KERN NON-DISTRICTED LAND AUTHORITY

(FORMERLY KERN GROUNDWATER AUTHORITY)

3200 Rio Mirada Drive Bakersfield, CA 93308
Meeting of the Board of Directors
June 23, 2025, 2:00 p.m.

To virtually attend the meeting and to be able to view any presentations or additional materials provided at the meeting, please join online using the link and information below:
https://us02web.zoom.us/j/87916828311?pwd=MXovFd9w4IFdX8AnOTJBUbbKBagIaC.1
Telephone Dial-in: (669) 900-6833
Meeting ID: 879 1682 8311
Password: 795650

KERN NON-DISTRICTED LAND AUTHORITY BOARD OF DIRECTORS AGENDA

This meeting is held in accordance with the Brown Act pursuant to Section 54956 of the California Government Code and the Kern Non-Districted Land Authority Joint Powers Agreement.

1. **Roll Call - Quorum Determination**
   In the absence of a quorum, the Board will handle only those items not needing a quorum.

2. **Flag Salute**

3. **Public Input**
   This portion of the meeting is set aside to provide the public an opportunity to bring to the attention of the Board matters of which the Board may not be aware and which are not on the current agenda. No action can be taken on any matter raised during this portion of the meeting; however, a Board member may request that the matter be placed on any future agenda for further review and possible action. Members of the public may directly address the Board of Directors on any item of interest within the Board's subject matter jurisdiction, before or during the Board's consideration of the item. The President may limit the time allowed for comment.

4. **Approval of Minutes**
   - **a.** *June 2, 2025 (Jenny)

5. **Financial Report**
   - **a.** *Financial Report & Accounts Payables (Skye)
   - **b.** *Budget Amendment (Skye)
   - **c.** *Investment policy (Valerie)
   - **d.** *High-Yield Bank Account (Jenny)

6. **Administration**
   - **a.** Executive Director Report (Jenny)

b. Landowner Outreach (Debbie)

7. DWR Grant Administration

a. Report on DWR Grant Administration (Jason)

8. County of Kern Participation

a. Kern County Participation Ad hoc Committee Report (Royce)

9. Kern Subbasin Groundwater Sustainability Plan

a. Land IQ Update (Joel)

10. Legal

a. Statewide Update (Valerie)

b. County Well Permitting Process (Valerie)

11. New Business

12. Correspondence

13. Closed Session

a. Potential Litigation – Government Code Section 54956.9(d)(2)

14. Adjournment

A person with a qualifying disability under the Americans with Disabilities Act of 1990 may request the Authority provide disability-related modification or accommodation in order to participate in any public meeting of the Authority. Such assistance includes appropriate alternative formats for the agendas and agenda packets. Requests should be made in person, by telephone, facsimile and/or written correspondence to the Authority office, at least 48 hours before a public Authority meeting. Written materials related to an item on this agenda to be considered in open session that are public documents and that are distributed to board members after the posting of the agenda, will be made available for public inspection when they are so distributed at the location of the KNDLA meeting during normal business hours. Documents that are public documents provided by others during a meeting will be available at the same location during business hours after the meeting.

JPA Special Board Meeting Minutes
Kern Non-Districted Land Authority (KNDLA)
Monday, June 2, 2025, at 2:00 p.m.

JPA DISTRICT REPRESENTATIVES AND ALTERNATES PRESENT

Scott Spitzer, Arvin-Edison
Dave Halopoff, Cawelo
Kevin Antongiovanni, Kern Delta
Andrew Hart, Kern Tulare
Eric McDaris, Kern Water Bank
Dave Hampton, North Kern
Brian Grant, Olcese
Royce Fast, Pioneer
Barry Watts, Rosedale-Rio Bravo
Dan Waterhouse, Semitropic
Kris Lawerence, Shafter-Wasco & 7th Standard Annex
Brandon Morris, Southern San Joaquin
Dolores Salgado, TCWD
Gary Morris, West Kern
Rob Goff, Westside District Water Authority
Colby Fry, Wheeler Ridge
Debbie Wise, Non-Districted Land Rep
Devon Yurosek, Non-Districted Land Rep

JPA DISTRICT REPRESENTATIVES AND ALTERNATES BY TELECONFERENCE

Tim Ashlock, Buena Vista
Chad Hathway, EWMA
Angelica Martin, TCWD
Greg Hammett, WKWD
Derek Yurosek

OTHERS PRESENT/ PARTICIPATING

Jenny Holtermann, KNDLA
Valerie Kincaid, Paris Kincaid
Rachelle Echeverria, RRBWSD

OTHERS VIRTUAL

Donna Semar
Jana Marquez
Alanna Goodell
Alan Doud
Trent Taylor
Steve Torigiani
Raul Barraza
Morgan Campbell
Katelyn Zenger
Dan Raytis
Julie Gantenbein
Christine Zimmerman
David Cameron
Doug Gosling
Stephanie Hearn

1. **Roll Call.**
   Chairman Watts called the meeting to order at 2:00 p.m. after confirming the presence of a quorum, as required by the JPA Agreement.
2. **Flag Salute**
   Completed
3. **Public Input.**
   None
4. **Approval of Minutes**
   A motion was made by Director Hart and seconded by Director Morris to approve the minutes of the April 28, 2025, regular board meeting. Motion passed.
5. **Financial Report**
   a. **Financial Report & Accounts Payable**
      Ms. Grass reviewed the deposits, monthly bills and grant balances. A motion was made by

Director Waterhouse and seconded by Director Hart to approve the financial report and disbursements of payments as advised by Ms. Grass. The motion was unanimously approved.

b. **Insurance Coverage**
Mr. Watts discussed proposals regarding insurance coverage for ED and board members on general liability and cyber insurance. It was recommended to proceed with GSRMA insurance.

c. **Land IQ proposal**
Ms. Holtermann presented the proposal of Land IQ for basin coverage after the grant funds ended, and GSA's financial obligation will begin in April 2025.

d. **Draft Budget Review**
Ms. Grass reviewed the preliminary budget recommendation for the remaining of the year. Final review to be conducted during the June 23rd meeting.

6. **Administration**
   a. **Executive Director Report.**
   Ms. Holtermann provided updates on recent activities, including Subbabsin meetings, updates on the well monitoring process, landowner outreach coordination and meetings occurring, technical assistance for maps and landowner identification, as well as ongoing coordination.
   b. **Landowner Outreach**
   Director Wise reviewed the landowner meetings and coordination to continue outreach responsibilities.
7. **DWR Grant Administration**
   a. **Report on DWR Grant Administration**
   Mr. Gianquinto discussed the final pay request is currently going through submittal to DWR.
8. **County of Kern Participation**
   a. **Kern County Participation Ad hoc Committee Report**
   Director Fast reported that a meeting was cancelled and rescheduled for June 13th.
9. **Kern Subbasin Groundwater Sustainability Plan**
   a. **GSP Update**
   Mr. Bartel presented the Final draft amendments of the GSP and supporting appendix of PMA's for GSA. It was moved to authorize submission by the Kern County Subbasin Point of Contact to the SWRCB before June 20th for review by SWRCB staff as well as Authorize Release for public review and comment. Director Fast made the motion as well as allowing Executive Director approval of any non-material changes. Director Hart seconded. All ayes passed.
   b. **DWR Portal GSA Name Change**
   Ms. Holtermann reported KGA name changes has been completed to KNDLA on the DWR portal.
   c. **RMW Data Gaps**
   Ms. Holtermann reported on the data gaps found in the SGMA plan and the need for technical assistance going forward.
   d. **Public Workshops**
   Ms. Holtermann discussed the upcoming subbasin workshops occurring the following day in person and virtual workshops as well.
10. **Legal**
   a. **Statewide Update**
   Ms. Kincaid provided an update on the Chowchilla recommendation from the State Board to

be sent back to DWR. Kincaid also reported on the Tulare Lake Mitigation decision pending at the District Court.

b. **County Well Permitting.**
   Ms. Kincaid reported on the recent changes for county well permitting processes and recommendations for each district to communicate with he county individually.
c. **AB1466 and AB1413 Position Letters**
   Ms. Kincaid presented on the two assembly bills threatening to change water processes. It was recommended to join a coalition letter with Western Growers and other agricultural groups. Director Waterhouse motioned, Director Watts seconded. All ayes.

11. **New Business**
    None
12. **Correspondence**
    None
13. **Closed Session**
    a. **Potential Litigation – Government Code Section 54956.9(d)(2)**
       None
14. **Adjournment**
    A motion to adjourn made by Director Hart and seconded by Director Salgado was passed unanimously. The meeting was adjourned at 3:01pm.

Respectfully submitted,

Jenny Holtermann, Executive Director

ANDREA R. HILL, CPA
An Accountancy Corporation

June 18, 2025

TO: Kern Non-Districted Land Authority

FROM: Andrea R. Hill CPA, AAC

SUBJECT: May 2025 Accountant's Report

DISCUSSION

Exhibit A is the Authority's unaudited financial statements on May 31, 2025. They include a Statement of Net Position as of May 31, 2025, and a Statement of Revenues and Expenses for the one month and five months ended May 31, 2025. We believe both statements fairly present the financial position and results of the Authority's activities for the general JPA membership and each specific Special Activity Agreements at this time.

Exhibit B is the Accountant's Report for the Authority's financial activities from May 1, 2025, through May 31, 2025. There were no deposits during the month. Disbursements totaling $21,072.76 were issued during the month. The cash balance on May 31, 2025, was $109,591.76. There were no subsequent deposits as shown on **Exhibit C**.

The Accounts Receivable balance from Members on May 31, 2025, was $6,557.50 as shown on **Exhibit D**.

Exhibit E is the details of Accounts Payable for the month of May 2025, reflecting total payables on May 31, 2025, of $32,165.33. Currently, invoices totaling $20,269.43 are submitted for payment approval.

Kern Non-Districted Land Authority
Exhibit A - Statement of Net Position
As of May 31, 2025

		May 31, 25
ASSETS		
Current Assets		
Checking/Savings		
Valley Strong Checking		109,586.76
Valley Strong Savings		5.00
Total Checking/Savings		109,591.76
Accounts Receivable		
Accounts Receivable		6,557.50
Total Accounts Receivable		6,557.50
Total Current Assets		116,149.26
TOTAL ASSETS		**116,149.26**
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
Accounts Payable		32,165.33
Total Accounts Payable		32,165.33
Total Current Liabilities		32,165.33
Total Liabilities		32,165.33
Equity		
Net Assets		
GSP - SAA#4	60,124.65	
ITRC - SAA#1	-13,626.47	
KGA - General	103,959.47	
KRGSA-RMC (Ph2)	24.69	
KRGSA-Todd GW	20.00	
Total Net Assets		150,502.34
Retained Earnings		-117,731.70
Net Income		51,213.29
Total Equity		83,983.93
TOTAL LIABILITIES & EQUITY		**116,149.26**

No Assurance is Provided. All Required Discolsures Have Been Omitted.

Kern Non-Districted Land Authority
Exhibit A - Statement of Revenues & Expenses
May 2025

	May 25	Jan - May 25
Income		
Grant - State	0.00	1,252,584.57
Member Contributions	0.00	131,150.00
Total Income	0.00	1,383,734.57
Expense		
Fees	0.00	1.00
Meetings/Meals	0.00	648.00
Office Supplies	0.00	467.40
Other Outside Services		
Executive Director	5,254.20	23,153.33
General Administration Support	266.80	1,246.47
General Technical Support	639.10	1,532.80
GIS	120.60	120.60
Grant Administration	0.00	12,067.90
Website Management	143.30	519.80
Other Outside Services - Other	2,550.43	1,241,645.48
Total Other Outside Services	8,974.43	1,280,286.38
Professional - Legal	7,373.00	43,368.50
Professional Fees - Accounting	3,750.00	7,750.00
Total Expense	20,097.43	1,332,521.28
Net Income	**-20,097.43**	**51,213.29**

No Assurance is Provided. All Required Disclosures Have Been Omitted.

Kern Non-Districted Land Authority
Exhibit B - Bank Activity
As of May 31, 2025

Type	Date	Num	Name	Debit	Credit	Balance
Valley Strong Checking						130,659.52
Bill Pmt -Check	05/23/2025	3228	Andrea R. Hill CPA AAC		1,000.00	129,659.52
Bill Pmt -Check	05/23/2025	3229	Jenny Holtermann		5,734.90	123,924.62
Bill Pmt -Check	05/23/2025	3230	Paris Kincaid Wasiewski LLP		10,220.00	113,704.62
Bill Pmt -Check	05/23/2025	3231	Provost & Pritchard Consulting Group		4,117.86	109,586.76
Total Valley Strong Checking				0.00	21,072.76	109,586.76
Valley Strong Savings						5.00
Total Valley Strong Savings						5.00
TOTAL				**0.00**	**21,072.76**	**109,591.76**

Kern Non-Districted Land Authority
Exhibit B - Deposit Detail
May 2025

Type	Num	Date	Name	Memo	Amount

No Deposits to Report

Kern Non-Districted Land Authority
Exhibit B - Check Detail
May 2025

Type	Num	Date	Name	Paid Amount	Original Amount
Bill Pmt -Check	**3228**	**05/23/2025**	**Andrea R. Hill CPA AAC**		**-1,000.00**
Bill	35272	04/30/2025		-1,000.00	1,000.00
TOTAL				-1,000.00	1,000.00
Bill Pmt -Check	**3229**	**05/23/2025**	**Jenny Holtermann**		**-5,734.90**
Bill	APRIL2025	04/30/2025		-5,086.90	5,086.90
				-648.00	648.00
TOTAL				-5,734.90	5,734.90
Bill Pmt -Check	**3230**	**05/23/2025**	**Paris Kincaid Wasiewski LLP**		**-10,220.00**
Bill	2824	04/30/2025		-10,220.00	10,220.00
TOTAL				-10,220.00	10,220.00
Bill Pmt -Check	**3231**	**05/23/2025**	**Provost & Pritchard Consulting Group**		**-4,117.86**
Bill	119359	04/28/2025		-34.40	34.40
				-893.70	893.70
				-317.40	317.40
				-53.50	53.50
Bill	119394	04/28/2025		-2,818.86	2,818.86
TOTAL				-4,117.86	4,117.86

Kern Non-Districted Land Authority
Exhibit C - Subsequent Deposits
June 1 - 18, 2025

Type	Num	Date	Name	Amount

No Subsequent Deposits to Report

Kern Non-Districted Land Authority
Exhibit D - Accounts Receivable Detail
As of May 31, 2025

Type	Date	Num	Name	Open Balance
Eastside Water Mgmt Area				
Invoice	01/14/2025	KNDLA 25-4	Eastside Water Mgmt Area	6,557.50
Total Eastside Water Mgmt Area				6,557.50
TOTAL				**6,557.50**

Exhibit E

Kern Non-Districted Land Authority

Accountant's Report - Accounts Payable detail as of May 31, 2025
and subsequent payables through 6/18/25

Vendor	Description	Invoice #	Invoice Date	Invoice Amount	
Andrea R. Hill CPA AAC	April Services for May Meeting	35345	5/22/2025	$ 1,000.00	
Barbich Hooper King Dill Hoffman LLP	May Services for Audit	158067	5/31/2025	$ 2,750.00	
Golden State Risk Mgmt Authority	June Bond & Liability Insurance	INV-004503	6/6/2025	$ 172.00	June
Jenny Holtermann	May Executive Director Services	May-25	5/31/2025	$ 5,254.20	
Paris Kincaid Wasiewski LLP	May Professional Services	Nov-07	5/31/2025	$ 7,373.00	
Provost & Pritchard Consulting	April Professional Services	120058	5/242025	$ 1,169.80	
Provost & Pritchard Consulting	April Services - Caliente Wells	120059	5/24/2025	$ 2,550.43	
	TOTAL PAYABLES REQUESTED AT THIS MEETING			$ 20,269.43	
INVOICES ON HOLD:					
SGMA Planning Grant (Pending Grant Submittal/Proceeds):					
Provost & Pritchard	SGMA Implementation Grant	117218	2/14/2025	3,921.10	100% grant; to be submitted
	SGMA Implementation Grant	117911	2/28/2025	4,186.20	100% grant; to be submitted
	SGMA Implementation Grant	118906	3/21/2025	2,142.50	100% grant; to be submitted
	SGMA Implementation Grant	119634	4/30/2025	1,818.10	100% grant; to be submitted
				12,067.90	
	PAYABLES/INVOICES ON HOLD pending Grant Proceeds			$ 12,067.90	
	TOTAL PAYABLES Outstanding at 6/18/25			$ 32,337.33	
	LESS JUNE PAYABLES SUBMITTED FOR PAYMENT			(172.00)	
	TOTAL PAYABLES Outstanding at 5/31/25			$ 32,165.33	

KERN NON-DISTRICTED LAND AUTHORITY
1518 Milll Rock Way, Suite 100 Bakersfield, CA 93311
Phone: 661-595-5514
Email: jenny@kndla.org
Website: www.kndla.org

June 23, 2025

To: Board of Directors
Kern Non-Districted Land Authority
Agenda Item: 5b

From: Skye Grass

Re: Budget Amendment

Discussion:

2025 Revise-Budget with Expenses

	1/1/2025 - 12/31/2025					CY 2025
	KNDLA 2025 (Approved)	KNDLA 2025 (Approved for Collection)	KNDLA (As of 3/31/2025)	KNDLA (Est through 12/31)	KNDLA (Total)	Approved for Collection Difference KNDLA
ADMINISTRATION						
Executive Director [1]	$ 60,000.00	$ 60,000.00	$ 12,812.23	$ 47,187.77	$ 60,000.00	$ -
General Administration Support	$ 10,000.00	$ 10,000.00	$ 946.27	$ 9,053.73	$ 10,000.00	$ -
Insurance	$ -	$ -		$ 3,000.00	$ 3,000.00	$ 3,000.00
Grant Administration [2]	$ 30,000.00	$ 30,000.00	$ 10,249.80	$ 19,750.20	$ 30,000.00	$ -
Rent			$ -		$ -	$ -
GENERAL ATTORNEY SUPPORT	$ 132,000.00	$ 132,000.00	$ 25,775.50	$ 77,326.50	$ 103,102.00	$ (28,898.00)
CPA	$ 12,000.00	$ 12,000.00	$ 3,000.00	$ 9,000.00	$ 12,000.00	$ -
AUDITOR	$ 6,500.00	$ 6,500.00	$ -	$ 6,500.00	$ 6,500.00	$ -
WEBSITE [3]						
Hosting and Maintenance- Startup	$ 1,800.00	$ 1,800.00	$ 323.00	$ 1,477.00	$ 1,800.00	$ -
TECHNICAL [4]					$ -	$ -
General Technical Support	$ 50,000.00	$ -	$ -	$ 25,898.00	$ 25,898.00	$ 25,898.00
OUTREACH					$ -	$ -
Initial mailings and distribution	$ 10,000.00	$ 10,000.00	$ 150.00	$ 9,850.00	$ 10,000.00	$ -
WELL MITIGATION [5]					$ -	$ -
Earmark of funds for Well Mitigation	$ 280,000.00	$ -	$ -	$ -	$ -	$ -
	$ 592,300.00	**$ 262,300.00**	**$ 53,256.80**	**$ 209,043.20**	**$ 262,300.00**	**$ -**
		$ 131,150.00				

(1) Used Rincon June Invoice to estimate budget for executive director ($5,000/mo)

(2) Used P&P Estimate for SGMA Grant Admin ($30,000/yr; $2,500/mo)

(3) Used WSI Quote for reference ($150/mo for hosting and maintenance)

(4) Technical work will be collected when needed as approved by the Board

(5) Each Member GSA has earmarked funds for the Well Mitigation Program. KNDLA does not propose to collect those funds unless a Well Mitigation action is triggered in KNDLA. Future Discussion on allocation of costs associated with Well Mitigation will be needed.

	KNDLA 2025 BUDGET Without Well Mit and Technical Work	KNDLA 2025 BUDGET With Well Mit. and Technical work
Annual Total	**$ 262,300.00**	**$ 592,300.00**
Per GSA (20 GSA's)	*$ 13,115.00*	*$ 29,615.00*
January Cash Call	*$ 6,557.50*	
June Cash Call	*$ 6,557.50*	
Per Acre (279,277 Ac	*$ 0.94*	*$ 2.12*

Approved-Budget with Expenses

	6/1/2024 - 12/31/2024				CY 2025
	KNDLA (Approved)	KNDLA (As of 10/31/2024)	KNDLA (Est through 12/31)	KNDLA (Total)	KNDLA
ADMINISTRATION					
Executive Director [1]	Exec Comm.	$ -	$ -	$ -	$ 60,000.00
General Administration Support	$ 12,400.00	$ 6,793.04	$ 3,000.00	$ 9,793.04	$ 10,000.00
Grant Administration [2]	$ 10,000.00	$ 101.00		$ 101.00	$ 30,000.00
Rent		$ 500.00		$ 500.00	
GENERAL ATTORNEY SUPPORT	$ 62,500.00	$ 48,831.50	$ 21,000.00	$ 69,831.50	$ 132,000.00
CPA	$ 7,000.00	$ 5,030.00	$ 2,000.00	$ 7,030.00	$ 12,000.00
AUDITOR	$ -	$ -	$ -	$ -	$ 6,500.00
WEBSITE [3]				0	
Hosting and Maintenance- Startup	$ 6,050.00	$ 2,880.70	$ 1,500.00	$ 4,380.70	$ 1,800.00
TECHNICAL [4]				$ -	
General Technical Support	$ -	$ -	$ -	$ -	$ 50,000.00
OUTREACH				$ -	
Initial mailings and distribution	$ 10,000.00	$ -	$ -	$ -	$ 10,000.00
WELL MITIGATION [5]				$ -	
Earmark of funds for Well Mitigation	$ -	$ -	$ -	$ -	$ 280,000.00
	$ 107,950.00	**$ 64,136.24**	**$ 27,500.00**	**$ 91,636.24**	**$ 592,300.00**

(1) Used Rincon June Invoice to estimate budget for executive director ($5,000/mo)

(2) Used P&P Estimate for SGMA Grant Admin ($30,000/yr; $2,500/mo)

(3) Used WSI Quote for reference ($150/mo for hosting and maintenance)

(4) Technical work will be collected when needed as approved by the Board

(5) Each Member GSA has earmarked funds for the Well Mitigation Program. KNDLA does not propose to collect those funds unless a Well Mitigation action is triggered in KNDLA. Future Discussion on allocation of costs associated with Well Mitigation will be needed.

	KNDLA 2025 BUDGET Without Well Mit and Technical Work	KNDLA 2025 BUDGET With Well Mit. and Technical work
Annual Total	**$ 262,300.00**	**$ 592,300.00**
Per GSA (20 GSA's)	*$ 13,115.00*	*$ 29,615.00*
January Cash Call	*$ 6,557.50*	
June Cash Call	*$ 6,557.50*	
Per Acre (185,451 Ac	*$ 1.68*	*$ 3.19*

KERN NON-DISTRICTED LAND AUTHORITY
2025 INVESTMENT POLICY

I. PURPOSE

The purpose of this Investment Policy ("**Policy**") is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment policy and to organize and formalize investment-related transactions. This Policy is effective upon its adoption and will remain in place until repealed or amended.

II. POLICY

It is the policy of the Kern Non-Districted Land Authority ("**Authority**") that the Authority's investment practices are based on state law and prudent money management and this Policy. All Authority funds governed by this Policy will be invested in accordance with applicable the California law and this Policy. This Policy applies to all financial assets of the Authority under its direct control and ability, unless explicitly excluded.

A. Objectives

For purposes of this Policy, the terms "**invest**," "**investment**," or "**investing**" mean and refer to investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing Authority funds. The primary objectives of the Authority's investment activities are:

Safety: Safeguarding principal is the primary objective of the investment of Authority funds. All Authority investments must be undertaken in a manner that seeks to ensure preservation of principal in the Authority's investment portfolio.

Liquidity: The secondary objective of investing Authority funds is to meet the liquidity and cash flow needs of the Authority.

Return On Investment: The third objective of Authority investments is to achieve a desired market rate of return consistent with the constraints imposed by its safety objective and cash flow considerations.

Diversification: Authority investments will be diversified consistent with applicable California law to avoid incurring unreasonable and avoidable risks.

Prudence: All persons authorized to make investment decisions on behalf of the Authority are trustees and therefore fiduciaries subject to the "prudent investor" standard set forth in California Government Code § 53600.3. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence and diligence under circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the Authority, 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 Authority. Within these limitations and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law and this Policy.

Authorized individuals acting in accordance with this Policy and written procedures 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. "**Timely**" reporting means notification of the General Manager and the Board within five business days of any determination that a deviation exists or has occurred.

The language of this Policy will conform to the statutory requirements as the statutes change over time.

B. Delegation of Authority

In accordance with Government Code §§ 53607 and 53608, the Board of Directors hereby delegates management responsibility for Authority investments and safekeeping of securities to the Treasurer of the Authority.

This delegation of Authority shall expire at the next policy review and may be renewed by the Board of Directors from fiscal year to fiscal year, or revoked at the discretion of the Board of Directors.

The Treasurer may delegate to appropriately experienced subordinate staff the responsibility for implementing all transactions authorized by the Treasurer, consistent with any control procedures approved by the Board of Directors.

C. Ethics and Conflict of Interest

Officers and employees involved in Authority investments shall refrain from personal business activities that could conflict with proper execution of the investment program, which could impair their ability to make impartial decisions, or which could create the appearance of impropriety. Officers and employees involved in the investment process shall abide by the Authority's Conflict of Interest Code, California Government Code § 1090 *et seq*., the California Political Reform Act (California Government Code § 81000 *et seq*.), and other applicable provisions of California law regulating investment of public funds.

D. Internal Controls

The Treasurer shall develop and implement of such administrative procedures and internal controls which are considered prudent, given the size of the organization and the complexity of investments. The internal controls will be reviewed by the independent auditor as part of the annual audit. The controls must be designed to prevent employee error, misrepresentations by third parties, or imprudent actions by employees or officers of the Authority.

E. Selecting Financial Institutions and Brokers/Dealers

In selecting the financial institutions for the deposit or investment of Authority funds, the Authority shall consider the credit worthiness of institutions which are utilized. All broker/dealers should be primary dealers regularly reporting to the Federal Reserve Bank and shall maintain an office in the State of California.

Efforts shall be made to monitor the credit characteristics and financial history throughout the period in which Authority funds are deposited or invested. If an investment advisor is used, they may use their own list of approved broker/dealers and financial institutions for investment purposes.

F. Permitted Investments

California law governs the investments permitted for purchase by the Authority. The type, quality, and percent composition within the portfolio must be in full compliance with Government Code §§ 53600 *et seq*.

G. Maximum Maturity

Selection of investment maturities in conformance with the Government Code restrictions will be based on a review of cash flow forecasts. Maturities will be scheduled to permit the Authority to meet all projected obligations.

No investment will be made in any security (other than a security underlying a repurchase, reverse repurchase, or securities lending agreement as authorized by this section) that at the time of the investment has a term remaining to maturity in excess of five years.

H. Sales Prior to Maturity

The Authority shall not purchase securities directly for the specific purpose of trading. However, sales prior to maturity are permitted under the following circumstances: (1) to meet an unanticipated Authority expense, or (2) earn a higher overall rate of return by selling a security and reinvesting the proceeds.

Certain investment opportunities may involve the recognition of value losses. Book value trading losses are permitted. Any trading loss greater than 1% of principal value of any investment holding requires the following: (1) explanation of source of loss, (2) rationale for transactions resulting in recognition of loss, and (3) estimation of time necessary to recoup the loss.

I. Prohibited Investments

In accordance with Government Code § 53601.6, investment in inverse floaters, range notes, or mortgage derived interest-only strips is prohibited. Investment in any security that could result in a zero interest accrual if held to maturity is prohibited. Notwithstanding the preceding sentence, under a provision sunsetting on January 1, 2026, securities backed by the U.S. Government that could result in a zero- or negative-interest accrual if held to maturity are permitted. Trading securities for the sole purpose of speculating on the future direction of interest rates is prohibited. Purchasing or selling securities on margin is prohibited. The use of reverse repurchase agreements, securities lending or any other form of borrowing or leverage is prohibited. The purchase of foreign currency denominated securities is prohibited.

J. Reporting Requirements

Quarterly, the Treasurer may present the Board with a report which conforms with the requirements of Government Code § 53646.

Any changes to investments, including the sale and purchase of securities, will be reported to the Board on a monthly basis, in accordance with Government Code § 53607.

K. Safekeeping and Custody

All securities purchased by or on behalf of the agency, whether negotiable, bearer, registered, or nonregistered shall be delivered, either by book entry or physical delivery, to the Authority's third party custodian and held in the Authority's name. The third party custodian must be independent from the company or firm which sold the security and from its investment advisor if it chooses one. The custodian must meet the requirements of Government Code § 53608.

L. Policy Review

Not less frequently than once each fiscal year, the Committee assigned to review financial matters will review the implementation of the Authority's investment program to determine whether it is consistent with this Policy, to determine general investment strategies and to monitor results. Not less frequently than once each fiscal year, the Treasurer shall present the Board with a statement of investment policy, which the Board will consider at a public meeting. Any proposed changes to the investment policy must also be considered by the Board at a public meeting.

VALLEY STRONG
CREDIT UNION

4.39%[1] APY

PUBLIC BUSINESS MONEY MARKET ACCOUNT

Our Public Funds Money Market Account is designed specifically for municipalities, or other public entities that are required to have a collateralized account. This account offers a lower minimum balance requirement with a higher interest rate and the flexibility of checking access, allowing seamless management of your finances.

Contact one of our experienced Business Bankers to get more details.

[1]4.39% annual percentage yield (APY) is based on a dividend rate of 4.304%. Offer valid as of 5/1/25. $1,000 minimum deposit required and must be maintained to retain the promotional APY. Rates are subject to change. Fees may reduce earnings. This is a variable account. Valley Strong Membership is required.

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valleystrong.com

P.O. Box 9506
Bakersfield, Ca 93389
(661) 833-7530

5/8/2025

Account Analysis Pricing Proposal			**Apr-25**

Kern Non-Districted Land Authority
1518 Mill Rock Way STE 100
Bakersfield Ca 93311

Service	Activity Units	*VSCU Unit Price*	*VSCU Unit Charge*	*Required Balances*
Monthly Service	1	*$ 20.00*	*$ 20.00*	*$ 48,666.67*
On-US Items Deposited		*$ 0.10*	*$ -*	*$ -*
Transit Items Deposited	2	*$ 0.10*	*$ 0.20*	*$ 486.67*
Checks Paid	14	*$ 0.20*	*$ 2.80*	*$ 6,813.33*
ACH Debits		*$ 0.18*	*$ -*	*$ -*
ACH Credits		*$ 0.18*	*$ -*	*$ -*
Money Market Sweep	1	*$ 20.00*	*$ 20.00*	*$ 48,666.67*
Deposits	1	*$ 1.25*	*$ 1.25*	*$ 3,041.67*
Return Item - Re-clear		*$ 15.00*	*$ -*	*$ -*
Currency Deposited per $1000		*$ 0.0012*	*$ -*	*$ -*
Mo. Positive Pay	1	*$ 40.00*	*$ 40.00*	*$ 97,333.33*
Mo. Positive Pay - ProChex Additional Account		*$ 10.00*	*$ -*	*$ -*
Positive Pay Pro Chex Return Item		*$ 15.00*	*$ -*	*$ -*
Mo. Positive Pay - ProChex Payee	1	*$ 10.00*	*$ 10.00*	*$ 24,333.33*
Positive Pay - ProChex Per Item	14	*$ 0.12*	*$ 1.68*	*$ 4,088.00*
Mo. Positive Pay ACH - ProTech	1	*$ 25.00*	*$ 25.00*	*$ 60,833.33*
Positive Pay ACH - ProTech Return Item		*$ 15.00*	*$ -*	*$ -*
Mo. Postitive Pay Origination		*$ 10.00*	*$ -*	*$ -*
Positive Pay Origination Batch Reject		*$ 5.00*		
Mo. Business Remote Deposit		*$ 40.00*	*$ -*	*$ -*
Business Remote Deposit per item		*$ 0.13*	*$ -*	*$ -*
Mo Business Online Banking View Only		*$ -*	*$ -*	*$ -*
Mo Business Online Banking w/ACH Origination		*$ 10.00*	*$ -*	*$ -*
Mo. Business Online Banking w/Wires		*$ 10.00*	*$ -*	*$ -*
Mo. Business Premium Online Banking w/Wires & ACH Origination		*$ 15.00*	*$ -*	*$ -*
ACH Orignation - Per Item		*$ 0.15*	*$ -*	*$ -*
Total Services and Required Balances			*$ 120.93*	*$ 294,263.00*
Earnings Credit and Avg. Balances for the Month			*$ -*	*$ -*
Resulting Monthly Fee and Required Balances			**$ 120.93**	***$ 294,263.00***

Proposed pricing is good for 60 days until: 7/7/2025

Welcome to Valley Strong Credit Union of Bakersfield, California. We value your time and business. Our goal is to provide quality services designed to meet all of your business needs.

Based on account transaction levels and balances in the account, we are recommending the Business Analysis Checking.

We are proud to announce price reductions in response to economic situations. We can help you reduce expenses and maximize the r on your Company's financial assets. Please call us at (661) 833-7530 for a free consultation with one of our Business Banking Officers