

**CALL AND NOTICE OF SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF
CALLEGUAS -- LAS VIRGENES PUBLIC FINANCING AUTHORITY**

MAY 4, 2011

A Special Meeting of the Board of Directors of Calleguas - Las Virgenes Public Financing Authority is hereby called and notice of said Special Meeting is hereby given for 4:00 p.m. on Wednesday, May 4, 2011 at Las Virgenes Municipal Water District, 4232 Las Virgenes Road, California 91302, to consider the following:

**CALLEGUAS-LAS VIRGENES PUBLIC FINANCING AUTHORITY
BOARD OF DIRECTORS MEETING AGENDA**

A. CALL TO ORDER AND ROLL CALL (4:00 p.m.)

B. ORAL COMMUNICATION

MEMBERS OF THE PUBLIC MAY ADDRESS THE BOARD ON ITEMS THAT DO NOT APPEAR ON THE AGENDA, AND ON ITEMS WITHIN THE JURISDICTION OF THE BOARD. NO ACTION SHALL BE TAKEN ON ANY ITEM NOT APPEARING ON THE AGENDA UNLESS AUTHORIZED BY SUBDIVISION (B) OF GOVERNMENT CODE SECTION 54954.2. THE PRESIDENT OF THE BOARD MAY LIMIT THE TIME AVAILABLE FOR EACH SUBJECT AND EACH SPEAKER.

C. REGULAR BUSINESS

1. Election of Officers and Legal Counsel

2. Report on Status of Funds

3. MINUTES:

1. November 24, 2009

2. January 20, 2010

3. February 3, 2010

D. OTHER BUSINESS

E. ADJOURNMENT

PURSUANT TO SECTION 202 OF THE AMERICANS WITH DISABILITIES ACT OF 1990 (42 U.S.C. SEC. 12132), AND APPLICABLE FEDERAL RULES AND REGULATIONS REQUESTS FOR DISABILITY-RELATED MODIFICATION OR ACCOMMODATION, INCLUDING AUXILIARY AIDS OR SERVICES, IN ORDER TO ATTEND OR PARTICIPATE IN A MEETING, SHOULD BE MADE TO THE SECRETARY OF THE BOARD IN ADVANCE OF THE MEETING TO ENSURE THE AVAILABILITY OF THE REQUESTED SERVICE OR ACCOMMODATION. NOTICES, AGENDAS AND PUBLIC DOCUMENTS RELATED TO THE BOARD MEETINGS CAN BE MADE AVAILABLE IN APPROPRIATE ALTERNATIVE FORMAT UPON REQUEST.

By Order of the Board of Directors



Lee Renger, Secretary

c: Each Director



May 4, 2011 Joint Financing Authority Meeting

TO: Board of Directors
FROM: Finance and Administration

Subject **STATUS REPORT FOR CALLEGUAS-LAS VIRGENES JOINT
FINANCIAL AUTHORITY MEETING**

On December 1, 2009, the Calleguas-Las Virgenes Public Financing Authority issued sanitation refunding revenue bonds (2009 bonds) totaling \$29,415,000. The purpose of the 2009 bonds was to advance refund the then outstanding 1998 Installment Purchase Refunding Revenue Bonds.

The 2009 bonds mature through November 1, 2023 (the same date as the refunded bonds) and bear interest at rates ranging from 1.00% to 5.00%, beginning May 1, 2010. The 2009 bonds are subject to optional early redemption provisions.

Las Virgenes Municipal Water District (LVMWD) completed the refunding to reduce its debt service over the next 14 years by approximately \$7.6 million and to obtain an economic gain (i.e. the difference between the present values of the old and new debt service payments) of approximately \$4.796 million.

The interest payment for May, 2010 was paid timely and the outstanding principal as of June 30, 2010 was \$29,415,000. The interest and principal payment was made in November 2010 and the May 1 payment has already been received by the trustee.

All of the bond covenants have been met and all necessary reports have been filed. As of June 30, 2010, the ratio of net operating income to debt service expense was 2.27, that is, net operating income was 227% of debt service expense. The attached page from the Comprehensive Annual Financial Statement for June 30, 2010, shows the bond coverage over the past ten years. Please note that the former bond issue included revenue from potable water, recycled water and sanitation funds. The new issue is based upon sanitation revenue only.

At this time, staff does not anticipate any new bond financing in 2011 or 2012.

Director of Finance and Administration Sandra Hicks prepared this report.

Attachment: LVMWD Bond Coverage from Comprehensive Annual Financial Statement for June 30, 2010

Schedule 10
Las Virgenes Municipal Water District
Pledged-Revenue Coverage
Last Ten Fiscal Years
(dollars in thousands except coverage)

Fiscal Year	Refunding Revenue Bonds						Coverage
	Gross Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service			
				Principal	Interest		
2001	\$ 39,874	\$ 25,663	\$ 14,211	\$ 1,285	\$ 2,538	3.72	
2002	44,436	27,541	16,895	1,335	2,487	4.42	
2003	37,191	27,923	9,268	1,390	2,434	2.42	
2004	42,256	29,959	12,297	1,445	2,377	3.22	
2005	43,498	30,074	13,424	1,505	2,317	3.51	
2006	45,328	32,768	12,560	1,570	2,253	3.29	
2007	48,718	36,435	12,283	1,640	2,185	3.21	
2008	53,052	37,014	16,038	1,710	2,113	4.20	
2009	49,230	38,079	11,151	1,785	2,036	2.92	
2010	17,247	10,984	6,263	2,025	731	2.27	

Note:

1. Gross revenues include operating, non-operating, and capacity fee revenues.
2. Operating expenses exclude depreciation and amortization.
3. On December 1, 2009, the District issued 2009 Sanitation Refunding Revenue Bonds to advance refund 1998 Bonds.
For fiscal year 2010, gross revenue and operating expenses are for sanitation operations only, and the debt service expense shown is maximum debt service for the Bond.

TED GRANDSEN
DIVISION 1

GAIL L. PRINGLE, TREASURER
DIVISION 4

SCOTT H. QUADY, DIRECTOR
DIVISION 2



WILLIAM R. SEAVER, VICE PRESIDENT
DIVISION 5

DONALD G. HAUSER, SECRETARY
DIVISION 3

SUSAN B. MULLIGAN
GENERAL MANAGER

web site: www.calleguas.com

2100 OLSEN ROAD • THOUSAND OAKS, CALIFORNIA 91360-6800 805/526-9323 • FAX: 805/522-5730 • FAX: 805/526-3675

To: Calleguas-Las Virgenes Public Financing Authority
From: Susan Taylor, Interim Finance Manager, Calleguas Municipal Water District
Subject: Annual Status Report on Bond Financing
Date: May 4th, 2011

2003 Series A Revenue Bonds

In March 2003, the Calleguas-Las Virgenes Public Financing Authority (Authority) issued Series A Revenue Bonds, in the principal amount of \$46,280,000 to fund Capital Improvements, with the final payment due on July 1, 2033. In 2006, Series A Refunding Revenue Bonds were issued to advance refund \$36,950,000 of the bonds. (see 2006 Series A)

2003 Series B Refunding Revenue Bonds

In March 2003, the Authority issued Series B Refunding Revenue Bonds, in the principal amount of \$52,760,000 to refund the 1993 Revenue Bonds. A Reserve Fund of \$4,452,887 was required and as of March 31st, 2011 the fund had a balance of \$4,559,567. The final payment is due on July 1, 2021.

2006 Series A Refunding Revenue Bonds

In October 2006, the Authority issued Series A Refunding Revenue Bonds in the principal amount of \$36,250,000, with the final payment due on July 1, 2032. The Bonds were used to purchase U.S. government securities to pay accrued interest and advance refund \$36,950,000 of the 2003 Series A Revenue Bonds. The securities were deposited in an irrevocable trust with Bank of New York to provide for debt service and refunding of the 2003 Series A Revenue Bonds on July 1, 2013. The advance refunding decreased the total debt service payments by approximately \$8.9 million over twenty six years, resulting in an approximate gain of \$4.3 million.

2007 Series A Revenue Bonds

In August 2007, the Authority issued Series A Revenue Bonds in the principal amount of \$58,265,000 to fund capital improvements, with the final payment due on July 1, 2027. The reserve requirement is covered under a surety bond policy in the amount of \$3,656,668.76.

2008 Series A Refunding Revenue Bonds

In April 2008, the Authority issued Series A Variable Rate Refunding Revenue Bonds in the principal amount of \$40,300,000 to refund the 2007 B Auction Rate Revenue Bonds, with the final payment due July 1, 2037. The Bonds are backed by a letter of credit from Wells Fargo in the amount \$40,909,469 originally expiring in April 2011. The letter of credit has been renewed with Wells Fargo and will expire in April 2014. The refunding of the 2007 B Bonds has resulted in an interest savings of approximately \$5.1 million as of March 31, 2011.

2010 Series A Tax- Exempt Revenue Bonds

In February 2010, the Authority issued Series A Revenue Bonds, in the principal amount of \$21,355,000 to fund capital improvements, with the final payment due on July 1, 2020. There is not a debt service reserve account requirement.

2010 Series B Build America Bonds

In February 2010, the Authority issued Series B Revenue Bonds, in the principal amount of \$77,400,000 to fund Capital Improvements, with the final payment due July 1, 2040. The District receives a cash subsidy from the U.S. Treasury equal to 35% of the interest paid bi-annually. There is not a debt service reserve account requirement.

General Information

All bond covenants have been met, including principal and interest payments made on schedule. As of June 30, 2010^[1], the ratio of net operating income to debt service expense was 1.8^[2] compared to 2.8 on June 30, 2009. The District does not anticipate issuing new bonds in the next year.

Principal balances as of year ending June 30, 2010^[1] are as follows:

2003 Series A	\$ 4,060,000
2003 Series B	\$39,355,000
2006 Series A	\$35,920,000
2007 Series A	\$56,315,000
2008 Series A	\$40,300,000
2010 Series A	\$21,355,000
<u>2010 Series B</u>	<u>\$77,400,000</u>
Total Principal:	\$274,705,000

[1] Source: Calleguas Municipal Water District Audited Financial Statements June 30, 2011.

[2] Calculation: (Total Revenues – Operating Expenses (excluding Depreciation))/Principal & Interest

MINUTES

ANNUAL MEETING OF THE
BOARD OF DIRECTORS

CALLEGUAS - LAS VIRGENES PUBLIC FINANCING AUTHORITY
Joint Meeting

November 24, 2009

A meeting of the Board of Directors of the Calleguas - Las Virgenes Public Financing Authority was held at Las Virgenes Municipal Water District, 4232 Las Virgenes Road, Calabasas, California 91302 at 5:00 p.m. on Tuesday, November 24th, 2009.

CALL TO ORDER

The meeting was called to order by Director Charles Caspary at 5:18 p.m.
The following members were present:

Members Present:

Charlie Caspary;
Ted Grandsen;
Glen Peterson;
William R. Seaver;
Donald G. Hauser;
Lee Renger;
Scott H. Quady;
Joseph Bowman

Members Absent:

Gail L. Pringle;
Jeff Smith

Legal Counsel Present:

Wayne Lemieux;
Timothy J. Reimers, Quateman LLP, Bond
Counsel to the Authority and Las Virgenes
Municipal Water District

Staff Present:

Donald R. Kendall;
Sandra Schmidt;
David Lippman;
Carlos Reyes;
Kimmey Conklin

MINUTES

Director Seaver moved, seconded by Director Caspary, that the minutes of the Calleguas-Las Virgenes Public Financing Authority for June 17th, 2009, be approved.
Motion carried.

PUBLIC FORUM

NONE

OLD BUSINESS

NONE

NEW BUSINESS

- After discussion of Calleguas-Las Virgenes Public Financing Authority Resolution No. 9, Director Peterson moved, seconded by Secretary Renger, that Calleguas-Las Virgenes Public Financing Authority Resolution No. 9, be approved and the findings therein be made as presented. Motion carried.

- Director Bowman moved, seconded by Secretary Renger, to appoint Wayne K. Lemieux as counsel for the Authority. Legal Counsel Lemieux stated he would be preparing the opinions required of Counsel to the Authority on behalf of the Authority.

COUNSEL'S REPORT

NONE

OTHER BUSINESS

NONE

FUTURE AGENDA ITEMS

Sandra Schmidt, Director of Finance and Administration of Las Virgenes Municipal Water District notified the Board of Directors that final transcripts of the bond proceedings would be available on CD at the Authority's annual meeting in 2010.

ADJOURNMENT

Vice President Häuser declared the meeting adjourned at 5:20 p.m.

Respectfully submitted,

Secretary

BOARD OF DIRECTORS
CALLEGUAS - LAS VIRGENES MUNICIPAL WATER DISTRICT
PUBLIC FINANCING AUTHORITY

MINUTES

January 20th, 2010

The Special Meeting of the Board of Directors of Calleguas - Las Virgenes Public Financing Authority was held at Calleguas Municipal Water District, 2100 Olsen Road, Thousand Oaks, California 91360 at 4:30 p.m. on Wednesday, January 20th, 2010.

CALL TO ORDER

The meeting was called to order by Director Smith, President of the Authority, at 4:30 p.m. Director Smith led the Pledge of Allegiance.

ROLL CALL

The Secretary to the Authority called roll and the following members were present:

Members Present:

Jeff Smith;
Ted Grandson;
William R. Seaver;
Donald G. Hauser;
Lee Renger;
Scott H. Quady;
Joseph Bowman;
Charlie Caspary

Members Absent:

Gail L. Pringle;
Glen Peterson

Legal Counsel Present:

Douglas E. Kulper;
Wayne Lemieux

Staff Present:

Donald R. Kendall;
John Mundy;
Sandra Schmidt;
Kimmey Conklin;
Alida Inouye

President Smith declared a quorum present.

PUBLIC FORUM/ORAL COMMUNICATION

NONE

NEW BUSINESS

1. Calleguas' Legal Counsel informed the Board that he and Las Virgenes' Legal Counsel had reviewed the governing documents of the Authority concerning the appointment of Legal Counsel for the Authority. As the governing documents did not specify terms of service, they agreed that it would be more efficient and practical to appoint Legal Counsel based on which entity expected to next issue bonds. Las Virgenes had recently completed a bond transaction and Calleguas expected to issue bonds the following month. Therefore, Legal Counsel for both Calleguas and Las Virgenes suggested appointing Calleguas Legal Counsel as current Legal Counsel for the Authority. The Board discussed the recommendation and Director Seaver moved, seconded by Director Caspary, that the Board approve Calleguas' Legal Counsel as Legal Counsel for the Authority.

President Smith said a roll call vote would take place. The Secretary to the Authority called roll:

Director Grandsen	Aye
Director Seaver	Aye
Director Hauser	Aye
Director Quady	Aye
Director Pringle	Aye
Director Peterson	Aye
Director Renger	Aye
Director Smith	Aye
Director Bowman	Aye
Director Caspary	Aye

Nays	None
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Directors Absent:	Director Pringle Director Peterson
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Motion carried.

2. Discussion regarding proposed Resolution No. 10:

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
CALLEGUAS-LAS VIRGENES PUBLIC FINANCING
AUTHORITY ESTABLISHING TIME AND PLACE OF
REGULAR BOARD MEETINGS**

Director Smith presented proposed Resolution No. 10. Legal Counsel for the Authority informed the Board that Calleguas' Bond Counsel had drafted Resolution No. 10 according to new procedural requirements imposed by law on Joint Powers

Authorities related to the issuance of bonds. Legal Counsel and the Board discussed the practical implications of Resolution No. 10.

Director Seaver moved, seconded by Director Hauser, that proposed Resolution No. 10, be adopted. President Smith said a roll call vote would take place. The Secretary to the Authority called roll:

Director Grandsen	Aye
Director Seaver	Aye
Director Hauser	Aye
Director Quady	Aye
Director Renger	Aye
Director Smith	Aye
Director Bowman	Aye
Director Caspary	Aye

Nays	None
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Directors Absent:	Director Pringle Director Peterson
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Motion carried.

ADJOURNMENT

President Smith declared the meeting adjourned at 4:52 p.m.

Respectfully submitted,

Secretary

BOARD OF DIRECTORS
CALLEGUAS - LAS VIRGENES MUNICIPAL WATER DISTRICT
PUBLIC FINANCING AUTHORITY

MINUTES

February 3rd, 2010

The meeting of the Board of Directors of Calleguas - Las Virgenes Public Financing Authority was held at Calleguas Municipal Water District, 2100 Olsen Road, Thousand Oaks, California 91360 at 4:30 p.m. on Wednesday, February 3rd, 2010.

CALL TO ORDER

The meeting was called to order by Director Smith, President of the Authority, at 4:30 p.m. The following members were present:

Members Present:

Jeff Smith;
Ted Grandsen;
William R. Seaver;
Donald G. Hauser;
Lee Renger;
Scott H. Quady;
Gail L. Pringle;
Joseph Bowman;
Charlie Caspary

Members Absent:

Glen Peterson

Legal Counsel Present:

Douglas E. Kulper;
Wayne Lemieux

Staff Present:

Donald R. Kendall;
John Mundy;
Sandra Schmidt;
Kimmey Conklin;
Alida Inouye

Guests:

Jim Bemis, Montague De Rose and
Associates;
Jeff Stava; Nossaman LLP;
Michael Engelbrecht, Wells Fargo
Institutional Securities, LLC

President Smith declared a quorum present. The Pledge of Allegiance took place.

OTHER BUSINESS

1. Legal Counsel discussed an amendment to Resolution No. 10, Establishing Time and Place of regular Board meetings and Section 3, Cancellation of Regular Meetings. The amendment is attached as part of these minutes.

ADJOURNMENT

President Smith declared the meeting adjourned at 5:26 p.m.

Respectfully submitted,

Secretary