

April 14, 2023  
Sacramento, California

The Board of Trustees of the American River Flood Control District met in regular session at 11:00 a.m. on Friday, April 14, 2023. In attendance were Trustee Johns, Trustee Holloway and Trustee L'Ecluse. Trustee Johns presided. Trustee Vander Werf arrived during item five. Trustee Shah was absent. Also present from the District were General Manager (GM) Tim Kerr, Superintendent Scott Webb, and Office Manager Malane Chapman. No members of the public were present.

*Item No. 1 Public Comments on Non-Agenda Items:* There were no comments on non-agenda items from members of the public.

*Item No. 2 Approval of Consent Agenda:* On a motion by Trustee Holloway seconded by Trustee L'Ecluse, the Board unanimously approved item 2a) Minutes of Regular Meeting on March 10, 2023, 2b) Approval of Report of Investment Transactions February 2023 (City Pool, LAIF, River City) and Treasurer's Certification, 2c) District Financial Reports: Statement of Operations (March 2023) and Cash Flow Report, and 2d) Correspondence: None.

Roll Call Vote:

Trustee Holloway	AYE	Trustee Vander Werf	ABSENT
Trustee Shah	ABSENT	Trustee L'Ecluse	AYE
Trustee Johns	AYE		

*Item No. 3 Accounts Payable and General Fund Expenses (March 2023):* On a motion by Trustee Holloway seconded by Trustee L'Ecluse, the Board unanimously approved payments on the Schedule of Accounts Payable (March 2023) of \$65,590.95 and General Fund Expenses of \$103,906.19 (total aggregate sum \$169,497.14).

Roll Call Vote:

Trustee Holloway	AYE	Trustee Vander Werf	ABSENT
Trustee Shah	ABSENT	Trustee L'Ecluse	AYE
Trustee Johns	AYE		

*Item No. 4 Draft Fiscal Year 2021-2022 Audit:* The Board requested that this item be brought back for Final review at the May 2023 Board meeting.

*Item No. 5 Administrative Staff Reports:*

a) *General Manager Tim Kerr reported on the following:*

- General Manager's March Meeting Summary: USACE/CVFPB Conference Call – Lot Z, Comstocks Flood Protection Interview, and USACE Site 2-1 River Park Final Inspection meetings were discussed;
- Upcoming Personnel and Finance Committee Meetings;
- Caltrans American River Bridge Widening Update;
- Riverpark Encroachment Survey;

- Hydrologic Conditions: Folsom Lake is 72% of total capacity with an outflow of 6,983 cfs. The gauge at I street shows a water surface elevation of 15 feet above sea level;
- Next Board Meeting is scheduled for May 12, 2023

b) *Legal Counsel Rebecca Smith:* Legal Counsel was absent.

c) *Office Manager Malane Chapman:* Nothing further to report.

*Item No. 6 Operations and Maintenance Staff Reports:*

a) *Superintendent Scott Webb*

- *Crew Activities* including high water, downed trees, rock raking, gate barrier, mowing, equipment maintenance, and staff fire extinguisher training.

*Item No. 7 Questions and Comments by Trustees:* Trustee Vander Werf asked if employees got bonuses for holding specialized certification. GM Kerr stated that currently the only certification bonus is paid to employees who hold a Qualified Applicators Certificate.

*Item No. 8 Adjourn:* There being no further business requiring action by the Board, the meeting was adjourned by Trustee Johns at 12:31 p.m.

Attest:

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
President

**American River Flood Control District  
Staff Report**

**Investment Transactions Summary; March 2023**

**LAIF:**

- There were no transactions in this account during the month of March.

**City Pool A**

- Accrued Interest Receivable for the month of March was \$18,071.37.
- As of March 31, 2023, the balance of Interest Receivable in this account was \$123,598.80.

Interest Receivable is accrued and transferred to the Cash Balance at the discretion of the City.

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**River City Bank Money Market:**

- On March 31, 2023, a monthly interest payment was received in the amount of \$851.07.

**River City Bank Checking:**

- On March 21, 2023, a miscellaneous deposit was made in the amount of \$478.74.
- On March 31, 2023, a monthly interest payment was deposited in the amount of \$48.31.
- Total amount of Accounts Payable cleared during the month of March was \$211,800.05.

**American River Flood Control District  
Investment Transaction Report  
March 2023**

Item 2b

**Balance and Transactions**

<b>Account</b>		<b>LAIF</b>	<b>City Pool A</b>	<b>River City Bank Money Market</b>	<b>River City Bank Checking</b>
Beginning Balance	3/1/23	\$67,700.62	\$9,019,598.41	\$1,002,504.19	\$823,455.45
<b>Transactions</b>					
River City Bank Miscellaneous Deposit	3/21/23				\$478.74
City Pool A Interest	3/31/23		\$18,071.37		
River City Bank Interest	3/31/23			\$1,064.85	\$48.31
Accounts Payable (cleared)					(\$211,800.05)
<b>Ending Balance:</b>	<b>3/31/23</b>	<b>\$67,700.62</b>	<b>\$9,019,598.41</b>	<b>\$1,003,569.04</b>	<b>\$612,182.45</b>

\*\*City Pool A Interest is accrued and deposited in the account at the discretion of the City.

**Interest**

<b>Date:</b>	<b>Apr 2022</b>	<b>May 2022</b>	<b>June 2022</b>	<b>July 2022</b>
LAIF	0.52	0.68	0.86	1.09
City Pool A	0.96	1.04	1.15	1.33
River City Bank Money Market	0.15	0.15	0.28	0.35
River City Bank Checking	0.07	0.08	0.08	0.08
<b>Date:</b>	<b>Aug 2022</b>	<b>Sep 2022</b>	<b>Oct 2022</b>	<b>Nov 2022</b>
LAIF	1.28	1.51	1.77	2.01
City Pool A	1.48	1.59	1.64	1.78
River City Bank Money Market	0.35	0.48	0.50	0.57
River City Bank Checking	0.08	0.08	0.08	0.08
<b>Date:</b>	<b>Dec 2022</b>	<b>Jan 2023</b>	<b>Feb 2023</b>	<b>Mar 2023</b>
LAIF	2.17	2.43	2.62	<b>2.83</b>
City Pool A	1.84	2.03	2.35	<b>2.33</b>
River City Bank Money Market	0.86	1.00	1.11	<b>1.26</b>
River City Bank Checking	0.07	0.08	0.08	<b>0.08</b>

**American River  
Flood Control  
District**

## AMERICAN RIVER FLOOD CONTROL DISTRICT

### MONTHLY REVIEW – MARCH 2023

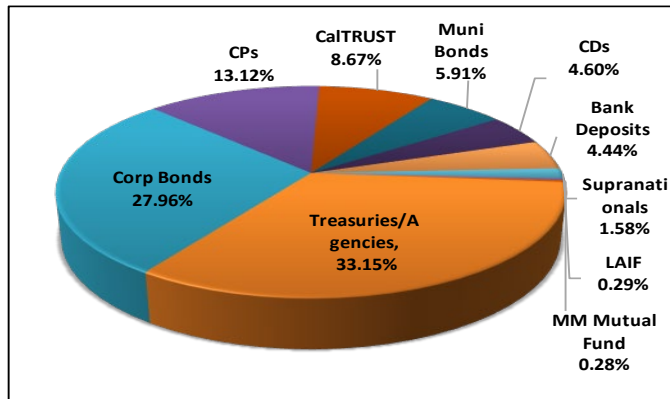
#### STRATEGY

The ARFCD funds are invested in the City of Sacramento’s Pool A investment fund. The Fund is invested pursuant to the objectives and requirements set forth in the City’s investment policy. The three objectives of the investment policy, in order of priority, are (1) the preservation of capital by the investment in safe instruments, (2) the liquidity needs of the City and pool participants so such parties will have access to cash when they need it, and (3) the maximizing of current income while remaining consistent with the other more important objectives. The City’s investment policy incorporates applicable provisions of state law including, among other things, the prudent person standard and California Code Section 53601 pertaining to eligible investments.

#### PORTFOLIO STATISTICS

Beginning Balance	9,125,126
Contributions	0
Withdrawals	0
Interest Earned	18,071
Ending Balance	9,143,197

#### CITY POOL A PORTFOLIO COMPOSITION



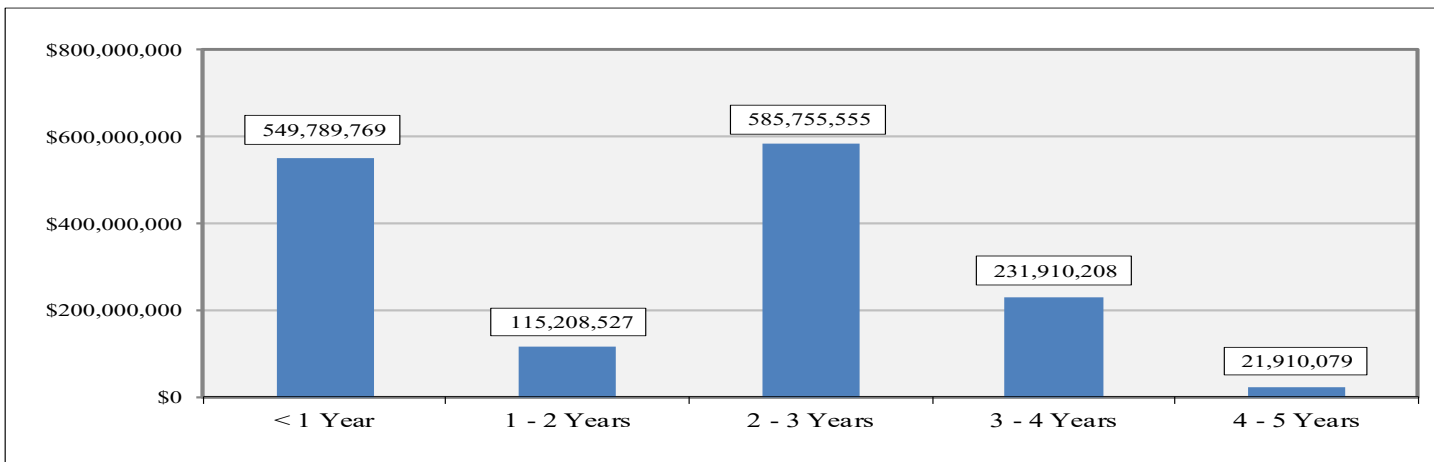
#### PERFORMANCE COMPARISON

City Pool A	2.33%
LAIF	2.83%
90 Day T-Bill	4.73%
Federal Funds	4.65%

Asset Type	Pct. Assets	YTM
Treasuries/Agencies	33.15%	1.42%
Corp Bonds	27.96%	1.91%
CPs	13.12%	4.81%
CalTRUST	8.67%	3.87%
Muni Bonds	5.91%	2.07%
CDs	4.60%	1.81%
Bank Deposits	4.44%	2.59%
Supranationals	1.58%	1.78%
LAIF	0.29%	2.83%
MM Mutual Fund	0.28%	4.31%

#### CITY POOL A MATURITY SCHEDULE

Maturity	Market Value	Pct. Holdings
< 1 Year	549,789,769	36.54%
1 - 2 Years	115,208,527	7.66%
2 - 3 Years	585,755,555	38.93%
3 - 4 Years	231,910,208	15.41%
4 - 5 Years	21,910,079	1.46%
Total	1,504,574,138	100.00%



City of Sacramento  
CASH LEDGER  
*American River Flood Control District*  
*From 03-01-23 To 03-31-23*

**All Cash Accounts**

Trade Date	Settle Date	Tran Code	Quantity	Security	Amount	Cash Balance
<b>Pool A Interest Receivable</b>						
03-01-23				Beginning Balance		105,527.43
03-31-23	03-31-23	in		Pool A Cash	18,071.37	123,598.80
				Mar 2023 estimated Pool A interest		
					18,071.37	
<b>03-31-23</b>				<b>Ending Balance</b>		<b>123,598.80</b>
<b>Pool A Cash</b>						
03-01-23				Beginning Balance		9,019,598.41
<b>03-31-23</b>				<b>Ending Balance</b>		<b>9,019,598.41</b>

California State Treasurer  
**Fiona Ma, CPA**



Local Agency Investment Fund  
P.O. Box 942809  
Sacramento, CA 94209-0001  
(916) 653-3001

April 03, 2023

[LAIF Home](#)  
[PMIA Average Monthly Yields](#)

AMERICAN RIVER FLOOD CONTROL DISTRICT

DISTRICT ENGINEER/MANAGER  
165 COMMERCE CIRCLE, SUITE D  
SACRAMENTO, CA 95815

[Tran Type Definitions](#)

**Account Number:** 90-34-002

March 2023 Statement

**Account Summary**

Total Deposit:	0.00	Beginning Balance:	67,700.62
Total Withdrawal:	0.00	Ending Balance:	67,700.62





# River City Bank

WWW.RIVERCITYBANK.COM

PO Box 15247, Sacramento, CA 95851-0247

Return Service Requested

Item 2b



Last statement: February 28, 2023

This statement: March 31, 2023

Total days in statement period: 31

ROBERT MERRITT CPA  
4000 MAGNOLIA HILLS DRIVE  
EL DORADO HILLS CA 95762-6561

Page 1  
0811100952  
( 0)

Direct inquiries to:  
916-567-2836

## Public Fund Money Market

Account number	0811100952	Beginning balance	\$1,002,504.19
Low balance	\$1,002,504.19	Total additions	1,064.85
Average balance	\$1,002,504.19	Total subtractions	0.00
Avg collected balance	\$1,002,504	Ending balance	\$1,003,569.04
Interest paid year to date	\$2,766.26		

### CREDITS

Date	Description	Additions
03-31	Interest Credit	1,064.85

### DAILY BALANCES

Date	Amount	Date	Amount	Date	Amount
02-28	1,002,504.19	03-31	1,003,569.04		

### INTEREST INFORMATION

Annual percentage yield earned	1.26%
Interest-bearing days	31
Average balance for APY	\$1,002,504.19
Interest earned	\$1,064.85

ROBERT MERRITT CPA  
March 31, 2023

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0811100952

**OVERDRAFT/RETURN ITEM FEES**

	Total for this period	Total year-to-date
Total Overdraft Fees	\$0.00	\$0.00
Total Returned Item Fees	\$0.00	\$0.00



**River City Bank**

WWW.RIVERCITYBANK.COM

PO Box 15247, Sacramento, CA 95851-0247

Return Service Requested

Item 2b



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ROBERT MERRITT CPA  
4000 MAGNOLIA HILLS DRIVE  
EL DORADO HILLS CA 95762-6561

Page 1  
0811090736  
( 0)

Direct inquiries to:  
916-567-2836

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## Public Fund Interest Checking

Account number	0811090736	Beginning balance	\$823,455.45
Low balance	\$612,135.96	Total additions	527.05
Average balance	\$711,036.34	Total subtractions	211,800.05
Avg collected balance	\$711,020	Ending balance	\$612,182.45

## CHECKS

Number	Date	Amount	Number	Date	Amount
9210	03-13	50.00	9273	03-20	287.38
9212 *	03-20	640.00	9274	03-20	181.42
9216 *	03-14	733.75	9275	03-31	624.24
9228 *	03-16	624.24	9276	03-20	1,843.32
9235 *	03-07	11,000.00	9277	03-21	24.28
9252 *	03-14	226.58	9278	03-16	10,480.00
9255 *	03-30	1,600.00	9279	03-17	900.00
9257 *	03-10	42.94	9280	03-23	100.00
9258	03-16	30,311.58	9281	03-20	1,362.08
9259	03-20	707.41	9282	03-21	2,047.60
9260	03-21	576.19	9283	03-20	922.99
9261	03-23	609.36	9284	03-16	933.78
9262	03-20	503.86	9285	03-20	200.00
9263	03-17	450.00	9286	03-20	294.84
9264	03-15	332.50	9287	03-21	241.30
9265	03-20	599.64	9288	03-21	810.65
9266	03-20	1,321.86	9289	03-17	650.33
9267	03-20	74.51	9290	03-20	99.00
9268	03-21	2,979.33	9291	03-20	3,233.75
9269	03-16	660.00	9292	03-31	624.24
9270	03-27	764.05	9293	03-24	209.08
9271	03-22	626.59	9294	03-21	141.84
9272	03-20	4,436.69	9295	03-17	569.56

ROBERT MERRITT CPA  
March 31, 2023

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0811090736

Number	Date	Amount	Number	Date	Amount
9296	03-21	2,208.48	* Skip in check sequence		
9297	03-29	658.25			

#### DEBITS

Date	Description	Subtractions
03-01	' ACH Withdrawal INTUIT PAYROLL S QUICKBOOKS 230301 946000047	28,712.77
03-02	' ACH Withdrawal HEALTH EQUITY INC HealthEqui 230302	250.00
03-02	' ACH Withdrawal CALPERS 1900 100000017097694	2,007.66
03-02	' ACH Withdrawal CALPERS 1900 100000017097255	195.08
03-02	' ACH Withdrawal CALPERS 3100 100000017056941	1,924.89
03-02	' ACH Withdrawal CALPERS 3100 100000017056970	2,397.68
03-02	' ACH Withdrawal CALPERS 1900 100000017097241	9,033.50
03-15	' ACH Withdrawal CALPERS 1900 100000017114379	2,093.70
03-15	' ACH Withdrawal CALPERS 3100 100000017084981	2,036.86
03-15	' ACH Withdrawal CALPERS 3100 100000017085013	3,091.47
03-16	' ACH Withdrawal HEALTH EQUITY INC HealthEqui 230316	252.95
03-16	' ACH Withdrawal INTUIT PAYROLL S QUICKBOOKS 230316 946000047	32,319.02
03-17	' ACH Withdrawal INTUIT PAYROLL S QUICKBOOKS 230317 946000047	441.64
03-17	' ACH Withdrawal INTUIT PAYROLL S QUICKBOOKS 230317 946000047	6,206.67
03-31	' ACH Withdrawal INTUIT PAYROLL S QUICKBOOKS 230331 946000047	31,314.85
03-31	' Service Charge ADDITIONAL DEBITS	1.82

#### CREDITS

Date	Description	Additions
03-21	Deposit	478.74

ROBERT MERRITT CPA  
March 31, 2023

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0811090736

Date	Description	Additions
03-31	Interest Credit	48.31

**DAILY BALANCES**

Date	Amount	Date	Amount	Date	Amount
02-28	823,455.45	03-15	759,326.07	03-24	647,721.59
03-01	794,742.68	03-16	683,744.50	03-27	646,957.54
03-02	778,933.87	03-17	674,526.30	03-29	646,299.29
03-07	767,933.87	03-20	657,817.55	03-30	644,699.29
03-10	767,890.93	03-21	649,266.62	03-31	612,182.45
03-13	767,840.93	03-22	648,640.03		
03-14	766,880.60	03-23	647,930.67		

**INTEREST INFORMATION**

Annual percentage yield earned	0.08%
Interest-bearing days	31
Average balance for APY	\$711,020.89
Interest earned	\$48.31

**OVERDRAFT/RETURN ITEM FEES**

	Total for this period	Total year-to-date
Total Overdraft Fees	\$0.00	\$0.00
Total Returned Item Fees	\$0.00	\$0.00

**CERTIFICATION**

The American River Flood Control District's investment portfolio [] is [ is not] in compliance with the District's Financial Management Investments Plan.

The District's investment portfolio is not in compliance in the following respects:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

A cash flow analysis confirms that the District [ is] [ is not] expected to be able to meet its expenditure requirements for the next six months.

The District's cash is insufficient to meet obligations for the next six months as a result of the following:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attached hereto are the most recent statements of accounts of the following District accounts:

- LAIF Account, State Treasurer's Office      **Dated March 2023**
- Investment Pool A Account, City of Sacramento      **Dated March 2023**
- District Checking Account, River City Bank      **Dated March 2023**
- District Repurchase Account, River City Bank      **Dated March 2023**

Certified by: \_\_\_\_\_ Date: \_\_\_\_\_  
Cyril Shah, District Treasurer

American River Flood Control District  
Statement of Operations  
July 1, 2022 to April 30, 2023 (Ten Months Ending of Fiscal 2023)  
For Internal Use Only

	Year to Date July 1, 2022 to April 30, 2023	Budget	Percent of Budget
<b>Revenues</b>			
Benefit assessment	\$ 734,124	\$ 1,429,793	51.34%
Consolidated capital assessment	-	980,000	0.00%
Interest	131,734	77,267	170.49%
O & M agreements	-	312,057	0.00%
Miscellaneous	769	-	Not budgeted
<b>Total Revenues</b>	<b>866,627</b>	<b>2,799,117</b>	<b>30.96%</b>
<b>M &amp; O Expenses</b>			
Salaries and wages	687,504	804,858	85.42%
Payroll tax expense	50,886	64,389	79.03%
Pension expense	163,811	230,196	71.16%
Compensation insurance	17,846	40,243	44.35%
Medical/dental/vision	190,081	231,542	82.09%
Fuel/oil reimbursement	28,164	55,000	51.21%
Equipment rental	-	15,000	0.00%
Equipment repairs/parts	56,662	65,000	87.17%
Equipment purchases (< \$5,000)	1,581	15,000	10.54%
Shop supplies	3,419	27,500	12.43%
Levee maint. (supp. & material)	11,057	20,000	55.29%
Levee maint. chemicals	11,454	40,000	28.64%
Levee maint. services	14,577	80,000	18.22%
Rodent abatement (supplies & materials)	12,270	10,000	122.70%
Employee uniforms	4,669	6,000	77.82%
Staff training	2,149	5,000	42.98%
Regulation Compliance (OSHA)	26,393	25,000	105.57%
Miscellaneous	1,188	1,500	79.20%
Small tools & equipment	1,465	7,500	19.53%
Emergency preparedness program	71,375	25,000	285.50%
Engineering services	11,214	20,000	56.07%
Encroachment remediation	1,600	15,000	10.67%
Urban camp cleanup	15,337	30,000	51.12%
<b>Total M &amp; O Expenses</b>	<b>1,384,702</b>	<b>1,833,728</b>	<b>75.51%</b>
<b>Administration Expenses</b>			
Board of trustees compensation	4,359	7,600	57.36%
Trustee expenses	334	2,400	13.92%
Trustee training	-	5,000	0.00%
Accounting services	13,555	15,000	90.37%
Legal services (general)	22,994	50,000	45.99%
Utilities	41,029	40,000	102.57%
Telephone	18,460	25,000	73.84%
Retiree benefits	127,423	148,109	86.03%
Office/shop/yard lease	6,854	7,491	91.50%
Office equipment/furniture	-	2,500	0.00%
Auto allowance	5,906	6,600	89.48%
Parking reimbursement	-	500	0.00%
General office expense	11,074	15,000	73.83%
Technology and software	6,494	10,000	64.94%
Dues and associations	27,174	25,000	108.70%
Property and liability insurance	36,669	42,000	87.31%
Public relations/information	-	30,000	0.00%
Miscellaneous	6,581	5,000	131.62%
Conference/Workshop/Seminar	-	2,500	0.00%
Election expenses	1,887	200,000	0.94%
Employee morale/wellness	469	2,000	23.45%
Investment fees	9,036	20,000	45.18%
Community services	-	1,500	0.00%
Bookkeeping services	9,070	14,000	64.79%
Property taxes	1,761	3,000	58.70%
Building maintenance	19,997	10,000	199.97%
County Dtech fees for DLMS	31,858	55,000	57.92%
Interest expense	94	-	Not budgeted
<b>Total Administration Expenses</b>	<b>403,078</b>	<b>745,200</b>	<b>54.09%</b>
<b>Special Projects Expenses</b>			
Engineering studies/survey studies	-	20,000	0.00%
Levee standards compliance	-	25,000	0.00%
Small capital projects	212,503	170,000	125.00%
<b>Total Special Project Expenses</b>	<b>212,503</b>	<b>215,000</b>	<b>98.84%</b>
<b>Capital Outlay</b>			
Equipment purchases (over \$5,000)	51,355	200,000	25.68%
<b>Total Capital Outlay</b>	<b>51,355</b>	<b>200,000</b>	
<b>Capital Outlay: District Facilities</b>			
District headquarters facilities	7,809	350,000	2.23%
	<b>7,809</b>	<b>350,000</b>	

Note: Amounts above are not audited

The above information is current through the last day of the previous month's bank activity.

Data has been verified by the bookkeeper and physical copies of checks have not been reviewed or received and some checks may not have cleared the bank account.

AMERICAN RIVER FLOOD CONTROL DISTRICT  
Cash Flow Report  
July 2022 through June 2023

Cash Flow Report

Maintenance and Operations Expens	Jul 22	Aug 22	Sep 22	Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	TOTAL
500 - Salary/Wages	60,084.44	59,218.28	105,737.48	31,760.84	70,077.52	103,460.28	46,925.14	67,990.32	100,666.60	30,150.50	62,919.27	0.00	738,990.67
501 - Payroll Taxes	5,110.55	4,762.17	8,426.43	2,346.68	4,420.00	6,485.69	4,369.22	5,520.05	7,764.81	2,351.20	4,832.46	0.00	56,389.26
502 - Pension	15,995.97	17,356.29	15,036.31	17,370.32	16,203.30	19,058.22	12,558.05	16,376.95	14,500.05	17,240.77	10,967.12	0.00	172,663.35
503 - Compensation Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(578.26)	0.00	0.00	(578.26)
504 - Medical/Dental/Vision	16,058.52	15,852.52	15,802.52	18,076.92	21,088.65	19,188.16	15,374.18	17,022.17	18,329.71	17,741.44	0.00	0.00	174,534.79
508 - Fuel/Oil	5,502.74	5,607.64	105.25	0.00	4,703.51	1,602.88	3,872.17	3,609.43	4,436.69	4,256.48	0.00	0.00	33,696.79
509 - Equipment Rental	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
510 - Equipment Purchase(< \$5000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,580.68	0.00	0.00	0.00	0.00	1,580.68
511 - Equipment Repair/Parts	806.43	4,060.72	2,257.45	18,552.70	5,998.75	3,933.39	14,128.18	1,957.34	1,815.93	3,099.48	0.00	0.00	56,610.37
512 - Shop Supplies	501.78	174.46	168.36	0.00	302.50	919.64	1,183.69	0.00	(414.15)	781.70	0.00	0.00	3,617.98
514 - Levee Maint(Supplies&Materi	0.00	326.12	0.00	825.37	0.00	797.49	3,810.22	0.00	742.93	4,577.28	0.00	0.00	11,079.41
515 - Levee Maintenance Services	0.00	1,185.12	10,500.00	0.00	0.00	1,065.75	380.41	0.00	0.00	1,446.12	284.28	0.00	14,861.68
516 - Employee Uniforms	0.00	3,897.96	683.32	0.00	87.95	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,669.23
518 - Staff Training	0.00	0.00	0.00	153.66	0.00	734.98	0.00	1,260.12	0.00	0.00	0.00	0.00	2,148.76
519 - Miscellaneous O&M	0.00	0.00	0.00	0.00	1,188.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,188.00
521 - Small Tools & Equip	1,483.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,134.96	329.70	0.00	0.00	2,947.79
523 - Levee Maint. (Chemicals)	778.66	0.00	0.00	0.00	0.00	4,735.53	4,875.27	0.00	1,843.32	0.00	0.00	0.00	12,232.78
525 - Emergency Preparedness Pr	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
530 - Encroachment Remediation I	591.06	1,008.25	854.14	1,815.61	804.14	998.67	1,466.76	1,702.93	1,032.37	758.05	0.00	0.00	11,031.98
532 - Rodent Abatement	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
533 - Urban Camp Cleanup	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	1,600.00
605 - Engineering Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,375.00	10,480.00	0.00	0.00	0.00	12,855.00
615 - Survey Services	0.00	285.69	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	285.69
616 - Environmental Services/Studi	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total M&amp;O Expense</b>	<b>106,913.28</b>	<b>113,735.22</b>	<b>159,571.26</b>	<b>90,902.10</b>	<b>124,874.32</b>	<b>162,980.68</b>	<b>108,943.29</b>	<b>120,994.99</b>	<b>162,333.22</b>	<b>82,154.46</b>	<b>79,003.13</b>	<b>0.00</b>	<b>1,312,405.95</b>

Administrative Expenses	Jul 22	Aug 22	Sep 22	Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	TOTAL
505 - Telephone	1,514.91	1,553.69	1,630.16	1,990.44	1,504.83	3,426.88	2,112.27	2,313.21	1,524.90	1,890.87	0.00	0.00	19,462.16
506 - Utility Charges	3,804.54	5,071.89	4,398.61	6,314.86	3,160.92	3,990.71	4,813.09	4,651.62	4,271.34	4,381.48	0.00	0.00	44,859.96
507 - Office/Shop Lease	0.00	1,848.24	624.24	624.24	624.24	624.24	624.24	624.24	1,248.48	624.24	0.00	0.00	7,466.40
513 - Office Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
517 - Auto Allowance	550.00	550.00	825.00	275.00	550.00	825.00	275.00	550.00	825.00	275.00	550.00	0.00	6,050.00
520 - Retiree Benefits	11,592.25	11,597.01	11,597.01	11,597.01	11,597.01	11,981.87	11,981.87	11,981.87	11,981.87	10,661.66	0.00	0.00	116,569.43
522 - Office Equipment/Furniture	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
526 - Mileage/Parking Reimburs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	57,869.07	4,256.08	0.00	0.00	0.00	62,125.15
527 - General Office Expense	0.00	0.00	0.00	8,400.00	0.00	0.00	849.89	0.00	0.00	0.00	0.00	0.00	9,249.89
529 - Pre-funding Retiree Benefits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
531 - Technology & Software	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
600 - Board of Trustees Compensa	0.00	5,979.25	0.00	0.00	6,136.91	153.67	0.00	0.00	0.00	0.00	0.00	0.00	12,269.83
601 - Trustee Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
602 - Accounting Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
603 - Legal Fees (General)	0.00	117.45	0.00	53.88	0.00	0.00	0.00	24.76	42.94	149.11	0.00	0.00	388.14
604 - Flood Litigation	0.00	117.45	0.00	53.88	0.00	0.00	0.00	24.76	42.94	149.11	0.00	0.00	388.14
606 - Legislative Services	6,552.00	7,543.00	4,740.50	2,975.00	2,599.00	4,286.50	4,317.50	1,407.00	992.50	1,676.00	0.00	0.00	37,089.00
607 - Dues and Assoc. Expenes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
608 - Insurance Premiums	(5,147.50)	9,046.71	2,842.85	3,041.50	1,365.75	0.00	714.50	1,044.00	0.00	2,205.50	0.00	0.00	15,113.31
609 - Conference /Workshops/Sem	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
610 - Public Relations Information	0.00	0.00	6,528.00	0.00	13,690.00	8,306.00	60.00	0.00	0.00	150.00	0.00	0.00	28,734.00
611 - Election Expenses	15,069.93	0.00	1,600.80	5,661.53	27,413.00	0.00	6,011.46	0.00	0.00	6,172.84	0.00	0.00	61,929.56
612 - District Annexations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
613 - Community Services	585.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	585.07
614 - Miscellaneous Admin	0.00	0.00	0.00	0.00	0.00	1,887.00	0.00	0.00	0.00	0.00	0.00	0.00	1,887.00
617 - Investment Fees	215.26	353.50	318.75	163.87	192.43	306.78	325.00	314.77	4,077.25	1,168.59	138.25	0.00	7,574.45
618 - Property Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
619 - Building Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
620 - Bookkeeping Services	0.00	0.00	4,498.00	0.00	4,510.00	0.00	0.00	4,526.00	0.00	0.00	0.00	0.00	13,534.00
621 - County Assessment Fees	0.00	0.00	0.00	1,761.36	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,761.36
622 - County DTech Fees for DLMS	810.00	405.00	855.00	855.00	1,215.00	675.00	1,080.00	2,205.00	900.00	880.24	0.00	0.00	9,880.24



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623 - Employee Morale/Wellness	215.26	353.50	318.75	163.87	192.43	306.78	325.00	314.77	4,077.25	1,168.59	138.25	0.00	7,574.45
<b>Total Administrative</b>	<b>35,761.72</b>	<b>44,536.69</b>	<b>40,777.67</b>	<b>43,931.44</b>	<b>74,751.52</b>	<b>36,770.43</b>	<b>33,489.82</b>	<b>87,851.07</b>	<b>34,240.55</b>	<b>31,553.23</b>	<b>826.50</b>	<b>0.00</b>	<b>464,490.64</b>

Special Projects Expenses	Jul 22	Aug 22	Sep 22	Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	TOTAL
702 - Engineering/Survey Studies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
703 - Encroachment Remediation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
704 - Vegetation Management	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
705 - Small Capital Projects	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
707 - Levee Standards Compliance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Special Projects</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

Capital Outlay: Flood Control	Jul 22	Aug 22	Sep 22	Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	TOTAL
700 - Bank Protection	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
701 - Magpie Creek	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
706 - Property Acquisition	2,059.64	143,039.49	33,099.12	29,124.38	5,501.46	0.00	0.00	1,789.00	0.00	0.00	0.00	0.00	214,613.09
709 - Equipment Purchase (> \$500)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Capital Outlay: Flood Control</b>	<b>2,059.64</b>	<b>143,039.49</b>	<b>33,099.12</b>	<b>29,124.38</b>	<b>5,501.46</b>	<b>0.00</b>	<b>0.00</b>	<b>1,789.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>214,613.09</b>

Income	Jul 22	Aug 22	Sep 22	Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	TOTAL
120 - Benefit Assessment	0.00	29,121.78	0.00	0.00	0.00	18,608.02	734,145.78	0.00	0.00	0.00	0.00	0.00	781,875.58
122 - SAFC A CAD4	0.00	0.00	980,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	980,000.00
123 - Interest	418.24	285.69	456.17	871.41	624.79	810.82	1,224.76	909.05	1,113.16	1,524.73	0.00	0.00	8,238.82
124 - O&M Agreements	0.00	0.00	0.00	0.00	0.00	0.00	305,633.85	0.00	0.00	0.00	0.00	0.00	305,633.85
126 - Miscellaneous Income	13,501.75	0.00	0.00	0.00	150.00	(300.00)	290.48	0.00	0.00	0.00	0.00	0.00	13,642.23
<b>Total Income</b>	<b>13,919.99</b>	<b>29,407.47</b>	<b>980,456.17</b>	<b>871.41</b>	<b>774.79</b>	<b>19,118.84</b>	<b>1,041,294.87</b>	<b>909.05</b>	<b>1,113.16</b>	<b>1,524.73</b>	<b>0.00</b>	<b>0.00</b>	<b>2,089,390.48</b>

Fund Balance

District Operations Fund	Jul 22	Aug 22	Sep 22	Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23
Beginning Balance	132,508.93	(346,246.08)	(475,110.52)	304,996.72	171,034.59	(27,816.46)	(208,448.73)	690,413.03	482,476.02	287,015.41	174,832.45	95,002.82
Income	13,919.99	29,407.47	980,456.17	871.41	774.79	19,118.84	1,041,294.87	909.05	1,113.16	1,524.73	0.00	0.00
Expenses	492,675.00	158,271.91	200,348.93	134,833.54	199,625.84	199,751.11	142,433.11	208,846.06	196,573.77	113,707.69	79,829.63	72,000.00
Ending Balance	(346,246.08)	(475,110.52)	304,996.72	171,034.59	(27,816.46)	(208,448.73)	690,413.03	482,476.02	287,015.41	174,832.45	95,002.82	23,002.82

Capital Outlay Reserve Fund	Jul 22	Aug 22	Sep 22	Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23
Beginning Balance	920,000.00	1,270,000.00	1,270,000.00	1,270,000.00	1,270,000.00	1,270,000.00	1,270,000.00	1,270,000.00	1,270,000.00	1,270,000.00	1,270,000.00	1,270,000.00
Income	350,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Ending Balance	1,270,000.00	1,270,000.00	1,270,000.00	1,270,000.00	1,270,000.00	1,270,000.00	1,270,000.00	1,270,000.00	1,270,000.00	1,270,000.00	1,270,000.00	1,270,000.00

Retiree Health Benefit Reserve Fund	Jul 22	Aug 22	Sep 22	Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23
Beginning Balance	3,552,014.00	3,552,014.00	3,552,014.00	3,552,014.00	3,552,014.00	3,552,014.00	3,552,014.00	3,552,014.00	3,552,014.00	3,552,014.00	3,552,014.00	3,552,014.00
Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Ending Balance	3,552,014.00	3,552,014.00	3,552,014.00	3,552,014.00	3,552,014.00	3,552,014.00	3,552,014.00	3,552,014.00	3,552,014.00	3,552,014.00	3,552,014.00	3,552,014.00

Flood Emergency Response Reserve Fund	Jul 22	Aug 22	Sep 22	Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23
Beginning Balance	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00
Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Ending Balance	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00

Emergency Repair Reserve Fund	Jul 22	Aug 22	Sep 22	Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23
Beginning Balance	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00
Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Ending Balance	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00

<b>Total Balance</b>	<b>7,475,767.92</b>	<b>7,346,903.48</b>	<b>8,127,010.72</b>	<b>7,993,048.59</b>	<b>7,794,197.54</b>	<b>7,613,565.27</b>	<b>8,512,427.03</b>	<b>8,304,490.02</b>	<b>8,109,029.41</b>	<b>7,996,846.45</b>	<b>7,917,016.82</b>	<b>7,845,016.82</b>
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# AMERICAN RIVER FLOOD CONTROL DISTRICT

## Credit Card Policy

### **Summary**

The American River Flood Control District seeks to establish a concise policy regarding the use of District credit cards. This policy serves to clarify the appropriate personnel authorized to use District credit cards and identifies the process to obtain permission for use of a District credit card.

### **Authorized Users**

The credit card is issued to the General Manager only. District credit cards are not permitted to be issued to Board members. Field operations staff and administration staff may use the Home Depot and Office Depot credit cards for emergency repair supplies and other work related purchases with the prior approval of the General Manager.

### **Use of District Credit Cards**

Cash advances are prohibited. Personal usage of a District credit card is not allowed. If personal expenses are charged to a District credit card unintentionally, those expenses must be reimbursed to the District within ten days of discovery.

Please see Appendix A for a detailed description of the process required to use a District Credit Card.

### **Account Reconciliation**

Receipts for all purchases must be turned in to the Office Manager immediately following a purchase for reconciliation against the monthly credit bill. The General Manager is responsible for verifying all transactions on credit accounts.

**AMERICAN RIVER FLOOD CONTROL DISTRICT**

## Credit Card Policy

**APPENDIX A**

This appendix describes the detailed process required for District personnel to use a District credit card:

1. The employee requests approval from a supervisor to create a purchase order for a necessary item.
2. The purchase order is checked out by filling in the purchase information on the purchase order check out sheet. This sheet is located in the front of the purchase order binder kept on the Field Supervisor's desk.
3. The purchase order form is completed by the employee.
4. The employee requests that the General Manager approve the purchase order.
5. Upon approval of the purchase order by the General Manager, the employee requests that the Office Manager issue the appropriate credit card. The Office Manager keeps all proprietary credit cards in the Office Manager's lock box. The credit card is kept by the General Manager.
6. The employee makes the necessary purchase with the credit card and keeps the receipt.
7. The employee returns immediately to the office and gives the credit card and receipt to the Office Manager.
8. The Office Manager locks the credit card in the Office Manager's lockbox.
9. The Office Manager compares the receipt with the purchase order and compares the receipt with the monthly credit card bill.
10. The General Manager then verifies all items on receipts and then reconciles the receipts with each monthly credit card bill prior to submittal of the Accounts Payable ledger to the Board of Trustees.

## **American River Flood Control District Reserve Fund Policy**

### **Summary**

The American River Flood Control District Board of Trustees adopted Resolution 2003-05 in June 2003 to establish a Flood Emergency Response Fund, an Emergency Repair Reserve Fund, and a Capital Outlay Reserve Fund. Any funds not included in the three reserve funds were held in the District's undesignated Operations and Maintenance Fund. In December 2007 the Board directed staff to establish a Retiree Health Benefit Reserve Fund, and adopted Resolution 2008-03 to create this fund. The allocation among District funds shall be reviewed on an annual basis when adopting the budget for each fiscal year. The following sections summarize the fund descriptions and uses.

The structure of investment accounts for individual reserve funds is shown in Appendix A.

### **Flood Emergency Response Fund**

The District has agreements with local contractors to respond with materials, equipment and labor during a flood emergency on a 24-hour/7-day a week basis. As the "first responder" to a flood emergency, the District must be prepared to underwrite the costs for an initial flood fight without assistance from other local agencies, the State or Federal governments. In 2003, the District prepared a hypothetical flood scenario which estimated the District's costs for a flood emergency response could be approximately \$1 million. This estimate anticipates the Corp of Engineers assumes control of the flood fight at the most critical sites after two days while the District continues operations at less critical sites.

The Flood Emergency Response Fund may be used, but is not limited to the following:

- Purchase and deployment of materials for flood fighting
- Purchase of flood fight equipment and vehicles
- Overtime for District staff
- Supplemental staff from outside agencies
- Rental of equipment and vehicles for use during a flood emergency response
- Payment to contractors for labor, equipment and materials
- Construction observation services to monitor contractor's activities and prepare records of work done including labor, equipment and materials
- Retention of consultants or other experts to assist the District in evaluating its facilities, recommending an emergency action or otherwise managing the flood emergency response
- Use of California Conservation Corps or Department of Forestry and Fire Protection workforce to prepare for a flood such as filling sandbags and/or actually conducting a flood fight
- Payment for the care (food and shelter) of volunteers and/or paid flood responders
- Services rendered to document flood damages and prepare damage reports or other records necessary to request federal and state disaster assistance funds

- Any other purpose as approved by the Board of Trustees

Since the District's Flood Emergency Reserve Fund was established, Hurricane Katrina demonstrated the need for higher funding levels to carry out effective emergency response measures in a major flood event. The District shall strive to maintain a high level of funding as in its Flood Emergency Reserve Fund. The target funding level for this reserve fund is between \$1 million and \$2 million.

### **Emergency Repair Fund**

Following a flood, interim repairs to damaged or breached levees are necessary to strengthen the system before more complete repairs can be made at the end of flood season. In addition, the District would be responsible for the local cost share of permanent repairs conducted by the Corps of Engineers under Public Law 84-99. The local cost share for levee repairs following a major flood was estimated to be between \$600,000 and \$1,000,000 in 2003. Levee repair unit costs have grown in recent years due to the large number of critical erosion repair projects leading to a higher demand for materials in addition to higher fuel costs.

The Emergency Repair Fund may be used for, but is not limited to the following:

- Labor, equipment and materials to repair damaged levees or other District facilities
- Equipment rental by District staff needed for repairs
- Consulting services including legal, environmental, design, survey, geotechnical and construction management
- Services needed to conduct damage survey assessments to submit for federal and state disaster assistance.
- Management and consultant services needed to negotiate an agreement with Corps of Engineers and then managing the work thereafter
- Any other purpose as approved by the Board of Trustees.

The target funding level for this reserve fund is between \$1 million and \$2 million.

### **Capital Outlay Fund**

The District may undertake capital improvement projects to repair damaged levees, improve the reliability of the system and/or increase the District's ability to monitor the system and respond in a flood emergency. In the recent past, the majority of the capital improvements have been erosion protection placed on levee and riverbank slopes. High velocity flows during floods which scour the river banks and levee slopes are responsible for the damage. Along the American River, the flows are regulated by Folsom Dam. Construction of the Folsom Dam auxiliary spillway will provide additional overall flood protection, however it will also result in moderate flood releases more often and for longer durations which will potentially increase erosion damage on the levees. Erosion also affects the river's banks, and if not arrested, will eventually begin erosion of the levee itself. Currently significant bank protection work has been done along the American River primarily by the Corps of Engineers, the Reclamation Board, and the Sacramento Area Flood Control Agency. The District may undertake smaller

erosion repair projects on its own at sites that are not included in the federal bank protection program.

The Capital Outlay Fund may be used for, but is not limited to the following:

- Staff time to plan, design and manage various capital improvement projects
- Consulting services including real estate, environmental, design, survey, geotechnical and construction management associated with capital improvement projects
- Preparation of environmental documents, construction documents and all securing all required permits.
- Securing all easements and rights of way necessary to implement the project
- Relocation of any utility which conflicts with the proposed project
- All construction costs associated with the project
- Required environmental mitigation
- Any other purpose as approved by the Board

The target funding level for this reserve fund is between \$1 million and \$2 million.

### **Retiree Health Benefit Reserve Fund**

In 2007, the District commissioned an actuarial study to determine its liability for retiree health benefits to comply with the Government Accounting Standards Board Rules 75. The Board of Trustees is reviewing options for establishing a trust fund for this purpose. In the interim, the Board directed staff to set aside the Annual Required Contribution in a Retiree Health Benefit Reserve Fund. This reserve fund may be reallocated to other uses such as flood emergency response until the Board formally approves enrolling in a trust fund to be used for retiree health benefits. The target funding level for this reserve fund shall be based on recommendations from an actuarial study to be performed every three years.

Investment Policy  
American River Flood Control District

Purpose

This policy statement governs the prudent management and investment of the funds of American River Flood Control District, Sacramento, California.

Objective

District funds in excess of short-term expenses for operations, administrative, and special project costs will be invested in accounts which provide a revenue return and maintain, in priority: first, the safety; second, the liquidity of the assets; and third, the rate of return.

Policy

The District's General Manager will implement the investment policy with the review and approval of the District's Treasurer and Board of Trustees (Board).

The General Manager and Office Manager will:

- a. Receive and deposit all revenues
- b. Make deposits, withdrawals, and transfers of District funds among its various accounts
- c. Submit a monthly list of accounts payable for review and approval by the Board
- d. Submit a monthly statement of expenses and revenues to the Board
- e. Submit monthly statements to the Board for the District's accounts with banks, the Local Agency Investment Fund (LAIF) administered by the California State Treasurer's Office, the City of Sacramento Investment Pool A (City Pool A), and to the extent that District funds are invested in other instruments, the items of information required by Government Code section 53646
- f. Submit a monthly certification for the District Treasurer's signature that states whether the District's investments are in compliance with this statement of investment policy
- g. Submit an annual report summarizing investment performance as part of the annual budget review
- h. Submit the investment policy for the Board's review annually at a public meeting. The Board may recommend changes or that the existing investment policy remain in place.

District funds will be deposited as follows:

- a. One or more checking accounts
- b. One or more interest paying accounts with an FDIC insured institution
- c. Investment accounts with the Local Agency Investment Fund (LAIF) of the State Treasurer's Office
- d. Investment accounts with the City of Sacramento Investment Pool A
- e. One or more investment instruments consistent with the objective of this investment policy and approved by the Board.

The checking account will be used for payment of monthly accounts payable approved by the Board, payroll, payroll taxes, and miscellaneous administrative expenses of the District. The balance in the checking account will be sufficient to pay short-term obligations. This account will be used for the initial deposit of District assessment and revenues for District contract services to others prior to transfer to the District investment accounts.

The LAIF and City Pool A accounts will be the District's principal investment instruments. The operation of these accounts will be in accordance with the rules established by the State Treasurer and the City Treasurer's Office. Up to 100 percent of the District's funds in excess of short-term obligations may be deposited in these accounts.

As approved by the Board all other investments of the District will be made as opportunity occurs for increased yield, but consistent with the primary objective of safety and secondary objective of liquidity.

District funds not invested with LAIF or City Pool A may be invested with state or federal banks or savings and loan institutions, or in government securities and debt obligations that carry the full faith and credit of the governmental agency.

District funds will not be invested in stocks, bonds, real estate investment properties, commodity futures, currency futures, or options contracts, except as such investments may be made by LAIF or City Pool A.

All District investments will be insured or collateralized as required by law and the District Treasurer may request certification or evidence of such insurance or collateral.

Income from all District investments is considered general revenue of the District and may be allocated by the Board to any legitimate and legal purpose of the District.



The revenues and expenditures of the District will be accounted for in accordance with generally accepted accounting practices within designated funds established by the Board, as follows:

- a. The Operations and Maintenance Reserve Fund (including administrative and contingency expenses)
- b. The Capital Outlay Reserve Fund (for general capital expenses of the District)
- c. The Emergency Flood Fight Reserve Fund (for short-term expenses of emergency flood fight activities, including contractors employed during emergencies)
- d. The Emergency Repair Reserve Fund (for unplanned, unexpected, short-term repairs for damages sustained during flood emergencies)
- e. The Retiree Health Benefit Reserve Fund (for post employment benefits as required by the Government Accounting Standards Board Rule 75)
- f. Any other funds which the Board may establish

The Board may allocate revenues from any source to any of the District accounts or transfer funds from one account to another as required for the prudent management of the District and implementation of its programs.

Depositories having custody of District funds will provide monthly activity statements and written confirmation of all deposits, transfers, and other transactions.

The District will not use brokers or dealers in placing investments.

American River Flood Control District  
Schedule of Accounts Payable

	Acct. #	Paid to	Memo	Amount	Chk. #
		ARFCD General Fund	April Expenses	\$ 80,474.77	
1	508	Acme Rigging & Supply Co	Fuel/Oil	\$ 75.99	\$ 239.06
2	511	Acme Rigging & Supply Co	Equipment Repair/Parts	\$ 163.07	
3	504	ACWA Employee Benefits	Medical/Dental/Vision	\$ 17,650.94	\$ 29,192.74
4	520	ACWA Employee Benefits	Retiree Benefits	\$ 11,541.80	
5	527	Alhambra/Sierra Springs	General Office Expense	\$ 28.96	
6	505	AT&T	Telephone	\$ 719.25	
7	505	AT&T Analog	Telephone	\$ 536.07	
8	534	Barnes Welding Supply	Regulation Compliance (OSHA)	\$ 213.15	
9	527	Blue Ribbon Maintenance	General Office Expense	\$ 450.00	
10	603	Boutin Jones Inc.	Legal Fees (General)	\$ 712.50	
11	534	Cintas	Regulation Compliance (OSHA)	\$ 212.75	
12	527	Clark Pest Control	General Office Expense	\$ 107.00	
13	504	Dignity Health Med Fdtn-Sacramento	Medical/Dental/Vision	\$ 270.00	
14	603	Downey Brand	Legal Fees (General)	\$ 2,832.00	
15	508	Hunt & Sons	Fuel/Oil	\$ 3,036.86	
16	527	KBA Document Solutions	Geeneral Office Expense	\$ 166.40	
17	533	L and D Landfill	Urban Camp Cleanup	\$ 787.98	
18	605	MBK Engineers	Engineering Services	\$ 4,633.25	
19	504	Mercy Medical Group	Medical/Dental/Vision	\$ 352.73	
20	512	Napa Auto Parts	Shop Supplies	\$ 38.75	\$ 205.41
21	521	Napa Auto Parts	Small Tools & Equipment	\$ 166.66	
22	527	Pacific Records Management	General Office Expense	\$ 42.00	
23	511	Pirtek	Equipment Repair/Parts	\$ 561.62	
24	511	RC Mowers	Equipment Repair/Parts	\$ 125.07	
25	620	Robert Merritt, CPA	Bookkeeping Services	\$ 1,125.00	
26	508	Sacramento County MSA	Fuel/Oil	\$ 32.55	\$ 69.25
27	512	Sacramento County MSA	Shop Supplies	\$ 22.80	
28	523	Sacramento County MSA	Levee Maint. (Chemicals)	\$ 35.00	
29	533	Sacramento County MSA	Urban Camp Cleanup	\$ (45.15)	
30	614	Sacramento County MSA	Miscellaneous Admin	\$ 24.05	
31	506	Sacramento Police Department	Utility Charges	\$ 100.00	
32	617	Sacramento Revenue	Investment Fees	\$ 4,546.00	
33	506	Sacramento Utilities	Utility Charges	\$ 1,507.97	
34	506	SMUD	Utility Charges	\$ 843.48	
35	506	Sonitrol	Utility Charges	\$ 933.78	
36	531	Streamline	Technology & Software	\$ 200.00	
37	511	Turf Star	Equipment Repair/Parts	\$ 64.66	
38	527	Umpqua Bank	General Office Expense (Pitney Bowes, Intuit)	\$ 628.19	\$ 1,242.80
39	531	Umpqua Bank	Technology & Software (MSFT, Adobe, Zoom)	\$ 171.21	
40	533	Umpqua Bank	Urban Camp Cleanup (United Site Services)	\$ 405.49	
41	601	Umpqua Bank	Trustee Expenses (Dad's Sandwiches)	\$ 37.91	
42	505	Verizon Wireless	Telephone	\$ 539.71	
43	506	Waste Management of Sacramento	Utility Charges	\$ 799.30	
				Accounts Payable Subtotal	\$ 57,396.75
				<b>General Fund and Accounts Payable Aggregate Total:</b>	\$ 137,871.52



**American River Flood Control District**  
**District Pay Ranges**  
**Staff Report**

**Discussion:**

The District has worked with Grace Consulting many times over the years to perform Total Compensation and Salary Studies studies. These efforts look at the market average pay and benefits for all of our pay classifications. This helps the District establish pay ranges that reflect the current market and allow for competitive pay.

This year, the District had Grace Consulting perform a Salary Study that looked at updating the market average pay and developed new pay ranges for each job classification.

The Personnel Committee met in May to review the results, data, and recommendations from Grace Consulting (Attachment 1).

Based on the results and recommendations from the study, the Personnel Committee submits for the Board's approval, Resolution 2023-05 (Attachment 2) to adopt updated District Pay Ranges with pay range midpoints placed at the Market Average Midpoint +5%. This puts the District's pay at slightly above the Market Average. The Committee also proposes pay ranges with a spread of 35% centered on each pay range midpoint.

**Recommendation:**

The General Manager recommends that the Board approve the new pay ranges based on the results from the Salary Study from Grace Consulting.



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## PROJECT REPORT

## BASE SALARY STUDY

CONDUCTED BY

*GRACE CONSULTING*

**5108 COWELL BLVD.  
DAVIS, CA 95618  
(530) 756-5269  
[graceconsulting@earthlink.net](mailto:graceconsulting@earthlink.net)**

April 2023

## EXECUTIVE SUMMARY

### A. INTRODUCTION:

The American River Flood Control District (ARFCD or District) commissioned Grace Consulting to conduct a base salary survey of comparable organizations within the relevant labor market for seven (7) exempt and non-exempt District job classifications.

Grace Consulting agreed to survey fourteen (14) comparable special districts and public sector organizations within the relevant labor market to collect base salary data for all District job classifications. Twelve (12) of the fourteen (14) organizations participated fully in the survey process (85.7%) and salary data was collected from the websites of the two non-respondent organizations. The organizations that were contacted are identified in Table 1 on page 5 of the full project report.

### B. PURPOSE FOR THE STUDY:

The market study was initiated:

- To determine the comparability of the District's base pay, cash incentives and employee benefits to other comparable organization's within the relevant labor market

### C. GENERAL FINDINGS:

The following information summarizes general findings pertinent to current pay and benefits comparability to surveyed organizations within the relevant labor market.

- Best practice research finds that competitive base pay enhances an organization's ability to recruit and retain qualified personnel; and employee benefits that gain value over time further enhance an organization's ability to retain qualified talent, especially in a dynamic labor market.
- The job of General Manager is more difficult to match due to variation in organizational size and structure. In such organizations the duties and responsibilities and respective salaries would typically fall at some level between Department Head and Division Manager in those departments with multiple program and operational units. It should be noted that most of the job matches for the General Manager to jobs in the larger organizations are at the mid-management/Division Manager level which helps to avoid overstating salary levels.
- The minimum, midpoint and maximum base pay provided to the District's Office Manager/Clerk of the Board significantly lags behind the market average and median base pay values. Though all comparable market jobs perform the majority of the duties performed by the Office Manager, many of the market jobs have additional duties and/or higher levels of responsibility, authority and/or discretionary decision making as a result of the size and/or structure of their respective organization.
- The **minimum** base pay for all seven (7) District jobs lags behind the market average minimum salary by a range of 6.4% to 16.74% and the minimum base pay of these jobs lags behind the market minimum median salary by a range of 2.99% to 14.48%. (Table 2 on page 6 of the project report).

- The **midpoint** base pay for all seven (7) District jobs lags behind the market average midpoint base pay by a range of 3.12% to 13.89%; and the midpoint base pay of six (6) of the jobs lags behind the market midpoint median base pay by a range of 4.11% to 13.39% while the seventh job leads the market by 1.24% (Table 3 on page 7 of the project report).
- The **maximum** base pay for all seven (7) District jobs lags behind the market average maximum base pay by a range of 0.53% to 11.65%; and the maximum base pay of six (6) of the jobs lags behind the market maximum median base pay by a range of 2.02% to 12.62% while the maximum base pay of the seventh job leads the market median maximum base pay by 2.78% (Table 4 on page 7 of the project report).
- The District's compensation policy is to set the maximum of each salary range at approximately 5% above market average values. However, it was found that the structure developed based on the District's compensation philosophy resulted in minimum salaries for six (6) of the seven (7) jobs that lagged behind the market average minimum salaries by up to 3%.
- A second structure was developed using the market average midpoint values plus 5% as the basis for the structure that resulted in a structure that leads the market at the minimum, midpoint and maximum levels (Table 6, page 8).
- Five (5) surveyed organizations will be providing COLA adjustments that range from 2% to 4% later in 2023 for some or all of their bargaining units; five (5) organizations currently have no increases scheduled, but one is waiting for the results of a compensation study, three (3) are in negotiation with labor representatives and the fifth organization reports that 2023 increases are dependent upon budget discussions that will occur in May and/or June; and the remaining four (4) organizations provided COLA increases ranging from 0.9% to 5% in January that are reflected in the salary data collected.

## **B. RECOMMENDATIONS FOR CONSIDERATION:**

- Implement the recommended structure that is based on the market average midpoint values that have been adjusted upward by 5% to incorporate the District's policy to pay at 5% above the market. This structure enables the District pay to lead market average values at the minimum, midpoint and maximum of the salary ranges, but not to excess.
- The recommended structure establishes a range spread of 35% around the adjusted midpoint. The 35% range spread allows room for salary growth since upward progression is limited within a small organization.
- To stay aligned with the market, adjust the salary range by the cost of living annually by adjusting the midpoint by the cost of living and then setting the range spread around that midpoint value.
- To address the impact of organization size and structure on market jobs comparable to the Office Manager, the market data was adjusted to include only the most comparable jobs with the least amount of supervisory responsibility. Seven (7) market jobs were found to be most comparable to the District's Office Manager based on the nature and scope of work performed and levels of responsibility, authority, decision making and impact of error. Those jobs are

located in the City of Folsom, City of Woodland, El Dorado Irrigation District, Reclamation District 1000, Sacramento County, Sacramento Suburban Water District and the San Juan Water District. The midpoint average base salary for those jobs was calculated and used as the midpoint upon which the recommended salary range for the District Office Manager/Clerk of the Board job was established.

**C. RECOMMENDED SALARY STRUCTURE:**

The recommended salary structure was established by using the market average midpoints, adjusted upwards by 5% per District policy . A 35% salary range was then established around the adjusted midpoint values.

**RECOMMENDED SALARY STRUCTURE**  
**(2023-2024)**

CLASSIFICATION	PROPOSED SALARY RANGE			RANGE SPREAD
	MIN	MIDPOINT	MAX	
General Manager	12,364	14,528	16,692	35.00%
Superintendent	8,765	10,299	11,833	35.00%
Field Supervisor	6,252	7,346	8,440	35.00%
Office Manager/Clerk to Board	6,783	7,970	9,157	35.00%
Vehicle & Equipment Specialist	5,311	6,241	7,170	35.00%
Maintenance Worker Range B	5,145	6,046	6,946	35.00%
Maintenance Worker Range A	4,349	5,111	5,872	35.00%



**AMERICAN RIVER FLOOD CONTROL DISTRICT**  
**REPORT**  
**BASE SALARY STUDY**  
**April 2023**

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# I INTRODUCTION

## A. SCOPE:

The American River Flood Control District (ARFCD or District) commissioned Grace Consulting to conduct a total compensation survey of comparable organizations within the relevant labor market for seven (7) exempt and non-exempt District job classifications.

Grace Consulting agreed to survey fourteen (14) comparable public sector organizations and special districts within the relevant labor market to collect base pay, cash incentives and employee benefits data for all job classifications studied. Twelve (12) of the fourteen (12) organizations participated fully in the survey process (85.71%). Some data was collected from the websites of the two non-respondent organizations. The surveyed organizations are identified in Table 1 on page 9 of this report.

## B. METHODOLOGY:

The staff of Grace consulting performed the following activities to achieve the goals and objectives of the study:

- Conferred with the ARFCD General Manager (GM) to confirm the objectives, parameters and timelines of the study and to outline project activities; and conferred with the GM throughout the project to provide status updates and to discuss issues and findings.
- Developed a survey instrument and updated summary job descriptions to gather requisite salary information for all District jobs.
- Contacted potential survey participants to determine willingness to participate in the survey process and to identify a contact within each organization (Contact list for all surveyed organizations is included in Appendix A). The California Human Resources Department (Cal HR) did not provide a point of contact, but referred to the data posted on their website.
- Conducted online research to identify comparable jobs and related compensation information of all of the market organizations, completed a survey with on-line information and electronically transmitted the document to each organization to review for accuracy and to clarify and supplement information found on their websites.
- Developed an EXCEL spreadsheet for each District job to enable data compilation and market comparability analysis.
- Conducted comparative analyses of the maximum base pay rates for District jobs to comparable jobs in surveyed organizations.
- Developed summary charts to depict comparability of the minimum, midpoint and maximum base pay provided to each District job to the pay provided to comparable jobs in the relevant market (tables 2, 3 and 4 on pages 11 and 12).
- Developed detailed charts of base pay comparability for each District job to comparable jobs in the surveyed organizations (Appendix B).

- Developed recommendations for consideration by the District that are discussed in detail in Section IV of this report.
- Drafted and presented to the District for review and comment a report of all findings and recommendations and all summary and detailed tables and charts.
- Conferred with the District's Legal Counsel and General Manager to discuss the findings and recommendations before development of the draft report.
- Submitted draft report to the General Manager for discussion and input for the final project report
- Edited and finalized the project report based on District feedback and transmitted the final report to the General Manager for presentation to the District's Board of Trustees.

## II ANALYTICAL CONCEPTS

### A. INTRODUCTION:

The purpose of this section is to provide clarifying information on the concepts used in the data analysis to enhance understanding of the findings and observations contained within this report.

### B. RELEVANT LABOR MARKET:

In determining comparability of pay and benefits, it is important that the relevant labor market be identified. The identification of this market is based on a variety of factors including geographic proximity; comparability of services provided; traditional recruitment patterns; availability of requisite knowledge, skills and competencies within the identified market; and historical market matching practices.

Fourteen (14) comparable organizations within the relevant labor market were surveyed. Each of these organizations was contacted during the survey process. Twelve (12) fully participated in the process and some data was collected from the websites of the two (2) no-respondent organizations. The surveyed organizations included five (5) comparable special districts, the State of California and eight (8) local public sector organizations.

**TABLE 1  
SURVEYED ORGANIZATIONS**

ORGANIZATION	Pop. Served	Employee Pop.	Operating Budget
City of Folsom	79,201	(Public Works Dept.) 112.5	(Public Works Dept) 7.2M
City of Roseville	156,467	(Env. Utilities) 256	(Env. Utilities) 123.8M
City of Sacramento	1,576,618	(Water Ops.) 374	(Water Ops) 8.4M
City of West Sacramento	156,637	(City EE Pop) 417.05	(Citywide Budget) 147.5M
City of Woodland	61,398	(City EE Pop) 317	(City EE Pop) 61.2M
El Dorado Irrigation District	125,000	<b>Not Provided</b>	<b>Not Provided</b>
Placer County	412,300	(Public Works Dept.) 281	(Public Works Dept) 4.5M
Placer County Water Agency	41,000 Accts.	(Water Division) 147.6	(Water Division) 49.34M
Reclamation District 1000	100,000+	13	5.43M
Sacramento County	(Unincorporated) 610,442	(Water Resources) 133.6	(Water Resources) 46M
Sacramento Suburban WD	194,444	73	24.9M

ORGANIZATION	Pop. Served	Employee Pop.	Operating Budget
San Juan Water District	265,000	(Wholesale Div.) 18.8	(Wholesale Div.) 10.3M
State of California DWR	39.24M	Not Provided	(Flood Management) 15.7M
Yolo County	219,986	(Comm Services Dept.) 138	(Public Works Div.) 44.8M
American River Flood Control District	400,000	13	2.8M

### C. JOBS SURVEYED:

The District requested that the market be surveyed for compensation and benefit information for jobs comparable to seven (7) exempt and non-exempt job classifications. The jobs surveyed are:

#### Office Administrative Classes

Office Manager/Clerk of the Board

#### System Maintenance Classes

Superintendent  
 Field Supervisor  
 Maintenance Worker, Range A  
 Maintenance Worker, Range B  
 Vehicle & Equipment Maintenance Specialist

#### Executive Management

General Manager

### D. STATISTICS CALCULATED:

To determine market comparability, two statistics were calculated using all valid market data collected for each job:

- Market Average – the arithmetic average of all values collected for each job surveyed
- Market Median – the middle value of all values collected for each job surveyed.

### E. INTERNAL EQUITY

The concept of internal pay equity recognizes differences in the levels of responsibility, authority, judgment, complexity of work, consequence of error and other compensable factors within an occupational group (job family). Generally, the actual difference is based on each organization's compensation philosophy pertinent to internal equity with consideration given to differentials found within the market data.

**F. SUMMARY MARKET FINDINGS:**

Summary charts depicting the comparability of base pay provided by surveyed organizations to their comparable jobs are contained and discussed in Section III of this report. Detailed charts depicting the market base pay value for each job studied are contained in Appendix B of this report.

**III**  
**BASE PAY COMPARABILITY**  
**and**  
**SALARY STRUCTURE ANALYSIS**

**A. INTRODUCTION:**

The purpose of this section is to present and discuss the comparability of the District's base pay and total compensation for the seven (7) exempt and non-exempt jobs studied to comparable jobs within the relevant labor market.

**B. BASE PAY COMPARABILITY:**

Seven (7) exempt and non-exempt jobs were surveyed within the relevant regional labor market. A valid sample of comparable jobs was found in the market data for all District jobs. Comparability charts for the Districts minimum, midpoint and maximum salaries are displayed below and on page 7.

The minimum, midpoint and maximum base pay provided to the District's Office Manager/Clerk of the Board significantly lags behind the market average and median base pay values. The likely cause of this disparity and recommended salary structure for all District jobs are discussed in the salary structure analysis section that starts on page 7.

- The **minimum** base pay for all seven (7) District jobs lags behind the market average minimum salary by a range of 6.4% to 16.74% and the minimum base pay of these jobs lags behind the market minimum median salary by a range of 2.99% to 14.48%. (Table 2)

**TABLE 2**  
**MINIMUM BASE PAY COMPARISONS**  
(Full Market data effective 1/1/2023)

CLASSIFICATION	ARFCD MINIMUM PAY	MARKET AVERAGE MINIMUM	% DIFFERENCE	MARKET MEDIAN MINIMUM	% DIFFERENCE
General Manager	11,299	12,336	-8.40	12,080	-6.47
Superintendent	7,579	8,492	-10.75	8,285	-8.52
Field Supervisor	5,769	6,164	-6.40	5,947	-2.99
Office Manager/Clerk to the Board	5,724	6,875	-16.74	6,694	-14.48
Vehicle & Equipment Specialist	4,776	5,263	-9.25	5,286	-9.64
Maintenance Worker (Range B)	4,681	5,090	-8.04	4,879	-4.06
Maintenance Worker (Range A)	3,870	4,291	-9.83	4,184	-7.49

**Note: Any district salary that is within the 5% (+/-) of the market is considered comparable to the market.**

- The **midpoint** base pay for all seven (7) District jobs lags behind the market average midpoint base pay by a range of 3.12% to 13.89%; and the midpoint base pay of six (6) of the jobs



lags behind the market midpoint median base pay by a range of 4.11% to 13.39%% while the seventh job leads the market by 1.24% (Table 3).

**TABLE 3**  
**MID-POINT COMPARISONS**  
(Market data effective 1/1/2023)

CLASSIFICATION	ARFCD MIDPOINT PAY	MARKET AVERAGE MIDPOINT	% DIFFERENCE	MARKET MEDIAN MIDPOINT	% DIFFERENCE
General Manager	13,277	13,836	-4.04	13,862	-4.22
Superintendent	8,906	9,808	-9.20	9,471	-5.97
Field Supervisor	6,779	6,996	-3.12	6,696	1.24
Office Manager/Clerk to the Board	6,726	7,811	-13.89	7,766	-13.39
Vehicle & Equipment Specialist	5,612	5,943	-5.58	6,145	-8.69
Maintenance Worker (Range B)	5,501	5,758	-4.47	5,736	-4.11
Maintenance Worker (Range A)	4,545	4,867	-9.83	4,801	-5.29

- The **maximum** base pay for all seven (7) District jobs lags behind the market average maximum base pay by a range of 0.53% to 11.65%; and the maximum base pay of six (6) of the jobs lags behind the market maximum median base pay by a range of 2.02% to 12.62% while the maximum base pay of the seventh job leads the market median maximum base pay by 2.78% (Table 4)

**TABLE 4**  
**MAXIMUM BASE PAY COMPARISONS**  
(Market data effective 1/1/2023)

CLASSIFICATION	ARFCD MAXIMUM PAY	MARKET AVERAGE MAXIMUM	% DIFFERENCE	MARKET MEDIAN MAXIMUM	% DIFFERENCE
General Manager	15,254	15,429	-1.14	15,616	-2.32
Superintendent	10,232	11,125	-8.03	10,443	-2.02
Field Supervisor	7,788	7,829	-0.53	7,578	2.78
Office Manager/Clerk to the Board	7,728	8,747	-11.65	8,844	-12.62
Vehicle & Equipment Specialist	6,447	6,624	-2.67	6,815	-5.39
Maintenance Worker (Range B)	6,320	6,425	-1.64	6,604	-4.30
Maintenance Worker (Range A)	5,225	5,442	-3.99	5,476	-4.58

### C. SALARY STRUCTURE ANALYSIS

The District's compensation philosophy states that the maximum salary for each classification will be at least 5% above the market average maximum salary. Table 5 on page 8 reflects this philosophy.

However, it was found that the structure developed based on the District's compensation philosophy resulted in minimum salaries for six (6) of the seven (7) jobs lagged behind the market by up to 3% and the minimum pay for the remaining job lead the market by 1.89%.

Therefore, a second analysis using the market average calculated midpoint plus 5% as the basis for the structure was also developed which results in a structure that leads the market at the minimum, midpoint and maximum levels (Table 6)

For the position of Office Manager, two sets of market data were analyzed. The full market was adjusted to identify a market sample of organizations with the most comparable jobs; those with limited supervisory responsibility and decision making authority. The results of the analyses of both data sets are presented for review in Tables 5 and 6 below.

**TABLE 5**  
**SALARY STRUCTURE ANALYSIS**  
**MARKET AVERAGE MAXIMUMS +5%**

CLASSIFICATION	CURRENT MAX PAY	PROPOSED SALARY RANGE			RANGE SPREAD
		MIN	MIDPOINT	MAX	
General Manager	15,254	12,001	14,101	16,201	35.00%
Superintendent	10,232	8,653	10,157	11,681	35.00%
Field Supervisor	7,788	6,089	7,155	8,221	35.00%
Office Manager/Clerk to Board (Full Mkt)*	7,728	6,803	7,994	9,184	35.00%
Office Manager/Clerk to Board (Adj Mkt)*	7,728	6,649	7,813	8,976	35.00%
Vehicle & Equipment Specialist	6,447	5,152	6,054	6,955	35.00%
Maintenance Worker Range B	6,320	4,998	5,872	6,747	35.00%
Maintenance Worker Range A	5,225	4,233	4,974	5,714	35.00%

**TABLE 6**  
**SALARY STRUCTURE ANALYSIS**  
**MARKET AVERAGE MIDPOINTS +5%**

CLASSIFICATION	CURRENT MAX PAY	PROPOSED SALARY RANGE			RANGE SPREAD
		MIN	MIDPOINT	MAX	
General Manager	15,254	12,364	14,528	16,692	35.00%
Superintendent	10,232	8,765	10,299	11,833	35.00%
Field Supervisor	7,788	6,252	7,346	8,440	35.00%
Office Manager/Clerk to Board (Full Mkt)*	7,728	6,980	8,201	9,423	35.00%
Office Manager/Clerk to Board (Adj. Mkt)	7,728	6,783	7,970	9,157	35.00%
Vehicle & Equipment Specialist	6,447	5,311	6,241	7,170	35.00%
Maintenance Worker Range B	6,320	5,145	6,046	6,946	35.00%
Maintenance Worker Range A	5,225	4,349	5,111	5,872	35.00%

#### D. JOB TO MARKET COMPARISONS:

Market comparability of base pay was determined for each job surveyed and matched in the relevant labor market. This analysis is depicted for each job in the charts contained in Appendix B.

#### E. 2023 SALARY INCREASES:

Table 7 on page 10 displays the salary increases that have occurred and/or are scheduled and reported by survey participants for calendar year 2023.

**TABLE 7**  
**2023 SALARY INCREASES**

ORGANIZATION	\$/% Change	Date of Change
City of Folsom <b>general unit</b>	None Scheduled	
<b>mid-management</b>		pending negotiation
City of Roseville		pending study
City of Sacramento <b>Exempt</b>	None Scheduled	
<b>Non Exempt</b>	None Scheduled	
City of West Sacramento		
<b>general unit</b>	4.00%	7/1/2023
<b>management</b>	0.00%	
City of Woodland <b>general unit</b>		pending negotiation
<b>mid-management</b>	3.00%	7/1/2023
El Dorado Irrigation District	3%-5% COLA	1/1/23
Placer County	4.00%	7/1/2023
Placer County Water Agency	5%	1/1/23
Reclamation District 1000	None Scheduled	Pend Budget 6/2023
Sacramento County	4.00%	6/18/23
Sacramento Suburban WD	8.30%	1/9/23
San Juan Water District	0.9%*	1/25/23
State of California <b>general unit</b>		pending negotiation
<b>supervisory/professional</b>		pending negotiation
Yolo County <b>general unit</b>	2.00%	7/1/23
<b>supervisory/professional</b>		pending negotiation
<b>management</b>	2.00%	7/1/23
ARFCD	Pending	Study

\*3.8% was issued in 7/2022- this is a supplemental COLA, total provided for FY 2022-2023.

## IV FINDINGS & RECOMMENDATIONS

### A. INTRODUCTION:

The purpose of this section is to present a summary of survey findings for consideration as they relate to District jobs and salaries.

### B. GENERAL FINDINGS:

The following information summarizes general findings pertinent to current pay and benefits comparability to surveyed organizations within the relevant labor market.

- Best practice research finds that competitive base pay enhances an organization's ability to recruit qualified personnel; and employee benefits that gain value over time enhance an organization's ability to retain qualified talent, especially in a dynamic labor market.
- The District's current compensation policy is to set individual salaries at approximately 5% above market average maximum pay values.
- The job of General Manager is more difficult to match due to variation in organizational size and structure. In such organizations the duties and responsibilities and respective salaries would typically fall at some level between Department Head and Division Manager in those departments with multiple program and operational units. It should be noted that the most comparable job matches to the General Manager in the larger organizations are at the mid-management/Division Manager level.
- As a result of the survey process, it was found that the current minimum, midpoint and maximum base salary for the Office Manager/Clerk of the Board significantly lags behind the overall market average values by more than 11.65%. Though all comparable market jobs perform the majority of the duties performed by the District's position, many of the market jobs have additional duties and/or higher levels of responsibility, authority and/or discretionary decision making that are the result of the size and/or structure of their respective organization.
- The **minimum** base pay for all seven (7) District jobs lags behind the market average minimum salary by a range of 6.4% to 16.74% and the minimum base pay of these jobs lags behind the market minimum median salary by a range of 2.99% to 14.48%. (Table 2 on page 6 of the project report).
- The **midpoint** base pay for all seven (7) District jobs lags behind the market average midpoint base pay by a range of 3.12% to 13.89%; and the midpoint base pay of six (6) of the jobs lags behind the market midpoint median base pay by a range of 4.11% to 13.39%% while the seventh job leads the market by 1.24% (Table 3 on page 7 of the project report).
- The **maximum** base pay for all seven (7) District jobs lags behind the market average maximum base pay by a range of 0.53% to 11.65%; and the maximum base pay of six (6) of the jobs lags behind the market maximum median base pay by a range of 2.02% to 12.62% while the maximum base pay of the seventh job leads the market median maximum base pay by 2.78% (Table 4 on page 7 of the project report).

- Five (5) surveyed organizations will be providing COLA adjustments that range from 2% to 4% later in 2023 for some or all of their bargaining units; five (5) organizations currently have no increases scheduled, but one is waiting for the results of a compensation study, three (3) are in negotiation with labor representatives and the fifth organization reports that 2023 increases are dependent upon budget discussions that will occur in May and/or June; and the remaining four (4) organizations provided COLA increases ranging from 0.9% to 5% In January that are reflected in the salary data collected.

#### **D. RECOMMENDATIONS FOR CONSIDERATION:**

- Implement the recommended structure that was developed based on the market average midpoint values that were adjusted upward by 5% to incorporate District policy to pay at 5% above market. This will allow the District to lead the market average minimum, midpoint, and maximum values, but not to excess.
- The recommended structure establishes a range spread of 35% around the adjusted midpoint. The 35% range spread allows room for salary growth since upward progression is limited in a small organization.
- To stay aligned with the market, adjust the salary range by the cost of living annually by adjusting the midpoint by the cost of living and then setting the range spread around that midpoint.
- To address the impact of organization size and structure on market jobs comparable to the Office Manager, the market data was adjusted to include only the most comparable jobs with the least amount of supervisory responsibility. Seven (7) market jobs were found to be most comparable to the District's Office Manager based on the nature and scope of work performed and levels of responsibility, authority, decision making and impact of error. Those jobs are located in the City of Folsom, City of Woodland, El Dorado Irrigation District, Reclamation District 1000, Sacramento County, Sacramento Suburban Water District and the San Juan Water District. The midpoint average base salary for those jobs was calculated and used as the midpoint upon which the recommended salary range for the District Office Manager/Clerk of the Board job was established.

#### **E. RECOMMENDED SALARY STRUCTURE:**

The recommended salary structure was established by adjusting the market average midpoint value for each job upwards by 5% per District policy and maintaining a 35% salary range spread around the adjusted midpoints (Table 8 on page 13).

**TABLE 8**  
**RECOMMENDED SALARY STRUCTURE**  
**(2023-2024)**

CLASSIFICATION	CURRENT MAX PAY	PROPOSED SALARY RANGE			RANGE SPREAD
		MIN	MIDPOINT	MAX	
General Manager	15,254	12,364	14,528	16,692	35.00%
Superintendent	10,232	8,765	10,299	11,833	35.00%
Field Supervisor	7,788	6,252	7,346	8,440	35.00%
Office Manager/Clerk to Board	7,728	6,783	7,970	9,157	35.00%
Vehicle & Equipment Specialist	6,447	5,311	6,241	7,170	35.00%
Maintenance Worker Range B	6,320	5,145	6,046	6,946	35.00%
Maintenance Worker Range A	5,225	4,349	5,111	5,872	35.00%

**Appendix A**  
**Survey Contact List**



### Survey Contact List

Name of Organization	Contact Name	Title	Phone	Email	Address
American River Flood Control Dist.	Tim Kerr	General Manager	(916) 929-4006	<a href="mailto:tkerr@arfed.org">tkerr@arfed.org</a>	185 Commerce Cr. Sacramento CA 95815
City of Folsom	Doris Phillips	Management Analyst HR	(916) 461-6055 (916) 461-6050	<a href="mailto:dphillips@folsom.ca.us">dphillips@folsom.ca.us</a>	50 Natoma Street Folsom, CA 95630
City of Roseville	Linda Hampton Christal Webber	HR Analyst HR Analyst	(916) 774-5215 (916) 774-5475	<a href="mailto:lhampton@roseville.ca.us">lhampton@roseville.ca.us</a> <a href="mailto:chwebber@roseville.ca.us">chwebber@roseville.ca.us</a>	311 Vernon Street Roseville, CA. 95678
City of Sacramento	Jennifer Wilkinson	SR. Personnel Analyst HR	(916) 808-5295 (916) 808-5726	<a href="mailto:jwilkinson@cityofsacramento.org">jwilkinson@cityofsacramento.org</a>	915 I Street, Plaza Level Sacramento, CA. 95670
City of West Sacramento	Leanne Lee Kaitlyn Montez	HR Manager SR. HR Analyst	(916) 617-4510 (916) 617-4508	<a href="mailto:lianel@cityofwestsacramento.org">lianel@cityofwestsacramento.org</a> <a href="mailto:kaitlynm@cityofwestsacramento.org">kaitlynm@cityofwestsacramento.org</a>	1110 W. Capital Ave West Sacramento, CA. 95691
City of Woodland	Rachael Smith	Sr. HR Analyst	(530) 661-5811	<a href="mailto:Rachael.Smith@cityofwoodland.org">Rachael.Smith@cityofwoodland.org</a> ' <a href="mailto:hr@cityofwoodland.org">hr@cityofwoodland.org</a> '	300 First Street Woodland, CA 95695
El Dorado Irrigation District	Leslie Voong website data used	HR Technician Main #	(530) 642-4074	<a href="mailto:lvoong@eid.org">lvoong@eid.org</a>	2890 Mosquito Rd Placerville, CA 95667
Placer County	Laura Carucci	HR Analyst II HR	(530) 889-4087 (530) 889-4060	<a href="mailto:lcarucci@placer.ca.gov">lcarucci@placer.ca.gov</a>	145 Fulweiller Ave, Ste 200 Auburn CA 95603
Placer County Water Agency	Nicole Skarda	HR Manager Main #	(530) 823-4902 (530) 823-4850	<a href="mailto:nskarda@pcwa.net">nskarda@pcwa.net</a>	144 Ferguson Rd Auburn, CA 95603
Reclamation District 1000	Joleen Gutierrez	Admin Services Mgr.	(916) 922-1449	<a href="mailto:jgutierrez@rd1000.org">jgutierrez@rd1000.org</a>	1633 Garden Hwy Sacramento, CA 95833
Sacramento County	Rebecca Stuckert	HR Manager I HR	(916) 874-5073 (916) 874-5593	<a href="mailto:StuckertR@saccounty.net">StuckertR@saccounty.net</a>	609 9th Street Sacramento, CA 95814
San Juan Water District	Donna Silva	Finance Director	(916) 791-6907	<a href="mailto:dsilva@sjwd.org">dsilva@sjwd.org</a>	9935 Auburn-Folsom Rd Granite Bay, CA 95746
Sacramento Suburban WD	Susan Schinnerer	HR Manager Main #	(916) 679-3972 (916) 972-7171	<a href="mailto:sschinnerer@sswd.org">sschinnerer@sswd.org</a>	3701 Marconi Ave Ste 100 Sacramento CA 95821-5346
State of California	no contact website data used			-	1416 9th Street Sacramento, CA 95648
Yolo County	Brody Lorda Khanida Hunter	HR Officer SR. Personnel Analyst	(530) 666-8055 (530) 666-8150	<a href="mailto:brody.lorda@yolocounty.org">brody.lorda@yolocounty.org</a> <a href="mailto:khanida.hunter@yolocounty.org">khanida.hunter@yolocounty.org</a>	625 Court Street Room 101 Woodland, CA 95695

**Appendix B**  
**Base Pay**  
**By**  
**Job and Surveyed Organizations**

**GENERAL MANAGER**

ORGANIZATION	CLASSIFICATION	MATCH	OT Eligible		MONTHLY BASE PAY			Range Spread	
			YES	NO	MIN	MIDPOINT	MAX		
Placer County Water Agency	Director Field Services	=		X	13,959	15,887	17,815	27.62%	
Reclamation District 1000	General Manager	=		X	12,372	14,855	17,337	40.13%	
El Dorado Irrigation District	Director of Operations	=		X			16,633		
San Juan Water District	Director of Operations	=		X	13,685	15,054	16,423	20.01%	
Sacramento County	Chief, Division of Water Resources	=		X	14,618	15,367	16,116	10.25%	
State of California	Principal Engineer, Water Resources	=		X	14,104	15,062	16,020	13.58%	
Sacramento Suburban WD	Assistant General Manager	=		X	12,080	13,957	15,834	31.08%	
Placer County	Assistant Director of Public Works	+		X	12,327	13,862	15,397	24.90%	
City of Roseville	Water Utility Manager	=		X	11,188	13,091	14,993	34.01%	
Yolo County	Director, Public Works Division	=		X	12,012	13,306	14,600	21.55%	
City of West Sacramento	Flood General Manager	=		X	11,667	12,906	14,145	21.24%	
City of Woodland	City Engineer	=		X	10,915	12,423	13,931	27.63%	
City of Sacramento	Utilities O &M Manager	=		X	10,414	12,039	13,664	31.21%	
City of Folsom	PW Utilities Section Mgr. (PE Req)	=		X	11,021	12,061	13,101	18.87%	
					<b>MARKET MEDIAN</b>	<b>12,080</b>	<b>13,862</b>	<b>15,616</b>	<b>24.90%</b>
					<b>MARKET AVERAGE</b>	<b>12,336</b>	<b>13,836</b>	<b>15,429</b>	<b>24.78%</b>
<b>ARFCD</b>	<b>General Manager</b>		<b>X</b>		<b>11,299</b>	<b>13,277</b>	<b>15,254</b>	<b>35.00%</b>	
					<b>DIFFERENCE MEDIAN</b>	<b>-6.47%</b>	<b>-4.22%</b>	<b>-2.32%</b>	<b>40.55%</b>
					<b>DIFFERENCE AVERAGE</b>	<b>-8.40%</b>	<b>-4.04%</b>	<b>-1.14%</b>	<b>41.28%</b>

**SUPERINTENDENT**

ORGANIZATION	CLASSIFICATION	MATCH	OT Eligible		MONTHLY BASE PAY			Range Spread	
			YES	NO	MIN	MIDPOINT	MAX		
Reclamation District 1000	Operations Manager	=		X	10,870	12,939	15,008	38.07%	
San Juan Water District	Field Services Manager	=		X	11,216	12,338	13,459	20.00%	
Placer County Water Agency	Deputy Director, Field Services	+		X	9,760	11,108	12,456	27.62%	
Sacramento Suburban WD	Superintendent, Field Services	=		X	7,881	10,065	12,249	55.42%	
City of Sacramento	Utilities O & M Superintendent	+		X	8,939	10,334	11,728	31.20%	
City of Roseville	Water Distribution Superintendent	=		X	8,187	9,661	11,135	36.01%	
City of West Sacramento	Utilities Maintenance Superintendent	=		X	8,614	9,542	10,469	21.53%	
State of California	Utility Craftworker Superintendent	=		X	8,383	9,400	10,417	24.26%	
Yolo County	Public Works Superintendent	=		X	8,471	9,384	10,296	21.54%	
City of Woodland	Infrastructure O & M Superintendent	=		X	7,918	9,012	10,106	27.63%	
El Dorado Irrigation District	Water Construction Supervisor	=			6,227	8,114	10,000	60.59%	
Sacramento County	Stormwater Utility Manager	=		X	7,868	8,716	9,563	21.54%	
City of Folsom	Utilities Maintenance Supervisor	=		X	7,066	8,285	9,504	34.50%	
Placer County	Utility Operations Supervisor	=		X	7,485	8,421	9,357	25.01%	
					<b>MARKET MEDIAN</b>	<b>8,285</b>	<b>9,471</b>	<b>10,443</b>	<b>27.63%</b>
					<b>MARKET AVERAGE</b>	<b>8,492</b>	<b>9,808</b>	<b>11,125</b>	<b>31.78%</b>
<b>ARFCD</b>	<b>Superintendent</b>		<b>X</b>		<b>7,579</b>	<b>8,906</b>	<b>10,232</b>	<b>35.00%</b>	
					<b>DIFFERENCE MEDIAN</b>	<b>-8.52%</b>	<b>-5.97%</b>	<b>-2.02%</b>	<b>26.70%</b>
					<b>DIFFERENCE AVERAGE</b>	<b>-10.75%</b>	<b>-9.20%</b>	<b>-8.03%</b>	<b>10.14%</b>

FIELD SUPERVISOR

ORGANIZATION	CLASSIFICATION	MATCH	OT Eligible		MONTHLY BASE PAY			Range Spread	
			YES	NO	MIN	MIDPOINT	MAX		
San Juan Water District	Distribution Lead Worker	=	X		8,746	9,621	10,495	19.99%	
Sacramento Suburban WD	Distribution Foreman	+	X		7,337	8,319	9,301	26.77%	
Placer County Water Agency	Field Maintenance Supervisor	=	X		6,956	7,917	8,877	27.62%	
State of California	Utility Craftsworker Supervisor	=	X		6,946	7,773	8,600	23.81%	
City of Folsom	Sr. Water Utility Worker	=	X		6,483	7,348	8,213	26.69%	
Reclamation District 1000	Lead Flood Operations Specialist	=	X		5,912	7,038	8,164	38.09%	
City of Sacramento	Utilities O & M Lead	=	X		5,431	6,536	7,641	40.69%	
Placer County	Utility Services Worker, Supervising	=	X		6,015	6,765	7,514	24.92%	
City of Roseville	Sr. Water Distribution Worker	=	X		5,178	6,232	7,286	40.71%	
El Dorado Irrigation District	SR. Construction/Maintenance Worker	=	X		5,982	6,627	7,271	21.55%	
City of Woodland	Utilities Maintenance Supervisor	=	X		5,491	6,250	7,008	27.63%	
Yolo County	Road Supervisor	=	X		5,616	6,221	6,826	21.55%	
City of West Sacramento	Chief Maintenance Worker	=	X		5,201	5,770	6,338	21.86%	
Sacramento County	Sr. Stormwater Utility Worker	=	X		4,998	5,536	6,074	21.53%	
					<b>MARKET MEDIAN</b>	<b>5,947</b>	<b>6,696</b>	<b>7,578</b>	<b>25.80%</b>
					<b>MARKET AVERAGE</b>	<b>6,164</b>	<b>6,996</b>	<b>7,829</b>	<b>27.39%</b>
<b>ARFCD</b>	<b>Field Supervisor</b>		<b>X</b>		<b>5,769</b>	<b>6,779</b>	<b>7,788</b>	<b>35.00%</b>	
					<b>DIFFERENCE MEDIAN</b>	<b>-2.99%</b>	<b>1.24%</b>	<b>2.78%</b>	<b>35.63%</b>
					<b>DIFFERENCE AVERAGE</b>	<b>-6.40%</b>	<b>-3.12%</b>	<b>-0.53%</b>	<b>27.79%</b>

**OFFICE MANAGER/CLERK OF THE BOARD**  
 (full market data)

ORGANIZATION	CLASSIFICATION	MATCH	OT Eligible		MONTHLY BASE PAY			Range Spread
			YES	NO	MIN	MIDPOINT	MAX	
Placer County	Clerk of the Board of Supervisors	=		X	7,951	8,941	9,930	24.89%
City of West Sacramento	Senior Analyst	=		X	7,893	8,743	9,592	21.53%
Reclamation District 1000	Administrative Services Manager	=		X	6,552	8,070	9,589	46.35%
Yolo County	Business Services Manager	=	X		7,647	8,471	9,294	21.54%
San Juan Water District	Admin. Assistant/Board Secretary	=	X		7,684	8,453	9,221	20.00%
El Dorado Irrigation District	Executive Asst/Clerk to Board	-		X	7,449	8,252	9,054	21.55%
City of Folsom	Management Analyst	=		X	6,726	7,886	9,046	34.49%
City of Roseville	Management Analyst II	=		X	6,649	7,646	8,642	29.97%
City of Woodland	Management Analyst II	=		X	6,661	7,581	8,501	27.62%
Placer County Water Agency	Clerk to the Board*	=		X	6,851	7,550	8,249	20.41%
City of Sacramento	Administrative Analyst	=		X	6,261	7,238	8,214	31.19%
State of California	Staff Services Manager I	+		X	6,563	7,358	8,153	24.23%
Sacramento Suburban WD	Executive Asst. To GM	=		X	5,470	6,643	7,816	42.89%
Sacramento County	Admin. Services Officer I	=	X		5,888	6,523	7,158	21.57%
					<b>MARKET MEDIAN</b>			
					<b>6,694</b>	<b>7,766</b>	<b>8,844</b>	<b>24.56%</b>
					<b>MARKET AVERAGE</b>			
					<b>6,875</b>	<b>7,811</b>	<b>8,747</b>	<b>27.73%</b>
<b>ARFCD</b>	<b>Office Manager/Secretary to Board</b>		<b>X</b>		<b>5,724</b>	<b>6,726</b>	<b>7,728</b>	<b>35.01%</b>
					<b>DIFFERENCE MEDIAN</b>			
					<b>-14.48%</b>	<b>-13.39%</b>	<b>-12.62%</b>	<b>42.56%</b>
					<b>DIFFERENCE AVERAGE</b>			
					<b>-16.74%</b>	<b>-13.89%</b>	<b>-11.65%</b>	<b>26.25%</b>

**OFFICE MANAGER/CLERK OF THE BOARD**  
 (adjusted market data – most comparable jobs)

ORGANIZATION	CLASSIFICATION	MATCH	OT Eligible		MONTHLY BASE PAY			Range		
			YES	NO	MIN	MIDPOIN T	MAX	Spread		
San Juan Water District	Admin Asst/Board Secretary	=	X		7,684	8,453	9,221	20.00%		
El Dorado Irrigation District	Exec. Asst/Clerk to Board	-		X	7,449	8,252	9,054	21.55%		
City of Folsom	Management Analyst	=		X	6,726	7,886	9,046	34.49%		
Reclamation District 1000	Admin. Services Manager	=		X	6,552	7,799	9,046	38.06%		
City of Woodland	Management Analyst II	=		X	6,661	7,581	8,501	27.62%		
Sacramento Suburban WD	Exec. Assistant to GM	=		X	5,470	6,643	7,816	42.89%		
Sacramento County	Admin. Services Officer I	=	X		5,888	6,523	7,158	21.57%		
					<b>MARKET MEDIAN</b>		6,661	7,799	9,046	<b>27.62%</b>
					<b>MARKET AVERAGE</b>		6,633	7,591	8,549	<b>29.46%</b>
<b>ARFCD</b>	<b>Office Manager/Clerk of the Board</b>		<b>X</b>		<b>5,724</b>	<b>6,726</b>	<b>7,728</b>	<b>7,728</b>	<b>35.01%</b>	
					<b>DIFFERENCE MEDIAN</b>		<b>-14.07%</b>	<b>-13.76%</b>	<b>-14.57%</b>	<b>26.74%</b>
					<b>DIFFERENCE AVERAGE</b>		<b>-13.70%</b>	<b>-11.39%</b>	<b>-9.60%</b>	<b>18.86%</b>

**VEHICLE & EQUIPMENT MAINTENANCE SPECIALIST**

ORGANIZATION	CLASSIFICATION	MATCH	OT Eligible		MONTHLY BASE PAY			Range Spread
			YES	NO	MIN	MIDPOINT	MAX	
City of Roseville	Mechanic II	=	X		5,114	6,155	7,195	40.69%
Placer County Water Agency	Mechanic	=	X		5,583	6,354	7,125	27.62%
El Dorado Irrigation District	Heavy Equipment Mechanic	=	X		5,808	6,435	7,062	21.59%
City of Folsom	Mechanic II	=	X		5,466	6,195	6,924	26.67%
Sacramento County	Equipment Technician	=	X		6,248	6,569	6,890	10.28%
Placer County	Master Equipment Mechanic (Journey)	=	X		5,457	6,136	6,815	24.89%
City of Sacramento	Equipment Mechanic II (PW)	=	X		4,848	5,831	6,814	40.55%
Reclamation District 1000	Equipment Maintenance Specialist	=	X		4,794	5,709	6,623	38.15%
State of California	Heavy Equipment Mechanic (Range B)	=	X		5,748	6,186	6,623	15.22%
Yolo County	Auto & Heavy Equip. Mechanic	=	X		4,968	5,503	6,037	21.52%
City of Woodland	Heavy Equipment Mechanic	=	X		4,619	5,258	5,896	27.65%
City of West Sacramento	Equipment Mechanic II	=	X		4,501	4,992	5,483	21.82%
Sacramento Suburban WD	No Match							
San Juan Water District	No Match							
			MARKET MEDIAN		5,286	6,145	6,815	25.78%
			MARKET AVERAGE		5,263	5,943	6,624	26.39%
ARFCD	Vehicle & Equipment Specialist		X		4,776	5,612	6,447	34.99%
			DIFFERENCE MEDIAN		-9.64%	-8.69%	-5.39%	35.72%
			DIFFERENCE AVERAGE		-9.25%	-5.58%	-2.67%	32.59%



**MAINTENANCE WORKER RANGE B**

<b>ORGANIZATION</b>	<b>CLASSIFICATION</b>	<b>MATCH</b>	<b>OT Eligible</b>		<b>MONTHLY BASE PAY</b>			<b>Range Spread</b>	
			<b>YES</b>	<b>NO</b>	<b>MIN</b>	<b>MIDPOINT</b>	<b>MAX</b>		
San Juan Water District	Distribution Operator II	=	X		6,235	6,859	7,483	20.02%	
State of California	Utility Craftsworker, Water Resources	=	X		6,509	6,996	7,483	14.96%	
Sacramento Suburban WD	Distribution Operator II	=	X		5,788	6,512	7,235	25.00%	
City of Sacramento	Utilities O & M Service Worker	+	X		4,934	5,939	6,943	40.72%	
City of Folsom	Water Utility Worker II	=	X		5,466	6,195	6,924	26.67%	
City of Roseville	Water Distribution Worker II	=	X		4,708	5,666	6,624	40.70%	
Reclamation District 1000	Flood Operations Specialist II	=	X		4,794	5,709	6,623	38.15%	
El Dorado Irrigation District	Construction/Maintenance Worker II	=	X		5,418	6,002	6,585	21.54%	
Placer County Water Agency	Maintenance Worker II	=	X		5,064	5,764	6,463	27.63%	
Placer County	Utility Services Worker	=	X		4,824	5,426	6,027	24.94%	
Sacramento County	Stormwater Utility Worker	=	X		4,597	5,093	5,589	21.58%	
City of West Sacramento	Maintenance Worker, Senior	=	X		4,570	5,069	5,568	21.84%	
City of Woodland	Utilities Maintenance Worker II	=	X		4,185	4,763	5,341	27.62%	
Yolo County	Road Maintenance Worker	=	X		4,169	4,618	5,067	21.54%	
					<b>MARKET MEDIAN</b>	<b>4,879</b>	<b>5,736</b>	<b>6,604</b>	<b>24.97%</b>
					<b>MARKET AVERAGE</b>	<b>5,090</b>	<b>5,758</b>	<b>6,425</b>	<b>26.64%</b>
<b>ARFCD</b>	<b>Maintenance Worker Range B</b>		<b>X</b>		<b>4,681</b>	<b>5,501</b>	<b>6,320</b>	<b>35.01%</b>	
					<b>DIFFERENCE MEDIAN</b>	<b>-4.06%</b>	<b>-4.11%</b>	<b>-4.30%</b>	<b>40.23%</b>
					<b>DIFFERENCE AVERAGE</b>	<b>-8.04%</b>	<b>-4.47%</b>	<b>-1.64%</b>	<b>31.45%</b>

**MAINTENANCE WORKER RANGE A**

ORGANIZATION	CLASSIFICATION	MATCH	OT Eligible		MONTHLY BASE PAY			Range Spread
			YES	NO	MIN	MIDPOINT	MAX	
San Juan Water District	Distribution Operator I	=	X		5,645	6,210	6,774	20.00%
Sacramento Suburban WD	Distribution Operator I	=	X		5,262	5,920	6,578	25.01%
City of Roseville	Water Distribution Worker I	=	X		4,280	5,151	6,022	40.70%
City of Folsom	Water Utility Worker I (flex w/ll)	=	X		4,721	5,351	5,981	26.69%
El Dorado Irrigation District	Construction/Maintenance Worker I	=	X		4,904	5,433	5,961	21.55%
State of California	Utility Craftsworker Apprentice	-	X		4,231	5,045	5,858	38.45%
Reclamation District 1000	Flood Operations Specialist I	=	X		3,983	4,743	5,502	38.14%
Placer County Water Agency	Maintenance Worker I	=	X		4,270	4,860	5,450	27.63%
Placer County	Maintenance Worker	=	X		4,072	4,579	5,086	24.90%
City of West Sacramento	Maintenance Worker	=	X		4,136	4,588	5,039	21.83%
City of Woodland	Utilities Maintenance Worker I	=	X		3,699	4,210	4,721	27.63%
Yolo County	Asst. Road Maintenance Worker	-	X		3,727	4,128	4,529	21.52%
Sacramento County	Maintenance Worker	=	X		3,621	4,011	4,400	21.51%
City of Sacramento	Utilities O&M Worker Apprentice	=	X		3,538	3,914	4,290	21.25%
	<b>MARKET MEDIAN</b>				<b>4,184</b>	<b>4,801</b>	<b>5,476</b>	<b>24.96%</b>
	<b>MARKET AVERAGE</b>				<b>4,292</b>	<b>4,867</b>	<b>5,442</b>	<b>26.92%</b>
<b>ARFCD</b>	<b>Maintenance Worker Range A</b>		<b>X</b>		<b>3,870</b>	<b>4,548</b>	<b>5,225</b>	<b>35.01%</b>
	<b>DIFFERENCE MEDIAN</b>				<b>-7.49%</b>	<b>-5.29%</b>	<b>-4.58%</b>	<b>40.30%</b>
	<b>DIFFERENCE AVERAGE</b>				<b>-9.83%</b>	<b>-6.57%</b>	<b>-3.99%</b>	<b>30.08%</b>

**American River Flood Control District**

**Resolution 2023-05**

**Adopting 2023 Pay Ranges**

**WHEREAS**, the American River Flood Control District (the “District”) retained Grace Consulting to conduct a salary study of comparable organizations in the relevant labor market for all positions in the District; and

**WHEREAS**, the results of that study and specific recommendations for the District are contained in the Salary Study of April 2023 (the “Study”); and

**WHEREAS**, consistent with the recommendations contained in the Study, the Board determines that it is in the best interests of the District to adopt new pay ranges for each position at the District. The pay ranges are established using the following methodology:

1. Use the Grace Consulting Study’s Market Average Midpoint plus 5% as the Midpoint for the District’s pay range for each position;
2. Using the District’s Midpoint as calculated in 1 above, establish a range of 35% from Bottom of Range (Minimum) to Top of Range (Maximum) for each position.

**Therefore, the Board resolves that:**

1. The monthly pay ranges for each position at the District as set forth in Exhibit “A” attached are hereby established and adopted using the methodology described above; and
2. The Employee Compensation and Benefits Policy is revised and adopted as set forth in Exhibit “B”, attached.

**PASSED AND ADOPTED** this 12<sup>th</sup> day of May, 2023.

ATTEST:

\_\_\_\_\_  
President  
Board of Trustees

\_\_\_\_\_  
Secretary  
Board of Trustees

**American River Flood Control District**  
**RECOMMENDED SALARY STRUCTURE**  
(2023-2024)

CLASSIFICATION	PROPOSED SALARY RANGE			RANGE SPREAD
	MIN	MIDPOINT	MAX	
General Manager	12,364	14,528	16,692	35.00%
Superintendent	8,765	10,299	11,833	35.00%
Field Supervisor	6,252	7,346	8,440	35.00%
Office Manager/Clerk to Board	6,783	7,970	9,157	35.00%
Vehicle & Equipment Specialist	5,311	6,241	7,170	35.00%
Maintenance Worker Range B	5,145	6,046	6,946	35.00%
Maintenance Worker Range A	4,349	5,111	5,872	35.00%

## **EXHIBIT "B"**

### **American River Flood Control District Employee Compensation and Benefits Policy (Revised June 2020)**

This Employee Compensation and Benefits Policy is intended to serve as a guideline for District Management and the Board. The District seeks to recruit, retain, and promote employees of the highest caliber in terms of skills and ethics. The District also seeks to apply principles of equity and fairness in establishing the compensation of its employees. At the same time, District Management and the Board remain responsible stewards of District funds, consistent with their fiscal and legal responsibilities.

The Board should consider retaining an independent consultant to review the District's employee compensation and benefits every four or five years, or more or less frequently if the Board deems it necessary or appropriate. Salary ranges may be established for each position based in part on the consultant's review. Management and the Board may also be guided by their own experience and knowledge of the specific positions at the District in establishing both salary ranges and goal compensation. Salary ranges may be increased or decreased each year by applying an appropriate index, such as the labor market movement established by the U.S. Bureau of Labor Statistics.

Consistent with its goal to recruit and retain the highest caliber employees, the Board may be guided by the market average midpoint salary for each position as established by the consultant's review. Salary caps and floors may be established by using a percentage, such as 10%, above and below the market average midpoint salary plus 5%. Alternatively, the Board may establish a range by using the market average midpoint salary plus 5% as the midpoint in the range, and then establishing a percentage range, such as 35%, between the bottom of the range (minimum) and the top of the range (maximum).

Management and the Board shall consider each individual employee's performance to determine the employee's actual salary within the approved ranges. Management and the Board may also take into consideration employee benefits, cost of living increases, merit increases, incentive bonuses, and longevity bonuses in establishing staff compensation.

The District guarantees every applicant for employment and every employee the right of equal treatment without regard to race, color, sex, age, religion, national origin, sexual preference, gender identity, disability or veteran status, or any other class protected by law. This policy extends to recruiting, hiring, working conditions, benefits, training programs, promotions, use of the District's facilities, and all other terms and conditions of employment. In recruiting, selecting and promoting employees, it is the policy of the District to further the principles of equal employment opportunity by seeking talented and competent persons who are suited for a specific position by reason of training, experience, character, personality, intelligence, and general ability. Such action shall occur without regard to the individual's protected status or class.



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## GOVERNANCE LETTER

To the Board of Trustees  
American River Flood Control District  
Sacramento, California

We have audited the financial statements of the American River Flood Control District (the District) for the year ended June 30, 2022, and have issued our report thereon dated April 14, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated July 28, 2022. Professional standards require that we provide you with the following information related to our audit.

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

As stated in our engagement letter dated July 28, 2022, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

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

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

### Planned Scope and Timing of the Audit

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

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

We are required by the audit standards to identify potential risks of material misstatement during the audit process. We have identified the following significant risk of material misstatement as part of our audit planning: Management override of controls and revenue recognition. These are the areas that the audit standards require at a minimum to be identified as significant risks.

We performed the audit according to the planned scope previously communicated to you in our engagement letter dated July 28, 2022.

#### Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2022. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

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

Pension Liability: Information on the District's pension plan, including the District's share of the net pension liability, is shown in Note E. The District's share of the net pension liability at June 30, 2021, the most recent measurement date, was \$647,552 which is reflected as a liability in the District's financial statements as of June 30, 2022. The pension liability decreased by \$596,298 due to the unusually large investment earnings on the CalPERS plan assets as of the June 30, 2021 valuation.

Other Postemployment Benefits Liability: The other postemployment benefits (OPEB) liability disclosure in Note F shows the District's OPEB liability had decreased to \$3,090,685 as of June 30, 2022 due to the actuaries increasing the discount rate, but this liability is expected to increase since the District is not pre-funding the plan, only paying premiums for current retirees. The District has budgeted reserve fund balance for retiree health benefits of \$3,552,014, but since this amount has not been deposited in an irrevocable trust to be used for retiree health benefits, this amount is not permitted to offset the OPEB liability for accounting purposes.

Board of Trustees  
American River Flood Control District  
Page 3

Assessments: Note H describes the tentative nature of assessments and fees collected under Proposition 218.

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

#### Difficulties Encountered in Performing the Audit

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

#### Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. 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 the financial statements taken as a whole. Two audit adjustments were proposed to record an operation and maintenance reimbursement receivable and reclassify committed fund balance.

#### Disagreements With Management

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

#### Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 14, 2023.

#### Management Consultations With Other Independent Accountants

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

#### Issues Discussed Prior to Retention of Independent Auditors

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

#### Other Matters

We applied certain limited procedures to the management discussion and analysis, other postemployment benefits schedule of funding progress, schedule of contributions to the OPEB plan, schedule of the proportionate share of the net pension liability, schedule of contributions to the pension plan, and schedule of revenue, expenditures and changes in fund balance - budget and actual – General Fund, which



Board of Trustees  
American River Flood Control District  
Page 4

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

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

Restriction on Use

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

*Richardson & Company, LLP*

April 14, 2023

**AMERICAN RIVER FLOOD CONTROL DISTRICT**

Audited Financial Statements  
and Compliance Report

June 30, 2022

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AMERICAN RIVER FLOOD CONTROL DISTRICT

Audited Financial Statements  
and Compliance Report

June 30, 2022

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees  
American River Flood Control District  
Sacramento, California

### Report on the Audit of the Financial Statements

#### Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the American River Flood Control District (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of June 30, 2022, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinions

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

#### Responsibilities of Management for the Financial Statements

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

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

To the Board of Trustees  
American River Flood Control District

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of the proportionate share of the net pension liability, schedule of contributions to the pension plan, schedule of changes in the total OPEB liability and related ratios, and analysis and budgetary comparison information on pages 4 to 11 and 34 to 36 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the

To the Board of Trustees  
American River Flood Control District

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.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedule of expenditures – budgeted and actual – General Fund is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures – budgeted and actual – General Fund is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 14, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Richardson & Company, LLP*

April 14, 2023



## AMERICAN RIVER FLOOD CONTROL DISTRICT CALIFORNIA

## Management's Discussion and Analysis

As management of the American River Flood Control District (District), we are providing readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ending June 30, 2022. We encourage readers to consider the information presented here in conjunction with the accompanying financial statements, footnotes, and supplementary information.

## FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2021/2022

- At the end of current year, total net position (total assets and deferred outflows of resources less total liabilities and deferred inflows of resources) of the District was a positive \$17.0 million.
- During the year, the District's net position increased by approximately \$330,000. The increase was a result of the District's governmental activities (flood protection). The District has no business-type activities to report.
- At the end of the current year, the District's General Fund reported a total fund balance of \$11.2 million, an increase of \$385,000 from the previous year. The amount of the unassigned fund balance was \$3.7 million, and the remaining \$7.5 million was committed by the Board or in nonspendable form.
- The District's capital asset balance before depreciation was \$14.2 million at the end of the year.
- The District has recognized a net pension liability in the amount of \$648,000 due to Governmental Accounting Standards Board Statement (GASB) 68. The liability decreased approximately \$596,000 from the prior year. See Note E of the basic financial statements.
- The District has recognized a liability in the amount of \$3.1 million for post-employment benefits due to Governmental Accounting Standards Board Statement (GASB) 75. The liability decreased approximately \$1.3 million from the prior year. See Note F of the basic financial statements.

## OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts, Management's Discussion and Analysis (this section), the Basic Financial Statements, and Required Supplementary information (RSI). The Basic Financial Statements include the government-wide financial statements and fund financial statements. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

## GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

The government-wide financial statements of the District report on one category, Governmental activities, as the District has no business-type activities.

## AMERICAN RIVER FLOOD CONTROL DISTRICT CALIFORNIA

## Management's Discussion and Analysis (Continued)

*Governmental Activities* – All of the District's basic services, which include the maintenance and operation of a flood control system, are considered to be governmental activities and are included here.

Assessment revenue, maintenance agreements, grants, and investment earnings finance the District's flood protection activities.

## FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the District's significant funds. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements, and to keep track of specific sources of funding and spending for particular purposes.

The District has one kind of fund:

*General Fund* – All of the District's basic services are included in the General Fund, which focuses on how resources flow in and out. The balances remaining at year-end are available for spending. The governmental fund statements provide a detailed short-term view to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's activities. Because this information does not encompass the additional long-term focus of the government-wide statements, we described the relationship between governmental activities and governmental funds through the reconciliations on pages 15 and 17 and in the notes to the basic financial statements.

## NOTES TO BASIC FINANCIAL STATEMENTS

The notes to the basic financial statements provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found beginning on page 18 of this report.

## REQUIRED SUPPLEMENTARY INFORMATION

In addition to the Basic Financial Statements and accompanying notes, this report presents certain required supplementary information (RSI) concerning the District's pension plan, other postemployment benefits, and budget and actual revenue and expenditures on a budgetary basis. The RSI can be found on pages 34 to 36 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. The District's net position was \$17.0 million at the close of the most recent fiscal year. Of this amount \$10.6 million is invested in capital assets. The District uses these capital assets to provide flood protection services. Consequently, these assets are not available for future spending. All remaining net position is unrestricted. (See Table 1)

## AMERICAN RIVER FLOOD CONTROL DISTRICT CALIFORNIA

## Management's Discussion and Analysis (Continued)

Table 1  
Statement of Net Position  
June 30, 2022 and 2021  
(in thousands)

	Governmental Activities	
	2022	2021
Current and other assets	\$ 11,606	\$ 11,262
Capital assets, net	10,574	10,763
Total assets	<u>22,180</u>	<u>22,025</u>
Deferred outflows of resources	577	733
Current liabilities	180	195
Long term liabilities:		
Net pension liability	648	1,244
Other postemployment benefits liability	3,091	4,344
Total liabilities	<u>3,919</u>	<u>5,783</u>
Deferred inflows of resources	1,855	322
Net position:		
Net investment in capital assets	10,574	10,761
Unrestricted net position	6,409	5,892
Total net position	<u>\$ 16,983</u>	<u>\$ 16,653</u>

Capital Assets, Net of Related Debt

As part of the implementation of GASB Statement No. 34, the District chose to not retroactively recognize infrastructure assets. GASB Statement No. 34 requires prospective reporting of infrastructure and allows for retroactive application of assets not previously required to be reported. The District opted to not record infrastructure assets (predominantly levee improvements) due to the difficulty in obtaining accurate costs for the levees, many of which were constructed over 50 years ago.

During the fiscal year ended June 30, 2022, there were no major additions to capital assets from levee improvements; however, during fiscal 2022 two new mowers and a stump grinder was purchased for a combined cost of \$118,000. Also during 2022, an older truck and mower with an original cost of \$68,000 was sold resulting in a gain on sale of \$9,000. These assets were fully depreciated.

Net Pension Liability

The District implemented GASB 68 during fiscal year 2015, which resulted in the District recording their share of the unfunded net pension liability. During fiscal year 2022, the District contributed \$174,000 for employer required contributions to the pension plan, and the unfunded net pension liability decreased \$596,298 from \$1,243,850 in the prior year to \$647,552 at June 30, 2022. This decrease was primarily due to unusually large investment earnings on plan assets as of the June 30, 2021 measurement date. In addition, the District has recorded deferred outflows and deferred inflows related to pensions of \$305,004 and \$637,303, respectively. See also Note E to the financial statements for additional information.

## AMERICAN RIVER FLOOD CONTROL DISTRICT CALIFORNIA

## Management's Discussion and Analysis (Continued)

Other Postemployment Benefits Liability

The most recent actuarial study performed for the District for its post-employment benefits indicates that their plan has an unfunded liability of \$3,090,685 at June 30, 2022. During 2022, the District paid \$130,000 against this liability, and the liability decreased \$1,253,315 from \$4,344,000 at June 30, 2021 to \$3,090,685 at June 30, 2022, primarily due to the increase in the discount rate used in the calculation. In addition, the District has recorded deferred outflows and deferred inflows related to postemployment benefits of \$271,600 and \$1,218,265 respectively. See also Note F to the financial statements for additional information. The next actuarial study is scheduled to be performed in 2024.

Restricted Net Position

The District has no restricted net position as of June 30, 2022.

Unrestricted Net Position

The District's unrestricted net position at June 30, 2022 totaled \$6.4 million, an increase of approximately \$517,000 from \$5.9 million at June 30, 2021. The entire unrestricted net position balance has been set aside by the Board for flood emergency, emergency repairs, future retiree health benefits, and future capital improvements.

Governmental Activities

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

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

	<u>Governmental Activities</u>	
	<u>2022</u>	<u>2021</u>
Revenues:		
Program revenues		
O & M reimbursement agreements	\$ 326	\$ 312
FMAP grant	587	212
General revenues		
Assessments	2,304	2,337
Investment earnings	(291)	43
Miscellaneous	9	46
Total revenues	<u>2,935</u>	<u>2,950</u>
Expenses:		
Flood protection	<u>2,605</u>	<u>2,970</u>
Change in net position	330	(20)
Net position – beginning of year	<u>16,653</u>	<u>16,673</u>
Net position – end of year	<u>\$ 16,983</u>	<u>\$ 16,653</u>

## AMERICAN RIVER FLOOD CONTROL DISTRICT CALIFORNIA

## Management's Discussion and Analysis (Continued)

The District's change in net position was an increase of \$330,000 during the current fiscal year. Overall revenues decreased from \$2,950,000 in 2021 to \$2,935,000 in 2022. O&M reimbursements increased \$14,000, assessment revenues decreased \$33,000, and investment earnings decreased \$334,000. The primary reason for the investment losses during the year was the result of a \$381,000 reduction in the fair value of the District's City Pool investment balances. During the year the District also received a Flood Management Assistance Program grant for \$587,000, which it used to support operations. Flood protection expenses decreased \$365,000 from \$2,970,000 in 2021 to \$2,605,000 in 2022. Major decreases in flood protection were a result of decreases in levee maintenance services, retiree health, pension, and Trustee election related expenses.

## FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

At the fiscal year-end, the District's governmental funds reported a combined fund balance of \$11.2 million, an increase of \$385,000 from the previous year's fund balance. The current year-end fund balance consists of \$7.5 million in committed funds for emergencies, capital improvements and retiree health benefits as follows:

The Board has designated \$1.5 million for the Emergency Flood Fight Fund to be used by the District to initiate a flood emergency response and \$1.5 million has been designated for the Emergency Repair Fund. These funds will be used to initiate immediate repairs to levees damaged during a flood event so that the District will be better prepared to provide protection should another flood event follow. The Board has also designated \$3.6 million for future retiree health benefits in the Retiree Health Benefits Fund. To fund improvements on District levees, \$920,000 has been designated for the Capital Outlay Fund.

The remaining \$3.7 million is unassigned and available for spending for flood protection purposes. These funds are included in the District's Operation and Maintenance Fund which is used for the annual costs associated with operating and maintaining the District's facilities, including administrative costs.

Revenues in the District's governmental fund (General Fund, which consists of the Board's four designated funds), were approximately \$3.0 million. Assessment revenue of \$2.3 million was the major source (78.7%) of revenue for the governmental fund. O & M reimbursements of \$332,000 accounted for 11.3% of revenues, the FMAP grant of \$587,000 accounted for 19.9%, and investment earnings of \$(291,000) accounted for (9.9%) of revenues. As stated above, the District recognized a \$381,000 decline in the fair value of its City Pool investment balances at June 30, 2022, causing its investment earnings to be a loss for the year. Expenditures from the governmental fund were \$2.6 million, which resulted in an increase in fund balance of \$385,000.

## GENERAL FUND BUDGETARY HIGHLIGHTS

Budgetary Summary – Revenues/Financing Sources

Following is a summary of the current year budget and actual results for the District's General Fund revenues and other financing sources. (See Table 3)

## AMERICAN RIVER FLOOD CONTROL DISTRICT CALIFORNIA

## Management's Discussion and Analysis (Continued)

Table 3

Revenues and Other Funding Sources – General Fund  
Year Ended June 30, 2022  
(in thousands)

	Budget Amount	Actual Amount	Variance From Final Budget
Assessments	\$ 2,410	\$ 2,323	\$ (87)
O & M reimbursement agreements	232	332	100
Operating grants	-	587	587
Use of money and other income	77	(290)	(367)
	<u>\$ 2,719</u>	<u>\$ 2,952</u>	<u>\$ 233</u>

Changes from Amounts Originally Budgeted

There were no changes made to the original budget.

Actual Revenues/Financing Sources Compared with Final Budget Amounts

Actual revenues and other financing sources recognized by the District's General Fund were \$233,000 more than budget. The variance was primarily due to O & M reimbursements being more than originally budgeted, and the FMAP grant of \$587,000 that was not budgeted for when the 2021/22 budget was adopted.

Budgetary Summary – Expenditures/Other Financing Uses

Following is a summary of the current year budget and actual results for the District's General Fund expenditures. (See Table 4)

Table 4

Expenditures – General Fund  
Year Ended June 30, 2022  
(in thousands)

	Budget Amount	Actual Amount	Variance From Final Budget
Current:			
Flood protection			
Operations	\$ 2,122	\$ 1,900	\$ 222
Administration	574	553	21
Debt service:			
Principal	-	2	(2)
Interest payments	-	1	(1)
Capital outlay	162	119	43
	<u>\$ 2,858</u>	<u>\$ 2,575</u>	<u>\$ 283</u>

## AMERICAN RIVER FLOOD CONTROL DISTRICT CALIFORNIA

## Management's Discussion and Analysis (Continued)

Changes from Amounts Originally Budgeted

There were no changes made to the original budget.

Actual Expenditures Compared with Final Budget Amount

Actual expenditures from the District's General Fund were \$283,000 less than budgeted. Favorable variances from budget were noted in maintenance and operations activities, administration, and capital outlay. Under maintenance and operations, significant budget savings were in engineering and survey studies, levee standards compliance, and workers compensation insurance. Budget savings were also noted in capital outlay. Under administration, budget savings were in retiree health benefits, insurance, and County technology fees.

CAPITAL ASSETS AND DEBT ADMINISTRATIONCapital Assets

At June 30, 2022, the District has \$10.6 million invested in capital assets including levees and equipment. As allowed by GASB Statement No. 34, land and infrastructure have not been included for acquisitions prior to the implementation of the standard. The District's capital assets increased from the prior fiscal year as shown in Table 5 below:

Table 5  
Capital Assets

	<u>As of</u> <u>June 30, 2022</u>	<u>As of</u> <u>June 30, 2021</u>	<u>Increase</u> <u>(Decrease)</u>
Land	\$ 321,463	\$ 321,463	-
Levees and improvements	9,544,047	9,544,047	-
Building	2,181,520	2,181,520	-
Equipment	2,084,681	2,033,086	\$51,595
Building improvements	<u>82,556</u>	<u>82,556</u>	<u>-</u>
	<u>\$14,214,267</u>	<u>\$14,162,672</u>	<u>\$ 51,595</u>

As stated above, during the fiscal year ended June 30, 2022, there were no major additions to capital assets from levee improvements; however, during the year two mowers and a stump grinder was purchased for \$118,000. Also during 2022, an older truck and mower with an original cost of \$68,000 was sold resulting in a gain on sale of \$9,000. These assets were fully depreciated.

The District depreciates capital assets using the straight-line method over the estimated lives of the assets. Accumulated depreciation as of June 30, 2022 is \$3,640,572, and depreciation expense for the year was \$308,505.

See Note C for more information on the District's capital assets.

As of June 30, 2022, the District has designated approximately \$920,000 for future capital outlay expenditures.

## AMERICAN RIVER FLOOD CONTROL DISTRICT CALIFORNIA

## Management's Discussion and Analysis (Continued)

Debt Administration

The District entered into a capital lease for office equipment during 2017 at a cost of approximately \$10,000. The lease was paid off during the year. See Note D for more information on the District's long-term liabilities.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

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

American River Flood Control District

185 Commerce Circle

Sacramento, CA 95815

[Arfcd.org](http://Arfcd.org)



## AMERICAN RIVER FLOOD CONTROL DISTRICT

## STATEMENT OF NET POSITION

June 30, 2022

ASSETS	
Cash and investments - Note B	\$ 9,633,294
Receivables:	
Assessments	51,443
Interest	392
Due from other agencies	1,872,626
Prepaid expenses	48,999
Capital assets, net - Note C	10,573,695
TOTAL ASSETS	<u>22,180,449</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension plan	305,004
Other postemployment benefits (OPEB) plan	271,600
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>576,604</u>
LIABILITIES	
Accounts payable	64,767
Accrued payroll	33,545
Compensated absences	82,073
Long-term liabilities	
Net pension liability - Note E	647,552
OPEB liability - Note F	3,090,685
TOTAL LIABILITIES	<u>3,918,622</u>
DEFERRED INFLOWS OF RESOURCES	
Pension plan	637,303
OPEB plan	1,218,265
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>1,855,568</u>
NET POSITION	
Net investment in capital assets	10,573,695
Unrestricted	6,409,168
TOTAL NET POSITION	<u>\$ 16,982,863</u>

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

## AMERICAN RIVER FLOOD CONTROL DISTRICT

## STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2022

PROGRAM EXPENSES	
Governmental activities:	
Flood protection	\$ 2,604,690
PROGRAM REVENUES	
Charges for services	325,911
Operating grants	<u>586,602</u>
	NET PROGRAM EXPENSES (1,692,177)
GENERAL REVENUES	
Assessments	2,303,736
Interest earnings	(291,146)
Gain on sale of capital assets	8,609
Miscellaneous	734
	TOTAL GENERAL REVENUES <u>2,021,933</u>
CHANGE IN NET POSITION	329,756
Net position at beginning of year	<u>16,653,107</u>
	NET POSITION AT END OF YEAR <u><u>\$ 16,982,863</u></u>

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

## AMERICAN RIVER FLOOD CONTROL DISTRICT

## BALANCE SHEET – GENERAL FUND

June 30, 2022

ASSETS	
Cash and cash equivalents	\$ 9,633,294
Receivables:	
Assessments	51,443
Interest	392
Due from other agencies	1,872,626
Prepaid costs	<u>48,999</u>
TOTAL ASSETS	<u><u>\$ 11,606,754</u></u>
LIABILITIES, DEFERRED INFLOWS OF OF RESOURCES AND FUND BALANCE	
LIABILITIES	
Accounts payable	\$ 64,767
Accrued payroll	<u>33,545</u>
TOTAL LIABILITIES	<u>98,312</u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue	<u>327,955</u>
FUND BALANCE	
Nonspendable	48,999
Committed	7,472,014
Unassigned	<u>3,659,474</u>
TOTAL FUND BALANCE	<u>11,180,487</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u><u>\$ 11,606,754</u></u>

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

## AMERICAN RIVER FLOOD CONTROL DISTRICT

RECONCILIATION OF THE BALANCE SHEET TO THE GOVERNMENT-WIDE  
STATEMENT OF NET POSITION – GENERAL FUND

June 30, 2022

Fund balance - total governmental funds, June 30, 2022		\$ 11,180,487
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds:		
Governmental capital assets	\$ 14,214,267	
Less: accumulated depreciation	<u>(3,640,572)</u>	10,573,695
Deferred outflows of resources related to the pension and OPEB plans will be recognized as expense in the future.		
Pension plan		305,004
OPEB plan		271,600
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Compensated absences		(82,073)
Net pension liability		(647,552)
OPEB liability		(3,090,685)
Deferred inflows of resources related to the pension and OPEB plans will be recognized as a reduction of expense in the future.		
Pension plan		(637,303)
OPEB plan		(1,218,265)
Some revenues are not recognized in governmental funds because they do not represent current financial resources that are recognized in the Statement of Activities:		
Unavailable revenue		<u>327,955</u>
Net position - governmental activities, June 30, 2022		<u><u>\$ 16,982,863</u></u>

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

AMERICAN RIVER FLOOD CONTROL DISTRICT  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE – GENERAL FUND

For the Year Ended June 30, 2022

REVENUES		
Assessments	\$ 2,323,033	
O & M reimbursements	332,334	
Contributions and grants	586,602	
Use of money	(291,146)	
Other revenues	734	
TOTAL REVENUES	2,951,557	
EXPENDITURES		
Current:		
Flood protection		
Maintenance and operations	1,900,184	
Administration	552,750	
Debt service:		
Principal	1,964	
Interest payments	412	
Capital outlay	119,384	
TOTAL EXPENDITURES	2,574,694	
OTHER FINANCING SOURCES		
Proceeds from sale of capital assets	8,609	
NET CHANGE IN FUND BALANCE	385,472	
Fund balance at beginning of year	10,795,015	
FUND BALANCE AT END OF YEAR	\$ 11,180,487	

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

## AMERICAN RIVER FLOOD CONTROL DISTRICT

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

For the Year Ended June 30, 2022

Net change in fund balance - total governmental funds for the year ended June 30, 2022		\$ 385,472
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. In the statement of activities, however, the cost of those assets are allocated over their estimated useful lives as depreciation expense.		
Capital outlay	\$ 119,384	
Depreciation expense	<u>(308,505)</u>	(189,121)
Revenues and expenses in the Government-wide Statement of Activities that do not provide current financial resources are not reported as revenues and expenses in the governmental funds.		
Change in unavailable revenue		(25,720)
Change in compensated absences		(1,992)
Principal payments on capital lease		1,964
Change in deferred outflows of resources related to pension plan		(21,049)
Change in deferred outflows of resources related to OPEB plan		(135,800)
Change in net pension liability		596,298
Change in OPEB liability		1,253,315
Change in deferred inflows of resources related to pension plan		(543,662)
Change in deferred inflows of resources related to OPEB plan		<u>(989,949)</u>
Change in net position - governmental activities for the year ended June 30, 2022		<u>\$ 329,756</u>

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

## AMERICAN RIVER FLOOD CONTROL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2022

## NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the American River Flood Control District (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The most significant accounting policies of the District are described below.

Background: The District was formed under an Act of the Legislature of the State of California in 1927. The District is governed by a five member elected Board of Trustees and operates and maintains levees in Sacramento County.

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

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

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers all revenues other than reimbursement revenues to be available if they are collected within 60 days of the end of the current fiscal period. For reimbursement revenues, amounts collected within 180 days of the end of the current fiscal period are considered available. Amounts not received within the 60 or 180 day availability period are reported as unavailable revenue. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Payable balances consist primarily of payables to vendors.

## AMERICAN RIVER FLOOD CONTROL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

## NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The District reports the following major governmental fund:

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

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

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

Capital Assets: Capital assets for governmental fund types are not capitalized in the funds used to acquire or construct them. Capital acquisitions are reflected as expenditures in the governmental fund, and the related assets are reported in the government-wide financial statements. Capital assets owned by the District are stated at historical cost or estimated historical cost, if actual historical cost is not available. Contributed capital assets are recorded at the acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date. Capital assets are depreciated using the straight-line method over the estimated useful lives.

Levees and improvement	100 years
Construction equipment and mowers	7-10 years
Vehicles	7 years
Shop and levee maintenance equipment	7-10 years
Office equipment and furniture	5-10 years
Computers and accessories	5 years
Building improvements	7-15 years
Buildings	30 years

The District’s capitalization threshold is \$1,000 (\$5,000 beginning in May 2022) with no minimum for infrastructure assets and other real property. Maintenance and repairs are charged to operations when incurred. Betterments and major improvements that significantly increase the values, change capacities, or extend the useful lives are capitalized. Upon sale or retirement of capital assets, the cost and the related accumulated depreciation, as applicable, are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

Compensated Absences: The District’s policies regarding vacation, sick leave, floating holidays and compensatory time-off permit employees to accumulate earned, but unused amounts. Vacation, floating holidays and compensatory time-off are fully payable at separation. The District’s policy for sick-pay



## AMERICAN RIVER FLOOD CONTROL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

## NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

Committed fund balances include amounts that can be used only for specific purposes determined by a formal action of the Board. The Board has authority to establish, modify, or rescind a fund balance commitment through a resolution of the Board.

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

The District's committed or unassigned amounts are considered to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. Committed fund balances consist of the following:

Capital Outlay Projects Fund – To accumulate funds for future capital projects. Such projects represent capital improvement projects to repair damaged levees, improve the reliability of the system and/or increase the District's ability to monitor the system and respond in a flood emergency. As of June 30, 2022, \$920,000 has been committed by the Board.

Emergency Repair Fund – Funds designated for necessary repairs due to substantial damage from high flows. As of June 30, 2022, \$1,500,000 has been committed by the Board.

Emergency Flood Fight Fund – Funds designated to fight flood emergencies and to help prevent the need for future special assessments. As of June 30, 2022, \$1,500,000 has been committed by the Board.

## AMERICAN RIVER FLOOD CONTROL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

## NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Retiree Health Benefits Fund – Funds designated to fund future retiree health benefit costs. As of June 30, 2022, \$3,552,014 has been designated by the Board.

Commitments of fund balance are established by and may be changed only through a Resolution of the Board of Trustees.

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

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

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

Pension Plan: For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to the pension plan, and pension expense, information about the fiduciary net position of the District's California Public Employees' 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 the benefit terms. Investments are reported at fair value.

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 OPEB plan and additions to/deletions from the OPEB plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

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

## AMERICAN RIVER FLOOD CONTROL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

## NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

New Pronouncements: In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITA). This Statement 1) defines the term 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 to a SBITA; and 4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITA are based on the standards established in Statement No. 87, *Leases*, as amended. This statement is effective for fiscal years beginning after June 15, 2022.

In April 2022, the GASB issued Statement No. 99, *Omnibus 2022*. This Statement enhances comparability in accounting and financial reporting and consistency in authoritative literature, including the classification and reporting of derivative instruments within the scope of Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument; clarification of provisions of Statement 87, *Leases*, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset and identification of lease incentives; clarification of provisions in Statement No. 96, *Subscription-Based Information Technology Arrangements*, related to the subscription-based information technology arrangement term, classification as short-term and recognition of a subscription liability; extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt; accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP); disclosures related to nonmonetary transactions; pledges of future revenues when resources are not received by the pledging government; clarification of provisions in Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, related to the focus of the government-wide financial statements; terminology updates related to provisions of Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*; and terminology used in Statement No. 53 to refer to resource flows statements. The provisions of this Statement are effective immediately through periods beginning after June 15, 2023.

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

The District is currently analyzing the impact of the required implementation of these new statements.

## AMERICAN RIVER FLOOD CONTROL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

## NOTE B – CASH AND INVESTMENTS

Cash and investments consisted of the following at June 30, 2022:

Cash on hand	\$	73
Deposits with financial institutions		930,724
	Total cash	<u>930,797</u>
City of Sacramento Pool A		8,635,502
Local Agency Investment Fund (LAIF)		66,995
	Total investments	<u>8,702,497</u>
	Total cash and investments	<u>\$ 9,633,294</u>

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

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

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

## AMERICAN RIVER FLOOD CONTROL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

## NOTE B – CASH AND INVESTMENTS (Continued)

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

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

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

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

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

## AMERICAN RIVER FLOOD CONTROL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

## NOTE B – CASH AND INVESTMENTS (Continued)

At June 30, 2022, the carrying amount and the balances in financial institutions of the District's deposits were \$930,724 and \$931,364, respectively. Of the balances in financial institutions, \$250,000 is covered by federal depository insurance and amounts in excess of this balance are covered by the pledging financial institution with assets held in a common pool for the District and other governmental agencies, but not in the name of the District.

## NOTE C – CAPITAL ASSETS

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

	Balance July 01, 2021	Additions	Disposals	Balance June 30, 2022
Capital assets not being depreciated:				
Land	\$ 321,463	\$ -	\$ -	\$ 321,463
Total capital assets not being depreciated, net	<u>321,463</u>	<u>-</u>	<u>-</u>	<u>321,463</u>
Capital assets being depreciated:				
Levees and improvements	9,544,047	-	-	9,544,047
Building	2,181,520	-	-	2,181,520
Levee maintenance equipment	1,488,972	118,220	(43,839)	1,563,353
Vehicles	488,504	-	(23,950)	464,554
Office equipment	55,610	1,164	-	56,774
Building improvements	82,556	-	-	82,556
Total capital assets being depreciated	<u>13,841,209</u>	<u>119,384</u>	<u>(67,789)</u>	<u>13,892,804</u>
Less accumulated depreciation for:				
Levees and improvements	(1,625,196)	(95,430)		(1,720,626)
Building	(333,398)	(79,688)		(413,086)
Levee maintenance equipment	(1,108,379)	(76,736)	-	(1,185,115)
Vehicles	(273,619)	(44,040)	43,839	(273,820)
Office equipment	(35,840)	(6,266)	23,950	(18,156)
Building improvements	(23,424)	(6,345)	-	(29,769)
Total accumulated depreciation	<u>(3,399,856)</u>	<u>(308,505)</u>	<u>67,789</u>	<u>(3,640,572)</u>
Total capital assets being depreciated, net	<u>10,441,353</u>	<u>(189,121)</u>	<u>-</u>	<u>10,252,232</u>
Capital assets, net	<u>\$ 10,762,816</u>	<u>\$ (189,121)</u>	<u>\$ -</u>	<u>\$ 10,573,695</u>

Depreciation expense of \$308,505 for the year ended June 30, 2022 was charged to the flood protection function.

AMERICAN RIVER FLOOD CONTROL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE D – LONG-TERM LIABILITIES

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

	Balance July 01, 2021	Additions	Deletions	Balance June 30, 2022	Due Within One Year
Compensated absences	\$ 80,081	\$ 86,972	\$ (84,980)	\$ 82,073	\$ 82,073
Capital lease obligation	1,964	-	(1,964)	-	-
Net pension liability	1,243,850	-	(596,298)	647,552	-
OPEB liability	4,344,000	-	(1,253,315)	3,090,685	-
	<u>\$ 5,669,895</u>	<u>\$ 86,972</u>	<u>\$ (1,936,557)</u>	<u>\$ 3,820,310</u>	<u>\$ 82,073</u>

The District's capital lease (a direct borrowing) consists of the following:

Copier Lease: In May 2017, the District entered into a capital lease for the acquisition of a copier. The lease has an interest rate of 4.77%, with monthly payments of \$183 through May 2022. The cost of the copier was \$9,742 and was fully depreciated at June 30, 2022. The lease was paid off in fiscal year 2022. Default provisions include repossession of the copier.

NOTE E – PENSION PLAN

Plan Descriptions: All qualified permanent and probationary employees are eligible to participate in the District's cost-sharing multiple employer defined benefit pension plan (the Plan) administered by the California Public Employees' Retirement System (CalPERS). The District participates in the CalPERS Miscellaneous Risk Pool and the following rate plans:

- Miscellaneous Rate Plan
- PEPRA Miscellaneous Rate Plan

Benefit provisions under the Plan are established by State statute and Board 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 at [www.calpers.ca.gov](http://www.calpers.ca.gov).

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

## AMERICAN RIVER FLOOD CONTROL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

## NOTE E – PENSION PLAN (Continued)

The Plan's provisions and benefits in effect at June 30, 2022, are summarized as follows:

	Miscellaneous Risk Pool	PEPRA Miscellaneous Risk Pool
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula (at full retirement)	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	7.00%	6.75%
Required employer contribution rates	10.880%	7.590%

In addition to the contribution rates above, the District was also required to make payments of \$94,328 towards its unfunded actuarial liability during the year ended June 30, 2022.

The Miscellaneous Risk Pool is closed to new members that are not already CalPERS participants.

Contributions: Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the 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.

For the year ended June 30, 2022, the contributions made to the Plan were \$174,138.

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources: As of June 30, 2022, the District reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$647,552.

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

Proportion - June 30, 2021	0.02949%
Proportion - June 30, 2022	0.03410%
Change - Increase	0.00461%



## AMERICAN RIVER FLOOD CONTROL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

## NOTE E – PENSION PLAN (Continued)

For the year ended June 30, 2022, the District recognized pension expense of \$142,551. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to the Plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 174,138	
Differences between actual and expected experience	72,616	
Change in employer's proportion	58,250	
Differences between the employer's contribution and the employer's proportionate share of contributions		\$ (72,025)
Net differences between projected and actual earnings on plan investments		<u>(565,278)</u>
Total	<u>\$ 305,004</u>	<u>\$ (637,303)</u>

The \$174,318 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 year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized as pension expense as follows:

	<u>Year Ended June 30</u>	
2023		\$ (110,115)
2024		(113,909)
2025		(126,199)
2026		<u>(156,214)</u>
		<u>\$ (506,437)</u>

Actuarial Assumptions: The total pension liability at June 30, 2021 was determined using the following actuarial assumptions:

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increase	Varies by entry age and service
Investment Rate of Return	7.15% (1)
Mortality	Developed using CalPERS Membership Data for all funds

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

## AMERICAN RIVER FLOOD CONTROL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

## NOTE E – PENSION PLAN (Continued)

The underlying mortality assumptions and all other actuarial assumptions were based on the results of a December 2017 actuarial experience study for the period 1997 to 2015. Further details of the Experience Study can be found on the CalPERS website.

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

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

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

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

Asset Class	New Strategic Allocation	Real Return Years 1 - 10(a)	Real Return Years 11+(b)
Global Equity	50.00%	4.80%	5.98%
Global Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100.00%		

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

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

## AMERICAN RIVER FLOOD CONTROL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

## NOTE E – PENSION PLAN (Continued)

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

1% Decrease	6.15%
Net Pension Liability	\$ 1,403,540
Current Discount Rate	7.15%
Net Pension Liability	\$ 647,552
1% Increase	8.15%
Net Pension Liability	\$ 22,587

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

Payable to the Pension Plan: At June 30, 2022, the District had \$6,097 payable for the outstanding contributions to the pension plan.

## NOTE F – OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description: The District's defined benefit OPEB plan (OPEB Plan) provides OPEB benefits for all permanent full-time employees and part-time employees, who work at least 1,000 hours per year, for the District. Benefits are set and may be amended by the Board of Trustees. The OPEB Plan is a single employer defined benefit OPEB plan administered by the District. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. As of June 30, 2022, the District has \$3,552,014 designated in its Retiree Benefits Fund for future OPEB obligations. Since these funds are not held in an irrevocable trust to provide benefits to plan members, these funds do not meet the criteria in paragraph 4 of Statement 75.

Benefits Provided: The OPEB Plan provides healthcare and insurance benefits to all permanent full-time employees and eligible part-time employees who retire directly from the District. The District provides benefits through the Association of California Water Agencies. Eligible employees' surviving spouses are also eligible for benefits. For employees hired before November 15, 2006, the District pays 100% of the health insurance premium for employees and their eligible spouses and dependents. Employees hired after November 15, 2006 must have provided a minimum of five years of service to be eligible for benefits. The District pays a portion of the husband and wife medical insurance premium rate for employees who have completed five or more years of service. The District pays 25% of the husband and wife medical insurance premium rate for retirees who have five to ten years of service completed. The District pays an additional 2.5% of the husband and wife medical insurance premium rate for each additional year of service over ten years, up to a maximum of 50% for twenty or more years of service. Retirees must enroll in Medicare Parts A, Part B, and Part D when they are eligible for Medicare and must pay all Medicare Premiums at their own costs to be eligible for benefits.

## AMERICAN RIVER FLOOD CONTROL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

## NOTE F – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Employees Covered by Benefit Terms: As of the June 30, 2022 actuarial valuation, the following current and former employees were covered by the benefit terms under the OPEB Plan:

Inactive employees or beneficiaries currently receiving benefit payments	9
Active employees	<u>8</u>
Total	<u><u>17</u></u>

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

Actuarial Assumptions and Other Inputs: The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial assumptions:	
Inflation	4.00%
Salary increases	Varies with age, grading down to 3.00% annually
Discount rate	3.50%
Mortality rate	Derived using CalPERS Membership Data
Pre-retirement turnover	Derived using CalPERS Membership Data
Healthcare trend rate	4.00%

The discount rate was based on the anticipated long-term yield on a 20-year municipal bond index and represents a change in assumptions from the 2.50% used at the June 30, 2020 valuation date.

Mortality information was based on the CalPERS Experience Study dated December 2017 Tables based on the results from an actuarial experience study for the period 1997 to 2015. The experience study report may be accessed on the CALPERS website at <https://www.calpers.ca.gov>.

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

	Increase (Decrease)
	<u>Total OPEB Liability</u>
Balance at July 1, 2021	\$ 4,344,000
Changes in the year:	
Service cost	117,722
Interest	106,867
Change in assumptions	(441,000)
Differences between expected and actual experience	(891,567)
Implied subsidy	(12,924)
Benefit payments	<u>(132,413)</u>
Net changes	<u>(1,253,315)</u>
Balance at June 30, 2022	<u>\$ 3,090,685</u>

## AMERICAN RIVER FLOOD CONTROL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

## NOTE F – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

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

	1% Decrease 2.50%	Current Discount Rate 3.50%	1% Increase 4.50%
Total OPEB liability	\$ 3,531,685	\$ 3,090,685	\$ 2,716,685

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

	1% Decrease 3.00%	Current Healthcare Cost Trend Rates 4.00%	1% Increase 5.00%
Total OPEB liability	\$ 2,727,685	\$ 3,090,685	\$ 3,514,685

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources: For the year ended June 30, 2022, the District recognized OPEB expense of (\$37,356). At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience		\$ (1,218,265)
Changes in assumptions	\$ 271,600	
Total	<u>\$ 271,600</u>	<u>\$ (1,218,265)</u>

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

<u>Year Ended June 30</u>	
2023	\$ 206,818
2024	206,819
2025	266,513
2026	<u>266,515</u>
	<u>\$ 946,665</u>

Payable to the OPEB Plan: At June 30, 2022, the District had no contributions payable to the Plan.

## AMERICAN RIVER FLOOD CONTROL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

## NOTE G – INSURANCE

The District participates in the Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA) a public entity risk pool of California water agencies, for general and auto liability, public official liability, property damage, fidelity insurance and workers compensation liability. ACWA/JPIA provides insurance through the pool up to a certain level, beyond which group-purchased commercial excess insurance is obtained.

The District pays an annual premium to ACWA/JPIA that includes its pro-rata share of excess insurance premiums, charges for the pooled risk, claims adjusting and legal costs, and administrative and other costs to operate the ACWA/JPIA. The District's deductibles and maximum coverage are as follows:

Coverage	ACWA/JPIA	Commercial Insurance	Deductible
General and auto liability (includes public official's liability)	\$ 5,000,000	\$ 55,000,000	None
Cyber liability	5,000,000	None	\$75,000-100,000
Property damage	100,000	500,000,000	500 to 100,000
Crime	100,000	None	1,000
Workers compensation liability	2,000,000	Statutory	None

## NOTE H – CONTINGENCIES AND COMMITMENTS

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

In February 2020, the District approved a contract for property tax levy administration for fiscal year 2020 through 2023. The annual costs range from \$21,000 to \$26,000 per year.

In July 2021 and August 2021, the District approved vehicle and equipment purchases totaling \$264,000. In July 2022, the District approved the purchase of rocks for use during operations totaling \$143,000.

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

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REQUIRED SUPPLEMENTARY INFORMATION



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AMERICAN RIVER FLOOD CONTROL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

For the Year Ended June 30, 2022

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

	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability	0.03410%	0.02949%	0.02815%	0.02686%	0.02619%	0.02476%	0.02269%	0.02458%
Proportionate share of the net pension liability	\$ 647,552	\$ 1,243,850	\$ 1,127,332	\$ 1,012,099	\$ 1,032,329	\$ 860,019	\$ 622,519	\$ 607,424
Covered payroll - measurement period	815,323	710,821	643,366	596,436	577,710	667,525	657,579	708,794
Proportionate share of the net pension liability as a percentage of covered payroll	79.42%	174.99%	175.22%	169.69%	178.69%	128.84%	94.67%	85.70%
Plan fiduciary net position as a percentage of the total pension liability	88.69%	77.44%	78.22%	79.22%	77.94%	78.90%	83.70%	83.03%

Notes to Schedule:

Valuation date June 30, 2020 June 30, 2019 June 30, 2018 June 30, 2017 June 30, 2016 June 30, 2015 June 30, 2014 June 30, 2013  
Measurement date June 30, 2021 June 30, 2020 June 30, 2019 June 30, 2018 June 30, 2017 June 30, 2016 June 30, 2015 June 30, 2014

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

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

Omitted years: GASB Statement No. 68 was implemented during the year ended June 30, 2015. No information was available prior to this date. Information will be added prospectively as it becomes available until ten years are reported.

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

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	\$ 174,138	\$ 157,120	\$ 131,043	\$ 107,726	\$ 88,435	\$ 80,014	\$ 82,858	\$ 75,370
Contributions in relation to the actuarially determined contribution:	(174,138)	(157,120)	(131,043)	(107,726)	(88,435)	(80,014)	(82,858)	(75,370)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll - fiscal year	\$ 856,323	\$ 815,021	\$ 710,821	\$ 643,366	\$ 596,436	\$ 577,710	\$ 667,525	\$ 657,579
Contributions as a percentage of covered payroll	20.34%	19.28%	18.44%	16.74%	14.83%	13.85%	12.41%	11.46%

Notes to Schedule:

Contribution valuation date June 30, 2019 June 30, 2018 June 30, 2017 June 30, 2016 June 30, 2015 June 30, 2014 June 30, 2013 June 30, 2012

Methods and assumptions used to determine contribution rates:

Actuarial method	Entry age normal cost method							
Amortization method	Level percentage of payroll, closed							
Remaining amortization period	Varies by rate plan, but not more than 30 years							
Asset valuation method	Market value							
Inflation	2.50%	2.50%	2.625%	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increases	Varies by entry age and service							
Investment rate of return and discount rate	7.00%	7.00%	7.25%	7.375%	7.50%	7.50%	7.50%	7.50%
Payroll growth	2.75%	2.75%	2.875%	3.00%	3.00%	3.00%	3.00%	3.00%
Retirement age	50 to 67 years. Probabilities of retirement are based on the most recent CalPERS Experience							
Mortality	Most recent CalPERS Experience Study							

Omitted years: GASB Statement No. 68 was implemented during the year ended June 30, 2015. No information was available prior to this date. Information will be added prospectively as it becomes available until ten years are reported.

## AMERICAN RIVER FLOOD CONTROL DISTRICT

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

For the Measurement Periods Ended June 30

	2022	2021	2020	2019	2018
Total OPEB liability					
Service cost	\$ 117,722	\$ 64,885	\$ 151,484	\$ 53,163	\$ 63,795
Interest	106,867	106,687	134,577	110,202	129,920
Changes in assumptions	(441,000)	135,800	543,200		
Differences between expected and actual experience	(891,567)	(76,105)	(304,421)		
Implied subsidy	(12,924)	(12,924)			
Benefit payments	(132,413)	(141,830)	(141,943)	(97,502)	(157,174)
Net change in total OPEB liability	(1,253,315)	76,513	382,897	65,863	36,541
Total OPEB liability - beginning	4,344,000	4,267,487	3,884,590	3,818,727	3,782,186
Total OPEB liability - ending	<u>\$ 3,090,685</u>	<u>\$ 4,344,000</u>	<u>\$ 4,267,487</u>	<u>\$ 3,884,590</u>	<u>\$ 3,818,727</u>
Covered-employee payroll - measurement period	<u>\$ 856,323</u>	<u>\$ 815,021</u>	<u>\$ 710,821</u>	<u>\$ 643,366</u>	<u>\$ 596,436</u>
Total OPEB liability as percentage of Covered-employee payroll	<u>360.93%</u>	<u>532.99%</u>	<u>600.36%</u>	<u>603.79%</u>	<u>640.26%</u>

## Notes to schedule:

Valuation date	June 30, 2022	June 30, 2020	June 30, 2020	June 30, 2018	June 30, 2018
Measurement period - fiscal year ended	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Discount Rate	3.50%	2.50%	2.50%	3.50%	3.50%

Note: No assets are accumulated in a trust that meets the criteria in GASB Statement 75, paragraph 4, to pay related benefits and the actuary did not report actuarially required contributions. Consequently, a Schedule of Contributions to the OPEB Plan is not reported.

Benefit changes. None since June 30, 2017.

Changes in assumptions. The discount rate was revised from 3.50% to 2.50% in 2020 and from 2.50% to 3.50% in 2022.

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

OTHER SUPPLEMENTARY INFORMATION

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## AMERICAN RIVER FLOOD CONTROL DISTRICT

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

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Assessments	\$ 2,409,793	\$ 2,409,793	\$ 2,323,033	\$ (86,760)
O & M reimbursements	231,801	231,801	332,334	100,533
Contributions and grants	-	-	586,602	586,602
Use of money	77,267	77,267	(291,146)	(368,413)
Other revenues	-	-	734	734
TOTAL REVENUES	<u>2,718,861</u>	<u>2,718,861</u>	<u>2,951,557</u>	<u>232,696</u>
<b>EXPENDITURES</b>				
Current:				
Flood protection				
Maintenance and operations	2,122,337	2,122,337	1,900,184	222,153
Administration	574,175	574,175	552,750	21,425
Debt service:				
Principal	-	-	1,964	(1,964)
Interest payments	-	-	412	(412)
Capital outlay	162,000	162,000	119,384	42,616
TOTAL EXPENDITURES	<u>2,858,512</u>	<u>2,858,512</u>	<u>2,574,694</u>	<u>283,818</u>
<b>OTHER FINANCING SOURCES</b>				
Proceeds from sale of capital assets	-	-	8,609	8,609
<b>NET CHANGE IN FUND BALANCE</b>	<b>(139,651)</b>	<b>(139,651)</b>	<b>385,472</b>	<b>525,123</b>
Fund balance at beginning of year	<u>10,795,015</u>	<u>10,795,015</u>	<u>10,795,015</u>	<u>-</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u><b>\$ 10,655,364</b></u>	<u><b>\$ 10,655,364</b></u>	<u><b>\$ 11,180,487</b></u>	<u><b>\$ 525,123</b></u>

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

## AMERICAN RIVER FLOOD CONTROL DISTRICT

SCHEDULE OF EXPENDITURES – BUDGET AND ACTUAL -  
GENERAL FUND

For the Year Ended June 30, 2022

	Final Budget	Actual	Variance Positive (Negative)
Maintenance and Operations:			
Salaries	\$ 890,792	\$ 895,347	\$ (4,555)
Payroll taxes	71,263	66,640	4,623
Pension	203,100	206,160	(3,060)
Workers compensation insurance	44,540	24,803	19,737
Group insurance	273,642	261,231	12,411
Fuel and oil	35,000	51,428	(16,428)
Equipment rental	15,000	32,890	(17,890)
Equipment repairs	65,000	72,424	(7,424)
Equipment purchases	15,000	-	15,000
Shop supplies	27,500	16,500	11,000
Levee maintenance supplies	20,000	23,346	(3,346)
Levee maintenance chemicals	35,000	32,787	2,213
Levee maintenance services	80,000	89,879	(9,879)
Employee uniforms	7,500	5,614	1,886
Staff training	2,500	3,240	(740)
Miscellaneous	2,000	1,540	460
Small tools and equipment	7,500	7,745	(245)
Rodent abatement	10,000	12,793	(2,793)
Urban camp cleanup	30,000	15,957	14,043
Emergency preparedness	35,000	19,593	15,407
Encroachment remediation	15,000	-	15,000
Engineering services	20,000	38,411	(18,411)
Not-capitalized projects			
Levee Standards Compliance	25,000	-	25,000
Small capital projects	20,000	11,997	8,003
Engineering and survey studies	170,000	9,859	160,141
La Riviera improvements	2,000	-	2,000
	<u>2,122,337</u>	<u>1,900,184</u>	<u>222,153</u>

## AMERICAN RIVER FLOOD CONTROL DISTRICT

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

For the Year Ended June 30, 2022

	Final Budget	Actual	Variance Positive (Negative)
Administration:			
Utilities	\$ 40,000	\$ 48,584	\$ (8,584)
Telephone	25,000	16,979	8,021
Retiree benefits	157,231	130,005	27,226
Yard land lease	7,344	6,732	612
Office equipment and furniture	5,000		5,000
Auto allowance	6,600	7,091	(491)
Parking reimbursement	500		500
Technology and software	10,000	30,144	(20,144)
Regulation Compliance (OSHA)	20,000	26,528	(6,528)
Trustee fees	7,600	5,812	1,788
Trustee expenses	7,400	63	7,337
Accounting services	15,000	13,800	1,200
Legal services (general)	50,000	48,925	1,075
Dues and association expenses	25,000	25,987	(987)
Insurance premiums	42,000	30,479	11,521
Public relations and information	30,000	19,005	10,995
Investment fees	20,000	17,930	2,070
General office	15,000	15,561	(561)
Bookkeeping services	14,000	10,935	3,065
County assessment fees	-	41,330	(41,330)
Community services	1,500	-	1,500
Building maintenance	10,000	28,477	(18,477)
County Dtech fees	55,000	22,238	32,762
Property taxes	3,000	1,735	1,265
Employee morale and wellness	2,000	-	2,000
Miscellaneous	5,000	4,410	590
	<u>574,175</u>	<u>552,750</u>	<u>21,425</u>
Debt service			
Principal	-	1,964	(1,964)
Interest payments	-	412	(412)
	<u>-</u>	<u>2,376</u>	<u>(2,376)</u>
Capital outlay:			
Capitalized equipment and building	<u>162,000</u>	<u>119,384</u>	<u>42,616</u>
Total expenditures	<u>\$ 2,858,512</u>	<u>\$ 2,574,694</u>	<u>\$ 283,818</u>



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## COMPLIANCE REPORT

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

To the Board of Trustees  
American River Flood Control District  
Sacramento, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the American River Flood Control District (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated April 14, 2023.

**Report on Internal Control over Financial Reporting**

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

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

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

To the Board of Trustees  
American River Flood Control District

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of This Report**

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

*Richardson & Company, LLP*

April 14, 2023

FY 2023-2024 Budget Summary Page

	2020-21 EOY	2021-22 EOY	2022-2023 Budget	2022-23 Estimated to Close	2023-24 Budget Proposed	% Diff.
<b>Income</b>						
ARFCD Benefit Assessment	1,292,921	1,282,406	1,429,793	1,388,148	1,429,792	0%
Consolidated Capital Assessment District	980,000	980,000	980,000	980,000	980,000	0%
O&M Agreements	274,177	274,177	312,057	312,057	312,057	0%
Interest	198,773	89,824	77,267	77,273	77,267	0%
Reserve Fund Transfers	-	-	-	-	-	n/a
Miscellaneous	13,475	29,600	-	-	-	0%
<b>Total Budgeted Income</b>	<b>2,759,345</b>	<b>2,656,007</b>	<b>2,799,117</b>	<b>2,757,478</b>	<b>2,799,116</b>	<b>0%</b>
<b>Expense</b>						
Operations and Maintenance	1,773,996	1,896,537	1,833,728	1,638,099	1,898,172	4%
Administration	602,161	470,778	745,200	506,493	625,850	-16%
Special Projects	15,753	21,856	215,000	214,613	45,000	-79%
Capital Outlay: Flood Control	281,634	118,220	200,000	51,355	330,000	65%
Capital Outlay: District Facilities	361,125	-	350,000	350,000	90,000	-74%
Retiree Health Benefits (OPEB Transfer)	-	-	-	-	-	0%
Emergency Repair	-	-	-	-	-	0%
Flood Emergency Response	-	-	-	-	-	0%
Reserve Fund Transfers	-	-	-	-	-	0%
<b>Total Budgeted Expenses</b>	<b>3,034,669</b>	<b>2,507,391</b>	<b>3,343,927</b>	<b>2,760,560</b>	<b>2,989,022</b>	<b>-10.61%</b>

Difference (544,810) (3,082) (189,906)

	2020-21 EOY	2021-22 EOY	2022-2023 Budget	2022-23 Estimated to Close	2023-24 Budget Proposed	% Diff.	Notes
<b>Income</b>							
ARFCD Benefit Assessment	1,292,921	1,282,406	1,429,793	1,388,148	1,429,792	0%	Zone A, Zone B, and Zone C
Consolidated Capital Assessment District	980,000	980,000	980,000	980,000	980,000	0%	Collected and Disbursed by SAFCA
O&M Agreements	274,177	274,177	312,057	312,057	312,057	0%	Maintenance of North Area Creeks and Mayhew Levees for SAFCA
Interest	198,773	89,824	77,267	77,273	77,267	0%	River City Bank, City Pool A, LAIF
Reserve Fund Transfers	-	-	-	-	-	0%	
Miscellaneous	13,475	29,600	-	-	-	0%	RPA Fund Refund, Surplus equipment disposals, recycling, etc.
<b>Total Income</b>	<b>2,759,345</b>	<b>2,656,007</b>	<b>2,799,117</b>	<b>2,757,478</b>	<b>2,799,116</b>	<b>0%</b>	

American River Flood Control District

FY 2023-2024 Budget Proposal

Discussion Draft

	2020-21 EOY	2021-22 EOY	2022-2023 Budget	2022-23 Estimated to Close	2023-24 Budget Proposed	% Diff.	Notes
<b>Operations and Maintenance Expense</b>							
Salary/Wages	864,554	895,347	804,858	805,208	861,494	7%	assumes 3% increase, additional staff
Payroll Taxes	63,131	66,640	64,389	64,417	68,920	7%	8% of Salary/Wages
Pension	189,416	206,160	230,196	189,028	208,156	-10%	PERS Classic-EO 12.47%, PEPRA-EO 7.68% + Unfunded Liability \$104796 (Classic) \$2263 (PEPRA), Pers EPI
Compensation Insurance	4,836	24,803	40,243	40,260	43,075	7%	5% of Comp
Medical/Dental/Vision	241,469	261,231	231,542	209,746	256,528	11%	
Fuel & Oil	32,709	51,428	55,000	42,749	55,000	0%	
Equipment Rental	7,320	32,890	15,000	-	15,000	0%	Equipment Rental was charged to Arcade Creek
Equipment Repair/Parts	74,949	72,386	65,000	64,597	65,000	0%	
Equipment Purchase (less than \$5,000)	2,745	1,164	15,000	1,581	15,000	0%	
Shop Supplies	34,390	16,500	27,500	5,427	10,000	-64%	
Levee Maintenance (Supplies & Materials)	21,273	23,324	20,000	13,296	20,000	0%	
Levee Maintenance (Chemicals)	35,677	32,787	40,000	12,233	25,000	-38%	
Levee Maintenance (Services)	106,261	89,879	80,000	17,493	80,000	0%	Treework was part of Emergency Preparedness and Response
Rodent Abatement (Supplies & Materials)	6,380	12,793	10,000	12,270	15,000	50%	
Employee Uniforms	6,227	5,614	6,000	4,670	6,000	0%	
Staff Training	3,880	3,240	5,000	2,149	5,000	0%	Confernces, License Classes
Regulation Compliance (OSHA)	11,589	26,528	25,000	39,700	50,000	100%	CARB consultant, plus staff training and PPES
Miscellaneous O&M	1,125	1,540	1,500	1,188	1,500	0%	
Small Tools and Equipment	6,118	7,745	7,500	2,948	7,500	0%	
Emergency Preparedness and Response	5,932	19,593	25,000	71,375	25,000	0%	\$8400 28th Street, Remainder High Water Event and Downed Trees
Engineering Services	31,296	29,365	20,000	18,135	20,000	0%	
Environmental Services/Studies	-	-	-	-	-	0%	
Survey Services	-	-	-	-	-	0%	
Encroachment Remediation	-	-	15,000	-	15,000	0%	SB 753 activities
Urban Camp Cleanup, Contract & Expenses	22,719	15,580	30,000	19,629	30,000	0%	
<b>Total Operations and Maintenance</b>	<b>1,773,996</b>	<b>1,896,537</b>	<b>1,833,728</b>	<b>1,638,099</b>	<b>1,898,172</b>	<b>4%</b>	
<b>Special Projects Expense</b>							
Engineering Studies/Survey Studies	11,149	9,859	20,000	-	20,000	0%	
Levee Standards Compliance	-	-	25,000	-	25,000	0%	Accreditation/SWIF
Encroachment Remediation	-	-	-	-	-	0%	
Vegetation Management	-	-	-	-	-	0%	
Small Capital Projects	4,604	11,997	170,000	214,613	-	-100%	
<b>Total Special Projects Expense</b>	<b>15,753</b>	<b>21,856</b>	<b>215,000</b>	<b>214,613</b>	<b>45,000</b>	<b>-79%</b>	

American River Flood Control District

FY 2023-2024 Budget Proposal

Discussion Draft

	2020-21 EOY	2021-22 EOY	2022-2023 Budget	2022-23 Estimated to Close	2023-24 Budget Proposed	% Diff.	Notes
<b>Administration Expense</b>							
Board of Trustees Compensation	5,952	5,812	7,600	4,940	7,600	0%	12 monthly meetings- budget for 4 special meetings.
Trustee Expenses	-	63	2,400	689	2,400	0%	
Trustee Training	-	-	5,000	-	5,000	0%	
Accounting Services	15,275	13,800	15,000	12,855	15,000	0%	
Legal Services (General)	21,632	41,382	50,000	44,507	50,000	0%	
Utilities	44,756	49,141	40,000	53,507	55,000	38%	
Telephone/Internet	17,205	16,979	25,000	23,357	25,000	0%	
Retiree Benefits	141,830	130,005	148,109	139,883	148,109	0%	Family members aged out and or passed, Retirees on medicare, addition of one retiree
Office/Shop/Yard Lease	7,200	6,120	7,491	7,491	7,641	0%	Increase in monthly from \$624.24 to \$636.72
Office Equipment/Furniture	479	-	2,500	-	2,500	0%	
Auto Allowance	7,089	7,091	6,600	6,600	6,600	0%	
Parking & Mileage Reimbursement	-	-	500	-	500	0%	
General Office Expense	11,568	13,132	15,000	13,239	15,000	0%	
Technology and Software	16,103	30,144	10,000	12,305	12,500	25%	Zoom, Docusign, Website price increase, Tech support
Dues and Association Expenses	23,724	25,987	25,000	28,734	25,000	0%	
Property & Liability Insurance Premiums	14,652	30,479	42,000	61,930	65,000	55%	
Conference/Workshop/Seminar	-	-	2,500	-	2,500	n/a	Admin Conference, previous was coded as Staff Training
Public Relations/Information	3,054	19,005	30,000	586	30,000	0%	Annual Newsletter, Spring Letter
Miscellaneous Admin	4,171	4,409	5,000	7,876	5,000	0%	Salary Study Conducted for FY 23-24
Employee Morale/Wellness	-	-	2,000	469	2,000	0%	
Election Expenses	145,993	-	200,000	1,887	50,000	n/a	By-District Election Redistricting Insights
Investment Fees	8,841	13,432	20,000	18,046	20,000	0%	
Community Services	-	-	1,500	-	1,500	0%	
Bookkeeping	10,538	10,935	14,000	11,856	14,000	0%	
Property Taxes	1,710	1,735	3,000	1,762	3,000	0%	
Building Maintenance	37,649	28,477	10,000	22,116	20,000	100%	
DLMS Fees and Services	23,920	22,238	55,000	31,858	35,000	-36%	
County Assessment Fees	38,355	-	-	-	-	n/a	
Interest Expense	465	412	-	-	-	n/a	
<b>Total Administration</b>	<b>602,161</b>	<b>470,778</b>	<b>745,200</b>	<b>506,493</b>	<b>625,850</b>	<b>-16%</b>	



American River Flood Control District

FY 2023-2024 Budget Proposal

Discussion Draft

	2020-21 EOY	2021-22 EOY	2022-2023 Budget	2022-23 Estimated to Close	2023-24 Budget Proposed	% Diff.	Notes
<b>Capital Outlay: Flood Control</b>							
Bank Protection	-	-	-	-	-	n/a	
Magpie Creek	-	-	-	-	-	n/a	
Property Acquisition	-	-	-	-	-	0%	
Equipment Purchase (over \$5,000)	281,634	118,220	200,000	51,355	330,000	65%	Dumptruck, F450, Spray Rig, Bobcat Attachment, Gravel Reclaimer
Miscellaneous	-	-	-	-	-		
<b>Total Capital Outlay: Flood Control</b>	<b>281,634</b>	<b>118,220</b>	<b>200,000</b>	<b>51,355</b>	<b>330,000</b>	<b>65%</b>	
<b>Capital Outlay: District Facilities</b>							
Building Improvements/Maintenance	361,071	-	-	-	90,000	n/a	Paint building, electrical
La Riviera Improvements/Maintenance	54	-	-	-	-	n/a	
Reserve Fund Transfer	-	-	350,000	350,000	-		
Architect/Building Design	-	-	-	-	-		
General Construction Contractors	-	-	-	-	-		
Permitting	-	-	-	-	-		
Legal Fees	-	-	-	-	-		
<b>Total Capital Outlay: District Facilities</b>	<b>361,125</b>	<b>-</b>	<b>350,000</b>	<b>350,000</b>	<b>90,000</b>		
<b>Retiree Health Benefit Expense</b>							
Retiree Health Benefit Expense (OPEB Transfer)	-	-	-	-	-		
Reserve Fund Transfer	-	-	-	-	-		
<b>Total Retiree Health Benefit Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Emergency Repair Expense</b>							
Emergency Repair Expense	-	-	-	-	-		
<b>Total Emergency Repair Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Flood Emergency Response Expense</b>							
Flood Fight Expenses	-	-	-	-	-		
Flood Litigation	-	-	-	-	-		
<b>Total Flood Emergency Response Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Total Budgeted Expenses</b>	<b>3,034,669</b>	<b>2,507,391</b>	<b>3,343,927</b>	<b>2,760,560</b>	<b>2,989,022</b>		

5-year Budget Projection Summary Page

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
<b>Income</b>					
ARFCD Benefit Assessment	1,429,792	1,451,239	1,473,007	1,495,103	1,517,529
Consolidated Capital Assessment District	980,000	980,000	980,000	980,000	980,000
O&M Agreements	312,057	316,738	321,489	326,311	331,206
Interest	77,267	78,426	79,602	80,796	82,008
Reserve Fund Transfers	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<b>Total Budgeted Income</b>	<b>2,799,116</b>	<b>2,826,403</b>	<b>2,854,099</b>	<b>2,882,210</b>	<b>2,910,743</b>
<b>Expense</b>					
Operations and Maintenance	1,898,172	1,875,165	1,933,344	1,994,977	2,060,364
Administration	625,850	802,474	631,571	868,681	688,183
Special Projects	45,000	205,000	205,000	205,000	205,000
Capital Outlay: Flood Control	330,000	100,000	100,000	100,000	100,000
Capital Outlay: District Headquarters	90,000	115,000	40,000	40,000	40,000
Retiree Health Benefits	-	-	-	-	-
Emergency Repair	-	-	-	-	-
Flood Emergency Response	-	-	-	-	-
<b>Total Budgeted Expenses</b>	<b>2,989,022</b>	<b>3,097,639</b>	<b>2,909,915</b>	<b>3,208,658</b>	<b>3,093,548</b>
<b>Difference</b>	<b>(189,906)</b>	<b>(271,237)</b>	<b>(55,816)</b>	<b>(326,448)</b>	<b>(182,804)</b>
<b>Income</b>					
ARFCD Benefit Assessment	1,429,792	1,451,239	1,473,007	1,495,103	1,517,529
Consolidated Capital Assessment District	980,000	980,000	980,000	980,000	980,000
O&M Agreements	312,057	316,738	321,489	326,311	331,206
Interest	77,267	78,426	79,602	80,796	82,008
Reserve Fund Transfers	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<b>Total Income</b>	<b>2,799,116</b>	<b>2,826,403</b>	<b>2,854,099</b>	<b>2,882,210</b>	<b>2,910,743</b>

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	% Increase (Escalation Factor)
<b>Operations and Maintenance Expense</b>						
Salary/Wages	861,494	874,416	887,533	900,846	914,358	1.5%
Payroll Taxes	68,920	69,953	71,003	72,068	73,149	1.5%
Pension	208,156	212,319	216,566	220,897	225,315	2.0%
Compensation Insurance	43,075	43,721	44,377	45,042	45,718	1.5%
Medical/Dental/Vision	256,528	282,181	310,399	341,439	375,583	10.0%
Fuel & Oil	55,000	56,650	58,350	60,100	61,903	3.0%
Equipment Rental	15,000	15,450	15,914	16,391	16,883	3.0%
Equipment Repair/Parts	65,000	66,950	68,959	71,027	73,158	3.0%
Equipment Purchase (less than \$5,000)	15,000	15,450	15,914	16,391	16,883	0.0%
Shop Supplies	10,000	10,300	10,609	10,927	11,255	3.0%
Levee Maintenance (Supplies & Materials)	20,000	20,600	21,218	21,855	22,510	3.0%
Levee Maintenance (Chemicals)	25,000	25,750	26,523	27,318	28,138	3.0%
Levee Maintenance (Services)	80,000	82,400	84,872	87,418	90,041	3.0%
Rodent Abatement (Supplies & Materials)	15,000	15,450	15,914	16,391	16,883	3.0%
Employee Uniforms	6,000	7,500	7,500	7,500	7,500	0.0%
Staff Training	5,000	5,000	5,000	5,000	5,000	0.0%
Miscellaneous	1,500	2,000	2,000	2,000	2,000	0.0%
Small Tools and Equipment	7,500	7,725	7,957	8,195	8,441	0.0%
Emergency Preparedness	25,000	25,750	26,523	27,318	28,138	0.0%
Engineering Services	20,000	20,600	21,218	21,855	22,510	0.0%
Environmental Services/Studies	-	-	-	-	-	0.0%
Survey Services	-	-	-	-	-	0.0%
Encroachment Remediation	15,000	15,000	15,000	15,000	15,000	0.0%
Urban Camp Cleanup, Contract & Expenses	30,000	50,000	50,000	50,000	50,000	100.0%
Regulation Compliance (OSHA)	50,000	6,000	6,000	6,000	6,000	0.0%
<b>Total Operations and Maintenance</b>	<b>1,898,172</b>	<b>1,875,165</b>	<b>1,933,344</b>	<b>1,994,977</b>	<b>2,060,364</b>	
<b>Special Projects Expense</b>						
Engineering Studies/Survey Studies	20,000	15,000	15,000	15,000	15,000	0.0%
Levee Standards Compliance	25,000	140,000	140,000	140,000	140,000	0.0%
Encroachment Remediation	-	-	-	-	-	0.0%
Vegetation Management	-	-	-	-	-	0.0%
Small Capital Projects	-	50,000	50,000	50,000	50,000	0.0%
<b>Total Special Projects Expense</b>	<b>45,000</b>	<b>205,000</b>	<b>205,000</b>	<b>205,000</b>	<b>205,000</b>	

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	% Increase (Escalation Factor)
<b>Administration Expense</b>						
Board of Trustees Compensation	7,600	7,828	8,063	8,305	8,554	3.0%
Trustee Expenses	2,400	2,472	2,546	2,623	2,701	3.0%
Trustee Training	5,000	5,150	5,305	5,464	5,628	3.0%
Accounting Services	15,000	15,450	15,914	16,391	16,883	3.0%
Legal Services (General)	50,000	51,500	53,045	54,636	56,275	3.0%
Utilities	55,000	56,650	58,350	60,100	61,903	3.0%
Telephone/Internet	25,000	25,750	26,523	27,318	28,138	3.0%
Retiree Benefits	148,109	162,920	179,212	197,133	216,846	10.0%
Office/Shop/Yard Lease	7,641	7,344	7,491	7,641	-	3.0%
Office Equipment/Furniture	2,500	2,750	2,833	2,917	3,005	24.0%
Auto Allowance	6,600	7,100	7,100	7,100	7,100	0.0%
Parking & Mileage Reimbursement	500	150	150	150	150	0.0%
General Office Expense	15,000	15,450	15,914	16,391	16,883	3.0%
Technology and Software	12,500	12,875	13,261	13,659	14,069	3.0%
Dues and Association Expenses	25,000	25,750	26,523	27,318	28,138	3.0%
Property & Liability Insurance Premiums	65,000	66,950	68,959	71,027	73,158	3.0%
Conference/Workshop/Seminar	2,500	2,575	2,652	2,732	2,814	3.0%
Public Relations/Information	30,000	30,900	31,827	32,782	33,765	3.0%
Miscellaneous	5,000	5,150	5,305	5,464	5,628	3.0%
Employee Morale/Wellness	2,000	1,500	1,500	1,500	1,500	0.0%
Election Expenses	50,000	200,000	-	206,000	-	3.0%
Investment Fees	20,000	20,600	21,218	21,855	22,510	3.0%
Community Services	1,500	1,500	1,500	1,500	1,500	0.0%
Bookkeeping	14,000	14,420	14,853	15,298	15,757	3.0%
Property Taxes	3,000	3,090	3,183	3,278	3,377	3.0%
Building Maintenance	20,000	20,600	21,218	21,855	22,510	3.0%
County D/Tech Fees for DLMS	35,000	36,050	37,132	38,245	39,393	3.0%
<b>Total Administration</b>	<b>625,850</b>	<b>802,474</b>	<b>631,571</b>	<b>868,681</b>	<b>688,183</b>	

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	% Increase (Escalation Factor)
<b>Capital Outlay: Flood Control</b>						
Bank Protection	-	-	-	-	-	0.0%
Magpie Creek	-	-	-	-	-	0.0%
Property Acquisition	-	-	-	-	-	0.0%
Equipment Purchase (over \$5,000)	330,000	100,000	100,000	100,000	100,000	0.0%
Miscellaneous	-	-	-	-	-	0.0%
<b>Total Capital Outlay: Flood Control</b>	<b>330,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	
<b>Capital Outlay: District Headquarters</b>						
Building Improvements/Maintenance	90,000	100,000	25,000	25,000	25,000	0.0%
La Riviera Improvements/Maintenance	-	15,000	15,000	15,000	15,000	0.0%
Reserve Fund Transfer	-	-	-	-	-	0.0%
Architect/Building Design	-	-	-	-	-	0.0%
General Construction Contractors	-	-	-	-	-	0.0%
Permitting	-	-	-	-	-	0.0%
Legal Fees	-	-	-	-	-	0.0%
<b>Total Capital Outlay: District Headquarters Build-Out</b>	<b>90,000</b>	<b>115,000</b>	<b>40,000</b>	<b>40,000</b>	<b>40,000</b>	
<b>Retiree Health Benefit Expense</b>						
Retiree Health Benefit Expense (OPEB Transfer)	-	297,000	297,000	297,000	297,000	0.0%
Reserve Fund Transfer	-	-	-	-	-	
<b>Total Retiree Health Benefit Expense</b>	<b>-</b>	<b>297,000</b>	<b>297,000</b>	<b>297,000</b>	<b>297,000</b>	
<b>Emergency Repair Expense</b>						
Emergency Repair Expense	-	-	-	-	-	0.0%
<b>Total Emergency Repair Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Flood Emergency Response Expense</b>						
Flood Fight Expenses	-	-	-	-	-	0.0%
Flood Litigation	-	-	-	-	-	0.0%
<b>Total Flood Emergency Response Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total Budgeted Expenses</b>	<b>2,989,022</b>	<b>3,394,639</b>	<b>3,206,915</b>	<b>3,505,658</b>	<b>3,390,548</b>	

**American River Flood Control District**

**Resolution No. 2023-06**

**LEVYING A BENEFIT ASSESSMENT  
ESTABLISHING THE RATES THEREOF  
AND  
REQUESTING COLLECTION OF BENEFIT ASSESSMENTS**

**WHEREAS**, the Board of Trustees of American River Flood Control District is authorized under various sections of the American River Flood Control District Act, as amended, to levy an assessment upon property in benefit zones within said District, to be apportioned in accordance with prescribed and adopted percentages for said zones, to carry out the objectives and purposes of said Act and to pay costs and expenses of maintaining, operating, extending, and repairing facilities, works, and improvements of said District for the ensuing fiscal year; and

**WHEREAS**, pursuant to Sections 17(a), 17(b), and 18 of said Act, as amended, the District is further authorized and empowered to elect to have its assessments collected by the County of Sacramento; and

**WHEREAS**, the Board of Trustees of the District has previously divided the District into zones of benefit (Zones A through C), which zones are designated on a map or plat of the District filed in the office of said Board of Trustees, a copy of which has been previously provided to the Auditor of the County of Sacramento; and

**WHEREAS**, no ballot or election is required under Article XIID of the California Constitution, since assessment rates are not being increased for the FY 2023-24 assessment; and

**WHEREAS**, the Board has duly considered the matter of the number of funds for the stated purposes, each and all of them, and being fully advised;

**NOW THEREFORE BE IT RESOLVED** as follows:

1. There above-referenced levied upon and against the lands within the American River Flood Control District a benefit assessment equal in rate to the rate previously established by the County Auditor-Controller for FY 1996-97 for each benefit zone (Zone A, Zone B, and Zone C) and land use category established by the above referenced Water Code sections.
2. For each benefit assessment Zone within the District, the assessment zone rate shall be as follows:
  - Zone A: 15.5456 for each benefit product (same as FY 96-97)
  - Zone B: 15.1251 for each benefit product (same as FY 96-97)
  - Zone C: 4.9696 for each benefit product (same as FY 96-97)

3. The Board of Trustees of District hereby elects to have the District's assessments collected by the County of Sacramento pursuant to Sections 17(a), 17(b), and 18 of the said District Act, as amended; said assessments to be collected at the same time and manner and subject to the same penalties and interest for delinquencies as shall apply to the taxes collected by the County.
4. The Secretary of the Board is hereby authorized and directed to transmit a certified copy of this Resolution to the Auditor, Municipal Services Agency, and County Executive of the County of Sacramento immediately upon adoption with the request that the County Municipal Services Agency compute and impose upon the respective Zones this District's benefit assessment, based on the above-prescribed rates.

**PASSED AND UNANIMOUSLY ADOPTED** this 12<sup>th</sup> day of May 2023.

ATTEST:

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President  
Board of Trustees

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Secretary  
Board of Trustees

## **General Manager's Meeting Summary**

### **April 2023**

**4/4: USACE Contract 4a Staging Area meeting.** I met with staff from the USACE and SAFCA to discuss subleasing a portion of the District's Lathrop Way staging area to the Corps for their upcoming Site 4a erosion work. The design of the new erosion work was also discussed.

**4/5: River Park Encroachments Site Visit.** Superintendent Webb and I met with Pro Mitra from MBK Engineers to inspect retaining walls and other encroachments along the landside levee toe in River Park. Mr. Mitra provided a tracking table listing the high hazard encroachments with site specific data.

**4/6: CalTrans North Levee Bike Connection meeting.** I participated in this meeting with CalTrans to discuss their new plan for a bike trail connection off the new American River Bridge lane expansion. The new plan does not have the bikes and pedestrians exiting the bridge onto the levee but will have a switchback down the bridge embankment that leads directly to the existing County bike trail.

**4/14: American River Flood Control District Board of Trustees meeting.** The Board met in regular session. The agenda item consisted of the Draft Fiscal Year 2021-22 Audit.



**By-laws  
of  
The American River Flood Control District**

**Article I**

**The District**

**Section 1.1            Authority**

The American River Flood Control District was formed by special act of the California Legislature in 1927 by the passage of Act 320 and subsequent amendments of the California Water Code (the District Act). The District Act defines the district name, authorities and responsibilities of the District, the composition of the Board of Trustees (Board), the method of election and appointment of Board of Trustees, the requirement of a District office to be located within the boundaries of the District is also governed by provisions of various other California codes and statues.

**Section 1.2            Main Office**

Under the District Act, the District must maintain an office within the boundaries of the District. The specific location of the office is within the discretion of the Board. Currently the District is located at the following address:

185 Commerce Circle  
Sacramento, California 95815

**Section 1.3            Compensation**

Each Trustee shall receive compensation in an amount determined by the Board for each Board committee meeting attended subject to the conditions of section 7 of the District Act. The term “compensation” as used herein shall mean compensation received by said Trustee for service as a member of the Board.

**Article II**

**Officers**

**Section 2.1            Officers**

District/Board officers shall be as follows:

- President
- Vice President
- Secretary
- Treasurer
- Assistant Secretary
- Assistant Treasurer

**Section 2.2            Duties of the Officers**

The primary duties of the officers shall be as follows:

- President:                Conduct the business of the District and preside at Board meetings.
- Vice President:        Assist the President in the conduct of District business and preside at Board meetings in the absence of the President.
- Secretary:              Maintain the records and files of the District.
- Treasurer:              Manage the finances of the District.

[The above four offices shall be Trustees of the District.]

- Assistant Secretary:    Assist the Secretary in maintaining the records and files of District.
- Assistant Treasurer:    Assist the Treasurer in managing the finances of the District.

[The above two offices may be staff of the District.]

### **Section 2.3            Staff**

The District staff shall be comprised of the following:

General Manager (One only)  
 Engineer  
 Clerk of the Board (One only)  
 Office Manager  
 Superintendent  
 Field Supervisor  
 Crewpersons

### **Section 2.4            Duties of the Staff**

The duties of the staff shall be as defined from time to time by the Board, by adopted board policies, by these By-Laws, and by specific directions given by the Board. The number of positions of the staff shall be as defined by the Board. The qualifications of the staff shall be defined by the Board, the General Manager, and adopted Board policies.

### **Section 2.5            District Representatives to Associated Organizations**

By virtue of District membership in certain associated organizations, the District is required to appoint representatives to or members of the following:

SAFCA (\*) Board of Directors (two), [must be Trustees of District]  
 SAFCA Board of Directors – Alternates (two)  
 JPIA (\*\*) Board of Directors (one), [must be Trustees of District]  
 JPIA Board of Directors – Alternate (one)  
 CCVFCA (\*\*\*) Board of Directors (one)

- (\*) Sacramento Area Flood Control Agency
- (\*\*) ACWA Joint Powers Insurance Authority
- (\*\*\*) California Central Valley Flood Control Association

### **Section 2.6            Vacancies**

Vacancies in positions of Officer or District Representative will be filled by the Board by action taken at the next regular or special meeting of the Board wherein such action can be agendaed and noticed.

## **Section 2.7 Election, Appointment, and Changes**

Election and/or appointment of Officers and District Representatives shall be accomplished at the Annual Meeting of the Board in January as per Section 3.4 of these by-laws. Changes in the election or appointment of any Officer or District Representative may be made by the Board at any regular or special Board meeting, subject only to the applicable requirements for setting agendas and posting notices.

### **Article III**

#### **Meetings**

#### **Section 3.1 Regular Meetings**

Regular meetings of the Board shall be held on the Second Friday of each month at 11:00 a.m. at the District office. A notice giving the time, date, place, and agenda of the regular meetings will be posted in a place accessible to the public at the District office at least seventy-two (72) hours prior to the meeting date and time.

#### **Section 3.2 Special Meetings**

Special meetings of the Board may be held on dates and at times and locations convenient to the Board. Special meetings may be called by the President or a majority of the Board. A notice giving the time, date, place, and agenda of the special meetings will be posted in a place accessible to the public at the District office at least twenty-four (24) hours prior to the meeting date and time.

#### **Section 3.3 Changes in Meeting Time or Place**

The meeting time and/or place of a regular or special meeting may be changed by a majority vote of the members of the Board and duly noticed regular or special meetings. Any such change will be posted at the District office at a site accessible to the public at least twenty-four (24) hours prior to the meeting date and time.

#### **Section 3.4 Annual Meeting**

The regular meeting of the Board in the month of January of each year shall be the annual Meeting of the Board. At the Annual Meeting, in addition to conducting the usual regular business of the District, the Board shall election Offices and elect and/or appoint the District Representatives to associated organizations.

### **Section 3.5                    Quorum**

A majority of the full Board of Trustees (i.e. three) shall constitute a quorum. No action may be taken by the Board in the absence of a quorum. When there is not a quorum at a regular or special meeting after thirty (30) minutes from the noticed meeting time, the President, Vice President, Secretary, any member of the Board, or in their absence, the General Manager, shall adjourn the meeting until the next regular or special meeting or until a date and time certain.

### **Section 3.6                    Presiding Officer**

The President shall serve as the presiding officer at all meetings of the Board for purpose of conducting the District's business. In the absence of the President, the Vice President shall serve as the presiding officer. In the absence of the President and Vice President, the Secretary shall serve as the presiding officer. Upon the arrival of the President or Vice President, the presiding officer shall relinquish the chair upon the conclusion of the agenda item them before the Board. A similar process shall be followed if the President or the President and Vice President must disqualify themselves from the Board deliberations on specific agenda items because of conflicts of interest.

### **Section 3.7                    Manner of Voting**

The Board may take action on any item by votes cast as follows:

- By voice vote or
- By roll call

### **Section 3.8                    Actions of the Board**

All actions of the board shall require an affirmative vote of a majority of the full Board: i.e. the affirmative votes.

### **Section 3.9                    Minutes and Records of Meetings**

Under the direction of the Secretary and General Manager, the Clerk of the Board shall compile minutes of all meetings of the Board and maintain records of Board meetings and all actions taken. Minutes shall be prepared in a timely fashion and presented for approval or amendment or correction at the next regular meeting of the Board. For purposes of maintaining voting records on action items, on matters voted on by voice vote the minutes shall record only abstentions and NO votes requested by the caster to be recorded in the minutes; on matters voted on by roll call the minutes shall record the AYES and NOES by name.

### **Section 3.10 Rules of Order**

All rules of order not provided for in these By-laws shall be determined in accordance with “Robert’s Rules of Order, Revised.”

## **Article IV**

### **Committees**

#### **Section 4.1 Committees**

In order to implement the programs of the District and to assist in the administration and governance of the District, the Board may from time to time appoint Standing or Ad-Hoc Committees of the Board. In establishing committees, the Board will designate whether each committee is a Standing or an Ad-Hoc Committee, will designate the composition of the committee, and may provide the committee with a written statement of objectives to be addressed by the committee. In general, the committees will be composed of two Trustees and any necessary staff persons needed to assist the committee.

#### **Section 4.2 Appointment of Committees**

The President shall make all committee appointments with the concurrence of the Board.

## **Article V**

### **Amendments**

#### **Section 5.1 Amendments to the By-laws**

These By-laws may be amended by a majority vote of the Board under an agendaed action item at any duly noticed regular or special meeting of the Board.

*End*

## **RODENT ABATEMENT PROGRAM AMERICAN RIVER FLOOD CONTROL DISTRICT**

The American River Flood Control District (ARFCD) uses integrated pest management techniques for the Rodent Abatement Program, specifically for the California Ground Squirrel *Otospermophilus beecheyi* and *Otospermophilus douglasii* with no distinctions being made between species.

We are seeing squirrel activity throughout the year, with no hibernation period(s) here in Northern California. Squirrels will remain in burrows during the wettest and hottest time periods and ride out rough weather. They still only breed once per year and ARFCD is experiencing a mating season of March thru June. Babies will remain in burrows into July, as they remain in burrows for six weeks, and in six months they are the size of adults.

Understanding the life cycle is critical to correctly timing the most efficient control methods.

Throughout the entire year ARFCD staff utilize the Giant Destroyer The Super Gasser. This 1.75oz gas cartridge is made for all burrowers – moles voles gophers and squirrels. Because squirrels are significantly larger than a mole two or more cartridges will be dropped into a single burrow opening. No special certifications are required for use by staff and we do report usage to Sacramento County Department of Agriculture not as a requirement but for tracking quantities. Even while performing other duties, if a fresh burrow is spotted on the levee prism, staff will drop gas cartridges into holes, immediately plug the opening with a burlap sand bag and cover the hole with dirt, leaving a small ear of the sandbag exposed so the opening can be later grouted. Staff will remain on site looking for other exit holes revealed by escaping gasses. It is not rare for a burrow complex to have multiple exit holes. During the hot dry summer months only staff utilizing the herbicide spraying vehicles will make gas cartridge applications. Potable water is in the spray tank and used to wet the area to both seal in gasses and prevent grass fires. All Staff track new burrows with GPS on company issued iPhones, so other staff members in other District trucks send real time locations to those carrying water. It is vital to remain diligent and look for new holes throughout the entire year.

**Grouting:** after the conclusion of mowing season in the month of July staff immediately transition to grouting. Grass is at its lowest heights and burrows are easily spotted. Our local manufactured trailered grout plant uses Type I/II Portland Cement with added Bentonite for great flowability. Slick Willie 2 pump primer is also added to keep the grout plant maintained. The cement mixture flows like water thru 2” fabric hoses from the grout plant into the holes. Water is fed directly from the District’s 1000gallon water truck used as the towing vehicle. While it is ideal to complete grouting operations in July and interrupt the squirrel life cycle, the grout plant can be utilized September thru November for freshly discovered holes.

**Baiting:** Is the least effective technique but used along neighbor fencing where we cannot drop gas cartridges or grout for fears of spilling into neighbor yards, or where an infestation is because of an abundance of food supply and/or vegetation cover. District bait stations are properly marked as per Dept of Agriculture and hold one quart of Ground Squirrel Bait or Ramik Oats Neogen (active ingredient Diphacinone). We switch back and forth between the two types of bait to keep things fresh and interesting to the squirrels. Diphacinone is a first generation

anticoagulant that requires multiple feedings. Squirrels store the bait in their burrows and slowly sicken. They remain in the burrows not feeling well with their tummy aches until ultimately dying in the burrow.

There is an abundant food supply January thru June so baiting has limited effectiveness. July thru December baiting can be very successful. The first half of the year squirrels feed on green forage and then transition to seeds the second half of the year.

Maintenance practices: the mowing program March thru July discourages the green forage feedings. Nut and fruit bearing trees are discouraged. Broadleaf weeds are herbicidally maintained. Levee prism is kept clean of human garbage. Vegetation is managed as per State and USACE specifications.

This current program is lauded for its success by the current Levee State Inspector.