

RESOLUTION NO. 2299-1026

RESOLUTION OF THE STEGE SANITARY DISTRICT BOARD OF DIRECTORS
AMENDING THE DISTRICT INVESTMENT POLICY AND ACKNOWLEDGING THE
RECEIPT AND FILING OF THE ANNUAL STATEMENT OF INVESTMENT POLICY FOR
FISCAL YEAR 2026-27

The Directors of the Stege Sanitary District find and determine as follows:

- A. The Stege Sanitary District established an Investment Policy as authorized by California Government Code Section 53600 et seq.
- B. California Government Code Section 53600 et seq. provides for the annual rendering and public consideration of a local agency's Statement of Investment Policy, and the District reviews its Investment Policy annually as a matter of District policy. requires that local governments annually review and consider changes to their Statement of Investment Policy.
- C. The Investment Policy is intended to outline the policies for maximizing the efficiency of the District's Cash Management System and for prudent investment of District funds, and to provide guidelines for suitable investments.
- D. The Board of Directors of the Stege Sanitary District have reviewed the updated Investment Policy.

In consideration of the foregoing findings and determinations, it is resolved:

1. The Board of Directors hereby approves the updated Investment Policy as provided below with revisions in redline:
 - a. The investment policy of the Directors of the Stege Sanitary District shall be, in order of priority, to invest idle funds of the District with the basic objectives of investment safety, liquidity and yield. Investment yield shall be a consideration only after the basic requirements of safety and liquidity have been met. Consideration will also be given to the effects of the investment on the natural environment and quality of life.
 - b. The basic objectives of the District's investment program shall be defined as:

Investment safety – The preservation of invested capital shall be a primary concern. Risk due to interest rate fluctuations shall also be controlled by limiting the term of U.S. Treasury securities and other fixed-yield investments to not greater than three years, except that certificates of deposit may have a maximum term of five years as expressly authorized by this policy. ~~of all fixed yield investments to not greater than three years.~~

Liquidity – The District’s investment program shall maintain sufficient liquidity to meet cash flow needs of the District.

Yield – The District’s investment shall return the maximum yield consistent with meeting the first two objectives.

c. Investing in the State Local Agency Investment Fund (LAIF) and Five Star Bank Money Market constitute acceptable investment strategies to meet the above basic objectives of the District’s investment program.

e.d. ~~The District may invest in United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the full faith and credit of the United States is pledged for the payment of principal and interest, as authorized by California Government Code Section 53601(b), subject to the maturity limitations established by this policy.~~

d.e. ~~The District may invest up to twenty percent (20%) of the investment portfolio in shares of mutual funds and money market mutual funds authorized under California Government Code Section 53601(l), subject to the limitations and requirements established therein. in diversified broad-market index mutual funds or exchange-traded funds designed to track a broad market index.~~

e.f. The District may invest up to \$2 million (initial investment) or 25 percent of its funds in FDIC-insured certificates of deposit for a maximum term of 5 years.

f.g. The General Manager, Treasurer, or their designee as approved by the Board is hereby authorized to invest and deposit for safekeeping, as far as possible, all money belonging to, or in the custody of the District, pursuant to Section 53635 et seq. of the Government Code of the State of California, and shall submit a quarterly report of investments to the Board of Directors.

g.h. Investments or securities so purchased with idle funds shall be kept in safe keeping in a depository in accordance with the provisions of Section 53608 of the Government Code of the State of California while they are the property of the District.

h.i. The Stege Sanitary District Board Governance Policy Manual limits the receipt of honoraria, gifts, and gratuities from persons with whom the District conducts business.

h.j. The policy shall be reviewed annually by the Board of Directors and revised as necessary.

2. The Treasurer of the District has provided an annual statement of the Investment Policy in compliance with Section 53600 et seq. of the Government Code of the State of California.
3. This Resolution shall be effective immediately upon adoption by the Board of Directors.

I HEREBY CERTIFY that the foregoing Resolution was duly and regularly adopted by the Directors of the Stege Sanitary District, at a regular meeting held on the 15th day of October 2026, by a X-X vote as follows:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

TESSA BEACH, President

Stege Sanitary District

Contra Costa County, California

ATTEST:

BOBBY MAGEE, Secretary

Stege Sanitary District