

MEETING AGENDA FOR
RECLAMATION DISTRICT NO. 1608
BOARD OF TRUSTEES REGULAR MEETING
8:00 A.M. FEBRUARY 6, 2020
THAT HAS BEEN ADJOURNED TO THE FOLLOWING DATE, TIME, AND PLACE
FRIDAY, FEBRUARY 14, 2020 – 8:00 A.M.
3121 WEST MARCH LANE, SUITE 100
STOCKTON, CALIFORNIA

Call to Order.

Roll Call.

Agenda Items.

1. 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 as it is taken up.
2. Approval of Minutes. Minutes of the regular meeting of January 8, 2020.
3. Financial Report. Review, discuss, and accept financial report.
4. Financial Audit. Review, discuss, and accept draft audit report from Croce, Sanguinetti, & Vanderveen.
5. Insurance. Approve JPRIMA Insurance Policy renewal.
6. Engineer's Report. Request for directions and approvals.
 - a. Show Cause Hearing Regarding Violation of Levee Encroachment Standards, continued from January 8, 2020 show cause hearing.
 - i. 6347 Embarcadero Drive
Owners – Charles and Farley Staniec
Violation – Untrimmed vegetation inhibiting levee inspections and presence of unpermitted improvements, failure to comply with March 28, 2019, and August 26, 2019 Notice of Violation.
 - b. Sediment Removal Project
 - c. Consider new permits requests from homeowners
7. Subventions. Report and Direction regarding State Budget Appropriations for Delta Levee Subvention Program.
8. Levee Superintendent Report. Request for directions and approvals.
9. Report by Trustees on meetings attended and up coming meetings. Request for direction.

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 Elvia Trujillo at 209/948-8200 during regular business hours, at least forty-eight 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.

10. Report and possible action on Progress of Tasks Assigned at Previous Board Meetings.

11. Discussion and direction on Short-Term and Long-Range Goals.

12. District Calendar. Discussion and direction.

a. Trustee Compensation for Meeting Attendance.

13. Correspondence.

14. Approval of Bills.

15. Staff Reports.

(a) Attorney. The Agenda for this meeting was posted on the window outside the meeting room at 3121 W. March Lane, Suite 100, Stockton, California, at least seventy-two (72) hours preceding the meeting.

16. Adjournment.

This agenda shall be made available upon request in alternative formats to persons with a disability, as required by the Americans with Disabilities Act of 1990 (42 U.S.C. § 12132) and the Ralph M. Brown Act (California Government Code §54954.2). Persons requesting a disability related modification or accommodation in order to participate in the meeting should contact Elvia Trujillo at 209/948-8200 during regular business hours, at least forty-eight 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 1608
FEBRUARY 14, 2020**

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

ITEM 2

**MINUTES OF THE REGULAR MEETING OF BOARD OF TRUSTEES
FOR RECLAMATION DISTRICT 1608
HELD WEDNESDAY, JANUARY 8, 2020
(January 1, 2020 meeting adjourned to January 8, 2020)**

A Regular Meeting of the Board of Trustees of Reclamation District 1608 was called to order at 8:00 a.m. by President Michael Panzer on January 8, 2020, at the law offices of Neumiller & Beardslee, 3121 W. March Lane, Stockton, California.

TRUSTEES PRESENT WERE:

MICHAEL PANZER
BRETT THOLBORN
DAN MacDONNELL

OTHERS PRESENT WERE:

DANIEL SCHROEDER
ANDY PINASCO
CHRIS NEUDECK
JOE BRYSON
ELVIA TRUJILLO
BOB BENTZ
DOTTIE LOFTSTROM

1. **Public Comment.** No public comment.
2. **Approval of Minutes.** Minutes of December 2, 2019 meeting. After discussion,

Upon motion duly made, seconded (B. Tholborn/D. MacDonnell) and unanimously carried by the Board Trustees of Reclamation District 1608 the minutes of the regular meeting of December 2, 2019, were approved as presented.
3. **Financial Report.** Review, discuss, and accept financial report. District Secretary Elvia Trujillo presented a written and oral report. After review and discussion,

It was moved, seconded (B. Tholborn/D. MacDonnell) and unanimously carried by the Board of Trustees of Reclamation District 1608 that the Financial Report, as presented, be approved.
4. **Engineer's Report.** Request for directions and approvals.
 - (a) Show Cause Hearing Regarding Violation of Levee Encroachment Standards.
 1. 6347 Embarcadero Drive
Owners – Charles and Farley Staniec
Violation – Untrimmed vegetation inhibiting levee inspections and presence of unpermitted improvements, failure to comply with March 28, 2019, and August 26, 2019 Notice of Violation.

The public hearing opened at 8:52 a.m. Charles and Farley Staniec, the owners of the property, failed to appear at this hearing. The hearing opened with District Engineer Chris Neudeck giving an oral and written report. The written report lists in detail the efforts made to bring the property into compliance. Mr. Neudeck informed the Board the District has tried to bring the Staniecs into compliance for the past two years. Part of the problem in communicating with Mr. Staniec and in getting the work done is due to Mr. Staniec working in the Bay Area. The vegetation has gotten out of control and wooden structures have not been maintained in accordance with the Levee Improvement Standards. The fence has been repaired but the vegetative roots were left. Any regrowth of the hedge will obstruct visibility for inspection. Mr. Neudeck referenced Exhibit B showing pictures of the size and density of the hedges which prevents visibility of the condition of the slopes. He reported the District just needs Mr. Staniec to clean up hedges, remove vegetation and roots and remove the old, unpermitted wooden structures on the waterside slope of the levee. The District is at a point where it can pull the permits because they are not being maintained in accordance with the District Standards. What is being requested is that all vegetation allowed in the permit be maintained in compliance with the Standards and that all unpermitted encroachments and wooden structures on the waterside slope of the levee be removed. Among the options presented are: to find the violation has been corrected by Mr. Staniec, to direct Counsel to take action, or to revoke the permits on the property if the violations are not addressed by February. Mr. Neudeck stated, for the record, Mr. Staniec was sent a notice on December 5, 2019 and was sent the initial violation notice in March 2019. The primary objective in this case is to get compliance. Since the District does not endorse a fence, if the Board wants the revocation of the fence permit, Mr. Neudeck will be in support. Another option is to have legal counsel send a letter to Mr. Staniec informing him he failed to attend the show cause hearing and that one more opportunity will be given and continue the show cause hearing to February. Trustee MacDonnel made the recommendation to send a letter giving the Staniec's one last chance and recommended continuing the Show Cause Hearing to February.

Trustee D. MacDonnel and President Panzer voted yes and Trustee Tholborn voted no to continue the Show Cause Hearing for final opportunity in the Staniec case to the next Board meeting on February 14, 2020 at 8:00 a.m. and to have District Counsel send a letter to the Staniecs informing them of the continued Show Cause hearing.

The Show Cause Public Hearing closed at 9:07 a.m.

- (b) Consider new permit requests from homeowners.
No new permit requests

- (c) Sediment Removal Project. Request for directions and approvals.
 - i. Approve Port of Stockton Dredged Sediment Agreement.
See below in Engineer's Report section IV - Sediment Removal Project.
 - ii. Approve California State Lands Commission Lease Agreement.
See below in Engineer's Report section IV - Sediment Removal Project.
 - iii. Report and request for direction and approvals regarding necessary permits.
See below in Engineer's Report section IV - Sediment Removal Project.
 - iv. Discussion and direction regarding advertising Sediment Removal Project for bid.
See below in Engineer's Report section IV - Sediment Removal Project.

From Engineer's Report:

I. FLOOD SAFETY PLAN ANNUAL REFRESHER.

- A. Review PowerPoint presentation of RD 1608's Annual Refresher.
Exhibit A: Flood Safety Plan Annual Refresher.

District Engineer Chris Neudeck presented the printed PowerPoint slides in his January 8, 2020 Engineer's Report and gave an oral report. He explained the purpose of the Flood Safety Plan is to comply with the federal National Incident Management System (NIMS) and with the state Standardized Emergency Management System (SEMS) to maintain eligibility in the event of a federal disaster. If the District does not comply with the Flood Safety Plan, it will not qualify for federal disaster eligibility for funding/refunding. The Emergency Operations Plan is the written plan and the Tactical Flood Contingency Map is the map that will be brought to the field. The flood contingency map shows delivery points, relay points for folks to move to, points if egress and ingress. The overarching plan is the Flood Safety Plan/Emergency Operations Plan. The Flood Safety Plan highlights the gates off Interstate-5, street names, gates, access points and possible blocking points in case of emergency, this would have to be a cooperative effort involving several agencies depending where the flooding would be coming from. No one entity has the sole authority to make determinations. In case of a flood emergency, Chris Neudeck or Joe Bryson will be the incident commander for the flood situation but for evacuation, it will be another agency. Mr. Neudeck informed the Board the District is in the process of purchasing flood fight supplies. As to preparedness, the District complies

with the routine flood preparedness tasks of routine inspections, maintenance, flood fight supplies and the documentation of problem areas identified through inspections. Mr. Neudeck continued with the remainder of the slides and upon completion reminded the Board the Emergency Operations Plan is reviewed every three years in case there are any changes although it is brought before the Board every year as a refresher course. The Emergency Operations Plan can be accessed through the District's website where more detailed procedures can be found.

At the end of Mr. Neudecks presentation, Mr. Bentz suggested if the District is in need of employees, veterans would be a valuable resource for assistance in an emergency situation and suggested getting in contact with the veterans' center at San Joaquin Delta College. Mr. Neudeck will be following up on this possibility.

President Panzer brought up discussion about the difficulties of ingress and egress within the District and as to how to carry out announcements to residents in case of an emergency. Mr. Neudeck has attended meetings with the County as to this subject and there have been various suggestions such as assigning different people or groups to call and go door to door notifying residents. Mr. Neudeck stated at one of the meetings, the Sheriff's office mentioned they have the National Guard helicopter with a loudspeaker which would be another means of notifying people. As water levels go up, notification would be switched from land to air. Mr. Neudeck commented George Hartman is advocating a siren and sees this as being a way of warning the public as land line systems may fail and cell phones may be turned off. Discussion followed as to having two sirens within the district to catch residents' attention in case of an emergency. This issue will be brought back by Chris Neudeck at the next operational meeting with the County. Mr. Schroeder stated this District has authority to put any siren in place without any other necessary approval. President Panzer requested this topic be kept on the front burner.

II. PLAN REVIEW

- A. Mr. Charles and Mrs. Farley Staniec residence at 6347 Embarcadero Drive.
Exhibit B: KSN Inc, Summary Inspection photos dated 12/23/19

Please see above under 4(a) Show Cause Hearing Regarding Violation of Levee Encroachment Standards.

III. 5 MILE SLOUGH HYACINTH REMOVAL.

Chris Neudeck gave an oral and written report. Clean Lakes was hired by the City of Stockton to spray the hyacinth. Jack Hammer, the owner of Clean Lakes, came out to discuss hyacinth removal on 5 Mile Slough options with Joe Bryson and Dave Carr. Mr. Hammer will be talking with John Kelley from Reclamation District 2115 to discuss an alternative for removing the hyacinth from the north bank rather than south bank. Mr. Hammer will be contacting Joe Bryson if he needs to request a permit from the District.

IV. SEDIMENT REMOVAL PROJECT

A. Review progress of permitting process with the Board of Trustees.

Exhibit C: KSN Inc. Summary of work activities associated with the sediment removal project dated January 2, 2020.

Mr. Neudeck reported this item will be going before the State Lands Commission at their February meeting. Currently, details are being worked out with State Lands Commission and the Port of Stockton. The State Lands Commission's Lease Agreement has a condition that states the District is not authorized to sell the sediment material. However, the Port of Stockton has in their agreement they can do with material as they see fit. Legal counsel is sorting this out between the State Lands Commission and the Port. As soon as the District gets all approvals from the State Lands Commission, Mr. Neudeck will be able to put the project out to bid.

Attorney Dan Schroeder informed the Board once the agreement with the Port of Stockton is ready, the Board has two options and can direct staff to: (1) have a special meeting to sign agreement, or (2) authorize the Board President and legal staff to sign once the agreement with the Port is ready.

It was moved, seconded (B. Tholborn/D. MacDonnell) and unanimously carried by the Board of Trustees of Reclamation District 1608 to authorize the Board President and legal staff to sign the agreement with the Port of Stockton once it is ready.

5. **Annual District Emergency Plan Review.**

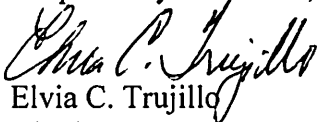
Please see Engineer's Report above under Section I. Flood Safety Plan Annual Refresher.

6. **Levee Superintendent Report. Request for directions and approvals.**

Joe Bryson gave an oral and written report. Mr. Bryson informed the Board In-Shape Health Club has a new owner. Since In-Shape is the emergency meeting point, he will be speaking with the new owners. KSN is getting the storage bin and working on Joe Bryson's inventory list of flood fight material. The storage bin will be placed on a cement slab and KSN is getting bids for the cement work. Mr. Bryson informed the Board the subventions program claim was approved and was told this was one of the best levees. For additional items, please refer to Mr. Bryson's written report.

7. **Report by Trustees on meetings attended and upcoming meetings. Request for direction.**
None.

8. **Report and possible action on Progress of Tasks Assigned at Previous Board Meetings.** None.
9. **Discussion and direction on Short-Term and Long-Range Goals.** None.
10. **District Calendar.** Discussion and direction.
- Mr. Schroeder reminded the Board it is Form 700 season.
 - It was requested that the DVD entry be removed.
 - President Panzer reported he would not be available to attend the February 5th Board Meeting. Board members, legal staff, district engineer, and levee superintendent checked their schedules and the February meeting was adjourned to February 14, 2020 at 8:00 a.m.
11. **Correspondence.** None.
12. **Approval of Bills.** The Bills to be Paid List presented at the January 8, 2020 meeting was reviewed, and
- Upon motion duly made, seconded (D. MacDonnell/B. Tholborn) and unanimously carried by the Trustees of Reclamation District 1608 that the Bills to be Paid List as presented at this meeting be approved.
13. **Staff Reports.**
- (a) Attorney. The Agenda for this meeting was posted on the window outside the meeting room at 3121 West March Lane, Suite 100, Stockton, California, at least seventy-two (72) hours preceding the meeting.
14. **Adjournment.** The meeting adjourned at 9:35 a.m.

Respectfully submitted,

Elvia C. Trujillo
District Secretary

Reclamation District 1608

January 2020 Bills

NAME	INVOICE #	AMOUNT	TOTAL \$	WARRANT #	CHECK #	SUBVENTION FUND
Michael Panzer (1/8/20 Regular Mtg.)	Trustee Fee	\$246.75				
			\$246.75	6278		
Brett Tholborn (1/8/20 Regular Mtg.)	Trustee Fee	\$246.75				
			\$246.75	6279		
Dan MacDonnell (1/8/20 Regular Mtg.)	Trustee Fee	\$246.75				
			\$246.75	6280		
Elvia Trujillo (December 2019)	Secretary Fee	\$860.00				
			\$860.00	6281		
Neumiller & Beardslee	303911	\$2,467.05				
			\$2,467.05	6282		
Kjeldsen, Sinnock & Neudeck	26704	\$1,698.75				
	26705	\$1,150.25				
	26706	\$1,587.70				
	26707	\$1,537.60				
	26708	\$12,445.50				
	26709	\$1,344.00				
			\$19,763.80	6283		
BPM	36205259	\$250.35				
			\$250.35	6284		
PG&E (Landview & Seagull)	950847867	\$10.10				
PG&E (Stone River)	2999432760-8	\$10.73				
			\$20.83	6285		
Dino & Son Ditching Services	20-03	\$3,892.00				
			\$3,892.00	6286		
State of California Payroll Taxes	4th Quarter	\$383.93				
			\$383.93		online 12/20/19	

Reclamation District 1608

January 2020 Bills

Federal Government Payroll Taxes	4thQuarter	\$1,910.74			
			\$1,910.74	online 12/20/19	
Bank of Stockton Visa	10/28/19 to 11/26/19	\$1,797.86			
			\$1,797.86	online 12/20/19	
Hector Bryan Kendall	Payroll 12/1/19-12/15/19	\$685.12			
			\$685.12	1446	
Check No. 1447 Void				1447	
Hector Bryan Kendall	Payroll 12/16/19-12/31/19	\$356.26			
			\$356.26	1448	
Joe L. Bryson	Payroll 12/01/19 - 12/31/19	\$4,102.84			
			\$4,102.84	1449	
	WARRANT TOTAL:		\$27,994.28		
	CHECKING TOTAL:		\$9,236.75		
	TOTAL BILLS PAID		\$37,231.03		

Reclamation District 1608

December 2019 Bills

NAME	INVOICE #	AMOUNT	TOTAL \$	WARRANT #	CHECK #	SUBVENTION FUND
Michael Panzer (12/4//19 Regular Mtg.)	Trustee Fee	\$246.75				
			\$246.75	6265		
Brett Tholborn (12/4/19 Regular Mtg.)	Trustee Fee	\$246.75				
			\$246.75	6266		
Dan MacDonnell (12/4/19 Regular Mtg.)	Trustee Fee	\$246.75				
			\$246.75	6267		
Elvia Trujillo (November 2019)	Secretary Fee	\$810.00				
			\$810.00	6268		
Reclamation Disrict 1608	Transfer to Checking	\$35,000.00				
			\$35,000.00	6269		
Neumiller & Beardslee	303215	\$3,546.13				
	303216	\$3,488.50				
	303805	\$3,972.50				
			\$11,007.13	6270		
Kjeldsen, Sinnock & Neudeck	26537	\$1,462.50				
	26538	\$1,557.50				
	26539	\$1,736.59				
	26540	\$1,857.50				
	26541	\$3,765.32				
	26542	\$48.75				
	26543	\$1,306.50				
			\$11,734.66	6271		
BPM	36203830	\$574.75				
			\$574.75	6272		
PG&E (Landview & Seagull)	0950847867-5	\$11.49				
PG&E (Stone River)	2999432760-8	\$10.00				
			\$21.49	6273		

ITEM 4



CROCE, SANGUINETTI, & VANDER VEEN^{INC}

CERTIFIED PUBLIC ACCOUNTANTS

January 7, 2020

Ms. Jean Knight
Reclamation District No. 1608
Post Office Box 4857
Stockton, California 95204

Dear Ms. Knight:

We enclose a working draft copy of the financial statements and independent auditors' report, our report *Communication with Those Charged with Governance* for **Reclamation District No. 1608** for the year ended June 30, 2019 and a standard representation letter.

After reviewing these statements and reports, please call our office regarding any revisions. In addition, please review and return the signed representation letter to our office in the enclosed reply envelope.

If you should have any questions, please do not hesitate to contact our office.

Yours very truly,

CROCE, SANGUINETTI, & VANDER VEEN, INC.
Certified Public Accountants

Pauline Sanguinetti
Certified Public Accountant

cml
Enclosure

RECLAMATION DISTRICT No. 1608

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT

JUNE 30, 2019

Working Draft



CROCE, SANGUINETTI, & VANDER VEEN

CERTIFIED PUBLIC ACCOUNTANTS INC.

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Independent Auditors' Report

To the Board of Trustees
Reclamation District No. 1608
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. 1608** (the District) as of and for the year ended June 30, 2019 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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 District'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 District'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.

Opinions

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. 1608** as of June 30, 2019, 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
January 3, 2020

RECLAMATION DISTRICT NO. 1608

Statement of Net Position

June 30, 2019

	<u>Governmental activities</u>
Assets	
Cash and investments	\$ 2,210,486
State assistance receivable - subventions	169,048
Prepaid insurance	6,590
Capital assets, net of accumulated depreciation of \$96,130	<u>11,690</u>
Total assets	<u>2,397,814</u>
Deferred outflows of resources	<u>-</u>
Liabilities	
Accounts payable	11,399
Payroll liabilities	8,808
Unearned revenue	<u>37,500</u>
Total liabilities	<u>57,707</u>
Deferred inflows of resources	<u>-</u>
Net position	
Net investment in capital assets	11,690
Unrestricted	<u>2,328,417</u>
Total net position	<u>\$ 2,340,107</u>

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

RECLAMATION DISTRICT NO. 1608

Statement of Activities

For the year ended June 30, 2019

	<u>Expenses</u>	<u>Program revenues Operating grants and contributions</u>	<u>Net (expenses) revenues and changes in net position</u>
Governmental activities			
Operations	\$ 546,965	\$ 236,172	\$ <u>(310,793)</u>
Net program (expenses) revenues			<u>(310,793)</u>
General revenues			
Assessments			302,205
Property taxes			227,848
Interest			33,854
Miscellaneous			<u>5,748</u>
Total general revenues			<u>569,655</u>
Change in net position			258,862
Net position, beginning of year			<u>2,081,245</u>
Net position, end of year			<u>\$ 2,340,107</u>

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

RECLAMATION DISTRICT NO. 1608

Balance Sheet - Governmental Funds

June 30, 2019

	<u>General Fund</u>
Assets	
Assets	
Cash and investments	\$ 2,210,486
Prepaid insurance	<u>6,590</u>
Total assets	<u>\$ 2,217,076</u>
Liabilities and Fund Balance	
Liabilities	
Accounts payable	\$ 11,399
Payroll liabilities	8,808
Unearned revenue	<u>37,500</u>
Total liabilities	<u>57,707</u>
Fund balance	
Nonspendable:	
Prepaid insurance	6,590
Assigned to emergency repair projects	900,000
Assigned to capital improvement	500,000
Unassigned	<u>752,779</u>
Total fund balance	<u>2,159,369</u>
Total liabilities and fund balance	<u>\$ 2,217,076</u>

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

RECLAMATION DISTRICT NO. 1608

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

June 30, 2019

Total fund balance - governmental funds \$ 2,159,369

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

State assistance receivable are not available to pay current period expenditures and, therefore, not reported in the governmental funds balance sheet. 169,048

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet.

Capital assets	\$ 107,820	
Less accumulated depreciation	<u>(96,130)</u>	
	<u>\$ 11,690</u>	<u>11,690</u>

Net position of governmental activities \$ 2,340,107

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

RECLAMATION DISTRICT NO. 1608

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

For the year ended June 30, 2019

	<u>General fund</u>
Revenues	
State assistance - subventions	\$ 389,143
Assessments	302,205
Property taxes	227,848
Interest	33,854
Miscellaneous	<u>5,748</u>
Total revenues	<u>958,798</u>
Expenditures	
Engineering	203,247
Salaries and wages/auto allowance	96,076
Levee repairs and maintenance	77,816
Legal and accounting fees	47,655
Repairs and maintenance	23,129
Insurance	15,599
Public relations	12,165
Other taxes and fees	11,059
Trustee fees	9,435
Secretary fees	9,240
Office expense	8,450
Payroll taxes	8,188
Weed control	5,000
County tax administration	4,087
County office expense	3,291
Fuel	2,041
Telephone	1,522
Storage	800
Utilities	330
Miscellaneous expense	<u>25</u>
Total expenditures	<u>539,155</u>
Net change in fund balance	419,643
Fund balance, beginning of year	<u>1,739,726</u>
Fund balance, end of year	<u>\$ 2,159,369</u>

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

RECLAMATION DISTRICT NO. 1608

**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, 2019

Net change in fund balance - governmental funds \$ 419,643

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. (152,972)

Depreciation expense related to capital assets is recognized in the statement of activities, but is not reported in the funds. (7,809)

Change in net position of governmental activities \$ 258,862

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

RECLAMATION DISTRICT NO. 1608

Notes to Financial Statements

June 30, 2019

Note A - Summary of Significant Accounting Policies

This summary of significant accounting policies of Reclamation District No. 1608 (the District) is presented to assist in understanding the District's financial statements.

Description of the reporting entity

The District was formed in 1914 under Section 50000 et. seq. of Division 15 of the California State Water Code to provide drainage, irrigation and complete reclamation of lands within District boundaries. It 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, assessments, 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 - This fund is established to account for resources devoted to financing the general services that the District performs. Property taxes, 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. 1608

Notes to Financial Statements

June 30, 2019

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.

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.

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.

Capital assets

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. The District's policy is to capitalize all assets with costs exceeding certain minimum thresholds and with useful lives exceeding two years. The District has elected not to retroactively capitalize infrastructure capital assets acquired prior to July 1, 2003, as allowed by GASB Statement No. 34.

(Continued)

RECLAMATION DISTRICT NO. 1608

Notes to Financial Statements

June 30, 2019

Note A - Summary of Significant Accounting Policies (Continued)

GASB Statement No. 34 requires that all capital assets with limited useful lives be depreciated over their estimated useful lives. Depreciation has been provided on capital assets and is charged as an expense against operations each year. The total amount of depreciation taken over the years is reported on the balance sheet as a reduction in the book value of capital assets.

Depreciation is provided using the straight-line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The District has assigned the useful lives listed below to capital assets.

Buildings and structures	20 years
Improvements	20 years
Equipment	7-10 years
Vehicles	5 years

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Long-lived assets

Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the fair value of the asset. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less costs to sell.

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.

(Continued)

RECLAMATION DISTRICT NO. 1608

Notes to Financial Statements

June 30, 2019

Note A - Summary of Significant Accounting Policies (Continued)

- 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.

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.

(Continued)

RECLAMATION DISTRICT NO. 1608

Notes to Financial Statements

June 30, 2019

Note A - Summary of Significant Accounting Policies (Continued)

Assessments

Assessments are levied at the discretion of the Board of Trustees. The assessments are approved by a vote of the land owners pursuant to the requirements of the California Constitution Article XIII.C and XIII.D.

Property taxes

Property taxes were levied January 1, 2018, and were payable in two installments on December 10, 2018 and April 10, 2019. The County of San Joaquin bills and collects property taxes on behalf of 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. 1608

Notes to Financial Statements

June 30, 2019

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 \$169,048 as reported on the statement of net position as of June 30, 2019 represents management's estimates of reimbursable state assistance for subvention eligible expenses relative to the fiscal year ended June 30, 2019. Although considerable variability is inherent in this estimate, management believes that the accruals for state assistance receivable are adequate.

Note B - Cash and Investments

Cash and investments of the District as of June 30, 2019, consist of the following:

	<u>Carrying amount</u>	<u>Bank balance</u>	<u>Fair value</u>
<u>Deposits in commercial accounts</u>			
Public checking	\$ 21,996	\$ 21,996	
	<u>21,996</u>	<u>\$ 21,996</u>	
<u>Investment in external investment pool</u>			
San Joaquin County Treasurer	<u>2,188,490</u>		<u>\$ 2,188,490</u>
Total cash and investments	<u>\$ 2,210,486</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.

(Continued)

RECLAMATION DISTRICT NO. 1608

Notes to Financial Statements

June 30, 2019

Note B - Cash and Investments (Continued)

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.

<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. 1608

Notes to Financial Statements

June 30, 2019

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>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>	<u>More than 60 months</u>
San Joaquin County							
Treasurer	<u>\$2,188,490</u>	<u>\$ 2,188,490</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	<u>\$2,188,490</u>	<u>\$ 2,188,490</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	<u>\$2,188,490</u>	<u>N/A</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,188,490</u>
Total	<u>\$2,188,490</u>	<u>N/A</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,188,490</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.

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

(Continued)

RECLAMATION DISTRICT NO. 1608

Notes to Financial Statements

June 30, 2019

Note B - Cash and Investments (Continued)

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, 2019, the District's bank balance was \$21,996 and \$21,996 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, 2019, the San Joaquin County Treasurer's pooled investment fund contained no derivatives or other investments with similar risk profiles.

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.

RECLAMATION DISTRICT NO. 1608

Notes to Financial Statements

June 30, 2019

Note C - Capital Assets

Capital asset activity for the year ended June 30, 2019 is as follows:

	<u>Balance</u> <u>July 1, 2018</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>June 30, 2019</u>
Depreciable capital assets				
Buildings and structures	\$ 22,897	\$ -	\$ -	\$ 22,897
Improvements	46,634	-	-	46,634
Equipment	10,970	-	-	10,970
Vehicles	<u>27,319</u>	<u>-</u>	<u>-</u>	<u>27,319</u>
Total depreciable capital assets	107,820	-	-	107,820
Less accumulated depreciation	<u>(88,321)</u>	<u>(7,809)</u>	<u>-</u>	<u>(96,130)</u>
Total depreciable capital assets, net	<u>19,499</u>	<u>(7,809)</u>	<u>-</u>	<u>11,690</u>
Total capital assets, net	<u>\$ 19,499</u>	<u>\$ (7,809)</u>	<u>\$ -</u>	<u>\$ 11,690</u>

Note D - 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 E - Insurance

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, auto, and worker's compensation 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, 2019, 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 and commercial excess coverage with liability limits of \$3,000,000 per occurrence and \$3,000,000 in the aggregate.

RECLAMATION DISTRICT NO. 1608

Notes to Financial Statements

June 30, 2019

Note F - Governing Board

As of June 30, 2019, the three members of the District's Board of Trustees were as follows:

<u>Trustee</u>	<u>Term expires</u>
Dan MacDonnell	December 2021
Michael Panzer	December 2019
Brett Tholborn	December 2019

Working Draft

REQUIRED SUPPLEMENTAL INFORMATION

Working Draft

RECLAMATION DISTRICT NO. 1608

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

Year ended June 30, 2019

	General fund		
	Budgeted amounts <u>original/final</u>	Actual <u>amounts</u>	Variance with final budget positive/ <u>(negative)</u>
Revenues			
State assistance - subventions	\$ -	\$ 389,143	\$ 389,143
Assessments	298,000	302,205	4,205
Property taxes	208,120	227,848	19,728
Interest	15,000	33,854	18,854
Reimbursement/miscellaneous	<u>50,000</u>	<u>5,748</u>	<u>(44,252)</u>
Total revenues	<u>571,120</u>	<u>958,798</u>	<u>387,678</u>
Expenditures			
Engineering	456,100	203,247	252,853
Salaries and wages/auto allowance	95,900	96,076	(176)
Levee repairs and maintenance	225,000	77,816	147,184
Legal and accounting fees	59,000	47,655	11,345
Repairs and maintenance	52,500	23,129	29,371
Insurance	16,900	15,599	1,301
Public relations	12,000	12,165	(165)
Other taxes and fees	-	11,059	(11,059)
Trustee fees	8,460	9,435	(975)
Secretary fees	10,000	9,240	760
Office expense	2,000	8,450	(6,450)
Payroll taxes	14,000	8,188	5,812
Weed control	14,000	5,000	9,000
County tax administration	4,250	4,087	163
County office expense	3,000	3,291	(291)
Fuel	-	2,041	(2,041)
Telephone	1,800	1,522	278
Storage	-	800	(800)
Utilities	3,000	330	2,670
Miscellaneous	<u>-</u>	<u>25</u>	<u>(25)</u>
Total expenditures	<u>977,910</u>	<u>539,155</u>	<u>438,755</u>
Net change in fund balance	(406,790)	419,643	826,433
Fund balance, beginning of year	<u>1,739,726</u>	<u>1,739,726</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,332,936</u>	<u>\$ 2,159,369</u>	<u>\$ 826,433</u>

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

RECLAMATION DISTRICT NO. 1608

Notes to Required Supplemental Information

June 30, 2019

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, 2019. 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.

_____, 2020

Board of Trustees
Reclamation District No. 1608
Post Office Box 4857
Stockton, California 95204

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of **Reclamation District No. 1608** for the year ended June 30, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to planned scope and timing of our audit. We have communicated such information to you. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by **Reclamation District No. 1608** 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 the year ended June 30, 2019. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

Management's estimate of the state assistance receivable - subventions in the amount of \$169,048 as reported on the statement of net position as of June 30, 2019, is based on calculations and assessments by the District's engineers of the proceeds to be received for subvention eligible expenses for the fiscal year ended June 30, 2019.

Certain financial statement disclosures are particularly sensitive because of their significance to the financial statement users. We did not identify any sensitive financial statement disclosures.

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We did not identify any material misstatements during the course of our audit.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 7, 2020.

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

Other Matters

We applied certain limited procedures to the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Governmental Funds, which is 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.

Restriction on Use

This information is intended solely for the use of the Board of Trustees of **Reclamation District No. 1608** and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

CROCE, SANGUINETTI, & VANDER VEEN, INC.
Certified Public Accountants

DRAFT

RECLAMATION DISTRICT NO. 1608
POST OFFICE BOX 4857
STOCKTON, CALIFORNIA 95204

January 7, 2020

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. 1608** (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, 2019, 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 January 3, 2020, 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 29, 2019, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for 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, as amended, and GASB Statement No. 84.
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. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.

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. We agree that the Management's Discussion and Analysis is properly not included in the financial statements.
44. The District has recorded an estimate of state assistance receivable - subventions from the Department of Water Resources in the amount of \$169,048 as reported on the statement of net position. Management believes that the estimate is adequate.
45. 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 -
 1. Assumed all management responsibilities.
 2. Designated an individual (within senior management), with suitable skill, knowledge, or experience to oversee the services.
 3. Evaluated the adequacy and results of the services performed.
 4. Accepted responsibility for the result of the services.

Signed X _____

Title _____



CROCE, SANGUINETTI, & VANDER VEEN^{INC.}

CERTIFIED PUBLIC ACCOUNTANTS

January 7, 2020

Ms. Jean Knight
Reclamation District No. 1608
Post Office Box 4857
Stockton, California 95204

Dear Jean:

We enclose the Special Districts Financial Transactions Report (SDFTR) for the year ended June 30, 2019. The SDFTR was prepared utilizing a program provided by the State Controller's Office and the completed report was transmitted directly to them.

To complete the filing process, please sign the cover page where indicated and mail the signed cover page and the supplemental forms in the envelope provided as soon as possible. The signature page must be received by the State Controller on or before January 31, 2020. The State Controller's office is attempting to match the signed cover page to the electronic submission. Accordingly, please mail the cover page promptly.

Copies of the reports are enclosed for your files. If you have any questions, please call our office.

Yours very truly,

CROCE, SANGUINETTI, & VANDER VEEN, INC.
Certified Public Accountants

A handwritten signature in cursive script that reads "Pauline Sanguinetti".

Pauline Sanguinetti
Certified Public Accountant

cml
Enclosures

SPECIAL DISTRICTS FINANCIAL TRANSACTIONS REPORT COVER PAGE

Special District of Reclamation District No. 1608

Reporting Year: 2019

ID Number: 12263911400

Certification:

I hereby certify that, to the best of my knowledge and belief, the report forms fairly reflect the financial transactions of the special district in accordance with the requirements as prescribed by the California State Controller.

Special District Fiscal Officer

COPY

Signature

Title

Name (Please Print)

Date

Per Government Code section 53891(a), this report is due within seven months after the close of the fiscal year. The report shall contain underlying data from audited financial statements prepared in accordance with generally accepted accounting principles, if this data is available.

Please complete, sign, and mail this cover page to either address below:

Mailing Address:
State Controller's Office
Local Government Programs and Services Division
Local Government Reporting Section
P.O. Box 942850
Sacramento, CA 94250

Express Mailing Address:
State Controller's Office
Local Government Programs and Services Division
Local Government Reporting Section
3301 C Street, Suite 700
Sacramento, CA 95816

The Financial Transactions Report was successfully submitted to the State Controller's Office on 1/7/2020 11:25:38 AM

Special District of Reclamation District No. 1608
Special Districts Financial Transactions Report
General Information

Fiscal Year: 2019

District Mailing Address

Street 1 Has Address Changed?

Street 2

City State Zip

Email

Members of the Governing Body

	First Name	M. I.	Last Name	Title
Member 1	Dan		MacDonnell	Trustee
Member 2	Brett		Tholborn	Trustee
Member 3	Michael		Panzer	Trustee
Member				

District Fiscal Officers

	First Name	M. I.	Last Name	Title	Email
Official 1	Jean		Knight	Secretary	jknight@neumiller.com
Official 2	Dan		Schroeder	Attorney	dschroeder@neumiller.com
Officials					

Report Prepared By

First Name M. I. Last Name

Telephone Email

Independent Auditor

Firm Name

First Name M. I. Last Name

Telephone

1. Is this district a component unit of a City, County, or Special District (Choose one)? If "Yes", answer question 2. Yes No
2. Is this district a blended component unit (BCU) or a discretely presented component unit (DPCU) of a City, County, or Special District (Choose one)? Refer to the Financial Transactions Report (FTR) instructions for definitions of these terms. If the district is a BCU, answer questions 3 - 5.
 BCU DPCU
3. Is financial data of this BCU included in the financial statements or Comprehensive Annual Financial Report (CAFR) of a City, County, or Special District (Choose one)?
 City County Special District
4. In which City, County, or Special District financial statements or CAFR is the financial data of this BCU included?
City name:
County name:
Special District name:
5. Is financial data of this BCU included in the City, County, or Special District FTR (Choose one)? Yes No



CROCE, SANGUINETTI, & VANDER VEEN^{INC}

CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Trustees
Reclamation District No. 1608
Stockton, California

The accompanying Special Districts Financial Transactions Report of **Reclamation District No. 1608** as of and for the year ended June 30, 2019, was not subjected to an audit, review, or compilation engagement by us and, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on it.

The Special Districts Financial Transaction Report is presented in accordance with the requirements of the Controller of the State of California, which differ from accounting principles generally accepted in the United States of America. This report is intended solely for the information and use of the Controller of the State of California and is not intended to be and should not be used by anyone other than this specified party.

Croce, Sanguinetti, & Vander Veen, Inc.

CROCE, SANGUINETTI, & VANDER VEEN, INC.
Certified Public Accountants
Stockton, California
January 3, 2020

Special District of Reclamation District No. 1608
Special Districts Financial Transactions Report
Balance Sheet
Governmental Funds

Fiscal Year: 2019

	General	Special Revenue	Debt Service	Capital Projects	Permanent	Total Governmental Funds
Assets						
R01. Cash and Investments	2,210,486					2,210,486
R02. Investments						
R03. Accounts Receivable (net)						
R04. Taxes Receivable						
R05. Interest Receivable (net)						
R06. Lease Payments Receivable						
R07. Due from Other Funds						
R08. Due from Other Governments						
R09. Advances to Other Funds						
R10. Inventories						
R11. Prepaid Items	6,590					6,590
R12. Loans, Notes, and Contracts Receivable						
R13. Other Assets 1						
R14. Other Assets 2						
R15. Other Assets 3						
R16. Total Assets	\$2,217,076	\$0	\$0	\$0	\$0	\$2,217,076
R17. Deferred Outflows of Resources						
R18. Total Assets and Deferred Outflows of Resources	\$2,217,076	\$0	\$0	\$0	\$0	\$2,217,076
Liabilities						
R19. Accounts Payable	11,399					11,399
R20. Contracts and Retainage Payable						
R21. Interest Payable						
R22. Due to Other Funds						
R23. Due to Other Governments						
R24. Advances from Other Funds						
R25. Deposits and Advances						
R26. Loans and Notes Payable						
R27. Other Liabilities 1	8,808					8,808
R28. Other Liabilities 2	37,500					37,500
R29. Other Liabilities 3						
R30. Total Liabilities	\$57,707	\$0	\$0	\$0	\$0	\$57,707
R31. Deferred Inflows of Resources						
R32. Total Liabilities and Deferred Inflows of Resources	\$57,707	\$0	\$0	\$0	\$0	\$57,707
Fund Balances (Deficits)						
R33. Nonspendable	6,590					6,590
R34. Restricted						
R35. Committed						
R36. Assigned	1,400,000					1,400,000
R37. Unassigned	752,779					752,779
R38. Total Fund Balances (Deficits)	\$2,159,369	\$0	\$0	\$0	\$0	\$2,159,369
R39. Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$2,217,076	\$0	\$0	\$0	\$0	\$2,217,076

**Special District of Reclamation District No. 1608
Special Districts Financial Transactions Report - Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances**

Fiscal Year: 2019

Activity: (1 of 1) (Record Completed)

Land Reclamation and Levee Maintenance

	General	Special Revenue	Debt Service	Capital Projects	Permanent	Total Governmental Funds
Revenues						
Taxes and Assessments						
R01. Current Secured and Unsecured (1%)	226,077					226,077
R02. Voter-Approved Taxes						
R03. Pass-through and Residual Property Taxes (ABX1 25)						
R05. Tax Increment						
R06. Parcel Tax						
R07. Property Assessments	302,205					302,205
R09. Prior-Year Taxes and Assessments						
R10. Penalties and Costs of Delinquent Taxes and Assessments						
R11. Other Taxes and Assessments						
R12. Total Taxes and Assessments	528,282	0	0	0	0	528,282
R13. Licenses, Permits, and Franchises						
R14. Fines, Forfeitures, and Penalties						
Revenue from Use of Money and Property						
R15. Investment Earnings	33,854					33,854
R16. Rents, Leases, Concessions, and Royalties						
R17. Other Revenue from Use of Money and Property						
R18. Total Revenue from Use of Money and Property	33,854	0	0	0	0	33,854
Intergovernmental – Federal						
R19. Aid for Construction						
R20. Other Intergovernmental – Federal						
R21. Total Intergovernmental – Federal	0	0	0	0	0	0
Intergovernmental – State						
R22. Aid for Construction						
R23. State Water Project						
R24. Homeowners Property Tax Relief	1,771					1,771
R25. Timber Yield						
R26. Other Intergovernmental – State	389,143					389,143
R27. Total Intergovernmental – State	390,914	0	0	0	0	390,914
R28. Intergovernmental – Other						
R29. Charges for Current Services						
R30. Contributions from Property Owners						
Self-Insurance Only						
R31. Member Contributions						
R32. Claim Adjustments						
R33. Total Self-Insurance Only	0	0	0	0	0	0
R34. Other Revenues	5,748					5,748
R35. Total Revenues	\$958,798	\$0	\$0	\$0	\$0	\$958,798
Expenditures						
R36. Salaries and Wages	96,076					96,076
R37. Employee Benefits						
R38. Services and Supplies	443,079					443,079
R39. Self-Insurance Only – Claims Paid						
R40. Contributions to Outside Agencies						
Debt Service						
R41. Principal Payments on Long-Term Debt						
R42. Interest Payments on Long-Term Debt						
R42.5 Lease Principal						
R43. Principal and Interest on Short-Term Notes and Warrants						
R44. Other Debt Service						
R45. Total Debt Service	0	0	0	0	0	0
R46. Capital Outlay						

R47. Other Expenditures						
R48. Total Expenditures	\$539,155	\$0	\$0	\$0	\$0	\$539,155
R49. Excess (Deficiency) of Revenues Over (Under) Expenditures	\$419,643	\$0	\$0	\$0	\$0	\$419,643
Other Financing Sources (Uses)						
R50. Long-Term Debt Proceeds						
R51. Other Long-Term Debt Proceeds						
R51.5 Lease Obligations Proceeds						
R51.6 Proceeds from Refinancing on Loans, Notes, and Other						
R51.7 Payments to Refinanced Loans, Notes, and Other						
R52. Refunding Bonds Proceeds						
R53. Premium on Bonds Issued						
R54. Discount on Bonds Issued						
R55. Payments to Refunded Bond Escrow Agent						
R56. Demand Bonds						
R57. Proceeds from Sale of Capital Assets						
R58. Capital Leases						
R59. Insurance Recoveries						
R60. Transfers In						
R61. Transfers Out						
R61.5 Other Financing Sources (Uses) – Other						
R62. Total Other Financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0
Special and Extraordinary Items						
R63. Special Item						
R64. Extraordinary Item						
R65. Total Special and Extraordinary Items	0	0	0	0	0	0
R66. Net Change in Fund Balances	\$419,643	\$0	\$0	\$0	\$0	\$419,643
R67. Fund Balances (Deficits), Beginning of Fiscal Year	\$1,739,726	\$0	\$0	\$0	\$0	\$1,739,726
R68. Adjustment						
R69. Reason for Adjustment						
R70. Fund Balances (Deficits), End of Fiscal Year	\$2,159,369	\$0	\$0	\$0	\$0	\$2,159,369

Special District of Reclamation District No. 1608
Special Districts Financial Transactions Report
Noncurrent Assets, Deferred Outflows of Resources,
Noncurrent Liabilities, and Deferred Inflows of Resources
Governmental Funds

Fiscal Year: 2019

		Noncurrent Assets/Deferred Outflows of Resources	Noncurrent Liabilities/Deferred Inflows of Resources
Noncurrent Assets			
Capital Assets			
R01.	Land		
R02.	Buildings and Improvements	69,531	
R03.	Equipment	38,289	
R04.	Infrastructure		
R05.	Intangible Assets – Amortizable		
R06.	Construction in Progress		
R07.	Intangible Assets – Nonamortizable		
R08.	Other Capital Assets		
R09.	Less: Accumulated Depreciation/Amortization	-69,130	
R10.	Net Pension Asset		
R11.	Net OPEB Asset		
R12.	Other Noncurrent Assets 1		
R13.	Other Noncurrent Assets 2		
R14.	Other Noncurrent Assets 3		
R15.	Total Noncurrent Assets	\$11,690	
Deferred Outflows of Resources			
R16.	Related to Pensions		
R17.	Related to OPEB		
R18.	Related to Debt Refunding		
R19.	Other Deferred Outflows of Resources		
R20.	Total Deferred Outflows of Resources	\$0	
R21.	Total Noncurrent Assets and Deferred Outflows of Resources	\$11,690	
Noncurrent Liabilities			
R22.	Deposits and Advances		
R23.	Compensated Absences		
R24.	General Obligation Bonds		
R25.	Revenue Bonds		
R26.	Certificates of Participation		
R27.	Other Bonds		
R28.	Loans (Other Long-Term Debt)		
R29.	Notes (Other Long-Term Debt)		
R30.	Other (Other Long-Term Debt)		
R31.	Construction Financing – Federal		
R32.	Construction Financing – State		
R33.	Lease Principal		
R34.	Net Pension Liability		
R35.	Net OPEB Liability		
R36.	Other Noncurrent Liabilities 1		
R37.	Other Noncurrent Liabilities 2		
R38.	Other Noncurrent Liabilities 3		
R39.	Total Noncurrent Liabilities		\$0
Deferred Inflows of Resources			
R40.	Related to Pensions		
R41.	Related to OPEB		
R42.	Related to Debt Refunding		
R43.	Other Deferred Inflows of Resources		
R44.	Total Deferred Inflows of Resources		\$0
R45.	Total Noncurrent Liabilities and Deferred Inflows of Resources		\$0

Special District of Reclamation District No. 1608
Special Districts Financial Transactions Report
Appropriations Limit Information

Fiscal Year: 2019

R01. Appropriations Limit	584,405
R02. Total Annual Appropriations Subject to the Limit	232,950
R03. Revenues Received (Over) Under Appropriations Limit	\$351,455

Special District of Reclamation District No. 1608
Special District Financial Transactions Report
Footnotes

Fiscal Year: 2019		
FORM DESC	FIELD NAME	FOOTNOTES
RevenuesExpendituresChangesFundBalances	(R26)Gen-OtherIntergovernmentalState	(Land Reclamation and Levee Maintenance) Revenue received from the California Delta Levee Maintenance Subventions Program.
RevenuesExpendituresChangesFundBalances	(R34)Gen-OtherRevenues	(Land Reclamation and Levee Maintenance) Miscellaneous revenues.
RevenuesExpendituresChangesFundBalances	(R35)Gen-TotalRevenues	(Land Reclamation and Levee Maintenance) Greater property taxes and state assistance received.
RevenuesExpendituresChangesFundBalances	(R38)Gen-ServicesandSupplies	(Land Reclamation and Levee Maintenance) Less levee repair projects completed during the year.
BalanceSheetGovernmentalFunds	(R01)Gen-CashInvestments	District held larger cash balances at year-end due to less expenses during the year.
BalanceSheetGovernmentalFunds	(R16)Gen-TotalAssets	District held larger cash balances at year-end due to less expenses during the year.
BalanceSheetGovernmentalFunds	(R27)Gen-OtherLiabilities1	Payroll liabilities.
BalanceSheetGovernmentalFunds	(R28)Gen-OtherLiabilities2	Unearned revenue.
BalanceSheetGovernmentalFunds	(R30)Gen-TotalLiabilities	Increase due to the unearned revenue recorded at 6/30/19. Also, less accounts payable than in the prior year.
NoncurrentAssetsLiabilities	(R34)Liab-NetPensionLiability	The District does not participate in a pension plan.

Total Footnote: 10

Supplement to the Annual Report of Special Districts

Special District ID Number:	12263911400
Name of District:	Reclamation District No. 1608

Mark the appropriate box below to indicate the ending date of your agency's fiscal year. Report data for that period only.

July 2018	October 2018	January 2019	April 2019
August 2018	November 2018	February 2019	May 2019
September 2018	December 2018	March 2019	✓ June 2019

Return this form to the **California State Controller's Office**. If you have any questions regarding this form, please contact:

U.S. Bureau of the Census, Michael Osman, 1-800-242-4523

A. Personnel Expenditures

Please report your government's total expenditures for salaries and wages during the year, including amounts paid on force account construction projects.

ZOO:	\$ 96,076
-------------	-----------

B. Capital Outlay Expenditures for Enterprise Activities

Please report your government's capital outlay expenditures for the following enterprise activities, if applicable:

Airport Enterprise	Amount
Land and Equipment (Census Code G01)	\$ 0
Construction (Census Code FO1)	\$ 0

Electric Enterprise	Amount
Land and Equipment (Census Code G92)	\$ 0
Construction (Census Code F92)	\$ 0

Harbor and Port Enterprise	Amount
Land and Equipment (Census Code G87)	\$ 0
Construction (Census Code F87)	\$ 0

Hospital Enterprise	Amount
Land and Equipment (Census Code G36)	\$ 0
Construction (Census Code F36)	\$ 0

Waste Disposal Enterprise	Amount
Land and Equipment (Census Code G81)	\$ 0
Construction (Census Code F81)	\$ 0

Water Enterprise	Amount
Land and Equipment (Census Code G91)	\$ 0
Construction (Census Code F91)	\$ 0

ITEM 5



**CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES
JOINT POWERS RISK AND INSURANCE MANAGEMENT AUTHORITY (JPRIMA)**

**COVERAGE PROPOSAL
Reclamation District 1608**

**COVERAGE PERIOD
4/1/2020 - 4/1/2021**

**PRESENTED BY:
Dohrmann Insurance Agency**



**Insurance Administrator
www.alliedpublicrisk.com
Allied Community Insurance Services, LLC
CA License Number: 0L01269
National Producer Number: 17536322**



PREMIUM SUMMARY

NOTE: This proposal is prepared from information supplied to us on the application submitted by you or insurance broker. It may or may not contain all terms requested on the application. Coverage is provided by the JPRIMA Memorandum of Coverage (MOC) and subject to its terms, exclusions, conditions and limitations. A specimen MOC is available for your review, as is the JPRIMA Member Agreement. Enrollment in the JPRIMA requires execution of the JPRIMA Member Agreement as well as membership in the California Association of Mutual Water Companies (Cal Mutuals).

PAGE	COVERAGE SECTION		PREMIUM
3-7	SECTION 1. PROPERTY (Property, Equipment Breakdown & Mobile Equipment)	\$	201.00
8	SECTION 2. COMMERCIAL CRIME	\$	500.00
9-10	SECTION 3. COMMERCIAL GENERAL LIABILITY	\$	3,776.00
11	SECTION 4. PUBLIC OFFICIALS & MANAGEMENT LIABILITY (Wrongful Acts, Employment Practices & Employee Benefits, Privacy and Network Risk)	\$	994.00
12	SECTION 5. BUSINESS AUTO	\$	1,322.00
13	SECTION 6. COMMERCIAL EXCESS LIABILITY	\$	1,790.00
	MEMBER CONTRIBUTION	\$	8,583.00
	JPRIMA ADMINISTRATION FEES	\$	960.00
	TOTAL AMOUNT DUE*	\$	9,543.00

*Payment is due within thirty (30) days of binding.

NOTES:

The JPRIMA MOC has a common anniversary date of April 1, 2020.

Terrorism coverage is automatically included for Property and General Liability.



SECTION 1. PROPERTY*

***PROPERTY IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- Allied World Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Proprietary & Integrated

LIMITS:

Blanket Property: (Real Property & Business Personal Property)	\$107,552
Blanket Coverage Extension: A separate blanket limit that applies to the following coverages: Business Income, Extended Business Income, Commandeered Property, Civil Authority, Extra Expense, Tenant Leasehold Interest, Electronic Data, Preservation of Property.	\$100,000
Equipment Breakdown / Boiler & Machinery:	Included
Mobile Equipment (scheduled):	\$10,000
Mobile Equipment (unscheduled, maximum \$10,000 any one item):	N/A
Mobile Equipment (borrowed, rented & leased):	N/A
Flood Zone X: (shaded/unshaded)	N/A

DEDUCTIBLES:

\$1,000	Property
\$1,000	Mobile Equipment
\$1,000	Equipment Breakdown (aboveground & less than 50 feet belowground)
\$2,500	Equipment Breakdown (greater than 50 feet belowground)
N/A	Flood Zone X (per occurrence)

COVERAGE HIGHLIGHTS:

- Blanket Property Limits & Blanket Coverage Extension Limits
- No Coinsurance Penalty
- Equipment Breakdown
- Foundations as Covered Property

VALUATION:

- Replacement Cost: Real Property & Business Personal Property
- Actual Cash Value: Mobile Equipment
- Actual Loss Sustained: Loss of Income & Expenses
- Market Price: Fine Arts

KEY EXCLUSIONS:

- Earthquake & Earth Movement
- Flood (unless coverage is designated above, such coverage would be limited to locations in Zone X only)

COVERAGE PROPOSAL FOR MEMBER: Reclamation District 1608

EFFECTIVE DATE: 4/1/2020 - 4/1/2021

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.



SPECIAL COVERAGES:

- **New Locations or Newly Constructed Property:**
Pays up to \$1,000,000 for your new real property while being built on or off described premises as well as real property you acquire, lease or operate at locations other than the described premises; and business personal property located at new premises.
- **Utility Services – Direct Damage, Business Income & Expense:**
Pays up to \$250,000 for covered property damaged by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss and does not apply to loss or damage to electronic data, including destruction or corruption of electronic data. Separate limits apply to Direct Damage and Business Income/Expense.
- **Pollution Remediation Expenses:**
Pays up to \$100,000 or \$250,000 for remediation expenses resulting from a Covered Causes of Loss or Specified Cause of Loss occurring during the coverage period and reported within 180 days. Covered Causes of Loss means risks of direct physical loss unless the loss is excluded or limited by the Property Coverage Form. Specified Cause of Loss means the following: fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow; ice or sleet; water damage; and equipment breakdown.
- **SCADA Upgrades:**
Pays up to \$100,000 to upgrade your scheduled SCADA system after direct physical loss from a Covered Cause of Loss. The upgrade is in addition to its replacement cost. SCADA means the Supervisory Control and Data Acquisition system used in water and wastewater treatment and distribution to monitor leaks, waterflow, water analysis, and other measurable items necessary to maintain operations.
- **Contract Penalties:**
Pays up to \$100,000 for contract penalties you are required to pay due to your failure to deliver your product according to contract terms solely as a result of direct physical loss or damage by a Covered Cause of Loss to Covered Property.
- **Contamination:**
Pays up to \$250,000 for loss or damage to covered property because of contamination as a result of a Covered Cause of Loss. Contamination means direct damage to real property and business personal property caused by contact or mixture with ammonia, chlorine, or any chemical used in the water and / or wastewater treatment process.
- **Property In Transit:**
Pays up to \$100,000 for direct physical loss or damage to covered property while in transit more than 1000 feet from the described premises. Shipments by mail must be registered for covered to apply. Electronic data processing property and fine arts are excluded.
- **Unintentional Errors:**
Pays up to \$250,000 for any unintentional error or omission you make in determining or reporting values or in describing the covered property or covered locations.

COVERAGE PROPOSAL FOR MEMBER: Reclamation District 1608

EFFECTIVE DATE: 4/1/2020 - 4/1/2021

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.

Page 4 of 13

The MOC may contain limits, exclusions, and limitations that are not detailed in this proposal.



KEY DEFINITIONS

■ **Real Property:**

The buildings, items or structures described in the Declarations that you own or that you have leased or rented from others in which you have an insurable interest. This includes:

- Aboveground piping;
- Aboveground and belowground penstock;
- Additions under construction;
- Alterations and repairs to the buildings or structures;
- Buildings;
- Business personal property owned by you that is used to maintain or service the real property or structure or its premises, including fire-extinguishing equipment; outdoor furniture, floor coverings and appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
- Completed additions;
- Exterior signs, meaning neon, automatic, mechanical, electric or other signs either attached to the outside of a building or structure, or standing free in the open;
- Fixtures, including outdoor fixtures;
- Foundations;
- Glass which is part of a building or structure;
- Light standards;
- Materials, equipment, supplies and temporary structures you own or for which you are responsible, on the premises or in the open (including property inside vehicles) within 1000 feet of the premises, used for making additions, alterations or repairs to buildings or structures at the premises;
- Paved surfaces such as sidewalks, patios or parking lots;
- Permanently installed machinery and equipment;
- Permanent storage tanks;
- Solar panels;
- Submersible pumps, pump motors and engines;
- Underground piping located on or within 100 feet of premises described in the Declarations;
- Underground vaults and machinery.

■ **Business Personal Property:**

The property you own that is used in your business including:

- Furniture and fixtures;
- Machinery and equipment;
- Computer equipment;
- Communication equipment;
- Labor materials or services furnished or arranged by you on personal property of others;
- Stock;
- Your use interest as tenant in improvements and betterments.
- Leased personal property for which you have a contractual responsibility to insure.

■ **Pollution Conditions:**

The discharge, dispersal, release, seepage, migration, or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, minerals, chemical elements and waste. Waste includes materials to be recycled, reconditioned or reclaimed.



KEY DEFINITIONS *(continued)*

■ **Remediation Expenses:**

Expenses incurred for or in connection with the investigation, monitoring, removal, disposal, treatment, or neutralization of pollution conditions to the extent required by: (1) Federal, state or local laws, regulations or statutes, or any subsequent amendments thereof enacted to address pollution conditions; and (2) a legally executed state voluntary program governing the cleanup of "pollution conditions."

■ **Outdoor Property:**

Fixed or permanent structures that are outside covered real property including but not limited to:

- Historical markers or flagpoles;
- Sirens, antennas, towers, satellite dishes, or similar structures and their associated equipment;
- Exterior signs not located at a premises;
- Fences or retaining walls;
- Storage sheds, garages, pavilions or other similar buildings or structures not located at a premises;
- Dumpsters, concrete trash containers, or permanent recycling bins; or
- Hydrants.

■ **Equipment Breakdown:**

Direct damage to mechanical, electrical or pressure systems as follows:

- Mechanical breakdown including rupture or bursting caused by centrifugal force;
- Artificially generated electrical current, including electrical arcing, that disturbs electrical devices, appliances or wires;
- Explosion of steam boilers, steam piping, steam engines or steam turbines owned or leased by you, or operated under your control;
- Loss or damage to steam boilers, steam pipes, steam engines or steam turbines; or
- Loss or damage to hot water boilers or other water heating equipment;
- If covered electrical equipment requires drying out as a result of a flood, we will pay for the direct expenses for such drying out.
- None of the following are covered objects as respects to equipment breakdown:
 - a. Insulating or refractory material;
 - b. Buried vessel or piping;
 - c. Sewer piping, piping forming a part of a fire protection system or water piping other than:
 - (1) Feed water piping between any boiler and its feed pump or injector;
 - (2) Boiler condensate return piping; or
 - (3) Water piping forming a part of refrigerating and air conditioning vessels and piping used for cooling, humidifying or space heating purposes;
 - d. Structure, foundation, cabinet or compartment containing the object;
 - e. Power shovel, dragline, excavator, vehicle, aircraft, floating vessel or structure, penstock, draft tube or well-casing;
 - f. Conveyor, crane, elevator, escalator or hoist, but not excluding any electrical machine or electrical apparatus mounted on or used with this equipment; and
 - g. Felt, wire, screen, die, extrusion, late, swing hammer, grinding disc, cutting blade, cable chain, belt, rope, clutch late, brake pad, non-metallic part or any part or tool subject to frequent, periodic replacement.



PROPERTY SUBLIMITS:

Coverage			Limit		
Accounts Receivable	<input checked="" type="checkbox"/>	\$500,000	<input type="checkbox"/>	\$1,000,000	\$2,000,000
Valuable Papers and Records	<input checked="" type="checkbox"/>	\$500,000	<input type="checkbox"/>	\$1,000,000	\$2,000,000
Contamination	<input checked="" type="checkbox"/>	\$250,000			
Tools and Equipment Owned by Your Employees	<input checked="" type="checkbox"/>	\$5,000	<input type="checkbox"/>	\$10,000	\$25,000
Personal Effects and Property of Others	<input checked="" type="checkbox"/>	\$5,000	<input type="checkbox"/>	\$10,000	\$25,000
New Locations or Newly Constructed Property		\$1,000,000			
Business Personal Property at New Locations		\$1,000,000			
Backup/Overflow of Water from Sewer, Drain, Sump		\$250,000			
Utility Services - Direct Damage		\$250,000			
Utility Services –		\$250,000			
Business Income and Extra Expense					
Dependent Business Premises		\$250,000			
Property at Other Locations		\$250,000			
Pollution Remediation Expense (specified cause of loss)		\$250,000			
Outdoor Property (unscheduled)		\$100,000			
Contract Penalties		\$100,000			
Pollution Remediation Expense (covered cause of loss)		\$100,000			
Property in Transit		\$100,000			
SCADA Upgrades		\$100,000			
Indoor and Outdoor Signs (unscheduled)		\$50,000			
Limited Coverage for "Fungus", Wet Rot or Dry Rot		\$50,000			
Fine Arts		\$25,000			
Fire Department Service Charge		\$25,000			
Fire Protection Devices		\$25,000			
Key and Lock Replacement Expenses		\$25,000			
Trees, Shrubs & Plants (maximum \$1,000 any one item)		\$25,000			
Arson Reward		\$10,000			
Rental Reimbursement – Mobile Equipment		\$10,000			
Cost of Inventory or Adjustment		\$5,000			
Non-Owned Detached Trailers		\$5,000			
Water Contamination Notification Expenses		\$5,000			
Patterns, Dies, Molds, Forms		\$2,500			
Debris Removal		25% of scheduled limit plus \$250,000			
Ordinance or Law Provision		100% of scheduled limit plus 25%			

NOTES:

Contribution is calculated from attached property schedule; review property schedule for coverage and limit adequacy.

Flood and Earthquake coverages are excluded.

COVERAGE PROPOSAL FOR MEMBER: Reclamation District 1608

EFFECTIVE DATE: 4/1/2020 - 4/1/2021

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.



SECTION 2. COMMERCIAL CRIME*

***COMMERCIAL CRIME IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- Allied World Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Proprietary & Integrated

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

COVERAGE GROUP SELECTED	EMPLOYEE THEFT	FORGERY OR ALTERATION	INSIDE THE PREMISES Theft of Money and Securities	INSIDE THE PREMISES Robbery or Safe Burglary or Other Property	OUTSIDE THE PREMISES	COMPUTER FRAUD	FUNDS TRANSFER FRAUD	MONEY ORDERS & COUNTERFEIT PAPER CURRENCY
	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
X	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
	\$500,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
	\$1,000,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
	\$2,000,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000

DEDUCTIBLE:

\$1,000 each claim

DESIGNATED EMPLOYEE BENEFIT PLAN(S):

COVERAGE HIGHLIGHTS:

- Separate Limits Apply to Each Coverage
- Coverage Extended to Directors and Authorized Volunteers
- Faithful Performance

NOTES:

COVERAGE PROPOSAL FOR MEMBER: Reclamation District 1608

EFFECTIVE DATE: 4/1/2020 - 4/1/2021

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.



SECTION 3. GENERAL LIABILITY*

***GENERAL LIABILITY IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- Allied World Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Occurrence
- Defense Costs Outside the Limit
- Proprietary & Integrated

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

Per Occurrence	\$ 1,000,000
General Aggregate	\$10,000,000
Products & Completed Operations Aggregate	\$10,000,000
Personal & Advertising Injury Limit	\$ 1,000,000
Damage to Premises Rented to You	\$ 1,000,000
Medical Payments	\$ 10,000

DEDUCTIBLE:

N/A

COVERAGE HIGHLIGHTS:

- Duty to Defend
- Broad Definition of Enrolled Named Member
- Blanket Additional Enrolled Named Member
- Water & Wastewater Testing Errors & Omissions
- Expanded Pollution Liability
- Failure to Supply (no ISO limitation)
- Lead (potable water)
- Waterborne Asbestos (potable water)
- Product Recall
- Impaired Property
- Fungi & Bacteria

OPTIONAL COVERAGES:

- Hired & Non Owned Automobile Liability
- Employee Benefits Liability
- Dam, Levee & Dike Structural Failure

COVERAGE PROPOSAL FOR MEMBER: Reclamation District 1608
EFFECTIVE DATE: 4/1/2020 - 4/1/2021
DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.



SPECIAL COVERAGES:

- **Water & Wastewater Testing Errors & Omissions:**
Coverage is provided for damages arising out of an act, error or omission which arises from your water or wastewater testing.
- **Failure To Supply:**
Coverage is provided for bodily injury or property damage arising out of the failure of any Enrolled Named Member to adequately supply water.
- **Waterborne Asbestos:**
Coverage is provided for bodily injury or property damage from waterborne asbestos arising out of potable water which is provided by you to others.
- **Contractual Liability - Railroads:**
Coverage is provided for any contract or agreement that indemnifies a railroad for bodily injury or property damage arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing.
- **Pollution:**
Coverage is provided for bodily injury or property damage which occurs or takes place as a result of your operations and arises out of the following:
 - Potable water which you supply to others;
 - Chemicals you use in your water or wastewater treatment process;
 - Natural gas or propane gas you use in your water or wastewater treatment process;
 - Urgent response for the protection of property, human life, health or safety conducted away from premises owned by or rented to or regularly occupied by you;
 - Your application of pesticide or herbicide chemicals if such application meets all standards of any statute, ordinance, regulation or license requirement of any federal, state or local government;
 - Smoke drift from controlled or prescribed burning that has been authorized and permitted by an appropriate regulatory agency.
 - Fuels, lubricants or other operating fluids needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of mobile equipment or its parts
 - Escape or back-up of sewage or waste water from any sewage treatment facility or fixed conduit or piping that you own, operate, lease, control or for which you have the right of way, but only if property damage occurs away from land you own or lease.
 - Sudden and accidental events that are neither expected nor intended by an Enrolled Named Member. However, no coverage is provided under this exception for petroleum underground storage tanks.
- **Damage to Impaired Property or Property Not Physically Injured**
Coverage is provided for bodily injury or property damage arising from your potable water, nonpotable water, or wastewater as well as any loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.
- **Fungi or Bacteria**
Coverage is provided for bodily injury or property damage arising from any "fungi" or bacteria that are, are on, or are contained in a good or product intended for consumption; or to any injury or damage arising out of or caused by your water, irrigation, or wastewater intake, outtake, reclamation, treatment and distribution processes.
- **Recall of Products, Work or Impaired Property**
Coverage applies to any injury or damage arising out of or caused by your potable water, nonpotable water, or wastewater for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of: "Your product"; "Your work"; or "Impaired property"; if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

NOTES:



SECTION 4. PUBLIC OFFICIALS & MANAGEMENT LIABILITY*

***PUBLIC OFFICIALS & MANAGEMENT LIABILITY IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- Allied World Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Proprietary & Integrated
- Occurrence
- Defense Costs Outside the Limits

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

Wrongful Acts	\$1,000,000 per act
Employment Practices (including third party discrimination)	\$1,000,000 per offense
Employee Benefit Plans	\$1,000,000 per act
Injunctive Relief	\$5,000 per act
	\$10,000,000 aggregate limit

PRIVACY LIABILITY AND NETWORK RISK¹:

Privacy & Network Security Wrongful Acts	N/A per act
Breach Consultation Services	N/A per offense
Breach Response Services	N/A per offense
Public Relations & Data Forensics	N/A per act

¹Coverage provided for Privacy Liability & Network Risk Coverage is issued on a claims made basis with defense inside the limit of liability. Privacy Retroactive Date:N/A. Privacy Deductible: None.

*\$1,000,000 maximum annual aggregate applies per Enrolled Named Member, with a \$2,000,000 coverage form aggregate applicable to all participating Enrolled Named Members.

SPECIAL COVERAGE:

- Inverse Condemnation

RETROACTIVE DATE:

N/A

DEDUCTIBLE:

\$1,000 each claim including expenses

COVERAGE HIGHLIGHTS:

- Duty To Defend
- Broad Definition of Enrolled Named Member including Past and Future Employees
- Outside Directorship

NOTES:

Note Cyber Liability Coverage is excluded.

COVERAGE PROPOSAL FOR MEMBER: Reclamation District 1608

EFFECTIVE DATE: 4/1/2020 - 4/1/2021

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.



SECTION 5. BUSINESS AUTO*

***BUSINESS AUTO IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- Allied World Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Proprietary & Integrated
- Occurrence
- Defense Costs Outside the Limits

PORTFOLIO:

Coverage	Symbol	Limit
Combined Single Limit for Bodily Injury & Property Damage (each accident)	1	\$1,000,000
Hired Auto Liability	8	\$1,000,000
Non-Owned Auto Liability	9	\$1,000,000
Medical Payments	2	\$5,000
Uninsured / Underinsured Motorists	2	\$1,000,000
Hired Physical Damage	8	\$100,000
Owned Physical Damage – Comprehensive	2	ACV
Owned Physical Damage – Collision	2	ACV
Towing & Rental Car Reimbursement (covered accident)		\$75 per Day up to 30 Days
Fleet Automatic		Included

DEDUCTIBLE:

Liability: None
 Comprehensive: \$1,000
 Collision: \$1,000

NOTES:

Please refer to auto terms provided for per unit coverage.



SECTION 6. EXCESS LIABILITY*

***EXCESS LIABILITY IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- Allied World Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Following Form
- Occurrence
- Defense Costs Outside the Limits

LIMITS:

\$3,000,000/\$3,000,000

SCHEDULED UNDERLYING POLICIES:

Commercial General Liability - Yes
 Hired and Non-Owned Auto Liability - Yes
 Owned Auto Liability - Yes
 Public Officials & Management Liability - Yes
 Wrongful Acts - Yes
 Employment Practices - Yes
 Employee Benefit Plans - Yes
 Employers' Liability: (minimum underlying limit requirement of \$500,000 / \$500,000 / \$500,000) - Yes
 Other:

NOTABLE EXCLUSION:

- Workers' Compensation
- Uninsured Motorists / Underinsured Motorists
- Underlying Limits < \$1,000,000 except for Employers' Liability

NOTES:

Employers' Liability subject to JPRIMA security requirements.

Proposal Letter

POLICY NUMBER	Coverage is provided by:	Agency Code
	Joint Powers Risk and Insurance Management Authori	
POLICY PERIOD: From: 04/01/2020 To: 04/01/2021 (12:01 AM Standard time at the address shown in Named Insured)		
NAMED INSURED:		AGENT:
Reclamation District 1608 7035 Bridgeport Circle Stockton, CA 95207		

Location 1
7035 Bridgeport Circle
Stockton, CA 95207

Territories	
Liability	005
Property	1
Business Auto	037
Location Totals	
Business Auto	\$1,322
Total Premium	\$1,322

Business Auto		
7035 Bridgeport Circle Stockton, CA 95207		
Liability Limit	Liability Deductible	Type of Fleet
\$1,000,000		Non-Fleet

Non-Owned Auto		
Coverage	Limit / Deductible	Premium
Liability	See Above	
Number of Employees	1	\$110
NOA Premium :		\$110

Vehicle Schedule				
Vehicle #	Year Make/Model	Class Code	VIN #	Type
1	2015 Ford/F150	01199	1FTEX1C83FFB48769	Truck

Vehicles				
Vehicle #	Cost New:	Territory:	Total Premum:	
1	\$27,319	037	\$1,212	
Coverage	Limit / Deductible		Premium	
Liability	See Above		\$759	
Medical	\$5,000		\$49	
Comp	\$1,000		\$68	
Collision	\$1,000		\$214	
Uninsured	\$1,000,000		\$122	
Underinsured	\$1,000,000		Incl	

Close

Business Auto Policy Level Totals	
Liability	\$869
Medical	\$49
Uninsured	\$122
Comprehensive	\$68
Collison	\$214
Total	\$1,322
Vehicle Totals	\$1,212
Drive Other / Hired Auto / Non Owned Total	\$110

Close

Policy Totals

Business Auto	\$1,322.00
Policy Total	\$1,322.00

ITEM 6.a.i



Neumiller & Beardslee

ATTORNEYS AND COUNSELORS | EST. 1981

A Professional Corporation

3121 W. March Lane
Suite 100
Stockton, CA 95219

Post Office Box 20
Stockton, CA 95201-3020

(209) 948-8200
(209) 948-4910 Fax

NEUMILLER.COM

73650-38118

December 5, 2019

Via U.S. Mail

Charles and Farley Staniec
6347 Embarcadero Drive
Stockton, CA 95219

Re: **NOTICE TO SHOW CAUSE HEARING IN ORDER TO DETERMINE
IF DISTRICT ATTORNEY SHOULD COMMENCE APPROPRIATE
COURT PROCEEDINGS**

Dear Mr. and Mrs. Staniec:

Please be advised that this office is general counsel for Reclamation District 1608 (the "District"). By letters dated March 28, 2019, and August 26, 2019, the District's Engineer notified you that you have untrimmed vegetation that inhibits levee inspections and old, unpermitted improvements at 6347 Embarcadero Drive, Stockton, California (the "Property"). As of the date of this letter, you have failed to bring your Property into compliance with the District's Levee Encroachment Standards (the "Standards").

Due to your ongoing failure to bring your Property into compliance with the Standards, you are hereby requested to appear before the Board of Trustees of Reclamation District No. 1608 (the "Trustees") at 8:00 a.m. on Wednesday, January 8, 2020, at Suite 100, of 3121 West March Lane, Stockton CA, to show cause as to why your Property remains in violation of the Standards.

Your failure to either remedy the violation or appear before the Trustees on January 8, may result in the Trustees taking the following action:

1. Direct the Attorney for the District to commence appropriate legal action to have the existing vegetation trimmed and causing unpermitted structures removed; and/or
2. Revoke any existing permits you may have, and order all encroachments removed.

Charles and Farley Staniec
December 5, 2019
Page 2

You may avoid appearing before the Trustees as well as any resulting action taken by the District to remedy the violations on your Property by trimming the existing vegetation cover, resolving the unpermitted improvements, and allowing the District's Engineer (Christopher H. Neudeck, at KSN, Inc., at 209-946-0268) to inspect and confirm that your Property is in compliance with the Standards prior to January 7, 2020.

Thank you very much for your courtesy and cooperation.

Very truly yours,



DANIEL J. SCHROEDER
Attorney at Law

DJS/AJP/ect

cc: Board of Trustees
Joe Bryson, Levee Superintendent
Chris Neudeck, District Engineer
Elvia Trujillo, District Secretary



Neumiller & Beardslee

ATTORNEYS AND COUNSELLORS - EST. 1903

A Professional Corporation

73650-38118

Daniel J. Schroeder

3121 W. March Lane
Suite 100
Stockton, CA 95219

January 21, 2020

Via Hand Delivery & U.S. Mail

Post Office Box 20
Stockton, CA 95201-3020

Charles and Farley Staniec
6347 Embarcadero Drive
Stockton, CA 95219

(209) 948-8200
(209) 948-4910 Fax

NEUMILLER.COM

Re: **SHOW CAUSE HEARING CONTINUED TO FEBRUARY 14, 2020**

Dear Mr. and Mrs. Staniec:

The purpose of this letter is to inform you that the Reclamation District No. 1608 (the "District") Board of Trustees (the "Board") continued the January 8, 2020, show cause hearing for your property located at 6347 Embarcadero Drive (the "Property"), at which you failed to appear, to Friday, February 14, 2020 at 8:00 a.m. At the January 8, 2020, show cause hearing, the Board noted that your property has had a reoccurring history of failing to comply with the District's Levee Encroachment Standards (the "Standards"). As a result, the District and its Levee Superintendent, Joe Bryson, has had to spend an inordinate amount of time trying to get you to do what you are required to do: remove the old, unpermitted wooden structures on the waterside slope of the levee and maintain the vegetation in your permit.

The District's letters dated March 28, 2019, and August 26, 2019, notifying you of the violations have been met with limited action on your part, and the condition of your Property continues to be in violation of the Standards.

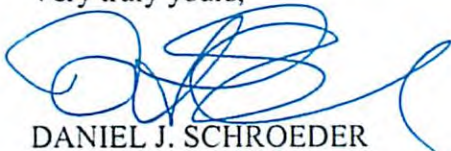
At their January 8, 2020, meeting, the Board decided to continue the hearing because you had begun to trim the vegetation that was the subject of the hearing and believe that you will complete such work and additionally remove the unpermitted wooden structures on the waterside slope of the levee promptly, which would avoid the need for the continued hearing at the Board's February 14, 2020, regular meeting.

Thus, to avoid any confusion, the purpose of this letter is to make clear that the District expects your Property to be in full compliance with the Standards before the District's February 14, 2020, meeting and will not provide for any further continuances.

Charles and Farley Staniec
January 21, 2020
Page 2

You must bring all vegetation allowed in the permit on your Property into compliance with the Standards and remove all unpermitted encroachments and wooden structures on the waterside slope of the levee by February 14, 2020. Your failure to do so shall result in the Board revoking the encroachment permit for your Property and ordering removal of all existing encroachments, permitted or unpermitted, at the continued show cause hearing to be held at 8:00 a.m. on Friday, February 14, 2020, at 3121 West March Lane, Suite 100.

Very truly yours,



DANIEL J. SCHROEDER
Attorney at Law

DJS/AJP/ect
cc: RD 1608 Board Members
C. Neudeck, District Engineer
J. Bryson, Levee Superintendent



Stephen K. Sinnock, P.E.
Christopher H. Neudeck, P.E.
Neal T. Colwell, P.E.
Barry O'Regan, P.E.

2153-0240

March 28, 2019

Mr. Charles Staniec
6347 Embarcadero Drive
Stockton, CA 95219

**Re: Reclamation District No. 1608 – Lincoln Village West
Annual Levee Inspection
6347 Embarcadero Drive
Index No. 1 Lot 2109
APN 098-310-08**

Dear Mr. Staniec,

In January and February of this year the District Engineers, KSN, Inc., performed an inspection of the District's Levee. These inspections were performed to ensure compliance with the District Standards so that Reclamation District 1608 (RD 1608) may more efficiently protect your homes in emergency situations during high water events. The District Standards were adopted to establish guidelines for homeowners residing along the levee to follow in order to ensure all possible preventative measures are taken to maximize the District's flood protection ability and inspectability.

The inspection of your lot has shown that you have conditions which you continue to violate the District Standards and require your immediate remediation. A copy of your inspection report, describing specifically what conditions require attention is attached for your information. The attached report lists your property's violations, including the specific section of the District Standards that has been violated. We communicated this concern with you last year but never found a convenient time to meet with you to discuss the management of vegetation on the landside slope of the District's levee on your lot. We need to schedule an agreeable time between 7am to 5pm, Monday through Friday, to conduct a joint inspection with you to resolve these violations.

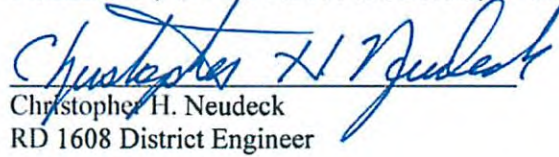
It is important that the items listed on your inspection report be addressed immediately. Any violations not corrected within 90 days from receipt of this letter will be reported to the District Board and may lead to subsequent legal action in the future, per the District Standards. Please respond to this letter no later than 7 days from receipt hereof as to the schedule of your compliance and remedy. As I have notified you, this matter will be on the next available District Board meeting agenda for discussion. The RD 1608 Board meets the first Wednesday of the month at 8:00 am at the District attorney's office, Neumiller & Beardslee, located at 3121 West March Lane, Suite 100, (209) 948-2822.

The conditions existing on your property that violate the District Standards are two-fold and pertain to both the vegetative growth on the waterside levee slope and the unpermitted structures currently existing on the waterside levee slope. In an attempt to assist you in finding a remedy to the violation observed on your property, we have attached photos of the areas violating District Standards to this letter. Please review these violations and formulate a plan to remedy them in a timely manner



If you have any questions please contact the undersigned.

Sincerely,
KJELDTSEN, SINNOCK & NEUDECK, INC.


Christopher H. Neudeck
RD 1608 District Engineer

W/enclosures

KSN, Inc. 02/15/19 Inspection Report
General Vegetation Requirements
KSN, Inc. 02/15/19 Photographs with Notes

cc: Trustees (w/encl.)
Daniel J. Schroedeer, Esq. (w/encl.)
Joe Bryson (w/encl.)
Jean Knight, Sec. (w/encl.)

**LEVEE INSPECTION REPORT
SOUTHWEST LEVEE
FEBRUARY 2019**

Index No. 01 Lot 2109

Assessor's Parcel No. 098-310-08

Owner: Staniec, Charles & J Farley
Address: 6347 Embarcadero Drive, Stockton, CA 95219
Phone: (209) 298-5215
Email: Stancon@pacbell.net
Property Site: Same

Encroachments: Permit issued September 1993 for the following items:

- **Wooden fence on landside levee slope**
- **Wooden steps on both landside and waterside levee slopes**
- **Concrete gravel on levee crown road surface**
- **Sprinklers and landscaping on both landside and waterside levee slopes**
- **Concrete slabs/steps on waterside levee slope**
- **Short, wooden retaining walls on both landside and waterside levee slopes**
- **Electrical box and light poles on waterside levee slope**
- **Dilapidated wooden enclosure on waterside slope**
- **Dense hedge at top of landside slope**
- **Dense hedge on waterside slope along top of rip rap**

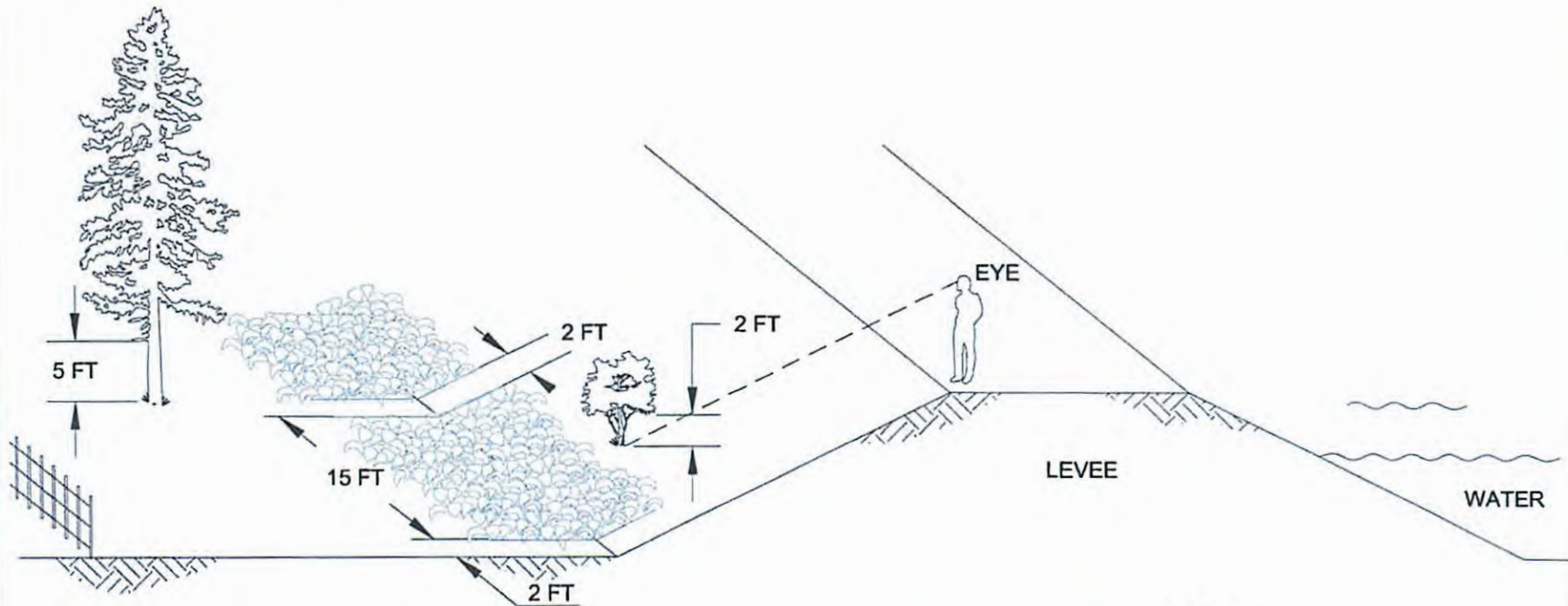
NOTES

- **IN VIOLATION OF CURRENT STANDARDS – VEGETATION.** See Ch. 6, Section 6.03, "General Vegetation Standards", 6.03.F, "Proposed location of vegetation...in the sole discretion of Reclamation District 1608." And Section 6.04.C, "Plants will be trimmed and maintained to allow maximum visibility for inspection of the levee slope and toe areas."

Covered under separate Permit

- **Dock**

GENERAL VEGETATION REQUIREMENTS



NOTES:

FOR ALL PERMITTED ENCROACHMENTS:

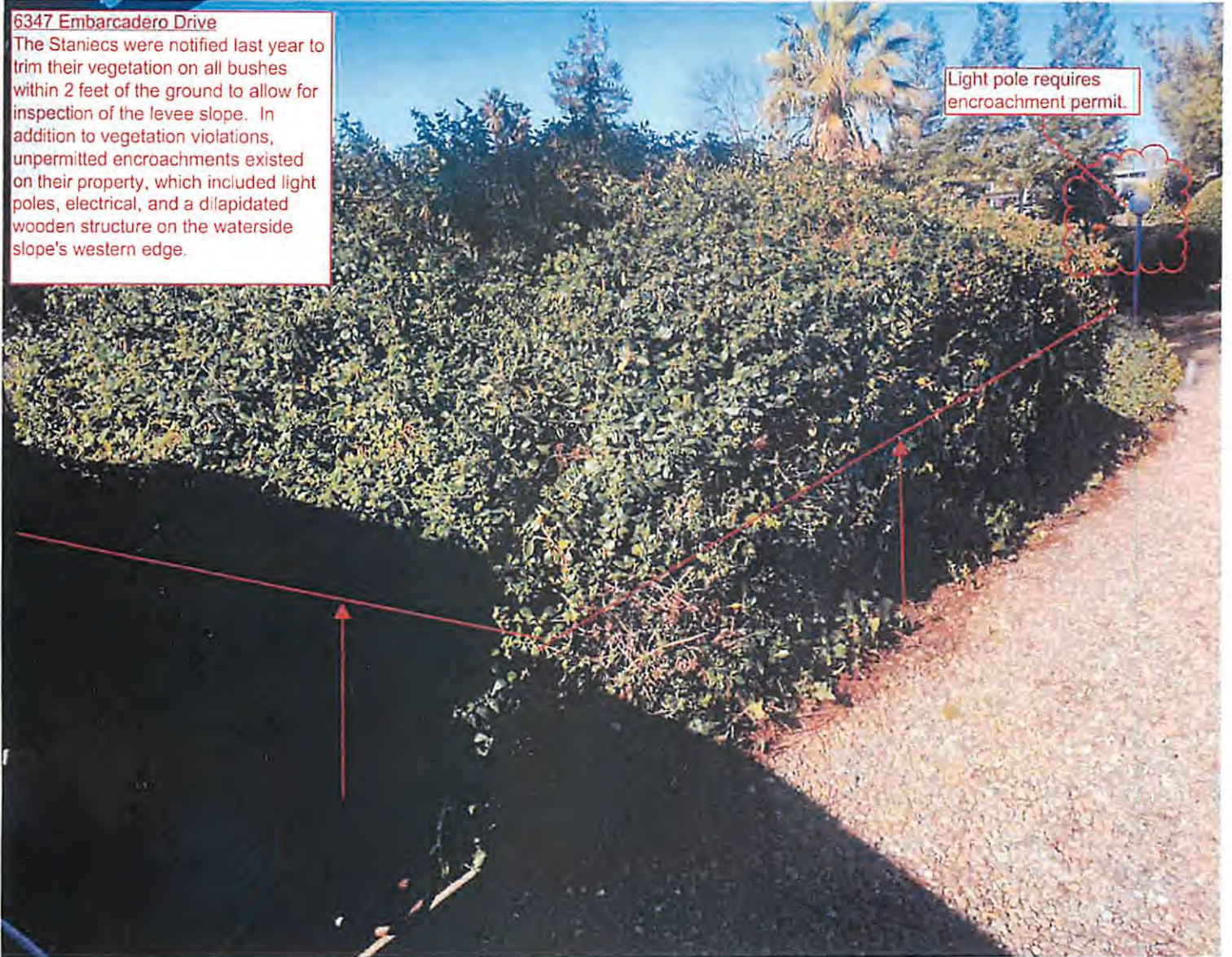
1. TREES TRIMMED MINIMUM 5 FEET FROM GROUND EVERYWHERE.
2. SHRUBS TRIMMED MINIMUM 2 FEET FROM GROUND EVERYWHERE.
3. SHRUBS LESS THAN 2 FEET TALL PROVIDE HORIZONTAL GAPS OF 2 FT IN WIDTH EVERY 15 FEET TO ALLOW VISUAL INSPECTION.
4. FENCE: SEE THROUGH (i.e. CHAIN LINK, WOODEN SLATS EVERY OTHER, ETC.)



6347 Embarcadero Drive

The Staniecs were notified last year to trim their vegetation on all bushes within 2 feet of the ground to allow for inspection of the levee slope. In addition to vegetation violations, unpermitted encroachments existed on their property, which included light poles, electrical, and a dilapidated wooden structure on the waterside slope's western edge.

Light pole requires encroachment permit.





Wooden structure requires encroachment permit.



Trees require trimming of all branches within 5 feet of the ground.

Bushes and shrubs require trimming all vegetative cover within 2 feet of the ground.



Stephen K. Sinnock, P.E.
Christopher H. Neudeck, P.E.
Neal T. Colwell, P.E.
Barry O'Regan, P.E.

2153-0240

April 13, 2018

Mr. Charles & Farley Staniec
6347 Embarcadero Drive
Stockton, CA 95219

**Re: Reclamation District no. 1608 – Lincoln Village West Inspection
Index No XX Lot XXX, 6347 Embarcadero Drive
APN 098-320-29**

Dear Mr. Staniec,

In January and February of this year the District Engineers, KSN, Inc., performed an inspection of the District Levee. These inspections are performed to ensure compliance with the District Standards so that Reclamation District 1608 (RD 1608) may more efficiently protect your homes in emergency situations such as levee breaches during high water events. The District Standards were adopted to establish guidelines for homeowners residing along the levee to follow in order to ensure all possible preventative measures are taken to maximize the District's flood protection ability.

The inspection has shown that you have conditions which violate the District Standards and require a permit. A copy of your inspection report, describing specifically what existing conditions require remediation is attached for your information. The report lists your property's encroachments onto the District property which, unless stated in the report, do not require any action on your part. In addition, the report lists your property's violations, including the specific section of the District Standards that has been violated and what conditions require a permit.

It is important that all Encroachments onto District property be permitted. This provides correct and current information as to the extent of development onto the levee. It also ensures that the District Engineers have provided a thorough review of all Encroachments to determine whether or not they degrade the current protection levels provided by the District Levees or impede the ability of the District to inspect prior to, and during, high water events.

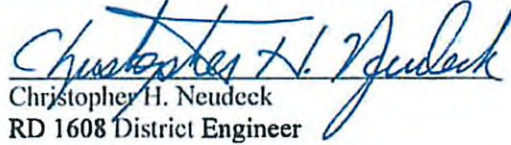
Additionally, it is important that all violations of District Standards be addressed immediately, as ongoing violations will be reported to the District Board and may lead to subsequent legal action in the future, per the District Standards. Please respond to this letter no later than 7 days from receipt hereof as to the schedule of your compliance. As I have notified you, this matter will be on the next available District Board meeting agenda for discussion and remedy. The RD 1608 Board meets the first Wednesday of the month at 8:00 am at the District attorney's office, Neumiller & Beardslee, located on the fifth floor of 509 West Weber Avenue.

RD 1608 Levee Encroachment Standards and Permit Applications can be found at www.RD1608.com. In addition, we have attached a blank application form.



If you have any questions please contact the undersigned.

Sincerely,
KJELDSSEN, SINNOCK & NEUDECK, INC.


Christopher H. Neudeck
RD 1608 District Engineer

W/enclosures

KSN, Inc. 02/15/18 Inspection Report
General Vegetation Requirements
KSN, Inc. 02/15/2018 Photographs With Notes
RD 1608 Application for Permit of Encroachments

cc: Trustees (w/encl.)
Daniel J. Schroedeer, Esq. (w/encl.)
Joe Bryson (w/encl.)
Jean Knight, Sec. (w/encl.)



Stephen K. Sinnock, P.E.
Christopher H. Neudeck, P.E.
Neal T. Colwell, P.E.
Barry O'Regan, P.E.

2153-0240

June 08, 2018

Mr. Charles & Farley Staniec
6347 Embarcadero Drive
Stockton, CA 95219

**Re: Reclamation District No. 1608 – Lincoln Village West Inspection (RD1608)
Index No 1, Lot 2109, 6347 Embarcadero Drive
APN 098-320-29**

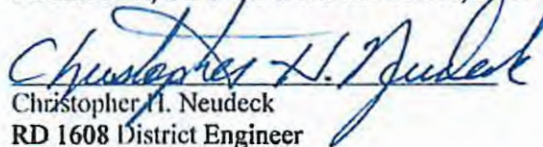
Dear Mr. Staniec,

On April 13, 2018 I sent you a letter (attached) outlining conditions on your lot that violated RD 1608's Encroachment Standards. RD 1608 performed its inspection of its levee in January and February of this year. The inspection was performed to ensure compliance with the District standards so RD 1608 may more efficiently protect your home and others in emergency situations during high water events.

Our inspection showed that you have vegetation on your lot and unpermitted improvements that needed attention and a permit application. Upon further research I have located the historical files documenting the permits for your improvements on the District's levee yet I still have an issue with some of the vegetation cover. The vegetative cover on your lot has gotten to the point that it inhibits inspectability by our District Superintendent. I ask that you get back to me within 7 days of the receipt of this letter so that I can arrange a meeting with you, myself and the District Superintendent, Joe Bryson, to discuss means and methods to thin out some of the vegetation on your lot. It is important that you comply with the District's clearing requirements set in order to provide District personnel the ability to readily inspect your lot during high water events.

If you have any questions please contact the undersigned.

Sincerely,
KJELDEN, SINNOCK & NEUDECK, INC.


Christopher H. Neudeck
RD 1608 District Engineer

w/enclosures

April 13, 2018 submittal

cc: Trustees (w/encl.)
Daniel J. Schroedeer, Esq. (w/encl.)
Joe Bryson (w/encl.)
Jean Knight, Sec. (w/encl.)





Abacoadero Drive	John & Kathryn Flanagan	Encroachments (yardside)	4/18/2018				5/14/2018		<p>permit for the unpermitted concrete steps, retaining wall, and artificial turf. Will be submitting encroachment permit application for approval to the Board of Trustees on Wednesday June 6, 2018. Board of Trustees approved applications. Approval letter sent 7/27/18</p>	completes
Abacoadero Drive	Charles & Failing Stanlio 936-233-8181	Encroachments (evergreens)	4/13/2018				6/8/2018		<p>8/25/18 Chuck called and CHN returned his call and left message for Chuck to call CHN back to speak with directly with him. Chuck indicated that he would clean up the vegetation on his lot but as of 8/27/18 he had not done anything vegetation pruning. I spoke with Chuck today and reminded him that we need to schedule and inspection to evaluate how to deal his lot for insperatibing purposes. Chuck just opened a new shop in Dublin and he leaves for work at 8:30 AM and does not get home till 7:00 PM-CHN will schedule a late</p> <p>D. Eppler left msg re violation notice. 4/24/18 CHN returned call, left msg and is waiting response to discuss. 4/25/18 D Eppler agreed to have veg trimmed & is preparing permit form, but would like more info on preparing it. Will have CHN call to discuss. 7/25 Spoke to Diane and they have completed whvegetation clearing, but have not had plans drawn up for encroachments and doesn't know who to call for engineering. 8/24/18 VLF spoke to Diane re plans for statwell. She's</p>	Everything is still wrong. See hyperlink.
Abacoadero Drive	Embacoadero Vest Condos - Care of Assoc: ATTN: Diane Eppler 209-644-4322	Vegetation & Encroachments (landside)	4/13/2018	4/23/2018					<p>Vegetation needs trimming. CHN spoke with Diane Eppler, property manager on 11/6/18 and she indicated that their engineering consultant is in the process of drawing up the necessary drawings and permit</p>	



Stephen K. Sinnock, P.E.
Christopher H. Neudeck, P.E.
Neal T. Colwell, P.E.
Barry O'Regan, P.E.

2153-0110

August 27, 2019

Mr. Charles & Farley Staniec
6347 Embarcadero Drive
Stockton, CA 95219

**Re: Reclamation District No. 1608 – Lincoln Village West Inspection (RD1608)
Index No 1, Lot 2109, 6347 Embarcadero Drive
APN 098-320-29**

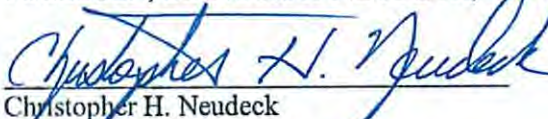
Dear Mr. Staniec,

On March 28, 2019 I sent you a letter (attached) outlining conditions on your lot that violated RD 1608's Encroachment Standards. RD 1608 performed its inspection of its levee in January and February of this year. The inspection was performed to ensure compliance with the District standards so RD 1608 may more efficiently protect your home and others in emergency situations during high water events.

Our inspection showed that you have vegetation on your lot and old, unpermitted improvements that needed attention and a permit application. I have in hand the historical files over the past two years documenting the required permits for your improvements on the District's levee and I still have issue with the same items as before. The vegetative cover on your lot inhibits inspectability by our District Superintendent, Joe Bryson.. Additionally, the old wooden structures on the waterside slope require either obtaining a permit for their presence or removal from the premises. In early May, a follow-up inspection of your property was provided by a KSN Inspector Aaron Lickingteller and the District Superintendent Joe Bryson and yet the situation is unchanged. I ask that you get back to me within 7 days of the receipt of this letter so that I can arrange a meeting with you, myself and the District Superintendent, Joe Bryson, to discuss means and methods to thin out some of the vegetation on your lot. It is important that you comply with the District's clearing requirements set in order to provide District personnel the ability to readily inspect your lot during high water events.

If you have any questions please contact the undersigned.

Sincerely,
KJELDEN, SINNOCK & NEUDECK, INC.


Christopher H. Neudeck
RD 1608 District Engineer

w/enclosures

March 28, 2019 submittal

cc: Trustees (w/encl.)
Daniel J. Schroedeer, Esq. (w/encl.)
Joe Bryson (w/encl.)
Jean Knight, Sec. (w/encl.)
Elvia Trujillo, Asst Sec. (w/encl.)



Stephen K. Sinnock, P.E.
Christopher H. Neudeck, P.E.
Neal T. Colwell, P.E.
Barry O'Regan, P.E.

2153-0240

March 28, 2019

Mr. Charles Staniec
6347 Embarcadero Drive
Stockton, CA 95219

**Re: Reclamation District No. 1608 – Lincoln Village West
Annual Levee Inspection
6347 Embarcadero Drive
Index No. 1 Lot 2109
APN 098-310-08**

Dear Mr. Staniec,

In January and February of this year the District Engineers, KSN, Inc., performed an inspection of the District's Levee. These inspections were performed to ensure compliance with the District Standards so that Reclamation District 1608 (RD 1608) may more efficiently protect your homes in emergency situations during high water events. The District Standards were adopted to establish guidelines for homeowners residing along the levee to follow in order to ensure all possible preventative measures are taken to maximize the District's flood protection ability and inspectability.

The inspection of your lot has shown that you have conditions which you continue to violate the District Standards and require your immediate remediation. A copy of your inspection report, describing specifically what conditions require attention is attached for your information. The attached report lists your property's violations, including the specific section of the District Standards that has been violated. We communicated this concern with you last year but never found a convenient time to meet with you to discuss the management of vegetation on the landside slope of the District's levee on your lot. We need to schedule an agreeable time between 7am to 5pm, Monday through Friday, to conduct a joint inspection with you to resolve these violations.

It is important that the items listed on your inspection report be addressed immediately. Any violations not corrected within 90 days from receipt of this letter will be reported to the District Board and may lead to subsequent legal action in the future, per the District Standards. Please respond to this letter no later than 7 days from receipt hereof as to the schedule of your compliance and remedy. As I have notified you, this matter will be on the next available District Board meeting agenda for discussion. The RD 1608 Board meets the first Wednesday of the month at 8:00 am at the District attorney's office, Neumiller & Beardslee, located at 3121 West March Lane, Suite 100, (209) 948-2822.

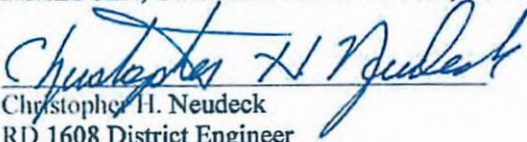
The conditions existing on your property that violate the District Standards are two-fold and pertain to both the vegetative growth on the waterside levee slope and the unpermitted structures currently existing on the waterside levee slope. In an attempt to assist you in finding a remedy to the violation observed on your property, we have attached photos of the areas violating District Standards to this letter. Please review these violations and formulate a plan to remedy them in a timely manner



Charles Staniec
March 27, 2019
Page 2 of 2

If you have any questions please contact the undersigned.

Sincerely,
KJELDTSEN, SINNOCK & NEUDECK, INC.


Christopher H. Neudeck
RD 1608 District Engineer

W/enclosures

KSN, Inc. 02/15/19 Inspection Report
General Vegetation Requirements
KSN, Inc. 02/15/19 Photographs with Notes

cc: Trustees (w/encl.)
Daniel J. Schroedeer, Esq. (w/encl.)
Joe Bryson (w/encl.)
Jean Knight, Sec. (w/encl.)

**LEEVE INSPECTION REPORT
SOUTHWEST LEEVE
FEBRUARY 2019**

Index No. 01 Lot 2109

Assessor's Parcel No. 098-310-08

Owner: Staniec, Charles & J Farley
Address: 6347 Embarcadero Drive, Stockton, CA 95219
Phone: (209) 298-5215
Email: Stancon@pacbell.net
Property Site: Same

Encroachments: Permit issued September 1993 for the following items:

- **Wooden fence on landside levee slope**
- **Wooden steps on both landside and waterside levee slopes**
- **Concrete gravel on levee crown road surface**
- **Sprinklers and landscaping on both landside and waterside levee slopes**
- **Concrete slabs/steps on waterside levee slope**
- **Short, wooden retaining walls on both landside and waterside levee slopes**
- **Electrical box and light poles on waterside levee slope**
- **Dilapidated wooden enclosure on waterside slope**
- **Dense hedge at top of landside slope**
- **Dense hedge on waterside slope along top of rip rap**

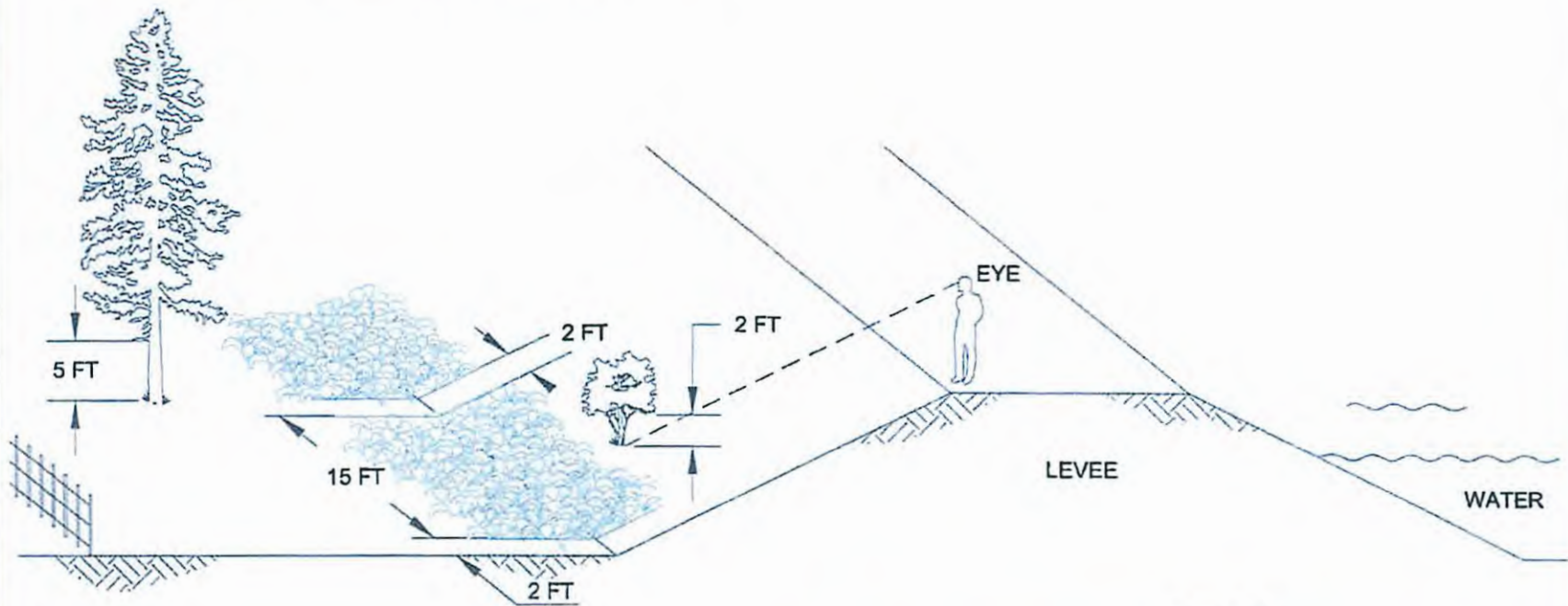
NOTES

- **IN VIOLATION OF CURRENT STANDARDS – VEGETATION.** See Ch. 6, Section 6.03, "General Vegetation Standards", 6.03.F, "Proposed location of vegetation...in the sole discretion of Reclamation District 1608." And Section 6.04.C, "Plants will be trimmed and maintained to allow maximum visibility for inspection of the levee slope and toe areas."

Covered under separate Permit

- **Dock**

GENERAL VEGETATION REQUIREMENTS



NOTES:

FOR ALL PERMITTED ENCROACHMENTS:

1. TREES TRIMMED MINIMUM 5 FEET FROM GROUND EVERYWHERE.
2. SHRUBS TRIMMED MINIMUM 2 FEET FROM GROUND EVERYWHERE.
3. SHRUBS LESS THAN 2 FEET TALL PROVIDE HORIZONTAL GAPS OF 2 FT IN WIDTH EVERY 15 FEET TO ALLOW VISUAL INSPECTION.
4. FENCE: SEE THROUGH (i.e. CHAIN LINK, WOODEN SLATS EVERY OTHER, ETC.)

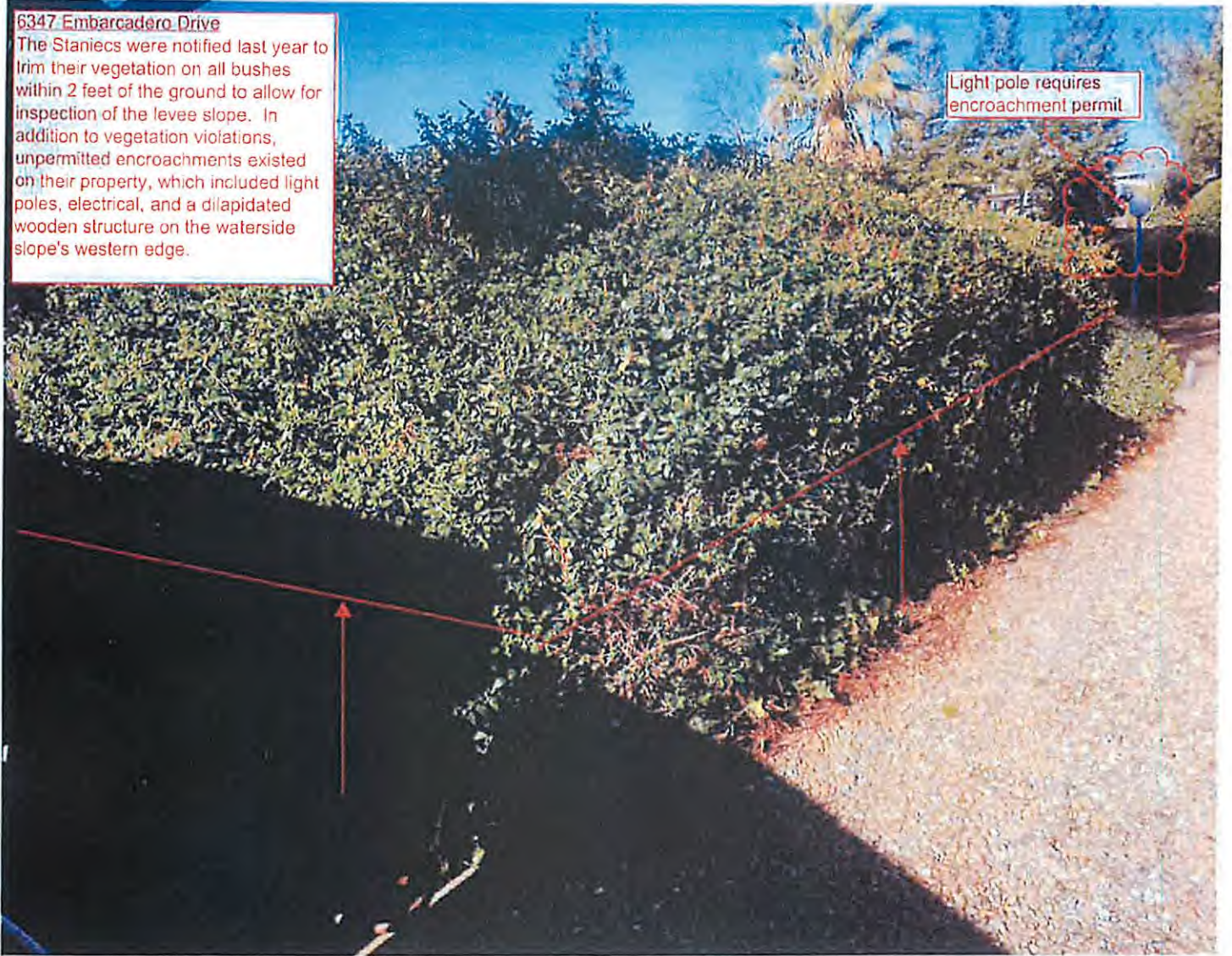
SAMPLE



6347 Embarcadero Drive

The Staniecs were notified last year to trim their vegetation on all bushes within 2 feet of the ground to allow for inspection of the levee slope. In addition to vegetation violations, unpermitted encroachments existed on their property, which included light poles, electrical, and a dilapidated wooden structure on the waterside slope's western edge.

Light pole requires encroachment permit





Wooden structure requires encroachment permit.



Trees require trimming of all branches within 5 feet of the ground.

Bushes and shrubs require trimming all vegetative cover within 2 feet of the ground.



Stephen K. Sinnock, P.E.
Christopher H. Neudeck, P.E.
Neal T. Colwell, P.E.
Barry O'Regan, P.E.

2153-0240

April 13, 2018

Mr. Charles & Farley Staniec
6347 Embarcadero Drive
Stockton, CA 95219

**Re: Reclamation District no. 1608 – Lincoln Village West Inspection
Index No XX Lot XXX, 6347 Embarcadero Drive
APN 098-320-29**

Dear Mr. Staniec,

In January and February of this year the District Engineers, KSN, Inc., performed an inspection of the District Levee. These inspections are performed to ensure compliance with the District Standards so that Reclamation District 1608 (RD 1608) may more efficiently protect your homes in emergency situations such as levee breaches during high water events. The District Standards were adopted to establish guidelines for homeowners residing along the levee to follow in order to ensure all possible preventative measures are taken to maximize the District's flood protection ability.

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It is important that all Encroachments onto District property be permitted. This provides correct and current information as to the extent of development onto the levee. It also ensures that the District Engineers have provided a thorough review of all Encroachments to determine whether or not they degrade the current protection levels provided by the District Levees or impede the ability of the District to inspect prior to, and during, high water events.

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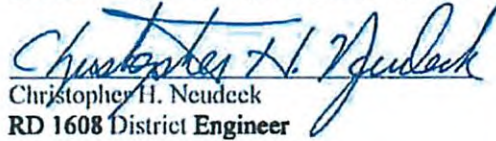
RD 1608 Levee Encroachment Standards and Permit Applications can be found at www.RD1608.com. In addition, we have attached a blank application form.



Charles & Farley Staniec
April 13, 2018
Page 2 of 2

If you have any questions please contact the undersigned.

Sincerely,
KJELDEN, SINNOCK & NEUDECK, INC.


Christopher H. Neudeck
RD 1608 District Engineer

W/enclosures

KSN, Inc. 02/15/18 Inspection Report
General Vegetation Requirements
KSN, Inc. 02/15/2018 Photographs With Notes
RD 1608 Application for Permit of Encroachments

cc: Trustees (w/encl.)
Daniel J. Schroeder, Esq. (w/encl.)
Joe Bryson (w/encl.)
Jean Knight, Sec. (w/encl.)



Stephen K. Sinnock, P.E.
Christopher H. Neudeck, P.E.
Neal T. Colwell, P.E.
Barry O'Regan, P.E.

2153-0240

June 08, 2018

Mr. Charles & Farley Staniec
6347 Embarcadero Drive
Stockton, CA 95219

**Re: Reclamation District No. 1608 – Lincoln Village West Inspection (RD1608)
Index No 1, Lot 2109, 6347 Embarcadero Drive
APN 098-320-29**

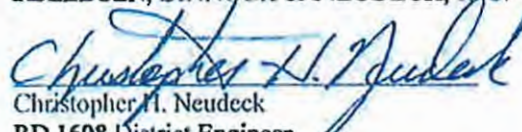
Dear Mr. Staniec,

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If you have any questions please contact the undersigned.

Sincerely,
KJELDEN, SINNOCK & NEUDECK, INC.


Christopher H. Neudeck
RD 1608 District Engineer

w/enclosures

April 13, 2018 submittal

cc: Trustees (w/encl.)
Daniel J. Schroedeer, Esq. (w/encl.)
Joe Bryson (w/encl.)
Jean Knight, Sec. (w/encl.)





from ground level

Barcelero Drive	John & Kathryn Flanagan	Encroachments (Landside)	4/19/2018				5/14/2018		permit for the unpaved concrete steps, retaining wall, and artificial turf. Will be submitting encroachment permit application for approval to the Board of Trustees on Wednesday June 6, 2018. Board of Trustees approved applications. Approval letter sent 7/27/18	completes
Barcelero Drive	Charles & Fuling Sauter 916-233-8191	Encroachments (everything)	4/13/2018				6/19/2018		6/28/18 Chuck called and CHM returned his call and left message for Chuck to call CHM back to speak with directly with him. Chuck indicated that he would clean up the vegetation on his lot but as of 8/27/18 he had not done anything vegetation pruning. I spoke with Chuck today and reminded him that we need to schedule and inspection to evaluate how to clear his lot for inspectability purposes. Chuck just opened a new shop in Dublin and he leaves for work at 8:30 AM and does not get home till 7:00 PM CHM will schedule a late D. Epipler left message violation notice: 4/24/18 CHM returned call left message and is waiting response to discuss: 4/29/18 D Epipler agreed to have veg trimmed & is preparing permit form, but would like more info on preparing it. Will have CHM call to discuss: 7/25 Spoke to Diane and they have completed vegetation clearing, but have not had plans drawn up for encroachments and doesn't know who to call for infrastructure. 8/24/18 WLF spoke to Diane re plans for street. She's	Everything is still wrong. See hyperlink.
Barcelero Drive	Emmanuel West Condos - Care of Assoc: ATTN: Diane Epipler 209-644-4832	Vegetation & Encroachments (landside)	4/13/2018				4/23/2018			Vegetation needs trimming. CHM spoke with Diane Epipler, property manager on 11/6/18 and she indicated that their engineering consultant is in the process of drawing up the necessary drawings and permit

ITEM 11

SHORT TERM GOALS 2020

1. Sediment Removal Project.
2. Participate in stakeholder groups. Status: Ongoing.
3. Work on slumping areas. In progress.
4. Monitor SJAFCA meetings re Calaveras and Fourteen Mile Slough uncertified levees.
5. Vegetation encroachments
6. Annual Levee Inspection.
7. Repair/Maintenance of Gates on Crown of Southwest Levee

LONG TERM GOALS

1. CVFP Plan
2. Lower San Joaquin River Flood Risk Reduction Project
3. Renewal of District Assessment
4. Raising Elevation of South West Levee.

ITEM 12

RD 1608: MASTER CALENDAR

JANUARY

- Update Levee Property DVD

FEBRUARY

- Annual Review of Trustee Compensation
- Send out Form 700s, remind Trustees of April 1 filing date

MARCH

- Yearly Employee Evaluations
- Submit Verification Request Form (VRF) for the Annual Levee Maintenance Project to the California Department of Fish & Game.
- Submit payment to the California Department of Fish & Game for prior year Levee Maintenance Project(s).
- Spring Newsletter

APRIL

- April 1: Form 700s due
- Letter to Property owners on levee regarding levee standards and permit requirements
- Notify School District of Vegetation Control

MAY

- Draft Budget
- Annual Department of Fish & Wildlife Maintenance Agreement Renewal.
- Tour of Levee System

JUNE

- June 15: Provide notice/make available to the public, documentation/materials regarding determination of Appropriations (15 days prior to meeting at which Appropriations will be adopted) (*Government Code §7910*).
- Approve Audit Contract for expiring fiscal year
- Adopt the Final Budget

JULY

- Adopt Resolution for setting Appropriations and submit to County Assessor's Office.

AUGUST

- August 1: Deadline to certify assessments for tax-roll and deliver to County (duration of current assessment: FY 2025).
- 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*)
- Submit End of the Year Financial Report.

SEPTEMBER

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

OCTOBER

- Publish Notice of Election, odd numbered years (once per week, 4 times, commencing at least 1 month prior to election.)
- Fall Newsletter.
- Update District Information Sheet.
- Review District Emergency Supplies
- Emergency Plan Review in 2019 (every three years thereafter)

NOVEMBER

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

DECEMBER

- Review Emergency Plan.
- New Trustee(s) take office, outgoing Trustee(s) term(s) end on first Friday of each odd-numbered year.
- Provide updated version of electronic copies of properties within District

Term of Current Board Members:

Name	Term Commenced	Term Ends
Dan MacDonnell	2017	First Friday of Dec 2021
Brett Tholborn	2019	First Friday of Dec 2023
Michael Panzer	2019	First Friday of Dec 2023

Assessment Expires 6/30/2025

Emergency Operation Plan Review – June 2022

Reclamation District Meetings

- **First Wednesday of each month, at 8:00 A.M.
at the offices of:
Neumiller & Beardslee
3121 W. March Lane, Suite 100
Stockton, California 95219**