

**March 8, 2023**

The Board of Directors of the Terra Bella Irrigation District met this day in regular session, the meeting was also teleconference from the District Office located at 24790 Avenue 95, Terra Bella, California.

**CALL TO ORDER**

President Wheaton called the meeting to order at 9:00 a.m.

**ATTENDANCE** participating in this meeting remotely and in person:

DIRECTORS PRESENT: Wheaton, Doyel, Galloway, Fowler

DIRECTORS ABSENT: Martinez

OTHERS PRESENT: Nick Keller, Consulting Engineer  
Albert Smith, District Operations Superintendent  
Ann Nelms, District Secretary-Treasurer  
Doug Jackson  
Kurt Parsons  
Luke Peltzer

**AGENDA – CONSIDER CHANGES OR ADDITIONS TO THE AGENDA**

No changes were made to the posted agenda.

**PUBLIC INPUT**

President Wheaton asked for public input. There was no public input.

**APPROVAL OF MINUTES**

M/S/U, Fowler, Doyel to approve the minutes of the February 8, 2023 regular meeting as mailed.

**AUTHORIZATION TO PAY BILLS** Review and discuss outstanding bills.

M/S/U Doyel, Fowler to authorize the Treasurer to pay all outstanding bills against the District as presented.

**MONTHLY REPORTS**

Treasurer Nelms reviewed with the Board the financial status of the District, including TBID Investment Policy Review in Compliance with SB 564 and SB 866. Included in the review; monthly statements from California Bank & Trust, Local Agency Investment Fund, Friant Power Authority revenue and expenditure summary worksheet. Delinquent water account report was reviewed and discussed.

TBID's balance sheet as of January 31, 2023 as well as Income Statements for the same period, including year-to-date statements were reviewed.

Albert Smith, Operations Superintendent, presented his monthly operating activities report for February 2023. Mr. Smith stated there were no accidents or injuries to report.

Equipment maintenance and repair included repacking pumps #1, #2 and #3 at station #4. Greased all pumps and motors at stations #1, #3 and #4. Well #77 is back up and running. Pump #9 at station #9 is back up and running. Operations maintenance and repair report included weeding and cleaned up at Stations #1, #3, and #4.

WTP average flow through the plant is around 300 gpm. First quarter THM's pulled.

The total precipitation is 13.22 inches YTD. USA locates: 13. Back flow's Tested: 13

Nick Keller updated the Board on the current water status for water year 2023-24, reporting the Bureau allocation is currently at 100%. Mr Keller reviewed the monthly water schedule with the Board and presented the monthly agency reports; discussion followed on canal repairs and the upcoming water supply.

**Fraint Water Authority** Discussion continued on the Middle Reach Correction project and construction repair progress, TBID is now tied back into the canal.

**Friant Power Authority** is working with PG&E on repairs to plant 1

**Status of Authorities; ESPA, DCTRA, ACWA & AECA:** Nothing new to report.

**Eastern Tule GSA** sent out a postcard to landowners regarding their transitional pumping supply and use by date.

**INVESTMENT POLICY – Review and consider affirming the TBID Guidelines for Local Agency Investments.**

Mr. Geivet explained the Board is required to annually adopt “Guidelines for Local Agency Investments”. The current policy was reviewed.

M/S/U, Galloway, Doyel to adopt the “Guidelines for Local Agency Investments” as follows:

TERRA BELLA IRRIGATION DISTRICT  
GUIDELINES FOR LOCAL AGENCY INVESTMENTS  
ADOPTED MARCH 8, 2023

**I. PURPOSE AND GOALS**

This statement is intended to outline the policies for maximizing the efficiency of the District's Cash Management System, for prudent investment of the District's funds, and to provide guidelines for suitable investments.

The ultimate goal is to enhance the economic status of the District while protecting its funds.

The District's Cash Management System is designed to accurately monitor and forecast expenditures and revenues, thus enabling the District to invest funds to the fullest extent possible. The District shall attempt to obtain the highest yield, provided that all investments meet the criteria established for safety and liquidity.

The investment policies and practices of the District are based upon Federal, State and Local law and prudent money management. The primary goals of these policies are:

1. To assure compliance with all Federal, State and Local laws governing the investment of monies under the control of the District's Treasurer or chief financial officer.
2. To protect the principal monies entrusted to this office.
3. To generate the maximum amount of investment income within the parameters of this Statement of Investment Policy and the guidelines for suitable investments.

**II. SCOPE**

All monies entrusted to the District will be pooled in an actively managed portfolio. The Investment Pool or "Portfolio" will be referred to as the "Fund" throughout the remainder of this document.

**III. OBJECTIVES**

**A. Safety of Principal**

Safety of principal is the foremost objective of the District. Each investment transaction shall seek to preserve the principal of the portfolio, whether from institutional default, broker-dealer default or erosion of market value of securities. The District shall seek to preserve principal by mitigating the two types of risk: credit risk and market risk.

Investments shall be undertaken in a manner which first seeks to ensure the preservation of principal in the Fund. The Treasurer or chief financial officer shall evaluate or cause to have evaluated each potential investment, seeking both quality in issuer and in underlying security or collateral and shall diversify the portfolio to reduce exposure to loss.

**1. Credit Risk**

Credit risk, defined as the risk of loss due to failure of an issuer of a security, shall be mitigated by investing in only very safe institutions and by diversifying the Fund so that the failure of any one issuer would not unduly harm the District's cash flow.

**2. Market Risk**

The risk of market value fluctuations due to overall changes in the general level of interest rates shall be mitigated by limiting the weighted average maturity of the District's Fund to five years or less. It is explicitly recognized herein, however, that in a diversified portfolio, occasional measured losses are inevitable, and must be considered within the context of the overall investment return.

**B. Liquidity**

Liquidity is the second most important objective. Investments shall be made whose maturity date is compatible with cash flow requirements and which can be easily and rapidly converted into cash without substantial loss of value.

**C. Return on Investment**

Investments shall be undertaken to produce an acceptable rate of return after first considering safety of principal and liquidity.

#### IV. PROHIBITED INVESTMENTS

Government Code 53601, as amended in 1995 by SB 866, Chapter 784 of the 1995 Statutes, prohibits a local agency from investing in any of the following:

"Inverse floaters, range notes, or interest only strips." Note: These are not defined in the Code.

Securities that could result in zero interest accrual if held to maturity. However, this limitation does not apply to shares of beneficial interest issued by diversified management companies registered under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1).

#### V. REPORTING REQUIREMENTS (Government Code Sec. 53646 as amended by SB 564, Chp. 783 of 1995 statutes)

If the District has placed all of its investments in the Local Agency Investment Fund, created by Section 16429.1 through 16429.3 of the Government Code, or in Federal Deposit Insurance Corporation-insured accounts in a bank or savings and loan association, or any combination of these, the Treasurer or chief fiscal officer will comply with Government Code Section 53646 by supplying to the governing body, chief executive officer and the auditor of the District the most recent statement or statements received by the District. For any other combination of investments, the requirements below apply.

- The report must be given quarterly, within 30 days after quarter end. However, the governing body of the District may elect to require the report specified in Sec. 53646 to be made on a monthly basis instead of quarterly.
- Contents of the report must include type, issuer, maturity date, par and dollar amount invested in all securities, market value weighted average, investments and monies held by the District. This includes any funds, investments or programs, including loans, that are under the management of contracted parties. The report must also state compliance of the Fund with the statement of investment policy, or the manner in which the Fund is not in compliance.
- Include a statement denoting the ability of the District to meet its expenditure requirements for the next six months or an explanation as to why sufficient money will not or may not be available. A subsidiary ledger of investments may be used in accordance with accepted accounting practices.
- The Treasurer or chief financial officer shall report whatever additional information or data may be required by the governing body of the District.

Luke Peltzer, Douglas Jackson, and Kurt Parsons departed from the Board room at 9:38 a.m.

**CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION** [Government Code Section 54956.9(d)(1)] *City of Fresno, et al. v. United States of America*, Court of Federal Claims, Case No. 16-1276L.

Adjourned into closed session at 9:38 a.m.

The Board of Directors met while in closed session pursuant to Government Code Section 54956.9(d)(1) to discuss the above-entitled action. Report Action Taken in Closed Session Required by Government Code Section 54957.1

The Board adjourned from closed session at 10:19 a.m.

President Wheaton reconvened the regular meeting at 10:19 a.m. and stated there was no reportable action taken during closed session.

#### **ITEMS TO BE DISCUSSED PURSUANT TO GOVERNMENT CODE SECTION 54954.2 (Relating to items not appearing on the agenda)**

None to report.

#### **ADJOURNMENT**

There being no further business before the Board of Directors, the meeting was adjourned at 10:19 a.m. by President Wheaton.

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Ann Nelms, Secretary