

TO: FINANCE AND AUDIT COMMITTEE

REVIEWED: RAY DIENZO ^{R.D.}
GENERAL MANAGER

FROM: JANA ETTEDDGUE
FINANCE DIRECTOR

DATE: NOVEMBER 15, 2023

AGENDA ITEM
2
NOVEMBER 20, 2023

**PRESENTATION ON CALIFORNIA ASSET MANAGEMENT PROGRAM
("CAMP") INVESTMENTS**

ITEM

Presentation on California Asset Management Program ("CAMP") Investments [RECOMMEND
RECEIVE AND FILE]

BACKGROUND

Kyle Tanaka, CAMP Investments Assistant Program Administrator, will provide an overview of
the investment program that CAMP Investments offers.

RECOMMENDATION

Staff recommends that the Committee receive and file the presentation.

ATTACHMENTS

- A. Fact Sheet for CAMP (California Asset Management Program) Investments

NOVEMBER 20, 2023

ITEM 2

ATTACHMENT A

Fact Sheet

CAMP is a California Joint Powers Authority established in 1989 to provide California public agencies with professional investment services.

INVESTMENT OBJECTIVE

To earn a high rate of return while preserving principal and providing liquidity. The Pool seeks to maintain a stable NAV of \$1.00 per share and the TERM Portfolio seeks to achieve a NAV of \$1.00 per share at the stated maturity.

CASH RESERVE PORTFOLIO (POOL)

A short-term cash reserve portfolio and cash management vehicle permitted as an investment for all local agencies under California Government Code Section 53601(p).

TERM PORTFOLIO

A fixed rate, fixed term portfolio rated AA Af by Fitch Ratings⁵ and permitted as an investment for all local agencies under California Government Code Section 53601(p).

POOL FACTS

As of September 30, 2023

7-Day Net Yield ¹	5.55%
Monthly Distribution Yield ²	5.55%
Weighted Average Maturity ³	41 Days
Pool Rating ⁴	AAAm by Standard and Poor's

SERVICE PROVIDERS

Investment Adviser, Administrator and Transfer Agent:
PFM Asset Management LLC

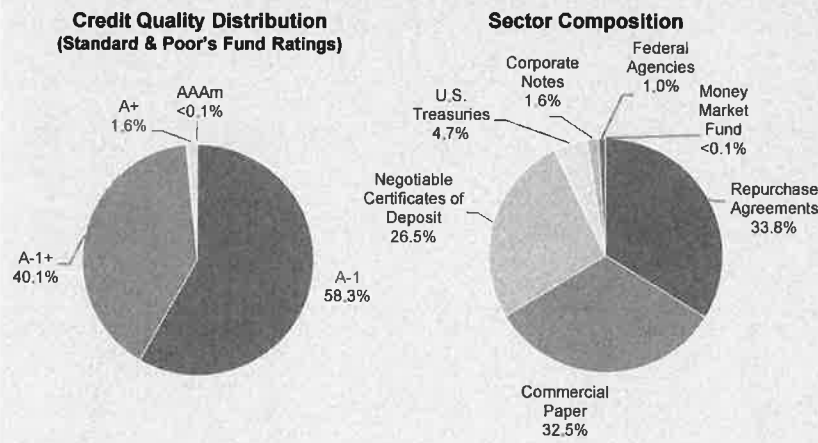
Distributor: PFM Fund Distributors, Inc

Depository and Custodian: U.S. Bank, N.A.

Independent Auditor: Ernst & Young LLC

Counsel: Nossaman LLP

Pool Diversification as of September 30, 2023



Pool Performance (30-Day Net Yield⁶ %)



¹ 7-day net yield, also known as the current annualized yield, represents the net change, exclusive of capital changes and income other than investment income, in the value of a hypothetical account with a balance of one share (normally \$1.00 per share) over a seven-day base period expressed as a percentage of the value of one share at the beginning of the seven-day period. This resulting net change in account value is then annualized by multiplying it by 365 and dividing the result by 7.

² The monthly distribution yield represents the net change in the value of a hypothetical account with a value of one share (normally \$1.00 per share) resulting from all dividends declared during a month by the Pool expressed as a percentage of the value of one share at the beginning of the month. This resulting net change is then annualized by multiplying it by 365 and dividing it by the number of calendar days in the month.

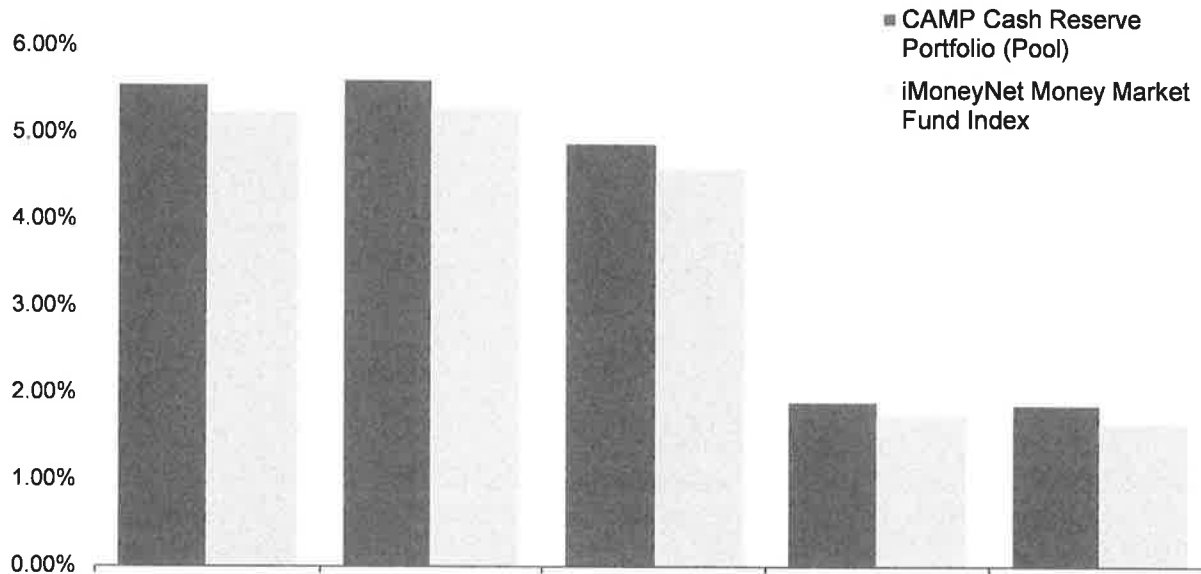
³ Weighted Average Maturity: Calculated by the final maturity for a security held in the portfolio and the interest rate reset date. This is a way to measure a fund's sensitivity to potential interest rate changes.

⁴ Standard & Poor's fund ratings are based on analysis of credit quality, market price exposure, and management. According to Standard & Poor's rating criteria, the AA Am rating signifies excellent safety of investment principal and a superior capacity to maintain a \$1.00 per share net asset value. However, it should be understood that the rating is not a "market" rating nor a recommendation to buy, hold or sell the securities. For a full description on rating methodology, visit Standard & Poor's website (http://www.standardandpoors.com/ratings/en_US/web/guest/home).

⁵ The AA Af rating reflects Fitch Ratings' ("Fitch") review of the Term program's investment and credit guidelines, the portfolio's credit quality and diversification, as well as the capabilities of PFM Asset Management LLC as investment adviser. It indicates the highest underlying credit quality (or lowest vulnerability to default). However, it should be understood that this rating is not a "market" rating nor a recommendation to buy, hold or sell the securities. For a full description on rating methodology visit www.fitchratings.com.

⁶ As of the last day of the month. The 30-day yield represents the net change, exclusive of capital changes and income other than investment income, in the value of a hypothetical account with a balance of one share (normally \$1.00 per share) over a thirty-day base period expressed as a percentage of the value of one share at the beginning of the thirty-day period. This resulting net change in account value is then annualized by multiplying it by 365 and dividing the result by 30.

Average Annual Return as of September 30, 2023



	Month	3-Month	1-Year	3-Year	5-Year
CAMP Cash Reserve Portfolio (Pool)	5.56%	5.61%	4.88%	1.90%	1.87%
iMoney Market Fund Index	5.25%	5.30%	4.59%	1.74%	1.66%

Must be preceded or accompanied by a Program Guide. For a current Program Guide, which contains more complete information, please visit <http://www.camponline.com/> or call 800-729-7665. Before investing, consider the investment objectives, risks, charges and expenses of the pool carefully. This and other information can be found in the Program Guide. Read the Program Guide carefully before you invest or send money.

¹Source: iMoneyNet First Tier Institutional Money Market Fund Average. This index is comprised of funds rated in the top grade that invest in high-quality financial instruments with dollar-weighted average maturities of less than 60 days. It is not possible to invest directly in such an index.

Past performance is no guarantee of future results. Yields will fluctuate as market conditions change. The current fund performance may be higher or lower than that cited. The yields shown may reflect fee waivers by service providers that subsidize and reduce the total operating expenses of the Pool. Pool yields would be lower if there were no such waivers. Important disclosure information is provided on the following page.

CAMP[®] is a registered trademark and the CAMP logos and designs are trademarks owned by the California Asset Management Trust (Trust).

This information is for institutional investor use only, not for further distribution to retail investors, and does not represent an offer to sell or a solicitation of an offer to buy or sell any fund or other security. Investors should consider the Trust's investment objectives, risks, charges and expenses before investing in the Trust. This and other information about the Trust is available in the Trust's current Information Statement, which should be read carefully before investing. A copy of the Trust's Information Statement may be obtained by calling 1-800-729-7665 or is available on the Trust's website at www.camponline.com. While the Cash Reserve Portfolio seeks to maintain a stable net asset value of \$1.00 per share and the CAMP Term Portfolio seeks to achieve a net asset value of \$1.00 per share at the stated maturity, it is possible to lose money investing in the Trust. An investment in the Trust is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Shares of the Trust are distributed by PFM Fund Distributors, Inc., member Financial Industry Regulatory Authority (FINRA) (www.finra.org) and Securities Investor Protection Corporation (SIPC) (www.sipc.org). PFM Fund Distributors, Inc. is an affiliate of PFM Asset Management LLC.

TO: FINANCE AND AUDIT COMMITTEE

REVIEWED: RAY DIENZO R.D.
GENERAL MANAGER

FROM: JANA ETTEDDGUE
FINANCE DIRECTOR

DATE: NOVEMBER 15, 2023

AGENDA ITEM
3
NOVEMBER 20, 2023

PRESENTATION ON CaITRUST

ITEM

Presentation on CaITRUST [RECOMMEND RECEIVE AND FILE]

BACKGROUND

Todd Winslow, CaITRUST Outreach and Relationship Manager, will provide an overview of the investment program that CaITRUST offers.

RECOMMENDATION

Staff recommends that the Committee receive and file the presentation.

ATTACHMENTS

- A. CaITRUST Investment Solutions Flyer

NOVEMBER 20, 2023

ITEM 3

ATTACHMENT A

Created by public agencies for public agencies.



INVESTMENT SOLUTIONS

SAFETY • LIQUIDITY • YIELD

Your Public Agency Investment Solution

CalTRUST™ is a California public agency, created by and for California public agencies, to provide efficient, convenient, and professionally managed investment solutions.

LIQUIDITY FUND

LIQUIDITY: SAME-DAY

Cut-Off Times:

9:00AM, 11:15AM, 12:00PM

S&P Rating: AAAM

Stable NAV

SHORT-TERM FUND

LIQUIDITY: NEXT-DAY

Cut-Off Time: 10:30AM

S&P Rating: AAf

Floating NAV

MEDIUM-TERM FUND

LIQUIDITY: TWO-DAYS

Cut-Off Time: 10:30AM

S&P Rating: AA-f

Floating NAV

Assets managed by:

**STATE
STREET**
GLOBAL
ADVISORS

Contact us

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Todd Winslow
RELATIONSHIP MANAGER
todd@caltrust.org
t: 916.396.1907

www.caltrust.org

Key Features of CalTRUST™



No minimum or maximum investment amount – you can have as much or as little invested with us as you'd like.



No minimum or maximum transaction allowances – you can do as many transactions as often as you'd like.



No limit to the amount of subaccounts you can have.

And more...

- CalTRUST is governed by a Board of Trustees that is fully comprised of public agency treasurers and investment officers.
- Fully transparent with current holdings available.
- Access to State Street Global Advisors investment expertise.
- Ability to easily move assets between our different accounts to meet your cash flow needs.
- Online shareholder portal allows you to utilize online trading features and set levels of access for individuals (*ie: you could have staff authorized to perform trades or just to view statements and other information*).
- Agencies do not have to join the JPA to participate in CalTRUST.
- CalTRUST is only open to California public agencies; our investment policy mirrors California investment code.
- Over 20 years of service to public agencies.



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AGENDA ITEM
4
NOVEMBER 20, 2023

**PRESENTATION ON CALIFORNIA CLASS,
PUBLIC TRUST ADVISORS, LLC**

ITEM

Presentation on California Class, Public Trust Advisors, LLC [RECOMMEND RECEIVE AND FILE]

BACKGROUND

Crystal Lynn, California Class Director-Investment Advisory Services, will provide an overview of the investment program that California Class offers.

RECOMMENDATION

Staff recommends that the Committee receive and file the presentation.

ATTACHMENTS

- A. Flyer for California Class, Public Trust Advisors, LLC

NOVEMBER 20, 2023

ITEM 4

ATTACHMENT A



A JOINT POWERS AUTHORITY INVESTMENT POOL

Client-First & User-Friendly Cash Management Solutions Designed for California Public Agencies of All Sizes

California CLASS provides Participants the following benefits:

- ✓ Convenient, modern transaction portal
- ✓ Dedicated client service team equally committed to all California public agencies
- ✓ Portfolios managed in accordance with California Government Code
- ✓ Transparent governance by Board of Trustees
- ✓ Portfolios marked-to-market with net asset value and yields posted to website daily

Fund Option	Prime	Enhanced Cash
Portfolio Type	Prime-style fund	Enhanced cash
Purpose	Operating Funds	Strategic Reserves
Rating	'AAAm'	'AAAf/S1'
Min/Max Investment	None	None
Withdrawals	Unlimited	Unlimited
Investment Horizon	Day-to-Day	12-18 Months
Liquidity	Same-Day	Next-Day
WAM	≤60 days	90-200 days
Net Asset Value (NAV)	Stable \$1.00 per share	Variable \$10.00 per share

Learn more about building an optimal liquidity portfolio for your public agency; contact us today.



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Jerry Legg
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Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. The information presented should not be used in making any investment decisions. This material is not a recommendation to buy, sell, implement, or change any securities or investment strategy, function, or process. Any financial and/or investment decision should be made only after considerable research, consideration, and involvement with an experienced professional engaged for the specific purpose. California CLASS is not a bank. An investment in California CLASS is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the California CLASS prime-style fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. Please review the California CLASS Information Statement before investing. California CLASS is rated 'AAAm' by S&P Global Ratings. A 'AAAm' rating by S&P Global Ratings is obtained after S&P evaluates a number of factors including credit quality, market price exposure, and management. For a full description on rating methodology, please visit www.spglobal.com. California CLASS Enhanced Cash is rated 'AAAf/S1' by FitchRatings. The 'AAAf' rating is Fitch's opinion on the overall credit profile within a fixed-income fund/portfolio and indicates the highest underlying credit quality of the pool's investments. The 'S1' volatility rating is Fitch's opinion on the relative sensitivity of a portfolio's total return and/or net asset value to assumed changes in credit spreads and interest rates. The 'S1' volatility rating indicates that the fund possesses a low sensitivity to market risks. For a full description on rating methodology, please visit www.fitchratings.com. Ratings are subject to change and do not remove credit risk. For risks associated with investing in both a prime-style and enhanced cash-style local government investment pool, please visit www.californiaclass.com/autos-disclaimer. Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses.

What is California CLASS?

California Cooperative Liquid Assets Securities System (California CLASS) is a joint exercise of powers entity authorized under Section 6509.7, California Government Code. California CLASS is a pooled investment option that was created via a joint exercise of powers agreement by and among California public agencies. California CLASS offers public agencies a convenient method for investing in highly liquid, investment-grade securities carefully selected with the goal of optimizing yields while prioritizing safety and liquidity. The California CLASS Prime and Enhanced Cash funds help assist public agencies in strengthening and diversifying their cash management programs in accordance with the safety, liquidity, and yield hierarchy that provides the framework for the investment of public funds.

How is it governed and managed?

California CLASS is overseen and governed by a Board of Trustees. The Board is made up of public agency finance professionals who participate in California CLASS and are members of the Joint Powers Authority (JPA). The Board of Trustees has entered into an Investment Advisor and Administrator Agreement with Public Trust Advisors, LLC. Public Trust is responsible to the Board for all program investment and administrative activities as well as many of the services provided on behalf of the Participants.

How can we participate?

Enrolling in California CLASS is simple. Public agencies may become Participants simply by filling out the Participant Registration Form that can be found in the document center on the California CLASS website. Public agencies may submit the completed registration packet to California CLASS Client Services for processing at clientservices@californiaclass.com. To obtain account forms and fund documents, visit www.californiaclass.com/document-center/.

Sponsored By:



www.calcities.org



**California Special
Districts Association**
Districts Stronger Together

www.csda.net

CALIFORNIA CLASS FEATURES

As a California CLASS Participant, you have access to many convenient features:

- Same-day availability of funds in Prime Fund (11:00 a.m. PT cut-off)
- Contributions by wire or ACH
- Ratings of 'AAAm' & 'AAAf/S1'
- Portfolio securities marked-to-market daily
- Secure online access for transactions and account statements
- No redemption notices for Prime Fund
- Participant-to-Participant transactions
- Dividends accrue daily and pay monthly
- No maximum or minimum transaction limits
- No maximum or minimum investment requirements
- No transaction fees*
- Annual audit conducted by independent auditing firm**
- Dedicated client service representatives available via phone or email on any business day

*You may incur fees associated with wires and/or ACH transactions by your bank, but there will be no transaction fees charged from California CLASS for such transactions.
**External audits may not catch all instances of accounting errors and do not provide an absolute guarantee of accuracy.



What are the objectives of California CLASS?

Safety

The primary investment objective of the California CLASS Prime Fund is preservation of principal. Both California CLASS portfolios are managed by a team of investment professionals who are solely focused on the management of public funds nationwide. The custodian for California CLASS is U.S. Bank, N.A.

Liquidity

When you invest in the California CLASS Prime Fund, you have access to your funds on any business day. You must notify California CLASS of your funds transaction requests by 11:00 a.m. PT via the online transaction portal. There are no redemption notices for the daily-liquid California CLASS Prime Fund. The California CLASS Enhanced Cash Fund is a variable NAV fund that provides next-day liquidity and requires a one-day notification of redemption.

Competitive Returns

California CLASS strives to provide competitive yields while adhering to the objectives of safety and liquidity. Participants can benefit from the investment expertise and institutional knowledge provided by the team of Public Trust professionals. The portfolio performance objective is strengthened by the knowledge of

California public agency cash flows that the Public Trust team possesses.

Ease of Use

To make cash management streamlined and efficient, California CLASS includes many features that make it easy to access account information and simplify record keeping. Participants can transact on any business day via the California CLASS Online Transaction Portal at www.californiaclass.com.

Flexibility

You may establish multiple California CLASS subaccounts. You will receive comprehensive monthly statements that show all of your transaction activity, dividend accruals, and yield summaries. These statements have been specifically designed to facilitate public sector fund accounting and to establish a clear accounting and audit trail for your records.

Legality

California CLASS only invests in securities permitted by California State Code Section 53601; permitted investments are further restricted to those approved by the Board of Trustees as set forth in the California CLASS Investment Policies.

Have Questions? Contact us or visit www.californiaclass.com for more information.



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Crystal Lynn
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Jerry Legg
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Any financial and/or investment decision should be made only after considerable research, consideration, and involvement with an experienced professional engaged for the specific purpose. The information presented should not be used in making any investment decisions. This material is not a recommendation to buy, sell, implement, or change any securities or investment strategy, function, or process. Please review the California CLASS Information Statement(s) before investing. California CLASS is not a bank. An investment in California CLASS is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the California CLASS Prime Fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. Please review the California CLASS Information Statement(s) before investing. Past performance is not an indication of future performance. No assurance can be given that the performance objectives of a given strategy will be achieved. Any financial and/or investment decision may incur losses. The California CLASS Prime Fund is rated 'AAA' by S&P Global Ratings. A 'AAA' rating by S&P Global Ratings is obtained after S&P evaluates a number of factors including credit quality, market price exposure, and management. For a full description on rating methodology, please visit www.spglobal.com. The California CLASS Enhanced Cash Fund is rated by 'AAA/1' by FitchRatings. The 'AAA/1' rating is Fitch's opinion on the overall credit profile within a fixed-income fund/portfolio and indicates the highest underlying credit quality of the pool's investments. The '1' volatility rating is Fitch's opinion on the relative sensitivity of a portfolio's total return and/or net asset value to assumed changes in credit spreads and interest rates. The '1' volatility rating indicates that the fund possesses a low sensitivity to market risks. For a full description on rating methodology, please visit www.fitchratings.com. Ratings are subject to change and do not remove credit risk.

T (877) 930-5213 | F (877) 930-5214 | www.californiaclass.com | clientservices@californiaclass.com

TO: FINANCE AND AUDIT COMMITTEE

REVIEWED: RAY DIENZO *R.D.*
GENERAL MANAGER

FROM: JANA ETTEDDGUE
FINANCE DIRECTOR

DATE: NOVEMBER 15, 2023

AGENDA ITEM
5
NOVEMBER 20, 2023

REVIEW OF CASH RESERVES

ITEM

Review of Cash Reserves [RECOMMEND RECEIVE REPORT AND DIRECT STAFF]

BACKGROUND

A reserve policy is an integral part of the overall District financial plan to ensure that sufficient funding is available for current operating, capital, and debt service needs as well as providing for unanticipated or unforeseen events. It is the District's responsibility to prudently accumulate, manage, and maintain its reserves.

Attached is a table providing a review of each Fund's cash reserve target criteria, the cash balance as of June 30, 2023 and determination if target criteria has been met (Attachment A).

Resolution 2023-1655 Cash Reserve Policy (Attachment B) provides the purpose and target criteria of reserves for each fund.

FISCAL IMPACT

None

STRATEGIC PLAN

Strategic Plan Goal 4 – Maintain conservative, long-term financial management to minimize rate impacts on customers while meeting program financial needs.

RECOMMENDATION

Staff recommends that the Committee receive the report and provide direction to staff.

ATTACHMENTS

- A. Cash Reserve Review
- B. Resolution 2023-1655 Cash Reserve Policy

NOVEMBER 20, 2023

ITEM 5

ATTACHMENT A

**NIPOMO COMMUNITY SERVICES DISTRICT
CASH RESERVE POLICY REVIEW AS OF JUNE 2023**

FUND NAME	FUND NUMBER	CASH RESERVE TARGET CRITERIA	CASH RESERVE GOAL AMOUNT ADOPTED OPERATING BUDGET 2023-2024 (Total Operating Expenses Less Funded Replacement)	CASH BALANCE AS OF 6/30/23 (including Rate Stabilization Fund)	CASH RESERVE CRITERIA MET?	RECOMMENDATION
Water Fund	125	Equal to or greater than twelve months (360 days) of annual budgeted operating expenses (not including Funded Replacement) Including Water Rate Stabilization Fund #128	\$7,470,336- \$673,000= \$6,797,336	Fund #125 and Fund #128 \$4,188,142 + \$441,739= \$4,629,881	No	No action recommended at this time – Rate increase scheduled January 1, 2024. Rate Study Scheduled for 2025.
Town Sewer Fund	130	180 days (6 months or 50%) of operating expenses (not including Funded Replacement) Including Water Rate #135	\$2,004,924- \$150,000= \$1,854,924 x 50%= \$927,462	Fund #130 and Fund #135 \$286,169 + \$332,169 = \$618,338	No	No action recommended at this time – Rate increase scheduled July 1, 2024. Rate Study Scheduled for 2024.
Blacklake Sewer Fund	150	180 days (6 months or 50%) of operating expenses (not including Funded Replacement) Including Water Rate #155	\$665,921- \$188,000= \$477,921 x 50% = \$238,961	Fund #150 and Fund #155 \$821,950 + \$55,217 = \$877,167	Yes	No action recommended at this time

FUND NAME	FUND NUMBER	Cash Reserve Target Criteria	CASH BALANCE AS OF 6/30/23	CASH RESERVE CRITERIA MET?	RECOMMENDATION
Water Rate Stabilization Fund	128	\$400,000	\$441,739	Yes	No action recommended at this time
Town Sewer Rate Stabilization Fund	135	\$300,000	\$332,169	Yes	No action recommended at this time
Blacklake Sewer Rate Stabilization Fund	155	\$50,000	\$55,217	Yes	No action recommended at this time
Blacklake Street Lighting Fund	200	\$17,000	\$19,493	Yes	Action taken in Fiscal Year 23-24- Assessment increased to \$89.00 from \$85.00
Blacklake Street Lighting Fund- Funded Replacement	205	\$25,000	\$10,152	No	No action recommended at this time
Landscape Maintenance District	250	\$20,000	\$16,700	No	Action taken in Fiscal Year 23-24- Assessment increased to \$525.00 from \$500.00
Solid Waste	300	\$150,000	\$531,896	Yes	Pursuant to Franchise Fee Policy, Resolution 2018-1492, Section 4, Board directed rate holiday in fiscal year 2023-2024
Drainage	400	\$50,000	\$34,370	No	No action recommended at this time

NOVEMBER 20, 2023

ITEM 5

ATTACHMENT B

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2023-1655**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO
COMMUNITY SERVICES DISTRICT AMENDING THE CASH RESERVE
POLICY FOR THE DISTRICT**

WHEREAS, the Board of Directors of the Nipomo Community Services District ("District") intends that the District will at all times have sufficient capital available to meet its operating, replacement, capital projects and debt service payments; and

WHEREAS, the District desires to establish sound financial policies to promote favorable bond ratings in capital markets so that bonds may be used for future financing of District projects; and

WHEREAS, the District desires to reserve capital for unanticipated and unforeseeable expenses; and

WHEREAS, the District desires to establish a buffer should revenue estimates in any year not meet projections; and

WHEREAS, the Cash Reserve Policy has been amended and is hereby presented at this meeting and it is appropriate at this time for the Board of Directors to consider approval of the adoption of the amended Policy.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Nipomo Community Services District:

SECTION 1. The above recitals are true and correct.

SECTION 2. The Cash Reserve Policy, as amended, in the form presented at this meeting attached hereto Exhibit "A" are hereby approved and adopted.

SECTION 3. The officers of the District are hereby directed to do and cause to be done any and all acts and things necessary or proper in order to effectuate the purposes of this resolution.

SECTION 4. This resolution shall take effect immediately.

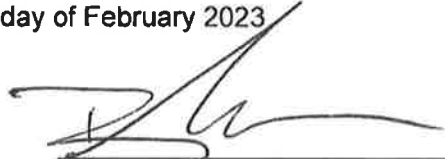
Upon a motion by Director Hansen, seconded by Director Gaddis, on the following roll call vote, to wit:

AYES: *Directors Hansen, Gaddis, Woodson, Eby and Malvarose*
NOES: *NONE*
ABSENT: *NONE*
CONFLICTS: *NONE*

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2023-1655**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO
COMMUNITY SERVICES DISTRICT AMENDING THE CASH RESERVE
POLICY FOR THE DISTRICT**

The foregoing resolution is hereby adopted this 8th day of February 2023



RICHARD MALVAROSE
President of the Board

ATTEST:



MARIO IGLESIAS
General Manager and Secretary to the Board

APPROVED AS TO FORM AND
LEGAL EFFECT:



CRAIG STEELE
District Legal Counsel

NIPOMO COMMUNITY SERVICES DISTRICT
CASH RESERVE POLICY
EXHIBIT "A"

PURPOSE

A key element of prudent financial planning is to ensure that sufficient funding is available for current operating, capital and debt service needs. Additionally, fiscal responsibility requires anticipating the likelihood of, and preparing for, unforeseen events. Nipomo Community Services District (District) will strive at all times to have sufficient funding available to meet its operating, capital and debt service obligations as well as to protect its creditworthiness. The District is committed to maintaining a financial structure that provides adequate and predictable revenues at the lowest possible cost to meet forecasted needs and operational objectives.

It should be noted that the District has a Debt Management Policy that establishes parameters for evaluating, issuing and managing the District's debt. The District's Debt Management Policy should be considered prior to committing to any new financial obligations.

The adequacy of the targeted cash reserve year-end balance ranges and/or annual contributions to each fund will be reviewed annually during the budgeting process or when a major change in conditions threatens the reserve levels established within this policy.

OPERATING FUNDS

WATER FUND (FUND #125)

Purpose: To ensure sufficient cash resources are available to fund daily administration, operations and maintenance of providing water services. (Funded from rates and charges)

Target Criteria: To meet the District's cash flow needs and unbudgeted expenses, the Water Fund cash reserves, including the Water Rate Stabilization Fund #128, should be equal to or greater than twelve months (360 days) of annual budgeted operating expenses (not including Funded Replacement).

After adoption of the budget and within 120 days after the end of the fiscal year, the Board of Directors shall review the cash reserves, and if there is excess above the reserve requirement based on the cash reserve balance as of the fiscal year just completed, the Directors may approve a transfer of the excess balance from Water Fund #125 to the Funded Replacement Water Fund #805.

TOWN SEWER FUND (FUND #130)

Purpose: To ensure sufficient cash resources are available to fund daily administration, operations and maintenance of providing waste water services. (Funded from rates and charges)

Target Criteria: To meet the District's cash flow needs and unbudgeted expenses, the Town Sewer Fund cash reserves, including the Town Sewer Rate Stabilization Fund #135, should be equal to or greater than six months (180 days) of annual budgeted operating expenses (not including Funded Replacement).

NIPOMO COMMUNITY SERVICES DISTRICT
CASH RESERVE POLICY
EXHIBIT "A"

After adoption of the budget and within 120 days after the end of the fiscal year, the Board of Directors shall review the cash reserves, and if there is excess above the reserve requirement based on the cash reserve balance as of the fiscal year just completed, the Directors may Approve a transfer of the excess balance from the Town Sewer Fund #130 to the Funded Replacement Town Sewer Fund #810.

BLACKLAKE SEWER FUND (FUND #150)

Purpose: To ensure sufficient cash resources are available to fund daily administration, operations and maintenance of providing waste water services. (Funded from rates and charges)

Target Criteria: To meet the District's cash flow needs and unbudgeted expenses, the Blacklake Sewer Fund cash reserves, including the Blacklake Sewer Rate Stabilization Fund #155, should be equal to or greater than six months (180 days) of annual budgeted operating expenses (not including Funded Replacement).

After adoption of the budget and within 120 days after the end of the fiscal year, the Board of Directors shall review the cash reserves, and if there is excess above the reserve requirement based on the cash reserve balance as of the fiscal year just completed, the Directors may approve a transfer of the excess balance from the Blacklake Sewer fund #150 to the Funded Replacement Blacklake Sewer Fund #830.

WATER RATE STABILIZATION FUND (FUND #128)

Purpose: To serve as a buffer to water rates during any period where there are unexpected increases in operating costs or decreases in revenues. In addition, in a severe drought or extremely wet conditions, it is reasonable to expect that water sales could fluctuate significantly. As such, this fund will absorb these types of fluctuations in operations and help stabilize rates and enable smooth or level increases to rates despite uneven increases in underlying costs or variations in annual revenues received. This fund should not be used to artificially suppress rates (i.e. to sustain rates at levels below the costs of service). (Funded by rates and charges)

Target Criteria: Minimum reserve requirement of \$400,000.

TOWN SEWER RATE STABILIZATION FUND (FUND #135)

Purpose: To serve as a buffer to sewer rates during any period where there are unexpected increases in operating costs or decreases in revenues. This fund should be used to enable smooth or level increases to rates despite uneven increases in underlying costs or variations in annual revenues received. This fund should not be used to artificially suppress rates (i.e. to sustain rates at levels below the costs of service). (Funded by rates and charges)

Target Criteria: Minimum reserve requirement of \$300,000 set by Bond Indenture Agreement for the Revenue of Certificates of Participation Series 2012.

NIPOMO COMMUNITY SERVICES DISTRICT
CASH RESERVE POLICY
EXHIBIT"A"

BLACKLAKE SEWER RATE STABILIZATION FUND (FUND #155)

Purpose: To serve as a buffer to sewer rates during any period where there are unexpected increases in operating costs or decreases in revenues. This fund should be used to enable smooth or level increases to rates despite uneven increases in underlying costs or variations in annual revenues received. This fund should not be used to artificially suppress rates (i.e. to sustain rates at levels below the costs of service). (Funded by rates and charges)

Target Criteria: Minimum reserve requirement of \$50,000.

BLACKLAKE STREET LIGHTING (FUND #200)

Purpose: To ensure sufficient cash resources are available to fund administration, operations and maintenance of providing street lighting services for Blacklake Village. (Funded by annual assessment to property owners in Blacklake Village)

Target Criteria: Minimum reserve requirement of \$17,000.

FUNDED REPLACEMENT-BLACKLAKE STREET LIGHTING (FUND #205)

Purpose: The reserves can be used for both short-term and long-term purposes. The objective of the Funded Replacement Fund is to provide monies for the current and future replacement of existing capital assets as they reach the end of their useful lives. (Funded by annual assessment to property owners in Blacklake Village)

Target Criteria: Minimum reserve requirement of \$25,000.

LANDSCAPE MAINTENANCE DISTRICT (FUND #250)

Purpose: To ensure sufficient cash resources are available to fund administration, operations and maintenance of providing landscape maintenance to the property owners of Tract 2409. (Funded by annual assessment to property owners in Tract 2409 aka Vista Verde Estates)

Target Criteria: Minimum reserve requirement of \$20,000.

SOLID WASTE (FUND #300)

Purpose: To ensure sufficient cash resources are available to fund solid waste programs, rate stabilization and to cover operating costs in the event that the District may find itself operating solid waste collection, disposal and recycling functions should its business partner now franchised to do these functions be unable to continue to provide these services due to an unforeseen event. This reserve provides assurance that solid waste services remain uninterrupted during an extended disruption to service provider. (Funded by Franchise Fees)

Target Criteria: Minimum reserve requirement of \$150,000.

NIPOMO COMMUNITY SERVICES DISTRICT
CASH RESERVE POLICY
EXHIBIT "A"

DRAINAGE (FUND #400)

Purpose: To ensure sufficient cash resources are available to operate and maintain the Nipomo Drainage Maintenance District 76-02 (storm water conveyance system and basin serving Folkert Oaks Mobile Home Park and adjacent properties on Juniper Street). (Funded by a 1% ad valorem property tax rate)

Target Criteria: Minimum reserve requirement of \$50,000.

FUNDED REPLACEMENT- WATER (FUND #805)

Purpose: The reserves can be used for both short-term and long-term purposes. The objective of the Funded Replacement Fund is to provide monies for the current and future replacement of existing capital assets as they reach the end of their useful lives. The District recognizes that the Funded Replacement fund may only be sufficient to pay a portion of the full cost of future capital asset replacements and other sources of replacement funding may be needed, such as a bond issuance. This fund will also help normalize the impact of the capital asset replacements on future water rates. (Funded by water rates and charges and interest earnings)

Target Criteria: No minimum target is maintained

FUNDED REPLACEMENT- TOWN SEWER (FUND #810)

Purpose: The reserves can be used for both short-term and long-term purposes. The objective of the Funded Replacement Fund is to provide monies for the current and future replacement of existing capital assets as they reach the end of their useful lives. The District recognizes that the Funded Replacement fund may only be sufficient to pay a portion of the full cost of future capital asset replacements and other sources of replacement funding may be needed, such as a bond issuance. This fund will also help normalize the impact of the capital asset replacements on future town sewer rates. (Funded by Town sewer rates and charges and interest earnings)

Target Criteria: No minimum target is maintained

FUNDED REPLACEMENT- BLACKLAKE SEWER (FUND #830)

Purpose: The reserves can be used for both short-term and long-term purposes. The objective of the Funded Replacement Fund is to provide monies for the current and future replacement of existing capital assets as they reach the end of their useful lives. The District recognizes that the Funded Replacement fund may only be sufficient to pay a portion of the full cost of future capital asset replacements and other sources of replacement funding may be needed, such as a bond issuance. This fund will also help normalize the impact of the capital asset replacements on future Blacklake sewer rates. (Funded by Blacklake sewer rates and charges and interest earnings)

Target Criteria: No minimum target is maintained

NON-OPERATING FUNDS

SUPPLEMENTAL WATER FUND (#500)

Purpose: The revenue generated from the Supplemental Water Capacity Charge accumulates in this fund and its use is restricted to projects, programs and expenditures that reduce the District's reliance on groundwater as its sole water supply. (Funded by development capacity charges and interest earnings)

Target Criteria: No minimum target is maintained.

PROPERTY TAX (FUND #600)

Purpose: District's share of the 1% ad valorem tax on real property collected by the County of San Luis Obispo and distributed to the District pursuant to Article XIII A of the California Constitution. (Funded by property taxes and interest earnings)

Target Criteria: No minimum target is maintained, however, the annual property tax revenue stream is pledged to pay the annual debt service for the 2013 Certificates of Participation and the 2013 Refunding Revenue Bonds.

WATER CAPACITY CHARGES (FUND #700)

Purpose: The revenue generated from the Water Capacity Charge accumulates in this fund and is used to offset new development related capital improvements as outlined by the District's Capital Improvement Plan. (Funded by development capacity charges and interest)

Target Criteria: No minimum target is maintained.

TOWN SEWER CAPACITY CHARGES (FUND #710)

Purpose: The revenue generated from the Town Capacity Charge accumulates in this fund and is used to offset new development related capital improvements as outlined by the District's Capital Improvement Plan. (Funded by development capacity charges and interest earnings)

Target Criteria: No minimum target is maintained.

TO: FINANCE AND AUDIT COMMITTEE

REVIEWED: RAY DIENZO R.D.,
GENERAL MANAGER

FROM: JANA ETTEDDGUE
FINANCE DIRECTOR

DATE: NOVEMBER 15, 2023

AGENDA ITEM

6

NOVEMBER 20, 2023

REVIEW INVESTMENT OPTIONS AND SELECT PERMITTED INVESTMENT TYPES THROUGH MULTI-BANK SECURITIES IN ACCORDANCE WITH THE INVESTMENT POLICY

ITEM

Review investment options and select permitted investment types through Multi-Bank Securities ("MBS") in accordance with the Investment Policy [RECOMMEND REVIEW AND DIRECT STAFF]

BACKGROUND

On June 14, 2023, the Board of Directors approved staff to purchase \$5.6 million in securities, \$4.6 million in short-term treasuries and \$1 million in non-callable Certificates of Deposit with maturities under 18 months. On June 20, 2023, staff purchased these securities as shown on attachment B. The 6-month treasury is maturing on December 14, 2023 for \$2,355,000.

As of September 30, 2023, the LAIF rate of return stood at 3.59%. With the benchmark at 4.59%, investments purchased should exceed the benchmark of 4.59%. According to MBS, CDs are at the highest rate of 5.45%, and treasuries are at 5.366% as of November 17, 2023.

STRATEGIC PLAN

Goal 4. FINANCE. Maintain conservative, long-term financial management to minimize rate impacts on customers while meeting program financial needs.

- B.1 Evaluate, plan for and maintain finances that are adequate for all needs, stable, and reliable over the long-term.
- B.6 Maintain sound investment policy and investments.

RECOMMENDATION

Staff recommends that the Committee review the investment options available through MBS and provide direction to staff on purchasing securities in accordance with the Investment Policy.

ATTACHMENTS

- A. Resolution 2023-1664 Investment Policy
- B. Investment Report as of September 30, 2023

NOVEMBER 20, 2023

ITEM 6

ATTACHMENT A

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2023-1664**

**A RESOLUTION OF THE
BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
AMENDING THE DISTRICT'S INVESTMENT POLICY**

WHEREAS, the Board of Directors of the Nipomo Community Services District ("District") believes that public funds should, so far as is reasonably possible, be invested in financial institutions to produce revenue for the District rather than to remain idle; and

WHEREAS, from time to time there are District funds which for varying periods of time will not be required for immediate use by the District, and which will, therefore, be available for the purpose of investing in financial institutions with the objectives of safety, liquidity, yield and compliance with state and federal laws and policies; and

WHEREAS, the District's investments are governed by an investment policy, originally adopted in 2014, that is reviewed annually and requires updating from time to time.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Nipomo Community Services District as follows:

1. The District's Board has determined it may be advisable to add certain categories of permitted investments to the list of permitted investments in the District's 2023 Investment Policy to increase investment yield while still protecting safety and liquidity of the District's funds;
2. The District's 2023 Investment Policy is hereby amended as shown in underline in Exhibit A.


PASSED AND ADOPTED by the Board of Directors of the Nipomo Community Services District this 26th of April, 2023 on the following roll call vote:

AYES: *Directors Eby, Hansen, Woodson, Malvarose*
NOES: *Director Gaddis*
ABSENT: *NONE*
CONFLICTS: *NONE*

ATTEST:

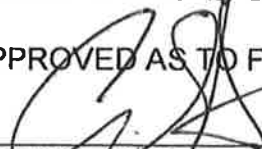


MARIO IGLESIAS
Secretary to the Board



RICHARD MALVAROSE, President
Nipomo Community Services District

APPROVED AS TO FORM:



CRAIG A. STEELE
District Legal Counsel

**RESOLUTION 2023-1664
EXHIBIT A**

INVESTMENT POLICY
NIPOMO COMMUNITY SERVICES DISTRICT

1. INTRODUCTION

This policy establishes the standards under which the District's Finance Officer/Treasurer will conduct business with financial institutions with regard to the investment process.

2. PURPOSE AND SCOPE

This investment policy is intended to outline the guidelines and practices to be used in effectively managing the District's available cash and investment portfolio. It applies to all cash and investment assets of the District except those funds maintained in deferred compensation accounts for employees. Proceeds of debt issuance that shall be invested in accordance with the permitted investment provisions of their specific bond indentures. District monies not required for immediate expenditure will be invested in compliance with governing provisions of law (Government Code Sections 53600 et seq.) and this policy. Investments shall be made in judgment and with care, skill, prudence, and diligence under circumstances then prevailing, including but not limited to the general economic conditions and the anticipated needs of the District, which persons of prudence, discretion and intelligence acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims; not for speculation, but to safeguard the principal of their capital and maintain the liquidity needs of the District. The standard of prudence to be used by investment officials shall be the "prudent investor" standard (California Government Code Section 53600.3) and shall be applied in the context of managing an overall portfolio. The Investment Officer (Finance Officer/Treasurer defined below) acting in accordance with written procedures and the investment policy and exercising prudence and due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

3. FINANCE OFFICER/TREASURER

The Board of Directors appoints the General Manager as the District Finance Officer and Treasurer. The District's Assistant General Manager shall serve as the District's Finance Officer and Treasurer in the absence of the District's General Manager. The services of any investment or financial advisor to the District shall be governed by the terms and standards set forth in this Policy.

4. SCOPE

The District investment portfolio shall consist of money held in a sinking fund of, or surplus money in, the District's treasury not required for the immediate necessities of the District. The District's investment portfolio shall be invested in accordance with this policy.

5. OBJECTIVES

The primary objectives are safety, liquidity, yield, and compliance.

**RESOLUTION 2023-1664
EXHIBIT A**

INVESTMENT POLICY
NIPOMO COMMUNITY SERVICES DISTRICT

A. SAFETY

The investment portfolio shall be managed in a manner that ensures the preservation of capital. The objective is to minimize credit risk and interest rate risk. To protect against fraud or embezzlement or losses caused by the collapse of an individual securities dealer, all securities owned by the District shall be held in safekeeping by a third party bank trust department designated by the District. This designated third party shall act as agents for the District under the terms of a custody agreement. All trades executed by a dealer will settle delivery vs. payment (DVP) through the District's safekeeping agent. Investment advisors, dealers and others entrusted with holding and managing District funds shall be bonded and insured to protect the District against embezzlement or fraud. Securities held in custody for the District shall be independently audited by the District annually to verify investment holdings and the other factors required by this policy and applicable law.

B. LIQUIDITY

The investment portfolio shall remain sufficiently liquid to meet all operating requirements. This shall be accomplished by structuring the investment portfolio so that investments mature in advance of cash needs.

C. YIELD

Yield shall be a consideration only after the requirements of safety and liquidity have been met.

D. COMPLIANCE

This Investment Policy is written to be in compliance with applicable California and Federal law.

6. STANDARDS OF CARE

A. PRUDENCE

The Finance Officer/Treasurer will manage the portfolio pursuant to the "Prudent Investor Standard." When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds in the District's investment portfolio, the Finance Officer/Treasurer shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including but not limited to the general economic conditions and the anticipated needs of the District, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the District.

B. DISCLOSURES

Finance Officer/Treasurer shall disclose any material interest in financial institutions or professionals with which he/she conducts the District business, and shall comply with all applicable laws relating to conflicts of interest.

C. INTERNAL CONTROLS AND PROCEDURES

**RESOLUTION 2023-1664
EXHIBIT A**

**INVESTMENT POLICY
NIPOMO COMMUNITY SERVICES DISTRICT**

The Finance Officer/Treasurer shall establish, maintain, and comply with a system of written internal controls, which shall be reviewed at least annually with the District's independent (external) auditor. The controls are designed to prevent loss of public funds due to fraud, employee error, misrepresentation by third parties, unanticipated market changes, or imprudent actions of employees of the District or third parties. The Finance Officer/Treasurer shall evaluate any audit reports in a timely manner with the Board. The quarterly reports of the District shall be provided to the Board as required by this Policy and applicable law. Daily compliance of the investment portfolio shall be performed by the Finance Officer/Treasurer or designee. Compliance will be determined on a fair market value basis. All agreements, statements, and trade packets will be subject to review annually by the District's auditors in conjunction with their audit.

7. INVESTMENTS AUTHORITY

A. PERMITTED INVESTMENTS

The District Finance Officer/Treasurer is authorized to deposit or invest District funds only in the following institutions and investments, and only in compliance with applicable state law:

1. County pooled funds (California Government Code §§ 27133(g), 53635, 61053)
2. The Local Agency Investment Fund created by the California State Treasury (California Government Code §§ 16429.1, 61053)
3. One or more FDIC insured Banks and/or Savings and Loan Associations that are designated as District depositories by resolution of the Board of Directors (California Government Code §§ 53630 et seq., 61053).
4. U.S. Treasuries and other government obligations for which the full faith and credit of the United States are pledged for payment of principle and interest, provided that the maximum maturity is five (5) years. There shall be no limits on the dollar amount or percentage that the District may invest in U.S. Treasuries.
5. Federally insured time deposits ("Certificates of Deposit") in state or federally chartered banks, savings and loans or credit unions, provided that all such investments shall be federally insured, fully collateralized in accordance with California law. The maximum maturity of such deposits shall not exceed five (5) years.
6. Negotiable Certificates of Deposit ("NCD") issued by a nationally or state-chartered bank, a savings association or a federal association, a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank, provided that not more than 30% of the portfolio invested shall be invested in a combination of federally insured non-negotiable certificates of deposit, and the maximum maturity does not exceed five (5) years.
7. Such other financial institutions or securities that may be designated by the Board of Directors from time to time in compliance with California and Federal law.
8. Proceeds of bond issuance shall be invested in accordance with the permitted investment provisions of their specific bond indentures or other instrument providing for the bond issuance. (California Government Code §§ 5922(d), 53601(m))

B. PROHIBITED INVESTMENTS

The District's Finance Officer/Treasurer shall not invest in:

1. Inverse floaters, range notes or interest only strips that are derived from a pool of mortgages.
2. Any security that could result in a zero interest accrual if held to maturity.

**RESOLUTION 2023-1664
EXHIBIT A**

INVESTMENT POLICY
NIPOMO COMMUNITY SERVICES DISTRICT

3. A state or federal credit union, if a member of the District's Board of Directors or an administrative officer also serves on the Board of Directors, or any committee appointed by the Board of Directors, or the credit committee or supervisory committee, of the state or federal credit union.
4. Those investments or institutions not permitted by this Policy, or by action of the Board of Directors.

C. DIVERSIFIED INVESTMENTS

Investments, other than investments referenced in paragraphs 7-A (1) and (2) above, will be diversified to avoid losses that may be associated with any one investment, and shall be allocated in amounts that maximize the availability of FDIC insurance.

8. REPORTS

A. MONTHLY REPORT

The Finance Officer/Treasurer shall make monthly reports to the Board with the following information:

- Investments made or retired during the preceding month.
- Single transfers between permitted institutions of greater than \$500,000.

B. QUARTERLY REPORT

The Finance Officer/Treasurer shall file a quarterly report that identifies the District's investments and their compliance with the District's Investment Policy. The quarterly report must be filed with the District's auditor and considered by the District's Board of Directors within forty-five (45) days after the end of each quarter (i.e., by May 1, August 1, November 1, and February 1) (California Government Code § 53646). Required elements of the quarterly report are as follows:

1. Type of Investment
2. Institution/issuer
3. Date of Maturity (if applicable)
4. Amount of deposit or cost of the security, including par and dollar amount invested on all securities, investments, and moneys held by the District
5. Current market value of securities, with identification of the source of the valuation, for each security held by the District as well as securities under the management of any outside party that is not also a local agency or the State of California Local Agency Investment Fund
6. Coupon, Coupon Frequency (monthly, yearly, at maturity), Call Protection
7. Statement of compliance with the Statement of Investment Policy or the manner in which the portfolio is not in compliance
8. Statement of the District's ability to meet cash flow requirements, including any pool expenditure requirements, for the next six months, or an explanation as to why sufficient money may not be available
9. Accrued Interest (if applicable)
10. Description of any of the District's funds, investments, or programs that are under the management of contracted parties, including lending programs

**RESOLUTION 2023-1664
EXHIBIT A**

INVESTMENT POLICY
NIPOMO COMMUNITY SERVICES DISTRICT

C. ANNUAL REPORT

Prior to February 1, of each year, the Finance Officer/Treasurer shall file and submit an annual report to the District's auditor and Board of Directors which will contain the same information required in the quarterly report.

The annual report will include a recommendation to the Board of Directors to either:

1. Readopt the District's then current annual Investment Policy; or
2. Amend the District's then current Investment Policy.

D. LIMITED QUARTERLY REPORT

If the District has placed all of its investments in the Local Agency Investment Fund (LAIF) created by California Government Code § 16429.1, or in Federal Deposit Insurance Corporation, insured accounts in a bank or savings and loan association, in a County investment pool, or any combination of these, the Finance Officer/Treasurer may submit to the Board of Directors and the auditor of the District the most recent statement or statements received by the District from these institutions in lieu of the information required in paragraph 8.B, above. This special reporting policy does not relieve the Finance Officer/Treasurer of the obligation to prepare an annual investment report as identified in paragraph 8.C, above.

NOVEMBER 20, 2023

ITEM 6

ATTACHMENT B

Nipomo Communtiy Services District
Investments
September 30, 2023

<u>Type of Investment</u>	<u>CUSIP</u>	<u>Purchased</u>	<u>Maturity</u>	<u>Yield to Maturity</u>	<u>Par Value(1)</u>	<u>Effective Price</u>	<u>Market Value(2)</u>	<u>Cost Basis(3)</u>
6 Month Treasuries								
Treasury Bills	912797FU6	6/21/2023	12/14/2023	5.11%	\$ 2,355,000	98.923	\$ 2,329,637	\$ 2,298,524
6 Month Treasury Subtotal					\$ 2,355,000		\$ 2,329,637	\$ 2,298,524
12 Month Treasuries								
Treasury Notes	91282CCG4	6/21/2023	6/15/2024	5.15%	\$ 2,410,000	96.402	\$ 2,323,288	\$ 2,298,253
12 Month Treasury Subtotal					\$ 2,410,000		\$ 2,323,288	\$ 2,298,253
Treasuries Subtotal					\$ 4,765,000		\$ 4,652,925	\$ 4,596,777
12 Month Certificates of Deposit (CD's)								
Certificate of Deposit - CIBC Bank USA Chicago	12547CBBY3	6/23/2023	6/21/2024	5.30%	\$ 200,000	99.736	\$ 199,472	\$ 200,000
Certificate of Deposit - Valley National Bank	919853JV4	6/26/2023	6/26/2024	5.35%	\$ 200,000	99.810	\$ 199,620	\$ 200,000
Certificate of Deposit - Bank of California Irvine	05961SRD8	6/29/2023	6/27/2024	5.30%	\$ 200,000	99.727	\$ 199,454	\$ 200,000
12 Month CD Subtotal					\$ 600,000		\$ 598,546	\$ 600,000
18 Month Certificates of Deposit (CD's)								
Certificate of Deposit - Alpine Bank Glenwood	02081QCN8	6/28/2023	12/30/2024	5.15%	\$ 200,000	99.369	\$ 198,738	\$ 200,000
Certificate of Deposit - Mercantile Bank Grand	587379AM0	6/30/2023	12/30/2024	5.15%	\$ 200,000	99.369	\$ 198,738	\$ 200,000
18 Month CD Subtotal					\$ 400,000		\$ 397,476	\$ 400,000
CD Subtotal					\$ 1,000,000		\$ 996,022	\$ 1,000,000
Investment Total					\$ 5,765,000		\$ 5,648,947	\$ 5,596,777

Market Value Source: eConnectDirect.com for the Certificates of Deposit and Treasuries

(1) Par Value is the Face Value of the investment when it matures

(2) Market Value of Certificates of Deposit is shown as of 9/30/2023

(3) Cost Basis is the original purchase price of the investment

Notes to Mention

- Investments listed in this report comply with the California Government Codes 53600-53864 and the District's Statement of Investment Policy.
- Sufficient funds are available to meet the District's expenditure requirements for the next six months.
- All CDs are 100% FDIC insured and noncallable