

CITRUS HEIGHTS WATER DISTRICT FINANCING CORPORATION  
BOARD OF DIRECTORS MEETING  
July 18, 2018

The Annual Meeting of the Board of Directors of the Citrus Heights Water District Financing Corporation was called to order at 7:46 PM by President Dains. Present were:

Raymond A. Riehle, President  
Caryl F. Sheehan, Vice President  
Allen B. Dains, Director  
Hilary M. Straus, Secretary  
Susan K. Sohal, Chief Financial Officer  
David M. Gordon, Operations Manager  
Missy Pieri, Engineering Manager  
Chris Castruita, Management Services Supervisor/Chief Board Clerk

VISITORS

None.

Confirmation / Appointment of CHWD Financing Corporation Officers

The Board confirmed and appointed the following Citrus Heights Water District Financing Corporation Officers upon a motion by President Riehle and a second by Director Dains and carried 3-0 with all Directors voting yes.

President	Raymond A. Riehle	Appoint as President
Vice President	Caryl F. Sheehan	Appoint as Vice President
Director	Allen B. Dains	Appoint as Director
Chief Financial Officer	Susan K. Sohal	Reconfirm as CFO
Secretary	Hilary M. Straus	Reconfirm as Secretary

Status of the CHWD Revenue Refunding Certificates of Participation, Series 2010

1. Chief Financial Officer Sohal reported that the Citrus Heights Water District Financing Corporation (the Corporation) was formed in July 2000 for the purpose of issuing the \$7.9 million in Certificates of Participation (COPs) for the financing of water meter installations and well improvements. Section 3.5 of the Bylaws for the Corporation requires that an annual meeting be held each year. In June 2010, the Corporation authorized the refunding of the Series 2000 COPs with the issuance of the Revenue Refunding COPs, Series 2010, in the amount of \$5,155,000. The purpose of this meeting is to review information or developments related to the COP financing and to fulfill a legal requirement for California non-profit corporations.

Included with Directors' agenda packets is a copy of the Continuing Disclosure

Annual Report for the Revenue and Revenue Refunding COPs (Attachment 1). This report is a requirement of the District's COP issuance and is generally required for all publicly-traded securities. It is filed with nationally-recognized Municipal Securities Information Repositories where these reports are made available to the public. The Annual Report shows the status of the principal on the COPs and other financial and operating information about the District as of December 31, 2017. The balance outstanding on the COPs at that time was \$1,575,000.

The District made two installment payments in 2017 on the Series 2010 COPs for a total of \$567,400; \$485,000.00 as repayment of principal on the COPs; and \$82,400.00 in interest on the debt. The District has five years of payments remaining on this 10-year debt refunding as of December 31, 2017 (Attachment 2) with an outstanding balance of \$1.575 million.

The District's AA bond rating on its debt was most recently reaffirmed in September 2015 during a review done by S&P every three years. The rating is a continued affirmation of the District's strong financial policies and financial stability.

2. The debt under the San Juan Water District (SJWD)/CHWD COPs, originally issued in 2003, was not issued under the authority of the CHWD Financing Corporation, since it was done under the authority of the San Juan Suburban Water District Financing Corporation. However, staff has typically reported on the status of the SJWD/CHWD debt issuance at the time of the CHWD Financing Corporation Annual Meeting.

CHWD participated with SJWD in a refunding of the 2003 Series debt that was completed in May 2012. The new debt issuance is identified as the SJWD/CHWD Refunding Revenue Bonds, Series 2012A. This refunding resulted in a savings to SJWD and CHWD over the remaining life of their respective debt. The principal amount outstanding on the Series 2012A bonds as of December 31, 2017 was \$1,870,000. CHWD's annual principal and interest payments on the Series 2012A debt ranges from \$167,287.00 to \$175,937.00 annually over the remaining life of the debt through its retirement in 2033 with an outstanding balance of \$1.87 million.

Payments on the SJWD/CHWD debt issuance are paid quarterly by CHWD to SJWD coincidental with CHWD's payments to SJWD for wholesale surface water supplies.


Directors and staff discussed the District's debt issuances.

#### ADJOURNMENT

There being no other business to come before the Board, the meeting was adjourned at

7:51 PM by President Riehle.

APPROVED:



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HILARY M. STRAUS  
Secretary  
Citrus Heights Water District  
Financing Corporation



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CARYL F. SHEEHAN, President  
Board of Directors  
Citrus Heights Water District  
Financing Corporation