

**RECLAMATION DISTRICT NO. 828
AGENDA FOR
BOARD OF TRUSTEES
8:30 A.M. JANUARY 16, 2020
3121 WEST MARCH LANE, SUITE 100
STOCKTON, CALIFORNIA**

AGENDA

1. Call to Order/Roll Call
2. Name Board Officers
3. Public comment: Under Government Code section 54954.3, members of the public may address the Board on any issue in the District's jurisdiction. The public may address any item on the agenda at the time it is taken up.
4. Consider for approval of October 23, 2019 meeting minutes.
5. Financial Report.
 - (a) Delegate Authority to Approve Insurance Policy for 2020/2021 Insurance Year.
 - (b) Approve Representation Letter from Schwartz, Giannini, Lantsberger & Adamson in connection with the audit of the District's financial statements
 - (c) Accept Draft Auditor's Financial Report for fiscal year ending June 30, 2019
6. Engineers' Report; request for direction and approval.
7. Correspondence and meeting attendance reports.
8. District Calendar.
9. Approval of bills to be paid.
10. Adjournment.

This agenda shall be made available upon request in alternative formats to persons with a disability, as required by the Americans with Disabilities Act of 1990 (42 U.S.C. § 12132) and the Ralph M. Brown Act (California Government Code §54954.2). Persons requesting a disability related modification or accommodation in order to participate in the meeting should contact Daniel J. Schroeder at 209/948-8200 during regular business hours, at least twenty-four hours prior to the time of the meeting.

Materials related to an item on this Agenda submitted to the Trustees after distribution of the agenda packet are available for public inspection in the office of the District Secretary at Neumiller & Beardslee, 3121 West March Lane, Suite 100, Stockton, California during normal business hours.

**AGENDA PACKET
RECLAMATION DISTRICT 828
January 16, 2020**

<u>ITEM</u>	<u>COMMENTARY</u>
1.	Self-explanatory.
2.	Self-explanatory.
3.	Self-explanatory.
4.	Please see attached.
5.b.	Please see attached.
5.c.	Please see attached.
6.	Self-explanatory.
7.	Self-explanatory.
8.	Please see attached.
9.	Self-explanatory.
10.	Self-explanatory.

ITEM 4

**Minutes of Meeting of
Reclamation District 828
Held on October 23, 2019**

The meeting of the Board of Trustees of Reclamation District 828 was held at 1:00 p.m. on October 23, 2019 at 3121 W. March Lane, Suite 100, Stockton, California 95219.

Item No. 1: Call to Order. The meeting was called to order at 3:00 p.m. Present were President Bill Mendelson, Trustee Deby Provost, and Trustee Paul Marsh. Also present was District Counsel Daniel J. Schroeder, Assistant Counsel, Andy Pinasco, and District Engineer, Chris Neudeck, and various members of the public.

Item No. 2: Public Comment. A member of the public, Mr. Gulli, commented on correspondence he submitted to the District regarding levee accreditation. A member of the public, SJAFCA Executive Director Chris Elias, commented on the status of the pile test for the Smith Canal Closure Structure.

Item No. 3: Approval of Minutes. Mr. Schroeder reviewed the July 25, 2019, September 11, 2019, and September 25, 2019, minutes with the Trustees. The minutes of the July 25, 2019, September 11, 2019, and September 25, 2019, meetings were approved unanimously by the Trustees present on a motion by Trustee Marsh, seconded by President Mendelson.
Trustee Election.

Item No. 4: Financial Report. Mr. Schroeder reviewed the written financial report with the Trustees. The October 23, 2019, financial report was unanimously approved on a motion by President Mendelson, Seconded by Trustee Marsh.

Item No. 5: Engineer's Report. Mr. Neudeck provided the Trustees with a written and oral report. He reported on the progress of vegetation removal along the levee. Trustee Provost pointed out that trees had been removed. Mr. Neudeck indicated that his staff would look into the tree removal, but reported that the District has not taken action to remove trees. He also reported that contact has been made with the City of Stockton to remove garbage. The City has been cooperative with periodic removal of garbage and debris from the levee road shoulder areas. Mr. Neudeck next reported on the status of the slope repairs beneath the Interstate 5, that the current anticipated agreement with CalTrans for reimbursement of the slope repair is contingent on a cooperative agreement between RD 1614 and CalTrans. No agreement has been reached as of yet. He also updated the Board on the status of the Smith Canal Closure Structure by providing a written report submitted by Juan Nierra from SJAFCA summarizing the status of the Smith Canal Closure Structure project. Mr. Elias of SJAFCA was in attendance and made an oral report on pile test driving to be performed by SJAFCA for the Smith Canal Closure Structure project.

Item No. 6: Adopt Resolution 2019-08 Approving and Authorizing Execution of Delta Levee Maintenance Subventions Program Work Agreement Fiscal Year 2019-2020. Mr. Schroeder reviewed the subventions agreement for the 2019-2020 fiscal year and explained the requirement for approval to be in the form of a resolution. Resolution 2019-08 was adopted by unanimous vote of the Trustees present on a motion by Trustee Provost, seconded by Trustee Marsh.

Item No. 7: General Election. Mr. Schroeder reported that the District had two trustee positions that were expiring and had received only one valid nomination petition. He then explained that the procedure to fill the position that the District received a nomination for was that the San Joaquin County Board of Supervisors would appoint the qualified individual that was nominated for the position of trustee. He then explained that because the remaining trustee position did not receive a valid nomination petition for a qualified person, that the procedure to fill the District's remaining trustee position was for the San Joaquin County Board of Supervisors to appoint a qualified individual. Typically, the Board of Supervisors prefer appointing qualified individuals that are recommended by the District, however, the Board of Supervisors are not bound to do so, and could use its own discretion to appoint any qualified individual to the open position of trustee.

Trustee Provost then made a motion to nominate an individual named Angela to the position of Trustee. This motion was not seconded and failed.

The District requests that the sole nominee for the position of District Trustee, Trustee Provost be appointed to the position of District Trustee by the San Joaquin County Board of Supervisors by unanimous vote of the Trustees present on a motion by President Mendelson, seconded by Trustee Marsh.

The District recommends that the San Joaquin County Board of Supervisors appoint Trustee Marsh to the District's remaining trustee position by majority vote of the Trustees present on a motion by President Mendelson, seconded by Trustee Marsh.

Item No. 10: Approval of Bills. Mr. Schroeder reported on the outstanding bills that had been received and the status of the District's accounts. The Trustees unanimously approved payment of the attached bills on a motion by Trustee Marsh, seconded by Trustee Provost.

Item No. 11: Adjournment. The meeting was unanimously adjourned unanimous vote of the Trustees present on a motion by President Mendelson, seconded by Trustee Marsh at 3:55 p.m.

Respectfully submitted,

Daniel J. Schroeder, District Secretary

BILLS TO BE PAID
October 23, 2019

NAME	INVOICE DATE	INVOICE #	AMOUNT	TOTAL \$	RATIFY	ARRANT #
Kjedlsen, Sinnock & Neudeck, Inc.	10/15/2019	26270	\$503.25			
	10/15/2019	26271	\$115.00			
	10/15/2019	26272	\$407.50			
	10/15/2019	26273	\$162.75			
				\$1,188.50		1354
Neumiller & Beardslee	10/16/2019	302596	\$7,902.75			
				\$7,902.75		1355
Trustee Stipend - 10/23/2019 Special Board Meeting	Deby Provost		\$50.00	\$50.00		1356
Trustee Stipend - 10/23/2019 Special Board Meeting	Bill Mendelson		\$50.00	\$50.00		1357
Trustee Stipend - 10/23/2019 Special Board Meeting	Paul Marsh		\$50.00	\$50.00		1358

TOTAL: \$9,241.25

NOTES:

Fund Balance as of 09/30/2019	\$498,497.56
Less Submitted Bills for Payment:	\$9,241.25
Total:	\$489,256.31

BILLS PAID
September 25, 2019

NAME	INVOICE DATE	INVOICE #	AMOUNT	TOTAL \$	RATIFY	ARRANT #
Custom Spraying, Inc.	8/29/2019	26238	\$1,800.00			
				\$1,800.00		1348
Kjedlsen, Sinnock & Neudeck, Inc.	8/8/2019	25815	\$962.71			
	8/8/2019	25816	\$1,796.25			
	8/8/2019	25817	\$505.00			
	8/8/2019	25818	\$255.00			
	8/8/2019	25819	\$1,417.50			
	8/8/2019	25820	\$294.75			
				\$5,231.21		1349
Neumiller & Beardslee	8/24/2019	301914	\$360.84			
				\$360.84		1350
Trustee Stipend - 9/25/2019 Special Board Meeting	Deby Provost		\$50.00	\$50.00		1351
Trustee Stipend - 9/25/2019 Special Board Meeting	Bill Mendelson		\$50.00	\$50.00		1352
Trustee Stipend - 9/25/2019 Special Board Meeting	Paul Marsh		\$50.00	\$50.00		1353

TOTAL: \$7,542.05

NOTES:

Fund Balance as of 08/31/2019	\$507,501.83
Less Submitted Bills for Payment:	\$7,542.05
Total:	\$499,959.78

ITEM 5.b.

RECLAMATION DISTRICT NO. 828

Schwartz, Giannini, Lantsberger & Adamson
4578 Feather River Drive Suite D
Stockton, California 95219

This representation letter is provided in connection with your audit of the financial statements of Reclamation District No. 828, which comprise the financial position of the governmental activities, and each major fund as of June 30, 2019, and the respective changes in financial position for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in conformity with the cash basis of accounting which is a Special purpose framework (SPF).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of signing this letter, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 3, 2019, including our responsibility for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with the cash basis of accounting and include all properly classified funds and other financial information of the primary government required by the cash basis of accounting to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates are reasonable.

Reclamation District No. 828
Management Representation Letter

- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed.
- 7) All events subsequent to the date of the financial statements and for which cash basis financial statements requires adjustment or disclosure have been adjusted or disclosed. No events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financials.
- 8) We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the District's accounts.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with the cash basis of accounting.
- 10) Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 11) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the District from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the District or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the District and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the District's financial statements communicated by employees, former employees, regulators, or others.

Reclamation District No. 828
Management Representation Letter

- 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 17) We are not aware of any pending or threatened litigation, claims, or assessments and unasserted claims or assessments that are required to be accrued or disclosed in the financial statements, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 18) We have disclosed to you the identity of the District's related parties and all the related party relationships and transactions of which we are aware.

Government—specific

- 19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 20) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 21) The District has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 22) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
- 23) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 24) As part of your audit, you assisted with preparation of the financial statements and related notes. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have assumed all management responsibilities. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
- 25) The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 26) The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

Reclamation District No. 828
Management Representation Letter

- 27) We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
- 28) The financial statements properly classify all funds and activities.
- 29) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 30) Components of net position and components of fund balance are properly classified and, if applicable, approved.
- 31) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 32) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 33) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 34) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 35) We have appropriately disclosed the District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.

Signed: _____ Signed: _____

Title: _____ Title: _____

Date: _____ Date: _____

ITEM 5.c

RECLAMATION DISTRICT NO. 828

FINANCIAL REPORT

JUNE 30, 2019

DRAFT

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Reclamation District No. 828

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of Reclamation District No. 828 (the District) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Philip Lantsberger, CPA
Robert Gross, CPA
Nikolas Torres, CPA
Timothy J. Schwartz, CPA,
Retired
Gary F. Giannini, CPA
Retired
William H. Adamson,
Retired

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position - cash basis of the governmental activities and the major fund of the District as of June 30, 2019, and the respective changes in financial position - cash basis, thereof for the year then ended in accordance with the basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Other Matters

The District has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America have determined is necessary to supplement, although not required to be part of, the basic financial statements.

Schwartz, Giamini, Santberger & Adamson

Stockton, California
October 23, 2019

RECLAMATION DISTRICT NO. 828
Statement of Net Position - Cash Basis
June 30, 2019

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	<u>\$ 556,592</u>
Total assets	<u><u>\$ 556,592</u></u>
NET POSITION	
Unrestricted	<u>\$ 556,592</u>
Total net position	<u><u>\$ 556,592</u></u>

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

RECLAMATION DISTRICT NO. 828

Statement Of Activities - Cash Basis

For the year ended June 30, 2019

	<u>Cash</u> <u>Disbursements</u>	<u>Operating</u> <u>Receipts, Grants,</u> <u>and</u> <u>Contributions</u>	<u>Net (Disbursements)</u> <u>Receipts and</u> <u>Changes in</u> <u>Net Position</u>
Governmental activities			
Operations	\$ (83,029)	\$ 59,341	\$ (23,688)
Net program (disbursements) receipts	<u>\$ (83,029)</u>	<u>\$ 59,341</u>	<u>\$ (23,688)</u>
General receipts:			
Landowner assessments			\$ 52,909
Interest income			9,301
Total general receipts			<u>\$ 62,210</u>
Increase in net position			\$ 38,522
Net position - beginning of year			<u>518,070</u>
Net position - end of year			<u>\$ 556,592</u>

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

RECLAMATION DISTRICT NO. 828
Balance Sheet - Governmental Fund - Cash Basis
June 30, 2019

	<u>General Fund</u>
ASSETS	
Cash and cash equivalents	<u>\$ 556,592</u>
Total assets	<u><u>\$ 556,592</u></u>
FUND BALANCE	
Unassigned	<u>\$ 556,592</u>
Total fund balance	<u><u>\$ 556,592</u></u>

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

RECLAMATION DISTRICT NO. 828
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balance -
Governmental Fund
For the Year Ended June 30, 2019

	<u>General Fund</u>
RECEIPTS	
Landowner assessments	\$ 52,909
State assistance	59,341
Interest income	9,301
Total receipts	<u>\$ 121,551</u>
DISBURSEMENTS	
Engineering	\$ 22,399
Insurance	4,209
Legal and accounting	24,111
Levee repairs and maintenance	24,990
Miscellaneous	320
Rodent control	6,000
Trustee fee	1,000
Total disbursements	<u>\$ 83,029</u>
Net change in fund balance	\$ 38,522
Fund balance - beginning	<u>518,070</u>
Fund balance - ending	<u><u>\$ 556,592</u></u>

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

RECLAMATION DISTRICT NO. 828

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

Nature of business

Reclamation District No. 828 is a political subdivision of the State of California organized March 4, 1912 by the landowners of Weber Tract for the purpose of maintenance, protection and repair of the reclamation works on Weber Tract. The District operates under Section 50000 "Reclamation Districts" of the California State Water Code.

The District lies within the City of Stockton, bounded on the north by Smith Canal, on the west and south by the Stockton Channel, and on the east by Pershing Avenue. The total area of the District is approximately 695 acres.

The District is primarily supported by assessments of its landowners as projected, calculated, and levied by its Board of Trustees. Expenses incurred by the District are, at times, partially reimbursed by various federal, state, and local assistance or reimbursement programs.

The District management considered all potential component units for inclusion in the reporting entity by applying the criteria set forth in accounting principles generally accepted in the United States of America. The District concluded that there are no potential component units which should be included in the reporting entity.

Government-wide financial statements

The government-wide financial statements (i.e., the statement of net position - cash basis and the statement of activities - cash basis) report information on all of the cash receipts and disbursements activity of the primary government.

The statement of activities demonstrates the degree to which cash disbursements of a given function or segment are offset by program cash receipts. Cash disbursements are those that are clearly identifiable with a specific function or segment. Program cash receipts include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other receipts not classified as program receipts are presented as general receipts.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Budgetary accounting

The District does not utilize formal budgetary procedures and is not required to adopt such procedures by law. Accordingly, budgetary comparison information is not required or presented.

RECLAMATION DISTRICT NO. 828

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund financial statements

The fund financial statements provide information about the District's funds. The District has one type of fund (governmental), which is comprised of one major fund as follows.

General fund – This fund is established to account for resources devoted to financing the general services that the District performs. State assistance and other sources of revenue used to finance the fundamental operations of the District are included in this fund. This fund is charged with all costs of operating the government for which a separate fund has not been established.

The District has adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement establishes criteria for classifying governmental fund balances into specifically defined classifications. Classifications are hierarchical and are based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. Application of the Statement requires the District to classify and report amounts in the appropriate fund balance classifications. The District's accounting and finance policies are used to interpret the nature and/or requirements of the funds and their corresponding assignment of restricted, committed, assigned, or unassigned.

The District reports the following classifications:

Restricted Fund Balance – Restricted fund balances are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by the Board of Trustees. Assigned fund balance includes all amounts in the general fund that are intended to be used for a specific purpose.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund. This classification represents the General Fund balance that has not been assigned to other funds, and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

Measurement focus, basis of accounting, and financial statement presentation

The District accounts for governmental funds using the cash receipts and disbursements basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Under this method, revenues are recognized when received and expenditures are recorded when paid.

RECLAMATION DISTRICT NO. 828

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Demand Warrants

The District is authorized under the California State Water Code to issue demand warrants.

Use of estimates

The preparation of financial statements in conformity with the cash receipts and disbursements basis of accounting used by the District requires management to make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

Related party information

The Board of Trustees is made up of District landowners or their representatives. The Board is either elected by the landowners within the District or appointed by the San Joaquin County Board of Supervisors.

Income Tax Status

Reclamation District No. 828 is a governmental entity and not subject to federal and state income taxes.

NOTE 2. DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through October 23, 2019, the date the financial statements were available to be issued.

NOTE 3. CASH AND INVESTMENTS

Investments of the District as of June 30, 2019 consist of the following:

	<u>Carrying amount</u>	<u>Fair value</u>
Investment in external investment pool		
San Joaquin County Treasurer	<u>\$ 556,592</u>	<u>\$ 556,592</u>

Cash on deposit with the San Joaquin County Treasurer is invested in a pooled fund maintained by the Treasurer. These funds are pooled with other County deposits for investment purposes by the County Treasurer in accordance with the investment policy of the County Treasurer (see County Treasurer's investment policy at <http://www.sjgov.org/treasurer/treasury.htm>). The Pool has established a treasury oversight committee to monitor and review the management of public funds maintained in the Pool.

RECLAMATION DISTRICT NO. 828

NOTES TO FINANCIAL STATEMENTS

NOTE 3. CASH AND INVESTMENTS (Continued)

Participants' equity in the investment pool is determined by the dollar amount of the participant deposits, adjusted for withdrawals and distributed investment income. Investment income is prorated to individual funds based on their average daily cash balances. The value of the District's shares in the Pool, which may be withdrawn, is determined on an amortized cost basis, which is different than the fair value of the District's position in the Pool. The District's investment in the Pool is unrated, stated at amortized cost which approximates fair value, available upon demand and considered cash equivalents.

The District does not maintain a formal investment policy.

NOTE 4. GOVERNING BOARD

The powers of the District are exercised by the Board of Trustees which consists of the following members:

	<u>TITLE</u>	<u>TERM EXPIRATION</u>
William Mendelson	President	December 2021
Deby Provost	Trustee	December 2019
Paul Marsh	Trustee	December 2019

Secretary: Dan Schroeder

NOTE 5. INSURANCE

The District is covered by the following types of insurance as of June 30, 2019:

<u>Coverage</u>	<u>Limits of Liability</u>
Property	\$ 1,000,000/10,000,000
Commercial crime	100,000
General liability	1,000,000/10,000,000
Public officials and management liability	1,000,000/10,000,000
Commercial excess	1,000,000

ITEM 8

RD 828: MASTER CALENDAR

JANUARY

- Board Meeting – 3rd Thursday at 8:30 a.m.
- Adopt Subventions Agreement Resolution
- Election of Officers (After an election)
- Obtain Insurance to be Approved. Insurance year is April to March

FEBRUARY

- Send out Form 700s, remind Trustees of April 1 filing date
- Update Document Retention Policy

MARCH

APRIL

- April 1: Form 700s due
- Board Meeting – 3rd Thursday at 8:30 a.m.
- Renew District Insurance

MAY

JUNE

JULY

- Board Meeting – 3rd Thursday at 8:30 a.m.
- Approve Audit Contract for expiring fiscal year
- Adopted Annual Budget
- Adopt Resolution for setting Assessments and submit to County Assessor's Office
- Adopt Notice of Exemptions Resolution

AUGUST

- August 1: Deadline to certify assessments for tax-roll and deliver to County (duration of current assessment: Indefinite).
- August 1: Insurance renewal
- Send handbills for collection of assessments for public entity-owned properties
- In election years, opening of period for secretary to receive petitions for nomination of Trustees (75 days from date of election.) (*Cal. Wat. Code §50731.5*)

SEPTEMBER

- In election years, last legal deadline to post notice that petitions for nomination of Trustees may be received (7 days prior to close of closure.) (*Cal. Wat. Code §50731.5*).

- In election years, closing of acceptance of petitions for nomination of Trustees (54 days from date of election.) (*Cal. Wat. Code §50731.5*).

OCTOBER

- Publish Notice of Election, odd numbered years (once per week, 4 times, commencing at least 1 month prior to election).
- Board Meeting – 3rd Thursday at 8:30 a.m.

NOVEMBER

- Election.

DECEMBER

- New Trustee(s) take office, outgoing Trustee(s) term(s) end on first Friday of each odd-numbered year.

Term of Current Board Members:

Name	Term Commenced	Term Ends
Bill Mendelson	First Friday 12/2017	First Friday of 12/2021
Debbie Provost	First Friday 12/2019	First Friday of 12/2023
Paul Marsh	First Friday 12/2019	First Friday of 12/2023

No Expiration on Assessment

Refund of Smith Canal Closure Election Contribution – when there is adequate surplus funding available, the disbursement of which will not generate Project delays.