BOARD MEETING AGENDA
ANNUAL MEETING OF THE BOARD OF DIRECTORS OF
CITRUS HEIGHTS WATER DISTRICT FINANCING CORPORATION
August 19, 2026 beginning at 6:30 PM

DISTRICT ADMINISTRATIVE OFFICE
6230 SYLVAN ROAD, CITRUS HEIGHTS, CA

PHONE CALL IN: (253) 205-0468
PHONE MEETING ID: 869 0808 1654
COMPUTER AUDIO/LIVE MEETING PRESENTATIONS: **https://chwd-org.zoom.us/j/86908081654**

In compliance with the Americans with Disabilities Act, if you have a disability and need a disability-related modification or accommodation to participate in this meeting, please contact the General Manager at (916) 725-6873. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

Members of the public may attend the meeting in person at the District headquarters or remotely through the phone number and link above.

Materials related to an agenda item for an open session of a regular meeting of the Citrus Heights Water District are posted on the Citrus Heights Water District website at www.chwd.org.

CALL TO ORDER:

Upon request, agenda items may be moved to accommodate those in attendance wishing to address that item. Please inform the Chief Board Clerk or Deputy Board Clerk.

ROLL CALL OF DIRECTORS:

VISITORS:

PUBLIC COMMENT:

The Public shall have the opportunity to directly address the Board on any item of interest to the public before or during the Board's consideration of that item pursuant to Government Code Section 54954.3. Public comment on items of interest within the jurisdiction of the Board is welcome. The Presiding Officer will limit comments to three (3) minutes per speaker.

(A) Action Item　　(D) Discussion Item　　(I) Information Item

CONSENT CALENDAR:

All items under the Consent Calendar are considered to be routine and will be approved by one motion. There will be no separate discussion of these items unless a member of the Board, Audience, or Staff request a specific item be removed for separate discussion/action before the motion to approve the Consent Calendar.

CC-1. Minutes of the Citrus Heights Water District Financing Corporation Meeting – June 24, 2025 (A)

Recommendation:
Approve the minutes from the June 24, 2025 Annual Meeting of the Citrus Heights Water District Financing Corporation.

PRESENTATION:

P-1. Status of the San Juan Water District /CHWD Revenue Refunding Bonds Series 2012A (A)

Recommendation:

1. Approve the draft Annual Report for the SJWD/CHWD Revenue Refunding Bonds, Series 2012A.
2. Authorize Staff to file the Annual Report as required to the MSRB.

BUSINESS:

B-1. Approve Prepayment of all Remaining Installment Payments of Citrus Heights Water District in Connection with San Juan Water District Refunding Revenue Bonds (San Juan and Citrus Heights Project), Series 2012A (A)

Recommendations:

1) Authorize the General Manager or his designee to exercise the District's contractual right to prepay all remaining Installment Payments for the Series 2012A Bond;
2) Deliver the notices required by the Installment Purchase Agreement; and
3) Execute and deliver any documents reasonably necessary to complete the prepayment and obtain evidence that the District's obligations have been discharged.

ADJOURNMENT:

CERTIFICATION:

I do hereby certify that this agenda was posted in a location accessible to the public at 6230 SYLVAN ROAD, CITRUS HEIGHTS, CA 95610 at least 72 hours prior to the regular meeting in accordance with Government Code Section 54954.2.

Brittney Moore

Brittney Moore, Chief Board Clerk

Dated: August 16, 2026

CITRUS HEIGHTS WATER DISTRICT FINANCING CORPORATION
BOARD OF DIRECTORS ANNUAL MEETING MINUTES
June 24, 2025

The Special Meeting of the Board of Directors of the Citrus Heights Water District Financing Corporation was called to order at 7:44 p.m. by President Sheehan. Present were:

Caryl F. Sheehan, President
David C. Wheaton, Vice President
Raymond A. Riehle, Director

Staff:
Steve Anderson, General Counsel
Mary Elise Conzelman, Principal Public Affairs Analyst
Annie Liu, Director of Administrative Services
Brittney Moore, Administrative Services Manager/Chief Board Clerk
Missy Pieri, Director of Engineering/District Engineer
Joshua Nelson, Assistant General Counsel
Jace Nunes, Senior Management Analyst
Megan Selling, Accountant
Kayleigh Shepard, Senior Management Analyst/Deputy Board Clerk
Hilary Straus, General Manager
Abigail Warren, Intern

VISITORS:

Ben Strange

PUBLIC COMMENT:

None.

CONSENT CALENDAR:

President Riehle asked for consideration and/or approval of the consent calendar.

CC-1. Minutes of the Citrus Heights Water District Financing Corporation Meeting– August 27, 2024 (A)

ACTION:
Director Riehle moved, and Vice President Wheaton seconded a motion to approve the consent calendar.

The motion carried 3-0 with all Directors voting yes.

PRESENTATION:

P-1. Status of the San Juan Water District / CHWD Revenue Refunding Bonds Series 2012A (A)

ACTION:

Vice President Wheaton moved, and Director Riehle seconded a motion to Approve the draft Annual Report for the SJWD/CHWD Revenue Refunding Bonds, Series 2012A, and authorized Staff to file the Annual Report as required to the MSRB.

The motion carried 3-0 with all Directors voting yes.

BUSINESS:

B-1. Confirmation/Appointment of CHWD Financing Corporation Officers (A)

ACTION:

Director Riehle moved, and Vice President Wheaton seconded a motion to confirm and appoint the following Citrus Heights Water District Financing Corporation Officers:

Raymond A. Riehle	Appointed as President
Caryl F. Sheehan	Appointed as Vice President
David C. Wheaton	Appointed as Director
Annie Liu	Reconfirmed as CFO
Hilary M. Straus	Reconfirmed as Secretary

The motion carried 3-0 with all Directors voting yes.

ADJOURNMENT:

There being no other business to come before the Board, the meeting was adjourned at 7:52 p.m.

APPROVED:

Brittney C. Moore Chief Board Clerk Citrus Heights Water District	Raymond A. Riehle, President Board of Directors Citrus Heights Water District

CITRUS HEIGHTS WATER DISTRICT

DISTRICT STAFF REPORT TO
BOARD OF DIRECTORS OF THE CHWD FINANCING CORPORATION
August 19, 2026 REGULAR MEETING

Subject:	**STATUS OF THE SAN JUAN WATER DISTRICT/ CITRUS HEIGHTS WATER DISTRICT REVENUE REFUNDING BONDS, SERIES 2012A**
Status:	Action Item
Report Date:	August 5, 2026
Prepared By:	Ben Strange, Accounting Manager Annie Liu, Director of Administrative Services

OBJECTIVE:

1. Approve the draft Annual Report for the Citrus Heights Water District (CHWD) Revenue Refunding Certificates of Participation, Series 2012A and other information related to debt financing by the District.
2. Authorize Staff to file Annual Report as required to the federal self-regulated organization, Municipal Securities Rulemaking Board (MSRB).

BACKGROUND AND ANALYSIS:

The Citrus Heights Water District Financing Corporation (the Corporation) was formed in July 2000 for the purpose of issuing the $7.9 million in Certificates of Participation (COPs) for the financing of water meter installations and well improvements. Section 3.5 of the Bylaws for the Corporation requires that an annual meeting be held each year. The purpose of this meeting is to review information or developments related to the COP financing and to fulfill a legal requirement for California non-profit corporations.

Included with Directors' agenda packets is a draft of the Continuing Disclosure Annual Report for the Revenue and Revenue Refunding Bonds (Attachment 1). This report is a requirement of the District's debt issuance and is generally required for all publicly-traded securities. It is filed with the Electronic Municipal Market Access (EMMA) data service of the MSRB, where these reports are made available to the public. The Annual Report shows the status of CHWD's debt, and other financial and operating information about the District as of December 31, 2025. Total outstanding debt for the District as of that date was $1,095,000.

2012 Revenue Refunding Bonds
CHWD originally issued Revenue Refunding Bonds in 2003 under the authority of the San Juan Water District (SJWD) Financing Corporation and not under the authority of the CHWD Financing Corporation. However, staff has typically reported on the status of the SJWD/CHWD debt issuance at the time of the CHWD Financing Corporation Annual Meeting.

CHWD participated with SJWD in a refunding of the 2003 Series debt that was completed in May 2012. The new debt issuance is identified as the SJWD/CHWD Refunding Revenue Bonds, Series 2012A. This refunding resulted in a savings to SJWD and CHWD over the remaining life of their respective debt. The principal amount outstanding on the Series 2012A bonds as of December 31, 2025 was $1,095,000. CHWD's annual principal and interest payments on the Series 2012A debt ranges from $168,400 to $174,088 annually over the remaining life of the debt through its retirement in 2033 with an approximately outstanding balance of $1.37 million including principal and interests.

In the 4th quarter of 2021 SJWD refunded its 2012 Bonds, detaching the CHWD bonds from their bond issuance. At the November 2021 Board meeting, staff provided an update advising that due to the amount outstanding on the bond and the cost of issuance, the District would be best served by bundling a refunding of the 2012 Bonds with the potential need to fund capital projects in the near future, assuming market and debt borrowing conditions are favorable.

Payments on the SJWD/CHWD debt issuance are paid semiannually by CHWD.

RECOMMENDATIONS:
1. Approve the draft Annual Report for the SJWD/CHWD Revenue Refunding Bonds, Series 2012A.
2. Authorize Staff to file the Annual Report as required to the MSRB.

ATTACHMENTS:
1. Draft 2025 Continuing Disclosure Annual Report
2. Series 2012A Revenue Refunding Bonds Debt Service Schedule – pg. 9 of the Official Statement, dated: April 26, 2012, prepared by Citigroup.

<u>ACTION</u>:

Moved by Director ____________, Seconded by Director ____________, Carried _____________

ATTACHMENT 1

2025 Continuing Disclosure Annual Report (Draft)

CONTINUING DISCLOSURE ANNUAL REPORT

FISCAL YEAR ENDED DECEMBER 31, 2025

SAN JUAN WATER DISTRICT
REFUNDING REVENUE BONDS
(SAN JUAN AND CITRUS HEIGHTS PROJECT)
SERIES 2012A

CITRUS HEIGHTS WATER DISTRICT
6230 SYLVAN ROAD
CITRUS HEIGHTS, CALIFORNIA 95610

SAN JUAN WATER DISTRICT
REVENUE REFUNDING BONDS
(SAN JUAN AND CITRUS HEIGHTS PROJECTS)
SERIES 2012A

MATURITY DATE (February 1)	***CUSIP****
2013(1)	798326AA2
2014(1)	798326AB0
2015(1)	798326AC8
2016(1)	798326AD6
2017(1)	798326AE4
2018(1)	798326AF1
2019(1)	798326AG9
2020(1)	798326AH7
2021(1)	798326AJ3
2022(1)	798326AK0
2023(1)	798326AL8
2025(1)	798326AN4
2033	798326AM6

---

* CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by S&P Capital Global Market Intelligence. This data is not intended to create a database and does not serve in any way a substitute for the CUSIP Global Services. CUSIP® numbers are provided for convenience of reference only. Citrus Heights Water District does not take any responsibility for the accuracy of such numbers.

(1) These maturities are no longer outstanding.

TABLE OF CONTENTS

INTRODUCTION

THIS CONTINUING DISCLOSURE ANNUAL REPORT, dated August 16, 2026 (the "Annual Report") has been prepared to satisfy the obligations of the Citrus Heights Water District (the "District").

Definitions

Unless otherwise required, the following are the defined terms for this Annual Report.

2012 Bonds. 2012 Bonds means the San Juan Water District Revenue Refunding Bonds (San Juan and Citrus Heights Project) Series 2012A, issued on May 16, 2012.

2012 Disclosure Certificate. 2012 Disclosure Certificate means that certain Amended and Restated Continuing Disclosure Certificate, dated May 16, 2012, executed by the District in connection with the issuance of the 2012 Bonds.

Debt Obligation. Debt Obligation means the 2012 Bonds.

Disclosure Document. Disclosure Document means the 2012 Disclosure Certificate.

EMMA. EMMA means the Electronic Municipal Market Access, a service of the Municipal Securities Rulemaking Board.

Fiscal Year. Fiscal Year means the period beginning on January 1 of each year and ending on the last day of December of such year, or any other twelve-month period selected and designated as the official Fiscal Year of the District.

Official Statements. Official Statements means that certain Official Statement, dated April 26, 2012, with regards to the 2012 Bonds.

Rule. Rule means Rule 15c2-12 of the Securities Exchange Act of 1934, as amended.

San Juan. San Juan means the San Juan Water District.

Delivery of the Annual Report

The District has agreed under the Disclosure Document to provide certain annual financial information and operating data and notices of significant events. These covenants have been made in order to assist the underwriters of the Debt Obligation in complying with the Rule. As provided in Section 3 of the Disclosure Document, this Annual Report is being prepared for publication with EMMA for the benefit of the owners of the Debt Obligation and the underwriter. Capitalized terms used in the Disclosure Certificate, which are not otherwise defined herein, shall have the respective meaning specified in the Official Statement.

The following is information as required under Section 4 of the Disclosure Document.

AUDITED FINANCIAL STATEMENTS

Audited financial statements of the District for the Fiscal Year ended December 31, 2025 (the "Audit") have been published to EMMA under separate cover. The Audit is available under the following EMMA link.

https://emma.msrb.org/P22064784-P21569834-P22030021.pdf

PRINCIPAL AMOUNTS OUTSTANDING

2012 Bonds

As of the date of this Annual Report, the outstanding principal amount of the 2012 Installment Purchase Agreement attributable to the District in connection with the 2012 Bonds is $980,000. As of Fiscal Year ended 2025, the outstanding principal amount of the 2012 Installment Purchase Agreement attributable to the District in connection with the 2012 Bonds is $1,095,000.

RESERVE FUND REQUIREMENTS

2012 Bonds

Pursuant to the 2012 Bonds Indenture, there is no debt service reserve fund.

FINANCIAL INFORMATION AND OPERATING DATA

Water Deliveries

The following table summarizes water deliveries in acre feet for the last Fiscal Year.

CITRUS HEIGHTS WATER DISTRICT
WATER DELIVERIES (in acre feet)
Fiscal Year 2025

Treated Water Deliveries	***Groundwater Deliveries***	***Total Water Deliveries***
10,354	346	10,700

Source: Citrus Heights Water District.

Service Connections

The following table represents a summary of average service connections to the Water System for the last Fiscal Year.

CITRUS HEIGHTS WATER DISTRICT
SERVICE CONNECTIONS
Fiscal Year 2025

Service Connections	***Percent Increase/(Decrease)***
20,395	0.08%

Source: Citrus Heights Water District.

Water Sales Revenues

The following table shows annual water sales revenues of the District for the last Fiscal Year.

CITRUS HEIGHTS WATER DISTRICT
WATER SALES REVENUES

Fiscal Year Ending December 31	***Sales Revenues***	***Percent Increase/(Decrease)***
2025	$23,592,163	9.11%

Source: Citrus Heights Water District.

Water System Rates and Charges

The table below lists the annual water system rate and the percentage rate increase approved by the Board of Directors of the District for the most recently completed Fiscal Year for single family residences.

CITRUS HEIGHTS WATER DISTRICT
WATER SYSTEM RATES AND CHARGES – SINGLE FAMILY RESIDENCES

Fiscal Year Ending December 31	*Annual Rate*	*Percent Increase*
2025	$1,147.80	8.83%

Source: Citrus Heights Water District. 1” meter bi-monthly service charge with 20 units/month of water consumption.

(REMAINDER OF PAGE LEFT INTENTIONALLY BLANK)

Operating Results and Debt Service Coverage

The following table is a summary of operating results for the most recently completed fiscal year. These results have been derived from the District's Financial Statements but exclude certain non-cash items and include certain other adjustments.

CITRUS HEIGHTS WATER DISTRICT
OPERATING RESULTS
FISCAL YEAR ENDED DECEMBER 31, 2025

Revenues(1)		
Water Sales	$	23,592,163
Capacity Fees, Other Fees and Charges		4,974,106
Interest Earnings(2)		1,431,824
Miscellaneous		51,769
Total Revenues	$	30,049,862
Operation and Maintenance Expenses		
Water Purchases	$	3,116,737
Pumping & Well Maintenance		1,069,921
Transmission & Distribution		4,478,595
Administrative & General and Conservation		7,455,811
Total Operation and Maintenance Expenses	$	16,121,064
Net Revenues	$	13,928,798
Rate Stabilization (RS) Reserve	$	0
Net Revenues & RS Reserve	$	13,928,798
Parity Debt Service		
2012 Installment Purchase Agreement	$	170,788
Total Parity Debt Service	$	170,788
Total Debt Service Coverage		81.56
Citrus Heights Revenues Available for other Purposes	$	13,758,011

(1) Does not include gains or losses on disposal of capital assets or capital contributions.
(2) Fiscal Year 2025 excludes unrealized gain (or loss) on investment in the amount of ($329,451)

Source: Citrus Heights Water District.

(REMAINDER OF PAGE LEFT INTENTIONALLY BLANK)

CERTAIN DISCLAIMERS

The information contained in this Annual Report expresses only the views of the applicable party. An explanation of the significance of any such information may be obtained from the applicable party; provided, however, that no information provided by any party is incorporated in this Annual Report. The District undertakes no responsibility to oppose any revision or withdrawal of such information contained in this Annual Report.

To the extent the District provides information in this Annual Report, the District is not obligated to present or update information in future Annual Reports. Investors are advised to refer to the applicable Official Statement for the Debt Obligations for information concerning the initial issuance of and security for the Debt Obligations.

By providing the information in this Annual Report, the District does not imply or represent (a) that all information provided in this Annual Report is material to investors' decisions regarding investment in the Debt Obligations, (b) the completeness or accuracy of any financial, operational or other information not included herein or in the Official Statements, (c) that no changes, circumstances or events have occurred since the date of this Annual Report (other than as contained herein), or (d) that no other information exists which may have a bearing on the District's financial condition, the security for the Debt Obligations or an investor's decision to buy, sell or hold the Debt Obligations.

The information set forth in this Annual Report or incorporated in this Annual Report has been furnished by the District and is believed to be accurate and reliable but is not guaranteed as to accuracy or completeness. Statements contained in or incorporated by this Annual Report which involves estimates, forecasts or other matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact. Further, expressions of opinion contained in this Annual Report or incorporated in this Annual Report are subject to change without notice and the delivery of this Annual Report will not, under any circumstances, create any implication that there has been no change in the affairs of the District. The District is relying upon and has not independently confirmed or verified the accuracy or completeness of information provided by others or other information incorporated by reference therein.

No statement contained in this Annual Report should be construed as a prediction or representation about future financial performance of the District. Historical results presented herein may not be indicative of future operating results.

CONCLUSION

The financial information and operating data contained herein has been obtained from the District or from sources believed by the District to be reliable and is fairly presented.

Hilary M. Straus
General Manager

(THIS PAGE INTENTIONALLY LEFT BLANK)

ATTACHMENT 2

Series 2012A Revenue Refunding Bonds
Debt Service Schedule

CITRUS HEIGHTS WATER DISTRICT PAYMENT SCHEDULE

Set forth below is a schedule of Citrus Heights Installment Payments and other Citrus Heights Contract payments for the period ending February 1 in each of the years indicated:

	Citrus Heights Installment Payment				
February 1	*Principal*	*Interest*	*Total*	*Citrus Heights Contracts*[(1)]	*Total Citrus Heights Payments*
2013	$ 105,000.00	$ 70,718.23	$ 175,718.23	$ 573,400.00	$ 749,118.23
2014	75,000.00	98,787.50	173,787.50	570,000.00	743,787.50
2015	70,000.00	97,287.50	167,287.50	567,250.00	734,537.50
2016	75,000.00	95,187.50	170,187.50	569,200.00	739,387.50
2017	80,000.00	92,937.50	172,937.50	571,200.00	744,137.50
2018	80,000.00	89,737.50	169,737.50	567,400.00	737,137.50
2019	85,000.00	86,137.50	171,137.50	568,000.00	739,137.50
2020	90,000.00	83,587.50	173,587.50	567,800.00	741,387.50
2021	95,000.00	79,087.50	174,087.50	566,800.00	740,887.50
2022	100,000.00	74,337.50	174,337.50	-	174,337.50
2023	105,000.00	69,337.50	174,337.50	-	174,337.50
2024	110,000.00	64,087.50	174,087.50	-	174,087.50
2025	110,000.00	60,787.50	170,787.50	-	170,787.50
2026	115,000.00	57,487.50	172,487.50	-	172,487.50
2027	120,000.00	51,450.00	171,450.00	-	171,450.00
2028	130,000.00	45,150.00	175,150.00	-	175,150.00
2029	130,000.00	38,325.00	168,325.00	-	168,325.00
2030	140,000.00	31,500.00	171,500.00	-	171,500.00
2031	145,000.00	24,150.00	169,150.00	-	169,150.00
2032	155,000.00	16,537.50	171,537.50	-	171,537.50
2033	160,000.00	8,400.00	168,400.00	-	168,400.00
TOTAL	$2,275,000.00	$1,335,018.23	$3,610,018.23	$ 5,121,050.00	$8,731,068.23

(1) Reflects payments under the 2010 Installment Purchase Agreement. See the caption "CITRUS HEIGHTS FINANCIAL INFORMATION—Outstanding Revenue Obligations."

Source: Fieldman, Rolapp & Associates.

SECURITY FOR THE 2012 BONDS

Limited Obligations Payable From Revenues

General. The District is obligated to make payments of principal of and interest on the 2012 Bonds solely from Revenues under the Indenture. The term "Revenues" is defined in the Indenture to mean the District Installment Payments, the Citrus Heights Installment Payments and the investment earnings thereon. NOTWITHSTANDING ANYTHING IN THE INDENTURE OR THE 2012 BONDS, THE TRUSTEE IS NOT REQUIRED TO APPLY ANY MONEYS OTHER THAN THE REVENUES, THE MONEYS IN THE REVENUE FUND DESCRIBED IN THE INDENTURE AND OTHER MONEYS PLEDGED UNDER THE INDENTURE FOR ANY OF THE PURPOSES IN THE INDENTURE MENTIONED, WHETHER FOR THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE 2012 BONDS OR FOR ANY OTHER PURPOSE OF THE INDENTURE. The Corporation has assigned to the Trustee for the benefit of the Owners of the 2012 Bonds substantially all of its rights, title and interest in the District Installment Purchase Agreement and the Citrus Heights Installment Purchase Agreement, including its right to receive District Installment Payments and Citrus Heights Installment Payments and its right to enforce payment by the District under the District Installment Purchase Agreement and payment by Citrus Heights under the Citrus Heights Installment Purchase Agreement.

All of the Revenues, all amounts held in the Revenue Fund described in the Indenture and any other amounts (including proceeds of the sale of the 2012 Bonds) held in any fund or account established pursuant to the Indenture (except the Rebate Fund) have been irrevocably pledged to secure the payment of the principal of

AGENDA ITEM: B-1

CITRUS HEIGHTS WATER DISTRICT

DISTRICT STAFF REPORT TO
BOARD OF DIRECTORS OF THE CHWD FINANCING CORPORATION
August 19, 2026 REGULAR MEETING

Subject:	**APPROVE PREPAYMENT OF ALL REMAINING INSTALLMENT PAYMENTS OF CITRUS HEIGHTS WATER DISTRICT IN CONNECTION WITH SAN JUAN WATER DISTRICT REFUNDING REVENUE BONDS (SAN JUAN AND CITRUS HEIGHTS PROJECT), SERIES 2012A**
Status:	Action Item
Report Date:	August 19, 2026
Prepared By:	Annie Liu, Director of Administrative Services

OBJECTIVE
Approve to authorize the General Manager, Director of Administrative Services or their designee to exercise the District's contractual right to prepay all remaining Installment Payments in connection with the above referenced bonds (the “2012 Bonds”).

BACKGROUND AND ANALYSIS:
On May 1, 2003, the District entered into an Installment Purchase Agreement (the “2003 Agreement”) with the San Juan Suburban Water District Financing Corporation (the “Corporation”) in connection with the San Juan Water District Revenue Certificates of Participation (San Juan and Citrus Heights Project), Series 2003 (the “COPS”) to finance certain improvements to the District’s water system. Pursuant to that agreement, the Corporation provided financing for the improvements and the District agreed to make installment payments to repay the Corporation for amount financed.

In May 2012, the 2003 COPS were refunded through the issuance of 2012 Bonds. In connection therewith, the District entered into an amendment to the 2003 Agreement (the “2012 Amendment,” collectively with 2003 Agreement, the “Agreement”). The District’s portion of the principal amount outstanding under the Agreement as of June 30, 2026 was $980,000.
The Amendment permits the District, on any date on or after February 1, 2022, to prepay unpaid installment maturities in whole or in part from any available funds. The contractual prepayment price is the principal amount being prepaid plus accrued interest to the prepayment date, without premium. District staff believes it is in the best interest of the District to prepay the Agreement prior to entering into any other financings.

The District must provide written notice to the Corporation and US Bank Corporate Trust Services, the trustee for the 2012 Bonds for an optional prepayment. The notice must specify the prepayment date, and that date must be not less than 60 days after the notice is given. If the prepayment is approved by the Board, the District intends to provide notice of the prepayment in September 2026 and prepay in November 2026.

RECOMMENDATIONS:
It is recommended that the Board of Directors authorize the General Manager or his designee to:
1) exercise the District's contractual right to prepay all remaining Installment Payments for the Series 2012A Bond;
2) deliver the notices required by the Installment Purchase Agreement; and
3) execute and deliver any documents reasonably necessary to complete the prepayment and obtain evidence that the District's obligations have been discharged.

ACTION:

Moved by Director ____________, Seconded by Director ____________, Carried _____________