



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

1633 GARDEN HIGHWAY
SACRAMENTO, CA 95833

**FRIDAY, JANUARY 15, 2021
8:00 A.M.**

WEB & TELEPHONE MEETING ONLY

MODIFIED BROWN ACT REQUIREMENTS IN LIGHT OF COVID-19

In Compliance with CA Executive Orders N-25-20 and N-29-20 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:

Please 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 do not 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

1. PRELIMINARY

- 1.1. Call Meeting to Order
- 1.2. Roll Call
- 1.3. Approval of Agenda
- 1.4. 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*)

2. PRESENTATIONS

- 2.1. 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 December 2020 Board Meeting.
- 4.2. **SUPERINTENDENT'S REPORT:** Update on activities since the December 2020 Board Meeting.
- 4.3. **DISTRICT COUNSEL'S REPORT:** Update on activities since the December 2020 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 December 11, 2020 Regular Board Meeting,
- 5.2. TREASURER’S REPORT: Approve Treasurer’s Report for December 2020.
- 5.3. EXPENDITURE REPORT: Review and Accept Report for December 2020.
- 5.4. BUDGET TO ACTUAL REPORT: Review and Accept Report for December 2020.
- 5.5. WARRANT FOR FUND TRANSFER: Review and Consider Approval of Warrant for Transferring Funds between Investment Accounts.
- 5.6. ANNUAL BANKING AUTHORIZATION (SACRAMENTO COUNTY): Review and Consider Adoption of Resolution No. 2021-01-01 Authorizing Officers and Trustees as Signatories to the Operations and Maintenance Funds held by Sacramento County Treasurer.

6. SCHEDULED ITEMS

- 6.1. FINANCIAL PLAN: Review and Consider Adoption of Resolution No. 2021-01-02 Adopting the District’s Comprehensive Financial Plan.
- 6.2. COMMITTEE ASSIGNMENTS: Review and Consider Approval of Board Committee Assignments for 2021.

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) January 4, 2021
- Finance Committee (Gilbert & Smith) January 5, 2021

7.1.2. RD 1000 Committees No Meetings Since Last Board Meeting

- Legal Committee (Avdís & Bains)
- Operations Committee (Smith & Lee-Reeder)
- Personnel Committee (Avdís)
- Urbanization Committee (Gilbert, & Lee-Reeder)

7.1.3. Trustee’s Comments/Reports

8. CLOSED SESSION

- 8.1. No Scheduled Closed Session Items

9. ADJOURN



RECLAMATION DISTRICT 1000

DATE: JANUARY 15, 2021

AGENDA ITEM NO. 4.1

TITLE: General Manager's Report – January 2021

SUBJECT: Update on activities since the December 2020 Board of Trustees Meeting

EXECUTIVE SUMMARY:

This Staff Report is intended to report the noteworthy activities and events of the District. Noteworthy activity from December included continued coordination on Natomas Levee Improvement Project with the United States Army Corps of Engineers, SAFCA and others. In summary, the District had a productive and successful month. Our key activities and achievements are presented below:

BACKGROUND:

1. Administration Services

a. Comprehensive Financial Plan

- i. Worked with NBS to prepare draft Comprehensive Financial Plan for review by Finance Committee. Draft report was presented to the Board in December 2020. Staff received comments and worked with NBS to revise the report. A final draft was presented to the Finance Committee on January 5, 2021.

b. Human Resources

- i. The Operations Manager Position was advertised on October 30, 2020 and closed on December 30, 2020. The announcement was placed on the District's website and in CA Jobs Available. GM King also placed the announcement in trade/association publications.
- ii. Interviews are scheduled for January 20th and 21st.

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 (Superintendent's Report) for more information regarding activities performed in December 2020.

3. Capital Improvement Projects

a. CIP Update

- i. District entered into Professional Services Agreement with KSN, Inc. on November 12, 2019. A kickoff meeting was held on December 2, 2019.

TITLE: General Manager's Report – January 2021

- ii. Condition Assessment and Facility Inventory finalized in December 2019.
- iii. KSN prepared Draft Final Report and presented the aforementioned report to the Board of Trustees on June 12, 2020.
- iv. On August 14, 2020, the Board of Trustees adopted the Capital Improvement Plan Update with minor revisions to the draft presented. The Final adopted CIP was provided to the Board on September 11, 2020.

b. Cal OES Grant

- i. GM King submitted an application on October 30, 2020 to Cal OES for grant funds to purchase mobile generators. Awaiting grant award announcement.

4. Natomas Levee Improvement Projects

a. Reach A

- i. The Corps issued its 95% plans for this reach early in August and 100% plans are due January 2021 which will address utility relocations and modifications to Pumping Plants 1A and 1B.
- ii. SAFCA continues acquiring necessary right of way including 5 homes upstream of I-80 and 7 homes downstream; relocation assistance is being provided to existing residents of the acquired homes.
- iii. Removal of trees on the levee has commenced. Contract award is scheduled for September 2021 with cutoff wall and adjacent levee construction starting in spring 2022.

b. Reach B

- i. Clearing and grubbing has been completed including the removal of 3 residential structures.
- ii. Levee construction has commenced on a limited scale. The volume of levee work is expected to accelerate once identified borrow sites become available. Construction of the Riverside Canal relocation is progressing
- iii. Design of the project to close the I-5 window crossing the Sacramento River in Reach B is complete but the bid process has been suspended pending negotiations between Caltrans and DWR/SAFCA on a framework agreement for all NLIP projects impacting Caltrans facilities which is expected the first quarter of 2021.

c. Reach C

- i. The Reach C project was completed by SAFCA several years ago and the District's role is now providing annual maintenance activities in this reach.

TITLE: General Manager's Report – January 2021

d. Reach D

- i. The contract for reconstruction of Pumping Plant 4 was delayed and is currently out for bid with award and construction scheduled for spring 2021.
- ii. The levee work on Reach D was completed last spring. The District is working with SAFCA, DWR and the Corps to resolve some minor clean up and repairs.

e. Reach E

- i. The revised 65% plans are scheduled to be complete by January. The Sacramento District is pushing to have the 90% plans by spring for a contract award in July 2021 (construction 2022 and 2023).
- ii. SAFCA and State DWR continue working on right of way acquisition and coordination with Sutter County on the Howsley Road bridge replacement project at the northern end of Reach E.

f. Reach F

- i. Reach F is along the Natomas East Main Drain Canal from Sankey Road to Elverta Road. It is being designed concurrently with Reach G.
- ii. The 35 % plans are scheduled to be complete by late January. RD 1000 is coordinating with SAFCA, DWR and the Corps on a final design water surface profile as well as channel improvements south of Sankey Road to address potential overtopping during the 200-year flood.
- iii. Current plans propose levee widening and potentially limited cutoff walls. Current schedule is for Contract Award in spring 2022.

g. Reach G

- i. Reach G is along the Natomas East Main Drain Canal from Elverta Road to south of Elkhorn Blvd. It is being designed concurrently with Reach F.
- ii. The 35 % plans are scheduled to be complete by late January. RD 1000 is coordinating with SAFCA, DWR and the Corps on a final design water surface profile as well as channel improvements south of Sankey Road to address potential overtopping during the 200-year flood.
- iii. Current plans propose levee widening and potentially limited cutoff walls. Current schedule is for Contract Award in spring 2022.

h. Reach H

- i. Levee cutoff walls, slope flattening and levee restoration work has been completed for 2020. Patrol / maintenance road grading, fence relocations, and restoration of East Levee Road will recommence in spring

2021.

- ii. The permanent reconnection of the new discharge pipes placed during levee construction to the existing pipes at Pumping Plant 8 was completed except for two pipes that were found to have existing (pre-project) damage. A temporary connection for these two pipes was made for this flood season and the District is evaluating a more permanent fix proposed for 2021.
- i. Reach I
 - i. Construction of the cutoff wall is complete.
 - ii. The separate contract (Reach I Contract 2) to construct a patrol / maintenance road and perform levee slope flattening has been delayed due to right of way acquisition issues with construction scheduled for 2023 or later.

5. Miscellaneous

- a. DWR Flood Maintenance Assistance Program (FMAP)
 - i. GM King received funding agreement for 2020/2021 FMAP application on December 4, 2019.
 - ii. As authorized by the Board on August 9, 2019 (RD 1000 Resolution No. 2019-08-05) GM King signed the funding agreement in January and returned to DWR for signatures.
 - iii. FMAP 2020/2021 Funding Agreement was executed in June 2020. District requested and received advance payment for the full grant amount.
 - iv. Vegetation Removal Solicitation for Proposals was issued in August 2020.
 - v. The District signed purchase order for the FMAP equipment purchases and received delivery of said vehicles in October 2020.
 - vi. District received one response to requests for bids for vegetation removal on September 1, 2020. General Manager King awarded contract to Emerald Services on September 9, 2020 as previously authorized by the Board of Trustees.
 - vii. Emerald began vegetation removal on September 23, 2020.
 - viii. District was notified by DWR of approval of FMAP funds for 2021/2022 and anticipates award of contract in early 2021. District will receive \$792K in award in FY 2021/2022. General Manager King has signed the FMAP 2021/2022 Funding Agreement and submitted to DWR on October 7.
- b. Sacramento Area Flood Control Agency (SAFCA)
 - i. Board Meeting – December 17, 2020 (Attachment No. 1)
- c. System Wide Improvement Framework (SWIF)

TITLE: General Manager's Report – January 2021

- i. The District submitted a revised SWIF to the Central Valley Flood Protection Board and the United States Army Corps of Engineers on August 31, 2020, awaiting approval.
- d. Natomas Basin Hydraulic Model
 - i. The District issued a Request for Qualifications (RFQ) for the Natomas Basin Hydraulic Model Project on July 31, 2020.
 - ii. District received two responses on August 31, 2020.
 - iii. Board of Trustees approved contract with CESI on October 9, 2020.

ATTACHMENTS:

- 1. SAFCA Board Meeting – December 17, 2020

STAFF RESPONSIBLE FOR REPORT:



Kevin L. King, General Manager

Date: 01/07/2021



**Board of Directors Action Summary of
December 17, 2020 - 3:00 PM**

WEBEX MEETING

Directors/Alternates Present: Avdis, Conant, Frost, Harris, Holloway, Jennings, Kennedy, Nottoli, Reeder, Serna, Shah

Directors Absent: Ashby and Peters

ROLL CALL

PUBLIC COMMENTS

EXECUTIVE DIRECTOR'S REPORT

- 1 [Information - Executive Director's Report for December 17, 2020 \(Johnson\)](#)

CONSENT MATTERS

Motion by Director Harris and seconded by Director Holloway, to approve Resolution Nos: 2020-125; 2020-126; 2020-127; 2020-128; 2020-129; 2020-130; 2020-131; and 2020-132 of Consent Matters.

AYES: Avdis, Conant, Frost, Harris, Holloway, Jennings, Kennedy, Nottoli, Reeder, Serna, and Shah

NOES: (None)

ABSTAIN: (None)

RECUSE: (None)

ABSENT: Ashby and Peters

- 2 [Approving the Action Summary for November 19, 2020 \(Russell\)](#)
- 3 [Resolution No. 2020-125 - Authorizing the Executive Director to Enact Cost of Living Adjustments Pursuant to the SAFCA Administered Personnel Management System Policies and Procedures \(Campbell\)](#)
- 4 [Resolution No. 2020-126 - Approving Contract Change Order No. 7 for the North Area Streams Levee Improvement Project, Contract No. 4355, Sacramento County, California, with](#)

[Nordic/Great Lakes E&I JV, Approving Final Quantities, Accepting the Contract as Complete, and Authorizing the Executive Director to File a Notice of Completion \(Ghelfi\)](#)

- 5 [Resolution No. 2020-127 - Approving Final Quantities for the Magpie Creek Floodplain Conservation Project, Sacramento County, California, Contract No. 4430, with Helix Environmental Construction Group, Inc., Accepting the Contract as Complete, and Authorizing the Executive Director to File a Notice of Completion \(Jawanda\)](#)
- 6 [Resolution No. 2020-128 - Authorizing the Executive Director to Negotiate and Enter Into Funding Agreement Amendment No. 2 with the State Of California, Department of Water Resources for the Lower Elkhorn Basin Levee Setback Project, Interior Drainage and Pump Station Project, Yolo County, California \(Jawanda\)](#)
- 7 [Resolution No. 2020-129 - Authorizing the Executive Director to Execute Amendment No. 2 to Contract No. 1281 with Larsen Wurzel & Associates, Inc. for Financial Management Support Services Related to SAFCA's Levee Accreditation Program \(Ghelfi\)](#)
- 8 [Resolution No. 2020-130 - Authorizing the Executive Director to Execute Amendment No. 5 to Contract No. 1345 with Environmental Science Associates for Environmental Consulting Services on An As Needed Basis to Support Execution of SAFCA's Programs and Projects \(Sorgen\)](#)
- 9 [Resolution No. 2020-131 - Authorizing the Executive Director to Execute Amendment No. 1 to Contract No. 1483 with Northwest Hydraulic Consultants for Engineering and Associated Services for Erosion Assessment and Design Associated with Improvements Identified in the American River Common Features General Reevaluation Report \(Tibbitts\)](#)
- 10 [Resolution No. 2020-132 - Authorizing the Executive Director to Execute Amendment No. 2 to Contract No. 1471 with Beroe Incorporated for Market Intelligence on Construction Inputs \(Campbell\)](#)

SEPARATE MATTERS

- 11 [Resolution No. 2020-133 - Awarding Construction Contract No. 4496 for the Lower Elkhorn Basin Levee Setback Project, Pump Station Project, Yolo County, California to the Lowest Responsive and Responsible Bidder and Authorizing the Executive Director to Execute the Contract \(Jawanda\)](#)

Motion By Director Jeff Harris, seconded by Director Nick Avdis to approve Resolution No. 2020-133

AYES: Avdis, Conant, Frost, Harris, Holloway, Jennings, Kennedy, Nottoli, Reeder, Serna, Shah

NOES: (None)

ABSTAIN: (None)

ABSENT: Ashby and Peters

RECUSAL: (None)

12 [Resolution of Appreciation No. 2020-134 - Recognizing Susan Peters for Her Contributions to the Sacramento Area Flood Control Agency, Upon the Occasion of Her Retirement \(Johnson\)](#)

Motion By Director Jeff Harris, seconded by Director Brian Holloway to approve Resolution No. 2020-134

AYES: Avdis, Conant, Frost, Harris, Holloway, Jennings, Kennedy, Nottoli, Reeder, Serna, Shah

NOES: (None)

ABSTAIN: (None)

ABSENT: Ashby and Peters

RECUSAL: (None)

[ADJOURN](#)



RECLAMATION DISTRICT 1000

DATE: JANUARY 15, 2021

AGENDA ITEM NO. 4.2

TITLE: Superintendent's Report – January 2021

SUBJECT: Update on Activities Since the December 2020 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 December 2020. As well as provide information regarding District facility use and local weather impacts on District facilities and river levels.

The Superintendent 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 the 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. Superintendent's Report Data Sheet

STAFF RESPONSIBLE FOR REPORT:



Tony Del Castillo, Acting Superintendent

Date: 1/05/2021



Kevin L. King, General Manager

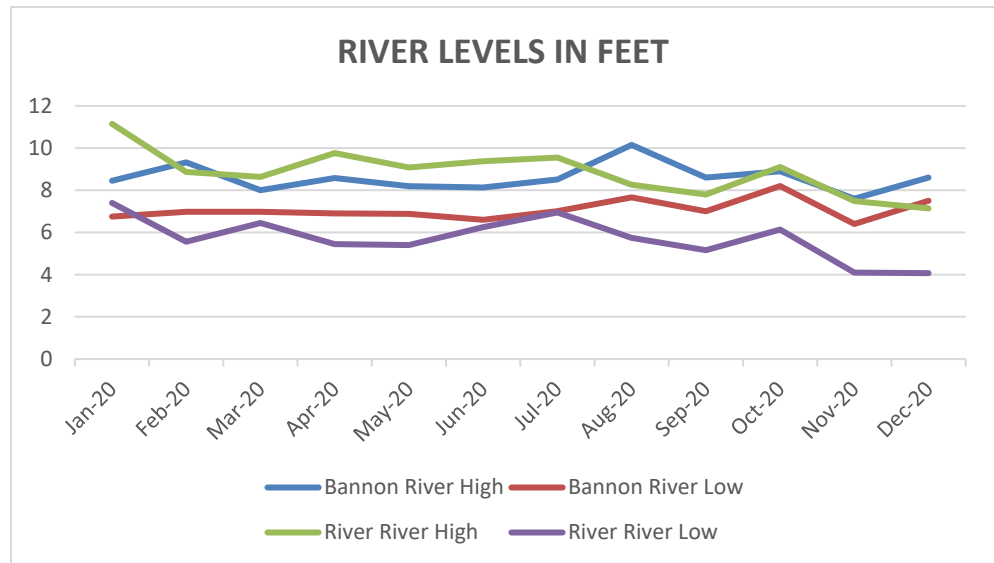
Date: 1/06/2020



**Superintendent's Report
December 2020**

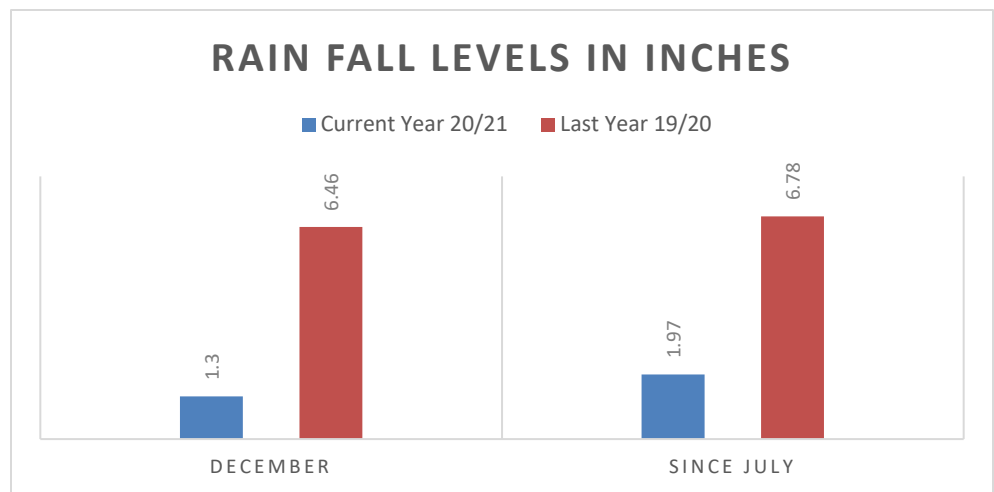
River Levels:
Bannon H: 8.6'
 L: 7.5'

River H: 7.14'
 L: 4.07'



Rain Fall Totals:
 November rain totals were 1.30"

Rain totals since July 1st were 1.97"



Safety Topics for the Month of December

COVID-19 – Continue social distancing, wearing PPE and practicing proper sanitation. Report exposure and/or symptoms to management and stay home until cleared to return to work.

District Complaints

The District received 9 complaints since the December 11th Board Meeting. Two complaints were regarding trash/debris on District property and canals, district crews have since cleaned trash along the levees. Five complaints were due to potentially unauthorized access to District levees/gates. Signs and new locks have been installed at locations to prevent trespassing. Two complaints were due to potential levee damage. Small holes along the levee were determined to be caused by burrowing squirrels which have been filled. NMWC reported sloughing along the vestal drain, the site has been photographed and sent to District engineers to be reviewed.

Superintendent's Report

The chart below represents various activities the field crew spent their time working on during the month of December 2020.

RD 1000 Field Crew	*Field Hours Worked	Activity
	247	Grounds
	98	Pump Plant Maintenance
	280	Pump Rounds
	15	Ditch Maintenance
	23	Levee Maintenance
	146	Garbage
	16	Weed Control
	152	Mowing
	69	Equipment Repair

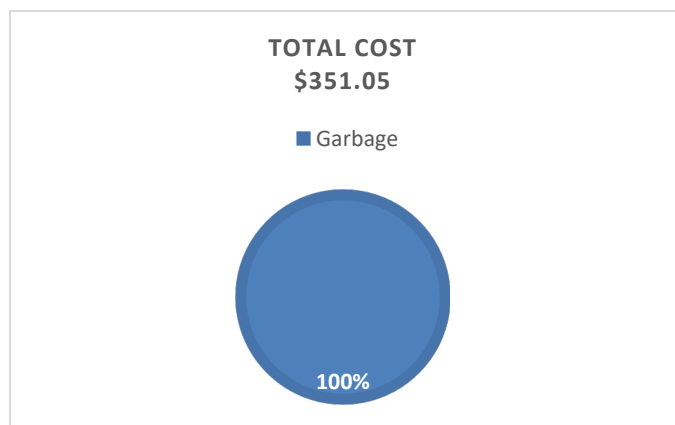
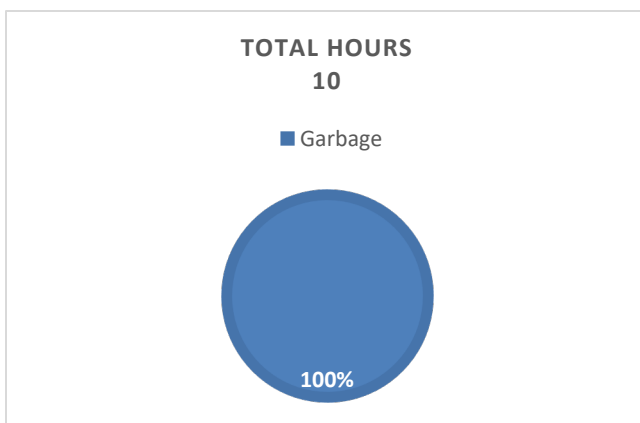
*Hours worked do not include the Superintendent's time.

Pumping

There was some pumping during the month of December due to small rain events within the Basin.

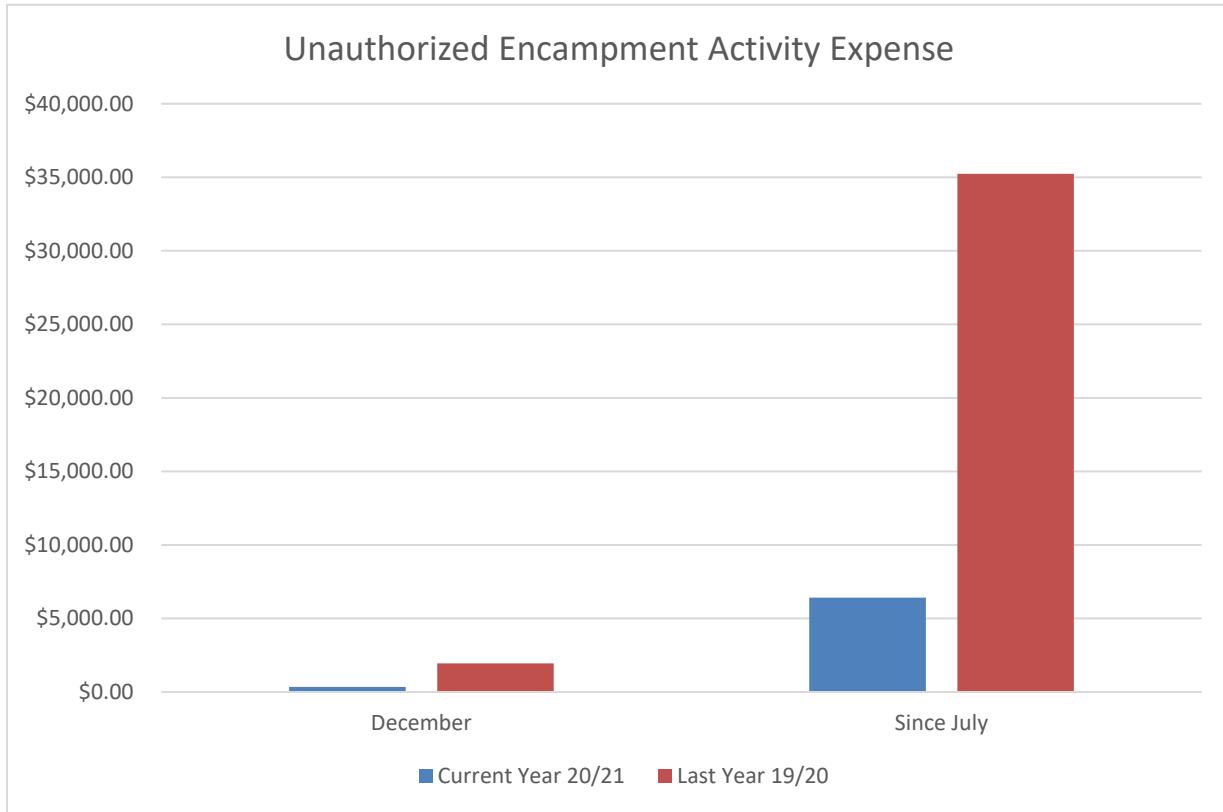
Pumping Plant	Pump	Hours and A/F
Plant 1-B	Pump # 1	131.6 hours and 1289.68 A/F
	Pump # 6	6.1 hours and 59.78 A/F
Plant 2	Pump # 2	4.1 hours and 11.89 A/F
Plant 3	Pump # 1	15.7 hours and 58.09 A/F

Unauthorized Encampment Activity During the month of December, the District spent a total of 10 hours on unauthorized encampment related work for a total cost to the District of \$351.05. This total includes labor,* equipment costs, materials and dump fees.



Superintendent's Report

Unauthorized Encampment Activity – Year to Date This fiscal year to date the District spent a total of 94 crew hours on unauthorized encampments for a total cost to the district of \$6,414.17 This total includes labor,* equipment costs, materials and dump fees.





RECLAMATION DISTRICT 1000

DATE: JANUARY 15, 2021

AGENDA ITEM NO. 4.3

TITLE: District Counsel's Report – January 2021

SUBJECT: Update on Activities Since the December 2020 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 December 2020.

ATTACHMENTS:

None

STAFF RESPONSIBLE FOR REPORT:

Kevin L. King, General Manager

Date: 01/07/2021



RECLAMATION DISTRICT 1000

DATE: JANUARY 15, 2021

AGENDA ITEM NO. 5.1

TITLE: Approval of Minutes

SUBJECT: Approval of Minutes from December 11, 2020 Regular Board Meeting

EXECUTIVE SUMMARY:

This staff report is intended to serve as the official record of monthly meetings of the Board of Trustees. This document details meeting participants, proof of items discussed, summaries of board meeting discussion, and actions taken by the Board. Staff recommends Board approval of meeting minutes (Attachment 1) from the December 11, 2020, Regular Board Meeting.

BACKGROUND:

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 December 11, 2020, Regular Board Meeting.

ATTACHMENTS:

1. December 11, 2020, Board Meeting Minutes

STAFF RESPONSIBLE FOR REPORT:



Joleen Gutierrez, Administrative Service Manager

Date: 1/04/2021



Kevin L. King, General Manager

Date: 1/05/2021



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

**DECEMBER 11, 2020
MEETING MINUTES**

In light of COVID-19 and in Compliance with CA Executive Orders N-25-20 and N-29-20, members of the Board of Trustees and members of the public participated in this meeting by teleconference. This meeting was recorded without objection. Present were: Outgoing Board President Jeff Smith; Incoming Board President Thom Gilbert; Vice President Elena Lee Reeder; Trustee Debra G. Jones; Trustee Jag Bains; Trustee Nick Avdis; Trustee Tom Barandas; General Manager Kevin King; Co-General Counsel Rebecca Smith; Co-General Counsel Scott Shapiro; Administrative Services Manager Joleen Gutierrez; Foreman Tony Del Castillo; and Administrative Assistant Christina Forehand. District Engineering Consultant Scott Brown from Larsen Wurzel and Kim Boehler and Alice Bao from NBS also attended the meeting.

1. PRELIMINARY

1.1. Call Meeting to Order

Board President Jeff Smith called the meeting to order

1.2. Roll Call

ASM Gutierrez called the roll and established a quorum

1.3. Approval of Agenda

No changes to the Agenda were requested.

MOVED/SECONDED: Trustee Avdis/Trustee Bains

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

NOES: None

ACTION: Motion to approve the Agenda is approved.

1.4. Pledge of Allegiance

Trustee Barandas led the Pledge of Allegiance.

1.5. Oath of Office – Trustees Nick Avdis, Thomas Gilbert, Thomas Barandas, Debra G. Jones

Trustee Avdis, Trustee Barandas, Trustee Gilbert and Trustee Jones individually read the Oath of Office.

1.6. Election of Board President and Vice President

Board President Jeff Smith made known he did not wish to continue as Board President and opened up the nomination for a new Board President.

President Jeff Smith moved to nominate Trustee Thom Gilbert for Board President.

MOVED/SECONDED: Trustee Smith/ Trustee Jones

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

NOES: None

ACTION: Motion to nominate Thom Gilbert as Board President is approved.

Trustee Jag Bains moved to nominate Elena Lee Reeder for Board Vice President.

MOVED/SECONDED: Trustee Bains/Trustee Avdis

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

NOES: None

ACTION: Motion to nominate Elena Lee Reeder as Board Vice President is approved.

1.7. Designation of Board Secretary

General Manager Kevin King made an atypical request to have the Board's Secretary position reconfirmed. The Board Secretary title currently is tied to Administrative Service Manager/Board Secretary Joleen Gutierrez's job position title.

Board President Thom Gilbert moved to reaffirm Joleen Gutierrez as Board Secretary.

MOVED/SECONDED: Trustee Thom Gilbert/Trustee Avdis

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

NOES: None

ACTION: Motion to reaffirm Joleen Gutierrez as Board Secretary is approved.

1.8. Conflict of Interest

No conflicts were identified.

2. PRESENTATIONS

No presentations were scheduled.

3. PUBLIC COMMENT (NON-AGENDA ITEMS)

General Manager King stated that he received an email from Francis Coats requesting the use of District canals and lands. He invited Mr. Coats to address the Board directly if he desired. Francis Coats willingly addressed the Board requesting access to public lands and navigable waterways. He made known throughout the District, No Trespassing and No Hunting signs can be found. He finds district canals appear to be safely navigable and believes public lands should be accessible for recreating. Further, he believes the public has the right to hunt and fish on public lands. He requested the Board look into making lands and canals available for public use.

While the Board is not allowed to comment on non-agendized items, Trustee Avdis commented that he would like to take up this item in the Legal Committee once Committee assignments have been made.

4. INFORMATIONAL ITEMS

4.1. GENERAL MANAGER’S REPORT: Update on activities since the November 2020 Board Meeting.

General Manager King advised the Board of a received letter by the County of Sacramento stating the Teeter Distribution will be delayed. He requested that ASM Gutierrez discuss this item. ASM Gutierrez explained the notification is typical, received annually, and funds disbursement will occur in January. She added there is no impact on the current budget as the District does not set its budget according to the County’s potential collection of past due assessments.

4.2. SUPERINTENDENT’S REPORT: Update on activities since the November 2020 Board Meeting.

A copy of the November 2020 Superintendent’s report was included in the December 2020 Board packet. No questions or comments were made.

4.3. DISTRICT COUNSEL’S REPORT: Update on activities since the November 2020 Board Meeting.

Co-General Counsel Rebecca Smith reported on her activities during November 2020. She made known that an election debrief would take place through the Legal Committee.

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.

ASM Gutierrez requested a correction to the December 2020 meeting Minutes. Debra Jones was referenced as Trustee -Elect; this will be changed to ‘Public Member.’

Consent Calendar Items 5.1, 5.2, 5.3, and 5.4 were approved in one motion. Trustee Jones made a motion to approve the Consent Calendar with suggested changes.

MOTION/SECOND: Trustee Jones/Trustee Avdis

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

NOES: None

ACTION: A motion to approve Consent Calendar Items 5.1, 5.2, 5.3, and 5.4 with suggested changes to the November 2020 Board Meeting Minutes are approved.

5.1. APPROVAL OF MINUTES: Approval of Minutes from November 13, 2020, Regular Board Meeting.

5.2. TREASURER'S REPORT: Approve Treasurer's Report for November 2020.

5.3. EXPENDITURE REPORT: Review and Accept Report for November 2020.

5.4. BUDGET TO ACTUAL REPORT: Review and Accept Report for November 2020.

6. SCHEDULED ITEMS

6.1. AUDITED FINANCIAL STATEMENTS YEAR-END JUNE 30, 2020: Review and Receive the Audited Financial Statements for Year-End June 30, 2020.

The District's contracted Auditor Ingrid Shipline provided an overview of the District's FY 2019-2020 audited Financial Statements. The District received an overall clean audit. A copy of the completed audit was included in the Board packet for review. Also included were recommendations for potential improvement. Trustee Thom Gilbert stated that he would address recommendations at the next Finance Committee Meeting. No comments from Trustees were made. There were no public comments.

A motion to review and receive the prepared and modified Page 49 and file the report with the State Controller was made by Trustee Barandas.

MOVED/SECONDED: Trustee Barandas/Trustee Avdis

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

NOES: None

ACTION: A motion to review and receive the prepared and modified Page 49 and file the report with the State Controller is approved.

6.2. FINANCIAL PLAN: Review and Discuss Draft Comprehensive Financial Plan.

RD1000 retained NBS to prepare a Comprehensive Financial Plan that includes all revenue sources, expenditures, reserves, capital improvement costs, repair and replacement costs, and net revenue requirements. Consultant Kim Boehler from NBS gave a presentation addressing the development of revenue requirements from FY 2021/22 to FY 2040/41. The establishment and maintenance of reserve funds and targets, and funding of the District's Capital Improvement

Program (CIP). NBS shared with the District three Financial Plan funding scenarios to consider. Total Capital Project Costs in 2021-2041 would be \$52,059,570 with an average Annual Expenditure of \$2,479,027. Currently, the District does not have funding to cover project costs. For reference, a copy of the discussed Financial Plan Alternatives is included in the December Board packet.

The Board discussed funding shortfalls, CIP project needs, financing alternatives, reserve funds requirements, and the spend-down of reserves.

Trustee Avdis is concerned with timing. He questions whether all improvements are necessary. He would like to exhaust other funding possibilities, desires early input, and consult with some of the largest property owners. He is worried that the increase will be a significant impact on property owners. He believes more work needs to be done before he is willing to vote on a particular financing direction.

Trustee Jones agrees with Nick's concern that every option is exhausted before going to the public. She expressed concern with increases that would impact the community financially. As a recently elected Trustee, she requested an opportunity to see the CIP before moving forward with a decision. GM King explained the CIP is a proactive replacement instead of the District being in a run to failure mode. He assured Trustee Jones that District would be out in the community to discuss district needs.

Trustee Gilbert inquired whether the 3% reserve amount assumption is necessary. General Manager King and Trustee Jeff Smith believe it is reasonable and responsible to have a 3% Capital Reserve.

General Manager King will return to the Board in January to adopt Phase 1 and receive direction on Phase 2.

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 (Smith & Burns) November 14, 2020
- Finance Committee (Gilbert, Smith, & Bains) December 1, 2020
- Executive Committee (Smith & Burns) December 2, 2020
- Finance Committee (Gilbert, Smith, & Bains) December 3, 2020

7.1.2. RD 1000 Committees No Meetings Since Last Board Meeting

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

7.1.3. Trustee's Comments/Reports

General Manager Kevin King provided an update on Greenbriar Developers. He shared that the developer's \$2.5 million payment to the City had been delayed due to a task correction, which resulted in a 60k increase to the District. GM King negotiated a split with the developer for the additional grading costs incurred. General Manager King expects that the District will receive approximately \$1.31 million from the City in January or February 2021.

8. **CLOSED SESSION**

8.1. No Scheduled Closed Session Items

9. **ADJOURN**

A motion to adjourn the meeting was made by Trustee Avdis.

MOVED/SECONDED: Trustee Avdis/Trustee Gilbert

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

NOES: None

ACTION: Meeting is adjourned



RECLAMATION DISTRICT 1000

DATE: JANUARY 15, 2020

AGENDA ITEM NO. 5.2

TITLE: Treasurer's Report

SUBJECT: Approve Treasurer's Report for December 2020

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.

Noteworthy fund and cash flow items during December 2020 are featured in the attached Treasurer's Report.

BACKGROUND:

Income and Cash

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 December 2020 Treasurer's Report.

FINANCIAL IMPACT:

None.

TITLE: Treasurer's Report – December 2020

ATTACHMENTS:

1. Treasurer's Report December 2020

STAFF RESPONSIBLE FOR REPORT:



Joleen Gutierrez, Administrative Services Manager

Date: 1/04/2021



Kevin L. King, General Manager

Date: 1/05/2021

Reclamation District 1000
Treasurer's Report
December 2020

Treasurer's Report for December 2020

December 2020	Ending Balance @ 12/31/20
Total Funds at 12/31/20	7,984,272.63
Bank of the West - Checking*	274,348.88
Bank of the West - Money Market	325,677.63
Bank of the West FMAP	120,180.14
Sacramento County Treasurer	4,368,167.34
State Treasurer - Local Agency Investment Fund	738,044.77
City of Sacramento - Pool A	2,157,853.87

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

December 2020 - Operations and Maintenance Cash Flow	Money Market	Operating Checking *	Combined O&M
Beginning Balance at 12/1/20	525,677.63	156,375.25	682,052.88
Transfers from money market to operating account	(450,000.00)	450,000.00	-
Transfers from LAIF to money market account	250,000.00		250,000.00
Current months receipts		12,942.99	12,942.99
Accounts Payable*		(268,313.18)	(268,313.18)
Payroll		(76,656.18)	(76,656.18)
Ending Balance at 12/31/20	325,677.63	274,348.88	600,026.51

*See Attached Check Register

Current months receipts are made up of the following:

Refund of bank fee from Bank of the West	40.00
Sacramento City Fire rental income	5,502.18
Security patrol reimbursement from NBC	5,000.00
Scrap metal sales	713.70
Development impact fees	1,687.11
	<u>12,942.99</u>



RECLAMATION DISTRICT 1000

DATE: JANUARY 15, 2021

AGENDA ITEM NO. 5.3

TITLE: Expenditure Report

SUBJECT: Review and Accept Report for December 2020

EXECUTIVE SUMMARY:

This Staff Report is intended to advise the Board of monthly expenditures and explain any expenses outside of the usual course of business. Staff recommends the Board review and accept the Expenditure Report for December 2020.

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) reveals typical District spending for the month. Items of note are a payment to Emerald Site Services for \$78,148 for vegetation management services. This expense was budgeted and will be reimbursed from the FMAP Grant account. An additional item to note is a payment to Downey Brand LLP in the amount of \$57,635.46 for primarily election-related expenses incurred by the District's legal counsel.

RECOMMENDATION:

Staff recommends the Board review and accept the Expenditure Report for December 2020.

FINANCIAL IMPACT:

None.

ATTACHMENTS:

1. December 2020 Expenditure Report
2. Financial Expense Comparison Summary

STAFF RESPONSIBLE FOR REPORT:



Joleen Gutierrez, Administrative Services Manager

Date: 1/04/2021



Kevin L. King, General Manager

Date: 1/05/2021

December 2020 Expenditure Report

Type	Date	Num	Name	Memo	Amount	Balance
Cash and Investments						156,375.25
1010.00 - Bank of the West Checking Acct						156,375.25
General Journal	12/01/2020		Bank of the West	Refund on bank service charges	40.00	156,415.25
General Journal	12/01/2020		Bank of the West	Bank service charge	-40.00	156,375.25
Bill Pmt - Check	12/02/2020	50297	Airgas NCN	2140381	-367.40	156,007.85
Bill Pmt - Check	12/02/2020	50298	Aramark	796198	-1,791.04	154,216.81
Bill Pmt - Check	12/02/2020	50299	Brookman Protection Services, Inc.	Inv 20-148	-6,900.00	147,316.81
Bill Pmt - Check	12/02/2020	50300	California Service Tool, Inc.	Inv 38661	-120.46	147,196.35
Bill Pmt - Check	12/02/2020	50301	Carson Landscape Industries	1080	-320.00	146,876.35
Bill Pmt - Check	12/02/2020	50302	Environmental Systems Research Institute	567696	-500.00	146,376.35
Bill Pmt - Check	12/02/2020	50303	Mead & Hunt	Inv 310454	-8,675.50	137,700.85
Bill Pmt - Check	12/02/2020	50304	Richardson & Company LLP	Audit	-15,800.00	121,900.85
Bill Pmt - Check	12/02/2020	50305	SGS Colusa	52118	-2,009.54	119,891.31
Bill Pmt - Check	12/02/2020	50306	Smile Business Products	103404	-206.48	119,684.83
Bill Pmt - Check	12/02/2020	50307	State Water Resources Control Board	INv 0179712	-2,811.00	116,873.83
Bill Pmt - Check	12/02/2020	33759687693	City of Sacramento	Acct 5450844000	-64.63	116,809.20
Bill Pmt - Check	12/02/2020	33759671193	City of Sacramento	Acct 2007944000	-150.37	116,658.83
Transfer	12/03/2020			Funds Transfer	200,000.00	316,658.83
Bill Pmt - Check	12/03/2020	EFT	Cal Pers		-914.09	315,744.74
General Journal	12/03/2020			12/4/20 payroll taxes	-11,216.21	304,528.53
General Journal	12/03/2020			12/4/20 payroll wages	-28,617.31	275,911.22
Check	12/04/2020	EFT	ADP	Payroll fees	-56.72	275,854.50
Bill Pmt - Check	12/10/2020	308676	Berkshire Hathaway Homestate Companies	REWC122900	-2,114.42	273,740.08
Bill Pmt - Check	12/10/2020	34559722552	City of Sacramento	Acct 7029676079	-4.65	273,735.43
Bill Pmt - Check	12/10/2020	4733390102	Comcast	8155600381146169	-220.01	273,515.42
Bill Pmt - Check	12/10/2020	80022500493	Waste Management of Sacramento		-515.28	273,000.14
Bill Pmt - Check	12/10/2020	50308	A.T.E.E.M. Electrical Engineering, Inc.	Inv 1809a-18	-1,000.00	272,000.14
Bill Pmt - Check	12/10/2020	50309	ACWA JPIA	204	-1,829.14	270,171.00
Bill Pmt - Check	12/10/2020	50310	Aramark	796198	-40.22	270,130.78
Bill Pmt - Check	12/10/2020	50311	AT&T	9391052144	-308.79	269,821.99
Bill Pmt - Check	12/10/2020	50312	Big Valley Divers, Inc.	inv 100620	-8,151.00	261,670.99
Bill Pmt - Check	12/10/2020	50313	California Service Tool, Inc.	Inv 4950649.001	-30.45	261,640.54
Bill Pmt - Check	12/10/2020	50314	Carson Landscape Industries	1080	-730.00	260,910.54
Bill Pmt - Check	12/10/2020	50315	Grainger, Inc.	814224408	-277.73	260,632.81
Bill Pmt - Check	12/10/2020	50316	Green Light Termite and Pest	000212000	-75.00	260,557.81
Bill Pmt - Check	12/10/2020	50317	Gregory Livestock Company	Inv 120020	-10,000.00	250,557.81
Bill Pmt - Check	12/10/2020	50318	Interstate Oil Company	41-0068266	-2,685.93	247,871.88

Bill Pmt - Check	12/10/2020	50319	Kjeldsen, Sinnock & Neudeck, Inc.	Inv 29052	-4,195.75	243,676.13	
Bill Pmt - Check	12/10/2020	50320	Main Street Motors		-113.50	243,562.63	
Bill Pmt - Check	12/10/2020	50321	N Communications, Inc.	Inv 432	-3,300.00	240,262.63	
Bill Pmt - Check	12/10/2020	50322	Nordic Industries, Inc.	4616	-538.62	239,724.01	
Bill Pmt - Check	12/10/2020	50323	Steve Yaeger Consulting	Inv 2020-11	-2,880.00	236,844.01	
Bill Pmt - Check	12/10/2020	50324	Total Compensation Systems, Inc.	Inv 8739	-675.00	236,169.01	
Bill Pmt - Check	12/10/2020	50325	West Yost Associates	Inv 2042283	-136.21	236,032.80	
Bill Pmt - Check	12/10/2020	50326	Yolo County Public Works	000051	-49.00	235,983.80	
Bill Pmt - Check	12/10/2020	50327	US Bank Corp	Acct Ending 4049	-3,011.84	232,971.96	
Check	12/11/2020	EFT	ADP	Payroll fees	-94.97	232,876.99	
Transfer	12/14/2020			Funds Transfer	250,000.00	482,876.99	
Payment	12/14/2020		City of Sac - Fire		5,502.18	488,379.17	
Bill Pmt - Check	12/15/2020	50328	Chavez Accountancy Corporation	R11125	-8,670.00	479,709.17	
Bill Pmt - Check	12/15/2020	50329	Downey Brand LLP	Legal/Election	-57,635.46	422,073.71	
Bill Pmt - Check	12/15/2020	50330	Holt of California	4687000	-585.25	421,488.46	
Bill Pmt - Check	12/15/2020	50331	NBS	Inv 120000063	-3,897.50	417,590.96	
Bill Pmt - Check	12/15/2020	50332	Terrapin Technology Group	Inv 20-1720	-1,885.52	415,705.44	
Bill Pmt - Check	12/15/2020	1001735757	Cal Pers	January 2021	-18,145.04	397,560.40	
Bill Pmt - Check	12/15/2020	AOTHX5HZ	Streamline	Inv 108287	-200.00	397,360.40	
Bill Pmt - Check	12/15/2020	11030195128	The Home Depot		-102.71	397,257.69	
General Journal	12/17/2020			12/15/20 payroll taxes	-10,613.97	386,643.72	
General Journal	12/17/2020			12/15/20 payroll wages	-26,208.69	360,435.03	
Bill Pmt - Check	12/22/2020	35742382571	City of Sacramento	Acct 5450844000	-38.89	360,396.14	
Bill Pmt - Check	12/22/2020	35742401183	City of Sacramento	Acct 2007944000	-144.09	360,252.05	
Bill Pmt - Check	12/22/2020	50333	ECS Imaging, Inc.	Inv 15490	-1,965.00	358,287.05	
Bill Pmt - Check	12/22/2020	50334	Emerald Site Services, Inc	FMAP	-78,148.00	280,139.05	
Bill Pmt - Check	12/22/2020	50335	Larsen Wurzel & Associates	Inv 1707000-1120	-1,545.75	278,593.30	
Bill Pmt - Check	12/22/2020	50336	MBK Engineers	INv 20-11-4170	-7,063.50	271,529.80	
Bill Pmt - Check	12/22/2020	50337	Mead & Hunt	Inv 311149	-4,436.05	267,093.75	
Bill Pmt - Check	12/22/2020	50338	Smile Business Products	103404	-145.68	266,948.07	
General Journal	12/24/2020			954 Azua Street Sac; Dev Impact Fee	1,687.11	268,635.18	
General Journal	12/24/2020			Scrap metal sales, Sims Metal Mgmt	713.70	269,348.88	
General Journal	12/24/2020		The Natomas Basin Conservancy	2020 Q4 security	5,000.00	274,348.88	
Total 1010.00 · Bank of the West Checking Acct						<u>117,973.63</u>	<u>274,348.88</u>
Total Cash and Investments						<u>117,973.63</u>	<u>274,348.88</u>
						<u>117,973.63</u>	<u>274,348.88</u>

Activity Summary

Transfers from money market account	450,000.00
Refund of bank fee	40.00
Proceeds from Sac City Fire Security patrol reimbursement (NBC)	5,502.18
	5,000.00
Proceeds from scrap metal sales	713.70
Proceeds from development impact fees	1,687.11
Payroll disbursements	-76,656.18
Accounts payable disbursements	-268,313.18
	<hr/>
Net activity	<u><u>117,973.63</u></u>



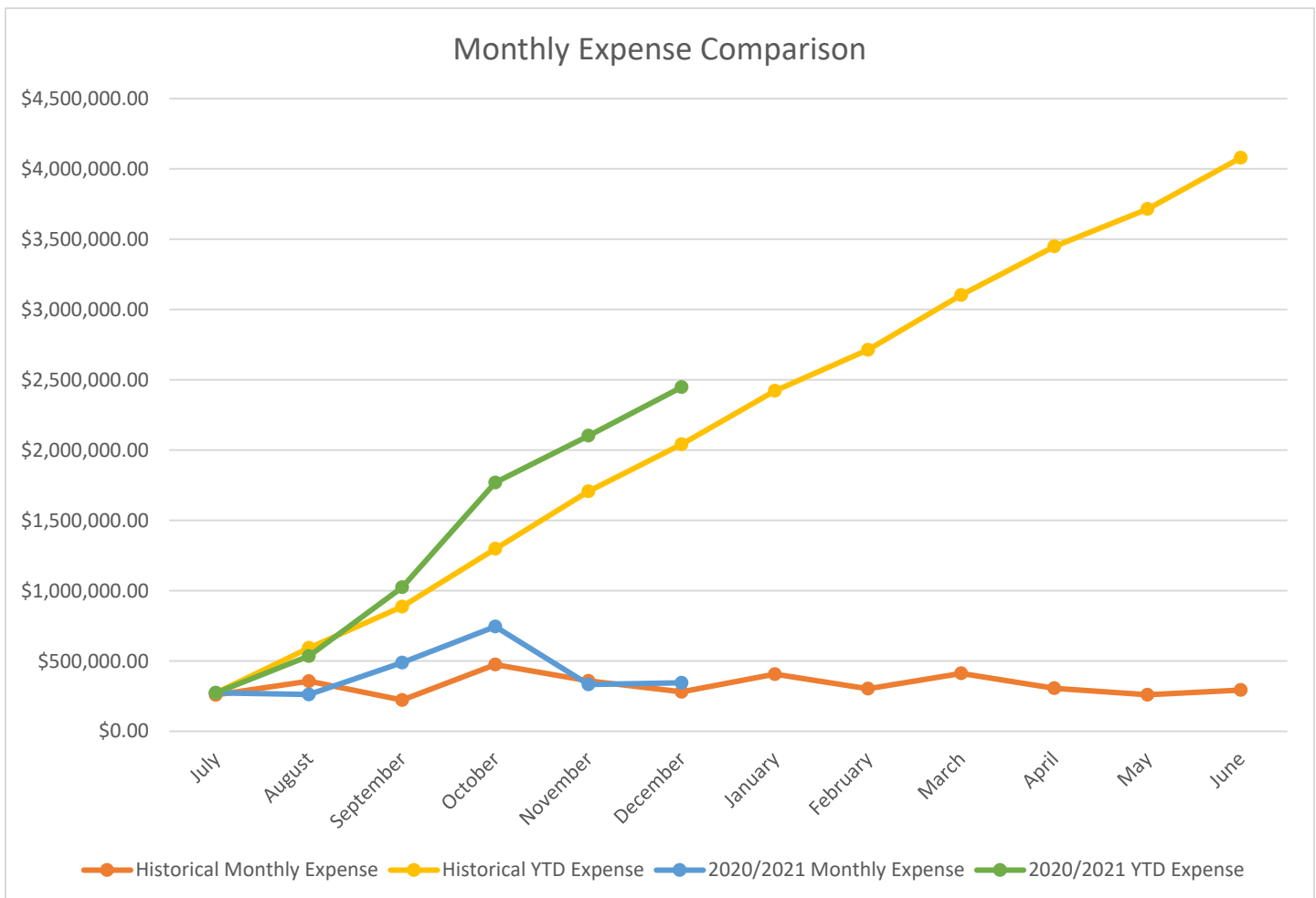
Monthly Historical Expense Comparison

The graph below compares current fiscal year monthly expenses from December 2020 to historical monthly expense trends for the last four fiscal years. As of December 31, 2020, the District’s expenses are trending slightly higher for the fiscal year. The increase is directly attributable to the District’s annual insurance liability premium, FMAP equipment purchases, and yearly herbicide purchases. The District’s monthly expenses are on par with prior fiscal years.

The graph also compares the cumulative year to date costs and historical year to date expense trends for the fiscal year 2016/2017 through the fiscal year 2019/2020.

Variations in the current year to date expenses compared to the historical year to date expenses are due to single expense budgeted items that are currently reimbursed by grant funding (FMAP expenses). Income and reimbursements are not reflected on this expense comparison chart.

When comparing year to date expenses to historical expenses, the District is trending slightly higher due to its costs mentioned above.





RECLAMATION DISTRICT 1000

DATE: JANUARY 15, 2021

AGENDA ITEM NO. 5.4

TITLE: Budget to Actual Report

SUBJECT: Review and Accept Report for December 2020

EXECUTIVE SUMMARY:

This Staff Report is intended to provide 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 actual to date expenses. Significant budgeted line item variances (if any) will be explained in the Executive Summary of this report.

Attachment 1 provides a year to date report for the month ending December 31, 2020. The report reveals the District is at 261% for Election Costs; this is due to previously discussed changes in election law. Other line items at or near 100% of the Budget have been discussed in previous meetings and are annual expenses.

BACKGROUND:

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

Three Board committees review the draft budget before being presented to the full 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 Budget is presented to the Board for adoption at a regular Board meeting.

RECOMMENDATION:

Staff recommends the Board review and accept the Budget to Actual Report for December 2020.

ATTACHMENTS:

1. Budget to Actual Report December 2020

STAFF RESPONSIBLE FOR REPORT:



Joleen Gutierrez, Administrative Services Manager

Date: 1/04/2021



Kevin L. King, General Manager

Date: 1/05/2021

**Reclamation District No. 1000
Budget to Actual Comparison
July 1, 2020 to December 31, 2020 (Six Months Ending of Fiscal 2021)**

	Year to Date July 1, 2020 to December 31, 2020	Budget	Percent of Budget
Operation & Maintenance Income			
Property Assessments	3,181	2,250,000	0.14%
Rents	11,004	30,000	36.68%
Interest Income	18,475	95,000	19.45%
SAFCA - O/M Assessment	-	1,400,000	0.00%
Misc Income	1,056	-	Not Budgeted
FMAP Grant	636,400	601,337	105.83%
Annuitant Trust Reimbursement	-	70,000	0.00%
Security Patrol Reimbursement	10,000	45,000	22.22%
Development Impact Fees	1,687	1,400,000	0.12%
Proceeds from sale of capital assets	76,464	-	Not Budgeted
Total	758,267	5,891,337	12.87%
Restricted Fund			
Metro Airpark Groundwater Pumping	-	25,000	0.00%
Total Combined Income	758,267	5,916,337	12.82%
Administration, Operations and Maintenance - Expenses			
Administration			
Government Fees/Permits	2,053	12,500	16.42%
Legal	25,108	97,000	25.88%
Liability/Auto Insurance	139,330	150,000	92.89%
Office Supplies	1,401	5,500	25.47%
Computer Costs	13,851	24,000	57.71%
Accounting/Audit	29,213	47,050	62.09%
Admin. Services	8,785	17,000	51.68%
Utilities (Phone/Water/Sewer)	7,904	23,700	33.35%
Mit. Land Expenses	4,847	6,200	78.18%
Administrative Consultants	21,619	128,000	16.89%
Assessment/Property Taxes (SAFCA - CAD)	8,027	8,000	100.34%
Admin - Misc./Other Expenses	975	8,250	11.82%
Memberships	32,855	40,800	80.53%
Office Maintenance & Repair	6,835	27,000	25.31%
Payroll Service	1,056	6,000	17.60%
Public Relations	6,213	45,000	13.81%
Small Office & Computer Equipment	3,912	12,000	32.60%
Election	101,674	39,000	260.70%
Conference/Travel/Professional Development	152	20,500	0.74%
Sub Total	415,810	717,500	57.95%
Personnel/Labor			
Wages	510,851	1,214,658	42.06%
Group Insurance	69,056	130,000	53.12%
Worker's Compensation Insurance	18,522	30,000	61.74%
OPEB - ARC	-	-	Not Budgeted
Dental/Vision/Life	12,804	25,887	49.46%
Payroll Taxes	35,664	91,000	39.19%
Pension	124,059	201,148	61.68%
Continuing Education	481	5,000	9.62%
Trustee Fees	14,175	40,000	35.44%

Annuitant Health Care

40,538

91,032

44.53%

Sub Total	826,150	1,828,725	45.18%
Operations			
Power	157,313	500,000	31.46%
Supplies/Materials	9,431	25,000	37.72%
Herbicide	105,501	120,000	87.92%
Fuel	16,327	50,000	32.65%
Field Services	14,162	63,100	22.44%
Field Operations Consultants	5,733	20,000	28.67%
Equipment Rental	-	5,000	0.00%
Refuse Collection	5,568	30,000	18.56%
Equipment Repair/Service	1,142	16,000	7.14%
Equipment Parts/Supplies	25,097	60,000	41.83%
Facility Repairs	41,535	211,000	19.68%
Shop Equipment (not vehicles)	-	5,000	0.00%
Field Equipment	-	14,000	0.00%
Misc/Other 2	20	500	4.00%
Utilities - Field	4,697	11,500	40.84%
Government Fees/Permits - Field	3,739	12,000	31.16%
FEMA Permits	-	1,500	0.00%
Sub Total	390,265	1,144,600	34.10%
Equipment			
Equipment	-	-	Not Budgeted
Sub Total	-	-	
Consulting/Contracts/Memberships			
Engineering/Technical Consultants	39,981	375,000	10.66%
Security Patrol	38,400	80,000	48.00%
Temporary Admin	14,250	15,000	95.00%
Sub Total	92,631	470,000	19.71%
FMAP Expenditures			
LOI/SWIF (Consultants)	26,747	-	Not Budgeted
Equipment	415,727	381,337	109.02%
Operations & Maintenance (Field)	159,199	220,000	72.36%
Administrative	-	-	Not Budgeted
Sub Total	601,673	601,337	100.06%
Total A, O & M Expenses	2,326,529	4,762,162	48.85%
Capital Expenses			
Capital Office Upgrades	-	20,000	0.00%
Capital RE Acquisition	-	50,000	0.00%
Capital Office Facility Repair	-	30,000	0.00%
Capital Facilities (including SCADA)	20,718	2,700,000	0.77%
Sub Total	20,718	2,800,000	0.74%
Total All Expenditures	2,347,247	7,562,162	31.04%



RECLAMATION DISTRICT 1000

DATE: JANUARY 15, 2021

AGENDA ITEM NO. 5.5

TITLE: Warrant for Fund Transfer

SUBJECT: Review and Consider Approval of Warrant for Transferring Funds between Investment Accounts

EXECUTIVE SUMMARY:

Reclamation District 1000 maintains an Operation and Maintenance Fund with the Sacramento County Treasury pursuant to Water Code section 50657, and Reclamation District 1000 assumes responsibility for disbursement of such Revolving Fund. Funds held in the Reclamation District 1000 Operation and Maintenance fund held by the Sacramento County Treasurer may be withdrawn or paid solely by a warrant signed by any four or more of the Trustees of the District as identified in the District's approved Resolution 2021-01-01.

REQUEST:

The Administrative Services Manager is requesting a fund transfer via warrant for \$1 million from the District's O/M Fund with the Sacramento County Treasury to rebalance accounts and replenish the District's LAIF fund. This request is consistent with fund transfers made in previous years by the Administrative Services Manager and historically.

The State Controller's Local Agency Investment Fund (LAIF) fund serves as the District's primary fund for transfers between the District's 'local' bank accounts (money market/checking) to manage cash-flow and cover the District's day-to-day expenses. The benefits of having available funds in LAIF are a potentially higher return rate, higher liquidity, and same-day transfers.

RECOMMENDATION:

Staff recommends the Board approve a warrant for transferring funds between investment accounts.

FINANCIAL IMPACT:

Fund rebalance between the District's O/M Fund and LAIF account.

TITLE: Warrant for Fund Transfer

ATTACHMENTS:

None.

STAFF RESPONSIBLE FOR REPORT:



Joleen Gutierrez, Administrative Services Manager

Date: 01/04/2021



Kevin L. King, General Manager

Date: 01/05/2021



RECLAMATION DISTRICT 1000

DATE: JANUARY 15, 2021

AGENDA ITEM NO. 5.6

TITLE: Annual Banking Authorization (Sacramento County)

SUBJECT: Review and Consider Adoption of Resolution No. 2021-01-01 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. 2021-01-01 (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 2021-01-01 sets forth account terms as well as use parameters.

RECOMMENDATION:

Staff recommends the Board of Trustees adopt Resolution 2021-01-01 Authorizing Officers and specified Trustees as Signatories to the Operations and Maintenance Funds held by Sacramento County Treasurer.

FINANCIAL IMPACT:

None.

ATTACHMENTS:

1. Resolution No. 2021-01-01 Authorizing Officers and Trustees as Signatories to the Operations and Maintenance Funds held by Sacramento County Treasurer.

STAFF RESPONSIBLE FOR REPORT:



Joleen Gutierrez, Administrative Services Manager

Date: 01/04/2020



Kevin L. King, General Manager

Date: 01/04/2020



**RECLAMATION DISTRICT NO. 1000
RESOLUTION NO. 2021-01-01**

**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 15th day of January 2021, 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:

Thomas Barandas	_____
Thomas Gilbert	_____
Jerome Smith	_____
Elena Lee Reeder	_____
Nick Avdis	_____
Debra G. Jones	_____
Jagteshwar Bains	_____

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 15th day of January 2021, by the following vote, to wit:

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

Thomas 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 2021-01-01 was duly adopted by the Board of Trustees of Reclamation District No. 1000 at the regular meeting held on the 15th day of January 2021 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
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
Streamline	Website
ACWA JPIA	Dental/Vision/Life Insurance
US Healthworks	DOT Screening
Sacramento County Utilities	Utilities



RECLAMATION DISTRICT 1000

DATE: JANUARY 15, 2021

AGENDA ITEM NO. 6.1

TITLE: Financial Plan

SUBJECT: Review and Consider Adoption of Resolution No. 2021-01-02 Adopting the District's Comprehensive Financial Plan.

EXECUTIVE SUMMARY:

Review and consider adoption of Resolution No. 2021-01-02: Adopting the District's Comprehensive Financial Plan (Attachment No. 1) as prepared by NBS Financial and presented in Exhibit A of Resolution 2021-01-02.

RECOMMENDATION:

Staff recommends the Board review and consider adoption of Resolution No. 2021-01-02 Adopting the District's Comprehensive Financial Plan.

ATTACHMENTS:

1. Resolution 2021-01-02

STAFF RESPONSIBLE FOR REPORT:

Kevin L. King, General Manager

Date: 1/07/2021



RECLAMATION DISTRICT NO. 1000
RESOLUTION NO. 2021-01-02

A RESOLUTION OF THE BOARD OF TRUSTEES OF RECLAMATION DISTRICT NO. 1000
ADOPTING COMPREHENSIVE FINANCIAL PLAN

At a regular meeting of the Board of Trustees of Reclamation District No. 1000 held at the District Office on the 15th day of January 2021, the following resolution was approved and adopted:

WHEREAS, the Reclamation District No. 1000's (District) mission is flood protection for the Natomas Basin providing for the public's health and safety by operating and maintaining the levees, and the District's canals and pump stations; and

WHEREAS, the Board of Trustees (Board) of the District recognizes the importance of providing flood protection in a safe, efficient and responsible manner; and

WHEREAS, it is appropriate and necessary to plan for the financial welfare of the District; and

WHEREAS, the establishment of a Comprehensive Financial Plan is an integral part of a responsible and sustainable flood protection district, and the Board desires to continue to exercise its responsibility to its constituents; and

WHEREAS, the District has developed a Comprehensive Financial Plan Update, as presented in "Exhibit A" which identifies the financial expenditures and revenues needed to carry out the District's mission, goals, and objectives.

NOW, THEREFORE BE IT RESOLVED THAT, the Board of Trustees of Reclamation District No. 1000 adopt the Comprehensive Financial Plan ("Exhibit A").

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 15th day of January 2021, by the following vote, to wit:

AYES: 0 Trustees:

NOES: 0 Trustees:

ABSTAIN: 0 Trustees:

RECUSE: 0 Trustees:

ABSENT: 0 Trustees:

Thomas 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 2021-01-02 was duly adopted by the Board of Trustees of Reclamation District No. 1000 at the regular meeting held on the 15th of January 2021 and made a part of the minutes thereof.

Joleen Gutierrez, District Secretary

RECLAMATION DISTRICT NO. 1000 – FINANCIAL PLAN TECHNICAL MEMORANDUM

TO: Kevin King, General Manager

FROM: Kim Boehler, Director
Alice Bou, Consultant

SUBJECT: Comprehensive Financial Plan

DATE: January 7, 2021

PURPOSE

Reclamation District No. 1000 (District) retained NBS to prepare a Comprehensive Financial Plan that includes all revenue sources, expenditures, reserves, capital improvement costs, repair and replacement costs, and net revenue requirements. This Memorandum addresses the following issues:

1. The development of net revenue requirements from FY 2021/22 to FY 2040/41.
2. The establishment and maintenance of reserve funds and targets.
3. The funding of the District's Capital Improvement Program (CIP).

NBS prepared long-term financial plans that incorporate the District's 2020 Capital Improvement Plan (CIP) developed by the engineering firm of Kjeldsen, Sinnock & Neudeck, Inc. (KSN)¹ together with preliminary modeling of the additional revenue requirements under each of the proposed financial plan alternatives.

Funding Shortfall: Based on the data provided by the District, a funding shortfall of approximately \$1.0 million is projected by Fiscal Year 2022/23 if no action is taken at this time. In other words, the District will not be able to fund both operating and maintenance costs as well as the planned capital improvements if it does not implement a new funding mechanism to generate the necessary revenue. The financial plans project revenues and expenses through FY 2040/41 and, based on the assumptions used in the analysis, they yield an annual shortfall of approximately \$7.2 million by the end of the 20-year projection period.

Reserve Funds: According to the District's Financial Reserve Policy,² the Operating Reserves (O&M) should maintain a target reserve balance equal to seventy percent of the annual fiscal year budget to adequately fund both operating and maintenance costs for a minimum of six (6) months. The District also

¹ Source file: *Attachment 1 CIP_Update_Final_09042020.pdf*.

² Source file: *2001 Reclamation District No 1000 Financial Reserve Policy.pdf*.

maintains a separate fund for Flood Fight with a target reserve balance of \$1.5 million. Currently, the District has decided not to maintain a target balance in a Capital Reserve Fund, but to spend those funds on the planned CIP. The District will need additional funding to cover all costs and maintain the two reserve funds at target levels.

In the absence of a formal Capital Reserve Fund, it is even more critical for the District to consider other revenue streams to help fund the planned capital improvements and the rehabilitation and replacement of capital assets, while minimizing the impact on its customers. The total capital improvement program costs are estimated at \$52 million over the next twenty years, or \$2.5 million annually, as shown in Table 1. The District should also consider other revenue sources, such as grants and outside financing such as loans or revenue bonds.

Table 1. Total Project Costs

Total Capital Project Costs 2021-2041¹	\$ 52,059,570
Average Annual Expenditure	\$ 2,479,027

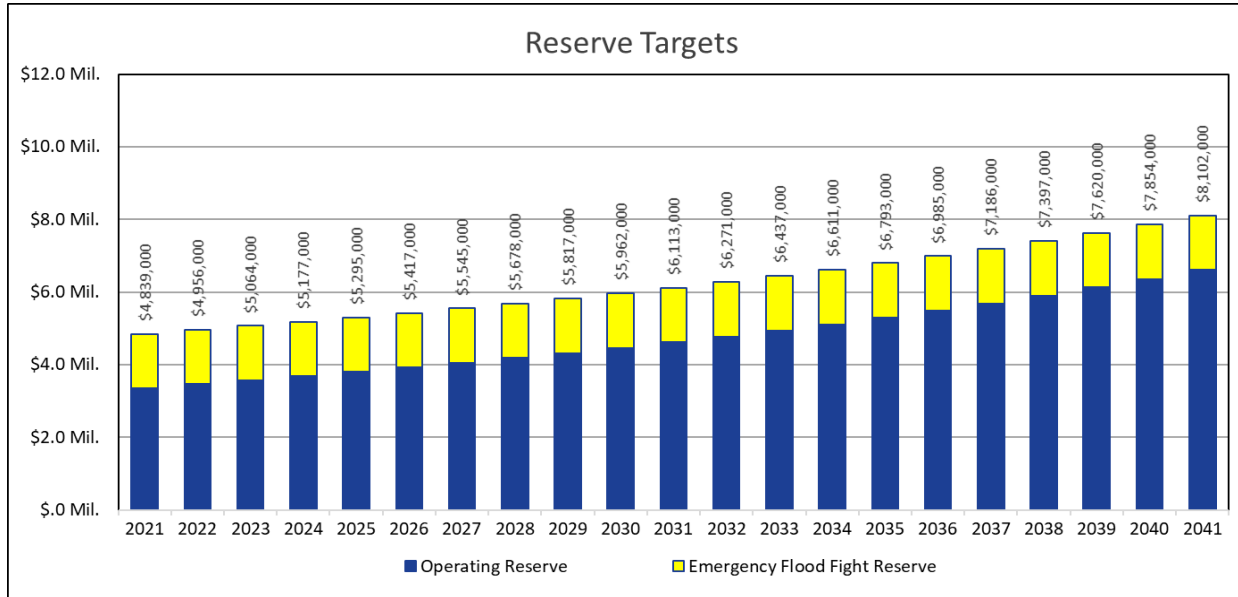
1. Per RD 1000, 2020 Capital Improvement Plan includes estimated cost inflation.

NBS has developed three (3) Financial Plan Alternatives for District staff and the Board of Directors (Board) to consider. The amount of additional revenue required from the new funding mechanism has been adjusted based on the following conditions: (1) whether the District decides to finance (e.g., revenue bonds, loans, or grants) a portion or all of the capital expenditures, and (2) whether the District decides to spend down the available capital reserves to fund the CIP. Table 2 and Figure 1 show the various alternatives and the proposed increases in revenue needed to meet all funding requirements, including the CIP program and reserve targets noted previously.

Table 2. Financial Plan Alternatives

Fiscal Year Ending June 30	Percentage Change in Revenue Needed to Meet Funding Requirements		
	Alternative #1	Alternative #2	Alternative #3
2022	34%	85%	75%
2023	3%	0%	3%
2024	3%	0%	3%
2025	3%	0%	0%
2026	3%	0%	0%
2027	3%	0%	0%
2028	3%	0%	0%
2029	3%	0%	0%
2030	3%	0%	0%
2031	3%	0%	0%
2032	3%	0%	0%
2033	3%	0%	0%
2034	2%	0%	0%
2035	2%	0%	0%
2036	2%	0%	0%
2037	2%	-15%	-15%
2038	2%	0%	0%
2039	2%	0%	0%
2040	3%	0%	0%
2041	3%	0%	0%

Figure 1. 20-Year Reserve Targets



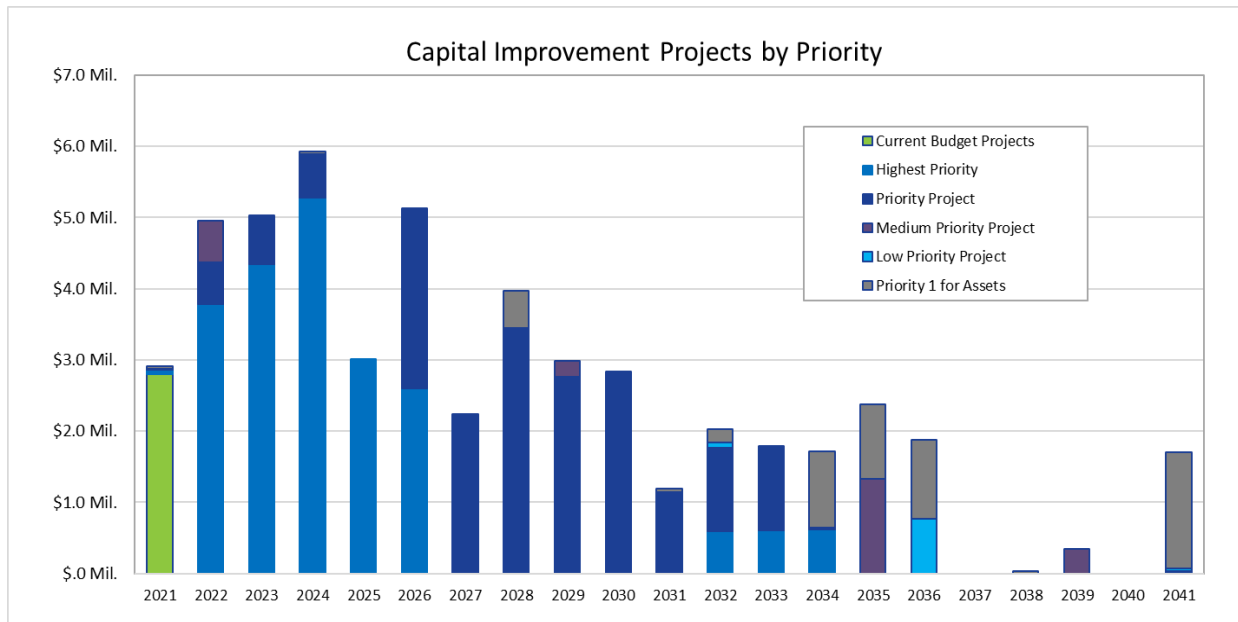
CIP Program: NBS has incorporated the District' 2020 Capital Improvement Plan, developed by KSN and approved by the Board, into the financial plans. Since almost 50% of the capital expenditures are for the next five (5) years, costs that are over a certain threshold were allocated over a 3-year or 5-year period according to the criteria shown in Table 3 below:

Table 3. CIP Allocation Methodology

Value of Project	Description of Methodology
Projects valued at less than \$1 million	Assumed to be completed in that same year
Projects with costs greater than \$1 million but less than \$5 million	Allocated over a 3-year period
Projects with costs greater than \$5 million	Allocated over a 5-year period

Figure 2 shows the total Capital Improvement Plan through Fiscal Year 2040/41 by priority and implementation date which will remain the same for all three (3) financial plan alternatives.

Figure 2. 20-Year Capital Improvement Plan



In summary, NBS modeled long-term financial plans for the proposed capital improvements that also address the O&M shortfall, funding reserves as stated above, and funding the CIP using a combination of debt financing and annual revenue collection through either increasing the existing assessment or implementing a new revenue source.

The following are available revenue tools for the District to consider:

1. General Obligation Property Tax
2. Uniform Parcel Tax
3. Special Tax
4. Property Related Fee
5. Special Assessment

These parcel charges provide critical data and will affect the District’s decision-making process on the affordability of the CIP Program. Each of the above revenue tools are authorized by different implementation statutes and have various approval thresholds, methods, and participants which will also help determine the District’s decisions. The District will need to authorize additional analysis for NBS to evaluate the specifics of each potential revenue tool and impacts to property owners.

LONG-TERM FINANCIAL PLAN

The following 20-year long-term financial plans were built using the following criteria:

1. New Revenue Funding was set at an initial amount in the Fiscal Year 2021/22 and then to escalate each year based on the proposed annual rate increases. This allows for a constant, stable escalation that most property owners are familiar with and will track with all potential revenue tools.

2. The additional revenue needed to Meet Funding Requirements:

Fiscal Year Ending June 30	Additional Revenue Needed to Meet Funding Requirements		
	Alternative #1	Alternative #2	Alternative #3
2022	\$1,248,650	\$3,121,625	\$2,754,375
2023	1,422,561	3,163,035	2,982,682
2024	1,605,560	3,205,283	3,223,012
2025	1,798,054	3,248,387	3,266,472
2026	2,000,470	3,302,562	3,321,011
2027	2,213,252	3,347,637	3,366,458
2028	2,436,862	3,414,678	3,433,878
2029	2,671,782	3,477,981	3,497,568
2030	2,918,515	3,537,469	3,557,450
2031	3,177,585	3,603,263	3,623,647
2032	3,449,537	3,680,590	3,701,385
2033	3,734,941	3,759,125	3,780,339
2034	3,959,737	3,839,254	3,860,896
2035	4,191,694	3,918,376	3,940,454
2036	4,430,994	3,991,278	4,013,801
2037	4,677,820	2,919,593	2,938,584
2038	4,932,822	2,992,546	3,011,920
2039	5,196,238	3,065,474	3,085,239
2040	5,557,150	3,138,807	3,158,970
2041	5,935,017	3,414,645	3,435,920
Total	\$67,559,239	\$68,141,609	\$67,954,061

3. The total Reserve Fund Balances were designed to closely approximate the total Reserve Fund target balances at the conclusion of the study period (FY 2040/41).

4. Debt issuance assumptions for Alternative 1 are as follows:

- a. 30-Year Term
- b. 2.00% Cost of Issuance
- c. 4.00% Annual Interest Cost

5. Debt was issued in 5-year increments for Alternative 1 for the following amounts:

Estimated Debt Financing Alternative 1	Issue Amount	Annual Debt Service Payment ¹
Issue #1, FY 2021/22	\$ 14,000,000	\$ 878,000
Issue #2, FY 2026/27	\$ 9,000,000	\$ 564,400
Issue #3, FY 2031/32	\$ 9,000,000	\$ 564,400
Total Debt Service in FY 2031/32	--	\$ 2,007,000

1. Assumes 30-year repayment for each issue and 4% interest rate.

The following pages show the long-term financial plans and projected fund balances together with associated charts for each of the financial plan alternatives.

Alternative 1 - Full CIP with Bond Financing

Table 4. Alternative 1 – Financial Plan & Summary of Revenue Requirements

RATE REVENUE REQUIREMENTS SUMMARY	Budget	Projected									
	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31
Sources of Funds											
Revenue from Assessments	\$ 3,650,000	\$ 3,672,500	\$ 3,695,225	\$ 3,718,177	\$ 3,741,359	\$ 3,764,773	\$ 3,788,420	\$ 3,812,305	\$ 3,836,428	\$ 3,860,792	\$ 3,885,400
Other Revenues	2,171,337	2,171,337	2,171,337	2,171,337	2,171,337	2,171,337	2,171,337	2,171,337	2,171,337	2,171,337	2,171,337
Interest Earnings (in Operating & Capital Reserves) ¹	95,000	79,189	73,839	68,026	53,214	57,942	51,624	53,938	44,178	49,674	52,062
Total Sources of Funds	\$ 5,916,337	\$ 5,923,026	\$ 5,940,401	\$ 5,957,540	\$ 5,965,910	\$ 5,994,052	\$ 6,011,382	\$ 6,037,580	\$ 6,051,943	\$ 6,081,803	\$ 6,108,799
Uses of Funds											
Operating Expenses: ²											
Salaries	\$ 1,249,049	\$ 1,280,275	\$ 1,312,282	\$ 1,345,089	\$ 1,378,716	\$ 1,413,184	\$ 1,448,514	\$ 1,484,727	\$ 1,521,845	\$ 1,559,891	\$ 1,598,888
Benefits	588,035	635,000	667,560	702,795	740,956	782,319	827,185	875,889	928,795	986,303	1,048,855
Other Operating Expenses	2,933,437	3,021,440	3,112,083	3,205,446	3,301,609	3,400,657	3,502,677	3,607,758	3,715,990	3,827,470	3,942,294
Subtotal: Operating Expenses	\$ 4,770,521	\$ 4,936,716	\$ 5,091,926	\$ 5,253,330	\$ 5,421,282	\$ 5,596,160	\$ 5,778,377	\$ 5,968,373	\$ 6,166,630	\$ 6,373,664	\$ 6,590,037
Other Expenditures:											
Existing Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Debt Service	-	877,953	877,953	877,953	877,953	877,953	1,442,351	1,442,351	1,442,351	1,442,351	1,442,351
Rate-Funded Capital Expenses ³	-	-	-	1,318,422	969,186	1,748,357	725,537	1,951,922	471,335	822,514	172,924
Subtotal: Other Expenditures	\$ -	\$ 877,953	\$ 877,953	\$ 2,196,375	\$ 1,847,138	\$ 2,626,310	\$ 2,167,887	\$ 3,394,273	\$ 1,913,686	\$ 2,264,865	\$ 1,615,274
Total Uses of Funds	\$ 4,770,521	\$ 5,814,668	\$ 5,969,878	\$ 7,449,705	\$ 7,268,420	\$ 8,222,470	\$ 7,946,264	\$ 9,362,646	\$ 8,080,316	\$ 8,638,529	\$ 8,205,312
plus: Revenue from New Funding Mechanism	-	1,248,650	1,409,827	1,578,189	1,754,030	1,937,661	2,129,401	2,329,585	2,538,561	2,756,688	2,984,345
Annual Surplus/(Deficit)	\$ 1,145,816	\$ 1,357,007	\$ 1,380,350	\$ 86,024	\$ 451,520	\$ (290,757)	\$ 194,519	\$ (995,481)	\$ 510,188	\$ 199,963	\$ 887,832
Net Revenue Req't. (Total Uses less Non-Rate Revenue)	\$ 2,504,184	\$ 3,564,143	\$ 3,724,702	\$ 5,210,342	\$ 5,043,869	\$ 5,993,191	\$ 5,723,303	\$ 7,137,371	\$ 5,864,801	\$ 6,417,518	\$ 5,981,912
Total Revenue After New Funding Mechanism is Implemented	\$ 5,916,337	\$ 7,171,676	\$ 7,350,228	\$ 7,535,729	\$ 7,719,940	\$ 7,931,713	\$ 8,140,783	\$ 8,367,165	\$ 8,590,503	\$ 8,838,491	\$ 9,093,144
Annual Revenue Increase Needed	0.00%	34.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Cumulative Increase in Revenue	0.00%	34.00%	38.02%	42.16%	46.43%	50.82%	55.34%	60.00%	64.80%	69.75%	74.84%
Debt Coverage After Rate Increase	N/A	2.55	2.57	2.60	2.62	2.66	1.64	1.66	1.68	1.71	1.74

- Interest earnings are per the District's adopted budget for FY 2019/20 and FY 2020/21. For all years beyond 2020/21, interest earnings are calculated here based on historical LAIF returns.
- The operating expenses are based on the District's Final Budget for FY 2019/20 and FY 2020/21 (Source files: 6.1 Exhibit A 2019-2020 BUDGET REPORT_FINAL.pdf & 6.2 Exhibit A 2020-2021 BUDGET REPORT_FINAL.pdf). Inflationary factors are applied to these expenses to project costs in FY 2021/22 and beyond.
- This analysis presents the District's capital projects based on the assumptions provided in Exhibit 2 (CIP). Source file: 6.1 Attachment 1 CIP_Update_Draft.pdf.

Table 5. Alternative 1 – Reserve Fund Summary

SUMMARY OF CASH ACTIVITY	Budget	Projected									
	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31
Unrestricted Reserves (Assigned Fund Balances):											
Total Beginning Cash¹	\$ 8,192,943										
Operating Reserve											
Beginning Reserve Balance ²	\$ 3,233,000	\$ 3,339,000	\$ 3,456,000	\$ 3,564,000	\$ 3,677,000	\$ 3,795,000	\$ 3,542,944	\$ 3,773,594	\$ 2,816,596	\$ 3,355,508	\$ 3,589,690
Plus: Net Cash Flow (After Rate Increases)	1,145,816	1,357,007	1,380,350	86,024	451,520	(290,757)	194,519	(995,481)	510,188	199,963	887,832
Plus: Interest Earnings	32,970	34,051	35,244	36,346	37,498	38,701	36,131	38,483	28,724	34,219	36,608
Less: Transfer Out to General Capital Reserve	(1,072,786)	(1,274,058)	(1,307,594)	(9,370)	(371,018)	-	-	-	-	-	-
Ending Operating Reserve Balance	\$ 3,339,000	\$ 3,456,000	\$ 3,564,000	\$ 3,677,000	\$ 3,795,000	\$ 3,542,944	\$ 3,773,594	\$ 2,816,596	\$ 3,355,508	\$ 3,589,690	\$ 4,514,129
Target Ending Balance (70% of O&M)³	\$ 3,339,000	\$ 3,456,000	\$ 3,564,000	\$ 3,677,000	\$ 3,795,000	\$ 3,917,000	\$ 4,045,000	\$ 4,178,000	\$ 4,317,000	\$ 4,462,000	\$ 4,613,000
General Capital Fund Reserve											
Beginning Reserve Balance ⁴	\$ 3,394,412	\$ 2,926,111	\$ 2,284,515	\$ 1,606,502	\$ 41,050	\$ 386,734	\$ 19,241	\$ 15,493	\$ 15,455	\$ 15,455	\$ 15,455
Plus: Transfer of Operating Reserve Surplus	1,072,786	1,274,058	1,307,594	9,370	371,018	-	-	-	-	-	-
Plus: Transfer of Emergency Flood Fight Reserve Surplus	15,297	15,297	15,297	15,297	15,297	15,297	15,297	15,297	15,297	15,297	15,297
Plus: Interest Earnings	34,616	29,840	23,297	16,383	419	3,944	196	158	158	158	158
Less: Use of Reserves for Capital Projects	(1,591,000)	(1,960,792)	(2,024,201)	(1,606,502)	(41,050)	(386,734)	(19,241)	(15,493)	(15,455)	(15,455)	(15,455)
Ending Capital Reserve Balance with Bonds	\$ 2,926,111	\$ 2,284,515	\$ 1,606,502	\$ 41,050	\$ 386,734	\$ 19,241	\$ 15,493	\$ 15,455	\$ 15,455	\$ 15,455	\$ 15,455
Target Ending Balance (\$0)⁵	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Emergency Flood Fight Fund											
Beginning Reserve Balance ⁶	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Plus: Interest Earnings	15,297	15,297	15,297	15,297	15,297	15,297	15,297	15,297	15,297	15,297	15,297
Less: Transfer Out to General Capital Reserve	(15,297)	(15,297)	(15,297)	(15,297)	(15,297)	(15,297)	(15,297)	(15,297)	(15,297)	(15,297)	(15,297)
Ending Emergency Flood Assistance Program Reserve Balance	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Target Ending Balance	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Ending Balance - Excludes Restricted Reserves	\$ 7,765,111	\$ 7,240,515	\$ 6,670,502	\$ 5,218,050	\$ 5,681,734	\$ 5,062,185	\$ 5,289,087	\$ 4,332,051	\$ 4,870,962	\$ 5,105,144	\$ 6,029,584
Minimum Target Ending Balance - Excludes Restricted Reserves	\$ 4,839,000	\$ 4,956,000	\$ 5,064,000	\$ 5,177,000	\$ 5,295,000	\$ 5,417,000	\$ 5,545,000	\$ 5,678,000	\$ 5,817,000	\$ 5,962,000	\$ 6,113,000
Ending Surplus/(Deficit) Compared to Reserve Targets	\$ 4,848,943	\$ 2,284,515	\$ 1,606,502	\$ 41,050	\$ 386,734	\$ (354,815)	\$ (255,913)	\$ (1,345,949)	\$ (946,038)	\$ (856,856)	\$ (83,416)
Restricted Reserves:⁷											
Nonspendable Funds											
Beginning Reserve Balance ⁸	\$ 65,532	\$ 66,200	\$ 66,875	\$ 67,557	\$ 68,246	\$ 68,942	\$ 69,645	\$ 70,355	\$ 71,073	\$ 71,797	\$ 72,530
Plus: Interest Earnings	668	675	682	689	696	703	710	717	725	732	740
Less: Transfer Out	-	-	-	-	-	-	-	-	-	-	-
Ending Prepaid Expense Fund Balance	\$ 66,200	\$ 66,875	\$ 67,557	\$ 68,246	\$ 68,942	\$ 69,645	\$ 70,355	\$ 71,073	\$ 71,797	\$ 72,530	\$ 73,269
Target Ending Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Annual Interest Earnings Rate⁹	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

- Beginning cash balance was provided by the District and includes cash and pooled investments, including the Sacramento County Pooled Investment Fund, City of Sacramento Investment Pool A Fund, and LAIF. Source files: 18-19 Audit (1).pdf.
- The beginning Operating Reserve balance is equal to 70% of the annual budget and includes residual positive net resources of the general fund in excess of what can be classified. Source file: 18-19 Audit (1).pdf, page 22.
- According to the District's Fund Balance Policy, the target level is set to a minimum of 70% of the annual fiscal budget approved by the Board. Source file: 2-1 2001 Reclamation District No 1000 Financial Reserve Policy.pdf.
- The General Capital Fund balance is based on the funds assigned by the District. Source file: 18-19 Audit (1).pdf, page 22.
- Capital Reserve target set to \$0 in this iteration of the analysis.
- Emergency Flood Fight Fund is based on the funds assigned by the District. Source file: 18-19 Audit (1).pdf, page 22.
- As of June 30, 2019, the District is no longer required to maintain a reserve for Sacramento Area Flood Control Agency (SAFCA) - Natomas Levee Improvement Project (NLIP). Source file: 18-19 Audit (1).pdf, page 21.
- The fund balance is related to prepaid expenses that cannot be spent by the District. Source file: 18-19 Audit (1).pdf, page 21.
- Historical interest earning rates are per the 5-year average annual yields for funds invested in LAIF (2014-2019). The source is the California State Treasurer's website: <https://www.treasurer.ca.gov/pmia-laif/historical/annual.asp>.

Alternative 1 - Full CIP with Bond Financing, cont.:

Figure 3. Alternative 1 – Revenue Requirements Under Existing & Increased Rates

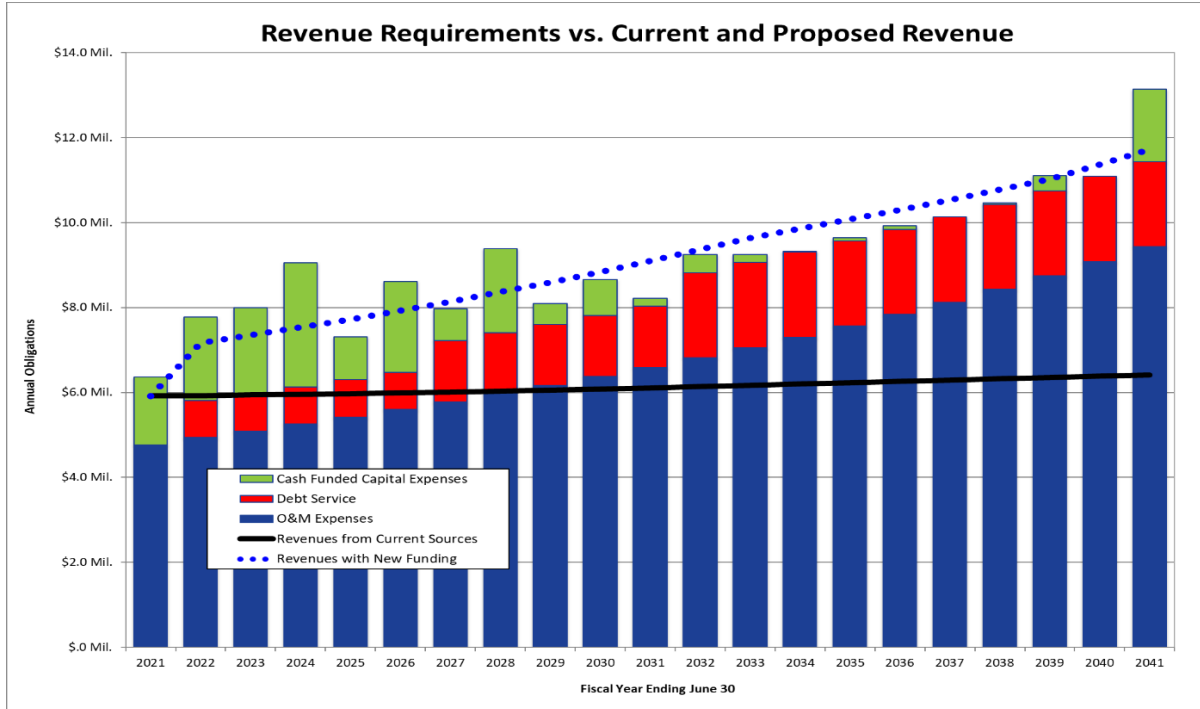
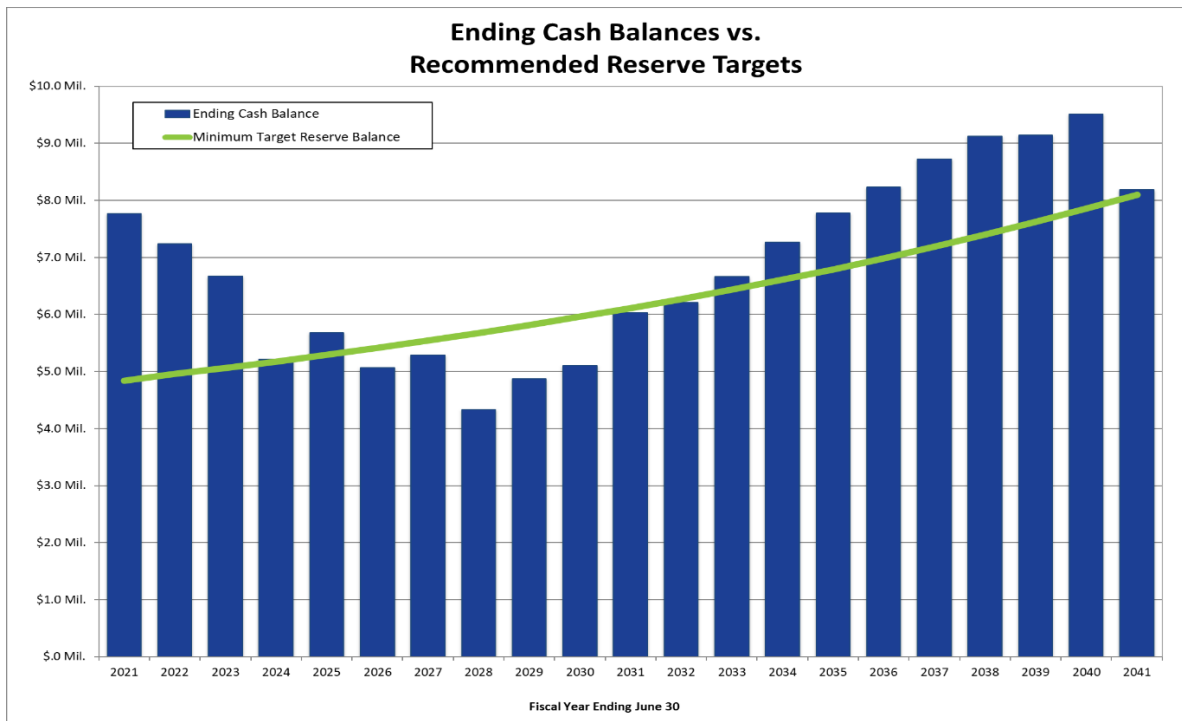


Figure 4. Alternative 1 – Ending Cash Balance vs. Recommended Reserve Targets



Alternative 2 – Full CIP with no Bond Financing:

Table 6. Alternative 2 – Financial Plan & Summary of Revenue Requirements

RATE REVENUE REQUIREMENTS SUMMARY	Budget	Projected									
	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31
Sources of Funds											
Revenue from Assessments	\$ 3,650,000	\$ 3,672,500	\$ 3,695,225	\$ 3,718,177	\$ 3,741,359	\$ 3,764,773	\$ 3,788,420	\$ 3,812,305	\$ 3,836,428	\$ 3,860,792	\$ 3,885,400
Other Revenues	2,171,337	2,171,337	2,171,337	2,171,337	2,171,337	2,171,337	2,171,337	2,171,337	2,171,337	2,171,337	2,171,337
Interest Earnings (in Operating & Capital Reserves) ¹	95,000	79,189	71,299	61,569	41,364	49,320	34,552	47,672	42,133	45,044	48,010
Total Sources of Funds	\$ 5,916,337	\$ 5,923,026	\$ 5,937,861	\$ 5,951,083	\$ 5,954,060	\$ 5,985,429	\$ 5,994,309	\$ 6,031,314	\$ 6,049,898	\$ 6,077,173	\$ 6,104,747
Uses of Funds											
Operating Expenses: ²											
Salaries	\$ 1,249,049	\$ 1,280,275	\$ 1,312,282	\$ 1,345,089	\$ 1,378,716	\$ 1,413,184	\$ 1,448,514	\$ 1,484,727	\$ 1,521,845	\$ 1,559,891	\$ 1,598,888
Benefits	588,035	635,000	667,560	702,795	740,956	782,319	827,185	875,889	928,795	986,303	1,048,855
Other Operating Expenses	2,933,437	3,021,440	3,112,083	3,205,446	3,301,609	3,400,657	3,502,677	3,607,758	3,715,990	3,827,470	3,942,294
Subtotal: Operating Expenses	\$ 4,770,521	\$ 4,936,716	\$ 5,091,926	\$ 5,253,330	\$ 5,421,282	\$ 5,596,160	\$ 5,778,377	\$ 5,968,373	\$ 6,166,630	\$ 6,373,664	\$ 6,590,037
Other Expenditures:											
Existing Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Debt Service	-	-	-	-	-	-	-	-	-	-	-
Rate-Funded Capital Expenses ³	-	2,034,681	2,988,759	4,951,608	2,985,013	5,119,537	2,229,322	3,951,961	2,971,336	2,822,514	1,172,924
Subtotal: Other Expenditures	\$ -	\$ 2,034,681	\$ 2,988,759	\$ 4,951,608	\$ 2,985,013	\$ 5,119,537	\$ 2,229,322	\$ 3,951,961	\$ 2,971,336	\$ 2,822,514	\$ 1,172,924
Total Uses of Funds	\$ 4,770,521	\$ 6,971,397	\$ 8,080,685	\$ 10,204,938	\$ 8,406,294	\$ 10,715,698	\$ 8,007,699	\$ 9,920,334	\$ 9,137,966	\$ 9,196,178	\$ 7,762,961
plus: Revenue from New Funding Mechanism	-	3,121,625	3,152,841	3,184,370	3,216,213	3,248,375	3,280,859	3,313,668	3,346,805	3,380,273	3,414,075
Annual Surplus/(Deficit)	\$ 1,145,816	\$ 2,073,254	\$ 1,010,017	\$ (1,069,486)	\$ 763,979	\$ (1,481,893)	\$ 1,267,470	\$ (575,353)	\$ 258,737	\$ 261,267	\$ 1,755,861
Net Revenue Req't. (Total Uses less Non-Rate Revenue)	\$ 2,504,184	\$ 4,720,871	\$ 5,838,049	\$ 7,972,033	\$ 6,193,593	\$ 8,495,041	\$ 5,801,810	\$ 7,701,325	\$ 6,924,496	\$ 6,979,797	\$ 5,543,614
Total Revenue After New Funding Mechanism is Implemented	\$ 5,916,337	\$ 9,044,651	\$ 9,090,702	\$ 9,135,452	\$ 9,170,273	\$ 9,233,805	\$ 9,275,168	\$ 9,344,981	\$ 9,396,702	\$ 9,457,445	\$ 9,518,822
Annual Revenue Increase Needed	0.00%	85.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<i>Cumulative Increase in Revenue</i>	0.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%
<i>Debt Coverage After Rate Increase</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

- Interest earnings are per the District's adopted budget for FY 2019/20 and FY 2020/21. For all years beyond 2020/21, interest earnings are calculated here based on historical LAIF returns.
- The operating expenses are based on the District's Final Budget for FY 2019/20 and FY 2020/21 (Source files: 6.1 Exhibit A 2019-2020 BUDGET REPORT_FINAL.pdf & 6.2 Exhibit A 2020-2021 BUDGET REPORT_FINAL.pdf). Inflationary factors are applied to these expenses to project costs in FY 2021/22 and beyond.
- This analysis presents the District's capital projects based on the assumptions provided in Exhibit 2 (CIP). Source file: 6.1 Attachment 1 CIP_Update_Draft.pdf.

Table 7. Alternative 2 – Reserve Fund Summary

SUMMARY OF CASH ACTIVITY	Budget	Projected									
	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31
Unrestricted Reserves (Assigned Fund Balances):											
Total Beginning Cash¹	\$ 8,192,943										
Operating Reserve											
Beginning Reserve Balance ²	\$ 3,233,000	\$ 3,339,000	\$ 3,456,000	\$ 3,564,000	\$ 2,530,860	\$ 3,320,649	\$ 1,872,620	\$ 3,159,186	\$ 2,616,051	\$ 2,901,466	\$ 3,192,322
Plus: Net Cash Flow (After Rate Increases)	1,145,816	2,073,254	1,010,017	(1,069,486)	763,979	(1,481,893)	1,267,470	(575,353)	258,737	261,267	1,755,861
Plus: Interest Earnings	32,970	34,051	35,244	36,346	25,810	33,864	19,097	32,217	26,678	29,589	32,555
Less: Transfer Out to General Capital Reserve	(1,072,786)	(1,990,305)	(937,261)	-	-	-	-	-	-	-	(367,738)
Ending Operating Reserve Balance	\$ 3,339,000	\$ 3,456,000	\$ 3,564,000	\$ 2,530,860	\$ 3,320,649	\$ 1,872,620	\$ 3,159,186	\$ 2,616,051	\$ 2,901,466	\$ 3,192,322	\$ 4,613,000
Target Ending Balance (70% of O&M)³	\$ 3,339,000	\$ 3,456,000	\$ 3,564,000	\$ 2,530,860	\$ 3,320,649	\$ 3,795,000	\$ 3,917,000	\$ 4,045,000	\$ 4,317,000	\$ 4,462,000	\$ 4,613,000
General Capital Fund Reserve											
Beginning Reserve Balance ⁴	\$ 3,394,412	\$ 2,926,111	\$ 2,035,442	\$ 973,316	\$ 25,223	\$ 15,554	\$ 15,456	\$ 15,455	\$ 15,455	\$ 15,455	\$ 15,455
Plus: Transfer of Operating Reserve Surplus	1,072,786	1,990,305	937,261	-	-	-	-	-	-	-	367,738
Plus: Transfer of Emergency Flood Fight Reserve Surplus	15,297	15,297	15,297	15,297	15,297	15,297	15,297	15,297	15,297	15,297	15,297
Plus: Interest Earnings	34,616	29,840	20,757	9,926	257	159	158	158	158	158	158
Less: Use of Reserves for Capital Projects	(1,591,000)	(2,926,111)	(2,035,442)	(973,316)	(25,223)	(15,554)	(15,456)	(15,455)	(15,455)	(15,455)	(15,455)
Ending Capital Reserve Balance with Bonds	\$ 2,926,111	\$ 2,035,442	\$ 973,316	\$ 25,223	\$ 15,554	\$ 15,456	\$ 15,455	\$ 15,455	\$ 15,455	\$ 15,455	\$ 383,193
Target Ending Balance (SO)⁵	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Emergency Flood Fight Fund											
Beginning Reserve Balance ⁶	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Plus: Interest Earnings	15,297	15,297	15,297	15,297	15,297	15,297	15,297	15,297	15,297	15,297	15,297
Less: Transfer Out to General Capital Reserve	(15,297)	(15,297)	(15,297)	(15,297)	(15,297)	(15,297)	(15,297)	(15,297)	(15,297)	(15,297)	(15,297)
Ending Emergency Flood Assistance Program Reserve Balance	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Target Ending Balance	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Ending Balance - Excludes Restricted Reserves	\$ 7,765,111	\$ 6,991,442	\$ 6,037,316	\$ 4,056,083	\$ 4,836,203	\$ 3,388,075	\$ 4,674,641	\$ 4,131,505	\$ 4,416,921	\$ 4,707,777	\$ 6,496,193
Minimum Target Ending Balance - Excludes Restricted Reserves	\$ 4,839,000	\$ 4,956,000	\$ 5,064,000	\$ 5,177,000	\$ 5,295,000	\$ 5,417,000	\$ 5,545,000	\$ 5,678,000	\$ 5,817,000	\$ 5,962,000	\$ 6,113,000
Ending Surplus/(Deficit) Compared to Reserve Targets	\$ 4,848,943	\$ 2,035,442	\$ 973,316	\$ (1,120,917)	\$ (458,797)	\$ (2,028,925)	\$ (870,359)	\$ (1,546,495)	\$ (1,400,079)	\$ (1,254,223)	\$ 383,193
Restricted Reserves:⁷											
Nonspendable Funds											
Beginning Reserve Balance ⁸	\$ 65,532	\$ 66,200	\$ 66,875	\$ 67,557	\$ 68,246	\$ 68,942	\$ 69,645	\$ 70,355	\$ 71,073	\$ 71,797	\$ 72,530
Plus: Interest Earnings	668	675	682	689	696	703	710	717	725	732	740
Less: Transfer Out	-	-	-	-	-	-	-	-	-	-	-
Ending Prepaid Expense Fund Balance	\$ 66,200	\$ 66,875	\$ 67,557	\$ 68,246	\$ 68,942	\$ 69,645	\$ 70,355	\$ 71,073	\$ 71,797	\$ 72,530	\$ 73,269
Target Ending Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Annual Interest Earnings Rate⁹	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

- Beginning cash balance was provided by the District and includes cash and pooled investments, including the Sacramento County Pooled Investment Fund, City of Sacramento Investment Pool A Fund, and LAIF. Source files: 18-19 Audit (1).pdf.
- The beginning Operating Reserve balance is equal to 70% of the annual budget and includes residual positive net resources of the general fund in excess of what can be classified. Source file: 18-19 Audit (1).pdf, page 22.
- According to the District's Fund Balance Policy, the target level is set to a minimum of 70% of the annual fiscal budget approved by the Board. Source file: 2-1 2001 Reclamation District No 1000 Financial Reserve Policy.pdf.
- The General Capital Fund balance is based on the funds assigned by the District. Source file: 18-19 Audit (1).pdf, page 22.
- Capital Reserve target set to \$0 in this iteration of the analysis.
- Emergency Flood Fight Fund is based on the funds assigned by the District. Source file: 18-19 Audit (1).pdf, page 22.
- As of June 30, 2019, the District is no longer required to maintain a reserve for Sacramento Area Flood Control Agency (SAFCA) - Natomas Levee Improvement Project (NLIP). Source file: 18-19 Audit (1).pdf, page 21.
- The fund balance is related to prepaid expenses that cannot be spent by the District. Source file: 18-19 Audit (1).pdf, page 21.
- Historical interest earnings rates are per the 5-year average annual yields for funds invested in LAIF (2014-2019). The source is the California State Treasurer's website: <https://www.treasurer.ca.gov/pmia-laif/historical/annual.asp>.

Alternative 2 – Full CIP with no Bond Financing, cont.:

Figure 5. Alternative 2 – Revenue Requirements Under Existing & Increased Rates

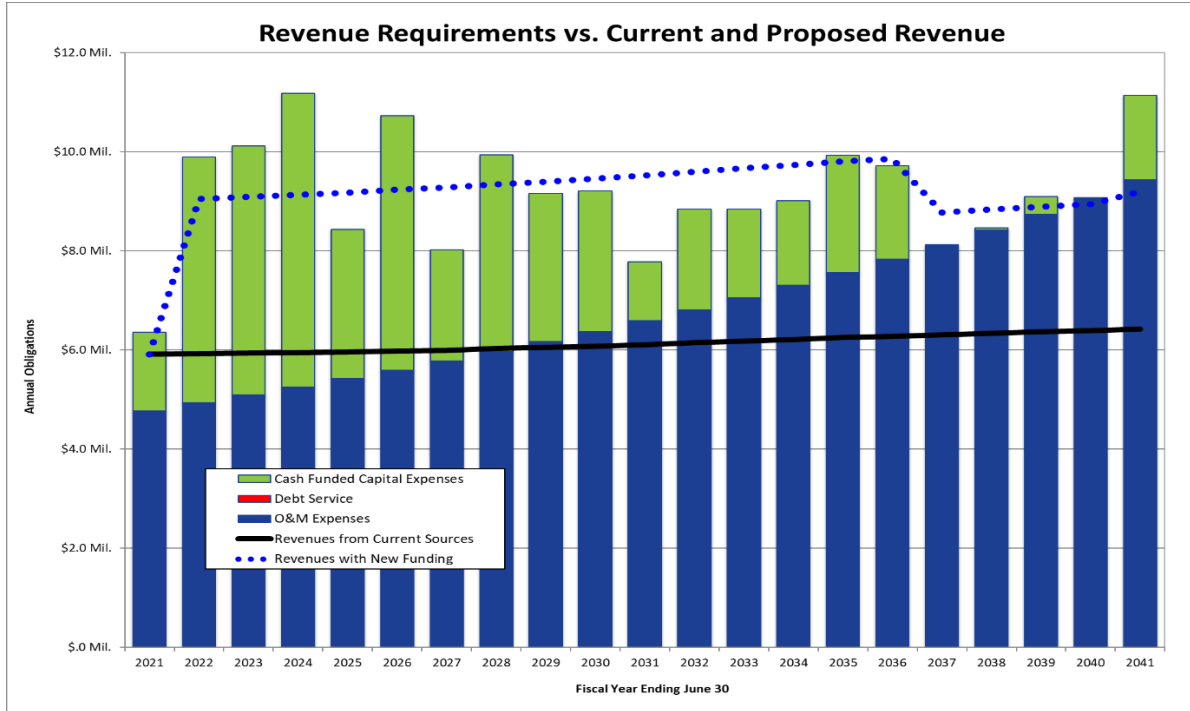
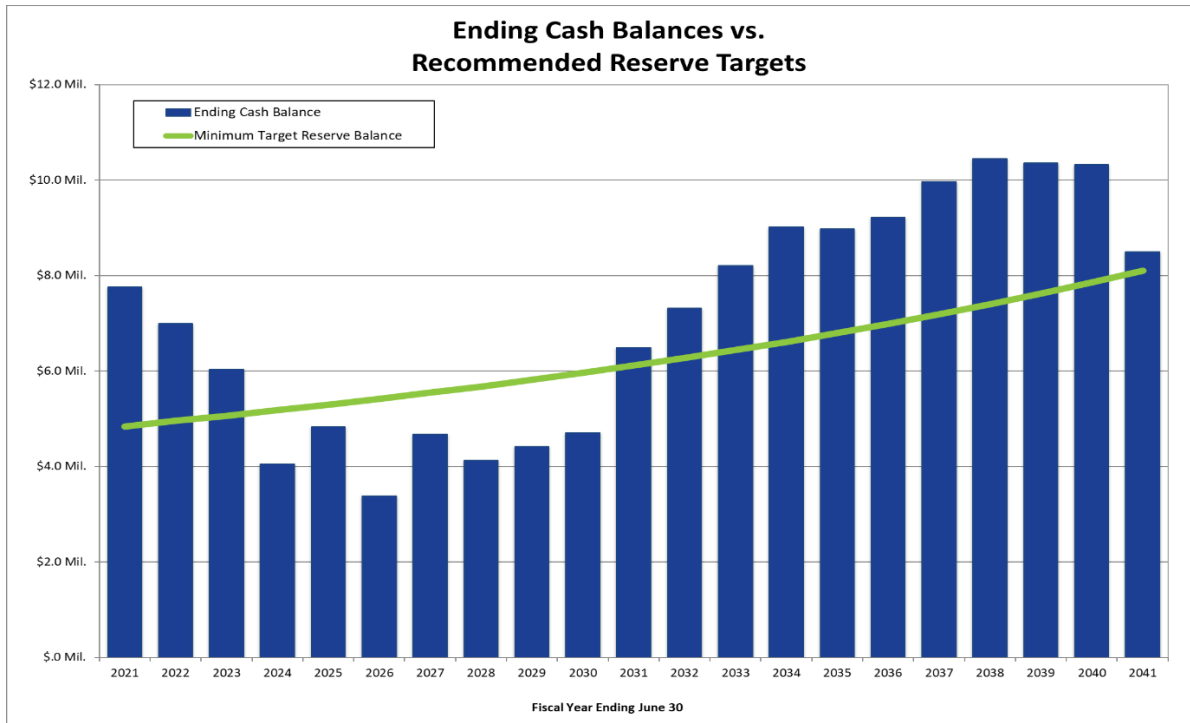


Figure 6. Alternative 2 – Ending Cash Balance vs. Recommended Reserve Targets



Alternative 3 – Full CIP with no Bond Financing & Reserve Spend Down:

Table 8. Alternative 3 – Financial Plan & Summary of Revenue Requirements

RATE REVENUE REQUIREMENTS SUMMARY	Budget		Projected								
	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31
Sources of Funds											
Revenue from Assessments	\$ 3,650,000	\$ 3,672,500	\$ 3,695,225	\$ 3,718,177	\$ 3,741,359	\$ 3,764,773	\$ 3,788,420	\$ 3,812,305	\$ 3,836,428	\$ 3,860,792	\$ 3,885,400
Other Revenues	2,171,337	2,171,337	2,171,337	2,171,337	2,171,337	2,171,337	2,171,337	2,171,337	2,171,337	2,171,337	2,171,337
Interest Earnings (in Operating & Capital Reserves) ¹	95,000	79,189	67,554	55,946	35,865	43,949	29,314	42,573	37,178	40,238	43,359
Total Sources of Funds	\$ 5,916,337	\$ 5,923,026	\$ 5,934,116	\$ 5,945,460	\$ 5,948,561	\$ 5,980,058	\$ 5,989,071	\$ 6,026,215	\$ 6,044,943	\$ 6,072,367	\$ 6,100,096
Uses of Funds											
Operating Expenses: ²											
Salaries	\$ 1,249,049	\$ 1,280,275	\$ 1,312,282	\$ 1,345,089	\$ 1,378,716	\$ 1,413,184	\$ 1,448,514	\$ 1,484,727	\$ 1,521,845	\$ 1,559,891	\$ 1,598,888
Benefits	588,035	635,000	667,560	702,795	740,956	782,319	827,185	875,889	928,795	986,303	1,048,855
Other Operating Expenses	2,933,437	3,021,440	3,112,083	3,205,446	3,301,609	3,400,657	3,502,677	3,607,758	3,715,990	3,827,470	3,942,294
Subtotal: Operating Expenses	\$ 4,770,521	\$ 4,936,716	\$ 5,091,926	\$ 5,253,330	\$ 5,421,282	\$ 5,596,160	\$ 5,778,377	\$ 5,968,373	\$ 6,166,630	\$ 6,373,664	\$ 6,590,037
Other Expenditures:											
Existing Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Debt Service	-	-	-	-	-	-	-	-	-	-	-
Rate-Funded Capital Expenses ³	-	2,034,681	3,356,009	5,502,957	2,990,635	5,119,595	2,229,323	3,951,961	2,971,336	2,822,514	1,172,924
Subtotal: Other Expenditures	\$ -	\$ 2,034,681	\$ 3,356,009	\$ 5,502,957	\$ 2,990,635	\$ 5,119,595	\$ 2,229,323	\$ 3,951,961	\$ 2,971,336	\$ 2,822,514	\$ 1,172,924
Total Uses of Funds	\$ 4,770,521	\$ 6,971,397	\$ 8,447,935	\$ 10,756,287	\$ 8,411,917	\$ 10,715,755	\$ 8,007,699	\$ 9,920,334	\$ 9,137,967	\$ 9,196,178	\$ 7,762,961
plus: Revenue from New Funding Mechanism	-	2,754,375	2,976,233	3,207,721	3,239,798	3,272,196	3,304,918	3,337,967	3,371,347	3,405,060	3,439,111
Annual Surplus/(Deficit)	\$ 1,145,816	\$ 1,706,004	\$ 462,414	\$ (1,603,106)	\$ 776,442	\$ (1,463,501)	\$ 1,286,290	\$ (556,153)	\$ 278,323	\$ 281,249	\$ 1,776,245
Net Revenue Req't. (Total Uses less Non-Rate Revenue)	\$ 2,504,184	\$ 4,720,871	\$ 6,209,044	\$ 8,529,004	\$ 6,204,715	\$ 8,500,469	\$ 5,807,048	\$ 7,706,424	\$ 6,929,451	\$ 6,984,603	\$ 5,548,265
Total Revenue After New Funding Mechanism is Implemented	\$ 5,916,337	\$ 8,677,401	\$ 8,910,349	\$ 9,153,181	\$ 9,188,359	\$ 9,252,254	\$ 9,293,989	\$ 9,364,181	\$ 9,416,289	\$ 9,477,427	\$ 9,539,206
Annual Revenue Increase Needed	0.00%	75.00%	3.00%	3.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<i>Cumulative Increase in Revenue</i>	0.00%	75.00%	80.25%	85.66%	85.66%	85.66%	85.66%	85.66%	85.66%	85.66%	85.66%
<i>Debt Coverage After Rate Increase</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

- Interest earnings are per the District's adopted budget for FY 2019/20 and FY 2020/21. For all years beyond 2020/21, interest earnings are calculated here based on historical LAIF returns.
- The operating expenses are based on the District's Final Budget for FY 2019/20 and FY 2020/21 (Source files: 6.1 Exhibit A 2019-2020 BUDGET REPORT_FINAL.pdf & 6.2 Exhibit A 2020-2021 BUDGET REPORT_FINAL.pdf). Inflationary factors are applied to these expenses to project costs in FY 2021/22 and beyond.
- This analysis presents the District's capital projects based on the assumptions provided in Exhibit 2 (CIP). Source file: 6.1 Attachment 1 CIP_Update_Draft.pdf.

Table 9. Alternative 3 – Reserve Fund Summary

SUMMARY OF CASH ACTIVITY	Budget		Projected								
	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	
Unrestricted Reserves (Assigned Fund Balances):											
Total Beginning Cash¹	\$ 8,192,943										
Operating Reserve											
Beginning Reserve Balance ²	\$ 3,233,000	\$ 3,339,000	\$ 3,456,000	\$ 3,564,000	\$ 1,997,239	\$ 2,794,049	\$ 1,359,042	\$ 2,659,191	\$ 2,130,157	\$ 2,430,204	\$ 2,736,236
Plus: Net Cash Flow (After Rate Increases)	1,145,816	1,706,004	462,414	(1,603,106)	776,442	(1,463,501)	1,286,290	(556,153)	278,323	281,249	1,776,245
Plus: Interest Earnings	32,970	34,051	35,244	36,346	20,368	28,494	13,860	27,118	21,723	24,783	27,904
Less: Transfer Out to General Capital Reserve	(1,072,786)	(1,623,055)	(389,658)	-	-	-	-	-	-	-	-
Ending Operating Reserve Balance	\$ 3,339,000	\$ 3,456,000	\$ 3,564,000	\$ 1,997,239	\$ 2,794,049	\$ 1,359,042	\$ 2,659,191	\$ 2,130,157	\$ 2,430,204	\$ 2,736,236	\$ 4,540,385
Target Ending Balance (70% of O&M)³	\$ 3,339,000	\$ 3,456,000	\$ 3,564,000	\$ 3,677,000	\$ 3,795,000	\$ 3,917,000	\$ 4,045,000	\$ 4,178,000	\$ 4,317,000	\$ 4,462,000	\$ 4,613,000
General Capital Fund Reserve											
Beginning Reserve Balance ⁴	\$ 3,394,412	\$ 2,926,111	\$ 1,668,192	\$ 421,967	\$ 19,600	\$ 15,497	\$ 15,455	\$ 15,455	\$ 15,455	\$ 15,455	\$ 15,455
Plus: Transfer of Operating Reserve Surplus	1,072,786	1,623,055	389,658	-	-	-	-	-	-	-	-
Plus: Transfer of Emergency Flood Fight Reserve Surplus	15,297	15,297	15,297	15,297	15,297	15,297	15,297	15,297	15,297	15,297	15,297
Plus: Interest Earnings	34,616	29,840	17,012	4,303	200	158	158	158	158	158	158
Less: Use of Reserves for Capital Projects	(1,591,000)	(2,926,111)	(1,668,192)	(421,967)	(19,600)	(15,497)	(15,455)	(15,455)	(15,455)	(15,455)	(15,455)
Ending Capital Reserve Balance with Bonds	\$ 2,926,111	\$ 1,668,192	\$ 421,967	\$ 19,600	\$ 15,497	\$ 15,455	\$ 15,455	\$ 15,455	\$ 15,455	\$ 15,455	\$ 15,455
Target Ending Balance (\$0)⁵	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Emergency Flood Fight Fund											
Beginning Reserve Balance ⁶	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Plus: Interest Earnings	15,297	15,297	15,297	15,297	15,297	15,297	15,297	15,297	15,297	15,297	15,297
Less: Transfer Out to General Capital Reserve	(15,297)	(15,297)	(15,297)	(15,297)	(15,297)	(15,297)	(15,297)	(15,297)	(15,297)	(15,297)	(15,297)
Ending Emergency Flood Assistance Program Reserve Balance	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Target Ending Balance	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Ending Balance - Excludes Restricted Reserves	\$ 7,765,111	\$ 6,824,192	\$ 5,485,967	\$ 3,516,840	\$ 4,309,546	\$ 2,874,497	\$ 4,174,646	\$ 3,645,612	\$ 3,945,659	\$ 4,251,690	\$ 6,055,840
Minimum Target Ending Balance - Excludes Restricted Reserves	\$ 4,839,000	\$ 4,956,000	\$ 5,064,000	\$ 5,172,000	\$ 5,295,000	\$ 5,417,000	\$ 5,545,000	\$ 5,678,000	\$ 5,817,000	\$ 5,962,000	\$ 6,113,000
Ending Surplus/(Deficit) Compared to Reserve Targets	\$ 4,848,943	\$ 1,668,192	\$ 421,967	\$ (1,660,160)	\$ (985,454)	\$ (2,542,503)	\$ (1,370,354)	\$ (2,032,388)	\$ (1,871,341)	\$ (1,710,310)	\$ (57,160)
Restricted Reserves:⁷											
Nonspendable Funds											
Beginning Reserve Balance ⁸	\$ 65,532	\$ 66,200	\$ 66,875	\$ 67,557	\$ 68,246	\$ 68,942	\$ 69,645	\$ 70,355	\$ 71,073	\$ 71,797	\$ 72,530
Plus: Interest Earnings	668	675	682	689	696	703	710	717	725	732	740
Less: Transfer Out	-	-	-	-	-	-	-	-	-	-	-
Ending Prepaid Expense Fund Balance	\$ 66,200	\$ 66,875	\$ 67,557	\$ 68,246	\$ 68,942	\$ 69,645	\$ 70,355	\$ 71,073	\$ 71,797	\$ 72,530	\$ 73,269
Target Ending Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Target Ending Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Annual Interest Earnings Rate⁹	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

- Beginning cash balance was provided by the District and includes cash and pooled investments, including the Sacramento County Pooled Investment Fund, City of Sacramento Investment Pool A Fund, and LAIF. Source files: 18-19 Audit (1).pdf.
- The beginning Operating Reserve balance is equal to 70% of the annual budget and includes residual positive net resources of the general fund in excess of what can be classified. Source file: 18-19 Audit (1).pdf, page 22.
- According to the District's Fund Balance Policy, the target level is set to a minimum of 70% of the annual fiscal budget approved by the Board. Source file: 2-1 2001 Reclamation District No 1000 Financial Reserve Policy.pdf.
- The General Capital Fund balance is based on the funds assigned by the District. Source file: 18-19 Audit (1).pdf, page 22.
- Capital Reserve target set to \$0 in this iteration of the analysis.
- Emergency Flood Fight Fund is based on the funds assigned by the District. Source file: 18-19 Audit (1).pdf, page 22.
- As of June 30, 2019, the District is no longer required to maintain a reserve for Sacramento Area Flood Control Agency (SAFCA) - Natomas Levee Improvement Project (NLIIP). Source file: 18-19 Audit (1).pdf, page 21.
- The fund balance is related to prepaid expenses that cannot be spent by the District. Source file: 18-19 Audit (1).pdf, page 21.
- Historical interest earning rates are per the 5-year average annual yields for funds invested in LAIF (2014-2019). The source is the California State Treasurer's website: <https://www.treasurer.ca.gov/pmia-laif/historical/annual.asp>.

Alternative 3 – Full CIP with no Bond Financing & Reserve Spend Down, cont.:

Figure 7. Alternative 3 – Revenue Requirements Under Existing & Increased Rates

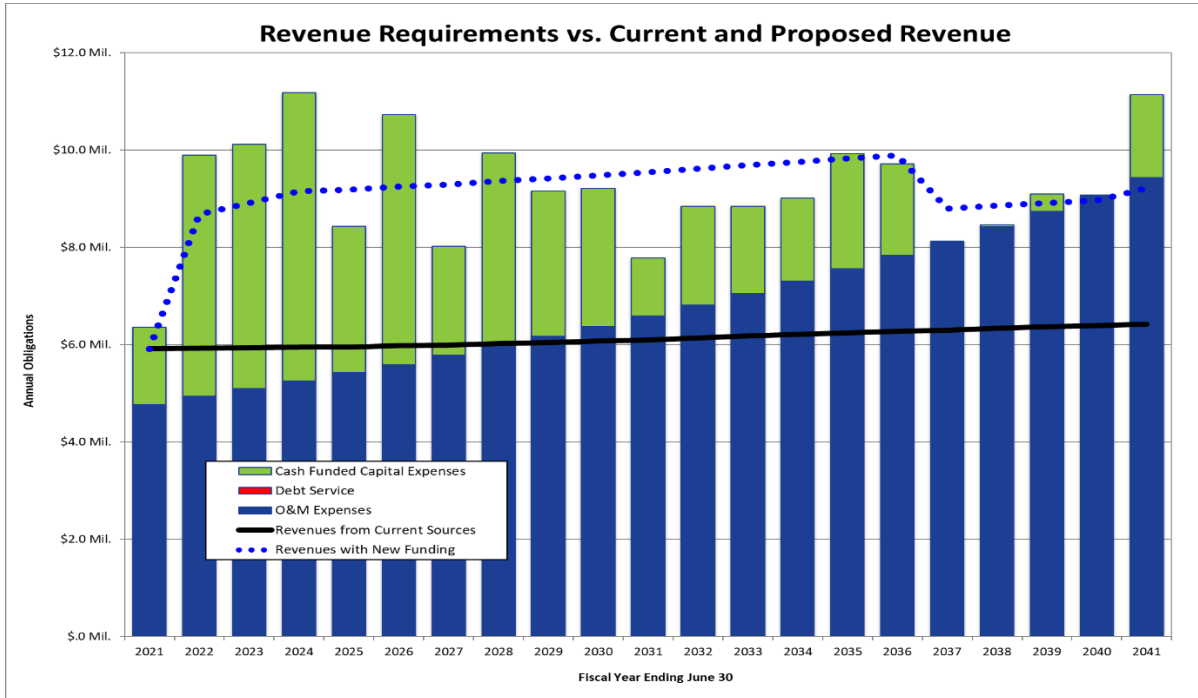
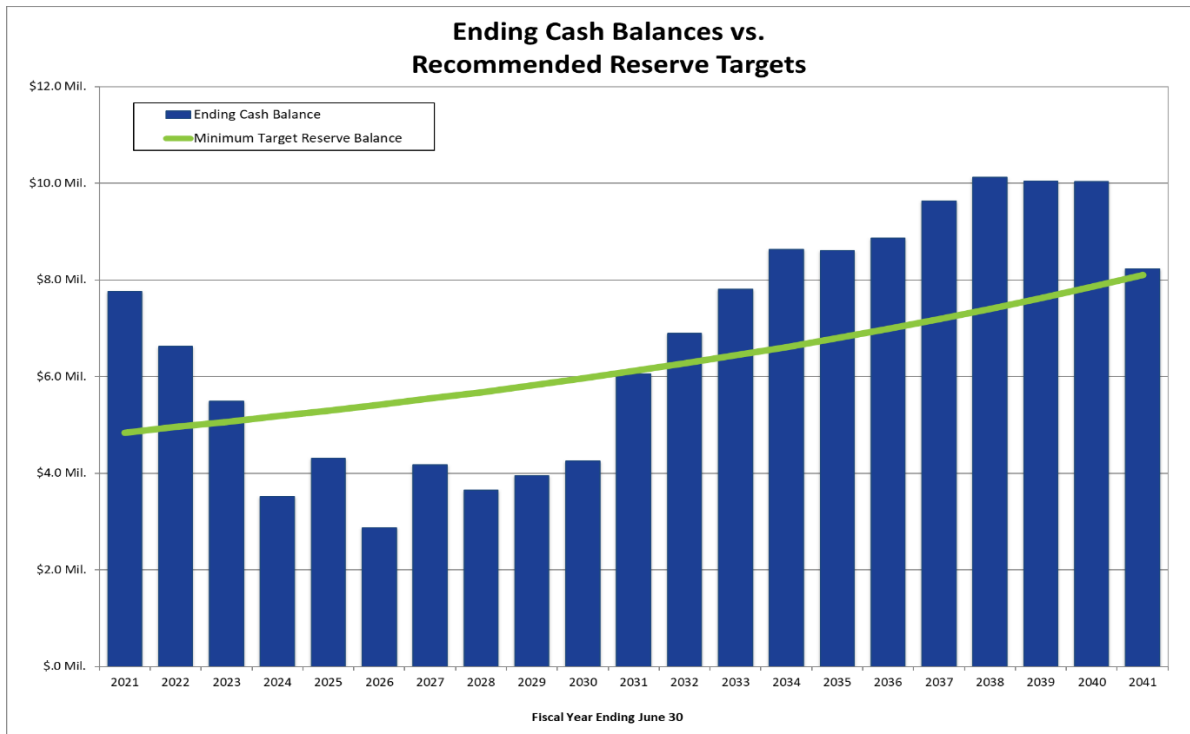


Figure 8. Alternative 3 – Ending Cash Balance vs. Recommended Reserve Targets



LONG TERM FUNDING SOLUTIONS

The long-range financial plan contemplates three alternatives where the total amount of the required increases in revenue will correlate with the planned CIP, increased funding needed for operating and maintenance costs, and to ensure the District has sufficient reserve funds. There are three primary types of funding instruments which are appropriate to provide the needed revenue: (1) a tax; (2) an assessment; or (3) a fee. The structural basics of each of these funding instruments are shown in Table 4 below.

Table 10. Funding Instrument Overview

Type	Approved by	Approval Threshold	Required Findings
Tax	Registered Voters	2/3 Ballots Cast	Method must be reasonable
Assessment	Property Owners	Majority Protest of Ballots Cast, Weighted according to Assessment Amount	<ol style="list-style-type: none"> 1. Identify all Benefits 2. Separate Special from General Benefits 3. Apportion costs to parcels based on Proportional Special Benefit per parcel
Fee ¹			Proportional cost of providing service to each parcel
1 st Step	Property Owners	Majority Protest of <i>all</i> Property Owners	
2 nd Step	a) Property Owners, <i>or</i>	Majority Approval of Ballots Cast: 1 vote/parcel	
	b) Registered Voters	2/3 of Ballots Cast	

1. Property Related Fees require a two-step approval process unless exempt. Storm Water Drainage services are not yet considered exempt, pending outcome of SB 231 validation proceeding.

Each of the above-referenced funding instruments have certain strengths and weaknesses that may make them a more or less desirable option. These issues are outlined in Table 5 below.

Table 11. Funding Instrument Strengths and Weaknesses

Type	Strength	Weakness
Tax	No substantial required findings Most legally defensible	2/3 Voter Approval ¹
Assessment	Property Owner Majority Protest	<ol style="list-style-type: none"> 1. Extensive Finding Requirements related to defining the Benefits provided 2. Separation of General & Special Benefits 3. Allocation of costs shall be according to the Proportional Special Benefits provided 4. Additional Assessment Engineering Time/Expense to support required findings 5. City must Fund all General Benefit costs, may be a substantial amount 6. May not exempt any parcels based on ownership or use 7. Most Legally Vulnerable
Fee	Option to select approval group, Property Owner majority protest Legally defensible	If Registered Voters selected as approval group, 2/3 Voter Approval

1. AB 195 (Chaptered 2017) modified the appearance and content of ballots which may make complicated tax formulas difficult to fit within the prescribed content limitations.

Assuming no additional considerations, the funding instruments are ranked below in order of preferability based on the ease of approval and legal defensibility:

1. Property Related Fee
 - a. If successful SB 231 defense, only a one-step public hearing is required
 - b. If no SB 231 outcome yet, 2nd step property owner election required
2. Special Tax
3. Assessment

Further analysis is required to determine the best instrument to fund the District's CIP . To perform the analysis, the District will need to identify exactly what improvements and related costs are being funded by the new funding instrument. NBS currently assumes the improvements included in the District's CIP will more or less service the entire District area in an equal manner.

NBS' ASSUMPTIONS AND CONSIDERATIONS

In preparing this memorandum and the opinions and recommendations included herein, NBS has relied on a number of principal assumptions and considerations with regard to financial matters that may occur in the future. This information and assumptions, including the District's budgets, capital improvement costs, and information from District staff were provided by sources NBS believes to be reliable, although NBS has not independently verified this data.

NBS' use of such information and assumptions is reasonable for the purpose of this report and its recommendations, but some assumptions will invariably not materialize as stated herein and may vary significantly due to unanticipated events and circumstances. Therefore, the actual results are expected to vary from those projected to the extent that actual future conditions differ from those assumed by NBS or provided to NBS by others.



RECLAMATION DISTRICT 1000

DATE: JANUARY 15, 2021

AGENDA ITEM NO. 6.2

TITLE: 2021 Committee Assignments

SUBJECT: Review and Consider Approval of Trustee Committee Assignments for 2021.

EXECUTIVE SUMMARY:

On an annual basis the Board of Trustees of Reclamation District No. 1000 (RD 1000; District) assign Trustees to serve on Board Committees. The recommended Committee assignments for 2021 are provided below in Table 1:

Table 1 - 2021 Committee Assignments

Committee	Chair	Member	Member
Executive Committee	Thom Gilbert	Elena Lee-Reeder	-----
Finance	Thom Gilbert	Jag Bains	Jeff Smith
Legal	Nick Avdis	Elena Lee-Reeder	Tom Barandas
Operations	Jag Bains	Tom Barandas	Jeff Smith
Personnel	Debra Jones	Tom Barandas	Jag Bains
SAFCA	Nick Avdis	Debra Jones	Barandas/Lee-Reeder
Urbanization	Elena Lee-Reeder	Nick Avdis	Debra Jones

RECOMMENDATION:

Staff recommends the Board review and consider approval of Trustee Committee Assignments for 2021.

STAFF RESPONSIBLE FOR REPORT:



Kevin L. King, General Manager

Date: 01/04/2021



RECLAMATION DISTRICT 1000

DATE: JANUARY 15, 2021

AGENDA ITEM NO. 7.1.1

TITLE: Committee Meeting Minutes

SUBJECT: Meeting Minutes from Committee Meetings since the December Board Meeting

EXECUTIVE SUMMARY:

Executive Committee Meeting – January 4, 2020

A meeting of the Reclamation District No. 1000 Executive Committee was held on Monday, January 4, 2020 at 8:00 a.m. via GoToMeeting and Conference Call. In attendance were Trustees Gilbert and Lee-Reeder. Staff in attendance was General Manager King. There were no members of the Public present and therefore no public comment was received.

General Manager King presented the proposed agenda for the January 15, 2021 Board of Trustees meeting. The Committee reviewed the agenda and approved as presented.

With no further business on the Executive Committee Agenda, meeting adjourned at 8:35 a.m. a.m.

Finance Committee Meeting – January 5, 2021

A meeting of the Reclamation District No. 1000 Finance Committee was held on Tuesday, January 5, 2021 at 9:00 a.m. via GoToMeeting and Conference Call. In attendance were Trustees Gilbert, and Bains. Staff in attendance were General Manager King, Administrative Services Manager Gutierrez, Administrative Assistant Forehand, District Consultants Boehler and Bou. There were no members of the Public present and therefore no public comment was received.

The committee reviewed the draft comprehensive financial plan as presented by NBS, Inc. The committee asked for clarification on changes since the December 2020 Board meeting. After clarification of the changes and a few minor edits on the plan, the committee recommended the final plan be placed on the January Board of Trustees agenda to review and consider adoption.

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

STAFF RESPONSIBLE FOR REPORT:

Kevin L. King, General Manager

Date: 01/11/2021