



**QUANTIFICATION SETTLEMENT AGREEMENT
JOINT POWERS AUTHORITY
REGULAR MEETING**

AGENDA

WEBINAR/CONFERENCE CALL

March 20, 2023

3:00 PM

Webinar link: [Click here to join the meeting](#)

Conference Call Number: (619) 483-4264 **Conference ID Number:** 415 432 378#

Conference Call Locations:

San Diego County Water Authority
Lobby Conference Room
4677 Overland Avenue
San Diego, CA 92123

Coachella Valley Water District
Administration Conference Room
75-515 Hovley Lane East
Palm Desert, CA 92211

Imperial Irrigation District
Library, J-1 Building
333 East Barioni Boulevard
Imperial, CA 92251

Best, Best, & Krieger
3390 University Avenue, 5th Floor
Riverside, CA 92501

California Department of Fish and Wildlife
78078 Country Club Drive, Suite 109
Bermuda Dunes, CA 92203

PRELIMINARY MATTERS

1. Call to Order
2. Roll Call - Determination of Quorum
3. Public Comment - Opportunity for members of the public who wish to address the Authority on matters within the Authority's jurisdiction

ORGANIZATIONAL MATTERS

4. Action: Approve minutes of regular QSA JPA meeting held November 28, 2022 (Alexi Schnell, SDCWA)
5. Information: Annual Conflict of Interest Form 700 filings due April 3 (Alexi Schnell, SDCWA)

FINANCIAL MATTERS

6. Information: Fiscal Year 2023 Audit Engagement (Wendy Joplin, SDCWA and Shannon Ayala, Davis Farr)
7. Information: Investment update (Genny Lynkiewicz, Chandler Asset Management)
8. Information: Treasurer's Report ending December 31, 2022 (Alan Okewole, SDCWA)
9. Information: Financial Report ending December 31, 2022 (Wendy Joplin, SDCWA)

NOTE: All items identified as information, discussion, or action items on the agenda may be deliberated by and become subject to consideration and alternative action by the QSA Joint Powers Authority. This meeting may be recorded.

IMPLEMENTATION

10. Information: Status report on implementation of mitigation measures (Jessica Humes, IID)
11. Information: Update on State Salton Sea Management Program (Miguel Hernández, CNRA)
12. Adjourn



**QUANTIFICATION SETTLEMENT AGREEMENT
JOINT POWERS AUTHORITY
VIRTUAL MEETING MINUTES
November 28, 2022, at 11:00 a.m.**

Commissioners and Alternates present:

Tonya Marshall, California Department of Fish and Wildlife (CDFW) – Chair
 Jim Barrett, Coachella Valley Water District (CVWD) – Commissioner
 Robert Cheng, Coachella Valley Water District – Alternate Commissioner
 Dan Denham, San Diego County Water Authority (SDCWA) – Commissioner
 Kelly Rodgers, San Diego County Water Authority – Alternate Commissioner
 Henry Martinez, Imperial Irrigation District (IID) – Commissioner
 Tina Shields, Imperial Irrigation District – Alternate Commissioner

QSA JPA staff present:

Jeff Ferre, Best, Best, and Krieger – Legal Counsel
 Alexi Schnell, SDCWA – Chief Administrative Officer (CAO)

Others present:

Shannon Ayala, Davis Farr	Michael Cohen, Pacific Institute
Jessica Schroeder, CDFW	Patrick O'Dowd, Salton Sea Authority
Evon Willhoff, California Department of Water Resources	Dennis Davis, SDCWA
Miguel Hernández, California Natural Resources Agency (CNRA)	Deborah Hodgins, SDCWA
Joanna Hoff, IID	Alan Okewole, SDCWA
Jessica Humes, IID	Darren Simon, SDCWA
	Angela Tomayko, SDCWA
	Chris Woidzik, SDCWA

PRELIMINARY MATTERS

1. Call to Order
 Chair Marshall called the meeting to order at 11:00 a.m.
2. Roll Call
 There was a quorum of the Commission present at the time of the meeting.
3. Action: Adopt Resolution No. 2022-05 of the Commission of the Quantification Settlement Agreement Joint Powers Authority Re-Authorizing Remote Teleconference/Virtual Meetings of the Legislative Body for the Period of November 28, 2022 to December 28, 2022 Pursuant to Brown Act Provisions (Jeff Ferre, BBK)
 Commissioner Denham made a motion to adopt the resolution, which was seconded by Commissioner Barrett. The resolution was adopted unanimously by a roll call vote.

Mr. Ferre (QSA JPA Legal Counsel) informed the Commission of Governor Newsom's intent to end California's COVID-19 state of emergency on February 28, 2023, which will suspend the Commission's ability to hold virtual meetings under AB 361. He explained that if the Commission wants to continue remote meetings after the current state of emergency ends, those meetings must occur consistent with the Brown Act teleconference rules.

4. Public Comment

There were no public comments at that time.

ORGANIZATIONAL MATTERS

5. Action: Approve minutes of regular QSA JPA meeting held September 7, 2022 (Alexi Schnell, SDCWA)

Commissioner Barrett made a motion to approve the minutes, which was seconded by Commissioner Denham. The minutes were approved unanimously by a roll call vote.

FINANCIAL MATTERS

6. Action: Review and accept fiscal year 2022 Audited Financial Report (Shannon Ayala, Davis Farr)

Ms. Ayala presented information regarding the Audited Financial Statements for the QSA JPA issued on June 30, 2022. Davis Farr issued an unmodified audit opinion dated September 28, 2022, the highest level that can be received and indicates the financial statements and footnotes were presented fairly, in all material respects, in accordance with generally accepted accounting principles. Davis Farr also issued two letters: 1) Communication to Those in Governance and 2) Government Auditing Standards Opinion. Ms. Ayala stated that finance staff was well prepared, and no journal entries were detected as a result of the audit process. Commissioner Barrett inquired if a management letter was prepared. Chris Woidzik (Water Authority) commented that the SAS 114 Letter is not included in the audit report but will be sent to the Commission after the meeting. Commissioner Barrett made a motion to accept the audit report. Commissioner Denham seconded it. The item was approved unanimously by a roll call vote.

7. Information: Treasurer's Report ending September 30, 2022 (Chris Woidzik, SDCWA)

Mr. Woidzik handed the Treasurer's Report presentation over to Alan Okewole (SDCWA).

Mr. Okewole provided a review of the Treasurer's Report ending September 30, 2022. The quarter ended with \$83.9 million in cash and investments. The majority of that was in asset-backed securities of approximately \$61.5 million, held by Chandler Asset Management. The effective rate of return is approximately 0.56%, and the interest received (fiscal year (FY) to date) was \$117,648. IID's September 29, 2022 payoff of approximately \$48.5 million was deposited this quarter and three invoices were paid totaling approximately \$1.4 million. Mr. Okewole reported the updated total outstanding balance due after IID's payoff was \$11.3 million, or \$10.5 million at net present value at 6%.

8. Information: Financial Report ending September 30, 2022 (Chris Woidzik, SDCWA)

Mr. Woidzik provided a review of the Financial Report ending September 30, 2022. Total assets were \$92.7 million with \$1.0 million in liabilities. Unavailable mitigation contributions were \$10.3 million, and the total fund balance was \$81.3 million. Total revenues were \$48.4 million and total expenditures were \$961,257. Approximately 6.3% of the FY 2023 budget was spent through this period. Mr. Woidzik concluded with a summary of expenses on Tasks 2, 8 and 24, as included in the Budget Status Report. CAO Schnell noted that Chandler Asset Management's investment update was pushed to the next QSA JPA meeting to allow more time for discussion on the current agenda items.

9. Information: Recent advance payment from IID of funding obligation and potential next steps for other water agencies (Chris Woidzik, SDCWA and Alexi Schnell, SDCWA)

Mr. Woidzik reported that IID wired \$48,458,655.04 to the Water Authority on September 29, 2022 to complete an early payoff of its remaining QSA JPA funding commitment. Pending Water Authority Board approval through its FY 2024/25 budget process, the Water Authority is planning to complete an early payoff of its funding commitment on July 3, 2023. The Water Authority has provided CVWD with an estimate for its payoff balance, and Alternate Commissioner Cheng commented that CVWD is considering an early payoff through its 2024 budget process.

10. Information: Notice to be provided to state of QSA JPA water agencies' payment completion, as provided for under the JPA Agreement (Jeff Ferre, BBK)

Mr. Ferre informed the Commission that pursuant to Section 14.2 of the QSA JPA Creation and Funding Agreement, the Commission must submit a written notice to the state when the Commission anticipates that the Environmental Cost Limitation will be exceeded within two years. Reasons for this anticipation and estimates of the projected cost of remaining Environmental Mitigation Requirements must be included in the notice. Mr. Ferre noted the submission of the notice does not have to be timed to exactly two years before the Environmental Cost Limitation will be exceeded. Based on IID's September 29, 2022 payoff, and potential payoffs by the Water Authority and CVWD in 2023, it is reasonable for the Commission to anticipate that the Environmental Cost Limitation will be exceeded within two years. Thus, Mr. Ferre recommended that the Commission submit written notice, consistent with Section 14.2, to the state. Mr. Ferre noted that QSA JPA staff will facilitate submitting the notice to the state.

11. Managed Marsh mitigation reimbursement (Tina Shields, IID and Alexi Schnell, SDCWA)

CAO Schnell introduced the item, which included two action items (11.A and 11.B), each with a presentation to be followed by robust discussion. Alternate Commissioner Shields presented item 11.A, and CAO Schnell presented item 11.B.

A. Action: Approve the appraised value of the land to be reimbursed to the Imperial Irrigation District for the properties' use for the Managed Marsh

Alternate Commissioner Shields provided a review of past appraisals for the Managed Marsh land, noting that those appraisals were conducted by two companies at significant costs. As requested by the Commission, IID provided an updated but restricted appraisal of the Managed Marsh land with help from an independent consultant at a much lower cost. The restricted appraisal inadvertently excluded the value of land underlying Phase 3 of the project, but the Commission agreed that the final land value would be determined by applying the appraised price per acre to the total project acreage (Phases 1, 2, and 3). Alternate Commissioner Shields also noted that 74 acres of Managed Marsh land would not qualify for reimbursement because it will be used for other, non-QSA purposes. Multiplying the price per acre (\$6,807) by the qualified acreage (1,348.91 acres) would provide a land valuation for Managed Marsh land equal to approximately \$9.2 million.

Chair Marshall raised the following questions: (1) not including the 74 acres for non-QSA purposes, is IID seeking reimbursement for the approximately 400 acres in excess of the Managed Marsh mitigation acreage; (2) is the 74 acres included as part of Phase 3 of the Managed Marsh project or will the accounting for this acreage be separate; and (3) does IID have plans to use the approximately 400 excess acres in the future for non-QSA purposes?

Alternate Commissioner Shields and Jessica Humes (IID) responded to Chair Marshall's questions as follows: (1) yes, IID is seeking reimbursement for the excess acreage that is used for native tree mitigation (QSA JPA Task 6) in the marsh buffer zones as well as non-habitat areas that facilitate construction of the marsh habitat (e.g., soil berms, access roads and parking, staging areas); (2) the

74 acres are not included as part of Phase 3 of the Managed Marsh project and the accounting for this acreage would be separate from the Managed Marsh project acreage; and (3) IID does not have plans at this time to use the approximately 400 excess acres in the future for non-QSA purposes but would reimburse the QSA JPA if IID's plans change.

- B. Action: Approve the proposed QSA JPA FY 2023 amended budget to fund the land valuation and third-party consultant costs to IID for the property used for the Managed Marsh

CAO Schnell stated that the proposed amended budget was \$25,067,528.37, reflecting a \$9,688,248.37 increase from the adopted FY 2023 Budget to reimburse IID for the value of the Managed Marsh land and its independent consultant. She reviewed the amended tables from the budget document, which included the remaining payment schedule for the Water Authority and CVWD, FY 2023 expenditures, FY 2023 projected fund balance, summary of agency payments, FY 2023 projected fund balance, and FY 2023 major expenditures (top three tasks). Although the proposed amendment would increase the FY 2023 Budget by \$9,688,248.37, CAO Schnell noted that the total amount for the Managed Marsh reimbursement is expected to be approximately \$9.2 million, almost \$500,000 less than previously estimated.

CAO Schnell reviewed the budget appendices and concluded with requesting the Commission's approval of 11.A and 11.B.

Approval of agenda items 11.A and 11.B was combined into one vote. Commissioner Denham made a motion to approve the recommendation, which was seconded by Commissioner Barrett. The item was approved unanimously by a roll call vote.

IMPLEMENTATION

12. Information: Status report on implementation of mitigation measures (Jessica Humes, IID)

Ms. Humes provided an update on various mitigation measures:

Task 8 – Drain Habitat (Aquatic) – Managed Marsh Complex: IID started its annual road grading and maintenance and removed several large tamarisk trees from ponds. IID is currently seeking an aerial applicator to treat mesquite trees located in the marsh buffer zone for borers.

Task 15 – Pre-Construction Activity Burrowing Owl Surveys and Relocation: IID reported on-going inspections for pre-construction activities. Several IID construction projects are underway that IID staff are closely monitoring.

Task 24 – Salton Sea Air Quality Mitigation: IID expects to start construction on three shallow groundwater wells at Clubhouse in December 2022. Shortly after completion of the Clubhouse wells, construction on three more shallow groundwater wells at Bombay Beach is expected to start. The Poe Road surface roughening project (approximately 200 acres) is expected to be completed at the end of this year.

Task 44 – Pupfish Refugium: IID continues to monitor for bullfrogs that can impact the pupfish population in the refugium pond. IID taking measures including raising the salinity of the ponds and reinforcing the enclosing fence to protect the pupfish population.

13. Information: Update on State Salton Sea Management Program (Miguel Hernández, CNRA)

Miguel Hernández, Public Affairs Officer for the Salton Sea Management Program (SSMP) at CNRA, provided the SSMP Update. Mr. Hernández reported the following items to the Commission:

Salton Sea Species Conservation Habitat (SCH) Project: The New River diversion structure is a major component of the overall SCH Project. This structure will combine water from the New

River and water pumped from the Salton Sea, improving the quality of the sea water. The mixed water will then be diverted into project habitat ponds.

The New River Diversion Structure is anticipated to be completed by the end of 2022.

Mr. Hernández identified the following Salton Sea engagement opportunities and events hosted by either the SSMP team or SSMP partners:

- SSMP Science Committee Meeting – December 1, 2022
 - The Committee presented a public update on the Monitoring Implementation Plan and provided informational background on the Monitoring and Adaptive Management Plan (MAMP) for the SSMP's SCH Project.
- SSMP Update Community Meeting – December 7, 2022
 - SSMP team provided an informational program update to community members on all SSMP activities.

14. Adjournment

Before the meeting was adjourned, CAO Schnell informed meeting attendees that QSA JPA staff are working to schedule the next meeting date in March 2023.

The meeting was adjourned at 11:59 a.m.

**QUANTIFICATION
SETTLEMENT AGREEMENT
JOINT POWERS AUTHORITY
AUDIT COMMITTEE MEETING
FISCAL YEAR ENDED JUNE 30, 2023**

Agenda

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**Audit
Engagement
Letter**

**SAS 114
Planning
Letter**

Audit Engagement Letter

3

- ❑ No changes from prior year
- ❑ No increase in fees from the prior year
- ❑ Scope of the audit
 - ❑ Express an opinion that the financial statements and disclosures are free of material misstatement
 - ❑ Internal controls are evaluated to assess the risk of material misstatement of the financial statements and to design the nature, timing and extent of further audit procedures (not to provide any assurances on the effectiveness of controls)
 - ❑ Compliance with applicable laws and regulations, contracts and agreements

SAS 114 Planning Letter

4

- ❑ Requirement to have two-way communication with the committee about fraud and fraud risk
- ❑ Includes our planned scope and timing of the audit

Questions?

Shannon Ayala | **Partner**

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March 7, 2023

To the Board of Commissioners
Of the Quantification Settlement
Agreement Joint Powers Authority
San Diego, California

This letter is provided in connection with our engagement to audit the financial statements of the Quantification Settlement Agreement Joint Powers Authority (the "QSA JPA") as of and for the year ending June 30, 2023. Professional standards require that we communicate with you certain items including our responsibilities with regard to the financial statement audit and the planned scope and timing of our audit, including significant risks we have identified.

Our Responsibilities

As stated in our engagement letter dated February 20, 2023, we are responsible for conducting our audit in accordance with auditing standards generally accepted in the United States of America and in accordance with *Government Auditing Standards* for the purpose of forming and expressing an opinion about whether the financial statements that have been prepared by management, with your oversight, are prepared, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit does not relieve you or management of your respective responsibilities.

Professional auditing standards require that, as part of our audit, we inquire of those in the governance to ascertain whether or not the Board of Commissioners (the "Board") has knowledge of matters that might have a bearing on the auditor's risk assessment for the annual audit. Of the QSA JPA's financial statements.

Example of these matters are:

- Known or suspected instances of employee fraud
- Areas in which the internal controls of the QSA JPA are thought by the Board to be weak
- Known or suspected misstatements in the accounting records of the QSA JPA
- Known or suspected use of improper accounting practices by the QSA JPA
- Any awareness of pressure upon the QSA JPA or QSA JPA management with respect to achieving certain financial results
- Matters that warrant particular attention during the audit
- Information about unusual transactions or other matters relevant to the audit

Generally, the scope of the audit is limited to matters involving amounts that would be significant to the financial statements of the QSA JPA taken as a whole. If additional time is required to respond to the concerns of the Board, we will estimate for the QSA JPA the costs involved.

Planned Scope of the Audit

Our audit will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. Our audit is designed to provide reasonable, but not absolute, assurance about whether the financial statements as a whole are free of material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations. Because of this concept of reasonable assurance and because we will not examine all transactions, there is a risk that material misstatements may exist and not be detected by us.

Our audit will include obtaining an understanding of the QSA JPA and its environment, including its internal control, sufficient to assess the risks of material misstatement of the financial statements and as a basis for designing the nature, timing, and extent of further audit procedures, but not for the purpose of expressing an opinion on the effectiveness of the QSA JPA's internal control over financial reporting. However, we will communicate to you at the conclusion of our audit any material weaknesses or significant deficiencies identified. We will also communicate to you:

- Any violation of laws or regulations that come to our attention;
- Our views relating to qualitative aspects of the QSA JPA's significant accounting practices, including accounting policies, accounting estimates, and financial statement disclosures;
- Significant difficulties, if any, encountered during the audit;
- Disagreements with management, if any, encountered during the audit;
- Significant unusual transactions, if any;
- The potential effects of uncorrected misstatements on future-period financial statements; and
- Other significant matters that are relevant to your responsibilities in overseeing the financial reporting process.

We plan to begin the interim audit examination of the QSA JPA in April 2023 and final audit procedures in August 2023. We plan to present the audit report and results of the audit to the Board of Commissioners at the completion of the audit.

If any member of the Board has information relevant to our audit (matters involving amounts that would be significant to the financial statements of the QSA JPA taken as a whole), please contact the undersigned at 760.298.5872 or sayala@davisfarr.com.

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

Sincerely,



Shannon Ayala, CPA
Partner



February 20, 2023

**Quantification Settlement Agreement
Joint Powers Authority
4677 Overland Avenue
San Diego, CA 92123**

We are pleased to confirm the arrangements of our engagement and the nature of the services we will provide Quantification Settlement Agreement Joint Powers Authority (the "Entity").

You have requested that we audit the business-type activities of the Entity, as of June 30, 2023 and for the year then ended and the related notes, which collectively comprise the Entity's basic financial statements as listed in the table of contents.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and, if applicable, in accordance with Government Auditing Standards, and/or any state or regulatory audit requirements will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Accounting principles generally accepted in the United States of America, (U.S. GAAP,) as promulgated by the Governmental Accounting Standards Board (GASB) require that certain required supplementary information ("RSI") such as management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America, (U.S. GAAS). These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by U.S. GAAP. This RSI will be subjected to certain limited procedures but will not be audited:

1. Management's Discussion and Analysis

Supplementary information other than RSI will accompany the Entity's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and perform certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and additional procedures in accordance with

U.S. GAAS. We intend to provide an opinion on the following supplementary information in relation to the basic financial statements as a whole:

1. Budgetary Comparison Schedule

Auditor Responsibilities

We will conduct our audit in accordance with GAAS and in accordance with Government Auditing Standards. As part of an audit in accordance with GAAS and in accordance with Government Auditing Standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Entity's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and in accordance with Government Auditing Standards.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

Compliance with Laws and Regulations

As previously discussed, as part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we will perform tests of the Entity's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Management Responsibilities

Our audit will be conducted on the basis that management acknowledge and understand that they have responsibility:

- a. For the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America;
- b. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements; and
- c. To provide us with:
 - i. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the basic financial statements such as records, documentation, and other matters;
 - ii. Additional information that we may request from management for the purpose of the audit;
 - iii. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
 - iv. A written acknowledgement of all the documents that management expects to issue that will be included in the annual report and the planned timing and method of issuance of that annual report; and
 - v. A final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report.
- d. For including the auditor's report in any document containing basic financial statements that indicates that such basic financial statements have been audited by us;
- e. For identifying and ensuring that the entity complies with the laws and regulations applicable to its activities;
- f. For adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole; and
- g. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
- h. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
- i. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in internal control and others where fraud could have a material effect on the financials; and
- j. For the accuracy and completeness of all information provided.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited basic financial statements, or if the

supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management, written confirmation concerning representations made to us in connection with the audit.

Nonattest Services

With respect to any nonattest services we perform, at the end of the year, we agree to perform the following:

- Propose adjusting or correcting journal entries detected during the audit, if applicable, to be reviewed and approved by the Entity's management.

We will not assume management responsibilities on behalf of the Entity. However, we will provide advice and recommendations to assist management of the Entity in performing its responsibilities.

The Entity's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the nonattest services are as follows:

- We will perform the services in accordance with applicable professional standards
- The nonattest services are limited to the services previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries. Our firm will advise the Entity with regard to tax positions taken in the preparation of the tax return, but the Entity must make all decisions with regard to those matters.

Reporting

We will issue a written report upon completion of our audit of the Entity's basic financial statements. Our report will be addressed to *the Board of Directors* of the Entity. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

In accordance with the requirements of Government Auditing Standards, we will also issue a written report describing the scope of our testing over internal control over financial reporting

and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance will not be an objective of the audit and, therefore, no such opinion will be expressed.

Engagement Fees

Our fee for our services for the fiscal year ending June 30, 2023 will be \$10,770. Our fees are dependent on the availability, quality, and completeness of the Entity's records and, where applicable, upon the Entity's personnel providing the level of assistance identified in the "prepared by client" request list distributed at the end of our planning work (e.g., Entity employees preparing confirmations and schedules we request, locating documents selected by us for testing, etc.).

Should our assumptions with respect to these matters be incorrect, or should the condition of the records, degree of cooperation, or other matters beyond our reasonable control require additional commitments by us beyond those upon which our estimated fees are based, we may adjust our fees and planned completion dates. If significant additional time is necessary, we will discuss it with management and arrive at a new fee estimate as soon as reasonably practicable.

Other Engagement Matters

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Enclosed, as required by *Government Auditing Standards*, is a copy of the report on the most recent peer review of our firm.

Government Auditing Standards require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

The undersigned is the engagement partner responsible for supervising the engagement and signing the report.

During the course of the audit, we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

We agree to retain our audit documentation or work papers for a period of at least seven years from the date of our report.

At the conclusion of our audit engagement, we will communicate to [the Board of Directors] the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;

- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

The audit documentation for this engagement is the property of Davis Farr LLP and constitutes confidential information. However, we may be requested to make certain audit documentation available to regulatory agencies pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Davis Farr LLP's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to regulatory agencies. The regulatory agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the basic financial statements including our respective responsibilities.

We appreciate the opportunity to provide these services and believe this letter accurately summarizes the significant terms of our engagement.

Very truly yours,




Shannon Ayala, CPA
Davis Farr LLP

The services and arrangements described in this letter are in accordance with our understanding and are acceptable to us.

San Diego County Water Authority

Member of Management:

By  Alexandra Schnell

Title Chief Administrative Officer

Date February 23, 2023

Date of Board of Directors Approval of Contract:

8/25/2016

Quantification Settlement Agreement JPA

Period Ending February 28, 2023

CHANDLER ASSET MANAGEMENT, INC. | 800.317.4747 | www.chandlerasset.com



Table of Contents

As of February 28, 2023

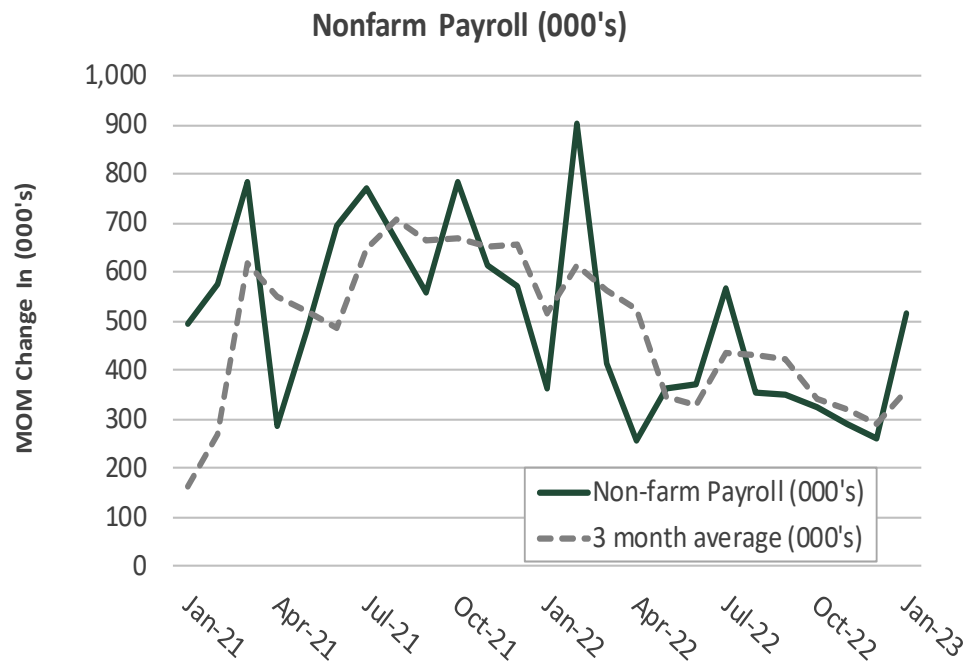
SECTION 1	Economic Update
SECTION 2	Account Profile
SECTION 3	Portfolio Holdings
SECTION 4	Transactions

Section 1 | Economic Update

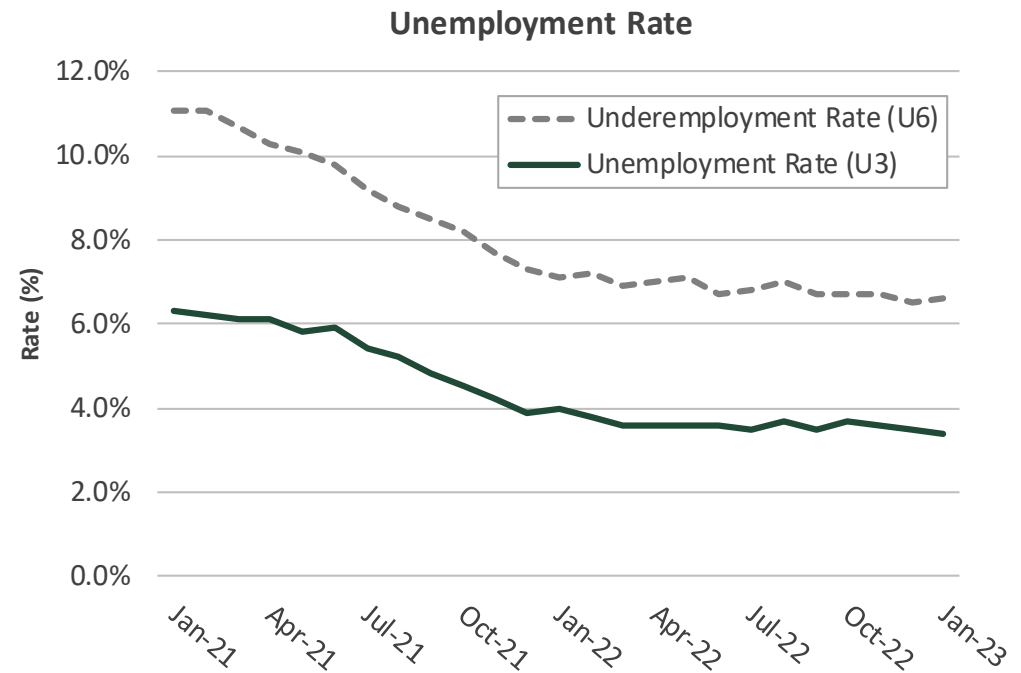
Economic Update

- Market volatility has intensified as investors weigh the probabilities of a hard or soft economic landing. The strong labor market has helped sustain economic growth, and inflation remains significantly higher than the Federal Reserve's target. Financial conditions have eased, and credit spreads have narrowed. Geopolitical risks remain as the Russia/Ukraine war persists and China reopens, while domestically the debt ceiling risk has emerged. Market sentiment has shifted with the resilient economic data thus far in 2023 and has converged with the Fed's outlook for higher rates for a longer period. We believe the Fed will continue to raise rates and maintain a higher terminal rate for an extended period until inflation reaches the Fed's target range.
- As expected at the February 1st meeting, the Federal Open Market Committee (FOMC) raised the fed funds target rate by 25 basis points to a range of 4.50 - 4.75%, in a continuing downshift from previous hikes. The decision was unanimous and the statement reflects inflation is easing "somewhat." The sentiment was hawkish, indicating that the extent of "ongoing increases" in the fed funds rate will be data dependent. We believe the FOMC will continue to implement tighter monetary policy at a slower pace and hold rates at restrictive levels for some time until inflationary pressures subside and remain in the Fed's target range.
- In February, the yield curve inversion widened. The 2-year Treasury yield surged 62 basis points to 4.82%, the 5-year Treasury yield increased 57 basis points to 4.18%, and the 10-year Treasury yield rose 41 basis points to 3.92%. The inversion between the 2-year Treasury yield and 10-year Treasury yield increased to -90 basis points at February month-end versus -69 basis points at January month-end. The spread was a positive 39 basis points one year ago. The inversion between 3-month and 10-year treasuries narrowed to -89 basis points in February from -115 basis points in January. The shape of the yield curve indicates that the probability of recession is increasing.

Employment



Source: US Department of Labor

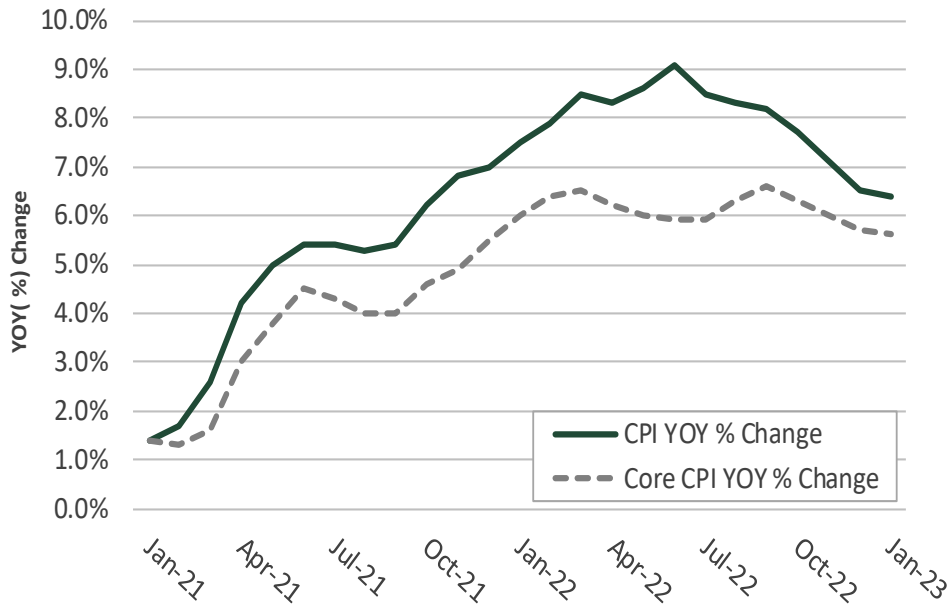


Source: US Department of Labor

The U.S. economy added a whopping 517,000 jobs in January, far surpassing market expectations of 189,000 jobs and December's upwardly revised 260,000 jobs. Trends in employment remain strong, with the three-month moving average payrolls at 356,000 and the six-month moving average at 349,000. Job growth was widespread, led by roles in the private sector with leisure and hospitality employment growth remaining solid. The unemployment rate dipped to 3.4%, below its pre-pandemic level. The labor participation rate increased slightly to 62.4% in January from 62.3% in December, indicating the supply of labor remains challenging for employers. The U-6 underemployment rate, which includes those who are marginally attached to the labor force and employed part time for economic reasons increased to 6.6% from the prior month at 6.5%. Average hourly earnings rose 4.4% year-over-year in January, down from an upwardly revised 4.8% increase in December. Job Openings increased to 11 million with the openings rate increasing in establishments with 50-249 employees but decreasing in establishments with more than 5,000 employees. Overall, the January employment report demonstrates a strong demand for labor and supports the case for the Fed to continue raising the federal funds rate at a slower pace.

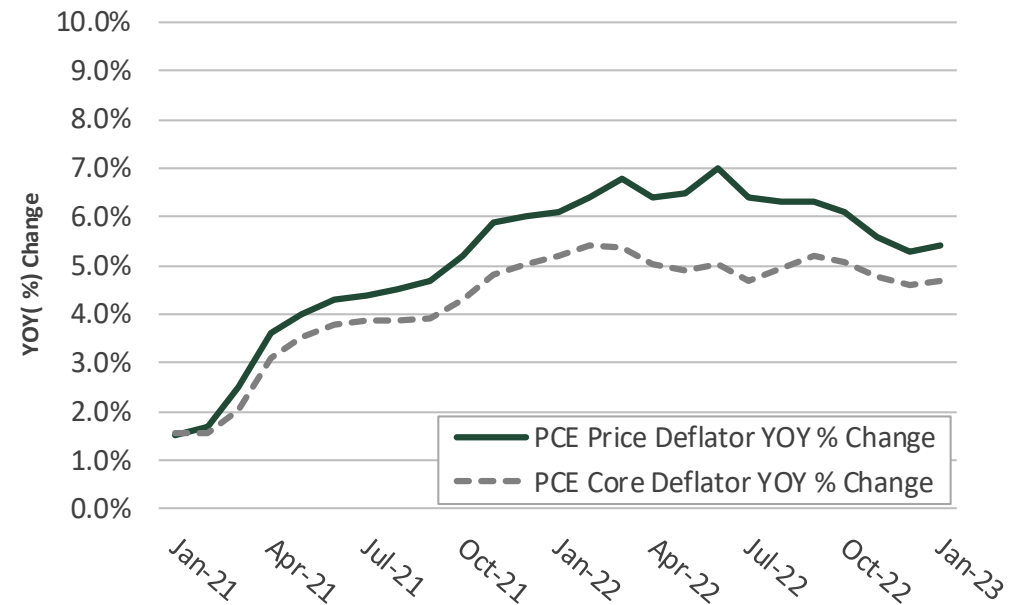
Inflation

Consumer Price Index (CPI)



Source: US Department of Labor

Personal Consumption Expenditures (PCE)

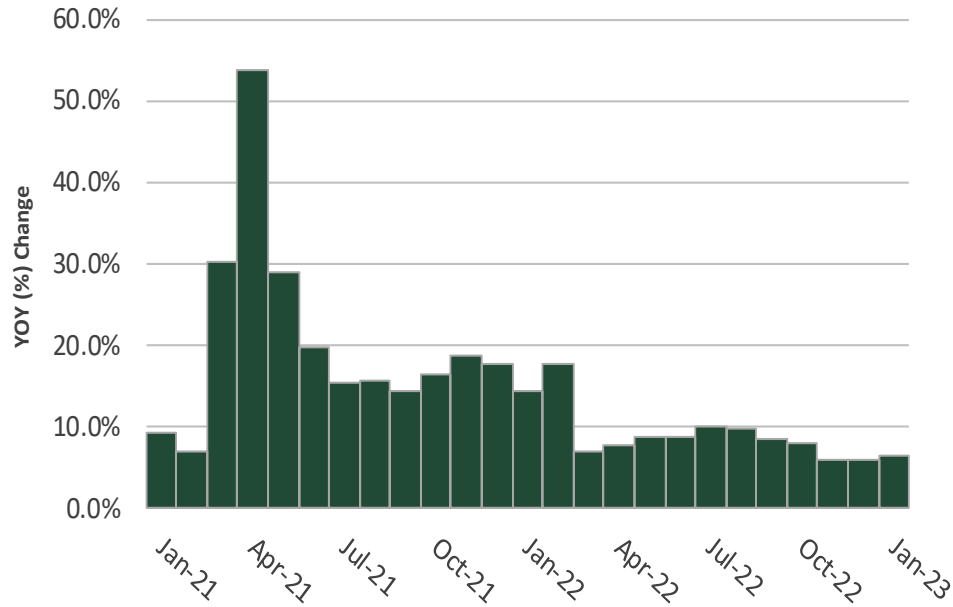


Source: US Department of Commerce

The Consumer Price Index (CPI) increased in January by 0.5% month-over-month and 6.4% year-over-year. The Core CPI, which excludes volatile food and energy components, rose 0.4% month-over-month and 5.6% year-over-year. Both measures increased more than expected and showed a slower deceleration than in recent months. Energy, shelter, and food costs were key contributors to the January increase. The Personal Consumption Expenditures (PCE) index accelerated more than expected in January, increasing 5.4% year-over-year versus an upwardly revised 5.3% year-over-year gain in December. Core PCE increased 4.7% in January versus an upwardly revised 4.6% year-over-year gain in December. Inflationary trends remain well above the Fed's 2% target and support further rate hikes and tighter conditions for an extended period.

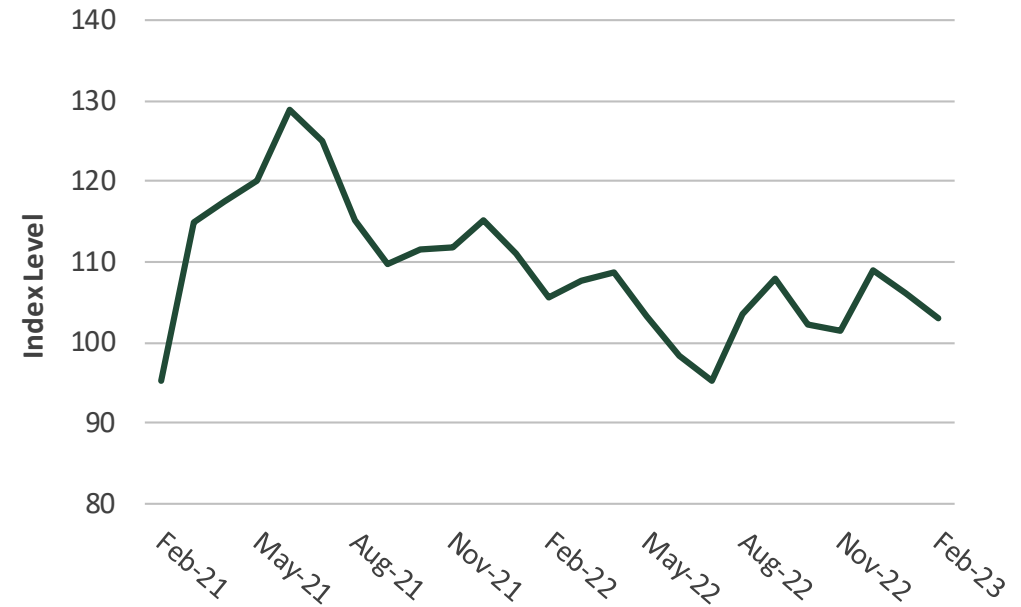
Consumer

Retail Sales YOY % Change



Source: US Department of Commerce

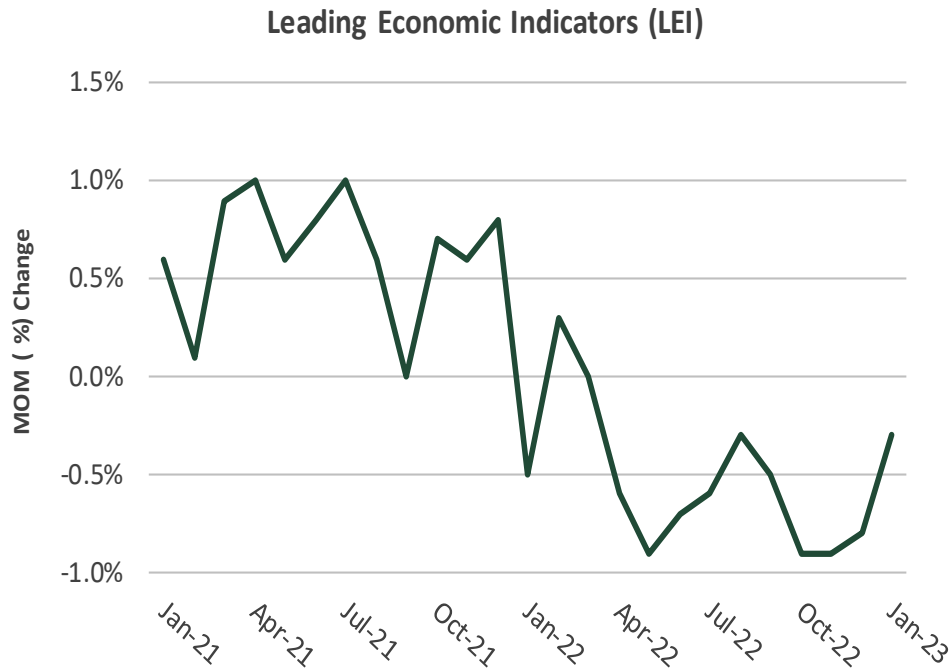
Consumer Confidence



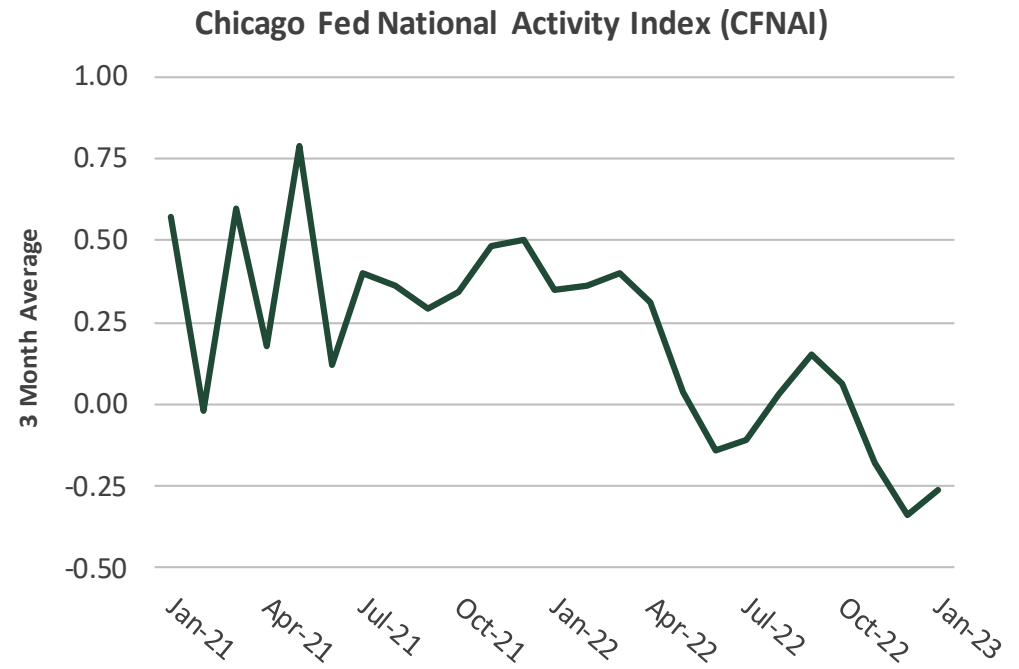
Source: The Conference Board

Advance Retail Sales rose 3.0% in January after dropping 1.1% in December. Retail sales rose 6.4% year-over-year in January, up from December's downwardly revised 5.9% year-over-year gain. Growth was broad based, with strong gains in autos, restaurants, and a surprising surge in department store sales. The Conference Board's Consumer Confidence Index decreased more than expected to 102.9 in February from a downwardly revised 106.0 in January. While the index for current conditions rose slightly, future expectations declined materially as inflation continues to weigh on household budgets.

Economic Activity



Source: The Conference Board

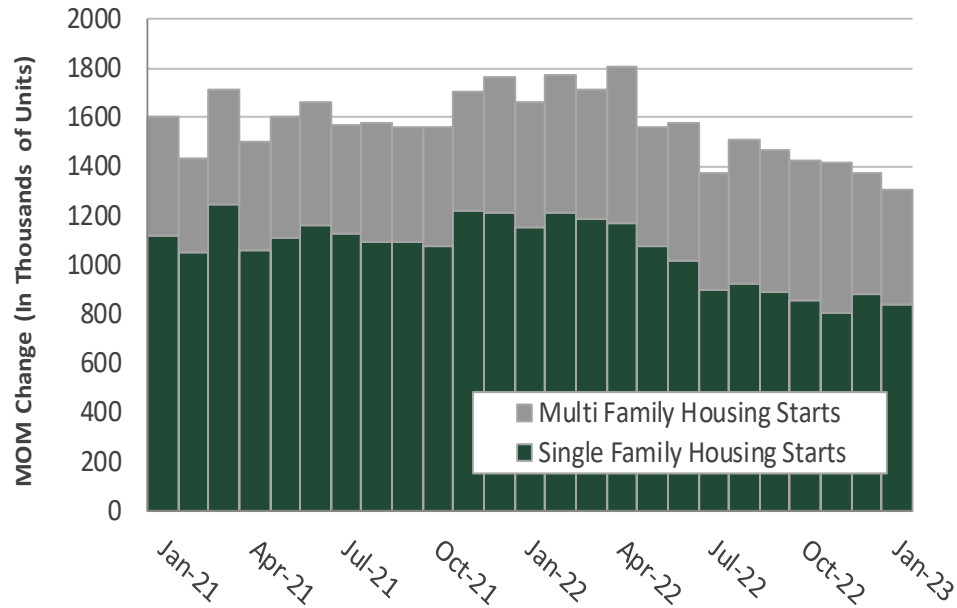


Source: Federal Reserve Bank of Chicago

The Conference Board's Leading Economic Index (LEI) remained in negative territory for the eleventh consecutive month at -0.3% in January, following -0.8% in December. The LEI was down 5.9% year-over-year in January versus down 6.1% year-over-over in December. The monthly decline lessened in January, but the data continues to signal future contraction in the economy. The Chicago Fed National Activity Index (CFNAI) increased to +0.23 in January from -0.46 in December due to robust retail sales and employment. On a 3-month moving average basis, the CFNAI increased to -0.26 in January from -0.34 in December.

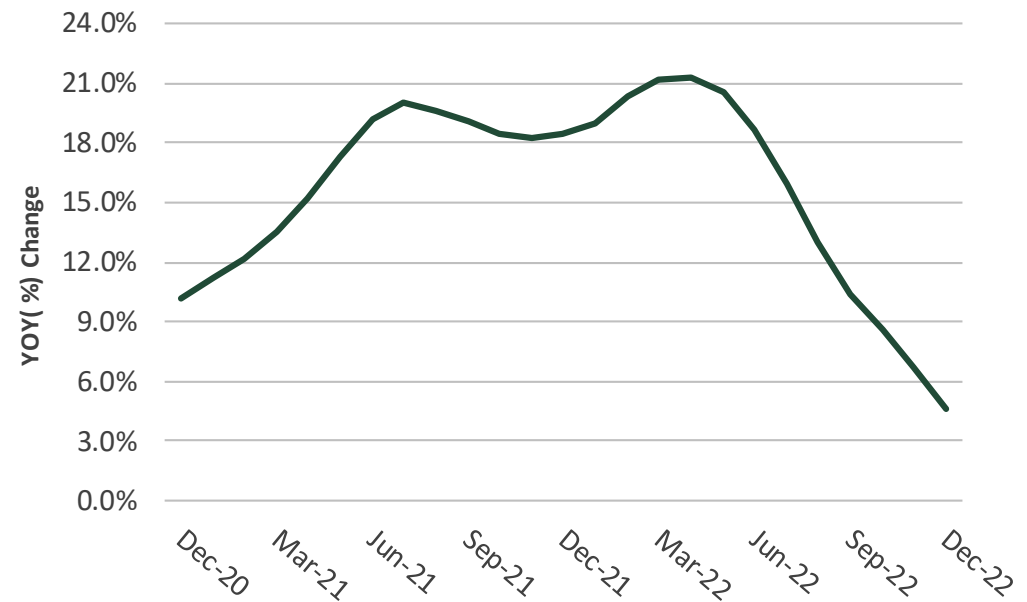
Housing

Housing Starts



Source: US Department of Commerce

S&P/Case-Shiller 20 City Composite Home Price Index



Source: S&P

Total housing starts fell 4.5% month-over-month in January to 1,309,000 units and were down 21.4% compared to January 2022. Starts for both single-family and multi-family homes declined as mortgage rates rose. The 30-year fixed rate mortgage increased to an average of 6.34% according to Freddie Mac, down from a peak of over 7% in October, but up from the 5.95% low in January. According to the Case-Shiller 20-City Home Price Index, the year-over-year increase continued its declining rate of gain to +4.65% in December from +6.8% in November, clearly displaying the impact of higher mortgage rates year-over-year, which have reduced demand for homebuying as affordability has declined. This is the lowest rate of annual appreciation since July 2020, just prior to the pandemic housing boom.

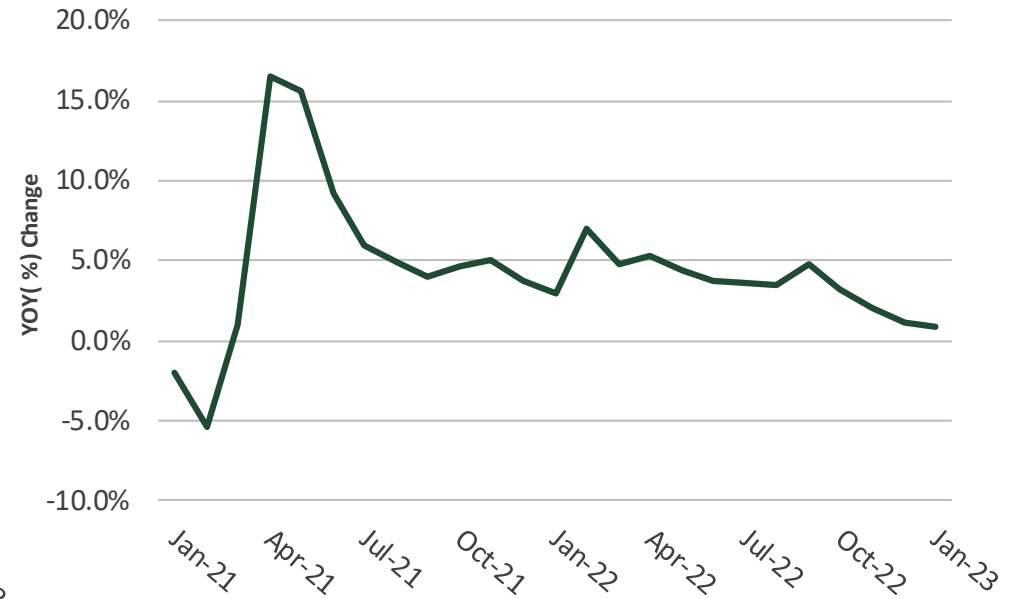
Manufacturing

Institute of Supply Management Purchasing Manager Index



Source: Institute for Supply Management

Industrial Production



Source: Federal Reserve

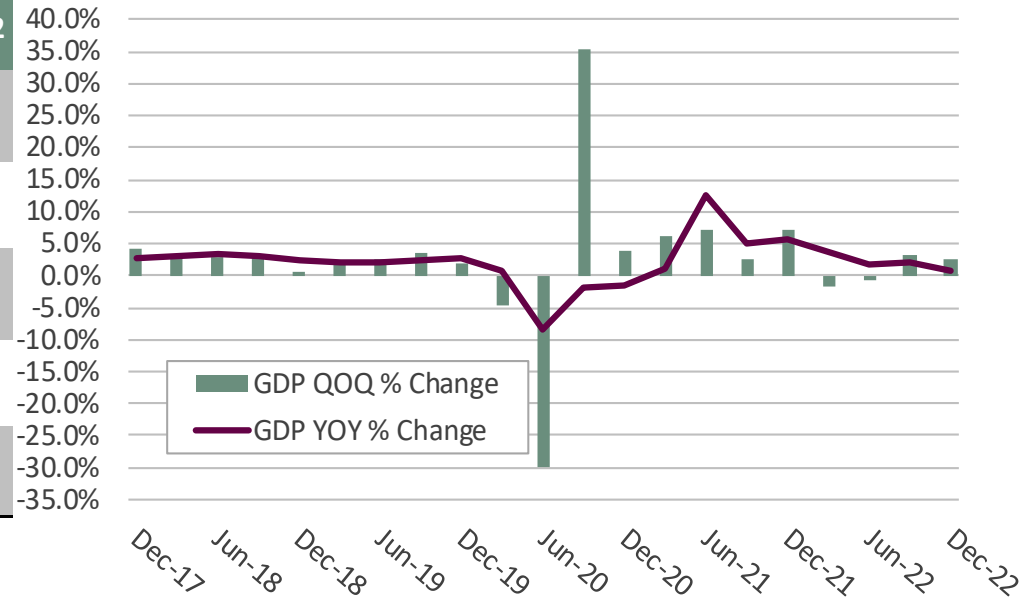
The Institute for Supply Management (ISM) manufacturing index rose slightly to 47.7 in February from 47.4 in January. This is the fourth consecutive month of readings below 50.0, which is indicative of contraction in the manufacturing sector. The declining trend reflects companies slowing outputs to better match demand in the first half of 2023 while preparing for growth in the second half of the year. Industrial production was flat in January after a downward revision to -1.0% in December. Production rose for manufacturing and mining, while utilities output declined sharply in January due to much warmer weather than December. This equates to a 0.79% increase from the prior year. Capacity utilization dropped to 78.3% in January from a downwardly revised 78.4% in December and has fallen below the 1972-2021 average of 79.6%.

Gross Domestic Product (GDP)

Components of GDP	3/22	6/22	9/22	12/22
Personal Consumption Expenditures	0.9%	1.4%	1.5%	0.9%
Gross Private Domestic Investment	1.0%	-2.8%	-1.8%	0.7%
Net Exports and Imports	-3.1%	1.2%	2.9%	0.5%
Federal Government Expenditures	-0.4%	-0.2%	0.2%	0.4%
State and Local (Consumption and Gross Investment)	0.0%	-0.1%	0.4%	0.3%
Total	-1.6%	-0.6%	3.3%	2.7%

Source: US Department of Commerce

Gross Domestic Product (GDP)

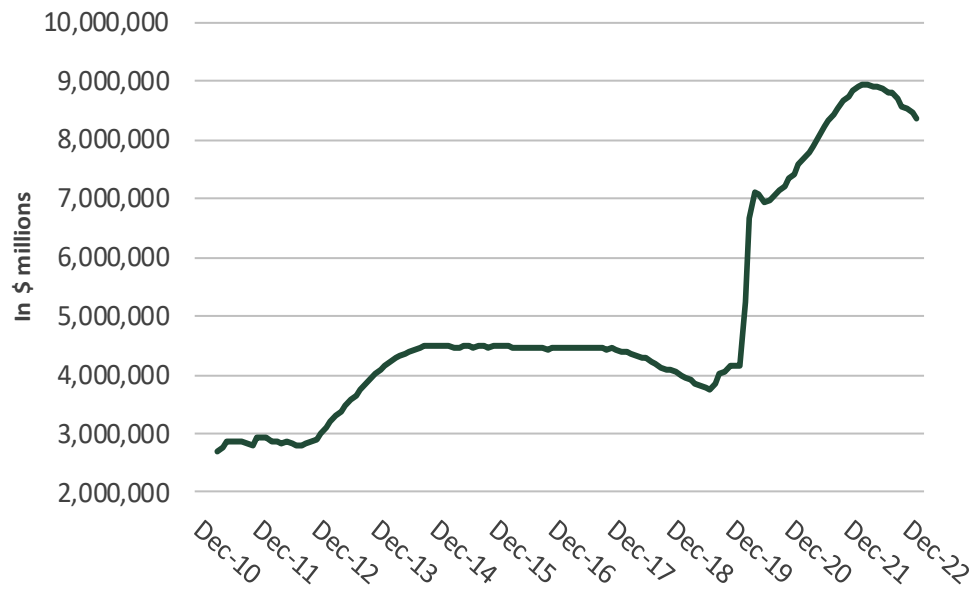


Source: US Department of Commerce

According to the second estimate, fourth quarter 2022 GDP growth was revised downward to 2.7% from 2.9%. The revision lower was primarily due to weaker growth in personal consumption expenditures, driven largely by a decline in durable goods, and a wider trade gap in net exports. The consensus estimate calls for 0.4% growth in the first quarter and 0.7% growth for the full year 2023.

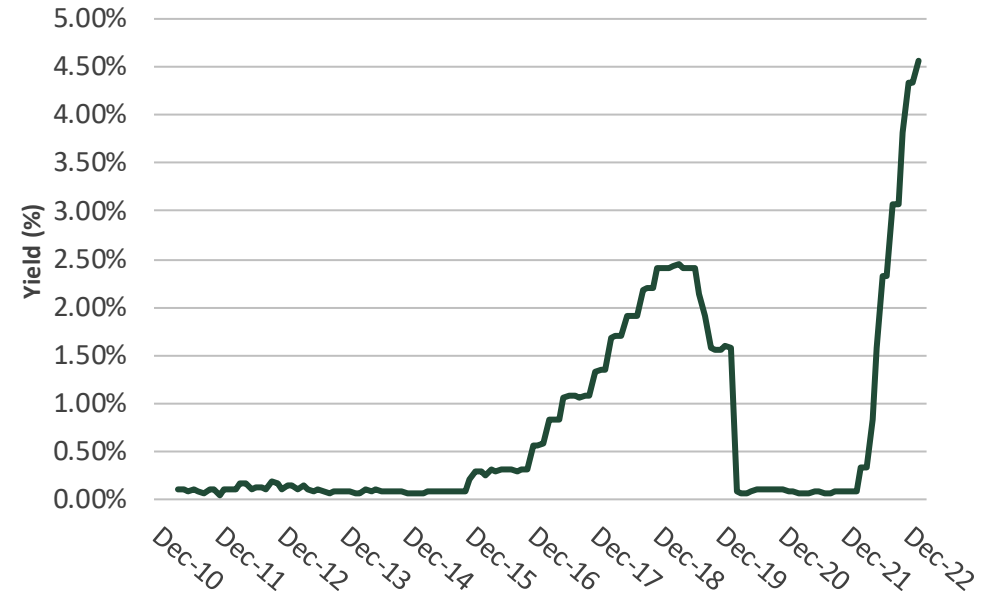
Federal Reserve

Federal Reserve Balance Sheet Assets



Source: Federal Reserve

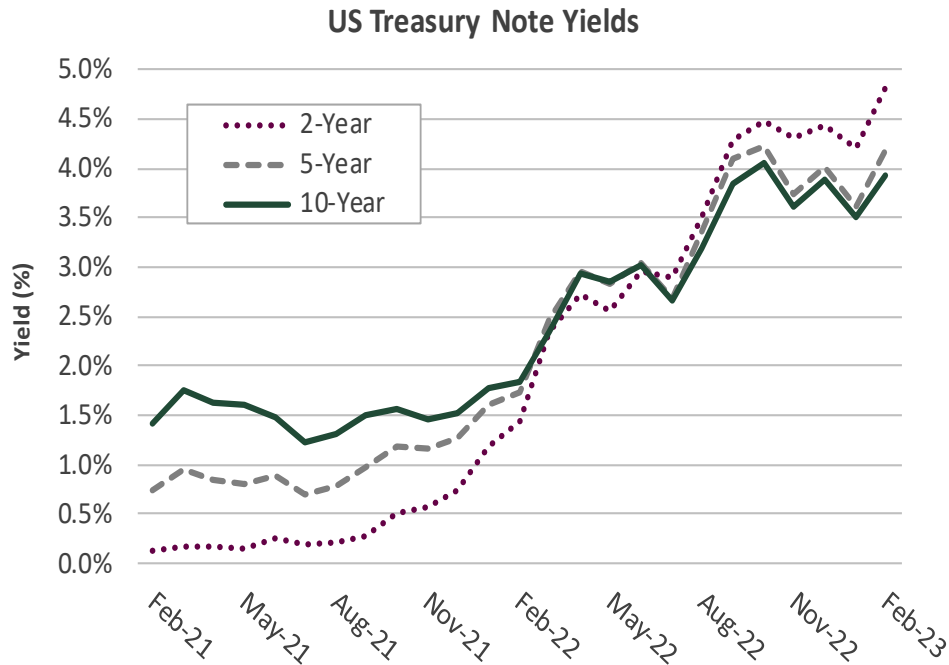
Effective Federal Funds Rate



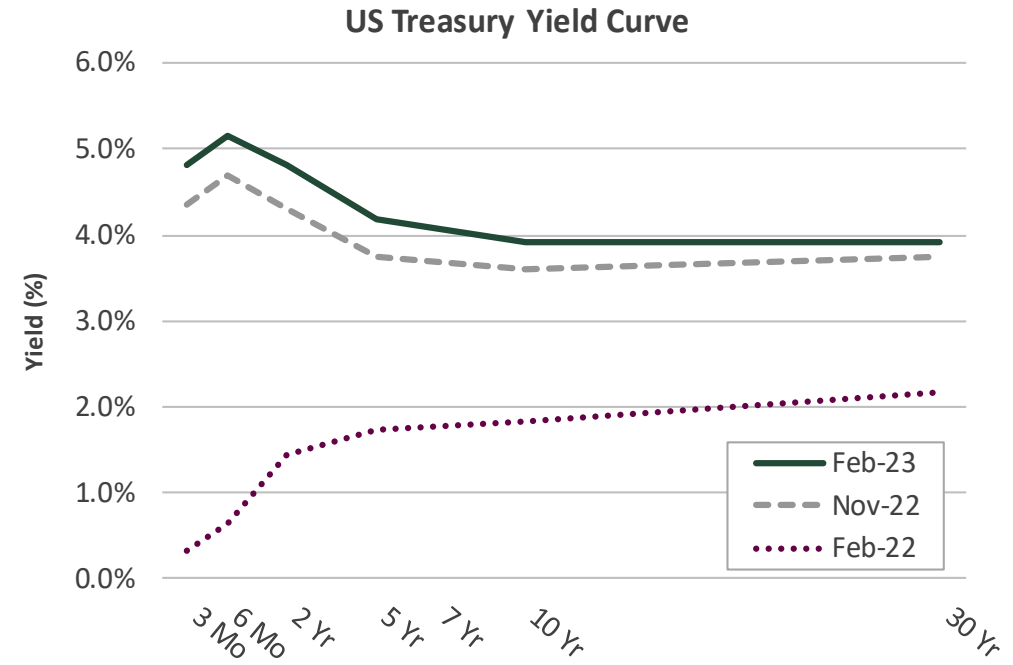
Source: Bloomberg

As expected at the February 1st meeting, the Federal Open Market Committee (FOMC) raised the fed funds target rate by 25 basis points to a range of 4.50 – 4.75%, in a continuing downshift from previous hikes. The decision was unanimous, and the statement reflects inflation easing “somewhat”. The sentiment was hawkish, indicating that the extent of “ongoing increases” in the fed funds rate will be data dependent on labor market conditions, inflation expectations, and financial and international developments. The December Summary of Economic Projections indicated a peak median forecast of 5.1% in 2023 and no rate cuts until 2024; however, the market consensus diverged, implying rate cuts in the second half of 2023. FOMC members forecasted a higher fed funds rate, slower GDP growth, higher inflation, and higher unemployment in 2023 than in the September projections. We believe the FOMC will implement tighter monetary policy at a slower pace and hold rates at restrictive levels until inflationary pressures subside and remain in the Fed’s target range for some time.

Bond Yields



Source: Bloomberg



Source: Bloomberg

At the end of February, the 2-year Treasury yield was 339 basis points higher, and the 10-Year Treasury yield was about 210 basis points higher, year-over-year. The inversion between the 2-year Treasury yield and 10-year Treasury yield increased to -90 basis points at February month-end versus -69 basis points at January month-end. The average historical spread (since 2003) is about +130 basis points. The inversion between 3-month and 10-year treasuries narrowed to -89 basis points in February from -115 basis points in January. The shape of the yield curve indicates that the probability of recession is increasing.

Section 2 | Account Profile

Objectives

Consolidated Investment Objectives

The investment policies and practices of the Quantification Settlement Agreement Joint Powers Authority are based upon limitations placed on it by governing legislative bodies. These policies have three primary goals:

1. To assure compliance with all Federal, State and Local laws governing the investment of monies under the control of the Treasurer.
2. To protect the principal monies entrusted to this organization.
3. To generate the maximum amount of investment income within the parameters of this Annual Statement of Investment Policy.

These goals are enhanced by the following objectives in order of importance:

- Safety
- Liquidity
- Return on Investments
- Public Trust

Chandler Asset Management Performance Objective

The performance objective for the accounts is to achieve a rate of return over a market cycle that equals or exceeds the return on a market index of similar duration and sector allocation.

Strategy

In order to achieve these objectives, the portfolio invests in high quality fixed income securities consistent with the investment policy and California Government Code.

Compliance

As of February 28, 2023

San Diego County Water Authority QSA JPA

Assets managed by Chandler Asset Management are in full compliance with state law and with the investment policy

Category	Standard	Comment
Treasury Issues	No limitations; Full faith and credit of the U.S. are pledged for payment of principal and interest; The purchase of zero-coupon, or strips is not permitted	Complies
Federal Agencies	20% max agency callable securities; Federal Agencies or U.S. government-sponsored enterprises (GSE), participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or U.S. GSEs.	Complies
Supranationals	"AA" rated or better by Moody's, S&P, or Fitch; 15% max; 5% max per issuer; U.S. dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by IBRD, the IFC, or the IADB	Complies
Municipal Securities	"A" long-term rating category or better by a NRSRO; 30% max; 5% max per issuer; Issued by any of the 50 United States, 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 state; and bonds, notes, warrants, or other evidence of debt issued by a local agency or municipality located within California, 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.	Complies
Corporate Medium Term Notes	"A" rating category or better by a NRSRO; 30% max; 5% max per issuer; Issuer is a corporation organized and operating within the U.S. or by depository institutions licensed by the U.S. or any state and operating within the U.S.; Permissible types of notes include fixed rate and variable rate.	Complies
Asset Backed, Mortgage Backed, Mortgage Passthrough Securities, Collateralized Mortgage Obligation	"AA" rating category or better by a NRSRO; 20% max (combined); 5% max per issuer in any Asset-backed or mortgage security issuer; From Issuers not defined in the Treasury or Agencies section of the Authorized Investments Instruments section of the policy	Complies
Negotiable Certificates of Deposit (NCD)	The amount of NCD insured up to the FDIC limit does not require any ratings; Any amount above the FDIC insured limit requires "A-1" short-term rating or better by a NRSRO or "A" long-term rating category or better by a NRSRO; 30% max (combined all CDs, including CDARS); 5% max per issuer; Issued by nationally or state-chartered bank, a savings assoc. or a federal assoc., a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank.	Complies
Certificate of Deposit Placement Service (CDARS)	30% max (combined all CDs/TDs including NCDs)	Complies
Non-negotiable Certificates of Deposit/ Time Deposit	30% max (combined all CDs/TDs including NCDs/CDARS), 20% max (combined FDIC and Collateralized CDs/TDs); 5% max per issuer; If issued in excess of the FDIC insurance limit, must be fully collateralized with securities in accordance with California law	Complies
Banker's Acceptances	"A-1" rated or better by a NRSRO; A rated or better by a NRSRO; 40% max; 5% max per issuer; 180 days max maturity	Complies

Compliance

As of February 28, 2023

San Diego County Water Authority QSA JPA

Assets managed by Chandler Asset Management are in full compliance with state law and with the investment policy

Category	Standard	Comment
Commercial Paper	"A-1" rated or better by a NRSRO; "A" issuer rating category or better by a NRSRO, if any long-term debt; 30% max; 5% max per issuer; 270 days max maturity; Issued by general corporations organized and operating within the U.S. and have total assets >\$500 million; or Issued by issuers organized within U.S. as special purpose corporation, trust, or LLC, provided securities have program-wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond and the securities are rated "A-1" or better a by NRSRO; 10% max of the outstanding paper of the issuing general corporation.	Complies
Money Market Mutual Funds and Mutual Funds	Highest rating by two NRSROs; or SEC registered adviser with AUM >\$500 million & experience > 5 years; 20% max in Mutual Funds & Money Market Mutual Funds; 20% per Money Market Mutual Fund; 10% max per Mutual Fund.	Complies
Repurchase Agreements	"A" rating category or better by a NRSRO on long-term debt obligations; 20% max; 1 year max maturity; 102% Collateralized; Not used by investment adviser	Complies
Guaranteed Investment Contracts (GICs)	California Government Code	Complies
Local Agency Investment Fund (LAIF)	Max permitted by State Law; Not used by investment adviser	Complies
Local Government Investment Pools	Highest rating or "AAA" or higher by a NRSRO; 25% max; 25% max per issuer; Not used by investment adviser	Complies
Prohibited	Investments not specifically described in the policy; Futures and options; Inverse floaters, Range notes, Mortgaged derived interest-only strips; Zero interest accrual securities, with the exception of securities issued or backed by US government; Trading securities for the sole purpose of speculating on the future direction of interest rates; Purchasing or Selling on margin; Reverse Repurchase Agreements; Securities lending; Foreign currency denominated securities	Complies
Credit Rating Downgrade	In the event that an investment originally purchased within the policy guidelines is downgraded to a credit level making the security ineligible for future purchases, the investment manager may take action related to the downgrade. Any action taken related to the downgrade by the investment manager will be communicated to the Treasurer in a timely manner	Complies
Max Per Issuer	5% max per issuer, unless otherwise specified in the policy	Complies
Maximum Maturity	5 years maximum maturity, except for US Treasuries, Agencies, and Municipals, or unless otherwise stated in the policy	Complies

Portfolio Characteristics

As of February 28, 2023

SDCWater QSA JPA

	02/28/23		11/30/22
	Benchmark*	Portfolio	Portfolio
Average Maturity (yrs)	2.58	0.84	1.89
Average Modified Duration	2.45	0.78	1.77
Average Purchase Yield	n/a	3.76%	1.83%
Average Market Yield	4.69%	4.71%	4.39%
Average Quality**	AAA	AAA/Aa1	AA/Aa1
Total Market Value		92,287,792	27,949,383

*ICE BofA 1-5 Yr US Treasury & Agency Index

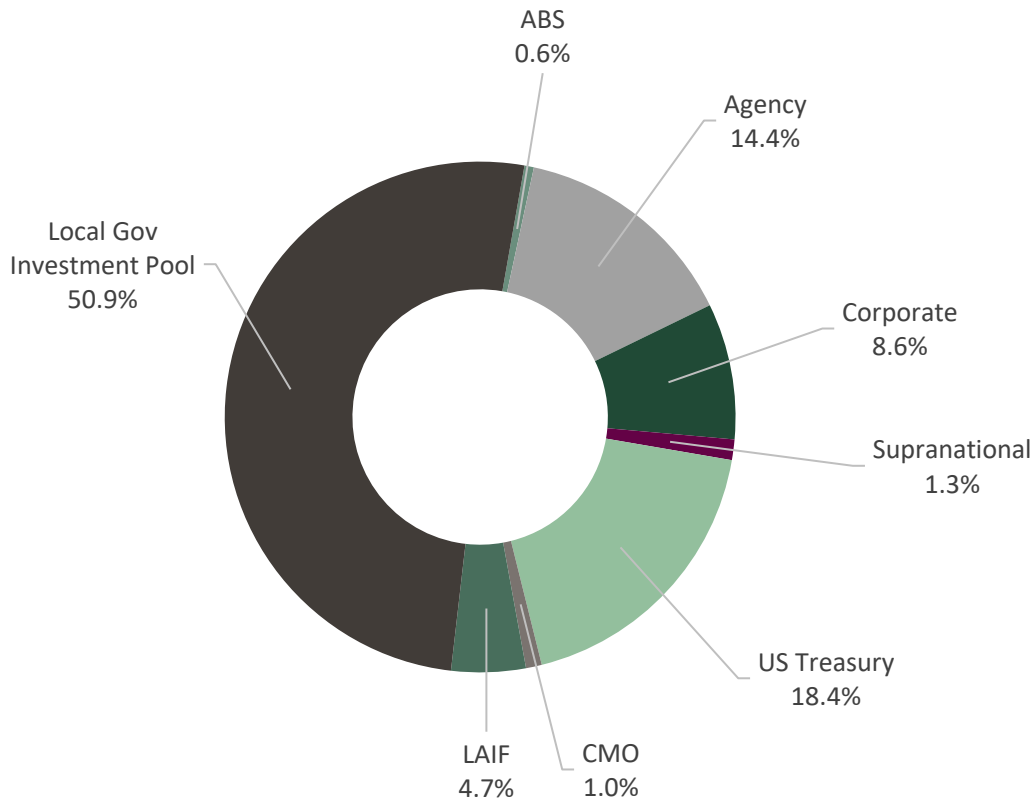
**Benchmark is a blended rating of S&P, Moody's, and Fitch. Portfolio is S&P and Moody's respectively.

Sector Distribution

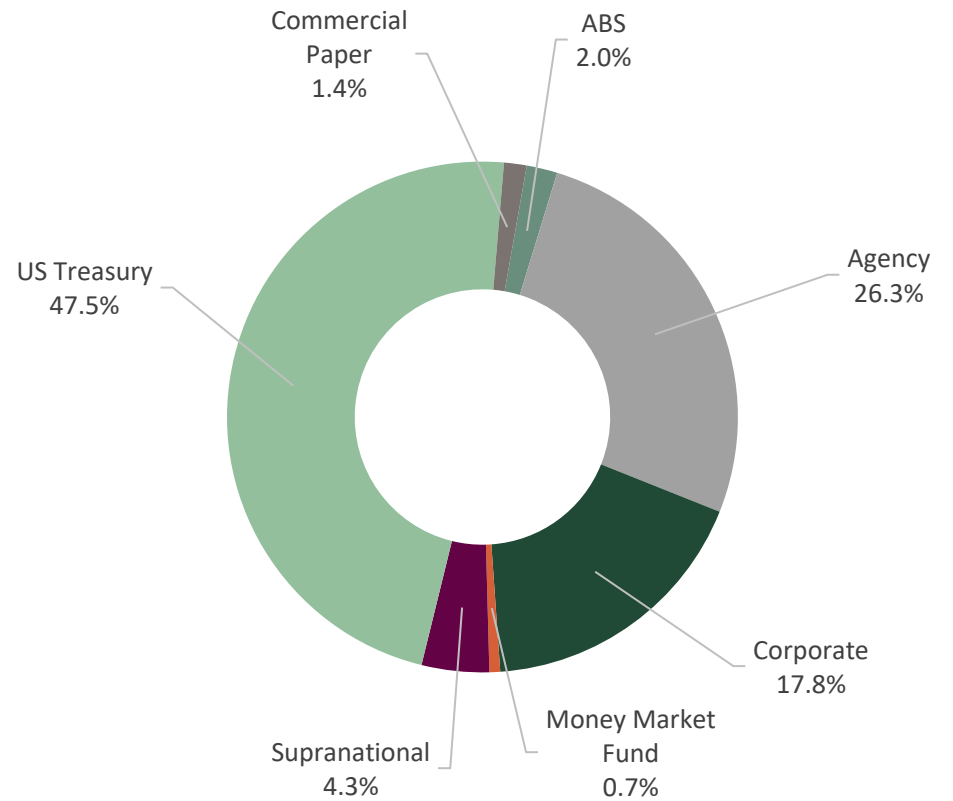
As of February 28, 2023

SDCWater QSA JPA

February 28, 2023



November 30, 2022



Issuers

As of February 28, 2023

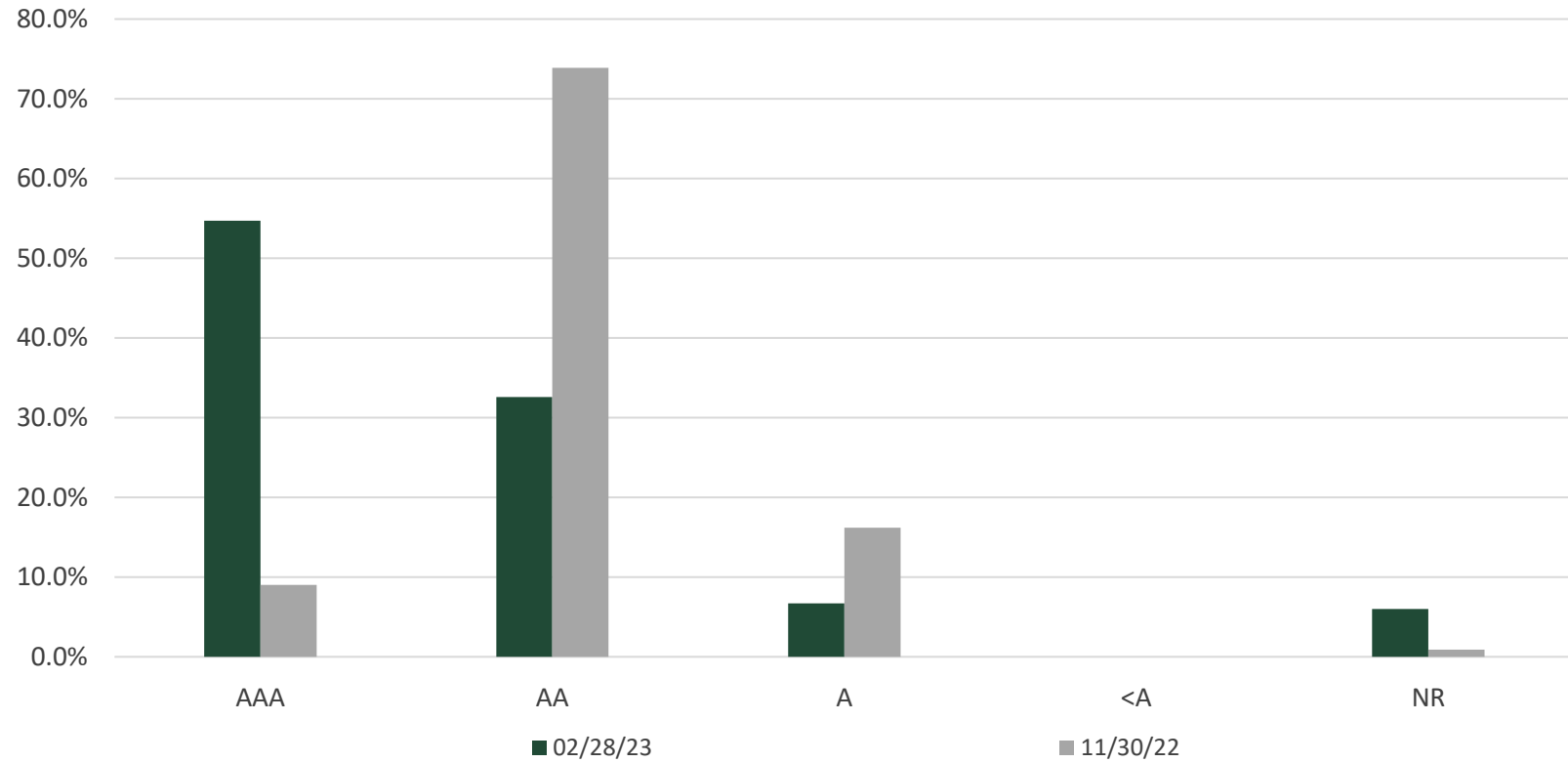
SDCWater QSA JPA – Account #10763

Issue Name	Investment Type	% Portfolio
CAMP	Local Gov Investment Pool	50.89%
Government of United States	US Treasury	18.45%
Federal Home Loan Bank	Agency	6.99%
Local Agency Investment Fund	LAIF	4.72%
Federal Home Loan Mortgage Corp	Agency	3.33%
Federal National Mortgage Association	Agency	2.50%
Federal Farm Credit Bank	Agency	1.57%
Federal Home Loan Mortgage Corp	CMO	1.04%
Microsoft	Corporate	0.79%
Toyota Motor Corp	Corporate	0.78%
Intl Bank Recon and Development	Supranational	0.74%
Inter-American Dev Bank	Supranational	0.56%
Royal Bank of Canada	Corporate	0.53%
Visa Inc	Corporate	0.52%
Home Depot	Corporate	0.52%
Bank of New York	Corporate	0.51%
Bank of America Corp	Corporate	0.50%
Caterpillar Inc	Corporate	0.43%
Apple Inc	Corporate	0.39%
Deere & Company	Corporate	0.39%
JP Morgan Chase & Co	Corporate	0.29%
United Health Group Inc	Corporate	0.28%
Toronto Dominion Holdings	Corporate	0.27%
Chubb Corporation	Corporate	0.27%
PNC Financial Services Group	Corporate	0.27%
Merck & Company	Corporate	0.27%
Qualcomm Inc	Corporate	0.26%
American Express ABS	ABS	0.26%
GM Financial Securitized Term Auto Trust	ABS	0.26%
Honeywell Corp	Corporate	0.26%
Charles Schwab Corp/The	Corporate	0.26%
National Rural Utilities	Corporate	0.25%
Bank of Montreal Chicago	Corporate	0.25%
Amazon.com Inc	Corporate	0.24%
Target Corp	Corporate	0.10%
Toyota ABS	ABS	0.03%
Dreyfus Gov't Cash Management	Money Market Fund	0.03%
TOTAL		100.00%

Quality Distribution

As of February 28, 2023

SDCWater QSA JPA
February 28, 2023 vs. November 30, 2022



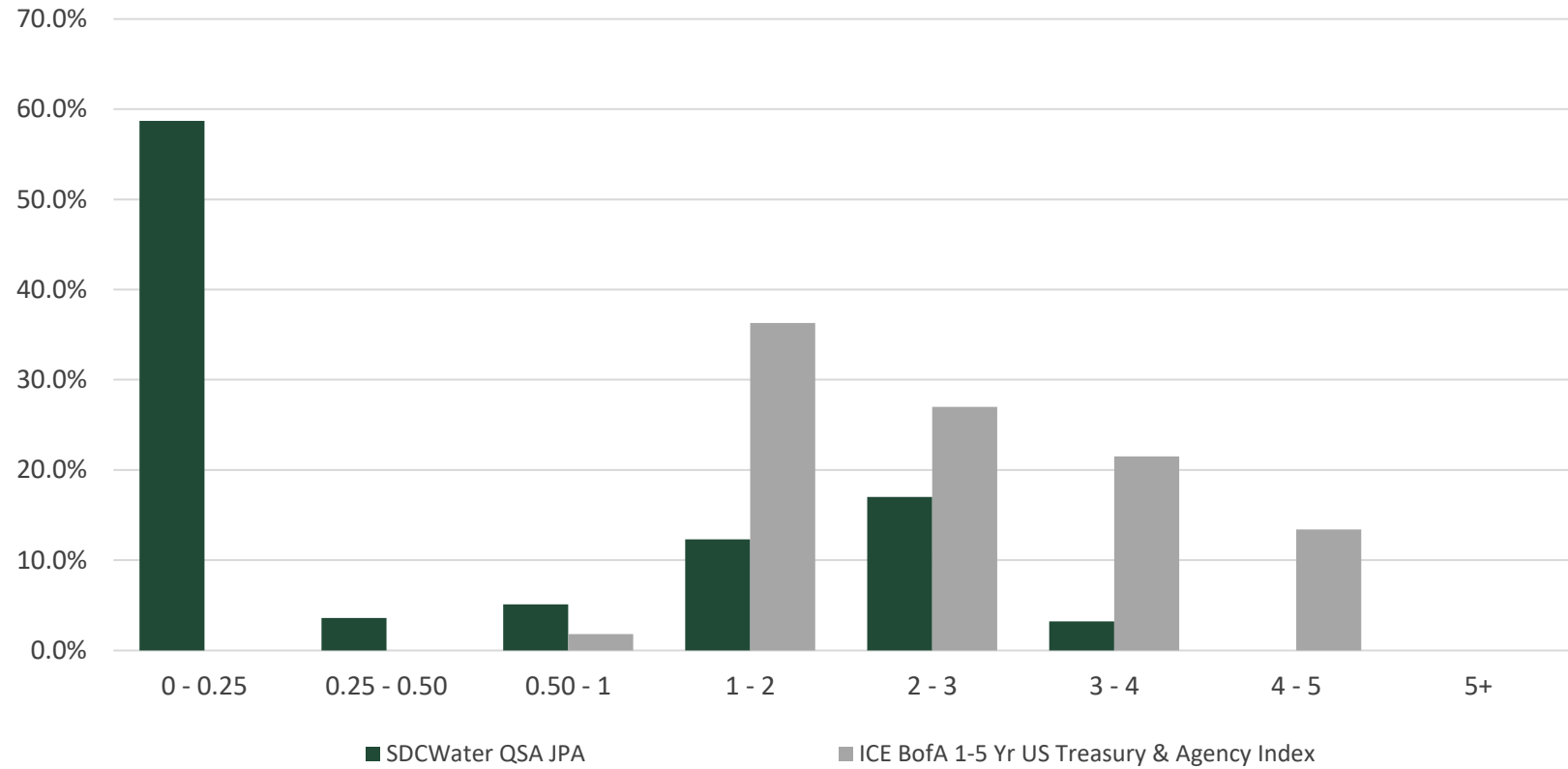
	AAA	AA	A	<A	NR
02/28/23	54.7%	32.6%	6.7%	0.0%	6.0%
11/30/22	9.0%	73.9%	16.2%	0.0%	0.9%

Source: S&P Ratings

Duration Distribution

As of February 28, 2023

SDCWater QSA JPA Portfolio Compared to the Benchmark



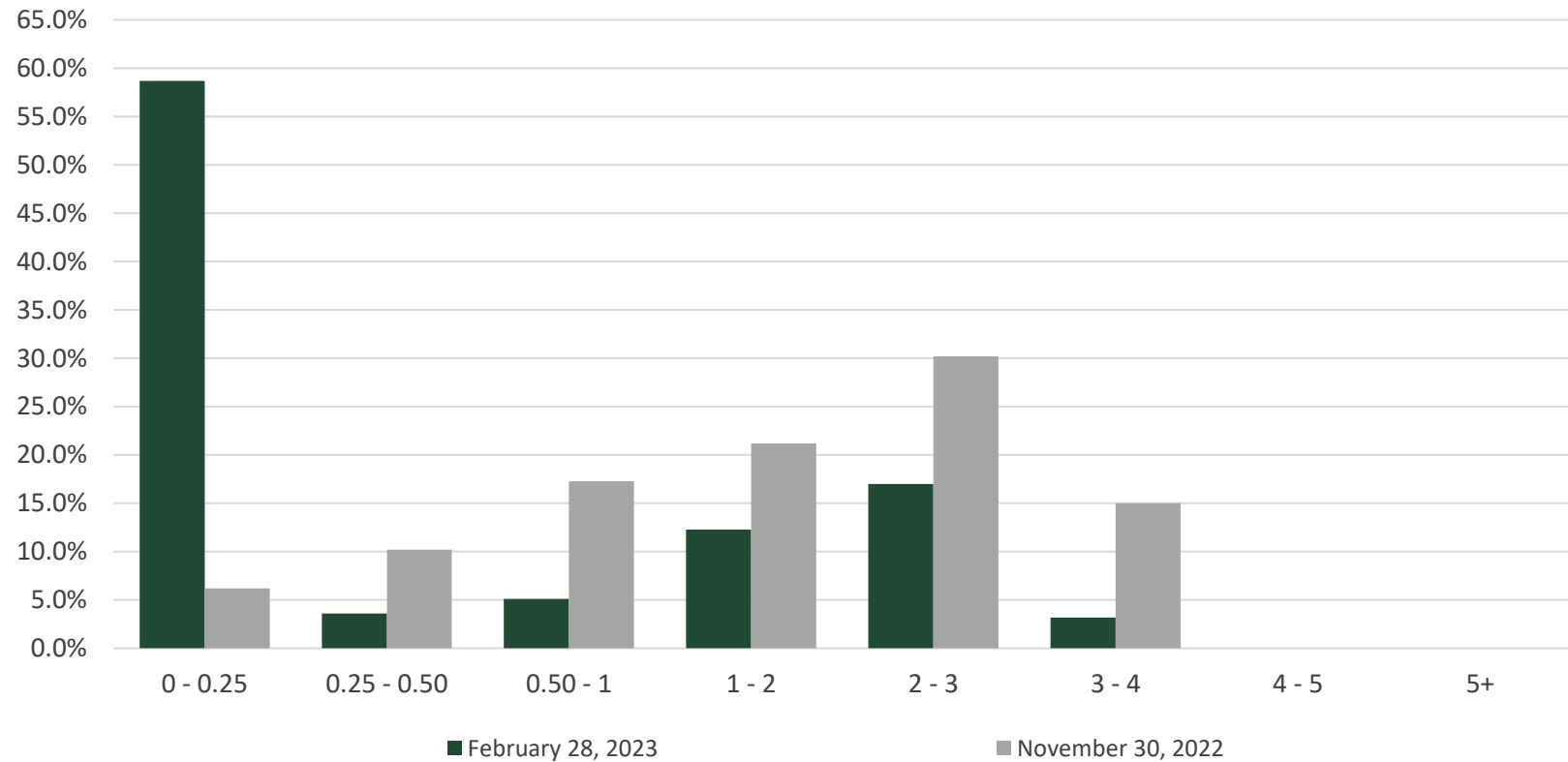
	0 - 0.25	0.25 - 0.50	0.50 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
Portfolio	58.7%	3.6%	5.1%	12.3%	17.0%	3.2%	0.0%	0.0%
Benchmark*	0.0%	0.0%	1.8%	36.3%	27.0%	21.5%	13.4%	0.0%

*ICE BofA 1-5 Yr US Treasury & Agency Index

Duration Distribution

As of February 28, 2023

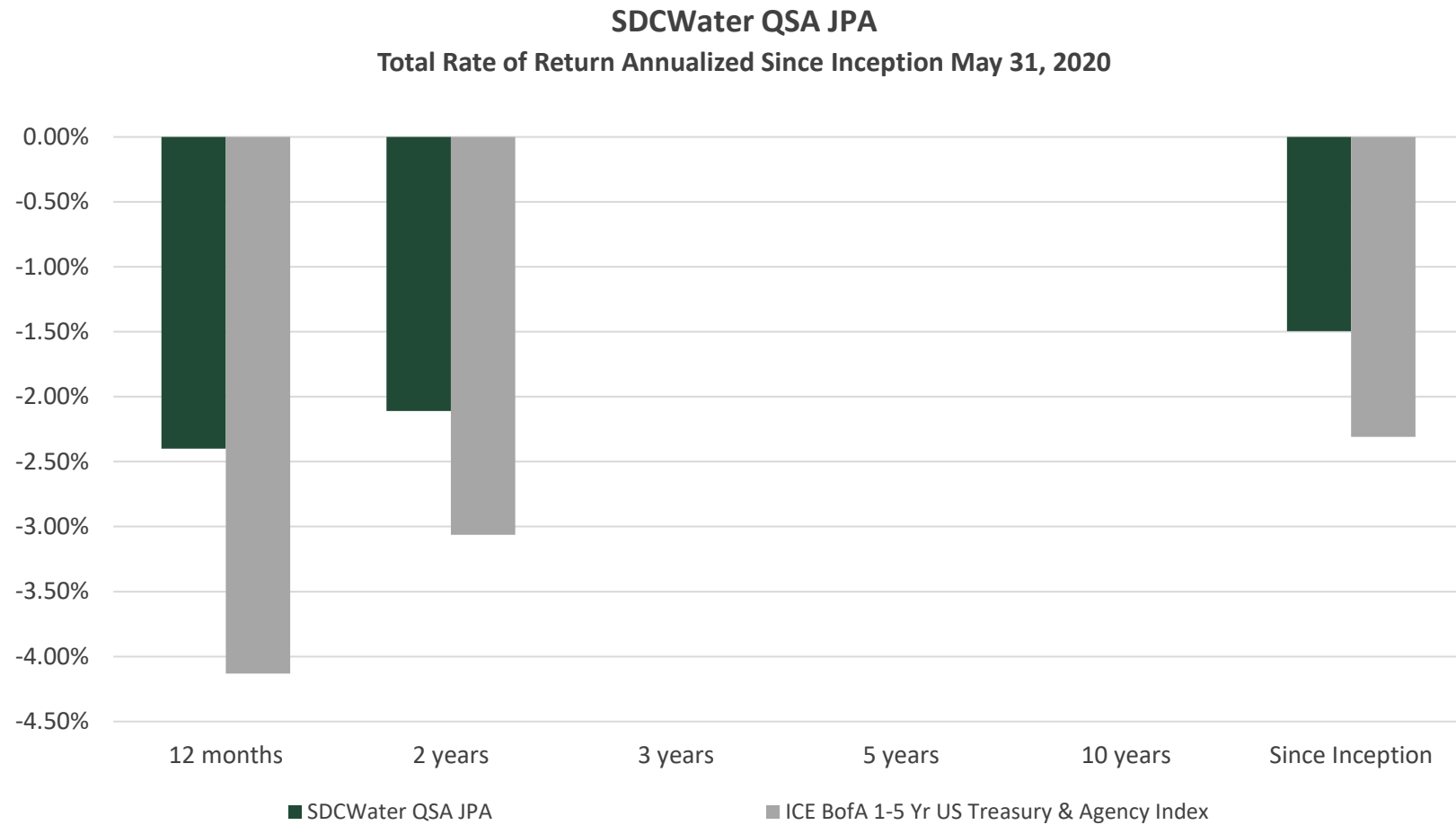
SDCWater QSA JPA
February 28, 2023 vs. November 30, 2022



	0 - 0.25	0.25 - 0.50	0.50 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
02/28/23	58.7%	3.6%	5.1%	12.3%	17.0%	3.2%	0.0%	0.0%
11/30/22	6.2%	10.2%	17.3%	21.2%	30.2%	15.0%	0.0%	0.0%

Investment Performance

As of February 28, 2023



TOTAL RATE OF RETURN	Annualized						
	3 months	12 months	2 years	3 years	5 years	10 years	Since Inception
SDCWater QSA JPA	0.78%	-2.40%	-2.11%	N/A	N/A	N/A	-1.49%
ICE BofA 1-5 Yr US Treasury & Agency Index	-0.09%	-4.13%	-3.06%	N/A	N/A	N/A	-2.31%

Total rate of return: A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains and losses in the portfolio.

Section 3 | Portfolio Holdings

Holdings Report

As of February 28, 2023

SDCWater QSA JPA - Account #10763

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
ABS									
89232HAC9	Toyota Auto Receivable Own 2020-A A3 1.660% Due 05/15/2024	28,716.34	07/06/2020 0.70%	29,348.99 29,348.99	99.63 2.37%	28,609.57 21.19	0.03% (739.42)	Aaa / AAA NR	1.21 0.54
362585AC5	GM Financial Securitized ART 2022-2 A3 3.100% Due 02/16/2027	250,000.00	11/09/2022 5.25%	240,283.20 240,283.20	96.65 5.27%	241,626.20 322.92	0.26% 1,343.00	Aaa / AAA NR	3.97 1.58
02582JIV3	American Express Credit Trust 2022-3 A 3.750% Due 08/16/2027	250,000.00	11/09/2022 5.47%	240,683.59 240,683.59	97.07 5.18%	242,683.33 390.63	0.26% 1,999.74	Aaa / NR AAA	4.47 2.11
TOTAL ABS		528,716.34	5.09%	510,315.78 510,315.78	5.07%	512,919.10 734.74	0.56% 2,603.32	Aaa / AAA AAA	4.05 1.77
Agency									
3137EAE6	FHLMC Note 0.375% Due 05/05/2023	500,000.00	06/19/2020 0.33%	500,695.00 500,695.00	99.20 4.72%	495,985.00 604.17	0.54% (4,710.00)	Aaa / AA+ AAA	0.18 0.18
3137EAE4	FHLMC Note 0.250% Due 06/26/2023	500,000.00	08/14/2020 0.26%	499,860.00 499,860.00	98.44 5.08%	492,211.00 225.69	0.53% (7,649.00)	Aaa / AA+ AAA	0.32 0.32
3135G05G4	FNMA Note 0.250% Due 07/10/2023	500,000.00	08/14/2020 0.26%	499,835.00 499,835.00	98.32 4.93%	491,576.00 177.08	0.53% (8,259.00)	Aaa / AA+ AAA	0.36 0.36
3137EAEZ8	FHLMC Note 0.250% Due 11/06/2023	500,000.00	11/09/2022 4.87%	477,980.00 477,980.00	96.74 5.13%	483,678.50 399.31	0.52% 5,698.50	Aaa / AA+ AAA	0.69 0.67
313384QM4	FHLB Discount CP 4.620% Due 12/14/2023	750,000.00	12/28/2022 4.85%	716,312.50 716,312.50	95.51 4.85%	716,312.50 5,967.50	0.78% 0.00	P-1 / A-1+ F-1+	0.79 0.77
3130ATUQ8	FHLB Note 4.750% Due 03/08/2024	1,000,000.00	01/25/2023 4.79%	999,520.00 999,520.00	99.42 5.33%	994,230.00 15,437.50	1.09% (5,290.00)	Aaa / AA+ NR	1.02 0.97
3130ATVC8	FHLB Note 4.875% Due 06/14/2024	700,000.00	02/23/2023 5.15%	697,480.00 697,480.00	99.46 5.30%	696,215.10 10,806.25	0.77% (1,264.90)	Aaa / AA+ NR	1.29 1.22
3133XVDG3	FHLB Note 4.375% Due 09/13/2024	500,000.00	11/09/2022 4.80%	496,255.00 496,255.00	98.91 5.11%	494,572.50 10,208.33	0.55% (1,682.50)	Aaa / AA+ NR	1.54 1.44
3130ATVD6	FHLB Note 4.875% Due 09/13/2024	500,000.00	01/25/2023 4.53%	502,665.00 502,665.00	99.46 5.24%	497,306.50 7,718.75	0.55% (5,358.50)	Aaa / AA+ NR	1.54 1.44
3130ATT31	FHLB Note 4.500% Due 10/03/2024	500,000.00	11/09/2022 4.80%	497,315.00 497,315.00	99.18 5.04%	495,913.50 7,687.50	0.55% (1,401.50)	Aaa / AA+ NR	1.60 1.50
3130ATUR6	FHLB Note 4.625% Due 12/13/2024	1,000,000.00	01/25/2023 4.38%	1,004,280.00 1,004,280.00	99.23 5.07%	992,277.00 15,031.25	1.09% (12,003.00)	Aaa / AA+ NR	1.79 1.68
3133ENZ37	FFCB Note 4.875% Due 01/10/2025	500,000.00	11/09/2022 4.79%	500,916.00 500,916.00	99.81 4.98%	499,050.00 3,453.13	0.54% (1,866.00)	Aaa / AA+ NR	1.87 1.75

Holdings Report

As of February 28, 2023

SDCWater QSA JPA - Account #10763

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
3137EAEPO	FHLMC Note 1.500% Due 02/12/2025	500,000.00	05/13/2020 0.50%	523,435.00 523,435.00	93.87 4.82%	469,365.50 395.83	0.51% (54,069.50)	Aaa / AA+ AAA	1.96 1.89
3133ENPG9	FFCB Note 1.750% Due 02/14/2025	1,000,000.00	02/10/2023 4.56%	946,720.00 946,720.00	94.18 4.90%	941,811.00 826.39	1.02% (4,909.00)	Aaa / AA+ AAA	1.96 1.89
3130A4CH3	FHLB Note 2.375% Due 03/14/2025	500,000.00	06/19/2020 0.51%	543,535.00 543,535.00	95.09 4.93%	475,434.50 5,508.68	0.52% (68,100.50)	Aaa / AA+ AAA	2.04 1.94
3135G03U5	FNMA Note 0.625% Due 04/22/2025	500,000.00	05/13/2020 0.53%	502,235.00 502,235.00	91.57 4.80%	457,858.00 1,119.79	0.50% (44,377.00)	Aaa / AA+ AAA	2.15 2.08
3135G04Z3	FNMA Note 0.500% Due 06/17/2025	500,000.00	08/10/2020 0.39%	502,750.00 502,750.00	90.88 4.73%	454,403.50 513.89	0.49% (48,346.50)	Aaa / AA+ AAA	2.30 2.24
3137EAEU9	FHLMC Note 0.375% Due 07/21/2025	500,000.00	08/10/2020 0.37%	500,035.00 500,035.00	90.26 4.72%	451,312.50 208.33	0.49% (48,722.50)	Aaa / AA+ AAA	2.39 2.33
3135G05X7	FNMA Note 0.375% Due 08/25/2025	750,000.00	Various 0.62%	742,415.00 742,415.00	89.92 4.71%	674,390.25 46.88	0.73% (68,024.75)	Aaa / AA+ AAA	2.49 2.42
3137EAEX3	FHLMC Note 0.375% Due 09/23/2025	750,000.00	Various 0.57%	743,692.50 743,692.50	89.87 4.60%	674,030.25 1,234.38	0.73% (69,662.25)	Aaa / AA+ AAA	2.57 2.50
3135G06G3	FNMA Note 0.500% Due 11/07/2025	250,000.00	11/25/2020 0.50%	250,012.50 250,012.50	89.65 4.63%	224,136.00 395.83	0.24% (25,876.50)	Aaa / AA+ AAA	2.69 2.61
3130ATUC9	FHLB Note 4.500% Due 12/12/2025	1,000,000.00	02/10/2023 4.27%	1,005,830.00 1,005,830.00	99.70 4.61%	997,014.00 14,750.00	1.10% (8,816.00)	Aaa / AA+ NR	2.79 2.56
TOTAL Agency		13,700,000.00	2.88%	13,653,773.50 13,653,773.50	4.93%	13,169,083.10 102,716.46	14.38% (484,690.40)	Aaa / AA+ AAA	1.66 1.59
CMO									
3137BMTX4	FHLMC K052 A2 3.151% Due 11/25/2025	500,000.00	02/10/2023 4.70%	482,441.41 482,441.41	95.62 4.94%	478,123.15 1,312.92	0.52% (4,318.26)	NR / NR AAA	2.74 2.39
3137BN6G4	FHLMC K053 2.995% Due 12/25/2025	500,000.00	01/25/2023 4.25%	484,667.97 484,667.97	95.16 4.92%	475,814.20 1,247.92	0.52% (8,853.77)	NR / NR AAA	2.82 2.49
TOTAL CMO		1,000,000.00	4.47%	967,109.38 967,109.38	4.93%	953,937.35 2,560.84	1.04% (13,172.03)	NR / NR AAA	2.78 2.44
Corporate									
00440EAP2	Chubb INA Holdings Inc Note 2.700% Due 03/13/2023	250,000.00	05/13/2022 2.37%	250,657.50 250,657.50	99.93 4.22%	249,837.00 3,150.00	0.27% (820.50)	A3 / A A	0.04 0.04
46625HRL6	JP Morgan Chase Callable Note Cont 3/18/2023 2.700% Due 05/18/2023	125,000.00	05/13/2020 1.36%	129,938.75 129,938.75	99.46 5.11%	124,328.88 965.63	0.14% (5,609.87)	A1 / A- AA-	0.22 0.22

Holdings Report

As of February 28, 2023

SDCWater QSA JPA - Account #10763

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
58933YAF2	Merck & Co Note 2.800% Due 05/18/2023	250,000.00	06/26/2020 0.48%	266,602.50 266,602.50	99.49 5.10%	248,715.50 2,002.78	0.27% (17,887.00)	A1 / A+ NR	0.22 0.22
69353RFL7	PNC Bank Callable Note Cont 5/9/2023 3.500% Due 06/08/2023	250,000.00	08/14/2020 0.57%	270,380.00 270,380.00	99.54 5.14%	248,850.25 2,017.36	0.27% (21,529.75)	A2 / A A+	0.27 0.27
06406HCS6	Bank of New York Callable Note Cont 1/5/2024 3.650% Due 02/04/2024	125,000.00	06/26/2020 0.77%	137,736.25 137,736.25	98.49 5.33%	123,113.88 342.19	0.13% (14,622.37)	A1 / A AA-	0.93 0.90
808513BN4	Charles Schwab Corp Callable Note Cont 2/18/2024 0.750% Due 03/18/2024	250,000.00	09/23/2021 0.57%	251,097.50 251,097.50	95.36 5.33%	238,398.00 848.96	0.26% (12,699.50)	A2 / A A	1.05 1.02
89114QCA4	Toronto Dominion Bank Note 2.650% Due 06/12/2024	125,000.00	06/26/2020 0.87%	133,626.25 133,626.25	96.69 5.34%	120,860.75 726.91	0.13% (12,765.50)	A1 / A AA-	1.29 1.24
78013XZU5	Royal Bank of Canada Note 2.550% Due 07/16/2024	125,000.00	05/13/2020 1.55%	130,016.25 130,016.25	96.30 5.36%	120,375.00 398.44	0.13% (9,641.25)	A1 / A AA-	1.38 1.33
438516BW5	Honeywell Intl Callable Note Cont 7/15/2024 2.300% Due 08/15/2024	250,000.00	06/19/2020 0.80%	265,285.00 265,285.00	95.94 5.21%	239,861.25 255.56	0.26% (25,423.75)	A2 / A A	1.46 1.41
24422EVC0	John Deere Capital Corp Note 2.050% Due 01/09/2025	125,000.00	06/26/2020 0.76%	132,176.25 132,176.25	94.64 5.10%	118,306.00 370.14	0.13% (13,870.25)	A2 / A A+	1.87 1.79
89236TKN4	Toyota Motor Credit Corp Note 4.800% Due 01/10/2025	500,000.00	01/25/2023 4.61%	501,710.00 501,710.00	99.47 5.10%	497,365.50 3,266.67	0.54% (4,344.50)	A1 / A+ A+	1.87 1.75
14913R2Y2	Caterpillar Financial Service Note 4.900% Due 01/17/2025	400,000.00	11/17/2022 4.89%	400,112.00 400,112.00	99.57 5.14%	398,263.20 2,395.56	0.43% (1,848.80)	A2 / A A	1.89 1.77
63743HFC1	National Rural Utilities Note 1.875% Due 02/07/2025	250,000.00	11/09/2022 5.21%	232,627.50 232,627.50	93.71 5.33%	234,269.25 312.50	0.25% 1,641.75	A2 / A- A	1.95 1.86
24422EWB1	John Deere Capital Corp Note 2.125% Due 03/07/2025	250,000.00	11/09/2022 4.95%	234,740.00 234,740.00	94.37 5.09%	235,918.25 2,567.71	0.26% 1,178.25	A2 / A A+	2.02 1.92
06051GHR3	Bank of America Corp Callable Note 1X 3/15/2024 3.458% Due 03/15/2025	125,000.00	06/26/2020 2.08%	135,600.00 135,600.00	97.74 5.75%	122,170.25 1,993.15	0.13% (13,429.75)	A2 / A- AA-	2.04 0.99
06406RAN7	Bank of NY Mellon Corp Callable Note Cont 3/24/2025 1.600% Due 04/24/2025	250,000.00	02/10/2023 4.86%	233,207.50 233,207.50	92.72 5.22%	231,787.75 1,411.11	0.25% (1,419.75)	A1 / A AA-	2.15 2.06
06367WB85	Bank of Montreal Note 1.850% Due 05/01/2025	250,000.00	09/15/2021 0.91%	258,362.50 258,362.50	92.79 5.41%	231,967.50 1,541.67	0.25% (26,395.00)	A2 / A- AA-	2.17 2.07
037833DT4	Apple Inc Callable Note Cont 4/11/2025 1.125% Due 05/11/2025	125,000.00	05/13/2020 1.01%	125,710.00 125,710.00	92.35 4.82%	115,442.75 429.69	0.13% (10,267.25)	Aaa / AA+ NR	2.20 2.12
037833BG4	Apple Inc Note 3.200% Due 05/13/2025	250,000.00	12/27/2022 4.61%	242,172.50 242,172.50	96.59 4.85%	241,467.25 2,400.00	0.26% (705.25)	Aaa / AA+ NR	2.21 2.08

Holdings Report

As of February 28, 2023

SDCWater QSA JPA - Account #10763

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
747525AF0	Qualcomm Inc Callable Note Cont 2/20/2025 3.450% Due 05/20/2025	250,000.00	06/07/2021 0.88%	274,905.00 274,905.00	96.56 5.10%	241,410.50 2,419.79	0.26% (33,494.50)	A2 / A NR	2.22 2.09
78015K7H1	Royal Bank of Canada Note 1.150% Due 06/10/2025	125,000.00	12/27/2021 1.42%	123,856.25 123,856.25	91.25 5.26%	114,067.88 323.44	0.12% (9,788.37)	A1 / A AA-	2.28 2.20
06051GFS3	Bank of America Corp Note 3.875% Due 08/01/2025	350,000.00	02/10/2023 4.75%	342,982.50 342,982.50	97.12 5.15%	339,933.30 1,130.21	0.37% (3,049.20)	A2 / A- AA-	2.42 2.27
91324PEN8	United Health Group Inc Note 5.150% Due 10/15/2025	250,000.00	11/09/2022 5.07%	250,522.50 250,522.50	100.19 5.07%	250,464.75 4,398.96	0.28% (57.75)	A3 / A+ A	2.63 2.39
594918BJ2	Microsoft Callable Note Cont 8/3/2025 3.125% Due 11/03/2025	750,000.00	01/25/2023 4.25%	728,160.00 728,160.00	95.83 4.80%	718,719.75 7,682.29	0.79% (9,440.25)	Aaa / AAA NR	2.68 2.50
92826CAD4	Visa Inc Callable Note Cont 9/14/2025 3.150% Due 12/14/2025	500,000.00	02/10/2023 4.53%	481,850.00 481,850.00	95.45 4.91%	477,263.50 3,368.75	0.52% (4,586.50)	Aa3 / AA- NR	2.79 2.61
78016FZT4	Royal Bank of Canada Note 4.875% Due 01/12/2026	250,000.00	01/25/2023 4.69%	251,292.50 251,292.50	99.11 5.21%	247,770.25 1,658.85	0.27% (3,522.25)	A1 / A AA-	2.87 2.63
437076BM3	Home Depot Callable Note Cont 1/1/2026 3.000% Due 04/01/2026	500,000.00	02/10/2023 4.55%	477,595.00 477,595.00	94.37 4.99%	471,851.00 6,250.00	0.52% (5,744.00)	A2 / A A	3.09 2.86
46647PBK1	JP Morgan Chase & Co Callable Note Cont 4/22/2025 2.083% Due 04/22/2026	150,000.00	06/07/2021 2.11%	155,842.50 155,842.50	92.86 5.67%	139,286.70 1,119.61	0.15% (16,555.80)	A1 / A- AA-	3.15 2.03
023135BX3	Amazon.com Inc Callable Note Cont 4/12/2026 1.000% Due 05/12/2026	250,000.00	06/07/2021 0.98%	250,235.00 250,235.00	88.53 4.91%	221,334.75 756.94	0.24% (28,900.25)	A1 / AA AA-	3.20 3.07
89114TZD7	Toronto-Dominion Bank Note 1.200% Due 06/03/2026	150,000.00	06/15/2021 1.12%	150,562.50 150,562.50	87.62 5.39%	131,429.25 440.00	0.14% (19,133.25)	A1 / A AA-	3.26 3.11
89236TJK2	Toyota Motor Credit Corp Note 1.125% Due 06/18/2026	250,000.00	09/15/2021 1.14%	249,850.00 249,850.00	88.29 5.01%	220,716.25 570.31	0.24% (29,133.75)	A1 / A+ A+	3.30 3.16
87612EBM7	Target Corp Callable Note Cont 12/15/2026 1.950% Due 01/15/2027	100,000.00	01/24/2022 1.88%	100,335.00 100,335.00	90.11 4.77%	90,109.20 249.17	0.10% (10,225.80)	A2 / A A	3.88 3.65
06406RBA4	Bank of NY Mellon Corp Callable Note Cont 12/26/2026 2.050% Due 01/26/2027	125,000.00	01/24/2022 1.98%	125,402.50 125,402.50	89.74 4.97%	112,177.75 249.13	0.12% (13,224.75)	A1 / A AA-	3.91 3.67
TOTAL Corporate		8,275,000.00	3.00%	8,295,149.50	5.08%	7,917,833.04 58,013.48	8.64% (377,316.46)	A1 / A+ A+	2.13 1.98

Holdings Report

As of February 28, 2023

SDCWater QSA JPA - Account #10763

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
LAIF									
90LAIF\$00	Local Agency Investment Fund State Pool	4,347,699.32	01/31/2023 2.65%	4,347,699.32 4,347,699.32	1.00 2.65%	4,347,699.32 8,682.30	4.72% 0.00	NR / NR NR	0.00 0.00
TOTAL LAIF		4,347,699.32	2.65%	4,347,699.32	2.65%	4,347,699.32 8,682.30	4.72% 0.00	NR / NR NR	0.00 0.00
Local Gov Investment Pool									
90CAMP\$00	California Asset Mgmt Program CAMP	46,966,054.89	01/31/2023 4.75%	46,966,054.89 46,966,054.89	1.00 4.75%	46,966,054.89 0.00	50.89% 0.00	NR / AAA NR	0.00 0.00
TOTAL Local Gov Investment Pool		46,966,054.89	4.75%	46,966,054.89	4.75%	46,966,054.89 0.00	50.89% 0.00	NR / AAA NR	0.00 0.00
Money Market Fund									
262006802	Dreyfus Gov't Cash Management Money Market Fund	24,783.98	Various 4.34%	24,783.98 24,783.98	1.00 4.34%	24,783.98 0.00	0.03% 0.00	Aaa / AAA AAA	0.00 0.00
TOTAL Money Market Fund		24,783.98	4.34%	24,783.98	4.34%	24,783.98 0.00	0.03% 0.00	Aaa / AAA AAA	0.00 0.00
Supranational									
4581X0DM7	Inter-American Dev Bank Note 0.500% Due 05/24/2023	250,000.00	06/04/2020 0.38%	250,900.00 250,900.00	99.01 4.68%	247,525.00 336.81	0.27% (3,375.00)	Aaa / AAA NR	0.23 0.24
459058JB0	Intl. Bank Recon & Development Note 0.625% Due 04/22/2025	250,000.00	06/04/2020 0.58%	250,480.00 250,480.00	91.55 4.81%	228,867.25 559.90	0.25% (21,612.75)	Aaa / AAA NR	2.15 2.08
459058JL8	Intl. Bank Recon & Development Note 0.500% Due 10/28/2025	500,000.00	01/26/2021 0.49%	500,320.00 500,320.00	89.77 4.62%	448,858.00 854.17	0.49% (51,462.00)	Aaa / AAA AAA	2.67 2.59
4581X0DV7	Inter-American Dev Bank Note 0.875% Due 04/20/2026	300,000.00	04/21/2021 0.89%	299,826.00 299,826.00	89.26 4.58%	267,777.30 955.21	0.29% (32,048.70)	Aaa / AAA AAA	3.14 3.03
TOTAL Supranational		1,300,000.00	0.58%	1,301,526.00	4.66%	1,193,027.55 2,706.09	1.30% (108,498.45)	Aaa / AAA AAA	2.17 2.10
US Treasury									
912828Q29	US Treasury Note 1.500% Due 03/31/2023	500,000.00	05/13/2022 1.99%	497,871.09 497,871.09	99.74 4.57%	498,685.00 3,131.87	0.54% 813.91	Aaa / AA+ AAA	0.08 0.08
912828R28	US Treasury Note 1.625% Due 04/30/2023	500,000.00	05/13/2022 2.07%	497,890.63 497,890.63	99.46 4.81%	497,318.00 2,715.81	0.54% (572.63)	Aaa / AA+ AAA	0.17 0.17

Holdings Report

As of February 28, 2023

SDCWater QSA JPA - Account #10763

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
912828ZP8	US Treasury Note 0.125% Due 05/15/2023	500,000.00	06/29/2020 0.17%	499,335.94 499,335.94	99.03 4.79%	495,148.50 183.01	0.54% (4,187.44)	Aaa / AA+ AAA	0.21 0.21
91282CCK5	US Treasury Note 0.125% Due 06/30/2023	600,000.00	06/24/2021 0.27%	598,312.50 598,312.50	98.41 4.91%	590,484.60 124.31	0.64% (7,827.90)	Aaa / AA+ AAA	0.33 0.33
912828ZY9	US Treasury Note 0.125% Due 07/15/2023	500,000.00	08/14/2020 0.18%	499,218.75 499,218.75	98.17 5.05%	490,859.50 77.69	0.53% (8,359.25)	Aaa / AA+ AAA	0.38 0.37
9128282D1	US Treasury Note 1.375% Due 08/31/2023	1,000,000.00	Various 1.73%	1,001,035.16 1,001,035.16	98.20 5.08%	981,953.00 37.36	1.06% (19,082.16)	Aaa / AA+ AAA	0.50 0.49
912796YH6	US Treasury Bill 3.461% Due 09/07/2023	600,000.00	09/07/2022 3.60%	579,061.56 579,061.56	96.51 3.60%	579,061.56 9,978.93	0.64% 0.00	P-1 / A-1+ F-1+	0.52 0.51
912828T91	US Treasury Note 1.625% Due 10/31/2023	500,000.00	09/23/2021 0.28%	514,023.44 514,023.44	97.72 5.14%	488,594.00 2,715.81	0.53% (25,429.44)	Aaa / AA+ AAA	0.67 0.65
912828V80	US Treasury Note 2.250% Due 01/31/2024	500,000.00	11/09/2022 4.80%	485,019.53 485,019.53	97.43 5.14%	487,129.00 901.24	0.53% 2,109.47	Aaa / AA+ AAA	0.92 0.89
912828B66	US Treasury Note 2.750% Due 02/15/2024	700,000.00	01/25/2023 4.69%	686,164.06 686,164.06	97.76 5.16%	684,304.60 744.48	0.74% (1,859.46)	Aaa / AA+ AAA	0.96 0.93
912828X70	US Treasury Note 2.000% Due 04/30/2024	500,000.00	11/09/2022 4.84%	480,058.59 480,058.59	96.46 5.16%	482,304.50 3,342.54	0.53% 2,245.91	Aaa / AA+ AAA	1.17 1.12
91282CER8	US Treasury Note 2.500% Due 05/31/2024	500,000.00	11/09/2022 4.82%	482,851.56 482,851.56	96.84 5.14%	484,179.50 3,125.00	0.53% 1,327.94	Aaa / AA+ AAA	1.25 1.20
91282CCG4	US Treasury Note 0.250% Due 06/15/2024	400,000.00	06/24/2021 0.47%	397,390.63 397,390.63	93.98 5.12%	375,906.40 208.79	0.41% (21,484.23)	Aaa / AA+ AAA	1.30 1.26
9128282N9	US Treasury Note 2.125% Due 07/31/2024	500,000.00	05/28/2020 0.31%	537,695.31 537,695.31	95.98 5.09%	479,922.00 851.17	0.52% (57,773.31)	Aaa / AA+ AAA	1.42 1.37
9128282U3	US Treasury Note 1.875% Due 08/31/2024	500,000.00	11/09/2022 4.78%	475,175.78 475,175.78	95.42 5.09%	477,090.00 25.48	0.52% 1,914.22	Aaa / AA+ AAA	1.51 1.45
912828G38	US Treasury Note 2.250% Due 11/15/2024	1,000,000.00	01/25/2023 4.25%	965,703.13 965,703.13	95.64 4.94%	956,406.00 6,588.40	1.04% (9,297.13)	Aaa / AA+ AAA	1.72 1.64
912828ZL7	US Treasury Note 0.375% Due 04/30/2025	500,000.00	06/29/2020 0.28%	502,285.16 502,285.16	91.10 4.74%	455,508.00 626.73	0.49% (46,777.16)	Aaa / AA+ AAA	2.17 2.11
91282CEY3	US Treasury Note 3.000% Due 07/15/2025	1,000,000.00	Various 4.28%	968,808.59 968,808.59	96.29 4.67%	962,852.00 3,729.28	1.05% (5,956.59)	Aaa / AA+ AAA	2.38 2.25
9128285C0	US Treasury Note 3.000% Due 09/30/2025	1,000,000.00	02/10/2023 4.28%	968,515.63 968,515.63	96.13 4.61%	961,250.00 12,527.47	1.06% (7,265.63)	Aaa / AA+ AAA	2.59 2.42
912828M56	US Treasury Note 2.250% Due 11/15/2025	500,000.00	11/09/2022 4.54%	468,105.47 468,105.47	94.16 4.57%	470,781.00 3,294.20	0.51% 2,675.53	Aaa / AA+ AAA	2.72 2.57

Holdings Report

As of February 28, 2023

SDCWater QSA JPA - Account #10763

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
91282CBC4	US Treasury Note 0.375% Due 12/31/2025	250,000.00	03/04/2021 0.69%	246,230.47 246,230.47	89.21 4.46%	223,037.00 155.39	0.24% (23,193.47)	Aaa / AA+ AAA	2.84 2.76
9128285T3	US Treasury Note 2.625% Due 12/31/2025	500,000.00	11/09/2022 4.51%	472,753.91 472,753.91	95.09 4.49%	475,429.50 2,175.41	0.52% 2,675.59	Aaa / AA+ AAA	2.84 2.68
91282CGE5	US Treasury Note 3.875% Due 01/15/2026	500,000.00	01/25/2023 3.84%	500,468.75 500,468.75	98.28 4.52%	491,406.00 2,408.49	0.54% (9,062.75)	Aaa / AA+ AAA	2.88 2.68
91282CBH3	US Treasury Note 0.375% Due 01/31/2026	300,000.00	02/18/2021 0.55%	297,410.16 297,410.16	88.83 4.50%	266,496.00 90.12	0.29% (30,914.16)	Aaa / AA+ AAA	2.93 2.84
91282CGL9	US Treasury Note 4.000% Due 02/15/2026	1,000,000.00	02/10/2023 4.18%	994,960.94 994,960.94	98.62 4.50%	986,172.00 1,546.96	1.07% (8,788.94)	Aaa / AA+ AAA	2.97 2.76
91282CBQ3	US Treasury Note 0.500% Due 02/28/2026	250,000.00	03/04/2021 0.72%	247,343.75 247,343.75	88.90 4.50%	222,255.75 3.40	0.24% (25,088.00)	Aaa / AA+ AAA	3.00 2.91
91282CBT7	US Treasury Note 0.750% Due 03/31/2026	500,000.00	06/18/2021 0.86%	497,402.34 497,402.34	89.48 4.44%	447,402.50 1,565.93	0.49% (49,999.84)	Aaa / AA+ AAA	3.09 2.98
91282CCF6	US Treasury Note 0.750% Due 05/31/2026	400,000.00	06/24/2021 0.89%	397,312.50 397,312.50	88.91 4.45%	355,640.80 750.00	0.39% (41,671.70)	Aaa / AA+ AAA	3.25 3.14
91282CCP4	US Treasury Note 0.625% Due 07/31/2026	400,000.00	08/09/2021 0.80%	396,656.25 396,656.25	88.10 4.41%	352,390.80 200.28	0.38% (44,265.45)	Aaa / AA+ AAA	3.42 3.31
91282CCW9	US Treasury Note 0.750% Due 08/31/2026	500,000.00	09/15/2021 0.80%	498,671.88 498,671.88	88.26 4.41%	441,289.00 10.19	0.48% (57,382.88)	Aaa / AA+ AAA	3.51 3.38
91282CCZ2	US Treasury Note 0.875% Due 09/30/2026	500,000.00	11/01/2021 1.17%	493,066.41 493,066.41	88.46 4.39%	442,304.50 1,826.92	0.48% (50,761.91)	Aaa / AA+ AAA	3.59 3.44
91282CDG3	US Treasury Note 1.125% Due 10/31/2026	400,000.00	12/27/2021 1.26%	397,468.75 397,468.75	89.08 4.38%	356,312.40 1,504.14	0.39% (41,156.35)	Aaa / AA+ AAA	3.67 3.51
TOTAL US Treasury		17,800,000.00	2.57%	17,544,268.62	4.73%	16,959,873.41 67,166.80	18.45% (584,395.21)	Aaa / AA+ AAA	1.80 1.72
TOTAL PORTFOLIO		93,942,254.53	3.76%	93,610,680.97	4.71%	92,045,211.74 242,580.71	100.00% (1,565,469.23)	Aa1 / AAA AAA	0.84 0.78
TOTAL MARKET VALUE PLUS ACCRUALS						92,287,792.45			

Section 4 | Transactions

Transaction Ledger

As of February 28, 2023

SDCWater QSA JPA - Account #10763

November 30, 2022 through February 28, 2023

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	12/29/2022	037833BG4	250,000.00	Apple Inc Note 3.2% Due: 05/13/2025	96.869	4.61%	242,172.50	1,022.22	243,194.72	0.00
Purchase	12/29/2022	313384QM4	750,000.00	FHLB Discount CP 4.62% Due: 12/14/2023	95.508	4.85%	716,312.50	0.00	716,312.50	0.00
Purchase	01/26/2023	3130ATUQ8	1,000,000.00	FHLB Note 4.75% Due: 03/08/2024	99.952	4.79%	999,520.00	10,819.44	1,010,339.44	0.00
Purchase	01/26/2023	3130ATUR6	1,000,000.00	FHLB Note 4.625% Due: 12/13/2024	100.428	4.38%	1,004,280.00	10,534.72	1,014,814.72	0.00
Purchase	01/26/2023	3130ATVD6	500,000.00	FHLB Note 4.875% Due: 09/13/2024	100.533	4.53%	502,665.00	5,348.96	508,013.96	0.00
Purchase	01/26/2023	912828B66	700,000.00	US Treasury Note 2.75% Due: 02/15/2024	98.023	4.69%	686,164.06	8,578.80	694,742.86	0.00
Purchase	01/26/2023	912828G38	1,000,000.00	US Treasury Note 2.25% Due: 11/15/2024	96.570	4.25%	965,703.13	4,475.14	970,178.27	0.00
Purchase	01/26/2023	91282CEY3	500,000.00	US Treasury Note 3% Due: 07/15/2025	97.688	3.99%	488,437.50	455.80	488,893.30	0.00
Purchase	01/26/2023	91282CGE5	500,000.00	US Treasury Note 3.875% Due: 01/15/2026	100.094	3.84%	500,468.75	588.74	501,057.49	0.00
Purchase	01/27/2023	594918BJ2	750,000.00	Microsoft Callable Note Cont 8/3/2025 3.125% Due: 11/03/2025	97.088	4.25%	728,160.00	5,468.75	733,628.75	0.00
Purchase	01/27/2023	78016FZT4	250,000.00	Royal Bank of Canada Note 4.875% Due: 01/12/2026	100.517	4.69%	251,292.50	507.81	251,800.31	0.00
Purchase	01/27/2023	89236TKN4	500,000.00	Toyota Motor Credit Corp Note 4.8% Due: 01/10/2025	100.342	4.61%	501,710.00	1,000.00	502,710.00	0.00
Purchase	01/30/2023	3137BN6G4	500,000.00	FHLMC KO53 2.995% Due: 12/25/2025	96.934	4.25%	484,667.97	1,206.32	485,874.29	0.00
Purchase	02/13/2023	3130ATUC9	1,000,000.00	FHLB Note 4.5% Due: 12/12/2025	100.583	4.27%	1,005,830.00	12,500.00	1,018,330.00	0.00
Purchase	02/13/2023	3133ENPG9	1,000,000.00	FFCB Note 1.75% Due: 02/14/2025	94.672	4.56%	946,720.00	8,701.39	955,421.39	0.00
Purchase	02/13/2023	9128285C0	1,000,000.00	US Treasury Note 3% Due: 09/30/2025	96.852	4.28%	968,515.63	11,208.79	979,724.42	0.00

Transaction Ledger

As of February 28, 2023

SDCWater QSA JPA - Account #10763

November 30, 2022 through February 28, 2023

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Purchase	02/14/2023	06051GFS3	350,000.00	Bank of America Corp Note 3.875% Due: 08/01/2025	97.995	4.75%	342,982.50	489.76	343,472.26	0.00
Purchase	02/14/2023	06406RAN7	250,000.00	Bank of NY Mellon Corp Callable Note Cont 3/24/2025 1.6% Due: 04/24/2025	93.283	4.86%	233,207.50	1,222.22	234,429.72	0.00
Purchase	02/14/2023	437076BM3	500,000.00	Home Depot Callable Note Cont 1/1/2026 3% Due: 04/01/2026	95.519	4.55%	477,595.00	5,541.67	483,136.67	0.00
Purchase	02/14/2023	92826CAD4	500,000.00	Visa Inc Callable Note Cont 9/14/2025 3.15% Due: 12/14/2025	96.370	4.53%	481,850.00	2,625.00	484,475.00	0.00
Purchase	02/15/2023	3137BMTX4	500,000.00	FHLMC K052 A2 3.151% Due: 11/25/2025	96.488	4.70%	482,441.41	612.69	483,054.10	0.00
Purchase	02/15/2023	91282CGL9	1,000,000.00	US Treasury Note 4% Due: 02/15/2026	99.496	4.18%	994,960.94	0.00	994,960.94	0.00
Purchase	02/28/2023	3130ATVC8	700,000.00	FHLB Note 4.875% Due: 06/14/2024	99.640	5.15%	697,480.00	10,521.88	708,001.88	0.00
Subtotal			15,000,000.00				14,703,136.89	103,430.10	14,806,566.99	0.00
Security Contribution	02/01/2023	90CAMP\$00	46,966,054.89	California Asset Mgmt Program CAMP	1.000		46,966,054.89	0.00	46,966,054.89	0.00
Security Contribution	02/01/2023	90LAIF\$00	4,347,699.32	Local Agency Investment Fund State Pool	1.000		4,347,699.32	0.00	4,347,699.32	0.00
Subtotal			51,313,754.21				51,313,754.21	0.00	51,313,754.21	0.00
TOTAL ACQUISITIONS			66,313,754.21				66,016,891.10	103,430.10	66,120,321.20	0.00
DISPOSITIONS										
Maturity	12/08/2022	912796X61	250,000.00	US Treasury Bill 1.843% Due: 12/08/2022	100.000		247,721.23	2,278.77	250,000.00	0.00

Transaction Ledger

As of February 28, 2023

SDCWater QSA JPA - Account #10763

November 30, 2022 through February 28, 2023

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Maturity	12/13/2022	62479MMD2	400,000.00	MUFG Bank Ltd/NY Discount CP 2.32% Due: 12/13/2022	98.821		395,282.67	4,717.33	400,000.00	0.00
Maturity	12/14/2022	92826CAC6	125,000.00	Visa Inc Callable Note Cont 10/14/2022 2.8% Due: 12/14/2022	100.000		125,000.00	0.00	125,000.00	-6,892.50
Maturity	01/11/2023	06051GEU9	125,000.00	Bank of America Corp Note 3.3% Due: 01/11/2023	100.000		125,000.00	0.00	125,000.00	-8,401.25
Maturity	02/28/2023	91282CBN0	600,000.00	US Treasury Note 0.125% Due: 02/28/2023	100.000		600,000.00	0.00	600,000.00	890.62
Subtotal			1,500,000.00				1,493,003.90	6,996.10	1,500,000.00	-14,403.13
TOTAL DISPOSITIONS			1,500,000.00				1,493,003.90	6,996.10	1,500,000.00	-14,403.13

Important Disclosures

As of February 28, 2023

2023 Chandler Asset Management, Inc, An Independent Registered Investment Adviser.

Information contained herein is confidential. Prices are provided by ICE Data Services Inc ("IDS"), an independent pricing source. In the event IDS does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

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Fixed income investments are subject to interest, credit and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.

Benchmark Disclosures

As of February 28, 2023

ICE BofA 1-5 Yr US Treasury & Agency Index

The ICE BofA 1-5 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule, and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies.

Quantification Settlement Agreement
Joint Powers Authority
Treasurer's Report
at December 31, 2022

<u>Investment Type</u>	<u>% Limit</u>	<u>% of Portfolio</u>	<u>Book</u>
CA Asset Mgmt Program (CAMP)	25%	61.57%	\$ 53,986,145.27 ⁽¹⁾
Treasury Securities	100%	15.46%	13,553,914.51
Federal Agency Securities	100%	9.70%	8,501,505.93
Medium Term Notes	30%	6.18%	5,415,762.76
Supranationals	15%	1.48%	1,301,526.00
Local Agency Investment Fund (LAIF)	\$75M - Maximum	4.96%	4,346,075.32
Asset Back Securities	20%	0.61%	530,931.15
Chandler Managed Account (BNY)	100%	0.04%	31,712.98
CEO Account (Wells Fargo)	100%	0.01%	11,175.77
Total Cash and Investments		100%	\$ 87,678,749.69
Effective Rate of Return			1.75%
<u>Interest Earnings (Cash and Investments):</u>			
Fiscal Year to Date			\$ 767,150.66
Average Term			394
Average Days to Maturity (730 Days Maximum)			230



Lisa Marie Harris, Treasurer

⁽¹⁾CAMP interest rates continue to exceed LAIF. Liquid funds will be kept in CAMP until LAIF rates improve.

Quantification Settlement Agreement
Joint Powers Authority
Treasurer's Report
at December 31, 2022

Deposit & Invoice Activity:

Date	Name	Deposits	Invoices
	Total Fiscal Year 6/30/2004	\$ 4,387,846.00	\$ -
	Total Fiscal Year 6/30/2005	\$ 1,758,945.00	\$ (1,959,440.28)
	Total Fiscal Year 6/30/2006	\$ 2,161,019.83	\$ (4,555,061.94)
	Total Fiscal Year 6/30/2007	\$ 2,347,672.00	\$ (2,938,474.58)
	Total Fiscal Year 6/30/2008	\$ 11,644,612.84	\$ (5,779,276.79)
	Total Fiscal Year 6/30/2009	\$ 6,870,567.00	\$ (8,251,293.97)
	Total Fiscal Year 6/30/2010	\$ 14,545,715.00	\$ (9,061,269.71)
	Total Fiscal Year 6/30/2011	\$ 5,849,675.00	\$ (5,944,418.65)
	Total Fiscal Year 6/30/2012	\$ 6,585,384.00	\$ (1,851,265.44)
	Total Fiscal Year 6/30/2013	\$ 7,497,513.00	\$ (4,335,543.28)
	Total Fiscal Year 6/30/2014	\$ 10,699,074.00	\$ (10,987,218.93)
	Total Fiscal Year 6/30/2015	\$ 17,331,735.00	\$ (14,361,492.54)
	Total Fiscal Year 6/30/2016	\$ 15,222,157.00	\$ (22,997,264.03)
	Total Fiscal Year 6/30/2017	\$ 29,162,833.00	\$ (21,104,845.03)
	Total Fiscal Year 6/30/2018	\$ 18,183,882.00	\$ (16,428,573.00)
	Total Fiscal Year 6/30/2019	\$ 20,121,404.00	\$ (5,447,961.38)
	Total Fiscal Year 6/30/2020	\$ 11,654,013.00	\$ (8,417,595.87)
	Total Fiscal Year 6/30/2021	\$ 5,366,051.00	\$ (18,469,059.88)
	Total Fiscal Year 6/30/2022	\$ 10,884,302.00	\$ (6,598,421.27)
07/27/2022	Mitigation # 1189		\$ (449,805.18)
08/24/2022	Mitigation # 1190		\$ (464,473.23)
09/28/2022	Mitigation # 1191		\$ (471,487.12)
09/29/2022	IID Balance Payoff	\$ 48,458,655.04	
11/04/2022	Mitigation # 1192		\$ (684,346.22)
11/23/2022	Mitigation # 1193		\$ (343,861.72)
12/23/2022	Coachella Payment	\$ 2,706,745.00	
12/27/2022	SDCWA Payment	\$ 1,517,597.00	
	Total Fiscal Year 6/30/2023 (YTD)	\$ 52,682,997.04	\$ (2,413,973.47)
	Totals to date:	\$ 254,957,397.71	\$ (171,902,450.04)

Reconciliation of Deposit and Invoice Activity to Total Cash and Investments:

Deposits	\$ 254,957,397.71
Invoices	(171,902,450.04)
Subtotal	83,054,947.67
Interest Earned - Fiscal Year 2023	767,150.66
Interest Earned - Fiscal Year 2022	264,804.05
Interest Earned - Fiscal Year 2021	256,696.76
Interest Earned - Fiscal Year 2020	875,225.18
Interest Earned - Fiscal Year 2019	867,814.64
Interest Earned - Fiscal Year 2018	367,384.75
Interest Earned - Fiscal Year 2017	169,676.70
Interest Earned - Fiscal Year 2016	99,489.54
Interest Earned - Fiscal Year 2015	43,822.46
Interest Earned - Fiscal Year 2014	36,595.42
Interest Earned - Fiscal Year 2013	60,004.09
Interest Earned - Fiscal Year 2012	45,850.28
Interest Earned - Fiscal Year 2011	66,144.04
Interest Earned - Fiscal Year 2010	48,102.28
Interest Earned - Fiscal Year 2009	173,945.72
Interest Earned - Fiscal Year 2008	376,499.98
Interest Earned - Fiscal Year 2007	135,591.60
Interest Earned - Fiscal Year 2006	127,788.23
Interest Earned - Fiscal Year 2005	86,031.33
Interest Earned - Fiscal Year 2004	7,822.91
Fees Paid - Inception to Date	(89,946.89)
Interest not yet received at December 31, 2022	(162,691.71)
Total Cash & Investments	\$ 87,678,749.69

Quantification Settlement Agreement
Joint Powers Authority
Treasurer's Report
at December 31, 2022

Deposit History (Inception-to-Date):

Calendar Year	Payment Type	SDCWA (1)	IID	CVWD	Total
2003	Original Payment	\$ 2,340,273.00	\$ 402,069.00	\$ 1,645,504.00	\$ 4,387,846.00
2004	Original Payment	1,032,775.00	-	726,170.00	1,758,945.00
2005	Original Payment	969,146.83	418,191.00	773,682.00	2,161,019.83
2006	Original Payment	848,849.00	574,316.00	924,507.00	2,347,672.00
2007	Advance Payment	4,094,225.00	1,658,950.00	2,878,752.00	8,631,927.00
2007	Original Payment	1,214,878.84	739,432.00	1,058,375.00	3,012,685.84
2008	Advance Payment	2,164,086.00	876,872.00	1,521,623.00	4,562,581.00
2008	Original Payment	-	761,615.00	1,546,371.00	2,307,986.00
2009	Original Payment	7,879,603.00	941,356.00	5,724,756.00	14,545,715.00
2010	Original Payment	2,770,483.00	1,131,196.00	1,947,996.00	5,849,675.00
2011	Original Payment	3,084,803.00	1,331,579.00	2,169,002.00	6,585,384.00
2012	Original Payment	3,496,247.00	1,542,967.00	2,458,299.00	7,497,513.00
2013	Original Payment	5,245,201.00	1,765,841.00	3,688,032.00	10,699,074.00
2014	Original Payment	5,291,989.00	1,818,816.00	3,720,930.00	10,831,735.00
2015	Advance Payment	2,000,000.00	6,500,000.00	1,000,000.00	9,500,000.00
2015	Original Payment	6,076,346.00	1,873,380.00	4,272,431.00	12,222,157.00
2016	Advance Payment	1,800,000.00	5,125,000.00	2,000,000.00	8,925,000.00
2016	Original Payment	8,254,386.00	1,929,582.00	5,803,865.00	15,987,833.00
2017	Advance Payment	1,850,000.00	4,250,000.00	500,000.00	6,600,000.00
2017	Original Payment	8,314,814.00	1,987,469.00	5,531,599.00	15,833,882.00
2018	Advance Payment	1,750,000.00	3,500,000.00	500,000.00	5,750,000.00
2018	Original Payment	6,914,667.00	2,261,221.00	5,195,516.00	14,371,404.00
2019	Advance Payment	1,750,000.00	2,800,000.00	1,000,000.00	5,550,000.00
2019	Original Payment	1,060,053.00	2,473,610.00	745,350.00	4,279,013.00
2020	Advance Payment	850,000.00	1,825,000.00	-	2,675,000.00
2020	Original Payment	1,050,836.00	2,726,346.00	738,869.00	4,516,051.00
2021	Advance Payment	-	1,500,000.00	-	1,500,000.00
2021	Original Payment	3,801,632.00	2,885,115.00	2,697,555.00	9,384,302.00
2022	Balance Payoff	-	48,458,655.04	-	48,458,655.04
2022	Original Payment	1,517,597.00	-	2,706,745.00	4,224,342.00
		-	-	-	-
	Totals to date:	\$ 87,422,890.67	\$ 104,058,578.04	\$ 63,475,929.00	\$ 254,957,397.71

⁽¹⁾ SDCWA payments shown above are reduced by credits for payments made to the Bureau of Reclamation regarding responsibility for implementation of Conservation and Mitigation Measures for the Colorado River.

Total Outstanding Balance Due at December 31, 2022				
Payment Schedules ⁽²⁾	SDCWA	IID	CVWD	Total
Nominal amount	\$ 3,614,969	\$ -	\$ 3,450,013	\$ 7,064,982
Present value (@ 6%)	\$ 3,229,776	\$ -	\$ 3,187,971	\$ 6,417,747

⁽²⁾ Source: Modification of Payment Schedules per Agreement dated May 20, 2015

QSA JPA - Fiscal Year 2023
Portfolio Management
Portfolio Summary
December 31, 2022

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Managed Pool Accounts	58,363,933.57	58,363,933.57	58,363,933.57	66.57	1	1	4.085	4.141
Passbook/Checking Accounts	11,175.77	11,175.77	11,175.77	0.01	1	1	0.000	0.000
Medium Term Notes	5,300,000.00	5,073,008.51	5,415,762.76	6.18	1,236	726	1.981	2.009
Federal Agency - Coupon	7,750,000.00	7,352,654.93	7,785,193.43	8.88	1,315	680	1.536	1.558
Federal Agency - Discount	750,000.00	718,710.00	716,312.50	0.82	350	347	4.850	4.917
Treasury - Coupon	13,100,000.00	12,437,411.52	12,974,852.95	14.80	1,086	661	1.802	1.827
Treasury - Discount	600,000.00	581,982.00	579,061.56	0.66	363	249	3.604	3.654
Supranationals	1,300,000.00	1,193,793.00	1,301,526.00	1.48	1,637	864	0.569	0.577
Asset Backed Securities	548,887.31	535,432.91	530,931.15	0.61	1,623	1,494	4.737	4.803
	87,723,996.65	86,268,102.21	87,678,749.69	100.00%	394	230	3.345	3.391
Investments								

Reporting period 12/01/2022-12/31/2022

Run Date: 01/31/2023 - 10:03

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QSA JPA - Fiscal Year 2023
Portfolio Management
Portfolio Details - Investments
December 31, 2022

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Managed Pool Accounts												
SYS	2000	BNY Mellon			31,712.98	31,712.98	31,712.98	3.900		3.900	1	
SYS1001	1001	CAMP - QSA OPERATING			53,986,145.27	53,986,145.27	53,986,145.27	4.300	AAA	4.300	1	
SYS1000	1000	Local Agency Investment Fund			4,346,075.32	4,346,075.32	4,346,075.32	2.173		2.173	1	
Subtotal and Average			55,096,225.53		58,363,933.57	58,363,933.57	58,363,933.57			4.141	1	
Passbook/Checking Accounts												
SYS100	100	Wells Fargo Bank			11,175.77	11,175.77	11,175.77			0.000	1	
Subtotal and Average			492,912.70		11,175.77	11,175.77	11,175.77			0.000	1	
Medium Term Notes												
023135BX3	20048	Amazon		06/09/2021	250,000.00	221,692.50	250,235.00	1.000	AA-	0.980	1,227	05/12/2026
037833DT4	20005	Apple Inc		05/15/2020	125,000.00	115,173.75	125,710.00	1.125	AAA	1.006	861	05/11/2025
037833BG4	20087	Apple Inc		12/29/2022	250,000.00	242,779.72	243,194.72	3.200	AA+	4.607	863	05/13/2025
06406HCS6	20021	BNY Mellon		06/30/2020	125,000.00	123,067.50	137,736.25	3.650	A	0.709	399	02/04/2024
06051GHR3	20020	Bank of America		06/30/2020	125,000.00	121,806.25	135,600.00	3.458	A-	1.117	804	03/15/2025
06051GEU9	20038	Bank of America		08/18/2020	125,000.00	124,957.50	133,401.25	3.300	A-	0.477	10	01/11/2023
06367WB85	20061	Bank of Montreal		09/25/2021	250,000.00	233,332.50	258,362.50	1.850	A-	1.054	851	05/01/2025
06406RBA4	20070	Bank of NY Mellon		01/26/2022	125,000.00	112,452.50	125,402.50	2.050	A	1.981	1,486	01/26/2027
14913R2Y2	20086	CATERPILLAR FINL SERVICE		11/21/2022	400,000.00	400,887.33	400,275.33	4.900		4.889	747	01/17/2025
00440EAP2	20074	Chubb INA Holdings Inc		05/17/2022	250,000.00	249,025.00	250,657.50	2.700	A	2.373	71	03/13/2023
808513BN4	20064	Charles Schwab Corp		09/27/2021	250,000.00	237,670.00	251,097.50	0.750	A	0.565	442	03/18/2024
438516BW5	20015	Honeywell International		06/23/2020	250,000.00	240,470.00	265,285.00	2.300	A	0.768	592	08/15/2024
24422EVC0	20022	John Deere Owner Trust		06/30/2020	125,000.00	118,723.75	132,176.25	2.050	A	0.757	739	01/09/2025
24422EWB1	20082	John Deere Owner Trust		11/14/2022	250,000.00	237,711.22	235,728.72	2.125	A	4.948	796	03/07/2025
46625HRL6	20006	JP MORGAN SECURITIES LLC		05/15/2020	125,000.00	123,943.75	129,938.75	2.700	A-	1.280	137	05/18/2023
46647PBK1	20049	JP MORGAN SECURITIES LLC		06/09/2021	150,000.00	139,174.50	155,842.50	2.083	A-	1.053	1,207	04/22/2026
58933YAF2	20023	Merck & Co Inc		06/30/2020	250,000.00	248,132.50	266,602.50	2.800	AA-	0.478	137	05/18/2023
63743HFC1	20084	NATIONAL RURAL UTIL COOP		11/14/2022	250,000.00	235,855.52	233,890.52	1.875	A-	5.214	768	02/07/2025
69353RFL7	20039	PNC Bank		08/18/2020	250,000.00	248,477.50	270,380.00	3.500	A	0.485	158	06/08/2023
747525AF0	20050	Qualcomm Inc		06/09/2021	250,000.00	243,540.00	274,905.00	3.450	A-	0.715	870	05/20/2025
78013XZU5	20001	RBC CAPITAL MARKETS		05/15/2020	125,000.00	120,518.75	130,016.25	2.550	A	1.552	562	07/16/2024
78015K7H1	20068	RBC CAPITAL MARKETS		12/28/2021	125,000.00	114,508.75	123,856.25	1.150	A	1.423	891	06/10/2025
89236TJK2	20062	Toyota Auto Receivables		09/17/2021	250,000.00	221,162.50	249,850.00	1.125	AAA	1.034	1,264	06/18/2026
89114QCA4	20024	Toronto Dominion Bank		06/30/2020	125,000.00	120,967.50	133,626.25	2.650	A	0.869	528	06/12/2024
89114TZD7	20052	Toronto Dominion Bank		06/17/2021	150,000.00	132,427.50	150,562.50	1.200	A	1.122	1,249	06/03/2026
87612EBM7	20071	Target Corp		01/26/2022	100,000.00	90,908.00	100,335.00	1.950	A	1.878	1,475	01/15/2027
91324PEN8	20085	UNITEDHEALTH GROUP INC		11/14/2022	250,000.00	253,642.22	251,094.72	5.150	A+	5.072	1,018	10/15/2025
Subtotal and Average			5,251,412.77		5,300,000.00	5,073,008.51	5,415,762.76			2.009	726	

Portfolio JPA

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QSA JPA - Fiscal Year 2023
Portfolio Management
Portfolio Details - Investments
December 31, 2022

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Commercial Paper - Discount												
Subtotal and Average			153,012.65									
Federal Agency - Coupon												
3133ENZ37	20007	Federal Farm Credit Bank		11/10/2022	500,000.00	503,435.00	500,916.00	4.875	AA+	4.788	740	01/10/2025
3130ATT31	20004	Federal Home Loan Bank		11/10/2022	500,000.00	500,410.00	498,065.00	4.500	AA+	4.800	641	10/03/2024
3133XVDG3	20008	Federal Home Loan Bank		11/10/2022	500,000.00	501,418.54	499,718.54	4.375	AA+	4.802	621	09/13/2024
3130A4CH3	20013	Federal Home Loan Bank		06/22/2020	500,000.00	478,370.00	543,535.00	2.375	AA+	0.509	803	03/14/2025
3137EAEP0	20002	Federal Home Loan Mtg Corp		05/14/2020	500,000.00	471,470.00	523,435.00	1.500	AA+	0.499	773	02/12/2025
3137EAEZ8	20010	Federal Home Loan Mtg Corp		11/10/2022	500,000.00	481,038.89	477,993.89	0.250	AA+	4.855	309	11/06/2023
3137EAER6	20014	Federal Home Loan Mtg Corp		06/22/2020	500,000.00	493,085.00	500,695.00	0.375	AA+	0.326	124	05/05/2023
3137EAEU9	20030	Federal Home Loan Mtg Corp		08/11/2020	500,000.00	452,860.00	500,035.00	0.375	AA+	0.373	932	07/21/2025
3137EAES4	20033	Federal Home Loan Mtg Corp		08/17/2020	500,000.00	489,680.00	499,860.00	0.250	AA+	0.260	176	06/26/2023
3137EAEX3	20041	Federal Home Loan Mtg Corp		10/14/2020	250,000.00	225,175.00	249,067.50	0.375	AA+	0.451	996	09/23/2025
3137EAEX3	20051	Federal Home Loan Mtg Corp		06/16/2021	500,000.00	450,350.00	494,625.00	0.375	AA+	0.631	996	09/23/2025
3135G03U5	20003	Federal National Mtg Assn		05/14/2020	500,000.00	459,725.00	502,235.00	0.625	AA+	0.533	842	04/22/2025
3135G04Z3	20029	Federal National Mtg Assn		08/11/2020	500,000.00	455,325.00	502,750.00	0.500	AA+	0.385	898	06/17/2025
3135G05G4	20032	Federal National Mtg Assn		08/17/2020	500,000.00	488,275.00	499,835.00	0.250	AA+	0.261	190	07/10/2023
3135G05X7	20040	Federal National Mtg Assn		10/14/2020	250,000.00	225,670.00	249,155.00	0.375	AA+	0.445	967	08/25/2025
3135G06G3	20042	Federal National Mtg Assn		11/30/2020	250,000.00	225,027.50	250,012.50	0.500	AA+	0.499	1,041	11/07/2025
3135G05X7	20055	Federal National Mtg Assn		06/24/2021	500,000.00	451,340.00	493,260.00	0.375	AA+	0.704	967	08/25/2025
Subtotal and Average			7,785,193.43		7,750,000.00	7,352,654.93	7,785,193.43			1.558	680	
Federal Agency - Discount												
313384QM4	20088	Federal Home Loan Bank		12/29/2022	750,000.00	718,710.00	716,312.50	4.620	A-1	4.917	347	12/14/2023
Subtotal and Average			69,320.56		750,000.00	718,710.00	716,312.50			4.917	347	
Treasury - Coupon												
9128282N9	20009	U.S. Treasury		05/29/2020	500,000.00	481,095.00	537,695.31	2.125	AA+	0.305	577	07/31/2024
9128282U3	20016	U.S. Treasury		11/10/2022	500,000.00	480,333.74	477,014.52	1.875	AA+	4.779	608	08/31/2024
9128285T3	20019	U.S. Treasury		11/10/2022	500,000.00	483,338.55	477,497.46	2.625	AA+	4.505	1,095	12/31/2025
912828ZL7	20025	U.S. Treasury		06/30/2020	500,000.00	456,680.00	502,285.16	0.375	AA+	0.280	850	04/30/2025
912828M56	20026	U.S. Treasury		11/10/2022	500,000.00	473,690.00	468,105.47	2.250	AA+	4.539	1,049	11/15/2025
912828ZP8	20027	U.S. Treasury		06/30/2020	500,000.00	491,760.00	499,335.94	0.125	AA+	0.171	134	05/15/2023
912828V80	20034	U.S. Treasury		11/10/2022	500,000.00	490,033.21	488,137.74	2.250	AA+	4.799	395	01/31/2024
912828X70	20035	U.S. Treasury		11/10/2022	500,000.00	482,856.24	480,334.83	2.000	AA+	4.839	485	04/30/2024
912828ZY9	20036	U.S. Treasury		08/17/2020	500,000.00	487,850.00	499,218.75	0.125	AA+	0.179	195	07/15/2023
91282CBH3	20044	U.S. Treasury		02/19/2021	300,000.00	267,177.00	297,410.16	0.375	AA+	0.552	1,126	01/31/2026
91282CBC4	20045	U.S. Treasury		03/05/2021	250,000.00	223,652.50	246,230.47	0.375	AA+	0.693	1,095	12/31/2025

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QSA JPA - Fiscal Year 2023
Portfolio Management
Portfolio Details - Investments
December 31, 2022

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Treasury - Coupon												
91282CBQ3	20046	U.S. Treasury		03/05/2021	250,000.00	223,027.50	247,343.75	0.500	AA+	0.717	1,154	02/28/2026
91282CBT7	20053	U.S. Treasury		06/21/2021	500,000.00	448,670.00	497,402.34	0.750	AA+	0.861	1,185	03/31/2026
91282CBN0	20056	U.S. Treasury		06/25/2021	600,000.00	595,998.00	599,109.38	0.125	AA+	0.213	58	02/28/2023
91282CCF6	20057	U.S. Treasury		06/25/2021	400,000.00	357,172.00	397,312.50	0.750	AA+	0.890	1,246	05/31/2026
91282CCG4	20058	U.S. Treasury		06/25/2021	400,000.00	375,564.00	397,390.63	0.250	AA+	0.471	531	06/15/2024
91282CCK5	20059	U.S. Treasury		06/30/2021	600,000.00	586,686.00	598,312.50	0.125	AA+	0.266	180	06/30/2023
91282CCP4	20060	U.S. Treasury		08/10/2021	400,000.00	353,876.00	396,656.25	0.625	AA+	0.800	1,307	07/31/2026
91282CCW9	20063	U.S. Treasury		09/16/2021	500,000.00	443,320.00	498,671.88	0.750	AA+	0.805	1,338	08/31/2026
912828T91	20065	U.S. Treasury		09/24/2021	500,000.00	487,600.00	514,023.44	1.625	AA+	0.285	303	10/31/2023
912828D1	20066	U.S. Treasury		09/24/2021	500,000.00	488,810.00	510,781.25	1.375	AA+	0.256	242	08/31/2023
91282CCZ2	20067	U.S. Treasury		11/02/2021	500,000.00	444,570.00	493,066.41	0.875	AA+	1.166	1,368	09/30/2026
91282CDG3	20069	U.S. Treasury		12/27/2021	400,000.00	358,252.00	397,468.75	1.125	AA+	1.260	1,399	10/31/2026
912828Q29	20072	U.S. Treasury		05/16/2022	500,000.00	496,485.00	497,871.09	1.500	AA+	1.993	89	03/31/2023
912828R28	20073	U.S. Treasury		05/16/2022	500,000.00	495,350.00	497,890.63	1.625	AA+	2.072	119	04/30/2023
912828D1	20077	U.S. Treasury		08/10/2022	500,000.00	488,810.00	490,253.91	1.375	AA+	3.265	242	08/31/2023
91282CER8	20079	U.S. Treasury		11/10/2022	500,000.00	485,275.00	482,851.56	2.500	AA+	4.815	516	05/31/2024
91282CEY3	20080	U.S. Treasury		11/10/2022	500,000.00	489,479.78	485,180.87	3.000	AA+	4.572	926	07/15/2025
Subtotal and Average			12,974,852.95		13,100,000.00	12,437,411.52	12,974,852.95			1.827	661	
Treasury - Discount												
912796YH6	20078	U.S. Treasury		09/09/2022	600,000.00	581,982.00	579,061.56		A-1	3.654	249	09/07/2023
Subtotal and Average			634,998.61		600,000.00	581,982.00	579,061.56			3.654	249	
Supranationals												
4581X0DM7	20011	Inter-American Devel Bank		06/08/2020	250,000.00	245,937.50	250,900.00	0.500	AAA	0.378	143	05/24/2023
4581X0DV7	20047	Inter-American Devel Bank		04/23/2021	300,000.00	268,728.00	299,826.00	0.875	AAA	0.887	1,205	04/20/2026
459058JB0	20012	Intl Bank Recon & Develop		06/08/2020	250,000.00	229,512.50	250,480.00	0.625	AAA	0.585	842	04/22/2025
459058JL8	20043	Intl Bank Recon & Develop		01/28/2021	500,000.00	449,615.00	500,320.00	0.500	AAA	0.486	1,031	10/28/2025
Subtotal and Average			1,301,526.00		1,300,000.00	1,193,793.00	1,301,526.00			0.577	864	
Asset Backed Securities												
02582J JV3	20081	AmEx Credit Acct Master Trust		11/14/2022	250,000.00	244,591.63	240,683.59	3.750		5.263	1,687	08/15/2027
362585AC5	20083	GM Financial		11/14/2022	250,000.00	242,201.85	240,283.20	3.100	AAA	5.245	1,507	02/16/2027
89232HAC9	20028	Toyota Auto Receivables		07/08/2020	48,887.31	48,639.43	49,964.36	1.660	AAA	0.463	500	05/15/2024
Subtotal and Average			535,799.62		548,887.31	535,432.91	530,931.15			4.803	1,494	

QSA JPA - Fiscal Year 2023
Portfolio Management
Portfolio Details - Investments
December 31, 2022

Page 4

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
Total and Average			84,295,254.83		87,723,996.65	86,268,102.21	87,678,749.69			3.391	230

Portfolio JPA

CC

PM (PRF_PM2) 7.3.0

Portfolio Summary

As of December 31, 2022



PORTFOLIO CHARACTERISTICS

Average Modified Duration	1.73
Average Coupon	1.66%
Average Purchase YTM	1.91%
Average Market YTM	4.52%
Average S&P/Moody Rating	AA+/Aa1
Average Final Maturity	1.85 yrs
Average Life	1.76 yrs

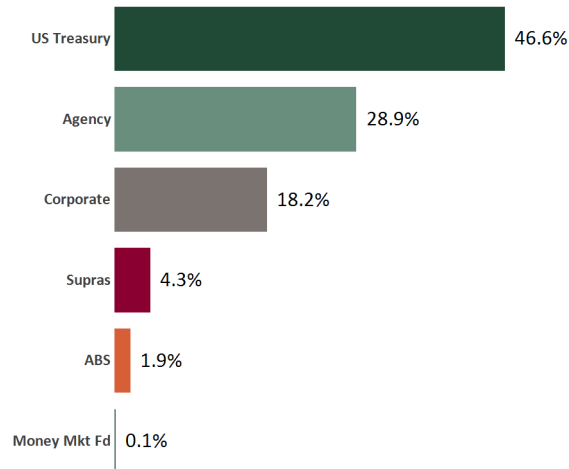
ACCOUNT SUMMARY

	Beg. Values as of 11/30/22	End Values as of 12/31/22
Market Value	27,856,488	27,903,741
Accrued Interest	92,896	103,118
Total Market Value	27,949,383	28,006,859
Income Earned	32,226	40,882
Cont/WD		-941
Par	29,323,768	29,388,005
Book Value	29,297,141	29,319,735
Cost Value	29,297,141	29,319,735

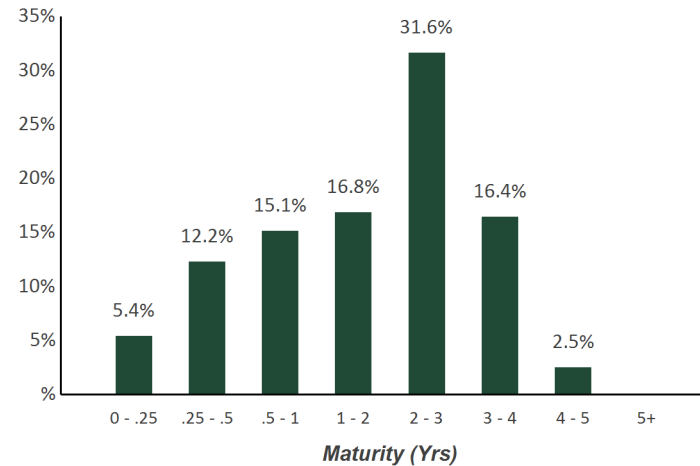
TOP ISSUERS

Government of United States	46.6%
Federal Home Loan Mortgage Corp	11.0%
Federal National Mortgage Assoc	8.2%
Federal Home Loan Bank	7.9%
Intl Bank Recon and Development	2.4%
Inter-American Dev Bank	1.8%
Federal Farm Credit Bank	1.8%
Caterpillar Inc	1.4%
Total	81.2%

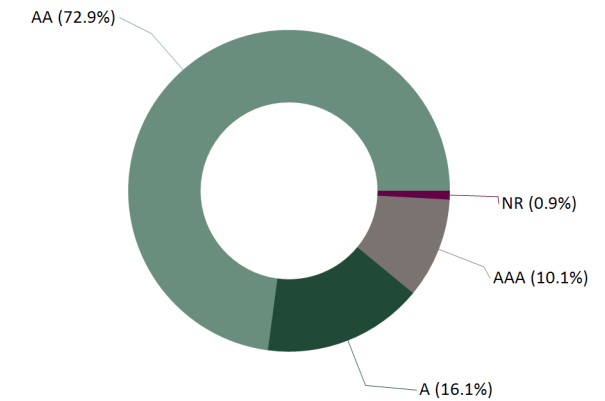
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	1M	3M	YTD	1YR	Annualized				
					2YRS	3YRS	5YRS	10YRS	5/31/2020
SDCWater QSA JPA	0.21%	0.96%	-4.24%	-4.24%	-2.61%	N/A	N/A	N/A	-1.81%
ICE BofA 1-5 Yr US Treasury & Agency Index	0.07%	0.94%	-5.25%	-5.25%	-3.19%	N/A	N/A	N/A	-2.40%

Unaudited
QUANTIFICATION SETTLEMENT AGREEMENT
JOINT POWERS AUTHORITY

BALANCE SHEET
GENERAL FUND
DECEMBER 31, 2022

Assets:

Cash	\$ 11,176
Investments	86,153,019
Mitigation contributions receivable	6,417,747
Interest receivable	<u>104,866</u>

Total assets	<u>\$ 92,686,808</u>
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Liabilities:

Accounts payable	<u>\$ 1,584,037</u>
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Deferred inflows of resources:

Unavailable mitigation contributions	<u>6,417,747</u>
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Fund balance:

Unassigned	<u>84,685,024</u>
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Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 92,686,808</u>
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Unaudited
**QUANTIFICATION SETTLEMENT AGREEMENT
 JOINT POWERS AUTHORITY**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 GENERAL FUND
 FOR THE SIX MONTHS ENDED DECEMBER 31, 2022**

Revenues:

Interest income (loss)	\$ 669,679
Mitigation contributions	<u>52,682,997</u>
Total revenues	<u>53,352,676</u>

Expenditures:

Environmental mitigation	2,542,745
Administrative	<u>4,342</u>
Total expenditures	<u>2,547,087</u>

Net changes in fund balance	50,805,589
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Fund balance at beginning of year	<u>33,879,435</u>
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Fund balance at end of year	<u><u>\$ 84,685,024</u></u>
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Unaudited**QUANTIFICATION SETTLEMENT AGREEMENT
JOINT POWERS AUTHORITY****SUPPLEMENTARY INFORMATION - BUDGET STATUS REPORT
FOR THE SIX MONTHS ENDED DECEMBER 31, 2022**

Task No.	Mitigation Tasks	Amended FY 2023 Budget	Total Expenditures	Variance (Remaining)	Percent Complete
1	QSA Implementation Team	\$ -	\$ -	\$ -	0.0%
2	QSA Implementation Team Biologists	1,197,060	618,418	578,642	51.7%
3	Environmental Reporting and Monitoring	560	-	560	0.0%
4	Salton Sea Salinity and Elevation Program	8,000	2,994	5,006	37.4%
5	Salton Sea Mitigation Water to Salton Sea	-	-	-	0.0%
6	Tamarisk Scrub Habitat - Surveys and Mitigation	74,920	11,632	63,288	15.5%
7	Drain Habitat - Initial Vegetation and Habitat Surveys	-	-	-	0.0%
8	Drain Habitat (Aquatic) - Create/Manage/Monitor "Managed Marsh" Areas	564,080	199,492	364,588	35.4%
8A	Reimbursement to IID for Appraised Value of Managed Marsh Land	9,685,748	-	9,685,748	0.0%
8B	Reimbursement to IID for Third-Party Appraiser	2,500	-	2,500	0.0%
9	Drain Habitat Restrictions/Requirements for Construction and Maintenance	-	-	-	0.0%
10/10A	Worker Education Program Covered Species Training and Manual	-	-	-	0.0%
11	Desert Habitat Survey and Mapping of Right of Way	-	-	-	0.0%
12	Desert Habitat Create/Maintain Desert Habitat	-	-	-	0.0%
13	Changes to Operations on IID Canals to Avoid Covered Species	-	-	-	0.0%
14	Burrowing Owl Worker Annual Education and Manual	-	-	-	0.0%
15	Pre-Construction Activity Burrowing Owl Surveys and Relocation	3,390	94	3,296	2.8%
16	Burrowing Owl Relative Abundance and Distribution Surveys	-	2,762	(2,762)	0.0%
17	Farmer and Public Education Program	7,600	3,818	3,782	50.2%
18	Desert Pupfish Abundance and Distribution Study	6,750	2,754	3,996	40.8%
19/19A	Pupfish Selenium Drain Studies	317,310	70,667	246,643	22.3%
20	Pupfish Construction and Maintenance Conservation Measures	257,500	4,346	253,154	1.7%
21	Salvage of Razorback Suckers when Dewatering Canals	-	-	-	0.0%
22	Maintain Habitat on Fallowed Parcels	-	-	-	0.0%
23	Covered Species Baseline and Monitoring Surveys	-	-	-	0.0%
24	Salton Sea Air Quality	12,822,120	1,613,547	11,208,573	12.6%
25	Minimize Dust Emissions from Fallowed Lands	-	-	-	0.0%
26	Drain Connectivity to Salton Sea Elevation Decrease	-	-	-	0.0%
27	Grade Spoil/Roads from Drain Maintenance	-	-	-	0.0%
28	Power Line Markers for Pumpback and Seepage Recovery Systems	-	-	-	0.0%
29	Prepare and Implement Management Plan for Abandoned Portions of AAC	-	-	-	0.0%
30	Southwestern Willow Flycatcher Surveys and Habitat Monitoring	-	-	-	0.0%
31	Elf Owl Surveys	-	-	-	0.0%
32	Desert Tortoise Survey and Avoidance	-	-	-	0.0%
33	Least Tern Surveys	-	-	-	0.0%
34	Rail and Bittern Surveys	-	-	-	0.0%
35	Management and Planning	-	-	-	0.0%
36	JPA Audit Fees	10,770	-	10,770	0.0%
37	JPA Bank Fees	3,090	155	2,935	5.0%
38	Financial Advisor	16,000	4,187	11,813	26.2%
39	Bond Counsel Fees	-	-	-	0.0%
40	2001 Biological Opinion Measures	-	-	-	0.0%
41	Brown Pelican Coast	-	-	-	0.0%
42	Brown Pelican Sea	55,920	-	55,920	0.0%
43	Salton Sea Shoreline Strand Study	-	-	-	0.0%
44	Pupfish Refugium	32,890	12,221	20,669	37.2%
45	Recreation Facilities at Salton Sea	-	-	-	0.0%
46	QSA JPA Website Maintenance Services	1,320	-	1,320	0.0%
Total Expenditures		\$ 25,067,528	\$ 2,547,087	\$ 22,520,441	10.2%

QSA JPA Audit Calendar

FY2023

MARCH 2023						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

APRIL 2023						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

MAY 2023						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

JUNE 2023						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

JULY 2023						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

AUGUST 2023						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

SEPTEMBER 2023						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

	QSA Board Meeting
	A/P
	Accounting Staff
	Controller
	Davis Farr
	SDCWA Closed

OCTOBER 2023						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

NOVEMBER 2023						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

DECEMBER 2023						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

DATE	ACTIVITY	RESPONSIBLE
March 1	12/31 quarterly financial and treasury reports finalized	Controller
March 2	Audit Calendar finalized and engagement letter approved	Controller
March 13	Davis Farr planning presentation forwarded to Controller for inclusion in board meeting materials	Davis Farr
March 20	Board meeting - 2nd qtr financial reports, FY22 audit calendar & auditor required communications	Board
April 17-21	Auditor - SDCWA and QSA combined interim fieldwork	Davis Farr
June 1	3/31 quarterly financial and treasury reports finalized	Controller
June (TBD)	Board meeting - 3rd qtr financial reports	Board
July 28	May and June invoice estimates/accrual due from IID	Accounts Payable
August 11	Draft financial statements and treasury reports due to Controller	Accounting Staff
August 16	FY22 audit schedules completed and reviewed	Accounting Staff
August 17	Draft financial statements to Auditor (pre-fieldwork)	Controller
August 21-25	Auditor - year-end fieldwork	Davis Farr
August 25	Auditor review responses due on draft financial statements	Davis Farr
August 31	Final draft financial statements approved and forwarded to Auditor	Controller
September 7	Technical review responses due on draft financial statements	Davis Farr
September 8	Management rep. letter routed for signature	Controller
September 12	Final financial statements and management rep. letter to Auditor	Controller
September 14	Auditor issues audit opinion & emails completed financial statements	Davis Farr
September 22	Auditor delivers bound FY22 financial statements	Davis Farr
September (TBD)	Board Meeting - 4th qtr financial reports. Presentation on FY22 financial statements; audit results (Davis Farr)	Board
December 1	9/30 quarterly financial and treasury reports finalized	Controller
December (TBD)	Board Meeting - 1st qtr financial reports.	Board