

**RECLAMATION DISTRICT NO. 828
AGENDA FOR MEETING OF
BOARD OF TRUSTEES
10:30 A.M. JANUARY 8, 2024**

**3121 WEST MARCH LANE, SUITE 100
STOCKTON, CA 95219**

AGENDA

1. Call to Order/Roll Call.
2. 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.
3. Oath of Office. Administer Oath of Office to Trustee Provost, Trustee Edwards, and Trustee Ramirez.
4. Trustee President. Discussion and Action to elect Trustee President.
5. Minutes. Consider for approval minutes of the District's October 9, 2023, meeting.
6. Financial Report. Accept and approve District Financial Report.
 - a. Discussion and possible action to amend R1B to \$35K.
7. Insurance. Delegate Authority to Approve Insurance Policy for 2024/2025 Insurance Year.
8. Audit. Accept Draft Auditor's Financial Report for fiscal year ending June 30, 2023
9. Engineers' Report. Discussion and Possible Action on the Following Items:
 - I. DELTA LEVEE SUBVENTIONS PROGRAM
 - a. Review existing maintenance activities:
 - There is a current contract open (waiting on Deby's signature) for \$8,000 worth of maintenance.
 - This past summer Dino & Son added one truck of riprap for \$5,000.
 - For FY 2022-23, Dino did a cleanup-tree trimming project for \$8,000.
 - Custom Spraying typically occurs in summer and winter as well for \$3,500 total in FY 2022-23 - half of that for summer or 2023 (FY 2023-24).
 - b. Review future maintenance activities:
10. Correspondence. Review and discuss correspondence received.
11. Meetings Attended. Report on meetings attended.
12. Trustee Reports. Discussion and direction regarding Trustee reports.
 - a) Discussion and procedure on potential consolidation of RD 828 and RD 1614.

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 Andy Pinasco 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.

b) Non-compliant properties.

13. Future Agenda Items. Discussion and possible action to add items to future agendas.
14. District Calendar.
 - a. Next Meeting is April 8, 2024
15. Bills. Approval of bills to be paid.
16. 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 Andy Pinasco 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 8, 2024**

<u>ITEM</u>	<u>COMMENTARY</u>
1.	Self-explanatory.
2.	Self-explanatory.
3.	Please see attached.
4.	Self-explanatory.
5.	Self-explanatory.
6.	Please see attached.
7.	Self-explanatory.
8.	Please see attached.
9.	Please see attached.
10.	Self-explanatory.
11.	Self-explanatory.
12.	Self-explanatory.
13.	Self-explanatory.
14.	Please see attached.
15.	Please see attached.
16.	Self-explanatory.

ITEM 3

Minutes of Meeting of Reclamation District 828 Held on October 9, 2023

The meeting of the Board of Trustees of Reclamation District 828 was held at 3121 West March Lane, Suite 100, scheduled to start at 10:30 a.m. on October 9, 2023.

Item No. 1: Call to Order. The meeting was called to order at 10:35 a.m. Present were Trustee Deby Provost, and Trustee Edwards. Trustee Paul Marsh was absent. Also present were Chris Neudeck, District Engineer, Andy Pinasco, District Secretary, and Ms. Graves, member of the public, and Mr. Nierra of San Joaquin Area Flood Control Agency.

Item No. 2: Public Comment. None.

Item No. 3: Approval of Minutes. Mr. Pinasco reviewed the draft minutes of the July 10, 2023, meeting with the Trustees. The minutes of the July 10, 2023, meeting were approved by the Trustees a motion by Trustee Edwards, seconded by President Provost.

Item No. 4: Financial Report. Mr. Pinasco reviewed the written financial report provided to the Trustees at the meeting. The financial report was accepted unanimously by the Trustees present on a motion by Trustee Edwards, seconded by President Provost.

Item No. 5: Trustee Election. Mr. Pinasco Reported that there will be no 2023 election as the number of nomination petitions received did not exceed the number of Trustee positions available.

Item No. 6: : Engineers' Report; request for direction. Mr. Neudeck provided a written and oral report to the Trustees on the following items:

I. City of Stockton Buena Vista Pump Station

- a. Review welded steel pipe repair work being done by the City of Stockton at the Pump Station in the District's Levee. In addition to a welded steel pipe repair the City of Stockton also employed CIPP repair methodology. What is CIPP Pipe Lining? Cured in Place Pipe (CIPP) Relining refers to the trenchless pipe repair process of creating a new pipe inside of the existing pipe if the host pipe has a leak or other signs of damage. A pipe relining sleeve covered in epoxy resin gets pushed through the old pipe with a "bladder". It must then harden, which generally takes about two hours.

II. Erosion at 1932 Shimizu Forgach Property

- a. Review KSN Inc levee inspection at Sally Forgach property along Shimizu Drive.

- b. Mr. Neudeck provided an estimated budget for 2023/2024 Levee Maintenance. The Trustees unanimously authorized the District Engineer to procure a proposal for the 2023/2024 Levee Maintenance, not to exceed \$15,000, and that President Provost was to sign the agreement on a motion by President Provost, seconded by Trustee Edwards.
- c. Given the action to approve a 2023/2024 Levee Maintenance program, the Trustees requested that the 2023/2024 Budget be amended at the January 2024 meeting to reflect the expenditure.
- d. President Provost reported on eucalyptus tree branch that fell into the channel.

Item No. 7: Cal-Mutuals. Mr. Pinasco provided a written and oral report regarding the 2023 Annual Meeting of the California Association of Mutual Water Companies and requested that the Trustees authorize the District Secretary to submit the District's ballot for the Meeting marking only proxy for quorum purposes. The Trustees present unanimously authorized the District Secretary to submit the District's ballot for the Meeting marking only proxy for quorum purposes on a motion by Trustee Edwards, seconded by President Provost.

Item No. 8: Correspondence and meeting attendance reports. Staff provided no report on any correspondence.

Item No. 9: Meetings Attended. It was reported that President Provost attended a meeting with the District's Engineer to execute authorized contracts.

Item No. 10: Trustee Reports. The following reports were provided by the Trustees present:

1. Caltrans report on repair work under Interstate 5. The Trustees requested that District staff maintain communication with Caltrans, at a minimum every 90 days.
2. The District's Engineer provided an oral on Dinnwiddie property status and possible repair, noting that no contact had been made and that if an opportunity arises for the District to provide assistance, that he would report such to the Trustees.
3. SJAFCA provided a report on the Smith Canal Gate, noting that the project was nearing completion. The Trustees made a request to SJAFCA for water quality testing to be performed. Mr. Nierra noted the request and said he would bring it back to the SJAFCA Board.

Item No. 11: Future Agenda Items. No future agenda items.

Item No. 15: Calendar. Mr. Pinasco reviewed the Calendar events for the upcoming months, and indicated that due to the Bylaw revision that the next regular meeting would occur on January 8, 2024.

Item No. 16: Approval of Bills. Mr. Pinasco 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 Edwards, seconded by President Provost.

Item No. 18: Adjournment. The meeting was unanimously adjourned at 12:07 p.m.

Respectfully submitted,

Andy Pinasco, District Secretary

ITEM 6

RECLAMATION DISTRICT NO. 828

JANUARY 2024

FINANCIAL REPORT

58% FISCAL YEAR 2023-2024

**BUDGET FY 2023-
2024**

Expended PTD

Expended YTD

YTD %

EXPENSES

GENERAL FUND

Administrative

G1	Annual Audit	\$4,000.00	\$505.34	\$505.34	13%
	Public Communication and				
G2	Noticing	1,500.00	\$0.00	\$574.82	38%
G3	Election Expense	25,000.00	\$0.00	\$0.00	0%
G4	Trustee Fees	1,200.00	\$300.00	\$500.00	42%
	County Assessment				
G5	Administration	1,000.00	\$0.00	\$0.00	0%
	SUBTOTAL	\$32,700.00	\$805.34	\$1,580.16	5%

Consultants

G14	Engineering				
G14A	General Engineering	\$7,500.00	\$0.00	\$4,307.12	57%
G14C	Levee Subventions	\$7,500.00	\$980.00	\$5,772.27	0%
	Levee Maintenance				
G14D	(Engineering)	\$7,500.00	\$0.00	\$0.00	0.0%
G14E	Five Year Plan		\$0.00	\$0.00	
G15	General Legal	10,000.00	\$652.75	\$6,254.15	63%
	SUBTOTAL	\$32,500.00	\$1,632.75	\$16,333.54	50%

Other

G18	Insurance	\$8,500.00	\$0.00	\$0.00	0%
	SUBTOTAL	\$8,500.00	\$0.00	\$0.00	0%

TOTAL GENERAL FUND **\$73,700.00** **\$2,438.09** **\$17,913.70** **24%**

RECURRING EXPENSES

R1 Levee

R1A	General Maintenance	\$10,000.00	\$285.00	\$1,260.00	13%
R1B	Riprap and Levee Repair	25,000.00	\$0.00	\$15,727.14	63%
R1C	Weed Control	25,000.00	\$28.75	\$2,396.75	10%
R1D	Animal Damage Control	0.00	\$0.00	\$0.00	0%
	SUBTOTAL	\$60,000.00	\$313.75	\$19,383.89	32%

TOTAL RECURRING EXPENSES **\$60,000.00** **\$313.75** **\$19,383.89** **32%**

TOTAL EXPENSES **\$133,700.00** **\$2,751.84** **\$37,297.59** **28%**

RECLAMATION DISTRICT NO. 828
 JANUARY 2024
 FINANCIAL REPORT
 58% FISCAL YEAR 2023-2024

INCOME

	BUDGET FY 2023- 2024	Income PTD	Income YTD	% YTD
Assessment - Existing	\$48,641.60	\$26,824.47	\$26,926.87	55%
Interest	1,500.00	\$4,891.68	\$7,135.56	476%
Five Year Plan		\$0.00	\$0.00	
Subvention Reimbursement	\$25,000.00	\$0.00	\$0.00	0%
TOTAL, GROSS INCOME	\$75,141.60	\$31,716.15	\$34,062.43	45%
NET INCOME (LOSS)	(\$58,558.40)	\$28,964.31	(\$3,235.16)	

Fund Balance

Fund Balance as of July 1, 2023	\$ 542,689.49
Temporary Employee Fund	\$ 15,684.21
Revenues (YTD)	\$ 34,062.43
Expenses (YTD)	\$ 37,297.59
Total Cash as of July 2023	\$ 550,976.54

ITEM 8

RECLAMATION DISTRICT NO. 828

Schwartz, Giannini, Lantsberger & Adamson
3461 Brookside Road Suite E
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, 2023, 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 May 22, 2023, including our responsibility for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting.
- 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.
- 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.

Reclamation District No. 828
Management Representation Letter

- 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.
- 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.

Reclamation District No. 828
Management Representation Letter

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 instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance

24) There are no instances which have occurred or are likely to have occurred of noncompliance with provisions of contracts or grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.

25) There are no instances of abuse that have occurred or are likely to have occurred that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.

26) 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.

27) 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.

28) 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.

29) 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

- 30) We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
- 31) The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34.
- 32) 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.
- 33) Components of net position and components of fund balance are properly classified and, if applicable, approved.
- 34) 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.
- 35) 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.
- 36) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 37) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 38) 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.
- 39) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.

Signed: _____ Signed: _____

Title: _____ Title: _____

Date: _____ Date: _____

RECLAMATION DISTRICT NO. 828

FINANCIAL REPORT

JUNE 30, 2023

DRAFT

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INDEPENDENT AUDITORS' REPORT



To the Board of Trustees
Reclamation District No. 828

Opinion

We have audited the accompanying cash basis financial statements of the governmental activities and the major funds of Reclamation District No. 828 (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund of Reclamation District No. 828, as of June 30, 2023 and the respective changes in cash basis financial position for the year then ended in accordance with the cash basis of accounting described in Note 1.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Reclamation District No. 828, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter – 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 this matter.

Responsibilities of Management 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, and for 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.

Philip Lantsberger, CPA
Robert Gross, CPA
Nikolas A. Torres, CPA

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Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

The District has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.



Stockton, California
November 21, 2023

RECLAMATION DISTRICT NO. 828
Statement of Net Position - Cash Basis
June 30, 2023

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	
Cash in county treasury (Note 3)	\$ 541,571
Cash in bank - checking (Note 3)	<u>15,684</u>
Total assets	<u><u>\$ 557,255</u></u>
NET POSITION	
Unrestricted	<u>\$ 557,255</u>
Total net position	<u><u>\$ 557,255</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, 2023

	<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	\$ (66,264)	\$ 30,646	\$ (35,618)
Net program (disbursements) receipt:	<u>\$ (66,264)</u>	<u>\$ 30,646</u>	<u>\$ (35,618)</u>
General receipts:			
Landowner assessments			\$ 52,506
Other income			200
Interest income			8,575
Total general receipts			<u>\$ 61,281</u>
Change in net position			\$ 25,663
Net position - beginning of year			<u>531,592</u>
Net position - end of year			<u><u>\$ 557,255</u></u>

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

RECLAMATION DISTRICT NO. 828
Balance Sheet - Governmental Fund - Cash Basis
June 30, 2023

	General Fund	Special Revenue	Total
ASSETS			
Cash and cash equivalents			
Cash in county treasury (Note 3)	\$ 541,571	\$ -	\$ 541,571
Cash in bank - checking (Note 3)	15,684	-	15,684
Total assets	\$ 557,255	\$ -	\$ 557,255
 FUND BALANCE			
Unassigned	\$ 557,255	\$ -	\$ 557,255
Total fund balance	\$ 557,255	\$ -	\$ 557,255

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 -
Governmental Fund
For the Year Ended June 30, 2023

	General Fund	Special Revenue	Total
RECEIPTS			
Landowner assessments	\$ 52,506	\$ -	\$ 52,506
State assistance - subventions	30,646	-	30,646
Other income	200	-	200
Interest income	8,575	-	8,575
Total receipts	<u>\$ 91,927</u>	<u>\$ -</u>	<u>\$ 91,927</u>
DISBURSEMENTS			
Engineering	\$ 22,652	\$ -	\$ 22,652
Insurance	9,219	-	9,219
Legal and accounting	18,169	-	18,169
Levee repairs and maintenance	13,482	-	13,482
Miscellaneous	1,342	-	1,342
Trustee fee	1,400	-	1,400
Total disbursements	<u>\$ 66,264</u>	<u>\$ -</u>	<u>\$ 66,264</u>
Excess receipts over disbursements	<u>\$ 25,663</u>	<u>\$ -</u>	<u>\$ 25,663</u>
Other financing sources/uses:			
Transfers	\$ 2,507	\$ (2,507)	\$ -
Total other financing sources/uses	<u>\$ 2,507</u>	<u>\$ (2,507)</u>	<u>\$ -</u>
Net changes in fund balance	\$ 28,170	\$ (2,507)	\$ 25,663
Cash basis fund balance - beginning	<u>529,085</u>	<u>2,507</u>	<u>531,592</u>
Cash basis fund balance - ending	<u><u>\$ 557,255</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 557,255</u></u>

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

RECLAMATION DISTRICT NO. 828
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

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.

Fund financial statements

The fund financial statements (i.e., the Governmental Fund Balance Sheet - Cash Basis and the Statement of Cash Receipts, Disbursements, and Changes in Governmental Fund Balance - Cash Basis) provide information about the District's funds. The District has one type of fund (governmental), which is comprised of two major funds as follows:

RECLAMATION DISTRICT NO. 828
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

General fund – This fund is established to account for resources devoted to financing the general services that the District performs. Property assessments 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 District for which a separate fund has not been established.

Special revenue fund – This fund is established to account for the proceeds of specific revenue sources other than special assessments or expendable trusts. Generally, resources accounted for in this fund originate from state and federal programs and developer fees.

The District has adopted GASB Statement No. 54 (GASB 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 GASB 54 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 nonspendable, restricted, committed, assigned, or unassigned.

Nonspendable – Amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted – Amounts constrained regarding use from restrictions externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or by restrictions imposed by law through constitutional provisions or enabling legislation.

Committed – Amounts constrained regarding use for specific purposes pursuant to requirements imposed by formal action of the District's highest level of decision making authority.

Assigned – Amounts constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. The authority for assigning fund balance is expressed by the Board of Trustees, District manager or their designee.

Unassigned – Amounts that have not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. Other governmental funds besides the general fund can only report a negative unassigned fund balance amount.

RECLAMATION DISTRICT NO. 828
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Interfund Transfers

Interfund transfers represent the flow of assets from one fund to another where repayment is not expected. Such transfers are reported as transfers in and out.

Measurement focus, basis of accounting, and financial statement presentation

The District accounts for governmental funds using the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. This method recognizes revenues when received and expenditures when paid.

Demand Warrants

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

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.

Use of estimates

The preparation of financial statements in conformity with the other comprehensive basis of accounting (OCBOA) 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.

**RECLAMATION DISTRICT NO. 828
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 2. DATE OF MANAGEMENT’S REVIEW

In preparing the financial statements, the District has evaluated events and transactions for potential recognition or disclosure through November 21, 2023, the date the financial statements were available to be issued.

NOTE 3. CASH AND INVESTMENTS

Cash and investments of the District as of June 30, 2023 consist of the following:

	<u>Carrying amount</u>	<u>Bank balance</u>	<u>Fair value</u>
Deposits			
Insured (FDIC)	<u>\$ 15,684</u>	<u>\$ 15,684</u>	
Investment in External Investment Pool			
San Joaquin County Treasurer	<u>\$ 541,571</u>		<u>\$ 541,571</u>

Total bank deposits of \$15,684 of the District were fully insured with FDIC insurance. 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/departments/ttc/treasury>). The Pool has established a treasury oversight committee to monitor and review the management of public funds maintained in the Pool.

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 is considered an involuntary participant in the pool as the State of California statutes require certain special districts to maintain their cash surplus with the County Treasurer. The investment pool is not registered with the Securities and Exchange Commission as an investment company.

The District does not maintain a formal investment policy.

**RECLAMATION DISTRICT NO. 828
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

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>
Ron Edwards	Trustee	December 2023
Debbie Provost	Trustee	December 2023
Paul Marsh	Trustee	December 2023

Secretary: Andy Pinasco

NOTE 5. INSURANCE

The District is covered by the following types of insurance as of June 30, 2023:

<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 9

**RECLAMATION DISTRICT NO. 828
WEBER TRACT
BOARD OF TRUSTEES MEETING
MONDAY, JANUARY 8, 2024
10:30 AM
ENGINEER'S REPORT**

I. DELTA LEVEE SUBVENTIONS PROGRAM

a. Review existing mainatneace activities:

- There is a current contract open (waiting on Deby's signature) for \$8,000 worth of maintenance.
- This past summer Dino & Son added one truck of riprap for \$5,000
- For FY 2022-23, Dino did a cleanup-tree trimming project for \$8,000
- Custom Spraying typically occurs in summer and winter as well for \$3,500 total in FY 2022-23 - half of that for summer or 2023 (FY 2023-24).

b. Review future mainatneace activities:

ITEM 14

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.

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
- Adopt Subventions Resolution

AUGUST

- August 1: Deadline to certify assessments for tax-roll and deliver to County (duration of current assessment: Indefinite).
- 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
Ron Edwards	November 28, 2022	First Friday of 12/2025
Deby Provost	First Friday 12/2023	First Friday of 12/2027
Paul Marsh	First Friday 12/2023	First Friday of 12/2027

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.

Trustee Edwards appointed November 28, 2022 to fill vacancy until next general election to occur in November 2023.

ITEM 15

RECLAMATION DISTRICT 828						
Bills for Approval - January 8, 2024						
NAME	INVOICE DATE	INVOICE #	AMOUNT	TOTAL \$	RATIFY	WARRANT #
Kjeldsen, Sinnock & Neudeck, Inc.	12/21/2023	36700	\$980.00			
	12/21/2023	36701	\$313.75			
				\$1,293.75		1483
Neumiller & Beardslee	12/11/2023	346046	\$652.75			
				\$652.75		1484
Ron Edwards - 1/8/2024 Board Meting	Trustee Stipend			\$100.00		1485
Paul Marsh - 1/8/2024 Board Meeting	Trustee Stipend			\$100.00		1486
Deby Provost - 1/8/2024 Board Meetings	Trustee Stipend			\$100.00		1487
WARRANT TOTAL				\$2,246.50		

RECLAMATION DISTRICT 828						
Bills for Approval - December 13, 2023						
NAME	INVOICE DATE	INVOICE #	AMOUNT	TOTAL \$	RATIFY	WARRANT #
Kjeldsen, Sinnock & Neudeck, Inc.	10/10/2023	36289	\$362.50			
	10/10/2023	36290	\$206.25			
	10/10/2023	36291	\$1,795.00			
	11/10/2023	36447	\$840.29			
	11/10/2023	36448	\$1,849.13			
	11/10/2023	36449	\$603.75			
				\$5,656.92		1478
Neumiller & Beardslee	10/17/2023	344869	\$386.16			
	11/17/2023	345391	\$2,437.98			
				\$2,824.14		1479
Schwartz Giannini Lantsberger & Adamson	10/31/2023	63462	\$4,800.00	\$4,800.00		1480
Custom Spraying Inc.	10/4/2023	11-2481	\$7,000.00			
	10/5/2023	11-2483	\$1,500.00			1481 (void)
Custom Spraying Inc.	10/5/2323	11-2483	\$1,500.00	\$1,500.00		1482
WARRANT TOTAL				\$14,781.06		