RANCHO SANTA FE
COMMUNITY SERVICES DISTRICT

AGENDA
BOARD OF DIRECTORS REGULAR MEETING
Monday, March 13, 2023, 1:30 P.M.
Santa Fe Irrigation District Board Room
5920 Linea Del Cielo, Rancho Santa Fe, CA 92067

Call Meeting to Order and Roll Call.

Board Members:	President:	Deborah Plummer
	Vice-President:	Bill Hinchy
	Director:	John Tanner
	Director:	Laurel Lemarié
	Director:	John Salazar
Staff:	General Manager:	Chuck Duffy
	Asst. General Manager:	Paula Melendrez
	Operations Manager:	Jeff Pape

Public Comment.
Communication from the public concerning matters which are under the District's subject jurisdiction which are not on the agenda.

<u>AGENDA ITEMS</u>	<u>Page No.</u>
1. Report from the RSF Association on Roadside Landscape Maintenance and Security Services. **Recommendation:** To be made by the Board.	**(--)**
2. Minutes of the February 13, 2023 Regular Meeting. **Recommendation:** Approve as submitted.	**3-5**
3. January 2023 Dudek Invoices for Payment. **Recommendation:** To be made by the Board.	**6-11**
4. Consideration of District Investment Policy P-2023-01 and Board Direction On District Investments. **Recommendation:** To be made by the Board.	**12-30**
5. Santa Fe Valley Community Facilities District No. 1. a. CFD Fund Balances.	**31**
6. District Engineer's Report.	
a. Treatment Plant, Pump Station, and Sewer System Operations Report.	**32**
b. Collections Crew – Operations Billing Logs.	**33-35**
7. General Manager's Report. a. Update on solar power project at the Santa Fe Valley Treatment Plant.	**(--)**

ADJOURNMENT

This meeting is accessible to people with disabilities. Individuals who require special assistance to participate may request an alternative format of the agenda and packet materials. Notification in advance of the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting and the materials related to it. To request a disability-related modification or accommodation, please call (760) 479-4150.

RANCHO SANTA FE
COMMUNITY SERVICES DISTRICT

MINUTES
BOARD OF DIRECTORS REGULAR MEETING
Monday, February 13, 2023, at 1:30 P.M.

THIS MEETING WILL BE HELD VIA TELECONFERENCE AS AUTHORIZED BY DISTRICT RESOLUTION R-2023-01 PERMITTING REMOTE TELECONFERENCE MEETINGS.

PRESENT	ABSENT	GUESTS	STAFF
Deborah Plummer	Chuck Duffy, GM	Ken Rogers, RSFA	Paula Melendrez, Asst. GM
Bill Hinchy			Jeff Pape, Operations Mgr.
Laurel Lemarié			
John Tanner			
John Salazar			

The regular meeting of the Board of Directors of the Rancho Santa Fe Community Services District was called to order by President Plummer.

Call Meeting to Order and Roll Call.

Public Comment – None.

<u>**ACTION ITEMS**</u>

1. **Consideration of Resolution R-2023-01, Proclaiming a Local Emergency, Ratifying the Proclamation of a State of Emergency Issued on March 4, 2020 By Governor Newsom, and Authorizing Remote Teleconference Meetings of the Legislative Bodies of the Rancho Santa Fe Community Services District for the Period February 13, 2023 Through February 28, 2023 Pursuant to Brown Act Provisions.**
   ACTION: Director Lemarié moved to approve the resolution as submitted. Director Hinchy seconded. Motion carried 5-0.

2. **Report from the RSF Association on Roadside Landscape Maintenance and Security Services.**
   Ken Rogers from the RSF Association reported that crews were busy cleaning up after the recent storms. There were no trees reported down. Director Hinchy requested that crews take a look at a muddy section of trail near La Orilla and El Camino Real that needs work. Director Lemarié also alerted RSFA staff to an issue on La Gracia. Ken Rogers will direct staff to address these issues.

3. **Minutes of the January 9, 2023 Regular Meeting.**
   ACTION: Director Lemarié moved to approve the minutes as submitted. Director Hinchy seconded. Motion carried 5-0.

4. **December 2022 Dudek Invoices for Payment.**
   ACTION: Director Tanner moved to approve the invoices as submitted. Director Hinchy seconded. Motion carried 5-0.

5. **Consideration of Proposal from Centritek for Purchase of Centrifuge at the Rancho Santa Fe Treatment Plant.**
   The board discussed the cost of repairing the backup centrifuge and requested that General Manager Chuck Duffy negotiate with the Whispering Palms CSD and Fairbanks Ranch CSD boards if the unit is to be shared by all three districts.
   ACTION: Director Lemarié moved to approve the purchase of the CentriTek unit as presented. Director Tanner seconded. Motion carried 5-0.

6. **Santa Fe Valley Community Facilities District No. 1.**
   a. CFD Fund Balances – Noted and filed.

7. **District Engineer's Report.**
   a. Treatment Plant, Pump Station, and Sewer System Operations Report – Collection System Supervisor Ken Burtech reported that, though the recent storms did impact the RSF Treatment Plant, the 18 pump stations handled the increased flows well. There were no complaints from residents. Operations Manager Jeff Pape reported that the rebuild of the front-end splitter box at the Santa Fe Valley plant is 2/3 completed. They are just waiting on the manufacture of the parshall flumes which regulate the flow to the basins. Mr. Pape also notified the board that staff is expecting members of the public at the next meeting to express their concerns over odors in their neighborhood that they believe are coming from the SFV Sewer Treatment Plant.
   b. Collections Crew – Operations Billing Logs – Noted and filed.

8. **General Manager's Report.**
   a. Update on solar power project at the Santa Fe Valley Treatment Plant – Nothing to report. General Manager Chuck Duffy was absent.

9. **Monthly Flow Reports** – Noted and filed.

10. **Monthly Financial Reports.**
    a. Account Balances – Noted and filed.
    b. 2022-2023 Revenue and Expenditure Reports (Unaudited) – Noted and filed.
    c. LAIF Monthly Update – Noted and filed.

11. **Upcoming Seminars/Conferences.**

12. **Consideration of Correspondence.**

Director Lemarié inquired about the parameters of undergrounding in the covenant. Staff will provide her with the RSFA's original documents and findings.

ADJOURNMENT

Board President Plummer adjourned the February 13, 2023 Regular Meeting of the Rancho Santa Fe Community Services District Board of Directors at 2:30 p.m.

SUBMITTED BY: **ATTEST:**

Paula Melendrez, Board Secretary

Chuck Duffy, General Manager

Approved by the Board: February 13, 2023

RANCHO SANTA FE
COMMUNITY SERVICES DISTRICT

March 13, 2023

Board of Directors
Rancho Santa Fe Community Services District

Re: January 2023 Invoices

Dear Board Members:

The attached invoices for the month of January are submitted for your review and approval.

The invoices consist of:

A. Sewer District Management: $38,240
Daily district management; correspondence; agenda preparation; bill paying; bookkeeping; invoice review; budget preparation; compilation of yearly audited financial statements; drafting of district ordinances, resolutions, and policies; interaction with the public; phone calls; word processing; meetings with other agencies; processing insurance claims; drafting and coordination of legal agreements; general management and general engineering; construction inspection and coordination; development of CIP's; coordination of other district consultants; and permit issuance.

B. RSF and SFV Treatment Plant Operations: $55,350
Treatment plant operations for the Santa Fe Valley and the Rancho Santa Fe treatment plants; responsible for meeting Waste Discharge Requirements set by the Regional Board.

C. Landscape District Management: $2,260
Coordination with the Rancho Santa Fe Association for right of way landscape maintenance services; bill paying; bookkeeping; budgeting; and invoice review.

D. RSF and SFV sewer cleaning & maintenance $37,890
Cleaning of the SFV and SID 100+ miles of sewer mains; manhole inspection and cleaning; coordination of CCTV'ing; coordination of mainline and pump station repairs; daily maintenance of pump stations; and inspection of new mains and new laterals.

LABOR BUDGET SUMMARY

	Annual Budget	January 2023 Billing	Billed to Date	% of Annual Budget	% of Year Elapsed	Over/(Under) Budget
A. Management (SID/SFV - Job #314.2021)	$458,880	$38,240	$267,680	58.33%	58.33%	$0
B. Operations (SID/SFV - Job #314.2021.2)	$664,200	$55,350	$387,450	58.33%	58.33%	$0
C. Management (LID - Job #314.2021.1)	$27,120	$2,260	$15,820	58.33%	58.33%	$0
D. Sewer Maint. (SID/SFV - Job #314.2021.3)	$454,680	$37,890	$265,230	58.33%	58.33%	$0

Sincerely,

Chuck Duffy, General Manager

DUDEK

605 3rd Street
Encinitas, CA 92024
T (760) 942-5147
F (760) 632-0164

February 6, 2023
Project No: 314.2022
Invoice No: 202300013

Chuck Duffy
Rancho Santa Fe Community Service District (RSFCSD)
c/o Dudek
605 Third Street
Encinitas, CA 92024

Project Manager Charles Duffy

Project 314.2022 Sewer System Management

Professional Services for the Period: December 31, 2022 to January 27, 2023

Total Fee	458,880.00			
Percent Complete	58.3333	Total Earned	267,680.00	
		Previous Fee Billing	229,440.00	
		Current Fee Billing	38,240.00	
		Total Fee		**38,240.00**

Total Project Invoice Amount **$38,240.00**

Outstanding Invoices

Number	**Date**	**Balance**
202211331	1/12/2023	38,240.00
Total		**38,240.00**

Billing Summary

	Current	**Prior**	**Total**
Fee	38,240.00	0.00	38,240.00
Labor	0.00	229,440.00	229,440.00
Totals	**38,240.00**	**229,440.00**	**267,680.00**

Contract Maximum:	**458,880.00**
Previous Billings Against Maximum:	**229,440.00**
Current Billings Against Maximum:	**38,240.00**
Balance After This Invoice:	**191,200.00**

Please remit checks to the following lockbox account including Dudek project number and invoice number:

DUDEK
P.O. Box 515569
Los Angeles, CA 90051-4581

If you would like to remit payment via ACH, please contact Accounting@dudek.com.

DUDEK

605 3rd Street
Encinitas, CA 92024
T (760) 942-5147
F (760) 632-0164

February 6, 2023
Project No: 314.2022.02
Invoice No: 202300017

Chuck Duffy
Rancho Santa Fe Community Service District (RSFCSD)
c/o Dudek
605 Third Street
Encinitas, CA 92024

Project Manager   Charles Duffy

Project   314.2022.02   Treatment Plant Labor

Professional Services for the Period: December 31, 2022 to January 27, 2023

Total Fee	664,200.00			
Percent Complete	58.3333	Total Earned	387,450.00	
		Previous Fee Billing	332,100.00	
		Current Fee Billing	55,350.00	
		Total Fee		**55,350.00**
		Total Project Invoice Amount		**$55,350.00**

Outstanding Invoices

Number	Date	Balance
202211333	1/12/2023	55,350.00
Total		**55,350.00**

Billing Summary

	Current	Prior	Total
Fee	55,350.00	0.00	55,350.00
Labor	0.00	331,980.00	331,980.00
Expense	0.00	120.00	120.00
Totals	**55,350.00**	**332,100.00**	**387,450.00**

Contract Maximum:	**664,200.00**
Previous Billings Against Maximum:	**332,100.00**
Current Billings Against Maximum:	**55,350.00**
Balance After This Invoice:	**276,750.00**

Please remit checks to the following lockbox account including Dudek project number and invoice number:

DUDEK
P.O. Box 515569
Los Angeles, CA 90051-4581

If you would like to remit payment via ACH, please contact Accounting@dudek.com.

DUDEK

605 3rd Street
Encinitas, CA 92024
T (760) 942-5147
F (760) 632-0164

February 6, 2023
Project No: 314.2022.03
Invoice No: 202300018

Chuck Duffy
Rancho Santa Fe Community Service District (RSFCSD)
c/o Dudek
605 Third Street
Encinitas, CA 92024

Project Manager Charles Duffy

Project 314.2022.03 Pump Station & Collections System

Professional Services for the Period: December 31, 2022 to January 27, 2023

Total Fee	454,680.00			
Percent Complete	58.3333	Total Earned	265,230.00	
		Previous Fee Billing	227,340.00	
		Current Fee Billing	37,890.00	
		Total Fee		**37,890.00**

Total Project Invoice Amount $37,890.00

Outstanding Invoices

Number	**Date**	**Balance**
202211334	1/12/2023	37,890.00
Total		**37,890.00**

Billing Summary

	Current	**Prior**	**Total**
Fee	37,890.00	0.00	37,890.00
Labor	0.00	227,340.00	227,340.00
Totals	**37,890.00**	**227,340.00**	**265,230.00**

Contract Maximum:	**454,680.00**
Previous Billings Against Maximum:	**227,340.00**
Current Billings Against Maximum:	**37,890.00**
Balance After This Invoice:	**189,450.00**

Please remit checks to the following lockbox account including Dudek project number and invoice number:

DUDEK
P.O. Box 515569
Los Angeles, CA 90051-4581

If you would like to remit payment via ACH, please contact Accounting@dudek.com.

DUDEK

605 3rd Street
Encinitas, CA 92024
T (760) 942-5147
F (760) 632-0164

February 6, 2023
Project No: 314.2022.01
Invoice No: 202300015

Chuck Duffy
Rancho Santa Fe Community Service District (RSFCSD)
c/o Dudek
605 Third Street
Encinitas, CA 92024

Project Manager   Charles Duffy

Project   314.2022.01   Landscape Management

Professional Services for the Period: December 31, 2022 to January 27, 2023

Total Fee	27,120.00			
Percent Complete	58.3333	Total Earned	15,820.00	
		Previous Fee Billing	13,560.00	
		Current Fee Billing	2,260.00	
		Total Fee		**2,260.00**

Total Project Invoice Amount $2,260.00

Outstanding Invoices

Number	Date	Balance
202211332	1/12/2023	2,260.00
Total		**2,260.00**

Billing Summary

	Current	Prior	Total
Fee	2,260.00	0.00	2,260.00
Labor	0.00	13,560.00	13,560.00
Totals	**2,260.00**	**13,560.00**	**15,820.00**

Contract Maximum:	**27,120.00**
Previous Billings Against Maximum:	**13,560.00**
Current Billings Against Maximum:	**2,260.00**
Balance After This Invoice:	**11,300.00**

Please remit checks to the following lockbox account including Dudek project number and invoice number:

DUDEK
P.O. Box 515569
Los Angeles, CA 90051-4581

If you would like to remit payment via ACH, please contact Accounting@dudek.com.

RANCHO SANTA FE
COMMUNITY SERVICES DISTRICT

AGENDA MEMORANDUM

To: Board of Directors

From: Chuck Duffy, General Manager

Subject: Consideration of District Investment Policy P-2023-01 and Board Direction On District Investments

Date: March 13, 2023

Based on discussions at the previous board meetings, attached is an updated investment policy that is more robust and inclusive than the previously approved policy, and which allows us to invest the District's funds in a manner that maximizes safety of principal, liquidity, and yield, in that order in accordance with the government code. It also adds the CalTRUST option that staff has researched which is our preferred investment option (see attached fund information). I would recommend that your board approve the attached Investment Policy and direct staff on District investments.

Policy P-2023-01

A POLICY OF THE RANCHO SANTA FE COMMUNITY SERVICES DISTRICT REGARDING INVESTMENT OF DISTRICT FUNDS

Purpose
It is the policy of the Rancho Santa Fe Community Services District to invest public funds in a manner which will provide the maximum security of principal, while meeting the daily cash flow demands of the District and seeking out the best investment returns that meet these criteria.

Investment Objectives
The District's investment objectives, in order of priority and consistent with Government Code Section 53600.5, shall be:

Priority 1 - Safety: Safety of principal is the foremost objective of the Investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

Priority 2 - Liquidity: The investment portfolio shall remain sufficiently liquid to enable the District to meet all operating and capital requirements that may be reasonably anticipated.

Priority 3 - Return on investments (Yield): The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgeting and economic cycles taking into account the safety investment risk constraints and liquidity needs.

Prudence
Officers and employees acting in accordance with the Investment policy and exercising due diligence shall be relieved of personal responsibility for an investment security's credit risk or market price changes.

Officers and employees involved in the process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions.

Authority to implement the management of the investment program is granted to the General Manager, who shall be responsible for the investment of all funds at the direction of the Board of Directors. In his/her absence, the Assistant General Manager is authorized to act on his/her behalf. These responsibilities shall include the authority to open accounts with banks, brokers and dealers and to establish safekeeping accounts or other arrangements for the custody of securities and to execute such documents as may be necessary. Prior to any of the above activities being finalized, concurrence by the Board of Directors shall be obtained.

The District may engage the services of one or more external investment advisers to assist in the management of the District's investment portfolio in a manner consistent with the District's objectives.

Authorized Investments

Section 53601 of the Government Code of the State of California sets forth the investment vehicles available to local agencies. Section 53601 provides that unless Section 53601 specifies a limitation on an investment's maturity, no investments with maturities exceeding five years shall be made unless otherwise directed by the District's Board of Directors. Authorized investments include, but are limited to:

Local Agency Bonds
U.S. Treasury Obligations
U.S. Agency Securities
Negotiable Certificates of Deposit
Money Market Funds
County Pooled Investment Fund
Local Agency Investment Fund (LAIF)
Local Bank Deposits as Approved by the Board of Directors
Pacific Western Bank
CalTRUST

Reporting

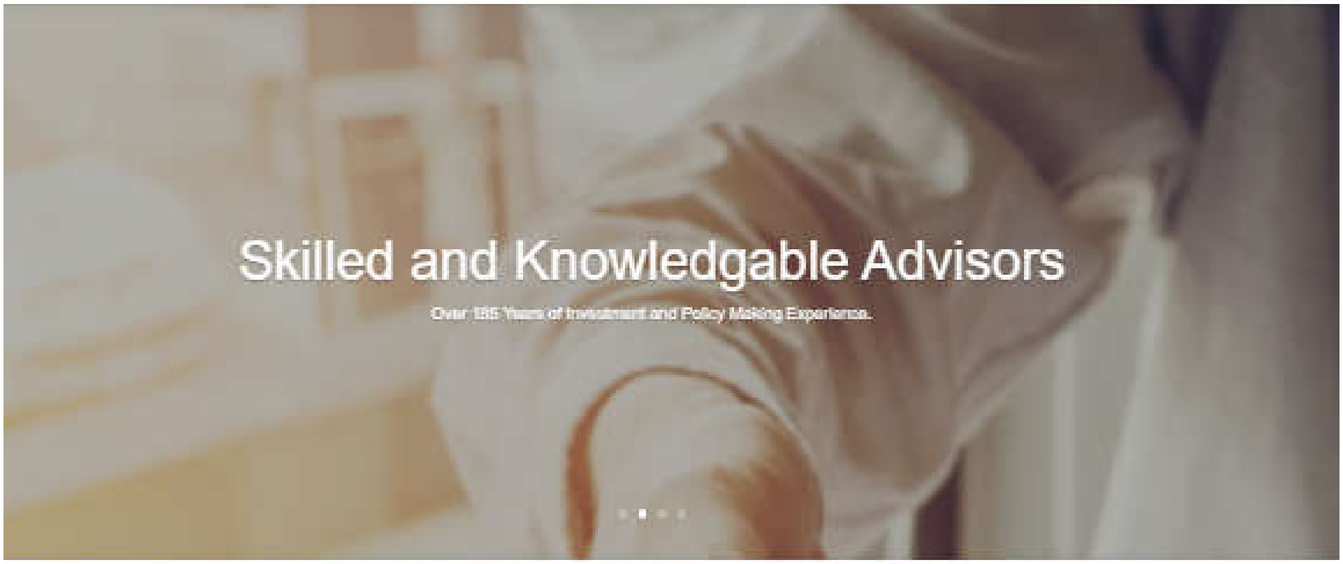
Under provisions of the California Government Code Section 53646, there may be a report at least quarterly made to the District's Board of Directors within 30 days following the end of the quarter covered by the report. Above and beyond this requirement, the District shall provide a report on the District's investments at each investment institution at regular monthly meetings as a component of the District's financial report contained in the Board agenda.

Approved by vote of the Board of Directors of the Rancho Santa Fe Community Services District on March 13, 2023.

ATTEST:

By: ________________________________

Paula Melendrez, District Secretary
Rancho Santa Fe Community Services District



Tailored for local agencies and their investment needs:

Our Three Pillars for Success:

We understand that public dollars must be managed securely and efficently. The CalTRUST Board, comprised of experienced investment officers and policy makers, works closely with our investment manager, BlackRock, to ensure that our Investment Policy is in full compliance with California Government Code 53601 and 53605. Each of our funds seeks to attain as high a level of current income as is consistent with preservation of principal and aligned with the public agency funds guidepost of Safety, Liquidity, and Yield.

Safety

Our primary objective is to safeguard the preservation of principal, ensuring that our investment Policy is consistent with California law.

Liquidity

Our fund choices offer same-day, next-day, and three-day liquidity to meet your needs.

Yield

Our funds consistently outperform our benchmarks as we maximize yield as best possible consistent with safety and liquidity.

Current Program Holdings

Over $2.7 Billion

Over 150 California cities, counties, special districts, and other public agencies enTRUST us as a tool to help manage their financial needs.

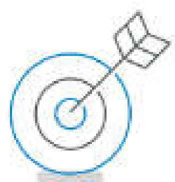
Our Funds

A convenient method of pooling funds

Five Great Account Options

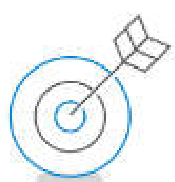
One Convenient & Safe Method of Pooling Funds

Each of our accounts seek to attain as high a level of current income as is consistent with the preservation of principal by investing only in high-quality, fixed-income securities. All CalTRUST accounts comply with the limits and restrictions placed on local investments by California statutes; no leveraging is permitted in any of the CalTRUST accounts.



Liquidity Fund

Liquidity: Same-Day
Cut-Off Time: 12:00pm PST
Maximum Duration: 60 Days
S&P Rating: AAAm
Benchmarks: 3-Month US Treasury Bill Index
Portfolio Holdings: Available here

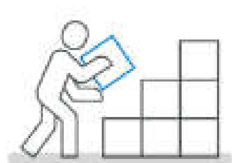


Short Term Fund

Liquidity: Next-Day
Cut-Off Time: 9:30am PST
Target Duration: 0-2 Years
S&P Rating: AAf / S1+
Benchmarks: Local Agency Investment Fund (LAIF) and the Barclays Short-Term Government/Corporate Index
Portfolio Holdings: Available here

Medium Term Fund

Liquidity: Two-Days
Cut-Off Time: 9:30am PST
Target Duration: 1 – 3 Years
S&P Rating: AA-f / S1
Benchmark: Bank of America Merrill Lynch 1-3 Year AAA-A US Corporate & Government Index
Portfolio Holdings: Available here



ESG Money Market Fund

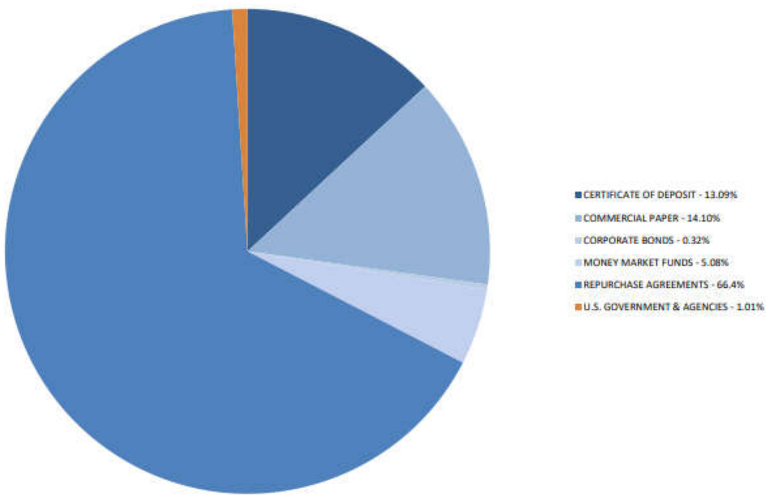
Liquidity: Same-Day
Cut-Off Time: 11:00am PST
Weighted Average Maturity (August 2019): 43 Days
S&P Rating: AAAm
Additional Information & Portfolio Holdings: More here

	CalTRUST Liquidity	BofAML 3-Month US Treasury Bill Index
Net Assets	$542,452,377.89	N/A
NAV per Share	$1.00	N/A
30 Day SEC Yield	4.56%	N/A
Distribution Yield	4.61%	N/A
Period Net Total Return	0.35%	0.33%
Effective Duration	0.04 yrs	N/A
Weighted Average Maturity	15	N/A
Weighted Average Life	25	N/A

	CalTRUST Liquidity Return	BofAML 3-Month US Treasury Bill Index
One Month	0.35%	0.33%
Three Month	1.08%	1.01%
Six Month	1.84%	1.76%
One Year*	2.36%	2.12%
Two Year*	1.19%	1.07%
Three Year*	0.87%	0.85%
Five Year*	NA	NA
Ten Year*	NA	NA
Since Inception*	1.33%	1.32%

*Annualized

Portfolio Sector Breakdown



	CalTRUST Historical Liquidity 30 day SEC Yield
1/23	4.56%
12/22	4.26%
11/22	4.12%
10/22	3.63%
9/22	2.95%
8/22	2.47%
7/22	2.26%
6/22	1.49%
5/22	1.19%
4/22	0.71%
3/22	0.33%
2/22	0.09%
	0.03%

Rated AAAm by S&P Global Ratings

INVESTMENT TRUST OF CALIFORNIA

doing business as

CalTRUST

A JOINT POWERS AUTHORITY

INVESTMENT POLICY

FOR THE SHARES PROGRAM

EFFECTIVE AS OF:

FEBRUARY 24, 2005
(Updated September 15, 2021)

1100 K STREET, SUITE 101 SACRAMENTO, CALIFORNIA 95814 TEL (833) 225-8787

Table of Contents

INVESTMENT POLICY FOR THE CalTRUST SHARES PROGRAM

I. INTRODUCTION AND SCOPE

The following are the investment objectives, policies and restrictions (collectively, the "Investment Policy") for each of the three separately managed programs (each, a "Series") within the investment program offered by Investment Trust of California, doing business as CalTRUST ("CalTRUST"), whereby participants ("Participants") invest in shares issued by CalTRUST (the "Shares Program").

The three Programs of the Shares Program are the "CalTRUST Liquidity Fund" Series (the "Liquidity Fund"), the "CalTRUST Short-Term Fund" Series (the "Short-Term Fund"), and the "CalTRUST Medium-Term Fund" Series (the "Medium-Term Fund").

All capitalized terms used, but not otherwise defined, herein shall have the meanings ascribed to such terms in the Information Statement for the Shares Program (the "Information Statement") or the Joint Exercise of Powers Agreement (the "Agreement"). **The Information Statement and Agreement provide further detailed information about the Shares Program and CalTRUST Participants should read them both carefully prior to participating in the Shares Program.**

II. PURPOSE

CalTRUST is a California joint powers authority and public agency established under the provisions of Title 1, Division 7, Chapter 5 of the California Government Code (the "Joint Exercise of Powers Act"), to provide Public Agencies with consolidated investment activities thereby reducing duplication, achieving economies of scale and carrying out coherent and consolidated investment strategies.

III. WHO MAY INVEST

Each Participant must be: (1) a California "Public Agency" as that term is defined in Section 6509.7 of Title 1, Division 7, Chapter 5, Article 1 of the California Government Code (the "Joint Exercise of Powers Act"), which, as of the date hereof, is defined as "the federal government or any federal department or agency, this state, another state or any state department or agency, a county, county board of education, county superintendent of schools, city, public corporation, public district, or regional transportation commission of the State of California or another state, or any joint powers authority formed pursuant to article 1 of the Joint Exercise of Powers Act by any of these agencies," and includes "a nonprofit corporation whose membership is confined to public agencies or public officials;" and (2) either the United States, a State, or any political subdivision of a State, or any agency, authority or instrumentality of any one or more of the foregoing, or any corporation which is wholly owned directly or indirectly by any one or more of the foregoing, as those terms are used in the Investment Company Act of 1940, as amended.

IV. PERFORMANCE STANDARDS AND SERIES BENCHMARKS

The investment portfolios shall be designed with the objective of obtaining a market rate of return throughout economic cycles, commensurate with the investment risk constraints and liquidity needs of participants, always aligned with the focus on preservation of capital, liquidity, and yield.

The performance benchmarks for the Liquidity Fund, Short-Term Fund, and Medium-Term Fund are specified below:

Liquidity Fund:	Three Month Treasury Bill
Short-Term Fund:	Local Agency Investment Fund Barclays Short-Term U.S. Government/Corporate Index
Medium-Term Fund:	Merrill Lynch U.S. Corporate & Government 1-3 Years, "A" Rated or Above Index

V. FIDUCIARY RESPONSIBILITY

The California Government Code, Section 53600.3 defines the prudent investor standard to which the CalTRUST Board of Trustees and staff applies in the context of managing the CalTRUST funds. This standard requires that "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 as authorized by law."

VI. INVESTMENT OBJECTIVES

By purchasing Shares in any Series, the Investment Advisor seeks to adhere to the following objectives:

- **Preservation of Principal.** Preserve principal to the extent reasonably possible in accordance with the applicable investment strategy by investing only in fixed-income oriented Authorized Investments, and in accordance with an investment strategy designed to preserve capital.

- **Liquidity**. Provide liquidity so that Participants have ready access to their Shares to the extent described in this Information Statement.

- **Income**. Provide as high a level of current income in each Series as is consistent with preserving principal and maintaining liquidity.

- **Professional Management.** Investments are managed by investment professionals that follow both general economic and current market conditions affecting interest rates and the value of fixed-income oriented investments

- **Diversification**. Each Participant in a Series will own Shares in a diversified portfolio of high-quality securities.

- **Accounting, Safekeeping and Separate Series**. The Participants' investments are accounted for in compliance with governmental accounting and auditing requirements, and Participants will be provided with all necessary information to do the bookkeeping and safekeeping associated with the ownership of the Shares. Participants will have secure online access to their accounts, as well as being provided with monthly statements.

There can be no assurance that the investment objectives of any particular Program will be achieved.

VII. DELEGATION OF AUTHORITY

Per the CalTRUST JPA, the CalTRUST Board of Trustees delegates the authority to invest or reinvest funds of the JPA, or to sell or exchange securities so purchased, to a third-party Investment Manager. The Investment Manager shall be selected through a Request for Proposals process. Any investment manager retained by CalTRUST shall meet all of the criteria set forth in Section 6509.7 of the Act, as such provision may be amended from time to time, which, as of the date hereof, requires that:

- the investment manager shall be registered or exempt from registration with the Securities and Exchange Commission;
- the investment manager shall not have less than five (5) years of experience investing in the securities and obligations authorized by the Law; and
- the investment manager shall have assets under management in excess of five hundred million dollars ($500,000,000).

CalTRUST may exercise broad discretion in allowing the Investment Manager to administer and regulate the operations of the Shares Program, to act as agent for CalTRUST, to execute documents on behalf of CalTRUST, and to make decisions which conform to general policies and general principles established by CalTRUST. In furtherance of the Shares Program, CalTRUST may authorize the Investment Manager to effect purchases, sales, loans or exchanges of securities of CalTRUST on behalf of CalTRUST or may authorize any officer, employee or Trustee to effect such purchases, sales, loans or exchanges pursuant to recommendations of the Investment Manager, all without further action by CalTRUST. Any such purchases, sales, pledges and exchanges shall be deemed to have been authorized by CalTRUST.

VIII. ETHICS AND CONFLICTS OF INTEREST

Trustees, officers, and staff members involved in the investment activity shall refrain from personal business activity that could conflict with proper execution and management of the policy and the investment program, or which could impair their ability to make impartial decisions. All Trustees and specified staff positions must annually file a Form 700 (Statement of Economic Interests) in accordance with the JPA's Conflict-of-Interest Code and governing laws.

IX. AUTHORIZED INVESTMENTS

The Shares purchased by the Investment Advisor will be comprised exclusively of the following investments (the "Authorized Investments"). These investments are authorized investments under the California Government Code, as may be amended from time to time, for money not required for the immediate needs of Local Agencies. The California Government Code limits the amount of surplus money of a Local Agency which may be invested in certain of the investments described below. Each Participant shall be responsible for monitoring the aggregate amount of its investments in any of these kinds of investments, to assure its own compliance with the California Government Code. None of the Investment Advisor, the Administrator or CalTRUST shall be responsible for such monitoring. **The Board may revise this Investment Policy from time to time subject to Section 4.2(a) of the Agreement.** Pursuant to the Agreement, the Board shall cause the amended Investment Policy to be delivered to each Participant. The Investment Policy may additionally be administratively revised to reflect updates to California Government Code.

1) Unites States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.

2) Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state.

3) Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.

4) Registered treasury notes or bonds of any of the other 49 states in addition to California, 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 any of the other 49 states, in addition to California.

5) Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.

6) Bankers acceptances otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank. Purchases of bankers acceptances may not exceed 180 days' maturity or 40 percent of the assets in a Series. However, no more than 30 percent of the assets in a Series may be bankers acceptances of any one commercial bank.

7) 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 meet all of the following criteria in either clause (a) or (b): (a)(i) is organized and operating in the United States as a general corporation, (ii) has total assets in excess of five hundred million dollars ($500,000,000) and (iii) has debt other than commercial paper, if any, that is rated "A" or higher, without gradation, by an NRSRO; or (b)(i) is organized within the United States as a special purpose corporation, trust, or limited liability company, (ii) has programwide credit enhancements including, but not limited to, overcollateralization, letters of credit, or surety bond and (iii) has commercial paper that is rated "A-1" or higher, without gradation, or the equivalent, by an NRSRO. Eligible commercial paper shall have a maximum maturity of 270 days or less. No more than 25 percent of the assets in a Series may be eligible commercial paper. No more than 10 percent of the assets in a Series may be outstanding commercial paper of any single issuer. No more than 10 percent of the outstanding commercial paper of any single issuer may be purchased for a Series.

8) Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the California Financial Code), 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 may not exceed 30 percent of the assets in a Series. Purchases shall not exceed the shareholder's equity of any depository bank. Shareholder's equity shall be determined in accordance with Section 118 of the California Financial Code, but shall be deemed to include capital notes and debentures. Purchases shall not exceed the total of the net worth of any savings association or federal association, except that deposits not exceeding a total of five hundred thousand dollars ($500,000) may be made to a savings association or federal association without regard to the net worth of that depository, if such deposits are insured or secured as required by law. Purchases of negotiable certificates of deposit from any regularly chartered credit union shall not exceed the total of the unimpaired capital and surplus of the credit union, as defined by rule of the California Commissioner of Financial Institutions, except that the deposit to any credit union share account in an amount not exceeding five hundred thousand dollars ($500,000) may be made if the share accounts of that credit union are insured or guaranteed pursuant to Section 14858 of the California Financial Code or are secured as required by law. Purchases of negotiable certificates of deposit issued by a state or federal credit union are prohibited if a member of the CalTRUST Board of Trustees, or any person with investment decision making authority for CalTRUST, also serves on the board of directors, or any committee appointed by the board of directors, or the credit committee or the supervisory committee of the state or federal credit union issuing the negotiable certificates of deposit.

9) Investments in repurchase agreements of Authorized Investments as long as the agreements are subject to the requirements of California Government Code Section 53601(j), including the delivery requirements specified in California Government Code Section 53601(j). "Repurchase agreement" means a purchase of securities by the local agency pursuant to an agreement by which the counterparty seller will repurchase the securities on or before a specified date and for a specified amount and the counterparty will deliver the underlying securities to the local agency by book entry, physical delivery, or by third-party custodial agreement. The transfer of underlying securities to the counterparty bank's customer book-entry account may be used for book-entry delivery. Investments in repurchase agreements may be made, on any Authorized Investments, when the term of the agreement does not exceed one year. The market value of securities that underlay a repurchase

agreement shall be valued at 102 percent or greater of the funds borrowed against those securities and the value shall be adjusted no less than quarterly. Since the market value of the underlying securities is subject to daily market fluctuations, the investments in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102 percent no later than the next business day.

10) Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, 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. Notes eligible for investment under this subsection shall be rated “A” or better, without gradation, by a nationally recognized rating service. Purchases of medium-term notes (not including other Authorized Investments) may not exceed 30 percent of the assets in a Series.

11) Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940. Such companies shall have attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs or retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years’ experience managing money market mutual funds with assets under management in excess of five hundred million dollars ($500,000,000). The purchase price of shares of beneficial interest purchased pursuant to this subsection shall not include any commission that the companies may charge and shall not exceed 20 percent of the assets in a Series.

12) Notes, bonds, or other obligations that are at all times secured by a valid first priority security interest in securities of the types listed by California Government Code Section 53651 as eligible securities for the purpose of securing local agency deposits having a market value at least equal to that required by California Government Code Section 53652 for the purpose of securing local agency deposits. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank which is not affiliated with the issuer of the secured obligation, and the security interest shall be perfected in accordance with the requirements of the Uniform Commercial Code or federal regulations applicable to the types of securities in which the security interest is granted

13) Any mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough certificate, or consumer receivable-backed bond. Securities eligible for investment under this subsection shall have an “AA” or higher rating, without gradation, for the issuer’s debt as provided by a nationally recognized rating service and rated in a rating category of “AA” or its equivalent or better, without gradation, by a nationally recognized rating service and have a maximum remaining maturity of five years or less. Purchase of securities authorized by this subsection may not exceed 20 percent of the assets in a Series.

14) United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated “AA”, without gradation, or better by an NRSRO and shall not exceed 30 percent of the agency’s moneys that may be invested pursuant to this section.

Funds invested through a Series will be invested by the Investment Advisor in accordance with the prudent investor standard of the California Government Code. Any investments consisting of notes, bonds, bills, certificates of indebtedness, warrants, or registered warrants shall be legal investments for savings banks in the State. Funds invested through a Series will not be invested in any inverse floaters, range notes or mortgage-derived, interest-only strips, or in any security that could result in zero interest accrual if held to maturity.

X. Duration and Diversification

Each Series seeks to attain as high a level of current income as is consistent with the preservation of principal. Each Series will invest in only fixed-income oriented Authorized Investments. The Short-Term Fund seeks a target portfolio duration of 0 to 2 years. The Medium-Term Fund seeks a target portfolio duration of 1 ½ to 3 ½ years. The Long-Term Fund seeks a target portfolio duration of 5 to 7 years. The Liquidity Fund will have a maximum portfolio duration weighted average maturity of 60 days and a maximum weighted average life of 120 days.

Each Series will invest in a diversified portfolio of fixed-income oriented investments of varying maturities with a different portfolio "duration." Duration is a measure of the expected life of a fixed-income oriented investment that was developed as a more precise alternative to the concept of "term to maturity." Duration incorporates a bond's yield, coupon interest payments, final maturity, call and put features and prepayment exposure into one measure. Traditionally, a fixed-income oriented investment's "term to maturity" has been used to determine the sensitivity of the investment's price to changes in interest rates (which is the "interest rate risk" or "volatility" of the investment). However, "term to maturity" measures only the time until a fixed-income oriented investment provides its final payment, taking no account of the pattern of the investment's payments prior to maturity. Duration is used in the management of Series as a tool to measure interest rate risk. For example, a Series with a portfolio duration of two years would be expected to change in value 2% for every 1% move in interest rates.

XI. Investment Restrictions

The Board has adopted the following investment restrictions for the Shares Program, which may not be changed in a material way by the Board, except as may be required by applicable law, without the approval of the Participants holding a majority of the Shares in the affected Series. Funds invested through a Series will not be used to:

1) Purchase any securities other than those described under "Authorized Investments," unless California law at some future date redefines the types of securities which are legal investments for all classes of Participants, in which case the permitted investments for the Series may be changed by the Board to conform to California law.

2) Invest in securities of any issuer in which a Trustee, officer, employee, agent or adviser of CalTRUST is an officer, director or 5% shareholder unless such investment is periodically authorized by resolution adopted by the Board, excluding officers, directors or 5% shareholders of such issuer.

3) Make loans, except that repurchase agreements may be entered into as specified under "Authorized Investments."

4) Borrow money or pledge, hypothecate or mortgage the assets in a Series or otherwise engage in any transaction that has the effect of creating leverage with respect to a Series; provided, however, that short-term credits necessary for the settlement of securities trades may be used, and forward purchases and sales of securities that are expected to settle beyond a normal "T+3" basis may be entered into.

5) Purchase the securities of any issuer (other than obligations issued and guaranteed as to principal and interest by the government of the United States, its agencies or instrumentalities) if, as a result, more than 10% of the total assets in a series would be invested in the securities of any one issuer.

XII. Collateralization

CalTRUST does not partake in investment activities that require collateralization by the JPA.

XIII. APPLICATION OF PERCENTAGES

Any percentage limitation or rating requirement described in this Investment Policy will be applied at the time of purchase.

XIV. OVERSIGHT AND DUE DILIGENCE

Management shall receive and review the investment holdings monthly and distribute a copy of the holdings to the Investment Committee. The Investment Committee shall receive and review all investment holdings on a quarterly basis. The following information shall be required in each quarterly investment portfolio report:

- Listing of individual securities held at the end of the reporting period;
- Rating of each individual securities;
- Percentage of portfolio by investment type;
- Investments stated rate and book value;
- Average rate of return;
- Maturity aging by type of investment; and
- Market value of securities.

Holdings shall be updated on the public website, at minimum, semi-annually. Statements shall be provided to participants by 5pm PT the first business day of the following month. Performance reports shall be provided to participants and on the website by 5pm PT on the fifth business day of the following month.

In-depth due diligence meetings with the Investment Manager shall be conducted by the Investment Committee at least once annually. The Investment Manager shall present holdings and current strategy to the Board of Trustees at least twice annually.

XV. REPORTING

In the event that a Portfolio investment is downgraded below the minimum mandated credit quality guidelines, the Investment Manager shall notify CalTRUST and provide an evaluation and a plan of action within five (5) business days.

XVI. SAFEKEEPING AND CUSTODY

Securities will be held by an independent third-party custodian selected by the JPA as evidenced by safekeeping receipts in the JPA's name and monthly reports from the custodian. Any custodian retained by the JPA shall meet the following criteria:

i. the custodian shall be a bank or trust company, in good standing, duly authorized to exercise trust powers and subject to supervision or examination by a federal or state banking authority; and
ii. the custodian shall have combined capital and surplus in excess of fifty million dollars ($50,000,000).

Notwithstanding the foregoing, a custodian that does not meet the requirement of clause (ii) above may be retained as the custodian for CalTRUST if its obligations under the Custody Agreement are guaranteed by an Affiliate which meets all of the qualifications set forth above, and such guaranty is acceptable in form and substance to the JPA.

XVII. INTERNAL CONTROLS

Management is responsible for the creation and administration of internal controls. A system of internal controls to ensure compliance with investment policies and procedures of the JPA and the California Government Code are established in conjunction with the Investment Manager, Custodian and Transfer Agent/Recordkeeper. The controls are reviewed annually through an independent audit of the funds conducted by a third-party auditor.

XVIII. INVESTMENT POLICY REVIEW

The investment policy shall be reviewed annually by the Investment Committee and Board of Trustees. The Board shall take action annually to either amend or reaffirm the Investment Policy.

XIX. GLOSSARY

ACCRUED INTEREST – Interest that has accumulated but has not yet been paid from the most recent interest payment date or issue date to a certain date.

AGENCY ISSUES – Securities issued by federal agencies, those chartered by the federal government or Government Sponsored Enterprises that are considered to be backed by the federal government. See also Government Sponsored Enterprises.

ASSET-BACKED SECURITY (ABS) – A financial security backed by a loan, lease, or receivables against assets other than real estate and mortgage-backed securities.

COLLATERALIZATION – Process by which a borrower pledges securities, property or other deposits for the purpose of securing the repayment of a loan and/or security.

COLLATERALIZED CERTIFICATE OF DEPOSIT – An instrument representing a receipt from a bank for a deposit at a specified rate of interest for a specified period of time that is collateralized by the bank with securities at a minimum of 110% of the deposit amount.

COMMERCIAL PAPER – Money Market instrument representing an unsecured short-term promissory note of a corporation at a specified rate of return for a specified period of time.

COUPON – The stated interest rate on a debt security that an issuer promises to pay.

CREDIT QUALITY – An indication of risk that an issuer of a security will fulfill its obligation, as rated by a rating agency.

CREDIT RATING – A standardized assessment, expressed in alphanumeric characters, of a company's creditworthiness.

CREDIT RISK – The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

DIVERSIFICATION – The practice or concept of investing in a range of securities by sector, maturity, asset class or credit quality in order to reduce and spread financial risk.

DOLLAR WEIGHTED AVERAGE MATURITY – The sum of the amount of each security investment multiplied by the number of days to maturity, divided by the total amount of security investments.

DURATION – Is a measure of the price volatility of a portfolio and reflects an estimate of the projected increase or decrease in the value of that portfolio based upon a decrease or increase in the interest rates. A duration of

1.0 means that for every one percent increase in interest rates, the market value of the Portfolio would decrease by 1.0 percent.

GOVERNMENT OBLIGATIONS – Securities issued by the U.S. Treasury and Federal Agencies. U.S. Treasuries are direct obligations of the Federal Government. Agencies are not direct obligations of the Federal Government, but involve Federal sponsorship or guarantees.

GOVERNMENT SPONSORED ENTERPRISES (GSE'S) – Private, shareholder-owned companies with a relationship with government agencies. These agencies generally are viewed to have an implied guarantee of the U.S. government. These include:

- Federal National Mortgage Association (FNMA) Federal Home Loan Bank (FHLB)
- Federal Farm Credit Bank (FFCB)
- Federa Home Loan Mortgage Corporation (FHLMC)

ILLIQUID – A security that is difficult to buy or sell or has a widespread between the bid price and offer price in the secondary market. There are few buyers and sellers willing to trade large quantities at a reasonable price.

INVERSE FLOATERS – Floating rate notes that pay interest in inverse relationship to an underlying index.

LIQUID – A security that is easily bought and sold because of the willingness of interested buyers and sellers to trade large quantities at a reasonable price.

LOCAL AGENCY OBLIGATION – An indebtedness issued by a local agency, department, board, or authority within the State of California.

LONDON INTERBANK OFFERED RATE (LIBOR) - A globally accepted key benchmark interest rate that indicates borrowing costs between banks. The rate is calculated and published each day by the Intercontinental Exchange (ICE). LIBOR is being phased out and will be replaced by the Secured Overnight Financing Rate (SOFR).

MARKET VALUE – An estimate of the value of a security at which the principal would be sold from a willing seller to a willing buyer at the date of pricing.

MEDIUM TERM NOTES – These are Corporate Notes and Bank Notes that are debt obligations of banks, corporations, and insurance companies. They are issued at a specific rate of return for a specific period of time.

MONEY MARKET MUTUAL FUND – A mutual fund with investments directed in short-term money market instruments only, which can be withdrawn daily without penalty.

NEGOTIABLE CERTIFICATE OF DEPOSIT – A Money Market instrument representing a receipt from a bank for a deposit at a specified rate of interest for a specified period of time that is traded in secondary markets.

PAR – The stated maturity value, or face value, of a security.

PASS-THRU SECURITIES – A debt instrument that reflects an interest in a mortgage pool, consumer receivables pool and equipment lease-backed pool that serves as collateral for a bond.

PORTFOLIO VALUE – The total book value amount of all the securities held in each fund.

PRIMARY DEALER – A group of dealers and banks that can buy and sell securities directly with the Federal Reserve Bank of New York.

PRIVATE PLACEMENTS – Securities that do not have to be registered with the Securities and Exchange Commission because they are offered to a limited number of sophisticated investors.

RANGE NOTES – Notes which pay interest only if the underlying index upon which it is benchmarked, falls within a certain range.

REPURCHASE AGREEMENT – A repurchase agreement consists of two simultaneous transactions. One is the purchase of securities by an investor, the other is the commitment by the seller (i.e. a broker/dealer) to repurchase the securities at the same price, plus interest, at some mutually agreed future date.

REVERSE REPURCHASE AGREEMENT – The mirror image of Repurchase Agreements.

SAFEKEEPING – A custodian bank's action to store and protect an investor's securities by segregating and identifying the securities.

SECURED OVERNIGHT FINANCING RATE (SOFR) - A benchmark interest rate for dollar-denominated derivatives and loans that is replacing the London interbank offered rate (LIBOR).

SECURITIES LENDING – A transaction wherein the pool transfers its securities to broker/dealers and other entities for collateral which may be cash or securities and simultaneously agrees to return the collateral for the same securities in the future.

SPECIAL PURPOSE ENTITY (or TRUST) - A legally separated pass-through entity, trust or equivalent that makes its obligation secure and independent from the parent entity. This term is used to define purchase of Asset-Backed Securities at either the depositor or master trust level.

TOTAL RETURN – The sum of all investment income plus changes in the capital value of a portfolio for a given period.

WHEN-ISSUED SECURITIES – A security traded before it receives final trading authorization with the investor receiving the certificate/security only after the final approval is granted.

YIELD – The gain, expressed as a percentage that an investor derives from a financial asset.

YIELD TO MATURITY – The percentage rate of return paid if the security is held to its maturity date. The calculation is based on the coupon rate, length of time to maturity, and market price. It assumes that coupon interest paid over the life of the security is reinvested at the same rate.

RANCHO SANTA FE
COMMUNITY SERVICES DISTRICT

GENERAL MANAGER
Chuck Duffy

BOARD OF DIRECTORS
Bill Hinchy
Laurel Lemarié
Deborah Plummer
John Tanner
John Salazar

MEMORANDUM

To: Board of Directors

From: Chuck Duffy, General Manager

Subject: Community Facilities District No. 1 (CFD)

Date: March 13, 2023

The table below lists the fund balances for the CFD No. 1, as well as each zone's improvement fund balance.

1/31/2023	
	Series 2016
Series 2016 Special Tax Fund #964877	$ 1,946,658
Series 2016A Redemption Fund #964889	$ 75
Series 2016B Redemption Fund #964894	$ -
Series 2016 Admin Expense Fund #964878	$ 87,820
Series 2016A Reserve Fund #964890	$ -
Series 2016B Reserve Fund #964895	$ 846,275
Zone 2 Improvement Fund #953487	$ -

Notes

Series 2016 Bonds – Issued $28,430,000 in bonds on August 31, 2016 (OS date).

Special Tax Fund – Used for the principal and interest payments each March and September.
Redemption Fund – Used to redeem bonds as necessary.
Administrative Expense Fund – Pays the administrative expenses of the CFD.
Improvement Funds – Used to reimburse the developers for approved improvements (such as the treatment plant, sewer lines, etc.) in accordance with the Acquisition/Financing Agreement.

RANCHO SANTA FE
COMMUNITY SERVICES DISTRICT

GENERAL MANAGER
Chuck Duffy

MEMORANDUM

To: Board of Directors

From: Chuck Duffy, General Manager

Subject: Treatment Plant, Pump Stations, and Sewer System Operations Report

Date: March 13, 2023

The Santa Fe Valley Treatment Plant operated within the parameters of its waste discharge permit.

The Rancho Santa Fe Treatment Plant operated within the parameters of its waste discharge permit.

The pump stations operated normally for the past month.

On February 3, 2023 staff received an odor complaint from Mike Woolston who resides west of the Santa Fe Valley WRF. He complained about “Horrible odors just about every night” and requested to be on the March agenda to discuss with the Board.

RSF OPERATIONS BILLING LOG

MONTH **FEBRUARY** YEAR **2023**

VACTOR/ JETTER CLEANING HOURS			COLLECTION SYSTEM HOURS		
DAY	**HOURS**	**FOOTAGE**	**HOURS**	**O/T**	**DESCRIPTION / COMMENTS**
1					
2					
3					
4					
5					
6					
7					
8	8.0	2,023			
9	8.0	3,289			
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27	8.0	1,503			
28					
29					
30					
31					
	24.0	6,815	0.0	0.0	
TOTALS	**VACTOR HOURS**	**FOOTAGE**	**REG. HOURS**	**O/T HOURS**	

WP OPERATIONS BILLING LOG

			MONTH	FEBRUARY		YEAR			2023		
VACTOR/ JETTER CLEANING HOURS			COLLECTION SYSTEM WORKER HOURS								
DAY	HRS	FOOTAGE	CMW #1 HOURS (REG/OT)		CMW #2 HOURS (REG/OT)		CMW #2 HOURS (REG/OT)		CM SUPER-VISOR (REG/OT)		DESCRIPTION / COMMENTS
1											
2											
3			0.50		0.50						WEEKLY LIFT STATION INSPECTION
4											
5											
6			0.50		0.50						WEEKLY LIFT STATION INSPECTION
7											
8											
9											
10			0.50		0.50						WEEKLY LIFT STATION INSPECTION
11											
12											
13			0.50		0.50						WEEKLY LIFT STATION ISPECTION
14											
15											
16											
17			0.50		0.50						WEEKLY LIFT STATION INSPECTION
18											
19											
20			0.50		0.50						WEEKLY LIFT STATION INSPECTION
21	8.0	2,332									
22	8.0	1,176									
23											
24			0.50		0.50						WEEKLY LIFT STATION INSPECTION
25											
26											
27			0.50		0.50						WEEKLY LIFT STATION INSPECTION
28											
29											
30											
31											
	16.0	3,508	4.0	0.0	4.0	0.0	0.0	0.0	0.0	0.0	
TOTALS	VACTOR HOURS	FOOTAGE	REG. HOURS	OT HOURS	REG. HOURS	OT HOURS	REG. HOURS	OT HOURS	REG. HOURS	OT HOURS	

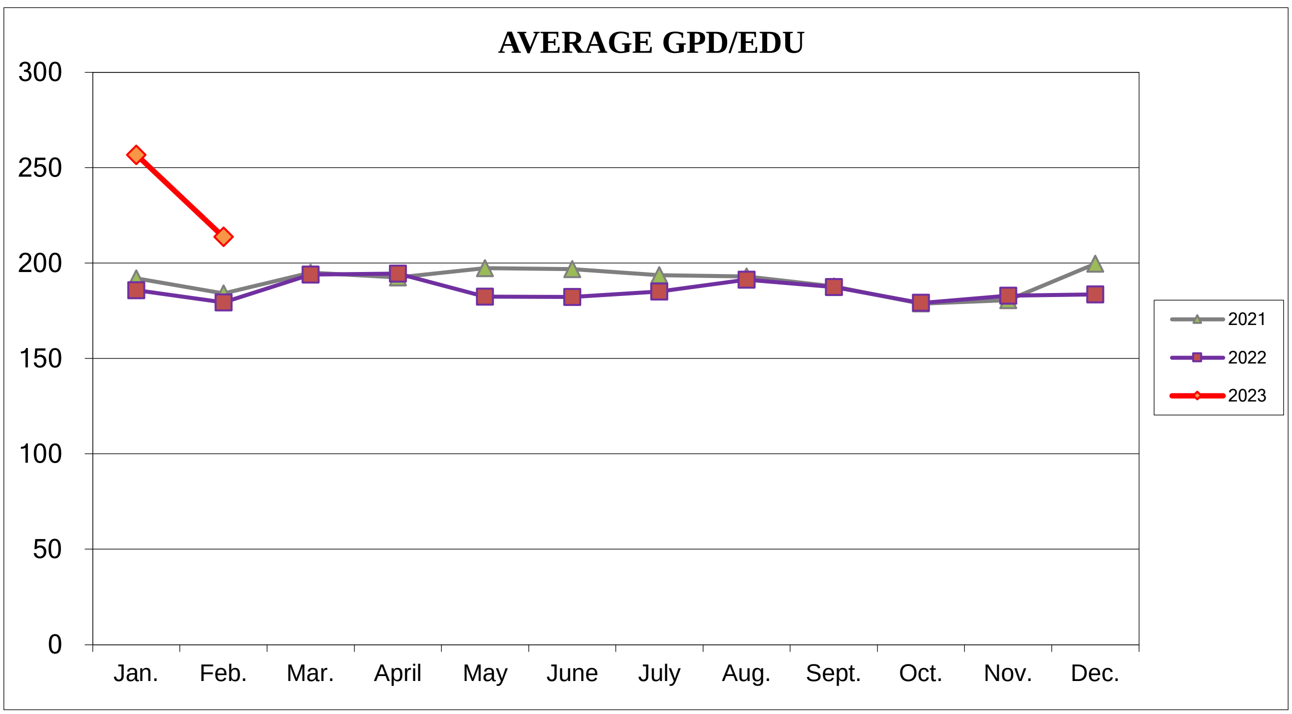
FR OPERATIONS BILLING LOG

			MONTH	FEBRUARY		YEAR		2023			
VACTOR/ JETTER CLEANING HOURS			COLLECTION SYSTEM WORKER HOURS								
DAY	HRS	FOOTAGE	CMW #1 HOURS (REG/OT)		CMW #2 HOURS (REG/OT)		CMW #2 HOURS (REG/OT)		CM SUPER-VISOR (REG/OT)		DESCRIPTION / COMMENTS
1											
2											
3			0.50		0.50						WEEKLY LIFT STATION INSPECTION
4											
5											
6			0.50		0.50						WEEKLY LIFT STATION INSPECTION
7											
8											
9											
10			0.50		0.50						WEEKLY LIFT STATION INSPECTION
11											
12											
13			0.50		0.50						WEEKLY LIFT STATION ISPECTION
14											
15											
16											
17			0.50		0.50						WEEKLY LIFT STATION INSPECTION
18											
19											
20			0.50		0.50						WEEKLY LIFT STATION INSPECTION
21											
22											
23											
24			0.50		0.50						WEEKLY LIFT STATION INSPECTION
25											
26											
27			0.50		0.50						WEEKLY LIFT STATION INSPECTION
28											
29											
30											
31											
	0.0	0	4.0	0.0	4.0	0.0	0.0	0.0	0.0	0.0	
TOTALS	VACTOR HOURS	FOOTAGE	REG. HOURS	OT HOURS	REG. HOURS	OT HOURS	REG. HOURS	OT HOURS	REG. HOURS	OT HOURS	

RANCHO SANTA FE COMMUNITY SERVICES DISTRICT

2023 MONTHLY FLOW REPORT
RANCHO SANTA FE TREATMENT PLANT
450,000 GPD CAPACITY

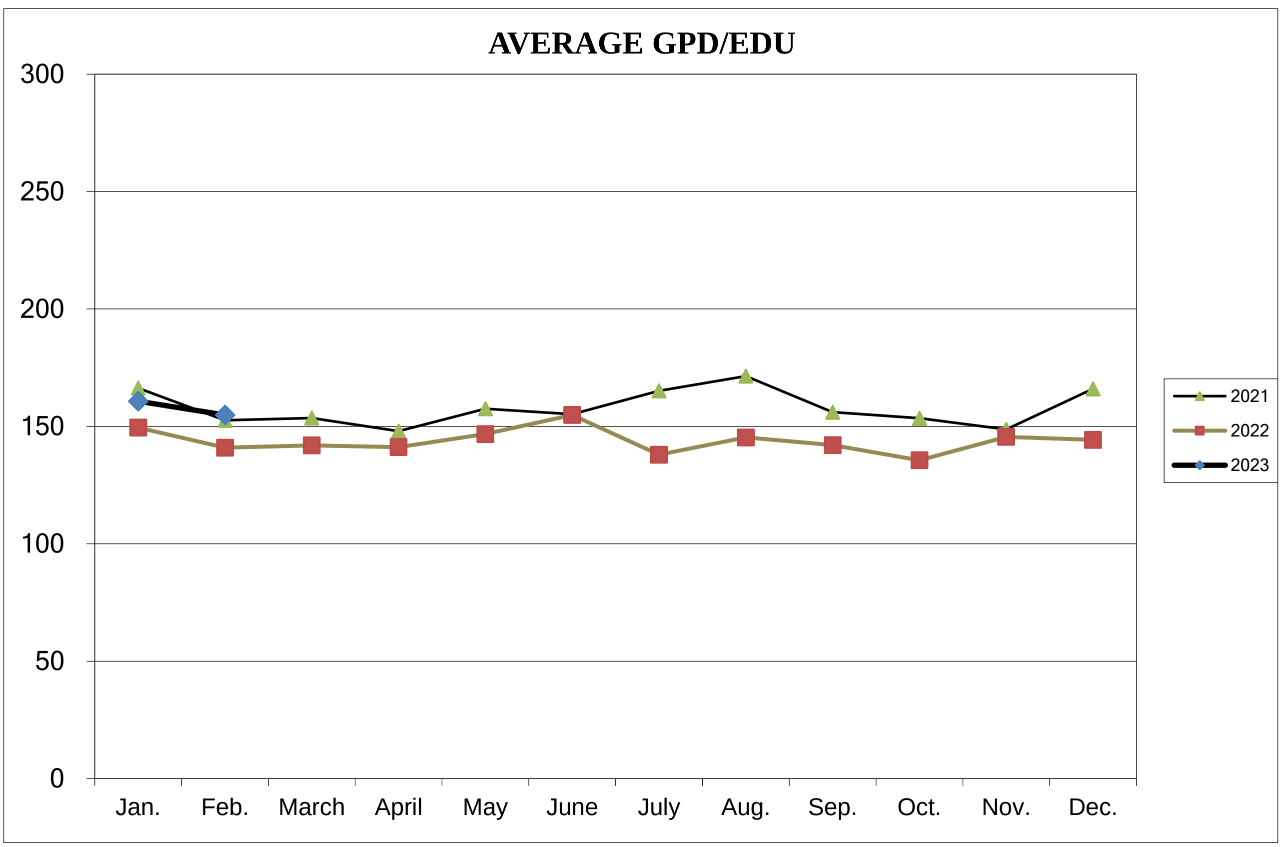
Month	EDU's Connected	Flow Rate (GPD/EDU)	Avg. Daily Flow (GPD)
Jan.	1,582	257	406,000
Feb.	1,582	214	338,000
Mar.			
April			
May			
June			
July			
Aug.			
Sept.			
Oct.			
Nov.			
Dec.			



RANCHO SANTA FE COMMUNITY SERVICES DISTRICT

2023 MONTHLY FLOW REPORT
SANTA FE VALLEY TREATMENT PLANT
485,000 GPD CAPACITY

Month	EDU's Permitted	Flow Rate (GPD/EDU)	Avg. Daily Effluent Flow (GPD)	Avg. Daily Recycled Water Flow (GPD) To OMWD
Jan.	1081.2	161	173,806	0
Feb.	1081.2	155	167,500	0
March				
April				
May				
June				
July				
Aug.				
Sep.				
Oct.				
Nov.				
Dec.				



RANCHO SANTA FE COMMUNITY SERVICES DISTRICT

2023 MONTHLY FLOW REPORT
FLOW TO SAN ELIJO TREATMENT PLANT

250,000 GPD Reserved Capacity at San Elijo WPCF

Month	EDU's Connected	Estimated Flow (GPD)
January	585.5	164,872
February	585.5	175,179
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		

RANCHO SANTA FE
COMMUNITY SERVICES DISTRICT

Sewer and Landscape District

FINANCIAL STATEMENTS

January 31, 2023

Rancho Santa Fe CSD
SID Balance Sheet
As of January 31, 2023

		Jan 31, 23
ASSETS		
Current Assets		
Checking/Savings		
1001 · Cash - Checking		968,111.67
1016 · Cash - LAIF		3,484,401.15
Total Checking/Savings		4,452,512.82
Accounts Receivable		
1100 · Accounts Receivable		208,317.69
Total Accounts Receivable		208,317.69
Other Current Assets		
1181 · Due From Other Fund		-25,886.52
Total Other Current Assets		-25,886.52
Total Current Assets		4,634,943.99
Fixed Assets		
1305 · Construction in Progress		76,991.29
1310 · Land		27,400.00
1320 · Structures & Improvements		55,342,412.80
1340 · Equipment		3,388,114.12
1350 · Service Vehicle		568,115.22
1370 · Accumulated Depreciation		-30,332,058.56
Total Fixed Assets		29,070,974.87
TOTAL ASSETS		**33,705,918.86**
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2100 · Accounts Payable		521,893.08
Total Accounts Payable		521,893.08
Credit Cards		
US Bank Credit Card		170.00
Total Credit Cards		170.00
Other Current Liabilities		
2170 · Inspection Fees		-1,500.00
2200 · Developer Fees Payable		
2223 · City of San Diego Connection Fe		
2223-07 · APN 302-100-45	-1,046.11	
2223-06 · APN 302-053-19	-659.16	
2223-05 · APN 302-100-46	-659.16	
2223-03 · APN 302-100-43	-659.16	
2223-02 · APN 302-100-42	-659.16	
2223-01 · APN 302-100-41	-659.16	
Total 2223 · City of San Diego Connection Fe	-4,341.91	
2204 · Horseman's Valley Reimbursement	1,526.00	
2209 · Cobrda Sewer Reimb	5,903.50	
Total 2200 · Developer Fees Payable		3,087.59
Total Other Current Liabilities		1,587.59
Total Current Liabilities		523,650.67

Rancho Santa Fe CSD
SID Balance Sheet
As of January 31, 2023

	Jan 31, 23
Long Term Liabilities	
2500 · Installment Sale-CN Financing	1,122,479.60
Total Long Term Liabilities	1,122,479.60
Total Liabilities	1,646,130.27
Equity	
3100 · Retained Earnings	-12,030,131.99
3200 · Fund Balance	45,351,984.63
Net Income	-1,262,064.05
Total Equity	32,059,788.59
TOTAL LIABILITIES & EQUITY	**33,705,918.86**

Rancho Santa Fe CSD
LID Balance Sheet
As of January 31, 2023

	Jan 31, 23
ASSETS	
Current Assets	
Checking/Savings	
1008 · Cash - Money Market	601,406.75
1018 · Cash - LAIF	1,179,384.59
Total Checking/Savings	1,780,791.34
Accounts Receivable	
1100 · Accounts Receivable	39,181.65
Total Accounts Receivable	39,181.65
Total Current Assets	1,819,972.99
TOTAL ASSETS	**1,819,972.99**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	130,340.00
Total Accounts Payable	130,340.00
Total Current Liabilities	130,340.00
Total Liabilities	130,340.00
Equity	
3100 · Retained Earnings	383,978.81
3200 · Fund Balance Available	1,238,178.28
Net Income	67,475.90
Total Equity	1,689,632.99
TOTAL LIABILITIES & EQUITY	**1,819,972.99**

RSFCSD - SID
Revenues and Expenditures
July 1, 2022 through January 31, 2023

	1/31/2023	Expected To-Date	VARIANCE Favorable/ (Unfavorable)	2022-23 Budget
Income				
4100 · Sewer & Standby Charges	$1,847,616	$1,845,000	$2,616	$3,074,717
4200 · Capacity Fees	$93,850	$75,080	$18,770	$75,080
4300 · Reimb. for District Funded Sewer Mains	$66,312	$3,000	$63,312	$3,000
4400 · Property Tax Allocation	$46,030	$45,000	$1,030	$70,000
4500 · Sewer Cleaning Services (FR & WP)	$47,523	$50,000	($2,478)	$115,000
4600 · Interest on Reserves	$30,567	$7,500	$23,067	$15,000
4700 · OMWD Recycled Water	$62,628	$96,300	($33,672)	$165,000
4750 · Plan Check Fees	$0	$0	$0	$0
4760 · Inspection Fees	$1,000	$0	$1,000	$0
4800 · Miscellaneous	$474	$0	$474	$0
Total Income	$2,196,000	$2,121,880	$74,120	$3,517,797
Expenditures				
Administration Expenditures				
6100 · Management	$267,680	$267,680	$0	$458,880
6120 · Professional Services (accting, legal, GIS)	$114	$20,400	$20,286	$35,000
6160 · Pub's, Printing & Supplies	$643	$1,000	$357	$3,000
6180 · Organizational Dues	$4,848	$4,848	$0	$5,000
6200 · Insurance (split w/LID) *	$26,467	$26,467	$0	$35,500
6220 · Auditing (split w/LID) *	$0	$9,300	$9,300	$16,000
6240 · Directors' Comp (split w/LID) *	$1,650	$1,800	$150	$3,000
6260 · Bank Charges	$92	$37	($55)	$200
6300 · Contingency/Miscellaneous	$42	$1,200	$1,158	$2,000
Sub-Total Administration Expenditures	$301,536	$332,732	$31,196	$558,580

* Split 50/50 with LID

RSFCSD - SID

Revenues and Expenditures

July 1, 2022 through January 31, 2023

	1/31/2023	Expected To-Date	VARIANCE Favorable/ (Unfavorable)	2022-23 Budget
Operations Expenditures				
5100 · Treatment Plant Labor	$387,450	$387,450	$0	$664,200
5120 · Power	$232,003	$218,800	($13,203)	$375,000
5140 · Water	$23,441	$23,300	($141)	$40,000
5160 · Telephone & Alarm Monitoring	$17,086	$20,400	$3,314	$35,000
5180 · Shell Fleet Gas	$26,984	$23,300	($3,684)	$40,000
5200 · Chemicals & Consumables	$41,063	$37,900	($3,163)	$65,000
5220 · Tools & Supplies	$353	$900	$547	$1,500
5240 · Laboratory	$33,958	$23,300	($10,658)	$40,000
5260 · Permit Fees	$66,835	$68,000	$1,165	$70,000
5280 · Collection System Labor	$265,230	$265,230	$0	$454,680
5300 · Sludge Disposal	$88,067	$93,300	$5,233	$160,000
5320 · Collection System Inv./Repair	$28,167	$14,600	($13,567)	$25,000
5340 · Landscape Maintenance-WRF	$12,660	$14,600	$1,940	$25,000
5360 · Equipment Repairs/Maintenance	$203,567	$166,300	($37,267)	$285,000
5380 · Trash Disposal	$4,588	$4,100	($488)	$7,000
5420 · Vehicle Expense	$16,082	$7,000	($9,082)	$12,000
5440 · Payment To Cardiff (O&M)	$0	$0	$0	$55,000
5460 · Payment to Cardiff (Lease)	$0	$0	$0	$34,000
5480 · Payment to San Elijo (Capital: Misc & Ocean Outfall)	$33,715	$33,715	$0	$67,430
5501 · San Elijo (O&M) Wastewater Treatme	$144,046	$144,046	$0	$192,061
5502 · San Elijo (O&M) Laboratory Services	$35,538	$35,538	$0	$47,384
5503 · San Elijo (O&M) Ocean Outfall	$4,968	$4,968	$0	$6,622
5504 · San Elijo (O&M) 2017 Revenue Bonds	$47,766	$47,766	$0	$63,687
5530 · Manhole Raising, Sealing, & Leveling	$11,911	$2,500	($9,411)	$2,500
5540 · Track Walk Percolation Ponds	$0	$0	$0	$6,000
5610 · Carbon Replacement	$0	$0	$0	$0
Sub-total Operations Expenditures	$1,725,481	$1,637,013	($88,468)	$2,774,064
Total Expenditures	$2,027,016	$1,969,745	($57,272)	$3,332,644
NET GAIN/(LOSS) ON OPERATIONS	$168,984	$152,135		$185,153

Revenues and Expenditures

July 1, 2022 through January 31, 2023

	1/31/2023	Expected To-Date	VARIANCE Favorable/ (Unfavorable)	2022-23 Budget
Capital Projects				
2122.1 RSF Treatment Plant				
2223.11 Tree Trimming	$0	$0	$0	$10,000
2223.12 Asphalt Slurry Seal	$0	$0	$0	$20,000
2223.13 Electrical System Study	$0	$0	$0	$20,000
2223.14 · Replace Centrifuge&Polymer Sys.	$159,089	$0	($159,089)	$0
Sub-total RSF Treatment Plant Capital Projects	$159,089	$0		$50,000
2122.2 Santa Fe Valley Treatment Plant				
2223.21 Rebuild Front-End Splitter Box	$265,133	$265,133	$0	$335,000
2223.22 Asphalt Slurry Seal	$0	$0	$0	$20,000
2223.23 Aluminum Hatch Replacement	$0	$0	$0	$13,000
2223.24 PLC Scada Upgrade	$0	$0	$0	$350,000
2223.25 Contact Tank Injection Mixer	$14,032	$14,000	($32)	$14,000
Sub-total Santa Fe Valley TP Capital Projects	$279,165	$279,133		$732,000
2122.3 Collection System				
2223.31 Via Naranjal Force Main Replacement	$143,054	$143,054	$0	$90,000
2223.32 Via Naranjal Pump Replacement	$66,391	$66,391	$0	$75,000
2223.33 RSF Golf Lift Station Design	$0	$0	$0	$60,000
2223.34 The Inn Lift Station Replacement	$84,441	$84,441	$0	$160,000
2223.35 New Crane for the Collections Work Truck	$24,783	$20,000	($4,783)	$20,000
Sub-total Collection System Capital Project	$318,669	$313,886		$405,000
Total Budgeted Capital Projects	$756,923	$593,019		$1,187,000

RSFCSD - SID
Revenues and Expenditures
July 1, 2022 through January 31, 2023

	1/31/2023	Expected To-Date	VARIANCE Favorable/ (Unfavorable)	2022-23 Budget
7300 Unbudgeted Capital Items				$100,000
7300-65 · New Roof Rancho Del Rio PS	$13,562	$13,562	$0	$13,562
7300-66 · Del Dios PS Pump Replacement	$20,819	$20,819	$0	$20,819
7300-67 · Via Naranjal Emergency FM repair	$38,706	$38,706	$0	$38,706
7300-68 · Muffin Monster rebuild	$15,211	$15,211	$0	$15,211
7300-69 · Replace Raw Sewage Pump #1	$38,399	$11,702	($26,697)	$11,702
Total Unbudgeted Capital Projects	$126,698	$100,000		$100,000
Total Capital Projects	$883,620	$693,020		$1,287,000
SOLAR PROJECT				
REVENUES				
Loan revenue for solar panels power project	$1,122,480	$1,122,480	$0	$1,122,480
TOTAL INCOME	**$1,122,480**	**$1,122,480**		**$0**
EXPENDITURES				
Baker Electric solar panel power project payments	$370,722	$370,722	$0	$1,122,480
TOTAL EXPENDITURES	**$370,722**	**$370,722**		**$1,122,480**
Prior Year Capital Projects				
2122.35 · Alternate vactor truck purchase	$154,144	$130,000	($24,144)	$130,000

RSFCSD-LID

Revenue and Expenditures

July 1, 2022 through January 31, 2023

	1/31/2023	Expected To-Date	VARIANCE Favorable/ Unfavorable	2022-23 Budget
Income				
4100 · Property Tax Allocation	540,482	$540,000	$482	$870,000
4200 · Interest on Reserves	$10,226	$1,250	$8,976	$5,000
Total Income	$550,708	$541,250	$9,458	$875,000
Expenditures				
Landscape Maintenance Expenditures				
5100 · Landscaping Contract (RSFA)	$439,495	$439,495	$0	$753,420
5110 · Landscaping Extra Work	$0	$0	$0	$0
Sub-total Landscape	$439,495	$439,495	$0	$753,420
Administration Expenditures				
5120 · Management	$15,820	$15,820	$0	$27,120
5140 · Insurance*	$26,467	$26,467	$0	$35,467
5160 · Auditing *	$0	$0	$0	$16,000
5180 · Directors' Comp *	$1,650	$950	($700)	$3,000
5200 · Misc./Contingency	$0	$0	$0	$200
Sub-total Administration	$43,937	$43,237	($700)	$81,787
Total Expenditures	$483,432	$482,732	($700)	$835,207
NET GAIN/(LOSS) ON OPERATIONS	$67,276	$58,518		$39,793

* Split 50/50 with SID

RSFCSD-Security Services

Revenue and Expenditures

July 1, 2022 through January 31, 2023

	1/31/2023	Expected To-Date	VARIANCE Favorable/ Unfavorable	2022-23 Budget
Security Services Income				
4100 · Property Tax Allocation	$90,000	$90,000	$0	$90,000
Total Income	$90,000	$90,000	$0	$90,000
Security Services Expenditures				
5105 ·Patrol Contract (RSFA)	$90,000	$90,000	$0	$90,000
5106 ·Patrol Vehicle (RSFA)	$0	$0	$0	$0
Total Expenditures	$90,000	$90,000	$0	$90,000
NET GAIN/(LOSS) ON OPERATIONS	$0	$0	$0	$0

California State Treasurer
Fiona Ma, CPA

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

March 09, 2023

LAIF Home
PMIA Average Monthly Yields

RANCHO SANTA FE COMMUNITY SERVICES DISTRICT
GENERAL MANAGER
605 THIRD STREET
ENCINITAS, CA 92024

Tran Type Definitions

Account Number: 16-37-004

February 2023 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	4,663,785.75
Total Withdrawal:	0.00	Ending Balance:	4,663,785.75

PMIA/LAIF Performance Report as of 03/09/23

PMIA Average Monthly Effective Yields[1]

February	**2.624**
January	2.425
December	2.173

Quarterly Performance Quarter Ended 12/31/22

LAIF Apportionment Rate[2]:	2.07
LAIF Earnings Ratio[2]:	0.00005680946709337
LAIF Fair Value Factor[1]:	0.981389258
PMIA Daily[1]:	2.29
PMIA Quarter to Date[1]:	1.98
PMIA Average Life[1]:	287

Pooled Money Investment Account Monthly Portfolio Composition [1] 02/28/23 $200.5 billion

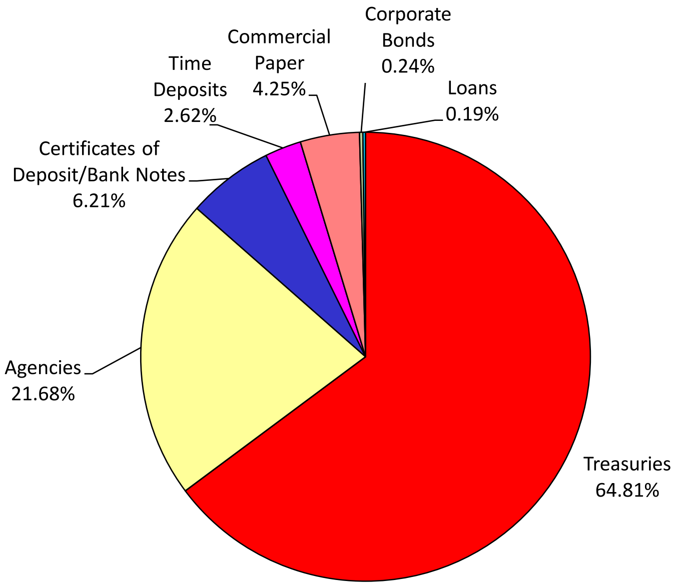


Chart does not include $3,158,000.00 in mortgages, which equates to 0.002%. Percentages may not total 100% due to rounding.

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) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

Source:
[1] State of California, Office of the Treasurer
[2] State of Calfiornia, Office of the Controller