

***MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT
DBA: REGEN MONTEREY***

EXHIBIT A

**INVESTMENT POLICY AND GUIDELINES
FOR FISCAL YEAR 2025/2026**

I. Policy

It is the policy of the Monterey Regional Waste Management District dba: ReGen Monterey (ReGen) to invest public funds in a manner that will provide a high level of safety and security of principal. Given this level of safety, the investment return will be maximized while meeting the cash flow demands of the entity and conforming to all state and local statutes governing the investment of funds.

II. Scope

It is intended that this policy cover all funds (except for checking account funds) and investment activities under the direction of ReGen.

III. Prudence

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The standard of prudence to be used by investment officials shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

IV. Objectives

The primary objectives, in priority order, of the investment activities of ReGen shall be:

- 1) Safety. Safety of principal is the foremost objective of the investment program. Investments of ReGen shall be undertaken in a manner that seeks to ensure preservation of capital in the portfolio.
- 2) Liquidity. The investment portfolio of ReGen will remain sufficiently liquid to enable ReGen to meet its cash flow requirements.
- 3) Return on Investment. The investment portfolio of ReGen shall be designed with the objective of attaining a market rate of return on its investments consistent with the constraints imposed by its safety objective and cash flow considerations.

V. Delegation of Authority

The management responsibility for the investment program is hereby delegated to ReGen's Director of Finance and Administration who shall monitor and review all investments for consistency with this investment policy. No person may engage in an investment transaction except as provided under the limits of this policy.

VI. Ethics and Conflict of Interest

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

VII. Permitted Investment Instruments

The following are the authorized investment instruments:

1. **Local Agency Investment Fund (LAIF).** Investment of funds in the California LAIF which allows the State Treasurer to invest through the Pooled Money Investment Account (PMIA). Maximum investment is subject to state regulation.
2. **Treasury Bills and Notes.** United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
3. **Securities of the U.S. Government or its Agencies.** Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
4. **Certificates of Deposit.** Negotiable certificates of deposit in FDIC or FSLIC insured accounts, issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit shall not exceed 30 percent of the ReGen's moneys that may be invested pursuant to this section.

VIII. Reporting Requirements

Monthly investment reports shall be submitted to the Board. The report shall include the type of investment, issuer, date of maturity, current annual yield, and cost, market and par values. In addition, reports will include certification that:

- 1) All investment actions executed in the latest report have been made in full compliance with the Investment Policy and;
- 2) There are adequate funds to meet budgeted and actual expenditures for the next six months for the.