Please silence electronic devices while the meeting is in progress.

GOLDEN HILLS COMMUNITY SERVICES DISTRICT

BOARD OF DIRECTORS

AGENDA

FOR THE REGULAR MEETING

AUGUST 27, 2026

5:00 PM

21415 REEVES STREET

This meeting is being held in accordance with the Brown Act. Individuals may address the Board on any matter listed on this Agenda. Members of the audience desiring to address the Board must approach the podium and request recognition from the Board President. Presentation by the audience is limited to three minutes per Agenda item.

Any person with a qualifying disability under the Americans with Disabilities Act of 1990 may request that the District (1) make agendas available in appropriate alternative formats, and (2) provide a disability-related modification or accommodation, including auxiliary aids or services, to participate in any public meeting of the Board of Directors. A request for modification or accommodation shall be made in person, or by telephone, facsimile or written correspondence to the General Manager at the District's office at least ten days before the public meeting for which the modification or accommodation is requested. The District will attempt to accommodate people who make requests less than seven days before the public meeting.

Staff reports and other disclosable public records related to Open Session agenda items will be made available when complete if not otherwise accompanied with this agenda at the Golden Hills Community Services District office located at 21415 Reeves Street, Tehachapi, CA during business hours, Monday through Thursday, 7:00 a.m. to 5:30 p.m.

MISSION STATEMENT

To be interactive and responsive to the Golden Hills community and provide those services within our authority.

CLOSED SESSION – 5:00 P.M.

1. ROLL CALL:

Directors present:

Directors absent:

Others present:

2. CLOSED SESSION INPUT:

This portion of the meeting is set aside for members of the public to address any matter on the closed session portion of the agenda. Individuals desiring to address the Board must state their name before giving their presentation.

3. ADJOURN TO CLOSED SESSION:

Chair to reference Closed Session item(s) as presented on Agenda and then Board to adjourn to Closed Session.

Motion Director ___________________, seconded Director ___________________

A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:

Property address:	21415 Reeves Street
Agency negotiator:	Susan Wells
Party:	County of Kern
Under Negotiation:	Leasehold price and terms

B. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: [GOVERNMENT CODE § 54956.9(c)]

Initiation of Litigation, 1 potential case

OPEN SESSION – 6:00 P.M.

4. FLAG SALUTE:

Board and audience to recite the Pledge of Allegiance to the American Flag.

5. REPORTING ON CLOSED SESSION:

Report any action(s) taken during Closed Session.

6. PUBLIC COMMENTS:

This portion of the meeting is set aside for members of the public to address any matter not on this agenda, and over which the Board has jurisdiction. Individuals desiring to address the Board must state their name before giving their presentation.

The Brown Act prohibits the Board from discussing items raised during the Public Comments section that have not been placed on the Agenda.
Board members may, however, respond briefly to statements made or questions posed. They may ask a question for clarification, make a referral to staff for factual information, or request staff to report back to the Board at a later meeting. Also, the Board may take action to direct the staff to place a matter of business on a future agenda.

7. FINANCIAL REPORT:

Monthly financial reports to be presented to Board and public.

AGENDA ITEM 7

GOLDEN HILLS COMMUNITY SERVICES DISTRICT

MONTHLY FINANCIAL REPORT

JULY 31, 2026

Monthly Budget Comparison
Fund Summary
Fiscal Year 2026-2027 thru July 31, 2026
Budget Completion 8%

	Actuals	Adopted Budget	% of Budget Completion
Revenues			
Property Taxes and Assessments	-	559,150	0%
Permits and Fees	-	123,000	0%
Rent and Leases	5,652	145,327	4%
Charges for Services	23,271	3,665,075	1%
Interest Income and Other Revenues	15,222	209,000	7%
Total Revenues	**44,145**	**4,701,552**	**1%**
Expenses			
Salaries & Benefits	134,717	1,746,205	8%
General & Administrative	57,746	328,010	18%
System Operations	14,640	347,750	4%
Maintenance & Supplies	4,998	161,700	3%
Utilities	-	115,600	0%
Insurance	9,354	90,000	10%
Outside Services	3,257	172,450	2%
Total Operating Expenses	224,713	2,961,715	8%
Debt Service	7,710	254,398	3%
Capital Outlay/Transfer associated with revenues	-	1,208,134	0%
Total Capital Expenditures associated with revenues	7,710	1,462,532	1%
Expenses before Depreciation	232,422	4,424,247	5%
Net Increase (Decrease) before Depreciation	**(188,277)**	**277,305**	
Capital Outlay Paid with Reserves	-	1,058,750	0%
Depreciation	41,494	639,432	6%
Total Expenses	**273,916**	**6,122,429**	4%
Net Increase (Decrease) in Budget Comparison	(229,771)	(1,420,877)	

Monthly Budget Comparison
Fiscal Year 2026-2027 thru July 31, 2026 (8%)

	Actuals	Adopted Budget	% Act/Bud
Gen Fund Revenues	3,295	675,927	0%
Gen Fund Expenses	8,141	942,099	1%
Gen Fund Excess/(Deficit)	(4,846)	(266,172)	
Water Fund Revenues	39,133	3,863,775	1%
Water Fund Expenses	261,888	5,038,563	5%
Water Fund Excess/(Deficit)	(222,755)	(1,174,788)	
Funds Summary	(227,601)	(1,440,960)	

	Actuals	Adopted Budget	% Act/Bud
Maint Dist 1 Revenues	1,388	149,950	1%
Maint Dist 1 Expenses	3,888	136,567	3%
Maint Dist 1 Excess/(Deficit)	(2,500)	13,383	
Maint Dist 2 Revenues	330	11,900	3%
Maint Dist 2 Expenses	-	5,200	0%
Maint Dist 2 Excess/(Deficit)	330	6,700	
Funds Summary	(2,170)	20,083	
Total Fund Summary Excluding Depreciation	(188,277)	277,305	
Total Fund Summary Including Depreciation	(229,771)	(1,420,877)	

Monthly Budget Comparison
General Fund
Fiscal Year 2026-2027 thru July 31, 2026
Budget Completion 8%

	Actuals	Adopted Budget	% of Budget Completion
Revenues			
Property Taxes and Assessments	-	413,900	0%
Permits and Fees	-	83,000	0%
Rent and Leases	-	145,327	0%
Charges for Services	-	-	
Interest Income and Other Revenues	3,295	33,700	10%
Total Revenues	3,295	675,927	0%
Expenses			
Salaries & Benefits	1,608	193,365	1%
General & Administrative	1,364	29,720	5%
System Operations	9	1,200	1%
Maintenance & Supplies	465	60,500	1%
Utilities (Edison is behind a month)	-	11,300	0%
Insurance	935	9,000	10%
Outside Services	130	19,185	1%
Total Operating Expenses	4,512	324,270	1%
Debt Service	-	-	0%
Capital Outlay/Transfers	-	572,500	0%
Total Capital Expenditures	-	572,500	0%
Expenses before Depreciation	4,512	896,770	1%
Net Increase (Decrease) before Depreciation	**(1,217)**	**(220,843)**	
Depreciation	3,628	45,329	8%
Total Expenses	8,141	942,099	1%
Net Increase (Decrease) in Budget Comparison	(4,846)	(266,172)	

Monthly Budget Comparison
Water Fund
Fiscal Year 2026-2027 thru July 31, 2026
Budget Completion 8%

	Actuals	Adopted Budget	% of Budget Completion
Revenues			
Property Taxes and Assessments	-	1,000	0%
Permits and Fees	-	40,000	0%
Rent and Leases	5,652	-	0%
Charges for Services (Water Sales behind a month (Accruals))	23,271	3,665,075	1%
Interest Income and Other Revenues	10,209	157,700	6%
Total Revenues	39,133	3,863,775	1%
Expenses			
Salaries & Benefits	133,109	1,552,840	9%
General & Administrative	56,382	294,790	19%
System Operations	14,631	346,550	4%
Maintenance & Supplies	4,534	101,200	4%
Utilities (Edison is behind a month)	-	104,300	0%
Insurance	8,418	81,000	10%
Outside Services (Legal/Engineering behind a month)	3,126	130,315	2%
Total Operating Expenses	220,200	2,610,995	8%
Debt Service	3,822	139,081	3%
Capital Outlay/Transfer associated with revenues	-	635,634	0%
Total Capital Expenditures associated with revenues	3,822	774,715	0%
Expenses before Depreciation	224,022	3,385,710	7%
Net Increase (Decrease) before Depreciation	**(184,889)**	**478,065**	
Capital Outlay Paid with Reserves	-	1,058,750	
Depreciation	37,866	594,103	6%
Total Expenses	261,888	5,038,563	5%
Net Increase (Decrease) in Budget Comparison	(222,755)	(1,174,788)	

Monthly Budget Comparison
Maintenance District 1 Fund
Fiscal Year 2026-2027 thru July 31, 2026
Budget Completion 8%

	Actuals	Adopted Budget	% of Budget Completion
Revenues			
Property Taxes and Assessments	-	137,450	0%
Permits and Fees	-	-	
Rent and Leases	-	-	
Charges for Services	-	-	
Interest Income and Other Revenues	1,388	12,500	11%
Total Revenues	1,388	149,950	1%
Expenses			
Salaries & Benefits	-	-	
General & Administrative	-	3,500	0%
System Operations	-	-	
Maintenance & Supplies	-	-	
Utilities	-	-	
Insurance	-	-	
Outside Services	-	17,750	0%
Total Operating Expenses	-	21,250	0%
Debt Service	3,888	115,317	3%
Capital Outlay/Transfers		-	
Total Capital Expenditures	3,888	115,317	3%
Total Expenses	3,888	136,567	3%
Net Increase (Decrease) in Budget Comparison	(2,500)	13,383	

Monthly Budget Comparison
Maintenance District 2 Fund
Fiscal Year 2026-2027 thru July 31, 2026
Budget Completion 8%

	Actuals	Adopted Budget	% of Budget Completion
Revenues			
Property Taxes and Assessments	-	6,800	0%
Permits and Fees	-	-	
Rent and Leases	-	-	
Charges for Services	-	-	
Interest Income and Other Revenues	330	5,100	6%
Total Revenues	330	11,900	3%
Expenses			
Salaries & Benefits	-	-	
General & Administrative	-	-	
System Operations	-	-	
Maintenance & Supplies	-	-	
Utilities	-	-	
Insurance	-	-	
Outside Services	-	5,200	0%
Total Operating Expenses	-	5,200	0%
Debt Service	-	-	
Capital Outlay/Transfers	-	-	
Total Capital Expenditures	-	-	
Total Expenses	-	5,200	
Net Increase (Decrease) in Budget Comparison	330	6,700	

GOLDEN HILLS COMMUNITY SERVICE DISTRICT
MONTHLY FUND AND CASH ACCOUNTS
STATEMENT ACTIVITY SUMMARY
July 31, 2026

	6/30/2026 ENDING BALANCES	INCOME	EXPENSE	PAYROLL	ACCOUNT TRNSFR	ACCOUNT TRNSFR	7/31/2026 ENDING BALANCES
8367 GHCSD GENERAL FUND	14,484.55						14,484.55
8381 GHCSD OPERATIONS FUND	3.74						3.74
8395 GHCSD STANDBY	2,234.00						2,234.00
8410 GHCSD WATER BANKING REIMB	0.86						0.86
8422 GHCSD MD1 TAX ASSMT 3366	715.58						715.58
8435 GHCSD MD2 TAX ASSMT 3365	241.38						241.38
8448 GHCSD SANITATION	1.18						1.18
8462 GHCSD ON-SITE SEPTIC	0.74						0.74
8475 GHCSD CAPACITY	6.12						6.12
8488 GHCSD DRAINAGE	1.48						1.48
8501 GHCSD DISTRICT LANDS	0.74						0.74
8519 GHCSD GENERAL RESERVE	0.96						0.96
8532 GHCSD MD2 BOND ASSMT 3365	13,863.74						13,863.74
8545 GHCSD DELINQUENT ACCOUNTS	228.46						228.46
8559 GHCSD MD1 BOND ASSMT 3366	8,996.87						8,996.87
8573 GHCSD DISTRICT FACILITIES	7,988.70						7,988.70
8587 GHCSD OPERATIONS RESERVE	3.79						3.79
VSCU TRUST DEPOSITS	285,709.52	3,525.00	(3,625.00)				285,609.52
VSCU MANUAL DISBURSEMENTS FUND	131,277.75		(314,604.78)	110,000.00	161,481.51		88,154.48
VSCU KC TREASURER	170,093.14	337,666.94	(6,579.27)	(110,000.00)	(161,481.51)		229,699.30
VSCU SAVINGS/MEMBERSHIP FUND	5.00						5.00
US BANK - INVESTMENT FUND	3,754,210.84	18,918.85	(11,255.11)				3,761,874.58
CAMP- INVESTMENT FUND	1,984,713.51	6,375.45					1,991,088.96
US BANK - ROAD BOND MD1 REDEMPTION 1155	5,114.18	14.83					5,129.01
US BANK - ROAD BOND MD1 RESERVE 1156	119,968.39	347.84					120,316.23
US BANK - ROAD BOND MD1 PREPAY 1159	18.02	0.05					18.07
TOTAL	**$ 6,459,034.44**	**$ 366,848.96**	**$ (336,064.16)**	**$ -**	**$ -**	**$ -**	**$ 6,530,668.04**

GOLDEN HILLS COMMUNITY SERVICE DISTRICT
MONTHLY FUND AND CASH ACCOUNTS
STATEMENT SUMMARY
July 31, 2026

	7/31/2026 ENDING BALANCES	Water	Reserves	Land Maint	Maintenance Dist 1	Maintenance Dist 2
8367 GHCSD GENERAL FUND	14,484.55			14,484.55		
8381 GHCSD OPERATIONS FUND	3.74	3.74				
8395 GHCSD STANDBY	2,234.00	2,234.00				
8410 GHCSD WATER BANKING REIMB	0.86	0.86				
8422 GHCSD MD1 TAX ASSMT 3366	715.58				715.58	
8435 GHCSD MD2 TAX ASSMT 3365	241.38					241.38
8448 GHCSD SANITATION	1.18			1.18		
8462 GHCSD ON-SITE SEPTIC	0.74			0.74		
8475 GHCSD CAPACITY	6.12	6.12				
8488 GHCSD DRAINAGE	1.48			1.48		
8501 GHCSD DISTRICT LANDS	0.74			0.74		
8519 GHCSD GENERAL RESERVE	0.96			0.96		
8532 GHCSD MD2 BOND ASSMT 3365	13,863.74					13,863.74
8545 GHCSD DELINQUENT ACCOUNTS	228.46	228.46				
8559 GHCSD MD1 BOND ASSMT 3366	8,996.87				8,996.87	
8573 GHCSD DISTRICT FACILITIES	7,988.70	7,988.70				
8587 GHCSD OPERATIONS RESERVE	3.79		3.79			
VSCU TRUST DEPOSITS	285,609.52	285,609.52				
VSCU MANUAL DISBURSEMENTS FUND	88,154.48	88,154.48				
VSCU KC TREASURER	229,699.30	229,699.30				
VSCU SAVINGS/MEMBERSHIP FUND	5.00	5.00				
US BANK - INVESTMENT FUND	3,761,874.58	3,761,874.58				
CAMP- INVESTMENT FUND	1,991,088.96	534,390.11		1,033,609.41	320,134.77	102,954.67
US BANK - ROAD BOND MD1 REDEMPTION 1155	5,129.01				5,129.01	
US BANK - ROAD BOND MD1 RESERVE 1156	120,316.23				120,316.23	
US BANK - ROAD BOND MD1 PREPAY 1159	18.07				18.07	
TOTAL	**6,530,668.04**	**$ 4,910,194.87**	**$ 3.79**	**$ 1,048,099.06**	**$ 455,310.53**	**$ 117,059.79**

GOLDEN HILLS COMMUNITY SERVICE DISTRICT
MONTHLY FUND AND CASH ACCOUNTS
VIRTUAL STATEMENTS
July 31, 2026

	6/30/2026 ENDING BALANCES	CAMP US Bank INCOME	EXPENSES	KCT DAILY ACTIVITY	ACCOUNT TRNSFR	ACCOUNT TRNSFR	7/31/2026 ENDING BALANCES
8367 GHCSD GENERAL FUND	755,085.59	3,295.09	(680.99)	6,152.25	(936.14)		762,915.80
8381 GHCSD OPERATIONS FUND	429,296.59	9,389.37	(164,311.31)	174,239.92	(61,738.50)		386,876.07
8395 GHCSD STANDBY	90,846.35						90,846.35
8410 GHCSD WATER BANKING REIMB	74,790.74			7,506.89			82,297.63
8422 GHCSD MD1 TAX ASSMT 3366	130,512.99	1,025.07	(1,785.11)		1,785.11		131,538.06
8435 GHCSD MD2 TAX ASSMT 3365	33,669.33	329.66	(492.56)		664.56		34,170.99
8448 GHCSD SANITATION	161,559.11						161,559.11
8462 GHCSD ON-SITE SEPTIC	150.91						150.91
8475 GHCSD CAPACITY	2,072,832.64			7,980.00			2,080,812.64
8488 GHCSD DRAINAGE	63,890.16						63,890.16
8501 GHCSD DISTRICT LANDS	183.29						183.29
8519 GHCSD GENERAL RESERVE	59,399.79						59,399.79
8532 GHCSD MD2 BOND ASSMT 3365	82,888.80						82,888.80
8545 GHCSD DELINQUENT ACCOUNTS	54,266.62						54,266.62
8559 GHCSD MD1 BOND ASSMT 3366	198,309.16						198,309.16
8573 GHCSD DISTRICT FACILITIES	765,095.77			5,242.52			770,338.29
8587 GHCSD OPERATIONS RESERVE	814,747.40			26,545.36			841,292.76
	5,787,525.24	**14,039.19**	**(167,269.97)**	**227,666.94**	**(60,224.97)**	**-**	**5,801,736.43**

8. CONSENT CALENDAR:

All items listed on the Consent Calendar shall be considered routine and will be enacted upon by one roll call vote. There will be no separate discussion of these items unless a member of the Board or an audience member requests specific items to be removed from the Consent Calendar for separate action.

A. APPROVAL OF THE MINUTES FOR THE REGULAR MEETING OF THE GOLDEN HILLS CSD BOARD OF DIRECTORS HELD ON JULY 16, 2026
B. APPROVAL OF THE MINUTES FOR THE SPECIAL MEETING OF THE GOLDEN HILLS CSD BOARD OF DIRECTORS HELD ON JULY 23, 2026
C. APPROVAL OF THE MINUTES FOR THE SPECIAL MEETING OF THE GOLDEN HILLS CSD BOARD OF DIRECTORS HELD ON AUGUST 6, 2026
D. APPROVAL OF THE MINUTES FOR THE SPECIAL MEETING OF THE GOLDEN HILLS CSD BOARD OF DIRECTORS HELD ON AUGUST 20, 2026
E. RESOLUTION 26-24 EXPENSES OF THE DISTRICT
F. RESOLUTION 26-25 EXPENSES OF THE DISTRICT
G. RESOLUTION 26-26 EXPENSES OF THE DISTRICT
H. ACCEPT THE QUARTERLY INVESTMENT REPORT ENDING JUNE 30, 2026
I. APPROVE THE REVISED INVESTMENT POLICY.

STAFF RECOMMENDATION: Approve Consent Calendar.

Motion Director ________________, seconded Director ____________________

AGENDA ITEM 8A

GOLDEN HILLS COMMUNITY SERVICES DISTRICT

BOARD OF DIRECTORS

MINUTES FOR THE REGULAR MEETING
JULY 16, 2026
5:00 PM
21415 REEVES STREET

The GHCSD Board of Directors duly met for a Regular Meeting on July 16, 2026 at 21415 Reeves Street, Tehachapi, California.

OPEN SESSION: Convened at 5:00 PM

DIRECTORS PRESENT: David Benham, John Buckley, Matt Guggemos

DIRECTORS ABSENT: Joe King, Scott Wyatt

OTHERS PRESENT: Susan Wells, Interim General Manager; Davin Blain, Water Operations Manager; Brian Barnett, Business Analyst

2. CLOSED SESSION INPUT:

No Public Comment

3. ADJOURN TO CLOSED SESSION:

Director Guggemos referenced the items listed on the Agenda for Closed Session and advised the Board and public that these items would be discussed under Closed Session.

Motion to adjourn to Closed Session was made by Director Benham at 5:01 PM, seconded by Director Buckley and carried by the following vote:

AYES: Benham, Buckley, Guggemos

NOES: None

ABSTAIN: None

ABSENT: King, Wyatt

CLOSED SESSION – CONDUCTED IN THE CONFERENCE ROOM.

A. PUBLIC EMPLOYMENT

Government Code § 54957: General Counsel

Director King arrived during Closed Session at 5:10 PM. Motion to adjourn from Closed Session was made by Director Buckley at 5:59 PM, seconded by Director Guggemos and carried by the following vote:

AYES:	Benham, Buckley, Guggemos, King
NOES:	None
ABSTAIN:	None
ABSENT:	Wyatt

Director King left the meeting at this point.

OPEN SESSION 6:00 PM

4. FLAG SALUTE:

Board and audience recited the Pledge of Allegiance to the American Flag.

5. REPORTING ON CLOSED SESSION:

None

6. PUBLIC COMMENTS:

None

Director Guggemos pulled Agenda #13 to this point in the meeting

7. FINANCIAL REPORT:

Staff presented report on the District's financial statements.

8. CONSENT CALENDAR:

Motion to approve the consent calendar A-E was made by Director Buckley, seconded by Director Benham and carried by the following vote:

AYES:	Benham, Buckley, Guggemos
NOES:	None
ABSTAIN:	None
ABSENT:	King, Wyatt

9. GENERAL MANAGER'S REPORT:

General Manager provided a report to the Board and public.

10. RESOLUTION 26-20, APPROVING STANDBY OR AVAILABILITY CHARGES FOR FISCAL YEAR JULY 1, 2026, THROUGH JUNE 30, 2027:

Board approved for adoption Resolution 26-20, water standby or availability charges was made by Director Buckley, seconded by Director Benham and carried by the following vote:

AYES:	Benham, Buckley, Guggemos
NOES:	None
ABSTAIN:	None
ABSENT:	King, Wyatt

11. RESOLUTION 26-21, APPROVING THE GENERAL MANAGER'S REPORT AND PLACEMENT OF CHARGES AND PENALTIES DESCRIBED THEREIN ON THE TAX ROLL IN ACCORDANCE WITH GOVERNMENT CODE SECTION 61115(b):

Board approved for adoption Resolution 26-21, placement of charges and penalties described therein on the tax roll was made by Director Benham, seconded by Director Buckley and carried by the following vote:

AYES:	Benham, Buckley, Guggemos
NOES:	None
ABSTAIN:	None
ABSENT:	King, Wyatt

12. RESOLUTION 26-22 ORDERING AN ELECTION, REQUESTING COUNTY ELECTIONS DIVISION TO CONDUCT THE ELECTION, AND REQUESTING CONSOLIDATION OF THE ELECTION :

Board approved Resolution 26-22 to facilitate the General election on November 3, 2026 to fill two District Board of Directors seats and provide payment to the Kern County Election Division was made by Director Buckley, seconded by Director Benham and carried by the following vote:

AYES:	Benham, Buckley, Guggemos,
NOES:	None
ABSTAIN:	None
ABSENT:	King, Wyatt

13. JOINT PARTICIPATION WITH TEHACHAPI VALLEY RECREATION AND PARKS DISTRICT (TVRPD) IN THE MUD RUN

Board item was pulled from Agenda due to Ad Hoc Committee meeting with TVRPD before the meeting and agreeing not to hold the mud run.

14. COMMITTEE REPORTS:

A. STANDING COMMITTEES:

1) Finance – Director Guggemos gave a report
2) Personnel – No report given

B. REVIEW OF THE STANDING COMMITTEES.

None

C. AD HOC COMMITTEES:

1) Surrounding Community – No report given
2) Nature Park Activity Priorities – Director Buckley gave a report.
3) District Lands Revenue Generation – No report given
4) General Manager Recruitment – No report given.

D. REVIEW OF AD HOC COMMITTEES AND ASSIGNED OBJECTIVES.

None

15. NEW BUSINESS:

Request that the Director of Public Works attend a future Board meeting to discuss roads and paving.

16. ADJOURN MEETING:

Motion to adjourn meeting at 6:22 PM was made by Director Benham, seconded by Director Buckley and carried by the following vote:

AYES:	Benham, Buckley, Guggemos
NOES:	None
ABSTAIN:	None
ABSENT:	King, Wyatt

Respectfully submitted,

Susan Wells, Secretary

Approved:

Joe King, Chair

GOLDEN HILLS COMMUNITY SERVICES DISTRICT

BOARD OF DIRECTORS

MINUTES FOR THE REGULAR MEETING
JULY 23, 2026
5:00 PM
21415 REEVES STREET

The GHCSD Board of Directors duly met for a Regular Meeting on July 23, 2026 at 21415 Reeves Street, Tehachapi, California.

OPEN SESSION: Convened at 5:04 PM

DIRECTORS PRESENT: David Benham, John Buckley, Matt Guggemos, Joe King

DIRECTORS ABSENT: Scott Wyatt

OTHERS PRESENT: Susan Wells, Interim General Manager; Davin Blain, Water Operations Manager; Brian Barnett, Business Analyst

2. **FLAG SALUTE:**

Board and audience recited the Pledge of Allegiance to the American Flag.

3. **PUBLIC COMMENTS:**

None

4. **DISCUSS THE NATURE PARK PLAN DESIGN ADMINISTRATION, STAFF AND VENDOR ASSIGNMENTS, LOGISTICS, AND SET SCHEDULE FOR FUTURE MEETINGS FOR PARK PLAN DESIGN UPDATES AND PUBLIC OUTREACH.**

Board discussed the different Nature Park designs and what should be included for 4-Creeks to bring a developed concept and design at the next Board meeting. Meeting is scheduled for August 6 at 5:00 PM

5. ADJOURN MEETING:

Motion to adjourn meeting at 6:42 PM was made by Director Buckley, seconded by Director Guggemos and carried by the following vote:

AYES:	Benham, Buckley, Guggemos, King
NOES:	None
ABSTAIN:	None
ABSENT:	Wyatt

Respectfully submitted,

Approved:

Susan Wells, Secretary

Joe King, Chair

AGENDA ITEM 8C

GOLDEN HILLS COMMUNITY SERVICES DISTRICT

BOARD OF DIRECTORS

MINUTES FOR THE REGULAR MEETING
AUGUST 6, 2026
5:00 PM
21415 REEVES STREET

The GHCSD Board of Directors duly met for a Regular Meeting on August 6, 2026 at 21415 Reeves Street, Tehachapi, California.

OPEN SESSION: Convened at 5:02 PM

DIRECTORS PRESENT: David Benham, John Buckley, Matt Guggemos, Joe King

DIRECTORS ABSENT: Scott Wyatt

OTHERS PRESENT: Susan Wells, Interim General Manager; Davin Blain, Water Operations Manager; Brian Barnett, Business Analyst

2. **FLAG SALUTE:**

Board and audience recited the Pledge of Allegiance to the American Flag.

3. **PUBLIC COMMENTS:**

None

4. **DISCUSS THE NATURE PARK PLAN DESIGN ADMINISTRATION, STAFF AND VENDOR ASSIGNMENTS, LOGISTICS, AND SET SCHEDULE FOR FUTURE MEETINGS FOR PARK PLAN DESIGN UPDATES AND PUBLIC OUTREACH.**

Board discussed the different Nature Park designs and what should be included for 4-Creeks to bring a more developed concept and design at the next Board meeting. Meeting is scheduled for August 20 at 5:00 PM

Director Buckley left at this point in the meeting.

5. **BOARD TO HEAR STAFF UPDATE REGARDING THE DRILLING OF A TEST HOLE FOR THE NEW S3 WELL ON THE GOLDEN STAR PROPERTY.**

Board heard staff update on status of new well.

6. ADJOURN MEETING:

Motion to adjourn meeting at 6:53 PM was made by Director Benham, seconded by Director Guggemos and carried by the following vote:

AYES:	Benham, Guggemos, King
NOES:	None
ABSTAIN:	None
ABSENT:	Buckley, Wyatt

Respectfully submitted,

____

Susan Wells, Secretary

Approved:

____

Joe King, Chair

AGENDA ITEM 8D

GOLDEN HILLS COMMUNITY SERVICES DISTRICT

BOARD OF DIRECTORS

MINUTES FOR THE REGULAR MEETING
AUGUST 20, 2026
5:00 PM
21415 REEVES STREET

The GHCSD Board of Directors duly met for a Regular Meeting on August 20, 2026 at 21415 Reeves Street, Tehachapi, California.

OPEN SESSION: Convened at 5:01 PM

DIRECTORS PRESENT: David Benham, John Buckley, Matt Guggemos, Joe King

DIRECTORS ABSENT: Scott Wyatt

OTHERS PRESENT: Susan Wells, Interim General Manager; Davin Blain, Water Operations Manager; Brian Barnett, Business Analyst; Jason Watts, Timothy Jarvi, Christian Gonzales, Chase Gore – 4Creeks.

2. FLAG SALUTE:

Board and audience recited the Pledge of Allegiance to the American Flag.

3. PUBLIC COMMENTS:

None

4. DISCUSS THE NATURE PARK PLAN DESIGN ADMINISTRATION, STAFF AND VENDOR ASSIGNMENTS, LOGISTICS, AND SET SCHEDULE FOR FUTURE MEETINGS FOR PARK PLAN DESIGN UPDATES AND PUBLIC OUTREACH.

Board discussed the different Nature Park designs and what should be included for 4-Creeks to present a more developed concept and design during the next Special Board meeting scheduled for September 10, 2026, at 5:00PM.

Audience member Blair Budai spoke regarding the fitness equipment on the trails on Truxtun Ave in Bakersfield, suggesting the Board look closely at adding that kind of feature to the Nature Park during the planning process.

5. ADJOURN MEETING:

Motion to adjourn meeting at 6:20 PM was made by Director Guggemos, seconded by Director Buckley and carried by the following vote:

AYES:	Benham, Buckley, Guggemos, King
NOES:	None
ABSTAIN:	None
ABSENT:	Wyatt

Respectfully submitted,

Susan Wells, Secretary

Approved:

Joe King, Chair

AGENDA ITEM 8 2

RESOLUTION NO. 26-24

OF THE BOARD OF DIRECTORS

GOLDEN HILLS COMMUNITY SERVICES DISTRICT

BE IT RESOLVED that the expenses listed below have been reviewed and signed by at least one Director, and are hereby accepted as reported and executed through District's Valley Strong Credit Union Account.

GOLDEN HILLS FUND NO. 50270 - GENERAL FUND, PROPERTY TAX REVENUES

Karls Hardware	43.29
TOTAL FUND NO. 50270	**$43.29**

GOLDEN HILLS FUND NO. 50271 - WATER OPS REVENUE

BSK Associates	630.00
David Benham	400.00
John Buckley	400.00
Grapevine MSP	138.75
Matt Guggemos	400.00
Karls	82.78
Joe King	400.00
Napa	32.98
Navillus Enterprises	2079.52
T Mobile	388.58
Scott Wyatt	300.00
TOTAL FUND NO. 50271	**$5252.61**

GOLDEN HILLS FUND NO. 50275 – MD 2

Stradling	492.56
	$492.56

Passed and adopted at a regular meeting of the Board of Directors of the Golden Hills Community Services District on August 27, 2026, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

I hereby certify that the foregoing is a full, true, and correct copy of the resolution duly passed and adopted at a regular meeting of the Board of Directors of the Golden Hills Community Services District on August 27, 2026, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Susan Wells, Board Secretary

(DISTRICT SEAL)

AGENDA ITEM 8F

RESOLUTION NO. 26-25

OF THE BOARD OF DIRECTORS

GOLDEN HILLS COMMUNITY SERVICES DISTRICT

BE IT RESOLVED that the expenses listed below have been reviewed and signed by at least one Director, and are hereby accepted as reported and executed through District's Valley Strong Credit Union Account.

GOLDEN HILLS FUND NO. 50271 - WATER OPS REVENUE

ACWA	21744.59
Argo	3016.19
BSK Associates	546.40
Calcad	5940.00
Civicplus	350.00
Coastline	11893.48
Core and Main	5066.17
Customized Custodial	1475.00
Karls Hardware	321.69
Kern Co Enviro Health	397.00
Klein Denatale Goldner	4584.00
Napa	814.65
RLH	120.00
SDRMA	26880.31
The Tire Store	50.00
Tyler Technologies	39311.69

Vulcan	400.61
Waterly	4700.00
Zalco	200.00
TOTAL FUND NO. 50271	**$127811.78**

GOLDEN HILLS FUND NO. 50274 – MD 1

NBS	1785.11
	$1785.11

Passed and adopted at a regular meeting of the Board of Directors of the Golden Hills Community Services District on August 27, 2026, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

I hereby certify that the foregoing is a full, true, and correct copy of the resolution duly passed and adopted at a regular meeting of the Board of Directors of the Golden Hills Community Services District on August 27, 2026, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Susan Wells, Board Secretary

(DISTRICT SEAL)

AGENDA ITEM 8G

RESOLUTION NO. 26-26

OF THE BOARD OF DIRECTORS

GOLDEN HILLS COMMUNITY SERVICES DISTRICT

BE IT RESOLVED that the expenses listed below have been reviewed and signed by at least one Director, and are hereby accepted as reported and executed through District's Valley Strong Credit Union Account.

GOLDEN HILLS FUND NO. 50270 - GENERAL FUND, PROPERTY TAX REVENUES

Home Depot	637.70
TOTAL FUND NO. 50270	**$637.70**

GOLDEN HILLS FUND NO. 50271 - WATER OPS REVENUE

ACWA	1308.28
Brighthouse/Spectrum	422.06
Cintas	516.55
Core and Main	976.15
Home Depot	172.78
Karls Hardware	107.07
Navillus Enterprises	2112.33
Optimized Investment Partners	855.87
SCE	22271.51
The Tire Store	140.00

USA North	1295.46
Western Extermination	259.95
Witts	313.91
Zalco	495.00
TOTAL FUND NO. 50271	**$31246.92**

GOLDEN HILLS CC/MDF FUND – VALLEY STRONG

Total Credit Card Charges	5,519.51
Total Manual Checks	7,310.87
TOTAL CC/MDF FUND	**$12,830.38**

Passed and adopted at a regular meeting of the Board of Directors of the Golden Hills Community Services District on August 27, 2026, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

I hereby certify that the foregoing is a full, true, and correct copy of the resolution duly passed and adopted at a regular meeting of the Board of Directors of the Golden Hills Community Services District on August 27, 2026, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Susan Wells, Board Secretary

(DISTRICT SEAL)

GOLDEN HILLS CSD
MDF & CREDIT CARD ACTIVITY
JULY 31, 2026

GOLDEN HILLS MANUAL DISBURSEMENT FUND (MDF) – VALLEY STRONG

Credit Card Charges

Total Credit Card Charges	**5,519.51**

Manual Disbursements

Total Manual Disbursements	**7,310.87**
TOTAL CREDIT CARD & MANUAL DISBURSEMENTS–MDF FUND	**12,830.38**

AUTHORIZED SIGNATURES:

DAVID BENHAM, BOARD MEMBER	DATE
JOHN BUCKLEY, BOARD MEMBER	DATE
MATT GUGGEMOS, BOARD MEMBER	DATE
JOE KING, BOARD MEMBER	DATE
SCOTT WYATT, BOARD MEMBER	DATE
GENERAL MANAGER	DATE
FINANCIAL VERIFICATION BY	DATE
DATA VERIFICATION BY	DATE
RESOLUTION PREPARED BY	DATE

GOLDEN HILLS MANUAL DISBURSEMENT FUND (MDF) – VALLEY STRONG

Credit Card Charges

Microsoft	Microsoft Office	184.80
Microsof	Microsoft Office	29.40
Albertsons	Safety Cards	335.70
Amazon	Coffee	40.95
Amazon	Phone Cord	10.81
RTIC	Mugs and Tumblers	601.92
Costco	Water and Snacks	213.34
Microsoft	Microsoft Office	3.25
Amazon	Phone Case/Protector	71.41
Ring Central	Office Phones	270.67
Chipotle	Lock off Lunch	159.52
Albertson	Finance Snack	12.00
Jersey Mikes	Board Meal	83.62
Wal Mart	Board Meal	10.00
Mad Duck	Board Meal	93.72
Marriot	CSDA Conference	182.41
PaperRolls	Crayons for Ghoulden Hills	144.60
Peacock Powder	Color Run Powder	264.00
Crown Awards	Ghoulden Hills Awards	3.91
Crown Awards	Ghoulden Hills Awards	103.88
Amazon	Letter Router Template	51.94
Amazon	Long Sleeve Safety Shirts	93.08
Lands End	Shirts for Staff	444.87

Lands End	Shirts for Staff	155.57
Amazon	Polaris Pump	64.29
Tornado Parts	John Deere Seat	255.42
Linx Up	Vehicle Tracking	284.96
Sim Sanitation	Porta Potties for Nature Park	254.47
J Torres	Dumping 40 Yd Roll off Bin	365.00
J Torres	Dumping 40 Yd Roll off Bin	365.00
J Torres	Dumping 40 Yd Roll off Bin	365.00
Total Credit Card Charges		**5,519.51**

Manual Disbursements

Kern County Recorder	Release of Lien	20.00
Kern County Recorder	Release of Lien	26.00
Kern County Recorder	Release of Lien	26.00
Gregory Medina	Boot Reimbursement	227.27
Susan Wells	July Expense Report	991.69
Golden Hills CSD	Check for COBRA	164.82
Grand Canyon University	Scholarship	1250.00
Mariana Newman	Overpayment on Account	27.33
John Fowler	Overpayment on Account	3.56
Kern County Recorder	Lien Recording	26.00
Howard Miller	Overpayment on Account	19.66
Javier Anguiano	Overpayment on Account	200.12
Edward Perry	Overpayment on Account	2.63
Micheal/Denise Slankard	Overpayment on Account	204.20
Rebecca Johnson	Overpayment on Account	891.23

Tehachapi Homes	Overpayment on Account	407.28
Curtis Del Rio	Overpayment on Account	34.32
Jose Ramirez	Overpayment on Account	42.72
George Hartman	Overpayment on Account	19.61
Announce Solutions	IT Services	1,212.50
Insight	New Computer for Board Room	1,513.93
Total Manual Disbursements		**7,310.87**
TOTAL CREDIT CARD & MANUAL DISBURSEMENTS–MDF FUND		**12,830.38**

AGENDA ITEM 8H

GOLDEN HILLS
COMMUNITY SERVICES DISTRICT
FINANCE DEPARTMENT

DATE: **July 21, 2026**

TO: Board of Directors

FROM: Brian Barnett

SUBJECT: INVESTMENT REPORT FOR THE QUARTER ENDED JUNE 30, 2026

Attached for your information is the quarterly report of investments as of JUNE 30, 2026.

The total cash and investment portfolio book value (cost) held by the District as of JUNE 30, 2026 was $6,394,608.

The cash and investments held by the District include the following components: Managed Investment Portfolio ($3,777,826), Kern County Pool ($7,924), California Asset Management Program (CAMP) Pooled Investment Fund ($1,984,714), Cash/Time Deposits ($587,218), and accrued interest on investments ($36,927). *(Earned interest is the interest earned on investments over a specific time period, accrued interest is the interest that an investment has earned, but hasn't yet been received, and paid interest is the interest that has already been received as payment).*

Cash and investments held by the District and the trustees continue to be invested in accordance with the Government Code and the District Investment Policy.

During the quarter, one Certificate of Deposit was purchased for $244,000.

Two-year Treasuries were yielding 3.79% at the beginning of the quarter and ended the quarter at 4.14%, which was an increase of 35 basis points for the quarter.

As of JUNE 30, 2026, the Weighted Yield to Maturity on the Managed Investment Portfolio was 3.83%.

At the end of this quarter, the Weighted Average Maturity of the Managed Investment Portfolio was 2.37 years.

Golden Hills Community Services District
Summary of Cash and Investments for the Quarter Ended June 30, 2026

Portfolio Assets	Par Value (1)	Market Value (2)	Book Value (3)	% of Portfolio
Cash & Investments Held by District				
Investment Portfolio				
Managed Investments				
U.S. Bank Custodial Cash Account	$ 79,227	$ 79,227	$ 79,227	1.25%
U.S. Treasury Bill/ Note	1,500,000	1,466,458	1,467,009	23.07%
Federal Agency Bond	1,000,000	992,438	1,003,590	15.79%
Certificate of Deposit	1,228,000	1,216,089	1,228,000	19.32%
Managed Investments Subtotal	**$ 3,807,227**	**$ 3,754,211**	**$3,777,826**	**59.42%**
Pooled Investments				
CAMP	1,984,714	1,984,714	1,984,714	31.22%
Kern County Investment Pool	7,924	7,924	7,924	0.12%
Pooled Investments Subtotal	**$ 1,992,638**	**$ 1,992,638**	**$1,992,638**	**31.34%**
Investment Portfolio Subtotal	**$ 5,799,865**	**$ 5,746,848**	**$5,770,463**	**90.76%**
Cash/Time Deposits	$ 587,218	$ 587,218	$ 587,218	9.24%
Funds Available for Investment	**$ 6,387,083**	**$ 6,334,066**	**$6,357,681**	**100.00%**
Accrued Interest	$ 36,927	$ 36,927	$ 36,927	
Total Cash & Investments Held by District	**$ 6,424,009**	**$ 6,370,993**	**$6,394,608**	

Notes:

1. Par value is the principal amount of the investment on maturity.
2. Market values contained herein are received from sources we believe are reliable; however, we do not guarantee their accuracy.
3. Book value is par value of the security plus or minus any premium or discount on the security.
4. Kern County Pool data is as of 5/31/2026 due to delays with Kern County providing June data.

9358

00- -M -UC-UU -182-04
0596476-00-02387-04

QUESTIONS?
If you have any questions regarding your account or this statement, please contact your Administrator.

MARQUES MCNIESE
CN-OH-W5IT
425 WALNUT ST. 5TH FLOOR
CINCINNATI OH 45202
Phone 513-632-4147
E-mail marques.mcniese@usbank.com

Portfolio Manager:
TS CIN RC #4 - MANUAL
CN-OH-W6TC

ACCOUNT NUMBER: 001051018219
GOLDEN HILLS COMMUNITY SERVICES DISTRICT

This statement is for the period from June 1, 2026 to June 30, 2026

000638203982483 S
GOLDEN HILLS COMMUNITY SERVICES
DISTRICT
21415 REEVES ST.
TEHACHAPI, CA 93561

usbank

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9358

00- -M -UC-UU -182-04
0596476-00-02387-04

GOLDEN HILLS COMMUNITY SERVICES DIST
ACCOUNT NUMBER: 001051018219

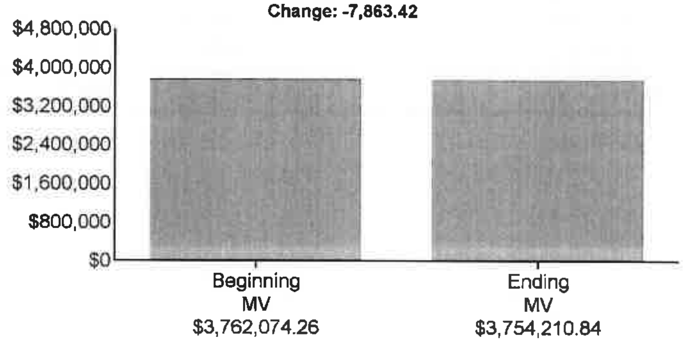
June 1, 2026 to June 30, 2026

MARKET VALUE SUMMARY

	Current Period 06/01/26 to 06/30/26	Year-to-Date 01/01/26 to 06/30/26
Beginning Market Value	**$3,762,074.26**	**$3,728,546.22**
Taxable Interest	814.20	65,558.87
Taxable Dividends	213.13	969.44
Fees and Expenses	-125.00	-750.00
Long Term Gains/Losses		6,109.00
Change in Investment Value	-8,765.75	-46,222.69
Ending Market Value	**$3,754,210.84**	**$3,754,210.84**

Current Period 06/01/26 to 06/30/26

Change: -7,863.42



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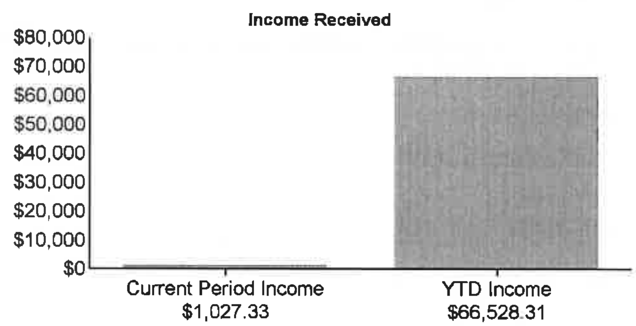
GOLDEN HILLS COMMUNITY SERVICES DIST
ACCOUNT NUMBER: 001051018219

June 1, 2026 to June 30, 2026

INCOME SUMMARY

	Income Received Current Period	Income Received YTD
Taxable Interest	814.20	65,558.87
Taxable Dividends	213.13	969.44
Total Current Period Income	**$1,027.33**	**$66,528.31**



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GOLDEN HILLS COMMUNITY SERVICES DIST
ACCOUNT NUMBER: 001051018219

June 1, 2026 to June 30, 2026

ASSET DETAIL (continued)

Security Description / Shares/Face Amt	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Percent of Total Portfolio	Estimated Annual Income	Estimated Current Yield
U S Treasury Note - 91282CGT2 3.625 03/31/2028							
250,000.000	99.0860	247,715.00	248,593.75	-878.75	6.6	9,062.50	3.66
U S Treasury Note - 91282CHQ7 4.125 07/31/2028							
250,000.000	99.9300	249,825.00	252,739.75	-2,914.75	6.7	10,312.50	4.13
Federal Farm Credit Bks - 3133ERXR7 3.875 10/16/2028							
250,000.000	99.1620	247,905.00	250,596.25	-2,691.25	6.6	9,687.50	3.91
U S Treasury Note - 91282CEE7 2.375 03/31/2029							
250,000.000	95.3910	238,477.50	235,242.25	3,235.25	6.4	5,937.50	2.49
U S Treasury Note - 91282CFC0 2.625 07/31/2029							
250,000.000	95.5780	238,945.00	236,934.00	2,011.00	6.4	6,562.50	2.75
U S Treasury Note - 91282CGS4 3.625 03/31/2030							
250,000.000	98.0630	245,157.50	250,447.50	-5,290.00	6.5	9,062.50	3.70
Federal Farm Credit Bks - 3133ETB89 3.750 10/01/2030							
250,000.000	98.2050	245,512.50	251,445.00	-5,932.50	6.5	9,375.00	3.82
Total US Government Issues		**$2,458,895.00**	**$2,470,598.75**	**-$11,703.75**	**65.5**	**$87,712.50**	

Corporate Issues

Security Description / Shares/Face Amt	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Percent of Total Portfolio	Estimated Annual Income	Estimated Current Yield
Valley Natl Bk - 919853PK1 C D 3.900 10/22/2026							
245,000.000	99.9320	244,833.40	245,000.00	-166.60	6.5	9,555.00	3.90

ASSET DETAIL MESSAGES (continued)

Publicly traded assets are valued in accordance with market quotations or valuation methodologies from financial industry services believed by us to be reliable. Assets that are not publicly traded may be reflected at values from other external sources. Assets for which a current value is not available may be reflected at a previous value or as not valued, at par value, or at a nominal value. Values shown do not necessarily reflect prices at which assets could be bought or sold. Values are updated based on internal policy and may be updated less frequently than statement generation.

You can exclude a participating bank from holding your deposits in the Liquidity Plus program by directing U.S. Bank to remove the bank from the Bank List. See usbank.com/LiquidityPlus to obtain the current Bank List and Opt-Out Form.

****Your U.S. Bank Liquidity Plus Program as of 06/30/2026 was allocated as follows:**

Total Balance $79,227.12

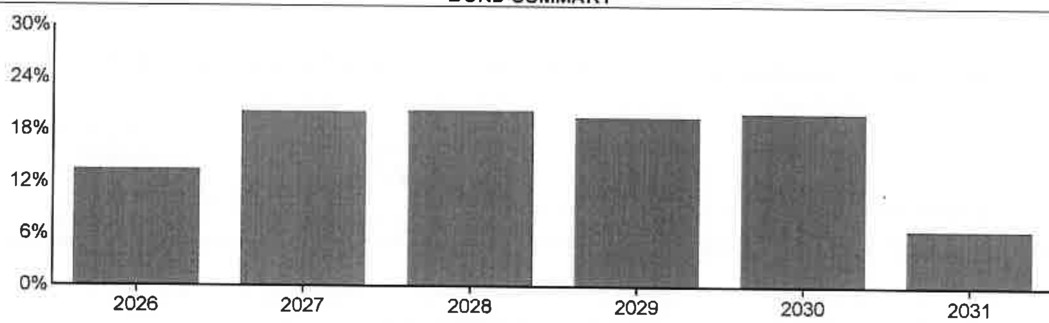
Bank Name	Balance
State Bank of the Lakes, N.A.	$21.22
Pacific National Bank	$77.91
First Bank - MO	$63.88
CCBank	$14.29
Macatawa Bank, N.A. (Wintrust	$79,042.65
Old Plank Trail Community Ban	$7.17

Excluded Bank Name
None

usbank

GOLDEN HILLS COMMUNITY SERVICES DIST
ACCOUNT NUMBER: 001051018219

BOND SUMMARY



	Par Value	Market Value	Percentage of Category
MATURITY			
2026	495,000.00	494,833.40	13.47
2027	745,000.00	739,291.75	20.12
2028	750,000.00	745,445.00	20.28
2029	745,000.00	718,563.75	19.55
2030	749,000.00	735,033.62	20.00
2031	244,000.00	241,816.20	6.58
Total of Category	**$3,728,000.00**	**$3,674,983.72**	**100.00**
MOODY'S RATING			
Aa1	2,500,000.00	2,458,895.00	66.91
NOT RATED	1,228,000.00	1,216,088.72	33.09
Total of Category	**$3,728,000.00**	**$3,674,983.72**	**100.00**

AGENDA ITEM 8I

GOLDEN HILLS COMMUNITY SERVICES DISTRICT

GOLDEN HILLS COMMUNITY SERVICES DISTRICT

INVESTMENT POLICY

DRAFT FOR BOARD REVIEW

Based on the currently adopted policy (Resolution No. 24-30, adopted 9/19/24)

DRAFT

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POLICY

The Golden Hills Community Services District (District) shall invest public funds in such a manner as to comply with state and local laws; ensure prudent money management; provide for daily cash flow requirements; and meet the objectives of the Policy, in priority order of Safety, Liquidity and Return on investment.

SCOPE

This investment policy applies to all investment activities and financial assets of the Golden Hills Community Services District as accounted for in the Annual Comprehensive Financial Report (ACFR). This policy is applicable, but not limited to, all funds listed below:

- Enterprise Fund
- General Fund
- Capital Funds
- Other Special Revenue Funds, Debt Service Funds, Internal Service Funds
- Any new fund created by the Board of Directors unless specifically exempted.

PRUDENCE

The standard of prudence to be used by the designated representative shall be the "prudent investor" standard and shall be applied in the context of managing the overall portfolio. Persons authorized to make investment decisions on behalf of local agencies investing public funds are trustees and therefore fiduciaries subject to the prudent investor standard which states, "When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency".

The General Manager and other individuals assigned to manage the investment portfolio, acting within the intent and scope of the investment policy and other written procedures and exercising due diligence, shall be relieved of personal responsibility and liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

OBJECTIVES

The District's primary investment objectives, in order of priority, shall be:

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.

The District shall seek to preserve principal by mitigating the two types of risk: credit risk and market risk.

a. Credit risk, defined as the risk of loss due to failure of the issuer of a security, shall be mitigated by investing in issuers that carry the direct or implied backing of the U.S. Government (including, but not limited to, the U.S. Treasury, U.S. Government Agencies, and federally insured banks). The portfolio will be diversified so that the failure of any one issuer does not unduly harm the District's capital base and cash flow.

b. Market risk, (aka "interest rate risk") defined as market value fluctuations due to overall changes in the general level of interest rates shall be mitigated by limiting the maximum maturity of any one security to five years, structuring the portfolio based on historic and current cash flow analysis eliminating the need to sell securities prior to maturity and avoiding the purchase of long-term securities for the sole purpose of short-term speculation. Moreover, it is the District's full intent, at the time of purchase, to hold all investments until maturity to ensure the return of all invested principal dollars. Limited exceptions will be granted for security swaps that would improve the portfolio's yield and/or credit quality.

2. Liquidity: The District's investment portfolio will remain sufficiently liquid to enable the Golden Hills Community Services District to meet all operating requirements which might be reasonably anticipated.

3. Return on Investments: The District's investment portfolio shall have the objective of attaining a comparative performance measurement or an acceptable rate of return throughout budgetary and economic cycles. These measurements should be commensurate with the District's investment risk constraints identified in this investment policy and the cash flow characteristics of the portfolio.

DELEGATION OF AUTHORITY

The Board of Directors of the Golden Hills Community Services District assign the responsibility of investing unexpended cash to the General Manager and/or the Business Analyst. Daily management responsibility of the investment program is delegated to the Business Analyst, who shall establish procedures for the operation consistent with this investment policy.

ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that conflicts with proper execution of the investment program or impairs their ability to make impartial investment decisions. Additionally, the General Manager and/or the Business Analyst are required to annually file applicable financial disclosures as required by the Fair Political Practices Commission (FPPC). Furthermore, Investment officials must refrain from undertaking personal investment transactions with the same individual(s) employed by the financial institution with whom business is conducted on behalf of the District.

AUTHORIZED DEALERS AND INSTITUTIONS

The General Manager will maintain a list of approved financial institutions authorized to provide investment services to the District in the State of California. These may include "primary" dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule).

Best practices include the following:

1) A determination that all approved broker/dealer firms, and individuals covering the public agency, are reputable and trustworthy;

2) the broker/dealer firms should have the ability to meet all their financial obligations in dealing with the District;

3) the firms, and individuals covering the agency, should be knowledgeable and experienced in Public Agency investing and the investment products involved;

4) no public deposit shall be made except in a qualified public depository as established by the established state laws;

5) all financial institutions and broker/dealers who desire to conduct investment transactions with the District may supply the General Manager with audited financial statements, proof of FINRA certification, trading resolution, proof of State of California registration, a completed broker/dealer questionnaire, certification of having read the District's investment policy and depository contracts.

The General Manager may conduct an annual review of the financial condition and registrations of qualified dealers & institutions.

AUTHORIZED AND SUITABLE INVESTMENTS

Investment of District funds is governed by the California Government Code Sections 53600 et seq. Within the context of the limitations, the following investments are authorized, as further limited herein:

1. United States Treasury Bills, Bonds, and Notes or those for which the full faith and credit of the United States are pledged for payment of principal and interest. There is no percentage limitation of the portfolio that can be invested in this category, although a five-year maturity limitation is applicable.

2. 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.

3. Local Agency Investment Fund (LAIF), which is a State of California managed investment pool, and Kern County Investment pool, may be used up to the maximum permitted by California State Law. A

review of the pool/fund is required when part of the list of authorized investments, with the knowledge that the pool/fund may include some investments allowed by statute but not explicitly identified in this investment policy.

Additionally, shares of beneficial interest issued by a joint powers authority (JPA) organized pursuant to CA Code (Section 6509.7) that invests in the securities and obligations in compliance with CA Code 53601 (subsection 'a' to 'r', inclusive) are also authorized. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the JPA. To be eligible under this section, the JPA issuing the shares shall have retained an investment adviser that meets all of the following criteria:

- The adviser is registered or exempt from registration with the Securities and Exchange Commission.
- The adviser has not less than five years of experience investing in the securities and obligations authorized in CA Code (subsection 'a' to 'r', inclusive).
- The adviser has assets under management in excess of five hundred million dollars ($500,000,000).

4. Negotiable Certificates of Deposit issued by nationally or state-chartered banks (FDIC insured institutions) or state or federal savings institutions. Purchases of negotiable certificates of deposit may not exceed thirty percent (30%) of total portfolio. Principal and accrued interest on these investments must not exceed the $250,000 FDIC insurance limit. A maturity limitation of five years is applicable.

~~5. Time deposits or placement service deposits, non-negotiable and collateralized in accordance with the California Government Code, may be purchased through banks or savings and loan associations. Since time deposits are not liquid, no more than fifty percent (50%) of the investment portfolio may be invested in this investment type. A maturity limitation of five years is applicable. Effective January 1, 2020, no more than fifty percent (50%) of the District'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 thirty percent 30%. Investments made pursuant to 53635.8 remain subject to a maximum of thirty percent (30%) of the portfolio.~~

5. Time deposits or placement service deposits, non-negotiable and collateralized in accordance with California Government Code § 53601.8, may be purchased through banks, savings and loan associations, or federally insured credit unions.
Deposits placed through a private-sector placement service shall not exceed fifty percent (50%) of the agency's total investment portfolio at the time of purchase, as permitted under Government Code § 53601.8. Principal and accrued interest shall be fully insured by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Administration (NCUA), or collateralized in accordance with state law. Negotiable certificates of deposit authorized under Government Code § 53601(i) are excluded from this limitation. This authority remains in effect through January 1, 2031, unless extended by further legislative action.

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6. Various daily money market funds administered for or by trustees, paying agents and custodian banks contracted by the Golden Hills Community Services District may be purchased as allowed under the State of California Government Code. Only funds holding U.S. Treasury or Government agency obligations can be used.

7. 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 subdivision shall be rated in a rating category of "A" or its equivalent or better by an NRSRO. Purchases of medium-term notes shall not include other instruments authorized by this section and shall not exceed 30 percent of the agency's moneys that may be invested pursuant to this section. A local agency, other than a county or a City and a county, may invest no more than 10 percent of its total investment assets in the commercial paper and the medium-term notes of any single issuer.

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8. **53601(a)** Bonds issued by the local agency, 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.

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9. **53601(c)** State warrants or treasury notes/bonds-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.

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10. **53601(d)** 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.

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11. **53601(e)** Bonds, notes, warrants, or other evidences of indebtedness of a 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.

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The following summary of maximum percentage limits, by instrument, are established for the District's investment portfolio:

Authorized Investment Type	Government Code	Maximum Maturity	Minimum Credit Quality	Maximum in Portfolio	Maximum Investment in One Issuer
Treasury Obligations (bills, notes, & bonds)	53601(b)	5 Years	N/A	100%	N/A

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Authorized Investment Type	Government Code	Maximum Maturity	Minimum Credit Quality	Maximum in Portfolio	Maximum Investment in One Issuer
US Government Agency and Federal Agency Securities	53601(f)	5 Years	N/A	100%	N/A
Local Agency Investment Fund (LAIF)	16429.1	Upon Demand	N/A	As permitted by LAIF ~~(currently $65 million per account)~~	N/A
Kern County Investment Pool	53684	Upon Demand	N/A	As permitted by County Treasurer (currently no limit)	N/A
Joint Powers Authority Pool	53601(p)	N/A	See § 8.3 (above)	None	N/A
Negotiable Certificates of Deposit	53601(i)	5 Years	N/A	30%	N/A
Placement Service Deposits	53601.8 and 53635.8	5 Years	N/A	50%	N/A
Medium-term notes	53601(k)	5 Years	"A" or its equivalent or better by an NRSRO	30%	10%
Bonds issued by the local agency	53601(a)	5 Years	N/A	N/A	N/A
State warrants or treasury notes/bonds	53601(c)	5 Years	N/A	N/A	N/A
Registered treasury notes or bonds of any of the other 49 states, including California	53601(d)	5 Years	N/A	N/A	N/A
Bonds, notes, warrants, or other evidences of indebtedness of a local agency within California	53601(e)	5 Years	N/A	N/A	N/A

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REVIEW OF INVESTMENT POLICY

The securities held by the Golden Hills Community Services District must be in compliance with Section "Authorized and Suitable Investments" at the time of purchase. The General Manager should review the portfolio (at least annually) to identify those securities that do not comply.

The General Manager should establish procedures to report any major and critical incidences of noncompliance identified through the review of the portfolio.

INVESTMENT POOLS / MONEY MARKET FUNDS

A thorough investigation of the investment pool/money market fund is required prior to investing, and on a continual basis. Best efforts will be made to acquire the following information:

- A description of eligible investment securities, and a written statement of investment policy and objectives.
- A description of interest calculations and how it is distributed, and how gains and losses are treated.
- A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
- A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
- A schedule for receiving statements and portfolio listings.
- Are reserves, retained earnings, etc. utilized by the pool/fund?
- A fee schedule, and when and how is it assessed.
- Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

COLLATERALIZATION

Collateralization will be required on two types of investments: non-negotiable certificates of deposit and repurchase (and reverse repurchase) agreements. To anticipate market changes and provide a level of security for all funds, the collateralization level will be 110% of market value for non-negotiable certificate of deposit and 102% for reverse repurchase agreements of principal and accrued interest.

Collateral will always be held by an independent third party with whom the entity has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the entity and retained.

The District may waive the collateralization requirements for any portion of the deposit that is covered by Federal Deposit Insurance.

SAFEKEEPING AND CUSTODY

All security transactions shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third-party custodian designated by the Treasurer and evidenced by safekeeping receipts.

DIVERSIFICATION

The District shall diversify the investments within the portfolio to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions, or maturities. To promote diversification, no more than five percent (5%) of the portfolio may be invested in the securities of any one issuer, regardless of security type, excluding U.S. Treasuries, federal agencies, and pooled investments such as LAIF, money market funds, or local government investment pools.

MAXIMUM MATURITIES

To the extent possible, the Golden Hills Community Services District will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the District will not directly invest in securities maturing more than 5 years from the date of purchase. Any investment longer than 5 years must be done with advance permission from the Board of Directors.

INTERNAL CONTROLS

The General Manager is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Golden Hills Community Services District are protected from loss, theft, fraud or misuse.

Separation of functions between the District's General Manager and Business Analyst is designed to provide an ongoing internal review to prevent the potential for converting assets or concealing transactions.

Investment decisions are made by the General Manager, executed by the Business Analyst and confirmed by both the General Manager and Business Analyst. All wire transfers initiated by the Business Analyst must be reconfirmed by the appropriate financial institution to the General Manager. Proper documentation obtained from confirmation and cash disbursement wire transfers is required for each investment transaction. Timely bank reconciliation is conducted to ensure proper handling of all transactions.

The investment portfolio and all related transactions are reviewed and balanced to appropriate general ledger accounts by the Business Analyst on a monthly basis. An independent analysis by an external auditor shall be conducted annually to review and perform procedure testing on the District's cash and investments that have a material impact on the financial statements. The General Manager shall review and assure compliance with investment process and procedures.

PERFORMANCE STANDARDS

~~The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs.~~

~~The District intends to spread its investments relatively evenly between 0 and 5 years and hold those investments to maturity. The District is limiting its authorized investments to the safest end of the investment spectrum—debt issued by the U.S. Treasury, U.S. Government Agencies, and debt that is federally insured (see section Authorized and Suitable Investments, above, for a complete list of authorized investments).~~

~~Therefore, an appropriate performance benchmark will be a Constant Treasury Maturity Rate consistent with the weighted average maturity of the portfolio. The District recognizes that benchmarks may change over time based on changes in market conditions or cash flow requirements.~~

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs. The District intends to spread its investments relatively evenly between 0 and 5 years and hold those investments to maturity. Therefore, an appropriate performance benchmark will be a market-based index or blended benchmark that reflects the portfolio's actual composition and weighted average maturity. This may include Treasury indices, government/credit indices, or other publicly available benchmarks consistent with the investment types authorized in the District's policy. The selected benchmark shall be reviewed periodically and adjusted as needed to remain aligned with the District's investment objectives and evolving portfolio structure.

REPORTING

The General Manager shall review and render quarterly reports to the Board of Directors that include the following information:

- Investment type (e.g. U.S. Treasury Note, U.S. Government Agency Bond)
- Name of the issuer (e.g. Federal Farm Credit Bank, Federal Home Loan Bank)
- Maturity date
- Yield to maturity
- Current market value and source of market value
- Par and dollar amount for each security the District has invested in
- Par and dollar amount on any money held by the District (e.g. LAIF balance, Cash Balance).

The report shall also include a description of any of the District's funds, investments, or programs that are under the management of contracted parties, including lending programs.

The quarterly report shall state compliance of the portfolio to the investment policy, or manner in which the portfolio is not in compliance.

The quarterly report shall include a statement denoting the ability of the District to meet its expenditure requirements for the next six months or provide an explanation as to why sufficient money shall (or may not) be available.

The quarterly reports shall be placed on the regular meeting of the Board of Directors agenda for its review and approval no later than 45 days after the quarter ends. If there are no Board meetings within the 45-day period, the quarterly report shall be presented to the Board at the soonest possible meeting thereafter.

INVESTMENT POLICY ADOPTION

The Golden Hills Community Services District investment policy shall be adopted by resolution of the Board of Directors. The policy shall be reviewed annually by the Board of Directors and any modifications made thereto must be approved by the Board of Directors.

The General Manager shall establish written investment policy procedures for the operation of the investment program consistent with this policy. The procedures should include reference to: safekeeping, master repurchase agreements, wire transfer agreements, banking service contracts and collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Golden Hills Community Services District.

GLOSSARY OF TERMS

Accrued Interest: Interest earned but not yet received.

Annual Comprehensive Financial Report (ACFR): The official annual financial report for the District. It includes five combined statements and basic financial statements for each individual fund and account group prepared in conformity with Generally Accepted Accounting Principles (GAAP).

Bond: A financial obligation for which the issuer promises to pay the bondholder a specified stream of future cash flows, including periodic interest payments and a principal repayment.

Bond Swap: Selling one bond issue and buying another at the same time in order to create an advantage for the investor. Some benefits of swapping may include tax-deductible losses, increased yields, and an improved quality portfolio.

Broker: In securities, the intermediary between a buyer and a seller of securities. The broker, who usually charges a commission, must be registered with the exchange in which he or she is trading, accounting for the name registered representative.

Certificate of Deposit: A deposit insured up to $250,000 by the Federal Deposit Insurance Corporation (FDIC) at a set rate for a specified period of time.

Collateral: Securities, evidence of deposit or pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposit of public moneys.

Constant Maturity Treasury (CMT): An average yield of a specific Treasury maturity sector for a specific time frame. This is a market index for reference of past direction of interest rates for the given Treasury maturity range.

Custody: A banking service that provides safekeeping for the individual securities in a customer's investment portfolio under a written agreement that also calls for the bank to collect and pay out income, to buy, sell, receive and deliver securities when ordered to do so by the principal.

Delivery vs. Payment (DVP): Delivery of securities with a simultaneous exchange of money for the securities.

Diversification: Dividing investment funds among a variety of securities offering independent returns and risk profiles.

Federal Deposit Insurance Corporation (FDIC): Insurance provided to customers of a subscribing bank that guarantees deposits to a set limit (currently $250,000) per account.

Interest Rate: The annual yield earned on an investment, expressed as a percentage.

Liquidity: Refers to the ability to rapidly convert an investment into cash.

Market Value: The price at which a security is trading and could presumably be purchased or sold.

Maturity: The date upon which the principal or stated value of an investment becomes due and payable.

Portfolio: Collection of securities held by an investor.

Primary Dealer: A group of government securities dealers that submit daily reports of market activity and security positions held to the Federal Reserve Bank of New York and are subject to its informal oversight.

Purchase Date: The date in which a security is purchased for settlement on that or a later date.

Rate of Return: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

Risk: Degree of uncertainty of return on an asset. Safekeeping: See Custody.

Settlement Date: The date on which a trade is cleared by delivery of securities against funds.

Time Deposit: A deposit in an interest-paying account that requires the money to remain on account for a specific length of time. While withdrawals can generally be made from a passbook account at any time, other time deposits, such as certificates of deposit, are penalized for early withdrawal.

Treasury Obligations: Debt obligations of the U.S. Government that are sold by the Treasury Department in the forms of bills, notes, and bonds. Bills are short-term obligations that mature in one year or less. Notes are obligations that mature between one year and ten years. Bonds are long-term obligations that generally mature in ten years or more.

U.S. Government Agencies: Instruments issued by various US Government Agencies most of which are secured only by the credit worthiness of the particular agency.

Yield: The rate of annual income return on an investment, expressed as a percentage. It is obtained by dividing the current dollar income by the current market price of the security.

Yield to Maturity: The rate of income return on an investment, minus any premium or plus any discount, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond, expressed as a percentage.

GLOSSARY OF GENERAL INVESTMENT TERMS

Active Deposits: Funds that are immediately required for disbursement.

Amortization: An accounting practice of gradually decreasing (increasing) an asset's book value by spreading its depreciation (accretion) over a period of time.

Asked Price: The price a broker dealer offers to sell securities. Basis Point: One basis point is one hundredth of one percent (.01). Bid Price: The price a broker / dealer offers to purchase securities.

Book Entry Securities: Securities, such stocks held in "street name," that are recorded in a customer's account, but are not accompanied by a certificate. The trend is toward a certificate-free society to cut down on paperwork and to diminish investors' concerns about the certificates themselves. All the large New York District banks, including those that handle the bulk of the transactions of the major government securities dealers, now clear most of their transactions with each other and with the Federal Reserve through the use of automated telecommunications and the "book-entry" custody system maintained by the Federal Reserve Bank of New York. These banks have deposited with the Federal Reserve Bank a major portion of their government and agency securities holdings, including securities held for the accounts of their customers or in a fiduciary capacity for the District. Virtually all transfers for the account of the banks, as well as for the government securities dealers who are their clients, are now effected solely by bookkeeping entries. The system reduces the costs and risks of physical handling and speeds the completion of transactions.

Book Value: The value at which a debt security is shown on the holder's balance sheet. Book value is acquisition cost less amortization of premium or accretion of discount.

Bullet Bond: See "Non-callable Bond."

Callable Bond: A debit obligation where the bond issuer (i.e. borrower) has the option to call the bond or pay it off early (before the scheduled maturity date). For instance, a 5-year bond might be "callable quarterly"—meaning that, although the bond has a scheduled end date 5 years from now, it could end in 3 months (and every 3 months after that, until the scheduled maturity date).

Coupon: The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value.

Credit Analysis: A critical review and appraisal of the economic and financial conditions or of the ability to meet debt obligations.

Current Yield: The interest paid on an investment expressed as a percentage of the current price of the security.

Discount: The difference between the cost of a security and its value at maturity when quoted at lower than face value.

Duration: The weighted average maturity of a bond's cash flow stream, where the present value of the cash flows serve as the weights; the future point in time at which on average, an investor has received exactly half of the original investment, in present value terms; a bond's zero-coupon equivalent; the fulcrum of a bond's present value cash flow time line.

Fannie Mae: Trade name for the Federal National Mortgage Association (FNMA), a U.S. sponsored corporation.

Federal Reserve System: The central bank of the U.S. that consists of a seven-member Board of Governors, 12 regional banks and approximately 8,000 commercial banks that are members.

Fed Wire: A wire transmission service established by the Federal Reserve Bank to facilitate the transfer of funds through debits and credits of funds between participants within the Fed system.

Freddie Mac: Trade name for the Federal Home Loan Mortgage Corporation (FHLMC), a U.S. sponsored corporation.

Investment Agreements: An agreement with a financial institution to borrow public funds subject to certain negotiated terms and conditions concerning collateral, liquidity and interest rates.

Nationally Recognized Statistical Rating Organizations (NRSRO): A U.S. Securities & Exchange Commission registered agency that assesses the creditworthiness of an entity or specific security. NRSRO typically refers to Standard and Poor's Ratings Services, Fitch Ratings, Inc. or Moody's Investors Services.

New Issue: Term used when a security is originally "brought" to market.

Non-callable Bond: Also known as, "Bullet Bond." A non-callable bond is a debt obligation where the bond issuer does not have the option to "call the bond" i.e.-end the bond before the scheduled maturity date.

Perfected Delivery: Refers to an investment where the actual security or collateral is held by an independent third party representing the purchasing entity.

Repurchase Agreement (REPO): A transaction where the seller (bank) agrees to buy back from the buyer (District) the securities at an agreed upon price after a stated period of time.

Reverse Repurchase Agreement (REVERSE REPO): A transaction where the seller (District) agrees to buy back from the buyer (bank) the securities at an agreed upon price after a stated period of time.

Secondary Market: A market made for the purchase and sale of outstanding issues following the initial distribution.

Yield Curve: The yield on bonds, notes or bills of the same type and credit risk at a specific date for maturities up to thirty years.

9. GENERAL MANAGER'S REPORT:

General Manager to provide a report to the Board and public.

GENERAL MANAGER'S REPORT
August 27, 2026

AGENDA ITEM 9

I. SERVICES

A. 1 meter(s) were purchased in July. Total meters: 3037

B. 1 were submitted for meter sizing, 5 for septic systems.

C. Water consumption for July 2026:

Total consumption for July 2026:	137.867	ac-ft
Total consumption for June 2026:	125.760	ac-ft
Total consumption July 2025:	139.977	ac-ft
Total consumption CY 2025:	582.363	ac-ft
Total consumption CY 2026:	617.537	ac-ft
Ground water recharge for July:	0.000	ac-ft
Ground water recharge year to date:	0.000	ac-ft
Poor Well to Tom Sawyer Lake July:	0.000	ac-ft
Tom Sawyer Lake Fill for July:	0.000	ac-ft
Total Tom Sawyer Lake:	0.000	ac-ft

II. PUMPED VS. SOLD

		TTL PUMP	TSLF	TTL CONS	WATER LOSS	
2026	JAN	63.444	0.000	51.814	18.3%	
	FEB	57.288	0.000	48.375	15.6%	
	MAR	84.583	0.000	71.309	15.7%	
	APR	91.098	0.000	79.311	12.9%	
	MAY	116.058	0.000	103.101	11.2%	
	JUN	137.384	0.000	125.760	8.5%	
	JUL	15.833	0.000	137.867	8.6%	
	AUG		0.000			
	SEP		0.000			
	OCT		0.000			
	NOV		0.000			
	DEC		0.000			
	YTD	700.687		617.537	YTD	11.87%

(1) Variances are the result of seasonal changes in tank levels and infrastructure water loss.

III. WATER SYSTEM

Total Underground Service Alerts (USA's):	200
Service Leaks:	10
Other Water:	48
Other Maintenance:	0
Main Breaks:	0
New Meters:	1
Meter Replacements:	0
Register Replacements:	0
Meters Reinstalled:	0
Meter Profiles:	0
	259

A: HYDRANT FLUSHING

Hydrant inspections completed	37
Gallons flushed	0

B: VALVE EXERCISING 75

C. BLOWOFF FLUSHING 11

C: CODE COMPLIANCE VIOLATIONS

Issues Reported	0
Issues Remediated	0

IV. DISTRICT ISSUES

MEETINGS ATTENDED
TCCWD – Blain
TVRPD – Blain
COMMON INTEREST – Blain

GOLDEN HILLS NATURE PARK
The District is continuing with the Park Planning process. An update will be provided by the Ad hoc committee during a later agenda item.

CELL TOWER
No report.

PUBLIC RECORDS REQUEST
No report.

SOLAR PANEL PROJECT

SCE is scheduled to complete the field work September 9, including the installation of the new transformer, pulling any necessary cable, and intertie the cable at the pole across the street from the site. It is reasonable to expect the Permission To Operate (PTO) review to be complete within 2 to 3 weeks following. Further updates will be provided as milestones are reached.

PERSONNEL

Current staff at the GHCSD:

5	Water Operations
3	Maintenance
1	Fiscal
2	Administrative/Clerical
1	General Manager

V. SAFETY

08/18/26 – HAZARD COMMUNICATION

VI. UPCOMING EVENTS

Respectively Submitted,

Susan Wells, Interim General Manager

10. HEAR STAFF PRESENTATION AND APPROVE EXPENDITURE TO THE WATER OPERATIONS FUND NOT TO EXCEED $20,000 FOR BEAUTIFICATION OF THE AREA SURROUNDING THE SOLAR PROJECT:

STAFF RECOMMENDATION: Approve expenditure from Water Operations, not to exceed 20,000, for beautification of the area surrounding the Solar Project.

Motion Director ____________________, seconded Director ____________________

AGENDA ITEM 10

GOLDEN HILLS
COMMUNITY SERVICES DISTRICT

GHCSD Solar Project

Board Meeting

August 27, 2026

Project Scope

- Beautify and secure the solar field located south of the District Office
- Provide low maintenance solution to minimize cost and staff resources

Considerations

- Greenery such as hedges and trees will take years to grow and provide security and privacy
- Live hedges and trees are susceptible to weather and other environmental factors
- Ongoing staff resources or contracted maintenance is required to maintain live vegetation/trees

Alternative Solution

- Purchase and install artificial boxwood hedge mats and border fence privacy tape
- Each section of fence can have either hedge mats or tape
- Privacy tape is woven through and secured to the existing chain link fence
- GHCSD staff can accomplish this project in house
- Installation can be completed in one week, using two maintenance staff

Project Budget

Item	Budget	
Artificial Dark Green Boxwood Mats	$4,000	
Fence Privacy Tape	$7,000	
Labor	$3000	
Burden	$1,000	
Total	**$15,000**	

- Costs going forward:
  - Maintenance includes replacing any damaged sections of artificial hedge or privacy tape
  - Expected lifespan of 5-8 years
  - Annual Lands budget can include replacement materials as needed

Warranty Information

- Artificial Boxwood has a 3-year limited warranty
- Fence Tape has a 5-year limited warranty

AI Generated Photo

Recommendation

- Approve the project scope as presented
- Authorize staff to use the budget described to purchase no more than 12 (4 corners, north and south fence gates) boxwood hedge mats and fence privacy tape for remaining sections of fence
- Funding will be provided from the Operations Reserve account

Questions?

11. APPEAL BY ROBERT TORRES OF WATER CHARGES:

Board to hear appeal by Robert Torres disputing July 2026 water charges of $111.00. Take action to approve or deny request by Robert Torres.

Motion Director ___________________, seconded Director ___________________

12. **BOARD TO HEAR STAFF UPATE REGARDING NOVEMBER 3, 2026, GENERAL ELECTION AND TAKE APPROPRIATE ACTION(S) TO MAKE AN APPOINTMENT TO THE VACANCY ON THE BOARD OF DIRECTORS IN JANUARY 2027:**

    STAFF RECOMMENDATION: Recommend the Board President appoint an Ad Hoc committee to review Letters of Intent, meet and interview candidates, and prepare a recommendation to the full Board in January 2027.

    Motion Director ________________, seconded Director ________________

13. COMMITTEE REPORTS:

A. STANDING COMMITTEES:

1) Finance – Directors King and Guggemos
2) Personnel – Directors King and Wyatt

B. REVIEW OF THE STANDING COMMITTEES:

Board to review current standing committees and personnel assigned

C. AD HOC COMMITTEES:

1) Surrounding Community – Directors Benham and Buckley
2) Nature Park Activity Priorities – Directors Guggemos and Buckley
3) District Lands Revenue Generation - Directors King and Guggemos
4) General Manager Recruitment – Directors King and Benham.

D. REVIEW OF AD HOC COMMITTEES AND ASSIGNED OBJECTIVES:

Board to review current Ad Hoc committees and assigned objectives.

14. NEW BUSINESS:

This portion of the meeting is set aside to provide the Board an opportunity to bring to the attention of the other Board members and the public matters which have come to their attention. No action can be taken on any matter discussed during this portion of the meeting; however, a Board member may request that a subject be placed on an upcoming agenda.

15. ADJOURN MEETING:

Motion Director ____________________, seconded Director ______________________