Field Operations
Jeff Tucker, Director of Finance/Treasurer	Brian McGrane, Maintenance Superintendent
	Orlando Cortez, Operations Superintendent

Exhibit A
Classification List

Director of Administration/Clerk of the Board
Director of Engineering
Director of Environmental Services
Director of Field Operations
Director of Finance/Treasurer
Director of Human Resources & Risk Management
Director of Plant Operations & Maintenance
Engineering Manager
Environmental Services Superintendent
Facilities Maintenance Superintendent
Field Operations Superintendent
Finance Manager
Human Resources Analyst
Operations Superintendent
Safety & Risk Management Analyst
Safety Manager
Sr. Human Resources Analyst

Exhibit B

The Memorandum of Understanding in Sections 3.1 and 3.2 identify how wages and adjustments in compensation will be implemented during the term of the MOU. This Exhibit provides additional detail and explanation about how those salary adjustments will be enacted.

1. The following table is agreed upon by all parties to the MOU as being the base salary paid to Association Members, on a monthly basis, which may be converted to an hourly basis for payroll processing purposes by multiplying the monthly amount by 12 months, then dividing by 2080 hours, and rounded to 4 decimal places (nearest one-hundredth of a cent).

2. The following table is presented in FY2023 dollars, meaning that these are the base numbers upon which adjustments in compensation, per Section 3.2, shall be applied (aka, "COLA"). Adjustments will be made by taking the base number in the table below, and increasing the number by the COLA calculation for the current and all prior years.

   For example:
   (Assumptions for example:
   Year 1 COLA = 4.4% / Year 2 COLA = 3.0% / Year 3 COLA = 3.0%)

   Year 1: Ops Superintendent Step 3 shows an amount of $14,056 in Year One. This amount will be adjusted based on the COLA calculation in Section 3.2, to derive the appropriate salary for FY24:

   $14,056 x Yr 1 COLA (4.4%) = $14,674.46

   Year 2: Ops Superintendent Step 3 shows an amount of $14,759 in Year Two. This amount will be adjusted based on the COLA calculation in Section 3.2 for the current and prior year, to derive the appropriate salary for FY25:

   $14,759 x Yr 1 COLA (4.4%) x Yr 2 COLA (est. 3.0%) = $15,870.65

   Year 3: Ops Superintendent Step 3 shows an amount of $15,497 in Year Three. This amount will be adjusted based on the COLA calculation in Section 3.2 for the current and two prior years, to derive the appropriate salary for FY26:

   $15,497 x Yr 1 COLA (4.4%) x Yr 2 COLA (est. 3.0%) x Yr 3 COLA (est. 3.0%) = $17,164.16

3. Placement of individuals within the market adjusted ranges:
   a. The following table represents salary ranges, not to the salary of individuals. This table includes the creation of additional steps to classifications for some classifications.

a. If an individual's salary falls below the first salary step in the classification, the individual would be placed at the first step.
b. If individual's salary falls between steps, then the individual would be placed as the higher of the two steps.
c. If an individual's salary falls exactly on one of the steps, the employee will be placed at that step.

		Tentative Agreement Monthly Compensation - FY23 dollars				
		Year 1	**Year 2**	**Year 3**	**Year 4**	**Year 5**
Management Analyst /	Step 3	11,260	11,823	12,414	13,035	13,035
Clerk of the Board	Step 2	10,724	11,260	11,823	12,414	12,414
	Step 1	10,213	10,724	11,260	11,823	11,823
Director of HR/SRM	Step 3	16,240	16,240	16,240	16,240	16,240
	Step 2	15,466	15,466	15,466	15,466	15,466
	Step 1	14,730	14,730	14,730	14,730	14,730
Sr. HR Analyst	Step 3	11,260	11,823	12,414	13,035	13,035
	Step 2	10,724	11,260	11,823	12,414	12,414
	Step 1	10,213	10,724	11,260	11,823	11,823
HR Analyst	Step 3	9,727	10,213	10,724	11,260	11,260
SRM Analyst	Step 2	9,264	9,727	10,213	10,724	10,724
	Step 1	8,823	9,264	9,727	10,213	10,213
Safety Manager	Step 3	12,305	12,920	12,920	13,035	13,035
	Step 2	11,719	12,305	12,305	12,414	12,414
	Step 1	11,161	11,719	11,719	11,823	11,823
Director of Finance	Step 3	20,115	20,115	20,115	20,115	20,115
	Step 2	19,157	19,157	19,157	19,157	19,157
	Step 1	18,245	18,245	18,245	18,245	18,245
Finance Manager	Step 3	14,870	14,870	14,870	14,870	14,870
	Step 2	14,162	14,162	14,162	14,162	14,162
	Step 1	13,488	13,488	13,488	13,488	13,488
Director of Engineering	Step 3	19,934	19,934	19,934	19,934	19,934
	Step 2	18,985	18,985	18,985	18,985	18,985
	Step 1	18,081	18,081	18,081	18,081	18,081
Engineering Manager	Step 3	17,352	17,352	17,352	17,352	17,352
	Step 2	16,525	16,525	16,525	16,525	16,525
	Step 1	15,738	15,738	15,738	15,738	15,738
Director of Field Operations	Step 3	16,185	16,994	17,884	17,961	17,961
	Step 2	15,414	16,185	17,032	17,106	17,106
	Step 1	14,680	15,414	16,221	16,291	16,291
FOPS Superintendent	Step 3	13,277	13,941	14,638	14,810	14,810
	Step 2	12,645	13,277	13,941	14,105	14,105
	Step 1	12,043	12,645	13,277	13,433	13,433
Director of Ops & Maint	Step 3	18,775	19,130	19,130	19,130	19,130
	Step 2	17,881	18,219	18,219	18,219	18,219
	Step 1	17,030	17,351	17,351	17,351	17,351
Ops Superintendent	Step 3	14,056	14,759	15,497	15,938	15,938
FM Superintendent	Step 2	13,387	14,056	14,759	15,179	15,179
	Step 1	12,750	13,387	14,056	14,456	14,456
Director of Env Services	Step 3	16,185	16,994	17,884	17,961	17,961
	Step 2	15,414	16,185	17,032	17,106	17,106
	Step 1	14,680	15,414	16,221	16,291	16,291
Env Svcs Superintendent	Step 3	13,277	13,941	14,638	15,213	15,213
	Step 2	12,645	13,277	13,941	14,489	14,489
	Step 1	12,043	12,645	13,277	13,799	13,799

Return to Agenda

District Manager
Melissa Morton

December 12, 2023

BOARD COMMUNICATION

Consent Item 6J

TO: THE HONORABLE PRESIDENT AND BOARD OF TRUSTEES

FROM: MELISSA MORTON, DISTRICT MANAGER

SUBJECT: RECEIVE 2022 PERFORMANCE MEASUREMENT REPORT

BACKGROUND AND DISCUSSION

This report represents the third year the District has measured performance in key areas of utility management. In a recent communication with the Regional Water Quality Control Board, the 2020 Performance Measurement Report was provided to illustrate that the District is examining performance metrics that in totality, measure the stability of the sewer and stormwater enterprises, and represent the transparency with which the District provides these important services to the Vallejo Community.

This is the third year this data has been reported, and while many attributes remain on trend, there are some areas where improvement has already been seen and others where more improvement is needed. Without regular review and comparison, these metrics might go unnoticed. After a year, here are some of the highlights:

- District staff continue to be active in the Bay Area Biosolids subgroup of BACWA to continue to protect the use of the 1400 acre Tubbs Island property where the District has used biosolids (the solid portion of treated effluent) in beneficial reuse as fertilizer to dry farm livestock feed for over 20 years. In addition, recent levee protection projects after last year's storms have armored the water side of the lowest levees.
- The number and severity of sanitary sewer overflows in Vallejo continue to be well below both regional and state averages. This speaks directly to the diligence of our Field Operations staff.
- An additional 114 Upper laterals were replaced using the District's lateral replacement reimbursement program, and approximately $1.26M in sewer system replacement projects were completed.
- The District continues to assure that redundancies in supplies and equipment are adequately assured against potential disaster.
- District residential sewer rates are 83% of the area's average for sewer services.

RECOMMENDATION

Receive the 2022 Performance Measurement Report as submitted.

ALTERNATIVES CONSIDERED

None

ENVIRONMENTAL REVIEW

This is not a project under CEQA and no environmental review is required.

FISCAL IMPACT

None

PROPOSED ACTION
Receive the 2022 Performance Measurement Report.

DOCUMENTS ATTACHED
A. 2022 Performance Measurement Report

CONTACT PERSON
Melissa Morton, District Manager, (707) 652-7800

2022 Performance Measurement Report

Vallejo Flood & Wastewater District

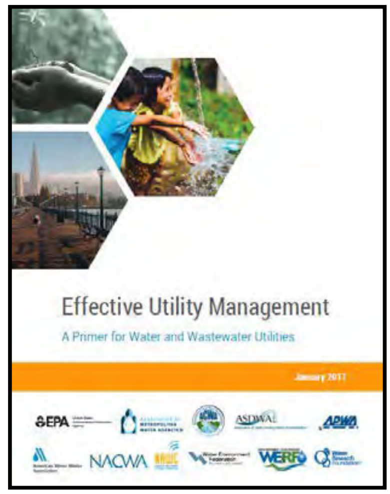
Introduction to the Report

This is the third report by the Vallejo Flood and Wastewater District (VFWD) regarding its performance. It includes performance measures that, when taken as a whole, should give the reader a sense of how well the utility is performing and being managed. This report is prepared by management for use by VFWD's Board of Directors and the general public.

VFWD has chosen to use the Effective Utility Management framework for presenting this information. This framework is specific to water and wastewater utilities and provides a comprehensive evaluation of multiple attributes of the District.

About Effective Utility Management

Effective Utility Management (EUM) is a framework for evaluating water and wastewater utilities. In May 2007, six major water and wastewater associations and the United States Environmental Protection Agency agreed to support EUM collectively and individually throughout the water sector. EUM is designed to help utility managers make practical, systematic changes to achieve excellence in utility performance, and encapsulates the collective knowledge and experience of utilities leaders who are committed to helping improve water and wastewater management.



EUM has identified Ten Attributes of Effectively Managed Water Sector Utilities. This performance measurement report has been divided into those ten attributes, as they are intended to help utilities maintain a balanced focus on all important operational areas rather than quickly moving from one problem to the next.

More can be learned about Effective Utility Management by visiting the website www.waterEUM.org.

Quick-Glance Ratings

Along with every Key Performance Indicator, this report provides an analysis of how VFWD is doing within that area. The report uses four different evaluation indicators, as follows:

> "**Satisfactory**" – signifies that VFWD has met its goals, or that the trend is positive.
>
> "**Watch**" – signifies that VFWD is in danger of not meeting its goals, that the trend is indeterminate, or that there is insufficient data to make an assessment.
>
> "**Unsatisfactory**" – signifies that VFWD has not met its goals or that the trend is negative.
>
> "**Not Available**" – signifies that VFWD has not developed sufficient data to make a determination for this performance indicator.

Executive Summary

This is the third annual Performance Measurement report produced by the Vallejo Flood and Wastewater District. This report will be used by management to identify specific trends or issues regarding the Ten Attributes of Effectively Managed Water Sector Utilities. The following is a summary of the District's performance as an effective wastewater utility.

Attribute	2022 Assessment	5-Year Trend Assessment
#1 - Product Quality	Satisfactory	Satisfactory
#2 - Customer Satisfaction	Satisfactory	Satisfactory
#3 - Employee and Leadership Development	Satisfactory	Satisfactory
#4 - Operational Optimization	Watch	Watch
#5 - Financial Viability	Unsatisfactory	Unsatisfactory
#6 - Infrastructure Strategy and Performance	Satisfactory	Satisfactory
#7 - Enterprise Resilience	Satisfactory	Satisfactory
#8 - Community Sustainability	Satisfactory	Satisfactory
#9 - Water Resource Sustainability	N/A	N/A
#10 - Stakeholder Understanding and Support	Satisfactory	Satisfactory

Attribute #1: Product Quality

Assessment	
Year 2022	Satisfactory
5-Year Trend	Satisfactory

Attribute Definition

Produces "fit for purpose" water and other recovered resources (e.g., energy, nutrients, biosolids) that meet or exceed full compliance with regulatory and reliability requirements and consistent with customer, public health, ecological, and economic needs. Products at VFWD include treated wastewater effluent, stormwater discharge, and biosolids.

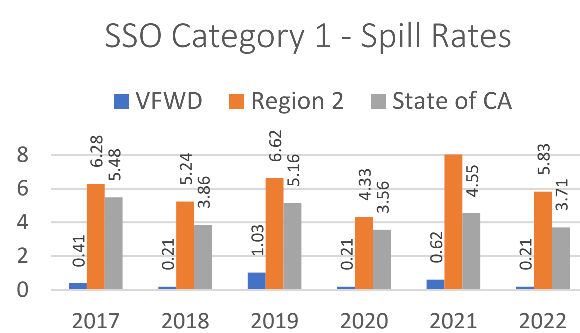
Key Performance Indicators	2017	2018	2019	2020	2021	2022
Wastewater NPDES Permit Violations	2	0	0	0	0	0
Biosolids Regulatory Violations	0	1	0	0	0	0
Category 1 Sanitary Sewer Overflows	3	2	6	1	3	1

Analysis and Discussion

The District has a National Pollutant Discharge Elimination System (NPDES) permit for discharging treated wastewater into the Mare Island Strait. In January 2017, there were two separate violations of the District's NPDES discharge permit, one a chlorine violation (discharge violation) and one a blend composite collection failure (reporting violation). After these violations, the District implemented changes in its Standard Operating Procedures, particularly those related to storm event preparation, to ensure these same violations are not repeated. Since January 2017, there have been no violations of the District's NPDES discharge permit.

Biosolids disposal is regulated through the Code of Federal Regulations, Title 40 Part 503. The District is a member of the Bay Area Biosolids Coalition, and District Staff contributed to the whitepaper "Biosolids in the Baylands" that discusses beneficial use of biosolids as fertilizer in dry farming, a practice that saves the Vallejo Community approximately $1M in disposal fees a year. The District has only had one violation (a missed sampling event) in the last five years.

The District has consistently had few Sanitary Sewer Overflows (SSOs). When evaluating Category 1 SSOs (the most serious), the District's Spill Rate Index, which is the number of spills per 100 miles of mainline pipe, is consistently below both the Region 2 (Bay Area) average and the State of California average (see chart on right). The volume of spills per capita on an annual basis is also consistently below regional and state averages.



Attribute #2: Customer Satisfaction

Assessment	
Year 2022	**Satisfactory**
5-Year Trend	**Satisfactory**

Attribute Definition

Provides reliable, responsive, and affordable services in line with explicit, customer-derived service levels. Utilizes a mix of evolving communication technologies to understand and respond to customer needs and expectations, including receiving timely customer feedback and communicating during emergencies. Provides tailored customer service and outreach to traditional residential, commercial, and industrial customers, and understands and exercises as appropriate the opportunities presented by emergent customer groups (e.g., high strength waste producers, power companies).

Key Performance Indicators	2017	2018	2019	2020	2021	2022
FOPS Service Call Average Response Time (mins)	22	15	25	17	17	16
Development Review Response Time (days)			Completed within two weeks			

Analysis and Discussion

The Field Operations Department (FOPS) maintains a goal to respond to customers with sewer backups within 60 minutes, measured from when the call is received to when staff arrives at the location. The District consistently meets this goal, and in fact, the average response time is consistently under 30 minutes year over year.

The Engineering Department maintains a goal to complete development review on submitted projects within 30 days. As development review is coordinated through the City of Vallejo, the city maintains this data. As of the date of this report, the City has not been able to produce the data, but it is intended that this data will be available for next year's report.

Attribute #3: Employee and Leadership Development

Assessment	
Year 2022	Satisfactory
5-Year Trend	Satisfactory

Attribute Definition

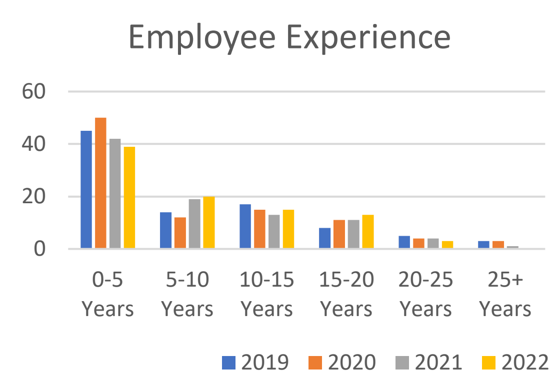
Recruits, develops, and retains a workforce that is competent, motivated, adaptive, and safety-focused. Establishes a participatory, collaborative organization dedicated to continual learning, improvement, and innovation. Ensures employee institutional knowledge is retained, transferred, and improved upon over time. Emphasizes and invests in opportunities for professional and leadership development, taking into account the differing needs and expectations of a multigenerational workforce and for resource recovery operations. Establishes an integrated and well-coordinated senior leadership team.

Key Performance Indicators	2018	2019	2020	2021	2022
Online Safety Training Courses	1,985	1,714	2,226	1,453	1,330
% of Online Trainings Completed On-Time	86%	87%	93%	99%	86%

Analysis and Discussion

Vector Solutions, formerly Target Solutions, established at the District in 2018, is an online tool used to deliver much of the District's safety-related training curricula. Staff has been relatively successful at completing their assignments on time, with significant results in 2021.

The District has a skewed distribution of employee experience (duration), with approximately half the employees with five or fewer years of experience. This indicates that there may be considerable training needed, with some associated inefficiencies in the short term, as new employees learn their jobs and increase proficiency. The relatively low numbers of employees nearing retirement is a possible indicator that the District should not expect significant loss of experience in the short term.



To help address the increased need for training, the operating departments (Field Operations, Plant Operations, Maintenance) continue to develop and refine a comprehensive competency-based training program to build and enhance needed skills and for cross training purposes. To date, the Field Operations Department has developed competency standards for 10 equipment/activities and Operations has refined the scope for development of competencies with a consultant to begin development of operational competencies.

The District has several programs in place to promote leadership development, particularly among those in the Superintendent and Supervisor classifications. In fact, over 14 District Management positions were promotions of staff from within. The District encourages specific employment law certifications through the Liebert Cassidy Whitmore (LCW) consortium, to provide specific skills and knowledge necessary for supervisors in the California public sector. The Finance Department has also developed an in-house training for understanding budgets, financial reports, and compliance with procurement policies, all necessary skills for successful leadership. The Safety and Risk Management Department has ensured that supervisors receive necessary Cal/OSHA training as required.

The Human Resources Director develops training programs to address other knowledge, skills and abilities that leaders need to possess and practice. The District completed the first POWER (Preparing Our Wastewater Employees to Rise) Academy, an in-house development program to provide a six-month experience for current and future agency leaders focused on the leadership skills needed specifically here at the District. A new group of future leaders will begin this training in early 2024.

As these programs are developed and delivered, the leadership base at the District will grow in their decision making, risk evaluation, personnel management, and community engagement to the betterment of service provided to the Vallejo community.

Attribute #4: Operational Optimization

Assessment	
Year 2022	Watch
5-Year Trend	Watch

Attribute Definition

Ensures ongoing, timely, cost-effective, reliable, and sustainable performance improvements in all facets of its operations in service to public health and environmental protection. Makes effective use of data from automated and smart systems, and learns from performance monitoring. Minimizes resource use, loss, and impacts from day-to-day operations, and reduces all forms of waste. Maintains awareness of information and operational technology developments to anticipate and support timely adoption of improvements.

Key Performance Indicators	2017	2018	2019	2020	2021	2022
Energy Consumption (kW-h per MG)	1999	1710	1645	2021	1875	1985
Chemical Consumption (gallons per MG of NaOCl)	56	57	60	68	52	42
Operations – Planned Maintenance as % of Total	na	na	19%	29%	26%	26%

Analysis and Discussion

The treatment plant achieved a reduction in energy usage in 2017 by changing its primary outfall from the Carquinez Strait to the Mare Island Strait. As energy usage increased in 2020, the plant staff have initiated several projects to reduce consumption. These include conversion from a dry to wet polymer in solids dewatering (dry polymer requires air compressor conveyance), and changing the scum disposal process. Plant staff are also installing a power monitoring system that can measure power consumption by each process area, to better manage power consumption in the future. The 2022-2023 storms were intense and lengthy, consequently seven times the usual treatment volume was sustained for a long period of time. This resulted in significantly higher power usage this winter.

The hours of maintenance activity, tracked by type of maintenance, was only first available in late 2018. As the CMMS system matures and plant staff focuses on a “root cause analysis” approach to reducing significant corrective maintenance activities, it is expected that the percentage of preventive maintenance work orders will increase over time. In the fourth quarter of 2021, there was a significant increase in proactive maintenance activities, an indicator that the CMMS system is creating a more comprehensive view of plant maintenance objectives and workorders.

Attribute #5: Financial Viability

Assessment	
Year 2022	**Unsatisfactory**
5-Year Trend	**Unsatisfactory**

Attribute Definition

Understands and plans for the full life-cycle cost of utility operations and value of water resources. Establishes and maintains an effective balance between long-term debt, asset values, operations and maintenance expenditures, and operating revenues. Establishes predictable rates— consistent with community expectations and acceptability—adequate to recover costs, provide for reserves, maintain support from bond rating agencies, plan and invest for future needs, and taking into account affordability and the needs of disadvantaged households. Implements sound strategies for collecting customer payments. Understands the opportunities available to diversify revenues and raise capital through adoption of new business models, including revenues from resource recovery.

Key Performance Indicators	2017	2018	2019	2020	2021	2022
Operating Ratio (Wastewater Fund)	1.04	1.11	1.13	1.06	1.28	1.07
Operating Ratio (Stormwater Fund)	0.73	1.42	0.35	0.82	1.05	1.57
Debt Service Coverage	187%	176%	174%	301%	308%	171%
Wastewater Reserve Policy Compliance – Emergency	Yes	Yes	**No**	Yes	Yes	Yes
Wastewater Reserves Policy Compliance – Liquidity	**No**	**No**	**No**	**No**	**No**	**No**
Stormwater Reserve Policy Compliance – Emergency	Yes	Yes	Yes	Yes	Yes	Yes
Stormwater Reserves Policy Compliance – Liquidity	Yes	Yes	Yes	Yes	**No**	Yes

Analysis and Discussion

The Operating Ratios for the two funds are defined as total operating revenue plus property tax revenue, divided by total operating expenses (including debt service, but excluding depreciation). This calculation reveals whether annual revenues are sufficient to cover cash-related operating expenses. An amount over 1.0 indicates sufficient revenues, while a number below 1.0 indicates the use of reserves to cover ongoing operations.

Overall, the Key Performance Indicators show that the **Wastewater Fund** revenues are sufficient to meet their operating expense and debt service requirements, but are not yet meeting their emergency and liquidity reserve targets. Projections were that this would be at its worst for 2022 and then the reserves would climb out thereafter. This held true. However, recent rate increases that were passed in June 2023, will hasten recovery.

In the **Stormwater Fund,** the operating ratio indicates that the annual revenues into this fund are not sufficient to cover the annual operating expenses, and that fund equity is being used to meet this requirement and to pay for capital outlays. Unfortunately, a recent stormwater increase was not approved by the majority of voting property owners, consequently, capital infrastructure efforts to renew and replace needed stormwater infrastructure will have to be curtailed until increased funding is available.

Attribute #6: Infrastructure Strategy and Performance

Assessment	
Year 2022	**Satisfactory**
5-Year Trend	**Satisfactory**

Attribute Definition

Understands the condition of and costs associated with critical infrastructure assets. Plans infrastructure investments consistent with community needs, anticipated growth, system reliability goals, and relevant community priorities, building in a robust set of adaptation strategies (e.g., for changing weather patterns, customer base). Maintains and enhances the condition of all assets over the long-term at the lowest possible life-cycle cost and acceptable risk consistent with customer, community, and regulator-supported service levels. Assures asset repair, rehabilitation, and replacement efforts are coordinated within the community to minimize disruptions and other negative consequences.

Key Performance Indicators	2017	2018	2019	2020	2021	2022
Sewer Renewal & Replacement - $	$2.9 M	$1.7M	$2.9M	$1.3 M	$1.6 M	$1.3 M
Sewer Renewal & Replacement - % of System	0.2%	0.1?%	0.2%	0.2%	0.2%	0.2%
Sewer Condition Assessment - % of System	10.0%	10.0%	4.0%	5.0%	8.0%	8.0%
Sewer Cleaning - % of System Mains	50.0%	50.0%	49.0%	49.0%	50.0%	47.0%
Upper Lateral - # replaced	174	153	159	126	121	114
Upper Lateral - % of System New since 1990	28.9%	29.4%	29.8%	30.1%	30.5%	30.9%

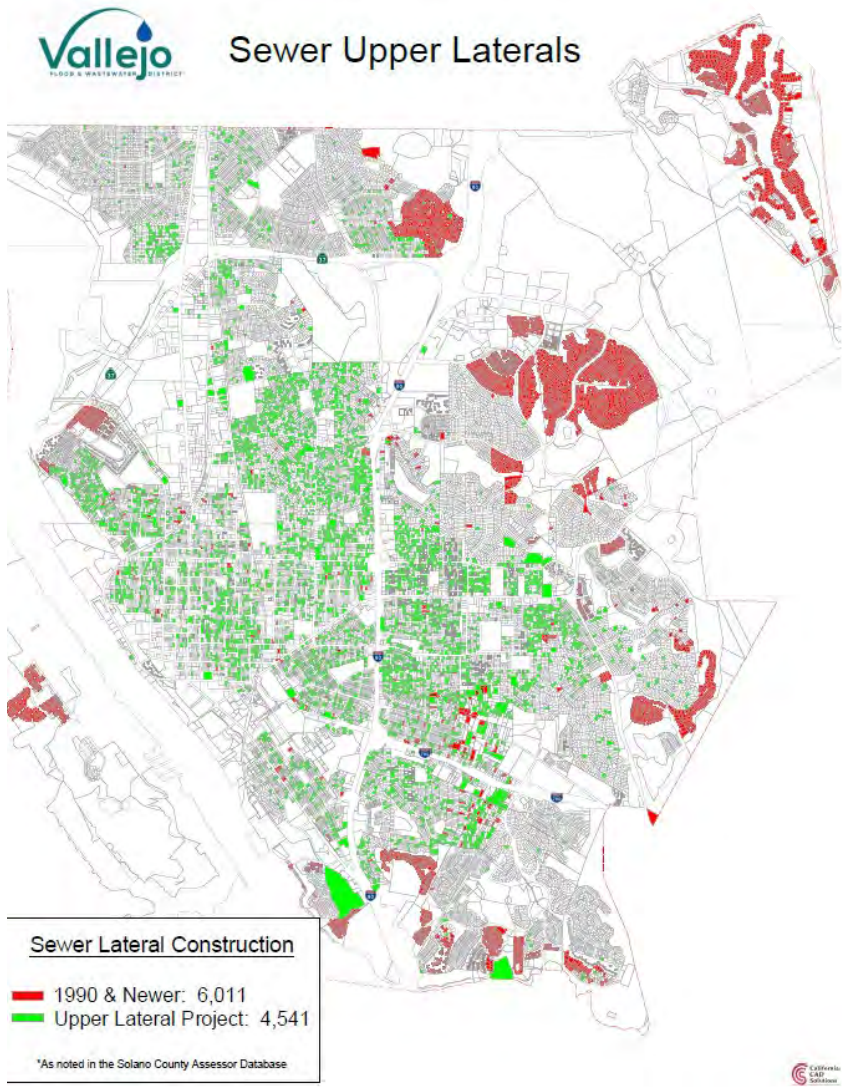
Analysis and Discussion

The District continues to meet its NPDES permit requirements to spend $1.25 million annually on sewer collection system rehabilitation and replacement. As a percentage of the system, the number fluctuates as each annual project may have more or less linear feet, depending on the pipe size, site conditions, depth of pipe, and rehabilitation methods used.

Sewer condition assessment is the percentage of sewer gravity mains under 18 inches in diameter that were assessed using CCTV equipment. In 2021 and beyond, it is expected that the number of assessments completed will increase and eventually return to 2018 levels, assuming that personnel assigned to this program remain stable. The District has also implemented changes in the program where assets are inspected based on risk assessment, rather than just periodic rotation, which has increased the emphasis on “harder to reach” system segments. This work takes more time but is ultimately more important in the overall efforts at overflow risk management.

Systematic sewer cleaning is vital to protecting the system from fats, oil and grease buildup, root intrusions and other blockages that can lead to sewer overflows. The District maintains a goal to clean all gravity mains 15 inches and under at least every five years, with particular pipe segments cleaned more frequently based on prior experience and risk assessment. The data show a consistent trend of cleaning pipe segments that, when added together, represent about half of the entire gravity main system.

The District's Upper Lateral Grant program is available to property owners to help replace sewer laterals that have deteriorated and are allowing in groundwater or stormwater through infiltration. The goal is to increase the percentage of properties with new laterals or laterals in good condition, which for this report is defined as any new or replaced lateral since 1990 as a percentage of total residential laterals. In 2022, the percentage of new or replaced further exceeded 30% of the total system.



Attribute #7: Enterprise Resiliency

Assessment	
Year 2022	Satisfactory
5-Year Trend	Satisfactory

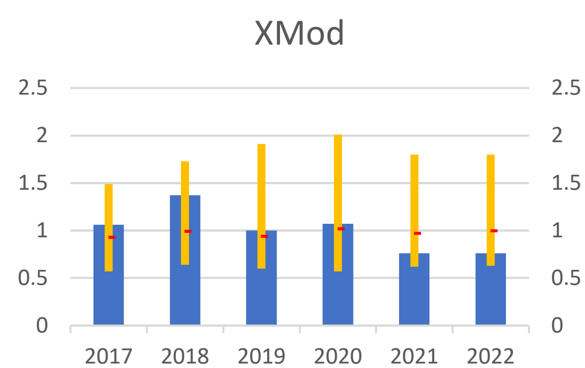
Attribute Definition

Ensures utility leadership and staff work together internally, and coordinate with external partners, to anticipate, respond to, and avoid problems. Proactively identifies, assesses, establishes tolerance levels for, and effectively manages a full range of business risks (including interdependencies with other services and utilities, legal, regulatory, financial, environmental, safety, physical and cyber security, knowledge loss, talent, and natural disaster-related) consistent with industry trends and system reliability goals. Plans for and actively manages around business continuity.

Key Performance Indicators	2018	2019	2020	2021	2022
Experience Modification (XMOD) Rate	1.37	1.00	1.07	0.76	0.76
Lost Time Days for Work-Related Injuries	123	113	154	289	180

Analysis and Discussion

The District's Experience Modification (XMod) Rate is a calculation that includes the last three years of experience, including both frequency and severity, of workers compensation (WC) claims. An XMod of 1 equals the "expected" rate for the wastewater utility industry. Any number below 1 indicates the District's experience was better than the expected, and over 1 indicates more WC claims than the average. It is useful to compare this number against other similar agencies. The chart at the right compares the District against all the California Sanitation Risk Management Association (CSRMA) members, showing the CSRMA high, low and average XMod Rate. The District consistently performs near the average of CSRMA agencies.



Blue column is District XMod. Yellow lines represent the range of CSRMA agencies, while the red tick represents the CSRMA average.

The impact that work-related injuries and illnesses can have on the productivity and resiliency of the District is measured by the number of days of lost time or restricted time due to these injuries or illnesses. In the past five years, the District has seen improvements in this area.

In the plant and at pump stations, the District has established standards and procedures to enhance resiliency:

- The District uses a three-source approach to energy – the PG&E electricity grid, natural gas, and diesel. In the event of both electricity and natural gas interruption, on-site diesel supplies are adequate to meet a 10-day demand.

- All critical pump stations (36 of 38) have on-site diesel generators with 3-7 day supplies of diesel.
- The District maintains a 25-day supply capacity of lime (for solids processing), with reorder triggers at 13 days remaining.
- In the event of levee failure or other limitations at Tubbs Island, the District can dispose of biosolids at a nearby facility that will continue to use the material for beneficial reuse.
- Plant Operations staff shifted to 12-hour schedules in 2021, allowing for necessary training opportunities to increase the number of qualified Grade 3 (or above) operators to run shifts in the event of an operator shortage.

Areas where additional effort will be applied toward enterprise resiliency include business process continuity with the implementation of new Enterprise Resources Planning software, an evaluation of chemistry supply backup contracts, and implementation of off-premises computer server redundancy. The District will also be implementing a new Enterprise Employee Health and Safety software suite to better track and analyze employee resiliency and emergency preparedness metrics.

Attribute #8: Community Sustainability

Assessment	
Year 2022	Satisfactory
5-Year Trend	Satisfactory

Attribute Definition

Takes an active leadership role in promoting and organizing community sustainability improvements through collaboration with local partners (e.g., transportation departments, electrical utilities, planning departments, economic development organizations, watershed and source water protection groups). Manages operations, infrastructure, and investments to support the economic, environmental, and social health of its community. Integrates water resource management with other critical community infrastructure, social and economic development planning to support community-wide resilience, support for disadvantaged households, community sustainability, and livability.

Key Performance Indicators	2017	2018	2019	2020	2021	2022
Biosolids Beneficial Reuse	100%	100%	100%	100%	100%	100%
Reduced Rate Program Participation	1895	1793	1656	1018	881	1081

Analysis and Discussion

For the past five years (and longer), the District has land applied its biosolids and contracted with a farmer to grow silage crops, putting 100% of the District's biosolids into beneficial reuse. The District is exploring the possibility of expanding its program to accept biosolids from other wastewater treatment facilities, which would drive the percentage of reuse over 100%.

In 2016, the District established a Reduced Rate Program, providing a reduced sewer fee to those owner-occupied houses that qualify under the PG&E CARE program based on household income. Participation in the program had significantly decreased in the past but has rebounded in 2022 due to redoubled efforts to expand the program's marketing and participation.

The District takes a lead roll in coordinating the Vallejo Watershed Alliance, a community-based group working to improve the greater Vallejo watershed, through the coordination of monthly workdays and California Coastal Cleanup Day in area watersheds.

Attribute #9: Water Resource Sustainability

Assessment	
Year 2022	N/A
5-Year Trend	N/A

Attribute Definition

Ensures the availability and sustainable management of water for its community and watershed, including water resource recovery. Understands its role in the complete water cycle, understands fit for purpose water reuse options, and integrates utility objectives and activities with other watershed managers and partners. Understands and plans for the potential for water resource variability (e.g., changing weather patterns, including extreme events, such as drought and flooding), and utilizes as appropriate a full range of watershed investment and engagement strategies (e.g., Integrated Planning). Engages in long-term integrated water resource management, and ensures that current and future customer, community, and ecological water-related needs are met.

Key Performance Indicators	2017	2018	2019	2020	2021	2022
N/A						

Analysis and Discussion

This attribute is primarily for those agencies that produce drinking water or recycled water. The District does neither. The District has evaluated whether it should begin to produce recycled water, but there are insufficient anticipated users of the water to justify the capital expense.

Attribute #10: Stakeholder Understanding and Support

Assessment	
Year 2022	**Satisfactory**
5-Year Trend	**Satisfactory**

Attribute Definition

Engenders understanding and support from stakeholders (anyone who can affect or be affected by the utility), including customers, oversight bodies, community and watershed interests, and regulatory bodies for service levels, rate structures, operating budgets, capital improvement programs, and risk management decisions. Actively promotes an appreciation of the true value of water and water services, and water's role in the social, economic, public and environmental health of the community. Actively engages in partnerships, involves stakeholders in the decisions that will affect them, understands what it takes to operate as a "good neighbor," and positions the utility as a critical asset (anchor institution) to the community.

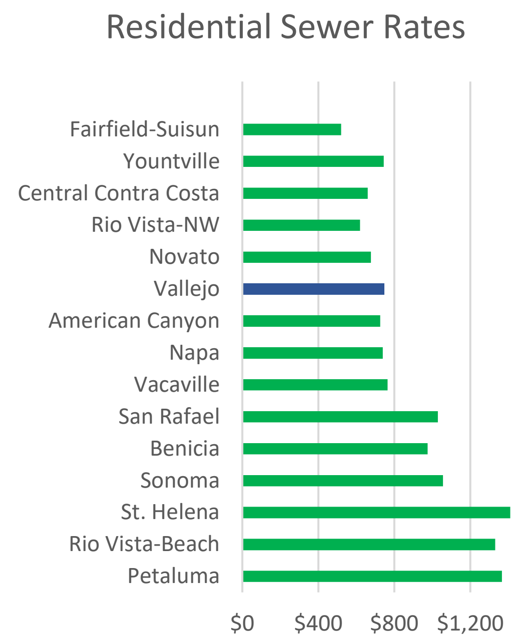
Key Performance Indicators	2017	2018	2019	2020	2021	2022
Public Education Participants	1631	1535	1023	837	1200	857
Comparative Rate Rank – sewer rate	72%	66%	72%	77%	77%	83%

Analysis and Discussion

Public education and event participation are measured on a fiscal year basis, from July 1, 2022 to June 30, 2023. Our Grade 3 Watershed Explorers program saw 14 classes (384 students) exploring a local park and learning about how living things are impacted by pollution. Our Grade 4/5 Wastewater Treatment program was temporarily suspended due to continued pandemic restrictions followed by heavy construction at the treatment plant. Our Grade 6 Suisun Marsh Watershed field program saw 8 classes (214 students) collect scientific data to understand human impacts on watersheds. Our high school creek biomonitoring program, now well into its second decade of citizen science monitoring, led 10 classes (285 students) in evaluating watershed health through physical, chemical, and biological assessments.

Community engagement likewise grew, with 853 volunteers participating throughout the year on local habitat restoration projects and shoreline cleanups, including Coastal Cleanup Day, for a total of 75.1 cubic yards of trash removed. The restoration events took place at Glen Cove Waterfront Park, in partnership with our local resource conservation district and the Yoche Dehe Wintun Nation, and at Lake Dalwigk where we completed the second phase of native plant improvement with hundreds of trees and thousands of shrubs, grasses, and wildflowers planted and, in partnership with the City of Vallejo and the Greater Vallejo Recreation District, secured nearly $5 million in state funding for Phase 3 park improvements.

Comparative Rate Rank is a measure of the District's sewer rate for residential customers taken as a percentage of the average of other sewer agencies' rates. A rating of 80% means that, when the sewer rate for comparable agencies are averaged together, the Vallejo Flood and Wastewater District's sewer rate is only 83% of the average. Any number under 100% means that the District's rates are below the area average. The chart at the right shows the District's rate compared to other agencies. The District's percentage has increased recently due to the fee increase approved and implemented in Spring 2018.



District
Manager
Melissa Morton

December 12, 2023

BOARD COMMUNICATION

Administrative Item 7A

TO: THE HONORABLE PRESIDENT AND BOARD OF TRUSTEES

FROM: MELISSA MORTON, DISTRICT MANAGER
JEFF TUCKER, DIRECTOR OF FINANCE/TREASURER

SUBJECT: PROVIDE DIRECTION ON OPTIONS FOR REFINANCING 2011A AND 2014A BONDS

BACKGROUND AND DISCUSSION

The District currently has four outstanding debts related to the building of infrastructure:

- **2008 State Revolving Fund loan** for the construction of the Vallejo South Interceptor Conveyance Improvement Project. This loan carries an interest rate of 2.4%, has a current balance of $612,753, and matures in 2025.
- **2021 State Revolving Fund** loan for the construction of the Mare Island Pump Station replacement and associated improvements, a project that is currently under construction. Up to $50 million has been authorized for this project. The loan carries an interest rate of 0.8%, is expected to reach the full $50 million by the end of construction in 2025. The District is expecting to begin making debt service payments in 2026. The term of this loan is 30 years.
- **2011A Revenue Bonds** were issued in partnership with the WateReuse Finance Authority to refund the 2001 Certificates of Participation which financed the first phase of the Sanitary Sewer Overflow Elimination Program (SSOEP). These bonds have a current balance of $605,000 on June 30 and mature in 2025, with an optional redemption date in May 2021.
- **2014A Revenue Bonds** were issued in partnership with the WateReuse Finance Authority to refund the 2006 Certificates of Participation which financed the construction of the Ryder Street Storage Basin and to correct a collection system bottleneck (the Calaveras/Mendocino/Mariposa sewer improvement project). These bonds had a current balance of $21,165,000 on June 30 and mature in 2036, with an optional redemption date in May 2024.

Working with the District's Municipal Advisor and Bond Counsel, District staff has determined that the District could realize significant financial savings if the District were to exercise the optional call provisions in the 2011A and 2014A Revenue Bonds and refinance those two debts. With the low interest rates of the SRF loans, it would not be in the District's financial interest to refinance those two debts.

Staff and the District's Municipal Advisor – Fieldman, Rolapp & Associates, Inc. – have reviewed several options for refinancing the two revenue bonds, and have developed three scenarios for consideration by the Board:

- Scenario 1: Refinance the 2011A and 2014A bonds with a new bond that has flat debt service payments and the same term as the 2014A bonds (in 2036).

- Scenario 2: Refinance the 2011A and 2014A bonds so that the new debt services roughly matches the anticipated debt service for the existing bonds, which allows the new bonds to mature 2 years sooner (in 2034).

- Scenario 3: Exclude the 2011A Bonds from being incorporated into the new bonds, pay off the 2011A bonds from available cash, and use the debt service reserve from the 2011A bonds as available cash in the refinancing.

Summary of Options

	Total Debt Service ($)	NPV Savings ($)	Percentage Savings	Maturity
Current	30,118,563	NA	NA	2036
Scenario 1	25,334,375	2,843,885	13.06%	2036
Scenario 2	24,344,358	3,039,367	13.96%	2034
Scenario 3	25,056,167	2,846,782	13.08%	2036

Criteria for Evaluation

In evaluating these scenarios, staff recommends that the following parameters be considered to comply with debt policy and to maximize the potential savings to District ratepayers:

1. The new debt should have either same term or a shorter term than the original debt.
2. The new debt should use the debt service reserves from the original debt within the calculation of resources available.
3. The new debt should be issued without the establishment of a new debt service reserve.
4. There should be savings of at least 5% of the refunded bonds.

In evaluating the three scenarios against these criteria, staff recommends that Scenario 2 be implemented in the structuring of the new 2024A Refunding Bonds. Scenario 2 results in the greatest savings to the District, both in total debt service and in the Net Present Value Savings calculation, while also having a shorter term that increases the District's financial flexibility in future years.

The estimated savings indicated in the refinancing are net of the costs associated with the issuance of the new bonds.

RECOMMENDATION

Direct staff to proceed with the refinancing of 2011A and 2014A Revenue Bonds under Scenario 2, with level debt service and a final maturity in 2034.

ALTERNATIVES CONSIDERED

Staff considered several refinancing options and have presented the best options here that show distinct policy options. The Board could consider Scenarios 1 or 3 that have slightly less total savings for the District long term but would result in lower annual debt service payments through 2034.

Staff also considered the option of waiting for one year to see if the debt could be refinanced at a lower interest rate. This analysis shows that the True Interest Cost would have to fall by approximately 33 basis points (0.33%) during that year to equal the savings presented in Scenario 2. While this is possible, it is not necessarily probable, and the District would assume the added risk that interest rates could increase during this same period.

ENVIRONMENTAL REVIEW

This is not a project under CEQA, and no environmental review is required.

FISCAL IMPACT

Refinancing the 2011A and 2014A Revenue Bonds under Scenario 2 would result in debt service payments equal to those assumed in the 2023-24 and 2024-25 Biennial Budget and the Sewer Rate Study used to establish sewer rates under Proposition 218. Debt service payments would end in 2034 instead of the currently anticipated 2036 end date.

PROPOSED ACTION

Direct staff to proceed with the refinancing of 2011A and 2014A Revenue Bonds under Scenario 2, with level debt service and a final maturity in 2034.

DOCUMENTS ATTACHED

A. Presentation

CONTACT PERSON

Jeff Tucker, Director of Finance/Treasurer, (707) 652-7802

Vallejo Flood & Wastewater District

Return to Agenda

District Manager
Melissa Morton

December 12, 2023

BOARD COMMUNICATION

Administrative Item 7A

TO: THE HONORABLE PRESIDENT AND BOARD OF TRUSTEES

FROM: MELISSA MORTON, DISTRICT MANAGER
JEFF TUCKER, DIRECTOR OF FINANCE/TREASURER

SUBJECT: PROVIDE DIRECTION ON OPTIONS FOR REFINANCING 2011A AND 2014A BONDS

BACKGROUND AND DISCUSSION

The District currently has four outstanding debts related to the building of infrastructure:

- **2008 State Revolving Fund loan** for the construction of the Vallejo South Interceptor Conveyance Improvement Project. This loan carries an interest rate of 2.4%, has a current balance of $612,753, and matures in 2025.
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- **2011A Revenue Bonds** were issued in partnership with the WateReuse Finance Authority to refund the 2001 Certificates of Participation, which financed the first phase of the Sanitary Sewer Overflow Elimination Program (SSOEP). These bonds have a current balance of $605,000 on June 30 and mature in 2025, with an optional redemption date in May 2021.
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Working with the District's Municipal Advisor and Bond Counsel, District staff has determined that the District could realize significant financial savings if the District were to exercise the optional call provisions in the 2011A and 2014A Revenue Bonds and refinance those two debts. With the low interest rates of the State Revolving Fund loans, it would not be in the District's best financial interest to refinance those two debts.

Staff and the District's Municipal Advisor – Fieldman, Rolapp & Associates, Inc. – have reviewed several options for refinancing the two revenue bonds, and have developed three scenarios for consideration by the Board:

- Scenario 1: Refinance the 2011A and 2014A Revenue Bonds with a new bond that has lower flat debt service payments and the same remaining repayment schedule as the 2014A bonds (in 2036).

- Scenario 2: Refinance the 2011A and 2014A Revenue Bonds so that the new debt service payments roughly match the anticipated debt service payments for the existing bonds, but allows the new bonds to mature 2 years sooner (in 2034).

- Scenario 3: Exclude the 2011A Revenue Bonds from being incorporated into the new bonds, pay off the 2011A Revenue Bonds from available cash, and use the debt service reserve from the 2011A Revenue Bonds as available cash in the refinancing of the 2014A bonds.

Summary of Options

	Total Debt Service ($)	**NPV Savings ($)**	**Percentage Savings**	**Maturity**
Current	30,118,563	NA	NA	2036
Scenario 1	25,334,375	2,843,885	13.06%	2036
Scenario 2	24,344,358	3,039,367	13.96%	2034
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Criteria for Evaluation

In evaluating these scenarios, staff recommends that the following parameters be considered to comply with the debt policy and to maximize the potential savings to District ratepayers:

1. The new debt should have either same term or a shorter term than the original debt.
2. The new debt should use the debt service reserves from the original debt within the calculation of resources available.
3. The new debt should be issued without the establishment of a new debt service reserve.
4. There should be savings of at least 5% of the refunded bonds.

In evaluating the three scenarios against these criteria, staff recommends that Scenario 2 be implemented in the structuring of the new 2024A Refunding Bonds. Scenario 2 results in the greatest savings to the District, both in total debt service and in the Net Present Value Savings calculation, while also having a shorter term that increases the District's financial flexibility in future years.

The estimated savings indicated in the refinancing are net of the costs associated with the issuance of the new bonds.

RECOMMENDATION

Direct staff to proceed with the refinancing of 2011A and 2014A Revenue Bonds under Scenario 2, with level debt service and a final maturity in 2034.

ALTERNATIVES CONSIDERED

Staff considered several refinancing options and have presented the best options here that show distinct policy options. The Board could consider Scenarios 1 or 3 that have slightly less total savings for the District long term, but would result in lower annual debt service payments through 2034.

Staff also considered the option of waiting for one year to see if the debt could be refinanced at a lower interest rate. This analysis shows that the True Interest Cost would have to fall by approximately 33 basis points (0.33%) during that year to equal the savings presented in Scenario 2. While this is possible, it is not necessarily probable, and the District would assume the added risk that interest rates could increase during this same period.

ENVIRONMENTAL REVIEW

This is not a project under CEQA, and no environmental review is required.

FISCAL IMPACT

Refinancing the 2011A and 2014A Revenue Bonds under Scenario 2 would result in debt service payments equal to those assumed in the 2023-24 and 2024-25 Biennial Budget and the Sewer Rate Study used to establish sewer rates under Proposition 218. Debt service payments would end in 2034 instead of the currently anticipated 2036 end date.

PROPOSED ACTION

Direct staff to proceed with the refinancing of 2011A and 2014A Revenue Bonds under Scenario 2, with level debt service and a final maturity in 2034.

DOCUMENTS ATTACHED

A. Presentation

CONTACT PERSON

Jeff Tucker, Director of Finance/Treasurer, (707) 652-7802

Vallejo
FLOOD & WASTEWATER DISTRICT

Proposed Debt Refinancing

Board of Trustees Meeting
December 12, 2023

Introduction of Consultant Team

Municipal Advisor – Fieldman, Rolapp & Associates, Inc.

- **Robert Porr**, *Executive Vice President*
- **Lora Nichols**, *Vice President*

Bond & Disclosure Counsel – Stradling Yocca Carlson & Rauth

- **Brian Forbath**, *Esq.*
- **Cyrus Torabi**, *Esq.*

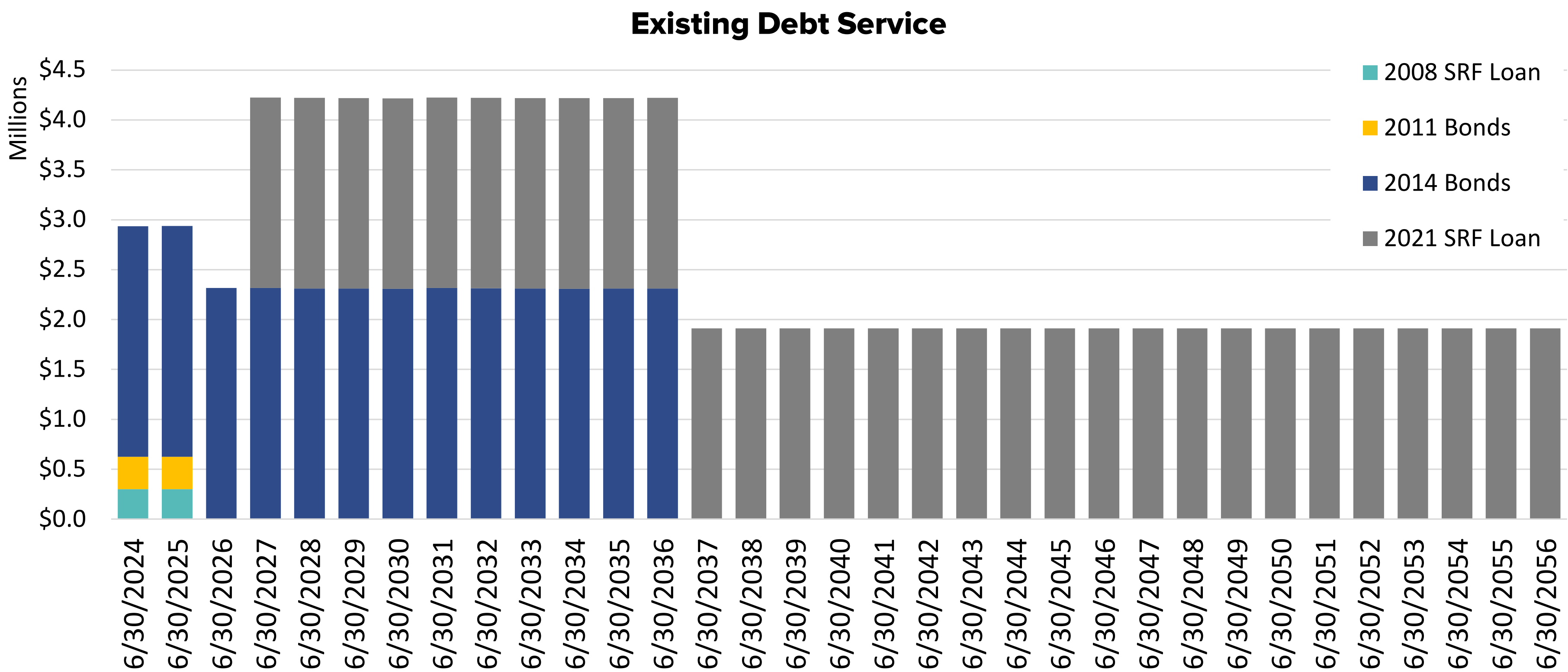
Overview

Current Debt Profile

	2008 SRF Loan	2011 Bonds	2014 Bonds	2021 SRF Loan
Principal Balance	$612,753	$605,000	$21,165,000	$5,539,131
Final Maturity	01/24/2025	05/01/2025	05/01/2036	12/31/2055
Call Date	NA	05/01/2021	05/01/2024	NA

Note: 2021 SRF Loan principal balance represents amounts the District has drawn from the SWRCB to date.

Repayment Schedule



Note: 2021 SRF Loan represents preliminary debt service assuming maximum principal amount of $50 million.

Timing – Why now?

- Callable in 2024
- 5% Coupons vs. 3.25% True-Interest Cost
- Rates unlikely to change significantly

New Debt - Parameters

- Same or shorter term
- Use of Debt Reserves from previous bonds
- No debt reserves for new bonds
- Criteria for savings (at least 5% of refunded bonds)

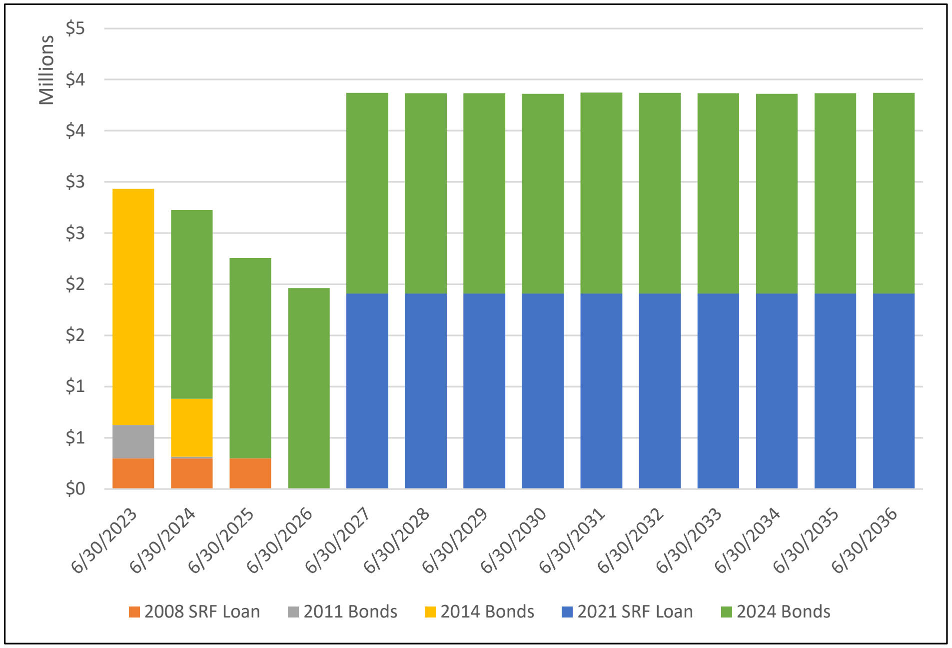
Scenarios Evaluated

- **Scenario 1 – Flat Debt Service**
- **Scenario 2 – Matching Current Debt Service with Shorter Term**
- **Scenario 3 – Exclude the 2011A Bonds**

Note: Scenario 3 represents the prepayment of the 2011A Bonds with the prior debt reserves and cash.

Scenario 1 – Flat Debt Service

Scenario 1 – Flat Debt Service					
Period	**Prior Debt Service**	**Prior Receipts**	**Prior Net Cash Flow**	**Refunding Debt Service**	**Savings**
2024	$2,055,838	$50,909	$2,004,928	$1,846,375	$158,553
2025	2,637,925	325,500	2,312,425	1,957,500	354,925
2026	2,315,425	-	2,315,425	1,963,000	352,425
2027	2,315,175	-	2,315,175	1,960,500	354,675
2028	2,311,675	-	2,311,675	1,955,250	356,425
2029	2,309,925	-	2,309,925	1,957,250	352,675
2030	2,307,150	-	2,307,150	1,951,000	356,150
2031	2,314,975	-	2,314,975	1,961,750	353,225
2032	2,312,575	-	2,312,575	1,958,500	354,075
2033	2,310,225	-	2,310,225	1,956,750	353,475
2034	2,307,650	-	2,307,650	1,951,250	356,400
2035	2,309,575	-	2,309,575	1,957,000	352,575
2036	2,310,450	1,157,713	1,152,737	1,958,250	(805,513)
Total	**$30,118,563**	**$1,534,122**	**$28,584,440**	**$25,334,375**	**$3,250,065**



Net PV Savings	**$2,843,885**
% of Prior Bonds	**13.06%**

Note: Preliminary, subject to change. Based on market conditions as of November 15, 2023.

Scenario 2 – Match Current Debt Service

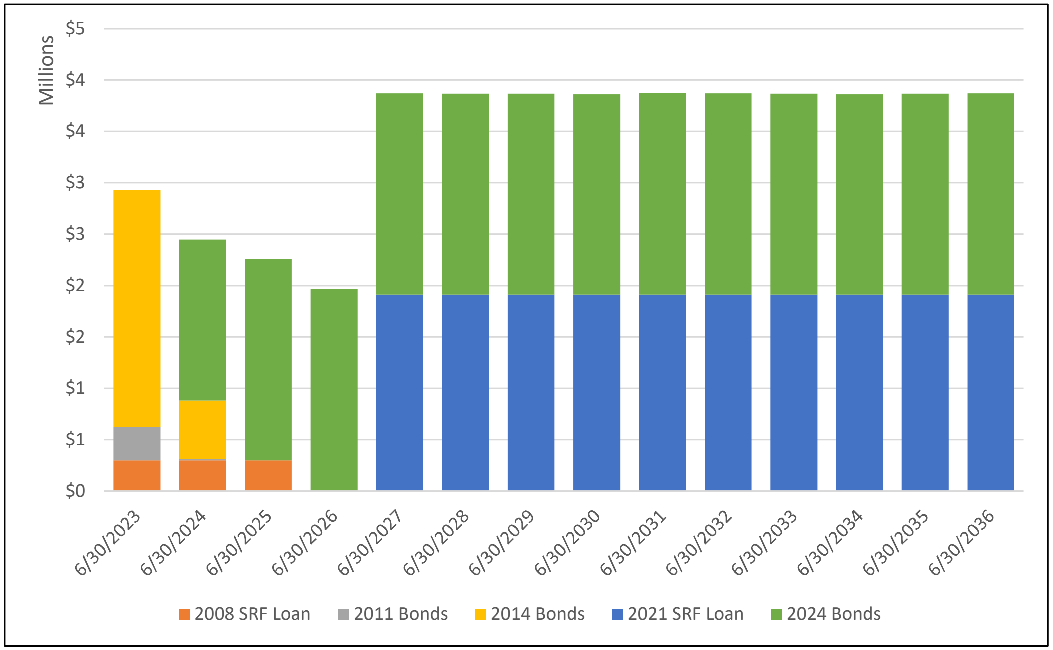
Scenario 2 – Match Current Debt Service with Shorter Term					
Date	**Prior Debt Service**	**Prior Receipts**	**Prior Net Cash Flow**	**Refunding Debt Service**	**Savings**
2024	$2,055,838	$50,909	$2,004,928	$1,988,358	$16,570
2025	2,637,925	325,500	2,312,425	2,309,000	3,425
2026	2,315,425	-	2,315,425	2,312,000	3,425
2027	2,315,175	-	2,315,175	2,311,250	3,925
2028	2,311,675	-	2,311,675	2,306,750	4,925
2029	2,309,925	-	2,309,925	2,308,500	1,425
2030	2,307,150	-	2,307,150	2,306,000	1,150
2031	2,314,975	-	2,314,975	2,314,250	725
2032	2,312,575	-	2,312,575	2,312,500	75
2033	2,310,225	-	2,310,225	2,306,000	4,225
2034	2,307,650	-	2,307,650	1,569,750	737,900
2035	2,309,575	-	2,309,575	-	2,309,575
2036	2,310,450	1,157,713	1,152,737	-	1,152,737
Total	**$30,118,563**	**$1,534,122**	**$28,584,440**	**$24,344,358**	**$4,240,082**

Net PV Savings	**$3,039,367**
% of Prior Bonds	**13.96%**

Note: Preliminary, subject to change. Based on market conditions as of November 15, 2023.

Scenario 3 – Exclude the 2011A Bonds

Scenario 3 - Prepayment of 2011A Bonds from Cash and DSRF					
Date	**Prior Debt Service**	**Prior Receipts**	**Prior Net Cash Flow**	**Refunding Debt Service**	**Savings**
2024	$2,055,838	$36,472	$2,019,366	$1,568,167	$451,199
2025	2,637,925	-	2,637,925	1,957,500	680,425
2026	2,315,425	-	2,315,425	1,963,000	352,425
2027	2,315,175	-	2,315,175	1,960,500	354,675
2028	2,311,675	-	2,311,675	1,955,250	356,425
2029	2,309,925	-	2,309,925	1,957,250	352,675
2030	2,307,150	-	2,307,150	1,951,000	356,150
2031	2,314,975	-	2,314,975	1,961,750	353,225
2032	2,312,575	-	2,312,575	1,958,500	354,075
2033	2,310,225	-	2,310,225	1,956,750	353,475
2034	2,307,650	-	2,307,650	1,951,250	356,400
2035	2,309,575	-	2,309,575	1,957,000	352,575
2036	2,310,450	1,157,713	1,152,737	1,958,250	(805,513)
Total	**$30,118,563**	**$1,194,185**	**$28,924,378**	**$25,056,167**	**$3,868,211**



Net PV Savings	**$2,846,782**
% of Prior Bonds	**13.08%**

Note: Preliminary, subject to change. Based on market conditions as of November 15, 2023.

Chart of Options

	Total Debt Service	NPV Savings	Percentage Savings	Maturity
Current	30,118,563	NA	NA	2036
Scenario 1	25,334,375	2,843,885	13.06%	2036
Scenario 2	24,344,358	3,039,367	13.96%	2034
Scenario 3	25,056,167	2,846,782	13.08%	2036

Recommendation: Scenario 2

Notes:
Preliminary, subject to change. Based on market conditions as of November 15, 2023.
Assumes rating of "AA-" and includes release of DSRF balance as of FY 2023 for the 2011 and 2014 Series.
Assumes call date of 05/01/2034.
Scenario 3 reflects prepayment of approximately $615,000 in 2011 Bonds using cash and prior DSRF.

Schedule

Schedule for Debt Refinancing
Estimated Dates

December 12	**Board Approve to Move Forward**
January 4	Presentation to Rating Agency (S&P)
January 9	**Board of Trustees Meeting**
	○ Approve Preliminary Offering Statement
	○ Approve Legal Documents
January 11	Receive Credit Rating
January 24	Bond Sale
February 7	Closing and receipt of funds
February 13	**Board of Trustees Meeting – Review Results**

Disclaimer

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Questions?