



**BOARD OF DIRECTORS  
EAST BAY MUNICIPAL UTILITY DISTRICT**

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375 - 11th Street, Oakland, CA 94607

Office of the Secretary: (510) 287-0440

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**Notice of Time Change**

**FINANCE/ADMINISTRATION  
COMMITTEE MEETING**

**10:15 a.m.  
Tuesday, July 28, 2015**

Notice is hereby given that the Finance/Administration Committee Meeting of the Board of Directors for Tuesday, July 28, 2015, has been rescheduled from 10:00 a.m. to 10:15 a.m. The meeting will be held in the Training Resource Center of the Administration Building, 375 - 11th Street, Oakland, California.

Dated: July 23, 2015

A handwritten signature in cursive script, reading 'Lynelle M. Lewis', is written over a horizontal line.

Lynelle M. Lewis  
Secretary of the District





**BOARD OF DIRECTORS  
EAST BAY MUNICIPAL UTILITY DISTRICT**

375 – 11<sup>th</sup> Street, Oakland, CA 94607

Office of the Secretary: (510) 287-0440

**AGENDA  
Finance/Administration Committee  
Tuesday, July 28, 2015  
10:15 a.m.  
Training Resource Center**

**(Committee Members: Directors Patterson {Chair}, Katz and Young)**

**ROLL CALL:**

**PUBLIC COMMENT:** The Board of Directors is limited by State law to providing a brief response, asking questions for clarification, or referring a matter to staff when responding to items that are not listed on the agenda.

**DETERMINATION AND DISCUSSION:**

1. Water Conservation Pay as You Save On-Bill Financing Pilot Study Update (Hong)
2. Annual Internal Audit Report (Gardin)
3. Financial Quarterly Reports: (Skoda)
  - Quarterly Payroll, Disbursement and Real Estate Summary Reports for the Water and Wastewater Systems for Quarter Ended June 30, 2015
  - Quarterly Investment Report – June 30, 2015

**ADJOURNMENT:**

**Disability Notice**

*If you require a disability-related modification or accommodation to participate in an EBMUD public meeting please call the Office of the Secretary (510) 287-0404. We will make reasonable arrangements to ensure accessibility. Some special equipment arrangements may require 48 hours advance notice.*

**Document Availability**

*Materials related to an item on this Agenda that have been submitted to the EBMUD Board of Directors within 72 hours prior to this meeting are available for public inspection in EBMUD's Office of the Secretary at 375 11th Street, Oakland, California, during normal business hours.*

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## EAST BAY MUNICIPAL UTILITY DISTRICT

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DATE: July 23, 2015

MEMO TO: Board of Directors

THROUGH: Alexander R. Coate, General Manager *ARC*

FROM: Sherri A. Hong, Manager of Community and Customer Services *S. Hong*

SUBJECT: Water Conservation Pay as You Save On-Bill Financing Pilot Study Update

### INTRODUCTION

New resource efficiency approaches supported by recent legislation have helped to promote energy and water efficiency measures through the use of property tax and on-bill financing mechanisms. In FY14, the District partnered with the Sonoma County Regional Climate Protection Authority (RCPA) on the evaluation of an on-bill financing pilot to advance customer water-efficiency improvements. Under a signed 2014 Memorandum of Understanding with RCPA, the District received support from the Bay Area Regional Energy Network (BayREN), with funding from the California Public Utilities Commission (CPUC), to develop a pilot based on the Pay As You Save<sup>®</sup> (PAYS) approach. An update on the proposed PAYS<sup>®</sup> pilot study including the selection of pilot participants and conservation measure financial modeling will be discussed at the Finance/Administration Committee meeting on July 28, 2015.

### DISCUSSION

The District's 2011 Water Conservation Master Plan (WCMP) identified a number of conservation incentives including rebates, free device distribution, and a potential EBMUD WaterSmart Loan Program as key implementation strategies to meet long-term water supply reliability goals. Concepts to be evaluated under a pilot conservation loan program include:

- Identifying strategies more advantageous to greater, cost-effective conservation savings with lower overall incentive costs,
- Helping achieve greater access and delivery of services in hard-to-reach customer sectors, and
- Testing the efficacy of loan repayments through amortized payments included on the customer water bill.

#### PAYS vs. Property Assessed Clean Energy (PACE) Programs

There have been a number of questions raised about the similarities and differences between the PAYS and PACE programs with regard to property owner access to financing for water and energy efficiency upgrades. The District's WaterSmart PAYS enables customers throughout the District's service territory to install cost effective water efficiency upgrades with no up-front cost. The District establishes the upgrades eligible for PAYS, ensuring they are aligned with the District's goals for customer service and conservation. In the East Bay, PACE programs are

labeled under the CaliforniaFIRST or Home Energy Renovation Opportunity (HERO™) PACE programs. EBMUD customers, depending on their location, may also use the CaliforniaFIRST or HERO PACE programs to install water efficiency upgrades so long as the upgrades and customers meet the program requirements. Listed in Attachment 1 is a summary comparison between the PAYS and PACE programs.

PAYS was developed by the Energy Efficiency Institute (EEI), Inc. as a self-sustaining resource efficiency system in which eligible property owners and renters can have water and energy-saving measures installed in their homes, apartments or businesses with no upfront costs. Participants repay program costs over time through a surcharge on their water bills, with their water, sewer and energy savings significantly exceeding their surcharge. The key to the success of the PAYS system is that it allows customers to purchase cost-effective measures with:

- no up-front payment and no new debt obligation;
- a guarantee that their water bill surcharge is smaller than their estimated savings;
- the surcharge payment obligation resides with the property/meter;
- a contractor guarantee and work bonding;
- a promise that failed measures will be repaired or the payment obligation will end; and
- general program design to cover cost of implementation.

The CaliforniaFIRST and HERO PACE programs are public/private financing programs that allow property owners to receive upfront funding for home or business energy efficiency, renewable energy and water saving improvements. Participants use the funding to complete projects and repay it on property taxes over the course of up to 25 years. CaliforniaFIRST is administered by Renew Financial, an Oakland-based clean energy finance company that specializes in affordable financing for renewable energy and energy efficiency projects and operates in 180 communities throughout the state. HERO operates in more than 320 communities statewide. This innovative form of financing was created by state and local governments to encourage energy and water efficiency while also creating jobs. PACE financing is an assessment on the property and not a loan based on an owner's credit rating, so there is no requirement for any down payment. The PACE program, similar to PAYS, transfers the payment obligation to the new owner if the property is sold.

#### EBMUD WaterSmart PAYS Pilot

The District has legal and statutory authority to implement a potential PAYS water conservation on-bill financing program. Over the past six months, the District and its BayREN partners have been working on a series of pilot agreements, site evaluation checklists, and financial models of candidate conservation measures to address program design, operations, funding and implementation questions.

The design and preliminary selection of candidate customers for a first phase pilot has focused on a small group of controlled projects (< 20 accounts) that would test customer interest, contractor performance, and District operations in response to a WaterSmart PAYS offer. The selection of Phase One pilot participants consisted of a review of more than 230 small, medium and large multi-family residential (MFR) accounts that had received previous water conservation audits with recommended efficiency upgrades within the past three years. Staff conducted a series of customer surveys to gauge the level of interest in a pilot program.

The initial analysis targeted Multi-Family Residential (MFR) properties with higher than average per-unit water usage, in areas with volumetric or higher sewer service fees, and whose owners expressed interest in installing water-saving measures. A key factor was locating properties with older toilets using 3.5 gallons per flush (gpf) or greater. The first survey responses included 26 MFR properties within the cities of Emeryville, Oakland, Richmond and San Pablo containing 20 to 144 units. A second survey yielded four MFR customers that provided additional details on their occupancy levels, water use practices and fixture counts for further modeling of conservation measures and the calculation of installation costs and on-bill surcharges.

Included in Attachment 2, are a sample MFR customer initial target customer sectors and conservation measures that could be tested under the Phase 1 pilot. The modeling of installed conservation measures allows for flexibility in establishing an appropriate surcharge that provides a net 20% savings on water consumption costs as well as a repayment term of five years or less. The surcharge is designed to recovering all installation, product warranty, financing and administrative costs. By design, the PAYS offer results in immediate customer costs savings and requires a larger capital outlay. Under the proposed PAYS pilot, participating customers would not be eligible to receive rebates for the same measures being installed and funded under the pilot. A sample water bill with the direct-installed conservation measure surcharge is illustrated in Attachment 3.

## **FISCAL IMPACT**

The EBMUD WaterSmart PAYS (on-bill financing) Pilot budget is estimated to range between \$50,000-\$150,000 based on the final selection of pilot participants and their approved efficiency upgrades. The pilot will be funded within the approved Water Conservation Program budget through reallocation of existing conservation rebate dollars and supplemental funding from existing Proposition 50 and 84 water conservation grants for fixtures, appliances, food service equipment and landscaping retrofits as appropriate. The District also plans to pursue any available state grant funding through the CalConserve Water Use Efficiency Revolving Fund as administered by the Department of Water Resources.

## **NEXT STEPS**

The launch of the WaterSmart PAYS pilot is targeted for September 2015. Next steps include completing final customer and contractor agreements and testing the billing statement surcharge. Staff will continue investigating a potential irrigation conservation component targeting residential and commercial properties that have expressed interest in turf replacement and drip irrigation. Other potential pilot participants include commercial food service operations. Staff plans to update the Board in the fall of 2015 on the final customer participants that have agreed to and been approved for the pilot.

ARC:SH:rwh  
Attachments





## Comparison of PACE vs. PAYS® Programs (July 2015)

Program Terms/Conditions	PACE	PAYS®	Notes
No initial customer cost	✓	✓	100% financing provided through both programs.
No credit check or liens	✓	✓	PACE is based on property value. PAYS is based on ability for participant to repay.
Debt obligation resides with the property	✓	✓	PACE may have some limitation for early repayment based on financial institution.
Customer charge is less than estimated savings		✓	PAYS is designed to return net dollar savings immediately upon measure installation.
Payments end if customer leaves location	✓	✓	PACE payment obligations can transfer to a new owner at a project location but because this may require lender approval, the original participant may be required to pay off any balance prior to sale. PAYS obligation resides with the newly efficient premise.
Payments end if measure fails, is not repaired		✓	PAYS is performance based so owner only pays when measures are functioning.
Repair costs do not increase monthly payment		✓	Repair costs are included in the PAYS program through contractor bonding, warranty and program overhead.
Services available District wide		✓	Not all EBMUD communities are yet eligible for PACE: <ul style="list-style-type: none"> <li>CaliforniaFIRST ineligible communities: Alamo, Blackhawk, El Sobrante, Hercules, Moraga, Orinda, Pinole, Rodeo</li> <li>HERO™ PACE ineligible communities: Alameda, Alamo, Blackhawk, Danville, El Cerrito, El Sobrante, Emeryville, Hercules, Moraga, Orinda, Oakland, Piedmont, Pinole, Rodeo, San Leandro</li> </ul>
Eligible measures align with District goals		✓	PACE eligible landscape options are not fully consistent with EBMUD measures. CaliforniaFIRST and HERO PACE: <ul style="list-style-type: none"> <li>Do not cover sheet mulching/compost</li> <li>Require that existing turf be removed</li> <li>Do not cover drought tolerant plantings</li> </ul>
Minimum eligible project costs	✓		Typical water efficiency project costs do not meet PACE minimum requirements. <ul style="list-style-type: none"> <li>CaliforniaFIRST minimums: \$5,000 for Single Family Residential; \$50,000 for Multifamily/Commercial</li> <li>HERO PACE minimum: \$5,000 regardless of property type.</li> </ul>
Tenants and new development can participate		✓	PAYS programs are more flexible and program design is subject to implementing agency.

### Sample Multi-Family Residential On-Bill Financing Pilot Participants

#	Sample Customer Site Description	Proposed Measures	Gross Measure Cost (@4%-8% interest) <sup>1/</sup>	Avg. Bi-monthly Savings	Bi-monthly Surcharge <sup>2/</sup>	Repayment Term (Years) <sup>3/</sup>
1	Apartment building with 16 units and high occupancy	16 Toilets 16 showerheads 16 bath aerators	\$4,250 - \$4,500	\$490	\$375 - \$390	1.8 - 2.0
2	Apartment building, with 30 units	30 Toilets 30 showerheads 30 kitchen and 30 bath aerators	\$8,690 - \$9,670	\$410	\$325 - \$360	4.5 - 5.0
3	Apartment building with 92 units (some two-bath)	102 Toilets 102 showerheads 92 kitchen and 102 bath aerators	\$28,150 - \$29,460	\$2,890	\$2,450 - \$2,560	2.0 - 2.2
4	Apartment building with 15 units (most previously retrofitted)	4 Toilets 6 showerheads 16 bath aerators	\$1,050 - \$1,100	\$115	\$90 - \$95	2.0 - 2.2

*1/ Includes conservation measure installation, warranty, financing and administrative costs under an interest rate ranging from 4% to 8%.*

*2/ The modeling of conservation measure water savings, installation costs, and finance charges allow for setting various interest rates to cover financing and administrative costs. The established surcharge is based on a minimum 20% bill reduction from pre-project water consumption charges and can be adjusted up or down to minimize the repayment term.*

*3/ There is flexibility in the setting of the surcharge and number of billing cycles to repay conservation measure installation and financing costs. For this example, the surcharge and associated repayment term was initially established to cover all costs in the shortest timeframe not to exceed five years.*

## Sample WaterSmart PAYS Billing Statement with Surcharge

EAST BAY MUNICIPAL UTILITY DISTRICT  
EBMUD 1-866-40-EBMUD

YOUR ACCOUNT NO. IS: 12345678001

Next Read Date is 09/10/2015

Your Payment is Due by 08/04/2015

Effective July 1, 2015 new rates are in effect to pay for replacement of aging pipelines and long-term infrastructure improvements. To fund increasing drought costs, a temporary 25% drought surcharge is in effect. Excessive use penalties will apply to residential customers averaging more than 984 gallons per day. For more information visit [www.ebmud.com](http://www.ebmud.com)

Florence Waters  
1234 PIPELINE ST.  
OAKLAND, CA 94607-1234

Bill Date: 07/20/15

Billing Period

From To  
5/13/15 7/16/15

For: 1234 Pipeline St.  
Private Residence

	AMOUNT	TOTAL
PREVIOUS CHARGES AND CREDITS		
PREVIOUS AMOUNT DUE	186.14	
FULL PAYMENT - 06/04/15	-187.36	-1.22
WATER CHARGES - EBMUD		
WATER SERVICE CHARGE	31.71	
WATER FLOW CHARGE		
(05/13/15-06/30/15) 12 UNITS @2.91	34.92	
8 UNITS @3.60	28.80	
(07/01/15-07/16/15) 3 UNITS @2.95	8.85	
2 UNITS @4.06	8.12	
DROUGHT SURCHARGE	4.12	
WC ON BILL FINANCE SURCHARGE	40.00	156.52
WASTEWATER CHARGES - EBMUD		
WASTEWATER TREATMENT CHARGE	43.53	
SF BAY POLLUTION PREVENTION FEE	0.40	43.93
CITY OF BERKELEY SEWER SERVICE		86.33

PLEASE SEE REVERSE SIDE  
FOR BILLING EXPLANATION

METER SIZE	ELEV Band	METER READINGS		UNITS	CONSUMPTION INFORMATION		
		Current	Previous		Gallons	Days	Gal/Day
5/8 inch	1	2,075	2,050	25	18,700	64	292
		2013	USAGE	24	17,952	61	294

PLEASE DETACH AND RETURN THIS PAYMENT STUB WITH CHECK OR MONEY ORDER PAYABLE TO EBMUD  
1234 Pipeline St., Oakland, CA 946071234 5/13/15 7/16/15 ACCOUNT NO.: 12345678001

Pay by credit/ATM/e-check for a fee.  
Call 1-800-690-4798

Mail payment to:

TOTAL PREVIOUS -1.22  
TOTAL CURRENT 286.78

EBMUD PAYMENT CENTER  
PO BOX 1000  
OAKLAND CA 94649-0001

285.56



## EAST BAY MUNICIPAL UTILITY DISTRICT

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DATE: July 23, 2015

MEMO TO: Board of Directors

THROUGH: Alexander R. Coate, General Manager *ARC*

FROM: Barry N. Gardin, Internal Audit Supervisor *BNG*

SUBJECT: Annual Internal Audit Report

### INTRODUCTION

District Policy 4.24 (Internal Audit) requires the Internal Audit Supervisor to provide a report on the results of audits, investigations, and any other audit related activities to the Board of Directors on a semi-annual basis. The Policy includes a provision requiring that any issue or concern warranting immediate Board attention be brought directly to the Board at the earliest possible convenience.

In order to afford the Board with an opportunity to provide guidance and give direction on the goals, priorities, and focus of the District's internal audit activities the Policy also stipulates Board of Directors' review and authorization of the Annual Internal Audit Work Plan. This provides the Board with a formal opportunity to direct efforts toward activities, programs, and processes that pose the greatest risk or are of most concern to the Board (i.e., constituents). This also provides the Board with an opportunity to exercise governance and oversight by obtaining independent assurance that staff at every level is making the appropriate efforts to address opportunities to mitigate risks, reduce exposure, and/or enhance internal control.

The following report summarizes the status of the audits listed in the FY15 Internal Audit Plan, including those previously reported in the semi-annual Internal Audit Report that was provided to the Board on January 22, 2015. Also, attached is the proposed FY16 Annual Internal Audit Plan which will be presented to the Finance/Administration Committee on July 28, 2015. This plan was developed through discussions with staff, management, and the General Manager with the purpose of completing assessments of areas that currently pose the greatest financial, operating, or regulatory risks or may cause erosion in public confidence. Additionally, areas that are most critical to the District's current operating priorities were also considered.

The draft FY16 Annual Internal Audit Plan includes a description of the objectives of each audit, as well as an estimate of the time during the year when the review is expected to be completed. The plan will become final once it has been modified to incorporate any changes and/or additional areas of concern expressed by members of the Board and approved by the Finance/Administration Committee.

## **AUDIT ACTIVITIES**

*Several opportunities to improve internal controls and/or enhance operating efficiency were noted during this review period, however no material findings, control weaknesses, undue exposure, or other significant issues requiring immediate Board action or attention were identified during this period.*

Following is a discussion of the status of the audits from previous audit plans that have been completed or initiated, including a discussion of any control weaknesses, exceptions, or opportunities to improve/enhance controls that were identified. Also, noted below is a discussion of the results of a review into concerns relating to improper use and acquisition of materials that was brought to the attention of Internal Audit during the 3<sup>rd</sup> quarter.

### **Purchasing and Material Acquisition**

An alleged pattern of inappropriate material acquisitions was brought to the attention of Internal Audit during the 3<sup>rd</sup> quarter. In order to determine if the allegations had validity, an analysis of the spending activities of the organizations and vendor(s) who were alleged to have engaged in the activities was conducted. The initial analysis of purchases, which included purchase orders as well as P-Card transactions for the four and a half year period between July 1, 2010 and December 31, 2014, demonstrated a pattern of spending activity that warranted a more comprehensive assessment. The assessment focused on the organizations procedures for initiating and authorizing purchases as well as an analysis of how the purchases made related to the work efforts being conducted at the time of the purchases.

*The results of this unplanned review (issued April 2015) revealed purchases which appeared to be unnecessary and unwarranted as well as a systematic pattern of noncompliance with several District purchasing guidelines. This report included several recommendations for improving oversight of purchases, strengthening accountability for material use, and strengthening accountability for compliance with District purchasing guidelines. Due to the significance of the issues identified, a follow-up audit of the Purchasing and Materials Management System has been included in the FY16 Annual Internal Audit Plan.*

### **Retirement Administration**

This audit included an assessment of retiree and beneficiary pay calculations to confirm payments are properly determined in accordance with program guidelines and accurately calculated (including leave extensions, COLA adjustments, low income, etc.). This included review of controls for removing retirees from the system.

*This report, issued in November 2014, concluded the Retirement System is being properly administered, however several minor inaccuracies were noted in the calculation of pension benefits related to leave extensions and Health Insurance Benefit premium reimbursements and adjustments. In order to prevent these types of errors from occurring in the future, recommendations have been*

*made to improve data entry procedures and incorporate reimbursement limits into the benefit system. In order to confirm the recommendations were implemented and are being complied with follow-up testing will occur during FY16.*

### **Materials Management (Surplus and Disposal)**

This audit included an evaluation of the procedures in place to account for and safeguard materials and the procedures for removing materials from inventory and accounting for material use. Specifically assessed were the procedures for receiving and recording materials into inventory; maintaining accountability for materials; issuing materials; and identifying, safeguarding, and properly disposing of salvageable scrap.

*This report, issued in January 2015, noted: inventory records did not consistently reflect materials in stock; there are opportunities to improve the controls to account for material use; and scrap sales were not consistently conducted in accordance with District guidelines. These conditions resulted in recommendations to enhance controls over material inventory and issuances and improve administration of scrap sales. In light of the results of this audit and additional issues related to material accountability that were identified during the review of material acquisitions, a complete materials management follow-up audit has been included in the FY16 Internal Audit Plan.*

### **Capital Expenditures**

This audit included an evaluation of the procedures and testing for compliance to confirm that: capital appropriations are consistent with the amounts authorized by the Board and the resulting allocations made to each project agree, in total, with the authorized appropriation; project expenditures are adequately monitored to ensure expenses (i.e. labor, materials, and services) are consistent with project objectives and are properly classified; expenditures are limited to the allocated amounts; and any transfers/reallocations are properly authorized and adequately documented.

*All tests and assessments in this area have been completed. The results, which may include opportunities to enhance controls over capital spending and charge accountability, are being reviewed and finalized with staff. The final report is expected to be issued in July 2015.*

### **Municipal Inspection and Permit Fees**

This audit included a review of permit and inspection fees assessed to the District by municipalities throughout our service area to ensure the District is being invoiced in accordance with the municipalities' published fees and charges. District job reports were also reviewed to confirm inspection fees and charges are only being invoiced for work being performed.

*Preliminary results of this review indicate municipalities are charging inspection fees in accordance with their published rates, however in some instances it appears the District may be invoiced for inspections in areas where work has been delayed or cancelled. These instances are in the process of*

*being confirmed with staff. Recommendations to improve monitoring of municipal invoices to ensure payments are only made for inspections which have been completed are being developed in collaboration with staff. The recommendations and reports are expected to be issued in July 2015.*

### **Water Consumption Recognition, Invoicing, and Receipts (In Progress)**

This audit included a comprehensive review of the water consumption revenue process, including the specific procedures in place to: establish accounts; connect services; measure consumption; invoice customers; identify and evaluate anomalies; and collect payments. This includes, but is not limited to, evaluating meter reading thoroughness and accuracy; identifying and investigating: unmetered lateral installations, active accounts with zero consumption, outstanding service orders, consumption for unattached meters (i.e., no customer of record), and parcels with standing structures without active services. Subsequent to the start of this audit organizational changes associated with the implementation of a new customer information system have occurred which necessitated the selection of test samples from updated populations as several previously outstanding issues were eliminated.

*Specific recommendations are being developed to address various control weaknesses in the revenue process which, though unlikely, remain possible. These weaknesses could allow water consumption to go undetected and revenue to go uncollected. These recommendations are expected to be completed and the final report issued in August 2015.*

### **OTHER AREAS OF CONSIDERATION**

One issue related to disposal of cafeteria equipment was raised by an anonymous party during the 2<sup>nd</sup> quarter. The allegations were followed up to ascertain their validity; we found no support or basis for the allegations. Specifically we were able to account for transfer and placement of the equipment.

No other concerns were brought to the attention of Internal Audit during this review period. Going forward, in accordance with our standard practice, if any concerns or issues are raised by staff, constituents, or other community stakeholders they will be assessed to determine validity and whether they warrant some degree of independent review and/or investigation. If deemed significant in terms of risk and/or potential exposure, the issues will be immediately discussed at the appropriate management level, up to and including the General Manager and/or the Board of Directors. If the potential risk or exposure is deemed significant enough to warrant an investigation the appropriate level of resources will be allocated.

BNG:bg

Attachment



## EAST BAY MUNICIPAL UTILITY DISTRICT FY16 INTERNAL AUDIT PLAN

Project Title	Q1	Q2	Q3	Q4
Contract Administration	—			—
CEQA Monitoring and Compliance	—			
Open Market Purchases		—		
Customer Communication and Web Accuracy		—		
Contract Benefit Services		—		
Fees and Charges			—	
Fleet Administration			—	
MOU Compliance				—
Materials Management*				—
Purchase Orders and Purchase Cards*				—

*\*Includes follow up testing on findings and recommendations made for audit completed during the current and previous audit cycles.*

### AUDIT OBJECTIVES

**Contract Administration** - Audits of two large (over \$5 million) construction contracts, which will encompass all aspects of District contract administration activities including confirmation of performance, contract deliverables, scheduling, cost conformance, and adherence with administrative provisions (e.g. insurance, prevailing wage, change order approvals). (Reports estimated to be issued in August 2015 and April 2016.)

**CEQA Monitoring and Compliance** - This audit will encompass an assessment of the controls in place to ensure the District complies with the California Environmental Quality Act (CEQA). This will include a review of provisions to ensure compliance, as well as an evaluation of the procedure(s) used by the District to monitor compliance activities through all project phases and resolve issues. (Report estimated to be issued in September 2015.)

**Open Market Purchases** - This audit will include an assessment of the execution of open market purchases to confirm the District is obtaining the best available pricing and that all other procedural and budgetary controls related to District purchases are being followed. (Report estimated to be issued in October 2015.)

**Customer Communication and Web Accuracy** - This audit will encompass a comprehensive assessment of pages, links, and data contained on the District's web site, including an evaluation of information/data sources to confirm that: site links are functional, information is accurate and

updated in a timely manner, and inquiries are being followed up on in a timely manner. (Report estimated to be issued in December 2015.)

**Contract Benefit Services** - This audit will include a review of the accuracy of the payments made to as well as those made by the District's third party benefits provider. This will include confirmation that employee payments are being accurately calculated, the District is being accurately invoiced, and amounts held on deposit are being accurately accounted. (Report estimated to be issued in February 2016.)

**Fees and Charges** - This audit will include an analysis of the basis used to establish standard charges and fees to ensure they accurately reflect the costs of providing the related service (e.g. trip charges). This audit will also include an assessment of the procedures used to account for costs to ensure they are properly categorized and accurately summarized. (Report estimated to be issued in March 2016.)

**Fleet Administration** - This audit will entail an evaluation of the procedures used to administer the District's fleet and heavy equipment inventory. Controls will be reviewed to ensure assets are efficiently managed and utilized in accordance with District policy and use criteria, including take home use. Controls governing the following will also be assessed: the replacement fund to confirm it is maintained at an appropriate level and is properly managed; fuel purchase, storage, and use; maintenance activities including the associated expenses; and fleet rentals and leases. (Report estimated to be issued in May 2016.)

**MOU Compliance** - This audit will include an assessment of the District's procedures for administering provisions of the agreements with the represented groups (2019, 21, 444, and 39). Specific provisions reviewed will include overtime, meal reimbursement, fatigue, stand-by, comp time, and shift premiums. (Report estimated to be issued in June 2016.)

**Materials Management** - This audit will include follow up testing to ensure corrective actions to address findings identified during the Material Handling and Control audit conducted in FY15 have been implemented and are being complied with. The audit will confirm that controls over record accuracy, use accountability, and disposal have been enhanced. (Report estimated to be issued in June 2016.)

**Purchase Orders and Purchase Cards** - This audit will be conducted to verify corrective actions recommended to improve controls over purchasing activities, resulting from the internal audit of purchasing activities conducted in FY15, have been fully implemented and are being complied with. This will include tests of purchase order and purchase card transactions as well as staff compliance with procedural changes that have been implemented. (Report estimated to be issued in July 2016.)

## EAST BAY MUNICIPAL UTILITY DISTRICT

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DATE: July 23, 2015

MEMO TO: Board of Directors

THROUGH: Alexander R. Coate, General Manager *ARC*

FROM: Sophia D. Skoda, Director of Finance *SDS*

SUBJECT: Quarterly Payroll, Disbursement and Real Estate Summary Reports for the Water and Wastewater Systems for Quarter Ended June 30, 2015.

### SUMMARY

File the June 30, 2015 quarterly payroll, disbursement and real estate reports for the Water and Wastewater systems with the Board. These reports will be reviewed with the Finance/Administration Committee on July 28, 2015.

### DISCUSSION

As directed by Resolutions No. 32834-94 and 32837-94, attached is a record of the payment of demands and real estate transactions covering the quarter April through June 2015.

SDS:SK:lc

Attachments



**EAST BAY MUNICIPAL UTILITY DISTRICT  
FOURTH FISCAL QUARTERLY PAYROLL AND DISBURSEMENT SUMMARY REPORT**

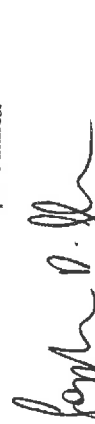
**PAYROLL SUMMARY  
(RESOLUTION NO. 32834-94)**

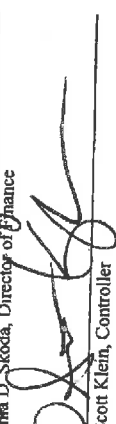
	April 2015		May 2015		June 2015		QUARTERLY TOTALS	
	WSG	WWG	WSG	WWG	WSG	WWG	WSG	WWG
<b>District Payments</b>								
Gross Pay	\$ 12,323,051	\$ 2,137,012	\$ 11,998,315	\$ 2,104,284	\$ 12,051,144	\$ 2,168,026	\$ 36,372,510	\$ 6,409,323
Retirement	\$ 4,733,143	\$ 834,744	\$ 4,859,122	\$ 859,590	\$ 4,859,196	\$ 859,651	\$ 14,451,461	\$ 2,553,985
FICA	\$ 936,985	\$ 162,868	\$ 911,338	\$ 160,418	\$ 915,038	\$ 165,265	\$ 2,763,361	\$ 488,550
Kaiser	\$ 1,440,741	\$ 235,029	\$ 1,427,198	\$ 238,745	\$ 1,416,858	\$ 241,210	\$ 4,284,798	\$ 714,984
Health-Net	\$ 322,048	\$ 44,845	\$ 324,462	\$ 43,765	\$ 322,633	\$ 43,765	\$ 969,143	\$ 132,376
Blue Cross	\$ 251,421	\$ 33,244	\$ 257,326	\$ 33,878	\$ 247,100	\$ 33,843	\$ 755,846	\$ 100,966
VSP	\$ 27,852	\$ 4,548	\$ 27,747	\$ 4,594	\$ 27,796	\$ 4,719	\$ 83,395	\$ 13,861
Delta Dental	\$ 181,473	\$ 30,009	\$ 251,603	\$ 47,338	\$ 254,159	\$ 34,218	\$ 687,235	\$ 111,565
Life Insurance	\$ 34,285	\$ 5,834	\$ 32,903	\$ 5,454	\$ 38,065	\$ 6,750	\$ 105,253	\$ 18,037
LTD	\$ 47,383	\$ 8,181	\$ 47,340	\$ 8,187	\$ 49,699	\$ 8,842	\$ 144,422	\$ 25,210
Unemply Ins	\$ -	\$ -	\$ 45,401	\$ -	\$ -	\$ -	\$ 45,401	\$ -
<b>TOTAL</b>	\$ 20,298,382	\$ 3,496,314	\$ 20,182,756	\$ 3,506,254	\$ 20,181,688	\$ 3,566,288	\$ 60,662,826	\$ 10,568,856

**DISBURSEMENT SUMMARY  
(RESOLUTION NO. 32837-94)**

	April 2015		May 2015		June 2015		QUARTERLY TOTALS	
	WSG	WWG	WSG	WWG	WSG	WWG	WSG	WWG
<b>Voucher Payments</b>								
Customer Refunds	\$ 21,706,358	\$ 1,827,315	\$ 23,434,157	\$ 4,808,586	\$ 18,519,432	\$ 3,741,791	\$ 63,659,946	\$ 10,377,692
Electronic payments	\$ 98,895	\$ -	\$ 125,569	\$ -	\$ 50,642	\$ -	\$ 275,105	\$ -
Peard payments	\$ 825,171	\$ 43,192	\$ 1,497,911	\$ 7,816	\$ 84,607,346	\$ 17,959,503	\$ 86,930,428	\$ 18,010,511
	\$ 835,355	\$ -	\$ 821,007	\$ -	\$ 893,426	\$ -	\$ 2,549,788	\$ -
<b>TOTAL</b>	\$ 23,465,779	\$ 1,870,507	\$ 25,878,643	\$ 4,816,402	\$ 104,070,846	\$ 21,701,293	\$ 153,415,268	\$ 28,388,203

NOTE: \* Semi-annual June Bond Principal & Interest

By:  Sophia D. Skoda, Director of Finance  
Date: 7/10/15

By:  D. Scott Klein, Controller  
Date: 7-10-15



# REAL ESTATE SERVICES QUARTERLY REPORT

## April-June 2015

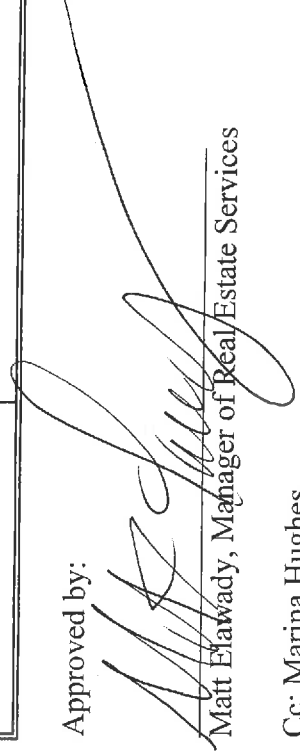
### PROPERTY PURCHASES

OWNER	LOCATION	SIZE	TYPE	PROJECT/PURPOSE	AMOUNT PAID	DATE
None.						

### PROPERTY DISPOSITIONS

APPLICANT	LOCATION	TYPE	PURPOSE	AMOUNT RECEIVED	DATE
City of Walnut Creek	Sugarloaf Reservoir - CC-587 APN 187-150-013	Sale	Surplus Property 4.804 Acres	\$40,000.00	5/8/15
Cabellero Productions	Oakport Parcel B	Short - Term	Circus (with animals)	\$9,032.14	6/17/15

Approved by:

  
 Matt Elawady, Manager of Real Estate Services

7/14/15  
 Date

Cc: Marina Hughes  
 Sandy Lindley





## EAST BAY MUNICIPAL UTILITY DISTRICT

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DATE: July 23, 2015

MEMO TO: Board of Directors

THROUGH: Alexander R. Coate, General Manager *ARC*

FROM: Sophia D. Skoda, Acting Director of Finance *SMS*

SUBJECT: Quarterly Investment Report – June 30, 2015

### SUMMARY

File the June 30, 2015 quarterly investment report with the Board in accordance with Section 53646 of the Government Code which requires the Treasurer of the District to submit to the General Manager, the Internal Auditor, and the Board of Directors a quarterly investment report. This report will be reviewed with the Finance/Administration Committee on July 28, 2015.

### DISCUSSION

The investments held by the District on June 30, 2015 are shown in Attachment A and totaled \$310.94 million. The portfolio yielded 0.35%. The investment portfolio is in full compliance with the Board's adopted policy regarding District investments. In addition, the investment portfolio includes Water System Debt Service Reserve Funds of approximately \$12.6 million that are invested in a Federal Agency note and short-term money market funds. The District made approximately \$135 million in debt service payments in June with matured funds. The District also received \$200 million in water bond proceeds which will be reflected in the next quarterly report.

In compliance with Section 53646(b)3 of the Government Code, this report denotes that the District will be able to meet expenditure requirements for the next six months from a combination of maturing investments and revenues from budgeted operations.

- As directed by Resolution 30127, Attachment B lists investment transactions covering the period April 1, 2015 through June 30, 2015.
- Attachment C shows a comparison of the yield of the District's portfolio against the yield on the 90-day Treasury bill and the Federal Funds Rate. It also shows the composition and credit allocation of the District's investment portfolio. On June 30, 2015, the Federal Funds Rate was 0.25% and the yield on the 90-day Treasury bill was 0.09%. A forecast of the projected cash balance of the Water and Wastewater System General Funds for the next six months is also included.

Attachment A Portfolio Summary as of June 30, 2015

Attachment B Quarterly Investment Transactions as of June 30, 2015

Attachment C Yield and Composition of Investment Portfolio as of June 30, 2015





EAST BAY MUNICIPAL UTILITY DISTRICT  
Portfolio Management  
Portfolio Summary  
June 30, 2015

ATTACHMENT A

Description	Face Amount Shares	Market Value	Book Value	% of Portfolio	YTM @ Cost	Days To Maturity
Federal Agency Issues Coupon	110,870,000	110,875,246	110,873,329	35.65	0.56	414
Money Market Mutual Funds	59,072,749	59,072,749	59,072,749	19.00	0.04	1
LAIF Local Government Investment Pool	53,896,709	53,896,709	53,896,709	17.33	0.29	1
CAMP CA Asset Mgmt Program	40,027,291	40,027,291	40,027,291	12.87	0.05	1
Medium Term Notes	19,198,000	19,690,756	19,652,138	6.33	0.83	460
Certificates of Time Deposit	11,275,000	11,274,700	11,275,000	3.63	0.39	149
Municipal Bonds	11,145,000	11,143,588	11,145,996	3.58	0.57	247
Commercial Paper Discounted	5,000,000	4,999,900	4,999,783	1.61	0.26	6
Total / Average	310,484,749	310,980,939	310,942,995	100.00	0.35	191

*Sophia D. Skoda*

Sophia D. Skoda, Acting Finance Director

7/14/15

Date



**EAST BAY MUNICIPAL UTILITY DISTRICT**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**June 30, 2015**

Description	CUSIP	Settlement Date	Face Amount Shares	Market Value	Book Value	Cost Value	Moody's	S&P	YTM @ Cost	Days To Maturity
<b>Federal Agency Issues Coupon</b>										
FNMA 0.375 12/21/2015	3135G0SB0	12/31/2014	20,000,000	20,014,200	20,005,784	20,011,800	Aaa	AA+	0.31	174
FHLB 0.27 12/1/2015	3130A2Y42	9/12/2014	15,000,000	15,002,700	14,999,221	14,997,750	Aaa	AA+	0.28	154
FFCB 0.23 11/2/2015	3133EDKU5	9/11/2014	10,000,000	10,001,400	9,998,981	9,996,600	Aaa	AA+	0.26	125
FHLB 0.25 12/23/2015	3130A3TT1	12/31/2014	10,000,000	10,000,400	9,996,894	9,993,700	Aaa	AA+	0.32	176
FHLB 0.14 7/14/2015	3130A3WJ9	1/14/2015	10,000,000	10,000,200	9,999,920	9,998,960	Aaa	AA+	0.16	14
FNMA 1.05 2/27/2018-15	3136G1DG1	2/27/2013	5,000,000	5,002,600	4,999,001	4,998,125	Aaa	AA+	1.06	973
FHLMC 0.9 6/28/2017-15	3134G66Y4	6/30/2015	5,000,000	5,001,400	5,000,000	5,000,000	Aaa	AA+	0.90	729
FHLB 1 1/16/2018	313381M69	1/16/2013	5,000,000	4,982,850	5,000,000	5,000,000	Aaa	AA+	1.00	931
FNMA 1 6/27/2018	3136G16F1	12/27/2012	5,000,000	4,957,000	5,000,000	5,000,000	Aaa	AA+	1.00	1093
FHLB 1.32 4/10/2017	313378SM4	9/5/2014	3,000,000	3,032,190	3,018,410	3,026,850	Aaa	AA+	0.97	650
FNMA 1 9/20/2017	3135G0PP2	6/2/2014	2,050,000	2,055,535	2,050,000	2,050,000	Aaa	AA+	1.00	813
FHLB 0.65 12/19/2016-14	3130A14P0	3/19/2014	2,000,000	2,003,980	2,000,000	2,000,000	Aaa	AA+	0.65	538
FFCB 1.09 8/28/2017-15	3133EDTR3	8/28/2014	2,000,000	2,002,260	1,998,558	2,000,000	Aaa	AA+	1.12	790
FNMA 1.05 2/27/2018-15	3136G1DG1	2/27/2013	2,000,000	2,001,040	2,000,000	2,000,000	Aaa	AA+	1.05	973
FFCB 0.6 12/12/2016-14	3133EC6S8	7/25/2014	2,000,000	1,999,640	1,995,618	1,992,813	Aaa	AA+	0.75	531
FFCB 0.7 12/19/2016-15	3133EDC42	1/23/2015	1,500,000	1,500,090	1,500,000	1,500,000	Aaa	AA+	0.70	538
FHLB 1.1 9/25/2017-15	3130A4ML3	3/25/2015	1,470,000	1,472,499	1,470,000	1,470,000	Aaa	AA+	1.10	818
FFCB 1.07 8/18/2017-15	3133EDSV5	8/20/2014	1,120,000	1,121,310	1,119,800	1,119,720	Aaa	AA+	1.08	780
FHLMC 0.875 6/23/2017-15	3134G56V2	11/14/2014	1,000,000	1,001,370	998,218	997,656	Aaa	AA+	0.97	724
FHLMC 0.88 4/7/2017-15	3134G5AT2	11/14/2014	1,000,000	1,000,100	999,630	999,500	Aaa	AA+	0.90	647
FFCB 0.73 3/6/2017-15	3133EDGL0	2/13/2015	1,000,000	1,000,070	998,160	997,750	Aaa	AA+	0.84	615
FFCB 0.68 12/27/2016-14	3133ECBU7	5/1/2014	1,000,000	1,000,060	998,201	996,800	Aaa	AA+	0.80	546
FNMA 0.95 8/23/2017-14	3135G0NH2	9/23/2014	1,000,000	999,910	995,762	994,250	Aaa	AA+	1.15	785
FHLB 1.25 12/18/2017-15	3130A0F54	4/8/2015	1,000,000	999,570	1,004,579	1,005,000	Aaa	AA+	1.06	902
FHLMC 0.915 8/23/2017-14	3134G3C40	10/17/2014	1,000,000	995,790	999,434	999,250	Aaa	AA+	0.94	785
FFCB 0.72 12/27/2016-14	3133EA2L1	7/10/2014	900,000	897,615	898,936	898,245	Aaa	AA+	0.80	546
FNMA 0.7 3/6/2017-14	3135G0XT5	5/14/2014	500,000	500,130	498,222	497,031	Aaa	AA+	0.91	615
FHLB 0.75 4/30/2018-15	3130A4YM8	5/1/2015	165,000	164,845	165,000	165,000	Aaa	AA+	0.75	1035
FHLB 1.12 5/4/2018-15	3130A56B0	5/4/2015	165,000	164,492	165,000	165,000	Aaa	AA+	1.12	1039
<b>Sub Total / Average</b>			<b>110,870,000</b>	<b>110,875,246</b>	<b>110,873,329</b>	<b>110,869,800</b>			<b>0.56</b>	<b>414</b>
<b>Money Market Mutual Funds</b>										
UBS Financial MM	MM5891	4/18/2012	28,544,052	28,544,052	28,544,052	28,544,052	Aaa	AAA	0.05	1
UBS Financial MM	MM5891	6/30/2011	15,023,185	15,023,185	15,023,185	15,023,185	Aaa	AAA	0.05	1
ML Institutional Fund MM	MM5003	6/30/2011	6,525,606	6,525,606	6,525,606	6,525,606	Aaa	AAA	0.01	1
Dreyfus MM	MM2642	6/30/2011	4,393,526	4,393,526	4,393,526	4,393,526	Aaa	AAA	0.00	1
Dreyfus MM	MM6999	6/30/2011	3,278,538	3,278,538	3,278,538	3,278,538	Aaa	AAA	0.00	1
Federated MM	MM0590	6/30/2011	1,201,671	1,201,671	1,201,671	1,201,671	Aaa	AAA	0.01	1
Federated MM	MM0590	6/30/2011	103,075	103,075	103,075	103,075	Aaa	AAA	0.01	1
ML Institutional Fund MM	MM5003	10/19/2012	3,096	3,096	3,096	3,096	Aaa	AAA	0.01	1
<b>Sub Total / Average</b>			<b>59,072,749</b>	<b>59,072,749</b>	<b>59,072,749</b>	<b>59,072,749</b>			<b>0.04</b>	<b>1</b>

Description	CUSIP	Settlement Date	Face Amount Shares	Market Value	Book Value	Cost Value	Moody's	S&P	YTM @ Cost	Days To Maturity
<b>LAIF Local Government Investment Fund</b>										
LAIF LGIP Wastewater	LGIP1001	6/30/2011	26,321,100	26,321,100	26,321,100	26,321,100	NR	NR	0.29	1
LAIF LGIP Water	LGIP1001	6/30/2011	16,301,800	16,301,800	16,301,800	16,301,800	NR	NR	0.29	1
LAIF LGIP ERS	LGIP1005	6/30/2011	3,896,709	3,896,709	3,896,709	3,896,709	NR	NR	0.29	1
LAIF LGIP BACWA	LGIP1001	6/30/2011	3,012,600	3,012,600	3,012,600	3,012,600	NR	NR	0.29	1
LAIF LGIP FRWA	LGIP1001	6/30/2011	2,150,000	2,150,000	2,150,000	2,150,000	NR	NR	0.29	1
LAIF LGIP FERC	LGIP1001	6/30/2011	2,000,000	2,000,000	2,000,000	2,000,000	NR	NR	0.29	1
LAIF LGIP ICP	LGIP1001	6/30/2011	150,500	150,500	150,500	150,500	NR	NR	0.29	1
LAIF LGIP UMRA	LGIP1001	6/30/2011	64,000	64,000	64,000	64,000	NR	NR	0.29	1
<b>Sub Total / Average</b>			<b>53,896,709</b>	<b>53,896,709</b>	<b>53,896,709</b>	<b>53,896,709</b>	<b>NR</b>	<b>NR</b>	<b>0.29</b>	<b>1</b>
<b>CAMP CA Asset Mgmt Program</b>										
CAMP MM	CAMP6035	5/9/2014	40,027,291	40,027,291	40,027,291	40,027,291	NR	AAA	0.05	1
<b>Sub Total / Average</b>			<b>40,027,291</b>	<b>40,027,291</b>	<b>40,027,291</b>	<b>40,027,291</b>			<b>0.05</b>	<b>1</b>
<b>Medium Term Notes</b>										
IBM Credit Corp 1.95 7/22/2016	459200GX3	12/24/2012	5,000,000	5,071,850	5,057,992	5,195,200	Aa3	AA-	0.84	388
GOOGLE 2.125 5/19/2016	38259PAC6	12/21/2012	3,450,000	3,501,474	3,491,480	3,609,390	Aa2	AA	0.75	324
Berkshire Hathaway 1.9 1/31/2017	084670BD9	12/19/2014	2,896,000	2,941,178	2,934,912	2,947,838	Aa2	AA	1.04	581
Johnson & Johnson 5.55 8/15/2017	478160AQ7	4/8/2014	2,000,000	2,191,140	2,181,139	2,285,580	Aaa	AAA	1.19	777
Berkshire Hathaway 2.45 12/15/2015	084664BN0	12/10/2014	1,852,000	1,867,964	1,869,810	1,891,225	Aa2	AA	0.36	168
Johnson & Johnson 5.55 8/15/2017	478160AQ7	2/13/2014	1,000,000	1,095,570	1,096,490	1,158,830	Aaa	AAA	0.93	777
Berkshire Hathaway 1.6 5/15/2017	084664BS9	2/13/2014	1,000,000	1,010,740	1,010,982	1,019,030	Aa2	AA	1.00	685
Berkshire Hathaway 2.45 12/15/2015	084664BN0	1/12/2015	1,000,000	1,008,620	1,009,123	1,018,300	Aa2	AA	0.47	168
Johnson & Johnson 0.7 11/28/2016	478160BF0	4/9/2014	1,000,000	1,002,220	1,000,209	1,000,390	Aaa	AAA	0.69	517
<b>Sub Total / Average</b>			<b>19,198,000</b>	<b>19,690,756</b>	<b>19,652,138</b>	<b>20,125,784</b>			<b>0.83</b>	<b>460</b>
<b>Certificates of Time Deposit</b>										
Torrey Pines Bank 0.4 10/25/2015	CD1169E	10/25/2014	9,000,000	9,000,000	9,000,000	9,000,000	NR	NR	0.40	117
Torrey Pines Bank 0.3 6/14/2016	CD1198H	6/14/2015	1,000,000	1,000,000	1,000,000	1,000,000	NR	NR	0.30	350
Community Bank of the Bay 0.3 8/23/2015	CD1873E	8/23/2014	500,000	500,000	500,000	500,000	NR	NR	0.30	54
Everbank Jacksonville FLA 0.55 6/17/2016	29976DYC8	6/19/2015	165,000	165,003	165,000	165,000	NR	NR	0.55	353
Capital One Bank USA NA 1.05 6/19/2017	140420SE1	6/17/2015	165,000	164,696	165,000	165,000	NR	NR	1.05	720
Summit Bank 0.25 11/29/2015	CD8856E	11/29/2014	150,000	150,000	150,000	150,000	NR	NR	0.25	152
Summit Bank 0.25 12/8/2015	CD1507E	12/8/2014	100,000	100,000	100,000	100,000	NR	NR	0.25	161
Community Bank of the Bay 0.18 10/29/2015	CD0645E	10/29/2014	100,000	100,000	100,000	100,000	NR	NR	0.18	121
Metropolitan Bank 0.15 4/1/2016	CD0144C	4/11/2015	95,000	95,000	95,000	95,000	NR	NR	0.15	286
<b>Sub Total / Average</b>			<b>11,275,000</b>	<b>11,274,700</b>	<b>11,275,000</b>	<b>11,275,000</b>			<b>0.39</b>	<b>149</b>
<b>Municipal Bonds</b>										
Met Water Southern Ca 0.943 7/1/2015	59266THQ7	4/14/2015	3,845,000	3,845,000	3,845,082	3,851,421	Aa1	AAA	0.16	1
Univ of California 0.659 5/15/2016	91412GPX7	3/14/2013	2,000,000	2,001,220	2,000,000	2,000,000	Aa2	AA	0.66	320
Univ of California 0.966 5/15/2017	91412GPY5	3/14/2013	2,000,000	1,997,200	2,000,000	2,000,000	Aa2	AA	0.97	685

Description	CUSIP	Settlement Date	Face Amount Shares	Market Value	Book Value	Cost Value	Moody's	S&P	YTM @ Cost	Days To Maturity
Newark Unified School District 0.99 8/1/2015	650264SY1	12/20/2012	1,000,000	1,000,220	1,000,000	1,000,000	NR	AA-	0.99	32
St Helena USD 0.442 8/1/2015	789636GY7	4/11/2013	805,000	805,129	805,000	805,000	NR	AAA	0.44	32
University of California 0.934 5/15/2017	91412GWT8	3/25/2015	500,000	499,575	500,000	500,000	Aa2	AA	0.93	685
Univ of California 0.634 5/15/2016	91412GUT0	4/10/2014	450,000	450,275	450,000	450,000	Aa2	AA	0.63	320
University of California 0.54 5/15/2016	91412GWS0	3/25/2015	280,000	280,070	280,000	280,000	Aa2	AA	0.54	320
Mountain View Los Altos HSD 1.02 8/1/2016	624454KX1	3/20/2015	265,000	264,899	265,913	265,147	Aa1	AA+	0.70	398
<b>Sub Total / Average</b>			<b>11,145,000</b>	<b>11,143,588</b>	<b>11,145,996</b>	<b>11,152,569</b>			<b>0.57</b>	<b>247</b>
<b>Commercial Paper Discounted</b>										
Kaiser Foundation Hospitals 0 7/6/2015	48306BU60	1/12/2015	5,000,000	4,999,900	4,999,783	4,993,681	NR	A1	0.26	6
<b>Sub Total / Average</b>			<b>5,000,000</b>	<b>4,999,900</b>	<b>4,999,783</b>	<b>4,993,681</b>			<b>0.26</b>	<b>6</b>
<b>Total/Average</b>			<b>310,484,749</b>	<b>310,980,939</b>	<b>310,942,995</b>	<b>311,413,582</b>			<b>0.35</b>	<b>191</b>



**EAST BAY MUNICIPAL UTILITY DISTRICT**  
**Quarterly Investment Transactions**  
**Three Months Ending**  
**June 30, 2015**

**ATTACHMENT B**

Asset Class	Description	CUSIP	Action	Settlement Date	YTM @ Cost	Face Amount/Shs	Principal	Maturity Date	Accrued Interest
<b>Water System</b>									
Federal Agency Issues Coupon	FHLB 1.25 12/18/2017-15	3130A0F54	Buy	4/8/2015	1.06	1,000,000	1,005,000	12/18/2017	3,819
Municipal Bonds	Met Water Southern Ca 0.943 7/1/2015	59286THQ7	Buy	4/14/2015	0.16	3,845,000	3,851,421	7/1/2015	10,374
Commercial Paper Discounted	Stanford University 0 5/13/2015	5255M5SD2	Buy	4/27/2015	0.08	16,200,000	16,199,424	5/13/2015	0
Federal Agency Issues Coupon	FHLB 0.75 4/30/2018-15	3130A4YM8	Buy	5/1/2015	0.75	165,000	165,000	4/30/2018	3
Federal Agency Issues Coupon	FHLMC 0.9 6/28/2017-15	3134G66Y4	Buy	6/30/2015	0.90	5,000,000	5,000,000	6/28/2017	0
<b>Wastewater System</b>									
NONE									

**Bay Area Clean Water Agencies (BACWA)**

Federal Agency Issues Coupon	FHLB 1.12 5/4/2018-15	3130A56B0	Buy	5/4/2015	1.12	165,000	165,000	5/4/2018	0
Certificates of Time Deposit	Capital One Bank USA NA 1.05 6/19/2017	140420SE1	Buy	6/17/2015	1.05	165,000	165,000	6/19/2017	0
Certificates of Time Deposit	Everbank Jacksonville FLA 0.55 6/17/2016	29976DYC8	Buy	6/19/2015	0.55	165,000	165,000	6/17/2016	0


  
 Sophia D. Skoda
   
 Acting Finance Director
   
 Date 7/14/15



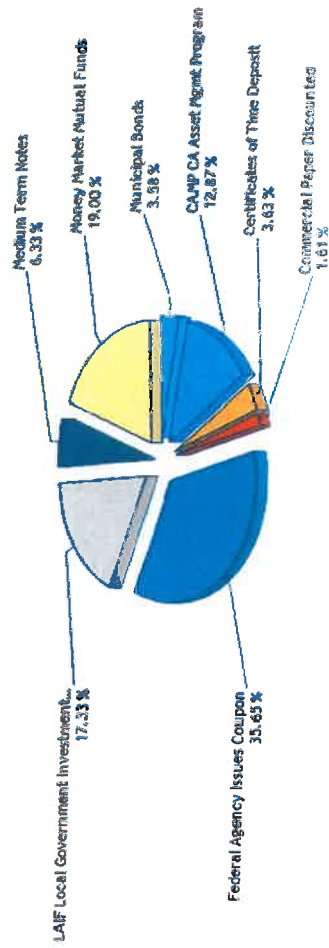




**EAST BAY MUNICIPAL UTILITY DISTRICT**  
**Investment Portfolio**  
**Yield and Composition - by Asset Class**  
**June 30, 2015**

ATTACHMENT C-1

**Portfolio Holdings Distribution by Asset Class**



**CREDIT ALLOCATIONS**

Rating Agency: Standard & Poors

US Agencies (Aaa/AA+)	36%
AAA	35%
AA	8%
A	0%
Not Rated	21%
<b>Total</b>	<b>100%</b>

US Agencies  
 AAA

Includes US Agencies and US Treasury Notes  
 Includes Corporate & Municipal Securities,  
 AAA Rated Money Market Funds, and CAMF

AA

Includes Corporate & Municipal Securities, FSA GIC and CP

A

Includes Corporate, Municipal Securities & Money Market Fund  
 Includes Investments in LAIF & Bank Certificate of Deposits

NR

**Portfolio Holdings Distribution by Maturity Range**

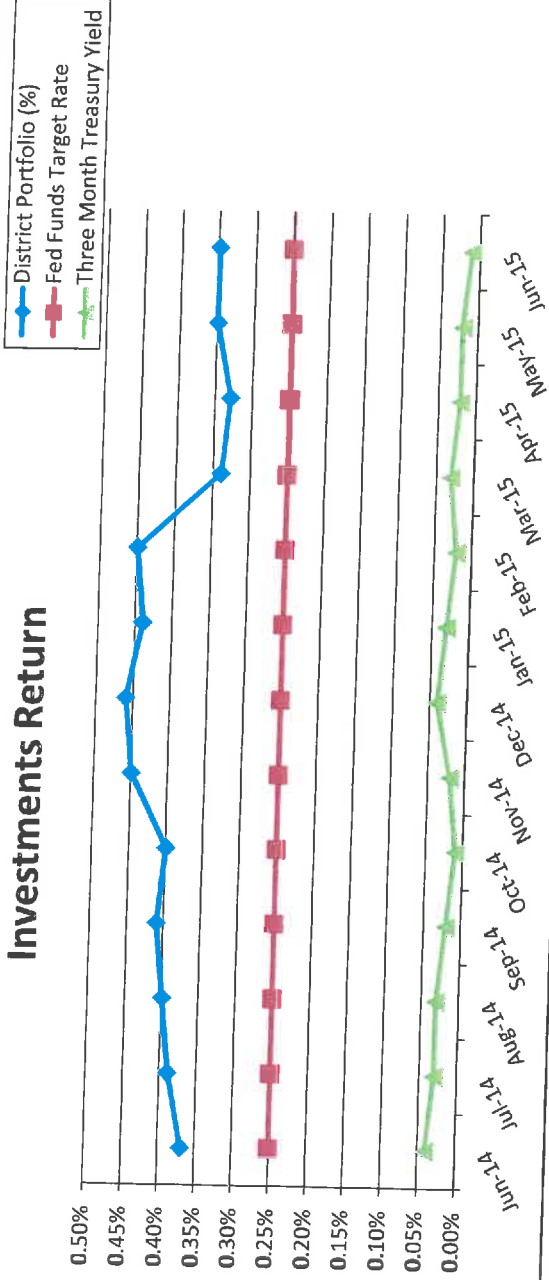




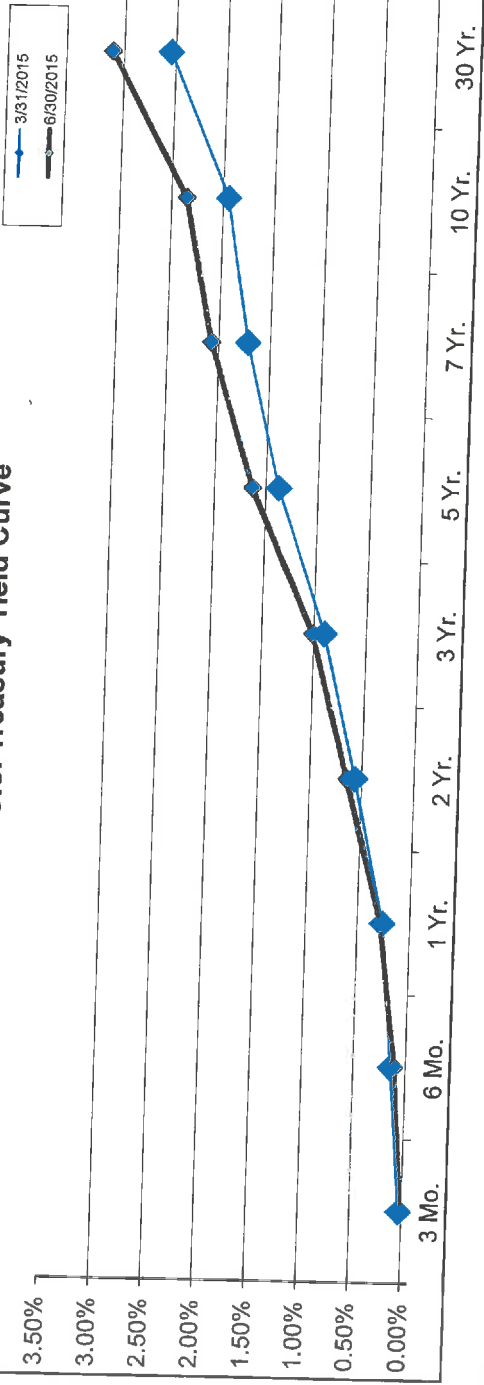
EAST BAY MUNICIPAL UTILITY DISTRICT  
Investment Portfolio  
Yield and Composition of Investment Portfolio  
June 30, 2015

ATTACHMENT C-2

### Investments Return



### U.S. Treasury Yield Curve





**EAST BAY MUNICIPAL UTILITY DISTRICT**  
Investment Portfolio  
Yield and Composition of Investment Portfolio  
June 30, 2015

ATTACHMENT C-3

**Projected Cash Flow (in \$Millions)**

**Water System**

Month End	Matured Investments	Projected			Matured reinvested
		Receipts	Disbursements	Cash & Investments	
Jun-15					
Jul-15	9.0	48.5	52.8	464.8	9.0
Aug-15	2.0	51.6	42.7	460.5	2.0
Sep-15	0.0	54.3	42.7	469.5	0.0
Oct-15	9.0	52.2	42.7	481.1	9.0
Nov-15	10.0	48.9	42.7	490.7	10.0
Dec-15	48.0	51.8	109.8	496.9	48.0
				439.0	

**Wastewater System**

Month End	Matured Investments	Projected			Matured reinvested
		Receipts	Disbursements	Cash & Investments	
Jun-15					
Jul-15	10.0	7.2	8.7	90.6	10.0
Aug-15	1.0	7.2	8.7	89.2	1.0
Sep-15		7.2	8.7	87.7	
Oct-15		7.2	8.7	86.3	
Nov-15		8.5	8.7	84.8	
Dec-15		22.4	8.7	84.7	
			18.7	88.4	

