



# Protecting Natomas Since 1911

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## RECLAMATION DISTRICT NO. 1000

### BOARD OF TRUSTEES

### REGULAR BOARD MEETING

FRIDAY, DECEMBER 8, 2023

9:00 A.M.

#### DISTRICT OFFICE

1633 GARDEN HIGHWAY  
SACRAMENTO, CA 95833

Members of the public may participate in this meeting in person. Members of the public will have an opportunity to address the Board during Public Comment. Comments may also be emailed prior to the meeting to [kking@rd1000.org](mailto:kking@rd1000.org).

#### 1. PRELIMINARY

- 1.1. Call Meeting to Order
- 1.2. Roll Call
- 1.3. Approval of Agenda
- 1.4. Pledge of Allegiance
- 1.5. Election of Board President and Vice President
- 1.6. Designation of Board Secretary
- 1.7. Conflict of Interest

#### 2. PRESENTATIONS

No Scheduled Presentations

#### 3. PUBLIC COMMENT (NON-AGENDA ITEMS)

*Any person desiring to speak on a matter which is not scheduled on this agenda may do so under the Public Comments section. Speaker times are limited to three (3) minutes per person on any matter within RD 1000's jurisdiction, not on the Agenda.*

*Public comments on agenda or non-agenda items during the Board of Trustees meeting are for the purpose of informing the Board to assist Trustees in making decisions. Please address your comments to the President of the Board. The Board President will request responses from staff, if appropriate. Please be aware the California Government Code prohibits the Board from taking any immediate action on an item which does not appear on the agenda unless the item meets stringent statutory requirements (see California Government Code Section 54954.2 (a)).*

*Public comments during Board meetings are not for question and answers. Should you have questions, please do not ask them as part of your public comments to the Board. Answers will not be provided during Board meetings. Please present your questions to any member of RD 1000 staff via e-mail, telephone, letter, or in-person at a time other than during a Board meeting.*

## AGENDA

RD 1000 Board Meeting  
December 8, 2023

### **4. INFORMATIONAL ITEMS**

- 4.1. GENERAL MANAGER'S REPORT: Update on activities since the November 2023 Board Meeting.
- 4.2. OPERATIONS MANAGER'S REPORT: Update on activities since the Nov. 2023 Board Meeting.
- 4.3. DISTRICT COUNSEL'S REPORT: Update on activities since the Nov. 2023 Board Meeting.

### **5. CONSENT CALENDAR**

*The Board considers all Consent Calendar items to be routine and will adopt them in one motion. There will be no discussion on these items before the Board votes on the motion, unless Trustees, staff or the public request specific items be discussed and/or removed from the Consent Calendar.*

- 5.1. APPROVAL OF MINUTES: Approval of Minutes from the November 10, 2023, Board Meeting.
- 5.2. TREASURER'S REPORT: Approve Treasurer's Report for November 2023.
- 5.3. EXPENDITURE REPORT: Review and Accept Report for November 2023.
- 5.4. BUDGET TO ACTUAL REPORT: Review and Accept Report for November 2023.
- 5.5. DISTRICT POLICY HANDBOOK & POLICY UPDATES: Review and Consider Adoption of Resolution No. 2023-12-01 – Adopting District Policy Handbook & Policy Updates.

### **6. SCHEDULED ITEMS**

- 6.1. AUDITED FINANCIAL STATEMENTS: Review and Receive the Audited Financial Statements for Fiscal Year End June 30, 2023.
- 6.2. AUTHORIZATION TO EXECUTE FUNDING AGREEMENT: Review and Consider Adoption of Resolution No. 2023-12-02 – Authorizing General Manager to Execute Funding Agreement with State of California Department of Water Resources – Flood System Repair Program (FSRP).

### **7. BOARD OF TRUSTEE'S COMMENTS/REPORTS**

#### 7.1. BOARD ACTIVITY UPDATES:

##### 7.1.1. Committee Meetings Since Last Board Meeting

- Executive Committee (Lee Reeder & Gilbert) November 21, 2023
- Finance Committee (Gilbert, Bains, & Perez) November 21, 2023
- Executive Committee (Lee Reeder & Gilbert) November 29, 2023

##### 7.1.2. Upcoming Meetings

- RD 1000 Executive Committee Meeting – January 3, 2024 @ 8:00 am
- RD 1000 Board Meeting – January 12, 2024 @ 8:00 am

### **8. CLOSED SESSION**

No Closed Session Items

### **9. ADJOURN**



## RECLAMATION DISTRICT 1000

DATE: DECEMBER 8, 2023

AGENDA ITEM NO. 4.1

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TITLE: General Manager's Report – December 2023

SUBJECT: Update on Activities Since the November 2023 Board of Trustees Meeting

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### EXECUTIVE SUMMARY:

This Staff Report is intended to report the noteworthy activities and events of the District. Noteworthy activities from November 2023 is provided below:

#### 1. Administration Services

- a. Fiscal Year 2022-2023 Audit
  - i. The draft audit report for Fiscal Year 2022-2023 was presented to the Finance Committee on November 21, 2023. (See Agenda Item 6.1 for more information)
- b. Request for Qualifications – Banking & Investing Services (Timeline)
  - i. Preparation of RFQ/RFP – Nov/Dec 2023
  - ii. Publish/Circulate RFQ/RFP – January 1 – March 1,
  - iii. Internal Review – March 15, 2024
  - iv. Finance Committee Interviews – March 18 -29, 2024
  - v. Recommendation to BOT for Award of Contract – April 12, 2024
  - vi. Preparation for Implementation – April 15, 2024 – June 30, 2024
  - vii. Implementation (Fiscal Year 2024/2025) – July 1, 2024
- c. Request for Qualifications – Admin of Annual Assessment & Fee (Timeline)
  - i. Preparation of RFQ/RFP – Jan/Feb 2024
  - ii. Publish/Circulate RFQ/RFP – March 1, 2024 – April 15, 2024
  - iii. Internal Review – April 19, 2024
  - iv. Finance Committee Interviews – April 22 – May 3, 2024
  - v. Recommendation to BOT for Award of Contract – May 10, 2024
  - vi. Preparation for Implementation – May 13, 2024 – June 30, 2024
  - vii. Implementation (Fiscal Year 2024/2025) – July 1, 2024

- d. Request for Qualifications – Total Compensation Study (Timeline)
  - i. 1) Preparation of RFQ/RFP – Jan/Feb 2024
  - ii. 2) Publish/Circulate RFQ/RFP – March 1, 2024 – April 15, 2024
  - iii. 3) Internal Review – April 19, 2024
  - iv. 4) Personnel Committee Interviews – April 22 – May 3, 2024
  - v. 5) Recommendation to BOT for Award of Contract – May 10, 2024
  - vi. 6) Preparation for Implementation – May 13, 2024 – June 30, 2024
  - vii. 7) Implementation (Fiscal Year 2024/2025) – July 1, 2024

## **2. District Operations**

- a. Routine Operations & Maintenance:
  - i. District Crews continue to perform routine maintenance and operations of the District's infrastructure. See Agenda Item 4.2 for information regarding activities performed in November 2023.
- b. Request for Qualifications – Security Services (Timeline)
  - i. Preparation of RFQ/RFP – Nov/Dec 2023
  - ii. Publish/Circulate RFQ/RFP – January 1 – March 1, 2024
  - iii. Internal Review – March 15, 2024
  - iv. Operations Committee Interviews – March 18 -29, 2024
  - v. Recommendation to BOT for Award of Contract – April 12, 2024
  - vi. Preparation for Implementation – April 15, 2024 – June 30, 2024
  - vii. Implementation (Fiscal Year 2024/2025) – July 1, 2024
- c. Status Of District Pumping Plants
  - i. PUMPING PLANT #1A & 1B
    - Fully Operational
  - ii. PUMPING PLANT #2
    - Pump #1 MCC Cabinet failure. MCC switch gear order has been placed; ETA is July 2024.
  - iii. PUMPING PLANT #3
    - Fully operational
  - iv. PUMPING PLANT #4
    - Pump testing complete. Still waiting for dual voltage switch gear and permanent power from PG&E. Temporary power for the motor heaters has been complete.

**TITLE: General Manager's Report – December 2023**

- v. PUMPING PLANT #5
  - Fully operational
- vi. PUMPING PLANT #6
  - Repairs are underway after vandalism in late November 2023.
- vii. PUMPING PLANT #8
  - Pumps #4 & #5 are non-operational due to shorted conductors from the motors to the MCC cabinets, repairs will be performed during the non-flood season.

**3. Capital Improvement Projects**

- a. CIP Update
  - i. KSN is developing a final design concept-based project phasing as it relates to Pumping Plant #8, including potential property acquisition and construction drawings. The final design completion date is October 2024.

**4. Development Project Updates**

- a. MAP
  - i. Reviewed updated drainage study and provided comments. Pending mapping north of I-5. All modeling supports the need for installing the new pump in spare bay at Plant 3.
  - ii. Preliminary talks have initiated regarding a potential funding agreement for an additional pump and switch gear at PP#3. M&H will commence the preparation of a design and scope of work.
- b. Upper West Side
  - i. Drainage study is under review, West Yost is expected to provide comments in December 2023.
- c. Sutter Pointe
  - i. Meeting held on 11/8/23 with CVFPB and USACE 408 to discuss the sewer main crossing application.
- d. Anton Dev Co Fong Ranch Road
  - i. Preliminary land use plan provided. Concerns about the layout that encroaches on the levee and required setbacks. Bridge is no longer being considered. City Parks and Rec plans for Fong Ranch Park reviewed related to area north of B Drain. Drainage comments provided.
- e. Panhandle
  - i. Panhandle 105 rough grading is currently inactive due to the flood season.

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- f. Northpointe Industrial Park
  - i. All comments have been addressed and plans approved.
- g. Ninos Parkway Trail – B Drain
  - i. Met with Dewberry and City 9/25 to discuss drainage along trail.
  - ii. Drainage concept received on 10/25/23, review forthcoming.
- h. MAP Schnitzer
  - i. Meeting scheduled to review M-7 drainage canal piping. Piping of drain was rejected by RD 1000.
- i. Airport South Industrial
  - i. Additional meetings forthcoming to discuss the Powerline Road widening and M-7 ditch relocation.
  - ii. Met with the City on 9/12 to discuss comments on the latest drainage plan ULDC needs.
- j. Sacramento County WattEV Innovative Freight Terminal (SWIFT) project
  - i. Conducted a meeting with Kimley-Horn regarding the drainage study for the project, which encompasses multiple charging stations and solar fields situated directly south of Interstate 5, west of Powerline Road.
  - ii. In process of developing a funding agreement.
- k. Russel at Truxel Apartments (Fong Ranch Road)
  - i. Submitted comments to developer 08/17/2023.

**5. General Engineering Updates**

- a. Basin-wide Hydraulic Model
  - i. Reviewed draft work maps and provided comments. Flood plan limits are generally less with new 2D maps. There are a number of isolated areas that could be removed at City/County options.
  - ii. The Basin-Wide Hydraulic Model is complete. Need to schedule meetings with City/Counties on mapping requirements.
- b. Facility Mapping Tool
  - i. Working with M&H to complete field mapping tool (GIS)
- c. PGCC Culvert Video Inspections
  - i. Working with M&H to perform.
- d. Howsley Bridge
  - i. No further action at this time. Reach E plans have been coordinated with future work. Conditional permit endorsement provided to the CVFPB.

**6. Natomas Levee Improvement Projects**

a. Reach A

- i. The Contract was awarded in September 2021 to Ahtna-Great Lakes (joint venture) for the base contract levee work. Construction is presently on hold, due to the current flood season, however operations are scheduled to resume on April 15, 2024, with an anticipated completion date of 2025.
- ii. Modifications to Plant 1B and 1A have been included in the project. The contract includes the provisions in the agreement between the District and SAFCA to ensure Plant 1A and 1B are operational during the flood season throughout the project and partial operation of Plant 1B during the irrigation season for rice drainage.
- iii. SAFCA/State continue coordinating with the Corps on SMUD, AT&T and PGE relocations which are underway. The team is also working with the City of Sacramento on waterline and service connections along Garden Highway.

b. Reach B

- i. Substantial completion has been achieved for the construction on Reach B, which includes the relocation of the Riverside Canal and replacement of other Natomas Water Company facilities. The contractor has demobilized and is currently addressing the remaining punch list items.
- ii. Construction at the I-5 window crossing the Sacramento River south of Bayou Road which began in 2021 is essentially complete with a punch list of final items needed to close out the project.

c. Reach C

- i. The Reach C project is complete, and the District is providing the operation and maintenance.

d. Reach D

- i. The reconstruction of Pumping Plant 4, discharge pipes and outfall structure are substantially complete. The plant will be non-operational this flood season as the electrical protection equipment delivery is scheduled for January 2024. Temporary power installation for pump motor heaters is complete.
- ii. The Corps is working on the package to turn the previously completed levee improvements in Reach D over to the non-federal sponsors (and RD 1000) though the District has effectively taken over the O&M of the levee.

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e. Reach E

- i. PG&E relocations are complete, AT&T service pole relocations are in progress. Levee grading work has commenced. Slurry wall, working platform and culvert underdrain replacements are in progress.
- ii. SAFCA has acquired all the right of way for construction and utility relocations and has physical possession of the property. This includes the Brookfield property which could yield sufficient borrow for the remainder of the Natomas project.

f. Reach F

- i. The Corps is working with the State, SAFCA and RD 1000 to close out comments from the 95% and 100 % design. Final plans and specifications are to be completed by October 2023. The Corps has an issue with their internal review process which could delay the final design.
- ii. Critical issues include right of way acquisition (some which require relocations); relocation of existing WAPA tower (lead time for relocation more than a year); utility relocations and borrow source.
- iii. The contract for tree removal within the levee footprint is scheduled for award in November 2023. Levee construction award is scheduled for November 2024 with construction in 2025 and 2026.

g. Reach G

- i. See notes above for Reach F as Reaches F and G are combined into a single design and construction contract.

h. Reach H

- i. Construction at Reach H is substantially complete. A final job walk is scheduled for December 2024.

i. Reach I

- i. Construction of the cutoff wall has been completed and project finalization and turnover to SAFCA and the District is in progress. A final construction report has been submitted for SAFCA and the District to review.
- ii. Design for the Reach I Contract 2 to construct a patrol / maintenance road and perform levee slope flattening has been completed. SAFCA is working on real estate acquisition and coordination with utilities for relocation. All tree removal has been completed. Letter of Acceptance sent to SAFCA. O&M manual was provided by the USACE.

j. Other Projects

- i. Plant 5 replacement—The Corps has awarded the design contract to the Stantec/Kleinfelder team. The new pumping plant will be located



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approximately 400 feet east from the current location. The Corps is working with the State, SAFCA and RD 1000 to close out comments from the 95% plans. The existing timeline anticipates construction in 2024, though current review delays could potentially shift the project to 2025.

- ii. Highway 99 Window – HDR Engineers are doing the design for the closure of the Highway 99 crossing gap at the Natomas Cross Canal. The 100% plans were submitted and reviewed by the design team in October with no significant issues identified. The schedule has shifted to Caltrans review with scheduled award in December 2023 and construction in 2024.

**7. Miscellaneous**

- a. Sacramento Area Flood Control Agency (SAFCA)
  - i. Board Meeting – November 16, 2023 (Attachment No. 1)
  - ii. No Board Meeting in December 2023
- b. Natomas Chamber of Commerce – Annual Holiday Tree Lighting
  - i. RD 1000 participated in the Natomas Chamber of Commerce's Annual Holiday Tree Lighting on December 1, 2023.
- c. Stormwater Service Fee – Property Tax Bill Corrections
  - i. Postcards have been mailed regarding the tax bill adjustments for the new Stormwater Service Fee (Attachment No. 2)
- d. Professional Development
  - i. GM King is working with Municipal Resource Group (MRG) to develop a contract to provide professional coaching for the General Manager. GM King anticipates presenting a contract for review and consideration of approval to the Board of Trustees at the January 2024 Board of Trustees meeting.
  - ii. CSDA's Special District Leadership Academy. GM King, Operations Manager Holleman and Administrative Services Manager Gutierrez will be attending CSDA's Special District Leadership Academy Conference April 14-17, 2024 in San Diego.
- e. Floodplain Management Association – High Water Mark: November 2023  
[https://issuu.com/fmanews/docs/fma\\_newsletter\\_november2023](https://issuu.com/fmanews/docs/fma_newsletter_november2023)

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**ATTACHMENTS:**

1. SAFCA Board Meeting – November 16, 2023
2. Stormwater Service Fee – Tax Bill Adjustment Postcard
3. CSDA – Year End Legislative Summary

**STAFF RESPONSIBLE FOR REPORT:**



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Kevin L. King, General Manager

Date: 12/05/2023



## **Board of Directors Action Summary of**

**November 16, 2023 - 3:00 PM**

*Sacramento County Administration Building*

Board of Supervisors' Chambers - 700 H Street  
Sacramento County, CA 95814

This Meeting of the Sacramento Area Flood Control District met in person at the Sacramento County Administration Building, referenced above.

Documents and materials related to Agenda Items are available on SAFCA's website at <https://agendanet.saccounty.gov/SAFCA/Meetings/Search?dropid=7&mtids=130>

**Directors Present:** Barandas, Frost, Holloway, Hume, Jennings, Lee Reeder, Kaplan, Kennedy, McCarthy-Omstead, Serna, and Shah

**Directors Absent:** Conant, and Talamantes

### **ROLL CALL**

### **PUBLIC COMMENTS**

No public comments were received

### **CLOSED SESSION**

The Board gave direction to Staff on several Items, the terms of which will be made public when they are reduced to writing.

Government Code Section 54956.8 -  
Conference with Real Property Negotiators.

Sacramento County APNs: **201-0320-018 and 201-0320-019**

Property: **5921 E. Levee Road**, Sacramento, CA 95835

Negotiating Party: Brian Manning, Esq. on behalf of **Twin Rivers Unified School District**

Agency Negotiators: Richard M. Johnson, Jason D. Campbell, John A. Bassett, Jeremy D. Goldberg, Matt DeGroot, Lyndee Russell

Under Negotiation: Price and terms of payment

Government Code Section 54956.8 - Conference with Real Property Negotiators.

Sutter County APN: **35-170-079**

Property: **7281 Natomas Road**, Elverta CA 95626

Negotiating Party: Brian Manning, Esq. on behalf of **Glenn Chadaris**

Agency Negotiators: Richard M. Johnson, Jason D. Campbell, John A. Bassett, Jeremy D. Goldberg, Matt DeGroot, Lyndee Russell

Under Negotiation: Price and terms of payment

Government Code Section 54956.8 - Conference with Real Property Negotiators.

Sutter County APN: **35-170-080**

Property: **7495 Natomas Road**, Elverta CA 95626

Negotiating Party: Jacklyn Powell, Esq. on behalf of **Homeward Bound Golden Retriever Rescue & Sanctuary, Inc.**

Agency Negotiators: Richard M. Johnson, Jason D. Campbell, John A. Bassett, Jeremy D. Goldberg, Matt DeGroot, Lyndee Russell

Under Negotiation: Price and terms of payment

Government Code Section 54956.8 - Conference with Real Property Negotiators.

Sacramento County APNs: **201-0200-017, 201-0200-022, 201-0200-023**

Property:

**6615**

**and**  
**7001 E.**  
**Levee**  
**Road,**  
Rio  
Linda  
CA  
95673

Negotiating Party: Brian Manning,  
Esq. on behalf of **Sandra Kay Cunha,**  
**Successor Trustee of the Kenneth**  
**and Mary Lou Cayocca Family 1983**  
**Revocable Trust, Established April**  
**29, 1983**

Agency  
Negotiat  
ors:  
Richard  
M.  
Johnson,  
Jason D.  
Campbel  
l, John  
A.  
Bassett,  
Jeremy  
D.  
Goldberg  
, Matt  
DeGroot,  
Lyndee  
Russell  
Under  
Negotiati  
on: Price  
and  
terms of  
payment

Government Code Section 54956.8 -  
Conference with Real Property  
Negotiators.  
Sacramento County APNs: **201-0320-**  
**025**  
Property: **6301 E. Levee Road,** Rio  
Linda, CA 95673

Negotiating Party: Brian Manning, Esq.  
on behalf of **Alice Krumenacher,  
Trustee of the Alice Krumenacher  
Trust dated February 18, 2005 and  
Marie Krumenacher, Trustee of the  
Marie Krumenacher Trust dated  
August 27, 2004**

Agency Negotiators: Richard M.  
Johnson, Jason D. Campbell, John A.  
Bassett, Jeremy D. Goldberg, Matt  
DeGroot, Lyndee Russell

Under Negotiation: Price and terms of  
payment

Government Code Section 54956.8 -  
Conference with Real Property  
Negotiators.

Sutter County APN: **35-271-014**

Property: **7521 Natomas Road**, Elverta,  
CA 95626

Negotiating Party: Matthew Brady, Esq.  
on behalf of **George L. Burnsed, Jr.  
and Marie C. Burnsed**

Agency Negotiators: Richard M.  
Johnson, Jason D. Campbell, John A.  
Bassett, Jeremy D. Goldberg, Matt  
DeGroot, Lyndee Russell

Under Negotiation: Price and terms of  
payment

Government Code Section 54956.8 -  
Conference with Real Property Negotiators.

Sacramento County APN: **226-0020-003**

Property: **5421 E. Levee Road**, Sacramento,  
CA 95835

Negotiating Party: Brian Manning, Esq. on  
behalf of **Joseph Prioriello and Jennifer  
Prioriello**

Agency Negotiators: Richard M. Johnson,  
Jason D. Campbell, John A. Bassett,  
Jeremy D. Goldberg, Matt DeGroot,  
Lyndee Russell

Under Negotiation: Price and terms of  
payment

## CONSENT MATTERS

Motion by Director Barandas and seconded by Director Shah, approving Resolution Nos: 2023-117; 2023-118; 2023-119; 2023-120; 2023-121; 2023-122; 2023-123; and 2023-124 of Consent Matters

AYES: Barandas, Frost, Holloway, Hume, Jennings, Kaplan, Kennedy, Lee Reeder, McCarthy-Olmstead, Serna, and Shah  
NOES: (None)  
ABSTAIN: (None)  
RECUSE: (None)  
ABSENT: Conant and Talamantes

1. **Information** - Approving the Action Summary for October 19, 2023
  
2. **Resolution No. 2023-117** - Authorizing the Executive Director Expend Additional Funds Pursuant to the Existing 214 Agreement with the U.S. Army Corps of Engineers for the Purpose of Processing Section 404, Section 10 Permits, and Section 408 Permission Requests
  
3. **Resolutions** - Authorizing the Executive Director to Execute Contract Amendments with Geosyntec Consultants, Inc. for Professional Services
  - A. Resolution No. 2023-118** - Amendment No. 7 to Contract No. 1528 Related to the American River Common Features 2016 Project
  - B. Resolution No. 2023-119** - Amendment No. 2 to Contract 1584 Related to the Lower Elkhorn Basin Levee Setback Project
  
4. **Resolution No. 2023-120** - Authorizing the Executive Director to Execute Amendment No. 4 to Contract No. 1281 with Larsen Wurzel & Associates, Inc. for Financial Management Support Services Related to SAFCA's Levee Accreditation Program
  
5. **Resolution No. 2023-121** - Authorizing the Executive Director to Execute Amendment No. 7 to Contract No. 1447 with Monument ROW, Inc., for Real Estate Project Management and Support Services
  
6. **Resolution No. 2023-122** - Authorizing the Executive Director to Execute Amendment No. 7 to Contract No. 1422 with Gualco Consulting for Local Government Relations, Community Outreach, and Right of Way Support Activities Related to the American River Common Features 2016 Project

7. **Resolution No. 2023-123** - Authorizing the Executive Director to Execute Amendment No. 2 to Contract No. 1468 with Mead & Hunt, Inc., for Design Services for the Natomas Levee Improvement Project Fisherman's Lake Borrow Sites
  
8. **Resolution No. 2023-124** - Authorizing the Executive Director to Enact Cost of Living Adjustments Pursuant to the SAFCA Administered Personnel Management System Policies and Procedures

**EXECUTIVE DIRECTOR'S REPORT**

9. **Information** - Executive Director's Report for November 16, 2023

**SEPARATE MATTERS**

10. **Resolution No. 2023-125** - Amending Resolution No. 2023-010 with Regards to the SAFCA Board of Director's December 21, 2023 Meeting.

Motion by Director Jennings and seconded by Director Lee Reeder, approving Resolution No. 2023-125

- AYES: Barandas, Frost, Holloway, Hume, Jennings, Kaplan, Kennedy, Lee Reeder, McCarthy-Olmstead, Serna, and Shah
- NOES: (None)
- ABSTAIN: (None)
- RECUSE: (None)
- ABSENT: Conant and Talamantes

11. **Public Hearing Resolution of Necessity No. 2023-126- *Continued from the September 21, 2023 Board of Director's Meeting*** Regarding:

**Sacramento County APNs:** Portions of **201-0320-018 and 201-0320-019**  
**Property at:** **5921 E. Levee Road**, Sacramento, CA 95835  
**Property Owner:** **Twin Rivers Unified School District**

Authorizing an Eminent Domain Action to Condemn Certain Real Property Interests for the Reach G Component of Phase 4b of the Natomas Levee Improvement Project - Fee Interest, and a Temporary Construction Easement Acquisition.



**This Item Requires a 2/3 or Nine Member Vote to Pass the Resolution**

Motion by Director McCarthy-Olmstead and seconded by Director Kaplan, approving Staff recommendation to continue this Item to the January 18, 2024 Board of Director’s Meeting. Speaker present for this item forego comments to the January 18, 2024 meeting.

- AYES: Barandas, Frost, Holloway, Hume, Jennings, Kaplan, Kennedy, Lee Reeder, McCarthy-Olmstead, Serna, and Shah
- NOES: (None)
- ABSTAIN: (None)
- RECUSE: (None)
- ABSENT: Conant and Talamantes

12. **Public Hearing Resolution of Necessity No. 2023-127 - Continued from the October 19, 2023 Board of Director’s Meeting** Regarding:

Sutter County APN: Portions of **35-170-079**  
Property at: **7281 Natomas Road**, Elverta CA 95626  
Property Owner: **Glenn Chadaris**

Authorizing an Eminent Domain Action to Condemn Certain Real Property Interests for the Reach F Component of Phase 4b of the Natomas Levee Improvement Project - Fee Interest, a Permanent Electrical and Communication Facilities Easement and a Temporary Construction Easement Acquisition.

**This Item Requires a 2/3 or Nine Member Vote to Pass the Resolution**

Motion by Director Serna and seconded by Director Jennings approving Staff recommendation to continue this Item to the January 18, 2024 Board of Director’s Meeting. Speaker present for this item forego comments to the January 18, 2024 meeting.

- AYES: Barandas, Frost, Holloway, Hume, Jennings, Kaplan, Kennedy, Lee Reeder, McCarthy-Olmstead, Serna, and Shah
- NOES: (None)
- ABSTAIN: (None)
- RECUSE: (None)
- ABSENT: Conant and Talamantes

13. **Public Hearing Resolution of Necessity No. 2023-128 - Continued from the October 19, 2023 Board of Director’s Meeting** Regarding:

Sutter County APN: Portions of **35-170-080**

Property at: **7495 Natomas Road**, Elverta CA 95626

Property Owner: **Homeward Bound Golden Retriever Rescue & Sanctuary, Inc.**

Authorizing an Eminent Domain Action to Condemn Certain Real Property Interests for the Reach F Component of Phase 4b of the Natomas Levee Improvement Project - Fee Interest, a Permanent Electrical and Communication Facilities Easement and a Temporary Construction Easement Acquisition.

**This Item Requires a 2/3 or Nine Member Vote to Pass the Resolution**

Chairman Kennedy opened the Public Hearing, Presentation by Matt DeGroot, no public comments were made, Chairman Kennedy closed the Public Hearing. Motion by Director Serna and seconded by Director Holloway approving Resolution No. 2023-128 with stipulation to hold off filing the case for one month.

- AYES: Barandas, Frost, Holloway, Hume, Jennings, Kaplan, Kennedy, Lee Reeder, McCarthy-Olmstead, Serna, and Shah
- NOES: (None)
- ABSTAIN: (None)
- RECUSE: (None)
- ABSENT: Conant and Talamantes

14. **Public Hearing Resolution of Necessity No. 2023-129** - Regarding:

Sacramento County APN: Portions of **201-0200-017** and **201-0200-022**

Property at: **6615 E. Levee Road**, Rio Linda, CA 95673

Property Owner: **Sandra Kay Cunha, Successor Trustee of the Kenneth and Mary Lou Cayocca Family 1983 Revocable Trust, Established April 29, 1983**

Authorizing an Eminent Domain Action to Condemn Certain Real Property Interests for the Reach G Component of Phase 4b of the Natomas Levee Improvement Project - Fee Interest, a Permanent Electrical and Communication Facilities Easement and a Temporary Construction Easement Acquisition.

**This Item Requires a 2/3 or Nine Member Vote to Pass the Resolution**

Chairman Kennedy opened the Public Hearing, Presentation by Matt DeGroot, public comment made by Brian Manning, Esq., Chairman Kennedy closed the Public Hearing. Motion by Director Serna and seconded by Director Holloway approving Resolution No. 2023-129

- AYES: Barandas, Frost, Holloway, Hume, Jennings, Kaplan, Kennedy, Lee Reeder, McCarthy-Olmstead, Serna, and Shah
- NOES: (None)
- ABSTAIN: (None)

RECUSE: (None)  
ABSENT: Conant and Talamantes

15. **Public Hearing Resolution of Necessity No. 2023-130** - Regarding:

**Sutter County APN:** Portions of **201-0200-023**  
**Property at:** **7001 E. Levee Road**, Rio Linda, CA 95673  
**Property Owner:** **Sandra Kay Cunha, Successor Trustee of the Kenneth and Mary Lou Cayocca Family 1983 Revocable Trust, established April 29, 1983**

Authorizing an Eminent Domain Action to Condemn Certain Real Property Interests for the Reach G Component of Phase 4b of the Natomas Levee Improvement Project - Fee Interest, a Permanent Electrical and Communication Facilities Easement and a Temporary Construction Easement Acquisition.

*This Item Requires a 2/3 or Nine Member Vote to Pass the Resolution*

Chairman Kennedy opened the Public Hearing, Presentation by Matt DeGroot, public comment made by Brian Manning, Esq., Chairman Kennedy closed the Public Hearing. Motion by Director Serna and seconded by Director Holloway approving Resolution No. 2023-130

AYES: Barandas, Frost, Holloway, Hume, Jennings, Kaplan, Kennedy, Lee Reeder, McCarthy-Olmstead, Serna, and Shah  
NOES: (None)  
ABSTAIN: (None)  
RECUSE: (None)

16. **Public Hearing Resolution of Necessity No. 2023-131** - Regarding:

**Sacramento County APN:** Portions of **201-0320-025**  
**Property at:** **6301 E. Levee Road**, Rio Linda, CA 95673  
**Property Owner:** **Alice Krumenacher, Trustee of the Alice Krumenacher Trust dated February 18, 2005 and Marie Krumenacher, Trustee of the Marie Krumenacher Trust dated August 27, 2004**

Authorizing an Eminent Domain Action to Condemn Certain Real Property Interests for the Reach G Component of Phase 4b of the Natomas Levee Improvement Project - Fee Interest, Access, Drainage, Public Roadway and Public Utilities Permanent Easement; and a Temporary Construction Easement Acquisition.

*This Item Requires a 2/3 or Nine Member Vote to Pass the Resolution*

Chairman Kennedy opened the Public Hearing, Presentation by Matt DeGroot, public comment made by Brian Manning, Esq., Chairman Kennedy closed the Public Hearing. Motion by Director Serna and seconded by Director Jennings approving Resolution No. 2023-131

AYES: Barandas, Frost, Holloway, Hume, Jennings, Kaplan, Kennedy, Lee Reeder,  
McCarthy-Olmstead, Serna, and Shah  
NOES: (None)  
ABSTAIN: (None)  
RECUSE: (None)  
ABSENT: Conant and Talamantes

**ADJOURN**

Respectfully submitted,  
Lyndee Russell

Reclamation District 1000  
1633 Garden Highway  
Sacramento CA 95833-9706  
(916) 922-1449



**AGENDA ITEM 4.1**  
**ATTACHMENT NO. 2**



# IMPORTANT NOTICE

## Reclamation District No. 1000 Stormwater Service Fee Fiscal Year 2023/24 Tax Bill Adjustment

This notice is being sent to you as the owner of a parcel within the boundaries of Reclamation District No. 1000 (District), to inform you of a TAX BILL ADJUSTMENT for Fiscal Year 2023/2024 in your favor. As you may know, the District established a new property-related fee this year. The new “Stormwater Service Fee” (Fee) provides necessary funding for the long-term operation, maintenance, rehabilitation, and construction of District infrastructure including perimeter levee systems, interior drainage systems, and pump stations to protect the Natomas Basin from floods. The District retained NBS to serve as the administrator of the Fee and mistakenly levied the new Fee on your property.

### What you need to know:

- **If You Have Paid your property tax bill** - Please be patient, no further action is needed on your part. Sacramento County will issue a refund in the appropriate amount for the overpayment and will coordinate with you to address any unique or complex property tax situations.
- **If You Have Not Paid your property tax bill** – Please wait to pay your tax bill until the Fiscal Year 2023/24 amount for the Fee is reduced to \$0.00. The corrected Sacramento County property tax bill will have a 30-day due date extension.

We apologize for the error and thank you for your patience and understanding.

For questions regarding this tax bill adjustment, please contact:



# 2023 Year-End Legislative Report

Major Advocacy Accomplishments:

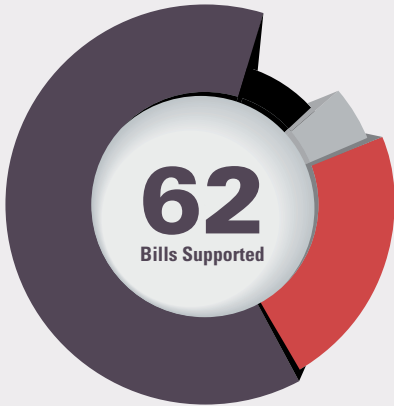
## **The Voice of Special Districts**

### ***Comprehensive Bill Report***

*CSDA is honored to advocate for and represent special districts in the pursuit of providing members with the necessary resources to best serve their communities. In addition to the highlights and bill statistics provided in this report, view CSDA's 2023 year-end priority positions bill report [here](#).*

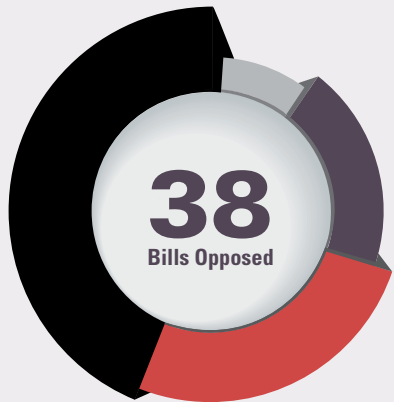
The California State Legislature introduced and CSDA reviewed 3,030 measures during the first year of the 2023-24 Legislative Session. CSDA's Legislative Committee maintained positions on 1,181 bills, including 100 priority positions. Of the 38 bills opposed by CSDA, only 7 became law. Of the 61 bills supported by CSDA, 33 became law.

## 2023 State Legislative Year Statistics



### BILLS SUPPORTED

- 33 – Signed into law
- 4 – Vetoed
- 2 – Amended to remove support
- 23 – 2-year



### BILLS OPPOSED

- 7 – Signed into law
- 4 – Vetoed
- 17 – Amended to remove opposition
- 10 – 2-year

# ADVOCACY: THE VOICE OF SPECIAL DISTRICTS



## CSDA Sponsored Legislation

- » **AB 557 (Hart) Brown Act** – Emergency remote meetings
- » **SCR 52 (Alvarado-Gil)** – Special Districts Week



## At the Forefront of the Fight Against an Existential Threat to Special District Services

When the California Business Roundtable filed Initiative 21-0042A1 (now #1935) to retroactively incapacitate the ability of special districts and other agencies to fund government services, CSDA immediately adopted an oppose position, joined a coalition with key stakeholders, and began educating its membership. These efforts are gaining traction.

- » **ACA 13 (Ward) Protect and Retain the Majority Vote Act** – CSDA was one of the original supporters of this constitutional amendment to uphold the majority vote and force measures like Initiative #1935 to meet the same voter thresholds they seek to impose on others. ACA 13 was approved by two-thirds of each house of the State Legislature to place on the November 2024 statewide ballot.
- » **Preelection Challenge to Initiative #1935** – CSDA moved swiftly to support the filing of the Governor's and Legislature's preelection challenge to Initiative #1935, asking the California Supreme Court to conduct preelection review and prevent the measure from being placed on the ballot.
- » **Special District Resolutions in Opposition** – Over 111 special districts have now adopted a board resolution in opposition to Initiative #1935.



## Protecting Local Revenue and Resources

As one of the most efficient and effective forms of government, special districts often do more with less. CSDA is fighting in the Capitol to ensure special districts have the resources they need to deliver the services their communities depend on.

- » **ACA 1 (Aguiar-Curry) 55 Percent Vote Threshold** – CSDA secured inclusion of special districts when this constitutional amendment was originally introduced in a prior session; ACA 1 passed the Legislature and voters will now decide whether to afford special districts and other local agencies with the same financing tools they previously approved for school districts.
- » **AB 516 (Ramos) Mitigation Fee Act** – Led efforts to resolve issues created by revisions to audit requirements for development project fees.
- » **AB 1713 (Gipson) Federal Funding** – Joined local agency stakeholders in opposition to this bill which would have created overly broad reporting requirements.
- » **AB 1490 (Lee) Housing** – Secured amendments to drop provisions that could have potential to threaten fee-related revenue that may be necessary for covering the costs of development projects, as a result, CSDA moved to a Neutral position.
- » **AB 1637 (Irwin) Web Domain Mandate** – CSDA worked with a coalition with an Oppose Unless Amended position that resulted in an amendment limiting the bill's requirement that all local governments transition to .gov websites to apply to cities and counties only.





## Surplus Land Act

In response to California’s housing challenges, the State Legislature has taken a critical look at numerous housing-related policies, some of which would lead to unintended or counter-productive consequences if not for the CSDA-led local government coalition advocating on behalf of those who provide the essential services that support housing and affordable living.

- » **SB 747 (Caballero)** – Support with Negotiated Amendments
- » **AB 480 (Ting)** – Neutral with Amendments
- » **AB 457 (Patterson, Joe)** – Neutral with Amendments
- » **SB 34 (Umberg)** – Neutral with Amendments
- » **SB 229 (Umberg)** – Neutral with Amendments
- » **SB 634 (Becker)** – Opposed Unless Amended



CSDA Senior Legislative Representative, Aaron Avery, presents argument to amend SB 34.



## Protecting Operations Through Advocacy

Special districts employ over 160,000 front-line workers and contract for the design and construction of much of California’s core infrastructure. CSDA worked to ensure these local service specialists can best serve the communities that rely on special districts.

- » **AB 400 (Rubio, Blanca)** – Design-Build: Support
- » **AB 504 (Reyes)** – Sympathy Strikes: Oppose
- » **AB 1484 (Zbur)** – Temporary Workforce Unionization: Oppose
- » **SB 149 (Caballero)** – California Environmental Quality Act: Support
- » **SB 252 (Gonzalez)** – CalPERS Divestment: Oppose
- » **SB 399 (Wahab)** – Political Job Duties: Oppose
- » **SB 706 (Caballero)** – Progressive Design-Build: Support
- » **SB 799 (Portantino)** – Unemployment Insurance: Oppose



## CARB Advance Clean Fleet (ACF) Zero Emission Medium-Duty and Heavy-Duty Vehicle Mandate

CSDA advocated directly with CARB members and staff, provided written comments, and testified in opposition to the regulation during the public hearing, citing timeline, cost, infrastructure and emergency response concerns. As a result of CSDA and coalition efforts, CARB instituted numerous revisions, expanding opportunities for exemptions and extensions, including a “Milestone” implementation option that provides special districts and other local agencies with significantly more time for implementation.



## RECLAMATION DISTRICT 1000

DATE: DECEMBER 8, 2023

AGENDA ITEM NO. 4.2

---

TITLE: Operations Manager's Report – December 2023

SUBJECT: Update on Activities Since the November 2023 Board of Trustees Meeting

---

### EXECUTIVE SUMMARY:

This Staff Report is intended to inform the Board and serve as the official record of the activities the District's field staff engaged in for the month of November 2023. As well as provide information regarding District facility use and local weather impacts on District facilities and river levels. Noteworthy activities include mowing the inner and outer perimeters of the District and performed a pre-emergent application along our all-weather access roads. Additionally, staff carried out numerous homeless encampment postings throughout the District. Crews continued to place RSP related to various washouts along the East Main Drainage Canal.

The Operations Manager's report was created to provide monthly updates to the Board of Trustees on field-related activities within the District boundaries, as well as provide a historical record. This allows for the District and the public an opportunity to refer back to data trends over time regarding the weather impact on District facilities, crew activities, and local river and canal conditions as well as general District activities from month to month.

### RECOMMENDATION:

There are no staff recommendations, the information provided is strictly informational.

### ATTACHMENTS:

1. Operations Manager's Report Data Sheet

### STAFF RESPONSIBLE FOR REPORT:

Handwritten signature of Gabriel J. Holleman in blue ink.

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Gabriel J. Holleman, Operations Manager

Date: 12/01/2023

Handwritten signature of Kevin L. King in blue ink.

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Kevin L. King, General Manager

Date: 12/01/2023

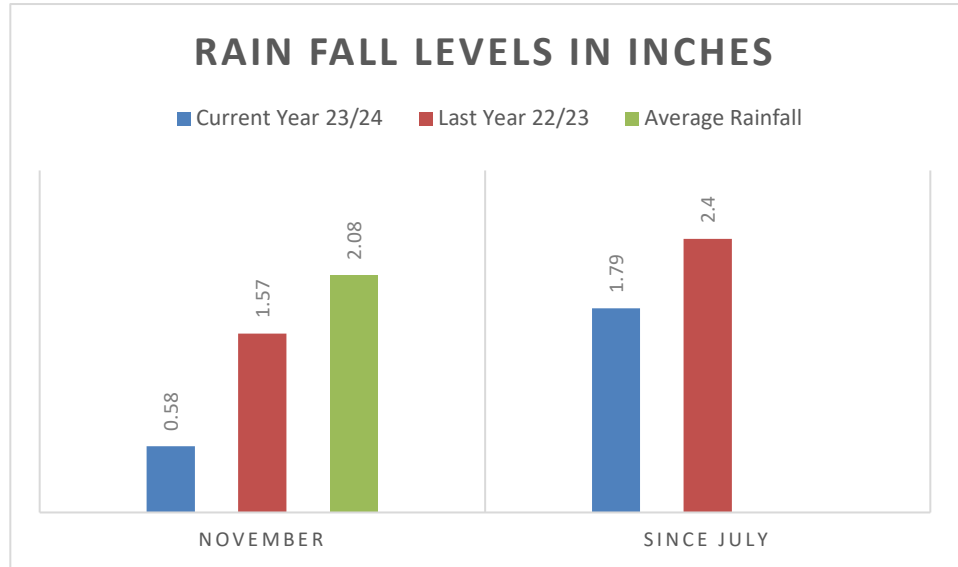


**Operations Manager's Report  
December 2023**

**Rain Fall Totals:**

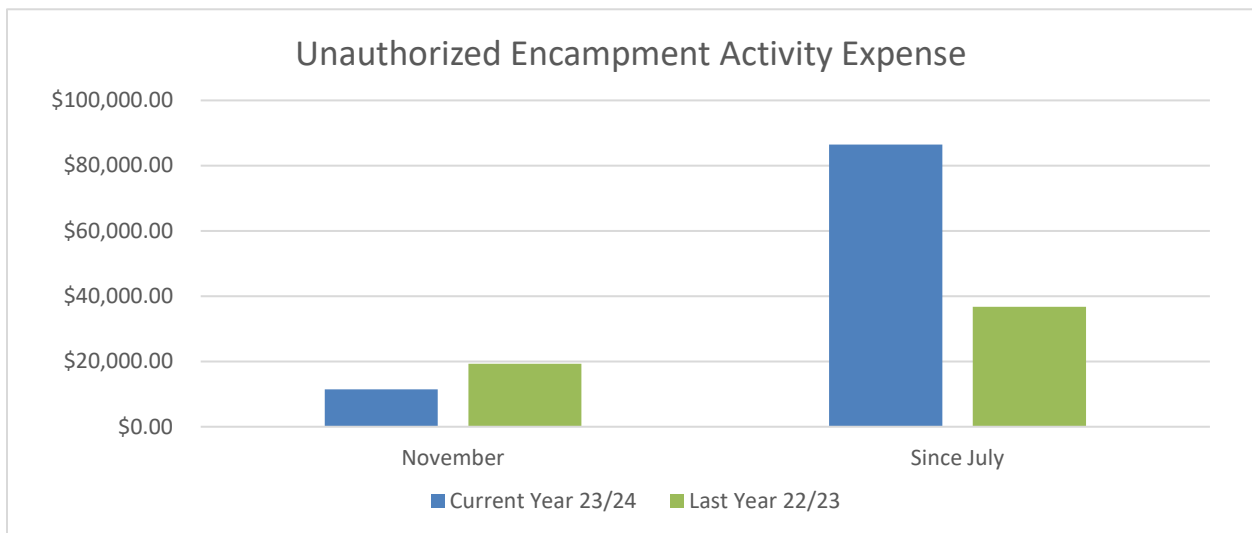
November 2023  
Rain Totals = 1.21"  
October Average = 2.08"

Rain Totals Since  
July 1, 2023= 1.21"

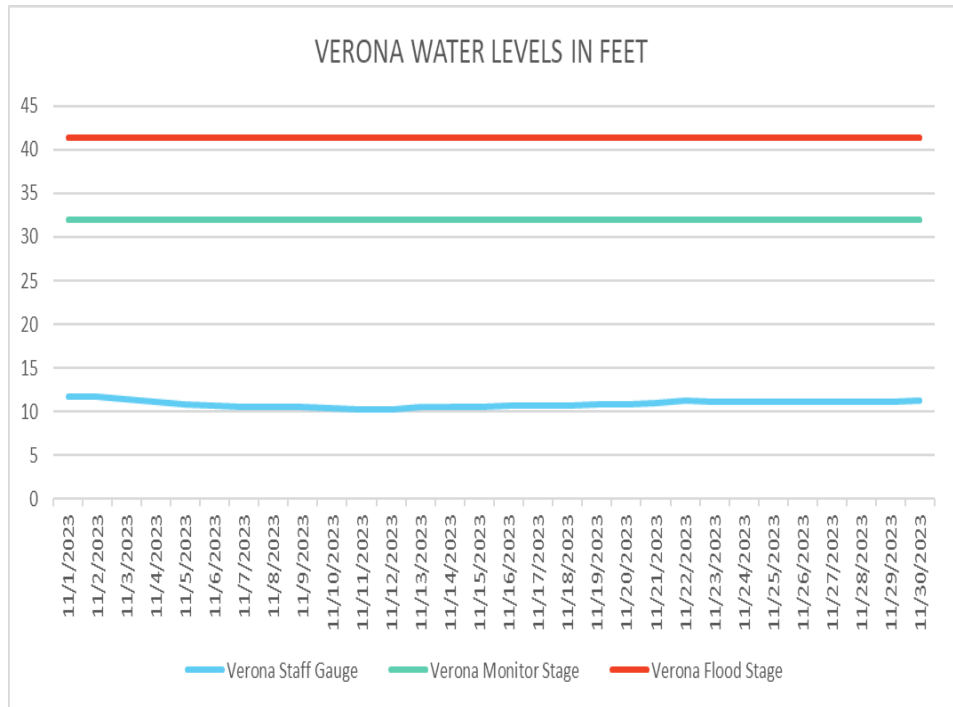


**Unauthorized Encampment Activity** During the month of November, the District spent a total of 69 hours on unauthorized encampment related activities, with a total cost to the District of \$11,489.84. This total includes labor and quipment costs.

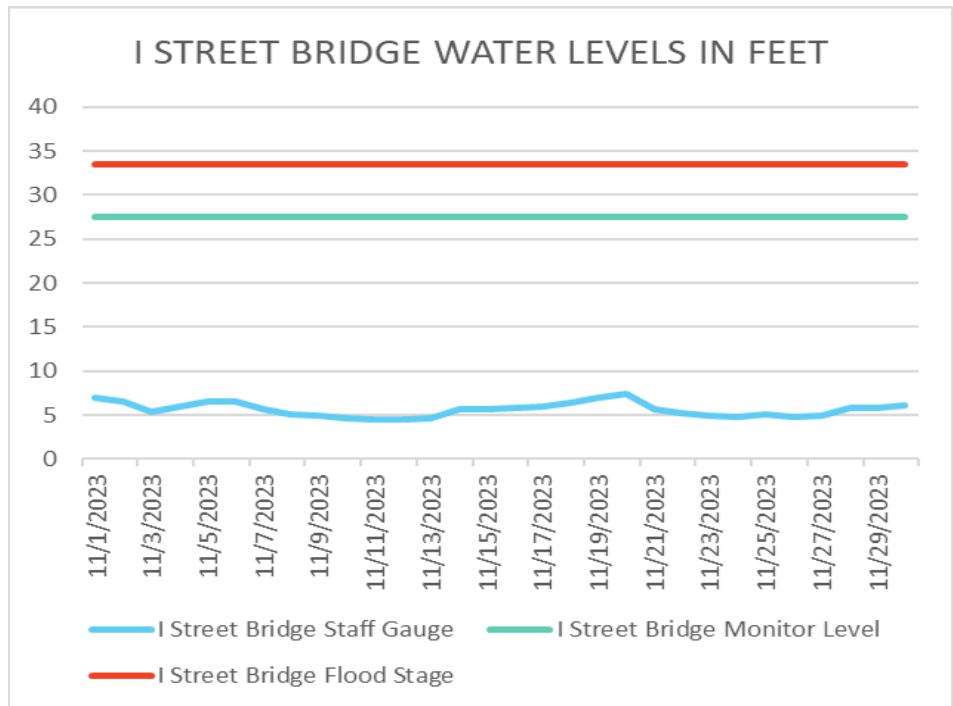
**Unauthorized Encampment Activity – Year to Date** This fiscal year to date the District has spent a total of 477 crew hours on unauthorized encampment activity for a total cost to the district of \$86,490. This total includes labor,\* equipment costs.



**Verona River Levels:**  
 H: 11.8'  
 L: 10.3'  
 Monitor Level: 32'  
 Flood Stage: 41.3'



**I Street River Levels:**  
 H: 7.4'  
 L: 4.5'  
 Monitor Level: 27.5'  
 Flood Stage: 33.5'



The chart below represents various activities the field crew spent their time working on during the month of November 2023.

RD 1000 Field Crew	*Field Hours Worked	Activity
	228	Canal Erosion Program
	157	Pumping Plant Maintenance
	143	Equipment Maintenance/Repair
	128	Pumping Plant Maintenance
	80	Mowing

*\*Hours worked do not include the Operations Manager's time.*

### **Pumping**

Please review the pumping data below, specifically pertaining to pump totals in November. A total of 168.3 acre-feet was pumped from the Basin.

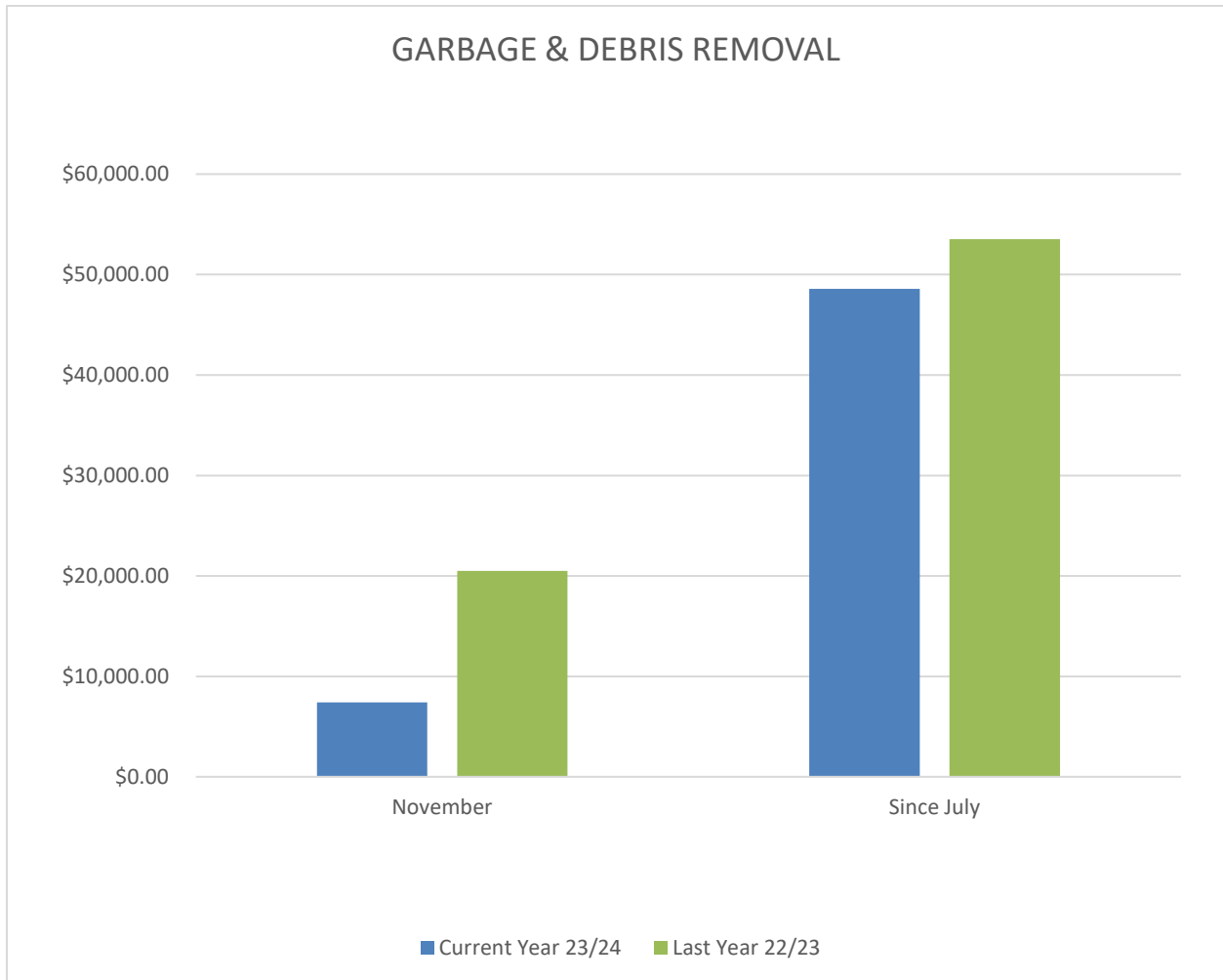
Pumping Plant	Pump	Hours / Ac-ft
Plant 3	Pump #1	37.4 Hrs / 168.3 Ac-ft

### **Safety Topics for the Month of November**

- Basic Excavation Safety – Safety Tips When Using Trench Boxes
- Basic Excavation Safety – Safety Tips When Using Hydraulic Shores
- Basic Excavation Safety – Safety Tips When Using Timber Shoring
- Basic Excavation Safety – Safety Tips for Sloped & Benched Excavations

**Garbage & Debris Activity** – During the month of November, the District spent a total of 44 crew hours on garbage removal activities with at total cost to the District of \$7,421.05. This total includes labor and equipment costs.

**Garbage & Debris Activity – Year to Date** This fiscal year to date the District spent a total of 324.50 crew hours on garbage removal activities with at total cost to the District of \$48,565.29. This total includes labor and equipment costs.



Maintenance Work Schedule		1-Nov Through 30-Nov		
Crew 1	1-Nov	8-Nov	15-Nov	22-Nov
<b>Beto Gutierrez</b>				
Truck # 57	* Maintenance at pumping plants #1B, #2, #5, #6 and #8 * Annual flood fight training at ARFCD	* Serviced pump plant pump motors at PP#1B, PP#3, PP#8 * Homeless encampment postings along the NEMDC	* Washout repairs along the East Drainage Canal	* Pre-emergent application along our patrol roads throughout the District
<b>Crew 2</b>	<b>1-Nov</b>	<b>8-Nov</b>	<b>15-Nov</b>	<b>22-Nov</b>
<b>John Chilton</b>				
Truck # 56	* Mowing activities along Garden Highway * Annual flood fight training at ARFCD	* Mowing activities along Garden Highway	* Mowing activities along the NEMDC	* Mowing activities along the West Drainage Canal
<b>Crew 3</b>	<b>1-Nov</b>	<b>8-Nov</b>	<b>15-Nov</b>	<b>22-Nov</b>
<b>Taylor Tikalsky</b>				
Truck # 55	* Washout repairs along the East Drainage Canal * A/B placement along the North Drainage Canal	* Serviced pump plant pump motors at PP#1B, PP#3 and PP#8 * Garbage removal throughout the District	* Washout repairs along the East Drainage Canal	* Washout repairs along the East Drainage Canal * A/B placement along the North Drainage Canal
<b>Crew 4</b>	<b>1-Nov</b>	<b>8-Nov</b>	<b>15-Nov</b>	<b>22-Nov</b>
<b>Bryan Hall</b>				
Truck # 69	* Installed equipment badges with new logo * #21 - Fuel system repairs * #2 - Brake system repairs * Log splitter repairs * Cleaned and organized shop * Annual flood fight training at ARFCD	* Hydraulic motor repairs and San Juan pumping plant * #39 - Hydraulic system repairs * Log splitter repairs	* #39 - 3 point lift repairs and charging and hydraulic sytem repairs * #63 - Air leak repair * #43 - Chargin system repairs * #2- Replaced headlights * #53 & 65 Tire repairs	* Electrical sytem installation in Auto Shop * Corp Yard maintenance * #39 - Body system repairs * #54 Mower blade replacements * #53 & 65 Tire repairs
<b>Crew 5</b>	<b>1-Nov</b>	<b>8-Nov</b>	<b>15-Nov</b>	<b>22-Nov</b>
<b>Ray Lewis</b>				
Truck: #58	Medical Leave	* Serviced pump plant pump motors at PP#1B, PP#3 and PP#8 * Garbage removal throughout the District	* Washout repairs along the East Drainage Canal	* Washout repairs along the East Drainage Canal * A/B placement along the North Drainage Canal
<b>Crew 6</b>	<b>1-Nov</b>	<b>8-Nov</b>	<b>15-Nov</b>	<b>22-Nov</b>
<b>Michael Rhoads</b>				
Truck: #59	* Maintenance at pumping plants #1B, #2, #5, #6 and #8 * Annual flood fight training at ARFCD * Multiple homeless encampment postings	* Hydraulic motor repairs and San Juan pumping plant * Serviced pump plant pump motors at PP#1B and PP#8	* Washout repairs along the East Drainage Canal	* Washout repairs along the East Drainage Canal * A/B placement along the North Drainage Canal * Multiple homeless encampment postings
<b>Crew 7</b>	<b>1-Nov</b>	<b>8-Nov</b>	<b>15-Nov</b>	<b>22-Nov</b>
<b>Mark Jenkins</b>				
Truck #60	* Maintenance at pumping plants #1B, #2, #5, #6 and #8 * Annual flood fight training at ARFCD	* Serviced pump plant pump motors at PP#1B, PP#3, PP#8 * Homeless encampment postings along the NEMDC * Garbage removal throughout the District	Vacation	* Washout repairs along the East Drainage Canal * A/B placement along the North Drainage Canal



## Homeless Encampment Activity Report December 2023

The attachment below is intended to inform the Board of the homeless encampment activities during the month of November. Following the direction of our SOP, the District is obligated to carry out three (3) postings at each encampment, as outlined below. Noteworthy activities include homeless encampment postings and removals along Main Drain and the NEMDC.

Activity	NOVEMBER														
	TH	F	S	S	M	T	W	TH	F	S	S	M	T	W	TH
	11/2/2023	11/3/2023	11/4/2023	11/5/2023	11/6/2023	11/7/2023	11/8/2023	11/9/2023	11/10/2023	11/11/2023	11/12/2023	11/13/2023	11/14/2023	11/15/2023	11/16/2023
1st Posting along NEMDC (Arden Garden to Main Ave.)	X														
1st Posting along Main Drain (North of El Camino Ave.)	X														
2nd Posting along NEMDC (Arden Garden to Main Ave.)					X										
2nd Posting along Main Drain (North of El Camino Ave.)					X										
Final Posting along NEMDC (Arden Garden to Main Ave.)								X							
Final Posting along Main Drain (North of El Camino Ave.)								X							
Encampment Removals along NEMDC (Arden Garden to Main Ave.)													X	X	X
Encampment Removals along Main Drain (North of El Camino Ave.)													X	X	X



Below is a calendar related to homeless encampment activities for the month of November & December. Noteworthy activities include encampment postings and removals along the East Drain, Main Drain and the C-1 Channel.

Activity	NOVEMBER					DECEMBER													
	M	T	W	TH	F	S	S	M	T	W	TH	F	S	S	M	T	W	TH	F
	11/27/2023	11/28/2023	11/29/2023	11/30/2023	12/1/2023	12/2/2023	12/3/2023	12/4/2023	12/5/2023	12/6/2023	12/7/2023	12/8/2023	12/9/2023	12/10/2023	12/11/2023	12/12/2023	12/13/2023	12/14/2023	12/15/2023
First Posting along the East Drain (Truxel Rd.)	X																		
First Posting along the C-1 Channel	X																		
First Posting along the East Drain (North Bend Drive.)	X																		
First Posting along Main Drain (Bridgecross Rd.)	X																		
First Posting along East Drain (Club Center Drive.)	X																		
First Posting along the East Drain (Del Paso Rd.)	X																		
Second Posting along the East Drain (Truxel Rd.)				X															
Second Posting along the C-1 Channel				X															
Second Posting along the East Drain (North Bend Drive.)				X															
Second Posting along Main Drain (Bridgecross Rd.)				X															
Second Posting along East Drain (Club Center Drive.)				X															
Second Posting along the East Drain (Del Paso Rd.)				X															
Final Posting along the East Drain (Truxel Rd.)								X											
Final Posting along the C-1 Channel								X											
Final Posting along the East Drain (North Bend Drive.)								X											
Final Posting along Main Drain (Bridgecross Rd.)								X											
Final Posting along East Drain (Club Center Drive.)								X											
Final Posting along the East Drain (Del Paso Rd.)								X											
Encampment Removal along the East Drain (Truxel Rd.)																X	X	X	X
Encampment Removal along the C-1 Channel																X	X	X	X
Encampment Removal along the East Drain (North Bend Drive.)																X	X	X	X
Encampment Removal along Main Drain (Bridgecross Rd.)																X	X	X	X
Encampment Removal along East Drain (Club Center Drive.)																X	X	X	X
Encampment Removal along the East Drain (Del Paso Rd.)																X	X	X	X



## RECLAMATION DISTRICT NO. 1000

DATE: DECEMBER 8, 2023

AGENDA ITEM NO. 4.3

---

TITLE: District Counsel's Report – December 2023

SUBJECT: Update on Activities Since the November 2023 Board of Trustees Meeting

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### EXECUTIVE SUMMARY:

Reclamation District 1000's (RD 1000; District) General Counsel, Rebecca Smith and/or Scott Shapiro to provide verbal report of work performed during the month of November 2023.

### ATTACHMENTS:

None

### STAFF RESPONSIBLE FOR REPORT:

A handwritten signature in blue ink, appearing to read "Kevin L. King".

---

Kevin L. King, General Manager

Date: 12/01/2023



**RECLAMATION DISTRICT NO. 1000**

**DATE: DECEMBER 8, 2023**

**AGENDA ITEM NO. 5.1**

**TITLE: Approval of Minutes**

**SUBJECT: Approval of Minutes from November 10, 2023 Regular Board Meeting**

**EXECUTIVE SUMMARY:**

This staff report serves as the official record of the Board of Trustees monthly meetings. This document details meeting participants, proof of items discussed, summaries of board meeting discussions, and the Board's actions. Staff recommends Board approval of meeting minutes from the following Board Meeting:

- November 10, 2023 Regular Board Meeting (Attachment No. 1)

The Ralph M. Brown Act (Gov. Code §54950 et seq.) governs meetings by public commissions, boards and councils, and public agencies in California. The Act facilitates public transparency and public participation in local government decisions. The Act also contains specific exemptions from the open meeting requirements where governmental agencies demonstrate a need for confidentiality. Reclamation District No. 1000 documents meetings of the Board of Trustees through Board Minutes to further comply with transparency.

**RECOMMENDATION:**

Staff recommends that the Board approve the Minutes from the following Board Meeting:

- November 10, 2023 Regular Board Meeting (Attachment No. 1)

**ATTACHMENTS:**

1. November 10, 2023 Regular Board Meeting

**STAFF RESPONSIBLE FOR REPORT:**

  
 \_\_\_\_\_  
 Joleen Gutierrez, Administrative Service Manager

Date: 12/01/2023

  
 \_\_\_\_\_  
 Kevin L. King, General Manager

Date: 12/01/2023



# Protecting Natomas *Since 1911*

Learn more at [RD1000.ORG](http://RD1000.ORG)

**AGENDA ITEM 5.1  
ATTACHMENT NO. 1**

## RECLAMATION DISTRICT NO. 1000 BOARD OF TRUSTEES MEETING

**NOVEMBER 10, 2023  
MEETING MINUTES**

Members of the Board of Trustees and the public participated in this meeting in person and by teleconference. Present were Board President Elena Lee Reeder; Trustee Thomas Gilbert; Trustee Nick Avdis; Trustee Jag Bains; Trustee Thomas Barandas; Trustee Edwin Perez; Trustee Thomas Smith General Counsel Scott Shapiro; General Manager Kevin King; Administrative Services Manager Joleen Gutierrez; and Administrative Assistant Christina Forehand.

### **1. PRELIMINARY**

#### 1.1. Call Meeting to Order

Board President Elena Lee Reeder called the meeting to order.

#### 1.2. Roll Call

ASM Gutierrez called the roll.

Present: Trustee Lee Reeder, Gilbert, Avdis, Bains, Barandas, Perez, Smith

Absent: None

#### 1.3. Approval of Agenda

MOVED/SECOND: N/A

AYES: Trustee Lee Reeder, Gilbert, Avdis, Bains, Barandas, Perez, Smith

NOES: None

ABSENT: None

ABSTAIN: None

ACTION: The motion to approve the November 10, 2023, Board Meeting agenda is approved.

#### 1.4. Pledge of Allegiance

Trustee Smith led the Pledge of Allegiance.

#### 1.5. Conflict of Interest (*Any Agenda items that might be a conflict of interest to any Trustee should be identified by the Trustee involved*)

There were no conflicts identified by the Trustees.

### 2. **PRESENTATIONS**

No Scheduled Presentations.

### 3. **PUBLIC COMMENT (NON-AGENDA ITEMS)**

*Any person desiring to speak on a matter that is not scheduled on this agenda may do so under the Public Comments section. Speaker times are limited to three (3) minutes per person on any matter within RD 1000's jurisdiction not on the Agenda.*

There were no public comments received or made.

### 4. **INFORMATIONAL ITEMS**

#### 4.1. GENERAL MANAGER'S REPORT: Update on activities since the October 2023 Board Meeting.

GM Kevin King provided a verbal update on activities in the past month.

GM King acknowledged the Veteran's Day holiday and recognized the military service of Trustee Smith and Trustee Gilbert.

GM King informed the Board that property tax bills with the District's new Stormwater Fee were mailed out to Natomas property owners. Erroneously, the fee was applied to all parcels in the District, rather than those applicable. The District is working on corrections with Sacramento County and fee administrator NBS. Corrections have already been issued for Sutter County parcels. Trustee Lee Reeder asked when the correction postcards would be mailed out. GM King replied and stated that they would be mailed the following week.

Encampment removal is complete along the NEMDC. It was noticed that encampment activity frequently moves between the Home Depot area and The Cove as cleanups are done in these areas. Trustee Avdis asked if impact teams are being sent out for homeless encampment removals, to which GM King confirmed.

GM King reminded the Board about upcoming Trustee Training deadlines.

Trustee Perez asked if gates were installed in the Home Depot area where encampments were common. GM King explained that physical barriers were already in place, but having all parties adhere to a standard for gate operation is an ongoing effort.

Trustee Smith asked if RD1000 had been cleaning up the trash from the Air Park development projects. GM King stated that the District is working with the developers to resolve the issue.

Trustee Gilbert inquired about the effects of a City pump failure. GM King explained that simulating such scenarios is part of the next evolution of the Natomas Basin Hydraulics Model to create a plan of action.

4.2. OPERATIONS MANAGER’S REPORT: Update on activities since the October 2023 Board Meeting.

A copy of the Operation Manager’s Report has been included in the November 10, 2023 Board packet.

4.3. DISTRICT COUNSEL’S REPORT: Update on activities since the October 2023 Board Meeting.

Co-Counsel Smith provided a verbal update of counsel’s work during October 2023.

GM King added that a meeting between executive staff and a coach recommended by Co-Counsel Shapiro had been organized. Social media training began this week and was an overall success. The training provided an abundance of helpful information. The lead field staff will also participate in the social media training course.

**5. CONSENT CALENDAR**

*The Board considers all Consent Calendar items routine and will adopt them in one motion. There is no discussion on these items before the Board votes on the motion unless Trustees, staff, or the public request specific items be discussed and/or removed from the Consent Calendar.*

MOVED/SECOND: Trustee Perez/Trustee Avdis

AYES: Trustee Lee Reeder, Gilbert, Avdis, Bains, Barandas, Perez, Smith

NOES: None

ABSENT: None

ABSTAIN: None

ACTION: The motion to approve the November 10, 2023, Consent Calendar is approved.

5.1. APPROVAL OF MINUTES: Approval of Minutes from the October 20, 2023 Board Meeting.

5.2. TREASURER’S REPORT: Approve Treasurer’s Report for October 2023.

5.3. EXPENDITURE REPORT: Review and Accept Report for October 2023.

5.4. BUDGET TO ACTUAL REPORT: Review and Accept Report for October 2023.

**6. SCHEDULED ITEMS**

6.1. RECOGNITION OF SERVICE: Review and Consider Adoption of Resolution No. 2023-11-01 Recognizing District Engineer, Steve Sullivan (Mead & Hunt), for Service to the Community

GM King presented a plaque to District Engineer Steve Sullivan in recognition for his service to the District.

MOVED/SECOND: Trustee Avdis/Trustee Gilbert

AYES: Trustee Lee Reeder, Gilbert, Bains, Avdis, Barandas, Perez, Smith

NOES: None

ABSENT: None

ABSTAIN: None

ACTION: The motion to adopt Resolution No. 2023-11-01 is approved.

## **7. BOARD OF TRUSTEE'S COMMENTS/REPORTS**

### **7.1. BOARD ACTIVITY UPDATES:**

#### **7.1.1. Committee Meetings Since Last Board Meeting**

- Executive Committee (Lee Reeder & Gilbert) November 1, 2023
- Executive Committee (Lee Reeder & Gilbert) November 3, 2023

#### **7.1.2. Upcoming Meetings**

- SAFCA Executive Committee – November 2, 2023 @ 4:00 pm
- RD 1000 Board Meeting – November 10, 2023 @ 8:00 am
- SAFCA Board Meeting – November 16, 2023 @ 3:00 pm
- RD 1000 Executive Committee Meeting (2x2) – November 21, 2023 @ 8:00 am
- RD 1000 Finance Committee Meeting – November 21, 2023 @ 9:00 am
- RD 1000 Executive Committee Meeting – November 29, 2023 @ 8:00 am
- RD 1000 Holiday Breakfast – December 8, 2023 @ 8:00 am
- RD 1000 Board Meeting – December 8, 2023 @ 9:00 am

## **8. CLOSED SESSION**

No Scheduled Closed Session.

## **9. ADJOURN**

Motioned by Trustee Avdis and seconded by Trustee Perez. All trustees said Aye. The motion to adjourn the meeting was approved.



## RECLAMATION DISTRICT NO. 1000

**DATE: DECEMBER 8, 2023**

**AGENDA ITEM NO. 5.2**

---

**TITLE: Treasurer's Report**

**SUBJECT: Approve Treasurer's Report for November 2023**

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### **EXECUTIVE SUMMARY:**

This Staff Report aims to inform the Board of the current total funds in the District's checking and money market accounts, Sacramento County Treasurer Fund, State Treasurer Local Agency Investment Fund (LAIF), and the City of Sacramento Pooled Investment Fund.

The attached report provides monthly beginning and ending balances for operations and maintenance cash flow. It includes the current month's receipts, fund-to-fund transfers, accounts payable, and payroll. The Treasurer's Report also features notable fund and cash flow items for November 2023.

The District maintains funds in the California State Controller Local Agency Investment Fund (LAIF), the Sacramento County Treasurer, and BMO. In the fiscal year 2023-2024, the District will primarily rely on levied property assessments and the newly approved Stormwater Fee for its income. Sacramento and Sutter County property tax bills collect these assessments and fees.

The Board of Trustees approves a resolution annually that designates officers and signatories to the Operations and Maintenance Fund held by the Sacramento County Treasurer. The District's Financial Reserve Policy guides current, future, and unexpected funding requirements. In contrast, the District's Investment Policy guides investments made by the District of any surplus or reserve funds it may have.

### **RECOMMENDATION:**

Staff recommends the Board approve the November 2023 Treasurer's Report.

### **ATTACHMENTS:**

1. Treasurer's Report November 2023

### **STAFF RESPONSIBLE FOR REPORT:**

  
\_\_\_\_\_  
Joleen Gutierrez, Administrative Services Manager

Date: 12/01/2023

  
\_\_\_\_\_  
Kevin L. King, General Manager

Date: 12/01/2023



**Treasurer's Report for November 2023**

<b>November 2023</b>		<b>Ending Balance @ 11/30/23</b>
<b>Total Funds at 11/30/23</b>		<b>8,624,933.84</b>
Bank of the West - Checking*	Included in O&M cash flow below	91,191.61
Bank of the West - Money Market	Included in O&M cash flow below	400,397.96
Bank of the West FMAP	Included in O&M cash flow below	379,538.93
Sacramento County Treasurer		4,601,491.23
State Treasurer - Local Agency Investment Fund		901,796.66
City of Sacramento - Pool A		2,250,517.45

<b>October 2023 - Operations and Maintenance Cash Flow</b>	<b>Money Market</b>	<b>FMAP</b>	<b>Operating Checking *</b>	<b>Combined O&amp;M</b>
<b>Beginning Balance at 11/1/23</b>	150,397.96	379,538.93	148,813.15	678,750.04
Transfers to operating account from money market account	(150,000.00)	-	150,000.00	-
Transfers from LAIF to money market account	400,000.00	-	-	400,000.00
Current months receipts	-	-	51,305.69	51,305.69
Accounts Payable*	-	-	(146,235.40)	(146,235.40)
Payroll	-	-	(112,691.83)	(112,691.83)
<b>Ending Balance at 11/30/23</b>	<b>400,397.96</b>	<b>379,538.93</b>	<b>91,191.61</b>	<b>871,128.50</b>

\*See Attached Check Register

Current months receipts are made up of the following:

N.C.M.W.C.	9,200.00
Trustee reimbursements	106.29
Vendor refunds	55.00
City of Sacramento	6,227.15
Sutter Point Development	35,717.25
	<u>51,305.69</u>



## RECLAMATION DISTRICT NO. 1000

DATE: DECEMBER 8, 2023

AGENDA ITEM NO. 5.3

---

TITLE: Expenditure Report

SUBJECT: Review and Accept Reports for November 2023

---

### EXECUTIVE SUMMARY:

This Staff Report informs the Board of monthly expenditures and provides an explanation for any expenses outside of the usual course of business. Staff recommends that the Board review and accept the Expenditure Report for November 2023.

The Administrative Services Manager reviews, and the General Manager approves expenditures. This activity is disclosed monthly as an attachment to this staff report.

The Expenditure Report (Attachment 1) notes a few items: \$22,080 to Brookman Protection Services for security patrol on the NEMDC and \$12,577 to Snap-on Tools for shop equipment.

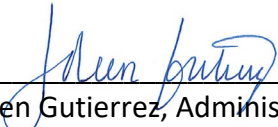
### RECOMMENDATION:

Staff recommends that the Board review and accept the Expenditure Reports for November 2023.

### ATTACHMENTS:

1. November 2023 Expenditure Report

### STAFF RESPONSIBLE FOR REPORT:

  
\_\_\_\_\_  
Joleen Gutierrez, Administrative Services Manager

Date: 12/01/2023

  
\_\_\_\_\_  
Kevin L. King, General Manager

Date: 12/01/2023

# November 2023 Expenditure Report – O&M

## AGENDA ITEM 5.3 ATTACHMENT NO. 1

Type	Date	Num	Name	Memo	Debit	Credit	Balance
							148,813.15
<b>1011.00</b>	<b>Bank of the West O&amp;M Checking</b>						<b>148,813.15</b>
Bill Pmt - Check	11/01/2023	1002486547	Cal Pers	Gutierrez 457 October		1,030.64	147,782.51
General Journal	11/01/2023			10/31/23 payroll activity		15,905.00	131,877.51
General Journal	11/01/2023			10/31/23 payroll activity		38,430.09	93,447.42
Payment	11/02/2023	1143	N.C.M.W.C.		9,200.00		102,647.42
Payment	11/02/2023	749835	City of Sac - Fire		6,227.15		108,874.57
Transfer	11/02/2023			Funds Transfer	150,000.00		258,874.57
Bill Pmt - Check	11/08/2023	11082023	Alhambra & Sierra Springs	Inv 6169212110323		125.46	258,749.11
Bill Pmt - Check	11/08/2023	1002491681	Cal Pers	Inv 17334646		9,430.08	249,319.03
Bill Pmt - Check	11/08/2023	31240382228	City of Sacramento	Acct 0010065857		73.82	249,245.21
Bill Pmt - Check	11/08/2023	246064533	Napa Auto Parts			1,426.78	247,818.43
Bill Pmt - Check	11/08/2023	31203199767	PG&E	Acct 8886406823-9		40.52	247,777.91
Bill Pmt - Check	11/08/2023	1132023	Sacramento County Utilities			227.40	247,550.51
Bill Pmt - Check	11/08/2023	80083187297	Waste Management of Sacramento			1,222.66	246,327.85
Bill Pmt - Check	11/08/2023	31240535194	City of Sacramento	Acct 3558295526		57.42	246,270.43
Bill Pmt - Check	11/08/2023	31240569334	City of Sacramento	Acct 0160532019		68.90	246,201.53
Bill Pmt - Check	11/08/2023	31240550038	City of Sacramento	Acct 1292576619		64.15	246,137.38
Bill Pmt - Check	11/08/2023	31240365900	City of Sacramento	Acct 7029676079		52.70	246,084.68
Bill Pmt - Check	11/08/2023	52137	ACWA JPIA	Inv 0701076		1,969.64	244,115.04
Bill Pmt - Check	11/08/2023	52138	Airgas NCN	Inv 5503524453		513.13	243,601.91
Bill Pmt - Check	11/08/2023	52139	Appeal - Democrat	Inv 00294351		222.50	243,379.41
Bill Pmt - Check	11/08/2023	52140	AT&T	Inv 20758002		2,103.95	241,275.46
Bill Pmt - Check	11/08/2023	52141	Brookman Protection Services, Inc.	Inv 23-255, 23-254		22,080.00	219,195.46
Bill Pmt - Check	11/08/2023	52142	Carson Landscape Industries	Inv 418828		894.00	218,301.46
Bill Pmt - Check	11/08/2023	52143	Cintas	Inv 4172358590, 5182031732, 5182150998, 9245826067, 9245831641		439.74	217,861.72
Bill Pmt - Check	11/08/2023	52144	Contour Sierra Aebi, LLC	Inv 14585, 14615		2,642.96	215,218.76
Bill Pmt - Check	11/08/2023	52145	Interstate Oil Company	Inv 622326, 1820295		8,586.04	206,632.72
Bill Pmt - Check	11/08/2023	52146	Jan-Pro	Inv 22914		440.00	206,192.72
Bill Pmt - Check	11/08/2023	52147	Matrix Consulting Group	Inv 681-23		4,000.00	202,192.72
Bill Pmt - Check	11/08/2023	52148	Robert G Merritt	Inv 1652		4,000.00	198,192.72
Bill Pmt - Check	11/08/2023	52149	Smile Business Products	Inv 1156689		196.39	197,996.33
Bill Pmt - Check	11/08/2023	52150	Streamline	Inv A14C0AB6-0036		249.00	197,747.33
Bill Pmt - Check	11/08/2023	52151	Terrapin Technology Group	Inv 23-1845		4,340.74	193,406.59
Bill Pmt - Check	11/08/2023	52152	The Sacramento Bee	Inv 220071		405.36	193,001.23
Bill Pmt - Check	11/08/2023	52153	Tintmaster	OM Office Windows		325.00	192,676.23
Bill Pmt - Check	11/08/2023	52154	US Bank Corp	Accts ending 1282, 1506, 5312		2,832.75	189,843.48
Bill Pmt - Check	11/08/2023	52155	Verizon Connect Fleet USA LLC	Inv 310000043800		632.95	189,210.53

Bill Pmt - Check	11/08/2023	52156	Natomas Chamber of Commerce	Tree Lighting Event		500.00	188,710.53	
Bill Pmt - Check	11/10/2023	52157	Sparks Chem-Dry	Office Carpet Cleaning		610.00	188,100.53	
Bill Pmt - Check	11/14/2023	246848542	Napa Auto Parts			164.57	187,935.96	
Bill Pmt - Check	11/14/2023	52158	Hire Right Solutions, LLC	Inv 1189068		357.20	187,578.76	
Bill Pmt - Check	11/14/2023	52159	Interstate Oil Company	622369, 0831574		1,578.25	186,000.51	
Bill Pmt - Check	11/14/2023	52160	NAFSMA	Inv 202445		2,000.00	184,000.51	
Bill Pmt - Check	11/14/2023	52161	Pape Machinery	Inv 14899725		84.99	183,915.52	
Bill Pmt - Check	11/14/2023	52162	Snap-on Industrial	Inv 58846224		12,576.90	171,338.62	
Bill Pmt - Check	11/14/2023	52163	Stillwater Sciences	Inv 1679803		2,820.48	168,518.14	
Bill Pmt - Check	11/14/2023	52164	Valley Hydraulics & Machine, Inc.	Inv 149219		3.77	168,514.37	
Bill Pmt - Check	11/14/2023	52165	Valley Tire Center, Inc.	Inv 40009166, 40009347, 40009850		2,089.43	166,424.94	
Deposit	11/14/2023		Thomas Gilbert	Deposit	106.29		166,531.23	
Deposit	11/14/2023	5005102728	Occupational Health Centers of CA		55.00		166,586.23	
Payment General Journal	11/15/2023	2128032	Sutter Point Development		35,717.25		202,303.48	
General Journal	11/15/2023			11/15/23 payroll activity		39,766.38	162,537.10	
General Journal	11/15/2023			11/15/23 payroll activity		18,590.36	143,946.74	
Bill Pmt - Check	11/16/2023	11162023	Alhambra & Sierra Springs	Inv 21217024111123		48.36	143,898.38	
Bill Pmt - Check	11/16/2023	32044557803	City of Sacramento	Acct 9432729750		189.58	143,708.80	
Bill Pmt - Check	11/16/2023	52166	4imprint, Inc.	Inv 26215532		557.25	143,151.55	
Bill Pmt - Check	11/16/2023	52167	Blankenship & Associates, Inc.	Inv 9128		5,305.20	137,846.35	
Bill Pmt - Check	11/16/2023	52168	Joleen Gutierrez	Mileage reimbursement		108.24	137,738.11	
Bill Pmt - Check	11/16/2023	52169	Mead & Hunt	Inv 957979		3,270.00	134,468.11	
Bill Pmt - Check	11/16/2023	52170	Miles Treaster & Associates	Quote 116100		82.22	134,385.89	
Bill Pmt - Check	11/16/2023	52171	Rey's Air	Inv 15924028, 15929786		794.00	133,591.89	
Bill Pmt - Check	11/16/2023	52172	Security & Asset Management, LP	Inv 5249010		561.64	133,030.25	
Bill Pmt - Check	11/16/2023	52173	Verizon	Inv 9948276889		198.19	132,832.06	
Bill Pmt - Check	11/16/2023	102496729	Cal Pers	December 2023		23,691.95	109,140.11	
Bill Pmt - Check	11/16/2023	1002496620	Cal Pers	October Pt 457		1,400.00	107,740.11	
Bill Pmt - Check	11/17/2023	1002498170	Cal Pers	October Pension		16,548.50	91,191.61	
						<u>201,305.69</u>	<u>258,927.23</u>	<u>91,191.61</u>
						<u>201,305.69</u>	<u>258,927.23</u>	<u>91,191.61</u>
<b>TOTAL</b>						<b>201,305.69</b>	<b>258,927.23</b>	<b>91,191.61</b>

Activity Summary

Transfers from Money Market account	150,000.00
Current months receipts	51,305.69
Accounts payable disbursements	-146,235.40
Payroll disbursements	-112,691.83
Net activity	<u>-57,621.54</u>



## RECLAMATION DISTRICT NO. 1000

DATE: DECEMBER 8, 2023

AGENDA ITEM NO. 5.4

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**TITLE:** Budget to Actual Report

**SUBJECT:** Review and Accept Report for November 2023

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**EXECUTIVE SUMMARY:**

The Budget to Actual report provides a monthly snapshot of how well the district meets its budget goals for the fiscal year. The monthly report contains a three-column presentation of actual expenditures, budgeted expenditures, and the budget percentage. Each line item compares budgeted amounts against real-to-date expenses. Significant budgeted line item variances (if any) will be explained below.

Attachment 1 provides a report for the month ending November 2023. The most significant Administrative expenditures to date include annual Worker's Compensation Insurance, Mitigation Land Expenses, Property Taxes, and Annual Memberships. The most significant Operations expenditures include Field Consultants, Shop Equipment, Equipment Parts and supplies, and Security Patrol.

**BACKGROUND:**

Annually, the Board of Trustees adopts the district's annual budget in June. Typically, three board committees review the draft budget prepared by staff. The Personnel Committee reviews the wage and benefits portion of the budget. The Operations Committee reviews the Capital expenditures Budget. After the two committees review and make recommendations regarding the budget, the final draft is prepared for the Finance Committee to consider. After review by the Finance Committee, the final Proposed Budget is presented to the entire Board for review and thirty days later for adoption at a regular Board meeting.

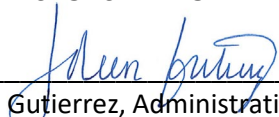
**RECOMMENDATION:**

Staff recommends the Board review and accept the Budget to Actual Report for November 2023.

**ATTACHMENTS:**

1. Budget to Actual Report November 2023

**STAFF RESPONSIBLE FOR REPORT:**

  
\_\_\_\_\_  
Joleen Gutierrez, Administrative Services Manager

Date: 12/01/2023

  
\_\_\_\_\_  
Kevin L. King, General Manager

Date: 12/01/2023

**Reclamation District No. 1000  
Budget to Actual Comparison  
July 1, 2023 to November 30, 2023 (Five Months Ending of Fiscal 2024)**

	Year to Date July 1, 2023 to November 30, 2023	Budget	Percent of Budget
<b>Operation &amp; Maintenance Income</b>			
Property Assessments	832	4,025,874	0.02%
Rents	12,454	24,000	51.89%
Interest Income	40,727	80,000	50.91%
SAFCA - O/M Assessment	-	1,463,950	0.00%
Misc Income	24,511	-	Not budgeted
FMAP Grant	-	421,000	0.00%
Annuitant Trust Reimbursement	-	-	Not budgeted
FEMA/OES Reimbursement	-	100,000	0.00%
Security Patrol Reimbursement	14,200	60,000	23.67%
<b>Total</b>	<b>92,724</b>	<b>6,174,824</b>	<b>1.50%</b>
<b>Restricted Fund</b>			
Metro Airpark Groundwater Pumping	-	30,000	0.00%
<b>Total Combined Income</b>	<b>92,724</b>	<b>6,204,824</b>	<b>1.49%</b>
<b>Administration, Operations and Maintenance - Expenses</b>			
<b>Administration</b>			
Government Fees/Permits	1,631	21,950	7.43%
Legal	17,073	102,500	16.66%
Liability/Auto Insurance	-	197,000	0.00%
Office Supplies	2,380	25,000	9.52%
Computer Costs	13,175	42,600	30.93%
Accounting/Audit	15,325	57,000	26.89%
Admin. Services	7,880	24,500	32.16%
Utilities (Phone/Water/Sewer)	6,675	35,700	18.70%
Mit. Land Expenses	4,995	5,500	90.82%
Administrative Consultants	28,866	81,500	35.42%
Assessment/Property Taxes (SAFCA - CAD)	14,309	11,500	124.43%
Admin - Misc./Other Expenses	2,042	2,800	72.93%
Memberships	40,194	37,600	106.90%
Office Maintenance & Repair	9,130	33,700	27.09%
Payroll Service	719	4,500	15.98%
Public Relations	22,115	90,000	24.57%
Small Office & Computer Equipment	10,148	20,750	48.91%
Election	-	45,500	0.00%
Conference/Travel/Professional Development	16,779	60,000	27.97%
<b>Sub Total</b>	<b>213,436</b>	<b>899,600</b>	<b>23.73%</b>
<b>Personnel/Labor</b>			
Wages	490,241	1,264,664	38.76%
Group Insurance	77,141	161,096	47.89%
Worker's Compensation Insurance	23,259	35,000	66.45%
OPEB - ARC	-	75,205	0.00%
Dental/Vision/Life	11,818	28,628	41.28%
Payroll Taxes	34,806	93,356	37.28%
Pension	89,964	340,941	26.39%
Continuing Education	2,128	12,000	17.73%
Trustee Fees	7,200	30,000	24.00%
Annuitant Health Care	40,178	97,631	41.15%
<b>Sub Total</b>	<b>776,735</b>	<b>2,138,521</b>	<b>36.32%</b>

**Operations**

Power	179,389	490,000	36.61%
Supplies/Materials	10,586	23,000	46.03%
Herbicide	89,777	160,000	56.11%
Fuel	28,609	85,000	33.66%
Field Services	91,273	260,500	35.04%
Field Operations Consultants	11,546	16,200	71.27%
Equipment Rental	-	4,000	0.00%
Refuse Collection	10,489	50,000	20.98%
Equipment Repair/Service	10,227	40,000	25.57%
Equipment Parts/Supplies	24,992	35,000	71.41%
Facility Repairs	125,479	561,000	22.37%
Shop Equipment (not vehicles)	27,458	30,000	91.53%
Field Equipment	3,264	17,000	19.20%
Misc/Other 2	2,036	5,000	40.72%
Utilities - Field	9,727	16,891	57.59%
Government Fees/Permits - Field	1,992	3,500	56.91%
FEMA Permits	-	11,500	0.00%

<b>Sub Total</b>	<b>626,844</b>	<b>1,808,591</b>	<b>34.66%</b>
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**Equipment**

Equipment	2,100	260,000	0.81%
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<b>Sub Total</b>	<b>2,100</b>	<b>260,000</b>	
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**Consulting/Contracts/Memberships**

Engineering/Technical Consultants	18,505	107,000	17.29%
Security Patrol	121,840	215,000	56.67%
Temporary Admin	4,380	20,000	21.90%

<b>Sub Total</b>	<b>144,725</b>	<b>342,000</b>	<b>42.32%</b>
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**FMAP Expenditures**

LOI/SWIF (Consultants)	1,596	-	Not budgeted
Equipment	-	-	Not budgeted
Operations & Maintenance (Field)	44,645	421,000	10.60%
Administrative	-	-	Not budgeted

<b>Sub Total</b>	<b>46,241</b>	<b>421,000</b>	<b>10.98%</b>
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<b>Total A, O &amp; M Expenses</b>	<b>1,810,081</b>	<b>5,869,712</b>	<b>30.84%</b>
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**Capital Expenses**

Capital Office Upgrades	3,831	125,000	3.06%
Capital RE Acquisition	-	-	Not budgeted
Capital Office Facility Repair	-	75,000	0.00%
Capital Facilities	41,360	975,000	4.24%

<b>Sub Total</b>	<b>45,191</b>	<b>1,175,000</b>	<b>3.85%</b>
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<b>Total All Expenditures</b>	<b>1,855,272</b>	<b>7,044,712</b>	<b>26.34%</b>
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## RECLAMATION DISTRICT NO. 1000

DATE: DECEMBER 8, 2023

AGENDA ITEM NO. 5.5

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**TITLE:** District Policy Handbook & Policy Updates

**SUBJECT:** Review and Consider Adoption of Resolution No. 2023-12-01 – Adopting District Policy Handbook & Policy Updates

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**EXECUTIVE SUMMARY:**

Reclamation District No. 1000 (District) has developed a District Policy Handbook (“Exhibit A of Resolution 2023-12-01). It is the intent of the Board of Trustees of the District to maintain a Policy Handbook. The handbook shall contain a comprehensive listing of the District’s policies, constituting the rules and regulations enacted by the Board from time to time. The Policy Handbook will serve as a resource for the Trustees, Staff, and members of the public in determining the way matters of District business are to be conducted. If any policy or portion of a policy contained within the Policy Handbook is in conflict with rules, regulations, and/or legislation having authority over the District, said rules, regulations, and/or legislation shall prevail.

**RECOMMENDATION:**

Staff recommends the Board of Trustees Review and Consider Adoption of Resolution No. 2023-12-01 – Adopting District Policy Handbook and Policy Updates.

**ATTACHMENTS:**

1. Resolution 2023-12-01 – Adopting District Policy Handbook & Policy Updates

**STAFF RESPONSIBLE FOR REPORT:**

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Kevin L. King, General Manager

Date: 12/05/2023





**RECLAMATION DISTRICT NO. 1000  
RESOLUTION NO. 2023-12-01**

**A RESOLUTION OF THE BOARD OF TRUSTEES OF RECLAMATION DISTRICT NO. 1000  
ADOPTING DISTRICT POLICY HANDBOOK & POLICY UPDATES**

At a regular meeting of the Board of Trustees of Reclamation District No. 1000 held at the District Office on the 8<sup>th</sup> day of December 2023, the following resolution was approved and adopted:

**WHEREAS**, Reclamation District No. 1000 (District) intends to establish, and revise from time to time, a District Policy Handbook and associated policies to guide the administration, management and operation of the District; and

**WHEREAS**, the District has developed a District Policy Handbook containing all District policies and will add, delete, revise and/or update the policies thereof as needed or required.

**NOW, THEREFORE, BE IT RESOLVED**, the Board of Trustees of Reclamation District No. 1000 hereby adopts the District Policy Handbook and the following updated policies as provided in "Exhibit A":

- Policy 1000 Adoption/Amendment of Policies
- Policy 1005 Association Memberships
- Policy 1010 Basis of Authority
- Policy 1015 Board Secretary
- Policy 1020 Board/Staff Communication
- Policy 1025 Claims Against the District
- Policy 1030 Code of Ethics
- Policy 1035 Conflict of Interest
- Policy 1040 Correspondence to the Board
- Policy 1045 Legal Counsel and Auditor
- Policy 1050 Overview of the General Manager's Role
- Policy 1055 Legislative Advocacy
- Policy 2115 Credit Card Use
- Policy 2135 Purchasing

**ON A MOTION BY** Trustee \_\_\_\_\_, seconded by Trustee \_\_\_\_\_, the foregoing resolution was passed and adopted by the Board of Trustees of Reclamation District No. 1000, this 8<sup>th</sup> day of December 2023, by the following vote, to wit:

AYES: Trustees:

NOES: Trustees:

ABSTAIN: Trustees:

RECUSE: Trustees:

ABSENT: Trustees:

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Elena Lee Reeder  
President, Board of Trustees  
Reclamation District No. 1000

CERTIFICATION:

I, Joleen Gutierrez, Secretary of Reclamation District No. 1000, hereby certify that the foregoing Resolution 2023-12-01 was duly adopted by the Board of Trustees of Reclamation District No. 1000 at the regular meeting held on the 8<sup>th</sup> of December 2023 and made a part of the minutes thereof.

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Joleen Gutierrez, District Secretary



# Reclamation District No. 1000 Policy Handbook





## **SECTION 1000**

## **GENERAL**

Policy 1000	Adoption/Amendment of Policies
Policy 1005	Association Memberships
Policy 1010	Basis of Authority
Policy 1015	Board Secretary
Policy 1020	Board/Staff Communication
Policy 1025	Claims Against the District
Policy 1030	Code of Ethics
Policy 1035	Conflict of Interest
Policy 1040	Correspondence to the Board
Policy 1045	Legal Counsel and Auditor
Policy 1050	Overview of the General Manager's Role
Policy 1055	Legislative Advocacy

## **SECTION 2000**

## **ADMINISTRATION**

### **Section 2100**

### **Financial Management**

<del>Policy 2100</del>	<del>Accounts Receivable Policy</del>
<del>Policy 2105</del>	<del>Asset Protection and Fraud in the Workplace</del>
<del>Policy 2110</del>	<del>Budget Preparation</del>
<del>Policy 2115</del>	<del>Credit Card Use</del>
<del>Policy 2120</del>	<del>Employment of Outside Contractors and Consultants</del>
<del>Policy 2125</del>	<del>Expense Authorization</del>
<del>Policy 2130</del>	<del>Investment of District Funds</del>
<del>Policy 2135</del>	<del>Purchasing</del>
<del>Policy 2140</del>	<del>Receiving/Depositing Remittances</del>
<del>Policy 2145</del>	<del>Records Retention</del>
<del>Policy 2150</del>	<del>Reserve Policy</del>
<del>Policy 2155</del>	<del>Debt Management</del>
<del>Policy 2160</del>	<del>Internal Controls</del>

### **Section 2200**

### **Inventory & Property Management**

<del>Policy 2200</del>	<del>Disposal Surplus Property or Equipment</del>
<del>Policy 2205</del>	<del>District Electronic Resources Policy and Procedures</del>
<del>Policy 2210</del>	<del>Use/Rental of District Facility</del>



**Section 2300 — Risk Management**

- Policy 2300 — Emergency Preparedness
- Policy 2305 — Emergency Response Guideline for Hostile or Violent Incidents
- Policy 2310 — Workers' Compensation

**Section 2400 — Communications & Technology**

- Policy 2400 — Customer Relations
- Policy 2405 — Press Relations
- Policy 2410 — Public Complaints
- Policy 2415 — Social Media Use
- Policy 2420 — Web Page
- Policy 2425 — California Public Records Act Response Procedures
- Policy 2430 — Electronic Document Retention

**Section 3000 — PERSONNEL**

**Section 3100 — Employment Practices**

- Policy 3100 — Accommodations for Disability
- Policy 3102 — Demotion — Non-disciplinary
- Policy 3104 — Disciplinary Action
- Policy 3106 — Driver Training and Record Review
- Policy 3108 — Drug and Alcohol Testing
- Policy 3110 — Employee Information/Emergency Data
- Policy 3112 — Employee Promotion
- Policy 3114 — Employee Records
- Policy 3116 — Employee Status
- Policy 3118 — Equal Opportunity
- Policy 3120 — Grievance Procedure
- Policy 3122 — Hours of Work and Overtime
- Policy 3124 — Letters of Recommendation
- Policy 3126 — Nepotism
- Policy 3128 — Payroll Deductions for Salaried Employees
- Policy 3130 — Performance Evaluation
- Policy 3134 — Recruitment and Hiring
- Policy 3136 — Separation from District Employment
- Policy 3138 — Temporary Reclassifications
- Policy 3140 — Unlawful Harassment
- Policy 3141 — Inclusive Workplace
- Policy 3142 — Whistleblowing
- Policy 3144 — Telecommuting (exempt employee)



**Section 3200 — Standards of Conduct**

- Policy 3200 — Dress Code and Personal Standards
- Policy 3205 — Housekeeping
- Policy 3210 — Outside Employment
- Policy 3215 — Receipt of Gifts
- Policy 3220 — Uniforms and Protective Clothing

**Section 3300 — Communications**

- Policy 3300 — Internet, E-Mail and Electronic Communications

**Section 3400 — Compensation & Benefits**

- Policy 3400 — Authorized Leave
- Policy 3405 — Bereavement Leave
- Policy 3410 — Catastrophic Time Bank
- Policy 3415 — Compensation
- Policy 3420 — Educational Assistance
- Policy 3425 — Family and Medical Leave
- Policy 3430 — Holidays
- Policy 3435 — Jury Duty
- Policy 3440 — Leave for Crime Victims and Family Members
- Policy 3445 — Military Leave
- Policy 3450 — Pregnancy Disability Leave
- Policy 3455 — Rest & Meal Periods
- Policy 3460 — Sick Leave
- Policy 3465 — Time Keeping/Time Records
- Policy 3470 — Time off for Children — School Activities
- Policy 3475 — Time off to Vote
- Policy 3480 — Unauthorized Voluntary Absence
- Policy 3485 — Use of Make-up Time
- Policy 3490 — Vacations
- Policy 3495 — Workers' Compensation Leave

**Section 3500 — Health, Safety & Security**

- Policy 3500 — Employee Assistance During Response to Emergency Situations
- Policy 3505 — Health and Welfare Benefits
- Policy 3510 — Illness and Injury Prevention Program
- Policy 3515 — Smoke-free Workplace
- Policy 3520 — Substance Abuse
- Policy 3525 — Workplace Violence Prevention



**Section 4000 — Board**

**Section 4100 — Board of Trustees**

- Policy 4100 — Attendance at Meetings
- Policy 4105 — Committees of the Board of Directors
- Policy 4110 — Duties of Board President
- Policy 4115 — Ethics Training
- Policy 4120 — Members of the Board of Directors
- Policy 4125 — Training, Education and Conferences

**Section 4200 — Board Meetings**

- Policy 4200 — Board Actions and Decisions
- Policy 4205 — Board Meeting Agenda
- Policy 4210 — Board Meeting Conduct
- Policy 4215 — Brown Act Compliance — Open Meeting Requirements
- Policy 4220 — Minutes of Board Meetings
- Policy 4225 — Review of Administrative Decisions
- Policy 4230 — Rules of Order for Conduct of Board and Committee Meetings
- Policy 4235 — Types of Board Meetings





# General



RECLAMATION DISTRICT NO. 1000  
Policy Handbook



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**POLICY TITLE:** Adoption/Amendment of Policies

**POLICY NUMBER:** 1000

- 1000.1. Consideration by the Board of Trustees to adopt a new policy or to amend an existing policy may be initiated by any Trustee or the General Manager. The proposed adoption or amendment shall be initiated by submitting a written draft of the proposed new or amended policy to the Board President and General Manager. The written draft may be submitted in person or by email, and shall indicate a request for the item to be included for consideration on the agenda of the next appropriate regular meeting of the Board of Trustees. Any member of the Board may place an item on a future agenda by making a formal request to the General Manager at a meeting of the Board. The General Manager will place Board items on a future Board agenda when reasonable, based on the staff time and research necessary to prepare the item for Board consideration.
- 1000.2. Adoption of a new policy or amendment of an existing policy shall be accomplished at a regular meeting of the Board of Trustees in accordance with California statutes regarding the constitution of a majority vote.
- 1000.3. Copies of the proposed new or amended policy shall be included in the agenda information packet for any meeting in which the proposed policy is scheduled for consideration and listed on the agenda. A copy of the proposed new or amended policy shall be made available to each Trustee for review at least 72 hours, per the Brown Act, prior to any meeting at which the policy is to be considered.



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**POLICY TITLE:** Association Memberships

**POLICY NUMBER:** 1005

Purpose: This policy sets forth the rules for membership in associations and establishes who may represent the District.

1005.1. Appropriate Memberships. To take advantage of in-service training opportunities, the District may hold membership in industry related associations. Board Members and staff may attend meetings of national, state, and local associations directly related to the purposes and operations of the District. Decisions to continue, discontinue, or add new memberships shall occur through the annual budget process.

1005.2. Appointment of Representatives. The Board President may appoint Board Members as representatives and alternates, as appropriate, to serve as contacts between the District, stakeholder groups, associations and others. The representatives and alternates shall report to the Board in a timely manner on their activities involving these associations. In some cases, members may be allowed certain expenses for travel and membership in such associations. This shall be determined and approved by the full Board.

1005.3. General Manager Memberships. The Board President may designate the General Manager as the appropriate representative or alternate in connection with memberships in any association. The General Manager may designate those associations or industry specific organizations with which his/her association is necessary or desired.



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**POLICY TITLE:**            **Basis of Authority**

**POLICY NUMBER:**      **1010**

- 1010.1. The Board of Trustees is the legislative body and unit of authority within the District. Power is centralized in the elected Board collectively and not in an individual Trustee. Apart from his/her normal function as a part of this unit, Trustees have no individual authority. As individuals, Trustees may not commit the District to any policy, act, or expenditure.
- 1010.2. Trustees do not represent any fractional segment of the community but are, rather, a part of the body that represents and acts for the community. Routine matters concerning the operational aspects of the District are delegated to District staff members.



**POLICY TITLE:** Board Secretary

**POLICY NUMBER:** 1015

1015.1. The District is required to have a Secretary of the Board of Trustees pursuant to state law. The Secretary performs duties including recording of minutes and actions of the Board of Trustees and certifying all actions and resolutions of the Board.

1015.2. Duties of the Secretary. The Secretary of the Board of Trustees shall have the following duties:

- a) Certify or attest to actions taken by the Board when required;
- b) Sign the minutes of the Board meeting following their approval;
- c) Sign the documents as directed by the Board on behalf of the District, and sign all other items which require the signature of the Secretary;
- d) Perform any other duties assigned by the Board and the General Manager; and
- e) Perform any other duties required under law.

1015.3. Responsibilities of the Secretary. The duties of the Secretary, with General Manager assistance, are:

- a) Respond to routine correspondence;
- b) Prepare for Board meetings, including preparing the agenda with the advice of the General Manager and providing public notice of Board meetings in accordance with state law;
- c) Attend all Board meetings and ensure minutes of the Board of Trustees meetings are recorded. These recordings are for use by the Secretary only for the purpose of preparing minutes for adoption at the next regularly scheduled meeting of the Board;
- d) Ensure accurate Minutes of each Board meeting are prepared and maintained;
- e) Maintain Board records and other documents and reports as required by law; and
- f) Disseminate correspondence to Board officers addressed to them.



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**POLICY TITLE: Board/Staff Communications**

**POLICY NUMBER: 1020**

Objectives:

Effective governance of the District relies on the cooperative efforts of the agency's elected Board, who set policy and priorities, and the District's staff members, who analyze problems and issues, to make appropriate recommendations, and implement and administer Board policies. It is the responsibility of District staff to ensure Board members have access to information and to ensure such information is communicated completely and with candor to those making the request. However, Board members should avoid intrusion into those areas that are the responsibility of District staff. Individual Board members must avoid intervening in staff decision-making, the development of staff recommendations, scheduling of work, and executing department priorities without the prior knowledge and approval of the General Manager and Board as a whole. This is necessary to protect District staff from undue influence and pressure from individual Board members and to allow staff to execute priorities given by management and the Board without fear of reprisal.

Role of the Board:

As the legislative body for the agency, the Board is responsible for approving the District's budget, setting policy goals and objectives and adopting strategic plans. The primary functions of the District staff members are to execute Board policy and other Board actions and to keep the Board well informed.

Individual members of the Board should not make attempts to pressure or influence staff decisions, recommendations, workloads, schedules, and department priorities, without the prior knowledge and approval of the Board as a whole. If a Board member wishes to influence the actions, decisions, recommendations, workloads, work schedule, and priorities of staff, that member must prevail upon the Board to do so as a matter of Board policy.

Board members also have a responsibility of information flow. It is critical that they make extensive use of staff and agency reports and Board meeting minutes. Board members should come to meetings prepared; having read the agenda packet materials and supporting documents, as well as



any additional information or memoranda provided on District projects or evolving issues. Additional information may be requested from staff, if necessary.

Individual Board members, as well as the Board as a whole, are permitted complete freedom of access to any information requested of staff and shall receive the full cooperation and candor of staff in being provided with any requested information. The General Manager or Legal Counsel will pass critical information to all Board members.

There are limited restrictions when information cannot be provided. Draft documents (e.g. staff reports in progress, etc.) are under review and not available for release until complete and after review by District staff. In addition, there are legal restrictions on the agency's ability to release certain personnel information even to members of the Board. Any concerns Board members may have regarding the release of information or the refusal of staff to release information should be discussed with Legal Counsel for clarification.

Policies:

There shall always be mutual respect from both staff and Board members of their respective roles and responsibilities. There is a need for access to staff by Trustees and at the same time, unlimited access could result in work priority conflicts for staff.

Purpose:

The purpose of the policies listed below is to facilitate Board/Staff communications consistent with these principles.

- 1020.1. All requests for information or questions by the Board to staff outside of a Board or Committee meeting, shall be directed to the General Manager or Legal Counsel, as appropriate and shall include the desired time and date for receiving the information. Staff will confirm the date they can provide the information. So that all Board members are equally informed, all written informational material requested by any Trustee shall be submitted by staff to all Board members with the notation indicating which Board member requested the information. If a Board member requests information from any other member of the staff, staff shall either direct the matter to the General Manager or may ask the Board member to contact the General Manager directly.



- 1020.2. Individual Trustees cannot directly assign work to staff members. Board-initiated projects will follow organizational channels, through the General Manager, unless there is an emergency. As no formal procedure will answer all cases, the following should be considered as a guide and used with restraint and judgment:
- a) Trustees should clear all short-term requests of Staff with the General Manager prior to contacting individual members of the staff and, in most cases, the General Manager should direct and handle the request for the Trustee.
  - b) For long-term, involved studies or where the matter includes confidential material, the General Manager should be contacted, and the subject matter discussed with the full Board at a Board meeting prior to staff working on the assignments.
- 1020.3. At Board meetings and other public meetings, respectful communication is expected. Staff is encouraged to give their professional recommendations, and the Board should recognize that staff may make recommendations that could be viewed as unpopular with the public and with individual Board members. Board members may request clarification and ask questions of staff at public meetings, and Trustees are encouraged to participate in healthy discussions amongst each other regarding items under discussion on the Agenda. However, Trustees should refrain from debate with staff at Board meetings about staff recommendations or other items being discussed. Staff must recognize that the Board, as the decision maker, is free to reject or modify a staff recommendation and that the Board's wishes will be implemented by staff even if it was contrary to a staff recommendation.
- 1020.4. Trustees shall not attempt to coerce or influence staff, included in the making of recommendations, the awarding of contracts, the selection of consultants, the processing of any projects or applications, or the granting of permits. Trustees shall not attempt to change or interfere with the operating policies and practices of any district department through interaction with staff. Individual Trustees may discuss these items with the General Manager to get clarification or raise concerns.





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- 1020.5. Board members should not make public comments critical of the performance of a District staff member. Any concerns by a Trustee over the behavior or work of a district employee during a Board meeting should be directed to the General Manager privately to ensure the concern is resolved. All complaints about employees from Trustees should be submitted privately to the General Manager or, if a complaint concerns the General Manager, to Legal Counsel.
- 1020.6. Staff will respect the right of Trustees to refuse to provide information or answers to staff and recognize that Trustees may be bound by other rules of law or procedure that do not permit the Trustee to speak about the subject matter presented. If a Trustee violates any of the policies regarding communications as stated in this policy, any member of staff has the right to request that the Trustee speak directly with the General Manager about the subject matter presented without any fear of reprisal.



**POLICY TITLE: Claims Against the District**

**POLICY NUMBER: 1025**

Purpose:

The purpose of this policy is to provide direction to District staff for processing and resolving (if possible) account adjustment requests and property damage claims against the District. Inherent in this policy is the recognition that every adjustment request or claim will be unique, and that guidelines cannot be written to accommodate every case. Therefore, staff must use discretion and good sense in handling each claim.

- 1025.1. Property (Land and Improvements) Damage Claims. During the District's operations, damage to land and improvements thereon occasionally occurs due to the proximity of the District's facilities to private property.
- a) When District employees are aware that property has been damaged in the course of their work, restorative measures are to be taken to return the property as close to its original condition as possible.
  - b) When a property owner informs a District employee of damage to their property (by telephone or in person), the employee receiving the claim will document in writing the time and date and a description of the stated circumstances and allegations. Employees should respond to questions, be cordial and respectful, but refrain from commenting on liability questions.
  - c) As soon as possible after information about the damage has been received, it shall be given to the appropriate department manager. The department manager, or his/her designee, shall investigate the property owner's allegations.
  - d) If the owner of damaged property informs a member of the Board, the information will be given to the General Manager. Trustees should not independently investigate claims or make any representations to the property owner, but may go with staff to observe.
  - e) Investigations shall be done in a timely fashion and documented with a written report, including photographs and/or interviews, when appropriate. A copy of the report shall be submitted to the General Manager.



- f) If the investigating staff person is convinced that the damage was caused by District personnel, equipment, or infrastructure, he/she shall prepare a work order to have the damage repaired, subject to the following conditions:
1. General Manager approves the work order;
  2. Property owner agrees that the proposed repairs are appropriate and adequate;
  3. Property owner agrees to allow District access to their property to perform the repair work;
  4. District staff have the necessary tools, equipment, and expertise to perform the necessary work;
  5. Repair work can be accomplished within a reasonable amount of time; and
  6. Cost of material for the repairs will not exceed five hundred dollars (\$500).
- g) If the cost of material for repairs is stated by the claimant or estimated by staff to exceed five hundred dollars (\$500), the owner will be asked to submit their claim in writing on a District claim form. The General Manager shall review the damage claim and the proposed repair work within a reasonable amount of time. If he/she determines that the damage is the District's responsibility and that the proposed repair work is appropriate, he/she may authorize the work if the cost of material for the repairs will not exceed one thousand dollars (\$1,000). A report shall be submitted to the Legal Committee describing the damage claim, including a description of the manner in which it was resolved. The claimant shall be notified of any action by the Committee regarding their claim.
- h) The Board will not consider a claim of an amount in excess of the District's insurance deductible of \$1,000), including the cost of investigation, without prior written approval of the District's Insurance company.
1. Claims in excess of the District's insurance deductible shall be forwarded to the insurance company, and the claimant shall be advised of this action.
  2. Claims for personal injury/wrongful death shall not be investigated by District staff, district Legal Counsel or Trustees, but shall be immediately forwarded to the District's Insurance company.
- 1025.2 Property (Vehicles and Unsecured Property) Damage Claims. All claims of damage to vehicles, or other unsecured property, shall be submitted to the General Manager. He/she shall review the damage claim and the requested restitution. If he/she determines that the damage is the District's



responsibility, he/she may authorize repairs or reimbursement of expenses to an amount not to exceed one thousand dollars (\$1,000). A report shall be submitted to the Legal Committee describing the damage claim, including a description of the way it was resolved. The claim will be processed as described above if the cost of material for repairs is estimated to exceed the applicable thresholds.

1025.3 Property Damage Claims on District Form. Except for damage to land and improvements estimated to cost less than five hundred dollars (\$500), all damage claims must be submitted in writing on a District claim form. This will ensure that a claim is valid and protect important rights of the District.

If an individual does not wish to file a claim on the District form, he/she may present the claim by letter if it conforms to Section 910 and Section 910.2, of the California Government Code.

Section 910 specifies that a claim needs to show all the following:

- a. The name and post office address of the claimant;
- b. The post office address to which the person presenting the claim desires notices to be sent;
- c. The date, place, and other circumstances of the occurrence or transaction which gave rise to the claim asserted;
- d. A general description of the indebtedness, obligation, injury, damage or loss incurred so far as it may be known as the time of presentation of the claim;
- e. The name or names of the public employee or employees causing the injury, damage, or loss, if known; and
- f. The amount claimed if it totals less than ten thousand dollars (\$10,000) as of the date of presentation of the claim, including the estimated amount of any prospective injury, damage, or loss, insofar as it may be known at the time of the presentation of the claim, together with the basis of computation of the amount claimed. If the amount claimed exceeds ten thousand dollars (\$10,000), no dollar amount shall be included in the claim. However, it shall indicate whether the claim would be a limited civil case.



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Section 910.2 of the California Government Code specifies the following:

- a. The claim shall be signed by the claimant or by some person on his/her behalf.
- b. Claims against local public entities for supplies, materials, equipment or services need not be signed by the claimant or on his/her behalf if presented on a billhead or invoice regularly used in the conduct of the business of the claimant.

If the filed letter/claim does not meet the requirements of the California Government Code Section 910 and Section 910.2, then a letter shall be sent to the claimant informing them of this fact.

District staff shall provide no assistance to the claimant in filling out the claim form. Claimant must fill out the claim form in its entirety and submit it via mail, electronic mail, fax or personal delivery to the District office. Upon receipt, office staff shall date-stamp the document.



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**POLICY TITLE:** Code of Ethics

**POLICY NUMBER:** 1030

Purpose:

Reclamation District No. 1000 designed its Code of Ethics & Values (the “Code”) to provide clear, positive statements of ethical behavior reflecting the core values of the District and the communities it serves. The Code includes practical strategies for addressing ethical questions and a useful framework for decision-making and handling the day-to-day operations of the District. The Code is developed to reflect the issues and concerns of today's complex and diverse society.

Objective:

The objectives of the Code of Ethics & Values, include the following:

- a. To make Reclamation District No. 1000 a better District built on mutual respect and trust.
- b. To promote and maintain the highest standards of personal and professional conduct among all involved in District government, District staff, volunteers and members of the District's Board. All elected and appointed officials, officers, employees, members of advisory committees, and volunteers of the District, herein called “Officials” for the purposes of this policy.
- c. The Code is a touchstone for members of the District's Board and staff in fulfilling their roles and responsibilities.

Preamble:

The proper operation of democratic government requires that decision-makers be independent, impartial and accountable to the people they serve. The Reclamation District No. 1000 has adopted this Code to promote and maintain the highest standards of personal and professional conduct in the District's government.

All Officials, and others, who participate in the District's government are required to subscribe to this Code, understand how it applies to their specific responsibilities and practice its eight core values in their work. Because we seek public confidence in the District's services and public trust of its decision makers, our decisions and our work must meet the most demanding ethical standards and demonstrate the highest levels of achievement in following this Code.



Applicability:

This Code shall apply to all District Officials as defined above. As participatory Officials in the District's government, we subscribe to the following Core Values:

1030.1. Ethical: As a representative of Reclamation District No. 1000, I will be ethical. In practice, this value looks like:

- a. I am trustworthy, acting with the utmost integrity and moral courage. I am truthful. I do what I say I will do. I am dependable.
- b. I make impartial decisions, free of bribes, unlawful gifts, narrow political interests, financial, and other personal interests that impair my independence of judgment or action.
- c. I am fair, distributing benefits and burdens according to consistent and equitable criteria.
- d. I extend equal opportunities and due process to all parties in matters under consideration. If I engage in unilateral meetings and discussions, I do so without making voting decisions or any improper or unauthorized representations on behalf of the District.
- e. I show respect for people, confidences, and information designated as "confidential."
- f. I use my title(s) only when conducting official District business for information purposes or as an indication of background and expertise carefully considering whether I am exceeding or appearing to exceed my authority.
- g. I will avoid actions that might cause the public or others to question my independent judgment.
- h. I maintain a constructive, creative, and practical attitude toward the District's affairs and a deep sense of social responsibility as a trusted public servant.

1030.2. Professional: As a representative of Reclamation District No. 1000, I will be professional. In practice, this value looks like:

- a. I apply my knowledge and expertise to my assigned activities and to the interpersonal relationships that are part of my job in a consistent, confident, competent, and productive manner.
- b. I approach my job and work-related relationships with a positive, collaborative attitude.
- c. I keep my professional education, knowledge, and skills current and growing.



1030.3. Service-Oriented: As a Representative of Reclamation District No. 1000, I will be service-oriented.

In practice, this value looks like:

- a. I provide friendly, receptive, courteous service to everyone.
- b. I attune to and care about the needs and issues of citizens, public Officials and District employees.
- c. In my interactions with constituents, I am interested, engaged and responsive.

1030.4. Fiscally Responsible: As a representative of Reclamation District No. 1000, I will be fiscally responsible. In practice, this value looks like:

- a. I make decisions after prudent consideration of their financial impact, taking into account the long-term financial needs of the District, especially its financial stability.
- b. I demonstrate concern for the proper use of District assets (e.g., personnel, time, property, equipment, funds) and follow established procedures.
- c. I make good financial decisions that seek to preserve programs and services for District residents.
- d. I have knowledge of and adhere to the District's Purchasing and Contracting and Allocation of Funds Policies.

1030.5. Organized: As a representative of Reclamation District No. 1000, I will be organized. In practice, this value looks like:

- a. I act in an efficient manner, making decisions and recommendations based upon research and facts, taking into consideration short and long term goals.
- b. I follow through in a responsible way, keeping others informed and responding in a timely fashion.
- c. I am respectful of established District processes and guidelines.

1030.6. Communicative: As a representative of Reclamation District No. 1000, I will be communicative. In practice, this value looks like:

- a. I positively convey the District's care for and commitment to its citizens.
- b. I communicate in various ways, that I am approachable, open-minded, and willing to participate in dialog.





- c. I engage in effective two-way communication, by listening carefully, asking questions, and determining an appropriate response which adds value to conversations.

1030.7. Collaborative: As a representative of Reclamation District No. 1000, I will be collaborative. In practice, this value looks like:

- a. I act in a cooperative manner with groups and other individuals, working together in a spirit of tolerance and understanding.
- b. I work towards consensus building and gain value from diverse opinions.
- c. I accomplish the goals and responsibilities of my individual position, while respecting my role as a member of a team.
- d. I consider the broader regional and state-wide implications of the District's decisions and issues.

1030.8. Progressive: As a representative of Reclamation District No. 1000, I will be progressive. In practice, this value looks like:

- a. I exhibit a proactive, innovative approach to setting goals and conducting the District's business.
- b. I display a style that maintains consistent standards; but is also sensitive to the need for compromise, "thinking outside the box" and improving existing paradigms when necessary.
- c. I promote intelligent and thoughtful innovation in order to forward the District's policy agenda and District services.

Enforcement:

Any Official found to be in violation of this Code may be subject to Censure by the District Board. Any member of any advisory Committee found in violation may be subject to dismissal from the Committee. In the case of an employee, appropriate action shall be taken by the General Manager or by an authorized designee.



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**POLICY TITLE:**           **Conflict of Interest**

**POLICY NUMBER:**       **1035**

1035.1. The Political Reform Act, Government Code §81000, et seq., requires state and local government agencies to adopt and promulgate conflict-of-interest codes. The Fair Political Practices Commission (FPPC) has adopted a regulation (2 Cal. Code of Regs. §18730) which contains the terms of a standard conflict of interest code. It can be incorporated by reference and may be amended by the FPPC after public notice and hearings to conform to amendments in the Political Reform Act. The Reclamation District No. 1000 Board of Trustees approved and adopted the FPPC's standard conflict of interest. Therefore, the terms of 2 Cal. Code of Regs. §18730 and any amendments to it duly adopted by the FPPC are hereby incorporated by reference, in which members of the Board of Trustees and employees are designated, and in which disclosure categories are set forth, constitute the conflict of interest code of Reclamation District No. 1000.

1035.2. Designated employees shall file statements of economic interests with the Clerk of the County of Sacramento.



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**POLICY TITLE:** Correspondence to the Board

**POLICY NUMBER:** 1040

1040.1. All written or electronic correspondence addressed to the Board of Trustees is to be sent to the District office. Copies of the written or electronic correspondence and written responses in reply thereto, if any, shall be distributed to each member of the Board, together with the next regular agenda or at the next regular meeting of the Board, depending on date of receipt or response. Individual Board members may receive correspondence addressed to him or her in his or her official capacity. However, Board members are not permitted to use agency resources for sending or receiving personal correspondence.



**POLICY TITLE:** Legal Counsel and Auditor

**POLICY NUMBER:** 1045

1045.1. Legal Counsel: The Board of Trustees shall appoint a Legal Counsel to assist the Board and District in all applicable issues and activities. Legal Counsel shall be the legal adviser of the District, including the Board as a whole, the General Manager and department heads. Legal Counsel shall perform duties as may be prescribed by the Board of Trustees. Duties include, but are not limited to the following:

- a. Providing legal assistance necessary for formulation and implementation of legislative policies and projects;
- b. Represent the District's interests, as determined by the District, in litigation, administrative hearings, negotiations and similar proceedings; and
- c. To keep the Board and District staff apprised of court rulings and legislation affecting the legal interest of the District. Legal Counsel is required to review and approve as to form District legal documents, i.e. contracts, agreements, etc. The Legal Counsel shall present and report on all legal issues and Closed Session items before the Board. The Legal Counsel shall serve at the pleasure of the Board and shall be compensated for services as determined by the Board.

The Legal Counsel reports to the Board but is available to each Trustee for consultation regarding legal matters particular to that Board member's participation. No Board member may request a legal opinion of legal counsel without concurrence by the Board, except as such requests relate to questions regarding that member's participation. The Legal Counsel shall be available to the District General Manager for consultation on applicable issues and activities.

1045.2. Auditor: The District Auditor shall be appointed by the Board by a majority vote in a public meeting. The Board shall determine the duties and compensation of the Auditor. The Auditor shall serve at the pleasure of the Board. Selection of the Auditor shall be done in a noticed public meeting and at least every five years. The Board may appoint a committee to oversee the work of an independent auditor, who will report to the Board, to conduct an annual audit of the District's books, records, and financial affairs in accordance with state law and the Finance Committee Charter for Audit Compliance. The General Manager will install and maintain an accounting system that will completely, and always, show the financial condition of the District.



**POLICY TITLE: Overview of the General Manager's Role**

**POLICY NUMBER: 1050**

1050.1. General Manager: The General Manager is an employee of the District and has an employment agreement which specifies his/her terms of employment. The General Manager is the administrative head of the District under the direction of the Board of Trustees. He/she shall be responsible for the efficient administration of all the District's affairs which are under the General Manager's control. The General Manager plans, organizes, directs, coordinates and evaluates all District operations, programs, and resources in accordance with short- and long-range goals, policy statements, and directives from the Board.

1050.2. Duties: The District's General Manager shall be responsible for the following:

- a. The implementation of policies established by the Board for the operation of the District;
- b. The planning, direction, and coordination of the day-to-day operations of the District through the appropriate department managers including administration, finance, operation, maintenance, engineering, human resources, and others to effect operational efficiency;
- c. The appointment, supervision, discipline, and dismissal of District employees, consistent with the employment policies established by the Board of Trustees;
- d. Attend and participate in District Board meetings, prepare and present reports as necessary, represent the Board before external organizations including other agencies, governmental and regulatory entities, business and community groups;
- e. The supervision of the District's facilities, infrastructure and services; and
- f. The supervision of the District's finances.

1050.3. The General Manager serves at the pleasure of the Board. The Board will provide policy direction and instruction to the General Manager on matters within the authority of the Board during duly convened board meetings.

1050.4. Board Members will deal with matters within the authority of the General Manager through the General Manager and not through other District employees. Board members will refrain from making requests directly to District employees (other than the General Manager) to undertake analyses, perform work assignments, or change the priority of work assignments. As members of



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the public, Trustees may request non-confidential, factual information regarding District operations from District employees. If requesting public records, Trustees must follow the District's Request for Public Records Policy.



**POLICY TITLE:** Legislative Advocacy Policy

**POLICY NUMBER:** 1055

Purpose: The purpose of the policy is to guide Reclamation District No. 1000 officials and staff in considering legislative or regulatory proposals that are likely to have an impact on the District, and to allow for a timely response to important legislative issues. Although the expenditure of public funds for the purpose of supporting or opposing a ballot measure or candidate is prohibited,<sup>1</sup> the expenditure of public funds is allowed to advocate for or against proposed legislation or regulatory actions which will affect the public agency expending the funds.<sup>2</sup>

Objectives: The goals and objectives of the District's Legislative Advocacy Policy are as follows:

- a. Advocate the District's legislative interests at the State, County, and Federal levels.
- b. Inform and provide information to the Board of Trustees and District staff on the legislative process and key issues and legislation that could have a potential impact on the District.
- c. Serve as an active participant with other local governments, the California Special Districts Association, and local government associations on legislative and regulatory issues that are important to the District and the region.
- d. Seek grant and funding assistance for District projects, services, and programs to enhance services for the community.

Principles: The Board of Trustees recognizes the need to protect the District's interests and local control, and to identify various avenues to implement its strategic short-term and long-term goals. It is the policy of Reclamation District No. 1000 to proactively monitor and advocate for legislation as directed by the Advocacy Priorities and by the specific direction of the Board of Trustees.

This policy provides the General Manager, or other designee, the flexibility to adopt positions on legislation in a timely manner, while allowing the Board of Trustees to set Advocacy Priorities to provide policy guidance. The Board of Trustees shall establish various Advocacy Priorities and,

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<sup>1</sup> Cal. Gov. Code § 54964.

<sup>2</sup> Cal. Gov. Code § 53060.5; *Stanson v. Mott* (1976) 17 Cal. 3d 206.



so long as the position fits within the Advocacy Priorities, staff is authorized to take a position without board approval.

Whenever an applicable Advocacy Priority does not exist pertaining to legislation affecting the District, the matter shall be brought before the Board of Trustees at a regularly scheduled board meeting for formal direction from the Board of Trustees. Generally, the District will not address matters that are not pertinent to the District's local government services, such as social issues or international relations issues.

Procedures: The Legislative Advocacy Procedures are intended to provide clear direction to District staff about monitoring and acting upon bills during state and federal legislative sessions. Adherence to the Legislative Advocacy Procedures will ensure that legislative inquiries and responses will be administered consistently with "one voice" as to the identified Advocacy Priorities adopted by the Board of Trustees. The Legislative Advocacy Procedures and Advocacy Priorities will provide the District's General Manager, or other designees, discretion to advocate in the District's best interests in a manner consistent with the goals and priorities adopted by the Board of Trustees. This policy is intended to be manageable, consistent, and tailored to the specific needs and culture of Reclamation District No. 1000.

1055.1. It is the policy of Reclamation District No. 1000 to proactively monitor and advocate for legislation as directed by the Advocacy Priorities and by the specific direction of the Board of Trustees. This process involves interaction with local, state, and federal government entities both regarding specific items of legislation and to promote positive intergovernmental relationships. Accordingly, involvement and participation in regional, state, and national organizations is encouraged and supported by Reclamation District No. 1000.

1055.2. Monitoring legislation is a shared function of the Board and General Manager or designated staff. The Legislative Advocacy Procedures are the process by which staff will track and respond to legislative issues in a timely and consistent manner. The General Manager, or other designee, will act on legislation utilizing the following procedures:

- a. The General Manager shall review requests to determine if the legislation aligns with the District's current approved Advocacy Priorities.





- b. The General Manager or other designee will conduct a review of positions and analysis completed by the California Special Districts Association and other local government associations when formulating positions.
- c. If the matter aligns with the approved priorities, District response shall be supplied in the form of a letter to the legislative body reviewing the bill or measure. Advocacy methods utilized on behalf of the District, including but not limited to letters, phone calls, emails, and prepared forms, will be communicated through the General Manager or designee. The General Manager or designee shall advise staff to administer the form of advocacy, typically via letters signed by the General Manager, or designee, on behalf of the Board of Trustees.
- d. All draft legislative position letters initiated by the General Manager or designee shall state whether the District is requesting “support”, “support if amended”, “oppose”, or “oppose unless amended” action on the issue and shall include adequate justification for the recommended action. If possible, the letter should include examples of how a bill would specifically affect the District.
  - Support – legislation in this area advances the District’s goals and priorities.
  - Oppose – legislation in this area could potentially harm, negatively impact or undo positive momentum for the District, or does not advance the District’s goals and priorities.
- e. The General Manager may also provide a letter of concern or interest regarding a legislative issue without taking a formal position on a piece of legislation.
- f. When a letter is sent to a state or federal legislative body, the appropriate federal or state legislators representing the District shall be included as a copy or “cc” on the letter.
- g. A position may be adopted by the General Manager or designee if any of the following criteria is met:
  - The position is consistent with the adopted Advocacy Priorities;
  - The position is consistent with that of organizations to which the District is a member, such as the California Special Districts Association; or
  - The position is approved by the Board of Trustees.



- h. All legislative positions adopted via a process outside of a regularly scheduled Board Meeting shall be communicated to the Board of Trustees at the next regularly scheduled Board Meeting. When appropriate, the General Manager or other designee will submit a report (either written or verbal) summarizing activity on legislative measures to the Board of Trustees.

1055.3. Advocacy Priorities

1. Revenue, Finances, and Taxation:

- a. Ensure adequate funding for special districts' safe and reliable core local service delivery. Protect special districts' resources from the shift or diversion of revenues without the consent of the affected districts. Promote the financial independence of special districts and afford them access to revenue opportunities equal to that of other types of local agencies. Protect and preserve special districts' property tax allocations and local flexibility with revenue and diversify local revenue sources.
- b. Support opportunities that allow the District to compete for its fair share of regional, state, and federal funding, and that maintain funding streams. Opportunities may include competitive grant and funding programs. Opportunities may also include dedicated funding streams at the regional, state, or federal levels that allow the District to maximize local revenues, offset and leverage capital expenditures, and maintain District goals and standards.

2. Governance and Accountability:

- a. Enhance special districts' ability to govern as independent, local government bodies in an open and accessible manner. Encourage best practices that avoid burdensome, costly, redundant or one-size-fits all approaches. Protect meaningful public participation in local agency formations, dissolutions, and reorganizations, and ensure local services meet the unique needs, priorities, and preferences of each community.



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- b. Oppose additional public meeting and records requirements that unnecessarily increase the burden on public resources without effectively fostering public engagement and enhancing accountability of government agencies.
  - c. Promote local-level solutions, decision-making, and management concerning service delivery and governance structures while upholding voter control and maintaining LAFCO authority over local government jurisdictional reorganizations and/or consolidations.



3. Human Resources and Personnel:

- a. Promote policies related to hiring, management, and benefits and retirement that afford flexibility, contain costs, and enhance the ability to recruit and retain highly qualified, career-minded employees to public service. As public agency employers, support policies that foster productive relationships between management and employees.
- b. Maintain special districts' ability to exercise local flexibility by minimizing state mandated contract requirements. Oppose any measure that would hinder the ability of special districts to maximize local resources and efficiencies through the use of contracted services.

4. Infrastructure, Innovation, and Investment

- a. Encourage prudent planning for investment and maintenance of innovative long-term infrastructure. Support the contracting flexibility and fiscal tools and incentives needed to help special districts meet California's changing demands. Promote the efficient, effective, and sustainable delivery of core local services.
- b. Prevent restrictive one-size-fits-all public works requirements that increase costs to taxpayers and reduce local flexibility.



# Administration



RECLAMATION DISTRICT NO. 1000  
Policy Handbook



**POLICY TITLE:** Credit Card Use

**POLICY NUMBER:** 2115

Purpose: The purpose of this policy is to prescribe the internal controls for management of District credit cards.

Scope: This policy applies to all individuals who are authorized to use District credit cards and/or who are responsible for managing credit card accounts and/or paying credit card bills.

Implementation:

2115.1. A credit card shall be issued to the General Manager, Administrative Services Manager and Operations Manager.

2115.2. Credit cards shall not be issued or used by members of the Board of Trustees. Trustees will use their personal credit cards for lawful expenses of the District and seek reimbursement on a form provided by the District for that purpose.

2115.3. All credit card bills shall be paid in a timely manner to avoid late fees and finance charges.

2115.4. All credit card expenses shall be reasonable and necessary for the furtherance of District business. No personal expenses shall be charged on a District credit card. If a transaction involves both personal and District business, the employee shall pay for the transaction personally and request reimbursement by the District of the appropriate portion of the expense.

2115.5. Credit card transactions shall have third-party documents (receipts) attached and the District purpose annotated by the cardholder.



- 2115.6. The Finance Committee Chair or Board President shall review and approve credit card transactions by the General Manager.
- 2115.7. The General Manager shall review and approve credit-card transactions by the Administrative Services Manager and Operations Manager.
- 2115.8. All records of the District involving credit card use, including receipts, invoices, and requests for reimbursement are disclosable public records to be maintained consistently with the District's records management policy.



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**POLICY TITLE:** Purchasing

**POLICY NUMBER:** 2135

Purpose: The purpose of this policy is to set standard guidelines for Reclamation District No. 1000 to procure necessary goods and services. It ensures procurement practices are fair, reasonable, and economical.

Scope: This policy applies to all District employees/officers who participate in the specification, requisition, approval, award, purchase, receipt, and/or payment for goods and services.

Implementation:

2135.1. This Purchasing Policy involves procuring materials, supplies, equipment, and services at the lowest cost while maintaining quality and service. It adheres to requirements for a competitive process, opportunities for protected classes, and environmental responsibility.

- a. **\$0.01 - \$500:** To purchase small items, such as office supplies, auto parts, and other miscellaneous items costing less than \$500, vendors will be asked to submit pricing information by telephone or written quotation. District accounts are then awarded to those firms that provide the best prices, discounts, etc. Acquisitions are processed on purchase order forms that list instructions to vendors.
- b. **\$501 - \$25,000:** To purchase items costing more than \$500 and up to \$25,000, quotations will be solicited from vendors and received by telephone or written quotation, preferably from two or more sources. Quotes shall be provided prior to selection of a supplier and processing of a purchase order. The General Manager, Operations Manager and/or the Administrative Services Manager must review and approve purchase orders prior to obligation of purchase or commitment to secure.
- c. **\$25,001 & Above:** To purchase items costing more than \$25,000 or orders of large quantities, the District will provide suppliers with a list of items to be purchased. Suppliers will provide written quotes for consideration and recommendation to the Board of Trustees for award of contract. Items on the list will be purchased from the supplier quoting the lowest prices and having an acceptable delivery date.





- d. **Vehicles/Equipment:** Vehicles will be purchased through the State's Vehicle Procurement Program unless they can be acquired at the same cost or less expensively from local sources by competitive quotation bids.



## RECLAMATION DISTRICT NO. 1000

DATE: DECEMBER 8, 2023

AGENDA ITEM NO. 6.1

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**TITLE: Audited Financial Statements Year End June 30, 2023**

**SUBJECT: Review and Receive the Audited Financial Statements for the Year End June 30, 2023.**

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### EXECUTIVE SUMMARY:

This Staff Report is prepared to present Fiscal Year 2022/2023 Reclamation District No. 1000 (RD 1000; District) Audited Financial Statements for the year ended June 30, 2023 to the Board of Trustees, as provided in Attachment 1.

RD 1000 ended Fiscal Year 2022/2023 in a stable financial position and received the best possible audit opinion from Richardson & Company LLP (Auditor), indicating RD 1000 staff follows accounting rules and applies them correctly. The following is from page two of the Independent Auditor's Report to the Board of Trustees, signed by Richardson & Company LLP:

*"In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of June 30, 2023 and 2022, and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America as well as accounting systems prescribed by the State Controller's Office and state regulations governing special districts.. "*

### RECOMMENDATION:

Staff recommends the Board of Trustees review and receive the Reclamation District No. 1000 Audited Financial Statements for the year ended June 30, 2023.

### ATTACHMENTS:

1. Audited Financial Statements for Year End June 30, 2023.
2. Governance Letter 2023
3. Management Letter 2023

### STAFF RESPONSIBLE FOR REPORT:

  
\_\_\_\_\_  
Kevin L. King, General Manager

Date: 12/01/2023

**RECLAMATION DISTRICT NO. 1000, CALIFORNIA**

Audited Financial Statements  
and Other Reports

June 30, 2023 and 2022

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RECLAMATION DISTRICT NO.1000, CALIFORNIA

Audited Financial Statements  
and Other Reports

June 30, 2023 and 2022

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees  
Reclamation District No. 1000  
Sacramento, California

### Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund, of the Reclamation District No. 1000 (the District) as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the District's financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of June 30, 2023 and 2022, and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America as well as accounting systems prescribed by the State Controller's Office and state regulations governing special districts.

### Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives 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 opinions. 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 generally accepted auditing standards will always detect a material misstatement when it exists. 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. Misstatements 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.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- 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 District's internal control. Accordingly, no such opinion is expressed.
- 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.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.



To the Board of Trustees  
Reclamation District 1000

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedule of expenditures – budget and actual – is presented for purposes of additional analysis and is not a required part of the basic financial statements.

This schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Richardson & Company, LLP*

November 15, 2023

RECLAMATION DISTRICT 1000, CALIFORNIA  
MANAGEMENT’S DISCUSSION AND ANALYSIS

June 30, 2023 and 2022

Our discussion and analysis of the Reclamation District No. 1000, California (the District) financial performance provides an overview of the District’s financial activities for the fiscal year ended June 30, 2023. Please read it in conjunction with the District’s financial statements, which follow this section.

**FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2023**

- At the end of the year, the District’s net position is \$50.0 million, of which \$40.9 million is invested in capital assets and \$9.1 million is unrestricted.
- As of June 30, 2023, the District’s General Fund reported a total fund balance of \$9.9 million, of which \$9.7 million has been assigned by the Board.
- The District’s capital asset balances were \$40.9 million at year-end, decreasing slightly due to \$53 thousand in capital additions, offset by \$1.4 million in depreciation expense and \$171 thousand in asset disposals.
- The District has no long-term debt.
- The District has recognized a net pension liability in the amount of \$1.7 million due to Governmental Accounting Standards Board Statement (GASB) 68. The liability increased approximately \$949 thousand from the prior year. See Note E of the basic financial statements.
- The District has recognized a liability in the amount of \$534 thousand for post employment benefits (OPEB) due to Governmental Accounting Standards Board Statement (GASB) 75. The liability increased approximately \$30 thousand from the prior year. See Note F of the basic financial statements.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The Annual Report consists of three parts, Management’s Discussion and Analysis (this section), the Basic Financial Statements, and Required Supplemental Information (RSI). The Basic Financial Statements include the Government-wide financial statements and the Fund Financial Statements. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The government-wide financial statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes the entire District’s assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference representing net position. Over time, increases or decreases in the District’s net position is one indicator of whether its financial health is improving or deteriorating.

The government-wide financial statements of the District report on one category, Governmental activities, as the District does not have business-type activities.

Governmental Activities - All of the District’s basic services are included here. Assessment revenues and restricted capital project reimbursements finance almost all of the District’s flood protection activities.

## FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the District's significant funds. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

The District has one type of fund, the Governmental Fund.

Governmental Fund – All of the District's basic services are included in the Governmental Fund, which focuses on how resources flow in and out. The balance remaining at year-end is available for future spending. The governmental fund statements provide a detailed short-term view to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's activities. Because this information does not encompass the additional long-term focus of the government-wide statements, we describe the relationship between governmental activities and governmental funds through the reconciliations and in the notes to the basic financial statements.

## NOTES TO BASIC FINANCIAL STATEMENTS

The notes to the basic financial statements provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

## REQUIRED SUPPLEMENTARY INFORMATION

In addition to the Basic Financial Statements and accompanying notes, this report presents certain required supplementary information (RSI) concerning the District's budget and actual on a budgetary basis, as well as required pension and OPEB schedules.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. In the case of the District, assets and deferred outflows of resources less liabilities and deferred inflows of resources equaled \$50.0 million at the close of the most recent fiscal year.

The largest portion of the District's net position (82%) reflects its investment in capital assets (e.g. infrastructure, land, buildings, machinery, and equipment) with the majority being levees, canals or pump stations. The District uses these capital assets to provide flood protection services. Consequently, these assets are not available for future spending. There is no related debt associated with the District's investments in its capital assets.

**TABLE 1**  
**Condensed Statement of Net Position**  
June 30, 2023, 2022 and 2021  
(in thousands)

	2023	2022	2021
Current and other assets	\$ 10,711	\$ 11,442	\$ 12,269
Capital assets	<u>40,897</u>	<u>42,192</u>	<u>42,853</u>
Total assets	<u>51,608</u>	<u>53,634</u>	<u>55,122</u>
Deferred outflows of resources	<u>\$ 1,613</u>	<u>\$ 1,112</u>	<u>\$ 587</u>
Current and other liabilities	<u>\$ 2,995</u>	<u>\$ 2,178</u>	<u>\$ 2,270</u>
Deferred inflows of resources	<u>\$ 261</u>	<u>\$ 795</u>	<u>\$ 57</u>
Net position:			
Invested in capital assets, net	\$ 40,897	\$ 42,192	\$ 42,853
Unrestricted net position	<u>9,068</u>	<u>9,581</u>	<u>10,529</u>
Total net position	<u>\$ 49,965</u>	<u>\$ 51,773</u>	<u>\$ 53,382</u>

Current and other assets decreased approximately \$731 thousand from June 30, 2022 to June 30, 2023. The primary reason for the decrease was because of the decrease in cash and investment balances. Other current assets decreased from \$547 thousand at June 30, 2022 to \$529 thousand at June 30, 2023. At the end of the prior fiscal year, cash and investment balances were \$10.9 million compared to \$10.2 million at the end of the current fiscal year. During 2023, the District incurred \$251 thousand more in flood protection expenses than 2022, and recognized \$51 thousand more in program and general revenues.

Capital Assets, Net of Related Debt

As part of the implementation of GASB Statement No. 34, the District retroactively recognized infrastructure assets not previously required to be recognized. GASB Statement No. 34 requires prospective reporting of infrastructure but allows for retroactive application. The District opted to record infrastructure (predominantly levee improvements) retroactively to 1984, the earliest year in which documentation of historical costs were available.

The 2022-2023 capital purchases and additions were:

- District facilities: audio and visual equipment for the district’s boardroom, \$53,100
- Levee improvements: SCADA system improvements, \$12,600

Field equipment and vehicles with an original cost of \$171,000 was surplus during fiscal 2022/23 resulting in a gain of \$107,000; these assets were fully depreciated at the time of sale.

During the fiscal year 2021/22, the District assumed \$205,000 of donated improvements to the levee system as a result of the Greenbriar construction project. In 2020/21, \$934,000 of improvements were recognized bringing the total system improvements to \$1,139,000. At the end of fiscal 2022, the project is complete, and the amounts have been capitalized by the District.

The 2021-2022 capital purchases and additions were:

- Building improvements: video surveillance equipment for district property, \$41,000
- Equipment: backhoe loader, field excavator, trailer, and related equipment, \$555,000
- Vehicles: two maintenance trucks, \$153,000

The District depreciates capital assets using the straight-line method over the estimated lives of the assets. During the 2023 and 2022 fiscal year, \$1,361,195 and \$1,614,730 respectively in depreciation expense was recognized.

There is no associated debt with any capital assets.

Change in Net Position for Governmental Activities

The following table indicates the changes in net position for the governmental activities:

**TABLE 2**  
**Condensed Statement of Activities**  
 Years Ended June 30, 2023, 2022 and 2021  
 (in thousands)

	2023	2022	2021
Program Revenues:			
Charges for services	\$ 285	\$ 107	\$ 36
Operating grants and contributions	1,449	1,421	1,400
Developer impact fees	-	104	1,321
Capital contributions and grants	146	886	1,950
General Revenues:			
Assessment revenues	2,441	2,300	2,298
Investment earnings	182	(27)	69
Miscellaneous and other income	<u>375</u>	<u>35</u>	<u>146</u>
Total Revenues	4,878	4,826	7,220
Expenses:			
Flood Protection	<u>6,686</u>	<u>6,435</u>	<u>5,075</u>
Change in net position	(1,808)	(1,609)	2,145
Net position, beginning of year	<u>51,773</u>	<u>53,382</u>	<u>51,237</u>
Net position, end of year	<u>\$ 49,965</u>	<u>\$ 51,773</u>	<u>\$ 53,382</u>

The District's net position decreased by \$1,808,402 during the current fiscal year; the decrease was a result of flood protection expenses exceeding total revenues. Even though overall revenues increased by \$52 thousand from fiscal 2021/22, flood protection expenses also increased \$251 thousand, decreasing the change in net position from (1.6) million in fiscal 2021/22 to (1.8) million in fiscal 2022/23. The most significant changes in revenues from 2021/22 was a decreases in capital contributions and grants of \$740 thousand primarily from FMAP activities, an increase of \$340 thousand in miscellaneous and other income primarily from the sale of capital assets resulting in a gain of \$106 thousand, and insurance proceeds of \$265 thousand from electrical damage at pumping plant II, and an increase in investment earnings of \$209 thousand. Flood protection expenses increased in the areas of employee related costs, power, security patrol, public relations, and election costs. During 2022, the District's net position decreased \$1.6 million from a decrease in overall revenues, and an increase in flood protection operations.

## FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

At fiscal year end, the District's governmental fund reported a combined fund balance of almost \$9.9 million, a decrease of \$436,467 from the previous year's fund balance. This decrease is due to current year expenses exceeding current year revenues. The combined fund balance at the end of fiscal 2021/22 was \$10.3 million, a decrease of \$1,174,376 from the June 30, 2021 fund balance. This decrease was also due to prior year expenses exceeding prior year revenues. Total revenues increased from \$4.5 million in 2022 to \$4.9 million in 2023. Significant increases in revenues were from property assessments of \$144 thousand, fees for services of \$177 thousand, use of money and property of \$221 thousand, and other revenues of \$233 thousand. Capital grants and contributions decreased \$432 thousand mainly due to a decrease in FMAP activity. Flood protection expenses increased \$423 thousand from \$4.9 million in 2022 to \$5.4 million in 2023. As stated above, flood protection expenses increased in the areas of employee related costs, power, security patrol, public relations, and election costs. Of the total \$9.9 million in fund balances, approximately \$9.7 million has been assigned for specific purposes, and \$177 thousand in prepaid expenses are considered non-spendable.

Revenues in the District's governmental fund were \$4.9 million. Assessment revenue of \$2.4 million represents 50% of revenue for the governmental fund. Expenditures from governmental funds were \$5.4 million, which resulted in a decrease in fund balance of \$436,467.

### Fund Balances

The Board has adopted a policy establishing various types of fund balances. Assignments and balances are determined by board action and General Manager discretion based on the type of fund. These individual fund assignments can be unassigned by the Board of Trustees. The emergency flood fight fund has been established by the General Manager and the other assigned funds by Resolution 2012-6 of the Board of Trustees.

Fund balances as of June 30, 2023, and 2022 are non-spendable and assigned as follows:

**TABLE 3**  
**Fund Balances**  
June 30, 2023 and 2022

<u>Fund Type</u>	<u>June 30, 2023</u> <u>Fund Balance</u>	<u>June 30, 2022</u> <u>Fund Balance</u>
Nonspendable fund balance	176,544	108,062
Assigned fund balances:		
Emergency Flood Fight	1,500,000	1,500,000
General capital	2,427,918	3,906,114
Operating reserve	<u>5,775,423</u>	<u>4,802,176</u>
Total assigned fund balances	<u>9,703,341</u>	<u>10,208,290</u>
Total fund balances	<u>\$9,879,885</u>	<u>\$10,316,352</u>

GENERAL BUDGETARY HIGHLIGHTS

The following is a summary of budget and actual results for the District’s General Fund revenues for the years ended June 30, 2023, and 2022:

**TABLE 4**  
**Fund Revenues - Budget to Actual Comparisons**  
**Year Ended June 30, 2023**

	Final Budget	Actual	Favorable (Unfavorable) Variance
Revenues:			
Property Assessments	\$ 2,250,000	\$ 2,443,436	\$ 193,436
Capital contributions and grants	-	249,493	249,493
Fees for service	-	261,392	261,392
O & M reimbursement from SAFCA	1,421,000	1,449,420	28,420
Use of money and property	59,000	210,525	151,525
Other	-	267,932	267,932
Total	<u>\$ 3,730,000</u>	<u>\$ 4,882,198</u>	<u>\$ 1,152,198</u>

**Fund Revenues - Budget to Actual Comparisons**  
**Year Ended June 30, 2022**

	Final Budget	Actual	Favorable (Unfavorable) Variance
Revenues:			
Property Assessments	\$ 2,250,000	\$ 2,299,557	\$ 49,557
Capital contributions and grants	792,000	681,448	(110,552)
Fees for service	-	84,189	84,189
O & M reimbursement from SAFCA	1,400,000	1,421,000	21,000
Use of money and property	79,000	(10,214)	(89,214)
Other	-	35,260	35,260
Total	<u>\$ 4,521,000</u>	<u>\$ 4,511,240</u>	<u>\$ (9,760)</u>

Changes from the Amount Originally Budgeted

There were no changes made to the original budget.

Actual Revenues Compared with Final Budgeted Amounts

Total revenues recognized by the District’s Governmental Fund were \$1,152,198 more than budget in fiscal year 2022/23. Capital contributions and grants, fees for service, and other revenues were not budgeted for in 2022/23 and totaled \$989,000; the same revenues were approximately \$200,000 more than the amounts in fiscal year 2021/22. Capital contributions and grants represent FMAP activities and developer impact fees; fees for service represent District services for the Natomas Basin MOU and activities performed for developers, mainly engineering; use of money and property include facility rentals and interest income; and other revenues primarily represent insurance proceeds as discussed above.

Total revenues recognized by the District’s Governmental Fund were \$9,760 less than budget in fiscal year 2021/22. The variance resulted primarily from less FMAP grant revenue being recognized than budgeted and less interest income than budgeted. During June 2022, the District wrote down to market value the balance of its City of Sacramento Pool A investment fund. The adjustment in the amount of \$95,000 was included in interest income, causing the interest income balance to be (\$27,005).

Actual Expenditures/Other Financing Uses Compared with Final Budgeted Amounts

Following is a summary of current year and prior year budget and actual results for the District’s General Fund expenditures.

**TABLE 5**  
**Fund Expenditures – Budget to Actual Comparisons**  
**Year Ended June 30, 2023**

	Budget	Actual	Favorable (Unfavorable) Variance
O & M	\$ 7,037,722	\$ 3,898,059	\$ 3,139,663
Administration	1,137,882	1,461,654	(323,772)
Capital outlay	<u>75,000</u>	<u>65,665</u>	<u>9,335</u>
Total expenditures	<u>\$ 8,250,604</u>	<u>\$ 5,425,378</u>	<u>\$ 2,825,226</u>

During the year, the District experienced approximately \$2.8 million in favorable budget variances for expenditures. For operations and maintenance, capital facilities, FMAP operations, and facility repairs experienced the highest budget savings, while employee related expenses and power had unfavorable budget variances. For administration, public relations related expenses had an unfavorable budget variance of \$341 thousand. These expenses were the result from the successful 218 activity which will allow the District to collect additional revenue starting in fiscal 2023/24.

**Fund Expenditures – Budget to Actual Comparisons**  
**Year Ended June 30, 2022**

	Budget	Actual	Favorable (Unfavorable) Variance
O & M	\$ 4,694,950	\$ 3,836,413	\$ 858,537
Administration	1,034,301	1,099,964	(65,663)
Capital outlay	<u>1,131,000</u>	<u>749,239</u>	<u>381,761</u>
Total expenditures	<u>\$ 6,860,251</u>	<u>\$ 5,685,616</u>	<u>\$ 1,174,635</u>

During the year, the District experienced approximately \$1.2 million in favorable budget variances for expenditures. For operations and maintenance, field services, equipment repairs, and FMAP operations were more than projected, while capital facilities was \$1.2 million less than planned. For administration, retiree healthcare and public relations expenses were more than budgeted. Capital outlay was under budget as the District did not purchase as much in capital equipment as originally planned.



## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

As of June 30, 2023, the District has \$67.9 million invested in capital assets including land, buildings, infrastructure, and equipment before depreciation (See Table 6).

**Table 6**  
**Changes in Capital Assets**

	As of June 30, 2023	As of June 30, 2022	Increase (Decrease)
Lands and rights of way	\$ 2,221,333	\$ 2,221,333	\$ -
Buildings, pump plants and improvements (including construction in progress)	33,655,021	33,642,423	12,598
Infrastructure	27,653,802	27,653,802	-
Equipment and vehicles	<u>4,378,477</u>	<u>4,496,142</u>	<u>(117,665)</u>
Total capital assets	<u>\$ 67,908,633</u>	<u>\$ 68,013,700</u>	<u>\$ (105,067)</u>

Capital asset activity for fiscal 2023 was modest compared to prior years. \$53 thousand in audio and visual equipment was purchased for the District's boardroom, and another \$13 thousand was added to the SCADA project. A field excavator, two trucks, and a trailer were sold during the year resulting in a gain of \$107 thousand. At the time of sale, these assets were fully depreciated. Depreciation expense for the year amounted to \$1,361,195.

**Table 7**  
**Changes in Capital Assets**

	As of June 30, 2022	As of June 30, 2021	Increase (Decrease)
Lands and rights of way	\$ 2,221,333	\$ 2,221,333	\$ -
Buildings, pump plants and improvements (including construction in progress)	33,642,423	34,534,925	(892,502)
Infrastructure	27,653,802	26,514,781	1,139,021
Equipment and vehicles	<u>4,496,142</u>	<u>3,869,231</u>	<u>626,911</u>
Total capital assets	<u>\$ 68,013,700</u>	<u>\$ 67,140,270</u>	<u>\$ 873,430</u>

Capital asset activity for fiscal 2022 included the purchase of \$41,000 in video surveillance equipment, field equipment for \$555,000, and two maintenance trucks for \$153,000. The SCADA project that the District has been developing over the last several years came to completion and operational at the start of fiscal 2022. \$744,000 was reclassified out of construction in progress and into pumping equipment and improvements. The Greenbriar construction project also came to completion at the close of 2022. During 2021, \$934,000 in donated levee improvements were made to the levee system, and in 2022 an additional \$205,000 in improvements were made. Total improvements of \$1,139,000 were reclassified out of construction in progress and into pumping equipment and improvements. Depreciation expense for the year amounted to \$1,614,730.

### Debt Administration

As of June 30, 2023, the District had no long-term debt.

## CAPITAL PROJECTS

- *Capital Improvement Plan (update)*

The Board of Trustees approved a Professional Services Agreement with Kjeldesn, Sinnock & Neudeck, INC. (KSN) on November 8, 2019 to update the District's Capital Improvement Plan. KSN completed the Capital Improvement Plan Update (CIP) in August 2020.

Focusing on the pumping system, to identify improvements to allow the District to carry out its mission of flood protection, the CIP was developed by the following methods:

- Ranking how critical a Pumping Plant is by the capacity to remove precipitation from the basin and the importance of the area it serves – a criticality rating or consequence of failure.
- Determining how likely a Pumping Plant is to fail to perform as designed, or likelihood of failure.
- Determining relative risk for each Pumping Plant, which is a combination of the consequence of failure and likelihood of failure.

Potential projects to address potential deficiencies were identified by the following methods:

- Field condition assessment of each Pumping Plant
- Establishing of the Level of Service each plant would optimally provide and comparing performance against the criteria
- Defining the typical life cycle for the major Pumping Plant components, including major cost- effective maintenance items to extend the useful life.

In several cases two or more of the above methods identified potential projects at pumping plants. The results of the Condition assessment, Level of Service, and Life Cycle Analysis showed that the system is overall in good working order, with several of its plants replaced within the last decade. Of the District's two most critical Pumping Plants, Plant 1B was found to be in very good working order, with some projects needed to maintain its condition, while Plant 8 has several life cycle replacements that are coming due concurrently resulting in a major overhaul project, plus the outfall pipe has premature wearing and is recommended for evaluation and remediation up to replacement.

Kjeldesn, Sinnock & Neudeck, INC. (KSN) is currently working on a Pumping Plant #8 preliminary design and construction phasing plan. The electrical and structural teams are in the process of determining site alternatives, which include pump operations and pump bay improvements.

As the most critical plants, major replacements are recommended for Plant 8 and a handful of smaller improvement and life cycle replacements for Plant 1B. Other replacements mostly tied to life cycle and upgrades such as backup power generation were recommended to increase the reliability of the overall system. Over a 30-year planning horizon, a program of upgrades to maintain reliability of the system resulted in the following un-escalated CIP expenditures for Pumping Plants:

- \$30.9 million (M) in the first decade 2021-2030, with \$28.1M planned in the first 6 years.
- \$8.1M over years 2031-2040
- \$26.9M over years 2041-2050, with several recently replaced critical components reaching the end of their useful lives.

In addition to \$65.9M for Pumping Plants over 30 years, the following expenditures are recommended to be budgeted:

- Annual budget of \$55,000 to perform cost-effective preventive maintenance is recommended for the duration of the CIP, or \$1.65M over 30 years.
- Annual budget of \$900,000 for life cycle replacement of culverts and drains, or \$27M over 30 years.

The net recommended budget for the portion evaluated is \$94.55M from 2021-2050, or an average of nearly \$3.2M per year. The above costs were left un-escalated so implementation can be modified and adjusted into the District's financial plan which is currently being formulated.

- ***Significant Capital Projects on District Facilities Undertaken By Others***

The Natomas Levee Improvement Project (NLIP):

NLIP is funded by the Sacramento Area Flood Control Agency (SAFCA) and Natomas Basin Project (Federal Project) funded by the United States Army Corps of Engineers (USACE) with State and SAFCA cost sharing. The goal of the combined levee system improvements protecting the Natomas Basin is to provide at least 200-year flood protection as required by the State's Urban Level of Flood Protection (ULOP) standards. Levee improvements and associated works completed to date have been funded through a combination of SAFCA funds (voter approved SAFCA Capital Assessment Districts) and State funds from the Proposition 1E Bond. These funds have been sufficient to complete 50% of the total levee improvements needed to provide the 200-year flood protection between 2006 and 2013. It should be noted the improvements completed to date addressed the highest risk areas based on studies done to date, as well as previous experience during flood events.

The remaining work will be completed by the USACE as part of the Natomas Basin Levee Project authorized by Congress in the 2014 Water Resources Reform and Development Act (WRRDA). Construction by the USACE commenced in 2017 after delays due to construction contracting issues. As of June 30, 2022, approximately 50% of the remaining levee work has been completed. An additional 25% is currently under construction and the remaining 25% is in design with construction to commence in the next few years. In addition to levee work, the USACE Natomas Levee Project includes improvements to all of the RD 1000 Pumping Plants to meet USACE design standards and provide the 200-year flood protection. Pumping Plant No 2 was reconstructed during the SAFCA NLIP construction. Pumping Plants 4 and 5 will be fully reconstructed and the remaining plants (1A, 1B, 3, 6 and 8) will have significant modifications. During the fiscal year ending June 30, 2023, significant work was done on the Natomas East Main Drain Canal and Sacramento River levees. The contract to complete the levee work on the Sacramento River was awarded in September of 2021 with construction commencing in June 2022. In addition, during the past fiscal year significant work was done to the RD 1000 Pumping Plant Nos. 3 and 4.

Completion of the entire project is anticipated by 2026 or 2027. However, this schedule is dependent on annual federal appropriations, the timely acquisition of necessary rights of way, relocation of utilities, and acquisition of specialized equipment particularly related to the pumping plant modifications.

## **OPERATIONS AND MAINTENANCE**

The District saw above normal rainfall during the 2022-2023 flood season. As a result, the District activated its Emergency Action Plan, and 24-hour patrolling was performed. More than 14 atmospheric rivers pounded the Sacramento Region beginning around January 1, 2023. The District experienced a significant increase in stormwater pumping as compared to the previous year, resulting in increased utility expenses and overtime for field personnel.

Outside of the flood season, the District performed normal operations and maintenance activities including canal erosion repairs, road repairs, mowing canals/levees; spraying both terrestrial and aquatic pesticides to manage vegetation, minor repairs to facilities, garbage/debris removal and pump station maintenance. Since 2019, the District continues to experience a considerable increase in unauthorized encampment activity within its floodways. This activity resulted in a significant increase in trash and debris removal, which impacted the District's efficiency in other operations due to the presence of unauthorized encampments within the floodway.

As noted in previous years, the District has assumed full operations and maintenance responsibility for all 21 miles of levee improvements completed to date as part of the NLIP, including the remaining grassland vegetation along the levees. In addition, several levee reaches have also now been completed by the USACE and turned back to the District for full operations and maintenance. While the levees are improved and significantly reduce the flood risk in the District, they include a much larger footprint, more access roads and access control gates to operate and maintain. The District is currently studying options for the most efficient method to maintain the expanded levee footprint and is developing an Annual Operations and Maintenance Plan to determine the resources needed to meet its responsibility.

## **PLANNING**

The District solicited requests for qualifications for a Comprehensive Financial Plan and Assessment Rate Study on March 2, 2020. The District received Statements of Qualifications from three (3) firms including NBS on April 3, 2020 in accordance with the Request for Qualifications. The District's Finance Committee reviewed the submittals on April 21, 2020. NBS was recommended by the Finance Committee for award of a Professional Services Agreement for the project. On May 8, 2020 the Board of Trustees approved retention of NBS, Inc. to perform a comprehensive financial plan in 2020-2021.

In general, the District was seeking a qualified financial consultant to evaluate the District's current and forecasted financial position, develop a comprehensive financial plan, evaluate existing assessment rate structure, and if needed based on results of the comprehensive financial plan, develop legally defensible assessment rates. The broad objective of the study is to ensure the financial stability to fund operations and needed capital investments, including rehabilitation, replacement and modernization of the District's infrastructure.

1. Conduct a detailed review of the District's operating and capital improvement budgets and develop a Comprehensive (10-year) Finance Plan that promotes financial sustainability and maintains adequate reserve levels.
2. Evaluate the existing assessment rate structure and model assessment rate structure.
3. Meet and/or confer with staff as needed and attend up to three daytime meetings/workshops with the Financial Committee and three evening meetings/workshops with the District Board of Directors to present and discuss results of the studies and obtain their input. Attend the public hearing where the water rates are considered for adoption.
4. Obtain all necessary records, data, and statistics from District and conduct analyses as required to address the scope of work.
5. Preliminary Reports

- a. Prepare preliminary finance plan.
  - b. Prepare a comprehensive administrative record that shows the calculations for cost of service and allocation of costs;
  - c. Prepare preliminary reports of assumptions for assessment rate, and provide tentative rate recommendations; and
  - d. Present preliminary reports and tentative rates to the Financial Committee and the District's Board of Directors.
6. Draft Final Reports
    - a. Incorporate changes pursuant to comments received from the District's Board; and
    - b. Present revised reports and rate recommendations to the District Board of Trustees at a regularly scheduled Board meeting.
  7. Final Reports
    - a. Incorporate changes pursuant to comments received at the Board meeting presentation;
    - b. Provide an electronic copy of the report, with spreadsheets in Excel format; and
    - c. Present the final reports and recommended rates to the Board of Trustees and members of the public at a formal public hearing.
  8. Supply a schedule for deliverables.
  9. Provide an easy-to-use rate model of the final rate structure for the District to use in rate forecasting.

NBS completed Phase 1 of the Financial Plan which was subsequently adopted by the Board of Trustees on January 15, 2021. Subsequently, the District awarded a contract to NBS for Phase 2 of the project on May 4, 2021. Phase 2 evaluated funding options for the District and was presented to the Board of Trustees in May 2022. The District published a Public Draft of the Fee Study for Public Comment during September 2022. The Proposition 218 process was completed in March 2023. The new fee was approved by the property owners and certified by the board in April 2023. The new Stormwater Fee will be applied to the Fiscal Year 2023/2024 Secured Tax Bills, generating approximately \$3 million in new revenue to the District.

## **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

The financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, contact the District office at:

Reclamation District No. 1000, California  
 1633 Garden Highway  
 Sacramento, CA 95833

Submitted by:

Kevin L. King  
 General Manager

RECLAMATION DISTRICT NO. 1000, CALIFORNIA

STATEMENTS OF NET POSITION

June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
<b>ASSETS</b>		
Cash and investments	\$ 10,182,191	\$ 10,895,141
Receivables:		
Assessments	16,000	18,000
Interest	127,861	24,187
Other receivables	34,475	222,357
Prepaid expenses and other assets	176,544	108,062
Inventory	174,241	174,241
Capital assets, net	<u>40,896,827</u>	<u>42,192,357</u>
TOTAL ASSETS	<u>51,608,139</u>	<u>53,634,345</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pensions	788,974	312,350
Other postemployment benefits	<u>823,527</u>	<u>800,042</u>
	<u>1,612,501</u>	<u>1,112,392</u>
<b>LIABILITIES</b>		
Accounts payable	145,464	444,217
Accrued payroll expense	48,850	62,190
Deposits	25,872	48,986
Unearned revenues	421,000	268,546
Long-term liabilities		
Accrued vacation	159,873	139,925
Net pension liability	1,659,681	710,510
Net OPEB liability	<u>534,130</u>	<u>503,858</u>
TOTAL LIABILITIES	<u>2,994,870</u>	<u>2,178,232</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pensions	106,052	677,843
Other postemployment benefits	<u>155,173</u>	<u>117,715</u>
	<u>261,225</u>	<u>795,558</u>
<b>NET POSITION</b>		
Net investment in capital assets	40,896,827	42,192,357
Unrestricted	<u>9,067,718</u>	<u>9,580,590</u>
TOTAL NET POSITION	<u>\$ 49,964,545</u>	<u>\$ 51,772,947</u>

The accompanying notes are an integral part of these financial statements.

RECLAMATION DISTRICT NO. 1000, CALIFORNIA

STATEMENTS OF ACTIVITIES

For the Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
PROGRAM EXPENSES		
Governmental activities:		
Flood protection	\$ 6,685,857	\$ 6,434,862
PROGRAM REVENUES		
Charges for services	284,499	106,577
Operating grants and contributions	1,449,420	1,421,000
Capital grants and contributions	<u>145,634</u>	<u>990,328</u>
NET PROGRAM EXPENSES	(4,806,304)	(3,916,957)
GENERAL REVENUES		
Assessments	2,441,436	2,299,557
Investment earnings	181,821	(27,005)
Gain on sale of capital assets	106,713	-
Miscellaneous	<u>267,932</u>	<u>35,260</u>
TOTAL GENERAL REVENUES	<u>2,997,902</u>	<u>2,307,812</u>
CHANGE IN NET POSITION	(1,808,402)	(1,609,145)
Net position at beginning of year	<u>51,772,947</u>	<u>53,382,092</u>
NET POSITION AT END OF YEAR	<u><u>\$ 49,964,545</u></u>	<u><u>\$ 51,772,947</u></u>

The accompanying notes are an integral part of these financial statements.

RECLAMATION DISTRICT NO. 1000, CALIFORNIA

BALANCE SHEETS – GENERAL FUND

June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 10,182,191	\$ 10,895,141
Receivables:		
Assessments	16,000	18,000
Interest	127,861	24,187
Other	34,475	222,357
Other assets	<u>176,544</u>	<u>108,062</u>
TOTAL ASSETS	<u><u>\$ 10,537,071</u></u>	<u><u>\$ 11,267,747</u></u>
 <b>LIABILITIES, DEFERRED INFLOWS OF OF RESOURCES AND FUND BALANCES</b>		
<b>LIABILITIES</b>		
Accounts payable	\$ 145,464	\$ 444,217
Accrued payroll expense	48,850	62,190
Deposits	25,872	48,986
Unearned revenues	<u>421,000</u>	<u>268,546</u>
TOTAL LIABILITIES	<u>641,186</u>	<u>823,939</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable revenue	<u>16,000</u>	<u>127,456</u>
 <b>FUND BALANCES</b>		
Nonspendable	176,544	108,062
Assigned	<u>9,703,341</u>	<u>10,208,290</u>
TOTAL FUND BALANCES	<u><u>9,879,885</u></u>	<u><u>10,316,352</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u><u>\$ 10,537,071</u></u>	<u><u>\$ 11,267,747</u></u>

The accompanying notes are an integral part of these financial statements.



RECLAMATION DISTRICT NO. 1000, CALIFORNIA

RECONCILIATIONS OF THE BALANCE SHEETS TO THE GOVERNMENT-WIDE  
STATEMENTS OF NET POSITION – GENERAL FUND

June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Fund balance - total governmental funds, June 30,	\$ 9,879,885	\$ 10,316,352
Amounts reported for governmental activities in the statement of net position are different because:		
Assets used in governmental activities are not current financial resources and therefore are not reported in the funds:		
Capital assets, net of accumulated depreciation	40,896,827	42,192,357
Inventory	174,241	174,241
Deferred outflows related to pensions and OPEB are not reported in the government funds	1,612,501	1,112,392
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Accrued vacation	(159,873)	(139,925)
Net pension liability	(1,659,681)	(710,510)
Net OPEB liability	(534,130)	(503,858)
Deferred inflows related to pensions and OPEB are not reported in the government funds	(261,225)	(795,558)
Some revenues are not recognized in governmental funds because they do not represent current financial resources that are recognized in the Statement of Activities:		
Unavailable revenue	<u>16,000</u>	<u>127,456</u>
Net position - governmental activities, June 30,	<u>\$ 49,964,545</u>	<u>\$ 51,772,947</u>

The accompanying notes are an integral part of these financial statements.

RECLAMATION DISTRICT NO. 1000, CALIFORNIA

STATEMENTS OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – GENERAL FUND

For the Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
REVENUES		
Property assessments	\$ 2,443,436	\$ 2,299,557
O & M reimbursements	1,449,420	1,421,000
Capital grants and contributions	249,493	681,448
Fees for services	261,392	84,189
Use of money and property	210,525	(10,214)
Other revenues	267,932	35,260
TOTAL REVENUES	<u>4,882,198</u>	<u>4,511,240</u>
EXPENDITURES		
Current:		
Flood protection		
Maintenance and operations	3,898,059	3,836,413
Administration	1,461,654	1,099,964
Capital outlay	65,665	749,239
TOTAL EXPENDITURES	<u>5,425,378</u>	<u>5,685,616</u>
DEFICIT OF REVENUES UNDER EXPENDITURES	(543,180)	(1,174,376)
OTHER FINANCING SOURCES		
Proceeds from sale of capital assets	106,713	-
OTHER FINANCING SOURCES	<u>106,713</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(436,467)	(1,174,376)
Fund balance at beginning of year	<u>10,316,352</u>	<u>11,490,728</u>
FUND BALANCE AT END OF YEAR	<u>\$ 9,879,885</u>	<u>\$ 10,316,352</u>

The accompanying notes are an integral part of these financial statements.

RECLAMATION DISTRICT NO. 1000, CALIFORNIA

RECONCILIATIONS OF THE STATEMENTS OF  
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES –  
GENERAL FUND

June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Net change in fund balance - total governmental funds for the year ended June 30	\$ (436,467)	\$ (1,174,376)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures and donated infrastructure is not reported. In the statement of activities, however, the cost of those assets are allocated over their estimated useful lives as depreciation expense.		
Capital outlay	65,665	749,239
Donated infrastructure	-	205,021
Depreciation expense	(1,361,195)	(1,614,730)
Some receivables are deferred in the governmental funds because the amounts do not represent current financial resources that are recognized under the accrual basis in the statement of activities		
Change in unavailable revenue	(111,456)	109,456
Some expenses in the Government-wide Statement of Activities that do not require the use of current financial resources are not reported as expenses in the governmental funds.		
Change in accrued vacation	(19,948)	(13,065)
Change in deferred outflows of resources related to employee pensions and OPEB	500,109	525,200
Change in deferred inflows of resources related to employee pensions and OPEB	534,333	(738,385)
Change in employee net pension liability	(949,171)	657,664
Change in OPEB liability	<u>(30,272)</u>	<u>(315,169)</u>
Change in net position - governmental activities for the year ended June 30	<u>\$ (1,808,402)</u>	<u>\$ (1,609,145)</u>

The accompanying notes are an integral part of these financial statements.

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023 and 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Reclamation District No. 1000 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The most significant accounting policies of the District are described below.

Background: The District was formed under an Act of the Legislature of the State of California on April 18, 1911. The District is governed under a Board of Trustees and operates and maintains seven pumping stations, 42.61 miles of federal project levees, ten miles of non-project levees in the Pleasant Grove area, and 180 miles of canals and ditches in Sacramento and Sutter Counties.

Basis of Presentation – Government-wide financial statements: The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District has no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Interest and other items were properly excluded from program revenues and were reported instead as general revenues.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Basis of Presentation – Fund Financial Statements: The accounts of the District are organized on the basis of funds. A fund is a separate accounting entity with a self-balancing set of accounts. Each fund is established for the purpose of accounting for specific activities in accordance with applicable regulations, restrictions, or limitations.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers all revenues to be available if they are collected within 90 days of the end of the current fiscal period, with the exception of property assessments. Property assessments are considered to be available if they are collected within 60 days of the current fiscal period. Amounts not received within the availability period are reported as unavailable revenue. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Payable balances consist primarily of payables to vendors.

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Tax assessment revenues, reimbursement revenues, grants, fees for services and interest earnings associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District, or collected within the availability period.

The District reports the following major governmental fund:

General Fund – The General Fund is the general operating fund of the District and accounts for revenues collected to provide services and finance the fundamental operations of the District. The Fund is charged with all costs of operations.

Budgets: Budgets are adopted on a basis consistent with generally accepted accounting principles and in accordance with the District’s policies and procedures. Budgetary control is exercised by major object. Budgetary changes, if any, during the fiscal year require the approval of the District’s Board of Trustees. Unencumbered budget appropriations lapse at the end of the fiscal year.

Prepaid Items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are reported in the fund financial statements as nonspendable fund balance to indicate they do not constitute resources available for appropriation.

Inventory: The District has on-hand significant amounts of large rock for emergency levee repair. Estimated remaining balances are recorded at cost on a first-in, first-out basis. During the years ended June 30, 2023, and 2022, inventory was not included in the fund financial statements as these are not considered current financial resources.

Capital Assets: Capital assets for governmental fund types are not capitalized in the funds used to acquire or construct them. Capital acquisitions are reflected as expenditures in the governmental fund, and the related assets are capitalized and reported in the government-wide financial statements. Capital assets owned by the District are stated at historical cost or estimated historical cost, if actual historical cost is not available. Contributed capital assets are recorded at their estimated fair market value at the time received. Capital assets are depreciated using the straight-line method over their estimated useful lives.

Infrastructure	100 years
Building and improvements	20-40 years
Pumping equipment and improvements	7-50 years
Equipment and vehicles	5-10 years

The District’s capitalization threshold is \$5,000. Maintenance and repairs are charged to operations when incurred. Betterments and major improvements that significantly increase the values, change capacities, or extend the useful lives are capitalized. Upon sale or retirement of fixed assets, the cost and the related accumulated depreciation, as applicable, are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accrued Vacation and Sick Leave: The District's policies regarding vacation and sick leave permit employees to accumulate earned, but unused vacation and sick leave. The District's policy for sick-pay states that upon retirement, an employee may be paid one-third (up to a maximum of 400 hours) of their accumulated unused sick leave balance. The remaining balance of the employees' sick leave is then available for service credit under the District's pension plan. Alternatively, the employees may elect to use their entire balance of accumulated unused sick leave for service credit under the District's pension plan. All vacation and an estimate of the probable sick leave pay-out is accrued when incurred. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The General Fund is used to liquidate compensated absences. All of the accrued vacation and sick leave is considered long-term.

Net Position: The government-wide financial statements utilize a net position presentation. Net position is categorized as investment in capital assets, restricted and unrestricted.

Net Investment in Capital Assets – This category groups all capital assets into one component of net position. Accumulated depreciation and any outstanding debt related to the purchase of capital assets reduces the balance in this category.

Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. The District does not have any restricted net position.

Unrestricted Net Position – This category represents net position of the District not restricted for any project or other purpose.

Fund Equity: In the General Fund financial statements, the District reports the following fund balances:

Non-spendable fund balances – This category presents amounts not expected to be converted to cash within the next operating cycle and are typically comprised of prepaid costs and deposits.

Committed fund balances – This category includes amounts that can be used only for specific purposes determined by a formal action of the Board. The Board has authority to establish, modify, or rescind a fund balance commitment through a resolution of the Board. The District does not have committed fund balances.

Assigned funds balances – This category includes amounts constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned fund balance – This category represents the residual classification for the District's funds and includes all spendable amounts not contained in the other classifications.

The Board establishes, modifies or rescinds fund balance commitments by passage of a resolution. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted, committed, assigned and unassigned resources as they are needed. The District's committed, assigned or unassigned amounts are considered to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A resolution of the Board delegates authority to management to establish various reserves, which are considered assigned fund balances. Assigned fund balances consist of the following at June 30:

	2023	2022
Emergency Flood Fight Fund – Funds designated to fight flood emergencies and to help prevent the need for future special assessments.	\$ 1,500,000	\$ 1,500,000
General Capital Fund – To accumulate funds for future capital projects. Such projects represent capital improvement projects to repair damaged levees, improve the reliability of the system and/or increase in the District’s ability to monitor the system and respond in a flood emergency.	2,427,918	3,906,114
Operation and Maintenance (O&M) Fund - Reserve balance set at 70% of the current year annual expenditure budget.	5,775,423	4,802,176
	\$ 9,703,341	\$ 10,208,290

Assessments: The District made assessments against properties within the District in accordance with requirements of State law. Assessments are processed through Sacramento and Sutter Counties based on the parcel size and designated land use of the parcels. Assessments are payable with the property owner’s property taxes. The assessments are typically levied on or before the first day of September each year and become a lien on real property upon levy. Assessments are paid in two equal installments; the first is due November 1 and delinquent with penalties after December 10; the second is due February 1 and delinquent with penalties after April 10. The District recognizes assessments when the individual installments are due provided they are collected within 60 days after year end.

The Counties use the Alternative Method of Property Tax Apportionment (Teeter). Under this method of property tax apportionment for assessments collected as part of property taxes, the County purchases the delinquent secured property taxes at June 30 of each fiscal year and guarantees the District 100% of its annual assessment.

Deferred Outflows and Inflows of Resources: In addition to assets and liabilities, the statements of net position and balance sheets – General Fund reports separate sections for deferred outflows and deferred inflows of resources. *Deferred outflows of resources* represent a consumption of net assets by the government that is applicable to a future reporting period. *Deferred inflows of resources* represent an acquisition of net assets that is applicable to a future reporting period. These amounts will not be recognized as an outflow of resources (expense) or an inflow of resources (revenue) until the earnings process is complete. Deferred outflows and inflows of resources in the statements of net position and balance sheets – General Fund represent amounts deferred related to the District’s pension and OPEB plans as described in Notes E and F, and for revenue not received within the availability period.

Pensions: For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District’s

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

California Public Employees’ Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans’ fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. See Note E.

Postemployment Benefits Other Than Pensions (OPEB): For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB plan and additions to/deletions from the OPEB plan’s fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. See Note F.

Use of Estimates: The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

New Pronouncements: In June 2022, the GASB issued Statement No. 101, Compensated Absences. This statement requires that liabilities for compensated absences be recognized for leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or paid in cash or settled through noncash means and leave that has been used but not paid in cash or settled through noncash means. Leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in the liability for compensated absences. This Statement requires that a liability for certain types of compensated absences, including parental leave, military leave and jury duty leave, not be recognized until the leave commences. Certain salary related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities. With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources. Governments are allowed to disclose the net change in the liability if identified as such in the footnotes to the financial statements. The provisions of this Statement are effective for years beginning after December 15, 2023.

NOTE B – CASH AND INVESTMENTS

As of June 30, 2023 and 2022, cash and investments consisted of the following:

	2023	2022
Deposits in financial institutions	\$ 940,064	\$ 757,131
Sacramento County Pooled Investment Fund	4,467,956	5,981,280
City of Sacramento Pool A	2,146,093	2,110,957
Local Agency Investment Fund (LAIF)	2,628,078	2,045,773
Total cash and investments	\$ 10,182,191	\$ 10,895,141



RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE B – CASH AND INVESTMENTS (Continued)

Investment policy: California statutes authorize districts to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, Section 53600, Chapter 4 - Financial Affairs. The table below identifies the investment types that are authorized for the District by the California Government Code (or the District’s investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. During the years ended June 30, 2023 and 2022, the District’s permissible investments included the following instruments:

Authorized Investment Type	Maximum Maturity	Maximum Percentage Of Portfolio	Maximum Investment In One Issuer
Local agency bonds	5 years	None	None
U.S. Treasury securities	5 years	None	None
U.S. Agency securities	5 years	None	None
Banker's acceptances	180 days	40%	30%
Commercial paper	270 days	25%	10%
Negotiable certificates and time deposits	5 years	30%	None
Repurchase agreements	92 days	20%	None
Medium term corporate notes	5 years	30%	None
Money market mutual funds	N/A	20%	10%
Mortgage pass-through securities	5 years	20%	None
Pooled investment funds	N/A	None	None

The District complied with the provisions of California Government Code (or the District’s investment policy, where more restrictive) pertaining to the types of investments held, institutions in which deposits were made and security requirements. The District will continue to monitor compliance with applicable statutes pertaining to public deposits and investments.

Investment in the Sacramento County Pooled Fund: The District maintains a portion of its cash in Sacramento County’s cash investment pool, which is managed by the Sacramento County Treasurer. The amount invested by all public agencies in Sacramento County’s cash and investment pool is \$7,269,768,765 and \$6,308,279,736 at June 30, 2023 and 2022, respectively. Sacramento County Treasury Investment Oversight Committee (Committee) has oversight responsibility for Sacramento County’s cash and investment pool. The Committee consists of ten members as designated by State law. The value of pool shares in Sacramento County that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the District’s position in the pool. Investments held in the County’s investment pool are available on demand to the District and are stated at cost, which approximates fair value.

Investment in the City of Sacramento’s Investment Pool: The District maintains a portion of its cash in the City of Sacramento’s cash and investment pool which is managed by the City Treasurer. The District’s cash balances invested in the City Treasurer’s cash and investment pool are stated at fair value. The amount invested by all public agencies in the City’s cash and investment pool is \$1,634,696,639 and \$1,548,082,168 at June 30, 2023 and 2022, respectively. The City does not invest in any derivative financial products directly. However, they do invest in investment pools, which may invest in derivative financial products. The City Council has oversight responsibility for the cash and investment pool. The value of pool shares in the City that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the District’s position in the pool.

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE B – CASH AND INVESTMENTS (Continued)

Investment in LAIF: LAIF is stated at amortized cost, which approximates fair value. The LAIF is a special fund of the California State Treasurer through which local governments may pool investments. The total fair value amount invested by all public agencies in LAIF is \$177,045,532,802 and \$231,867,874,452 at June 30, 2023 and 2022, respectively, managed by the State Treasurer. Of that amount, 2.78% is invested in structured notes and asset-backed securities. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

Interest Rate Risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. As of June 30, 2023 and 2022, the weighted average maturity of the investments contained in the County's investment pool was approximately 267 days and 278 days, respectively. As of June 30, 2023 and 2022, the weighted average maturity of the investments contained in the City's investment pool was approximately 1.78 and 2.54 years, respectively. As of June 30, 2023 and 2022, the weighted average maturity of the investment in LAIF was approximately 260 and 311 days, respectively.

Credit Risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating issued by a nationally recognized statistical rating organization. The County's investment pool, City's investment pool and LAIF do not have a rating provided by a nationally recognized statistical rating organization.

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure public agency deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

At June 30, 2023 and 2022, the carrying amount of the District's deposits were \$940,064 and \$757,131 and the balances in financial institutions were \$1,217,215 and \$1,014,530, respectively. Of the balance in financial institutions, \$250,000 at June 30, 2023 and 2022 was covered by federal depository insurance and amounts in excess of this balance are covered by the pledging financial institution with assets held in a common pool for the District and other governmental agencies, but not in the name of the District.

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE C – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 and 2022 was as follows:

	Balance July 1, 2022	Additions	Disposals	Transfers	Balance June 30, 2023
Capital assets not being depreciated:					
Land	\$ 2,221,333				\$ 2,221,333
Construction in progress	-	\$ 12,598			12,598
Total capital assets not being depreciated	<u>2,221,333</u>	<u>12,598</u>	<u>-</u>	<u>-</u>	<u>2,233,931</u>
Capital assets being depreciated:					
Infrastructure	27,653,802				27,653,802
Building and improvements	2,508,856				2,508,856
Pump equipment and improvements	31,133,567				31,133,567
Equipment and vehicles	4,496,142	53,067	\$ (170,732)		4,378,477
Total capital assets being depreciated	<u>65,792,367</u>	<u>53,067</u>	<u>(170,732)</u>	<u>-</u>	<u>65,674,702</u>
Less accumulated depreciation for:					
Infrastructure	(5,576,045)	(275,465)			(5,851,510)
Building and improvements	(1,138,134)	(74,572)			(1,212,706)
Pump equipment and improvements	(16,248,253)	(497,996)			(16,746,249)
Equipment and vehicles	(2,858,911)	(513,162)	170,732		(3,201,341)
Total accumulated depreciation	<u>(25,821,343)</u>	<u>(1,361,195)</u>	<u>170,732</u>	<u>-</u>	<u>(27,011,806)</u>
Total capital assets being depreciated, net	<u>39,971,024</u>	<u>(1,308,128)</u>	<u>-</u>	<u>-</u>	<u>38,662,896</u>
Capital assets, net	<u>\$ 42,192,357</u>	<u>\$ (1,295,530)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,896,827</u>

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE C – CAPITAL ASSETS (Continued)

	Balance July 1, 2021	Additions	Disposals	Transfers	Balance June 30, 2022
Capital assets not being depreciated:					
Land	\$ 2,221,333				\$ 2,221,333
Construction in progress	1,678,206	\$ 205,021		\$ (1,883,227)	-
Total capital assets not being depreciated	<u>3,899,539</u>	<u>205,021</u>	<u>-</u>	<u>(1,883,227)</u>	<u>2,221,333</u>
Capital assets being depreciated:					
Infrastructure	26,514,781			1,139,021	27,653,802
Building and improvements	2,467,358	41,498			2,508,856
Pump equipment and improvements	30,389,361			744,206	31,133,567
Equipment and vehicles	3,869,231	707,741	\$ (80,830)		4,496,142
Total capital assets being depreciated	<u>63,240,731</u>	<u>749,239</u>	<u>(80,830)</u>	<u>1,883,227</u>	<u>65,792,367</u>
Less accumulated depreciation for:					
Infrastructure	(5,311,969)	(264,076)			(5,576,045)
Building and improvements	(1,063,907)	(74,227)			(1,138,134)
Pump equipment and improvements	(15,431,679)	(816,574)			(16,248,253)
Equipment and vehicles	(2,479,888)	(459,853)	80,830		(2,858,911)
Total accumulated depreciation	<u>(24,287,443)</u>	<u>(1,614,730)</u>	<u>80,830</u>	<u>-</u>	<u>(25,821,343)</u>
Total capital assets being depreciated, net	<u>38,953,288</u>	<u>(865,491)</u>	<u>-</u>	<u>1,883,227</u>	<u>39,971,024</u>
Capital assets, net	<u>\$ 42,852,827</u>	<u>\$ (660,470)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,192,357</u>

Depreciation expense of \$1,361,195 and \$1,614,730 for the years ended June 30, 2023 and 2022, respectively, was charged to the flood protection function.

NOTE D – LONG-TERM LIABILITIES

The following is a summary of long-term liability transactions for the year ended June 30, 2023 and 2022:

	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023
Accrued vacation	\$ 139,925	\$ 19,948	\$ -	\$ 159,873
Net pension liability	710,510	949,171	-	1,659,681
Net OPEB liability	<u>503,858</u>	<u>30,272</u>	<u>-</u>	<u>534,130</u>
	<u>\$ 1,354,293</u>	<u>\$ 999,391</u>	<u>\$ -</u>	<u>\$ 2,353,684</u>

RECLAMATION DISTRICT 1000, CALIFORNIA  
 NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE D – LONG-TERM LIABILITIES (Continued)

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Accrued vacation	\$ 126,860	\$ 13,065	-	\$ 139,925
Net pension liability	1,368,174	-	\$ (657,664)	710,510
Net OPEB liability	188,689	315,169	-	503,858
	<u>\$ 1,683,723</u>	<u>\$ 328,234</u>	<u>\$ (657,664)</u>	<u>\$ 1,354,293</u>

NOTE E – PENSION PLANS

Plan Descriptions: All qualified permanent and probationary employees are eligible to participate in the District’s cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees’ Retirement System (CalPERS). The District has the following cost-sharing Plans:

- Miscellaneous Rate Plan
- Miscellaneous Second Tier Rate Plan
- PEPRA Miscellaneous Rate Plan

Benefit provisions under the Plans are established by State statute and Board resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website at [www.calpers.ca.gov](http://www.calpers.ca.gov).

Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 (52 for PEPRA Miscellaneous Plan) with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE E – PENSION PLANS (Continued)

The Plans’ provisions and benefits in effect at June 30, 2023 and 2022, are summarized as follows:

	Miscellaneous Rate Plan	Miscellaneous Second Tier Rate Plan	PEPRA Miscellaneous Rate Plan
Hire date	Prior to August 30, 2011	August 30, 2011 to December 31, 2012	On or after January 1, 2013
Benefit formula (at full retirement)	2.0% @ 55	2.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	52 - 67	52 - 67	52 - 67
Monthly benefits, as a % of eligible compensation	1.0% to 2.5%	1.0% to 2.5%	1.0% to 2.5%
Required employee contribution rates:			
2023	7.00%	7.00%	6.75%
2022	7.00%	7.00%	6.75%
Required employer contribution rates:			
2023	10.87%	8.63%	7.47%
2022	10.88%	8.65%	7.59%

In addition to the contribution rates above, the District was also required to make payments of \$123,378 and \$101,866 towards its unfunded actuarial liability during the years ended June 30, 2023 and 2022, respectively. The Miscellaneous rate plans are closed to new members that are not already CalPERS eligible participants.

Contributions: Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the years ended June 30, 2023 and 2022, the contributions made to the Plan were \$221,710 and \$195,167 respectively.

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions: As of June 30, 2023 and 2022, the District reported a net pension liability for its proportionate share of the net pension liability of the Miscellaneous Plan of \$1,659,681 and \$710,510, respectively.

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE E – PENSION PLANS (Continued)

The District’s net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability as of June 30, 2023 is measured as of June 30, 2022, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures. The net pension liability as of June 30, 2022 is measured as of June 30, 2021, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 20, 2021 using standard update procedures. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The District’s proportionate share of the net pension liability for the Plan as of the measurement dates was as follows:

Proportion - June 30, 2022	0.01314%
Proportion - June 30, 2023	0.01437%
Change - Increase	0.00123%
Proportion - June 30, 2021	0.01257%
Proportion - June 30, 2022	0.01314%
Change - Increase	0.00057%

For the years ended June 30, 2023 and 2022, the District recognized pension expense of \$122,466 and \$157,664, respectively. At June 30, 2023 and 2022, the District reported deferred outflows of resources and deferred inflows of resources related to all Plans combined from the following sources:

	2023		2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 221,710		\$ 195,167	
Differences between actual and expected experience	33,330	\$ (22,323)	79,676	
Changes in assumptions	170,069			
Change in employer's proportion	59,856		37,507	
Differences between the employer's contribution and the employer's proportionate share of contributions		(83,729)		\$ (57,605)
Net differences between projected and actual earnings on plan investments	304,009			(620,238)
Total	\$ 788,974	\$ (106,052)	\$ 312,350	\$ (677,843)

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE E – PENSION PLANS (Continued)

The \$221,710 and \$195,167 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ended June 30</u>	
2024	\$ 112,308
2025	104,392
2026	58,569
2027	<u>185,943</u>
	<u>\$ 461,212</u>

Actuarial Assumptions: The total pension liabilities in the actuarial valuations for each of the Plans were determined using the following actuarial assumptions:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Valuation Date	June 30, 2021	June 30, 2020
Measurement Date	June 30, 2022	June 30, 2021
Actuarial Cost Method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:		
Discount Rate	6.90% (2)	7.15% (2)
Inflation	2.30%	2.50%
Projected Salary Increase	(1)	(1)
Mortality	Developed using CalPERS Membership Data for all funds	
Post-retirement benefit	Contract COLA up to 2.50% until purchasing power protection allowance applies	

(1) Depending on age, service and type of employment

(2) Net of pension plan investment expenses, including inflation

The underlying mortality assumptions and all other actuarial assumptions used for the June 30, 2022 and 2021 measurement date include 15 years of projected on-going mortality improvement using 90% of Scale MP 2016 published by the Society of Actuaries. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.



RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE E – PENSION PLANS (Continued)

Discount Rate: The discount rate used to measure the total pension liability was 6.90% at June 30, 2023 and 7.15% at June 30, 2022. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current discount rate is adequate, and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds’ asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class for the Plan. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	2023	
	New Strategic Allocation	Real Return Years 1 - 10(a)(b)
Global Equity -Cap Weighted	30.0%	4.45%
Global Equity Non-Cap-Weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage Backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	-5.0%	-0.59%
Total	<u>100.0%</u>	

(a) An expected inflation of 2.3% used for this period.

(b) Figures are based on the Asset Liability Management Study.

RECLAMATION DISTRICT 1000, CALIFORNIA  
 NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE E – PENSION PLANS (Continued)

Asset Class	2022		
	New Strategic Allocation	Real Return Years 1 - 10(a)	Real Return Years 11+(b)
Global Equity	50.0%	4.80%	5.98%
Global Fixed Income	28.0%	1.00%	2.62%
Inflation Sensitive	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Estate	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
Total	100.0%		

(a) An expected inflation of 2.00% used for this period.

(b) An expected inflation of 2.92% used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the District’s proportionate share of the net pension liability, calculated using the discount rate, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	2023	2022
1% Decrease	5.90%	6.15%
Net Pension Liability	\$ 2,585,714	\$ 1,541,359
Current Discount Rate	6.90%	7.15%
Net Pension Liability	\$ 1,659,681	\$ 710,510
1% Increase	7.90%	8.15%
Net Pension Liability	\$ 897,785	\$ 23,659

Pension Plan Fiduciary Net Position: Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

Payable to the Pension Plan: At June 30, 2023, the District had no amounts outstanding in contributions payable to the pension plan. At June 30, 2022, \$13,895 in contributions were outstanding.

NOTE F – OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Plan Description: The District’s defined benefit postemployment healthcare plan provides medical benefits to employees who have attained age 50 with five years of service, or under PEPPRA after 10 years of service, increasing 2% per year up to 100% of the benefit after 20 years of service. The plan also

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE F – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

provides for dependent coverage. In fiscal year 2012/13, the District modified its contract with CalPERS Public Employees Healthcare to a 75%/25% employer/employee cost share for current employees and retirees. Employees hired after January 1, 2013 cost share under the State Vesting Plan as contracted by the District, which is 50% contribution at 10 years of service plus 5% per additional year of service to 100% at 20 or more years.

The District contracts with CalPERS to administer its retiree health benefits plan (an agent multiple-employer defined benefit plan) and to provide an investment vehicle, the California Employees’ Retiree Benefit Trust Fund (CERBT), to prefund future OPEB costs. The District chooses from a menu of benefit provisions and adopts certain benefits provisions by Board statute within the Public Employees’ Retirement Law. By participating in CERBT, the District is also obligated to follow the actuarial assumptions established by the CalPERS Board of Administration. CalPERS issues a Comprehensive Annual Financial Report for the retirement plans. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office at 400 P Street, Sacramento, CA, 95814.

Contributions: The Board grants the authority to establish and amend the contribution requirements of the District. During the year ended June 30, 2023, the District’s cash contributions to the trust were \$75,205, benefit payments were \$84,416 and the implied subsidy was \$28,000, resulting in total payments of \$187,621. During the year ended June 30, 2022, the District’s cash contributions to the trust were \$168,672 and the implied subsidy was \$30,000, resulting in total payments of \$198,672.

Employees Covered by Benefit Terms: As of the June 30, 2021 actuarial valuation, the following current and former employees were covered by the benefit terms under the OPEB Plan:

Inactive employees or beneficiaries currently receiving benefit payments	10
Active employees	<u>12</u>
Total	<u><u>22</u></u>

Total OPEB Liability: The District's total OPEB liability as of June 30, 2023 was measured as of June 30, 2022 and was determined by an actuarial valuation as of June 30, 2021. The District’s total OPEB liability as of June 30, 2022 was measured as of June 30, 2021 and was determined by an actuarial valuation as of June 30, 2021.

Actuarial Assumptions and Other Inputs: The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE F – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

	2023	2022
Valuation date	June 30, 2021	June 30, 2021
Measurement date	June 30, 2022	June 30, 2021
Actuarial cost method	Entry-age normal cost method	Entry-age normal cost method
Actuarial assumptions:		
Discount rate	6.25%	5.5%
Inflation	2.5%	2.5%
Salary increases	2.75% per year	2.75% per year
Investment rate of return	5.5%	5.5%
Mortality rate	Derived using CalPERS membership data	Derived using CalPERS membership data
Pre-retirement turnover	Derived using CalPERS membership data	Derived using CalPERS membership data
Healthcare trend rate non-Medicare	6.75% for 2022, decreasing to an ultimate rate of 3.75% in 2076	6.75% for 2022, decreasing to an ultimate rate of 3.75% in 2076
Healthcare trend rate Medicare	Non-Kaiser 5.85% and Kaiser 4.75% for 2022, both decreasing to an ultimate rate of 3.75% in 2076	Non-Kaiser 5.85% and Kaiser 4.75% for 2022, both decreasing to an ultimate rate of 3.75% in 2076

Mortality information was based on the CalPERS 1997-2015 Experience Study. The experience study report may be accessed on the CalPERS website at <https://www.calpers.ca.gov>. Mortality is projected fully generational with Scale MP-2020.

The assumed gross return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Percentage of Portfolio	Assumed Gross Return
All Equities	49.0%	4.56%
All Fixed Income	23.0%	1.56%
Real Estate Investment Trusts	20.0%	4.06%
All Commodities	3.0%	1.22%
Treasury Inflation Protected Securities (TIPS)	5.0%	(0.08%)
	<u>100.0%</u>	

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE F – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Discount Rate: The discount rate used to measure the total OPEB liability was 6.25% and 5.5% for June 30, 2023 and June 30, 2022, respectively. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected OPEB payments for current and active employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Total OPEB Liability: The change in the total OPEB liability for the plan is as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at July 1, 2022	\$ 1,823,515	\$ 1,319,657	\$ 503,858
Changes in the year:			
Service cost	114,722		114,722
Interest	103,371		103,371
Contributions - employer		198,672	(198,672)
Net investment loss		(183,986)	183,986
Experience (gains)/losses			
Assumption changes	(173,753)		(173,753)
Expected benefit payments to retirees (estimate)	(117,518)	(117,518)	
Administrative expenses		(618)	618
Net changes	<u>(73,178)</u>	<u>(103,450)</u>	<u>30,272</u>
Balance at June 30, 2023	<u>\$ 1,750,337</u>	<u>\$ 1,216,207</u>	<u>\$ 534,130</u>

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE F – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at July 1, 2021	\$ 1,290,471	\$ 1,101,782	\$ 188,689
Changes in the year:			
Service cost	36,990		36,990
Interest	83,852		83,852
Contributions - employer		75,205	(75,205)
Net investment income		218,171	(218,171)
Experience (gains)/losses	28,377		28,377
Assumption changes	458,684		458,684
Expected benefit payments to retirees (estimate)	(74,859)	(74,859)	
Administrative expenses		(642)	642
Net changes	<u>533,044</u>	<u>217,875</u>	<u>315,169</u>
Balance at June 30, 2022	<u>\$ 1,823,515</u>	<u>\$ 1,319,657</u>	<u>\$ 503,858</u>

The following changes in assumptions were made in the June 30, 2021 valuation, June 30, 2021 measurement date: implied subsidy added as required by GASB 75, discount rate updated based on stochastic analysis and survey of investment advisory firms, medical trend was updated based on consultation with Axene Health Partners' and Getzen Model for short-term and long-term trends respectively, demographic assumptions and salary merit increase were updated to CalPERS 1997-2015 Experience Study, participation and coverage assumptions were updated based on the Plan's benefits and experience and mortality improvement scale was updated to Scale MP-2020.

The following changes in the June 30, 2021 valuation, June 30, 2022 measurement date: The District moved assets from CERBT Strategy 2 to CERBT Strategy 1. As a result, a higher discount rate was used. In addition, CalPERS approved new CERBT asset allocations in March 2022.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate: The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	2023		
	1% Decrease 5.25%	Current Discount Rate 6.25%	1% Increase 7.25%
Net OPEB liability	\$ 771,603	\$ 534,130	\$ 337,256

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE F – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

	2022		
	Current		
	1% Decrease 4.50%	Discount Rate 5.50%	1% Increase 6.50%
Net OPEB liability	\$ 758,912	\$ 503,858	\$ 293,920

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates: The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	2023		
	Current Healthcare Cost		
	1% Decrease	Trend Rates	1% Increase
Net OPEB liability	\$ 290,678	\$ 534,130	\$ 838,945

	2022		
	Current Healthcare Cost		
	1% Decrease	Trend Rates	1% Increase
Net OPEB liability (asset)	\$ 260,477	\$ 503,858	\$ 810,291

OPEB Plan Fiduciary Net Position: Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued CERBT financial report at [www.calpers.gov](http://www.calpers.gov).

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: For the years ended June 30, 2023 and 2022, the District recognized OPEB expense of \$231,866 and \$106,865, respectively. At June 30, 2023 and 2022, the District reported deferred outflows of resources and deferred inflows resources related to OPEB from the following sources:

	2023		2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 187,621		\$ 198,672	
Difference between expected and actual experience	175,851	\$ (3,985)	202,255	\$ (5,124)
Changes in assumptions	339,546	(151,188)	399,115	
Net differences between projected and actual earnings on plan investments	120,509			(112,591)
Total	\$ 823,527	\$ (155,173)	\$ 800,042	\$ (117,715)

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE F – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30	
2024	\$ 85,331
2025	86,406
2026	84,269
2027	114,150
2028	63,408
Thereafter	<u>47,169</u>
	<u>\$ 480,733</u>

Recognition of Deferred Outflows and Deferred Inflows of Resources: Gains and losses related to changes in the total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

The recognition period differs depending on the source of gain or loss. The net difference between projected and actual earnings on OPEB plan investments is recognized over 5 years. The net difference between expected and actual experience is recognized over the expended average remaining service lifetime (EARS�), which was 7.7 years at the June 30, 2021 valuation date.

NOTE G – CONTINGENCIES

Prop 218: Proposition 218, which was approved by the voters in November 1996, regulates the District’s ability to impose, increase, and extend assessments and fees. Any new or increased assessments and fees subject to the provisions of Proposition 218 require voter approval before they can be implemented. Additionally, Proposition 218 provides that these assessments and fees are subject to the voter initiative process and may be rescinded in the future by the voters. Therefore, the District’s ability to finance the services for which the property assessments were imposed may be significantly impaired. However, the District may also have the ability to assess certain government owned properties which were previously rendered exempt. The effect Proposition 218 will have on the District’s ability to maintain or increase the revenue it receives from assessments and fees in the future is unknown.

NOTE H – SUBSEQUENT EVENT

In April 2023, the District completed the Proposition 218 process for a new stormwater fee to be assessed on landowners beginning in fiscal year 2024. The fee is anticipated to generate an additional \$3.3 million in new revenue and fund the operation of the District’s interior drainage system. The fee would be collected and used strictly for stormwater collection and management purposes and cannot be used for any other purposes.



REQUIRED SUPPLEMENTAL INFORMATION

RECLAMATION DISTRICT NO. 1000, CALIFORNIA

REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2023 and 2022

**SCHEDULE OF THE PROPORTIONATE SHARE OF THE  
NET PENSION LIABILITY - MISCELLANEOUS PLAN  
Last 10 Years**

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability	0.01437%	0.01314%	0.01257%	0.01251%	0.01235%	0.01256%	0.12560%	0.01240%	0.01360%
Proportionate share of the net pension liability	\$ 1,659,681	\$ 710,510	\$ 1,368,174	\$ 1,281,711	\$ 1,189,937	\$ 1,245,857	\$ 1,086,420	\$ 848,318	\$ 846,161
Covered payroll - measurement period	\$ 1,085,593	\$ 1,035,417	\$ 1,004,351	\$ 926,881	\$ 889,262	\$ 826,547	\$ 858,126	\$ 852,087	\$ 630,170
Proportionate share of the net pension liability as a percentage of covered payroll	152.88%	68.62%	136.22%	138.28%	133.81%	150.73%	126.60%	99.56%	134.27%
Plan fiduciary net position as a percentage of the total pension liability	76.68%	88.29%	75.10%	75.26%	75.26%	75.31%	74.06%	78.40%	79.21%

Notes to Schedule:

Reporting valuation date: June 30, 2021 June 30, 2020 June 30, 2019 June 30, 2018 June 30, 2017 June 30, 2016 June 30, 2015 June 30, 2014 June 30, 2013  
 Reporting measurement date: June 30, 2022 June 30, 2021 June 30, 2020 June 30, 2019 June 30, 2018 June 30, 2017 June 30, 2016 June 30, 2015 June 30, 2014  
 Change in Benefit Terms: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2013 as they have minimal cost impact. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a Golden Handshakes).

Changes in assumptions: The discount rate was changed from 7.5% in 2015 to 7.65% in 2016 and 2017, and to 7.15% in 2018. In 2023, the discount rate was reduced from 7.15% to 6.90%.

Omitted years: GASB Statement No. 68 was implemented during the year ended June 30, 2015. No information was available prior to this date.

**SCHEDULE OF CONTRIBUTIONS TO THE PENSION PLAN - MISCELLANEOUS PLAN  
Last 10 Years**

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	\$ 221,710	\$ 195,167	\$ 172,665	\$ 155,951	\$ 174,925	\$ 150,162	\$ 139,989	\$ 130,747	\$ 100,907
Contributions in relation to the actuarially determined contributions	(221,710)	(195,167)	(172,665)	(155,951)	(174,925)	(150,162)	(139,989)	(130,747)	(100,907)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll - fiscal year	\$ 1,161,215	\$ 1,085,593	\$ 1,035,417	\$ 1,004,351	\$ 926,881	\$ 889,262	\$ 826,547	\$ 858,126	\$ 630,170
Contributions as a percentage of covered payroll	19.09%	17.98%	16.68%	15.53%	18.87%	16.89%	16.94%	15.24%	16.01%

Notes to Schedule:

Valuation date: June 30, 2020 June 30, 2019 June 30, 2018 June 30, 2017 June 30, 2016 June 30, 2015 June 30, 2014 June 30, 2013 June 30, 2012

Methods and assumptions used to determine contribution rates:

	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	15-year smoothed market
Amortization method					Entry age normal				
Remaining amortization period					Level percentage of payroll, closed				
Asset valuation method					Varies by rate plan, not more than 30 years				
Inflation	2.50%	2.50%	2.50%	2.625%	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increases					Varies by entry age and service				
Payroll growth	2.75%	2.75%	2.75%	2.875%	3.00%	3.00%	3.00%	3.00%	3.00%
Investment rate of return	7.00%	7.00%	7.00%	7.25%	7.375%	7.50%	7.50%	7.50%	7.50%

Omitted years: GASB Statement No. 68 was implemented during the year ended June 30, 2015. No information was available prior to this date.

RECLAMATION DISTRICT NO. 1000, CALIFORNIA

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS

For the Year Ended June 30

	2023	2022	2021	2020	2019	2018
Total OPEB liability						
Service cost	\$ 114,722	\$ 36,990	\$ 36,000	\$ 30,024	\$ 29,220	\$ 28,438
Interest	103,371	83,852	79,958	61,951	59,499	57,189
Experience (gains)/losses	-	28,377	3,981	241,370	-	-
Assumption changes	(173,753)	458,684	-	-	-	-
Benefit payments	(117,518)	(74,859)	(79,186)	(43,424)	(59,354)	(42,393)
Net change in total OPEB liability	(73,178)	533,044	40,753	289,921	29,365	43,234
Total OPEB liability - beginning	1,823,515	1,290,471	1,249,718	959,797	930,432	887,198
Total OPEB liability - ending (a)	\$ 1,750,337	\$ 1,823,515	\$ 1,290,471	\$ 1,249,718	\$ 959,797	\$ 930,432
Plan fiduciary net position						
Contributions - employer	\$ 198,672	\$ 75,205	\$ 49,497	\$ 43,424	\$ 28,000	\$ 38,795
Net investment income	(183,986)	218,171	58,110	70,619	60,324	66,639
Benefit payments (estimate)	(117,518)	(74,859)	(79,186)	(43,424)	(59,354)	(42,393)
Administrative expenses	(618)	(642)	(530)	(216)	(912)	(801)
Net change in plan fiduciary net position	(103,450)	217,875	27,891	70,403	28,058	62,240
Plan fiduciary net position - beginning	1,319,657	1,101,782	1,073,891	1,003,488	975,430	913,190
Plan fiduciary net position - ending (b)	\$ 1,216,207	\$ 1,319,657	\$ 1,101,782	\$ 1,073,891	\$ 1,003,488	\$ 975,430
Net OPEB liability (asset) - ending (a)-(b)	\$ 534,130	\$ 503,858	\$ 188,689	\$ 175,827	\$ (43,691)	\$ (44,998)
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	69.48%	72.37%	85.38%	85.93%	104.55%	104.84%
Covered-employee payroll - measurement period	\$ 1,085,593	\$ 1,035,417	\$ 1,004,351	\$ 926,881	\$ 826,547	\$ 861,202
Net OPEB liability (asset) as percentage of covered-employee payroll	49.20%	48.66%	18.79%	18.97%	(5.29%)	(5.23%)
Notes to schedule:						
Valuation date	June 30, 2021	June 30, 2021	June 30, 2019	June 30, 2019	June 30, 2017	June 30, 2017
Measurement period - fiscal year ended	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Discount Rate	6.25%	5.50%	6.50%	6.50%	6.50%	6.50%

Note: No assets are accumulated in a trust that meets the criteria in GASB Statement 75, paragraph 4, to pay related benefits.

Benefit changes. None.

Changes in assumptions. None.

Omitted years: GASB Statement No. 75 was implemented during the year ended June 30, 2018. No information was available prior to this date. Information will be added prospectively as it becomes available until 10 years are reported.

RECLAMATION DISTRICT NO. 1000, CALIFORNIA

REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2023

**SCHEDULE OF CONTRIBUTIONS TO THE OPEB PLAN (UNAUDITED)**

	2023	2022	2021	2020	2019	2018
Statutorily required contribution - employer fiscal year	\$ 171,634	\$ 75,205	\$ 49,497	\$ 79,186	\$ 65,512	\$ 59,354
Contributions in relation to the statutorily required contributions	(187,621)	(198,672)	(75,205)	(128,683)	(65,512)	(87,354)
Contribution deficiency (excess)	<u>\$ (15,987)</u>	<u>\$ (123,467)</u>	<u>\$ (25,708)</u>	<u>\$ (49,497)</u>	<u>\$ -</u>	<u>\$ (28,000)</u>
Covered-employee payroll - employer fiscal year	\$ 1,161,215	\$ 1,085,593	\$ 1,035,417	\$ 1,004,351	\$ 926,881	\$ 889,262
Contributions as a percentage of covered-employee payroll	16.16%	18.30%	7.26%	12.81%	7.07%	9.82%

**Notes to Schedule:**

Valuation date	June 30, 2021	June 30, 2021	June 30, 2019	June 30, 2019	June 30, 2017	June 30, 2017
Measurement period - fiscal year ended	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method			Entry-age normal, level % of pay			
Amortization method			Level dollar			
Asset valuation method			Market value of assets			
Inflation	2.50%	2.50%	2.75%	2.75%	2.75%	2.75%
Medical trend	6.75% to 3.75%	6.75% to 3.75%	4.00%	4.00%	4.00%	4.00%
Discount rate	6.25%	5.50%	6.50%	6.50%	6.50%	6.50%

An actuarially determined contribution rate was not calculated. The required contributions reported represent retiree premium payments.

Omitted years: GASB Statement No. 75 was implemented during the year ended June 30, 2018. No information was available prior to this date. Information will be added prospectively as it becomes available until 10 years are reported.

RECLAMATION DISTRICT NO. 1000, CALIFORNIA

SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL – GENERAL FUND

For the Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property assessments	\$ 2,250,000	\$ 2,250,000	\$ 2,443,436	\$ 193,436
O & M reimbursement revenue from SAFCA	1,421,000	1,421,000	1,449,420	28,420
Capital contributions and grants	-	-	249,493	249,493
Fees for services	-	-	261,392	261,392
Use of money and property	59,000	59,000	210,525	151,525
Other revenues	-	-	267,932	267,932
<b>TOTAL REVENUES</b>	<b>3,730,000</b>	<b>3,730,000</b>	<b>4,882,198</b>	<b>1,152,198</b>
<b>EXPENDITURES</b>				
Current				
Flood protection:				
Maintenance and operations	7,037,722	7,037,722	3,898,059	3,139,663
Administration	1,137,882	1,137,882	1,461,654	(323,772)
Capital outlay	75,000	75,000	65,665	9,335
<b>TOTAL EXPENDITURES</b>	<b>8,250,604</b>	<b>8,250,604</b>	<b>5,425,378</b>	<b>2,825,226</b>
<b>DEFICIT OF REVENUES UNDER EXPENDITURES</b>	<b>(4,520,604)</b>	<b>(4,520,604)</b>	<b>(543,180)</b>	<b>3,977,424</b>
<b>OTHER FINANCING SOURCES</b>				
Proceeds from sale of capital assets	-	-	106,713	106,713
<b>OTHER FINANCING SOURCES</b>	<b>-</b>	<b>-</b>	<b>106,713</b>	<b>106,713</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(4,520,604)</b>	<b>(4,520,604)</b>	<b>(436,467)</b>	<b>4,084,137</b>
Fund balance at beginning of year	10,316,352	10,316,352	10,316,352	-
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ 5,795,748</b>	<b>\$ 5,795,748</b>	<b>\$ 9,879,885</b>	<b>\$ 4,084,137</b>

The accompanying notes are an integral part of these financial statements.

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OTHER SUPPLEMENTARY INFORMATION

RECLAMATION DISTRICT NO. 1000, CALIFORNIA

SCHEDULE OF EXPENDITURES – BUDGET AND ACTUAL -  
GENERAL FUND

For the Year Ended June 30, 2023

	Final Budget	Actual	Variance Positive (Negative)
Maintenance and Operations:			
Power	\$ 425,000	\$ 594,749	\$ (169,749)
Herbicides	225,000	207,707	17,293
Field services	267,000	139,317	127,683
Field operations consultants	15,000	12,861	2,139
Materials and supplies	18,500	27,629	(9,129)
Refuse collection	30,000	35,364	(5,364)
Compensation	1,218,409	1,342,489	(124,080)
Payroll taxes	92,599	99,950	(7,351)
Group insurance	115,592	136,966	(21,374)
Dental/vision insurance	25,300	24,759	541
Workers' compensation insurance	25,000	30,485	(5,485)
Pension - defined benefit and 457 plans	278,922	233,434	45,488
Fuel	80,000	87,215	(7,215)
Equipment repairs and services	25,000	32,534	(7,534)
Equipment parts and supplies	50,000	38,465	11,535
Shop equipment (not vehicles)	12,500	12,812	(312)
Government fees and permits	9,500	9,790	(290)
Facility repairs	595,000	351,264	243,736
Assessments/CAD	8,500	9,039	(539)
Field utilities	11,000	17,059	(6,059)
Equipment rental and other	5,000	4,744	256
Field equipment	40,000	21,238	18,762
Security patrol	115,000	104,620	10,380
FMAP - operations and maintenance	429,400	125,885	303,515
Capital - facilities	2,920,000	195,062	2,724,938
Other	500	2,622	(2,122)
	<u>\$ 7,037,722</u>	<u>\$ 3,898,059</u>	<u>\$ 3,139,663</u>
Administration:			
Office supplies	\$ 4,500	\$ 4,730	\$ (230)
Computer	34,900	29,296	5,604
Liability and auto insurance	171,270	160,234	11,036
Annuitant healthcare	170,612	159,273	11,339
Memberships	39,700	36,872	2,828
Legal	77,500	95,721	(18,221)
Engineering/Adminstrative consultants	215,200	251,308	(36,108)
Public relations, legislative analyst	74,000	414,795	(340,795)
Accounting and audit services	57,200	40,340	16,860



RECLAMATION DISTRICT NO. 1000, CALIFORNIA

SCHEDULE OF EXPENDITURES – BUDGET AND ACTUAL -  
GENERAL FUND (Continued)

For the Year Ended June 30, 2023

	Final Budget	Actual	Variance Positive (Negative)
Administration (continued):			
Administrative services	\$ 20,750	\$ 14,801	\$ 5,949
Trustee fees	35,000	27,450	7,550
Mitigation land taxes	6,000	4,995	1,005
Election costs	100,500	121,446	(20,946)
Utilities	16,900	15,577	1,323
Office maintenance and repair	33,350	20,714	12,636
Continuing education	5,000	2,619	2,381
Payroll service	4,500	2,619	1,881
Small office and computer equipment	10,000	16,107	(6,107)
Government fees and permits	27,700	6,200	21,500
Assessment management fees	-	17,840	(17,840)
Professional development	20,500	6,246	14,254
Temporary administration	-	11,959	(11,959)
FMAP administration	10,000	-	10,000
Other	2,800	512	2,288
	<u>\$ 1,137,882</u>	<u>\$ 1,461,654</u>	<u>\$ (323,772)</u>
Capital outlay:			
Capital - office facility repair	\$ 75,000	\$ 53,067	\$ 21,933
Capital equipment	-	12,598	(12,598)
	<u>75,000</u>	<u>65,665</u>	<u>9,335</u>
Total expenditures	<u>\$ 8,250,604</u>	<u>\$ 5,425,378</u>	<u>\$ 2,825,226</u>

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OTHER REPORTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

To the Board of Trustees  
Reclamation District No. 1000  
Sacramento, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Reclamation District No. 1000 (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 15, 2023.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations,

To the Board of Trustees  
Reclamation District No. 1000

contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Richardson & Company, LLP*

November 15, 2023



550 Howe Avenue, Suite 210  
Sacramento, California 95825

Telephone: (916) 564-8727  
FAX: (916) 564-8728

## GOVERNANCE LETTER

To the Board of Trustees  
Reclamation District 1000  
Sacramento, California

We have audited the financial statements of the Reclamation District 1000 (the District) for the year ended June 30, 2023, and have issued our report thereon dated November 15, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated April 29, 2020. Professional standards require that we provide you with the following information related to our audit.

### Our Responsibility under U.S. Generally Accepted Auditing Standards (GAAS) and *Government Auditing Standards*

As stated in our engagement letter dated April 29, 2020, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we considered the internal control of the District. Such considerations are solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we also performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions is not an objective of our audit.

### Planned Scope and Timing of the Audit

An audit includes 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 will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We noted no internal control related matters that are required to be communicated under professional standards.

We are required by the audit standards to identify potential risks of material misstatement during the audit process. We have identified the following significant risks of material misstatement as part of our audit planning: Management override of internal control and revenue recognition. These are the areas that the audit standards require at a minimum to be identified as significant risks.

We performed the audit according to the planned scope previously communicated to you in our engagement letter dated April 29, 2020.

#### Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during fiscal year 2022/23. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were: depreciable lives and method used to depreciate capital assets, the amount receivable from the County for delinquent assessments, and the accruals for postemployment and pension benefits. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole. The accrual for postemployment benefits was determined by an actuarial valuation, which is required to be performed every two years. The most recent actuarial calculation was prepared for the June 30, 2022 audit. The accrual for the unfunded pension liability was determined by an actuarial valuation performed by CalPERS, which is performed annually.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements were:

Pension Liability: Information on the District's pension plans, including the District's share of the unfunded pension liability, is shown in Note E. The District's share of the unfunded pension liability at June 30, 2022, the most recent measurement date, was \$1,659,581 which is reflected as a liability in the District's financial statements as of June 30, 2023. As a result of the changes in the net pension liability and related deferred inflows and outflows, the District's pension expense is \$122,466 primarily because of the Plan's difference between projected and actual investment earnings on pension investments. The pension liability increased from \$710,510 to \$1,659,581 during the year ended June 30, 2023 due to the discount rate used to calculate the pension liability decreasing from 7.15% to 6.9%, and also unrealized losses on plan investments.

Liability for Other Postemployment Benefits: The postemployment benefit (OPEB) disclosure in Note F shows that the District's share of the unfunded OPEB liability at June 30, 2022, the most recent measurement date, was \$534,130 which is reflected as a liability in the District's financial statements as of June 30, 2023. As a result of the recording of the net OPEB liability and related deferred inflows and outflows, the District's OPEB expense is \$231,866 primarily to record changes in the net OPEB liability and deferred outflows and inflows. The OPEB liability increased from \$503,858 to \$534,130 primarily due to the use of a higher discount rate and the District moving assets

to a different investment strategy. The changes in assumptions are described further in Note F of the financial statements.

The disclosures in the financial statements are neutral, consistent, and clear.

#### Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

#### Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. One adjustment was made during the audit: to correct the fair value adjustment on the Local Agency Investment Fund investment.

The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit.

#### Disagreements With Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

#### Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 15, 2023.

#### Management Consultations With Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

#### Issues Discussed Prior to Retention of Independent Auditors

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.



Other Matters

We applied certain limited procedures to the management discussion and analysis, schedule of the proportionate share of the net pension liability, schedule of contributions to the pension plan, schedule of change in net OPEB liability and related ratios, schedule of contributions to the OPEB plan and schedule of revenue, expenditures and changes in fund balance- budget and actual, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the schedule of expenditures – budget and actual which accompany the financial statements but are not RSI. With respect to the supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

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

*Richardson & Company, LLP*

November 15, 2023

RECLAMATION DISTRICT 1000  
SUMMARY OF UNADJUSTED AUDIT DIFFERENCES - GENERAL FUND  
YEAR ENDED JUNE 30, 2023

Description	Financial Statements Effect - Amount of Overstatement (Understatement) of:			
	Total Assets	Total Liabilities	Total Fund Balance	Total Change in Fund
Effect of not recognizing FY22 FMAP revenues in prior year				\$ 12,112
Net Unadjusted Audit Differences				12,112
Financial Statement Caption Totals-General Fund	\$ 10,537,071	\$ 641,186	\$ 9,879,885	\$ (436,467)
Net Audit Differences as % of F/S Captions	0.00%	0.00%	0.00%	(2.78%)

RECLAMATION DISTRICT 1000  
SUMMARY OF UNADJUSTED AUDIT DIFFERENCES - GOVERNMENTAL ACTIVITIES  
YEAR ENDED JUNE 30, 2023

Description	Financial Statements Effect - Amount of Overstatement (Understatement) of:			
	Total Assets	Total Liabilities	Total Net Position	Total Change in Net Position
Effect of not recognizing FY22 FMAP revenues in prior year				\$ 12,112
Net Unadjusted Audit Differences				12,112
Financial Statement Caption Totals-Governmental activities	\$ 51,608,139	\$ 2,994,870	\$ 49,964,545	\$ (1,808,402)
Net Audit Differences as % of F/S Captions	0.00%	0.00%	0.00%	(0.67%)



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## MANAGEMENT LETTER

To the Board of Trustees  
Reclamation District 1000  
Sacramento, California

In planning and performing our audit of the financial statements of the Reclamation District 1000 (the District) as of and for the year ended June 30, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

During our audit, we became aware of the following matters that have been included in this letter for your consideration:

Purchasing Policy: During our testing of cash disbursement, we noted that the District does not have formal written policies related to purchasing of goods and services. A formal policy should be established to define spending authority limits, vendor selection, competitive bid process, and conflicts of interest. We recommend the District adopt written policies governing purchases of goods and services.

Remote Work Policy: We noted the District does not have a remote work policy. A formal policy should be established to define employees' responsibilities for working remotely and provide a mechanism to track the employee's hours worked. We recommend the District adopt written policies outlining remote work.

Reimbursement Policy: During our review of the District's reimbursement policy we noted the following:

- There was no specific policy on approval of the General Manager's purchases. We recommend the General Manager's purchases be reviewed and approved by the Board of Trustees.

- We noted the credit card use policy states that only the General Manager and Administrative Services Managers are to be issued credit cards. However, we noted the Operations Manager is also issued a credit card. We recommend the District update the policy to reflect this change.
- We noted the policy does not set specific spending limits for credit card purchases and reimbursable expenses. We recommend reviewing the travel policy with staff and establishing purchasing limits related to travel and other various reimbursable expenses.

\* \* \* \* \*

We would like to take this opportunity to acknowledge the courtesy and assistance extended to us during the course of the examination. This report is intended solely for the information and use of the Board of Trustees, management, and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

*Richardson & Company, LLP*

November 15, 2023



## RECLAMATION DISTRICT 1000

DATE: DECEMBER 8, 2023

AGENDA ITEM NO. 6.2

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**TITLE:** Authorization to Execute Funding Agreement

**SUBJECT:** Review and Consider Adoption of Resolution No. 2023-12-02 Authorizing General Manager to Execute Funding Agreement with State of California Department of Water Resources – Flood System Repair Program (FSRP).

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### EXECUTIVE SUMMARY:

Reclamation District 1000 (District; RD 1000) will submit a grant application to the California Department of Water Resources (DWR) under the Flood System Repair Program (FSRP). The FSRP program provides State funds for eligible maintenance activities to Local Maintaining Agencies, like RD 1000. The program was created to help ensure that State Plan of Flood Control facilities are properly maintained and have sufficient resources, including funding, to meet applicable federal regulations and Operation and Maintenance (O&M) manual requirements. Staff recommends the Board review and consider adoption of Resolution No. 2023-12-02 Authorizing the General Manager to Execute Funding Agreement with State of California Department of Water Resources.

### RECOMMENDATION:

Staff recommends the Board review and consider adoption of Resolution No. 2023-12-02 Authorizing the General Manager to Execute Funding Agreement with State of California Department of Water Resources – Flood System Repair Program 2024/2025.

### FINANCIAL IMPACT:

Up to \$435,000 in grant revenue in Fiscal Year 2024/2025.

### ATTACHMENTS:

1. Resolution No. 2023-12-02: Authorizing the General Manager to Execute Funding Agreement with State of California Department of Water Resources – Flood System Repair Program 2024/2025.

### STAFF RESPONSIBLE FOR REPORT:

  
\_\_\_\_\_  
Kevin L. King, General Manager

Date: 12/04/2023



**RECLAMATION DISTRICT NO. 1000  
RESOLUTION NO. 2023-12-02**

**A RESOLUTION OF THE BOARD OF TRUSTEES OF RECLAMATION DISTRICT NO. 1000  
AUTHORIZING THE GENERAL MANAGER TO EXECUTE FUNDING AGREEMENT  
WITH STATE OF CALIFORNIA DEPARTMENT OF WATER RESOURCES –  
FLOOD SYSTEM REPAIR PROGRAM 2024/2025**

At a regular meeting of the Board of Trustees of Reclamation District No. 1000 held at the District Office on the 8<sup>th</sup> day of December 2023, the following resolution was approved and adopted:

**WHEREAS**, the Board of Trustees (“Board”) of Reclamation District No. 1000 (“District”) is a reclamation district created by act of the legislature of the State of California, approved April 8, 1911; and,

**WHEREAS**, the District is a California Public Agency with responsibility for flood maintenance and land use authority of the Project facilities; and,

**WHEREAS**, the District has a progressive history of providing flood protection and maintaining the District’s levee system; and,

**WHEREAS**, the District has identified certain maintenance needs that further the goals and objectives of the District; and,

**WHEREAS**, the District has applied for California Department of Water Resources (“DWR”) Flood System Repair Program funds under Budget Act of 2018 (Stats. 2018, Ch. 29, Item 3860-001-0001); and,

**WHEREAS**, the Board desires to authorize the District General Manager to execute a Funding Agreement and any amendments thereto with DWR for the 2024/2025 Flood System Repair Program; and,

**NOW THEREFORE BE IT RESOLVED THAT:** the Board of Trustees of Reclamation District No. 1000 hereby authorize the General Manager to execute a Funding Agreement with the California Department of Water Resources and to sign requests for disbursements to be made under this funding agreement and accept funds pursuant, and subject to all of the terms and provisions of the Safe Drinking Water, water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, and Disaster Preparedness and Flood Prevention Bond Act of 2006.

**BE IT FURTHER RESOLVED THAT:** the Board of Trustees of Reclamation District No. 1000 hereby authorize the General Manager to prepare the necessary data, make investigations, and take other such actions as necessary and appropriate to obtain funding for the 2024/2025 Flood System Repair Program.

**BE IT FURTHER RESOLVED THAT:** the Board of Trustees of Reclamation District No. 1000 hereby authorize and directs the General Manager to execute an operation, maintenance, repair, rehabilitation, and replacement agreement with the Central Valley Flood Protection Board, or successor thereto.

**ON A MOTION BY** Trustee \_\_\_\_\_, seconded by Trustee \_\_\_\_\_, the foregoing resolution was passed and adopted by the Board of Trustees of Reclamation District No. 1000, this 8<sup>th</sup> day of December 2023, by the following vote, to wit:

AYES: Trustees:

NOES: Trustees:

ABSTAIN: Trustees:

RECUSE: Trustees:

ABSENT: Trustees:

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Elena Lee Reeder  
President, Board of Trustees  
Reclamation District No. 1000



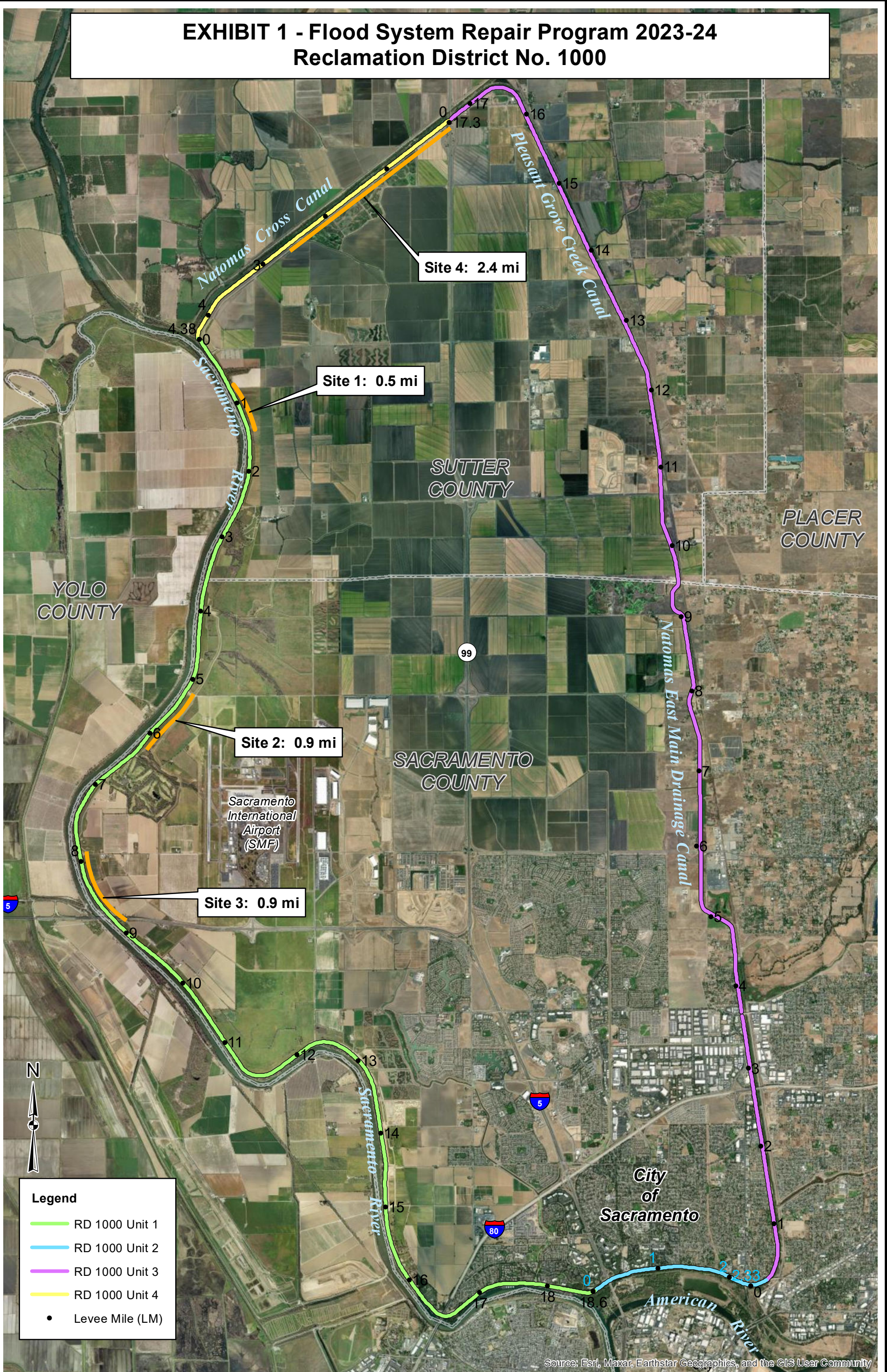
CERTIFICATION:

I, Joleen Gutierrez, Secretary of Reclamation District No. 1000, hereby certify that the foregoing Resolution 2023-12-02 was duly adopted by the Board of Trustees of Reclamation District No. 1000 at the regular meeting held on the 8<sup>th</sup> of June 2023 and made a part of the minutes thereof.

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Joleen Gutierrez, District Secretary

# EXHIBIT 1 - Flood System Repair Program 2023-24 Reclamation District No. 1000



Source: Esri, Maxar, Earthstar Geographics, and the GIS User Community

<b>LMA:</b>		<b>Prepared by:</b>	
<b>Leveed Area:</b>		<b>Reviewed by:</b>	
<b>Date:</b>		<b>Review Date:</b>	

<b>FSRP Cost-Share Incentive Objectives Performance Score</b>				
<b>Number</b>	<b>Criteria Description</b>	<b>Rating Score<sup>1</sup></b>	<b>Weight Factor</b>	<b>Weighted Score</b>
<b>LMA Reporting Performance per CWC §9140</b>				
1	Information known to local agency that is relevant to the condition or performance of Project Levee (or jurisdictional Non-project Levee).			
2	Information identifying known conditions that might impair or compromise the level of flood protection provided by the Project Levee (or jurisdictional Non-Project Levee)			
3	A summary of maintenance performed by the LMA during the previous fiscal year.			
4	A statement of planned work and estimated cost for operation and maintenance of the Project levee (or jurisdictional Non-Project Levee) for the current fiscal year, as approved by the LMA.			
<b>LMA Emergency Response Preparedness</b>				
1	Develop and publish Emergency Action Plan or Flood Safety Plan.			
2	Active participation in annual flood pre-season coordination meetings with the Flood Operations Center, the Sacramento County Office of Emergency Services, USACE, and other agencies.			
3	Training of all LMA staff and contractors likely to respond to flood emergencies in the following: the standardized emergency management system, the national incident management system and incident command system (SEMS/NIMS/ICS) introduction, flood-fight methods and environmental awareness.			
<b>LMA Operation and Maintenance</b>				
1	All-weather access road to support emergency flood fight response.			
2	Rodent abatement program, entailing an effective plan, financial resources, practice, and inspections.			
3	Vegetation management in compliance with current DWR standards and policies.			
4	Encroachment management: inspections, evaluations, and enforcement.			
5	Routine maintenance of flood control facilities.			
6	Participation in FMAP and accepting OMRR&R.			
7	5-year plan for routine and non-routine maintenance projects. The plan should include, at minimum, a list of prioritized projects, schedule, annual budgets.			
<b>LMA Participation in State Systemwide Investment Approach</b>				
1	Participation in Regional Flood Management Planning Initiative, Integrated Regional Water Management region, or multi-benefit project.			
2	Collaboration with LMA's in same region or leveed area.			
<b>Total Weighted Score (rounded):</b>				
<b>Minus Minimum Qualifying Score for FSRP Cost-Share Enhancement:</b>				
<b>LMA Maintenance Quality Index (MQI) Score (Maximum=40):</b>				
<sup>1</sup> <b>Rating Scores:</b> Not acceptable = 0; Minimally Acceptable = 1; Acceptable = 2				

<b>LMA:</b>		<b>Prepared by:</b>	
<b>Leveed Area:</b>		<b>Reviewed by:</b>	
<b>Date:</b>		<b>Review Date:</b>	

<b>FSRP Total State Cost-Share Calculation Including Enhancements</b>	
<b>Base State Cost Share</b>	
<b>Total FSRP Cost-Share Incentive Objectives Performance Score (MQI calculated in Sheet 1)</b>	
<b>Habitat, Open-Space, Recreation, and State Facilities Objective Enhancements</b>	
<b>A Habitat Objective</b>	
0% of Total Project Cost Funds Habitat Improvement	
At least 5% of Total Project Cost Funds Habitat Improvement	
At least 10% of Total Project Cost Funds Habitat Improvement	
At least 15% of Total Project Cost Funds Habitat Improvement	
At least 20% of Total Project Cost Funds Habitat Improvement	
<b>B Open-Space Objective</b>	
0% of Total Project Cost Funds Open Space	
At least 5% of Total Project Cost Funds Open Space	
At least 10% of Total Project Cost Funds Open Space	
At least 15% of Total Project Cost Funds Open Space	
At least 20% of Total Project Cost Funds Open Space	
<b>C Recreation Objective</b>	
0% of Total Project Cost Funds Recreation Improvements	
At least 5% of Total Project Cost Funds Recreation Improvements	
At least 10% of Total Project Cost Funds Recreation Improvements	
At least 15% of Total Project Cost Funds Recreation Improvements	
At least 20% of Total Project Cost Funds Recreation Improvements	
<b>D Combination of Habitat, Open Space, and Recreation Objective</b>	
0% of Total Project Cost Funds Combination	
At least 5% of Total Project Cost Funds Combination	
At least 10% of Total Project Cost Funds Combination	
At least 15% of Total Project Cost Funds Combination	
At least 20% of Total Project Cost Funds Combination	
<b>E State Facilities Objective</b>	
Project Benefits Zero State Facilities	
Project Benefits One State Facility	
Project Benefits Two State Facilities	
Project Benefits Three State Facilities	
Project Benefits Four or More State Facilities	
<b>Total Habitat, Open-space, Recreation and State Facilities Objective Enhancements (Maximum=20%)<sup>1</sup>:</b>	
<b>Disadvantaged Area Cost-Share Enhancement<sup>2</sup></b>	
California Median Annual Household Income	
Benefited Area Median Annual Household Income	
Benefited Area Percentage of California's Median Annual Household Income	
Difference Between Benefited Area Percentage and Disadvantage Household Income Percentage <sup>2</sup>	
<b>Total Disadvantaged Area State Cost-Share Enhancement:</b>	
<b>Total State Cost Share (Maximum=90% or 95% for Qualifying Disadvantaged Area)<sup>3</sup>:</b>	

<sup>1</sup> Total Habitat, Open-space, Recreation and State Facilities Objective Enhancements shall not exceed 20%

<sup>2</sup> Benefited area median annual household income must be less than 80% of the California median annual household income in order to qualify for the Disadvantaged Area Enhancement

<sup>3</sup> States Total Cost Share (Excluding Disadvantaged Area Enhancement) shall not exceed 90%

<sup>3</sup> States Total Cost Share (Including Disadvantaged Area Enhancement) shall not exceed 95%

LMA:		Prepared by:	
Leveed Area:		Reviewed by:	
Date:		Review Date:	

Preferred Levee Repairs for Critical Sites					
Critical Sites	Waterway	Problem Identification	Preferred Repair	Length (ft)	Cost
Sub-Total Critical Repair Cost Estimate:					
Environmental Permitting and Mitigation:					
Total Critical Repair Cost Estimate:					

Total Cost Share Calculations		
Cost Share Participant	Calculated Cost Share Percentage	Critical Repair Cost Share Amount
California Department of Water Resources - FSRP Program		

**FSRP Median Household Income (MHI) Reference Table**

Leveed Area	LMA(s) Within Leveed Area	Median Household Income 2016-2020	% of CA MHI	% Disadvantaged Area (≤ 80% of CA MHI)
<b>CALIFORNIA</b>	-	<b>\$78,672.00</b>	-	-
LAN05/06	LD0003, MA0001, ST0003, NA0016, RD0225, RD0521, RD2106, NA0014, MA0005, RD0833	\$74,155.97	94%	-
LAN15	ST0001, NA0021, RD0820, ST0011, NA0022, RD0730, RD0787, RD2035	\$63,313.09	80%	-
LAN16	RD2035, ST0012	\$110,592.86	141%	-
LAN21	NA0020, ST0010, LD0009	\$83,489.52	106%	-
LAN23	NA0006, RD0010, MA0016	\$66,501.00	85%	-
LAN29	RD0784, RD0817, RD2103	\$82,450.51	105%	-
LAN30	RD1001, ST0006,	\$77,549.38	99%	-
LAN64	ST0007, RD2068	\$98,208.68	125%	-
LAN65	NA0020, ST0002, ST0010	\$84,361.73	107%	-
LAN68	MA0013, ST0005, RD0833, MA00007, RD2054	\$65,613.86	83%	-
LAN69	ST0005	\$32,451.00	41%	39%
LAN70	MA0013	\$96,157.35	122%	-
LAN71	MA0013	\$78,210.25	99%	-
LAN72	MA0005	\$87,657.38	111%	-
LAN73	MA0005	\$91,336.63	116%	-
LAN74	MA0005	\$100,821.39	128%	-
LAN75	NA0003	\$107,369.79	136%	-
LAN76	NA0019	\$47,065.00	60%	20%
LAN77	NA0019	\$45,339.67	58%	22%
LAN78	MA0017, NA0009	\$58,725.16	75%	5%
LAS44	NA0013	\$73,618.45	94%	-
LAS45	NA0013	\$79,257.88	101%	-
LAS46	NA0013	\$47,155.49	60%	20%
LAS47	NA0013	\$49,570.00	63%	17%
SAC07	LD0001G, LD0002, MA0001, ST0003	\$53,283.52	68%	12%
SAC08/09/10	RD0108, MA0001, MA0012, NA0016, RD0787	\$57,454.96	73%	7%
SAC11/34	RD1500, ST0009, NA0016, ST0003	\$58,229.31	74%	6%
SAC12	RD0787, NA0016	\$57,656.01	73%	7%
SAC13/14	NA0008, RD0730, ST0011, NA0022	\$66,845.99	85%	-
SAC24	MA0003, ST0002, ST0010, LD0001S, RD2066, RD0823, RD0803, ST0006, LD0009	\$80,013.32	102%	-
SAC32/33	RD0070, RD1660, ST0009, NA0016	\$58,243.66	74%	6%
SAC35	RD0537, RD0785, RD0827, RD1600, ST0004, ST0008	\$70,330.93	89%	-
SAC41/42/43	RD0307, RD0765, RD0999	\$124,502.11	158%	-
SAC44/45	RD1002, MA0009, RD0813, RD2022, RD0744	\$77,372.84	98%	-
SAC46	RD0150	\$129,759.00	165%	-
SAC47/48	RD0551, RD0755	\$59,071.00	75%	5%
SAC49	RD0349	\$59,071.00	75%	5%
SAC50	RD0003	\$59,071.00	75%	5%
SAC51	RD0369, RD0554	\$59,071.00	75%	5%
SAC52/53	RD0554, RD0563	\$59,070.99	75%	5%
SAC54	RD0556, RD0317, NA0002, RD0407	\$43,923.38	56%	24%
SAC55	RD0501	\$69,388.00	88%	-
SAC56	RD1667	\$69,388.00	88%	-
SAC57	RD1601	\$39,750.00	51%	29%
SAC58	RD0341	\$39,750.00	51%	29%
SAC59	RD2068, RD2098	\$82,681.36	105%	-
SAC60	RD2060, RD2104	\$79,532.11	101%	-
SAC61	RD2060	\$69,388.00	88%	-
SAC62	RD0536, NA0012	\$69,351.05	88%	-

**Note:** Only for use in FSRP cost share calculations. DWR may consider alternative data study results provided by LMA.

**FSRP Median Household Income (MHI) Reference Table**

Leveed Area	LMA(s) Within Leveed Area	Median Household Income 2016-2020	% of CA MHI	% Disadvantaged Area (≤ 80% of CA MHI)
SJ_EBP		\$60,931.83	77%	3%
SJ_MBP		\$61,127.54	78%	2%
SJ01		\$89,939.87	114%	-
SJ02	NA0010c, RD1606	\$53,517.46	68%	12%
SJ03/04	NA0010c	\$36,183.47	46%	34%
SJ05	NA0010c, NA0011	\$79,357.59	101%	-
SJ06	NA0010c, RD1664	\$78,193.06	99%	-
SJ07	LSJRLD, RD2053	\$29,664.51	38%	42%
SJ08	LSJRLD, RD2053	\$41,823.92	53%	27%
SJ09/10	LSJRLD, RD2053, RD2051	\$52,265.07	66%	14%
SJ11	NA0011, NA0010c	\$80,136.17	102%	-
SJ12	NA0011, NA0010c, RD1664	\$55,536.15	71%	9%
SJ13	NA0010c, RD1664	\$74,771.90	95%	-
SJ14	NA0010c	\$60,924.00	77%	3%
SJ15	NA0010c	\$60,927.89	77%	3%
SJ16	NA0010c	\$61,321.06	78%	2%
SJ17	NA0010c	\$60,971.01	78%	2%
SJ18	NA0010c, RD2051	\$65,412.06	83%	-
SJ19	NA0010c	\$47,261.88	60%	20%
SJ20	NA0010c	\$56,878.71	72%	8%
SJ21	RD2063, RD2091	\$51,564.99	66%	14%
SJ22	RD1602	\$61,262.58	78%	2%
SJ23	RD2091, RD2092	\$42,512.54	54%	26%
SJ24		\$74,618.25	95%	-
SJ25		\$48,208.60	61%	19%
SJ26	RD2101, RD2102, RD2099, RD2100	\$72,498.13	92%	-
SJ27	RD2031	\$89,706.12	114%	-
SJ28	RD2064, RD2094, RD2075, RD2096, RD0017	\$98,562.69	125%	-
SJ29	RD2085, RD2095	\$58,810.85	75%	5%
SJ30	RD2058	\$83,791.29	107%	-
SJ31	RD2062, RD2107	\$82,002.67	104%	-
SJ32	RD0017	\$101,828.78	129%	-
SJ33	RD0017	\$101,283.11	129%	-
SJ34	RD0017	\$87,681.56	111%	-
SJ35	RD0404	\$59,343.67	75%	5%
SJ36	RD0524, RD0544	\$50,809.00	65%	15%
SJ37	RD0403	\$50,826.95	65%	15%
SJ38	RD2116,	\$50,809.00	65%	15%
SJ39	RD0001, RD0002	\$50,811.26	65%	15%
SJ40	RD2089, RD0001	\$50,809.00	65%	15%
SJ41	RD0773	\$50,850.45	65%	15%
SJ42	RD1007	\$111,708.02	142%	-
SJ43		\$73,327.00	93%	-
STK01	RD0684	\$50,809.00	65%	15%
STK04	RD0404	\$44,286.69	56%	24%
STK05	RD1614, RD0828	\$47,494.55	60%	20%
STK06		\$52,625.91	67%	13%
STK07	RD2074, RD1608	\$76,075.13	97%	-
STK08	RD2126, NA0017	\$85,555.34	109%	-
STK09	RD2042, NA0017	\$80,213.62	102%	-

Data calculated using 5-year (2016-2020) estimates by census tract from the American Community Survey (ACS) pulled 3/17/2022 from Median Household Income table (B19049\_001E).



## RECLAMATION DISTRICT NO. 1000

DATE: DECEMBER 8, 2023

AGENDA ITEM NO. 7.1

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TITLE: Committee Meeting Minutes

SUBJECT: Committee Meeting Minutes since the November Board Meeting

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### Executive Committee Meeting – November 21, 2023

A meeting of the Reclamation District No. 1000 Executive Committee was held on Tuesday, November 21, 2023, at 8:00 a.m. at the District's office. In attendance were Trustees Lee Reeder and Gilbert. Staff in attendance were General Manager King and Operations Manager Holleman. The committee was joined by Natomas Mutual Water Company representatives, Matt Luppe, John Penning and Brett Gray. There were no members of the public present, therefore no public comments were received.

The purpose of the Executive Committee meeting was to conduct the bi-annual "2x2 Committee Meeting" with the Natomas Mutual Water Company. The following items were discussed during the meeting:

1. Update From Natomas Mutual Water Company – Brett Gray
  - a. Summary of 2023 Irrigation Season
  - b. Winter Conditions/Forecast
  - c. Other Topics
    - i. John Penning encouraged RD 1000 to become more engaged in statewide discussions regarding Sierra reservoir operations. Mr. Penning was significantly concerned about the impacts to Sacramento River water elevations should the state revise the operating plans of the Sierra Reservoirs.
    - ii. Natomas Mutual Representatives expressed satisfaction with the District's efforts over the past 2 years to address aquatic vegetation issues within the drainage system.
2. Update From RD 1000 – Kevin L. King
  - a. Request For Qualifications – Security Services
    - i. GM King discussed the District's ongoing efforts to abate the ever present threat to the District's infrastructure and the need for additional security measures.
    - ii. GM King, GM Gray and GM Roberts of The Natomas Basin Conservancy (TNBC) met in July regarding the security agreement that is in place amongst the agencies. At the time of the meeting, the District was



**TITLE: Committee Meeting Minutes**

contemplating a dissolution of the agreement, in which the agencies would independently contract for their own needs. After further consideration, the District still finds value in maintaining a cooperative agreement with both agencies. Nevertheless, the contract for security services has been in place for many years and there is a need to ensure the services and rates are appropriate.

- iii. General Manager King and Operations Manager Holleman have drafted a Request for Qualifications for Security Services. GM King reported that the draft RFQ will be distributed to Natomas Mutual and TNBC no later than December 1, 2023 for review and comment.
  - iv. The District intends to incorporate revisions/changes provide by Natomas Mutual and TNBC and circulate the RFQ beginning on January 1, 2023.
- b. Medium/Long Term Planning & Coordination (RD 1000 CIP Implementation)
- i. GM King provided the committee with an update on the District's implementation of its Capital Improvement Plan, specifically the District's intent to begin a culvert replacement program within the next 2 years.
  - ii. GM King informed the committee that a condition assessment of the District's culverts will be conducted between November 1, 2023 and April 1, 2024. Once the assessment and inventory is complete, the District will prioritize culvert replacements. On average the District should be replacing 15-20 culverts per year.
  - iii. In order to efficiently and cost effectively replace the District's culverts, a coordinated and strategic plan will be developed in cooperation with Natomas Mutual. Ideally, the culvert replacement project will be performed annually between July 1 and October 1.
- c. Other Topics
- i. Mr. Penning asked the District to look into its canal grading program as he's witnessed many areas throughout the District that need to be addressed. As agreed during the meeting, GM King and Operations Manager Holleman will follow up with Mr. Penning after January 1, 2024.

With no further business on the Executive Committee Agenda, meeting adjourned at 9:02 a.m.

**Finance Committee Meeting – November 21, 2023**

A meeting of the Reclamation District No. 1000 Finance Committee was held on Tuesday, November 21, 2023, at 9:00 a.m. at the District office. In attendance were Trustees Gilbert, Bains, and Perez. Staff in attendance were General Manager King, Administrative Services Manager Gutierrez, Operations Manager Holleman and District Accountant Merritt. District Auditor's Stephen Armstrong and Ingrid Shepline with Richardson & Company, LLP were also in attendance. There were no members of the public present, therefore no public comments were received.

**TITLE: Committee Meeting Minutes**

The following items were discussed during the meeting:

1. Review and Discuss Draft Audit Report FY 2022-2023
  - a. The District's Auditors provided the Finance Committee with a report on the District's Fiscal Year 2022/2023 Audit. The Auditor's covered the following topics:
    - i. Independent Auditor's Report (pages 1 to 3)
      - Unmodified (clean) opinion
    - ii. Highlights of financial statements
      - Management discussion & analysis (pages 4 to 15)
      - Statements of Net Position – full accrual basis (page 16)
        - a. Unrestricted net position of \$9.1 million (reserves available)
      - Statements of Activities (page 17)
        - a. Expenses exceeded revenue by \$1,808,000, including depreciation of \$1.4 million.
      - Fund Balance Sheets (page 18)
        - a. Assigned fund balance of \$9,703,000 – based on Board's reserve policy.
      - Fund Revenue/Expense (page 20)
        - a. General Fund expenses exceeded revenue by \$436,467, due to increased maintenance activities.
      - Components of assigned fund balance, based on reserve policy (page 25)
      - Pension Plan, Note E (pages 31 to 36)
        - a. Pension liability of \$1,660,000, based on 2022 CalPERS valuation—increased due to lowering discount rate and investment losses on plan assets.
      - OPEB Plan, Note F (pages 36 to 41)
        - a. OPEB liability of \$534,000 based on 2021 actuarial valuation.
      - Subsequent events, Note H (page 42)
      - Budget vs actual comparison (page 45) – actual results better than budgeted.
    - iii. Internal Control and Compliance report (pages 48 to 49)
      - No weaknesses in internal control
      - Complied with laws, contracts material to financials.
    - iv. Governance Letter
      - Audit adjustments – 1 audit adjustment identified.
      - No difficulties in performing the audit and no unusual accounting practices.

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- v. Management letter
    - No internal control weaknesses
  - vi. Areas for improvement identified
    - Purchasing policy to be formalized
    - Develop remote work policy
    - Reimbursement policy
  - b. The Finance Committee discussed the FY 2022/2023 Audit reports and unanimously recommended the finalization of the audit reports and directed staff to present the final audit reports to the Board of Trustees at the December 8, 2023 Board of Trustees meeting.
2. Review and Discuss Request for Qualifications/Proposals for Banking & Investment Services
- a. General Manager King discussed the District's need to solicit qualifications for banking and investing services. GM King and Administrative Services Manager Gutierrez have been meeting with local community bank representatives over the last couple of months. GM King and ASM Gutierrez have been impressed with the products and services available and are drafting a Request for Qualification to be circulated beginning on January 1, 2024 with the consent of the Finance Committee.
  - b. The Finance Committee discussed the need for solicitation of banking and investing services for the District and unanimously directed staff to finalize the RFQ and solicit interest beginning on January 1, 2024.
3. Review and Discuss Request for Qualifications/Proposals for Administration of Annual Fee
- a. GM King discussed the timeline for issuing the RFQ for the Administration of the District Assessment and Stormwater Fee.
  - b. The Finance Committee discussed the timeline and unanimously directed staff to proceed with solicitation beginning on March 1, 2024.
4. Review & Discuss Purchasing & Credit Card Use Policy
- a. GM King presented the Finance Committee with drafts of the Purchasing Policy and Credit Card Use Policy. The Finance Committee reviewed, discussed and provided edits to the proposed policies during the meeting.
  - b. The Finance Committee unanimously directed staff to make the changes as discussed during the committee meeting and present the revised policies to the Board of Trustees at the December 8, 2023 Board of Trustees meeting, recommending adoption thereof.

With no further business on the Finance Committee Agenda, meeting adjourned at 10:45 a.m.

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**Executive Committee Meeting – November 29, 2023**

A meeting of the Reclamation District No. 1000 Executive Committee was held on Wednesday, November 29, 2023, at 8:00 a.m. at the District office. In attendance were Trustees Lee Reeder and Gilbert. Staff in attendance were General Manager King, Operations Manager Holleman, General Counsel Shapiro and General Counsel Smith. There were no members of the public present, therefore no public comments were received.

General Manager King discussed the proposed agenda for the December 8, 2023, Board of Trustees meeting. The Committee reviewed the agenda and approved.

With no further business on the Executive Committee Agenda, meeting adjourned at 8:45 a.m.