

# REGULAR MEETING OF THE FLORIN RESOURCE CONSERVATION DISTRICT BOARD OF DIRECTORS

## Agenda

Tuesday, October 20, 2020

6:30 PM

### Compliance with Government Code Section 54957.5

Public records, including writings related to an agenda item for an open session of a regular meeting of the Florin Resources Conservation District that are distributed less than 72 hours before the meeting, are available by email request at this time. In addition, such writings may be posted, whenever possible, on the Elk Grove Water District website at [www.egwd.org](http://www.egwd.org).

The Board will discuss all items on the agenda and may take action on any item listed as an "Action" item. The Board may discuss items that do not appear on the agenda, but will not act on those items unless there is a need to take immediate action and the Board determines by a two-thirds (2/3) vote that the need for action arose after posting of the agenda.

If necessary, the Meeting will be adjourned to Closed Session to discuss items on the agenda listed under "Closed Session." At the conclusion of the Closed Session, the meeting will reconvene to "Open Session."

Pursuant to the Sacramento County Shelter in Place order effective March 19, 2020, we are requiring all members of the public to participate virtually. Public participation and comment are limited to the following procedures:

A. The electronic submission of written comments in advance to the Board Secretary ([stefani@egwd.org](mailto:stefani@egwd.org)). Those comments will be read into the record for a maximum of three (3) minutes per comment.

B. Join Zoom Meeting: <https://zoom.us/j/85280252677> Meeting ID: 852 8025 2677  
Dial by your location  
+1 669 900 6833 US (San Jose) +1 346 248 7799 US (Houston)  
+1 312 626 6799 US (Chicago) +1 929 205 6099 US (New York)  
+1 253 215 8782 US +1 301 715 8592 US

C. Please press Star+9 (\*9) to raise your hand for Public Comment – Members of the audience may comment on matters that are not included on the agenda. Each person will be allowed three (3) minutes, or less if a large number of requests are received on a particular subject. No action may be taken on a matter raised under "Public Comment" until the matter has been specifically included on an agenda as an action item. Items listed on the agenda will be opened for public comment as they are considered by the Board of Directors.

## CALL TO ORDER, ROLL CALL AND PLEDGE OF ALLEGIANCE

Public Comment

### 1. Proclamations and Announcements

Associate Director Comment

Public Comment

### 2. **Consent Calendar** (Stefani Phillips, Board Secretary and Patrick Lee, Treasurer)

- a. Minutes of Regular Board Meeting of September 15, 2020
- b. Warrants Paid – September 2020
- c. Board and Employee Expense/Reimbursements – September 2020

- d. Active Accounts – September 2020
- e. Bond Covenant Status for FY 2020-21 – September 2020
- f. Revenues and Expenses – Actual vs Budget FY 2020-21 – September 2020
- g. Cash Accounts – September 2020
- h. Consultants Expenses – September 2020
- i. Major Capital Improvement Projects – September 2020

Associate Director Comment

Public Comment

**Recommended Action: Approve Florin Resource Conservation District Consent Calendar items a – i.**

**3. Fiscal Year 2019-20 Comprehensive Annual Financial Report**

(Patrick Lee, Finance Manager/Treasurer)

Associate Director Comment

Public Comment

**Recommended Action: Accept the Fiscal Year 2019-20 Comprehensive Annual Financial Report.**

**4. Engineering Report and Technical Memorandum on Effects of Groundwater Recharge** (Bruce Kamilos, Assistant General Manager)

Associate Director Comment

Public Comment

**Recommended Action:**

- 1. Accept and file the Engineering Report and Technical Memorandum on the Effects of Groundwater Recharge; and**
- 2. Direct staff to wait until a Groundwater Sustainability Plan is completed before taking any further actions on a groundwater recharge project.**

**5. Elk Grove Water District Operations Report – September 2020**

(Mark J. Madison, General Manager)

Associate Director Comment

Public Comment

**6. Draft Florin Resource Conservation District Municipal Service Review and Sphere of Influence Update** (Mark J. Madison, General Manager)

Associate Director Comment

Public Comment

**Recommended Action: Endorse the proposed Draft Florin Resource Conservation District Municipal Service Review and Sphere of Influence Update and authorize the General Manager to submit it to the Sacramento Local Area Formation Commission for consideration.**

**7. Disposal of Surplus Property (APN 125-0210-013)**

(Bruce Kamilos, Assistant General Manager)

Associate Director Comment

Public Comment

**Recommended Action:** Adopt Resolution No. 10.20.20.01, declaring that the real property of assessor's parcel number 125-0210-013 is surplus and is subject to the statutory notice and offer procedures of the Surplus Land Act, and as prescribed in the Florin Resource Conservation District's Disposal of Surplus Property Policy.

**8. Elk Grove Water District Fiscal Year 2020-21 Quarterly Operating Budget Status Report** (Patrick Lee, Finance Manager/Treasurer)

Associate Director Comment

Public Comment

**9. Elk Grove Water District Fiscal Year 2020-21 Quarterly Capital Reserve Status Report** (Patrick Lee, Finance Manager/Treasurer)

Associate Director Comment

Public Comment

**10. Unclaimed Check Policy** (Donella Murillo, Finance Supervisor)

Associate Director Comment

Public Comment

**Recommended Action:** Adopt Resolution No. 10.20.20.02, establishing the Unclaimed Checks Policy.

**11. Outside Agency Meetings Report** (Mark J. Madison, General Manager)

Associate Director Comment

Public Comment

**12. Legislative Update and Potential Direction to Staff** (Travis Franklin, Program Manager)

Associate Director Comment

Public Comment

**13. Closing of Escrow – Elk Grove Masonic Lodge #173 Temple Association Property APN #134-0110-123 and Florin Resource Conservation District Property APN #127-0170-005** (Mark J. Madison, General Manager)

Associate Director Comment

Public Comment

**Recommended Actions: Adopt Resolution No. 10.20.20.03, authorizing the General Manager to execute any and all documents necessary to effectuate closing on the District's acquisition of APN #134-0110-123 and the District's sale of APN #127-0170-005.**

#### **14. Directors Comments**

Adjourn to Regular Meeting – November 17, 2020



October 20, 2020

TO: Chair and Directors of the Florin Resource Conservation District

FROM: Stefani Phillips, Board Secretary and Patrick Lee, Treasurer

SUBJECT: **CONSENT CALENDAR**

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### **RECOMMENDATION**

It is recommended that the Florin Resource Conservation District Board of Directors approve Florin Resource Conservation District Consent Calendar items a – i.

### **SUMMARY**

Consent Calendar items a – i are standing items on the Regular Board Meeting agenda.

By this action, the Florin Resource Conservation District (FRCD) Board of Directors will approve FRCD Consent Calendar items a – i.

### **DISCUSSION**

#### **Background**

Consent Calendar items are standing items on the Regular Board Meeting agenda.

#### **Present Situation**

Consent Calendar items a – i are standing items on the Regular Board Meeting agenda.

### **ENVIRONMENTAL CONSIDERATIONS**

There are no direct environmental considerations associated with this report.

### **STRATEGIC PLAN CONFORMITY**

The monthly Consent Calendar report provides transparency and conforms with Strategic Goal No. 1, Governance and Customer Engagement, of the Strategic Plan 2020-2025.

October 20, 2020

**CONSENT CALENDAR**

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**FINANCIAL SUMMARY**

There is no financial impact associated with this report.

Respectfully Submitted,



STEFANI PHILLIPS  
BOARD SECRETARY

And



PATRICK LEE  
TREASURER

Attachments

## MINUTES OF THE REGULAR MEETING OF THE FLORIN RESOURCE CONSERVATION DISTRICT BOARD OF DIRECTORS

Tuesday, September 15, 2020

The regular meeting of the Florin Resource Conservation District Board of Directors was called to order at 6:30 p.m. by Tom Nelson, Chair via Zoom.

### Call to Order, Roll Call, and Pledge of Allegiance.

Directors Present: Tom Nelson, Bob Gray, Lisa Medina, Elliot Mulberg, Sophia Scherman  
Directors Absent: None  
Staff Present: Mark Madison, General Manager; Patrick Lee, Finance Manager/Treasurer; Stefani Phillips, Board Secretary; Donella Murillo, Finance Supervisor; Travis Franklin, Program Manager; Amber Kavert, Administrative Assistant II (Confidential)  
Staff Absent: Bruce Kamilos, Assistant General Manager  
Associate Directors Present: Paul Lindsay  
Associate Directors Absent: None  
General Counsel Present: Ren Nosky, JRG Attorneys at Law  
Consultant Present: Bob Earl, Earl Consulting Co., LLC

### Public Comment

Nothing to report.

Chair Tom Nelson informed the Florin Resource Conservation District (FRCD) Board of Directors (Board) they will be considering Agenda Item No. 6 immediately following the Consent Calendar

### 1. Proclamations and Announcements

Nothing to report.

### 2. Consent Calendar

- a. Minutes of Regular Board Meeting of August 18, 2020
- b. Warrants Paid – August, 2020
- c. Board and Employee Expense/Reimbursements – August, 2020
- d. Active Accounts – August, 2020
- e. Bond Covenant Status for FY 2020-21 – August, 2020
- f. Revenues and Expenses – Actual vs Budget FY 2020-21 – August, 2020
- g. Cash Accounts – August, 2020
- h. Consultants Expenses – August, 2020
- i. Major Capital Improvement Projects – August, 2020

MSC (Medina/Scherman) to approve Florin Resource Conservation District Consent Calendar items a-i. 5/0: Ayes: Gray, Medina, Mulberg, Nelson and Scherman.

### 6. Amend and Replace Public Works Construction Contracts Policy and Approve Delivery Method for Administration Building Project

Assistant General Manager Bruce Kamilos presented the item to the Board. He then asked Bob Earl, FRCD's project management consultant, to speak about the design-assist/build (DAB) method that was discussed at the Building Improvements Advisory Committee (BIAC).

In summary, the FRCD is currently in escrow to purchase property for the purpose of constructing tenant improvements to the building located on the property. On August 24, 2020, the BIAC met to discuss the timeline of activities related to the project and to agree on a recommended project

delivery method. At the BIAC meeting, Mr. Earl recommended the DAB method for the project. After the committee meeting, staff sought the opinion of two (2) reputable design firms and both agreed that the DAB method would be an excellent approach for the project. The BIAC agreed that the DAB approach is the preferred delivery method for the project. For the DAB approach to be used, staff had to revise the Public Works Construction Contracts Policy to include procedures and rules covering the DAB method.

Director Elliot Mulberg asked who picks the contractor and what criteria is used. Mr. Kamilos explained staff would seek qualifications from at least five (5) contractors and send out Request for Proposals to at least five (5) contractors. Next the advisory committee would review the qualification statements, proposals, and other documents requested before interviewing the contractors.

MSC (Scherman/Gray) to adopt Resolution No. 09.15.20.01, amending and replacing the Public Works Construction Contracts Policy. 5/0: Ayes: Gray, Medina, Mulberg, Nelson and Scherman.

MSC (Scherman/Medina) to approve the design-assist/build delivery method for the Tenant Improvements, District Administration Building project. 5/0: Ayes: Gray, Medina, Mulberg, Nelson and Scherman.

### **3. Elk Grove Water District Operations Report – August 2020**

Mr. Madison presented an overview of the Elk Grove Water District (EGWD) Operations Report for August 2020.

### **4. Vacuum Excavator Purchase**

Mr. Kamilos presented the item to the Board.

In summary, the proposed vacuum excavator purchase would replace the oldest of three (3) vacuum excavators owned by the Elk Grove Water District (EGWD). The Board had approved purchasing a replacement vacuum excavator as part of the EGWD Fiscal Year (FY) 2020-21 Capital Improvement Program (CIP). In accordance with FRCD's Purchase of Goods and Services from Outside Vendors Policy, staff used a competitive bidding process to acquire three (3) bids for the vacuum excavator. The lowest responsive, responsible bidder was RDO Equipment Co. with a bid amount of \$90,800.60.

Staff discovered that RDO Equipment made a clerical and immaterial error when adding up the line items on their bid. The line items added up to \$90,800.60. RDO Equipment's bid expressed the total as \$98,800.60. RDO Equipment provided a signed letter acknowledging the clerical error and confirming that the correct total for the vacuum excavator is \$90,800.60.

MSC (Mulberg/Scherman) to authorize the General Manager to execute a purchase order in the amount of \$90,800.60, including tax and license, with RDO Equipment Co. to purchase a vacuum excavator. 5/0: Ayes: Gray, Medina, Mulberg, Nelson and Scherman.

### **5. Sacramento Central Groundwater Authority Fiscal Year 2020-21 Contribution**

Mr. Madison presented the item to the Board.

MSC (Scherman/Medina) to authorize the General Manager to pay the Fiscal Year 2020-21 contribution, in the amount of \$73,464, to the Sacramento Central Groundwater Authority. 3/0: Ayes: Gray, Mulberg, and Nelson.

### **7. Outside Agency Meetings Report**

Staff and Board members spoke regarding the meetings they attended since the last regular Board meeting.

After Program Manager Travis Franklin discussed the meeting he attended for the Department of Water Resources (DWR) Residential Landscape Area Measurement Study, Director Mulberg asked that the report on the measurement study be provided when completed. Staff will provide the report to the Board when it comes in.

**8. Legislative Update**

Mr. Franklin provided a legislative update to the Board.

**9. Directors Comments**

Nothing to report.

Adjourn to Regular Board Meeting on September 15, 2020.

Respectfully submitted,

*Stefani Phillips*

Stefani Phillips, Board Secretary

AK/SP

Check History Report

9/1/2020 to 9/30/2020  
Elk Grove Water District

Check Number	Check Date	Vendor Number	Name	Check Amount	Explanation
051576	9/3/2020	AMAZON	AMAZON CAPITAL SERVICES	15.04	
051577	9/3/2020	B KENT	BRANDON KENT	82.00	
051578	9/3/2020	BADAWI	BADAWI & ASSOCIATES	11,414.25	Reimbursement - Class A Permit 2020 Audit - Progress Billing # 2
051579	9/3/2020	BEN RES	BENEFIT RESOURCE, INC	100.00	
051580	9/3/2020	BRENNTA	BRENNTAG PACIFIC, INC	2,555.34	Supplies - Treatment
051581	9/3/2020	CINTAS2	CINTAS	187.64	
051582	9/3/2020	COUNTY4	SACRAMENTO COUNTY UTILITIES	5,387.49	Regional San Charges - Sewer Impact Fees
051583	9/3/2020	COUNTY6	COUNTY OF SACRAMENTO	601.00	* Annual Fee for Hazardous Materials Permit - 9715 Railroad
051584	9/3/2020	COUNTY6	COUNTY OF SACRAMENTO	813.00	* Annual Fee for Hazardous Materials Permit - 10113 Hampton
051585	9/3/2020	COUNTY6	COUNTY OF SACRAMENTO	601.00	* Annual Fee for Hazardous Materials Permit - 9374 Emily
051586	9/3/2020	COUNTY6	COUNTY OF SACRAMENTO	601.00	* Annual Fee for Hazardous Materials Permit - 9457 Ranch Park
051587	9/3/2020	COUNTY6	COUNTY OF SACRAMENTO	601.00	* Annual Fee for Hazardous Materials Permit - 9035 Polhemus
051588	9/3/2020	COUNTY9	SACRAMENTO COUNTY RECORDER	20.00	Lien Release
051589	9/3/2020	COVER A	COVERALL NORTH AMERICA, INC	990.00	Cleaning Services - ADMIN
051590	9/3/2020	CR FID	FIDELITY NATIONAL TITLE	19.44	Account Closed - Customer Refund
051591	9/3/2020	CR FID	FIDELITY NATIONAL TITLE	25.79	Account Closed - Customer Refund
051592	9/3/2020	CR MCGU	MCGUIRE & HESTER	1,766.63	Account Closed - Customer Refund
051593	9/3/2020	CR ORTC	OLD REPUBLIC TITLE	21.25	Account Closed - Customer Refund
051594	9/3/2020	CRF BWO	BRET WOLF	142.41	Account Closed - Customer Refund
051595	9/3/2020	CRF CAT	CALATLANTIC TITLE	8.84	Account Closed - Customer Refund
051596	9/3/2020	CRF CH	CHICAGO TITLE	3.60	Account Closed - Customer Refund
051597	9/3/2020	CRF EDI	EST. OF EDITH EVELYN BOWMAN	60.86	Account Closed - Customer Refund
051598	9/3/2020	CRF LEN	LENNAR HOMES CA, INC	1.09	Account Closed - Customer Refund
051599	9/3/2020	CRF LEN	LENNAR HOMES CA, INC	6.05	Account Closed - Customer Refund
051600	9/3/2020	CRF STS	STEWART TITLE OF SACRAMENTO	27.78	Account Closed - Customer Refund
051601	9/3/2020	CRFFID5	FIDELITY NATIONAL TITLE	80.36	Account Closed - Customer Refund
051602	9/3/2020	CRFFTC	FIRST AMERICAN TITLE COMPANY	91.13	Account Closed - Customer Refund
051603	9/3/2020	CRFNOT	NORTH AMERICAN TITLE CO.	34.84	Account Closed - Customer Refund
051604	9/3/2020	CRFPLC	PLACER TITLE COMPANY	14.19	Account Closed - Customer Refund
051605	9/3/2020	CUMMIN	CUMMINS PACIFIC	857.42	Repairs & Maintenance - Generator RRWTF
051606	9/3/2020	DATAPRO	DATAPROSE LLC	899.87	Flexible Payment Options Buckslip - 2nd Printing
051607	9/3/2020	DATAPRO	DATAPROSE LLC	5,933.05	Monthly Billing & Postage for August 2020
051608	9/3/2020	DITCH 3	DITCH WITCH WEST	438.11	
051609	9/3/2020	ELK LOC	ELK GROVE LOCK AND SAFE CO	100.00	
051610	9/3/2020	ESRI	ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE, INC	25,000.00	* Small Utility Term Enterprise License Agreement - Year 2 of 3
051611	9/3/2020	FASTENA	FASTENAL COMPANY	420.73	
051612	9/3/2020	HEWITT	Aaron Hewitt	350.00	Boot Reimbursement
051613	9/3/2020	INT STA	INTERSTATE OIL COMPANY	1,330.19	Fuel
051614	9/3/2020	JAYS	JAY'S TRUCKING SERVICE	2,186.37	Materials, Supplies & Dump Fees
051615	9/3/2020	NTS	NTS MIKEDON. LLC	300.00	
051616	9/3/2020	OREILLY	O'REILLY AUTO PARTS	36.51	
051617	9/3/2020	PACE	PACE SUPPLY CORP	18,105.54	(3) Invoices - Materials & Supplies - CIP Water Mains
051618	9/3/2020	PAULA M	PAULA MAITA & COMPANY	406.74	

\* Denotes annual renewals of licenses, memberships, permits and subscriptions.

051619	9/3/2020	PEST	PEST CONTROL CENTER INC	80.00	
051620	9/3/2020	ROOCO	ROOCO RENTS	595.08	Materials & Supplies - CIP Water Mains
051621	9/3/2020	SIERRA	SIERRA OFFICE SUPPLIES	427.12	
051622	9/3/2020	SMUD	SMUD	616.74	
051623	9/3/2020	SOUTHWE	SOUTHWEST ANSWERING SERVICE,	930.80	After Hours Answering Service - OPS
051624	9/3/2020	SUMMIT	AIR WORKS INC	163.00	
051625	9/3/2020	ULTRA	ULTRA TRUCK WORKS, INC	53.85	
051626	9/3/2020	USS	UNITED SITE SERVICES	916.03	Trailer Kit With Outside Services - RRWTF
051627	9/3/2020	WHITE	HDS WHITE CAP CONST SUPPLY	98.45	
051628	9/3/2020	XYLEM	XYLEM	1,987.62	Repairs & Maintenance - MOC - Pressure Loggers
051629	9/11/2020	AMAZON	AMAZON CAPITAL SERVICES	106.58	
051630	9/11/2020	BAKERMA	BAKER MANOCK & JENSEN	543.00	Legal - August 2020
051631	9/11/2020	BG SOLU	SOLUTIONS BY BG INC.	9,245.26	Daily Tasks/Help Tickets
051632	9/11/2020	CINTAS2	CINTAS	376.71	
051633	9/11/2020	CRF AMK	AMANDA KIMBALL	23.00	Account Closed - Customer Refund
051634	9/11/2020	CRF CAN	CATHY NILEY	183.39	Account Closed - Customer Refund
051635	9/11/2020	CRF JEN	JENNIFER DANIEL	58.80	Account Closed - Customer Refund
051636	9/11/2020	CRF JVK	JEFFREY & VICKI KISSINGER	101.53	Account Closed - Customer Refund
051637	9/11/2020	CRF KHA	KHALED H. ABDULRAHMAN	91.75	Account Closed - Customer Refund
051638	9/11/2020	CRF MAD	MARGARITA DUENAS	78.27	Account Closed - Customer Refund
051639	9/11/2020	CRF MAN	SODI & KAMALJIT KAUR MANN	11.75	Account Closed - Customer Refund
051640	9/11/2020	CRF SLE	SUSAN LEONARD	29.63	Account Closed - Customer Refund
051641	9/11/2020	CRF TAY	TAYLOR MORRISON	49.68	Account Closed - Customer Refund
051642	9/11/2020	CRF TAY	TAYLOR MORRISON	24.96	Account Closed - Customer Refund
051643	9/11/2020	CS AA	CARD SERVICES	1,066.60	Materials & Supplies - Utility Crew
051644	9/11/2020	CS DM	CARD SERVICES	56.47	Contracted Services
051645	9/11/2020	CS MJM	CARD SERVICES	22.30	Materials & Supplies
051646	9/11/2020	CS SH	CARD SERVICES	376.33	Meals, Materials - Distribution Crew
051647	9/11/2020	CS SP	CARD SERVICES	164.09	Employee Appreciation, Contracted Services
051648	9/11/2020	CSPL	CARD SERVICES	667.56	Safety - HEPA Air Purifiers
051649	9/11/2020	EG FORD	ELK GROVE FORD	520.61	(3) Invoices - Repairs & Maintenance - OPS Vehicles
051650	9/11/2020	FASTENA	FASTENAL COMPANY	1,410.43	(5) Invoices - Materials & Supplies - Distribution
051651	9/11/2020	GOLDEN	GOLDEN STATE FLOW	8,143.23	Meter Reading Equipment
051652	9/11/2020	JAYS	JAY'S TRUCKING SERVICE	280.00	
051653	9/11/2020	JRG	JRG ATTORNEYS, LLP	2,856.00	Legal - August 2020
051654	9/11/2020	KEVIN Y	KEVIN YOUNG CONCRETE	1,850.00	Concrete Work - 8721 Milo Ct.
051655	9/11/2020	LANSET	LANSET AMERICA	1,307.13	Disaster Recovery Backup
051656	9/11/2020	NTS	NTS MIKEDON. LLC	2,091.20	(7) Invoices - Rental Equipment - CIP Water Mains
051657	9/11/2020	PRE ALL	PREFERRED ALLIANCE, INC	43.00	
051658	9/11/2020	USS	UNITED SITE SERVICES	1,836.66	(2) Invoices - Trailer Kit With Outside Sink - RRWTF
051659	9/16/2020	ADLER	ADLER TANK RENTALS	3,807.88	Well #11D Rehab
051660	9/16/2020	AMAZON	AMAZON CAPITAL SERVICES	562.29	(2) Invoices - Materials & Supplies -
051661	9/16/2020	BAY ALA	BAY ALARM COMPANY	1,200.02	Security - Wellsite's, MOC & ADMIN
051662	9/16/2020	BRENNTA	BRENNTAG PACIFIC, INC	2,053.63	Supplies - Treatment
051663	9/16/2020	BSK4	BSK ASSOCIATES	4,867.77	Sampling - Treatment
051664	9/16/2020	CDW	CDW GOVERNMENT	6,096.56	Vulnerability Scanner - Required Per PCI Regulations
051665	9/16/2020	CHECK P	CHECK PROCESSORS, INC	326.00	Contracted Services - ACH Processing
051666	9/16/2020	CLAYBAR	CLAYBAR ENGINEERING	7,110.00	ALTA Survey - 9829 Waterman Road
051667	9/16/2020	COEG	CITY OF ELK GROVE	2,000.00	Encroachment Permit - Water Mains
051668	9/16/2020	CONSOLI	CONSOLIDATED COMMUNICATIONS	1,265.59	Ethernet Service/Phones-MOC/ADMIN
051669	9/16/2020	COUNTY	COUNTY OF SACRAMENTO	73,464.00	* SCGA 2020-2021 - Annual Contributions
051670	9/16/2020	COVER A	COVERALL NORTH AMERICA, INC	1,375.00	Cleaning Services - MOC

\* Denotes annual renewals of licenses, memberships, permits and subscriptions.

051671	9/16/2020	CS BK	CARD SERVICES	133.77	Repairs & Maintenance
051672	9/16/2020	CS SS	CARD SERVICES	75.21	Materials & Supplies - Treatment
051673	9/16/2020	CUMMIN	CUMMINS PACIFIC	2,938.79	Repairs & Maintenance - Replace Monitor Board - RRWTF
051674	9/16/2020	DB COLS	DB CONSTRUCTIONAL LANDSCAPE	1,680.00	Landscape Maintenance
051675	9/16/2020	DLT	DLT SOLUTIONS	3,127.42	* AutoCAD - Annual Renewal
051676	9/16/2020	EARL CO	EARL CONSULTING CO., LLC	6,356.25	Project Management - New ADMIN Building
051677	9/16/2020	EG FORD	ELK GROVE FORD	1,432.75	(5) Repairs & Maintenance - OPS Vehicles
051678	9/16/2020	ENGINER	ENGINEERING SUPPLY COMPANY	1,500.00	* Top-Net RTK Network - 1 Year
051679	9/16/2020	FASTENA	FASTENAL COMPANY	297.99	
051680	9/16/2020	FRONT C	FRONTIER COMMUNICATIONS	490.23	
051681	9/16/2020	HACH	HACH COMPANY	1,595.57	(3) Invoices - Materials & Supplies - Treatment
051682	9/16/2020	HANFORD	HANFORD SAND & GRAVEL, INC	6,396.15	(3) Invoices - Materials & Supplies - CIP Water Mains
051683	9/16/2020	INT STA	INTERSTATE OIL COMPANY	2,254.67	Fuel
051684	9/16/2020	MURPHY	MURPHY AUSTIN ADAMS	6,972.00	Legal - August 2020
051685	9/16/2020	NTS	NTS MIKEDON. LLC	225.00	
051686	9/16/2020	OREILLY	O'REILLY AUTO PARTS	89.04	
051687	9/16/2020	PACE	PACE SUPPLY CORP	1,922.95	(5) Invoices - Materials & Supplies - Distribution
051688	9/16/2020	PEST	PEST CONTROL CENTER INC	80.00	
051689	9/16/2020	PG&E	PACIFIC GAS & ELECTRIC	8.11	
051690	9/16/2020	PIT 4	PURCHASE POWER	520.99	Postage Machine - ADMIN
051691	9/16/2020	RBI	ROBERTSON-BRYAN, INC	5,127.00	2020 Regulatory Compliance Services
051692	9/16/2020	REPUBLI	REPUBLIC SERVICES #922	77.48	
051693	9/16/2020	RYAN PR	RYAN PROCESS INC	518.44	Repairs & Maintenance of Equipment - Treatment
051694	9/16/2020	S CHEM	SIERRA CHEMICAL COMPANY	861.30	Materials & Supplies - Treatment
051695	9/16/2020	SAC ICE	SAC ICE	421.68	
051696	9/16/2020	SIERRA	SIERRA OFFICE SUPPLIES	874.86	
051697	9/16/2020	SMUD	SMUD	6,785.84	
051698	9/16/2020	SMUD	SMUD	3,507.26	
051699	9/16/2020	SMUD	SMUD	1,525.96	
051700	9/16/2020	SMUD	SMUD	19,137.86	
051701	9/16/2020	SMUD	SMUD	2,657.02	
051702	9/16/2020	SMUD	SMUD	45.20	
051703	9/16/2020	SMUD	SMUD	6,859.37	
051704	9/16/2020	SMUD	SMUD	3,540.12	
051705	9/16/2020	STATE C	STATE OF CALIFORNIA	115.00	Renewal - Board of Engineers, Land Surveyors and Geologists - Bruce Kamilos
051706	9/16/2020	TEICH A	TEICHERT AGGREGATES	420.42	
051707	9/16/2020	VERIZON	VERIZON WIRELESS	497.23	
051708	9/24/2020	AFLAC	AFLAC	1,757.12	
051709	9/24/2020	AMAZON	AMAZON CAPITAL SERVICES	573.65	(3) Invoices - Materials & Supplies - OPS
051710	9/24/2020	BAY ALA	BAY ALARM COMPANY	1,250.48	Security - Wellsite's, MOC & ADMIN
051711	9/24/2020	BG SOLU	SOLUTIONS BY BG INC.	9,234.75	Daily Tasks/Help Tickets
051712	9/24/2020	BOB CAT	BOBCAT COMPANY	3,699.25	Repairs & Maintenance - Skid Steer
051713	9/24/2020	CHIC12	CHICAGO TITLE COMPANY	73.35	Account Closed - Customer Refund
051714	9/24/2020	CINTAS2	CINTAS	378.60	
051715	9/24/2020	CORNER	CORNERSTONE TITLE CO	67.95	Account Closed - Customer Refund
051716	9/24/2020	COUNTY	COUNTY OF SACRAMENTO	657,547.09	Sacramento County Water Billings - July & August 2020
051717	9/24/2020	CRF LEN	LENNAR HOMES CA, INC	103.73	Account Closed - Customer Refund
051718	9/24/2020	CRF LEN	LENNAR HOMES CA, INC	68.16	Account Closed - Customer Refund
051719	9/24/2020	CRF LEN	LENNAR HOMES CA, INC	118.47	Account Closed - Customer Refund
051720	9/24/2020	CRF LEN	LENNAR HOMES CA, INC	9.86	Account Closed - Customer Refund
051721	9/24/2020	CRFFID5	FIDELITY NATIONAL TITLE	84.90	Account Closed - Customer Refund
051722	9/24/2020	CRFFTC	FIRST AMERICAN TITLE COMPANY	41.76	Account Closed - Customer Refund

\* Denotes annual renewals of licenses, memberships, permits and subscriptions.



051723	9/24/2020	CRFIDT	FIDELITY NATIONAL TITLE	100.34	Account Closed - Customer Refund
051724	9/24/2020	CRNOTH5	NORTH AMERICAN TITLE	0.70	Account Closed - Customer Refund
051725	9/24/2020	DITCH 3	DITCH WITCH WEST	395.72	
051726	9/24/2020	FLEET	FLEETWASH	289.17	
051727	9/24/2020	GATE WR	GATE WRX	135.00	Repairs & Maintenance - ADMIN Gate
051728	9/24/2020	HANFORD	HANFORD SAND & GRAVEL, INC	2,298.38	Materials & Supplies - CIP Water Mains
051729	9/24/2020	INLAND	INLAND BUSINESS SYSTEMS	8.72	
051730	9/24/2020	INT STA	INTERSTATE OIL COMPANY	1,647.60	Fuel
051731	9/24/2020	ISCC	ISCC, INC	149.00	
051732	9/24/2020	JAYS	JAY'S TRUCKING SERVICE	1,562.50	Materials & Supplies - CIP Water Mains
051733	9/24/2020	LCW	LIEBERT CASSIDY WHITMORE	456.00	Legal - August 2020
051734	9/24/2020	PACE	PACE SUPPLY CORP	310.01	
051735	9/24/2020	PIT 2	PITNEY BOWES GLOBAL FINANCIAL	184.33	
051736	9/24/2020	RADIAL	RADIAL TIRE OF ELK GROVE	60.00	
051737	9/24/2020	REPUBLI	REPUBLIC SERVICES #922	1,637.54	
051738	9/24/2020	SIERRA	SIERRA OFFICE SUPPLIES	50.71	
051739	9/24/2020	TEICH A	TEICHERT AGGREGATES	1,095.87	(2) Materials & Supplies - CIP Water Mains
051740	9/24/2020	TESCO	TESCO CONTROLS, INC	4,001.08	Repairs & Maintenance - Hampton PLC/SCADA MODS
051741	9/24/2020	USBANK	U.S. BANK EQUIPMENT FINANCE	659.00	Copier - ADMIN
<b>Total:</b>				<b>1,007,370.62</b>	

\* Denotes annual renewals of licenses, memberships, permits and subscriptions.

FLORIN RESOURCE CONSERVATION DISTRICT/ELK GROVE WATER DISTRICT  
BOARD AND EMPLOYEE MONTHLY EXPENSE/REIMBURSEMENTS

As of 9/30/2020

<b>INDIVIDUAL</b>	<b>DESCRIPTION</b>	<b>AMOUNT PAID</b>
Aaron Hewitt	Boot Reimbursement	\$350.00
Bruce Kamilos	Renewal - Board of Engineers, Land Surveyors and Geologists - Bruce Kamilos	\$115.00
		<b>\$465.00</b>

**Elk Grove Water District  
Active Account Information  
As of 9/30/2020**

	<b>JULY</b>	<b>AUG</b>	<b>SEPT</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUNE</b>
<b>Water Accounts:</b>												
<b>Metered</b>												
<b>Residential</b>	12,161	12,163	12,308									
<b>Commercial</b>	363	363	364									
<b>Irrigation</b>	178	178	178									
<b>Fire Service</b>	180	180	181									
<b>Total Accounts</b>	<b>12,882</b>	<b>12,884</b>	<b>13,031</b>	-	-	-	-	-	-	-	-	-

**Elk Grove Water District  
Active Account Information  
FY 2019/2020**

	<b>JULY</b>	<b>AUG</b>	<b>SEPT</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUNE</b>
<b>Water Accounts:</b>												
<b>Metered</b>												
<b>Residential</b>	11,857	11,891	11,889	11,905	11,941	11,927	12,060	12,064	12,157	12,149	12,153	12,159
<b>Commercial</b>	363	363	365	365	362	362	362	365	363	363	367	363
<b>Irrigation</b>	170	170	170	173	175	175	175	174	176	177	177	178
<b>Fire Service</b>	181	181	181	183	181	181	181	181	181	181	180	180
<b>Total Accounts</b>	<b>12,571</b>	<b>12,605</b>	<b>12,605</b>	<b>12,626</b>	<b>12,659</b>	<b>12,645</b>	<b>12,778</b>	<b>12,784</b>	<b>12,877</b>	<b>12,870</b>	<b>12,877</b>	<b>12,880</b>

**Elk Grove Water District  
Bond Covenant Status  
For Fiscal Year 2020-21  
As of 9/30/2020  
Adjusted for Prepayments**

<b>Operating Revenues:</b>	
<b>Charges for Services</b>	\$ 5,025,730
<b>Operating Expenses:</b>	
Salaries & Benefits (1)	906,382
Seminars, Conventions and Travel	(229)
Office & Operational	315,380
Purchased Water	976,881
Outside Services	170,352
Equipment Rent, Taxes, and Utilities	111,604
Total Operating Expenses	2,480,371
<b>Net Operating Income</b>	<b>\$ 2,545,359</b>
Annual Interest & Principal Payments	
\$3,855,469	\$ 963,867 (2)
<b>Debt Service Coverage Ratio, YTD Only:</b>	<b>2.64</b>
<b>Required</b>	<b>1.15</b>

**Notes**

1. Reflects only YTD due to CalPERS, not entire prepayment for year

2. **Reflects budget divided by number of months year to date.**

However, first Principal/Interest Payments made in September.

Projected Annual Budget Coverage Ratio is **1.32**

**Elk Grove Water District**  
**Year to Date Revenues and Expenses Compared to Budget**  
**As of 9/30/2020**

	General Ledger Reference	YTD Activity	Annual Budget	3/12=25.00% % Realized
<b>Revenues</b>	4100 - 4900	\$ 5,025,730	\$ 15,424,142	32.58%
<b>Salaries &amp; Benefits</b>	5100 - 5280	1,012,239	4,373,018	23.15%
<b>less Capitalized Labor</b>		(37,683)	(376,961)	10.00%
<b>Less CalPERS Prepayment for Remainder of Year: (1)</b>		(68,174)		
<b>Adjusted Salaries and Benefits:</b>		\$ 906,382	\$ 3,996,057	22.68%
<b>Seminars, Conventions and Travel</b>	5300 - 5350	(229)	53,307	-0.43%
<b>Office &amp; Operational</b>	5410 - 5494	315,380	1,338,578	23.56%
<b>Purchased Water est. (2)</b>	5495 - 5495	976,881	3,198,404	30.54%
<b>Outside Services</b>	5505 - 5580	170,352	1,283,548	13.27%
<b>Equipment Rent, Taxes, Utilities</b>	5620 - 5760	111,604	464,380	24.03%
<b>Total Operational Expenses</b>		\$ 2,480,371	\$ 10,334,274	24.00%
<b>Net Operating Income</b>		\$ 2,545,359	\$ 5,089,868	50.01%
<b>Non-Operating Revenues</b>				
<b>Interest Received</b>	9910 - 9910	23,618	100,000	23.62%
<b>Unrealized Gains/(Losses)</b>	9911 - 9911	(2,006)	-	100.00%
<b>Other Income/Expense</b>	9920 - 9973	1,137	-	100.00%
<b>Total Non-Operating Revenues</b>		\$ 22,749	\$ 100,000	22.75%
<b>Non-Operating Expenses</b>				
<b>Election Costs</b>	9950 - 9950	-	250,000	0.00%
<b>All other Non-Operating Expenses</b>				
<b>Capital Expenses (3):</b>				
Capital Improvements	1705 - 1760	44,430	2,475,000	1.80%
Capital Replacements	1705 - 1760	59,370	855,000	6.94%
Unforeseen Capital Projects	1705 - 1760	55,850	100,000	55.85%
<b>Capital Expenses:</b>		\$ 159,650	\$ 3,430,000	4.65%
<b>Bond Interest Accrued (4)</b>	7300 - 7300	388,867	1,555,469	25.00%
<b>Total Non Operating Expenses</b>		\$ 548,517	\$ 5,235,469	10.48%
<b>Bond Retirement (4):</b>		\$ 575,000	\$ 2,300,000	25.00%
<b>Total Expenditures</b>		\$ 3,039,434	17,769,743	17.10%
<b>Revenues in Excess of All Expenditures, including Capital</b>		\$ 1,444,591	\$ (2,345,601)	-61.59%

Notes:

- The District prepays CalPERS for the employers' share of retirement costs for the entire year. By doing this, the District saves approximately 3.5% in its total CalPERS payments for the year. The adjusted salaries and benefits above shows what salaries and benefits would be if only the amount due to CalPERS YTD was paid YTD, with no prepayment.
- There is a lag in water billings from the Sacramento County Water Agency. Included above is an estimate of costs to date based on water used.
- YTD Activity includes \$37,683 in capitalized labor charged to capital projects.
- Bond retirement payments are made two times a year in September and March

**Florin Resource Conservation District  
CASH - Detail Schedule of Investments  
As of 9/30/2020**

<u>G/L Account : Fund</u>		<u>Account number / name</u>	<u>Investment Name</u>	<u>Investment Type</u>		<u>Restrictions</u>	<u>Market Value</u>			
<u>HELD BY BOND TRUSTEE:</u>										
1110-000-20	Water	BNY 892744 FRCD 2014A DEBT SERVICE	Dreyfus Inst Treasury	MM Mutual Fund		Restricted	0.00			
1112-000-20	Water	BNY 743850 FRCD 2016A DEBT SERVICE	Dreyfus Inst Treasury	MM Mutual Fund		Restricted	-			
<b>Subtotal</b>							<b>\$ -</b>			
1001-000-20	Water	Cash on Hand				Unrestricted	<b>\$ 300.00</b>			
<u>HELD BY F&amp;M BANK:</u>										
1011-000-10	FRCD	F&M 08-032009-01 CHECKING ACCOUNT				Unrestricted	109.26			
1011-000-20	Water	F&M 08-032017-01 OPERATING ACCOUNT				Unrestricted	1,644,510.90			
1084-000-20	Water	F&M 08-03201702-31 MONEY MARKET			0.63%	Unrestricted	1,502,409.96			
1031-000-20	Water	F&M 08-032912-01 CREDIT CARD ACCOUNT				Unrestricted	386,706.90			
1061-000-20	Water	F&M 08-032890-01 PAYROLL ACCOUNT				Unrestricted	146,868.84			
1071-000-20	Water	F&M 08-032920-01 DRAFTS ACCOUNT				Unrestricted	139,480.62			
<b>Subtotal</b>							<b>\$ 3,820,086.48</b>			
<u>INVESTMENTS</u>										
1080-000-20	Water	Office of the Treasurer - Sacramento California	LAIF	Investment Pool		Unrestricted	<b>\$ 7,435,063.52</b>			
1081-000-20	Water	CALTrust Medium Term		Investment		Unrestricted	<b>\$ 1,388,130.52</b>			
1082-000-20	Water									
		<u>PURCHASE DATE</u>	<u>CUSIP</u>	<u>ISSUED BY</u>	<u>CALL DATE</u>	<u>MATURITY DATE</u>	<u>% of Portfolio</u>	<u>Current Yield</u>	<u>COST BASIS</u>	<u>MARKET VALUE</u>
		9/30/2016	N/A	Union Bank of California	N/A	N/A	3.76%	0.05%	\$ 203,124.07	\$ 203,124.07
		1/15/2020	3130AHK85	Federal Home Loan (FHLB)	07/10/20 - qtrly	1/10/2024	19.29%	1.820%	\$ 1,000,000.00	1,002,540.00
		7/31/2020	3134GV3E6	Federal Home Loan (FHLB)	6/30/20 - qtrly	9/29/2023	19.21%	0.470%	\$ 1,000,000.00	1,000,170.00
		7/31/2020	3133ELQ56	Federal Home Loan (FHLB)	11/25/20 - qtrly	7/2/2024	19.21%	0.570%	\$ 1,000,000.00	999,460.00
		11/18/2019	3133ELUK8	Federal Home Loan (FHLB)	06/25/20 - qtrly	3/25/2025	19.31%	1.200%	\$ 1,000,000.00	1,003,010.00
		7/31/2020	3136G4YP2	Federal Natl MTG ASSN		7/9/2025	19.22%	0.720%	\$ 1,000,000.00	1,000,820.00
									<b>\$ 5,203,124.07</b>	<b>\$ 5,209,124.07</b>
<b>Total</b>									<b>\$ 17,852,704.59</b>	
<b>Total Restricted</b>									<b>\$ -</b>	
<b>Total Unrestricted</b>									<b>\$ 17,852,704.59</b>	

YTM = Yield to Maturity  
qtrly = quarterly  
cont. = continuous

As of 9/30/2020

**Fiscal Retainer Contracts**

<b>Consultant</b>	<b>Description</b>	<b>Total Contract</b>	<b>Current Month</b>	<b>Paid to date</b>	<b>2020-2021 FY Budget</b>	<b>Percent of year (25%)</b>
JRG Attorneys, LLP	Task orders	TBD	\$ 2,856	\$ 10,107		
Somach Simmons & Dunn	Task orders	TBD	\$ -	\$ -		
BAKER MANOCK & JENSEN	Task orders	TBD	\$ 543	\$ 2,579		
Liebert Cassidy Whitmore	Task orders	TBD	\$ 456	\$ 7,202		
Murphy Austin Adams	Task orders	TBD	\$ 6,972	\$ 12,054		
Total			\$ 10,827	\$ 31,942	\$ 175,000	18.25%
Solutions by BG, Inc.	Task orders	725,050	\$ 18,480	\$ 55,574	\$ 265,050	20.97%

**Major Contracts**

<b>Consultant</b>	<b>Description</b>	<b>Total Contract</b>	<b>Current Month</b>	<b>Paid to date</b>	<b>2018-2019 FY Budget</b>	<b>Percent of Contract Amount</b>
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**Elk Grove Water District  
Major Capital Improvement Project  
Budget vs Actuals  
As of 9/30/2020**

Capital Project	Total Project Budget	Total		Capitalized Labor	Fund Type	Project Type	Sept		Total YTD (1)	YTD % Spent
		Project Exp to Date	Percent Spent				2020-21 Budget	Project Exp		
Backyard Water Mains/Service Replacement	\$ 2,649,000	\$ 1,043,346	39.39%	\$ 21,816	R&R	Supply/Distribution	\$ 675,000	\$ 38,400	\$ 39,256	5.82%
Well Rehabilitation Program (11D)	98,000	134,645	137.39%	-	R&R	Supply/Distribution	-	3,808	20,114	0.00% (2)
Well Rehabilitation Program	120,000	-	0.00%	-	R&R	Supply/Distribution	120,000	-	-	0.00%
PLC Bucket Replacements	50,000	-	0.00%	-	R&R	Treatment	50,000	-	-	0.00%
Pavement Repair and Coat Seal	10,000	-	0.00%	-	R&R	Building and Site	10,000	-	-	0.00%
Service Line Replacements	140,000	19,430	13.88%	-	CIP	Supply/Distribution	140,000	19,430	19,430	13.88%
Chlorine Analyzers Shallow Wells	75,000	-	0.00%	-	CIP	Treatment	75,000	-	-	0.00%
Well 4D Radio Antenna	30,000	-	0.00%	-	CIP	Treatment	-	-	-	0.00%
RRWTP Variable Frequency Drives	75,000	75,406	100.54%	-	CIP	Treatment	-	-	-	0.00%
Security Cameras	25,000	-	0.00%	-	CIP	Treatment	25,000	-	-	0.00%
9829 Waterman Rd	2,000,000	25,000	1.25%	-	CIP	Building and Site	2,000,000	-	25,000	1.25%
Truck Replacements	135,000	-	0.00%	-	CIP	Building and Site	135,000	-	-	0.00%
Vacuum Excavator	100,000	-	0.00%	-	CIP	Building and Site	100,000	-	-	0.00%
Unforeseen Capital Projects	100,000	55,850	55.85%	15,867	-	-	100,000	17,950	55,850	55.85% (3)
<b>Sub-Total</b>	<b>\$ 5,607,000</b>	<b>\$ 1,353,677</b>	<b>24.14%</b>	<b>\$ 37,683</b>			<b>\$ 3,430,000</b>	<b>\$ 79,589</b>	<b>\$ 159,650</b>	<b>4.65%</b>

(1) Includes \$37,683 in capitalized labor through 09/30/2020

(2) Capital projects budgeted for in prior years, however, work carried over and completed in current year.

(3) Includes unforeseen capital projects, including: 36" Transmission Main Repair \$ 55,850  
Total \$ 55,850



October 20, 2020

TO: Chair and Directors of the Florin Resource Conservation District

FROM: Patrick Lee, Finance Manager/Treasurer

SUBJECT: **FISCAL YEAR 2019-20 COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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### **RECOMMENDATION**

It is recommended that the Florin Resource Conservation District Board of Directors accept and file the Comprehensive Annual Financial Report for the Fiscal Years ending June 30, 2020 and 2019.

### **SUMMARY**

The Florin Resource Conservation District (District) is required by Section 9528 of Division 9 of Public Resources Code to publish a complete set of financial statements presented in conformity with generally accepted accounting principles and audited in accordance with generally accepted auditing standards. The audit must be conducted by a firm of licensed certified public accountants.

This action, if approved, will result in the District Board of Directors (Board) accepting and filing the Comprehensive Annual Financial Report (CAFR) for the period ending June 30, 2020 and 2019.

### **DISCUSSION**

#### **Background**

The District provides the public a CAFR (Attachment 1) for the fiscal year ending on June 30<sup>th</sup> annually. The information presented in this annual report is intended to provide financial information with all the disclosures necessary to enable the District's customers, investment community and general public to assess the District's financial condition.

The audit was conducted by Badawi & Associates, Certified Public Accountants. Their work included an interim field audit in May and a comprehensive year end field audit in August.

**FISCAL YEAR 2019-20 COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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**Present Situation**

In addition to the auditor's opinion, included in the CAFR, the auditor also issues a Statement of Auditing Standards (SAS) 114 letter, *The Auditors Communication with Those Charged with Governance*, and a SAS 115 letter, *Communicating Internal Control Related Matters Identified in an Audit*.

The SAS 114 letter (Attachment 2) is the auditor's communication with those charged with governance in relation to an audit and describes the auditor's responsibility under U.S. Generally Accepted Auditing Standards, the planned scope and timing of the audit, significant audit matters, and any other matters as required by professional standards.

The SAS 115 letter (Attachment 3) discusses the District's internal control over financial reporting and requires the auditor to communicate, in writing, to management and those charged with governance, significant deficiencies and material weaknesses identified in an audit.

The District's audit firm, Badawi & Associates will be presenting to the Board the results of the audit, the opinion rendered based on their audit of the financial statements and any findings and recommendations. Badawi and Associates will also be presenting to the Board the fiscal year ending June 30, 2020 and 2019 SAS 114 letter and SAS 115 letter.

**ENVIRONMENTAL CONSIDERATION**

There are no environmental considerations associated with this report.

**STRATEGIC PLAN CONFORMITY**

The recommendation made in this staff report conforms to the District's 2020-2025 Strategic Plan. The Strategic Plan directs staff to maintain fiscal responsibility with continuous achievement in sound accounting practices.

**FISCAL YEAR 2019-20 COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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**FINANCIAL SUMMARY**

The following are key financial highlights of the Fiscal Year (FY) 2019-20 CAFR:

- Elk Grove Water District (EGWD)
 

○ Revenues	\$	16,770,444
○ Expenditures	\$	12,745,042
○ Assets	\$	89,999,557
○ Liabilities	\$	45,362,516
  
- Net Position
 

○ Net Investment in Capital Assets	\$	28,389,207
○ Unrestricted Net Position	\$	<u>18,314,558</u>
○ Total Net Position	\$	<u><u>46,703,765</u></u>
  
- Capital Assets
 

○ Land	\$	686,578
○ Construction in Progress	\$	25,000
○ Buildings/Improvements/Infra.	\$	<u>68,338,696</u>
○ Total Net Capital Assets	\$	<u><u>69,050,274</u></u>
  
- The District's total assets were \$90.0 million, \$88.1 million and \$86.6 million for the years ended June 30, 2020, 2019, and 2018, respectively. There was an increase in total assets of \$1.9 million, or 2.17%, during year ended June 30, 2020, while there was an increase in total assets of \$1.5 million, or 1.7%, during fiscal year ended June 30, 2019. Increases in both fiscal years were due mainly to an overall increase in cash position as a result of revenues in excess of expenditures due to an increase in the number of customer accounts and an overall increase in water consumption as drought restrictions are lifted.
  
- The District's total liabilities were \$45.4 million, \$46.9 million and \$49.0 million as of June 30, 2020, 2019 and 2018, respectively. The decrease in total liabilities of \$1.5 million, or 3.30%, during year ended June 30, 2020 was due mainly to the continued pay down of the District's outstanding debt, offset by an increase in net Other Post-Employment Benefits liability as a result of GASB 75, while the decrease in total liabilities of \$2.1 million, or 4.3%, during fiscal year ended June 30, 2019 was due mainly to the continued pay down of the District's outstanding debt obligations.

**FISCAL YEAR 2019-20 COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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- The District's total operating revenues were \$16.4 million, \$15.2 million and \$15.3 million as of June 30, 2020, 2019 and 2018, respectively. The increase in total operating revenues of \$1.2, or 7.78% during fiscal year ended June 30, 2020 was due mainly to an increase in overall water consumption as a result of decreased rainfall during the fiscal year, as well as an increase in the number of new accounts in the EGWD's Service Area 2 related to new residential housing developments. The decrease in total operating revenues of \$0.1 million, or 0.6%, during fiscal year ended June 30, 2019 was due mainly to a decrease in overall water consumption as a result of increased rainfall during the fiscal year.
- The District's total operating expenses, after depreciation, were \$11.2 million, \$10.6 million and \$10.9 million as of June 30, 2020, 2019 and 2018, respectively. The increase in total operating expenses of \$0.5 million, or 5.05%, during fiscal year ended June 30, 2020 is due mainly to an increase in water production costs associated with the increase in overall water consumption and water purchased from Sacramento County Water Agency during the fiscal year, while the decrease in total operating expenses of \$0.3 million, or 2.7%, during fiscal year ended June 30, 2019 is due mainly to a decrease in administration and general expenses.
- The District has benefited from continued positive net income, resulting in an increase in net position of \$4.0 million, or 9.43%, during fiscal year ended June 30, 2020 and an increase of \$3.3 million, or 8.6%, during fiscal year 2019.
- Capital assets net of depreciation decreased \$0.4 million, or 0.61%, during fiscal year ended June 30, 2020 and decreased \$0.7 million, or 1.0% during fiscal year ended June 30, 2019. This was primarily a reflection of the continued depreciation of capital assets in excess of construction in progress being added through new capital projects. The District added approximately \$1.6 million and \$0.8 million in infrastructure, improvements and equipment during fiscal year ended June 30, 2020 and June 30, 2019 with annual depreciation for fiscal year ended June 30, 2020 and June 30, 2019 being approximately \$1.7 million in each year. At the end of fiscal year June 30, 2020 and June 30, 2019, \$0.02 million and \$0.4 million in infrastructure, improvement, and equipment assets were classified as "construction in-progress".
- Unrestricted net position was \$18.3 million, \$16.1 million and \$14.1 million at June 30, 2020, 2019 and 2018, respectively. Unrestricted net position increased \$2.2 million, or 13.88% during fiscal year end June 30, 2020 and increased \$2.0 million, or 12.0% during fiscal year end June 30, 2019. The District reported no restricted net position for fiscal years ended June 30, 2020, 2019 and 2018, respectively.

**FISCAL YEAR 2019-20 COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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- The District had positive cash flow from enterprise fund operations of \$6.8 million, \$6.8 million and \$6.3 million for the years ended June 30, 2020, 2019 and 2018, respectively. The District spent \$1.3 million, \$1.0 million and \$1.4 million during fiscal years ended June 30, 2020, 2019 and 2018, respectively, on the acquisition of capital assets. The District spent \$3.8 million, \$3.8 million and \$3.8 million during fiscal years ended June 30, 2020, 2019 and 2018, respectively, on debt principal and interest payments. The District experienced an increase of \$2.1 million, \$2.3 million and \$1.1 million in its ending cash and cash equivalents balances of \$18.4 million, \$16.3 million and \$14.0 million for the years ended June 30, 2020, 2019 and 2018, respectively.
  
- As shown in the CAFR, the District has \$18,314,558 in Unrestricted Net Position, which has been allocated to the following designated reserves:
  - Operations Reserve (120 days) \$ 4,714,436
  - FY 2020-21 Capital Improvement Fund \$ 2,525,000
  - FY 2020-21 Capital Replacement Fund \$ 905,000
  - Elections and Special Studies \$ 250,000
  - Future Capital Improvements \$ 7,440,091
  - Future Capital Replacements \$ 2,480,031

Respectfully submitted,



PATRICK LEE  
FINANCE MANAGER/TREASURER

Attachments



# Comprehensive Annual Financial Report

For the Fiscal Years Ended

June 30, 2020 and 2019

Elk Grove, California



Florin Resource Conservation District



## COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Years Ended June 30, 2020 and 2019

Issued by:

MARK J. MADISON  
General Manager

PATRICK LEE  
Finance Manager/Board Treasurer

DONELLA MURILLO  
Finance Supervisor

Florin Resource Conservation District  
9257 Elk Grove Blvd.  
Elk Grove, CA 95624

[www.egwd.org](http://www.egwd.org)

# Florin Resource Conservation District

## Comprehensive Annual Financial Report

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For the years ended June 30, 2020 and 2019

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# Florin Resource Conservation District

## Comprehensive Annual Financial Report

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October 20, 2020

Members of the Florin Resource Conservation District  
Board of Directors

Directors:

The Florin Resource Conservation District (District) is required by State statute to publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP). These statements must also be audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. In meeting those requirements, we are pleased to present the Comprehensive Annual Financial Report (CAFR) for the District for the fiscal years ended June 30, 2020 and 2019.

The information presented in this CAFR is intended to provide financial information with all the disclosures necessary to enable the District's customers, investment community and general public to assess the District's financial condition. The CAFR contains management's representations concerning the finances of the District. Management is responsible for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed to both protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Since the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District's financial statements have been independently audited by Badawi & Associates, a firm of licensed certified public accountants with which the District contracts for these services. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District for the fiscal years ended June 30, 2020 and 2019, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a

reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal years ended June 30, 2020 and 2019, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This transmittal letter is designed to complement the MD&A and is intended to be read in conjunction with it. For comparative purposes, the District has elected a dual year presentation for its financial statements, reporting both the current year and prior year activities, and the MD&A reporting the current year and prior two years activities. The District's MD&A is located immediately following the independent auditors' report.

### Accounting System and Budgetary Controls

The District's accounting records are maintained using the accrual basis of accounting, except for the General Fund, which uses the modified accrual basis. The revenues of the District's enterprise funds are recognized when they are earned, and the expenses are recognized when they are incurred.

District staff develops annual budgets which are subject to the approval of the District's Board of Directors (Board). A proposed budget is first presented to the Finance Committee for review and comment. Once comments are received and incorporated, a final proposed budget is presented to the Board for their consideration and approval. The budget is required to be adopted on or before June 30<sup>th</sup> of each year. The budget is used as a management tool for projecting and measuring revenues and expenses.

## **DISTRICT PROFILE**

### History

The District was formed in 1953, pursuant to Section 9000 et seq. of the Public Resources Code of the State of California. The District is located approximately six miles southeast of the City of Sacramento in the west central portion of unincorporated Sacramento County and was formed to address soil degradation issues resulting from poor irrigation and drainage. There currently are approximately 92,000 acres within the District. The District has historically provided technical assistance and conservation education to farmers, community members and students.

In 1999, the District purchased the privately-owned Elk Grove Water Works which operated and maintained a water system going back to 1893. Since 1999, most of the District's activities have focused on the continued operations of that water system.

In the early 2000's, the Elk Grove Water Works was renamed as the Elk Grove Water District (EGWD). The EGWD operates as a department of the District and is classified as a medium sized water purveyor serving approximately 46,000 people. The EGWD service area is divided into two distinct service areas commonly referred to as Service Area 1 and Service Area 2.

Source water for Service Area 1 is provided by four (4) deep wells and three (3) shallow wells owned and operated by EGWD. Source water for Service Area 2 includes both groundwater and surface water which is provided on a wholesale basis by the Sacramento County Water Agency (SCWA). Water is not shared between the two service areas except in an emergency.

The District is governed by a five-member Board of Directors serving four-year staggered terms.

### Mission Statement

The EGWD is “Continually committed to outstanding customer service along with supplying its customers with excellent, safe, affordable water for current and future generations.”

### Water Supply

Source Water – There are currently seven wells that supply groundwater to Service Area 1. Four of the wells are deep wells, and three are shallow wells. The deep aquifer has concentrations of iron and manganese that may exceed current federal and state secondary drinking water standards. The deep wells are designed to produce approximately 1,800 gallons per minute (gpm) each. The water from the deep wells is conveyed to the Railroad Water Treatment and Storage Facility where it is disinfected with sodium hypochlorite and treated for iron and manganese removal. The treated water is held in two large storage tanks before it is pumped into the water distribution system.

Additional source water is provided from the shallow groundwater wells. The shallow wells are disinfected with sodium hypochlorite prior to being pumped directly into the water distribution system. The shallow wells are used to balance system demands.

### Water Treatment

The EGWD maintains two water treatment facilities:

The Railroad Water Treatment and Storage Facility provides 4.0 million gallons of water storage, 10 booster pumps (rated at 1,700 gpm capacity each), and water treatment that removes iron and manganese. The facility contains one of the four deep wells on site. The facility has been equipped with a backup power supply generator to run the entire facility in the event of a power failure or emergency. All source water for the treatment facility is groundwater from the four deep wells. The Railroad Water Treatment and Storage Facility provides the majority of the water for Service Area 1.

The Hampton Village Water Treatment Plant (WTP) provides an additional 1,000 gpm of water to EGWD's source capacity and improves the reliability of the water system by providing redundancy to the Railroad Water Treatment and Storage Facility. The Hampton Village WTP contains one shallow well on site. Treatment facilities at the Hampton Village WTP include disinfection by sodium hypochlorite and arsenic, iron and manganese removal.

### Financial Stability and Planning

The current and future stability of the District is positive with the existing revenue source from the EGWD remaining stable. Revenues are received entirely through water rates. EGWD provides

water to nearly 12,800 service connections currently and growth projections suggest that the service connections should increase by approximately 150 in 2020.

In January of 2018, the Board directed Staff to conduct a five-year water rate study (Study) for the EGWD to cover the period of FY 2019-20 through FY 2023-24. The Plan's objectives were as follows:

- Maintain appropriate levels for reserve funds
- Maintain appropriate levels of funding for operational requirements
- Generate the appropriate level of funding necessary to fund the FY 2020-24 Five Year Capital Improvement Program
- Update the current Meter Connection Fee and Capacity Charges for new development

This study, referred to as the 2018 Water Rate Study, was approved by the Board on July 18, 2018, in compliance with the rate setting process governed under Proposition 218.

The 2018 Water Rate Study recommends rate adjustments over the next 5 years with the first adjustment commencing on January 1, 2019 and subsequent adjustments commencing each January 1 thereafter, through and including January 1, 2023. Water revenue adjustments recommended by the study and approved by the Board are as follows:

- January 2019 - 0%
- January 2020 - 0%
- January 2021 - 3%
- January 2022 - 3%
- January 2023 - 3%

On June 16, 2020, the District's Board of Directors approved Resolution No. 06.16.20.01, deferring the 3.0% revenue rate adjustment effective January 1, 2021 into future years. Each June, the Board also adopts a new five-year Capital Improvement Program (CIP) designed to build, replace, and maintain the necessary infrastructure for the safe operation of the EGWD. The CIP is available on the District's website [www.egwd.org](http://www.egwd.org).

### Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Florin Resource Conservation District for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2019. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The District believe that its current CAFR continues to meet the Certificate of Achievement Program's requirements and will be submitting it to the GFOA to determine its eligibility for the certificate for the fiscal year ended June 30, 2020.

The preparation of the comprehensive annual financial report was made possible by the dedicated services of the entire staff of the Finance Department and the Florin Resource Conservation District management team.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Mark J. Madison".

MARK J. MADISON  
GENERAL MANAGER

A handwritten signature in blue ink, appearing to read "Patrick Lee".

PATRICK LEE  
FINANCE MANAGER / BOARD TREASURER



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Florin Resource Conservation District  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2019**

*Christopher P. Morrell*

Executive Director/CEO



# BOARD OF DIRECTORS



**Chair**  
Tom Nelson  
Present term expires  
December 31, 2022



**Vice-Chair**  
Bob Gray  
Present term expires  
December 31, 2022



**Director**  
Lisa Medina  
Present term expires  
December 31, 2020

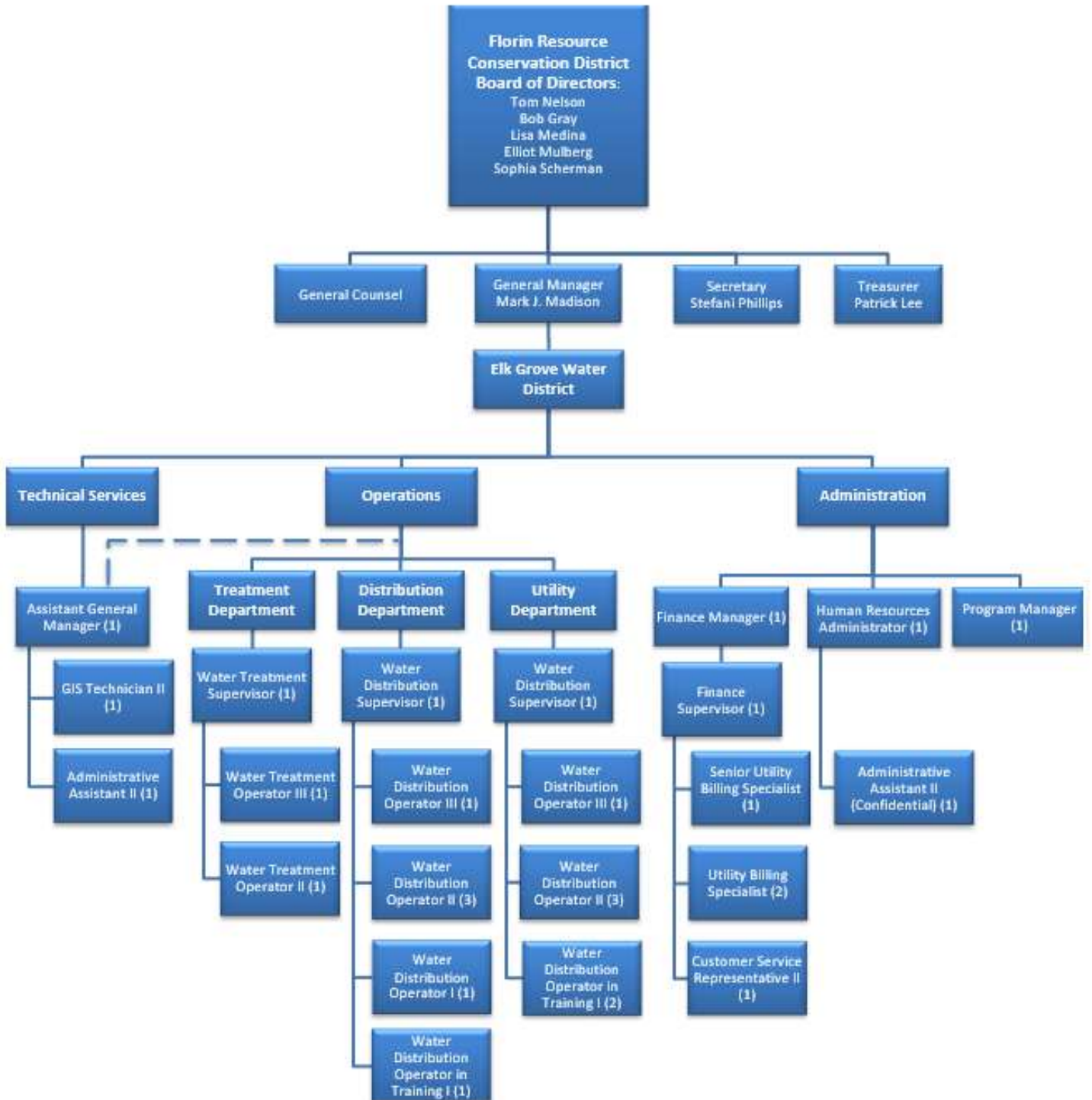


**Director**  
Elliot Mulberg  
Present term expires  
December 31, 2022



**Director**  
Sophia Scherman  
Present term expires  
December 31, 2020

# ORGANIZATIONAL CHART





## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
of the Florin Resource Conservation District  
Elk Grove, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, and each major fund of the Florin Resource Conservation District (District) as of and for the years ended June 30, 2020 and 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 accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

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

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

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, and each major fund of District, as of June 30, 2020 and June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Directors  
of the Florin Resource Conservation District  
Elk Grove, California  
Page Two

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, defined benefit pension plan schedules, and defined benefit OPEB plan schedules on pages 3 to 12 and pages 59 to 62 to be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Introductory section, and Statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Introductory section and Statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



Badawi & Associates  
Certified Public Accountants  
Berkeley, California  
September 30, 2020

## Florin Resource Conservation District

### Management's Discussion and Analysis

For the years ended June 30, 2020, 2019 and 2018

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The following narrative overview and analysis of the financial activities of the Florin Resource Conservation District (District) for the fiscal year ended June 30, 2020, 2019 and 2018 has been prepared by management to enhance the information provided in the transmittal letter. It is intended to be read in conjunction with that letter and should provide a better understanding of the District's financial operations and performance. Although the District is a Resource Conservation District (RCD), it also provides water service to residents and businesses in the city of Elk Grove, CA. The water services are provided under the Elk Grove Water District (EGWD), a department of the Florin Resource Conservation District. While both entities are being reported on, the bulk of the financial information is for the EGWD, which has a large revenue base. On April 18, 2018, the District's Board of Directors adopted a resolution declaring that effective July 1, 2018, all future activities performed by the District will be limited to water related activities that provide a benefit to the EGWD ratepayers.

#### FINANCIAL HIGHLIGHTS

- The District's total assets were \$90.0 million, \$88.1 million and \$86.6 million for the years ended June 30, 2020, 2019, and 2018, respectively. There was an increase in total assets of \$1.9 million, or 2.17%, during year ended June 30, 2020, while there was an increase in total assets of \$1.5 million, or 1.7%, during fiscal year ended June 30, 2019. Increases in both fiscal years were due mainly to an overall increase in cash position as a result of revenues in excess of expenditures due to an increase in the number of customer accounts and an overall increase in water consumption as drought restrictions are lifted.
- The District's total liabilities were \$45.4 million, \$46.9 million and \$49.0 million as of June 30, 2020, 2019 and 2018, respectively. The decrease in total liabilities of \$1.5 million, or 3.30%, during year ended June 30, 2020 was due mainly to the continued pay down of the District's outstanding debt, offset by an increase in net OPEB liability as a result of GASB 75, while the decrease in total liabilities of \$2.1 million, or 4.3%, during fiscal year ended June 30, 2019 was due mainly to the continued pay down of the District's outstanding debt obligations.
- The District's total operating revenues were \$16.4 million, \$15.2 million and \$15.3 million as of June 30, 2020, 2019 and 2018, respectively. The increase in total operating revenues of \$1.2, or 7.78% during fiscal year ended June 30, 2020 was due mainly to an increase in overall water consumption due to decreased rainfall during the fiscal year, as well as an increase in the number of new accounts in the EGWD's Service Area 2 related to new residential housing developments. The decrease in total operating revenues of \$0.1 million, or 0.6%, during fiscal year ended June 30, 2019 was due mainly to a decrease in overall water consumption as a result of increased rainfall during the fiscal year.
- The District's total operating expenses, after depreciation, were \$11.2 million, \$10.6 million and \$10.9 million as of June 30, 2020, 2019 and 2018, respectively. The increase in total operating expenses of \$0.5 million, or 5.05%, during fiscal year ended June 30, 2020 is due mainly to an increase in water production costs associated with the increase in overall water consumption and water purchased from SCWA during the fiscal year, while the

## Florin Resource Conservation District

### Management's Discussion and Analysis, Continued

#### For the years ended June 30, 2020, 2019 and 2018

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decrease in total operating expenses of \$0.3 million, or 2.7%, during fiscal year ended June 30, 2019 is due mainly to a decrease in administration and general expenses.

- The District has benefited from continued positive net income, resulting in an increase in net position of \$4.0 million, or 9.43%, during fiscal year ended June 30, 2020 and an increase of \$3.3 million, or 8.6%, during fiscal year 2019.
- Capital assets net of depreciation decreased \$0.4 million, or 0.61%, during fiscal year ended June 30, 2020 and decreased \$0.7 million, or 1.0% during fiscal year ended June 30, 2019. This was primarily a reflection of the continued depreciation of capital assets in excess of construction in progress being added through new capital projects. The District added approximately \$1.6 million and \$0.8 million in infrastructure, improvements and equipment during fiscal year ended June 30, 2020 and June 30, 2019 with annual depreciation for fiscal year ended June 30, 2020 and June 30, 2019 being approximately \$1.7 million in each year. At the end of fiscal year June 30, 2020 and June 30, 2019, \$0.02 million and \$0.4 million in infrastructure, improvement, and equipment assets were classified as "construction in-progress".
- Unrestricted net position was \$18.3 million, \$16.1 million and \$14.1 million at June 30, 2020, 2019 and 2018, respectively. Unrestricted net position increased \$2.2 million, or 13.88% during fiscal year end June 30, 2020 and increased \$2.0 million, or 12.0% during fiscal year end June 30, 2019. The District reported no restricted net position for fiscal years ended June 30, 2020, 2019 and 2018, respectively.
- The District had positive cash flow from enterprise fund operations of \$6.8 million, \$6.8 million and \$6.3 million for the years ended June 30, 2020, 2019 and 2018, respectively. The District spent \$1.3 million, \$1.0 million and \$1.4 million during fiscal years ended June 30, 2020, 2019 and 2018, respectively, on the acquisition of capital assets. The District spent \$3.8 million, \$3.8 million and \$3.8 million during fiscal years ended June 30, 2020, 2019 and 2018, respectively, on debt principal and interest payments. The District experienced an increase of \$2.1 million, \$2.3 million and \$1.1 million in its ending cash and cash equivalents balances of \$18.4 million, \$16.3 million and \$14.0 million for the years ended June 30, 2020, 2019 and 2018, respectively.

## SECTIONS OF THE FINANCIAL STATEMENTS

The three sections of the District's financial statements are the: 1) introductory section, 2) financial section, and 3) statistical section.

### *Introductory Section*

This includes the table of contents, letter of transmittal, list of Board of Directors and Staff, and organization chart. The transmittal letter includes discussion on items that had a significant impact on the financial statements.



# Florin Resource Conservation District

## Management's Discussion and Analysis, Continued

### For the years ended June 30, 2020, 2019 and 2018

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#### *Financial Section*

This section includes the auditor's report, management's discussion and analysis and the basic financial statements. The District's basic financial statements are comprised of the government-wide statements, the fund statements, the notes to the basic financial statements, and the required supplementary information. The management's discussion and analysis was adjusted to indicate that the discussion of the change in net position of governmental activities includes a discussion of the change in fund balance since no significant reconciling items exist between the fund and government-wide statements.

#### *Statistical Section*

The statistical section is the chief source of information regarding a government's *economic condition*. All of the information presented in the statistical section is organized around five specific objectives.

- *Provide information on financial trends.* Information needed to help users understand how a government's financial position has changed over time.
- *Provide information on revenue capacity.* Information needed to help the users understand and assess a government's ability to generate revenues.
- *Provide information on debt capacity.* Information needed to help users understand and assess a government's debt burden.
- *Provide demographic and economic information.* Information needed to help users understand the government's socioeconomic environment and to facilitate comparisons of financial statement information over time and among governments.
- *Provide operating information.* Information needed to help users understand a government's operations and resources as well as to provide a context for understanding and assessing its economic condition.

#### OVERVIEW OF THE FINANCIAL STATEMENTS

The management's discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise four components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the basic financial statements, and 4) required supplementary information. The District's Proprietary Fund Statements include those Water System activities funded primarily through user charges to customers. The District's governmental funds include activities related to resource conservation efforts not funded from user charges.

**Florin Resource Conservation District**  
**Management's Discussion and Analysis, Continued**  
**For the years ended June 30, 2020, 2019 and 2018**

The government-wide statements include the Comparative Statement of Net Position and the Statements of Activities, the Proprietary Fund Statements and the Statements of Cash Flows. The Statement of Net Position presents information on all assets and liabilities, with the difference between the two reported as total net position. The government-wide statements and Proprietary Fund Statements use the economic resources measurement focus and accrual basis of accounting, similar to private enterprises. The governmental fund statements include a Balance Sheet, Statement of Revenues, Expenditures and Changes in Fund Balance and the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual. The governmental fund uses the current financial resources measurement focus and the modified accrual basis of accounting. When evaluated over a period of time, increases or decreases in net position and fund balance may serve as an indicator of whether the financial position of the District is improving or deteriorating. The Statement of Revenues, Expenses and Changes in Net Position and the Statement of Revenues, Expenditures and Changes in Fund Balance reflect the revenues and expenses for the fiscal year ended. The Statement of Cash Flows shows the sources and uses of cash in the operating, non-capital, capital and related financing, and investing activities. The notes provide in depth information that is vital to gaining a full understanding of the data provided in the financial statements.

**FINANCIAL ANALYSIS OF THE DISTRICT**

**STATEMENT OF NET POSITION - GOVERNMENT-WIDE TOTALS**  
**AS OF JUNE 30, 2020, 2019 AND 2018**

	Governmental activities			Business-type activities			Total		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
Current assets	\$ -	\$ -	\$ 22,562	\$ 20,949,283	\$ 18,611,957	\$ 16,264,907	\$ 20,949,283	\$ 18,611,957	\$ 16,287,469
Capital assets, net of depreciation	-	-	-	69,050,274	69,473,860	70,163,980	69,050,274	69,473,860	70,163,980
Other assets	-	-	-	-	-	141,278	-	-	141,278
<b>Total Assets</b>	-	-	22,562	89,999,557	88,085,817	86,570,165	89,999,557	88,085,817	86,592,727
Deferred outflows	-	-	-	2,432,553	1,951,453	2,255,963	2,432,553	1,951,453	2,255,963
Current liabilities	-	-	4,859	3,833,076	3,738,651	3,387,447	3,833,076	3,738,651	3,392,306
Long-term liabilities	-	-	-	41,529,439	43,169,545	45,641,361	41,529,439	43,169,545	45,641,361
<b>Total Liabilities</b>	-	-	4,859	45,362,515	46,908,196	49,028,808	45,362,515	46,908,196	49,033,667
Deferred inflows	-	-	-	365,829	450,711	494,249	365,829	450,711	494,249
Net Position:									
Net Investment in Capital Assets	-	-	-	28,389,207	26,595,706	25,163,739	28,389,207	26,595,706	25,163,739
Unrestricted	-	-	17,703	18,314,558	16,082,657	14,139,332	18,314,558	16,082,657	14,157,035
<b>Total Net Position</b>	\$ -	\$ -	\$ 17,703	\$ 46,703,765	\$ 42,678,363	\$ 39,303,071	\$ 46,703,765	\$ 42,678,363	\$ 39,320,774



**Florin Resource Conservation District**  
**Management's Discussion and Analysis, Continued**  
**For the years ended June 30, 2020, 2019 and 2018**

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**GOVERNMENTAL ACTIVITIES FINANCIAL ANALYSIS**

On April 18, 2018, the District's Board of Directors approved a resolution declaring that effective July 1, 2018, all future activities performed by the District be limited to water related activities that provide a benefit to the EGWD ratepayers. With this resolution, the assets and related liabilities of the General Fund were consolidated with the assets and related liabilities of the Water Enterprise Fund, resulting in a transfer out of \$18,552 from the General Fund into the Water Enterprise Fund to zero out the General Fund. Due to this, there were no governmental activities for the year ended June 30, 2020. All analysis of changes in balances from year to year for governmental activities will only be for fiscal years ending June 30, 2019 and June 30, 2018.

There was a decrease in current assets of \$22,562 in fiscal year 2019 and a decrease of \$24,506 in fiscal year 2018, respectively. Also, during the same time periods, there was a decrease in liabilities of \$4,859 in fiscal year 2019 and an increase of \$192 in fiscal year 2018, respectively. Unrestricted net position decreased \$17,703 in fiscal year 2019 and decreased \$24,698 in fiscal year 2018, respectively.

Although there are no ongoing revenue sources for District's resource conservation programs, the District did receive a reimbursement grant from the Department of Conservation which reimbursed the District for expenditures in the amount of \$19,092 in fiscal year 2019 and \$23,542 in fiscal year 2018 for conservation related program expenditures. There was a decrease in expenditures of \$29,997 in fiscal year 2019 and an increase in expenditures of \$239 in fiscal year 2018, respectively. The gradual decrease in expenditures from year to year is due to the overall lack in conservation related program funding and no ongoing stable revenue source for the District's resource conservation programs.

**BUSINESS-TYPE ACTIVITIES FINANCIAL ANALYSIS**

There was an increase in revenues of \$1.2 million in fiscal year 2020, a decrease of \$0.1 million in fiscal year 2019 and an increase of \$1.1 million in 2018, respectively. The increase in revenues for fiscal year 2020 was a result of an overall increase in the number of new accounts as residential development increased in the EGWD's Service Area 2. The decrease in revenues in fiscal year 2019 was attributable to the increased precipitation during the winter months, resulting in less water consumption. The increases in revenue for fiscal years 2018 is attributable to a 3.0% revenue rate increase that was effective January 1, 2018, as well as increased water consumption due to the State emerging from the drought and certain water use restrictions being lifted.

Current assets increased by \$2.3 million in fiscal year 2020, increased by \$2.3 million in fiscal year 2019 and increased by \$1.1 million in fiscal year 2018, respectively. The increases in each of the fiscal years were due to an increase in cash and cash equivalents as a result of positive operating income due to prudent operating cost control. As a result of continued positive operating income due to prudent operating cost control, the District has been able to forgo the need for water rate adjustments for the past 2 years and will be deferring the water rate adjustment effective January 1, 2021 into future years.

**Florin Resource Conservation District**  
**Management’s Discussion and Analysis, Continued**  
**For the years ended June 30, 2020, 2019 and 2018**

Capital assets (net of depreciation) decreased \$0.4 million in fiscal year 2020, decreased \$0.7 million in fiscal year 2019 and decreased \$0.3 million in fiscal year 2018, respectively. The decreases in each fiscal year was primarily due to depreciation expense exceeding the amount of capitalized construction in progress to depreciable assets. Total depreciation expense recognized was approximately \$1.7 million each year for fiscal years 2020, 2019 and 2018, respectively.

Current liabilities increased by \$0.9 million in fiscal year 2020, increased by \$0.4 million in fiscal year 2019 and increased by \$0.06 million in fiscal year 2018, respectively. The increase in fiscal year 2020 and 2019 was due primarily to the accrual for water purchased from SCWA for the months of May and June of 2020 and 2019, while the increases in fiscal years 2018 was due primarily to principal debt payments coming due within the year.

Long term liabilities in the Water District Fund decreased by \$1.6 million in fiscal year 2020, decreased by \$2.5 million in fiscal year 2019 and decreased by \$2.0 million in fiscal year 2018 respectively, all as a result of continued debt service payments.

**CONDENSED SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - GOVERNMENT-WIDE TOTALS FOR THE YEARS ENDED JUNE 30, 2020, 2019 AND 2018**

	Governmental activities			Business-type activities			Total		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
<b>Revenues:</b>									
Water services	\$ -	\$ -	\$ -	\$ 16,418,370	\$ 15,233,673	\$ 15,343,124	\$ 16,418,370	\$ 15,233,673	\$ 15,343,124
<b>General Revenues:</b>									
Interest earnings	-	-	-	311,494	411,525	38,008	311,494	411,525	38,008
Other	-	19,092	23,542	40,580	19,369	23,344	40,580	38,461	46,886
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ 19,092</b>	<b>\$ 23,542</b>	<b>\$ 16,770,444</b>	<b>\$ 15,664,567</b>	<b>\$ 15,404,476</b>	<b>\$ 16,770,444</b>	<b>\$ 15,683,659</b>	<b>\$ 15,428,018</b>
<b>Expenses:</b>									
General Government	\$ -	\$ 18,243	\$ 48,240	\$ -	\$ -	\$ -	\$ -	\$ 18,243	\$ 48,240
Water Service	-	-	-	12,745,042	12,307,827	12,689,245	12,745,042	12,307,827	12,689,245
<b>Total Expenses</b>	<b>\$ -</b>	<b>\$ 18,243</b>	<b>\$ 48,240</b>	<b>\$ 12,745,042</b>	<b>\$ 12,307,827</b>	<b>\$ 12,689,245</b>	<b>\$ 12,745,042</b>	<b>\$ 12,326,070</b>	<b>\$ 12,737,485</b>
<b>Change in net position before transfers</b>	<b>-</b>	<b>849</b>	<b>(24,698)</b>	<b>4,025,402</b>	<b>3,356,740</b>	<b>2,715,231</b>	<b>4,025,402</b>	<b>3,357,589</b>	<b>2,690,533</b>
<b>Transfers</b>	<b>-</b>	<b>(18,552)</b>	<b>-</b>	<b>-</b>	<b>18,552</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in net position</b>	<b>-</b>	<b>(17,703)</b>	<b>(24,698)</b>	<b>4,025,402</b>	<b>3,375,292</b>	<b>2,715,231</b>	<b>4,025,402</b>	<b>3,357,589</b>	<b>2,690,533</b>
<b>Net position, beginning of year, as restated</b>	<b>-</b>	<b>17,703</b>	<b>42,401</b>	<b>42,678,363</b>	<b>39,303,071</b>	<b>36,587,840</b>	<b>42,678,363</b>	<b>39,320,774</b>	<b>36,630,241</b>
<b>NET POSITION, END OF YEAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 17,703</b>	<b>\$ 46,703,765</b>	<b>\$ 42,678,363</b>	<b>\$ 39,303,071</b>	<b>\$ 46,703,765</b>	<b>\$ 42,678,363</b>	<b>\$ 39,320,774</b>

**GOVERNMENTAL ACTIVITIES HIGHLIGHTS**

For the District’s resource conservation programs during fiscal years 2019 and 2018, there was a decrease in net position of \$17,703 and \$24,698, respectively. This resulted from conservation related expenditures without ongoing revenues, as the District is drawing down its cash balances to fund resource conservation efforts. Although the District received a reimbursement grant from the Department of Conservation in 2018, the grant only reimbursed the cost of conservation

**Florin Resource Conservation District**  
**Management’s Discussion and Analysis, Continued**  
**For the years ended June 30, 2020, 2019 and 2018**

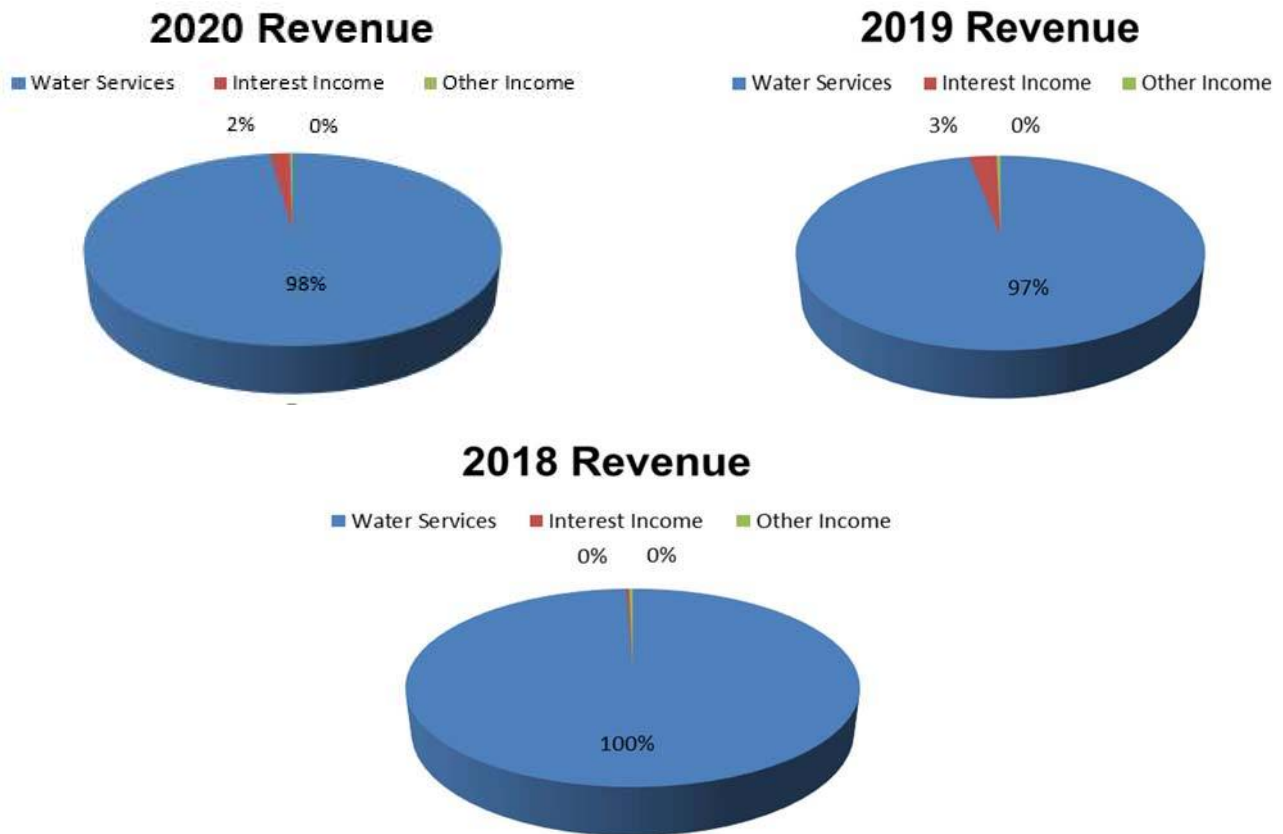
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related activities totaling \$19,092 in fiscal year 2019 and \$23,542 in fiscal year 2018. Cash and cash equivalents decreased from \$19,819 to \$0 in fiscal years 2018 and 2019. Total expenditures continue to decline year after year as the District shifts its focus from conservation related activities to water related activities that benefit the rate payers of the EGWD.

**BUSINESS-TYPE ACTIVITIES HIGHLIGHTS**

Total net position of business type activities was \$46.7 million in fiscal year 2020, \$42.7 million in fiscal year 2019 and \$39.3 million in fiscal year 2018, respectively. Operating expenses increased by approximately \$0.5 million in fiscal year 2020 due mainly to an increase in water production costs associated with increased consumption and an increase in costs for water purchased from SCWA. Operating expenses decreased by \$0.3 million in fiscal year 2019 due mainly to the completion of the 5-year water rate study in fiscal year 2018 and less water purchased from Sacramento County Water Agency as a result of increased precipitation during the winter months. Operating expenses increased by \$1.1 million in fiscal year 2018 due mainly to costs related to the 5-year water rate and connection fee studies, increased legal costs and the recognition of pension expenses related to GASB 68 and the Districts retirement plan.

The breakdown of business-type activities revenues by type for the fiscal years ended June 30, 2020, 2019 and 2018 were as follows:

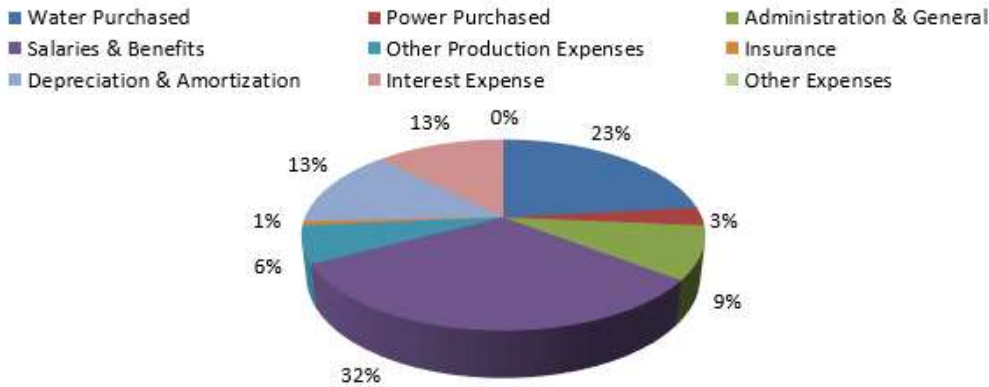


**Florin Resource Conservation District**  
**Management’s Discussion and Analysis, Continued**  
**For the years ended June 30, 2020, 2019 and 2018**

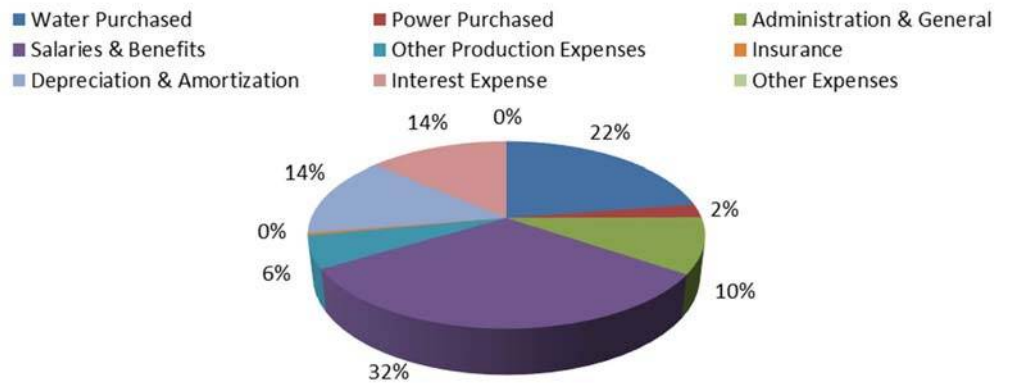
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The breakdown of business-type activities expenses by type for the fiscal years ended June 30, 2020, 2019 and 2018 were as follows:

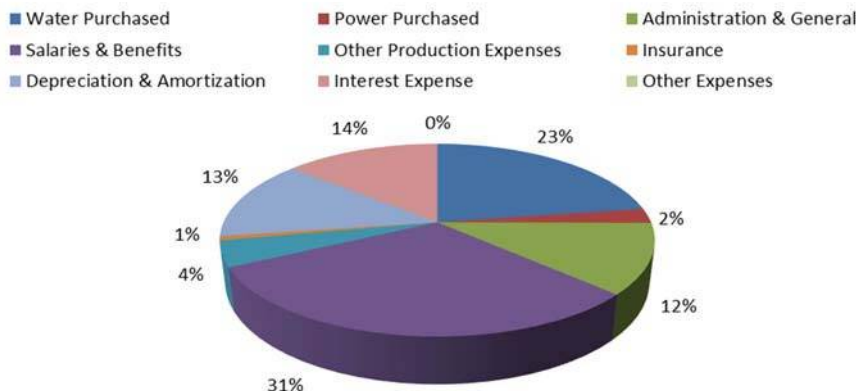
**2020 Expenses**



**2019 Expenses**



**2018 Expenses**



**Florin Resource Conservation District**  
**Management’s Discussion and Analysis, Continued**  
**For the years ended June 30, 2020, 2019 and 2018**

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**General Fund Budgetary Highlights**

The District received a reimbursement grant through the California Department of Conservation, which reimbursed expenditures for conservation specific program related activities. Besides this reimbursement grant, the General Fund, which reports the District’s resource conservation efforts, has no ongoing sources of revenue. The General Fund was closed out in fiscal year 2019 and all remaining assets and liabilities were transferred into the Water Enterprise Fund based on the Board decision made during the April 18, 2018 meeting that all future activities of the District will be water related activity that benefit the ratepayers of the EGWD.

**Capital Asset and Debt Administration**

Most of the District’s assets and annual expenditures relate to the construction, repair and maintenance of the EGWD’s infrastructure since the District has shifted the focus of its activities performed to water related activities that benefit the ratepayers of the EGWD. Repair and replacement of aging infrastructure is one of the most significant challenges facing the District. The District assesses and manages the infrastructure of the EGWD through cost focus planning, taking into account water resource availability, consumer peak demand needs and climatic changes. Funding for capital projects comes primarily from user charges to District customers.

The changes in capital assets in fiscal years 2020, 2019 and 2018 were primarily a result of expenditures for infrastructure offset by depreciation each year. Depreciation expense for fiscal years 2020, 2019 and 2018 was approximately \$1.7 million in each year, respectively.

Major capital asset projects during fiscal years 2020 and 2019 included the Backyard Water Main Replacement Project, replacement of the bore rig, fleet vehicle replacements and Well 3 pump replacements. See additional information on capital assets in Note 3 on page 40.

**OUTSTANDING DEBT ISSUES**  
**AS OF JUNE 30, 2020, 2019 AND 2018**

	2020	2019	2018
2014 Water Revenue Refunding Bonds	\$ 26,640,000	\$ 28,430,000	\$ 30,135,000
2016 Water Revenue Refunding Bonds	13,270,000	13,645,000	14,010,000
Total	<u>\$ 39,910,000</u>	<u>\$ 42,075,000</u>	<u>\$ 44,145,000</u>

The District issues debt as a funding resource for major repairs and maintenance on EGWD infrastructure. The District’s debt covenant requires that “net operating revenues” equal or exceed 115% of the annual debt service cost in any year. For compliance history, please see the “Pledged Revenue Coverage” schedule in the Statistical Section. For more information on long-term debt activity, please refer to Note 4 on page 41.

**Economic Factors and Next Year’s Budgets and Rates**

- The most recent data available from the Bureau of Labor Statistics for the Sacramento Metropolitan Area shows a struggling economy as a result of the COVID-19 pandemic.

## Florin Resource Conservation District

### Management's Discussion and Analysis, Continued

#### For the years ended June 30, 2020, 2019 and 2018

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As of June 2020, the local unemployment rate was 12.8%, compared to 3.7% in June 2019, respectively and the Nation's Gross Domestic Product (GDP) is estimated to decline by 5.0% year over year.

- The City of Elk Grove continues to grow as the City moves forward with major initiatives and development projects including new zoning for residential and commercial development. The District has experienced a 2.60% increase in new customer accounts over last year, attributing to increased revenues through user fees.
- On July 18, 2018 the Board adopted a five-year rate structure which calls for revenue rate adjustments as follows:
  - 0% January 2019
  - 0% January 2020
  - 3% January 2021
  - 3% January 2022
  - 3% January 2023

On June 16, 2020, the District's Board of Directors approved Resolution No. 06.16.20.01, deferring the 3.0% revenue rate adjustment effective January 1, 2021 into future years.

- On June 22, 2020, the District entered into a purchase and sales agreement for the purchase of certain real estate property located at 9829 Waterman Rd., Elk Grove, CA 95624 for \$1.85 million and for the sale of the District's current administrative building located at 9257 Elk Grove Blvd., Elk Grove, CA 95624 for \$0.9 million. The transaction is contingent upon the results of an Environmental Site Assessment and an American Land Title Association survey, with escrow estimated to close in October of 2020.

All of these factors were considered in preparing the Florin Resource Conservation District's budget for the fiscal year ending June 30, 2021. The District adopted an operating budget of \$15.7 million for FY 2020-21. In addition, the District approved \$1.4 million in capital expenditures for FY 2020-21, as part of the five-year Capital Improvement Program totaling \$6.9 million.

#### Requests for Information

This financial report is designed to provide a general overview of the District's finances. Questions concerning the information provided in this report or for requests for additional financial information should be addressed to:

Finance Manager/Treasurer  
Florin Resource Conservation District  
9257 Elk Grove Blvd.  
Elk Grove, CA 95624

Or you may visit the District's website at [www.egwd.org](http://www.egwd.org) for more information.



# Florin Resource Conservation District

## Comparative Statement of Net Position

June 30, 2020 and 2019

	2020			2019		
	Governmental	Business-type	Total	Governmental	Business-type	Total
	Activities	Activities		Activities	Activities	
<b>ASSETS</b>						
Current assets:						
Cash and cash equivalents	\$ -	\$ 18,403,831	\$ 18,403,831	\$ -	\$ 16,332,269	\$ 16,332,269
Receivables:						
Customer accounts receivable	-	2,279,849	2,279,849	-	2,023,316	2,023,316
Other receivables	-	5,246	5,246	-	17,341	17,341
Interest receivable	-	26,677	26,677	-	22,610	22,610
Inventories	-	179,089	179,089	-	87,632	87,632
Prepaid expenses	-	54,591	54,591	-	128,789	128,789
Total current assets	-	20,949,283	20,949,283	-	18,611,957	18,611,957
Noncurrent assets:						
Capital assets:						
Not being depreciated	-	711,578	711,578	-	1,053,079	1,053,079
Being depreciated, net	-	68,338,696	68,338,696	-	68,420,781	68,420,781
Total capital assets	-	69,050,274	69,050,274	-	69,473,860	69,473,860
Total noncurrent assets	-	69,050,274	69,050,274	-	69,473,860	69,473,860
<b>Total assets</b>	-	89,999,557	89,999,557	-	88,085,817	88,085,817
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred amount on refunding of debt	-	887,135	887,135	-	961,063	961,063
Deferred outflows of resources - pension	-	734,581	734,581	-	819,465	819,465
Deferred outflows of resources - OPEB	-	810,837	810,837	-	170,925	170,925
<b>Total deferred outflows of resources</b>	-	2,432,553	2,432,553	-	1,951,453	1,951,453
<b>LIABILITIES</b>						
Current liabilities:						
Accounts payable	-	248,844	248,844	-	345,439	345,439
Due to other governments	-	544,447	544,447	-	484,043	484,043
Interest payable	-	536,746	536,746	-	571,080	571,080
Unearned revenue	-	16,848	16,848	-	16,848	16,848
Noncurrent liabilities, due within one year	-	2,486,192	2,486,192	-	2,321,241	2,321,241
Total current liabilities	-	3,833,077	3,833,077	-	3,738,651	3,738,651
Noncurrent liabilities:						
Net pension liability	-	1,547,411	1,547,411	-	1,443,330	1,443,330
Net OPEB liability	-	647,334	647,334	-	8,370	8,370
Noncurrent liabilities, due in more than one year	-	39,334,694	39,334,694	-	41,717,845	41,717,845
Total noncurrent liabilities	-	41,529,439	41,529,439	-	43,169,545	43,169,545
<b>Total liabilities</b>	-	45,362,516	45,362,516	-	46,908,196	46,908,196
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred inflows of resources - pension	-	65,974	65,974	-	87,141	87,141
Deferred inflows of resources - OPEB	-	299,855	299,855	-	363,570	363,570
<b>Total deferred inflows of resources</b>	-	365,829	365,829	-	450,711	450,711
<b>NET POSITION</b>						
Net investment in capital assets	-	28,389,207	28,389,207	-	26,595,706	26,595,706
Unrestricted	-	18,314,558	18,314,558	-	16,082,657	16,082,657
<b>Total net position</b>	\$ -	\$ 46,703,765	\$ 46,703,765	\$ -	\$ 42,678,363	\$ 42,678,363

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

# Florin Resource Conservation District

## Statement of Activities

For the year ended June 30, 2020

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		Change in Net Position		
		Charges for Services	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>PRIMARY GOVERNMENT:</b>						
<b>GOVERNMENTAL ACTIVITIES:</b>						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL GOVERNMENTAL ACTIVITIES	-	-	-	-	-	-
<b>BUSINESS-TYPE ACTIVITIES:</b>						
Water District	12,745,042	16,418,370	-	-	3,673,328	3,673,328
TOTAL BUSINESS-TYPE ACTIVITIES	12,745,042	16,418,370	-	-	3,673,328	3,673,328
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 12,745,042</b>	<b>\$ 16,418,370</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,673,328</b>	<b>\$ 3,673,328</b>
<b>GENERAL REVENUES:</b>						
Interest and investment earnings				\$ -	\$ 311,494	\$ 311,494
Other revenues				-	22,614	22,614
Transfer in/(out)				-	-	-
Gain on sale of capital assets				-	17,966	17,966
<b>Total general revenues</b>				<b>-</b>	<b>352,074</b>	<b>352,074</b>
<b>Change in net position</b>				<b>-</b>	<b>4,025,402</b>	<b>4,025,402</b>
<b>Net position - beginning of year</b>				<b>-</b>	<b>42,678,363</b>	<b>42,678,363</b>
<b>Net position - end of year</b>				<b>\$ -</b>	<b>\$ 46,703,765</b>	<b>\$ 46,703,765</b>

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



# Florin Resource Conservation District

## Statement of Activities

For the year ended June 30, 2019

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		Change in Net Position		
		Charges for Services	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>PRIMARY GOVERNMENT:</b>						
<b>GOVERNMENTAL ACTIVITIES:</b>						
General government	\$ 18,243	\$ -	\$ 19,092	\$ 849	\$ -	\$ 849
TOTAL GOVERNMENTAL ACTIVITIES	18,243	-	19,092	849	-	849
<b>BUSINESS-TYPE ACTIVITIES:</b>						
Water District	12,307,827	15,233,673	-	-	2,925,846	2,925,846
TOTAL BUSINESS-TYPE ACTIVITIES	12,307,827	15,233,673	-	-	2,925,846	2,925,846
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 12,326,070</b>	<b>\$ 15,233,673</b>	<b>\$ 19,092</b>	<b>\$ 849</b>	<b>\$ 2,925,846</b>	<b>\$ 2,926,695</b>
<b>GENERAL REVENUES:</b>						
Interest and investment earnings				\$ -	\$ 411,525	\$ 411,525
Other revenues				-	7,783	7,783
Transfer in/(out)				(18,552)	18,552	-
Gain on sale of capital assets				-	11,586	11,586
<b>Total general revenues</b>				<b>(18,552)</b>	<b>449,446</b>	<b>430,894</b>
<b>Change in net position</b>				<b>(17,703)</b>	<b>3,375,292</b>	<b>3,357,589</b>
<b>Net position - beginning of year</b>				<b>17,703</b>	<b>39,303,071</b>	<b>39,320,774</b>
<b>Net position - end of year</b>				<b>\$ -</b>	<b>\$ 42,678,363</b>	<b>\$ 42,678,363</b>

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

# Florin Resource Conservation District

## Comparative Balance Sheet

### Governmental Fund

June 30, 2020 and 2019

	General Fund	
	2020	2019
<b>ASSETS</b>		
Total assets	\$ -	\$ -
<b>LIABILITIES AND FUND BALANCES</b>		
Total liabilities	-	-
Total fund balances	-	-
Total liabilities and fund balances	\$ -	\$ -
Total fund balance, governmental fund	\$ -	\$ -
<p>There were no reconciling differences between net position for governmental activities in the statement of net position and fund balance in the governmental fund balance sheet.</p>		
Total net position, governmental activities	\$ -	\$ -

## Florin Resource Conservation District

### Comparative Statement of Revenues, Expenditures and Changes in Fund Balances

#### Governmental Fund

For the Fiscal Years ended June 30, 2020 and 2019

	General Fund	
	2020	2019
<b>REVENUES:</b>		
Grant revenue	\$ -	\$ 19,092
<b>Total revenues</b>	<b>-</b>	<b>19,092</b>
<b>EXPENDITURES:</b>		
Current:		
General government	-	18,243
<b>Total expenditures</b>	<b>-</b>	<b>18,243</b>
<b>OTHER FINANCING SOURCES (USES):</b>		
Transfers In/(Outs)	-	(18,552)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(18,552)</b>
<b>Net change in fund balances</b>	<b>-</b>	<b>(17,703)</b>
<b>FUND BALANCES:</b>		
Beginning of year	-	17,703
End of year	\$ -	\$ -
Net change in fund balance, governmental fund	\$ -	\$ (17,703)
There were no reconciling differences between changes in net position for governmental activities in the statement of activities and changes in fund balance in the statement of revenues, expenditures, and changes in fund balance.		
Change in net position, governmental activities	\$ -	\$ (17,703)

# Florin Resource Conservation District

## Comparative Statement of Net Position

### Proprietary Fund - Water Enterprise

June 30, 2020 and 2019

	2020	2019
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 18,403,831	\$ 16,332,269
Receivables:		
Customer accounts receivable	2,279,849	2,023,316
Other receivables	5,246	17,341
Interest receivable	26,677	22,610
Inventories	179,089	87,632
Prepaid expense	54,591	128,789
Total current assets	<u>20,949,283</u>	<u>18,611,957</u>
Noncurrent assets:		
Capital assets:		
Not being depreciated	711,578	1,053,079
Being depreciated, net	68,338,696	68,420,781
Total capital assets	<u>69,050,274</u>	<u>69,473,860</u>
Total noncurrent assets	<u>69,050,274</u>	<u>69,473,860</u>
<b>Total assets</b>	<u>89,999,557</u>	<u>88,085,817</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred amount on refunding of debt	887,135	961,063
Deferred outflows of resources - pension	734,581	819,465
Deferred outflows of resources - OPEB	810,837	170,925
<b>Total deferred outflows of resources</b>	<u>2,432,553</u>	<u>1,951,453</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	248,844	345,439
Due to other governments	544,447	484,043
Interest payable	536,746	571,080
Unearned revenue	16,848	16,848
Noncurrent liabilities, due within one year	2,486,192	2,321,241
Total current liabilities	<u>3,833,077</u>	<u>3,738,651</u>
Noncurrent liabilities:		
Net pension liability	1,547,411	1,443,330
Net OPEB liability	647,334	8,370
Noncurrent liabilities, due in more than one year	39,334,694	41,717,845
Total noncurrent liabilities	<u>41,529,439</u>	<u>43,169,545</u>
<b>Total liabilities</b>	<u>45,362,516</u>	<u>46,908,196</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows of resources - pension	65,974	87,141
Deferred inflows of resources - OPEB	299,855	363,570
<b>Total deferred inflows of resources</b>	<u>365,829</u>	<u>450,711</u>
<b>NET POSITION</b>		
Net investment in capital assets	28,389,207	26,595,706
Unrestricted (deficit)	18,314,558	16,082,657
<b>Total net position</b>	<u>\$ 46,703,765</u>	<u>\$ 42,678,363</u>

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

## Florin Resource Conservation District

### Comparative Statement of Revenues, Expenses and Changes in Fund Net Position

#### Proprietary Fund - Water Enterprise

For the Fiscal Years ended June 30, 2020 and 2019

	2020	2019
<b>OPERATING REVENUES:</b>		
Charges for services	\$ 16,418,370	\$ 15,233,673
<b>Total operating revenues</b>	<u>16,418,370</u>	<u>15,233,673</u>
<b>OPERATING EXPENSES:</b>		
Water purchased	2,965,638	2,777,344
Power purchased	397,616	287,602
Administration and general	1,146,802	1,185,292
Salaries and benefits	4,069,128	3,920,469
Other production expenses	804,474	686,121
Insurance	91,118	54,500
Depreciation and amortization	1,694,948	1,721,791
<b>Total operating expenses</b>	<u>11,169,724</u>	<u>10,633,119</u>
<b>OPERATING INCOME</b>	5,248,646	4,600,554
<b>NONOPERATING REVENUES (EXPENSES):</b>		
Interest and investment earnings	311,494	411,525
Interest expense	(1,575,318)	(1,674,708)
Gain on sale of capital assets	17,966	11,586
Other nonoperating revenue	22,614	7,783
<b>Total nonoperating revenues (expenses)</b>	<u>(1,223,244)</u>	<u>(1,243,814)</u>
<b>TRANSFERS</b>		
Transfer in/out	-	18,552
<b>CHANGE IN NET POSITION</b>	4,025,402	3,375,292
<b>NET POSITION</b>		
Beginning of year	42,678,363	39,303,071
End of year	<u>\$ 46,703,765</u>	<u>\$ 42,678,363</u>

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

# Florin Resource Conservation District

## Comparative Statement of Cash Flows

### Proprietary Fund - Water Enterprise

For the Fiscal Years Ended June 30, 2020 and 2019

	2020	2019
<b>CASH FLOWS FROM</b>		
<b>OPERATING ACTIVITIES:</b>		
Receipts from customers and users	\$ 16,173,932	\$ 15,253,204
Payments to suppliers	(5,459,098)	(4,765,984)
Payments to employees	(3,893,178)	(3,711,393)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>6,821,656</u>	<u>6,775,827</u>
<b>CASH FLOWS FROM NONCAPITAL</b>		
<b>FINANCING ACTIVITIES:</b>		
Operating grants and reimbursements	22,614	7,783
<b>NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES</b>	<u>22,614</u>	<u>7,783</u>
<b>CASH FLOWS FROM CAPITAL</b>		
<b>AND RELATED FINANCING ACTIVITIES:</b>		
Principal paid on noncurrent liabilities	(2,165,000)	(2,070,000)
Interest paid on noncurrent liabilities	(1,661,738)	(1,753,908)
Proceeds from sale of capital assets	17,966	11,586
Purchase of capital assets	(1,271,363)	(1,031,671)
Capital contributions received	-	18,552
<b>NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<u>(5,080,135)</u>	<u>(4,825,441)</u>
<b>CASH FLOWS FROM</b>		
<b>INVESTING ACTIVITIES:</b>		
Interest received	307,427	392,325
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<u>307,427</u>	<u>392,325</u>
<b>NET INCREASE (DECREASE) IN</b>		
<b>CASH AND CASH EQUIVALENTS</b>	2,071,562	2,350,494
<b>CASH AND CASH EQUIVALENTS - Beginning of year</b>	<u>16,332,269</u>	<u>13,981,775</u>
<b>CASH AND CASH EQUIVALENTS - End of year</b>	<u>\$ 18,403,831</u>	<u>\$ 16,332,269</u>
<b>RECONCILIATION OF CASH AND</b>		
<b>CASH EQUIVALENTS TO THE</b>		
<b>STATEMENT OF NET POSITION</b>		
Cash and cash equivalents	\$ 18,403,831	\$ 16,332,269
<b>CASH AND CASH EQUIVALENTS</b>	<u>\$ 18,403,831</u>	<u>\$ 16,332,269</u>

(Continued)

## Florin Resource Conservation District

### Comparative Statement of Cash Flows

#### Proprietary Fund - Water Enterprise

For the Fiscal Years Ended June 30, 2020 and 2019

	2020	2019
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 5,248,646	\$ 4,600,554
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	1,694,948	1,721,791
Changes in operating assets and liabilities:		
Customer accounts receivable	(244,438)	19,531
Inventory	(91,457)	(43,114)
Prepaid expenses	74,198	46,227
Net OPEB asset/liability	638,964	149,648
Deferred outflows of resources - pension	84,884	246,178
Deferred outflows of resources - OPEB	(639,912)	(15,596)
Accounts payable	(96,595)	23,188
Due to other governments	60,404	198,574
Net pension liability	104,081	(124,956)
Deferred inflows of resources - pension	(21,167)	(16,649)
Deferred inflows of resources - OPEB	(63,715)	(26,889)
Compensated absences	72,815	(2,660)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>\$ 6,821,656</b>	<b>\$ 6,775,827</b>

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# Florin Resource Conservation District

## Notes to Basic Financial Statements

For the years ended June 30, 2020 and 2019

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. *Reporting Entity*

The Florin Resource Conservation District (the District) was formed in 1953, pursuant to Section 9000 et seq. of the Public Resources Code of the State of California. The District, which is located approximately six miles southeast of the City of Sacramento is the west central portion of unincorporated Sacramento County, was formed to address soil dehydration issues resulting from poor irrigation and drainage. There currently are approximately 92,000 acres within the District.

The District provides technical assistance and conservation and conservation education to farmers dealing with natural resource management issues, and views education as one of its primary objectives. The District additionally serves as the clearinghouse for solid and water conservation measures, such as administering the local water hyacinth eradication program. The United States Department of Agriculture, through its Soil Conservation Services, provides staffing and technical assistance to the District and the two adjacent soil conservation districts.

The District has provided water service within its 13-mile water service area since it acquired the Elk Grove Water Service in 1999, which was merged into and is a department of the District. In 2010, the name of the Elk Grove Water Service was changed to the Elk Grove Water District (EGWD).

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The financial reporting entity consists of (a) the primary government, the District, (b) organization for which the District is financially accountable, and (c) other organizations for which the District is not accountable, but for which the nature and significance of their relationship with the District are such that would cause the reporting entity's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (a) the District has the ability to impose its will on the component unit or (b) there is a potential for the component unit to provide a financial benefit to or impose a financial burden on the District.

#### B. *Basis of Accounting and Measurement Focus*

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity with its own self-balancing set of accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures or expenses. These funds are established for the purpose for carrying out specific activities or certain objectives in accordance with specific regulations, restrictions or limitations. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

## Florin Resource Conservation District

### Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

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#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

##### B. *Basis of Accounting and Measurement Focus, Continued*

###### **Government-Wide Financial Statements**

The District's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business–Type Activities for the District accompanied by a total column.

These financial statements are presented on an “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all the District's assets and liabilities, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which liabilities are incurred.

Certain types of transactions reported as program revenues for the District are reported in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

Certain eliminations have been made regarding interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. There were no interfund activities requiring elimination in fiscal year 2020 and 2019.

The District applies all applicable GASB pronouncements and Interpretations currently in effect.

###### **Governmental Fund Financial Statements**

Governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the balance sheets. The Statement of Revenues, Expenditures, and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

## Florin Resource Conservation District

### Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

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#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

##### B. Basis of Accounting and Measurement Focus, Continued

The District reports the following fund as a major governmental fund of the District:

General Fund accounts for resources traditionally associated with governmental activities that are not required legally or by sound financial management to be accounted for in another fund. The General Fund consists of programs associated with conservation not related to the Elk Grove Water District (EGWD), which is funded by District water charges to customers. The General Fund was closed out in fiscal year 2019, hence there are no amounts or activity presented for fiscal year 2020.

Revenues are recorded when received in cash, except that revenues subject to accrual (generally, those received 60 days after year-end) are recognized when due. The primary revenue sources that have been treated susceptible to accrual by the District are earnings on investments. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

The Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided.

##### Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Change in Net Position, and a Statement of Cash Flows for all proprietary funds.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which a liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as nonoperating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as nonoperating expenses

The District reports the Water District as a proprietary fund of the District.

Water District Fund accounts for all activities related to the Elk Grove Water District, which provides water to commercial and residential customers in the District’s service area.

## Florin Resource Conservation District

### Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

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#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

##### C. *Cash, Cash Equivalents and Investments*

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District does not have any investments that are measured using Level 3 inputs. For purposes of the statement of cash flows, the District considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents, including restricted assets and the District's investment in the State of California Local Agency Investment Fund (LAIF) and CalTRUST.

##### D. *Restricted Cash and Investments*

Certain proceeds of the District's long-term debt are classified as restricted cash and investments on the statement of net position because their use is limited by applicable bond covenants. The "reserve" account is used to report resources set aside to make up potential future deficiencies in the bond's debt service. There were no restricted cash and investments as of June 30, 2020 and 2019.

##### E. *Accounts Receivable*

Accounts receivable arise from billings to customers for water usage and include an estimate for unbilled revenues earned from the dates the customers were last billed to the end of the year. An allowance for uncollectible accounts of \$98,724 was recorded for fiscal year ended June 30, 2020 and \$77,708 was recorded for fiscal year ended June 30, 2019.

##### F. *Interfund Transactions*

Borrowings between funds outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e. short-term borrowings) or "advance to/from other funds" (i.e. long-term borrowings). The District did not have any interfund borrowings as of June 30, 2020 and 2019.

##### G. *Inventory*

Inventory consists primarily of materials used in the construction and maintenance of the water system and is valued using the specific identification method. The cost of the inventory is recorded as an expense when consumed, rather than when purchased.

# Florin Resource Conservation District

## Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

#### H. Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Such assets are recorded at historical cost if purchased or constructed. Donated or contributed assets are recorded at acquisition value at the date of donation. Capital assets owned by the proprietary funds are recorded at cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Depreciation is computed on the straight-line basis over the estimated useful lives of the various classes of assets as follows:

Buildings	40 years
Improvements	10 - 15 years
Equipment	5 - 25 years
Water treatment and distribution system	25 - 80 years

It is the District's policy to capitalize all capital assets with a useful life of more than one year, and original cost of \$5,000 or greater. Costs of the assets sold or retired (all the related amounts of accumulated depreciation) are eliminated from the statement of net position in the year of sale or retirement, and the resulting gain or loss is recognized in operations.

#### I. Bond Discounts, Premiums and Deferred Amount on Refunding of Long-Term Debt

Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which does not significantly differ from the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs, except for prepaid bond insurance, are expensed as incurred. Accounting gains or losses resulting from advance refunding of long-term debt are deferred in accordance with GASB Statement No. 65, *Items previously Reported as Assets and Liabilities*, and are reported as deferred inflows of resources or deferred outflows of resources on the financial statements. Deferred amounts on bond refunding are amortized over the remaining life of the old debt (had it not been refunded) or the life of the new debt, whichever is shorter.

#### J. Due to Other Governments

Due to other governments in the Water District Fund mainly consisted of \$544,447 and \$484,043 payable to the County of Sacramento for water purchases at June 30, 2020 and 2019, respectively.

## Florin Resource Conservation District

### Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

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#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

##### K. *Compensated Absences*

The District's policy allows employees to accumulate earned, but unused personnel leave time at the rate of ninety six (96) hours per year and vacation time at the rate of forty (40) hours per year, eighty hours (80) per year after two years of service and one hundred and twenty hours (120) per year after five years of service. The liability for these compensated absences is recorded as a long-term liability in the proprietary fund and government-wide statements. The current portion of this long-term liability is estimated based on historical trends. In the fund financial statements, governmental funds only report the compensated absence liability that have matured, such as for employee resignations or retirements, while the proprietary funds report the liability as it is incurred. The General Fund has no employees assigned to it and, thus no compensated absence amount is reported under governmental activities.

##### L. *Unearned Revenue*

Unearned revenue is recognized for transactions for which revenue has not yet been earned. The District recorded \$16,848 at June 30, 2020 and 2019, respectively.

##### M. *Net Position and Fund Balance*

The government-wide and proprietary fund financial statements present net position. Net position is categorized as the net investment in capital assets, restricted, and unrestricted:

Net Investment in Capital Assets - This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the capital assets.

Restricted Net Position - This amount is restricted by external creditors, grantors, contributors, laws or regulations of other governments.

Unrestricted Net Position - This amount is the remaining net position that does not meet the definition of "net investment in capital assets" or "restricted net position."

The fund balance of the General Fund is reported as unassigned according to GASB Statement No. 54 because the Board of Directors has approved no constraints on its use.

##### N. *Use of Estimates*

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



# Florin Resource Conservation District

## Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

#### O. Risk Management

The District is exposed to various risks of loss related to tort; theft of, damage to and destruction of assets; errors and omissions and natural disasters. These risks are covered through the District's participation in the Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA or JPIA) as described in Note 7. The insurance is subject to a deductible. No significant claims occurred during the years ended June 30, 2020 and 2019. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance coverage from the prior year.

#### P. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

#### Q. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the District's California Public Employee's Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

#### R. Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of the Authority's OPEB plan and additions to/deductions from the OPEB plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2019
Measurement Period	July 1, 2018 to June 30, 2019

## Florin Resource Conservation District

### Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

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#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

##### S. *New Pronouncements*

In 2020, the District adopted new accounting standards in order to conform to the following Governmental Accounting Standards Board Statements:

- GASB Statement No. 84, *Fiduciary Activities* – The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this statement did not apply to the District for the current fiscal year.
- GASB Statement 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* – The objective of this statement is to (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This statement establishes accounting requirements for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The requirements of this statement did not apply to the District for the current fiscal year.
- GASB Statement 90, *Majority Equity Interest* – The objective of this statement is to improve the consistency and comparability of reporting a government’s majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government’s holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. The requirements of this statement did not apply to the District for the current fiscal year.
- GASB Statement 91, *Conduit Debt Obligations* – The objective of this statement is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this statement did not apply to the District for the current fiscal year.



## Florin Resource Conservation District

### Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

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#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

##### S. *New Pronouncements, Continued*

- GASB Statement 93, *Replacement of Interbank Offered Rates* – The objective of this Statement is to address the accounting and financial reporting implications that result from the elimination of the London Interbank Offered rate (LIBOR) that is notably used in most agreements in which variable payments made or received depend on an interbank offered rate (IBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. The requirements of this statement did not apply to the District for the current year.
- GASB Statement 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* – The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The requirements of this statement did not apply to the District for the current year.
- GASB Statement 95, *Postponement of the Effective Dates of Certain Authoritative Guidance* – The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. The District has elected to early implement the provisions of all GASB Statements up through GASB Statement No. 95, except for GASB Statement No. 87, *Leases*, which will be implemented based on the new effective date coinciding with the District's year ending June 30, 2022.

##### T. *Future Implementation of GASB Pronouncements*

The District is currently analyzing its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

- GASB Statement No. 87, *Leases* – The objective of this statement is to recognize in the financial statements certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of this statement are effective for the District's year ending June 30, 2022.

## Florin Resource Conservation District

### Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

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#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

##### T. Future Implementation of GASB Pronouncements, Continued

- GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* – The objective of this statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this statement are effective for the District’s year ending June 30, 2023.
  
- GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32* – The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this statement are effective for the District’s year ending June 30, 2022.

## Florin Resource Conservation District

### Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

## 2. CASH AND INVESTMENTS

### A. Summary of Cash and Investments

Cash and investments are classified in the accompanying financial statements as of June 30, 2020 and 2019 as follows:

As of June 30, 2020			
Government-Wide Statement of Net Position			
	Governmental Activities	Business-Type Activities	Total
Deposits and investments	\$ -	\$ 18,403,831	\$ 18,403,831
<b>Total cash and investments</b>	<b>\$ -</b>	<b>\$ 18,403,831</b>	<b>\$ 18,403,831</b>

As of June 30, 2019			
Government-Wide Statement of Net Position			
	Governmental Activities	Business-Type Activities	Total
Deposits and investments	\$ -	\$ 16,332,269	\$ 16,332,269
<b>Total cash and investments</b>	<b>\$ -</b>	<b>\$ 16,332,269</b>	<b>\$ 16,332,269</b>

Cash and investments were classified according to GASB Statement No. 40 as follows as of June 30, 2020 and 2019:

	2020	2019
Cash on hand	\$ 300	\$ 300
Deposits with financial institution	1,412,181	1,220,275
<b>Total cash on hand and deposits</b>	<b>1,412,481</b>	<b>1,220,575</b>
Money Market F&M	3,002,203	2,658,509
Money Market Union Bank	1,184,917	1,109,603
Local Agency Investment funds	7,408,386	3,538,185
CalTrust	1,384,114	1,328,702
Investments held by custodian	4,011,730	6,476,695
<b>Total investments</b>	<b>16,991,350</b>	<b>15,111,694</b>
<b>Total cash and investments</b>	<b>\$ 18,403,831</b>	<b>\$ 16,332,269</b>

## Florin Resource Conservation District

### Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

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## 2. CASH AND INVESTMENTS, Continued

### B. Deposits

The carrying amount of the District's cash deposit was \$1,412,181 and \$1,220,275 at June 30, 2020 and 2019, respectively. Balances before reconciling amounts were a positive amount of \$1,469,040 and \$1,347,326 at June 30, 2020 and 2019, respectively. The District has waived collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation. The remaining amount was collateralized with securities pledged by the pledging financial institution in the District's name.

The California Government Code (Code) requires California banks and savings and loan associations to secure the District's cash deposits by pledging securities as collateral. The Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the District's name.

The market value of the pledged securities must equal at least 110% of the District's cash deposits. California law also allows institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the District's total cash deposits.

The District follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under the provisions of bond indentures. Interest income earned on pooled cash and investments is allocated to the various funds based on the period-end cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

### C. Investments

Investments are reported at fair value. California statutes authorize special districts to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, Section 53600, Chapter 4 - Financial Affairs. The table below identifies the investment types that are authorized for the District by the California Government Code (or the District's investment policy, where more restricted) that address interest rate risk, credit risk, and concentration of credit risk. The table does not address investments of debt proceeds held by the bond trustee that are governed by the provisions of debt agreements of the District, rather than the general provisions of the California Government Code or the District's investment policy. The District's permissible investments include the instruments listed on the following page:

## Florin Resource Conservation District

### Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

## 2. CASH AND INVESTMENTS, Continued

### C. Investments, Continued

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
California Local Agency Investment	5 years	None	None
Bankers Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates and Time Deposits	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20%	None
Medium Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-through Securities	5 years	20%	None
Financial Futures and Option Contracts	1	1	1
Investment Pools, including LAIF	None	None	None

1 - The District may invest in financial futures and option contracts of any of the above authorized categories, subject to the same overall portfolio limitations.

The District complied with the provisions of the California Government Code and its investment policy pertaining to the types of investments held, the institutions in which deposits were made and the security requirements, except for the 20% limit and 10% limit on money market mutual funds. The District exceeded the 20% maximum portfolio limit by \$506,354, or 2.75%, due to a \$1 million US Treasury Bond that was called in June of 2020. The proceeds of the called bond were reinvested in July of 2020. The District exceeded the 10% maximum issuer limit by \$1.16 million, or 6.31%, due to liquidity requirements to meet debt service needs. The District will continue to monitor compliance with applicable statutes pertaining to public deposits and investments.

Investments are stated at fair value using the aggregate method in all funds, resulting in the following investment income in all funds as of June 30, 2020 and 2019:

	2020	2019
Interest income	\$ 221,048	\$ 213,052
Unrealized gain/(loss) in change in fair value of investment	90,446	198,473
<b>Total investment income</b>	<b>\$ 311,494</b>	<b>\$ 411,525</b>

The District's portfolio value fluctuates in an inverse relationship to any change in interest rate. Accordingly, if interest rates rise, the portfolio value will decline. If interest rates fall, the portfolio value will rise. The portfolio for year-end reporting purposes is treated as if it were all sold. Therefore, fund balance must reflect the portfolio's change in value. These portfolio value changes are unrealized unless sold. Generally, the District's practice is to buy and hold investments until maturity dates. Consequently, the District's investments are carried at fair value.

## Florin Resource Conservation District

### Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

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## 2. CASH AND INVESTMENTS, Continued

### C. Investments, Continued

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The District's investments with LAIF at June 30, 2020 and 2019, include a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments include the following:

Structured Notes - are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or have embedded forwards or options.

Asset-Backed Securities - the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2020, the District had \$7,408,386 invested in LAIF, which had invested 2.21% of the pool investments funds in Structured Notes and Asset-Backed Securities as compared to 1.77% in the previous year. The LAIF fair value factor of 1.004912795 was used to calculate the fair value of the investments in LAIF.

As of June 30, 2019, the District had \$3,538,185 invested in LAIF, which had invested 1.77% of the pool investments funds in Structured Notes and Asset-Backed Securities as compared to 2.67% in the previous year. The LAIF fair value factor of 1.001711790 was used to calculate the fair value of the investments in LAIF.

The District is a voluntary participant in the Investment Trust of California (CalTRUST) which is a Joint Powers Authority governed by a Board of Trustees made up of local treasurers and investment officers. The Board of Trustees sets overall policy for CalTRUST and selects and supervises the activities of the Investment Manager and other agents. As of June 30, 2020, and 2019, the District had \$1,384,114 and \$1,328,702 invested in the CalTRUST Medium-term pool. Amounts that may be withdrawn from the Medium-term pool are based on the net asset value per share and the number of shares held by participants in each pool.

### D. Risk Disclosures

*Interest Risk:* Interest rate risk is the market value fluctuation due to overall changes in the interest rates. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes, in market interest rates. One of the ways the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. The District's investment policy does not contain any provisions limiting interest rate risk that are more restrictive than what is specified in the California Government Code.

## Florin Resource Conservation District

### Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

## 2. CASH AND INVESTMENTS, Continued

### D. Risk Disclosures, Continued

Information about the sensitivity of the fair values of the District's investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity as of June 30, 2020 and 2019:

2020:

Investment Type	Fair Value	Investment Maturities (in years)				
		1 year or Less	2 years	3 years	4 years	5 years or More
Securities of U.S. Government						
Treasury and Agencies:						
Federal Home Loan Banks	\$ 4,011,730	\$ -	\$ 2,005,670	\$ -	\$ 1,000,330	\$ 1,005,730
Money Market F&M	3,002,203	3,002,203	-	-	-	-
Money Market Union Bank	1,184,917	1,184,917	-	-	-	-
CalTrust (NAV)	1,384,114	1,384,114	-	-	-	-
Local Agency Investment Fund	7,408,386	7,408,386	-	-	-	-
<b>Total</b>	<b>\$ 16,991,350</b>	<b>\$ 12,979,620</b>	<b>\$ 2,005,670</b>	<b>\$ -</b>	<b>\$ 1,000,330</b>	<b>\$ 1,005,730</b>

2019:

Investment Type	Fair Value	Investment Maturities (in years)				
		1 year or Less	2 years	3 years	4 years	5 years or More
Securities of U.S. Government						
Treasury and Agencies:						
Federal Farm Credit Bank Bonds	\$ 1,994,260	\$ 994,240	\$ -	\$ 1,000,020	\$ -	\$ -
Federal Home Loan Banks	998,580	-	998,580	-	-	-
Federal National Mortg Assoc Notes	3,483,855	2,987,100	496,755	-	-	-
Money Market F&M	2,658,509	2,658,509	-	-	-	-
Money Market Union Bank	1,109,603	1,109,603	-	-	-	-
CalTrust (NAV)	1,328,702	1,328,702	-	-	-	-
Local Agency Investment Fund	3,538,185	3,538,185	-	-	-	-
<b>Total</b>	<b>\$ 15,111,694</b>	<b>\$ 12,616,339</b>	<b>\$ 1,495,335</b>	<b>\$ 1,000,020</b>	<b>\$ -</b>	<b>\$ -</b>



# Florin Resource Conservation District

## Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

### 2. CASH AND INVESTMENTS, Continued

#### D. Risk Disclosures, Continued

*Credit Risk:* Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. At June 30, 2020 the District’s deposits and investments were rated as follows:

	Credit Quality Ratings	
	Moody's	S&P
FEDERAL HOME LN MTG CORP	Aaa	AA+
FEDERAL HOME LOAN MTG CORP	Aaa	Unrated
FEDERAL HOME LOAN BANKS CONS BD	Aaa	AA+
FEDERAL HOME LN MTG CORP	Aaa	Unrated
Local Agency Investment Funds	Unrated	Unrated
CalTrust	Unrated	A+f

*Concentration of Credit Risk:* The California Government Code limits the amount the District may invest in any one issuer, with the exception of U.S. Treasury obligations, U.S. Agency securities and LAIF. The District has no investments in any one issuer (other than money market mutual funds and external investment pools) that represent 5% or more of total District investments.

*Custodial credit risk:* Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value for its investment or collateral securities that are in the possession of another party.

#### E. Investment Valuation

Investments (except money market accounts that are included as part of restricted cash and investments) are measured at fair value on a recurring basis. *Recurring* fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset’s fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments’ fair value measurements at June 30, 2020 and 2019 are described on the following page:



**Florin Resource Conservation District**  
**Notes to Basic Financial Statements, Continued**  
**For the years ended June 30, 2020 and 2019**

**2. CASH AND INVESTMENTS, Continued**

*E. Investment Valuation, Continued*

2020:

Investment Type	Fair Value	Fair Value Measurement Using		
		Level 1	Level 2	Level 3
Securities of U.S. Government				
Treasury and Agencies:				
Federal Home Loan Banks	\$ 4,011,730	\$ -	\$ 4,011,730	\$ -
<i>Total Securities of U.S. Government</i>	<u>\$ 4,011,730</u>	<u>\$ -</u>	<u>\$ 4,011,730</u>	<u>\$ -</u>
<i>Investments not subject to levelling:</i>				
Money Market F&M	3,002,203			
Money Market Union Bank	1,184,917			
CalTrust Investment Pool (NAV)	1,384,114			
Local Agency Investment Fund	<u>7,408,386</u>			
<b>Total</b>	<u><u>\$ 16,991,350</u></u>			

2019:

Investment Type	Fair Value	Fair Value Measurement Using		
		Level 1	Level 2	Level 3
Securities of U.S. Government				
Treasury and Agencies:				
Federal Farm Credit Bank Bonds	\$ 1,994,260	\$ -	\$ 1,994,260	\$ -
Federal Home Loan Banks	998,580	-	998,580	-
Federal National Mortg Assoc Notes	3,483,855	-	3,483,855	-
<i>Total Securities of U.S. Government</i>	<u>\$ 6,476,695</u>	<u>\$ -</u>	<u>\$ 6,476,695</u>	<u>\$ -</u>
<i>Investments not subject to levelling:</i>				
Money Market F&M	2,658,509			
Money Market Union Bank	1,109,603			
CalTrust Investment Pool (NAV)	1,328,702			
Local Agency Investment Fund	<u>3,538,185</u>			
<b>Total</b>	<u><u>\$ 15,111,694</u></u>			

## Florin Resource Conservation District

### Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

## 2. CASH AND INVESTMENTS, Continued

### E. Investment Valuation, Continued

Federal Agency Securities categorized as Level 2 are valued based on matrix pricing which use observable market inputs such as yield curves and market indices that are derived principally from or corroborated by observable market data by correlation to other means.

## 3. CAPITAL ASSETS

There were no governmental activity capital assets for the years ended June 30, 2020 and 2019.

Business-type activities capital asset activity for the years ended June 30, 2020 and 2019 were as follows:

	Balance	2019		Balance	2020		Balance
	June 30, 2018	Additions	Reductions	June 30, 2019	Additions	Reductions	June 30, 2020
Capital assets not being depreciated:							
Land	\$ 686,578	\$ -	\$ -	\$ 686,578	\$ -	\$ -	\$ 686,578
Construction in progress	114,287	366,501	(114,287)	366,501	25,000	(366,501)	25,000
Total capital assets not being depreciated	800,865	366,501	(114,287)	1,053,079	25,000	(366,501)	711,578
Capital assets being depreciated:							
Buildings	1,984,750	6,457	-	1,991,207	21,186	-	2,012,393
Wells	8,781,214	30,662	-	8,811,876	129,792	-	8,941,668
Treatment Plants	13,514,173	125,636	-	13,639,809	75,406	-	13,715,215
Water mains	75,976,685	581,613	-	76,558,298	1,001,873	-	77,560,171
Equipment	2,336,760	35,089	(51,095)	2,320,754	384,607	(131,837)	2,573,524
Total assets being depreciated	102,593,582	779,457	(51,095)	103,321,944	1,612,864	(131,837)	104,802,971
Less accumulated depreciation for:							
Buildings	(385,338)	(46,066)	-	(431,404)	(46,228)	-	(477,632)
Wells	(5,088,219)	(277,372)	-	(5,365,591)	(251,054)	-	(5,616,645)
Treatment Plants	(6,100,104)	(350,002)	-	(6,450,106)	(355,028)	-	(6,805,134)
Water mains	(19,627,840)	(949,709)	-	(20,577,549)	(956,979)	-	(21,534,528)
Equipment	(2,028,966)	(98,642)	51,095	(2,076,513)	(85,660)	131,837	(2,030,336)
Total accumulated depreciation	(33,230,467)	(1,721,791)	51,095	(34,901,163)	(1,694,949)	131,837	(36,464,275)
Total capital assets being depreciated, net	69,363,115	(942,334)	-	68,420,781	(82,085)	-	68,338,696
Total capital assets, net	\$ 70,163,980	\$ (575,833)	\$ (114,287)	\$ 69,473,860	\$ (57,085)	\$ (366,501)	\$ 69,050,274

**Florin Resource Conservation District**  
**Notes to Basic Financial Statements, Continued**  
**For the years ended June 30, 2020 and 2019**

**4. LONG-TERM DEBT**

The following is a summary of long-term liability activity for the years ended June 30, 2020 and 2019:

	Balance June 30, 2019	2020		Balance June 30, 2020	Due Within One Year
		Additions	Reductions		
Business-type activities:					
<b>Water District Fund</b>					
Certificates of Participation					
2014 Refunding, Series A	\$ 28,430,000	\$ -	\$ (1,790,000)	\$ 26,640,000	\$ 1,910,000
Notes from direct borrowings and direct placements					
2016 Refunding, Series A	13,645,000	-	(375,000)	13,270,000	390,000
Total Water District Fund debt	42,075,000	-	(2,165,000)	39,910,000	2,300,000
Compensated absences	199,869	264,466	(191,650)	272,685	186,192
Total Water District Fund	\$ 42,274,869	\$ 264,466	\$ (2,356,650)	\$ 40,182,685	\$ 2,486,192
Unamortized bond discounts & premiums	1,764,217	-	(126,015)	1,638,202	
Less: Due within one year	(2,321,241)			(2,486,192)	
Due in more than one year	\$ 41,717,845			\$ 39,334,694	

	Balance June 30, 2018	2019		Balance June 30, 2019	Due Within One Year
		Additions	Reductions		
Business-type activities:					
<b>Water District Fund</b>					
Certificates of Participation					
2014 Refunding, Series A	\$ 30,135,000	\$ -	\$ (1,705,000)	\$ 28,430,000	\$ 1,790,000
Notes from direct borrowings and direct placements					
2016 Refunding, Series A	14,010,000	-	(365,000)	13,645,000	375,000
Total Water District Fund debt	44,145,000	-	(2,070,000)	42,075,000	2,165,000
Compensated absences	202,529	260,401	(263,061)	199,869	156,241
Total Water District Fund	\$ 44,347,529	\$ 260,401	\$ (2,333,061)	\$ 42,274,869	\$ 2,321,241
Unamortized bond discounts & premiums	1,890,232	-	(126,015)	1,764,217	
Less: Due within one year	(2,164,686)			(2,321,241)	
Due in more than one year	\$ 44,073,075			\$ 41,717,845	

**Florin Resource Conservation District**  
**Notes to Basic Financial Statements, Continued**  
**For the years ended June 30, 2020 and 2019**

**4. LONG-TERM DEBT, Continued**

Long-term debt related to business-type activities consisted of the following at June 30:

	2020	2019
<u>Florin Resource Conservation District, Water Revenue Refunding Bonds, 2014 Series A</u>		
On December 16, 2014, the District issued the Florin Resource Conservation District, Water Revenue Refunding Bonds, 2014 Series A in the amount of \$32,325,000. The proceeds were used to prepay aggregate principal amount of outstanding certificates of participation previously executed and delivered by the District, purchase a debt service reserve surety bond, and pay for certain costs associated with the issuance of the 2014 Series A Bonds. The Bonds are secured by a lien on the net water system revenues. Annual principal payments of \$715,000 to \$2,450,000 are due on September 1 through September 1, 2032. Semi-annual interest payments of \$37,625 to \$688,909 are due March 1 and September 1, 2016 through September 1, 2032. Interest rates range from 4.30% to 5.00%. The refunding resulted in an economic gain of \$3,563,207 and an accounting loss that was recorded as a deferred outflow of resources. The unamortized balance of the deferred loss on refunding as of June 30, 2020 and 2019 was \$534,303 and \$578,828. The aggregate difference between the debt service requirements of the refunding bonds and remaining debt service of the refunded bonds was \$4,893,871.	\$ 26,640,000	\$ 28,430,000
<u>Florin Resource Conservation District, Water Revenue Refunding Bonds, 2016 Series A</u>		
On June 7, 2016, the District issued the Florin Resource Conservation District, Direct Placement Water Revenue Refunding Bonds, 2016 Series A in the amount of \$14,875,000. The proceeds were used to prepay aggregate principal amount of outstanding certificates of participation previously executed and delivered by the District, purchase a debt service reserve surety bond, and pay for certain costs associated with the issuance of the 2016 Series A Bonds. The Bonds are secured by a lien on the net water system revenues. Annual principal payments of \$350,000 to \$2,395,000 are due on September 1 through September 1, 2032. Semi-annual interest payments of \$43,110 to \$261,450 are due March 1 and September 1, 2016 through September 1, 2032. Interest rate 3.6%. The refunding resulted in an economic gain of \$2,098,268 and an accounting loss that was recorded as a deferred outflow of resources. The unamortized balance of the deferred loss on refunding as of June 30, 2020 and 2019 was \$352,832 and \$382,235. The aggregate difference between the debt service requirements of the refunding bonds and the remaining debt service of the refunded bonds was \$9,573,508.	\$ 13,270,000	\$ 13,645,000
TOTAL	\$ 39,910,000	\$ 42,075,000

## Florin Resource Conservation District

### Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

#### 4. LONG TERM DEBT, Continued

The annual requirements to amortize the outstanding business-type activities debt as of June 30, 2020 are as follows:

Year Ending June 30,	Water District Fund				
	2014 Refunding, Series A Bonds		Direct Placement 2016 Refunding, Series A Bonds		Total
	Principal	Interest	Principal	Interest	
2021	\$ 1,910,000	\$ 1,084,769	\$ 390,000	\$ 470,700	\$ 3,855,469
2022	2,040,000	986,019	400,000	456,480	3,882,499
2023	2,145,000	881,394	415,000	441,810	3,883,204
2024	2,245,000	785,394	430,000	426,600	3,886,994
2025	2,330,000	697,269	450,000	410,760	3,888,029
2026-2030	11,420,000	2,288,615	4,495,000	1,647,810	19,851,425
2031-2033	4,550,000	336,000	6,690,000	376,020	11,952,020
	<u>\$ 26,640,000</u>	<u>\$ 7,059,460</u>	<u>\$ 13,270,000</u>	<u>\$ 4,230,180</u>	<u>\$ 51,199,640</u>

**Pledged Revenues:** The District has pledged future water system revenues, net of specified operating expenses, to repay its 2014 Series A Water Revenue Refunding Bonds and 2016 Series A Water Revenue Refunding Bonds in the original amount of \$32,325,000 and \$14,875,000, respectively. Proceeds of the 2016 Bonds were used to retire the 2002, 2003 and 2005 Certificates.

The District's outstanding 2016 Series A Revenue Refunding Bonds of \$13,645,000 were issued under a supplemental indenture to the 2014 Series A Water Revenue Refunding Bonds and are classified as notes from direct borrowings and direct placements. The 2016 Series A Water Revenue Refunding Bonds contain a provision that in an event of a default, outstanding amounts become immediately due if the District is unable to make payment.

The 2014 and 2016 bonds are parity debt, with the net revenues, less the rate stabilization fund, required to be at least 1.15 times the sum of the cash basis installment principal and interest payments on the outstanding bonds and any other obligation payable from water system revenues.

The following is a calculation of the required coverage ratios for the Water District Fund as of June 30, 2020 and 2019:

	2020	2019
Covenant:		
Net revenues before adjustments (operating income)	\$ 5,248,646	\$ 4,600,554
Add: Depreciation and amortization	1,694,948	1,721,791
Net revenues, not including rate stabilization fund, accrual basis	6,943,594	6,322,345
Interest and principal payments, cash basis (as defined)	\$ 3,826,738	\$ 3,823,908
Coverage ratio computed	<u>1.81</u>	<u>1.65</u>

## Florin Resource Conservation District

### Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

#### 4. LONG TERM DEBT, Continued

Arbitrage: The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with investments of all tax-exempt bond proceeds at an interest yield greater than the interest paid to the bondholders. Generally, all interest paid to bond holders can be retroactive if applicable rebates are not reported and paid to the Internal Revenue Service at least every five years. The District performed calculations of excess investments earnings on various investments and financings and determined there was no arbitrage liability at June 30, 2020 and 2019.

#### 5. INTERFUND TRANSFERS

Transfers report the nonreciprocal contribution of resources from one fund to another. On April 18, 2018, the District's Board of Directors approved a resolution declaring that effective July 1, 2018, all future activities performed by the District be limited to water related activities that provide a benefit to the EGWD ratepayers. With this resolution, the assets and related liabilities of the General Fund were consolidated with the assets and related liabilities of the Water Enterprise Fund, resulting in a transfer out at June 30, 2019 of \$18,552 from the General Fund into the Water Enterprise Fund to zero out the General Fund.

#### 6. NET POSITION RESERVES

The District's Board of Directors approved a reserve policy that authorized commitments of unrestricted net position in the Water District Fund for certain percentages of the change in new position reported in the audited financial statements or budget up to a specified dollar amount as follows as of June 30, 2020 and 2019:

	Description	2020	2019
Operating fund	120 days of annual operations and maintenance budget	\$ 4,714,436	\$ 5,077,700
Future capital improvement fund	75% of unrestricted funds not allocated to other reserve funds	7,440,091	6,762,718
Capital improvement fund	Annual capital improvement budget	2,525,000	430,000
Future capital replacement fund	25% of unrestricted funds not allocated to other reserve funds	2,480,031	2,254,239
Capital replacement fund	Annual capital replacement budget	905,000	1,408,000
Elections and special studies	Amount specified by Board of Directors	250,000	150,000
Total net position commitments		<u>\$ 18,314,558</u>	<u>\$ 16,082,657</u>

## Florin Resource Conservation District

### Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

#### 7. INSURANCE

The District is a member of the Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA or JPIA). The JPIA is a risk-pooling self-insurance authority, created under the provisions of the California Government Code for the purpose of providing insurance coverage for its member districts. The District pays an annual premium to JPIA for liability, property and workers compensation coverage. The District's annual premium is based on its pro-rata share of charges for the pooled risk, claims adjusting and legal costs, and administrative and other costs to operate the JPIA. The District's coverage and corresponding deductibles are as follows:

Coverage	Amount	Deductible
Liability (including errors and omissions)	\$ 60,000,000	None
Cyber Liability	\$ 3,000,000/occurrence	\$ 25,000
Property	\$ 2,500,000 - 500,000,000	\$ 500-25,000
Crime	\$ 1,000,000	\$ 1,000
Worker's compensation	\$ 4,000,000	None

#### 8. RETIREMENT BENEFITS

##### A. Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other). Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The District sponsors two miscellaneous rate plans. Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website.

##### B. Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members who must be public employees, and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 55 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employee's Retirement Law.

## Florin Resource Conservation District

### Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

#### 8. RETIREMENT BENEFITS, Continued

##### B. Benefits Provided, Continued

The rate plans' provisions and benefits in effect at June 30, 2020 and 2019 are summarized as follows:

	Miscellaneous - Classic	Miscellaneous - PEPRA
	Prior to January 1, 2013	On or after January 1, 2013
Hire Date		
Benefit vesting schedule	5 years service	5 years service
Benefit payment	Monthly for life	Monthly for life
Retirement age	55	62
Monthly benefits, as a % of annual salary	2.00%	2.00%
Required employee contribution rates	6.000%	6.250%
Required employer contribution rates (2019)	9.794%	6.842%
Required unfunded liability payment (2019)	\$150,532	\$207
Required employer contribution rates (2020)	10.586%	7.485%
Required unfunded liability payment (2020)	\$170,528	\$488

##### C. Contributions

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

The District's contributions to the Plan for the measurement periods ended June 30, 2019 and 2018 were \$350,843 and \$317,812, respectively.

As of June 30, 2020, and 2019, the District reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$1,547,411 and \$1,443,330, respectively.

The District's net pension liability for the Plans is measured as the proportionate share of the total net pension liability of the Plan. The net pension liability of the Plan for the fiscal year 2020 is measured as of June 30, 2019, and the total pension liability for the Plan used to calculate the net pension liability was determined by actuarial valuations as of June 30, 2018 rolled forward to June 30, 2019 using standard update procedures. The net pension liability of the Plan for the fiscal year 2019 is measured as of June 30, 2018, and the total pension liability for the Plan used to calculate the net pension liability was determined by actuarial valuations as of June 30, 2017 rolled forward to June 30, 2018 using standard update procedures. The District's proportionate share of the net pension liability was based on the District's plan liability and asset-related information where available, and proportional allocations of plan amounts as of the valuation date where not available.



## Florin Resource Conservation District

### Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

#### 8. RETIREMENT BENEFITS, Continued

##### *D. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions*

The District's proportionate share of the net pension liability for the plan as of the measurement date of June 30, 2019, 2018, and 2017 were as follows:

Proportion - June 30, 2018	0.014980%	Proportion - June 30, 2017	0.015810%
Proportion - June 30, 2019	<u>0.015100%</u>	Proportion - June 30, 2018	<u>0.014980%</u>
Change - Increase (Decrease)	0.000120%	Change - Increase (Decrease)	-0.000830%

For the year ended June 30, 2020 and 2019, the District recognized pension expense of \$556,774 and \$455,416, respectively. At June 30, 2020 and 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2020		2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 388,976	\$ -	\$ 350,843	\$ -
Changes in employer's proportion	52,624	4,436	98,036	27,969
Differences between the employer's contribution and the employer's proportionate share of contributions	111,718	-	143,528	-
Changes of assumptions	73,788	26,157	164,544	40,327
Differences between expected and actual experiences	107,475	8,327	55,378	18,845
Net differences between projected and actual earnings on plan investments	-	27,054	7,136	-
Total	<u>\$ 734,581</u>	<u>\$ 65,974</u>	<u>\$ 819,465</u>	<u>\$ 87,141</u>

\$388,976 and \$350,843 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the years ending June 30, 2021 and 2020, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year	Ending June 30:	
	2020	2019
2020	\$ -	\$ 275,091
2021	221,509	183,172
2022	23,771	(34,036)
2023	28,883	(42,747)
2024	5,468	-

## Florin Resource Conservation District

### Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

#### 8. RETIREMENT PLANS, Continued

##### D. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions, Continued

**Actuarial Assumptions** – The total pension liabilities in the June 30, 2018 and 2017 actuarial valuations were determined using the following actuarial assumptions:

	2020	2019
Valuation Date	June 30, 2018	June 30, 2017
Measurement Date	June 30, 2019	June 30, 2018
Actuarial Cost Method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:		
Discount Rate	7.15%	7.15%
Inflation	2.50%	2.75%
Projected Salary Increase	Varies by entry age and service	Varies by entry age and service
Investment Rate of Return <sup>(1)</sup>	7.15%	7.15%
Mortality	Derived by CalPERS membership data for all funds	Derived by CalPERS membership data for all funds

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

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2018 valuation was based on the results of the December 2017 experience study and the June 30, 2017 valuation was based on the results of a January 2014 actuarial experience study. Further details of the Experience Studies can be found on the CalPERS website.

**Discount Rate** – The discount rate used to measure the total pension liabilities was 7.15 percent for the Plan for the measurement date June 30, 2019 and 2018. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15 percent discount rate is adequate, and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website at [www.calpers.ca.gov](http://www.calpers.ca.gov).

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

## Florin Resource Conservation District

### Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

#### 8. RETIREMENT PLANS, Continued

##### *D. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions, Continued*

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

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

Asset Class (a)	2020			2019		
	New	Real	Real	New	Real	Real
	Strategic Allocation	Return Years 1 - 10(b)	Return Years 11+(c)	Strategic Allocation	Return Years 1 - 10(b)	Return Years 11+(c)
Global Equity	50.00%	4.80%	5.98%	50.00%	4.80%	5.98%
Global Fixed Income	28.00%	1.00%	2.62%	28.00%	1.00%	2.62%
Inflation Sensitive	0.00%	0.77%	1.81%	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%	1.00%	0.00%	-0.92%
Total	<u>100%</u>			<u>100%</u>		

(a) Fixed income is included in Global Debt Securities, Liquidity is included in Short-term Investments, Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

(b) An expected inflation of 2.0% used for this period.

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

**Florin Resource Conservation District**

**Notes to Basic Financial Statements, Continued**

**For the years ended June 30, 2020 and 2019**

**8. RETIREMENT PLANS, Continued**

*E. Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*

The following presents the District’s proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	2020		2019
1% Decrease	6.15%		6.15%
Net Pension Liability	\$ 2,686,484	\$	2,462,389
Current Discount Rate	7.15%		7.15%
Net Pension Liability	\$ 1,547,411	\$	1,443,330
1% Increase	8.15%		8.15%
Net Pension Liability	\$ 607,187	\$	602,113

*F. Pension Plan Fiduciary Net Position*

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

*G. Payable to the Pension Plan*

At June 30, 2020 and 2019 the District reported a payable of \$0 and \$0 for outstanding amount of required contributions to the pension plan.

**9. OTHER POSTEMPLOYMENT BENEFITS PLAN**

*A. Plan Description*

The District has established an Other Postemployment Benefits plan (OPEB Plan) and participates in an agent multiple-employer defined benefit retiree healthcare plan. CalPERS invests the plan’s assets as part of the California Employer’s Retiree Benefit Trust (CERBT). The OPEB Plan provides employees who retire directly from the District, at a minimum age of 55 and with a minimum of fifteen years of continuous service with the District, a lifetime cash subsidy for monthly medical, dental and vision insurance premiums for each eligible employee and spouse or registered domestic partner retiring within 120 days of separation from the District. Benefits from the District continue to the surviving spouses upon death of the retiree. Employees hired before October 28, 2009 had a one-time option to increase their years for eligibility from five to fifteen and have vision and detail coverage added to their post-retirement benefit.

## Florin Resource Conservation District

### Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

#### 9. OTHER POSTEMPLOYMENT BENEFITS PLAN, Continued

##### B. Employees Covered

As of the June 30, 2019 actuarial valuation, the following current and former employees were covered by the benefit terms under the OPEB Plan:

Active employees	29
Inactive employees or beneficiaries currently receiving benefits	5
<b>Total</b>	<b>34</b>

##### C. Contributions

The OPEB Plan and its contribution requirements are established by and may be amended by the District. The annual contribution is based on the actuarially determined contribution. For the fiscal year ended June 30, 2020, the District's cash contributions were \$70,825 in pay-as-you-go premiums, payment to the trust of \$126,985 and the estimated implied subsidy was \$45,430 resulting in total payments of \$243,240. For the fiscal year ended June 30, 2019, the District's cash contributions were \$44,294 in pay-as-you-go premiums, payment to the trust of \$118,351 and the estimated implied subsidy was \$8,280 resulting in total payments of \$170,925.

##### D. Net OPEB Liability

The District's net OPEB liability as of June 30, 2020 was measured as of June 30, 2019 and the net OPEB liability as of June 30, 2019 was measured as of June 30, 2018. The total OPEB liability used to calculate the net OPEB liability for measurement date June 30, 2019 was determined by an actuarial valuation dated June 30, 2019 based on the following actuarial methods and assumptions:

<b>Actuarial Assumptions:</b>	
Discount Rate	7.10%
Inflation	2.50%
Salary Increases	3.00% per annum, in aggregate
Investment Rate of Return	7.10%
Mortality Rate <sup>(1)</sup>	Derived using CalPERS' Membership Data for all funds
Pre-Retirement Turnover	Derived using CalPERS' Membership Data for all funds
Healthcare Trend Rate	6.50% decreasing to 4.00%

Notes: <sup>(1)</sup> Mortality rates used in this valuation are those from the 2017 CalPERS experience study which may be accessed on the CalPERS website [www.calpers.ca.gov](http://www.calpers.ca.gov) under Forms and Publications.

## Florin Resource Conservation District

### Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

#### 9. OTHER POSTEMPLOYMENT BENEFITS PLAN, Continued

##### D. Net OPEB Liability, Continued

The total OPEB liability used to calculate the net OPEB liability for measurement date June 30, 2018 was determined by an actuarial valuation dated February 28, 2017 that was rolled forward to determine the June 30, 2018 net OPEB liabilities based on the following actuarial methods and assumptions:

<b>Actuarial Assumptions:</b>	
Discount Rate	7.28%
Inflation	2.26%
Salary Increases	3.25% per annum, in aggregate
Investment Rate of Return	7.28%
Mortality Rate <sup>(1)</sup>	Derived using CalPERS' Membership Data for all funds
Pre-Retirement Turnover	Derived using CalPERS' Membership Data for all funds
Healthcare Trend Rate	7.70% decreasing to 5.00%

Notes: <sup>(1)</sup> Mortality rates used in this valuation are those from the 2014 CalPERS experience study which may be accessed on the CalPERS website [www.calpers.ca.gov](http://www.calpers.ca.gov) under Forms and Publications.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of the June 30, 2019 and June 30, 2018 measurement dates are summarized in the following table:

<i>Investment Class</i>	<i>June 30, 2019</i>		<i>June 30, 2018</i>	
	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
<i>Global Equity</i>	57.00%	8.71%	60.00%	5.49%
<i>Fixed Income</i>	27.00%	5.40%	32.00%	1.65%
<i>Treasury Inflation-Protected Securities</i>	5.00%	5.25%	0.00%	0.00%
<i>Commodities</i>	3.00%	7.95%	0.00%	0.00%
<i>Real Estate Investment Trusts</i>	8.00%	10.88%	8.00%	5.06%
<i>Liquidity</i>	0.00%	0.00%	0.00%	0.00%
<b>TOTAL</b>	<b>100.00%</b>		<b>100.00%</b>	

**Florin Resource Conservation District**  
**Notes to Basic Financial Statements, Continued**  
**For the years ended June 30, 2020 and 2019**

**9. OTHER POSTEMPLOYMENT BENEFITS PLAN, Continued**

**E. Discount Rate**

The discount rate used to measure the total OPEB liability as of June 30, 2020 was 7.10 percent and the discount rate used to measure the total OPEB liability as of June 30, 2019 was 7.28 percent and are both based on the CERBT Strategy 1 investment policy. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**F. Changes in the OPEB Liability**

The changes in the net OPEB liability for the OPEB Plan are as follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2018 (Measurement Date June 30, 2017)	\$ 2,070,193	\$ 2,211,471	\$ (141,278)
<b>Changes recognized for the measurement period:</b>			
Service cost	132,574	-	132,574
Interest	159,290	-	159,290
Change in benefit terms	190,124	-	190,124
Changes in Assumption	(5,404)	-	(5,404)
Contributions - employer	-	155,329	(155,329)
Net investment income	-	172,787	(172,787)
Benefit payment	(29,949)	(29,949)	-
Administrative expenses	-	(1,180)	1,180
<b>Net Changes</b>	<b>446,635</b>	<b>296,987</b>	<b>149,648</b>
Balance at June 30, 2019 (Measurement Date June 30, 2018)	\$ 2,516,828	\$ 2,508,458	\$ 8,370
<b>Changes recognized for the measurement period:</b>			
Service cost	150,210	-	150,210
Interest	192,247	-	192,247
Difference between expected and actual experience	2,700	-	2,700
Changes in Assumption	620,984	-	620,984
Contributions - employer	-	170,925	(170,925)
Net investment income	-	156,791	(156,791)
Benefit payment	(52,574)	(52,574)	-
Administrative expenses	-	(539)	539
<b>Net Changes</b>	<b>913,567</b>	<b>274,603</b>	<b>638,964</b>
Balance at June 30, 2020 (Measurement Date June 30, 2019)	\$ 3,430,395	\$ 2,783,061	\$ 647,334

## Florin Resource Conservation District

### Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

#### 9. OTHER POSTEMPLOYMENT BENEFITS PLAN, Continued

##### G. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the District if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2019 and 2018:

	2019	2018
1% Decrease	6.10%	6.28%
Net OPEB Liability	\$ 1,187,517	\$ 424,629
Current Discount Rate	7.10%	7.28%
Net OPEB Liability	\$ 647,334	\$ 8,370
1% Increase	8.10%	8.28%
Net OPEB Liability	\$ 208,556	\$ (330,233)

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

The following presents the net OPEB liability of the District if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2019 and 2018:

	2019	2018
1% Decrease	5.50%	6.70%
Net OPEB Liability	\$ 134,695	\$ (392,573)
Current Healthcare Cost Trend Rate	6.50%	7.70%
Net OPEB Liability	\$ 647,334	\$ 8,370
1% Increase	7.50%	8.70%
Net OPEB Liability	\$ 1,301,616	\$ 250,234

##### I. Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The recognition period differs depending on the source of the gain or loss:

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



## Florin Resource Conservation District

### Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

#### 9. OTHER POSTEMPLOYMENT BENEFITS PLAN, Continued

##### J. OPEB Expense and Deferred Outflows/(Inflows) of Resources Related to OPEB

For the fiscal years ended June 30, 2020 and 2019, the District recognized OPEB expense of \$178,565 and \$278,088. For the fiscal years ended June 30, 2020 and 2019, the District reported deferred outflows of resources related to OPEB from the following sources:

	2020		2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences in the measurement of Total OPEB Liability	\$ 2,457	\$ 171,011	\$ -	\$ 186,139
Changed in assumptions	565,140	124,411	-	135,381
Net differences between projected and actual earnings on OPEB plan investments	-	4,433	-	42,050
Contributions to OPEB plan after measurement date	243,240	-	170,925	-
<b>Total</b>	<b>\$ 810,837</b>	<b>\$ 299,855</b>	<b>\$ 170,925</b>	<b>\$ 363,570</b>

The \$243,240 and \$170,925 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2019 and 2018 measurement dates will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2021 and 2020. Other amounts reported as deferred inflows of resources related to OPEB will be recognized as expense as follows:

Year	2020		2019	
Ending June 30:				
2020	\$ -		\$ (39,643)	
2021		22,473		(39,643)
2022		22,474		(39,642)
2023		34,530		(27,586)
2024		35,998		(26,116)
2025		29,977		-
Thereafter	\$ 122,290		\$ (190,940)	

#### 10. COMMITMENTS AND CONTINGENCIES

The District is a party to various claims, legal actions and complaints that arise in the normal operation of business. Management and the District's legal counsel believe that there are no loss contingencies that would have a material adverse impact on the financial position of the District.

## Florin Resource Conservation District

### Notes to Basic Financial Statements, Continued

For the years ended June 30, 2020 and 2019

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#### 11. COVID-19 PANDEMIC

During December 2019, the Novel Corona Virus Disease (COVID-19) was discovered on the continent of Asia. The COVID-19 was subsequently declared a world-wide pandemic by the World Health Organization on March 11, 2020. On March 4, 2020, California State Governor Gavin Newsom proclaimed a State of Emergency as a result of the threat of the COVID-19 in the State of California, leading to the Sacramento County Health Officer issuing a stay-at-home directive on March 19, 2020. This halted all business within Sacramento County outside of essential activities. This directive jeopardized the economic stability of many District ratepayers by shutting down many local businesses and resulting in an increase in layoffs and unemployment. To mitigate the negative consequences of the directive and to ensure District ratepayers maintain access to affordable, critical and vital water services, the District Board of Directors adopted Resolutions No. 03.31.20.01, approving the waiver of late payment penalties, door tag fees and over the phone payment fees and suspending the disconnection of water service due to nonpayment of water bills. Although the waiver of late payment penalties, door tag fees and over the phone payment fees will have an impact on District revenues, the District deems the amount to be insignificant with minimal impact on District operations. The District is continuing to monitor the effects on revenue and has not determined what impact the COVID-19 could potentially have on the collectability of water service charges.

#### 12. SUBSEQUENT EVENT

On June 22, 2020, the District Board of Directors adopted Resolutions No. 06.22.20.02 and No. 06.22.20.03, authorizing the District General Manager to execute a purchase and sales agreement with Elk Grove Mason Lodge Temple Association (Masons), whereby the District would purchase the Masons' property located at 9829 Waterman Rd., Elk Grove, CA, for \$1,850,000 and the Masons would purchase District's property located at 9257 Elk Grove Blvd., Elk Grove, CA for \$900,000. The District's purchase also includes a clause to leaseback to the Masons, on a full-service basis, the Masons' property for a period up to nine (9) months at \$5,555 per month. The Mason's purchase includes a clause to leaseback to the District, on a full-service basis, the District's administration building for a period up to July 30, 2022 at \$6,000 per month.

As part of the 105-day due diligence period for the District's purchase of the Mason's property, a Phase I Environmental Site Assessment (ESA) and an American Land Title Association (ALTA) survey will be conducted of the property. An ESA comprehensively evaluates the property to determine if the site has any recognized environmental conditions, including contamination, that would pose a risk to purchasing the property. An ALTA survey reviews the historical title documents associated with the property, confirms the legal boundary and legal owners of the property and verifies any encumbrances or legal issues associated with the property. The 105-day due diligence period is set to expire on October 7, 2020, at which time the results of the ESA and ALTA surveys, along with any additional property inspections conducted, will determine if the District moves forward with the purchase and sales agreement.

**REQUIRED SUPPLEMENTARY INFORMATION**

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# Florin Resource Conservation District

## Required Supplementary Information

For the years ended June 30, 2020 and 2019

### 1. BUDGETARY COMPARISON INFORMATION - GENERAL FUND

For the year ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
<b>Total revenues</b>	-	-	-	-
<b>EXPENDITURES:</b>				
General government	-	-	-	-
<b>Total expenditures</b>	-	-	-	-
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	-	-
<b>Net change in fund balance</b>	\$ -	\$ -	-	\$ -
<b>FUND BALANCE:</b>				
Beginning of year			-	
End of year			\$ -	

For the year ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Miscellaneous	\$ -	\$ -	\$ 19,092	\$ 19,092
<b>Total revenues</b>	-	-	19,092	19,092
<b>EXPENDITURES:</b>				
General government	-	-	36,795	(36,795)
<b>Total expenditures</b>	-	-	36,795	(36,795)
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	(17,703)	(17,703)
<b>Net change in fund balance</b>	\$ -	\$ -	(17,703)	\$ (17,703)
<b>FUND BALANCE:</b>				
Beginning of year			17,703	
End of year			\$ -	

Note: The basis of budgeting is the same as GAAP.

## Florin Resource Conservation District

### Required Supplementary Information

For the years ended June 30, 2020 and 2019

## 2. DEFINED BENEFIT PENSION PLAN

### A. Schedule of the District's Proportionate Share of the Net Pension Liability - Last 10 Years\*

Fiscal Year	2020	2019	2018	2017	2016	2015
Measurement Date	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
Proportion of the net pension liability	0.01510%	0.01498%	0.01581%	0.01596%	0.01692%	0.01956%
Proportionate share of the net pension liability	\$ 1,547,411	\$ 1,443,330	\$ 1,568,286	\$ 1,381,275	\$ 1,161,703	\$ 1,217,268
Covered payroll	\$ 2,369,268	\$ 2,359,233	\$ 2,272,435	\$ 2,375,112	\$ 2,055,396	\$ 2,094,592
Proportionate Share of the net pension liability as percentage of covered payroll	65.31%	61.18%	69.01%	58.16%	56.52%	62.00%
Plan fiduciary net position as a percentage of the total pension liability	75.26%	75.26%	73.31%	74.06%	78.40%	79.82%

#### Notes to Schedule:

\*- Fiscal year 2015 was the 1st year of implementation.

### B. Schedule of Contributions - Last 10 Years\*

Fiscal Year	2020	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	\$ 388,976	\$ 350,843	\$ 317,812	\$ 302,911	\$ 298,556	\$ 291,670
Contribution in relation to the actuarially determined contributions	(388,976)	(350,843)	(317,812)	(302,911)	(298,556)	(291,670)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 2,398,498	\$ 2,369,268	\$ 2,359,233	\$ 2,272,435	\$ 2,375,112	\$ 2,055,396
Contributions as a percentage of covered payroll	16.22%	14.81%	13.47%	13.33%	12.57%	14.19%

#### Note to Schedule

Valuation date: 6/30/2017 6/30/2016 6/30/2015 6/30/2014 6/30/2013 6/30/2012

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age					
Amortization method	Level percentage of payroll, closed					
Remaining amortization period	Varies, not more than 30 years					
Asset valuation method	Market Value	Market Value	Market Value	Market Value	Market Value	15 yr smoothed
Inflation	2.625%	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increases	Varies by entry age and service					
Investment rate of return	7.25%	7.375%	7.50%	7.50%	7.50%	7.50%
Payroll Growth	2.875%	3.00%	3.00%	3.00%	3.00%	3.00%

\* - Fiscal year 2015 was the 1st year of implementation.

**Florin Resource Conservation District**  
**Required Supplementary Information**  
**For the years ended June 30, 2020 and 2019**

**3. OTHER POSTEMPLOYMENT BENEFIT PLAN**

**A. Schedule of Changes in the Net OPEB Liability and Related Ratios Last 10 fiscal Years**

<b>Fiscal Year Ended June 30</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Measurement Date	6/30/2019	6/30/2018	6/30/2017
Discount Rate on Measurement Date	7.10%	7.28%	7.28%
<b>Total OPEB Liability</b>			
Service Cost	\$ 150,210	\$ 132,574	\$ 148,138
Interest	192,247	159,290	166,580
Changes in benefit terms	-	190,124	-
Differences between expected and actual experience	2,700	-	(216,413)
Changes of assumptions	620,984	(5,404)	(151,557)
Benefit payments	(52,574)	(29,949)	(32,629)
<b>Net change in total OPEB liability</b>	<b>913,567</b>	<b>446,635</b>	<b>(85,881)</b>
<b>Total OPEB liability - ending (a)</b>	<b>\$ 3,430,395</b>	<b>\$ 2,516,828</b>	<b>\$ 2,070,193</b>
Contributions - employer	\$ 170,925	\$ 155,329	\$ 114,015
Net investment income	156,791	172,787	203,487
Benefit payments	(52,574)	(29,949)	(32,629)
Administrative expenses	(539)	(1,180)	(991)
<b>Net change in plan fiduciary net position</b>	<b>274,603</b>	<b>296,987</b>	<b>283,882</b>
<b>Plan fiduciary net position - beginning</b>	<b>2,508,458</b>	<b>2,211,471</b>	<b>1,927,589</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 2,783,061</b>	<b>\$ 2,508,458</b>	<b>\$ 2,211,471</b>
<b>Net OPEB liability - ending (a) - (b)</b>	<b>\$ 647,334</b>	<b>\$ 8,370</b>	<b>\$ (141,278)</b>
<b>Covered employee payroll</b>	<b>\$ 2,368,929</b>	<b>\$ 2,407,765</b>	<b>\$ 2,458,390</b>
<b>Plan fiduciary net position as of percentage of total OPEB Liability</b>	<b>81%</b>	<b>100%</b>	<b>107%</b>
<b>Net OPEB liability as a % of covered employee payroll</b>	<b>27.33%</b>	<b>0.35%</b>	<b>-5.75%</b>

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

## Florin Resource Conservation District

### Required Supplementary Information

For the years ended June 30, 2020 and 2019

### 3. OTHER POSTEMPLOYMENT BENEFIT PLAN, Continued

#### B. Schedule of Contributions Last Ten Fiscal Years

Fiscal Year Ended June 30	2020	2019	2018
Actuarially Determined Contribution (ADC)	\$ 243,240	\$ 170,925	\$ 155,329
Contributions in relation to the ADC	(243,240)	(170,925)	(155,329)
<b>Contribution deficiency (excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Covered-employee payroll</b>	<b>2,445,919</b>	<b>2,368,929</b>	<b>2,407,765</b>
<b>Contributions as a percentage of covered-employee payroll</b>	<b>9.94%</b>	<b>7.22%</b>	<b>6.45%</b>

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

#### C. Notes to 10 Year Schedules

Fiscal Year End	6/30/2020	6/30/2019	6/30/2018
Valuation Date	6/30/2019	6/30/2017	6/30/2017
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level % of Pay	N/A	N/A
Amortization Period	20 yrs remain	21 yrs remain	21 yrs remain
Asset Valuation Method	Market Value	Market Value	Market Value
Inflation	2.50%	2.25%	2.25%
Healthcare Cost Trend rate	6.5% in 2021, fluctuates until ultimate rate of 4.0% in 2076	Pre 65: 7.7% in 2019 grading down to 5.0% in 2030. Post 65: 5.5% in 2019	Pre 65: 7.7% in 2019 grading down to 5.0% in 2030. Post 65: 5.5% in 2019
Salary Increases	3.00%	3.25%	3.25%
Investment Rate of Return	7.10%	7.28%	7.28%
Retirement Age	From 50 to 75	From 50 to 75	From 50 to 75
Mortality	CalPERS 2017 Experience Study	CalPERS 2014 Experience Study	CalPERS 2014 Experience Study
Mortality Improvement	MW Scale 2018 generationally	MP Scale 2016	MP Scale 2016

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



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# STATISTICAL SECTION

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This part of the Florin Resource Conservation District comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

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Sources

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports of the relevant years.

**Florin Resource Conservation District  
Fund Balances of Governmental Funds  
Last Ten Years**

Fiscal Year ended June 30,	2011*	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Unassigned	\$ 80,760	\$ 88,227	\$ 80,927	\$ 132,261	\$ 123,219	\$ 88,834	\$ 42,401	\$ 17,703	\$ -	\$ -
Total General Fund	\$ 80,760	\$ 88,227	\$ 80,927	\$ 132,261	\$ 123,219	\$ 88,834	\$ 42,401	\$ 17,703	\$ -	\$ -

Note:

\* In accordance with the Districts implementation of GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions* in 2011, unreserved net position for governmental funds is now classified as unassigned.

**Florin Resource Conservation District  
Changes in Fund Balances of Governmental Funds  
Last Ten Years**

Fiscal Year ended June 30,	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Revenues</b>										
Use of money and property	\$ 12,055	\$ 11,361	\$ 9,550	\$ 5,517	\$ 2,643	\$ 93	\$ 4	\$ -	\$ -	\$ -
Other	-	-	-	4,729	10,162	353	1,564	23,542	19,092	-
Total Revenues	12,055	11,361	9,550	10,246	12,805	446	1,568	23,542	19,092	-
<b>Expenditures</b>										
General and administrative	1,198	3,894	21,579	37,166	21,847	34,831	48,001	48,240	18,243	-
Total expenditures	1,198	3,894	21,579	37,166	21,847	34,831	48,001	48,240	18,243	-
<b>Other Financing Sources</b>										
Transfers	-	-	-	-	-	-	-	-	(18,552)	-
Gain (loss) on disposal of capital assets	-	-	-	82,983	-	-	-	-	-	-
Total other financing sources	-	-	-	82,983	-	-	-	-	(18,552)	-
<b>Net change in fund balance</b>	10,857	7,467	(12,029)	56,063	(9,042)	(34,385)	(46,433)	(24,698)	(17,703)	-
Fund balance, beginning of the year	69,903	80,760	88,227	76,198	132,261	123,219	88,834	42,401	17,703	-
<b>Fund balance, end of the year</b>	\$ 80,760	\$ 88,227	\$ 76,198	\$ 132,261	\$ 123,219	\$ 88,834	\$ 42,401	\$ 17,703	\$ -	\$ -

**Florin Resource Conservation District  
Net Position by Component  
Last Ten Years**

Fiscal Year ended June 30,	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Governmental Activities</b>										
Unrestricted	\$ 80,760	\$ 88,227	\$ 80,927	\$ 132,261	\$ 123,219	\$ 88,834	\$ 42,401	\$ 17,703	\$ -	\$ -
Total governmental activities net position	80,760	88,227	80,927	132,261	123,219	88,834	42,401	17,703	-	-
<b>Business-Type</b>										
Invested in capital assets (net of debt)	(18,773,507)	(17,230,289)	(15,360,450)	15,860,844	17,009,265	22,281,403	23,387,996	25,163,739	26,595,706	28,389,207
Restricted for Debt Services	1,953,435	1,965,930	1,834,869	1,863,744	1,871,782	412,862	10	-	-	-
Restricted for Capital Projects	533,691	1,321	1,321	1,321	-	-	-	-	-	-
Restricted for administrative, operating and maintenance expenses	480,803	419,984	365,030	202,854	3,775	-	-	-	-	-
Unrestricted	9,538,425	10,042,430	10,676,025	9,786,366	8,220,125	11,982,765	13,894,173	14,139,332	16,082,657	18,314,558
Total business-type net position	(6,267,153)	(4,800,624)	(2,483,205)	27,715,129	27,104,947	34,677,030	37,282,179	39,303,071	42,678,363	46,703,765
<b>Primary Government</b>										
Net investment in capital assets	(18,773,507)	(17,230,289)	(15,360,450)	15,860,844	17,009,265	22,281,403	23,387,996	25,163,739	26,595,706	28,389,207
Restricted	2,967,929	2,387,235	2,201,220	2,067,919	1,875,557	412,862	10	-	-	-
Unrestricted	9,619,185	10,130,657	10,756,952	9,918,627	8,343,344	12,071,599	13,936,574	14,157,035	16,082,657	18,314,558
Total Primary government net position	\$ (6,186,393)	\$ (4,712,397)	\$ (2,402,278)	\$ 27,847,390	\$ 27,228,166	\$ 34,765,864	\$ 37,324,580	\$ 39,320,774	\$ 42,678,363	\$ 46,703,765

Source: Finance Department

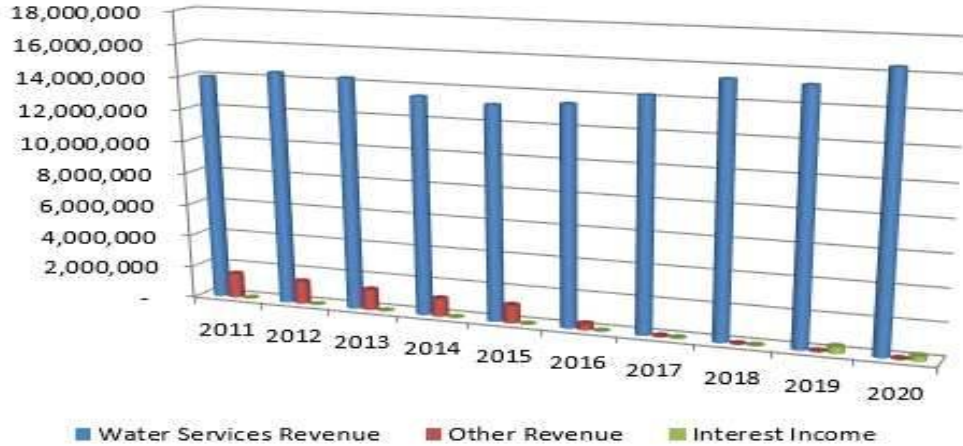
**Florin Resource Conservation District**  
**Changes in Net Position**  
**Last Ten Years**

Fiscal Year ended June 30,	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Expenses</b>										
Governmental Activities:										
General Government	\$ 1,198	\$ 3,894	\$ 21,579	\$ 37,166	\$ 21,847	\$ 34,831	\$ 48,001	\$ 48,240	\$ 18,243	\$ -
Business-type activities:										
Water	12,765,798	11,946,649	11,607,439	11,855,162	12,447,446	10,754,181	11,706,501	12,689,245	12,307,827	12,745,042
Office Building	1,619,569	1,747,033	1,544,934	1,641,329	1,672,932	320,016	-	-	-	-
Total business-type activities	14,385,367	13,693,682	13,152,373	13,496,491	14,120,378	11,074,197	11,706,501	12,689,245	12,307,827	12,745,042
Total primary government expenses	14,386,565	13,697,576	13,173,952	13,533,657	14,142,225	11,109,028	11,754,502	12,737,485	12,326,070	12,745,042
Governmental Activities:										
<b>Program Revenues</b>										
Charges for Services	12,000	11,333	9,533	5,467	-	-	-	-	-	-
Operating Grants	-	-	-	-	-	-	-	23,542	19,092	-
Total governmental activities	12,000	11,333	9,533	5,467	-	-	-	23,542	19,092	-
Business-type activities:										
Charges for Services										
Water	13,981,562	14,420,788	14,312,791	13,435,194	13,185,838	13,475,325	14,210,971	15,343,124	15,233,673	16,418,370
Office Building	1,532,453	1,414,572	1,292,417	1,121,400	1,121,400	373,800	-	-	-	-
Operating Grants	-	198,000	-	100,000	-	-	-	-	-	-
Total business-type activities	15,514,015	16,033,360	15,605,208	14,656,594	14,307,238	13,849,125	14,210,971	15,343,124	15,233,673	16,418,370
Total primary government program revenues	15,526,015	16,044,693	15,614,741	14,662,061	14,307,238	13,849,125	14,210,971	15,366,666	15,252,765	16,418,370
Net revenues (expenses)										
Governmental activities	10,802	7,439	(12,046)	(31,699)	(21,847)	(34,831)	(48,001)	(24,698)	849	-
Business-Type	1,128,648	2,339,678	2,452,835	1,160,103	186,860	2,774,928	2,504,470	2,653,879	2,925,846	3,673,328
Total net revenues (expenses)	1,139,450	2,347,117	2,440,789	1,128,404	165,013	2,740,097	2,456,469	2,629,181	2,926,695	3,673,328
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
Interest and investment earnings	55	28	17	50	2,643	93	4	-	-	-
Other revenues	-	-	4,729	82,983	10,162	353	1,564	-	-	-
Transfers	-	-	-	-	-	-	-	-	(18,552)	-
Total governmental activities	55	28	4,746	83,033	12,805	446	1,568	-	(18,552)	-
Business-type activities:										
Interest and investment earnings	36,642	21,812	20,886	18,188	19,970	20,002	46,228	38,008	411,525	311,494
Other revenues	91,758	276,738	52,452	22,304	290,069	4,777,152	54,451	23,344	19,369	40,580
Transfers	-	-	-	-	-	-	-	-	18,552	-
Total business-type activities	128,400	298,550	73,338	40,492	310,039	4,797,154	100,679	61,352	449,446	352,074
Total primary government	128,455	298,578	78,084	123,525	322,844	4,797,600	102,247	61,352	430,894	352,074
Change in net position:										
Governmental activities	10,857	7,467	(7,300)	51,334	(9,042)	(34,385)	(46,433)	(24,698)	(17,703)	-
Business-type activities	1,257,048	2,638,228	2,526,173	1,200,595	496,899	7,572,082	2,605,149	2,715,231	3,375,292	4,025,402
Total primary government	\$ 1,267,905	\$ 2,645,695	\$ 2,518,873	\$ 1,251,929	\$ 487,857	\$ 7,537,697	\$ 2,558,716	\$ 2,690,533	\$ 3,357,589	\$ 4,025,402

Source: Finance Department

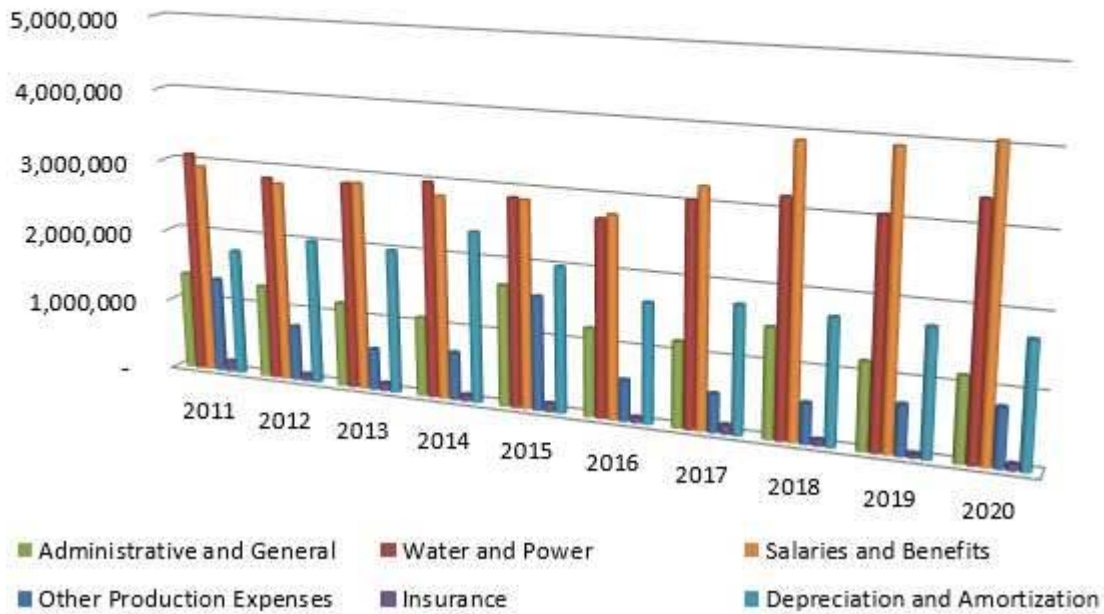
## Florin Resource Conservation District Financial Trends

### Florin Resources Conservation District Revenues by Source Years Ended June 30,



The majority of the District's revenues are comprised of Water Enterprise revenues.

### Florin Resources Conservation District Operating Expenses Years Ended June 30



This graph contrasts the six largest expense groups of the District.  
Source: Finance Department

**Florin Resource Conservation District  
Elk Grove Water District Rate Analysis  
Last Ten Years**

	2011		2012		2013		2014		2015	
	Metered Rate	Flat Rate	Metered Rate	Flat Rate	Metered Rate	Flat Rate	Metered Rate	Flat Rate	Metered Rate	Flat Rate
<b>Monthly Fixed Rate</b>										
1 inch meter	\$ 56.53	\$ 78.30	\$ 56.53	\$ 78.30	\$ 56.53	\$ 78.30	\$ 59.23	\$ 70.22	\$ 61.01	\$ 72.00
<b>Monthly Consumption Rates</b>										
1st tier: 0-30 ccf	1.46		1.46		1.46		1.39		1.44	
2nd tier: over 30 ccf	1.80		1.80		1.80		2.76		2.85	
Each sq. ft. of premises over 4,000 sf.				0.00244		0.00244		0.00244		0.00244
<b>Non-residential Irrigation</b>	N/A		N/A		N/A		1.57		1.62	
	N/A		N/A		N/A		1.70		1.75	
<b>Fixed Charge</b>										
5/8" meter	56.53		56.53		56.53		59.23		61.01	
3/4" meter	56.53		56.53		56.53		59.23		61.01	
1" meter	56.53		56.53		56.53		59.23		61.01	
1 1/2" meter	73.48		73.48		73.48		83.37		85.87	
2" meter	118.71		118.71		118.71		112.34		115.71	
3" meter	446.56		446.56		446.56		179.93		185.33	
4" meter	565.29		565.29		565.29		276.49		284.79	
6" meter	847.93		847.93		847.93		517.89		533.43	
8" meter	1,170.14		1,170.14		1,170.14		807.57		831.80	
10" meter							1,145.53		1,179.90	
	2016 Metered Rate	Flat Rate	2017 Metered Rate	Flat Rate	2018 Metered Rate	Flat Rate	2019 Metered Rate	Flat Rate	2020 Metered Rate	Flat Rate
<b>Monthly Fixed Rate</b>										
1 inch meter	\$ 62.84	N/A	\$ 64.73	N/A	\$ 66.67	N/A	\$ 61.15	N/A	\$ 61.15	N/A
<b>Monthly Consumption Rates</b>										
1st tier: 0-30 ccf	1.48		1.52		1.57		1.92		1.92	
2nd tier: over 30 ccf	2.93		3.02		3.11		4.04		4.04	
Each sq. ft. of premises over 4,000 sf.		N/A		N/A		N/A		N/A		N/A
<b>Non-residential Irrigation</b>	1.67		1.72		1.77		1.79		1.79	
	1.80		1.85		1.91		2.27		2.27	
<b>Fixed Charge</b>										
5/8" meter	62.84		64.73		66.67		61.15		61.15	
3/4" meter	62.84		64.73		66.67		61.15		61.15	
1" meter	62.84		64.73		66.67		61.15		61.15	
1 1/2" meter	88.45		91.10		93.84		86.07		86.07	
2" meter	119.18		122.76		126.44		115.97		115.97	
3" meter	190.89		196.62		202.52		185.76		185.76	
4" meter	293.33		302.13		311.19		285.43		285.43	
6" meter	549.43		565.91		582.89		534.64		534.64	
8" meter	856.75		882.45		908.93		833.69		833.69	
10" meter	1,215.29		1,251.75		1,289.30		1,182.57		1,182.57	

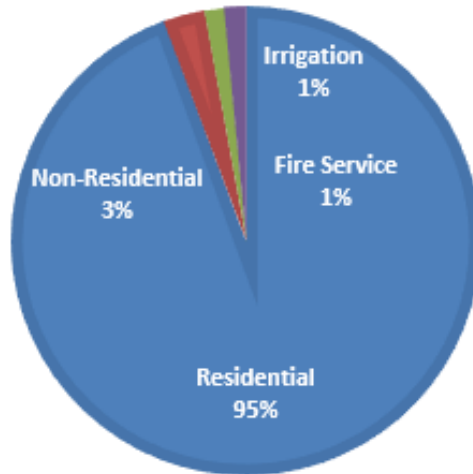
**Florin Resource Conservation District  
Elk Grove Water District Rate Analysis  
Last Ten Years**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
	Flat Rate	Flat Rate	Flat Rate	Flat Rate	Flat Rate	Flat Rate	Flat Rate	Flat Rate	Flat Rate	Flat Rate
<b>Flat Rate</b>										
3/4" service	62.64	62.64	62.64	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1" service	78.30	78.3	78.3	70.22	72.00	N/A	N/A	N/A	N/A	N/A
1 1/4" service	93.96	93.96	93.96	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1 1/2" service	109.83	109.83	109.83	94.36	96.86	N/A	N/A	N/A	N/A	N/A
2" service	164.44	164.44	164.44	123.33	126.7	N/A	N/A	N/A	N/A	N/A
3" service	618.58	618.58	618.58	190.92	196.32	N/A	N/A	N/A	N/A	N/A
4" service	783.02	783.02	783.02	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6" service	1,174.53	1174.53	1174.53	N/A	N/A	N/A	N/A	N/A	N/A	N/A
8" service	1,579.35	1579.35	1579.35	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1x3/4" + 1x2" service	227.07	227.07	227.07	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2x3/4" service	125.29	125.29	125.29	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3x3/4" service	187.93	187.93	187.93	N/A	N/A	N/A	N/A	N/A	N/A	N/A
10x3/4" service	626.42	626.42	626.42	N/A	N/A	N/A	N/A	N/A	N/A	N/A
33x3/4" service	2,067.17	2067.17	2067.17	N/A	N/A	N/A	N/A	N/A	N/A	N/A
68x3/4" service	4,259.60	4259.6	4259.6	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2x1" service	156.60	156.6	156.6	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6x1" + 1x2" service	634.25	634.25	634.25	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6x1" service	469.81	469.81	469.81	N/A	N/A	N/A	N/A	N/A	N/A	N/A
16x1" service	132.83	132.83	132.83	N/A	N/A	N/A	N/A	N/A	N/A	N/A
21x1" service	1,644.33	1644.33	1644.33	N/A	N/A	N/A	N/A	N/A	N/A	N/A
49x1" service	3,836.78	3836.78	3836.78	N/A	N/A	N/A	N/A	N/A	N/A	N/A
72x1" service	5,637.70	5637.7	5637.7	N/A	N/A	N/A	N/A	N/A	N/A	N/A
100x1" service	7,830.15	7830.15	7830.15	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2x2" service	328.87	328.87	328.87	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	<b>2011 Rate</b>	<b>2012 Rate</b>	<b>2013 Rate</b>	<b>2014 Rate</b>	<b>2015 Rate</b>	<b>2016 Rate</b>	<b>2017 Rate</b>	<b>2018 Rate</b>	<b>2019 Rate</b>	<b>2020 Rate</b>
<b>Fire Protection Service</b>										
2" connection	23.74	23.74	23.74	2.71	2.79	2.87	2.96	3.04	3.02	3.02
3" connection	89.32	89.32	89.32	7.87	8.11	8.35	8.60	8.86	8.78	8.78
4" connection	113.05	113.05	113.05	16.78	17.28	17.80	18.33	18.88	18.71	18.71
6" connection	169.58	169.58	169.58	48.73	50.19	51.70	53.25	54.85	54.34	54.34
8" connection	234.02	234.02	234.02	103.85	106.96	110.17	113.48	116.88	115.80	115.80
10" connection				186.75	192.35	198.12	204.06	210.19	208.25	208.25
12" connection				301.65	310.70	320.02	329.62	339.51	336.37	336.37

In July 2018 a new 5 year Rate Plan was adopted  
Source: Finance Department

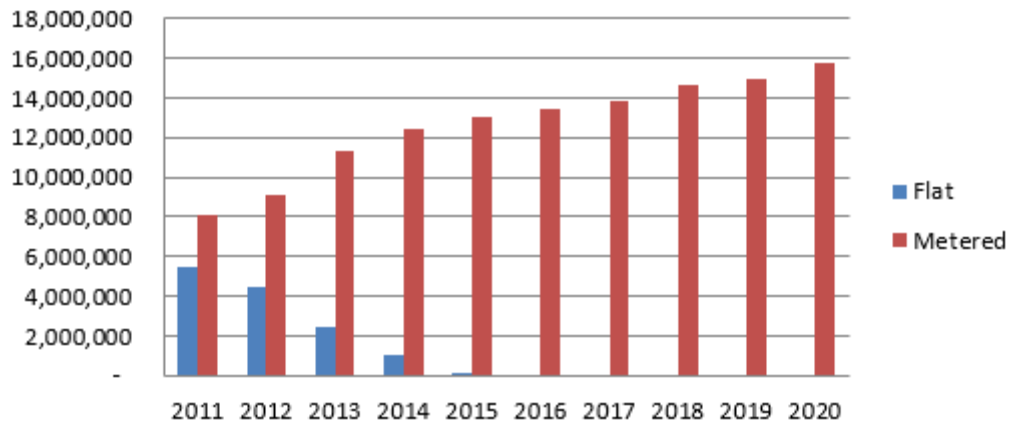
## FLORIN RESOURCE CONSERVATION DISTRICT WATER SALES BY TYPE

■ Residential   
 ■ Non-Residential   
 ■ Irrigation   
 ■ Fire Service



**Sales by Type** – This graph shows the percentages of the four components of water sales by the Elk Grove Water District.

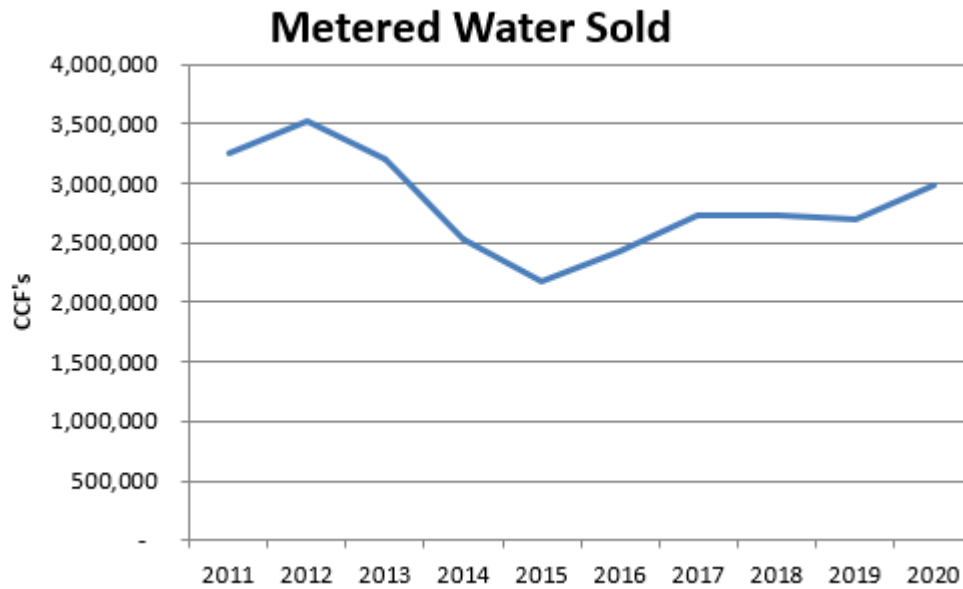
### Sales - Metered vs. Flat Rate



**Metered vs. Flat Rate Sales** – This chart shows the growth in meter sales primarily due to the conversion of accounts from flat rate to meters which was completed in December 2014.

Source: Finance Department





**Metered Water Consumption - CCFs** - This graph shows the consumption of metered water over the last 10 fiscal years. One CCF is equivalent to 748 gallons.

**Historical Service Connections** - The following table shows the service connections broken down by Metered and Flat Rate, Residential and Commercial.

Year End	Flat Rate	Metered	Total	Residential	Commercial
6/30/11	4,681	7,409	12,090	11,474	616
6/30/12	3,259	9,041	12,300	11,679	621
6/30/13	1,193	10,955	12,148	11,523	625
6/30/14	240	12,109	12,349	11,784	565
6/30/15	-	12,291	12,291	11,779	512
6/30/16	-	12,174	12,174	11,662	512
6/30/17	-	12,506	12,506	11,978	528
6/30/18	-	12,330	12,330	11,799	531
6/30/19	-	12,555	12,555	11,842	713
6/30/20	-	12,880	12,880	12,159	721

Source: Finance Department

**FLORIN RESOURCE CONSERVATION DISTRICT**  
**Ten Largest Commercial Customers**  
**Current Year and Five Years Ago**

Florin Resource Conservation District  
Ten Largest Commercial Customers  
Current Year and Five Years Ago

Customer	FY 2015-16		Customer	FY 2019-20	
	Amount Billed	% of Total Billed		Amount Billed	% of Total Billed
Cosumnes CSD	\$ 255,417	1.90%	Cosumnes CSD	\$ 456,956	2.91%
Elk Grove Unified School District	248,933	1.85%	EGUSD	337,774	2.15%
Emerald Park Company	47,120	0.35%	City Of Elk Grove-Publi	117,094	0.75%
City of Elk Grove Public Works	43,308	0.32%	Emerald Park Company	62,448	0.40%
Ferguson & Brewer Mgmt	27,701	0.21%	Emerald Vista Apts	56,843	0.36%
JJD-Hov Elk Grove LLC	22,153	0.16%	JJD-Hov Elk Grove LLC	40,124	0.26%
Gage Street Townhouses	21,550	0.16%	Lennar Homes	101,735	0.65%
The Oaks Mobile Home Park	21,097	0.16%	The Oaks Mobile Home	26,301	0.17%
Chiu Family Trust	17,523	0.13%	Ferguson & Brewer Mgt	24,483	0.16%
Elk Grove Village, LLC	17,002	0.13%	Waterman Square Apts	22,585	0.14%
	<u>\$ 721,804</u>	<u>5.37%</u>		<u>\$ 1,246,342</u>	<u>7.95%</u>

**Debt Capacity**

Florin Resource Conservation District  
Ratio of Debt Service to Operating Expenses - Proprietary Funds  
Last Ten Years

Fiscal Year Ended June 30,	Principal Payments	Interest Payments	Total	Operating Expenses	Ratio of Total Debt Service to Operating Expenses
2011	1,495,000	3,305,500	4,800,500	10,619,531	45.20%
2012	1,670,000	3,247,339	4,917,339	9,796,569	50.19%
2013	1,770,000	3,180,956	4,950,956	9,606,919	51.54%
2014	1,590,000	3,109,908	4,699,908	10,004,498	46.98%
2015	1,725,000	2,587,708	4,312,708	11,094,376	38.87%
2016	1,430,000	2,463,404	3,893,404	8,964,414	43.43%
2017	1,065,000	1,749,919	2,814,919	9,837,521	28.61%
2018	1,990,000	1,833,349	3,823,349	10,933,830	34.97%
2019	2,070,000	1,753,909	3,823,909	10,633,119	35.96%
2020	2,165,000	1,661,739	3,826,739	11,169,724	34.26%

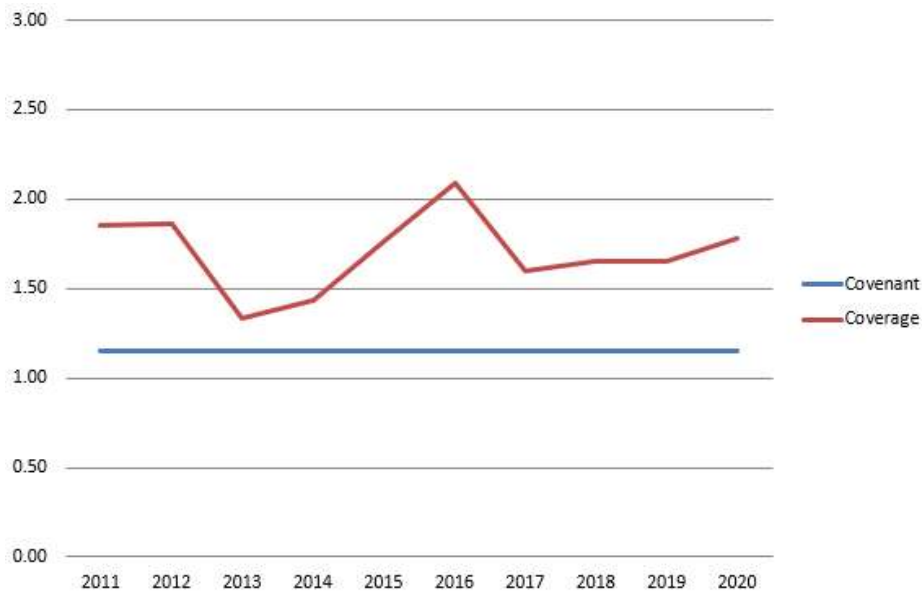
Note: The District has no governmental activities debt.  
Source: Finance Department

**Florin Resource Conservation District  
Ratio of Outstanding Debt by Type - Proprietary Funds  
Last Ten Years**

Fiscal Year Ended June 30,	COP's - Water Services	COP's - Building	Loans	Unamortized Bond Premiums and Discounts	Total	Percentage of Personal Income	Outstanding Debt per Capita
2011	56,337,145	12,021,994	990,745	-	69,349,884	1.712%	444.73
2012	55,332,145	11,356,994	938,623	-	67,627,762	1.642%	425.13
2013	54,252,145	10,666,994	883,017	-	65,802,156	1.539%	409.50
2014	53,077,145	10,251,994	-	-	63,329,139	1.424%	388.76
2015	50,492,145	9,816,994	-	-	60,309,139	1.325%	359.06
2016	47,575,000	-	-	2,142,263	49,717,263	1.057%	290.64
2017	46,135,000	-	-	2,016,247	48,151,247	0.995%	279.76
2018	44,145,000	-	-	1,890,232	46,035,232	0.881%	264.53
2019	42,075,000	-	-	1,764,217	43,839,217	0.795%	251.91
2020	40,005,000	-	-	1,638,202	41,643,202	Not Available	236.40

Source: Finance Department

**Florin Resource Conservation District  
Bond Covenant Ratio Analysis - Water District Fund  
Last Ten Years**



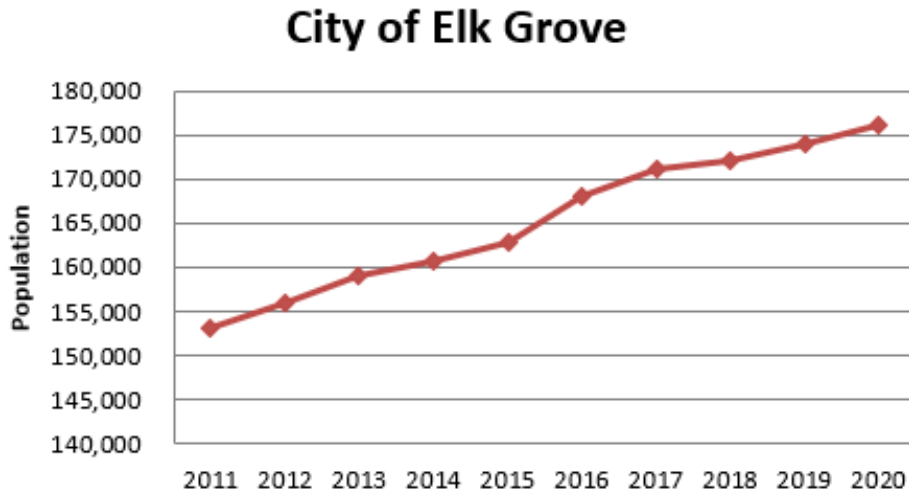
Source: Finance Department

**Florin Resource Conservation District**  
**Pledged-Revenue Coverage - Water Service Fund**  
**Last Ten Years**

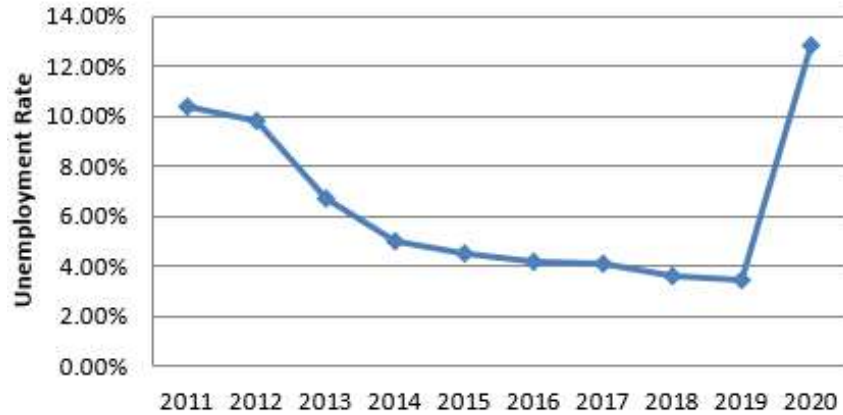
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Operating Revenues:</b>										
Charges for Services	\$13,981,562	\$14,420,788	\$14,312,791	\$13,435,194	\$13,185,839	\$13,475,325	\$14,210,971	\$15,343,124	\$15,233,673	\$16,418,370
<b>Operating Expenses:</b>										
Water & Power	\$ 3,093,211	\$ 2,846,200	\$ 2,872,105	\$ 2,982,746	\$ 2,872,999	\$ 2,694,476	\$ 3,039,628	\$ 3,185,079	\$ 3,064,946	\$ 3,363,254
Other Production Expenses	1,160,949	582,000	365,502	411,116	1,437,329	524,769	525,951	552,824	686,121	804,474
Payroll & Related Taxes	2,927,357	2,777,271	2,882,423	2,808,085	2,855,533	2,763,806	3,228,235	3,902,805	3,920,469	4,069,128
Insurance	117,247	74,105	83,098	68,815	76,462	74,280	125,199	86,006	54,500	91,118
Administration & General	1,113,405	1,098,238	977,491	865,681	1,218,888	977,466	1,172,524	1,494,913	1,185,292	1,146,802
<b>Operating Expenses, Less Debt Service:</b>	<b>\$ 8,412,169</b>	<b>\$ 7,377,814</b>	<b>\$ 7,180,619</b>	<b>\$ 7,136,443</b>	<b>\$ 8,461,211</b>	<b>\$ 7,034,797</b>	<b>\$ 8,091,537</b>	<b>\$ 9,221,627</b>	<b>\$ 8,911,328</b>	<b>\$ 9,474,776</b>
<b>Net Income From Operations</b>	<b>\$ 5,569,393</b>	<b>\$ 7,042,974</b>	<b>\$ 7,132,172</b>	<b>\$ 6,298,751</b>	<b>\$ 4,724,628</b>	<b>\$ 6,440,528</b>	<b>\$ 6,119,434</b>	<b>\$ 6,121,497</b>	<b>\$ 6,322,345</b>	<b>\$ 6,943,594</b>
<b>Covenant</b>										
Income From Operations	\$ 5,569,393	\$ 7,042,974	\$ 7,132,172	\$ 6,298,751	\$ 4,724,628	\$ 6,440,528	\$ 6,119,434	\$ 6,121,497	\$ 6,322,345	\$ 6,943,594
Interest & Principal Payments	\$ 3,669,868	\$ 3,795,751	\$ 3,833,665	\$ 4,709,651	\$ 3,290,466	\$ 3,655,240	\$ 2,933,980	\$ 3,823,349	\$ 3,823,909	\$ 3,826,739
<b>Coverage Ratio (1.15 Minimum Req.)</b>	<b>1.52</b>	<b>1.86</b>	<b>1.86</b>	<b>1.34</b>	<b>1.44</b>	<b>1.76</b>	<b>2.09</b>	<b>1.60</b>	<b>1.65</b>	<b>1.81</b>

Note: Details regarding the required covenant can be found in Note D of the financial statements.

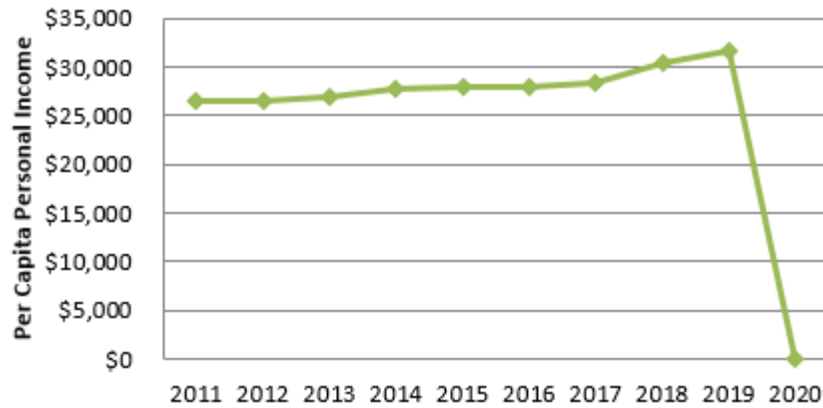
## Demographic and Economic Information Florin Resource Conservation District



## City of Elk Grove



## City of Elk Grove



Data for 2020 unavailable from the City of Elk Grove.

### Population Last Ten Fiscal Years

Year	Population <sup>(1)</sup>	Per Capita Personal Income <sup>(2)</sup>	Unemployment Rate <sup>(2)</sup>
2011	153,015	\$26,479	10.40%
2012	155,937	\$26,407	9.80%
2013	159,074	\$26,887	6.70%
2014	160,688	\$27,680	5.00%
2015	162,899	\$27,932	4.50%
2016	167,965	\$28,014	4.20%
2017	171,059	\$28,288	4.10%
2018	172,116	\$30,354	3.60%
2019	174,025	\$31,702	3.40%
2020	176,154	Not Available	12.80%

Source: (1) California Department of Finance

(2) US Census, City of Elk Grove

The largest employers in the District's service area are not known.

**Florin Resource Conservation District  
Operating Indicators for the Water Service  
Last Ten Years**

Fiscal Year ended June 30,	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Water sold:										
Purchased water (CCFs)	2,304,632	1,069,886	1,128,430	1,145,719	942,941	806,785	899,099	1,001,381	1,037,318	1,082,714
Treated water (CCFs)	-	2,189,232	2,397,179	2,055,947	1,585,736	1,365,572	1,527,797	1,725,297	1,663,476	1,893,475
Total	2,304,632	3,259,118	3,525,609	3,201,666	2,528,677	2,172,357	2,426,896	2,726,678	2,700,794	2,976,189
Number of Accounts										
Non-metered	4,681	3,259	1,193	240	-	-	-	-	-	-
Metered	7,409	9,041	10,955	12,109	12,291	12,174	12,506	12,330	12,555	12,880
Total	12,090	12,300	12,148	12,349	12,291	12,174	12,506	12,330	12,555	12,880
Average annual CCFs used per account	190.62	264.97	290.22	259.27	205.73	178.44	194.06	221.14	215.12	231.07
Average daily consumption per account	0.5223	0.7259	0.7951	0.7103	0.5637	0.4889	0.5317	0.6059	0.5894	0.6331
Number of Employees:	32	30	29	29	29	28	31	29	29	29

Note: Each one hundred cubic foot (1 CCF) equals 748 gallons

Source: Finance Department

**Florin Resource Conservation District  
Capital Assets Statistics by Function  
Current Year and Ten Years Ago**

Fiscal Year ended June 30,	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Capital Asset Statistics										
Water:										
Water main miles	124.0	124.0	124.0	131.0	131.0	131.0	145.0	145.0	145.0	149.8
Maximum daily capacity (thousands of gallons)	14,000	14,000	14,000	12,800	12,800	12,800	14,000	14,000	11,400	11,400
Maximum daily treatment capacity (thousands of gallons)	7,000	7,000	10,000	10,000	10,000	10,000	11,000	11,000	11,800	13,000
Buildings owned	1	1	1	2	2	2	2	3	3	3

Source: Finance Department

# Florin Resource Conservation District

Elk Grove, California

*Auditor's Communication with  
Those Charged with Governance*

*For the year ended June 30, 2020*



October 6, 2020

To the Board of Directors and Management  
of the Florin Resource Conservation District  
Elk Grove, California

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of Florin Resource Conservation District (District) for the years ended June 30, 2020 and 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards. Professional standards also require that we communicate to you the following information related to our audit.

#### Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated April 13, 2020, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

#### Planned Scope, Timing of the Audit, and Other

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

Our audit included obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We also communicate any internal control related matters that are required to be communicated under professional standards.

We performed the audit according to the timing previously communicated to you on the engagement letter.

#### Significant Audit Matters

##### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. As described in Note 1 to the financial statements, the District changed accounting policies related to financial reporting by adopting the following new pronouncements:

- GASB Statement No. 84, *Fiduciary Activities*
- GASB Statement No. 89, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*



- GASB Statement No. 90, *Majority Equity Interest*
- GASB Statement No. 91, *Conduit Debt Obligations*
- GASB Statement No. 93, *Replacement of Interbank Offered Rates*
- GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*
- GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*

We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the District's financial statements were:

- Depreciable lives and estimated residual value of property and equipment
- Investments valuations
- Allowance for uncollectible accounts
- Accumulated depreciation
- Pension plans (actuarial assumptions)
- Net Other Post-employment Benefits (OPEB) plan (actuarial assumptions)

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

- Summary of Significant Accounting Policies
- Cash and Investments
- Long Term Debt
- Capital Assets
- Employee Retirement Plans
- Other Postemployment Benefits (OPEB) Plan

The financial statement disclosures are neutral, consistent, and clear.

*Difficulties Encountered in Performing the Audit*

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

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

*Disagreements with Management*

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

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated September 30, 2020.

*Management Consultations with Other Independent Accountants*

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

*Other Audit Findings or Issues*

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

Other Matters

We applied certain limited procedures to the required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were not engaged to report on the introductory section and statistical section, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

To the Board of Directors and Management  
of the Florin Resource Conservation District  
Elk Grove, California  
Page 4

Restriction on Use

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

Very truly yours,



Badawi & Associates,  
Certified Public Accountants  
Berkeley, California  
October 6, 2020

Listing of Passed Audit Adjustments

Account	Description	Debit	Credit
<b>Passed Journal Entries JE # 1</b>			
To record LAIF fair value adjustment as of 6/30/2020			
1080-000-20	Local Agency Investment Fund UNREALIZED	\$ 36,396	
9911-700-20	GAINS/LOSSES		\$ 36,396
<b>Total</b>		<b>\$ 36,396</b>	<b>\$ 36,396</b>
<b>Passed Journal Entries JE # 2</b>			
To increase allowance for uncollectible accounts			
3500-000-20	Unrestricted Net Assets Allowance for Uncollectable	\$ 42,700	
1210-000-20	Accounts-EGWS		\$ 42,700
<b>Total</b>		<b>\$ 42,700</b>	<b>\$ 42,700</b>
<b>Passed Journal Entries JE # 3</b>			
To correct accounts receivable control account to match sub ledger aging report.			
1200-000-20	Accounts Receivable- EGWS Other Income /	\$ 28,849	
9920-000-20	Reimbursements-EGWS		\$ 28,849
<b>Total</b>		<b>\$ 28,849</b>	<b>\$ 28,849</b>

# Florin Resource Conservation District

Elk Grove, California

*Auditors' Communication of  
Significant Deficiencies*

*For the year ended June 30, 2020*

To the Board of Directors and Management  
of the Florin Resource Conservation District  
Elk Grove, California

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, and each major fund of Florin Resource Conservation District (District) as of and for the year ended June 30, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified one deficiency in internal control that we consider to be a significant deficiency.

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

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged by governance. We consider the deficiency in internal control 2020-001 described in the attached schedule of findings and responses to be a significant deficiency.

The District's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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



Badawi & Associates  
Certified Public Accountants  
Berkeley, California  
September 30, 2020

**Florin Resource Conservation District**  
**Auditors' Communication of Significant Deficiencies**  
**Schedule of Findings and Responses**  
**For the year ended June 30, 2020**

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**2020-001 Reconciliation of Accounts Receivable Subsidiary ledger**

**Criteria:**

The District is responsible for fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America. In addition, an effective internal control system over financial closing and reporting provides reasonable assurance for the safeguarding of assets, the reliability of financial information, and compliance with laws and regulations.

Subsidiary ledgers used to in the financial reporting process should be reconciled to the general ledger.

**Condition:**

During the performance of the audit, we noted that there was a larger irreconcilable variance between the District's accounts receivable subsidiary system that is used for operations and the District's general ledger used for financial reporting.

**Cause:**

The District's subsidiary ledger was not routinely reconciled to the general ledger, and the underlying cause of variances were believed to be due to system limitations. It was later discovered that certain payments not related to utility billing received by the District were posted to the receivable account in error. The variance was larger due to higher activity with these types of payments in the current year.

**Context and Effect:**

The District's accounts receivable and revenue accounts may be misstated.

**Recommendation:**

We recommend that the District implement additional policies and procedures over accounts receivable, such as routine reconciliation of billings and customer payments between the two systems.

**Management Response:**

Management agrees with the recommendation and has implemented additional procedures to:

1. Capture and record the revenue and related accounts receivable for all transactions related to credit card sales for construction meters, back flow tags, meter fees, capacity charges and plan check fees on a monthly basis.
2. Reconcile the subsidiary ledger and the general ledger on a monthly basis to ensure all billings and collections are properly captured and recorded.

October 20, 2020

TO: Chair and Directors of the Florin Resource Conservation District  
FROM: Bruce Kamilos, Assistant General Manager  
SUBJECT: **ENGINEERING REPORT AND TECHNICAL MEMORANDUM ON EFFECTS OF GROUNDWATER RECHARGE**

## **RECOMMENDATION**

It is recommended that the Florin Resource Conservation District Board of Directors:

- 1) Accept and file the Engineering Report and Technical Memorandum on the Effects of Groundwater Recharge; and
- 2) Direct staff to wait until a Groundwater Sustainability Plan is completed before taking any further actions on a groundwater recharge project.

## **SUMMARY**

Engineering consultant Woodard & Curran conducted an analysis to determine the impact that a groundwater recharge project would have on groundwater elevations in the Elk Grove Water District (EGWD) service area. The results of the analysis, contained in an Engineering Report and Technical Memorandum, show a minor improvement in groundwater elevations ranging from 3 feet to 7 feet in the EGWD service area. The Sacramento Central Groundwater Authority (SCGA) is currently developing a Groundwater Sustainability Plan (GSP). The GSP will provide direction on how the groundwater basin can best be managed.

At this time, staff recommends that the Florin Resource Conservation District (FRCD) Board of Directors (Board) accept and file the Engineering Report and Technical Memorandum on the Effects of Groundwater Recharge, and that staff wait for the GSP to be completed before taking any further actions on a groundwater recharge project.

## **DISCUSSION**

### **Background**

On April 18, 2018, the Board declared by resolution that all future activities performed by the FRCD would be limited to water-related activities that provide a benefit to the EGWD ratepayers. Collectively, the FRCD/EGWD is herein referred to as District. Pursuant to this declaration, staff began exploring how a groundwater recharge project, situated strategically within the FRCD service area, might affect groundwater elevations in the EGWD service area. To determine this, the District authorized engineering consultant Woodard & Curran



## **ENGINEERING REPORT AND TECHNICAL MEMORANDUM ON EFFECTS OF GROUNDWATER RECHARGE**

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Page 2

to perform an analysis of how a groundwater recharge project located near Jackson Road and Sunrise Boulevard would impact the groundwater elevations in the service area of EGWD. The intersection of Jackson Road and Sunrise Boulevard is located within the FRCD service area, about six (6) miles to the northeast of the EGWD service boundary. If the analysis showed that groundwater elevations in the EGWD service area would rise to a significant degree, then EGWD would have a basis to support groundwater recharge projects that are located outside of the EGWD service area, but within the FRCD service area. The results of the analysis are contained in the Engineering Report on Effects of Groundwater Recharge (Attachment 1).

### Present Situation

Woodard & Curran performed the analysis by using the Sacramento Area Integrated Water Resources Model (SaciWRM). The SaciWRM is an institutionally recognized and accepted hydrogeologic model for the Sacramento Region. Woodard & Curran used the model to analyze what would happen if 1,500 acres of open land near Jackson Road and Sunrise Boulevard were flooded. Woodard & Curran used two (2) modeling scenarios.

Scenario 1 applied 60,000 acre-feet of surface water over the 1,500 acres, every year for 84 years. The recharge water was applied at a uniform rate of 10,000 acre-feet per month over a six (6) month period during the year. Using a model simulation period of 84 years, the model showed that groundwater elevations would rise and stabilize after 15 years by about 10 feet in the east and four (4) feet in the west of the EGWD service area.

Scenario 2 applied surface water over the 1,500 acres based on known historical hydrology. This scenario used a study conducted by MBK Engineers that produced a monthly timeseries of water available for recharge based on historical hydrology between 1922 through 2015. Because the Sacramento region is affected by drought, normal and wet years, the application of recharge water in Scenario 2 is thought to be more accurate than uniformly applying recharge water every year as in Scenario 1. Results of the MBK study showed surface water available for recharge between 1970 through 2011 ranged annually from zero (0) acre-feet to a maximum of 160,000 acre-feet. This schedule of available water was repeated and applied to the recharge site for the 84-year simulation period. The model results from Scenario 2 showed that groundwater elevations would rise and stabilize after 15 years by about seven (7) feet in the east and three (3) feet in the west of the EGWD service area.

At the request of the District, Woodard & Curran provided a Technical Memorandum (Attachment 2) that evaluated how the recharge project would affect groundwater elevations of other water agencies in Sacramento County. Table 2 on page 8 of the Technical

**ENGINEERING REPORT AND TECHNICAL MEMORANDUM ON EFFECTS OF  
GROUNDWATER RECHARGE**

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Page 3

Memorandum summarizes the change in groundwater elevations over time for each water agency. This information could be used to determine cost-sharing percentages for a future groundwater recharge project.

The results of the groundwater recharge project analysis show a minor improvement in groundwater elevations (3 to 7 feet) that stabilize after approximately 15 years within the EGWD service area. The Technical Memorandum shows that groundwater elevations in other water agencies improve in a similar manner. The SCGA is currently developing a GSP. The GSP will provide direction on how the groundwater basin can best be managed. Staff recommends that the District wait for the GSP to be completed before taking any further actions on a groundwater recharge project.

At this time, staff recommends that the Board accept and file the Engineering Report and Technical Memorandum on the Effects of Groundwater Recharge.

**ENVIRONMENTAL CONSIDERATIONS**

There are no environmental considerations associated with this item.

**STRATEGIC PLAN CONFORMITY**

The recommendation made in this staff report conforms to Strategic Goal 7, Water Industry Leadership, of the FRCD/EGWD 2020-2025 Strategic Plan which directs the District to demonstrate water industry leadership through active participation in regional and statewide water efforts.

**FINANCIAL SUMMARY**

There is no financial impact associated with this item at this time.

Respectfully submitted,

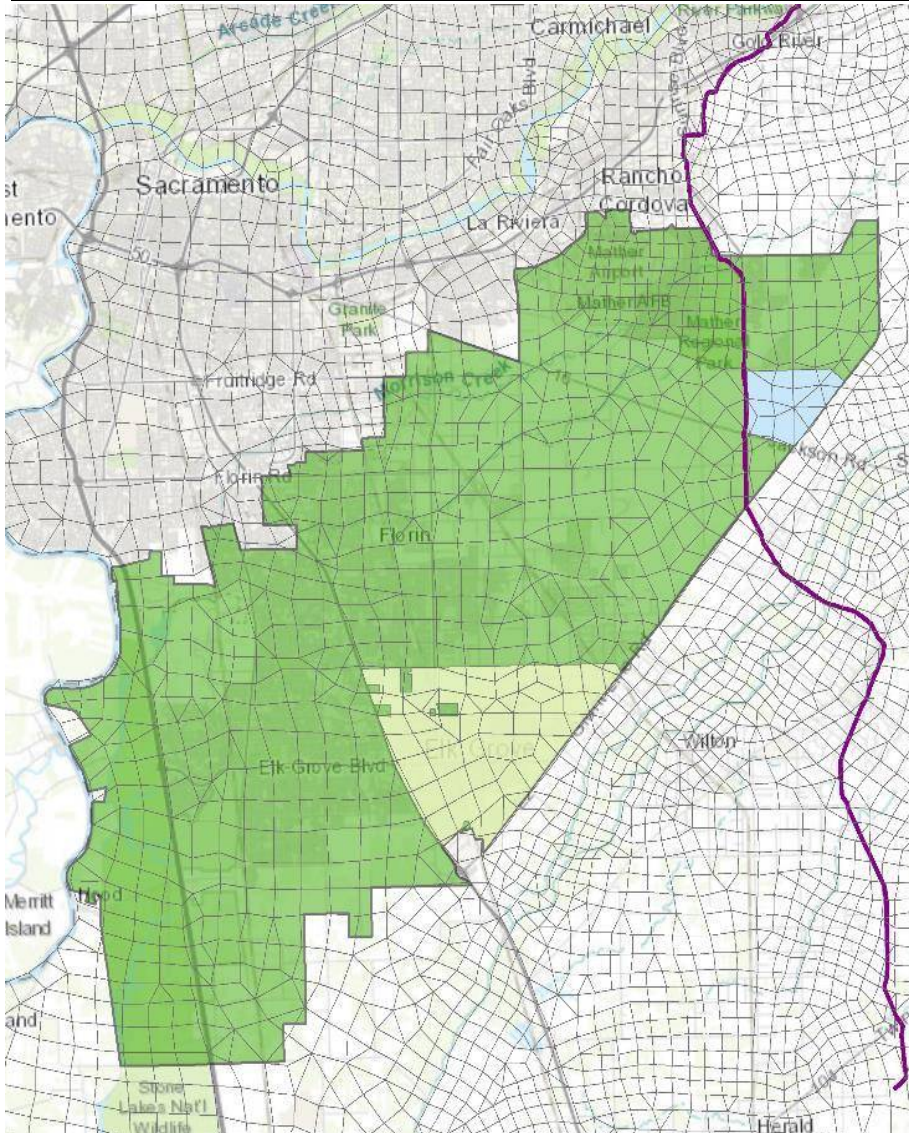


BRUCE M. KAMILOS  
ASSISTANT GENERAL MANAGER

Attachments

# ELK GROVE WATER DISTRICT ENGINEERING REPORT ON EFFECTS OF GROUNDWATER RECHARGE

June 2020



Prepared by  
Woodard & Curran



June 10, 2020



Mr. Mark Madison  
General Manager  
Florin Resource Conservation District/  
Elk Grove Water District  
9257 Elk Grove Blvd.  
Elk Grove, CA. 95624  
(916) 685-3556

Subject: Engineering Report on Analysis of Groundwater Recharge Projects  
W&C Project Number: 0011507.00

Dear Mr. Madison:

Woodard & Curran is pleased to submit "Engineering Report on Analysis of Groundwater Recharge Projects" to Elk Grove Water District (EGWD). We appreciate having this opportunity to work with the EGWD to conduct this engineering study.

Should you have any questions, please do not hesitate to contact us.

Sincerely,

**Woodard & Curran, Inc.**

Saquib Najmus, Ph.D., P.E., PMP  
Senior Principal  
[snajmus@woodardcurran.com](mailto:snajmus@woodardcurran.com) 916-999-8770  
Woodard & Curran  
801 T St.,  
Sacramento, CA 95811

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## 1. INTRODUCTION & ORGANIZATION

Elk Grove Water District (EGWD) was a privately operated water district until 1999 when it was purchased by the Florin Resource Conservation District (FRCD) and transitioned to a public agency. The name was first changed to the Elk Grove Water Service and then eventually to the Elk Grove Water District. The EGWD provides water through a series of groundwater wells and a treatment and storage facility on Railroad Street. Additionally, a second treatment facility located on Hampton Oak Drive was rehabilitated and is supplementing community water needs. In addition, EGWD has a long-term agreement with the Sacramento County Water Agency to purchase additional water supplies.

EGWD's mission is to supply their customers with high quality, safe water for current and future generations. To support this mission EGWD is evaluating participating in groundwater recharge projects within the FRCD boundary that would provide long-term benefits to EGWD's ratepayers. EGWD is evaluating sites for the development of potential groundwater recharge projects and their impacts on the groundwater elevations within the EGWD service area. This engineering study is the first step to initiating relationships between regional water purveyors and seeking cooperation on potential groundwater banking projects.

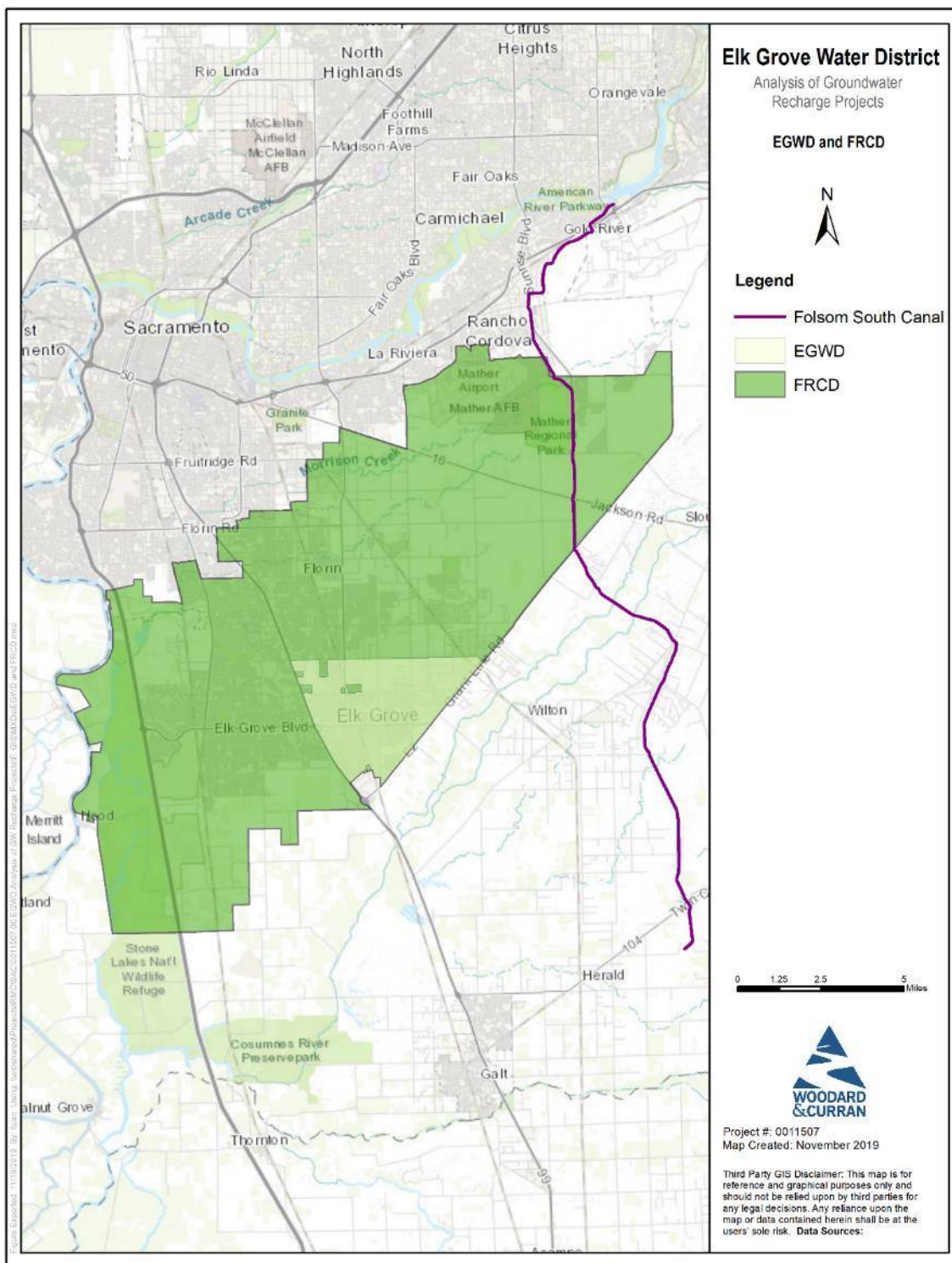
A recent hydrologic study indicated that due to future infrastructure and operational modifications in the American River Watershed, additional seasonal winter flows may be available for groundwater recharge. This engineering study assesses the impacts of varying recharge volumes and schedule at a potential recharge site near the intersection of Jackson Road and Sunrise Boulevard on the groundwater elevations within EGWD. Figure 1 shows the project area where the impacts of recharge are being evaluated.

This engineering report summarizes the analysis methodology and results in the following sections:

- Analytical Tool Selection and Set Up
- Model Data Update
- Model Results
- Conclusions



**Figure 1: Project Setting**



## 2. ANALYTICAL TOOL SELECTION AND MODEL SETUP

### 2.1 Analytical Tool Selection

The standard practice in evaluating future impacts of groundwater recharge projects on surrounding groundwater levels is to use a groundwater model and compare the model-simulated groundwater levels between two scenarios – with the recharge project and without the recharge project. The same approach is followed in this study and the Sacramento Area Integrated Water Resources Model (SaciWRM) is selected as the analytical tool for this study. A brief description of SaciWRM is provided below along with its background, wide application history, and historical calibration performance.

SaciWRM is a widely used fully developed and calibrated local integrated groundwater surface water model in the Sacramento region. It was developed based on the public domain and widely used modeling platform called Integrated Ground and Surface water Model (IGSM), which was first released in 1989 as part of the Central Valley Groundwater and Surface water Model (CVGSM) project funded by the Bureau of Reclamation, the California Department of Water Resources, and the State Water Resources Control Board. IGSM gained popularity in California and has been continuously improved and applied in different basins in California since its first release. In 2001, the IGSM version 5.0 was peer reviewed by the scientists at the University of California, Davis and the California Water and Environmental Modeling Forum (CWEMF). Based on the peer review comments, IGSM was further enhanced and a new version (version 6.0) of IGSM modeling platform was developed in 2003. SaciWRM is built on the IGSM Version 6.1.

SaciWRM and its various versions have been used in the Sacramento region since 1992. It has been continuously enhanced, modified, updated, and used in the Sacramento region. Refinements and updates are made to the model to meet the needs of each project, improving the model for future work. A list of model applications is provided in Table 1.

**Table 1: SaciWRM Major Model Applications**

Year	Study
1992	City & County Integrated Groundwater and Surface water Model (IGSM)
1996	American River Water Resources Investigation
1996	Northridge Conjunctive Use Study
1996	Rio Linda Water Supply Analysis
1996	Hydrology Update
1996	Water Forum
1999	Sunrise Douglas WS Analysis
1999	Zone 40 (N. Vineyard Well Field)
2000	American River Basin Cooperating Agencies (ARBCA) Studies
2002	Aerojet Analysis
2004	Zone 40 WSMP Update
2005	NCMWC Impacts Assessment
2005	Rio Del Oro Impacts Study
2007	Sutter Measure M Impact Study
2007	Sun Creek Development
2008	Model Comprehensive Update
2009	Cosumnes River Flow Study
2009	Regional Water Authority Water Banking Project
2010	Groundwater Management Plan
2011	Groundwater Quality Vulnerability Assessment
2011	Historical Analysis Study
2011	Reservoir Reoperation Study



2018	Regional San South County Ag Program Water Storage Investment Program (WSIP)
2019	EIR Support for a major urban development in Natomas Basin

The broad acceptance of the model as the best available regional model for the area has allowed for the utilization of the model in numerous projects across the county. In 2018, the model was successfully used to provide projections under future climate scenarios in support of the Regional San South County Ag Program Water Storage Investment Program (WSIP) grant application. The model served as the basis for quantifying anticipated project benefits under a variety of climate scenarios and resulted in the award of \$280 million in state funding after a vigorous review process by the CA Water Commission, DWR, CDFW, and State Water Board. Most recently (2017-2019), SacIWRM is being used to provide EIR support for a major urban development project in Natomas Basin. The model is being used for quantifying project impacts under various water supply scenarios as well as climate change scenarios.

A summary description of SacIWRM and its calibration is provided below.

### Key Model Features

SacIWRM is an integrated groundwater and surface water model. Its key features are as follows:

- Model area: American, South American, and Cosumnes groundwater subbasins.
- Aquifer system: three layers up to 2,000 feet deep.
- Stream system: Sacramento, American, Cosumnes, Bear, Feather, and Mokelumne Rivers, as well as Dry, Morrison, Elder, Buffalo, Elder, Laguna, and Deer Creeks, and Auburn Ravine.
- Land surface processes: 6 land use surveys, 14 types of agricultural crops; 21 rainfall stations; 45 stream flow diversions; several hundred groundwater pumping wells.
- Hydrologic Simulation period: 1970-2011.
- Special projects included in the model: Groundwater remediation operations at Aerojet/Boeing, McClellan, Mather, Kiefer Landfill, Army Depot, and Railyard.
- Water budget: monthly water budget information for surface water, soil, groundwater, and stream systems

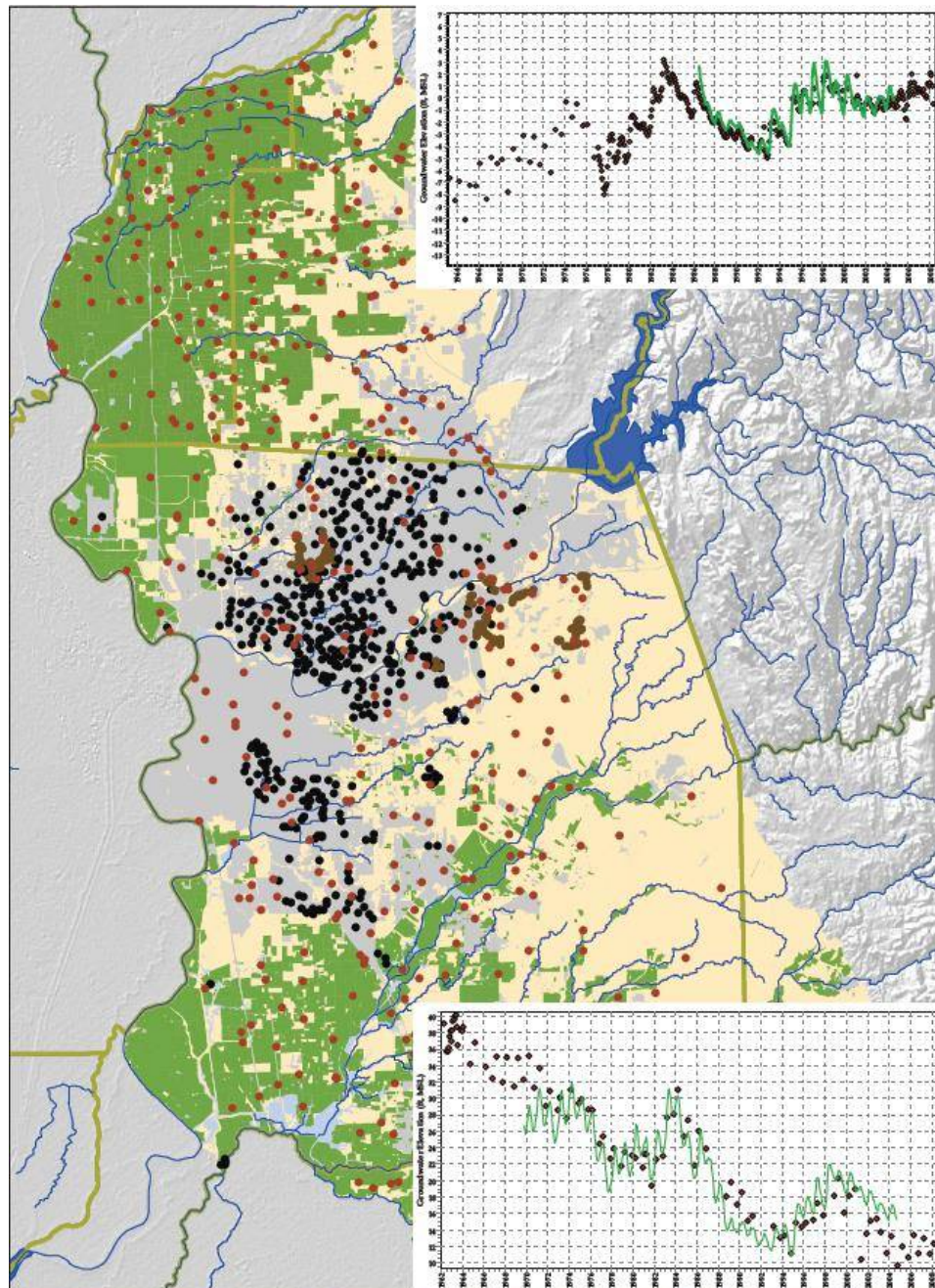
### Model Calibration

SacIWRM was calibrated for water budget, regional water levels, local water levels and streamflow as summarized below:

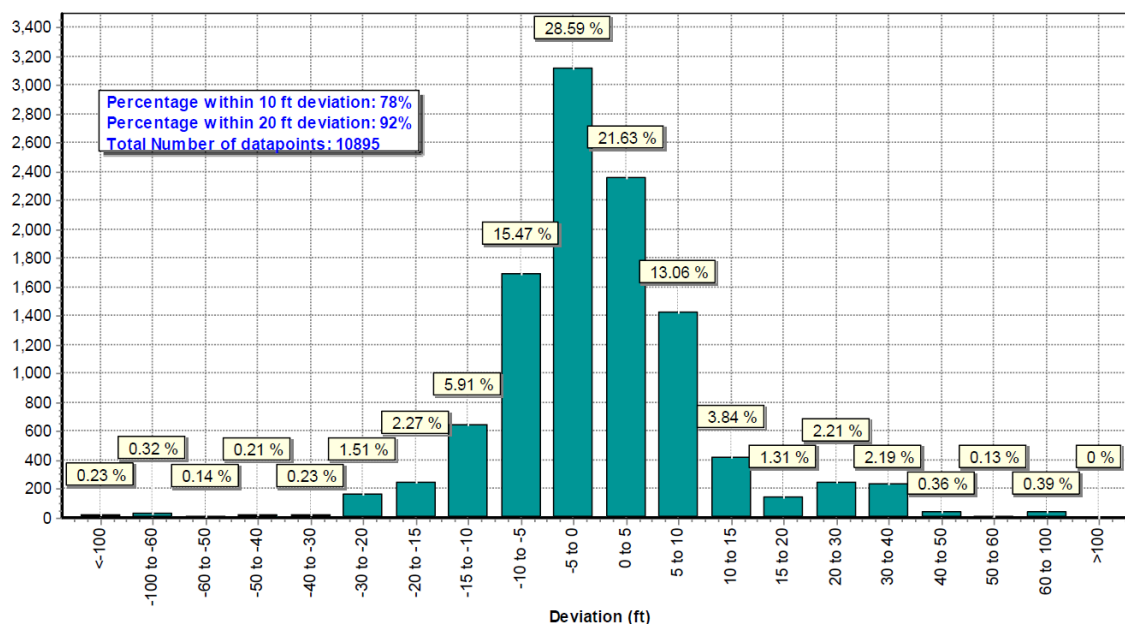
- **Water Budget Calibration**- Water use, soil zone, groundwater, and stream budgets were used to ensure that the water balances developed by the model are appropriately representing the regional water balance for each model subregion.
- **Regional Groundwater Levels**- Model was calibrated to ensure that the regional groundwater levels contours and flow directions for specific time periods represent the observed trends.
- **Local Groundwater Levels**- Model was calibrated to ensure that the simulated groundwater elevations represent long-term trends and seasonal changes to observed groundwater levels at target calibration wells.
- **Streamflow Calibration**- Model was calibrated to provide a reasonable match between the simulated streamflows and observed data for major streams in the model.

Figure 2 shows the location of calibration wells and two representative calibration well hydrographs depicting the performance of the groundwater level calibration at those wells. Figure 3 shows the statistical distribution of deviations between the simulated and observed groundwater elevations at calibration wells in the Central Basin. The 78% of the simulated groundwater elevations are within +/- 10 feet of 10,895 measured groundwater elevations at the calibration wells in the Central Basin.

**Figure 2: Land Use, Production Wells and Calibration Target Wells**



**Figure 3: Histogram of Residuals Between Observed and Simulated Groundwater Levels, Central Area**



## 2.2 Model Setup for Study

Analysis of the potential recharge projects for this study was conducted using the 2030 Future Condition (FC) Baseline scenario of SacIWRM. This future condition scenario of SacIWRM will serve as the without recharge project scenario for the comparison purposes in this study. This scenario utilizes buildout (2030) land use, projected water demand, pumping, and surface water delivery data in conjunction with 1970 through 2011 hydrology repeated once. Agricultural demands are based on the build-out levels of land use. Urban demands are set at build-out levels as reported in the UWMPs of each purveyor. The following sections describe the data incorporated into the 2030 FC baseline scenario.

### Land Use and Cropping:

For updating the 2030 FC Baseline land use data, the future urban land use representative of the 2030 conditions were compiled from the existing planning documents, including the 2010 UWMPs and General Plans (City of Rancho Cordova, 2006; City of Folsom, 2008, 2014a; City of Sacramento, 2009; City of Elk Grove, 2009; Sacramento County, 2011; Cordova Hills, LLC, 2013). The CropScape 2011 data used in the Historical Calibration model were revised to incorporate the 2030 urban footprint. The major modifications from the previous version of the 2030 Baseline include the conversion of non-urban land use to urban use for the Folsom Plan Area and Cordova Hills. The non-urban land use was based on the 2011 CropScape that was used in the Historical Calibration simulation, except for the changes due to the 2030 urban footprint.

### Urban and Agricultural Supplies and Demands

Future projected water supply and demand values for the Sacramento Central Groundwater Authority (SCGA) area were compiled from planning documents, such as the 2010 UWMPs and Water Master Plans. The major documents reviewed include the 2010 UWMPs for CalAm, City of Sacramento, City of Folsom, EGWD, Golden State Water Company, and Rancho Murieta Community Services District (RMCS); the draft Zone 40 Water Supply Master Plan for Sacramento County Water Agency; and the 2020 Compliance Plan for RMCS.

### **Surface Water Diversions**

For the updated 2030 FC Baseline, the projections of the surface water supply diversions were compiled from the 2010 UWMPs and other planning documents for the major water purveyors within the SCGA area. This effort included compiling surface water supply projections for CalAm, City of Sacramento, City of Folsom, EGWD, GSWC, SCWA, and RMCSD. For the model areas outside of the SCGA, surface water diversions in the previous 2030 FC Baseline for the 1970-2004 hydrologic period were used to extend the model through September 2011. This included a two-step approach. First, monthly average surface water diversions were calculated by hydrologic year types (e.g., Wet, Normal, Drier, Drier and Critical, and Driest years) using the 1970-2004 data in the previous 2030 Baseline. Next, the calculated monthly averages were used for the for the 2005-2011 period based on the hydrologic year types during the seven-year period.

### **Groundwater Pumping**

In the 2030 FC Baseline, urban pumping for the SCGA area was estimated for the entire simulation period based on the 2030 projections in the 2010 UWMPs for CalAm, City of Sacramento, City of Folsom, EGWD, and GSWC, along with the draft Zone 40 Water Supply Master Plan for SCWA and the Folsom Plan Area Water System Master Plan for the City of Folsom. The new municipal wells that were added to the Historical Calibration model were also incorporated into the updated 2030 Baseline. In addition to urban pumping, agricultural pumping was estimated to meet the agricultural demand that was calculated by the model based on the land use and hydrologic data. Similar to the Historical Calibration model, agricultural pumping was spread over agricultural land uses based on the crop type. For areas outside of SCGA, urban, agricultural, and other pumping data in the previous 2030 Baseline for the 1970-2004 period were used to extend the model through September 2011, using the same approach as with extending the surface water diversion data.

### **Simulation Period**

In the updated 2030 FC Baseline, the 42-year historical hydrologic conditions of 1970-2011 were repeated once to evaluate the long-term effects of hydrology for the 2030 conditions. This provides an 84-year simulation period for the model. The initial groundwater elevations for the updated 2030 Baseline were assumed to be the September 2011 levels based on the updated Historical Calibration model output.

### 3. MODEL DATA UPDATE

The 2030 FC Baseline of the model simulates pumping from 15 wells to supply water to Elk Grove Water District (Table 2, Figure 4). The model assigns pumping to these 15 wells to meet the urban demands within the District. As part of the model data update for this study, the wells within EGWD were updated to include current (2020) wells within the District. EGWD provided an updated list of 8 active production wells within the District (Table 2, Figure 5) and confirmed that 15 wells in the previous version of SacIWRM are not actively being used by EGWD. The 2030 FC Baseline scenario of the model was updated to reflect the 8 active wells and the previous 15 wells shut off from pumping.

**Table 2: EGWD Wells in SacIWRM Model**

Well Name	Comment
Elk Grove Fish Hatchery East Well	Active in previous version, inactive in current version
Elk Grove Fish Hatchery North Well	Active in previous version, inactive in current version
Elk Grove Fish Hatchery South Well	Active in previous version, inactive in current version
Elk Grove WW Main Well 1	Active in previous version, inactive in current version
Elk Grove WW Adams Well 2	Active in previous version, inactive in current version
Elk Grove WW Marva Well 3	Well location updated, active in current model
Elk Grove WW Webb Well 4	Well location updated, active in current model
Elk Grove WW Emera Well 5	Active in previous version, inactive in current version
Elk Grove WW Emera Well 6	Active in previous version, inactive in current version
Elk Grove WW Parks Well 7	Active in previous version, inactive in current version
Elk Grove WW Willi Well 8	Well location updated, active in current model
Elk Grove WW Polhe Well 9	Well location updated, active in current model
Elk Grove WW Feick Well 10	Active in previous version, inactive in current version
Elk Grove WW Dino Well 11	Well location updated, active in current model
Elk Grove WW Fallb Well 12	Active in previous version, inactive in current version
Hampton 13	Well added to model
Railroad Rd 14D	Well added to model
School St 1D	Well added to model



Figure 4: Wells in Previous Version of SacIWRM updated to be Inactive

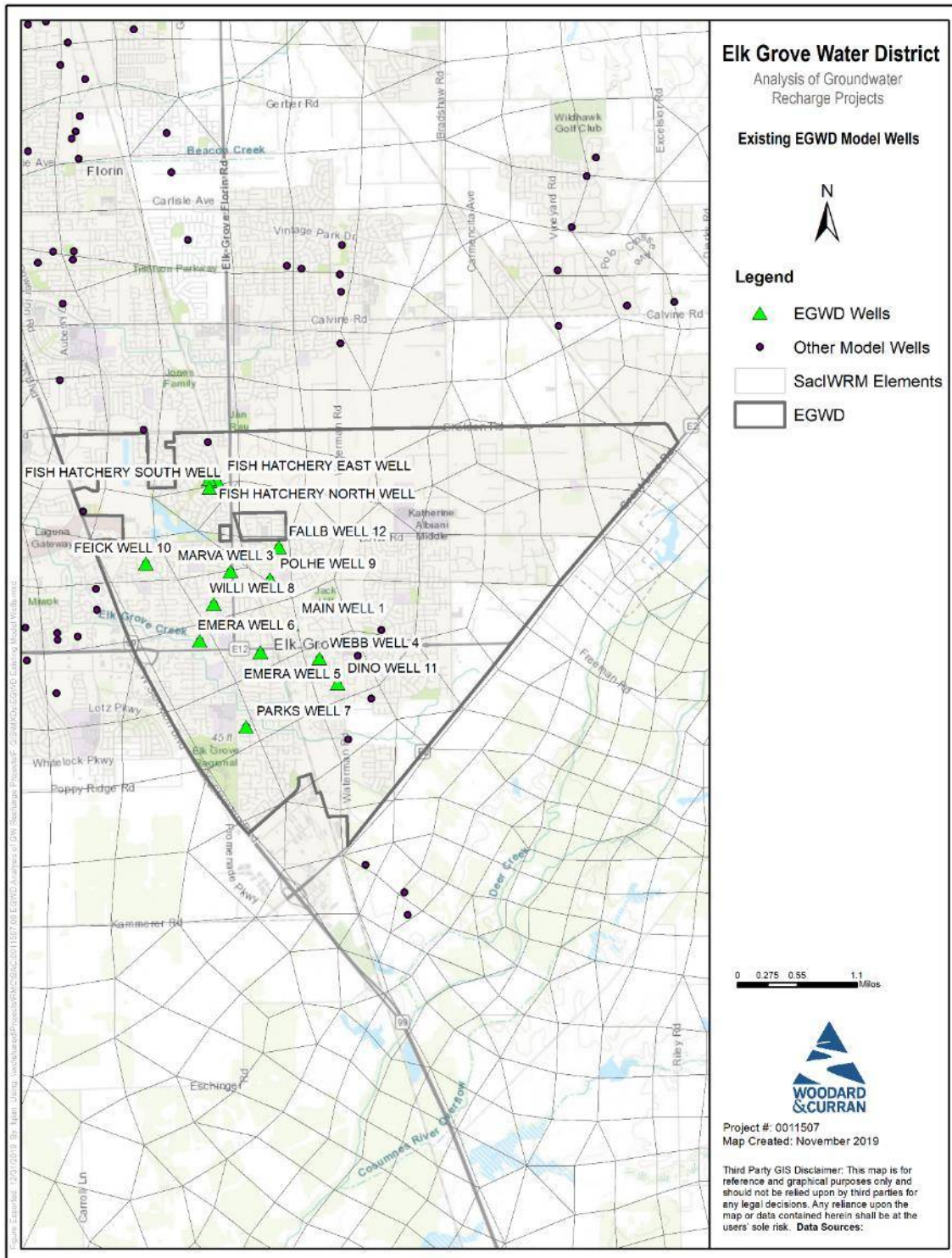
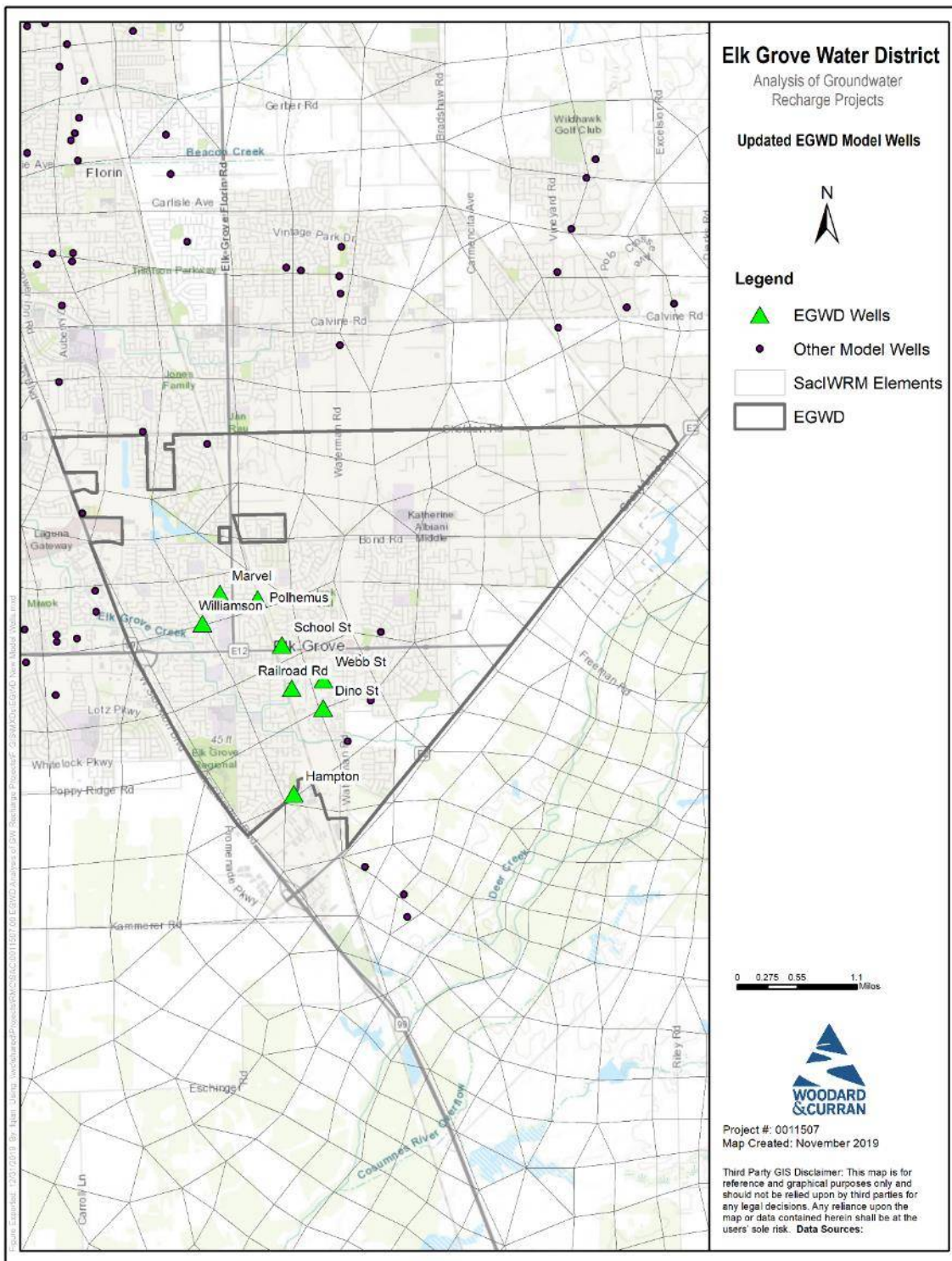


Figure 5: Wells in EGWD Area Included in Current Version of SacIWRM



New wells were assigned to the model using coordinates and well construction information provided by EGWD. The total pumping that was previously assigned to the 15 EGWD wells in the model was evenly distributed across the 8 active EGWD wells added to the model. The total pumping volume reflects the urban pumping demand under 2030 buildout conditions and historical hydrology. This update maintains the pumping volume within the District for meeting projected urban demands while spatially redistributing the pumping to come only from the 8 currently active wells. Pumping within each well is distributed across the model layers based on the well perforations and the percentage of the screen interval that falls within each model layer.

No other updates were made to the 2030 FC Baseline scenario of SacIWRM.



## 4. MODEL RESULTS

### 4.1 Baseline Results

The 2030 FC Baseline model with updated EGWD well data was run for the full 84-year simulation period. The baseline model reflects hypothetical conditions where 2030 demands are maintained over 84 years of varying hydrology. Hydrology is based on historical 1970 through 2011 conditions, repeated once. The baseline model run reflects conditions without a recharge project and is used as the basis to assess impacts of the recharge scenarios.

The initial conditions of the model are based on 2011 groundwater elevation results from the historical calibration of the model, because that was the end period of the historical calibration. Figure 6 shows a contour map of groundwater elevations at the beginning of the FC Baseline model simulation. Groundwater elevations are higher in the eastern portion of the study area and they generally drop moving towards the west. There are two primary areas of groundwater level depression: the western boundary of EGWD and south east of EGWD north of Herald. Groundwater elevations in the east portion of FRCD are 50 feet or more above mean sea level (msl). Moving west within FRCD, groundwater elevations drop to -20 feet msl. The two areas of depression are at -50 and -40 feet respectively. Over the 84-year model simulation period, groundwater elevations across the study area rise approximately 40 feet, as seen when comparing initial groundwater elevations to contours of groundwater elevations at the end of the model run (Figure 7). This is consistent with local knowledge of the study area and observed trends. Between 2005 and 2015, observed groundwater levels in the region rose approximately 15 feet.

Throughout the baseline simulation, water levels in the region show a gradient of higher groundwater elevation to the east and lower groundwater elevations to the west. Between the Waegell family property where recharge would occur and the eastern edge of the EGWD boundary, there is on average a difference of groundwater elevation of about 40 ft. Within EGWD, another 30 ft difference in groundwater elevations exists between the eastern and western portions of the district. The overall gradient within the study area suggests that recharged water should flow downgradient toward EGWD.

Figure 6: Groundwater Elevation Contour Map at the Beginning of Baseline Run

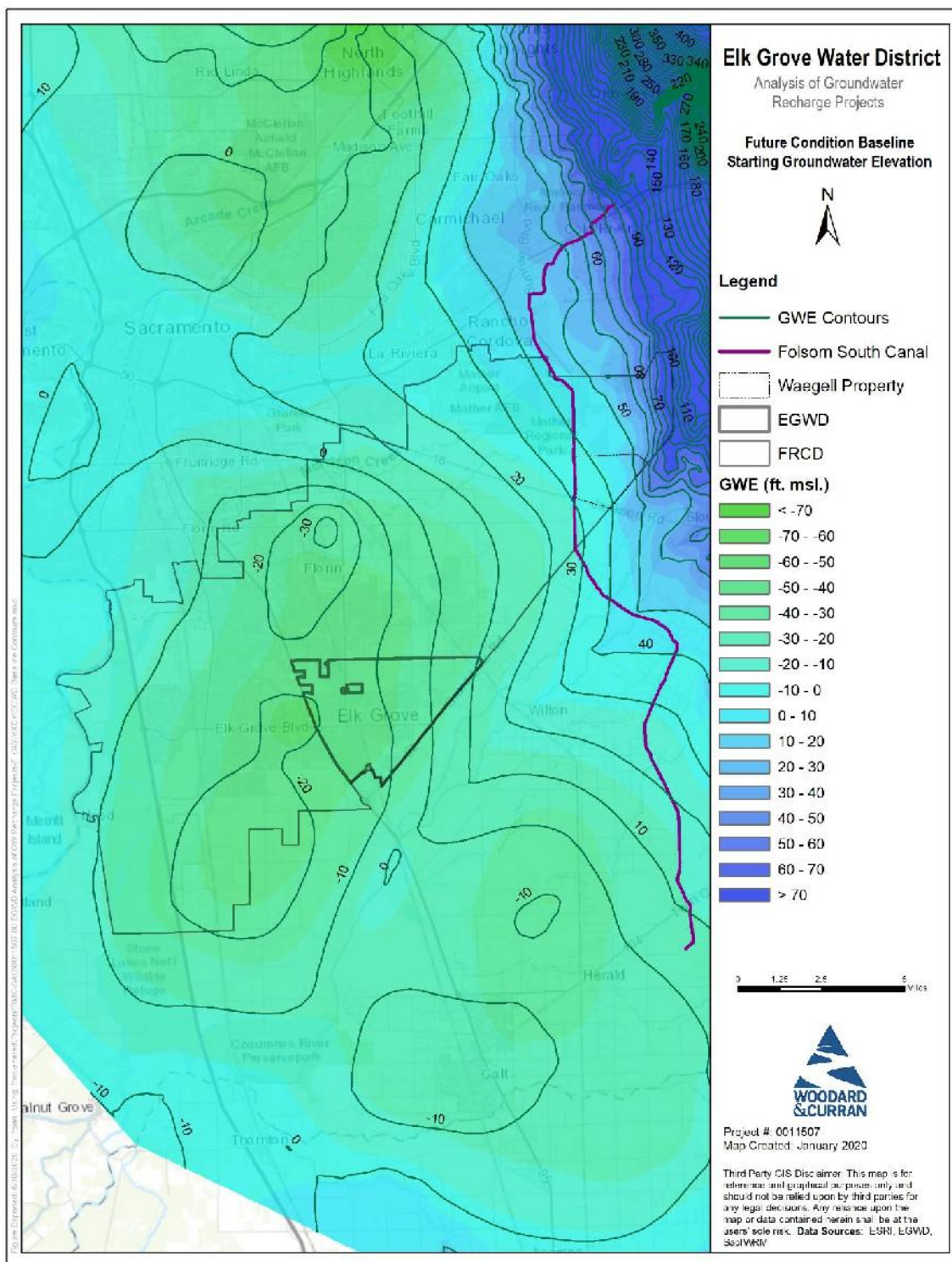
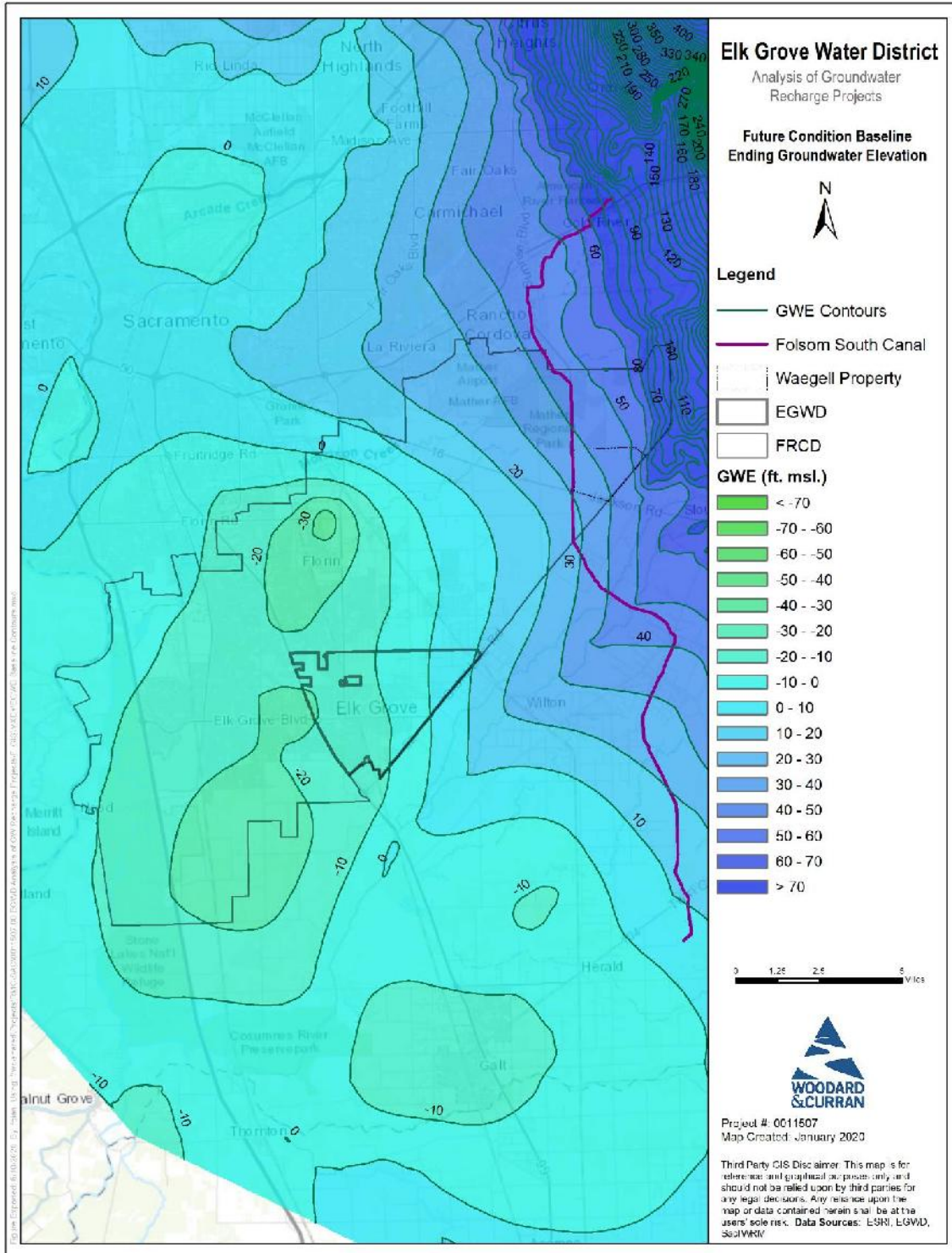


Figure 7: Groundwater Elevation Contour Map of End of Baseline Run



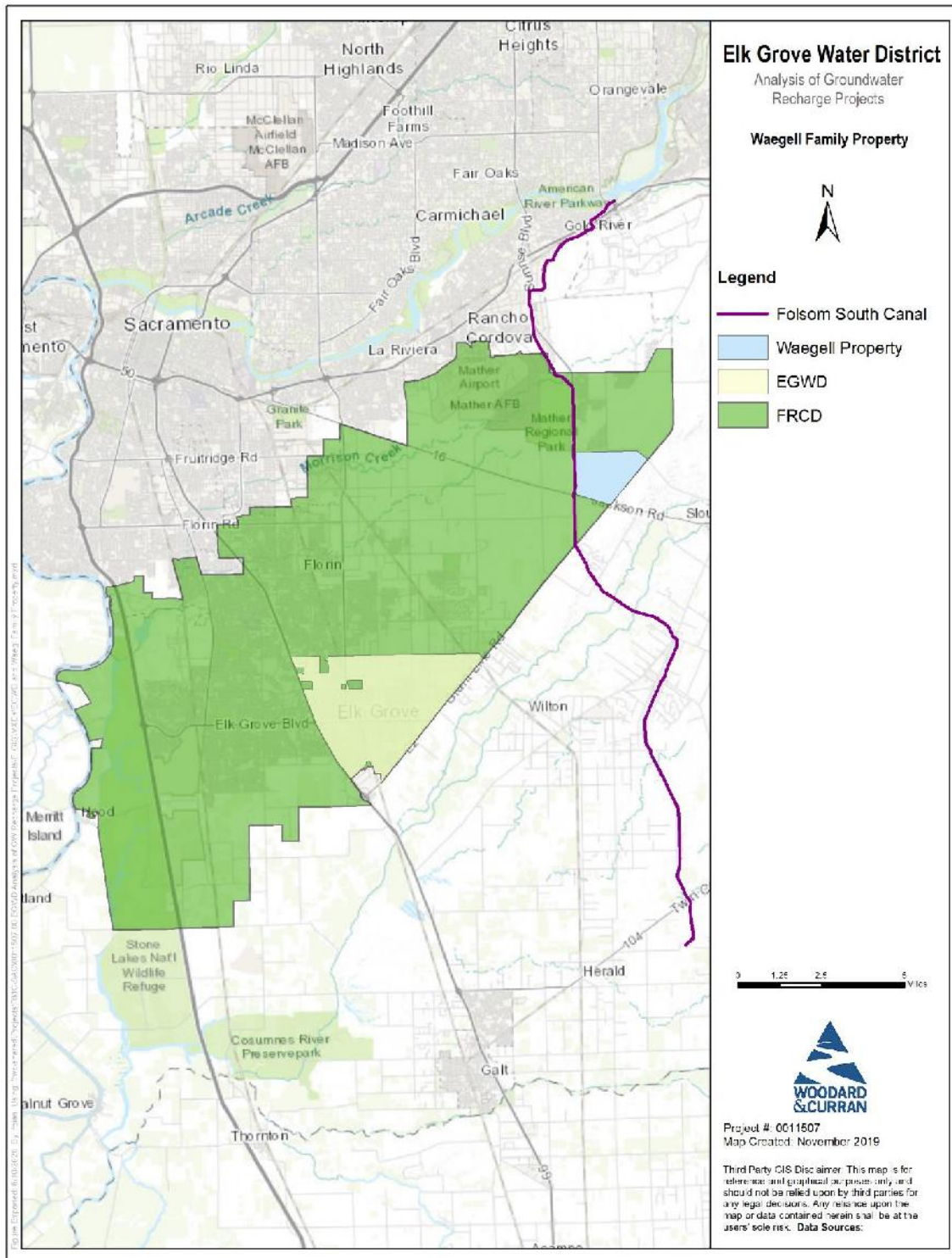
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## 4.2 Scenario Descriptions

The analysis considers the impacts of recharge at the Waegell Family Farm on groundwater elevations within EGWD. The Waegell Family Farm is located 6 miles north-east of EGWD at the intersection of Jackson Road and Sunrise Boulevard, and consists of approximately 1,500 acres of land. Because specific sites within the property have not been identified, the model scenarios assume that recharge occurs uniformly across the entire property. The actual acreage required for recharge will vary depending on local site conditions such as soil type and quantity of recharged water. Depending on soil types, the high end of recharge rates can vary between 2 feet/month to 48 feet/month. Infiltration rates in the Cosumnes River floodplain in nearby locations showed infiltration rates of 15 to 20 feet per month. Figure 8 identifies the Waegell Family Farm in relation to the EGWD and FRCD.



**Figure 8: Map of Recharge Location**



Two recharge scenarios are analyzed in this study and they are described below.

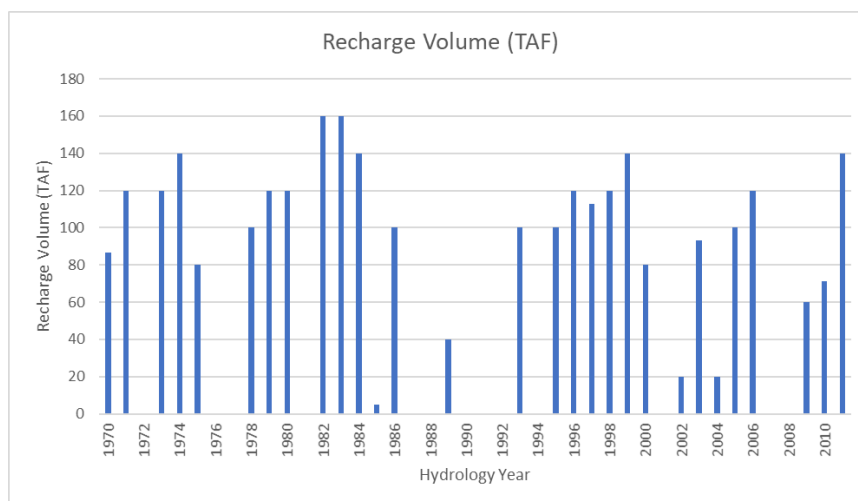
**Scenario 1:**

The first scenario evaluates the impacts of uniform annual recharge over time. An estimated 60,000 acre-feet of water from the American River was assumed to be available for recharge every year. The recharge is applied over a 6-month span of November through April, uniformly at 10,000 AF/month for a total of 60,000 acre-feet per year for a total recharge volume of 5.04 million ac-ft over the 84-year model simulation period. The area required for recharge will depend on specific site conditions. A conservative recharge rate of 10 feet/month equates to needing 1,000 acres of land to recharge 10,000 AF/month. Recharge is applied every year for the entire 84-year model simulation period. This first scenario evaluates the impacts of recharge under ideal conditions where water is always available for recharge.

**Scenario 2:**

The second scenario evaluates the impacts of recharge using a hydrology-based recharge schedule. A study of the American River conducted by MBK for SAFCA produced a monthly timeseries of water available for recharge based on historical hydrology for 1922 through 2015. Results of the study showed annual water available for the 1970 through 2011 hydrology ranged from a low 0 thousand acre-feet (TAF) to a maximum of 160 TAF (Figure 9). Using this schedule, a total of 5.8 million-AF of water was recharged into the Waegell family recharge site during the 84-year model simulation period. Unlike Scenario 1, where the annual recharge volume is constant every year, in this scenario wet years yield significantly higher recharge volumes whereas dry years do not provide any water for recharge. The timeseries from the MBK study for 1970 through 2011 was applied to the model and repeated once to match the 84-year hydrology and simulation period. It was assumed that the full volume of available water is recharged at the Waegell Family property.

**Figure 9: Scenario 2 Recharge Timeseries**



**4.3 Method of Analysis**

The simulated groundwater elevations under the two recharge scenarios (with project scenarios) are compared against the 2030 FC Baseline (without project scenario) using two methods: 1) difference contours at various points in time during the simulation period to evaluate the spatial impacts of the recharge and 2) location hydrographs at select point locations to evaluate changes in groundwater elevation in specific locations over time. Groundwater elevations were

output from the model for every model node at specified timesteps throughout the simulation. Hydrographs were generated at select point locations for every timestep of the simulation.

Change in groundwater elevation contour maps are generated for the 5, 10, 15, and 80-year marks of the model simulation. The difference contours were generated by subtracting the baseline elevations from the scenario runs. Positive values indicate an increase in groundwater elevations relative to the baseline scenario (without recharge project). The difference contours provide a visual representation of the spatial distribution of increases in groundwater elevations associated with the recharge projects.

Point hydrographs provide a timeseries of groundwater elevations for the entire model simulation at specified locations within the model. Hydrographs were generated for points were selected at the east, middle, and western portions of EGWD to evaluate how groundwater elevations change across the district over time under the difference scenarios. The hydrographs provide insight to how the groundwater elevations fluctuate under each scenario.

#### 4.4 Scenario 1 Groundwater Elevation Contours

Groundwater elevation contour maps in Figure 10 through Figure 13 show the spatial distribution of changes in groundwater elevation under recharge scenario 1. At the end of the 5<sup>th</sup> year of recharge, groundwater elevations at the recharge site at the Waegell Family property increase approximately 45 feet compared to the no-recharge baseline scenario. The area of influence spreads north, south, and west. The natural gradient of higher groundwater elevations to the east of the recharge site as seen in the baseline condition run likely prevents the spreading of the recharged water to the east. At the eastern boundary of EGWD, groundwater elevations increase by about 3-feet. The western boundary sees minimal changes. As recharge continues, the groundwater elevations at the recharge site remain between 45 and 50 feet above the baseline elevations. The area of influence spreads outward from the recharge site. By year 10, the eastern portion of EGWD increases by about 6 feet in elevation and the western portion increases by 2 feet. By year 15, groundwater elevations appear to stabilize, with approximately 10 feet of increase in the eastern portion and 4 feet of increase in the western portion. This gradient remains relatively consistent through the rest of the simulation, with some minor fluctuations. The difference contours after 80 years are similar to those after 15 years. Outside of EGWD, we see groundwater elevations increase to the north and south, towards the areas of low groundwater elevations observed in the baseline run results. This is consistent with the natural flow of groundwater in the region.

Overall, the groundwater elevation contours for Scenario 1 suggest:

- Water spreads southwest from the recharge site towards EGWD
- Recharged water spreading follows the groundwater gradient observed in the baseline scenario results
- EGWD starts seeing moderate positive impacts to groundwater elevation as soon as 5 years into the recharge period.
- Groundwater elevations in the eastern portion of the EGWD rise about 5 feet more than the western portion
- The rise in groundwater elevations stabilize after approximately 15 years of recharge
- The rise in groundwater elevations stabilize at approximately 10 feet in the east and 4 feet in the west

**Figure 10: Scenario 1 Groundwater Elevations Difference Contour Map after 5 Years**

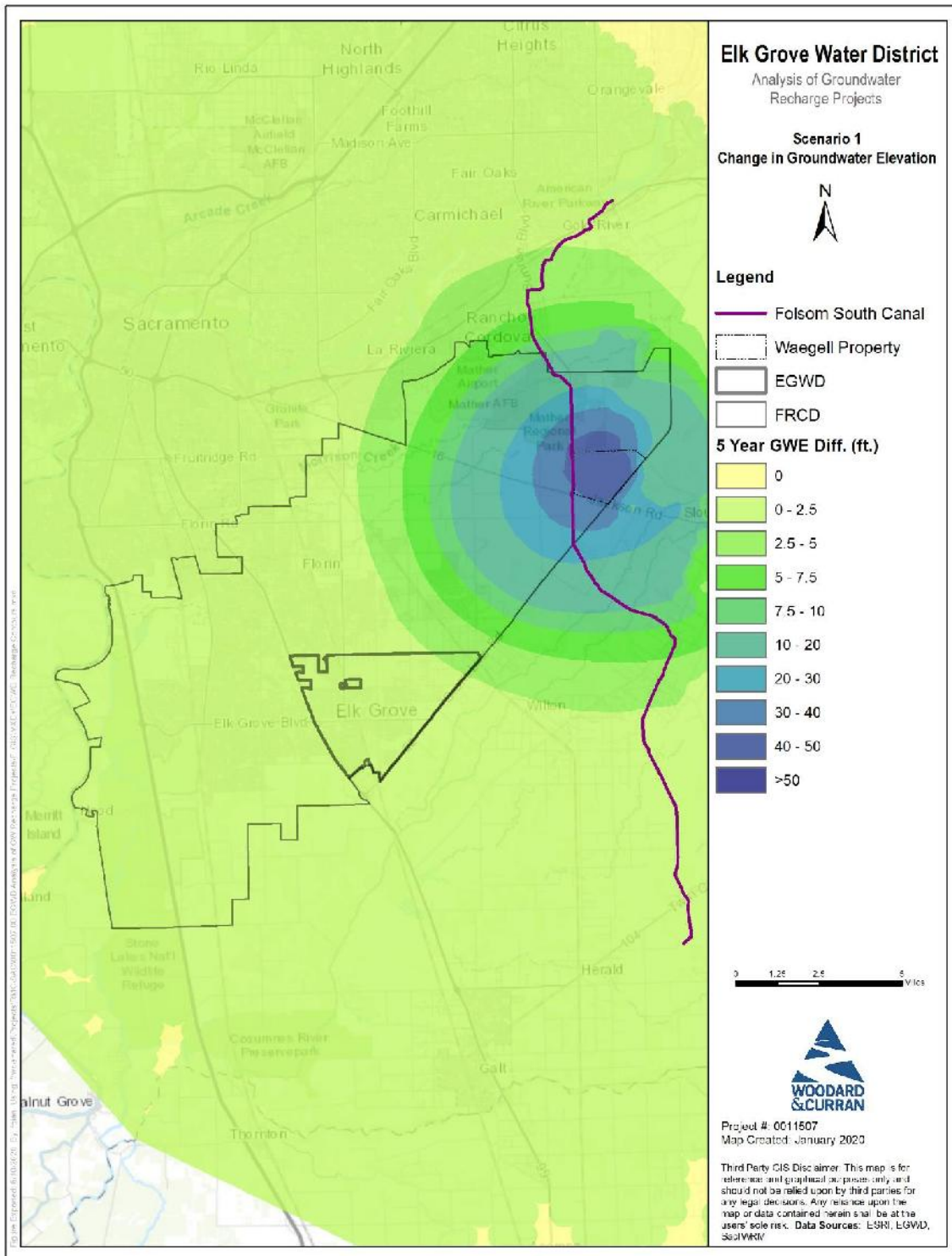




Figure 11: Scenario 1 Groundwater Elevations Difference Contour Map after 10 Years

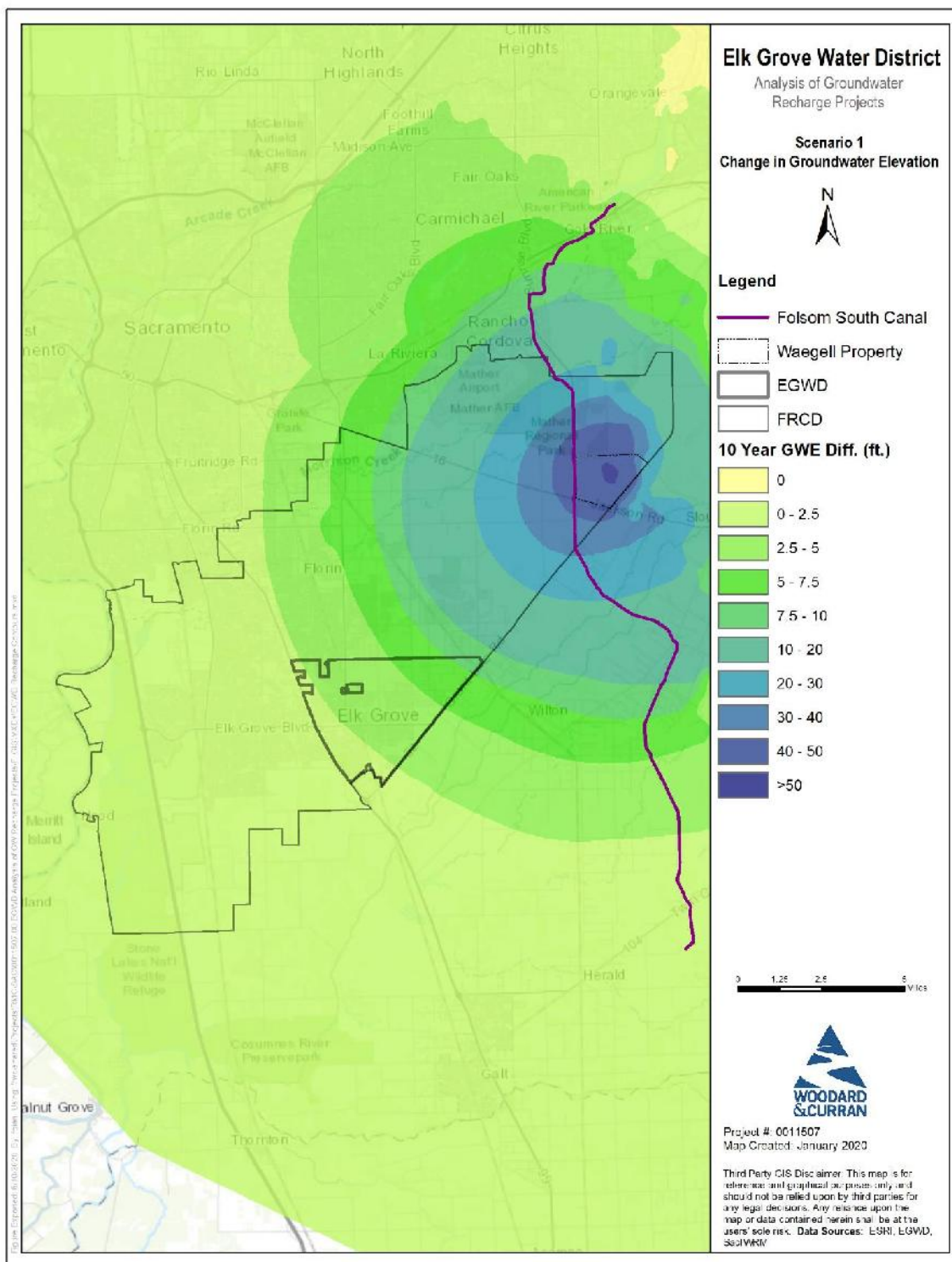


Figure 12: Scenario 1 Groundwater Elevations Difference Contour Map after 15 Years

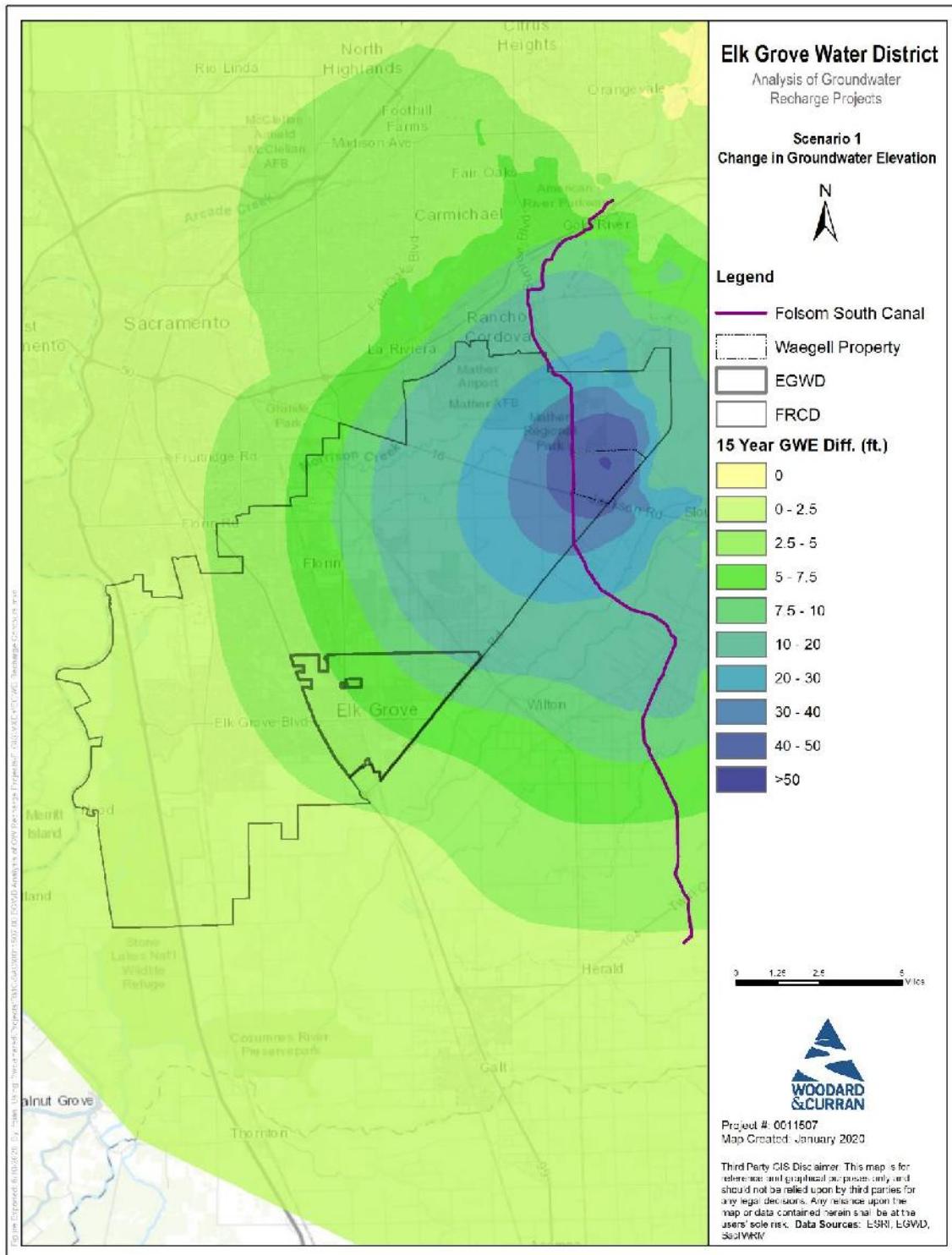
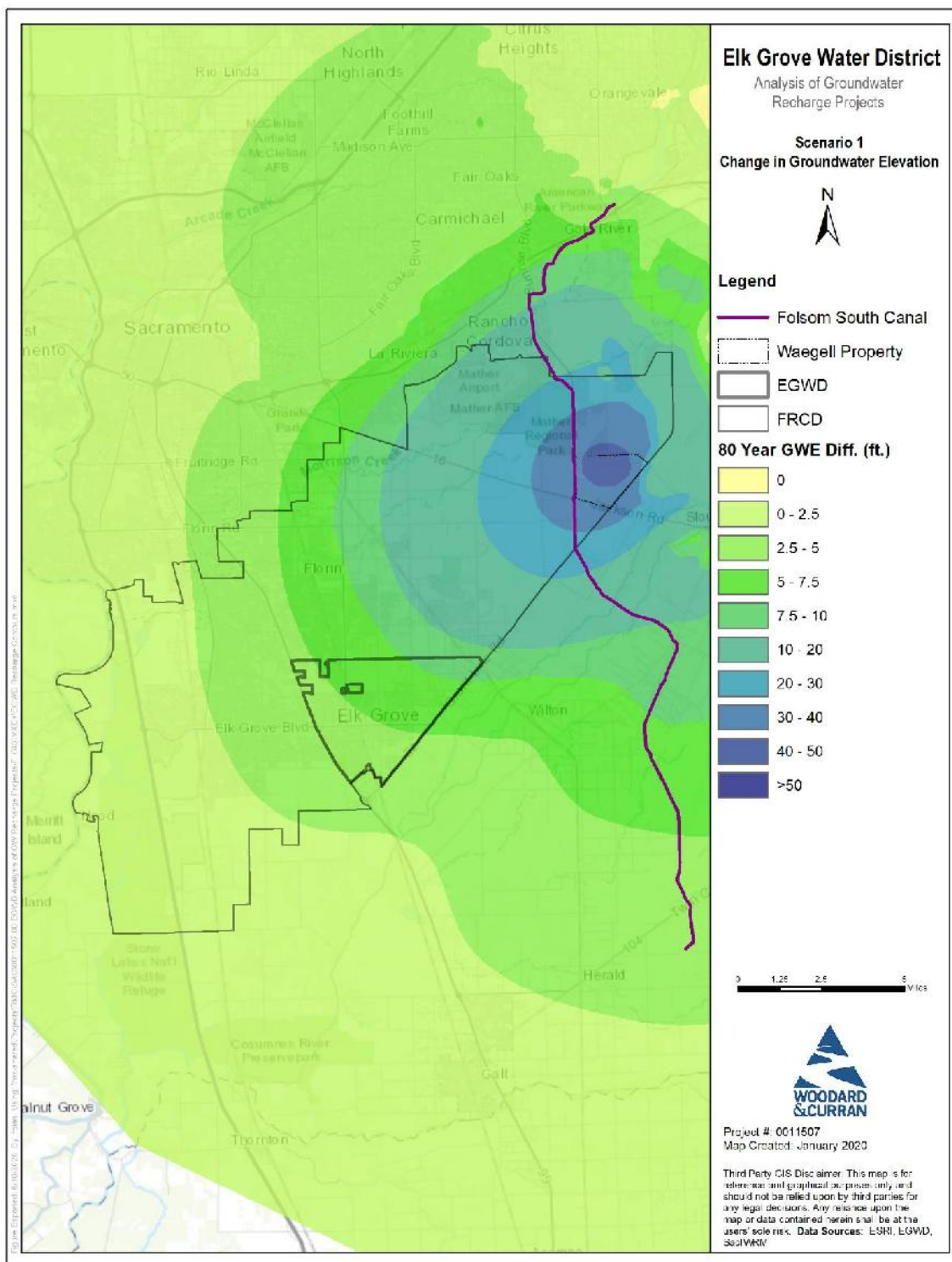


Figure 13: Scenario 1 Groundwater Elevations Difference Contour Map after 80 Years



#### 4.5 Scenario 2 Groundwater Elevations Contours

Groundwater elevations contour maps in Figure 14 through Figure 17 show the spatial distribution of changes in groundwater elevation under recharge Scenario 2. The hydrology dependent recharge timeseries begins with multiple wet years, recharging 467 TAF in the first 5 years, compared to 300 TAF in Scenario 1. At the end of the first five years of recharge, groundwater elevations at the recharge site increase by 80 feet. At the eastern boundary of EGWD, the groundwater elevations are 3 feet higher than the baseline. The western boundary only sees an increase of 0.3 feet. This suggests there is a limitation to how quickly the aquifer can respond to recharged water. Despite recharging an additional 167 TAF of water, the response of the aquifer beneath EGWD is nearly identical to the first scenario. After 10 years, Scenario 2 also exhibits a 6-foot increase in the eastern portion of EGWD and 2 feet increase in the west. Conditions stabilize at the 15-year mark with a 9-foot increase in the east and 3-foot increase in the west. The groundwater elevation continues to fluctuate over time without any significant changes. By the 80-year mark, the east has a 7-foot increase whereas the west remains around 3 feet.

Overall, the contours for Scenario 2 suggest:

- Water spreads southwest from the recharge site towards EGWD
- Recharged water spreading follows the gradient observed in the baseline scenario
- EGWD starts seeing moderate positive impacts to groundwater elevation as soon as 5 years into the recharge period.
- Groundwater elevations in the eastern portion of the district rise about 5 feet more than the western portion
- The rise in groundwater elevations stabilize after approximately 15 years of recharge
- The rise in groundwater elevations stabilize at approximately 7 feet in the east and 3 feet in the west



**Figure 14: Scenario 2 Groundwater Elevations Difference Contour Map after 5 Years**

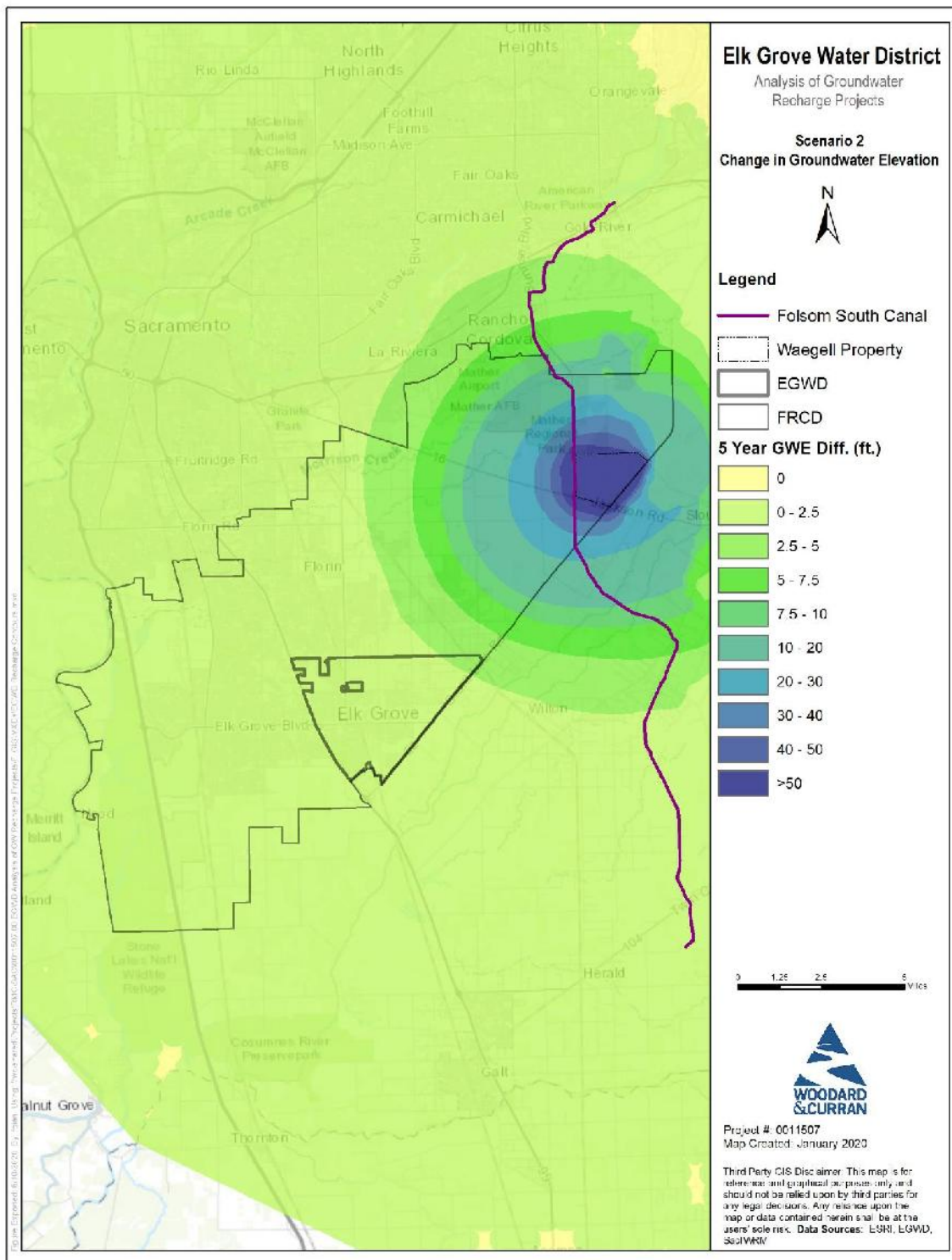
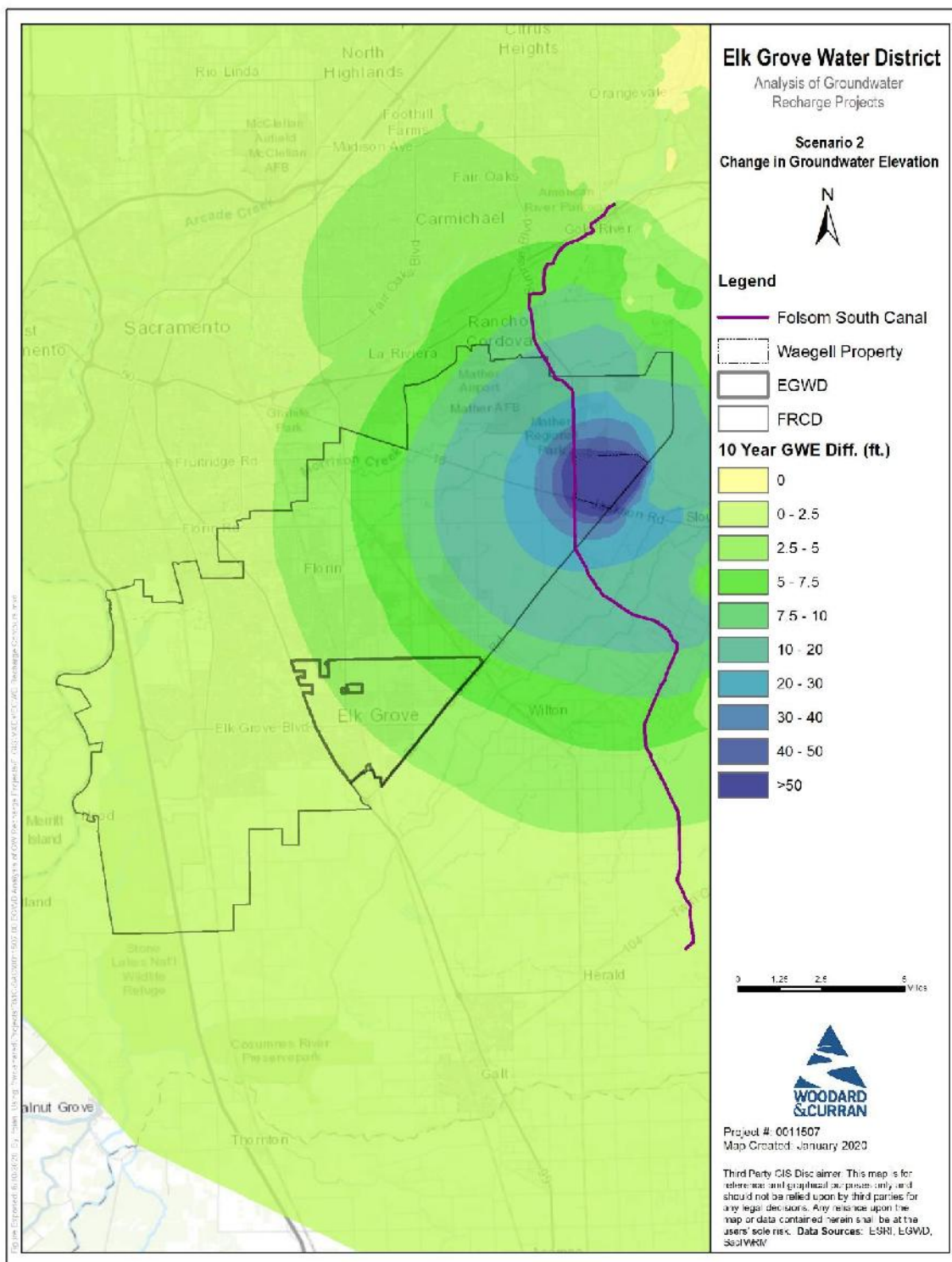


Figure 15: Scenario 2 Groundwater Elevations Difference Contour Map after 10 Years



**Figure 16: Scenario 2 Groundwater Elevations Difference Contour Map after 15 Years**

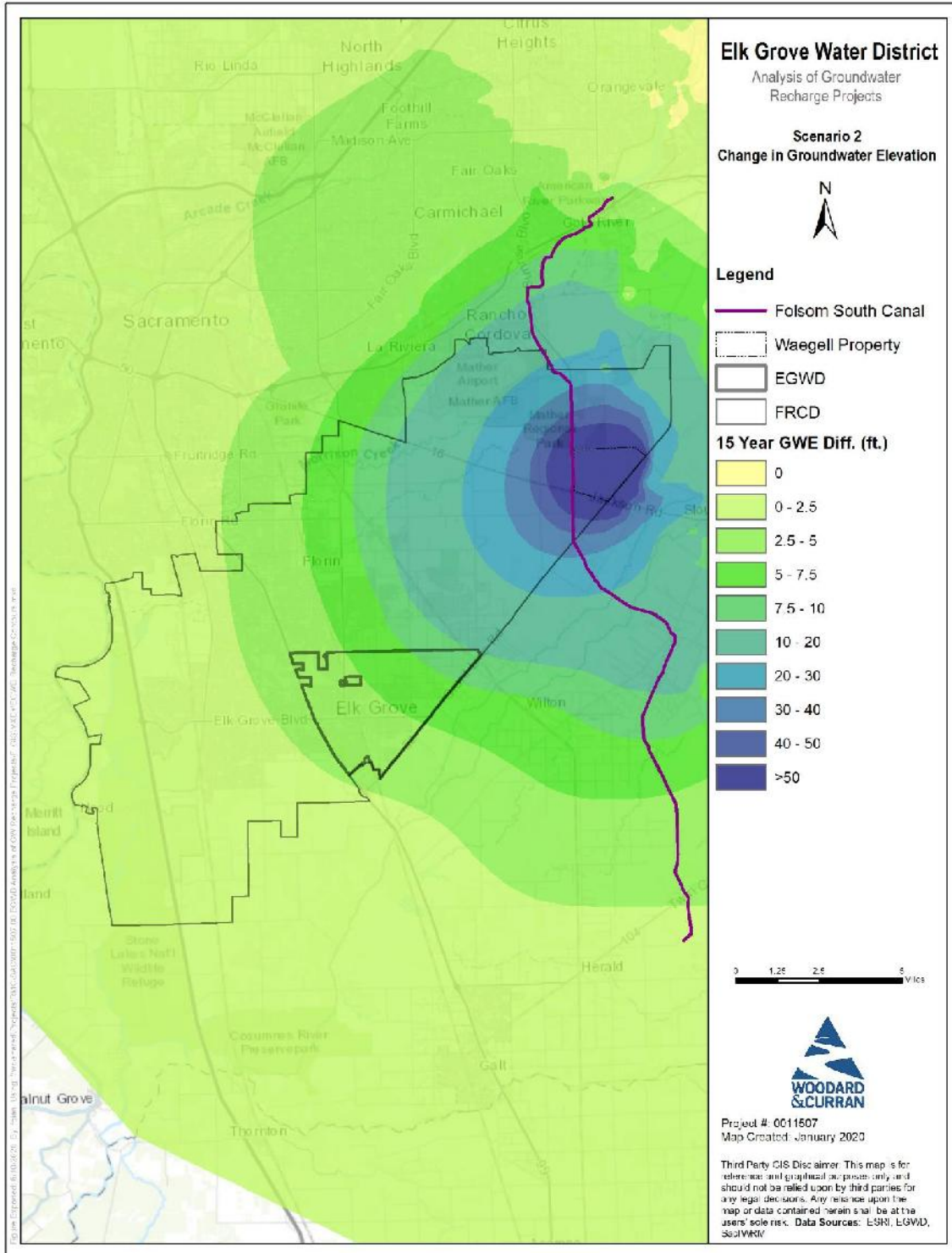
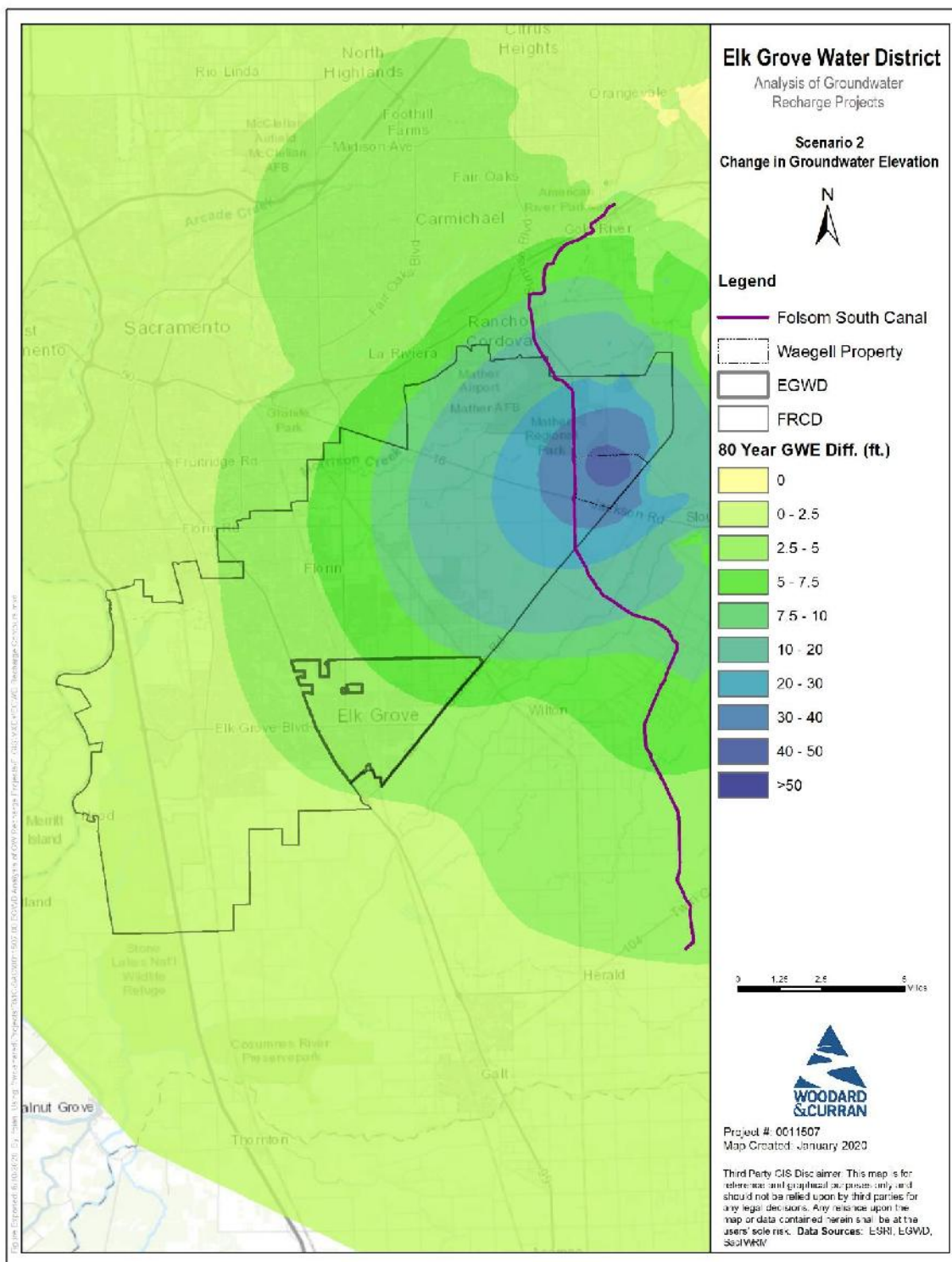




Figure 17: Scenario 2 Groundwater Elevations Difference Contour Map after 80 Years





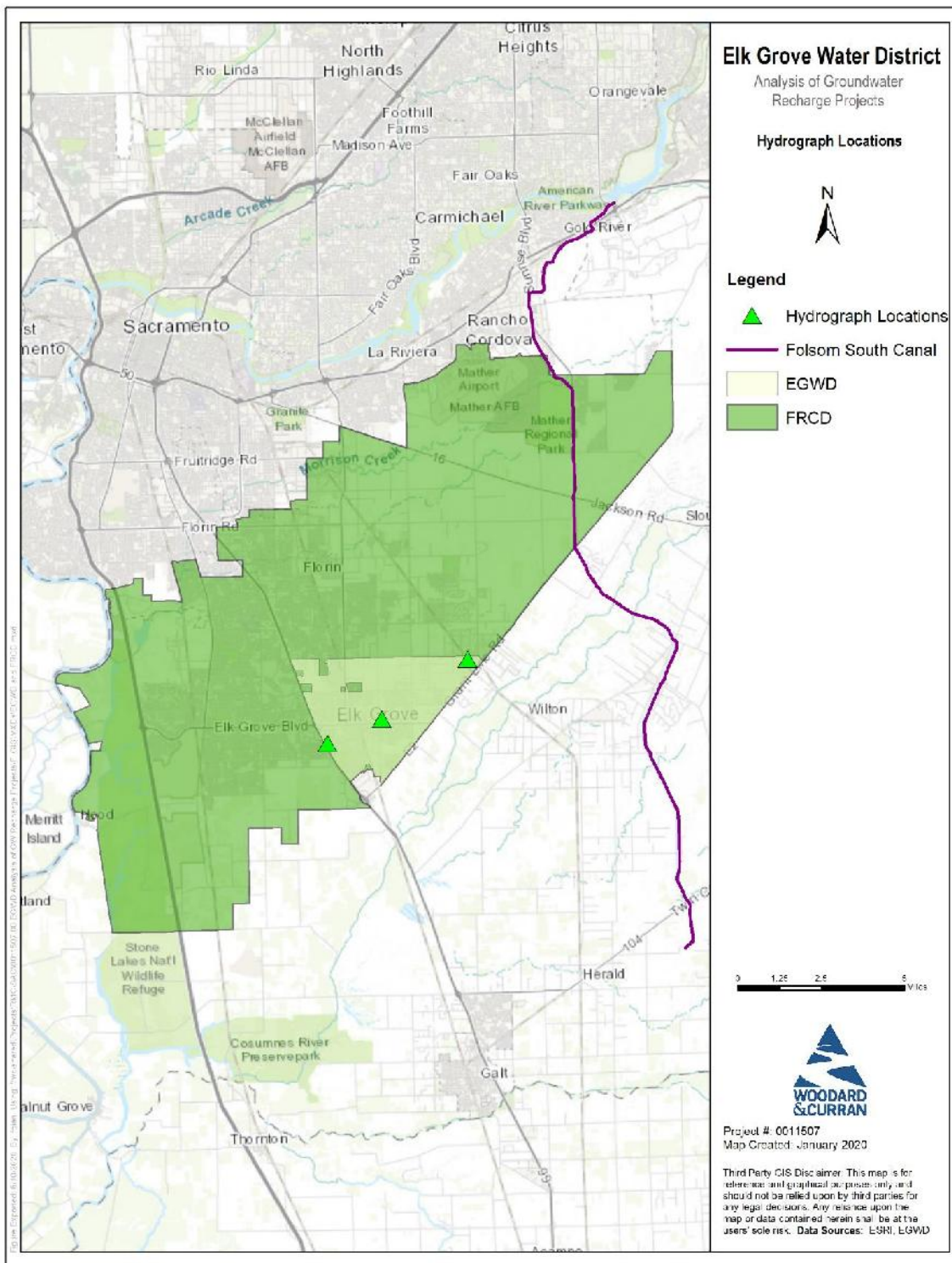
#### 4.6 Scenario 1 and 2 Location Hydrographs

In addition to the contour maps, hydrographs were generated at three points within EGWD to evaluate changes in groundwater elevation over time. Figure 18 shows the locations of the 3 hydrographs relative to the EGWD boundary and the recharge site. Figures 19 through 21 show the groundwater elevation trends for the baseline and the two scenario runs at the eastern, central, and western portions of EGWD respectively. The hydrographs demonstrate that the largest changes in groundwater elevation occur within the first 15 years of the simulation, after which the differences stabilize, and the groundwater elevations reach a new equilibrium. Differences are largest in the eastern portion of EGWD and smallest in the west farther from the recharge site. The hydrographs also show minimal differences between the two scenarios. Overall, scenario 1 with the uniform 60,000 acre-feet/year recharge exhibits slightly higher groundwater elevation compared to scenario 2 despite recharging less water overall. The uniform recharge maintains the higher groundwater elevations and are able to better maintain the elevations through extended dry years. However, scenario 2 demonstrates that even with annually varying hydrology and associated recharge, the periods of wet years generally cancel out the periods of dry years and produce changes in groundwater elevation similar to that of uniform recharge. As suggested by the contour maps, the influence of the recharge is often limited by the rate at which the water moves through the aquifer.

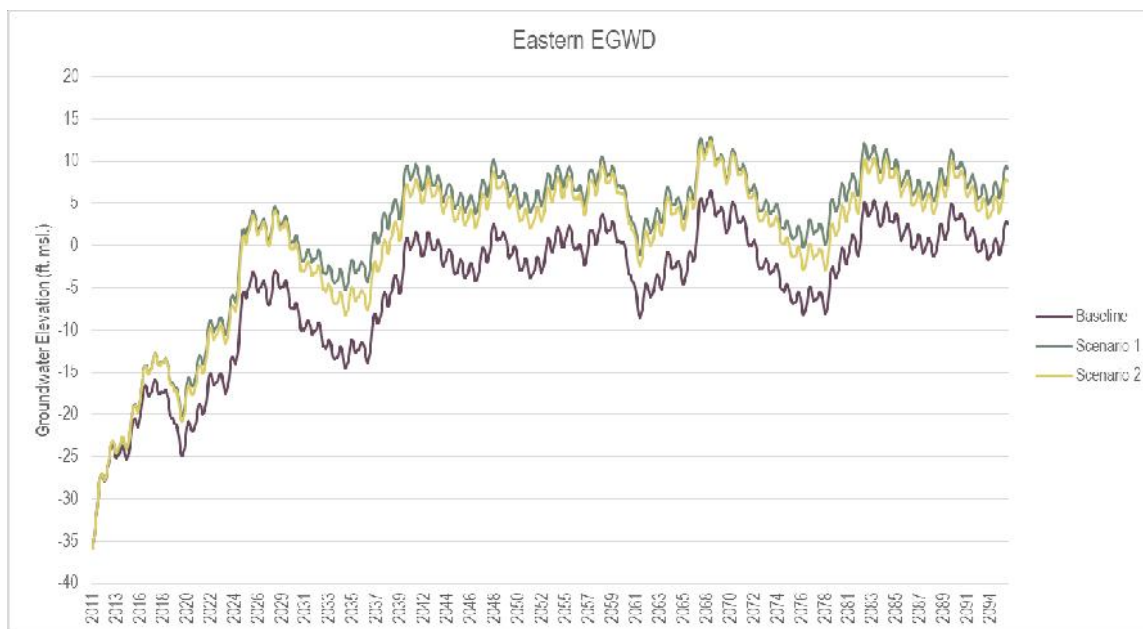
Comparison of the point hydrographs suggests:

- Both scenarios result in similar increases in groundwater elevations across the EGWD
- Eastern portions of the District experience increase in groundwater elevations earlier than western portions
- Uniform recharge (Scenario 1) results in slightly higher groundwater elevations compared to a hydrologically varying recharge schedule (Scenario 2)

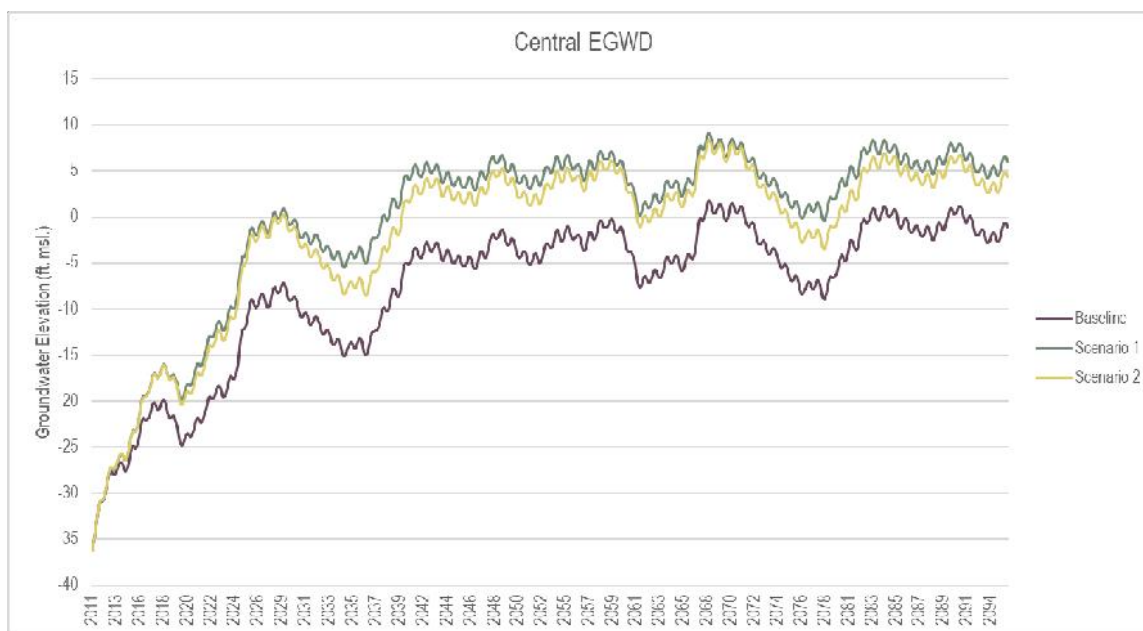
Figure 18: Scenario 1 and 2 Hydrograph Locations



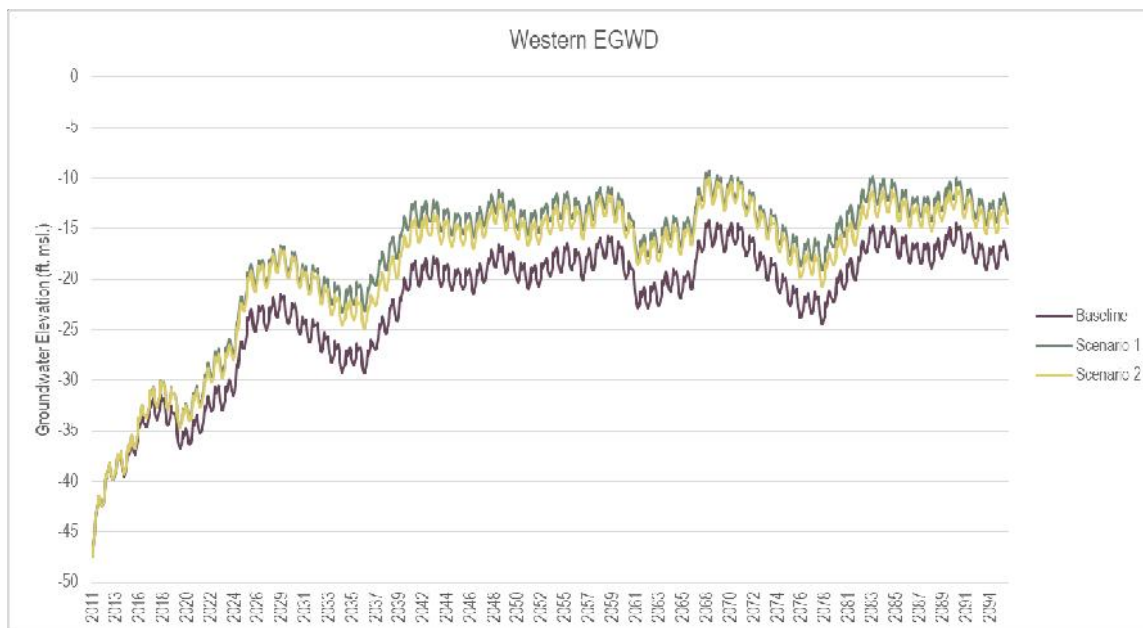
**Figure 19: EGWD Eastern Boundary Location Hydrograph**



**Figure 20: EGWD Central Location Hydrograph**



**Figure 21: EGWD Western Boundary Location Hydrograph**



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## 5. CONCLUSIONS

Based on model results, the following conclusions can be reached:

- Recharge of water in the vicinity of Jackson Road and Sunrise Boulevard increases the groundwater elevations within EGWD service area by a noticeable amount within 10 years of initiation of the recharge. The amount of increase depends on the volume and timing of the recharge project.
- Both uniform (Scenario 1) and hydrologically varying recharge (Scenario 2) demonstrates a benefit to the EGWD and its rate payers by increasing the groundwater elevations. The District starts seeing the impact of recharge after 5 years of initiation of the recharge and a sustained benefit peaks in about 15 years and continues into the future.



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## **TECHNICAL MEMORANDUM:**

# ***Effects of Groundwater Recharge at Sacramento County Water Districts***

TO: Elk Grove Water District

CC: [Click here to enter text.](#)

PREPARED BY: Frank Qian

REVIEWED BY: Saquib Najmus

DATE: June 15, 2020

RE: [Click here to enter text.](#)

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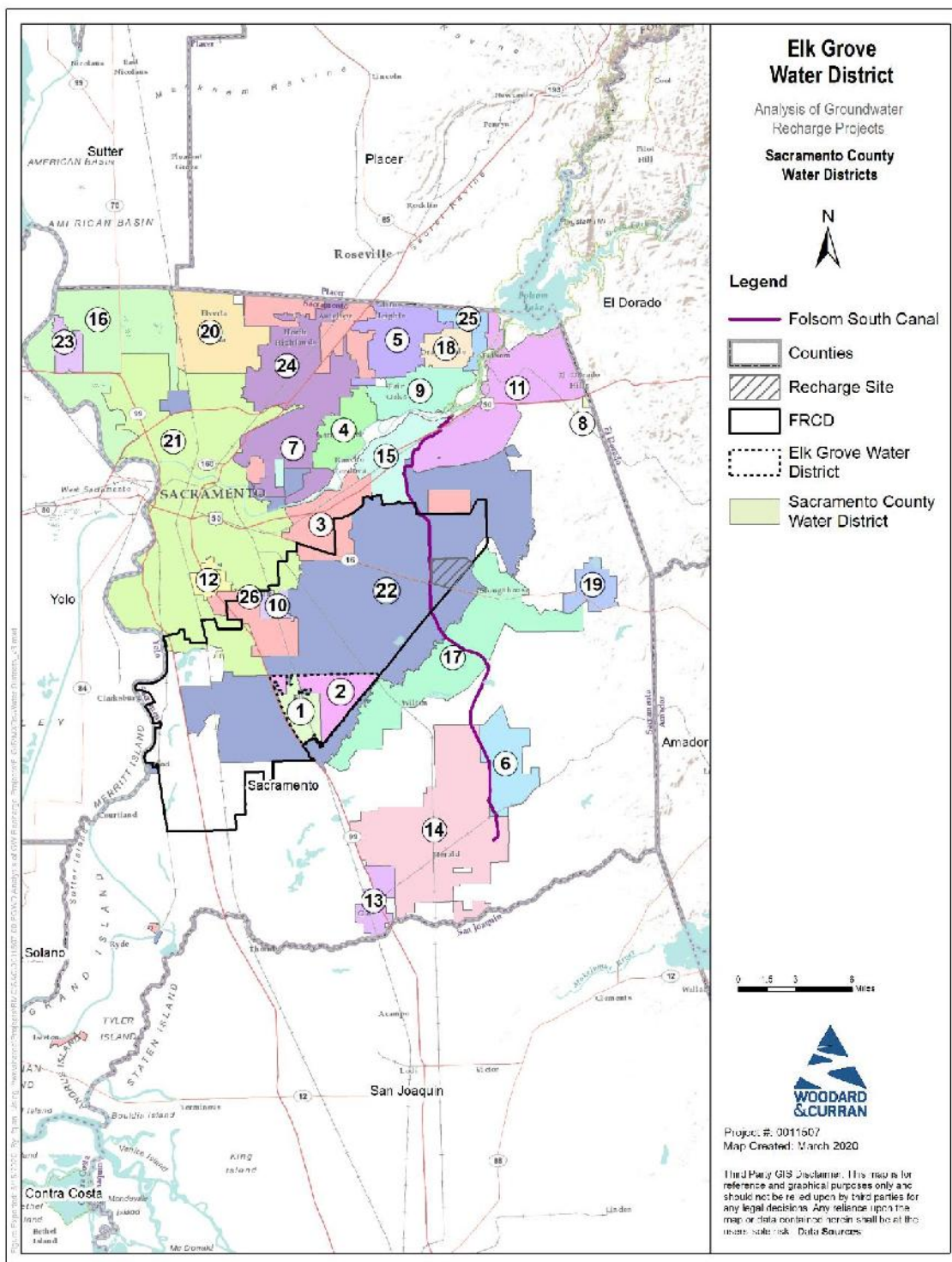
## **1. PROJECT BACKGROUND**

Elk Grove Water District's mission is to supply their customers with high quality, safe water for current and future generations. To support this mission EGWD is evaluating participating in groundwater recharge projects within the FRCD boundary that would provide long-term benefits to EGWD's ratepayers. EGWD is evaluating sites for the development of potential groundwater recharge projects and their impacts on the groundwater elevations within the EGWD service area. An engineering study was conducted as the first step to initiating relationships between regional water purveyors and seeking cooperation on potential groundwater banking projects.

The engineering study assessed the impacts of varying recharge volumes and schedule at a potential recharge site near the intersection of Jackson Road and Sunrise Boulevard on the groundwater elevations within EGWD. This technical memorandum presents the results of a follow up study of the effects of the potential groundwater banking project on neighboring water districts (Figure 1 and Table 1). Districts closer to the recharge sites experience greater increases in groundwater elevations. This study aims to quantify the impact to groundwater elevations at water districts within Sacramento County.



Figure 1. Map of Water Districts in Sacramento County





**Table 1: Water Districts in Sacramento County**

<b>Number in Figure 1</b>	<b>Water District Name</b>
1	EGWD Service Area 1
2	EGWD Service Area 2
3	California American Water Company
4	Carmichael Water District
5	Citrus Heights Water District
6	Clay Water District
7	Del Paso Manor Water District
8	El Dorado Irrigation District
9	Fair Oaks Water District
10	Florin County Water District
11	Folsom, City Of
12	Fruitridge Vista Water Company
13	Galt, City Of
14	Galt Irrigation District
15	Golden State Water Company
16	Natomas Central Mutual Water Company
17	Omochumne - Hartnell Water District
18	Orangevale Water Company
19	Rancho Murieta Community Service District
20	Rio Linda Elverta Community Water District
21	Sacramento, City Of - Water
22	Sacramento County Water Agency
23	Sacramento International Airport
24	Sacramento Suburban Water District
25	San Juan Water District
26	Tokay Park Water Company

## 2. MODELING TOOL

An analysis of the groundwater recharge was conducted using the existing Sacramento Area Integrated Water Resources Model (SaciWRM). SaciWRM is a widely used fully developed and calibrated local integrated groundwater surface water model in the Sacramento region. It was developed based on the public domain and widely used modeling platform called Integrated Ground and Surface water Model (IGSM), which was first released in 1989 as part of the Central Valley Groundwater and Surface water Model (CVGSM) project funded by the Bureau of Reclamation, the California Department of Water Resources, and the State Water Resources Control Board. IGSM

gained popularity in California and has been continuously improved and applied in different basins in California since its first release. In 2001, the IGSM version 5.0 was peer reviewed by the scientists at the University of California, Davis and the California Water and Environmental Modeling Forum (CWEMF). Based on the peer review comments, IGSM was further enhanced and a new version (version 6.0) of IGSM modeling platform was developed in 2003. SacIWRM is built on the IGSM Version 6.1.

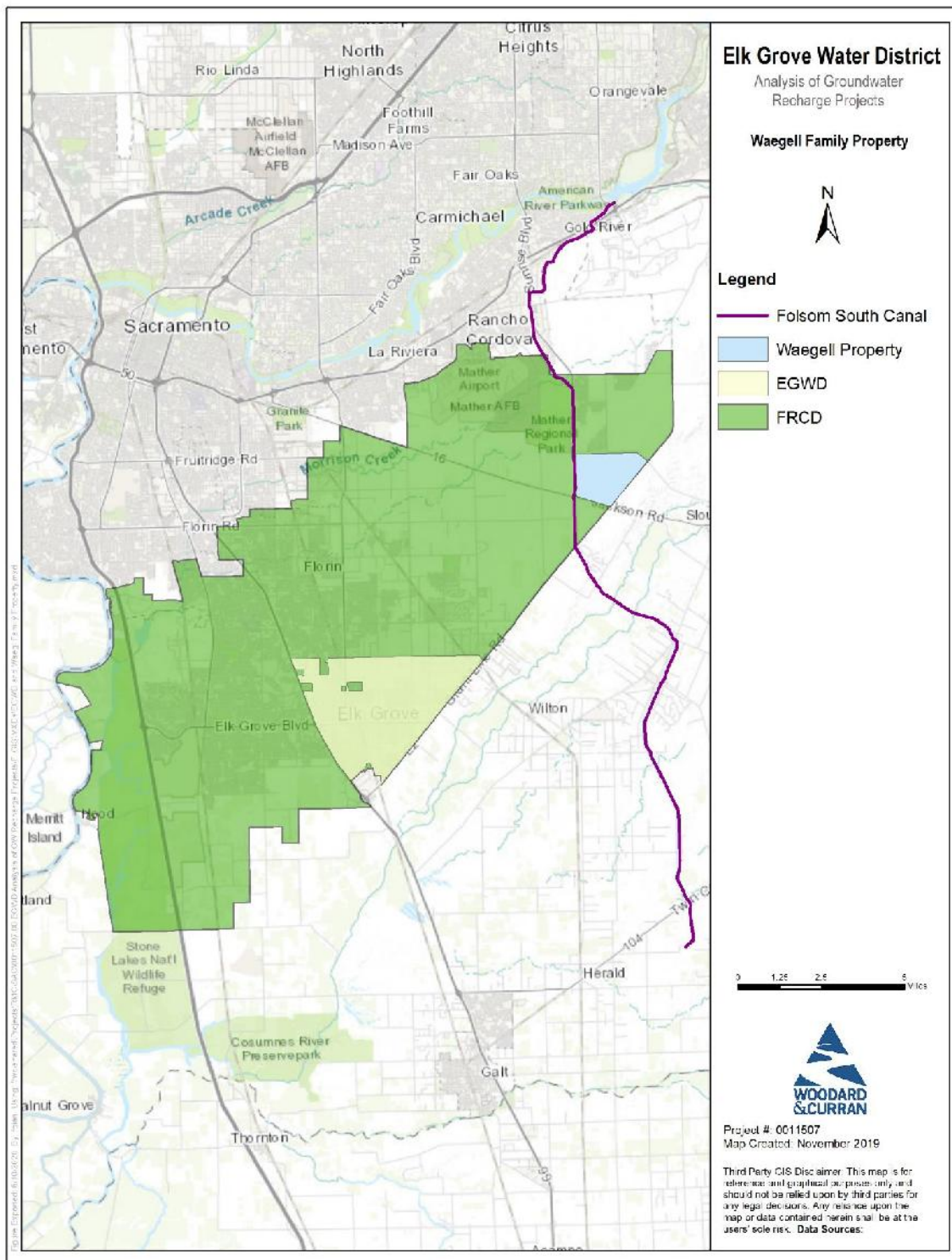
Analysis of groundwater recharge was conducted using the 2030 Future Condition (FC) Baseline of SacIWRM. The future condition run of SacIWRM utilizes buildout (2030) land use, projected water demand, pumping, and surface water delivery data in conjunction with 1970 through 2011 hydrology repeated once. Agricultural demands are based on the build-out levels of land use. Urban demands are set at build-out levels as reported in the UWMPs of each purveyor. The 2030 FC Baseline was updated in the EGWD service area to reflect the most up to date pumping wells at the time of the analysis. No other changes were made to the FC Baseline.

Analysis of rises in groundwater levels due to recharge is conducted on a comparative basis. Comparative analysis looks at the relative differences in groundwater levels between “without project” and “with project” scenarios. The FC Baseline serves as the “without project” scenario and represents conditions in the region under the assumptions described above where no recharge is conducted. The “with project” model runs consider the effects of recharge under two recharge scenarios described below.

### **3. SCENARIO DESCRIPTIONS**

The analysis considers the impacts of recharge at the Waegell Family Farm on groundwater elevations for EGWD and neighboring water districts and purveyors. The Waegell Family Farm is located 6 miles north-east of EGWD at Jackson Road and Grant Line Road; it has approximately 1,500 acres of land. Figure 2 identifies the Waegell Family Farm in relation to the EGWD and FRCD. Water is applied to the site under two scenarios, described below:

**Figure 2: Map of Recharge Location**



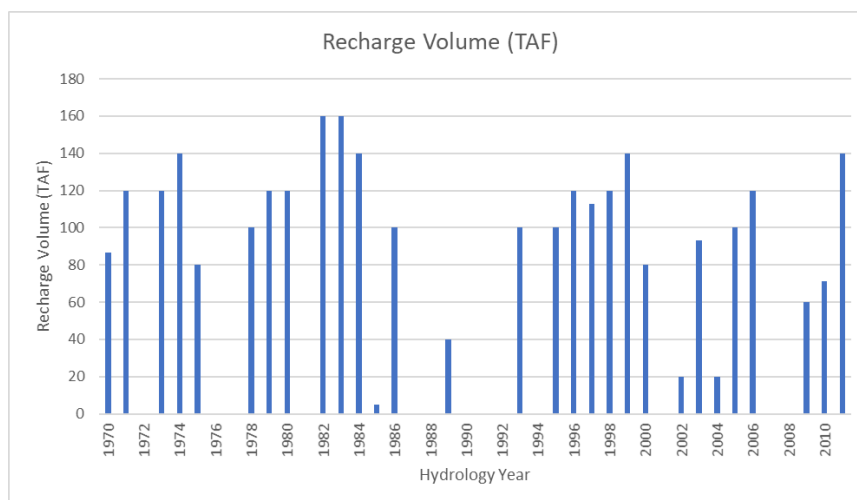
### Scenario 1:

The first scenario evaluates the impacts of uniform annual recharge over time. An estimated 60,000 acre-feet of water from the American River was assumed to be available for recharge every year. The recharge is applied over a 6-month span of November through April, uniformly at 10,000 AF/month for a total of 60,000 acre-feet per year for a total recharge volume of 5.04 million ac-ft over the 84-year model simulation period. Recharge is applied every year for the entire 84-year model simulation period. This first scenario evaluates the impacts of recharge under ideal conditions where water is always available for recharge.

### Scenario 2:

The second scenario evaluates the impacts of recharge using a hydrology-based recharge schedule. A study of the American River conducted by MBK for SAFCA produced a monthly timeseries of water available for recharge based on historical hydrology for 1922 through 2015. Results of the study showed annual water available for the 1970 through 2011 hydrology ranged from a low 0 thousand acre feet (TAF) to a maximum of 160 TAF (Figure 9). Using this schedule, a total of 5.8 million-AF of water was recharged into the Waegell family recharge site during the 84-year model simulation period. Unlike Scenario 1, where the annual recharge volume is constant every year, in this scenario wet years yield significantly higher recharge volumes whereas dry years do not provide any water for recharge. The timeseries from the MBK study for 1970 through 2011 was applied to the model and repeated once to match the 84-year hydrology and simulation period. It was assumed that the full volume of available water is recharged at the Waegell Family property.

**Figure 3: Scenario 2 Recharge Timeseries**



## 4. METHOD OF ANALYSIS

For each scenario, the simulated groundwater elevations are evaluated at the centroid of each of the 24 neighboring water districts in Sacramento County as well as the centroids of Service Area 1 and 2 in EGWD. Districts that cross the Sacramento County line were clipped and the centroid was taken for the portions of the district within the county boundary. Groundwater elevations at the centroid of each district is used as a proxy for evaluating impacts across the district. The use of the centroid is an imperfect metric. Larger water districts can have significant gradients within

district boundaries and the centroid is not necessarily representative of the entire service area. Additionally, for non-contiguous districts that cover multiple separate areas, the centroid may only represent one part of the district. However, for the purposes of this exercise, the centroid is the easiest metric by which groundwater elevations can be compared between scenarios.

For each scenario, hydrographs at the centroid of each water district were developed and used to compare groundwater elevations against the baseline no-recharge run. The difference in groundwater elevations between the scenario runs (with project) and the baseline no-recharge run (without project) are presented for each district in 5-year increments for the first 25 years in tabular form to easily compare the relative short term impacts at each of the water districts.

Additionally, change in groundwater elevation contour maps were generated for the 5, 15, 50, and 80-year marks of the model simulation. The difference contours were generated by subtracting the baseline elevations from the scenario runs. Positive values indicate an increase in groundwater elevations relative to the baseline scenario (without recharge project). The difference contours provide a visual representation of the spatial distribution of increases in groundwater elevations associated with the recharge projects. The contour maps are meant to show an approximate distribution of changes in groundwater elevation at water districts across the district, with specific impacts being measured at point locations and reported through the tables.

## 5. RESULTS

Changes in groundwater elevation for each district under scenario 1 and 2 are shown in Tables 2 and 3 respectively. The change in groundwater elevation is presented in the tables at the 5, 10, 15, 20, 25, 50, and 80-year intervals. Groundwater elevation change contours at the 5, 15, 50, and 80-year intervals for the two scenarios are shown in Figures 4 through 11.

**Table 2: Scenario 1 Change in Groundwater Elevation (ft)**

District	Area within County (sq.mi.)	Change in GWE (ft) at Centroid of Water Agency After a Specified Period:							Maximum Increase
		5 years	10 years	15 years	20 years	25 years	50 years	80 years	
EGWD Service Area 1	4.9	0.8	3.0	4.5	5.4	6.2	5.0	4.4	6.5
EGWD Service Area 2	7.8	1.8	4.9	6.7	7.6	8.7	6.8	6.0	9.0
California American Water Company	39.0	1.9	4.3	4.9	5.5	6.3	5.2	4.7	6.5
Carmichael Water District	8.5	1.9	4.8	4.6	5.9	7.3	5.2	4.4	7.6
Citrus Heights Water District	12.6	0.4	1.4	1.9	2.2	2.7	2.2	2.0	2.8
Clay Water District	11.0	0.8	3.2	5.3	6.1	7.3	6.0	5.3	7.7
Del Paso Manor Water District	1.0	1.2	3.6	4.4	5.0	6.0	4.7	4.3	6.2
El Dorado Irrigation District	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1
Fair Oaks Water District	10.4	1.3	3.6	4.5	5.0	6.1	4.7	4.1	6.2
Florin County Water District	2.3	1.6	4.3	5.9	6.6	7.3	6.2	6.0	7.6
Folsom, City Of	29.9	0.2	0.4	0.7	0.7	0.7	0.7	0.8	1.8
Fruitridge Vista Water Company	2.8	0.3	1.4	2.3	2.7	3.0	2.7	2.6	3.3
Galt, City Of	5.3	0.1	0.5	1.1	1.7	2.1	2.0	1.8	2.4
Galt Irrigation District	45.8	0.2	1.4	2.8	3.5	4.3	3.7	3.3	4.7
Golden State Water Company	11.0	3.8	7.6	7.8	8.9	10.3	7.9	7.1	10.7
Natomas Central Mutual Water Company	36.8	0.0	0.1	0.2	0.4	0.5	0.4	0.4	0.5
Omochumne - Hartnell Water District	46.0	11.0	17.2	16.6	18.7	20.5	15.9	12.2	20.8
Orangevale Water Company	4.9	0.1	0.5	0.8	1.0	1.1	1.3	1.1	1.3
Rancho Murieta Community Service District	5.5	0.1	0.1	0.3	0.3	0.4	0.7	0.8	1.0
Rio Linda Elverta Community Water District	17.8	0.1	0.5	1.0	1.3	1.6	1.4	1.3	1.7
Sacramento, City Of - Water	98.0	0.2	0.9	1.4	1.7	1.9	1.7	1.6	2.1
Sacramento County Water Agency	127.9	12.6	18.1	19.9	19.8	21.4	17.9	17.1	21.9
Sacramento International Airport	10.3	0.0	0.0	0.1	0.2	0.2	0.2	0.2	0.3
Sacramento Suburban Water District	34.6	0.8	2.9	4.0	4.4	5.5	4.3	4.0	5.7
San Juan Water District	4.3	0.0	0.0	0.1	0.1	0.1	0.2	0.2	0.2
Tokay Park Water Company	0.1	1.0	3.1	4.5	5.1	5.7	4.9	4.8	6.0

**Table 3: Scenario 2 Change in Groundwater Elevation (ft)**

District	Area within County (sq.mi.)	Change in GWE (ft) at Centroid of Water Agency After a Specified Period:							Maximum Increase
		5 years	10 years	15 years	20 years	25 years	50 years	80 years	
EGWD Service Area 1	4.9	0.8	2.6	4.0	4.8	4.5	4.2	3.5	4.8
EGWD Service Area 2	7.8	1.7	4.1	6.0	6.6	5.9	5.8	4.8	6.6
California American Water Company	39.0	1.8	3.5	4.5	4.7	4.1	4.5	3.8	4.9
Carmichael Water District	8.5	1.8	4.0	4.2	5.1	4.9	4.5	3.6	5.2
Citrus Heights Water District	12.6	0.4	1.2	1.6	2.0	2.0	1.8	1.6	2.1
Clay Water District	11.0	0.8	2.9	4.6	5.5	5.6	5.1	4.3	5.7
Del Paso Manor Water District	1.0	1.2	3.1	3.9	4.4	4.2	4.0	3.5	4.4
El Dorado Irrigation District	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1
Fair Oaks Water District	10.4	1.2	3.0	4.0	4.4	4.0	4.0	3.3	4.4
Florin County Water District	2.3	1.5	3.6	5.2	5.7	4.9	5.3	4.8	5.9
Folsom, City Of	29.9	0.2	0.4	0.6	0.6	0.6	0.6	0.6	1.6
Fruitridge Vista Water Company	2.8	0.3	1.3	2.0	2.5	2.3	2.3	2.0	2.5
Galt, City Of	5.3	0.1	0.5	1.0	1.5	1.8	1.7	1.4	1.8
Galt Irrigation District	45.8	0.3	1.3	2.4	3.2	3.5	3.1	2.6	3.5
Golden State Water Company	11.0	3.5	6.1	7.3	7.2	6.4	6.7	5.9	7.8
Natomas Central Mutual Water Company	36.8	0.0	0.1	0.2	0.3	0.4	0.3	0.3	0.4
Omochumne - Hartnell Water District	46.0	10.8	14.1	16.9	13.7	12.2	12.3	10.2	17.2
Orangevale Water Company	4.9	0.1	0.4	0.7	0.9	0.8	1.1	0.8	1.1
Rancho Murieta Community Service District	5.5	0.1	0.1	0.2	0.2	0.1	0.5	0.5	0.8
Rio Linda Elverta Community Water District	17.8	0.1	0.4	0.8	1.2	1.3	1.1	1.0	1.3
Sacramento, City Of - Water	98.0	0.2	0.8	1.2	1.5	1.4	1.5	1.3	1.6
Sacramento County Water Agency	127.9	12.6	15.0	20.2	13.8	12.0	13.0	13.5	20.2
Sacramento International Airport	10.3	0.0	0.0	0.1	0.2	0.2	0.2	0.1	0.2
Sacramento Suburban Water District	34.6	0.8	2.5	3.5	4.0	4.0	3.6	3.2	4.1
San Juan Water District	4.3	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.2
Tokay Park Water Company	0.1	0.9	2.7	3.9	4.6	4.0	4.2	3.8	4.6



**Figure 4: Scenario 1 Groundwater Elevations Difference Contour Map after 5 Years**

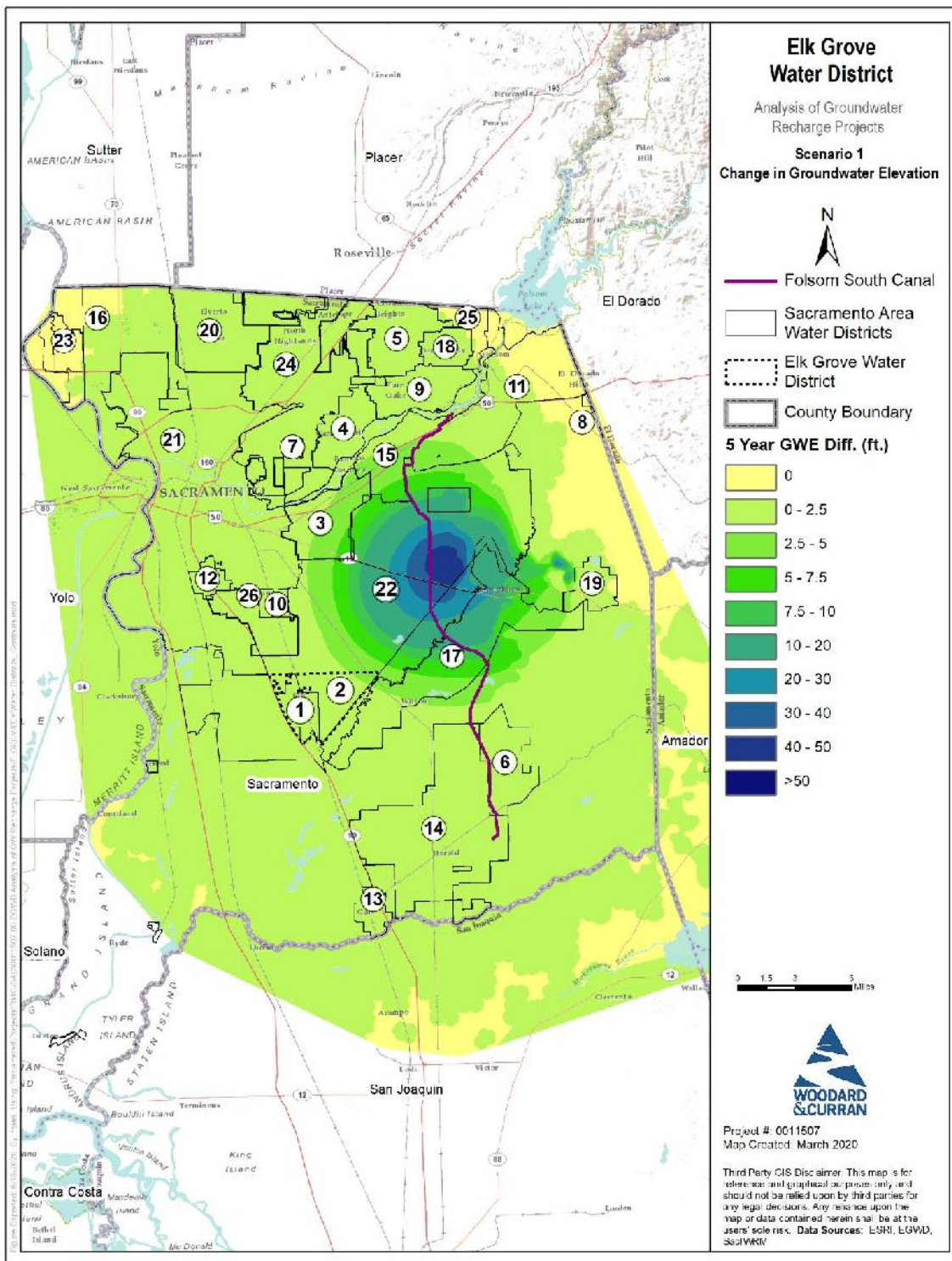
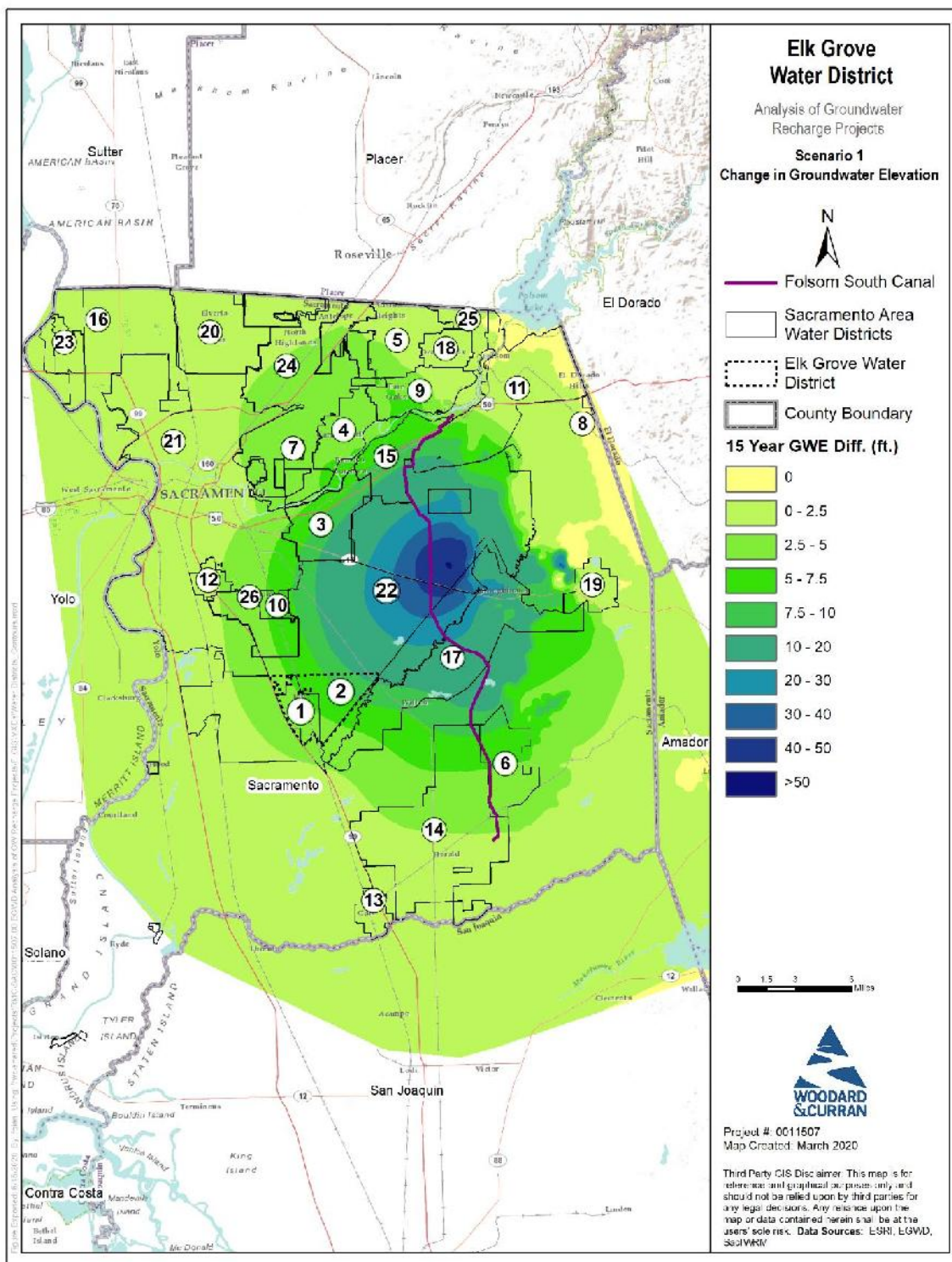
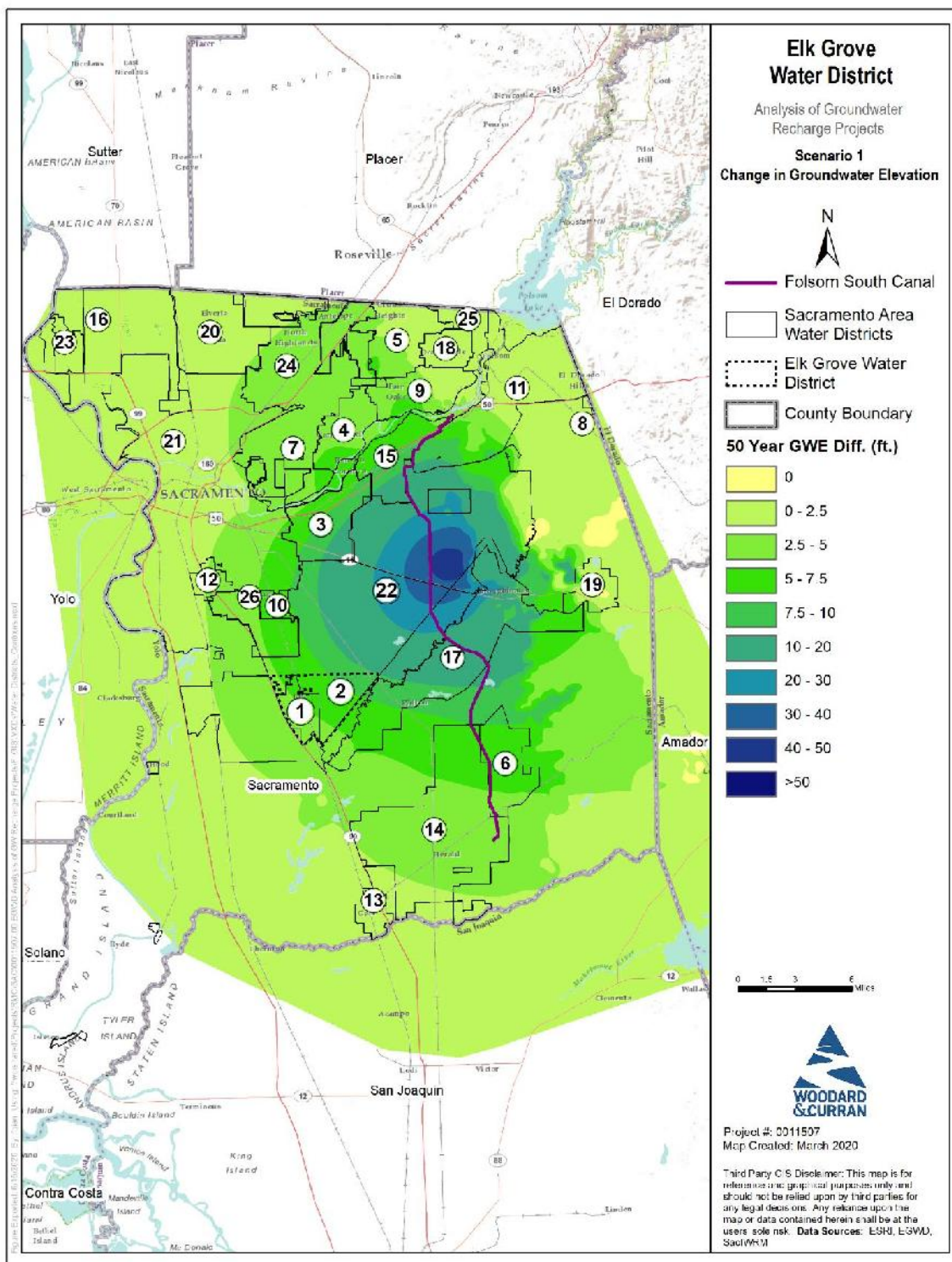




Figure 5: Scenario 1 Groundwater Elevations Difference Contour Map after 15 Years

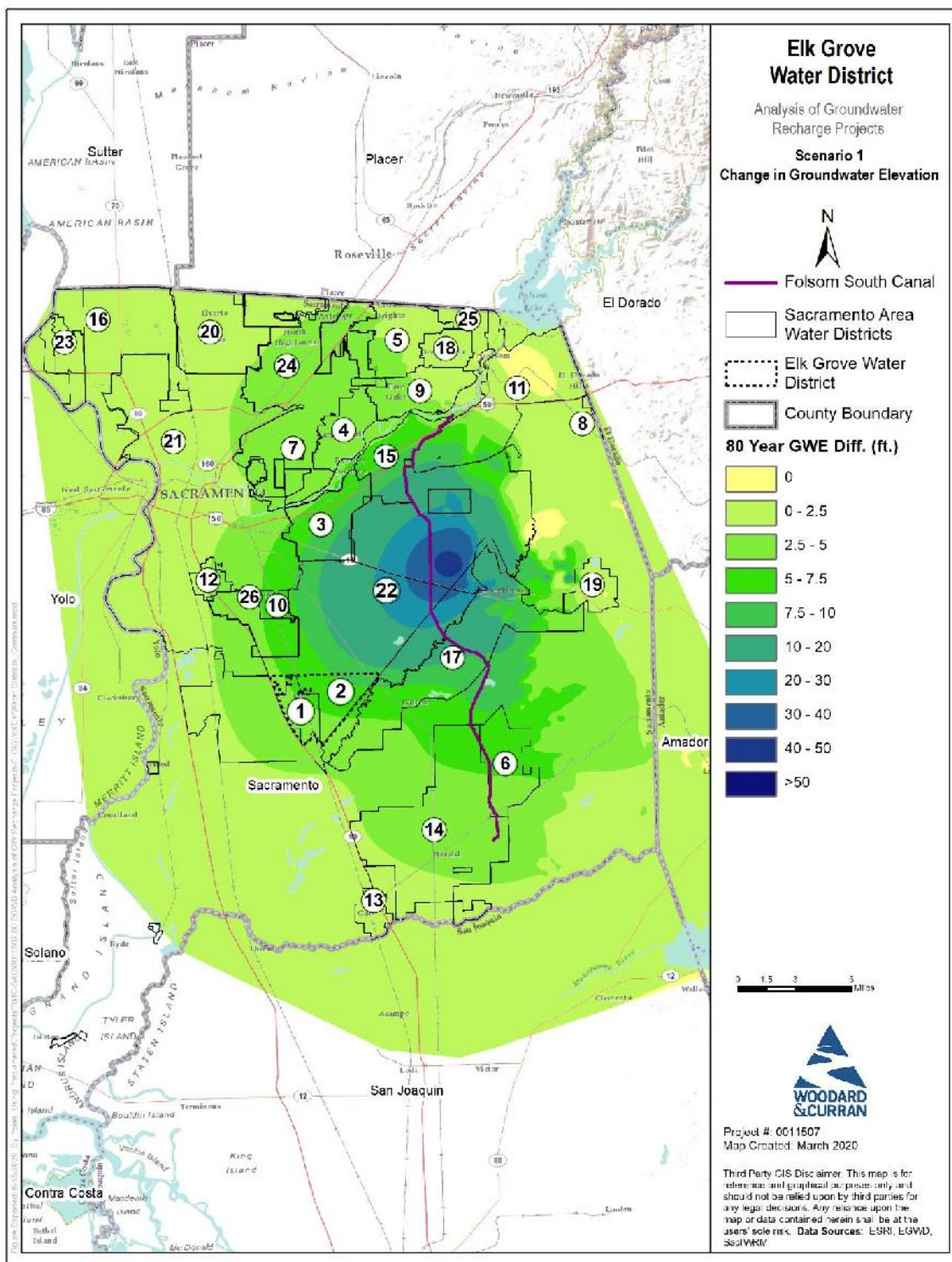


**Figure 6: Scenario 1 Groundwater Elevations Difference Contour Map after 50 Years**





**Figure 7: Scenario 1 Groundwater Elevations Difference Contour Map after 80 Years**



**Figure 8: Scenario 2 Groundwater Elevations Difference Contour Map after 5 Years**

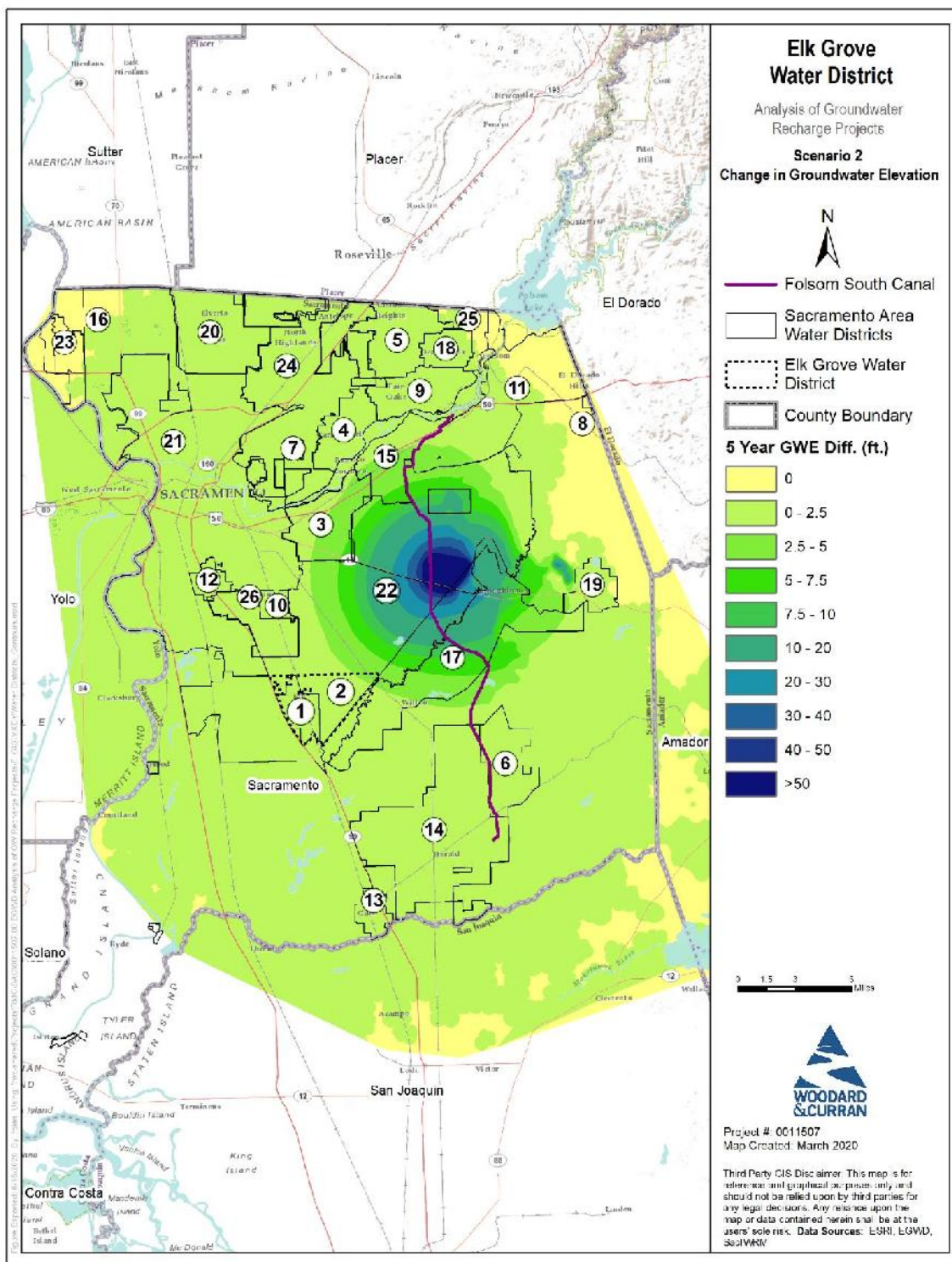




Figure 9: Scenario 2 Groundwater Elevations Difference Contour Map after 15 Years

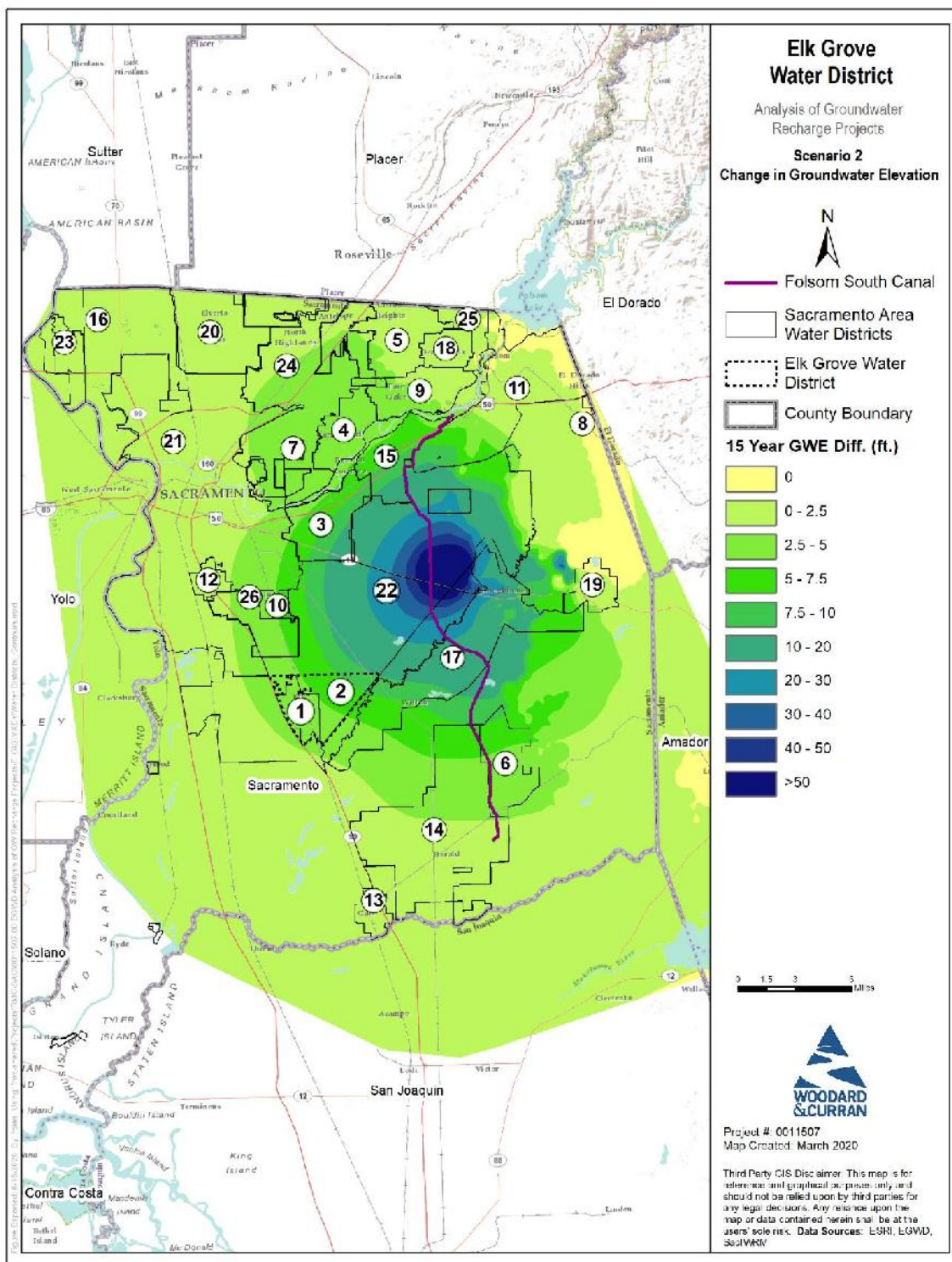


Figure 10: Scenario 2 Groundwater Elevations Difference Contour Map after 50 Years

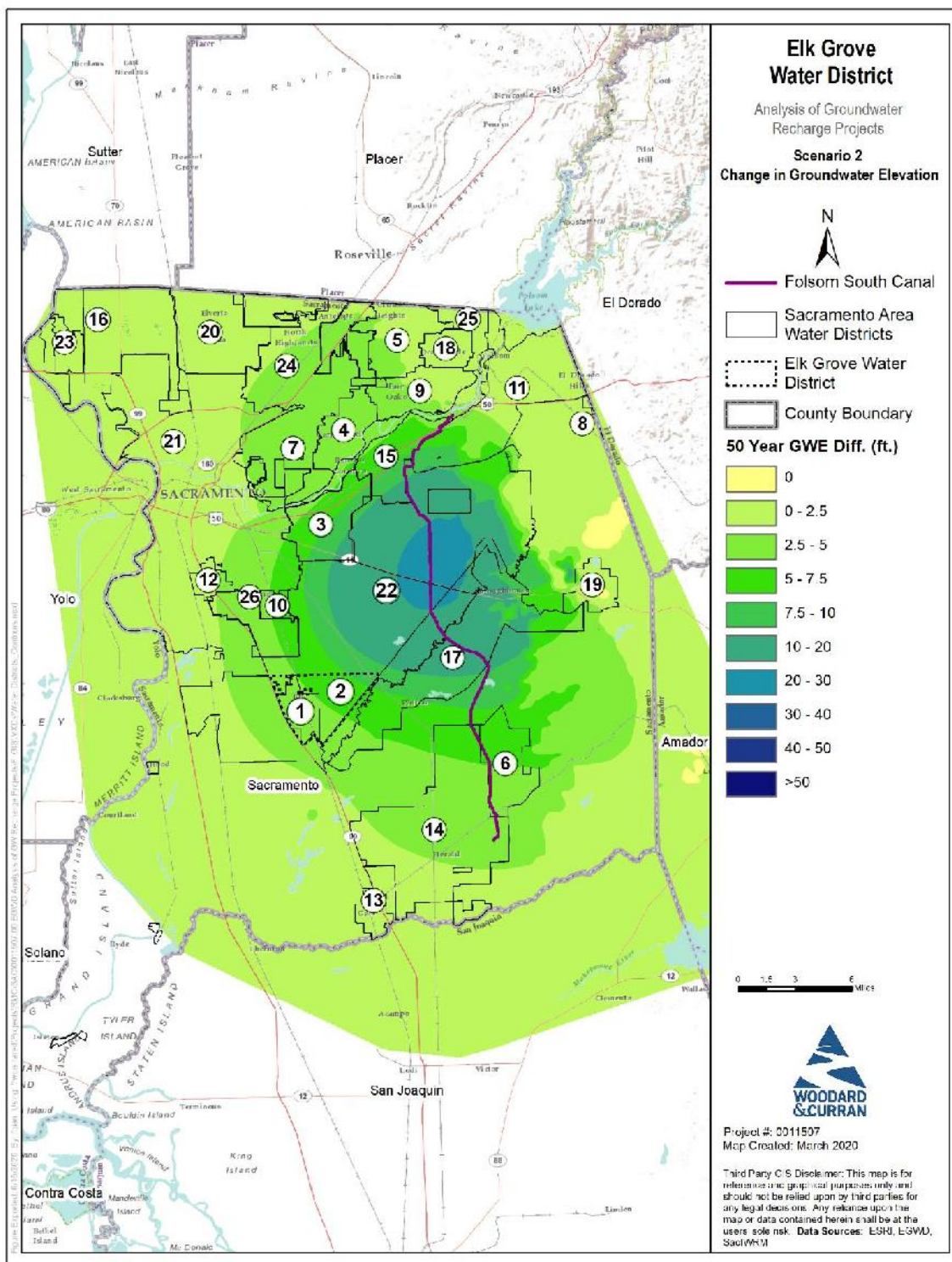
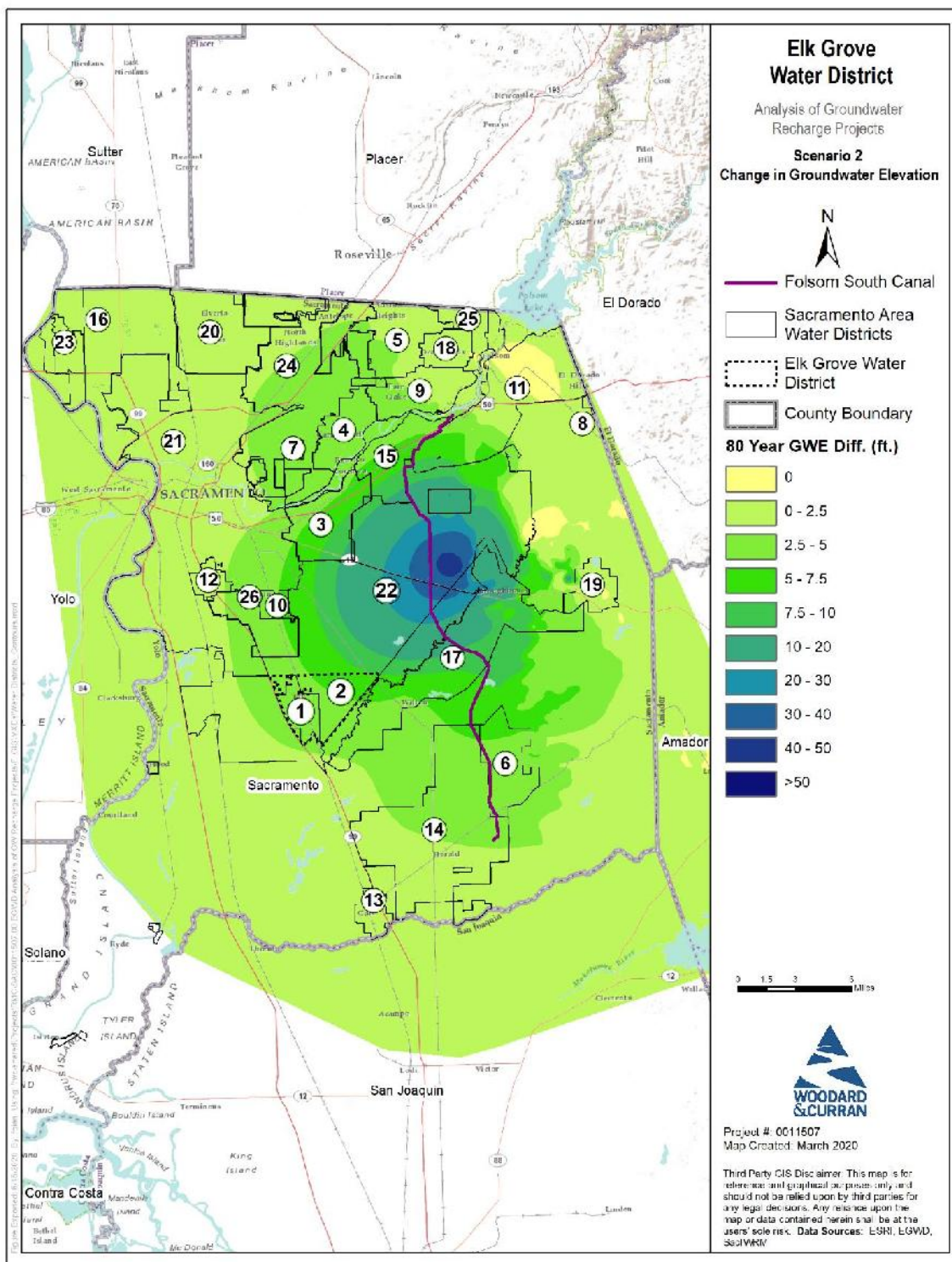




Figure 11: Scenario 2 Groundwater Elevations Difference Contour Map after 80 Years



Groundwater contours for both scenarios show similar results. The primary differences between the two scenarios pertain to the timing and magnitude of groundwater level increases due to differences in recharge schedule and volume. Both uniform and hydrologically varying recharge result in similar spatial distribution of groundwater level increases at neighboring water districts. Both depict groundwater levels increasing to the southwest towards EGWD and both north and south towards areas of historically lower groundwater elevations. The topography and natural gradient of the region prevent water levels from increasing significantly to the east of the recharge site. Within EGWD, Service Area 2 sees a higher increase in groundwater elevations compared to Service Area 1 due to its proximity to the recharge site. However, groundwater production wells within the EGWD primarily reside within Service Area 1. Under scenario 1, Service Area 1 sees a maximum rise in groundwater elevations of 6.5 feet. Under scenario 2, Service Area 1 sees a maximum rise in groundwater elevations of 4.8 feet.

Comparing groundwater elevation increases in neighboring water districts to the groundwater elevations in EGWD Service Area 1, both scenarios show 7 districts that experience a greater rise in groundwater elevations from the recharge project.

1. California American Water Company
2. Carmichael Water District
3. Clay Water Company
4. Florin County Water District
5. Golden State Water Company
6. Omochumne – Hartnell Water District
7. Sacramento County Water Agency

Sacramento County sees the largest rise in groundwater elevations from the recharge project under both scenarios. The recharge site resides within the Sacramento County Water Agency boundary. Omochumne – Hartnell Water district sees the second largest rise in groundwater elevations as it is adjacent to the recharge site.

Among the remaining water districts, 5 show moderate rise in groundwater elevations relative to EGWD, with increases greater than 4 feet under scenario 1 and greater than 3 feet under scenario 2.

1. Del Paso Manor Water District
2. Fair Oaks Water District
3. Galt Irrigation District
4. Sacramento Suburban Water District
5. Tokay Park Water Company

The remaining water districts see little to no rise in groundwater elevations from the recharge project.

A summary of findings from the modeling analysis is provided below:

- Recharge of water in the vicinity of Jackson Road and Sunrise Boulevard increases the groundwater elevations within EGWD service area and 7 neighboring water districts by a noticeable amount within 10 years of initiation of the recharge. The amount of increase depends on the volume and timing of the recharge project.
- Omochumne - Hartnell Water District and Sacramento County Water Agency experience an immediate increase in groundwater elevations from the recharge project.
- Both uniform recharge (Scenario 1) and hydrologically varying recharge (Scenario 2) have an effect to the rate payers of EGWD and 7 other neighboring water districts by increasing the groundwater elevations. The districts start seeing the effect of recharge after 5 years of initiation of the recharge and a sustained rise in groundwater elevations peaks in about 15 years and continues into the future.
- 5 other districts in the county see moderate rise in groundwater elevations from the recharge project.



October 20, 2020

TO: Chair and Directors of the Florin Resource Conservation District  
FROM: Mark J. Madison, General Manager  
SUBJECT: **ELK GROVE WATER DISTRICT OPERATIONS REPORT – SEPTEMBER 2020**

## **RECOMMENDATION**

This item is presented for information only. No action by the Florin Resource Conservation District Board of Directors is proposed at this time.

## **SUMMARY**

The Elk Grove Water District (EGWD) Operations Report is a standing item on the regular board meeting agenda.

All regulatory requirements were met for the month of September. Other notable events are described below.

## **DISCUSSION**

### **Background**

Every month, staff presents an update of the activities related to the operations of the EGWD. Included for the Florin Resource Conservation District Board of Director's review is the EGWD's September 2020 Operations Report.

### **Present Situation**

The EGWD September 2020 Operations Report highlights are as follows:

- **Operations Activities Summary** – No door hangers were placed for past due balances. The district is currently suspending all shut offs due to the present COVID-19 pandemic. We received five (5) water pressure complaints and zero water quality complaints. Upon inspection, all water complaints were unsubstantiated.
- **Production** – The Combined Total Service Area 1 production graph on page 13 shows that production during the month of September increased 2.26 percent compared to September 2019 and is 7.11 percent less than what was produced in 2013. Year 2013 is the baseline year the State Water Resources Control Board adopted for water usage. The Total Demand/Production for both service areas on

**ELK GROVE WATER DISTRICT OPERATIONS REPORT – SEPTEMBER 2020**

Page 2

page 14 shows that customer use during the month of September, compared to September 2013, was down by 5.45 percent.

- **Static and Pumping Level Graphs** – The third quarter soundings are shown and generally indicate that the static water levels in deeper zones have lowered slightly compared to the third quarter of 2018. The shallow zones have risen slightly.
- **Treatment (Compliance Reporting)** – All samples taken during the month comply with all regulatory permit requirements. No exceedances of any maximum contaminant levels were found, and all water supplied to EGWD’s customers met or exceeded safe drinking water standards.
- **Corrective Maintenance Program** – The tables included in this section of the report also include certain activities completed to date. Below is a list of out-of-ordinary maintenance work completed in September:
  - Staff investigated a water softener malfunction with the influent water on the Sodium Hypochlorite Generation System at the Railroad Water Treatment Plant. A new carbon/sediment prefilter was installed.
  - Staff disassembled and cleaned the portable tanks that were used for the Well 11D rehabilitation. Well 11D is now online and pumping into the water system.
- **Cross Connection Control Program 2020** – EGWD issued 85 testing notices for the month. Pursuant to the notices, 44 devices passed. Of the remaining 41, 18 devices passed the second test and 23 were not tested by the due date. The total number of delinquents is 23.
- **Safety Meetings/Training** – Three (3) safety training session were conducted for the month which is compliant with OSHA standards.
- **Service and Main Leaks Map** – There were three (3) service line leaks and zero main line leaks during September.
- **System Pressures** – Pressures in Service Area 1 generally remained stable during the month of September. Pressures in Service Area 2, which are controlled by Sacramento County Water Agency, went up slightly from the previous month.

October 20, 2020

**ELK GROVE WATER DISTRICT OPERATIONS REPORT – SEPTEMBER 2020**

Page 3

**ENVIRONMENTAL CONSIDERATIONS**

There are no direct environmental considerations associated with this report.

**STRATEGIC PLAN CONFORMITY**

The EGWD Operations Report provides an ongoing review of EGWD's operations, and therefore, conforms with Strategic Goal No. 1, Governance and Customer Engagement, of the Strategic Plan 2020-2025.

**FINANCIAL SUMMARY**

There is no financial impact associated with this report.

Respectfully submitted,



MARK J. MADISON  
GENERAL MANAGER

MJM/ah

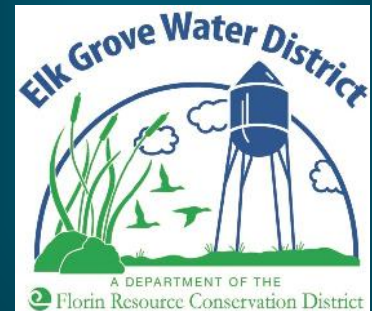
# EGWD

## OPERATIONS REPORT

September 2020



Elk  
Grove  
Water  
District



**Elk Grove Water District**  
**Operations Report**  
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# Operations Activities Summary

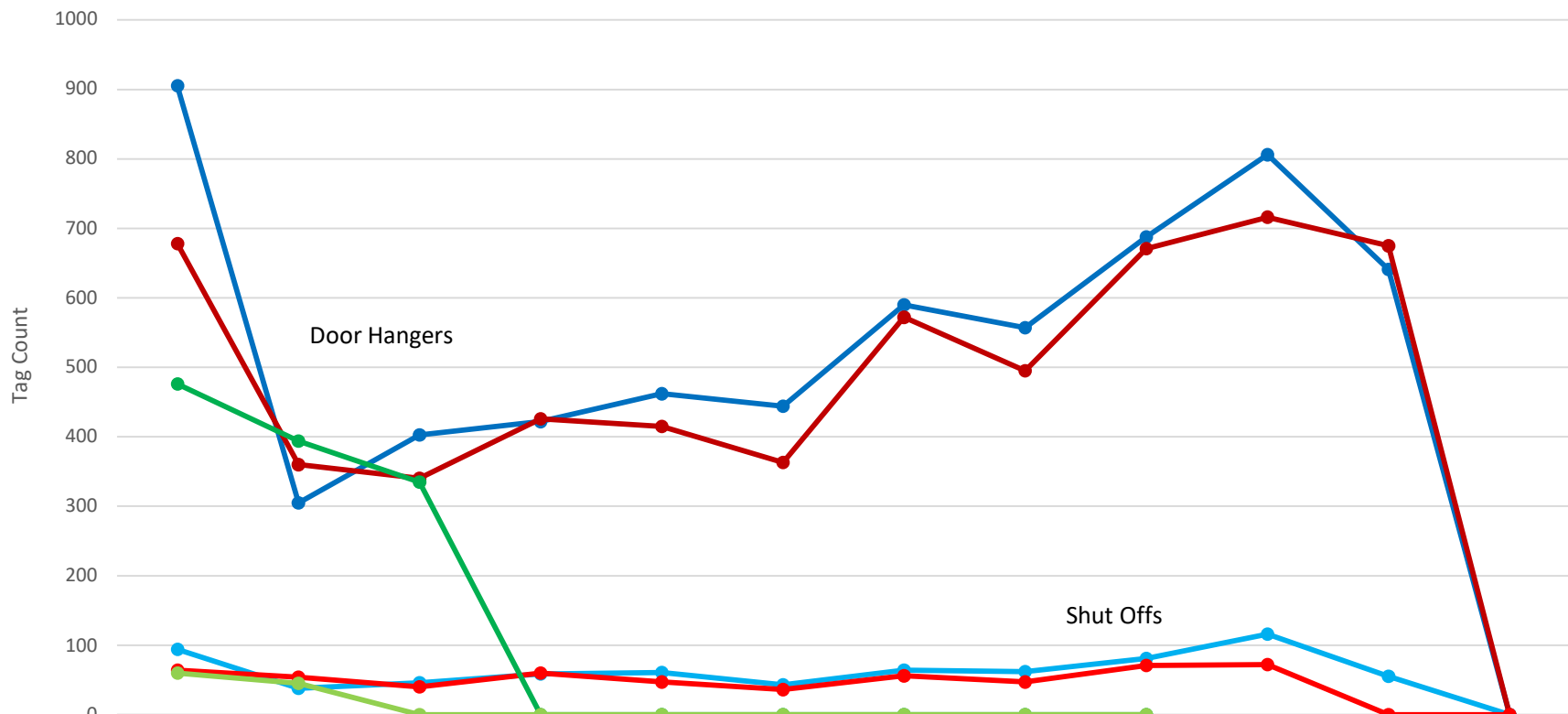
<b><u>Service Requests:</u></b>	September -20		YTD (Since Jan. 1, 2020)	
<b><u>Department</u></b>	<u>Service Request</u>	<u>Hours</u>	<u>Service Request</u>	<u>Hours</u>
<b>Distribution</b>				
Door Hangers	0	0	1,206	70
Shut offs	0	0	111	11.5
Turn ons	0	0	68	12.5
Investigations	34	8.5	259	64.75
USA Locates	330	82.5	1,767	441.5
Customer Complaints				
-Pressure	5	1.25	19	5
-Water Quality	0	0	11	2.75
-Other	0	0	0	0

<b><u>Work Orders:</u></b>	September -20		YTD (Since Jan. 1, 2020)	
<b><u>Department</u></b>	<u>Work Orders</u>	<u>Hours</u>	<u>Work Orders</u>	<u>Hours</u>
<b>Treatment:</b>				
Preventative Maint.	22	58	209	428.5
Corrective Maint.	11	67.5	82	517
Water Samples	15	59	135	425.5
<b>Distribution:</b>				
Meters Installed	0	0	117	59.25
Meter Change Out	32	19	193	115
Preventative Maint.				
-Hydrant Maintenance (140)	316	39	854	142
-Valve Exercising (127)	195	33.75	696	145.5
-Other	0	0	0	0
Corrective Maint.				
-Leaks	3	32.5	28	665.5
-Other	8	35.5	38	112.25
Valve Locates	0	0	0	0
<b>Utility:</b>				
Corrective Maint.	0	0	0	0



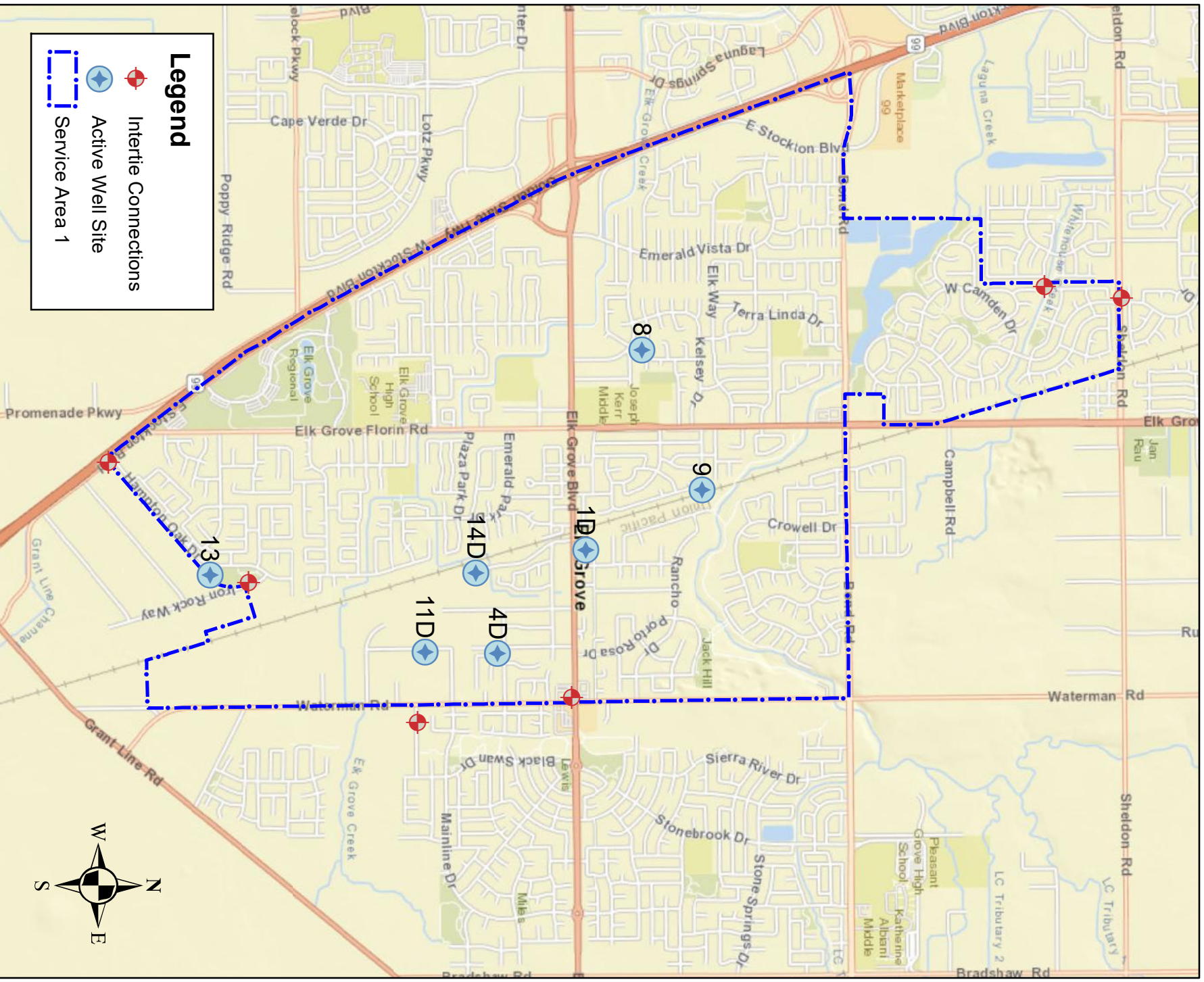
# Elk Grove Water District

## Door Hangers and Shut Off Tags



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018 Door Hangers	905	305	403	422	462	444	590	557	688	806	641	0
2018 Shut Offs	94	38	46	59	61	43	64	62	81	116	55	0
2019 Door Hangers	678	360	340	426	415	363	572	495	671	716	675	0
2019 Shut Offs	64	54	40	60	47	36	56	47	71	72	0	0
2020 Door Hangers	476	394	335	0	0	0	0	0	0			
2020 Shut Offs	60	45	0	0	0	0	0	0	0			





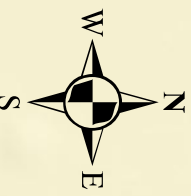
**Legend**

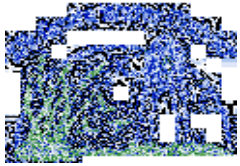
- Intertie Connections
- ◆ Active Well Site
- Service Area 1

**Active Well Sites & Intertie Connections**



**Elk Grove Water District**





# Elk Grove Water District

## Monthly Production

Well 1D School -- Sept. 2020

### Selected Month Production

3,034,131 Gallons

Average GPM:

1,680

### Motor:

Volts: 470

Volts (Rated): 460

RPM: 1789

RPM (Rated): 2115

Amps A: 180

Amps A (Rated): 222

Amps B: 179

Amps B (Rated): 222

Amps C: 174

Amps C (Rated): 222

Motor Temp: 104.3 F

Hour Meter: 30.10

KW Hour Total: 4,320

### Chlorine:

Dosing: 1.52 mg/L

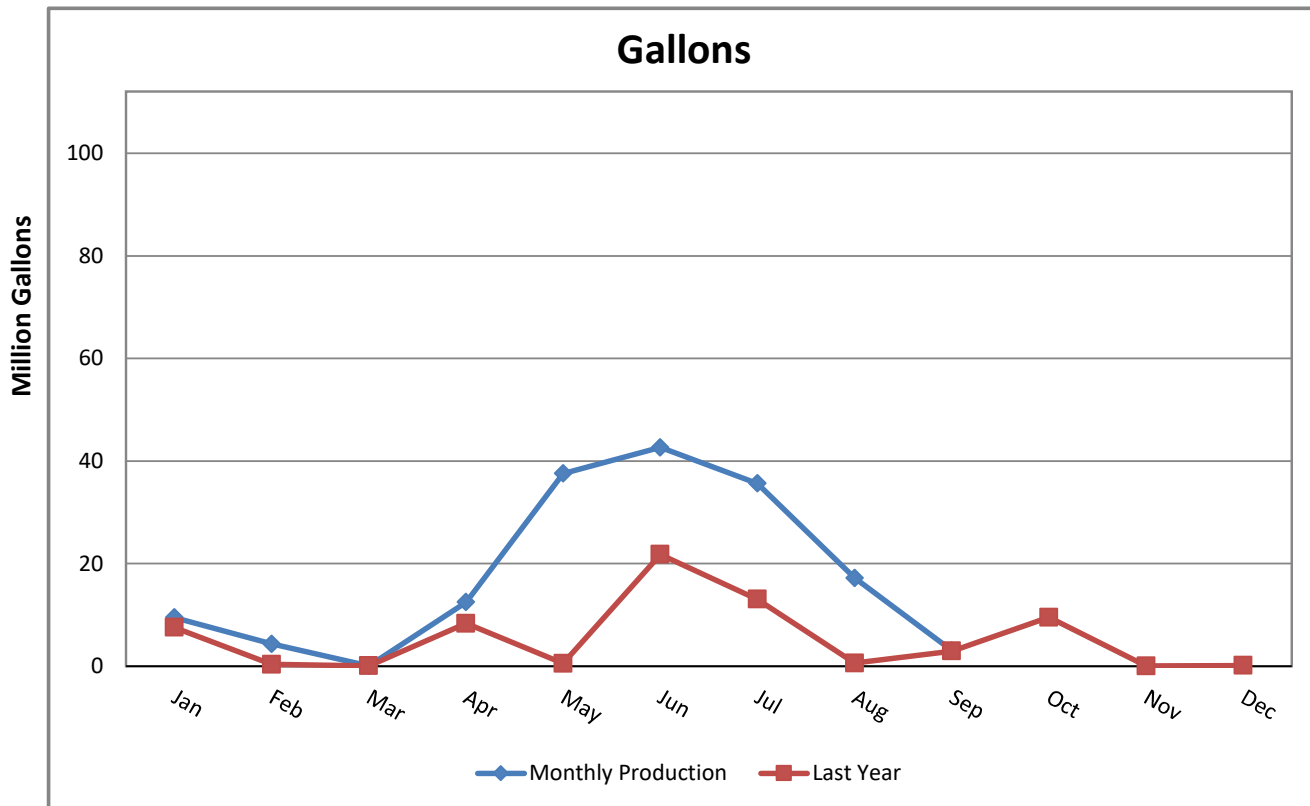
Demand: 0.33 mg/L

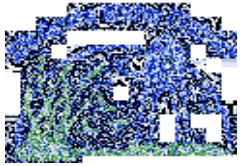
Residual: 1.19 mg/L

### Vibration Reading:

Base Line: 0.05 in/sec

Current: 0.02 in/sec





# Elk Grove Water District

## Monthly Production

Well 4D Webb -- Sept. 2020

### Selected Month Production

43,690,519 Gallons

Average GPM:

1,705

### Motor:

Volts: 482

Volts (Rated): 460

RPM: 1682

RPM (Rated): 1775

Amps A: 202

Amps A (Rated): 225

Amps B: 200

Amps B (Rated): 225

Amps C: 200

Amps C (Rated): 225

Motor Temp: 149 F

Hour Meter: 427.00

KW Hour Total: 61,020

### Chlorine:

Dosing: 1.74 mg/L

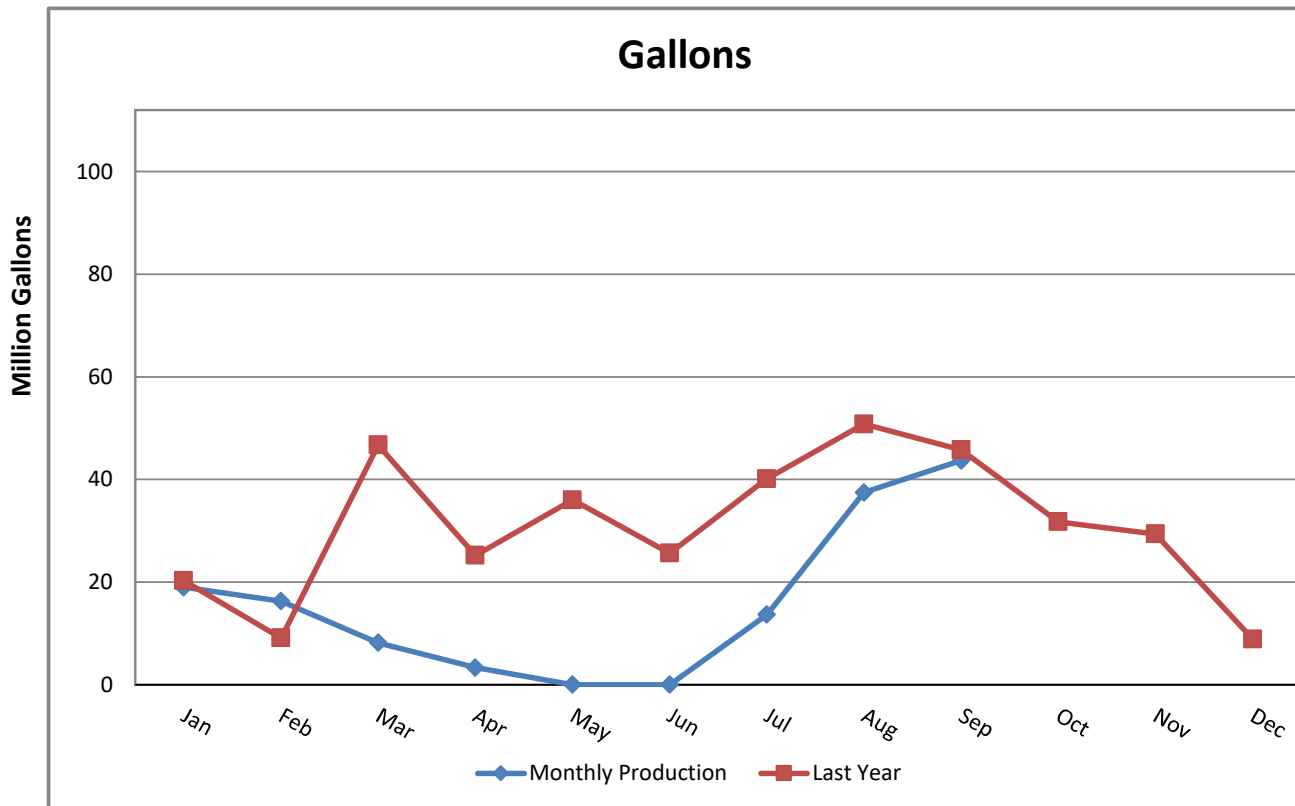
Demand: 0.77 mg/L

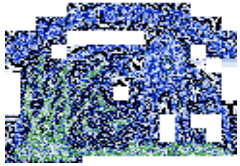
Residual: 0.97 mg/L

### Vibration Reading:

Base Line: 0.05 in/sec

Current: 0.01 in/sec





# Elk Grove Water District

## Monthly Production

Well 11D Dino -- Sept. 2020

### Selected Month Production

32,179,676 Gallons

Average GPM:

1,312

### Motor:

Volts: 483  
 Volts (Rated): 460  
 RPM: 1691  
 RPM (Rated): 1775  
 Amps A: 194  
 Amps A (Rated): 225  
 Amps B: 194  
 Amps B (Rated): 225  
 Amps C: 187  
 Amps C (Rated): 225

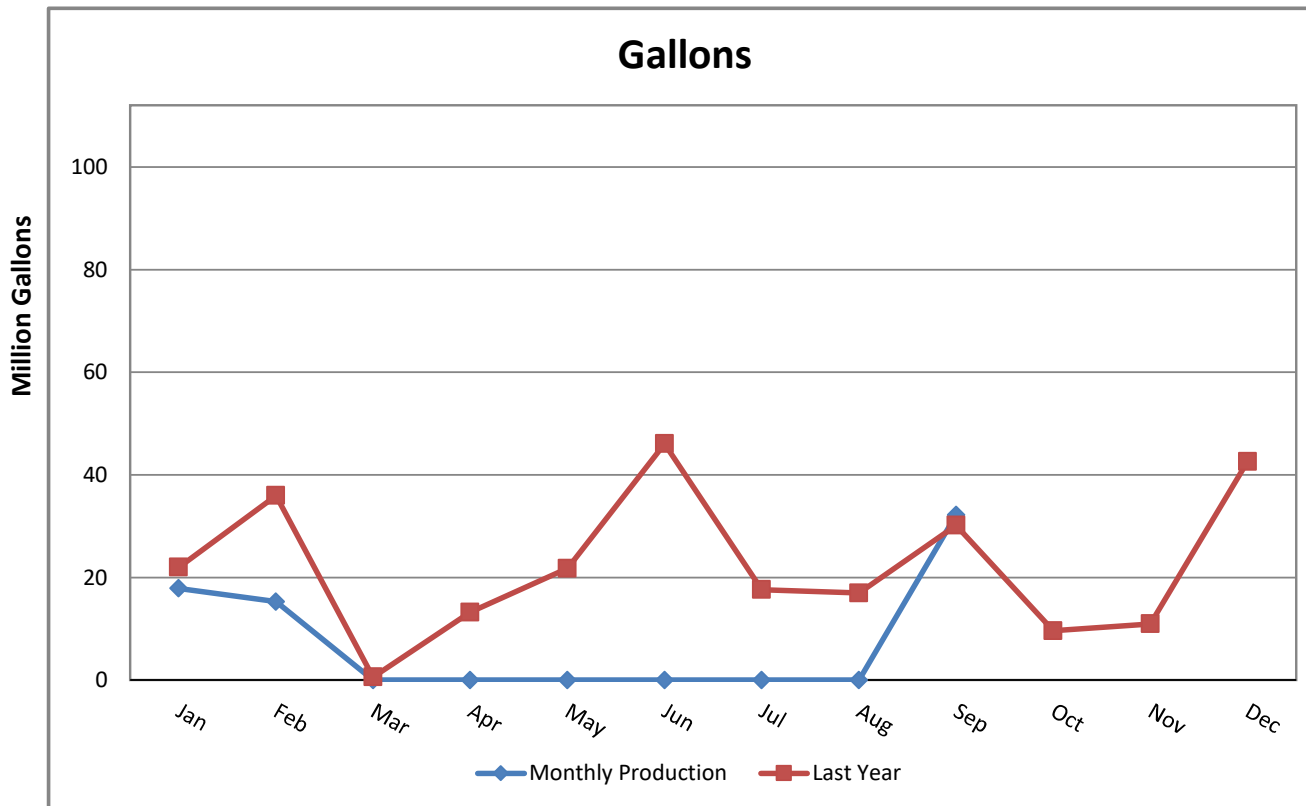
Motor Temp: 137.8 F  
 Hour Meter: 408.60  
 KW Hour Total: 41,760

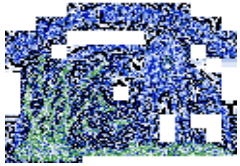
### Chlorine:

Dosing: 2.3 mg/L  
 Demand: 1.33 mg/L  
 Residual: 0.97 mg/L

### Vibration Reading:

Base Line: 0.05 in/sec  
 Current: 0.01 in/sec





# Elk Grove Water District

## Monthly Production

Well 14D Railroad -- Sept. 2020

### Selected Month Production

5,613,498 Gallons

Average GPM:

1,082

### Motor:

Volts: 479  
 Volts (Rated): 460  
 RPM: 1677  
 RPM (Rated): 1785  
 Amps A: 153  
 Amps A (Rated): 171  
 Amps B: 153  
 Amps B (Rated): 171  
 Amps C: 152  
 Amps C (Rated): 171

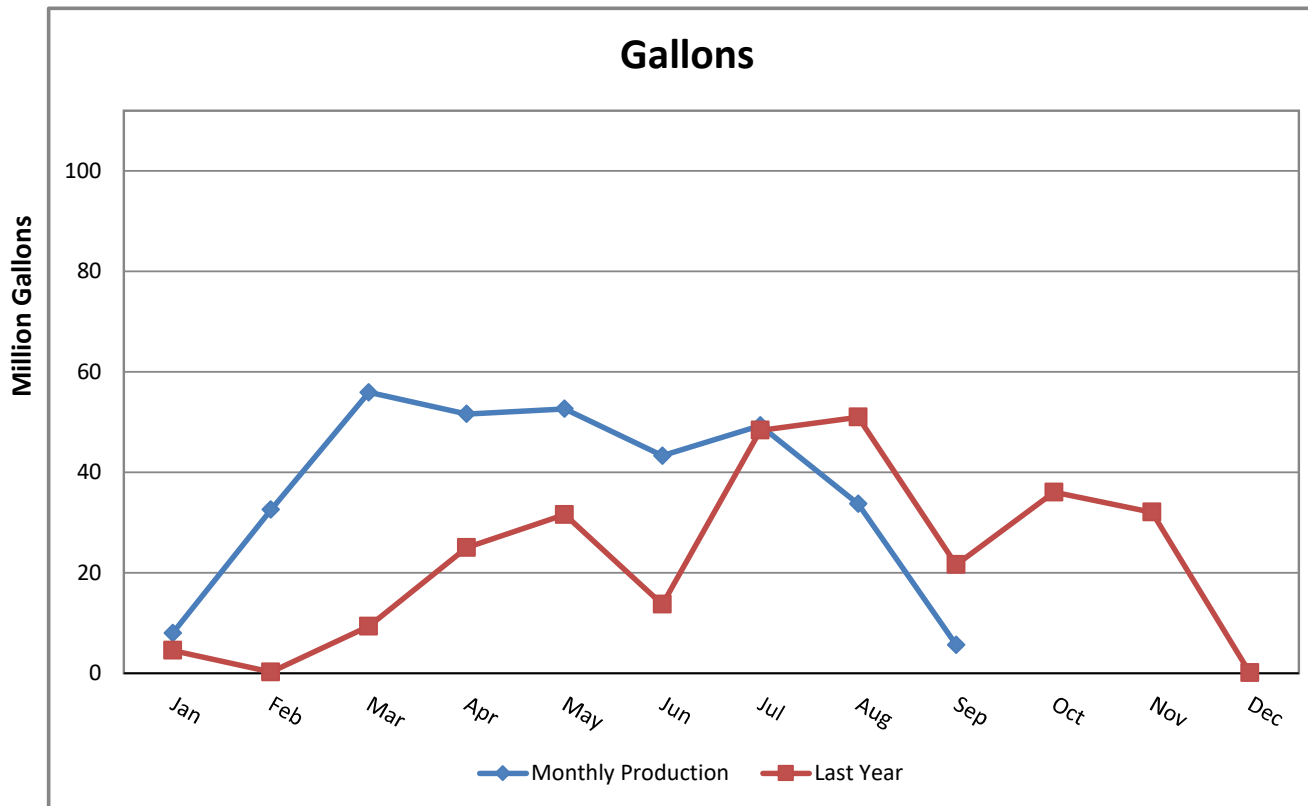
Motor Temp.: 135.3 F  
 Hour Meter: 86.40  
 KW Hour Total: 75,520  
 (KWH total is for the entire facility)

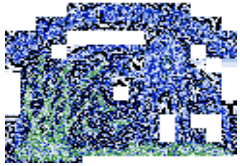
### Chlorine:

Dosing: 2.34 mg/L  
 Demand: 1.3 mg/L  
 Residual: 1.07 mg/L

### Vibration Reading:

Base Line: 0.02 in/sec  
 Current: 0.03 in/sec





# Elk Grove Water District

## Monthly Production

Well 8 Williamson -- Sept. 2020  
(Submersible)

### Selected Month Production

18,592,985 Gallons

Average GPM:

536

### Motor:

Volts: 458

Volts (Rated): 460

Amps A: 60

Amps A (Rated): 65

Amps B: 58

Amps B (Rated): 65

Amps C: 59

Amps C (Rated): 65

Hour Meter: 578.00

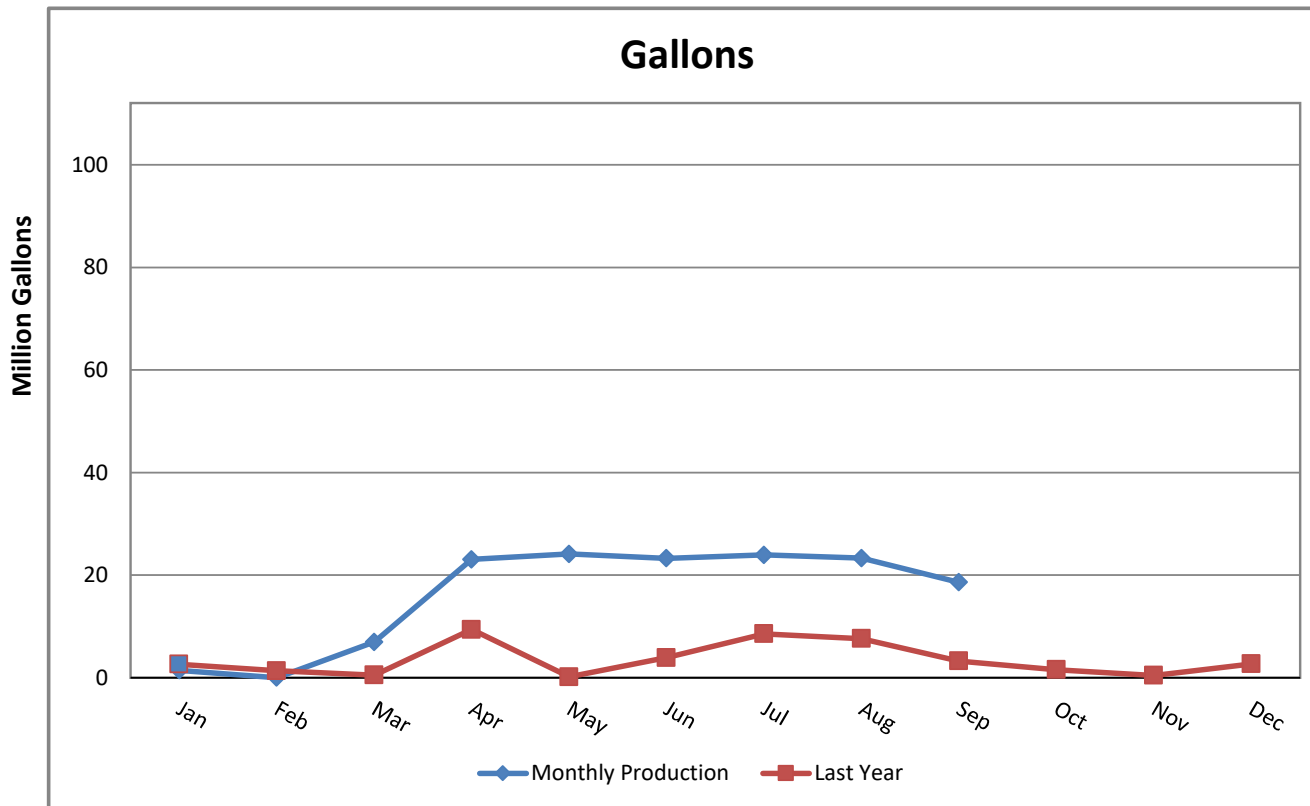
KW Hour Total: 22,915

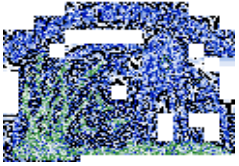
### Chlorine:

Dosing: 1.18 mg/L

Demand: 0.33 mg/L

Residual: 0.85 mg/L





# Elk Grove Water District

## Monthly Production

Well 9 Polhemus -- Sept. 2020  
(Submersible)

### Selected Month Production

13,512,000 Gallons

Average GPM: 388

### Motor:

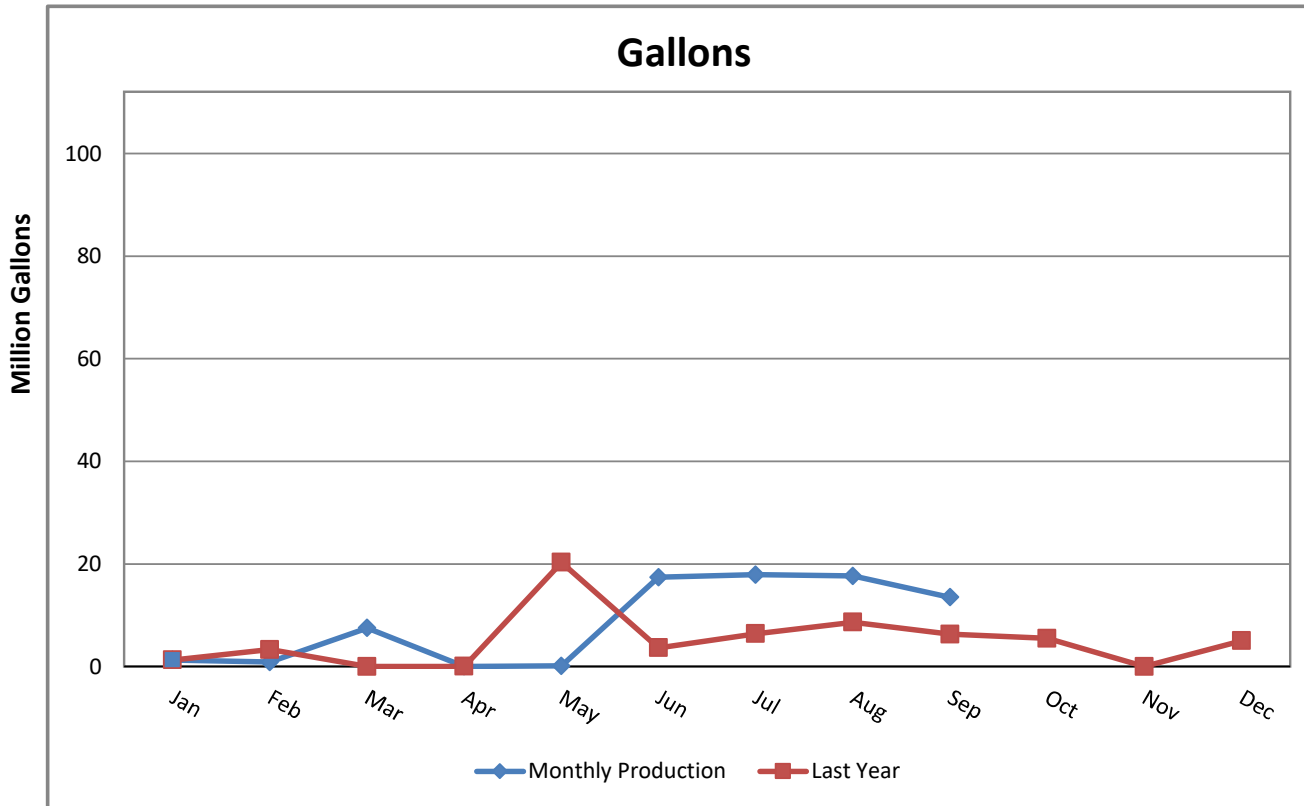
Volts: 481  
Volts (Rated): 460

Amps A: 56  
Amps A (Rated): 65  
Amps B: 58  
Amps B (Rated): 65  
Amps C: 62  
Amps C (Rated): 65

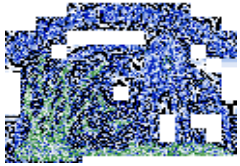
Hour Meter: 580.00  
KW Hour Total: 23,006

### Chlorine:

Dosing: 1.11 mg/L  
Demand: 0.34 mg/L  
Residual: 0.77 mg/L







# Elk Grove Water District

## Monthly Production

Well 13 Hampton -- Sept. 2020

### Selected Month Production

38,503,416 Gallons

Average GPM:

939

### Motor:

Volts: 479

Volts (Rated): 460

RPM: 1783

RPM (Rated): 1785

Amps A: 104

Amps A (Rated): 141

Amps B: 105

Amps B (Rated): 141

Amps C: 106

Amps C (Rated): 141

Motor Temp.: 145.4 F

Hour Meter: 682.9

KW Hour Total: 50,760

### Chlorine:

Dosing: 1.61 mg/L

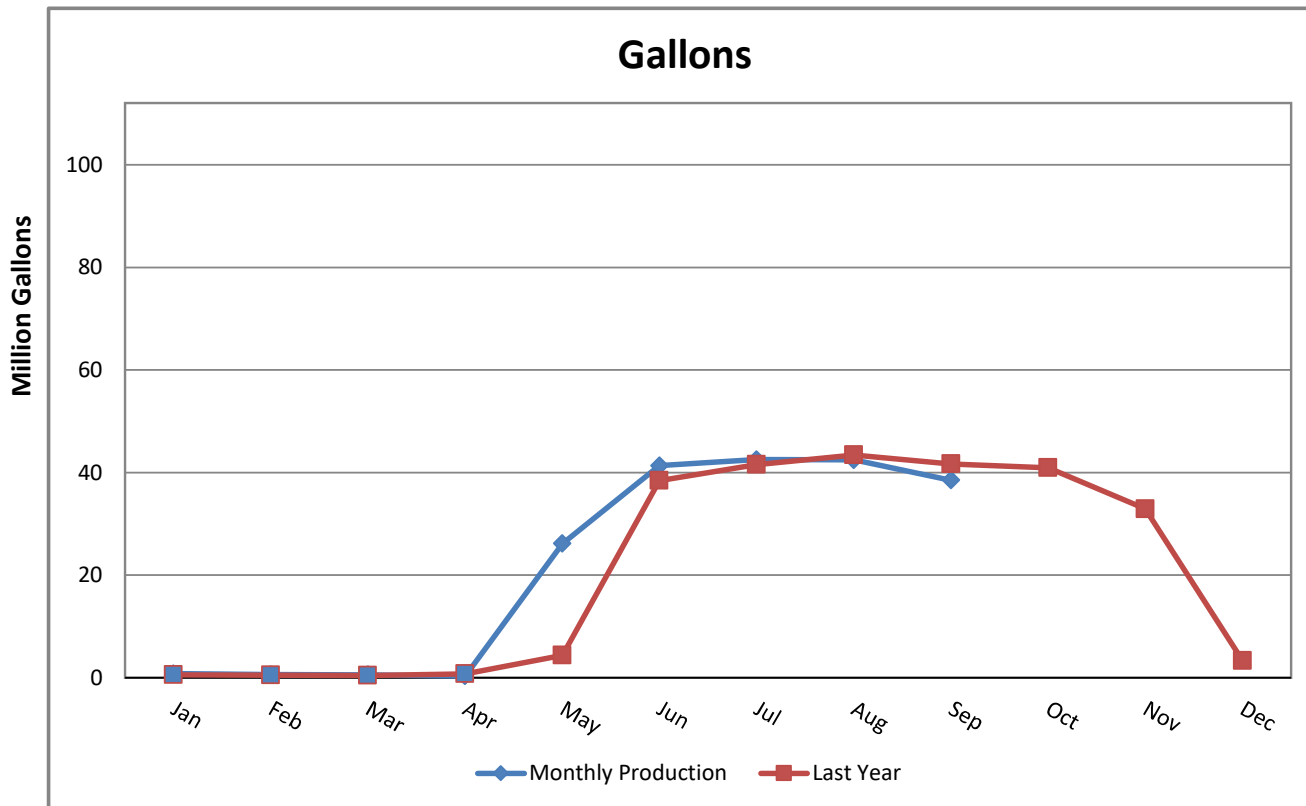
Demand: 0.66 mg/L

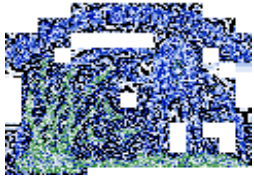
Residual: 0.95 mg/L

### Vibration Reading:

Base Line: 0.02 in/sec

Current: 0.02 in/sec





# Elk Grove Water District

## Combined Total Production

### Service Area 1

Sep-2020

\* In Aug. 2020, an additional 18 million gallons of water was purchased from Sacramento County Water Agency as a result of the emergency repair of the 36" transmission main.

### Current Month Production:

155,126,225 Gallons

### Highest Day Demand of the Month:

5,842,778

### Date of Occurrence

1-Sep-20

### Highest Day Demand of the Calendar Year:

6,526,607

### Date of Occurrence

18-Aug-20

### "Water Year" Rainfall: (Oct-19 to Sep-20)

Current Month: 0.00 in

Year To Date: 9.73 in

### "Water Year" Rainfall: (Oct-18 to Sep-19)

September 2019: 0.12 in

Year To Date: 24.37 in

Entire Year Total: 24.37 in

### Temperature:

This Month High: 109 F

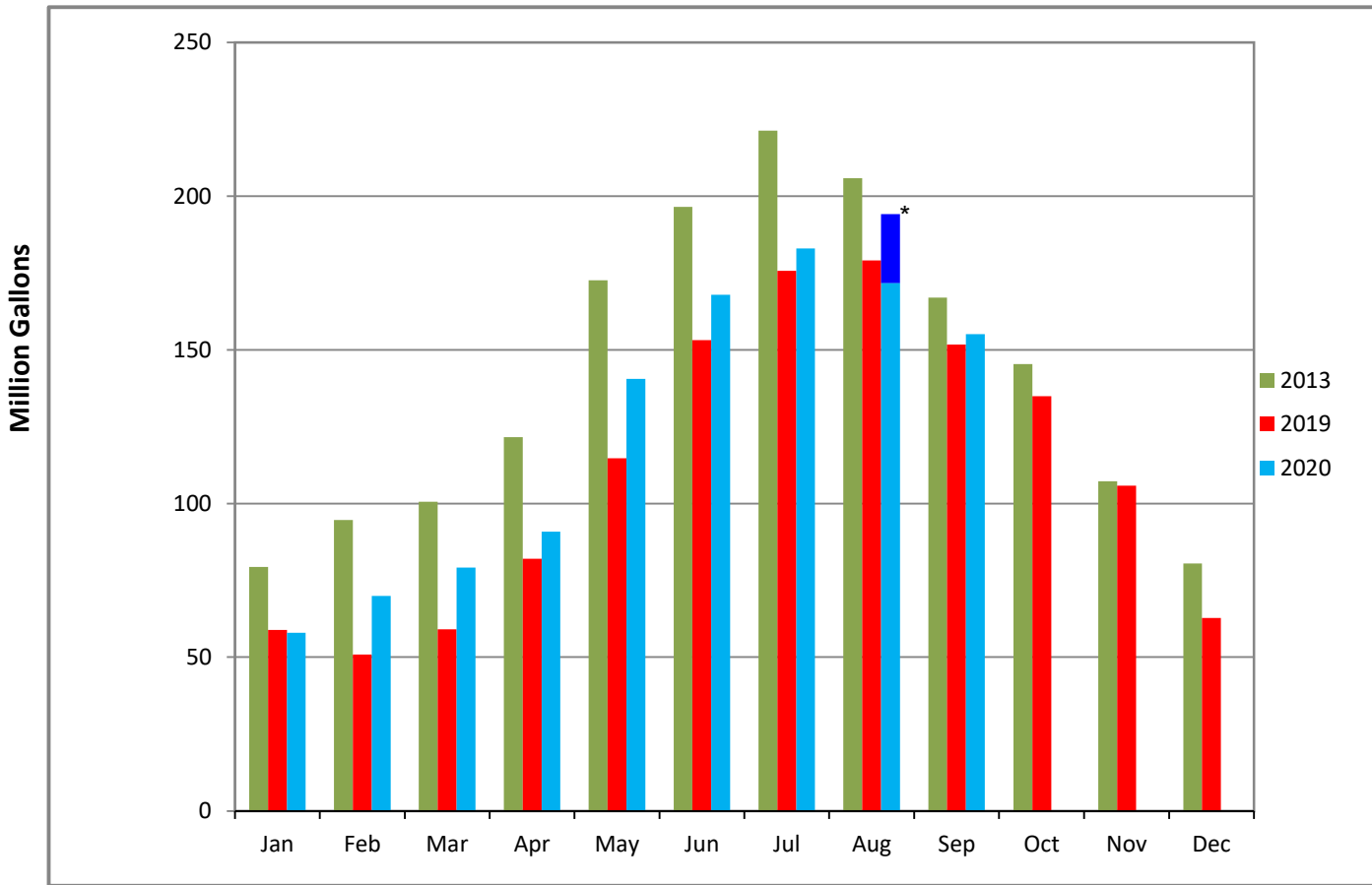
This Month Low: 56 F

This Month Average: 75.75 F

SEP-19 High: 100 F

SEP-19 Low: 45 F

SEP-19 Average: 72.15 F

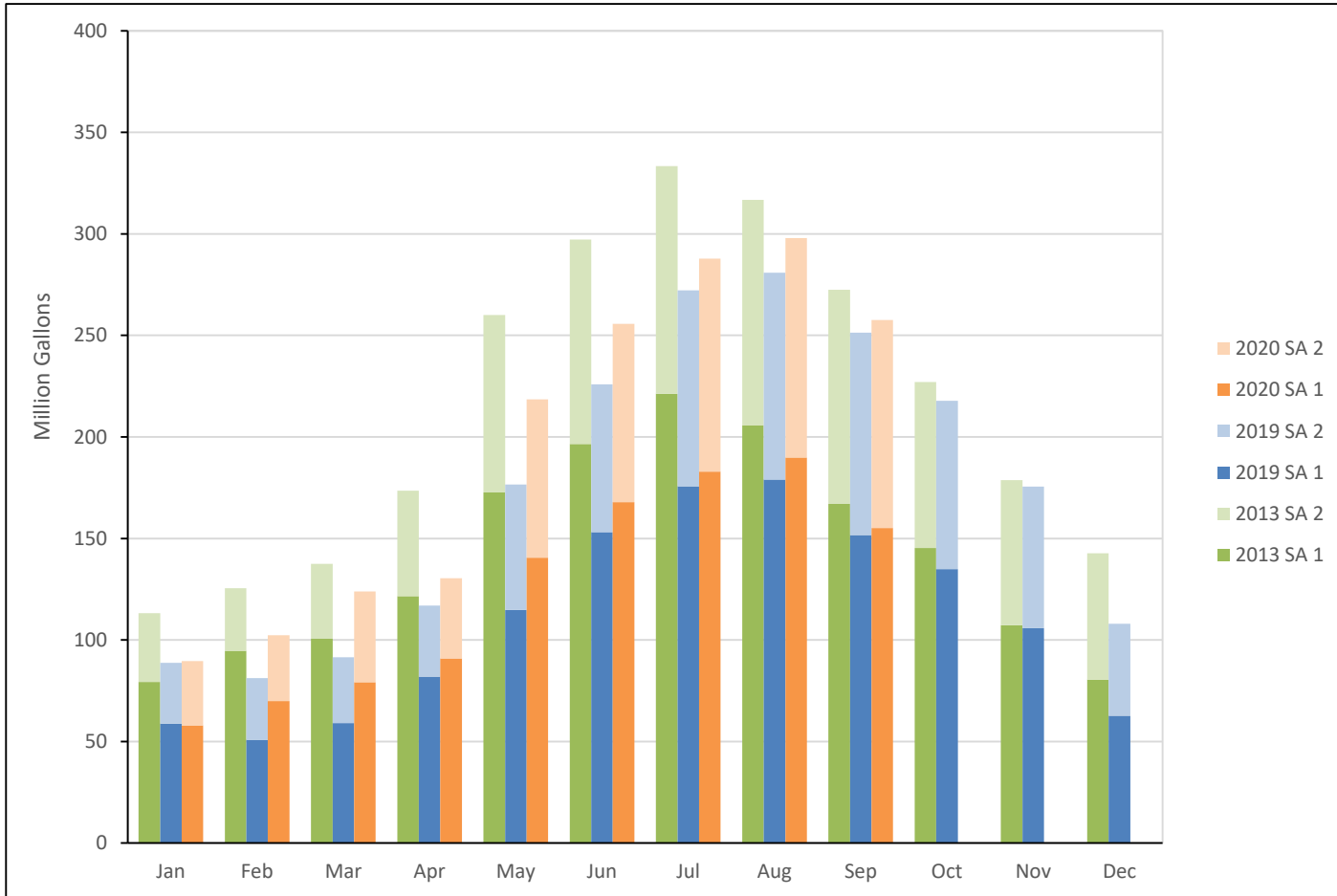




# Elk Grove Water District

## Total Demand/Production

Sep-2020



**Current Month Demand/Production:**  
 257,561,085 Gallons  
**Reduction From September 2013:** 5.45%  
**GPCD:** 183.5 Gallons per Day  
**R-GPCD:** 143.3 Gallons per Day

**Service Area 1**  
**Active Connections:** 7,939  
**Current Month Demand/Production:**  
 155,126,225 Gallons  
**Reduction From September 2013:** 7.11%  
**GPCD:** 180.8 Gallons per Day  
**R-GPCD:** 144.5 Gallons per Day

**Service Area 2**  
**Active Connections:** 4,767  
**Current Month Demand/Production:**  
 102,434,860 Gallons  
**Reduction From September 2013:** 2.83%  
**GPCD:** 187.8 Gallons per Day  
**R-GPCD:** 141.2 Gallons per Day

Elk Grove Water District Water Usage

Monthly Production (gallons)												
2013	January	February	March	April	May	June	July	August	September	October	November	December
GW (SA1)	68,254,916	81,368,191	100,542,522	121,613,523	172,623,839	196,557,137	221,335,388	205,830,850	166,997,536	145,352,530	107,186,459	80,494,167
Purchased (SA2)	33,769,956	30,929,052	36,942,972	51,911,200	87,470,372	100,709,224	112,128,192	110,885,764	105,417,136	81,665,892	71,505,060	62,165,532
Total	102,024,872	112,297,243	137,485,494	173,524,723	260,094,211	297,266,361	333,463,580	316,716,614	272,414,672	227,018,422	178,691,519	142,659,699

2017	January	February	March	April	May	June	July	August	September	October	November	December
GW (SA1)	59,973,881	50,320,832	61,080,559	68,658,752	137,599,305	155,472,951	180,086,739	173,684,119	152,475,400	131,390,808	76,619,642	67,874,741
Purchased (SA2)	26,951,188	28,184,640	28,756,860	34,167,892	48,653,660	87,003,620	96,535,384	104,766,376	98,979,848	84,154,488	61,788,540	34,228,480
Total	86,925,069	78,505,472	89,837,419	102,826,644	186,252,965	242,476,571	276,622,123	278,450,495	251,455,248	215,545,296	138,408,182	102,103,221

2018	January	February	March	April	May	June	July	August	September	October	November	December
GW (SA1)	61,547,751	61,558,850	62,848,303	76,267,144	125,703,221	158,313,394	181,467,446	173,737,676	150,609,278	133,163,991	97,294,654	63,631,042
Purchased (SA2)	31,925,388	31,512,492	33,779,680	32,989,792	52,692,860	85,679,660	101,031,612	104,457,452	97,400,072	77,996,204	66,116,468	42,849,180
Total	93,473,139	93,071,342	96,627,983	109,256,936	178,396,081	243,993,054	282,499,058	278,195,128	248,009,350	211,160,195	163,411,122	106,480,222

2019	January	February	March	April	May	June	July	August	September	October	November	December
GW (SA1)	58,847,001	50,827,497	59,064,385	81,981,728	114,733,502	153,176,826	175,692,823	179,038,979	151,703,906	134,920,719	105,816,168	62,755,985
Purchased (SA2)	29,895,316	30,359,076	32,485,640	34,994,432	61,802,004	72,657,728	96,524,164	101,818,508	99,590,964	82,897,100	69,704,624	45,161,996
Total	88,742,317	81,186,573	91,550,025	116,976,160	176,535,506	225,834,554	272,216,987	280,857,487	251,294,870	217,817,819	175,520,792	107,917,981

2020	January	February	March	April	May	June	July	August	September	October	November	December
GW (SA1)	57,904,843	69,920,851	79,195,437	90,851,253	140,575,760	167,942,394	182,964,721	189,801,764	155,126,225			
Purchased (SA2)	31,743,624	32,416,076	44,764,808	39,523,572	77,964,788	87,759,848	104,799,288	108,177,256	102,434,860			
Total	89,648,467	102,336,927	123,960,245	130,374,825	218,540,548	255,702,242	287,764,009	297,979,020	257,561,085	0	0	0
% Reduction from 2013	12.13%	8.87%	9.84%	24.87%	15.98%	13.98%	13.70%	5.92%	5.45%	100.00%	100.00%	100.00%

\*Notes

2013 January and February production numbers do not match actually recorded production because of an open intertie delivering water to SA2. Information below is further details.

SA1 = Service Area 1, SA2 = Service Area 2. SA1 is all groundwater (GW) production. SA2 is all purchased water from SCWA.

Actual Recorded Prod. (Jan. 2013) - Service Area 1 79,361,342 gallons (Includes water delivered to SA2 due to open intertie. Intertie closed end of Feb. 2013)

Actual Recorded Prod. (Feb. 2013) - Service Area 1 94,608,406 gallons (Includes water delivered to SA2 due to open intertie. Intertie closed end of Feb. 2013)

To determine estimate of Feb. 2013 production delivered to Service Area 1, use multiplier from March data which is seasonally similar.)

Service Area 1 Multiplier = 1.39 (calculated from March 2013 Prod. Data/March 2014 Prod. Data)

Calc'd Feb. 2013 Prod. = Feb. 2014 Prod. Data x 1.39 = 79,737,924

To determine estimate of Jan. 2013 production, use prorated amount from Feb. 2013 data. (This method due to Jan. 2014 being unseasonably hot.)

Calc'd Jan. 2013 Prod. = (Feb. 2013 Prod. Data Calc'd / Feb. 2013 Prod. Data Actual) x Jan. 2013 Prod. Data Actual = 68,254,916

2020 August production number for SA1 includes water delivered through open interties with SA2.

SA1 = Service Area 1, SA2 = Service Area 2. SA1 is all groundwater (GW) production. SA2 is all purchased water from SCWA.

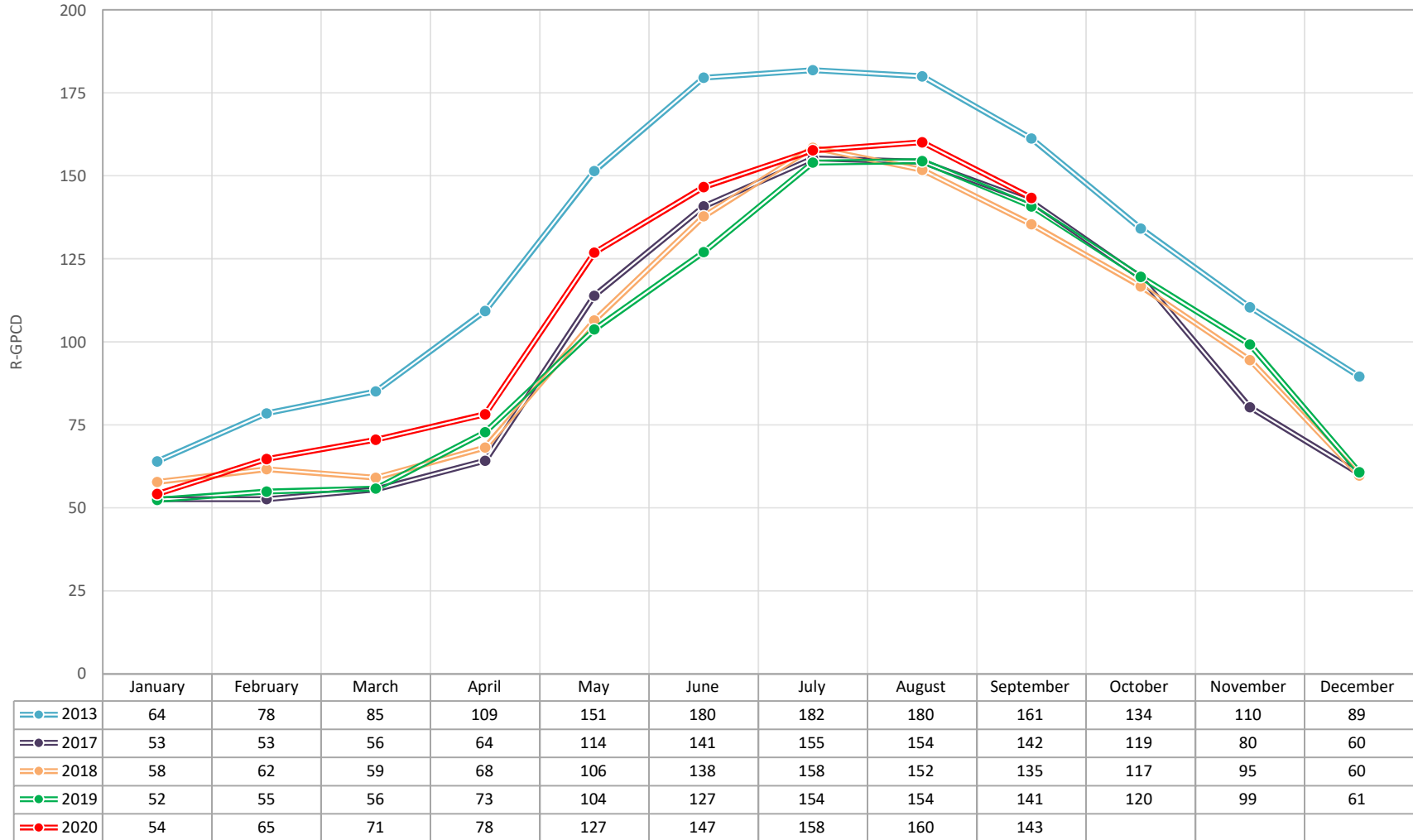
Charlois and Springhurst Intertie 18,000,000 Gallons

Service Area 2		Consumption	
2020	# Accts	CCF	Gallons
Jan	4,544	42,438	31,743,624
Feb	4,656	43,337	32,416,076
Mar	4,658	59,846	44,764,808
Apr	4,761	52,839	39,523,572
May	4,761	104,231	77,964,788
Jun	4,761	117,326	87,759,848
Jul	4,761	140,106	104,799,288
Aug	4,762	144,622	108,177,256
Sep	4,898	136,945	102,434,860
Oct			0
Nov			0
Dec			0



## EGWD COMBINED R-GPCD

—●— 2013    —●— 2017    —●— 2018    —●— 2019    —●— 2020



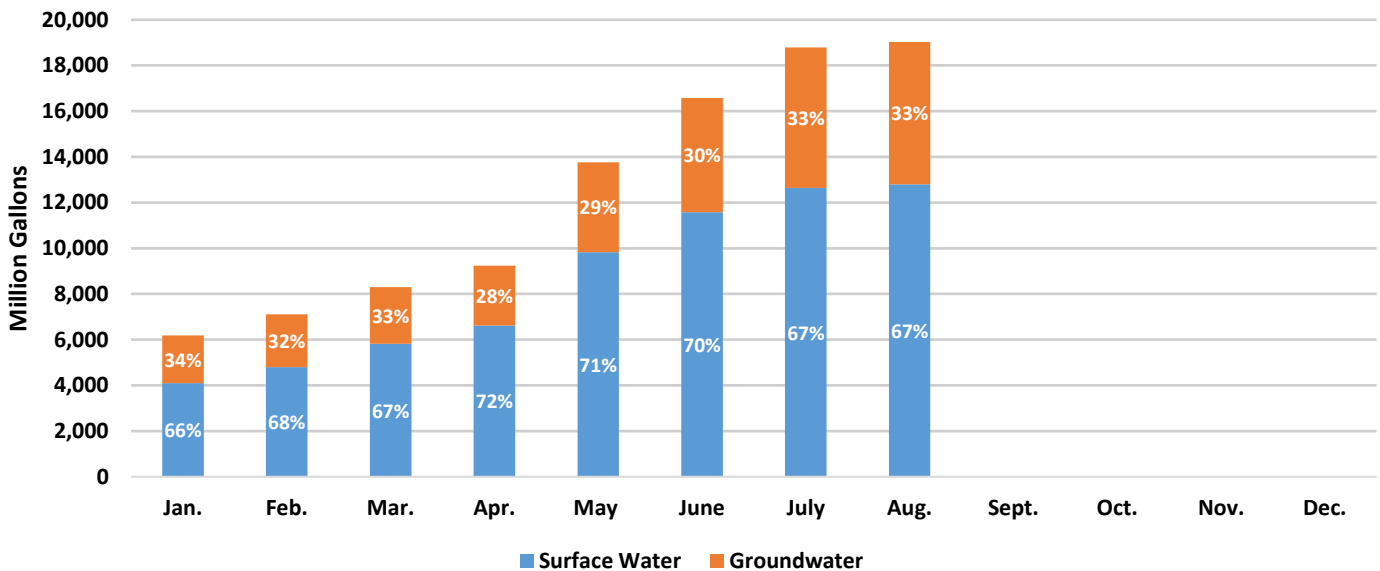
R-GPCD = Residential Gallons per Capita per Day

# August 2020 Data Summary

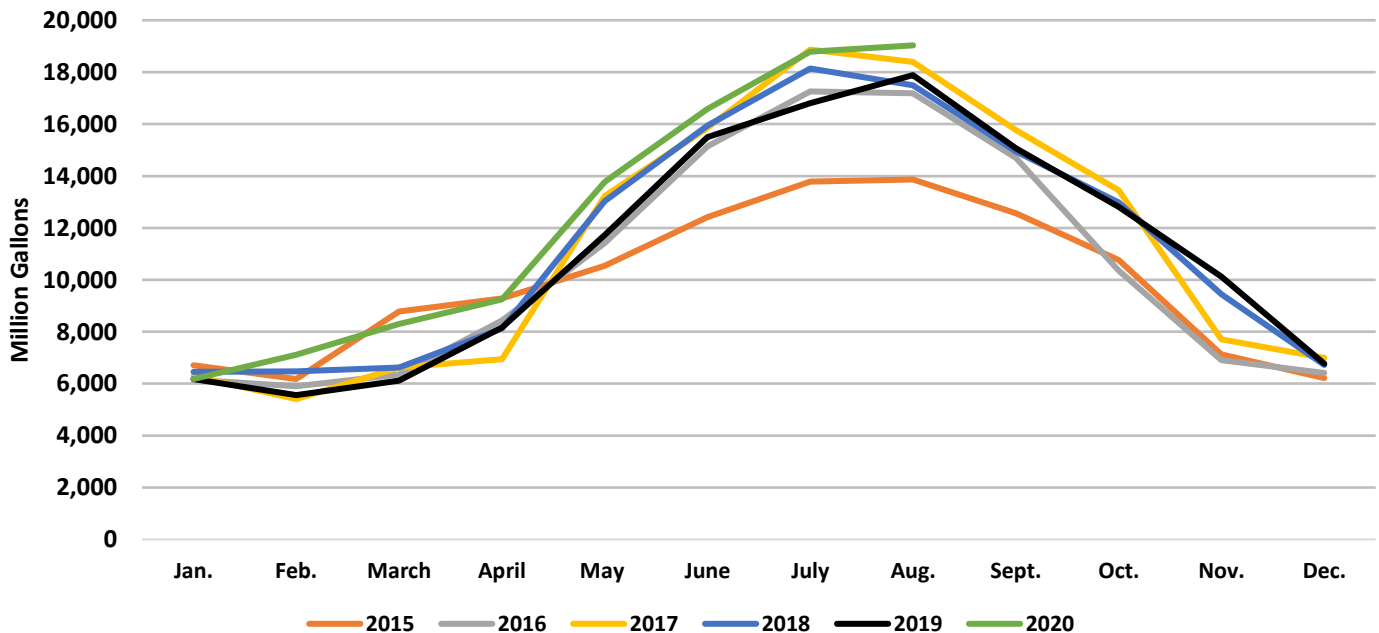
**2020 Monthly Water Production by Source (Million Gallons)**

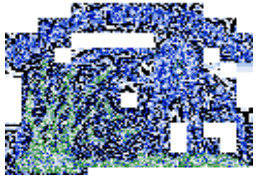
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total
<b>SW</b>	4,109	4,721	5,857	6,545	9,828	11,574	12,636	12,789					68,059
<b>GW</b>	2,180	2,414	2,480	2,700	3,938	5,008	6,051	6,242					31,014
<b>Total</b>	6,289	7,136	8,336	9,245	13,766	16,582	18,688	19,031					99,073

**2020 Monthly Water Production by Source**



**Regional Monthly Water Production (Million Gallons)**

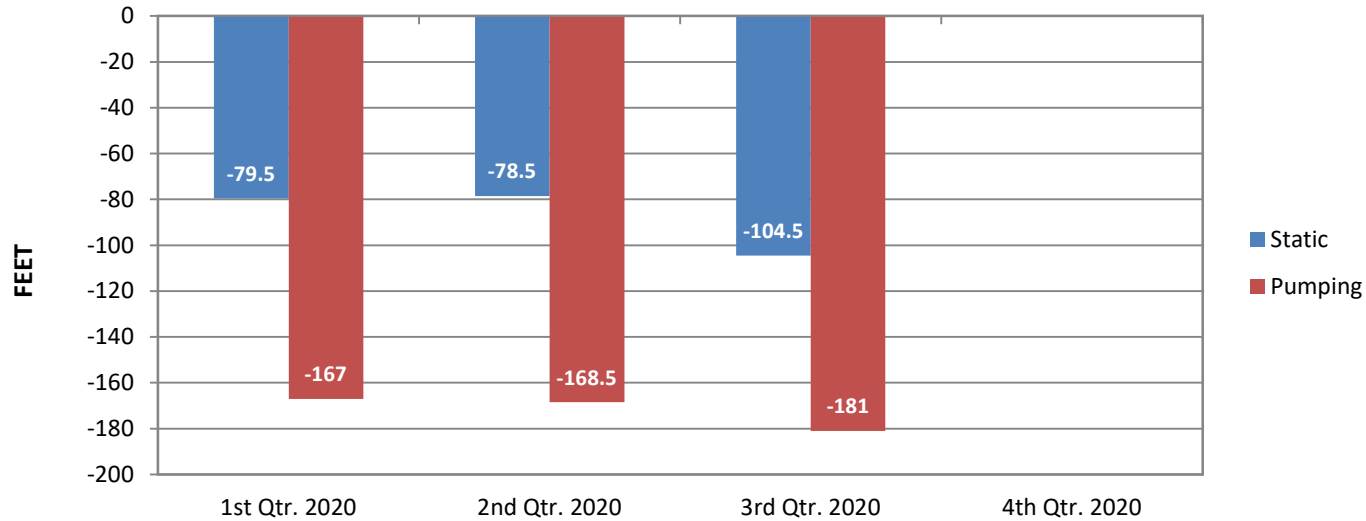




# Elk Grove Water District

## Static and Pumping Levels

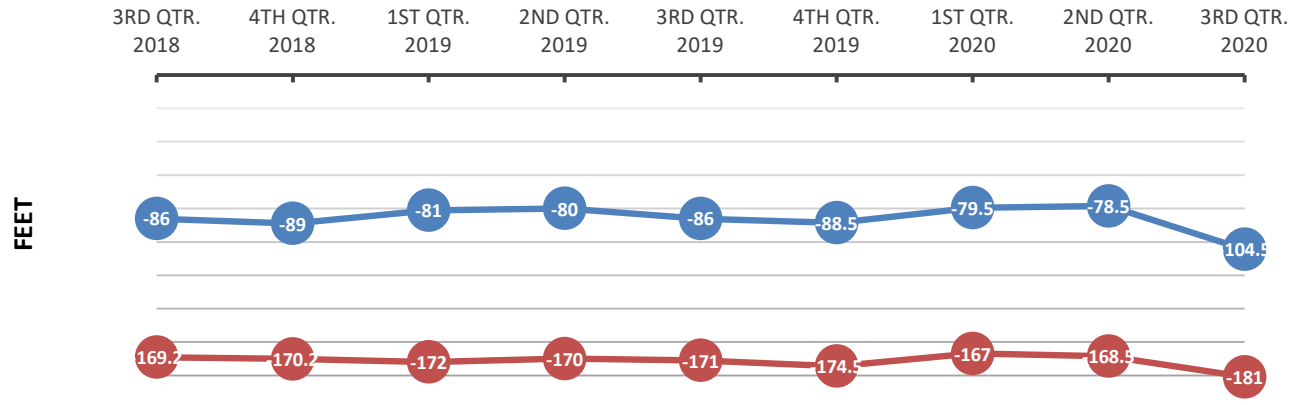
Well 1D School St



### Latest Well Sounding

<b>Static:</b>	104.5 Ft
<b>Pumping:</b>	181 Ft
<b>Drawdown:</b>	76.5 Ft
<b>GPM:</b>	1,704
<b>Specific Capacity:</b>	22.270

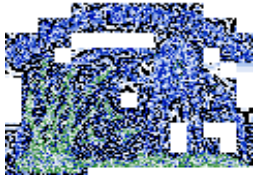
### Sounding Quarter/Year



### Latest Sand Tester Results:

15 Min: < 5 ppm

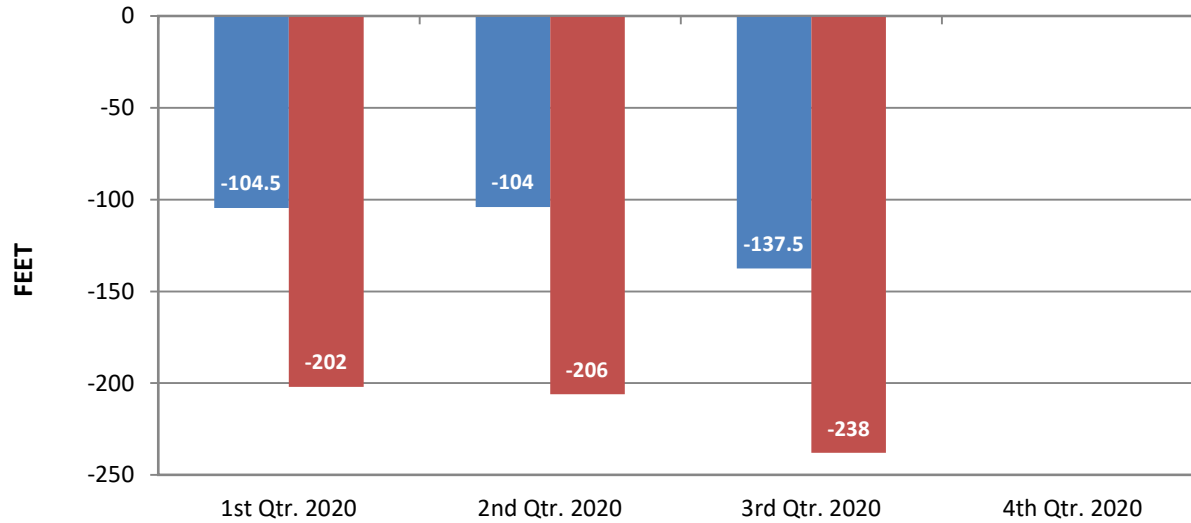




# Elk Grove Water District

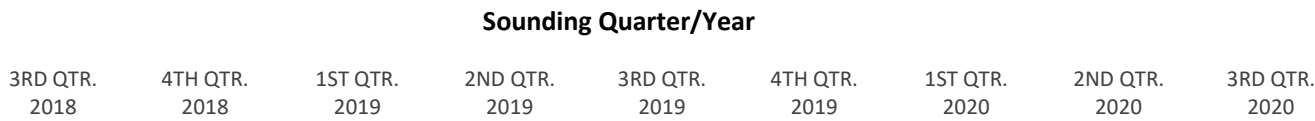
## Static and Pumping Levels

Well 4D Webb St



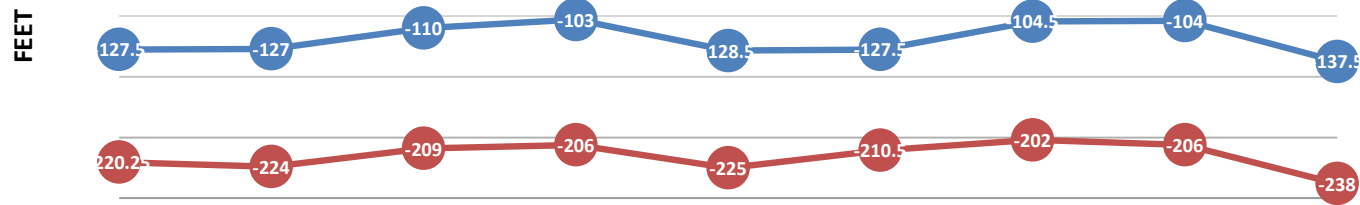
### Latest Well Sounding

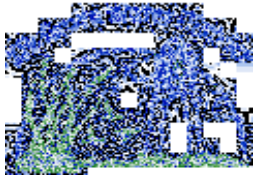
<b>Static:</b>	137.5 Ft
<b>Pumping:</b>	238 Ft
<b>Drawdown:</b>	100.5 Ft
<b>GPM:</b>	1,701
<b>Specific Capacity:</b>	16.929



### Latest Sand Tester Results:

15 Min: < 5 ppm

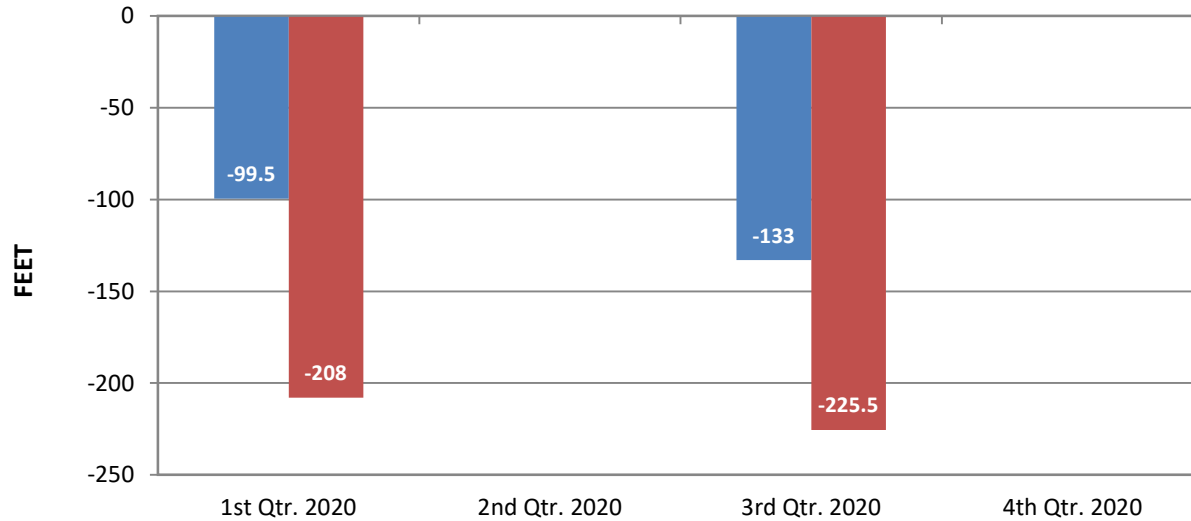




# Elk Grove Water District

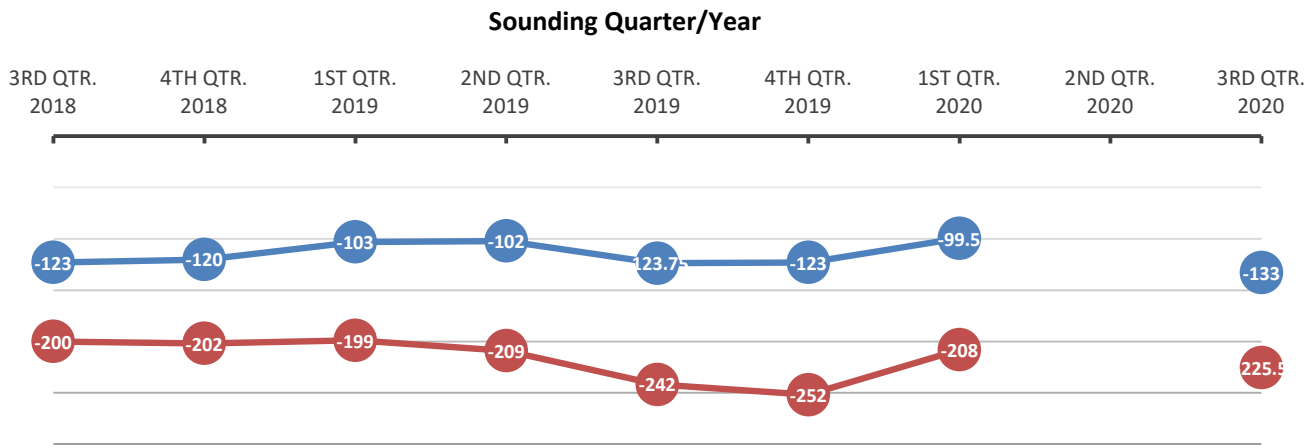
## Static and Pumping Levels

Well 11D Dino



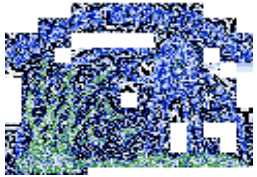
### Latest Well Sounding

<b>Static:</b>	133 Ft
<b>Pumping:</b>	225.5 Ft
<b>Drawdown:</b>	92.5 Ft
<b>GPM:</b>	1,678
<b>Specific Capacity:</b>	18.135



### Latest Sand Tester Results:

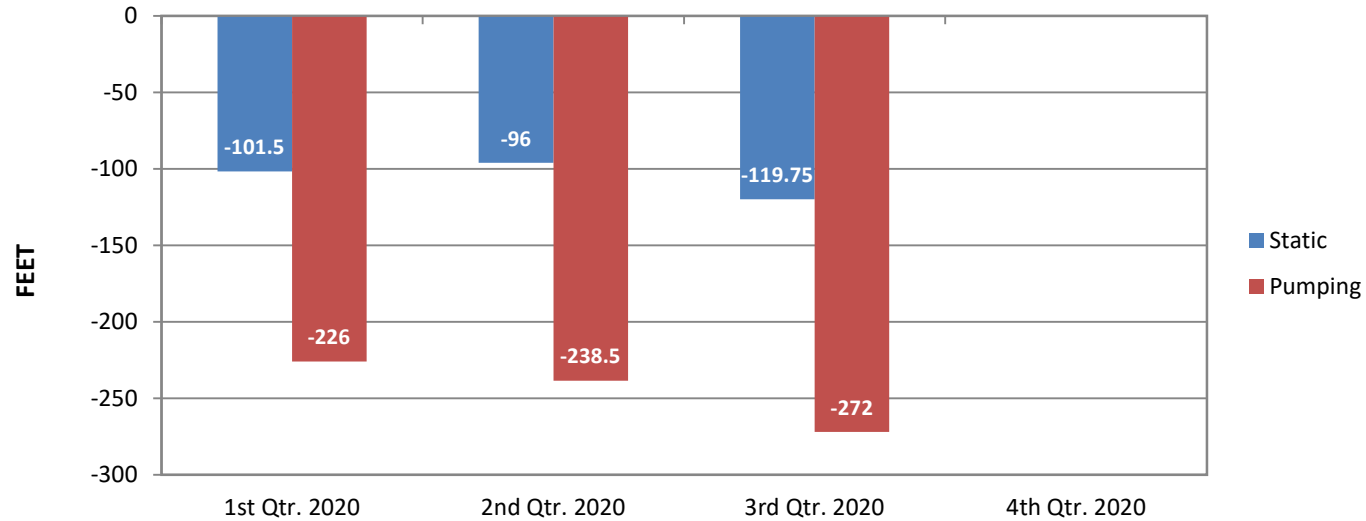
15 Min: < 5 ppm



# Elk Grove Water District

## Static and Pumping Levels

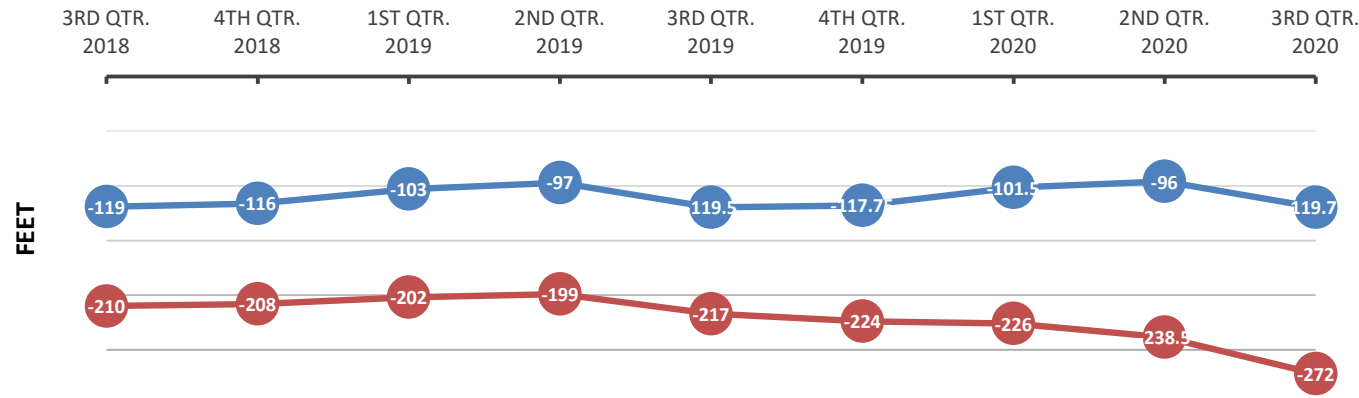
Well 14D Railroad



### Latest Well Sounding

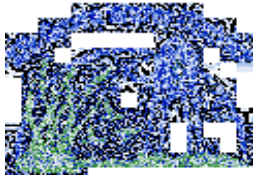
<b>Static:</b>	119.75 Ft
<b>Pumping:</b>	272 Ft
<b>Drawdown:</b>	152.25 Ft
<b>GPM:</b>	1,176
<b>Specific Capacity:</b>	7.722

### Sounding Quarter/Year



### Latest Sand Tester Results:

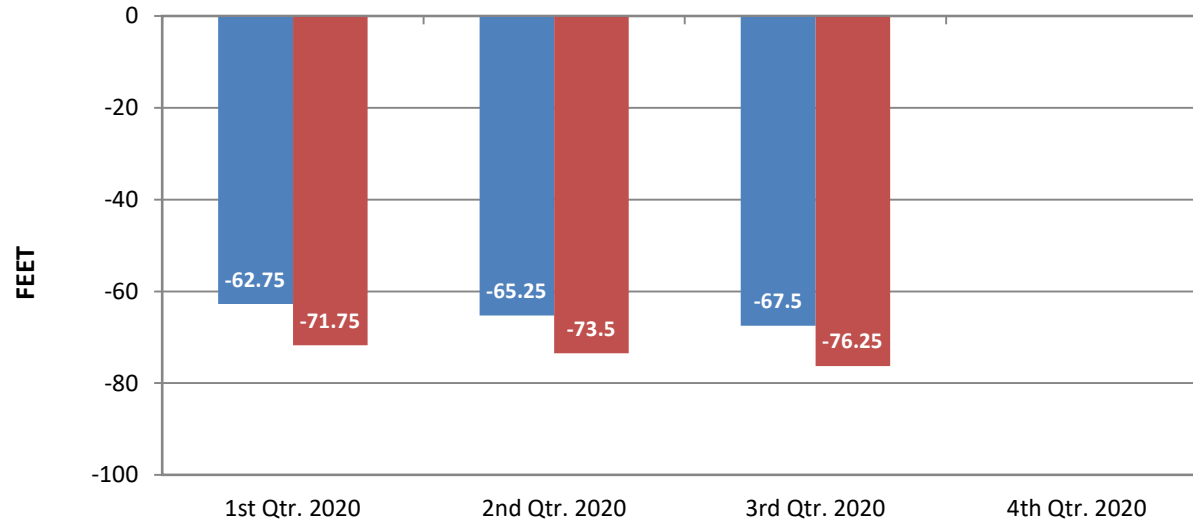
15 Min: < 5 ppm



# Elk Grove Water District

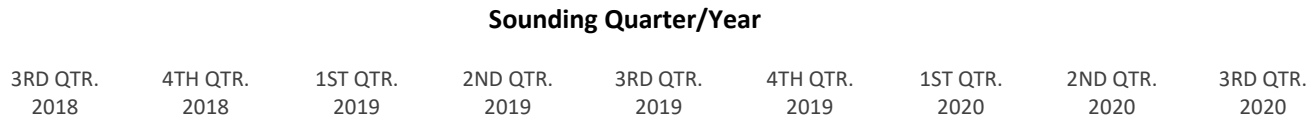
## Static and Pumping Levels

Well 8 Williamson



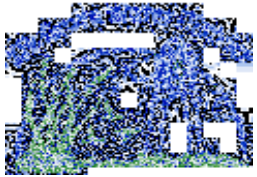
### Latest Well Sounding

**Static:** 67.5 Ft  
**Pumping:** 76.25 Ft  
**Drawdown:** 8.75 Ft  
**GPM:** 540  
**Specific Capacity:** 61.763



### Latest Sand Tester Results:

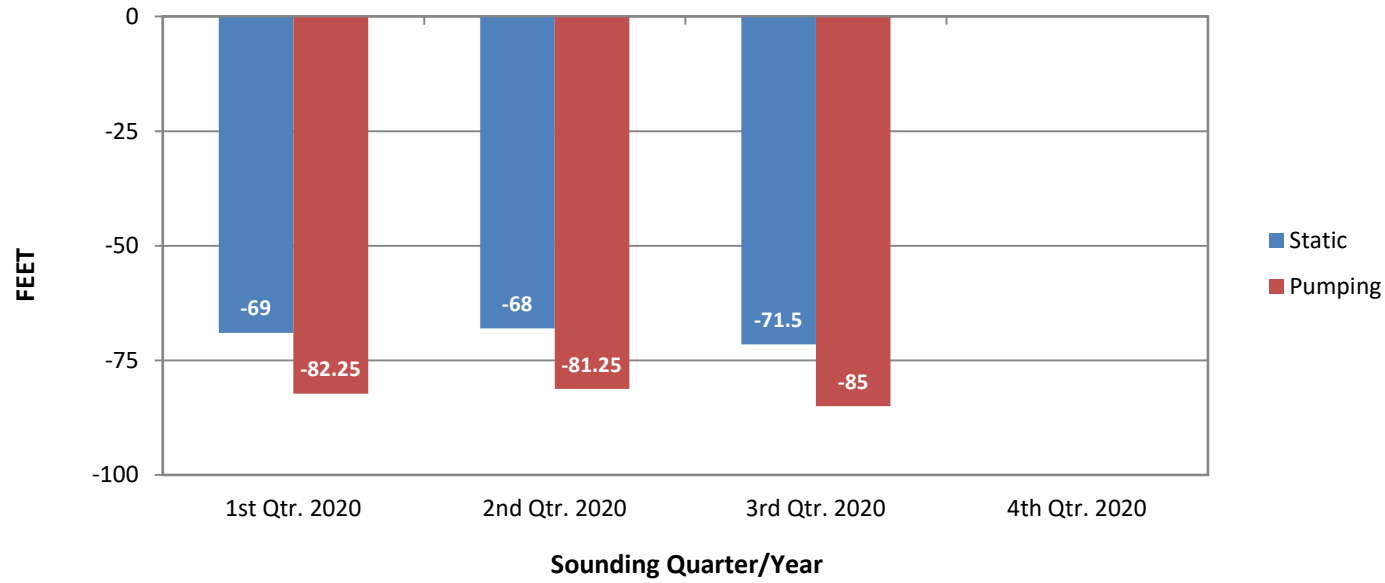
15 Min: < 5 ppm



# Elk Grove Water District

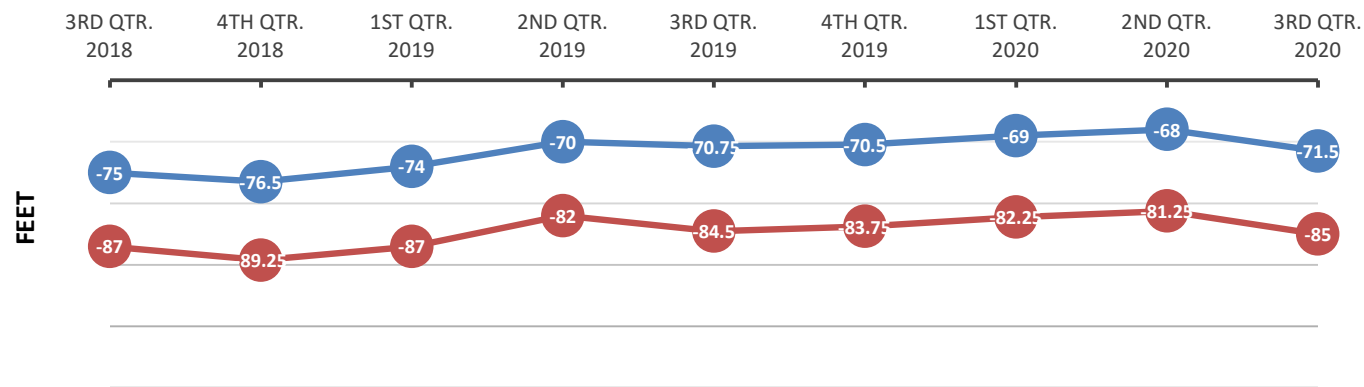
## Static and Pumping Levels

### Well 9 Polhemus



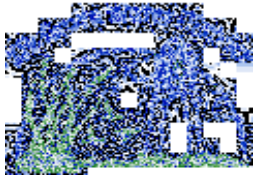
#### Latest Well Sounding

<b>Static:</b>	71.5 Ft
<b>Pumping:</b>	85 Ft
<b>Drawdown:</b>	13.5 Ft
<b>GPM:</b>	420
<b>Specific Capacity:</b>	31.111



#### Latest Sand Tester Results:

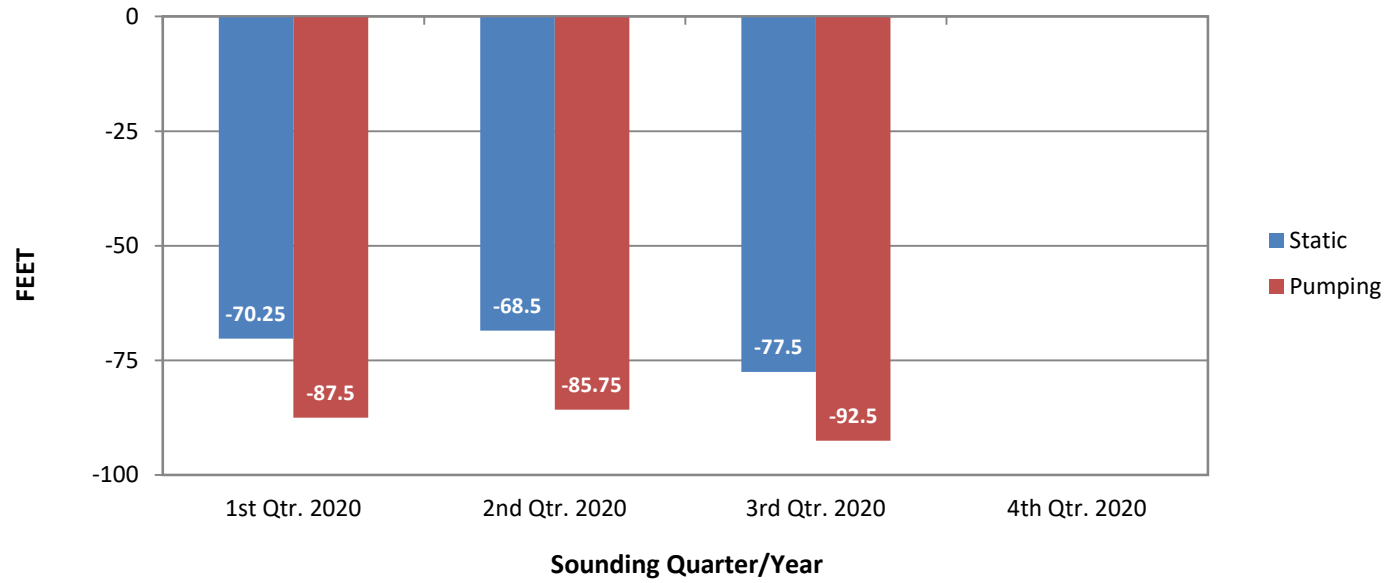
15 Min:	< 5 ppm
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# Elk Grove Water District

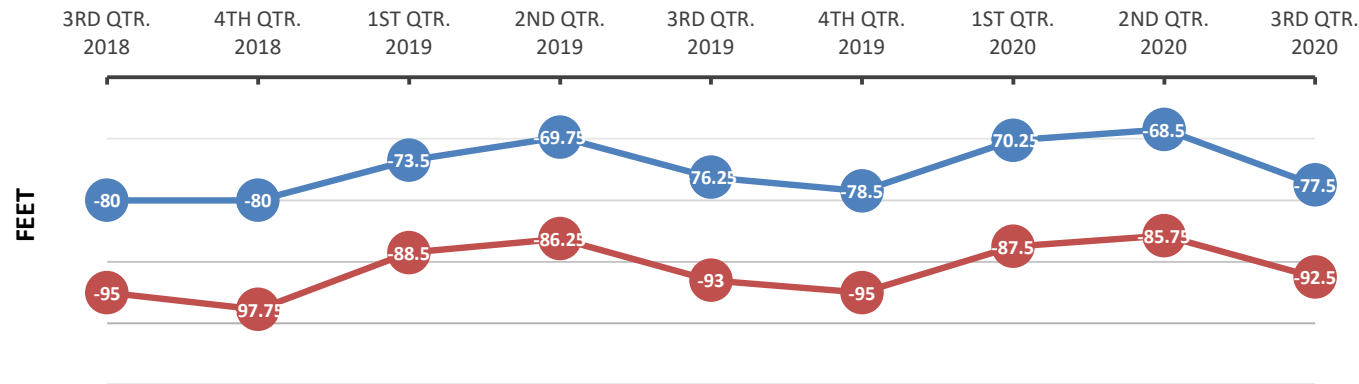
## Static and Pumping Levels

### Well 13 Hampton



#### Latest Well Sounding

<b>Static:</b>	77.5 Ft
<b>Pumping:</b>	92.5 Ft
<b>Drawdown:</b>	15 Ft
<b>GPM:</b>	976
<b>Specific Capacity:</b>	65.091



#### Latest Sand Tester Results:

15 Min: < 5 ppm

**Monthly Sample Report - September 2020**  
**Water System: Elk Grove Water System**

**Sampling Point: 01 - 8693 W. Camden**

<b>Sample Date</b>	<b>Sample Class</b>	<b>Sample Name</b>	<b>Collection Occurrence</b>
9/1/2020	Distribution System	Bacteriological	Week
9/10/2020	Distribution System	Bacteriological	Week
9/15/2020	Distribution System	Bacteriological	Week
9/22/2020	Distribution System	Bacteriological	Week
9/29/2020	Distribution System	Bacteriological	Week

**Sampling Point: School Well 01D - Raw Water**

<b>Sample Date</b>	<b>Sample Class</b>	<b>Sample Name</b>	<b>Collection Occurrence</b>
			Quarterly

**Sampling Point: 02 - 9425 Emerald Vista**

<b>Sample Date</b>	<b>Sample Class</b>	<b>Sample Name</b>	<b>Collection Occurrence</b>
9/1/2020	Distribution System	Bacteriological	Week
9/10/2020	Distribution System	Bacteriological	Week
9/15/2020	Distribution System	Bacteriological	Week
9/22/2020	Distribution System	Bacteriological	Week
9/29/2020	Distribution System	Bacteriological	Week

**Sampling Point: 03 - 8809 Valley Oak**

<b>Sample Date</b>	<b>Sample Class</b>	<b>Sample Name</b>	<b>Collection Occurrence</b>
9/1/2020	Distribution System	Bacteriological	Week
9/10/2020	Distribution System	Bacteriological	Week
9/15/2020	Distribution System	Bacteriological	Week
9/22/2020	Distribution System	Bacteriological	Week
9/29/2020	Distribution System	Bacteriological	Week

**Sampling Point: Webb Well 04D - Raw Water**

<b>Sample Date</b>	<b>Sample Class</b>	<b>Sample Name</b>	<b>Collection Occurrence</b>
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**Sampling Point: 04 - 10122 Glacier Point**

<b>Sample Date</b>	<b>Sample Class</b>	<b>Sample Name</b>	<b>Collection Occurrence</b>
9/1/2020	Distribution System	Bacteriological	Week
9/10/2020	Distribution System	Bacteriological	Week
9/15/2020	Distribution System	Bacteriological	Week
9/22/2020	Distribution System	Bacteriological	Week
9/29/2020	Distribution System	Bacteriological	Week

**Sampling Point: 05 - 9230 Amsden Ct.**

<b>Sample Date</b>	<b>Sample Class</b>	<b>Sample Name</b>	<b>Collection Occurrence</b>
9/1/2020	Distribution System	Bacteriological	Week
9/10/2020	Distribution System	Bacteriological	Week
9/15/2020	Distribution System	Bacteriological	Week
9/22/2020	Distribution System	Bacteriological	Week
9/29/2020	Distribution System	Bacteriological	Week

**Sampling Point: 06 - 9227 Rancho Dr.**

<b>Sample Date</b>	<b>Sample Class</b>	<b>Sample Name</b>	<b>Collection Occurrence</b>
9/1/2020	Distribution System	Bacteriological	Week
9/10/2020	Distribution System	Bacteriological	Week
9/15/2020	Distribution System	Bacteriological	Week
9/22/2020	Distribution System	Bacteriological	Week
9/29/2020	Distribution System	Bacteriological	Week

**Sampling Point: 07 - Al Gates Park Mainline Dr.**

<b>Sample Date</b>	<b>Sample Class</b>	<b>Sample Name</b>	<b>Collection Occurrence</b>
9/1/2020	Distribution System	Bacteriological	Week
9/10/2020	Distribution System	Bacteriological	Week
9/15/2020	Distribution System	Bacteriological	Week
9/22/2020	Distribution System	Bacteriological	Week
9/29/2020	Distribution System	Bacteriological	Week

**Sampling Point: - Williamson Well 8 Raw Water**

<b>Sample Date</b>	<b>Sample Class</b>	<b>Sample Name</b>	<b>Collection Occurrence</b>
			Quarterly

**Sampling Point: 09 - 9436 Hollow Springs Wy.**

<b>Sample Date</b>	<b>Sample Class</b>	<b>Sample Name</b>	<b>Collection Occurrence</b>
9/1/2020	Distribution System	Bacteriological	Week
9/10/2020	Distribution System	Bacteriological	Week
9/15/2020	Distribution System	Bacteriological	Week
9/22/2020	Distribution System	Bacteriological	Week
9/29/2020	Distribution System	Bacteriological	Week

**Sampling Point: Polhemus Well 9 Raw Water**

<b>Sample Date</b>	<b>Sample Class</b>	<b>Sample Name</b>	<b>Collection Occurrence</b>
			Quarterly

**Sampling Point: 09 - 8417 Blackman Wy.**

<b>Sample Date</b>	<b>Sample Class</b>	<b>Sample Name</b>	<b>Collection Occurrence</b>
9/1/2020	Distribution System	Bacteriological	Week
9/10/2020	Distribution System	Bacteriological	Week
9/15/2020	Distribution System	Bacteriological	Week
9/22/2020	Distribution System	Bacteriological	Week
9/29/2020	Distribution System	Bacteriological	Week
9/1/2020	Distribution System	Fluoride	Monthly

**Sampling Point: 10 - 9373 Oreo Ranch Cir.**

<b>Sample Date</b>	<b>Sample Class</b>	<b>Sample Name</b>	<b>Collection Occurrence</b>
9/1/2020	Distribution System	Bacteriological	Week
9/10/2020	Distribution System	Bacteriological	Week
9/15/2020	Distribution System	Bacteriological	Week
9/22/2020	Distribution System	Bacteriological	Week
9/29/2020	Distribution System	Bacteriological	Week

**Sampling Point: Dino Well 11D - Raw Water**

Sample Date	Sample Class	Sample Name	Collection Occurrence
			Quarterly

**Sampling Point: Hampton Well 13 - Raw Water**

Sample Date	Sample Class	Sample Name	Collection Occurrence
9/8/2020	Source Water	Fe, Mn, As, Total	Weekly
9/14/2020	Source Water	Fe, Mn, As, Total	Weekly
9/21/2020	Source Water	Fe, Mn, As, Total	Weekly
9/28/2020	Source Water	Fe, Mn, As, Total	Weekly

**Sampling Point: Hampton WTP Effluent**

Sample Date	Sample Class	Sample Name	Collection Occurrence
9/8/2020	Treated Effluent	Fe, Mn, As, Total	Weekly
9/14/2020	Treated Effluent	Fe, Mn, As, Total	Weekly
9/21/2020	Treated Effluent	Fe, Mn, As, Total	Weekly
9/28/2020	Treated Effluent	Fe, Mn, As, Total	Weekly

**Sampling Point: Hampton WTP Backwash Tank**

Sample Date	Sample Class	Sample Name	Collection Occurrence
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**Sampling Point: Railroad Well 14D - Raw Water**

Sample Date	Sample Class	Sample Name	Collection Occurrence
			Quarterly

**Sampling Point: Railroad WTP Effluent**

Sample Date	Sample Class	Sample Name	Collection Occurrence
9/1/2020	Treated Plant Effluent	WTP Eff - Fe,Mn,As,Al Total	Month
9/1/2020	Treated Plant Effluent	WTP Eff - Fe,Mn,As,Al Dissolved	Month

**Sampling Point: Railroad WTP Backwash Tank**

Sample Date	Sample Class	Sample Name	Collection Occurrence
-------------	--------------	-------------	-----------------------

**Sampling Point: Special Distribution/Construction Samples**

<b>Sample Date</b>	<b>Sample Class</b>	<b>Sample Name</b>	<b>Collection Description</b>
9/3/2020	Source Water	Orthophosphate, Total Phosphorus, Fe, Mn	Dino Rehab Flushing
9/8/2020	Source Water	Orthophosphate, Total Phosphorus, Fe, Mn	Dino Rehab Flushing
9/15/2020	Source Water	Orthophosphate, Total Phosphorus, Fe, Mn	Dino Rehab Flushing
9/22/2020	Source Water	Orthophosphate, Total Phosphorus, Fe, Mn	Dino Rehab Flushing
9/29/2020	Source Water	Orthophosphate, Total Phosphorus, Fe, Mn	Dino Rehab Flushing
9/3/2020	Source Water	Orthophosphate, Total Phosphorus, Fe, Mn	Railroad Effluent (Well 11D Post Rehab)
9/8/2020	Source Water	Orthophosphate, Total Phosphorus, Fe, Mn	Railroad Effluent (Well 11D Post Rehab)
9/15/2020	Source Water	Orthophosphate, Total Phosphorus, Fe, Mn	Railroad Effluent (Well 11D Post Rehab)
9/22/2020	Source Water	Orthophosphate, Total Phosphorus, Fe, Mn	Railroad Effluent (Well 11D Post Rehab)
9/29/2020	Source Water	Orthophosphate, Total Phosphorus, Fe, Mn	Railroad Effluent (Well 11D Post Rehab)
9/29/2020	Source Water	Orthophosphate, Total Phosphorus, Fe, Mn	Webb Well 4D (Baseline for Well 11D Post Rehab)
9/10/2020	Distribution System	Bacteriological	New Water Main Railroad St.
9/14/2020	Distribution System	Bacteriological	New Water Main Railroad St. Tie - In

Colors

Monthly Total

Yearly Total

Black = Scheduled

60

549

Green = Unscheduled

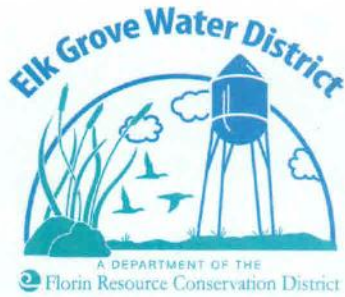
14

83

Red = Incomplete Sample

0

0



October 5, 2020

Sacramento Regional County  
Sanitation District  
Environmental Specialist  
10060 Goethe Rd.  
Sacramento, CA. 95827

**WASTEWATER SOURCE CONTROL MONTHLY COMPLIANCE REPORT**

---

Enclosed is the Wastewater Source Control Monthly Compliance Report Form from Elk Grove Water District for September 2020.

If you have any further questions, you may contact me at 916-585-9386

A handwritten signature in blue ink, appearing to read "STEVE SHAW", is written over a horizontal line.

STEVE SHAW  
WATER TREATMENT SUPERVISOR

**COMPLIANCE REPORT FORM**

Attn: Michelle Pate	E-mail: patem@sacsewer.com	Wastewater Source Control Section
Phone (916) 875-9091		Fax (916) 875-6374
From: Steve Shaw		
Company: <b>Elk Grove Water District</b>		Permit #WTP010

The following reports and information are attached (check all that apply):

<b>Month:</b>	<b>September</b>	<b>Year:</b>	<b>2020</b>
---------------	------------------	--------------	-------------

<input checked="" type="checkbox"/> Water use/flow meter report	Hampton WTP – 1,226,604			
	Railroad WTP – 921,878			
<input type="checkbox"/> Analyzer Water – 34,560				
<input type="checkbox"/> Monitoring results/analytical report	Hampton WTP			
	Railroad WTP			

**Discharge Rate**

Check the statement below that applies to this report:

Based on a review of this facility's flow data, discharge rate limit was exceeded.  
 I certify that this facility is in compliance with the discharge rate limit.

Attached is a description of anticipated changes that may significantly alter the nature, quality, or volume of the wastewater discharged.

Flow monitoring equipment certification (Flow or pH meter, etc.)

Other (describe):

**Domestic Calculation**

Domestic Usage	Number of Employees	Business Days per Month	Allowance (gallons per day)	Gallons
Production	11	19	15	3,135
Office	4	19	10	760
Drivers/Field	3	19	3	171
Total				4,066

**Certification Statement**

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment for knowing violations".

SIGNATURE of Authorized Representative:



PRINTED NAME, TITLE:

Steve Shaw Water Treatment Supervisor  
 (Name) (Title)

DATE:

10-5-2020





October 1, 2020

State Water Resources Control Board  
Division of Drinking Water  
1001 I Street  
13<sup>th</sup> Floor  
Sacramento, CA. 95814

**MONTHLY SUMMARY OF DISTRIBUTION SYSTEM COLIFORM MONITORING**

---

Enclosed is the Monthly Summary of Distribution System Coliform Monitoring report from Elk Grove Water District for September 2020.

If you have any further questions, you may contact me at 916-585-9386.

A handwritten signature in blue ink, appearing to read "Steve Shaw", is positioned above the printed name.

STEVE SHAW  
WATER TREATMENT SUPERVISOR



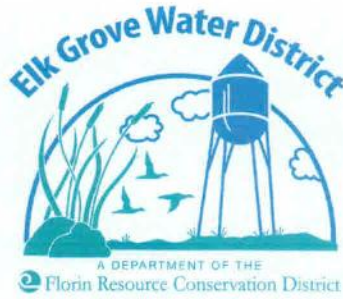
## MONTHLY SUMMARY OF REVISED TOTAL COLIFORM RULE DISTRIBUTION SYSTEM MONITORING (including triggered source monitoring for systems subject to the Groundwater Rule)

System Name <p style="text-align: center; font-size: 1.2em;">Elk Grove Water District</p>	System Number <p style="text-align: center; font-size: 1.2em;">3410008</p>
Sampling Period	
Month <p style="text-align: center; font-size: 1.2em; color: blue;">September</p>	Year <p style="text-align: center; font-size: 1.2em;">2020</p>

	Number Required	Number Collected	Number Total Coliform Positives	Number E.coli Positives
1. Routine Samples (see note 1)	50	50	0	0
2. Repeat Samples following samples that are Total Coliform Positive and <i>E. coli</i> <b>Negative</b> (see notes 10 and 11)		0	0	0
3. Repeat Samples following Routine Samples that are <b>Total Coliform Positive</b> and <i>E. coli</i> <b>Positive</b> (see notes 10 and 11)		0	0	0
4. Treatment Technique (TT)/MCL Violation Computation for Total Coliform/ <i>E. coli</i> Positive Samples				
a. Totals (sum of columns)	50	50	0	0
b. If 40 or more samples collected in month, determine percent of samples that are total coliform positive [(total number positive/total number collected) x 100] =	0	%		
c. Did the system trigger... a <b>Level 2</b> Assessment TT? (see notes 2, 3, 4, 5 and 6 for trigger info) <i>If a Level 2 Assessment is triggered, see note 8 below.</i>			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
a <b>Level 1</b> Assessment TT? (see note 7 for trigger info) <i>If a Level 1 Assessment is triggered, see note 9 below.</i>			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
5. Triggered Source Samples per Groundwater Rule (see notes 12 and 13)		0	0	0
6. Invalidated Samples (Note what samples, if any, were invalidated; who authorized the invalidation; and when replacement samples were collected. Attach additional sheets, if necessary.)				
7. Summary Completed By: <b>Steve Shaw</b>				
Signature 	Title <p style="text-align: center; font-weight: bold;">Water Treatment Supervisor</p>	Date <p style="text-align: right; font-weight: bold;">10/1/2020</p>		

**NOTES AND INSTRUCTIONS:**

1. Routine samples include:
  - a. Samples required pursuant to 22 CCR Section 64423 and any additional samples required by an approved routine sample siting plan established pursuant to 22 CCR Section 64422.
  - b. Extra samples are required for systems collecting less than five routine samples per month that had one or more total coliform positives in previous month;
  - c. Extra samples for systems with high source water turbidities that are using surface water or groundwater under direct influence of surface water and do not practice filtration in compliance with regulations;
2. Note: For a repeat sample following a total coliform positive sample, any *E. coli* positive repeat (boxed entry) **constitutes an MCL violation and requires immediate notification to the Division** (22, CCR, Section 64426.1).
3. Note: For repeat sample following a *E. coli* positive sample, any total coliform positive repeat (boxed entry) **constitutes an MCL violation and requires immediate notification to the Division** (22, CCR, Section 64426.1).
4. Note: Failure to take all required repeat samples following an *E. coli* positive routine sample (22, CCR, Section 64426.1) **constitutes an MCL violation and requires immediate notification to the Division** (22, CCR, Section 64426.1).
5. Note: Failure to test for *E. coli* when any repeat sample tests positive for total coliform (22, CCR, Section 64426.1) **constitutes an MCL violation and requires immediate notification to the Division** (22, CCR, Section 64426.1).
6. Note: Second Level 1 treatment technique trigger in a rolling 12-month period.
7. Total coliform Treatment Technique (TT) Violation (**Notify Department within 24 hours of TT violation**):
  - a. For systems collecting less than 40 samples, if two or more samples are total coliform positive, then the TT is violated and a Level 1 Assessment is required.
  - b. For systems collecting 40 or more samples, if more than 5.0 percent of samples collected are total coliform positive, then the TT is violated and a Level 1 Assessment is required.
8. Contact the Division as soon as practical to arrange for the division to conduct a Level 2 Assessment of the water system. The water system shall complete a Level 2 Assessment and submit it to the Division within 30 days of learning of the trigger exceedance.
9. Conduct a Level 1 Assessment in accordance with as soon as practical that covers the minimum elements (22, CCR, Section 64426.8 (a), (2)). Submit the report to the Division within 30 days of learning of the trigger exceedance.
10. Positive results and their associated repeat samples are to be tracked on the Coliform Monitoring Worksheet.
11. Repeat samples must be collected within 24 hours of being notified of the positive results. For systems collecting more than one routine sample per month, three repeat samples must be collected for each total coliform positive sample. For systems collecting one or fewer routine samples per month, four repeat samples must be collected for each total coliform positive sample. At least three samples shall be taken the month following a total coliform positive.
12. For systems subject to the Groundwater Rule: Positive results and the associated triggered source samples are to be tracked on the Coliform Monitoring Worksheet.
13. For triggered sample(s) required as a result of a total coliform routine positive sample, an *E. coli* positive triggered sample (boxed entry) **requires immediate notification to the Division, Tier 1 public notification, and corrective action.**



October 5, 2020

State Water Resources Control Board  
Division of Drinking Water  
1001 I Street  
13<sup>th</sup> Floor  
Sacramento, CA. 95814

**MONTHLY SUMMARY OF THE HAMPTON GROUNDWATER TREATMENT PLANT**

Enclosed is the Monthly Summary of the Hampton GWTP report from Elk Grove Water District for September 2020.

If you have any further questions, you may contact me at 916-585-9386.

  
STEVE SHAW  
WATER TREATMENT SUPERVISOR



# Elk Grove Water District

## Hampton GWTP Monthly Report

PWS Number

3410008-013

Month: September

GWTP Name

Hampton Water Treatment Plant

Date	Hour Meter	Run Hours	Production Meter	Well Production	Backwash Meter	Backwash Waste	Weekly In-House Monitoring (mg/L) R (Raw) T (Treated)As (ug/L)							Weekly Average			
							Date	Fe, R	Fe, T	Mn, R	Mn, T	As, R	As, T	Inf. pH	Eff. pH		
last day	16508		985026222		19652901	23122960											
1	16533	24.5	986421899	1395677	19685445	23164690	9/2/2020	0.01	0.03	0.047	0.003	13	<2				
2	16557	24	987781130	1359231	19717920	23206644	9/8/2020	0.009	0.026	0.07	0.011	10	2	Week 1:	6.9	to	7.1
3	16581	23.9	989156433	1375303	19750441	23248215	9/14/2020	0.001	0.088	0.065	0.007	13	<2	CI2			1.01
4	16605	23.8	990519516	1363083	19782878	23289462	9/21/2020	0.023	0.036	0.093	0.009	7	2	Week 2:	6.9	to	7.1
5	16628	23.9	991893359	1373843	19815412	23330633	9/28/2020	0.005	0.04	0.073	0.017	8	2	CI2			1.03
6	16653	24.1	993279035	1385676	19847817	23371023								Week 3:	6.9	to	7.1
7	16677	24	994653767	1374732	19880259	23413795	Total Gallons Sodium Hypochlorite: 440.28 Gal					CI2			0.95		
8	16691	14.5	995485222	831455	19898248	23444575	Pounds per day 17.75 Lbs/Day					Week 4: 7.0 to 7.1					
9	16714	22.5	996764232	1279010	19923424	23480812	Dosage (Milligrams Per Liter @ 12.5% Cl) 1.8 mg/L					CI2			0.94		
10	16737	23.3	998086835	1322603	19955933	23524963								Week 5:	7.0	to	7.1
11	16761	24	999455129	1368294	19988454	23568974	Total Gallons Ferric Chloride: 253.5 Gal					CI2			0.99		
12	16785	24.1	817810	1362681	20021019	23612976	Dosage (Milligrams Per Liter @ 38% FeCl) .65mg/L										
13	16809	24	2174921	1357111	20053459	23657159											
14	16833	23.9	3536139	1361218	20086046	23700780	Total Gallons Sodium Hydroxide: 304.53 Gal										
15	16856	23.2	4903095	1366956	20118566	23744644	Dosage (Gallons Per Hour @ 30% NaOH) 0.48 Gal/Hr										
16	16881	24.7	6248694	1345599	20151098	23787536											
17	16905	24.4	7631210	1382516	20183541	23831636	Total Gallons Sulfuric Acid : 256.5 Gal										
18	16929	24.3	9010262	1379052	20216079	23875271	Dose (Gallons Per Hour @ 93% H2SO4 ) 0.33 Gal/Hr										
19	16953	23.8	10362364	1352102	20248556	23918405											
20	16977	23.4	11683281	1320917	20277471	23959605	Total Backwashed 910,096 Gal		Total Run Hours 682.9 Hours								
21	17001	24.5	13075358	1392077	20309996	24004382											
22	17025	24	14437805	1362447	20342554	24047520	Total Water Pumped 38,503,416 Gal		Total Backwash Waste 1,226,604Gal								
23	17049	23.7	15787659	1349854	20371620	24089840											
24	17073	23.9	17141611	1353952	20404173	24132616	Reporting Limits/Units				Maximum Contaminant Levels (MCLs)						
25	17097	23.9	18494332	1352721	20433203	24177104	Iron = 0.100 mg/L				Iron (Fe) = 0.300 mg/L (Secondary)						
26	17121	24	19832936	1338604	20465856	24222238	Manganese = 0.010 mg/L				Manganese (Mn) = 0.050 mg/L (Secondary)						
27	17144	23.7	20892744	1059808	20498213	24265796	Arsenic = 1.0 µg/L				Arsenic (As) = 10 µg/L (Primary)						
28	17145	0.9	20930246	37502	20498213	24265926											
29	17167	22	22170455	1240209	20530880	24307221											
30	17191	24	23529638	1359183	20562997	24349564	Prepared By: Steve Shaw				Date: 10/5/2020						
31		0		0													
<b>Total</b>		682.9		38,503,416	910,096	1,226,604											



October 8, 2020

State Water Resources Control Board  
Division of Drinking Water  
1001 I Street  
13<sup>th</sup> Floor  
Sacramento, Ca. 95814

**MONTHLY FLUORIDATION MONITORING REPORT**

---

Enclosed is the Monthly Summary of the Fluoridation Monitoring from Elk Grove Water District for September 2020.

If you have any further questions, you may contact me at 916-585-9386.

A handwritten signature in blue ink, appearing to read "Steve Shaw". The signature is fluid and cursive, with a prominent loop at the end.

STEVE SHAW  
WATER TREATMENT SUPERVISOR



**ELK GROVE WATER DISTRICT AREA 2**  
**DISTRIBUTION SYSTEM**  
**MONTHLY FLUORIDATION MONITORING REPORT**  
**September-20**

Week	Location of Sample	Monitoring Results (mg/L)			
		Date	Time	Results	
1	Hollow Springs	9/1/2020	8:28 AM	0.74	
1	Al Gates Park	9/1/2020	8:44 AM	0.68	
1	Oreo Ranch	9/1/2020	9:02 AM	0.56	
1	Blackman	9/1/2020	10:30 PM	0.58	
2	Hollow Springs	9/8/2020	6:31 AM	0.65	
2	Al Gates Park	9/8/2020	6:44 AM	0.62	
2	Oreo Ranch	9/8/2020	7:04 AM	0.63	
2	Blackman	9/8/2020	11:21 AM	0.64	
3	Hollow Springs	9/15/2020	10:43 AM	0.63	
3	Al Gates Park	9/15/2020	11:04 AM	0.7	
3	Oreo Ranch	9/15/2020	11:19 AM	0.74	
3	Blackman	9/15/2020	12:20 PM	0.64	
4	Hollow Springs	9/22/2020	10:30 AM	0.77	
4	Al Gates Park	9/22/2020	10:47 AM	0.65	
4	Oreo Ranch	9/22/2020	11:05 AM	0.63	
4	Blackman	9/22/2020	12:05 PM	0.69	
5	Hollow Springs	9/29/2020	8:42 AM	0.47	
5	Al Gates Park	9/29/2020	9:01 AM	0.6	
5	Oreo Ranch	9/29/2020	9:19 AM	0.61	
5	Blackman	9/29/2020	10:28 AM	0.55	

Monthly fluoride split sample results:

Date: 9/1/2020

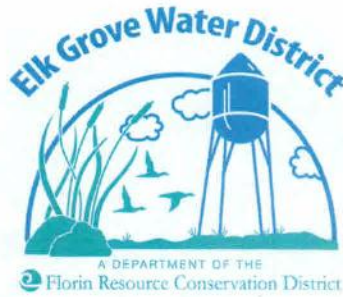
Water System Results: 0.58 mg/L

Approved Lab: 0.66 mg/L

Contact Name: Steve Shaw

Telephone : (916) 585-9386

System PWS Number: 3410008



October 5, 2020

State Water Resources Control Board  
Division of Drinking Water  
1001 I Street  
13<sup>th</sup> Floor  
Sacramento, CA 95814

**QUARTERLY REPORT FOR DISINFECTANT RESIDUALS COMPLIANCE  
MONITORING**

---

Enclosed is the Quarterly Report for Disinfectant Residuals Compliance Monitoring from Elk Grove Water District for 3rd Quarter 2020.

If you have any further questions, you may contact me at 916-585-9386

A handwritten signature in blue ink, appearing to read "Steve Shaw".

STEVE SHAW  
WATER TREATMENT SUPERVISOR



### Quarterly Report for Disinfectant Residuals Compliance For Systems Using Chlorine or Chloramines

System Name: Elk Grove Water District Area 1

System No.: 3410008

Calendar Year: 2020

Quarter: 3rd

1st Quarter			
Month	Number of Samples Taken	Monthly Avg. Chlorine Level (mg/L)	
Previous Year	April	0.96	
	May	0.99	
	June	1.00	
	July	0.94	
	August	1.00	
	September	0.99	
	October	0.96	
	November	0.99	
	December	0.89	
	Current Year	January	24
		February	24
		March	30
Running Annual Average (RAA):		0.97	
Meets standard? (i.e. RAA ≤ MRDL of 4.0 mg/L as Cl <sub>2</sub> )		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

2nd Quarter			
Month	Number of Samples Taken	Monthly Avg. Chlorine Level (mg/L)	
Previous Year	July	0.94	
	August	1.00	
	September	0.99	
	October	0.96	
	November	0.99	
	December	0.89	
	Current Year	January	0.96
		February	1.01
		March	0.96
		April	24
		May	24
		June	30
Running Annual Average (RAA):		0.97	
Meets standard? (i.e. RAA ≤ MRDL of 4.0 mg/L as Cl <sub>2</sub> )		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

3rd Quarter		
Month	Number of Samples Taken	Monthly Avg. Chlorine Level (mg/L)
Previous Yr.	October	0.96
	November	0.99
	December	0.89
Current Year	January	0.96
	February	1.01
	March	0.96
	April	1.02
	May	0.95
	June	0.95
	July	24
	August	24
	September	30
	Running Annual Average (RAA):	
Meets standard? (i.e. RAA ≤ MRDL of 4.0 mg/L as Cl <sub>2</sub> )		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

4th Quarter		
Month	Number of Samples Taken	Monthly Avg. Chlorine Level (mg/L)
Current Year	January	0.96
	February	1.01
	March	0.96
	April	1.02
	May	0.95
	June	0.95
	July	0.86
	August	0.88
	September	0.81
	October	30
	November	24
	December	30
Running Annual Average (RAA):		0.92
Meets standard? (i.e. RAA ≤ MRDL of 4.0 mg/L as Cl <sub>2</sub> )		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Comments: The Elk Grove Water District is split into two different water systems. Area 1 water is produced and distributed by Elk Grove Water District.

Signature: \_\_\_\_\_



39

Date: October 5, 2020



### Quarterly Report for Disinfectant Residuals Compliance For Systems Using Chlorine or Chloramines

System Name: Elk Grove Water District Area 2 System No.: 3410008

Calendar Year: 2020 Quarter: 3rd

1st Quarter				
	Month	Number of Samples Taken	Monthly Avg. Chlorine Level (mg/L)	
Previous Year	April		1.19	
	May		1.21	
	June		1.17	
	July		1.14	
	August		1.13	
	September		1.09	
	October		0.94	
	November		0.87	
	December		0.89	
	Current Year	January	16	1.02
		February	16	0.85
		March	20	1.09
Running Annual Average (RAA):			1.05	
Meets standard? (i.e. RAA ≤ MRDL of 4.0 mg/L as Cl <sub>2</sub> )		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

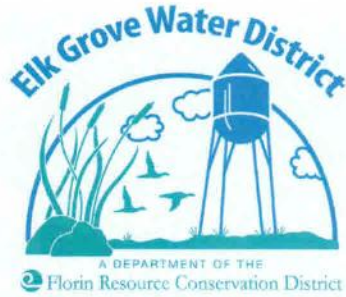
2nd Quarter				
	Month	Number of Samples Taken	Monthly Avg. Chlorine Level (mg/L)	
Previous Year	July		1.14	
	August		1.13	
	September		1.09	
	October		0.94	
	November		0.87	
	December		0.89	
	Current Year	January		1.02
		February		0.85
		March		1.09
		April	16	1.15
		May	16	1.18
		June	20	1.31
Running Annual Average (RAA):			1.06	
Meets standard? (i.e. RAA ≤ MRDL of 4.0 mg/L as Cl <sub>2</sub> )		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

3rd Quarter			
	Month	Number of Samples Taken	Monthly Avg. Chlorine Level (mg/L)
Previous Yr	October		0.94
	November		0.87
	December		0.89
Current Year	January		1.02
	February		0.85
	March		1.09
	April		1.15
	May		1.18
	June		1.31
	July	16	1.33
	August	16	1.25
	September	20	1.13
Running Annual Average (RAA):			1.08
Meets standard? (i.e. RAA ≤ MRDL of 4.0 mg/L as Cl <sub>2</sub> )		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

4th Quarter			
	Month	Number of Samples Taken	Monthly Avg. Chlorine Level (mg/L)
Current Year	January		1.02
	February		0.85
	March		1.09
	April		1.15
	May		1.18
	June		1.31
	July		1.33
	August		1.25
	September		1.13
	October	20	1.28
	November	16	1.32
	December	20	1.00
Running Annual Average (RAA):			1.16
Meets standard? (i.e. RAA ≤ MRDL of 4.0 mg/L as Cl <sub>2</sub> )		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Comments: The Elk Grove Water District is split into two different water systems. Area 2 is whole sale water from Sacramento County Water Agency.

Signature: \_\_\_\_\_



October 1, 2020

State Water Resources Control Board  
Division of Drinking Water  
1001 I Street  
13<sup>th</sup> Floor  
Sacramento, Ca. 95814

**QUARTERLY SUMMARY OF RAW GROUNDWATER COLIFORM MONITORING**

Enclosed is the Quarterly Summary of Raw Groundwater Coliform Monitoring report from Elk Grove Water District for 3rd Quarter 2020.

If you have any further questions, you may contact me at 916-585-9386.

A handwritten signature in blue ink, appearing to read "STEVE SHAW". The signature is stylized and fluid.

STEVE SHAW  
WATER TREATMENT SUPERVISOR

## QUARTERLY SUMMARY OF RAW GROUNDWATER COLIFORM MONITORING

Samples must be taken prior to chlorination

**Water System Name**

Elk Grove Water District

**Water System Number**

3410008

**Sampling Period:**

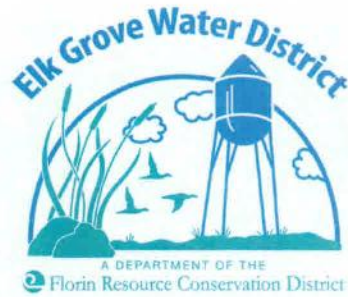
Month July - September / 3rd Quarter

Year 2020

Well Name	Status (On/Off)	Sample Time & Date	Total Coliforms (P/A, CFU or MPN)	<i>E. coli</i> (P/A, CFU or MPN)
Well # 1D School St.	ON	7/7/2020 10:48	A	A
Well # 4D Webb St.	ON	8/18/2020 11:20	A	A
Well # 11D Dino Dr.	ON	10/1/2020 3:15:00 PM *	A	A
Well 14D Railroad St.	ON	7/7/2020 10:28	A	A
Well # 3 Mar-Val	OFF			
Well # 8 Williamson	ON	7/6/2020 14:42	A	A
Well # 9 Polhemus	ON	7/6/2020 14:27	A	A
Well # 13 Hampton	ON	7/7/2020 11:32	A	A

\* Sample Taken for 3rd Quarter on October 1, 2020 Per Ali R. Rezvani





October 5, 2020

State Water Resources Control Board  
Division of Drinking Water  
1001 I Street  
13<sup>th</sup> Floor  
Sacramento CA. 95814

**QUARTERLY TTHM AND HAA5 REPORT FOR DISINFECTION BYPRODUCTS COMPLIANCE**

---

Enclosed is the Quarterly TTHM and HAA5 Report from Elk Grove Water District for the 3rd quarter 2020.

If you have any further questions, you may contact me at 916-585-9386.

A handwritten signature in blue ink, appearing to read "STEVE SHAW". The signature is fluid and cursive, with a long horizontal stroke at the beginning.

STEVE SHAW  
WATER TREATMENT SUPERVISOR

Quarterly TTHM Report for Disinfection Byproducts Compliance (in µg/L or ppb)

System Name: Elk Grove Water District

System No.: 3410008

Year: 2020

Quarter: 3rd

Year:	2016				2017				2018				2019				2020			
Quarter:	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
Sample Date (month/date):	1/12	4/5	7/5	10/4	1/17	4/18	7/3	10/3	1/10	4/10	7/3	10/9	1/15	4/9	7/16	10/22	2/4	4/7	7/14	
<b>Site Q1 TTHM Results</b>	1	5	0	0	1	37	0	0	1	3	0	0	45	38	0	0	0	0	0	0
Lcn. Running Annual Average	2	2	2	2	1	9	9	9	9	1	1	1	12	21	21	21	10	0	0	0
Meets Standard? <sup>1</sup> (check box)	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>
Projected LRAA Next Quarter	N/A	N/A	2	1	0	19	9	9	0	2	1	1	23	30	21	10	0	0	0	0
Op Evaluation Req'd <sup>2</sup> (check box)	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>
<b>Site Q2 TTHM Results</b>	1	1	0	0	0	1	0													
Lcn. Running Annual Average	1	1	1	1	0	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Meets Standard? <sup>1</sup> (check box)	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>
Projected LRAA Next Quarter	N/A	N/A	1	0	0	1	0													
Op Evaluation Req'd <sup>2</sup> (check box)	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>
<b>Site Q3 TTHM Results</b>	1	0	2	1	1	1	1	1	2	0	0	0	2	1	0	0	0	0	0	0
Lcn. Running Annual Average	1	1	1	1	1	1	1	1	1	1	1	0	1	1	1	1	0	0	0	0
Meets Standard? <sup>1</sup> (check box)	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input type="checkbox"/>
Projected LRAA Next Quarter	N/A	N/A	1	1	1	1	1	1	1	1	0	0	1	1	1	0	0	0	0	0
Op Evaluation Req'd <sup>2</sup> (check box)	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>
<b>Site Q4 TTHM Results</b>								1	1	1	0	0	3	1	0	0	0	0	0	0
Lcn. Running Annual Average	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1	1	1	1	1	1	1	1	1	0	0	0	0
Meets Standard? <sup>1</sup> (check box)	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input type="checkbox"/>
Projected LRAA Next Quarter	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1	1	1	1	0	1	1	1	0	0	0	0	0
Op Evaluation Req'd <sup>2</sup> (check box)	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>
Quarterly Average	1	2	1	0	1	13	0	1	1	2	0	0	17	13	0	0	0	0	0	#DIV/0!
No. Samples This Quarter	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	0

Identify the sample locations in the table below.

Site	Sample Location
Q1	9436 Hollow Springs
Q2	9425 Emerald Vista (Discontinued 4th qtr 2017 per revised SAP)
Q3	8693 W. Camden
Q4	9230 Amsden Ct (Beginning 4th qtr 2017 per revised SAP)

Comments:

<sup>1</sup> Meets Standard - LRAA, calculated quarterly, is less than 80 ug/L

<sup>2</sup> Operation Evaluation Req'd - Projected LRAA, calculated quarterly, is greater than 80 ug/L



Signature

October 5, 2020

Date

\*If, during the first year of monitoring, any individual quarter's average will cause the running annual average of that system to exceed the standard, then the system is out of compliance at the end of that quarter.



Quarterly HAA5 Report for Disinfection Byproducts Compliance (in µg/L or ppb)

System Name: Elk Grove Water District

System No.: 3410008

Year: 2020

Quarter: 3rd

Year:	2016				2017				2018				2019				2020			
Quarter:	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
Sample Date (month/date):	1/12	4/5	7/5	10/4	1/17	4/18	7/3	10/3	1/10	4/10	7/3	10/9	1/15	4/9	7/16	10/22	2/4	4/7	7/14	
<b>Site Q1 HAA5 Results</b>	0	0	0	0	0	26	0	0	0	0	0	0	29	28	0	0	0	0	0	
Lcn. Running Annual Average	0	0	0	0	0	7	7	7	7	0	0	0	7	14	14	14	7	0	0	0
Meets Standard? <sup>1</sup> (check box)	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input type="checkbox"/>
Projected LRAA Next Quarter	N/A	N/A	0	0	0	13	7	7	0	0	0	0	15	21	14	7	0	0	0	0
Op Evaluation Req'd? <sup>2</sup> (check box)	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>
<b>Site Q2 HAA5 Results</b>	0	0	0	0	0	0	0													
Lcn. Running Annual Average	0	0	0	0	0	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Meets Standard? <sup>1</sup> (check box)	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>
Projected LRAA Next Quarter	N/A	N/A	0	0	0	0	0													
Op Evaluation Req'd? <sup>2</sup> (check box)	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>
<b>Site Q3 HAA5 Results</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0	0	0	0	
Lcn. Running Annual Average	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	1	1	0	0	0
Meets Standard? <sup>1</sup> (check box)	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input type="checkbox"/>
Projected LRAA Next Quarter	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	1	1	1	0	0	0	0
Op Evaluation Req'd? <sup>2</sup> (check box)	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>
<b>Site Q4 HAA5 Results</b>								0	0	0	0	0	0	2	0	0	0	0	0	
Lcn. Running Annual Average	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	1	1	1	1	0	0	0
Meets Standard? <sup>1</sup> (check box)	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input checked="" type="checkbox"/>	Yes <input type="checkbox"/>
Projected LRAA Next Quarter	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	1	1	1	0	0	0	0
Op Evaluation Req'd? <sup>2</sup> (check box)	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>
Quarterly Average	0	0	0	0	0	9	0	0	0	0	0	0	10	11	0	0	0	0	0	#DIV/0!
No. Samples This Quarter	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	0

Identify the sample locations in the table below.

Site	Sample Location
Q1	9436 Hollow Springs
Q2	9425 Emerald Vista (Discontinued 4th qtr 2017 per revised SAP)
Q3	8693 W. Camden
Q4	9230 Amsden Ct (Beginning 4th qtr 2017 per revised SAP)

<sup>1</sup> Meets Standard - LRAA, calculated quarterly, is less than 80 ug/L

<sup>2</sup> Operation Evaluation Req'd - Projected LRAA, calculated quarterly, is greater than 80 ug/L



Signature

October 5, 2020

Date

\*If, during the first year of monitoring, any individual quarter's average will cause the running annual average of that system to exceed the standard, then the system is out of compliance at the end of that quarter.

# Elk Grove Water District

## Preventative Maintenance Program

### Groundwater Wells

#### Monthly

#### Semi-annual

#### Annual

Refer.	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
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Refer.	1ST 6-MO.	2ND 6-MO.
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Refer.	2020
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<b>Well 14D</b> <b>Railroad</b>	Initials	Sect: 7.1	AH	BW	BW	AH	AH	AH	AH	AH				
	Date		1/14/20	2/10/20	3/9/20	4/6/20	5/27/20	6/23/20	7/9/20	8/18/20	9/2/20			
	W.O. #		18424	18564	18671	18715	18789	18829	18914	18975	19076			

Sect: 7.2	AH/BW	
	6/19/20	
	18836	

Sect: 7.3	

<b>Well 4D</b> <b>Webb</b>	Initials	Sect: 8.1	AH	AH	AH/BW	AH	AH	AH	AH	AH				
	Date		1/8/20	2/6/20	3/11/20	4/7/20			7/29/20	8/14/20	9/3/20			
	W.O. #		18425	18565	18672	18716	18790	18830	18915	18976	19077			

Sect: 8.2	AH/BW	
	6/19/20	
	18837	

Sect: 8.3	

<b>Well 11D</b> <b>Dino</b>	Initials	Sect: 9.1	AH	AH	AH	AH	AH	AH	AH	AH				
	Date		1/9/20	2/4/20				6/23/20			9/3/20			
	W.O. #		18426	18566	18673	18717	18791	18831	18916	18977	19078			

Sect: 9.2	AH/BW	
	6/19/20	
	18838	

Sect: 9.3	

<b>Well 1D</b> <b>School</b>	Initials	Sect: 13.1	AH	AH	AH	AH	AH	AH	AH	AH				
	Date		1/3/20	2/4/20	3/11/20	4/13/20	5/27/20	6/23/20	7/1/20	8/18/20	9/3/20			
	W.O. #		18427	18567	18674	18718	18792	18832	18917	18978	19079			

Sect: 13.2	AH/BW	
	6/19/20	
	18839	

Sect: 13.3	

<b>Well 8</b> <b>Williamson</b>	Initials	Sect: 11.1	BW	AH	AH	BW	AH	BW	AH	AH	BW			
	Date		1/8/20	2/7/20	3/9/20	4/6/20	5/27/20	6/5/20	7-720	8/18/20	9/1/20			
	W.O. #		18428	18568	18675	18719	18793	18833	18917	18979	19080			

Sect: 11.4	

Sect: 11.4	

<b>Well 9</b> <b>Polhemus</b>	Initials	Sect: TBD	AH	AH	AH/BW	BW	AH	BW	AH	BW	BW			
	Date		1/7/20	2/9/20	3/11/20	4/6/20	5/28/20	6/5/20	7/6/20	8/18/20	9/1/20			
	W.O. #		18429	18569	18676	18720	18794	18834	18919	18980	19081			

Sect: TBD	AH/BW	
	6/19/20	
	18840	

Sect: TBD	

<b>Well 13</b> <b>Hampton</b>	Initials	Sect: TBD	AH/BW	AH	AH/BW	AH	AH	AH	AH	AH/BW	AH			
	Date		1/13/20	2/4/20	3/12/20	4/6/20	5/21/20	6/29/20	7/2/20	8/17/20	9/15/20			
	W.O. #		18430	18570	18677	18721	18795	18835	18920	18981	19082			

Sect: TBD	AH/BW	
	6/19/20	
	18840	

Sect: TBD	

 = Well Offline



Year: 2020

# Elk Grove Water District

## Preventative Maintenance Program

### Railroad Water Treatment and Storage Facility

Item	Monthly												Quarterly					Semi-annual					Annual			
	Refer.	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Refer.	1st	2nd	3rd	4th	Refer.	1 <sup>ST</sup> MO.	6-2ND MO.	6-	Refer.	2020		
<b>Clor-Tec System</b>	Initials	Section: 4.2	AH	AH/BW	AH	AH	AH	AH	AH/BW	AH				Section: 4.3	AH	AH	AH/BW		Section: 4.4							
	Date		1/15/20	2/24/20	3/12/20	4/21/20	5/28/20	6/22/20	7/27/20	8/19/20	9/17/20					3/25/20	6/10/20	8/19/20								
	W.O. #		18434	18571	18678	18725	18800	18818	18910	18982	19064					18622	18845	18986								
<b>Filter System</b>	Initials	Section: 5.1	BW	AH	AH/BW	AH	AH	AH	AH/BW	AH/BW				Section: 5.2	AH				Section: 5.3							
	Date		1/2/20	2/6/20	3/12/20	4/9/20	5/27/20	6/23/20	7/27/20	8/24/20	9/16/20					6/24/20										
	W.O. #		18435	18572	186979	18726	18801	18819	18911	18983	19065					18847										
<b>Backwash System</b>	Initials	Section: 2.1	BW	BW	BW	BW	AH	AH	BW	AH/BW	AH			Section: 2.2	AH				Section: 2.3							
	Date		1/6/20	2/3/20	3/5/20	4/2/20	5/28/20	6/22/20	7/22/20	8/24/20	9/17/20					6/24/20										
	W.O. #		18436	18573	18680	18727	18802	18820	18912	18984	19066					18848										
<b>Booster Pumps</b>	Initials	Section: 3.1	BW	BW	AH/BW	BW	AH	AH	AH	AH	AH/BW			Section: TBD	AH/BW				Section: 3.2							
	Date		1/6/20	2/3/20	3/12/20	4/6/20	5/27/20	6/23/20	7/27/20	8/25/20	9/16/20					6/19/20										
	W.O. #		18437	18574	18681	18728	18803	18821	18913	18985	19067					18849										
<b>LAB</b>	Initials	Section: 1.1	AH/BW	AH	AH									Section: 1.1	AH/BW	AH	AH									
	Date			3/27/20	6/27/20	9/22/20																				
	W.O. #			18682	18846	19068																				
<b>Clear Wells</b>	Initials	Section: 2.4	AH/BW											Section: 2.4	AH/BW				Section: 2.4							
	Date			2/13/20																						
	W.O. #			18482																						
<b>MCC</b>	Initials	Section: 1.2	AH											Section: 1.2	AH				Section: 1.2							
	Date			1/15/20																						
	W.O. #			18604																						

Year: 2020

# Elk Grove Water District

Preventative Maintenance Program

Hampton Village Water Treatment Plant

Item	Monthly													Quarterly					Semi-annual					Annual	
	Refer.	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Refer.	1st	2nd	3rd	4th	Refer.	1ST MO.	6-2ND MO.	6-	Refer.	2020	
<b>Chemical Systems</b>	Initials	Section: TBD	AH/BW	AH	AH/BW	AH	AH	AH	AH/BW	AH				Section: TBD	AH/BW	AH	AH		Section: TBD	AH			Section: TBD	AH/BW	
	Date		1/13/20	2/13/20	3/12/20	4/6/20	5/21/20	6/25/20	7/2/20	8/17/20	9/9/20				3/17/20	6/25/20	8/17/20			6/25/20			3/17/20		
	W.O. #		18431	18561	18668	18722	18786	18822	18903	18987	19073				18683	18841	18990			18843			18685		
<b>Filter System</b>	Initials	Section: TBD	AH/BW	AH	AH/BW	AH	AH	AH	AH/BW	AH				Section: TBD	AH				Section: TBD	AH			Section: TBD	AH/BW	
	Date		1/13/20	2/13/20	3/12/20	4/6/20	5/21/20	6/25/20	7/2/20	8/17/20	9/9/20					6/25/20					6/25/20			3/30/52	
	W.O. #		18432	18561	18669	18723	18787	18823	18904	18988	19074					18843					18844			9/25/2020	
<b>Backwash System</b>	Initials	Section: TBD	AH/BW	AH	AH/BW	AH	AH	AH	AH/BW	AH				Section: TBD	AH				Section: TBD	AH			Section: TBD		
	Date		1/13/20	2/13/20	3/12/20	4/6/20	5/21/20	6/25/20	7/2/20	8/17/20	9/9/20					6/25/20					6/25/20				
	W.O. #		18433	18563	18670	18724	18788	18824	18905	18989	19075					18844					18844				
<b>LAB</b>	Initials													Section: TBD	AH	AH	AH								
	Date														3/23/20	6/25/20	8/17/20								
	W.O. #														18684	18842	18991								
<b>MCC</b>	Initials																								
	Date																								
	W.O. #																								

# Elk Grove Water District

## Preventative Maintenance Program

### Standby Generators

Item	Monthly													Annual			
	Refer.	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Refer.	2020		
<b>Railroad</b>	Initials	Section: TBD	AH	AH	AH	AH	AH	AH	AH	AH				Section: TBD	AH		
	Date		1/14/20	2/3/20	3/12/20	4/6/20	5/27/20	6/23/20	7/9/20	8/24/20	9/17/20					2/3/20	
	W.O. #		18438	18557	18664	18711	18796	18825	18906	18971	19069					18456	
<b>Webb</b>	Initials	Section: TBD	AH	BW	AH/BW	AH	AH	AH	BW	AH	AH			Section: TBD	BW		
	Date		1/8/20	2/11/20	3/11/20	4/7/20	5/27/20	6/23/20	7/15/20	8/14/20	9/15/20					1/22/20	
	W.O. #		18439	18558	18665	18712	18797	18826	18907	18972	19070					18456	
<b>Dino</b>	Initials	Section: TBD	AH	BW	AH/BW	AH	AH	AH	BW	AH	AH/BW			Section: TBD	AH/BW		
	Date		1/9/20	2/11/20	3/11/20	4/7/20	5/27/20	6/23/20	7/15/20	8/25/20	9/17/20					3/4/20	
	W.O. #		18440	18559	18666	18713	18798	18827	18908	18973	19071					18457	
<b>Admin.</b>	Initials	Section: TBD	AH	AH/BW	AH/BW	AH	AH	AH	AH	BW	AH/BW			Section: TBD	AH/BW		
	Date		1/30/20	2/24/20	3/12/20	4/23/20	5/28/20	6/23/20	7/4/20	8/26/20	9/9/20					3/4/20	
	W.O. #		18441	18560	18667	18714	18799	18828	18909	18974	19072					18458	
			= Load Test														

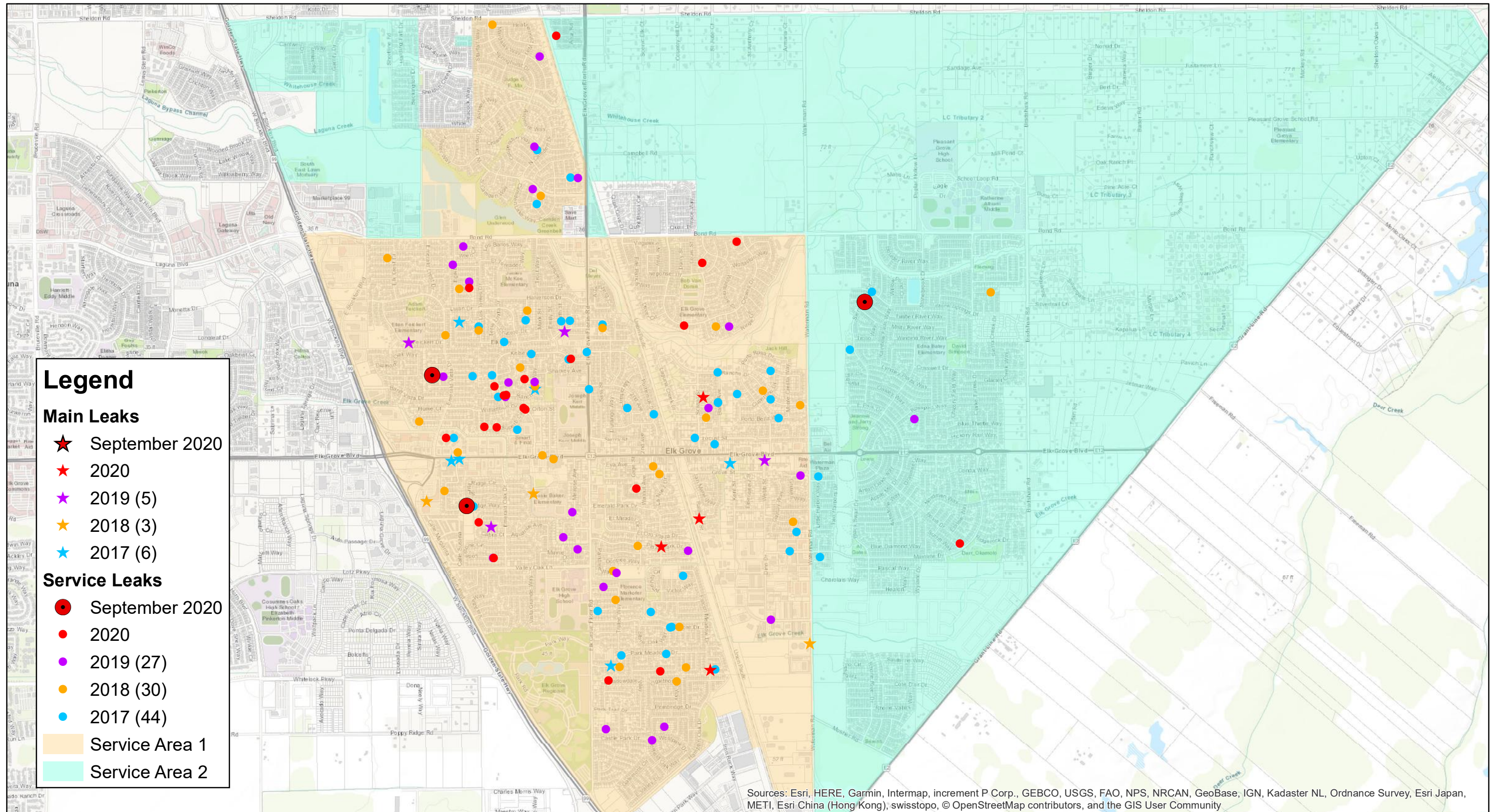
**Elk Grove Water District**  
**Cross Connection Control Program 2020**

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Totals
First Test Notices Issued	47	40	83	15	63	73	151	95	85				652
Passed First Test Notice	39	25	57	2	31	43	66	41	44				348
Initial Balance	8	15	26	13	32	30	85	54	41				304
Notices Retracted	4	0	0	0	0	6	0	1	0				24
New Balance	4	15	26	13	32	24	85	53	41				293
Second Test Notices Issued	4	15	26	13	32	24	85	53	41				293
Passed Second Test Notice	0	7	7	2	13	9	8	23	18				87
Third Test Notice Issued	4	0	19	11	19	15	77	30					175
Passed Third Test Notice	4	0	3	10	0	13	63	30					123
Devices Locked Off	0	0	0	0	0	0	1	0					1
Monthly Outstanding Delinquents	0	0	0	0	0	0	0	0	23				23
								<b>Total Outstanding Delinquents</b>					<b>23</b>

Elk Grove Water District  
 Safety Meetings/Training  
 September 2020

Date	Topic	Attendees	Hosted By
9/8/2020	Back to Work After Long Weekends/Holidays	Alan Aragon, Travis Franklin, David Frederick, Aaron Hewitt, James Hinegardner, Sean Hinton, Brandon Kent, Justin Mello, Jose Mendoza, Sal Mendoza, Michael Montiel, Chris Phillips, Steve Shaw, John Vance, Brandon Wagner, Vue Xiong	Travis Franklin
9/10/2020	Wildfire Smoke Air Quality Index (AQI)	Alan Aragon, Aurelia Camilo, Travis Franklin, David Frederick, Aaron Hewitt, James Hinegardner, Bruce Kamilos, Amber Kavert, Brandon Kent, Patrick Lee, Mark Madison, Denise Maxwell, Justin Mello, Jose Mendoza, Sal Mendoza, Michael Montiel, Daphne Murra-Davis, Stefani Phillips, Chris Phillips, Cindy Robertson, Steve Shaw, John Vance, Brandon Wagner, Tonia Williams, Vue Xiong	Travis Franklin
9/22/2020	600 Days Injury Free Lessons Learned	Alan Aragon, Travis Franklin, David Frederick, Aaron Hewitt, Brandon Kent, Justin Mello, Jose Mendoza, Sal Mendoza, Michael Montiel, Chris Phillips, John Vance, Brandon Wagner, Vue Xiong	Travis Franklin





### Legend

#### Main Leaks

- ★ September 2020
- ★ 2020
- ★ 2019 (5)
- ★ 2018 (3)
- ★ 2017 (6)

#### Service Leaks

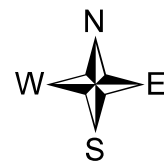
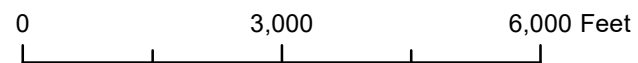
- September 2020
- 2020
- 2019 (27)
- 2018 (30)
- 2017 (44)
- Service Area 1
- Service Area 2

Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, © OpenStreetMap contributors, and the GIS User Community

September 2020	
Main Line Leaks: 0	YTD: 4
Service Line Leaks: 3	YTD: 24
Total Leaks: 3	YTD: 28



## Elk Grove Water District Main and Service Line Leaks Map

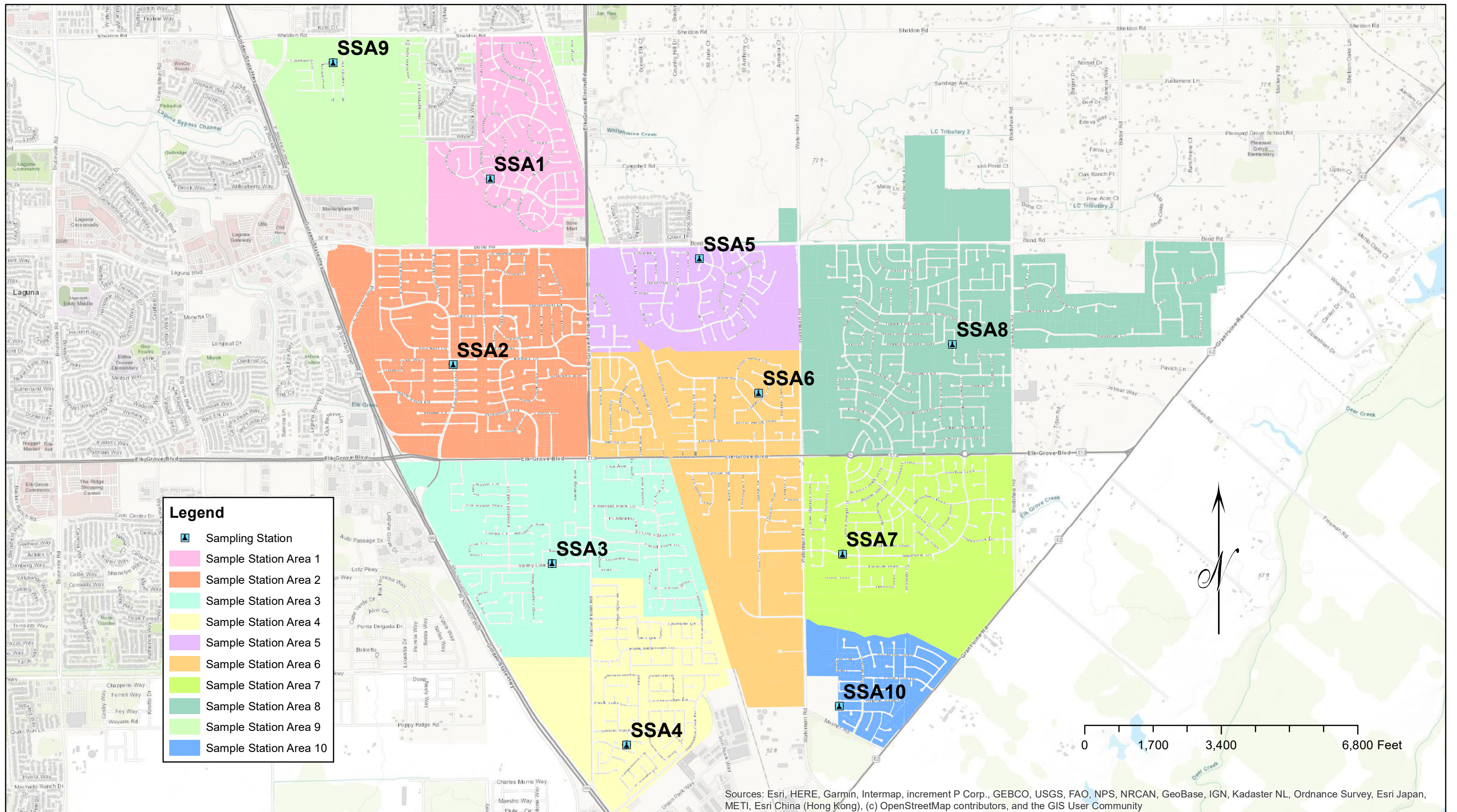


Elk Grove Water District  
Main & Service Line Leaks

Created by: Travis Franklin

Date: October 5, 2020





**Sample Stations: 10**



# Elk Grove Water District

## Sample Station Areas

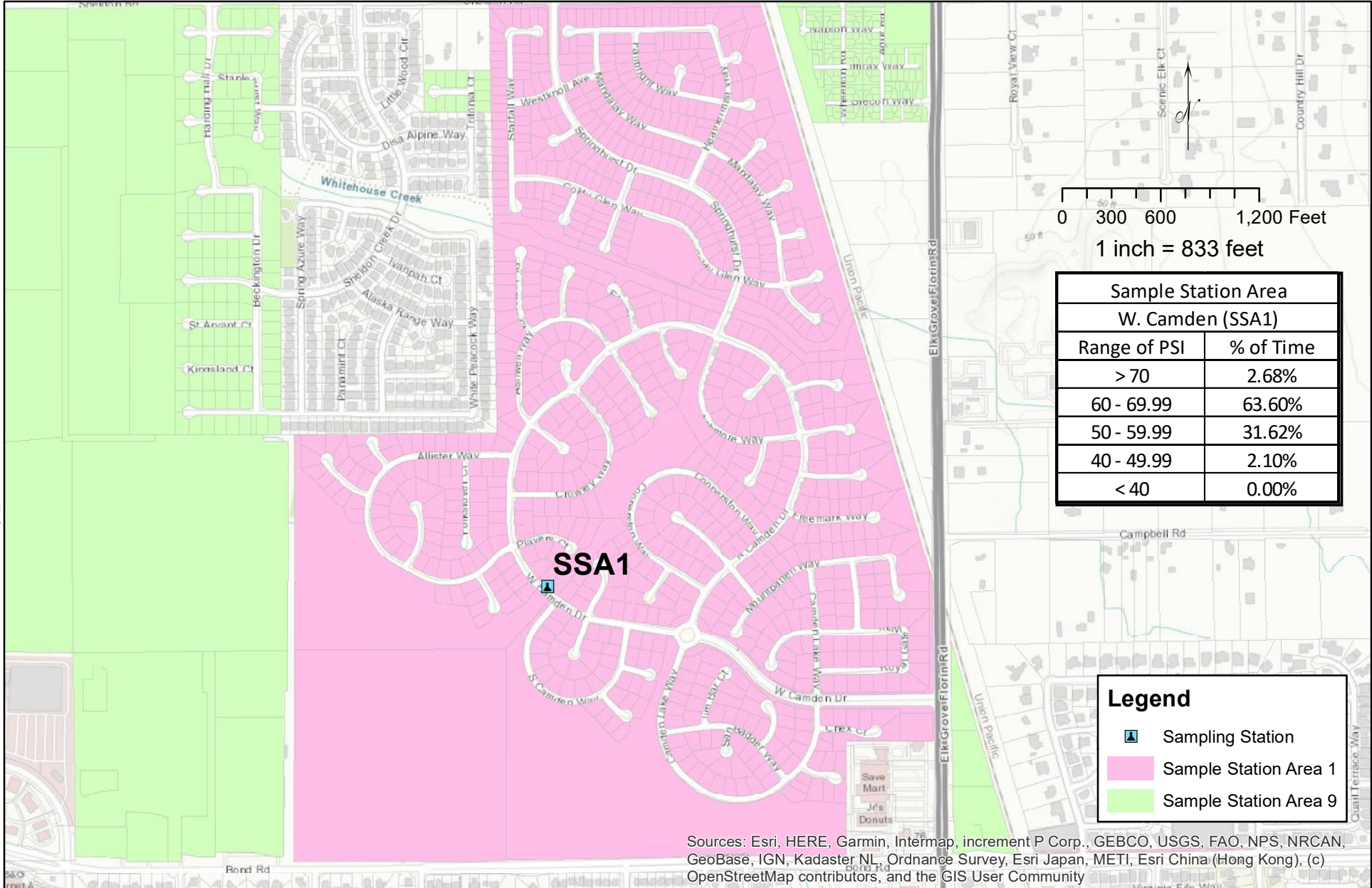
Projected Coordinate System: NAD 83 State Plane CA II FIPS 0402

Source: EGWD GIS database

Modified by: Travis Franklin

October 7, 2020





Sample Station Area W. Camden (SSA1)	
Range of PSI	% of Time
> 70	2.68%
60 - 69.99	63.60%
50 - 59.99	31.62%
40 - 49.99	2.10%
< 40	0.00%

**Legend**

- Sampling Station
- Sample Station Area 1
- Sample Station Area 9

Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), (c) OpenStreetMap contributors, and the GIS User Community

**Sample Station #1**

Note: Sample Station takes a reading every 5 minutes.

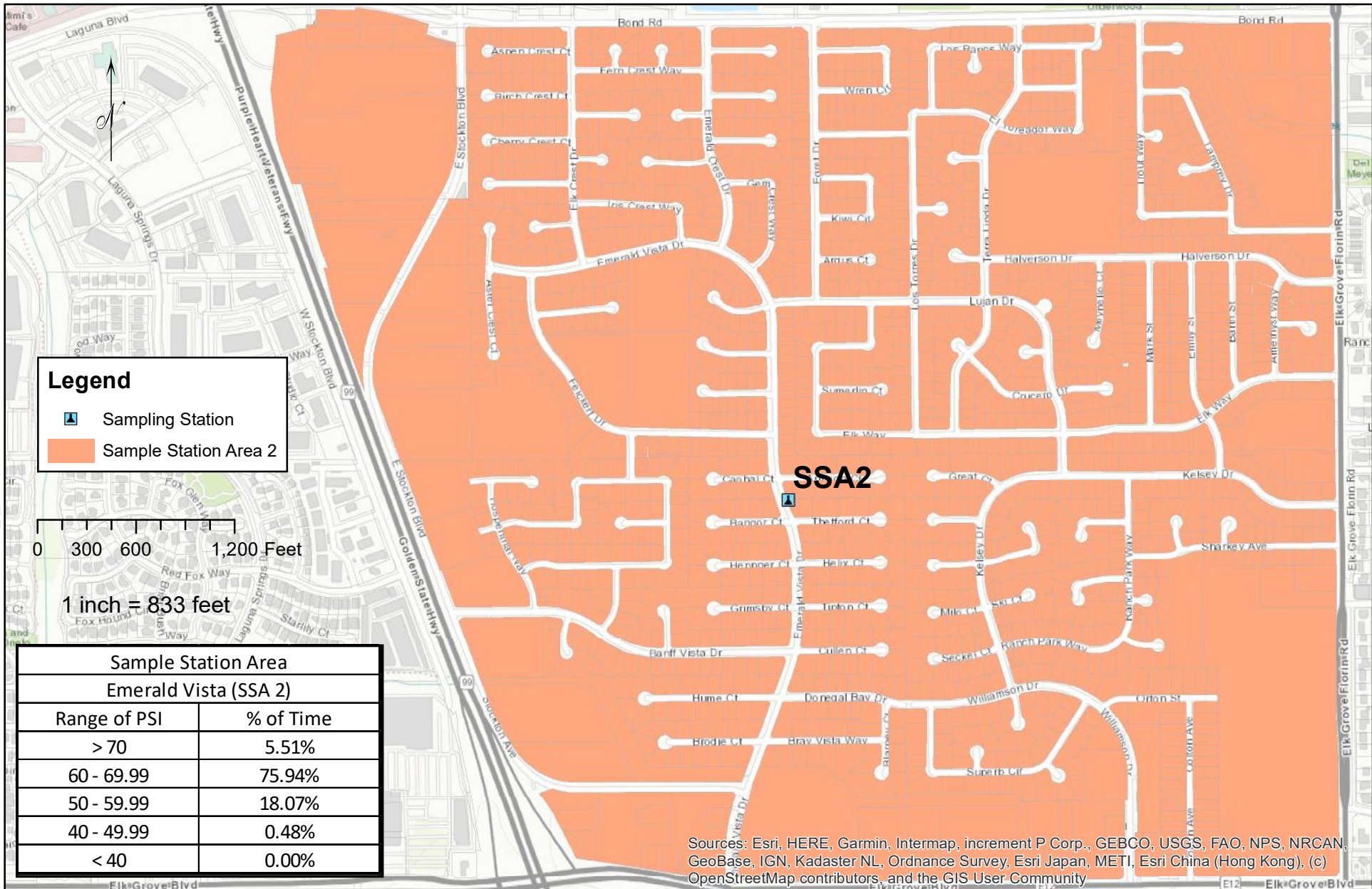
September 2020



**Elk Grove Water District**  
System Pressure Monitoring

Projected Coordinate System:  
NAD 83 State Plane CA II FIPS 0402  
Source:EGWD GIS database  
Created by: Travis Franklin  
October 7, 2020





**Legend**

- Sampling Station
- Sample Station Area 2

0 300 600 1,200 Feet  
 1 inch = 833 feet

Sample Station Area Emerald Vista (SSA 2)	
Range of PSI	% of Time
> 70	5.51%
60 - 69.99	75.94%
50 - 59.99	18.07%
40 - 49.99	0.48%
< 40	0.00%

Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), (c) OpenStreetMap contributors, and the GIS User Community

**Sample Station #2**

Note: Sample Station takes a reading every 5 minutes.

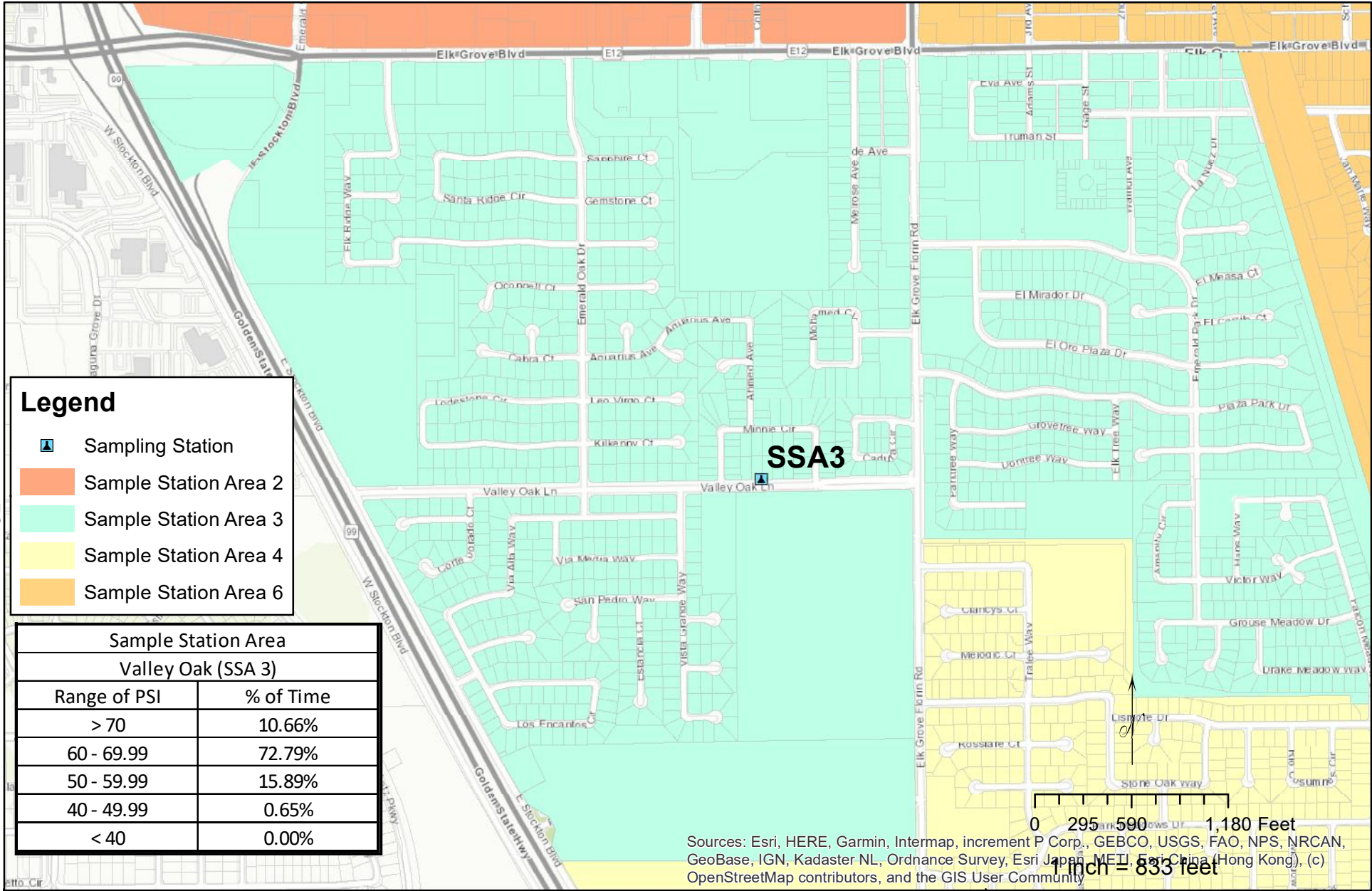
September 2020








**Elk Grove Water District**  
 System Pressure Monitoring

Projected Coordinate System:  
 NAD 83 State Plane CA II FIPS 0402  
 Source: EGWD GIS database  
 Created by: Travis Franklin  
 October 7, 2020





**Legend**

-  Sampling Station
-  Sample Station Area 2
-  Sample Station Area 3
-  Sample Station Area 4
-  Sample Station Area 6

Sample Station Area	
Valley Oak (SSA 3)	
Range of PSI	% of Time
> 70	10.66%
60 - 69.99	72.79%
50 - 59.99	15.89%
40 - 49.99	0.65%
< 40	0.00%

Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), (c) OpenStreetMap contributors, and the GIS User Community

0 295 590 1,180 Feet  
1 inch = 833 feet

**Sample Station #3**

Note: Sample Station takes a reading every 5 minutes.

September 2020



**Elk Grove Water District**

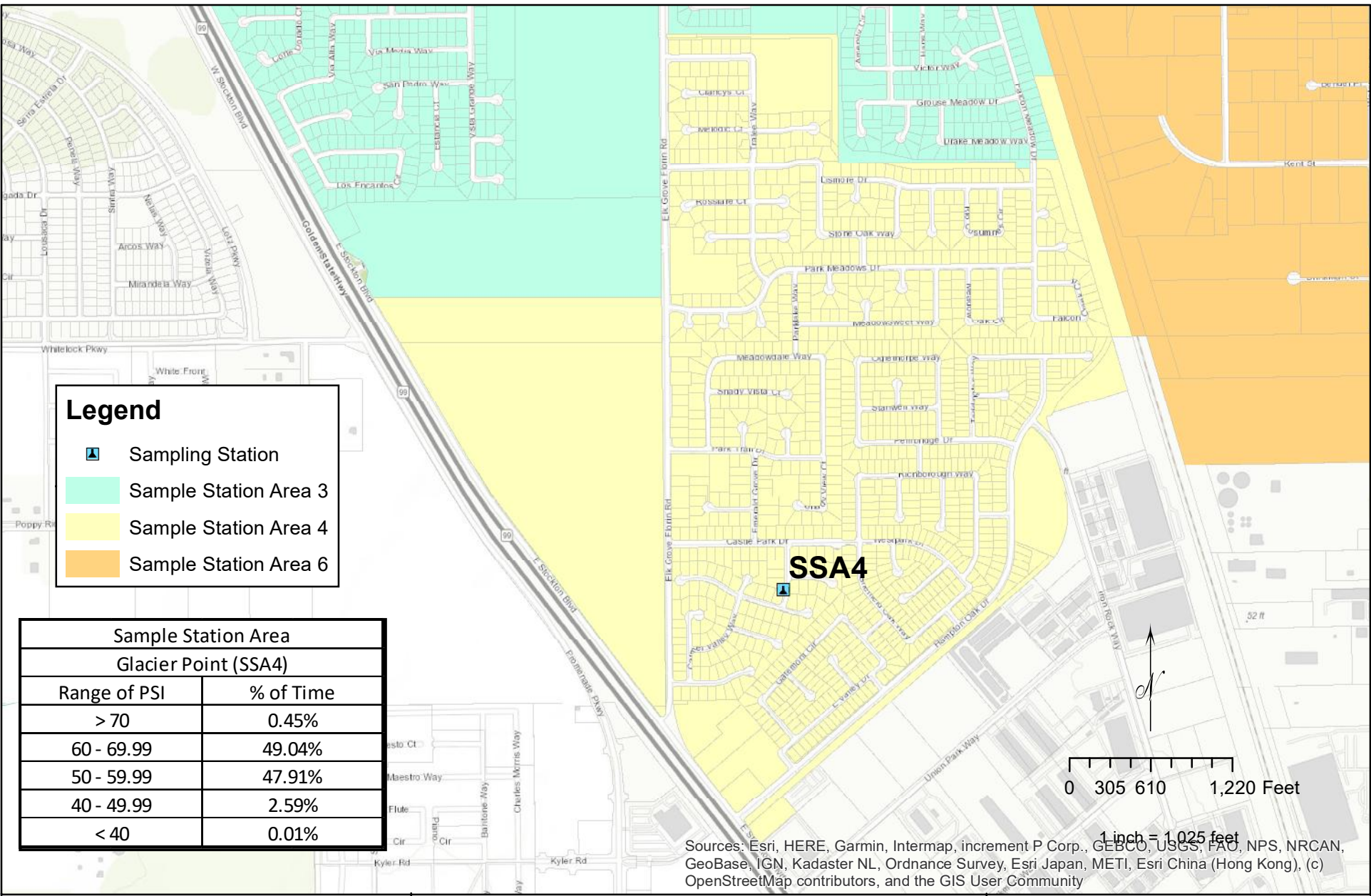
System Pressure Monitoring

Projected Coordinate System:  
NAD 83 State Plane CA II FIPS 0402  
Source: EGWD GIS database  
Created by: Travis Franklin  
October 7, 2020

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**Legend**

- Sampling Station
- Sample Station Area 3
- Sample Station Area 4
- Sample Station Area 6

Sample Station Area	
Glacier Point (SSA4)	
Range of PSI	% of Time
> 70	0.45%
60 - 69.99	49.04%
50 - 59.99	47.91%
40 - 49.99	2.59%
< 40	0.01%

Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), (c) OpenStreetMap contributors, and the GIS User Community

**Sample Station #4**

Note: Sample Station takes a reading every 5 minutes.

September 2020



**Elk Grove Water District**

**System Pressure Monitoring**

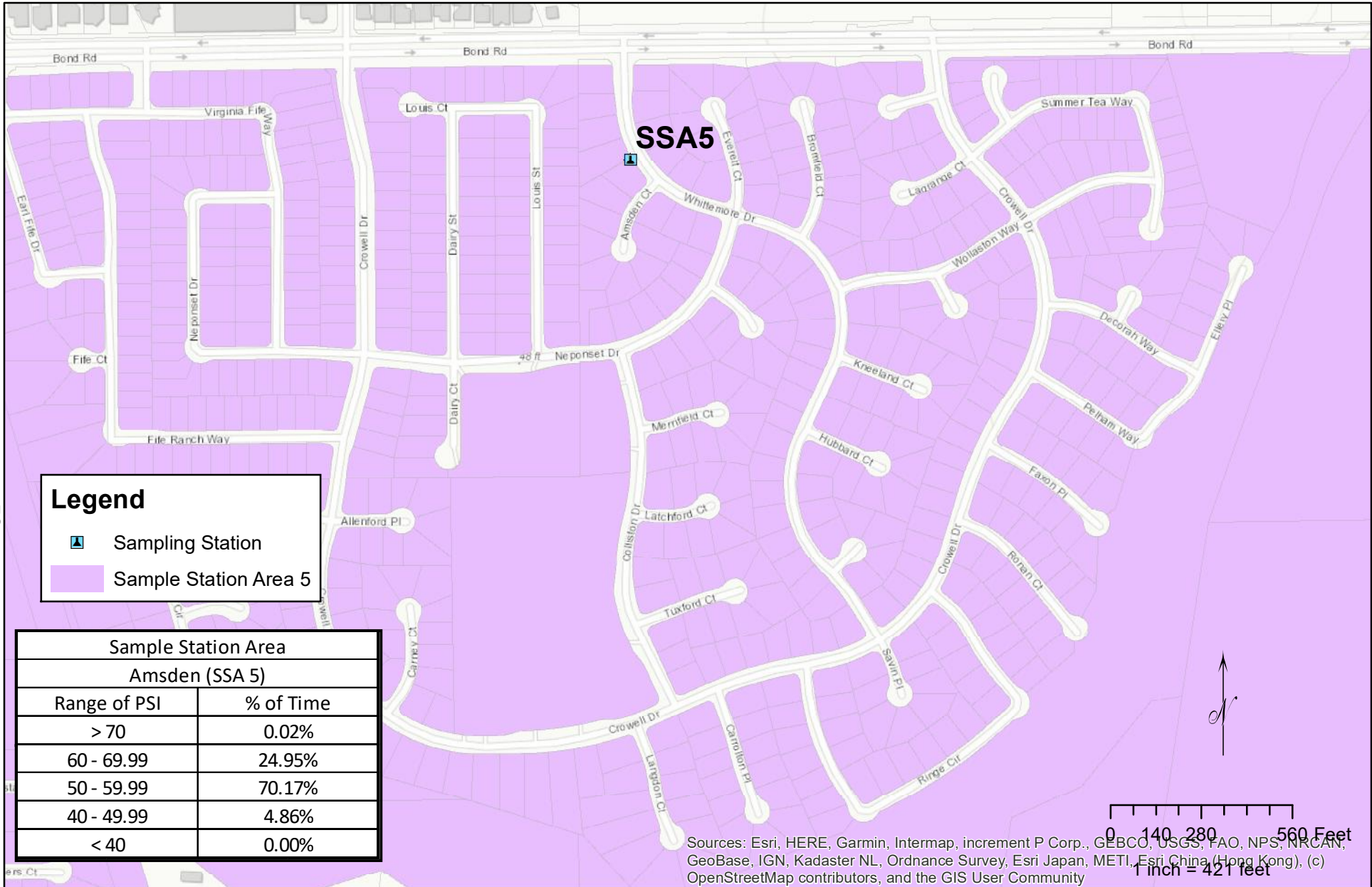
Projected Coordinate System:  
NAD 83 State Plane CA II FIPS 0402

Source: EGWD GIS database

Created by: Travis Franklin  
October 7, 2020

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### Sample Station #5

Notes: Sample Station takes a reading every 5 minutes.  
September 2020

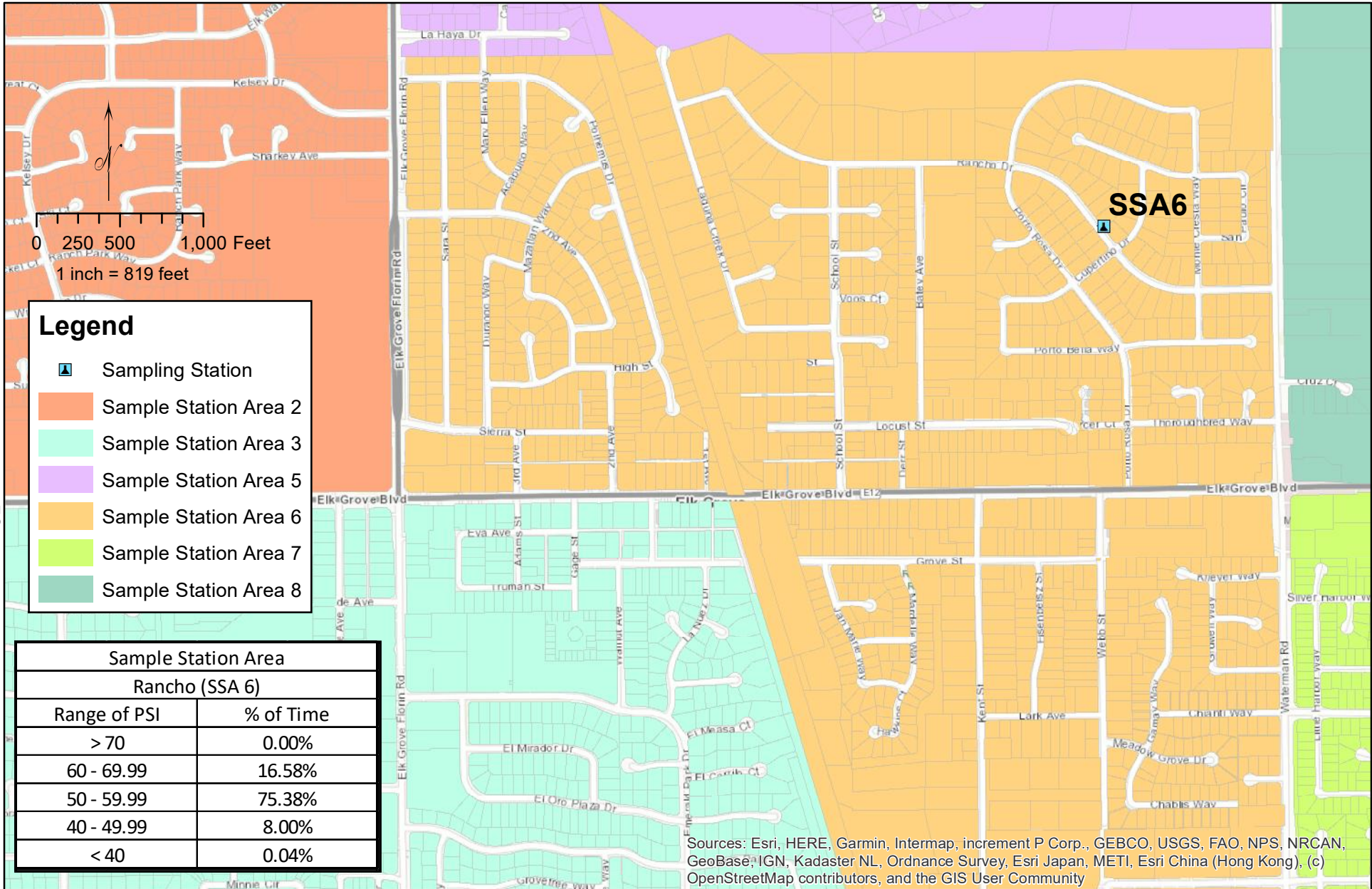


## Elk Grove Water District

### System Pressure Monitoring

Projected Coordinate System:  
NAD 83 State Plane CA II FIPS 0402  
Source: EGWD GIS database  
Created by: Travis Franklin  
October 7, 2020





**Legend**

- Sampling Station
- Sample Station Area 2
- Sample Station Area 3
- Sample Station Area 5
- Sample Station Area 6
- Sample Station Area 7
- Sample Station Area 8

Sample Station Area	
Rancho (SSA 6)	
Range of PSI	% of Time
> 70	0.00%
60 - 69.99	16.58%
50 - 59.99	75.38%
40 - 49.99	8.00%
< 40	0.04%

Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), (c) OpenStreetMap contributors, and the GIS User Community

**Sample Station #6**

Note: Sample Station takes a reading every 5 minutes.

September 2020



**Elk Grove Water District**  
System Pressure Monitoring

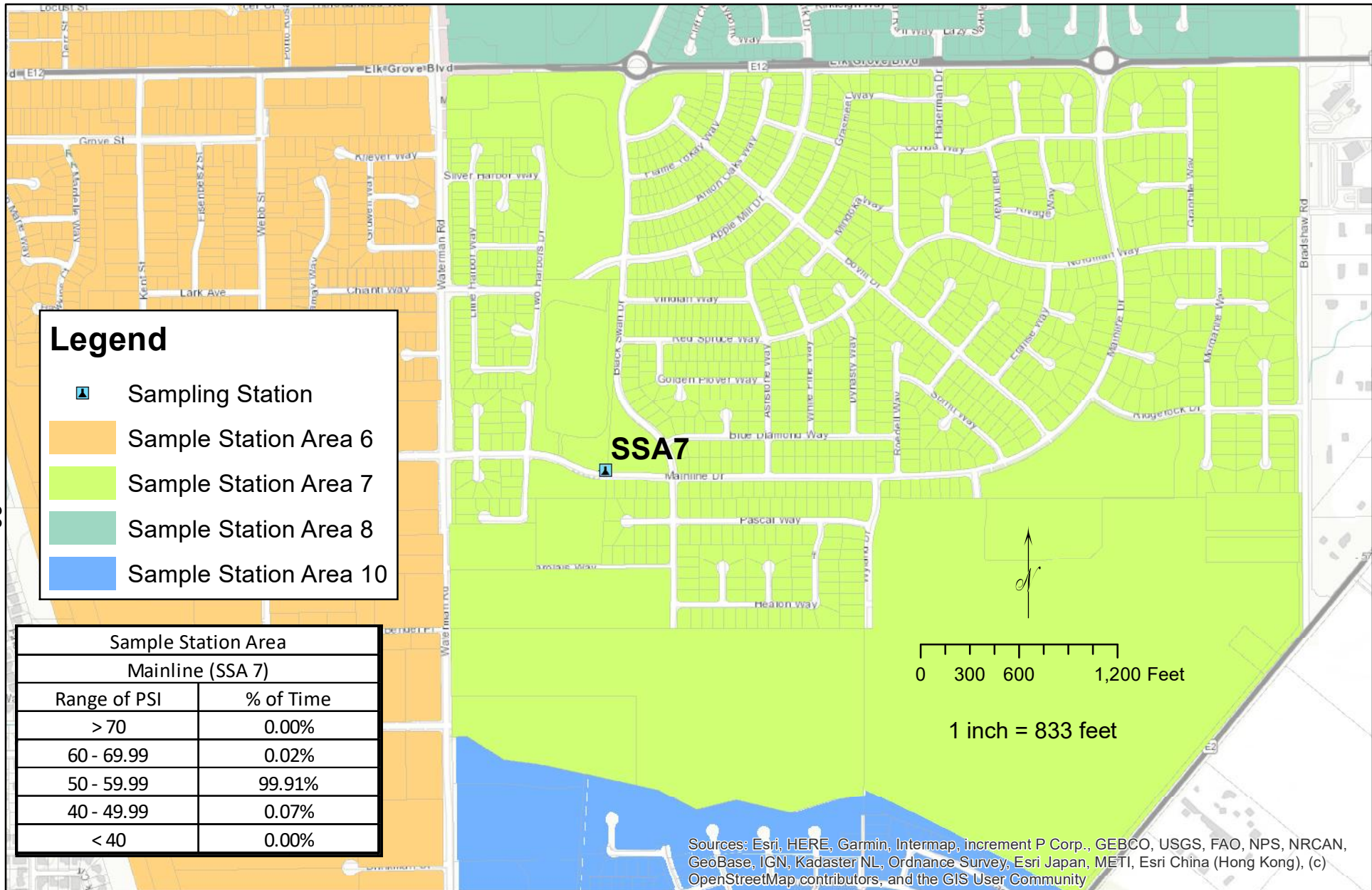
Projected Coordinate System:  
NAD 83 State Plane CA II FIPS 0402

Source: EGWD GIS database






Created by: Travis Franklin

October 7, 2020

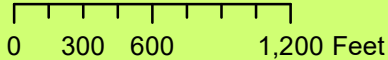
59



### Legend

-  Sampling Station
-  Sample Station Area 6
-  Sample Station Area 7
-  Sample Station Area 8
-  Sample Station Area 10

Sample Station Area	
Mainline (SSA 7)	
Range of PSI	% of Time
> 70	0.00%
60 - 69.99	0.02%
50 - 59.99	99.91%
40 - 49.99	0.07%
< 40	0.00%



1 inch = 833 feet

Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), (c) OpenStreetMap contributors, and the GIS User Community

**Sample Station #7**

Note: Sample Station takes a reading every 5 minutes.

September 2020

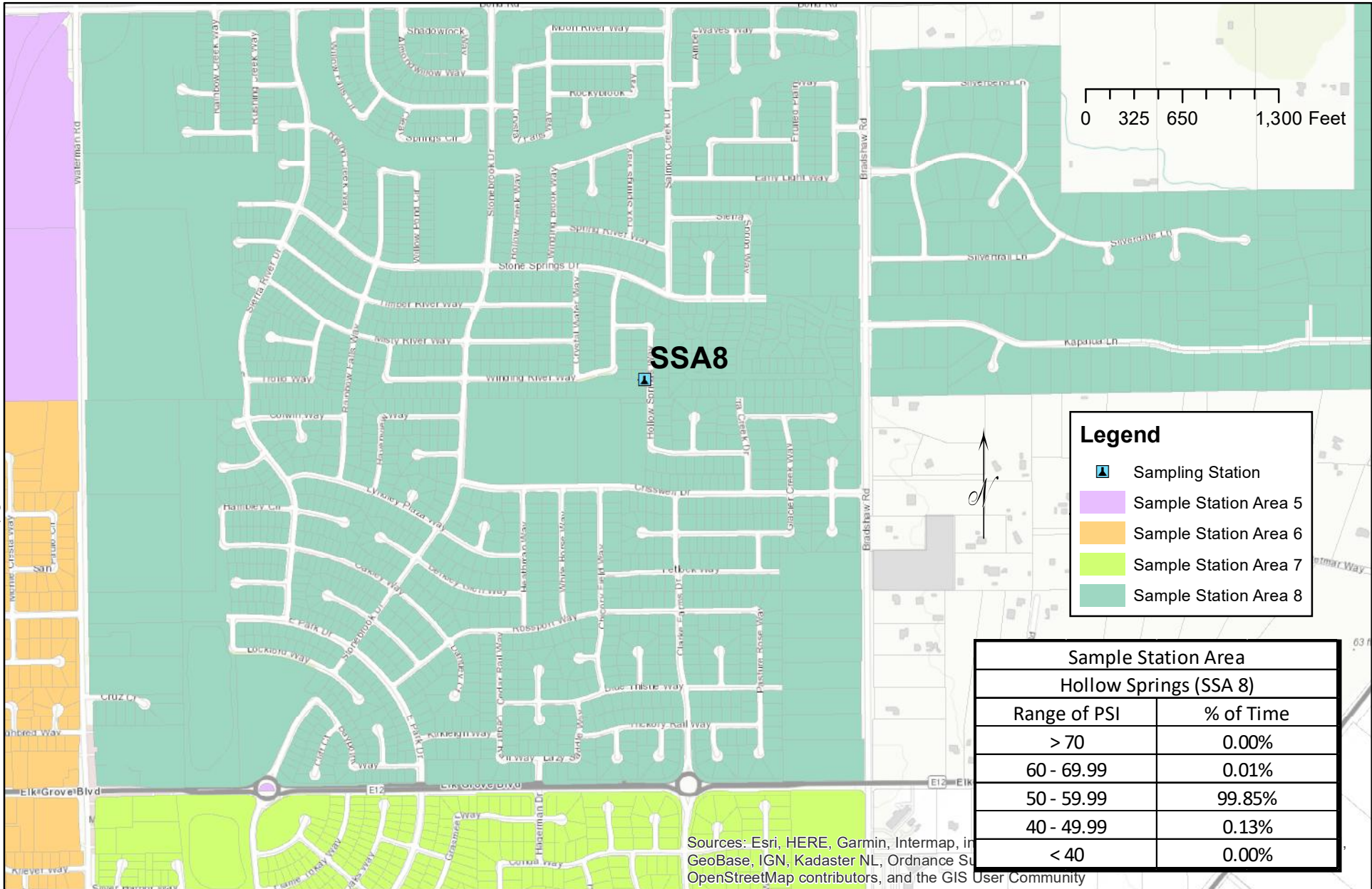


## Elk Grove Water District

### System Pressure Monitoring

Projected Coordinate System:  
 NAD 83 State Plane CA II FIPS 0402  
 Source: EGWD GIS database  
 Created by: Travis Franklin  
 October 7, 2020





**Legend**

- Sampling Station
- Sample Station Area 5
- Sample Station Area 6
- Sample Station Area 7
- Sample Station Area 8

Sample Station Area	
Hollow Springs (SSA 8)	
Range of PSI	% of Time
> 70	0.00%
60 - 69.99	0.01%
50 - 59.99	99.85%
40 - 49.99	0.13%
< 40	0.00%

Sources: Esri, HERE, Garmin, Intermap, in GeoBase, IGN, Kadaster NL, Ordnance Survey, OpenStreetMap contributors, and the GIS User Community

**Sample Station #8**

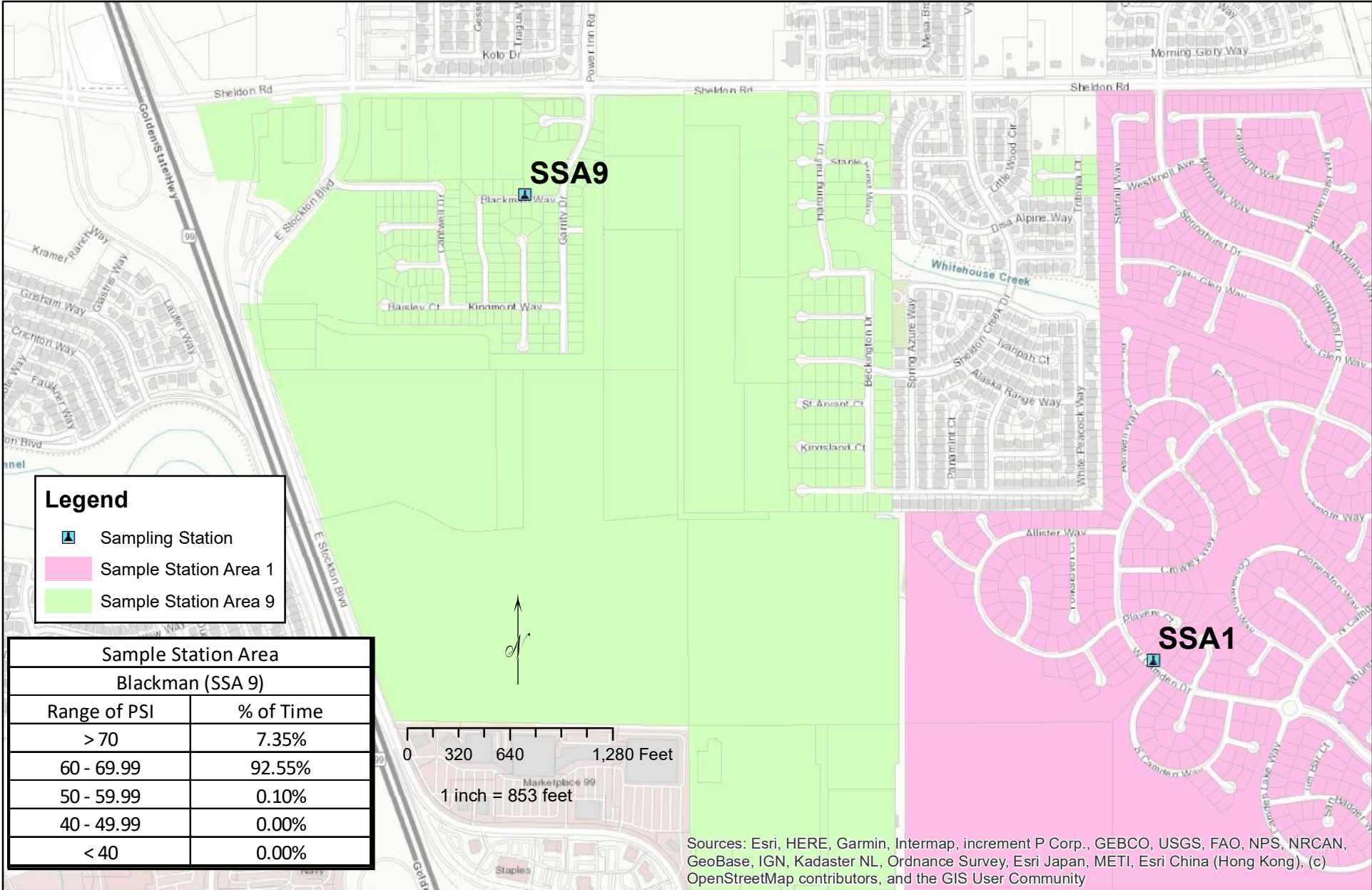
Note: Sample Station takes a reading every 5 minutes.

September 2020



**Elk Grove Water District**  
System Pressure Monitoring

Projected Coordinate System:  
NAD 83 State Plane CA II FIPS 0402  
Source: EGWD GIS database  
Created by: Travis Franklin  
October 7, 2020



**Sample Station #9**

Note: Sample Station takes a reading every 5 minutes.

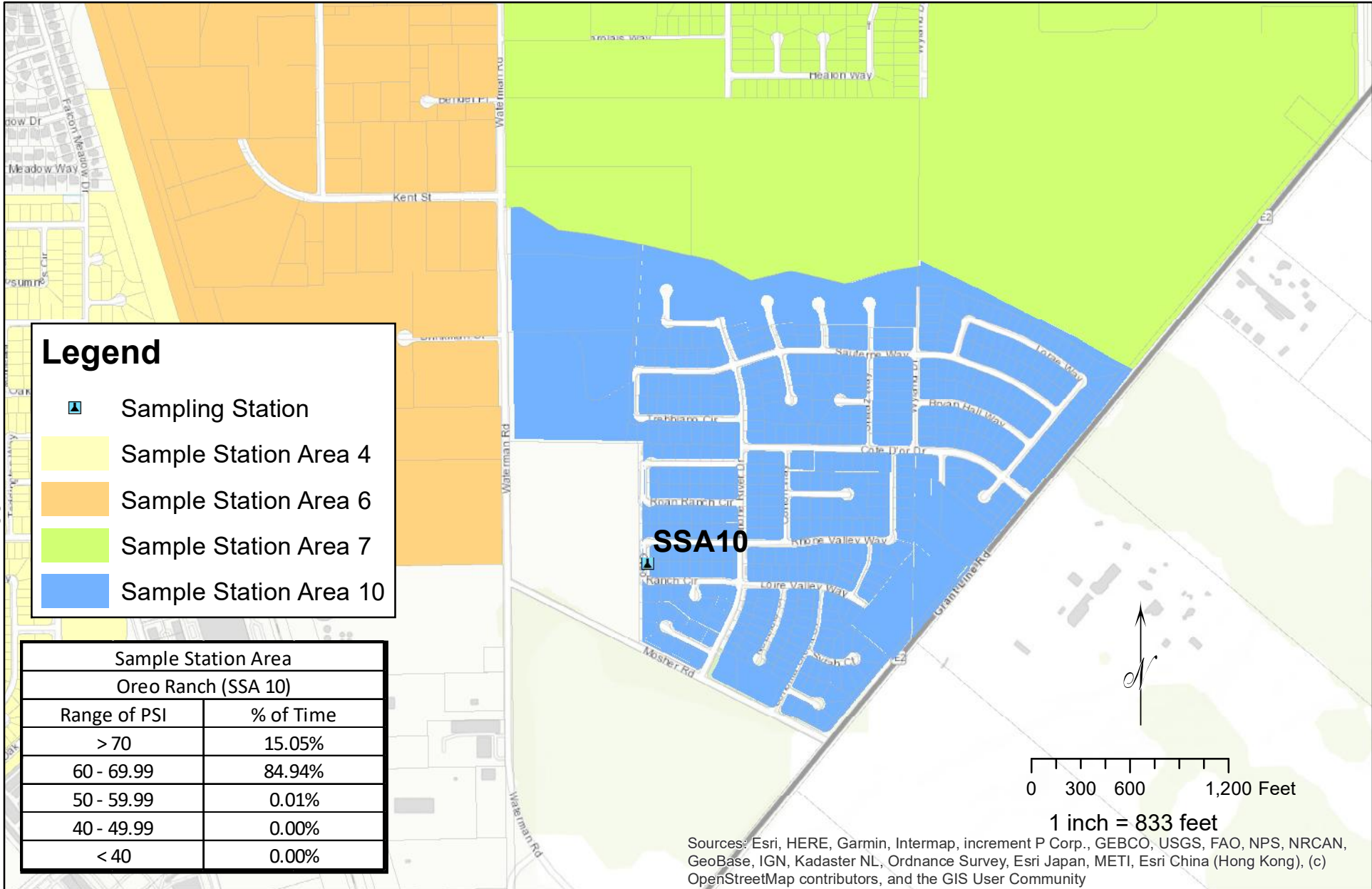
September 2020








**Elk Grove Water District**  
System Pressure Monitoring

Projected coordinate system:  
NAD 83 State Plane CA II FIPS 0402  
Source: EGWD GIS database  
Created by: Travis Franklin  
October 7, 2020

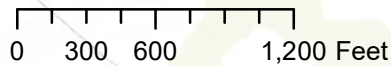




**Legend**

-  Sampling Station
-  Sample Station Area 4
-  Sample Station Area 6
-  Sample Station Area 7
-  Sample Station Area 10

Sample Station Area Oreo Ranch (SSA 10)	
Range of PSI	% of Time
> 70	15.05%
60 - 69.99	84.94%
50 - 59.99	0.01%
40 - 49.99	0.00%
< 40	0.00%



1 inch = 833 feet

Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), (c) OpenStreetMap contributors, and the GIS User Community

**Sample Station #10**

Note: Sample Station takes a reading every 5 minutes.

September 2020



**Elk Grove Water District**

System Pressure Monitoring

Projected Coordinate System:  
NAD 83 State Plane CA II FIPS 0402

Source: EGWD GIS database  
Created by: Travis Franklin  
October 7, 2020

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October 20, 2020

TO: Chair and Directors of the Florin Resource Conservation District

FROM: Mark J. Madison, General Manager

SUBJECT: **DRAFT FLORIN RESOURCE CONSERVATION DISTRICT MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE**

### **RECOMMENDATION**

It is recommended that the Florin Resource Conservation District Board of Directors endorse the proposed Draft Florin Resource Conservation District Municipal Service Review and Sphere of Influence Update and authorize the General Manager to submit it to the Sacramento Local Area Formation Commission for consideration.

### **SUMMARY**

In 2016, the Florin Resource Conservation District (FRCD) prepared a Municipal Service Review and Sphere of Influence Update (MSR/SOI) which was subsequently approved by the Sacramento Local Agency Formation Commission (Sac LAFCo). MSR/SOI's are typically required to be updated every five (5) years, however, in light of the action taken by the District Board of Directors (Board) on April 18, 2018, Sac LAFCo has requested that the District prepare an update earlier than the five (5) year due date.

By this action, if approved, the Board would endorse the proposed Draft Florin Resource Conservation District Municipal Service Review and Sphere of Influence Update and authorize the General Manager to submit it to the Sacramento Local Area Formation Commission for consideration.

### **DISCUSSION**

#### **Background**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) requires local LAFCo's to conduct an MSR/SOI update of the various cities and special districts within their respective counties every five (5) years.

An MSR/SOI is a comprehensive study designed to better inform LAFCo, local agencies, and the community about the provision of municipal services. These studies capture and analyze information about the governance structures and efficiencies of service providers and identify opportunities for greater coordination and cooperation between providers.



## **DRAFT FLORIN RESOURCE CONSERVATION DISTRICT MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE**

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Page 2

In 2016, the District prepared an MSR/SOI and this document was subsequently approved by Sac LAFCo on February 1, 2017.

Shortly thereafter, and notably during Fiscal Year (FY) 2017-18, the Board and staff reviewed numerous options to resolve the financial problems facing the FRCD. This review was completed on April 18, 2018 when the Board adopted Resolution No. 04.18.18.01. This resolution declared that “all future activities performed by the Florin Resource Conservation District shall be limited to water related activities that benefit, or otherwise serve, the Elk Grove Water District ratepayers effective July 1, 2018.”

In December 2019, General Manager Mark Madison was contacted by Don Lockhart, Executive Officer of Sac LAFCo, who requested the FRCD prepare an updated MSR/SOI in light of the changes brought about by Resolution No. 04.18.18.01. Mr. Madison indicated the District would not likely be able to comply with that request until FY 2020-21, to which Mr. Lockhart agreed.

### Present Situation

The updated MSR/SOI (attached) has been prepared in compliance with the request of Mr. Lockhart. The update includes detailed information about the FRCD and Elk Grove Water District (EGWD), collectively the District, including history, general information, management and staffing structure, and business practices. The remainder of the update is structured primarily to reflect the determinations Sac LAFCo must make for the following seven (7) elements in accordance with the CKH Act:

- 1. Growth and population projections for the affected area.** This element reviews projected growth within the existing service boundaries of the District and analyzes the District’s plans to accommodate future growth.
- 2. The location and characteristics of any disadvantaged unincorporated communities (DUC) within or contiguous to the sphere of influence.** This element discusses whether or not the agency serves a DUC including the identification of needs or deficiencies. A DUC is defined as one (1) with a median household income of 80% or less of the statewide median income.
- 3. Present and planned capacity of public facilities and adequacy of public services including infrastructure needs or deficiencies.** This element discusses the services provided including the quality and the ability of the District

**DRAFT FLORIN RESOURCE CONSERVATION DISTRICT MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE**

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Page 3

to provide those services, and it will include a discussion of capital improvement projects currently underway and projects planned for the future, where applicable.

4. **Financial ability of agencies to provide services.** This element reviews the District's financial data and rate structure to determine its fiscal viability and ability to meet service demands. It also addresses funding for capital improvement projects.
5. **Status of and opportunities for shared facilities.** This element examines efficiencies in service delivery that has potential for sharing facilities with other agencies to reduce costs by avoiding duplication.
6. **Accountability for community service needs, including government structure and operational efficiencies.** This element examines the District's current government structure and considers the overall managerial practices. It also examines how well the District makes its processes transparent to the public and encourages public participation.
7. **Any other matters related to effective or efficient service delivery, as required by commission policy.** This element includes a discussion of any Sac LAFCo policies that may affect the ability to provide efficient services.

It should be noted that although this draft MSR/SOI update has been prepared by staff, Sac LAFCo will be the formal author and will ultimately act to either approve or not approve the document. For this reason, the update is presented for the Board's review and endorsement only. It is recommended that the Board endorse the proposed update and authorize the General Manager to submit it to Sac LAFCo for consideration.

**ENVIRONMENTAL CONSIDERATIONS**

Public Resources Code §21000, et seq., also known as the California Environmental Quality Act (CEQA), requires public agencies to evaluate the potential environmental effects of their actions. This MSR/SOI is exempt from CEQA under Class 6 categorical exemption. CEQA Guidelines §15306 states that "Class 6 consists of basic data collection, research, experimental management, and resource evaluation activities that do not result in a serious or major disturbance to an environmental resource."

**DRAFT FLORIN RESOURCE CONSERVATION DISTRICT MUNICIPAL SERVICE  
REVIEW AND SPHERE OF INFLUENCE UPDATE**

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Page 4

**STRATEGIC PLAN CONFORMITY**

This item complies with the Florin Resource Conservation District/EGWD's Strategic Plan, specifically Strategic Goal No. 1, Governance and Customer Engagement and Strategic Goal No. 3, Planning and Operational Efficiency. As mentioned above, an MSR/SOI is a comprehensive study designed to better inform LAFCo, local agencies, and the community about the provision of municipal services. This coincides with the intent of Strategic Goal No. 1, which is to "conduct public affairs and manage public resources in an effective and transparent manner."

Likewise, an MSR/SOI is required to analyze information about the governance structures and efficiencies of service providers and identify opportunities for greater coordination and cooperation between providers. This coincides with the intent of Strategic Goal No. 3, which is to "practice ongoing infrastructure renewal and organizational improvement through planning and increased operational efficiency."

**FINANCIAL SUMMARY**

There are no financial impacts associated with the proposed action at this time.

Respectfully submitted,



MARK J. MADISON  
GENERAL MANAGER

Attachment

# FLORIN RESOURCE CONSERVATION DISTRICT MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE

October 21, 2020



Local Agency Formation Commission for the County of Sacramento

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## Acronyms

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AF	Acre Feet
AMP	Asset Management Program
AWWA	American Water Works Association
Board	Board of Directors
CAC	Community Advisory Committee
CAFR	Comprehensive Annual Financial Report
CalPERS	California Public Employees' Retirement System
CalWARN	California Water/Wastewater Agency Response Network
CCR	Consumer Confidence Report
CERBT	California Employer's Retiree Benefit Trust
CEQA	California Environment Quality Act
CIP	Capital Improvement Program
City	City of Elk Grove
CKH Act	Cortese-Knox-Hertzberg Local Government Reorganization Act
District	Florin Resource Conservation District/Elk Grove Water District
DUC	Disadvantaged Unincorporated Communities
EGWD	Elk Grove Water District
FRCD	Florin Resource Conservation District
FY	Fiscal Year
GASB	Governmental Accounting Standards Board
GC	Government Code
GFOA	Government Finance Officers Association
GM	General Manager
GPM	Gallons Per Minute
LAFCo	Local Agency Formation Commission
MSR	Municipal Services Review
OPEB	Other Postemployment Benefits
Plan	Public Agency-Cost Sharing Multiple-Employer Defined Benefit Pension Plan
PEPRA	California Employee's Pension Reform Act
RCD	Resource Conservation District
RWA	Regional Water Authority
SA	Service Area
SCGA	Sacramento Central Groundwater Authority
SCWA	Sacramento County Water Agency
SDLF	Special District Leadership Foundation
S&Ps	Standard and Poor's
SOI	Sphere of Influence
Subbasin	South American Groundwater Subbasin
UWMP	Urban Water Management Plan
Water Agreement	First Amended and Restated Water Agreement

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## 1: EXECUTIVE SUMMARY

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### 1.1 – Introduction

The Introduction section of this report describes the role of the Local Agency Formation Commission (LAFCo) and the purpose and uses of the Municipal Service Review (MSR). In general, the LAFCo must implement the Cortese-Knox-Hertzberg Local Government Reorganization Act (CKH Act) requiring LAFCos, such as Sacramento LAFCo, to prepare MSR's for cities and special districts within their respective counties and to update them every five (5) years. The Introduction section also explains that MSR's are categorically exempt from the California Environmental Quality Act (CEQA).

### 1.2 – Agency Profile

The Agency Profile section of this report discusses the history, general information, and structure of the organization. A discussion is also presented of the agency's business practices, including procurement, training, personnel policies, salaries, and noteworthy awards and recognitions.

The Florin Resource Conservation District (FRCD) is an independent special district that operates the Elk Grove Water District (EGWD), which provides water purveyor services to a portion of the FRCD's service area within the City of Elk Grove. The EGWD is not a separate district, but rather a department of the FRCD. In 2018 the FRCD's Board of Directors (Board) determined that all activities of the FRCD must benefit, or otherwise serve, the EGWD rate payers. Collectively, the FRCD/EGWD is referred to in this report as District.

The District is, in general, medium in size having 30 employees and annual expenditures of approximately \$15 million. The District is governed by a five-member board of directors. The General Manager is responsible for leading three (3) main divisions and implementing policy as prescribed by the Board.

The District uses a variety of procurement methods, but conducts most work using in-house resources. Personnel are guided through detailed plans and policies and area compensated in a competitive manner relative to other water agencies. The District has also received numerous awards and recognitions and it is particularly noteworthy that the District has received a Certificate for Excellence in Financial Reporting for 11 consecutive years.

### 1.3 – Population Projections

The Population Projections section of this report discusses the historic, current, and projected populations within the agency. Currently the FRCD's population is 320,000 and the EGWD's

population is 46,227. Relative to the District, only the two (2) EGWD's service areas, Service Area (SA) 1 and SA 2 are used for these projections.

Relative to the EGWD, limited growth is expected to incur in SA 1, while modest growth can be expected in SA 2.

Water supplies are described for both service areas and water use is projected to remain fairly flat, at around 8,000 acre-feet/year, out to the year 2045.

#### **1.4 – Disadvantaged Unincorporated Communities (DUC)**

MSR's are required by law to address the needs and deficiencies of all DUC's within, or contiguous to, the agency's service area. A DUC is defined as an inhabited community (containing 12 or more registered voters) where the annual median household income is less than 80 percent of the statewide annual median household income.

Although there is a DUC within the FRCD boundary, this is not applicable because the FRCD would not be able to perform activities within the DUC that provide a benefit, or otherwise serve, the ratepayers of the EGWD. Within the EGWD's service area, there are no DUC's and consequently no needs or deficiencies to be identified.

#### **1.5 – Facilities and Programs**

The Facilities and Programs section of the report provides specific detail on managed assets primarily from the standpoint of capacity and needs. Regulatory requirements and various programs are also addressed.

The District has a variety of assets which are managed through formal asset management and capital improvement programs. The District's current assets are capable of providing safe and sufficient water supply to both the existing population and future population through the year 2045.

The District complies with numerous regulatory requirements, notably those required to operate a water system as well as financial requirements to ensure that proper accounting methods are met. The District also has a number of programs, including the participation with other agencies in regional surface and groundwater management.

#### **1.6 – Financial Information**

The Financial Information section of the report provides detailed information on how revenues are generated, how expenditures are made, and generally how stable the agency is financially.

The District is presently very stable as the revenues have substantially exceeded expenditures in each of the last four (4) years, which has led to a positive change in net position each year. The excess revenues collected have been set aside into six (6) reserve funds, which will mainly be used to fund near and long-term capital needs within the District.

Two (2) principal liabilities, retirement benefits and other postemployment benefits (OPEB), are also discussed. The District is moderately well poised relative to current and future retirement obligations and very well poised in OPEB.

### **1.7 – Status and Opportunities for Innovation and Shared Facilities**

This section of the report largely discusses ideas and relationships with other parties to maintain or enhance service, enjoy economies of scale, or avoid duplication of service or infrastructure.

The District maintains professional relations with many agencies and service organizations, which is of vital importance to its customers and the region. The District enjoys economies of scale, especially in the areas of water conservation and legislative advocacy.

The District has implemented numerous policies to reduce costs and also implemented an Employee Cost Control Program, which controls employee costs over the long-term. It is also worthy to note that in restructuring its debt, the District is saving \$194,000 per year and the term of the debt was reduced by 13 years.

### **1.8 – Accountability and Governance**

The Accountability and Governance section discusses how the agency is governed and how the public may engage with the agency.

The District is governed by a five (5) member Board, all of whom are elected at large. Board meetings are generally conducted once a month and publicly noticed in accordance with the Brown Act. The Board may appoint up to five (5) Associate Directors to provide their knowledge, experience and input.

The public has numerous opportunities to engage and participation is encouraged. Citizen Advisory Committees have been periodically used and have been effective in providing oversight on water rate studies.

### **1.9 – Issues, Concerns, and Opportunities**

This section of the report discusses issues or concerns related to operations, such as financial, managerial, legal, organizational, etc.

The District has discussed three (3) efforts that need to be maintained and these include:

- Compliance with Environmental Justice requirements
- Compliance with regulatory reporting requirements, and
- Compliance with regulatory agencies and public health and safety issues.

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## 2: INTRODUCTION

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The fundamental role of a Local Agency Formation Commission (LAFCo) is to implement the Cortese-Knox-Hertzberg Local Government Reorganization Act (CKH Act) of 2000 (Government Code (GC) §56000, et seq.), providing for the logical, efficient, and most appropriate formation of local municipalities, service areas, and special districts. The CKH Act requires all LAFCo's, including Sacramento LAFCo, to conduct a Municipal Service Review (MSR) prior to updating the spheres of influence (SOI) of the various cities and special districts in the County (GC §56430). CKH Act requires an MSR and SOI update every five (5) years.

### 2.1 – Purpose of the Municipal Service Review

Municipal Service Reviews (MSRs) were added to LAFCo's mandate with the passage of the CKH Act. An MSR is a comprehensive study designed to better inform LAFCo, local agencies, and the community about the provision of municipal services. Service reviews capture and analyze information about the governance structures and efficiencies of service providers and identify opportunities for greater coordination and cooperation between providers. The MSR is a prerequisite to a SOI determination and may also lead a LAFCO to take other actions under its authority.

### 2.2 – LAFCO Determinations – Seven Elements

Pursuant to CKH Act (GC Section 56430), the LAFCo must make a determination for each of the following seven (7) elements:

- 1. Growth and population projections for the affected area.** This section reviews projected growth within the existing service boundaries of the district and analyzes the district's plans to accommodate future growth.
- 2. The location and characteristics of any disadvantaged unincorporated communities (DUC) within or contiguous to the sphere of influence.** This section discusses whether or not the agency serves a DUC including the identification of needs or deficiencies. A DUC is defined as one (1) with a median household income of 80% or less of the statewide median income.
- 3. Present and planned capacity of public facilities and adequacy of public services including infrastructure needs or deficiencies.** This section discusses the services provided including the quality and the ability of the district to provide those services, and it will include a discussion of capital improvement projects currently underway and projects planned for the future, where applicable.
- 4. Financial ability of agencies to provide services.** This section reviews the district's financial data and rate structure to determine its fiscal viability and ability to meet service demands. It also addresses funding for capital improvement projects.

5. **Status of and opportunities for shared facilities.** This section examines efficiencies in service delivery that has potential for sharing facilities with other agencies to reduce costs by avoiding duplication.
6. **Accountability for community service needs, including government structure and operational efficiencies.** This section examines the district's current government structure and considers the overall managerial practices. It also examines how well the district makes its processes transparent to the public and encourages public participation.
7. **Any other matters related to effective or efficient service delivery, as required by commission policy.** This section includes a discussion of any Sacramento LAFCo policies that may affect the ability to provide efficient services.

This MSR provides Sacramento LAFCo with an informational document that makes determinations prescribed by the CKH Act. This MSR evaluates district structure and operation and discusses possible areas for improvement, coordination, or SOI changes as appropriate. The MSR's purpose is to document and analyze Florin Resource Conservation District (FRCD) services and operations. Key sources for this study include agency-specific information gathered by reviewing strategic plans, general plans, websites, financial reports, agency audits, research, personal communication, and the MSR Guidelines published by the Governor's Office of Planning and Research.

### 2.3 – Uses of the Municipal Service Review

The MSR is used to shed light on the operations of a local agency, identify agencies unable to perform their mandated services, or identify ways to provide more effective, efficient services. LAFCo, because of GC §56375, can act on recommendations found in the MSR, such as initiating studies for changes of organization, updating the SOI, or originating a change of organization.

Studies in anticipation of a change of organization are useful to identify potential issues that may arise during the process. Issues can range from legal barriers to fiscal constraints to concerns of residents and landowners. A study would allow more focused analysis and the opportunity to resolve issues or options before beginning the process.

The MSR also provides the necessary information to help LAFCo make decisions on a proposed SOI update. In evaluating the SOI, the MSR provides the information necessary to determine if the agency has the capability to serve a larger area. The MSR discusses the financial condition of the district, source of revenues, and projected expenses. It also includes a discussion of the projected infrastructure needs that would allow for expansion of those services. The MSR, however, does not address California Environmental Quality Act (CEQA) requirements for the SOI update. That requires a separate analysis.

Alternatively, the MSR can recommend changes of organization: consolidation, dissolution, merger, establishment of a subsidiary district, or new agency formation that may involve a

consolidation. Those actions may also require an environmental review, a property tax sharing agreement, and an election.

## **2.4 – California Environmental Quality Act**

Public Resources Code §21000, et seq., also known as CEQA, requires public agencies to evaluate the potential environmental effects of their actions. This MSR is exempt from CEQA under Class 6 categorical exemption. CEQA Guidelines §15306 states that “Class 6 consists of basic data collection, research, experimental management, and resource evaluation activities that do not result in a serious or major disturbance to an environmental resource.”

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## 3: AGENCY PROFILE

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### 3.1 – History

FRCD has served Sacramento County for over 67 years. Originally, FRCD was formed in 1953 to promote the efficient use of water, improved drainage, flood control and other land improvements. FRCD evolved over time along with changes that have occurred within the district boundaries. A mostly rural area has shifted to a combination of urban and rural land uses. FRCD's efforts and priorities have shifted as well, and one (1) of its main responsibilities now is providing potable water to portions of the City of Elk Grove (City). This service is conducted through the operation of the Elk Grove Water District (EGWD), which was acquired by FRCD in 1999. EGWD is a department of the FRCD and provides potable water to an area of service within the FRCD.

EGWD provides water purveyor services including administration, customer service, operations and maintenance, planning and engineering services, plan review, construction management and inspection, and regulatory compliance for safe, reliable, and efficient delivery of water to its 12,645 service connections representing a current population of over 45,000 customers.

EGWD services its customers in two (2) service areas with Service Area (SA) 1 being served by treated groundwater and SA 2 served by treated water purchased from the Sacramento County Water Agency (SCWA).

On April 18, 2018, the FRCD Board of Directors (Board) adopted Resolution No. 04.18.18.01 to limit all future activities to “water related activities that benefit, or otherwise serve, the EGWD ratepayers”. This decision was made after years of deliberation, multiple public meetings, and in-depth engagement with legal counsel. The decision to limit FRCD activities to water related activities that benefit or serve EGWD ratepayers protects FRCD from financial uncertainty, maintains stability for EGWD employees and customers, and leaves FRCD boundary intact.

FRCD is an independent special district and the only resource conservation district in the state that primarily focuses on retail water service; and the EGWD is a district in name only, as it is an enterprise-funded department of FRCD. Collectively, the FRCD/EGWD is herein referred to as District.

The District's mission is to supply its customers with high quality, safe water along with outstanding customer service for current and future generations.



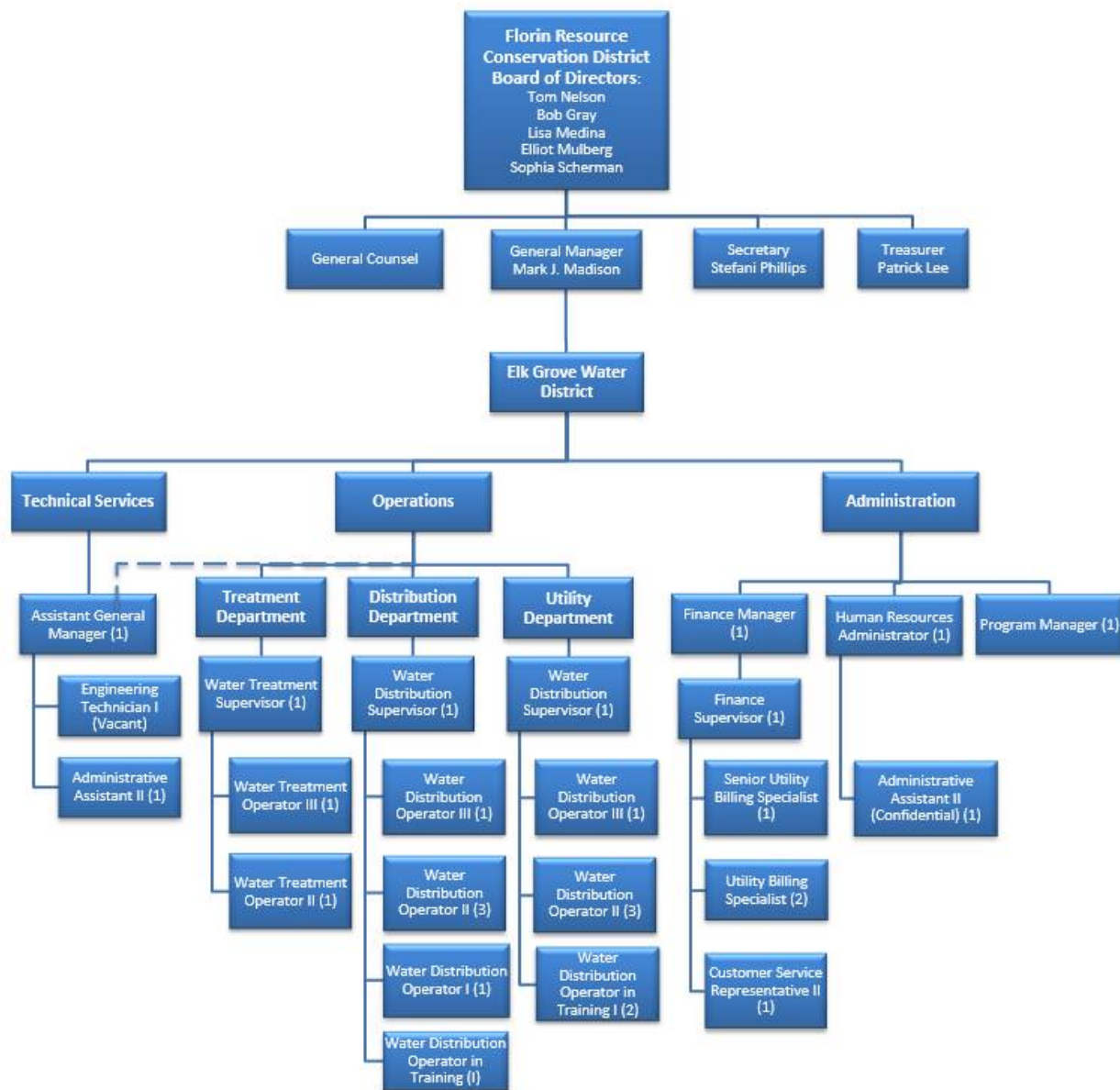
**Table 3-1: General Information**

<b>1. General Information</b>			
Agency	Florin Resource Conservation District (FRCD)/Elk Grove Water District (EGWD)		
Address	9257 Elk Grove Blvd., Elk Grove, CA 95624		
Principal Act	Division 9 of the California Public Resources Code		
Date Formed	FRCD: June 1953; EGWD: December 1999		
Population	FRCD: 292,832; EGWD: Approximately 45,000		
Services Provided	Resource Conservation and Municipal Water Supply		
Contact Person	Mark J. Madison, General Manager, 916-685-3556		
Website	www.egwd.org		
<b>GOVERNANCE</b>			
Board of Directors	5-member; elected board of directors		
Compensation	None		
Public Meetings	3 <sup>rd</sup> Tuesdays at 6:30 pm at 8820 Elk Grove Blvd., Elk Grove, CA 95624.		
<b>OPERATIONS</b>			
Number of Employees	FRCD: 0; EGWD: 30		
Current SA	151 square miles (13.1 square miles EGWD)		
Current Facilities	Seven (7) wells, two (2) treatment facilities, two (2) – 2mg storage tanks, 151 miles of water pipe ranging from 4 – 36 inches in diameter, one (1) Administration facility, and numerous remnant parcels of land.		
<b>FISCAL TRENDS</b>	<b>FY 2018-19 Actual (\$)</b>	<b>FY 2019-20 Budget (\$)</b>	<b>FY 2020-21 Budget (\$)</b>
Total Revenues	15,683,659	15,172,243	15,424,142
Total Expenditures	12,326,070	11,541,672	15,769,743
Infrastructure Investment	1,434,533	779,451	3,430,000
Debt Outstanding Principal *	44,145,000	42,075,000	39,910,000



### 3.2 - Management and Staffing Structure

Exhibit 3-2: District Organization Chart



#### 3.2.1 - Management Structure

The Board appoints the General Manager (GM), General Counsel, Secretary and Treasurer. The GM is responsible for managing District operations and policy implementation as prescribed by the Board.

### **3.2.2 - Organization Structure**

The District's organization structure is similar to other water agencies in the area. Similarities include having a governing elected Board, a GM, and Administration, Operations, and Technical Services divisions. All work at the District is divided between the three (3) divisions.

### **3.2.3 - Employment Structure**

The District employs approximately 30 full time positions, depending on staffing needs.

## **3.3 – Business Practices**

### **3.3.1 - Type and Purpose of contracts and consultants**

The District contracts for technical and professional services to supplement in-house expertise. The selection process for these services is based on demonstrated competence, professional qualifications necessary for the satisfactory performance of the services required and price. Legal counsel, audit, and information technology functions are contracted positions. The District periodically contracts for specialized services such as financial and human resource consultation, engineering and other post-employment benefit (OPEB) valuation services. Contracted positions are paid within the District operational budget.

### **3.3.2 - Ongoing Training and Personnel Policies**

The District's most vital resource are its employees. As identified in its 2020-2025 Strategic Plan, included as Appendix A, one (1) of the District's Strategic Goals is Employer of Choice. The District strives to continually attract and retain skilled employees by providing a driven, supportive and family-oriented work environment. To that end, the District has developed the following objectives:

1. Require Operations employees to complete all training and certifications required for their job classifications.
2. Provide monthly training to all staff on subjects such as workforce safety, communication, finance, leadership and customer service.
3. Provide a tuition reimbursement program. This program assists those employees who wish to continue their training and education in order to secure increased responsibility and growth within their careers.

An employee policy manual is provided to guide district employees, highlight areas of importance to facilitate efficient and economical service to the public and promote a fair and equitable system of personnel management. The manual may be revised and updated from time to time, as deemed necessary.

### 3.3.3 - Awards and Recognition

In 2019, the District received a Certificate of Achievement for Excellence in Financial Reporting for the 11<sup>th</sup> consecutive year.

The Certificate of Achievement for Excellence in Financial Reporting has been awarded to the District by the Government Finance Officers Association of the United States and Canada (GFOA) for its Comprehensive Annual Financial Report (CAFR). The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting that GFOA awards and its attainment represents a significant accomplishment by the District and its management.

In 2019, the District received the Distinguished Budget Presentation Award from the GFOA. The GFOA established this program to encourage and assist government agencies in the preparation of budget documents of the very highest quality. Organizations that achieve this award have met the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting.

In 2020, the District received the District Transparency Certificate of Excellence Award from the Special District Leadership Foundation (SDLF). The SDLF established this program in an effort to promote transparency in the operations and governance of special districts to the public. Earning this certificate demonstrates to constituents and stakeholders the District's commitment to engaging the public and creating a greater awareness of the District's activities and being open and accessible to them.

## 4: POPULATION PROJECTIONS (ELEMENT NO. 1)

### 4.1 – Florin Resource Conservation District Service Area

The FRCD has a current service area of approximately 151 square miles. The FRCD has no plans to either reduce or expand its boundaries at this time. Using the most current American Community Survey 5-year data the estimated population within the FRCD boundary is 320,000. Much of the FRCD is built out and comprised of urban areas, which is unusual for resource conservation districts (RCD). Future growth could occur within the FRCD boundary due to the City’s growth in the southeast study area, the potential of Sacramento County’s Vineyard region and Rancho Cordova’s specific plans to develop 8,000+ residential dwellings.

### 4.2 – Elk Grove Water District Population

The EGWD has a current service area of approximately 13 miles located entirely within the City boundary. The population served by EGWD includes a mix of single and multi-family residential, commercial and industrial users and follows the same demographic trends as the City. The following historic and projected population figures represent estimated population within the EGWD service area boundary. These figures were obtained from the District’s 2015 Urban Water Management Plan, which is included as Appendix B.

**Table 4-1: EGWD Historic and Projected Population**

Historic and Projected Population	
Year	Population
2010	39,694
2015	42,867
2020	46,227
2025 (est.)	49,549
2030 (est.)	50,530
2035 (est.)	50,604
2040 (est.)	50,678
2045 (est.)	50,752

### 4.3 – Elk Grove Water District Service Areas

EGWD is divided into two (2) service areas. SA 1 is supplied with treated groundwater. SA 2 is supplied with treated surface water and groundwater purchased under a long-term contract from

SCWA. SA 1 is fully developed, serving about 8,105 accounts and very little growth is predicted. SA 2 provides water to about 4,540 accounts and encompasses the City’s Rural Area Community Plan and Eastern Elk Grove Community Plan. As documented in the City’s General Plan, some additional development can be expected in these areas.

**4.3.1 – Service Area 1**

EGWD provides all of the water to customers in SA 1 from groundwater wells that it owns, operates and maintains. EGWD is located in the South American Groundwater Subbasin (Subbasin), which generally extends from the American River to the Cosumnes River. Although deemed to be a high-priority basin by the California Department of Water Resources, the Subbasin is not considered to be critically overdrafted. Due to the active planning by the Sacramento Central Groundwater Authority (SCGA), of which the District is a member, along with conjunctive use efforts by the Regional Water Authority (RWA) and many water agencies in the region, the groundwater subbasin is improving and is expected to remain stable in the future.

**4.3.2 – Service Area 2**

EGWD provides all the water in SA 2 using wholesale water purchased from the SCWA. This supply was established in 1995 through a Master Water Agreement which was later amended in 2002 and referred to as the First Amended and Restated Master Water Agreement (Water Agreement). This agreement has a term of 50 years. The agreement automatically extends for one (1) additional 50-year term unless the party desiring not to extend the Water Agreement provides five (5) years advanced written notice of that party’s intent not to extend the agreement. There are no limits on the quantity of water available under this contract nor are there exceptions for drought or other variability factors.

**Exhibit 4-1: EGWD Service Areas**



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## **5: DISADVANTAGED UNINCORPORATED COMMUNITIES**

### **(ELEMENT NO. 2)**

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As amended by Senate Bill 244 (Chapter 513, Statutes of 2011), GC §56430, made changes to the CKH Act related to “disadvantaged unincorporated communities.” GC §56033.5 defines a DUC as an inhabited community (containing 12 or more registered voters) where the annual median household income is less than 80 percent of the statewide annual median household income.

When preparing municipal service reviews, Senate Bill 244 requires a LAFCo to provide written determinations with respect to the location and characteristics of any DUCs within or contiguous to the SOI. When reviewing and updating a special district SOI after July 1, 2012, determinations must include specified infrastructure needs and deficiencies, as well as probable needs for services in any DUC’s within or adjacent to the SOI. This would apply to the SOI of a special district that provides sewer, municipal and industrial water, or structural fire protection services or facilities.

Exhibit 5-1 depicts the identified DUC’s within and adjacent to the FRCD boundary, as well as their relative location to the EGWD service area. As can be seen, the FRCD does not provide sewer, municipal water, or structural fire protection services to any DUC’s within or adjacent to its service area but rather those services are provided as follows:

#### Sewer

Sacramento Area Sewer District  
City of Sacramento

#### Municipal and Industrial Water

Sacramento County Water Agency  
California American Water  
City of Sacramento  
Florin County Water District  
Tokay Park Water Company

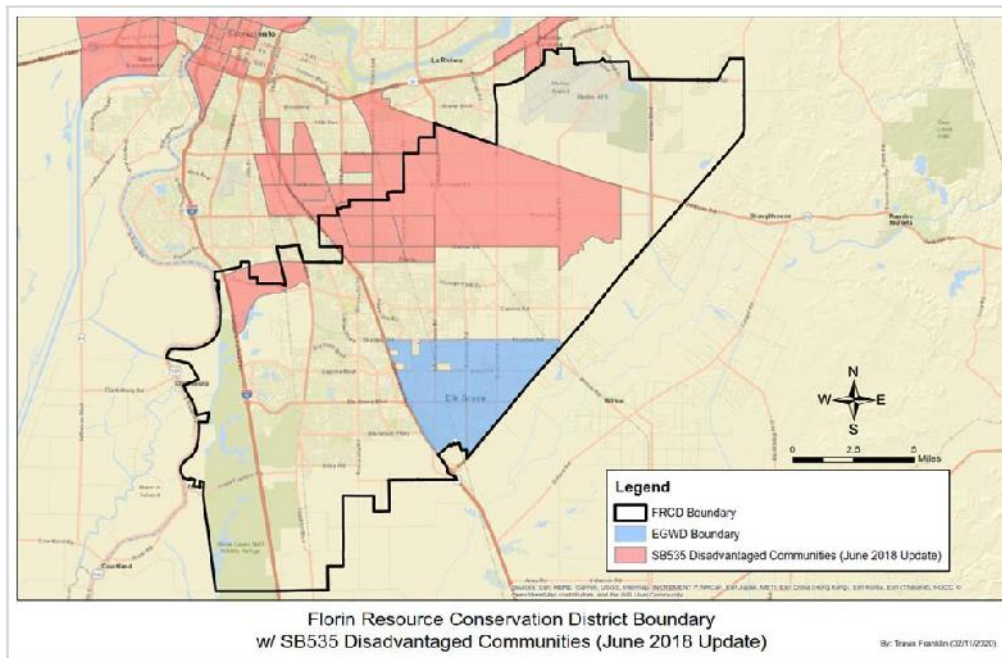
#### Structural Fire Protection

Sacramento Metropolitan Fire District  
Pacific Fruitridge Fire Protection  
City of Sacramento  
Cosumnes Community Services District

There are no identified DUC’s within or adjacent to the EGWD service area. In addition, the identified DUC’s all currently receive municipal water service from various water purveyors within Sacramento County.



**Exhibit 5-1: FRCD Disadvantaged Unincorporated Communities (DUC)s**



**LAFCo Determination**

## 6: FACILITIES AND PROGRAMS (ELEMENT NO. 3)

### 6.1 – District Facilities

Within EGWD, groundwater is supplied from seven (7) wells – four (4) deep wells that produce up to 1,700 gallons per minute (GPM) and three (3) shallow wells used to balance system demands. The District maintains two (2) water treatment facilities. The Railroad Water Treatment and Storage Facility provides four (4) million gallons of water storage, 10 booster pumps and water treatment that removes iron and manganese. The facility is equipped with a backup power supply generator to run the entire facility in the event of a power failure or emergency. This facility provides most of the water for SA 1. The Hampton Village Water Treatment Plant provides an additional 1,000 GPM of water to the District’s source capacity and improves the reliability of the water system by providing redundancy to the Railroad Water Treatment and Storage Facility.

The table below lists the existing wells, which currently has a total design capacity of 13,791 acre-feet (AF) per year.

**Table 6-1: Existing Wells and Well Capacity**

Well No.	Well Name	Design Capacity (GPM)	Design Capacity (acre feet)
1D	School	1,700	2,742
4D	Webb	1,700	2,742
8	Williamson	475	766
9	Polhemus	475	766
11D	Dino	1,700	2,742
13	Hampton	1,000	1,613
14D	Railroad	1,500	2,420
	Total Capacity	8,550	13,791

## 6.2 – Present and Planned Capacity of Public Facilities

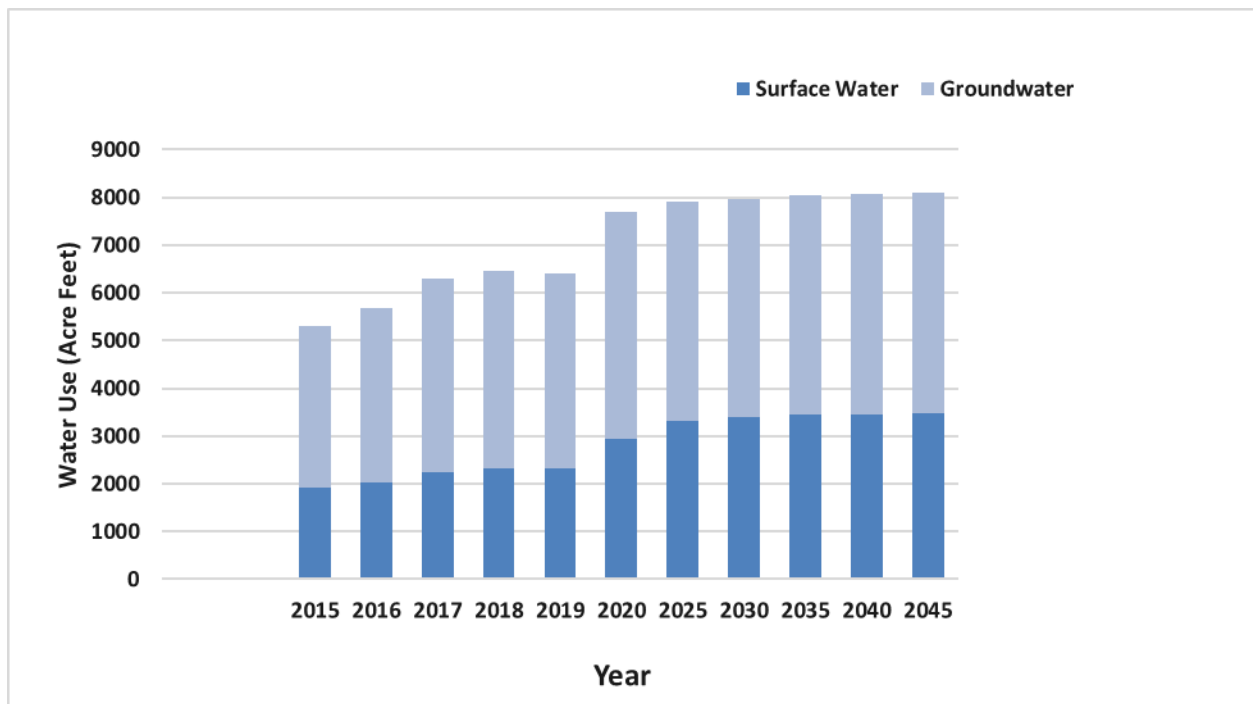
### 6.2.1 - Current and Projected Service Capacity

The existing agreement with SCWA to purchase wholesale water for SA 2 was amended in 2002. This amended agreement provides that SCWA will provide a permanent supply of wholesale treated water to EGWD for use within its service area. The contract has a 50-year term with an automatic renewal clause for another 50 years unless one (1) party provides a five-year notice of intent not to extend. EGWD’s supply from SCWA is reliable. As the Water Agreement confirms, EGWD will be supplied water for SA 2 by SCWA under all conditions. There are no limits on the quantity of water available under this contract, nor are there exceptions for drought or other forms of hydrological variability.

EGWD’s wells serving SA 1 produced more than 4,000AF in 2019. No additional water to support SA 1 production has been purchased from SCWA in the past five (5) years.

To meet service demand in 2019, the District produced over 4,000AF of water for its customers and purchased an additional 2,326AF from SCWA. Over the last four (4) years, the District produced between 3,400 to 4,131AF annually and purchased between 1,914 to 2,328AF annually from SCWA.

**Table 6-2: District Total Water Use and Projections Through 2045**



## **6.2.2 - Adequacy of Services and Facilities to Serve Current and Future Population**

EGWD provides water to its customers in two (2) service areas. SA 1 is supplied by pumped groundwater from water wells owned and operated by the District. Actual 2019 customer water demand was 4,077AF. The projected demand for SA 1 in 2045 is 4,600AF. Current groundwater supply available to the District is 13,791AF annually. The District currently has sufficient water supply to serve both existing and future populations of SA 1.

SA 2 is supplied by water purchased from SCWA. SA 2 is not fully built out and a Water Agreement between SCWA and the District established that new development would be supplied through the Zone 40 conjunctive use program. New development in SA 2 is required to pay the Zone 40 Development Fee for new building permits, and a monthly user fee for Zone 40 capital projects, to support the Zone 40 conjunctive use program. Zone 40's conjunctive use water supply is considered a reliable future source as demonstrated by the 2015 Urban Water Management Plan (UWMP) of the SCWA and the District.

## **6.2.3 - Performance Measures Used by the District to Determine Service Adequacy**

The following are performance measures used by the District to determine service adequacy:

1. The District monitors and ensures the water supply adheres to all state and federal drinking water standards.
2. The District provides an adequate and reliable supply of water for all customers in its service areas under all conditions: normal, dry year and emergency.
3. The District strives to provide exceptional customer service to all customers. Specific actions include communicating its performance levels through the annual Consumer Confidence Report (CCR), Public Health Goals triennial report, periodic newsletters, and District's website. Performance feedback is actively received via customer surveys, public forums, phone calls, letters, mail, email/web communications and at board meetings.

## **6.3 - Infrastructure Needs or Deficiencies/ Capital Improvement Program**

### **6.3.1 - Capital Improvement Program (CIP)**

The District's CIP details improvement strategies for the years 2020-2024 and is included as Appendix C.

### **6.3.2 - Deferred Maintenance Strategy**

It is the District's policy not to defer necessary maintenance. The District generally uses its operational crews to attend to three (3) departments of work: Distribution, Utility and Treatment.

### 6.3.3 - Policies and Practices for Depreciation and Replacement of Infrastructure

It is the District’s policy to capitalize all capital assets with a useful life of more than one (1) year, and an original cost of \$5,000 or greater. Capital assets are recorded at historical cost if purchased or constructed. Donated or contributed assets are recorded at acquisition value at the date of donation. Depreciation is calculated on the straight-line basis over the estimated useful lives of the various classes of assets as follows:

Buildings	40 years
Equipment	5 – 25 years
Improvements	10 – 15 years
Water treatment and distribution system	25 – 80 years

The Utility Department is responsible for replacing or rehabilitating much of the District’s infrastructure. This includes major capital improvement projects, such as water main replacement projects. Additionally, the District contracts with service companies or contractors who specialize in certain types of work, such as rehabilitating water wells or replacing well pumps.

### 6.3.4 - List Infrastructure Deficiencies, if any; Indicate if Deficiencies Have Resulted in Permit or Other Regulatory Violations; if necessary, Explain How Deficiencies Will Be Addressed.

The District has no permit or regulatory violations. Any infrastructure deficiencies are prioritized and addressed in the District’s CIP.

## 6.4 - Compliance with Applicable Regulatory Standards

The District complies with all federal and state regulatory requirements for providing public water service. In addition, the District complies with all requirements for operating as an independent special district in California. The following are several examples of regulatory compliance by the District:

- The District completes the following required regulatory reports: California Department of Public Health annual report, annual CCR and the California State Water Resources Monthly Monitoring Report.
- The 2015 UWMP was prepared for the District in compliance with Division 6, Part 2.6, of the California Water Code, Sections 10610 through 10657.
- California GC §26909 requires independent annual audits be conducted for special districts. The District completes an independent financial audit every year that is released to the public. The basic financial statements of the District are prepared in conformity with generally accepted accounting principles as defined by the Governmental Accounting Standards Board (GASB).

- California statutes authorize districts to invest idle or surplus funds in a variety of credit instruments as provided for in the California GC §53600. The District complies with the provisions of the California GC pertaining to the types of investments held, the institutions in which deposits were made and the security requirements.
- The District complies with the Public Employees' Pension Reform Act of 2013 (PEPRA).

## 6.5 - Programs

- 1. Urban Water Management Plan** – Every five (5) years, the District prepares an updated UWMP, which includes water supply/demand projections and a water shortage contingency plan. The most recent version (2015) was adopted in June 2016. The District is preparing to update the UWMP for 2020 as required by the California Water Code §10610 through §10657.
- 2. Capital Improvement Program** – The District maintains a five-year CIP in compliance with its 2020-2025 Strategic Plan. This CIP identifies various capital repairs and improvements needed over the upcoming five-year period to properly operate and maintain the District's capital assets. All CIP projects are budgeted and scheduled to comply with District's pay-as-you-go financing strategy, while maintaining adequate reserve coverage in compliance with all bond covenants. Examples of selected planned projects include water main replacement projects and an ongoing well rehabilitation program.
- 3. Strategic Plan** – Every five (5) years, the District prepares an updated Strategic Plan that sets forth a five-year vision and roadmap for the District. The Strategic Plan defines challenges and established measurable goals identified to meet the challenges and conform to the District's mission and values.
- 4. Annual Budget** – Annually the District establishes a budget that serves as a tool to guide decision making and monitoring financial performance by projecting annual revenues based on anticipated changes in customer demographics and water consumption patterns, offset by estimated expenditures based on estimated cost increases to operations.
- 5. Asset Management Program (AMP)** – The District has developed and uses an AMP to assess and determine when capital assets should be replaced or rehabilitated. The AMP allows the District to perform long-range planning of capital projects to keep its assets in good condition and sustainably manage the water system.
- 6. Division of Drinking Water Programs, State Water Resources Control Board** – The District complies with all State Water Resources Control Board requirements for drinking water systems, including water quality sampling and monthly reporting and the annual Drinking Water CCR.



- 7. Other Programs** – The District performs the following additional programs to assist in providing a safe and reliable water supply: fire hydrant maintenance (135 per month), valve exercising (120 per month) and routine system flushing.

**LAFCo Determination**

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## **7: FINANCIAL INFORMATION**

### **(ELEMENT NO. 4)**

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#### **7.1 - Budget**

The District adopts an annual operating budget and CIP to ensure the adequacy of resources to meet District needs and to accomplish its mission. The budget process begins with the priorities and guidelines provided by the Board and then to the identification of strategic goals and objectives. The annual budget is then developed consistent with the District's mission, goals and objectives, policies and water demands. As required by certain debt covenants, the annual operating budget is evaluated to ensure that net revenues, as defined by the debt covenant, are equal to or exceed a minimum of 115 percent of the anticipated debt service for the budget year.

The preliminary budget is presented to the FRCD Finance Committee during a public meeting to solicit feedback and comments from the committee and the public. Once all feedback and comments received have been considered and incorporated as appropriate, the final budget is presented to the Board for adoption during a public meeting prior to each fiscal year end.

The District's Fiscal Year 2019-20 Budget is included in this report as Appendix D.

#### **7.2 - Rates, Fees, Charges and Assessments**

##### **7.2.1 – Rate Setting Methodology**

The 2018 Water Rate Study and associated rate ordinance set forth the incremental rate increases for years 2019 through 2023 and provides the District with a five-year plan for the stable funding of operations, capital projects and debt service. Through prudent financial management, cost control and the implementation of certain cost reduction programs, the District was able to defer rate increases for fiscal years 2019, 2020 and 2021. Rate increases are projected to increase by 3.0% per year beginning in fiscal year 2022.

The 2018 Water Rate Study is attached as Appendix E.

The District updated its Connection Fee Study in 2018, coinciding with the 2018 Water Rate Study. The Connection Fee Study establishes the fees necessary to recover the cost of public facilities in existence at the time the fee is imposed or for new public facilities to be acquired or constructed in the future that are of proportional benefit to the person or property being charged.

The 2018 Connection Fee Study is attached as Appendix F.

**7.2.2 - Constraints Associated with Agency’s Ability to Generate Revenue.**

The District is an independent special district that owns and operates a public water utility with most revenue generated through water sales. The District is required to set its water rates in accordance with Proposition 218.

**7.2.3 - Financing New or Upgraded Infrastructure and Deferred Maintenance**

The District has a pay-as-you-go strategy for infrastructure and maintenance, thereby avoiding additional debt. Refer to the Reserve Fund Policy, attached as Appendix G for details regarding the funding of infrastructure and other projects.

**7.2.4 - Comparison of Rates and Charges with Similar Service Providers**

District rates are among the highest rates within the Sacramento County area. In 2002, 2003 and 2005, the District issued Certificates of Participation for Capital Improvement. The proceeds have been used to make improvements to the water system including the construction of the Railroad Water Treatment Plant. As of June 30, 2019, the District’s total long-term debt is approximately \$42 million.

**7.3 - Revenue**

See the District’s CAFR, attached as Appendix H for revenue information.

The District receives no property tax revenues and all revenues are generated by the following: water service, connection/plan check fees, door hanger and shut off fees and other miscellaneous revenues.

Total revenues for the fiscal years ended June 30, 2019, 2018 and 2017 were as follows:

Fiscal Year	Water Sales	Total Revenues
2019	\$15,233,673	\$15,683,659
2018	\$15,343,124	\$15,428,018
2017	\$14,210,971	\$14,313,218

*Source: Page 8 of the Florin Resource Conservation District Comprehensive Annual Financial Report for the year ended June 30, 2019 attached as Appendix H.*

**7.4 - Expenditures**

The District has established rates and fees sufficient to fund short and long-term operations, maintenance, debt service and capital improvement costs. The cost of service has been analyzed to establish rates justifiable for the services provided.

#### **7.4.1 - Service Levels Compared to Industry Standards and Measurements.**

The American Water Works Association (AWWA) 2018 State of the Water Industry Report identified the top five (5) issues facing the water industry as: 1) renewal and replacement of aging infrastructure; 2) financing for capital improvements; 3) public understanding of the value of water systems and services; 4) long-term water supply availability; and 5) public understanding of the value of water. The District is proactively addressing these issues as follows:

1. Replacing aging infrastructure, such as old water mains each year.
2. Annually assessing the condition of all assets to determine when projects should be undertaken to replace aging assets.
3. Issuing newsletters to our customers describing the water system and the value of water and participating in large community events where our customers gather.
4. Preparing an UWMP every five (5) years that verifies the District's ability to meet long-term water demands.

The District has access to high quality surface and groundwater through both its agreement with SCWA and its seven (7) groundwater wells.

#### **7.4.2 - The Cost of Service Compared to Industry Standards and Measurements.**

District water rates are among the highest in the Sacramento County region. However, the Board approved budget for fiscal year 2020-21 contains no water rate increase.

### **7.5 - Assets, Liabilities, Debt, Equity, and Reserves**

#### **7.5.1 - Book Value of Assets**

The District's net book value of capital assets as of June 30, 2019 was \$69,473,860. Refer to page 39 of the District's CAFR. This report is attached as Appendix H.

#### **7.5.2 - List of Equipment, Land, and Other Fixed Assets**

Refer to page 39 of the District's CAFR for the year ended June 30, 2019. This report is attached as Appendix H.

#### **7.5.3 - Summary of Long-Term Debt and Liabilities**

The District's long-term debt as of June 30, 2019 was \$41,717,845. Refer to pages 40 through 43 of the District's CAFR for the year ended June 30, 2019. This report is attached as Appendix H.

#### **7.5.4 – Agency’s Bond Rating and Reason for Rating. Discuss Amount and Use of Existing Debt. Describe Proposed Financing and Debt Requirements.**

In 2016, Standard and Poor’s (S&P) raised the District’s bond rating on its 2016 bonds from BBB+ to A. The bond rating on its 2014 bonds was also raised from BBB+ to A-. The outlook for the District according to S&P is stable. The S&P’s Ratings Services letter detailing the bond rating information is attached as Appendix I.

Total debt outstanding as of June 30, 2019 is approximately \$42 million. District debt consists of two (2) refunding bonds issued in 2014 and 2016; the proceeds of which were used to prepay the aggregate principal amounts of outstanding certificates of participation previously executed for water system improvements and the construction of the Railroad Water Treatment Plant.

The 2014 and 2016 bonds contain required coverage ratios wherein District net revenues, less the rate stabilization fund, are required to be at least 1.15 times the sum of the cash basis installment principal and interest payments on the outstanding bonds. As of June 30, 2019, the computed coverage ratio was 1.65.

#### **7.5.5 - Policies and Procedures for Investment Practices**

It is the policy of the District to invest public funds in a manner which will provide the highest investment return with the maximum security, while meeting the daily cash flow demands of the District and conforming to all state and local statutes governing the investment of public funds.

In accordance with California GC §53600 et. seq., the authority to invest public funds is expressly delegated to the Board for subsequent re-delegation to the Finance Manager/District Treasurer. Investments by the Finance Manager are limited to those instruments specifically described in the District’s investment policy. The Finance Manager submits monthly reports to the Board detailing all investment holdings. In order of importance, the following three (3) fundamental criteria are followed in the investment program: 1) safety of principal; 2) liquidity; and 3) return on investment.

The Investment Guideline Policy for the District is attached as Appendix J.

#### **7.5.6 – Policies/Procedures for Establishing and Maintaining Reserves/Retained Earnings**

It is the policy of the District that all funds held in reserve be designated to specific uses. The District holds cash reserves for special projects and operations. Such monies are not considered ‘surplus’ and shall not be made available for other uses without the express authorization of the Board. The adequacy of the target reserve year-end balance ranges and/or annual contributions will be reviewed annually during the budgeting and planning process and may be revised accordingly as necessary. The following District reserve fund categories are established:

- 1. Operating Reserve Fund** – Used to ensure cash resources are available to fund daily administration, operations and customer services. The target balance is 120 Days of the Annual Operations and Maintenance Budget.
- 2. Capital Improvement Reserve Fund** – Used to fund the new assets needed for the operations of the district that enhance or increase capacity. The target balance is equal to the annual CIP Budget.
- 3. Capital Replacement Reserve Fund** – Used to fund replacement of existing assets. Target Balance is equal to the annual Capital Replacement Budget.
- 4. Elections and Special Studies Reserve Fund** – Used to fund various special studies, as needs arise in the District such as election costs, Board expenses, etc. The target balance is equal to the amount as approved by the Board in the annual operating budget.
- 5. Future Years Capital Improvement Reserve Fund** – Used to fund the new assets needed for the operations of the district that enhance or increase capacity in future years not yet identified in the annual CIP. The target balance is 75% of the balance of the unrestricted net position not allocated to the Operating Reserve Fund, Capital Improvement Reserve Fund, Capital Replacement Reserve Fund and the Elections and Special Studies Reserve Fund upon conclusion of the annual audit.
- 6. Future Years Capital Replacement Reserve Fund** – Used to fund the replacement of existing assets in future years not yet identified in the annual CIP. The target balance is 25% of the balance of the unrestricted net position not allocated to the Operating Reserve Fund, Capital Improvement Reserve Fund, Capital Replacement Reserve Fund and the Elections and Special Studies Reserve Fund upon conclusion of the annual audit.

Reserve/retained earnings guidelines for the District are attached as Appendix K.



## 7.6 - Summary of Revenue Sources and Expenditures

**Table 7-1: Summary of Revenue Sources and Expenditures**

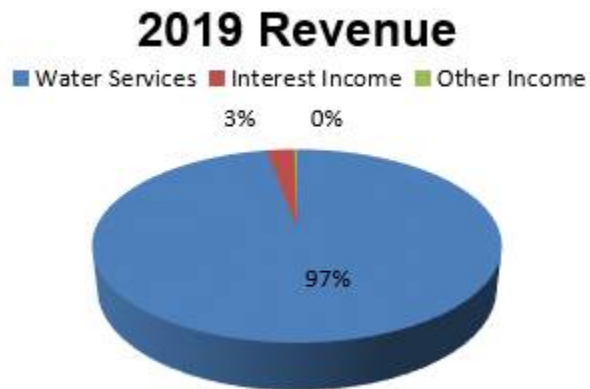
	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
	Actual	Actual	Actual	Actual	Budgeted
Operating revenues	\$13,849,125	14,210,971	15,343,124	15,233,673	15,172,243
Non-operating revenues	4,797,600	102,247	84,894	449,986	100,000
<b>Total Revenues</b>	<b>18,646,725</b>	<b>14,313,218</b>	<b>15,428,018</b>	<b>15,683,659</b>	<b>15,272,243</b>
Operating expenses	8,999,245	9,885,522	10,982,070	10,651,362	9,879,933
Non-operating expenses	2,109,783	1,868,980	1,755,415	1,674,708	1,661,739
<b>Total Expenses</b>	<b>11,109,028</b>	<b>11,754,502</b>	<b>12,737,485</b>	<b>12,326,070</b>	<b>11,541,672</b>
<b>Change in Net Position</b>	<b>\$7,537,697</b>	<b>2,558,716</b>	<b>2,690,533</b>	<b>3,357,589</b>	<b>3,730,571</b>

### 7.6.1 - Revenues

FY 2019 revenues were as follows:

Water Services	\$15,233,673
Interest Income	411,525
Other Income	<u>38,461</u>
<b>Total</b>	<b>\$15,683,659</b>

**Table 7-2: FY 2019-20 Revenues**

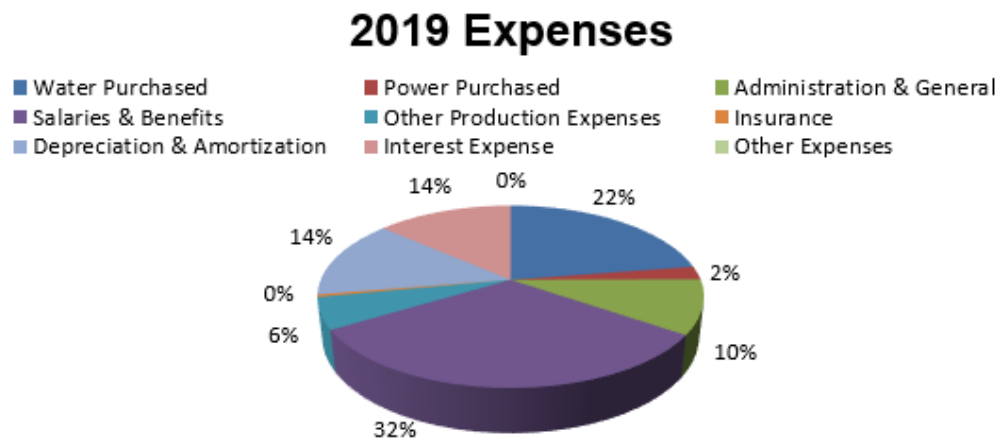


#### 7.6.2 - Expenditures

FY 2019 expenditures were as follows:

Salaries & Benefits	\$3,920,469
Water Purchased	2,777,344
Power Purchased	287,602
Other Production Expenses	686,121
Administration & General	1,203,535
Insurance	54,500
Depreciation & Amortization	1,721,791
Interest Expense	<u>1,674,708</u>
Total	\$12,326,070

**Table 7-3: FY 2019-20 Expenses**



**7.7 - Summary of Financial and Operational Information**

**Table 7-4: Summary of Financial and Operational Information**

2019/2020	
Population	44,965
Water Service Connections	12,370 homes and businesses
Full Time Employees	30
Average Part-time Employees	0
Total Annual Budget	11,541,672
Per Capita Spending	257
Total Annual Administrative Costs	3,147,378
% Annual Administrative Costs to Total	27%
Estimated Deferred Maintenance	none
Average Capital Improvements (5 Years)	1,517,800
Reserve Amount	16,082,657 (a)
Operational Cost per Employee	384,722

(a) As of June 30, 2019

Source: Board approved FY 2019-20 Budget

## **7.8 – Salaries and Pay Scales**

Salary surveys are conducted periodically to ensure that salary pay scales are fair and competitive with other water agencies. The organization is a member of the California Public Employees' Retirement System (CalPERS) retirement system.

## **7.9 – Retirement Benefits**

The District is a participant in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by CalPERS. The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other). Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one (1) rate plan in the miscellaneous or safety risk pools. The District sponsors two (2) miscellaneous rate plans where all qualified permanent and probationary employees are eligible to participate in. Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website. CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members who must be public employees, and beneficiaries. Benefits are based on years of credited service, equal to one (1) year of full-time employment. Classic members with five (5) years of total service are eligible to retire at age 55 with statutorily reduced benefits. PEPRA members with five (5) years of total service are eligible to retire at age 62 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one (1) of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employee's Retirement Law.

## **7.10 – Other Postemployment Benefits**

The District has established an OPEB Plan and participates in an agent multiple-employer defined benefit retiree healthcare plan. CalPERS invests the plan's assets as part of the California Employer's Retiree Benefit Trust (CERBT). The OPEB provides employees who retire directly from the District, at a minimum age of 55 and with a minimum of 15 years of continuous service with the District, a lifetime cash subsidy for monthly medical, dental and vision insurance premiums for each eligible employee and spouse or registered domestic partner retiring within 120 days of separation from the District. Benefits from the District continue to the surviving spouses upon death of the retiree. Annually, the District budgets an amount equal to the actuarially determined contribution as calculated by the District's Actuary. The amount, as calculated by the District's Actuary, includes an estimate of the pay-as-you-go medical premiums that the District is paying for current retirees, as well as an amount to be paid into the CERBT to fund medical premiums for future retirees.

### **LAFCo Determination**

## **8: STATUS AND OPPORTUNITIES FOR INNOVATION AND SHARED FACILITIES**

### **(ELEMENT NO. 5)**

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#### **8.1 - Existing and/or Potential Shared Facilities, Infrastructure, and Staff.**

The District maintains professional relationships with several organizations, including:

- The City of Elk Grove
- Cosumnes Community Services District
- The Water Forum
- Association of California Water Agencies
- American Water Works Association
- Regional Water Authority
- Sacramento Central Groundwater Authority
- California Association of Resource Conservation Districts
- California Special Districts Association
- California Urban Water Conservation Council

The District is one (1) of 21 participating agencies in the RWA. RWA is a joint powers authority that combines the existing efforts of its participating agencies and creates a unified approach to regional water issues. RWA's various programs include legislative advocacy, water efficiency, integrated regional water management, regional water reliability and drought contingency planning and seeking grant funding.

The District is also a member of the SCGA. SCGA is a joint powers authority comprised of 16 members including both public and private agencies within the Sacramento County area. SCGA was established to assist in maintaining the long-term sustainable groundwater yield of the Subbasin; managing the use of groundwater in the Subbasin; and coordinating efforts among those entities represented on the governing body of the joint powers authority to devise and implement strategies to safeguard groundwater quality.

In 2014, the Sustainable Groundwater Management Act was adopted imposing new requirements on many groundwater basins in California. SCGA is within the Subbasin, which is subject to these new requirements. SCGA is presently working as one (1) of five (5) Groundwater Sustainability Agencies within the Subbasin to prepare a Groundwater Sustainability Plan to ensure the long-term health of the Subbasin.

The District is a participant in the California Water/Wastewater Agency Response Network (CalWARN) program. The District is a signatory to the mutual assistance agreement, which provides assistance during an emergency to both public and private water and wastewater utilities in the form of personnel, equipment, and supplies from outside the area of impact. Through the Mutual Aid and Assistance Program members coordinate response activities and share resources during emergencies.

## **8.2 - Any Joint Power Agreements or Other Agreements for Sharing Resources with Other Agencies.**

In 2002, the District reentered into an agreement with SCWA, under which SCWA provides "...a permanent supply of wholesale treated groundwater and/or surface water..." SCWA and the District maintain several intertie points where water can be transferred to the District.

SCWA entirely surrounds the District, and therefore there are no other neighboring water agencies to share additional resources.

## **8.3 - Existing and/or Potential Joint Use Planning.**

The District works cooperatively with the RWA and the SCGA to identify and implement regionally beneficial projects and priorities.

## **8.4 - Existing and/or Potential Duplication with Existing or Planned Facilities or Services with Other Agencies.**

The District has not identified any existing or potential duplication with existing or planned facilities or services with other agencies.

## **8.5 - Availability of Any Excess Capacity to Serve Customers or Other Agencies.**

The District maintains the required amount of water storage for fire suppression but does not produce an excess that could be made available to customers or other agencies. In the event of an emergency or during non-peak periods, the District can evaluate its water supply, and on a case-by-case basis may be able to provide water for a limited period of time to SCWA and/or other water agencies through one (1) or more of its interties.

## **8.6 - Economies of Scale in Shared Purchasing Power, and Any Other Cost-Sharing Opportunities That can be Implemented by Joint Use or Sharing Resources.**

Economies of scale have been observed primarily in water conservation programs. For example, membership in the RWA enables the District to take advantage of reduced prices in bulk conservation items, such as showerheads for distribution, fliers and brochures and mass marketing programs including television announcements or radio time. In addition, as a member of the CALWARN program, the District has the ability to share resources or obtain resources from other water agencies during an emergency or natural disaster.



### **8.7 - Duplication (Overlap), or Gaps in Services or Boundaries.**

There is no duplication, gaps or overlap in services or boundaries. There are no opportunities to reduce infrastructure by eliminating duplication.

### **8.8 - Ongoing Cost Avoidance Practices.**

The District maintains and abides by numerous policies and practices to reduce costs and keep rates as low as possible. Specifically, there are four (4) adopted policies which govern the purchase of goods and general services (Appendix L), professional services (Appendix M), public works construction contracts (Appendix N) and the acquisition of real property (Appendix O). These maintain competitive procedures to ensure that public funds are expended efficiently.

In 2011, the District adopted an Employee Cost Control Program, attached as Appendix P, that includes many elements to control employee costs over the long-term. This program has been very successful and credited with helping to temper the need for rate adjustments.

The District restructured approximately \$32.3 million of outstanding bonded indebtedness in December 2014 and \$16.4 million in June 2016 to provide an average annual savings of \$194,000 over the remaining term of the debt. It should be noted that the District contributed \$1.5 million of reserve funds in order to reduce the remaining term of the debt by 13 years and maintain annual debt service savings on the refinanced bonds.

### **8.9 - Opportunities to Reduce Overhead and Operational Costs.**

The District actively seeks cost reduction measures in all operational areas of the District. This is evident by the fact that water rates were not increased in fiscal years 2018 or 2019. The District also continues to actively pursue all types of grant opportunities.

### **8.10 - Opportunities to Reduce Duplication of Infrastructure.**

The District does not have any duplication of infrastructure with other agencies.

### **8.11 - Areas within Agency Boundaries Which Could be More Efficiently Served by Another Agency.**

The District knows of no area with our service boundary that could be more efficiently served by others.

## **8.12 - Service Plans Compatible with Those of Other Local Agencies.**

The District believes our service plans are compatible with the plans of other local agencies.

### **LAFCo Determination**

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## **9: ACCOUNTABILITY AND GOVERNANCE**

### **(ELEMENT NO. 6)**

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#### **9.1 - Composition of the Agency’s Governing Board.**

In accordance with the RCD Principal Act, the District is governed by five (5) board members who are elected at large and serve staggered four-year terms.

#### **9.2 – Associate Directors.**

The Board may appoint up to five (5) Associate Directors as required by Division 9 of the California Public Resources Code. Associates are appointed to two-year terms and serve to advise and make recommendations to the Board. Associate Directors must possess expertise in areas of interest related to District operations including, but not limited to: finance; government accounting; agricultural practices; public relations; outreach and education; engineering; geochemistry; natural resources conservation and management; water resources; water service delivery; land use; real estate; and local government policy and procedures.

#### **9.3 - Compensation and Benefits Provided to the Governing Board, Including Any Benefits that Continue After Term of Service.**

Board members receive no compensation or benefits for their service. Board members may be reimbursed for reasonable and necessary expenses incurred in attendance at meetings or otherwise engaged in the business of the District, as stated in California Public Resource Code, Section 9303.

#### **9.4 - Governing Board Meetings, Locations and Schedules.**

Regular Board meetings are scheduled for the 3<sup>rd</sup> Tuesday of every month at 6:30 PM in the Cosumnes Community Services District Board Room, located at 8820 Elk Grove Blvd., Elk Grove, CA 95624. For more information on meeting times, agendas and meeting minutes, please visit [www.egwd.org](http://www.egwd.org).

#### **9.5 - Rules, Procedures, and Programs for Public Notification of Agency Operations, Meetings, Programs, etc.**

Board members comply with all provisions of the state’s open meeting law for public agencies, the Brown Act. At least 72 hours prior to the board meeting, notice of the public meeting is

advertised in the local newspaper (the Elk Grove Citizen); the complete board packet is posted on the District website ([www.egwd.org](http://www.egwd.org)), and an agenda is posted both at the Administrative Building and at the meeting's site. The agenda for a special Board meeting is posted at least 24 hours before the meeting in the same locations.

Information on District operations and programs are primarily made available by posting on the District website at [www.egwd.org](http://www.egwd.org); the information is also routinely delivered via public speaking events and District publications.

### **9.6 - Public Participation**

Board meeting agendas are posted on the District website and publicly posted at the Administrative Building, 9257 Elk Grove Blvd., Elk Grove and at the meeting site, Cosumnes Community Services District Board Room, 8820 Elk Grove Blvd., Elk Grove. Regular Board meeting times and location are included in many District documents and publications. In addition, staff and Board members notify interested community members of upcoming Board meetings.

### **9.7 - Meeting Accessibility to the Public**

Most Board meetings begin at 6:30 PM to avoid conflicts with work, school or other commitments, which allows for maximum public participation.

### **9.8 - Public Education and Outreach Efforts**

Public education and outreach efforts are organized both in-house and through the District's partnership with RWA. In-house communications include regular updates to the District website, a periodic newsletter (The Water Drop), issuance of bill inserts, and the annual CCR. Staff participates in two (2) local festivals each year, the Elk Grove Western Festival and the Elk Grove Giant Pumpkin Festival, during which the staff promotes water education and conservation awareness at the District booth. In addition, the District plans to create a Facebook page this year that will be used to broadcast important district information.

The District is an active participant in the Elk Grove Chamber of Commerce.

### **9.9 - Level of Public Participation, and Ways That Staff and Directors are Accessible to the Public.**

The Board may appoint up to five (5) Associate Directors to provide their knowledge, experience and input. The Associate Directors must be registered voters or landowners within FRCD

boundary and demonstrate expertise in an area of interest to the Board. Associate Directors participate in meetings and on committees, but do not vote.

The District periodically uses Community Advisory Committees (CAC) to encourage community participation on items of significance to the community. For example, a CAC was formed during the last water rate study. This included a group of rate-paying citizens who assisted in determining the cost of service and required rates and charges. The final water rate study submitted to the Board was endorsed by the CAC.

Board members are available to the public by email and during public meetings. The Board welcomes and encourages public participation in meetings, including a defined public comment period at the beginning of each meeting for the public to comment on items not on the agenda. The Board also allows public comment on each agenda item separately.

Staff are available to the public during normal business hours. An emergency number is posted on the Administrative Building's front door, on the customer bills and on the District website so that the public can reach staff at any time day or night. Some staff members have email addresses posted on the District website and all staff members carry business cards to provide to customers.

Staff attend community events and provide information about the District and its programs.

### **9.10 - Ability of Public to Access Information and Agency Reports.**

Under the California Public Records Act, GC §6250-6276.48, the public may review or obtain copies of most the District's records. The District's California Public Records Act Request Policy (Appendix Q), details the public's ability to access information and agency reports. The public is invited to review all available information during regular business hours and staff will research and make available information that is not readily available upon request. A small fee may be charged to cover the cost of photocopying documents. Agency reports are available by:

1. Coming into the Administration Building,
2. Email request to the Board or staff,
3. Telephone request to the staff,
4. Downloading a copy available on the Web site in an Adobe Acrobat (pdf) format

### **9.11 - Opportunities to Eliminate Service Islands, Peninsulas and Other Illogical Service Areas.**

The District does not have service islands, peninsulas and other illogical service areas at this time

### **LAFCo Determination**

## **10: LAFCO POLICIES AFFECTING SERVICE DELIVERY (ELEMENT NO. 7)**

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In accordance with GC §56430(a)(7), an MSR must also address “Any other matter related to effective or efficient service delivery, as required by commission policy”.

Sacramento LAFCo’s Policy, Standards, and Procedures Manual provides General Policies, General Standards, and Specific Standards By Type Of Action. The policies are designed to prescribe LAFCo’s submittal and determination procedures when considering applications and proposals, such as annexations and SOI adjustments.

The District is not proposing any changes to either the FRCD, or the EGWD, boundaries and thus these policies have no affect on the delivery of services at this time.

### **LAFCo Determination**



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## 11: ISSUES, CONCERNS, AND OPPORTUNITIES

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Provide information regarding any issues or concerns related to operations (financial, managerial, legal, organizational, etc.)

- 1. Compliance with Environmental Justice Requirements** – The District is in complete compliance. The District’s policy is to provide fair treatment and meaningful involvement of all people and a safe, healthful environment for both the public and employees.
- 2. Compliance with Regulatory Reporting Requirements** – The District strictly complies with all local, state and federal regulatory and reporting requirements, including extensive water quality monitoring and the annual CCR.
- 3. Compliance with Regulatory Agencies and Public Health and Safety Issues** – The District is in full compliance with its regulatory agencies and public health and safety issues. The District follows Occupational Safety and Health Administration requirements for a safe workplace.

Potential emerging concerns include the State Water Board’s development of water loss performance standards for urban retail water suppliers. These standards potentially will include compliance with individual volumetric standards based on an economic model for leak detection and repair actions. Compliance is currently scheduled to begin in January of 2028.

### LAFCo Determination

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## 12: APPENDICES

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- A. FRCD/EGWD 2020-2025 Strategic Plan
- B. 2015 Urban Water Management Plan
- C. FY 2020-2024 Capital Improvement Program
- D. EGWD Fiscal Year 2019-20 Operating Budget
- E. EGWD 2018 Water Rate Study Report
- F. EGWD 2018 Connection Fee Study
- G. Reserve and Capital Investment Policy
- H. FRCD Comprehensive Annual Financial Report for the Year ended June 30, 2019
- I. Standard and Poor's Rating Services FRCD rating letter
- J. FRCD Investment Policy Guideline FY 2020-21
- K. Resolution adopting EGWD Reserve and Capital Investment Policy
- L. Purchase of Goods and Services from Outside Vendors Policy
- M. Professional and Consultant Services Agreements Policy
- N. Public Works Construction Contracts Policy
- O. Acquisition of Real Property Policy
- P. Resolution adopting policies concerning Employee Benefits and Work Schedules
- Q. California Public Records Act Request Policy

October 20, 2020

TO: Chair and Directors of the Florin Resource Conservation District

FROM: Bruce Kamilos, Assistant General Manager

SUBJECT: **DISPOSAL OF SURPLUS PROPERTY (APN 125-0210-013)**

## **RECOMMENDATION**

It is recommended that the Florin Resource Conservation District Board of Directors adopt Resolution No. 10.20.20.01, declaring that the real property of assessor's parcel number 125-0210-013 is surplus and is subject to the statutory notice and offer procedures of the Surplus Land Act, and as prescribed in the Florin Resource Conservation District's Disposal of Surplus Property Policy.

## **SUMMARY**

The Florin Resource Conservation District (FRCD) owns a small piece of real property, assessor's parcel number (APN) 125-0210-013, in the Old Town area of Elk Grove, California. This property is not being used by the FRCD and may be sold to a private third party if declared as surplus property and no qualified local agencies desire to purchase the property for the purpose of developing affordable housing.

Staff recommends to the FRCD Board of Directors (Board) the property be declared surplus and begin taking steps to sell the property.

## **DISCUSSION**

### **Background**

The FRCD owns a triangular piece of real property in the Old Town area of Elk Grove, California. The property is located between First Avenue and the Southern Pacific railroad tracks, behind the School of Rock building. Real property APN 125-0210-013 has an area of 0.176 acres, or 7,666 square feet. (Refer to Attachment 1, Quitclaim Deed.) The property contains an old, tin-sided shed structure. The FRCD/Elk Grove Water District (EGWD) hasn't used the property for well over 10 years.

### **Present Situation**

Real property APN 125-0210-013 no longer meets the needs of daily, emergency and/or future operations of the FRCD or EGWD. The property has sat idle and unused by the FRCD/EGWD for many years. EGWD has continued to perform basic maintenance on the property to prevent it from becoming blighted. The School of Rock has a real interest

**DISPOSAL OF SURPLUS PROPERTY (APN 125-0210-013)**

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Page 2

in purchasing the property from the FRCD. Jason Kline, School of Rock owner, has reached out on numerous occasions as he needs more customer parking spaces for his business. However, the FRCD must follow the statutory notice and offer procedures of the Surplus Land Act, and as prescribed in FRCD's Disposal of Surplus District Property Policy. APN 125-0210-013 is not exempt from these requirements as the area of the property is greater than 5,000 square feet.

If the Board adopts the resolution declaring the property is surplus, the General Manager will follow by issuing a Notice of Availability (Attachment 2) to qualified public agencies that the property is available for purchase in accordance with the Surplus Land Act. The purchase price will be based on a qualified appraisal of the property. If none of the qualifying agencies provide written interest in buying the surplus property to the FRCD within 60 days after receiving notice or make an offer meeting the appraised value, the FRCD may sell the property by advertised public sale. Bids for the purchase of the property shall be accepted or rejected by a resolution of the Board.

**ENVIRONMENTAL CONSIDERATIONS**

There are no environmental considerations associated with this item.

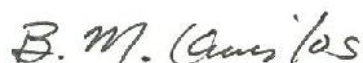
**STRATEGIC PLAN CONFORMITY**

The recommendation made in this staff report conforms to Strategic Goal 2, Fiscal Responsibility, of the FRCD/EGWD 2020-2025 Strategic Plan which directs EGWD to make financial decisions that benefit its customers.

**FINANCIAL SUMMARY**

There is no financial impact associated with this item at this time.

Respectfully submitted,



BRUCE M. KAMILOS  
ASSISTANT GENERAL MANAGER

Attachments

**RESOLUTION NO. 10.20.20.01**

**A RESOLUTION OF THE FLORIN RESOURCE CONSERVATION DISTRICT BOARD OF DIRECTORS DECLARING THAT THE REAL PROPERTY OF ASSESSOR'S PARCEL NUMBER 125-0210-013 IS SURPLUS AND IS SUBJECT TO THE STATUTORY NOTICE AND OFFER PROCEDURES OF THE SURPLUS LAND ACT, AND AS PRESCRIBED IN THE FLORIN RESOURCE CONSERVATION DISTRICT'S DISPOSAL OF SURPLUS PROPERTY POLICY**

**WHEREAS**, the Florin Resource Conservation District (District) is a Resource Conservation District organized pursuant to Division 9 of the California Public Resources Code, Sections 9001, et seq. (Resource Conservation Law); and

**WHEREAS**, the District is formed for the purposes delineated in the Public Resources Code Section 9001 and all things necessary to carry out the provisions of the Resource Conservation Law and adopted District Bylaws; and

**WHEREAS**, the Board of Directors finds that the real property owned by the District and identified by assessor's parcel number 125-0210-013 (Property) has sat empty and unused for many years; and

**WHEREAS**, the Board of Directors finds that the Property no longer meets the operational needs of the District; and

**WHEREAS**, the Board of Directors finds that it is no longer in the best interests of the District to continue to expend District resources to maintain the Property; and

**WHEREAS**, the Board of Directors wishes to declare the Property as surplus; and

**WHEREAS**, such surplus real property is subject to the statutory notice and offer procedures of the Surplus Land Act, and as prescribed in the District's Disposal of Surplus Property Policy;

**NOW THEREFORE, THE FLORIN RESOURCE CONSERVATION DISTRICT BOARD OF DIRECTORS DOES HEREBY RESOLVE:**

SECTION 1. The Board of Directors hereby adopts the foregoing recitals as true and correct and incorporates them herein by reference.

SECTION 2. The Board of Directors hereby adopts Resolution No. 10.20.20.01, declaring that the real property of assessor's parcel number 125-0210-013 is surplus and is subject to the statutory notice and offer procedures of the Surplus Land Act, and as prescribed in the Florin Resource Conservation District's Disposal of Surplus Property Policy.

SECTION 3. The Board Secretary shall certify to the adoption of this Resolution.

SECTION 4. This Resolution shall take effect immediately upon its adoption.

**PASSED, APPROVED, AND ADOPTED** this 20th day of October, 2020.

**AYES:**  
**NOES:**  
**ABSENT:**  
**ABSTAIN:**

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Tom Nelson  
Chair

Attest:

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Stefani Phillips  
Board Secretary

Approved as to form:

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Richard E. Nosky  
District Legal Counsel



**WHEN RECORDED RETURN TO:**

Florin Resource Conservation District  
9257 Elk Grove Boulevard  
Elk Grove, CA 95624

No Fee Document - Per Government Code 6103  
No Document Transfer Tax - Per R & T Code 11922

**SEND TAX/ASSESSMENT BILLS TO:**

Florin Resource Conservation District  
9257 Elk Grove Boulevard  
Elk Grove, CA 95624



Sacramento County Recorder  
Craig A. Kramer, Clerk/Recorder  
BOOK **20100303** PAGE **0276**

Check Number 0512  
Wednesday, MAR 03, 2010 8:49:52 AM  
Ttl Pd \$0.00 Nbr-0006251358

TJH/12/1-5

APN: 125-0210-013

Project Name & Dept: 1<sup>ST</sup> Avenue Elk Grove Surplus Sale

THIS SPACE FOR RECORDER'S USE ONLY

**QUITCLAIM DEED**

County of Sacramento, a political subdivision of the State of California, does hereby remise, release and forever quitclaim to the **Florin Resource Conservation District, a California resource conservation district**, all that real property in the City of Elk Grove, County of Sacramento, State of California, bounded and described as follows, to-wit:

See Exhibit "A" and "B" attached hereto and made part hereof.

Dated this 13 day of November, 2009

County of Sacramento, a political subdivision of the State of California

**Douglas Bell**  
Chief, Real Estate Division  
Under delegated authority by:  
Resolution No.: 2009-0838  
Dated: 10/27/09

R-DOC LOG NO. \_\_\_\_\_  
RED NO: \_\_\_\_\_

SALE LOG NO. C-913

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

STATE OF California

COUNTY OF Sacramento

On 11/13/09 before me, John Dito, notary public,  
date name of notary officer

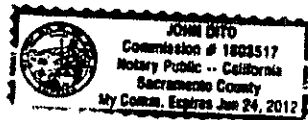
personally appeared Douglas Bell  
(name(s) of signer(s))

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

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

WITNESS my hand and official seal.

*[Handwritten Signature]*  
 Signature of Notary



**OPTIONAL SECTION**

**CAPACITY CLAIMED BY SIGNER**

Though statute does not require the Notary to fill in the data below, doing so may prove invaluable to persons relying on the document.

- INDIVIDUAL
- CORPORATE OFFICER(S)

- Title(s)
- PARTNER(S)
  - LIMITED
  - GENERAL

- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER: \_\_\_\_\_

**SIGNER IS REPRESENTING:**  
 Name of Person(s) or entity(ies)

**OPTIONAL SECTION:**

TITLE OR TYPE OF DOCUMENT: Quitclaim Deed  
 NUMBER OF PAGES 5 DATE 11/13/09  
 SIGNER(S) OTHER THAN NAMED ABOVE NA

R-DOC LOG NO. \_\_\_\_\_  
 RED NO: \_\_\_\_\_

SALE LOG NO. C - 913

**CERTIFICATE OF ACCEPTANCE**

This is to certify that the interest in real property conveyed by the deed or grant dated 11-13-09 from the County of Sacramento to the Florin Resource Conservation District, a public agency organized and operating under the laws of the State of California, is hereby accepted by order of the undersigned officer on behalf of the Board of Directors pursuant to the authority conferred by Resolution No. 09.17.03.01 adopted on September 17, 2003, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: 11-19-09

By:   
Leo D. Havener, General Manager

# EXHIBIT "A"

## LEGAL DESCRIPTION

ALL THE REAL PROPERTY SITUATE IN THE CITY OF ELK GROVE, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

LOT 14 OF THE J.H. KERR TRACT, AS THE SAME IS SHOWN ON THE CERTAIN MAP OR PLAT ENTITLED; "PLAT OF ELK GROVE STATION", FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF SAID COUNTY OF SACRAMENTO IN BOOK 1 OF MAPS, MAP NO. 30.

ASSESSORS PARCEL NO: 125-0210-013



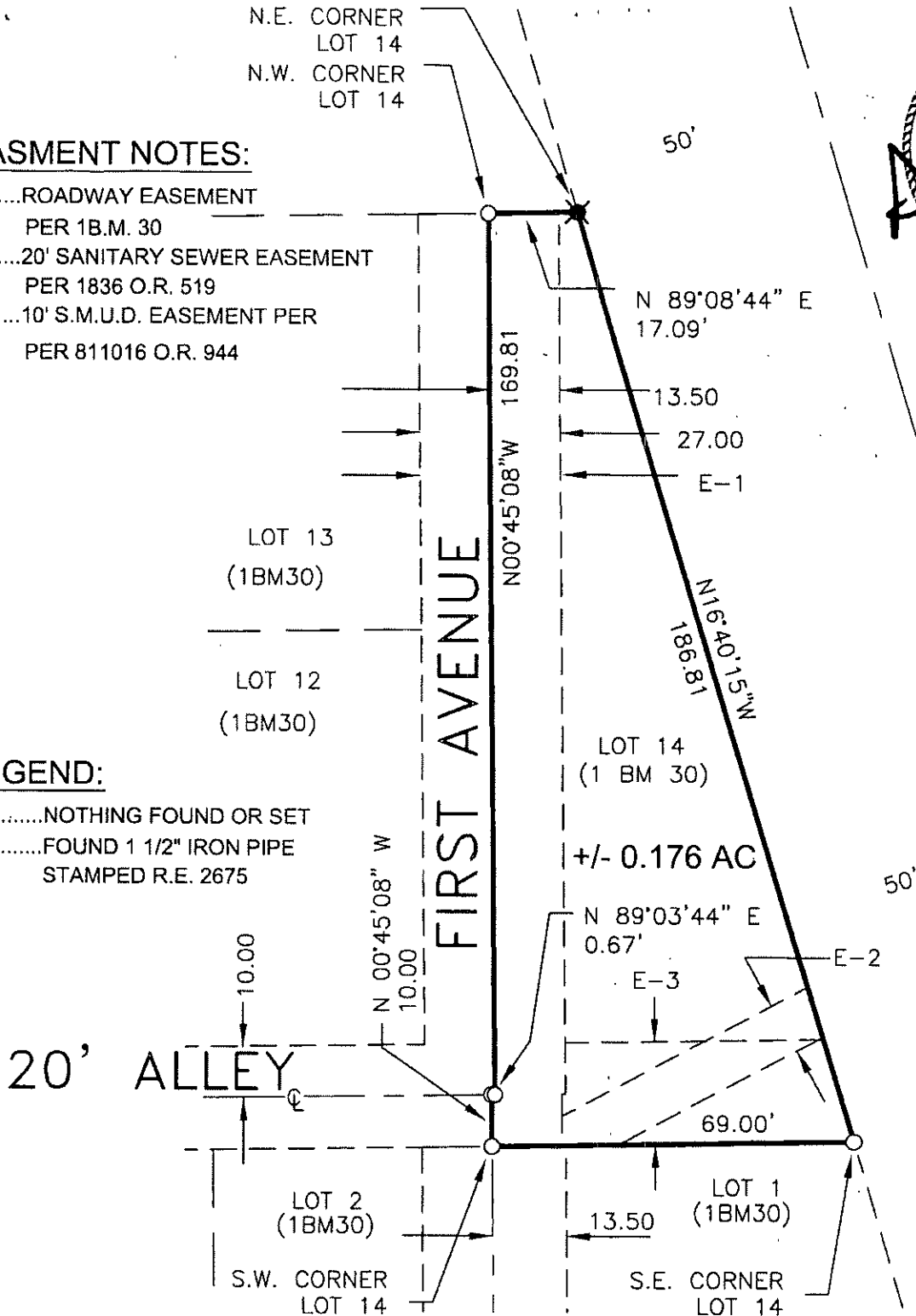
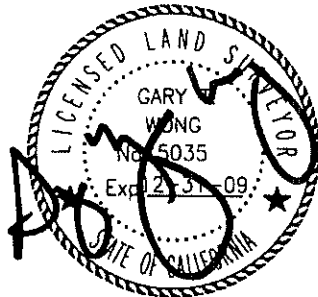
N.E. CORNER  
LOT 14  
N.W. CORNER  
LOT 14

**EASMENT NOTES:**

- E-1....ROADWAY EASEMENT  
PER 1B.M. 30
- E-2....20' SANITARY SEWER EASEMENT  
PER 1836 O.R. 519
- E-3....10' S.M.U.D. EASEMENT PER  
PER 811016 O.R. 944

**LEGEND:**

- .....NOTHING FOUND OR SET
- ✱ .....FOUND 1 1/2" IRON PIPE  
STAMPED R.E. 2675



20' ALLEY

LOT 2 (1BM30)  
S.W. CORNER LOT 14

LOT 14 (1 BM 30)  
+/- 0.176 AC

LOT 1 (1BM30)  
S.E. CORNER LOT 14

LOT 14 OF J.H KERR TRACT  
"ELK GROVE STATION" (1 B.M. 30)

COUNTY OF SACRAMENTO  
MUNICIPAL SERVICES AGENCY  
SURVEY SECTION



**EXHIBIT "B"**

SCALE: 1" = 30'  
DATE: 3/21/06

DRAWN BY: RA  
CHECKED BY: GTW

**NOTICE OF AVAILABILITY**

**SALE OF SURPLUS REAL PROPERTY  
OWNED BY THE FLORIN RESOURCE CONSERATION DISTRICT**

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Notice is hereby given that the Florin Resource Conservation District, in accordance with Government Codes Sections 54220 through 54232, also known as the Surplus Land Act, is providing written notice of availability to qualified public agencies within whose jurisdiction the property is located that the following real property is offered for sale.

Address/Location: 1<sup>st</sup> Avenue, Elk Grove, California 95624  
Parcel ID: 125-0210-013  
Size: 0.176 acres (7,666 square feet)  
Appraisal Value: \$ \_\_\_\_\_  
Minimum Bid Price: \$ \_\_\_\_\_  
Terms: Contingent upon successful closing within ninety (90) days of Sale and Purchase Contract execution. The property will otherwise be sold “**AS IS**”.  
Financing: There will be no financing. Cash only.

The surplus property sale shall be conveyed “AS IS”. Florin Resource Conservation District does not make nor imply any warranties, guarantees, or representations to the accuracy of the information provided. Conveyance is by County Deed. Surplus land sales are in accordance with the California Statute; i.e., the Surplus Land Act.

All bids must be in writing and delivered to the Florin Resource Conservation District, 9257 Elk Grove Blvd., Elk Grove, California 95624 by \_\_\_\_\_ (60 days from the Notice of Availability release date). Questions may be submitted in writing by contacting the Florin Resource Conservation District, attention Mark Madison, General Manager. Bids must be contained in a sealed envelope and legibly labeled “**BID SALE OF PROPERTY APN 125-0210-013, OPENING ON TUESDAY, \_\_\_\_\_ AT 2:00 PM**”. Bids received after the time set for the bid opening will be rejected and returned unopened.



October 20, 2020

TO: Chair and Directors of the Florin Resource Conservation District

FROM: Patrick Lee, Finance Manager/Treasurer

SUBJECT: **ELK GROVE WATER DISTRICT FISCAL YEAR 2020-21 QUARTERLY OPERATING BUDGET STATUS REPORT**

### **RECOMMENDATION**

This item is presented for information only. No action by the Florin Resource Conservation District Board of Directors is proposed at this time.

### **SUMMARY**

Staff is presenting the quarterly budget status report through the first quarter of fiscal year 2020-21. This report is to keep the Florin Resource Conservation District (District) Board of Directors (Board) and the public informed on the financial status of the Elk Grove Water District (EGWD).

### **DISCUSSION**

#### **Background**

On June 16, 2020, the Board approved the Fiscal Year (FY) 2020-21 EGWD Budget. The adopted FY 2020-21 EGWD Budget has total revenues of approximately \$15.424 million and total expenditures of approximately \$15.769 million, including appropriations into the EGWD FY 2020-2021 Capital Improvement Program (CIP) reserves of approximately \$1.430 million. The projected expenditures in excess of revenues of approximately \$345,601 will be appropriated from excess operating reserves from prior years.

On June 22, 2020, the Board held a Special Board Meeting and amended the FY 2020-21 EGWD Operating Budget and the EGWD FY 2021-2025 CIP by increasing the appropriation to the CIP reserves by \$2.0 million, resulting in total expenditures of \$17.769 million, including appropriations of \$3.430 million to the FY 2020-21 CIP reserves. The projected expenditures in excess of revenues of approximately \$2.345 million will be appropriated from excess operating reserves from prior years.

#### **Present Situation**

The following is a summary of the EGWD's financial status as of September 30, 2020:

**ELK GROVE WATER DISTRICT FISCAL YEAR 2020-21 QUARTERLY OPERATING BUDGET STATUS REPORT**

**Page 2**

**Elk Grove Water District  
Year to Date Revenues and Expenses Compared to Budget  
As of September 30, 2020**

	General Ledger Reference	YTD Activity	Annual Budget	3/12=25.00% % Realized
<b>Revenues</b>	4100 - 4900	\$ 5,025,730	\$ 15,424,142	32.58%
<b>Salaries &amp; Benefits</b>	5100 - 5280	1,012,239	4,373,018	23.15%
<b>less Capitalized Labor</b>		(37,683)	(376,961)	10.00%
<b>Less CalPERS Prepayment for Remainder of Year: (1)</b>		(68,174)		
<b>Adjusted Salaries and Benefits:</b>		\$ 906,382	\$ 3,996,057	22.68%
<b>Seminars, Conventions and Travel</b>	5300 - 5350	(229)	53,307	-0.43%
<b>Office &amp; Operational</b>	5410 - 5494	315,380	1,338,578	23.56%
<b>Purchased Water est. (2)</b>	5495 - 5495	976,881	3,198,404	30.54%
<b>Outside Services</b>	5505 - 5580	170,352	1,283,548	13.27%
<b>Equipment Rent, Taxes, Utilities</b>	5620 - 5760	111,604	464,380	24.03%
<b>Total Operational Expenses</b>		\$ 2,480,371	\$ 10,334,274	24.00%
<b>Net Operating Income</b>		\$ 2,545,359	\$ 5,089,868	50.01%
<b>Non-Operating Revenues</b>				
<b>Interest Received</b>	9910 - 9910	23,618	100,000	23.62%
<b>Unrealized Gains/(Losses)</b>	9911 - 9911	(2,006)	-	100.00%
<b>Other Income/Expense</b>	9920 - 9973	1,137	-	100.00%
<b>Total Non-Operating Revenues</b>		\$ 22,749	\$ 100,000	22.75%
<b>Non-Operating Expenses</b>				
<b>Election Costs</b>	9950 - 9950	-	250,000	0.00%
<b>All other Non-Operating Expenses</b>				
<b>Capital Expenses (3):</b>				
Capital Improvements	1705 - 1760	44,430	2,475,000	1.80%
Capital Replacements	1705 - 1760	59,370	855,000	6.94%
Unforeseen Capital Projects	1705 - 1760	55,850	100,000	55.85%
<b>Capital Expenses:</b>		\$ 159,650	\$ 3,430,000	4.65%
<b>Bond Interest Accrued (4)</b>	7300 - 7300	388,867	1,555,469	25.00%
<b>Total Non Operating Expenses</b>		\$ 548,517	\$ 5,235,469	10.48%
<b>Bond Retirement (4):</b>		\$ 575,000	\$ 2,300,000	25.00%
<b>Total Expenditures</b>		\$ 3,039,434	17,769,743	17.10%
<b>Revenues in Excess of All Expenditures, including Capital</b>		\$ 1,444,591	\$ (2,345,601)	-61.59%

Notes:

- The District prepays CalPERS for the employers' share of retirement costs for the entire year. By doing this, the District saves approximately 3.5% in its total CalPERS payments for the year. The adjusted salaries and benefits above shows what salaries and benefits would be if only the amount due to CalPERS YTD was paid YTD, with no prepayment.
- There is a lag in water billings from the Sacramento County Water Agency. Included above is an estimate of costs to date based on water used.
- YTD Activity includes \$37,683 in capitalized labor charged to capital projects.
- Bond retirement payments are made two times a year in September and March

**ELK GROVE WATER DISTRICT FISCAL YEAR 2020-21 QUARTERLY OPERATING  
BUDGET STATUS REPORT**

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**Page 3**

The revenues collected through the first quarter of the fiscal year total \$5,025,730, which is 32.58% of the \$15,424,142 annual budget. The revenues are \$85,947 or 1.74% above the same quarter of the prior year.

Total Operational Expenses were \$2,480,371 through the first quarter, which is 24.00% of the annual budget of \$10,334,274. The actual operating expenses were \$36,393 or 1.49% above the same quarter of the prior fiscal year as follows:

Personnel expenditures through the first quarter total \$906,382 which is 22.68% of the \$3,996,057 annual budget. The actual expenses were \$3,560 or 0.39% below the same period of the prior fiscal year. The decrease is due mainly to the vacant GIS Technician position, offset by Cost Of Living Adjustments and merit increases.

Seminars, Conventions and Travel expenditures total \$(229), which is -0.43% of the annual budget of \$53,307. The actual expenses were \$10,798 or 102.16% below the same period of the prior fiscal year due mainly to the cancellation of the FY 2020-21 Association of California Water Agencies fall conference.

Office and Operational expenditures total \$315,380, which is 23.56% of the annual budget of \$1,338,578. The actual expenses were \$4,502 or 1.45% above the same period of the prior fiscal year due mainly to an increase in association dues, offset by a decrease in spending for meter repairs in the first quarter.

Estimated Purchased Water costs total \$976,881, which is 30.54% of the annual budget of \$3,198,404. The actual expenses were \$71,679 or 7.92% above the same period of the prior fiscal year. The increase in costs is due mainly to an increase in the total number of accounts in Service Area 2 and an overall increase in water consumption in Service Area 2.

Outside Services expenditures total \$170,352, which is 13.27% of the annual budget of \$1,283,548. The actual expenses were \$4,498 or 2.57% below the same period of the prior fiscal year. The decrease is due mainly to no community relations services required in the first quarter of FY 2020-21.

Equipment Rent, Taxes and Utilities expenditures total \$111,604, which is 24.03% of the annual budget of \$464,380. The actual expenses were \$20,933 or 15.79% below the same period of the prior fiscal year. The decrease is due mainly to the timing of when SMUD invoices are received and processed for payment.

**ELK GROVE WATER DISTRICT FISCAL YEAR 2020-21 QUARTERLY OPERATING  
BUDGET STATUS REPORT**

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**ENVIRONMENTAL CONSIDERATIONS**

There are no direct environmental considerations associated with this report.

**STRATEGIC PLAN CONFORMITY**

This item conforms to the FRCD/EGWD's 2020-2025 Strategic Plan. Development and adoption of annual budgets that are balanced through cost saving measures or transfers from operating reserves is specifically identified as an objective in the Fiscal Responsibility section of the Strategic Plan.

**FINANCIAL SUMMARY**

This report is provided to the Board for information only. There is no financial impact associated with this item at this time. Staff has provided a copy of the September 30, 2020 Quarterly Budget Review (attached) for the first quarter. The Quarterly Budget Review includes the line item detail for the expenditure categories for the quarter-to-date for FY 2020-21, as well as the detail for last year's quarter-to-date.

Respectfully submitted,



PATRICK LEE  
FINANCE MANAGER/TREASURER

Attachment

**ELK GROVE WATER DISTRICT  
 QUARTERLY BUDGET REVIEW  
 THROUGH SEPTEMBER 30, 2020  
 FISCAL YEAR 2020-21**

Account Description	FY 2020-21 Budget	Y-T-D 9/30/2020	25.00% Percentage	Y-T-D 9/30/2019	Change from prior year
4100 Water Payment Revenues - Residential	\$ 13,114,207	4,363,367	33.27%	\$ 4,153,640	\$ 209,727
4110 Water Payment Revenues - Commercial	1,875,372	523,299	27.90%	519,407	3,892
4120 Water Payment Revenues - Fire Service	194,563	44,964	23.11%	49,130	(4,166)
4200 Meter Fees/Plan Check/Water Capacity	30,000	72,291	240.97%	143,275	(70,984)
4201 Backflow Installation	10,000	9,602	96.02%	3,350	6,252
4300 Fire Protection	-	468	-	-	468
4520 Door Hanger Fees	115,000	-	0.00%	42,550	(42,550)
4540 New account Fees	25,000	10,860	43.44%	7,620	3,240
4550 NSF Fees	3,000	525	17.50%	735	(210)
4560 Fees & Penalties	-	32	100.00%	-	32
4570 Shut-off Fees	50,000	-	0.00%	17,300	(17,300)
4575 24 Hour Turn On	-	-	0.00%	-	-
4580 Restoration Fees	-	-	0.00%	-	-
4585 Administration Citations	-	100	0.00%	-	100
4590 Credit Card Fees	8,000	-	0.00%	2,760	(2,760)
4591 Sac County Release of Lien Fee	-	222	0.00%	16	206
4900 Customer Refunds	(1,000)	-	0.00%	-	-
<b>TOTAL GROSS REVENUES</b>	<b>\$ 15,424,142</b>	<b>\$ 5,025,730</b>	<b>32.58%</b>	<b>\$ 4,939,783</b>	<b>\$ 85,947</b>

**ELK GROVE WATER DISTRICT  
QUARTERLY BUDGET REVIEW  
THROUGH SEPTEMBER 30, 2020  
FISCAL YEAR 2020-21**

Account	Description	FY 2020-21 Budget	Y-T-D 9/30/2020	25.00% Percentage	Y-T-D 9/30/2019	Change from prior year
	Salaries & Benefits					
5100	Executive Salary	211,486	48,252	22.82%	48,770	(518)
5110	Exempt Salaries	576,491	139,774	24.25%	162,654	(22,880)
5120	Non-Exempt Salaries	1,538,721	443,056	28.79%	387,755	55,301
5130	Overtime Compensation	48,500	7,355	15.16%	6,785	569
5140	On Call Pay	18,250	8,204	44.95%	4,300	3,904
5150	Holiday Pay	124,981	18,699	14.96%	19,436	(737)
5160	Vacation Pay	123,294	34,559	28.03%	28,094	6,465
5170	Personal Time Pay	99,985	27,241	27.25%	23,403	3,838
5200	Medical Benefits	796,543	106,215	13.33%	154,967	(48,752)
5195	EAP	944	154	16.33%	200	(46)
5201	EGWD Contribution H.S.A	23,500	-	0.00%	-	-
5210	Dental/Vision/Life Insurance	63,562	9,312	14.65%	13,580	(4,268)
5220	Retirement Benefits	361,277	146,564	40.57%	213,433	(66,869)
5225	Retirement Benefits - Post Employment	165,316	13,680	8.28%	15,188	(1,507)
5230	Medical Tax, Social Security and SUI	63,503	8,861	13.95%	9,959	(1,098)
5240	Worker's Compensation Insurance	102,585	-	0.00%	-	-
5250	Education Assistance	2,500	-	0.00%	-	-
5260	Employee Training	45,500	-	0.00%	4,663	(4,663)
5270	Employee Recognition	2,880	315	10.93%	817	(502)
5280	Meetings	3,200	-	0.00%	-	-
	Less Capitalized Expenditures	(376,961)	(37,683)	10.00%	(55,799)	18,116
	Less Remaining CalPERS prepayment	N/A	(68,174)	N/A	(128,262)	N/A
	Category Subtotal	<b>3,996,057</b>	<b>906,382</b>	<b>22.68%</b>	<b>909,942</b>	<b>(3,560)</b>
	Seminars, Conventions and Travel					
5300	Airfare	5,600	(39)	-0.70%	2,219	(2,258)
5310	Hotels	17,441	-	0.00%	604	(604)
5320	Meals	7,246	265	3.66%	561	(296)
5330	Auto Rental	2,200	-	0.00%	-	-
5340	Seminars & Conferences	12,900	(1,885)	-14.61%	5,525	(7,410)
5350	Mileage Reimbursement, Parking, Tolls	1,920	-	0.00%	160	(160)
5375	Auto Allowance	6,000	1,430	23.83%	1,500	(70)
	Category Subtotal	<b>53,307</b>	<b>(229)</b>	<b>-0.43%</b>	<b>10,569</b>	<b>(10,798)</b>

**ELK GROVE WATER DISTRICT  
 QUARTERLY BUDGET REVIEW  
 THROUGH SEPTEMBER 30, 2020  
 FISCAL YEAR 2020-21**

Account	Description	FY 2020-21 Budget	Y-T-D 9/30/2020	25.00% Percentage	Y-T-D 9/30/2019	Change from prior year
	Office & Operational					
5410	Advertising	6,000	2,786	46.44%	159	2,627
5415	Association Dues	154,606	116,045	75.06%	89,843	26,202
5420	Insurance	102,880	26,440	25.70%	23,478	2,962
5425	Licenses, Certifications, Fees	6,445	889	13.79%	80	809
5430	Repairs & Maintenance - Automotive	42,000	5,719	13.62%	5,250	469
5432	Repairs & Maintenance - Building	63,500	4,834	7.61%	8,755	(3,922)
5434	Repairs & Maintenance - Computers	19,375	558	2.88%	734	(177)
5435	Repairs & Maintenance - Equipment	102,000	18,314	17.95%	28,020	(9,706)
5438	Fuel	41,720	5,603	13.43%	8,519	(2,917)
5440	Materials	97,000	20,343	20.97%	24,138	(3,796)
5445	Chemicals	45,000	13,703	30.45%	15,261	(1,557)
5450	Meter Repairs	130,000	10,083	7.76%	39,854	(29,771)
5453	Permits	65,050	3,217	4.95%	3,217	-
5455	Postage	84,950	9,478	11.16%	13,600	(4,122)
5460	Printing	30,350	-	0.00%	181	(181)
5465	Safety Equipment	15,500	2,667	17.21%	3,703	(1,036)
5470	Software Programs & Updates	210,693	58,877	27.94%	30,968	27,909
5475	Supplies	30,720	2,912	9.48%	6,628	(3,716)
5480	Telephone	39,589	4,250	10.74%	4,073	177
5485	Tools	12,500	5,782	46.26%	3,911	1,871
5490	Clothing Allowance	7,700	630	8.18%	505	125
5491	EGWD-Other Clothing	13,000	2,252	17.32%	-	2,252
5493	Water Conservation Materials	18,000	-	0.00%	-	-
	Category Subtotal	<b>1,338,578</b>	<b>315,380</b>	<b>23.56%</b>	<b>310,878</b>	<b>4,502</b>
Account	Description					
5495	Purchased Water	<b>3,198,404</b>	<b>976,881</b>	<b>30.54%</b>	<b>905,202</b>	<b>71,679</b>



**ELK GROVE WATER DISTRICT  
 QUARTERLY BUDGET REVIEW  
 THROUGH SEPTEMBER 30, 2020  
 FISCAL YEAR 2020-21**

Account	Description	FY 2020-21 Budget	Y-T-D 9/30/2020	23.83% Percentage	Y-T-D 9/30/2019	Change from prior year
	Outside Services					
5505	Administration Services	3,590	393	10.94%	298	95
5510	Bank Charges	184,308	43,105	23.39%	41,567	1,538
5515	Billing Services	28,800	4,031	14.00%	4,631	(601)
5520	Contracted Services	521,000	60,186	11.55%	62,066	(1,881)
5525	Accounting Services	35,000	11,414	32.61%	12,600	(1,186)
5530	Engineering	115,000	5,127	4.46%	9,100	(3,973)
5532	Special Projects	100,000	-	0.00%	-	-
5535	Legal Services	175,000	15,665	8.95%	15,705	(40)
5540	Financial Consultants	10,000	-	0.00%	-	-
5545	Community Relations	9,200	-	0.00%	6,830	(6,830)
5550	Pre-employment	2,500	-	0.00%	840	(840)
5552	Misc. Medical	1,000	230	23.00%	172	58
5555	Janitorial	22,000	5,589	25.40%	2,078	3,511
5560	Bond Administration	7,050	3,670	52.06%	3,720	(50)
5570	Security	29,100	5,485	18.85%	5,299	186
5575	Sampling	40,000	15,459	38.65%	9,944	5,515
	Category Subtotal	<b>1,283,548</b>	<b>170,352</b>	<b>13.27%</b>	<b>174,850</b>	<b>(4,498)</b>
	Equipment Rent, Taxes and Utilities					
5620	Equipment Rental	27,800	5,273	18.97%	4,256	1,017
5710	Property Taxes	1,500	68	4.54%	99	(31)
5740	Electricity	397,000	93,402	23.53%	121,440	(28,038)
5750	Natural Gas	900	17	1.86%	17	(0)
5760	Sewer and Garbage	37,180	12,844	34.55%	6,725	6,119
	Category Subtotal	<b>464,380</b>	<b>111,604</b>	<b>24.03%</b>	<b>132,537</b>	<b>(20,933)</b>
	Total Operational Expenses	<b>10,334,274</b>	<b>2,480,371</b>	<b>24.00%</b>	<b>2,443,978</b>	<b>36,393</b>

October 20, 2020

TO: Chair and Directors of the Florin Resource Conservation District

FROM: Patrick Lee, Finance Manager/Treasurer

SUBJECT: **ELK GROVE WATER DISTRICT FISCAL YEAR 2020-21 QUARTERLY CAPITAL RESERVE STATUS REPORT**

### **RECOMMENDATION**

This item is presented for information only. No action by the Florin Resource Conservation District Board of Directors is proposed at this time.

### **SUMMARY**

On June 16, 2020, the Florin Resource Conservation District (District) Board of Directors (Board) adopted the District's Reserve and Capital Investments Policy (Policy), establishing the funding levels for each of the District's respective reserve funds. Per the Policy, the District's unrestricted net position is allocated first to the Operating Reserve (120 days of budgeted operating and maintenance expenses), then to the Fiscal Year (FY) 2020-21 capital budget, followed by elections/special studies, with the balance allocated to future capital improvements and future capital replacements in the ratio of 75:25, respectively. The total unrestricted net position that is available to be allocated to reserves at July 1, 2020 was \$18,314,558.

Through the first quarter of FY 2020-21, the District expended \$159,6650 for capital projects leaving a remaining total reserve balance at September 30, 2020 of \$18,154,908. Total amount expended of \$159,650 includes \$20,114 of expenditures related to projects carrying over from prior year but not budgeted for in the FY 2020-21 Capital Improvement Program (CIP).

### **DISCUSSION**

#### **Background**

On June 16, 2020, the Board approved the FY 2020-21 Elk Grove Water District (EGWD) Operating Budget and the EGWD CIP that included an appropriation of \$15.769 million in expenditures, including \$1.430 million in unrestricted funds to the FY 2020-21 CIP reserve funds. On June 22, 2020, the Board held a Special Board Meeting and amended the FY 2020-21 EGWD Operating Budget and the EGWD FY 2021-2025 CIP by increasing the appropriation to capital projects by \$2.0 million, resulting in an

**ELK GROVE WATER DISTRICT FISCAL YEAR 2020-21 QUARTERLY CAPITAL RESERVE STATUS REPORT**

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appropriation of \$17.769 million in expenditures, including \$3.430 million to the FY 2020-21 CIP reserves.

Present Situation

EGWD has appropriated Reserve Funds for FY 2020-21 as follows:

• Operations Reserves (120 days)	\$ 4,714,436
• FY 2020-21 Capital Improvement Fund	\$ 2,525,000
• FY 2020-21 Capital Replacement Fund	\$ 905,000
• Elections and Special Studies	\$ 250,000
• Future Capital Improvements	\$ 7,440,091
• Future Capital Replacements	<u>\$ 2,480,030</u>
	\$ 18,314,558

EGWD has expended \$159,650 for capital expenditures through September 30, 2020 as follows:

• Capital Improvement Fund	
○ Service Line Replacements	\$ 19,430
○ 9829 Waterman Rd	\$ 25,000
○ Unforeseen Capital Projects	<u>\$ 27,075</u>
TOTAL	\$ 72,355
• Capital Replacement Fund	
○ Backyard Watermain Replacements	\$ 39,256
○ Well Rehab 11D	\$ 20,114
○ Unforeseen Capital Projects	<u>\$ 27,075</u>
TOTAL	\$ 87,295

The EGWD remaining reserve fund balances as of September 30, 2020 are as follows:

• Operations Reserves (120 days)	\$ 4,714,436
• FY 2020-21 Capital Improvement Fund	\$ 2,452,645
• FY 2020-21 Capital Replacement Fund	\$ 817,705
• Elections and Special Studies	\$ 250,000
• Future Capital Improvements	\$ 7,440,091
• Future Capital Replacements	<u>\$ 2,480,030</u>
	\$ 18,154,908

October 20, 2020

**ELK GROVE WATER DISTRICT FISCAL YEAR 2020-21 QUARTERLY CAPITAL RESERVE STATUS REPORT**

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**ENVIRONMENTAL CONSIDERATIONS**

There are no environmental considerations associated with this report.

**STRATEGIC PLAN CONFORMITY**

This item conforms to the FRCD/EGWD's 2020-2025 Strategic Plan. Developing and adopting annual budgets that are balanced through cost saving measures or transfers from operating reserves is specifically identified as an objective in the Fiscal Responsibility section of the Strategic Plan.

**FINANCIAL SUMMARY**

There is no financial impact with this report. Staff has provided a copy of the September 30, 2020 Quarterly Capital Reserves Review (attached) for the first quarter.

Respectfully submitted,



PATRICK LEE  
FINANCE MANAGER/TREASURER

Attachment

**ELK GROVE WATER RESERVES**  
**Fiscal Year 2020-21**  
**As of September 30, 2020**

Total Available      \$ 18,314,558      at 7/1/2020

	←	←	←	←	←	←
	<b>Operating Reserves</b>	<b>Capital Improvements</b>	<b>Capital Replacements</b>	<b>Elections/ Special Studies</b>	<b>Future Capital Improvements</b>	<b>Future Capital Replacements</b>
Needed	Funded	Funded	Funded	Funded	Funded	Funded
\$ 4,714,436	\$ 2,525,000	\$ 905,000	\$ 250,000	\$ 7,440,091	\$ 2,480,030	\$ 2,480,030
Available	Expended	Expended	Expended	Expended	Expended	Expended
-	\$ 72,355	\$ 87,295	\$ -	\$ -	\$ -	\$ -
Remaining	Remaining	Remaining	Remaining	Remaining	Remaining	Remaining
\$ 4,714,436	\$ 2,452,645	\$ 817,705	\$ 250,000	\$ 7,440,091	\$ 2,480,030	\$ 2,480,030

**Capital Improvement Funds**

<b>Supply/Dist. Improvements</b>	<b>Treatment Plant Improvements</b>	<b>Bldng/Site/Veh. Improvements</b>	<b>Unforeseen Capital Projects</b>
Funded	Funded	Funded	Funded
\$ 140,000	\$ 100,000	\$ 2,235,000	\$ 50,000
Expended	Expended	Expended	Expended
\$ 19,430	\$ -	\$ 25,000	\$ 27,925
Remaining	Remaining	Remaining	Remaining
\$ 120,570	\$ 100,000	\$ 2,210,000	\$ 22,075

**Capital Replacement Funds**

<b>Supply/Dist. Improvements</b>	<b>Treatment Plant Improvements</b>	<b>Bldng/Site/Veh. Improvements</b>	<b>Unforeseen Capital Projects</b>
Funded	Funded	Funded	Funded
\$ 795,000	\$ 50,000	\$ 10,000	\$ 50,000
Expended	Expended	Expended	Expended
\$ 59,370	\$ -	\$ -	\$ 27,925
Remaining	Remaining	Remaining	Remaining
\$ 735,630	\$ 50,000	\$ 10,000	\$ 22,075

October 20, 2020

TO: Chair and Directors of the Florin Resource Conservation District  
FROM: Donella Murillo, Finance Supervisor  
SUBJECT: **UNCLAIMED CHECK POLICY**

---

### **RECOMMENDATION**

It is recommended that the Florin Resource Conservation District Board of Directors adopt Resolution No. 10.20.20.02, establishing an Unclaimed Check Policy.

### **SUMMARY**

The purpose of this Unclaimed Check Policy is to provide a means to address long standing unclaimed checks in a manner that is in accordance with California Government Code (CA Gov Code) §50050-50055 and to provide general policy and procedural guidelines for the Finance Department regarding unclaimed funds.

By this action, the Florin Resource Conservation District (District) Board of Directors (Board) would adopt Resolution No. 10.20.20.02, establishing an Unclaimed Check Policy (attached).

### **DISCUSSION**

#### **Background**

On February 18, 2020, the District's Board adopted Resolution No. 02.18.20.01, approving the District's 2020-2025 Strategic Plan. As part of the development of the plan, staff, along with the Board, identified various strategic goals and designed objectives to achieve those goals. One (1) of the goals identified was "Governance and Customer Engagement", which included a specific objective to have staff continue to "monitor, review and update District policies to adhere to changes in operational, environmental, and legislative requirements."

As part of achieving the goal identified above, staff has developed a proposed policy to comply with the provisions of CA Gov Code §50050-50055 in dealing with unclaimed checks that are not the property of the District and remain unclaimed by vendors and customers. An unclaimed check is a check issued by the District to a vendor for services rendered or to a customer for overpayment or on a closed account.

## **UNCLAIMED CHECK POLICY**

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Page 2

### Present Situation

As of June 30, 2020, the District holds a total of 212 checks, totaling \$17,669.76, that have been unclaimed for a period of three (3) or more years. These outstanding checks create a reconciling difference between the District's cash balance in the general ledger and the cash balance per the District's operating bank. It is the intention of the District that cash balances be properly accounted for and recorded in the general ledger.

Staff has developed a proposed policy setting forth the requirements of CA Gov Code §50050-50055 that will provide the Finance Department with procedural guidelines for handling unclaimed checks.

Key components required for compliance with CA Gov Code §50050-50055 are:

1. The District must provide public notice of all unclaimed checks and a designated date not less than 45 days or more than 60 days after the first publication of the notice that the unclaimed funds will become the property of the District (CA Gov Code §50051).
2. Allow a party of interest to file a claim with the District until the designated date. Claims shall be reviewed and subject to approval or rejection by the District (CA Gov Code §50052).
3. Approved claims will result in the issuance of a new check to claimants (CA Gov Code §50052.5).
4. Any checks left unclaimed after the designated date shall have the funds deposited into the District's operating account and properly recorded into the general ledger (CA Gov Code §50053).
5. All unclaimed checks of less than fifteen dollars (\$15) which remain unclaimed for the period of one year may be transferred to the operating account by the District without the necessity of publication of a notice in a newspaper (CA Gov Code §50055).

The proposed policy (attached) provides more detail including the procedural guidelines for handling unclaimed checks.

## **ENVIRONMENTAL CONSIDERATIONS**

There are no direct environmental considerations associated with this report.



**UNCLAIMED CHECK POLICY**

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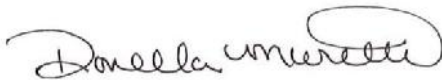
**STRATEGIC PLAN CONFORMITY**

Updating Board policies provides the Board the ability to maintain and oversee compliance of operations and thereby conforms with Strategic Goal No. 1, Governance and Customer Engagement, of the Strategic Plan 2020-2025.

**FINANCIAL SUMMARY**

Any unclaimed checks remaining after the 45 day noticing period will be redeposited into the District's operating account. As of June 30, 2020, the total amount of all unclaimed checks outstanding for a period of three (3) or more years is \$17,669.76.

Respectfully Submitted,



DONELLA MURILLO  
FINANCE SUPERVISOR

Attachments

**RESOLUTION NO. 10.20.20.02**

**A RESOLUTION OF THE FLORIN RESOURCE CONSERVATION  
DISTRICT BOARD OF DIRECTORS ESTABLISHING  
AN UNCLAIMED CHECK POLICY**

**WHEREAS** the Florin Resource Conservation District owns and operates a public water utility, the Elk Grove Water District; together herein after referred to as the District; and

**WHEREAS** the Florin Resource Conservation District Board of Directors, establishes written policies and procedures for the District to abide by; and

**WHEREAS** the District, during the normal course of operations, accumulates uncashed checks payable to vendors and customers; and

**WHEREAS** California Government Code Sections 50050-50055 outlines the process and requirements of unclaimed monies; and

**WHEREAS** the District is establishing an Unclaimed Check Policy to ensure unclaimed checks are identified, tracked and accounted for properly.

**NOW THEREFORE, THE FLORIN RESOURCE CONSERVATION DISTRICT BOARD OF DIRECTORS, DOES HEREBY RESOLVE:**

SECTION 1. The Florin Resource Conservation District Board of Directors hereby adopts the foregoing recitals as true and correct and incorporates them herein by reference.

SECTION 2. The Florin Resource Conservation District Board of Directors hereby adopts and established the Unclaimed Check Policy attached hereto as Exhibit "A".

SECTION 3. The Board Secretary shall certify to the adoption of this Resolution.

SECTION 4. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, AND ADOPTED this 20<sup>th</sup> day of October 2020.

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Tom Nelson  
Chair

Attest:

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Stefani Phillips  
Board Secretary

Approved as to form:

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Richard E. Nosky  
District Legal Counsel

**EXHIBIT “A”**

**FLORIN RESOURCE CONSERVATION DISTRICT**

**“UNCLAIMED CHECK POLICY”**

[Attached behind this cover page]

Policy Type: Florin Resource Conservation District Board of Directors  
Policy Title: Unclaimed Check Policy  
Date Adopted:  
Resolution No:  
Date Amended:

## **I. PURPOSE**

The purpose of this policy is for the Florin Resource Conservation District/Elk Grove Water District (District) is to provide a means to address long standing unclaimed checks in a manner that is in accordance with governing statutes, and to provide general policy and procedural guidelines for the Finance Department regarding unclaimed funds.

## **II. POLICY**

This policy is intended to address that cash balances be properly accounted for and recorded in the general ledger. Pursuant to California Government Code §50050-50055 it is the responsibility of the District to ensure unclaimed checks are identified, tracked and accounted for properly. This policy is established to address the treatment of unclaimed checks from the District. In the event of any conflict between the provisions of the California Government Code and the provisions of this policy, the provisions of the Government Code shall prevail.

## **III. UNCLAIMED CHECKS**

During the normal course of operations, the District accumulates uncashed checks payable to vendors and customers. The following procedures are designed to properly dispose of such unclaimed property in accordance with the California Government Code:

### **A. Annual Review and Determination**

Annually, on or around January 1 of each year, the Finance Supervisor will generate an outstanding check list and identify any checks that fall into the following categories:

1. Check amount is equal to or less than \$15 and is outstanding for more than one (1) year
2. Check amount exceeds \$15 and is outstanding for more than three (3) years

For checks that fall into Category 1, a journal entry shall be proposed by the Finance Supervisor and approved by the Finance Manager to credit the amounts to the District's fund from which the check originated (California Government Code Sections 50055).

For checks that fall into Category 2, that are not the property of the District and remain unclaimed for a period of more than three (3) years can become the

property of the District 45 days after an initial public notice is published (California Government Code §50050 and 50051).

#### B. Public Notice

Unclaimed checks in Category 2 shall be reviewed by the Finance Supervisor and a determination will be made to proceed if the total unclaimed checks exceed the cost to publish a public notice. The Finance Supervisor, approved by the Finance Manager, shall publish a notice once a week for two (2) successive weeks in a newspaper of general circulation and on the District's website. The notice shall state the presumed claimant's name, the amount of money, the fund in which it is held, and that it is proposed the money will become the property of the District on a designated date not less than 45 days or more than 60 days after the first publication of the notice (California Government Code §50051).

Proof of publication from the newspaper shall be retained in accordance with the District's records retention policy as evidence of meeting the publishing requirements as stated in this policy.

#### C. Claim Requirements

A party of interest may file a claim at any time until the date on which the money becomes the property of the District. The claim form must include the claimant's name, address, telephone number, and Social Security Number or Federal Employer Identification Number. The claimant's address, telephone number, and Social Security Number or Federal Employer Identification Number shall not be subject to public disclosure without authorization from the Finance Manager. The claim form must include proof of identity such as a copy of a driver's license, social security card or birth certificate, the amount of the claim, and the grounds on which the claim is founded (California Government Code §50052).

#### D. Release and Disbursement

Upon receipt of the information and documents described above, the Finance Manager, or his or her designee, may release the money by issuance of a new check to the claimant, unless the Finance Manager rejects the claim. The Finance Manager, or his or her designee, may release the money to a depositor, or heir, beneficiary, or duly appointed representative (California Government Code §50052.5).

#### E. Rejection of Claim

Upon rejection of a claim by the Finance Manager, a claimant may file a verified complaint in the Sacramento County Superior Court seeking to recover all, or a designated part, of the money. A copy of the complaint and summons must be served to the District within 30 days of claimant receiving notice that the claim was

rejected. The Finance Manager shall withhold the release of the portion of the unclaimed funds for which a court action has been filed until a decision is rendered by the court (California Government Code Section 50052).

#### F. Unclaimed Checks

Effective on the designated date, if no claim is filed against the unclaimed check, the check will revert to the District upon close of business on the 45<sup>th</sup> day after publication of the first notice. A journal entry shall be proposed by the Finance Supervisor and approved by the Finance Manager to credit the amounts to the District's fund from which the check originated.

APPENDIX A – Unclaimed Checks Notice

APPENDIX B – Unclaimed Funds Claim Form



## APPENDIX A

### UNCLAIMED CHECKS NOTICE

Notice is hereby given that the Florin Resource Conservation District/Elk Grove Water District (District) has posted a list of unclaimed checks on its website at [www.egwd.org](http://www.egwd.org) and in the Elk Grove Citizen. If said funds are not claimed by month, day, year, these funds will become the property of the District in accordance with California Government Code Sections 50050 – 50051. These funds may be released to the depositor, or heir, beneficiary or duly appointed representative provided a claim form has been completed with the necessary information.

The Unclaimed Funds Claim Form is available at the District, 9257 Elk Grove Blvd, Elk Grove, CA 95624, or online at [www.egwd.org](http://www.egwd.org). Required claim information includes name, address, phone number, tax identification number, amount of claim, and grounds on which claim is founded. Once a claim is submitted, the Finance Department will determine what, if any, additional information is necessary.

**APPENDIX B**

**Florin Resource Conservation District/Elk Grove Water District  
Unclaimed Funds Claim Form**

Pursuant to California Government Code Section 50052, I wish to file a claim for unclaimed funds in the amount of \_\_\_\_\_ that was posted by the Florin Resource Conservation District/Elk Grove Water District (District) on \_\_\_\_\_. The undersigned claimant certifies, under penalty of perjury, that the claimant has read the claim, knows the contents thereof, is the owner of said claim, and is the person entitled to receive the money and property set forth in said claim. Each claimant agrees to indemnify and hold harmless the District, its officers, and employees from any loss resulting from the payment of said claim. The grounds on which I file this claim are:

Claims filed for a vendor require the authorized owner's signature. Claims filed for an estate or trust, require the signature of the executor, administrator or attorney.

Vendor or individual(s) name	Taxpayer ID No. or Social Security No.
Signature	Telephone
Address	City, State, Zip Code

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**FINANCE USE ONLY**

Claim received on _____.	Approved <input type="checkbox"/>	Denied <input type="checkbox"/>
Original Warrant No.:	Date:	Amount:
Replacement Warrant No.:	Date:	Amount:

October 20, 2020

TO: Chair and Directors of the Florin Resource Conservation District

FROM: Mark J. Madison, General Manager

SUBJECT: **OUTSIDE AGENCY MEETINGS REPORT**

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### **RECOMMENDATION**

This item is presented for information only. No action by the Florin Resource Conservation District Board of Directors is proposed at this time.

### **SUMMARY**

The Outside Agency Meetings Report is a standing item on the regular board meeting agenda. Staff and Florin Resource Conservation District (FRCD) Board of Directors (Board) attended numerous outside agency meetings since the last regular Board meeting. This report is intended to inform the Board of any substantive content included in those meetings that potentially affects the Elk Grove Water District (EGWD).

### **DISCUSSION**

#### **Background**

Each month, staff reports on the outside agency meetings that occurred since the previous Board meeting. This report has been designed to list the notable meetings attended, by either staff or Board members, and the report will be given orally by staff or Board members in attendance.

#### **Present Situation**

The notable outside agency meetings attended since September 15, 2020 were as follows:

- 9/16 Regional Water Authority (RWA) Advocacy Program Monthly Meeting (Franklin)
- 10/9 Regional Water Authority (RWA) Urban Water Management Plan (UWMP) Five-Year Drought Planning (Franklin)
- 10/13 RWA UWMP Climate Change Considerations (Franklin)
- 10/14 Sacramento Central Groundwater Authority (SCGA) Regular Board Meeting (Madison, Kamilos)

**OUTSIDE AGENCY MEETINGS REPORT**

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10/16 SCGA South American Subbasin Groundwater Sustainability Plan (GSP)  
Working Group Meeting (Madison)

10/20 RWA UWMP Water Shortage Contingency Meeting (Franklin)

Staff will orally present the major content items addressed in these meetings during the regular Board meeting.

**ENVIRONMENTAL CONSIDERATIONS**

There are no direct environmental considerations associated with this report.

**STRATEGIC PLAN CONFORMITY**

Participating and actively engaging in outside agency meetings conforms with Strategic Goal No. 7, Water Industry Leadership, of the Strategic Plan 2020-2025.

**FINANCIAL SUMMARY**

There is no financial impact associated with this report.

Respectfully submitted,



MARK J. MADISON  
GENERAL MANAGER

October 20, 2020

TO: Chair and Directors of the Florin Resource Conservation District  
FROM: Travis Franklin, Program Manager  
SUBJECT: **LEGISLATIVE UPDATE AND POTENTIAL DIRECTION TO STAFF**

## **RECOMMENDATION**

This item is presented as information although the Florin Resource Conservation District Board of Directors may provide an action to authorize staff to respond to a legislative item.

## **SUMMARY**

Several bills introduced in the 2020 legislative session that Florin Resource Conservation District/Elk Grove Water District (District) has tracked have been signed into law and are highlighted below. Strategizing has begun for bringing water theft and board compensation legislation forward during the 2020-2021 legislative session.

## **DISCUSSION**

### **Background**

The Florin Resource Conservation District (FRCD) Board of Directors (Board) is periodically updated on legislative and regulatory issues.

### **Present Situation**

In September, the Legislature delivered numerous bills to the Governor's desk and throughout the month the Governor signed those bills into law. The following bills were ones the District has been tracking.

### **AB 685 (Reyes) COVID-19: imminent hazard to employees: exposure: notification: serious violations.**

This bill would require an employer, that receives a notice of potential exposure to COVID-19 to provide specified notifications to its employees within one business day of the notice of potential exposure. If the employer is notified of numerous cases that meet the definition of a COVID-19 outbreak, as defined by the State Department of Public Health, the employer must report prescribed information to the local public health agency in the jurisdiction of the worksite within 48 hours.

**LEGISLATIVE UPDATE AND POTENTIAL DIRECTION TO STAFF**

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**AB 992 (Mullin) Open meetings: local agencies: social media**

The Ralph M. Brown Act generally requires that the meetings of legislative bodies of local agencies be conducted openly. That act defines “meeting” for purposes of the act and prohibits a majority of the members of a legislative body, outside a meeting authorized by the act, from using a series of communications of any kind to discuss, deliberate, or take action on any item of business that is within the subject matter jurisdiction of the legislative body.

This bill would provide that the prohibition described above does not apply to the participation, as defined, in an internet-based social media platform, as defined, by a majority of the members of a legislative body, provided that a majority of the members do not discuss among themselves, as defined, business of a specific nature that is within the subject matter jurisdiction of the legislative body of the local agency.

**AB 1867 (Committee on Budget) Small employer family leave mediation: handwashing: supplemental paid sick leave.**

This bill would establish COVID-19 supplemental paid sick leave for covered workers, including certain persons employed by private businesses of 500 or more employees or persons employed as certain types of health care providers or emergency responders by public or private entities. The bill’s requirements to provide COVID-19 supplemental paid sick leave for covered workers would expire on December 31, 2020, or upon the expiration of any federal extension of the Emergency Paid Sick Leave Act established by the federal Families First Coronavirus Response Act, whichever is later.

**AB 2560 (Quirk) Water quality: notification and response levels: procedures**

This bill would require the State Water Board, when establishing or revising notification or response levels to provide notice and make documents available, including the complete studies that were used to establish the level, at least 45 calendar days before finalizing the notification or response level.

**SB 998 (Moorlach) Local government: investments**

This bill would prohibit local agencies that have less than \$100,000,000 of investment assets under management from investing more than 25% of their monies in eligible commercial paper. The bill also restricts investing more than 10% of an agency’s total investment assets in the commercial paper and medium-term notes of any single issuer.

**LEGISLATIVE UPDATE AND POTENTIAL DIRECTION TO STAFF**

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**SB 1044 (Allen) Firefighting equipment and foam: PFAS chemicals**

This bill would require any person or manufacturer that sells firefighter personal protective equipment to any person or public entity, to provide a written notice to the purchaser at the time of sale if the equipment contains PFAS chemicals. In addition, commencing January 1, 2022, this bill would prohibit a manufacturer of class B firefighting foam from manufacturing, or knowingly selling, offering for sale, distributing for sale, or distributing for use in this state class B firefighting foam to which PFAS chemicals have been intentionally added.

**SB 1159 (Hill) Workers' compensation: COVID-19: critical workers**

This bill would define "injury" for an employee to include illness or death resulting from the 2019 novel coronavirus disease (COVID-19) under specified circumstances, until January 1, 2023. The bill would create a disputable presumption that the injury arose out of and in the course of the employment and is compensable, for specified dates of injury. The bill would require an employee to exhaust their paid sick leave benefits and meet specified certification requirements before receiving any temporary disability benefits or a leave of absence. The bill would also make a claim relating to a COVID-19 illness presumptively compensable, as described above, after 30 days or 45 days, rather than 90 days. Until January 1, 2023, the bill would allow for a presumption of injury for all employees whose fellow employees at their place of employment experience specified levels of positive testing, and whose employer has five (5) or more employees.

**SB 1383 (Jackson) Unlawful employment practice: California Family Rights Act.**

Current law allows an employee to take off up to 40 hours each year to find, enroll or re-enroll their child in a school, to participate in school activities or to address emergency situations at school. This bill would authorize an employee to take time off in excess of 40 hours in the case of a school closure due to an emergency declaration by a federal, state or local government agency, up to the duration of the emergency.

**SB 1386 (Moorlach) Local government: assessments, fees and charges: water**

This bill would restate that "water" for purposes of the Proposition 218 Omnibus Implementation Act also includes the public fixtures, appliances and appurtenances (including fire hydrants) connected to and maintained by the water provider. Therefore, the water service charge may include the costs to construct, maintain, repair or replace public hydrants and the associated water attached to a water system.



**LEGISLATIVE UPDATE AND POTENTIAL DIRECTION TO STAFF**

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Unfortunately, water theft legislation did not go forward in the 2019-2020 legislative session, but the District has started the process to pursue water theft legislation in the 2020-2021 legislative session. The District submitted a legislative proposal to the Association of California Water Agencies to consider for sponsorship and has reached out to Assemblyman Jim Cooper about sponsoring the bill. The District has also begun discussions with the Regional Water Authority and California Special Districts Association about pursuing Board Member compensation legislation in the coming legislative session.

The governor signed executive order N-82-20 on October 7, 2020 to promote biodiversity and climate resilience by protecting 30% of California’s lands and coastal waters by 2030. The California Natural Resources Agency and other relevant state agencies are directed to develop and report strategies to the Governor no later than February 1, 2022 to achieve this goal. It is not clear what impacts this order will have on the District, but Staff will continue to monitor this item.

**ENVIRONMENTAL CONSIDERATIONS**

There are no direct environmental considerations associated with this report.

**STRATEGIC PLAN CONFORMITY**

Tracking active legislation complies with the District’s Water Industry Leadership goals of the 2020-2025 Strategic Plan.

**FINANCIAL SUMMARY**

There is no direct financial impact associated with this report.

Respectfully submitted,



TRAVIS FRANKLIN  
PROGRAM MANAGER

October 20, 2020

TO: Chair and Directors of the Florin Resource Conservation District

FROM: Mark J. Madison, General Manager

SUBJECT: **CLOSING OF ESCROW – ELK GROVE MASONIC LODGE #173 TEMPLE ASSOCIATION PROPERTY APN #134-0110-123 AND FLORIN RESOURCE CONSERVATION DISTRICT PROPERTY APN #127-0170-005**

### **RECOMMENDATION**

It is recommended that the Florin Resource Conservation District Board of Directors adopt Resolution No. 10.20.20.03, authorizing the General Manager to execute any and all documents necessary to effectuate closing on the District's acquisition of APN #134-0110-123 and the District's sale of APN #127-0170-005.

### **SUMMARY**

On June 24, 2020, the Florin Resource Conservation District (FRCD) entered into an escrow account to purchase APN #134-0110-123 from the Elk Grove Masonic Lodge #173 Temple Association (Masons). In exchange, the Masons would purchase APN #134-0110-123 from FRCD. FRCD would pay \$1,850,000 to purchase the Masons' property. The FRCD's purchase also includes a clause to leaseback to the Masons, on a full-service basis, the Masons' property for a period up to nine (9) months at \$5,555 per month. The Masons would pay \$900,000 to purchase the FRCD property. The Masons' purchase includes a clause to leaseback to the FRCD, on a full-service basis, the FRCD's administration building on the property for a period up to July 30, 2022 at \$6,000 per month.

Because the Masons' purchase of the FRCD property will require a longer timeline to close escrow, FRCD and the Masons have agreed to stagger the closings of the two (2) properties. Therefore, staff recommends that the FRCD Board of Directors (Board) authorize the General Manager to execute any and all documents necessary to effectuate the closings of escrow of the two (2) previously mentioned properties on timeframes independent of one (1) another.

### **DISCUSSION**

#### **Background**

On June 22, 2020, the Board authorized the General Manager to execute a purchase agreement in the amount of \$1,850,000 to acquire property APN #134-0110-123 owned by the Masons, and to execute any future amendments to the purchase agreement that are nonmonetary. The Board also authorized the General Manager to execute a purchase agreement in the amount of \$900,000 to sell property APN #127-0170-005 to the Masons,

**CLOSING OF ESCROW – ELK GROVE MASONIC LODGE #173 TEMPLE ASSOCIATION PROPERTY APN #134-0110-123 AND FLORIN RESOURCE CONSERVATION DISTRICT PROPERTY APN #127-0170-005**

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and to execute any future amendments to the purchase agreement that are nonmonetary. On June 24, 2020, an escrow account was opened to begin the transaction process of the two (2) purchase agreements. During escrow, it became evident that the Masons would require more time than FRCD to close escrow on the property (APN #127-0170-005) the Masons want to buy.

Present Situation

As a result of the varying timelines, FRCD and the Masons have agreed to stagger the closings of the two (2) properties. If authorized by the Board to do so, the General Manager would execute any and all documents necessary to close escrow on property APN #134-0110-123 owned by the Masons. At a later date, the General Manager would execute any and all documents necessary to close escrow on property APN #127-0170-005 to be sold to the Masons.

Relative to the transactions, FRCD would pay \$1,850,000 to purchase the Masons' property. FRCD's purchase also includes a clause to leaseback to the Masons, on a full-service basis, the Masons' property for a period of up to nine (9) months at \$5,555 per month. In exchange, the Masons would pay \$900,000 to purchase the FRCD property. The Masons' purchase includes a clause to leaseback to FRCD, on a full-service basis, FRCD's administration building on the property for a period up to July 30, 2022 at \$6,000 per month. Full-service basis means that monthly payments include the cost of all utilities, landscaping, and repairs and maintenance.

The proposed purchase transactions are in accordance with FRCD's Disposal of Surplus District Property Policy, which prescribes that Government Code Sections 54220 through 54232, otherwise known as the Surplus Land Act, be followed. Government Code Section 54221(C) states property being exchanged for another property that is necessary for the agency's use is considered "exempt surplus land." Therefore, in this case, the provisions of the Surplus Land Act do not apply.

**ENVIRONMENTAL CONSIDERATIONS**

As part of the 90-day due diligence period during escrow, a Phase I Environmental Site Assessment (ESA) was conducted of the properties. An ESA comprehensively evaluates the property to determine if the site has any recognized environmental conditions, including contamination, that would pose a risk to purchasing the property.

The California Environmental Quality Act (CEQA) is not applicable to the purchase of the property. CEQA is a consideration, however, when making improvements to the property, those improvements would be categorically exempt from CEQA under Title 14 California Code

**CLOSING OF ESCROW – ELK GROVE MASONIC LODGE #173 TEMPLE ASSOCIATION  
PROPERTY APN #134-0110-123 AND FLORIN RESOURCE CONSERVATION DISTRICT  
PROPERTY APN #127-0170-005**

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of Regulations, Class 1, Section number 15301 of the CEQA Guidelines. Projects exempt under Class 1, Section number 15303 consist of minor alterations of existing public or private structures, facilities, mechanical equipment or topographical features involving negligible or no expansion.

**STRATEGIC PLAN CONFORMITY**

The recommendation made in this staff report conforms to Strategic Goal 5, Community Relations, in the Strategic Plan. Strategic Goal 5 states to increase engagement with the customers and community to provide superior customer service. One (1) of the objectives of Strategic Goal 5 is to acquire a new administrative facility.

**FINANCIAL SUMMARY**

The total cost for the Masons' property is \$1,850,000, plus approximately \$132,000 for FRCD to leaseback the FRCD Administration building at \$6,000 per month over 22 months. The Masons' purchase of the FRCD property is \$900,000, plus approximately \$49,995 for the Masons' to leaseback the Masons' property at \$5,555 per month over nine (9) months.

Respectfully submitted,



MARK J. MADISON  
GENERAL MANAGER

MJM/bk

Attachment

**RESOLUTION NO. 10.20.20.03**

**A RESOLUTION OF THE FLORIN RESOURCE CONSERVATION DISTRICT  
BOARD OF DIRECTORS AUTHORIZING THE GENERAL MANAGER  
TO EXECUTE ANY AND ALL DOCUMENTS NECESSARY TO EFFECTUATE  
CLOSING ON THE DISTRICT'S ACQUISITION OF APN #134-0110-123  
AND THE DISTRICT'S SALE OF APN #127-0170-005**

**WHEREAS**, the Florin Resource Conservation District (District) is a Resource Conservation District organized pursuant to Division 9 of the California Public Resources Code, Sections 9001, et seq. (Resource Conservation Law); and

**WHEREAS**, the District is formed for the purposes delineated in the Public Resources Code Section 9001 and all things necessary to carry out the provisions of the Resource Conservation Law and adopted District Bylaws; and

**WHEREAS**, the District wishes to purchase property APN #134-0110-123, owned by the Elk Grove Masonic Lodge #173 Temple Association (Masons), such property being necessary for the District's use for purposes of Government Code Sec. 54221; and

**WHEREAS**, the District wishes to sell property APN #127-0170-005 to the Masons; and

**WHEREAS**, the Board of Directors previously gave the General Manager authority to execute the Purchase Agreements for both APN #134-0110-123 and APN #127-0170-005; and

**WHEREAS**, the Board of Directors now seeks to grant the General Manager the requisite authority to execute any and all documents necessary to effectuate the closing of both transactions,

**NOW THEREFORE, THE FLORIN RESOURCE CONSERVATION DISTRICT BOARD OF DIRECTORS DOES HEREBY RESOLVE:**

SECTION 1. The Board of Directors hereby adopts the foregoing recitals as true and correct and incorporates them herein by reference.

SECTION 2. The Board of Directors hereby adopts Resolution No. 10.20.20.03, authorizing the General Manager to execute any and all documents necessary to effectuate the closing of escrow with respect to the District's acquisition of APN #134-0110-123 from the Masons.

SECTION 3. The Board of Directors further authorizes the General Manager to execute any and all documents necessary to effectuate the closing of escrow with respect to the District's sale of APN #127-0170-005 to the Masons.

SECTION 4. The Board Secretary shall certify to the adoption of this Resolution.

SECTION 5. This Resolution shall take effect immediately upon its adoption.

**PASSED, APPROVED, AND ADOPTED** this 20th day of October, 2020.

**AYES:**  
**NOES:**  
**ABSENT:**  
**ABSTAIN:**

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Tom Nelson  
Chair

Attest:

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Stefani Phillips  
Board Secretary

Approved as to form:

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Richard E. Nosky  
District Legal Counsel