

April 12, 2024
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 12, 2024. In attendance were Trustee L'Ecluse, Trustee Shah, Trustee Holloway, and Trustee Vander Werf. Trustee Johns was absent. Trustee L'Ecluse presided. Also present from the District were General Manager (GM) Tim Kerr, Interim-Superintendent David Diaz, Legal Counsel Rebecca Smith, 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 Shah seconded by Holloway, the Board unanimously approved items 2a) Minutes of Regular Meeting on March 8, 2022 2b) Approval of Report of Investment Transactions February 2024 (City Pool, LAIF, River City) and Treasurer's Certification, 2c) District Financial Reports: Statement of Operations (February 2024) and Cash Flow Report, 2e) Correspondence: None.

Item No. 2d Finance Committee Recommendations: Annual Review of Credit Card Policy, Reserve Fund Policy, and Investment Policy: Trustee Shah asked about the language used in the Investment Policy. Trustee Holloway suggested that Legal Counsel Smith to do a review of the policy and bring it to the May 2024 Board Meeting. No action was taken on this item.

Item No. 3 Accounts Payable and General Fund Expenses (March 2024): Trustee Holloway inquired on payments made to Cintas. Trustee Vander Werf inquired about payments made to Holt of California, Pape Machinery and Trane. Following explanation by staff and on a motion by Trustee Vander Werf seconded by Trustee Shah, the Board unanimously approved payments on the Schedule of Accounts Payable (March 2024) of \$78,754.50 and General Fund Expenses of \$111,832.23 (total aggregate sum \$190,586.73).

Item No. 4 By-district Divisions 4 and 5 Election 2024 4a) Memorandum of Understanding (MOU) with Sacramento County Elections, 4b) Resolution 2024-04: Calling By-district General Election: On a motion by Trustee Holloway seconded by Trustee Vander Werf, the Board unanimously approved the MOU with Sacramento County Elections and Resolution 2024-04.

Item No. 5 Finance Committee Recommendation: 5a) District Budget Fiscal Year 2024-2025, 5b) District 5-year Budget Projection: Office Manger Chapman and GM Kerr discussed the proposed budget and 5-year projections to the Board. On a motion by Trustee Holloway seconded by Trustee Vander Werf, the Board unanimously approved the Fiscal Year 2024-2025 District budget and the 5-year budget projection.

At 11:33 a.m. the Trustees met in closed session with District Legal Counsel Smith.

Item No. 6 Conference with Legal Counsel – Real Property Negotiations: Government Code 54956.8 – 0 Lathrop Way, Sacramento

The Trustees returned to open session at 11:50 a.m. Trustee L'Ecluse reported out that the Board took no action and direction was given to staff.

Item No. 7 Administrative Staff Reports:

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

- General Manager's March Meeting Summary;
- Hydrologic Conditions: Folsom Lake is 78% of total capacity with an outflow of 4,081 cfs. The gauge at I Street Bridge shows a water surface elevation of 12-feet above sea level;
- Next Board Meeting is scheduled for May 10, 2024

b) *Legal Counsel Rebecca Smith:* Legal Counsel Smith informed the Board about trainings that Downey Brand offers.

c) *Office Manager Malane Chapman:* Office Manager Chapman reminded the Trustees that Form 700s were due April 2, 2024.

Item No. 8 Operations and Maintenance Staff Reports:

Interim-Superintendent David Diaz:

- Crew activities including mowing, equipment cross-training, and floodwall repairs.

Item No. 9 Questions and Comments by Trustees: Trustee Vander Werf suggested a time-lapse or minimum weekly picture of one area to show the growth of grass along the levees for the website.

Item No. 10 Adjourn: There being no further business requiring action by the Board, the meeting was adjourned by Trustee L'Ecluse at 12:06 p.m.

Attest:

Secretary

President

**American River Flood Control District
Staff Report**

Investment Transactions Summary; March 2024

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 \$21,945.95.
- As of March 31, 2024, the balance of Interest Receivable in this account was \$188,291.60.

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

River City Bank Money Market:

- On March 31, 2024, a monthly interest payment was received in the amount of \$2,823.49.

River City Bank Checking:

- On March 31, 2024, a monthly interest payment was deposited in the amount of \$55.20.
- Total amount of Accounts Payable cleared during the month of March was \$232,280.35.

**American River Flood Control District
Investment Transaction Report
March 2024**

Item 2b

Balance and Transactions

Account		LAIF	City Pool A	River City Bank Money Market	River City Bank Checking
Beginning Balance	3/1/24	\$70,007.79	\$9,202,420.22	\$1,480,208.26	\$961,031.43
Transactions					
City Pool A Interest	3/31/24		\$21,945.95		
River City Bank Interest	3/31/24			\$2,823.49	\$55.20
Accounts Payable (cleared)					(\$232,280.35)
Ending Balance:	3/31/24	\$70,007.79	\$9,202,420.22	\$1,483,031.75	\$728,806.28

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

Interest

Date:	Apr 2023	May 2023	June 2023	July 2023
LAIF	2.87	2.99	3.17	3.31
City Pool A	2.38	2.53	2.79	2.67
River City Bank Money Market	1.26	1.26	1.26	1.26
River City Bank Checking	0.08	0.08	0.08	0.08
Date:	Aug 2023	Sep 2023	Oct 2023	Nov 2023
LAIF	3.43	3.53	3.67	3.84
City Pool A	2.57	2.64	2.69	2.61
River City Bank Money Market	0.35	2.11	2.28	2.28
River City Bank Checking	0.08	0.08	0.08	0.08
Date:	Dec 2023	Jan 2024	Feb 2024	Mar 2024
LAIF	3.93	4.01	4.12	4.23
City Pool A	2.60	2.79	2.90	2.76
River City Bank Money Market	2.28	2.28	2.28	2.28
River City Bank Checking	0.08	0.08	0.08	0.08

**American River
Flood Control
District**

AMERICAN RIVER FLOOD CONTROL DISTRICT

MONTHLY REVIEW – MARCH 2024

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.

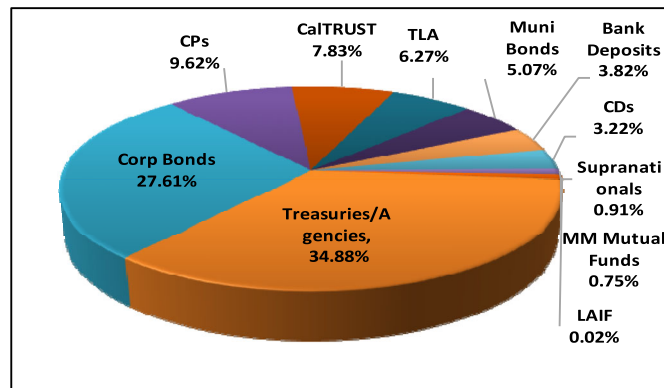
PORTFOLIO STATISTICS

Beginning Balance	9,368,766
Contributions	0
Withdrawals	0
Interest Earned	21,946
Ending Balance	9,390,712

PERFORMANCE COMPARISON

City Pool A	2.76%
LAIF	4.23%
90 Day T-Bill	5.37%
Federal Funds	5.33%

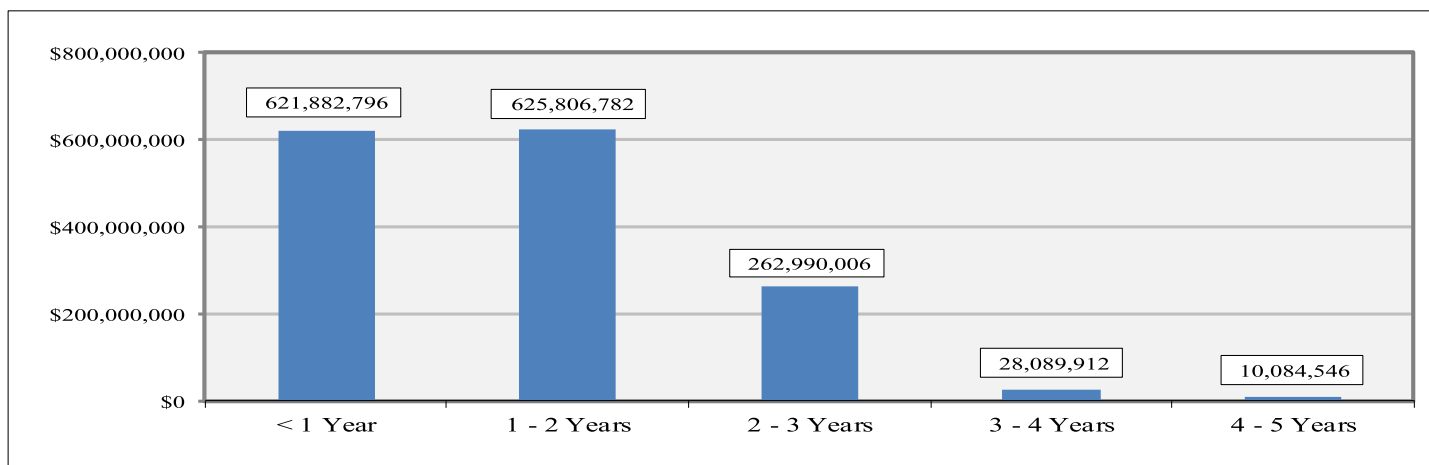
CITY POOL A PORTFOLIO COMPOSITION



Asset Type	Pct. Assets	YTM
Treasuries/Agencies	34.88%	1.96%
Corp Bonds	27.61%	2.08%
CPs	9.62%	5.50%
CalTRUST	7.83%	4.62%
TLA	6.27%	5.07%
Muni Bonds	5.07%	2.31%
Bank Deposits	3.82%	4.05%
CDs	3.22%	2.32%
Supranationals	0.91%	0.55%
MM Mutual Funds	0.75%	5.00%
LAIF	0.02%	4.23%

CITY POOL A MATURITY SCHEDULE

Maturity	Market Value	Pct. Holdings
< 1 Year	621,882,796	40.16%
1 - 2 Years	625,806,782	40.40%
2 - 3 Years	262,990,006	16.98%
3 - 4 Years	28,089,912	1.81%
4 - 5 Years	10,084,546	0.65%
Total	1,548,854,042	100.00%



City of Sacramento
 CASH LEDGER
American River Flood Control District
 From 03-01-24 To 03-31-24

Item 2b

All Cash Accounts

Trade Date	Settle Date	Tran Code	Quantity	Security	Amount	Cash Balance
Pool A Interest Receivable						
03-01-24				Beginning Balance		166,345.65
03-31-24	03-31-24	in		Pool A Cash	21,945.95	188,291.60
				Mar 2024 estimated Pool A interest		
					21,945.95	
03-31-24				Ending Balance		188,291.60
Pool A Cash						
03-01-24				Beginning Balance		9,202,420.22
03-31-24				Ending Balance		9,202,420.22

California State Treasurer *Fiona Ma, CPA*



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

April 02, 2024

[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 2024 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	70,007.79
Total Withdrawal:	0.00	Ending Balance:	70,007.79



River City Bank

WWW.RIVERCITYBANK.COM

PO Box 15247, Sacramento, CA 95851-0247

Return Service Requested

Item 2b



Last statement: February 29, 2024

This statement: March 31, 2024

Total days in statement period: 31

AMERICAN RIVER FLOOD CONTROL DISTRICT
C/O ROBERT MERRITT, CPA
4000 MAGNOLIA HILLS DR
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	\$1,480,208.26
Low balance	\$1,480,208.26	Total additions	2,823.49
Average balance	\$1,480,208.26	Total subtractions	0.00
Avg collected balance	\$1,480,208	Ending balance	\$1,483,031.75
Interest paid year to date	\$8,273.05		

CREDITS

Date	Description	Additions
03-31	Interest Credit	2,823.49

DAILY BALANCES

Date	Amount	Date	Amount	Date	Amount
02-29	1,480,208.26	03-31	1,483,031.75		

INTEREST INFORMATION

Annual percentage yield earned	2.28%
Interest-bearing days	31
Average balance for APY	\$1,480,208.26
Interest earned	\$2,823.49

AMERICAN RIVER FLOOD CONTROL DISTRICT
March 31, 2024

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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



Last statement: February 29, 2024
This statement: March 31, 2024
Total days in statement period: 31

AMERICAN RIVER FLOOD CONTROL DISTRICT
C/O ROBERT MERRITT, CPA
4000 MAGNOLIA HILLS DR
EL DORADO HILLS CA 95762-6561

Page 1
0811090736
(48)

Direct inquiries to:
916-567-2836

Public Fund Interest Checking

Account number	0811090736	Beginning balance	\$961,031.43
Enclosures	48	Total additions	55.20
Low balance	\$728,752.76	Total subtractions	232,280.35
Average balance	\$814,591.30	Ending balance	\$728,806.28
Avg collected balance	\$814,591		

CHECKS

Number	Date	Amount	Number	Date	Amount
9773	03-01	43.60	9840	03-19	884.03
9778 *	03-04	358.85	9841	03-19	1,716.88
9819 *	03-04	22,794.00	9842	03-18	349.12
9820	03-21	6.99	9843	03-19	13,500.00
9822 *	03-18	597.21	9844	03-20	6,947.01
9823	03-15	30,723.18	9845	03-14	318.00
9824	03-21	14.49	9846	03-18	290.21
9825	03-20	725.73	9848 *	03-18	3,150.00
9826	03-20	711.56	9849	03-18	2,025.00
9827	03-18	383.40	9850	03-19	1,400.35
9828	03-20	1,695.16	9851	03-26	11,000.00
9829	03-18	450.00	9852	03-18	1,066.01
9830	03-15	15,251.70	9853	03-20	968.39
9831	03-14	252.50	9854	03-18	960.33
9832	03-19	437.00	9855	03-20	249.00
9833	03-21	441.26	9856	03-19	241.30
9834	03-15	494.18	9857	03-15	359.20
9835	03-20	104.27	9858	03-21	8.49
9836	03-22	86.39	9859	03-19	107.00
9837	03-19	107.00	9860	03-22	529.53
9838	03-18	79.03	9861	03-19	1,137.86
9839	03-15	1,248.00	9862	03-18	1,194.43

AMERICAN RIVER FLOOD CONTROL DISTRICT
March 31, 2024

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0811090736

Number	Date	Amount	Number	Date	Amount
9863	03-18	1,395.00	9866	03-19	1,402.23
9864	03-19	21.21	* Skip in check sequence		
9865	03-19	869.07			

DEBITS

Date	Description	Subtractions
03-01	' ACH Withdrawal HEALTHEQUITY INC HealthEqui 240301	252.95
03-01	' ACH Withdrawal INTUIT PAYROLL S QUICKBOOKS 240301 946000047	38,558.33
03-04	' ACH Withdrawal HEALTHEQUITY INC HealthEqui 240304	250.00
03-06	' ACH Withdrawal CALPERS 1900 100000017470896	1,507.00
03-06	' ACH Withdrawal CALPERS 3100 100000017418062	2,408.45
03-06	' ACH Withdrawal CALPERS 3100 100000017418096	2,707.15
03-06	' ACH Withdrawal CALPERS 1900 100000017468182	8,607.33
03-14	' ACH Withdrawal INTUIT PAYROLL S QUICKBOOKS 240314 946000047	532.91
03-15	' ACH Withdrawal INTUIT PAYROLL S QUICKBOOKS 240315 946000047	37,937.67
03-18	' ACH Withdrawal INTUIT PAYROLL S QUICKBOOKS 240318 946000047	3,131.50
03-19	' ACH Withdrawal CALPERS 3100 100000017444579	2,487.74
03-19	' ACH Withdrawal CALPERS 3100 100000017444628	2,951.34
03-20	' ACH Withdrawal HEALTHEQUITY INC HealthEqui 240320	252.95
03-20	' ACH Withdrawal CALPERS 1900 100000017488638	1,598.20
03-31	' Service Charge ADDITIONAL DEBITS	1.68

CREDITS

Date	Description	Additions
03-31	' Interest Credit	55.20

AMERICAN RIVER FLOOD CONTROL DISTRICT
 March 31, 2024

DAILY BALANCES

Date	Amount	Date	Amount	Date	Amount
02-29	961,031.43	03-15	796,426.43	03-22	739,752.76
03-01	922,176.55	03-18	781,355.19	03-26	728,752.76
03-04	898,773.70	03-19	754,092.18	03-31	728,806.28
03-06	883,543.77	03-20	740,839.91		
03-14	882,440.36	03-21	740,368.68		

INTEREST INFORMATION

Annual percentage yield earned	0.08%
Interest-bearing days	31
Average balance for APY	\$814,591.30
Interest earned	\$55.20

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 2024**
- Investment Pool A Account, City of Sacramento **Dated March 2024**
- District Checking Account, River City Bank **Dated March 2024**
- District Repurchase Account, River City Bank **Dated March 2024**

Certified by: _____ Date: _____
Cyril Shah, District Treasurer

American River Flood Control District
Statement of Operations
July 1, 2023 to April 30, 2024 (Ten Months Ending of Fiscal 2024)
For Internal Use Only

	Year to Date July 1, 2023 to April 30, 2024	Budget	Percent of Budget
Revenues			
Benefit assessment	\$ 743,645	\$ 1,429,792	52.01%
Consolidated capital assessment	-	980,000	0.00%
Interest	219,800	77,267	284.47%
O & M agreements	-	312,057	0.00%
Miscellaneous	114,890	-	Not budgeted
Total Revenues	1,078,335	2,799,116	38.52%
M & O Expenses			
Salaries and wages	780,410	861,494	90.59%
Payroll tax expense	59,633	68,920	86.52%
Pension expense	168,196	208,156	80.80%
Compensation insurance	20,709	43,075	48.08%
Medical/dental/vision	193,944	256,528	75.60%
Fuel/oil reimbursement	32,662	55,000	59.39%
Equipment rental	28,336	15,000	188.91%
Equipment repairs/parts	60,781	65,000	93.51%
Equipment purchases (< \$5,000)	3,995	15,000	26.63%
Shop supplies	10,147	10,000	101.47%
Levee maint. (supp. & material)	18,149	20,000	90.75%
Levee maint. chemicals	23,208	25,000	92.83%
Levee maint. services	40,250	80,000	50.31%
Rodent abatement (supplies & materials)	15,694	15,000	104.63%
Employee uniforms	5,376	6,000	89.60%
Staff training	1,868	5,000	37.36%
Regulation Compliance (OSHA)	16,289	50,000	32.58%
Miscellaneous	2,088	1,500	139.20%
Small tools & equipment	21,618	7,500	288.24%
Emergency preparedness program	12,118	25,000	48.47%
Engineering services	6,680	20,000	33.40%
Encroachment remediation	-	15,000	0.00%
Urban camp cleanup	15,092	30,000	50.31%
Total M & O Expenses	1,537,243	1,898,173	80.99%
Administration Expenses			
Board of trustees compensation	4,272	7,600	56.21%
Trustee expenses	972	2,400	40.50%
Trustee training	-	5,000	0.00%
Accounting services	1,125	15,000	7.50%
Legal services (general)	14,284	50,000	28.57%
Utilities	41,282	55,000	75.06%
Telephone	19,276	25,000	77.10%
Retiree benefits	125,640	148,109	84.83%
Office/shop/yard lease	6,991	7,641	91.49%
Office equipment/furniture	-	2,500	0.00%
Auto allowance	5,917	6,600	89.65%
Parking reimbursement	16	500	3.20%
General office expense	12,878	15,000	85.85%
Technology and software	7,393	12,500	59.14%
Dues and associations	29,548	25,000	118.19%
Property and liability insurance	48,257	65,000	74.24%
Public relations/information	-	30,000	0.00%
Miscellaneous	5,273	5,000	105.46%
Conference/Workshop/Seminar	370	2,500	14.80%
Election expenses	-	50,000	0.00%
Employee morale/wellness	-	2,000	0.00%
Investment fees	9,233	20,000	46.17%
Community services	-	1,500	0.00%
Bookkeeping services	8,685	14,000	62.04%
Property taxes	1,788	3,000	59.60%
Building maintenance	15,872	20,000	79.36%
County Dtech fees for DLMS	25,060	35,000	71.60%
County assessment fees	17,146	-	Not budgeted
Interest expense	189	-	Not budgeted
Total Administration Expenses	401,467	625,850	64.15%
Special Projects Expenses			
Engineering studies/survey studies	-	20,000	0.00%
Levee standards compliance	-	25,000	0.00%
Small capital projects	2,509	-	Not budgeted
Total Special Project Expenses	2,509	45,000	5.58%
Capital Outlay			
Equipment purchases (over \$5,000)	264,815	330,000	80.25%
Total Capital Outlay	264,815	330,000	
Capital Outlay: District Facilities			
District headquarters facilities	-	90,000	0.00%
	-	90,000	

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 2023 through June 2024

Cash Flow Report

Maintenance and Operations Expens	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	TOTAL
500 · Salary/Wages	45,855.79	72,709.96	117,137.60	29,496.83	78,062.12	115,763.67	39,657.39	83,243.21	78,988.55	78,335.63	41,159.33	0.00	780,410.08
501 · Payroll Taxes	3,561.49	5,625.34	9,075.07	2,313.55	5,152.81	7,439.08	3,697.20	7,880.43	6,119.35	6,054.19	3,159.78	0.00	60,078.29
502 · Pension	4,893.14	24,683.89	9,232.82	22,508.21	5,802.60	20,962.28	17,692.86	16,761.21	16,319.93	23,802.86	4,564.94	0.00	167,224.74
503 · Compensation Insurance	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
504 · Medical/Dental/Vision	17,849.44	17,650.94	13,974.86	14,644.36	15,220.13	18,237.66	19,652.70	20,880.71	19,205.19	19,125.19	0.00	0.00	176,441.18
508 · Fuel/Oil	(6,576.85)	2,947.09	4,981.28	64.62	5,664.54	1,906.64	6,937.36	3,148.51	4,122.40	3,697.41	0.00	0.00	26,893.00
509 · Equipment Rental	0.00	0.00	0.00	0.00	5,006.35	10,126.12	0.00	3,150.00	3,150.00	10,400.30	0.00	0.00	31,832.77
510 · Equipment Purchase(< \$5000	1,519.24	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,994.92	0.00	0.00	5,514.16
511 · Equipment Repair/Parts	9,133.86	9,235.23	4,270.24	2,055.75	5,752.73	7,628.28	2,405.06	6,658.94	16,873.88	5,059.41	0.00	0.00	69,073.38
512 · Shop Supplies	201.28	652.78	648.07	848.86	1,198.10	0.00	2,018.79	2,342.81	1,199.80	968.49	0.00	0.00	10,078.98
514 · Levee Maint(Supplies&Materi	(5,530.75)	(0.01)	530.21	0.00	3,456.64	4,269.68	3,551.86	0.00	2,433.29	1,068.91	0.00	0.00	9,779.83
515 · Levee Maintenance Services	(34,596.00)	0.00	0.00	0.00	9,350.00	0.00	14,310.00	0.00	16,351.11	0.00	0.00	0.00	5,415.11
516 · Employee Uniforms	0.00	650.00	3,676.79	393.14	164.00	433.34	58.46	0.00	0.00	0.00	0.00	0.00	5,375.73
518 · Staff Training	0.00	0.00	0.00	0.00	174.40	279.00	173.70	0.00	45.00	250.00	0.00	0.00	922.10
519 · Miscellaneous O&M	0.00	0.00	900.00	1,188.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,088.00
521 · Small Tools & Equip	4,346.45	0.00	241.93	1,357.09	63.23	17,525.40	2,693.70	399.00	0.00	0.00	0.00	0.00	26,626.80
523 · Levee Maint. (Chemicals)	7,895.26	0.00	0.00	271.53	2,832.48	0.00	11,624.62	3,803.58	0.00	0.00	0.00	0.00	26,427.47
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 R	958.10	1,554.27	1,089.41	855.00	2,214.40	562.97	1,145.75	1,343.59	1,086.82	1,995.33	0.00	0.00	12,805.64
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	0.00	0.00	0.00	0.00	0.00	0.00
605 · Engineering Services	126.38	73.00	77.01	104.99	263.48	0.00	201.98	117.68	6.99	100.00	0.00	0.00	1,071.51
615 · Survey Services	0.00	2,186.79	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,186.79
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
Total M&O Expense	49,636.83	137,969.28	165,835.29	76,101.93	140,378.01	205,134.12	125,821.43	149,729.67	165,902.31	154,852.64	48,884.05	0.00	1,420,245.56

Administrative Expenses	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	TOTAL
505 · Telephone	2,294.77	2,015.81	2,378.34	1,422.57	2,569.45	2,075.14	2,348.07	2,602.34	1,678.59	1,555.18	0.00	0.00	20,940.26
506 · Utility Charges	1,598.73	4,828.08	3,341.61	4,071.31	4,898.76	2,539.90	4,606.80	4,555.36	4,219.35	6,444.32	0.00	0.00	41,104.22
507 · Office/Shop Lease	636.72	636.72	636.72	636.72	636.72	636.72	636.72	0.00	1,273.44	636.72	0.00	0.00	6,367.20
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	275.00	550.00	825.00	275.00	550.00	825.00	275.00	550.00	550.00	550.00	275.00	0.00	5,500.00
520 · Retiree Benefits	11,541.80	11,541.80	11,541.80	10,340.87	11,141.49	11,597.99	11,597.99	11,597.99	11,597.99	11,597.99	0.00	0.00	114,097.71
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 Reimbusem	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
527 · General Office Expense	0.00	0.00	8,400.00	0.00	918.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,318.01
529 · Pre-funding Retiree Benefits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16.08	0.00	0.00	0.00	16.08
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	(1,473.42)	133.34	1,427.34	7,120.78	1,987.58	0.00	0.00	0.00	0.00	301.71	0.00	0.00	9,497.33
601 · Trustee Expenses	475.00	475.00	285.00	475.00	475.00	285.00	380.00	285.00	475.00	380.00	0.00	0.00	3,990.00
602 · Accounting Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	269,573.20	0.00	0.00	0.00	0.00	269,573.20
603 · Legal Fees (General)	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
604 · Flood Litigation	126.38	73.00	77.01	104.99	263.48	0.00	201.98	117.68	6.99	100.00	0.00	0.00	1,071.51
606 · Legislative Services	0.00	0.00	0.00	0.00	0.00	425.00	0.00	0.00	0.00	0.00	0.00	0.00	425.00
607 · Dues and Assoc. Expenes	3,776.00	5,145.00	1,652.50	3,116.00	2,115.00	704.00	1,716.00	880.00	1,500.50	2,600.00	0.00	0.00	23,205.00
608 · Insurance Premiums	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
609 · Conference /Workshops/Sem	(34,524.00)	0.00	415.75	838.25	1,723.00	1,083.00	1,062.25	0.00	318.00	1,239.75	0.00	0.00	(27,844.00)
610 · Public Relations Information	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
611 · Election Expenses	60.00	0.00	6,405.00	15,517.00	8,187.00	0.00	12.21	177.79	135.00	0.00	0.00	0.00	30,494.00
612 · District Annexations	11,279.44	6,581.94	0.00	0.00	6,689.76	38,739.00	0.00	6,656.45	0.00	7,363.27	0.00	0.00	77,309.86
613 · Community Services	0.00	0.00	0.00	0.00	0.00	0.00	62.79	657.21	369.96	0.00	0.00	0.00	1,089.96
614 · Miscellaneous Admin	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
617 · Investment Fees	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
618 · Property Tax	211.57	204.08	487.69	310.43	557.10	292.77	1,205.78	250.98	891.17	380.83	166.75	0.00	4,959.15
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	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
621 · County Assessment Fees	0.00	4,572.00	0.00	0.00	4,601.00	0.00	0.00	4,632.00	0.00	0.00	0.00	0.00	13,805.00
622 · County DTech Fees for DLMS	0.00	2,183.13	1,888.09	1,452.56	1,625.41	275.00	614.47	0.00	0.00	5,029.12	0.00	0.00	13,067.78

AMERICAN RIVER FLOOD CONTROL DISTRICT
Cash Flow Report
July 2023 through June 2024

623 · Employee Morale/Wellness	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	0.00
Total Administrative	(3,722.01)	38,939.90	39,761.85	45,681.48	48,938.76	59,478.52	24,720.06	302,536.00	23,032.07	38,178.89	441.75	0.00	617,987.27	
Special Projects Expenses														
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	
Total Special 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	
Capital Outlay: Flood Control														
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	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	
709 · Equipment Purchase (> \$500)	(1,789.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(1,789.00)	
Total Capital Outlay: Flood Control	(1,789.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(1,789.00)	
Income														
120 · Benefit Assessment	0.00	35,341.38	0.00	0.00	0.00	22,989.58	0.00	720,113.66	0.00	0.00	0.00	0.00	778,444.62	
122 · SAFCA CAD4	980,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	980,000.00	
123 · Interest	185,202.25	2,186.79	3,484.51	4,499.35	3,735.11	3,141.64	3,521.06	2,688.90	2,878.69	3,526.68	0.00	0.00	214,864.98	
124 · O&M Agreements	0.00	0.00	0.00	0.00	0.00	0.00	0.00	269,573.20	0.00	0.00	0.00	0.00	269,573.20	
126 · Miscellaneous Income	61,620.68	0.00	0.00	0.00	0.00	0.00	34,890.49	0.00	0.00	0.00	0.00	0.00	96,511.17	
Total Income	1,226,822.93	37,528.17	3,484.51	4,499.35	3,735.11	26,131.22	38,411.55	992,375.76	2,878.69	3,526.68	0.00	0.00	2,339,393.97	
Fund Balance														
District Operations Fund														
Beginning Balance	1,016,131.84	1,847,039.95	1,707,658.94	1,505,546.31	1,388,262.25	1,202,680.59	964,199.17	852,069.23	1,392,179.32	1,206,123.63	1,016,618.78	0.00	0.00	
Income	1,226,822.93	37,528.17	3,484.51	4,499.35	3,735.11	26,131.22	38,411.55	992,375.76	2,878.69	3,526.68	0.00	0.00	0.00	
Expenses	395,914.82	176,909.18	205,597.14	121,783.41	189,316.77	264,612.64	150,541.49	452,265.67	188,934.38	193,031.53	49,325.80	0.00	0.00	
Ending Balance	1,847,039.95	1,707,658.94	1,505,546.31	1,388,262.25	1,202,680.59	964,199.17	852,069.23	1,392,179.32	1,206,123.63	1,016,618.78	967,292.98	0.00	0.00	
Capital Outlay Reserve Fund														
Beginning 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	0.00	
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	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	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	0.00	
Retiree Health Benefit Reserve Fund														
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	0.00	
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	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	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	0.00	
Flood Emergency Response Reserve Fund														
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	0.00	
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	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	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	0.00	
Emergency Repair Reserve Fund														
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	0.00	
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	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	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	0.00	
Total Balance	9,669,053.95	9,529,672.94	9,327,560.31	9,210,276.25	9,024,694.59	8,786,213.17	8,674,083.23	9,214,193.32	9,028,137.63	8,838,632.78	8,789,306.98	0.00	0.00	

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:

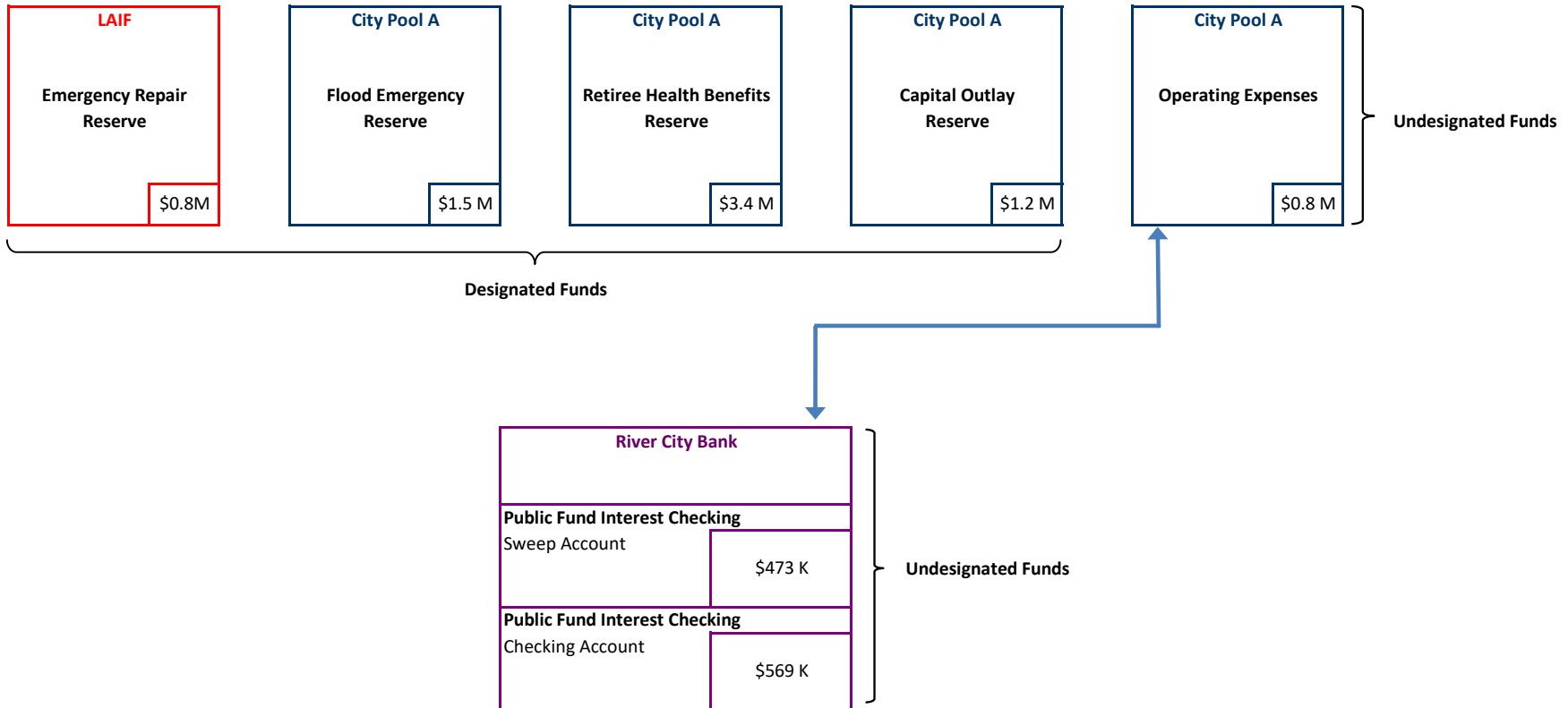
- Staff time to plan, design and manage various capital improvement projects
- Consulting services including real estate, environmental, design, survey, geotechnical and construction management associated with capital improvement projects
- Preparation of environmental documents, construction documents 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.

**American River Flood Control District
Reserve Fund Policy
Appendix A
Reserve Fund Investment Account Structure**



Notes:

1. This proposal establishes individual investment accounts for each of the four ARFCD reserve funds.
2. One investment account will also be created for Operating Expenses. This account will be used to store revenue from assessments and the SAFCA Consolidated Capital Assessment District.
3. The River City Bank Public Fund Interest Checking "Sweep Account" and checking accounts will be replenished from the Operating Expenses account.
4. All interest accrued in the individual reserve fund investment accounts will be kept in the respective account.
5. This proposal will enable the District to verify that the designated reserve fund balances equate to actual investment account balances.
6. When the Board deems it necessary to adjust the reserve balances, future deposits or transfers will be made to/from each respective account.

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

Designation of Surplus Equipment

2017 Bobcat Tracked Loader

Staff Report

Discussion:

District staff seeks to designate as surplus the 2017 Bobcat Tracked Loader. The Bobcat experienced a catastrophic failure of the hydraulic system and further investment in repairs are not assured to result in a reliable piece of equipment. Due to a mechanical failure of the hydraulic pump, the entire hydraulic system was contaminated with metal filing debris which is likely to cause additional system failures with continued use. Staff believes the best course of action is to sell the piece of equipment at auction with full disclosure of the hydraulic system deficiency.

The District budgeted for the replacement of the Bobcat in the 2024-2025 Fiscal Year Budget. Declaring the Bobcat as surplus now will free up space in the warehouse and allow room for future equipment.

Recommendation:

The General Manager recommends that the Board of Trustees designate the 2017 Bobcat Tracked Loader as surplus and direct staff to dispose of it per the guidelines in the Surplus Equipment Policy.

AMERICAN RIVER FLOOD CONTROL DISTRICT

Audited Financial Statements
and Compliance Report

June 30, 2023

AMERICAN RIVER FLOOD CONTROL DISTRICT

Audited Financial Statements
and Compliance Report

June 30, 2023

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550 Howe Avenue, Suite 210
Sacramento, California 95825

Telephone: (916) 564-8727

FAX: (916) 564-8728

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, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of June 30, 2023, 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 _____, 2024, 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.

____, 2024

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, 2023. 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 2022/2023

- At the end of the 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 \$17.3 million.
- During the year, the District's net position increased by approximately \$320,000. 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 \$11.9 million, an increase of \$683,000 from the previous year. The amount of the unassigned fund balance was \$4.0 million, and the remaining \$7.9 million was committed by the Board or in nonspendable form.
- The District's capital asset balance before depreciation was \$14.3 million at the end of the year.
- The District has recognized a net pension liability in the amount of \$1.5 million due to Governmental Accounting Standards Board Statement (GASB) 68. The liability increased approximately \$864 thousand from the prior year. See Note E of the basic financial statements.
- The District has recognized a liability in the amount of \$3.4 million for post-employment benefits due to Governmental Accounting Standards Board Statement (GASB) 75. The liability increased approximately \$323 thousand 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 describe 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 \$17.3 million at the close of the most recent fiscal year. Of this amount \$10.3 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, 2023 and 2022
(in thousands)

	Governmental Activities	
	2023	2022
Current and other assets	\$ 12,241	\$ 11,606
Capital assets, net	10,320	10,574
Total assets	22,561	22,180
Deferred outflows of resources	839	577
Current liabilities	195	180
Long term liabilities:		
Net pension liability	1,512	648
Other postemployment benefits liability	3,414	3,091
Total liabilities	5,121	3,919
Deferred inflows of resources	977	1,855
Net position:		
Net investment in capital assets	10,320	10,574
Unrestricted net position	6,982	6,409
Total net position	\$ 17,302	\$ 16,983

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, 2023, there were no major additions to capital assets from levee improvements; however, during fiscal 2023 the District purchased a new field truck for \$51,000 and made shop infrastructure improvements of \$8,000. Depreciation expense of approximately \$313 thousand was recognized by the District during fiscal 2023 and no capital assets were disposed of.

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 2023, the District contributed \$176,000 for employer required contributions to the pension plan, and the unfunded net pension liability increased \$864,497 from \$647,552 in the prior year to \$1,512,049 at June 30, 2023. In addition, the District has recorded deferred outflows and deferred inflows related to pensions of \$703,897 and \$101,446, 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 \$3,413,842 at June 30, 2023. During 2023, the District paid \$139,000 against this liability, and the liability increased \$323,157 from \$3,090,685 at June 30, 2022 to \$3,413,842 at June 30, 2023. In addition, the District has recorded deferred outflows and deferred inflows related to postemployment benefits of \$135,800 and \$875,646 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, 2023.

Unrestricted Net Position

The District's unrestricted net position at June 30, 2023 totaled \$7.0 million, an increase of approximately \$573,000 from \$6.4 million at June 30, 2022. 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.

AMERICAN RIVER FLOOD CONTROL DISTRICT CALIFORNIA

Management's Discussion and Analysis (Continued)

Governmental Activities

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

Table 2
Statement of Activities
Years Ended June 30, 2023 and 2022
(in thousands)

	<u>Governmental Activities</u>	
	<u>2023</u>	<u>2022</u>
Revenues:		
Program revenues		
O & M reimbursement agreements	\$ 269	\$ 326
FMAP grant	352	587
General Revenues		
Assessments	2,317	2,304
Investment earnings	152	(291)
Miscellaneous	1	9
Total revenues	<u>3,091</u>	<u>2,935</u>
Expenses:		
Flood protection	<u>2,772</u>	<u>2,605</u>
Change in net position	319	330
Net position – beginning of year	<u>16,983</u>	<u>16,653</u>
Net position – end of year	<u>\$ 17,302</u>	<u>\$ 16,983</u>

The District's change in net position was an increase of \$319,000 during the current fiscal year. Overall revenues increased from \$2,935,000 in 2022 to \$3,091,000 in 2023. O&M reimbursements decreased \$57,000, assessment revenues increased \$13,000, and investment earnings increased \$443,000. The primary reason for the investment losses during the prior year was the result of a \$381,000 write down to the fair value of the District's City Pool investment balances; the write down to investment balances only totaled \$43,000 during the current year. During the year the District also received a Flood Management Assistance Program (FMAP) grant for \$352,000, which it used for flood protection activities. Flood protection expenses increased \$167,000 from \$2,605,000 in 2022 to \$2,772,000 in 2023. Major increases in flood protection were the results of increases in capital projects, emergency preparedness, and retiree health 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 \$11.9 million, an increase of \$683,000 from the previous year's fund balance. The current year-end fund balance consists of \$7.8 million in committed funds for emergencies, capital improvements and retiree health benefits as follows:

AMERICAN RIVER FLOOD CONTROL DISTRICT CALIFORNIA

Management's Discussion and Analysis (Continued)

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, \$1.3 million has been designated for the Capital Outlay Fund.

Of the remaining \$4.1 million, \$4.0 is unassigned and available for spending for flood protection purposes and approximately \$52,000 is nonspendable in the form of prepaid costs. The unassigned funds are included in the District's General 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 \$3.1 million. Assessment revenue of \$2.3 million was the major source (74.1%) of revenue for the governmental fund. O & M reimbursements of \$306,000 accounted for 9.8% of revenues, the FMAP grant of \$352,000 accounted for 11.2%, and investment earnings of \$152,000 accounted for 4.9% of revenues. Expenditures from the governmental fund were \$2.5 million, which resulted in an increase in fund balance of \$683,000.

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)

Table 3

Revenues and Other Funding Sources – General Fund
Year Ended June 30, 2023
(in thousands)

	Budget Amount	Actual Amount	Variance From Final Budget
Assessments	\$ 2,410	\$ 2,322	\$ (88)
O & M reimbursement agreements	312	306	(6)
Operating grants	-	352	352
Use of money and other income	77	153	76
	<u>\$ 2,799</u>	<u>\$ 3,133</u>	<u>\$ 334</u>

Changes from Amounts Originally Budgeted

There were no changes made to the original budget.

AMERICAN RIVER FLOOD CONTROL DISTRICT CALIFORNIA

Management's Discussion and Analysis (Continued)

Actual Revenues/Financing Sources Compared with Final Budget Amounts

Actual revenues and other financing sources recognized by the District's General Fund were \$334,000 more than budget. The variance was primarily due to the FMAP grant of \$352,000 that was not budgeted for when the 2022/23 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, 2023
(in thousands)

	<u>Budget Amount</u>	<u>Actual Amount</u>	<u>Variance From Final Budget</u>
Current:			
Flood protection			
Operations	\$ 2,024	\$ 1,834	\$ 190
Administration	770	557	213
Capital outlay	<u>550</u>	<u>59</u>	<u>491</u>
	<u>\$ 3,344</u>	<u>\$ 2,450</u>	<u>\$ 894</u>

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 \$894,000 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 levee maintenance services and chemicals, pension expenses, engineering and survey studies, and levee standards compliance. Under administration, budget savings were in election expenses, public relations, legal services, and County Dtech fees. Under capital outlay, the district did plan on acquiring additional heavy field vehicles; however, those purchases did not occur until the summer of fiscal 2024.

Management’s Discussion and Analysis (Continued)

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2023, the District has \$10.3 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 modestly from the prior fiscal year as shown in Table 5 below:

Table 5
Capital Assets

	As of June 30, 2023	As of June 30, 2022	Increase (Decrease)
Land	\$ 321,463	\$ 321,463	-
Levees and improvements	9,544,047	9,544,047	-
Building	2,181,520	2,181,520	-
Equipment	2,136,036	2,084,681	\$51,355
Building improvements	90,365	82,556	7,809
	<u>\$14,273,431</u>	<u>\$14,214,267</u>	<u>\$ 59,164</u>

As stated above, during the fiscal year ended June 30, 2023, there were no major additions to capital assets from levee improvements; however, during the year, a field truck and shop improvements were made at a cost of \$59,000.

The District depreciates capital assets using the straight-line method over the estimated lives of the assets. Accumulated depreciation as of June 30, 2023 is \$3,953,079, and depreciation expense for the year was \$312,507.

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

As of June 30, 2023, the District has designated \$1,270,000 for future capital outlay expenditures.

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

AMERICAN RIVER FLOOD CONTROL DISTRICT

STATEMENT OF NET POSITION

June 30, 2023

ASSETS	
Cash and investments - Note B	\$ 10,534,077
Receivables:	
Assessments	50,000
Interest	2,492
Due from other agencies	1,601,973
Prepaid expenses	51,808
Capital assets, net - Note C	10,320,352
TOTAL ASSETS	<u>22,560,702</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension plan	703,897
Other postemployment benefits (OPEB) plan	135,800
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>839,697</u>
LIABILITIES	
Accounts payable	82,746
Accrued payroll	7,917
Compensated absences	104,367
Long-term liabilities:	
Net pension liability - Note E	1,512,049
OPEB liability - Note F	3,413,842
TOTAL LIABILITIES	<u>5,120,921</u>
DEFERRED INFLOWS OF RESOURCES	
Pension plan	101,446
OPEB plan	875,646
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>977,092</u>
NET POSITION	
Net investment in capital assets	10,320,352
Unrestricted	6,982,034
TOTAL NET POSITION	<u>\$ 17,302,386</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, 2023

PROGRAM EXPENSES	
Governmental activities:	
Flood protection	\$ 2,771,872
PROGRAM REVENUES	
Charges for services	269,573
Operating grants	<u>351,900</u>
	NET PROGRAM EXPENSES (2,150,399)
GENERAL REVENUES	
Assessments	2,316,857
Interest earnings	152,258
Miscellaneous	807
	TOTAL GENERAL REVENUES <u>2,469,922</u>
CHANGE IN NET POSITION	319,523
Net position at beginning of year	<u>16,982,863</u>
	NET POSITION AT END OF YEAR <u><u>\$ 17,302,386</u></u>

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

AMERICAN RIVER FLOOD CONTROL DISTRICT

BALANCE SHEET – GENERAL FUND

June 30, 2023

ASSETS		
Cash and cash equivalents		\$ 10,534,077
Receivables:		
Assessments		50,000
Interest		2,492
Due from other agencies		1,601,973
Prepaid costs		<u>51,808</u>
	TOTAL ASSETS	<u>\$ 12,240,350</u>
LIABILITIES, DEFERRED INFLOWS OF OF RESOURCES AND FUND BALANCE		
LIABILITIES		
Accounts payable		\$ 82,746
Accrued payroll		<u>7,917</u>
	TOTAL LIABILITIES	<u>90,663</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue		<u>286,189</u>
FUND BALANCE		
Nonspendable		51,808
Committed		7,822,014
Unassigned		<u>3,989,676</u>
	TOTAL FUND BALANCE	<u>11,863,498</u>
	LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 12,240,350</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, 2023

Fund balance - total governmental funds, June 30, 2023		\$ 11,863,498
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	\$ 14,273,431	
Less: accumulated depreciation	<u>(3,953,079)</u>	10,320,352
Deferred outflows of resources related to the pension and OPEB plans will be recognized as expense in the future.		
Pension plan		703,897
OPEB plan		135,800
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Compensated absences		(104,367)
Net pension liability		(1,512,049)
OPEB liability		(3,413,842)
Deferred inflows of resources related to the pension and OPEB plans will be recognized as a reduction of expense in the future.		
Pension plan		(101,446)
OPEB plan		(875,646)
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>286,189</u>
Net position - governmental activities, June 30, 2023		<u>\$ 17,302,386</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, 2023

REVENUES		
Assessments	\$ 2,322,562	
O & M reimbursements	305,634	
Contributions and grants	351,900	
Use of money	152,258	
Other revenues	807	
TOTAL REVENUES	3,133,161	
EXPENDITURES		
Current:		
Flood protection		
Maintenance and operations	1,833,862	
Administration	557,124	
Capital outlay	59,164	
TOTAL EXPENDITURES	2,450,150	
NET CHANGE IN FUND BALANCE	683,011	
Fund balance at beginning of year	11,180,487	
FUND BALANCE AT END OF YEAR	\$ 11,863,498	

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, 2023

Net change in fund balance - total governmental funds for the year ended June 30, 2023	\$ 683,011
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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	\$ 59,164	
Depreciation expense	<u>(312,507)</u>	(253,343)

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		(41,766)
Change in compensated absences		(22,294)
Change in deferred outflows of resources related to pension plan		398,893
Change in deferred outflows of resources related to OPEB plan		(135,800)
Change in net pension liability		(864,497)
Change in OPEB liability		(323,157)
Change in deferred inflows of resources related to pension plan		535,857
Change in deferred inflows of resources related to OPEB plan		<u>342,619</u>

Change in net position - governmental activities for the year ended June 30, 2023	<u>\$ 319,523</u>
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The accompanying notes are an integral part of these financial statements.

AMERICAN RIVER FLOOD CONTROL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

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, 2023

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 \$5,000 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, 2023

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, 2023, \$1,270,000 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, 2023, \$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, 2023, \$1,500,000 has been committed by the Board.

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

June 30, 2023

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, 2023, \$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, 2023

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 2023, but did not impact the District.

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, 2023

NOTE B – CASH AND INVESTMENTS

Cash and investments consisted of the following at June 30, 2023:

Cash on hand	\$	10
Deposits with financial institutions		1,691,518
	Total cash	1,691,528
City of Sacramento Pool A		8,775,428
Local Agency Investment Fund (LAIF)		67,121
	Total investments	8,842,549
	Total cash and investments	\$ 10,534,077

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, 2023, the District's permissible investments included the following instruments:

Authorized Investment Type	Maximum Maturity	Maximum Percentage Of Portfolio	Maximum Investment In One Issuer
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, 2023

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 \$1,634,696,639 at June 30, 2023. 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 \$177,045,532,802, which is managed by the State Treasurer. Of that amount, 2.78% 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, 2023, the weighted average maturity of the investments contained in the City's investment pool was approximately 1.58 years. As of June 30, 2023, the weighted average maturity of the investment in LAIF was approximately 260 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, 2023

NOTE B – CASH AND INVESTMENTS (Continued)

At June 30, 2023, the carrying amount and the balances in financial institutions of the District's deposits were \$1,691,518. 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, 2023 was as follows:

	Balance July 01, 2022	Additions	Disposals	Balance June 30, 2023
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	1,563,353	-	-	1,563,353
Vehicles	464,554	51,355	-	515,909
Office equipment	56,774	-	-	56,774
Building improvements	82,556	7,809	-	90,365
Total capital assets being depreciated	<u>13,892,804</u>	<u>59,164</u>	<u>-</u>	<u>13,951,968</u>
Less accumulated depreciation for:				
Levees and improvements	(1,720,626)	(95,427)	-	(1,816,053)
Building	(413,086)	(79,687)	-	(492,773)
Levee maintenance equipment	(1,185,115)	(75,190)	-	(1,260,305)
Vehicles	(273,820)	(50,767)	-	(324,587)
Office equipment	(18,156)	(4,635)	-	(22,791)
Building improvements	(29,769)	(6,801)	-	(36,570)
Total accumulated depreciation	<u>(3,640,572)</u>	<u>(312,507)</u>	<u>-</u>	<u>(3,953,079)</u>
Total capital assets being depreciated, net	<u>10,252,232</u>	<u>(253,343)</u>	<u>-</u>	<u>9,998,889</u>
Capital assets, net	<u>\$ 10,573,695</u>	<u>\$ (253,343)</u>	<u>\$ -</u>	<u>\$ 10,320,352</u>

Depreciation expense of \$312,507 for the year ended June 30, 2023 was charged to the flood protection function.

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

June 30, 2023

NOTE D – LONG-TERM LIABILITIES

The following is a summary of long-term liability transactions for the year ended June 30, 2023.

	Balance July 01, 2022	Additions	Deletions	Balance June 30, 2023	Due Within One Year
Compensated absence	\$ 82,073	\$ 96,461	\$ (74,167)	\$ 104,367	\$ 104,367
Net pension liability	647,552	864,497	-	1,512,049	-
OPEB liability	3,090,685	323,157	-	3,413,842	-
	<u>\$ 3,820,310</u>	<u>\$ 1,284,115</u>	<u>\$ (74,167)</u>	<u>\$ 5,030,258</u>	<u>\$ 104,367</u>

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
- PEPRM 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.

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 PEPRM 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, 2023

NOTE E – PENSION PLAN (Continued)

The Plan's provisions and benefits in effect at June 30, 2023, 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	10.87%	7.47%

In addition to the contribution rates above, the District was also required to make payments of \$110,743 towards its unfunded actuarial liability during the year ended June 30, 2023.

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, 2023, the contributions made to the Plan were \$176,494.

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources: As of June 30, 2023, the District reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$1,512,049.

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, 2022, 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, 2021 rolled forward to June 30, 2022 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, 2023 and 2022 was as follows:

Proportion - June 30, 2022	0.03410%
Proportion - June 30, 2023	0.03231%
Change - Increase	0.00179%

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

June 30, 2023

NOTE E – PENSION PLAN (Continued)

For the year ended June 30, 2023, the District recognized pension expense of \$106,241. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to the Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 176,494	\$ -
Differences between actual and expected experience	30,365	(20,337)
Changes in assumptions	154,941	-
Change in employer's proportion	65,130	-
Differences between the employer's contribution and the employer's proportionate share of contributions	-	(81,109)
Net differences between projected and actual earnings on plan investments	<u>276,967</u>	<u>-</u>
Total	<u>\$ 703,897</u>	<u>\$ (101,446)</u>

The \$176,494 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, 2024. 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>	
2024	\$ 107,240
2025	95,739
2026	53,576
2027	<u>169,402</u>
	<u>\$ 425,957</u>

Actuarial Assumptions: The total pension liability at June 30, 2022 was determined using the following actuarial assumptions:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Payroll Growth	2.75%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	6.90%
Mortality	Developed using CalPERS Membership Data for all funds

(1) Depending on age, service and type of employment

AMERICAN RIVER FLOOD CONTROL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE E – PENSION PLAN (Continued)

The underlying mortality assumptions and all other actuarial assumptions were based on the results of a 2021 actuarial experience study report. 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 6.90%. 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)
Global Equity - Cap Weighted	30.00%	4.45%
Global Equity Non - Cap Weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage Backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	-5.00%	-0.59%
Total	100.00%	

(a) An expected inflation of 2.30% used for this period.

AMERICAN RIVER FLOOD CONTROL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

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		5.90%
Net Pension Liability	\$	2,352,116
Current Discount Rate		6.90%
Net Pension Liability	\$	1,512,049
1% Increase		7.90%
Net Pension Liability	\$	820,882

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, 2023, the District had \$7,667 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, 2023, 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, 2023

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	8
Total	17

Total OPEB Liability: The District's total OPEB liability was measured as of June 30, 2023 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 2021 Tables based on the results from an actuarial experience study report. 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)
	Total OPEB Liability
Balance at July 1, 2022	\$ 3,090,685
Changes in the year:	
Service cost	61,288
Interest	108,174
Change in assumptions	441,000
Differences between expected and actual experience	(135,520)
Implied subsidy	(18,785)
Benefit payments	(133,000)
Net changes	323,157
Balance at June 30, 2023	\$ 3,413,842

AMERICAN RIVER FLOOD CONTROL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

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	\$ 3,854,842	\$ 3,413,842	\$ 3,039,842

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	\$ 3,050,842	\$ 3,413,842	\$ 3,837,842

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources: For the year ended June 30, 2023, the District recognized OPEB expense of \$255,303. At June 30, 2023, 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	\$ -	\$ (611,046)
Changes in assumptions	135,800	(264,600)
Total	<u>\$ 135,800</u>	<u>\$ (875,646)</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>	
2024	\$ 206,818
2025	266,513
2026	<u>266,515</u>
	<u>\$ 739,846</u>

Payable to the OPEB Plan: At June 30, 2023, the District had no contributions payable to the Plan.

AMERICAN RIVER FLOOD CONTROL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

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	10,000,000	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 September 2022, December 2022, and January 2024, the District approved vehicle and equipment purchases totaling \$366,000.

REQUIRED SUPPLEMENTARY INFORMATION

AMERICAN RIVER FLOOD CONTROL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

For the Year Ended June 30, 2023

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability	0.03231%	0.03410%	0.02949%	0.02815%	0.02686%	0.02619%	0.02476%	0.02269%	0.02458%
Proportionate share of the net pension liability	\$ 1,512,049	\$ 647,552	\$ 1,243,850	\$ 1,127,332	\$ 1,012,099	\$ 1,032,329	\$ 860,019	\$ 622,519	\$ 607,424
Covered payroll - measurement period	856,323	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	176.57%	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	75.46%	88.69%	77.44%	78.22%	79.22%	77.94%	78.90%	83.70%	83.03%

Notes to Schedule:

Valuation 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, June 30, 2013
Measurement date: June 30, 2022, 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 7.50% in 2015 to 7.65% in 2016 and 2017, to 7.15% in 2018 and to 6.90% in 2023.

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**

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	\$ 176,494	\$ 174,138	\$ 157,120	\$ 131,043	\$ 107,726	\$ 88,435	\$ 80,014	\$ 82,858	\$ 75,370
Contributions in relation to the actuarially determined contributions	(176,494)	(174,138)	(157,120)	(131,043)	(107,726)	(88,435)	(80,014)	(82,858)	(75,370)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll - fiscal year	\$ 749,193	\$ 856,323	\$ 815,021	\$ 710,821	\$ 643,366	\$ 596,436	\$ 577,710	\$ 667,525	\$ 657,579
Contributions as a percentage of covered payroll	23.56%	20.34%	19.28%	18.44%	16.74%	14.83%	13.85%	12.41%	11.46%

Notes to Schedule:

Contribution 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, June 30, 2012

Methods and assumptions used to determine contribution rates:

Actuarial method									
Amortization method									
Remaining amortization period									
Asset valuation method									
Inflation	2.30%	2.50%	2.50%	2.625%	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increases									
Investment rate of return/discount rate	6.90%	7.00%	7.00%	7.25%	7.375%	7.50%	7.50%	7.50%	7.50%
Payroll growth	2.75%	2.75%	2.75%	2.875%	3.00%	3.00%	3.00%	3.00%	3.00%
Retirement age									
Mortality									

Entry age normal cost method
Level percentage of payroll, closed
Varies by rate plan, but not more than 30 years
Market value
Varies by entry age and service
50 to 67 years. Probabilities of retirement are based on the most recent CalPERS Experience
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

	2023	2022	2021	2020	2019	2018
Total OPEB liability						
Service cost	\$ 61,288	\$ 117,722	\$ 64,885	\$ 151,484	\$ 53,163	\$ 63,795
Interest	108,174	106,867	106,687	134,577	110,202	129,920
Changes in assumptions	441,000	(441,000)	135,800	543,200	-	-
Differences between expected and actual experience	(135,520)	(891,567)	(76,105)	(304,421)	-	-
Implied subsidy	(18,785)	(12,924)	(12,924)	-	-	-
Benefit payments	(133,000)	(132,413)	(141,830)	(141,943)	(97,502)	(157,174)
Net change in total OPEB liability	323,157	(1,253,315)	76,513	382,897	65,863	36,541
Total OPEB liability - beginning	3,090,685	4,344,000	4,267,487	3,884,590	3,818,727	3,782,186
Total OPEB liability - ending	\$ 3,413,842	\$ 3,090,685	\$ 4,344,000	\$ 4,267,487	\$ 3,884,590	\$ 3,818,727
Covered-employee payroll - measurement period	\$ 749,193	\$ 856,323	\$ 815,021	\$ 710,821	\$ 643,366	\$ 596,436
Total OPEB liability as percentage of Covered-employee payroll	455.67%	360.93%	532.99%	600.36%	603.79%	640.26%

Notes to schedule:

Valuation date	June 30, 2022	June 30, 2022	June 30, 2020	June 30, 2020	June 30, 2018	June 30, 2018
Measurement period - fiscal year ended	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Discount Rate	3.50%	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.

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, 2023

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Assessments	\$ 2,409,793	\$ 2,409,793	\$ 2,322,562	\$ (87,231)
O & M reimbursements	312,057	312,057	305,634	(6,423)
Contributions and grants	-	-	351,900	351,900
Use of money	77,267	77,267	152,258	74,991
Other revenues	-	-	807	807
TOTAL REVENUES	<u>2,799,117</u>	<u>2,799,117</u>	<u>3,133,161</u>	<u>334,044</u>
EXPENDITURES				
Current:				
Flood protection				
Maintenance and operations	2,023,728	2,023,728	1,833,862	189,866
Administration	770,200	770,200	557,124	213,076
Capital outlay	550,000	550,000	59,164	490,836
TOTAL EXPENDITURES	<u>3,343,928</u>	<u>3,343,928</u>	<u>2,450,150</u>	<u>893,778</u>
NET CHANGE IN FUND BALANCE	(544,811)	(544,811)	683,011	1,227,822
Fund balance at beginning of year	<u>11,180,487</u>	<u>11,180,487</u>	<u>11,180,487</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 10,635,676</u>	<u>\$ 10,635,676</u>	<u>\$ 11,863,498</u>	<u>\$ 1,227,822</u>

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

OTHER SUPPLEMENTARY INFORMATION

AMERICAN RIVER FLOOD CONTROL DISTRICT

SCHEDULE OF EXPENDITURES – BUDGET AND ACTUAL -
GENERAL FUND

For the Year Ended June 30, 2023

	Final Budget	Actual	Variance Positive (Negative)
Maintenance and Operations:			
Salaries	\$ 804,858	\$ 822,155	\$ (17,297)
Payroll taxes	64,389	61,142	3,247
Pension	230,196	197,484	32,712
Workers compensation insurance	40,243	23,358	16,885
Group insurance	231,542	208,922	22,620
Fuel and oil	55,000	42,439	12,561
Equipment rental	15,000	-	15,000
Equipment repairs	65,000	70,361	(5,361)
Equipment purchases	15,000	3,100	11,900
Shop supplies	27,500	3,682	23,818
Levee maintenance supplies	20,000	11,311	8,689
Levee maintenance chemicals	40,000	16,666	23,334
Levee maintenance services	80,000	16,766	63,234
Employee uniforms	6,000	4,669	1,331
Staff training	5,000	2,149	2,851
Miscellaneous	1,500	1,188	312
Small tools and equipment	7,500	6,792	708
Rodent abatement	10,000	12,270	(2,270)
Urban camp cleanup	30,000	22,325	7,675
Emergency preparedness	25,000	71,375	(46,375)
Encroachment remediation	15,000	1,600	13,400
Engineering services	20,000	21,605	(1,605)
Not-capitalized projects			
Levee Standards Compliance	25,000	-	25,000
Small capital projects	170,000	212,503	(42,503)
Engineering and survey studies	20,000	-	20,000
	<u>2,023,728</u>	<u>1,833,862</u>	<u>189,866</u>

AMERICAN RIVER FLOOD CONTROL DISTRICT

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

For the Year Ended June 30, 2023

	Final Budget	Actual	Variance Positive (Negative)
Administration:			
Utilities	\$ 40,000	\$ 51,412	\$ (11,412)
Telephone	25,000	24,157	843
Retiree benefits	148,109	138,965	9,144
Yard land lease	7,491	7,479	12
Office equipment and furniture	2,500	-	2,500
Auto allowance	6,600	7,089	(489)
Parking reimbursement	500	-	500
Technology and software	10,000	7,937	2,063
Regulation Compliance (OSHA)	25,000	31,091	(6,091)
Trustee fees	7,600	5,293	2,307
Trustee expenses	7,400	749	6,651
Accounting services	15,000	16,175	(1,175)
Legal services (general)	50,000	35,982	14,018
Election expense	200,000	26,887	173,113
Dues and association expenses	25,000	27,234	(2,234)
Insurance premiums	42,000	36,669	5,331
Public relations and information	30,000	-	30,000
Investment fees	20,000	18,154	1,846
General office	15,000	13,487	1,513
Bookkeeping services	14,000	11,635	2,365
County assessment fees	-	29,472	(29,472)
Community services	1,500	-	1,500
Building maintenance	10,000	23,924	(13,924)
County Dtech fees	55,000	31,858	23,142
Property taxes	3,000	1,761	1,239
Employee morale and wellness	2,000	469.00	1,531
Interest payments	-	94	(94)
Conference	2,500	-	2,500
Miscellaneous	5,000	9,151	(4,151)
	<u>770,200</u>	<u>557,124</u>	<u>213,076</u>
Capital outlay:			
Capitalized equipment and building	<u>550,000</u>	<u>59,164</u>	<u>490,836</u>
Total expenditures	<u>\$ 3,343,928</u>	<u>\$ 2,450,150</u>	<u>\$ 893,778</u>

COMPLIANCE REPORT



550 Howe Avenue, Suite 210
Sacramento, California 95825

Telephone: (916) 564-8727
FAX: (916) 564-8728

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, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated _____, 2024.

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.

_____, 2024



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Sacramento, California 95825

Telephone: (916) 564-8727
FAX: (916) 564-8728

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, 2023, and have issued our report thereon dated _____, 2024. 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 November 28, 2023. 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 November 28, 2023, 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 November 28, 2023.

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 2023. 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, 2023, the most recent measurement date, was \$1,512,049 which is reflected as a liability in the District's financial statements as of June 30, 2023. The pension liability increased by \$864,497 due to the lower investment earnings on the CalPERS plan assets used to determine the June 30, 2023 liability.

Other Postemployment Benefits Liability: The other postemployment benefits (OPEB) liability disclosure in Note F shows the District's OPEB liability had increased to \$3,413,842 as of June 30, 2023 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
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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. One audit adjustment was proposed to 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 _____, 2024.

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.

_____, 2024

American River Flood Control District

Resolution No. 2024-05

**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 2024-25 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 10th day of May 2024.

ATTEST:

President
Board of Trustees

Secretary
Board of Trustees

American River Flood Control District

Resolution 2024-06

Adopting 2024-2025 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 10th day of May, 2024.

ATTEST:

President
Board of Trustees

Secretary
Board of Trustees

EXHIBIT "A"

**ARFCD Pay Ranges
Current and Proposed
FY 24-25**

JOB CLASS	Current ARFCD Pay Ranges			Proposed Pay Ranges 2024-2025		
	Min	Mid	Max	Min	Mid	Max
General Manager	11,299	13,276	15,254	12,809	15,051	17,293
Superintendent	7,579	8,905	10,232	9,081	10,670	12,259
Field Supervisor	5,769	6,779	7,788	6,477	7,610	8,744
Office Manager/Clerk of the Board	5,724	6,726	7,728	7,027	8,257	9,487
Vehicle and Equipment Maint Spec	4,776	5,611	6,447	5,502	6,465	7,428
Maintenance Worker Range B	4,681	5,501	6,320	5,330	6,263	7,196
Maintenance Worker Range A	3,870	4,548	5,225	4,506	5,294	6,083

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.

General Manager's Meeting Summary

April 2024

4/4: ARFCD Finance Committee meeting. The Finance Committee met to review the proposed FY 24-25 budget package.

4/11: Central Valley Flood Protection Board SWIF Letter of Intent meeting. I met with staff from the Flood Protection Board and District consultant Pro Mitra to discuss the phasing of submitted Letters of Intent to develop System Wide Improvement Framework documents for the District's North Area basins.

4/12: American River Flood Control District Board of Trustees meeting. The Board met in regular session. The agenda items consisted of a Memorandum of Understanding with Sacramento County on the upcoming District election, the Fiscal Year 2024-25 Budget package, and a Closed Session on real property acquisition.

4/25: Meeting with City of Sacramento Planning Department. District real estate representative Bryan Huarte and I met with staff from the City Planning Department to discuss the intended use and any possible City limitations on a potential parcel acquisition.

4/30: USACE SAFCA Site LAR C3A Site Visit. I met with staff from the US Army Corps of Engineers and SAFCA to look at the Union Pacific Railroad Crossing adjacent to Site LAR C3A. The District will install levee access gates to prevent the public from entering onto Railroad property.

4/30: Lower American River Bank Protection Working Group meeting. The Bank Protection Working Group held a meeting to discuss the planning effort and hydraulic analysis for the Contract LAR C3B work upstream of Watt Avenue. Members of the public were present to present their concerns over the need for bank protection at the site.