



**RECLAMATION DISTRICT NO. 1000
BOARD OF TRUSTEES
REGULAR BOARD MEETING**

1633 GARDEN HIGHWAY
SACRAMENTO, CA 95833

**FRIDAY, DECEMBER 9, 2022
8:00 A.M.**

WEB & TELEPHONE MEETING ONLY

MODIFIED BROWN ACT REQUIREMENTS IN LIGHT OF STATE OF EMERGENCY

In compliance with CA Assembly Bill 361, members of the Board of Trustees and members of the public will participate in this meeting by teleconference. The call-in information for the Board of Trustees and the public is as follows:

Join the meeting from your computer, tablet or smartphone.

<https://www.gotomeet.me/rd1000>

You can also dial in using your phone.

United States (Toll Free): [1 866 899 4679](tel:18668994679)

United States: [+1 \(571\) 317-3116](tel:+15713173116)

Access Code: 539-716-757

If you don't already have the GoToMeeting application downloaded, please allow yourself additional time prior to the meeting to install the free application on your computer, tablet, or smartphone. The application is not required to participate via phone.

Any member of the public on the telephone may speak during Public Comment or may email public comments to kking@rd1000.org and comments will be read from each member of the public. During this period of modified Brown Act Requirements, the District will use best efforts to swiftly resolve requests for reasonable modifications or accommodations with individuals with disabilities, consistent with the Americans with Disabilities Act, and resolving any doubt whatsoever in favor of accessibility. Requests for reasonable modifications under the ADA may be submitted to the email address noted above, or by phone directly to the District.

All items requiring a vote of the Board of Trustees will be performed as a roll call vote to ensure votes are heard and recorded correctly. In addition, the meeting will be recorded and participation in the meeting via GoToMeeting and/or phone will serve as the participants acknowledgment and consent of recordation.

AGENDA

RD 1000 Board Meeting
December 9, 2022

1. PRELIMINARY

- 1.1. Call Meeting to Order
- 1.2. Roll Call
- 1.3. Approval of Agenda
- 1.4. Pledge of Allegiance
- 1.5. Oath of Office – Trustees Jag Bains, Elena Lee Reeder, Ed Perez
- 1.6. Election of Board President and Vice President
- 1.7. Designation of Board Secretary
- 1.8. Conflict of Interest (*Any Agenda items that might be a conflict of interest to any Trustee should be identified at this time by the Trustee involved*)

2. PRESENTATIONS

No Scheduled Presentations

3. PUBLIC COMMENT (NON-AGENDA ITEMS)

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

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

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

4. INFORMATIONAL ITEMS

- 4.1. **GENERAL MANAGER'S REPORT:** Update on activities since the November 2022 Board Meeting.
- 4.2. **OPERATIONS MANAGER'S REPORT:** Update on activities since the Nov. 2022 Board Meeting.
- 4.3. **DISTRICT COUNSEL'S REPORT:** Update on activities since the November 2022 Board Meeting.

5. CONSENT CALENDAR

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

- 5.1. **APPROVAL OF MINUTES:** Approval of Minutes from the November 18, 2022 Board Meeting.
- 5.2. **TREASURER'S REPORT:** Approve Treasurer's Report for November 2022.
- 5.3. **EXPENDITURE REPORT:** Review and Accept Report for November 2022.

AGENDA

*RD 1000 Board Meeting
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- 5.4. BUDGET TO ACTUAL REPORT: Review and Accept Report for November 2022.
- 5.5. ASSEMBLY BILL 361: Review and Consider Adoption of Resolution No. 2022-12-01 - Proclaiming a Local Emergency, Ratifying the Covid-19 State of Emergency, and Authorizing Remote Teleconference Meetings of Reclamation District No. 1000 Pursuant to The Ralph M. Brown Act.
- 5.6. BANKING AUTHORIZATION: Review and Consider Adoption of Resolution No. 2022-12-02 Authorizing Officers and Trustees as Signatories to the Operations and Maintenance Funds Held by Sacramento County Treasurer.

6. SCHEDULED ITEMS

- 6.1. AUDITED FINANCIAL STATEMENTS: Review and Receive the Audited Financial Statements for Year End June 30, 2022.
- 6.2. PROPOSITION 218: Review and Consider Adoption of Resolution 2022-12-03 Approving Procedures for Proposition 218 Election.
- 6.3. RECOGNITION OF SERVICE: Review and Consider Adoption of Resolution No. 2022-12-04 Recognizing Sacramento City Council Member & Sacramento Area Flood Control Agency Board of Director, Angelique Ashby, for Service to the Community.

7. BOARD OF TRUSTEE'S COMMENTS/REPORTS

7.1. BOARD ACTIVITY UPDATES:

7.1.1. RD 1000 Committee Meetings Since Last Board Meeting

- Executive Committee (Gilbert & Lee Reeder) November 30, 2022

7.1.2. RD 1000 Committees No Meetings Since Last Board Meeting

- Finance Committee (Gilbert, Bains & Burns)
- Legal Committee (Avis, Barandas, & Gilbert)
- Operations Committee (Bains, Barandas & Burns)
- Personnel Committee (Bains, Barandas & Smith)
- Urbanization Committee (Lee Reeder, Burns & Smith)

8. CLOSED SESSION

No Closed Session Items

9. ADJOURN





RECLAMATION DISTRICT 1000

DATE: DECEMBER 9, 2022

AGENDA ITEM NO. 4.1

TITLE: General Manager's Report – December 2022

SUBJECT: Update on Activities Since the November 2022 Board of Trustees Meeting

EXECUTIVE SUMMARY:

This Staff Report is intended to report the noteworthy activities and events of the District. Noteworthy activity from November 2022 is provided below:

1. Administration Services

a. Human Resources

- i. No Update.

b. Comprehensive Financial Plan

- i. Staff Presented the Phase 2.2 Technical Report to the Board of Trustees on May 13, 2022. Staff continues to work on outreach regarding the proposed fee and has scheduled numerous meetings kicking off in June 2022.
- ii. 4Natomas.org launched on June 1, 2022. This website is being used as the landing point for all information relative to the District's work on the potential property related fee which the Board of Trustee will consider this fall.
- iii. Finance Committee reviewed the draft Phase 2.2 Storm Water Service Fee Study on August 31, 2022.
- iv. Board approved moving forward with the second step of the Prop 218 process at the November 18, 2022 Board of Trustees meeting after conducting a Public Hearing. See Item 6.2 for more information.

c. Strategic Communication Services

- i. GM King and Staff continue to work with Allen Strategic on a weekly basis for the various Outreach and Education Programs of import to the District.

2. District Operations

a. Routine Operations & Maintenance:

- i. District Crews continue to perform routine maintenance and operations of the District's infrastructure. See Agenda Item 4.2 for information regarding activities performed in November 2022.

3. Capital Improvement Projects

a. CIP Update

- i. KSN is currently working on Pumping Plant #8 Preliminary Design and construction phasing plan. Their electrical team is working on the preliminary design report and readying to engage structural to vet feasibility of the site alternatives. With the operating sequences confirmed, the modeling team is underway on building the Plant 8 replica model used to diagnose and fix the cavitation issues. We expect to have design drawings and formal test plan from the modeling team that will be shared within the next few weeks.

4. Natomas Levee Improvement Projects

The Corps continues to work with the State and SAFCA on borrow for the project. Sites being studied and tested include the Sacramento Regional Sanitation District treatment plant stockpile; Port of West Sacramento; and the Brookfield property in Sutter County adjacent to the PGCC south of Howsley Road which could provide sufficient borrow for the remainder of the Natomas Project. The Corps is evaluating needs for each Reach and available sources to minimize delays and maximize efficiency.

Per the Corps regulations, they are conducting a week long flood risk assessment in early December for the remaining contracts in Reach E, F, G, Pump Plant 5, Highway 99 and Reach I contract 2.

a. Reach A

- i. The Contract was awarded in September 2021 to Ahtna-Great Lakes (joint venture) for the base contract levee work. The contractor has completed a demonstration cut off wall panel. Testing will occur following 28 days of cure time. Construction will last for three years.
- ii. Modifications to Plant 1B and 1A have been included in the project. The contract includes the provisions in the agreement between the District and SAFCA to ensure Plant 1A and 1B are operational during the flood season throughout the project and partial operation of Plant 1B during the irrigation season for rice drainage.
- iii. The demonstration section has been completed, including a new slurry wall mix design and construction method. Core tests are in progress.
- iv. SAFCA/State continue coordinating with the Corps on SMUD, AT&T and PGE relocations which are underway but have delayed the start of levee construction. The team is also working with the City of Sacramento on waterline and service connections along Garden Highway.

TITLE: General Manager's Report – December 2022

b. Reach B

- i. Construction continued on Reach B including relocation of the Riverside Canal and replacement of other Natomas Water Company facilities. The Corps will now acquire borrow material from the Port of Sacramento, which is needed for the landside seepage berm.
- ii. Outfall, discharge pipes, pumps and electrical replacement has been completed. O&M training was completed. All 4 pumps are operational if needed. Official pump testing will commence when adequate water levels are reached in the drainage canal.
- iii. Construction at the I-5 window crossing the Sacramento River south of Bayou Road which began in 2021, this project is at 95% completion, remaining items will be performed as weather permits.

c. Reach C

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

d. Reach D

- i. The reconstruction of Pumping Plant 4, discharge pipes and outfall structure is substantially complete. The plant will be non-operational this flood season as the electrical protection equipment delivery is scheduled for September 2023. Currently coordinating with USACE, M&H and NMWC related to minor temporary power for electrical building and exterior lighting after contractor demobilizes from site.
- ii. The Corps is working on the package to turn the previously completed levee improvements in Reach D over to the non-federal sponsors (and RD 1000) though the District has effectively taken over the O&M of the levee.

e. Reach E

- i. The plans and specifications for this reach are complete. The Corps is doing its final internal review and working with their contracting group to advertise the project for construction. The contract award has been delayed until April awaiting right of way certification and utility relocation. However, construction is still scheduled for 2023 and 2024.
- ii. SAFCA has acquired all the right of way for construction and utility relocations and has physical possession of the property. This includes the Brookfield property which could yield sufficient borrow for the remainder of the Natomas project. SAFCA is coordinating with PG&E for the relocation of the utility poles which has been delayed until 2023.

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- f. Reach F
 - i. The State, SAFCA and RD 1000 have provided comments to the Corps on the 95% plans. We continue working with the Corps on key issues affecting design; particularly the proposed takes on properties with existing structures, the work near Pumping plant No. 6, relocate or design around WAPA tower, and the borrow source currently proposed from the former Brookfield property now owned by SAFCA. The 100% plans are to be delivered by the end of 2022 for review.
 - ii. Critical issues include right of way acquisition (some which require relocations); WAPA tower (lead time for relocation more than a year); utility relocations and borrow source. Based on potential right of way acquisition and utility relocation delays, the Corps is revising their schedule to delay construction until 2025 with completion as late as 2027. SAFCA is trying to reduce the right of way acquisition time to allow construction to commence sooner.
- g. Reach G
 - i. See notes above for Reach F as Reaches F and G are combined into a single design and construction contract.
- h. Reach H
 - i. Construction at Reach H continues, including fence relocations, landside lower patrol road and I-80 berm. SAFCA continues acquisition of rights needed to complete patrol road and fence relocations. This project will continue into 2023 as these contract modifications are negotiated and rights of way acquired.
- i. Reach I
 - i. Construction of the cutoff wall has been completed and project finalization and turnover to SAFCA and the District is in progress. A final construction report has been submitted for SAFCA and the District to review.
 - ii. Design for the Reach I Contract 2 to construct a patrol / maintenance road and perform levee slope flattening has been completed. SAFCA is working on real estate acquisition and coordination with utilities for relocation. All tree removal has been completed. The levee construction is scheduled to be performed in 2023.
- j. Other Projects
 - i. Plant 5 replacement—The Corps has awarded the design contract to the Stantec/Kleinfelder team. The new pumping plant will be located approximately 400 feet east from the current location. Design team meetings will commence in 2023. The current schedule is for construction in 2024.

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- ii. Highway 99 Window – HDR Engineers are doing the design for the closure of the Highway 99 crossing gap at the Natomas Cross Canal. The 100% plans were submitted and reviewed by the design team in October with no significant issues identified. Caltrans is now engaged with the project and provided their comments on the proposed lane closures to allow the cutoff wall constructed across the travel lanes but concur in general with the proposal. The schedule is to award the contract in June 2023 and construction completed by December 2023.

5. Miscellaneous

a. Sacramento Area Flood Control Agency (SAFCA)

- i. Board Meeting – November 17, 2022 (Attachment No. 1)

b. Media

- i. ABC10

- <https://www.abc10.com/video/entertainment/television/programs/to-the-point/levees-in-sacramento-calls-for-upgrades-concerns-over-the-unhoused-grow-to-the-point/103-c3edfab2-5f66-4670-8607-063f292a95a2>
- <https://www.abc10.com/article/news/local/sacramento/concerns-steelhead-creek-clean-up/103-63757161-1a4d-4dcc-8cac-944120ed343b>

ATTACHMENTS:

- 1. SAFCA Board Meeting – November 17, 2022

STAFF RESPONSIBLE FOR REPORT:



Kevin L. King, General Manager

Date: 12/06/2022



**Board of Directors Action Summary of
November 17, 2022 - 3:00 PM**

WEBEX MEETING

Directors/Alternates Present: Ashby, Avdis, Barandas, Conant, Frost,
Harris, Jennings, Kennedy, Nava, Nottoli

Directors Absent: Desmond, Holloway and Shah

ROLL CALL

PUBLIC COMMENTS – No public comments were made

CONSENT MATTERS

Motion by Director Conant and seconded by Director Harris to approve Resolution Nos. 2022-125; 2022-126; 2022-127; 2022-128; 2022-129; 2022-130; and 2022-131 of Consent Matters. No public comments were made.

AYES: Ashby, Avdis, Barandas, Conant, Frost, Harris, Jennings, Kennedy, and Nava
NOES: (None)
ABSTAIN: (None)
RECUSE: (None)
ABSENT: Desmond, Holloway, Nottoli, and Shah

1. Resolution No. 2022-125 - Proclaiming a Local Emergency Persists, Re-Ratifying the COVID-19 State of Emergency, and Re-Authorizing Remote Teleconference Meetings of the Sacramento Area Flood Control Agency Board of Directors Pursuant to the Ralph M. Brown Act

2. Approving the Action Summary for October 20, 2022

3. Resolutions - Authorizing the Executive Director to Execute Two Year Government Relations Services Contracts
 - A. Resolution No. 2020-126 - The Gualco Group, Inc.
 - B. Resolution No. 2020-127 - Dawson and Associates, Inc.
 - C. Resolution No. 2020-128 - Steinberg and Associates

4. Resolution No. 2022-129 - Ratifying Changes to the Lease Agreement for SAFCA's Office Space at 1325 J Street

5. Resolution No. 2022-130 - Authorizing the Executive Director to Enter into a Contract with Geosyntec Consultants, Inc. for Professional Services Related to the Lower Elkhorn Basin Levee Setback Project in Yolo County

6. Resolution No. 2022-131 - Authorizing the Executive Director to Prepare and Submit a Grant Application and Related Materials and to Enter Into Agreements for the Morrison Creek & Beach Lake North Levee Improvements Project

SEPARATE MATTERS

7. Resolution of Appreciation No. 2022-132 - Recognizing Angelique Ashby for Her Contributions to the Sacramento Area Flood Control Agency

Motion by Director Harris and seconded by Director Conant to approve Resolution No. 2022-132

AYES: Ashby, Avdis, Barandas, Conant, Frost, Harris, Jennings, Kennedy, Nava, Nottoli

NOES: (None)

ABSTAIN: (None)

ABSENT: Desmond, Holloway, Shah

RECUSAL: (None)

8. Resolution of Appreciation No. 2022-133 - Recognizing Jeff Harris for His Contributions to the Sacramento Area Flood Control Agency

Motion By Director Angelique Ashby, seconded by Director Patrick Kennedy to approve Resolution No. 2022-133

AYES: Ashby, Avdis, Barandas, Conant, Frost, Harris, Jennings, Kennedy, Nottoli, Nava
NOES: (None)
ABSTAIN: (None)
ABSENT: Desmond, Holloway, Shah
RECUSAL: (None)

EXECUTIVE DIRECTOR'S REPORT

9. Information - Executive Director's Report for November 17, 2022

Government Code Section 54956.8 - Conference with Real Property Negotiators.

Property: 7311 and 7495 E. Levee Road, Rio Linda, CA 95673

Sacramento County APNs: 201-0190-038 and 201-0190-039

Agency Negotiators: Richard M. Johnson, Jason D. Campbell, Jeremy D. Goldberg, Matt Degroot, and John A. Bassett

Negotiating Party: Terrence W. Wells

Under Negotiation: Price and terms of Payment

Nothing to Report

Government Code Section 54956.8 - Conference with Real Property Negotiators.

Property: 1015 Rio Lane, Sacramento, CA 95822

Sacramento County APN: 016-0161-035

Agency Negotiators: Richard M. Johnson, Jason D. Campbell, Jeremy D. Goldberg, Matt DeGroot, and Pete Ghelfi

Negotiating Party: Randy Borene

Under Negotiation: Price and terms of payment

Nothing to Report

SEPARATE MATTERS

10. Public Hearing - Resolution of Necessity No. 2022-134 - This Item is Continued from the May 19, 2022 and the August 18, 2022 Board of Director's Meeting - Authorizing an Eminent Domain Action to Condemn Real Property Interests for the American River Common Features 2016 Flood Risk Management Project, Sacramento River East Levee, Easement Interest Acquisition Over Portions of Sacramento County Assessor's Parcel Number 016-0161-035 - Property Owners Randolph M. Borene Trust, Leslie

Stuart Separate Trust, Mark Stuart Separate Trust, Lara Stuart Separate Trust, Kathleen A Worley Revocable Living Trust

Pursuant to Section 12450.240 of the Cal Code of Civil Procedure this Item Requires a 2/3 or 9 Member Approval Vote to Pass the Resolution

Motion By Director Jeff Harris, seconded by Director Mat Conant approving Resolution No. 2022-134

AYES: Avdis, Barandas, Conant, Frost, Harris, Jennings, Kennedy, Nottoli, Nava

NOES: (None)

ABSTAIN: (None)

ABSENT: Ashby, Desmond, Holloway, Shah

RECUSAL: (None)

11. Public Hearing - Resolution of Necessity No. 2022-135 - Authorizing an Eminent Domain Action to Condemn Real Property Interests for the Reach G Component of Phase 4b of the Natomas Levee Improvement Project. Fee Interest, Electrical and Communication Facilities Easement and Temporary Construction Easement Acquisition over Portions of Sacramento County Assessor's Parcel Number 201-0190-038 and 201-0190-039; 7311 and 7495 East Levee Road, Rio Linda, California 95673; Property Owner: Mr. Terrence W. Wells

Pursuant to Section 12450.240 of the Cal Code of Civil Procedure this Item Requires a 2/3 or 9 Member Approval Vote to Pass the Resolution

Motion By Director Patrick Kennedy, seconded by Director Nick Avdis approving Staff's Recommendation to Continue this Item to the February 16, 2023, Board of Director's Meeting. No Public Comments were made.

AYES: Avdis, Barandas, Conant, Frost, Harris, Jennings, Kennedy, Nottoli, Nava

NOES: (None)

ABSTAIN: (None)

ABSENT: Ashby, Desmond, Holloway, Shah

RECUSAL: (None)

ADJOURN

Respectfully submitted,
Lyndee Russell



RECLAMATION DISTRICT 1000

DATE: DECEMBER 9, 2022

AGENDA ITEM NO. 4.2

TITLE: Operations Manager's Report – December 2022

SUBJECT: Update on Activities Since the November 2022 Board of Trustees Meeting

EXECUTIVE SUMMARY:

This Staff Report is intended to inform the Board and serve as the official record of the activities the District's field staff engaged in for the month of November 2022. As well as provide information regarding District facility use and local weather impacts on District facilities and river levels. Noteworthy activities include mechanically removing sediment from the West Drainage Canal and the O Drain. District staff in conjunction with Sac Picks It Up performed homeless encampment cleanups along the NEMDC. Staff performed initial homeless encampment postings at San Juan/Airport Road and the East Drainage Canal behind Home Depot, with a removal date of December. Emerald site services completed vegetation removal south of Pumping Plant #2, which was included in the 22-23 FMAP funding agreement.

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

RECOMMENDATION:

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

ATTACHMENTS:

1. Operations Manager's Report Data Sheet

STAFF RESPONSIBLE FOR REPORT:

Gabriel J. Holleman, Operations Manager

Date: 12/02/2022

Kevin L. King, General Manager

Date: 12/02/2022

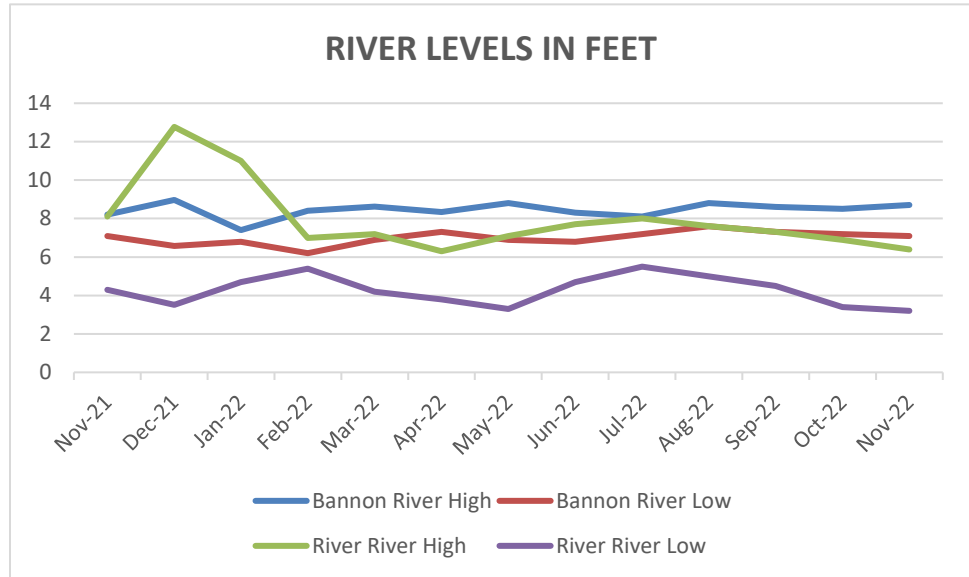


Operations Manager's Report November 2022

River Levels:

Bannon H: 8.7'
L: 7.1'

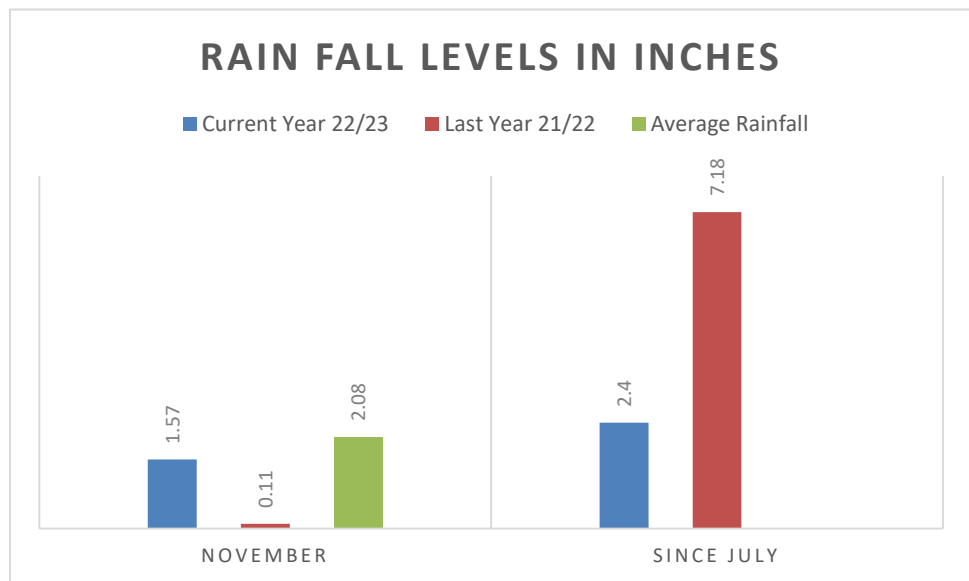
River H: 6.4'
L: 3.2'



Rain Fall Totals:

November 2022
Rain Totals = 1.57"
Nov Average = 2.08"

Rain Totals Since
July 1, 2022 = .2.40"



Safety Topics for the Month of November

- Working Safety With Chain Saws
- Working Safely With Hand Held Jig Saws
- Working Safely With Band Saws
- Working Safely With Chop Saws & Miter Saws

District Requests Received

The District received multiple requests related to trash, debris and abandoned vehicles along District facilities. Staff and local law enforcement were deployed to remove these items within District boundaries.

The chart below represents various activities the field crew spent their time working on during the month of November, 2022.

RD 1000 Field Crew	*Field Hours Worked	Activity
	274	Garbage
	187	Pumping Plant Maintenance
	142	Equipment Maintenance/Repairs
	100	Grounds Maintenance
	83	Sediment Removal
	72	Ditch Maintenance
	67	Weed Control

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

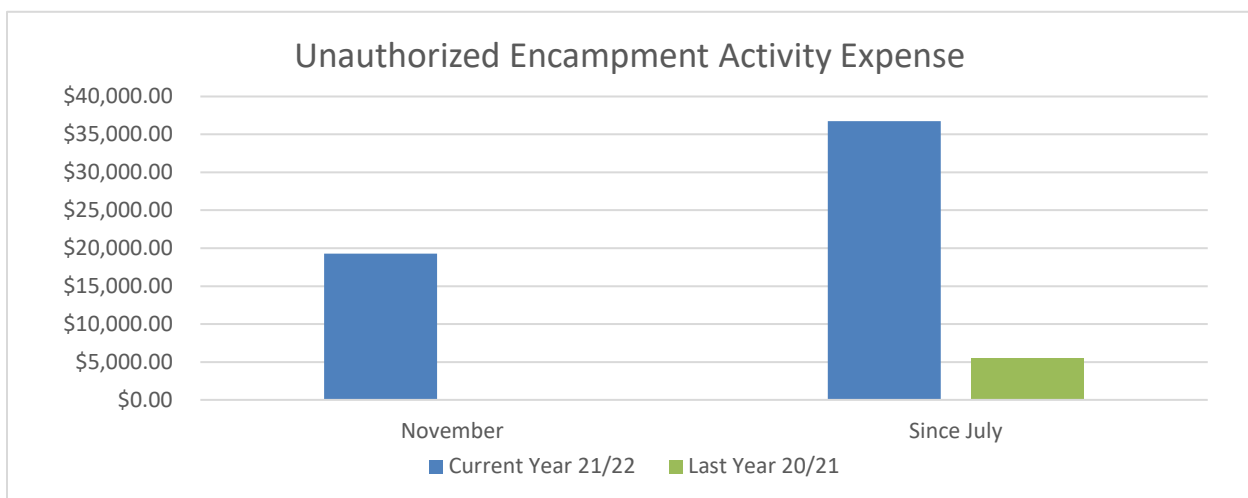
Pumping

Please see the pumping data below as it relates to pump totals in the month of November. A total of 138.44 Ac-ft was pumped from the Basin.

Pumping Plant	Pump	Hours / Ac-ft
Plant 1B	Pump #6	9.9 Hrs / 97.02 Ac-ft
Plant 8	Pump #3	10.9 Hrs / 41.42 Ac-ft

Unauthorized Encampment Activity During the month of November, the District spent a total of 128 hours on unauthorized encampment related work with a total cost to the District of \$19,293.36. This total includes labor and equipment costs.

Unauthorized Encampment Activity – Year to Date This fiscal year to date the District has spent a total of 240 crew hours on unauthorized encampment activity for a total cost to the district of \$36,736.4. This total includes labor,* equipment costs.





1. Capital Improvement Projects

a. CIP Update

- i. KSN is currently working on Pumping Plant #8 Preliminary Design and construction phasing plan. Their electrical team is working on the preliminary design report and readying to engage structural to vet feasibility of the site alternatives. With the operating sequences confirmed, the modeling team continues to perform testing under different conditions and sump modifications. Plant 8 replica model used to diagnose and fix the cavitation issues. Physical modeling of pump sump started. Only minor issues were identified. Team working through proposed upgrades to bring sump into full compliance. Model runs for adding divider wall and lowering pump settings. Follow-up tests for upgrade of two pumps for levee mitigation are forthcoming. We expect to have design drawings and formal recommendation following the hydraulic analysis and testing that is currently in progress.
- ii. Analysis to update costs are in progress as it relates to the PP#8 pump reimbursement agreement with SAFCA, which includes hydraulic calculations for mitigation of capacity impacts from the previous levee construction project.
- iii. Plant 1A safety improvements are currently under review, M&H will provide preliminary recommendations soon.
- iv. Electrical Condition assessment complete, analysis and reporting in progress.

2. Developmental Project Updates

a. MAP

- i. Reviewed comments from County on new RD1000 basinwide model impacting I-5 drainage infrastructure, including south of I-5. Coordinating with modeler to troubleshoot issues.

b. Greenbriar

- i. Greenbriar – Final reimbursement costs to RD1000 has been determined.

- c. Upper West Side
 - i. Coordinating with Sac County regarding questions about pumping plant operational details. Meeting held with developer's engineer to provide assistance on scenarios to review.

- d. City of Sacramento Discharge Pipes
 - i. Sac City has discontinued work at Sump 58 (American River0 & Sump 132 (Lower NEMDC).

- e. Sutter Pointe
 - i. Completed review of plans pertaining to new lift pump station to discharge water from detention lakes. Ongoing coordination on trash racks and cathodic protection.

- f. Misc. Caltrans
 - i. Coordinating efforts ongoing with the planned work at San Juan (EDC).

- g. Elkhorn Blvd/Powerline
 - i. B plans for Elkhorn extension have been reviewed and comments submitted.

- h. SMUD levee crossing at Swabbies
 - i. Permit review and endorsed. Will monitor activities when construction begins.

- i. Anton Dev Co Fong Ranch Road
 - ii. Met with City Parks and Rec to review drainage for the new park.

- j. Panhandle
 - i. Reviewed and commented on tentative map showing RD1000 ditches to be removed. Drainage study is under review.

- k. Northpointe Industrial Park
 - i. Completed backcheck of plans with no issues.

- l. Ninos Parkway Trail – B Drain
 - i. Bridge at B drain. Plans received 06/22/2022, currently under review.

- m. 920 San Juan Road
 - i. Reviewing NOI. Drainage study requested

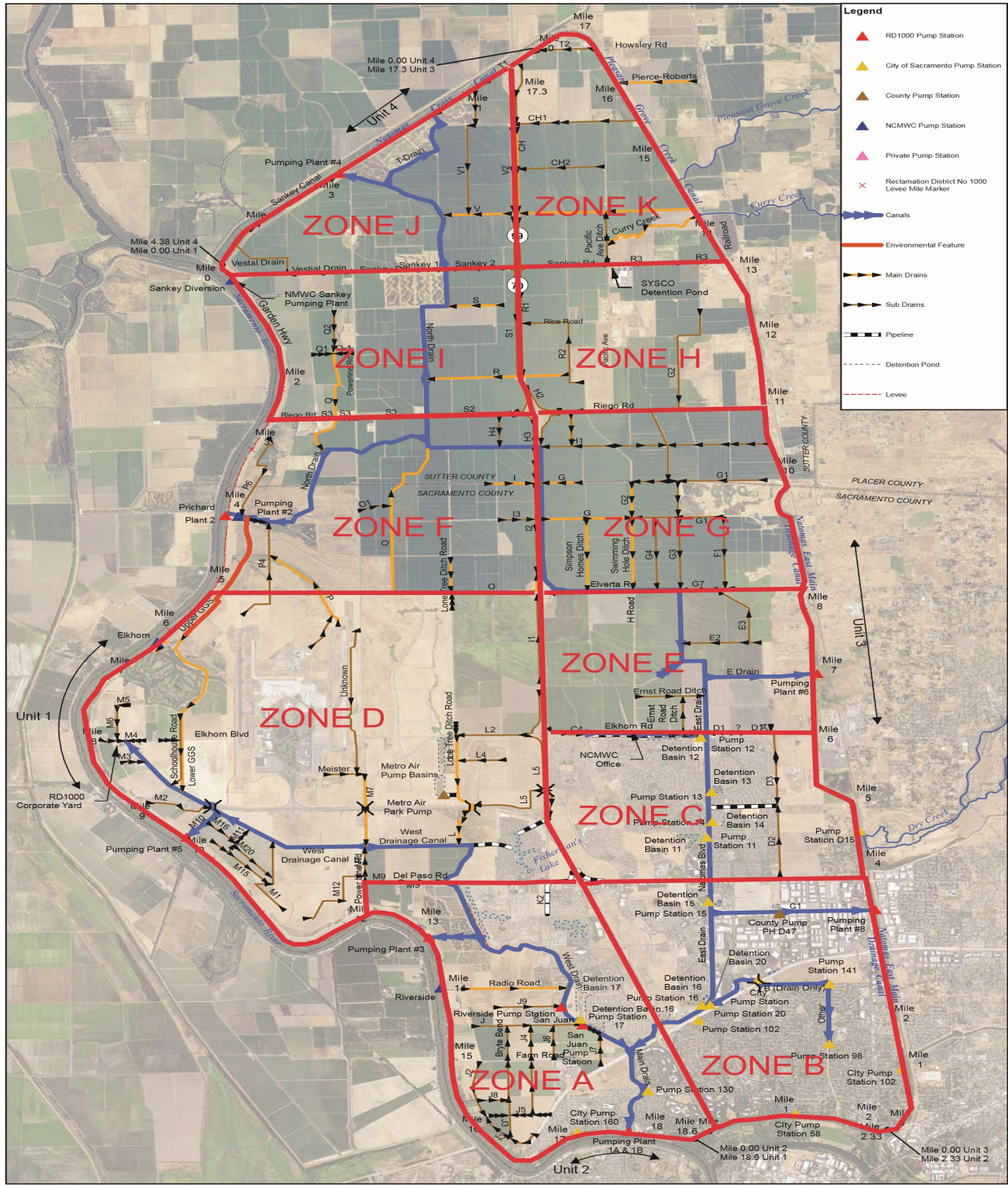
- n. NorthLake Development
 - i. Drawings currently under review.

- o. MAP Schnitzer
 - i. Meeting scheduled to review M-7 drainage canal piping. Piping of drain was rejected by RD 1000. County wants to avoid ditch crossing, may require culvert extension.
- p. Airport South Industrial
 - i. Preliminary grading plans and supporting documents have been reviewed for application. A number of concerns with how the plans will affect the Districts O&M corridor along adjacent canals.
- q. Pleasant Grove Truck Facility
 - i. Requested data from developer's engineer related to the drainage outlet.
- r. Russel at Truxel Apartments (Fong Ranch Road)
 - i. Submitted comments to developer October 17.
- s. Northgate Industrial Park
 - i. Comments under review by developer.

3. General Engineering Updates

- a. Basinwide Model
 - i. Stakeholder (City, Sacramento, Sutter Counties) kickoff held on 5/4. Sacramento County provided review comments. Most are clarifications, but a few model updates proposed. Review by MAP and Upper West Side designers included. No further comments expected from the City. Met with Sac County to request FEMA meeting, will discuss with FEMA. City provided one comment asking to expand the 2D analysis to area within City of Sacramento storm drains and pumps behind levees.
- b. Facility Mapping Tool
 - i. Working with M&H to complete field mapping tool (GIS)
- c. PGCC Culvert Video Inspections
 - i. Working with M&H to perform.
- d. Howsley Bridge
 - i. No further action at this time. Reach E plans have been coordinated with future work. Conditional permit endorsement provided to the CVFPB.
- e. USACE O&M Manual
 - i. The O&M manual has been completed. Working with the CVFPB as it relates to the SWIF approval.

Maintenance Work Schedule		1-Nov Through 30-Nov		
Crew 1	1-Nov	8-Nov	15-Nov	22-Nov
Beto Gutierrez				
Truck # 57	* Aquatic vegetation application in Zone F & H * Completed monthly aquatic application reports * Disced canal roads in Zone D	* Serviced pump motors at PP#1B, #2, #5, #6 and #8	* Aquatic vegetation application in Zone A & D	* Retrieved post aquatic vegetation samples * Pre emergent application along Garden Highway access roads * Homeless encampment garbage removal along the NEMDC from El Camino - San Juan Rd * Cleaned debris from various pumping plant
Crew 2	1-Nov	8-Nov	15-Nov	22-Nov
John Chilton				
Truck # 56	* Mowing activities in Zone I, F & D * Garbage removal throughout the District	* Serviced pump motors at PP#1B, #2, #5, #6 and #8	* Corp Yard Maintenance * Homeless encampment garbage removal along the NEMDC from El Camino - San Juan Rd * Garbage removal throughout the District	* Corp Yard Maintenance * Garbage removal throughout the District * Homeless encampment garbage removal along the NEMDC from El Camino - San Juan Rd * Pumping Plant Maintenance
Crew 3	1-Nov	8-Nov	15-Nov	22-Nov
Taylor Tikalski				
Truck # 55	* Corp Yard maintenance * Garbage removal throughout the District	* Serviced pump motors at PP#1B, #2, #5, #6 and #8	* Corp Yard Maintenance * Homeless encampment garbage removal along the NEMDC from El Camino - San Juan Rd * Garbage removal throughout the District	* Corp Yard Maintenance * Garbage removal throughout the District * Homeless encampment garbage removal along the NEMDC from El Camino - San Juan Rd * Pumping Plant Maintenance
Crew 4	1-Nov	8-Nov	15-Nov	22-Nov
Bryan Hall				
Truck # 69	* Unit #45 - Electrical/Charging System repairs * Unit #37 - Repaired oil leak * Unit #52 - Hydraulic tank repairs	* Unit #37 - Hydraulic system repairs * Unit #45 - Fabricating rear mower lifting brackets	* Unit #45 - Fabricating rear mower lifting brackets	* Unit #45 - Installed rear mower lifting brackets * Unit #17 - Boom Repairs
Crew 5	1-Nov	8-Nov	15-Nov	22-Nov
Ray Lewis				
Truck: #58	* Corp Yard maintenance * Garbage removal throughout the District	* Serviced pump motors at PP#1B, #2, #5, #6 and #8	* Corp Yard Maintenance * Homeless encampment garbage removal along the NEMDC from El Camino - San Juan Rd	* Corp Yard Maintenance * Garbage removal throughout the District * Homeless encampment garbage removal along the NEMDC from El Camino - San Juan Rd * Pumping Plant Maintenance
Crew 6	1-Nov	8-Nov	15-Nov	22-Nov
Michael Rhoads				
Truck: #59	* PP#3 Trash rack electrical repairs * Performed well repairs * Mechanically cleaning the West Drain from Powerline Rd to Del Paso Road	* Serviced pump motors at PP#1B, #2, #5, #6 and #8 * Cleaned debris from various pumping plant	* Mechanically cleaning the O Drain * Homeless encampment garbage removal along the NEMDC from El Camino - San Juan Rd	* Mechanically cleaning the O Drain * Pumping Plant Maintenance
Crew 7	1-Nov	8-Nov	15-Nov	22-Nov
Mark Jenkins				
Truck #60	* Hauled rip rap pertaining to the ERP Program * Garbage removal throughout the District	* Pumping Plant Maintenance	* Homeless encampment garbage removal along the NEMDC from El Camino - San Juan Rd * Performed access road grading in Zone D	* Garbage removal throughout the District * Homeless encampment garbage removal along the NEMDC from El Camino - San Juan Rd * Pumping Plant Maintenance



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RECLAMATION DISTRICT 1000

DATE: DECEMBER 9, 2022

AGENDA ITEM NO. 4.3

TITLE: District Counsel's Report – December 2022

SUBJECT: Update on Activities Since the November 2022 Board of Trustees Meeting

EXECUTIVE SUMMARY:

Reclamation District 1000's (RD 1000; District) General Counsel, Rebecca Smith and/or Scott Shapiro to provide verbal report of work performed during the month of November 2022.

ATTACHMENTS:

None

STAFF RESPONSIBLE FOR REPORT:

Kevin L. King, General Manager

Date: 12/02/2022



RECLAMATION DISTRICT 1000

DATE: DECEMBER 9, 2022

AGENDA ITEM NO. 5.1

TITLE: Approval of Minutes

SUBJECT: Approval of Minutes from November 18, 2022 Regular Board

EXECUTIVE SUMMARY:

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

- November 18, 2022 Regular Board Meeting (Attachment No. 1)

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

RECOMMENDATION:

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

- November 18, 2022 Regular Board Meeting (Attachment No. 1)

ATTACHMENTS:

1. November 18, 2022 Regular Board Meeting

STAFF RESPONSIBLE FOR REPORT:



 Joleen Gutierrez, Administrative Service Manager

Date: 11/30/2022



 Kevin L. King, General Manager

Date: 11/30/2022



RECLAMATION DISTRICT NO. 1000
BOARD OF TRUSTEES MEETING

NOVEMBER 18, 2022
MEETING MINUTES

In compliance with CA Assembly Bill 361, members of the Board of Trustees and members of the public participated in this meeting by teleconference. Present were Board President Thom Gilbert; Vice President Elena Lee Reeder; Trustee Nick Avdis; Trustee Jag Bains; Trustee Tom Barandas, Trustee Chris Burns; Trustee Tom Smith; General Co-Counsel Rebecca Smith; General Co-Counsel Scott Shapiro; General Manager Kevin King; Operations Manager Gabe Holleman; Administrative Services Manager Joleen Gutierrez; Administrative Assistant Christina Forehand.

1. PRELIMINARY

1.1. Call Meeting to Order

Board President Thom Gilbert called the meeting to order.

1.2. Roll Call

ASM Gutierrez called the roll.

Trustees Present: Thom Gilbert, Elena Lee Reeder, Nick Avdis, Jag Bains, Tom Barandas, Chris Burns (left the meeting at 8:57 am), Tom Smith

Trustees Absent: None

1.3. Approval of Agenda

Agenda change: Due to an expected lengthy board meeting, General Manager Kevin King requested to move up Item 6.2, a resolution recognizing Councilman Jeff Harris.

Moved/Second: Trustee Avdis, Trustee Lee Reeder

AYES: Trustee Thom Gilbert, Trustee Elena Lee Reeder, Trustee Nick Avdis, Trustee Jag Bains, Trustee Tom Barandas, Trustee Chris Burns, Trustee Tom Smith

NOES: None

ABSTAIN: None

ACTION: Motion to approve the November 18, 2022 Board of Trustees meeting Agenda with one change is approved.

1.4. Pledge of Allegiance

Board President Thom Gilbert led the Pledge of Allegiance.

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

There were no conflicts of interest identified by the Trustees.

Item 6.2 was moved up and discussed after Item 1.5.

General Manager King, Trustee Avdis, Trustee Lee Reeder, and Trustee Bains thanked Councilman Jeff Harris for his vision, leadership, advocacy, and contributions toward improving the region's flood protection arena.

Councilmember Harris said we had made huge strides with total funding to complete the Natomas Levee Improvement Project (NLIP) and make Natomas flood safe for up to 200-year protection. Also, with the widening of the weir, the region will benefit from up to 500-year flood protection. He touched on the importance of Local Maintaining Agencies (LMA's) and shared his appreciation for the work of RD1000, truly keeping the levees maintained even with the new challenges of the unhoused.

Moved/Second: Trustee Avdis, Trustee Lee Reeder

AYES: Trustee Thom Gilbert, Trustee Elena Lee Reeder, Trustee Nick Avdis, Trustee Jag Bains, Trustee Tom Barandas, Trustee Chris Burns, Trustee Tom Smith

NOES: None

ABSTAIN: None

ACTION: Motion to adopt Resolution No. 2022-11-03 Recognizing Sacramento City Council Member & Sacramento Area Flood Control Agency Board of Director Jeff Harris for Service to the Community is approved.

2. PRESENTATIONS

2.1 PUBLIC HEARING ON PROPOSED RD1000 STORMWATER SERVICE FEE: Conduct public hearing on property-related fee pursuant to Article XII D, Section 6 and consider protests regarding the same.

District Counsel Rebecca Smith provided an overview & progress to date for the Stormwater Fee Public Hearing. She explained that we would accept comments and protests in an organized way. Protests need to be in writing, and Counsel Smith encourages anyone wishing to file a protest to do so by email or the close of the public hearing. Protests will then be tallied by staff. If there is a majority protest, the fee process stops. If there is less than a majority protest, then the next step for the District will be to send the proposed fee and fee study out for approval by the landowners.

Board President Thom Gilbert opened the Public Hearing for the Proposed 218 Stormwater Service Fee. The following public comments were made:

Commentor Pamela Coat

Ms. Coat states that she lives near the edge of one of the detention ponds (near the North Natomas Community Park). She recalled last year; the pond level was high with potential flooding. Either the pumps are not efficient, or there is a blockage. Her concerns are that the pond is not well maintained; it is always green and has fallen trees. Aside from her concerns, she does not mind paying the fee if these issues are addressed.

Commentor Mark Gorton

Mr. Gorton, is a property owner in Natomas. There is an urgency for the pumps to be repaired and water runoff. RD1000 is already levying taxes of \$28.70 on the Natomas people. It seems like a duplicate tax for the same thing and takes issue with being taxed again for the same purpose.

Commentor Sylvia Vela

Ms. Vela states that since 2014 there has been a constant flow of water in the gutter in front of her home. She is concerned about paying a second fee for the same service.

Commentor Brad Morrows

Mr. Morrows spoke in opposition to the proposed stormwater fee and rate structure that primarily burdens residential properties. The vast majority of runoff comes from commercial properties. Considering the pollution, oil, grease, and runoff that goes into our stormwater drains and water, it is the source of the problem where stormwater was not part of commercial design.

Commentor Ed Perez

Mr. Perez, a property owner, a resident of Natomas, and Trustee Elect urged the Board to proceed with the proposal for the assessment. He shared that while running for the Board, numerous people are unaware of the work that RD1000 performs. Once he described the vital role of the District, it was an easy conversation. He believes additional work can be done to inform residents in the Basin about the purpose of RD1000. It's an investment, and he urged the public to support the fee.

Commentator Peter

Peter asked whether fees would help with insurance rates. General Manager asked Peter to contact him directly to discuss this portion with him. Counsel encouraged the public to review our Comprehensive Financial Plan to understand the District's needs better.

Commentor Chris Wicks

Mr. Wicks stated that he has 10 acres and a minimal impervious area. He wants to understand the calculation for the impervious area. For 10 acres, the calculation is \$200,000. He was not able to locate the calculations. General Manager Kevin King encouraged Mr. Wicks to contact him privately to better explain the methodology and process.

Commentor Chris McKenzie

The McKenzie Family has been farming in the North Natomas area, and he is concerned with the rate structure as it applies to farmland as it has a different absorption rate and flow factor than asphalt and rooftops where there is no retention or absorption. As Natomas continues to build and pave, the impact of rapid runoff becomes a problem that the District is dealing with, requiring moving vast amounts of water very fast with no place to build up. Presently, in the Natomas Main Drain, there is no water. He adds that this policy should not discourage farming by raising agricultural taxes. Twenty dollars an acre is a big deal to him. General Manager King will reach out to Mr. McKenzie next week.

Board President Thom Gilbert closed the Public Hearing at 8:49 am and directed staff to tally all received protests.

3. PUBLIC COMMENT (NON-AGENDA ITEMS)

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

Trustee Elect Ed Perez congratulated Jag Bains and Elena Lee Reeder on their reelection and thanked staff for making the Election process easier to navigate.

4. INFORMATIONAL ITEMS

4.1. GENERAL MANAGER’S REPORT: Update on activities since the October 2022 Board Meeting.

General Manager Kevin King provided an update on the Election, results, and next steps. The Election concluded on November 17, 2022. He acknowledged the election board, counsel, and staff for their help. The District had a record turnout of ballots returned and votes cast. Outreach efforts increased community awareness.

GM King congratulated Trustee Lee Reeder and Trustee Jag Bains on their reelection. He welcomed Trustee Elect Ed Perez. He thanked Trustee Chris Burns for his service as a Board Trustee. Trustee Nick Avdis thanked Trustee Chris Burns for his service, congratulated Trustee Elect Ed Perez, and congratulated Trustee Bains and Trustee Lee Reeder on their reelection to the Board. Trustee Elena Lee Reeder congratulated Trustee Elect Ed Perez.

4.2. OPERATIONS MANAGER’S REPORT: Update on activities since the October 2022 Board Meeting.

GM King reported on the recent Steelhead Creek Cleanup and preparations for flood season. A cleanup report and photos of the cleanup are available for review in the November 18 Board packet. Additionally, the District’s operations manager is coordinating with the City of Sacramento and the Department of Community Response to properly notice and begin removals of several homeless encampments on district property, starting with a site behind Home Depot.

Trustee Nick Avdis shared his appreciation for the District’s interagency coordination. He realizes the duties and scope of authority for various government agencies are difficult for the community to see. He stated that we have district drainage and flood facilities that need protection and maintenance and that our primary mission is to protect the Natomas basin from floods.

**Trustee Chris Burns left the meeting at 8:57 am.*

4.3. DISTRICT COUNSEL’S REPORT: Update on activities since the October 2022 Board Meeting.

Counsel Rebecca Smith provided a verbal report.

5. CONSENT CALENDAR

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

GM King called for public comments. There were none.

MOVED/SECOND: Trustee Avdis /Trustee Gilbert

AYES: Trustee Thom Gilbert, Trustee Elena Lee Reeder, Trustee Nick Avdis, Trustee Jag Bains, Trustee Tom Barandas, Trustee Tom Smith

NOES: None

ABSENT: Trustee Chris Burns

ABSTAIN: None

ACTION: The motion to approve Items 5.1 – 5.6 on the Consent Calendar is approved.

- 5.1. APPROVAL OF MINUTES: Approval of Minutes from the October 14, 2022 Regular Board Meeting.
- 5.2. TREASURER’S REPORT: Approve Treasurer’s Report for October 2022.
- 5.3. EXPENDITURE REPORT: Review and Accept Report for October 2022.
- 5.4. BUDGET TO ACTUAL REPORT: Review and Accept Report for October 2022.
- 5.5. ASSEMBLY BILL 361: Review and Consider Adoption of Resolution No. 2022-11-01 - Proclaiming a Local Emergency, Ratifying the Covid-19 State of Emergency, and Authorizing Remote Teleconference Meetings of Reclamation District No. 1000 Pursuant to The Ralph M. Brown Act.
- 5.6. WARRANT FOR FUND TRANSFER: Review and Consider Approval of Warrant for Transferring Funds between Investment Accounts.

6. **SCHEDULED ITEMS**

- 6.1. STORMWATER SERVICE FEE: Review and Consider Adoption of Resolution No. 2022-11-02, Tabulating Results of Protest Proceeding for Proposed Stormwater Service Fee.
 - If no majority protest exists following the close of the Public Hearing: report results and direct staff to proceed with balloting process for proposed fee
 - If majority protest exists following the close of the Public Hearing: report results and conclude process.

GM King asked staff if there were additional protest forms received. ASM Gutierrez replied that administrative staff did not receive additional protest ballots. Counsel Smith provided protest results & direction.

- Total Protest Lodged: 2,961
- Total Parcels: 32,816
- Percentage of Total Parcels Protesting: 9.02%
 - As of the close of the Public Hearing on November 18, 2022, a majority protest *did not exist*.
 - The Board may adopt Resolution 2022-11-02: Accepting the tabulation of protests and directing further action to present the fee to a majority vote.

Counsel stated Resolution No. 2022-11-02 memorializes the protest count and directs the staff to move to the next step in the fee consideration process.

Majority Ballot & Approval Process

Counsel Rebecca Smith provided a timeline for what happens next in the fee process. The District will formally notify every affected parcel holder. We will let them know how their fees have been calculated. She stated March 10, 2023 is the proposed election date and final hearing date. If the Board directs staff to move forward, in early December, staff will begin to send out outreach materials, reminders, and ballots with returns received in 2023. Counsel Smith stated the District is looking for 50% + one of the parcels voting in favor of the fee. If a ballot is not returned, it is not counted. If voting reaches majority ballot approval in March, the fee will move forward, and

the levy will go into effect in the 2023-2024 fiscal year. If a majority ballot approval is not reached, then the Board would need to reevaluate how it will proceed.

General Manager King announced he received two comments via email regarding the time/day of the Board meeting. It does not change the protest fee count, as their mailed protest ballots were received and counted.

Board President Gilbert asked called for questions and comments from the Trustees.

Trustee Nick Avdis stated that adequate time was provided to the public to return protest ballots and submit comments. The next step in the process is an important vote for the district and property owners as it increases what they are assessed. The statutory minimum time is 45 days, but Trustee Avdis requested clarification on when the time begins.

GM King made known the Prop 218 ballot will go out in early January, allowing more than the statutory minimum of 45 days for review.

GM King made known the vote tabulation will reflect the numbers already shared. The Resolution will be filled in with the numbers.

MOVED/SECOND: Trustee Avdis /Trustee Lee Reeder

AYES: Trustee Thom Gilbert, Trustee Elena Lee Reeder, Trustee Nick Avdis, Trustee Jag Bains, Trustee Tom Barandas, Trustee Tom Smith

NOES: None

ABSENT: Trustee Chris Burns

ABSTAIN: None

ACTION: A motion to Adopt Resolution No. 2022-11-02 Tabulating Results of Protest Proceeding for Proposed Stormwater Service Fee is approved.

- 6.2. RECOGNITION OF SERVICE: Review and Consider Adoption of Resolution No. 2022-11-03, Recognizing Sacramento City Council Member & Sacramento Area Flood Control Agency Board of Director Jeff Harris for Service to the Community.

This item was moved up on the agenda and discussed after Item 1.5.

7. BOARD OF TRUSTEE'S COMMENTS/REPORTS

7.1. BOARD ACTIVITY UPDATES:

7.1.1. RD 1000 Committee Meetings Since Last Board Meeting

- Executive Committee (Gilbert & Lee Reeder) November 9, 2022
- Finance Committee (Gilbert, Bains & Burns) November 16, 2022

The Finance Committee met to review the Draft Audit report for FY 2021-2022 on November 16, 2022. There were two recommendations from the Finance Committee.

- 1) The recommendation from the Finance Committee was to take the Audit report and finalize it at the Board of Trustees meeting in December for review and acceptance, and authorization for our auditor Richardson & Company to submit by the deadline in January 2023, our financial audit from 2021-2022. GM King

made known it was again an unmodified and unqualified opinion this year, the highest audit rating we can receive.

- 2) There were a few notes made in the management discussion on improving things, and we will discuss these during the December Board meeting. One of those comments is to have district staff develop a formal Purchasing Policy by the end of this Fiscal Year to clean up some of the comments in the draft audit report and what you'll hear in December.

GM King asked Finance Committee Chair Thom Gilbert if he would like to add any comments. Chairman Gilbert stated the District has a good auditor and staff did a good job closing the books.

7.1.2. RD 1000 Committees No Meetings Since Last Board Meeting

- Legal Committee (Avdis, Barandas, & Gilbert)
- Operations Committee (Bains, Barandas & Burns)
- Personnel Committee (Bains, Barandas & Smith)
- Urbanization Committee (Lee Reeder, Burns & Smith)

8. CLOSED SESSION

There were no Closed Session items.

9. ADJOURN

MOVED/SECOND: Trustee Avdis/Trustee Barandas

AYES: Trustee Thom Gilbert, Trustee Elena Lee Reeder, Trustee Nick Avdis, Trustee Jag Bains, Trustee Tom Barandas, Trustee Tom Smith

NOES: None

ABSENT: Trustee Chris Burns

ABSTAIN: None

ACTION: A motion to adjourn the meeting is approved.



RECLAMATION DISTRICT 1000

DATE: DECEMBER 9, 2022

AGENDA ITEM NO. 5.2

TITLE: Treasurer’s Report

SUBJECT: Approve Treasurer's Report for November 2022

EXECUTIVE SUMMARY:

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

The Staff Report attachment provides the monthly beginning and ending balances of its Operations and Maintenance cash flow. The report considers the current month's receipts, fund to fund transfers, accounts payable, and payroll. Notable fund and cash flow items during November 2022 are featured in the attached Treasurer's Report.

The District maintains funds in the California State Controller Local Agency Investment Fund (LAIF), the Sacramento County Treasurer, and Bank of the West. The District's primary source of income is property assessments. Assessments are collected through respective Sacramento and Sutter County tax bills.

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

RECOMMENDATION:

Staff recommends the Board approve the November 2022 Treasurer's Report.

ATTACHMENTS:

1. Treasurer's Report November 2022

STAFF RESPONSIBLE FOR REPORT:



 Joleen Gutierrez, Administrative Services Manager

Date: 11/30/2022



 Kevin L. King, General Manager

Date: 11/30/2022

Reclamation District 1000
Treasurer's Report
November 2022

Treasurer's Report for November 2022

November 2022	Ending Balance @ 11/30/22
Total Funds at 11/30/22	8,691,397.90
Bank of the West - Checking*	86,365.22
Bank of the West - Money Market	200,454.66
Bank of the West FMAP	97,402.27
Sacramento County Treasurer	5,046,773.99
State Treasurer - Local Agency Investment Fund	1,054,594.68
City of Sacramento - Pool A	2,205,807.08

Included in O&M cash flow below
Included in O&M cash flow below
Included in O&M cash flow below

November 2022 - Operations and Maintenance Cash Flow	Money Market	FMAP	Operating Checking *	Combined O&M
Beginning Balance at 11/1/22	300,454.66	97,402.27	299,107.47	696,964.40
Transfers from money market account to operating account	(300,000.00)	-	300,000.00	-
Transfers from LAIF to money market account	200,000.00	-	-	200,000.00
Current months receipts	-	-	11,071.78	11,071.78
Accounts Payable*	-	-	(411,142.30)	(411,142.30)
Payroll	-	-	(112,671.73)	(112,671.73)
Monthly interest income	-	-	-	-
Ending Balance at 11/30/22	200,454.66	97,402.27	86,365.22	384,222.15

*See Attached Check Register

Current months receipts are made up of the following:

Refund of bank fee from Bank of the West	40.00
Deposit for Airport South Industrial	10,000.00
Scrap metal sales	929.78
Refund from OHC of California	102.00
	<u>11,071.78</u>



RECLAMATION DISTRICT 1000

DATE: DECEMBER 9, 2022

AGENDA ITEM NO. 5.3

TITLE: Expenditure Report

SUBJECT: Review and Accept Reports for November 2022

EXECUTIVE SUMMARY:

This Staff Report advises the Board of monthly expenditures and explains any expenses outside of the usual course of business. Staff recommends the Board review and accept the Expenditure Report for November 2022.

Expenses

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

The Expenditure Report (Attachment 1) has several items of note: \$13,080.15 to Loewen Pump Maintenance for pumping plant repairs, \$45,818.11 to Nordic Industries for riprap, \$20,529.44 to Page Design for graphic design work related to District Outreach, \$33,652.05 to Scandia Trucking for rock hauling, \$56,215.43 to Civil Engineering Solutions for continued work on the Natomas Basin Map Project, and \$14,875 to Richardson & Company for the District's annual audit of fiscal year ending 06/30/2022.

RECOMMENDATION:

Staff recommends the Board review and accept the Expenditure Reports for November 2022.

ATTACHMENTS:

1. November 2022 Expenditure Report

STAFF RESPONSIBLE FOR REPORT:



Joleen Gutierrez, Administrative Services Manager

Date: 11/30/2022



Kevin L. King, General Manager

Date: 11/30/2022

November 2022 Expenditure Report – O&M

**AGENDA ITEM 5.3
ATTACHMENT NO. 1**

Type	Date	Num	Name	Memo	Debit	Credit	Balance
Cash and Investments							299,107.47
							299,107.47
Check	11/01/2022	EFT	Cal Pers			3,705.84	295,401.63
Check	11/01/2022	EFT	Cal Pers			4,044.87	291,356.76
Check	11/01/2022	EFT	Cal Pers			6,950.09	284,406.67
Bill Pmt -			County of Sacramento - Dept	VOID: 21/22			
Check	11/02/2022	51477	of Finance	Accounting	0.00		284,406.67
Bill Pmt -			County of Sacramento - Dept				
Check	11/02/2022	51478	of Finance	21/22 Accounting		266.50	284,140.17
Check	11/02/2022	EFT	Cal Pers			1,000.00	283,140.17
Check	11/02/2022	EFT	Bank of the West			35.00	283,105.17
Bill Pmt -							
Check	11/03/2022	51479	ACWA JPIA	Inv 0695332		3,985.17	279,120.00
Bill Pmt -							
Check	11/03/2022	51480	Airgas NCN	Inv 99926942430		449.71	278,670.29
Bill Pmt -							
Check	11/03/2022	51481	Boutin Jones, Inc.	Inv 155851		2,517.50	276,152.79
Bill Pmt -			Brookman Protection				
Check	11/03/2022	51482	Services, Inc.	Inv 22-181		7,950.00	268,202.79
Bill Pmt -							
Check	11/03/2022	51483	County of Sacramento	Acct ID AR0009597		933.00	267,269.79
Bill Pmt -							
Check	11/03/2022	51484	Denecochea Digital	Inv 69547		59.27	267,210.52
Bill Pmt -							
Check	11/03/2022	51485	Green Light Termite and Pest			345.00	266,865.52
Bill Pmt -							
Check	11/03/2022	51486	Jan-Pro	Inv 14326		440.00	266,425.52
Bill Pmt -			Occupational Health Centers				
Check	11/03/2022	51487	of CA	Inv 77108121		51.00	266,374.52
Bill Pmt -							
Check	11/03/2022	51488	Smile Business Products			253.44	266,121.08
Bill Pmt -							
Check	11/03/2022	51489	SMUD	Acct 7000000317		43,716.04	222,405.04
Bill Pmt -							
Check	11/03/2022	681682683	Cal Pers			10,281.50	212,123.54
Bill Pmt -							
Check	11/03/2022	30746903309	City of Sacramento	Acct 7029676079		4.98	212,118.56
Bill Pmt -							
Check	11/03/2022	30746921184	City of Sacramento	Acct 0010065857		73.50	212,045.06
Bill Pmt -							
Check	11/03/2022	30746941387	City of Sacramento	Acct 1905200485		19.12	212,025.94
Check	11/03/2022	EFT	Cal Pers			976.97	211,048.97
General							
Journal	11/03/2022			11/3/22 payroll activity		16,158.96	194,890.01
General							
Journal	11/03/2022			11/3/22 payroll activity		38,804.29	156,085.72
General							
Journal	11/03/2022			Deposit for Airport			
General				South Industrial	10,000.00		166,085.72
General				Scap metal sales to			
Journal	11/03/2022		Sims Metal Management	Sims Metal	929.78		167,015.50
General			Occupational Health Centers	Refund from OHC of			
Journal	11/03/2022		of CA	California	102.00		167,117.50
Bill Pmt -							
Check	11/10/2022	111022	Alhambra & Sierra Springs	Inv 6169212110422		196.72	166,920.78
Bill Pmt -							
Check	11/10/2022	11102022	Sacramento County Utilities			227.40	166,693.38
Bill Pmt -							
Check	11/10/2022	80060370987	Waste Management of Sacramento			946.64	165,746.74
Bill Pmt -							
Check	11/10/2022	51490	Amplify 360 Inc	Inv 2036		5,362.50	160,384.24
Bill Pmt -							
Check	11/10/2022	51491	Appeal - Democrat			1,265.50	159,118.74
Bill Pmt -							
Check	11/10/2022	51492	Berkshire Hathaway Homestate Companies			7,393.17	151,725.57
Bill Pmt -							
Check	11/10/2022	51493	Bode & Bode	Inv 85936		612.05	151,113.52
Bill Pmt -							
Check	11/10/2022	51494	Carson Landscape Industries	Inv 403744		820.00	150,293.52

Bill Pmt - Check	11/10/2022	51495	Cintas		524.93	149,768.59
Bill Pmt - Check	11/10/2022	51496	Grainger, Inc.	Inv 1463120400	45.95	149,722.64
Bill Pmt - Check	11/10/2022	51497	Interstate Oil Company		7,329.01	142,393.63
Bill Pmt - Check	11/10/2022	51498	Loewen Pump Maintenance		13,080.15	129,313.48
Bill Pmt - Check	11/10/2022	51499	Signature Graphics	Inv 313107	378.18	128,935.30
Bill Pmt - Check	11/10/2022	51500	Terrapin Technology Group	Inv 22-1682	1,097.29	127,838.01
Bill Pmt - Check	11/10/2022	51501	US Bank Corp		2,807.64	125,030.37
Bill Pmt - Check	11/10/2022	51502	Verizon Connect Fleet USA LLC	Inv 618000035039	562.20	124,468.17
Bill Pmt - Check	11/10/2022	51503	West Yost Associates	Inv 2051243	2,811.12	121,657.05
Check Bill Pmt -	11/14/2022	EFT	ADP		108.00	121,549.05
Check Bill Pmt -	11/15/2022	111522	Alhambra & Sierra Springs	Inv 21217024111222	49.75	121,499.30
Check Bill Pmt -	11/15/2022	1002242218	Cal Pers	December 2022	21,645.67	99,853.63
Check Bill Pmt -	11/15/2022	199185769	Napa Auto Parts		109.73	99,743.90
Check Bill Pmt -	11/15/2022	51504	AT&T	Inv 19010092	425.64	99,318.26
Check Bill Pmt -	11/15/2022	51505	Chavez Accountancy Corporation	Inv 5881	4,037.50	95,280.76
Check Bill Pmt -	11/15/2022	51506	Cintas	Inv 5132715154	7.78	95,272.98
Check Bill Pmt -	11/15/2022	51507	County of Sacramento - Municipal Services	Inv 69613	1,937.35	93,335.63
Check Bill Pmt -	11/15/2022	51508	Interstate Oil Company	Inv 1788876	74.18	93,261.45
Check Bill Pmt -	11/15/2022	51509	J Franko Electric	Inv 22233	2,830.32	90,431.13
Check Bill Pmt -	11/15/2022	51510	Montage Enterprises	Inv 100497	1,400.18	89,030.95
Check Bill Pmt -	11/15/2022	51511	Nordic Industries, Inc.	Inv 11651	45,818.11	43,212.84
Check Bill Pmt -	11/15/2022	51512	Page Design Group	Inv 22-0050	20,529.44	22,683.40
Check Bill Pmt -	11/15/2022	51513	Scandia Trucking	Inv 09395	33,652.05	-10,968.65
Check Bill Pmt -	11/15/2022	51514	Smile Business Products	Inv 1069158	170.77	-11,139.42
Check Bill Pmt -	11/15/2022	51515	Streamline	Inv 0024	200.00	-11,339.42
Check Bill Pmt -	11/15/2022	51516	The Sacramento Bee	Inv 158348	1,421.69	-12,761.11
Check Bill Pmt -	11/15/2022	31903482259	PG&E	Acct 8886406823-9	56.11	-12,817.22
Transfer Bill Pmt -	11/15/2022			Funds Transfer	200,000.00	187,182.78
Check Bill Pmt -	11/17/2022	51517	Ashley Labar	Election 2022	1,500.00	185,682.78
Check Bill Pmt -	11/17/2022	51518	Jason Alexander	Election 2022	1,500.00	184,182.78
Check Bill Pmt -	11/17/2022	51519	Linda Carrera	Election 2022	1,500.00	182,682.78
General Journal	11/18/2022			11/15/22 payroll activity	17,518.03	165,164.75
General Journal	11/18/2022			11/15/22 payroll activity	40,190.45	124,974.30
General Journal	11/21/2022		Bank of the West	Monthly service charge	40.00	124,934.30
General Journal	11/21/2022		Bank of the West	Monthly service charge refund	40.00	124,974.30
Bill Pmt - Check	11/22/2022	32647918672	City of Sacramento	Acct 5450844000	55.34	124,918.96
Bill Pmt - Check	11/22/2022	14079493413	Comcast	Acct 8155600381146169	351.60	124,567.36
Bill Pmt - Check	11/22/2022	1945991245	Verizon	Inv 9920488989	317.98	124,249.38
Bill Pmt - Check	11/22/2022	32647904781	City of Sacramento	Acct 2007944000	150.81	124,098.57

Bill Pmt - Check	11/23/2022	63091369339	The Home Depot		503.58	123,594.99	
Check	11/25/2022	EFT	ADP		115.20	123,479.79	
Bill Pmt - Check	11/29/2022	33344338487	City of Sacramento	Acct 1905200485	19.12	123,460.67	
Bill Pmt - Check	11/29/2022	33333594362	PG&E	Acct 8886406823-9	315.13	123,145.54	
Bill Pmt - Check	11/29/2022	51520	Ashley Labar	Training Payment 2022 Election	500.00	122,645.54	
Bill Pmt - Check	11/29/2022	51521	Bartel Associates,LLC	Inv 22-818	4,000.00	118,645.54	
Bill Pmt - Check	11/29/2022	51522	Blankinship & Associates, Inc.	Inv 8419	2,327.03	116,318.51	
Bill Pmt - Check	11/29/2022	51523	Carson Landscape Industries	Inv 404549	320.00	115,998.51	
Bill Pmt - Check	11/29/2022	51524	Cintas	Inv 5134568282	92.99	115,905.52	
Bill Pmt - Check	11/29/2022	51525	Civil Engineering Solutions, Inc		56,215.43	59,690.09	
Bill Pmt - Check	11/29/2022	51526	Del Paso Pipe & Steel	Inv 185433	176.18	59,513.91	
Bill Pmt - Check	11/29/2022	51527	Denecochea Digital		1,327.84	58,186.07	
Bill Pmt - Check	11/29/2022	51528	Hire Right Solutions, LLC	Inv 1137965	50.95	58,135.12	
Bill Pmt - Check	11/29/2022	51529	J Franko Electric	Inv 22264	330.00	57,805.12	
Bill Pmt - Check	11/29/2022	51530	Jason Alexander	Training 2022 Election	500.00	57,305.12	
Bill Pmt - Check	11/29/2022	51531	Linda Carrera	Training 2022 Election	500.00	56,805.12	
Bill Pmt - Check	11/29/2022	51532	MBK Engineers	Inv 22-10-4170	7,358.50	49,446.62	
Bill Pmt - Check	11/29/2022	51533	Mead & Hunt	Inv 339914	5,276.00	44,170.62	
Bill Pmt - Check	11/29/2022	51534	Richardson & Company LLP	Inv 112450	14,875.00	29,295.62	
Bill Pmt - Check	11/29/2022	51535	Smile Business Products	Inv 1081427	176.29	29,119.33	
Bill Pmt - Check	11/29/2022	51536	SMUD	Acct 7000000317	30,523.54	-1,404.21	
Bill Pmt - Check	11/29/2022	51537	Sterling May Equipment Co. Inc.	Inv 227687	136.19	-1,540.40	
Bill Pmt - Check	11/29/2022	51538	TSI Engineering Inc	Deposit Refund	10,000.00	-11,540.40	
Bill Pmt - Check	11/29/2022	51539	Yolo County Public Works	October Statement	994.38	-12,534.78	
Transfer	11/29/2022			Funds Transfer	100,000.00	87,465.22	
Check	11/29/2022	EFT	Cal Pers		600.00	86,865.22	
Bill Pmt - Check	11/30/2022	51540	Hamptons Community Foundation	Santa in Natomas Sponsorship 2022	500.00	86,365.22	
Total 1011.00 · Bank of the West O&M Checking					<u>311,071.78</u>	<u>523,814.03</u>	<u>86,365.22</u>
					<u>311,071.78</u>	<u>523,814.03</u>	<u>86,365.22</u>
TOTAL					<u>311,071.78</u>	<u>523,814.03</u>	<u>86,365.22</u>

Activity Summary

Transfers from Money Market account	300,000.00
Current months receipts	11,031.78
Bank fee refund	40.00
Accounts payable disbursements	-411,142.30
Payroll disbursements	-112,671.73
Net activity	<u>-212,742.25</u>



RECLAMATION DISTRICT 1000

DATE: DECEMBER 9, 2022

AGENDA ITEM NO. 5.4

TITLE: Budget to Actual Report

SUBJECT: Review and Accept Report for November 2022

EXECUTIVE SUMMARY:

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

Attachment 1 provides a report for the month ending November 2022. The most significant expenditures to date under Administration are Memberships, Administrative Consultants, Mitigation Land Expenses, Election and Public Relations. Significant expenses under Personnel are Group Insurance and Continuing Education. Significant expenses under Operations are herbicides.

BACKGROUND:

The Board of Trustees adopts a budget annually in June. District staff prepares the budget, which presents the current year's budget versus expenditures and a proposed budget for the upcoming fiscal year.

Three Board committees review the draft budget before being presented to the Board for adoption in June. The Personnel Committee reviews the wage and benefits portion of the budget. The Operations Committee reviews the Capital expenditures Budget. After the two committees review and make recommendations to the budget, the final draft is prepared for the Finance Committee to consider. After review by the Finance Committee, the final Proposed Budget is presented to the entire Board for adoption at a regular Board meeting.

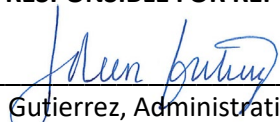
RECOMMENDATION:

Staff recommends the Board review and accept the Budget to Actual Report for November 2022

ATTACHMENTS:

1. Budget to Actual Report November 2022

STAFF RESPONSIBLE FOR REPORT:



Joleen Gutierrez, Administrative Services Manager

Date: 11/30/2022



Kevin L. King, General Manager

Date: 11/30/2022

Reclamation District No. 1000
Budget to Actual Comparison
July 1, 2022 to November 30, 2022 (Five Months Ending of Fiscal 2023)

	Year to Date July 1, 2022 to November 30, 2022	Budget	Percent of Budget
Operation & Maintenance Income			
Property Assessments	44,915	2,250,000	2.00%
Rents	5,777	24,000	24.07%
Interest Income	16,467	35,000	47.05%
SAFCA - O/M Assessment	-	1,421,000	0.00%
Misc Income	1,075	-	Not Budgeted
FMAP Grant	-	-	Not Budgeted
Annuitant Trust Reimbursement	-	-	Not Budgeted
Security Patrol Reimbursement	5,000	60,000	8.33%
Total	73,234	3,790,000	1.93%
Restricted Fund			
Metro Airpark Groundwater Pumping	-	25,000	0.00%
Total Combined Income	73,234	3,815,000	1.92%
Administration, Operations and Maintenance - Expenses			
Administration			
Government Fees/Permits	1,701	27,700	6.14%
Legal	22,479	77,500	29.01%
Liability/Auto Insurance	117,362	171,270	68.52%
Office Supplies	1,232	4,500	27.38%
Computer Costs	12,580	34,900	36.05%
Accounting/Audit	29,120	57,200	50.91%
Admin. Services	8,049	20,750	38.79%
Utilities (Phone/Water/Sewer)	6,432	16,900	38.06%
Mit. Land Expenses	4,995	6,000	83.25%
Administrative Consultants	33,712	38,800	86.89%
Assessment/Property Taxes (SAFCA - CAD)	9,039	8,500	106.34%
Admin - Misc./Other Expenses	230	2,800	8.21%
Memberships	31,410	39,700	79.12%
Office Maintenance & Repair	8,756	33,350	26.25%
Payroll Service	1,088	4,500	24.18%
Public Relations	189,057	74,000	255.48%
Small Office & Computer Equipment	574	10,000	5.74%
Election	120,112	100,500	119.51%
Conference/Travel/Professional Development	3,312	20,500	16.16%
Sub Total	601,240	749,370	80.23%
Personnel/Labor			
Wages	513,185	1,218,409	42.12%
Group Insurance	70,483	115,592	60.98%
Worker's Compensation Insurance	15,914	25,000	63.66%
OPEB - ARC	-	62,485	0.00%
Dental/Vision/Life	12,917	25,300	51.06%
Payroll Taxes	36,606	92,599	39.53%
Pension	88,078	278,922	31.58%
Continuing Education	4,596	5,000	91.92%
Trustee Fees	9,000	35,000	25.71%
Annuitant Health Care	43,170	108,127	39.93%
Sub Total	793,949	1,966,434	40.38%

Operations

Power	138,335	450,000	30.74%
Supplies/Materials	9,403	18,500	50.83%
Herbicide	119,986	225,000	53.33%
Fuel	37,312	80,000	46.64%
Field Services	88,213	267,000	33.04%
Field Operations Consultants	6,016	15,000	40.11%
Equipment Rental	-	5,000	0.00%
Refuse Collection	8,838	30,000	29.46%
Equipment Repair/Service	3,980	25,000	15.92%
Equipment Parts/Supplies	14,369	50,000	28.74%
Facility Repairs	161,641	595,000	27.17%
Shop Equipment (not vehicles)	1,712	12,500	13.70%
Field Equipment	-	40,000	0.00%
Misc/Other 2	212	500	42.40%
Utilities - Field	4,559	11,000	41.45%
Government Fees/Permits - Field	963	9,500	10.14%

Sub Total	595,539	1,834,000	32.47%
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Equipment

Equipment	-	-	Not budgeted
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Sub Total	-	-	
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Consulting/Contracts/Memberships

Engineering/Technical Consultants	71,551	176,400	40.56%
Security Patrol	32,550	175,000	18.60%
Temporary Admin	4,915	-	Not budgeted

Sub Total	109,016	351,400	31.02%
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FMAP Expenditures

LOI/SWIF (Consultants)	11,762	20,000	58.81%
Equipment	-	-	Not budgeted
Operations & Maintenance (Field)	68,500	409,400	16.73%
Administrative	-	10,000	0.00%

Sub Total	80,262	439,400	18.27%
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Total A, O & M Expenses

2,180,006	5,340,604	40.82%
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Capital Expenses

Capital Office Upgrades	45,867	-	Not budgeted
Capital RE Acquisition	-	-	Not budgeted
Capital Office Facility Repair	-	75,000	0.00%
Capital Facilities	17,178	2,920,000	0.59%

Sub Total	63,045	2,995,000	2.11%
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Total All Expenditures

2,243,051	8,335,604	26.91%
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CIP Update



RECLAMATION DISTRICT 1000

DATE: DECEMBER 9, 2022

AGENDA ITEM NO. 5.5

TITLE: Assembly Bill 361

SUBJECT: Review and Consider Adoption of Resolution No. 2022-12-01

EXECUTIVE SUMMARY:

On September 16, 2021, Governor Gavin Newsom signed Assembly Bill 361 into law, codifying certain modified requirements for teleconference meetings held by state and local public agencies, similar to those previously authorized and extended by executive order during the COVID-19 State of Emergency. This staff report briefly summarizes AB 361 and describes what Reclamation District No. 1000 (District) must do to utilize the modified requirements for holding remote meetings.

BACKGROUND:

The Ralph M. Brown Act (Brown Act), which governs local public agency meetings, traditionally permitted agencies to utilize teleconferencing (audio or video) for public meetings, subject to certain heightened requirements aimed to preserve public participation.

- Agendas must identify each teleconference location
- Agendas must be posted at each teleconference location
- Physical access for the public must be provided at each teleconference location
- Board actions must be taken by roll call vote
- One board member must be physically present at each meeting location and quorum of the board must participate within the agency's jurisdictional boundaries
- Members of the public must have an opportunity to address the Board from any teleconference location

(Gov. Code, § 54953(b)(3).) However, the rising spread of COVID-19 and the imposition of stay-at-home orders made some of those teleconference requirements untenable, leaving many public agencies unable to hold meetings at all.

On March 4, 2020, Governor Newsom proclaimed a State of Emergency due to COVID-19. Pursuant to that State of Emergency Proclamation, the Governor issued a series of executive orders (N-25-20, N-29-20, and N-35-20) which, among other things, provided several exceptions to the normal Brown Act teleconference rules to permit local agencies to continue meeting while stay-at-home orders were in effect or where meeting in person would pose a risk to health or safety. The executive orders allowed agencies to meet without first identifying or providing public access to each teleconference location, and without maintaining a physical presence of members

TITLE: AB 361

within agency boundaries, though roll call votes and public participation were still required. On June 15, 2021, as vaccinations increased and in-person restrictions eased, Governor Newsom issued Executive Order N-08-21 which provided the Brown Act modifications would expire on September 30, 2021.

AB 361:

With the State of Emergency still in place and variant cases on the rise, AB 361 was introduced to provide a longer-term solution for teleconference meetings during states of emergency, effective until January 1, 2024. While not limited to COVID-19, the legislation mirrors many of the allowances made under the Governor’s executive orders. AB 361 amends Section 54953 of the Government Code to allow the legislative body of a local agency to meet remotely without complying with the normal teleconference rules for agenda posting, physical location access, or quorum rules. To do so, one of three scenarios must exist, all of which require that the Governor has proclaimed a State of Emergency pursuant to Government Code section 8625:

- A. State or local officials have imposed or recommended measures to promote social distancing;
- B. The agency is holding a meeting for the purpose of determining whether meeting in person would present imminent risks to the health or safety of attendees; or
- C. The agency is holding a meeting and has determined that meeting in person would present imminent risks to the health or safety of attendees.

(Gov. Code, § 54953(e)(1).)

An agency that holds a meeting under either of the three scenarios must continue to post its agenda in the time required by the Brown Act, and ensure that the public is able to address the board directly through teleconference means. (*Id.* at subd. (e)(2).) If a disruption prevents the public agency from broadcasting the meeting or receiving public comments in real time, the board may take no further action until those functions are restored; any actions taken during such a disruption are subject to legal challenge. (*Id.*)

Assuming the State of Emergency remains in effect and an agency wishes to continue meeting under the modified rules, it must adopt an initial resolution within 30 days of the first teleconference meeting (which applies retroactively to that first meeting), and then must adopt an extension resolution at least every 30 days thereafter. (*Id.* at subd. (e)(3).) The resolutions must contain findings stating that the agency has reconsidered the circumstances of the State of Emergency and at least one of the following circumstances exist:

- i. The State of Emergency continues to directly impact the ability of the members to meet safely in person; or
- ii. State or local officials continue to impose or recommend measures to promote social distancing.

TITLE: AB 361

(*Id.*) The requirement for agencies to affirm by resolution every 30 days that the State of Emergency continues to necessitate remote meetings did not exist under the executive orders, and may present a logistical challenge for agencies that meet quarterly—or even monthly when meetings are separated by more than 30 days. Where an agency is not able to rely on regular meetings to adopt extension resolutions within that time frame, the agency has two potential options:

- Hold a special “AB 361” remote meeting within the 30-day window simply to re-authorize the AB 361 exceptions.
- Allow the initial resolution or extension resolution to lapse and approve a new initial resolution at the next agency meeting, subject to the same substantive and procedural requirements as the first.

It should be noted it is not entirely clear from the text of the statute that an agency may simply adopt a new initial resolution after failing to adopt an extension resolution within 30 days, and still take advantage of the retroactive application of the modified teleconference rules for that meeting. For a number of practical reasons, including the variability of active COVID-19 cases and the development of new state or local recommendations and orders, it might become necessary to do so. A conservative approach, and the one we recommend, would be to avoid lapses by holding a special meeting every 30 days to reauthorize the modified teleconference rules.

Once AB 361 authorization lapses, the normal Brown Act rules will apply and an agency seeking to hold a teleconference meeting will once again be required to post agendas and provide public access at each remote location, identify those locations in the agenda, and maintain a quorum of the board within agency boundaries. If a meeting is not held in conformity with AB 361, board members may not teleconference from their residences or other locations which are not open and accessible to the public.

CLARIFICATION ON IMPLEMENTATION DATE:

Upon its signing on September 16, 2021, AB 361 became effective immediately. However, on September 20, 2021, the Governor issued Executive Order N-15-21, clarifying that the changes in AB 361 shall be suspended until October 1, 2021, when the modified Brown Act provisions under Executive Order N-08-21 are set to expire.

CONCLUSION:

AB 361 provides relief to many agencies that have grown accustomed to the modified Brown Act teleconference rules under the emergency executive orders, though the 30-day authorization window could require agencies to hold more special meetings. Without the AB 361 exceptions, agencies will be obligated to return to normal in-person meetings or provide public access at each remote location under the traditional teleconference rules, starting October 1, 2021.

TITLE: AB 361

RECOMMENDATION:

Staff recommends the Board review and consider adoption of Resolution No. 2022-12-01

ATTACHMENTS:

1. Resolution No. 2022-12-01

STAFF RESPONSIBLE FOR REPORT:



Kevin L. King, General Manager

Date: 12/01/2022



RECLAMATION DISTRICT NO. 1000
RESOLUTION NO. 2022-12-01

**A RESOLUTION OF THE BOARD OF TRUSTEES OF RECLAMATION DISTRICT NO. 1000
PROCLAIMING A LOCAL EMERGENCY PERSISTS, RE-RATIFYING THE COVID-19 STATE OF
EMERGENCY, AND RE-AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF RECLAMATION
DISTRICT NO. 1000 PURSUANT TO THE RALPH M. BROWN ACT.**

At a regular meeting of the Board of Trustees of Reclamation District No. 1000 held at the District Office on the 9th day of December 2022, the following resolution was approved and adopted:

WHEREAS, Reclamation District No. 1000 (District) is committed to preserving and nurturing public access and participation in meetings of the Board of Trustees; and

WHEREAS, all meetings of the District are open and public, as required by the Ralph M. Brown Act (Gov. Code, §§ 54950 – 54963) (“Brown Act”), so that any member of the public may attend, participate, and watch the District’s legislative body conduct its business; and

WHEREAS, Assembly Bill 361 added Government Code section 54953(e) to make provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District’s boundaries, caused by natural, technological, or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, the Board of Trustees previously adopted a Resolution No. 2022-11-01 on November 18, 2022, finding that the requisite conditions exist for the District to conduct remote teleconference meetings without compliance with paragraph (3) of subdivision (b) of section 54953; and

WHEREAS, such conditions persist in the District, specifically, on March 4, 2020, Governor Gavin Newsom proclaimed a State of Emergency to exist in California due to the threat of COVID-

19; despite sustained efforts, the virus continues to spread and has impacted nearly all sectors of California; and

WHEREAS, the Board of Trustees does hereby find that the ongoing risk posed by the highly transmissible COVID-19 virus has caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District; and

WHEREAS, as a consequence of the local emergency persisting, the Board of Trustees does hereby find that the District shall continue to conduct its meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that the Board shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision(e) of section 54953; and

WHEREAS, all meeting agendas, meeting dates, times, and manner in which the public may participate in the public meetings of the District and offer public comment by telephone or internet-based service options including video conference are posted on the District website and physically outside of the District office.

NOW, THEREFORE BE IT RESOLVED THAT:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Affirmation that Local Emergency Exists. The Board has reconsidered the conditions of the state of emergency and proclaims that a local emergency persists throughout the District because the high risk of transmissibility of COVID-19 continues to pose an imminent risk to the safety of persons in the District.

Section 3. Re-ratification of Governor’s Proclamation of a State of Emergency. The Board hereby ratifies the Governor of the State of California’s Proclamation of State of Emergency, effective as of its issuance date of March 4, 2020.

Section 4. Remote Teleconference Meetings. District staff are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) January 8, 2023, or such time the Board of Trustees adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the District may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

ON A MOTION BY Trustee _____, seconded by Trustee _____, the foregoing resolution was passed and adopted by the Board of Trustees of Reclamation District No. 1000, this 9th day of December 2022, by the following vote, to wit:

AYES: Trustees:

NOES: Trustees:

ABSTAIN: Trustees:

RECUSE: Trustees:

ABSENT: Trustees:

Thomas M. Gilbert
President, Board of Trustees
Reclamation District No. 1000

CERTIFICATION:

I, Joleen Gutierrez, Secretary of Reclamation District No. 1000, hereby certify that the foregoing Resolution 2022-12-01 was duly adopted by the Board of Trustees of Reclamation District No. 1000 at the regular meeting held on the 9th day of December 2022 and made a part of the minutes thereof.

Joleen Gutierrez, District Secretary



RECLAMATION DISTRICT 1000

DATE: DECEMBER 9, 2022

AGENDA ITEM NO. 5.6

TITLE: Annual Banking Authorization (Sacramento County)

SUBJECT: Review and Consider Adoption of Resolution No. 2022-12-02 Authorizing Officers and Trustees as Signatories to the Operations and Maintenance Funds held by Sacramento County Treasurer.

EXECUTIVE SUMMARY:

Reclamation District No. 1000 is required to adopt and file a new Banking Resolution with the Sacramento County Treasurer annually authorizing Officers and Trustees as Signatories to the Operations and Maintenance Fund, a revolving Fund held by the Sacramento County Treasurer. Resolution No. 2022-12-02 (Attachment 1) has been prepared to fulfill this requirement.

BACKGROUND:

The California Water Code allows the Board to create a revolving fund for paying expenses. The District maintains an O/M Revolving Fund with the County of Sacramento. Annually, the Board is required to adopt and file a new Banking Resolution with the Sacramento County Treasurer. The attached Resolution 2022-12-02 sets forth account terms as well as use parameters.

RECOMMENDATION:

Staff recommends the Board of Trustees adopt Resolution 2022-12-02 Authorizing Officers and Trustees as Signatories to the Operations and Maintenance Funds held by Sacramento County Treasurer.

FINANCIAL IMPACT:

None.

ATTACHMENTS:

1. Resolution No. 2022-12-02 Authorizing Officers and Trustees as Signatories to the Operations and Maintenance Funds held by Sacramento County Treasurer.

STAFF RESPONSIBLE FOR REPORT:

Kevin L. King, General Manager

Date: 12/03/2022



**RECLAMATION DISTRICT NO. 1000
RESOLUTION NO. 2022-12-02**

**A RESOLUTION OF THE BOARD OF TRUSTEES OF RECLAMATION DISTRICT NO. 1000
AUTHORIZING OFFICERS AND TRUSTEES AS SIGNATORIES TO THE OPERATIONS AND
MAINTENANCE FUNDS HELD BY SACRAMENTO COUNTY TREASURER.**

At a regular meeting of the Board of Trustees of Reclamation District No. 1000 held at the District Office on the 9th day of December 2022, the following resolution was approved and adopted:

WHEREAS, Reclamation District No. 1000 maintains an Operation and Maintenance Fund held by the Sacramento County Treasurer; and

WHEREAS, Reclamation District No. 1000 also maintains a Revolving Fund pursuant to Water Code Section 50657; and Reclamation District No. 1000 assumes responsibility for disbursement of such Revolving Fund and agrees to hold and save the Sacramento County Treasurer harmless from any improper disbursement of such Revolving Fund as required by Water Code Section 50658; and

WHEREAS, the Board of Trustees by this Resolution desires to set forth the names and specimen signatures of the Officers and Trustees of Reclamation District No. 1000 and set forth the names and required signatures for withdrawal or payment of funds from such accounts;

NOW THEREFORE BE IT RESOLVED THAT: The Board of Trustees of Reclamation District No. 1000 affirm the names and specimen signatures of the Trustees of Reclamation District No. 1000, as provided herein:

Nicholas Avdis	_____
Jag Bains	_____
Tom Barandas	_____
Edward Perez	_____
Thomas Gilbert	_____
Elena Lee Reeder	_____
Thomas Smith	_____

BE IT FURTHER RESOLVED THAT: The Board of Trustees of Reclamation District No. 1000 affirm the names and specimen signatures of the Officers of Reclamation District No. 1000, as provided herein:

Kevin L. King

General Manager

Joleen Gutierrez

District Secretary

BE IT FURTHER RESOLVED THAT: Funds held in the Reclamation District No. 1000 Operation and Maintenance Fund held by the Sacramento County Treasurer may be withdrawn or paid solely by warrant signed by any four or more of the Trustees of the District as identified in this resolution and attested to by the Secretary of the Board of Trustees or General Manager as identified in this resolution.

BE IT FURTHER RESOLVED THAT: Funds on deposit in the District’s revolving fund may be withdrawn or paid by check signed by any one of the Trustees identified in this resolution or the District Manager or District Secretary as identified in this resolution, for amounts less than \$20,000.00 and any two of the Trustees as identified in this resolution or the General Manager as identified and a Trustee as identified of this resolution for amounts exceeding \$20,000.00.

BE IT FURTHER RESOLVED THAT: Funds on deposit in the District’s revolving fund may be withdrawn or paid via electronic fund transfer (ACH) to specific vendors as provided in Exhibit A of this resolution. Electronic fund transfers paid to vendors specified in Exhibit A shall not exceed \$20,000.00. If an amount to be paid via electronic transfer exceeds \$20,000.00, a written authorization must be received from a Trustee as identified in this Resolution in addition to authorization by the General Manager, an email authorization is considered a written authorization. Amounts of \$20,000.00 or less may be authorized by any of the Trustees identified in this resolution or the District Manager or District Secretary as identified in this resolution.

ON A MOTION BY Trustee _____, seconded by Trustee _____, the foregoing resolution was passed and adopted by the Board of Trustees of Reclamation District No. 1000, this 9th day of December 2022, by the following vote, to wit:

AYES: Trustees:

NOES: Trustees:

ABSTAIN: Trustees:

RECUSE: Trustees:

ABSENT: Trustees:

Thomas M. Gilbert
President, Board of Trustees
Reclamation District No. 1000

CERTIFICATION:

I, Joleen Gutierrez, Secretary of Reclamation District No. 1000, hereby certify that the foregoing Resolution 2022-12-02 was duly adopted by the Board of Trustees of Reclamation District No. 1000 at the regular meeting held on the 9th of December 2022 and made a part of the minutes thereof.

Joleen Gutierrez, District Secretary

EXHIBIT A

List of vendors approved by the Board to be paid electronically:

Vendor	Item(s) Paid
CalPERS	Pension/Health/Deferred Comp
PG&E	Utilities
City of Sacramento	Utilities
City of Sacramento – Dept of Finance	Quarterly City Pool A Fees
Verizon	Wireless Phone Service
Comcast	Internet Service
Smile Business	Office Equipment Maintenance
Alhambra	Water Service
Airgas	Shop Service
Berkshire Hathaway	Worker’s Comp
Home Depot Credit	Shop Supplies
Napa Auto Parts	Equipment Supplies/Parts
Tractor Supply	Equipment Parts
Waste Management	Garbage/Recycling
ACWA JPIA	Dental/Vision/Life Insurance
US Healthworks	DOT Screening
Sacramento County Utilities	Utilities
Cintas	First Aid/Field Janitorial



RECLAMATION DISTRICT 1000

DATE: DECEMBER 9, 2022

AGENDA ITEM NO. 6.1

TITLE: Audited Financial Statements Year End June 30, 2022

SUBJECT: Review and Receive the Audited Financial Statements for Year End June 30, 2022.

EXECUTIVE SUMMARY:

This Staff Report is prepared to present Fiscal Year 2021/2022 Reclamation District No. 1000 (RD 1000; District) Audited Financial Statements for year ended June 30, 2022 to the Board of Trustees, as provided in Attachment 1.

RD 1000 ended Fiscal Year 2021/2022 in a stable financial position and received the best possible audit opinion from Richardson & Company LLP (Auditor), indicating RD 1000 staff follows accounting rules and applies them correctly. The following is from page two of the Independent Auditor's Report to the Board of Trustees signed by Richardson & Company LLP:

"In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of June 30, 2022 and 2021, and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America as well as accounting systems prescribed by the State Controller's Office and state regulations governing special districts.."

RECOMMENDATION:

Staff recommends the Board of Trustees review and receive the Reclamation District No. 1000 Audited Financial Statements for year end June 30, 2022.

ATTACHMENTS:

1. Audited Financial Statements for Year End June 30, 2022.
2. Governance Letter 2022
3. Management Letter 2022

STAFF RESPONSIBLE FOR REPORT:

Kevin L. King, General Manager

Date: 12/01/2022

RECLAMATION DISTRICT NO. 1000, CALIFORNIA

Audited Financial Statements
and Other Reports

June 30, 2022 and 2021

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RECLAMATION DISTRICT NO.1000, CALIFORNIA

Audited Financial Statements
and Other Reports

June 30, 2022 and 2021

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INDEPENDENT AUDITOR'S REPORT

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

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund, of the Reclamation District No. 1000 (the District) as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the District's financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of June 30, 2022 and 2021, and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America as well as accounting systems prescribed by the State Controller's Office and state regulations governing special districts.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

Other Matters

Required Supplementary Information

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

To the Board of Trustees
Reclamation District 1000

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 6, 2022 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Richardson & Company, LLP

December 6, 2022

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RECLAMATION DISTRICT 1000, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022 and 2021

Our discussion and analysis of the Reclamation District No. 1000, California (the District) financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2022. Please read it in conjunction with the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2022

- At the end of the year, the District's net position is \$51.8 million, of which \$42.2 million is invested in capital assets and \$9.6 million is unrestricted.
- As of June 30, 2022, the District's General Fund reported a total fund balance of \$10.3 million, of which \$10.2 million has been assigned by the Board.
- The District's capital asset balances were \$42.2 million at year-end, decreasing slightly due to \$954 thousand in capital additions, offset by \$1.6 million in depreciation expense.
- The District has no long-term debt.
- The District has recognized a net pension liability in the amount of \$711 thousand due to Governmental Accounting Standards Board Statement (GASB) 68. The liability decreased approximately \$658 thousand from the prior year due to better than expected investment earnings on plan assets. See Note E of the basic financial statements.
- The District has recognized a liability in the amount of \$504 thousand for post employment benefits (OPEB) due to Governmental Accounting Standards Board Statement (GASB) 75. The liability increased approximately \$315 thousand from the prior year due to changes in actuarial assumptions. See Note F of the basic financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

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

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

FUND FINANCIAL STATEMENTS

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

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

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

NOTES TO BASIC FINANCIAL STATEMENTS

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

REQUIRED SUPPLEMENTARY INFORMATION

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. In the case of the District, assets and deferred outflows of resources less liabilities and deferred inflows of resources equaled \$51.8 million at the close of the most recent fiscal year.

The largest portion of the District's net position (81%) reflects its investment in capital assets (e.g. infrastructure, land, buildings, machinery, and equipment) with the majority being levees, canals or pump stations. The District uses these capital assets to provide flood protection services. Consequently, these assets are not available for future spending. There is no related debt associated with the District's investments in its capital assets.

TABLE 1
Condensed Statement of Net Position
 June 30, 2022, 2021 and 2020
 (in thousands)

	2022	2021	2020
Current and other assets	\$ 11,442	\$ 12,269	\$ 9,996
Capital assets	<u>42,192</u>	<u>42,853</u>	<u>42,523</u>
Total assets	<u>53,634</u>	<u>55,122</u>	<u>52,519</u>
Deferred outflows of resources	<u>1,112</u>	<u>587</u>	<u>593</u>
Current and other liabilities	<u>2,178</u>	<u>2,270</u>	<u>1,808</u>
Deferred inflows of resources	<u>795</u>	<u>57</u>	<u>67</u>
Net position:			
Invested in capital assets, net	42,192	42,853	42,523
Unrestricted net position	<u>9,581</u>	<u>10,529</u>	<u>8,714</u>
Total net position	<u>\$ 51,773</u>	<u>\$ 53,382</u>	<u>\$ 51,237</u>

Current and other assets decreased approximately \$827 thousand from June 30, 2021 to June 30, 2022. The primary reason for the decrease was because of the decrease in cash and investment balances. At the end of the prior fiscal year, cash and investment balances were \$11.8 million compared to \$10.9 million at the end of the current fiscal year. During 2022, the District incurred \$1.4 million more in flood protection expenses than 2021, and recognized \$2.4 million less in program and general revenues, specifically capital contributions and grants of \$2.3 million compared to 2021. It should be noted that during 2022 and 2021, the District did receive \$205 thousand and \$934 thousand respectively, of “non cash” capital contributions and grant revenues in the form of donated improvements to the levee system.

Capital Assets, Net of Related Debt

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

The 2021-2022 capital purchases and additions were:

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

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

The 2020-2021 capital purchases and additions were:

- Building improvements: upgraded exterior lighting of district headquarters, \$11,000
- Equipment: installation of shop racks and storage improvements, \$53,000
- Vehicles: four maintenance trucks and related equipment, \$799,000
- Office equipment: improvements to board room facilities at district headquarters, \$19,000
- SCADA system: An additional \$21,000 was added to the SCADA construction in progress during the fiscal year

The District depreciates capital assets using the straight-line method over the estimated lives of the assets. During the 2022 and 2021 fiscal year, \$1,614,730 and \$1,506,720 respectively in depreciation expense was recognized.

There is no associated debt with any capital assets.

Change in Net Position for Governmental Activities

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

TABLE 2
Condensed Statement of Activities
Years Ended June 30, 2022, 2021 and 2020
(in thousands)

	2022	2021	2020
Program Revenues:			
Charges for services	\$ 107	\$ 36	\$ 57
Operating grants and contributions	1,421	1,400	1,400
Developer impact fees	104	1,321	
Capital grants and contributions	886	1,950	703
General Revenues:			
Assessment revenues	2,300	2,298	2,305
Investment earnings	(27)	69	171
Miscellaneous income	<u>35</u>	<u>146</u>	<u>2</u>
Total Revenues	4,826	7,220	4,638
Expenses:			
Flood Protection	<u>6,435</u>	<u>5,075</u>	<u>4,924</u>
Change in net position	(1,609)	2,145	(286)
Net position, beginning of year	<u>53,382</u>	<u>51,237</u>	<u>51,523</u>
Net position, end of year	<u>\$ 51,773</u>	<u>\$ 53,382</u>	<u>\$ 51,237</u>

The District's net position decreased by \$1,609,145 during the current fiscal year; the decrease was a result of overall revenues decreasing from \$7.2 million to \$4.8 million, and flood protection expenses increasing from \$5.1 million to \$6.4 million from the prior year. The most significant decreases in revenues were from the developer impact fees from the Greenbriar construction project, and capital contributions and grants, while flood protection expenses increased in the areas of field services, employee related costs, fuel, equipment and facility repairs, FMAP operations, and administration. Investment earnings decreased in 2022 to a negative amount as a result of unrealized losses on the investment in the City of Sacramento investment pool. During 2021, the District's net position increased \$2.1 million from an increase in overall revenues, and a modest increase in flood protection operations.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

At fiscal year end, the District's governmental fund reported a combined fund balance of almost \$10.3 million, a decrease of \$1,174,376 from the previous year's fund balance. This decrease is due to current year expenses exceeding current year revenues. Significant decreases in revenues from 2021 were a \$335 thousand decrease in capital contributions and grants, and a \$1.3 million decrease in developer impact fees from the Greenbriar construction project. Flood protection expenses increased \$1.4 million from \$3.5 million in 2021 to \$4.9 million in 2022. Of the total \$10.3 million in fund balances, approximately \$10.2 million has been assigned for specific purposes, and \$108 thousand in prepaid expenses are considered non-spendable.

Revenues in the District's governmental fund were \$4.5 million. Assessment revenue of \$2.3 million represents 51% of revenue for the governmental fund. Expenditures from governmental funds were \$5.7 million, which resulted in a decrease in fund balance of \$1,174,376.

Fund Balances

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

Fund balances as of June 30, 2022, and 2021 are nonspendable and assigned as follows:

TABLE 3
Fund Balances
June 30, 2022 and 2021

<u>Fund Type</u>	<u>June 30, 2022 Fund Balance</u>	<u>June 30, 2021 Fund Balance</u>
Nonspendable fund balance	\$ 108,062	\$ 105,771
Assigned fund balances:		
Emergency Flood Fight	1,500,000	1,500,000
General capital	3,906,114	4,801,510
Operating reserve	<u>4,802,176</u>	<u>5,083,447</u>
Total assigned fund balances	<u>10,208,290</u>	<u>11,384,957</u>
Total fund balances	<u>\$10,316,352</u>	<u>\$11,490,728</u>

GENERAL BUDGETARY HIGHLIGHTS

The following is a summary of budget and actual results for the District’s General Fund revenues for the years ended June 30, 2022, and 2021:

TABLE 4
Fund Revenues - Budget to Actual Comparisons
Year Ended June 30, 2022

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

Fund Revenues - Budget to Actual Comparisons
Year Ended June 30, 2021

	Final Budget	Actual	Favorable (Unfavorable) Variance
Revenues:			
Property Assessments	\$ 2,250,000	\$ 2,297,876	\$ 47,876
O & M reimbursement from SAFCA	1,400,000	1,400,000	-
Capital contributions and grants	601,337	1,016,039	414,702
Fees for service	-	14,276	14,276
Use of money and property	125,000	90,623	(34,377)
Other	<u>1,400,000</u>	<u>1,328,842</u>	<u>(71,158)</u>
Total	<u>\$ 5,776,337</u>	<u>\$ 6,147,656</u>	<u>\$ 371,319</u>

Changes from the Amount Originally Budgeted

There were no changes made to the original budget.

Actual Revenues Compared with Final Budgeted Amounts

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

Actual revenues recognized by the District’s Governmental Fund were \$371,319 more than budget in the fiscal year 2020/21. The variance resulted primarily from more FMAP grant revenue being recognized than budgeted. During the latter part of the fiscal year, the District received a second FMAP grant installment for \$792,000 which was scheduled for use in fiscal 2022, however the District purchased a field

truck in April 2021 resulting in the recognition of additional FMAP grant revenue. The balance of this second FMAP grant in the amount of \$387,682 has been recognized as unearned revenue at June 30, 2021.

Actual Expenditures/Other Financing Uses Compared with Final Budgeted Amounts

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

TABLE 5
Fund Expenditures – Budget to Actual Comparisons
Year Ended June 30, 2022

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

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

Fund Expenditures – Budget to Actual Comparisons
Year Ended June 30, 2021

	Budget	Actual	Favorable (Unfavorable) Variance
O & M	\$ 2,936,230	\$ 2,574,118	\$ 362,112
Administration	1,144,500	883,496	261,004
Capital outlay	<u>3,181,337</u>	<u>902,635</u>	<u>2,278,702</u>
Total expenditures	<u>\$ 7,262,067</u>	<u>\$ 4,360,249</u>	<u>\$2,901,818</u>

During the year, the District experienced over \$2.9 million in favorable budget variances for expenditures. For operations and maintenance, field services, pumping plant power, and facility repairs were less than projected. For administration, budget savings were noted in engineering and administrative consulting services. Capital outlay was also under budget as \$2.5 million in capital projects did not occur as planned.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

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

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

**Table 7
Changes in Capital Assets**

	As of June 30, 2021	As of June 30, 2020	Increase (Decrease)
Lands and rights of way	\$ 2,221,333	\$ 2,221,333	\$ -
Buildings, pump plants and improvements (including construction in progress)	34,534,925	33,516,581	1,018,344
Infrastructure	26,514,781	26,514,781	-
Equipment and vehicles	<u>3,869,231</u>	<u>3,519,860</u>	<u>349,371</u>
Total capital assets	<u>\$ 67,140,270</u>	<u>\$ 65,772,555</u>	<u>\$ 1,367,715</u>

During fiscal 2021, the District purchased four maintenance trucks and related equipment at a cost of \$799,000, upgraded the exterior lighting of district headquarters at a cost of \$11,000, installed shop racks and made storage improvements for \$53,000, made improvements to the board room facilities at district headquarters costing \$19,000, and invested an additional \$21,000 in the SCADA project. Also, as a result of the Greenbriar development project, \$934,000 in donated levee improvements were made to the District's system. The district sold twelve field vehicles, a tractor and mower during the year for \$138,000. These assets were fully depreciated and the proceeds are reported as other financing sources in the governmental fund statements and miscellaneous revenues in the statement of activities. Depreciation expense for the year amounted to \$1,506,720.

Debt Administration

As of June 30, 2022 and 2021, the District had no long-term debt.

CAPITAL PROJECTS

- *Capital Improvement Plan (update)*

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

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

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

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

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

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

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

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

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

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

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

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

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

The Natomas Levee Improvement Project (NLIP):

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

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

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

OPERATIONS AND MAINTENANCE

The District saw below normal rainfall during the 2021-2022 flood season. As a result, the District did not activate its Emergency Action Plan and 24 hour patrolling was minimized.

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

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

PLANNING

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

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

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

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

NBS completed Phase 1 of the Financial Plan which was subsequently adopted by the Board of Trustees on January 15, 2021. Subsequently, the District awarded a contract to NBS for Phase 2 of the project on May 4, 2021. Phase 2 evaluated funding options for the District and was presented to the Board of Trustees in May 2022. The District proceeded a Public Draft of the Fee Study for Public Comment during September 2022. The Proposition 218 process will continue through February of 2023 and if approved by the public would be effective for the FY 2023/24 Tax Rolls.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

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

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

Submitted by:
Kevin L. King, General Manager

RECLAMATION DISTRICT NO. 1000, CALIFORNIA

STATEMENTS OF NET POSITION

June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and investments	\$ 10,895,141	\$ 11,841,534
Receivables:		
Assessments	18,000	18,000
Interest	24,187	41,367
Other receivables, net of allowance of \$2,863	222,357	87,848
Prepaid expenses and other assets	108,062	105,771
Inventory	174,241	174,241
Capital assets, net	<u>42,192,357</u>	<u>42,852,827</u>
TOTAL ASSETS	<u>53,634,345</u>	<u>55,121,588</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pensions	312,350	302,339
Other postemployment benefits	<u>800,042</u>	<u>284,853</u>
	<u>1,112,392</u>	<u>587,192</u>
LIABILITIES		
Accounts payable	444,217	97,686
Accrued payroll expense	62,190	55,406
Deposits	48,986	45,018
Unearned revenues	268,546	387,682
Long-term liabilities		
Accrued vacation	139,925	126,860
Net pension liability	710,510	1,368,174
Net OPEB liability	<u>503,858</u>	<u>188,689</u>
TOTAL LIABILITIES	<u>2,178,232</u>	<u>2,269,515</u>
DEFERRED INFLOWS OF RESOURCES		
Pensions	677,843	47,671
Other postemployment benefits	<u>117,715</u>	<u>9,502</u>
	<u>795,558</u>	<u>57,173</u>
NET POSITION		
Net investment in capital assets	42,192,357	42,852,827
Unrestricted	<u>9,580,590</u>	<u>10,529,265</u>
TOTAL NET POSITION	<u>\$ 51,772,947</u>	<u>\$ 53,382,092</u>

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

RECLAMATION DISTRICT NO. 1000, CALIFORNIA

STATEMENTS OF ACTIVITIES

For the Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
PROGRAM EXPENSES		
Governmental activities:		
Flood protection	\$ 6,434,862	\$ 5,075,159
PROGRAM REVENUES		
Charges for services	106,577	36,285
Operating grants and contributions	1,421,000	1,400,000
Capital grants and contributions	<u>990,328</u>	<u>3,270,726</u>
NET PROGRAM EXPENSES	(3,916,957)	(368,148)
GENERAL REVENUES		
Assessments	2,299,557	2,297,876
Investment earnings	(27,005)	68,614
Gain on sale of capital assets		138,377
Miscellaneous	<u>35,260</u>	<u>8,155</u>
TOTAL GENERAL REVENUES	<u>2,307,812</u>	<u>2,513,022</u>
CHANGE IN NET POSITION	(1,609,145)	2,144,874
Net position at beginning of year	<u>53,382,092</u>	<u>51,237,218</u>
NET POSITION AT END OF YEAR	<u><u>\$ 51,772,947</u></u>	<u><u>\$ 53,382,092</u></u>

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

RECLAMATION DISTRICT NO. 1000, CALIFORNIA

BALANCE SHEETS – GENERAL FUND

June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and cash equivalents	\$ 10,895,141	\$ 11,841,534
Receivables:		
Assessments	18,000	18,000
Interest	24,187	41,367
Other	222,357	87,848
Other assets	<u>108,062</u>	<u>105,771</u>
TOTAL ASSETS	<u>\$ 11,267,747</u>	<u>\$ 12,094,520</u>
 LIABILITIES, DEFERRED INFLOWS OF OF RESOURCES AND FUND BALANCES		
LIABILITIES		
Accounts payable	\$ 444,217	\$ 97,686
Accrued payroll expense	62,190	55,406
Deposits	48,986	45,018
Unearned revenues	<u>268,546</u>	<u>387,682</u>
TOTAL LIABILITIES	<u>823,939</u>	<u>585,792</u>
 DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue	<u>127,456</u>	<u>18,000</u>
 FUND BALANCES		
Nonspendable	108,062	105,771
Assigned	<u>10,208,290</u>	<u>11,384,957</u>
TOTAL FUND BALANCES	<u>10,316,352</u>	<u>11,490,728</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 11,267,747</u>	<u>\$ 12,094,520</u>

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

RECLAMATION DISTRICT NO. 1000, CALIFORNIA

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

June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Fund balance - total governmental funds, June 30,	\$ 10,316,352	\$ 11,490,728
Amounts reported for governmental activities in the statement of net position are different because:		
Assets used in governmental activities are not current financial resources and therefore are not reported in the funds:		
Capital assets, net of accumulated depreciation	42,192,357	42,852,827
Inventory	174,241	174,241
Deferred outflows related to pensions and OPEB are not reported in the government funds	1,112,392	587,192
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Accrued vacation	(139,925)	(126,860)
Net pension liability	(710,510)	(1,368,174)
Net OPEB liability	(503,858)	(188,689)
Deferred inflows related to pensions and OPEB are not reported in the government funds	(795,558)	(57,173)
Some revenues are not recognized in governmental funds because they do not represent current financial resources that are recognized in the Statement of Activities:		
Unavailable revenue	<u>127,456</u>	<u>18,000</u>
Net position - governmental activities, June 30,	<u>\$ 51,772,947</u>	<u>\$ 53,382,092</u>

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

RECLAMATION DISTRICT NO. 1000, CALIFORNIA

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

For the Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
REVENUES		
Property assessments	\$ 2,299,557	\$ 2,297,876
O & M reimbursements	1,421,000	1,400,000
Capital grants and contributions	681,448	1,016,039
Developer impact fees		1,320,687
Fees for services	84,189	14,276
Use of money and property	(10,214)	90,623
Other revenues	35,260	8,155
TOTAL REVENUES	<u>4,511,240</u>	<u>6,147,656</u>
EXPENDITURES		
Current:		
Flood protection		
Maintenance and operations	3,836,413	2,574,118
Administration	1,099,964	883,496
Capital outlay	749,239	902,635
TOTAL EXPENDITURES	<u>5,685,616</u>	<u>4,360,249</u>
(DEFECIT) EXCESS OF REVENUES (UNDER) OVER EXPENDITURES	(1,174,376)	1,787,407
OTHER FINANCING SOURCES		
Proceeds from sale of capital assets		138,377
OTHER FINANCING SOURCES	<u>-</u>	<u>138,377</u>
NET CHANGE IN FUND BALANCE	(1,174,376)	1,925,784
Fund balance at beginning of year	<u>11,490,728</u>	<u>9,564,944</u>
FUND BALANCE AT END OF YEAR	<u>\$ 10,316,352</u>	<u>\$ 11,490,728</u>

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

RECLAMATION DISTRICT NO. 1000, CALIFORNIA

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

June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Net change in fund balance - total governmental funds for the year ended June 30	\$ (1,174,376)	\$ 1,925,784
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures and donated infrastructure is not reported. In the statement of activities, however, the cost of those assets are allocated over their estimated useful lives as depreciation expense.		
Capital outlay	749,239	902,635
Donated infrastructure	205,021	934,000
Depreciation expense	(1,614,730)	(1,506,720)
Some receivables are deferred in the governmental funds because the amounts do not represent current financial resources that are recognized under the accrual basis in the statement of activities		
Change in unavailable revenue	109,456	
Some expenses in the Government-wide Statement of Activities that do not require the use of current financial resources are not reported as expenses in the governmental funds.		
Change in accrued vacation	(13,065)	(15,069)
Change in deferred outflows of resources related to employee pensions and OPEB	525,200	(5,946)
Change in deferred inflows of resources related to employee pensions and OPEB	(738,385)	9,515
Change in employee net pension liability	657,664	(86,463)
Change in OPEB liability	<u>(315,169)</u>	<u>(12,862)</u>
Change in net position - governmental activities for the year ended June 30	<u>\$ (1,609,145)</u>	<u>\$ 2,144,874</u>

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

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2022 and 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The District reports the following major governmental fund:

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

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

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

Inventory: The District has on-hand significant amounts of large rock for emergency levee repair. Estimated remaining balances are recorded at cost on a first-in, first-out basis. During the years ended June 30, 2022, and 2021, inventory was not included in the fund financial statements as these are not considered current financial resources.

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

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

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

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

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

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

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

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

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

	2022	2021
Emergency Flood Fight Fund – Funds designated to fight flood emergencies and to help prevent the need for future special assessments.	\$ 1,500,000	\$ 1,500,000
General Capital Fund – To accumulate funds for future capital projects. Such projects represent capital improvement projects to repair damaged levees, improve the reliability of the system and/or increase in the District’s ability to monitor the system and respond in a flood emergency.	3,906,114	4,801,510
Operation and Maintenance (O&M) Fund - Reserve balance set at 70% of the current year annual expenditure budget.	4,802,176	5,083,447
	\$ 10,208,290	\$ 11,384,957

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

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

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

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

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

NOTE B – CASH AND INVESTMENTS

As of June 30, 2022 and 2021, cash and investments consisted of the following:

	2022	2021
Deposits in financial institutions	\$ 757,131	\$ 822,067
Sacramento County Pooled Investment Fund	5,981,280	5,670,915
City of Sacramento Pool A	2,110,957	2,157,854
Local Agency Investment Fund (LAIF)	<u>2,045,773</u>	<u>3,190,698</u>
Total cash and investments	<u>\$ 10,895,141</u>	<u>\$ 11,841,534</u>

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE B – CASH AND INVESTMENTS (Continued)

Investment policy: California statutes authorize districts to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, Section 53600, Chapter 4 - Financial Affairs. The table below identifies the investment types that are authorized for the District by the California Government Code (or the District’s investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. During the years ended June 30, 2022 and 2021, the District’s permissible investments included the following instruments:

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

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

Investment in the Sacramento County Pooled Fund: The District maintains a portion of its cash in Sacramento County’s cash investment pool, which is managed by the Sacramento County Treasurer. The amount invested by all public agencies in Sacramento County’s cash and investment pool is \$6,308,279,736 and \$4,571,404,062 at June 30, 2022 and 2021, respectively. Sacramento County Treasury Investment Oversight Committee (Committee) has oversight responsibility for Sacramento County’s cash and investment pool. The Committee consists of ten members as designated by State law. The value of pool shares in Sacramento County that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the District’s position in the pool. Investments held in the County’s investment pool are available on demand to the District and are stated at cost, which approximates fair value.

Investment in the City of Sacramento’s Investment Pool: The District maintains a portion of its cash in the City of Sacramento’s cash and investment pool which is managed by the City Treasurer. The District’s cash balances invested in the City Treasurer’s cash and investment pool are stated at fair value. The amount invested by all public agencies in the City’s cash and investment pool is \$1,548,082,168 and \$1,522,154,690 at June 30, 2022 and 2021, respectively. The City does not invest in any derivative financial products directly. However, they do invest in investment pools, which may invest in derivative financial products. The City Council has oversight responsibility for the cash and investment pool. The value of pool shares in the City that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the District’s position in the pool.

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE B – CASH AND INVESTMENTS (Continued)

Investment in LAIF: LAIF is stated at amortized cost, which approximates fair value. The LAIF is a special fund of the California State Treasurer through which local governments may pool investments. The total fair value amount invested by all public agencies in LAIF is \$231,867,874,452 and \$193,463,490,765 at June 30, 2022 and 2021, respectively, managed by the State Treasurer. Of that amount, 1.88% is invested in structured notes and asset-backed securities. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

Interest Rate Risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. As of June 30, 2022 and 2021, the weighted average maturity of the investments contained in the County's investment pool was approximately 278 days and 300 days, respectively. As of June 30, 2022 and 2021, the weighted average maturity of the investments contained in the City's investment pool was approximately 2.54 and 3.14 years, respectively. As of June 30, 2022 and 2021, the weighted average maturity of the investment in LAIF was approximately 311 and 291 days, respectively.

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

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

At June 30, 2022 and 2021, the carrying amount of the District's deposits were \$757,131 and \$822,067 and the balances in financial institutions were \$1,014,530 and \$874,477, respectively. Of the balance in financial institutions, \$250,000 at June 30, 2022 and 2021 was covered by federal depository insurance and amounts in excess of this balance are covered by the pledging financial institution with assets held in a common pool for the District and other governmental agencies, but not in the name of the District.

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

June 30, 2022 and 2021

NOTE C – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022 and 2021 was as follows:

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

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE C – CAPITAL ASSETS (Continued)

	Balance July 1, 2020	Additions	Disposals	Transfers	Balance June 30, 2021
Capital assets not being depreciated:					
Land	\$ 2,221,333				\$ 2,221,333
Construction in progress	723,529	\$ 954,677			1,678,206
Total capital assets, not being depreciated	<u>2,944,862</u>	<u>954,677</u>	<u>-</u>		<u>3,899,539</u>
Capital assets being depreciated:					
Infrastructure	26,514,781				26,514,781
Building and improvements	2,456,273	11,085			2,467,358
Pump equipment and improvements	30,336,779	52,582			30,389,361
Equipment and vehicles	3,519,860	818,291	\$ (468,920)		3,869,231
Total capital assets, being depreciated	<u>62,827,693</u>	<u>881,958</u>	<u>(468,920)</u>		<u>63,240,731</u>
Less accumulated depreciation for:					
Infrastructure	(5,047,893)	(264,076)			(5,311,969)
Building and improvements	(990,231)	(73,676)			(1,063,907)
Pump equipment and improvements	(14,629,836)	(801,843)			(15,431,679)
Equipment and vehicles	(2,581,683)	(367,125)	468,920		(2,479,888)
Total accumulated depreciation	<u>(23,249,643)</u>	<u>(1,506,720)</u>	<u>468,920</u>		<u>(24,287,443)</u>
Total capital assets, being depreciated, net	<u>39,578,050</u>	<u>(624,762)</u>	<u>-</u>		<u>38,953,288</u>
Capital assets, net	<u>\$ 42,522,912</u>	<u>\$ 329,915</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,852,827</u>

Depreciation expense of \$1,614,730 and \$1,506,720 for the years ended June 30, 2022 and 2021, respectively, was charged to the flood protection function.

Additions to construction in progress in fiscal years 2022 and 2021 include \$205,021 and \$934,000 respectively, of donated improvements to the District's system, which is not reported as capital outlay on the General Fund Statements of Revenues, Expenditures and Changes in Fund Balance.

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE D – LONG-TERM LIABILITIES

The following is a summary of long-term liability transactions for the year ended June 30, 2022 and 2021:

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

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Accrued vacation	\$ 111,791	\$ 15,069	-	\$ 126,860
Net pension liability	1,281,711	86,463	-	1,368,174
Net OPEB (asset) liability	175,827	12,862	-	188,689
	<u>\$ 1,569,329</u>	<u>\$ 114,394</u>	<u>\$ -</u>	<u>\$ 1,683,723</u>

NOTE E – PENSION PLANS

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

- Miscellaneous Plan
- PEPRA Miscellaneous Plan

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

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

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE E – PENSION PLANS (Continued)

The Plans’ provisions and benefits in effect at June 30, 2022 and 2021, are summarized as follows:

	Miscellaneous Rate Plan	Miscellaneous Second tier Rate Plan	PEPRA Miscellaneous Rate Plan
Hire date	Prior to August 30, 2011	August 30, 2011 to December 31, 2012	On or after January 1, 2013
Benefit formula (at full retirement)	2.0% @ 55	2.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 years of service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	52-67	52-67	52 - 67
Monthly benefits, as a % of eligible compensation	1.0% to 2.5%	1.0% to 2.5%	1.0% to 2.5%
Required employee contribution rates:			
2022	7.00%	7.00%	6.75%
2021	7.00%	7.00%	6.75%
Required employer contribution rates:			
2022	10.88%	8.65%	7.59%
2021	11.03%	8.79%	7.73%

In addition to the contribution rates above, the District was also required to make payments of \$101,866 and \$87,982 towards its unfunded actuarial liability during the years ended June 30, 2022 and 2021, respectively. The Miscellaneous rate plans are closed to new members that are not already CalPERS eligible participants.

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

For the years ended June 30, 2022 and 2021, the contributions made to the Plan were \$195,167 and \$172,665, respectively.

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions: As of June 30, 2022 and 2021, the District reported a net pension liability for its proportionate share of the net pension liability of the Miscellaneous Plan of \$710,510 and \$1,368,174, respectively.

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE E – PENSION PLANS (Continued)

The District’s net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability as of June 30, 2022 is measured as of June 30, 2021, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures. The net pension liability as of June 30, 2021 is measured as of June 30, 2020, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The District’s proportionate share of the net pension liability for the Plan as of the measurement dates was as follows:

Proportion - June 30, 2021	0.01257%
Proportion - June 30, 2022	0.01314%
Change - Increase	0.00057%
Proportion - June 30, 2020	0.01251%
Proportion - June 30, 2021	0.01257%
Change - Increase	0.00006%

For the years ended June 30, 2022 and 2021, the District recognized pension expense of \$157,664 and \$272,915 respectively. At June 30, 2022 and 2021, the District reported deferred outflows of resources and deferred inflows of resources related to all Plans combined from the following sources:

	2022		2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 195,167		\$ 172,665	
Differences between actual and expected experience	79,676		70,507	
Changes in assumptions				\$ (9,758)
Change in employer's proportion	37,507		18,523	
Differences between the employer's contribution and the employer's proportionate share of contributions		\$ (57,605)		(37,913)
Net differences between projected and actual earnings on plan investments		(620,238)	40,644	
Total	<u>\$ 312,350</u>	<u>\$ (677,843)</u>	<u>\$ 302,339</u>	<u>\$ (47,671)</u>

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE E – PENSION PLANS (Continued)

The \$195,167 and \$172,665 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ended June 30</u>	
2023	\$ (120,377)
2024	(130,052)
2025	(138,829)
2026	<u>(171,402)</u>
	<u>\$ (560,660)</u>

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

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Valuation Date	June 30, 2020	June 30, 2019
Measurement Date	June 30, 2021	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:		
Discount Rate	7.15% (2)	7.15% (2)
Inflation	2.50%	2.50%
Projected Salary Increase	(1)	(1)
Mortality	Developed using CalPERS Membership Data for all funds	Developed using CalPERS Membership Data for all funds
Post-retirement benefit	Contract COLA up to 2.50% until purchasing power protection allowance applies	

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

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

The underlying mortality assumptions and all other actuarial assumptions used for the June 30, 2021 and 2020 measurement date include 15 years of projected on-going mortality improvement using 90% of Scale MP 2016 published by the Society of Actuaries. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE E – PENSION PLANS (Continued)

Discount Rate: The discount rate used to measure the total pension liability was 7.15% at June 30, 2022 and June 30, 2021. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current discount rate is adequate, and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

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

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

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

Asset Class	2022			2021		
	New Strategic Allocation	Real Return Years 1 - 10(a)	Real Return Years 11+(b)	New Strategic Allocation	Real Return Years 1 - 10(a)	Real Return Years 11+(b)
	Global Equity	50.0%	4.80%	5.98%	50.0%	4.80%
Global Fixed						
Income	28.0%	1.00%	2.62%	28.0%	1.00%	2.62%
Inflation Sensitive	0.0%	0.77%	1.81%	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%	8.0%	6.30%	7.23%
Real Estate	13.0%	3.75%	4.93%	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%	1.0%	0.00%	-0.92%
Total	<u>100.0%</u>			<u>100.0%</u>		

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

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

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE E – PENSION PLANS (Continued)

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

	2022	2021
1% Decrease	6.15%	6.15%
Net Pension Liability	\$ 1,541,359	\$ 2,160,289
Current Discount Rate	7.15%	7.15%
Net Pension Liability	\$ 710,510	\$ 1,368,174
1% Increase	8.15%	8.15%
Net Pension Liability	\$ 23,659	\$ 713,674

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

Payable to the Pension Plan: At June 30, 2022 the District had \$13,895 in outstanding contributions payable to the pension plan; at June 30, 2021, \$6,163 in contributions were outstanding.

NOTE F – OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Plan Description: The District’s defined benefit postemployment healthcare plan provides medical benefits to employees who have attained age 50 with five years of service, or under PEPR A 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 State Vesting Plan as contracted by the District, which is 50% contribution at 10 years of service plus 5% per additional year of service to 100% at 20 or more years.

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

Contributions: The Board grants the authority to establish and amend the contribution requirements of the District. During the year ended June 30, 2022, the District’s cash contributions to the trust were \$168,672 and the implied subsidy was \$30,000, resulting in total payments of \$198,672. During the year ended June 30, 2021, the District’s cash contributions to the trust were \$75,205.

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

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

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

Inactive employees or beneficiaries currently receiving benefit payments	9
Active employees	<u>12</u>
Total	<u>21</u>

Total OPEB Liability: The District's total OPEB liability as of June 30, 2022 was measured as of June 30, 2021 and was determined by an actuarial valuation as of June 30, 2021. The District's total OPEB liability as of June 30, 2021 was measured as of June 30, 2020 and was determined by an actuarial valuation as of June 30, 2019.

Actuarial Assumptions and Other Inputs: The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

	<u>2022</u>	<u>2021</u>
Valuation date	June 30, 2021	June 30, 2019
Measurement date	June 30, 2021	June 30, 2020
Actuarial cost method	Entry-age normal cost method	Entry-age normal cost method
Actuarial assumptions:		
Discount rate	5.5%	6.5%
Inflation	2.50%	2.75%
Salary increases	2.75% per year	2.75% per year
Investment rate of return	5.5%	6.5%
Mortality rate	Derived using CalPERS membership data	Derived using CalPERS membership data
Pre-retirement turnover	Derived using CalPERS membership data	Derived using CalPERS membership data
Healthcare trend rate non-Medicare	6.75% for 2022, decreasing to an ultimate rate of 3.75% in 2076	4% annually
Healthcare trend rate Medicare	Non-Kaiser 5.85% and Kaiser 4.75% for 2022, both decreasing to an ultimate rate of 3.75% in 2076	4% annually

Mortality information was based on the 2014 CalPERS Active Mortality of Miscellaneous Employees table created by CalPERS. The experience study report may be accessed on the CalPERS website at <https://www.calpers.ca.gov>.

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

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

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

Asset Class	Percentage of Portfolio	Assumed Gross Return
All Equities	40.0%	4.56%
All Fixed Income	43.0%	0.78%
Real Estate Investment Trusts	8.0%	4.06%
All Commodities	4.0%	1.22%
Treasury Inflation Protected Securities (TIPS)	5.0%	(0.08%)
	100.0%	

Discount Rate: The discount rate used to measure the total OPEB liability was 5.5% and 6.5% for June 30, 2022 and June 30, 2021 respectively. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected OPEB payments for current and active employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total O3PEB liability.

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

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

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

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

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at July 1, 2020	\$ 1,249,718	\$ 1,073,891	\$ 175,827
Changes in the year:			
Service cost	36,000		36,000
Interest	79,958		79,958
Contributions - employer		49,497	(49,497)
Net investment income		58,110	(58,110)
Experience (gains)/losses	3,981		3,981
Expected benefit payments to retirees (estimate)	(79,186)	(79,186)	
Administrative expenses		(530)	530
Net changes	<u>40,753</u>	<u>27,891</u>	<u>12,862</u>
Balance at June 30, 2021	<u>\$ 1,290,471</u>	<u>\$ 1,101,782</u>	<u>\$ 188,689</u>

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

In addition, the following changes were made after June 30, 2021 valuation was prepared that will affect the OPEB liability in the next valuation: the District moved assets from CERBT Strategy 2 to CERBT Strategy 1. As a result, a higher discount rate to be used at measurement date June 30, 2022. In addition, CalPERS approved new CERBT asset allocations in March 2022.

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

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

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

June 30, 2022 and 2021

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

	2021		
	Current		
	1% Decrease 5.50%	Discount Rate 6.50%	1% Increase 7.50%
Net OPEB liability	\$ 337,434	\$ 188,689	\$ 63,358

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

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

	2021		
	Current Healthcare Cost		
	1% Decrease	Trend Rates	1% Increase
Net OPEB liability (asset)	\$ 47,861	\$ 188,689	\$ 353,365

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

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: For the years ended June 30, 2022 and 2021, the District recognized OPEB expense of \$106,865 and \$70,711, respectively. At June 30, 2022 and 2021, the District reported deferred outflows of resources and deferred inflows resources related to OPEB from the following sources:

	2022		2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 198,672		\$ 75,205	
Difference between expected and actual experience	202,255	\$ (5,124)	200,282	\$ (6,263)
Changes in assumptions	399,115			
Net differences between projected and actual earnings on plan investments		(112,591)	9,366	(3,239)
Total	\$ 800,042	\$ (117,715)	\$ 284,853	\$ (9,502)

RECLAMATION DISTRICT 1000, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

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

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

Year Ended June 30	
2023	\$ 56,980
2024	56,584
2025	57,659
2026	55,522
2027	85,405
Thereafter	<u>171,505</u>
	<u>\$ 483,655</u>

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

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

NOTE G – CONTINGENCIES

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

COVID-19: On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19) pandemic. The COVID-19 outbreak is disrupting supply chains and affecting production and sales across a range of industries. The extent of the impact of COVID-19 on the District's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, and the impact on customers, employees, and vendors, all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact the financial condition or results of operations is uncertain and the accompanying financial statements include no adjustments relating to the effects of this pandemic.

REQUIRED SUPPLEMENTAL INFORMATION

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RECLAMATION DISTRICT NO. 1000, CALIFORNIA

REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2021 and 2020

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

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

Notes to Schedule:

Reporting valuation date	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Reporting measurement date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014

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

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

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

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

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

Notes to Schedule:

Valuation date:	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013	June 30, 2012
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Methods and assumptions used to determine contribution rates:

	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	15-year smoothed market
Amortization method								
Remaining amortization period								
Asset valuation method								
Inflation	2.50%	2.50%	2.625%	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increases				Varies by entry age and service				
Payroll growth	2.75%	2.75%	2.875%	3.00%	3.00%	3.00%	3.00%	3.00%
Investment rate of return	7.00%	7.00%	7.25%	7.375%	7.50%	7.50%	7.50%	7.50%

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

RECLAMATION DISTRICT NO. 1000, CALIFORNIA

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

For the Year Ended June 30

	2022	2021	2020	2019	2018
Total OPEB liability					
Service cost	\$ 36,990	\$ 36,000	\$ 30,024	\$ 29,220	\$ 28,438
Interest	83,852	79,958	61,951	59,499	57,189
Experience (gains)/losses	28,377	3,981	241,370		
Assumption changes	458,684				
Benefit payments	(74,859)	(79,186)	(43,424)	(59,354)	(42,393)
Net change in total OPEB liability	533,044	40,753	289,921	29,365	43,234
Total OPEB liability - beginning	1,290,471	1,249,718	959,797	930,432	887,198
Total OPEB liability - ending (a)	\$ 1,823,515	\$ 1,290,471	\$ 1,249,718	\$ 959,797	\$ 930,432
Plan fiduciary net position					
Contributions - employer	\$ 75,205	\$ 49,497	\$ 43,424	\$ 28,000	\$ 38,795
Net investment income	218,171	58,110	65,220	60,324	66,639
Benefit payments (estimate)	(74,859)	(79,186)	(43,424)	(59,354)	(42,393)
Investment gains/(losses)			5,399		
Administrative expenses	(642)	(530)	(216)	(912)	(801)
Net change in plan fiduciary net position	217,875	27,891	70,403	28,058	62,240
Plan fiduciary net position - beginning	1,101,782	1,073,891	1,003,488	975,430	913,190
Plan fiduciary net position - ending (b)	\$ 1,319,657	\$ 1,101,782	\$ 1,073,891	\$ 1,003,488	\$ 975,430
Net OPEB liability (asset) - ending (a)-(b)	\$ 503,858	\$ 188,689	\$ 175,827	\$ (43,691)	\$ (44,998)
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	72.37%	85.38%	85.93%	104.55%	104.84%
Covered-employee payroll - measurement period	\$ 1,035,417	\$ 1,004,351	\$ 926,881	\$ 826,547	\$ 861,202
Net OPEB liability (asset) as percentage of covered-employee payroll	48.66%	18.79%	18.97%	(5.29%)	(5.23%)
Notes to schedule:					
Valuation date	June 30, 2021	June 30, 2019	June 30, 2019	June 30, 2017	June 30, 2017
Measurement period - fiscal year ended	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Discount Rate	5.50%	6.50%	6.50%	6.50%	6.50%

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

Benefit changes. None.

Changes in assumptions. None.

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

RECLAMATION DISTRICT NO. 1000, CALIFORNIA

REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2022

SCHEDULE OF CONTRIBUTIONS TO THE OPEB PLAN (UNAUDITED)

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

Notes to Schedule:

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

Methods and assumptions used to determine contribution rates:

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

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

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

RECLAMATION DISTRICT NO. 1000, CALIFORNIA

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

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property assessments	\$ 2,250,000	\$ 2,250,000	\$ 2,299,557	\$ 49,557
O & M reimbursement revenue from SAFCA	1,400,000	1,400,000	1,421,000	21,000
Capital contributions and grants	792,000	792,000	681,448	(110,552)
Fees for services			84,189	84,189
Use of money and property	79,000	79,000	(10,214)	(89,214)
Other revenues			35,260	35,260
TOTAL REVENUES	4,521,000	4,521,000	4,511,240	(9,760)
EXPENDITURES				
Current				
Flood protection:				
Maintenance and operations	4,694,950	4,694,950	3,836,413	858,537
Administration	1,034,301	1,034,301	1,099,964	(65,663)
Capital outlay	1,131,000	1,131,000	749,239	381,761
TOTAL EXPENDITURES	6,860,251	6,860,251	5,685,616	1,174,635
NET CHANGE IN FUND BALANCES	(2,339,251)	(2,339,251)	(1,174,376)	1,164,875
Fund balance at beginning of year	11,490,728	11,490,728	11,490,728	-
FUND BALANCE AT END OF YEAR	\$ 9,151,477	\$ 9,151,477	\$ 10,316,352	\$ 1,164,875

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

REQUIRED SUPPLEMENTARY INFORMATION

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RECLAMATION DISTRICT NO. 1000, CALIFORNIA

SCHEDULE OF EXPENDITURES – BUDGET AND ACTUAL -
GENERAL FUND

For the Year Ended June 30, 2022

	Final Budget	Actual	Variance Positive (Negative)
Maintenance and Operations:			
Power	\$ 475,000	\$ 468,381	\$ 6,619
Herbicides	240,000	154,159	85,841
Field services	91,000	193,045	(102,045)
Field operations consultants	20,000	16,023	3,977
Materials and supplies	25,000	22,377	2,623
Refuse collection	45,000	20,463	24,537
Compensation	1,139,323	1,155,745	(16,422)
Payroll taxes	86,589	96,926	(10,337)
Group insurance	105,084	117,401	(12,317)
Dental/vision insurance	23,000	20,001	2,999
Workers' compensation insurance	31,000	20,754	10,246
Pension - defined benefit and 457 plans	262,604	206,305	56,299
Fuel	40,000	91,777	(51,777)
Equipment repairs and services	15,000	102,289	(87,289)
Equipment parts and supplies	60,000	29,634	30,366
Shop equipment (not vehicles)	5,000	762	4,238
Government fees and permits	10,000	10,226	(226)
FEMA permits	1,500		1,500
Facility repairs	527,000	541,810	(14,810)
Assessments/CAD	8,500	15,051	(6,551)
Field utilities	11,000	12,283	(1,283)
Equipment rental and other	5,000	7,960	(2,960)
Field equipment	20,000	1,292	18,708
Security patrol	35,000	28,350	6,650
FMAP - operations and maintenance	162,850	441,220	(278,370)
Capital - facilities	1,250,000	61,454	1,188,546
Other	500	725	(225)
	<u>\$ 4,694,950</u>	<u>\$ 3,836,413</u>	<u>\$ 858,537</u>
Administration:			
Office supplies	\$ 4,500	\$ 4,083	\$ 417
Computer	34,900	30,010	4,890
Liability and auto insurance	160,000	151,905	8,095
Annuitant healthcare	98,751	168,672	(69,921)
Memberships	39,700	35,105	4,595
Legal	65,000	86,929	(21,929)
Engineering/Adminstrative consultants	297,000	265,591	31,409
Public relations, legislative analyst	49,000	130,159	(81,159)
Accounting and audit services	56,800	47,488	9,312

RECLAMATION DISTRICT NO. 1000, CALIFORNIA

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

For the Year Ended June 30, 2022

	Final Budget	Actual	Variance Positive (Negative)
Administration (continued):			
Administrative services	\$ 22,000	\$ 12,995	\$ 9,005
Trustee fees	35,000	33,750	1,250
Mitigation land taxes	5,300	4,995	305
Election costs	10,000	4,570	5,430
Utilities	16,400	14,149	2,251
Office maintenance and repair	31,500	26,346	5,154
Continuing education	5,000	1,490	3,510
Payroll service	4,500	2,292	2,208
Small office and computer equipment	10,000	5,466	4,534
Government fees and permits	12,500	5,852	6,648
Assessment management fees		21,141	(21,141)
Professional development	20,500	265	20,235
Temporary administration	15,000	6,780	8,220
FMAP administration	8,150	31,630	(23,480)
Office upgrades and improvements	30,000	6,334	23,666
Other	2,800	1,967	833
	<u>\$ 1,034,301</u>	<u>\$ 1,099,964</u>	<u>\$ (65,663)</u>
Capital outlay:			
Real estate acquisition	\$ 50,000		\$ 50,000
Capital - office facility repair	30,000		30,000
Capital equipment	1,051,000	\$ 749,239	301,761
	<u>1,131,000</u>	<u>749,239</u>	<u>381,761</u>
Total expenditures	<u>\$ 6,860,251</u>	<u>\$ 5,685,616</u>	<u>\$ 1,174,635</u>

OTHER REPORTS

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Reclamation District No. 1000 (the District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 6, 2022.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

To the Board of Trustees
Reclamation District No. 1000

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

Purpose of this Report

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

Richardson & Company, LLP

December 6, 2022



550 Howe Avenue, Suite 210
Sacramento, California 95825
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FAX: (916) 564-8728

GOVERNANCE LETTER

To the Board of Trustees
Reclamation District 1000
Sacramento, California

We have audited the financial statements of the Reclamation District 1000 (the District) for the year ended June 30, 2022, and have issued our report thereon dated December 6, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated April 29, 2020. Professional standards require that we provide you with the following information related to our audit.

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

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

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

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

Planned Scope and Timing of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

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

We have identified the following significant risks of material misstatement as part of our auditing planning: Management override of controls and revenue recognition.

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

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during fiscal year 2021/22. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

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

Pension Liability: Information on the District's pension plans, including the District's share of the unfunded pension liability, is shown in Note E. The District's share of the unfunded pension liability at June 30, 2021, the most recent measurement date, was \$710,510 which is reflected as a liability in the District's financial statements as of June 30, 2022. As a result of the changes in the net pension liability and related deferred inflows and outflows, the District's pension expense is \$157,664 primarily because of the Plan's difference between projected and actual investment earnings on pension investments. The pension liability decreased from \$1,368,174 to \$710,510 during the year ended June 30, 2022 due to the investment earnings on the plan assets as of the June 30, 2021 measurement date being unusually large.

Liability for Other Postemployment Benefits: The postemployment benefit (OPEB) disclosure in Note F shows that the District's share of the unfunded OPEB liability at June 30, 2021, the most recent measurement date, was \$503,858 which is reflected as a liability in the District's financial statements as of June 30, 2022. As a result of the recording of the net OPEB liability and related deferred inflows and outflows, the District's OPEB expense is \$106,865 primarily to record changes in the net OPEB liability and deferred outflows and inflows. The OPEB liability increased from \$188,689 to \$503,858 primarily due to the change in actuarial assumptions, including the use of age-adjusted premiums in the calculation of the OPEB liability that the previous actuary excluded. The changes in assumptions are described further in Note F of the financial statements.

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. Two adjustments were made during the audit as follows: to accrue estimated teeter tax payment and to true-up net investment in capital assets.

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

Disagreements With Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 6, 2022.

Management Consultations With Other Independent Accountants

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

Issues Discussed Prior to Retention of Independent Auditors

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

Other Matters

We applied certain limited procedures to the management discussion and analysis, schedule of the proportionate share of the net pension liability, schedule of contributions to the pension plan, schedule of change in net OPEB liability and related ratios, schedule of contributions to the OPEB plan and schedule of revenue, expenditures and changes in fund balance- budget and actual, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures

consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

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

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

Richardson & Company, LLP

December 6, 2022



550 Howe Avenue, Suite 210
Sacramento, California 95825
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MANAGEMENT LETTER

To the Board of Trustees
Reclamation District 1000
Sacramento, California

In planning and performing our audit of the financial statements of the Reclamation District 1000 (the District) as of and for the year ended June 30, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

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

Payroll Processing Review: During our audit we noted there is not a secondary review of the payroll register prior to the paycheck processing. We recommend that the General Manager review the payroll register to verify the accuracy of the output from the payroll system, to mitigate the risk of errors prior to payroll checks being cut. In addition, we noted a timesheet that did not include the signature of the preparer or reviewer. We recommend supporting documentation, such as timesheets, indicate the name or initial and date of the preparer and reviewer of the document. This will provide evidence that two staff were involved in performing the control.

Purchase Orders: During our testing of cash disbursements, we noted instances where purchase orders did not include pricing, had incomplete vendor information, and didn't document approval of a supervisor. We recommend purchase orders include complete pricing and vendor information to allow supervisors to determine whether the request is reasonable.

Purchasing Policy: During our testing of cash disbursement, we noted that the District does not have formal written policies related to purchasing of goods and services. A formal policy should be

established to define spending authority limits, vendor selection, competitive bid process, and conflicts of interest. We recommend the District adopt written policies governing purchases of goods and services.

* * * * *

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

Richardson & Company, LLP

December 6, 2022



RECLAMATION DISTRICT 1000

DATE: DECEMBER 9, 2022

AGENDA ITEM NO. 6.2

TITLE: Proposition 218

SUBJECT: Review and Consider Adoption of Resolution 2022-12-03 Approving Procedures for Proposition 218 Election

EXECUTIVE SUMMARY:

In September 2022, the Board of Trustees of Reclamation District 1000 reviewed and considered the Phase 2.2 Property Related Fee Study (Fee Study). The Fee Study outlines a proposed Stormwater Service Fee which—if implemented—would fund the ongoing maintenance and operation of the District’s interior drainage system. On November 18, the District completed the first phase of its public consideration of that proposed fee: a public hearing and protest ballot process. At the close of the public hearing, the no majority protest to the proposed fee existed, and so the Board directed that the fee be presented to the District property owners for a majority vote pursuant to Proposition 218.

Proposition 218 and the California Constitution set some procedural requirements (for example, 45 days notice and mailed ballots) for this majority vote process. However, the statute is silent as to many of the logistics as to how that ballot process should be conducted, except to provide that it is not an “election” for purposes of Article II of the California Constitution or the California Elections Code (Gov. Code 53755.5(c).) In the interest of clarity, the California League of Cities has developed model Prop 218 procedures for agencies to adopt and rely upon in their consideration of proposed fees and assessments. The attached resolution is adapted from those processes, to ensure a consistent implementation of your balloting process.


RECOMMENDATION:

Staff recommends the Board review and consider adoption of Resolution No. 2022-12-03; Adopting Proposition 218 Procedures for the 2023 Stormwater Service Fee Ballot Proceeding of Reclamation District No 1000.

ATTACHMENTS:

1. Resolution No. 2022-12-03

STAFF RESPONSIBLE FOR REPORT:



Rebecca R.A. Smith, General Counsel

Date: 12/07/2022



Kevin L. King, General Manager

Date: 12/07/2022



RECLAMATION DISTRICT NO. 1000
RESOLUTION NO. 2022-12-03

**A RESOLUTION OF THE BOARD OF TRUSTEES OF RECLAMATION DISTRICT NO. 1000
ADOPTING PROPOSITION 218 PROCEDURES FOR THE
2023 STORMWATER SERVICE FEE BALLOT PROCEEDING**

At a regular meeting of the Board of Trustees of Reclamation District No. 1000 held at the District Office on the 9th day of December 2022, the following resolution was approved and adopted:

WHEREAS, Reclamation District No. 1000 (“RD1000”) noticed and conducted a public hearing on a proposed Stormwater Service Fee on November 18, 2022; and

WHEREAS, the data supporting the proposed Stormwater Service Fee and its methodology is articulated in the September 2022 Property Related Fee Study (“Fee Study”), which details both the basis of the fee and the specific charges proposed to be imposed on each affected parcel; and

WHEREAS, as of the close of the November 18, 2022 hearing on the proposed Stormwater Service Fee, no majority protest as to the fee existed, and so the Board of Trustees directed that the proposed fee be submitted to a vote of the affected property owners; and

WHEREAS, the Stormwater Service Fee is a property-related fee conforming to Article XIII D, Section 6 of the California Constitution; and

WHEREAS, Article XIID, Section 6(c) requires that, except for fees or charges for sewer, water, and refuse collection services, these property-related fees must be submitted to a majority vote of the affected property owners before they may be imposed; and

WHEREAS, because the Proposed Stormwater Service Fee would fund property related services surrounding both water and drainage, the District will submit the proposed fee to a majority vote of impacted property owners pursuant to Proposition 218; and

WHEREAS, some of the requirements of Proposition 218 are unclear and require judicial interpretation or legislative implementation; and,

WHEREAS, RD 1000 believes it to be in the best interest of the community to record its decisions regarding implementation of the provisions of Proposition 218 relating to the proposed Stormwater Service Fee and to provide the community with a guide to those decisions and how they have been made.

NOW, THEREFORE, BE IT RESOLVED by the RD1000 Board of Trustees (“Board”) as follows:

1. **Statement of Legislative Intent.** It is RD1000’s intent in adopting this resolution to adopt fee ballot procedures that are consistent and in compliance with the California Constitution and with Government Code Section 53750 et. seq. (the Proposition 218 Omnibus Implementation Act) which collectively govern the provisions authorizing the levy of the proposed Stormwater Service Fee by the District. It is not the intent of the District to vary in any way from the requirements of the aforementioned law.

2. **Mailed Notice of Fee Ballot.** The fee ballot and a mailed notice of the public hearing shall be sent at least forty-five (45) days prior to the February 10, 2023 public hearing on the proposed fee. For all mailings, the record owner(s) of each parcel and their mailing address shall be determined from the equalized property tax roll prepared by County Assessor.

3. **Returned ballots.** RD1000, upon the receipt of any returned ballots from the United States Postal Service, for any reason, will utilize its reasonable best efforts to forward the notice to the record property owner of the parcels associated with the returned notice. Failure of RD1000 to determine a valid mailing address for a Record Owner shall not invalidate the proceedings. Failure of any person to receive notice shall not invalidate the proceedings.

4. **Fee Ballot Contents.** The ballot shall contain all of the information required by Government Code Section 53755.5, and may be rely on bar codes or other means to optimize tabulation on its return. Ballots will be returned in sealed envelopes for the privacy of property owners, but may contain identifying information regarding the parcel on whose behalf each vote is cast (including, for example, APN numbers). RD1000 may issue a duplicate ballot to any property owner whose original ballot was lost or destroyed. Such ballots shall be clearly marked as duplicate ballots and shall be accompanied by sufficient information for the Secretary of the Board to verify the location and ownership of the property in question and the identity of the individual casting the ballot in order to verify its authenticity.

5. **Return of Ballots.** Ballots must be returned to the District by mail or in person, no later than the close of the public hearing on February 10, 2023. Only ballots with original signatures, not photocopies, will be accepted. Ballots will not be accepted via e-mail. Fee ballots shall remain sealed until the tabulation of ballots commences after the conclusion of the public hearing. A ballot may be submitted, or changed, or withdrawn by the person who submitted the ballot prior to the conclusion of the public testimony on the proposed assessment at the public hearing.

6. **Disclosure of Ballots.** Prior to the public hearing, neither the fee ballot nor the envelope in which it is submitted shall be treated as a public record, pursuant to Government Code section 6254(c) and any other applicable law, in order to prevent potential unwarranted invasions of the submitter's privacy and to protect the integrity of the balloting process. During and after the tabulation, the fee ballots shall be treated as disclosable public records, as defined in Government Code section 6252, and equally available for inspection (e.g., by the proponents or the opponents of the proposed fee), pursuant to Government Code section 53750(e)(2).

7. **Public Hearing.** At the public hearing, the Board shall hear all public testimony regarding the proposed fee and accept ballots until the close of the public hearing which hearing may be continued from time to time. At the conclusion of the hearing, the Board shall direct the tabulation of the ballots, including those received during and prior to the public hearing.

8. **Tabulating Ballots.** Following the Public Hearing, the ballot tabulation will take place at a location accessible to the public. The ballots shall be unsealed and tabulated in public view so as to permit all interested persons to meaningfully monitor the accuracy of the tabulation process. An impartial person(s) designated by the Board who does not have a vested interest in the outcome of the proposed fee shall publicly tabulate the fee ballots submitted, and not withdrawn, in support or opposition to the proposed fee. The district's engineer and counsel have been determined by the Board to be persons that do not have a vested interest in the outcome of the proposed fee.

9. **Contested Ballots.** The District shall strive to accept and count all validly cast ballots. Votes for or against the proposed fee must be cast on District-issued ballots, timely submitted, and clearly indicate the choice of the voter. Unsigned ballots, ballots returned via email, or ballots on which the choice of the voter is impossible to ascertain will not be counted.

10. **Retention of Ballots.** The ballots and all materials associated with the Tabulation shall be preserved for a minimum of two years, after which they may be destroyed.

11. **Majority Approval.** If according to the final tabulation of the ballots, a greater than 50% of ballots are cast in favor of the proposed fee, the proposed fee may be imposed.

12. **Interpretation & Intent.** In implementing these procedures, the District will strive to give effect to Proposition 218's direction that property owners be afforded the opportunity to vote on potential property related charges. In the event of a conflict between these procedures and the requirements of statutes governing the implementation of property related fees, those statutes shall control.

ON A MOTION BY Trustee _____, seconded by Trustee _____, the foregoing resolution was passed and adopted by the Board of Trustees of Reclamation District No. 1000, this 9th day of December 2022, by the following vote, to wit:

AYES: Trustees:
NOES: Trustees:
ABSTAIN: Trustees:
RECUSE: Trustees:
ABSENT: Trustees:

Thomas M. Gilbert
President, Board of Trustees
Reclamation District No. 1000

CERTIFICATION:

I, Joleen Gutierrez, Secretary of Reclamation District No. 1000, hereby certify that the foregoing Resolution 2022-12-03 was duly adopted by the Board of Trustees of Reclamation District No. 1000 at the regular meeting held on the 9th day of December 2022 and made a part of the minutes thereof.

Joleen Gutierrez, District Secretary



RECLAMATION DISTRICT 1000

DATE: DECEMBER 9, 2022

AGENDA ITEM NO. 6.3

TITLE: Recognition of Service

SUBJECT: Review and Consider Adoption of Resolution No. 2022-12-04 Recognizing Sacramento City Council Member & Sacramento Area Flood Control Agency Board of Director, Angelique Ashby for Service to the Community

EXECUTIVE SUMMARY:

The Board of Trustees of Reclamation District 1000 (RD 1000; District) wishes to recognize Sacramento City Council Member & Sacramento Area Flood Control Agency Board of Director, Angelique Ashby for Service to the Community. Staff recommends the Board review and consider adoption of Resolution No. 2022-12-04 (Attachment 1), recognizing Sacramento City Council Member & Sacramento Area Flood Control Agency Board of Director, Angelique Ashby for Service to the Community.

RECOMMENDATION:

Staff recommends the Board review and consider adoption of Resolution No. 2022-12-04, Recognizing Sacramento City Council Member & Sacramento Area Flood Control Agency Board of Director, Angelique Ashby for Service to the Community.

ATTACHMENTS:

1. Resolution No. 2022-12-04

STAFF RESPONSIBLE FOR REPORT:

Kevin L. King, General Manager

Date: 12/02/2022



Resolution No. 2022-12-04

In Recognition of Angelique Ashby's Service as a Sacramento City Council Member
& Sacramento Area Flood Control Agency Board of Director.

WHEREAS, Angelique Ashby was elected to the Sacramento City Council in 2010, and again in 2014, and 2018, representing District One, located in Natomas; and,

WHEREAS, during her tenure on the Council, Director Ashby has been annually appointed as one of three representatives of the City of Sacramento on the SAFCA Board of Directors (SAFCA) serving as Vice Chair in 2013, Chair in 2014 and Vice Chair again in 2015; and,

WHEREAS, early in her tenure on the SAFCA Board, SAFCA and the State advanced an ambitious program of levee improvements in the Natomas Basin aimed at reducing the flood risk in the Basin while awaiting Federal authorization and appropriations which allows the U.S. Army Corps of Engineers (USACE) to complete the work of rebuilding the levees protecting the Natomas Basin; and,

WHEREAS, during her tenure as Chair of the SAFCA Board, the American River Watershed Common Features Natomas Basin Project was authorized; and

WHEREAS, during her time on the SAFCA Board other significant achievements and milestones have occurred including authorization of the American River Watershed Common Features 2016 Project, which included the work on the remaining portion of the levee system protecting Sacramento not covered under previous authorizations; passage of the Bipartisan Budget Act of 2018 resulting in \$1.8 billion provided to fund construction of authorized flood protection improvements in the Sacramento area; and SAFCA projects receiving significant annual Federal appropriations resulting in all SAFCA projects being fully funded for construction.

NOW, THEREFORE BE IT RESOLVED THAT, on behalf of the District's residents, businesses, farmers and property owners, the Board of Trustees of Reclamation District No. 1000 hereby gratefully acknowledges the service, leadership and contributions Angelique Ashby has made to the District as a member of the Sacramento City Council and Sacramento Area Flood Control Agency for flood safety in the Natomas community; and furthermore wishes her well in her future endeavors and travels well knowing Natomas and the Greater Sacramento Region is a better place because of her community service and leadership.

Thomas M. Gilbert, Board President
Reclamation District No. 1000



RECLAMATION DISTRICT 1000

DATE: DECEMBER 9, 2022

AGENDA ITEM NO. 7.1

TITLE: Committee Meeting Minutes

SUBJECT: Committee Meeting Minutes since the November Board Meeting

EXECUTIVE SUMMARY:

Executive Committee Meeting – November 30, 2022

A meeting of the Reclamation District No. 1000 Executive Committee was held on Wednesday, November 30, 2022, at 8:00 a.m. via GoToMeeting and Conference Call. In attendance were Trustees Gilbert and Lee Reeder. Staff in attendance were General Manager King, Operations Manager Holleman and General Counsel Smith. There were no members of the public present, therefore no public comments were received.

General Manager King presented the proposed agenda for the December 9, 2022, Board of Trustees meeting. The Committee reviewed the agenda and approved.

With no further business on the Executive Committee Agenda, meeting adjourned at 8:36 a.m.