

**TWAIN HARTE COMMUNITY SERVICES DISTRICT  
Finance/Policy Committee Meeting**

**Chair:** *Gary Sipperley*  
**Co-Chair:** *Eileen Mannix*

**THCSD CONFERENCE ROOM  
22912 VANTAGE POINTE DR., TWAIN HARTE  
January 3, 2024 1:30 p.m.**

**NOTICE: Public May Attend this Meeting In-Person.**

The meeting will be accessible via ZOOM for anyone that chooses to participate virtually:

- Videoconference Link: <https://us02web.zoom.us/j/84569916069>
- Meeting ID: 845 6991 6069
- Telephone: (669) 900-6833

**AGENDA**

- 1. Review draft Fiscal Year 2023-24 mid-year budget adjustment.**
- 2. Annual review of Policy #3015 – Investment Policy.**
- 3. Annual review of Policy #4010 – Board Duties.**
- 4. Review Policy #4030 – Board Conduct.**
- 5. Discussion regarding entering into a services agreement with the Regional Government Services Authority for financial services.**
- 6. Discussion regarding appointment of District Treasurer.**
- 7. Adjourn.**

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**HOW TO VIRTUALLY PARTICIPATE IN THIS THIS MEETING**

The public can virtually observe and participate in a meeting as follows:

- **Computer:** Join the videoconference by clicking the videoconference link located at the top of this agenda or on our website. You may be prompted to enter your name and email. Your email will remain private and you may enter “anonymous” for your name.
- **Smart Phone/Tablet:** Join the videoconference by clicking the videoconference link located at the top of this agenda OR log in through the Zoom mobile app and enter the Meeting ID# and Password found at the top of this agenda. You may be prompted to enter

your name and email. Your email will remain private and you may enter “anonymous” for your name.

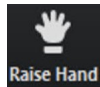
- **Telephone:** Listen to the meeting by calling Zoom at (4669) 900-6833. Enter the Meeting ID# listed at the top of this agenda, followed by the pound (#) key.

\* NOTE: your personal video will be disabled and your microphone will be automatically muted.

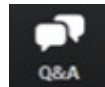
### **SUBMITTING PUBLIC COMMENT**

The public will have an opportunity to comment before and during the meeting as follows:

- **Before the Meeting:**
  - Email comments to [ksilva@twainhartecsd.com](mailto:ksilva@twainhartecsd.com), write “Public Comment” in the subject line. In the body of the email, include the agenda item number and title, as well as your comments.
  - Mail comments to THCS Board Secretary: P.O. Box 649, Twain Harte, CA 95383
- **During the Meeting:**
  - Computer/Tablet/Smartphone: Click the “Raise Hand” icon and the host will unmute your audio when it is time to receive public comment. If you would rather make a comment in writing, you may click on the “Q&A” icon and type your comment. You may need to tap your screen or click on “View Participants” to make icons visible.



Raise Hand Icon:



Q&A Icon:

- Telephone: Press \*9 if to notify the host that you have a comment. The host will unmute you during the public comment period and invite you to share comments.
- In-Person: Raise your hand and the Board Chairperson will call on you.

\* NOTE: If you wish to speak on an item on the agenda, you are welcome to do so during consideration of the agenda item itself. If you wish to speak on a matter that does not appear on the agenda, you may do so during the Public Comment period. Persons speaking during the Public Comment will be limited to five minutes or depending on the number of persons wishing to speak, it may be reduced to allow all members of the public the opportunity to address the Board. Except as otherwise provided by law, no action or discussion shall be taken/conducted on any item not appearing on the agenda. Public comments must be addressed to the board as a whole through the President. Comments to individuals or staff are not permitted.

### **MEETING ETIQUETTE**

Attendees shall make every effort not to disrupt the meeting. Cell phones must be silenced or set in a mode that will not disturb District business during the meeting.

### **ACCESSIBILITY**

Board meetings are accessible to people with disabilities. In compliance with the Americans with Disabilities Act, those requiring accommodations for this meeting should notify the District office 48 hours prior to the meeting at (209) 586-3172.

### **WRITTEN MEETING MATERIALS**

If written materials relating to items on this Agenda are distributed to Board members prior to the meeting, such materials will be made available for public inspection on the District’s website: [www.twainhartecsd.com](http://www.twainhartecsd.com)

Twain Harte Community Services District  
2023-2024 Mid-Year Budget Revision

	WATER			SEWER			FIRE			PARK			ADMIN			TOTAL
	Approved	Requested	% Diff	Approved	Requested	% Diff	Approved	Requested	% Diff	Approved	Requested	% Diff	Approved	Requested	% Diff	PROJECTED
<b>Revenue</b>																
Service Charges	\$ 1,476,315	\$ 1,506,217	2%	\$ 1,137,942	\$ 1,189,867	5%	\$ -	\$ -	0%	\$ -	\$ -	0%	\$ -	\$ -	0%	\$ 2,696,085
Fees	17,980	18,800	5%	13,580	13,800	2%	-	-	0%	7,100	7,100	0%	-	-	0%	39,700
Taxes & Assessments	40,078	41,382	3%	-	-	0%	1,311,127	1,329,463	1%	151,365	152,245	1%	-	-	0%	1,523,089
Grants & Donations	1,623,098	1,506,007	-7%	490,000	25,000	-95%	299,275	301,251	1%	2,416,065	2,869,979	19%	-	-	0%	4,702,237
Other Revenue	48,000	53,850	12%	20,000	23,150	16%	35,340	268,106	659%	3,500	3,500	0%	1,000	1,000	0%	349,606
<b>Total Program Revenue</b>	<b>\$ 3,205,470</b>	<b>\$ 3,126,256</b>	<b>-2%</b>	<b>\$ 1,661,522</b>	<b>\$ 1,251,817</b>	<b>-25%</b>	<b>\$ 1,645,742</b>	<b>\$ 1,898,820</b>	<b>15%</b>	<b>\$ 2,578,030</b>	<b>\$ 3,032,824</b>	<b>18%</b>	<b>\$ 1,000</b>	<b>\$ 1,000</b>	<b>0%</b>	<b>\$ 9,310,717</b>
Admin Revenue Allocation	470	470	0%	250	250	0%	180	180	0%	100	100	0%	(1,000)	(1,000)	0%	-
<b>GRAND TOTAL REVENUE</b>	<b>\$ 3,205,940</b>	<b>\$ 3,126,726</b>	<b>-2%</b>	<b>\$ 1,661,772</b>	<b>\$ 1,252,067</b>	<b>-25%</b>	<b>\$ 1,645,922</b>	<b>\$ 1,899,000</b>	<b>15%</b>	<b>\$ 2,578,130</b>	<b>\$ 3,032,924</b>	<b>18%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ 9,310,717</b>
<b>Operating Expenses</b>																
Salaries	\$ 344,769	\$ 335,849	-3%	\$ 186,563	\$ 179,875	-4%	\$ 608,761	\$ 699,386	15%	\$ 20,645	\$ 20,299	-2%	\$ 450,240	\$ 450,327	0%	\$ 1,685,737
Benefits	196,995	200,538	2%	107,844	109,650	2%	310,131	346,968	12%	13,591	18,072	33%	233,562	237,552	2%	912,779
Equip, Auto, Maint, & Repairs	152,300	155,000	2%	66,500	80,100	20%	174,450	165,550	-5%	21,800	24,370	12%	13,000	15,500	19%	440,520
Materials & Supplies	49,400	49,400	0%	6,000	6,000	0%	10,300	10,300	0%	1,500	1,500	0%	3,950	3,900	-1%	71,100
Outside Services	446,148	460,650	3%	30,350	27,850	-8%	23,500	25,700	9%	4,500	4,500	0%	29,450	29,900	2%	548,600
Other (Utilities, Prop/Liab Ins, TUD)	247,100	255,600	3%	611,758	611,400	0%	106,300	104,700	-2%	28,500	29,300	3%	77,650	77,350	0%	1,078,350
Debt Service	110,684	110,684	0%	16,958	16,958	0%	-	-	0%	-	-	0%	-	-	0%	127,641
<b>Total Program Expenses</b>	<b>\$ 1,547,395</b>	<b>\$ 1,567,720</b>	<b>1%</b>	<b>\$ 1,025,972</b>	<b>\$ 1,031,833</b>	<b>1%</b>	<b>\$ 1,233,442</b>	<b>\$ 1,352,604</b>	<b>10%</b>	<b>\$ 90,536</b>	<b>\$ 98,041</b>	<b>8%</b>	<b>\$ 807,852</b>	<b>\$ 814,530</b>	<b>1%</b>	<b>\$ 4,864,727</b>
Administrative Cost Allocation	379,690	382,829	1%	201,963	203,632	1%	145,413	146,615	1%	80,785	81,453	1%	(807,852)	(814,530)	1%	-
<b>GRAND TOTAL OPERATING EXPENSES</b>	<b>\$ 1,927,085</b>	<b>\$ 1,950,549</b>	<b>1%</b>	<b>\$ 1,227,935</b>	<b>\$ 1,235,465</b>	<b>1%</b>	<b>\$ 1,378,855</b>	<b>\$ 1,499,219</b>	<b>9%</b>	<b>\$ 171,321</b>	<b>\$ 179,494</b>	<b>5%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ 4,864,727</b>
<b>TOTAL OPERATING BALANCE</b>	<b>\$ 1,278,856</b>	<b>\$ 1,176,177</b>		<b>\$ 433,837</b>	<b>\$ 16,602</b>		<b>\$ 267,067</b>	<b>\$ 399,781</b>		<b>\$ 2,406,808</b>	<b>\$ 2,853,430</b>		<b>\$ -</b>	<b>\$ -</b>		
<b>Capital Expenses</b>																
Capital Outlay	1,913,500	1,771,850	-7%	777,500	316,800	-59%	406,550	450,900	11%	2,492,550	2,940,427	18%	-	-	0%	5,479,977
<b>Total Capital Expenses</b>	<b>\$ 1,913,500</b>	<b>\$ 1,771,850</b>	<b>-7%</b>	<b>\$ 777,500</b>	<b>\$ 316,800</b>	<b>-59%</b>	<b>\$ 406,550</b>	<b>\$ 450,900</b>	<b>11%</b>	<b>\$ 2,492,550</b>	<b>\$ 2,940,427</b>	<b>18%</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ 5,479,977</b>
<b>GRAND TOTAL EXPENSES</b>	<b>\$ 3,840,585</b>	<b>\$ 3,722,399</b>	<b>-3%</b>	<b>\$ 2,005,435</b>	<b>\$ 1,552,265</b>	<b>-23%</b>	<b>\$ 1,785,405</b>	<b>\$ 1,950,119</b>	<b>9%</b>	<b>\$ 2,663,871</b>	<b>\$ 3,119,921</b>	<b>17%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ 10,344,704</b>
<b>Transfer To/(From) Reserve</b>	<b>\$ (634,644)</b>	<b>\$ (595,673)</b>		<b>\$ (343,663)</b>	<b>\$ (300,198)</b>		<b>\$ (139,483)</b>	<b>\$ (51,119)</b>		<b>\$ (85,742)</b>	<b>\$ (86,997)</b>		<b>\$ -</b>	<b>\$ -</b>		<b>\$ (1,033,987)</b>

Twain Harte Community Services District

2023-2024 Mid-Year Budget Revision

ADMIN - REVENUE

BUDGET ITEM	BUDGET		CHANGE		REASON FOR CHANGE
	Approved	Requested	\$	%	
<b>Other Revenue</b>					
Grant Revenue			\$ -	0%	
Miscellaneous Revenue	1,000	1,000	-	0%	
Interest Revenue			-	0%	
Lease Revenue			-	0%	
Sale of Assets			-	0%	
Other			-	0%	
<b>TOTAL OTHER REVENUE</b>	<b>\$ 1,000</b>	<b>\$ 1,000</b>	<b>\$ -</b>	<b>0%</b>	
<b>GRAND TOTAL REVENUE</b>	<b>\$ 1,000</b>	<b>\$ 1,000</b>	<b>\$ -</b>	<b>0%</b>	

Twain Harte Community Services District  
2023-2024 Mid-Year Budget Revision

**ADMIN - EXPENSES**

BUDGET ITEM	BUDGET		CHANGE		REASON FOR CHANGE
	Approved	Requested	\$	%	
<b>Salaries - 51XXX</b>					
Regular Time	\$ 431,263	\$ 431,335	71	0%	
Uniform Allowance	79	113	34	43%	
Sick Leave/Vacation Pay	10,000	10,000	0	0%	
Director Stipends	8,880	8,880	0	0%	
Cell Phone Stipend	18	0	(18)	-100%	
<b>TOTAL SALARIES</b>	<b>\$ 450,240</b>	<b>\$ 450,327</b>	<b>\$ 87</b>	<b>0%</b>	
<b>Benefits - 52XXX</b>					
Health & Vision Insurance	\$ 79,158	\$ 83,200	\$ 4,042	5%	
HRA Reimbursement	26,472	26,744	272	1%	
Retirement	86,915	86,459	(456)	-1%	
FICA	29,071	29,103	33	0%	
Medicare	6,799	6,806	8	0%	
Workers Comp	3,860	3,946	86	2%	
Unemployment Ins/ETT	1,287	1,294	7	1%	
<b>TOTAL BENEFITS</b>	<b>\$ 233,562</b>	<b>\$ 237,552</b>	<b>\$ 3,991</b>	<b>2%</b>	
<b>Equipment, Automotive, Maintenance &amp; Repairs</b>					
Equipment Maintenance & Repair	\$ 1,800	\$ 1,500	\$ (300)	-17%	
Facilities Maintenance & Repair	4,000	4,000	0	0%	
Janitorial/Cleaning Services	500	500	0	0%	
Fuel	2,200	2,200	0	0%	
Equipment Under \$5,000	4,500	7,300	2,800	62%	Board iPads need replacement
<b>TOTAL EQUIP, AUTO, MAINT &amp; REPAIRS</b>	<b>\$ 13,000</b>	<b>\$ 15,500</b>	<b>\$ 2,500</b>	<b>19%</b>	
<b>Materials &amp; Supplies - 54XXX</b>					
Office Supplies	\$ 2,300	\$ 2,000	\$ (300)	-13%	
Postage	1,500	1,500	0	0%	
Janitorial Supplies	150	400	250	167%	
<b>TOTAL MATERIALS &amp; SUPPLIES</b>	<b>\$ 3,950</b>	<b>\$ 3,900</b>	<b>\$ (50)</b>	<b>-1%</b>	

Twain Harte Community Services District  
2023-2024 Mid-Year Budget Revision

**ADMIN - EXPENSES**

BUDGET ITEM	BUDGET		CHANGE		REASON FOR CHANGE
	Approved	Requested	\$	%	
<b>Outside Services - 55XXX</b>					
Auditing/Accounting Services	\$ 13,700	\$ 13,700	\$ -	0%	
Legal Fees	8,500	8,500	0	0%	
IT Services	5,600	5,600	0	0%	
Medical Exams			0	0%	
Other Professional Services	\$ 1,650	\$ 2,100	450	27%	
<b>TOTAL OUTSIDE SERVICES</b>	<b>\$ 29,450</b>	<b>\$ 29,900</b>	<b>\$ 450</b>	<b>2%</b>	
<b>Other - 56XXX</b>					
Utilities	\$ 8,500	\$ 9,300	\$ 800	9%	
Phone/Communications	4,900	5,000	100	2%	
Software Licenses & Maintenance	20,000	20,000	0	0%	
Property/Liability Insurance	14,500	14,400	(100)	-1%	
Dues & Memberships	5,000	5,200	200	4%	
Licenses & Certifications	650	650	0	0%	
Training, Conferences & Travel	22,900	21,000	(1,900)	-8%	Deleted a conference
Advertising & Public Education	1,000	1,000	0	0%	
Bank/Investment Fees	200	800	600	300%	
<b>TOTAL OTHER</b>	<b>\$ 77,650</b>	<b>\$ 77,350</b>	<b>\$ (300)</b>	<b>0%</b>	
<b>GRAND TOTAL EXPENSES</b>	<b>\$ 807,852</b>	<b>\$ 814,530</b>	<b>\$ 6,678</b>	<b>1%</b>	
Admin Transfer Out	\$ (807,852)	\$ (814,530)	\$ 6,678		
<b>GRAND TOTAL WITH TRANSFER</b>	<b>\$ -</b>	<b>\$ -</b>			

**TWAIN HARTE COMMUNITY SERVICES DISTRICT**  
**Policy and Procedure Manual**

**POLICY TITLE:** Investment Policy  
**POLICY NUMBER:** 3015  
**ADOPTED:** October 10, 2013  
**AMENDED:** 1/9/14, 12/10/15, 11/13/19  
**LAST AMENDED:** January 12, 2022

**3015.10 INTRODUCTION**

The purpose of this written Investment Policy is to establish the guidelines for the prudent investment of Twain Harte Community Services District funds. The objectives of this Policy are safety, liquidity, yield, and compliance with state and federal laws and policies.

District funds are to be managed with a high degree of care and prudence. Though all investments contain a degree of risk, the proper concern for prudence, maintenance of high level of ethical standards, and proper delegation of authority reduces the potential for any realized loss.

**3015.20 AUTHORITY**

The investment program shall be operated in conformance with federal, state, and other legal requirements including, but not limited to, California Government Code sections 16429.1, 53600, 53601, 53607, 53635, 53638, and 53646. As provided for by Government code, the Board of Directors delegates the authority to manage the investment program to the District Treasurer. All investment portfolio decisions made by the Treasurer shall require the endorsement of the Finance Committee & General Manager. In the event of an emergency only the General Manager's endorsement shall be required. Under no circumstances is the Treasurer permitted to make an investment that is not specifically authorized by law (see Figure 1) and this policy. The treasurer may invest up to 10% of funds in securities that have a term remaining maturity in excess of five years and up to 20% of funds with Board approval.

The Treasurer may retain the services of a qualified independent investment consultant, with a fee-only arrangement (e.g., percentage of assets under management, hourly fee, or fee per service), to perform the roles and responsibilities set forth in Attachment A.

**3015.30 SCOPE**

The District investment portfolio shall consist of surplus money in the District's treasury not required for the immediate necessities of the District.

### **3015.40 OBJECTIVES**

This policy is a conservative policy guided by three principles of public fund management. In specific order of importance, the three principles are:

1. **Safety of Principal** - 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. The objective will be to mitigate credit risk and interest rate risk.
2. **Liquidity** - The investment portfolio shall remain sufficiently liquid to meet all operating requirements. This shall be accomplished by structuring the investment portfolio so that investments mature concurrent with cash needs.
3. **Yield** - Investments shall be undertaken to produce an acceptable rate of return after first consideration for principal and liquidity.

### **3015.50 STANDARDS OF CARE**

**3015.51 Prudence** - Investments will be made with the same standard of care that persons of prudence, discretion and intelligence exercise when managing their own affairs, not for speculation, but for investment with particular consideration for safety of capital as well as probable income derived.

**3015.52 Conflicts of Interest** - Officers and employees involved in the investment process shall perform his/her duties under this Investment Policy in accordance with the provisions of Section 1126 of the Government Code as well as any other state law referred to in this policy.

### **3015.60 SAFEKEEPING**

All trades of marketable securities will be executed by delivery vs. payment (DVP) to ensure that securities are deposited prior to the release of funds. Securities will be held in accordance with the provisions of Section 53601 of the Government Code.

### **3015.70 DIVERSIFICATION**

Investments will be diversified to avoid losses that may be associated with any one investment.

### **3015.80 REPORTING REQUIREMENTS**

Each quarter that an investment program is in place, the Treasurer shall prepare and submit a report of investment transactions to the Board of Directors. This report will be sufficiently detailed to provide information for investment evaluation.

### **3015.90 PERFORMANCE REVIEW**

An annual appraisal of the investment portfolio shall be conducted to evaluate the effectiveness of the District's investment program once the program is implemented.



The purpose of this review, in addition to evaluation of performance, is to provide the platform for changes and improvements to the portfolio.

### **3015.100 APPROVAL OF INVESTMENT POLICY**

The investment policy shall be formally approved and adopted by the Board and reviewed annually in January coinciding with the annual performance review and the start of new law passed through the previous State Legislative Cycle. Consideration should be given to any changes in statute or investment strategies that may impact this policy. If the District is not engaged in an investment program, the Board may choose to review this policy once prior to program implementation instead of performing an annual review.

## **.ATTACHMENT A**

### **Investment Consultant/Advisor Role & Responsibilities**

#### **I. AUTHORIZED INVESTMENT CONSULTANT**

The Investment Consultant must be registered with either State or Federal securities regulators pursuant to the Investment Advisers Act of 1940. The Investment Consultant will provide a copy of the ADV Form Part II for the Investment Consultant and his or her company to the District during the annual investment performance review, and will disclose whether the Investment Consultant has an ownership or other interest in any of the investment options being reviewed or recommended by the Investment Consultant. The Investment Consultant will immediately notify the District of any Securities and Exchange Commission or other regulatory investigations into its actions related to the type of services provided to the District or of any felony conviction.

#### **II. INVESTMENT CONSULTANT RESPONSIBILITIES**

The primary responsibility of the Investment Consultant is to inform and advise the District on various investment related issues with respect to the oversight of and potential enhancements to the portfolio. Such services include:

- A. Assisting the District with determining an appropriate process for constructing the structure of the investment menu.
- B. Providing timely, accurate, and unbiased quarterly reports evaluating return, risk and characteristics (where available) of each of the funds compared to appropriate indexes and/or peer group universes.
- C. Apprising the District of changes with regard to its funds in an appropriate time frame given the significance of the information.
- D. Conducting a fund review at the request of the District when, for example, noteworthy changes or significant under-performance occurs.
- E. Assisting the District in the search and replacement of existing funds when a review so merits this change.
- F. Ensuring the District's investments do not violate State or Federal law or anything set forth in Figure 1.

The Investment consultant has no discretionary control or authority over the Plan and its assets. However, in its role as an advisor to the District, the Investment Consultant acknowledges a limited fiduciary role with respect to the investment advice provided to the District.

FIGURE 1

ALLOWABLE INVESTMENT INSTRUMENTS PER STATE GOVERNMENT CODE (AS OF JANUARY 1, 2021)<sup>a</sup> APPLICABLE TO ALL LOCAL AGENCIES<sup>b</sup>

See "Table of Notes for Figure 1" on the next page for footnotes related to this figure.

INVESTMENT TYPE	MAXIMUM MATURITY <sup>c</sup>	MAXIMUM SPECIFIED % OF PORTFOLIO <sup>d</sup>	MINIMUM QUALITY REQUIREMENTS	GOV'T CODE SECTIONS
Local Agency Bonds	5 years	None	None	53601(a)
U.S. Treasury Obligations	5 years	None	None	53601(b)
State Obligations— CA And Others	5 years	None	None	53601(c) 53601(d)
CA Local Agency Obligations	5 years	None	None	53601(e)
U.S Agency Obligations	5 years	None	None	53601(f)
Bankers' Acceptances	180 days	40% <sup>e</sup>	None	53601(g)
Commercial Paper—Non-Pooled Funds <sup>f</sup> (under \$100,000,000 of investments)	270 days or less	25% of the agency's money <sup>g</sup>	Highest letter and number rating by an NRSRO <sup>h</sup>	53601(h)(2)(c)
Commercial Paper—Non-Pooled Funds (min. \$100,000,000 of investments)	270 days or less	40% of the agency's money <sup>g</sup>	Highest letter and number rating by an NRSRO <sup>h</sup>	53601(h)(2)(c)
Commercial Paper— Pooled Funds <sup>i</sup>	270 days or less	40% of the agency's money <sup>g</sup>	Highest letter and number rating by an NRSRO <sup>h</sup>	53635(a)(1)
Negotiable Certificates of Deposit	5 years	30% <sup>j</sup>	None	53601(i)
Non-negotiable Certificates of Deposit	5 years	None	None	53630 et seq.
Placement Service Deposits	5 years	50% <sup>k</sup>	None	53601.8 and 53635.8
Placement Service Certificates of Deposit	5 years	50% <sup>k</sup>	None	53601.8 and 53635.8
Repurchase Agreements	1 year	None	None	53601(j)
Reverse Repurchase Agreements and Securities Lending Agreements	92 days <sup>l</sup>	20% of the base value of the portfolio	None <sup>m</sup>	53601(j)
Medium-Term Notes <sup>n</sup>	5 years or less	30%	"A" rating category or its equivalent or better	53601(k)
Mutual Funds And Money Market Mutual Funds	N/A	20%	Multiple <sup>o,p</sup>	53601(l) and 53601.6(b)
Collateralized Bank Deposits <sup>q</sup>	5 years	None	None	53630 et seq. and 53601(n)
Mortgage Pass-Through and Asset-Backed Securities	5 years or less	20%	"AA" rating category or its equivalent or better	53601(o)
County Pooled Investment Funds	N/A	None	None	27133
Joint Powers Authority Pool	N/A	None	Multiple <sup>o</sup>	53601(p)
Local Agency Investment Fund (LAIF)	N/A	None	None	16429.1
Voluntary Investment Program Fund <sup>r</sup>	N/A	None	None	16340
Supranational Obligations <sup>s</sup>	5 years or less	30%	"AA" rating category or its equivalent or better	53601(q)
Public Bank Obligations	5 years	None	None	53601(r), 53635(c) and 57603

FROM CA LOCAL AGENCY INVESTMENT GUIDELINES

TABLE OF NOTES FOR FIGURE 1

- <sup>A</sup> Sources: Sections 16340, 16429.1, 27133, 53601, 53601.6, 53601.8, 53630 et seq., 53635, 53635.8, and 57603.
- <sup>B</sup> Municipal Utilities Districts have the authority under the Public Utilities Code Section 12871 to invest in certain securities not addressed here.
- <sup>C</sup> Section 53601 provides that the maximum term of any investment authorized under this section, unless otherwise stated, is five years. However, the legislative body may grant express authority to make investments either specifically or as a part of an investment program approved by the legislative body that exceeds this five year remaining maturity limit. Such approval must be issued no less than three months prior to the purchase of any security exceeding the five-year maturity limit.
- <sup>D</sup> Percentages apply to all portfolio investments regardless of source of funds. For instance, cash from a reverse repurchase agreement would be subject to the restrictions.
- <sup>E</sup> No more than 30 percent of the agency's money may be in bankers' acceptances of any one commercial bank.
- <sup>F</sup> Includes agencies defined as a city, a district, or other local agency that do not pool money in deposits or investment with other local agencies, other than local agencies that have the same governing body.
- <sup>G</sup> Local agencies, other than counties or a city and county, may purchase no more than 10 percent of the outstanding commercial paper and medium-term notes of any single issuer.
- <sup>H</sup> Issuing corporation must be organized and operating within the U.S., have assets in excess of \$500 million, and debt other than commercial paper must be in a rating category of "A" or its equivalent or higher by a nationally recognized statistical rating organization, or the issuing corporation must be organized within the U.S. as a special purpose corporation, trust, or LLC, have program wide credit enhancements, and have commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical rating agency.
- <sup>I</sup> Includes agencies defined as a county, a city and county, or other local agency that pools money in deposits or investments with other local agencies, including local agencies that have the same governing body. Local agencies that pool exclusively with other local agencies that have the same governing body must adhere to the limits set forth in Section 53601(h)(2)(C).
- <sup>J</sup> No more than 30 percent of the agency's money may be in negotiable certificates of deposit that are authorized under Section 53601(i).
- <sup>K</sup> Effective January 1, 2020, no more than 50 percent of the agency's money may be invested in deposits, including certificates of deposit, through a placement service as authorized under 53601.8 (excludes negotiable certificates of deposit authorized under Section 53601(i)). On January 1, 2026, the maximum percentage of the portfolio reverts back to 30 percent. Investments made pursuant to 53635.8 remain subject to a maximum of 30 percent of the portfolio.
- <sup>L</sup> Reverse repurchase agreements or securities lending agreements may exceed the 92-day term if the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity dates of the same security.
- <sup>M</sup> Reverse repurchase agreements must be made with primary dealers of the Federal Reserve Bank of New York or with a nationally or state chartered bank that has a significant relationship with the local agency. The local agency must have held the securities used for the agreements for at least 30 days.
- <sup>N</sup> "Medium-term notes" are defined in Section 53601 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."
- <sup>O</sup> No more than 10 percent invested in any one mutual fund. This limitation does not apply to money market mutual funds.
- <sup>P</sup> A mutual fund must receive the highest ranking by not less than two nationally recognized rating agencies or the fund must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years' experience investing in instruments authorized by Sections 53601 and 53635.
- <sup>Q</sup> A money market mutual fund must receive the highest ranking by not less than two nationally recognized statistical rating organizations or retain an investment advisor registered with the SEC or exempt from registration and who has not less than five years' experience investing in money market instruments with assets under management in excess of \$500 million.
- <sup>R</sup> Investments in notes, bonds, or other obligations under Section 53601(n) require that collateral be placed into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, among other specific collateral requirements.
- <sup>S</sup> A joint powers authority pool must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years' experience investing in instruments authorized by Section 53601, subdivisions (a) to (o).
- <sup>T</sup> Local entities can deposit between \$200 million and \$10 billion into the Voluntary Investment Program Fund, upon approval by their governing bodies. Deposits in the fund will be invested in the Pooled Money Investment Account.
- <sup>U</sup> Only those obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less.

**TWAIN HARTE COMMUNITY SERVICES DISTRICT**  
**Policy and Procedure Manual**

**POLICY TITLE:** General Duties of the Board of Directors  
**POLICY NUMBER:** 4010  
**ADOPTED:** September 17, 1996  
**AMENDED:** April 14, 2011  
**LAST AMENDED:** September 15, 2021

**4010.10 PURPOSE**

The Board of Directors serves as the governing body for the District. This policy sets forth some of the general duties required of the Board of Directors in carrying out governance of the District.

**4010.20 CORPORATE DUTIES**

As a corporate governing body, the Board of Directors are responsible to:

1. Establish the District's mission, vision and strategic objectives.
2. Formulate, adopt and review policies and ordinances that govern the operations of the District.
3. Conduct District business for the public benefit in an ethical and transparent manner, abiding by the requirements of the Ralph M. Brown Act, conflict of interest laws, and ethics laws.
4. Appoint a General Manager to implement the District's policies, carry out the District's mission and accomplish strategic objectives.
5. Review and adopt an annual budget that is fiscally responsible and provides sufficient resources to accomplish the District's mission.
6. Monitor the District's financial condition and plan for long term financial sustainability.

**4010.30 INDIVIDUAL DUTIES**

Individual Directors are responsible to:

1. Exercise independent judgment on behalf of the interests of the entire District,

including residents, property owners, and the public as a whole.

2. Engage with the community to best understand needs and assist in building positive community relations.
3. Represent the District at public and agency meetings and gatherings.
4. Keep the General Manager informed of community reaction to the District's services.
5. Attend regular, special and emergency meetings of the Board of Directors and any assigned committee meetings of the Board of Directors.
6. Prepare themselves to effectively discuss agenda items at meetings of the Board of Directors and to seek any needed information from the General Manager.
7. Study methods of improving District services and attend training classes to build knowledge and improve performance as a Director.

#### **4030.40 ANNUAL REVIEW**

The Board of Directors shall review this policy annually for the purposes of refresher training and self-evaluation.

**TWAIN HARTE COMMUNITY SERVICES DISTRICT**  
**Policy and Procedure Manual**

**POLICY TITLE:** Code of Ethics and Conduct  
**POLICY NUMBER:** 4030  
**ADOPTED:** September 17, 1996  
**AMENDED:** 3/10/2011, 3/12/2015  
**LAST AMENDED:** September 15, 2021

**4030.10 PURPOSE**

The Board of Directors of the Twain Harte Community Services District is committed to providing excellence in legislative leadership to its constituents. This policy sets forth requirements for the Board of Directors to ensure that their service to the public and staff is conducted in a professional, reliable, responsible, and transparent manner.

**4030.20 PRACTICES AND VALUES**

The Board of Directors shall be committed to the following practices and values:

1. At all times, conduct yourself with courtesy and respect toward other Directors, staff, agencies and members of the public.
2. Always consider the District's mission, vision, and values when evaluating and making decisions.
3. Act with independent judgment for the good of the District as a whole.
4. Focus on policy creation rather than policy implementation.
5. Maintain an open mind, looking to learn from others. Differing viewpoints are healthy in the decision-making process. Individuals have the right to disagree with ideas and opinions.
6. In meetings, be present and listen attentively to the public, staff and other Directors.
7. Always provide opportunity for all members of the public to take part in District decision-making.
8. Respect and follow the rules and procedure set forth in the Board Meeting Conduct Policy.

9. Once the Board of Directors makes a collective action, commit to supporting the decision even if you voted against it.
10. Understand that it takes a quorum to act on behalf of the District - no Director can act on behalf of the District by himself or herself.
11. Seek the knowledge, skills and information needed to improve decision-making:
  - A. Refer requests for information items to the appropriate department head or General Manager to obtain information needed to supplement, upgrade, or enhance their knowledge.
  - B. Refer requests for clarification of policy-related concerns, especially those involving personnel, legal action, land acquisition and development, finances, and programming directly to the General Manager.
  - C. Request attendance of applicable training courses by contacting the Board President and General Manager.
12. Report concerns and other important information to staff in a timely manner.
  - A. Report concerns related to safety or hazards directly to the General Manager or appropriate department head. Emergency situations should be dealt with immediately by seeking appropriate assistance.
  - B. Report community concerns to the General Manager or appropriate department head.
13. Respect the chain of command.
  - A. Direct all concerns regarding District operations and staff to the General Manager.
  - B. When presented with inquiries from District staff, direct such inquiries to the General Manager.
14. Respond to constituent requests in a courteous, professional, positive and timely manner; routing questions through the appropriate channels and to the responsible management personnel.

#### **4030.30 ANNUAL REVIEW**

The Board of Directors shall review this policy annually for the purposes of refresher training and self-evaluation.





Regional Government Services (RGS) is a Joint Powers Authority that began serving cities, special districts, counties, and other governmental entities in 2002. We work with public agencies, providing a ready source of consultative expertise and project delivery to meet the needs of our partner agencies in a broad range of service areas.

RGS offers expertise in human resources, communications, planning, finance, and employee benefits administration as well as project management and support services at all levels. We also offer a complete suite of training services for employees and management teams including team building retreats and strategic planning sessions.

Our team of Senior Advisors, supported by over 100 team members, has worked with more than 300 agencies throughout the state (and other states) from small municipalities to large metropolitan planning organizations. We don't have clients; we have partners who benefit from our low-cost delivery model and open source access to tools created to improve internal efficiencies and the delivery of services to the public.

We are evolving as our partners' needs are growing, offering more advisors for existing services and new services and solutions to agencies facing increasingly obligated revenues and increasing demands. We exist for one purpose: to help our partners succeed.

**CURRENT MEMBER AGENCIES**

- Citrus Heights Water District
- City of Dublin
- City of Larkspur
- City of Napa
- City of Soledad
- City of Walnut Creek
- Town of Yountville

**BOARD OF DIRECTORS**

**Hilary Straus**  
General Manager

**Dan Buckshi**  
City Manager

**Linda Smith**  
City Manager

**Brent Slama**  
Interim City Manager

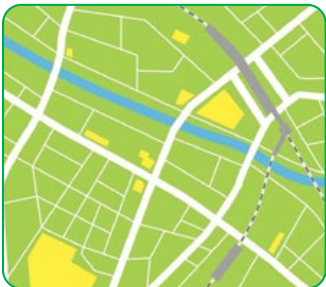
**Liz Habkirk**  
Deputy City Manager

**Steve Rogers**  
Town Manager

**Dan Schwarz**  
City Manager

## HUMAN RESOURCES SERVICES

RGS provides a complete array of human resource (HR) management services to partner agencies, from strategic resources and policy planning, to operational and transactional activities such as recruitment, classification and compensation analysis (including FLSA compliance), benefits administration, employee relations case management, workplace investigations and disability management services. Our HR partnerships begin with a complete assessment of current operations, identifying critical needs and organizational priorities. Ongoing services and projects focus on developing and implementing effective administrative systems and HR best practices; and supporting agency managers' use of these practices to obtain outstanding staff performance, achieve compliance and meet organizational goals.



## LOCAL LAND USE PLANNING SERVICES

The RGS Planning team offers a wide range of land use planning services to support public agencies in managing fluctuating workloads; preparing and processing General Plan elements, updates and amendments; Local Coastal Programs and Plans; Specific Plans, municipal code revisions to improve zoning and subdivision regulations; and the processing of commercial, industrial, residential, and mixed-use urban development projects through a variety of regulatory agencies and procedures. Our experience encompasses the preparation of complex reports and studies on such issues as growth management, coastal development, design review, and development policy evaluation. We can also assist agencies with the preparation of CEQA documents and related technical studies, plan checking for regulatory compliance and mitigation monitoring.

## PROJECT MANAGEMENT & WORKLOAD SUPPORT

RGS provides both short- and long-term solutions at all levels. Our team provides skilled, experienced personnel to assess and strengthen organizational infrastructure, support organizational transitions, ensure project deliverables and outcomes are achieved, and mentor and coach staff as needed. In addition to services detailed in this brochure, additional areas of expertise include:

- **Risk Management Assessment and Program Development**
- **Workplace Safety Assessment and Program Development**
- **Procurement Programs**
- **CIP Program Coordination and Project Services**
- **Elections Process Coordination**
- **Public Records Act and Records Management**
- **Public Safety Administration Assessment and Program Development**



## EMERGENCY MANAGEMENT SERVICES

RGS provides comprehensive emergency and disaster management program support to local government agencies. The RGS team has developed and implemented a broad range of emergency management programs, projects, and services for cities, counties, and special districts throughout California. The RGS team has experience in all phases of emergency management, including preparedness, response, cost recovery, and mitigation. We have in-depth knowledge of local emergency management programs and systems specific to emergency operations center (EOC) functionality and development, EOC training & exercising, response system functions, FEMA compliant records & claims management, and overall emergency management program design and effectiveness.

## COMMUNICATIONS & ENGAGEMENT

RGS offers communications and engagement services to help meet objectives and improve outcomes. We have developed and implemented a broad range of planning/communications plans and specialize in helping public agencies use data, studies, and innovative research/engagement tools to communicate complex information to a wide variety of audiences. Whether it is gaining support for a capital improvement project or ongoing outreach, our experts are here to help. RGS provides the value-added synergies across multiple disciplines needed to deliver work products infused with not only subject matter expertise, but also adapted for each agency's work culture for ease of implementation with limited staffing and budget.



## EMPLOYEE BENEFITS PROGRAMS

The RGS team has established and cooperatively maintains benefit programs with and for public agencies. We have created and facilitated pools with other agencies to share costs or gain cost efficiencies to provide greater employee value for medical, dental, 401(a) and 457(b) plans. For more details, visit our Pooled Programs website page: [www.rgsca.gov/services/pooled-programs/](http://www.rgsca.gov/services/pooled-programs/)



## GOVERNMENT FINANCE

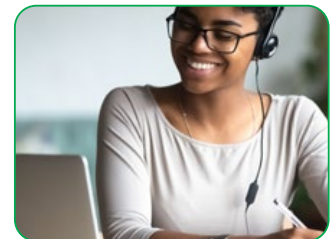
RGS provides comprehensive financial consulting services to partner agencies, delivering director-level strategic and policy planning, as well as operational analysis, and project delivery. Our finance partnerships begin with a complete assessment of current operations, identifying critical compliance issues and organizational priorities. RGS can also provide ongoing services that include the development and implementation of an array of administrative systems, support and staff development to achieve compliance and meet organizational goals.



## TRAINING AND TEAM BUILDING PROGRAMS

RGS is a resource for a range of staff development services, specializing in supervisory and management skill-building academies, management coaching and team building retreats. Programs include:

- **Supervisor/Manager Training Academy**
- **Lead/Sr. Worker Training Academy**
- **Board/Council Retreats and Team Building**
- **Employee Team Building**
- **Customized Individual Executive Coaching**



## NEOGOV SUPPORT SERVICES



RGS provides a suite of support services to make implementing and using NEOGOV software seamless. Our experienced professionals can set your team up for success, allowing them to focus on their core duties. Whether it is high-level guidance for implementation, full project management or hands-on-deck maintenance support, we have an array of offerings and personnel to suit your organization's current

needs. RGS also trains all levels of users, including empowering your team members to become your go-to NEOGOV trainers.



## PARTNER WITH RGS!

Contact us today to learn more about our services and partnership opportunities at 844.587.7300



### STRATEGIC PLANNING SERVICES

RGS supports cities, metropolitan planning organizations, special districts and other local governments in their efforts to create sustainable communities. Our consultants have direct experience resolving the unique challenges inherent in delivering consistent, high quality services in a cost-effective manner. RGS consultants also have experience incorporating considerations for establishing an economic base that supports local jobs and revenue generation. Strategic Plans help agencies prioritize their efforts, allocating both fiscal and human resources to achieve their mission, vision and goals. A Strategic Plan can build on past efforts and position agencies for future success; enabling all departments to have a clear understanding of their role in addressing short-term challenges and long-term needs. RGS offers a complete range of strategic planning options from those with community-wide involvement to more scaled down options for elected and/or appointed officials and staff. Our programs can also be adapted to include implementation plans for individual departments.

### ECONOMIC DEVELOPMENT

The RGS Economic Development Team provides a broad range of economic development services for cities, counties, universities and special districts throughout the West. The RGS Team has extensive experience in all aspects of economic development focused on setting the stage for business and revenue growth, enhancing community development priorities, strategic planning, scenario analysis, coordination and implementation.

The RGS Economic Development Team leverages modern data analytic tools to deliver meaningful insights for its client agency decision-makers. Our focus is advising clients on opportunities to initiate or enhance business and revenues, increase community vitality, strengthen local and regional economies, and set the stage for equitable and inclusive expansion. The RGS team is particularly attuned to the current challenges facing our communities including COVID and disaster recovery planning and implementation. As a full-service agency, RGS is also well positioned to provide comprehensive program implementation for select clients.

### FOR INQUIRIES

Chris Paxton  
Client Service Requests  
650.587.7300 x38  
cpaxton@rgs.ca.gov

### MANAGEMENT TEAM

Richard Averett  
Executive Director/CFO  
831.308.1508  
raverett@rgs.ca.gov

Sophia Selivanoff  
Deputy Executive Director  
Client Services  
650.587.7315  
sselivanoff@rgs.ca.gov



Regional Government Services (RGS) provides comprehensive finance management support to local government agencies. Public agencies, whether having a handful or dozens of administrative staff, often do not have enough financial planning and accounting resources to get everything done. There is just too much work, with budget development and tracking, audit, capital projects and on-going transactions consuming already strained resources. RGS provides professional-level to executive-level financial experience for day-to-day operations and long-range planning, as well as just the right amount of up-to-date financial technical experience to suit your agency's needs. Partnering with RGS for overall financial management services provides agencies with access to the sound strategic guidance and leadership needed in this critical area, along with experienced staff to perform daily operations – all without incurring the on-going costs required for additional in-house finance positions.

The RGS team has developed and implemented a broad range of programs, projects, and services for cities, counties, special districts, and Joint Powers Authorities throughout California. The RGS team has extensive experience in all aspects of public-sector financial management and accounting, including system-wide financial assessment program services; RDA successor issues, GASB reporting implementations, ERP implementation and development and implementation of legally-compliant and effective financial policies and procedures. RGS specializes in providing professional support for small to mid-sized agencies, serving as the finance management team or supplementing the agency's finance and accounting resources.

**Our areas of expertise include:**

- **Services that can be scoped and tailored to an agency's specific needs and priorities.**
- **Short-term assignments to provide capacity and expertise to finance departments in transition.**
- **Long-term support and outsourcing of operational functions (e.g. accounts payable, payroll).**
- **Finance department operational assessments.**
- **Internal control review to assess compliance with State Controller's Office requirements of agency management to maintain a controlled environment that averts fraud, losses and material financial reporting errors.**
- **Finance system analysis and needs assessments.**
- **Project management for operational initiatives and/or systems implementation.**
- **Full-service assessment of finance policies, procedures, practices, and compliance with ordinances, codes, GASB, and other guidelines.**
- **Fiscal policy development and implementation (e.g., long-term planning, resource allocation).**