

**RECLAMATION DISTRICT NO. 773
MEETING AGENDA FOR
BOARD OF TRUSTEES
9:00 A.M. APRIL 6, 2021**

Coronavirus COVID-19 Notice

In accordance with the Governor's Executive Order N-33-20, and for the period in which the Order remains in effect, Reclamation District 773 Board Chambers will be closed to the public.

To accommodate the public during this period of time that the Board's Chambers are closed to the public, Reclamation District 773 Board of Trustees has arranged for members of the public to observe and comment at the meeting telephonically.

TO ATTEND BY TELECONFERENCE:

Toll-Free Dial-In Number: (877) 778-1806

CONFERENCE ID 891949

Once connected, we request you kindly mute your phone

AGENDA

1. Call to Order/Roll Call.
2. Public comment: Under Government Code section 54954.3, members of the public may address the Board on any issue in the District's jurisdiction. The public may address any item on the agenda at the time it is taken up.
3. Consider for approval minutes of the February 21, 2021, Board meeting.
4. District Financial Report.
 - a. Draft Audit Report and Representation Letter.
5. Engineers' Report; request for direction.
6. Correspondence and meeting attendance reports.
7. District Calendar.
 - a. June 1, 2021
8. Approval of bills to be paid.
9. Adjournment.

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

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

**AGENDA PACKET
RECLAMATION DISTRICT 773
April 6, 2021**

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

ITEM 3

**Minutes of Meeting of
Reclamation District 773
Held on February 2, 2021**

The regular meeting of the Board of Trustees of Reclamation District 773 was held at 9:00 a.m. on February 1, 2021 via teleconference.

Item No. 1: The meeting was called to order at 9:00 a.m. Present via teleconference were President Joseph Bacchetti, and Trustee Joe Enos. Trustee Mark Bacchetti was absent. Also present were Andy Pinasco, filling in as District Secretary, Chris Neudeck, District Engineer, and one member of the public who identified himself as Mr. Robinson.

Item No. 2: Public Comment. There was no public comment.

Item No. 3: Minutes. The minutes of the December 1, 2020, meeting were approved unanimously by the Trustees present on a motion by President Joseph Bacchetti, seconded by Trustee Joe Enos.

Item No. 4: Mr. Pinasco provided a written financial report and reviewed it with the Trustees. The financial report was accepted by unanimous vote of the Trustees present on a motion by President Joseph Bacchetti, seconded by Trustee Joe Enos.

Item No. 4.a: Mr. Pinasco reported to the Trustees that the auditor had not yet provided a written draft audit for review and that once provided, the draft audit report would be distributed to the Trustees. Mr. Pinasco then reported that the final audit report must be submitted prior to the April meeting. The Trustees delegated authority to the Trustee President to approve the draft audit provided there are no findings requiring Trustee responses by unanimous vote of the Trustees present on a motion by President Joseph Bacchetti, seconded by Trustee Joe Enos.

Item No. 4.b: Mr. Pinasco provided an oral report of the Special District Financial Transactions Report, indicating that the report had been signed by the District Secretary due to the submission deadlines. The Special District Financial Transactions Report was ratified by unanimous vote of the Trustees present on a motion by President Joseph Bacchetti, seconded by Trustee Joe Enos.

Item No. 5: Mr. Pinasco reported to the Trustees that the insurance provider had not yet provided a written insurance renewal proposal for review and that once provided, the insurance renewal proposal would be distributed to the Trustees. Mr. Pinasco then reported that the District's current insurance policy expires prior to the April meeting. The Trustees delegated authority to the Trustee President to approve the written insurance proposal provided the proposal does not increase by more than 15% from last year's policy premium by unanimous vote of the Trustees present on a motion by President Joseph Bacchetti, seconded by Trustee Joe Enos.

Item No. 6: Engineers' Report; request for direction. Mr. Neudeck presented a written and oral report. He reviewed the vegetation control work that had been completed along the Fabian Bell Canal between Station 230+00 to 730+00. He next provided a summary of rodent control efforts, all weather road resurfacing, waterside erosion repair, and back slope flattening work that had been completed. He next reported on the broken levee station paddles, and success of the recent gate repairs, however, noted that several gates are in need of full replacement, which will be a focus of the next gate repair effort.

Mr. Neudeck then reported that his office is working with Neumiller & Beardslee to send a letter to the landowners of the properties where the damage caused by vehicles parking on the levee crown. Mr. Pinasco briefly discussed the limits of the District's rights and obligations regarding the operation and maintenance of the levees within the District due to the existence of District property rights.

Item No. 7: There was no report on the correspondence in the agenda packet.

Item No. 8: Mr. Pinasco reviewed the District calendar with the Trustees pointing out that the next meeting was in April and that Form 700s would be due in April.

Item No. 9: Mr. Pinasco reported on the outstanding bills that had been received and the status of the District's accounts. On a motion by President Joseph Bacchetti, seconded by Trustee Joe Enos, the Trustees present unanimously approved payment of the attached bills identified on the attached bills paid report.

Item No. 10: The meeting was adjourned at 9:26 a.m. by unanimous vote of the Trustees present on a motion by President Joseph Bacchetti, seconded by Trustee Joe Enos.

Respectfully submitted,

Daniel J. Schroeder, District Secretary

RECLAMATION DISTRICT 773

BILLS TO BE PAID

February 2, 2021

NAME	INVOICE DATE	INVOICE #	AMOUNT	TOTAL \$	WARRANT #	RATIFICATION
Kjeldsen, Sinnock & Neudeck, Inc.	11/30/2020	29098	\$1,662.50			
	11/30/2020	29099	\$1,117.50			
	11/30/2020	29100	\$342.75			
	12/31/2020	29292	\$1,151.25			
	12/31/2020	29293	\$935.78			
	12/31/2020	29294	\$865.00			
	12/31/2020	29295	\$718.00			
	12/31/2020	29296	\$1,047.00			
	12/31/2020	29297	\$2,391.25			
	12/31/2020	29298	\$3,678.08			
				\$13,909.11	1992	
Neumiller & Beardslee	12/17/2020	313758	\$1,475.00			
	1/11/2021	314208	\$2,214.50			
				\$3,689.50	1993	
BPM	11/30/2020	CR6800.0	\$81.00			
				\$81.00	1994	
Conexwest	7/24/2020	52896	\$5,107.59			
				\$5,107.59	1995	
ASTA Construction	12/31/2020	5530	\$23,249.92			
				\$23,249.92	1996	
NOTES:			Total Bills to be Paid	\$46,037.12		
Fund Balance as of December 31, 2020		\$496,046.90				
Less Submitted Bills for Payment:		\$46,037.12				
Total:		\$450,009.78				
Bank of Stockton Balance as of 12/31/2020		\$34,639.63				
		\$484,649.41				

RECLAMATION DISTRICT 773

BILLS TO BE PAID

December 1, 2020

NAME	INVOICE DATE	INVOICE #	AMOUNT	TOTAL \$	WARRANT #	RATIFICATION
Kjeldsen, Sinnock & Neudeck, Inc.	10/30/2020	28915	\$966.25			
	10/30/2020	28916	\$121.50			
	10/30/2020	28917	\$364.50			
	10/30/2020	28918	\$1,809.00			
	10/30/2020	28919	\$292.50			
				\$3,553.75	1986	
Neumiller & Beardslee	10/16/2020	312293	\$1,791.00			
	11/16/2020	312944	\$727.50			
				\$2,518.50	1987	
BPM	10/19/2020	36239734	\$384.00			
				\$384.00	1988	
State Compensation Ins. Fund	10/23/2020	9020730-19	\$61.29			
				\$61.29	1989	
Custom Spraying Inc.	10/12/2020	78468	\$10,000.00			
				\$10,000.00	1990	
Reclamation District 773 (Transfer to Checking Account)	12/1/2020		\$20,000.00			
				\$20,000.00	1991	
NOTES:			Total Bills to be Paid	\$36,517.54		
Fund Balance as of October 31, 2020		\$402,190.96				
Less Submitted Bills for Payment:		\$36,517.54				
Total:		\$365,673.42				
Bank of Stockton Balance as of 10/31/20		\$19,051.97				
		\$384,725.39				

ITEM 4

RECLAMATION DISTRICT No. 773

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT

JUNE 30, 2020

Working Draft



CROCE, SANGUINETTI, & VANDER VEEN

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditors' Report

To the Board of Trustees
Reclamation District No. 773
Stockton, California

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of **Reclamation District No. 773** (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of **Reclamation District No. 773** as of June 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

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

Accounting principles generally accepted in the United States of America require that the statement of revenues, expenditures and changes in fund balance - budget and actual - governmental funds on pages 20 through 21 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

CROCE, SANGUINETTI, & VANDER VEEN, INC.
Certified Public Accountants
Stockton, California
February 11, 2021

RECLAMATION DISTRICT NO. 773

Statement of Net Position

June 30, 2020

	Governmental activities
Assets	
Cash and investments	\$ 534,486
Cash and investments - restricted	4,532
Assessments receivable	12,616
State assistance receivable - subventions	205,021
Prepaid expenses	<u>5,602</u>
Total assets	<u>762,257</u>
Deferred outflows of resources	<u>-</u>
Liabilities	
Accounts payable	27,005
Unearned revenue	<u>4,532</u>
Total liabilities	<u>31,537</u>
Deferred inflows of resources	<u>-</u>
Net position	
Unrestricted	<u>730,720</u>
Total net position	<u>\$ 730,720</u>

The accompanying notes are an integral part of this financial statement.

RECLAMATION DISTRICT NO. 773

Statement of Activities

For the year ended June 30, 2020

	<u>Expenses</u>	<u>Program revenues Operating grants and contributions</u>	<u>Net (expenses) revenues and changes in net position</u>
Governmental activities			
Operations	\$ 429,935	\$ 285,799	\$ (144,136)
Net program (expenses) revenues			(144,136)
General revenues			
Assessments			185,705
Interest			6,673
Total general revenues			192,378
Change in net position			48,242
Net position, beginning of year			682,478
Net position, end of year			\$ 730,720

The accompanying notes are an integral part of this financial statement.

RECLAMATION DISTRICT NO. 773

Balance Sheet - Governmental Funds

June 30, 2020

	<u>General fund</u>
Assets	
Cash and investments	\$ 534,486
Cash and investments - restricted	4,532
Prepaid expenses	<u>5,602</u>
Total assets	<u>\$ 544,620</u>
Liabilities and Fund Balances	
Liabilities	
Accounts payable	\$ 27,005
Unearned revenue	<u>4,532</u>
Total liabilities	<u>31,537</u>
Fund balances	
Nonspendable:	
Prepaid expenses	5,602
Unassigned	<u>507,481</u>
Total fund balance	<u>513,083</u>
Total liabilities and fund balances	<u>\$ 544,620</u>

The accompanying notes are an integral part of this financial statement.

RECLAMATION DISTRICT NO. 773

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position

June 30, 2020

Total fund balance - governmental funds \$ 513,083

Amounts reported for governmental activities in the statement of net position are different from those reported in the governmental funds because of the following:

Assessment receivable is not available to pay current period expenditures and, therefore, not reported in the governmental funds balance sheet. 12,616

State assistance receivable - subventions is not available to pay current period expenditures and, therefore, not reported in the governmental funds balance sheet. 205,021

Net position of governmental activities \$ 730,720

Working Draft

The accompanying notes are an integral part of this financial statement.

RECLAMATION DISTRICT NO. 773

Statement of Revenues, Expenditures and Changes
in Fund Balance - Governmental Funds

For the year ended June 30, 2020

	<u>General Fund</u>
Revenues	
State assistance	\$ 417,189
Assessments	180,028
Interest	6,673
Total revenues	<u>603,890</u>
Expenditures	
Levee repairs and maintenance	234,175
Engineering	80,285
Weed abatement	33,300
Payroll expenses	27,158
Legal and accounting	23,050
Five-year plan	19,495
Insurance	7,176
Dues and subscriptions	3,437
Miscellaneous	1,858
Total expenditures	<u>429,934</u>
Net change in fund balance	173,956
Fund balance, beginning of year	<u>339,127</u>
Fund balance, end of year	<u>\$ 513,083</u>

The accompanying notes are an integral part of this financial statement.

RECLAMATION DISTRICT NO. 773

**Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balance -
Governmental Funds to the Statement of Activities**

For the year ended June 30, 2020

Net change in fund balance - governmental funds \$ 173,956

Amounts reported for governmental activities in the statement of activities are different because:

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds until such time as they are considered a current financial resource. (125,714)

Change in net position of governmental activities \$ 48,242

Working Draft

The accompanying notes are an integral part of this financial statement.

RECLAMATION DISTRICT NO. 773

Notes to Financial Statements

June 30, 2020

Note A - Summary of Significant Accounting Policies

This summary of significant accounting policies of Reclamation District No. 773 (the District) is presented to assist in understanding the District's financial statements.

Description of the reporting entity

The District was formed in 1906 and operates under Section 50000 et. seq. of Division 15 of the California State Water Code to provide for the construction and maintenance of levees and drainage facilities to protect the area within the District's boundaries. The District is comprised of multiple landowners and is governed by a three-member board of trustees, each elected by the landowners to a four-year term.

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

Government-wide financial statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activity of the primary government.

The statement of activities demonstrates the degree to which 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 paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other receipts not classified as program revenues are presented as general revenues.

Fund financial statements

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

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

(Continued)

RECLAMATION DISTRICT NO. 773

Notes to Financial Statements

June 30, 2020

Note A - Summary of Significant Accounting Policies (Continued)

Measurement focus, basis of accounting, and financial statement presentation

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.

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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period and apply to the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, which are recognized as expenditures to the extent that they have matured.

Assessments and state assistance are considered to be susceptible to accrual and, therefore, have been recognized as revenues provided they were collected within 60 days of the end of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

Cash and investments

For the purpose of financial reporting "cash and investments" includes all demand and savings accounts and certificates of deposit or short-term investments with an original maturity of three months or less.

Restricted cash and investments consist of project funding agreements with the Department of Water Resources of the State of California.

Budgetary accounting

The District does not adopt an appropriated budget and is not required to adopt such a budget by law. However, the District does adopt a non-appropriated budget annually, which is approved by the Board of Trustees.

(Continued)

RECLAMATION DISTRICT NO. 773

Notes to Financial Statements

June 30, 2020

Note A - Summary of Significant Accounting Policies (Continued)

Net position

Equity in the financial statements is classified as net position and displayed in three components as follows:

- a. Net investment in capital assets - Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. Restricted - Consists of restricted assets reduced by liabilities and deferred inflows of resources related to these assets.
- c. Unrestricted - Amounts not required to be reported in the other components of net position.

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

Fund balance

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components: nonspendable, restricted, committed, assigned and unassigned.

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

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

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

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

(Continued)

RECLAMATION DISTRICT NO. 773

Notes to Financial Statements

June 30, 2020

Note A - Summary of Significant Accounting Policies (Continued)

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

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

Assessments

Assessments are levied at the discretion of the Board of Trustees. Assessments are based on the assessment valuation of land or acreage within the District.

Demand warrants

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

Fair value measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs are inputs other than quoted prices included within Level 1 - that are observable for an asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for an asset or liability.

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

(Continued)

RECLAMATION DISTRICT NO. 773

Notes to Financial Statements

June 30, 2020

Note A - Summary of Significant Accounting Policies (Continued)

Estimates

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

The state assistance receivable in the amount of \$205,021 as reported on the statement of net position as of June 30, 2020 represents management's estimates of reimbursable state assistance for subvention eligible expenses relative to the fiscal year ended June 30, 2020. Although considerable variability is inherent in these estimates, management believes that the accrual for state assistance receivable is adequate.

New accounting pronouncements

Standards adopted

In May 2020, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. The District implemented the provisions of this Statement for the year ended June 30, 2020. The adoption of this Statement had no impact on the District's financial statements.

Standards not yet adopted

In January 2020, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 92, *Omnibus 2020*. The objectives of this Statement is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB statements. The District will be required to implement the provisions of this Statement for the year ended June 30, 2021. The District has not determined the effect on the financial statements.

RECLAMATION DISTRICT NO. 773

Notes to Financial Statements

June 30, 2020

Note B - Cash and Investments

Cash and investments of the District as of June 30, 2020, consist of the following:

	<u>Carrying amount</u>	<u>Bank balance</u>	<u>Fair value</u>
Unrestricted			
<u>Deposits in commercial accounts</u>			
Public checking	\$ 16,614	\$ 16,614	\$ -
<u>Investment in external investment pool</u>			
San Joaquin County Treasurer	517,872	-	517,872
Restricted			
<u>Investment in external investment pool</u>	<u>4,532</u>	<u>-</u>	<u>4,532</u>
Total cash and investments	<u>\$ 539,018</u>	<u>\$ 16,614</u>	<u>\$ 522,404</u>

Deposit and Investment Policy

California statutes authorize special districts to invest idle, surplus, or reserve funds in a variety of credit instruments as provided for in the California Government Code, Section 53600. As specified in Government Code 53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling or managing the District's funds, the primary objectives, in priority order, of the District's investment activities and of the District's investment policy shall be (1) safety, (2) liquidity, and (3) yield. It is the policy of the District to invest public funds in a manner to obtain the highest return obtainable with the maximum security while meeting the daily cash flow demands of the District as long as investments meet the criteria established by this policy for safety and liquidity and conform to all laws governing the investment of District funds.

The District is provided a broad spectrum of eligible investments under California Government Code Sections 53600-53609 (authorized investments), 53630-53686 (deposits and collateral), and 16429.1 (Local Agency Investment Fund). The District may choose to restrict its permitted investments to a smaller list of securities that more closely fits the District's cash flow needs and requirements for liquidity. The table below identifies the investment types that are authorized for the District by the California Government Code, Section 53600 (or District's investment policy, where more restrictive) that address interest rate risk, credit risk and concentration of credit risk.

(Continued)

RECLAMATION DISTRICT NO. 773

Notes to Financial Statements

June 30, 2020

Note B - Cash and Investments (Continued)

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
U.S. Treasury Bills, Notes, and Bonds	5 years	None	None
U.S. Government Agency Obligations	5 years	None	None
Repurchase Agreements	1 year	None	None
State Registered Warrants, Notes or Bonds	5 years	None	None
Bankers Acceptances	180 days	40%	30%
Commercial Paper	270 days	30%	10%
Negotiable Certificates of Deposit	1 year	30%	None
Medium Term Corporate Notes	3 years	30%	None
Mutual Funds	N/A	20%	10%
Bank Deposits	N/A	10%	10%
Local Agency Investment Fund (LAIF)	N/A	None	None
Local Government Investment Pools	N/A	None	None

The District complied with the provisions of 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. The District does not maintain a formal investment policy.

Disclosures Relating to 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. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio matures or comes close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

(Continued)

RECLAMATION DISTRICT NO. 773

Notes to Financial Statements

June 30, 2020

Note B - Cash and Investments (Continued)

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity:

<u>Investment type</u>	<u>Total</u>	<u>Remaining maturity (in months)</u>					<u>More than 60 months</u>
		<u>12 months or less</u>	<u>13 - 24 months</u>	<u>25 - 36 months</u>	<u>37-48 months</u>	<u>49-60 months</u>	
San Joaquin County							
Treasurer	\$ 522,404	\$ 522,404	\$ -	\$ -	\$ -	\$ -	\$ -
	<u>\$ 522,404</u>	<u>\$ 522,404</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Disclosures Relating to 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 by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code or the District's investment policy, and the actual rating as of fiscal year end for each investment type.

<u>Investment Type</u>	<u>Amount</u>	<u>Minimum Legal Rating</u>	<u>Exempt From Disclosure</u>	<u>Rating as of Fiscal Year End</u>			
				<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>Not Rated</u>
San Joaquin County							
Treasurer	\$ 522,404	N/A	\$ -	\$ -	\$ -	\$ -	\$ 522,404
Total	<u>\$ 522,404</u>	<u>N/A</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 522,404</u>

Concentration of Credit Risk

The District had no investment policy limiting the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. The District's investments are concentrated in external investment pools which are not subject to investment limits.

(Continued)

RECLAMATION DISTRICT NO. 773

Notes to Financial Statements

June 30, 2020

Note B - Cash and Investments (Continued)

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 deposit 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 or investments, 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 government 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 District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2020, the District's bank balance was \$16,614 and \$16,614 of that amount was insured by the Federal Deposit Insurance Corporation and collateralized as required by state law.

Investment in External Investment Pool

The District's investment in the San Joaquin County investment pool is managed by the San Joaquin County Treasurer and is stated at fair value or amortized cost, which approximates fair value. Cash held by the San Joaquin County Treasury is pooled with other County deposits for investment purposes by the County Treasurer in accordance with the investment policy of the County Treasurer (see County Treasurer's investment policy at <http://www.sjgov.org/treasurer/>). The Pool has established a treasury oversight committee to monitor and review the management of public funds maintained by the Pool. Participants' equity in the investment pool is determined by the dollar amount of the participant deposits, adjusted for withdrawals and distributed investment income. Investment income is prorated to individual funds based on their average daily cash balances. In accordance with applicable State laws, the San Joaquin County Treasurer may invest in derivative securities. However, at June 30, 2020, the San Joaquin County Treasurer's pooled investment fund contained no derivatives or other investments with similar risk profiles.

(Continued)

RECLAMATION DISTRICT NO. 773

Notes to Financial Statements

June 30, 2020

Note B - Cash and Investments (Continued)

Fair Value Hierarchy

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The District's investment in the County of San Joaquin Treasury Pool is classified as Level 2 and its value is based on the fair value factor provided by the Treasurer of the County of San Joaquin, which is calculated as the fair value divided by the amortized cost of the investment pool.

Note C - State Assistance

The District is participating in the California Delta Levee Maintenance Subventions Program. This program provides funding on a cost share basis to local levee maintaining agencies for rehabilitation and maintenance of levees in the Delta. In addition, the District entered into a project funding agreement with the State of California Department of Water Resources for preparation of the five-year plan for the District.

Note D - Joint Venture (Joint Powers Agreement)

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; risk of loss to employees; and natural disasters. In order to insure for risks of loss, the District participates in a joint venture under a joint powers agreement with the California Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority (JPRIMA). The relationship between the District and the JPRIMA is such that the JPRIMA is not a component unit of the District for financial reporting purposes. The JPRIMA arranges for and provides property, liability, crime, public officials and management liability, auto, and excess liability coverage for its member districts. Each member district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to their participation in the JPRIMA. The District's share of surpluses and deficits cannot be determined, although District management does not expect such amounts, if any, to be material in relation to the financial statements. As of June 30, 2020, the District's insurance coverage includes general liability insurance with liability limits of \$1,000,000 per occurrence and \$10,000,000 in the aggregate. The District also has an excess liability policy with additional liability limits of \$1,000,000 per occurrence and \$1,000,000 in the aggregate.

RECLAMATION DISTRICT NO. 773

Notes to Financial Statements

June 30, 2020

Note E - Governing Board

As of June 30, 2020, the three members of the District's Board of Trustees were as follows:

<u>Trustee</u>	<u>Term expires</u>
Joseph Bacchetti, President	December 2021
Joseph Enos	December 2023
Mark Bacchetti	December 2023

Note F - Contingencies

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19) a pandemic. Subsequent to the declaration of a pandemic, a variety of federal, state, and local governments have taken actions in response to the pandemic, which have ranged in jurisdiction, but are generally expected to result in a variety of negative economic consequences, the scope of which are not currently known or quantifiable. The duration and intensity of the impact of the coronavirus and resulting impact to the District is unknown.

Working Draft

REQUIRED SUPPLEMENTAL INFORMATION

Working Draft

RECLAMATION DISTRICT NO. 773

**Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual -
Governmental Funds**

Year ended June 30, 2020

	General fund		
	Budgeted amounts <u>original/final</u>	Actual amounts	Variance with final budget positive/ (negative)
Revenues			
State assistance - subventions	\$ 265,000	\$ 397,694	\$ 132,694
Assessments	195,300	180,028	(15,272)
State assistance - five-year plan	75,000	19,495	(55,505)
Interest	3,400	6,673	3,273
Total revenues	<u>538,700</u>	<u>603,890</u>	<u>65,190</u>
Expenditures			
Levee repairs and maintenance	175,000	234,175	(59,175)
Engineering	20,000	80,285	(60,285)
Weed abatement	95,000	33,300	61,700
Payroll expenses	-	27,158	(27,158)
Legal and accounting	22,000	23,050	(1,050)
Five-year plan	50,000	19,495	30,505
Insurance	13,000	7,176	5,824
Dues and subscriptions	4,000	3,437	563
Miscellaneous	300	1,858	(1,558)
Rodent control	50,000	-	50,000
Total expenditures	<u>429,300</u>	<u>429,934</u>	<u>(634)</u>
Net change in fund balance	109,400	173,956	64,556
Fund balance, beginning of year	<u>339,127</u>	<u>339,127</u>	<u>-</u>
Fund balance, end of year	<u>\$ 448,527</u>	<u>\$ 513,083</u>	<u>\$ 64,556</u>

The accompanying notes are an integral part of this financial statement.

RECLAMATION DISTRICT NO. 773

Notes to Required Supplemental Information

June 30, 2020

The District prepares a budget annually which is approved by the Board of Trustees setting forth the contemplated fiscal requirements. The District's budget is maintained on the modified accrual basis of accounting. The results of operations are presented in the budget to actual schedule in accordance with the budgetary basis.

Reported budget amounts reflect the annual budget as originally adopted and the final adopted amounts. There were no amendments to the budget during the year ended June 30, 2020. The budget amounts are based on estimates of the District's expenditures and the proposed means of financing them. Actual expenditures for certain line items may vary significantly from the budget due to timing of such expenditures.

Working Draft

RECLAMATION DISTRICT NO. 773
POST OFFICE BOX 20
STOCKTON, CALIFORNIA 95201

February 15, 2021

Croce, Sanguinetti, & Vander Veen, Inc.
3520 Brookside Road, Suite 141
Stockton, California 95219

This representation letter is provided in connection with your audit of the financial statements of **Reclamation District No. 773** (the District), which comprise the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information as of June 30, 2020, and the respective changes in financial position for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

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

We confirm, to the best of our knowledge and belief, as of February 11, 2021, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 27, 2020, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for the preparation of the supplementary information in accordance with the applicable criteria.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates, including those valued at fair value, are reasonable.
6. Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
7. Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
8. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements, and we have not consulted a lawyer concerning litigation, claims, or assessments.
9. Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

10. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the District from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of the Board of Trustees or summaries of actions of recent meetings for which minutes have not yet been prepared.
11. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
12. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

13. We have no knowledge of any fraud or suspected fraud that affects the District and involves:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
14. We have no knowledge of any allegations of fraud or suspected fraud affecting the District's financial statements communicated by employees, former employees, regulators, or others.
15. We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
16. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
17. We have disclosed to you the identity of the District's related parties and all the related party relationships and transactions of which we are aware.

Government - Specific

18. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
19. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
20. The District has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
21. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
22. We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
23. We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.

24. We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
25. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
26. As part of your audit, you assisted with preparation of the financial statements and related notes. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
27. The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
28. The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
29. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
30. The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34.
31. All funds that meet the quantitative criteria in GASB Statement Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
32. Components of net position (net investment in capital assets, restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
33. Provisions for uncollectible receivables have been properly identified and recorded.
34. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
35. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.

36. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
37. Special and extraordinary items are appropriately classified and reported, if applicable.
38. Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
39. This District has no capital assets.
40. We have appropriately disclosed the District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
41. We are following GASB Statement No. 54, paragraph 18, to determine the fund balance classifications for financial reporting purposes.
42. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of RSI.
43. The District has recorded an estimate of state assistance receivable from the Department of Water Resources in the amount of \$205,021 as reported on the statement of net position. Management believes that the estimate is adequate.
44. In regards to preparing the standard, adjusting, or correcting journal entries, assisting in preparing the financial statements and the preparation of the Special Districts Financial Transactions Report and Local Government Compensation Report, by you, we have -
 - a. Assumed all management responsibilities.
 - b. Designated an individual (within senior management), with suitable skill, knowledge, or experience to oversee the services.
 - c. Evaluated the adequacy and results of the services performed.
 - d. Accepted responsibility for the result of the services.

Signed Y _____

Title _____

ITEM 5

**RECLAMATION DISTRICT NO. 773
FABIAN TRACT
BOARD OF TRUSTEES MEETING
TUESDAY, APRIL 6, 2021
9:00 AM
ENGINEER'S REPORT**

I. DELTA LEVEE SUBVENTIONS PROJECT

A. Review areas of needed maintenance and status of completion. A summary of required maintenance activities are as follows and are budgeted per the below:

<u>LEVEE WORK</u>			
L1	Vegetation Control and Management	\$75,000.00	Complete
L2	Rodent Control	\$50,000.00	Complete
L3	Construct All-Weather Road Surfacing	\$25,000.00	Complete
L4	Waterside Erosion Repair	\$25,000.00	Complete Mid February
L5	Back Slope Fill Flattening	\$25,000.00	\$100,000 in reserve
L6	General Levee Maintenance	\$25,000.00	Complete, Gate Repair
L7	DWR 5 Year Plan	<u>\$35,000.00</u>	<u>To be completed by</u> <u>8/2021</u>
	Totals	\$260,000.00	

1. Vegetation Control and Management

- a) Dino & Son has been contacted regarding vegetation control at the District. They have agreed to supply a crew to perform this work. Dino is in the process of getting his crew signed up on District payroll. **This work has been completed.** The areas along Fabian Bell Canal between Station 230+00 to 730+00 will be the primary focus. All areas with trees will need to be addressed but the aforementioned area will be the bulk of the work.

2. Rodent Control

- a) Rodent burrow grouting has been completed for the year. Holt Repair supplied equipment rental and materials. Two employees from Holt Repair **completed this work** on District payroll.
- b) A total of \$50,000 was spent on this project. Roughly 60% of the District was addressed over the duration of this year's Rodent Control Project. KSN along with the assistance of the grouting crew has identified areas to address for the next Rodent Control Project.

3. Construct All Weather Road Resurfacing

- a) KSN has identified several areas along the levee crown road between Station No 360+00 and 411+00 that are in need of maintenance. ASTA Construction has been contacted to discuss availability to perform work at the District. ASTA will be able to perform this work. **This work has ben completed.** The areas of the road identified are in need of grading to mitigate the washboard effect caused by vehicle traffic. Once graded the road will be supplemented with Class II 3/4" aggregate base. A review of the entire District will be performed to capture all areas and prioritize.

4. Waterside Erosion Repair

- a) KSN Inc. has an inventory of sites that are located mostly on Fabian-Bell Canal. Sites have been prioritized per their size and/or severity of the erosion that has taken place.
- b) There are some very large rills that require repair (one particularly bad one in the south that is almost undercutting the paved road section.
- c) ASTA Construction has been contacted to discuss availability to perform repair work at several erosion sites on the waterside levee slope. They have agreed to schedule the erosion site repair along with the work needed on the levee crown road **this work is completed.**
- d) In mid-**February SJ County Public Works** placed fill material at several sites along Finck Rd on both the waterside and landside levee slopes where erosion had occurred. KSN Inc. will schedule these sites for riprap this summer in next Fiscal Year.

EXHIBIT A: KSN Inc. photo summary from Daily Field Reports

5. Back Slope Flattening

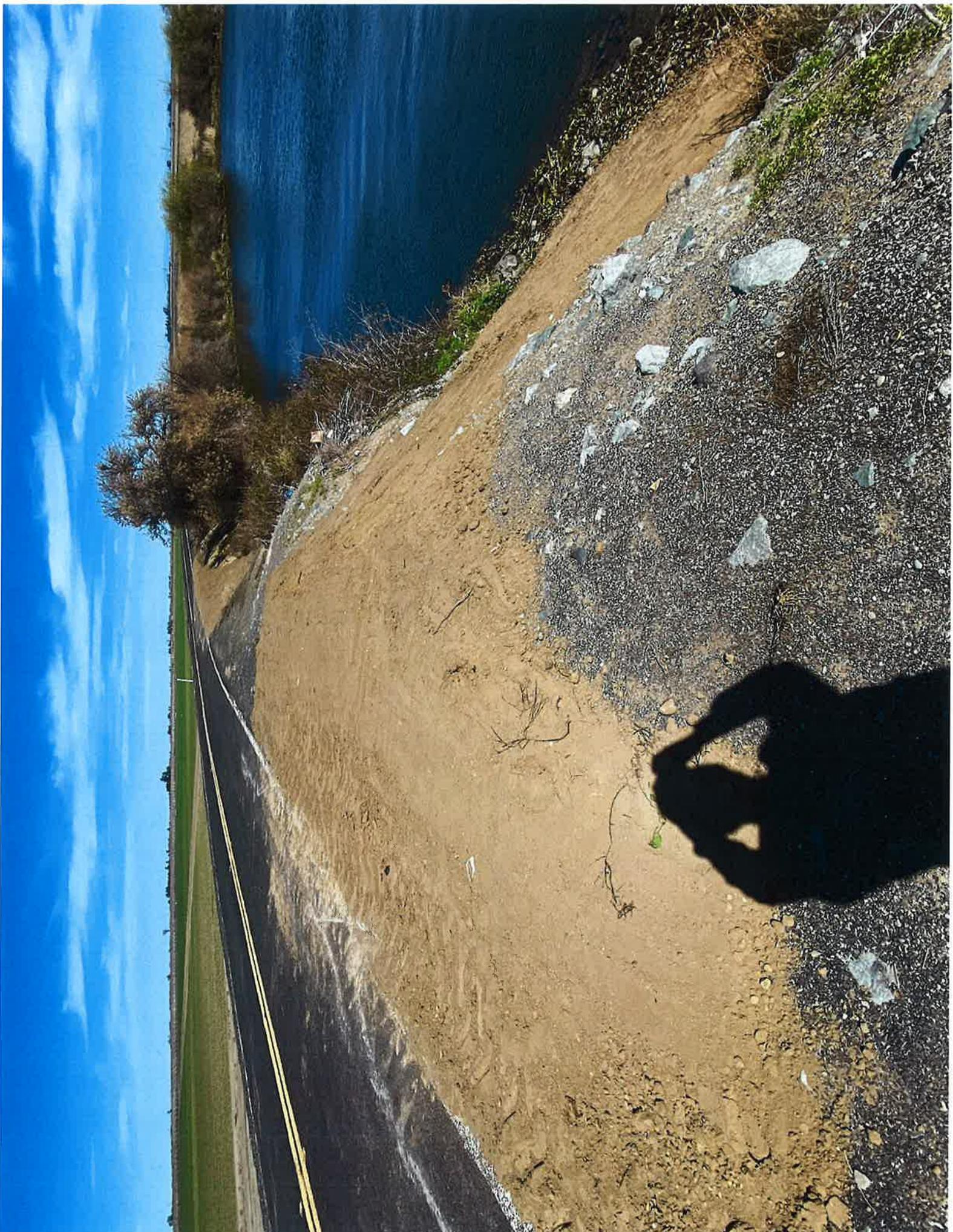
- a) KSN has developed preliminary planning for back slope flattening that includes extension of the previous phased construction of the toe berms along Fabian-Bell Canal land side slope. Since there are no more dredged spoils available at the BOR spoils area, the District needs to consider import fill material that will increase the toe berm cost per foot. This cost per foot makes more sense to budget for two years to develop and complete this project.
- b) Alternatively, approximately 500 tons of screened material will become **available mid-May** from the DWR Barrier Project rock dam removal. The intent would be to use \$25,000.00 of this back slope flattening budget to place this screened material on the backslope of the Fabian Bell Canal to reinforce the hinge point from development of rills and to stabilize the sandy shoulder and backslope.

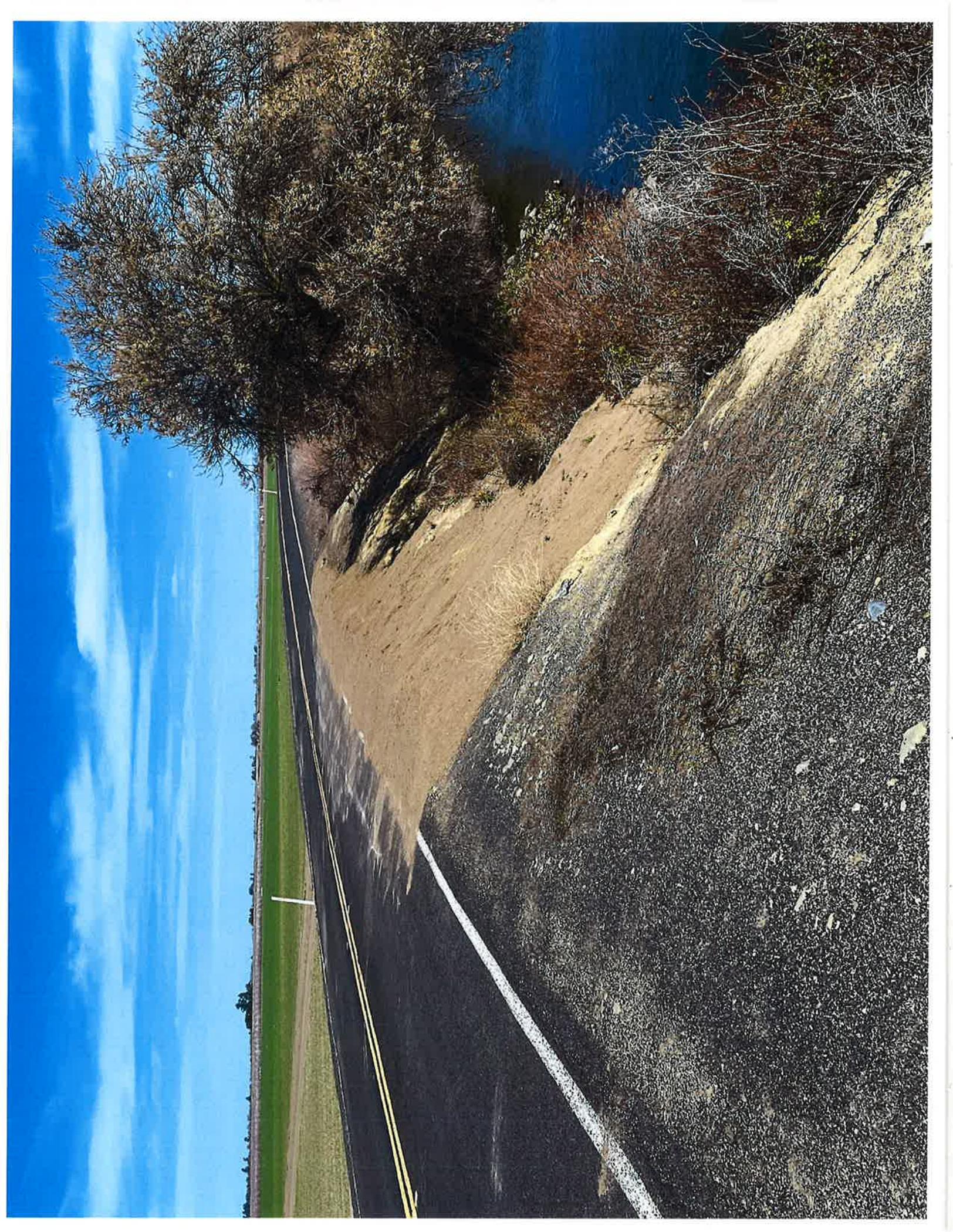


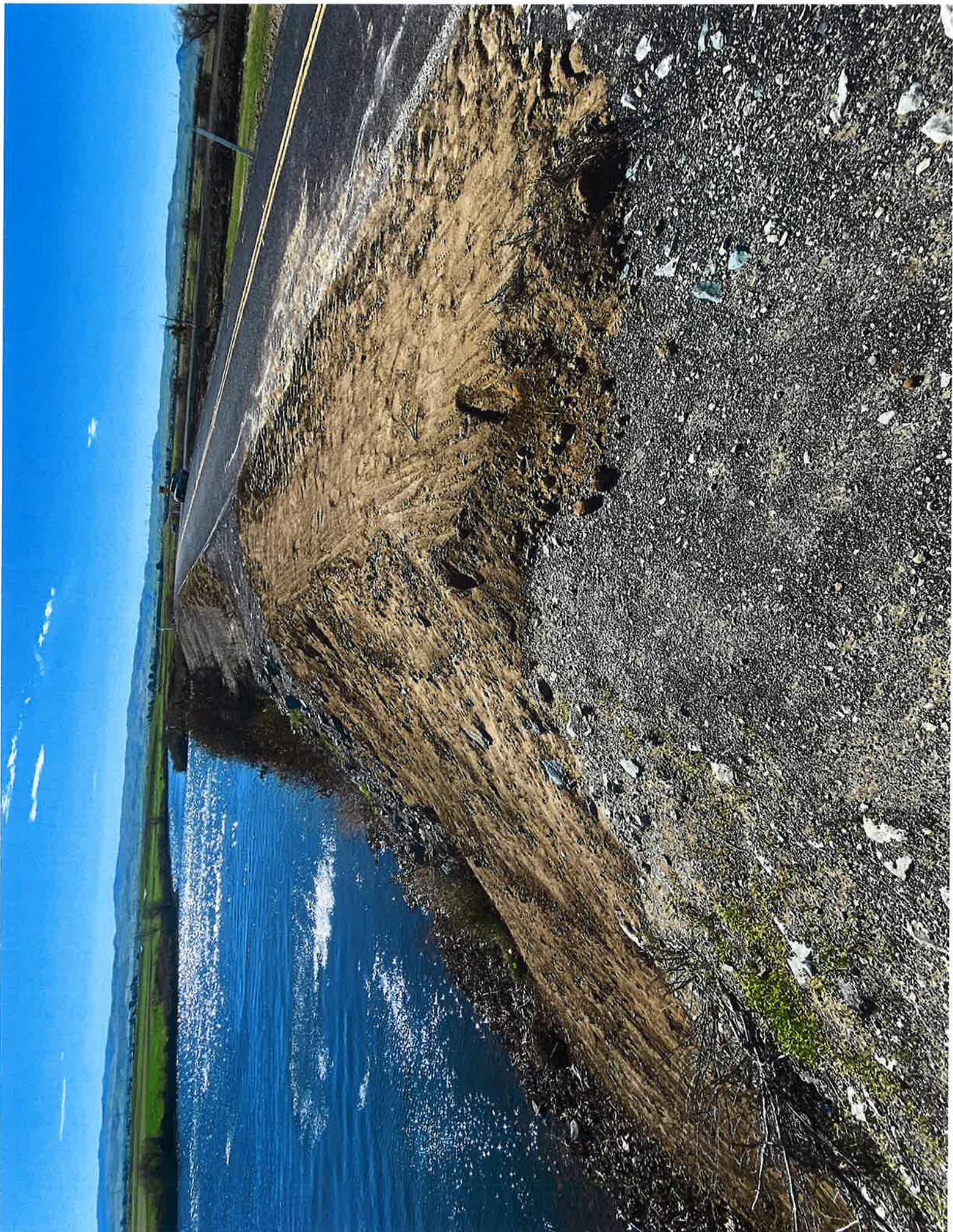
6. General Levee Maintenance

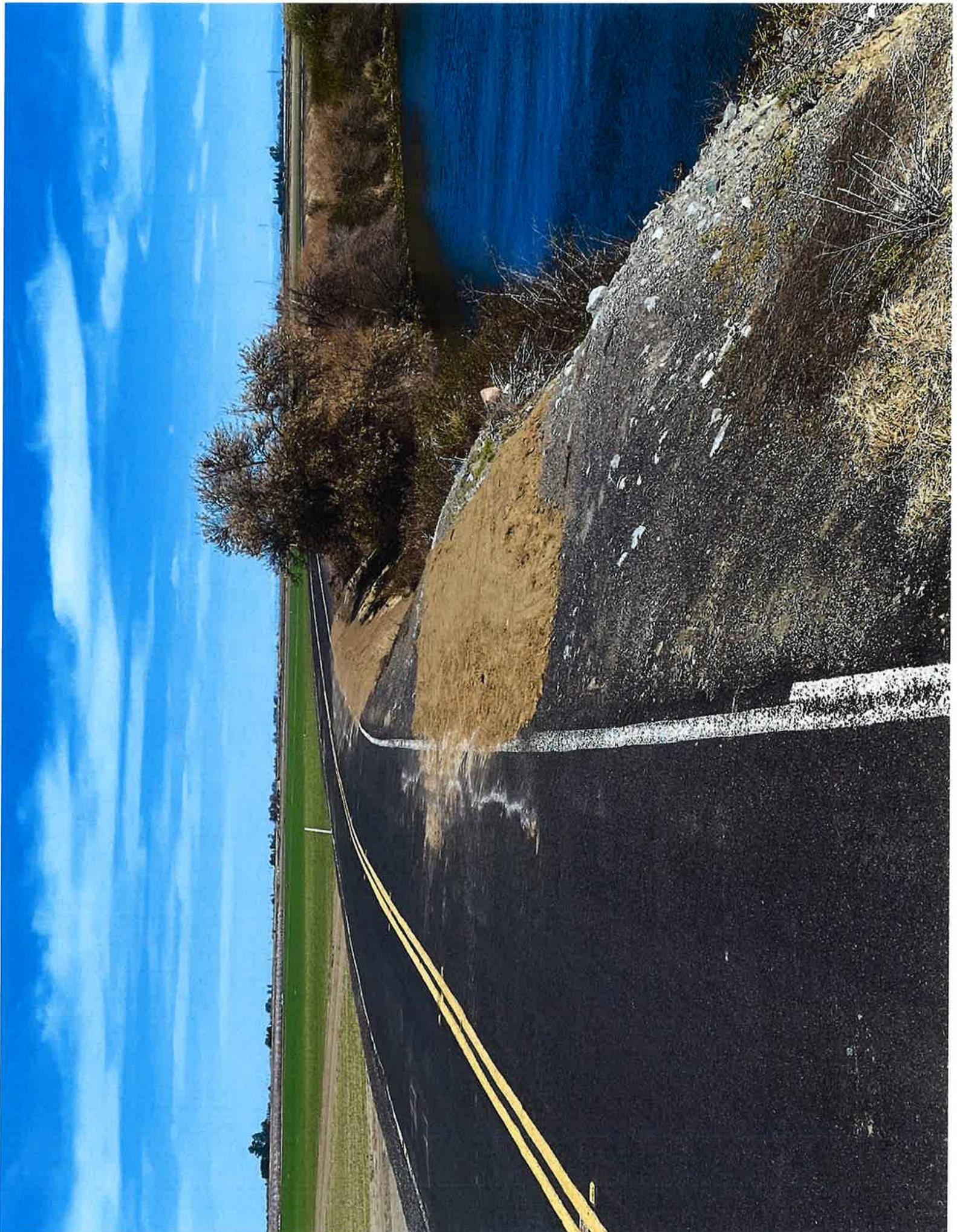
- a) Levee station paddles are broken and/or missing that need replacing.
- b) KSN proposes to repair gates to be easier to open and close. ARES a General Engineering Contractor has been contacted regarding repair and replacement of several gates at various locations throughout the District. **This repair work has been completed** on several gates such as hinge repair, lock protection, etc. Several gates are in need of a full replacement, these gates will be part of a second phase of gate maintenance.
- c) **Check on status of letter** to the houses near the store on the Finck Road District entrance park their cars and other items on the levee crown road behind the buildings. This has rendered the levee crown road inaccessible at that location this needs to be addressed with a letter from the District Counsel.

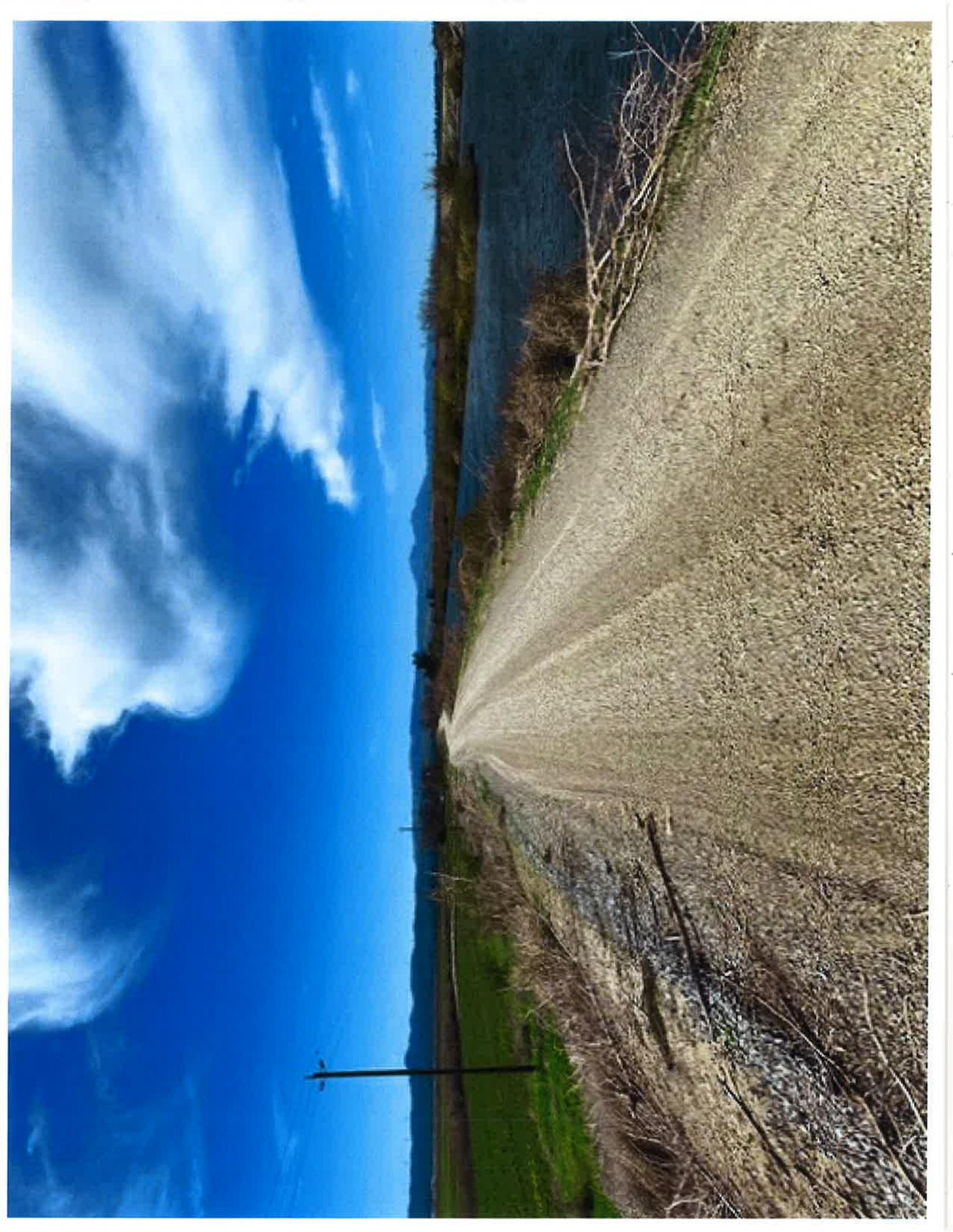
Exhibit A

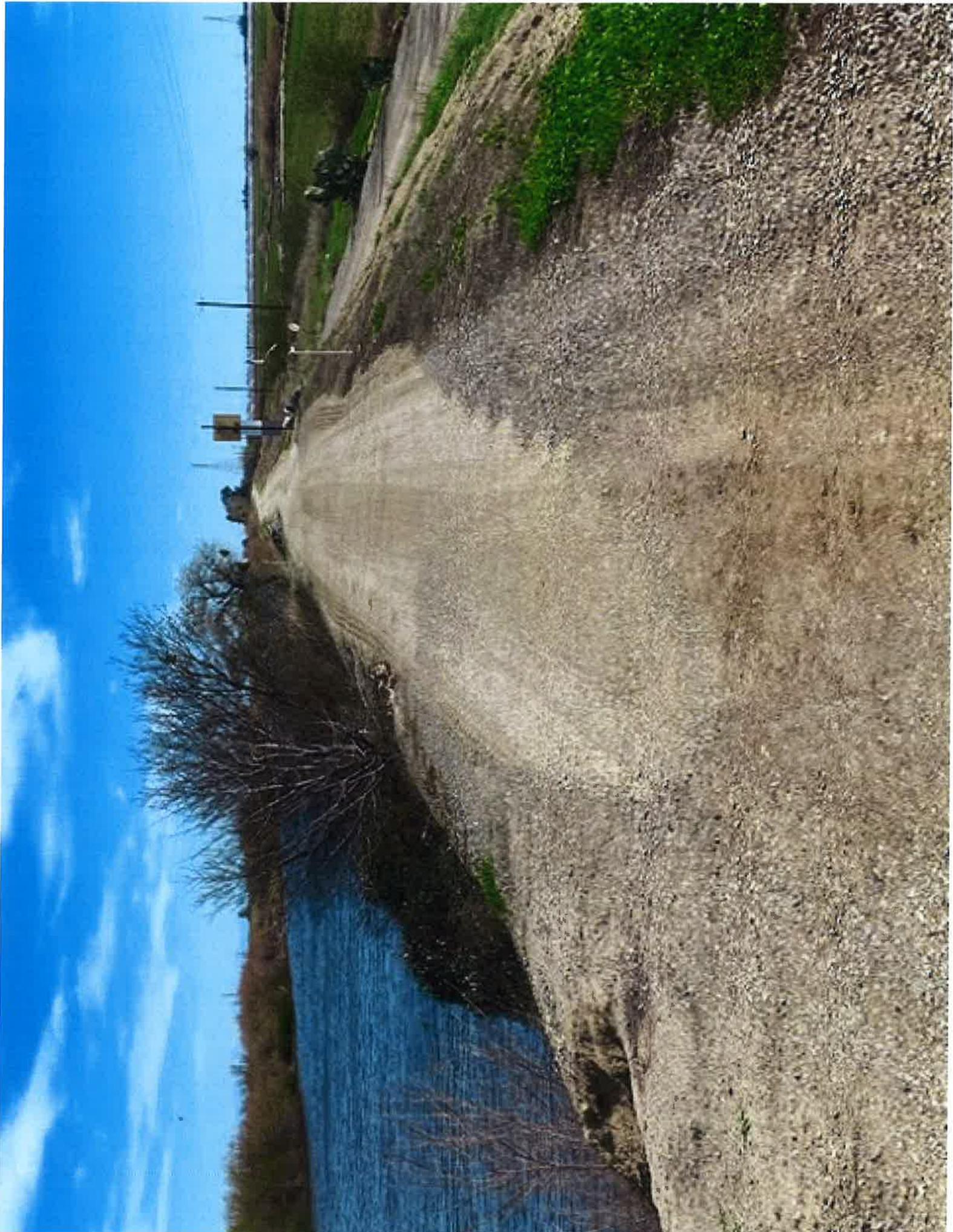


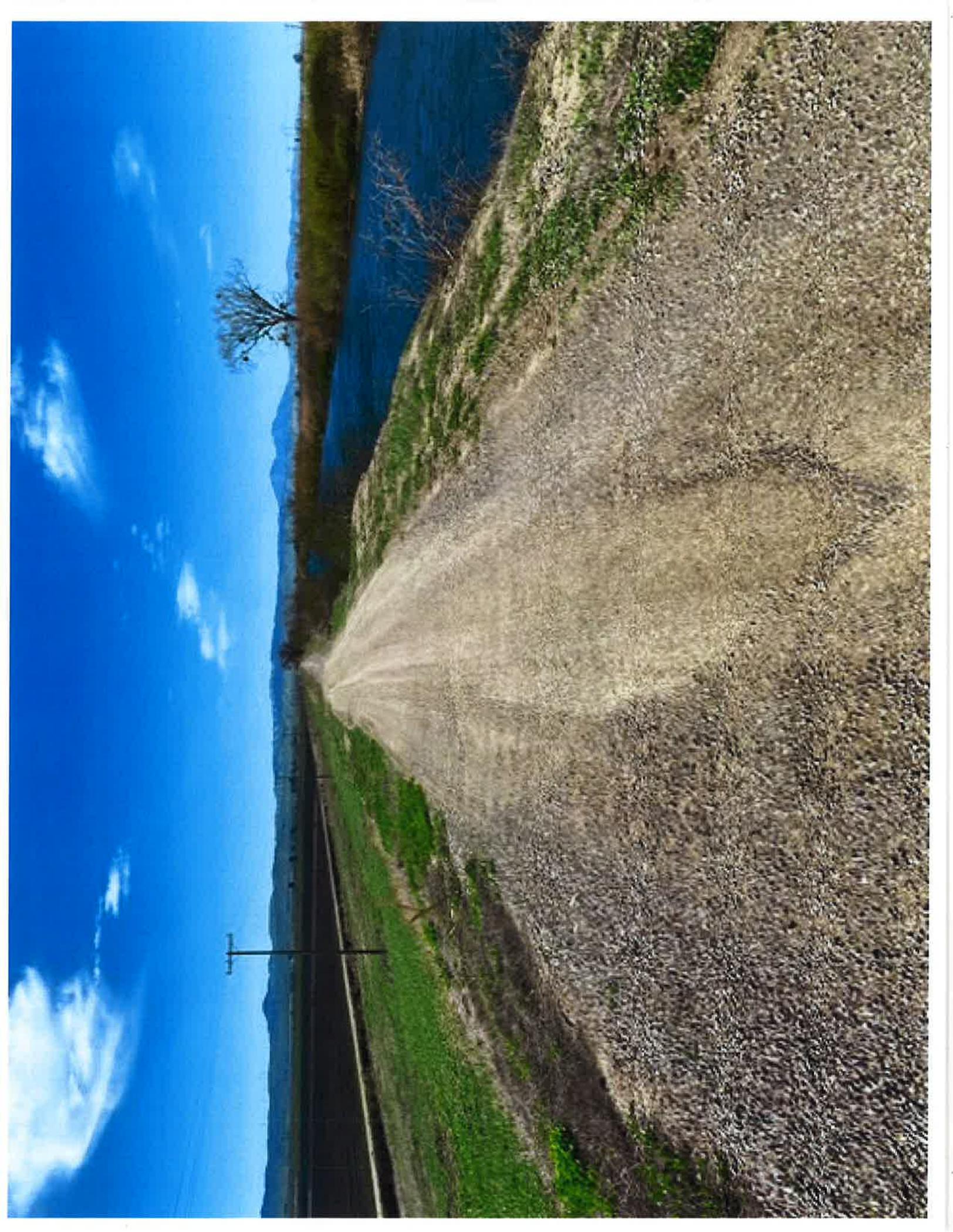


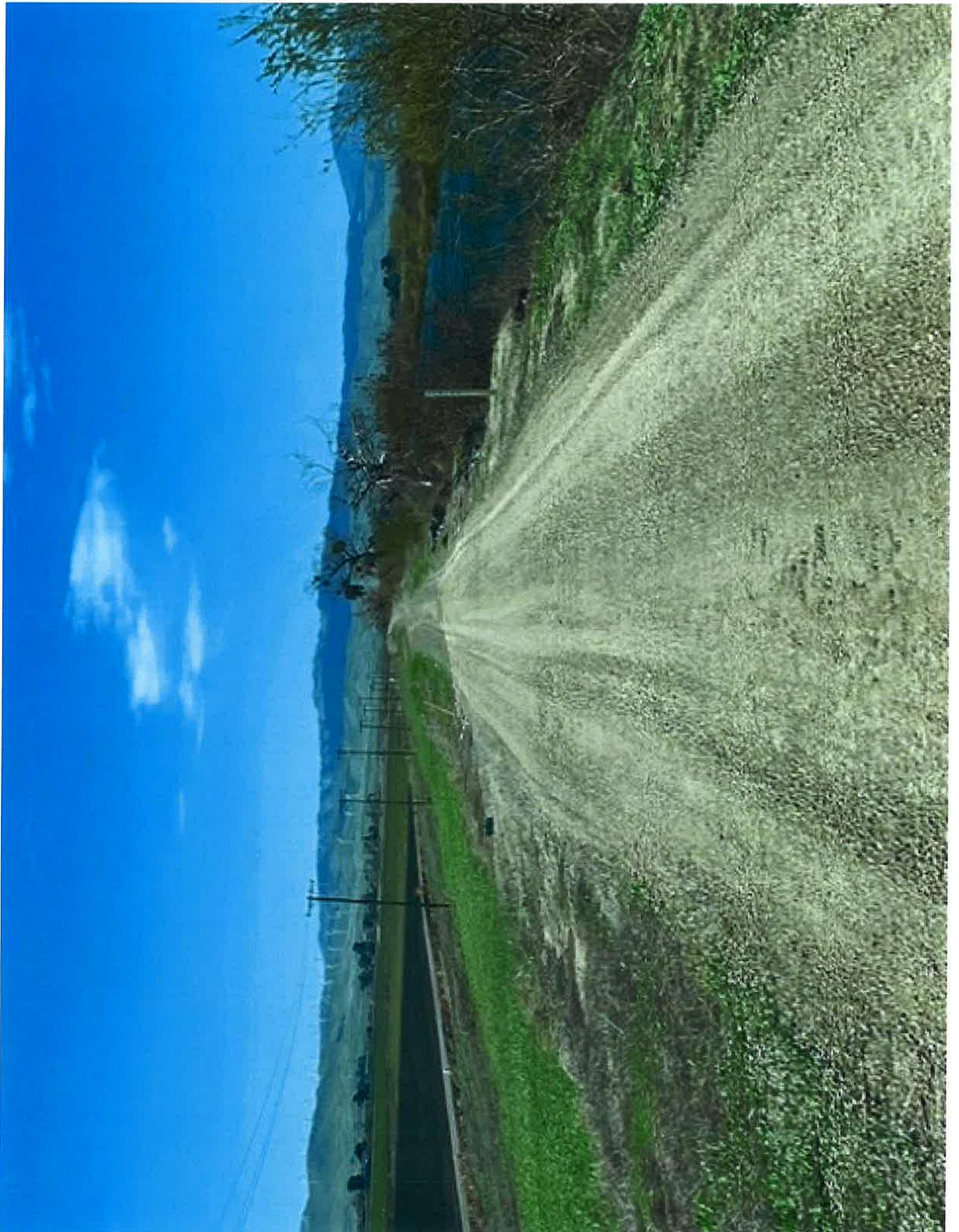


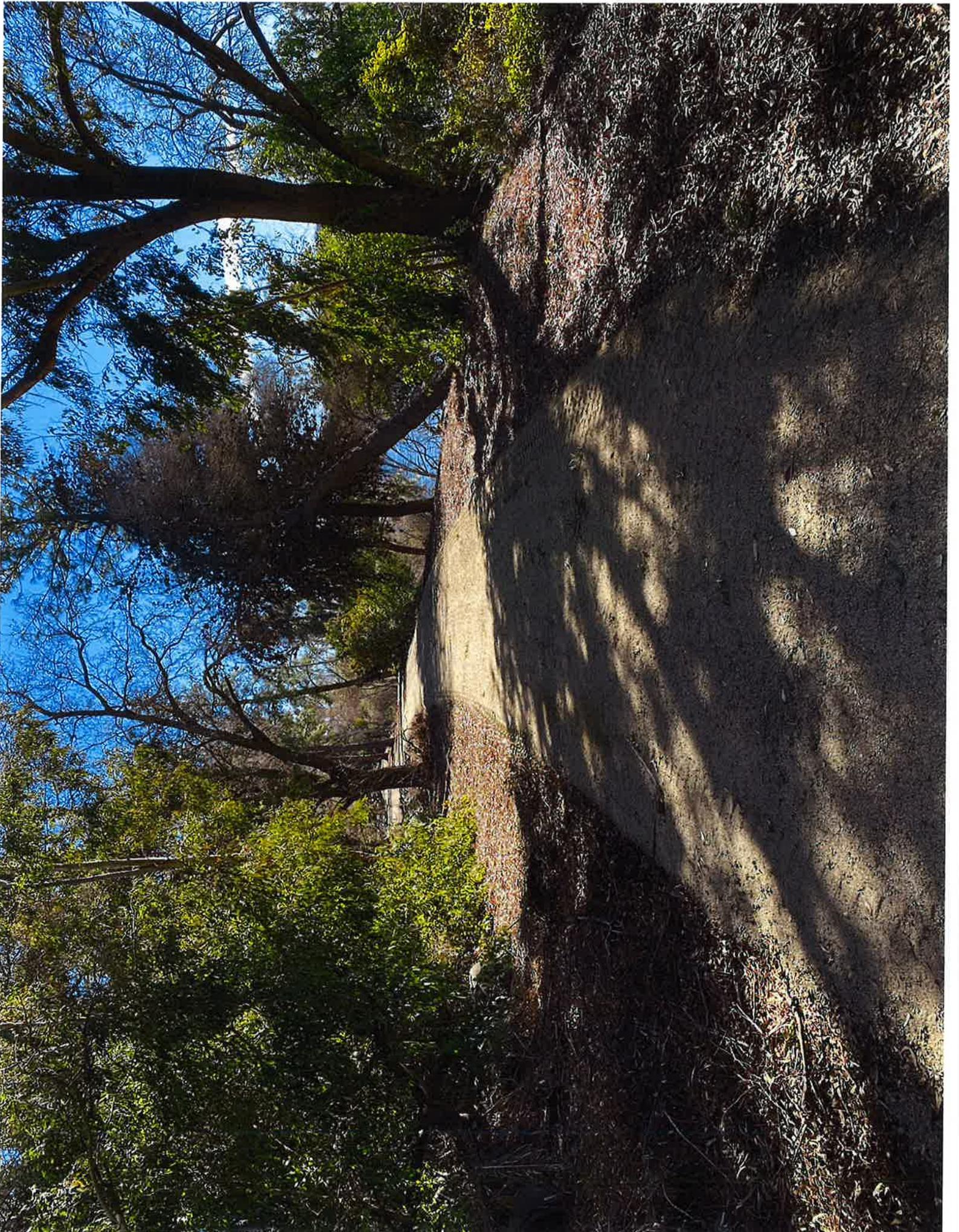






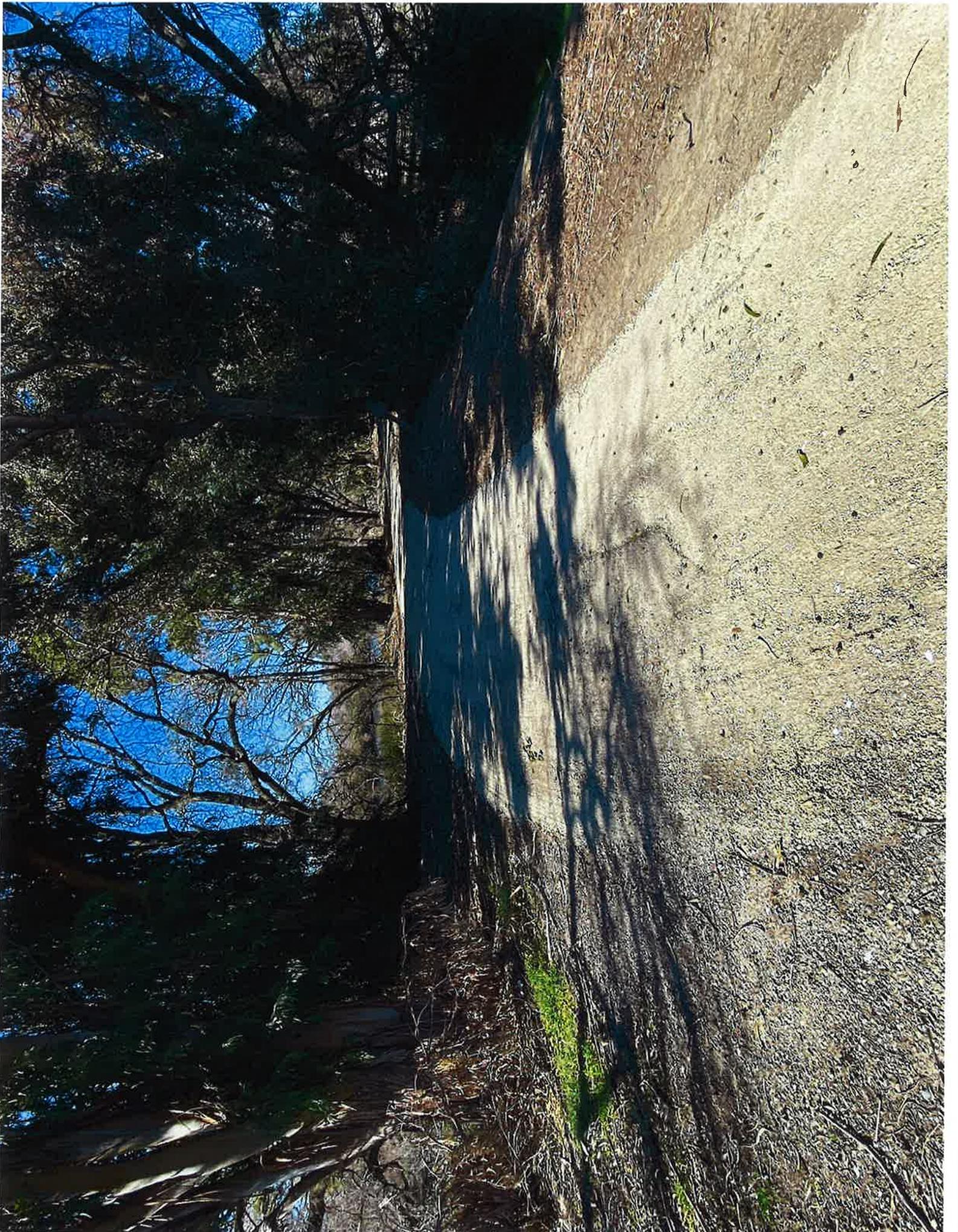


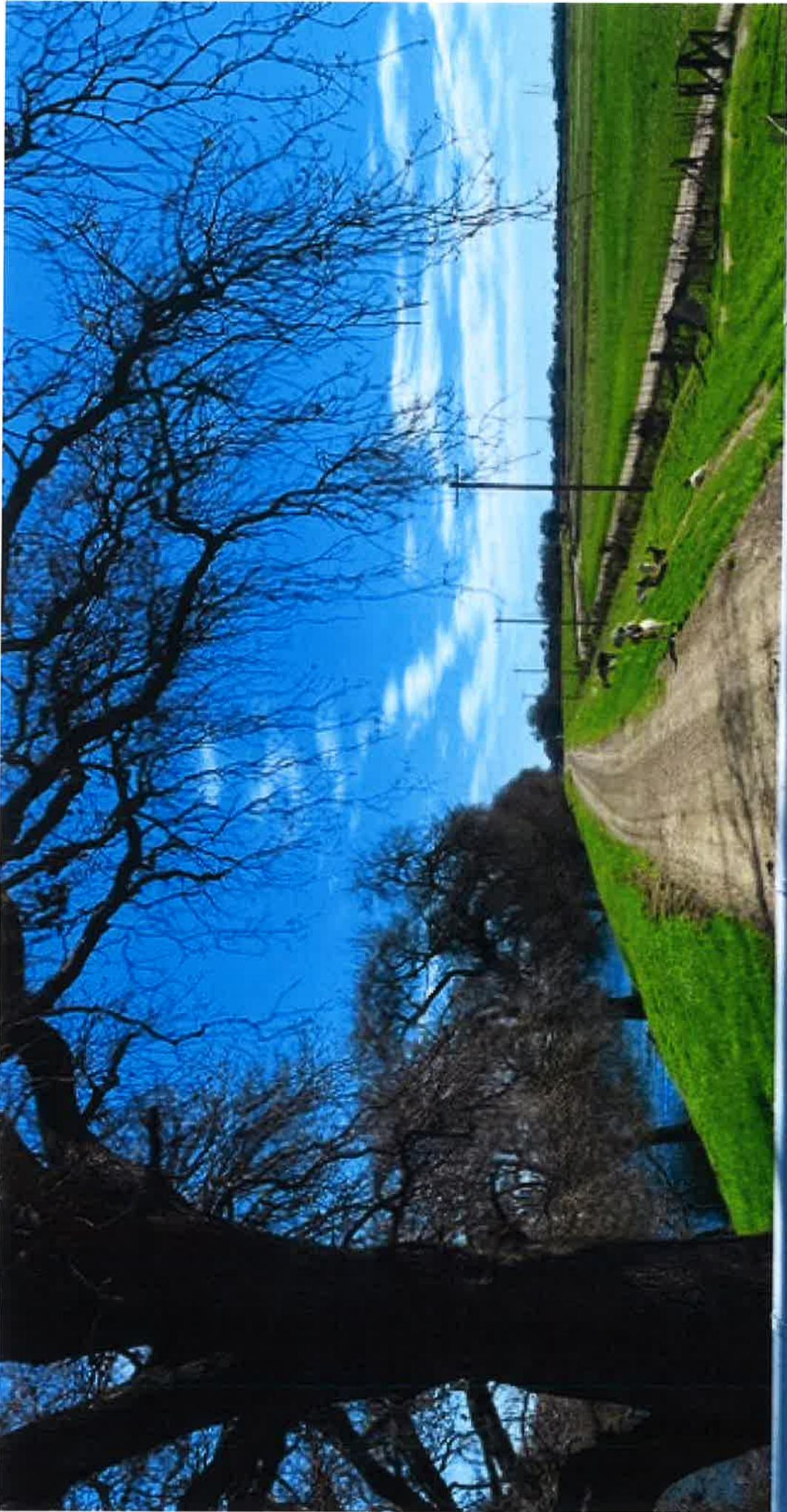


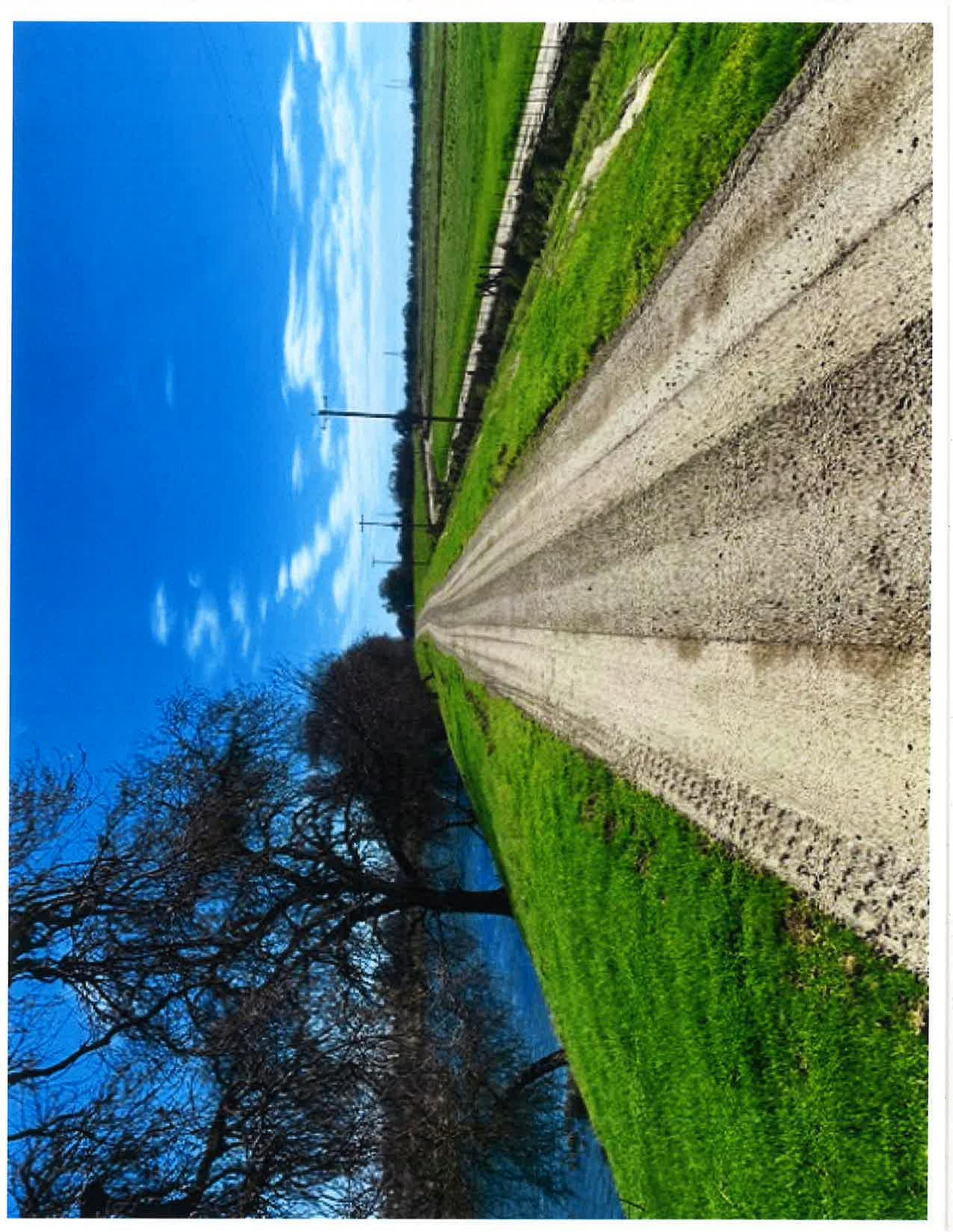


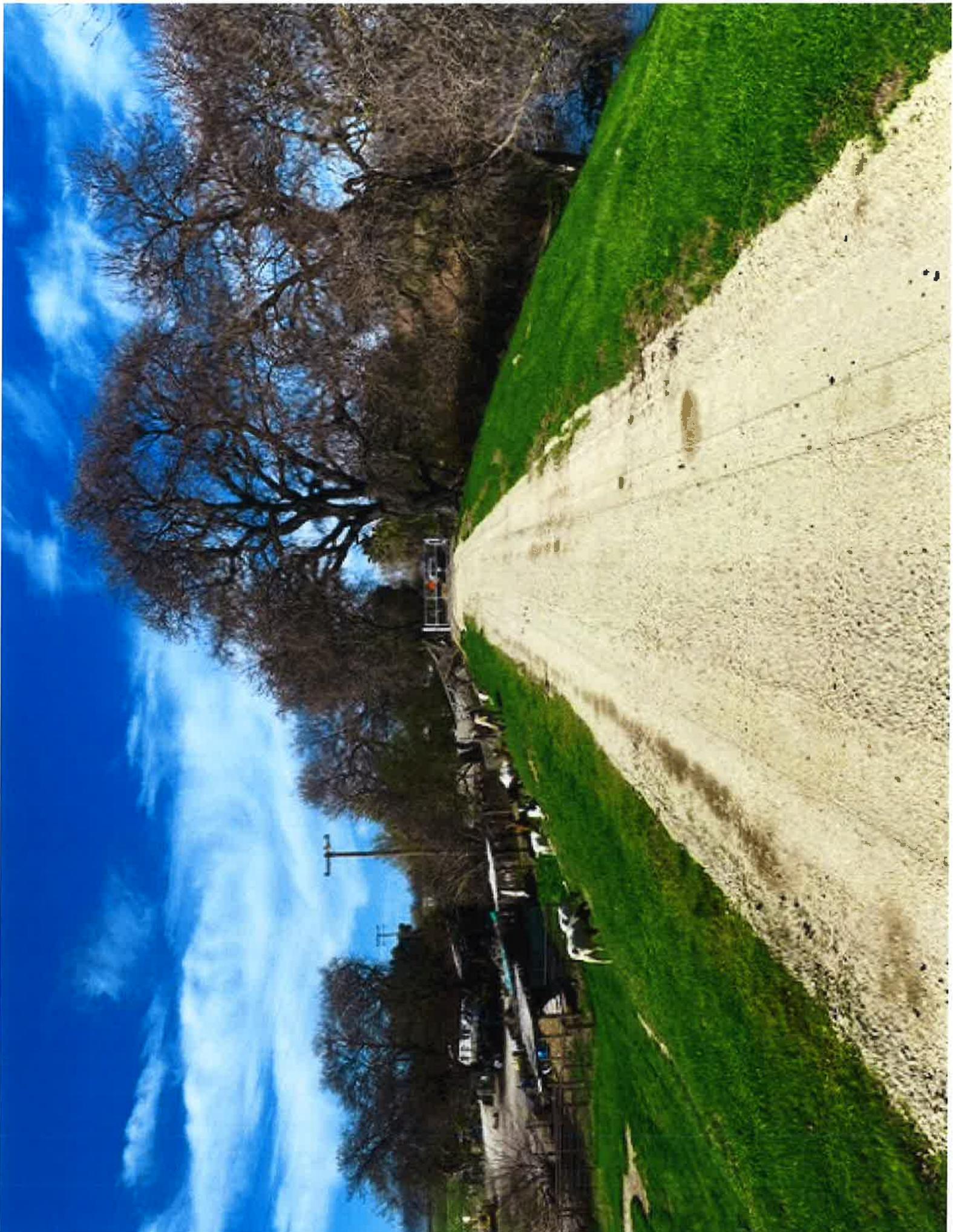


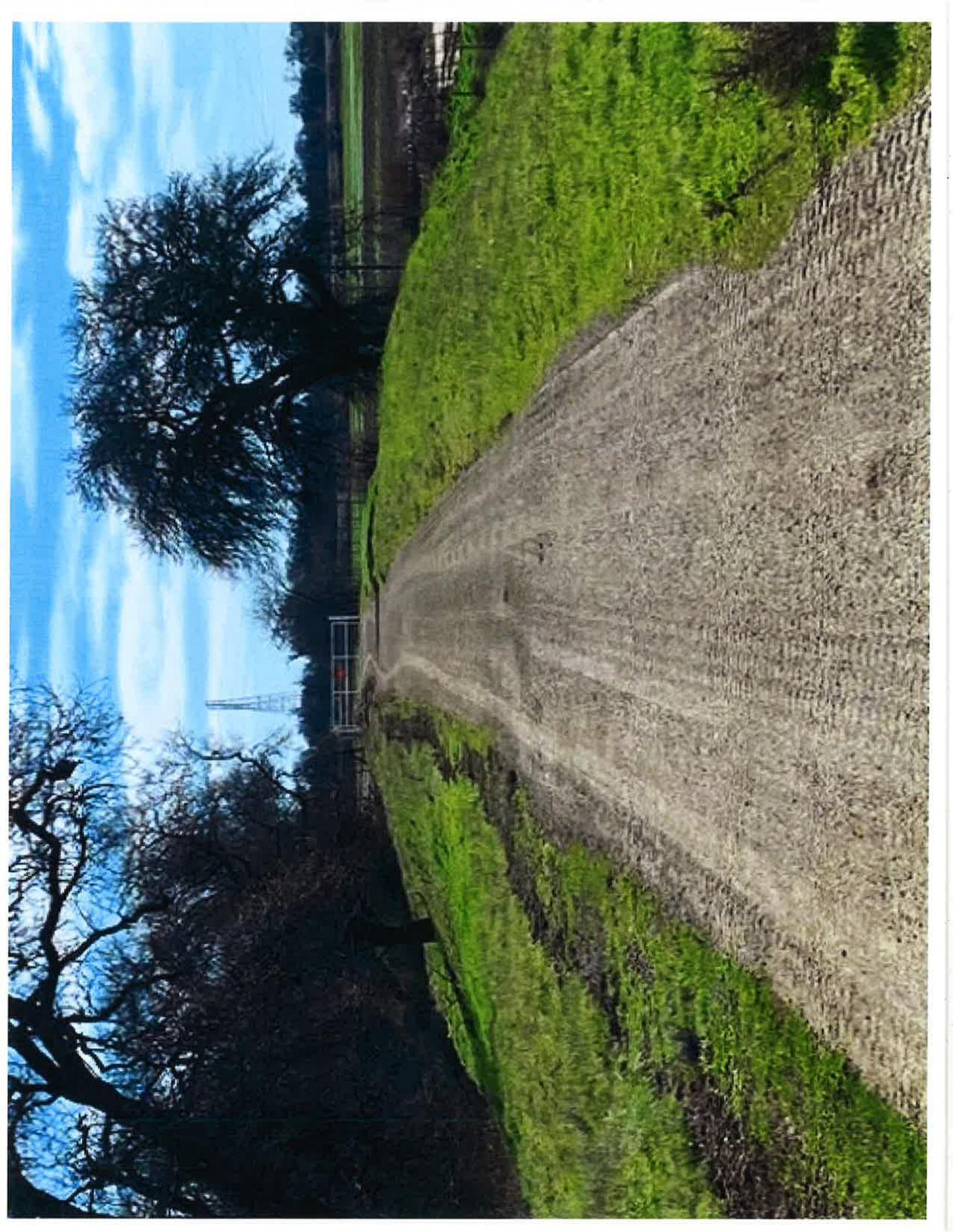


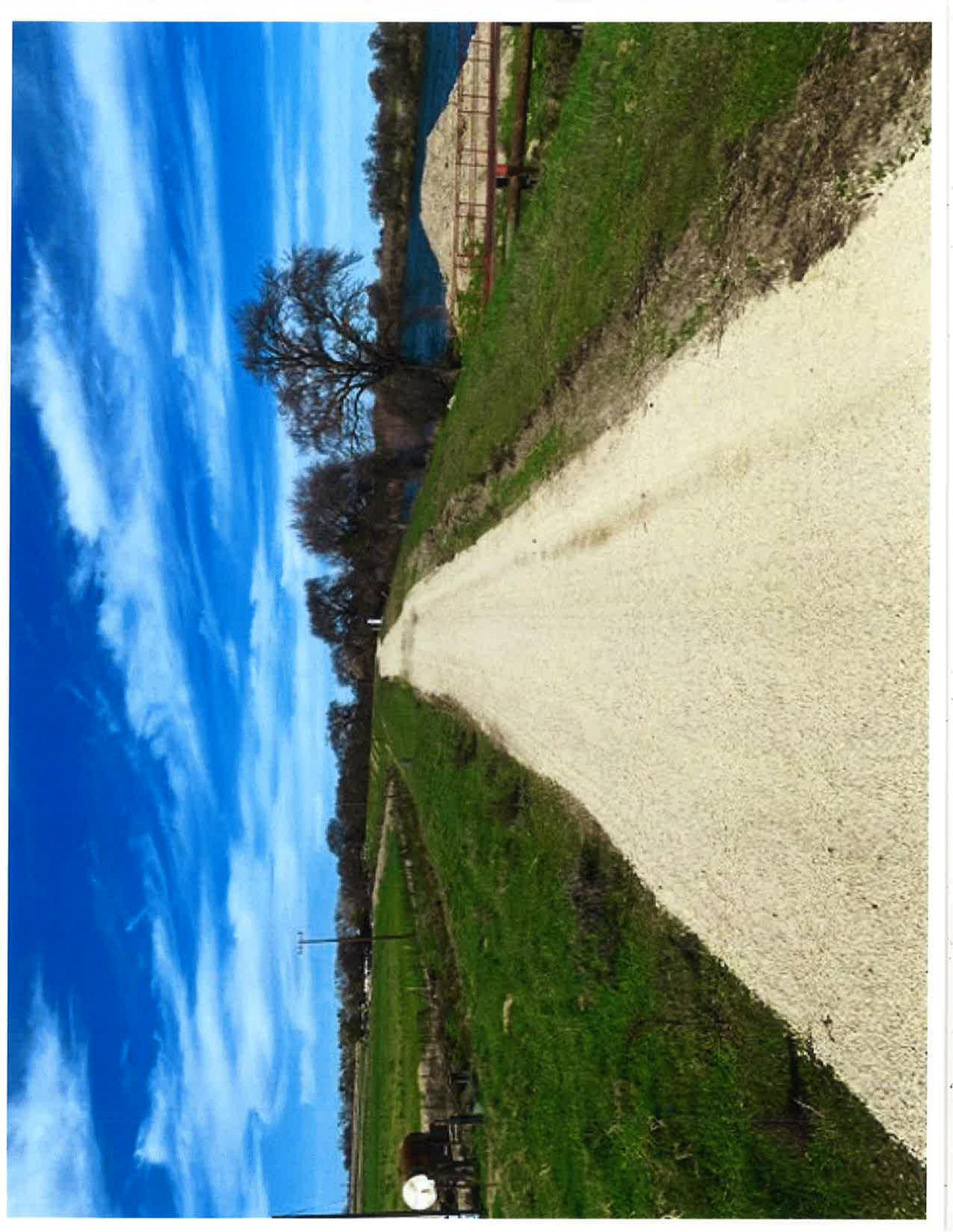


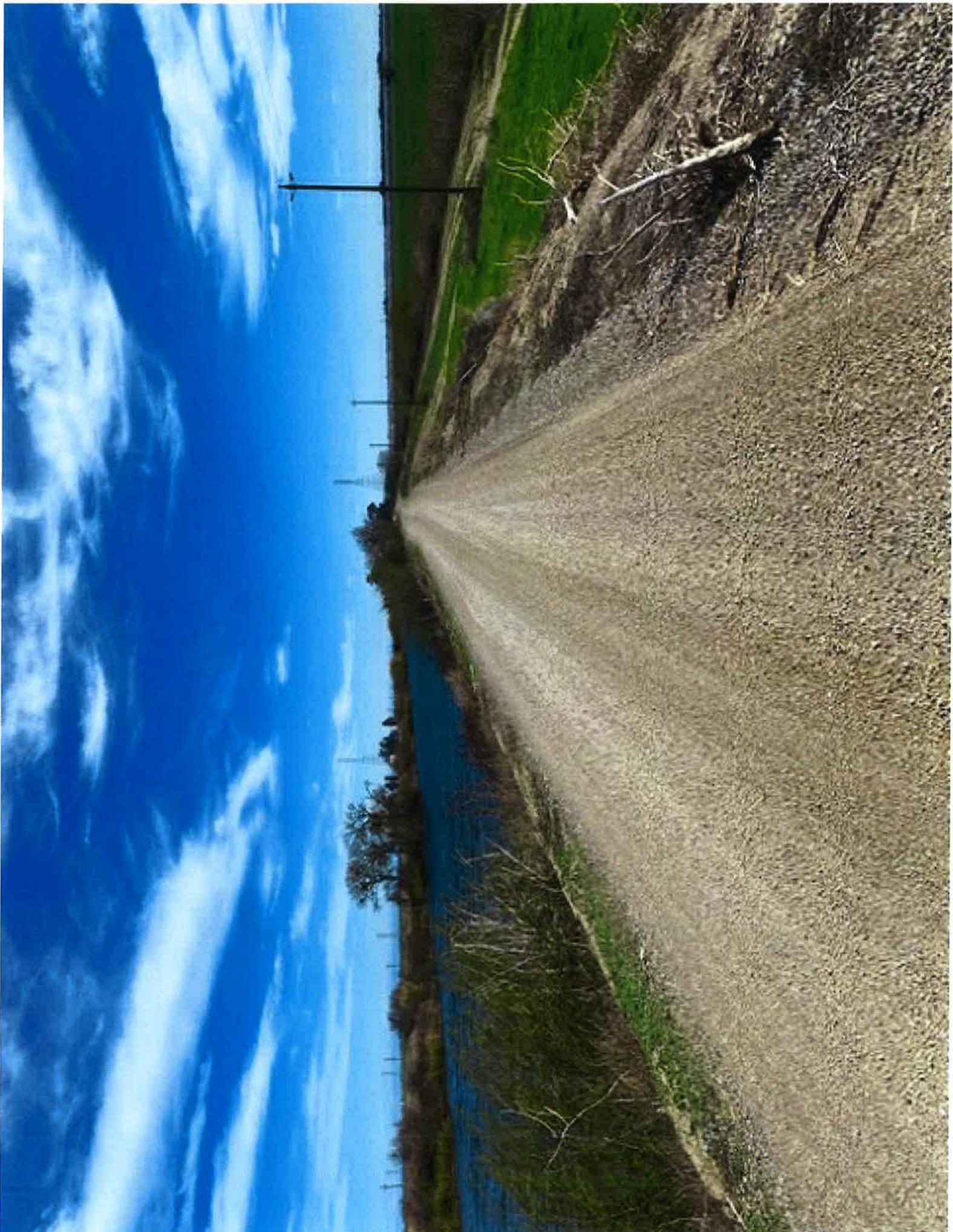












ITEM 7

RD 773: MASTER CALENDAR

JANUARY

FEBRUARY

- Send out Form 700s, remind Trustees of April 1 filing date
- Board Meeting
- Insurance renewal. Policy renews April.

MARCH

- Hire Employees for Seasonal Levee Work.

APRIL

- April 1: Form 700s due
- Board Meeting

MAY

- Draft Budget

JUNE

- Approve Audit Contract for expiring fiscal year
- Adopted Annual Budget
- Board Meeting
- Adopt Resolution for setting Assessments and submit to County Assessor's Office
- Adopt Annual CEQA Exemption for levee maintenance.

JULY

AUGUST

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

SEPTEMBER

- In election years, last legal deadline to post notice that petitions for nomination of Trustees may be received (7 days prior to close of closure.) (*Cal. Wat. Code §50731.5*).
- In election years, closing of acceptance of petitions for nomination of Trustees (54 days from date of election.) (*Cal. Wat. Code §50731.5*).

- Insurance Renewal

OCTOBER

- Publish Notice of Election, odd numbered years (once per week, 4 times, commencing at least 1 month prior to election).
- Board Meeting

NOVEMBER

- Election: to be held first Tuesday after first Monday of each odd-numbered year.

DECEMBER

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

Term of Current Board Members:

Name	Term Commenced	Term Ends
Joseph P. Bacchetti	First Friday 12/2017	First Friday of 12/2021
Joe Enos	First Friday 12/2019	First Friday of 12/2023
Mark R. Bacchetti	First Friday 12/2019	First Friday of 12/2023

No Expiration on Assessment

ITEM 8

**RECLAMATION DISTRICT 773
BILLS TO BE PAID
April 6, 2021**

NAME	INVOICE DATE	INVOICE #	AMOUNT	TOTAL \$	WARRANT #	RATIFICATION
Kjeldsen Sinnock & Neudeck	3/26/2021	29994	\$22.50			
	3/26/2021	29995	\$292.50			
	3/26/2021	29996	\$1,361.25			
	3/26/2021	29997	\$10,605.75			
	3/26/2021	29998	\$693.25			
	3/26/2021	29999	\$81.00			
	3/26/2021	30000	\$140.25			
				\$13,196.50		
Neumiller & Beardslee	3/16/2021	315743	\$968.01			
				\$968.01		
ASTA Construction	2/28/2021	5550	\$23,749.89			
	3/31/2021	5551	\$1,249.99			
				\$24,999.88		
NOTES:			Total Bills to be Paid	\$39,164.39		
Fund Balance as of February 28, 2021		\$450,620.78				
Less Submitted Bills for Payment:		\$39,164.39				
Total:		\$411,456.39				
Bank of Stockton Balance as of 2/28/2021		\$24,624.69				
		\$436,081.08				

**RECLAMATION DISTRICT 773
BILLS TO BE PAID
March 15, 2021**

NAME	INVOICE DATE	INVOICE #	AMOUNT	TOTAL \$	WARRANT #	RATIFICATION
Kjeldsen Sinnock & Neudeck	1/31/2021	29543	\$22.50			
	1/31/2021	29544	\$1,494.00			
	1/31/2021	29545	\$272.50			
	1/31/2021	29546	\$393.75			
	1/31/2021	29547	\$2,136.50			
	1/31/2021	29548	\$378.75			
	1/31/2021	29549	\$1,481.50			
	1/31/2021	29550	\$2,552.00			
	2/25/2021	29775	\$1,106.25			
	2/25/2021	29776	\$738.75			
	2/25/2021	29777	\$302.50			
	2/25/2021	29778	\$72.50			
	2/25/2021	29779	\$746.00			
	2/25/2021	29780	\$2,022.00			
	2/25/2021	29781	\$754.00			
	2/25/2021	29782	\$1,128.00			
				\$15,601.50	1997	
Neumiller & Beardslee	2/17/2021	315068	\$565.00			
				\$565.00	1998	
Dino & Son	1/10/2021	21-01	\$35,330.05			
				\$35,330.05	1999	
ARES General Engineering	2/1/2021	1013	\$24,000.00			
				\$24,000.00	2000	
California Assoc of Mutual Water Cos	1/25/2021	1551	\$100.00			
				\$100.00	2001	
ASTA Construction	2/28/2021	5550	\$24,999.88			
	3/31/2021	5551	\$1,249.99			
				\$26,249.87	2002	VOID
Custom Spraying Inc.	2/23/2021	94539	\$12,999.00			
				\$12,999.00	2003	
NOTES:			Total Bills to be Paid	\$114,845.42		
Fund Balance as of February 28, 2021		\$450,620.78				
Less Submitted Bills for Payment:		\$114,845.42				
Total:		\$335,775.36				
Bank of Stockton Balance as of 2/28/2021		\$24,624.69				
		\$360,400.05				

3/24/2021 Per Jack Wilbur, ASTA will be returning check. Check will be voided and a new warrant will be issued for in the amount of \$24,999.88.