BIGHORN-DESERT VIEW WATER AGENCY

Our Mission - "To provide a high-quality supply of water and reliable service to all customers at a fair and reasonable rate."

Finance/Public Relations/Education and Personnel Standing Committee Meeting Agenda

Committee Members: President Miller-Boyer & Director McKenzie
Alternate: Jose R. Martinez

BOARD MEETING OFFICE
1720 N. CHEROKEE TR.
LANDERS, CALIFORNIA 92285

November 17, 2026
Time – 4:00 P.M.

PUBLIC WISHING TO PARTICIPATE REMOTELY MAY
Join the meeting online on Zoom
https://us02web.zoom.us/j/89369309226?pwd=s9DYJsVruGPx1RZZ8bGcUsMnQdITKD.1
or join by telephone by calling 1-669-900-6833
Zoom: Meeting ID: 893 6930 9226 / Passcode: 190001

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

APPROVAL OF AGENDA

DISCUSSION AND ACTION ITEMS - The Committee and staff will discuss the following items and consider recommendations:

1. **INVESTMENT POLICY REVIEW AND PROPOSED CHANGES**
   Presented by Jennifer Cusack and Scott Nelsen

2. **2027 HOLIDAY SCHEDULE AND INTRODUCTION OF FLOATING HOLIDAYS**
   Presented by Jennifer Cusack

3. **DUES & SUBSCRIPTIONS**
   Presented by Jennifer Cusack

4. **SPRINGBROOK UPGRADE**
   Presented by Jennifer Cusack

5. **CONSENT ITEMS –** The following items are expected to be routine and non-controversial and will be acted on by the Board in one motion, without discussion, unless a member of the Committee requests an item pulled from the Consent Calendar for discussion.

a. FPREP Committee Meeting Minutes **September 15, 2026**

6. MATTERS REMOVED FROM CONSENT CALENDAR

7. PUBLIC COMMENT: Any person may address the Committee on matters within the Agency's jurisdiction, not appearing on this agenda. When giving your public comment, please have your information prepared. If you wish to be identified for the record, please state your name. Due to time constraints, each public comment will be limited to three (3) minutes. State Law prohibits the Board of Directors from discussing or acting on items not included on the agenda.

8. VERBAL REPORTS - Including Reports on Courses/Conferences/Meetings.

1. Committee Members' Reports
2. General Manager's Report
3. Chief Engineer's Report

9. ITEMS FOR FUTURE AGENDAS

10. ADJOURNMMENT

PUBLIC NOTICE OF MEETING: In accordance with the requirements of California Government Code Section 54954.2, this agenda has been posted in the main lobby of the Bighorn-Desert View Water Agency, 622 S. Jemez Trail, Yucca Valley, CA not less than 72 hours if prior to a Regular meeting, date and time above; or in accordance with California Government Code Section 54956 this agenda has been posted not less than 24 hours if prior to a Special meeting, date and time above. As a general rule, agenda reports or other written documentation have been prepared or organized with respect to each item of business listed on the agenda. Copies of these materials and other disclosable public records in connection with an open session agenda item, are also on file with and available for inspection at the Office of the Agency Secretary, 622 S. Jemez Trail, Yucca Valley, California, during regular business hours, 8:00 A.M. to 4:30 P.M., Monday through Thursday. If such writings are distributed to members of the Board of Directors on the day of a Board meeting, the writings will be available at the entrance to the Board of Directors meeting room at the Bighorn-Desert View Water Agency. Once uploaded, agenda materials can also be viewed at **www.bdvwa.org**

PUBLIC COMMENTS: The Public will be provided an opportunity to speak on each item during discussion of that item. For matters within the Agency's jurisdiction, not on the agenda, public comments will be received during the Public Comment item.

When giving your public comment, please have your information prepared. If you wish to be identified for the record, then please state your name. Due to time constraints, each member of the public will be allotted three (3) minutes to provide your comment. You may wish to submit your comments in writing in advance of or at the meeting to assure that you are able to express yourself adequately.

State Law prohibits the Committee from discussing or taking action on items not included on the agenda.

ACCESSIBILITY: Per Government Code Section 54954.2, any person with a disability who requires a modification or accommodation, including auxiliary aids or services, in order to participate in the meeting, should contact the Board's Secretary at 760-364-2315 during Agency business hours.

BIGHORN DESERT VIEW WATER AGENCY
FPREP COMMITTEE AGENDA ITEM SUBMITTAL

Date: November 17, 2026

To: Committee Members

From: Jennifer Cusack, General Manager
Scott Nelsen, Starting Line Advisory

Budgeted: N/A
Budgeted Amount: N/A
Cost: N/A
General Counsel Approval: Pending
CEQA Compliance: N/A

Subject: Adopt Resolution No. 26R-XX Amending the Agency Investment Policy

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SUMMARY

Annually the Board of Directors reviews its established Investment Policy and updates accordingly.

The proposed resolution updates the Agency Investment Policy for statutory changes effective January 1, 2027 and corrects an existing typographical error.

RECOMMENDATION
That the Board considers taking the following action(s):

1. Adopt Resolution No. 26R-XX Amending the Agency Investment Policy.

BACKGROUND/ANALYSIS
Senate Bill 1438 reorganized and renumbered the Government Code provisions governing local agency investments and made limited updates to eligible investments. The proposed policy updates the affected code references, including moving the principal eligible-investment authority from Government Code Section 53601 to Section 53603. It also removes an unrelated reference to Section 5920 and corrects the typographical error “interest rated” to “interest rates.”

Staff recommends the Committee move the proposed Resolution pending legal review to the Board of Directors for consideration.

PRIOR RELEVANT BOARD ACTION(S)
Annual Action.

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE BIGHORN-DESERT VIEW WATER AGENCY
ESTABLISHING ITS INVESTMENT POLICY**

1. POLICY

WHEREAS, the Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern (California Government Code Section~~53600.6~~53601); and

WHEREAS, the legislative body of a local agency may invest surplus monies not required for the immediate necessities of the local agency in accordance with the provisions of California Government Code ~~Sections 5920 and 53600~~Section 53603; and

WHEREAS, the Treasurer or fiscal officer of the Bighorn-Desert View Water Agency ("Agency") must annually prepare and submit a statement of investment policy and such policy, and any changes thereto, shall be considered by the Board of Directors at a public meeting; and

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Agency that it shall be the policy of the Agency to invest funds in a manner which will provide the highest investment return with the maximum security while meeting the Agency's daily cash flow demands and conforming to all statutes governing the investment of Agency funds.

2. SCOPE

This investment policy applies to all financial assets of the Agency. These funds are accounted for in the annual Agency audit.

3. PRUDENCE

Investments shall be made with judgment and care, under circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the Agency, which persons of prudence, discretion and intelligence exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be usedby investment officials shall be the "prudent investor" standard (California Government Code Section~~53600.3~~53602(b)) and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4. OBJECTIVES

As specified in California Government Code Section~~53600.5~~53602(a), when investing, reinvesting, purchasing, acquiring, exchanging, selling and managing Agency funds, the primary objectives, in priority order, of the investment activities shall be:

a. Safety: Safety of principal is the foremost objective of the investment program. Investments of the Agency shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

b. Liquidity: The investment portfolio will remain sufficiently liquid to enable the Agency to meet all operating requirements which might be reasonably anticipated.

c. Return on Investments: The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

5. DELEGATION OF AUTHORITY

Authority to manage the investment program is derived from California Government Code Sections 53600, et seq. Management responsibility for the investment program is hereby delegated to the Treasurer, who, where appropriate, shall establish written procedures for the operation of the investment program consistent with this investment policy. No person may engage in an investment transaction except as provided under the terms of this policy and such procedures as may be establishedby the Treasurer. The Treasurer shall be responsible for all transactions undertaken and shall establish controls to regulate the activities of subordinate officials. Under the provisions of California Government Code Section~~53600.3~~53602(b), the Treasurer is a trustee and a fiduciary subject to the prudent investor standard.

6. ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall fully comply with the Agency's Conflict of Interest Code in the execution of this policy, and shall refrain from personal business activity that could conflict or appear to conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

7. AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

The Treasurer may maintain a list of financial institutions, selected on the basis of credit worthiness, financial strength, experience and minimal capitalization authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers selected by credit worthiness who are authorized to provide investment and financial advisory services in the State of

California. No public deposit shall be made except in a qualified public depository as established by state laws.

For brokers/dealers of government securities and other investments, the Agency shall select only broker/dealers who are licensed and in good standing with the California Department of Securities, the Securities and Exchange Commission, the National Association of Securities Dealers or other applicable self-regulatory organizations.

In accordance with Government Code Section~~53601.5~~53602(h), institutions eligible to transact business with the Agency include:

a. Institutions licensed by the State as a broker-dealer, as defined in Section 25004 of the Corporations Code, with proof of Financial Industry Regulatory Authority certification.
b. Institutions that are members of a federally regulated securities exchange.
c. Primary government dealers as designated by the Federal Reserve Bank and non-primary government dealers.
d. Nationally or state-chartered banks.
e. Savings association or federal association (as defined in Section 5102 of the Financial Code).
f. The Federal Reserve Bank.
g. Direct issuers of securities eligible for purchase.

Before engaging in investment transactions with a broker/dealer, the Treasurer shall have received from said firm a signed Certification Form. This form shall attest that the individual responsible for the Agency's account with that firm has reviewed the Agency's Investment Policy and that the firm understands the policy and intends to present investment recommendations and transactions to the Agency that are appropriate under the terms and conditions of the Investment Policy.

8. AUTHORIZED AND SUITABLE INVESTMENTS

a. Permitted Investments: Agency funds may be invested as authorized by, and subject to the limitations and special conditions of California Government Code Section ~~53601~~ 53603 et. seq.

b. Prohibited Investments: Under the provisions of California Government Code Section~~53601.6~~53602(i)and53631.5, the Agency shall not invest any funds covered by this Policy in inverse floaters, range notes, interest-only strips derived from mortgage pools, options and futures, or any investment that may result in a zero interest accrual if held to maturity.Also prohibited is trading securities for the sole purpose of speculating on the future direction of~~interest rated~~interest rates, purchasing or selling securities on margin, securities lending or any form of borrowing or leverage, and the purchase of foreign currency denominated securities. The purchase of a security with a forward settlement date exceeding 45 days from the time of the investment is also prohibited.

9. AUTHORIZED SIGNATORIES

Every financial transaction shall require two authorized signatures. Each transaction shall require one Authorized Board Member and one Authorized Agency Staff Member to complete the transaction or two Authorized Board Members. The aforementioned are authorized to transfer funds between any account of the Agency (ie. Local Agency Investment Fund [LAIF], California Cooperative Liquid Assets Securities System [CLASS]) with the approval and signature of any two of them. The Bank is authorized to honor all such transactions.

10. COLLATERALIZATION

All certificates of deposits must be collateralized by United States Treasury Obligations. Collateral must be held by a third party trustee and valued on a monthly basis. The percentage of collateralizations on repurchase and reverse agreements will adhere to the amount required under California Government Code ~~53601(~~53603(j)(2).

11. SAFEKEEPING AND CUSTODY

All security transactions entered into by the Agency shall be conducted on delivery-versus-payment (DVP) basis. All securities purchased or acquired shall be delivered to the Agency by book entry, physical delivery or by third party custodial agreement, as may be required under applicable law.

12. DIVERSIFICATION

The Agency will diversify its investments by security type and institution. Assets shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of securities. Diversification strategies shall be determined and revised periodically, if determined necessary to meet Agency goals. In establishing specific diversification strategies, the following general policies and constraints shall apply:

a. Portfolio maturity dates shall be matched versus liabilities to avoid undue concentration in a specific maturity sector.

b. Maturities selected shall provide for stability of income and liquidity.

c. Disbursement and payroll dates shall be covered through maturities of investments, marketable United States Treasury bills or other cash equivalent instruments such as money market mutual funds.

13. REPORTING

In accordance with California Government Code Section 53646(b)(1), the Treasurer shall submit an investment report to the Agency's Board of Directors at least quarterly. The report shall include a complete description of the portfolio, the type of investments, the issuers, maturity dates, par values and the current market values of each component of the portfolio, including funds managed for Agency by third party contracted managers. The report will also include the source of the portfolio valuation. If all funds are placed in LAIF, FDIC-insured accounts and/or in a county investment pool and/or JPA

Investment Pools, the foregoing report elements may be replaced by copies of the latest statements from such institutions. The report must also include a certification that (1) all investment actions executed since the last report have been made in full compliance with the Investment Policy and, (2) the Agency will meet its expenditure obligations for the next six months, as required by Government Code Section 53646(b)(2) and (3), respectively. The Treasurer shall maintain a complete and timely record of all investment transactions.

14. INVESTMENT POLICY ADOPTION

The Investment Policy shall be adopted by resolution of the Agency's Board of Directors. Moreover, the Policy shall be reviewed on an annual basis, and modifications must be approved by the Agency's Board of Directors.

15. RESCISSION

This Investment Policy adopted pursuant to Resolution No. 24R-14 is hereby superseded by this Resolution and of no further force and effect.

PASSED, APPROVED AND ADOPTED by the Board of Directors of Bighorn-Desert View Water Agency this ~~10th~~ XX day of ~~June~~December~~,~~ ~~2025~~2026.

By _____
Board President

Attest:

_____
, Board Secretary

Official Seal

California Senate Bills 1438 and 1439:

A New Structure for Local Agency Investment Law

By Steve Huntley, CPFO, *Senior Portfolio Strategist*
Chandler Asset Management



Executive Summary

Effective January 1, 2027, the implementation of SB 1438 and 1439 will restructure significant parts of California Government Code (CGC or Code) related to local agency investing. Understanding the new organizational structure in these sections is vital to identifying which references should change in your agency's various policies and other documents so you can stay compliant. These changes will be more intensive than in past years because they require a comprehensive review of all documents that reference CGC. This whitepaper will serve as a resource to navigate the necessary policy revisions. Your investment adviser can also assist you with this process to help your agency understand changes and update your policy to align with the reorganized CGC.

Senate Bill 1438 substantially reorganizes the California Government Code (CGC) provisions governing local agency investments and deposits. The legislation centralizes definitions in Section 53600, retains the statewide-concern finding in Section 53601, consolidates governance requirements in Section 53602, relocates the eligible investment list to Section 53603, and moves deposit-placement services to Section 53604. Most core investment authorities remain intact, but the section numbers and many internal cross-references change. The bill also makes targeted substantive changes.

It expands qualifying commercial paper issuers to include federally or state-chartered banks and federally or state-licensed branches of foreign banks; adds the Inter-American Investment Corporation to the list of qualifying supranational issuers; removes the January 1, 2031 sunset for the higher commercial paper limit applicable to certain local agencies with at least $100 million in investment assets; and removes the sunset for the exception on zero-interest accruals for certain U.S. government securities during negative-rate periods.

Senate Bill 1439 serves primarily as a companion technical-corrections measure. For local agency investments, it updates and conforms statutory references affected by the SB 1438 reorganization and helps ensure that reporting requirements, cross-references, and related provisions remain consistent with the new statutory structure established by SB 1438, but it does not materially expand or restrict local investment authority. It does include language allowing certain qualifying institutions to use a letter of credit issued through the institution's regional Federal Home Loan Bank.

Accordingly, local agencies should review both SB 1438 and SB 1439 together, as SB 1438 contains the substantive reorganization and policy changes while SB 1439 contains companion conforming amendments necessary to fully implement the new statutory framework.



What changes under SB 1438 and SB 1439?

A reorganized statutory framework
Existing provisions formerly spread across Sections 53600 through 53610 are regrouped by function. This is more than a simple renumbering exercise because policies, delegation resolutions, procedures, reports, contracts, and cross-references may cite sections that are re-sequenced. ***See table 1 on the next page for organization changes.***

Commercial paper authority
Commercial paper authority moves from Section 53601(h) to Section 53603(h) and 53603(r). The issuer framework expands to include an entity organized as a federally or state-chartered bank or a federally or state-licensed branch of a foreign bank. The scheduled 2031 reduction from 40% to 25% for certain local agencies with at least $100 million in investment assets is now removed. The 2031 start date for allowing investments in commercial paper issued from public banks (as defined in section 57600) was removed and is eligible as of January 1, 2027.

Supranational obligations
The eligible supranational list moves from Section 53601(q) to Section 53603(q) and adds the Inter-American Investment Corporation, subject to the statutory conditions. This is the fourth supranational allowed as an eligible investment.

Zero-interest bond exception
The prohibition and exceptions formerly in Section 53601.6 move to Section 53602(i). The bill removes the January 1, 2031 sunset (now a permanent part of the law) for the exception of zero-interest accruals applicable to qualifying United States government securities during a period of negative market interest rates.

Deposits and collateral
Updates related cross-references and allows certain out-of-state headquartered eligible banks used by pooled public agencies to use a letter of credit drawn on the bank's regional Federal Home Loan Bank, subject to the statute.

The new statutory architecture

There are several changes to CGC because of these new bills, but it is the reorganization and resequencing of CGC that may be the most impactful. Understanding the new organizational structure will be important to understand what references should change in policies and other documents. The primary structure is detailed below; a line-by-line crosswalk is included in the Appendix.

New section	Primary purpose	Selected content
§ 53600	Definitions	Centralizes defined terms, including corporation, counterparty, local agency, repurchase agreement, securities lending agreement, and related terms.
§ 53601	Statewide concern	Retains the legislative finding regarding local-agency solvency, creditworthiness, deposits, and investments.
§ 53602	Governance	Consolidates safety, liquidity, and return objectives; fiduciary and prudent-investor duties; maturity and delivery rules; prohibited investments; delegation; safekeeping; and related administration.
§ 53603	Eligible investments	Houses the consolidated list of authorized investments.
§ 53604	Banking investments	Contains deposit-placement service authority formerly located in Section 53601.8.

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Recommended policy-review approach

Chandler Asset Management (Chandler) recommends a systematic approach to the potentially time-intensive project of addressing the re-sequenced section numbers. Actions include:

- Creating a complete inventory of citations to Sections 53600 through 53610 in the investment policy statement, delegation resolution, procedures, investment reports, custody documents, and related templates.
- Updating each citation using the consolidated crosswalk in Appendix A rather than relying on a blanket replacement. Several former sections are split among new subdivisions or combined with other provisions and re-using existing code section numbers.
- Separating substantive policy decisions from technical renumbering. The expanded commercial paper and supranational authorities are permissive. A local agency may continue to adopt limits that are more restrictive than CGC.
- Confirming that descriptions, concentration limits, maturity limits, credit standards, eligible issuers, and prohibited-investment language remain internally consistent after the section references change.
- Obtaining legal and compliance review before adoption, particularly when an agency is making substantive authority changes after evaluating step 3 above, rather than only updating statutory citations.

Best practices

An Investment Policy Statement should remain clear enough for staff, governing bodies, auditors, counterparties, and the public to understand the agency's objectives, authorities, limits, and controls. Chandler recommends reviewing the policy at least annually and whenever statutory changes affect eligible investments, governance requirements, reporting, delegation, or cross-references. Agencies should preserve policy restrictions that reflect their own liquidity needs, risk tolerance, and operational capabilities, even when state law permits broader authority.

Article Sources

- California Senate Bill 1438, Chapter 715, Statutes of 2026, chaptered September 27, 2026.
- California Legislative Counsel's Digest and chaptered bill text for SB 1438.

Disclosures

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Chandler does not determine whether any particular investment, investment policy provision, statutory authority, or course of action is legally permissible for a particular agency. Each agency is responsible for determining the legal requirements applicable to it and should consult its own legal counsel before adopting or amending an investment policy, resolution, procedure, or other governing document or relying upon any statutory interpretation discussed in this material.

The information contained herein is based on sources believed to be reliable as of the date of publication but may be incomplete or become outdated as laws, regulations, interpretations, or guidance change. Nothing herein constitutes an offer or solicitation to buy or sell a security or a recommendation concerning any particular security, investment strategy, or investment decision.

Appendix A: Consolidated SB 1438 Crosswalk

New subdivision	Current location	Change	Description
§ 53600	§ 53600	Amended; retained	Centralized definitions.
§ 53602(b)	§ 53600.3	Repealed	Prudent-investor and fiduciary provisions.
§ 53602(a)	§ 53600.5	Renumbered	Safety, liquidity, and return objectives.
§ 53601	§ 53600.6	Renumbered	Statewide-concern finding.
§ 53603	§ 53601	Renumbered	Eligible investments; administration principally moves to § 53602.
§ 53603(s)	§ 53601.1	Repealed	Financial futures and options.
§ 53600(a)	§ 53601.2	Repealed	Corporation definition.
§ 53602(h)	§ 53601.5	Repealed	Permissible sources and counterparties.
§ 53602(i)	§ 53601.6	Repealed	Prohibited investments and zero-interest provisions.
§ 53604	§ 53601.8	Renumbered	Deposit-placement services.
§ 53602(j)	§ 53602	Repealed	Savings-bank rule and county exception.
§ 53602(k)	§ 53603	Repealed	Direct-purchase authority.
§ 53602(l)	§ 53604	Repealed	Sale, exchange, and reinvestment.
§ 53602(m)	§ 53605	Repealed	Sale when proceeds are needed.
§ 53602(n)	§ 53606	Repealed	Agency's own bonds.
§ 53602(o)	§ 53607	Repealed	Delegation and monthly reporting.
§ 53602(p)	§ 53608	Repealed	Safekeeping.
§ 53602(q)	§ 53609	Repealed	Deferred compensation.
§ 53600(d); § 53603(t)	§ 53610	Repealed	Proposition 1A definition and authority.

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Appendix B: Line-by-line SB 1438 Crosswalk

Definitions

New subdivision	Current location	Description
§ 53600(a)	§ 53601.2	"Corporation," including a limited liability company
§ 53600(b)	§ 53601 intro	"Counterparty"
§ 53600(c)	§ 53600	"Local agency"
§ 53600(d)	§ 53610(a)	"Proposition 1A receivable"
§ 53600(e)	§ 53601(j)	"Repurchase agreement"
§ 53600(f)	§ 53601(j)	"Reverse repurchase agreement"
§ 53600(g)	§§ 53601 and 53608	"Savings association or federal association"
§ 53600(h)	§ 53601(j)	"Securities" for repurchase purposes
§ 53600(i)	§ 53601(j)	"Securities lending agreement"
§ 53600(j)	§ 53601(j)	"Significant banking relationship"
§ 53600(k)	§ 53601(j)	"Spread"

For educational purposes only.

Local Government Concern

New subdivision	Current location	Description
§ 53601	§ 53600.6	Statewide-concern finding concerning local-agency solvency, creditworthiness, deposits, and investments

For educational purposes only.

Governance

New subdivision	Current location	Description
§ 53602(a)	§ 53600.5	Safety, liquidity, and return objectives
§ 53602(b)	§ 53600.3	Trustee, fiduciary, and prudent-investor standard
§ 53602(c)(1)	§ 53601 intro	Delivery of securities
§ 53602(c)(2)	§ 53601 intro	Book-entry and physical-delivery arrangements
§ 53602(d)	§ 53601 intro	Percentage limits measured at purchase
§ 53602(e)(1)	§ 53601 intro	Maturity measured settlement to final maturity; 45-day forward-settlement limit
§ 53602(e)(2)	§ 53601 intro	Five-year maturity limit and express-authority exception
§ 53602(f)	§ 53601(i)	Credit-union negotiable certificate of deposit conflict restriction
§ 53602(g)	§ 53601(j)	Local-agency pool base value
§ 53602(h)	§ 53601.5	Permissible sources or counterparties
§ 53602(i)(1)	§ 53601.6(a)	Prohibited inverse floaters, range notes, and mortgage-derived interest-only strips
§ 53602(i)(2)	§ 53601.6(b)	Zero-interest restriction and exceptions ***Change to law:*** *removes 2031 sunset*
§ 53602(j)	§ 53602	Savings-bank limitation and county exception
§ 53602(k)	§ 53603	Direct-purchase authority
§ 53602(l)	§ 53604	Sale, exchange, and reinvestment
§ 53602(m)	§ 53605	Sale when proceeds are needed
§ 53602(n)	§ 53606	Agency's own bonds
§ 53602(o)	§ 53607	One-year delegation and monthly reporting
§ 53602(p)	§ 53608	Deposit and safekeeping
§ 53602(q)	§ 53609	Deferred-compensation funds

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Appendix B: Line-by-line SB 1438 Crosswalk (cont.)

Eligible Investments

New subdivision	Current location	Description
§ 53603(a)	§ 53601(a)	Investing agency's bonds
§ 53603(b)	§ 53601(b)	United States Treasury and full-faith-and-credit obligations
§ 53603(c)	§ 53601(c)	California warrants, notes, and bonds
§ 53603(d)	§ 53601(d)	Other-state obligations
§ 53603(e)	§ 53601(e)	California local-agency obligations
§ 53603(f)	§ 53601(f)	Federal agency and government-sponsored enterprise obligations
§ 53603(g)	§ 53601(g)	Bankers' acceptances
§ 53603(h)	§ 53601(h)	Commercial paper; expanded issuers ***Changes to law:*** *Removes 2031 Sunset, Expanded to federal-chartered, state-chartered, or federally or state licensed branches of foreign banks*
§ 53603(i)	§ 53601(i)	Negotiable certificates of deposit
§ 53603(j)	§ 53601(j)	Repurchase, reverse repurchase, and securities-lending agreements
§ 53603(k)	§ 53601(k)	Medium-term notes
§ 53603(l)	§ 53601(l)	Mutual funds and money market mutual funds
§ 53603(m)	Existing § 53601(p)	Qualifying joint powers authority shares
§ 53603(n)	Existing § 53601(m)	Trustee or fiscal-agent investments
§ 53603(o)	Existing § 53601(n)	First-priority collateralized obligations
§ 53603(p)	Existing § 53601(o)	Mortgage pass-through, collateralized mortgage, and asset-backed securities
§ 53603(q)	§ 53601(q)	Supranationals ***Change to law:*** *Adds Inter-American Investment Corporation to eligible list*
§ 53603(r)	§ 53601(r)	Public-bank obligations ***Change to law:*** *Removes delayed effective date/sunset framework to immediately incorporate public-bank investments.*
§ 53603(s)	§ 53601.1	Financial futures and options
§ 53603(t)	§ 53610(b)-(c)	Proposition 1A receivables

For educational purposes only.

Banking Investments

New subdivision	Current location	Description
§ 53604	§ 53601.8	Deposit-placement services

For educational purposes only.

Sources and important considerations

- California Senate Bill 1438, Chapter 715, Statutes of 2026, chaptered September 27, 2026.
- California Legislative Counsel's Digest and chaptered bill text for SB 1438.

2027

Bighorn-Desert View Water Agency Board Calendar

January

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

February

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
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28						

March

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	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

April

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11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

May

S	M	T	W	T	F	S
						1
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9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

June

S	M	T	W	T	F	S
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6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

July

S	M	T	W	T	F	S
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11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

August

S	M	T	W	T	F	S
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

September

S	M	T	W	T	F	S
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12	13	14	15	16	17	18
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October

S	M	T	W	T	F	S
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17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

November

S	M	T	W	T	F	S
	1	2	3	4	5	6
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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

December

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

Regular Board Meeting
Finance (FPREP)
Engineering (PLEG)

Office Closed
Pay Day
Holiday, Office Closed (11 holidays)

PENDING BOARD APPROVAL - PROPOSE STAYING OPEN ON 11/24, 12/22, 12/23 AND 12/30 AND OFFERING 4 FLOATING HOLIDAYS

BIGHORN-DESERT VIEW WATER AGENCY
FPREP COMMITTEE AGENDA ITEM SUBMITTAL

Date: November 17, 2026

To: FPREP Committee Members

From: Jennifer

Budgeted: N/A
Budgeted Amount: N/A
Cost: N/A
General Counsel Approval: TN/A
CEQA Compliance: N/A

Subject: **Committee to review and discuss Annual Memberships**

SUMMARY

Bighorn-Desert View Water Agency is a member of the following organizations.

Organization	Cost	Paid
Cal Rural Water Association	$1,504.00	2/25/2026
American Water Works Association	$539.00	3/11/2026
Government Finance Officers Association	$200.00	2/3/2026
California Special District Association	$7,453.00	10/26/2026
Community Water Systems Alliance (Cal Mutuals)	$10,000.00	3/6/2026
Association of San Bernardino County Special Districts	$150.00	3/11/2026

Organizations not members of:

1. Association of California Water Agencies – ~$15,000 - based on O & M Budget https://www.acwa.com/about/membership/
2. Southern California Water Coalition - $1,500 https://socalwater.org/join-us/

ACWA
Association of California Water Agencies

AGENCY MEMBER DUES SCHEDULE | 2027

The dues formula shall be based on adjusted operation and maintenance expense for the following activities of a district:

- water;
- waste water;
- electric;
- land reclamation and levee maintenance;
- flood control and water conservation; and
- drainage and drainage maintenance.

2027 ACWA dues are based on the 2024–2025 fiscal year. Members joining after the beginning of the calendar year shall have their dues pro-rated for the remainder of the year. Members joining after October 1 will have their dues pro-rated for the current year and will be billed concurrently for the following year's dues.

NET O & M (2024-25 FY)	2027 DUES
$1	$860
$43,001	2% max*
$162,251	$3,245
$200,001	$3,730
$300,001	$4,245
$400,001	$4,780
$500,001	$5,315
$600,001	$5,845
$700,001	$6,390
$800,001	$6,890
$900,001	$7,420
$1,000,001	$8,115
$1,100,001	$8,660
$1,200,001	$9,210
$1,300,001	$9,755
$1,400,001	$10,280
$1,500,001	$11,120
$2,000,000	$12,480
$2,500,001	$13,600
$3,000,001	$14,750
$3,500,001	$15,880
$4,000,001	$17,000
$4,500,001	$18,140
$5,000,001	$19,265
$5,500,001	$20,400

NET O & M (2024-25 FY)	2027 DUES
$6,000,001	$21,535
$7,000,001	$22,655
$8,000,001	$23,815
$9,000,001	$24,930
$10,000,001	$26,555
$15,000,001	$27,695
$20,000,001	$28,855
$25,000,001	$30,015
$30,000,001	$31,115
$35,000,001	$32,310
$40,000,001	$34,390
$50,000,001	$35,580
$60,000,001	$37,935
$70,000,001	$40,335
$80,000,001	$42,690
$90,000,001	$45,055
$100,000,001	$47,435
$150,000,001	$49,800
$200,000,001	$52,165
$250,000,001	$54,555
$300,000,001	$56,920
$350,000,001	$59,300
$400,000,001	$61,660
$500,000,001	$66,400

**Subject to a 2% max of O&M*

BIGHORN-DESERT VIEW WATER AGENCY
FPREP COMMITTEE AGENDA ITEM SUBMITTAL

Date: November 17, 2026

To: FPREP Committee Members

From: Jennifer Cusack

Budgeted: Included in adopted Rates
Budgeted Amount: $200,000
Cost: TBD
General Counsel Approval: pending
CEQA Compliance: N/A

Subject: Committee to receive information regarding Springbrook Upgrade

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SUMMARY

Bighorn-Desert View Water Agency purchased the Springbrook platform and hosts the software on our server. We operate Version 7.16.0.0 as an enterprise system. Springbrook has been a very good program and has met the needs of the Agency. It was originally purchased for $110,000 and has fully been depreciated.

In anticipation of the need to upgrade Springbrook as the current system is being replaced by a Cloud Based system called Cirrus, the Agency included $200,000 in the last Rate Study to fund the upgrades. It has become evident that upgrading Springbrook soon will improve efficiency and allow staff time to transition while the Agency still has institutional knowledge and expertise.

Staff has been in contact with Springbrook to evaluate upgrading the current accounting, utility billing, Cash Receipts, Project Management, Payroll, Fixed Asset, Inventory, and Work Order suite.

Staff will be bringing forth a proposal at the next Board meeting for consideration. Preliminary cost estimates put the upgrade within the anticipated $200,000 included in the rates, as adopted by the Board in February 2026.

SpringbrookCirrus

Power Every Financial Move with One Secure, Cloud-Native Platform



Financial Management

Take command of accounting, budgeting, and procurement with real-time access to key financial data, streamlined reporting, and automated workflows. Ensure faster decisions, stronger accountability, and greater transparency.

Utility Billing

Manage billing for water, sewer, electric, solar, gas, refuse, and more with precision and ease. From meter reading and bill printing to IVR, service requests and payments, our fully integrated system delivers automated workflows across every module.

Payroll & Human Resources

Automate complex payroll calculations, generate seamless batch entries, and make compliance effortless. With built-in HR Management, employee data flows directly into Payroll in real time, eliminating double entry and maximizing efficiency.

Tax Collection

Fully integrated with assessment databases and the general ledger, Springbrook's property tax solution streamlines billing for complex tax scenarios, improves accuracy, and simplifies collections across all property types with intuitive online payments.

Asset Management

Unite finance, GIS, and field execution into one intelligent platform — helping local government manage assets, track true costs, and deliver essential services with confidence and efficiency.

Meeting Management

Plan, manage, and publish meetings with speed, and confidence by bringing together departments, documents, and decisions in a single cloud-based solution, powered by AI-driven workflows.

Advanced Budgeting

Streamline complex budgeting and forecasting, create what-if scenarios, track KPIs, and publish dynamic reports. Advanced Budgeting empowers departments with collaborative, automated workflows and robust personnel forecasting.

Payment Processing

Boost collections, cut service costs, and exceed citizen expectations with Springbrook's digital payment solution, powered by Xpress Bill Pay. Offer 24/7 self-service and empower staff with seamless integration with your billing and accounting systems.

Tableau Reporting & Analytics

Unlock the power of your data and drive smarter decisions with Springbrook Reporting & Analytics, powered by Tableau. Transform complex datasets into interactive dashboards with pre-built reports, scheduled delivery, and real-time alerts.

Permitting & Land Management

Accelerate planning, permitting, and inspections with an all-in-one cloud-based platform built to help local governments manage code enforcement, zoning, licensing, and compliance with ease.

Citizen Engagement & Community Development

Deliver smarter service and boost citizen satisfaction with Springbrook's cloud-based tools for licensing, fixed assets, inventory, work orders, code management, and more. Simplify special assessments and streamline project and grant management in one system.

SpringbrookCirrus : Unlock Enterprise-Grade Functionality with a Cloud-Based Solution



Springbrook's powerful, secure, and full-featured cloud financial platform is purpose-built to meet the unique demands of local government agencies, boosting operational efficiency, reducing IT overhead, and supporting citizen-centric governance.

Always Updated

Your products are always current and completely backed up. No more alarms when an internal server goes down or becomes corrupted. 99.9% reliability.

Reduced Cost

Our data center and staff replace the need for expensive on-premises equipment. Free up your IT staff to focus on other critical projects.

Work from Anywhere

As long as there's an Internet connection, your data, projects, workflows are all at your fingertips. Log in on phone, tablet or browser.

Unlimited Scalability

Storage and processing are scaled automatically. Your subscription covers all of the users at your organization – no need to add license for new users.

Unparalleled Cybersecurity

Our servers and your data are protected by the highest level of security available. Confidential information can be deleted in a moment.

Exceed Citizen Expectations

Amazon-like experience

Multiple studies have shown that today's citizens want seamless, transparent, modern technology to interact with agencies, and Cirrus delivers that experience. From the ability to pay taxes, fees and bills to responsive mobile enablement, Springbrook provides your citizens with the 21st century applications they expect.

Modern and Intuitive

Newly developed UI

Cirrus features a powerful, intuitive interface that requires less training and delivers faster access to critical features. The new platform frees up personnel to manage strategic issues and problem solving rather than navigating dated, cumbersome ERP systems.

A True Cloud Platform

Built for the cloud

Cirrus is a true multi-tenant cloud solution, fully accessible on any mobile device. Cirrus delivers the full functionality of Springbrook's industry leading on premises solution, providing easy adoption for existing users who migrate to the cloud, and simple onboarding for new users who are moving from less powerful platforms.

Ransomware Protection

Minimize risk

61% of ransomware attacks occur in local government agencies. Can you afford to risk losing your data? Cirrus features the highest level of cybersecurity available, far exceeding what local servers can deliver.

Powerful Performance, Zero Maintenance: Modernize Your Tech with SaaS

Empower your local government staff with cutting-edge features tailored for peak efficiency through our cost-effective Software as a Service (SaaS) solution. As your organization evolves, let Springbrook's experts shoulder the weight of management and monitoring while delivering access to the latest functionalities.



All clouds are not created equal! Outdated ERPs waste staff time and don't provide the features and security today's municipalities require. Springbrook's multi-tenant SaaS cloud sets the bar for efficiency and scalability. Hosted cloud solutions are basically on-premises solutions on someone else's server, while on-premises solutions put the entire onus of hardware and software management on your staff.

Robust, Standardized Cybersecurity

Safeguard your system and resources with best of class cybersecurity for government agencies. Springbrook's centrally managed policies ensure that security configurations are consistent and standardized across locations.

The Power of Continuous Innovation

Unlock a platform that evolves with your organization's needs. Springbrook Cirrus delivers new software updates and innovative productivity capabilities each week, from AI-powered automatic invoice scanning to UB Water Allocation Budgeting.

Fully Managed Solutions

Offload the management of your finance ERP to the experts and reduce IT overhead. Springbrook's SaaS multi-tenant cloud solutions free your staff from server maintenance, hardware management, continuous monitoring, incident response, and worrying about cybersecurity protocols so they can focus on core business activities.

Improved Cost Efficiency

Say goodbye to large capital expenditures and ease budgeting with the predictable cost of a cloud-based SaaS solution. Springbrook's multi-tenant infrastructure and shared resource model reduce the need for individual investments or in-house infrastructure experts and optimize the allocation of bandwidth, storage, and computing power.

Leverage the power and cost savings of a fully managed, cloud-based solution.

	Cloud-Hosted SaaS	On Premises
Fully managed leading edge solutions.	✓	—
24/7 security monitoring.	✓	—
Automatic patches, updates, and state-of-the-art features.	✓	—
Fully predictable expenses and easy budgeting.	✓	—
Shared resources across organizations for lower expenses.	✓	—
Resource optimization and minimized wastage.	✓	—
Seamless scalability and optimal performance across tenants.	✓	—
Standardized security measures across tenants and locations.	✓	—
Easy remote user and admin access.	✓	—
Disaster recovery and business continuity.	✓	—

Springbrook

A Seamless Migration to Cloud-Based Efficiency

An Intuitive User Interface

The Springbrook Engineering Team has worked hard to ensure a seamless transition to a new UI by incorporating intuitive navigation features, such as an easy module drop down and user-friendly side bar headers.

Streamlined Batch Processing

The new Cirrus UI offers an in-depth look at the batch processing workflow and progress.

Your Dedicated Team

Let Springbrook's team of experts make your transition to the cloud seamless every step of the way, from planning and data migration to training and ongoing technical support.

- **Account Manager**
- **Project Manager**
- **Consultant**
- **Technical Services**

Project Kickoff

Meet your dedicated Springbrook team to determine the migration scope & schedule.

Migration Prep

Let Springbrook's team of engineers conduct an in-depth review and prepare your data for migration.

Comprehensive Testing

Rigorous testing of data conversion and all business processes ensures a seamless transition.

Go Live

After thorough data verification, your organization is ready to cut over to your new solution with a Consultant's support.

Transition to Support

After a successful migration, your team can leverage Springbrook's expert technical support.

Join the 3,000+ agencies that run on Springbrook solutions. Enterprise-Class Finace Platform for Local Government.

Let's talk!

For more information and a demo, call **866-777-0069.**

BIGHORN-DESERT VIEW WATER AGENCY

Our Mission - "To provide a high quality supply of water and reliable service to all customers at a fair and reasonable rate."

Finance/Public Relations/Education and Personnel Standing Committee Meeting Minutes

Committee Members: President Miller-Boyer & Director McKenzie
Alternate: Jose R. Martinez

BOARD MEETING OFFICE
1720 N. CHEROKEE TR.
LANDERS, CALIFORNIA 92285
Online participation available via Zoom.

September 15, 2026
Time – 4:00 P.M.

CALL TO ORDER
Chair Miller-Boyer called the meeting to order at 4:02 p.m.

PLEDGE OF ALLEGIANCE
Dir. McKenzie led the pledge of allegiance.

ROLL CALL
Board members present: Rodney Miller-Boyer and JoMarie McKenzie
Staff: Jennifer Cusack, Marina West
Consultants: Scott Nelson, Starting Line Advisory
Public: One (1) members of the public were present in the room and two (2) online.
Dir. Martinez and Dir. Aldridge attended as observer only.

APPROVAL OF AGENDA
Committee members approved the Agenda as presented.

DISCUSSION AND ACTION ITEMS

1. **NEW FINANCIAL REPORT FORMAT**
   GM Cusack introduced Mr. Nelson, Starting Line Advisory, to provide an overview of the new format for monthly financial reporting.

   Questions from the Board were asked and answered. Suggestions were made to improve the report which would be incorporated into future reports.

2. **BILINGUAL PAY STIPEND**
   GM Cusack gave a summary of the draft resolution. GM Cusack seeking input from the Committee on the policy and suggested if the Committee approved then the policy could be brought to the full Board for further consideration and possible adoption.

   Questions from the Committee were asked and answered.

Unanimous consensus was not achieved on the issue but Committee agreed to move the item to the full Board for further consideration.

3. EMERGENCY RESPONSE NETWORK OF THE INLAND EMPIRE (ERNIE) 2026 OMNIBUS AGREEMENT

GM Cusack gave a report on the updated ERNIE Agreement noting that it was through our existing Agreement that the Agency was able to call on Hi-Desert Water District for mutual aid during a recent emergency response to a large leak on Hwy 247.

Questions from the Committee included what actual changes were made to the Agreement which GM Cusack stated she would determine prior to the next meeting.

4. CONSENT ITEMS –

a. FPREP Committee Meeting Minutes **July 14, 2026.**

Committee members approved the July 14, 2026 minutes as presented.

5. MATTERS REMOVED FROM CONSENT CALENDAR

6. PUBLIC COMMENT:

None.

7. VERBAL REPORTS - Including Reports on Courses/Conferences/Meetings.

1. Committee Members' Reports
   Dir. McKenzie reported on the Landers Homestead Valley Association meeting she attended on September 14, 2026.
2. General Manager's Report – GM Cusack reported on the Agency's participation at the Orchid Festival this year and will reach out to Directors for participation time-slots.
3. Chief Engineer's Report – Pipeline project will be out to bid tomorrow. Bid opening was adjusted to October 20th and then to the Board for award of the contract. She noted that construction would begin approximately January 2027.

8. ITEMS FOR FUTURE AGENDAS

None.

9. ADJOURNMMENT

Chair Miller-Boyer adjourned the meeting at 4:53 p.m.

Approved by:

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Rodney Miller-Boyer, Committee Chair

OFFICIAL SEAL