

**RECLAMATION DISTRICT NO. 1000
BOARD OF TRUSTEES
REGULAR BOARD MEETING
SACRAMENTO, CA
December 14, 2018
8:30 A.M.
AGENDA
1633 Garden Highway
Sacramento, CA 95833**

Any documents related to agenda items that are made available to the Board before the meeting will be available for review by the public at: 1633 Garden Highway, Sacramento, CA 95833

CALL TO ORDER

SET THE AGENDA

*OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO DIRECTLY ADDRESS THE BOARD ON SUBJECT MATTER NOT ON THE AGENDA WITHIN THE JURISDICTION OF THE BOARD.
(Limit: 3 minutes per person)*

ITEMS SCHEDULED FOR ACTION

1. APPROVAL OF THE MINUTES OF THE BOARD OF TRUSTEES (Action)
 - A. Regular Meeting – November 9, 2018
2. ADMINISTRATIVE ITEMS
 - A. Treasurer’s Report for November 2018
 - B. Expenditure Report for November 2018
 - C. Budget to Actual Report
3. COMMITTEE REPORTS (Information)
 - A. SAFCA Representatives
 - B. Executive Committee Meeting (12/5)
 - C. Special Board Meeting – Interviews (11/30)
 - D. Finance Committee Meeting (11/14)
 - E. HCP Ad Hoc Committee and Special Board Meeting (11/14)
 - F. Operations Committee Meeting and Special Board Meeting (11/16)
4. BOARD BUSINESS (Action/Information)
 - A. Recognition for Umberto Gutierrez and Ron Peterson for 20-years of service to the District in 2018

- B. Authorization for General Manager to Accept Drainage Easements and Quitclaim Existing Easements related to the proposed Greenbriar Development Project in the City of Sacramento
- C. Approve District Audit for FY 2018-2018
- D. District Sponsorship of Creek Week for 2019
- E. Compensation adjustment for District Administrative Service Manager for CalPERS Retirement Benefit Correction

ITEMS SCHEDULED FOR INFORMATION/DISCUSSION

5. GENERAL MANAGER'S REPORT

- A. Regional Flood Control Issues
- B. Flood Season Update
- C. Corps Natomas Project update
- D. Plant 1 Spare SMUD Transformer
- E. PG&E Vegetation Management project American River Parkway
- F. Clean Up Coordination by RWQCB in NEMDC Floodway
- G. V Drain Pipe Culvert Replacement

6. PUBLIC OUTREACH REPORT – K. Pardieck

7. DISTRICT COUNSEL'S REPORT

8. SUPERINTENDENT'S REPORT

9. Correspondence/News/Information

10. Closed Session

PUBLIC EMPLOYMENT
Title: General Manager

11. ADJOURN

**RECLAMATION DISTRICT NO. 1000
BOARD OF TRUSTEES
ACTION SUMMARY
SACRAMENTO, CA
November 9, 2018
8:00 A.M.
1633 Garden Highway
Sacramento, CA 95833**

Trustees Present: Smith, Barandas, Harris, Christophel, Burns, Avdis

President Smith presided at the meeting.

Public Comments: There were no public comments

1. Approval of the Minutes of the Board of Trustees

Trustee Burns motioned to approve the minutes, seconded by Trustee Christophel, and carried by a unanimous vote.

2. Administrative Items

A. Treasurer's Report for October 2018

| | |
|-------------------|-----------------|
| Checking: | \$ 115,629.07 |
| Money Market: | \$ 218,423.27 |
| County Treasurer: | \$ 2,094,736.99 |
| LAIF: | \$ 2,876,065.31 |
| City Pool A: | \$ 2,059,781.64 |

All Treasurer's reports were included in the board packet. ASM Gutierrez announced that she received her requested warrant in the amount of \$1 million dollars from the District's O/M Fund held by the County Treasurer. A motion was made by Trustee Harris to approve the Treasurer's Report with minor edits, seconded by Trustee Avdis, all in favor, motion carries.

3. Committee Reports

A. SACFA

Trustee Barandas provided a SAFCA update. Natomas Project, Reach D along Natomas Cross Canal, contractor is in the process of digging the Vestal Drain and Plant 4 rebuild will begin next year. Reach I (Garden Highway/American River section), contractor is waiting for an encroachment permit for a street right of way from the City of Sacramento. Work in Reach I will soon begin and is expected to be completed by year end. The Corps traffic control plan is being determined and signs will be posted detailing lane closures and traffic impacts. Reach H (Natomas East Main Drain Canal levee portion), planning to award contract by year end.

At SAFCA's next Board meeting, discussion of ramp closures along Garden Highway will be held in closed session. There will also be two resolutions of necessity for right of way on parcels bordering the Garden Highway needed for the Corps levee improvements. The American River WRDA 2016 work, North Arcade Creek, Main Avenue Bridge will be completed in late November. Trustee Barandas shared that SAFCA is proposing to rent space at the Corp's office to address questions and situations as they arise in an effort to work more efficiently with their staff.

B. Personnel Committee

Trustee Fred Harris reported the Personnel Committee discussed several topics - retiree benefits for ASM, anti-nepotism policy, GM recruitment, discussed adopting a salary range to the Administrative Assistant position, and closed out the meeting with discussion of the GM Desk Procedure manual. A copy of the committee meeting minutes was included in the Board packet.

C. Executive Committee Meeting

Trustee Jeff Smith reported the Committee met to review the draft Board agenda. The Committee also discussed recent developments with the homeless camps and debris in the floodway; flood season preparation, and V drain pipe crossing replacement issue. Trustee Smith would like to resolve the drain issue by the next Board meeting. A copy of the committee meeting minutes was included in the Board packet.

D. Legal Committee Meeting

The Legal Committee met to discuss succession planning for the District's legal counsel. Counsel Jim Day will continue to serve the District through 2019. The Board will decide about future counsel representation as Mr. Day's retirement date gets closer. GM Devereux provided an update on some existing private improvements that are encroaching into the District's right of way and interfere with the Corp's proposed NEMDC levee improvements. GM Devereux provided the Committee with an update of the erosion site at 7907 Garden Highway. The meeting closed with discussion on the 2019 Board election processes. A copy of the committee meeting minutes was included in the Board packet.

E. Urbanization Committee Meeting

Trustee Chris Burns provided a Committee meeting update. The Urbanization Committee met on November 8. Topics of discussion were the homelessness issue, levee setback policy (200 vs. 500-year flood protection considerations), and how the District compensates landowners affected by levee setbacks. A Good Neighbor Policy was on the agenda, but the Committee did not have enough time to discuss this issue. The committee discussed how District complaints are received/processed/resolved; a quarterly report to the Board is being requested by the Committee to better understand what district issues are. Also discussed, Encroachment Permits and whether a policy or timeline should be developed for appropriate District response time. Trustee Burns reported the River Oaks Community Association community group met at the District office. At this meeting, GM Devereux addressed the group and mentioned the likelihood of Garden Highway traffic impacts. Trustee Burns would like to see more District outreach on this topic.

4. Board Business

A. Presentation on Sacramento Weir and Yolo Bypass Project and other Regional Flood Control Issues by Gary Bardini SAFCA Director of Planning

Gary Bardini provided an in-depth presentation of the various activities around the region with a common goal of achieving 500-year flood protection. He states the next five years will be unprecedented with the amount of work involved to complete several projects; the Corps will need local assistance to achieve completion. He stated major project elements are fully funded (Folsom Dam raise, and, American River Commons Features). Other improvements for additional protection include widening the Sacramento Bypass, Yolo Bypass, and expanding the Fremont Weir. He noted funding for the Natomas Project was not included in the recent federal supplemental appropriation that included the projects noted above. However, he assured the Board SAFCA expects federal funds will be available for Natomas given the supplemental appropriations removed most of the other projects competing for these same funds. Mr. Bardini spoke about the enormity of projects which will require a regional effort as well as state and federal. Together efforts will lead to significant flood protection improvements for the region.

B. Greenbriar Development Project – Proposed Drainage Easements for District

Mark Rodgers from Wood Rodgers provided information on the proposed additional drainage improvements and associated easements to be granted to the District as part of the Greenbriar development. He reported that the Phase 1 development is starting. As part of the process RD 1000 has three conveyance areas - Lone Tree Canal, a smaller ditch that conveys freeway flow from I-5. Lone Tree Canal will be widened with a 3 to 1 side slope on the east side and an access road deeded to RD1000. RD 1000 operates and maintains a drainage canal that runs parallel to I-5 and joins the Lone Tree Canal at the existing box culvert crossing under I-5. Here the drainage canal will be improved with a 3 to 1 side slope and will include a paved access road to be shared with SMUD as part of a City recreation trail. The District will share a portion of the easement with SMUD. SMUD will hold a 25 ft. easement for a new high voltage (69 KV) line to eventually serve Metro Air Park and the Airport; RD 1000 will be the senior easement holder. The easement area will eventually include a City of Sacramento recreation trail as noted above which will serve as the District and SMUD's access. The District operates and maintains a small drainage ditch that runs along Highway 99. In this area the existing swale will be better defined and there will be shared paved access, but there will not be a need for additional easements for RD 1000. The interior urban drainage system will be operated and maintained by the City of Sacramento. The urban drainage will be collected in a City operated detention basin and discharged into the District's canal system near the southern end of the project. Trustee Christophel inquired whether there are significant issues related to protected habitat species. GM Devereux replied that there are some issues embedded in the permits with HCP which limit how much and how often canals and ditches can be cleaned. Overall the permits were issued with future conservation in mind. The area along the Lone Tree Canal will include a buffer between it and the urban area to protect endangered species.

C. Amend District Anti-Nepotism Policy

GM Devereux reported the Personnel Committee initiated review of the District's Anti-Nepotism Policy. A copy of the proposed policy was included in the board packet. It was discussed that the revised policy is being recommended from a risk management standpoint mitigating potential employment issues and insuring fairness in employee relations is in the District's best interest. The revised policy does not permit hiring relatives of current District employees. After discussion, a motion was made by Trustee Harris to approve the District's revised Anti-Nepotism Policy, seconded by Trustee Burns, and carried by unanimous vote. Trustee Avdis was not present for discussion and did not vote.

5. General Manager's Report

A. Regional Flood Control Issues

GM Devereux did not have anything new to report on flood control issues.

B. Update on Corps of Engineers Natomas Levee Project

This item was already discussed.

C. Flood Season Outlook and Preparations

Flood season is still considered to be a moderate El Nino; meaning equal chance of wet or dry conditions for our area.

D. SCADA Contract Update

A change order may be presented to the Board at the December meeting, but work has been initiated on the SCADA improvements.

E. Homeless Camps in Floodways

GM Devereux reports attending a meeting at the request of the Regional Water Quality Control Board staff. Area partners discussed individual agency cooperation and resources to assist with cleanup of the Natomas East Main Drain Canal floodway and talked about a long-term solution to the problem. The regional board would like landowners (such as RD 1000) to take on more responsibility for future cleanup. Trustee Avdis made known his desire for the City and County to enforce trespass and keep people out of the floodways so that cleanup of encampments is not necessary. The Board believes it is imperative to get an agreement in place with partnering agencies for future cooperation.

F. Natomas Development Projects

There is a new development in the unincorporated Sacramento County area called "Westside" west of the truck stop over to the river along El Centro Road. A proposal to develop this area will soon come to the District.

G. District Audit Status

Is moving along and coming to the Finance Committee soon.

H. Encroachment Permits Endorsed

GM Devereux endorsed two Encroachment Permits for an auxiliary structure and fence permit.

I. V Drain Update

Staff is responding to request from the property owner Mr. Bob Leal about replacing existing pipe crossings in the V Drain. The District will look into potential cost sharing with the property owner.

J. District December Board Meeting Date and Time

GM Devereux suggested setting the annual staff reception with the Board for December 14 before the Board meeting. Some Trustees expressed their desire to maintain the lunch option in the future

K. Grand Jury review of RD1000

District provided requested publicly available fiscal and O&M information to the Grand Jury.

6. Public Outreach Update

A verbal update of Public Outreach activities was provided by K. Pardieck.

7. District Counsel's Report

Counsel Jim Day provided a verbal update of his work during the month of October 2018.

8. Superintendent's Report

A copy of the Superintendent's report was included in the October Board packet.

9. Correspondence/New/Information

None.

10. Closed Session

PUBLIC EMPLOYMENT
Title: General Manager

The Board met in closed session and selected five candidates to interview for the general manager position.

11. Adjournment

**TREASURER'S REPORT
SUMMARIES & RECOMMENDATIONS
DECEMBER 14, 2018
AGENDA ITEM 2**

SUBJECT: ADMINISTRATIVE ITEMS (Action)

- A) Treasurer's Report
The Treasurers' Report for November 2018 is enclosed for your review
- B) Expenditure Report
The Expenditure report for the month of November 2018 is enclosed for your review
- C) Budget to Actual Report

RECOMMENDATION:

- A) Review and approve the Treasurers' Report.
- B) Signing of the Expenditure Reports is Board approval of the Expenditure Report.

Reclamation District 1000
Treasurer's Report
November 2018

Treasurer's Report for November 2018

| | |
|--|--------------|
| November 2018 | |
| Total Funds | 7,011,673.40 |
| Bank of the West - Checking | 86,342.87 |
| Bank of the West - Money Market | 243,408.59 |
| Sacramento County Treasurer | 1,096,074.99 |
| State Treasurer - Local Agency Investment Fund | 3,526,065.31 |
| City of Sacramento - Pool A | 2,059,781.64 |

| | | | |
|---|------------|----------------|----------------|
| November 2018 - Operations and Maintenance Cash Flow | | | |
| Beginning Balance | | | 2,204,877.82 |
| | Income | Expense | |
| Transfer from money market account | 325,000.00 | | 325,000.00 |
| Transfer from Sac. Co. Treasurer to money market account | | (1,000,000.00) | (1,000,000.00) |
| Accounts Payable* | | (260,907.56) | (260,907.56) |
| Payroll | | (86,552.40) | (86,552.40) |
| Ending Balance | | | 1,182,417.86 |

*See Attached Check Register

Reclamation District No. 1000
Transactions by Account
As of November 30, 2018

| Type | Date | Num | Name | Memo | Debit | Credit | Balance |
|--|------------|-------|---|-------------------------|------------|-----------|------------|
| Cash and Investments | | | | | | | 108,802.83 |
| 1010.00 - Bank of the West Checking Acct | | | | | | | 108,802.83 |
| General Journal | 11/01/2018 | | | 11/5/18 payroll | | 27,333.90 | 81,468.93 |
| General Journal | 11/01/2018 | | | 11/5/18 payroll | | 11,493.26 | 69,975.67 |
| General Journal | 11/01/2018 | | | 11/5/18 payroll | | 91.50 | 69,884.17 |
| General Journal | 11/01/2018 | | | 11/5/18 payroll, #10027 | | 586.60 | 69,297.57 |
| General Journal | 11/01/2018 | | | 11/5/18 payroll, #10028 | | 207.78 | 69,089.79 |
| Bill Pmt -Check | 11/01/2018 | EFT | Comcast | | 324.43 | | 68,765.36 |
| Check | 11/01/2018 | 40207 | Bryan Hall | | 150.00 | | 68,615.36 |
| Bill Pmt -Check | 11/01/2018 | 40208 | City of Sacramento | | 204.28 | | 68,411.08 |
| Bill Pmt -Check | 11/01/2018 | 40209 | County of Sacramento | | 898.00 | | 67,513.08 |
| Check | 11/01/2018 | 40210 | Donald Caldwell | | 150.00 | | 67,363.08 |
| Bill Pmt -Check | 11/01/2018 | 40211 | Neat Freak Clean, LLC | | 350.00 | | 67,013.08 |
| Check | 11/01/2018 | 40212 | Raymond Lewis | | 150.00 | | 66,863.08 |
| Bill Pmt -Check | 11/01/2018 | 40213 | SGS Colusa | | 66,225.85 | | 637.23 |
| Bill Pmt -Check | 11/01/2018 | 40214 | Smile Business Products | | 221.80 | | 415.43 |
| Check | 11/01/2018 | 40215 | Tony Del Castillo | | 150.00 | | 265.43 |
| Bill Pmt -Check | 11/01/2018 | 40216 | United Rentals | | 100.27 | | 165.16 |
| Bill Pmt -Check | 11/05/2018 | EFT | Verizon | | | 322.72 | -157.56 |
| Transfer | 11/07/2018 | | | Funds Transfer | 125,000.00 | | 124,842.44 |
| Bill Pmt -Check | 11/07/2018 | 40217 | A T.E.E.M. Electrical Engineering, Inc. | | | 4,070.00 | 120,772.44 |
| Bill Pmt -Check | 11/07/2018 | 40218 | Airgas NCN | | | 363.58 | 120,408.86 |
| Bill Pmt -Check | 11/07/2018 | 40219 | Brookman Protection Services, Inc. | | | 7,800.00 | 112,608.86 |
| Bill Pmt -Check | 11/07/2018 | 40220 | Carson Landscape Industries | | | 615.00 | 111,993.86 |
| Bill Pmt -Check | 11/07/2018 | 40221 | Interstate Oil Company | | | 2,709.08 | 109,284.78 |
| Bill Pmt -Check | 11/07/2018 | 40222 | Main Street Motors | | | 170.25 | 109,114.53 |
| Bill Pmt -Check | 11/07/2018 | 40223 | Marine Biochemists | | | 8,500.00 | 100,614.53 |
| Bill Pmt -Check | 11/07/2018 | 40224 | Miles Treaster & Associates | | | 7,453.58 | 93,160.95 |
| Bill Pmt -Check | 11/07/2018 | 40225 | Sacramento County Utilities | | | 227.40 | 92,933.55 |
| Bill Pmt -Check | 11/07/2018 | 40226 | Steve Yaeger Consulting | | | 3,200.00 | 89,733.55 |
| Bill Pmt -Check | 11/07/2018 | 40228 | Valley Truck & Tractor Company | | | 313.23 | 89,420.32 |
| Bill Pmt -Check | 11/07/2018 | 40229 | Yolo County Public Works | | | 1,055.60 | 88,364.72 |
| Bill Pmt -Check | 11/07/2018 | 40227 | US Bank Corp | | | 748.36 | 87,616.36 |
| Bill Pmt -Check | 11/08/2018 | EFT | Berkshire Hathaway Homestate Companies | | | 2,600.72 | 85,015.64 |
| Check | 11/08/2018 | EFT | Cal Pers | | 8,032.26 | | 76,983.38 |
| Check | 11/08/2018 | EFT | Cal Pers | | 500.00 | | 76,483.38 |
| Check | 11/08/2018 | EFT | Cal Pers | | 7,781.02 | | 68,702.36 |
| Check | 11/08/2018 | EFT | Cal Pers | | 1,777.58 | | 66,924.78 |
| Check | 11/08/2018 | EFT | Cal Pers | | 1,495.75 | | 65,429.03 |
| Bill Pmt -Check | 11/08/2018 | EFT | Napa Auto Parts | | | 247.37 | 65,181.66 |
| Bill Pmt -Check | 11/08/2018 | EFT | PG&E | | | 15.88 | 65,165.78 |
| Bill Pmt -Check | 11/08/2018 | EFT | Waste Management of Sacramento | | | 478.17 | 64,687.61 |
| Bill Pmt -Check | 11/09/2018 | EFT | City of Sacramento | | | 4.38 | 64,683.23 |
| Bill Pmt -Check | 11/14/2018 | 40238 | Montage Enterprises | | | 1,660.43 | 63,022.80 |
| Check | 11/14/2018 | 40231 | ACWA | | | 1,639.09 | 61,383.71 |
| Bill Pmt -Check | 11/14/2018 | 40232 | AT&T | | | 273.20 | 61,110.51 |
| Bill Pmt -Check | 11/14/2018 | 40233 | Blankinship & Associates, Inc. | | | 2,122.11 | 58,988.40 |
| Bill Pmt -Check | 11/14/2018 | 40234 | Chavez, Silva & Company | | | 2,465.00 | 56,523.40 |
| Bill Pmt -Check | 11/14/2018 | 40235 | Contour Sierra Aebi, LLC | | | 7,716.14 | 48,807.26 |
| Check | 11/14/2018 | 40236 | Great America Financial Services | | | 337.85 | 48,469.41 |
| Bill Pmt -Check | 11/14/2018 | 40237 | Green Light Termite and Pest | | | 75.00 | 48,394.41 |
| Bill Pmt -Check | 11/14/2018 | 40239 | On Line Bindery, Inc. | | | 286.86 | 48,107.55 |
| Bill Pmt -Check | 11/14/2018 | 40240 | SGS Colusa | | | 6,219.25 | 41,888.30 |
| Bill Pmt -Check | 11/14/2018 | 40241 | Sierra Industries, Inc. | | | 881.89 | 41,006.41 |
| Bill Pmt -Check | 11/14/2018 | 40242 | Stevens Consulting | | | 5,705.62 | 35,300.79 |
| Bill Pmt -Check | 11/14/2018 | 40243 | Terrapin Technology Group | | | 550.44 | 34,750.35 |
| Bill Pmt -Check | 11/14/2018 | 40230 | Action Asphalt Maintenance, Inc. | | | 30,650.00 | 4,100.35 |

Reclamation District No. 1000
Transactions by Account
As of November 30, 2018

| Type | Date | Num | Name | Memo | Debit | Credit | Balance |
|-----------------|------------|-------|---------------------------|---------------------------|-------------------|-------------------|------------------|
| General Journal | 11/16/2018 | | | Devereux vacation payroll | | 2,707.31 | 1,393.04 |
| General Journal | 11/16/2018 | | | Devereux vacation payroll | | 810.57 | 582.47 |
| General Journal | 11/16/2018 | | | Devereux vacation payroll | | 60.00 | 522.47 |
| Bill Pmt -Check | 11/16/2018 | EFT | Alhambra & Sierra Springs | | | 41.14 | 481.33 |
| General Journal | 11/19/2018 | | | 11/20/18 payroll | | 29,203.56 | -28,722.23 |
| General Journal | 11/19/2018 | | | 11/20/18 payroll | | 13,979.92 | -42,702.15 |
| General Journal | 11/19/2018 | | | 11/20/18 payroll | | 78.00 | -42,780.15 |
| Transfer | 11/20/2018 | | | Funds Transfer | 200,000.00 | | 157,219.85 |
| Bill Pmt -Check | 11/20/2018 | 40244 | Bob Murray & Associates | | | 7,372.72 | 149,847.13 |
| Bill Pmt -Check | 11/20/2018 | 40245 | Day Carter & Murphy LLP | | | 7,101.25 | 142,745.88 |
| Bill Pmt -Check | 11/20/2018 | 40246 | Grainger, Inc. | | | 61.46 | 142,684.42 |
| Bill Pmt -Check | 11/20/2018 | 40248 | Holt of California | | | 352.47 | 142,331.95 |
| Bill Pmt -Check | 11/20/2018 | 40249 | Interstate Oil Company | | | 2,656.73 | 139,675.22 |
| Bill Pmt -Check | 11/20/2018 | 40250 | Karen Pardieck | | | 1,800.00 | 137,875.22 |
| Bill Pmt -Check | 11/20/2018 | 40251 | Mead & Hunt | | | 3,225.96 | 134,649.26 |
| Bill Pmt -Check | 11/20/2018 | 40252 | Powerplan | | | 365.01 | 134,284.25 |
| Bill Pmt -Check | 11/20/2018 | 40254 | Streamline | | | 200.00 | 134,084.25 |
| Bill Pmt -Check | 11/20/2018 | 40253 | SMUD | | | 28,819.96 | 105,264.29 |
| Bill Pmt -Check | 11/20/2018 | 40247 | H.T. Harvey & Associates | | | 3,236.06 | 102,028.23 |
| Bill Pmt -Check | 11/21/2018 | EFT | Cal Pers | | | 14,498.86 | 87,529.37 |
| Bill Pmt -Check | 11/21/2018 | EFT | The Home Depot | | | 374.08 | 87,155.29 |
| Bill Pmt -Check | 11/27/2018 | EFT | PG&E | | | 256.52 | 86,898.77 |
| Bill Pmt -Check | 11/28/2018 | EFT | City of Sacramento | | | 43.97 | 86,854.80 |
| Bill Pmt -Check | 11/28/2018 | EFT | City of Sacramento | | | 131.79 | 86,723.01 |
| Bill Pmt -Check | 11/28/2018 | EFT | Verizon | | | 380.14 | 86,342.87 |
| | | | | | <u>325,000.00</u> | <u>347,459.96</u> | <u>86,342.87</u> |
| | | | | | <u>325,000.00</u> | <u>347,459.96</u> | <u>86,342.87</u> |
| | | | | | <u>325,000.00</u> | <u>347,459.96</u> | <u>86,342.87</u> |

Total 1010.00 - Bank of the West Checking Acct

Total Cash and Investments

TOTAL

| | |
|--------------------------------------|--------------------------|
| Total payroll disbursements | 86,552.40 |
| Total accounts payable disbursements | <u>260,907.56</u> |
| Total disbursements | <u><u>347,459.96</u></u> |

Reclamation District No. 1000
Budget to Actual Comparison
July 1, 2018 to November 30, 2018 (Five Months Ending of Fiscal 2019)

| | Year to Date July 1, 2018 to November 30, 2018 | Budget | Percent of Budget |
|---|--|------------------|----------------------|
| Operation & Maintenance Income | | | |
| Property Assessments | 81 | 2,250,000 | 0.00% |
| Rents | 9,935 | 20,000 | 49.68% |
| Interest Income | 33,602 | 50,000 | 67.20% |
| SAFCA - O/M Assessment | - | 1,400,000 | 0.00% |
| Misc Income | 37 | - | Not Budgeted |
| Gain on Capital Asset Disposal | 6,400 | - | Not Budgeted |
| Total | 50,055 | 3,720,000 | 1.35% |
| Restricted Fund | | | |
| Metro Airpark Groundwater Pumping | - | 22,000 | 0.00% |
| Total Combined Income | 50,055 | 3,742,000 | 1.34% |
| Operations and Maintenance - Expense | | | |
| Administration | | | |
| Government Fees/Permits | 3,365 | 12,000 | 28.04% |
| Legal | 28,818 | 100,000 | 28.82% |
| Liability/Auto Insurance | 108,208 | 110,000 | 98.37% |
| Office Supplies | 1,951 | 5,500 | 35.47% |
| Computer Costs | 9,918 | 17,000 | 58.34% |
| Accounting/Audit | 20,539 | 45,000 | 45.64% |
| Admin. Services | 7,777 | 17,000 | 45.75% |
| Utilities (Phone/Water/Sewer) | 7,656 | 22,000 | 34.80% |
| Mit. Land Expenses | 2,592 | 3,000 | 86.40% |
| Administrative Consultants | 28,591 | 52,000 | 54.98% |
| Assessment/Property Taxes (SAFCA - CAD) | 6,864 | 6,350 | 108.09% |
| Admin - Misc./Other Expenses | 2,498 | 5,000 | 49.96% |
| Memberships | 31,014 | 30,000 | 103.38% |
| Office Maintenance & Repair | 4,765 | 24,000 | 19.85% |
| Payroll Service | 823 | 3,000 | 27.43% |
| Public Relations | 13,694 | 40,000 | 34.24% |
| Small Office & Computer Equipment | - | 5,000 | 0.00% |
| Sub Total | 279,073 | 496,850 | 56.17% |
| Personnel/Labor | | | |
| Wages | 341,178 | 1,000,000 | 34.12% |
| Group Insurance | 44,246 | 130,000 | 34.04% |
| Worker's Compensation Insurance | 19,227 | 40,000 | 48.07% |
| OPEB - ARC | 33,922 | 28,000 | 121.15% |
| Dental/Vision/Life | 9,835 | 26,000 | 37.83% |
| Payroll Taxes | 24,719 | 77,500 | 31.90% |
| Pension | 65,861 | 165,000 | 39.92% |
| Continuing Education | 1,664 | 15,000 | 11.09% |
| Trustee Fees | 11,250 | 39,000 | 28.85% |
| Sub Total | 551,902 | 1,520,500 | 36.30% |

| | | | |
|---|------------------|------------------|---------------|
| Operations | | | |
| Power | 141,231 | 500,000 | 28.25% |
| Supplies/Materials | 5,819 | 22,000 | 26.45% |
| Herbicide | 87,787 | 115,000 | 76.34% |
| Fuel | 19,582 | 65,000 | 30.13% |
| Field Services | 4,361 | 142,000 | 3.07% |
| Field Operations Consultants | 5,771 | 20,000 | 28.86% |
| Equipment Rental | 100 | 10,000 | 1.00% |
| Refuse Collection | 4,025 | 25,000 | 16.10% |
| Equipment Repair/Service | 338 | 22,000 | 1.54% |
| Equipment Parts/Supplies | 34,633 | 60,000 | 57.72% |
| Facility Repairs | 1,072 | 273,000 | 0.39% |
| Shop Equipment (not vehicles) | 409 | 9,000 | 4.54% |
| Field Equipment | - | 8,000 | 0.00% |
| Misc/Other 2 | 1,167 | - | Not Budgeted |
| Sub Total | 306,295 | 1,271,000 | 24.10% |
| Equipment | | | |
| Equipment | 146,908 | 150,000 | 97.94% |
| Sub Total | 146,908 | 150,000 | 97.94% |
| Consulting/Contracts/Memberships | | | |
| Engineering/Technical Consultants | 66,934 | 250,000 | 26.77% |
| Security Patrol | 27,000 | 80,000 | 33.75% |
| Sub Total | 93,934 | 330,000 | 28.46% |
| Total O & M Expenses | 1,378,112 | 3,768,350 | 36.57% |
| Capital Expenses | | | |
| Capital Office Upgrades | 14,907 | 15,000 | 99.38% |
| Capital RE Acquisition | 5,500 | 120,000 | 4.58% |
| Capital Office Facility Repair | - | 30,000 | 0.00% |
| Document Management | 2,522 | 8,800 | 28.66% |
| Capital Facilities | 54,378 | 715,000 | 7.61% |
| Sub Total | 77,307 | 888,800 | 8.70% |
| Total All Expenditures | 1,455,419 | 4,657,150 | 31.25% |

**STAFF
SUMMARIES & RECOMMENDATIONS
DECEMBER 14, 2018
AGENDA ITEM 3**

SUBJECT: Committee Reports (Information)

- A. SAFCA Representatives – verbal report
- B. Executive Committee Meeting (12/5)
- C. Special Board Meeting – Interviews (11/30)
- D. Finance Committee Meeting (11/14)
- E. HCP Ad Hoc Committee and Special Board Meeting Committee Meeting (11/14)
- F. Operations Committee Meeting and Special Board Meeting (11/16)

Executive Committee Minutes

December 5, 2018

In attendance were Trustees Jeff Smith and Tom Barandas and GM Devereux; Trustee Fred Harris participated via conference call

There were no members of the public present and therefore no public comments.

GM Devereux reviewed the draft agenda for the December 14 meeting. Tom Barandas reported SAFCA was having their Executive Committee on Thursday so he should have information to report. GM Devereux noted the Board meeting will start late to accommodate a holiday breakfast reception with the Board and staff starting at 8:00 am

The Committee had an extended discussion on the spare transformer issue at Plant No. 1 that was reported from the Operations Committee. Trustee Harris wants to make sure the issue is fully vetted for the Board to make a final decision on the spare transformer considering our public safety mission. He noted the Board will have the second round of GM candidate interviews as part of a closed session item at the end of the meeting. The Committee members engaged in a discussion about the format for this second interview. GM Devereux will reach out to our consultant Bob Murray to provide some guidance to the Board.

GM Devereux briefed the Committee on status of the Corps Natomas Levee Project; efforts to coordinate a clean up of trash and debris left by homeless in the NEMDC floodway, resolution of the Admin Service Manager's CalPERS benefits and negotiations for pipe crossing replacements in the V Drain.

There being no further business, the meeting was adjourned.

Finance Committee Meeting
November 14, 2018

The Finance Committee met on November 14. In attendance was Trustee Thom Gilbert. Trustees Jeff Smith and Fred Harris participated by phone. Staff and consultants attending were GM Devereux, ASM Gutierrez, accounting consultant Rob Merritt and auditor Mary Ann Cropper. Chair Gilbert called the meeting to order.

Auditor Mary Ann Cropper started the meeting by stating this year's audit went very smoothly and she appreciated the efforts by staff and our accounting consultant in gathering the information necessary for the draft financial statements. The first item discussed was the recent letter from FEMA on the status of funds from the 2006 disaster claim which would impact the receivable amount being carried on the District's books. However, since the funds have not been obligated, staff and the auditor are recommending we make no adjustment to the receivable at this time. The Committee concurred with the recommendation. She then focused on the primary change with this year's audit being implementation of GASB 75 for the OPEB benefits. She noted the District's current year's OPEB asset is \$44,998 as opposed to prior year's when the financials showed a net OPEB asset of almost \$600,000 based on our funds in the CERBT Trust. With this investment, we do not show a significant OPEB liability in our financials. Staff intends to continue making a reasonable annual OPEB contribution to the trust though there is no formal calculated Annual Required Contribution (ARC); the Committee concurred.

Ms. Cropper also discussed the current District's unfunded pension liability; reviewed the budget to actual for revenue and expenditures from last year; and the fund balances. GM Devereux asked if the Committee would like staff to pursue options to potentially pre-fund some or all of the District's unfunded pension liability. The Committee agreed it would be beneficial to consider pre-funding but also need to look at the District's capital needs. Ms. Cropper stated the only recommendation she has is for the District to develop a process for integrating FEMA disaster assistance claims into our financial and accounting system. She recommends we book a receivable based on amounts included in our FEMA claims; and adjust the receivable annually based on our best estimate of actual funds we expect to receive. After additional questions from Trustees and responses from staff and the auditor; the District management team and consultant accountant left the meeting so the Committee members could meet independently with the auditor.

After staff returned to the meeting, Trustee Gilbert reported the auditor will provide the revised draft audit and supplementary information in sufficient time for the audit to be ready for the Board to review at the December meeting.

There being no further business to discuss, the meeting was adjourned.

Operation Committee and Special Board Meeting Minutes

November 16, 2018

The Operations Committee met on November 16. In attendance at this meeting were Trustees Barandas, Smith, Christophel, and Burns representing a quorum of the Board thereby making it a Special Board Meeting. Staff in attendance was General Manager Paul Devereux and District consultant Scott Brown. Mr. Brown provided the members present an update on the transformer issues at Plant No. 1. Currently the three single phase transformers have been restored with no spare. SMUD engineers have determined the existing transformer site cannot support a three-phase transformer (and spare) due to space limitations. Also, trying to upgrade the site to a higher voltage would require significant and costly modifications to the plant. S. Brown provided costs to the Board members for options to either purchase or lease a fourth spare single phase transformer. After a number of questions and discussion, Trustee Smith asked what the risk would be to not have a spare transformer in light of the backup generator installed at Plant 1. Staff noted even if one transformer fails, the plant can be operated at over 80% capacity using the two remaining transformers. With the generator, both plants can be operated during an emergency. After further discussion, the Board members asked staff to do some additional sensitivity analysis using the Natomas Basin H&H model to quantify the risk. Staff will prepare a memorandum discussing the risk factors and operations for the Board to make a decision on a spare transformer at the site. After this item, S. Brown left the meeting.

GM Devereux then discussed the status of pipe culvert crossings in the District's V Drain located north of Sankey Road and west of Highway 99. He noted Caltrans modified the District's V Drain and replaced several existing pipe culverts when the freeway was widened in the 1980's. The record is not clear on whether the pipe replacements were requested by the District or the property owner at the time. One culvert at the V1/V drain intersection failed previously and was removed and not replaced by the District. Two culverts in the V drain are in danger of failing (30 years old). Field staff have indicated replacing the V1/V drain and one of the two V drain pipe crossings would benefit our O&M activities, but we do not need both V drain crossings replaced. GM Devereux stated he has discussed this with the property owner Bob Leal and tenant farmer John Penning. Mr. Penning says both V drain crossings are needed for his farming operations and he believes they are the District's responsibility to replace. After discussion, the Board members directed staff to continue negotiations with owner/farmer but we should be flexible on replacement since the historical record is not clear who is responsible. However, any pipe crossing we determine not be needed for District O&M should be the property owner's responsibility to replace in the future. In addition the District should reserve the right to remove pipe crossings not deemed necessary for its O&M. Trustee Burns also stated we should use this opportunity to work with the land owner to resolve any outstanding District right of way issues with the V Drain.

Being no further business to discuss, the meeting was adjourned.

**STAFF
SUMMARIES & RECOMMENDATIONS
DECEMBER 14, 2018
AGENDA ITEM 4**

SUBJECT: Board Business (Action/Information)

- A. Recognition for Umberto Gutierrez and Ron Peterson for 20-years of service to the District in 2018
- B. Authorization for General Manager to Accept Drainage and Quitclaim Existing Easements related to the proposed Greenbriar Development Project in the City of Sacramento
- C. Approve District Audit for FY 2017-2018
- D. District Sponsorship of Creek Week for 2019
- E. Compensation adjustment for District Administrative Service Manager for CalPERS Retirement Benefit Correction



December 14, 2018

**LETTER OF RECOGNITION FOR UMBERTO R. GUTIERREZ FOR TWENTY YEARS
OF SERVICE TO RECLAMATION DISTRICT NO. 1000**

Umberto Gutierrez, the Board of Trustees for Reclamation District 1000 hereby recognizes and salutes you for your twenty years of service to the District working to protect our residents, property owners, farmers and businesses who rely on your professional skills, leadership and dedicated service.

Your career at the District began on March 7, 1998 and you have been part of the District team patrolling, monitoring and operating our flood control system during the significant flood events in 2006, 2010, and the wettest year on record in 2017. You and your family sacrificed much to protect the Natomas Community. In addition, you were an integral part of our field crew making sure the levees and drains were ready for each flood season especially leading the critical chemical spray program to clear the drains of vegetation. While much of your efforts go unrewarded, we want you to know this Board does recognize your critical role in our public safety mission and hereby thanks you for that effort.

Please accept this letter of recognition as a small token of our appreciation on behalf of those whose lives and property you protected for these past twenty years. We look forward to your continued service to the District, at least for the short term, and our constituents. Once again, thank you for a job well done!!

Reclamation District No. 1000 Board of Trustees:

Jeff Smith, President

Tom Barandas, Vice President

Nick Avdis, Trustee

David Christophel, Trustee

Chris Burns, Trustee

Thom Gilbert, Trustee

Fred Harris, Trustee



December 14, 2018

**LETTER OF RECOGNITION FOR RONALD D. PETERSON FOR TWENTY YEARS
OF SERVICE TO RECLAMATION DISTRICT NO. 1000**

Ron Peterson, the Board of Trustees for Reclamation District 1000 hereby recognizes and salutes you for your twenty years of service to the District working to protect our residents, property owners, farmers and businesses who rely on your professional skills, leadership and dedicated service.

Your career at the District began on October 5, 1998 and you have been part of the District team patrolling, monitoring and operating our flood control system during the significant flood events in 2006, 2010, and the wettest year on record in 2017. You and your family sacrificed much to protect the Natomas Community. In addition, you were an integral part of our field crew making sure the levees and drains were ready for each flood season especially leading the critical chemical spray program to clear the drains of vegetation. While much of your efforts go unrewarded, we want you to know this Board does recognize your critical role in our public safety mission and hereby thanks you for that effort.

Please accept this letter of recognition as a small token of our appreciation on behalf of those whose lives and property you protected for these past twenty years. We look forward to your continued service to the District, at least for the short term, and our constituents. Once again, thank you for a job well done!!

Reclamation District No. 1000 Board of Trustees:

Jeff Smith, President

Tom Barandas, Vice President

Nick Avdis, Trustee

David Christophel, Trustee

Chris Burns, Trustee

Thom Gilbert, Trustee

Fred Harris, Trustee

Item No. 4B
Greenbriar Development Project City of Sacramento
Authority to Accept Drainage and Access Easements

Summary and Recommendation

Staff is recommending the Board authorize the General Manager to accept non-exclusive drainage and access easements on behalf of the District in substantial conformance with the attached easements, plats and legal descriptions. These easements will allow for the future operations and maintenance of current and future improvements to District facilities to mitigate impacts of the proposed Greenbriar Development project on our drainage system.

Background and Information

Greenbriar Property Owner LP is proposing to develop the property located north and west of the intersection of Interstate 5 and Highway 99 in the City of Sacramento known as the Greenbriar project. The owner has worked with the District on a drainage masterplan and development agreement to fund improvements to District facilities and provide additional compensation to mitigate the impacts of their project on the District's interior drainage facilities. These have been memorialized in the Funding Agreement by and between the City of Sacramento, Greenbriar and RD1000 approved by the Board in March 2017.

District staff has been working with representatives of the Greenbriar project on various easements and other rights of way issues associated with development of the site. Last month staff along with the developer's engineering representative Mr. Mark Rodgers presented the proposed easements necessary to accommodate the proposed improvements and provide for their future operations and maintenance by the District. We have now finalized the plats and legal descriptions for the proposed non-exclusive drainage and access easements described below.

Western Boundary

The District currently operates and maintains the Lone Tree Canal which abuts the proposed development. As part of the project, the canal will be widened with a 3 to 1 side slope on the east side per the District's standards which will improve our operations and maintenance. The developer will be granting an additional 50 to 70-foot drainage easement along the canal which will provide a location for disposal of sediment removed from the canal and will also provide a buffer between the urban development and canal which is considered GGS habitat. The Lone Tree Canal then runs south under I-5 through an existing box culvert and drains into the West Drain Canal.

Southern Boundary

The District operates and maintains a drainage canal that parallels I-5 and joins the Lone Tree Canal at the existing box culvert. The developer will grant an additional 35-foot easement adjacent to the District's existing 30-foot drainage easement along the area north of I-5 to accommodate improvements to and access along the drain. The District will share the additional easement area with SMUD who is constructing a new high voltage utility line in this area that will eventually serve Metro Air Park and Sacramento International Airport. The easement will also eventually include a City recreation trail (shared access road for District/SMUD). Staff is working with the developer, SMUD and City on the language for the easement area.

Eastern Boundary

The District operates and maintains a small drainage ditch that runs along Highway 99. Staff has been working with the developer on additional drainage and access easements along this perimeter to facilitate our future operations and maintenance of this ditch.

The District is also working with the developer to quitclaim an existing drainage easement in favor of RD 1000 that will not be necessary once the site is developed and the urban drainage system constructed. The urban drainage system will be operated and maintained by the City of Sacramento. The urban drainage will be collected in a City-operated detention basin and discharged into the District's canal system near the southern end of the project per the approved drainage plan.

Staff is recommending the Board authorize the General Manager to accept the proposed non-exclusive drainage and access easements in substantial conformance with the attached documents.

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

NAME Reclamation District No. 1000

MAILING ADDRESS 1633 Garden Highway

CITY, STATE ZIP CODE Sacramento, CA 95833

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

Documentary Transfer Tax \$ - 0 -

___ Computed on value of interest conveyed.

___ Computed on value of interest conveyed less liens
and encumbrances remaining thereon at time of sale.

___ No property transfer tax due.

By: _____

GRANT OF EASEMENT

FOR VALUABLE CONSIDERATION, the receipt and adequacy of which is hereby acknowledged, THE GREENBRIAR PROJECT OWNER, LP, a Delaware Limited Partnership (“Grantor”), hereby grants to RECLAMATION DISTRICT NO. 1000, a public entity of the State of California created under Cal. Stats. 1911, Chapter 412, its successors and assigns (“Grantee”), a non-exclusive and perpetual easement for the installation, construction, operation, maintenance and replacement of a drainage channel, rocked access road(s) and incidental purposes upon and across that certain real property located in the County of Sacramento as described on Exhibit “A” (the “Facility Easement”) and shown on Exhibit “B” attached hereto and incorporated herein by this reference. Grantor covenants and agrees for itself, its successors and assigns, as a covenant running with the land, that Grantor will not commence or allow other uses in the Easement Area which may interfere with Grantee’s use, operation, maintenance or replacement of its drainage channel, and agrees to provide to Grantee an opportunity to reasonably review and approve of any such other uses and to enter into a joint use agreement with any such other users within the Easement Area prior to the granting of any rights therefore or the commencement of any such other uses.

Dated: _____, 2018

THE GREENBRIAR PROJECT OWNER, LP
a Delaware Limited Partnership

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of _____)

On _____ before me, _____
(insert name and title of the officer)

personally appeared _____
capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of _____)

On _____ before me, _____
(insert name and title of the officer)

personally appeared _____
capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT 'A'
GREENBRIAR
LEGAL DESCRIPTION FOR
FACILITIES EASEMENTS

All that real property located in the City of Sacramento, County of Sacramento, State of California described as follows:

Being a portion of Lots 93, 94, 95, 96, 98, 124, 127, 128 and 129 of that certain map entitled "Map of Natomas Central Subdivision", filed in Book 16 of Maps, at Page 3, Official Records of Sacramento County and situate in Section 33, Township 10 North, Range 4 East, Mount Diablo Meridian, more particularly described as follows:

FACILITY EASEMENT AREA 1

BEGINNING at the intersection of the north line of said Section 33 with a line being parallel with and 90.00 feet (as measured at right angles) easterly of the west line of the northwest quarter of said Section 33; thence from said **POINT OF BEGINNING**, along said parallel line, South 00°32'38" East, a distance of 2,692.73 feet;

thence parallel with and 90.00 feet (as measured at right angles) easterly of the west line of the southwest quarter of said Section 33, South 00°24'23" East, a distance of 1,493.86 feet;

thence South 08°17'14" East, a distance of 310.02 feet;

thence parallel with and 100.00 feet (as measured at right angles) northerly of the northerly lines of that certain parcel of land conveyed to the State of California in a Grant Deed recorded August 6, 1965 in Book 5301 of Official Records, at Page 601 the following 3 arcs, courses and distances:

1. South 55°17'47" East, a distance of 94.68 feet;
2. South 55°50'55" East, a distance of 580.63 feet;
3. along a tangent curve concave northerly, having a radius of 350.00 feet, easterly 196.65 feet along said curve through a central angle of 32°11'32";

thence South 86°37'16" East, a distance of 50.00 feet;

thence South 03°22'44" West, a distance of 35.00 feet;

thence parallel with and 65.00 feet (as measured at right angles) northerly of the northerly line of said Grant Deed, South 86°37'16" East, a distance of 55.60 feet;

thence along a tangent curve concave northwesterly, having a radius of 28.00 feet, northeasterly 43.98 feet along said curve through a central angle of 90°00'00";

thence North 03°22'44" East, a distance of 22.28 feet;

thence South 86°37'16" East, a distance of 17.00 feet;

thence South 03°22'44" West, a distance of 22.28 feet;

thence along a tangent curve concave northeasterly, having a radius of 28.00 feet, southeasterly 43.98 feet along said curve through a central angle of 90°00'00";

thence parallel with and 65.00 feet (as measured at right angles) northerly of the northerly lines of said Grant Deed the following four (4) arcs, courses and distances:

1. South 86°37'16" East, a distance of 282.31 feet;
2. North 89°45'12" East, a distance of 775.90 feet;
3. along a tangent curve concave southerly, having a radius of 5,065.00 feet, easterly 801.55 feet along said curve through a central angle of 09°04'02";
4. South 81°10'46" East, a distance of 293.85 feet to an intersection with the northerly prolongation of the easterly line of that certain Right-Of-Way conveyed to Reclamation District No. 1000 in a Reclamation Right Of Way Deed recorded August 6, 1965 in Book 5301 of Official Records, at Page 467;

thence along said prolongation South 67°20'16" East, a distance of 124.52 feet to the northerly line of said Right-Of-Way;

thence along the northerly line of said Right-Of-Way the following eleven (11) arcs, courses and distances:

1. from a radial line which bears South 03°17'32" West, along a non-tangent curve concave northerly, having a radius of 1,120.00 feet, westerly 108.06 feet along said curve through a central angle of 05°31'42";
2. North 81°10'46" West, a distance of 306.86 feet;
3. along a tangent curve concave southerly, having a radius of 5,030.00 feet, westerly 796.01 feet along said curve through a central angle of 09°04'02";
4. South 89°45'12" West, a distance of 777.01 feet;
5. North 86°37'16" West, a distance of 440.60 feet;
6. North 43°30'54" West, a distance of 29.25 feet;
7. from a radial line which bears South 02°07'36" West, along a non-tangent curve concave northerly, having a radius of 400.00 feet, westerly 223.57 feet along said curve through a central angle of 32°01'28";
8. North 55°50'55" West, a distance of 580.09 feet;
9. North 54°32'02" West, a distance of 120.81 feet;
10. North 02°19'21" West, a distance of 332.22 feet;
11. South 89°45'12" West, a distance of 53.04 feet to the easterly line of that certain easement conveyed to Reclamation District No. 1000 on June 25, 1926 in Book 76 of Official Records, at Page 388;

thence along said easterly line, North 00°24'23" West, a distance of 1,493.83 feet;

thence continuing along said easterly line, North 00°32'38" West, a distance of 2,693.48 feet to the northerly line of said Section 33;

thence along said northerly line, South 89°51'49" East, a distance of 70.00 feet to the **POINT OF BEGINNING**.

Containing 9.992 acres, more or less.

FACILITY EASEMENT AREA 2

TOGETHER WITH that portion of Lot 98 of said "Map of Natomas Central Subdivision", described as follows:

BEGINNING at the intersection of that certain course delineated as "N 89°28'29" E 85.20 feet" in a Directors Deed recorded in Book 940616 of Official Records, at Page 402, with the westerly line of that easement recorded in February 1, 1988 in Book 880201 of Official Records, at Page 1129, both of said County records; thence from said **POINT OF BEGINNING** along said westerly line, South 00°36'29" East, a distance of 167.44 feet; thence continuing along said westerly line, South 04°22'17" West, a distance of 16.27 feet;

thence North 17°16 '05" West, a distance of 161.80 feet;

thence North 04°20'58" East, a distance of 10.42 feet;

thence North 85°39'02" West, a distance of 10.25 feet to the southerly prolongation of the westerly line of that certain easement conveyed to Reclamation District No. 1000 in a Director's Deed recorded in Book 760924 of Official Records, at Page 1067, records of said County;

thence along said prolongation, North 04°46'50" East, a distance of 17.54 feet to the southwest corner of said easement;

thence along the south line of said easement and said "N 89°28'29" E 85.20 feet" course, respectively, North 89°29'21" East, a distance of 55.47 feet to the **POINT OF BEGINNING**.

Containing 0.122 acres, more or less.

FACILITY EASEMENT AREA 3

TOGETHER WITH that portion of Lots 98 and 124 of said "Map of Natomas Central Subdivision", described as follows:

BEGINNING at the intersection of the westerly line of said easement per Book 760924 of Official Records, at Page 1067 with a line parallel with and 30.00 feet westerly (as measured at right angles) of that certain course delineated as "N 00°33'00" W 351.20 feet" in a Director's Deed (Quitclaim) recorded in Book 940615 of Official Records, at Page 401; thence from said **POINT OF BEGINNING**, along said parallel line, North 00°32'08" West, a distance of 352.48 feet;

thence North 04°21'50" East, a distance of 340.84 feet;

thence parallel with and 30.00 feet westerly (as measured at right angles) of the westerly line of that certain Grant Deed recorded in Book 680927 of Official Records, at Page 495, said County records, North 00°30'39" West, a distance of 560.44 to the south line of that certain easement conveyed to the Sacramento Area Sewer District in Book 20090727 of Official Records, at Page 846, said County records;

thence along said south line, North 89°07'14" East, a distance of 0.25 feet to the westerly line of that certain easement conveyed to Reclamation District No. 1000 in Book 960123 of Official Records, at Page 1366, said County records;

thence along said westerly line, South 00°33'38" East, a distance of 901.32 feet;

thence continuing along said westerly line, South 04°20'48" West, a distance of 352.48 feet to the **POINT OF BEGINNING**.

Containing 0.248 acres, more or less.

See Exhibit 'B', Plat to accompany description, attached hereto and made a part hereof.

DECEMBER 12, 2018

END OF DESCRIPTION

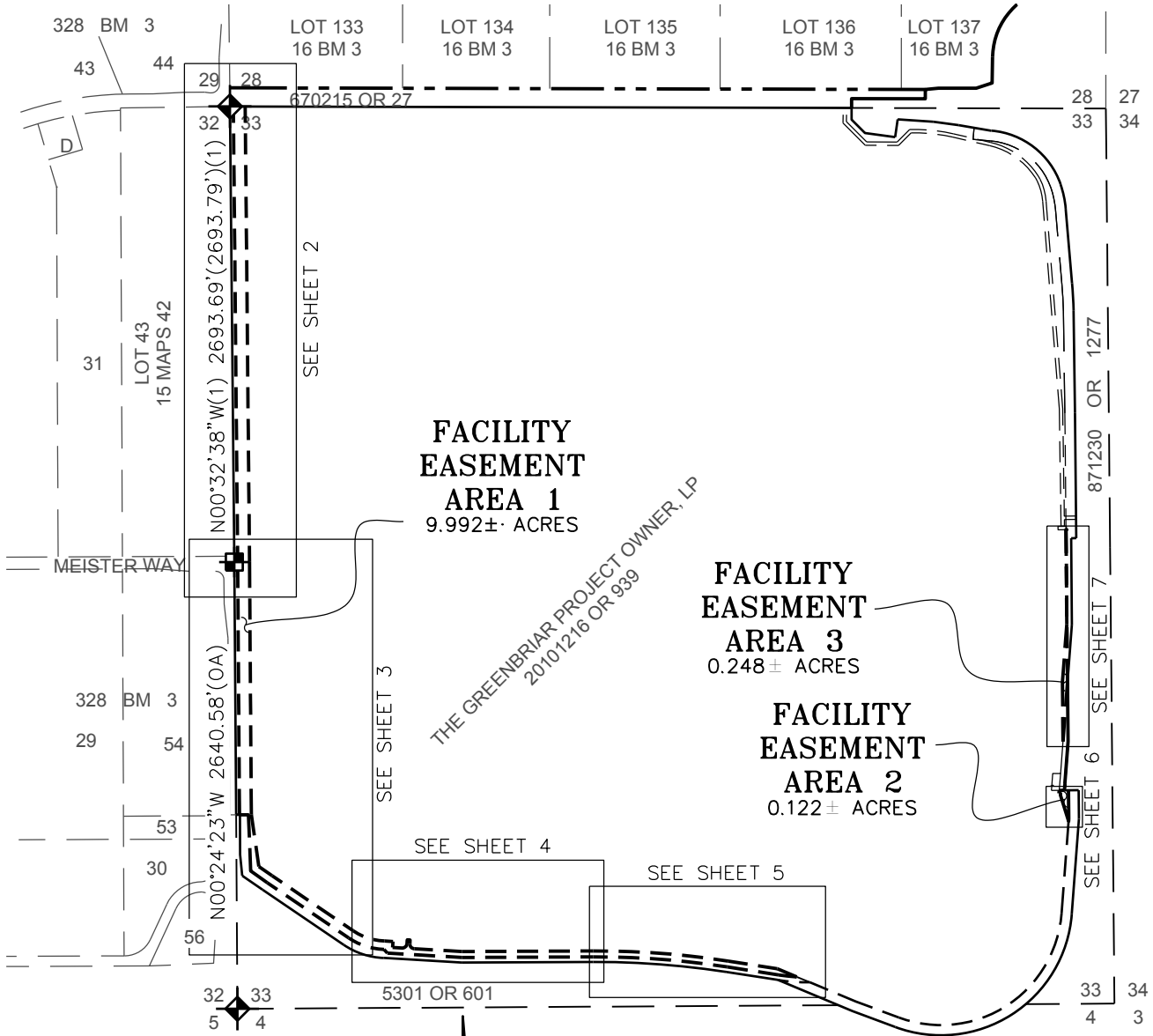
PREPARED BY WOOD RODGERS, INC
SACRAMENTO, CALIFORNIA

EXHIBIT 'B'

PLAT TO ACCOMPANY
DESCRIPTION

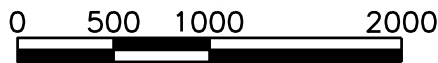
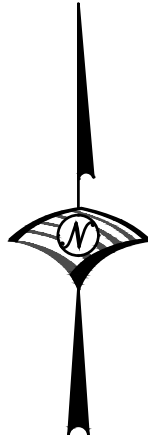
GREENBRIAR RD 1000 EASEMENTS

CITY OF SACRAMENTO
COUNTY OF SACRAMENTO STATE OF CALIFORNIA



LEGEND

- P.O.B. POINT OF BEGINNING
- (R) RADIAL BEARING
- ◆ SECTION CORNER
- ⊕ SECTION QUARTER CORNER
- DIMENSION POINT



SCALE: 1" = 1000'



WOOD RODGERS

BUILDING RELATIONSHIPS ONE PROJECT AT A TIME

3301 C ST, BLDG. 100-B TEL 916.341.7760

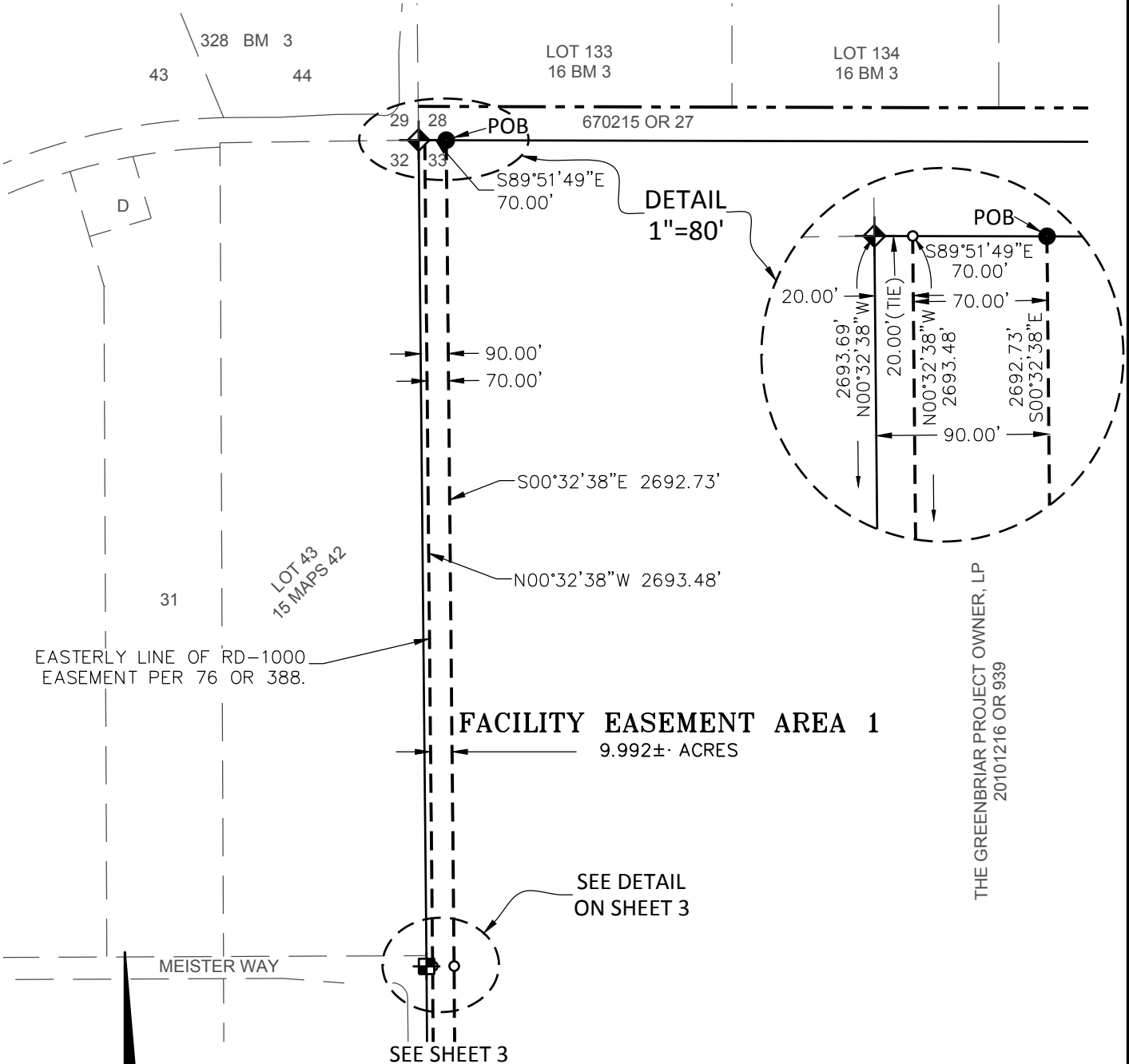
SACRAMENTO, CA 95816 FAX 916.341.7767

DECEMBER 12, 2018 1116.010 SHEET 1 OF 7

EXHIBIT 'B'

PLAT TO ACCOMPANY
DESCRIPTION

GREENBRIAR RD 1000 EASEMENTS CITY OF SACRAMENTO COUNTY OF SACRAMENTO STATE OF CALIFORNIA



THE GREENBRIAR PROJECT OWNER, LP
20101216 OR 939

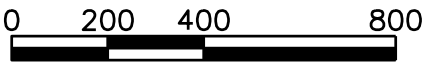
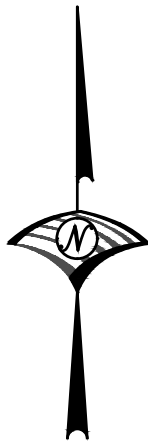
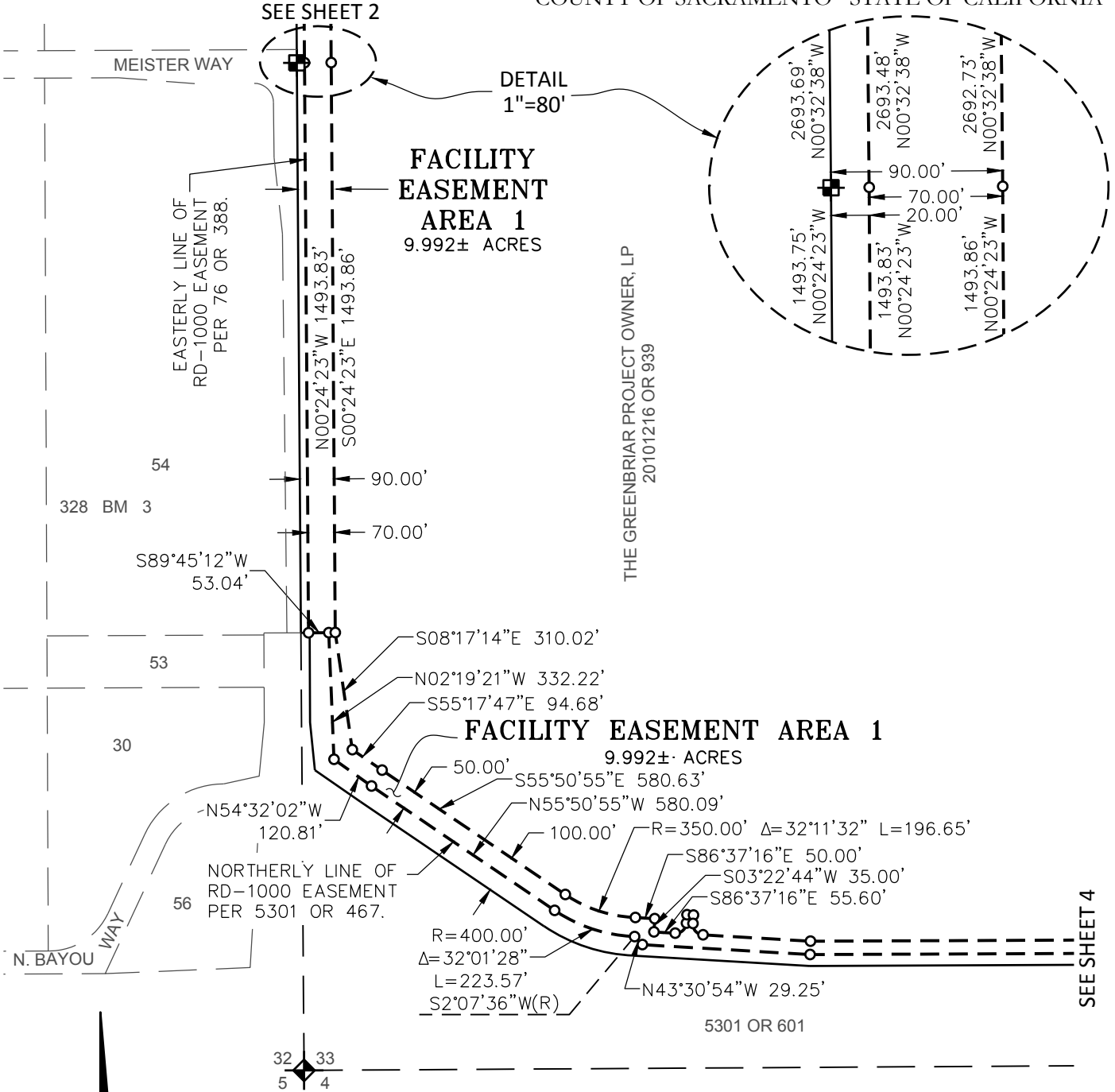
WOOD RODGERS
BUILDING RELATIONSHIPS ONE PROJECT AT A TIME
3301 C ST, BLDG. 100-B TEL 916.341.7760
SACRAMENTO, CA 95816 FAX 916.341.7767
DECEMBER 12, 2018 1116.010 SHEET 2 OF 7

EXHIBIT 'B'

PLAT TO ACCOMPANY
DESCRIPTION

**GREENBRIAR
RD 1000 EASEMENTS**

CITY OF SACRAMENTO
COUNTY OF SACRAMENTO STATE OF CALIFORNIA



SCALE: 1" = 400'

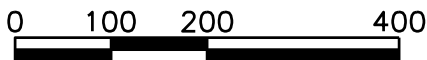
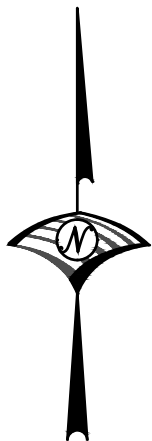
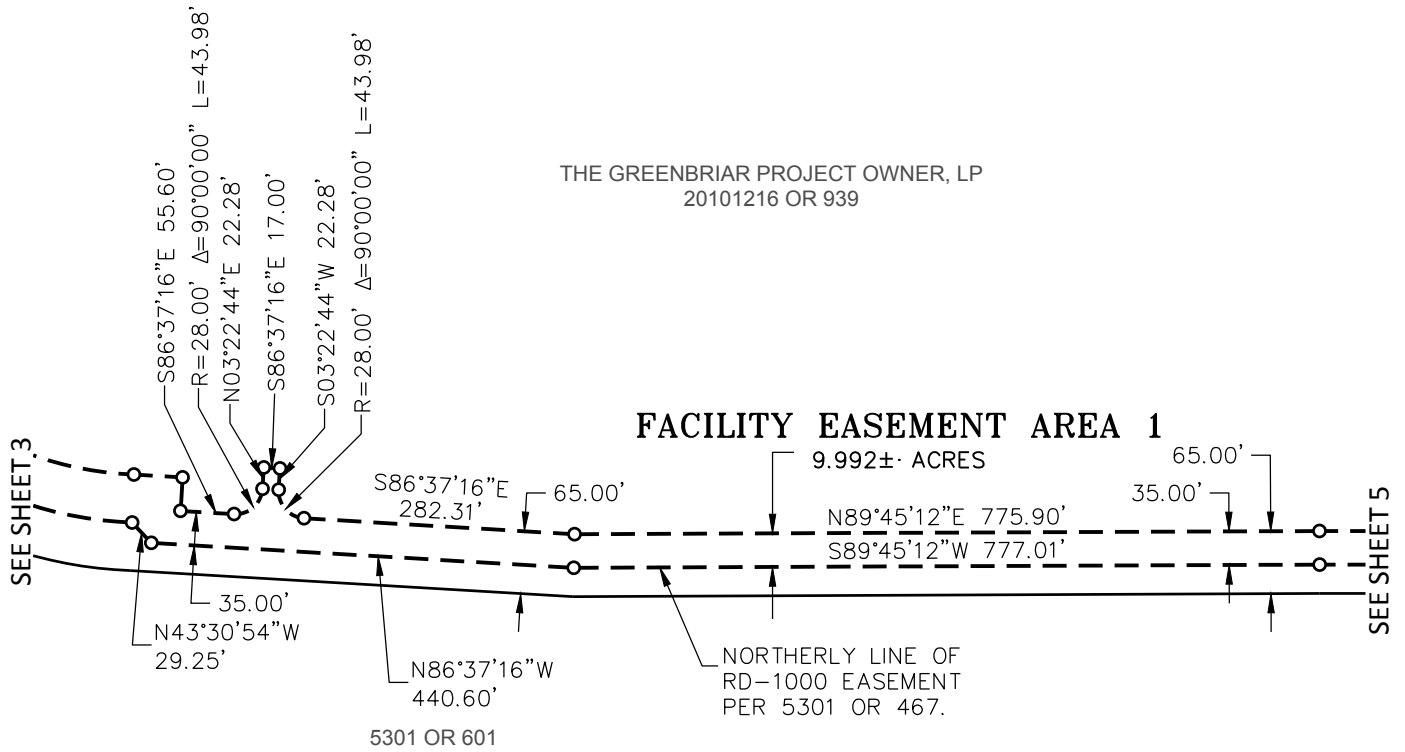
WOOD RODGERS
BUILDING RELATIONSHIPS ONE PROJECT AT A TIME
3301 C ST, BLDG. 100-B TEL 916.341.7760
SACRAMENTO, CA 95816 FAX 916.341.7767
DECEMBER 12, 2018 1116.010 SHEET 3 OF 7

EXHIBIT 'B'

PLAT TO ACCOMPANY
DESCRIPTION

GREENBRIAR
RD 1000 EASEMENTS
CITY OF SACRAMENTO
COUNTY OF SACRAMENTO STATE OF CALIFORNIA

THE GREENBRIAR PROJECT OWNER, LP
20101216 OR 939



SCALE: 1" = 200'



WOOD RODGERS
BUILDING RELATIONSHIPS ONE PROJECT AT A TIME

3301 C ST, BLDG. 100-B TEL 916.341.7760
SACRAMENTO, CA 95816 FAX 916.341.7767
DECEMBER 12, 2018 1116.010 SHEET 4 OF 7

EXHIBIT 'B'

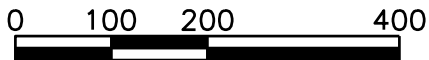
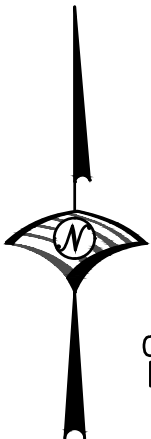
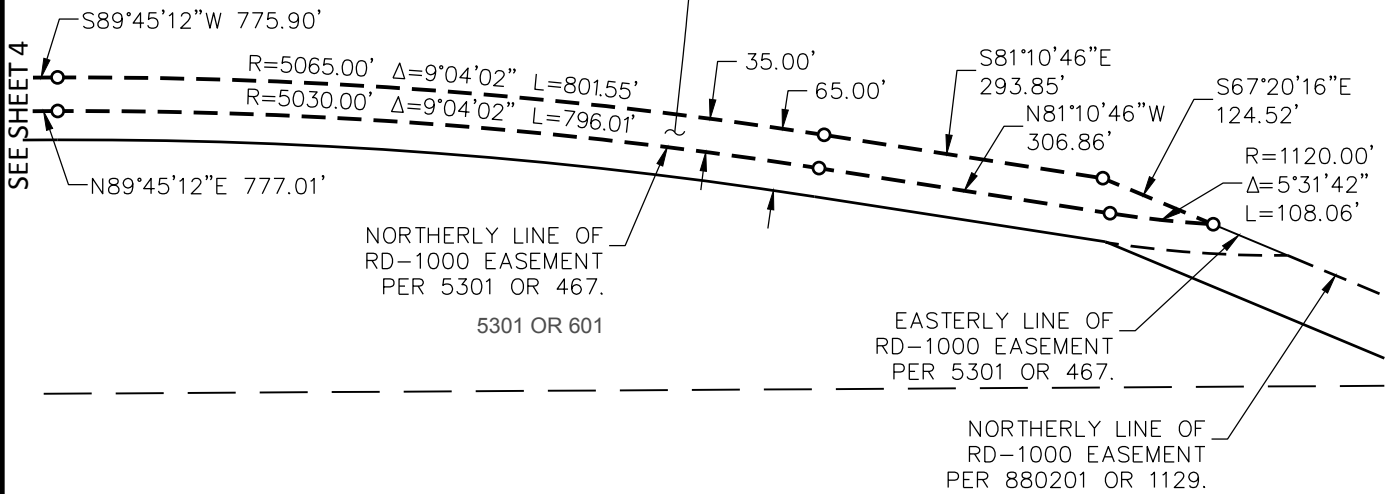
PLAT TO ACCOMPANY
DESCRIPTION

GREENBRIAR RD 1000 EASEMENTS CITY OF SACRAMENTO COUNTY OF SACRAMENTO STATE OF CALIFORNIA

THE GREENBRIAR PROJECT OWNER, LP
20101216 OR 939

FACILITY EASEMENT AREA 1

9.992± ACRES



SCALE: 1" = 200'



WOOD RODGERS

BUILDING RELATIONSHIPS ONE PROJECT AT A TIME

3301 O ST, BLDG. 100-B TEL 916.341.7760

SACRAMENTO, CA 95816 FAX 916.341.7767

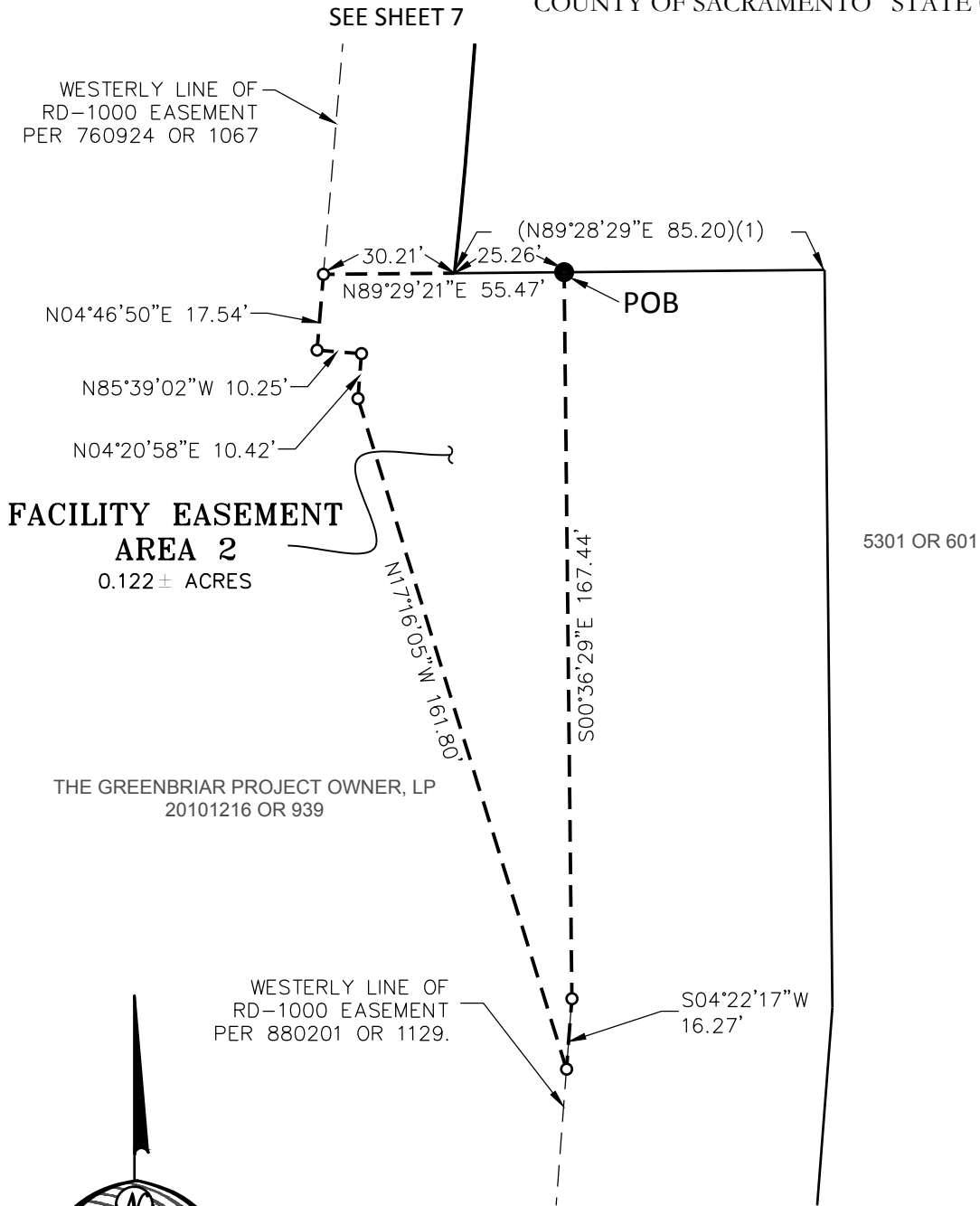
DECEMBER 12, 2018 1116.010 SHEET 5 OF 7

EXHIBIT 'B'

PLAT TO ACCOMPANY
DESCRIPTION

GREENBRIAR RD 1000 EASEMENTS

CITY OF SACRAMENTO
COUNTY OF SACRAMENTO STATE OF CALIFORNIA



(1) DENOTES RECORD INFORMATION
PER 940616 OR 0402



SCALE: 1" = 40'



WOOD RODGERS

BUILDING RELATIONSHIPS ONE PROJECT AT A TIME

3301 C ST, BLDG. 100-B TEL 916.341.7760

SACRAMENTO, CA 95816 FAX 916.341.7767

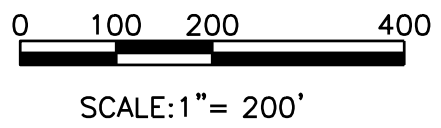
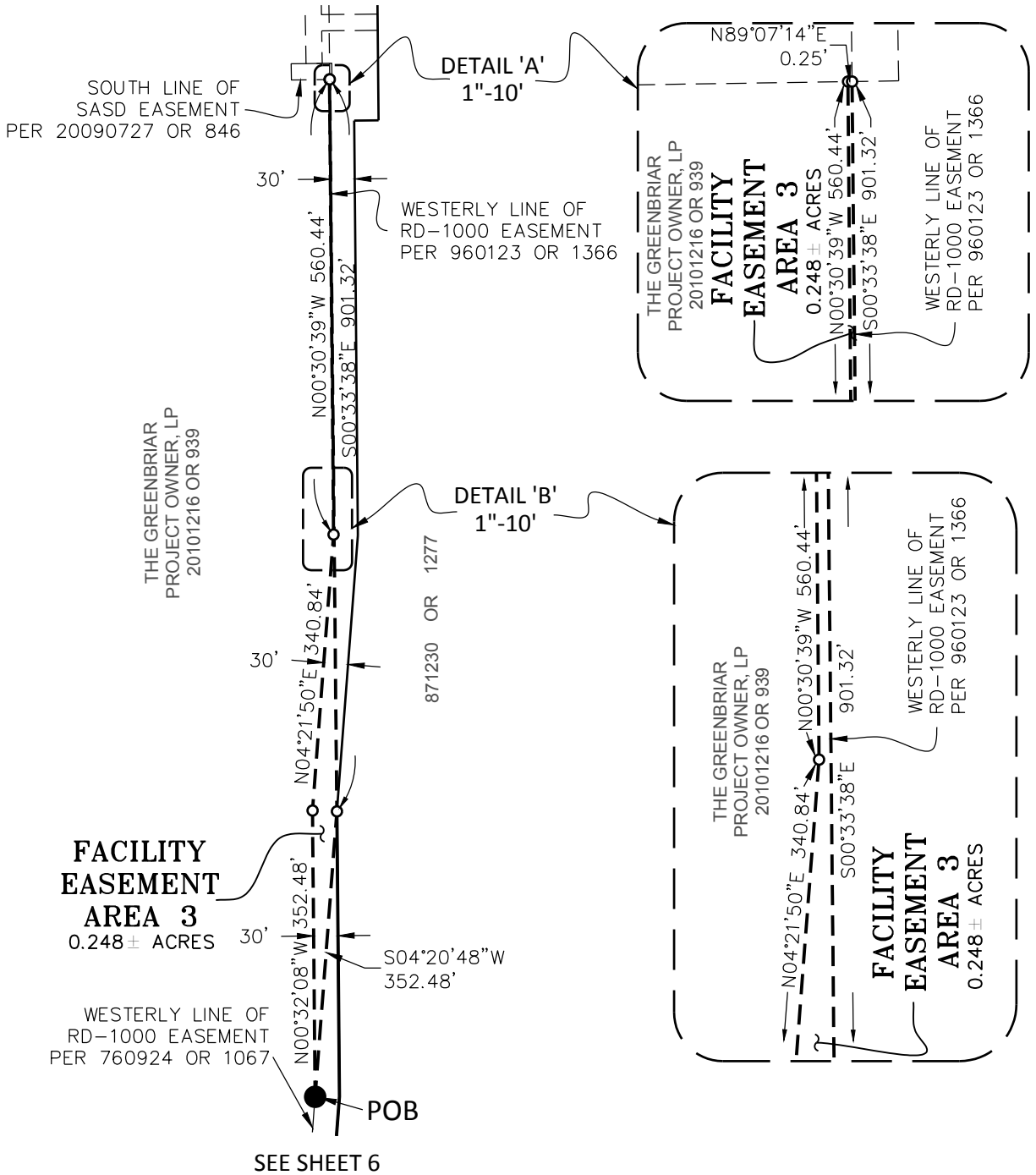
DECEMBER 12, 2018 1116.010 SHEET 6 OF 7

EXHIBIT 'B'

PLAT TO ACCOMPANY
DESCRIPTION

**GREENBRIAR
RD 1000 EASEMENTS**

CITY OF SACRAMENTO
COUNTY OF SACRAMENTO STATE OF CALIFORNIA



WOOD RODGERS
BUILDING RELATIONSHIPS ONE PROJECT AT A TIME
3301 O ST, BLDG. 100-B TEL 916.341.7760
SACRAMENTO, CA 95816 FAX 916.341.7767
DECEMBER 12, 2018 1116.010 SHEET 7 OF 7

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

NAME Reclamation District No. 1000
MAILING ADDRESS 1633 Garden Highway
CITY, STATE ZIP CODE Sacramento, CA 95833

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

Documentary Transfer Tax \$ - 0 -
 Computed on value of interest conveyed.
 Computed on value of interest conveyed less liens
and encumbrances remaining thereon at time of sale.
 No property transfer tax due.

By: _____

GRANT OF EASEMENT

FOR VALUABLE CONSIDERATION, the receipt and adequacy of which is hereby acknowledged, THE GREENBRIAR PROJECT OWNER, LP, a Delaware Limited Partnership (“Grantor”), hereby grants to RECLAMATION DISTRICT NO. 1000, a public entity of the State of California created under Cal. Stats. 1911, Chapter 412, its successors and assigns (“Grantee”), a non-exclusive and perpetual easement for ingress and egress, together with the right to improve and repair same with AB and asphalt, upon and across that certain real property located in the County of Sacramento as described on Exhibit “A” (the “Access Easement”) and shown on Exhibit “B” attached hereto and incorporated herein by this reference. Grantor covenants and agrees for itself, its successors and assigns, as a covenant running with the land, that Grantor will not commence or allow other uses in the Easement Area which may interfere with Grantee’s use, operation, maintenance or replacement of its drainage channel, and agrees to provide to Grantee an opportunity to reasonably review and approve of any such other uses and to enter into a joint use agreement with any such other users within the Easement Area prior to the granting of any rights therefore or the commencement of any such other uses.

Dated: _____, 2018

THE GREENBRIAR PROJECT OWNER, LP
a Delaware Limited Partnership

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of _____)

On _____ before me,

(insert name and title of the officer)

personally appeared

, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of _____)

On _____ before me,

(insert name and title of the officer)

personally appeared

, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)

EXHIBIT 'A'
GREENBRIAR
LEGAL DESCRIPTION FOR
ACCESS EASEMENT

All that real property located in the City of Sacramento, County of Sacramento, State of California described as follows:

Being a portion of Lots 124 and 125 as shown on that certain map titled "Map of Natomas Central Subdivision", filed in Book 16 of Maps, at Page 3, Official Records of Sacramento County and situate in Section 33, Township 10 North, Range 4 East, Mount Diablo Meridian, more particularly described as follows:

ACCESS EASEMENT

COMMENCING at a 3/4" iron pipe set in concrete marking the northwest corner of said Section 33 and the northwest corner of Lot 129 of said map of Natomas Central Subdivision, and being shown on that certain Record of Survey filed January 2, 1974 in Book 30 of Surveys, at Page 38; thence from said **POINT OF COMMENCEMENT**, along the west line of the northwest quarter of said section 33 as shown on said Record of Survey, South 00°32'38" East, a distance of 2693.69 feet to a 3/4" iron pipe set in concrete and being shown on said Record of Survey; thence North 88°53'38" West, a distance of 4919.06 feet to the **TRUE POINT OF BEGINNING**; thence from said **TRUE POINT OF BEGINNING**, North 22°31'37" West, a distance of 75.82 feet to the southerly prolongation of the westerly line of that certain sewer easement conveyed to the Sacramento Area Sewer District in Book 20090827 of Official Records, at Page 845; thence along said prolongation and the westerly and southerly lines of said sewer easement the following ten (10) arcs, courses and distances:

1. North 00°52'46" West, a distance of 740.78 feet;
2. North 04°33'50" West, a distance of 1,230.49 feet;
3. along a tangent curve concave to the west, having a radius of 343.24 feet, northerly 127.59 feet along said curve through a central angle of 21°17'50";
4. North 29°35'54" West, a distance of 19.34 feet;
5. from a radial line which bears North 57°06'32" East, along a non-tangent curve concave to the southwest, having a radius of 442.13 feet, northwesterly 340.49 feet along said curve through a central angle of 44°07'28";
6. North 77°00'55" West, a distance of 222.01 feet;
7. from a radial line which bears North 12°51'44" East, along a non-tangent curve concave to the south, having a radius of 1,014.54 feet, westerly 249.13 feet along said curve through a central angle of 14°04'10";
8. South 45°08'07" West, a distance of 104.93 feet;
9. North 89°51'53" West, a distance of 196.45 feet;
10. North 44°51'53" West, a distance of 186.22 feet;

thence continuing along said westerly line and the northerly prolongation thereof, North 00°08'07" East, a distance of 89.17 feet to the north line of said Section 33;

thence along said northerly line, South 89°51'49" East, a distance of 28.50 feet;

thence South 22°19'53" West, a distance of 22.50 feet;

thence along said northerly prolongation and the northerly and easterly lines of said sewer easement the following ten (10) arcs, courses and distances:

1. South 00°08'07" West, a distance of 60.06 feet;
2. South 44°51'53" East, a distance of 169.65 feet;
3. South 89°51'53" East, a distance of 179.88 feet;
4. North 45°08'07" East, a distance of 104.61 feet;
5. from a radial line which bears North 01°39'10" West, along a non-tangent curve concave to the south, having a radius of 1,034.54 feet, easterly 262.10 feet along said curve through a central angle of 14°30'58";
6. South 77°00'55" East, a distance of 222.03 feet;
7. along a tangent curve concave to the southwest, having a radius of 462.13 feet, southeasterly 356.47 feet along said curve through a central angle of 44°11'47"; thence South 29°35'54" East, a distance of 20.55 feet;
8. from a radial line which bears North 64°02'04" East, along a non-tangent curve concave to the west, having a radius of 363.24 feet, southerly 135.68 feet along said curve through a central angle of 21°24'06";
9. South 04°33'50" East, a distance of 1,231.13 feet;
10. South 00°52'46" East, a distance of 714.87 feet to the northerly line of that certain sewer easement conveyed to the Sacramento Area Sewer District in Book 20090727 of Official Records, at Page 846, said County records;

thence along said northerly line, North 89°07'14" East, a distance of 8.59 feet;

thence South 00°30'39" East, a distance of 97.02 feet to the **TRUE POINT OF BEGINNING.**

Containing 1.640 acres, more or less.

See Exhibit 'B', Plat to accompany description, attached hereto and made a part hereof.

DECEMBER 12, 2018

END OF DESCRIPTION

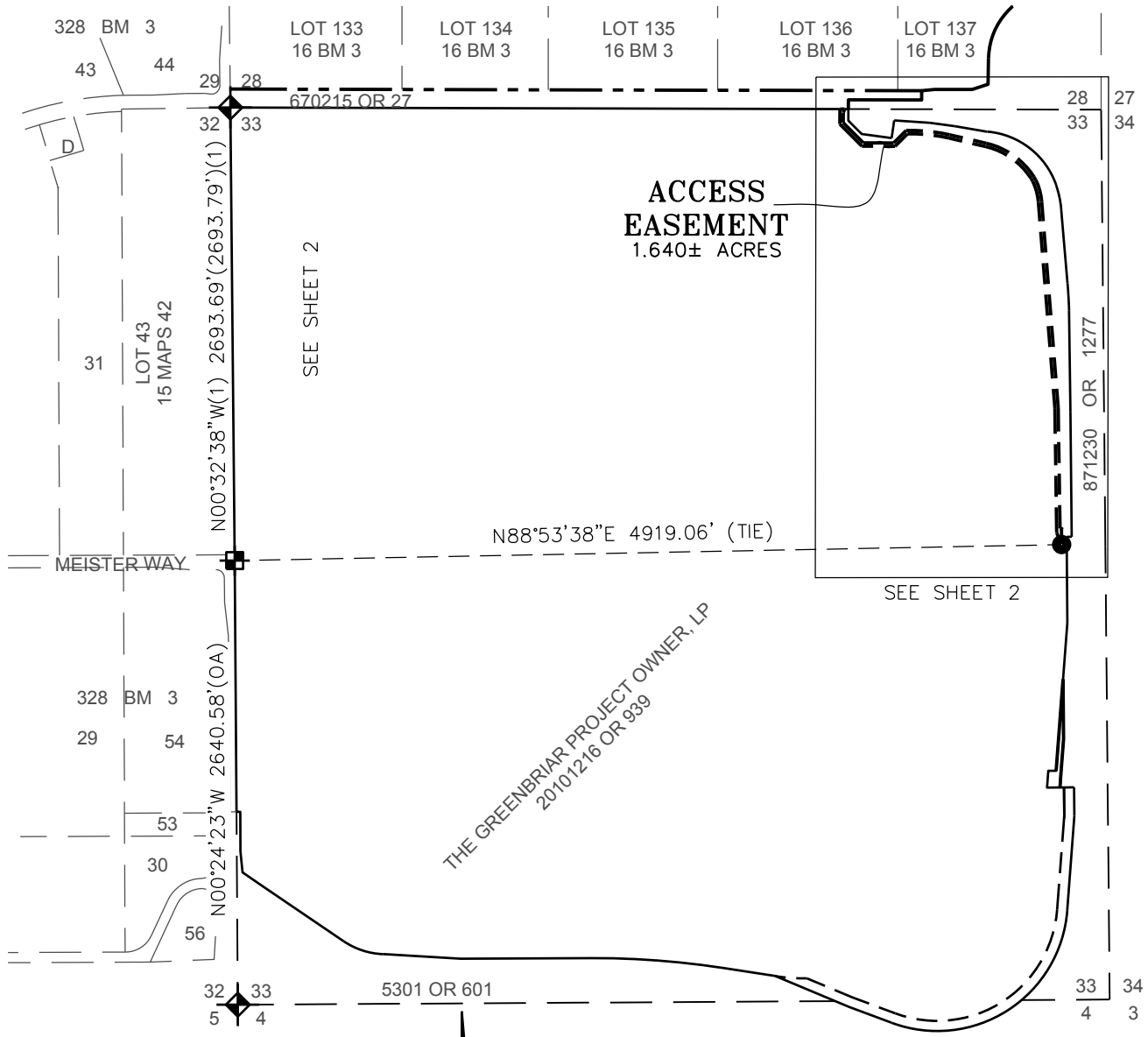
PREPARED BY WOOD RODGERS, INC
SACRAMENTO, CALIFORNIA

EXHIBIT 'B'

PLAT TO ACCOMPANY
DESCRIPTION

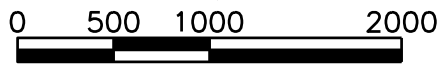
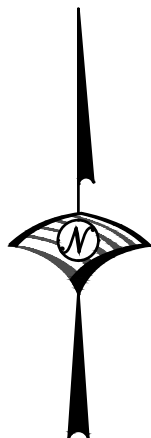
GREENBRIAR RD 1000 EASEMENTS

CITY OF SACRAMENTO
COUNTY OF SACRAMENTO STATE OF CALIFORNIA



LEGEND

- P.O.B. POINT OF BEGINNING
- (R) RADIAL BEARING
- ◆ SECTION CORNER
- ⊕ SECTION QUARTER CORNER
- DIMENSION POINT



SCALE: 1" = 1000'



WOOD RODGERS

BUILDING RELATIONSHIPS ONE PROJECT AT A TIME

3301 C ST, BLDG. 100-B TEL 916.341.7760

SACRAMENTO, CA 95816 FAX 916.341.7767

DECEMBER 12, 2018 1116.010 SHEET 1 OF 2

EXHIBIT 'B'

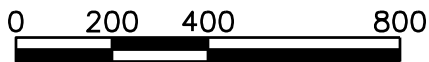
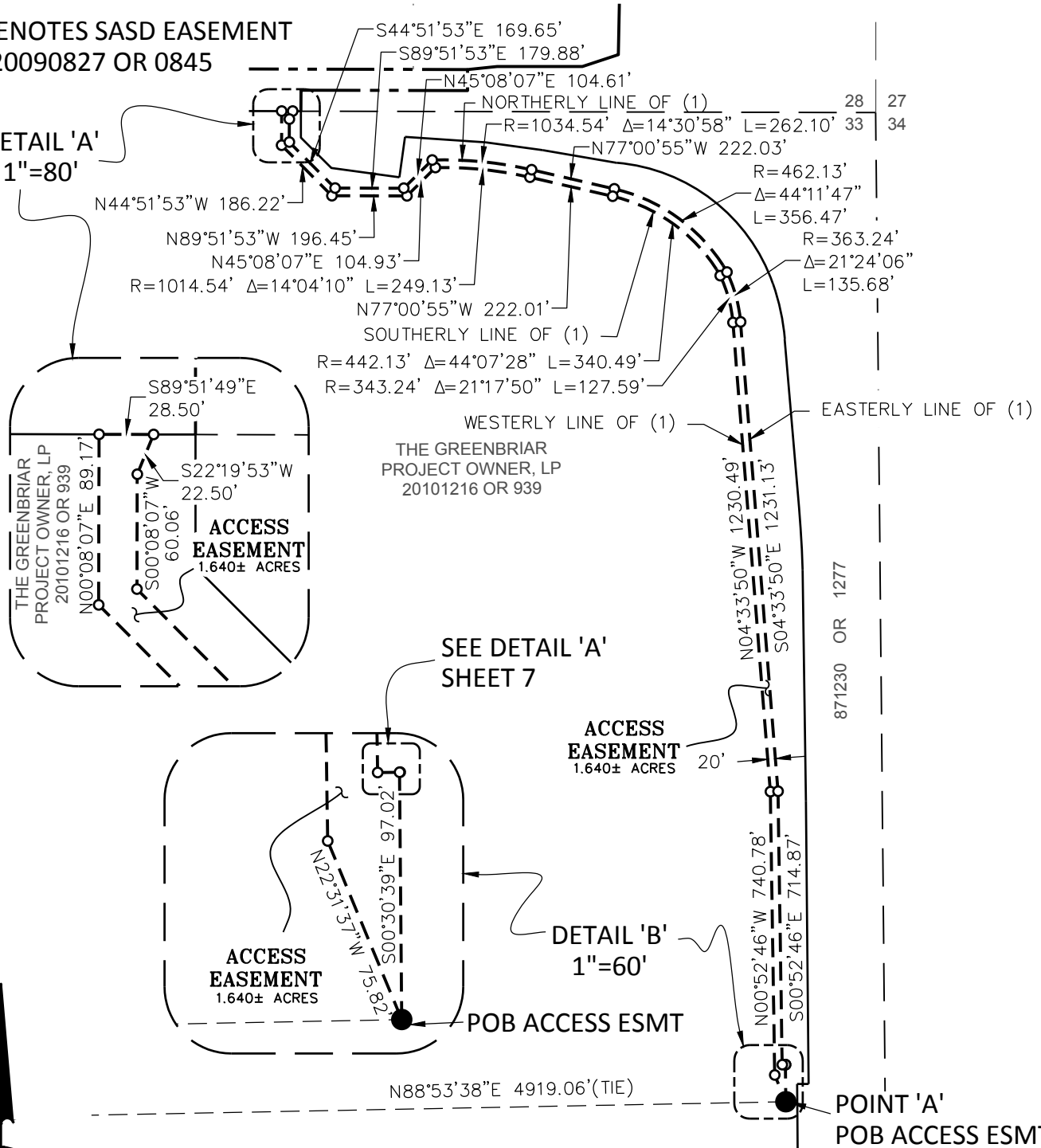
PLAT TO ACCOMPANY
DESCRIPTION

GREENBRIAR RD 1000 EASEMENTS

CITY OF SACRAMENTO
COUNTY OF SACRAMENTO STATE OF CALIFORNIA

(1) DENOTES SASD EASEMENT
PER 20090827 OR 0845

DETAIL 'A'
1"=80'



SCALE: 1" = 400'

WOOD RODGERS
BUILDING RELATIONSHIPS ONE PROJECT AT A TIME

3301 C ST, BLDG. 100-B TEL 916.341.7760
SACRAMENTO, CA 95816 FAX 916.341.7767
DECEMBER 12, 2018 1116.010 SHEET 2 OF 2

**STAFF
SUMMARIES & RECOMMENDATIONS
DECEMBER 14, 2018
AGENDA ITEM 4C**

SUBJECT: Adoption of 2017-18 Audited Financial Statements

Summary

The Finance Committee met with our auditor MaryAnn Cropper of Cropper Accountancy and staff on November 14, 2018 to review the 2017-2018 Draft Audited Financial Statements. After reviewing the Financial Statements with the Auditor, the Finance Committee tentatively, pending further additional time to review the draft audit, recommends approval of the audited Financial Statements to the Board at the December meeting. There were two recommendations from the auditor; one relating to developing an internal controls checklist. The second recommendation, developing a process with our accountant consultant to track FEMA disaster disbursements. Staff will develop processes for both auditor recommendations.

Background

The auditor, MaryAnn Cropper of Cropper Accountancy presented the draft Audited Financial Statements to the Finance Committee. After review and discussion, the Committee tentatively recommended approval of the Financial Statements and recommend the Board approve them at the December meeting.

A copy of the Audited Financial Statements is included in your Board packet.

Recommendation

Receive report from Finance Committee and move to adopt the 2017-2018 Audited Financial Statements.

RECLAMATION DISTRICT NO. 1000, CALIFORNIA

**FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

WITH INDEPENDENT AUDITORS' REPORTS THEREON

Year Ended June 30, 2018

RECLAMATION DISTRICT NO. 1000, CALIFORNIA

**1633 Garden Highway
Sacramento, California 95833
Tel: (916) 922-1449**

Year Ended June 30, 2018

**BOARD OF TRUSTEES
Elected Officials**

| Trustees | Four-Year Term Expires |
|-------------------------------------|-------------------------------|
| Jerome Smith, President | December 1, 2019 |
| Tom Barandas, Vice-President | December 1, 2019 |
| Thomas M. Gilbert, Trustee | December 1, 2021 |
| Nick Avdis, Trustee | December 1, 2021 |
| Chris Burns, Trustee | December 1, 2021 |
| David Christophel, Trustee | December 1, 2021 |
| Frederick Harris, Trustee | December 1, 2019 |

DISTRICT MANAGEMENT

**General Manager
District Secretary**

**Paul Devereux
Joleen Gutierrez**

RECLAMATION DISTRICT NO. 1000, CALIFORNIA

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office location
2700 Ygnacio Valley Road, Ste 270
Walnut Creek, CA 94598

(925) 932-3860 tel

mailing address
2977 Ygnacio Valley Rd, PMB 460
Walnut Creek, CA 94598

(925) 476-9930 efax

www.cropperaccountancy.com

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
Reclamation District 1000, California
Sacramento, California

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Reclamation District No. 1000, California, (the District) as of June 30, 2018, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit 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, and the State Controller's Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Reclamation District No. 1000, California as of June 30, 2018, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America, as well as accounting systems prescribed for special districts by the Office of the California State Controller.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4-13, the Schedule of the District's Net Proportionate Share of the Net Pension Liability on page 44, the Schedule of the District's Contributions on page 45, the Schedule of Changes in the Net OPEB Asset and Related Ratios on page 46, the Schedule of the District's Contributions on page 47 and the respective budgetary comparisons for the governmental fund on pages 41 and 42 be presented to supplement the basic financial statements. Such information, 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. 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.

Implementation of New Accounting Standard

As disclosed in Note 7 to the financial statements, the District implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, during the fiscal year 2018.



CROPPER ACCOUNTANCY CORPORATION

WALNUT CREEK, CALIFORNIA
November 14, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

RECLAMATION DISTRICT NO. 1000, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended June 30, 2018

Our discussion and analysis of 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, 2018. Please read it in conjunction with the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2018

- At the end of the year, the District's net position is \$51.8 million, of which \$43.8 million is invested in capital assets and \$8.0 million is unrestricted.
- As of June 30, 2018, the District's General Fund reported a total fund balance of \$8.4 million, of which \$7.8 million has been assigned or committed by the Board and \$514 thousand has been legally restricted.
- The District's capital asset balances were \$43.7 million at year-end, decreasing slightly due to \$513 thousand in capital additions offset by \$1.3 million in depreciation.
- The District has no long-term debt.

CAPITAL PROJECTS

- ***Pumping Plant No. 2 Reconstruction***

During the 2006 flood emergency declaration, the District initiated flood emergency operations including removal of Pumping Plant No. 2 to prevent a levee failure due to under seepage concerns. Following the disaster, FEMA determined the costs for replacement of the pumping plant to be eligible for reimbursement through a FEMA Disaster Assistance Grant. The amount of the grant has been adjusted several times since its initial approval and currently the approved amount is \$7,400,000 based on actual costs to date. This project was funded primarily by the FEMA disaster assistance grant with SAFCA funding associated canal, levee and other ancillary improvements not eligible for reimbursement under the FEMA grant as part of their Natomas Levee Improvement Project.

In 2016, the District submitted a Project Close-Out and requested reimbursement of an additional \$594,808 based on actual costs and work the District believes are eligible under the grant. In late 2017 FEMA indicated a revised Project Worksheet and estimate including most of the additional costs claimed by the District will be sent to the State and District in 2018 and the project formally closed out. By letter dated November 9, 2018, the District received notification from FEMA that the request to increase the Project Worksheet amount has been conditionally approved, and the project is ready for close-out. The District anticipates that the project will be closed out during fiscal 2019. The 10% project retention, along with the additional funds included in the revised Project Worksheet, being held by FEMA cannot be released until Project Close-Out.

**RECLAMATION DISTRICT NO. 1000, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended June 30, 2018**

- ***District Corp Yard Improvements***

- The District installed a new well at the Corporation Yard site on W. Elkhorn Blvd to provide potable water for the site as well as the adjacent City Fire Station which is leased from the District. Cost of installing the new well in FY 2017-18 was \$35,150.

- ***Supervisory Control and Data Acquisition System (SCADA)***

The District adopted a SCADA (Supervisory Control and Data Acquisition) Master Plan in 2017. With its implementation, the District will be able to remotely monitor canal levels and operations at its pumping stations. This will improve public safety and allow for a more efficient monitoring and operations of its interior drainage and flood control system. Eventually, the SCADA system can be expanded to allow for remote operations of its pumping plants, as well as security monitoring in the future. In FY 2017-2018, the District completed plans and specifications for implementing Phase 1 of the SCADA system; a portion of the costs are eligible for reimbursement through a Bureau of Reclamation federal grant coordinated through an agreement with the Natomas Mutual Water Company. A contract for construction of the Phase 1 facilities was awarded in July 2018 in the amount of \$448,000. Consultant costs for preparation of the plans and specifications and bidding process in FY 2017-18 were \$143,612.

- ***Pumping Plant No. 8 Security Fencing***

The District awarded a construction contract for security fencing around Pumping Plant No. 1 to Arktos Inc. in August 2017 in the amount of \$59,750. Construction of the fence was completed in November 2017 and final payment made to the contractor in January 2018. The new security fence reduces the risk of vandalism and wire theft thereby improving the reliability of pump operations, especially during critical flood events. The total cost of the security fence construction in FY 2017-2018 was \$53,775.

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

The Natomas Levee Improvement Project (NLIP) funded by the Sacramento Area Flood Control Agency (SAFCA) and Natomas Basin Project (Federal Project) funded by the Corps of Engineers 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 or 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

RECLAMATION DISTRICT NO. 1000, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended June 30, 2018

studies done to date, as well as previous experience during flood events. It is anticipated that the remaining work will be completed by the Corps of Engineers (COE) as part of the Natomas Basin Project authorized by Congress in the 2014 Water Resources Reform and Development Act (WRRDA). Despite the availability of federal funds, construction has been delayed due to construction contracting issues. No levee construction work was done during FY 17-18. Work commenced in August 2018 and several additional construction contracts are anticipated to be awarded for construction in 2019. Completion of the project is estimated to be approximately six to seven years after construction is initiated. However, this schedule is dependent on annual federal appropriations and the timely acquisition of necessary rights of way and relocations of utilities, which interfere with the levee improvements

Activities on the federal Natomas Basin Project during the current fiscal year of 2017-18 included:

- Design, environmental and right of way activities continued by the COE, State and SAFCA for the federal Natomas Basin Project improvements.

OPERATIONS AND MAINTENANCE

After a record flood season in 2016-2017, rainfall amounts returned to normal in 2017-2018. After a dry fall and early winter, several large storms moved through the area in spring bringing the annual precipitation to just below normal. The river levels never reached stages where the District was on 24-hour patrol, though the field crew was busy operating and maintaining the District pump stations.

Outside of the flood season, the District's crew performed the normal operations and maintenance activities including mowing canals/levees; spraying both terrestrial and aquatic pesticides to manage the vegetation, minor repairs to facilities, garbage/debris removal and pump station maintenance. The District has also experienced a considerable increase in homeless activity within its floodways. This has resulted in a significant increase in trash and debris removal and impacted our efficiency in other operations due to the presence of camps within the floodway. The District is working with our other partners at the City and County to develop a coordinated plan.

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. While the levees are improved and significantly reduce the flood risk in the District, they include a much larger footprint 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.

RECLAMATION DISTRICT NO. 1000, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended June 30, 2018

PLANNING

The District adopted a Capital Improvement Program (CIP) in 2014 which identified a number of projects to be constructed over the next 20 years and identified several funding sources to meet these future funding obligations. The CIP is scheduled to be updated in 2019.

The District previously adopted the 2015-2020 Reclamation District No. 1000 Strategic Plan, which will assist management and the Board in identifying and prioritizing short term planning and funding goals for the five year period of the Plan. Several actions identified in the Plan have already been implemented. The Board received an update on implementation of the Strategic Plan at their August 2018 meeting.

The Board approved an Asset Management Roadmap in March 2018 which identified several planning and administrative initiatives to improve the District's operations and efficiency. Action has already begun on several items identified in the Roadmap including implementation of electronic time keeping; initiation of the SCADA system' staff training; document management and implementation of a revised accounting system.

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 revenue and restricted capital project reimbursements finance almost all of the District's flood protection activities.

RECLAMATION DISTRICT NO. 1000, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended June 30, 2018

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 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 to 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 \$51.8 million at the close of the most recent fiscal year.

The largest portion of the District's net position (84.5%) 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.

**RECLAMATION DISTRICT NO. 1000, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended June 30, 2018**

**TABLE 1
Condensed Statement of Net Position
June 30, 2018 and 2017
(in thousands)**

| | 2018 | 2017 |
|---------------------------------|------------------|------------------|
| Current and other assets | \$ 9,658 | \$ 9,583 |
| Capital assets | <u>43,771</u> | <u>44,595</u> |
| Total assets | <u>53,429</u> | <u>54,178</u> |
| | | |
| Deferred outflows of resources | <u>\$ 469</u> | <u>\$ 371</u> |
| | | |
| Current and other liabilities | <u>\$ 2,033</u> | <u>\$ 1,911</u> |
| | | |
| Deferred inflows of resources | <u>\$ 50</u> | <u>\$ 56</u> |
| | | |
| Net position: | | |
| Invested in capital assets, net | \$ 43,771 | \$ 44,595 |
| Unrestricted net position | <u>8,044</u> | <u>7,987</u> |
| Total net position | <u>\$ 51,815</u> | <u>\$ 52,582</u> |

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 was available.

The 2017-2018 capital purchases and additions were:

- Security Fencing: \$53,775; Shop Well: \$35,150; Asphalt: \$23,600; Chevrolet Truck: \$44,193; Kenworth Truck: \$177,728, Honda Pioneer: \$16,579; Komatsu Forklift: \$9,634; Office Equipment: \$8,507; SCADA Improvements: \$143,612.

The District depreciates capital assets using the straight-line method over the estimated lives of the assets. During the 2018 fiscal year, \$1,330,333 in depreciation expense was recognized.

There is no associated debt with any capital assets.

**RECLAMATION DISTRICT NO. 1000, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended June 30, 2018**

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, 2018 and 2017
(in thousands)**

| | 2018 | 2017 |
|--|-----------|-----------|
| Program Revenues: | | |
| Charges for services | \$ 20 | \$ 40 |
| Capital Contributions | 1,910 | 900 |
| General Revenues: | | |
| Assessment revenues | 2,268 | 2,249 |
| Investment earnings | 94 | 58 |
| Miscellaneous income | 24 | 6 |
| Total Revenues | 4,316 | 3,253 |
| Expenses: | | |
| Flood Protection | 4,558 | 4,170 |
| Change in net position | (242) | (917) |
| Net position, beginning of year, as restated | 52,057 | 53,500 |
| Net position, end of year | \$ 51,815 | \$ 52,583 |

The District's net position decreased by \$241,579 during the current fiscal year, as restated.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

At fiscal year end, the District's governmental fund reported a combined fund balance of \$8.4 million, an increase of \$495 thousand from the previous year's fund balance. This increase is due to current year revenues exceeding current year expenditures. Of the total \$8.4 million fund balances, \$7.8 million has been assigned or committed for specific purposes, \$63 thousand is considered nonspendable, and \$514 thousand is restricted.

Revenues in the District's governmental funds were \$4.2 million. Assessment revenue of \$2.2 million represents 53.7% of revenue for the governmental funds. Expenditures from governmental funds were \$3.7 million, which resulted in a change in fund balance of \$494,635.

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 committed funds by Resolution 2012-6 of the Board of Trustees.

Fund balances as of June 30, 2018 are restricted, nonspendable, assigned or committed as follows:

TABLE 3
Fund Balances
June 30, 2018

| <u>Fund Type</u> | <u>Fund Balance</u> |
|------------------------------|---------------------|
| Restricted fund balance | \$ 513,914 |
| Nonspendable fund balance | 63,177 |
| Committed fund balance | - |
| Assigned fund balances: | |
| Emergency Flood Fight | 1,500,000 |
| General capital | 3,402,189 |
| Operating reserve | 2,941,127 |
| Total assigned fund balances | 7,843,316 |
| Unassigned | - |
| Total fund balances | <u>\$ 8,420,407</u> |

GENERAL BUDGETARY HIGHLIGHTS

The following is a summary of current year budget and actual results for the District's General Fund revenues and other financing sources for the year ended June 30, 2018:

TABLE 4
Fund Revenues - Budget to Actual Comparisons

| | Final Budget | Actual | Favorable (Unfavorable) Variance |
|---|---------------------|---------------------|--|
| Revenues: | | | |
| Property Assessments | \$ 2,248,421 | \$ 2,231,678 | \$ (16,743) |
| Rents, easements, and fees for services | 40,000 | 19,871 | (20,129) |
| Interest | 13,000 | 93,967 | 80,967 |
| Reimbursement from CalOES | - | 483,179 | 483,179 |
| Other | 5,000 | 23,946 | 18,946 |
| O&M reimbursement from SAFCA | 1,300,000 | 1,300,000 | - |
| Finance Charges and penalties | 200 | - | (200) |
| Total | <u>\$ 3,606,621</u> | <u>\$ 4,152,641</u> | <u>\$ 546,020</u> |

Changes from the Amount Originally Budgeted

Changes made to the original budget can be found in the Required Supplementary Information.

Actual Revenues/Financing Sources Compared with Final Budgeted Amounts

Actual revenues and other financing sources recognized by the District's Governmental Fund were \$546,020 more than budget. The variance resulted primarily from the CalOES reimbursement not budgeted for in fiscal 2018.

Actual Expenditures/Other Financing Uses Compared with Final Budgeted Amounts

Following is a summary of current year budget and actual results for the District's General Fund expenditures (See Table 5). The favorable variance resulted from operations, administration and capital outlay.

TABLE 5
Fund Expenditures - Budget to Actual Comparisons

| | Budget | Actual | Favorable (Unfavorable) Variance |
|------------------|----------|----------|--|
| Flood Protection | \$ 3,921 | \$ 3,658 | \$ 263 |

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2018, the District has \$64.3 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, 2018 | As of June 30, 2017 | Increase (Decrease) |
|---|------------------------|------------------------|------------------------|
| Lands and rights of way | \$ 2,208,583 | \$ 2,208,583 | \$ - |
| Buildings, pump plants and improvements (including construction in progress) | 32,856,655 | 32,600,518 | 256,137 |
| Infrastructure | 26,514,781 | 26,514,781 | - |
| Equipment and vehicles | 2,727,793 | 2,592,963 | 134,830 |
| Total capital assets | <u>\$ 64,307,812</u> | <u>\$ 63,916,845</u> | <u>\$ 390,967</u> |

Debt Administration

As of June 30, 2018, the District had no long-term debt.

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:
Paul Devereux, General Manager

BASIC FINANCIAL STATEMENTS

RECLAMATION DISTRICT No. 1000, CALIFORNIA

Statement of Net Position

June 30, 2018

2018

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

ASSETS:

| | | |
|--|----|-------------------|
| Cash | \$ | 559,853 |
| Pooled cash and investments | | 6,537,156 |
| Assessments receivable | | 36,262 |
| Grant reimbursement receivable | | 741,808 |
| Interest receivable | | 26,599 |
| Receivable from SAFCA | | 1,302,500 |
| Other receivables, net of allowance of 2,863 | | 171,377 |
| Prepaid expenses | | 63,177 |
| Inventory | | 174,241 |
| Net OPEB Asset | | 44,998 |
| Capital assets, net | | <u>43,770,770</u> |

TOTAL ASSETS 53,428,741

DEFERRED OUTFLOWS OF RESOURCES 469,413

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION

LIABILITIES:

| | | |
|-----------------------------|----|------------------|
| Accounts payable | \$ | 106,562 |
| Accrued payroll and related | | 125,945 |
| Net pension liability | | 1,245,857 |
| Deferred revenue | | 513,914 |
| Deposits | | <u>40,666</u> |
| Total liabilities | | <u>2,032,944</u> |

DEFERRED INFLOWS OF RESOURCES 50,516

NET POSITION:

| | | |
|---|--|-------------------|
| Invested in capital assets, net of \$-0- related debt | | 43,770,770 |
| Unrestricted | | <u>8,043,924</u> |
| Total net position | | <u>51,814,694</u> |

See independent auditors' report and notes to the financial statements.

RECLAMATION DISTRICT No. 1000, CALIFORNIA
Statement of Activities
Year Ended June 30, 2018

| | 2018 | | | |
|--|----------------------|------------------|----------------------------------|--|
| | Expenses | Program Revenues | Capital Contributions and Grants | Net (Expense) Revenues and Changes in Net Position |
| | Charges for Services | | | |
| GOVERNMENTAL ACTIVITIES: | | | | |
| Flood Protection | \$ 4,557,637 | \$ 19,871 | \$ 1,910,335 | \$ (2,627,431) |
| GENERAL REVENUES: | | | | |
| Assessments | | | | 2,267,939 |
| Interest | | | | 93,967 |
| Miscellaneous | | | | 23,946 |
| Total general revenues | | | | <u>2,385,852</u> |
| CHANGE IN NET POSITION | | | | <u>(241,579)</u> |
| NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY STATED | | | | 52,582,463 |
| PRIOR PERIOD ADJUSTMENT (NOTE 7) | | | | <u>(526,190)</u> |
| NET POSITION, BEGINNING OF YEAR AS RESTATED | | | | <u>52,056,273</u> |
| NET ASSETS, END OF YEAR | | | | <u>\$ 51,814,694</u> |

See independent auditors' report and notes to the financial statements.

RECLAMATION DISTRICT No. 1000, CALIFORNIA
 Balance Sheet - Governmental Fund
 Year Ended June 30, 2018

| | General Fund |
|--|---------------------|
| | 2018 |
| ASSETS | |
| ASSETS: | |
| Cash | \$ 559,853 |
| Pooled cash and investments | 6,537,156 |
| | 7,097,009 |
| Receivables: | |
| Interest receivable | 26,599 |
| Reimbursements receivable from SAFCA | 1,300,000 |
| Other | 123,507 |
| | 1,450,106 |
| Other assets | 63,177 |
| TOTAL ASSETS | \$ 8,610,292 |
| LIABILITIES AND FUND BALANCES | |
| LIABILITIES: | |
| Accounts payable | \$ 106,562 |
| Accrued payroll and related | 42,657 |
| Deposits | 40,666 |
| Total liabilities | 189,885 |
| FUND BALANCES: | |
| Restricted | 513,914 |
| Nonspendable | 63,177 |
| Unrestricted: | |
| Board-assigned and committed | 7,843,316 |
| Total fund balances | 8,420,407 |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 8,610,292 |

See independent auditors' report and notes to the financial statements.

RECLAMATION DISTRICT No. 1000, CALIFORNIA
 Reconciliation of the Balance Sheet to Statement of Net Position
 June 30, 2018

| | |
|--|----------------------|
| | <u>2018</u> |
| TOTAL GOVERNMENTAL FUND BALANCES | \$ 8,420,407 |
| Amounts reported for governmental activities but not included in the governmental fund: | |
| Non-financial resources: | |
| Capital assets, net | 43,770,770 |
| Net pension liability | (1,245,857) |
| Deferred outflows of resources related to pensions | 441,413 |
| Deferred outflows of resources related to OPEB | 28,000 |
| Deferred inflows of resources related to pensions | (50,516) |
| Deferred revenue and deposits | (513,914) |
| Accrued vacation | (83,288) |
| Receivables that will not be collected within 90 days | 828,440 |
| Inventory that will not be used within 90 days | 174,241 |
| Net OPEB asset | <u>44,998</u> |
| NET POSITION OF GOVERNMENTAL ACTIVITIES | <u>\$ 51,814,694</u> |

See independent auditors' report and notes to the financial statements

RECLAMATION DISTRICT No. 1000, CALIFORNIA
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Governmental Fund
Year Ended June 30, 2018

| | General Fund |
|---|--------------|
| | 2018 |
| REVENUES: | |
| Property assessments | \$ 2,231,678 |
| Rents, easements, and fees for services | 19,871 |
| Interest | 93,967 |
| Other | 23,946 |
| Reimbursements from CalOES | 483,179 |
| O&M reimbursement from SAFCA | 1,300,000 |
| Total revenues | 4,152,641 |
| EXPENDITURES: | |
| Flood Protection: | |
| Operations | 1,849,041 |
| Administration | 1,163,095 |
| Capital outlay | 645,870 |
| Total expenditures | 3,658,006 |
| NET CHANGE IN FUND BALANCES | 494,635 |
| FUND BALANCES, BEGINNING OF YEAR | 7,925,772 |
| FUND BALANCES, END OF YEAR | \$ 8,420,407 |

See independent auditors' report and notes to the financial statements

RECLAMATION DISTRICT No. 1000, CALIFORNIA

Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances to Statement of Activities
Year Ended June 30, 2018

| | |
|--|---------------------|
| NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUND | 2018 \$ 494,635 |
| Amounts reported for governmental activities in the statement of net assets is different because: | |
| Governmental funds report capital outlay as expenditures; However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense | |
| Expenditures for general capital assets, infrastructure, and other related capital assets adjustments | 512,778 |
| Current year depreciation expense | (1,330,333) |
| Loss on sale of assets per the government-wide financial statements is not reflected in the fund financial statements | (6,233) |
| Governmental funds do not report nonfinancial resources such as long term assets or liabilities. | |
| Grants and contributions reflected in the government wide financial statements that are not reflected in the fund financial statements | 127,157 |
| Timing of assessment revenues collected beyond 90 days | 36,261 |
| The increase in accrued vacation is not recognized as an expenditure in the governmental fund as accrued vacation does not represent financial resources | (748) |
| Pension payments reported as expense in the fund financial statements are not included in the government-wide financial statements | 150,162 |
| Actuarially determined pension plan expense reported in the government-wide financial statements is not reported in the fund financial statements | (233,469) |
| Other postemployment benefit payments made to retirees reported as expense in the fund financial statements are not reported in the government-wide financial statements | 28,000 |
| Actuarial determined OPEB expense reported in the government wide financial statements is not reported as expense in the fund financial statements | <u>(19,789)</u> |
| CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES | <u>\$ (241,579)</u> |

See independent auditors' report ad notes to the financial statements

RECLAMATION DISTRICT 1000, CALIFORNIA

Notes to Financial Statements

Year Ended June 30, 2018

1. DESCRIPTION OF THE DISTRICT AND SIGNIFICANT ACCOUNTING POLICIES

The District

Reclamation District 1000, California (the "District") was formed under an Act of the Legislature of the State of California on April 18, 1911. The District is governed by 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.

Reporting Entity

The District has reviewed criteria to determine whether other entities with activities that benefit the District should be included within its financial reporting entity. The criteria include, but are not limited to, whether the entity exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters), the scope of public service, and a special financing relationship.

The District has determined that no other outside entity meets the above criteria, and, therefore, no agency has been included as a component unit in the District's financial statements. In addition, the District is not aware of any entity that would exercise such oversight responsibility that would result in the District being considered a component unit of such entity.

Basis of Presentation and Measurement Focus

The accounting policies of the District conform to generally accepted accounting principles, as applicable to governmental units. The basic financial statements of the District are comprised of the following:

- Government-wide financial statements
- Government fund financial statements
- Notes to the basic financial statements

Government-wide financial statements – The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government.

The government-wide statements are prepared using the economic resources measurement focus. Such is the same approach used in the preparation of the fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements, therefore, include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct

RECLAMATION DISTRICT 1000, CALIFORNIA

Notes to Financial Statements

Year Ended June 30, 2018

expenses are those that are specifically associated with a service, program, or department and are, therefore, clearly identifiable to a particular function.

Fund financial statements – Fund financial statements report more detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds include a Balance Sheet, which generally includes only current assets and current liabilities, and a Statement of Revenues, Expenditures, and Changes in Fund Balance, which reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources. Currently, the District has only one governmental fund, the general fund. The District considers all revenues available if they are collected within 90 days after year-end.

As the District does not operate on a fee-for-service basis, but rather from property tax assessments, the accompanying financial statements are presented as a governmental fund basis, rather than on a proprietary fund basis.

The General Fund is the general operating and maintenance fund of the District. It is used to account for all financial resources.

As of June 30, 2018, the Board of Trustees has assigned and/or committed fund balances of \$7,843,316 of the \$8,420,407 fund balance for various purposes. Such amounts are not legally restricted, and the Board has the authority to unassign and/or uncommit such reserves.

In June 2012, the District adopted Resolution 2012-06, adopting a fund balance policy in accordance with GASB 54 requirements. The following fund balance classifications were adopted:

- **Nonspendable Fund Balance** – for funds that cannot be spent due to their form or funds that legally or contractually must be maintained intact. The District has \$63,177 in nonspendable fund balance as of June 30, 2018 related to prepaid expense.
- **Restricted Fund Balance** – for funds that are mandated for specific purposes by external parties, constitutional provisions, or enabling legislation. At the time of adoption of this resolution, the Board of Trustees established the following restricted fund balance:
 - A legally restricted fund of \$513,914 has been established related to monies received that are to be passed through to SAFCA. The District does not have variance power over these monies.
- **Committed Fund Balance** – for funds set aside for specific purposes by the District's highest level of decision-making authority (Board of Trustees) pursuant to formal action

RECLAMATION DISTRICT 1000, CALIFORNIA

Notes to Financial Statements

Year Ended June 30, 2018

taken, such as a majority vote or resolution. These committed funds cannot be used for any other purpose unless the Board of Trustees removes or changes the specific use through the same type of formal action taken to establish the commitment. Board of Trustee action to commit fund balance needs to occur within the fiscal reporting period, no later than June 30th; however, the amount can be determined with the release of the financial statements. As of June 30, 2018, there are no committed fund balances.

- **Assigned Fund Balance** – Funds that are constrained by the District’s intent to be used for specific purposes, but are neither restricted nor committed. Resolution 2012-06 delegates authority to assign amounts to be used to the District Manager. As of June 30, 2018, District management has assigned \$1,500,000 for the Emergency Food Fight Fund, and \$3,402,189 for the General Capital Fund. In addition, the Board’s Financial Reserve Policy sets the Operation and Maintenance (O&M) Fund Reserve balance at 75% of the annual budget. As such, as of June 30, 2018, a fund of \$2,941,127 has been assigned by management for future operations and maintenance.
- **Unassigned Fund Balance** – The residual positive net resources of the general fund in excess of what can properly be classified in one of the above four categories.

The Board also determined that when expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, restricted fund balance is considered to have been spent first. Similarly, when expenditures are incurred for which amounts in any of the unrestricted fund balance classifications can be used, committed amounts should be reduced first, followed by assigned amounts and then unassigned amounts.

Revenues – Exchange and Non-exchange Transactions – Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded under the accrual basis when the exchange takes place. Under the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. “Available” means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year.

Non-exchange transactions are those in which the District receives value without directly giving equal value in return, such as property taxes. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Deferred Revenue – Deferred revenue arises when assets are received before revenue recognition criteria have been satisfied. On governmental fund financial statements, receivables associated with non-exchange transactions that will not be collected within the availability period have been offset with deferred revenue.

Expenses/Expenditures – Under the accrual basis of accounting, expenses are recognized at the time they are incurred. However, the measurement focus of governmental fund accounting is on

RECLAMATION DISTRICT 1000, CALIFORNIA

Notes to Financial Statements

Year Ended June 30, 2018

decreases in the net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of costs, such as depreciation and amortization, are not recognized on governmental fund financial statements.

Basis of Accounting

Basis of accounting refers to when transactions are recorded in the financial records and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental fund financial statements use the modified accrual basis of accounting. Proprietary funds would use the accrual basis of accounting.

Budgets and Budgetary Accounting

State law does not require the District's governing board to adopt a budget. The District's governing board adopts a budget each year, which is used as a management tool.

Cash Equivalents

The District considers all highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents. The District pools money in several external investment funds to maximize investment income and considers all pooled investments to be cash and cash equivalents.

Inventory

The District has purchased significant amounts of large rock to keep on hand for emergency levee repair. Estimated remaining balances are recorded at cost on a first-in, first-out basis. During the year ended June 30, 2018, inventory was not included in the fund financial statements as these are considered non-financial resources.

Capital Assets

Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets, are recorded as assets in the government-wide financial statements. For the fund financial statements, capital outlay is recorded as expenditures of the general fund. Capital assets are recorded at historical cost if purchased or constructed. Contributed capital assets are recorded at estimated fair market value at the date of contribution.

The District's capitalization thresholds are \$5,000 for equipment, \$25,000 for buildings and improvements, \$50,000 for pumps and improvements, and \$100,000 for infrastructure assets. 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 Financial Statements

Year Ended June 30, 2018

Capital assets are depreciated or amortized using the straight-line method over the following estimated useful lives:

| Asset Class | Years |
|----------------------------|----------------|
| Vehicles and equipment | 5 to 10 years |
| Buildings and improvements | 20 to 40 years |
| Pumps and improvements | 7 to 50 years |
| Infrastructure | 100 years |

Current infrastructure projects include construction on the Natomas Levee Improvement Project (NLIP), which began in 2007. The purpose of the NLIP is to provide Natomas with at least 200-year flood protection. The work is being done by the Sacramento Area Flood Control Agency (SAFCA) using local assessment district funds and State bond funds (Proposition 1E). Upon completion, the levee improvements may become assets of the District, who will be responsible for the operation and maintenance of the modified levees. SAFCA will acquire and transfer the necessary rights of way to the District for the future operations and maintenance. At that time, the capital contributions will be recognized in the financial statements.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for *deferred outflows of resources*. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has deferred outflows of resources related to pensions (see Note 4) and other postemployment benefits (Note 5).

In addition to liabilities, the statement of net position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future period(s) and, accordingly, will not be recognized as an inflow of resources (revenue) until such time. The District has deferred inflows of resources related to pensions (see Note 4).

Pensions

For purposes of measuring the net pension liability (NPL) and deferred outflows and inflows of resources related to pensions and pension expense, information about the fiduciary net position (FNP) of the District's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' FNP 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, CalPERS' audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

RECLAMATION DISTRICT 1000, CALIFORNIA

Notes to Financial Statements

Year Ended June 30, 2018

Compensated Absences

District employees accrue paid vacation and sick days in varying incremental amounts based upon length of employment. Upon termination of employment, an employee will be paid for unused vacation time not to exceed maximum accrual rate of 360 hours. The liability of \$83,288 as of June 30, 2018 has been recorded as a liability in the government-wide financial statements but not in the governmental fund financial statements.

Employees are not paid for unused sick days upon termination of employment and, accordingly, no provision has been made in the financial statements. Unused sick leave can be converted to years of service upon retirement. Employees, upon retirement, may receive up to 1/3 of their accrued sick leave, up to a maximum of 400 hours, as compensation; the balance can be converted to years of service upon retirement. No provisions are made for payment of sick leave except at retirement.

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 and are due, payable, and delinquent on the same schedule as property taxes. Treatment of delinquencies and foreclosures are the same as for property taxes. However, Sacramento County purchases rights to penalties and interest on all delinquencies on assessments within the District, under the Teeter Plan, by guaranteeing the District 100% of its annual benefit assessment within Sacramento County each year.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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.

Subsequent Events

Management has evaluated subsequent events through November 14, 2018, the date on which the financial statements were available to be issued. Based on such evaluation, no additional adjustments to or disclosures in the financial statements were deemed necessary.

2. CASH AND INVESTMENTS AND FAIR VALUE MEASUREMENTS

The District has made investments in three pooled external investment funds, which investments have been recorded at fair value in the accompanying financial statements. There are no limitations of restrictions on withdrawals from the external investment pools (such as redemption notice periods, maximum transaction amounts, or the ability of the pool to impose liquidity fees or redemption gates.)

RECLAMATION DISTRICT 1000, CALIFORNIA

Notes to Financial Statements

Year Ended June 30, 2018

As of June 30, 2018, investments in pooled investment funds consist of the following:

| | |
|--|---------------------|
| | 2018 |
| Sacramento County Pooled Investment Fund | \$ 2,079,170 |
| City of Sacramento Investment Pool A | 2,059,782 |
| State of California Treasury (LAIF) | <u>2,398,204</u> |
| Total investments | <u>\$ 6,537,156</u> |

As of June 30, 2018, the carrying amount of the District's bank deposits was \$559,853. Of the bank balances, the Federal Depository Insurance Corporation insures \$250,000 by bank. The California Government Code requires California banks and savings and loan associations to secure the District's cash deposits by pledging securities as collateral. The remainder was covered by collateral held in the pledging financial institutions' trust departments in the District's name.

The external investment pools are described as follows:

Sacramento County Pooled Investment Fund

The District is a voluntary participant in the Sacramento County Pooled Investment Fund (County Fund) that is regulated by California Government Code Section 27131 under the oversight of the Sacramento County Board of Supervisors and the Treasury Oversight Committee, which consists of ten members. The County Fund is not rated. The County Fund is not registered with the SEC as an investment company. The County issues separate financial statements for the fund, which can be found at <http://www.finance.saccounty.net>.

The District's investment in the County Fund is reported at fair value. The District can withdraw their funds held in the County Fund upon demand.

The fair value of the position in the investment pool is the same as the value of the pooled shares. The District's fund share is accounted for separately. Any interest earned is apportioned quarterly to funds that are legally required to receive interest based on the relationship of a fund's daily balance to the total of pooled cash and investments.

The County Fund is authorized to deposit cash and invest excess funds by California Government Code Section 53648 et seq. The funds maintained by the County Treasury are either secured by federal depository insurance or are collateralized. The County Treasury is restricted by Government Code Section 53635, pursuant to Section 53601, to invest in time deposits, U.S. Treasury notes and agency obligations, state registered warrants and municipal notes, local agency bonds, the State Treasurer's investment pool, bankers' acceptances, commercial paper, negotiable certificates of deposit and repurchase or reverse repurchase agreements.

RECLAMATION DISTRICT 1000, CALIFORNIA

Notes to Financial Statements

Year Ended June 30, 2018

City of Sacramento Investment Pool A

The District is a voluntary participant in the City of Sacramento Investment Pool A (Pool A). Pool A is overseen by the City Council and managed by the City Treasurer, pursuant to California Government Code, and must adhere to an annually approved investment policy. Pool A is not registered with the SEC as an investment company. The City issues separate financial statements on the fund, which can be found at <https://www.cityofsacramento.org>.

The fair value of investments within Pool A is determined monthly. Participants' shares sold and redeemed are determined by the daily cash balance deposited in the pool (the value of pool shares). The value of the pool shares is based upon amortized cost in day-to-day operations, but is adjusted to fair value at year-end. The value of the shares is supported by the value of the underlying investments. The District can withdraw their funds held in Pool A upon demand. Pool A is not rated.

Local Area Investment Fund

The District is a voluntary participant in the California Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. LAIF is not registered with the SEC as an investment company. LAIF issues separate financial statements, which can be found at <https://www.treasurer.ca.gov/pmia-laif>.

The District can withdraw their money held in LAIF upon demand. The fair value of the position in the investment pool is the same as the value of the pooled shares.

The share of each fund in the pooled account is separately accounted for and income earned is apportioned quarterly to funds that are legally required to receive interest based on the relationship of a fund's daily balance to the total of pooled cash and investments.

All securities are purchased under the authority of Government Code Section 16430 and 16480.4 and backed by the State of California. California Government Code Section 16429.4 stipulates that the State cannot borrow or ever withhold LAIF monies.

LAIF's portfolio consists predominantly of commercial paper, Federal Agency discount notes, time deposits and certificates of deposit. LAIF is not rated.

Investments Authorized by the District's Investment Policy

The District invests in investment types authorized for the entity by the California Government Code 53601.

RECLAMATION DISTRICT 1000, CALIFORNIA

Notes to Financial Statements

Year Ended June 30, 2018

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 values to changes in market interest rates.

As of June 30, 2018, the weighted average maturity of investments is approximately 309 days for pooled investments held in the Sacramento County Pooled Investment Fund, 193 days for funds held in LAIF, and 722 days for funds held within Pool A.

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 risk is measured by the assignment of a rating by the nationally recognized statistical rating organization. State law, which governs the pools in which the District invests, limit the pools' respective investments to those issuers with top ratings as issued by nationally recognized statistical rating organizations.

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 recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District has no exposure to custodial credit risk because it primarily invests in external investment pools. The California Government Code does 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 and local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law. 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.

Derivative Investments

The District did not directly enter into any derivative investments. Current information regarding the amount invested in derivatives by the County Treasury was not available. Any investments in derivative financial products by LAIF are minimal.

Additional disclosure detail required by GASB Statements No. 3, 31, 40, 72, and 79 and GASB Technical Bulletin 94-1 regarding cash deposits and investments are presented in the financial statements of the County of Sacramento for the most recent fiscal year issued.

Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used

RECLAMATION DISTRICT 1000, CALIFORNIA

Notes to Financial Statements

Year Ended June 30, 2018

to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. As of June 30, 2018, the District held no individual investments. All investments are held in pooled investments funds.

Within all three external investment funds, deposits and withdrawals are made on the basis of \$1 and not fair value. Accordingly, the District's proportionate share of investments in such pooled funds are an uncategorized input not defined as Level 1, Level 2, or Level 3 input.

The asset's level within the hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

3. CAPITAL ASSETS

A summary of changes to capital assets for the year ended June 30, 2018, the total of which is recorded in the government-wide statements, is shown as follows:

| | <u>June 30, 2017</u> | <u>Additions</u> | <u>Transfers/ Disposals</u> | <u>June 30, 2018</u> |
|---------------------------------|----------------------|---------------------|---------------------------------|----------------------|
| Land and rights of way | \$ 2,208,583 | \$ - | \$ - | \$ 2,208,583 |
| Infrastructure | 26,514,781 | - | - | 26,514,781 |
| Building and improvements | 2,336,740 | 88,925 | (18,751) | 2,406,914 |
| Pump equipment and improvements | 30,263,778 | 23,600 | 18,751 | 30,306,129 |
| Equipment and vehicles | <u>2,592,963</u> | <u>256,641</u> | <u>(121,811)</u> | <u>2,727,793</u> |
| | 63,916,845 | 369,166 | (121,811) | 64,164,200 |
| Accumulated depreciation | <u>(19,322,287)</u> | <u>(1,330,333)</u> | <u>115,578</u> | <u>(20,537,042)</u> |
| Construction in progress | <u>-</u> | <u>143,612</u> | <u>-</u> | <u>143,612</u> |
| | <u>\$ 44,594,558</u> | <u>\$ (817,555)</u> | <u>\$ (6,233)</u> | <u>\$ 43,770,770</u> |

Depreciation expense for the year ended June 30, 2018 was \$1,330,333 and was charged to the single function of the District: flood protection.

4. DEFINED BENEFIT PENSION PLAN

General Information About the Plan

Plan Descriptions – The Plan is a cost-sharing, multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). A full description of the pension plan benefit provisions, assumptions for funding purposes (but not accounting purposes), and membership information is listed in the June 30, 2017 Annual Actuarial Valuation Report. This report is a publically available valuation report that can be obtained at CalPERS' website under Forms and Publications. All qualified permanent and

RECLAMATION DISTRICT 1000, CALIFORNIA

Notes to Financial Statements

Year Ended June 30, 2018

probationary employees are eligible to participate in the District's Miscellaneous Employee Pension Plan administered by CalPERS. Benefit provisions under the Plans are established by State statute and District resolution.

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. 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 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan provisions and benefits in effect at June 30, 2018 are summarized as follows (plan descriptions are not made for tiers for which there are no eligible or active employees):

| | Miscellaneous Plan | | |
|---|---|---|---|
| | After June 30, 2005 through August 30, 2011 | After August 30, 2011 through December 31, 2012 | After January 1, 2013 through the present |
| Hire Date | | | |
| Benefit formula | 2% @ 55 | 2% @60 | 2% @ 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 % of eligible compensation | 1.0% to 2.5% | 1.0% to 2.5% | 1.0% to 2.5% |
| Required employee contribution rates | 7% | 7% | 6.25% |
| Required employer contribution rates | 9.4% | 7.6% | 6.8% |

Contributions – Section 20814(c) of the California Public Employees' Retirement Law (PERL) 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. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The Plan's actuarially determined rate is based on the estimated amount necessary to pay the costs of benefits earned by employees during the year, with an additional amount to pay any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

Pension Liabilities, Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

The District's proportionate share of the risk pool collective net pension liability as of the measurement date of June 30, 2017 is \$1,245,857 for the fiscal year ended June 30, 2018. Also, the District recognized pension expense of \$233,469 for the fiscal year ended June 30, 2018.

RECLAMATION DISTRICT 1000, CALIFORNIA

Notes to Financial Statements

Year Ended June 30, 2018

The District's net pension liability was on the proportionate shares (in dollars) determined by CalPERS based on actuarial measurement specific to the plan in the Miscellaneous Pool. The net pension liability is measured as of June 30, 2017, using annual actuarial valuations as of June 30, 2016 rolled forward to June 30, 2017 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 plans relative to the projected contributions of all participating employers, actuarially determined.

As of June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|---|--|
| Pension contributions subsequent to measurement date | \$ 150,162 | \$ - |
| Net differences between projected and actual earnings on pension plan investments | 48,187 | - |
| Changes of assumptions | 213,065 | 16,246 |
| Differences between expected and actual experience | 1,717 | 24,602 |
| Differences between the employer's contributions and the employer's proportionate share of contributions | 227 | 5,742 |
| Change in employer's proportion | <u>28,055</u> | <u>3,926</u> |
| Total | <u>\$ 441,413</u> | <u>\$ 50,516</u> |

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 year ended.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

RECLAMATION DISTRICT 1000, CALIFORNIA

Notes to Financial Statements

Year Ended June 30, 2018

Recognition of Deferred Outflows and Inflows of
Resources in Future Pension Expense

| Fiscal Year Ending June 30: | Net Deferred Outflows/(Inflows) of Resources |
|--------------------------------|--|
| 2019 | \$ 55,083 |
| 2020 | 132,913 |
| 2021 | 81,348 |
| 2022 | (28,609) |
| 2023 | - |
| Thereafter | - |

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ending June 30, 2017 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2016 total pension liability (TPL) (valuation date). Both the June 30, 2016 valuation date TPL and the June 30, 2017 measurement date TPL were determined using the following actuarial methods and assumptions:

| | | |
|---------------------------|---|---------------|
| | <u>Miscellaneous Plan</u> | |
| Valuation Date | | June 30, 2016 |
| Measurement Date | | June 30, 2017 |
| Actuarial Cost Method | Entry Age Normal Cost Method | |
| Actuarial Assumptions: | | |
| Discount Rate | | 7.15% |
| Inflation | | 2.75% |
| Investment Rate of return | | 7.5%* |
| Mortality Rate Table | Derived using CalPERS' Membership Data for all Funds | |

*Net of pension plan investment and administrative expense; includes inflation

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the 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 7.15 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent 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.

RECLAMATION DISTRICT 1000, CALIFORNIA

Notes to Financial Statements

Year Ended June 30, 2018

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. 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 | Target Allocation | Real Return Years 1 - 10 (a) | Real Return Years 11+ (b) |
|-------------------------------|-------------------|------------------------------|---------------------------|
| Global Equity | 47% | 4.9% | 5.38% |
| Global Fixed Income | 19.0% | .8% | 2.27% |
| Inflation Sensitive | 6.0% | .6% | 1.39% |
| Private Equity | 12% | 6.6% | 6.63% |
| Real Estate | 11% | 2.8% | 5.21% |
| Infrastructure and Forestland | 3% | 3.9% | 5.36% |
| Liquidity | 2% | (0.40%) | (.90%) |
| Total | 100% | | |

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% 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 of 7.15 percent, as well as what the District's proportionate share of the net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower (6.15%) or 1-percentage point higher (8.15%) than the current rate:

RECLAMATION DISTRICT 1000, CALIFORNIA

Notes to Financial Statements

Year Ended June 30, 2018

| | <u>Miscellaneous</u> |
|-----------------------|----------------------|
| 1% Decrease | 6.15% |
| Net Pension Liability | \$ 1,948,182 |
| Current Discount Rate | 7.15% |
| Net Pension Liability | \$ 1,245,857 |
| 1% Increase | 8.15% |
| Net Pension Liability | \$ 664,179 |

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

Payable to the Pension Plan

At June 30, 2018, no amounts were payable for the outstanding amount of contributions to the pension plan as required for the year ended June 30, 2018.

5. OTHER POSTEMPLOYMENT BENEFIT PLAN

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 PEPR after 10 years of service, increasing 2% per year up to 100% of the benefit after 20 years of service. The plan also 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 100/90 State Vesting Plan as contracted by the District.

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 benefit provisions by Board resolution. A menu of benefit provisions as well as other requirements is established by State 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.

RECLAMATION DISTRICT 1000, CALIFORNIA

Notes to Financial Statements

Year Ended June 30, 2018

Employees Covered

As of the June 30, 2018 actuarial valuation, the following current and former employees were covered by the benefit terms under the Plan:

| | |
|--|-----------|
| Active employees | 12 |
| Inactive employees or beneficiaries currently receiving benefits | 7 |
| Inactive employees entitled to, but not yet receiving benefits | 0 |
| Total | <u>19</u> |

Contributions

The District's plan and its contribution requirements are established by board resolution and the Employee Handbook. The annual contribution is based on the actuarially determined contribution. For the fiscal year June 30, 2018, the District's cash contributions were \$28,000 to the trust, \$42,393 in benefit payments, for total contributions of \$70,393.

Net OPEB Liability

The District's Net OPEB Liability was measured on June 30, 2018 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation dated June 30, 2017 that was rolled back to June 30, 2016 to determine the total OPEB liability, based on the following actuarial methods and assumptions:

RECLAMATION DISTRICT 1000, CALIFORNIA

Notes to Financial Statements

Year Ended June 30, 2018

Actuarial Assumptions:

| | |
|-----------------------------|---|
| Discount Rate | 6.5% |
| Inflation | 2.75% per annum |
| Salary Increases | 2.75% per annum |
| Investment rate of Return | 6.5% |
| Mortality Rate ¹ | Derived using CalPERS' 2014 Active Mortality Table for Miscellaneous Employees |
| Pre-retirement turnover | Hired before 2013: 2009 CalPERS 2.0% @ 55 rates for Miscellaneous Employees Hired after 2012: 2009 CalPERS 2.0% @ 60 rates for Miscellaneous Employees |
| Vesting Rates | Hired before 2013: 100% at 5 Years of Service Hired after 2012: 50% at 10 Years of Service plus 5% per year at 20 years (percentages apply to employer contributions not premiums) |
| Healthcare trend rate | 4% per annum |

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which 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 (CERBT Strategy 2).

¹ Pre-retirement mortality information was derived from data collected during 1997 to 2011 CalPERS Experience Study dated January 2014 and post-retirement mortality information was derived from the 2007 to 2011 CalPERS Experience Study. The Experience Study Reports may be accessed on the CalPERS website (www.calpers.ca.gov) under Forms and Publications.

RECLAMATION DISTRICT 1000, CALIFORNIA

Notes to Financial Statements

Year Ended June 30, 2018

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Long-term Expected Real Rate of Return</u> |
|--|--------------------------|---|
| U.S. Large Cap | 40% | 7.7950% |
| U.S. Small Cap | 10% | 7.7950% |
| Long term Corporate Bonds | 18% | 5.295% |
| Long term Government Bonds | 6% | 4.50% |
| Treasury Inflation Protected Securities (TIPS) | 15% | 7.7950% |
| U.S. Real Estate | 8% | 7.7950% |
| All Commodities | 3% | 7.7950% |
| Total | <u>100%</u> | |

Discount Rate

The discount rate used to measure the total OPEB liability was 6.5 percent. The cash flows of the OPEB plan were projected to future years, assuming that the District will contribute an amount so that the assets always exceed expected benefits to retirees. Under that projection, the plan assets are projected to be adequate to pay all benefits to retirees in all future years, so the discount rate has been set equal to the long-term expected rate of return on investments, 6.5%.

Changes in the OPEB Liability

| | Total OPEB Liability (Asset) (a) | Plan Fiduciary Net Position (b) | Net OPEB Obligation (Asset) = (a) – (b) |
|---|--|--|--|
| Roll-back balance at June 30, 2016 | \$887,198 | \$ 913,190 | \$ (25,992) |
| Changes recognized for the measurement period | | | |
| Service cost | 28,438 | - | 28,438 |
| Interest | 57,189 | - | 57,189 |
| Employer contributions | - | 38,795 | (38,795) |
| Net investment income | - | 66,639 | (66,639) |
| Benefit payments to retirees | (42,393) | (42,393) | - |
| Administrative expense | - | (801) | 801 |
| Net change | <u>43,234</u> | <u>62,240</u> | <u>(19,006)</u> |
| Balance at June 30, 2018 | | | |
| Rolled forward balance as of June 30, 2017 | \$ 930,432 | \$ 975,430 | \$ (44,998) |

RECLAMATION DISTRICT 1000, CALIFORNIA

Notes to Financial Statements

Year Ended June 30, 2018

Sensitivity of the Net OPEB Liability to the Changes in the Discount Rate

The following presents the Net OPEB Liability of the District if it were calculated using a discount rate that is one percentage point higher or lower than the current discount rate, for the measurement period ended June 30, 2017:

| | <u>1% Decrease (5.5%)</u> | <u>Current Discount Rate</u> | <u>1% Increase (7.5%)</u> |
|----------------------------|-------------------------------|--------------------------------------|-------------------------------|
| Net OPEB Liability (Asset) | \$ 66,471 | \$ (44,998) | \$ (137,928) |

Sensitivity of the Net OPEB Liability to the Changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability of the District if it were calculated using health care cost trend rates that are one percentage point higher or lower than the current rate, for the measurement period ended June 30, 2017:

| | <u>1% Decrease</u> | <u>Current Trend Rate</u> | <u>1% Increase</u> |
|----------------------------|--------------------|-------------------------------|--------------------|
| Net OPEB Liability (Asset) | \$ (139,666) | \$ (44,998) | \$ 65,805 |

OPEB Plan Fiduciary Net Position

CERBT issues a publicly available financial report that may be obtained from CalPERS, Prefunding Programs, CERBT (OPEB), P.O. Box 1494, Sacramento, CA 95812-1494.

Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in 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 the gain or loss:

| | |
|---|---|
| Net difference between projected and actual earnings on OPEB plan investments | 5 years |
| All other amounts | Expected average remaining service lifetime (EARSL) |

RECLAMATION DISTRICT 1000, CALIFORNIA

Notes to Financial Statements

Year Ended June 30, 2018

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the District recognized OPEB expense of \$19,789. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| OPEB contributions subsequent to measurement date | \$ 28,000 | \$ - |
| Net differences between projected and actual earnings on plan investments | - | - |
| Total | <u>\$ 28,000</u> | <u>\$ -</u> |

The \$28,000 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2019.

There are no other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB expense over the next five years:

5. CONTINGENCIES

The District has programs for public liability and property damage. There have been no settlements related to these programs that exceed insurance coverage during the 2017-18 fiscal year. The District retains the risk for all loss exposure in excess of insurance coverage. Claims, expenditures, and liabilities are reported when it is probable that a loss has been incurred and the amount of that loss, including those incurred but not reported, can be reasonably estimated.

The District receives Federal, State, and local funds for specific purposes and is subject to compliance requirements. Such funding is subject to review and audit by the awarding agencies at their discretion. If such audits were to disallow any expenditure, the District could potentially be liable to return funds. Management believes that such amounts, if any, would not have a significant effect on the financial position of the District. This is not considered a probable contingency and no liability has been reported on these financial statements.

6. NEW ACCOUNTING PRONOUNCEMENTS

In November 2016, GASB issued GASBS No. 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement.

RECLAMATION DISTRICT 1000, CALIFORNIA

Notes to Financial Statements

Year Ended June 30, 2018

This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs. This Statement requires that recognition occur when the liability is both incurred and reasonably estimable. The determination of when the liability is incurred should be based on the occurrence of external laws, regulations, contracts, or court judgments, together with the occurrence of an internal event that obligates a government to perform asset retirement activities. Laws and regulations may require governments to take specific actions to retire certain tangible capital assets at the end of the useful lives of those capital assets, such as decommissioning nuclear reactors and dismantling and removing sewage treatment plants. Other obligations to retire tangible capital assets may arise from contracts or court judgments. Internal obligating events include the occurrence of contamination, placing into operation a tangible capital asset that is required to be retired, abandoning a tangible capital asset before it is placed into operation, or acquiring a tangible capital asset that has an existing ARO.

This Statement requires the measurement of an ARO to be based on the best estimate of the current value of outlays expected to be incurred. The best estimate should include probability weighting of all potential outcomes, when such information is available or can be obtained at reasonable cost. If probability weighting is not feasible at reasonable cost, the most likely amount should be used. This Statement requires that a deferred outflow of resources associated with an ARO be measured at the amount of the corresponding liability upon initial measurement.

This Statement requires the current value of a government's AROs to be adjusted for the effects of general inflation or deflation at least annually. In addition, it requires a government to evaluate all relevant factors at least annually to determine whether the effects of one or more of the factors are expected to significantly change the estimated asset retirement outlays. A government should re-measure an ARO only when the result of the evaluation indicates there is a significant change in the estimated outlays. The deferred outflows of resources should be reduced and recognized as outflows of resources (for example, as an expense) in a systematic and rational manner over the estimated useful life of the tangible capital asset. This Statement also requires disclosure of information about the nature of a government's AROs, the methods and assumptions used for the estimates of the liabilities, and the estimated remaining useful life of the associated tangible capital assets. If an ARO (or portions thereof) has been incurred by a government but is not yet recognized because it is not reasonably estimable, the government is required to disclose that fact and the reasons therefor. This Statement requires similar disclosures for a government's minority shares of AROs. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged.

In June of 2017, GASB issued GASBS No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a

RECLAMATION DISTRICT 1000, CALIFORNIA

Notes to Financial Statements

Year Ended June 30, 2018

lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged.

7. CHANGE IN ACCOUNTING PRINCIPLE

The District implemented Governmental Accounting Standards Board (GASB) No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* during the fiscal year ended June 30, 2018. The implementation of this statement required the District to record beginning total OPEB asset and the effects on net position of benefit payments and administrative expenses paid for by the District related to OPEB during the measurement period (fiscal year ended June 30, 2017), decreasing governmental activities beginning net position by \$526,190.

The restatement of beginning net position of governmental activities is summarized as follows:

| | |
|--|----------------------|
| <u>Governmental Activities:</u> | |
| Net position at July 1, 2017, as previously stated | \$ 52,582,463 |
| Prior period adjustment | <u>(526,190)</u> |
| Net position at July 1, 2017, as restated | <u>\$ 52,056,273</u> |

REQUIRED SUPPLEMENTARY INFORMATION

RECLAMATION DISTRICT No. 1000, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended June 30, 2018

| | 2018 | | |
|--|---------------------------------|---------------------|-----------------------------|
| | Original and Final Budget | Actual | Favorable/ (unfavorable) |
| REVENUES: | | | |
| Property assessments | \$ 2,248,421 | \$ 2,231,678 | \$ (16,743) |
| Rents, easements, and fees for services | 40,000 | 19,871 | (20,129) |
| Interest | 13,000 | 93,967 | 80,967 |
| Other | 5,000 | 23,946 | 18,946 |
| Reimbursement from CalOES | - | 483,179 | 483,179 |
| O&M reimbursement revenue from SAFCA | 1,300,000 | 1,300,000 | - |
| Finance charges and penalties | 200 | - | (200) |
| Total revenues | <u>3,606,621</u> | <u>4,152,641</u> | <u>546,020</u> |
| EXPENDITURES: | | | |
| Flood Protection: | | | |
| Operations | 2,275,688 | 1,849,041 | 426,647 |
| Administration | 1,120,714 | 1,163,095 | (42,381) |
| Capital outlay | <u>525,100</u> | <u>645,870</u> | <u>(120,770)</u> |
| Total expenditures | <u>3,921,502</u> | <u>3,658,006</u> | <u>263,496</u> |
| NET CHANGE IN FUND BALANCES | (314,881) | 494,635 | 809,516 |
| FUND BALANCES, BEGINNING OF YEAR AS RESTATED | <u>7,925,772</u> | <u>7,925,772</u> | <u>-</u> |
| FUND BALANCES, END OF YEAR | <u>\$ 7,610,891</u> | <u>\$ 8,420,407</u> | <u>\$ 809,516</u> |

See accompanying note to this schedule

RECLAMATION DISTRICT No. 1000, CALIFORNIA
Schedule of Expenditures - Budget and Actual - Governmental Fund
Year Ended June 30, 2018

| | 2018 | | |
|--|---------------------------------|---------------------|---------------------|
| | Original and Final Budget | Actual | Variance |
| OPERATIONS: | | | |
| Power | \$ 500,000 | \$ 394,069 | \$ 105,931 |
| Herbicides | 135,000 | 67,309 | 67,691 |
| Field services | 96,500 | 169,188 | (72,688) |
| Field operations consultants | 20,000 | 26,132 | (6,132) |
| Materials and supplies | 22,000 | 17,570 | 4,430 |
| Refuse collection | 10,000 | 12,888 | (2,888) |
| Compensation | 987,688 | 962,221 | 25,467 |
| Fuel | 55,000 | 49,095 | 5,905 |
| Equipment repairs and service | 77,000 | 77,026 | (26) |
| Shop equipment (not vehicles) | 13,000 | 194 | 12,806 |
| Contingency - Levee patrols | 5,000 | - | 5,000 |
| Facility repairs | 250,500 | 29,315 | 221,185 |
| Equipment rental and other | 10,000 | 5,932 | 4,068 |
| Field equipment | 11,000 | - | 11,000 |
| Security patrol | 83,000 | 38,102 | 44,898 |
| | <u>\$ 2,275,688</u> | <u>\$ 1,849,041</u> | <u>\$ 426,647</u> |
| ADMINISTRATION: | | | |
| Assessment | \$ 30,000 | \$ 23,157 | \$ 6,843 |
| Office supplies and computer | 15,500 | 30,837 | (15,337) |
| Liability and auto insurance | 110,000 | 106,984 | 3,016 |
| Uninsured losses | 1,000 | - | 1,000 |
| Group insurance | 118,305 | 107,737 | 10,568 |
| Annuitant healthcare | 38,785 | 28,000 | 10,785 |
| Dental/vision insurance | 26,000 | 19,057 | 6,943 |
| Workers' compensation insurance | 46,000 | 27,152 | 18,848 |
| Memberships | 35,000 | 21,487 | 13,513 |
| Legal | 85,000 | 100,608 | (15,608) |
| Engineering/Administrative consultants | 150,000 | 244,556 | (94,556) |
| Public relations, legislative analyst | 35,000 | 25,830 | 9,170 |
| Accounting and related services | 36,000 | 42,094 | (6,094) |
| Administrative services | 26,000 | 30,231 | (4,231) |
| Payroll taxes | 76,580 | 75,391 | 1,189 |
| Pension | 156,044 | 150,162 | 5,882 |
| Trustees fees | 39,000 | 37,800 | 1,200 |
| City and county fees | 10,000 | 13,295 | (3,295) |
| Mitigation land taxes | 3,000 | 106 | 2,894 |
| Election Costs | 50,000 | 45,763 | 4,237 |
| Utilities | 23,500 | 19,598 | 3,902 |
| Other | 10,000 | 13,250 | (3,250) |
| | <u>\$ 1,120,714</u> | <u>\$ 1,163,095</u> | <u>\$ (42,381)</u> |
| CAPITAL OUTLAY: | | | |
| Miscellaneous capital | \$ 3,600 | \$ 6,359 | \$ (2,759) |
| Emergency/Facility repairs | - | 126,733 | (126,733) |
| Vehicles/Equipment | 12,500 | 230,428 | (217,928) |
| Capital - facilities | 300,000 | 256,137 | 43,863 |
| Capital - large equipment | 209,000 | 26,213 | 182,787 |
| | <u>\$ 525,100</u> | <u>\$ 645,870</u> | <u>\$ (120,770)</u> |

See accompanying note to this schedule

RECLAMATION DISTRICT NO. 1000, CALIFORNIA

Note to Schedules 1 and 2 – Budgetary Data

Year Ended June 30, 2018

BUDGETARY DATA

The District adopts an annual budget for the General Fund (consisting of operations, maintenance, and designated modernization projects) for each fiscal year. Budgets are adopted on a basis consistent with generally accepted government accounting principles. The final approved budget for 2017-18 is presented in these financial statements. Minor line item adjustments were made to the original budget. As such, the original and revised budgets are presented in these financial statements.

RECLAMATION DISTRICT NO. 1000, CALIFORNIA
 Schedule 3 – Schedule of the District’s Proportionate Share of the Net Pension Liability
 Year Ended June 30, 2018

As described in Note 4, net pension liability and fiduciary net position are allocated to the plan based on its proportion of the Miscellaneous Risk Pool. However, GASB No. 68 requires that employers report certain proportions as a percentage of the total plan.²

| | Measurement Date | | | |
|---|------------------|------------------|------------------|------------------|
| | <u>6/30/2017</u> | <u>6/30/2016</u> | <u>6/30/2015</u> | <u>6/30/2014</u> |
| District’s proportion of the net pension liability (asset) | 0.01256% | 0.01256% | 0.0124% | 0.01360% |
| District’s proportionate share of the net pension liability (asset) | \$1,245,857 | \$ 1,086,420 | \$ 848,318 | \$ 846,161 |
| District’s covered-employee payroll (for the year ending on the measurement date) | \$826,547 | \$ 858,126 | \$ 852,087 | \$ 630,170 |
| District’s proportionate share of the net pension liability as a percentage of its covered-employee payroll | 150.73% | 126.6% | 99.56% | 134.27% |
| Plan fiduciary net position as a percentage of the total pension liability | 73.31% | 74.06% | 78.40% | 79.21% |

² The schedule of the District’s proportionate share of the net pension liability is intended to present historical information for measurement periods for which GASB 68 is applicable. Additional years will be presented as they become available.

RECLAMATION DISTRICT NO. 1000, CALIFORNIA
 Schedule 4 – Schedule of the District’s Pension Contributions
 Year Ended June 30, 2018

| | Measurement Date | | | |
|---|------------------------------|------------------|------------------|----------------|
| | <u>6/30/2017³</u> | <u>6/30/2016</u> | <u>6/30/2015</u> | <u>6/30/14</u> |
| Actuarially determined contribution | \$150,162 | \$ 139,989 | \$ 130,747 | \$ 100,907 |
| Contributions in relation to the actuarially determined contribution | <u>150,162</u> | <u>139,989</u> | <u>130,747</u> | <u>100,907</u> |
| Contribution deficiency (excess) | \$ _____ - | \$ _____ - | \$ _____ - | \$ _____ - |
| Covered-employee payroll (for the fiscal year ending on the date shown) | \$889,262 | \$ 826,547 | \$ 858,126 | \$ 630,170 |
| Contributions as a percentage of covered-employee payroll | 16.89% | 16.94% | 15.24% | 16.01% |

³ The schedule of the District’s plan contributions is intended to present historical information for measurement periods for which GASB 68 is applicable. Additional years will be presented as they become available.

RECLAMATION DISTRICT NO. 1000, CALIFORNIA
Schedule 5 – Schedule of Changes in the Net OPEB Asset and Related Ratios
Measurement Period Ended June 30

| | |
|---|------------------------------|
| Measurement Period | <u>6/30/2017⁴</u> |
| Total OPEB Asset: | |
| Service cost | \$ 28,438 |
| Interest on the total OPEB liability | 57,189 |
| Benefit payments | <u>(42,393)</u> |
| Net change in total OPEB asset | 43,234 |
| Total OPEB asset - beginning | <u>887,198</u> |
| Total OPEB asset – ending (a) | <u>930,432</u> |
| Plan Fiduciary Net Position: | |
| Contribution - employer | 38,795 |
| Net investment income | 66,639 |
| Benefit payments | <u>(42,393)</u> |
| Administrative expense | <u>(801)</u> |
| Net change in plan fiduciary net position | 62,240 |
| Plan fiduciary net position - beginning | <u>913,190</u> |
| Plan fiduciary net position – ending (b) | <u>975,430</u> |
| Net OPEB asset – ending (a) –(b) | <u>\$ (44,998)</u> |
| Plan fiduciary net position as a percentage of the total OPEB asset | 1.05% |
| Covered-employee payroll | \$ 861,202 |
| Net OPEB asset as a percentage of covered-employee payroll | 5.2% |

⁴ Changes in Assumptions. The discount rate was changed from 7.28 percent (net of administrative expense) to 7.00 percent for the measurement period ended June 30, 2017.

Historical information is required only for measurement periods for which GASB 75 is applicable. Future years' information will be displayed up to 10 years as information becomes available.

RECLAMATION DISTRICT NO. 1000, CALIFORNIA
 Schedule 6 – Schedule of the District’s OPEB Contributions
 Last Ten Fiscal Years

| | |
|--|-------------------|
| Fiscal Year Ended June 30 | <u>6/30/2018</u> |
| Actuarially Determined Contribution (ADC) | \$ 19,789 |
| Contribution in relation to the ADC | <u>28,000</u> |
| Contribution deficiency (excess) | <u>\$ (8,211)</u> |
| Covered-employee payroll | \$ 861,202 |
| Contribution as a percentage of covered-employee payroll | 3.3% |

Notes to Schedule:

Actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year 2018 were from the June 30, 2018 actuarial valuation.

Methods and assumptions used to determine contributions:

| | |
|----------------------------|---|
| Actuarial cost method | Entry Age Normal |
| Amortization Method/Period | Level percent of payroll over a closed rolling 15-year period |
| Asset Valuation Method | Market value |
| Inflation Rate | 2.75% |
| Payroll Growth Rate | 2.75% per annum |
| Investment Rate of Return | 6.5% per annum |
| Healthcare Cost Trend Rate | 4% per annum |
| Retirement Age | Tier 1 employees – 2.0% @55 Tier 2 employees – 2.0% @60 |
| Mortality | The probabilities of retirement are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011 Pre-retirement mortality probability based on 2014 CalPERS Experience Study covering CalPERS participants. Post-retirement mortality probability based on CalPERS Experience Study 2007-2011 covering participants in CalPERS |

Historical information is required only for measurement periods for which GASB 75 is applicable.

Future years’ information will be displayed up to ten years as information becomes available.

OTHER REPORTS

**INDEPENDENT AUDITORS' 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 of
Reclamation District 1000, California
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 of Reclamation District 1000, California (the District), which comprise District's basic financial statements as listed in the Table of Contents, as of June 30, 2018, and the related notes to the financial statements, and have issued our report thereon dated November 14, 2018.

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) to determine the audit 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 over financial reporting.

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. *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 over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 results of that testing, and not to provide an opinion on the effectiveness of the organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CROPPER ACCOUNTANCY CORPORATION
Walnut Creek, California
November 14, 2018

**STAFF
SUMMARIES & RECOMMENDATIONS
DECEMBER 14, 2018
AGENDA ITEM 4D**

SUBJECT: 2019 Creek Week Sponsorship

Summary

The 2019 Creek Week event is scheduled for April 5-13. For a number of years, the District has been a supporter and sponsor of this event offering a monetary donation of \$1000 plus active participation by our field crew to remove and dump trash and debris collected by community and regional volunteers.

Background

Creek Week is an annual event organized by the Sacramento Creeks Council (SCC) which Alta Tura is the President. The event culminates in a creek clean-up day (April 13) where hundreds of volunteers across the region gather and remove trash and debris from area creeks and streams. Within Natomas, the event has included portions of the Natomas East Main Drain Canal, Main Drain (between Garden Highway and W. El Camino Ave), and Fisherman's Lake area along our West Drain.

For a number of years, the District has been a sponsor of this event providing a cash contribution and the services of our field crew. Our field crew has participated on the day of the event using our equipment to assist with the removal and loading of trash and debris from our area canals and streams. The request from the Sacramento Creek Council suggests a donation of \$1000.00 plus our staff time consistent with our past participation.

Being a sponsor and participating in Creek Week is consistent with our goal to improve community relations and recognition of the District within Natomas. Also, we are beneficiaries of the work done by volunteers in removing trash and debris from our canals.

In addition to sponsorship, the District has issued a Temporary Use Permit to the SCC to allow boats with volunteers within our Main Drain to assist in the debris removal. The permit requires insurance by the SCC with the District named as an additional insured.

Recommendation

Staff recommends the Board approve sponsorship of Creek Week including a donation of \$1000.00 plus have our staff participate on the day of the event. In addition, the District will issue a Temporary Use Permit allowing for boats on our Main Drain to assist with the cleanup effort.

Sponsorship Opportunities



Creek Week 2019 • April 5-13



29th Annual Sacramento County Creek Week

We need your help NOW to make Creek Week 2019 successful!

Your sponsorship **engages tens of thousands of citizens** throughout the Sacramento region in our week-long event.

- We improve our community through creek stewardship and trash cleanup; and
- We learn about creek ecosystems.

We can meet and exceed the 2018 Creek Week accomplishments, but it will **only be possible with the generous contributions** of our sponsors.

Your support is appreciated and provides opportunities for young and old to demonstrate environmental stewardship. Stand out as a leader and enjoy direct contact with customers!

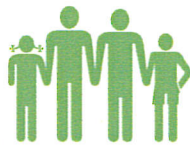
For sponsorship information contact:

Alta Tura

(916) 454-4544 or

saccreekweek@gmail.com

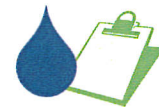
2018 Creek Week Results



2,000+ volunteers,
35 miles of waterways,
90+ different locations

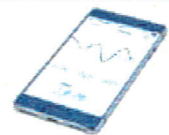


Over 16 tons of garbage
including tires and shopping
carts



For the 10th year, water
quality testing was conducted
at selected sites

Volunteers categorize trash from selected sites and collect the data in a mobile application.



Creek Week takes pride in its tradition

Creek Week is a regional institution mobilizing **volunteers from Folsom to the Sacramento Delta**. Over 29 years, Creek Week has provided public education and stewardship opportunities for families, youth groups, and do-gooders in the community. The extraordinary efforts of Creek Week volunteers have removed hundreds of tons of trash from creeks and increased flood safety by improving storm water conveyance.

Become a Corporate Sponsor of Creek Week 2019



Splash Off 2017, State Assemblymember Kevin McCarty presented the Creek Steward Award to Friends of the River Banks



Activities during Creek Week include a "Birds & Bloom Tour" of the Bufferlands



Volunteers gather at the celebration to create sculptures for the "Junk & Gunk Contest"

For sponsorship information contact:

Alta Tura

(916) 454-4544 or

saccreekweek@gmail.com

Volunteers are priceless, but the financial support from you and others like you make it possible for Creek Week to grow and improve year after year.

| Sponsorship Levels & Benefits | Platinum \$2,000 or more | Gold \$750 to \$1,999 | Silver \$500 to \$749 | Bronze \$250 to \$499 |
|---|--------------------------------|-----------------------------|-----------------------------|-----------------------------|
| Sponsor name on Creek Week brochures, posters, newsletters and web site | ✓ | ✓ | ✓ | ✓ |
| Event recognition at the Splash Off and Celebration Day | ✓ | ✓ | ✓ | ✓ |
| Your logo on the Creek Week T-shirt | ✓ | ✓ | | |
| Prominent placement of your company/ organization's name on the Creek Week brochure | ✓ | ✓ | | |
| Recognition in the full color ad in The Sacramento Bee celebrating Creek Week | ✓ | | | |

Benefits for ALL Sponsors

Association with a popular, well-organized, beneficial service event that traditionally receives media coverage from television, radio, The Sacramento Bee and special interest publications

The knowledge that your sponsorship supports Sacramento Area Creeks Council's efforts to protect, preserve and enhance our valuable creek resources while helping to reduce the threat of flooding

Creek Week 2018 Overview

Splash Off Friday, April 5

2019 Keynote speaker address and presentation of the Creek Steward Award. Public **recognition of all sponsors** for their contributions.

Creek Week Activities April 5-13

Activities the week before the clean-up showcase the value and ecology of creeks. Learn about plants and animals inhabiting our creeks and their important roles in the ecosystem. Learn how creeks can best be managed and cared for benefitting wildlife and humans alike.



Creek Clean-up Day and Celebration Saturday, April 13

Creek Week will culminate on Saturday, April 13, 2019, with volunteers joining to **clear trash from more than 80 different creek sites in Sacramento County**. Volunteers also remove invasive nonnative plants that choke local waterways. Others collect meaningful data as Citizen Scientists. Clean-up activities help improve the riparian habitat along many stream and creek corridors, provide opportunities to connect people to their natural environment, increase awareness for water conservation, and reduce flood risk. The clean-up is followed by a **celebration** at Carmichael Park – complete with food, entertainment, interactive exhibits & contests.

Sacramento Area Creeks Council

PO Box 162774 • Sacramento, CA 95816

www.saccreeks.org • www.creekweek.net

(916) 454-4544



Creek Week 2019 Sponsorship Form

Please email this form to saccreekweek@gmail.com or fax to **(916) 454-4544** and/or mail with your check to **PO Box 162774, Sacramento, CA 95816**.

Amount of your tax deductible contribution \$ _____

Please make check payable to **Sacramento Area Creeks Council**, a 501 (c)(3) nonprofit organization. **Contributions are tax deductible: Fed. ID # 26-3676166**

Check enclosed **Check to follow**

To pay by credit card use our PayPal account at www.creekweek.net.
Click on the "Donate" button.

We will provide in-kind services valued at \$ _____ Services include:

Sponsor Information:

Company/Group Name: _____

Website: _____

Contact Name and Title: _____

Sponsorship Levels & Benefits

| | Platinum \$2,000 or more | Gold \$750 to \$1,999 | Silver \$500 to \$749 | Bronze \$250 to \$499 |
|--|--------------------------------|-----------------------------|-----------------------------|-----------------------------|
| Sponsor name on Creek Week brochures, posters, newsletters and web site | ✓ | ✓ | ✓ | ✓ |
| Event recognition at the Splash Off and Celebration Day | ✓ | ✓ | ✓ | ✓ |
| Your logo on the Creek Week T-shirt | ✓ | ✓ | | |
| Prominent placement of your company/organization's name on the Creek Week brochure | ✓ | ✓ | | |
| Recognition in the full color ad in The Sacramento Bee celebrating Creek Week | ✓ | | | |

To ensure visibility in Creek Week promotional materials, please return this Sponsorship form by **January 14**.

Item No. 4E
Contribution for Current Administrative Service Manager Position
CalPERS Retirement Benefit Discrepancy

Summary and Background

The District's Offer Letter for the current Administrative Service Manager (ASM) position indicated the CalPERS retirement benefits would be based on an existing Classic Member 2%@55 formula. Subsequent to hiring, CalPERS determined the retirement benefit would be based on the 2%@60 formula because of the new tier adopted by Board in 2012 (before PEPR). Staff recommends the Board provide a contribution to a 457 Savings Plan to offset the reduction in retirement benefit. Based on an actuarial analysis, the contribution would be 10.8 percent of compensation assuming a retirement age of 55 and a rate of return on the contribution of 5.25% to offset the loss in retirement benefit

Staff is recommending the Board approve the additional contribution described above and direct staff to take the necessary steps to set up the contribution to a 457 plan for the ASM. The contribution would cease when the employee leaves District, retires or reaches the assumed retirement age of 55, whichever occurs first.

Discussion

As discussed above, staff is recommending the District address the discrepancy on retirement benefits for the current ASM position based on our offer letter (using the 2%@55 formula) and the actual benefit (using 2%@60 formula) as required by CalPERS. Per our discussion with CalPERS, the District does not have an option to change an employee's CalPERS classification and any future "classic" member would be put into the 2%@60 category.

The District hired Bartel and Associates to do a limited actuarial study to calculate the impact on the retirement benefit and the contribution necessary to offset this impact using the CalPERS assumptions for longevity for age, gender and anticipated future salary increases. The financial impact and required contribution to offset the impact varies with the assumed age of retirement and assumed rate of return on the invested contributions.

The District Personnel Committee reviewed the information from the actuarial analysis over several meetings and is recommending to use an assumed retirement age of 55 for the calculation. Secondly, staff reviewed the actuary's calculations of impact and required contributions for several assumed rates of return on the investments and is recommending to use 5.25% as a reasonable rate of return in calculating the required contribution. Staff requested the actuary run the analysis using the assumed retirement age of 55 and the 5.25% rate of return. The required contribution to address the impact on the employee's retirement benefit was calculated to be 10.8 % of compensation. Staff and the Personnel Committee are recommending the District make a lump sum contribution equal to 10.8 % of the actual compensation from the hire date of July 5,

2017 through December 31, 2018. Starting January 1, 2019, the District will make a direct contribution monthly to the employee's 457 plan (via CalPERS online reporting/payments) for each pay period equal to the actuarial determined percent of pay of 10.8%. As noted above, the additional contribution would cease when employee leaves District service, retires or reaches the assumed retirement age of 55.

In making this recommendation, staff believes had both the District and the employee known the 2%@60 formula applied resulting in a reduced retirement benefit; we would have likely negotiated a higher initial salary to offset the reduced benefit, thus the likely financial impact of this recommendation on the District is minimal.

**STAFF
SUMMARIES & RECOMMENDATIONS
DECEMBER 14, 2018
AGENDA ITEM 5**

SUBJECT: General Manager's Report (Information/Discussion)

- A. Regional Flood Control Issues
- B. Flood Season Outlook
- C. Corps Natomas Project update
- D. Plant 1 Spare SMUD Transformer
- E. PG&E Vegetation Management project American River Parkway
- F. Clean Up Coordination by RWQCB in NEMDC Floodway
- G. V Drain Pipe Culvert Replacement

**STAFF
SUMMARIES & RECOMMENDATIONS
DECEMBER 14, 2018
AGENDA ITEM 6**

SUBJECT: Public Outreach Update – K. Pardieck

**STAFF
SUMMARIES & RECOMMENDATIONS
DECEMBER 14, 2018
AGENDA ITEM 7**

SUBJECT: District Counsel's Report

This will be a verbal report by District Counsel Jim Day.

**STAFF
SUMMARIES & RECOMMENDATIONS
DECEMBER 14, 2018
AGENDA ITEM 8**

SUBJECT: Superintendent's Report

To: Trustees of Reclamation District No. 1000

From: Superintendent Don Caldwell

Date: December 1, 2018

Re: Report of activities within the District during the month of November 2018

The chart below represents the various activities the field crew spent their time working on during the month of November 2018.

| RD 1000 Field Crew | *Field Hours Worked | Activity |
|--------------------|---------------------|-------------------|
| | 283 | Plant Maintenance |
| | 29.5 | Grounds |
| | 119.5 | Levee Maintenance |
| | 15.5 | Pump Maintenance |
| | 11 | Ditch Maintenance |
| | 0 | Fence Repair |
| | 12 | Garbage |
| | 46 | Weed Control |
| | 8 | Mowing |
| | 0 | Upper GGS |
| | 107 | Equipment Repairs |

**Days worked do not include: sick, vacation, holiday or Superintendent's time*

Bannon H: 8.80'
L: 6.76'

River H: 8.99'
L: 5.01'

Rain totals

Rain totals for the month of November were 3.62"

Rain totals since July 1st were 5.80"

Safety topics for the month of November: Wet weather driving conditions wipers and headlights

Pumping

The district did some pumping for a small rain event in November

| Pumping Plant | Pump | Hours and A/F |
|----------------|----------|----------------------------|
| Plant 8 | Pump # 1 | 47.6 hours and 499.8 A/F |
| | Pump # 2 | 3.5 hours and 36.75 A/F |
| | Pump # 3 | 246 hours and 934.8 A/F |
| | | |
| | Pump # 5 | 115.4 hours and 438.52 A/F |
| Plant 3 | Pump # 1 | 6.9 hours and 25.53 A/F |
| | Pump # 3 | 16.5 hours and 110.55 A/F |
| | | |

Reclamation District No. 1000
Superintendent Don Caldwell

**STAFF
SUMMARIES & RECOMMENDATIONS
DECEMBER 14, 2018
AGENDA ITEM 9**

SUBJECT: Correspondence/News/Information

**STAFF
SUMMARIES & RECOMMENDATIONS
DECEMBER 14, 2018
AGENDA ITEM 10**

SUBJECT: Closed Session

PUBLIC EMPLOYMENT
Title: General Manager