

June 9, 2017  
Sacramento, California

The Board of Trustees of the American River Flood Control District met in regular session in its office at 185 Commerce Circle, Sacramento, CA at 11:00 a.m. on Friday, June 9, 2017. In attendance were Trustee Holloway, Trustee Redway, Trustee Pavão, Trustee Shah and Trustee Johns. Trustee Holloway presided. Also present from the District were General Manager (GM) Tim Kerr, Field Supervisor Ross Kawamura, Legal Counsel David Aladjem, Legal Counsel Julia Jenness and Office Manager Malane Chapman. No members of the public were present.

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

*Item No. 2 Approval of Consent Agenda Items:* On a motion by Trustee Shah seconded by Trustee Pavão, the Board unanimously approved Items 2a) Minutes of Special Meeting on May 19, 2017, 2b) Approval of Report of Investment Transactions April 2017 (City Pool, LAIF, River City) and Treasurer's Certification 2c) District Financial Reports: Statement of Operations (May 2017) and Cash Flow Report, and 2d) Finance Committee Recommendation: Annual Review of Credit Card Policy, Reserve Fund Policy and Investment Policy, 2e) Adopt Resolution No. 2017-05: Levying a Benefit Assessment, Establishing the Rates Thereof and Requesting Collection of Benefit Assessment, 2f) CSDA Board of Directors Election: Sierra Network, Seat C and 2g) Correspondence: None.

*Item No. 3 Accounts Payable and General Fund Expenses (May 2017):* Trustee Shah requested clarification regarding payments to Kent Arborist. Trustee Redway requested clarification regarding payment to US Bank (Southwest). On a motion by Trustee Pavão seconded by Trustee Redway, the Board unanimously approved payments on the Schedule of Accounts Payable (May 2017) of \$45,596.47 and General Fund Expenses of \$62,863.46 (total aggregate sum \$108,459.93).

*Item No. 4 Finance Committee Recommendation:* Trustee Shah stated that the Finance Committee met to review both the budget and 5-year projection. He noted that District is continuing to see a positive cash flow. This allowed the Committee to budget for Reserve Fund Transfers as an incremental step to meet reserve requirements. GM Kerr explained that since the Finance Committee meeting the District expressed a need in purchasing some equipment for the upcoming fiscal year.

*4a) Finance Committee Recommendation: District Budget FY 2017-18* On a motion by Trustee Pavão seconded by Trustee Shah, the Board unanimously approved the District Budget FY 2017-18 with the addition of \$50,000 to be budgeted for Equipment Purchases (over \$5,000).

4b) *District 5-year Budget Projection:* On a motion by Trustee Redway seconded by Trustee Pavão, the Board unanimously approved the District 5-year Budget Projection with the addition of \$50,000 being budgeted for Equipment Purchases (over \$5,000) in Fiscal Year 2017-2018.

At 11:49 a.m. the Trustees met in closed session with District Counsel Jenness and District Counsel Aladjem.

*Item No. 5 Closed Session: Conference with Legal Counsel-Personnel: Government Code 54957 – General Manager’s Annual Performance Evaluation:* The Board reviewed the General Manager’s annual performance evaluation. No reportable action was taken.

*Item No. 6 Closed Session: Conference with Legal Counsel-Personnel: Government Code 54957 – FY 2017-18 Salary and Benefit Adjustments for District Staff:* No reportable action was taken.

The Trustees returned to open session at 12:37 p.m. On a motion by Trustee Pavão seconded by Trustee Johns, the Board unanimously approved a 3% merit increase, longevity bonus and a one-time bonus of \$2,000 for General Manager Kerr in recognition of his extensive hours and excellent performance during the 2017 storm events. On a subsequent motion by Trustee Pavão seconded by Trustee Johns, the Board unanimously approved a 3% cost of living adjustment for District Staff, continuation of 457 plan contributions and longevity bonuses as described in the employee handbook.

*Item No. 7 Letter to Central Valley Flood Protection Board Supporting Emergency Flood Repair:* On a motion by Trustee Pavão seconded by Trustee Johns, the Board unanimously approved the item. This item was heard out of order.

*Item No. 8 Administrative Staff Reports:*

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

- General Manager’s May Meeting Summary;
- Hydrologic Conditions: Folsom Lake is 95% full with an outflow of 9,500 cfs. The gauge at the I Street Bridge shows a water surface elevation of 14 feet above sea level;
- Next Board Meeting is scheduled for July 14, 2017.

b) *Legal Counsel David Aladjem had nothing further to report.*

c) *Office Manager Malane Chapman reported on the following:*

- Summer Gathering: The event is scheduled to take place on Saturday, July 22 with a cost share between the Board and the Employee Morale expense category.

*Item No. 9 Operations and Maintenance Staff Reports:*

a) *Field Supervisor Ross Kawamura reported on:*

- Crew activities including tree removal and mowing.

*Item No. 10 Questions and Comments by Trustees:* Trustee Shah thanked the Trustees and Staff for being flexible with scheduling the May meeting.

*Item No 11 Adjourn:* There being no further business requiring action by the Board, the meeting was adjourned by Trustee Holloway at 12:52 p.m.

Attest:

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
President

**American River Flood Control District  
Staff Report**

**Investment Transactions Summary; May 2017**

**LAIF:**

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

**City Pool A**

- Accrued Interest Receivable for the month of May was \$8,754.59.
- As of May 31, 2017, the balance of Interest Receivable in this account was \$89,761.92.

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

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**River City Bank:**

- Total amount of Accounts Payable cleared during the month of May was \$132,060.34
- On May 31, 2017 a monthly interest payment was deposited in the amount of \$172.96.

### Balance and Transactions

Account		LAIF	City Pool A	River City Bank
Beginning Balance	5/1/17	\$760,409.18	\$7,167,066.57	\$579,717.48
<b>Transactions</b>				
Sac County FY 2016-17 Assessment	5/17/17			544,732.62
City Pool A Interest **	5/31/17		8,754.59	
River City Bank Interest	5/31/17			172.96
Accounts Payable (cleared)				(132,060.34)
<b>Ending Balance:</b>	<b>5/31/17</b>	<b>\$760,409.18</b>	<b>\$7,167,066.57</b>	<b>\$992,562.72</b>

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

### Interest

Date:	June 2016	July 2016	Aug 2016	Sept 2016
LAIF	0.58	0.59	0.62	0.63
City Pool A	1.20	1.25	1.24	1.34
River City Bank	0.20	0.20	0.20	0.17
Date:	Oct 2016	Nov 2016	Dec 2016	Jan 2017
LAIF	0.65	0.65	0.65	0.75
City Pool A	1.22	1.32	1.17	1.39
River City Bank	0.25	0.25	0.16	0.19
Date:	Feb 2017	Mar 2017	Apr 2017	<b>May 2017</b>
LAIF	0.75	0.82	0.88	<b>0.88</b>
City Pool A	1.58	1.47	1.56	<b>1.42</b>
River City Bank	0.25	0.25	0.25	<b>0.25</b>

# AMERICAN RIVER FLOOD CONTROL DISTRICT

## MONTHLY REVIEW – MAY 2017

### STRATEGY

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

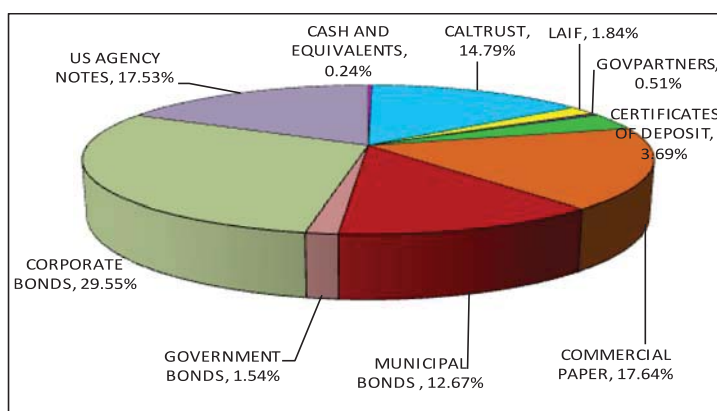
### PORTFOLIO STATISTICS

Portfolio’s Beginning Balance	7,248,074
Contributions	0
Withdrawals	0
Interest Earned	8,755
Month-End Market Value	7,256,829

### PERFORMANCE

Earned Interest Yield for the Month	1.42%
Laif Rate of Return (book value)	0.93%
90 Day T-Bill	0.85%
Federal Funds	0.90%

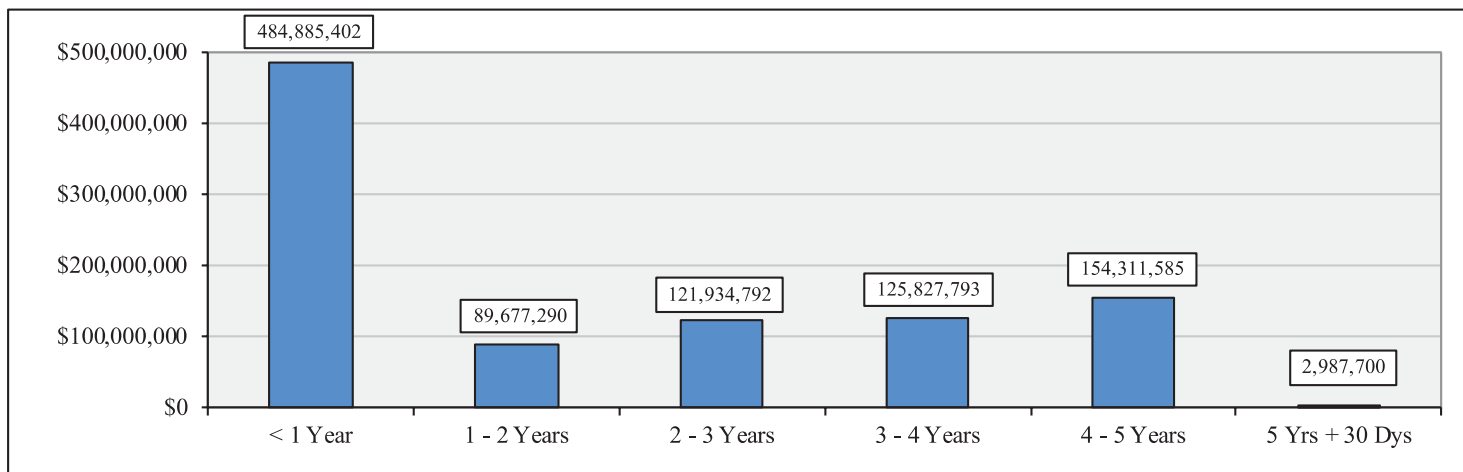
### POOL A BY ASSET CLASS



### POOL A MATURITY SCHEDULE

Maturity	Market Value	%
< 1 Year	484,885,402	49.51%
1 - 2 Years	89,677,290	9.15%
2 - 3 Years	121,934,792	12.45%
3 - 4 Years	125,827,793	12.84%
4 - 5 Years	154,311,585	15.75%
5 Yrs + 30 Dys	2,987,700	0.30%
Total	979,624,562	100.00%

Investment Description	Portfolio at Cost	Yield at Month End
CASH AND EQUIVALENTS	0.24%	1.06%
CALTRUST	14.79%	1.14%
LAIF	1.84%	0.88%
GOVPARTNERS	0.51%	0.88%
CERTIFICATES OF DEPOSIT	3.69%	1.88%
COMMERCIAL PAPER	17.64%	1.20%
MUNICIPAL BONDS	12.67%	1.81%
GOVERNMENT BONDS	1.54%	1.90%
CORPORATE BONDS	29.55%	1.86%
US AGENCY NOTES	17.53%	1.42%



City of Sacramento  
 CASH LEDGER  
*American River Flood Control District*  
 From 05-01-17 To 05-31-17

Item 2b

**All Cash Accounts**

Trade Date	Settle Date	Tran Code	Quantity	Security	Amount	Cash Balance
<b>Pool A Interest Receivable</b>						
05-01-17				Beginning Balance		81,007.33
05-31-17	05-31-17	in		Pool A Cash	8,754.59	89,761.92
				May 2017 estimated Pool A interest	8,754.59	
05-31-17				Ending Balance		89,761.92
<b>Pool A Cash</b>						
05-01-17				Beginning Balance		7,167,066.57
05-31-17				Ending Balance		7,167,066.57

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

[www.treasurer.ca.gov/pmia-laif/laif.asp](http://www.treasurer.ca.gov/pmia-laif/laif.asp)  
June 13, 2017

AMERICAN RIVER FLOOD CONTROL DISTRICT

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

[PMIA Average Monthly Yields](#)

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

[Tran Type Definitions](#)

May 2017 Statement

**Account Summary**

Total Deposit:	0.00	Beginning Balance:	760,409.18
Total Withdrawal:	0.00	Ending Balance:	760,409.18





**River City Bank**

WWW.RIVERCITYBANK.COM

PO Box 15247, Sacramento, CA 95851-0247

Return Service Requested

Item 2b

**CHECKING**



Last statement: April 30, 2017  
This statement: May 31, 2017  
Total days in statement period: 31

AMERICAN RIVER FLOOD CONTROL DISTRICT  
ROBERT MERRITT CPA  
4000 MAGNOLIA HILLS DR  
EL DORADO HILLS CA 95762

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0811090736  
( 37)

Direct inquiries to:  
916-567-2836

### Business Interest Checking

Account number	0811090736	Beginning balance	\$0.00
Enclosures	37	Total additions	676,713.13
Low balance	\$0.00	Total subtractions	676,713.13
Average balance	\$0.00	Ending balance	\$0.00
Avg collected balance	\$0		

### CHECKS

Number	Date	Amount	Number	Date	Amount
5744	05-19	20.00	5882	05-30	30.88
5861 *	05-03	369.93	5883	05-24	372.50
5862	05-18	343.20	5885 *	05-31	463.65
5863	05-17	64.83	5886	05-25	30.00
5864	05-30	126.69	5887	05-30	68.04
5865	05-26	363.55	5888	05-25	400.00
5868 *	05-30	676.22	5889	05-30	2,362.50
5869	05-26	3,509.59	5891 *	05-26	809.97
5870	05-26	350.00	5892	05-25	530.82
5871	05-25	8,000.00	5893	05-30	22.63
5873 *	05-30	69.25	5894	05-26	1,339.86
5875 *	05-30	602.84	5895	05-26	1,147.72
5876	05-25	6,547.50	5896	05-30	11,779.66
5877	05-31	41.34	5898 *	05-30	40.94
5878	05-30	32.02	5899	05-30	673.24
5879	05-30	104.09	5900	05-31	201.95
5880	05-26	1,985.68	5901	05-25	24,976.26
5881	05-30	204.28			

\* Skip in check sequence

**CHECKING**

AMERICAN RIVER FLOOD CONTROL DISTRICT  
May 31, 2017

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0811090736

**DEBITS**

<b>Date</b>	<b>Description</b>	<b>Subtractions</b>
05-09	' ACH Withdrawal HEALTHEQUITY INC HealthEqui 170509 38415	152.95
05-15	' ACH Withdrawal CALPERS 1900 100000014951783	2,523.07
05-15	' ACH Withdrawal INTUIT PAYROLL S QUICKBOOKS 170515 946000047	24,115.27
05-17	Incoming Wire Fee 201705170020751 COUNTY OF SACRAMENSACRAMENTO CA 9581 PROPERTY TAX DISTR	15.00
05-17	' Automatic Transfer TRANSFER TO DEPOSIT SYSTEM ACCOUNT XXXXXX0952	544,652.79
05-23	' ACH Withdrawal HEALTHEQUITY INC HealthEqui 170523 38415	150.00
05-25	' ACH Withdrawal INTUIT PAYROLL S QUICKBOOKS 170525 946000047	536.15
05-31	' ACH Withdrawal HEALTHEQUITY INC HealthEqui 170531 38415	150.00
05-31	' ACH Withdrawal INTUIT PAYROLL S QUICKBOOKS 170531 946000047	25,859.28
05-31	' ACH Withdrawal CALPERS 1900 100000014966442	1,330.00
05-31	' ACH Withdrawal CALPERS 1900 100000014958103	1,330.00
05-31	' ACH Withdrawal CALPERS 3100 100000014780957	1,990.92
05-31	' ACH Withdrawal CALPERS 3100 100000014777992	5,246.07

**CREDITS**

<b>Date</b>	<b>Description</b>	<b>Additions</b>
05-03	' Automatic Transfer TRANSFER FROM DEPOSIT SYSTEM ACCOUNT XXXXXX0952	369.93
05-09	' Automatic Transfer TRANSFER FROM DEPOSIT SYSTEM ACCOUNT XXXXXX0952	152.95

**CHECKING**

AMERICAN RIVER FLOOD CONTROL DISTRICT  
May 31, 2017

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0811090736

<b>Date</b>	<b>Description</b>	<b>Additions</b>
05-15	' Automatic Transfer TRANSFER FROM DEPOSIT SYSTEM ACCOUNT XXXXXX0952	26,638.34
05-17	Incoming Wire 201705170020751 COUNTY OF SACRAMENSACRAMENTO CA 9581 PROPERTY TAX DISTR	544,732.62
05-18	' Automatic Transfer TRANSFER FROM DEPOSIT SYSTEM ACCOUNT XXXXXX0952	343.20
05-19	' Automatic Transfer TRANSFER FROM DEPOSIT SYSTEM ACCOUNT XXXXXX0952	20.00
05-23	' Automatic Transfer TRANSFER FROM DEPOSIT SYSTEM ACCOUNT XXXXXX0952	150.00
05-24	' Automatic Transfer TRANSFER FROM DEPOSIT SYSTEM ACCOUNT XXXXXX0952	372.50
05-25	' Automatic Transfer TRANSFER FROM DEPOSIT SYSTEM ACCOUNT XXXXXX0952	41,020.73
05-26	' Automatic Transfer TRANSFER FROM DEPOSIT SYSTEM ACCOUNT XXXXXX0952	9,506.37
05-30	' Automatic Transfer TRANSFER FROM DEPOSIT SYSTEM ACCOUNT XXXXXX0952	16,793.28
05-31	' Automatic Transfer TRANSFER FROM DEPOSIT SYSTEM ACCOUNT XXXXXX0952	36,613.21

**DAILY BALANCES**

<b>Date</b>	<b>Amount</b>	<b>Date</b>	<b>Amount</b>	<b>Date</b>	<b>Amount</b>
04-30	0.00	05-18	0.00	05-26	0.00
05-03	0.00	05-19	0.00	05-30	0.00
05-09	0.00	05-23	0.00	05-31	0.00
05-15	0.00	05-24	0.00		
05-17	0.00	05-25	0.00		

**INTEREST INFORMATION**

Annual percentage yield earned	0.00%
Interest-bearing days	31
Average balance for APY	\$0.00
Interest earned	\$0.00

**CHECKING**

AMERICAN RIVER FLOOD CONTROL DISTRICT  
May 31, 2017

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0811090736

**OVERDRAFT/RETURN ITEM FEES**

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



**River City Bank**

WWW.RIVERCITYBANK.COM

PO Box 15247, Sacramento, CA 95851-0247

Return Service Requested

Item 2b

**REPURCHASE**



Last statement: April 30, 2017  
This statement: May 31, 2017  
Total days in statement period: 31

AMERICAN RIVER FLOOD CONTROL DISTRICT  
ROBERT MERRITT CPA  
4000 MAGNOLIA HILLS DR  
EL DORADO HILLS CA 95762

Page 1  
0811100952  
( 0)

Direct inquiries to:  
916-567-2836

### Business Int Checking Plus

Account number	0811100952	Beginning balance	\$579,717.48
Low balance	\$552,556.26	Total additions	544,825.75
Average balance	\$814,521.23	Total subtractions	131,980.51
Avg collected balance	\$814,521	Ending balance	\$992,562.72

#### DEBITS

Date	Description	Subtractions
05-03	' Automatic Transfer TRANSFER TO DEPOSIT SYSTEM ACCOUNT XXXXXX0736	369.93
05-09	' Automatic Transfer TRANSFER TO DEPOSIT SYSTEM ACCOUNT XXXXXX0736	152.95
05-15	' Automatic Transfer TRANSFER TO DEPOSIT SYSTEM ACCOUNT XXXXXX0736	26,638.34
05-18	' Automatic Transfer TRANSFER TO DEPOSIT SYSTEM ACCOUNT XXXXXX0736	343.20
05-19	' Automatic Transfer TRANSFER TO DEPOSIT SYSTEM ACCOUNT XXXXXX0736	20.00
05-23	' Automatic Transfer TRANSFER TO DEPOSIT SYSTEM ACCOUNT XXXXXX0736	150.00
05-24	' Automatic Transfer TRANSFER TO DEPOSIT SYSTEM ACCOUNT XXXXXX0736	372.50

**REPURCHASE**

AMERICAN RIVER FLOOD CONTROL DISTRICT  
May 31, 2017

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0811100952

Date	Description	Subtractions
05-25	' Automatic Transfer TRANSFER TO DEPOSIT SYSTEM ACCOUNT XXXXXX0736	41,020.73
05-26	' Automatic Transfer TRANSFER TO DEPOSIT SYSTEM ACCOUNT XXXXXX0736	9,506.37
05-30	' Automatic Transfer TRANSFER TO DEPOSIT SYSTEM ACCOUNT XXXXXX0736	16,793.28
05-31	' Automatic Transfer TRANSFER TO DEPOSIT SYSTEM ACCOUNT XXXXXX0736	36,613.21

**CREDITS**

Date	Description	Additions
05-17	' Automatic Transfer TRANSFER FROM DEPOSIT SYSTEM ACCOUNT XXXXXX0736	544,652.79
05-31	' Interest Credit	172.96

**DAILY BALANCES**

Date	Amount	Date	Amount	Date	Amount
04-30	579,717.48	05-18	1,096,865.85	05-26	1,045,796.25
05-03	579,347.55	05-19	1,096,845.85	05-30	1,029,002.97
05-09	579,194.60	05-23	1,096,695.85	05-31	992,562.72
05-15	552,556.26	05-24	1,096,323.35		
05-17	1,097,209.05	05-25	1,055,302.62		

**INTEREST INFORMATION**

Annual percentage yield earned	0.25%
Interest-bearing days	31
Average balance for APY	\$814,521.23
Interest earned	\$172.96

**OVERDRAFT/RETURN ITEM FEES**

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

**CERTIFICATION**

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

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

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

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

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

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

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

- LAIF Account, State Treasurer's Office      **Dated May 2017**
- Investment Pool A Account, City of Sacramento **Dated May 2017**
- District Checking Account, River City Bank      **Dated May 2017**
- District Repurchase Account, River City Bank      **Dated May 2017**

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

American River Flood Control District  
Statement of Operations  
July 1, 2016 to June 30, 2017 (Twelve Months Ending of Fiscal Year 2016-2017)  
For Internal Use Only

	Year to Date July 1, 2016 to June 30, 2017	Budget	Percent of Budget
<b>Revenues</b>			
Benefit assessment	\$ 1,284,180	\$ 1,385,000	92.72%
Consolidated capital assessment	650,000	650,000	100.00%
Interest	95,425	75,000	127.23%
O & M agreements	-	225,000	0.00%
Reserve fund transfers	-	-	Not budgeted
Miscellaneous	5,109	-	Not budgeted
<b>Total Revenues</b>	<b>\$ 2,034,714</b>	<b>\$ 2,335,000</b>	<b>87.14%</b>
<b>M &amp; O Expenses</b>			
Salaries and wages	\$ 702,486	\$ 675,000	104.07%
Payroll tax expense	50,822	54,000	94.11%
Pension expense	126,444	119,536	105.78%
Compensation insurance	27,083	33,750	80.25%
Medical/dental/vision	167,012	116,265	143.65%
Fuel/oil reimbursement	18,753	30,000	62.51%
Equipment rental	1,354	6,500	20.83%
Equipment repairs/parts	43,158	40,000	107.90%
Equipment purchases (< \$1,000)	-	500	0.00%
Shop supplies	9,035	12,000	75.29%
Levee maint. (supp. & material)	17,740	17,000	104.35%
Levee maint. chemicals	22,356	10,000	223.56%
Levee maint. services	79,687	34,000	234.37%
Rodent abatement (supplies & materials)	3,132	10,000	31.32%
Employee uniforms	5,044	7,000	72.06%
Staff training	3,259	15,000	21.73%
Miscellaneous	1,311	2,000	65.55%
Small tools & equipment	2,868	3,000	95.60%
Emergency preparedness program	76,948	20,000	384.74%
Engineering services	19,165	8,000	239.56%
Encroachment remediation	-	15,000	0.00%
<b>Total M &amp; O Expenses</b>	<b>\$ 1,377,657</b>	<b>\$ 1,228,551</b>	<b>112.14%</b>
<b>Administration Expenses</b>			
Board of trustees compensation	\$ 7,088	\$ 7,900	89.72%
Trustee expenses	1,677	1,750	95.83%
Accounting services	12,250	15,000	81.67%
Legal services (general)	30,552	50,000	61.10%
Utilities	25,208	25,000	100.83%
Telephone	14,408	12,500	115.26%
Retiree benefits	110,863	115,000	96.40%
Office equipment/furniture	1,944	10,000	19.44%
Office supplies	1,414	2,000	70.70%
Auto allowance	7,082	7,100	99.75%
Parking reimbursement	31	150	20.67%
General office expense	9,836	13,000	75.66%
Technology and software	6,053	17,000	35.61%
Dues and associations	20,631	25,000	82.52%
Property and liability insurance	26,838	30,000	89.46%
Conference/workshop/seminar	-	1,500	0.00%
Public relations/information	29,102	35,000	83.15%
Miscellaneous	3,332	5,000	66.64%
Employee morale/wellness	156	1,500	10.40%
Election expenses	1,669	81,826	2.04%
Investment fees	10,785	13,000	82.96%
Community services	1,000	1,500	66.67%
Bookkeeping services	11,943	12,000	99.53%
Property taxes	1,597	3,000	53.23%
Building maintenance	5,501	17,000	32.36%
County Dtech fees for DLMS	24,477	24,477	100.00%
County assessment fees (non cash)	-	21,000	0.00%
Interest expense	39	-	Not budgeted
<b>Total Administration Expenses</b>	<b>\$ 365,476</b>	<b>\$ 548,203</b>	<b>66.67%</b>
<b>Special Projects Expenses</b>			
Engineering studies/survey studies	\$ -	\$ 15,000	0.00%
Levee standards compliance	-	100,000	0.00%
Small capital projects	-	50,000	0.00%
<b>Total Special Project Expenses</b>	<b>\$ -</b>	<b>\$ 165,000</b>	<b>0.00%</b>
<b>Capital Outlay</b>			
Property acquisition	\$ 500	\$ -	Not budgeted
Equipment purchases (over \$1,000)	115,873	54,000	214.58%
<b>Total Capital Outlay</b>	<b>\$ 116,373</b>	<b>\$ 54,000</b>	
<b>Capital Outlay: District Headquarters Build-Out</b>			
Building improvements/maintenance	\$ 5,063	\$ 60,000	8.44%
La Riviera improvements/maintenance	9,323	20,000	46.62%
	<b>\$ 14,386</b>	<b>\$ 80,000</b>	

Note: Amounts above are not audited

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

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



AMERICAN RIVER FLOOD CONTROL DISTRICT  
Cash Flow Report  
July 2016 through June 2017

Cash Flow Report

Maintenance and Operations Expens	Jul 17	Aug 17	Sept 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18	TOTAL
500 · Salary/Wages	47,744.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	47,744.54
501 · Payroll Taxes	3,647.47	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,647.47
502 · Pension	3,155.12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,155.12
503 · Compensation Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
504 · Medical/Dental/Vision	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
508 · Fuel/Oil	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
509 · Equipment Rental	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
510 · Equipment Purchase(< \$5000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
511 · Equipment Repair/Parts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
512 · Shop Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
514 · Levee Maint(Supplies&Materi	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
515 · Levee Maintenance Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
516 · Employee Uniforms	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
518 · Staff Training	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
519 · Miscellaneous O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
521 · Small Tools & Equip	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
523 · Levee Maint. (Chemicals)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
525 · Emergency Preparedness Pr	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
530 · Encroachment Remediation I	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
532 · Rodent Abatement	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
605 · Engineering Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
615 · Survey Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
616 · Envionmental Services/Studi	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total M&amp;O Expense</b>	<b>54,547.13</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>54,547.13</b>

Administrative Expenses	Jul 17	Aug 17	Sept 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18	TOTAL
505 · Telephone	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
506 · Utility Charges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
507 · Office/Shop Lease	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
513 · Office Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
517 · Auto Allowance	550.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	550.00
520 · Retiree Benefits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
522 · Office Equipment/Furniture	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
526 · Mileage/Parking Reimburse	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
527 · General Office Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
529 · Pre-funding Retiree Benefits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
531 · Technology & Software	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
600 · Board of Trustees Compensa	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
601 · Trustee Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
602 · Accounting Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
603 · Legal Fees (General)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
604 · Flood Litigation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
606 · Legislative Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
607 · Dues and Assoc. Expenes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
608 · Insurance Premiums	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
609 · Conference /Workshops/Sem	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
610 · Public Relations Information	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
611 · Election Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
612 · District Annexations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

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613 - Community Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
614 - Miscellaneous Admin	40.95	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	40.95
617 - Investment Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
618 - Property Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
619 - Building Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
620 - Bookkeeping Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
621 - County Assessment Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
622 - County D/Tech Fees for DLMS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
623 - Employee Morale/Wellness	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Administrative</b>	<b>590.95</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>590.95</b>

Special Projects Expenses	Jul 17	Aug 17	Sept 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18	TOTAL
702 - Engineering/Survey Studies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
703 - Encroachment Remediation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
704 - Vegetation Management	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
705 - Small Capital Projects	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
707 - Levee Standards Compliance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Special Projects</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

Capital Outlay: Flood Control	Jul 17	Aug 17	Sept 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18	TOTAL
700 - Bank Protection	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
701 - Magpie Creek	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
706 - Property Acquisition	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
709 - Equipment Purchase (> \$500)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Capital Outlay: Flood Control</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

Income	Jul 17	Aug 17	Sept 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18	TOTAL
120 - Benefit Assessment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
122 - SAFCA CAD4	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
123 - Interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
124 - O&M Agreements	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
126 - Miscellaneous Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Income</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

Fund Balance

District Operations Fund	Jul 17	Aug 17	Sept 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18
Beginning Balance	2,294,495.71	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Expenses	1,055,138.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Ending Balance	1,239,357.63	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Capital Outlay Reserve Fund

Beginning Balance	1,065,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Ending Balance	1,065,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Retiree Health Benefit Reserve Fund

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<b>Beginning Balance</b>	1,443,558.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Income</b>	1,000,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Expenses</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Ending Balance</b>	2,443,558.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Flood Emergency Response Reserve Fund</b>													
<b>Beginning Balance</b>	1,500,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Income</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Expenses</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Ending Balance</b>	1,500,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Emergency Repair Reserve Fund</b>													
<b>Beginning Balance</b>	1,500,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Income</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Expenses</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Ending Balance</b>	1,500,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Balance</b>	7,747,915.63	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00



550 Howe Avenue, Suite 210  
Sacramento, California 95825

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

July 6, 2017

Board of Directors  
American River Flood Control District  
165 Commerce Circle, Suite D  
Sacramento, California 95815

We are pleased to confirm our understanding of the services we are to provide for American River Flood Control District (District) for the year ended June 30, 2017. We will audit the financial statements of the governmental activities and the aggregate remaining fund information, which comprise the District's basic financial statements as of and for the year June 30, 2017. Accounting standard generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's 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. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist 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 will 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. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Budget and Actual Comparison
3. Schedule of District's Proportionate Share of the Net Pension Liability and Schedule of Contributions to the Pension Plan

We have also been engaged to report on supplementary information other than RSI that accompanies the District's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole.

## **Audit Objectives**

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the basic financial statements taken as a whole.

Our audit will be conducted in accordance with U.S. generally accepted auditing standards; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and will include tests of accounting records, and other procedures we consider necessary to enable us to express such opinions. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis of matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audits or are unable to form or have not formed opinions, we may decline to express an opinion or to issue a report as a result of this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The reports on internal control and compliance will include a paragraph that states the purpose of the report is solely to describe the testing of internal control over financial reporting and compliance, and the result of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance, and that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

## **Management Responsibilities**

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. As part of the audit, we will assist with preparation of your financial statements and related notes. You are responsible for making all management decisions and performing all management functions relating to the financial statements and related notes and for accepting full responsibility for such decisions. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you are required to designate an individual with suitable skill, knowledge, or experience to oversee any nonaudit services we provide and for evaluating the adequacy and results of those services and accepting responsibility for them.

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July 6, 2017

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Management is responsible for establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities; to help ensure that appropriate goals and objectives are met and that there is reasonable assurance that government programs are administered in compliance with compliance requirements. You are also responsible for the selection and application of accounting principles; for the fair presentation in the financial statements of the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the District and the respective changes in financial position and cash flows, where applicable, in conformity with the U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making all financial records and related information available to us, including any significant vendor relationships in which the vendor has the responsibility for program compliance. We understand that you will provide us with such information required for our audit and that you are responsible for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Management's responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud, or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud, or illegal acts affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations and for taking timely and appropriate steps to remedy any fraud, illegal acts, violations of contracts or grant agreements, or abuse that we may report.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary

information, including its form and content, is fairly presented in accordance with GAAP; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishment and maintenance of a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous audits or other engagements or studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits or other engagements or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, and the timing and format related thereto.

### **Audit Procedures-General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations that are attributable to the District or to acts by management or employees acting on behalf of the District. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the periods covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected funding sources and financial institutions. We will also request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will request certain written representations from you about the financial statements and related matters.

### **Audit Procedures-Internal Control**

Our audit will include obtaining an understanding of the design of the entity and its environment, including internal control, sufficient to assess the results of material misstatement of the financial statements and to design the nature, timing and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify reportable conditions. However, we will communicate to management and those charged with governance on internal control related matters that are required to be communicated under professional standards, *Government Auditing Standards*.

### **Audit Procedures - Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with applicable laws and regulations and the provisions of contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

### **Audit Administration and Other**

Ingrid Shepline is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign the report.

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.



American River Flood Control District  
July 6, 2017  
Page 6 of 9

We may also request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will request certain written representations from management about the financial statements and related matters. Because of the importance of oral and written management representations to an effective audit, the District releases and indemnifies Richardson & Company, LLP and its personnel from any and all claims, liabilities, costs and expenses attributable to any active negligence on the part of the District.

The audit documentation for this engagement is the property of Richardson & Company, LLP and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to the California State Board of Accountancy or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. The firm will also make available its workpapers and respond to all reasonable inquiries of successor auditors and others to review workpapers of the District, upon the District's written request or consent. If requested, access to such audit documentation will be provided under the supervision of Richardson & Company, LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies. All professional and administrative services and expenses relating to such access will be charged as an additional expense to the District at the rates listed in the Professional Fees section of this letter. The workpapers for this or any engagement for you will be retained for a minimum of seven years after the date the auditor's report is issued, or longer if required by generally accepted auditing standards.

In the event we are requested or authorized by you or required by government regulation, subpoena, or other legal process to produce our workpapers or our personnel to respond to inquiries or serve as witnesses with respect to this or any engagement for you, you will, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, in responding to such a request. If such a request is made, and unless we are obligated by law or legal process to the contrary, we will inform you prior to providing such access.

If the District intends to publish or otherwise reproduce in any document our report on the District's financial statements, or otherwise make reference to our Firm in a document that contains other information in addition to the audited financial statements (e.g., in a debt offering circular for example), the District agrees that prior to making any such use of our report, or reference to our Firm, management will provide us with a draft of the document to read and obtain our approval for the inclusion or incorporation by reference of our report, or the reference to our Firm, in such document before the document is printed and distributed. The inclusion or incorporation by reference of our report in any such document would constitute the reissuance of our report and any request by the District to reissue our report or to consent to its inclusion or incorporation by reference in an offering or other document will be considered based on the facts and circumstances existing at the time of such request. The estimated fees outlined herein do not include any services that would need to be performed in connection with any such request to make use of our report, or reference to our Firm; fees for such services would be based upon the rates for additional services as described in the Professional Fees section.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, if applicable, you understand that electronic sites are a means to distributed information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Our Firm, as well as all other accounting firms with a significant audit practice, participates in a “peer review” program, covering our audit and accounting practices. This program requires that once every three years we subject our quality assurance practices to an examination by another accounting firm. As part of the process, the other firm will review a sample of our work. It is possible that the work we perform for you may be selected by the other firm for their review. If it is, they are bound by professional standards to keep all information confidential. If you object to having the work we do for you reviewed by our peer reviewer, please notify us.

*Government Auditing Standards* require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our current peer review report accompanies this letter.

### **Professional Fees**

Our fee for audit services for the year ended June 30, 2017 will be \$11,560. We will also provide assistance with performing the calculations to allocate the CalPERS pension amounts to the District and prepare the information for the footnote disclosures. We estimate that our fee for this services would not exceed \$1,200. These fees are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit and include out-of-pocket expenses for items including clerical support, computer charges, supplies, telephone charges, printing and travel. There will be no additional charges to the District related to these items. Our fee is all inclusive and represents a not to exceed amount.

These estimates do not take into consideration changes in the scope of the audit due to changes in accounting or auditing pronouncements and standards, laws or regulations, the loss of key accounting personnel, material weaknesses in the internal control environment, or significant changes in the scope of the District’s operations. We will discuss a new fee estimate with the District if such an event occurs.

Additional Services: The fee for additional services provided under this engagement letter or otherwise requested by the District, if any, will be based on a rate per hour by staff classification as follows:

Classification	Rate Per Hour
Principal/Audit Director	\$ 160
Senior Manager	130
Managers	120
Supervisors	110
Seniors	100
Semi-Senior	90
Staff	80
Administrative/Clerical	50

American River Flood Control District  
July 6, 2017  
Page 8 of 9

If any provision in this letter is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

In the event of any dispute between the parties, the parties agree first to submit any such dispute to mediation before a mutually agreeable retired judge or attorney with at least five years of experience as a mediator, with the parties to share equally in the costs of such mediation. If the mediation does not resolve the dispute and the dispute relates to unpaid fees only, then the parties agree to submit such fee dispute to binding arbitration before a mutually agreeable arbitrator of at least five years' experience and in accordance with the provisions of Code of Civil Procedure 1280 to 1294.2. In all other disputes where mediation fails, either party may file an action in the Sacramento County Superior Court. The prevailing party in any such action will be entitled to its reasonable attorney's and expert witness fees and litigation costs.

\* \* \* \* \*

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

RICHARDSON & COMPANY, LLP



Ingrid M. Sheipline, CPA  
Managing Partner

Response:

This letter correctly sets forth the understanding of the District.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



First Financial Bank Building  
400 Pine Street, Ste. 600, Abilene, TX 79601  
325.672.4000 / 800.588.2525 / f: 325.672.7049  
www.dkcpa.com

## System Review Report

July 15, 2015

To the Partners of  
**Richardson & Company, LLP**  
and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of **Richardson & Company, LLP** (the firm) in effect for the year ended March 31, 2015. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary).

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of **Richardson & Company, LLP** in effect for the year ended March 31, 2015, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. **Richardson & Company, LLP** has received a peer review rating of *pass*.

*Davis Kinard & Co, PC*

Certified Public Accountants



SACRAMENTO LOCAL AGENCY FORMATION COMMISSION  
1112 I Street, Suite 100 • Sacramento, CA 95814 • (916) 874-6458 • Fax (916) 874-2939  
[www.saclafco.org](http://www.saclafco.org)

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DATE: July 10, 2017

TO: Board of Directors of Independent Special Districts

FROM: Donald Lockhart AICP, Executive Officer  
Sacramento Local Agency Formation Commission

RE: **Sacramento LAFCo Nominations for Special District Representation**  
**Election for: Special District Commissioner Office No. 7, and**  
**Alternate Special District Commissioner for Offices No. 6 & 7**

Pursuant to the provisions of Cortese-Knox-Hertzberg (CKH), Section 56332 of the Government Code, the Executive Officer has determined that a meeting of the Special District Selection Committee is not feasible for the purpose of selecting a Special District Commissioner [Office No. 7] and Alternate Special District Commissioner [Office No. 6 & 7] to serve on the Sacramento Local Agency Formation Commission. Based on past experience, due to the size of the Special District Selection Committee, it has been difficult to establish a quorum. Therefore, the business of the Special District Selection Committee will be conducted in writing, as provided in the cited section code.

The Sacramento Local Agency Formation Commission meets on the **first Wednesday of the month at 5:30 P.M.**, Board Chambers, County Administration Center, 700 H Street, Sacramento, California. The Commission meeting is on recess January and July. The term of this office is four years beginning January 1, 2018 thru December 31, 2021.

**SPECIAL DISTRICT COMMISSIONER (Office No. 7)**

This office is currently held by Gay Jones (SMFS) and will expire on the 31st day of December, 2017.

**ALTERNATE SPECIAL DISTRICT COMMISSIONER (for Office No. 6 & 7)**

This office is currently held by Paul Green Jr. (RL/E CWD) and will expire on the 31st day of December, 2017.

Please be advised that nominations for the Offices listed above will be accepted starting July 10, 2017 until **September 15, 2017 at 4:00 P.M.** (67 days). You are invited to submit nominations **IN WRITING** to this office: **Sacramento LAFCo; 1112 "I" Street, Suite 100: Sacramento CA 95814.** Nominations not received by 4:00 P.M. on September 15, 2017, will be disregarded and returned to your district.

**To be valid, a nomination must be made by a majority vote of the governing board of an Independent Special District in an official meeting of that board and certified by the Secretary or Clerk of the Board. The nominee must be an elected or appointed Independent Special District Officer residing within the County of Sacramento but shall not be members of the legislative body of a city or county [(CKH Section 56332 (c)).**



At the end of the nominating period, the Executive Officer will prepare and send, to each Independent Special District, one ballot listing candidates and voting instructions. The ballot will include the names of all nominees submitted for Office No. 7 and Alternate for Office No. 6 & 7. The districts must return the ballots to the Executive Officer by the date specified in the voting instructions, which date will be at least 30 days from the date on which the Executive Officer mailed the ballots to the districts. Any ballot received by the Executive Officer after the specified date shall not be valid. The candidate who receives the most votes will be determined the winner outright. In the event of a tie, there will be a run-off election held in the same format as the initial election. The Executive Officer will announce the results of the election within seven days of the specified date.

If you have questions regarding the election procedure, please contact the LAFCo Clerk of the Commission, Diane Thorpe, at (916) 874-6458.

Very truly yours,

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION



Donald Lockhart, AICP  
Executive Officer

cc: LAFCo Commissioners





SACRAMENTO LOCAL AGENCY FORMATION COMMISSION  
1112 I Street, Suite 100 • Sacramento, CA 95814 • (916) 874-6458 • Fax (916) 874-2939

## SACRAMENTO LOCAL AGENCY FORMATION COMMISSION Special District Representation

### Nomination Form

Due: September 15, 2017 at 4:00 P.M.

In accordance with the bylaws of the Special District Selection Committee,  
the Governing Board of the \_\_\_\_\_ District  
nominates \_\_\_\_\_ (Board Member) for the  
Sacramento Local Agency Formation Commission - Special District Representation for:

Commissioner Office No. 7

And/or

Alternate Commissioner Office No. 6 & 7

Four year term (ends 12/31/21)

Signature: \_\_\_\_\_  
Board Chairperson

Meeting Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
District Manager or District Secretary

**Please Print E-mail Address**

INFORMATION TO REMAIN CONFIDENTIAL

**Please include Nominee's contact information below:**

\_\_\_\_\_  
Nominees Name

\_\_\_\_\_  
Nominees Address

\_\_\_\_\_  
Nominees Phone Number

\_\_\_\_\_  
Nominees E-mail

**Please attach Nominee's resume**

Acct. #	Paid to	Memo	Amount	Chk. #
	ARFCD General Fund	June Expenses	\$ 65,805.87	
1 504	ACWA JPIA Employee Benefits	Medical/Dental/Vision	\$ 13,701.42	\$ 24,973.91
2 520	ACWA JPIA Employee Benefits	Retirees	\$ 11,272.49	
3 503	ACWA Insurance	Compensation Insurance	\$ 8,741.45	
4 511	Airgas	Equipment Repair/Parts	\$ 319.06	
5 527	Alhambra/Sierra Springs	General Office Expense	\$ 170.25	
6 505	AT&T Analog	Telephone	\$ (2,085.83)	
7 505	AT&T Fiber	Telephone	\$ 676.22	
8 511	Battery Bill	Equipment Repair/Parts	\$ 203.09	
9 521	Bar-Hein Company	Small Tools & Equipment	\$ 1,195.01	
10 515	Bell Marine	Levee Maintenance Services	\$ 543.69	
11 527	Blue Ribbon Maintenance	General Office Expense	\$ 350.00	
12 603	Boutin Jones Inc.	Legal Fees (General)	\$ 285.00	
13 511	Carquest Auto Parts	Equipment Repair/Parts	\$ 332.89	
14 515	County of Sacramento	Levee Maintenance Services	\$ 50.00	
15 603	Downey Brand	Legal Fees (General)	\$ 1,163.67	
16 527	EverBank	General Office Expense	\$ 182.81	
17 511	Grainger	Equipment Repair/Parts	\$ 257.42	\$ 408.10
18 512	Grainger	Shop Supplies	\$ 150.68	
19 508	Hunt & Sons	Fuel/Oil	\$ 2,966.92	
20 512	Interstate Oil Company	Shop Supplies	\$ 747.02	
21 527	KBA Ddocusys	General Office Expense	\$ 60.98	
22 515	L and D Landfill	Levee Maintenance Services	\$ 278.65	
23 511	Les Sschwab Tire Center	Equipment Repair/Parts	\$ 395.06	
24 512	Mahaney Co., John F.	Shop Supplies	\$ 541.01	\$ 820.26
25 521	Mahaney Co., John F.	Small Tools & Equipment	\$ 279.25	
26 605	MBK Engineeers	Engineering Services	\$ 3,878.00	
27 531	Muller & Associates, Inc.	Technology & Software	\$ 30.00	
28 513	Office Depot	Office Supplies	\$ 132.61	\$ 336.09
29 527	Office Depot	General Office Expense	\$ 203.48	
30 527	Pitney Bowes	General Office Expense	\$ 22.68	
31 511	Porters Old 2 New Automotive	Equipment Repair/Parts	\$ 377.69	
32 511	Riverview International Trucks, LLC	Equipment Repair/Parts	\$ 80.32	
33 620	Robert Merritt, CPA	Bookkeeping Services	\$ 1,012.50	
34 512	Robin Hardy Communication Design	Office Supplies	\$ 374.10	
35 511	Sacramento for Tractors, Inc.	Equipment Repair/Parts	\$ 44.71	
36 506	Sacramento Utilities	Utility Charges	\$ 1,126.99	
37 515	Sierra Waste Recycling & Transfer Station	Levee Maintenance Services	\$ 251.64	
38 619	Signs Now	Building Maintenance	\$ 112.93	
39 506	SMUD	Utility Charges	\$ 792.41	
40 506	Sonitrol	Utility Charges	\$ 605.37	
41 601	US Bank	Trustee Expenses (Airport Van Rental, Dads Deli)	\$ 489.85	\$ 633.93
42 531	US Bank	Technology & Software (Sherweb, Dri*Crashplan Pro)	\$ 54.74	
43 518	US Bank	Staff Training (CPCA)	\$ 80.00	
44 523	US Bank	Levee Maint. (Chemicals) (Qspray.com)	\$ 61.64	
45 623	US Bank	Employee Morale/Wellness (Capital City Bowl)	\$ 100.00	
46 527	US Bank	General Office Expense (Check Depot)	\$ 95.60	
47 601	US Bank	Trustee Expenses (Airport Van Rental)	\$ (200.00)	
48 531	US Bank	Technology & Software (MSFT)	\$ (47.90)	
49 509	Valley Truck & Tractor Co.	Equipment Rental	\$ 4,310.00	
50 505	Verizon Wireless	Telephone	\$ 342.03	
51 506	Waste Management of Sacramento	Utility Charges	\$ 229.06	
52 515	West Coast Arborists, Inc.	Levee Maintenance Services	\$ 5,384.50	
53 511	West Coast Frame & Collision	Equipment Repair/Parts	\$ 520.00	
54 521	White Cap	Small Tools & Equipment	\$ 1,127.35	
55 526	Chapman, Malane E	Parking Reimbursement	\$ 40.65	
Accounts Payable Subtotal			\$ 64,411.16	
Accounts Payable and General Fund Aggregate Total:			\$ 130,217.03	





**American River Flood Control District**  
**Deferred Maintenance Program – Pipe Inspection Grants**  
**Staff Report**

**Discussion:**

The State of California Department of Water Resources has initiated a grant program to help Local Maintaining Agencies pay for levee pipe inspections. The program intends to reimburse local levee maintainers after they have completed video pipe inspections of eligible gravity flow pipes. The program does not provide funding to inspect pressurized pipes. There may be future funding available to rehabilitate pipes where inspections have identified hazardous conditions.

District staff met with representatives from DWR and discussed the process for participating in the program and the specific pipes eligible for inspection grant funding in the District. Pipe locations and pertinent pipe information were obtained from the States Utility Crossing Inventory Program (UCIP). Of the 128 potentially eligible pipes perceived to be in the District, only 47 pipes were actually found by the UCIP team.

In your packet is a table showing the owner and general location for each of the 47 found pipes. Of these pipes, 20 were owned and operated by the City of Sacramento and 8 are owned and operated by the County of Sacramento. The remaining pipes are owned by Sac State University, CalTrans, are abandoned, or are yet to be identified.

District staff supports the State's position that all pipes in the levees need to be inspected. Pipes all have a finite service period or lifetime based on the materials and construction methodology used to install them. Routine video inspections can provide valuable information relating to the integrity of each pipe and can assist engineers in determining the remaining serviceable life. Video inspections can also help determine when it is time to rehabilitate or replace a pipe. Without some sort of inspection, or test of the pipe's integrity, it is virtually impossible to detect any problems with the pipe. Inspections such as those promoted by the State's Deferred Maintained Project can help the District determine that its levees provide the necessary level of flood protection.

**Considerations:**

1. The District does not currently own the pipes eligible for inspection by the State program. The District would need to coordinate with the actual pipe owners to obtain the proper permissions to have a pipe contractor access and inspect the pipes. It is not clear if some of the pipes would have to be altered or modified to facilitate the inspection.
2. The District would be required to enter into an Operations, Maintenance, Repair, Rehabilitate, and Replacement (OMRR&R) Agreement with the State DWR in order to receive reimbursement for the inspection costs. Legal Counsel at Downey-Brand is currently working through OMRR&R contract language modifications with the State DWR on behalf of numerous LMAs considering this program. It is not clear what the ultimate

commitments will be for a LMA entering into this program. Obligations may stretch farther than merely committing to OMRR&R the pipe in perpetuity but commitments could also extend to any features in the adjacent levee reach or basin.

3. The District could pursue an alternative approach to have the pipe owners inspect their own pipes. There is no guarantee that this would happen for every pipe.

**Recommendation:**

The General Manager recommends that the Board of Trustees extend consideration of this item until Legal Counsel can culminate negotiations on the form of the OMRR&R agreement.

**DEPARTMENT OF WATER RESOURCES**

DIVISION OF FLOOD MANAGEMENT  
P.O. BOX 219000  
SACRAMENTO, CA 95821-9000



May 30, 2017

Mr. Tim Kerr  
General Manager  
American River Flood Control District  
165 Commerce Circle  
Sacramento, California 95815

Subject: Deferred Maintenance Project – Notice of Funding Eligibility

The California Department of Water Resources (DWR) has determined that the American River Flood Control District (ARFCD) is eligible for funding under the Deferred Maintenance Project (DMP) to evaluate and repair the levee penetrations identified within the ARFCD maintenance area.

Under the DMP, the Local Maintaining Agencies (LMAs) and DWR will collaborate to evaluate and rehabilitate the levee penetrations that affect integrity of the flood control facilities of the State Plan of Flood Control (SPFC). DWR will provide 100% funding for the identified works under the DMP. The interested LMAs will be required to enter into a Project Agreement with DWR. For more details regarding this program, refer to the DMP Implementation Procedures (Procedures) available at <http://water.ca.gov/floodmgmt/fmo/msb/dmp.cfm>

The DMP includes inspection and repair of levee penetrations in two phases with DWR reimbursing the LMA for 100% of the eligible project costs. During Phase-I, the funding recipient will evaluate the identified levee penetrations using video inspections and submit the results to DWR. DWR will review the Phase-I reports and prepare a Pipe Rehabilitation Plan (PRP) for the respective leveed area(s), which will include a preferred rehabilitation alternative(s) and preliminary cost-estimate(s).

Upon execution of an Assurance Agreement between the LMA and the Central Valley Flood Protection Board, DWR will issue a notice to proceed to the LMA for Phase-II work. Under Phase-II, the funding recipient will implement remedial actions identified in the PRP for the levee penetrations falling under the jurisdiction of the funding recipient.

Mr. Tim Kerr  
May 30, 2017  
Page 2

DWR is soliciting your sponsorship for implementing the work identified in Attachment A to the enclosed Project Agreement. If you wish to participate in the work(s) identified in Attachment A, we request that you provide DWR with an Intent to Participate letter (see sample letter in Attachment B-1).

The Intent to Participate letter should include the following items:

- Name and contact information of your authorized representative(s), an example of which can be found in Attachment B-2.
- A reference to this Notice of Eligibility and the eligible repair work(s) summarized in Attachment A.
- A statement that your agency is legally authorized to contract with the State of California, implement a flood protection program, and levy assessments and charges.
- A Resolution of Authority from your agency's governing board authorizing specified agency representatives to sign a Project Agreement with the Department and to apply for and accept state disbursements, an example of which can be found in Attachment B-3.
- A statement indicating that your agency is willing and able to design and implement repairs that will comply with the California Water Code (CWC), section 9140 reporting requirements.

Upon receipt of the Intent to Participate letter, DWR will coordinate with your authorized representative(s) to develop a Project Agreement that defines the scope, budget, and the roles/responsibilities in implementing the repairs.

### **Intent to Participate Submittal**

Submit one hard copy to the address below. Hard copies or hard-copy attachments must be legibly completed and suitable for copying.

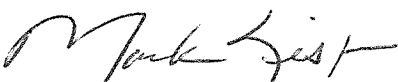
*To submit hard copy of proposal by mail:*  
California Department of Water Resources  
P.O. Box 219000, Sacramento, California 95821-9000  
Attention: Mark R. List

*To deliver by hand or overnight carrier:*  
Mark R. List, DMP Program Manager  
3310 El Camino Avenue, Suite 140  
Sacramento, California 95821

Mr. Tim Kerr  
May 30, 2017  
Page 3

If you have any questions regarding project eligibility, the Intent to Participate process, or the DMP in general, please contact me at (916) 574-0319 or via email at [Mark.List@water.ca.gov](mailto:Mark.List@water.ca.gov).

Sincerely,



Mark R. List, Chief  
Maintenance Support Branch  
Division of Flood Management

Attachments

## DWR Deferred Maintenance Project Pipes Eligible for Inspection in ARFCD

#	unit	LM	ID#	Lat	Long	Owner	ARFCD Staff Notes
1	5	0.387	24090	38.59105	-121.505	City of Sacramento	Sac River Outfall Downstream of intake
2	1	1.578	24255	38.62724	-121.441	City of Sacramento	Arcade Ck at Beiden St
3	1	1.778	24256	38.62794	-121.438	City of Sacramento	Arcade Ck at Diamond/Pamela
4	3	1.952	24259	38.62757	-121.435	City of Sacramento	Arcade Ck at Delmar Way
5	4	0.399	24303	38.60044	-121.502	Abandoned	Abandoned (ARFCD/Bill)- No As-builts
6	4	0.922	24305	38.60166	-121.493	City of Sacramento	5th Street/T9 Gravity pipe
7	4	10.627	24325	38.56832	-121.353	County of Sacramento	Mayhew Drain West - Near Linda Rio Br
8	4	3.192	24330	38.5886	-121.459	City of Sacramento	Landfill drain pipe (Permit# 15041) id#3424
9	4	3.577	24331	38.58949	-121.452	City of Sacramento	Landfill drain (covered for trail)
10	4	3.847	24336	38.58689	-121.448	Cal Trans	Bus-80 Drain (Permits #1587, 17840)
11	4	6.076	24338	38.56851	-121.424	City of Sacramento	H Street Bridge - Left Bank
12	4	6.574	24341	38.56169	-121.421	Sac State Outfalls	Guy West Br (pumped?)
13	4	6.774	24349	38.55945	-121.419	Sac State Outfalls	<b>HDPE near Sac State Alumni Gr</b>
14	6	0.836	24354	38.66116	-121.46	?? City?	old pipe between Kelton and Sully (not found)
15	7	1.26	24368	38.62587	-121.447	City of Sacramento	Arcade Ck just upstream of bike bridge
16	7	1.334	24370	38.62632	-121.446	City of Sacramento	Arcade Ck just upstream of Rio Linda
17	7	1.468	24371	38.6272	-121.444	City of Sacramento	Arcade Ck near Rivera Dr at Branch St
18	7	1.603	24372	38.62774	-121.441	City of Sacramento	Arcade Ck near Rivera Dr at Beldon St
19	7	1.72	24373	38.62811	-121.439	City of Sacramento	Arcade Ck

## DWR Deferred Maintenance Project Pipes Eligible for Inspection in ARFCD

20	7	1.834	24375	38.62838	-121.437	City of Sacramento	Arcade Ck
21	7	1.894	24376	38.62828	-121.436	City of Sacramento	Arcade Ck downstream of Hagginwood Pk
22	7	1.768	24379	38.6283	-121.439	City of Sacramento	Arcade Ck near Rivera Dr at Alvarado St
23	8	0.413	24390	38.66814	-121.44	City of Sacramento	Robla Ck near Neal Rd
24	9	1.291	24394	38.56229	-121.405	Abandoned	Riser in floodway near Breckenwood Way
25	9	3.681	24406	38.58432	-121.421	County of Sacramento	D-05 Upstream end of detention basin
26	9	3.742	24409	38.58491	-121.422	County of Sacramento	D-05 at Pumphouse
27	10	0.942	24413	38.58799	-121.337	County of Sacramento	Near McClaren Dr
28	2	1.244	24478	38.61888	-121.468		Listed as Not Found in UCIP
29	2	1.961	24481	38.62913	-121.47	SAFCA/ARFCD	<b>Berm drain - Not a levee penetration</b>
30	2	2.87	24484	38.64216	-121.472	SAFCA/ARFCD	<b>Berm drain - Not a levee penetration</b>
31	4	1.894	24492	38.59572	-121.477		Listed as Not Found in UCIP - <b>Steel Pipe on Bridge??</b>
32	4	3.391	24494	38.58961	-121.455		Listed as Not Found in UCIP
33	4	6.775	24595	38.55945	-121.419	Sac State Outfalls	<b>HDPE near Sac State Alumni Gr</b>
34	4	6.575	24599	38.56168	-121.421	Sac State Outfalls	Guy West Br (pumped?)
35	4	6.576	24600	38.56168	-121.421	Sac State Outfalls	Guy West Br (pumped?)
36	4	6.577	24601	38.56167	-121.421	Sac State Outfalls	Guy West Br (pumped?)
37	4	6.578	24602	38.56166	-121.421	Sac State Outfalls	Guy West Br (pumped?)
38	4	6.579	24603	38.56165	-121.421	Sac State Outfalls	Guy West Br (pumped?)
39	4	1.895	24625	38.59572	-121.477		Listed as Not Found in UCIP - <b>same pipe as 24492</b>



<b>DWR Deferred Maintenance Project</b>		<b>Pipes Eligible for Inspection in ARFCD</b>		<b>4-inch HDPE under Arden-Garden Connector</b>	
40	2	0.356	<b>24798</b>	38.6062	-121.468 ???
41	6	0.751	<b>24812</b>	38.66052	-121.462 City of Sacramento
42	9	3.683	<b>24817</b>	38.58434	-121.421 County of Sacramento
43	9	3.685	<b>24818</b>	38.58436	-121.421 County of Sacramento
44	8	0.083	<b>24823</b>	38.66298	-121.456 City of Sacramento
45	8	0.518	<b>24826</b>	38.66711	-121.451 City of Sacramento
46 ( no u		0.823	<b>24827</b>	38.57718	-121.342 County Sewer
47 ( no u		0.067	<b>24831</b>	38.57089	-121.354 County of Sacramento

## American River Flood Control District

### Purchase of Alamo Ridge Runner Mower

#### Staff Report

**Discussion:**

District staff has been following the developing technology of remotely operated mowers for a number of years. Recently, the representatives for the Alamo company alerted District staff to their newest model. This model, the Ridge Runner, is extremely light weight and has a very low center of gravity. The mower is operated by remote control and can access very tight spaces were the District previously could only control vegetation with line trimmers or herbicides.

The District rented the Ridge Runner for the entire month of June 2017 and experienced impressive results. The mower was very maneuverable on steep levee slopes and was able to turn on the slope without damaging the slope or sod covering. The light weight of the mower and the low ground pressure from the rubber tracks attributed to the mower's handling and lack of slope damage.

District staff tested the mower in many tight to reach spots on the landside of the levee in River Park. The 2-mile section that normally takes the crew a week to weed whack with line trimmers was completed in one day with the Ridge Runner with only one operator manning the controls.

There is currently no equal competitor for the Alamo Ridge Runner for the District's intended purposes. District staff researched the other remotely operated mowers on the market and the closest rubber tracked comparison weights nearly 3 times as much as the Rider Runner at 2640 pounds. Remotely controlled mowers with tires instead of tracks are available but are not expected to maneuver well on the District's steep levee slopes.

The rental agent from Valley Truck and Tractor also provided a sales quote for the purchase of the Alamo mower. The quote lists a reduction of the list price by 90% of the June rental fee. The resulting price including the reduction is for \$41,746.88

**Recommendation:**

The General Manager recommends that the Board of Trustees approve the purchase of the Alamo Ridge Runner mower at a price of \$41,746.88.

Quote Id: 15500532

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Prepared For:  
**American River Flood**



Prepared By: **Anthony Bertoldi**

Valley Truck and Tractor Inc  
10490 E Stockton Blvd Ste400  
Elk Grove, CA 95624

Tel: 916-714-2600

Fax: 916-714-2661

Email: [abertoldi@vttco.net](mailto:abertoldi@vttco.net)

**Quote Summary**

**Prepared For:**  
 American River Flood  
 CA

**Prepared By:**  
 Anthony Bertoldi  
 Valley Truck and Tractor Inc  
 10490 E Stockton Blvd Ste400  
 Elk Grove, CA 95624  
 Phone: 916-714-2600  
 abertoldi@vttco.net

**Quote Id:** 15500532  
**Created On:** 07 June 2017  
**Last Modified On:** 27 June 2017  
**Expiration Date:** 28 July 2017

Equipment Summary	Suggested List	Selling Price	Qty	Extended
ALAMO 04600115 - 960011500102	\$ 45,000.00	\$ 42,450.00 X	1 =	\$ 42,450.00
<b>Equipment Total</b>				<b>\$ 42,450.00</b>

**Quote Summary**

Equipment Total	\$ 42,450.00
CA Tire Fee	\$ 7.00
SubTotal	\$ 42,457.00
Sales Tax - (7.75%)	\$ 3,289.88
Est. Service Agreement Tax	\$ 0.00
<b>Total</b>	<b>\$ 45,746.88</b>
Down Payment	(0.00)
Rental Applied	(4,000.00)
<b>Balance Due</b>	<b>\$ 41,746.88</b>



# Selling Equipment

Quote Id: 15500532

ALAMO 04600115 - 960011500102				
Hours:	2			<b>Suggested List</b>
Stock Number:	45291			\$ 45,000.00
				<b>Selling Price</b>
				\$ 42,450.00
<b>Code</b>	<b>Description</b>	<b>Qty</b>	<b>Unit</b>	<b>Extended</b>
S U 45291	ALAMO RIDGE RUNNER ASSY	1	\$ 45,000.00	\$ 45,000.00
<b>Suggested Price</b>				<b>\$ 45,000.00</b>
<b>Customer Discounts</b>				
<b>Customer Discounts Total</b>			<b>\$ -2,550.00</b>	<b>\$ -2,550.00</b>
<b>Total Selling Price</b>				<b>\$ 42,450.00</b>

# American River Flood Control District

## Designation of Surplus Equipment

### Staff Report

#### **Discussion:**

District staff seeks to designate as surplus various pieces of equipment that are no longer optimal or are only used very infrequently. These items include two trailers, a powered light tower, and a soil compactor. The disposal of these items will free up valuable space in the warehouse and make room for optimized replacement items.

#### Great Northern 18-Foot Tilt Trailer

This trailer was used for hauling an Aebi mower that is no longer owned by the District. With the purchase of a new Aebi Mower, the District ordered a custom trailer that is optimized for the new Aebi. The District no longer uses the Great Northern 18-Foot Tilt Trailer and it is eligible for surplus.

#### Carson Trailer

This trailer is currently used to haul the Deweze mower. The trailer is unnecessarily big and is not ideal for accessing the locations used by that mower. It is anticipated that this trailer would be replaced by a more functional smaller trailer in the near future.

#### Allmand Night Lite Pro Light Tower

The light tower was purchased nearly 20 years ago and has never been used. It is an outdated design that would require significant maintenance to ensure proper function to support night time flood fighting. It is much more practical to rent a modern functioning piece of equipment if the need for it arises.

#### Mikasa MT-74F Compactor

The Mikasa compactor has been owned by the District for nearly 20 years. It has proven to be very temperamental and has not always been reliable. District staff typically has it serviced immediately prior to needing it for construction. It would be much more practical to rent a modern functioning compactor whenever the need arises.

#### **Recommendation:**

The General Manager recommends that the Board of Trustees designate the two trailers, the light tower, and compactor as surplus and direct staff to sell or dispose of the equipment per the guidelines in the Surplus Equipment Policy

## General Manager's Meeting Summary – June 2017

**6/5: American River Flood Control District Personnel Committee meeting.** The Committee met to review proposed adjustments to staff salary and benefits for FY17-18.

**6/9: American River Flood Control District Board of Trustees meeting.** The Board met in regular session. The agenda items included the Fiscal Year 2017-18 Budget and 5-year Plan, the General Manager's annual performance evaluation, staff salary and benefits adjustments for 2017-18, and a letter to the California Central Valley Flood Protection Board indicating support for the County of Sacramento's emergency repair at Sump D-10.

**6/12: SAFCA Agency Staff meeting.** I attended this meeting to coordinate on local flood control topics. Items of discussion included SAFCA's North Area Streams project, Chief of Planning Tim Washburn's retirement, and the local de-authorization request of 3 levee reaches in ARFCD.

**6/15: City of Sacramento Bike Trail Reconnaissance Site Visit.** I attended this visit to help the City Economic Development Department identify suitable areas for installing informational kiosks along the levee bike trail. I informed the group that the most suitable locations from a levee O&M perspective would be wide spots so that the kiosk wouldn't create a traffic bottleneck. The group found 3 or 4 spots with acceptable conditions.

**6/20: Lower American River Bank Protection Working Group.** I attended this working group to hear discussions on bank and levee erosion along the Lower American River. The group heard briefings from Northwest Hydraulic Consultants on LAR flow modeling and the Rock Revetment Database.

**6/21: Central Valley Flood Control Association Board of Directors meeting.** I attended this meeting to coordinate on regional flood operations and maintenance topics. Items of discussion included the Association's financial reports, the FY 2017-18 budget, Association dues, and the DWR Deferred Maintenance Project grants for LMA pipe inspections.

**6/22: California DWR Deferred Maintenance Project meeting.** I met with DWR staff to learn about their grant program to reimburse Local Maintaining Agencies for levee pipe inspections. DWR presented a table showing 47 pipes eligible for inspection funding that were found by their Utility Crossing Inventory Program. DWR indicated that the grant funds must be obligated during the 2017-18 fiscal year. DWR also indicated that they can only contract with the LMA and not the actual pipe owner. The LMA must sign an Operation, Maintenance, Repair, Rehabilitation, and Replacement (OMRR&R) Agreement with the State to be eligible for reimbursement funding. It is not yet clear what commitments from the LMA will be required in the OMRR&R Agreement.