

## NOTICE

Special Meeting and Public Hearing of the  
**BOARD OF DIRECTORS**  
**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT**  
will be held at the  
**VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT**  
3745 Constellation Rd., Lompoc, California  
at 6:30 pm, Wednesday, March 9, 2022

**\*AS PER SANTA BARBARA COUNTY HEALTH OFFICER ORDER NO. 2022-10.1**  
**UNVACCINATED ATTENDEES MUST WEAR FACE COVERINGS AT ALL TIMES WHILE**  
**ATTENDING THE MEETING IN AN INDOOR PUBLIC SETTING**

### **Remote participation also available via ZOOM**

You do NOT need to create a ZOOM account or login with email for meeting participation.

**ZOOM.us - "Join a Meeting"**  
**Meeting ID: 985 5498 3447 Meeting Passcode: 069317**

**DIAL-IN NUMBER: 1-669-900-6833**  
**PHONE MEETING ID: 985 5498 3447 # Meeting Passcode: 069317 #**

*If your device does not have a microphone or speakers, you can call in for audio with the phone number and Meeting ID listed above to listen and participate while viewing the live presentation online.*

In the interest of clear reception and efficient administration of the meeting, all persons participating remotely are respectfully requested to mute their line after logging or dialing-in and at all times unless speaking.

**Video/Teleconference Meeting During Coronavirus (COVID-19) Emergency:** As a result of the COVID-19 pandemic, this meeting will be available via teleconference as recommended by Santa Barbara County Public Health, authorized by State Assembly Bill 361 and Resolution 703 (passed on 12/1/2021).

**Important Notice Regarding Public Participation in Video/Teleconference Meeting:** Those who wish to provide public comment on an Agenda Item, or who otherwise are making a presentation to the Board of Directors, may participate in the meeting by phone or computer using the meeting ID number and passcode above. Those wishing to submit written comments instead, **please submit comments and materials to the District via electronic mail at [athompson@syrwcd.com](mailto:athompson@syrwcd.com)**. All submittals of written comments must be received by the District no later than 5:00 p.m. on Tuesday, March 1, 2022 and should indicate **"PUBLIC COMMENT"** in the subject line. To the extent practicable, public comments and materials received in advance pursuant to this timeframe will be read into the public record during the meeting. Public comments and materials not read into the record will become part of the post-meeting Board packet materials available to the public and posted on the District's website.

In the interest of clear reception and efficient administration of the meeting, all persons participating in this teleconference are respectfully requested to mute their phones after dialing-in and at all times unless speaking.

**AGENDA ON FOLLOWING PAGE**

## **AGENDA OF SPECIAL MEETING**

- I. Call to Order and Roll Call
- II. Pledge of Allegiance
- III. Consider reaffirming Resolution 703, entitled “Resolution Initially Authorizing Remote Teleconference Meetings Under AB361”
- IV. Additions, if any, to the Agenda
- V. **Public Comment** (Any member of the public may address the Board relating to any non-agenda matter within the Board’s jurisdiction. The total time for all public participation shall not exceed fifteen minutes and the time allotted for each individual shall not exceed five minutes. No action will be taken by the Board at this meeting on any public item.)  
  
Staff recommends any potential new agenda items based on issues raised be held for discussion under Agenda Item XV, Requests from the Board of Directors for items to be included on the next Agenda.
- VI. Receive and File FY 2020-21 Financial Audit, Presentation by Bartlett, Pringle & Wolf, LLP
- VII. **Public Hearing** on the 2022 Proposed Adjustments to Division Boundaries
- VIII. Consider adoption of Resolution No. 708, Adjusting Division Boundaries
- IX. Consideration of the Minutes of the Regular Meeting of December 1, 2021
- X. General Manager Report – Status, discussion and possible Board action on the following:
  - A. Surface Water Report
  - B. Financial Reports, Monthly Warrants, and Quarterly Investment Report
  - C. Consider Resolution No. 709, Readopting an Investment Policy
  - D. Draft Preliminary Budget FY 2022-23
- XI. Groundwater Program Manager Report - Status, discussion and possible Board action on the following:
  - A. Groundwater Production, Reporting, Charges, and Program Update
  - B. Preliminary 44<sup>th</sup> Annual Groundwater Report
  - C. Sustainable Groundwater Management Act (SGMA) Update

- XII. Board Secretary and District Administrator Report
  - A. Consider Financial Institution Changes and Adoption of Resolution No. 710 “Authorizing the Opening of Accounts at Five Star Bank”
  - B. Consider Enrollment in SDRMA for Employee Benefits
    - 1. Consider Memorandum of Understanding
    - 2. Consider Resolution No. 711, “Approving the Form of and Authorizing the Execution of a Memorandum of Understanding and Authorizing Participation in the Special District Risk Management Authority’s Health Benefits Program”
  - C. Consider Resolution No. 712, “Establish an Internal Revenue Service (IRS) 401(a) Retirement Plan for Employer Contributions”
  - D. Review Conflict of Interest Code
  - E. Required Conflict of Interest Form 700 Filing
  - F. Required Ethics and Harassment Prevention Training
  - G. Consider LAFCO Ballots

XIII. Attorney Report

XIV. Reports, acts by Board members, questions of staff, status reports, announcements, observations, and other matters, and/or communications not requiring action

XV. Requests from the Board of Directors for items to be included on the next Agenda. The next meeting is scheduled as a special meeting for April 27, 2022, at 6:30 pm.

In compliance with the California Water Code, regular meetings are scheduled for the first Wednesday in March, June, September, and December at various locations within the District. Special meetings may be held at any location within the District.

XVI. Closed Session

The Board will hold a closed session to discuss the following items:

- A. Conference with Legal Counsel - Pending Litigation (Gov. Code, § 54956.9, subd. (d)(1)): Wolff vs SYRWCD, Superior Court of California, County of Santa Barbara, Case No. 20CV01552
- B. Conference with Legal Counsel – Pending Litigation (Gov. Code, § 54956.9, subd. (d)(1)) relating to proceedings pending before the State Water Resources Control Board (SWRCB) regarding Permits 11308 and 11310 issued on Applications 11331 and 11332 of the United States Bureau of Reclamation for the Cachuma Project, and complaints filed by the California Sport Fishing Protection Alliance regarding the operation of the Cachuma Project and SWRCB Order WR 89-18; proposed changes to the place and purpose of use of waters obtained through aforementioned permits for the Cachuma Project; and Reclamation’s Petition for

Reconsideration or Rehearing re Order WR 2019-0148; and proceedings related to SWRCB Permit No. 15878 (Application A022423) held by the City of Solvang including the City of Solvang's Petitions for Change and Extension of Time.

- C. Conference with Legal Counsel – Anticipated Litigation (Gov. Code, § 54956.9, subd. (d)(2)): Significant exposure to litigation (One Matter).
- D. Conference with Legal Counsel – Anticipated Litigation (Gov. Code, § 54956.9, subd. (d)(4)): Possible initiation of litigation (One Matter).

XVII. Reconvene into Open Session / Closed Session Report

XVIII. Adjournment

[This agenda was posted on the District's website ([syrwcd.com](http://syrwcd.com)), at 3669 Sagunto Street, Suite 101, Santa Ynez, California, and at 3745 Constellation Rd., Lompoc, California. Notice was delivered in accordance with Government Code Section 54954. In compliance with the Americans with Disabilities Act, if you need special assistance to review agenda materials or participate in this meeting, please contact the District at (805) 693-1156. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting.]

**RESOLUTION NO. 703**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT  
INITIALLY AUTHORIZING REMOTE TELECONFERENCE  
MEETINGS UNDER AB 361**

**WHEREAS**, meetings of the Board of Directors of the **Santa Ynez River Water Conservation District** (District) are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the District conduct its business;

**WHEREAS**, Government Code section 54953(e), added by Assembly Bill 361 (2021) (“AB361”), provides for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to certain conditions and requirements; and

**WHEREAS**, the District wishes to invoke the provisions of AB361 to authorize teleconference meetings subject to the provisions of Government Code section 54953(e);

**NOW, THEREFORE, BE IT RESOLVED THAT:**

Section 1. Findings. The Board of Directors hereby finds as follows:

- (a) As provided by Government Code section 54953(e)(1), a proclaimed state of emergency exists under the California Emergency Services Act, as declared by the Governor on March 4, 2020.
- (b) As provided by Government Code section 54953(e)(1), the County of Santa Barbara Health Department has imposed or recommended measures to promote social distancing, specifically Santa Barbara County Health Order No. 2021-10.5 (see also Santa Barbara County Public Health Department Health Officials AB 361 Social Distance Recommendation issued September 28, 2021).

Section 2. Procedures for Teleconference Meetings. The District shall hold meetings to allow for teleconference participation pursuant to the requirements of Government Code section 54953(e).

Section 3. Effective Date. This resolution shall take effect immediately upon its adoption.

Section 4. Renewal. Pursuant to Government Code section 54953(e)(3), the District may consider findings regarding the state of emergency every 30 days.

**WE, THE UNDERSIGNED**, being the duly qualified and acting President and Secretary, respectively, of the Board of Directors of the Santa Ynez River Water Conservation District, do hereby certify that the above and foregoing Resolution was duly and regularly adopted and passed by the Board of Directors at a regular meeting duly held on the 1st day of December, 2021 by the following vote:

AYES, and in favor thereof, Directors:


Cynthia Allen  
Mark Altshuler  
Art Hibbits  
Steve Jordan  
Brett Marymee


NOES, Directors:

None

ABSENT/ABSTAINING, Directors:

None

  
Amber Thompson, Secretary

  
Cynthia Allen, President

**HEALTH OFFICER ORDER NO. 2022-10.1  
COUNTY OF SANTA BARBARA**

**FOR THE CONTROL OF COVID-19  
FACE COVERINGS  
WITHIN SANTA BARBARA COUNTY**

**Health Officer Order No. 2022-10 is rescinded by this  
Health Officer Order No. 2022-10.1**

**Effective Date: February 16, 2022, 12:00 am PT**

Nothing in this Health Officer Order supersedes State Executive Orders or State Health Officer Orders or guidance provided by the California Department of Public Health available at: <https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/Guidance.aspx#>

WHEREAS, on February 7, 2022, the California Department of Public Health updated their Guidance for the Use of Face Masks to take effect on February 16, 2022, requiring unvaccinated persons to wear masks in all indoor public settings, requiring universal masking in only specified settings, and recommending continued indoor masking when the risk may be high (<https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/guidance-for-face-coverings.aspx>). Thus, the County of Santa Barbara Health Officer finds Health Officer Order 2022-10 ordering face coverings within Santa Barbara County is no longer necessary for the control of COVID-19 in the County of Santa Barbara.

**ACCORDINGLY, UNDER THE AUTHORITY OF CALIFORNIA HEALTH AND SAFETY CODE SECTIONS 101040, 101085, AND 120175, TITLE 17 CALIFORNIA CODE OF REGULATIONS SECTION 2501, THE HEALTH OFFICER OF THE COUNTY OF SANTA BARBARA ORDERS:**

1. Order 2022-10 is rescinded effective February 15, 2022 at 11:59 pm (PT). This Order applies in the incorporated and unincorporated areas of Santa Barbara County ("County").

This Order is issued in accordance with, and incorporates by reference: the March 4, 2020 Proclamation of a State Emergency issued by Governor Gavin Newsom; the March 12, 2020 Declaration of Local Health Emergency and Proclamation of Emergency based on an imminent and proximate threat to public health from the introduction of novel COVID-19 in the County; the March 17, 2020 Resolution of the Board of Supervisors ratifying the County Declaration of Local Health Emergency and Proclamation of Emergency regarding COVID-19; the March 13, 2020 Presidential Declaration of a National Emergency due to the national impacts of COVID-19; the March 22, 2020, Presidential Declaration of a Major Disaster in California beginning on January 20, 2020 under Federal Emergency Management Agency (FEMA) Incident DR-4482-CA; CDPH / Cal-OSHA Interim Guidance for Ventilation, Filtration, and Air Quality in Indoor Environments issued February 26, 2021; the State Public Health Order issued June 11, 2021; Governor Gavin Newsom's Executive Order N-07-21 of June 11, 2021; Governor Gavin Newsom's Executive Order N-08-21 of June 11, 2021; the State Public Health Order issued July 26, 2021; the October 15, 2021 guidance issued by the Centers for Disease Control and Prevention titled Interim Public Health

Recommendations for Fully Vaccinated People; the January 12, 2022 California Department of Public Health Guidance for K-12 Schools in California, 2021-22 School Year; the January 13, 2022 guidance issued by the Centers for Disease Control and Prevention titled Guidance for COVID-19 Prevention in K-12 Schools; the January 21, 2022 guidance issued by the Centers for Disease Control and Prevention titled Your Guide to Masks; and the February 7, 2022 California Department of Public Health Guidance for the Use of Face Coverings.

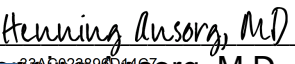
This Order is made in accordance with all applicable State and Federal laws, including but not limited to: Health and Safety Code sections 101040 and 120175; Health and Safety Code sections 101030 et seq., 120100 et seq.; and Title 17 of the California Code of Regulations section 2501.

If any provision of this Order or the application thereof to any person or circumstance is held to be invalid by a court of competent jurisdiction, the remainder of the Order, including the application of such part or provision to other persons or circumstances, shall not be affected and shall continue in full force and effect. To this end, the provisions of this Order are severable.

The violation of any provision of this Order constitutes a threat to public health. Pursuant to Government Code sections 26602 and 41601 and Health and Safety Code sections 101029 and 120295, the Health Officer requests that the Sheriff and all chiefs of police in the County ensure compliance with and enforce this Order. Per Health and Safety Code section 101029, "the sheriff of each county, or city and county, may enforce within the county, or the city and county, all orders of the local health officer issued for the purpose of preventing the spread of any contagious, infectious, or communicable disease. Every peace officer of every political subdivision of the county, or city and county, may enforce within the area subject to his or her jurisdiction all orders of the local health officer issued for the purpose of preventing the spread of any contagious, infectious, or communicable disease. This section is not a limitation on the authority of peace officers or public officers to enforce orders of the local health officer. When deciding whether to request this assistance in enforcement of its orders, the local health officer may consider whether it would be necessary to advise the enforcement agency of any measures that should be taken to prevent infection of the enforcement officers."

Copies of this Order shall promptly be: (1) made available at the County Public Health Department; (2) posted on the County Public Health Department's website (publichealthsb.org); and (3) provided to any member of the public requesting a copy of this Order.

IT IS SO ORDERED:

DocuSigned by:  
  
\_\_\_\_\_  
Henning Ansorg, M.D.  
Health Officer  
Santa Barbara County Public Health Department



March 9, 2022

Board of Directors  
Santa Ynez River Water Conservation District

We are pleased to present this letter related to our audit of the financial statements and compliance of Santa Ynez River Water Conservation District (the District) for the year ended June 30, 2021. This letter is to inform the Board of Directors about significant matters related to the conduct of the annual audit so that it can appropriately discharge its oversight responsibility, and we can comply with professional standards.

The following summarizes various matters that must be communicated to you under auditing standards generally accepted in the United States of America.

### **The Respective Responsibilities of the Auditor and Management**

Our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States have been described to you in our engagement letter dated May 17, 2021 which includes the planned scope and timing of our audit and we have discussed with you our identification of and planned audit response to significant risks of material misstatement. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.

### **Significant Accounting Practices, Including Policies, Estimates and Disclosures**

#### *Preferability of Accounting Policies and Practices*

Under generally accepted accounting principles, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice.

#### *Adoption of, or Change in, Accounting Policies*

Management has the ultimate responsibility for the appropriateness of the accounting policies used by the District. The District did not adopt any significant new accounting policies nor have there been any changes in existing significant accounting policies during the current period.

#### *Significant or Unusual Transactions*

We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Alternative Treatments Discussed with Management*

We did not discuss with management any alternative treatments within generally accepted accounting principles for accounting policies and practices related to material items during the current audit period.

### *Management's Judgments and Accounting Estimates*

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. You may wish to monitor throughout the year the process used to determine and record these accounting estimates. The following describes the significant accounting estimates reflected in the District's financial statements:

#### Groundwater charges accounts receivable

Accounts receivable as of June 30, 2021 is estimated based on historical periods and self-reported ground water usage statements received after year end.

### **Audit Adjustments**

Audit adjustments and accounting consulting adjustments are attached to this letter.

### **Uncorrected Misstatements**

We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.

### **Disagreements with Management**

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statements.

### **Consultations with Other Accountants**

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

### **Significant Issues Discussed with Management**

No significant issues arising from the audit were discussed or were the subject of correspondence with management.

### **Significant Difficulties Encountered in Performing the Audit**

We did not encounter any difficulties in dealing with management during the audit.

### **Internal Control Matters**

We have separately communicated any internal control matters identified during our audit of the financial statements in a separate letter dated March 9, 2022.

### **Significant Written Communications between Management and Our Firm**

In conjunction with the audit of the financial statements, we have been provided a letter of certain representations from management dated March 9, 2022.

### **Conclusion**

This letter is intended solely for the information and use of the Board of Directors and management and is not intended to be and should not be used by anyone other than the specified parties.

We will be pleased to respond to any questions you have about the foregoing matters. We appreciate the opportunity to continue to be of service to the Santa Ynez River Water Conservation District

Very truly yours,

**BARTLETT, PRINGLE & WOLF, LLP**  
*Certified Public Accountants and Consultants*

Year End: June 30, 2021  
 Journal Entries: Adjusting  
 Date: 7/1/2020 To 6/30/2021

Prepared by	1st Reviewer	2nd Reviewer

8010

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
1	6/30/2021	Accounts Receivable	1500-00				264,379.02		
1	6/30/2021	Accounts Receivable	1500-00			283,156.67			
1	6/30/2021	Ground Water Charges	4910-00			264,379.02			
1	6/30/2021	Ground Water Charges	4910-00				283,156.67		
Client Provided JE: To record groundwater charges as of 6/30/2021.									
2	6/30/2021	Accounts Receivable	1500-00			251,323.00			
2	6/30/2021	Unappropriated Reserves	3200-00				251,323.00		
To record 2019 Audit Entries (excluding gov-wide)									
4	6/30/2021	Unrealized Gains/Losses	BPW-8			1,180.00			
4	6/30/2021	LAIF and SBIF FMV Adjustment	1360-00				1,180.00		
To record LAIF FMV adjustment as of June 30, 2021									
5	6/30/2021	SIGMA Pass through Grant Expenses	BPW-15			708,916.00			
5	6/30/2021	Due to other Govs, Reimb	2250-02				257,799.00		
5	6/30/2021	DWR Grant Reimbursement	4500-00				451,117.00		
To adjust pass through grant as of 6/30/2021									
6	6/30/2021	Unappropriated Reserves	3200-00				3,900.00		
6	6/30/2021	Audit/Accounting	5527-00			3,900.00			
To record entry that was recorded to net assets.									
7	6/30/2021	LAIF and SBIF FMV Adjustment	1360-00			8,890.00			
7	6/30/2021	LAIF and SBIF FMV Adjustment	1360-00			2,690.00			
7	6/30/2021	Accounts Receivable	1500-00				251,323.00		
7	6/30/2021	Accounts Receivable	1500-00			264,379.00			
7	6/30/2021	Due to other Govs, Reimb	2250-02				205,269.00		
7	6/30/2021	Unappropriated Reserves	3200-00			251,323.00			
7	6/30/2021	Unappropriated Reserves	3200-00				264,379.00		
7	6/30/2021	Unappropriated Reserves	3200-00			457,484.00			
7	6/30/2021	Unappropriated Reserves	3200-00				228,742.00		
7	6/30/2021	Unappropriated Reserves	3200-00				13,575.00		
7	6/30/2021	Unappropriated Reserves	3200-00				9,898.00		
7	6/30/2021	Unappropriated Reserves	3200-00				8,890.00		
7	6/30/2021	Unappropriated Reserves	3200-00				2,690.00		
To record 2020 audit entries (excluding gov-wide)									
12	6/30/2021	Unrealized Gains/Losses	BPW-8			2,574.00			
12	6/30/2021	SBIF	1350-02				328.00		
12	6/30/2021	LAIF and SBIF FMV Adjustment	1360-00				2,574.00		
12	6/30/2021	Interest Income, all sources	4934-00			328.00			
To record SBIF FMV adjustemnt as of 06/30/21.									
13	6/30/2021	Due to other Govs, Reimb	2250-02	PBC			50.00		
13	6/30/2021	Misc. Expense	5530-00	PBC		50.00			
PBC Adjustment to true-up balance due to GSAs.									
						<b>2,500,572.69</b>	<b>2,500,572.69</b>		
<b>Net Income (Loss)</b>			<b>(48,589.35)</b>						

Year End: June 30, 2021  
 Journal Entries: Reclassifying  
 Date: 7/1/2020 To 6/30/2021

Prepared by	1st Reviewer	2nd Reviewer

8020

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
3	6/30/2021	LAIF	1350-01				1,281.00		
3	6/30/2021	SBIF	1350-02				369.00		
3	6/30/2021	Interest Receivable	1371-00			1,281.00			
3	6/30/2021	Interest Receivable	1371-00			369.00			
To reclassify Q4 Interest Receivable from the LAIF balance to interest receivable.									
9	6/30/2021	Accrued Payroll	BPW-2				17,625.00		
9	6/30/2021	Accounts Payable	2220-00			17,625.00			
To reclassify accrued payroll from accounts payable									
						<b>19,275.00</b>	<b>19,275.00</b>		
<b>Net Income (Loss)</b>			<b>(48,589.35)</b>						

Year End: June 30, 2021  
 Journal Entries: Other Basis (Gov-wide)  
 Date: 7/1/2020 To 6/30/2021

Prepared by	1st Reviewer	2nd Reviewer

8030

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
8	6/30/2021	Depreciation Expense	BPW-16			2,300.00			
8	6/30/2021	Accumulated Depreciation	BPW-17				2,300.00		
		Government-wide - To record depreciation for FY 2021							
10	6/30/2021	Accrued Vacation	BPW-3				27,852.00		
10	6/30/2021	Change in Accrued Vacation Y-O-Y	BPW-10			27,852.00			
		Government-wide - To adjust accrued PTO to actual as of 6/30/2021							
14	6/30/2021	Accrued Vacation	BPW-3	PY			8,348.00		
14	6/30/2021	Accrued Vacation	BPW-3	PY			2,234.00		
14	6/30/2021	Unappropriated Reserves	3200-00	PY		8,348.00			
14	6/30/2021	Unappropriated Reserves	3200-00	PY		2,234.00			
14	6/30/2021	Unappropriated Reserves	3200-00	PY			23,000.00		
14	6/30/2021	Capital Assets - GW Bal Sheet	BPW-13.1	PY		23,000.00			
		To record 2019 and 2020 Government-wide adjustments.							
						<b>63,734.00</b>	<b>63,734.00</b>		
		<b>Net Income (Loss)</b>							<b>(48,589.35)</b>

March 9, 2022

Board of Directors  
Santa Ynez River Water Conservation District  
PO Box 719  
Santa Ynez, CA 93460

**Re: Internal Control Related Matters Identified During the Audit**

To the Board of Directors:

In planning and performing our audit of the financial statements of the Santa Ynez River Water Conservation District for the year ended June 30, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a deficiency that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

**Material Weakness**

**Chart of Accounts**

The District's chart of accounts did not contain certain general ledger accounts which prevented the District from recording all audit adjustments in prior years. As a result, reconciliation and significant adjustments to beginning fund balances were required during the current year audit.

Board of Directors  
Santa Ynez River Water Conservation District  
March 9, 2022  
Page 2

We recommend that general ledger accounts be created or repurposed to ensure that all transactions and audit adjustments can be recorded on the District's trial balance. After the annual adjustments are recorded by the District we also recommend that management agree the balances from the internal financial statements to the audited financial statements to verify that all audit entries were properly recorded.

### **Conclusion**

This communication is intended solely for the information and use of the Board of Directors, management, and others within the District, and is not intended to be and should not be used by anyone other than these specified parties. This letter does not affect our report dated March 9, 2022 on the financial statements of the Santa Ynez River Water Conservation District.

Very truly yours,

**BARTLETT, PRINGLE & WOLF, LLP**  
*Certified Public Accountants and Consultants*



DECLARATION OF INTENTION TO ADJUST DIVISION BOUNDARIES  
AND NOTICE OF HEARING

NOTICE is hereby given that the Board of Directors of the Santa Ynez River Water Conservation District (District), at its meeting on March 9, 2022, will conduct a public hearing regarding its intent to adjust the division boundaries within the District. The public hearing will be conducted by the District at the Vandenberg Village Community Services District, Conference Room, 3745 Constellation Rd., Lompoc, California, at 6:30 p.m., on March 9, 2022 with public participation available in person or remote via video or teleconference through Zoom. Remote participation details are available at [SYRWCD.com](http://SYRWCD.com). Any resident or owner of land within the District may appear before the Board and object to the making of the proposed change or changes or petition that a change be made otherwise than as proposed.

The Board of Directors proposes the division boundaries of the District be as follows:

**DIVISION 1:** Beginning at a point on the western boundary of the current Santa Ynez River Water Conservation District (District), said point also being the mouth of the Santa Ynez River at the Pacific Ocean; thence easterly along the Santa Ynez River to the intersection with H St, said H St is also known as State Highway 1; thence southerly along H St/State Highway 1 to the intersection with Central Ave; thence easterly along Central Ave to the intersection with D St; thence southerly along D St to the intersection with North Ave; thence easterly along North Ave to the intersection with C St; thence southerly along said C St to the intersection with Pine Ave; thence westerly along Pine Ave to the intersection with F St; thence southerly along F St to the intersection with College Ave; thence westerly along College Ave to the intersection with R St; thence southerly along R St to the intersection with Laurel Ave; thence westerly along Laurel Ave to the intersection with V St; thence southerly along V St to the intersection with Ocean Ave; thence westerly along Ocean Ave to the intersection with De Wolff Ave and La Salle Canyon Rd; thence following La Salle Canyon Rd first southerly, then westerly and then southerly along La Salle Canyon Rd to a point on the southern boundary of the District, said point also being the intersection with the boundary of the Vandenberg Space Force Base (VSFB); thence generally westerly following along said southern boundary of the District to a point, said point being the intersection with the mean tide of the Pacific Ocean; thence generally northly along mean tide of the Pacific Ocean, also being the western boundary of the District to the mouth of the Santa Ynez River, and the point of beginning.

**DIVISION 2:** Beginning at the intersection with La Salle Canyon Rd, the southern boundary of the District, and the VSFB boundary; thence along said southern boundary of the District to the intersection with Cabrillo Highway, also known as State Highway 1; thence northerly along said highway to the intersection with 12th St and Ocean Ave, said Ocean Ave is also known as State Highway 1; thence westerly along said Ocean Ave/State Highway 1 to the intersection with H St, said H St is also known as State Highway 1; thence northerly along said H St/State Highway 1 to the intersection with College Ave; thence westerly along College Ave to the intersection with R St; thence southerly along R St to the intersection with Laurel Ave; thence westerly along Laurel Ave to the intersection with V St; thence southerly along V St to the intersection with Ocean Ave; thence generally westerly along Ocean Ave to a point that is the intersection with La Salle Canyon Rd, De Wolff Ave and Ocean Ave; thence southerly, westerly and southwesterly along La Salle Canyon Rd to the point of beginning.

**DIVISION 3:** Beginning at a point on the western boundary of the District, said point also being the mouth of the Santa Ynez River at the Pacific Ocean; thence easterly along the Santa Ynez River to the intersection with H St, also known as State Highway 1; thence southerly along H St/State Highway 1 to the intersection with Central Ave; thence easterly along Central Ave to the intersection with D St; thence southerly along D St to the intersection with North Ave; thence easterly along East North Ave to the intersection with Riverside Dr; thence southerly along Riverside Dr with the intersection with Pine Ave, said point also being a point on the eastern Lompoc City Limit boundary; thence easterly and generally northly along said Lompoc City Limit boundary to the intersection with McLaughlin Rd; thence easterly along McLaughlin Rd to the intersection with the northeast corner of parcel number 099-141-003 (within census block 060830028091025); thence southerly along the eastern line of said parcel to the northwest corner of parcel number 099-141-001 (within census block 060830028091025); thence easterly along said parcel northern boundary to the intersection with Mission Gate Rd; thence northeasterly along said Mission Gate Rd to the intersection with Purisima Rd; thence southeasterly along Purisima Rd to the intersection with Buellton-Lompoc Rd, said Buellton-Lompoc Rd also being State Highway 246; thence easterly along said State Highway 246 to the intersection with Gypsy Canyon Rd; thence generally northerly along Gypsy Canyon Rd to the intersection with Cebada Canyon Rd, said point being near the most northwest corner of parcel number 099-610-005 (within census block 060830028091009); thence generally first westerly and then northerly along Cebada Canyon Rd to the intersection with the north boundary of the District, said point being on the north boundary of parcel number 099-060-026 (within census block 060830028091012); thence generally westerly along said District boundary to a point on the mean tide line of the Pacific Ocean; thence southerly approximately 660 feet along said mean hide tide line to the point of beginning.

**DIVISION 4:** Beginning at the intersection with H St, said H St also known as State Highway 1, and College Ave; thence easterly along College Ave to the intersection with F St; thence northerly along F St to the intersection with Pine Ave; thence easterly along Pine Ave to the intersection with C St; thence northerly along C St to the intersection with North Ave; thence easterly along North Ave to the intersection with Riverside Dr; thence southeasterly along Riverside Dr to the intersection with Pine Ave, said point also being a point on the City of Lompoc City Limit boundary; thence easterly and generally northerly along said Lompoc City Limit boundary to the intersection with McLaughlin Rd; thence easterly along McLaughlin Rd to the intersection with the northeast corner of parcel number 099-141-003 (within census block 060830028091025); thence southerly along the eastern line of said parcel to the northwest corner of parcel number 099-141-001 (within census block 060830028091025); thence easterly along said parcel northern boundary to the intersection with Mission Gate Rd; thence northeasterly along said Mission Gate Rd to the intersection with Purisima Rd; thence southeasterly along Purisima Rd to the intersection with Buellton-Lompoc Rd, said Buellton-Lompoc Rd also being State Highway 246; thence easterly along said State Highway 246 to the intersection with Gypsy Canyon Rd; thence generally northerly along Gypsy Canyon Rd to the intersection with Cebada Canyon Rd, said point being near the most northwest corner of parcel number 099-610-005 (within census block 060830028091009); thence generally first westerly and then northerly along Cebada Canyon Rd to the intersection with the north boundary of the District, said point being on the north boundary of parcel number 099-060-026 (within census block 060830028091012); thence generally easterly along said north boundary of the District to the intersection with US Highway 101; thence generally southerly along said US Highway 101 to the intersection with the northern boundary of the City of Buellton City Limits; thence along the eastern and southern boundaries of the Buellton City Limits lying easterly of the right of way of US Highway 101 to the intersection with US Highway 101; thence southerly along said US Highway 101 to the intersection with the southern boundary of the District; thence along said southern boundary of the District generally westerly to the intersection with State Highway 1; thence generally northerly along said State Highway 1 to the intersection with Ocean Ave, said Ocean Ave is also known as State Highway 1; thence along said Ocean Ave/State Highway 1 generally westerly to the intersection with H St, said H St is also known as State Highway 1; thence northerly along H St/State Highway 1 to the intersection with College Ave and the point of beginning.

**DIVISION 5:** All of the Santa Ynez River Water Conservation District area lying easterly of the right of way of US Highway 101, excepting there of any area within the city limits of the City of Buellton.

A map depicting the proposed boundary changes is available for inspection at [SYRWCD.com](http://SYRWCD.com).

SANTA YNEZ RIVER WATER  
CONSERVATION DISTRICT

**SYRWCD BOARD MEETING** - **March 9, 2022**

Secretary to the Board

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FEB 22; MAR 1 -- 2022 / 58024

**RESOLUTION NO. 708**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT  
ADJUSTING DIVISION BOUNDARIES**

**WHEREAS**, Water Code section 74430 provides that the Santa Ynez River Water Conservation District's ("District's") Board of Directors shall, by resolution, adjust the boundaries of any of its divisions pursuant to Elections Code section 22000, et seq.;

**WHEREAS**, Election Code section 22000 requires certain special districts (including Santa Ynez River Water Conservation District) to adjust their division boundaries after each federal decennial census, and using that census as the basis, adjust the boundaries of any divisions so that the divisions are, as far as practicable, equal in population and in compliance with Section 10201 of Title 52 of the United States Code, as amended, to the extent those provisions are applicable; and

**WHEREAS**, Election Code section 22000 further provides that in adjusting the boundaries of the divisions, the board may give consideration to the following factors: (1) topography, (2) geography, (3) cohesiveness, contiguity, integrity, and compactness of territory, and (4) community of interests of the division; and

**WHEREAS**, recently enacted Senate Bill No. 594 provides that the governing board of a district that has a regular election to elect members of its governing board on the same date as the 2022 statewide general election shall adopt adjusted boundaries of the divisions no later than April 17, 2022 (Election Code § 22000.1(b)(1)); and

**WHEREAS**, Water Code sections 74431 and 74432 require that, before changing of the boundaries of the divisions, the District is to give notice of its intention to do so by publication and hold a hearing at which any owner of land in the District may appear before the board and object to the making of the proposed change or changes or petition that a change be made otherwise than as posted; and

**WHEREAS**, on December 1, 2021, the Board of Directors of the Santa Ynez River Water Conservation District adopted Resolution No. 704, a resolution of intent to adjust division boundaries and give notice of the proposed division boundary adjustments and a hearing therein, which said notice has been duly given and published and a hearing has been held thereon by the District, all as required by law including the required specification of such proposed division boundary adjustments, on the 9<sup>th</sup> day of March, 2022 at the Vandenberg Village Community Services District, Conference Room, 3745 Constellation Road, Lompoc, California with remote video/teleconference participation available; and

**WHEREAS**, at the time and place appointed for the hearing, the Board of Directors heard all objections and petitions presented to the Board with respect to the proposed division boundary adjustments which the Board proposed in said notification; and

**WHEREAS**, the Board of Directors of the Santa Ynez River Water Conservation District has determined that there exists a population disparity between the divisions of the District as presently established; and

**WHEREAS**, the Board of Directors of the Santa Ynez River Water Conservation District has determined that it is advisable in order to comply with applicable state law, e.g., Water Code section 74430, et seq. and Election Code sections 22000 and 22000.1, and in the best interests of the District and the electors, to adjust the boundaries of the District's divisions; and

**WHEREAS**, a proposed adjustments of the boundaries of the divisions based upon an analysis of population deviation between divisions has been duly noticed, been the subject of the required public hearing, and submitted to the Board of Directors which meets constitutional requirements; and

**WHEREAS**, a copy of a map of the proposed division boundary adjustments is on file in the District offices in Santa Ynez;

**NOW THEREFORE**, the Board of Directors of the Santa Ynez River Water Conservation District hereby resolves as follows:

**SECTION 1:** The foregoing recitals are true and correct, and the Board of Directors deems it advisable in order to comply with applicable state law, e.g., Water Code section 74430, et seq. and Election Code sections 22000 and 22000.1, and in the best interests of the District and the electors, to adjust the boundaries of its divisions as proposed.

**SECTION 2:** The Board of Directors does hereby approve of the proposed division boundary adjustments and adjust the boundaries of the divisions of the District as follows:

(a) DIVISION 1

Those 2020 Census blocks located within the County of Santa Barbara and the City of Lompoc as listed below at the end of this document:

Also described generally as follows: Beginning at a point on the western boundary of the current Santa Ynez River Water Conservation District (District), said point also being the mouth of the Santa Ynez River at the Pacific Ocean; thence easterly along the Santa Ynez River to the intersection with H St, said H St is also known as State Highway 1; thence southerly along H St/State Highway 1 to the intersection

with Central Ave; thence easterly along Central Ave to the intersection with D St; thence southerly along D St to the intersection with North Ave; thence easterly along North Ave to the intersection with C St; thence southerly along said C St to the intersection with Pine Ave; thence westerly along Pine Ave to the intersection with F St; thence southerly along F St to the intersection with College Ave; thence westerly along College Ave to the intersection with R St; thence southerly along R St to the intersection with Laurel Ave; thence westerly along Laurel Ave to the intersection with V St; thence southerly along V St to the intersection with Ocean Ave; thence westerly along Ocean Ave to the intersection with De Wolff Ave and La Salle Canyon Rd; thence following La Salle Canyon Rd first southerly, then westerly and then southerly along La Salle Canyon Rd to a point on the southern boundary of the District, said point also being the intersection with the boundary of the Vandenberg Space Force Base (VSFB); thence generally westerly following along said southern boundary of the District to a point, said point being the intersection with the mean tide of the Pacific Ocean; thence generally northly along mean tide of the Pacific Ocean, also being the western boundary of the District to the mouth of the Santa Ynez River, and the point of beginning.

(b) DIVISION 2

Those 2020 Census blocks located within the County of Santa Barbara and the City of Lompoc as listed in the attachment:

Also described generally as follows: Beginning at the intersection with La Salle Canyon Rd, the southern boundary of the District, and the VSFB boundary; thence along said southern boundary of the District to the intersection with Cabrillo Highway, also known as State Highway 1; thence northerly along said highway to the intersection with 12<sup>th</sup> St and Ocean Ave, said Ocean Ave is also known as State Highway 1; thence westerly along said Ocean Ave/State Highway 1 to the intersection with H St, said H St is also known as State Highway 1; thence northerly along said H St/State Highway 1 to the intersection with College Ave; thence westerly along College Ave to the intersection with R St; thence southerly along R St to the intersection with Laurel Ave; thence westerly along Laurel Ave to the intersection with V St; thence southerly along V St to the intersection with Ocean Ave; thence generally westerly along Ocean Ave to a point that is the intersection with La Salle Canyon Rd, De Wolff Ave and Ocean Ave; thence southerly, westerly and southwesterly along La Salle Canyon Rd to the point of beginning.

(c) DIVISION 3

Those 2020 Census blocks located within the County of Santa Barbara and the City of Lompoc as listed in the attachment:

Also described generally as follows: Beginning at a point on the western boundary of the District, said point also being the mouth of the Santa Ynez River at the Pacific

Ocean; thence easterly along the Santa Ynez River to the intersection with H St, also known as State Highway 1; thence southerly along H St/State Highway 1 to the intersection with Central Ave; thence easterly along Central Ave to the intersection with D St; thence southerly along D St to the intersection with North Ave; thence easterly along East North Ave to the intersection with Riverside Dr; thence southerly along Riverside Dr with the intersection with Pine Ave, said point also being a point on the eastern Lompoc City Limit boundary; thence easterly and generally northerly along said Lompoc City Limit boundary to the intersection with McLaughlin Rd; thence easterly along McLaughlin Rd to the intersection with the northeast corner of parcel number 099-141-003 (within census block 060830028091025); thence southerly along the eastern line of said parcel to the northwest corner of parcel number 099-141-001 (within census block 060830028091025); thence easterly along said parcel northern boundary to the intersection with Mission Gate Rd; thence northeasterly along said Mission Gate Rd to the intersection with Purisima Rd; thence southeasterly along Purisima Rd to the intersection with Buellton-Lompoc Rd, said Buellton-Lompoc Rd also being State Highway 246; thence easterly along said State Highway 246 to the intersection with Gypsy Canyon Rd; thence generally northerly along Gypsy Canyon Rd to the intersection with Cebada Canyon Rd, said point being near the most northwest corner of parcel number 099-610-005 (within census block 060830028091009); thence generally first westerly and then northerly along Cebada Canyon Rd to the intersection with the north boundary of the District, said point being on the north boundary of parcel number 099-060-026 (within census block 060830028091012); thence generally westerly along said District boundary to a point on the mean tide line of the Pacific Ocean; thence southerly approximately 660 feet along said mean hide tide line to the point of beginning.

(d) DIVISION 4

Those 2020 Census blocks located within the County of Santa Barbara and the Cities of Lompoc and Buellton as listed in the attachment:

Also described generally as follows: Beginning at the intersection with H St, said H St also known as State Highway 1, and College Ave; thence easterly along College Ave to the intersection with F St; thence northerly along F St to the intersection with Pine Ave; thence easterly along Pine Ave to the intersection with C St; thence northerly along C St to the intersection with North Ave; thence easterly along North Ave to the intersection with Riverside Dr; thence southeasterly along Riverside Dr to the intersection with Pine Ave, said point also being a point on the City of Lompoc City Limit boundary; thence easterly and generally northerly along said Lompoc City Limit boundary to the intersection with McLaughlin Rd; thence easterly along McLaughlin Rd to the intersection with the northeast corner of parcel number 099-141-003 (within census block 060830028091025); thence southerly along the eastern line of said parcel to the northwest corner of parcel number 099-141-001 (within census block 060830028091025); thence easterly along said parcel

northern boundary to the intersection with Mission Gate Rd; thence northeasterly along said Mission Gate Rd to the intersection with Purisima Rd; thence southeasterly along Purisima Rd to the intersection with Buellton-Lompoc Rd, said Buellton-Lompoc Rd also being State Highway 246; thence easterly along said State Highway 246 to the intersection with Gypsy Canyon Rd; thence generally northerly along Gypsy Canyon Rd to the intersection with Cebada Canyon Rd, said point being near the most northwest corner of parcel number 099-610-005 (within census block 060830028091009); thence generally first westerly and then northerly along Cebada Canyon Rd to the intersection with the north boundary of the District, said point being on the north boundary of parcel number 099-060-026 (within census block 060830028091012); thence generally easterly along said north boundary of the District to the intersection with US Highway 101; thence generally southerly along said US Highway 101 to the intersection with the northern boundary of the City of Buellton City Limits; thence along the eastern and southern boundaries of the Buellton City Limits lying easterly of the right of way of US Highway 101 to the intersection with US Highway 101; thence southerly along said US Highway 101 to the intersection with the southern boundary of the District; thence along said southern boundary of the District generally westerly to the intersection with State Highway 1; thence generally northerly along said State Highway 1 to the intersection with Ocean Ave, said Ocean Ave is also known as State Highway 1; thence along said Ocean Ave/State Highway 1 generally westerly to the intersection with H St, said H St is also known as State Highway 1; thence northerly along H St/State Highway 1 to the intersection with College Ave and the point of beginning.

(e) DIVISION 5

Those 2020 Census blocks located within the County of Santa Barbara and the City of Solvang as listed in the attachment:

Also described generally as follows: All of the Santa Ynez River Water Conservation District area lying easterly of the right of way of US Highway 101, excepting there of any area within the city limits of the City of Buellton.

**SECTION 3:** The approved adjusted boundaries of the divisions of the District, described herein, are depicted on the map attached as Exhibit “A” which is incorporated herein by this reference and shall be controlling.

**SECTION 4:** All Division boundaries not specifically mentioned in this Resolution shall remain unchanged.

**SECTION 5:** The District’s staff are hereby directed and authorized to take any action as may be necessary to implement such division boundary adjustments.

**WE, THE UNDERSIGNED**, being the duly qualified and acting President and Secretary, respectively, of the Board of Directors of the Santa Ynez River Water Conservation District, do hereby certify that the above and foregoing Resolution was duly and regularly adopted and passed by the Board of Directors at a special meeting duly held on the 9<sup>th</sup> day of March 2022 by the following vote:

**AYES**, and in favor thereof, Directors:

**NOES**, Directors:

**ABSENT/ABSTAINING**, Directors:

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Amber Thompson, Secretary

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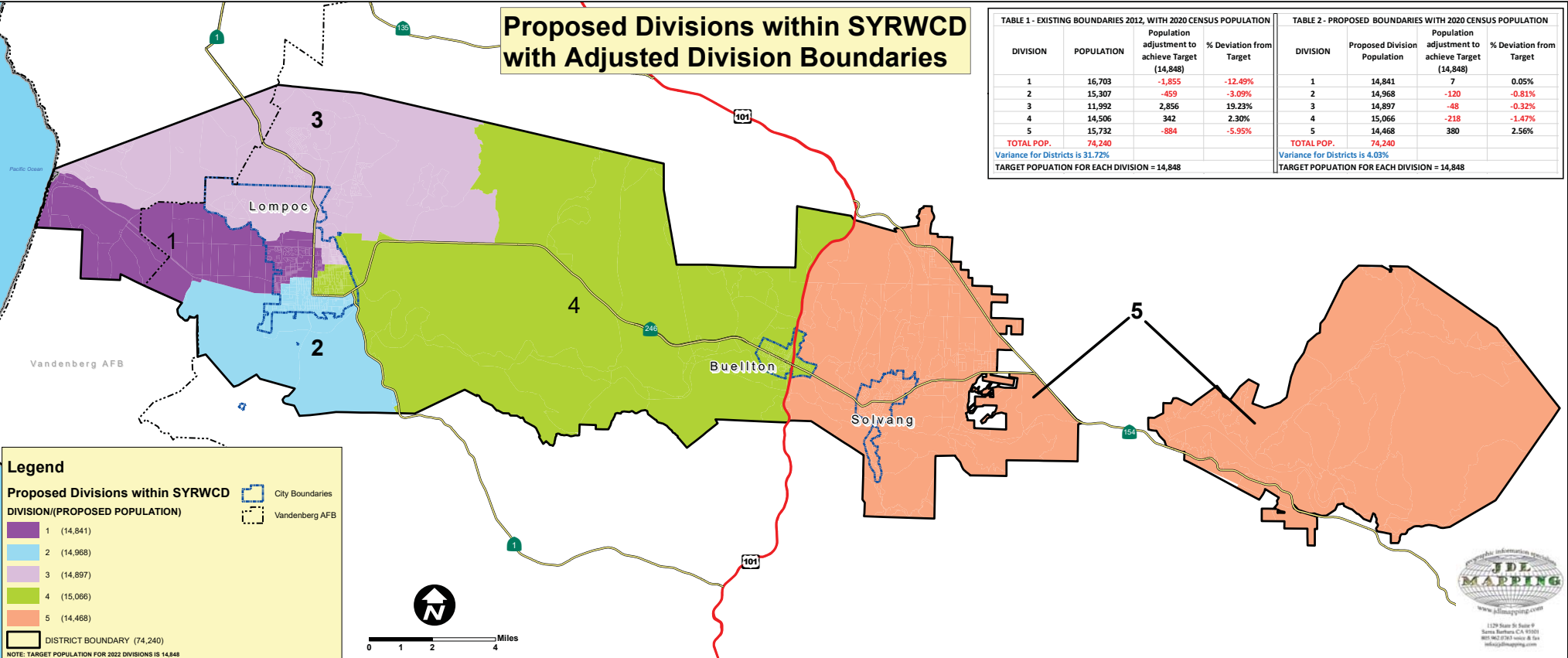
Cynthia Allen, President

# Santa Ynez River Water Conservation District (SYRWCD)

## 2022 Proposed Divisions with Adjusted Division Boundaries

### Proposed Divisions within SYRWCD with Adjusted Division Boundaries

TABLE 1 - EXISTING BOUNDARIES 2012, WITH 2020 CENSUS POPULATION				TABLE 2 - PROPOSED BOUNDARIES WITH 2020 CENSUS POPULATION			
DIVISION	POPULATION	Population adjustment to achieve Target (14,848)	% Deviation from Target	DIVISION	Proposed Division Population	Population adjustment to achieve Target (14,848)	% Deviation from Target
1	16,703	-1,855	-12.49%	1	14,841	7	0.05%
2	15,307	-459	-3.09%	2	14,968	-120	-0.81%
3	11,992	2,856	19.23%	3	14,897	-48	-0.32%
4	14,506	342	2.30%	4	15,066	-218	-1.47%
5	15,732	-884	-5.95%	5	14,468	380	2.56%
<b>TOTAL POP.</b> 74,240				<b>TOTAL POP.</b> 74,240			
Variance for Districts is 31.72%				Variance for Districts is 4.03%			
TARGET POPULATION FOR EACH DIVISION = 14,848				TARGET POPULATION FOR EACH DIVISION = 14,848			



**Legend**

**Proposed Divisions within SYRWCD**

**DIVISION/(PROPOSED POPULATION)**

- 1 (14,841)
- 2 (14,968)
- 3 (14,897)
- 4 (15,066)
- 5 (14,468)

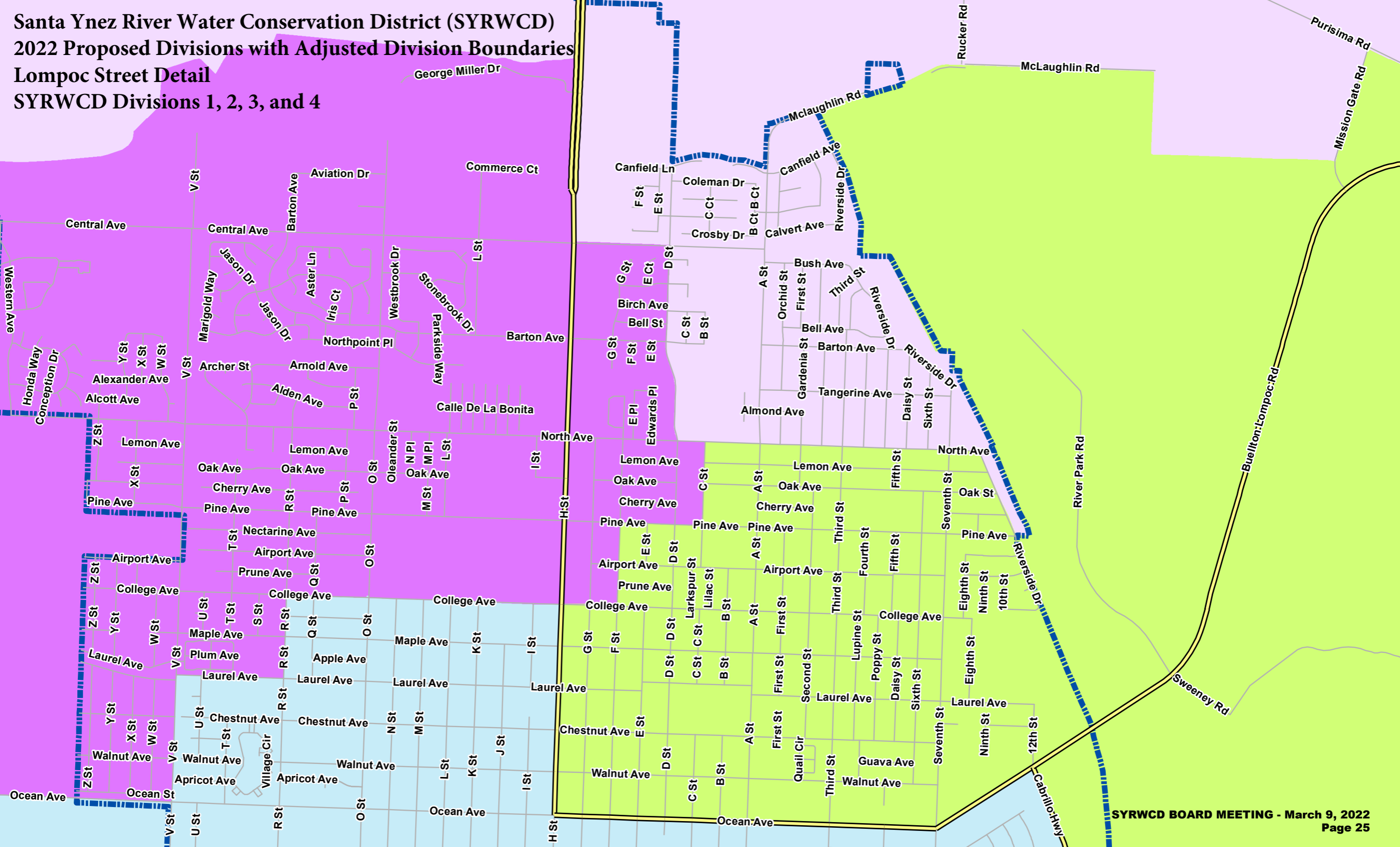
  City Boundaries  
  Vandenberg AFB  
  DISTRICT BOUNDARY (74,240)

NOTE: TARGET POPULATION FOR 2022 DIVISIONS IS 14,848





# Santa Ynez River Water Conservation District (SYRWCD) 2022 Proposed Divisions with Adjusted Division Boundaries Lompoc Street Detail SYRWCD Divisions 1, 2, 3, and 4



## **REGULAR MEETING MINUTES**

### **SANTA YNEZ RIVER WATER CONSERVATION DISTRICT**

**December 01, 2021**

A regular meeting of the Board of Directors of the Santa Ynez River Water Conservation District was held on Wednesday, December 01, 2021. As a result of the COVID-19 pandemic, Santa Barbara County Public Health recommendations to protect public health by limiting public gatherings, recommending social distancing, and requiring masking while gathering indoors, and as authorized by State Assembly Bill 361, this meeting occurred in-person at the Vandenberg Village Community Services District, 3745 Constellation Road, Lompoc, CA with remote participation via video and teleconference.

Directors Present, in-person: Cynthia Allen, Art Hibbits, and Steve Jordan

Directors Present, remote participation: Mark Altshuler and Brett Marymee

Others Present, in-person: Groundwater Program Manager Bill Buelow and Board Secretary Amber Thompson

Others Present, remote participation: Dennis Loyst (JDL Mapping), General Manager Kevin Walsh, Legal Counsel Steve Torigiani and one member of the public whose name was not registered

#### **I. CALL TO ORDER AND ROLL CALL**

President Allen called the meeting to order at 6:31 pm. Ms. Thompson called roll. All Directors were present providing a quorum.

#### **II. PLEDGE OF ALLEGIANCE**

President Allen led the Pledge of Allegiance.

#### **III. CONSIDER ADOPTING RESOLUTION 703 “RESOLUTION INITIALLY AUTHORIZING REMOTE TELECONFERENCE MEETINGS UNDER AB361”**

Director Hibbits waived reading of the Resolution and MOVED to adopt Resolution No. 703, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT INITIALLY AUTHORIZING REMOTE TELECONFERENCE MEETINGS UNDER AB361. Director Jordan seconded and the Resolution was adopted and passed 5-0-0 by the following roll call vote:

AYES, Directors: Allen, Altshuler, Hibbits, Jordan, Marymee

NOES, Directors: None

ABSENT, Directors: None

#### **IV. ADDITIONS, IF ANY, TO THE AGENDA**

There were no additions to the agenda. Mr. Walsh requested Agenda Item VII.D. be moved ahead of Agenda Item VII.A. as there was a guest presenter for Agenda Item VII.D. Directors unanimously agreed to the change in the agenda order.

#### **V. PUBLIC COMMENT**

There was no public comment. Ms. Thompson announced she did not receive any public comments prior to the meeting.

#### **VI. CONSIDERATION TO APPROVE MINUTES**

President Allen submitted the minutes of the special meeting of September 8, 2021 for Board approval. Director Jordan made a MOTION to approve the minutes. Director Hibbits seconded the motion and it passed 5-0-0 by the following roll call vote:

AYES, Directors: Allen, Altshuler, Hibbits, Jordan, Marymee  
NOES, Directors: None  
ABSENT, Directors: None

#### **VII. GENERAL MANAGER REPORT**

##### **A. Water Rights Release 2021**

Mr. Walsh advised that a Downstream Water Rights Releases from Lake Cachuma began August 1, 2021 and ended on October 22, 2021. The total Above Narrows Account release was 4,649 acre-feet. Mixing of State Water with the Water Rights Release from Lake Cachuma did not occur for the second consecutive year. A request has been made to Central Coast Water Authority (CCWA) to provide an alternative release point from the CCWA pipeline to ensure mixing opportunities in the future and is now pending. Discussion followed, no action.

##### **B. Surface Water Report**

Mr. Walsh presented Rainfall and Reservoir Summary, Cachuma Daily Operations, and Downstream Users Accounting report. He reviewed the National Weather Service's Winter 2021-22 precipitation outlook. He provided an update on the Santa Barbara County Water Agency Cloud Seeding program. Discussion followed, no action.

##### **C. Financial Reports, Monthly Warrants, Audit, and Quarterly Investment Report**

Mr. Walsh reported that a formal presentation of the FY 2020-21 Audit by the firm of Bartlett, Pringle and Wolf is tentatively scheduled for the March 2, 2022 regular meeting.

Mr. Walsh presented the financial report through October 31, 2021. The Board reviewed the financial reports and notable items for Period 4 of FY 2021-22. No discussion, no action.

Mr. Walsh presented the Quarterly Investment Report for 1st Quarter of FY 2021-22 and said investments were made in accordance with policy and sufficient funds are available to meet District obligations in accordance with law. No discussion, no action.

Mr. Walsh presented Warrant Lists for September, October, and November 2021. Director Jordan made a MOTION to ratify the warrant lists as presented (nos. 5337-5375 plus ACH transactions) for a total of \$222,844.95. Director Hibbits seconded, and the motion passed 5-0-0 by the following roll call vote:

AYES, Directors: Allen, Altshuler, Hibbits, Jordan, Marymee  
NOES, Directors: None  
ABSENT, Directors: None

D. 2022 Re-Districting and Consider Adoption of Resolution No. 704 “Declaring Its Intent to Adjust Division Boundaries and Notice of Hearing”

Agenda item VII.D. was addressed prior to agenda item VII.A. by unanimous approval of the Directors.

Mr. Dennis Loyst, JDL Mapping, explained the process used to determine the 2022 proposed adjustments to the SYRWCD division boundaries, based on the 2020 Census. Elections Code Section 22000 requires balanced population numbers in each division. Discussion followed.

Director Jordan requested staff and Mr. Loyst determine the estimated population of the three SGMA GSA management areas of Santa Ynez River Valley Groundwater Basin that lie outside of the SYRWCD District boundary, especially the large area of the Eastern Management Area outside of the SYRWCD boundary.

Director Jordan waived reading of the Resolution and MOVED to adopt Resolution No. 704, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT DECLARING ITS INTENT TO ADJUST DIVISION BOUNDARIES AND NOTICE OF HEARING. Director Marymee seconded and the Resolution was adopted and passed 5-0-0 by the following roll call vote:

AYES, Directors: Allen, Altshuler, Hibbits, Jordan, Marymee  
NOES, Directors: None  
ABSENT, Directors: None

Mr. Loyst left. The meeting continued with Agenda Item VII.A.

E. LAFCO Nominations and Election

President Allen reviewed and explained the LAFCO “Call for Nominations for and Notice of Election for LAFCO Regular Special District member”. Discussion followed, no action.

**VIII. GROUNDWATER PROGRAM MANAGER REPORT**

A. Groundwater Production, Reporting and Charges

1. Update on January to June 2021 groundwater reporting period

Mr. Buelow reviewed income received from Groundwater Pump Charges and Groundwater Production reported to date and provided an update on December 2021 groundwater reporting preparation.

2. Update on December 2021 groundwater reporting

Mr. Buelow suggested an upgrade to the reporting process in FY 2022-23 from the current spreadsheet-based system to a database system. Director Marymee requested a cost saving comparison of the proposed change from manual statement processing and provide a return-on-investment expectation.

Discussion continued regarding future need to move away from estimation methods for determining groundwater production to more accurate measuring of groundwater production with electricity used or metering.

3. Update on efforts to capture delinquent groundwater reporting and well registrations

Mr. Buelow provided an updated on delinquent groundwater reporting and well registrations. No discussion, no action.

B. Sustainable Groundwater Management Act (SGMA) Update

1. Status update on the three GSPs for the Basin

Mr. Buelow reported that the three GSAs each received Public Drafts of the respective GSP. The drafts were out for public review and comment for 45 days in September and October 2021. Consultants are reviewing every comment, working on responses to each comment and preparing the Final GSPs. The GSAs will consider adoption of the Final GSPs during the first week of January 2022. Discussion followed, no action.

2. Consider Adoption of Resolutions No. 705, 706, and 707 “Approving Adoption for Groundwater Sustainability Plan for the (Central, Eastern, Western)

Management Area of the Santa Ynez River Valley Groundwater Basin

Mr. Buelow presented Resolutions No. 705, 706, and 707 “Approving Adoption for Groundwater Sustainability Plan for the (Central, Eastern, Western) Management Area of the Santa Ynez River Valley Groundwater Basin” and explained adoption of the Resolutions will authorize either of the SYRWCD Director representatives on each GSA to approve adoption of the respective Groundwater Sustainability Plan.

Director Marymee waived reading of the Resolution and MOVED to adopt Resolution No. 705, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT APPROVING ADOPTION OF GROUNDWATER SUSTAINABILITY PLAN FOR THE CENTRAL MANAGEMENT AREA OF THE SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN. Director Jordan seconded and the Resolution was adopted and passed 5-0-0 by the following roll call vote:

AYES, Directors: Allen, Altshuler, Hibbits, Jordan, Marymee  
NOES, Directors: None  
ABSENT, Directors: None

Director Marymee waived reading of the Resolution and MOVED to adopt Resolution No. 706, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT APPROVING ADOPTION OF GROUNDWATER SUSTAINABILITY PLAN FOR THE EASTERN MANAGEMENT AREA OF THE SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN. Director Jordan seconded and the Resolution was adopted and passed 5-0-0 by the following roll call vote:

AYES, Directors: Allen, Altshuler, Hibbits, Jordan, Marymee  
NOES, Directors: None  
ABSENT, Directors: None

Director Jordan waived reading of the Resolution and MOVED to adopt Resolution No. 707, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT APPROVING ADOPTION OF GROUNDWATER SUSTAINABILITY PLAN FOR THE WESTERN MANAGEMENT AREA OF THE SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN. Director Marymee seconded and the Resolution was adopted and passed 5-0-0 by the following roll call vote:

AYES, Directors: Allen, Altshuler, Hibbits, Jordan, Marymee  
NOES, Directors: None  
ABSENT, Directors: None

3. Consider approval of change order to GSI Water Solutions Task Order for GSP Preparation in the EMA

Mr. Buelow presented a budget increase request from GSI Water Solutions for preparation of the EMA GSP. The increased costs for this task are expected to be covered by the existing grant funds in the EMA GSA account. Discussion followed. President Allen made a MOTION to authorize staff to approve the change order under the existing task order with a revised not to exceed of \$179,000. Director Marymee seconded the motion and it passed 5-0-0 by the following roll call vote:

AYES, Directors: Allen, Altshuler, Hibbits, Jordan, Marymee  
NOES, Directors: None  
ABSENT, Directors: None

4. Consider issuing new Task Order to GSI Water Solutions to prepare annual report in the EMA

Mr. Buelow presented the Proposal for First Annual Report for the Santa Ynez River Valley Groundwater Basin, Eastern Management Area Groundwater Sustainability Plan from GSI Water Solutions. He reported that the EMA GSA Committee discussed options for producing the first annual report during a public meeting and requested the first annual report be completed by GSI Water Solutions as they are most familiar with the EMA GSP. Mr. Buelow explained that EMA GSA Member Agency contributions may be necessary as the existing grant funds in the EMA GSA account are not expected to fully cover all anticipated EMA GSA costs plus those for first annual report and that discussions about a cost sharing agreement continue with EMA GSA Member Agency staff. Discussion followed.

Director Marymee made a MOTION to authorize staff to issue a new task order to GSI Water Solutions under the existing District contract to prepare the first annual report in the EMA with a not to exceed amount of \$61,000 contingent to District staff receiving EMA Member Agency staff commitment to an appropriate cost sharing agreement between SYRWCD, City of Solvang, and ID No. 1. President Allen seconded the motion and it passed 5-0-0 by the following roll call vote:

AYES, Directors: Allen, Altshuler, Hibbits, Jordan, Marymee  
NOES, Directors: None  
ABSENT, Directors: None

5. Consider issuing new Task Order to Stetson Engineers to prepare annual report in the WMA and CMA

Mr. Buelow presented the cost proposal for the Draft Scope of Work from Stetson Engineers to prepare the first annual reports for the WMA and CMA. He

explained that all received grant funds have been used in the CMA and WMA, but cost sharing agreements have already been established with all CMA and WMA Member Agencies contributing funds to the respective accounts.

Director Jordan made a MOTION to authorize staff to issue two new task orders to Stetson Engineers to prepare the first annual reports in the CMA and the WMA under the existing contract with a not to exceed of \$60,000, aggregate for both annual reports. Director Hibbits seconded the motion and it passed 5-0-0 by the following roll call vote:

AYES, Directors: Allen, Altshuler, Hibbits, Jordan, Marymee

NOES, Directors: None

ABSENT, Directors: None

6. SGMA Finances and GSP implementation budget

Mr. Buelow presented the CMA, EMA, and WMA financials through September 30, 2021.

He advised that a possible change order to the Stetson Engineers contract may be needed for the WMA due to the Durbin model issues causing inability to use the model in the GSP preparation as anticipated. There was no discussion, no action.

**IX. ATTORNEY REPORT**

Legal Counsel Steve Torigiani had nothing to report.

**X. REPORTS, ACTS BY BOARD MEMBERS, QUESTIONS OF STAFF, STATUS REPORTS, ANNOUNCEMENTS, OBSERVATIONS AND OTHER MATTERS, AND/OR COMMUNICATIONS NOT REQUIRING ACTION**

Director Marymee congratulated President Allen for being a contributor to an article about digitizing documents in the March 2021 Special Districts magazine.

**XI. REQUESTS FROM THE BOARD OF DIRECTORS FOR ITEMS TO BE INCLUDED ON THE NEXT AGENDA. THE NEXT MEETING IS SCHEDULED AS A REGULAR MEETING FOR MARCH 2, 2022, AT 6:30 PM**

Directors requested Mr. Buelow to report back on costs and options to update the groundwater production reporting process.

The next Board meeting will be a Regular meeting on March 2, 2022, at 6:30 pm, at the Vandenberg Village CSD's conference room for an in-person meeting with teleconference capabilities.



## **XII. CLOSED SESSION**

The Board convened into Closed Session from 8:27 pm to 8:34 pm to discuss the following items:

- A. Conference with Legal Counsel - Pending Litigation (Gov. Code, § 54956.9, subd. (d)(1)): Wolff vs SYRWCD, Superior Court of California, County of Santa Barbara, Case No. 20CV01552
- B. Conference with Legal Counsel – Pending Litigation (Gov. Code, § 54956.9, subd. (d)(1)) relating to proceedings pending before the State Water Resources Control Board (SWRCB) regarding Permits 11308 and 11310 issued on Applications 11331 and 11332 of the United States Bureau of Reclamation for the Cachuma Project, and complaints filed by the California Sport Fishing Protection Alliance regarding the operation of the Cachuma Project and SWRCB Order WR 89-18; proposed changes to the place and purpose of use of waters obtained through aforementioned permits for the Cachuma Project; and Reclamation’s Petition for Reconsideration or Rehearing re Order WR 2019-0148; and proceedings related to SWRCB Permit No. 15878 (Application A022423) held by the City of Solvang including the City of Solvang’s Petitions for Change and Extension of Time.
- C. Conference with Legal Counsel – Anticipated Litigation (Gov. Code, § 54956.9, subd. (d)(2)): Significant exposure to litigation (One Matter).
- D. Conference with Legal Counsel – Anticipated Litigation (Gov. Code, § 54956.9, subd. (d)(4)): Possible initiation of litigation (One Matter).

## **XIII. RECONVENE OPEN SESSION/REPORT FROM CLOSED SESSION**

President Allen advised there is nothing to report from Closed Session.

## **XIV. ADJOURNMENT**

There being no further business, President Allen adjourned the meeting at 8:35 pm.

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Cynthia Allen, President

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Amber M. Thompson, Secretary

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT

MEMORANDUM

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DATE: March 9, 2022

TO: Cynthia Allen                      Mark Altshuler                      Art Hibbits  
Brett Marymee                      Steve Jordan

FROM: Kevin D. Walsh

SUBJECT: General Manager Report

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**AGENDA ITEM X**

**A. Surface Water Report**

At the end of January 2022, the Above Narrows Account (ANA) dewatered storage was 12,617 acre-feet. The ANA credit is 9,405 acre-feet. The Below Narrows Account (BNA) dewatered storage was at 19,249 acre-feet. The BNA credit is 4,981 acre-feet. If March continues to be dry, a water rights releases will be scheduled for Summer 2022.

Attachments (Current Month):

- Rainfall and Reservoir Status Report
- Cachuma Daily Operations
- Downstream User Accounting Report

**B. Financial Report**

FY 2021-22 Financial Reports

The Balance Sheets and Income Statements for Period 7 of Fiscal Year 2021-2022 are attached. Notables for Period 7 Year-to-Date FY 2020-2021:

- Period 7 year-to-date Total Revenues were greater than budgeted. The income from Property Taxes plus a reimbursement from the State of California for COVID-19 expenses more than off-set the lower-than-expected return on invested reserves and a lag in the collection of groundwater production charges. This lag was made up in early February.
- The negative variation in Operations Expense is almost entirely due to an early partial payment for the audit work. Full payment was scheduled for Period 11.

- SGMA legal expenses were not budgeted separately but are shown separately to inform future decisions by each GSA about legal costs.
- The difference between Total Revenues and Total Expenses for 2021-22 is positive, rather than the negative that was budgeted, leaving more funds in the Reserve account. We will likely end the year with more funds in the Reserve Account than budgeted, but by a much smaller amount than shown for Period 7.

#### Quarterly Investment Report

Certification is attached. Information only. No action required.

#### Approval of Warrants

The Monthly Warrants are attached.

- Motion: Approve December, January, and February Warrants. Roll Call vote.

#### **C. Review SYRWCD Investment Policy**

By statute, a review of the District's Investment Policy is required every year. The Investment Policy has been reviewed by staff and no changes are recommended.

- Motion: Adopt Resolution 709, waive reading. Roll Call vote.

#### **D. Draft Preliminary Budget FY 2022-23**

See attached Budget Memo.



# Santa Barbara County - Flood Control District

130 East Victoria Street, Santa Barbara CA 93101 - 805.568.3440 - www.countyofsb.org/pwd

## Rainfall and Reservoir Summary

Updated 8am: 2/28/2022

Water Year: 2022

Storm Number: NA

**Notes:** Daily rainfall amounts are recorded as of 8am for the previous 24 hours. Rainfall units are expressed in inches. All data on this page are from automated sensors, are preliminary, and subject to verification.

\*Each Water Year (WY) runs from Sept 1 through Aug 31 and is designated by the calendar year in which it ends  
[County Real-Time Rainfall and Reservoir Website link: > http://www.countyofsb.org/hydrology](http://www.countyofsb.org/hydrology)

Rainfall	ID	24 hrs	Storm 0day(s)	Month	Year*	% to Date	% of Year*	AI
<a href="#">Buellton</a> (Fire Stn)	233	0.00	0.00	0.10	7.45	62%	45%	
<a href="#">Cachuma Dam</a> (USBR)	332	0.00	0.00	0.06	10.53	74%	53%	
<a href="#">Carpinteria</a> (Fire Stn)	208	0.00	0.00	0.00	8.37	67%	48%	
<a href="#">Cuyama</a> (Fire Stn)	436	0.00	0.00	0.07	3.52	67%	46%	
<a href="#">Figueroa Mtn.</a> (USFS Stn)	421	0.00	0.00	0.15	11.05	74%	52%	7.5
<a href="#">Gibraltar Dam</a> (City Facility)	230	0.00	0.00	0.05	15.38	81%	59%	6.4
<a href="#">Goleta</a> (Fire Stn-Los Carneros)	440	0.00	0.00	0.01	10.29	77%	56%	
<a href="#">Lompoc</a> (City Hall)	439	0.00	0.00	0.21	8.37	80%	57%	7.5
<a href="#">Los Alamos</a> (Fire Stn)	204	0.00	0.00	0.07	7.20	67%	47%	
<a href="#">San Marcos Pass</a> (USFS Stn)	212	0.00	0.00	0.04	23.86	95%	70%	
<a href="#">Santa Barbara</a> (County Bldg)	234	0.00	0.00	0.05	11.33	85%	62%	
<a href="#">Santa Maria</a> (City Pub.Works)	380	0.00	0.00	0.10	6.66	70%	50%	
<a href="#">Santa Ynez</a> (Fire Stn /Airport)	218	0.00	0.00	0.06	8.48	75%	54%	
<a href="#">Sisquoc</a> (Fire Stn)	256	0.00	0.00	0.09	6.53	62%	43%	

County-wide percentage of "Normal-to-Date" rainfall : **74%**

County-wide percentage of "Normal Water-Year" rainfall : **53%**

County-wide percentage of "Normal Water-Year" rainfall calculated assuming no more rain through Aug. 31, 2022 (End of WY2022).

**AI (Antecedent Index / Soil Wetness)**

6.0 and below = Wet (min. = 2.5)  
 6.1 - 9.0 = Moderate  
 9.1 and above = Dry (max. = 12.5)

### Reservoirs

Reservoir Elevations referenced to NGVD-29.

\*\*Cachuma is full and subject to spilling at elevation 750 ft. However, the lake is surcharged to 753 ft. for fish release water. (Cachuma water storage is based on Dec 2013 capacity revision)

Click on Site for Real-Time Readings	Spillway Elev. (ft)	Current Elev. (ft)	Max. Storage (ac-ft)	Current Storage (ac-ft)	Current Capacity (%)	Storage Change Mo.(ac-ft)	Storage Change Year*(ac-ft)
<a href="#">Gibraltar Reservoir</a>	1,400.00	1,390.51	4,693	2,748	58.6%	234	2,474
<a href="#">Cachuma Reservoir</a>	753.**	711.32	192,978	90,607	47.0%	-2,476	-8,663
<a href="#">Jameson Reservoir</a>	2,224.00	2,210.40	4,848	3,303	68.1%	14	218
<a href="#">Twitchell Reservoir</a>	651.50	NA	194,971	NA		NA	NA

[Previous Rainfall and Reservoir Summaries](#)

## CACHUMA DAILY OPERATIONS

Month & Year: February 2022  
 Time of Observations: 0830 Evaporation Pan Factor: 77%

Day	Beginning Storage: 93,101			Surface Area	Rainfall		Evaporation		CCWA Inflow	Releases					Computed Inflow				
	Elevation	Storage	Change		inches	acre-feet	inches	acre-feet		Park Diversion	South Coast	Hilton Creek	WR 89-18	Outlet		Spillway			
	ft	acre-feet	acre-feet	acres	inches	acre-feet	inches	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet			
1	712.09	93,063	(38)	1,878	-		0.030	3.6	19.0	0.04	44.8	2.6	-	12.0	-	6.1			
2	712.05	93,007	(56)	1,877	-		0.100	12.0	13.2	0.04	51.0	2.5	-	11.0	-	7.4			
3	712.03	92,969	(38)	1,876	-		0.110	13.2	13.2	0.05	48.8	2.6	-	11.0	-	24.5			
4	712.01	92,932	(37)	1,876	-		0.070	8.4	13.0	0.04	51.9	2.5	-	11.0	-	23.9			
5	711.99	92,894	(38)	1,875	-		0.090	10.8	13.2	0.04	47.0	2.5	-	11.0	-	20.2			
6	711.96	92,838	(56)	1,874	-		0.100	12.0	13.2	0.04	50.5	2.6	-	11.0	-	7.0			
7	711.93	92,781	(57)	1,874	-		0.100	12.0	13.2	0.05	49.7	2.6	-	11.0	-	5.2			
8	711.91	92,744	(37)	1,873	-		0.110	13.2	13.2	0.04	50.1	2.5	-	11.0	-	26.7			
9	711.89	92,706	(38)	1,873	-		0.130	15.6	13.2	0.04	49.4	2.5	-	11.0	-	27.4			
10	711.87	92,668	(38)	1,872	-		0.140	16.8	13.2	0.04	61.2	2.5	-	12.0	-	41.4			
11	711.83	92,593	(75)	1,871	-		0.130	15.6	13.2	0.04	72.3	2.5	-	11.0	-	13.2			
12	711.79	92,518	(75)	1,870	-		0.120	14.4	13.2	0.05	67.6	2.5	-	11.0	-	7.3			
13	711.75	92,443	(75)	1,869	-		0.200	24.0	13.2	0.04	71.9	2.5	-	12.0	-	22.2			
14	711.71	92,368	(75)	1,868	-		0.150	18.0	13.3	0.04	71.1	2.5	-	11.0	-	14.3			
15	711.67	92,292	(76)	1,867	-		0.110	13.2	2.3	0.04	71.4	2.5	-	11.0	-	19.8			
16	711.62	92,198	(94)	1,866	0.02	3.1	0.150	18.0	-	0.04	65.6	2.5	-	11.0	-	(0.0)			
17	711.58	92,124	(74)	1,865	-		0.090	10.8	-	0.05	54.4	2.4	-	12.0	-	5.6			
18	711.55	92,069	(55)	1,864	-		0.130	15.5	-	0.04	54.2	2.5	-	11.0	-	28.3			
19	711.53	92,031	(38)	1,863	-		0.130	15.5	12.9	0.04	53.5	2.4	-	11.0	-	31.6			
20	711.50	91,976	(55)	1,863	0.01	1.6	0.100	12.0	13.2	0.04	44.6	2.4	-	12.0	-	1.2			
21	711.49	91,957	(19)	1,863	-		0.100	12.0	13.2	0.04	34.3	2.4	-	11.0	-	27.5			
22	711.47	91,920	(37)	1,862	-		0.120	14.3	13.2	0.05	33.8	2.4	-	11.0	-	11.4			
23	711.43	91,846	(74)	1,861	0.05	7.8	0.050	6.0	13.2	0.04	48.9	2.4	-	11.0	-	(26.6)			
24	711.40	91,790	(56)	1,860	-		0.070	8.4	13.3	0.04	45.9	2.4	-	11.0	-	(1.6)			
25	711.37	91,735	(55)	1,860	-		0.100	11.9	13.2	0.04	46.5	2.4	-	12.0	-	4.7			
26	711.36	91,716	(19)	1,859	-		0.040	4.8	23.7	0.05	48.2	2.4	-	11.0	-	23.7			
27	711.35	91,697	(19)	1,859	-		0.210	25.1	23.8	0.04	48.1	2.4	-	11.0	-	43.8			
28	711.32	91,642	(55)	1,858	-		0.130	15.5	23.8	0.04	46.4	2.3	-	11.0	-	(3.6)			
<b>TOTALS</b>			<b>(1,459)</b>				0.08	12.4	3.110	372.7	-	356.3	1.18	1,483.1	69.2	-	314.0	-	412.4

Park Usage

Rain 75% Yr. Total 0.08

C A C H U M A  
 Santa Ynez River - Downstream Users Accounting  
 January 2022

SUMMARY

RESERVOIR		Computed Inflow . . . . .	628.0
Releases . . . . .			420.1
Fish	420.1		
Water rights	0.0		
Leakage	0.0		
Spills . . . . .			0.0
Valves	0.0		
Spillway	0.0		
Leakage	0.0		
		Total Downstream Releases . .	420.1
Diversions . . . . .			749.0
South Coast	748.3		
Park (SYRWCD ID #1)	0.7		
SYRWCD ID #1	0.0		
		Total Reservoir Outflows . .	1169.1
CCWA Inflow	413.6		
Releases Affecting Accounts	0.0		
Project Savings	0.0		
ABOVE NARROWS ACCOUNT (ANA)			
Previous Months ANA . . . . .			8777.0
ANA Credit	628.0		
Releases from ANA	0.0		
BNA Releases Not Reaching Narrows	0.0		
ANA Dewatered Storage: Current	12617.0		
Previous	14587.0		
Change	-1970.0		
Spills Reducing ANA	0.0		
Current ANA . . . . .			9405.0
BELOW NARROWS ACCOUNT (BNA)			
Previous Months BNA . . . . .			4981.0
Measured Flow at Narrows	864.3		
Salsipuedes Creek Contribution	88.8		
Releases from BNA	0.0		
BNA Releases Reaching Narrows	0.0		
Constructive Flow at Narrows	864.3		
Elevation of Indicator well (feet)	0.0		
Percolation from Measured Flow	829.8		
Percolation from Constructive Flow	829.8		
BNA Credit	0.0		
Spills Reaching Narrows	0.0		
BNA Dewatered Storage: Current	19249.0		
Previous	19468.0		
Change	-219.0		
Spills Reducing BNA	0.0		
Current BNA . . . . .			4981.0

Notes: All values are in acre-feet unless otherwise indicated.  
 Date of Report: 02/18/2022  
 USING SAN LUCAS CREEK AS FIRST CHECKPOINT  
 UPSTREAM OPERATIONS ADJUSTMENT ALL NEG OR ZERO

SY River Water District  
BALANCE SHEET  
JANUARY 31, 2022

ASSETS

ASSETS

Mechanics Checking #7071-01	\$72,505.47	
Mechanics #7311 (GW Revenue)	211,301.36	
Mechanics #7313 (2nd MM)	3,187.05	
Mechanics #7314 (Grant Funds)	3,097.24	
LAIF	1,572,446.77	
SBIF	391,051.51	
Unrealized gains & losses	.00	
Taxes Receivable	.00	
Interest Receivable	.00	
Deferred Expenses	.00	
Prepaid Expenses	395.00	
Accounts Receivable	.00	
Temporary Suspense Account	(440.00)	
Pass through Transfer	.00	
	-----	
TOTAL ASSETS		2,253,544.40
		-----
TOTAL ASSETS		\$2,253,544.40
		=====

LIABILITIES AND EQUITY

LIABILITIES

Accounts Payable	47,280.10	
Accrued Payroll Taxes	(1.20)	
Deferred Comp - Lincoln Nat'l	.00	
Due USGS Lpc. Monit. Study	.00	
Due ID No 1 LAFCO	.00	
Due Misc	.00	
SYRHM Project (Agency Fund)	.00	
SGMA Funds Interest Income	97.24	
SGMA Funds Due to other Govts	(460,117.74)	
	-----	
TOTAL LIABILITIES		(412,741.60)
		-----
TOTAL LIABILITIES		(412,741.60)

RESERVES

Unappropriated Reserves	2,626,581.14	
RETAINED EARNINGS-CURRENT YEAR	39,704.86	
	-----	
TOTAL RESERVES		2,666,286.00
		-----
TOTAL LIABILITIES AND EQUITY		\$2,253,544.40
		=====

SY River Water District  
 INCOME STATEMENT  
 FOR THE 7 PERIODS ENDED JANUARY 31, 2022

	PERIOD TO DATE			YEAR TO DATE		
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
<b>INCOME</b>						
DWR Grant Reimbursement	\$ .00	.00	.00	.00	.00	.00
Ground Water Charges	90,396.27	130,000.00	(39,603.73)	379,082.65	396,000.00	(16,917.35)
SB Co. Property Taxes	6,039.71	6,500.00	(460.29)	198,474.51	184,400.00	14,074.51
Interest Income, all sources	6.57	.00	6.57	2,610.28	4,200.00	(1,589.72)
Miscellaneous Income	.00	.00	.00	40,454.00	.00	40,454.00
<b>TOTAL INCOME</b>	<b>96,442.55</b>	<b>136,500.00</b>	<b>(40,057.45)</b>	<b>620,621.44</b>	<b>584,600.00</b>	<b>36,021.44</b>
<b>GROSS PROFIT</b>	<b>96,442.55</b>	<b>136,500.00</b>	<b>(40,057.45)</b>	<b>620,621.44</b>	<b>584,600.00</b>	<b>36,021.44</b>
<b>EXPENSES:</b>						
<b>EXPENSES, OPERATIONS</b>						
Employee Compensation	32,229.50	32,250.00	20.50	225,606.30	225,750.00	143.70
Payroll (SS & Medicare)	2,494.24	2,333.33	(160.91)	16,163.60	16,333.31	169.71
Employee Benefits	405.27	441.67	36.40	2,836.89	3,091.69	254.80
Retirement Costs	2,256.06	2,250.00	(6.06)	15,792.42	15,750.00	(42.42)
Outside Staff Support	380.00	416.67	36.67	2,660.00	2,916.69	256.69
Director Fees	.00	400.00	400.00	750.00	900.00	150.00
Director Fees SGMA	375.00	450.00	75.00	2,325.00	2,250.00	(75.00)
Ground Water Charges Admin.	3,108.32	4,166.67	1,058.35	33,037.46	29,166.69	(3,870.77)
Office Supplies-Incl Computer	592.59	250.00	(342.59)	2,803.33	1,750.00	(1,053.33)
IT Services	.00	166.67	166.67	.00	1,166.69	1,166.69
Communications	518.23	541.67	23.44	3,771.34	3,791.69	20.35
Travel & Subsistence	600.00	583.33	(16.67)	1,201.70	4,083.31	2,881.61
Audit/Accounting	7,500.00	.00	(7,500.00)	7,500.00	.00	(7,500.00)
Insurance, Bonds, Work. Comp	.00	.00	.00	16,944.29	18,000.00	1,055.71
Misc. Expense	58.67	250.00	191.33	497.09	1,750.00	1,252.91
Dues	.00	.00	.00	3,154.00	400.00	(2,754.00)
Tax Admin Fee/LAFCO Cost	.00	.00	.00	703.00	300.00	(403.00)
Office Occupancy	1,693.61	1,875.00	181.39	13,130.76	13,125.00	(5.76)
Credit Card Processing Fees	5.11	.00	(5.11)	200.75	.00	(200.75)
<b>TOTAL EXPENSES, OPERATIONS</b>	<b>52,216.60</b>	<b>46,375.01</b>	<b>(5,841.59)</b>	<b>349,077.93</b>	<b>340,525.07</b>	<b>(8,552.86)</b>
<b>EXPENSES, SGMA</b>						
SGMA General	.00	.00	.00	15.50	.00	(15.50)
SGMA WMA	8,192.00	15,000.00	6,808.00	40,189.35	90,000.00	49,810.65
SGMA CMA	6,500.00	10,000.00	3,500.00	35,998.30	60,000.00	24,001.70
SGMA EMA	10,180.00	4,166.65	(6,013.35)	14,349.30	25,000.00	10,650.70
SGMA Legal	4,808.50	.00	(4,808.50)	63,612.25	.00	(63,612.25)
<b>TOTAL EXPENSES, SGMA</b>	<b>29,680.50</b>	<b>29,166.65</b>	<b>(513.85)</b>	<b>154,164.70</b>	<b>175,000.00</b>	<b>20,835.30</b>
<b>EXPENSES, LEGAL</b>						
General & Misc	65.43	833.33	767.90	5,515.45	5,833.31	317.86
WR89-18	.00	.00	.00	.00	.00	.00
Upper SYR Ops	.00	.00	.00	.00	.00	.00
WR 2019-0148 Decision; EIR	4,749.50	2,083.33	(2,666.17)	10,148.00	14,583.31	4,435.31
Fisheries, Legal	590.00	1,666.67	1,076.67	4,056.25	11,666.69	7,610.44
HR	.00	416.67	416.67	1,161.00	2,916.69	1,755.69
SGMA	.00	.00	.00	.00	.00	.00



SY River Water District  
 INCOME STATEMENT  
 FOR THE 7 PERIODS ENDED JANUARY 31, 2022

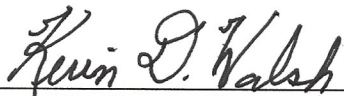
	PERIOD TO DATE			YEAR TO DATE		
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
EXPENSES, LEGAL	(Continued)					
GW Program	\$ .00	.00	.00	870.00	.00	(870.00)
TOTAL EXPENSES, LEGAL	5,404.93	5,000.00	(404.93)	21,750.70	35,000.00	13,249.30
EXPENSES, ENGINEER						
General & Misc.	158.35	833.33	674.98	6,500.48	5,833.31	(667.17)
Annual G.W. Report	.00	.00	.00	.00	.00	.00
WR 89-18 Operations	3,658.29	2,000.00	(1,658.29)	35,147.36	57,000.00	21,852.64
Upper SYR Operations	.00	833.33	833.33	237.00	5,833.31	5,596.31
WR 2019-0148 Decision; EIR	382.53	2,083.33	1,700.80	6,920.78	14,583.31	7,662.53
Fisheries Hydrology	515.50	2,916.67	2,401.17	2,349.75	20,416.69	18,066.94
Fisheries Consulting	.00	1,250.00	1,250.00	.00	8,750.00	8,750.00
TOTAL EXPENSES, ENGINEER	4,714.67	9,916.66	5,201.99	51,155.37	112,416.62	61,261.25
EXPENSES, CONTINGENCIES						
All Zones, General	280.00	4,166.67	3,886.67	4,767.88	29,166.69	24,398.81
Tenant Improvements	.00	.00	.00	.00	.00	.00
TOTAL EXPENSES, CONTINGENCIES	280.00	4,166.67	3,886.67	4,767.88	29,166.69	24,398.81
TOTAL EXPENSES	92,296.70	94,624.99	2,328.29	580,916.58	692,108.38	111,191.80
NET INCOME FROM OPERATIONS	4,145.85	41,875.01	(37,729.16)	39,704.86	(107,508.38)	147,213.24
EARNINGS BEFORE INCOME TAX	4,145.85	41,875.01	(37,729.16)	39,704.86	(107,508.38)	147,213.24
NET INCOME (LOSS)	\$4,145.85	41,875.01	(37,729.16)	39,704.86	(107,508.38)	147,213.24

QUARTERLY INVESTMENT REPORT  
(REF. CGC 53646 (B) (1) AND 53646 (E))  
SANTA YNEZ RIVER WATER CONSERVATION DISTRICT  
2ND QUARTER, FY 2021-22  
OCTOBER, NOVEMBER, DECEMBER 2021

Certification is hereby provided that:

- A. All investment actions executed during the last quarter have been made in full compliance with the Investment Policy; and,
- B. Sufficient funds exist so that the District will meet its expenditure obligations for the next six months as required by CGC 53646 (b) (2) and (3), respectively.

CERTIFICATION:

  
\_\_\_\_\_  
Kevin D. Walsh, General Manager

20 January 2022  
Date

  
\_\_\_\_\_  
William J. Buelow, Treasurer

20 Jan 2022  
Date

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT  
DECEMBER 2021 WARRANT LIST FOR BOARD APPROVAL**

<u>NUMBER</u>	<u>DATE</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
ACH	12/1/2021	Payroll	November 16-30, 2021 Salary	\$ 9,602.57
ACH	12/1/2021	Cynthia Allen	11/15/21 CMA; 11/18/21 EMA Meetings	\$ 138.52
ACH	12/1/2021	Art Hibbits	11/15/21 CMA Meeting	\$ 69.26
ACH	12/1/2021	Steve Jordan	10/17/21 WMA Meeting	\$ 69.26
ACH	12/1/2021	Brett Marymee	11/18/21 EMA Meeting	\$ 69.26
ACH	12/1/2021	Employment Development Dept.	EDD Tax Deposit (November 16-30, 2021)	\$ 950.21
ACH	12/1/2021	Lincoln Financial Group	457 Plan Combined Contributions (#1 December)	\$ 3,113.61
ACH	12/1/2021	Mechanics Bank (Payroll Acct)	Payroll Tax Deposit (November 16-30, 2021)	\$ 4,450.03
5376	12/13/2021	Judith K. Adams	November 2021 GW Admin Service	\$ 681.25
		Adamski Moroski Madden		
5377	12/13/2021	Cumberland & Green, LLC	June 2021 Labor and Employment Matters	\$ 1,161.00
5378	12/13/2021	Guardian	December 2021 Dental, Vision, Life, LTD & ADD Insurance	\$ 405.27
5379	12/13/2021	Jim Heyerly	December 2021 Rent	\$ 1,500.00
5380	12/13/2021	JDL Mapping	2022 Redistricting Proposal	\$ 840.00
5381	12/13/2021	Alex Pappas	November 2021 GW and SGMA Research Service	\$ 744.00
5382	12/13/2021	Pacific Gas & Electric	November 2021 Electric Service	\$ 185.25
5383	12/13/2021	Shirley Scales Bookkeeping	November 2021 GW Admin Service	\$ 3,222.00
5384	12/13/2021	Staples Credit Plan	Office Supplies	\$ 38.83
5385	12/13/2021	Stetson Engineers	October 2021 Engineering Service	\$ 14,699.10
5386	12/13/2021	US Bank Corp	November 2021 CalCard	\$ 1,439.26
5387	12/13/2021	Valley Bookkeeping Services	November 2021 Bookkeeping	\$ 380.00
5388	12/13/2021	Young Wooldridge	November 2021 Legal Service	\$ 12,286.82
ACH	12/17/2021	Payroll	December 1-15, 2021 Salary	\$ 9,946.77
ACH	12/17/2021	Employment Development Dept.	EDD Tax Deposit (December 1-15, 2021)	\$ 950.21
ACH	12/17/2021	Lincoln Financial Group	457 Plan Combined Contributions (#2 December)	\$ 3,113.61
ACH	12/17/2021	Mechanics Bank (Payroll Acct)	Payroll Tax Deposit (December 1-15, 2021)	\$ 3,704.23
<b>TOTAL</b>				<b>\$ 73,760.32</b>

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT  
JANUARY 2022 WARRANT LIST FOR BOARD APPROVAL**

<u>NUMBER</u>	<u>DATE</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
ACH	1/3/2022	Payroll	December 16-31, 2021 Salary	\$ 9,244.59
ACH	1/3/2022	Cynthia Allen	12/1/21 SYRWCD; 12/9/21 EMA Meetings	\$ 138.52
ACH	1/3/2022	Mark Altshuler	12/1/21 SYRWCD Meeting	\$ 69.26
ACH	1/3/2022	Art Hibbits	12/1/21 SYRWCD Meeting	\$ 69.26
ACH	1/3/2022	Steve Jordan	12/1/21 SYRWCD; 12/8/21 WMA Meetings	\$ 138.52
ACH	1/3/2022	Brett Marymee	12/1/21 SYRWCD; 12/9/21 EMA Meetings	\$ 138.52
ACH	1/3/2022	Employment Development Dept.	EDD Tax Deposit (December 16-31, 2021)	\$ 925.05
ACH	1/3/2022	Lincoln Financial Group	457 Plan Combined Contributions (#1 January)	\$ 3,113.61
ACH	1/3/2022	Mechanics Bank (Payroll Acct)	Payroll Tax Deposit (December 16-31, 2021)	\$ 5,284.14
5389 *	1/13/2022	Guardian	January 2021 Dental, Vision, Life, LTD & ADD Insurance	\$ 405.27
5390	1/13/2022	Jim Heyerly	January 2021 Rent	\$ 1,500.00
5391	1/13/2022	Inklings Printing Co.	SGMA Newsletter #6, envelopes, and GW forms	590.71
5392	1/13/2022	JDL Mapping	2022 Redistricting Proposal & additional efforts	\$ 840.00
5393	1/13/2022	Alex Pappas	December 2021 GW and Fish Research Service	\$ 504.00
5394	1/13/2022	Pacific Gas & Electric	December 2021 Electric Service	\$ 124.41
5395	1/13/2022	Shirley Scales Bookkeeping	December 2021 GW Admin Service	\$ 3,681.00
5396	1/13/2022	Stetson Engineers	November 2021 Engineering Service	\$ 7,593.90
5397	1/13/2022	US Bank Corp	December 2021 CalCard	\$ 1,630.04
5398	1/13/2022	Valley Bookkeeping Services Judith K. Adams	December 2021 Bookkeeping	\$ 380.00
5399	1/13/2022	Willow Creek Ranch	December 2021 GW Admin Service	\$ 968.75
5400	1/13/2022	Young Wooldridge	December 2021 Legal Service	\$ 12,601.86
ACH	1/18/2022	Payroll	January 1-15, 2021 Salary	\$ 9,244.59
ACH	1/18/2022	Employment Development Dept.	EDD Tax Deposit (January 1-15, 2021)	\$ 925.05
ACH	1/18/2022	Lincoln Financial Group	457 Plan Combined Contributions (#2 January)	\$ 3,113.61
ACH	1/18/2022	Mechanics Bank (Payroll Acct)	Payroll Tax Deposit (January 1-15, 2021)	\$ 5,192.30

**TOTAL \$ 68,416.96**

<b>5389 *</b>	<b>2/1/2022</b>	<b>Guardian - STOP PAYMENT</b>	<b>VOID, Stop Payment, Check returned - see February Warrant List</b>	
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**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT**  
**FEBRUARY 2022 WARRANT LIST FOR BOARD APPROVAL**

<u>NUMBER</u>	<u>DATE</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
5389*	2/1/2022	Guardian - STOP PAYMENT	(Check Issued 1/13/2022) Stop Payment, Check Returned	\$ (405.27)
ACH	2/2/2022	Payroll	January 16-31, 2021 Salary	\$ 9,244.59
ACH	2/2/2022	Cynthia Allen	1/3/22 CMA, 1/6/22 EMA Meetings	\$ 138.52
ACH	2/2/2022	Art Hibbits	1/3/22 CMA Meeting	\$ 69.26
ACH	2/2/2022	Steve Jordan	1/5/22 WMA Meeting	\$ 69.26
ACH	2/2/2022	Brett Marymee	1/6/22 EMA Meeting	\$ 69.26
ACH	2/2/2022	Employment Development Dept.	EDD Tax Deposit (January 16-31, 2021)	\$ 925.05
ACH	2/2/2022	Mechanics Bank (Payroll Acct)	Payroll Tax Deposit (January 16-31, 2021)	\$ 5,249.70
ACH	2/2/2022	Lincoln Financial Group	457 Plan Combined Contributions (#1 February)	\$ 3,113.61
5401	2/8/2022	Bartlett Pringle Wolf	FY 2020-21 Financial Audit	\$ 7,500.00
5402	2/8/2022	County of Santa Barbara	IRWM Participation Cost 7/1-12/31/2021	\$ 99.10
5403	2/8/2022	Jim Heyerly	February 2021 Rent	\$ 1,500.00
5404	2/8/2022	JDL Mapping	2022 Redistricting & DAC mapping	\$ 280.00
5405	2/8/2022	Alex Pappas	January 2021 GW, SGMA, and Fish Research Service	\$ 792.00
5406	2/8/2022	Pacific Gas & Electric	January 2021 Electric Service	\$ 93.61
5407	2/8/2022	Shirley Scales Bookkeeping	January 2021 GW Admin Service	\$ 3,006.00
5408	2/8/2022	Staples Credit Plan	Office Supplies	\$ 212.23
5409	2/8/2022	Stetson Engineers	December 2021 Engineering Service	\$ 4,195.57
5410	2/8/2022	US Bank Corp	January 2021 CalCard	\$ 1,628.91
5411	2/8/2022	Valley Bookkeeping Services	January 2021 Bookkeeping	\$ 380.00
5412	2/8/2022	Young Wooldridge	January 2021 Legal Service	\$ 10,213.43
ACH	2/9/2022	Guardian	January & February 2021 Dental, Vision, Life, LTD & ADD Insurance	\$ 810.54
ACH	2/16/2022	Payroll	February 1-15, 2021 Salary	\$ 9,244.59
ACH	2/16/2022	Employment Development Dept.	EDD Tax Deposit (February 1-15, 2021)	\$ 925.05
ACH	2/16/2022	Lincoln Financial Group	457 Plan Combined Contributions (#2 February)	\$ 3,113.61
ACH	2/16/2022	Mechanics Bank (Payroll Acct)	Payroll Tax Deposit (February 1-15, 2021)	\$ 5,192.30
<b>TOTAL</b>				<b>\$ 67,660.92</b>

**RESOLUTION NO. 709**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT  
RE-ADOPTING INVESTMENT 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 Sections 53600.6 and 53630.1); and

**WHEREAS**, the legislative body of a local agency may invest monies not required for the immediate necessities of the local agency in accordance with the provisions of California Government Code Sections 5921 and 53601 et seq.; and

**WHEREAS**, the Santa Ynez River Water Conservation District invests its monies in accordance with the provisions described above; and

**WHEREAS**, the Investment Policy shall be reviewed by the Board of Directors annually and any modifications must be approved in a public meeting; and

**WHEREAS**, the Board of Directors determined that modifications are not needed in the Investment Policy.

**NOW, THEREFORE, BE IT RESOLVED**, that the Investment Policy, as attached to this resolution, is hereby approved and re-adopted by the Board of Directors.

**WE, THE UNDERSIGNED**, being the fully qualified and acting President and Secretary, respectively, of the Board of Directors of the Santa Ynez River Water Conservation District, County of Santa Barbara, California, do hereby certify that the above and foregoing Resolution was duly adopted and passed by the Board of Directors of said District at a special meeting duly held on the 9<sup>th</sup> day of March 2022 by the following roll call vote:

**AYES**, and in favor thereof, Directors:

**NOES**, Directors:

**ABSENT/ABSTAINING**, Directors:

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Cynthia Allen, President

---

Amber M. Thompson, Secretary

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT  
INVESTMENT POLICY

(Adopted by Resolution No. 688 dated March 6, 2019)

1.0 INTRODUCTION

The deposit and investment of public funds by local officials and local agencies is an issue of statewide concern. (Gov. Code, §§ 53600.6, 53630.1). As representatives of a local agency, the Board of Directors of the Santa Ynez River Water Conservation District (SYRWCD or District) may invest surplus monies not required for the immediate necessities of the District in accordance with the provisions of Government Code sections 5921 and following and 53601 and following. The Treasurer of the District shall 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. (Gov. Code, § 53646(a).) It shall be the policy of the SYRWCD to invest funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all statutes governing the investment of the District's funds.

2.0 SCOPE

This Investment Policy applies to all financial assets and investment activities under the direct control of the SYRWCD. It does not apply to the District's employee retirement plans.

3.0 PRUDENCE

Investments shall be made with judgment and care, under circumstances then prevailing, 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 used by investment officials shall be the "prudent investor" standard (Gov. Code, § 53600.3) 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.

#### 4.0 OBJECTIVES

As specified in Government Code section 53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public 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 SYRWCD 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 to the SYRWCD 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.

#### 5.0 DELEGATION OF AUTHORITY

Authority to manage the investment program is derived from California Government Code sections 53600 and following. Management responsibility for the investment program is hereby delegated by the Board of Directors to the General Manager/Treasurer, who shall establish written procedures for the operation of the investment program consistent with this Investment Policy. 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 General Manager/Treasurer. The General Manager/Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. Under the provisions of Government Code section 53600.3, the General Manager/Treasurer is a trustee and a fiduciary subject to the prudent investor standard.

#### 6.0 ETHICS AND CONFLICTS OF INTEREST

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



## 7.0 AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

The SYRWCD will maintain a list of financial institutions, selected on the basis of credit worthiness, financial strength, experience, and a minimal capitalization authorized to provide investment services. No public deposit shall be made except in a qualified public depository as established by state laws.

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. The SYRWCD 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.

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

## 8.0 AUTHORIZED AND SUITABLE INVESTMENTS

The SYRWCD is empowered by Government Code sections 53601 and following to invest in the types of investments shown in Figure 1. However, it has authorized its General Manager/Treasurer to invest only in the following:

1. Collateralized Bank Deposits, in accordance with Government Code sections 53601(m), 53652, and 53653, including waiver of collateralization in amounts up to the amount insured by the Federal Deposit Insurance Corporation (FDIC).
2. Non-negotiable CDs, offered by a depository institution that is a participant in a private CD placement service, which allocates funds to other institutions such that all accounts are insured by the FDIC (CDARS) in accordance with Government Code sections 53601.8 and 53635.8 (limited to 30% of portfolio).
3. Local Agency Investment Fund (LAIF) (Gov. Code, § 53601(d))
4. County Pooled Investment Funds (SBIF) (Gov. Code, § 53601(d))
5. Any investment authorized by Government Code section 53601 that is approved in advance by the Board of Directors.

## 9.0 SAFEKEEPING AND CUSTODY

All security transactions entered into by the SYRWCD shall be conducted on delivery-versus-payment basis. All securities purchased or acquired shall be delivered to the SYRWCD by book entry, physical delivery, or by third party custodial agreement as required by Government Code section 53601.

## 10.0 DIVERSIFICATION

The SYRWCD will diversify its investments by security type and institution. It is the policy of the SYRWCD to diversify its investment portfolio. 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. In establishing specific diversification strategies, the following general policies and constraints shall apply:

- A. Portfolio maturities 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 securities investments, marketable U.S. Treasury bills or other cash equivalent instruments such as money market mutual funds.

## 11.0 REPORTING

In accordance with Government Code section 53646(b)(1), the General Manager/Treasurer shall submit to each member of the SYRWCD Board a quarterly investment report. The report shall include a complete description of the portfolio, the type of investments, issuers, maturity dates, par values and current market values of each component of the portfolio, including funds managed for SYRWCD by third party contracted managers. The report will also include the source of the portfolio valuation. As specified in Government Code section 53646(e), if all funds are placed in LAIF, FDIC-insured accounts, and/or in a county investment pool, 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 SYRWCD will meet its expenditure obligations for the next six months as required by Government Code section 53646(b)(2) and (3), respectively. The General Manager/Treasurer shall maintain a complete and timely record of all investment transactions.

## 12.0 INVESTMENT POLICY ADOPTION

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

### Attachments:

Figure 1

Operating Procedures

Government Code sections 53600 through 53610

**FIGURE 1**

**ALLOWABLE INVESTMENT INSTRUMENTS PER STATE GOVERNMENT CODE  
(AS OF JANUARY 1, 2019)<sup>A</sup> APPLICABLE TO ALL LOCAL AGENCIES<sup>B</sup>**

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

INVESTMENT TYPE	MAXIMUM REMAINING MATURITY <sup>C</sup>	MAXIMUM SPECIFIED % OF PORTFOLIO <sup>D</sup>	MINIMUM QUALITY REQUIREMENTS	GOVERNMENT CODE SECTIONS
Local Agency Bonds	5 years	None	None	53601(a)
U.S. Treasury Obligations	5 years	None	None	53601(b)
State Obligations: CA and Others	5 years	None	None	53601(d)
CA Local Agency Obligations	5 years	None	None	53601(e)
U.S. Agency Obligations	5 years	None	None	53601(f)
Bankers’ Acceptances	180 days	40% <sup>E</sup>	None	53601(g)
Commercial Paper: Non-pooled Funds <sup>F</sup>	270 days or less	25% of the agency’s money <sup>G</sup>	Highest letter and number rating by an NRSRO <sup>H</sup>	53601(h)(2)(C)
Commercial Paper: Pooled Funds <sup>I</sup>	270 days or less	40% of the agency’s money <sup>G</sup>	Highest letter and number rating by an NRSRO <sup>H</sup>	53635(a)(1)
Negotiable Certificates of Deposit	5 years	30% <sup>J</sup>	None	53601(i)
Non-negotiable Certificates of Deposit	5 years	None	None	53630 et seq.
Placement Service Deposits	5 years	30% <sup>K</sup>	None	53601.8 and 53635.8
Placement Service Certificates of Deposit	5 years	30% <sup>K</sup>	None	53601.8 and 53635.8
Repurchase Agreements	1 year	None	None	53601(j)
Reverse Repurchase Agreements and Securities Lending Agreements	92 days <sup>L</sup>	20% of the base value of the portfolio	None <sup>M</sup>	53601(j)
Medium-term Notes <sup>N</sup>	5 years or less	30%	“A” rating category or its equivalent or better	53601(k)
Mutual Funds and Money Market Mutual Funds	N/A	20% <sup>O</sup>	Multiple <sup>P,Q</sup>	53601(l) and 53601.6(b)
Collateralized Bank Deposits <sup>R</sup>	5 years	None	None	53630 et seq. and 53601(n)
Mortgage Pass-through and Asset Backed Securities	5 years or less	20%	“AA” rating category or its equivalent or better	53601(o)
County Pooled Investment Funds	N/A	None	None	27133
Joint Powers Authority Pool	N/A	None	Multiple <sup>S</sup>	53601(p)
Local Agency Investment Fund (LAIF)	N/A	None	None	16429.1
Voluntary Investment Program Fund <sup>T</sup>	N/A	None	None	16340
Supranational Obligations <sup>U</sup>	5 years or less	30%	“AA” rating category or its equivalent or better	53601(q)

## TABLE OF NOTES FOR FIGURE 1

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

OPERATING PROCEDURES

INVESTMENT PROGRAM  
(REFERENCE INVESTMENT POLICY)

1. This program shall be implemented in accordance with the District's Investment Policy.
2. General Manager/Treasurer (GM/T) shall monitor and manage funds between investments and institutions in order to maximize return from such accounts while providing for safety of principal, diversification of investment/maturities, and cash flow available to meet District obligations.
3. Authorized financial institutions include Rabobank, Union Bank, and Montecito Bank and Trust (MBT). Public money contracts are in place at these institutions. SYRWCD does not retain a broker/dealer for investment purposes.
4. GM/T and the Board President are authorized to conduct LAIF and/or SBIF transactions. Such transactions are accomplished through wire transfers between the LAIF and SBIF accounts and the Rabobank accounts. These transfers can be accomplished only with appropriate bank contacts and passwords known to authorized individuals. Transfers between Rabobank and other institutions are by double-signature District checks or cashier's checks in the name of the District.

Government Code

Title 5. Local Agencies

Division 2. Cities, Counties, and Other Agencies

Part 1. Powers and Duties Common to Cities, Counties, and Other Agencies

Chapter 4. Financial Affairs

Article 1. Investment of Surplus

§ 53600. “Local agency” defined

As used in this article, “local agency” means county, city, city and county, including a chartered city or county, school district, community college district, public district, county board of education, county superintendent of schools, or any public or municipal corporation.

(Added by Stats.1949, c. 81, p. 289, § 1. Amended by Stats.1984, c. 124, § 2; Stats.1984, c. 1226, § 1; Stats.1987, c. 887, § 2.)

§ 53600.3. Prudent investor standard; investments on behalf of local agencies

Except as provided in subdivision (a) of Section 27000.3, all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.

(Added by Stats.1995, c. 784 (S.B.866), § 11. Amended by Stats.1996, c. 749 (S.B.109), § 4.)

§ 53600.5. Objectives; managing public funds

When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, the primary objective of a trustee shall be to safeguard the principal of the funds under its control. The secondary objective shall be to meet the liquidity needs of the depositor. The third objective shall be to achieve a return on the funds under its control.

(Added by Stats.1995, c. 784 (S.B.866), § 12. Amended by Stats.1996, c. 749 (S.B.109), § 5.)

§ 53600.6. Legislative findings and declarations; solvency and creditworthiness

The Legislature hereby finds that the solvency and creditworthiness of each individual local agency can impact the solvency and creditworthiness of the state and other local agencies within the state. Therefore, to protect the solvency and creditworthiness of the state and all of its political subdivisions, the Legislature hereby declares that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern.

*(Added by Stats.1995, c. 784 (S.B.866), § 13.)*

§ 53601. Local agencies; authorized investments

This section shall apply to a local agency that is a city, a district, or other local agency that does not pool money in deposits or investments with other local agencies, other than local agencies that have the same governing body. However, Section 53635 shall apply to all local agencies that pool money in deposits or investments with other local agencies that have separate governing bodies. The legislative body of a local agency having moneys in a sinking fund or moneys in its treasury not required for the immediate needs of the local agency may invest any portion of the moneys that it deems wise or expedient in those investments set forth below. A local agency purchasing or obtaining any securities prescribed in this section, in a negotiable, bearer, registered, or nonregistered format, shall require delivery of the securities to the local agency, including those purchased for the agency by financial advisers, consultants, or managers using the agency's funds, by book entry, physical delivery, or by third-party custodial agreement. The transfer of securities to the counterparty bank's customer book entry account may be used for book entry delivery.

For purposes of this section, "counterparty" means the other party to the transaction. A counterparty bank's trust department or separate safekeeping department may be used for the physical delivery of the security if the security is held in the name of the local agency. Where this section specifies a percentage limitation for a particular category of investment, that percentage is applicable only at the date of purchase. Where this section does not specify a limitation on the term or remaining maturity at the time of the investment, no investment shall be made in any security, other than a security underlying a repurchase or reverse repurchase agreement or securities lending agreement authorized by this section, that at the time of the investment has a term remaining to maturity in excess of five years, unless the legislative body has granted express authority to make that investment either specifically or as a part of an investment program approved by the legislative body no less than three months prior to the investment:

(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.

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



(c) 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.

(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.

(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.

(f) 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.

(g) Bankers' acceptances otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank. Purchases of bankers' acceptances shall not exceed 180 days' maturity or 40 percent of the agency's moneys that may be invested pursuant to this section. However, no more than 30 percent of the agency's moneys may be invested in the bankers' acceptances of any one commercial bank pursuant to this section.

This subdivision does not preclude a municipal utility district from investing moneys in its treasury in a manner authorized by the Municipal Utility District Act (Division 6 (commencing with Section 11501) of the Public Utilities Code).

(h) Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical rating organization (NRSRO). The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or (2):

(1) The entity meets the following criteria:

(A) Is organized and operating in the United States as a general corporation.

(B) Has total assets in excess of five hundred million dollars (\$500,000,000).

(C) Has debt other than commercial paper, if any, that is rated in a rating category of "A" or its equivalent or higher by an NRSRO.

(2) The entity meets the following criteria:

(A) Is organized within the United States as a special purpose corporation, trust, or limited liability company.

(B) Has programwide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond.

(C) Has commercial paper that is rated “A-1” or higher, or the equivalent, by an NRSRO.

Eligible commercial paper shall have a maximum maturity of 270 days or less. Local agencies, other than counties or a city and county, may invest no more than 25 percent of their moneys in eligible commercial paper. Local agencies, other than counties or a city and county, may purchase no more than 10 percent of the outstanding commercial paper of any single issuer. Counties or a city and county may invest in commercial paper pursuant to the concentration limits in subdivision (a) of Section 53635.

(i) Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit shall not exceed 30 percent of the agency's moneys that may be invested pursuant to this section. For purposes of this section, negotiable certificates of deposit do not come within Article 2 (commencing with Section 53630), except that the amount so invested shall be subject to the limitations of Section 53638. The legislative body of a local agency and the treasurer or other official of the local agency having legal custody of the moneys are prohibited from investing local agency funds, or funds in the custody of the local agency, in negotiable certificates of deposit issued by a state or federal credit union if a member of the legislative body of the local agency, or a person with investment decisionmaking authority in the administrative office manager's office, budget office, auditor-controller's office, or treasurer's office of the local agency also serves on the board of directors, or any committee appointed by the board of directors, or the credit committee or the supervisory committee of the state or federal credit union issuing the negotiable certificates of deposit.

(j)

(1) Investments in repurchase agreements or reverse repurchase agreements or securities lending agreements of securities authorized by this section, as long as the agreements are subject to this subdivision, including the delivery requirements specified in this section.

(2) Investments in repurchase agreements may be made, on an investment authorized in this section, when the term of the agreement does not exceed one year. The market value of securities that underlie a repurchase agreement shall be valued at 102 percent or greater of the funds borrowed against those securities and the value shall be adjusted no less than quarterly. Since the market value of the underlying securities is subject to daily market fluctuations, the investments in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102 percent no later than the next business day.

(3) Reverse repurchase agreements or securities lending agreements may be utilized only when all of the following conditions are met:

(A) The security to be sold using a reverse repurchase agreement or securities lending agreement has been owned and fully paid for by the local agency for a minimum of 30 days prior to sale.

(B) The total of all reverse repurchase agreements and securities lending agreements on investments owned by the local agency does not exceed 20 percent of the base value of the portfolio.

(C) The agreement does not exceed a term of 92 days, unless the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity date of the same security.

(D) Funds obtained or funds within the pool of an equivalent amount to that obtained from selling a security to a counterparty using a reverse repurchase agreement or securities lending agreement shall not be used to purchase another security with a maturity longer than 92 days from the initial settlement date of the reverse repurchase agreement or securities lending agreement, unless the reverse repurchase agreement or securities lending agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity date of the same security.

(4)

(A) Investments in reverse repurchase agreements, securities lending agreements, or similar investments in which the local agency sells securities prior to purchase with a simultaneous agreement to repurchase the security may be made only upon prior approval of the governing body of the local agency and shall be made only with primary dealers of the Federal Reserve Bank of New York or with a nationally or state-chartered bank that has or has had a significant banking relationship with a local agency.

(B) For purposes of this chapter, “significant banking relationship” means any of the following activities of a bank:

(i) Involvement in the creation, sale, purchase, or retirement of a local agency's bonds, warrants, notes, or other evidence of indebtedness.

(ii) Financing of a local agency's activities.

(iii) Acceptance of a local agency's securities or funds as deposits.

(5)

(A) “Repurchase agreement” means a purchase of securities by the local agency pursuant to an agreement by which the counterparty seller will repurchase the securities on or before a specified date and for a specified amount and the counterparty will deliver the underlying securities to the local agency by book entry, physical delivery, or by third-party custodial agreement. The transfer of underlying securities to the counterparty bank’s customer book-entry account may be used for book-entry delivery.

(B) “Securities,” for purposes of repurchase under this subdivision, means securities of the same issuer, description, issue date, and maturity.

(C) “Reverse repurchase agreement” means a sale of securities by the local agency pursuant to an agreement by which the local agency will repurchase the securities on or before a specified date and includes other comparable agreements.

(D) “Securities lending agreement” means an agreement under which a local agency agrees to transfer securities to a borrower who, in turn, agrees to provide collateral to the local agency. During the term of the agreement, both the securities and the collateral are held by a third party. At the conclusion of the agreement, the securities are transferred back to the local agency in return for the collateral.

(E) For purposes of this section, the base value of the local agency's pool portfolio shall be that dollar amount obtained by totaling all cash balances placed in the pool by all pool participants, excluding any amounts obtained through selling securities by way of reverse repurchase agreements, securities lending agreements, or other similar borrowing methods.

(F) For purposes of this section, the spread is the difference between the cost of funds obtained using the reverse repurchase agreement and the earnings obtained on the reinvestment of the funds.

(k) 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.

(l)

(1) Shares of beneficial interest issued by diversified management companies that invest in the securities and obligations as authorized by subdivisions (a) to (k),

inclusive, and subdivisions (m) to (q), inclusive, and that comply with the investment restrictions of this article and Article 2 (commencing with Section 53630). However, notwithstanding these restrictions, a counterparty to a reverse repurchase agreement or securities lending agreement is not required to be a primary dealer of the Federal Reserve Bank of New York if the company's board of directors finds that the counterparty presents a minimal risk of default, and the value of the securities underlying a repurchase agreement or securities lending agreement may be 100 percent of the sales price if the securities are marked to market daily.

(2) Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.).

(3) If investment is in shares issued pursuant to paragraph (1), the company shall have met either of the following criteria:

(A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs.

(B) Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations authorized by subdivisions (a) to (k), inclusive, and subdivisions (m) to (q), inclusive, and with assets under management in excess of five hundred million dollars (\$500,000,000).

(4) If investment is in shares issued pursuant to paragraph (2), the company shall have met either of the following criteria:

(A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs.

(B) Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000).

(5) The purchase price of shares of beneficial interest purchased pursuant to this subdivision shall not include commission that the companies may charge and shall not exceed 20 percent of the agency's moneys that may be invested pursuant to this section. However, no more than 10 percent of the agency's funds may be invested in shares of beneficial interest of any one mutual fund pursuant to paragraph (1).

(m) Moneys held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements, may be invested in accordance with the

statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.

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

(o) A mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough certificate, or consumer receivable-backed bond. Securities eligible for investment under this subdivision shall be rated in a rating category of "AA" or its equivalent or better by an NRSRO and have a maximum remaining maturity of five years or less. Purchase of securities authorized by this subdivision shall not exceed 20 percent of the agency's surplus moneys that may be invested pursuant to this section.

(p) Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (q), inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria:

(1) The adviser is registered or exempt from registration with the Securities and Exchange Commission.

(2) The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (q), inclusive.

(3) The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).

(q) United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated in a rating category of "AA" or its equivalent or better by an NRSRO and shall not exceed 30 percent of the agency's moneys that may be invested pursuant to this section.

*(Added by Stats.1949, c. 81, p. 289, § 1. Amended by Stats.1951, c. 1643, p. 3697, § 1; Stats.1953, c. 537, p. 1798, § 2; Stats.1954, 1st Ex.Sess., c. 10, p. 257, § 1, eff. April 6, 1954; Stats.1967, c. 275, p. 1433, § 1; Stats.1967, c. 1316, p. 3140, § 2; Stats.1974, c. 1354, p. 2938, § 1; Stats.1975, c. 649, p. 1406, § 1; Stats.1977, c. 1138, p. 3657, § 1.5; Stats.1978, c. 65, p. 181, § 1; Stats.1979, c. 158, p. 354, § 1; Stats.1979, c. 275, p. 942, § 2.5; Stats.1981, c. 185, § 2; Stats.1982, c. 508, § 2; Stats.1983, c. 550, § 1; Stats.1983, c. 567, § 1.5; Stats.1984, c. 659, § 2; Stats.1984, c. 741, § 1; Stats.1985, c. 983, § 14, eff. Sept. 26, 1985; Stats.1985, c. 983, § 15, eff. Sept. 26, 1985, operative Jan. 1, 1988; Stats.1985, c. 1526, § 1; Stats.1985, c. 1526, § 1.5, operative Jan. 1, 1988; Stats.1986, c. 784, § 1; Stats.1986, c. 784, § 2, operative Jan. 1, 1988; Stats.1986, c. 853, § 1, eff. Sept. 17, 1986; Stats.1986, c. 853, § 2, operative Jan. 1, 1987; Stats.1986, c. 853, § 1.5; Stats.1986, c. 853, § 2.5, operative Jan. 1, 1988; Stats.1987, c. 446, § 1; Stats.1987, c. 887, § 3.5; Stats.1988, c. 294, § 1, eff. July 7, 1988; Stats.1988, c. 491, § 1; Stats.1992, c. 173 (A.B.3576), § 1; Stats.1994, c. 705 (S.B.1804), § 10; Stats.1995, c. 784 (S.B.866), § 14; Stats.1996, c. 156 (S.B.864), § 7, eff. July 12, 1996; Stats.1998, c. 588 (S.B.1793), § 1; Stats.1999, c. 643 (A.B.1679), § 9; Stats.1999, c. 644 (A.B.530), § 1.5; Stats.2000, c. 135 (A.B.2539), § 80; Stats.2000, c. 339 (A.B.2220), § 1; Stats.2001, c. 57 (A.B.609), § 1; Stats.2002, c. 664 (A.B.3034), § 120; Stats.2002, c. 454 (S.B.1326), § 20; Stats.2003, c. 197 (S.B.787), § 1; Stats.2004, c. 470 (A.B.969), § 4; Stats.2007, c. 340 (A.B.1745), § 1; Stats.2008, c. 179 (S.B.1498), § 106; Stats.2008, c. 709 (S.B.1124), § 10.5; Stats.2010, c. 328 (S.B.1330), § 91; Stats.2011, c. 382 (S.B.194), § 3; Stats.2014, c. 59 (A.B.1933), § 1, eff. Jan. 1, 2015; Stats.2016, c. 366 (S.B.974), § 12, eff. Jan. 1, 2017; Stats.2018, c. 271 (A.B.1770), § 1, eff. Jan. 1, 2019.)*

§ 53601.1. Investment in financial futures or financial option contracts

The authority of a local agency to invest funds pursuant to Section 53601 includes, in addition thereto, authority to invest in financial futures or financial option contracts in any of the investment categories enumerated in that section.

*(Added by Stats.1983, c. 534, § 3.)*

§ 53601.2. Corporation; limited liability company

As used in this article, “corporation” includes a limited liability company.

*(Added by Stats.2004, c. 118 (S.B.1165), § 18.)*

§ 53601.5. Investments; qualified purchase agent

The purchase by a local agency of any investment authorized pursuant to Section 53601 or 53601.1, not purchased directly from the issuer, shall be purchased either from an institution licensed by the state as a broker-dealer, as defined in Section 25004 of the Corporations Code, or from a member of a federally regulated securities exchange, from a national or state-chartered bank, from a savings association or federal association (as defined by Section 5102 of the Financial Code) or from a brokerage firm designated as a primary government dealer by the Federal Reserve bank.

*(Added by Stats.1984, c. 929, § 1. Amended by Stats.1985, c. 983, § 16, eff. Sept. 26, 1985; Stats.2001, c. 57 (A.B.609), § 2.)*

§ 53601.6. Prohibited investments

(a) A local agency shall not invest any funds pursuant to this article or pursuant to Article 2 (commencing with Section 53630) in inverse floaters, range notes, or mortgage-derived, interest-only strips.

(b) A local agency shall not invest any funds pursuant to this article or pursuant to Article 2 (commencing with Section 53630) in any security that could result in zero interest accrual if held to maturity. However, a local agency may hold prohibited instruments until their maturity dates. The limitation in this subdivision shall not apply to local agency investments in shares of beneficial interest issued by diversified management companies registered under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.) that are authorized for investment pursuant to subdivision (l) of Section 53601.

*(Added by Stats.1995, c. 784 (S.B.866), § 15. Amended by Stats.1996, c. 156 (S.B.864), § 8, eff. July 12, 1996; Stats.2001, c. 57 (A.B.609), § 4; Stats.2009, c. 332 (S.B.113), § 68.1.)*

§ 53601.7. Repealed by Stats.2006, c. 164 (A.B.1794), § 1, operative Jan. 1, 2011

§ 53601.8. Investment in deposits

*<Section operative until Jan. 1, 2021. See, also, section operative Jan. 1, 2021.>*

Notwithstanding Section 53601 or any other provision of this code, a local agency that has the authority under law to invest funds, at its discretion, may invest a portion of its surplus funds in deposits at a commercial bank, savings bank, savings and loan association, or credit union that uses a private sector entity that assists in the placement of deposits. The following conditions shall apply:

(a) The local agency shall choose a nationally or state chartered commercial bank, savings bank, savings and loan association, or credit union in this state to invest the funds, which shall be known as the “selected” depository institution.

(b) The selected depository institution may use a private sector entity to help place local agency deposits with one or more commercial banks, savings banks, savings and loan associations, or credit unions that are located in the United States and are within the network used by the private sector entity for this purpose.

(c) Any private sector entity used by a selected depository institution to help place its local agency deposits shall maintain policies and procedures requiring both of the following:

(1) The full amount of each deposit placed pursuant to subdivision (b) and the interest that may accrue on each such deposit shall at all times be insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration.



(2) Every depository institution where funds are placed shall be capitalized at a level that is sufficient, and be otherwise eligible, to receive such deposits pursuant to regulations of the Federal Deposit Insurance Corporation or the National Credit Union Administration, as applicable.

(d) The selected depository institution shall serve as a custodian for each such deposit.

(e) On the same date that the local agency's funds are placed pursuant to subdivision (b) by the private sector entity, the selected depository institution shall receive an amount of insured deposits from other financial institutions that, in total, are equal to, or greater than, the full amount of the principal that the local agency initially deposited through the selected depository institution pursuant to subdivision (b).

(f) Notwithstanding subdivisions (a) to (e), inclusive, a credit union shall not act as a selected depository institution under this section or Section 53635.8 unless both of the following conditions are satisfied:

(1) The credit union offers federal depository insurance through the National Credit Union Administration.

(2) The credit union is in possession of written guidance or other written communication from the National Credit Union Administration authorizing participation of federally insured credit unions in one or more deposit placement services and affirming that the moneys held by those credit unions while participating in a deposit placement service will at all times be insured by the federal government.

(g) It is the intent of the Legislature that this section shall not restrict competition among private sector entities that provide placement services pursuant to this section.

(h) The deposits placed pursuant to this section and Section 53635.8 shall not, in total, exceed 30 percent of the agency's funds that may be invested for this purpose.

(i) This section shall remain in effect only until January 1, 2021, and as of that date is repealed.

*(Added by Stats.2006, c. 459 (A.B.2011), § 1. Amended by Stats.2009, c. 332 (S.B.113), § 68.3; Stats.2010, c. 112 (S.B.1344), § 1; Stats.2013, c. 228 (A.B.279), § 1; Stats.2015, c. 181 (A.B.283), § 1, eff. Jan. 1, 2016.)*

#### § 53602. Investment in legal investments for savings banks; securities of public districts

The legislative body shall invest only in notes, bonds, bills, certificates of indebtedness, warrants, or registered warrants which are legal investments for savings banks in the State, provided, that the board of supervisors of a county may, by a four-fifths vote thereof, invest in notes, warrants or other evidences of indebtedness of public districts wholly or partly within the county, whether or not such notes, warrants, or other evidences of indebtedness are legal investments for savings banks.

*(Added by Stats.1949, c. 81, p. 289, § 1. Amended by Stats.1953, c. 537, p. 1799, § 3; Stats.1954, 1st Ex.Sess., c. 10, p. 257, § 2, eff. April 6, 1954.)*

§ 53602.1. Repealed by Stats.1990, c. 216 (S.B.2510), § 40

§ 53603. Direct purchase of securities

The legislative body may make the investment by direct purchase of any issue of eligible securities at their original sale or after they have been issued.

*(Added by Stats.1949, c. 81, p. 289, § 1. Amended by Stats.1953, c. 537, p. 1799, § 4.)*

§ 53604. Sale or exchange of securities; reinvestment of proceeds

The legislative body may sell, or exchange for other eligible securities, and reinvest the proceeds of, the securities purchased.

*(Added by Stats.1949, c. 81, p. 289, § 1. Amended by Stats.1953, c. 537, p. 1799, § 5.)*

§ 53605. Sale of securities; application of proceeds to original purposes

From time to time, the legislative body shall sell the securities so that the proceeds may be applied to the purposes for which the original purchase money was placed in the sinking fund or the treasury of the local agency.

*(Added by Stats.1949, c. 81, p. 289, § 1. Amended by Stats.1953, c. 537, p. 1799, § 6.)*

§ 53606. Cancellation of bonds issued by purchaser; resale

The bonds purchased, which were issued by the purchaser, may be canceled either in satisfaction or sinking fund obligations or otherwise. When canceled, they are no longer outstanding, unless in its discretion, the legislative body holds them uncanceled. While held uncanceled, the bonds may be resold.

*(Added by Stats.1949, c. 81, p. 289, § 1.)*

§ 53607. Delegation of duties to treasurer; monthly report

The authority of the legislative body to invest or to reinvest funds of a local agency, or to sell or exchange securities so purchased, may be delegated for a one-year period by the legislative body to the treasurer of the local agency, who shall thereafter assume full responsibility for those transactions until the delegation of authority is revoked or expires, and shall make a monthly report of those transactions to the legislative body. Subject to review, the legislative body may renew the delegation of authority pursuant to this section each year.

*(Added by Stats.1957, c. 220, p. 882, § 1. Amended by Stats.1996, c. 749 (S.B.109), § 6.)*

§ 53608. Deposit of securities; receipt; delegation of authority

The legislative body of a local agency may deposit for safekeeping with a federal or state association (as defined by Section 5102 of the Financial Code), a trust company or a state or national bank located within this state or with the Federal Reserve Bank of San Francisco or any branch thereof within this state, or with any Federal Reserve bank or with any state or national bank located in any city designated as a reserve city by the Board of Governors of the Federal Reserve System, the bonds, notes, bills, debentures, obligations, certificates of indebtedness, warrants, or other evidences of indebtedness in which the money of the local agency is invested pursuant to this article or pursuant to other legislative authority. The local agency shall take from such financial institution a receipt for securities so deposited. The authority of the legislative body to deposit for safekeeping may be delegated by the legislative body to the treasurer of the local agency; the treasurer shall not be responsible for securities delivered to and received for by a financial institution until they are withdrawn from the financial institution by the treasurer.

*(Added by Stats.1959, c. 1392, p. 3670, § 1. Amended by Stats.1967, c. 582, p. 1928, § 1; Stats.1980, c. 689, p. 2080, § 1; Stats.1985, c. 983, § 17, eff. Sept. 26, 1985.)*

§ 53609. Eligible securities for investment of funds held by local agency pursuant to deferred compensation plans

Notwithstanding the provisions of this chapter or any other provisions of this code, funds held by a local agency pursuant to a written agreement between the agency and employees of the agency to defer a portion of the compensation otherwise receivable by the agency's employees and pursuant to a plan for such deferral as adopted by the governing body of the agency, may be invested in the types of investments set forth in Sections 53601 and 53602 of this code, and may additionally be invested in corporate stocks, bonds, and securities, mutual funds, savings and loan accounts, credit union accounts, life insurance policies, annuities, mortgages, deeds of trust, or other security interests in real or personal property. Nothing herein shall be construed to permit any type of investment prohibited by the Constitution.

Deferred compensation funds are public pension or retirement funds for the purposes of Section 17 of Article XVI of the Constitution.

*(Added by Stats.1971, c. 1629, p. 3511, § 2. Amended by Stats.1972, c. 1370, p. 2736, § 12; Stats.1974, c. 544, p. 1254, § 26; Stats.1975, c. 822, p. 1874, § 1; Stats.1979, c. 373, p. 1320, § 162.)*

§ 53610. Proposition 1A receivables; purchase by local agency

(a) For purposes of this section, "Proposition 1A receivable" means the right to payment of moneys due or to become due to a local agency, pursuant to clause (iii) of subparagraph (B) of paragraph (1) of subdivision (a) of Section 25.5 of Article XIII of the California Constitution and Section 100.06 of the Revenue and Taxation Code.

(b) Notwithstanding any other law, a local agency may purchase, with its revenue, Proposition 1A receivables sold pursuant to Section 53999.

(c) A purchaser of Proposition 1A receivables pursuant to this section shall not offer them for sale pursuant to Section 6588.

*(Added by Stats.2009, c. 634 (S.B.67), § 5, eff. Oct. 19, 2009.)*

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT

MEMORANDUM

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DATE: March 9, 2022

TO: Cynthia Allen                      Mark Altshuler                      Art Hibbits  
Brett Marymee                      Steve Jordan

FROM: Kevin D. Walsh

SUBJECT: Draft Preliminary Budget FY 2022-2023

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**Recommendation**

- Review Fiscal Year 2022-2023 Draft Preliminary Budget and provide direction to staff.

**Discussion**

INCOME:

Income to the District from three sources:

- Groundwater Production Charge Rates
- Property Taxes
- Investment Income

Groundwater Production Charge Rates. The Draft Budget assumes a 3% increase in the groundwater production charge rates.

Property Tax Revenue. Based on a report by the County of Santa Barbara Assessors Office an estimated 3% increase in property tax is expected over the FY 2021-22 amounts.

Investment Income. Most of our financial reserves are held in the State Local Investment Fund (LAIF), which is mostly invested in shorter term treasuries for safety and liquidity. The return on treasuries has dropped significantly in the last 12 months. The average interest rate for FY 2019-20 was just over 2.0%. Investment income for FY 2021-22 was based on an interest rate of 0.42%. Current LAIF rate is 0.23%.

Grant Funding: Future grants for the SGMA effort are expected to be obtained and disbursed by the GSA's either collectively or individually. The District will likely be providing support to pursue grant opportunities on behalf of the GSA's and for other efforts. As previously done in the past, the accounting for both revenues and expenses for each GSA will be tracked and directed by each GSA.

## EXPENSES:

Total expenses for internal operations and office expenses are estimated to be about 6% more than the FY 2021-22 projected actual amounts. The increase is mostly due to a 5% cost of living adjustment (COLA) increase in salaries based on a calendar year 2021 consumer price index (CPI) change of near 7.0%, and an 8.3% increase in the Groundwater Charges Program, as the District continues to pursue delinquencies in groundwater pump-charge reporting and continued efforts to register a spate of new wells.

The work to prepare the three Groundwater Sustainability Plans (GSP's) is complete. It is expected that the current SGMA budget of \$225,000 in expenses will be reduced to zero as the Sustainable Groundwater Management effort shifts from planning to implementation and the GSAs stand on their own. It is expected that at least for the short-term that the District will remain involved in the administrative and coordination of the GSA's efforts by contributing "in-kind" services. Costs for the District's SGMA related legal interests are budgeted at \$20,000, which is offset, in part, through budget reductions elsewhere. Additionally, it is not expected that in this upcoming year, the District will require as much SGMA legal support as has been required over the past several years.

Engineering costs have been re-apportioned based on the past three years' experience and expected future effort. A significant increase in the Other Consultants category is made to allow for the beginning work on a transition from a hand-billed and self-reporting system for the determination and collection of the groundwater charge rates, to more automated procedures, including record-keeping. Any changes from current methods will be made per staff recommendation to the Board for discussion and direction.

Contingencies are set \$50,000; the same amount as FY 2021-22.

## RESERVES:

Reserves provide for un-expected large expenditures, rate stabilization, and a contingency for potential litigation.

The District has set a goal of \$2.0 million in total reserves. Of this amount, \$1.6 million is earmarked for legal and engineering services for the defense of water rights. The remaining \$400,000 is for other contingencies.

Budget projections for FY 2022-23 show that the June 30, 2023 year-end reserve amounts will be about \$66,000 under the \$2.0 million goal. This is a significant improvement over last year's projection of \$160,000 under the \$2.0 million goal.

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT BUDGET  
JULY 1, 2022 - JUNE 30, 2023

**March 9, 2022 PRELIMINARY DRAFT**

	(As of Jan. 31)			
	FY 2021-22 APPROVED BUDGET	FY 2021-22 7th Period ACTUAL	FY 2021-22 ESTIMATED	FY 2022-23 DRAFT BUDGET
<b>REVENUES:</b>				
Groundwater Charge Rates	585,000	379,083	585,000	602,500
SB County Property Taxes	335,800	198,474	335,800	345,800
Interest Income	8,400	2,610	5,200	5,200
SGMA Grant Reimbursement	48,133	0	48,133	0
COVID-19 Relief Reimbursement	0	40,454	0	0
<b>TOTAL INCOME</b>	<b>\$ 977,333</b>	<b>\$ 620,621</b>	<b>\$ 974,133</b>	<b>\$ 953,500</b>
<b>EXPENSES</b>				
<u>Internal Operations / Expenses</u>				
Employee Salaries	387,000	225,606	387,000	406,350
Payroll (SS and Medicare)	28,000	16,164	28,000	29,400
Employee Benefits	5,300	2,837	5,300	6,000
Retirement Plan Contributions	27,000	15,792	27,000	28,350
Outside Services	5,000	2,660	5,000	5,000
Office Expense	34,000	19,706	34,000	34,000
Director Fees	6,000	3,075	6,000	6,000
Travel & Training	7,000	1,202	4,000	7,000
Annual Audit	11,200	7,500	11,200	11,200
Insurance & Worker's Comp	18,000	16,944	18,000	20,000
Dues and LAFCO Fees	2,700	3,857	3,857	4,000
Groundwater Charges Program	50,000	33,238	60,000	65,000
Miscellaneous	3,000	497	1,000	3,000
<b>SUB-TOTAL INTERNAL OPERATIONS</b>	<b>584,200</b>	<b>349,078</b>	<b>590,357</b>	<b>625,300</b>
<u>Legal</u>				
General & Misc.	10,000	5,515	10,000	10,000
Downstream Releases / Upper SYR Operations	5,000	0	0	0
WR Decision (2019-0148)	25,000	10,148	20,000	20,000
Fisheries Issues	20,000	4,056	15,000	15,000
Employment/HR	5,000	1,161	5,000	5,000
Groundwater Program	5,000	870	5,000	5,000
SGMA	0	0	0	20,000
<b>SUB-TOTAL LEGAL</b>	<b>70,000</b>	<b>21,750</b>	<b>55,000</b>	<b>75,000</b>
<u>Engineering / Environmental</u>				
General & Misc.	10,000	6,500	10,000	10,000
Annual GW Report	20,000	0	20,000	20,000
Downstream Releases Operations	65,000	35,147	45,000	45,000
Upper SYR Operations	10,000	237	5,000	5,000
WR Decision (2019-0148)	25,000	6,921	20,000	20,000
Fisheries Hydrology	35,000	2,350	10,000	10,000
Other Consultants	15,000	0	15,000	65,000
SGMA	0	0	0	10,000
<b>SUB-TOTAL ENGINEERING / ENVIRONMENTAL</b>	<b>180,000</b>	<b>51,155</b>	<b>125,000</b>	<b>185,000</b>
SGMA (Sustainable Groundwater Management Act)	<b>225,000</b>	<b>154,165</b>	<b>225,000</b>	<b>0</b>
Contingencies	<b>50,000</b>	<b>4,768</b>	<b>30,000</b>	<b>50,000</b>
<b>TOTAL EXPENSES</b>	<b>\$ 1,109,200</b>	<b>\$ 580,916</b>	<b>\$ 1,025,357</b>	<b>\$ 935,300</b>
<b>INCOME LESS EXPENSES</b>	<b>\$ (131,867)</b>	<b>\$ 39,705</b>	<b>\$ (51,224)</b>	<b>\$ 18,200</b>
<b>RESERVES</b>				
Amount to/from Reserves	(131,867)	0	(51,224)	18,200
Reserves, Total Balance	1,841,533	1,966,685	1,915,461	1,933,661

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT

MEMORANDUM

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DATE: 09 March 2022

TO: Cynthia Allen Mark Altshuler Art Hibbits Steve Jordan Brett Marymee  
Kevin Walsh Amber Thompson Steve Torigiani Brett Stroud

FROM: Bill Buelow, Groundwater Program Manager

SUBJECT: **AGENDA ITEM XI** - Groundwater Program Manager Report

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**A. Groundwater Production, Reporting, Charges, and Program Update**

- 1) Receive Update on Groundwater Revenue for Production of July 2021-December 2021.  
The cumulative total of groundwater fees received as of 02-25-2022 is **\$287,364.51**. This is for the first half of FY 2021-2022 groundwater reporting period.

**Staff Recommendation:** No action. For informational and discussion purposes only.

- 2) Receive Update on Delinquent Groundwater Production Reporting and Well Registrations.
  - a. Staff continue to pursue unregistered wells in District.
  - b. Staff is considering pursuing approximately 20 severely delinquent accounts (most are small producers) through investigation and report process and evaluate potential legal action through court system.

**Staff Recommendation:** No action required. For informational and discussion purposes only.

**B. Preliminary 44<sup>th</sup> Annual Groundwater Report**

- 1). Receive Preliminary 44<sup>th</sup> Annual Groundwater Report for the SYRWCD

**Staff Recommendation:** No action required. Informational only.

**C. SGMA Update**

- 1) Receive Status update on GSPs for the Basin. In January, the three GSPs were submitted to DWR. Funding for implementation and future governance are outstanding issues. Future governance discussions are occurring with Staff/Counsel from all eight agencies.

**Staff Recommendation:** Provide feedback and questions on future governance.



- 2) Receive update on First Annual Reports for EMA, WMA and CMA. Stetson and GSI are working on the annual reports for the EMA (GSI), WMA and CMA (Stetson). The reports are due 1 April 2022 and cover data from 2018 through September 30, 2021.
- 3) Consider authorizing staff to revise the Not to Exceed (NTE) amount for Stetson Engineer's Annual Report Task Order. See attached REVISED Cost Estimate.

**Staff Recommendation:** Authorize staff to revise the Not to Exceed (NTE) from \$60K to \$70K for the task order as per Stetson's revised cost estimate and email (attached).

- 4) Consider CMA Surface Water Gauge Project. CMA GSA authorized and will pay for monthly monitoring of Narrows Gauge as part of GSP implementation.

**Staff Recommendation:** Consider directing staff to add, as separate task, monthly monitoring at the Narrows Gauge to the District's existing contact with USGS for Lompoc Area Monitoring. CMA will reimburse the District for all associated costs.

- 5) SGMA Finances and GSP Implementation Budget. Please see attached quarterly financial summaries for each GSA for the second quarter of FY 2021-2022. Continued support of GSAs by member agencies is anticipated until the GSAs can establish a fee structure and governance.

**Staff Recommendation:** No action. This item is informational only.

**DIRECTORS:**

DIVISION 1  
CYNTHIA ALLEN, President  
Lompoc

DIVISION 2  
STEPHEN E. JORDAN  
Lompoc

DIVISION 3  
MARK ALTSHULER  
Vandenberg Village - Mission Hills

DIVISION 4  
ART HIBBITS  
Buellton - Lompoc

DIVISION 5  
J. BRETT MARYMEE  
Solvang - Santa Ynez

# *Santa Ynez River*

## WATER CONSERVATION DISTRICT

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Santa Ynez, California 93460

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**GENERAL MANAGER:**

KEVIN D. WALSH

**SECRETARY:**

AMBER M. THOMPSON

**TREASURER:**

WILLIAM J. BUELOW, PG

**CONSULTANTS:**

STEVE TORIGIANI  
General Counsel

STETSON ENGINEERS  
Engineer

March 4, 2022

Board of Directors  
SANTA YNEZ RIVER  
WATER CONSERVATION DISTRICT  
P.O. Box 719  
Santa Ynez, California 93460

Re: Preliminary 44th Annual Engineering Survey and Report on Water Supply Conditions of the Santa Ynez River Water Conservation District, Fiscal Year 2021-22

Dear Board Members:

Transmitted here is the Preliminary 44<sup>th</sup> Annual Engineering Survey and Report on Water Supply Conditions of the Santa Ynez River Water Conservation District (District) for Fiscal Year 2021-2022. It presents information on the revenues collected and groundwater production from FY 2020-2021 and the first half of FY 2021-2022 through February 18, 2022. When the Spring 2022 water-level data become available, this report will be finalized by Stetson Engineers to reflect the current hydrologic conditions.

The Board has established six groundwater charge zones for the District, which are described below:

- Zone A District portion of Santa Ynez River alluvial channel from San Lucas Bridge downstream to Lompoc Narrows.
- Zone B District portion of the Lompoc Plain, Lompoc Upland and the Lompoc Terrace groundwater basins.
- Zone C All other portions of the District not included in Zones A, B, D, E, and F.
- Zone D District portion of the Buellton Upland basin.
- Zone E District portion of the Santa Ynez Upland basin.
- Zone F District portion of the Santa Rita Upland basin.

For FY 2021-2022 the Board established the following groundwater charge rates, in dollars per acre-foot of production, for each zone:

<b>GROUNDWATER CHARGE RATES FOR FY 2021-2022 (\$)</b>			
<b>ZONE</b>	<b>AGRICULTURE</b>	<b>OTHER</b>	<b>SPECIAL IRRIGATION</b>
A	7.40	26.00	14.80
B	7.40	26.00	14.80
C	7.40	26.00	14.80
D	7.40	26.00	14.80
E	7.40	26.00	14.80
F	7.40	26.00	14.80

### **Revenues**

Revenues collected by the District through February 18, 2022 on groundwater production during the following time frames are as follows:

<b>Time Frame</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>	<b>2018-19</b>
First Half of Fiscal Year (July through December)	\$285,129.22	\$289,032.02	\$219,431.85	\$294,678.58
Fiscal Year Total (July through June)	In Progress	\$586,842.95	\$551,410.64	\$552,151.83
Years Prior	In Progress	\$9,901.21	\$16,951.81	\$2,362.37

### **Groundwater Production**

Summarized below is the reported water production in acre feet within the District as of February 18, 2022 for FY 2020-2021:

<b>WATER PRODUCTION FOR FY 2020-2021 (ACRE-FEET)</b>				
<b>ZONE</b>	<b>AGRICULTURE</b>	<b>OTHER</b>	<b>SPECIAL IRRIGATION</b>	<b>TOTAL</b>
A	10,939.05	2,719.12	779.44	<b>14,437.61</b>
B	14,906.47	6,063.35	1,026.48	<b>21,996.30</b>
C	28.07	1,196.25	11.46	<b>1,235.78</b>
D	2,058.02	549.48	15.40	<b>2,622.90</b>
E	2,802.82	2,040.13	14.01	<b>4,856.96</b>
F	2,240.53	226.54	0.00	<b>2,467.07</b>
<b>TOTAL</b>	<b>32,974.96</b>	<b>12,794.87</b>	<b>1,846.79</b>	<b>47,616.62</b>

The above total water production reported for FY 2020-2021 as of February 18, 2022 is 101.53 percent of the total water production reported for FY 2019-2020 as of February 13, 2021.

The reported water production in acre-feet within the District as of February 18, 2022 for the first half of FY 2021-2022 is as follows:

<b>WATER PRODUCTION FOR FIRST HALF OF FY 2021-2022 (ACRE-FEET)</b>				
<b>ZONE</b>	<b>AGRICULTURE</b>	<b>OTHER</b>	<b>SPECIAL IRRIGATION</b>	<b>TOTAL</b>
A	4,105.04	1,319.12	612.43	<b>6,036.59</b>
B	6,725.24	2,984.79	713.03	<b>10,423.06</b>
C	4.09	486.91	6.40	<b>497.40</b>
D	438.32	258.69	27.40	<b>724.41</b>
E	1,355.27	1,008.81	11.07	<b>2,375.15</b>
F	921.64	80.92	0.00	<b>1,002.56</b>
<b>TOTAL</b>	<b>13,549.60</b>	<b>6,139.24</b>	<b>1,370.33</b>	<b>21,059.17</b>

The above total water production reported in acre feet for the first half of FY 2021-2022 as of February 18, 2022 is 107.31 percent of the total water production reported for the first half of FY 2020-2021 as of February 13, 2021.

Additional production that actually occurred prior to FY 2020-2021 was reported during the current FY 2021-2022. That late reported production, in acre-feet, is as follows:

<b>PRIOR WATER PRODUCTION REPORTED IN FY 2021-2022 (ACRE-FEET)</b>				
<b>ZONE</b>	<b>AGRICULTURE</b>	<b>OTHER</b>	<b>SPECIAL IRRIGATION</b>	<b>TOTAL</b>
A	434.45	31.11	0.00	<b>465.56</b>
B	32.61	8.76	0.00	<b>41.37</b>
C	10.50	1.09	0.00	<b>11.59</b>
D	281.03	9.37	0.00	<b>290.40</b>
E	142.91	20.32	0.00	<b>163.23</b>
F	0.00	.70	0.00	<b>.70</b>
<b>TOTAL</b>	<b>901.50</b>	<b>71.35</b>	<b>0.00</b>	<b>972.85</b>

The above late water production reported for years prior to FY 2020-2021 as of February 18, 2022 is 60.73 percent of the total water production reported for years prior to FY 2019-2020 as of February 13, 2021. We continued to focus on follow-up and registration of unregistered producers and collection from late reporting producers. Most late water production reported during the previous fiscal year was received from small producers.

**Well Registration**

As of February 18, 2022, there are 1,202 wells registered with the District. Of that number, 969 are active and 233 are inactive. This is an increase of 26 wells (20 active, 6 inactive) which is a direct result of the District's significant effort to register newly drilled wells utilizing well permit information obtained from Santa Barbara County Environmental Health Services. As we continue this effort, we expect the increase to continue.

**Major Producers**

The major water producers, those reporting pumpage by ownership and/or lease during FY 2020-2021, as of February 18, 2022 are as follows:

Producer	2020-2021 Production (Acre-Feet)
<b>Zone A</b>	
Acin Farms	1,184
SYRWCD, ID #1 (also in Zone E)	1,146
Espinoza / Big E Produce (also in Zone B)	887
City of Buellton (also in Zone D)	783
Sea Smoke, Rita's Crown & Southing Holdings	744
Jackson, Palmer (The Alisal)	698
Freitas Brothers	493
Wygod, Martin (River Edge & Anvil Farms)	374
Coggins (was Espinoza)	363
Rancho La Vina	270
City of Solvang (also in Zones C and E)	211
LTC Rancho Sanja Cota (was Gainey, also Zone E)	176
Williams, Norman (also in Zone D)	124
<b>Zone B</b>	
City of Lompoc (Parks Dept. & Water Div.)	4,382
Lompoc Farming	3,935
Santa Barbara Farms (Witt/Guerra)	3,365
Campbell Ranches (also in Zone F)	2,158
Espinoza / Big E Produce (also in Zone A)	1,534
Vandenberg Village CSD	1,430
Mission Hills CSD	533
Sorrento Berry Farms	518
Hibbits (Ranch and Family Trust)	378
Rancho Laguna	372
U.S. Penitentiary Farm	348
Wineman, Edward	300
Bodger & Sons Company	187

Producer	2020-2021 Production (Acre-Feet)
<b>Zone C</b>	
Imerys (was Celite Corporation)	751
City of Solvang (also in Zone A and E)	309
<b>Zone D</b>	
Buell, James (incl. Marcelino, LLC)	755
Williams, Norman (also in Zone A)	325
City of Buellton (also in Zone A)	273
Foley Estates Vineyards (also in Zone F)	200
<b>Zone E</b>	
SYRWCD, ID #1 (also in Zone A)	1,429
City of Solvang (also in Zones A and C)	172
LTC Rancho Sanja Cota (was Gainey, also Zone A)	133
<b>Zone F</b>	
Campbell Ranches (also in Zones A)	735
Oak Hills Ranch (was A & M Farms)	427
Foley Estates Vineyards (also in Zone D)	270

Findings and Determinations

The required and pertinent information necessary for the Board of Directors of the District to make the necessary determinations required by law will be prepared and included in the final 44<sup>th</sup> Annual Report which will be prepared upon receipt of the Spring 2022 water-level data.

Sincerely,

SANTA YNEZ RIVER  
WATER CONSERVATION DISTRICT



William Buelow, PG #8189  
Groundwater Program Manager

WB/sjs

**Project Scope and Estimated Costs for  
Santa Ynez River Valley Groundwater Basin –  
Western Management Area and Central Management Area  
Sustainable Groundwater Management Act Annual Report  
for Water Year 2021**

**Summary**

The Groundwater Sustainability Plan (GSP) for the Western and Central Management Areas of the Santa Ynez River Valley Groundwater Basin will be submitted in January 2022. The Sustainable Groundwater Management Act (SGMA) requires annual reports submitted by April 1<sup>st</sup> for the previous water year (WY)<sup>1</sup> for each GSP. As a medium priority basin, the first annual reports for the Santa Ynez River Valley Groundwater Basin are due by April 1<sup>st</sup> 2022. This combined scope and cost estimate was developed for the Western Management Area (WMA) and Central Management Area (CMA) of the Santa Ynez River Valley Groundwater Basin. The Level of Effort by task for each Management Area are provided in the tables below. For the purpose of this scope of work, the reporting period for the WMA and CMA annual reports are October 1, 2018 through September 30, 2021.

**SGMA Annual Report Project Phases**

- Task 1. Data collection. Groundwater levels, production, and surface water data will be collected for the reporting period. Data would be updated and posted into the Santa Ynez data management system (at SYWATER.info). Estimated to take \$7K for the WMA and \$4K for the CMA for a total level of effort (LOE) of \$11K.
- Task 2. Data Analysis. Groundwater level information will be converted into projected groundwater level contours for the management areas and estimates of updated storage calculations. Additional analyses are related to estimate surface water quantities. Estimated to take \$10K LOE for the WMA and \$4.5K LOE for the CMA for a total LOE of \$14.5K .
- Task 3. Report Preparation. The text and content of the SGMA annual report is described in the regulations (23 CCR § 356.2. Annual Reports). It includes provisions describing general information summarizing the basin, hydrologic conditions in the basin including groundwater elevations, hydrographs, contour maps, summary of extraction data, surface water quantities, available surface water supplies, total water use, and storage maps. A final section includes summarizing updates related to projects and management actions from the groundwater sustainability plan. Additional supporting information may be provided as appendices. The LOE for this task is \$19K for the WMA and \$16.5K for the CMA for a total LOE of \$35.5K.
- Task 4. Report Submittal and GSA Meeting Support. This task includes effort to prepare a presentation for the WMA and CMA GSA meetings to be included in the respective meeting packets, as well attending the GSA meetings and presenting the report. Effort in this task includes preparing the data and report for upload to the DWR portal. The LOE for the WMA is \$1.7K and the CMA is \$1.7K for a total LOE of \$3.5K.

<sup>1</sup> SGMA water years run October 1<sup>st</sup> through September 30<sup>th</sup>

- Task 5. Project Management and Administration. Additional expenses involving project administration are estimated at 2.5K. This includes 8 hours of quality assurance and quality control and project oversight by upper level management for both the CMA and WMA Annual Reports.

**Proposed Timeline**

Date	Actor	Action
December 2021	Stetson	Review water year end data (October 2021)
Jan 3-14, 2022	Stetson	Data collection and update work.
Jan 14	District	District to provide Pumping data through Oct. 1, 2021
Jan 24-Feb 4	Stetson	Stetson to put together draft texts. Send to technical editor.
Feb 9	Editor	Stetson to receive technical edit.
Feb 11	Stetson	Stetson to provide Draft Report to GSA
Feb 16	Stetson	Provide Presentation draft for District Review
March 1 – March 4	GSA	Meeting with GSA, Bill to Present
March 4	GSA	All GSA Comments Submitted to Stetson
March 11	Stetson	Stetson to provide Draft incorporating comments to GSA
March 18	District	GSA Final Review
March 25	Stetson	Stetson to Address items from Final Review
March 29	Stetson	Submission of Final Document to DWR
April 1	-	Last Day for Submission of report to DWR

**Estimated Costs**

Overall expectation is that the amount of effort required for development of the first SGMA annual report will be \$39K for the WMA and \$28.5 for the CMA for a total of \$67.5K. . Table 1 and Table 2 provide a task-by-task breakdown of the proposed budget for WMA and CMA annual reports, respectively.

**Table 1. Proposed Costs for 2021 Western Management Area Annual Report for SGMA**

TASK	Labor Hours	Labor Cost	Expenses	Total
Task 1 - Data Collection/ Data Management System	50	\$7,010	0	\$7,010
Task 2 - Data Analysis	72	\$9,924	0	\$9,924
Task 3 - Report Preparation	130	\$19,100	0	\$19,100
Task 4 – Meetings/ Report Submittal	9	\$1,702	0	\$1,702
Task 5 – Project Management and Administration	8	\$1,244	0	\$1,244
<b>TOTAL</b>	<b>269</b>	<b>\$38,980</b>	<b>0</b>	<b>\$38,980</b>



**Table 2. Proposed Costs for 2021 Central Management Area Annual Report for SGMA**

<b>TASK</b>	<b>Labor Hours</b>	<b>Labor Cost</b>	<b>Expenses</b>	<b>Total</b>
Task 1 - Data Collection/ Data Management System	32	\$4,174	0	\$4,174
Task 2 - Data Analysis	34	\$4,568	0	\$4,568
Task 3 - Report Preparation	110	\$16,580	0	\$16,580
Task 4 – Meetings/ Report Submittal	9	\$1,702	0	\$1,702
Task 5 – Project Management and Administration	8	\$1,244	0	\$1,244
<b>TOTAL</b>	<b>193</b>	<b>\$28,268</b>	<b>0</b>	<b>\$28,268</b>

**Key Assumptions and Expectations**

- This proposal does not include any field work to collect data. It is assumed that the data collection will be provided by the GSA or through existing data collection projects.
- Costs do not include for GSP implementation or project and management actions.
- This scope assumes that the SYRWCD will provide Stetson with updated groundwater pumping data through the June 30, 2021. Volumes for pumping for the remaining three months (July 1 through September 30) will be estimated if not available.
- Stetson staff is expecting to attend the two GSA meetings remotely. Travel, if required, would incur addition costs not included in this estimate (estimated at \$4K) and would be charged with the approval of SYRWCD.

**Legal Requirements**

CALIFORNIA CODE OF REGULATIONS TITLE 23, GROUNDWATER SUSTAINABILITY PLANS:  
ARTICLE 7. Annual Reports and Periodic Evaluations by the Agency

§ 356.2. Annual Reports

Each Agency shall submit an annual report to the Department by April 1 of each year following the adoption of the Plan. The annual report shall include the following components for the preceding water year:

- (a) General information, including an executive summary and a location map depicting the basin covered by the report.
- (b) A detailed description and graphical representation of the following conditions of the basin managed in the Plan:
  - (1) Groundwater elevation data from monitoring wells identified in the monitoring network shall be analyzed and displayed as follows:
    - (A) Groundwater elevation contour maps for each principal aquifer in the basin illustrating, at a minimum, the seasonal high and seasonal low groundwater conditions.

(B) Hydrographs of groundwater elevations and water year type using historical data to the greatest extent available, including from January 1, 2015, to current reporting year.

(2) Groundwater extraction for the preceding water year. Data shall be collected using the best available measurement methods and shall be presented in a table that summarizes groundwater extractions by water use sector, and identifies the method of measurement (direct or estimate) and accuracy of measurements, and a map that illustrates the general location and volume of groundwater extractions.

(3) Surface water supply used or available for use, for groundwater recharge or in-lieu use shall be reported based on quantitative data that describes the annual volume and sources for the preceding water year.

(4) Total water use shall be collected using the best available measurement methods and shall be reported in a table that summarizes total water use by water use sector, water source type, and identifies the method of measurement (direct or estimate) and accuracy of measurements. Existing water use data from the most recent Urban Water Management Plans or Agricultural Water Management Plans within the basin may be used, as long as the data are reported by water year.

(5) Change in groundwater in storage shall include the following:

(A) Change in groundwater in storage maps for each principal aquifer in the basin.

(B) A graph depicting water year type, groundwater use, the annual change in groundwater in storage, and the cumulative change in groundwater in storage for the basin based on historical data to the greatest extent available, including from January 1, 2015, to the current reporting year.

(c) A description of progress towards implementing the Plan, including achieving interim milestones, and implementation of projects or management actions since the previous annual report.

Note: Authority cited: Section 10733.2, Water Code.

Reference: Sections 10727.2, 10728, and 10733.2, Water Code

## Standard Billing Rate Schedule

### Professional Fees

Principal	\$244.00	Per Hour
Special Project Director	\$244.00	Per Hour
Project Manager, Senior	\$212.00	Per Hour
Supervisor I	\$212.00	Per Hour
Supervising Soil Scientist	\$197.00	Per Hour
Supervisor II	\$197.00	Per Hour
Supervisor III	\$191.00	Per Hour
Senior I	\$170.00	Per Hour
Senior II	\$153.00	Per Hour
Senior III	\$138.00	Per Hour
Construction Manager	\$138.00	Per Hour
Construction Manager / Oversight	\$122.00	Per Hour
Senior Construction Inspector	\$122.00	Per Hour
Senior Field Geologist	\$138.00	Per Hour
Senior Associate	\$132.00	Per Hour
Associate I	\$126.00	Per Hour
Associate II	\$119.00	Per Hour
Associate III	\$114.00	Per Hour
Associate Soil Scientist	\$114.00	Per Hour
Senior Assistant	\$106.00	Per Hour
Assistant I	\$101.00	Per Hour
Assistant II	\$96.00	Per Hour
Assistant Soil Scientist	\$96.00	Per Hour
Assistant III	\$91.00	Per Hour
GIS Manager	\$126.00	Per Hour
GIS Specialist I	\$104.00	Per Hour
GIS Specialist II	\$94.00	Per Hour
Technical Illustrator	\$91.00	Per Hour
AutoCAD Technician	\$91.00	Per Hour
Soil Technician	\$79.00	Per Hour
Aide I	\$74.00	Per Hour
Aide II	\$64.00	Per Hour
Aide III	\$59.00	Per Hour
Project Coordinator I	\$138.00	Per Hour
Project Coordinator II	\$101.00	Per Hour
Project Coordinator III	\$91.00	Per Hour
Contract Management	\$106.00	Per Hour
Administrative I	\$74.00	Per Hour
Administrative II	\$69.00	Per Hour
Administrative III	\$64.00	Per Hour

*Effective January 1, 2022*

## **Direct Expense Rates**

<b>Expense Description</b>	<b>Billing Rate</b>
Mileage	\$* / Mile
Reproduction: Black & White (In-House)	\$0.15 / Page
Reproduction: Color - 8.5" x 11" (In-House)	\$0.89 / Page
Reproduction: Color - 11" x 17" (In-House)	\$1.89 / Page
Plotter Reproduction (In-House)	\$1.50 / Sq. Ft.
4x4 Truck with Drill Rig	\$150.00 / Day
Survey Equipment	\$120.00 / Day

Notes:

- 1) \* Mileage is billed at the current IRS approved mileage rate and may be subject to change.
- 2) Subcontractor services will be charged at cost plus 10% administration fee.
- 3) All other project reimbursable expenses (i.e. telephone, commercial transportation, meals, lodging, postage, outside reproduction, etc.) will be billed at cost.
- 4) Testimony fees are 150% of standard rates and apply to depositions, court time and time spent on stand-by at attorney's request. Travel time and preparation time is charged at standard rates. Stetson Engineers Inc. authorizes only staff at associate classification or higher to testify as expert witnesses.

**Santa Ynez River Valley Groundwater Basin  
Groundwater Sustainability Agency Formation Structures Summary**

<b>Utilizing JPA</b>	
<b>Pros</b>	<b>Cons</b>
<ul style="list-style-type: none"> <li>• JPA is a separate legal entity:</li> <li>• Limited liability for member agencies</li> <li>• Limited debt for member agencies</li> <li>• Setting fees/assessments- easier clearer process- set by JPA as opposed to any or all of the member agencies</li>   <li>• Potential cost savings- economies of scale, shared administration</li> </ul>	<ul style="list-style-type: none"> <li>• Potential added costs to be a separate entity- i.e. annual audits, insurance, etc.</li>   <li>• JPA is a separate entity: depending on delegations to voting members of MOAs could be very similar to current structure or JPA directors may have more delegated authority to act</li> </ul>

<b>Utilizing MOA</b>	
<b>Pros</b>	<b>Cons</b>
<ul style="list-style-type: none"> <li>• Already formed- no action needed</li>   <li>• Greatest involvement of the member entities</li>   <li>• Preserves independence of each management area</li> </ul>	<ul style="list-style-type: none"> <li>• Procedural difficulties with setting fees/assessments</li> <li>• Time delays and increase cost to get each member agencies approval for MOA actions</li> <li>• Member agencies retain liability</li>   <li>• Public Records Act request can be difficult- need to coordinate with all members</li> <li>• Challenge to fees (or any MOA action)- all member agencies of MOA to be sued individually, versus one attorney represent</li> </ul>

<b>Options</b>	<b>Pros</b>	<b>Cons</b>	<b>Challenges</b>
4 JPAs- 1 each GSA and 1 overarching	<ul style="list-style-type: none"> <li>- Easy for overall basin management while retaining management areas independence</li> <li>- Clear who has what powers and greatest liability protection</li> </ul>	<ul style="list-style-type: none"> <li>- A lot of separate entities to manage, may result in some extra costs</li> </ul>	<ul style="list-style-type: none"> <li>- Clarity on powers and role of overarching JPA</li> </ul>
3 JPAs- 1 each GSA and coordination and cost sharing agreement	<ul style="list-style-type: none"> <li>- Retain management areas independence</li> <li>- Each management area can set and collect fees</li> </ul>	<ul style="list-style-type: none"> <li>- Less focus on overall basin management</li> </ul>	<ul style="list-style-type: none"> <li>- Coordination- potentially utilize a single management team to reduce cost</li> <li>- Resolve overall basin management through coordination agreement</li> </ul>
1-2 JPAs and 1-2 MOA and overarching JPA or coordination/cost sharing agreement	<ul style="list-style-type: none"> <li>- Flexibility for each management area to decide what structure works for them</li> </ul>	<ul style="list-style-type: none"> <li>- Any MOA retains procedural constraints and liability (See chart above)</li> <li>- Less focus on overall basin management</li> </ul>	<ul style="list-style-type: none"> <li>-</li> </ul>
1 JPA	<ul style="list-style-type: none"> <li>- Easy to form</li> <li>- Clearest for overall basin management</li> <li>- Greatest cost savings- common staff &amp; consultants</li> </ul>	<ul style="list-style-type: none"> <li>- Less independence for members and potentially for management areas</li> </ul>	<ul style="list-style-type: none"> <li>- Maintaining each management areas independence</li> <li>- Need to confirm with DWR can keep 3 GSPs</li> </ul>
Keep current structure- 3 MOA	<ul style="list-style-type: none"> <li>- No action needed</li> <li>- Most independence for management areas and member agencies</li> </ul>	<ul style="list-style-type: none"> <li>- Unclear how each MOA will raise money to fund GSP activities</li> <li>- Time and costs for member agencies to approve actions</li> <li>- Members retain liability</li> </ul>	<ul style="list-style-type: none"> <li>- Procedures for approval and actions by each member agency part of the MOA</li> </ul>

**Santa Ynez River Valley Groundwater Basin  
Joint Powers Agency Formation Outline**

**Current GSAs in the Basin (formed through MOA):**

<b>Eastern</b>	<b>Central</b>	<b>Western</b>
Solvang (1 vote)	Buellton (1 vote)	Lompoc (2 votes)
Santa Barbara County Water Agency (5 votes)	Santa Barbara County Water Agency (nonvoting)	Santa Barbara County Water Agency (nonvoting)
Santa Ynez River Water Conservation District (3 votes)	Santa Ynez River Water Conservation District (1 vote)	Santa Ynez River Water Conservation District (4 votes)
Santa Ynez River Water Conservation District, Improvement District 1 (2 votes)		Mission Hills Community Service District (1 vote)
		Vandenburg Village Community Service District (1 vote)

**GSA Formation Considerations:**

1. Form 4 JPAs- 1 for each current GSA, plus 1 overarching JPA
2. Form 3 JPAs (1 for each current GSA) plus coordination & cost sharing agreements
3. Form 1-2+ JPA- have a combination of MOA and JPAs with an overarching JPA
4. Form 1 JPA
5. Keep current MOA formation structure
6. Other options?

**Considerations for JPA formation:**

1. Choice of Entity-
  - a. Which member agency's rules will govern the JPA/restrict the exercise of power? (Gov. Code § 6509.)
2. Consider how to incorporate 3 GSAs through powers, voting and limitations:
  - a. *If 4 JPAs:* Limits / requirements on overarching JPA (i.e. implementing underlying JPA decisions, etc.)
  - b. *If 1 JPA:* How to maintain separate control over issues specific to each GSA-
    - i. Create committees / separate management areas with separate votes binding on JPA
    - ii. Voting structure / voting requirements as options to preserve GSA areas
  - c. Other options- consider impact of formation options

3. Voting:
  - a. Directors
    - i. Number of directors
    - ii. What constitutes a quorum
    - iii. Who may serve as a director
    - iv. Alternate directors
    - v. Compensation
  - b. Voting structure- (depends on formation option)
    - i. Equal voting
    - ii. Weighed voting
      1. Based on GSA voting structure
      2. Based on funding
      3. Based on % of basin entity overlies
      4. Based on management area impacted
    - iii. Vote requirements for issues- budget, GSP approval, resolve litigation, levy fee, adopt bylaws
      1. Majority
      2. Supermajority (2/3, 4/5 or 60%, 75%)
4. Budget/Funding
  - a. How to allocate costs (same options as voting structure)
  - b. How to allocate funds and grants
5. Powers
  - a. All shared powers
  - b. All powers of a GSA
  - c. Any limits or exclusions?
6. Officers
  - a. Who to serve as auditor and treasurer? (Gov. Code §§ 6505.5, 6505.6.)
7. Liabilities & Indemnification & Insurance (Gov. Code §6507.)
8. Authority and process to approve and execute JPA:
  - a. Each entity to approve and execute
  - b. Have GSAs approve and execute
  - c. Have each entity and GSA approve and execute
  - d. Reform current GSA as 3 JPAs & then have 3 JPAs form an umbrella JPA



**Procedural Considerations:**

- Working group recommendations
- Consideration and approval of working group recommendations by each GSA
- Contact DWR for approval of proposed formation option
  - o Confirm notice and publication requirement
- Submit GSA recommendations to each underlying entity for approval
  - o Potential documents/actions:
    - JPA agreement
    - New resolutions for GSA?
    - Terminate current MOA that created GSA? Or state in the JPA that this supersedes the MOA?
    - Re-nominate current GSA members as JPA directors, or selected new directors and alternates (resolution)
- Submission to DWR
- Submit JPA entity formation to LAFCo and Secretary of State
- 1<sup>st</sup> meeting of JPA- assistance from GSAs/underlying entities until have executive director, counsel, etc.

**Next steps:**

- GSA input on options working group recommends before draft documents
- Draft documents

SYRWCD CMA  
BALANCE SHEET  
DECEMBER 31, 2021

Assets

Current Assets

Mechanics Bank #5472	\$59,043.04	
Other Current Assets	1,000.00	
	-----	
TOTAL Current Assets		60,043.04
		-----
TOTAL Assets		\$60,043.04
		=====

Liabilities AND Equity

TOTAL Liabilities		.00
		-----

Net Position

Retained Earnings	148,763.63	
Retained Earnings-Current Year	(88,720.59)	
	-----	
TOTAL Net Position		60,043.04
		-----
TOTAL Liabilities AND Equity		\$60,043.04
		=====

SYRWCD CMA  
INCOME STATEMENT  
FOR THE 6 PERIODS ENDED DECEMBER 31, 2021

	QUARTER TO DATE		YEAR TO DATE	
	ACTUAL	PERCENT	ACTUAL	PERCENT
<b>Revenue:</b>				
Revenue				
Operating Assessments	\$25,200.00	100.0 %	25,200.00	100.0
TOTAL Revenue	25,200.00	100.0	25,200.00	100.0
TOTAL Revenue	25,200.00	100.0	25,200.00	100.0
Gross Profit	25,200.00	100.0	25,200.00	100.0
<b>Expenses:</b>				
Operating Expenses				
Outside Staff Support	300.00	1.2	300.00	1.2
Public Relations	368.73	1.5	368.73	1.5
TOTAL Operating Expenses	668.73	2.7	668.73	2.7
Consultants				
Stakeholder Engagement	3,828.00	15.2	7,175.00	28.5
GSP - HCM	1,003.00	4.0	2,089.50	8.3
GSP - Water Budget, GW Models	3,959.75	15.7	5,262.75	20.9
GSP - Monitor/Measure	.00	.0	3,406.25	13.5
GSP - Sustainable Mgt Criteria	.00	.0	8,995.50	35.7
GSP - Projects/Mgt Actions	5,420.75	21.5	13,015.25	51.6
GSP - GSP Doc	21,635.11	85.9	40,983.11	162.6
GSP-AEM Survey	13,507.00	53.6	32,324.50	128.3
TOTAL Consultants	49,353.61	195.8	113,251.86	449.4
TOTAL Expenses	50,022.34	198.5	113,920.59	452.1
Net Income from Operations	(24,822.34)	(98.5)	(88,720.59)	(352.1)
Earnings before Income Tax	(24,822.34)	(98.5)	(88,720.59)	(352.1)
Net Income (Loss)	\$(24,822.34)	(98.5)%	(88,720.59)	(352.1)

**GROUNDWATER SUSTAINABILITY AGENCY FOR THE  
CENTRAL MANAGEMENT AREA (CMA)  
IN THE SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN**

**OCTOBER 2021 WARRANT LIST FOR COMMITTEE APPROVAL**

<u>NUMBER</u>	<u>DATE</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
1039	10/15/21	Inklings	Public Draft CMA GSP printed (Public access to review GSP at Buellton Library)	\$ 112.73
1040	10/15/21	Santa Barbara News Press	Public Draft GSP advertisement (9/26/21: 1 of 2 run dates) (1/3 of total paid per GSA)	\$ 50.00
1041	10/15/21	Santa Maria Times	Public Draft GSP advertisement (9/28/21 SYV News and 9/29/21 Lompoc Record) (1/3 of total paid per GSA)	\$ 156.00
1042	10/15/21	Stetson Engineers	August 2021 Engineering Service (Task Order #2 & AEM work)	\$ 21,092.55
1043	10/15/21	Valley Bookkeeping	2021 3rd Quarter Bookkeeping (July, August, September 2021)	\$ 150.00
<b>MONTH TOTAL</b>				<b>\$ 21,561.28</b>

**NOVEMBER 2021 WARRANT LIST FOR COMMITTEE APPROVAL**

<u>NUMBER</u>	<u>DATE</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
1044	11/15/21	Santa Barbara News Press	Public Draft GSP advertisement (10/3/21: 2 of 2 run dates) (1/3 of total paid per GSA)	\$ 50.00
1045	11/15/21	Stetson Engineers	September 2021 Engineering Service (Task Order #2 & AEM work)	\$ 23,027.75
<b>MONTH TOTAL</b>				<b>\$ 23,077.75</b>

**DECEMBER 2021 WARRANT LIST FOR COMMITTEE APPROVAL**

<u>NUMBER</u>	<u>DATE</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
1046	12/14/21	Stetson Engineers	October 2021 Engineering Service (Task Order #2)	\$ 5,233.31
1047	12/14/21	Valley Bookkeeping	2021 4th Quarter Bookkeeping (October, November, December 2021)	\$ 150.00
<b>MONTH TOTAL</b>				<b>\$ 5,383.31</b>

**TOTAL THIS QUARTER: \$ 50,022.34**

SYRWCD EMA  
BALANCE SHEET  
DECEMBER 31, 2021

Assets

Current Assets

Mechanics Bank #5843	\$113,120.48	
Other Current Assets	1,000.00	
	-----	
TOTAL Current Assets		114,120.48
		-----
TOTAL Assets		\$114,120.48
		=====

Liabilities AND Equity

TOTAL Liabilities		.00
		-----

Net Position

RETAINED EARNINGS - PRIOR	211,037.93	
Retained Earnings-Current Year	(96,917.45)	
	-----	
TOTAL Net Position		114,120.48
		-----
TOTAL Liabilities AND Equity		\$114,120.48
		=====

SYRWCD EMA  
INCOME STATEMENT  
FOR THE 6 PERIODS ENDED DECEMBER 31, 2021

	QUARTER TO DATE		YEAR TO DATE	
	ACTUAL	PERCENT	ACTUAL	PERCENT
TOTAL Revenue	\$.00	.0 %	.00	.0
Gross Profit	.00	.0	.00	.0
Expenses:				
Operating Expenses				
Outside Staff Support	300.00	.0	300.00	.0
Public Relations	429.92	.0	611.71	.0
TOTAL Operating Expenses	729.92	.0	911.71	.0
Consultants				
GSP - GSP Doc	33,626.85	.0	88,520.10	.0
Basin Coordination	5,698.14	.0	7,455.64	.0
TOTAL Consultants	39,324.99	.0	95,975.74	.0
Non Operating Expenses				
Misc Expense	30.00	.0	30.00	.0
TOTAL Non Operating Expenses	30.00	.0	30.00	.0
TOTAL Expenses	40,084.91	.0	96,917.45	.0
Net Income from Operations	(40,084.91)	.0	(96,917.45)	.0
Earnings before Income Tax	(40,084.91)	.0	(96,917.45)	.0
Net Income (Loss)	\$(40,084.91)	.0 %	(96,917.45)	.0

**GROUNDWATER SUSTAINABILITY AGENCY FOR THE  
EASTERN MANAGEMENT AREA (EMA)  
IN THE SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN**

**OCTOBER 2021 WARRANT LIST FOR COMMITTEE APPROVAL**

<u>NUMBER</u>	<u>DATE</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
1039	10/15/21	GSI Water Solutions	September 2021 GSP Preparation Services	\$ 18,424.00
1040	10/15/21	Inklings	Public Draft EMA GSP printed (Public access to review GSP at Solvang Library)	\$ 173.92
1041	10/15/21	Santa Barbara News Press	Public Draft GSP advertisement (9/26/21: 1 of 2 run dates) (1/3 of total paid per GSA)	\$ 50.00
1042	10/15/21	Santa Maria Times	Public Draft GSP advertisement (9/28/21 SYV News and 9/29/21 Lompoc Record) (1/3 of total paid per GSA)	\$ 156.00
1043	10/15/21	Valley Bookkeeping	2021 3rd Quarter Bookkeeping (July, August, September 2021)	\$ 150.00
<b>MONTH TOTAL</b>				<b>\$ 18,953.92</b>

**NOVEMBER 2021 WARRANT LIST FOR COMMITTEE APPROVAL**

<u>NUMBER</u>	<u>DATE</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
1044	11/15/21	Santa Ynez CSD	Conference Room Rental (11/18/2021 EMA GSA Meeting)	\$ 30.00
1045	11/15/21	Santa Barbara News Press	Public Draft GSP advertisement (10/3/21: 2 of 2 run dates) (1/3 of total paid per GSA)	\$ 50.00
1046	11/15/21	Stetson Engineers	August & September 2021 Engineering Service (Basin Coordination)	\$ 3,564.75
1047	11/15/21	GSI Water Solutions	October 2021 GSP Preparation Services	\$ 15,202.85
<b>MONTH TOTAL</b>				<b>\$ 18,847.60</b>

**DECEMBER 2021 WARRANT LIST FOR COMMITTEE APPROVAL**

<u>NUMBER</u>	<u>DATE</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
1048	12/14/21	Stetson Engineers	October 2021 Engineering Service (Basin Coordination)	\$ 2,133.39
1049	12/14/21	Valley Bookkeeping	2021 4th Quarter Bookkeeping (October, November, December 2021)	\$ 150.00
<b>MONTH TOTAL</b>				<b>\$ 2,283.39</b>

**TOTAL THIS QUARTER: \$ 40,084.91**

SYRWCD WMA  
BALANCE SHEET  
DECEMBER 31, 2021

Assets

Current Assets

Mechanics Bank #8301	\$64,461.53
Other Current Assets	1,000.00

TOTAL Current Assets	-----	65,461.53
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TOTAL Assets		-----	\$65,461.53	=====
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Liabilities AND Equity

TOTAL Liabilities		-----	.00
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Net Position

Retained Earnings	143,038.46
Retained Earnings-Current Year	(77,576.93)

TOTAL Net Position	-----	65,461.53
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TOTAL Liabilities AND Equity		-----	\$65,461.53	=====
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SYRWCD WMA  
INCOME STATEMENT  
FOR THE 6 PERIODS ENDED DECEMBER 31, 2021

	QUARTER TO DATE		YEAR TO DATE	
	ACTUAL	PERCENT	ACTUAL	PERCENT
<b>Revenue:</b>				
Revenue				
Operating Assessments	\$26,300.00	100.0 %	53,674.00	100.0
TOTAL Revenue	26,300.00	100.0	53,674.00	100.0
TOTAL Revenue	26,300.00	100.0	53,674.00	100.0
Gross Profit	26,300.00	100.0	53,674.00	100.0
<b>Expenses:</b>				
Operating Expenses				
Outside Staff Support	300.00	1.1	300.00	.6
Public Relations	445.23	1.7	445.23	.8
TOTAL Operating Expenses	745.23	2.8	745.23	1.4
Consultants				
Stakeholder Engagement	4,902.50	18.6	11,310.00	21.1
GSP - DMS	29.50	.1	29.50	.1
GSP - HCM	1,218.50	4.6	2,334.50	4.3
GSP - Water Budget, GW Models	4,865.50	18.5	4,865.50	9.1
GSP - Monitor/Measure	.00	.0	5,600.50	10.4
GSP - Sustainable Mgt Criteria	.00	.0	9,589.00	17.9
GSP - Projects/Mgt Actions	5,044.00	19.2	15,084.25	28.1
GSP - GSP Doc	24,850.17	94.5	49,295.67	91.8
GSP - AEM Survey	13,579.28	51.6	32,396.78	60.4
TOTAL Consultants	54,489.45	207.2	130,505.70	243.1
TOTAL Expenses	55,234.68	210.0	131,250.93	244.5
Net Income from Operations	(28,934.68)	(110.0)	(77,576.93)	(144.5)
Earnings before Income Tax	(28,934.68)	(110.0)	(77,576.93)	(144.5)
Net Income (Loss)	\$(28,934.68)	(110.0)%	(77,576.93)	(144.5)

**GROUNDWATER SUSTAINABILITY AGENCY FOR THE  
WESTERN MANAGEMENT AREA (WMA)  
IN THE SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN**

**OCTOBER 2021 WARRANT LIST FOR COMMITTEE APPROVAL**

<u>NUMBER</u>	<u>DATE</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
1038	10/15/21	Inklings	Public Draft WMA GSP printed (2 copies) (Public access to review GSP at Lompoc and Vandenberg Village Libraries)	\$ 189.23
1039	10/15/21	Santa Barbara News Press	Public Draft GSP advertisement (9/26/21: 1 of 2 run dates) (1/3 of total paid per GSA)	\$ 50.00
1040	10/15/21	Santa Maria Times	Public Draft GSP advertisement (9/28/21 SYV News and 9/29/21 Lompoc Record) (1/3 of total paid per GSA)	\$ 156.00
1041	10/15/21	Stetson Engineers	August 2021 Engineering Service (Task Order #2 & AEM work)	\$ 22,817.66
1042	10/15/21	Valley Bookkeeping	2021 3rd Quarter Bookkeeping (July, August, September 2021)	\$ 150.00
<b>MONTH TOTAL</b>				<b>\$ 23,362.89</b>

**NOVEMBER 2021 WARRANT LIST FOR COMMITTEE APPROVAL**

<u>NUMBER</u>	<u>DATE</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
1043	11/15/21	Santa Barbara News Press	Public Draft GSP advertisement (10/3/21: 2 of 2 run dates) (1/3 of total paid per GSA)	\$ 50.00
1044	11/15/21	Stetson Engineers	September 2021 Engineering Service (Task Order #1 & AEM work)	\$ 23,378.03
<b>MONTH TOTAL</b>				<b>\$ 23,428.03</b>

**DECEMBER 2021 WARRANT LIST FOR COMMITTEE APPROVAL**

<u>NUMBER</u>	<u>DATE</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
1045	12/14/21	Stetson Engineers	October 2021 Engineering Service (Task Order #1)	\$ 8,293.76
1046	12/14/21	Valley Bookkeeping	2021 4th Quarter Bookkeeping (October, November, December 2021)	\$ 150.00
<b>MONTH TOTAL</b>				<b>\$ 8,443.76</b>

**TOTAL THIS QUARTER: \$ 55,234.68**

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT

MEMORANDUM

Date: March 9, 2022

To: Cindy Allen    Mark Altshuler    Art Hibbits    Steve Jordan    Brett Marymee  
Kevin Walsh, General Manager    Bill Buelow, Treasurer

From: Amber Thompson

Subject: Proposed change of primary financial institution

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Recommendation

Adopt Resolution No. 710 “Authorizing the Opening of Accounts at Five Star Bank.” Direct staff to complete the necessary documents to establish accounts at Five Star Bank and open seven accounts at Five Star Bank: one interest-bearing checking account for SYRWCD, one interest-bearing checking account For Benefit of (FBO) CMA GSA, one interest-bearing checking account FBO EMA GSA, one interest-bearing checking account FBO WMA GSA, one money market account for SYRWCD, and one money market account FBO CMA, EMA, WMA GSAs. Direct staff to transfer funds from specified accounts at Mechanics Bank to same specified accounts at Five Star Bank and close all checking and money market accounts at Mechanics Bank, except for ONE non-interest-bearing checking account for SYRWCD, which is currently owned by SYRWCD at Mechanics Bank.

Reason for Staff Recommendation to Change Primary Financial Institution

This recommendation is due to continued and increasing fees imposed to the non-interest-bearing checking accounts by Mechanics Bank and the availability of non-fee plus interest-bearing checking accounts as well as the significantly higher interest rates paid for money market funds held at Five Star Bank.

Currently, no interest is earned on any of the checking account funds held at Mechanics Bank. If checking accounts remain at Mechanics Bank, those accounts will continue to not earn interest and be assessed usage fees. Effective March 1, 2022, Mechanics Bank fees and charges increased. However, public checking accounts at Five Star Bank will NOT be charged usage fees and will begin to earn interest.

Staff recommends that one non-interest-bearing checking account remain open at Mechanics Bank with a minimum balance of \$5,000. Three main reasons are as follows: to accept grant funds, if grant agreements require deposit of funds into a non-interest-bearing account (as does the DWR Prop 1 and Prop 68 SGMA grant agreement); to accept cash funds received for groundwater pumping charges or other fees; and for convenience of local banking if a need arises.

The change in interest rates for money market accounts offered by Five Star Bank is over a quadruple increase above rates offered for money market accounts by Mechanics Bank. The District's Money Market accounts held at Mechanics Bank currently earn 0.05% interest. Money Market accounts held at Five Star Bank earn a fluctuating interest rate that matches the LAIF quarterly interest rate. As of December 2021, LAIF's reported quarterly rate was 0.23%.

Five Star Bank is highly recommended by many other CSDA members and offers a Public and Municipal Banking program. The 2020 Annual Report of Financial Institutions, Inc., the parent company of Five Star Bank, states:

#### **Five Star Bank**

The Bank is a New York-chartered bank that has its headquarters at 55 North Main Street, Warsaw, NY, and a total of 47 full-service banking offices in the New York State counties of Allegany, Cattaraugus, Cayuga, Chautauqua, Chemung, Erie, Genesee, Livingston, Monroe, Ontario, Orleans, Seneca, Steuben, Wyoming and Yates counties. - 5 - At December 31, 2020, the Bank had total assets of \$4.88 billion, investment securities of \$900.0 million, net loans of \$3.54 billion, deposits of \$4.31 billion and shareholders' equity of \$479.0 million. The Bank offers deposit products, which include checking and NOW accounts, savings accounts, and certificates of deposit, as its principal source of funding. The Bank's deposits are insured up to the maximum permitted by the Bank Insurance Fund (the "Insurance Fund") of the Federal Deposit Insurance Corporation ("FDIC"). The Bank offers a variety of loan products to its customers, including commercial and consumer loans.

#### SYRWCD Banking History:

December 5, 2000, SYRWCD Directors entered into an Account Agreement with Mid-State Bank and opened one Public Checking Account and three Public Savings Accounts. A Mid-State Bank supplied Resolution was completed, approved and filed with the bank by Directors, no SYRWCD issued Resolution exists.

Rabobank took over Mid-State Bank. February 19, 2008, SYRWCD Directors entered into an Account Agreement with Rabobank, N.A. for one Public Checking Account and four Business Investor Money Market Accounts.

February 5, 2019, SYRWCD opened three non-interest-bearing individual Business Checking accounts at Rabobank. These three accounts owned by SYRWCD are for sole use by and for benefit of the CMA, EMA, and WMA GSAs, respectively.

Mechanics Bank took over Rabobank in September, 2019. All Rabobank account numbers and types remained the same with Mechanics Bank after the transition to the new financial institution. However, Mechanics Bank fee structures changed, and public checking options were no longer offered at no cost, despite the minimum balance of total accounts held at the bank.



January 24, 2022

Ms. Amber Thompson  
District Administrator  
Santa Ynez River Water Conservation District  
3669 Sagunto Street, Suite 101  
Santa Ynez, CA 93460

Dear Ms. Thompson,

Thank you for the opportunity to present this proposal to the Santa Ynez River Water Conservation District.

We believe that you deserve nothing less than outstanding customer service, reliability, competitive pricing, efficient means of managing your accounts electronically and direct access to a team of qualified banking professionals. We are keenly knowledgeable with special districts and municipalities, the statutes that pertain to public funds and who also have the experience of having managed at a public entity. We have the experience, expertise and hands on approach that sets us apart.

We believe Five Star Bank is the perfect partner for the Santa Ynez River Water Conservation District. As a sign of our partnership, Five Star Bank is offering the District:

- **All your checking and money market accounts free of all charges - We are offering as many accounts as you need with no fees.**
- **A public interest checking account(s) that pay 0.10%.**
- **A public money market account that matches the most recently published monthly rate at LAIF (currently 0.212%). - The rate is reset each month to match the most recently published monthly LAIF rate. Interest is paid monthly on the 1<sup>st</sup> of the month. Money market accounts are limited to 6 withdrawals per month (wires, ACH, checks, transfers).**

These accounts will include the following:

- **Free checking accounts with ability to write checks**
- **Free online banking with online transfer capability between accounts**
- **Free ACH capability (requires credit approval)**
- **Free Wire transfer capability**
- **Free Remote Deposit Capture w/free scanner provided**
- **Free Mobile Deposit**

- **Five Star Bank will also provide your initial order of checks, deposit slips, and endorsement stamps at no charge.**

Five Star Bank also can provide all the financing to meet the District's needs including refinancing existing loans, new equipment & vehicles, buildings, infrastructure, lines of credit as well as pension obligation bonds. We also can offer credit cards for purchasing and merchant services to accept payments by credit card in person, online or by phone. Any financing, merchant services or credit cards would be subject to fees. If there are any services that we need to use an outside vendor for such as armored car services, we would pass those costs along, though they can be offset through Account Analysis.

This opportunity is very important to our Bank and, as always, we will take every measure possible to ensure your success. We can assure you that we will personally oversee the entire transition, provide your staff with all the necessary training they need and provide you with designated backup personnel as well. We will be your partner every step of the way, from pre-conversion through conversion and implementation.

Please let us know if we can discuss the opportunity in greater detail and plan the next steps to move forward. Thank you once again for this opportunity. We look forward to the chance to build a long, sustainable future with the Santa Ynez River Water Conservation District!

Sincerely,



**Jerry Legg, CTP**  
**SVP/Government Banking Manager**

t: [916-640-1512](tel:916-640-1512) | m: [916-471-9977](tel:916-471-9977)

e: [jlegg@fivestarkbank.com](mailto:jlegg@fivestarkbank.com)

a: 2240 Douglas Blvd., Suite 100  
Roseville, CA 95661



**Celebrating 20 Years!**

**RESOLUTION NO. 710**

**A RESOLUTION OF THE OF THE BOARD OF DIRECTORS OF THE  
SANTA YNEZ RIVER WATER CONSERVATION DISTRICT  
AUTHORIZING THE OPENING OF AN ACCOUNT AT FIVE STAR BANK**

**WHEREAS**, the Santa Ynez River Water Conservation District (herein "District") Board of Directors is a local governmental agency formed and authorized to provide services within its jurisdiction, pursuant to Section 74000 et seq. of the California Water Code; and

**WHEREAS**, District staff recommends the opening of bank accounts at Five Star Bank, and transferring funds held in specified money market and checking accounts at Rabobank into the same specified bank accounts at Five Star Bank;

**NOW, THEREFORE**, the Board of Directors of the Santa Ynez River Water Conservation District hereby resolves as follows:

1. The Santa Ynez River Water Conservation District Board of Directors authorizes the following:
  - a. Creation of **four** interest-bearing checking accounts at Five Star Bank specified for:
    - i. Santa Ynez River Water Conservation District
    - ii. For Benefit of (FBO) CMA GSA
    - iii. For Benefit of (FBO) EMA GSA
    - iv. For Benefit of (FBO) WMA GSA
  - b. Creation of **two** money market accounts at Five Star Bank specified for:
    - i. Santa Ynez River Water Conservation District
    - ii. For Benefit of (FBO) CMA, EMA, WMA GSAs
  - c. The transfer of funds from specified checking and money market accounts at Rabobank to the same specified checking and money market accounts at Five Star Bank;
  - d. The General Manager is authorized to execute the Contract for Deposit of monies.
2. The following persons and their successors are authorized to sign on the account:

Cynthia A. Allen, President	J. Brett Marymee, Vice President
Mark Altshuler	William J. Buelow, Treasurer
Arthur Hibbits	Kevin D. Walsh, General Manager
Stephen Jordan	

**WE, THE UNDERSIGNED**, being the duly qualified and acting President and Secretary, respectively, of the Board of Directors of the Santa Ynez River Water Conservation District, do hereby certify that the above and foregoing Resolution was duly and regularly adopted and passed by the Board of Directors at a special meeting duly held on the 9<sup>th</sup> day of March 2022 by the following vote:

**AYES**, and in favor thereof, Directors:

**NOES**, Directors:

**ABSENT/ABSTAINING**, Directors:

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Cynthia Allen, President

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Amber Thompson, Secretary



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## MEMORANDUM OF UNDERSTANDING

**THIS MEMORANDUM OF UNDERSTANDING (HEREAFTER "MEMORANDUM") IS ENTERED INTO BY AND BETWEEN THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY (HEREAFTER "SDRMA") AND THE PARTICIPATING PUBLIC ENTITY (HEREAFTER "ENTITY") WHO IS SIGNATORY TO THIS MEMORANDUM.**

**WHEREAS**, on August 1, 2006, SDRMA was appointed administrator for the purpose of enrolling small public entities into the Public Risk Innovation, Solutions and Management (PRISM) Health and/or Employee Benefits Small Group Program (hereinafter "PROGRAM"); and

**WHEREAS**, the terms and conditions of the PROGRAM as well as benefit coverage, rates, assessments, and premiums are governed by the PRISM Health Committee and/or PRISM Employee Benefits Committee for the PROGRAM (the "COMMITTEE") and not SDRMA; and

**WHEREAS**, ENTITY desires to enroll and participate in the PROGRAM.

**NOW THEREFORE**, SDRMA and ENTITY agree as follows:

1. **PURPOSE.** ENTITY is signatory to this MEMORANDUM for the express purpose of enrolling in the PROGRAM.
2. **ENTRY INTO PROGRAM.** ENTITY shall enroll in the PROGRAM by making application through SDRMA which shall be subject to approval by the PROGRAM's Underwriter and governing documents and in accordance with applicable eligibility guidelines.
3. **MAINTENANCE OF EFFORT.** PROGRAM is designed to provide an alternative health benefit solution to all participants of the ENTITY including active employees, retired employees (optional), dependents (optional) and public officials (optional). ENTITY public officials may participate in the PROGRAM only if they are currently being covered and their own ENTITY's enabling act, plans and policies allow it. ENTITY must contribute at least the minimum percentage required by the eligibility requirements
4. **PREMIUMS.** ENTITY understands that premiums and rates for the PROGRAM are set by the COMMITTEE. ENTITY will remit monthly premiums based upon rates established for each category of participants and the census of covered employees, public officials, dependents and retirees.

Rates for the ENTITY and each category of participant will be determined by the COMMITTEE designated for the PROGRAM based upon advice from its consultants and/or a consulting Benefits Actuary and insurance carriers. In addition, SDRMA adds an administrative fee to premiums and rates for costs associated with administering the PROGRAM. Rates may vary depending upon factors including, but not limited to,

demographic characteristics, loss experience of all public entities participating in the PROGRAM and differences in benefits provided (plan design), if any.

SDRMA will administrate a billing to ENTITY each month, with payments due by the date specified by SDRMA. Payments received after the specified date will accrue penalties up to and including termination from the PROGRAM. Premiums are based on a full month, and there are no partial months or prorated premiums. Enrollment for mid-year qualifying events and termination of coverage will be made in accordance with the SDRMA Program Administrative Guidelines.

5. **BENEFITS.** Benefits provided to ENTITY participants shall be as set forth in ENTITY's Plan Summary for the PROGRAM and as agreed upon between the ENTITY and its recognized employee organizations as applicable. Not all plan offerings will be available to ENTITY, and plans requested by ENTITY must be submitted to PROGRAM underwriter for approval.
6. **COVERAGE DOCUMENTS.** Except as otherwise provided herein, coverage documents from each carrier outlining the coverage provided, including terms and conditions of coverage, are controlling with respect to the coverage of the PROGRAM and will be provided by SDRMA to each ENTITY. SDRMA will provide each ENTITY with additional documentation, defined as the SDRMA Program Administrative Guidelines which provide further details on administration of the PROGRAM.
7. **PROGRAM FUNDING.** It is the intent of this MEMORANDUM to provide for a fully funded PROGRAM by any or all of the following: pooling risk; purchasing individual stop loss coverage to protect the pool from large claims; and purchasing aggregate stop loss coverage.
8. **ASSESSMENTS.** Should the PROGRAM not be adequately funded for any reason, pro-rata assessments to the ENTITY may be utilized to ensure the approved funding level for applicable policy periods. Any assessments which are deemed necessary to ensure approved funding levels shall be made upon the determination and approval of the COMMITTEE in accordance with the following:
  - a. Assessments/dividends will be used sparingly. Generally, any over/under funding will be factored into renewal rates.
  - b. If a dividend/assessment is declared, allocation will be based upon each ENTITY's proportional share of total premiums paid for the preceding 3 years. An ENTITY must be a current participant to receive a dividend, except upon termination of the PROGRAM and distribution of assets.

- 
- c. ENTITY will be liable for assessments for 12 months following withdrawal from the PROGRAM.
  - d. Fund equity will be evaluated on a total PROGRAM-wide basis as opposed to each year standing on its own.
9. WITHDRAWAL. ENTITY may withdraw subject to the following condition: ENTITY shall notify SDRMA and the PROGRAM in writing of its intent to withdraw at least 90 days prior to their requested withdrawal date. ENTITY may rescind its notice of intent to withdraw. Once ENTITY withdraws from the PROGRAM, there is a 3-year waiting period to come back into the PROGRAM, and the ENTITY will be subject to underwriting approval again.
  10. LIAISON WITH SDRMA. Each ENTITY shall maintain staff to act as liaison with SDRMA and between the ENTITY and SDRMA's designated PROGRAM representative.
  11. GOVERNING LAW. This MEMORANDUM shall be governed in accordance with the laws of the State of California.
  12. VENUE. Venue for any dispute or enforcement shall be in Sacramento, California.
  13. ATTORNEY FEES. The prevailing party in any dispute shall be entitled to an award of reasonable attorney fees.
  14. COMPLETE AGREEMENT. This MEMORANDUM together with the related PROGRAM documents constitutes the full and complete agreement of the ENTITY.
  15. SEVERABILITY. Should any provision of this MEMORANDUM be judicially determined to be void or unenforceable, such determination shall not affect any remaining provision.
  16. AMENDMENT OF MEMORANDUM. This MEMORANDUM may be amended by the SDRMA Board of Directors and such amendments are subject to approval of ENTITY's designated representative, or alternate, who shall have authority to execute this MEMORANDUM. Any ENTITY who fails or refuses to execute an amendment to this MEMORANDUM shall be deemed to have withdrawn from the PROGRAM on the next annual renewal date.
  17. EFFECTIVE DATE. This MEMORANDUM shall become effective on the later of the first date of coverage for the ENTITY or the date of signing of this MEMORANDUM by the Chief Executive Officer or Board President of SDRMA.
  18. EXECUTION IN COUNTERPARTS. This MEMORANDUM may be executed in several counterparts, each of which shall be an original, all of which shall constitute but one and the same instrument.

In Witness Whereof, the undersigned have executed the MEMORANDUM as of the date set forth below.

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Special District Risk  
Management Authority

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Santa Ynez River Water Conservation  
District

## RESOLUTION NO. 711

### A RESOLUTION OF THE OF THE BOARD OF DIRECTORS OF THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING AND AUTHORIZING PARTICIPATION IN THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY'S HEALTH BENEFITS PROGRAM

**WHEREAS**, the Santa Ynez River Water Conservation District, a public agency duly organized and existing under and by virtue of the laws of the State of California (the "ENTITY"), has determined that it is in the best interest and to the advantage of the ENTITY to participate in the Health Benefits Program offered by Special District Risk Management Authority (the "Authority"); and

**WHEREAS**, the Authority was formed in 1986 in accordance with the provisions of California Government Code 6500 et seq., for the purpose of providing risk financing, risk management programs and other coverage protection programs; and

**WHEREAS**, participation in Authority programs requires the ENTITY to execute and enter into a Memorandum of Understanding which states the purpose and participation requirements for the Health Benefits Program; and

**WHEREAS**, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the transactions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the ENTITY is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such transactions for the purpose, in the manner and upon the terms herein provided.

**NOW, THEREFORE**, the Board of Directors of the Santa Ynez River Water Conservation District hereby resolves as follows:

**Section 1.** Findings. The ENTITY's Governing Body hereby specifically finds and determines that the actions authorized hereby relate to the public affairs of the ENTITY.

**Section 2.** Memorandum of Understanding. The Memorandum of Understanding, to be executed and entered into by and between the ENTITY and the Authority, in the form presented at this meeting and on file with the ENTITY's Secretary, is hereby approved. The ENTITY's Governing Body and/or Authorized Officers ("The Authorized Officers") are hereby authorized and directed, for and in the name and on behalf of the ENTITY, to execute and deliver to the Authority the Memorandum of Understanding.

**Section 3.** Program Participation. The ENTITY's Governing Body approves participating in the Special District Risk Management Authority's Health Benefits Program.

**Section 4.** Severability. If any provision of this resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or

applications of the resolution which can be given effect without the invalid provision or application, and to this end the provisions of this resolution are severable.

**Section 5.** Other Actions. The Authorized Officers of the ENTITY are each hereby authorized and directed to execute and deliver any and all documents which are necessary in order to consummate the transactions authorized hereby and all such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

**Section 6.** Effective Date. This resolution shall take effect immediately upon its passage.

**WE, THE UNDERSIGNED,** being the duly qualified and acting President and Secretary, respectively, of the Board of Directors of the Santa Ynez River Water Conservation District, do hereby certify that the above and foregoing Resolution was duly and regularly adopted and passed by the Board of Directors at a special meeting duly held on the 9<sup>th</sup> day of March 2022 by the following vote:

**AYES,** and in favor thereof, Directors:

**NOES,** Directors:

**ABSENT/ABSTAINING,** Directors:

---

Cynthia Allen, President

---

Amber Thompson, Secretary

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT

MEMORANDUM

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DATE: March 9, 2022

TO: Cynthia Allen                      Mark Altshuler                      Art Hibbits  
Brett Marymee                      Steve Jordan

FROM: Kevin D. Walsh

SUBJECT: Retirement Plan Options

---

**Recommendation**

- Approve establishing a 401(a) Employer Contribution Retirement Fund and direct staff to complete paperwork and authorize General Manager to execute agreement.

**Discussion**

Currently, as approved by the Board, the District offers a 457 Deferred Compensation Plan through Lincoln Financial Group. Employees voluntarily contribute to the 457 Plan and the District matches 1-for-1 up to 7% of employee's annual salary compounding with the individual contributions in the 457 Plan.

If an employee chooses to fully contribute the maximum annual amount to their 457 Plan, then any contributions made to the 457 Plan account due to the company match will cause the employee total annual plan contribution to be over the maximum allowed. One employee currently contributes the maximum amount of salary to the deferred compensation plan. A recent consultation with the investment advisor made us aware of this problem.

Investment advisor recommended one of these two solutions:

1. Limit the amount the employee voluntarily contributes so that the employer match plus employee contributions do not exceed the annual maximum allowed. This option one does not benefit the employee.
2. Open a separate retirement account to receive the employer match contributions, known as a 401(a) with all employees deferred compensation contributions continuing to be made to the existing 457 Plan account. This benefits the employee in that they can voluntarily contribute the maximum annual amount to the 457 Plan account to maximize their deferred retirement income.

The cost to the District will be a one-time set up fee (approximately \$500).

**RESOLUTION NO. 712**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT  
ESTABLISH AN INTERNAL REVENUE SERVICE (IRS) 401(A) RETIREMENT PLAN  
FOR EMPLOYER MATCHING CONTRIBUTIONS**

**WHEREAS**, the Santa Ynez River Water Conservation District (herein "District") Board of Directors (herein "Board") is a local governmental agency formed and authorized to provide services within its jurisdiction, pursuant to Section 74000 et seq. of the California Water Code; and

**WHEREAS**, the District maintains a 457(b) Governmental Deferred Compensation Plan (457(b) Plan) with Lincoln Financial Group for the benefit of its employees, which Plan is funded from both voluntary contributions from District employees and one-for-one company match of up to 7% of employees annual salary, as stated in the approved Employee Benefits Plan; and

**WHEREAS**, the 457(b) Plan no longer fully meets the needs of the District and its employees; and

**WHEREAS**, the Board believes it is in the best interests of the District and its employees to establish a new 401(a) Governmental Deferred Compensation Plan (401(a) Plan) with Lincoln Financial Group to receive employer matching contributions and/or employer contributions, and deposit only voluntary contributions from District employees to the existing 457(b) Plan; and

**WHEREAS**, the District, as employer and sponsor of the 401(a) Plan, utilizes the Lincoln Multi-Fund group variable annuity contract, Lincoln Multi-Fund Select annuity contract, Lincoln Multi-Fund Individual annuity contract, and/or Lincoln Group Variable Annuity contract to fund its 401(a) Plan; and

**WHEREAS**, the 457(b) Plan and 401(a) Plan have created and will create no contingent liability to the District; and

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Santa Ynez River Water Conservation District declares and directs as follows:

**Section 1.** The Board hereby specifically finds and determines that the actions authorized hereby relate to the public affairs of the District.

**Section 2.** The Board approves establishing a 401(a) Governmental Deferred Compensation Plan with Lincoln Financial Group for contribution of employer matching contributions and/or employer contributions as stated in the approved Employee Benefits Plan.



**Section 3.** The General Manager is hereby authorized and directed to execute and deliver to Lincoln Financial Group any and all documents which are necessary in order to consummate the actions authorized hereby and all such actions heretofore taken by the General Manager are hereby ratified, confirmed and approved.

**Section 4.** This resolution shall take effect immediately upon its passage.

**WE, THE UNDERSIGNED,** being the duly qualified and acting President and Secretary, respectively, of the Board of Directors of the Santa Ynez River Water Conservation District, do hereby certify that the above and foregoing Resolution was duly and regularly adopted and passed by the Board of Directors at a special meeting duly held on the 9<sup>th</sup> day of March 2022 by the following vote:

**AYES,** and in favor thereof, Directors:

**NOES,** Directors:

**ABSENT/ABSTAINING,** Directors:

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Cynthia Allen, President

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Amber Thompson, Secretary

**RESOLUTION NO. 685**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT  
ANNOUNCING THE FINAL ADOPTION OF A CONFLICT OF INTEREST CODE**

**WHEREAS**, in accordance with the state law, the Board of Directors reviewed the District's Conflict of Interest Code; and

**WHEREAS**, in accordance with that review and state law the Board determined that the current Conflict of Interest Code is in need of modifications; and

**WHEREAS**, in accordance with state law the District prepared the attached Conflict of Interest Code and Notice of Intent; and

**WHEREAS**, in accordance with state law the District provided a 45-day comment period in which interested parties could comment on the Code before its adoption; and

**WHEREAS**, the 45-day comment period has passed and no interested parties have spoken on the matter.

**NOW THEREFORE BE IT RESOLVED**, by the Board of Directors of the Santa Ynez River Water Conservation District as follows:

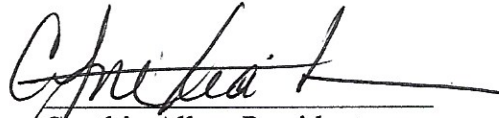
1. The attached Conflict of Interest Code is formally adopted by the Board of Directors of the Santa Ynez River Water Conservation District.
2. Staff is directed to take such steps as necessary to properly file the attached Conflict of Interest Code with the County.
3. Once the Conflict of Interest Code is formally approved by the County, staff is instructed to replace the current Conflict of Interest Code with the amended Conflict of Interest Code and to bring the amended District Code to the Board's attention for adoption.

**WE, THE UNDERSIGNED**, being the duly qualified and acting President and Secretary, respectively, of the Board of Directors of the Santa Ynez River Water Conservation District, do hereby certify that the above and foregoing resolution was duly and regularly adopted and passed by the Board of Directors at a regular meeting thereof, duly held on the 23rd day of January 2019, by the following roll call vote.

AYES, and in favor thereof, Directors: Cynthia Allen  
Art Hibbits  
Steve Jordan  
Brett Marymee

NOES, Directors: None

ABSENT/ABSTAINING, Directors: Mark Aitshuler



Cynthia Allen, President



William J. Buelow, Secretary

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT  
CONFLICT OF INTEREST CODE**

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. Sec. 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix, designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the Santa Ynez River Water Conservation District (District).

Designated employees may file their statements online which will be submitted to the County Clerk, Recorder and Assessor. Statements will be made available for public inspection and reproduction (Gov. Code Section 81008).

Designated employees who file using a paper Form 700 shall file with the District. Upon receipt of the statement filed by a designated employee other than General Counsel and Consultants, a copy shall be retained with the District and the original shall be forwarded to the County Clerk, Recorder and Assessor. Statements filed by the General Counsel and Consultants shall be retained by the District. Paper statements will be made available for public inspection and reproduction (Gov. Code Section 81008).

**APPENDIX  
DESIGNATED POSITIONS AND  
DISCLOSURE CATEGORIES**

<b>I.     <u>Designated Position</u></b>	<b><u>Assigned Disclosure Category</u></b>
Director	1, 2, 3
Secretary	1, 2, 3
Treasurer	1, 2, 3
General Manager	1, 2, 3
Assistant General Manager	1, 2, 3
Groundwater Program Manager	1, 2, 3
Surface Water Program Manager	1, 2, 3
Strategic Advisor	1, 2, 3
District Administrator	1, 2, 3
General Counsel	1, 2, 3
 Consultants/New Positions	 *

\*Consultants/New positions shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitation:

The General Manager may determine in writing that a particular consultant or new position, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant’s or new position’s duties and, based upon that description, a statement of the extent of disclosure requirements. The General Manager’s determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code (Gov. Code Section 81008).

**Note:** The position of General Counsel is filled by outside consultants who serve in a staff capacity.

## **II. Disclosure Categories:**

### **Category 1**

A designated employee in this category must report all investments and business positions in business entities and sources of income, including receipt of gifts, loans, and travel payments, from any source that provides leased facilities, services, supplies, materials or equipment of the type utilized by the District.

### **Category 2**

A designated employee in this category must report all interests in real property located in whole or in part within the boundaries of the District or within two miles of the District, including any leasehold, beneficial or ownership interest or option to acquire such interest in real property.

### **Category 3**

A designated employee in this category must report all investments and business positions in business entities, and sources of income, including receipt of gifts, loans, and travel payments, from entities that have filed a claim, or have a claim pending against the District.

INDEPENDENT SPECIAL DISTRICTS SELECTION COMMITTEE  
**Submit No Later than 5:00 pm, Monday, April 11, 2022**

**OFFICIAL BALLOT No. 1**

Election of Regular Special District Member on Santa Barbara LAFCO

Vote for one of the following **Regular Special District Member** nominees:

<input type="checkbox"/>	Edward Fuller – Goleta Sanitary District
<input type="checkbox"/>	Jay Freeman, Incumbent – Isla Vista CSD

\_\_\_\_\_  
**Name of Independent Special District**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Print Name**

**Title (please check one)**

- Presiding Officer of the Special District Board
- Board member alternate designated by Special District Board to vote in this election. (Gov. Code sec. 56332(a).)

**Date:** \_\_\_\_\_

Each returned ballot shall be signed by the presiding officer or his or her alternate as designated by the district governing body. (Gov. Code sec. 56332(a) & (c)(5).)

**SANTA BARBARA  
LOCAL AGENCY FORMATION COMMISSION**

<p style="text-align: center;"><b>NOMINATION FOR <u>REGULAR</u> SPECIAL DISTRICT MEMBER</b> <i>Return to:</i> Executive Officer Santa Barbara LAFCO 105 East Anapamu Street, Room 407 Santa Barbara CA 93101 or FAX to (805) 568-2249 or email to lafco@sblafco.org</p>	<p>LAFCO STAFF USE</p> <p>Date Received: <u>12/29/21</u></p>
<p>Please print in ink or type</p>	
<p>POSITION SOUGHT:                      Regular Special District Member</p>	
<p>NAME OF NOMINEE:    <u>EDWARD FULLER</u></p>	
<p>NOMINEE'S DISTRICT: <u>GOLETA SANITARY DISTRICT</u></p>	
<p>MAILING ADDRESS: <u>5860 Mandarin Dr. C</u> <u>Goleta, CA 93117</u></p>	
<p>Phone: Bus. _____ Cell: <u>805 570-6988</u></p>	
<p>SIGNATURE OF NOMINATOR:</p> <p style="text-align: center;"><u>GOLETA SANITARY DISTRICT</u> Name of Independent Special District</p> <p style="text-align: center;"><u>Jerry D. Smith</u> Signature</p> <p style="text-align: center;"><u>JERRY D. SMITH</u> Print Name</p> <p>Nominator Title (please check one)</p> <p><input checked="" type="checkbox"/> Presiding Officer of the Special District Board</p> <p><input type="checkbox"/> Presiding Officer's alternate as designated by Special District Board to vote or make a nomination in this election. (Gov. Code sec. 56332.)</p> <p>Date: <u>12/20/2021</u></p>	



ADDITIONAL INFORMATION: On this form or an accompanying letter, describe the nominee's personal interests, qualifications, experience, education, volunteer activities or community organization memberships that may bear on the nomination for the Alternate Special District Member: This information will be distributed to all independent special districts.

Local Agency Formation Commission  
Edward Fuller Bio  
December 29, 2021

Ed Fuller came into this world at Santa Barbara's Saint Francis Hospital in 1956 and has spent his entire life residing on the south coast of Santa Barbara County. He has attended local schools including Garfield, Isla Vista, Goleta Valley Junior High, Dos Pueblos Senior High, Santa Barbara City College, and extension classes at University of California Santa Barbara. Areas of study have been business, marketing, real estate, and mediation. He has received a Certificate in Professional Accounting from UCSB Extension and completed the Pepperdine/Caruso School of Law C.A.R. Mediation Training. He has completed diverse professional course work through the National Association of REALTORS covering many aspects of land use and real estate related issues.

As one of the 1,400 members of the Santa Barbara Association of REALTORS® he served as a Director for nine years and as President in 2014. In 2016 was awarded Honorary Member for Life. For four years starting in 2014 he served as a Director of the 200,000 member California Association of REALTORS® and in 2014 was a Delegate to the 1,400,000 member National Association of REALTORS® convention. He has been a member of the Santa Barbara Rental Property Association since 1974 and served six years on its Board of Directors. Organizational memberships have included the League of California Cities, Citizen's Planning Association of Santa Barbara, and many years as President of his Home Owners Association.

Throughout his life he has been an astute observer of local current events, issues and legislation including land use and transportation concerns. In 2014 he was appointed to the City of Goleta Planning Commission and served until his election in 2020 to the Goleta Sanitary District. In 2016 he made an unsuccessful run for California State Assembly 37<sup>th</sup> District based on his platform calling for the return of local planning issues to local communities. He received 36% of the vote in the General Election.

A lifelong bachelor, he has two brothers, one deceased from COVID, nine nieces and nephews, and twelve great nieces and nephews.

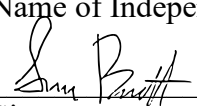
**SANTA BARBARA  
LOCAL AGENCY FORMATION COMMISSION**

<p style="text-align: center;"><b>NOMINATION FOR <u>REGULAR</u> SPECIAL DISTRICT MEMBER</b></p> <p style="text-align: center;"><i>Return to:</i> Executive Officer Santa Barbara LAFCO 105 East Anapamu Street, Room 407 Santa Barbara CA 93101 or FAX to (805) 568-2249 or email to <a href="mailto:lafco@sblafco.org">lafco@sblafco.org</a></p>	<p>LAFCO STAFF USE</p> <p>Date Received: <u>1/20/22</u></p>
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Please print in ink or type

<b>POSITION SOUGHT:</b>	Regular Special District Member
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<b>NAME OF NOMINEE:</b>	<u>Jay Freeman</u>
<b>NOMINEE'S DISTRICT:</b>	<u>Isla Vista Community Services District</u>
<b>MAILING ADDRESS:</b>	<u>970 Embarcadero del Mar Suite 101</u>
	<u>Isla Vista, CA 93117</u>
<b>π</b>	<b>Phone:</b> Bus. <u>(805) 770-2752</u> . Cell: _____

<b>SIGNATURE OF NOMINATOR:</b>	<u>Isla Vista Community Services District</u>
	<b>Name of Independent Special District</b>
	
	<b>Signature</b>
	<u>Spencer Brandt</u>
	<b>Print Name</b>
	<b>Nominator Title (please check one)</b>
<input checked="" type="checkbox"/>	Presiding Officer of the Special District Board
<input type="checkbox"/>	Presiding Officer's alternate as designated by Special District Board to vote or make a nomination in this election. (Gov. Code sec. 56332.)
<b>Date:</b>	<u>January 12, 2022</u>

INDEPENDENT SPECIAL DISTRICTS SELECTION COMMITTEE  
**Submit No Later than 5:00 pm, Monday, April 11, 2022**

**OFFICIAL BALLOT No. 2**

Approval of All Mailed Ballot Process for Nomination and Election of  
Special District Members on Santa Barbara LAFCO

Vote for one of the following **Alternate Nomination and Election Procedure:**

<input type="checkbox"/>	Yes (all mailed ballot process)
<input type="checkbox"/>	No (keep process the same)

\_\_\_\_\_  
**Name of Independent Special District**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Print Name**

**Title (please check one)**

- Presiding Officer of the Special District Board
- Board member alternate designated by Special District Board to vote in this election. (Gov. Code sec. 56332(a).)

**Date:** \_\_\_\_\_

Each returned ballot shall be signed by the presiding officer or his or her alternate as designated by the district governing body. (Gov. Code sec. 56332(a) & (c)(5).)