

# REVISED



**SANTA FE IRRIGATION DISTRICT  
ADMINISTRATIVE AND FINANCE  
COMMITTEE**  
Santa Fe Irrigation District  
5920 Linea del Cielo  
Rancho Santa Fe, California 92067  
**Safety Center**

**BOARD OF DIRECTORS**

Michael T. Hogan  
PRESIDENT  
Sandra Johnson  
VICE PRESIDENT  
Dana Frieauf  
Andy Menshek  
Ken Westphal

Albert C. Lau, P. E.  
GENERAL MANAGER

**TUESDAY, JANUARY 6, 2026  
9:00 a.m.**

**Assistance for the disabled:** The District meeting facility is accessible to persons using wheelchairs and others with disabilities. Agendas are available in large print. Materials in alternative formats and other accommodations will be made available upon request. Please make your request for alternative format or other accommodations, to the Board Secretary at 858-756-2424 or via email to [cmcdowell@sfidwater.org](mailto:cmcdowell@sfidwater.org). Providing at least 72 hours' notice prior to the meeting will help to ensure availability.

This meeting will be held at the above date, time, and location, and Committee members and members of the public may attend in person. Members of the public may also attend virtually. Additional details on in-person participation and virtual public participation are below. Please note that in the event of technical issues that disrupt the livestream of the meeting, the meeting will continue, unless otherwise required by law, such as when a Director is attending the meeting remotely pursuant to certain provisions of the Brown Act.

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/87881762011?pwd=erlo58C5QkS6oUOPNg6Xx7Slq8QkqZ.1>  
Passcode:143213

Or One tap mobile:

+16699009128, 87881762011#, \*143213#, +16694449171, 87881762011#, \*143213# US

Or Telephone:

Dial (for higher quality, dial a number based on your current location):

+1 669 900 9128, +1 669 444 9171, +1 253 215 8782, +1 346 248 7799, +1 719 359 4580, +1 253 205 0468, +1 305 224 1968, +1 309 205 3325, +1 312 626 6799, +1 360 209 5623, +1 386 347 5053, +1 507 473 4847, +1 564 217 2000, +1 646 558 8656, +1 646 931 3860, +1 689 278 1000, +1 301 715 8592

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Webinar ID: 878 8176 2011

Passcode: 143213

International numbers available: <https://us02web.zoom.us/u/k3fd9WNqd>

**Instructions for Members of the Public Who Wish to Address the Administrative and Finance Committee:** Individuals may address the Committee during Oral Communications (for items not appearing on the posted agenda which are within the subject matter jurisdiction of the District) and regarding items listed on the posted agenda during the deliberation of the agenda item, as follows:

**A. Instructions for Making Public Comment for Those Attending In-Person:**

Members of the public desiring to address the Committee in-person for either items appearing on the posted agenda or during Oral Communications (for items not appearing on the posted agenda which are within the subject matter jurisdiction of the District) are asked to complete a speaker's card, available at the table near the entrance and present it to the Board Secretary prior to the start of the meeting. Speakers are asked to state their name, address, and topic, and to observe a time limit of three (3) minutes each.

**B. Making Public Comment for Those Not Attending In-Person:**

Members of the public who wish to address the Committee under Oral Communications or on specific agenda items **who are not attending in person** may do so as instructed below:

1. To provide **verbal comments during the meeting**, join the Zoom meeting by computer, mobile phone, or dial-in number. On Zoom video conference by computer or mobile phone, use the "Raise Hand" feature. This will notify the Board Secretary that you wish to speak during Oral Communications or on a specific agenda item. If joining the meeting using the Zoom dial-in number, you can raise your hand by pressing \*9. Speakers are asked to state their name, address, and topic, and to observe a time limit of three (3) minutes each.
2. You may send **written comments** to the Board Secretary for receipt **no later than 7:30 am on January 6, 2026**, to be read during the appropriate portion of the meeting. Written comments must be limited to 300 words/ have a reading limit of 3 minutes for each comment and emailed to [cmcdowell@sfidwater.org](mailto:cmcdowell@sfidwater.org), mailed to the attention of Celina McDowell, Board Secretary, SFID, P. O. Box 409, Rancho Santa Fe, CA 92067, or physically deposited in the District's payment drop box located in the public parking lot at the District's Administrative Office at 5920 Linea del Cielo, Rancho Santa Fe, California 92067.

**ROLL CALL - CALL MEETING TO ORDER**

**ITEMS TO BE ADDED TO THE AGENDA**

*(Government Code Section 54954.2)*

**ORAL COMMUNICATIONS ON ITEMS NOT APPEARING ON THE AGENDA**

*Opportunity for members of the public to address the Committee (Government Code Section 54954.3) Individuals may address the Committee regarding items not appearing on the posted agenda, which are within the subject matter jurisdiction of the Committee, at any time. Comments and inquiries pertaining to items listed on the agenda will be received during the deliberation of the agenda item. Speakers are asked to state their name, address, and topic, and to observe a time limit of three (3) minutes each. Members of the public desiring to address the Committee are asked to complete a speaker's card, available at the table near the entrance, and present it to the Board Secretary prior to the start of the meeting.*

## **ACTION AND DISCUSSION ITEMS**

1. Minutes from December 9, 2025, Administrative and Finance Committee Meeting (pages 4-7)
2. Directors' and General Manager's Expenses (page 8-9)
3. Monthly Investment Transaction Report (page 10-11)
4. Quarterly Treasurer's Report (page 12-33)
5. Annual Update to District Investment Policy (pages 34-54)
6. Recommend Adopting Resolution No. 26-01, Revising the District's Capacity Fee Revision to Establish Potable Water Service (pages 55-72)
7. Review and Discuss Future Agenda Items (pages 73-74)

## **REPORTS**

8. Administrative Services Report (verbal)
9. Public Communications and Outreach Report (verbal)
10. General Manager's Report (verbal)
11. Committee Members' Comments (verbal)

## **INFORMATION ITEMS – None**

## **CLOSED SESSION – None**

## **ADJOURN**

*The next scheduled Administrative and Finance Committee meeting is on Tuesday, February 10, 2026, at 9:00 a.m.*

**MINUTES**  
**ADMINISTRATIVE AND FINANCE COMMITTEE MEETING**  
**Santa Fe Irrigation District**

December 9, 2025  
Santa Fe Irrigation District  
5920 Linea del Cielo  
Rancho Santa Fe, CA 92067

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**PRESENT:** Chair Dana Friehauf, Vice President Sandra Johnson, Director of Administrative Services Seth Gates, Board Secretary Celina McDowell, Public Communications Officer Teresa Penunuri, and Management Analyst Mackenzie Christie were present. One member of the public is also present.

**CALL MEETING TO ORDER**

Chair Friehauf called the meeting to order at 9:02 a.m.

**ITEMS TO BE ADDED TO THE AGENDA – None**

**ORAL COMMUNICATIONS – None**

**ACTION AND DISCUSSION ITEMS**

1. Minutes from November 11, 2025, Administrative and Finance Committee Meeting

The Committee approved of the minutes as presented.

2. Directors' and General Manager's Expenses

The Committee reviewed and approved the expenses as submitted.

3. Monthly Investment Transaction Report

DAS Gates presented an update on recent investment activity, noting that several maturing securities and CDs temporarily reduced reported cash balances due to funds in transit. Additional reporting details will be added next month to better highlight these timing differences.

DAS Gates responded to questions from the Committee, which expressed appreciation for the clarification and noted that they look forward to the revised reporting format next month.

The Committee reviewed and approved the report as submitted.

#### 4. Leak Credit Policy Review and Discussion

Ms. Ruehle, a resident of Fairbanks Ranch, provided a comment regarding the equity, consistency and financial reality of leak credit policy.

DAS Gates presented the item utilizing a PowerPoint presentation and responded to questions from the Committee. DAS Gates provided an overview and more detailed information on the following items:

- Background
- Requirements for a Leak Credit
- Appeal of Ms. Ruehle
- Considerations

The Committee asked Staff to confirm if other District leak credit amounts have been changed since last surveyed in 2020.

The Committee expressed sincere empathy for Ms. Ruehle's situation. However, in the interest of fairness and consistency, recognizing that not all customers have pools and that pool leaks are generally noticeable, they must adhere to the established policy.

After discussion, the Committee recommended that the existing policy not be modified and directed staff to move the item for full Board consideration at their regular December meeting for discussion.

#### 5. Recommend the Board of Directors Adopt Resolution No. 25-20, Revisions to District Engineering and Administrative Fees, and Establish Cost of Equipment Use

DAS Gates presented the item utilizing a PowerPoint presentation, providing background information, and responded to questions from the Committee. DAS Gates provided detailed information on the following items:

- Background
- Miscellaneous Fees
- Engineering Fees
- Cost of Equipment Use
- Late Fees/Delinquent Accounts

DAS Gates updated the Committee on the revisions made following General Counsel's review, noting that these changes will be presented at the upcoming Board meeting. DAS Gates also reported that the proposal for updated capacity fees is scheduled to be presented in the first quarter of 2026.

After discussion, the Committee concurred with the Staff's recommendation and directed Staff to move the item for full Board consideration at their regular December meeting for discussion.

***Chair Friehauf called for a recess at 10:41 a.m. and reconvened at 10:46 a.m.***

6. Permanent Special Agriculture Rate (PSAR) Update

PCO Penunuri reported that the San Diego County Water Authority approved a new framework for the updated PSAR rate, with final pricing to be determined during next year's budget process. The SDCWA Board unanimously supported continuing the program due to its value in sustaining local agriculture and maintaining regional water demand. The District currently have 37 customers participating in the program, and staff will continue outreach efforts in promoting available rebate programs.

After discussion, the Committee directed staff to move the item for full Board consideration at their regular December meeting for discussion.

7. Review and Discuss Future Agenda Items

The Committee reviewed and approved the future agenda items as presented.

Director Friehauf noted that she will be unavailable for the July 2026 Administrative and Finance Committee meeting and will need to cancel that meeting.

## **REPORTS**

8. ADMINISTRATIVE SERVICES REPORT

DAS Gates reported that the District received a \$237,000 award for the SCADA upgrade and commended MA Christie and IT Manager Kogan for leading the application effort.

9. PUBLIC COMMUNICATIONS AND OUTREACH REPORT

PCO Penunuri reported on the following items:

- SFID and OMWD are coordinating a rain barrel workshop on January 24th, along with additional outreach activities.
- Staff continue conducting rate-related outreach through HOA newsletters in advance of the January billing cycle.

- Planning is underway for a community workshop on upcoming upgrades at the Lerrick Reservoir.
- Ongoing community outreach is being conducted for capital improvement projects in the Sun Valley area and for the solar project.

## 10. GENERAL MANAGER'S REPORT

GM Lau wished everyone Happy Holidays.

## 11. COMMITTEE MEMBERS' COMMENTS

None

## **INFORMATION ITEMS**

None

## **CLOSED SESSION**

None

## **ADJOURN**

Chair Frieauf adjourned the meeting at 11:02 a.m.

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Dana Frieauf, Chair

**Santa Fe Irrigation District**  
**Board of Directors Expenses**  
**Paid During the Month of December 2025 and Fiscal Year-to-Date**

	Paid During the Month					For July 1st to Present	Compensated Days of Service <sup>1</sup>				For July 1st to Present
	Per Diem Payments	Mileage & Parking	Travel & Meetings	Healthcare & Other Benefits	Total		Board <sup>2</sup>	Paid During the Month	Other <sup>5</sup>	Total	
Friehauf <sup>4</sup>	1,225.00	0.00	185.42	0.00	1,410.42	3,732.79	3	2	2	7	19
Hogan	1,050.00	31.00	55.00	0.00	1,136.00	3,478.00	2	2	2	6	19
Johnson	0.00	0.00	0.00	0.00	0.00	0.00	0	0	0	0	0
Magnaghi	0.00	0.00	0.00	0.00 <sup>3</sup>	0.00	0.00	0	0	0	0	0
Menshek	703.00	0.00	0.00	0.00	703.00	2,978.00	3	2	2	7	16
Westphal	1,575.00	0.00	0.00	0.00	1,575.00	4,200.00	3	2	4	9	21
	<u>\$ 4,553.00</u>	<u>\$ 31.00</u>	<u>\$ 240.42</u>	<u>\$ 0.00</u>	<u>\$ 4,824.42</u>	<u>\$ 14,388.79</u>					

<sup>1</sup> Compensated days of service may represent multiple meetings per day.

<sup>2</sup> Includes Board of Directors Special Meetings

<sup>3</sup> Net of Director contribution toward expenditures

<sup>4</sup> Represents SFID at San Diego County Water Authority effective Dec. 2024, Hogan prior rep.

<sup>5</sup> Includes meetings for outside organizations, trainings, and other regional water agencies, among others.

Account Number:  
Unique ID: XXXX XXXX XXXX 1121  
Albert Lau  
Statement Date: 12-22-2025



Page 1 of 2

00006246 06246 0001-0001 DUSB05DD122325152223 00 L 00006519 STNSOME

00

Account Summary			General Information	
Previous Balance		\$0.00	Total Activity	\$1,183.33
Purchases and Other Charges		\$1,183.33		
Cash Advances		\$0.00		
Cash Advance Fees		\$0.00	QUESTIONS OR TO REPORT A LOST OR STOLEN CARD,	
Late Payment Charges		\$0.00	CALL CUSTOMER SERVICE: 1-800-344-5696	
Credits		\$0.00 CR		
Payments		\$0.00 PY		
<b>Total Activity</b>		<b>\$1,183.33</b>		
Disputed Amount		\$0.00		
New Activity				
Post Date	Tran Date	Reference Number	Transaction Description	Amount
11-28	11-26	24906415330244144933025	ASCE PURCHASING 800-5482723 VA	321.00
12-02	12-01	24022335336010426445795	SHERATON SAN DIEGO RESORT SAN DIEGO CA	55.00
12-03	12-02	24036295336742542746280	UBER *TRIP HELP.UBER.COM CA	25.93
12-03	12-03	24036295337718597533731	UBER *TRIP HELP.UBER.COM CA	18.86
12-03	12-03	24036295337718608367434	UBER *TRIP HELP.UBER.COM CA	25.94
12-03	12-03	24036295337744655010628	UBER *TRIP HELP.UBER.COM CA	22.86
12-04	12-03	24137465337100236316165	TST* ISLAND PRIME & C LEV SAN DIEGO CA	450.14
12-05	12-03	24789305338868300100271	HARBOR ISLAND PARKING SAN DIEGO CA	5.00
12-22	12-18	24692165353102921919040	SWA*PREMSEAT5264303519413 800-435-9792 TX FRIEHAUF/DANA	27.00 DEPARTURE:
12-22	12-18	24692165353102921919057	SOUTHWES 5262113939268 800-435-9792 TX FRIEHAUF/DANA SAN WN V SMF WN A SAN	231.60 DEPARTURE: 01-29-26

CORPORATE PAYMENT SYSTEMS  
P.O. BOX 6343  
FARGO, ND 58125-6343

Account Number: XXXX XXXX XXXX 1121  
Unique ID: 00000000 006519 001  
Amount Due: \$0.00

\*\*MEMO STATEMENT ONLY\*\*  
DO NOT REMIT PAYMENT

000006246 TUSB05DD122325152216 01 00000000 006519 001

ALBERT LAU  
SANTA FE IRRIGATION DIST  
PO BOX 409  
RANCHO SANTA FE CA 92067-0409



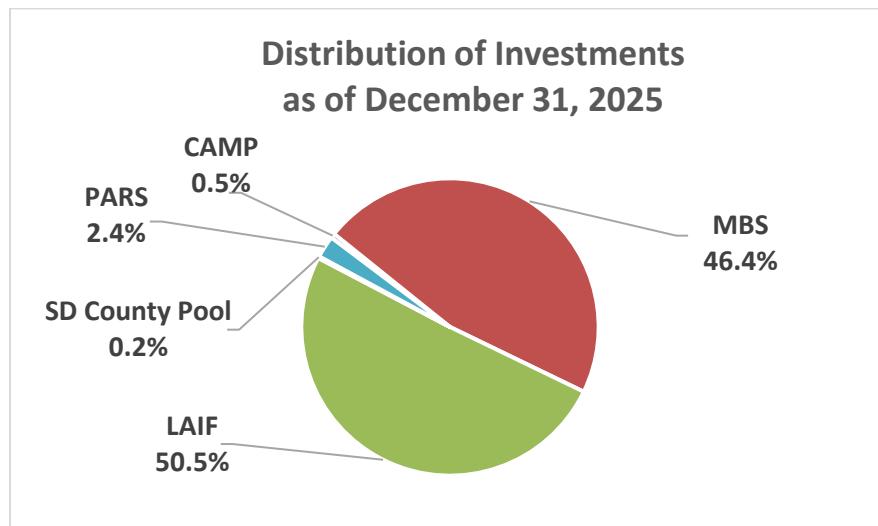
## Investment Transaction Report for December 2025

The following is a list of the month's investment activity

Security/Investment Pool	Settlement Date	Activity	Yield to Maturity	Maturity Date	Principal Amount
MBS	12/1/25	(\$243,000)	5.15%	12/1/25	(\$243,000)
MBS	12/1/25	(\$243,000)	5.20%	12/1/25	(\$243,000)
MBS	12/1/25	(\$243,000)	5.20%	12/1/25	(\$243,000)
MBS	12/1/25	(\$248,000)	5.20%	12/1/25	(\$248,000)
MBS	12/3/25	(\$248,000)	5.05%	12/3/25	(\$248,000)
MBS	12/5/25	(\$248,000)	5.10%	12/5/25	(\$248,000)
CAMP	12/5/25	\$1,000,000			\$1,000,000
MBS	12/10/25	(\$248,000)	5.10%	12/10/25	(\$248,000)
LAIF	12/11/25	\$2,500,000			\$2,500,000
CAMP	12/12/25	(\$20,000,000)			(\$20,000,000)
LAIF	12/15/25	\$20,000,000			\$20,000,000
LAIF	12/16/25	\$2,800,000			\$2,800,000
CAMP	12/17/25	(\$750,000)			(\$750,000)
LAIF	12/30/25	\$400,000			\$400,000
Cash on Hand	12/31/25	(\$4,377,433)			(\$4,377,433)
<b>Net Activity</b>					<b>\$148,433</b>

### Investment Funds\*

	<u>As of 11/30/25</u>	<u>As of 12/31/25</u>
Local Agency Investment Fund (LAIF)	\$131,546	\$25,831,546
San Diego County Treasurer's Pool	109,334	109,334
California Asset Management Program (CAMP)	19,988,032	264,097
Public Agency Retirement Services (PARS)	1,236,293	1,242,272
Multi-Bank Securities (MBS)	24,518,704	23,772,714
Cash on Hand	5,584,539	1,207,107
<b>Total</b>	<b>\$51,568,448</b>	<b>\$52,409,070</b>



\*May include accrued interest not available currently for withdrawal – based on book value

\*Please see attached list of MBS Holdings

## Multi-Bank Securities

December 31, 2025

Issuer	Product Type	Settle	Maturity	Rate	Market Valuation	CUSIP
UNITED STATES TREAS	Treasury	9/26/2024	9/15/2026	4.63%	\$1,823,032.00	91282CHY0
AXOS BK SAN DIEGO	DTC CD	10/2/2024	10/2/2026	3.75%	\$249,333.66	05465DBT4
ALL IN FED CR UN	DTC CD	10/4/2024	10/5/2026	3.70%	\$249,221.61	01664MAM8
ALLY BK SANDY UTAH	DTC CD	10/3/2024	10/5/2026	3.70%	\$245,254.80	02007G3U5
UNIVERSITY ILL CMNTY	DTC CD	10/4/2024	10/5/2026	3.75%	\$249,313.74	914359AC8
UNITED STATES TREAS	Treasury	9/26/2024	3/15/2027	4.25%	\$1,835,506.40	91282CKE0
TEXAS EXCHANGE BK	DTC CD	9/27/2024	3/26/2027	3.65%	\$249,171.81	88241TTB6
BANKERS BK WEST	DTC CD	10/7/2024	7/7/2027	3.65%	\$249,097.11	06610TFL4
CONNEXUS CR UN	DTC CD	9/3/2025	9/3/2027	4.00%	\$244,372.95	20825WEK2
BNY MELLON N A INSTL	DTC CD	9/27/2024	9/27/2027	3.45%	\$244,132.70	05584CRS7
MERRICK BK SOUTH	DTC CD	9/30/2024	9/30/2027	3.60%	\$248,738.55	59013KR32
UNITED STATES TREAS	Treasury	9/26/2024	9/30/2027	4.13%	\$1,792,786.66	91282CFM8
LUANA SVGS BK IOWA	DTC CD	8/13/2025	8/14/2028	3.70%	\$244,826.05	549104L39
MORGAN STANLEY BK N	DTC CD	8/13/2025	8/14/2028	3.85%	\$245,732.55	61778ECY5
SALLIE MAE BK SALT	DTC CD	8/13/2025	8/14/2028	3.85%	\$245,732.55	795451EA7
VALLEY NATL BK	DTC CD	8/12/2025	8/14/2028	3.75%	\$245,127.40	919853RB9
BMW BK NORTH AMER	DTC CD	8/15/2025	8/15/2028	3.85%	\$245,683.55	05612LFN7
IDABEL NATL BK OKLA	DTC CD	8/15/2025	8/15/2028	3.70%	\$248,858.07	451088BZ0
MALAGA BK FSB PALOS	DTC CD	8/15/2025	8/15/2028	3.75%	\$249,169.32	56102ACA2
MILESTONE BK SALT	DTC CD	8/15/2025	8/15/2028	3.75%	\$245,080.85	59934MDT2
FIRST PREMIER BK	DTC CD	8/20/2025	8/21/2028	3.75%	\$245,124.95	33610RWU3
GOLDMAN SACHS BK USA	DTC CD	8/19/2025	8/21/2028	3.80%	\$245,428.75	38150V4Q9
HOPE FED CR UN	DTC CD	8/21/2025	8/21/2028	3.85%	\$245,686.00	43942MAN2
INSTITUTION FOR SVGS	DTC CD	8/25/2025	8/25/2028	3.70%	\$248,853.09	45780PDA0
UNITED STATES TREAS	Treasury	11/25/2024	10/31/2029	4.13%	\$7,834,752.20	91282CLR0
BANK MONTREAL	Corporate	10/15/2025	10/15/2030	4.30%	\$4,608,556.00	06376FEC9
ROYAL BK CDA GLOBAL	Corporate	10/17/2025	10/17/2030	4.25%	\$694,141.00	78014RM31

**\$23,772,714.32**

**Santa Fe Irrigation District**  
**QUARTERLY TREASURER'S REPORT**



December 31, 2025

Board of Directors  
Santa Fe Irrigation District

The Santa Fe Irrigation District's ("District") investments are currently held in three separate investment pools that meet or exceed state and the District's Investment Policy ("Policy") guidelines, are professionally managed at little cost, and are liquid enough to provide any immediate cash needs while balancing investment returns. The District has enough cash on hand to meet the next 30 days obligations.

Appendix A to this report outlines the District investment(s) summary and performance detail.

These investment pools, their respective ratings and liquidity are as follows:

1. The State of California Local Agency Investment Fund (LAIF). LAIF has not requested a rating from a credit agency. District funds are available to us in one working day by electronic transfer. Disclosure associated with LAIF transactions and additional detail are outlined in Appendix B\*\*.
2. The California Asset Management Program (CAMP). The pool is rated AAAf\* by Fitch Ratings. District funds are available to us in one working day by electronic transfer. Disclosure associated with CAMP transactions and additional detail are outlined in Appendix C\*\*.
3. The San Diego County Pooled Money Fund (SDCPMF). The pool is rated AAAf / S1\* by Fitch Ratings. District funds are available to us in two working days by electronic transfer. Disclosure associated with SDCPMF transactions and additional detail are outlined in Appendix D\*\*.
4. The Public Agency Retirement Services (PARS). PARS invests in a balanced strategy with dual goals of growth in principal and income. The portfolio is allocated between equity and fixed income investments. Disclosure associated with PARS transactions and additional detail are outlined in Appendix E.

In fiscal year 2024, Staff modified the investment strategy for District funds to ensure a higher yield over a longer duration by purchasing direct investments. These direct investments include certificates of deposit ("CDs") and US Treasury securities; with the CDs below FDIC maximum insurance levels and the US Treasury backed by the full faith-and-credit of the United States.

There is a five-year quarterly summary of the District's investment portfolio included as Appendix F. The District currently has direct investments through the purchase of CD's and US Treasuries and staff will continue to review the District's Policy, investments, and objectives in direct consultation with the Board of Directors.

Albert C. Lau, P.E., General Manager

\* AAA is the highest rating given to investments by Standard & Poor's and represents 'extremely strong protection against losses from credit defaults' (S1 = AAA short term investment). The 'f' subscript identifies a fixed-income fund.

\*\* Investment holding(s) information is latest information provided to the District at time of publishing



## APPENDIX A

**Santa Fe Irrigation District**  
**Quarterly Treasurer's Report**  
**December 31, 2025**

	Settlement Date	Date of Maturity	Current Rating	Par Value	Book Value	Market Value <sup>1</sup>	Coupon Rate	Yield to Maturity	% of Market Value
<b>Cash &amp; Cash Equivalents at Reporting Date</b>									
Local Agency Investment Fund (LAIF)			N/A		25,831,546	25,881,390	4.096%		49.3%
California Asset Management Program (CAMP)			AAAf		264,097	264,097	4.110%		0.5%
Multi-Bank Securities CD's (MBS)			N/A		5,179,000	5,183,940	3.740%		9.9%
Multi-Bank Securities U.S. Treasury (MBS)			N/A		13,109,000	13,286,077	4.280%		25.3%
Multi-Bank Securities Corporate (MBS)			N/A		5,300,000	5,302,697	4.280%		10.1%
San Diego Co Pooled Money Fund (SDCPMF)			AAAf/S1		109,334	109,509	3.830%		0.2%
Public Agency Retirement Services (PARS)			N/A		1,242,272	1,242,272	4.800%		2.4%
Cash on Hand			N/A		1,207,106	1,207,106	-		2.3%
Total Cash & Equivalents					\$ 52,242,355	\$ 52,477,089	4.048% <sup>2</sup>		
<b>Total Funds</b>					<b>\$ 52,242,355</b>	<b>\$ 52,477,089</b>			100.0%
Weighted Average Final Maturity					513 days				
None									

<sup>1</sup> Source of data for LAIF, CAMP, County Pool, MBS & PARS are based on most recent data available from those organizations.

<sup>2</sup> Weighted average yield. LAIF annualized monthly yield, CAMP annualized 30 day yield, County Pool annualized monthly book value yield, and PARS annualized yield .



## APPENDIX B

California State Treasurer  
**Fiona Ma, CPA**



Local Agency Investment Fund  
P.O. Box 942809  
Sacramento, CA 94209-0001  
(916) 653-3001

January 05, 2026

[LAIF Home](#)  
[PMIA Average Monthly Yields](#)

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SANTA FE IRRIGATION DISTRICT

TREASURER  
P.O. BOX 409  
RANCHO SANTA FE, CA 92067

[Tran Type Definitions](#)

**Account Number:** 90-37-017

December 2025 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
12/11/2025	12/11/2025	RD	1787832	1748457	SETH GATES	2,500,000.00
12/15/2025	12/12/2025	RD	1787928	1748562	SETH GATES	20,000,000.00
12/16/2025	12/16/2025	RD	1788007	1748640	SETH GATES	2,800,000.00
12/31/2025	12/30/2025	RD	1788541	1749180	SETH GATES	400,000.00

**Account Summary**

Total Deposit:	25,700,000.00	Beginning Balance:	131,546.23
Total Withdrawal:	0.00	Ending Balance:	25,831,546.23



## PMIA/LAIF Performance Report as of 12/17/25



### Quarterly Performance Quarter Ended 9/30/25

LAIF Apportionment Rate <sup>(2)</sup> :	4.34
LAIF Earnings Ratio <sup>(2)</sup> :	0.00011893333163814
LAIF Administrative Cost <sup>(1)*</sup> :	0.26
LAIF Fair Value Factor <sup>(1)</sup> :	1.001929581
PMIA Daily <sup>(1)</sup> :	4.19
PMIA Quarter to Date <sup>(1)</sup> :	4.24
PMIA Average Life <sup>(1)</sup> :	254

### PMIA Average Monthly Effective Yields<sup>(1)</sup>

November	<b>4.096</b>
October	4.150
September	4.212
August	4.251
July	4.258
June	4.269

### Pooled Money Investment Account Monthly Portfolio Composition<sup>(1)</sup> 11/30/25 \$155.9 billion

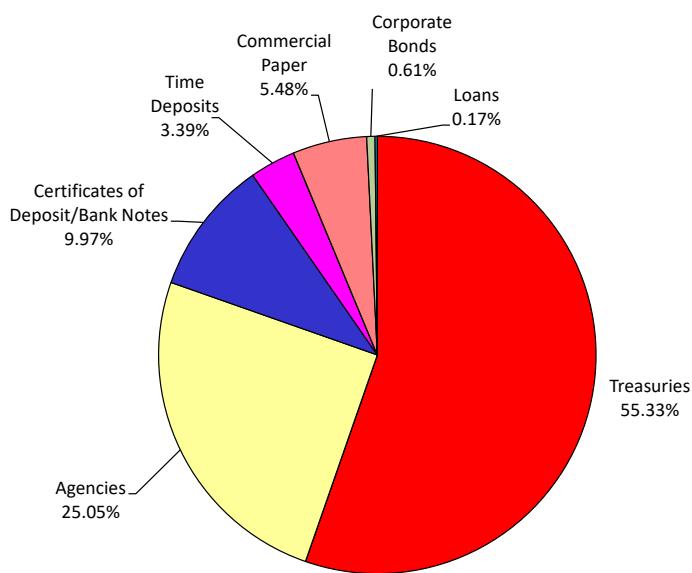


Chart does not include \$936,000.00 in mortgages, which equates to 0.001%. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1).

\*The percentage of administrative cost equals the total administrative cost divided by the quarterly interest earnings. The law provides that administrative costs are not to exceed 5% of quarterly EARNINGS of the fund. However, if the 13-week Daily Treasury Bill Rate on the last day of the fiscal year is below 1%, then administrative costs shall not exceed 8% of quarterly EARNINGS of the fund for the subsequent fiscal year.

Source:

(1) State of California, Office of the Treasurer

(2) State of California, Office of the Controller



## APPENDIX C



## Account Statement - Transaction Summary

For the Month Ending **December 31, 2025**

SANTA FE IRRIGATION DISTRICT - GENERAL FUND - 607-00

### CAMP Pool

Opening Market Value	19,988,032.24
Purchases	1,026,064.87
Redemptions	(20,750,000.00)
Unsettled Trades	0.00
Change in Value	0.00

### Closing Market Value

Cash Dividends and Income	<b>\$264,097.11</b>
	26,064.87

### Asset Summary

**December 31, 2025**   **November 30, 2025**

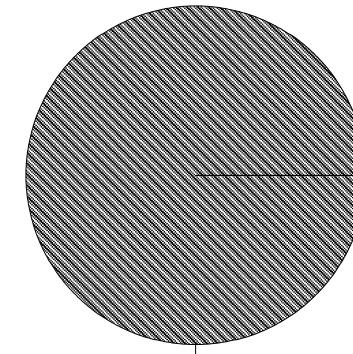
#### CAMP Pool

264,097.11   19,988,032.24

#### Total

**\$264,097.11**   **\$19,988,032.24**

### Asset Allocation



CAMP Pool  
100.00%



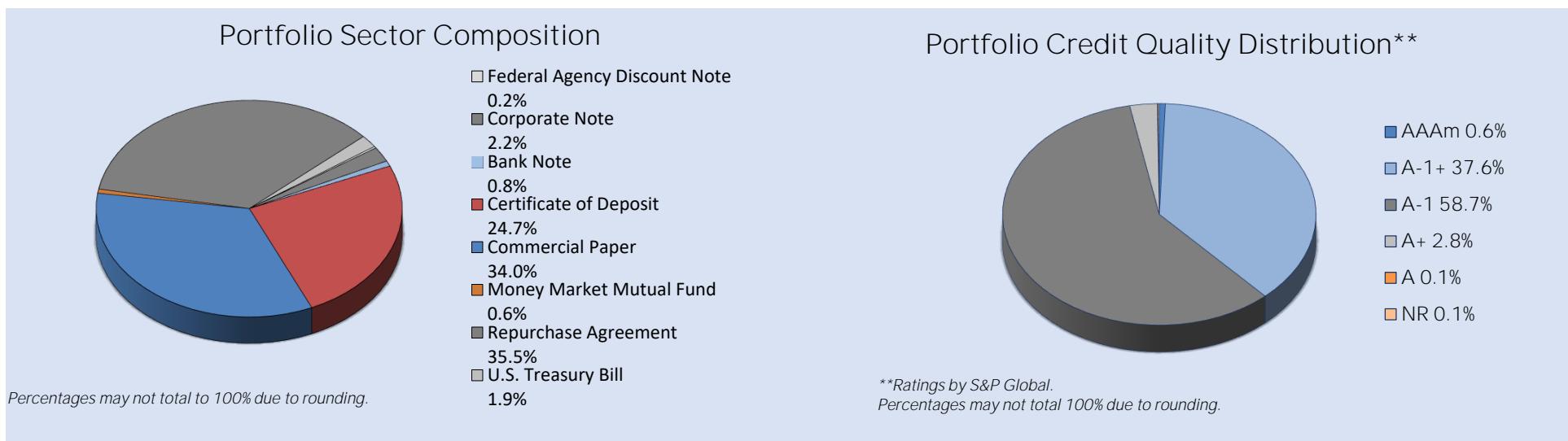
## Account Statement

For the Month Ending **December 31, 2025**

SANTA FE IRRIGATION DISTRICT - GENERAL FUND - 607-00

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Total Shares Owned
<b>CAMP Pool</b>					
<b>Opening Balance</b>					<b>19,988,032.24</b>
12/05/25	12/05/25	Purchase - ACH Purchase	1.00	1,000,000.00	20,988,032.24
12/12/25	12/12/25	Redemption - ACH Redemption	1.00	(20,000,000.00)	988,032.24
12/17/25	12/17/25	Redemption - ACH Redemption	1.00	(750,000.00)	238,032.24
12/31/25	01/02/26	Accrual Income Div Reinvestment - Distributions	1.00	26,064.87	264,097.11
<b>Closing Balance</b>					<b>264,097.11</b>
		Month of December	Fiscal YTD January-December		
<b>Opening Balance</b>		19,988,032.24	18,993,623.56	<b>Closing Balance</b>	
<b>Purchases</b>		1,026,064.87	21,264,097.11	<b>Average Monthly Balance</b>	
<b>Redemptions (Excl. Checks)</b>		(20,750,000.00)	(39,993,623.56)	<b>Monthly Distribution Yield</b>	
<b>Check Disbursements</b>		0.00	0.00		
<b>Closing Balance</b>		<b>264,097.11</b>	<b>264,097.11</b>		
<b>Cash Dividends and Income</b>		26,064.87	914,097.11		

Total Fund Net Assets <sup>1</sup>	\$20,220,585,031	Weighted Average Maturity	47 Days
Current 7-Day Yield <sup>2</sup>	4.11%	Net Asset Value per Share	\$1.00
S&P Rating <sup>3</sup>	AAAm		



1. Total fund net assets, portfolio holdings valued at amortized cost, trade date based.
2. As of November 30, 2025. The current seven-day yield of the CAMP Cash Reserve Portfolio may, from time to time, be quoted in reports, literature and advertisements published by the Trust. The current seven-day 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. **Past performance is not indicative of future results and yields may vary.**
3. S&P Global AAm Rating: S&P evaluates a number of factors, including credit quality, market price, exposure, and management. Please visit [SPGlobal.com/Ratings](http://SPGlobal.com/Ratings) for more information and ratings methodology.

[www.camponline.com](http://www.camponline.com) | 1.800.729.7665 | [camp@pfmam.com](mailto:camp@pfmam.com)



## APPENDIX D

COSD

Trial Balance - Total Currency

Report Date: 03-DEC-2025 18:29

Period: NOV-25

Page: 1 of 1

Currency: USD

Balance Type: Year to Date

FUND Range: 44063 to 44063

Ledger: COSD

FUND: 44063 SANTA FE IRRIGATION DIST INVESTMENT

ACCOUNT	Description	Beginning Balance	Debits	Credits	Ending Balance
10100	CASH IN TREASURY	107,631.48	1,702.59	0.00	109,334.07
10750	DUE FROM / DUE TO - INTEREST AP	1,512.63	1,021.47	1,702.59	831.51
34100	FUND BALANCE AVAILABLE - ACTUAL	(109,144.11)	0.00	0.00	(109,144.11)
44105	INTEREST ON DEPOSITS&INV	0.00	1,021.47	1,021.47	0.00
80468	INTEREST RECEIPTS	0.00	0.00	1,021.47	(1,021.47)
		0.00	3,745.53	3,745.53	0.00

# SUMMARY PORTFOLIO STATISTICS

## County of San Diego Pooled Money Fund

As of November 30, 2025

Investment Type	Par Value	Book Value	Market Value	% of Portfolio	Market Price	Days To Maturity	YTM	Accrued Interest	Unrealized Gain/Loss
<b>ABS</b>	544,427,971	544,377,184	549,168,023	3.67%	100.87	1051	5.06%	1,126,845	4,790,839
<b>Agency</b>	2,466,960,000	2,467,709,737	2,465,203,322	16.46%	99.93	657	2.92%	18,991,968	(2,506,415)
<b>Bank Deposit</b>	111,564,311	111,564,311	111,564,311	0.75%	100.00	0	2.90%	-	-
<b>Commercial Paper</b>	1,775,000,000	1,750,897,798	1,750,470,838	11.69%	98.62	124	4.06%	-	(426,960)
<b>Corporate</b>	65,000,000	64,387,337	64,991,040	0%	99.99	664	4.45%	198,333	603,703
<b>Local Gov Investment Pool</b>	255,024,650	255,024,650	255,024,650	1.70%	100.00	0	4.08%	-	-
<b>Money Market Fund FI</b>	333,500,000	333,500,000	333,500,000	2.23%	100.00	0	3.92%	-	-
<b>Municipal Bonds</b>	491,870,000	494,687,872	499,496,848	3%	101.55	774	4.02%	4,776,539	4,808,976
<b>Negotiable CD</b>	3,125,000,000	3,125,000,000	3,125,814,160	20.88%	100.03	99	4.15%	41,428,148	814,160
<b>Supranationals</b>	2,241,780,000	2,228,687,043	2,253,626,785	15.05%	100.53	1066	4.15%	23,539,645	24,939,743
<b>US Treasury</b>	3,505,000,000	3,500,837,960	3,530,362,069	23.58%	100.72	916	3.64%	37,697,312	29,524,109
<b>Trade Payables/Receivables</b>	34,016,250	34,016,250	34,016,250	0.22%	0.00	0	0.00%	-	-
<b>Total for November 2025</b>	14,949,143,183	14,910,690,142	14,973,238,298	100%	100.16	588	3.83%	127,758,791	62,548,156
<b>Total for October 2025</b>	14,689,320,195	14,653,855,414	14,698,550,620	100%	100.06	610	3.82%	112,152,003	44,695,207
<b>Change from Prior Month</b>	259,822,988	256,834,729	274,687,678		0.10	(22)	0.01%	15,606,788	17,852,949
<b>Portfolio Effective Duration</b>	1.24								
<b>Return Information</b>	<b>Monthly Return</b>	<b>Annualized</b>	<b>Fiscal Year To Date Return</b>	<b>Annualized</b>	<b>Calendar YTD Return</b>	<b>Annualized</b>			
Book Value	0.31%	3.81%	1.58%	3.83%	3.45%	3.77%			

### Notes

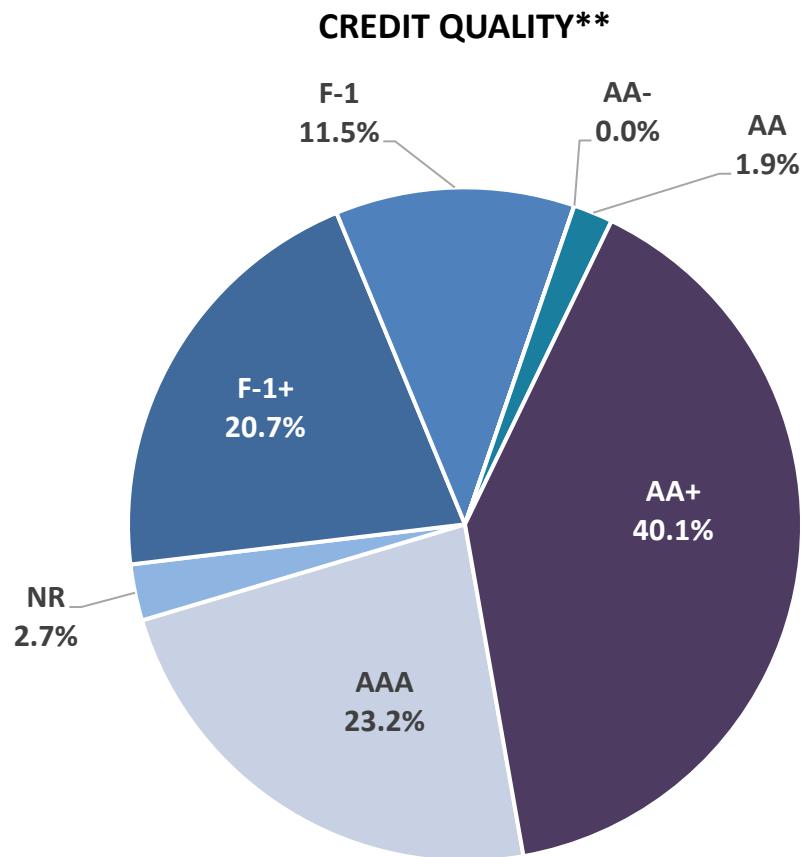
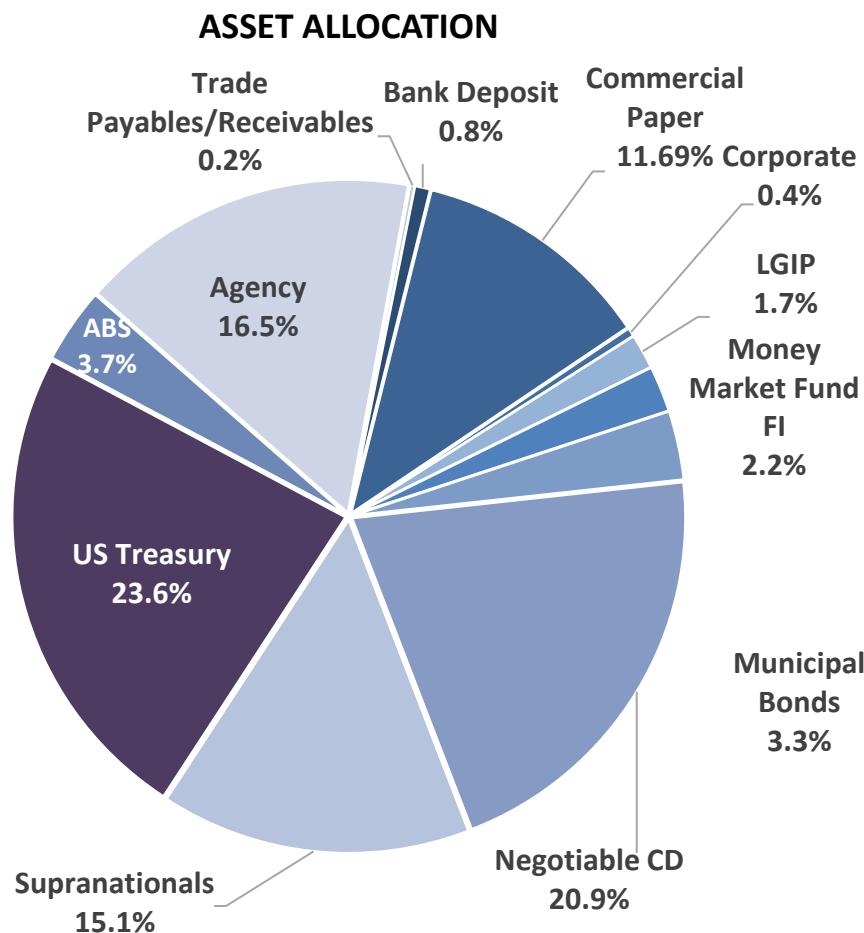
Yield to maturity (YTM) is the estimated rate of return on a bond given its purchase price, assuming all coupon payments are made on a timely basis and reinvested at this same rate of return to the maturity date. Weighted Days to Maturity is average time it takes for securities in a portfolio to mature, weighted in proportion to the dollar amount that is invested in the portfolio. Yields for the portfolio are aggregated based on the book value of each security.

Monthly Investment Returns are reported gross of fees. Administration fees since fiscal year 17-18 have averaged approximately 7 basis points per annum. \*\*All Investments held during the month of November 2025 were in compliance with the Investment Policy dated January 1, 2023. The County Treasurer believes the Treasury Investment Pool contains sufficient cash flow from liquid and maturing securities, bank deposits, and incoming cash to meet the next six months of expected expenditures.

While Safety, Liquidity, and Yield remain the Fund's primary investment objectives, all else being equal and acting under statutory investment limitations, the County Treasurer affirms his/her commitment to the consideration of ESG criteria in evaluating securities. Sustainalytics, a Morningstar Company, provides high-quality, analytical environmental, social and governance (ESG) research, ratings and data to institutional investors and companies. Using Sustainalytics scoring, which is available on Bloomberg, the Pool had a weighted average MTN/CP/CD score of 17.50 as of 11/30/25, placing it in the "Low Risk" category. Sustainalytics' ratings categories are: negligible (0-9.99), low (10-19.99), medium (20-29.99), high (30-39.99) and severe (40+).

# INVESTMENT FUND OVERVIEW

## County of San Diego Pooled Money Fund As of November 30, 2025



Note: Totals in both charts may not add to 100% due to rounding.

\*\*If a security is not rated by Fitch, the report uses the lowest rating provided by either Moody's or Standard and Poor's using the Fitch scale.



## APPENDIX E

**Monthly Account Report for the Period  
11/01/2025 to 11/30/2025**

Robert Masterson

**SANTA FE IRRIGATION DISTRICT  
Santa Fe Irrigation District PARS PAPEBT****Plan Summary**

Beginning Plan Value as of 11/01/2025	\$1,236,293.07
Change in Plan Value	\$5,978.83
Ending Plan Value as of 11/30/2025	\$1,242,271.90

**Activity Summary by Source**

Source	Balance on 11/01/2025	Contributions	Earnings	Expenses	Distributions	Transfers	Balance on 11/30/2025
PENSION	\$1,236,293.07	\$0.00	\$6,583.45	\$(604.62)	\$0.00	\$0.00	\$1,242,271.90
<b>Totals</b>	<b>\$1,236,293.07</b>	<b>\$0.00</b>	<b>\$6,583.45</b>	<b>\$(604.62)</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,242,271.90</b>

**Transactions for the Period**

Source	Date	Description	Amount
PENSION	11/26/2025	INTER-ACCOUNT TRANSFER IN	\$257.56
PENSION	11/26/2025	INTER-ACCOUNT TRANSFER OUT	\$(257.56)
PENSION	11/26/2025	TRUST ADMINISTRATOR FEES	\$(257.56)
PENSION	11/28/2025	ASSET MGMT FEES	\$(347.06)
PENSION	11/30/2025	ACCOUNT GAINS/(LOSSES)	\$6,583.45

**Investment Selection**

Source	Selected Investment
PENSION	Balanced - Strategic Blend

**Investment Objective**

Selected Investment	Description
Balanced - Strategic Blend	The dual goals of the Balanced - Strategic Blend Strategy are growth of principal and income. While dividend and interest income are an important component of the objective's total return, it is expected that capital appreciation will comprise a larger portion.

**Monthly Account Report for the Period  
11/01/2025 to 11/30/2025**

Robert Masterson

**SANTA FE IRRIGATION DISTRICT  
Santa Fe Irrigation District PARS PAPEBT****Investment Performance**

Source	1-Month	3-Month	1-Year	Annualized Return			Inception Date
				3-Years	5-Years	10-Years	
PENSION	0.53%	4.13%	10.38%	12.13%	-	-	12/21/2021

Information as provided by US Bank, Trustee for PARS. Investments are NOT insured by the FDIC or by any other Federal Government Agency, are NOT Bank deposits, are NOT guaranteed by the Bank or any Bank affiliate, and MAY lose value, including possible loss of principal. Past performance does not guarantee future results. Account balances are inclusive of Trust Administration, Trustee and Investment Management fees if applicable. Performance returns may not reflect the deduction of applicable fees, which could reduce returns. Annualized Return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return. Information is deemed reliable but may be subject to change. The plan's Rate of Return may differ from the rate of return in the above linked document. Reasons for the difference may include the timing of transactions into and out of the plan, the duration of time the plan's funds reside in the sweep account and differences in the methodology used to calculate performance.

4350 Von Karman Ave., Ste. 100, Newport Beach, CA 92660-2043 phone 800.540.6369 fax 949.250.1250 [www.pars.org](http://www.pars.org)

Agenda Page No. 28 Admin. and Finance Committee

January 6, 2026

## PARS OPEB and Pension Trust Program

Strategy	Asset Class	Strategic Range	Policy	Tactical	Gross Annualized Total Rate of Return						
					Portfolio	3Q25*	YTD	1-Yr	3-Yr	5-Yr	ITD
<b>Conservative</b>	Equity	5-20%	15%	15%	Strategic Blend	2.81	7.64	5.04	7.96	2.63	3.64
	Fixed Income	60-95%	83%	83%	Benchmark	2.82	7.05	5.36	7.50	2.64	3.49
	Cash	0-20%	2%	2%	Index	2.87	7.66	5.29	7.44	2.23	3.62
					Benchmark	2.82	7.05	5.36	7.50	2.64	3.67
<b>Moderately Conservative</b>	Equity	20-40%	30%	30%	Strategic Blend	3.52	8.93	6.68	10.22	4.59	4.86
	Fixed Income	50-80%	68%	68%	Benchmark	3.60	8.51	6.84	9.92	4.49	4.93
	Cash	0-20%	2%	2%	Index	3.59	9.14	7.19	9.78	4.24	4.66
					Benchmark	3.60	8.51	6.84	9.92	4.49	4.91
<b>Moderate</b>	Equity	40-60%	50%	50%	Strategic Blend	4.42	10.52	8.88	13.04	7.07	7.45
	Fixed Income	40-60%	48%	48%	Benchmark	4.64	10.18	9.01	13.17	7.27	7.71
	Cash	0-20%	2%	2%	Index	4.60	10.85	9.65	12.94	7.05	6.85
					Benchmark	4.64	10.18	9.01	13.17	7.27	7.17
<b>Balanced</b>	Equity	50-70%	60%	60%	Strategic Blend	4.80	11.24	9.86	14.38	8.39	8.17
	Fixed Income	30-50%	38%	38%	Benchmark	5.17	11.04	10.08	14.80	8.62	8.50
	Cash	0-20%	2%	2%	Index	5.15	11.83	10.96	14.63	8.45	7.93
					Benchmark	5.17	11.04	10.08	14.80	8.62	8.15
<b>Capital Appreciation</b>	Equity	65-85%	75%	75%	Strategic Blend	5.52	12.88	11.63	16.85	10.28	8.39
	Fixed Income	10-30%	23%	23%	Benchmark	5.96	12.65	11.86	17.37	10.64	9.32
	Cash	0-20%	2%	2%	Index	5.91	13.53	13.11	17.02	10.69	9.44
					Benchmark	5.96	12.65	11.86	17.37	10.64	9.97

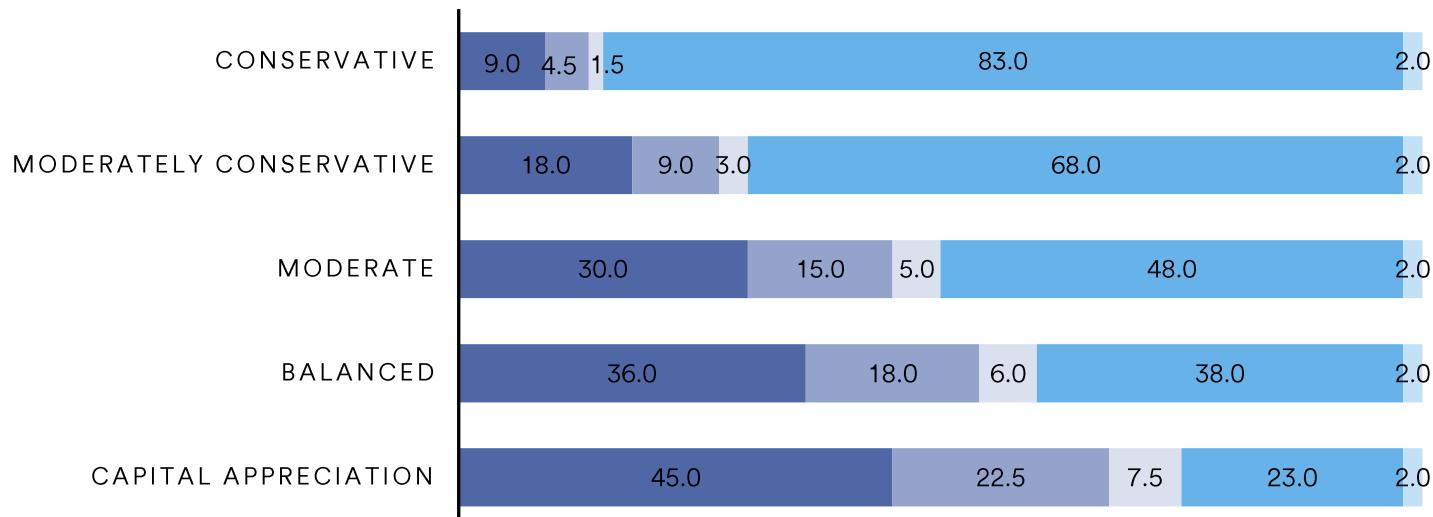
\*Returns for periods under one year are not annualized. Returns are gross of investment management fees and net of fund embedded fees.

Please see important disclosures on the following page and your U.S. Bank fee schedule for investment management fees applied to your specific portfolio, as net of fee performance will differ.

Gross Calendar Year Returns									
Strategy	Portfolio	2024	2023	2022	2021	2020	2019	2018	2017
<b>Conservative</b>	Strategic Blend	4.54	8.99	-12.51	2.12	8.91	10.47	-1.52	7.06
	Index	4.25	7.77	-12.06	1.97	8.27	10.34	0.44	N/A
	Blended Benchmark	4.77	7.82	-10.59	2.24	7.81	10.12	-0.60	5.25
<b>Moderately Conservative</b>	Strategic Blend	6.61	11.32	-13.32	5.27	10.64	13.64	-2.83	9.44
	Index	6.67	9.84	-12.92	5.19	9.84	13.44	-2.58	7.96
	Blended Benchmark	6.79	10.29	-12.35	5.50	9.89	13.55	-1.87	8.13
<b>Moderate</b>	Strategic Blend	9.48	14.07	-14.61	9.29	12.52	17.70	-4.01	13.38
	Index	9.99	12.72	-14.02	10.16	11.32	17.51	-4.04	11.31
	Blended Benchmark	10.03	13.56	-13.74	10.21	12.02	17.66	-3.37	11.66
<b>Balanced</b>	Strategic Blend	11.04	15.14	-14.89	11.36	13.46	18.61	-4.50	15.22
	Index	11.86	14.52	-14.95	12.53	12.12	19.62	-5.00	13.38
	Blended Benchmark	11.61	15.19	-14.58	12.54	13.07	19.78	-4.18	13.54
<b>Capital Appreciation</b>	Strategic Blend	13.04	17.63	-16.09	14.34	14.62	22.10	-7.94	N/A
	Index	13.75	16.57	-14.70	16.05	12.17	20.68	-6.45	15.62
	Blended Benchmark	13.82	17.60	-15.64	15.93	14.37	22.81	-5.53	16.57



■ Domestic Equity ■ International Equity ■ Real Assets ■ Fixed Income ■ Cash



**Strategic Blend - Holdings:** Portfolios are invested in a strategic mix of actively managed and passive index-based investment vehicles.

Baird Aggregate Bond Fund  
 Cohen & Steers Institutional Realty Fund  
 Columbia Contrarian Core Fund  
 Columbia Small Cap Growth Fund  
 Dodge Cox Income Fund  
 Emerald Growth Fund  
 Fidelity International Index Fund  
 First American Government Obligations Fund  
 Goldman Sachs GQG International Opportunities Fund  
 Fidelity Emerging Markets Index Fund  
 iShares Core U.S. Aggregate ETF  
 Lazard Global Infrastructure Fund

NYLI CBRE Global Infrastructure Fund  
 NYLI MacKay High Yield Corporate Bond Fund  
 MFS International Growth Fund  
 PGIM Total Return Bond Fund  
 Putnam Core Equity Fund  
 Schwab US Large CAP ETF  
 Undiscovered Managers Behavioral Fund  
 Voya Intermediate Bond Fund

**Index - Holdings:**  
 Portfolios are invested in passive index-based investment vehicles.

Fidelity Total Stock Market Index Fund  
 First American Government Obligations Fund  
 iShares Core MSCI Total International Stock ETF  
 iShares Core US Aggregate Bond ETF  
 iShares Global Infrastructure ETF  
 SPDR High Yield Bond ETF

Vanguard Real Estate ETF

For illustrative purposes only and subject to change at PFMAM's discretion. Individual portfolio allocations and holdings will vary based on many factors, including each portfolio's specific investment policy and market conditions.

	Benchmark Definitions					
	Conservative	Moderately Conservative	Moderate	Balanced	Capital Appreciation	
7/1/2025 - Current:	Russell 3000 Index	9.00%	18.00%	30.00%	36.00%	45.00%
	MSCI AC World ex USA (Net)	4.50%	9.00%	15.00%	18.00%	22.50%
	MSCI US REIT Index	0.75%	1.50%	2.50%	3.00%	3.75%
	MSCI World Core Infra Index (Net)	0.75%	1.50%	2.50%	3.00%	3.75%
	Blmbg. U.S. Aggregate	76.50%	62.50%	44.25%	35.00%	21.25%
	ICE BofA US High Yield Index	6.50%	5.50%	3.75%	3.00%	1.75%
	ICE BofA 3 Month U.S. T-Bill	2.00%	2.00%	2.00%	2.00%	2.00%



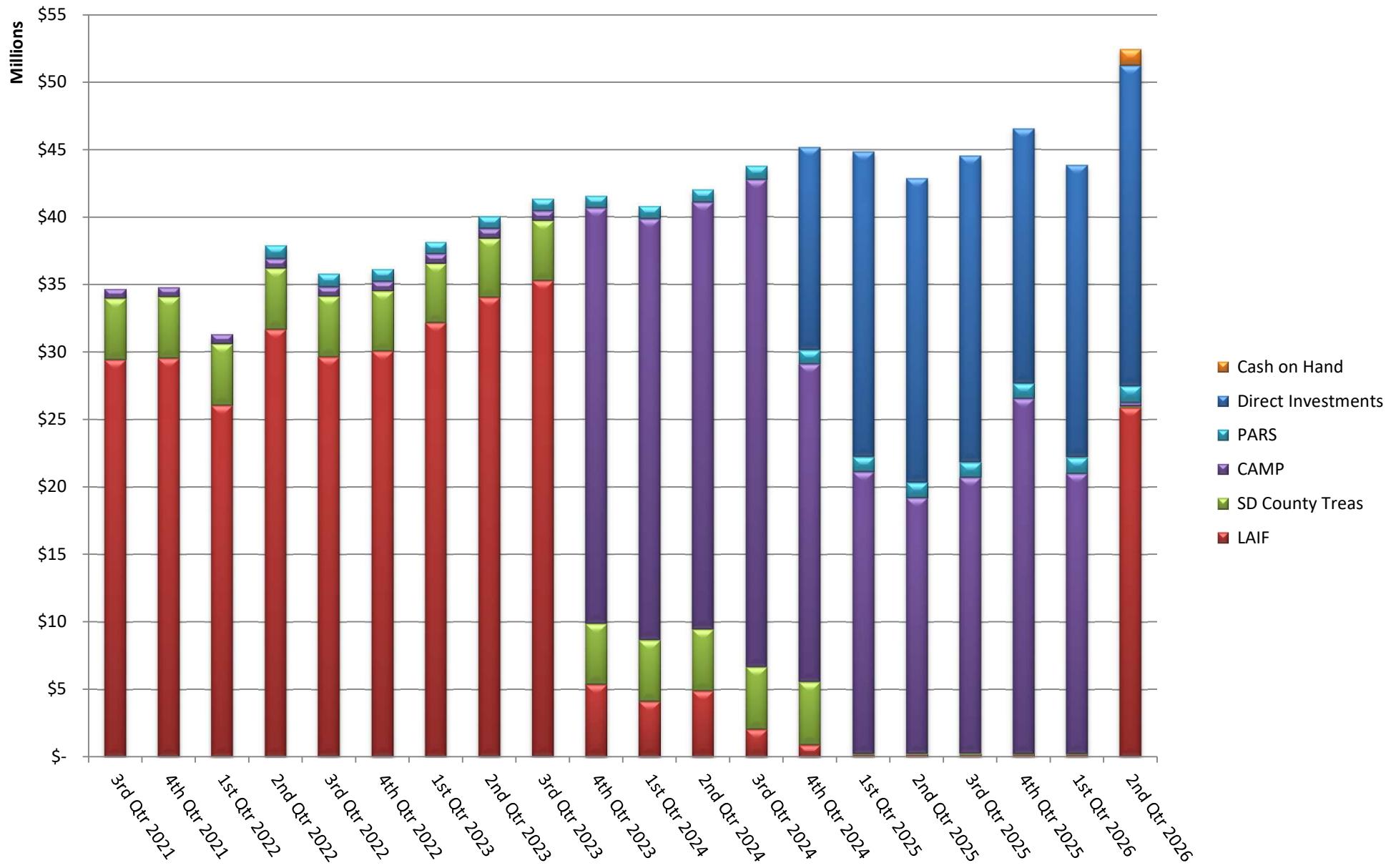
## APPENDIX F

**Multi-Bank Securities**

December 2025

Issuer	Product Type	Settle	Maturity	Days to Maturity		Amount					Account	Status	Insurance Number	Purchase Price
				Current	Market Price	Market Valuation	CUSIP							
TEXAS EXCHANGE BK	DTC CD	9/27/2024	3/26/2027	910	3.65%	\$249,000.00	100.069	\$249,171.81	88241TTB6	RMB042797	In Account		20099	100
BNY MELLON N A INSTL	DTC CD	9/27/2024	9/27/2027	1095	3.45%	\$245,000.00	99.646	\$244,132.70	05584CRS7	RMB042797	In Account		7946	100
MERRICK BK SOUTH	DTC CD	9/30/2024	9/30/2027	1095	3.60%	\$249,000.00	99.895	\$248,738.55	59013KR32	RMB042797	In Account		34519	100
AXOS BK SAN DIEGO	DTC CD	10/2/2024	10/2/2026	730	3.75%	\$249,000.00	100.134	\$249,333.66	05465DBT4	RMB042797	In Account		35546	100
ALLY BK SANDY UTAH	DTC CD	10/3/2024	10/5/2026	732	3.70%	\$245,000.00	100.104	\$245,254.80	02007G3U5	RMB042797	In Account		57803	100
UNIVERSITY ILL CMNTY	DTC CD	10/4/2024	10/5/2026	731	3.75%	\$249,000.00	100.126	\$249,313.74	914359AC8	RMB042797	In Account		60583	100
ALL IN FED CR UN	DTC CD	10/4/2024	10/5/2026	731	3.70%	\$249,000.00	100.089	\$249,221.61	01664MAM8	RMB042797	In Account		17642	100
BANKERS BK WEST	DTC CD	10/7/2024	7/7/2027	1003	3.65%	\$249,000.00	100.039	\$249,097.11	06610TFL4	RMB042797	In Account		23210	100
VALLEY NATL BK	DTC CD	8/12/2025	8/14/2028	1098	3.75%	\$245,000.00	100.052	\$245,127.40	919853RB9	RMB042797	In Account		9396	100
LUANA SVGS BK IOWA	DTC CD	8/13/2025	8/14/2028	1097	3.70%	\$245,000.00	99.929	\$244,826.05	549104L39	RMB042797	In Account		253	100
MORGAN STANLEY BK N	DTC CD	8/13/2025	8/14/2028	1097	3.85%	\$245,000.00	100.299	\$245,732.55	61778ECY5	RMB042797	In Account		32992	100
SALLIE MAE BK SALT	DTC CD	8/13/2025	8/14/2028	1097	3.85%	\$245,000.00	100.299	\$245,732.55	795451EA7	RMB042797	In Account		58177	100
MILESTONE BK SALT	DTC CD	8/15/2025	8/15/2028	1096	3.75%	\$245,000.00	100.033	\$245,080.85	59934MDT2	RMB042797	In Account		58148	100
MALAGA BK FSB PALOS	DTC CD	8/15/2025	8/15/2028	1096	3.75%	\$249,000.00	100.068	\$249,169.32	56102ACA2	RMB042797	In Account		32282	100
IDABEL NATL BK OKLA	DTC CD	8/15/2025	8/15/2028	1096	3.70%	\$249,000.00	99.943	\$248,858.07	451088BZ0	RMB042797	In Account		4241	100
BMW BK NORTH AMER	DTC CD	8/15/2025	8/15/2028	1096	3.85%	\$245,000.00	100.279	\$245,683.55	05612LFN7	RMB042797	In Account		35141	100
GOLDMAN SACHS BK US/ DTC CD	8/19/2025	8/21/2028	1098	3.80%	\$245,000.00	100.175	\$245,428.75	38150V4Q9	RMB042797	In Account		33124	100	
FIRST PREMIER BK	DTC CD	8/20/2025	8/21/2028	1097	3.75%	\$245,000.00	100.051	\$245,124.95	33610RWU3	RMB042797	In Account		6085	100
HOPE FED CR UN	DTC CD	8/21/2025	8/21/2028	1096	3.85%	\$245,000.00	100.280	\$245,686.00	43942MAN2	RMB042797	In Account		24829	100
INSTITUTION FOR SVGS	DTC CD	8/25/2025	8/25/2028	1096	3.70%	\$249,000.00	99.941	\$248,853.09	45780PDAO	RMB042797	In Account		90250	100
CONNEXUS CR UN	DTC CD	9/3/2025	9/3/2027	730	4.00%	\$243,000.00	100.565	\$244,372.95	20825WEK2	RMB042797	In Account		66538	100
				<b>Average Days to Maturity</b>	<b>996.05</b>	<b>\$5,179,000.00</b>		<b>\$5,183,940.06</b>						
UNITED STATES TREAS	Treasury	9/26/2024	9/15/2026	719	4.63%	\$1,810,000.00	100.720	\$1,823,032.00	91282CHY0	RMB042797	In Account			102.116
UNITED STATES TREAS	Treasury	9/26/2024	3/15/2027	900	4.25%	\$1,820,000.00	100.852	\$1,835,506.40	91282CKE0	RMB042797	In Account			101.877
UNITED STATES TREAS	Treasury	9/26/2024	9/30/2027	1099	4.13%	\$1,774,000.00	101.059	\$1,792,786.66	91282CFM8	RMB042797	In Account			101.948
UNITED STATES TREAS	Treasury	11/25/2024	10/31/2029	1801	4.13%	\$7,705,000.00	101.684	\$7,834,752.20	91282CLR0	RMB042797	In Account			99.35
				<b>Average Days to Maturity</b>	<b>1129.75</b>	<b>\$13,109,000.00</b>		<b>\$13,286,077.26</b>						
BANK MONTREAL	Corporate	10/15/2025	10/15/2030	1826	4.30%	\$4,600,000.00	100.186	\$4,608,556.00	06376FEC9	RMB042797	In Account			100
ROYAL BK CDA GLOBAL	Corporate	10/17/2025	10/17/2030	1826	4.25%	\$700,000.00	99.163	\$694,141.00	78014RM31	RMB042797	In Account			100
				<b>Average Days to Maturity</b>	<b>1826.00</b>	<b>\$5,300,000.00</b>		<b>\$5,302,697.00</b>						
				<b>Grand Total</b>		<b>\$23,588,000.00</b>		<b>\$23,772,714.32</b>						

## SFID 5-Year Investment Portfolio





*The mission of Santa Fe Irrigation District is to meet the water supply needs of all its customers — safely, sustainably, reliably, and cost-effectively.*

## BOARD REPORT

**TO:** Administrative & Finance Committee

**FROM:** Albert C. Lau, P. E.

**INITIATED BY:** Seth Gates, Director of Administrative Services

**DATE:** January 6, 2026

**SUBJECT:** Annual Update to District Investment Policy

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**Strategic Focus Area:**

GOAL 5. Sustainable and Effectively Managed Finances

**Recommendation:**

Recommend adoption of revised Investment Policy ("Policy")

**Alternatives:**

N/A

**Discussion:**

Annually, the Board of Directors is required to review and approve the Policy in accordance with Government Code §53600. The Policy is reviewed by District Staff and the District's General Counsel to ensure compliance with any changes in investment regulations. General Counsel has performed its review and made one minor revision to commercial paper to align with California Government Code section §53601(h), which extended the maximum length of this investment from 270 to 397 days under SB595 (section 7 of investments in the Policy). This change was made to align investment law with current market practices and liquidity needs for agencies. Available commercial

paper commonly has maturities beyond 270 days (often up to about one year), and extending the authorized maturity to 397 days gives local agencies more flexibility to invest in a broader set of high-quality commercial paper that matches actual issuance practices.

Additionally, Staff made changes to the Policy to clean up language and to align the written text of medium-term notes to the addendum, which previously conflicted each other. Prior to this change, medium-term notes requirements in the Policy's text stated:

*Medium-Term Notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States, with a final maturity not exceeding five years from the date of purchase and rated in a rating category of "A" or its equivalent or better by Standard & Poor's, Moody's or Fitch.*

An "A" rating by Standard & Poor's is the middle-range for "upper medium grade" investments and aligns with California Government Code section §53601(k). However, the addendum stated that the quality requirements were "AA- or Aa3". The "A" rating explicitly stated in the text is the Standard & Poor's rating criteria, where the "AA-" is a rating that is produced by Fitch. This Fitch rating is two grades higher than the Standard & Poor's criteria. Additionally, the "Aa3" is a rating produced by Moody's and is also 2 grades higher than the Standard & Poor's criteria, equal to that of the "AA-" produced by Fitch. To align the text and addendum with California Government Code requirements, the text has been modified to the following (with red-line changes):

*Medium-Term Notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States, with a final maturity not exceeding five years from the date of purchase and rated in a rating category of "A" ~~or its equivalent~~ or better by Standard & Poor's ~~or Fitch~~, or A2 by Moody's ~~or Fitch~~.*

The addendum also now reflects this updated requirement.

Staff also updated the "Competitive Transactions" section of the Policy to add the word "practical" to the language. This addition recognizes real-world constraints without weakening expectations, as there may be situations where competitive quotes are not realistically obtainable in situations, such as short settlement time frames. Additionally, this language is preferred by the Government Finance Officers Association and the California Debt & Investment Advisory Commission, as this phrasing reduces audit vulnerability.

### **Fiscal Impact:**

There is no fiscal impact resulting from the adoption of the revised Policy

Attachment A: Investment Policy – Redline

Attachment B: Investment Policy – Clean

**Santa Fe Irrigation District**  
**Investment Policy**  
January 20265

The Santa Fe Irrigation District (the “District”) provides water and related services to ~~residential and commercial~~ customers in the Rancho Santa Fe, Fairbanks Ranch and Solana Beach areas of San Diego County, California. The District is governed by a five-member board of directors (the “Board”) elected by the District’s water users.

The Board has adopted this Investment Policy (the “Policy”) ~~in order to~~ establish the investment scope, objectives, delegation of authority, standards of prudence, reporting requirements, internal controls, eligible investments and transactions, diversification requirements, risk tolerance, and safekeeping and custodial procedures for the investment of the funds of the District. All District funds will be invested in accordance with the Policy and with applicable sections of the California Government Code.

~~This Policy was originally endorsed and adopted by the Board of Directors of the Santa Fe Irrigation District on February 19, 2009. It replaces any previous investment policy or investment procedures of the District.~~

## **SCOPE**

The provisions of this Policy shall apply to all financial assets of the District.

All cash shall be pooled for investment purposes. The investment income derived from the pooled investment account shall be allocated to the contributing funds based upon the proportion of the respective average balances relative to the total pooled balance in the investment portfolio. Interest earnings shall be distributed to the individual funds on a monthly basis.

## **OBJECTIVES**

The principal investment objectives of the District are:

1. Preservation of capital and protection of investment principal.
2. Maintenance of sufficient liquidity to meet anticipated cash flows.
3. Attainment of a market value rate of return.
4. Diversification to avoid incurring unreasonable market risks.
5. Conformance with all applicable California statutes and Federal regulations.

## **DELEGATION OF AUTHORITY**

The management responsibility for the District’s investment program is delegated for a one-year period by the Board to the Treasurer who shall assume full responsibility until the delegation of authority is revoked or expired pursuant to California Government Code Section 53607. Oversight is provided by the Santa Fe Irrigation District Administrative & Finance Committee. The District’s General Manager serves as the Treasurer. The Treasurer may delegate the authority to conduct investment transactions and to manage the operation of the investment portfolio to the Director of Administrative Services. The Treasurer shall remain responsible for any investment decisions made by the Director of Administrative Services.

The Treasurer shall develop written administrative procedures and internal controls, consistent with this Policy, for the operation of the District's investment program. Such procedures shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees of the District.

| The District may engage the support services of outside investment advisors ~~in regard to~~ regarding its investment program, so long as it can be clearly demonstrated that these services produce a net financial advantage or necessary financial protection of the District's financial resources.

## **PRUDENCE**

The standard of prudence to be used for managing the District's investments shall be California Government Code Section 53600.3, the prudent investor standard which states, "When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee 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 agency, 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 agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired by law."

The District's overall investment program shall be designed and managed with a degree of professionalism that is worthy of the public trust. The District recognizes that no investment is totally without risk and that the investment activities of the District are a matter of public record. Accordingly, the District recognizes that occasional measured losses may occur in a diversified portfolio and shall be considered within the context of the overall portfolio's return, provided that adequate diversification has been implemented and that the sale of a security is in the best long-term interest of the District.

The Treasurer and authorized investment personnel acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that the deviations from expectations are reported in a timely fashion to the Board and appropriate action is taken to control adverse developments.

## **ETHICS AND CONFLICTS OF INTEREST**

Elected officials and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or could impair or create the appearance of an impairment of their ability to make impartial investment decisions. Employees and investment officials shall disclose to the Treasurer any financial interests they have in financial institutions that conduct business with the District and they shall subordinate their personal investment transactions to those of the District. The Treasurer and Director of Administrative Services shall file a Statement of Economic Interests each year pursuant to California Government Code Section 87203.

## AUTHORIZED SECURITIES AND TRANSACTIONS

All investments and deposits of the District shall be made in accordance with California Government Code Sections 16429.1, 53600-53609 and 53630-53686. However, pursuant to California Government Code Section 5903(e), if prior to issuing any bonds, the legislative body determines that the interest payable on the bonds to be issued by the state or local government will be subject to federal income taxation under the law, proceeds of bonds and any moneys set aside or pledged to secure payment of the bonds may be invested in securities or obligations described in the ordinance, resolution, indenture, agreement, or other instrument providing for the issuance of the bonds.

Any revisions or extensions of these code sections will be assumed to be part of this Policy immediately upon being enacted.

The District has further restricted the eligible types of securities and transactions as follows:

1. United States Treasury bills, notes, bonds, or certificates of indebtedness with a final maturity not exceeding five years from the date of purchase.
2. Federal Agency debentures and mortgage-backed securities with a final maturity not exceeding five years from the date of purchase issued by the Government National Mortgage Association (GNMA).
3. Federal Instrumentality (government sponsored enterprise) debentures, discount notes, callable and step-up securities, with a final maturity not exceeding five years from the date of purchase, issued by the following only: Federal Home Loan Banks (FHLB), Federal National Mortgage Association (FNMA), Federal Farm Credit Banks (FFCB) and Federal Home Loan Mortgage Corporation (FHLMC).
4. Obligations of the State of California and any local agency within California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or local agency, or by a department, board, agency, or authority of the state or local agency, rated at least AA or A-1+ by Standard & Poor's, Aa2 or P-1 by Moody's or AA or F-1+ by Fitch, with a final maturity not exceeding five years from the date of purchase. On the date of purchase, no more than 20% of the District's portfolio may be invested in such obligations.
5. Other States' Registered treasury notes or bonds, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by a state or by a department, board, agency, or authority of the state, rated at least AA or A-1+ by Standard & Poor's, Aa2 or P-1 by Moody's or AA or F-1+ by Fitch, with a final maturity not exceeding five years from the date of purchase. On the date of purchase, no more than 20% of the District's portfolio may be invested in such obligations.
6. Repurchase Agreements with a final termination date not exceeding one year collateralized by U.S. Treasury obligations, Federal Agency securities, or Federal Instrumentality securities listed in items 1, 2 and 3 above with the maturity of the collateral not exceeding ten years. For the purpose of this section, the term collateral shall mean purchased securities under the terms of the District's approved Master Repurchase Agreement. The purchased securities shall have a minimum market value including accrued interest of 102% of the dollar value of the transaction and shall be adjusted no less than quarterly. Collateral shall be held in the

District's custodian bank, as safekeeping agent, the investments and repurchase agreements shall be in compliance if the value of the underlying securities is brought up to 102% no later than the next business day.

Repurchase Agreements shall be entered into only with dealers who have executed a District approved Master Repurchase Agreement with the District and who are recognized as Primary Dealers with the Federal Reserve Bank of New York. Primary Dealers approved as Repurchase Agreement counterparties shall have a short-term credit rating of at least A-1 or the equivalent and a long-term credit rating of at least A or the equivalent. The Treasurer shall maintain a copy of the District's approved Master Repurchase Agreement along with a list of the broker/dealers who have executed a Master Repurchase Agreement with the District.

7. Prime Commercial Paper with a maturity not exceeding 397270 days. Maximum portfolio exposure is limited to 25% in the aggregate and 10% of the outstanding paper and medium-term notes of a single issuer. Investment is limited to commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization (NRSRO). The entity that issues the commercial paper shall either be organized and operating in the United States as a general corporation with total assets in excess of five hundred million dollars (\$ 500,000,000), a debt other than commercial paper, if any, that is rated in a rating category of "A" or higher, or the equivalent, by a nationally recognized statistical-rating organization (NRSRO) OR the entity shall be organized within the United States as a special purpose corporation, trust, or limited liability company, with program wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or surety bond and commercial paper that is rated "A-1" or higher, or the equivalent, by a NRSRO.
8. Eligible Bankers Acceptances with a maturity not exceeding 180 days from the date of purchase, issued by a FDIC insured state or national bank with combined capital and surplus of at least \$250 million, and whose senior long-term debt is rated at least A by Standard and Poor's, A2 by Moody's or A by Fitch at the time of purchase. No more than 10% of the District's total portfolio may be invested in banker's acceptances of any one issuer, and the aggregate investment in banker's acceptances shall not exceed 15% of the District's total portfolio.
9. Medium-Term Notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States, with a final maturity not exceeding five years from the date of purchase and rated in a rating category of "A" or its equivalent or better by Standard & Poor's or Fitch , or A2 by Moody's or Fitch. The aggregate investment in medium-term notes shall not exceed 20% of the District's total portfolio, and no more than 10% in the outstanding paper and medium-term notes of a single issuer.
10. State of California's Local Agency Investment Fund (LAIF), pursuant to California Government Code Section 16429.1. The aggregate investment in LAIF shall not exceed \$75,000,000.
11. San Diego County Treasurer's Pooled Money Fund, pursuant to California Government Code Section 53684. The aggregate investment in this pool may equal up to and including 50% of the total portfolio.

12. California Asset Management Program (CAMP), pursuant to California Government Code Section 53601(p). The aggregate investment in this pool may equal up to and including 100% of the total portfolio.
13. Money Market Funds registered under the Investment Company Act of 1940 that (1) are “no-load” (meaning no commission or fee shall be charged on purchases or sales of shares); (2) strive to maintain a net asset value per share of \$1.00; (3) invest only in the securities and obligations authorized in the applicable California statutes; (4) have a rating of at least two of the following: AAAm by Standard and Poor's, Aaa by Moody's or AAA/V1+ by Fitch; and (5) retain an investment advisor registered or exempt from registration with the SEC with no less than five years' experience managing money market funds with assets under management in excess of \$500,000,000. No more than 10% of the District's total portfolio may be invested in money market funds of any one issuer, and the aggregate investment in money market funds shall not exceed 20% of the total portfolio.
14. Negotiable Certificates of Deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by California Government Code Section 5102), a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit shall not exceed 30 percent of the agency's moneys that may be invested, subject to the additional limitations in Section 53638 of the California Government Code. The Treasurer shall make a determination of the cash flow needs to the District to ensure that any Negotiable Certificates of Deposit are not required to be liquidated prior to the maturity to avoid any early withdrawal penalties; which may be accomplished through laddering maturities and / or investing in short-term Negotiable Certificates of Deposit.
15. Unauthorized investments are defined in Section 53601.6 of the California Government Code, which disallows the following investments: inverse floaters, range notes, or mortgage derived interest-only strips. In addition, and more generally, investments are further restricted as follows:

No investment will be made that has either (1) an embedded option or characteristic which could result in a loss of principal if the investment is held to maturity, or (2) an embedded option or characteristic which could seriously limit accrual rates or which could result in zero accrual periods.

No investment will be made that could cause the portfolio to be leveraged.

It is the intent of the District that the foregoing list of authorized securities is strictly interpreted. Any deviation from this list must be preapproved by the Treasurer in writing.

## **PORTFOLIO MATURITIES AND LIQUIDITY**

To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities. The District will not invest in securities maturing more than five years from the date of purchase, unless the Board has granted authority to make such an investment at least three months prior to the date of investment. The weighted average final maturity of the District's portfolio shall at no time exceed three years.

## **SELECTION OF BROKER/DEALERS**

The Treasurer shall maintain a list of broker/dealers approved for investment purposes, and it shall be the policy of the District to purchase securities only from those brokers and the firms they represent. Each approved broker/dealer must possess an authorizing certificate from the California Commissioner of Corporations as required by Section 25210 of the California Corporations Code. The firms they represent must:

1. be recognized as a Primary Dealer by the Federal Reserve Bank of New York, or
2. be a State member of a national or state chartered bank, or
3. be a primary or regional dealer qualified under Securities and Exchange Commission (SEC) Rule 15c3-1 (Uniform Net Capital Rule).

Broker/dealers will be selected by the Treasurer on the basis of their expertise in public cash management and their ability to provide services for the District's account.

Each authorized broker/dealer shall be required to submit and annually update a District approved Broker/Dealer Information Request form that includes the firm's most recent financial statements. The Treasurer shall maintain a list of the broker/dealers that have been approved by the District, along with each firm's most recent broker/dealer Information Request form. Broker/Dealers shall attest in writing that they have received and reviewed a copy of this Policy.

The District may purchase commercial paper from direct issuers even though they are not on the approved broker/dealer list as long as they meet the criteria outlined in Item 6 of the Authorized Securities and Transactions section of this Policy.

## **COMPETITIVE TRANSACTIONS**

Where applicable / practical, each investment transaction shall be competitively transacted with authorized broker/dealers to minimize investment costs. At least three broker/dealers shall be contacted for each transaction and their bid and offering prices shall be recorded.

If the District is offered a security for which there is no other readily available competitive offering, then the Treasurer will document quotations for comparable or alternative securities.

## **SELECTION OF BANKS**

The Treasurer shall maintain a list of FDIC insured banks approved to provide depository and other banking services for the District. To be eligible, a bank shall qualify as a depository of public funds in the State of California as defined in California Government Code Section 53630.5 and shall secure deposits in excess of FDIC coverage in accordance with California Government Code Section 53652.

The Treasurer shall utilize Standard and Poor Global Ratings to perform credit analyses on banks seeking authorization. The analysis shall include a composite rating, and individual ratings of liquidity, asset quality, profitability and capital adequacy. Semi-annually, the Treasurer shall review the most recent credit rating analysis reports performed for each approved bank. Banks, that in the judgment of the Treasurer no longer offer adequate safety to the District, shall be removed from the District's list of authorized banks.

## SAFEKEEPING AND CUSTODY

The Treasurer shall select one or more banks to provide safekeeping and custodial services for the District, in accordance with the provisions of Section 53608 of the California Government Code. A Safekeeping Agreement approved by the District shall be executed with each custodian bank prior to utilizing that bank's safekeeping services. To be eligible, a bank shall have an average Highline Banking Data Services Rating of 20 or better on a scale of zero to 99 with 99 being the highest quality for the four most recent reporting quarters before the time of selection.

Custodian banks will be selected on the basis of their ability to provide services for the District's account and the competitive pricing of their safekeeping related services.

The Treasurer shall maintain a file of the credit rating analysis reports performed for each approved bank. Credit analysis shall be performed on a semi-annual basis.

The purchase and sale of securities and repurchase agreement transactions shall be settled on a delivery versus payment basis. It is the intent of the District that all securities be perfected in the name of the District. Sufficient evidence to title shall be consistent with modern investment, banking and commercial practices.

All investment securities, except negotiable Certificates of Deposit, Money Market Funds and Local Government Investment Pools, purchased by the District will be delivered by either book entry or physical delivery and will be held in third-party safekeeping by a District approved custodian bank, its correspondent bank or its Depository Trust Company (DTC) participant account.

All Fedwire-able book entry securities owned by the District shall be evidenced by a safekeeping receipt or a customer confirmation issued to the District by the custodian bank stating that the securities are held in the Federal Reserve system in a customer account for the custodian bank which will name the District as "customer."

All DTC eligible securities shall be held in the custodian bank's Depository Trust Company (DTC) participant account and the custodian bank shall issue a safekeeping receipt evidencing that the securities are held for the District as "customer."

All non-book entry (physical delivery) securities shall be held by the custodian bank's correspondent bank and the custodian bank shall issue a safekeeping receipt to the District evidencing that the securities are held by the correspondent bank for the District as "customer."

## PORTFOLIO PERFORMANCE

The investment and cash management portfolio shall be designed to attain a market rate of return throughout budgetary and economic cycles, ~~taking into account considering~~ prevailing market conditions, risk constraints for eligible securities, and cash flow requirements. The performance of the District's investments shall be compared to the average yield on the U.S. Treasury security that most closely corresponds to the portfolio's actual weighted average effective maturity. When comparing the performance of the District's portfolio, its rate of return will be computed net of all fees and expenses.

## **REPORTING**

On a quarterly basis, the Treasurer shall submit to the Board a report of the investment earnings and performance results of the District's investment portfolio. The report shall include the following information:

1. Investment type, issuer, date of maturity, par value and dollar amount invested in all securities, and investments and monies held by the District;
2. A description of the funds, investments and programs (including lending programs) managed by contracted parties;
3. A market value as of the date of the report and the source of the valuation;
4. A statement of compliance with the investment policy or an explanation for non-compliance; and
5. A statement of the ability or inability to meet expenditure requirements for six months, as well as an explanation of why money is or will not be available as provided for in the statutory law governing the reporting requirements.

At least annually, the Treasurer shall present to the Board a review of the investment portfolio's adherence to appropriate risk levels and a comparison between the total portfolio return and the established investment goals, objectives and benchmarks.

## **POLICY REVISIONS**

This Investment Policy shall be presented annually by the Treasurer to the Board for review pursuant to Section 53646(a)(2) of the California Government Code. This Policy may be amended by the Board as conditions warrant.

Santa Fe Irrigation District  
Investment Policy  
Addendum I  
Updated January 20265

California Government Code Section 53601 limits all investment maturities to five years from date of purchase, unless the Board, at least three months prior to the investment, has granted authority to exceed the five-year limit, either specifically or as part of an investment program. Instances where the law further limits investments, either by type or length of time, have been noted accordingly.

Investment Type	Code	Limitations in Addition to 5 Yr. Maximum	District Policy
US Treasuries	53601(b)		5-year maximum
Federal Agencies	53601(b)		5-yr max, GNMA only
Federal Instrumentalities	53601(b)		5-yr max; FHLB, FNMA, FFCB & FHLMC only
District's own bonds	53601(a)		20% of portfolio, 5-yr max, AA rate
California Instruments	53601(c)	Warrants, notes & bonds	20% of portfolio, 5-yr max, AA or A-1+ rate
Other States' Instruments	53601(d)		20% of portfolio, 5-yr max, AA or P-1 rate
Other Local Agencies	53601(e)	Within CA only	20% of portfolio, 5-yr max, AA or F-1+ rate
Repurchase Agreements	53601(j)	One year or less in any security allowed for purchase for one year or less; for reverse repurchase agreements, only up to 20% of portfolio may be invested	Market value 102% of transaction, 1-yr max to termination, collateralized by Federal securities
Prime Commercial Paper	53601(h)	25% of portfolio, 10% per issuer (incl medium-term notes); 270-day term	25% of portfolio, 10% per issuer (incl medium-term notes); <del>270-day</del> <del>397-days</del> max; A or A-1 rate; US only
Bankers' Acceptances	53601(g)	40% of portfolio; 180 days maximum; no more than 30% in any one bank	15% of portfolio; 180-day max; A or A2 rate
Certificate of Deposits (CDs)	53601(i)	Negotiable only. 30% of portfolio, not to exceed	30% of portfolio
Medium-Term Notes	53601(k)	30% of portfolio; 10% per issuer (incl medium-term notes); 5-yr max; A rate	20% of portfolio; 10% per issuer (incl medium-term notes); 5-yr max; <del>AA or</del> minimum rating of <del>Aa3 rate</del> A by S&P, A2 by Moody's, or A by Fitch.
Designated Mutual Funds	53601(l)	20% of portfolio; 10% in any one mutual fund	Not allowed
Secured Notes, etc	53601(m)	Depends on security	Not allowed
Mortgage-Backed Securities/Collateralized Mtg Obligations	53601(o)	20% of funds; 5-yr max; AA rate	Not allowed
Futures	53601.1		Not allowed
LAIF	16429.1	Currently \$75,000,000 maximum	The lesser of 100% or \$75,000,000
California Asset Management Program	53601(p)		100% of portfolio
SD County Treasurer's Pooled Money Fund	53684		50% of portfolio
Money Market Funds	53601(l)	20% of portfolio	20% of portfolio, 10% any one issuer; no-load; AAAm, Aaa or AAA/V1+ rate

## **ATTACHMENT B**

### **Santa Fe Irrigation District Investment Policy January 2026**

The Santa Fe Irrigation District (the "District") provides water and related services to r customers in the Rancho Santa Fe, Fairbanks Ranch and Solana Beach areas of San Diego County, California. The District is governed by a five-member board of directors (the "Board") elected by the District's water users.

The Board has adopted this Investment Policy (the "Policy") to establish the investment scope, objectives, delegation of authority, standards of prudence, reporting requirements, internal controls, eligible investments and transactions, diversification requirements, risk tolerance, and safekeeping and custodial procedures for the investment of the funds of the District. All District funds will be invested in accordance with the Policy and with applicable sections of the California Government Code.

#### **SCOPE**

The provisions of this Policy shall apply to all financial assets of the District.

All cash shall be pooled for investment purposes. The investment income derived from the pooled investment account shall be allocated to the contributing funds based upon the proportion of the respective average balances relative to the total pooled balance in the investment portfolio. Interest earnings shall be distributed to the individual funds on a monthly basis.

#### **OBJECTIVES**

The principal investment objectives of the District are:

1. Preservation of capital and protection of investment principal.
2. Maintenance of sufficient liquidity to meet anticipated cash flows.
3. Attainment of a market value rate of return.
4. Diversification to avoid incurring unreasonable market risks.
5. Conformance with all applicable California statutes and Federal regulations.

#### **DELEGATION OF AUTHORITY**

The management responsibility for the District's investment program is delegated for a one-year period by the Board to the Treasurer who shall assume full responsibility until the delegation of authority is revoked or expired pursuant to California Government Code Section 53607. Oversight is provided by the Santa Fe Irrigation District Administrative & Finance Committee. The District's General Manager serves as the Treasurer. The Treasurer may delegate the authority to conduct investment transactions and to manage the operation of the investment portfolio to the Director of Administrative Services. The Treasurer shall remain responsible for any investment decisions made by the Director of Administrative Services.

The Treasurer shall develop written administrative procedures and internal controls, consistent with this Policy, for the operation of the District's investment program. Such procedures shall be designed

to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees of the District.

The District may engage the support services of outside investment advisors regarding its investment program, so long as it can be clearly demonstrated that these services produce a net financial advantage or necessary financial protection of the District's financial resources.

## **PRUDENCE**

The standard of prudence to be used for managing the District's investments shall be California Government Code Section 53600.3, the prudent investor standard which states, "When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee 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 agency, 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 agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired by law."

The District's overall investment program shall be designed and managed with a degree of professionalism that is worthy of the public trust. The District recognizes that no investment is totally without risk and that the investment activities of the District are a matter of public record. Accordingly, the District recognizes that occasional measured losses may occur in a diversified portfolio and shall be considered within the context of the overall portfolio's return, provided that adequate diversification has been implemented and that the sale of a security is in the best long-term interest of the District.

The Treasurer and authorized investment personnel acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that the deviations from expectations are reported in a timely fashion to the Board and appropriate action is taken to control adverse developments.

## **ETHICS AND CONFLICTS OF INTEREST**

Elected officials and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or could impair or create the appearance of an impairment of their ability to make impartial investment decisions. Employees and investment officials shall disclose to the Treasurer any financial interests they have in financial institutions that conduct business with the District, and they shall subordinate their personal investment transactions to those of the District. The Treasurer and Director of Administrative Services shall file a Statement of Economic Interests each year pursuant to California Government Code Section 87203.

## AUTHORIZED SECURITIES AND TRANSACTIONS

All investments and deposits of the District shall be made in accordance with California Government Code Sections 16429.1, 53600-53609 and 53630-53686. However, pursuant to California Government Code Section 5903(e), if prior to issuing any bonds, the legislative body determines that the interest payable on the bonds to be issued by the state or local government will be subject to federal income taxation under the law, proceeds of bonds and any moneys set aside or pledged to secure payment of the bonds may be invested in securities or obligations described in the ordinance, resolution, indenture, agreement, or other instrument providing for the issuance of the bonds.

Any revisions or extensions of these code sections will be assumed to be part of this Policy immediately upon being enacted.

The District has further restricted the eligible types of securities and transactions as follows:

1. United States Treasury bills, notes, bonds, or certificates of indebtedness with a final maturity not exceeding five years from the date of purchase.
2. Federal Agency debentures and mortgage-backed securities with a final maturity not exceeding five years from the date of purchase issued by the Government National Mortgage Association (GNMA).
3. Federal Instrumentality (government sponsored enterprise) debentures, discount notes, callable and step-up securities, with a final maturity not exceeding five years from the date of purchase, issued by the following only: Federal Home Loan Banks (FHLB), Federal National Mortgage Association (FNMA), Federal Farm Credit Banks (FFCB) and Federal Home Loan Mortgage Corporation (FHLMC).
4. Obligations of the State of California and any local agency within California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or local agency, or by a department, board, agency, or authority of the state or local agency, rated at least AA or A-1+ by Standard & Poor's, Aa2 or P-1 by Moody's or AA or F-1+ by Fitch, with a final maturity not exceeding five years from the date of purchase. On the date of purchase, no more than 20% of the District's portfolio may be invested in such obligations.
5. Other States' Registered treasury notes or bonds, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by a state or by a department, board, agency, or authority of the state, rated at least AA or A-1+ by Standard & Poor's, Aa2 or P-1 by Moody's or AA or F-1+ by Fitch, with a final maturity not exceeding five years from the date of purchase. On the date of purchase, no more than 20% of the District's portfolio may be invested in such obligations.
6. Repurchase Agreements with a final termination date not exceeding one year collateralized by U.S. Treasury obligations, Federal Agency securities, or Federal Instrumentality securities listed in items 1, 2 and 3 above with the maturity of the collateral not exceeding ten years. For the purpose of this section, the term collateral shall mean purchased securities under the terms of the District's approved Master Repurchase Agreement. The purchased securities shall have a minimum market value including accrued interest of 102% of the dollar value of

the transaction and shall be adjusted no less than quarterly. Collateral shall be held in the District's custodian bank, as safekeeping agent, the investments and repurchase agreements shall be in compliance if the value of the underlying securities is brought up to 102% no later than the next business day.

Repurchase Agreements shall be entered into only with dealers who have executed a District approved Master Repurchase Agreement with the District and who are recognized as Primary Dealers with the Federal Reserve Bank of New York. Primary Dealers approved as Repurchase Agreement counterparties shall have a short-term credit rating of at least A-1 or the equivalent and a long-term credit rating of at least A or the equivalent. The Treasurer shall maintain a copy of the District's approved Master Repurchase Agreement along with a list of the broker/dealers who have executed a Master Repurchase Agreement with the District.

7. Prime Commercial Paper with maturity not exceeding 397 days. Maximum portfolio exposure is limited to 25% in the aggregate and 10% of the outstanding paper and medium-term notes of a single issuer. Investment is limited to commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization (NRSRO). The entity that issues the commercial paper shall either be organized and operating in the United States as a general corporation with total assets in excess of five hundred million dollars (\$ 500,000,000), a debt other than commercial paper, if any, that is rated in a rating category of "A" or higher, or the equivalent, by a nationally recognized statistical-rating organization (NRSRO) OR the entity shall be organized within the United States as a special purpose corporation, trust, or limited liability company, with program wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or surety bond and commercial paper that is rated "A-1" or higher, or the equivalent, by a NRSRO.
8. Eligible Bankers Acceptances with a maturity not exceeding 180 days from the date of purchase, issued by a FDIC insured state or national bank with combined capital and surplus of at least \$250 million, and whose senior long-term debt is rated at least A by Standard and Poor's, A2 by Moody's or A by Fitch at the time of purchase. No more than 10% of the District's total portfolio may be invested in banker's acceptances of any one issuer, and the aggregate investment in banker's acceptances shall not exceed 15% of the District's total portfolio.
9. Medium-Term Notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States, with a final maturity not exceeding five years from the date of purchase and rated in a rating category of "A" or better by Standard & Poor's or Fitch, or A2 by Moody's. The aggregate investment in medium-term notes shall not exceed 20% of the District's total portfolio, and no more than 10% in the outstanding paper and medium-term notes of a single issuer.
10. State of California's Local Agency Investment Fund (LAIF), pursuant to California Government Code Section 16429.1. The aggregate investment in LAIF shall not exceed \$75,000,000.
11. San Diego County Treasurer's Pooled Money Fund, pursuant to California Government Code Section 53684. The aggregate investment in this pool may equal up to and including 50% of the total portfolio.

12. California Asset Management Program (CAMP), pursuant to California Government Code Section 53601(p). The aggregate investment in this pool may equal up to and including 100% of the total portfolio.
13. Money Market Funds registered under the Investment Company Act of 1940 that (1) are "no-load" (meaning no commission or fee shall be charged on purchases or sales of shares); (2) strive to maintain a net asset value per share of \$1.00; (3) invest only in the securities and obligations authorized in the applicable California statutes; (4) have a rating of at least two of the following: AAAm by Standard and Poor's, Aaa by Moody's or AAA/V1+ by Fitch; and (5) retain an investment advisor registered or exempt from registration with the SEC with no less than five years' experience managing money market funds with assets under management in excess of \$500,000,000. No more than 10% of the District's total portfolio may be invested in money market funds of any one issuer, and the aggregate investment in money market funds shall not exceed 20% of the total portfolio.
14. Negotiable Certificates of Deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by California Government Code Section 5102), a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit shall not exceed 30 percent of the agency's moneys that may be invested, subject to the additional limitations in Section 53638 of the California Government Code. The Treasurer shall make a determination of the cash flow needs to the District to ensure that any Negotiable Certificates of Deposit are not required to be liquidated prior to the maturity to avoid any early withdrawal penalties; which may be accomplished through laddering maturities and / or investing in short-term Negotiable Certificates of Deposit.
15. Unauthorized investments are defined in Section 53601.6 of the California Government Code, which disallows the following investments: inverse floaters, range notes, or mortgage derived interest-only strips. In addition, and more generally, investments are further restricted as follows:

No investment will be made that has either (1) an embedded option or characteristic which could result in a loss of principal if the investment is held to maturity, or (2) an embedded option or characteristic which could seriously limit accrual rates or which could result in zero accrual periods.

No investment will be made that could cause the portfolio to be leveraged.

It is the intent of the District that the foregoing list of authorized securities is strictly interpreted. Any deviation from this list must be preapproved by the Treasurer in writing.

## **PORTFOLIO MATURITIES AND LIQUIDITY**

To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities. The District will not invest in securities maturing more than five years from the date of purchase, unless the Board has granted authority to make such an investment at least three months prior to the date of investment. The weighted average final maturity of the District's portfolio shall at no time exceed three years.

## **SELECTION OF BROKER/DEALERS**

The Treasurer shall maintain a list of broker/dealers approved for investment purposes, and it shall be the policy of the District to purchase securities only from those brokers and the firms they represent. Each approved broker/dealer must possess an authorizing certificate from the California Commissioner of Corporations as required by Section 25210 of the California Corporations Code. The firms they represent must:

1. be recognized as a Primary Dealer by the Federal Reserve Bank of New York, or
2. be a State member of a national or state-chartered bank, or
3. be a primary or regional dealer qualified under Securities and Exchange Commission (SEC) Rule 15c3-1 (Uniform Net Capital Rule).

Broker/dealers will be selected by the Treasurer on the basis of their expertise in public cash management and their ability to provide services for the District's account.

Each authorized broker/dealer shall be required to submit and annually update a District approved Broker/Dealer Information Request form that includes the firm's most recent financial statements. The Treasurer shall maintain a list of the broker/dealers that have been approved by the District, along with each firm's most recent broker/dealer Information Request form. Broker/Dealers shall attest in writing that they have received and reviewed a copy of this Policy.

The District may purchase commercial paper from direct issuers even though they are not on the approved broker/dealer list as long as they meet the criteria outlined in Item 6 of the Authorized Securities and Transactions section of this Policy.

## **COMPETITIVE TRANSACTIONS**

Where applicable / practical, each investment transaction shall be competitively transacted with authorized broker/dealers to minimize investment costs. At least three broker/dealers shall be contacted for each transaction and their bid and offering prices shall be recorded.

If the District is offered a security for which there is no other readily available competitive offering, then the Treasurer will document quotations for comparable or alternative securities.

## **SELECTION OF BANKS**

The Treasurer shall maintain a list of FDIC insured banks approved to provide depository and other banking services for the District. To be eligible, a bank shall qualify as a depository of public funds in the State of California as defined in California Government Code Section 53630.5 and shall secure deposits in excess of FDIC coverage in accordance with California Government Code Section 53652.

The Treasurer shall utilize Standard and Poor Global Ratings to perform credit analyses on banks seeking authorization. The analysis shall include a composite rating, and individual ratings of liquidity, asset quality, profitability and capital adequacy. Semi-annually, the Treasurer shall review the most recent credit rating analysis reports performed for each approved bank. Banks, that in the judgment of the Treasurer no longer offer adequate safety to the District, shall be removed from the District's list of authorized banks.

## **SAFEKEEPING AND CUSTODY**

The Treasurer shall select one or more banks to provide safekeeping and custodial services for the District, in accordance with the provisions of Section 53608 of the California Government Code. A Safekeeping Agreement approved by the District shall be executed with each custodian bank prior to utilizing that bank's safekeeping services. To be eligible, a bank shall have an average Highline Banking Data Services Rating of 20 or better on a scale of zero to 99 with 99 being the highest quality for the four most recent reporting quarters before the time of selection.

Custodian banks will be selected on the basis of their ability to provide services for the District's account and the competitive pricing of their safekeeping related services.

The Treasurer shall maintain a file of the credit rating analysis reports performed for each approved bank. Credit analysis shall be performed on a semi-annual basis.

The purchase and sale of securities and repurchase agreement transactions shall be settled on a delivery versus payment basis. It is the intent of the District that all securities be perfected in the name of the District. Sufficient evidence to title shall be consistent with modern investment, banking and commercial practices.

All investment securities, except negotiable Certificates of Deposit, Money Market Funds and Local Government Investment Pools, purchased by the District will be delivered by either book entry or physical delivery and will be held in third-party safekeeping by a District approved custodian bank, its correspondent bank or its Depository Trust Company (DTC) participant account.

All Fedwire-able book entry securities owned by the District shall be evidenced by a safekeeping receipt or a customer confirmation issued to the District by the custodian bank stating that the securities are held in the Federal Reserve system in a customer account for the custodian bank which will name the District as "customer."

All DTC eligible securities shall be held in the custodian bank's Depository Trust Company (DTC) participant account and the custodian bank shall issue a safekeeping receipt evidencing that the securities are held for the District as "customer."

All non-book entry (physical delivery) securities shall be held by the custodian bank's correspondent bank and the custodian bank shall issue a safekeeping receipt to the District evidencing that the securities are held by the correspondent bank for the District as "customer."

## **PORTFOLIO PERFORMANCE**

The investment and cash management portfolio shall be designed to attain a market rate of return throughout budgetary and economic cycles, considering prevailing market conditions, risk constraints for eligible securities, and cash flow requirements. The performance of the District's investments shall be compared to the average yield on the U.S. Treasury security that most closely corresponds to the portfolio's actual weighted average effective maturity. When comparing the performance of the District's portfolio, its rate of return will be computed net of all fees and expenses.

## **REPORTING**

On a quarterly basis, the Treasurer shall submit to the Board a report of the investment earnings and performance results of the District's investment portfolio. The report shall include the following information:

1. Investment type, issuer, date of maturity, par value and dollar amount invested in all securities, and investments and monies held by the District;
2. A description of the funds, investments and programs (including lending programs) managed by contracted parties;
3. A market value as of the date of the report and the source of the valuation;
4. A statement of compliance with the investment policy or an explanation for non-compliance; and
5. A statement of the ability or inability to meet expenditure requirements for six months, as well as an explanation of why money is or will not be available as provided for in the statutory law governing the reporting requirements.

At least annually, the Treasurer shall present to the Board a review of the investment portfolio's adherence to appropriate risk levels and a comparison between the total portfolio return and the established investment goals, objectives and benchmarks.

## **POLICY REVISIONS**

This Investment Policy shall be presented annually by the Treasurer to the Board for review pursuant to Section 53646(a)(2) of the California Government Code. This Policy may be amended by the Board as conditions warrant.

**Santa Fe Irrigation District  
Investment Policy  
Addendum I  
Updated January 2026**

California Government Code Section 53601 limits all investment maturities to five years from date of purchase, unless the Board, at least three months prior to the investment, has granted authority to exceed the five-year limit, either specifically or as part of an investment program. Instances where the law further limits investments, either by type or length of time, have been noted accordingly.

<b>Investment Type</b>	<b>Code</b>	<b>Limitations in Addition to 5 Yr. Maximum</b>	<b>District Policy</b>
<b>US Treasuries</b>	53601(b)		5-year maximum
<b>Federal Agencies</b>	53601(b)		5-yr max, GNMA only
<b>Federal Instrumentalities</b>	53601(b)		5-yr max; FHLB, FNMA, FFCB & FHLMC only
<b>District's own bonds</b>	53601(a)		20% of portfolio, 5-yr max, AA rate
<b>California Instruments</b>	53601(c)	Warrants, notes & bonds	20% of portfolio, 5-yr max, AA or A-1+ rate
<b>Other States' Instruments</b>	53601(d)		20% of portfolio, 5-yr max, AA or P-1 rate
<b>Other Local Agencies</b>	53601(e)	Within CA only	20% of portfolio, 5-yr max, AA or F-1+ rate
<b>Repurchase Agreements</b>	53601(j)	One year or less in any security allowed for purchase for one year or less; for reverse repurchase agreements, only up to 20% of portfolio may be invested	Market value 102% of transaction, 1-yr max to termination, collateralized by Federal securities
<b>Prime Commercial Paper</b>	53601(h)	25% of portfolio, 10% per issuer (incl medium-term notes); 270-day term	25% of portfolio, 10% per issuer (incl medium-term notes); 397-days max; A or A-1 rate; US only
<b>Bankers' Acceptances</b>	53601(g)	40% of portfolio; 180 days maximum; no more than 30% in any one bank	15% of portfolio; 180-day max; A or A2 rate
<b>Certificate of Deposits (CDs)</b>	53601(i)	Negotiable only. 30% of portfolio, not to exceed	30% of portfolio
<b>Medium-Term Notes</b>	53601(k)	30% of portfolio; 10% per issuer (incl medium-term notes); 5-yr max; A rate	20% of portfolio; 10% per issuer (incl medium-term notes); 5-yr max; minimum rating of A by S&P, A2 by Moody's, or A by Fitch.
<b>Designated Mutual Funds</b>	53601(l)	20% of portfolio; 10% in any one mutual fund	Not allowed
<b>Secured Notes, etc</b>	53601(m)	Depends on security	Not allowed
<b>Mortgage-Backed Securities/Collateralized Mtg Obligations</b>	53601(o)	20% of funds; 5-yr max; AA rate	Not allowed
<b>Futures</b>	53601.1		Not allowed
<b>LAIF</b>	16429.1	Currently \$75,000,000 maximum	The lesser of 100% or \$75,000,000
<b>California Asset Management Program</b>	53601(p)		100% of portfolio
<b>SD County Treasurer's Pooled Money Fund</b>	53684		50% of portfolio
<b>Money Market Funds</b>	53601(l)	20% of portfolio	20% of portfolio, 10% any one issuer; no-load; AAAm, Aaa or AAA/V1+ rate



*The mission of Santa Fe Irrigation District is to meet the water supply needs of all its customers — safely, sustainably, reliably, and cost-effectively.*

## BOARD REPORT

**TO:** Administrative & Finance Committee

**FROM:** Albert C. Lau, P. E.

**INITIATED BY:** Seth Gates, Director of Administrative Services

**DATE:** January 6, 2026

**SUBJECT:** Recommend Adopting Resolution No. 26-01, Revising the District's Capacity Fee to Establish Potable Water Service

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**Strategic Focus Area:**

GOAL 5. Sustainable and Effectively Managed Finances

**Recommendation:**

Recommend the Board of Directors adopt Resolution No. 26-01 for new capacity fee amounts for establishing potable water service.

**Alternatives:**

Return item to Staff for modification / do not adopt Resolution No. 26-01.

**Background**

District Staff posted the request for proposal (RFP) for the update to its miscellaneous fees & charges and capacity fees on July 24, 2025, with proposal due August 14, 2025. Staff notified five (5) separate, qualified consulting firms of the

opportunity to bid on this work. However, upon the closing date of the RFP, no firms submitted a bid to the District. A number of firms indicated to Staff that they had competing projects under development in San Diego County and did not have the resources / time to be able to dedicate to this project. Due to no bids received, the prospect that re-advertising the RFP would not yield any bids, and the necessity to update the District's fees to properly comply with Proposition 26 for appropriate charges and associated revenue recovery, District Staff is completing the update for these miscellaneous fees & charges and capacity fees. District Staff have both completed and supervised the update of these charges and are qualified to complete this update. This memorandum is for the calculation and update of capacity charges, and the update of the miscellaneous fees & charges will be completed under separate memorandum.

The Santa Fe Irrigation District ("District") charges a capacity fee on initiation of a new service connection or expansion of an existing connection requiring additional capacity. Capacity fees are charged to pay for their proportionate share of existing treatment and distribution infrastructure. The capacity fees are imposed and adopted in accordance with California Government Code section 66013 and 66016 to recover the costs of capital investments made in the water system to provide current and future capacity. The District previously updated (increased) capacity fees in September 2022. To ensure appropriate cost recovery, best practices are to update all fees subject to Proposition 26, including capacity fees, every three to five years.

### **Discussion:**

Staff have calculated capacity charges using the equity buy-in methodology using Replacement Cost Less Depreciation (RCLD) to value District water assets. The equity buy-in methodology is appropriate in instances where infrastructure has been built in advance of growth and there is excess capacity available to serve new connections. This correlates to the status of Santa Fe Irrigation District assets and current water use levels as the service territory is built out, with some potential for infill and / or redevelopment that would require use of this excess capacity. Both the District's Joint Facilities (R.E. Badger Treatment Plant, San Dieguito Reservoir, local water conveyance) and District-only assets (distribution system, administration / operations facilities, customer service) do not need expansion to serve new connections.

Under the equity buy-in approach, new customers pay an amount equal to the net investment (asset value) made by existing users by using RCLD. The District engaged Dexter Wilson & Associates to do a comprehensive asset valuation of all treatment and distribution assets in 2025 (included as Attachment A), which created an engineer's estimate for the current replacement cost for all assets in service. This report estimates that the replacement value of District only assets total \$559.5 million, while the replacement cost of the District's portion of Joint Facilities (excluding San Dieguito Water District's portion) total \$130.5 million. Therefore, the total replacement cost for all District assets total \$690.1 million. The total

replacement cost for all District assets utilized for the 2022 capacity fee update was \$493.3 million; replacement cost having increased by \$196.8 million or 39.9% since that time. This increase is due to both newly constructed assets placed in service in addition to high levels of inflation increasing the value of all existing assets. RCLD then removes depreciation to get to the net figure to calculate capacity fees. However, the depreciation deducted from replacement cost is expressed as a percentage, being the amount of depreciation from the District's book value of assets. Total depreciation on District owned assets of 2025 is 58.5%, which reduces replacement cost from \$690.1 million to \$286.4 million (RCLD – 2022 study was \$211.9 million, which is an increase of \$74.5 million or 35.2%). The following table 1 illustrates calculation of the RCLD.

<b>TABLE 1 - RCLD - SFID ASSET VALUATION SUMMARY</b>		
<b>District Only</b>		
Corporate Yard	\$	29,100,000
Lerrick Reservoir		12,100,000
Lerrick Pump Station		1,900,000
Pressure Reducing Stations		22,872,000
Pipelines		399,312,000
Valves		27,470,000
AMI Meter Towers		248,000
Water Meters		6,964,000
Water Services		50,340,000
Fire Hydrants		9,239,825
<b>Sub-Total District Only</b>	<b>\$</b>	<b>559,545,825</b>
<b>Joint Facilities - District Portion Only</b>		
Cielo Pump Station	\$	3,726,450
San Dieguito Reservoir Dam		13,529,880
San Dieguito Reservoir Pump Station		4,620,000
R.E. Badger Hydro Plant		3,850,000
R.E. Badger Plant		51,150,000
R.E. Badger Solids Facility		3,630,000
Pipelines		49,100,796
Meters		907,654
<b>Sub-Total District Portion - Joint Facilities</b>	<b>\$</b>	<b>130,514,780</b>
<b>TOTAL ASSET VALUATION</b>	<b>\$</b>	<b>690,060,605</b>
<b>ACCUMULATED DEPRECIATION %</b>		<b>58.49%</b>
<b>TOTAL ASSET VALUATION LESS DEPRECIATION</b>	<b>\$</b>	<b>286,449,265</b>

This net existing system value is then divided by total meter equivalent units (MEUs) in the District's system that are subject to capacity fees (excluding inter-connects, out-of-area service agreements, recycled water, and District owned meters, among

others). MEUs for water service is a standardized way to measure and compare the relative capacity of different water meter sizes. Since larger meters can deliver more water and therefore place greater demands on the water system, each meter size is assigned a ratio of water delivery capacity compared to the base meter size of 3/4-inch (which equals 1.0 MEU). The District's meter inventory by size is multiplied by the San Diego County Water Authority's (SDCWA) meter capacity factor to determine total MEU's. The District switched from MEU standards utilized from the American Water Works Association (AWWA) to SDCWA standards in the 2022 capacity fee study, as the District is required to also charge all customers the SDCWA capacity fees to buy-into their regional conveyance / distribution / storage / treatment systems. This change to the SDCWA capacity factor created a standardized MEU calculation charged to customers between both capacity charges.

As shown in the following table 2, total MEUs currently in the District's potable water system is 10,420. The RCLD approach then projects future customer capacity buy-in by projecting what the District's total MEUs are upon full build-out, so as not to charge current customers for future reserved capacity that would be paid for by those additional connections. This projected growth of MEUs at full build-out is based on the Urban Water Management Plan's (UWMP) population growth estimate through 2050, which is estimated at only 1% due to the high level of build-out in the District and minimal population growth due to infill and redevelopment. This growth then increases the number of MEUs to be utilized in the calculation of capacity fees from 10,420 to 10,524, shown as follows.

**TABLE 2 - SFID METER EQUIVALENT UNITS**

METER SIZE	# METERS	SDCWA CAPACITY FACTOR	# MEU
3/4"	3,561	1.00	3,561
1"	1,803	1.60	2,885
1.5"	870	3.00	2,610
2"	229	5.20	1,191
3"	5	9.60	48
4"	4	16.40	66
6"	2	30.00	60
8"	-	52.00	-
10"	-	78.00	-
<b>TOTAL</b>	<b>6,474</b>		<b>10,420</b>

Population Growth 2050 Est. - UWMP 1.00%

MEUs Upon Full Build-Out 10,524

Based on the total RCLD asset valuation of \$286.4 million, and number of MEUs at full build-out (10,524), the buy-in per 1.0 MEU for capacity fees is \$27,218, shown in table 3 as follows.

**TABLE 3 - SFID CALCULATION OF CAPACITY FEE PER MEU**

Depreciated Assets Replacement Value	\$ 286,449,265	A
MEUs Upon Full Build Out	10,524	B
Capacity Fee Per MEU	\$ 27,218	C = A/B

Applying this capacity fee per MEU to each meter size based on the SDCWA established capacity factors to determine each meter size's capacity fee is as follows in table 4.

**TABLE 4 - SFID CAPACITY FEES - EXISTING vs. PROPOSED**

METER SIZE	CURRENT CAPACITY FEE	NEW CAPACITY PER MEU	SDCWA CAPACITY FACTOR	NEW CAPACITY FEE	CHANGE	Increase
	A	B	C	D = B X C	E = D - A	
3/4"	\$ 18,480	\$ 27,218	1.00	\$ 27,218	\$ 8,738	47.3%
1"	\$ 29,568	\$ 27,218	1.60	\$ 43,548	\$ 13,980	47.3%
1.5"	\$ 55,440	\$ 27,218	3.00	\$ 81,653	\$ 26,213	47.3%
2"	\$ 96,096	\$ 27,218	5.20	\$ 141,532	\$ 45,436	47.3%
3"	\$ 177,408	\$ 27,218	9.60	\$ 261,289	\$ 83,881	47.3%
4"	\$ 303,072	\$ 27,218	16.40	\$ 446,369	\$ 143,297	47.3%
6"	\$ 554,400	\$ 27,218	30.00	\$ 816,529	\$ 262,129	47.3%
8"	\$ 960,960	\$ 27,218	52.00	\$ 1,415,317	\$ 454,357	47.3%
10"	\$ 1,441,440	\$ 27,218	78.00	\$ 2,122,975	\$ 681,535	47.3%

As shown in table 4, each MEU is increasing by \$8,738, or approximately 47.3%, from the 2022 study, primarily due to the increase in District asset values from the impacts of inflation on District asset replacement values. To adjust these capacity fees, the District will hold a public hearing at the December 18, 2025, Board of Directors meeting, for which Staff will post the required notices, and adopt these fees via resolution (Attachment B).

### **Fiscal Impact:**

The fiscal impact from these adjusted capacity fees is unknown, as it will vary depending on a variety of factors including how many new / expanded service connections are established. The following table shows how many new / expanded service connections the District has had that paid capacity fees in the past five years. Based on the newly calculated capacity fees included in this memorandum

and this activity over the last five years, the District would have received approximately \$645,000 in additional capacity fee revenues.

	3/4"	1"	1.5"	Expand 1"	Expand 3/4"	Expand 3/4"	TOTAL
				to 1.5"	to 1"	to 1.5"	
				Number of Connections			
	4	31	3	1	13	1	53
Current Fee	\$ 18,480	\$ 29,568	\$ 55,440	\$ 25,872	\$ 11,088	\$ 36,960	
TOTAL	\$ 73,920	\$ 916,608	\$ 166,320	\$ 25,872	\$ 144,144	\$ 36,960	\$ 1,363,824
Propose Fee	\$ 27,218	\$ 43,548	\$ 81,653	\$ 38,105	\$ 16,331	\$ 54,435	
TOTAL	\$ 108,871	\$ 1,349,994	\$ 244,959	\$ 38,105	\$ 212,298	\$ 54,435	\$ 2,008,661
Difference	\$ 34,951	\$ 433,386	\$ 78,639	\$ 12,233	\$ 68,154	\$ 17,475	\$ 644,837

Attachment A: Dexter Wilson Report  
 Attachment B: Draft Resolution No. 26-01

## **ATTACHMENT A**

### **DEXTER WILSON ENGINEERING, INC.**

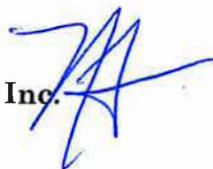


DEXTER S. WILSON, P.E.  
ANDREW M. OVEN, P.E.  
NATALIE J. FRASCHETTI, P.E.  
STEVEN J. HENDERSON, P.E.  
FERNANDO FREGOSO, P.E.  
KATHLEEN H. NOEL, P.E.  
WILLIAM W. TODD, P.E.

**MEMORANDUM**

**134-016**

**TO:** Marissa Potter, P.E., Santa Fe Irrigation District

**FROM:** Natalie Fraschetti, P.E., Dexter Wilson Engineering, Inc. 

**DATE:** May 16, 2025

**SUBJECT:** SFID 2025 Asset Valuation

The purpose of this memorandum is to provide the Santa Fe Irrigation District (District) with a 2025 valuation update of the major infrastructure components owned by the District (both the District's independently-owned infrastructure and facilities owned jointly with the San Dieguito Water District), and also provide annual capital replacement planning recommendations. The annual capital replacement planning recommendations are based on the valuation of the asset divided by the estimated useful life of the asset. For example, the estimated replacement value of the District's 3,219 valves is \$27,470,000. At an estimated useful life of 50 years, the annual capital replacement planning recommendation is \$549,000.

Table 1 presents the 2025 asset valuation and Table 2 presents the annual capital replacement planning recommendations.

<b>TABLE 1</b> <b>SFID ASSET VALUATION SUMMARY</b>		
<b>Asset</b>	<b>Count or Length in feet</b>	<b>Total Value</b>
<b>SFID Assets</b>		
Corporate Yard	--	\$ 29,100,000
Lerrick Reservoir	--	\$ 12,100,000
Lerrick Pump Station	--	\$ 1,900,000
Pressure Reducing Stations	32	\$ 22,872,000
Pipelines	831,159	\$ 399,312,000
Valves	3,219	\$ 27,470,000
AMI Meter Towers	4	\$ 248,000
Water Meters	7,902	\$ 6,964,000
Water Services	7,861	\$ 50,340,000
Fire Hydrants	1,295	\$ 9,239,825
<i>Subtotal</i>		\$ 559,545,825
<b>Joint Facility Assets, SFID Share</b>		
Cielo Pump Station	--	\$ 3,726,450
SDR Dam	--	\$ 13,529,880
SDR Pump Station	--	\$ 4,620,000
REB Hydro Plant	--	\$ 3,850,000
REB Plant	--	\$ 51,150,000
REB Solids Facility	--	\$ 3,630,000
Pipelines	68,164	\$ 49,100,796
Meters	7	\$ 907,654
<i>Subtotal</i>		\$ 130,514,780
<b>TOTAL SFID ASSET VALUE</b>		<b>\$ 690,060,605</b>

**TABLE 2**  
**SFID ANNUAL CAPITAL REPLACEMENT SPENDING**  
**(CONSTRUCTION COST ONLY)**

Asset	Annual Capital Replacement (in thousands of dollars)
<b>SFID Assets</b>	
Corporate Yard	\$ 582
Lerrick Reservoir	\$ 242
Lerrick Pump Station	\$ 36
Pressure Reducing Stations	\$ 457
Pipelines	\$ 3,993
Valves	\$ 549
AMI Meter Towers	\$ 12
Water Meters	\$ 279
Water Services	\$ 1,007
Fire Hydrants	\$ 185
<i>Subtotal</i>	\$ 7,345
<b>Joint Facility Assets, SFID Share</b>	
Cielo Pump Station	\$ 75
SDR Dam	\$ 135
SDR Pump Station	\$ 92
REB Hydro Plant	\$ 77
REB Plant	\$ 1,023
REB Solids Facility	\$ 73
Pipelines	\$ 508
Meters	\$ 18
<i>Subtotal</i>	\$ 2,001
<b>TOTAL</b>	<b>\$ 9,345</b>

The four tables provided in Attachment A provide a comparison of the 2017 valuation (finalized in 2018) and the current 2025 valuation, as well as the basis of developing the asset valuation for each asset class.

NJF:ah

**ATTACHMENT A**

**COMPARISON AND BACKGROUND**

**TABLE A-1**  
**ASSET VALUATION COMPARISON**

ASSET CLASS	2017 VALUATION	2025 VALUATION
<b>SFID ASSETS</b>		
Corporate Yard	\$ 20,000,000	\$ 29,100,000
Lerrick Reservoir	\$ 8,307,000	\$ 12,100,000
Lerrick Pump Station	\$ 1,400,000	\$ 1,900,000
Pressure Reducing Stations	\$ 17,490,000	\$ 22,872,000
Pipelines	\$ 291,347,000	\$ 399,312,000
Valves	\$ 20,787,000	\$ 27,470,000
AMI Meter Towers	\$ 135,000	\$ 248,000
Water Meters	\$ 4,776,000	\$ 6,964,000
Water Services	\$ 26,988,000	\$ 50,340,000
Fire Hydrants	\$ 6,325,000	\$ 9,239,825
<i>Subtotal</i>	<i>\$ 397,555,000</i>	<i>\$ 559,545,825</i>
<b>SFID's PORTION OF JOINTLY-OWNED ASSETS</b>		
Cielo Pump Station	\$ 2,751,840	\$ 3,726,450
SDR Dam	\$ 10,262,070	\$ 13,529,880
SDR Pump Station	\$ 2,860,000	\$ 4,620,000
REB Hydro Plant	\$ 2,825,900	\$ 3,850,000
REB Plant	\$ 35,750,000	\$ 51,150,000
REB Solids Facility	\$ -	\$ 3,630,000
Pipelines	\$ 35,975,735	\$ 49,100,796
Meters	\$ 689,278	\$ 907,654
<i>Subtotal</i>	<i>\$ 91,114,822</i>	<i>\$ 130,514,780</i>
<b>TOTAL</b>	<b>\$ 488,669,822</b>	<b>\$ 690,060,605</b>

**TABLE A-2**  
**ANNUAL CAPITAL REPLACEMENT COST PLANNING SCHEDULE**  
(in thousands of dollars)

ASSET CLASS	2017 RECOMMENDATION	2025 RECOMMENDATION
<b>SFID ASSETS</b>		
Corporate Yard	\$ 400	\$ 582
Lerrick Reservoir	\$ 166	\$ 242
Lerrick Pump Station	\$ 28	\$ 38
Pressure Reducing Stations	\$ 350	\$ 457
Pipelines	\$ 2,913	\$ 3,993
Valves	\$ 416	\$ 549
AMI Meter Towers	\$ 7	\$ 12
Water Meters	\$ 191	\$ 279
Water Services	\$ 540	\$ 1,007
Fire Hydrants	\$ 127	\$ 185
<i>Subtotal</i>	<i>\$ 5,137</i>	<i>\$ 7,345</i>
<b>SFID's PORTION OF JOINTLY-OWNED ASSETS</b>		
Cielo Pump Station	\$ 55	\$ 75
SDR Dam	\$ 103	\$ 135
SDR Pump Station	\$ 57	\$ 92
REB Hydro Plant	\$ 57	\$ 77
REB Plant	\$ 715	\$ 1,023
REB Solids Facility	\$ -	\$ 73
Pipelines	\$ 370	\$ 508
Meters	\$ 14	\$ 18
<i>Subtotal</i>	<i>\$ 1,370</i>	<i>\$ 2,001</i>
<b>TOTAL</b>	<b>\$ 6,507</b>	<b>\$ 9,345</b>

**TABLE A-3**  
**SFID "DISTRICT ONLY" DETAIL OF ASSET VALUATION AND COST PLANNING**

Asset	Count	Feet	Cost/Foot or Cost/Unit	Useful Life, years	Total Cost	Annual Capital Replacement, \$1,000	Detailed Source of "Count" or "Feet"	Detailed Source of "Cost/Ft" or "Cost/Unit"
<b>Corporate Yard</b>	<b>1</b>	-	<b>\$ 29,100,000</b>	<b>50</b>	<b>\$ 29,100,000</b>	<b>\$582</b>	-	2018 Cost verified with \$/ft based on recent similar local public agency project. 2025 ENR Adjust.
<b>Lerrick Reservoir</b>	<b>1</b>	-	<b>\$ 12,100,000</b>	<b>50</b>	<b>\$ 12,100,000</b>	<b>\$242</b>	-	2008 Estimate. 2025 ENR Adjust.
<b>Lerrick Pump Station</b>	<b>1</b>	-	<b>\$ 1,900,000</b>	<b>50</b>	<b>\$ 1,900,000</b>	<b>\$38</b>	-	2017 Pump quote with standard unit costs. 2025 ENR Adjust.
<b>Pressure Reducing Stations</b>	<b>32</b>	-	<b>\$ 714,750</b>	<b>50</b>	<b>\$ 22,872,000</b>	<b>\$457</b>	Includes 2 OMWD Connections	Group 3 PRS bids. 2025 ENR Adjust.
<b>Pipelines</b>								
30	-	5,479	\$ 1,020	100	\$ 5,588,264	-	SFID Geodth 12/24. Incl.FH Lats+Fire S	SFID Bid results-Group 2 Pipelines. 2025 ENR Adjust.
27	-	6,804	\$ 920	100	\$ 6,259,625	-	SFID Geodth 12/24. Incl.FH Lats+Fire S	\$ per inch diameter per foot based on Group 2 Pipelines. 2025 ENR Adjust.
24	-	25,746	\$ 810	100	\$ 20,854,284	-	SFID Geodth 12/24. Incl.FH Lats+Fire S	SFID Bid results-Group 2 Pipelines. 2025 ENR Adjust.
20	-	30,448	\$ 730	100	\$ 22,227,252	-	SFID Geodth 12/24. Incl.FH Lats+Fire S	\$ per inch diameter per foot based on Group 2 Pipelines. 2025 ENR Adjust.
18	-	5,793	\$ 730	100	\$ 4,228,759	-	SFID Geodth 12/24. Incl.FH Lats+Fire S	SFID Bid results-Group 2 Pipelines. 2025 ENR Adjust.
16	-	28,227	\$ 650	100	\$ 18,347,529	-	SFID Geodth 12/24. Incl.FH Lats+Fire S	SFID Bid results-Group 2 Pipelines. 2025 ENR Adjust.
14	-	9,517	\$ 570	100	\$ 5,424,496	-	SFID Geodth 12/24. Incl.FH Lats+Fire S	\$ per inch diameter per foot based on Group 2 Pipelines. 2025 ENR Adjust.
12	-	56,986	\$ 570	100	\$ 32,481,741	-	SFID Geodth 12/24. Incl.FH Lats+Fire S	SFID Bid results-Group 2 Pipelines. 2025 ENR Adjust.
10	-	114,584	\$ 540	100	\$ 61,875,176	-	SFID Geodth 12/24. Incl.FH Lats+Fire S	SFID Bid results-Group 2 Pipelines. 2025 ENR Adjust.
8	-	375,675	\$ 440	100	\$ 165,296,965	-	SFID Geodth 12/24. Incl.FH Lats+Fire S	SFID Bid results-Group 2 Pipelines. 2025 ENR Adjust.
6	-	137,922	\$ 330	100	\$ 45,514,240	-	SFID Geodth 12/24. Incl.FH Lats+Fire S	\$ per inch diameter per foot based on Group 2 Pipelines. 2025 ENR Adjust.
4	-	26,308	\$ 330	100	\$ 8,681,802	-	SFID Geodth 12/24. Incl.FH Lats+Fire S	\$ per inch diameter per foot minimum. 2025 ENR Adjust.
3	-	1,005	\$ 330	100	\$ 331,792	-	SFID Geodth 12/24. Incl.FH Lats+Fire S	\$ per inch diameter per foot minimum. 2025 ENR Adjust.
2	-	4,529	\$ 330	100	\$ 1,494,431	-	SFID Geodth 12/24. Incl.FH Lats+Fire S	\$ per inch diameter per foot minimum. 2025 ENR Adjust.
1.5	-	1,225	\$ 330	100	\$ 404,389	-	SFID Geodth 12/24. Incl.FH Lats+Fire S	\$ per inch diameter per foot minimum. 2025 ENR Adjust.
1	-	912	\$ 330	100	\$ 300,970	-	SFID Geodth 12/24. Incl.FH Lats+Fire S	\$ per inch diameter per foot minimum. 2025 ENR Adjust.
<b>Total Pipelines</b>	<b>-</b>	<b>831,159</b>	-	<b>100</b>	<b>\$ 399,312,000</b>	<b>\$3,993</b>	-	-
<b>Valves</b>								
30"	1	-	\$ 43,320	50	\$ 43,320	-	SFID Geodatabase 12/24.	-
24"	22	-	\$ 40,100	50	\$882,200	-	SFID Geodatabase 12/24.	Gate valve quote + 60% for install. 2025 ENR Adjust.
20"	22	-	\$ 35,786	50	\$787,291	-	SFID Geodatabase 12/24.	Gate valve quote + 60% for install. 2025 ENR Adjust.
18"	8	-	\$ 32,019	50	\$256,152	-	SFID Geodatabase 12/24.	Gate valve quote + 60% for install. 2025 ENR Adjust.
16"	40	-	\$ 20,718	50	\$828,727	-	SFID Geodatabase 12/24.	Gate valve quote + 60% for install. 2025 ENR Adjust.
14"	8	-	\$ 16,951	50	\$135,610	-	SFID Geodatabase 12/24.	Gate valve quote + 60% for install. 2025 ENR Adjust.
12"	111	-	\$ 13,184	50	\$1,463,456	-	SFID Geodatabase 12/24.	Gate valve quote + 60% for install. 2025 ENR Adjust.
10"	299	-	\$ 10,000	50	\$2,990,000	-	SFID Geodatabase 12/24.	Gate valve quote + 60% for install. 2025 ENR Adjust.
8"	902	-	\$ 7,416	50	\$6,689,380	-	SFID Geodatabase 12/24.	Gate valve quote + 60% for install. 2025 ENR Adjust.
6"	1,659	-	\$ 7,416	50	\$12,303,416	-	SFID Geodatabase 12/24.	Gate valve quote + 60% for install. 2025 ENR Adjust.
4"	110	-	\$ 7,416	50	\$815,778	-	SFID Geodatabase 12/24.	Gate valve quote + 60% for install. 2025 ENR Adjust.
3"	28	-	\$ 7,416	50	\$207,653	-	SFID Geodatabase 12/24.	Gate valve quote + 60% for install. 2025 ENR Adjust.
2"	9	-	\$ 7,416	50	\$66,745	-	SFID Geodatabase 12/24.	Gate valve quote + 60% for install. 2025 ENR Adjust.
<b>Total Valves</b>	<b>3,219</b>	<b>-</b>	<b>-</b>	<b>50</b>	<b>\$ 27,470,000</b>	<b>\$549</b>	-	-
<b>AMI Base Station &amp; System</b>	<b>4</b>	<b>-</b>	<b>\$62,000</b>	<b>20</b>	<b>\$ 248,000</b>	<b>\$12</b>	From District Staff 2025.	SFID AMI Costs, includes installation by Sensus. 2025 ENR Adjust.
<b>Water Meters</b>								
Water Meter 5/8"	0	-	\$ 700	25	\$ 0	-	From District Staff 2025.	SFID AMI Costs, includes installation by Sensus. 2025 ENR Adjust.
Water Meter 3/4"	3,671	-	\$ 700	25	\$ 2,570,341	-	From District Staff 2025.	SFID AMI Costs, includes installation by Sensus. 2025 ENR Adjust.
Water Meter 1"	2,798	-	\$ 776	25	\$ 2,169,989	-	From District Staff 2025.	SFID AMI Costs, includes installation by Sensus. 2025 ENR Adjust.
Water Meter 1.5"	1,018	-	\$ 1,301	25	\$ 1,324,689	-	From District Staff 2025.	SFID AMI Costs, includes installation by Sensus. 2025 ENR Adjust.
Water Meter 2"	338	-	\$ 1,535	25	\$ 518,728	-	From District Staff 2025.	SFID AMI Costs, includes installation by Sensus. 2025 ENR Adjust.
Water Meter 3"	14	-	\$ 3,785	25	\$ 52,993	-	From District Staff 2025.	SFID AMI Costs, includes installation by Sensus. 2025 ENR Adjust.
Water Meter 4"	11	-	\$ 4,906	25	\$ 53,971	-	From District Staff 2025.	Sensus quote plus 20% for install. 2025 ENR Adjust.
Water Meter 6"	7	-	\$ 8,529	25	\$ 59,700	-	From District Staff 2025.	Sensus quote plus 20% for install. 2025 ENR Adjust.
Water Meter 8"	3	-	\$ 13,569	25	\$ 40,707	-	From District Staff 2025.	Sensus quote plus 20% for install. 2025 ENR Adjust.
Water Meter 10"	1	-	\$ 17,547	25	\$ 17,547	-	From District Staff 2025.	Sensus quote plus 20% for install. 2025 ENR Adjust.
Temporary Meter	41	-	\$ 3,785	25	\$ 155,194	-	From District Staff 2017.	Assume 3-inch meter.
<b>Total Water Meter</b>	<b>7,902</b>	<b>-</b>	<b>-</b>	<b>25</b>	<b>\$ 6,964,000</b>	<b>\$279</b>	-	-
<b>Water Services</b>								
Water Service 5/8"	0	-	\$ 5,635	50	\$ 0	-	Length unknown. Use 2025 Rate Table.	
Water Service 3/4"	3,671	-	\$ 5,635	50	\$20,686,085	-	Length unknown. Use 2025 Rate Table.	
Water Service 1"	2,798	-	\$ 5,751	50	\$16,091,298	-	Length unknown. Use 2025 Rate Table.	
Water Service 1.5"	1,018	-	\$ 9,450	50	\$9,620,100	-	Length unknown. Apply 0.75 to District 2025 Estimate.	
Water Service 2"	338	-	\$ 9,450	50	\$3,194,100	-	Length unknown. Apply 0.75 to District 2025 Estimate.	
Water Service 3"	14	-	\$ 17,250	50	\$241,500	-	Length unknown. Apply 0.75 to District 2025 Estimate.	
Water Service 4"	11	-	\$ 17,250	50	\$189,750	-	Length unknown. Apply 0.75 to District 2025 Estimate.	
Water Service 6"	7	-	\$ 24,300	50	\$170,100	-	Length unknown. Apply 0.75 to District 2025 Estimate.	
Water Service 8"	3	-	\$ 36,750	50	\$110,250	-	Length unknown. Apply 0.75 to District 2025 Estimate.	
Water Service 10"	1	-	\$ 36,750	50	\$36,750	-	Length unknown. Apply 0.75 to District 2025 Estimate.	
<b>Total Water Services</b>	<b>7,861</b>	<b>-</b>	<b>-</b>	<b>50</b>	<b>\$ 50,340,000</b>	<b>\$1,007</b>	-	-
<b>Fire Hydrants</b>	<b>1,295</b>	<b>-</b>	<b>\$7,135</b>	<b>50</b>	<b>\$ 9,239,825</b>	<b>\$185</b>	District Geodatabase as of Dec.2024	Length unknown. Assume 6" service plus Residential Fire Hydrant Upgrade.
<b>TOTAL</b>					<b>\$ 559,545,825</b>	<b>\$7,345</b>		

Costs are construction costs (not fully burdened District costs).

Costs are for facilities only (i.e. no land/property).

Costs do not include technology systems (software), vehicles.

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May 2025

**TABLE A-4**  
**JOINT FACILITIES (SFID SHARE) DETAIL OF ASSET VALUATION AND COST PLANNING**

Asset	Count	Feet	Cost/Foot or Cost/Unit	Useful Life, years	Total Cost	SFID Share	SFID Share Cost	Annual Capital Replacement, \$1,000	Detailed Source of "Cost/Ft" or "Cost/Unit"
<b>Pipelines</b>									
54" CCP		9,450	\$1,830	100	\$17,293,821	61.00%	\$10,549,231		SFID Bid results-Group 2 Pipelines. 2025 ENR Adjust.
54" CML&C		10,840	\$1,830	100	\$19,838,082	57.30%	\$11,367,225		SFID Bid results-Group 2 Pipelines. 2025 ENR Adjust.
42" CCP		180	\$1,420	100	\$255,221	61.00%	\$155,685		SFID Bid results-Group 2 Pipelines. 2025 ENR Adjust.
36" CCP		340	\$1,220	100	\$415,140	57.33%	\$238,000		SFID Bid results-Group 2 Pipelines. 2025 ENR Adjust.
30" CCP		406	\$1,020	100	\$414,031	57.33%	\$237,364		SFID Bid results-Group 2 Pipelines. 2025 ENR Adjust.
30" CML&C		406	\$1,020	100	\$413,616	61.00%	\$252,306		SFID Bid results-Group 2 Pipelines. 2025 ENR Adjust.
24" PVC C-905		133	\$810	100	\$107,970	61.00%	\$65,862		SFID Bid results-Group 2 Pipelines. 2025 ENR Adjust.
<b>Total Pipelines</b>		<b>21,755</b>		<b>100</b>	<b>\$38,737,881</b>		<b>\$22,865,668</b>	<b>\$ 229</b>	
<b>Meters</b>									
1- 24" Venturi Meter	1		\$224,231	50	\$224,231	100.00%	\$224,231		Equipment quote + install. 2025 ENR Adjust.
1- 8" Venturi Meter	1		\$97,606	50	\$97,606	100.00%	\$97,606		Equipment quote + install. 2025 ENR Adjust.
1- 20" Venturi Meter	1		\$211,041	50	\$211,041	100.00%	\$211,041		Equipment quote + install. 2025 ENR Adjust.
1- 10" Venturi Meter	1		\$97,606	50	\$97,606	100.00%	\$97,606		Equipment quote + install. 2025 ENR Adjust.
1- 24" Venturi Meter	1		\$224,231	50	\$224,231	100.00%	\$224,231		Equipment quote + install. 2025 ENR Adjust.
<b>Total Meters</b>		<b>5</b>		<b>50</b>	<b>\$854,715</b>		<b>\$854,715</b>	<b>\$ 17</b>	
<b>Valves</b>									
54" Butterfly valve	8		\$55,675	50	\$445,403	61.00%	\$271,696		Gate valve quote + 60% for install. 2025 ENR Adjust.
42" Butterfly valve	1		\$49,498	50	\$49,498	61.00%	\$30,194		Gate valve quote + 60% for install. 2025 ENR Adjust.
36" Butterfly valve	2		\$46,409	50	\$92,817	57.33%	\$53,212		Gate valve quote + 60% for install. 2025 ENR Adjust.
30" Butterfly valve	3		\$43,320	50	\$129,959	57.33%	\$74,506		Gate valve quote + 60% for install. 2025 ENR Adjust.
24" Butterfly valve	9		\$40,100	50	\$360,900	61.00%	\$220,149		2022 Cielo PS Valve Replacement Project.
20" Butterfly valve	1		\$35,786	50	\$35,786	61.00%	\$21,829		Gate valve quote + 60% for install. 2025 ENR Adjust.
10" Butterfly valve	1		\$10,000	50	\$10,000	61.00%	\$6,100		Gate valve quote + 60% for install. 2025 ENR Adjust.
8" Butterfly valve	1		\$7,416	50	\$7,416	61.00%	\$4,524		Gate valve quote + 60% for install. 2025 ENR Adjust.
6" BO	10		\$7,416	50	\$74,162	61.00%	\$45,239		Gate valve quote + 60% for install. 2025 ENR Adjust.
4" CAV	24		\$7,416	50	\$177,988	61.00%	\$108,573		Gate valve quote + 60% for install. 2025 ENR Adjust.
<b>Total Valves</b>		<b>60</b>		<b>50</b>	<b>\$1,383,929</b>		<b>\$836,021</b>	<b>\$ 17</b>	
<b>REB Plant *</b>	<b>1</b>			<b>50</b>	<b>\$ 93,000,000</b>	<b>55.00%</b>	<b>\$51,150,000</b>	<b>\$ 1,023</b>	Plant expansion and upgrade with ENR adjustment.
<b>REB Solids Facility *</b>	<b>1</b>			<b>50</b>	<b>\$ 6,600,000</b>	<b>55.00%</b>	<b>\$3,630,000</b>	<b>\$ 73</b>	2022 Costs with ENR adjustment times 0.75 for future capital repair.
<b>REB Hydro Plant</b>	<b>1</b>			<b>50</b>	<b>\$ 7,000,000</b>	<b>55.00%</b>	<b>\$3,850,000</b>	<b>\$ 77</b>	2016 SFID Study. 2025 ENR Adjust.
<b>Cielo Pump Station</b>	<b>1</b>			<b>50</b>	<b>\$ 6,500,000</b>	<b>57.33%</b>	<b>\$3,726,450</b>	<b>\$ 75</b>	2008 Estimate. 2025 ENR Adjust.
<b>Pipelines (Cielo PS)</b>									
48" CML&TC	372		\$1,620	100	\$603,302	57.33%	\$345,873		\$ per inch diameter per foot based on Group 2 Pipelines. 2025 ENR Adjust.
36" CML&TC FM	9,790		\$1,220	100	\$11,944,278	57.33%	\$6,847,654		\$ per inch diameter per foot based on Group 2 Pipelines. 2025 ENR Adjust.
36" CML&TC	9,481		\$1,220	100	\$11,566,486	57.33%	\$6,631,067		\$ per inch diameter per foot based on Group 2 Pipelines. 2025 ENR Adjust.
24" CML&TC	81		\$810	100	\$65,869	57.33%	\$37,763		SFID Bid results-Group 2 Pipelines. 2025 ENR Adjust.
18" CML&TC	67		\$730	100	\$49,105	57.33%	\$28,152		SFID Bid results-Group 2 Pipelines. 2025 ENR Adjust.
18" CML&TC FM	88		\$730	100	\$64,132	57.33%	\$36,767		SFID Bid results-Group 2 Pipelines. 2025 ENR Adjust.
18" HDPE Flume	6,762		\$730	100	\$4,935,988	57.33%	\$2,829,802		SFID Bid results-Group 2 Pipelines. 2025 ENR Adjust.
14" CML&TC FM	55		\$570	100	\$31,157	57.33%	\$17,862		\$ per inch diameter per foot based on Group 2 Pipelines. 2025 ENR Adjust.
12" CML&TC FM	35		\$570	100	\$19,951	57.33%	\$11,438		SFID Bid results-Group 2 Pipelines. 2025 ENR Adjust.
10" CML&TC	34		\$540	100	\$18,320	57.33%	\$10,503		SFID Bid results-Group 2 Pipelines. 2025 ENR Adjust.
<b>Total Pipelines</b>		<b>26,765</b>		<b>100</b>	<b>\$29,298,587</b>	<b>57.33%</b>	<b>\$16,796,880</b>	<b>\$ 168</b>	
<b>Meters (Cielo PS)</b>									
36" Electromag flowmeter	2		\$46,170	50	\$92,341	57.33%	\$52,939		Electromag quote with ENR adjust + 50% for install.
<b>Total Meters</b>		<b>2</b>		<b>50</b>	<b>\$92,341</b>	<b>57.33%</b>	<b>\$52,939</b>	<b>\$ 1</b>	
<b>Valves (Cielo PS)</b>									
36" Plug valve	3		\$231,000	50	\$693,000	57.33%	\$397,297		2022 Cielo PS Valve Replacement Project.
24" Butterfly valve	8		\$40,100	50	\$320,800	57.33%	\$183,915		2022 Cielo PS Valve Replacement Project.
18" Butterfly valve	2		\$32,019	50	\$64,038	57.33%	\$36,713		Gate valve quote + 60% for install. 2025 ENR Adjust.
12" Butterfly valve	2		\$28,000	50	\$56,000	57.33%	\$32,105		Interpolation of 2022 Cielo PS Valve Replacement Project.
10" Butterfly valve	2		\$21,000	50	\$42,000	57.33%	\$24,079		2022 Cielo PS Valve Replacement Project.
4" BO	10		\$7,416	50	\$74,162	57.33%	\$42,517		Gate valve quote + 60% for install. 2025 ENR Adjust.
8" CAV	1		\$7,416	50	\$7,416	57.33%	\$4,252		Gate valve quote + 60% for install. 2025 ENR Adjust.
3" CAV	8		\$7,416	50	\$59,329	57.33%	\$34,013		Gate valve quote + 60% for install. 2025 ENR Adjust.
2" MAV	1		\$7,416	50	\$7,416	57.33%	\$4,252		Gate valve quote + 60% for install. 2025 ENR Adjust.
<b>Total Valves</b>		<b>37</b>		<b>50</b>	<b>\$1,324,161</b>	<b>57.33%</b>	<b>\$759,142</b>	<b>\$ 15</b>	
<b>SDR Pump Station</b>	<b>1</b>			<b>50</b>	<b>\$8,400,000</b>	<b>55.00%</b>	<b>\$4,620,000</b>	<b>\$ 92</b>	2017 Actual Total Replacement Cost. 2025 ENR Adjust from 2015 bid.
<b>Pipelines (SDR PS)</b>									
30" CML&C	372		\$1,020	100	\$379,857	55.00%	\$208,921		SFID Bid results-Group 2 Pipelines. 2025 ENR Adjust.
24" CML&C	9,790		\$810	100	\$7,930,217	55.00%	\$4,361,619		SFID Bid results-Group 2 Pipelines. 2025 ENR Adjust.
15" CML&C	9,481		\$610	100	\$5,783,243	55.00%	\$3,180,784		\$ per inch diameter per foot based on Group 2 Pipelines. 2025 ENR Adjust.
<b>Total Pipelines</b>		<b>19,644</b>		<b>100</b>	<b>\$14,093,317</b>	<b>55.00%</b>	<b>\$7,751,324</b>	<b>\$ 78</b>	
<b>Valves (SDR PS)</b>									
30" Butterfly valve	2		\$43,320	50	\$86,640	55.00%	\$47,652		Gate valve quote + 60% for install. 2025 ENR Adjust.
24" Butterfly valve	2		\$40,100	50	\$80,200	55.00%	\$44,110		2022 Cielo PS Valve Replacement Project.
<b>Total Valves</b>		<b>4</b>		<b>50</b>	<b>\$166,840</b>	<b>55.00%</b>	<b>\$91,762</b>	<b>\$ 2</b>	
<b>SDR Dam *</b>	<b>1</b>			<b>100</b>	<b>\$23,600,000</b>	<b>57.33%</b>	<b>\$13,529,880</b>	<b>\$ 135</b>	2016 Estimate. 2025 ENR Adjust.
<b>TOTAL</b>					<b>\$224,451,770</b>		<b>\$130,514,780</b>	<b>\$ 2,001</b>	

\* Costs for the REB Plant and the SDR Dam represent estimate of capital repair/replacement costs rather full replacement costs.

## **ATTACHMENT B**

### **RESOLUTION NO. 26-01**

#### **A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA FE IRRIGATION DISTRICT ESTABLISHING METER CAPACITY FEES**

**WHEREAS**, Santa Fe Irrigation District (“District”) is an irrigation district operating under the Irrigation District Law, commencing with section 20500 of the California Water Code; and

**WHEREAS**, pursuant to California Government Code section 66013, the District is authorized to impose capacity fees for public facilities in existence at the time the capacity fee is imposed or for new facilities to be acquired or constructed in the future that are of proportional benefit to the person or property being charged, including supply or capacity contracts for rights or entitlements, real property interests, and entitlements and other rights of the District involving capital expense relating to its use of existing or new public facilities; and

**WHEREAS**, the Board of Directors determined to evaluate the need to establish the District's Meter Capacity Fees (the “Capacity Fee”); and

**WHEREAS**, the District has made significant investments in its water system to provide and enhance long-term water supply reliability for its existing customers, in addition to investments made to maintain the existing water system infrastructure; and

**WHEREAS**, District Staff completed a study (the “Capacity Fee Study”) to determine the appropriate capacity fees required for new connections to buy into the District water system. A copy of the Capacity Fee Study is on file with the District Secretary and available for inspection, and the findings of the Capacity Fee Study are incorporated by this reference herein; and

**WHEREAS**, pursuant to the findings set forth in the Capacity Fee Study, the District is now considering increasing its existing Capacity Fee; and

**WHEREAS**, the District Secretary made available to the public for inspection, at least 14 days in advance of the Board of Directors meeting, data showing the nexus between the proposed Capacity Fee and the cost of providing the water facilities; and

**WHEREAS**, the Board of Directors desires to increase the District Capacity Fee; and

**WHEREAS**, “Capacity Fee” means a charge for facilities in existence at the time a charge is imposed or charges for new facilities to be constructed in the future that are of benefit to the person or property being charged and will be a “Capacity Charge” within the meaning of California Government Code Section 66013; and

**WHEREAS**, the Board of Directors of the District has determined that: (1) the rates of the proposed Capacity Fee do not exceed the estimated reasonable cost of the services and facilities for which the Capacity Fee will be imposed; and (2) the allocation of those costs are fair or reasonable in relation to the burdens on, or benefits that those who pay the Capacity Fee will receive from such services and facilities; and

**WHEREAS**, the proposed Capacity Fee will be imposed upon new or existing water connections which require additional capacity to serve the property due to change in use or additional development.

**WHEREAS**, the District shall deposit Capacity Fee revenue in a separate capital facilities fund with other Capacity Fees received; and

**WHEREAS**, the District shall account for the Capacity Fees in a manner to avoid any commingling with other District monies; and

**WHEREAS**, the District shall expend those Capacity Fee revenues solely for the purposes for which the charges were collected and any interest income earned from the investment of moneys in the capital facilities fund shall be deposited in that fund.

**NOW, THEREFORE, BE IT HEREBY RESOLVED, DETERMINED AND ORDERED** by the Board of Directors of the Santa Fe Irrigation District as follows:

**Section 1.** **Recitals.** The matters set forth in the Recitals to this Resolution are true and correct statements and are incorporated herein by this reference, are made findings and determinations of the Board of Directors and are an operative part of this Resolution.

**Section 2.** **Justification.** District has been presented with the Capacity Fee Study showing the justification for the proposed Capacity Fee, a copy of which is available for inspection at the office of the District Secretary.

**Section 3.** **CEQA.** The Board of Directors finds that the Capacity Fee is intended to provide a reliable water supply for new development and to provide equity between new development and existing customers. This Capacity Fee does not commit the District to approve any particular project, program, or capital improvement, but will be placed in a separate fund for potential future projects. This Capacity Fee is in response to the District's projected need for facilities and infrastructure to provide services, to its existing customers and new development. Any activities, including infrastructure improvements, to be funded by Capacity Fees will be subject to future environmental review under CEQA, as applicable, prior to approval by the District.

The Board of Directors therefore finds that the Capacity Fee is not subject to environmental review under CEQA. First, the Capacity Fee, in and of itself, does not have the potential for resulting in either a direct physical change in the

environment, or a reasonably foreseeable indirect physical change in the environment and therefore is not considered a “project” under CEQA. (Pub. Resources Code, § 21065, 14 Cal. Code Regs., § 15378, subd. (a).) Second, the Capacity Fee is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment; here, there is no possibility that the Capacity Fee, in and of itself, may have a significant effect on the environment. (14 Cal. Code Regs., § 15061, subd. (b)(3).) And third, the Capacity Fee is considered a government funding mechanism that does not involve any commitment on behalf of the District to any specific project which may result in a potentially significant physical impact on the environment. (14 Cal. Code Regs., § 15378, subd. (b)(4).)

The determination that the Capacity Fee is not subject to CEQA review reflects the Board of Directors’ independent judgment and analysis.

The documents and materials that constitute the record of proceedings on which these findings have been based are located at 5920 Linea del Cielo, Rancho Santa Fe, California 92067. The custodian for these records is the Board Secretary.

**Section 4:** **Service.** The Board of Directors finds that the increased Capacity Fee adopted by this Resolution is imposed only as a condition of expanding or initiating service or requiring an additional connection to the District’s water system upon the request and is not imposed upon real property or upon persons as an incident of property ownership.

**Section 5:** **Schedule.** The Board of Directors hereby adopts the schedule of “Meter Capacity Fees” attached hereto as Exhibit “A”. The District General Manager is hereby authorized and directed to collect the Capacity Fee, according to the schedule set forth in Exhibit “A” on and after the effective date of this Resolution. The Capacity Fee shall be imposed on any person who submits an application for a new connection or for additional capacity to serve the property due to change in use or additional development.

**Section 6:** **Facilities.** The Board of Directors finds that the revenue derived from the Capacity Fee established by this Resolution (1) does not exceed the funds required to provide the capital facilities for which it is charged; (2) shall not be used for any other purpose than for which the charge was imposed; and (3) is for a specific government service provided directly to the customer that is not provided to those not charged. The Board of Directors finds that the Capacity Fee, taking into consideration the reasonable cost of providing all facilities by the District and the sources of revenue therefore, will result in a fair and reasonable facilities program, reasonably allocating the cost of water facilities to those who benefit therefrom, without undue subsidy to those who pay the Capacity Fee.

**Section 7.** **Amendment to Administrative Code.** The Administrative Code of the Santa Fe Irrigation District shall be amended as follows: Replacement of Article 14.3 Exhibit with an updated Capacity Fee Charges Schedule as shown in Exhibit "A."

**Section 8.** **Approval.** This Resolution requires a majority vote of the Board for approval.

**Section 9.** **Effective Date.** This Resolution shall take effect immediately upon adoption.

**Section 10.** **Conflicting Provisions.** If provisions of this Resolution are in conflict with each other, other provisions of the District's regulations or policies, any other resolution or ordinance of the District, or any State law or regulation, the more restrictive provisions shall apply. To the extent any fees established by this Resolution are inconsistent with fees previously adopted, it is the explicit intention of the Board that the charges adopted pursuant to this Resolution shall prevail.

**Section 11.** **Severability.** If any section, subsection, sentence, clause or phrase in this Resolution is for any reason held invalid, the validity of the remainder of the Resolution will not be affected. The District's Board of Directors hereby declares it would have passed this Resolution and each section, subsection, sentence, clause or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses, or phrases thereof is declared invalid.

Approved at a regular meeting of the Board of Directors of the Santa Fe Irrigation District, California, held on January 15, 2026, by the following vote:

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

\_\_\_\_\_  
Michael T. Hogan, President

Attest:

\_\_\_\_\_  
Albert C. Lau, P.E., Secretary/Treasurer

**Exhibit A**  
**Capacity Fees**

METER SIZE	CURRENT CAPACITY FEE	NEW CAPACITY FEE	CHANGE
3/4"	\$ 18,480	\$ 27,243	\$ 8,763
1"	\$ 29,568	\$ 43,588	\$ 14,020
1.5"	\$ 55,440	\$ 81,728	\$ 26,288
2"	\$ 96,096	\$ 141,662	\$ 45,566
3"	\$ 177,408	\$ 261,530	\$ 84,122
4"	\$ 303,072	\$ 446,781	\$ 143,709
6"	\$ 554,400	\$ 817,282	\$ 262,882
8"	\$ 960,960	\$ 1,416,622	\$ 455,662
10"	\$ 1,441,440	\$ 2,124,933	\$ 683,493

Preliminary 2026 AFC Meeting Agenda Items List	
February	Director Expenses (Monthly)
	GM Expenses (Monthly)
	Investment Transaction Report (Monthly)
	Appointment of Committee Chair (every two years)
	Customer Payment Portal Presentation
	Review and Discuss FY__ Mid-Year Budget Projections
	Long-range Financial Plan
	Lake Hodges Fund Discussion
	Communications Plan Update
March	Director Expenses (Monthly)
	GM Expenses (Monthly)
	Investment Transaction Report (Monthly)
	Receive and File Actuarial Evaluation (even years)
April	Director Expenses (Monthly)
	GM Expenses (Monthly)
	Investment Transaction Report (Monthly)
	Quarterly Treasurer's Report
	Review of FY 20__ Proposed Budget
	Annual Review of Draft FY 20__ CIP and CAP Acquisition Budgets
May	Director Expenses (Monthly)
	GM Expenses (Monthly)
	Investment Transaction Report (Monthly)
	Review Final Draft of FY 2026 District Budget
	Discussion on Ratepayer Benefits on Various Financial Options
June	Director Expenses (Monthly)
	GM Expenses (Monthly)
	Investment Transaction Report (Monthly)
	Review FY26 Budget Revisions

Preliminary 2026 AFC Meeting Agenda Items List	
July <i>(No AFC Meeting)</i>	Director Expenses (Monthly)
	GM Expenses (Monthly)
	Investment Transaction Report (Monthly)
	Quarterly Treasurer's Report (Quarterly)
	Receive and File Annual Report of Reimbursements and Compensation Paid to Directors and Other Expenses
	Consider a Resolution Setting Fixed Charge Special Assessment
	Customer Survey
	Establishing an Appropriation Limit for the District for Fiscal Year Commencing July 1, 20__
BULLPEN	Annexation Fees
	Annual Review Credit Card Fee Policy
	Biennial Cyber-Security Update (even years)
	AMI Portal
	Monthly Billing Considerations
	Proposed Policy on the Use of Machine Learning and Artificial Intelligence