

**RECLAMATION
DISTRICT
NO. 1000**

**FISCAL YEAR
2022/2023
BUDGET**

**ADOPTED JUNE 10, 2022
RESOLUTION NO. 2022-06-04
EFFECTIVE JULY 1, 2022**



Fiscal Year 2022/2023 Budget

Reclamation District No. 1000 –Budget (FY22/23)

TRUSTEES

THOMAS M. GILBERT – BOARD PRESIDENT

ELENA LEE REEDER – BOARD VICE PRESIDENT

NICK AVDIS – TRUSTEE

JAG BAINS – TRUSTEE

TOM BARANDAS – TRUSTEE

CHRIS BURNS – TRUSTEE

VACANT – TRUSTEE

OFFICERS

KEVIN L. KING – GENERAL MANAGER

JOLEEN GUTIERREZ – BOARD SECRETARY/TREASURER

DOWNEY BRAND, LLP - ATTORNEYS

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Introduction

General

Reclamation District No. 1000 (RD1000; District) was organized on April 8, 1911, under the California Flood Control Act of 1911. The District's affairs are governed by a seven-member Board of Trustees. At the time of formation, the District embarked on the largest privately funded reclamation project in the United States. What was accomplished by the District in the twentieth century was truly remarkable. Today, the District's perimeter levee system consists of 42.6 miles of project levees encircling the District's 55,000 acres. The District also operates and maintains an interior drainage system consisting of 30 miles of main drainage canals, approximately 150 miles of drainage ditches and eight pumping stations. The drainage system collects agricultural tailwater, stormwater and drainage and delivers them to the pumping plants for disposal in the adjacent rivers and creeks.

RD 1000 perimeter levees are undergoing the largest rehabilitation since their original construction over a hundred years ago. The \$1.7 billion Natomas Levee Improvement Project (NLIP) which began in 2007 and will continue through 2025, will provide the Natomas Basin with two-hundred-year flood protection when complete.

As the District moves into its second century, its public safety mission remains its first commitment. The District's sole purpose and function is to monitor, operate, and maintain the levees and flood control infrastructure protecting the more than one hundred thousand people in the Natomas Basin, ensuring that the system is ready for the next one hundred years.

Mission Statement

Reclamation District No. 1000's mission is flood protection for the Natomas Basin providing for the public's health and safety by operating and maintaining the levees, and the District's canals and pump stations in a safe, efficient and responsible manner.

Responsibility Statement

On behalf of and in communication with the residents of the Natomas Basin, the District meets its flood protection Mission by operating and maintaining:

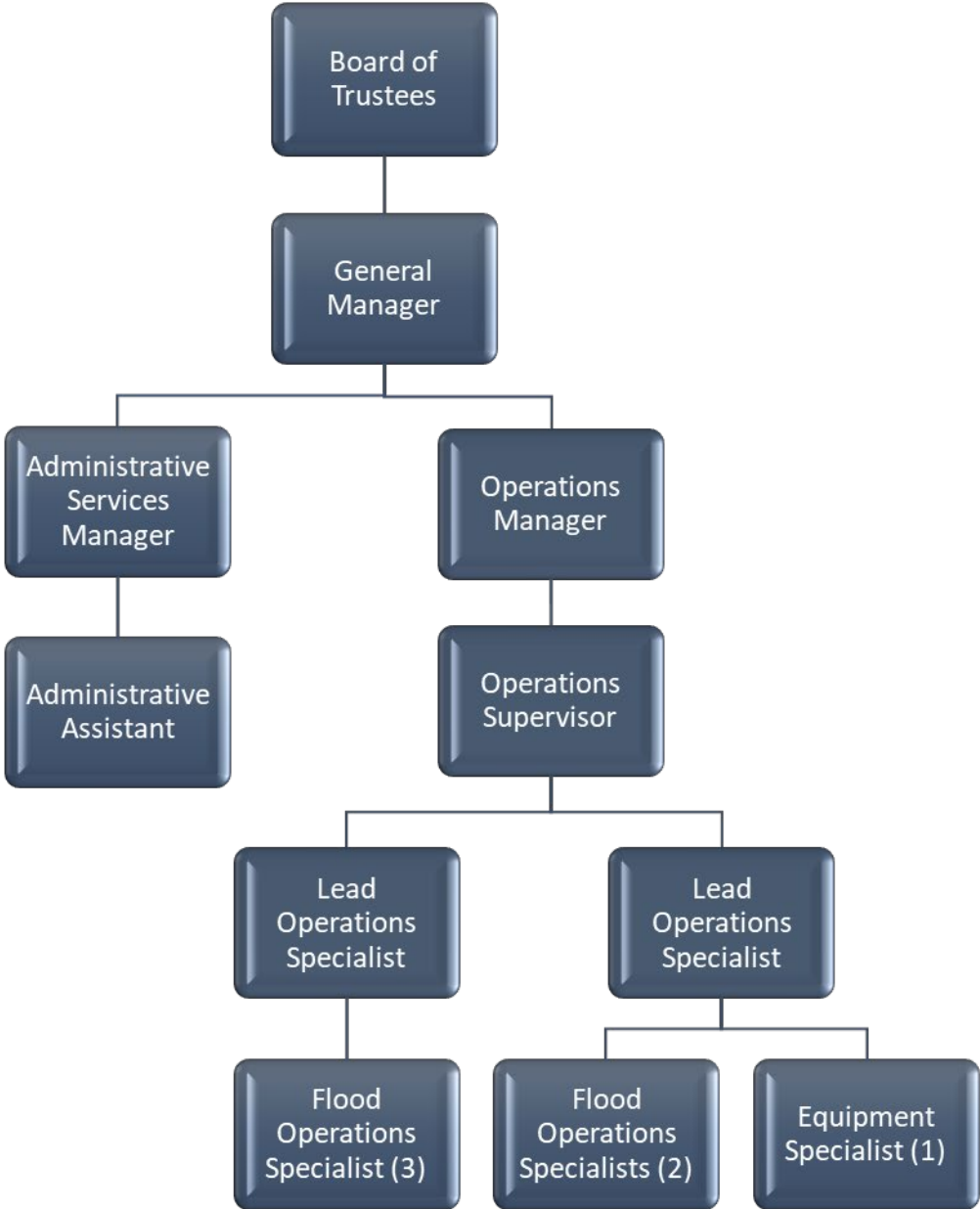
- The perimeter levee system to prevent exterior floodwaters from entering the Natomas Basin.
- The District's interior canal system to collect the stormwater runoff and agricultural drainage from within the Natomas Basin.
- The District's pump stations to safely discharge interior stormwater and agricultural drainage out of the Natomas Basin.

Vision Statement

In meeting its flood protection Mission, the District shall also:

- Carry out its responsibilities in a safe, professional, and accountable manner that adheres to the principles of good governance and transparency being sensitive to community interests and the environment.
- Continuously identify and implement operational, maintenance, structural and non-structural improvements that reduce flood risks in the Natomas Basin.
- Cooperate with private entities and public agencies (including the Corps of Engineers and the State Central Valley Flood Protection Board) with whom the District shares responsibilities, common goals, and objectives for flood protection in the Natomas Basin.
- Educate the public about the risks of flooding in the Natomas Basin and the District's efforts to minimize those risks.

RECLAMATION DISTRICT NO. 1000 ORGANIZATIONAL CHART



Budget Summary (FY 2022/2023)

Executive Summary

The Fiscal Year 2022/2023 Budget for Reclamation District No. 1000 was prepared by General Manager, Kevin L. King. The budget, while unbalanced, in terms of expenditures in excess of projected revenue, was prepared in order to accomplish the goals and objectives of the District. The Fiscal Year 2022/2023 Budget is reflective of the District's focus to catch up on deferred maintenance, and planning for implementation of capital infrastructure improvements.

The Fiscal Year 2022/2023 Budget is highlighted by expenditures aimed at positioning the District for sustained financial stability, long-term infrastructure reliability and identification of projects/policies required for further evolution of the organization. Specifically, the District intends to finalize current and future revenues through Phase 2 of the Comprehensive Financial Plan, pre-engineering work for a portion of the District's Capital Improvement Plan, and address high hazard encroachments.

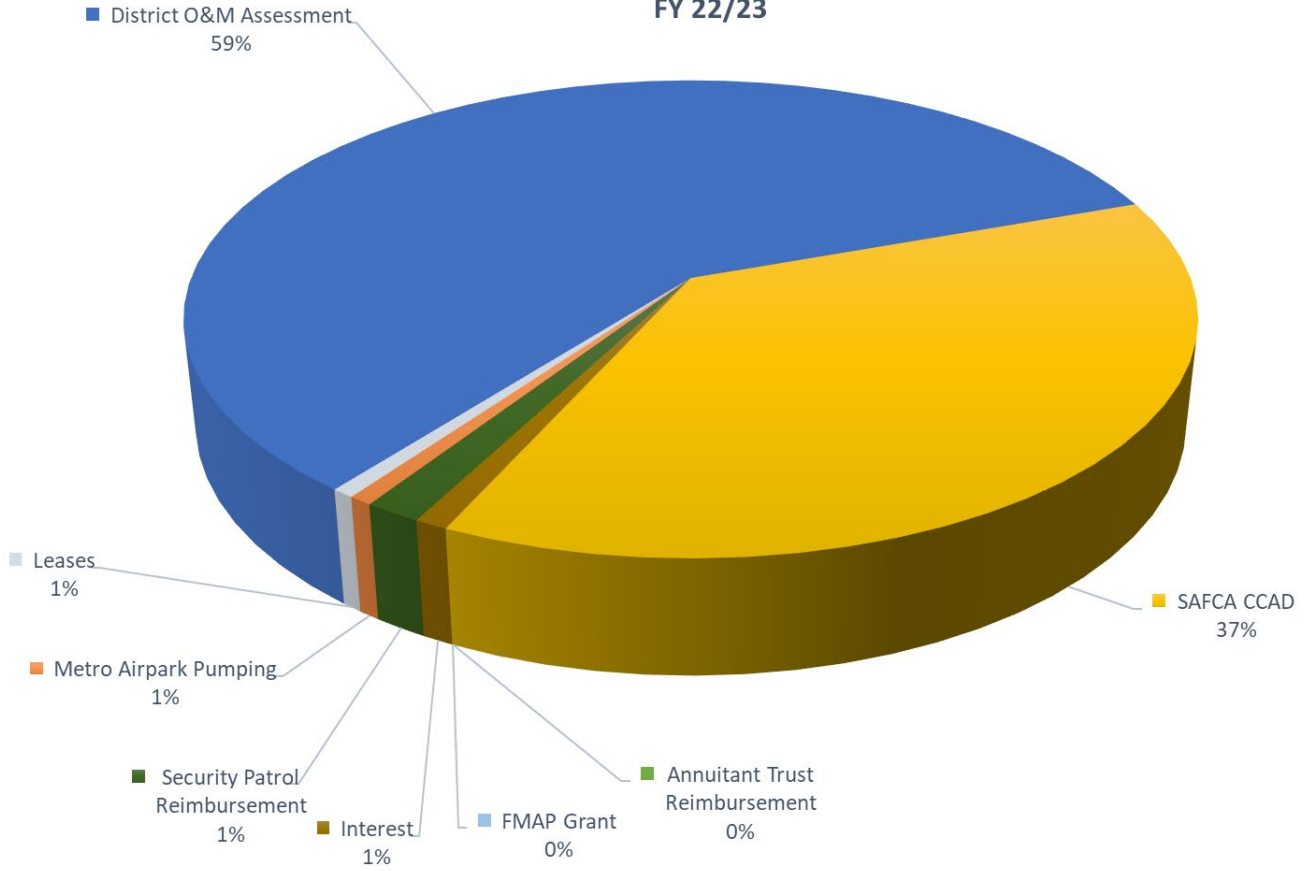
BUDGET SUMMARY FY 2022/2023	Adopted Budget FY 21/22	Estimate YE FY 21/22	Budget FY 22/23	Variance Budget FY 22/23 v. Budget FY 21/22 (over)/under
Total Revenues	4,661,000	4,617,884	3,815,000	846,000
Total All Expenditures	6,949,251	5,103,062	8,335,604	1,386,354
Net Expense to Revenue	(2,288,251)	(485,178)	(4,520,604)	2,232,354

Revenues

The District's revenue sources will remain static in Fiscal Year 22/23. Although, the District will continue to pursue grant opportunities throughout the year when potential funding is made known to the District.

REVENUES	Adopted Budget FY 21/22	Estimate YE FY 21/22	Budget FY 22/23	Variance Budget FY 22/23 v. Budget FY 21/22 (over)/under
Revenues				
District O&M Assessment	2,250,000	2,250,000	2,250,000	0
SAFCA CCAD	1,400,000	1,400,000	1,421,000	(21,000)
Interest	55,000	31,717	35,000	20,000
Leases	24,000	20,988	24,000	0
Metro Airpark Pumping	25,000	22,523	25,000	0
FMAP Grant	792,000	827,082	0	792,000
FEMA/OES Reimbursement	0	0	0	0
Annuitant Trust Reimbursement	70,000	0	0	70,000
Security Patrol Reimbursement	45,000	58,313	60,000	(15,000)
Miscellaneous	0	7,260	0	0
Total Revenues	4,661,000	4,617,884	3,815,000	846,000

**Projected Revenues
FY 22/23**

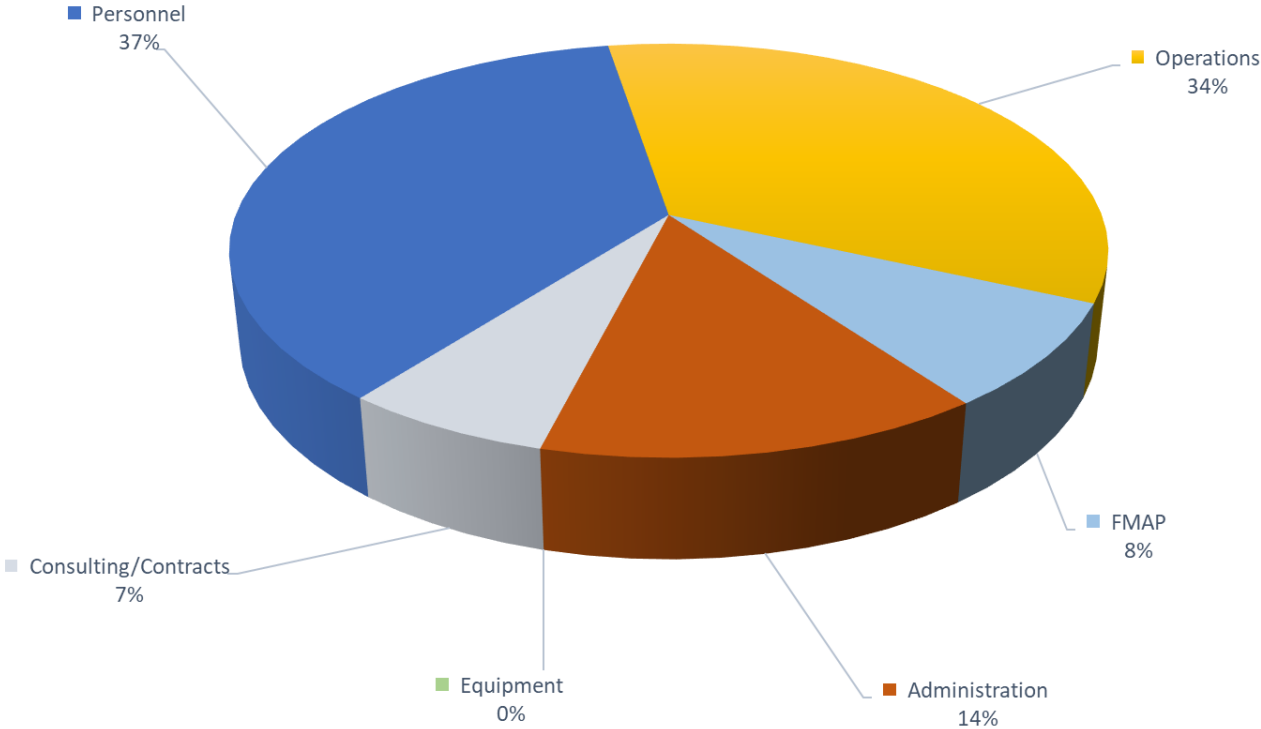


Operations & Maintenance Expenditures

The District anticipates approximately \$299K less in Operations and Maintenance expenditures in FY 22/23 compared to the FY 21/22 Budget.

OPERATIONS & MAINTENANCE EXPENDITURES	Adopted Budget FY 21/22	Estimate YE FY 21/22	Budget FY 22/23	Variance Budget FY 22/23 v. Budget FY 21/22 (over)/under
O&M Expenditures				
Personnel	1,856,351	1,604,768	1,966,434	(110,084)
Operations	1,615,000	1,368,049	1,834,000	(219,000)
Administration	668,400	562,178	749,370	(80,970)
FMAP	792,000	840,687	439,400	352,600
Consulting/Contracts	277,500	164,191	351,400	(73,900)
Equipment	430,000	503,795	0	430,000
Total O&M	5,639,251	5,043,667	5,340,604	298,646

**Projected Operations & Maintenance Expenditures
FY 22/23**



Personnel Expenditures

Personnel Expenditures	Adopted Budget FY 21/22	Estimate YE FY 21/22	Budget FY 22/23	Variance Budget FY 22/23 v. Budget FY 21/22 (over)/under
Personnel/Labor				
Wages	1,139,323	914,281	1,218,409	(79,086)
Trustee Compensation	35,000	22,500	35,000	0
Group Health Insurance	105,084	112,728	115,592	(10,508)
Annuitant Health Care	85,000	105,233	108,127	(23,127)
Dental/Vision/Life	23,000	18,606	25,300	(2,300)
Workers Compensation Insurance	31,000	25,943	25,000	6,000
OPEB - ARC	83,751	62,485	62,485	21,266
Continuing Education	5,000	981	5,000	0
Payroll Taxes	86,589	79,407	92,599	(6,011)
Pension	262,604	262,604	278,922	(16,318)
Personnel Subtotal	1,856,351	1,604,768	1,966,434	(110,084)

Major Personnel expenditure variations include:

- Wages (\$79K) – Includes a 4.0% Cost of Living Adjustment, and a one-time payment to all full-time employees, in lieu of 8.0% full COLA adjustment.

Operations Expenditures

Operations Expenditures	Adopted Budget FY 21/22	Estimate YE FY 21/22	Budget FY 22/23	Variance Budget FY 22/23 v. Budget FY 21/22 (over)/under
Operations				
Consultants - Field Operations	20,000	11,500	15,000	5,000
Equipment Parts/Supplies	60,000	24,031	50,000	10,000
Equipment Rental	5,000	8,000	5,000	0
Equipment Repairs/Service	15,000	35,000	25,000	(10,000)
Facility Repairs	527,000	465,625	595,000	(68,000)
Gates & Fences	5,000	0	5,000	0
Canal Erosion Program (RSP)	100,000	75,000	100,000	0
Access Road AB Program	50,000	40,000	50,000	0
Plant 1A Repairs	0	3,618	130,000	(130,000)
Plant 1B Repairs	170,000	85,000	100,000	70,000
Plant 2 Repairs	11,000	20,000	15,000	(4,000)
Plant 3 Repairs	78,000	30,000	35,000	43,000
Plant 4 Repairs	0	0	0	0
Plant 5 Repairs	0	0	0	0
Plant 6 Repairs	0	32,000	5,000	(5,000)
Plant 7 Repairs	0	0	0	0
Plant 8 Repairs	70,000	180,000	120,000	(50,000)
Corporation Yard	38,000	6	30,000	8,000
Miscellaneous	5,000	0	5,000	0
Field Equipment	20,000	1,615	40,000	(20,000)
Thumb Attachment for Excavator	15,000	0	15,000	0
Small Power Equipment	0	0	10,000	(10,000)
Box Scraper	0	0	10,000	(10,000)
Misc	5,000	1,615	5,000	0
Field Services	91,000	166,546	267,000	(176,000)
Veg Management	20,000	138,363	190,000	(170,000)
Tree Service	25,000	11,363	25,000	0
Pump Plant Meggar Testing	5,000	0	7,500	(2,500)
Sonitrol Security	32,000	8,859	17,500	14,500
Hazardous Waste Recycle	3,000	140	6,500	(3,500)
Tire Recycle	2,000	0	2,000	0
Backflow	500	500	500	0
Water Service	1,000	737	1,000	0
Fleet Tracking	0	0	9,500	(9,500)
Misc / Janitorial	2,500	6,585	7,500	(5,000)
Fuel	40,000	60,129	80,000	(40,000)
Herbicides	240,000	146,627	225,000	15,000
Power	500,000	382,027	450,000	50,000
Refuse Collection	45,000	22,000	30,000	15,000
Shop Equipment (Not Vehicles)	5,000	7,200	12,500	(7,500)
Supplies and Materials	22,000	19,764	18,500	3,500
Boot Allowance	3,000	3,000	3,000	0
Uniform Service	4,000	4,000	4,000	0
Misc	15,000	2,747	11,500	3,500

Operations Expenditures	Adopted Budget FY 21/22	Estimate YE FY 21/22	Budget FY 22/23	Variance Budget FY 22/23 v. Budget FY 21/22 (over)/under
Utilities - Field	3,000	9,899	11,000	2,000
Sacramento County	3,500	569	3,500	0
City of Sacramento	2,000	3,340	2,000	0
Cell Phone Reimbursement	5,500	4,438	5,500	0
Copier Printer	2,000	1,553	2,000	0
Misc/Other - Field	500	686	500	0
Govt Fees/Permits - Field	10,000	7,400	9,500	500
FEMA Permits	1,500	0	0	1,500
Operations Subtotal	1,615,000	1,368,049	1,834,000	(219,000)

Major Operations expenditure variations include:

- Field Services and Herbicides (+\$161K) – Herbicide Expense and associated field services for application are increased in the FY 22/23 budget mainly due to inflationary increases for materials.
- Fuel (+\$40K) – Fuel costs have nearly doubled since July 2021 and are expected to remain high throughout FY 22/23, leading to the increase in the District’s Budget.

Administration Expenditures

Administration Expenditures	Adopted Budget FY 21/22	Estimate YE FY 21/22	Budget FY 22/23	Variance Budget FY 22/23 v. Budget FY 21/22 (over)/under
Administration				
Accounting/Audit	56,800	29,463	57,200	(400)
GASB Report	15,500	11,900	15,500	
Audit	15,200	15,200	15,200	
CPA - Consultant	25,000	1,050	25,000	
CalPERS (GASB)	1,100	1,313	1,500	
Administrative Consultants	114,500	79,071	38,800	75,700
Financial Plan/Study	49,500	41,000	8,500	
Total Compensation Survey	15,000	0	0	
SCI Consulting (Assessment)	20,000	25,271	20,300	
Overhead Rate Study	25,000	12,800	5,000	
Miscellaneous	5,000	0	5,000	
Admin - Misc./Other Expenses	2,800	441	2,800	0
Bank Fees	300	344	300	
Business Expense	2,500	97	2,500	
Admin. Services	22,000	15,327	20,750	
Alarm/Security Office	7,500	5,381	7,500	
Copy/Print Services	2,000	0	2,000	
DOT/Screening	1,500	1,547	1,750	
Postage/Shipping	1,000	610	1,000	
Records/Retention Management	6,000	3,000	2,000	
Supplies (First Aid/AED/etc...)			2,500	
Timekeeping	3,500	3,159	3,500	
Miscellaneous	500	1,631	500	
Computer Costs (Tech/Website/Software)	34,900	28,574	34,900	0
Software	15,000	12,776	15,000	
IT Support	17,500	13,398	17,500	
Website Support	2,400	2,400	2,400	
Govt Fees/Permits	12,500	16,924	27,700	(15,200)
City of Sacramento (Investment Pool)	4,000	3,555	6,000	
Sac County Treasury (Investment Pool)	20,000	13,179	20,000	
Police Alarm	200	0	200	
Miscellaneous	1,500	189	1,500	
Legal	65,000	53,069	77,500	(12,500)
Human Resources/Employment (Boutin Jones)	15,000	1,069	15,000	
General Counsel (Downey Brand)	45,000	52,000	60,000	
Other Legal Services	5,000	0	2,500	
Liab/Auto/Business Insurance	160,000	151,566	171,270	(11,270)
Stratton	160,000	151,566	171,270	
Memberships	39,700	34,877	39,700	0
ACWA	15,000	13,533	15,000	
CCVFCA	16,300	13,245	16,300	
Chamber of Commerce	250	225	250	
Costco	200	120	200	
CSDA	7,500	7,434	7,500	
Sacramento LAFCO	450	320	450	

Administration Expenditures	Adopted Budget FY 21/22	Estimate YE FY 21/22	Budget FY 22/23	Variance Budget FY 22/23 v. Budget FY 21/22 (over)/under
Mitigation Land Expenses	5,300	4,995	6,000	(700)
Yolo County Treasurer	5,300	4,995	6,000	
Office Maintenance & Repair	31,500	23,669	33,350	(1,850)
Custodial Service	7,000	8,069	9,000	
HVAC Maintenance	6,000	1,500	6,000	
Landscaping	15,000	13,500	14,850	
Pest Control	1,500	600	1,500	
Misc	2,000	0	2,000	
Office Supplies	4,500	4,015	4,500	0
Payroll Services	4,500	2,178	4,500	0
Payroll Services	4,500	2,178	4,500	
Public Relations	49,000	60,798	74,000	(25,000)
Direct Outreach (Community Engagement)	18,000	5,000	18,000	
Consulting	25,000	52,791	50,000	
Subscriptions/Publications	6,000	3,007	6,000	
Small Office & Computer Equipment	10,000	658	10,000	0
Computer Equipment	2,500	658	2,500	
Miscellaneous Equipment	7,500	0	7,500	
Utilities (Phone/Water/Sewer/Internet)	16,400	12,904	16,900	(500)
Telephone	3,500	3,812	4,000	
Water	700	579	700	
Internet	2,750	2,892	2,750	
Sewer	750	711	750	
Phone System	1,500	784	1,500	
Copier/Printer	3,000	1,907	3,000	
Cellular Service	4,000	2,220	4,000	
Miscellaneous	200	0	200	
Election	10,000	30,000	100,500	(90,500)
Legal	10,000	5,000	15,000	
Publications/Notices	0	15,000	2,500	
Facility Rental	0	0	0	
Printing Services	0	10,000	75,000	
Temporary Staff	0	0	8,000	
Miscellaneous	0	0	0	
Assessment/Property Taxes	8,500	13,390	8,500	0
Conference/Travel/Prof. Development	20,500	260	20,500	0
Conference (Exec Staff & Trustees)	8,500	0	8,500	
Travel (Exec Staff & Trustees)	12,000	260	12,000	
Admin Subtotal	668,400	562,178	749,370	(80,970)

Major Administration expenditure variations include:

- Election (+\$95K) – The District will potentially have a general election in FY 22/23, leading to the increase in expenditures.

Flood Maintenance Assistance Program

FMAP Expenditures	Adopted Budget FY 21/22	Estimate YE FY 21/22	Budget FY 22/23	Variance Budget FY 22/23 v. Budget FY 21/22 (over)/under
FMAP Grant				
LOI/SWIF	20,000	26,077	20,000	0
Equipment	601,000	652,473	0	601,000
(1) Lowboy Trailer	140,000	140,025	0	
(1) Caterpillar Backhoe (4x4)	127,500	128,441	0	
(1) Terramac RT14R Crawler Carrier Dump	333,500	384,007	0	
Operations & Maintenance	162,850	162,137	409,400	(246,550)
Vegetation Management	162,850	162,137	0	
Encroachment Enforcement	0	0	409,400	
Administrative	8,150	0	10,000	(1,850)
Administrative (5% of O&M Activities)	8,150	0	0	
FMAP Subtotal	792,000	840,687	439,400	352,600

Flood Maintenance Assistance Program Grant expenditure variations include:

- (\$439K) – offset by revenue from the grant.

Consulting /Contracts Expenditures

Consulting / Contracts Expenditures	Adopted Budget FY 21/22	Estimate YE FY 21/22	Budget FY 22/23	Variance Budget FY 22/23 v. Budget FY 21/22 (over)/under
Consulting/Contracts				
Technical Consultants	182,500	84,691	176,400	6,100
Land, Right of Way and Title Expert	5,000	0	0	
Geotechnical Consultants	5,000	0	0	
Specialized Flood Control Engineering	20,000	10,396	15,000	
General District Engineering	60,000	37,632	80,000	
Managerial Support	0	0	0	
Hydraulic Modeling - Update	87,000	35,879	78,400	
Hydraulic Modeling - Maintenance	1,500	784	3,000	
Development Impact Fee Support	4,000	0	0	
Security Patrol	80,000	79,500	175,000	(95,000)
Temporary Admin	15,000	0	0	15,000
Consulting/Contracts Subtotal	277,500	164,191	351,400	(73,900)

Major Consulting/Contracts expenditure variations include:

- (+\$95K) – Increased Security Patrol Expense.

Equipment Expenditures

Equipment Expenditures	Adopted Budget FY 21/22	Estimate YE FY 21/22	Budget FY 22/23	Variance Budget FY 22/23 v. Budget FY 21/22 (over)/under
Equipment				
Equipment	430,000	503,795	0	430,000
(1) 3/4 Ton 4x4 Pickup (Replacement)	50,000	47,297	0	50,000
(1) Service Truck (Replacement)	80,000	115,000	0	80,000
(1) Caterpillar Long Reach Excavator	300,000	300,000	0	300,000
Corporation Yard Security System	0	41,498	0	0
Equipment Subtotal	430,000	503,795	0	430,000

Major Equipment expenditure variations include:

- (-\$430K) – Decrease in equipment replacement

Capital Expenditures

The District anticipates approximately \$1.7M more in Capital expenditures in FY 22/23 compared to the FY 21/22 Budget. The major difference is facility security improvements and SCADA upgrades.

CAPITAL EXPENDITURES	Adopted Budget FY 21/22	Estimate YE FY 21/22	Budget FY 22/23	Variance Budget FY 22/23 v. Budget FY 21/22 (over)/under
Capital Expenditures				
Capital Facilities	1,200,000	55,000	2,920,000	(1,720,000)
Plant 1B Spare Transformer	200,000	0	225,000	
2021/2022 Capital Projects (Project Design)	1,000,000	55,000	945,000	
2022/2023 CIP Projects	0	0	1,750,000	
Capital - Office Upgrades Furniture	30,000	0	0	30,000
Board Room	30,000	0	0	
Capital - RE Acquisition	50,000	0	0	50,000
Natomas Cross Canal	20,000	0	0	
NEMDC Parcels	30,000	0	0	
Capital - Office Facility Repair	30,000	4,395	75,000	(45,000)
AV Equipment	30,000	4,395	75,000	
Total Capital Expenditures	1,310,000	59,395	2,995,000	(1,685,000)

**Projected Capital Expenditures
FY 22/23**

