

**RIO LINDA / ELVERTA COMMUNITY WATER DISTRICT
REGULAR MEETING OF THE
BOARD OF DIRECTORS**

OCTOBER 21, 2019 (6:30 p.m.)

Visitor's / Depot Center
6730 Front Street
Rio Linda, CA 95673

The mission of the Rio Linda / Elverta Community Water District is to provide, in a manner responsive to District customers, a water supply that is adequate, safe, potable, (according to state and federal standards) and that meets both current and future needs.

AGENDA

The Board may discuss and take action on any item listed on this agenda, including items listed as information items. The Board may also listen to the other items that do not appear on this agenda, but the Board will not discuss or take action on those items, except for items determined by the Board pursuant to state law to be of an emergency or urgent nature requiring immediate action. The Board may address any item(s) in any order as approved by the Board.

The public will be given the opportunity to directly address the Board on each listed item during the Board's consideration of that item. Public comment on items within the jurisdiction of the Board is welcomed, subject to reasonable time limitations for each speaker. Public documents relating to any open session item listed on this agenda that are distributed to all or any majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection at the District office at 730 L Street, Rio Linda, CA 95673. In compliance with the Americans with Disabilities Act, if you have a disability and need a disability-related modification or accommodation to participate in this meeting, please contact the District office at (916) 991-1000. Requests must be made as early as possible, and at least one full business day before the start of the meeting

1. **CALL TO ORDER, ROLL CALL and PLEDGE OF ALLEGIANCE**

2. **PUBLIC COMMENT**

2.1. *Members of the public are invited to speak to the Board regarding items within the subject matter jurisdiction of the District that are not on the agenda or items on the consent agenda. Each speaker may address the Board once under Public Comment for a limit of 2 minutes. (Policy Manual § 2.01.160).*

3. **CONSENT CALENDAR (Action items: Approve Consent Calendar Items)**

3.1. Minutes

September 16, 2019

The Board is being asked to approve the Minutes from the September 16, 2019 Regular Board Meeting.

3.2. Expenditures

The Finance & Administrative Committee recommends the Board approve the August Expenditures.

3.3. Financial Reports

The Finance & Administrative Committee recommends the Board approve the August Financial Reports.

4. **REGULAR CALENDAR**

ITEMS FOR DISCUSSION AND ACTION

4.1 GM Report

4.1.1 The General Manager Tim Shaw will provide his monthly report to the Board of Directors.

4.2 District Engineer's Report

4.2.1 The District's Engineer Michael Vasquez will provide his monthly report to the Board of Directors.

4.3 Consider authorizing the additional, alternate expression of salaried employees to include a biweekly salary (advantageous in accommodating 9/80s alternative work schedules).

4.4 Consider adopting the RLECWD Strategic Plan.

4.5 Consider accepting the annual independent audit for fiscal year 2018/2019 from Fechter & Company.

4.6 Consider approving an addendum to the Employment Agreement with General Manager, Tim Shaw.

4.7 Board of Directors vote to fill vacancies on the Sacramento Local Agency Formation Commission (LAFCo).

4.8 Authorize any new Board Member Assignments (committees and other) announced by the Chair pursuant to District Policy 2.01.065.

5. **INFORMATION ITEMS**

5.1 DISTRICT ACTIVITY REPORT

5.1.1. Water Operations Report

5.1.2. Conservation Report

5.2. BOARD REPORTS

5.2.1. Report any ad hoc committees dissolved by requirements in Policy 2.01.065

5.2.2. Regional Water Authority –Gifford (primary), Shaw

5.2.3. Sacramento Groundwater Authority – Harris (primary), Reisig

5.2.4. LAFCO – Vacant (pending election process, J Green nominated)

5.2.5. Executive Committee– Harris, Green

5.2.6. ACWA/JPIA – Ridilla

5.2.7. AD Hoc Committees

5.2.8. Other Reports

6. **PUBLIC COMMENT PRIOR TO CLOSED SESSION**

7. **CLOSED SESSION - The Board of Directors will meet in Closed Session to discuss the following item**

7.1.1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION: (Pursuant to paragraph (1) of subsection (d) of Government Code Section 54956.9)

Two Cases:

Rio Linda Elverta Community Water District v. United States, Case No. 1:17-cv-00859

Rio Linda Elverta Community Water District v. United States, Case No. 2:17-cv-01349

8. **RECONVENE IN OPEN SESSION**

8.1. Announce any reportable actions authorized in Closed Session.

9. **DIRECTORS' AND GENERAL MANAGER COMMENTS**

10. **ADJOURNMENT**

Upcoming meetings:

Executive Committee

November 4, 2019 Monday, 6:00 pm at the Visitor's/Depot Center, 6730 Front Street, Rio Linda, CA 95673.

Regular Board Meeting

November 18, 2019, Monday, 6:30 pm at Visitor's /Depot Center, 6730 Front Street, Rio Linda, CA 95673.



**Consent Calendar
Agenda Item: 3.1**

Date: October 21, 2019

Subject: Minutes

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

N/A -Minutes of Board meetings are not reviewed by committees.

Current Background and Justification:

These minutes are to be reviewed and approved by the Board of Directors.

Conclusion:

I recommend the Board review and approve (as appropriate) the minutes of meetings provided with your Board packets.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Ridilla:____ Harris:____ Jason Green____ Gifford____ Reisig_____.

(A) Yea (N) Nay (Ab) Abstain (Abs) Absent

**MINUTES OF THE
SEPTEMBER 16, 2019
BOARD OF DIRECTORS REGULAR MEETING
OF THE RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT**

1. CALL TO ORDER, ROLL CALL

The September 16, 2019 meeting of the Board of Directors of the Rio Linda/Elverta Community Water District called to order at 6:30 p.m. at the Visitor's Depot Center located at 6730 Front Street, Rio Linda, CA 95673. General Manager Tim Shaw took roll call of the Board of Directors. Director Harris, Director Jason Green, President John Ridilla, Director Chris Gifford, Director Robert Reisig and General Manager Tim Shaw were present. Director Gifford led the pledge of allegiance.

2. PUBLIC COMMENT

No public comment.

3. CONSENT CALENDAR

3.1 Minutes

August 19, 2019

3.2 Expenditures

3.3 Financial Reports

No public comment.

It was moved by Director Harris and seconded by Director Reisig to approve the consent calendar. Directors Green, Harris, Gifford and Reisig and Ridilla voted yes. The motion carried with unanimous vote of 5-0-0.

REGULAR CALENDAR

4. ITEMS FOR DISCUSSION AND ACTION

4.1. General Manager's Report

GM Shaw provided a written report.

No public comment.

The Board made no action on this item

4.2 District Engineer's Report – Mike Vasquez

District Engineer Mike Vasquez provided a written report to the Board of projects in the works since the last meeting of the Board. The report highlighted topics of General District Engineering, Well 16 Pumping Station Equipping and Site Design Project, DWR Proposition 84 Grant Funding for Well #16.

No public comment on this item.

The Board made no action on this item

4.3 Consider request from Ron Hyce to authorized resale or transfer of the capacity granted to Mr. Hyce in 1991.

Mr. Hyce has requested to sell his capacity in the drinking water system from the RLECWD Board of Directors and staff many times in the 28 years since the agreement providing a conditional 1-inch service was executed in 1991. Each time the Board's ruling was the same, the entitlement is not transferable.

Public members Mr. Ron Hyce and Mr. Jack Nolan attended the meeting asking the Board to reconsider the ability for Mr. Hyce to sell the 1" service. Mr. Jack Nolan is asking for possibility of considering mediation to have an uninterested party review the ability to sell the 1" service. Mr. Nolan informed the Board that Mr. Hyce is of an age he no longer wants to build and has this 1" service that he no longer needs.

District Counsel Barbara Brenner informed Mr. Nolan that the District had offered to negotiate a value for Mr. Hyce's 1" inch service connection. GM Tim Shaw stated Mr. Hyce was given a letter, included in the Board packet, approved by the Board based on the original value in 1991 of a 1" connection adjusted for inflation.

Mr. Nolan stated if the Board is willing to negotiate with Mr. Hyce, then he will wait to hear from the District until Next Monday, September 23rd before pursuing legal action.

No action was taken on this item.

4.4 Reconsider employees request for accommodating 4-10s alternative work schedule, which entails District office being closed on Fridays.

In 2018, prior to engaging in MOU renewal negotiations, all employees (excluding the GM) signed a letter and submitted the letter to the GM. The letter expressed the employees desire to transition to a 4-10 schedule (four days per week with ten hours per workday). The old and new MOU contain the same subject matter language, which empowers the GM to adjust the operating hours of the District to meet the operational needs of the District.

The new MOU established an Employee Retention Management Advisory Committee. One of the subjects that has been explored at the Advisory Committee has been flexible work schedules. The Advisory Committee has discussed both 9/80 and 4-10 schedules and has chosen to focus on 4-10s. The GM has advised that when the Board discussed the change in 2018, the Board's direction was to provide plenty of lead time and to distribute a notice to the ratepayers regarding the change in operating hours for the office, i.e. closed Fridays and open from 7:00 A.M. to 5:30 P.M. Mon -Thur. The GM has noted in the Advisory Committee meetings that the Board experienced substantive turnover since the Board provided direction in 2018. Accordingly, dialog with the Executive Committee and the Board is an essential next step.

Given the language in the MOU regarding GM authorization and the established provisions/restrictions regarding collective bargaining. It is inappropriate for the Board to vote on a change of operational hours. Conversely, it is entirely appropriate for the Board to provide feedback, ask questions, and provide direction to the GM.

No public comment on this item.

It was moved by Director Harris to deny the request by the employees for a 4-10 work schedule. No second. Motion failed.

It was moved by Director Ridilla and seconded by Director Reisig to not take action on this item and defer to GM Shaw's judgement on setting flexible work schedules. Director Green, Ridilla, Reisig and Gifford voted yes. Director Harris abstained. The motion carried with a vote of 4-0-1.

4.5 Consider accepting Opus Bank terms and conditions and authorizing execution of Opus Bank Resolution to open an account through the construction phase of Well #16 project.

At the August 19th Board meeting, the Board Members were apprised that Opus had not submitted their terms and conditions documents in time for RLECWD Board consideration. The Board Members were further advised that staff believed the Opus Bank loan final draw could be deposited into an Umpqua Bank account because the Board has already agreed to the terms and conditions for Umpqua.

Subsequent to the August 19th Board meeting, Opus Bank provided their interpretation of the existing loan agreement. Opus asserts that the District must use an Opus account for this purpose. This appears counterintuitive because the terms of such an account (e.g. interest rates, monthly service charges, fees for anticipated banking transactions, etc.) are not stipulated in the February 2018 Opus Bank Loan Agreement. Nevertheless, the District's Bond Counsel for this loan, Brian Quint has reviewed the material and agrees with the interpretation from Opus. District General Counsel, Barbara Brenner was copied on all correspondence with Opus and Bond Counsel.

Apparently, the District has very limited discretion. The District is virtually compelled to open an Opus Bank account and must accept Opus terms to do so. In light of the confusion and interpretable loan agreement language, Opus is waiving the fees for all transactions and the monthly service fee. Unfortunately, Opus will pay only 0.15% (extremely low) on the account balance from beginning to final payout to contractors/vendors on Well #16. In the meantime, Opus has transferred the \$3.2 million into an Opus Bank account and stipulated the District may not make any withdrawals (i.e. to pay Well # 16 vendors/contractors) unless and until the District submits are requisite documents.

Legal Counsel was provided a copy of the Opus Bank terms and conditions on August 19th.

No public comment on this item.

It was moved by Director Harris and seconded by Director Ridilla to accept the Opus Bank account terms and conditions, and further authorize to execute all required documents to establish the Opus Bank account for disbursing qualified payments for design, permitting and construction of the Well #16 Groundwater Pumping Station. Directors Green, Harris, Ridilla, Reisig and Gifford voted yes. The motion carried with unanimous vote of 5-0-0.

4.6 Consider approving a Request for Proposals (RFP) to solicit responses from potential rates study consultants.

As discussed in previous Committee and Board meetings, the District's current rate structure is an impediment for compliance with SB 606, AB 1668, AB 685 and SB 555. These new laws implement newly established standards and requirements for water use minimum efficiency and affordability. SB 555 also establishes a maximum allowable water loss, making the District's 600 cubic feet (6-units) of metered/not billed practice inappropriate. An informal review of rates by agencies who are members of RWA reveals RLECWD is the only RWA member agency providing metered/not-billed water.

Other aspects of the informal rates comparison reveal that RLECWD current rate structure has the highest percentage of fixed cost among 33 agencies in the Sacramento and Bay Area regions. High fixed charges mean the ratepayers have very limited financial incentive to use water efficiently.

AB 685 and subsequently adopted laws have begun the evaluation of water affordability. The State recently launched a website where the public may review the relative affordability of their water agency in comparison to neighboring water agencies

(<http://oehha.maps.arcgis.com/apps/MapSeries/index.html?appid=a09e31351744457d9b13072af8b68fa5>)

. The Score for RLECWD water affordability for County Poverty Threshold is “1” on a scale of 0 to 4 with 4 being the most affordable and zero being least affordable. The matrices used include comparing agency rates for 6-units of water per month. Because the 6-units of metered/not billed structure at RLECW will eventually contribute to fines for exceeding SB 555 water loss limits, the metered/not billed structure will need to be eliminated. If we only eliminated the metered/not billed 6-units the RLECW affordability score becomes worse, i.e. less affordable.

Although the District engaged a professional rates study consultant in 2016, when the District established the current rate structure, the rate structure lacked a forward-thinking perspective and overly focused on establishing a funding mechanism for Hexavalent Chromium mitigation facilities construction. Note: Surcharge #2 provides treatment facilities construction. Surcharge #2 does not provide funding for operation of Hexavalent Chromium treatment facilities. The 2016 adopted RLECWD water rates do not address the “conservation is a permanent way of life in California” and “Human rights to water” principles and new laws.

No public comment on this item.

It was moved by Director Harris and seconded by Director Ridilla to approve the RFP for engaging a professional rate consultant and direct staff to take actions necessary to solicit responses from appropriately qualified rate study firms. Directors Green, Harris, Ridilla, Reisig and Gifford voted yes. The motion carried with unanimous vote of 5-0-0.

4.7 Consider options for outsourcing the printing, folding, stuffing and mailing of the Districts bimonthly bills

The District’s interest in outsourcing of the bill printing et al process was based on improving efficiency. Subsequent discussions have heightened the interest in outsourcing due to anticipated person-hour demands from SB-998. Simply, SB-998 will consume staff time, so we need to reduce staff time in other areas to preclude increasing labor costs.

Two quotes have been obtained one from Neopost and the other from ABS. The Neopost quote details were obtained Sept. 3rd and was not as good as Neopost reps originally indicated. Neopost is approximately 40% more expensive than the ABS presort option. Overall, with the structure of the Neopost recurring fees (monthly service charge), Neopost is 70% more than ABS presort. Lastly, Neopost requires a contract, which entails Legal Counsel review and one of those auto-renewal unless cancelled in advance terms. ABS does not require a contract.

ABS presort will save additional money via a lower postage rate (lower than the District currently pays) as well as lower cost for paper and envelopes.

No public comment on this item.

It was moved by Director Harris and seconded by Director Ridilla to direct staff to engage ABS Presort for printing, folding, stuffing and mailing the District’s bimonthly bills. Directors Green, Harris, Ridilla, Reisig and Gifford voted yes. The motion carried with unanimous vote of 5-0-0.

4.8 Authorize any new Board Member Assignments (committees and other) announced by the Chair pursuant to District Policy 2.01.065.

No public comment on this item.

President Ridilla did not make any changes.

5. INFORMATION ITEMS

5.1. DISTRICT ACTIVITY REPORT

- 1. Water Operations Report
- 2. Conservation Report

5.2. BOARD REPORTS

- 1. Report any ad hoc committees dissolved by requirements in Policy 2.01.065
President Rilla dissolved the GM Salary Ad Hoc Committee.
- 2. Regional Water Authority –Gifford – Agenda Provided.
- 3. Sacramento Groundwater Authority – Harris - No meeting.
- 4. LAFCO – Jason Green (Pending)
- 5. Executive Committee – Harris, Green - Minutes provided.
- 6. ACWA – Ridilla – No Report
- 7. ACWA JPIA – Ridilla - No Report
- 8. Other Reports, e.g
-Ad Hoc Committee GM Salary- Ridilla, Reisig – The committee met and discussed, and compared the current GM salary along with other GM’s in the area. The recommendation of the committee is to be discussed later on Agenda item 9.1.

6. PUBLIC COMMENT PRIOR TO CLOSED SESSION

No public comment on this item.

The Board convened to closed session at 7:46 p.m.

7. CLOSED SESSION - The Board of Directors will meet in Closed Session to discuss the following item

- 7.1 CONFERENCE WITH LABOR NEGOTIATORS - (Pursuant to Government Code Section 54957.6) District Negotiators, Shaw, and Vierra.**
RLECWD Employee General Unit, Teamster Local 150: Item deferred in MOU Renewal.

8. RECONVENE IN OPEN SESSION

8.1 Announce any reportable actions authorized in Closed Session.

President Ridilla announced that the Board has agreed not to offer the Northern California General Teamster Security Fund.

9. General Manager Employment Agreement amendments subsequent to annual performance review

- 1. The ad hoc committee established for this purpose will receive feedback from the other Board Members on proposed GM compensation adjustments. Actual employment agreement changes will not be considered for approval at this meeting, i.e. such to be considered at a future meeting.

The Ad Hoc Committee members John Ridilla and Robert Reisig met and recommends to the Board adding 7 days of vacation to the GM’s current contract and \$1500 to the General Manager’s annual compensation.

General Manager Tim Shaw addressed the compensation of the vacation leave, by asking that the Board consider the current District's Vacation Leave Policies be applied to the General Manager, i.e. Vacation Cash-Out Policy. If Board did consider that, maybe instead of 7 days of vacation the Board would consider 5 vacation days and 2 additional days of administrative leave.

It was moved by Director Ridilla and seconded by Director Harris to change the General Manager Tim Shaw's contract to reflect an annual increase in compensation of \$1500 retro to May 1, 2019, 5 additional vacation days, and 2 additional administrative days to be used in accordance with the District's current Leave Policies. Directors Green, Harris, Ridilla, Reisig and Gifford voted yes. The motion carried with unanimous vote of 5-0-0.

General Manager Shaw informed the Board that the contract needs to be revised and placed on a future agenda.

10. DIRECTORS' AND GENERAL MANAGER COMMENTS - No Comments

11. ADJOURNMENT

Direct Ridilla adjourned the meeting at 8:05 p.m.

Respectfully submitted,

Timothy R. Shaw, Secretary

John Ridilla, President of the Board



**Consent Calendar
Agenda Item: 3.2**

Date: October 21, 2019

Subject: Expenditures

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

The Executive Committee recommends approval of the Expenditures for the month of August 2019.

Current Background and Justification:

These expenditures have been completed since the last regular meeting of the Board of Directors.

Conclusion:

I recommend the Board approve the Expenditures for August 2019.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Ridilla: _____ Harris: _____ Jason Green _____ Gifford _____ Reisig _____.

(A) Yea (N) Nay (Ab) Abstain (Abs) Absent

**Rio Linda Elverta Community Water District
Expenditure Report
August 2019**

Type	Date	Num	Name	Memo	Amount
Liability Check	08/01/2019	EFT	QuickBooks Payroll Service	For PP Ending 07/31/2019 Paydate 08/05/2019	21,056.13
Bill Pmt -Check	08/05/2019	EFT	WageWorks	FSA	147.40
Liability Check	08/05/2019	EFT	CalPERS	For PP Ending 07/31/2019 Paydate 08/05/2019	2,281.74
Liability Check	08/05/2019	EFT	CalPERS	For PP Ending 07/31/2019 Paydate 08/05/2019	2,225.41
Liability Check	08/05/2019	EFT	Nationwide	Deferred Compensation Plan	1,319.05
Liability Check	08/05/2019	EFT	Nationwide	Deferred Compensation Plan	25.00
Bill Pmt -Check	08/05/2019	EFT	Adept Solutions	Computer Maintenance	1,402.63
Bill Pmt -Check	08/05/2019	EFT	Comcast	Phone/Internet	227.22
Bill Pmt -Check	08/05/2019	EFT	Republic Services	Utilities	86.31
Liability Check	08/05/2019	EFT	Internal Revenue Service	Employment Taxes	7,481.36
Liability Check	08/05/2019	EFT	Employment Development	Employment Taxes	1,590.41
Bill Pmt -Check	08/05/2019	EFT	Voyager Fleet Commander	Transportation Fuel	300.14
Transfer	08/05/2019	EFT	RLECWD	Transfer for Community Business Bank purchase reimbursement	624.79
Check	08/05/2019	6023	RLECWD	Umpqua Bank Monthly Debt Service Transfer	16,500.00
Check	08/05/2019	6024	Customer	Hydrant Meter Deposit Refund	959.60
Check	08/05/2019	6025	Customer	Final Bill Refund	129.84
Check	08/05/2019	6026	Customer	Final Bill Refund	26.50
Bill Pmt -Check	08/05/2019	6027	ACWA/JPIA	EAP	23.50
Bill Pmt -Check	08/05/2019	6028	Buckmaster Office Solutions	Office Equipment Expense	71.04
Bill Pmt -Check	08/05/2019	6029	County of Sacramento	Permit	936.00
Bill Pmt -Check	08/05/2019	6030	Energy Systems	Pumping Maintenance	4,048.69
Bill Pmt -Check	08/05/2019	6031	ICONIX Waterworks	Distribution Supplies	4,820.77
Bill Pmt -Check	08/05/2019	6032	Inductive Automation	Maintenance Contract	2,472.00
Bill Pmt -Check	08/05/2019	6033	McCrometer	Pumping Maintenance	1,415.07
Bill Pmt -Check	08/05/2019	6034	O'Reilly Automotive	Transportation Maintenance	37.02
Bill Pmt -Check	08/05/2019	6035	Rio Linda Hardware & Building Supply	Shop Supplies	318.12
Bill Pmt -Check	08/05/2019	6036	Sierra Chemical Company	Treatment	2,107.60
Bill Pmt -Check	08/05/2019	6037	SMUD	Utilities	21,594.49
Bill Pmt -Check	08/05/2019	6038	Spok, Inc.	Field Communication	15.27
Bill Pmt -Check	08/05/2019	6039	Staples	Office Expense	65.05
Bill Pmt -Check	08/05/2019	6040	Underground Service Alert	Distribution Supplies	1,896.77
Bill Pmt -Check	08/05/2019	6041	Vanguard Cleaning Systems	Janitorial	195.00
Bill Pmt -Check	08/05/2019	6042	Ferguson Enterprises, Inc.	Capital Improvement: Large Meter	3,561.34
Liability Check	08/14/2019	EFT	WageWorks	FSA	71.00
Liability Check	08/17/2019	EFT	AFLAC	Employee Paid Insurance	651.04
Check	08/17/2019	EFT	ARCO	Transportation: Fuel	796.83
Liability Check	08/19/2019	EFT	QuickBooks Payroll Service	For PP Ending 08/15/19 Pay date 08/20/19	19,579.90
Bill Pmt -Check	08/19/2019	EFT	Bluefin	Merchant Fee	484.00
Liability Check	08/20/2019	EFT	CalPERS	For PP Ending 08/15/19 Pay date 08/20/19	2,144.71
Liability Check	08/20/2019	EFT	CalPERS	For PP Ending 08/15/19 Pay date 08/20/19	2,097.20
Liability Check	08/20/2019	EFT	Internal Revenue Service	Employment Taxes	7,006.14
Liability Check	08/20/2019	EFT	Employment Development	Employment Taxes	1,423.41
Liability Check	08/20/2019	EFT	Nationwide	Deferred Compensation Plan	1,288.72
Liability Check	08/20/2019	EFT	Nationwide	Deferred Compensation Plan	25.00

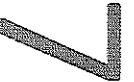


**Rio Linda Elverta Community Water District
Expenditure Report
August 2019**

Type	Date	Num	Name	Memo	Amount
Liability Check	08/20/2019	EFT	Kaiser Permanente	Health Insurance	1,579.19
Liability Check	08/20/2019	EFT	Principal	Dental & Vision Insurance	1,474.78
Liability Check	08/20/2019	EFT	Western Health Advantage	Health Insurance	11,682.71
Bill Pmt -Check	08/20/2019	EFT	Verizon	Field Communication	374.66
Check	08/20/2019	EFT	RLECWD - Capital Improvement	Current Monthly Transfer	28,000.00
Check	08/20/2019	EFT	RLECWD - SURCHARGE ACCOUNT 1	Current Monthly Transfer	45,155.23
Check	08/20/2019	EFT	RLECWD - SURCHARGE ACCOUNT 2	Bi-Monthly Transfer	72,889.13
Bill Pmt -Check	08/20/2019	EFT	Bankcard Center 2911	Computer, Postage	411.51
Bill Pmt -Check	08/20/2019	EFT	Bankcard Center 6798	Fuel, Shop Supplies	87.85
Bill Pmt -Check	08/20/2019	EFT	Bankcard Center 7806	Transportation Maintenance, Shop Supplies	1,435.44
Check	08/20/2019	EFT	WageWorks	FSA	1,081.80
Liability Check	08/20/2019	6043	Teamsters Local #150	Union Dues	621.00
Bill Pmt -Check	08/20/2019	6044	AMS/PSC	Office Expense	47.00
Bill Pmt -Check	08/20/2019	6045	Anthem Blue Cross	Retiree Insurance	1,067.31
Bill Pmt -Check	08/20/2019	6046	Backflow Distributers	Backflow Expense	212.02
Bill Pmt -Check	08/20/2019	6047	BSK Associates	Lab Fees	1,902.00
Bill Pmt -Check	08/20/2019	6048	CoreLogic Solutions	Metro Scan	134.75
Bill Pmt -Check	08/20/2019	6049	DirectHit Pest Control	Building Maintenance	75.00
Bill Pmt -Check	08/20/2019	6050	GM Construction	Contract Services	2,400.00
Bill Pmt -Check	08/20/2019	6051	Intermedia.net, Inc.	Telephone	83.41
Bill Pmt -Check	08/20/2019	6052	PG&E	Utilities	50.68
Bill Pmt -Check	08/20/2019	6053	Rio Linda Elverta Recreation & Park Dist	Meeting Expense	50.00
Bill Pmt -Check	08/20/2019	6054	RW Trucking	Distribution Supplies	573.29
Bill Pmt -Check	08/20/2019	6055	Safety-Kleen Systems	Transportation Maintenance	499.45
Bill Pmt -Check	08/20/2019	6056	The News	Publishing	88.00
Bill Pmt -Check	08/20/2019	6057	Unifirst Corporation	Uniforms	154.26
Bill Pmt -Check	08/20/2019	EFT	WageWorks	FSA	40.86
Total 10000 - Bank - Operating Account					<u>307,700.54</u>

Rio Linda Elverta Community Water District
Expenditure Report
August 2019

Type	Date	Num	Payee	Memo	Amount
Transfer	08/05/2019	EFT	RLECWD - Operating	CIP Expense Transfer: Refer to operating check numbers: 6042	3,561.34
10455 - Capital Improvement Reserve					<u>3,561.34</u>





Consent Calendar Agenda Item: 3.3

Date: October 21, 2019

Subject: Financial Reports

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

The Executive Committee recommends approval of the Districts Financial Reports for the month of August 2019.

Current Background and Justification:

The financial reports are for the District's balance sheet, profit and loss, and capital improvements year to date.

These financials are to be presented to the Board of Directors in order to inform them of the District's current financial condition

Conclusion:

I recommend the Board approve the Financial Reports for August 2019.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____
 Ridilla: _____ Harris: _____ Jason Green _____ Gifford _____ Reisig _____.
 (A) Yea (N) Nay (Ab) Abstain (Abs) Absent

Rio Linda Elverta Community Water District
Balance Sheet
As of August 31, 2019

ASSETS

Current Assets

Checking/Savings

100 · Cash & Cash Equivalents

10000 · Operating Account

10005 · Operating Fund

609,503.89

10010 · Operating Reserve Fund

250,000.00

Total 10000 · Operating Account

859,503.89

10450 · Capital Improvement

10455 · Capital Improvement Fee Reserve

1,532,275.39

10460 · Vehicle Replacement Reserve

10,000.00

Total 10450 · Capital Improvement

1,542,275.39

Total 100 · Cash & Cash Equivalents

2,401,779.28

102 · Restricted Assets

102.1 · Restricted Capital Improvements

10700 · ZIONS Inv/Surcharge Reserve

505,236.18

Total 102.1 · Restricted Capital Improvements

505,236.18

102.2 · Restricted for Debt Service

10300 · Surcharge 1 Account

644,367.96

10325 · Community Business Bank

5,818.96

10350 · Umpqua Bank

73,170.39

10350 · Surcharge 2 Account

239,843.57

10385 · OpusBank Checking

3,200,026.28

Total 102.2 · Restricted for Debt Service

4,163,227.16

102.4 · Restricted Other Purposes

10600 · LAIF Account

205,000.00

10625 · CalPERS-CERTBT

16,461.38

Total 102.4 · Restricted Other Purposes

221,461.38

Total 102 · Restricted Assets

4,889,924.72

Total Checking/Savings

7,291,704.00

Accounts Receivable

80.00

Other Current Assets

12000 · Water Utility Receivable

89,930.58

12200 · Accrued Revenue

150,000.00

12250 · Accrued Interest Receivable

0.00

15000 · Inventory Asset

56,276.61

16000 · Prepaid Expense

76,429.52

Total Other Current Assets

372,636.71

Total Current Assets

7,664,420.71

Fixed Assets

17000 · General Plant Assets

733,398.00

17100 · Water System Facilities

20,760,310.67

17300 · Intangible Assets

373,043.42

17500 · Accum Depreciation & Amort

-9,282,773.19

18000 · Construction in Progress

1,313,099.20

18100 · Land

576,673.45

Total Fixed Assets

14,473,751.55

Other Assets

19000 · Deferred Outflows

347,606.00

19900 · Suspense Account

0.00

Total Other Assets

347,606.00

TOTAL ASSETS

22,485,778.26

Rio Linda Elverta Community Water District
Balance Sheet
 As of August 31, 2019

LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	69,763.30
Credit Cards	226.21
Other Current Liabilities	765,965.56
Total Current Liabilities	<u>835,955.07</u>
Long Term Liabilities	
23000 · OPEB Liability	262,349.00
23500 · Lease Buy-Back	705,797.27
25000 · Surcharge 1 Loan	4,189,831.90
25050 · Surcharge 2 Loan	3,000,040.16
26000 · Water Rev Refunding	1,952,591.00
27000 · Community Business Bank	294,204.88
29000 · Net Pension Liability	1,033,555.00
29500 · Deferred Inflows-Pension	33,279.00
29600 · Deferred Inflows-OPEB	8,293.00
Total Long Term Liabilities	<u>11,479,941.21</u>
Total Liabilities	<u>12,315,896.28</u>
Equity	
31500 · Invested in Capital Assets, Net	7,681,067.46
32000 · Restricted for Debt Service	699,786.24
38000 · Unrestricted Equity	1,672,104.52
Net Income	116,923.76
Total Equity	<u>10,169,881.98</u>
TOTAL LIABILITIES & EQUITY	<u><u>22,485,778.26</u></u>

Rio Linda Elverta Community Water District
 Operating Profit & Loss Budget Performance
 As of August 31, 2019

10

	<u>Annual Budget</u>	<u>Aug 19</u>	<u>Jul 19-Aug 19</u>	<u>% of Annual Budget</u>	<u>YTD Annual Budget Balance</u>
Ordinary Income/Expense					
Income					
Total 40000 · Operating Revenue	2,714,575.00	162,126.80	327,030.23	12.05%	2,387,544.77
41000 · Nonoperating Revenue					
41110 · Investment Revenue					
41112 · Interest Revenue	400.00	53.34	68.74	17.19%	331.26
Surcharg Total 41110 · Investment Revenue	400.00	53.34	68.74	17.19%	331.26
41120 · Property Tax	81,856.00	2,117.03	2,117.03	2.59%	79,738.97
Total 41000 · Nonoperating Revenue	82,256.00	2,170.37	2,185.77	2.66%	80,070.23
Total Income	2,796,831.00	164,297.17	329,216.00	11.77%	2,467,615.00
Gross Income	2,796,831.00	164,297.17	329,216.00	11.77%	2,467,615.00
Expense					
60000 · Operating Expenses					
60010 · Professional Fees	170,731.00	6,119.34	6,119.34	3.58%	164,611.66
60100 · Personnel Services					
60110 · Salaries & Wages	711,238.00	60,559.99	89,636.30	12.60%	621,601.70
60150 · Employee Benefits & Expense	456,863.00	31,408.56	63,150.88	13.82%	393,712.12
Total 60100 · Personnel Services	1,168,101.00	91,968.55	152,787.18	13.08%	1,015,313.82
60200 · Administration	224,313.00	6,763.67	52,161.09	23.25%	172,151.91
64000 · Conservation	300.00	0.00	0.00	0.00%	300.00
65000 · Field Operations	492,200.00	69,377.42	91,880.02	18.67%	400,319.98
Total 60000 · Operating Expenses	2,055,645.00	174,228.98	302,947.63	14.74%	1,752,697.37
69000 · Non-Operating Expenses					
69010 · Debt Service					
69100 · Revenue Bond					
69105 · Principle	139,015.00	0.00	0.00	0.00%	139,015.00
69110 · Interest	61,717.00	0.00	0.00	0.00%	61,717.00
Total 69100 · Revenue Bond	200,732.00	0.00	0.00	0.00%	200,732.00
69125 · AMI Meter Loan					
69130 · Principle	48,281.00	0.00	23,954.67	49.62%	24,326.33
69135 · Interest	10,233.00	0.00	5,302.29	51.82%	4,930.71
Total 69125 · AMI Meter Loan	58,514.00	0.00	29,256.96	50.00%	29,257.04
Total 69010 · Debt Service	259,246.00	0.00	29,256.96	11.29%	229,989.04
69400 · Other Non-Operating Expense	2,000.00	0.00	0.00	0.00%	2,000.00
Total 69000 · Non-Operating Expenses	261,246.00	0.00	29,256.96	11.20%	231,989.04
Total Expense	2,316,891.00	174,228.98	332,204.59	14.34%	1,984,686.41
Net Ordinary Income	479,940.00	-9,931.81	-2,988.59		
Net Income	479,940.00	-9,931.81	-2,988.59		

Accrual Basis

Rio Linda Elverta Community Water District
CAPITAL BUDGET VS ACTUAL FISCAL YEAR 2019-20
As of August 31, 2019

	GENERAL		CHROMIUM MITIGATION & NEW WELLS		VEHICLE REPLACEMENT	
	Annual Budget	YTD Actual	Annual Budget	YTD Actual	Annual Budget	YTD Actual
	BEGINNING FUND BALANCE	\$ 1,903,391.00	\$ 1,903,391.00	\$ (29,592.00)	\$ (29,592.00)	\$ 10,000.00
FUNDING SOURCES						
Fund Transfers						
Operating Fund Transfers In	409,940.00	68,000.00	-	-	-	-
CIP Fund Intrafund Transfers	(5,000.00)	-	-	-	5,000.00	-
Surcharge 2 Surplus Repayment	-	-	110,201.00	-	-	-
Contributed Funding						
Contributed Facilities (Developers)	-	-	-	-	-	-
Grant Revenue	-	-	516,500.00	-	-	-
Loan Proceeds	-	-	2,033,500.00	-	-	-
Investment Revenue	350.00	232.69	-	-	-	-
Sale of Fixed Assets	-	-	-	-	-	-
TOTAL FUNDS AVAILABLE FOR CIP PROJECTS	2,308,681.00	1,971,623.69	2,630,609.00	(29,592.00)	15,000.00	10,000.00
PROJECTS						
A - WATER SUPPLY						
A-1 - Well XX - Cr6 Treatment/Design	-	-	50,000.00	-	-	-
A-2 - Well 16	-	-	2,500,000.00	-	-	-
A-3 - Miscellaneous Pump Replacements	40,000.00	-	-	-	-	-
Total A - WATER SUPPLY	40,000.00	-	2,550,000.00	-	-	-
B - WATER DISTRIBUTION						
B-1 - Service Replacements	30,000.00	-	-	-	-	-
B-2 - Large Meter Replacements	5,000.00	-	-	-	-	-
Total B - WATER DISTRIBUTION	35,000.00	-	-	-	-	-
C - CONTINGENCY						
C-1 - Contingency (10% of Est A,B,M, & FO)	7,500.00	-	255,000.00	-	-	-
TOTAL BUDGETED PROJECT EXPENDITURES	82,500.00	-	2,805,000.00	-	-	-
ENDING FUND BALANCE	\$ 2,226,181.00	\$ 1,971,623.69	\$ (174,391.00)	\$ (29,592.00)	\$ 15,000.00	\$ 10,000.00



Items for Discussion and Action
Agenda Item: 4.1

Date: October 21, 2019
Subject: General Manager's Report
Staff Contact: Timothy R. Shaw

Recommended Committee Action:

N/A this item is not reviewed by committee.

Current Background and Justification:

The General Manager will provide a written report of District activities over the period since the last regular Board meeting. The Board may ask for clarifications and may also provide direction in consideration of the reported activities.

Conclusion:

No Board action is anticipated for this item.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Ridilla:____ Harris:____ Jason Green ____ Gifford____ Reisig____.
(A) Yea (N) Nay (Ab) Abstain (Abs) Absent



Date: October 21, 2019

Subject: General Manager Report

Staff Contact: Timothy R. Shaw, General Manager

For the given month, I participated in the following reoccurring meetings and special events: a personnel matter dominated my time for much of the reporting period. Addition time was consumed by completing the strategic plan, bid specifications documents for the Well #16 project, implementing GPS vehicle tracking, and filing formal complaints with the uniforms services provider, and transitioning to outsourced bill printing/mailing. Although the bid specification is not ready for adoption at this meeting, there where considerable improvements to the invitation to bid documents, which previously not consistent with current statutes.

1. On Sept 18th Office staff and I participated in Umpqua online banking software training via webinar.
2. On Sept 23rd, Staff participated in open enrollment led by Coremark Insurance. Coremark presented prices for coverages beginning 11-1-2019 and responded to questions from employees.
3. On Oct 1st Participated in Umpqua Bank remote deposit training via webinar.
4. On Oct 8th Pat Goyet and I met with Justin Baker of Unifirst (uniform service) regarding needed changes to level of service and contract language improvements necessary to curtail contract cancellation.
5. On Oct 14th Staff met with the Aflac representative to discuss the coverage changes and supplements/augmentations relevant to changes in medical, dental, vision coverage. Impacts of increased employee share of insurance premiums, copays and deductibles can be softened via Flexible Spending Accounts (FSA, Wageworks) and supplemental insurance.
6. Other initiatives in progress are:

I participated in a few phone calls and a face-to-face meeting with Director Reisig, who was receiving and reviewing material associated with the October SGA meeting. The information was also tangible to the Districts ongoing discussions regarding groundwater, surface water, and conjunctive use. Director Reisig is quickly coming up to speed on substantive matters. In my opinion, Director Reisig has considerable acumen for his assigned roles. He is astutely representing the District and community.

RLECWD Agenda Item Checklist

Item 4.1

Date

Initial Potential Meeting Date

10/21/19

Circle High/Medium/Low priority of Item and Identify if in line with Mission/
Goal/Strategic Planning issues or state of emergency

General Manager's Report

10/18/19

Staff Work Completed

(Includes reviewing, researching item with other resources (ACWA, JPIA, RWA, SGA, other Water or special districts, District Engineer, Legal Counsel then laying out business cases, pros and cons, options and recommendations based on best information available, etc.

Committee Review of Item and Staff Work

N/A

Review by appropriate Executive or Ad Hoc Committees, to prepare board recommendations

Formal Legal Counsel Review

N/A

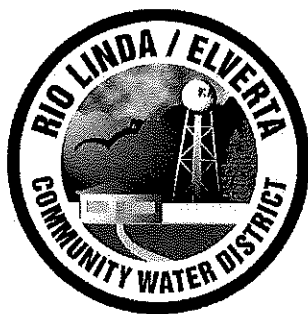
Legal Counsel should have enough time to review all potential legal matters for correctness and legality

GM Review

10/21/19

Actual Meeting Date Set for Agenda Item

10/21/19



Items for Discussion and Action
Agenda Item: 4.2

Date: October 21, 2019
Subject: District Engineer's Report
Staff Contact: Mike Vasquez, District Engineer

Recommended Committee Action:

N/A this item is not discussed at committees.

Current Background and Justification:

The District Engineer will provide a written report to the Board of Directors on engineering activities since the previous monthly meeting. The Board may ask for clarifications and may also provide direction in response to the report.

Conclusion:

There is no Board action anticipated for this item.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Ridilla:____ Harris:____ Jason Green____ Gifford____ Reising____.
(A) Yea (N) Nay (Ab) Abstain (Abs) Absent

RLECWD Agenda Item Checklist

Item 4.2

Date

Initial Potential Meeting Date

10/21/19

Circle High/Medium/Low priority of Item and Identify if in line with Mission/
Goal/Strategic Planning issues or state of emergency

District Engineer's Report

10/17/19

Staff Work Completed

(Includes reviewing, researching item with other resources (ACWA, JPIA, RWA, SGA, other Water or special districts, District Engineer, Legal Counsel then laying out business cases, pros and cons, options and recommendations based on best information available, etc.

Committee Review of Item and Staff Work

N/A

Review by appropriate Executive or Ad Hoc Committees, to prepare board recommendations

Formal Legal Counsel Review

N/A

Legal Counsel should have enough time to review all potential legal matters for correctness and legality

GM Review

10/21/19

Actual Meeting Date Set for Agenda Item

10/21/19

17 October 2019

DISTRICT ENGINEER'S REPORT

To: Tim Shaw, General Manager, Rio Linda / Elverta Community Water District

From: Mike Vasquez, PE, PLS, Principal (EKI), District Engineer (RL/ECWD)

Subject: **District Engineer's Report for the 21 October 2019 Board of Directors Meeting (EKI Project No. B800130.00)**

The District Engineer is pleased to submit this brief update of duties and tasks performed for the period of 13 September 2019 to 17 October 2019:

1. General District Engineering:

- Capital Improvement Project (CIP) List:
 - Met with the General Manager and Operations Superintendent to discuss planning for pipeline replacement projects on 9/25/2019.
 - Presented an updated project list to the Executive Committee on 10/7/2019.
 - Met with the Operations Superintendent on 10/10/2019 to tour District service areas that the Operations Superintendent feels are the highest priorities for future pipeline replacement projects.
- Large Meter Accuracy Checks at Groundwater Pumping Stations:
 - Discussed methods for checking flow meter accuracies at groundwater well sites with the General Manager and the Operations Superintendent on 9/25/2019. Wells 15, 2A, and 12 are priorities as they make up 91.5% of the District's supply volumes based on 2018 reporting.
 - Toured Wells 15, 2A, and 12 with the Operations Superintendent on 10/10/2019 to review existing flow meter locations, accessibility, and accuracy testing possibilities.
 - Reviewed well pump flowrate test results performed by Power Hydrodynamics in June 2014 for District groundwater well sites on 10/15/2019.

2. Well 16 Pumping Station Equipping and Site Design Project:

- Met with Domenichelli & Associates, the General Manager, and Operations Superintendent on 9/25/2019 to provide comments to Domenichelli & Associates' 95% design submittal.
- Final design plans and technical specifications were submitted on 10/11/2019 by Domenichelli & Associates.
- District bid contract documents require additional updating by District staff to conform to current Public Contracts Code requirements. Currently, Staff is performing those updates and will submit them to District Legal Counsel for review. Legal Counsel is also currently revising language in the District's agreement for construction services. Upon

Legal Counsel review and approval of the updated bid contract documents, a request will be made for the District Board of Directors to authorize that the Well 16 Project be advertised to receive construction bids. This request from the District Board of Directors is anticipated to be made at the November 18th Board of Directors Meeting.

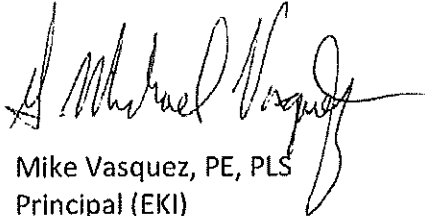
3. Well 16 Proposition 84 RWA/DWR \$505K Grant Agreement:

- Pursuant to an RWA email received on 10/3/2019, the District "should have the signed agreement in a few weeks". DWR has already provided RWA with approval, and according to RWA, there should not be any issues with the funding being available for the District to use for the Well 16 Pumping Station project.

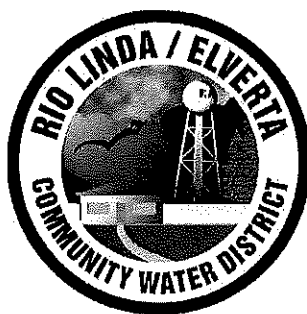
Please contact me directly at the office (916) 905-2388, cell phone (530) 682-9597, or email at mvasquez@ekiconsult.com with any questions or require additional information.

Very truly yours,

EKI ENVIRONMENT & WATER, INC.



Mike Vasquez, PE, PLS
Principal (EKI)
District Engineer (RL/ECWD)



Items for Discussion and Action

Agenda Item: 4.3

Date: October 21, 2019

Subject: Consider Authorizing the Additional, Alternate Expression of Salaries for FLSA-Exempt Employees to Include a Biweekly Salary (advantageous in accommodating 9/80s alternative work schedules)

Staff Contact: Timothy R. Shaw

Recommended Committee Action:

The Executive Committee recommended Board approval of the alternative expression of salaried employees' compensation to include a biweekly pay amount as well as the existing annual pay amount.

Current Background and Justification:

The District and employees have been exploring alternative work schedules, e.g. 9-80s for over a year.. The MOU renewal negotiation completed last May included an understanding that the District would support alternative schedules which meet the operational needs of the District. At the September 16th Board meeting, the Board provided direction and feedback in favor of the 9-80s option for alternative work schedules. The office hours will remain unchanged (open 5-days per week from 7:00 to 4:00).

The 9-80s work schedule is eight 9-hour workdays and one 8-hour workday in a two week cycle. In every pay period, the employees work 80-hours, same total hours per pay period as a traditional five days per week 8-hours per day (work 80-hours every two weeks). However, the alternate 9-80s work schedule is incompatible with the current pay day pattern of semi-monthly paychecks. We currently pay on the 5th and 20th of every month, for a total of 24 pay checks each year. To accommodate 9-80s, the District will need to transition to biweekly pay checks, a paycheck every two weeks, for a total of 26 pay checks in a year. This biweekly pay period method is the method used by most government agencies. Biweekly pay periods entail the same annual total pay. The pay is simply paid out in a slightly different pattern (26 smaller checks instead of 24 checks in a year). Board action is NOT required to switch to biweekly pay periods.

The biweekly pay periods create a small anomaly every 11-years for salaried employees where the position description (or other expressions of pay) continues to list ONLY the annual salary. Every 11-years there is an extra paycheck in that year. The private sector employers typically ignore it and just pay salaried employees every two weeks. The cost of employment grievances and labor claims would far exceed the relatively small cost every 11-years. Most public agencies have addressed this via a minor change to the position descriptions (or other documents listing salaries) of salaried employees. For example, instead of only listing the salary as an annual amount, the employer list the salary as an annual amount and as a biweekly amount. For example; change from only listing \$78,000 annually to “\$78,000 annually or \$3,000 biweekly”. At RLECWD this change is only applicable to the two salaried positions, GM and Operations Superintendent.

Because of the once every eleven (11) years calendar anomaly, the alternate expression of biweekly salary results in one extra paycheck once every 11-years, equivalent to a 3.8% pay increase for that year (equivalent to a 0.35% annual increase). If the recommended adjustment is not made, the salaried employees on a biweekly pay cycle skip a paycheck that the hourly rated employees don't skip. The salaried employees on the 11th year get a paycheck in mid-December and don't receive another paycheck until mid-January. CalPERS will not allow the District to have different pay cycles for different employees at the District, all on biweekly or all on semi-monthly.

Conclusion:

I recommend the Board approve the expression of salaries to include both an annual salary and a biweekly salary.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Ridilla:____ Harris:____ Jason Green ____ Gifford____ Reisig____.
(A) Yea (N) Nay (Ab) Abstain (Abs) Absent

RLECWD Agenda Item Checklist

Item 4.3

Date

Initial Potential Meeting Date

10/21/19

Circle High/Medium/Low priority of Item and Identify if in line with Mission/
Goal/Strategic Planning issues or state of emergency

Consider Authorizing the Additional, Alternate Expression of Salaries for FLSA-Exempt
Employees to Include a Biweekly Salary (advantageous in accommodating 9/80s alternative
work schedules)

10/4/19

Staff Work Completed

(Includes reviewing, researching item with other resources (ACWA, JPIA, RWA, SGA, other
Water or special districts, District Engineer, Legal Counsel then laying out business cases,
pros and cons, options and recommendations based on best information available, etc.

Committee Review of Item and Staff Work

10/7/19

Review by appropriate Executive or Ad Hoc Committees, to prepare board recommendations

Formal Legal Counsel Review

N/A

Legal Counsel should have enough time to review all potential legal matters
for correctness and legality

GM Review

10/21/19

Actual Meeting Date Set for Agenda Item

10/21/19



Items for Discussion and Action

Agenda Item: 4.4

Date: October 21, 2019

Subject: Consider adopting the RLECWD Strategic Plan

Staff Contact: Timothy R. Shaw

Recommended Committee Action:

The Board Strategic Planning Workshop held on September 28th provided direction to the GM, which included placing the RLECWD Strategic Plan on the October 21st Board agenda.

Current Background and Justification:

The District began the strategic planning process over a year ago. Before the District reached a final document stage, three of the five Board Members resigned for unrelated, non-controversial reasons. As the three new Board Members have now acclimated to their positions on the Board, the Board deemed it necessary and appropriate to seek input from the new Board Members prior to asking the Board to adopt a final plan document.

The September 28th strategic planning workshop was productive, and the workshop achieved the objective for receiving feedback from the new Board Members. The strategic planning workshop also provided minor revisions that might be expected from a process that has stalled for months.

The General Manager was directed on the revisions to the draft RLECWD Strategic Plan.

Conclusion:

I recommend the Board adopt the RLECWD Strategic Plan.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Ridilla: _____ Harris: _____ Jason Green _____ Gifford _____ Reisig _____
 (A) Yea (N) Nay (Ab) Abstain (Abs) Absent

RLECWD Agenda Item Checklist

Item 4.4

Date

Initial Potential Meeting Date

10/21/19

Circle High/Medium/Low priority of Item and Identify if in line with Mission/
Goal/Strategic Planning issues or state of emergency

Consider adopting the RLECWD Strategic Plan

9/24/19

Staff Work Completed

(Includes reviewing, researching item with other resources (ACWA, JPIA, RWA, SGA, other Water or special districts, District Engineer, Legal Counsel then laying out business cases, pros and cons, options and recommendations based on best information available, etc.

Committee Review of Item and Staff Work

8/5/19
9/28/19

Review by appropriate Executive or Ad Hoc Committees, to prepare board recommendations

Formal Legal Counsel Review

Legal Counsel should have enough time to review all potential legal matters for correctness and legality

N/A

GM Review

10/21/19

Actual Meeting Date Set for Agenda Item

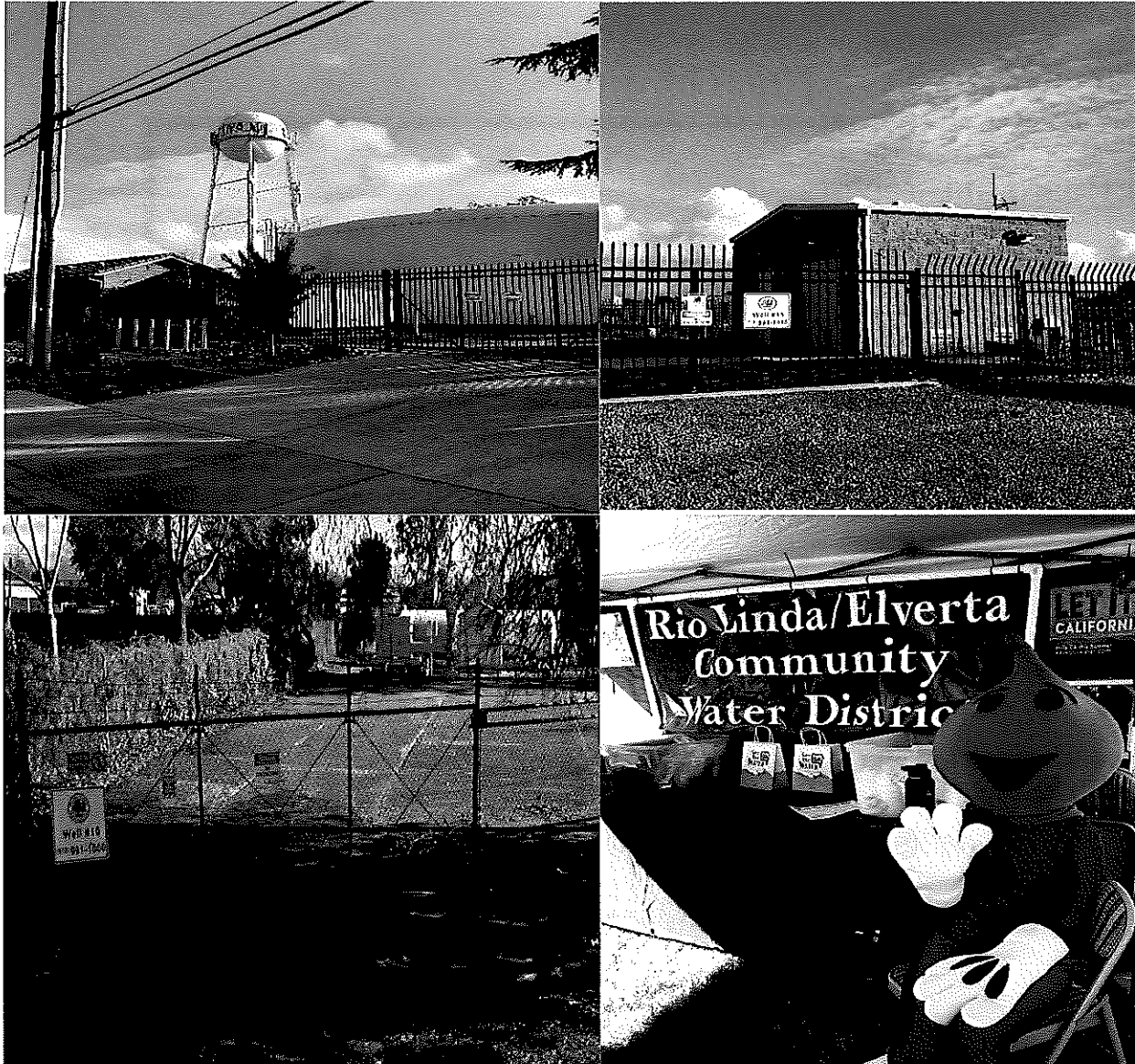
10/21/19

RLECWD

Five-year Strategic Plan

2019-2024

October 21, 2019



Board of Directors

John Ridilla, Board President

Mary Harris, Board Vice President

Chris Gifford., Director

Jason Green, Director

Robert Reisig, Director

District Leadership Staff

Tim Shaw, General Manager

Pat Goyet, Operations Superintendent

Renita Lehman, Administrative Assistant

Deborah Denning, Accounting Specialist

Rio Linda Elverta Community Water District Strategic Plan 2019

<u>INTRODUCTION</u>	4
<u>STRATEGIC PLANNING DEFINITIONS</u>	4
<u>STRATEGIC PLAN DEVELOPMENT</u>	5
<u>MISSION STATEMENT AND FIVE-YEAR STRATEGIC FOCUS AREAS</u>	6
<u>DISTRICT VISION STATEMENTS</u>	7
<u>DISTRICT STRATEGIC FOCUS AREAS</u>	7
<u>STRATEGIC IMPLEMENTATION</u>	8
<u>TABLE 1 –THE STRATEGIC PLAN “AT A GLANCE”</u>	13

Rio Linda Elverta Community Water District Strategic Plan 2019

Introduction

A Strategic Plan is a top-level planning document for an organization to set clear direction for the operational aspects of its mission over a given timeframe. For the Rio Linda Elverta Community Water District, it serves as a roadmap for decision making over a five-year period, while affecting the long-term future. It is a disciplined effort to produce fundamental decisions that shape what a District plans to accomplish by selecting a collective course of action by the Board of Directors and Staff. Beginning with foundational statements, the District's Mission and Strategic Vision, the overall structure of this Strategic Plan was developed by the Board in a series of workshops.

Within the framework of that structure, strategies and tactics were developed by District staff to sustain and, where appropriate, prepare and improve the District over the next five years. At its highest level, this Strategic Plan seeks to strengthen and build upon opportunities while addressing areas of concern.

This plan also identifies actions, activities, and to leverage and implement planning efforts that are currently underway and which are needed for continued success in operations and management of the District, and provides for periodic reviews and updates.



Strategic Planning Definitions

Mission Statement: A declaration of the District's purpose which succinctly describes why the District exists. All activities of the District should be in support of the Mission Statement. The District's Mission statement also reflects the values to which the District Board is dedicated. The

Rio Linda Elverta Community Water District Strategic Plan 2019

Board of Directors adopts the Mission Statement. The Mission Statement is reviewed annually but is intended to be constant over the long term.

Vision Statement: A statement that articulates where the District wants to be over the life of the Strategic Plan. It outlines the key changes at the highest level that must be achieved by the Strategic Plan. The Vision creates and drives strategy and tactics identified elsewhere in the Strategic Plan. The Board of Directors adopts the Vision Statement. The Vision Statement will be reviewed annually and will typically change more frequently than the Mission Statement to reflect the direction the Board wants to take the District over the five-year time horizon of the Strategic Plan.

Core Values: These are values, framed in question form, are the values to which the Board of Directors are fiercely dedicated. They are anchored in community values and are used by the Directors as decision filters for the myriad of decisions in the future.

Strategic Elements: The broad and primary areas of District operations, planning, and management that are addressed and supported by the Strategic Plan goals. These essentially serve as the outline and organization of the Strategic Plan. The Board of Directors adopts the Strategic Elements. The Strategic Elements are reviewed annually but are intended, absent major new issues to be faced, to be relatively constant over the life of the five-year Strategic Plan.

Objective/Strategy statement: A concise statement associated with each Strategic Element that describes what the Objective for that Element is and how it will be achieved.

Strategic Goals: The goal statement is supported by a narrative that more fully explains the nature of the goal and the issues that the goal intends to address. The Strategic Goals are prepared by District staff and accepted by the Board. The Strategic Goals may change from year-to-year when the annual assessment is made of the progress on each Strategic Element. The Strategic goals define the line between policy (Board responsibility) and implementation (staff responsibility) and as such are a collaborative effort of both the Board and staff.

Strategic Plan Development

In 2018 the District retained the services of a strategic planning consultant to facilitate and coordinate the development of the District’s five-year Strategic Plan. To prepare for the workshops the Consultant interviewed the District Board members individually on matters they thought were most relevant to future strategy for the District. The following topics were discussed at all of the input gathering meetings:

- | | |
|-----------|---------------|
| Mission | Weaknesses |
| Vision | Opportunities |
| Strengths | Threats |

Rio Linda Elverta Community Water District Strategic Plan 2019

The Board supported this process as a way to allow all to participate in the foundation of the Strategic Plan. A public Board workshop was held on July 10, 2018. At this workshop the Board reviewed inputs, reviewed and endorsed the District's draft formal Mission Statement and discussed and created Vision Strategies Focus Areas which serve as Vision for the District. On August 6, 2018, the District conducted another strategic planning workshop to receive input from community partners and the public in general.

In the Spring of 2019, the District's Board of Directors experienced substantial turnover. In unrelated incidents, which bear no reflection on the volatility or instability of the District, three of the five Board Members resigned. A majority of the current Board Members did not participate in the strategic planning sessions in July and August 2018. Accordingly, a more deliberate process for the final workshop in September 2019 was performed to incorporate the new Board Members' input.

Using this process the Strategic Plan was assembled in a way that best articulates the Board's Vision and Strategy for the District over the next five years.

The implementation of the strategic focus areas having been proposed by staff was then checked with the Board to serve as a check to assure that implementation properly addressed the Vision of the Board. Formal Board adoption of the Plan occurred on September 16, 2019.

Maintenance of the Plan

A key part of the Strategic Planning process is to conduct an annual review to update the Plan. These reviews allow for regular maintenance of the Plan so that it reflects the actual progress and conditional needs of the District. The reviews will be documented and followed up with by either a Plan supplement or an updated Plan. A five-year planning horizon will be maintained with each review effort developing a new fifth year of actions, projects and initiatives.

Mission Statement and Five-year Strategic Focus Areas

DISTRICT MISSION

Our Mission is to provide a safe and reliable water supply in a cost-effective manner.

District Vision Statements

In 5 years, we'd like to be able to say...

- VS-1 We have made significant progress in the funding needed replacements of district infrastructure, including the office facility.
- VS-2 We are continuing to provide drinking water that meets all state and federal limits,
- VS-3 We have improved the coverage provided by our Automated Metering Information (AMI) infrastructure to reduce the need for manual reading.
- VS-4 We have improved the district's public image
- VS-5 We are meeting statewide water use efficiency and water loss standards.
- VS-6 We establish a rate structure and rate adjustment practices that fairly balance operational needs, water use efficiency and water affordability.
- VS-7 We remain financially healthy and have reduced the overall District debt and unfunded liabilities.
- VS-8 We have adequate staffing and a stable, satisfied and productive Staffing.
- VS-9 We have stabilized the senior management to maintain continuity for attaining District objectives moving forward with purpose and clearly defined direction.

District Strategic Focus Areas

Strategic Focus Areas represent the vital areas of the District's operation and management that must be addressed in the strategic plan. They are created by the Board of Directors and link the implementation work to the Mission and Vision. Strategic elements are derived from the foundational Mission and Vision statements of the District. They are linked to action and results through the Strategic Goals written in each area and the Strategic Work Plan. Within the five-year period covered by this Strategic Plan, these areas assure that all aspects of District operations are well supported; moving forward in a way that reflects Board priorities and creates balanced implementation. The Strategic Work Plan which contains the supportive actions and initiatives organized and prioritized by year within the planning period, is presented along with each Strategic Goal and is also consolidated in tabular form in Table 1 - Strategic Plan "At-a-Glance" (pg. 12). Business Plans and employee goals can be derived from these and are not a part of the Strategic Plan, but tactical; these are developed on a one to two-year timeframe with tasks and are handled within the management structure of the District.

In 5 years, we must deal with the following strategic focus areas (in no particular order) ...

1.0 Water Sources

2.0 Infrastructure

2.2 Administration Office Building

Rio Linda Elverta Community Water District Strategic Plan 2019

3.0 Rate Adequacy and Financial Stability-

4.0 Partner Relations –

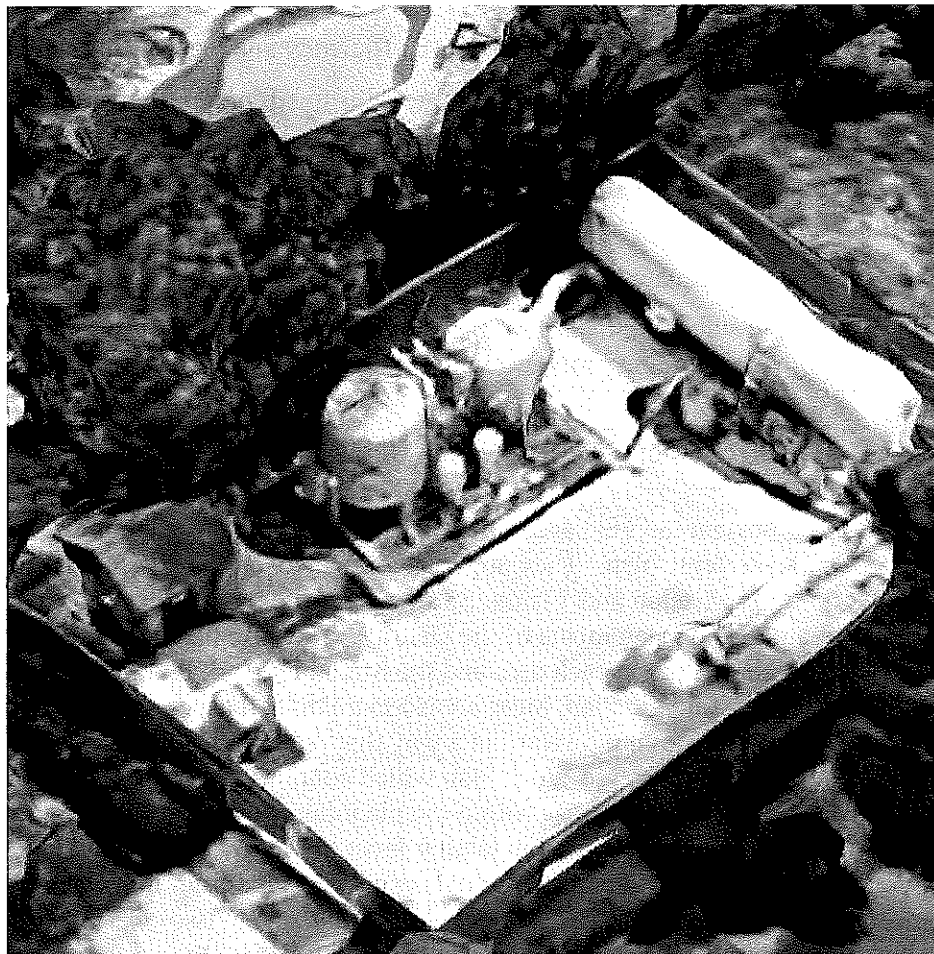
5.0 Organization and Staffing -

6.0 Readiness for residential development and other opportunities –

7.0 Readiness for Regulatory Shifts

Strategic Implementation

The Implementation Plan below contains tactics organized around the focus areas. They are then sorted by year within the planning period. They are provided in tabular form in Table 1 - Strategic Plan “At-a-Glance” (pg. 12).



1. Water Sources

Rio Linda Elverta Community Water District Strategic Plan 2019

Our objective is to be confident with the District's ability to a provide safe and reliable water supply to our ratepayers. Our strategy is to continually study, optimize, clarify and report our water needs and to make solid decisions on investing in, protecting and developing water sources.

- 1.1. Clearly outline options for the development of water sources
- 1.2. Refine and choose viable options for other water sources for RLECWD
- 1.3. Clearly communicate with the public regarding options
- 1.4. Properly adopt and implement water use efficiency and water loss requirements.

RIO LINDA / ELVERTA COMMUNITY WATER DISTRICT

RIO LINDA, CALIFORNIA

WELL 16 PUMP STATION PROJECT

RLECWD PROJECT NO. XXXXXX

95% DESIGN SUBMITTAL

AUGUST 2019

INDEX OF DRAWINGS

VIGNY MAP
NOT TO SCALE

<p>GENERAL</p> <p>G1 COVER SHEET</p> <p>G2 NOTES</p> <p>G3 ACCESS/ROAD AND SERVICES</p> <p>G4 CAPITAL PLANS DISTRICT</p> <p>PLANS</p> <p>P1 SITE/GENERAL LAYOUT/PROPOSED</p> <p>P2 FUTURE 100 YEAR</p> <p>P3 LANDSCAPE PLAN</p> <p>P4 DRAINAGE SYSTEM/RETENTION BASIN/CLAS</p> <p>P5 DRAINAGE SYSTEM SOUTH BENCH/1 BENCH</p> <p>MECHANICAL</p> <p>M1 PUMP/STATION PLAN</p> <p>M2 WELL/PIPING PLAN & ELEVATION</p> <p>M3 COUPLER PLANT/PIPING SYSTEMS</p> <p>M4 ELECTRICAL ROOM/ELEVATION</p> <p>ELECTRICAL</p> <p>E1 ELECTRICAL PLAN AND PROPOSED</p> <p>E2 WIRING PLAN AND PROPOSED</p> <p>E3 ELECTRICAL ROOM/ELEVATION</p> <p>E4 ELECTRICAL ROOM/ELEVATION</p> <p>E5 ELECTRICAL ROOM/ELEVATION</p> <p>E6 ELECTRICAL ROOM/ELEVATION</p> <p>E7 ELECTRICAL ROOM/ELEVATION</p> <p>E8 ELECTRICAL ROOM/ELEVATION</p> <p>E9 ELECTRICAL ROOM/ELEVATION</p> <p>E10 ELECTRICAL ROOM/ELEVATION</p> <p>E11 ELECTRICAL ROOM/ELEVATION</p> <p>E12 ELECTRICAL ROOM/ELEVATION</p> <p>E13 ELECTRICAL ROOM/ELEVATION</p> <p>E14 ELECTRICAL ROOM/ELEVATION</p> <p>E15 ELECTRICAL ROOM/ELEVATION</p> <p>E16 ELECTRICAL ROOM/ELEVATION</p>	<p>ELECTRICAL</p> <p>E1 ELECTRICAL ROOM/ELEVATION</p> <p>E2 ELECTRICAL ROOM/ELEVATION</p> <p>E3 ELECTRICAL ROOM/ELEVATION</p> <p>E4 ELECTRICAL ROOM/ELEVATION</p> <p>E5 ELECTRICAL ROOM/ELEVATION</p> <p>E6 ELECTRICAL ROOM/ELEVATION</p> <p>E7 ELECTRICAL ROOM/ELEVATION</p> <p>E8 ELECTRICAL ROOM/ELEVATION</p> <p>E9 ELECTRICAL ROOM/ELEVATION</p> <p>E10 ELECTRICAL ROOM/ELEVATION</p> <p>E11 ELECTRICAL ROOM/ELEVATION</p> <p>E12 ELECTRICAL ROOM/ELEVATION</p> <p>E13 ELECTRICAL ROOM/ELEVATION</p> <p>E14 ELECTRICAL ROOM/ELEVATION</p> <p>E15 ELECTRICAL ROOM/ELEVATION</p> <p>E16 ELECTRICAL ROOM/ELEVATION</p>
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LOCATION MAP
NOT TO SCALE

APPROVED: RLECWD GENERAL MANAGER _____ DATE _____

DOMINICHELLO ASSOCIATES _____ DATE _____

PROJECT	CAPACITY	DATE	SCALE	PROJECT NO.	DATE	PROJECT NO.	DATE

DOMINICHELLO & ASSOCIATES

Contractors & Associates
11075 HAYWARD BLVD. SUITE 115
Daly City, CA 94015
Tel: (415) 955-1927 Fax: (415) 955-4770

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT WELL 16 PUMP STATION PROJECT

COVER SHEET

DATE

01

DATE

2. Infrastructure

Our objective is to manage infrastructure needs of the District over the long-term. Our strategy is to commission professional studies as needed and then support needed repairs and improvements to assure that we are appropriately positioned to proactively provide the water system needed by our ratepayers.

- 2.1. Update Water Master Plan and ancillary documents
- 2.2. Administrative Building

Rio Linda Elverta Community Water District Strategic Plan 2019

2.3. Capital Improvement Plan (clearly communicate the public need)

3. Rate Adequacy and Financial Stability

Our objective is to be confident with the efficient use of the public's resources yet fulfill our commitment to the overall Mission of the District. Our strategy is to regularly study, carefully analyze costs and rates remain open about our business methods and principles to make highest and best use of the public resource.

3.1. Set Rate Philosophy

3.2. Conduct Rate Study (SB-606, Hexavalent Chromium, licensed treatment operators, conservation mandates, operations reserve fund, other Gaps)

3.3. Initiate Periodic Rate Studies; both informal, in-house and formal, outsourced.

3.4. Continue our good finance reporting practices and promote our excellence in financially transparency.

3.5. Review and revise fees to ensure we maintain the required correlation between the cost of providing service and the fee we charge.

3.6. Implement the previously established direct assessment process to recover debt from those customers whose non-payment are effectively a liability to the rest of the customers.

3.7. Strive to reduce debt and the fixed charges in our rate structure therefrom.

3.8. Transition to proactive financing of needed infrastructure replacement instead of reactive, to avoid having to borrow money to catch up and/or pay for deferred maintenance in a crisis mode.

4. Partner Relations

Our objective is to build on our partnerships with other agencies and professional organizations to the benefit of the District. Our strategy is to actively participate in groups that share common interests and to support and lead where appropriate within our industry associations.

4.1. Discuss and adopt professional standards for our interactions with partners and professionals with whom the District interfaces.

Rio Linda Elverta Community Water District Strategic Plan 2019

Posts



Rio Linda Elverta Community's Water District

Published by Tim Shaw [?] · October 16 at 10:48 AM · 🌐

Water Bills will be mailed on Monday, September 30th. Payment due on October 21, 2019. If you have moved, sold your home or need to update your phone numbers on your account please contact the District Office at (916) 991-1000 or email us at questions@rlecwd.com to update your information.

Thank You RLECWD Staff

1,567
People Reached

154
Engagements

Boost Post

🗨️ 1

1 Share

- 4.2. Continuously review where the District’s participation and level of participation optimally complies with cost-benefit criteria.
- 4.3. Be open and inviting to ways the District can maintain and improve the way it is perceived by other agencies and by the regulatory environment.

5. Organization and Staffing

Our objective is to make optimal use of the current employee base and assure that those who are employed in the future are equally competent and productive. Our strategy is to hire carefully, supervise and manage at the highest levels and employ methods that assure a top-notch and satisfied Staffing for the future.

- 5.1. Address the isolation and compartmentalization tendencies in the organization
- 5.2. Conduct periodic and proper compensation studies to assess and, when necessary, adjust where the District ranks within the regional employment market.
- 5.3. Consider ROP and/or apprentice type programs to augment personnel resources and provide a potential source of future employees.
- 5.4. Increase job satisfaction and retention of qualified, competent employees.
- 5.5. Maintain, and where needed, improve employee professional development programs and opportunities.

Rio Linda Elverta Community Water District Strategic Plan 2019

6. Readiness for Large-Scale Residential Development and other Opportunities

Our objective is to assure that the District takes full advantage of all benefits that large-scale residential development projects offers those currently within the District along with future District ratepayers. Our strategy will be to make clear and deliberate policy decisions regarding what the District will require and how the District will interact with those who propose to develop and need a reliable and safe source of water in the future.

- 6.1. Clarify District position regarding the water supply in growth areas.
- 6.2. Re-evaluate the District's planning documents in the context of land use authority planning documents and policies, e.g. Rio Linda Elverta Community Plan and PF-8.
- 6.3. Remain cognizant of the need for contingency planning if/when large-scale development projects of delayed or suspended.

7. Readiness for Regulatory Shifts

Our objective is to meet all regulations, both State and Federal, while keeping our ratepayers well informed and prepared to meet the challenges that they present. Our strategy is to get and keep leading edge knowledge of the regulations and be aware of any changes to them or any emerging through the legislative or bureaucratic systems.

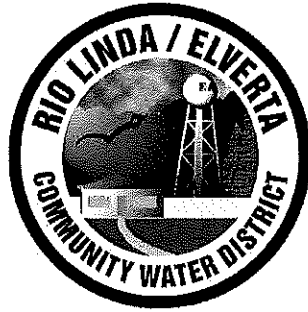
- 7.1. Keeping well informed and involved with relevant emerging regulations
- 7.2. Be proactive with regulations and plan for compliance before the deadline.
- 7.3. Interact with partner agencies and professional organizations to learn for the experience and insights of other, similar agencies.
- 7.4. Guard against compartmentalization/isolation. Don't assume those who need to know do know, those who need to do have done.

Table 1 –The Strategic Plan “At a Glance”

STRATEGIC ELEMENTS	STRATEGIC GOALS	Estimated Completion Date <i>Fiscal Year Completed</i>
1. Water Sources		
	<i>1.1 Outline Options for development of water sources</i>	<i>Continuous (regs/mandates)</i>
	<i>1.2 Choose Viable Options</i>	<i>2020 (Cr+6 MCL)</i>
	<i>1.3 Communicate Options to Public</i>	<i>Continuous</i>
	<i>1.4 Implement Water Loss and Water Eff. Requirements</i>	<i>2021/2020 (respecti</i>
2. Infrastructure		
	<i>2.1 Update Water Master Plan et al</i>	<i>2020</i>
	<i>2.2 Admin Office</i>	<i>2023</i>
	<i>2.3 Capital Improvement Plan</i>	<i>2020</i>
3. Rate Adequacy and Financial Stability		
	<i>3.1 Set Rate Philosophy</i>	<i>Dec 2019</i>
	<i>3.2 Conduct Rate Study</i>	<i>April 2020</i>
	<i>3.3 Periodic Rate Studies</i>	<i>Continuous</i>
	<i>3.5 Review and revise fees</i>	<i>Ongoing</i>
	<i>3.6 Implement Direct Assessment Recover Debt</i>	<i>2020</i>
	<i>3.7 Reduce percentage of fixed charge in rates</i>	<i>June 2020</i>
4. Partner Relations		
	<i>4.1 Adopt Professional Standards for Interactions</i>	<i>Oct 2020</i>

Rio Linda Elverta Community Water District Strategic Plan 2019

5. Organization and Staffing		
	<i>5.1 Address compartmentalization</i>	<i>Ongoing</i>
	<i>5.2 Conduct compensation Studies</i>	<i>2021</i>
	<i>5.3 Augment Personnel Resource</i>	<i>Continuous</i>
	<i>5.4 Increase job satisfaction</i>	<i>Continuous</i>
	<i>5.5 Improve professional development</i>	<i>Ongoing</i>
6. Readiness for Residential Development and Other Opportunities		
	<i>6.1 Clarify water supply in growth areas</i>	<i>2021</i>
	<i>6.2 Reevaluate planning documents</i>	<i>2020</i>
	<i>6.3 Remain Cognizant of contingency planning</i>	<i>Continuous</i>
7. Readiness for Regulatory Shifts		
	<i>7.1 Remain Current on Regulations</i>	<i>Continuous</i>
	<i>7.2 Plan for Compliance with Regulations</i>	<i>Ongoing</i>
	<i>7.4 Guard Against Isolation</i>	<i>Ongoing</i>



Items for Discussion and Action
Agenda Item: 4.5

Date: October 21, 2019

Subject: Consider accepting the annual independent audit for fiscal year 2018/2019 from Fechter & Company

Staff Contact: Timothy R. Shaw

Recommended Committee Action:

The Auditor's report was not completed as of the October 7th Executive Committee meeting. However, the Committee was advised at the meeting that the report was anticipated within the next week (in time for consideration at the October 21st Board meeting. Accordingly, the Committee directed placement of this item on the October 21th Board agenda if the report was received in time for posting.

Current Background and Justification:

Sound oversight of the financial matters for the District warrant regular auditing. Additionally, annual audits conducted by an independent, appropriately licensed auditor are required by law. The recent annual audit of the District's accounts has been completed by Fechter & Co. Certified Public Accountants.

Conclusion:

I recommend the Board accept the fiscal year 2018/2019 audit report prepared by Fechter & Company.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Ridilla: _____ Harris: _____ Jason Green _____ Gifford _____ Reisig _____
(A) Yea (N) Nay (Ab) Abstain (Abs) Absent

RLECWD Agenda Item Checklist

Item 4.5

Date

Initial Potential Meeting Date

10/21/19

Circle High/Medium/Low priority of Item and Identify if in line with Mission/
Goal/Strategic Planning issues or state of emergency

Consider accepting the annual independent audit for fiscal year 2018/2019 from Fechter &
Company

10/4/19

Staff Work Completed

(Includes reviewing, researching item with other resources (ACWA, JPIA, RWA, SGA, other
Water or special districts, District Engineer, Legal Counsel then laying out business cases,
pros and cons, options and recommendations based on best information available, etc.

Committee Review of Item and Staff Work

10/7/19

Review by appropriate Executive or Ad Hoc Committees, to prepare board recommendations

Formal Legal Counsel Review

N/A

Legal Counsel should have enough time to review all potential legal matters
for correctness and legality

GM Review

10/21/19

Actual Meeting Date Set for Agenda Item

10/21/19

October 10, 2019

Board of Directors
Rio Linda/Elverta Community Water District
730 L Street
Rio Linda, California 95673

We have audited the financial statements of the Rio Linda/Elverta Community Water District (the District) 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 the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 13, 2019. 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 the District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by 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(s) affecting the District's financial statements was:

Management's estimate of the net pension liability is based on CalPERS actuarial reports. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

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. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the District's financial statements taken as a whole.

Board of Directors
Rio Linda/Elverta Community Water District

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 October 10, 2019.

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

Restriction on Use

This information is intended solely for the information and use of Board of Directors and management of the Rio Linda/Elverta Community Water District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Fechter & Company,
Certified Public Accountants



Sacramento, California

**RIO LINDA/ELVERTA COMMUNITY
WATER DISTRICT
ANNUAL FINANCIAL REPORT
WITH INDEPENDENT AUDITOR'S REPORT
JUNE 30, 2019 AND 2018**

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

Annual Financial Report
June 30, 2019 and 2018

Table of Contents

	<u>Page</u>
Independent Auditor’s Report.....	1-2
Management’s Discussion and Analysis.....	3-7
<u>Basic Financial Statements</u>	
Statement of Net Position	8
Statements of Revenues, Expenses, and Changes in Net Position	9
Statements of Cash Flows.....	10-11
Notes to Basic Financial Statements.....	12-35
Required Supplementary Information - Pensions.....	36
Required Supplementary Information – Other Post-Employment Benefits	37

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Rio Linda/Elverta Community Water District
Rio Linda, California

Report on the Financial Statements

We have audited the accompanying financial statements of Rio Linda/Elverta Community Water District (the District), which comprise the balance sheet as of June 30, 2019 and 2018, and the related statements of revenues, expenses, changes in net position, and cash flows for the years then ended and the related notes to the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District as of June 30, 2019, and the results of its operations and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Board of Directors
Rio Linda/Elverta Community Water District

Other Matters

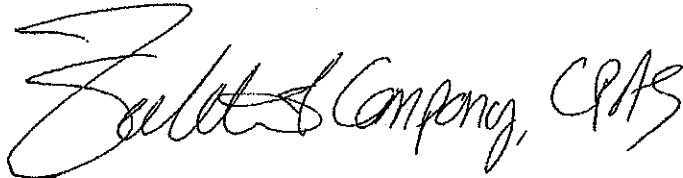
Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information, the schedule of the District's proportionate share of the net pension liability, and the schedule of contributions, as listed in the table of contents, 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 supplementary 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied to the basic financial statements and, accordingly, we express no opinion or provide any assurance on it.

Fechter & Company
Certified Public Accountants

A handwritten signature in black ink that reads "Fechter & Company, CPAs". The signature is written in a cursive, flowing style.

Sacramento, California
October 10, 2019

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

33

Management's Discussion and Analysis
June 30, 2019 and 2018

The management of the Rio Linda/Elverta Water District (District) presents this Management's Discussion and Analysis to achieve two goals:

To comply with the requirements of Governmental Accounting Standards Board Statement 34 (GASB 34) that are designed to provide more and easier-to-understand information about the finances of local government agencies such as the District; and,

To provide readers with narrative information that may help in understanding and interpreting the information presented in the District's financial statements for the fiscal year ended June 30, 2019 (FY 2018-19).

Questions or comments regarding this Management's Discussion and Analysis may be directed to the District General Manager via the following methods:

Mailing address: Rio Linda/Elverta Community Water District
730 L St.
Rio Linda, California 95673

Telephone: (916) 991-1000
E-mail: gm@rlcwd.com

Financial Highlights

The following items are, in the opinion of District management, among the most significant in assessing the District's overall financial activities during FY 2018-19 and its financial position at the close of FY 2018-19.

- ❖ The District's assets exceeded its liabilities by \$9,827,162 as of June 30, 2019, which is an increase of \$1,270,883 compared to June 30, 2018. Total assets increased by \$496,962 while total liabilities decreased by \$773,921. The deferred outflow and deferred inflows both decreased to \$262,764 and \$32,003 as of June 30, 2019 and 2018, respectively. The District's net investment in capital assets, \$7,681,068, is composed of the capital assets of the District net of related debt – the water transmission and distribution system, water production facilities, land, buildings, and equipment belonging to the District. Unrestricted net assets totaled \$1,674,622, an increase of \$1,032,006 from the end of FY 2017-18.
- ❖ The District's operating revenues were \$2,717,218 and non-operating revenues were \$1,106,120, totaling \$3,823,338. Water sales to customers totaled 67% of all revenues.
- ❖ The District's total net long-term liabilities were \$8,341,628 and includes the Water Revenue Refunding Bond, State Revolving Fund Loan, Water Meter Replacement Loan, Installment Sales Agreement, Unearned revenue, OPEB Liability, and Net Pension Liability.

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

Management's Discussion and Analysis
June 30, 2019 and 2018

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of two parts: (1) Management's Discussion and Analysis; and (2) the financial statements, which includes the notes to financial statements.

The financial statements provide both long-term and short-term information about the District's overall financial status. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

The District's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units on an accrual basis. Under this basis, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, and depreciation of assets is recognized in the Statement of Revenues, Expenses, and Changes in Net Position. All assets and liabilities associated with the operation of the District are included in the Statement of Net Position.

The Statement of Net Position presents the financial position of the District on a full accrual historical cost basis and provides information about the nature and amount of resources and obligations at year-end.

Statement of Net Position

As of June 30, 2018, the total net position of the District was \$10,052,958. The following table summarizes assets, liabilities and net position at June 30, 2019, 2018, and 2017:

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Current Assets, Unrestricted	\$ 2,916,941	\$ 1,992,373	\$ 2,236,562
Restricted Cash and Cash Equivalents	1,479,705	1,533,974	1,236,183
Capital assets, net	14,473,753	14,847,090	14,435,341
Total Assets	<u>18,870,399</u>	<u>18,373,437</u>	<u>17,908,086</u>
Total Deferred Outflows	262,764	347,606	297,772
Total Assets and Deferred Outflows	<u>19,133,163</u>	<u>18,721,043</u>	<u>18,205,858</u>
Current Liabilities	701,609	618,177	896,306
Long-Term Liabilities	8,341,628	9,198,981	9,050,744
Total Liabilities	<u>9,043,237</u>	<u>9,817,158</u>	<u>9,947,050</u>
Total Deferred Inflows	32,003	41,572	40,436
Total Liabilities and Deferred Inflows	<u>9,075,240</u>	<u>9,858,730</u>	<u>9,987,486</u>
Net Position			
Net investment in capital assets	7,681,068	7,519,910	6,698,923
Restricted debt service reserves	702,233	699,787	699,787
Unrestricted	1,674,622	642,616	819,662
Total Net Position	<u>\$ 10,057,923</u>	<u>\$ 8,862,313</u>	<u>\$ 8,218,372</u>

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

34

Management's Discussion and Analysis
June 30, 2019 and 2018

The District's net position reflects Debt Service restrictions imposed as its loan requirements. Below is a summary analysis of changes:

Summary Analysis of Changes	2019 & 2018	2018 & 2017
Total Assets and Deferred Outflows	2.20%	2.83%
Total Liabilities and Deferred Inflows	-7.95%	-1.29%
Total Net Position	13.49%	7.84%

Changes in Net Position

The following table summarizes the changes in net position for the fiscal year ended June 30, 2019, 2018, and 2017:

	2019	2018	2017
Operating Revenues	\$ 2,717,218	\$ 2,637,352	\$ 2,437,489
Operating Expenses:			
Personnel services	1,065,785	1,061,163	986,515
Professional services	149,693	177,479	183,207
Field operations	422,419	379,372	368,142
Conservation	5,844	5,946	11,544
Administration	236,116	230,626	221,184
Depreciation and Amortization	637,022	654,174	624,455
Total Operating Expenses	<u>2,516,879</u>	<u>2,508,760</u>	<u>2,395,047</u>
Net Income from Operations	200,339	128,592	42,442
Non-Operating Revenues	1,106,120	877,763	858,880
Non-Operating Expenses	(252,635)	(254,684)	(445,496)
Net Non-Operating Revenues	<u>853,485</u>	<u>623,079</u>	<u>413,384</u>
Net income before capital contributions	<u>1,053,824</u>	<u>751,671</u>	<u>455,826</u>
Capital Contributions			
Capacity fees	51,705	129,808	36,650
Contributed assets	90,081	22,833	28,593
Total Capital Contributions	<u>141,786</u>	<u>152,641</u>	<u>65,243</u>
Change in net position	1,195,610	904,312	521,069
Net position, beginning of year	8,862,313	8,218,372	7,697,490
Prior period adjustment	-	(260,371)	(187)
Beginning net position, restated	<u>8,862,313</u>	<u>7,958,001</u>	<u>7,697,303</u>
Net position, end of year	<u>\$ 10,057,923</u>	<u>\$ 8,862,313</u>	<u>\$ 8,218,372</u>

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

Management's Discussion and Analysis June 30, 2019 and 2018

Changes from Fiscal Year 2017/2018 to Fiscal Year 2018/2019:

Total net position increased \$1,195,610 or 13.49% from fiscal year 2018 to 2019.

Total operating revenues increased \$79,866 or 3.03% from fiscal year 2018, to 2019. Operating revenue exceeded operating expenses by \$200,399. Operating expenses increased by \$8,119, a 0.32% increase from fiscal year 2018 to 2019.

Changes from Fiscal Year 2016/2017 to Fiscal Year 2017/2018:

Total net position increased \$643,941 or 7.84% from fiscal year 2017 to 2018.

Total operating revenues increased \$199,863 or 8.20% from fiscal year 2017 to 2018. Operating revenue exceeded operating expenses by \$128,592. Operating expenses increased by \$113,713, a 4.75% increase from fiscal year 2017 to 2018.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2019, the District's net investment in capital assets was \$7,681,068 including: the water transmission and distribution system (underground pipelines, water services, water meters, fire hydrants, and other components); water production facilities (groundwater wells); land; buildings and both mobile and fixed equipment.

Additional information on the District's capital assets can be found in Note 3, Capital Assets, of the notes to the basic financial statements.

Debt Administration

The District continues to meet its debt obligations under its Water Revenue Refunding Bonds. Through scheduled debt service payments during 2018-19, principal on its collective debt was reduced by \$133,163 during the year. The District's total debt from its 2016 issuance now stands at approximately \$2.09 million.

The District continues to meet its debt obligations to the State Water Resource Control Board State Revolving Fund (SRF) Loan through scheduled debt service payments during 2018-19, principal on its collective debt was reduced by \$342,541 during the year. The District's total debt from the SRF Loan now stands at approximately \$4.36 million.

The District continues to meet its debt obligation called the Meter Replacement Loan for the AMR/AMI Meter Program capital improvement project. Principal on its collective debt was reduced by \$46,818 during the year. The District's total debt from the Meter Replacement Loan now stands at approximately \$342,486.

During FY 17-18, the District entered into an installment sale agreement with Opus Bank for \$3.87 million. However, as of June 30, 2019, the District had no balance outstanding.

Compensated absences, composed of vacation hours earned by employees that are payable upon termination or retirement, are valued at \$36,958 at the end of 2018-19, an increase of \$14,816 from the 2017-18 year-end amount of \$22,142.

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

35

Management's Discussion and Analysis
June 30, 2019 and 2018

Additional information on debt activity can be found in Note 4, Long-Term Liabilities, of the notes to the basic financial statements.

ECONOMIC FACTORS AND FUTURE BUDGET CONSIDERATIONS

The District adopted a budget for FY 2019-20 (\$2.8 M revenue and \$2.06 M expenses) with a 2.3% increase in income, a 6.8% increase in expense, and a 8.4% decrease in net income compared with the FY 2018-19 Operating Budget.

The District implemented a multi-year Water Rate adjustment and Capacity Fee increase in calendar year 2016 to fund repairs/renovation projects addressing aging infrastructure and regulatory changes. This included Chromium 6 (Cr6) compliance and adding new supply facilities to consolidate and replace less efficient aging wells. The District has authorized solicitation or responses to a Request for Proposals (RFP) for a rates study consultant for another multi-year rates restructuring. The adoption of new laws (SB 555, SB 606, AB 1668) have created new requirements for water efficiency and limits on water loss.

A significant portion of the District's budget continues to be repayment of 15-year long-term debt consolidated financing of Water Revenue Bonds in the amount of \$200,732 per year.

In addition, the District is currently paying down its twenty-year term State Revolving Fund (SRF) construction loan in the amount of \$7,179,073. \$1.5 million was paid on the principal with surcharge money the District had collected from our customers over the years. This principal prepayment saves the District \$600,000 in interest over the life of the loan. There was also an additional payment of \$230,677 in FY 2018-19. Total annual payments are approximately \$461,355 per year for the next 14 years.

In September 2017, the District was awarded Prop 84 funding in the amount of \$530,000 for Well 10 Cr6 Treatment Mitigation. The District recently received approval from the Department of Water Resources to reallocate the Well 10 grant to the Well 16 project, an alternative means for Cr6 mitigation. The design of the Well 16 project is 100% complete, and the District will soon solicit sealed bids from construction contractors.

Large-scale residential development remains on the horizon, but not in the financial planning range.. Additionally, infill projects and some small commercial development is likely to continue if the economic conditions remain favorable. Rio Linda is strategically located directly between the large new commercial development in the Airport Industrial Park and the McClellan Business park. Both areas are bringing additional jobs into the region which adds to housing demand in the District. Sacramento County has recently approved increased density for a project within the District boundaries, yet there are no financial agreements or definitive plans in place. SB 13 was signed by the Governor, which may lead to a new form of development via accessory dwelling units. It is likely that any significant projects which would increase the number of connections or water demand will not occur until FY 2021-22.

BASIC FINANCIAL STATEMENTS

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2019
(WITH COMPARATIVE DATA FOR JUNE 30, 2018)

36

	2019	2018
ASSETS		
Current Assets:		
Cash and investments	\$ 2,259,237	\$ 1,366,441
Accounts receivable	568,838	484,826
Accrued interest receivable	-	1,633
Inventory	58,009	96,794
Prepaid expenses	30,857	42,679
Total current assets	2,916,941	1,992,373
Restricted Assets		
Restricted cash and investments	1,479,705	1,533,974
Capital Assets, Net		
Capital assets	14,473,753	14,847,090
	15,953,458	16,381,064
TOTAL ASSETS	18,870,399	18,373,437
DEFERRED OUTFLOWS OF RESOURCES		
Deferred pension outflows	262,764	347,606
LIABILITIES		
Current Liabilities:		
Accounts payable	114,191	143,915
Accrued salaries and benefits	31,701	27,105
Accrued interest payable	10,423	11,087
Deposits payable	97,206	92,532
Unearned revenue	49,255	49,255
Current portion of compensated absences liability	36,958	22,142
Current portion of long-term liabilities	361,875	272,141
Total current liabilities	701,609	618,177
Long-Term Liabilities:		
Unearned revenue	705,797	755,052
Bonds and loans payable	6,436,628	7,148,025
OPEB liability	211,573	262,349
Net pension liability	987,630	1,033,555
	8,341,628	9,198,981
TOTAL LIABILITIES	9,043,237	9,817,158
DEFERRED INFLOWS OF RESOURCES		
Deferred pension inflows	5,192	33,279
Deferred OPEB inflows	26,811	8,293
TOTAL DEFERRED INFLOWS OF RESOURCES	32,003	41,572
NET POSITION		
Net investment in capital assets	7,681,068	7,519,910
Restricted for debt service reserves	702,233	699,787
Unrestricted	1,674,622	642,616
TOTAL NET POSITION	\$ 10,057,923	\$ 8,862,313

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

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2019
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2018)

	2019	2018
Operating revenues:		
Water sales	\$ 2,560,294	\$ 2,499,949
Account service charges	100,494	102,010
Other water service fees	56,430	35,393
Total operating revenues	2,717,218	2,637,352
Operating expenses:		
Personnel services	1,065,785	1,061,163
Professional services	149,693	177,479
Field operations:		
Transmission and distribution	128,878	96,154
Pumping	197,723	187,256
Transportation	17,144	16,660
Treatment	16,779	17,487
Other	61,895	61,815
Conservation	5,844	5,946
Administration	236,116	230,626
Depreciation	637,022	654,174
Total operating expenses	2,516,879	2,508,760
Operating income	200,339	128,592
Non-operating revenues and (expenses):		
Surcharge	949,903	743,152
Interest income	16,113	3,703
Property tax	87,964	81,653
Rental income	49,255	49,255
Loss on disposition of assets	2,885	(26,050)
Interest expense	(197,730)	(209,540)
Other non-operating expenses	(54,905)	(19,094)
Total non-operating revenues and (expenses)	853,485	623,079
Income before capital contributions	1,053,824	751,671
Capital Contributions		
Capacity fees	51,705	129,808
Contributed assets	90,081	22,833
Total capital contributions	141,786	152,641
Change in net position	1,195,610	904,312
Beginning net position	8,862,313	8,218,372
Prior period adjustment	-	(260,371)
Beginning net position, restated	8,862,313	7,958,001
Ending net position	\$ 10,057,923	\$ 8,862,313

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

**RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2018)**

37

	2019	2018
Cash flows from operating activities:		
Receipts from customers	\$ 2,637,880	\$ 2,617,095
Payments to suppliers	(793,189)	(834,969)
Payments to employees	(1,067,801)	(987,307)
	776,890	794,819
Cash Flows from non-capital financing activities:		
Property taxes received	87,964	81,653
	87,964	81,653
Cash flows from capital and related financing activities:		
Surcharge revenue received	949,903	743,152
Capacity fees	51,705	129,808
Payments on long-term debt	(983,538)	(508,377)
Purchase and construction of capital assets	(170,719)	(1,084,590)
Abandonment of well project	(54,905)	(19,094)
Proceeds from the issuance of long-term debt	361,875	99,141
Interest and fees paid on long-term debt	(198,394)	(210,183)
	(44,073)	(850,143)
Cash flows from investing activities:		
Investment income received	17,746	3,469
	17,746	3,469
Net increase in cash and cash equivalents	838,527	29,798
Cash and cash equivalents, beginning of year	\$ 2,900,415	\$ 2,870,617
Cash and cash equivalents, end of year	\$ 3,738,942	\$ 2,900,415
Cash and cash equivalents consist of the following:		
Unrestricted	\$ 2,259,237	\$ 1,366,441
Restricted	1,479,705	1,533,974
	\$ 3,738,942	\$ 2,900,415

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

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT
STATEMENT OF CASH FLOWS (Continued)
FOR THE YEAR ENDED JUNE 30, 2018
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2018)

	2019	2018
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 200,339	\$ 128,592
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	637,022	654,174
Changes in assets and liabilities:		
Accounts receivable	(84,012)	(51,651)
Inventory	38,785	36,058
Prepaid expenses	11,822	(7,977)
Accounts payable	(29,724)	(69,627)
Accrued salaries and benefits	4,596	(3,578)
Deposits payable	4,674	31,394
Compensated absences	14,816	563
Other post employment benefits asset/liability	(78,863)	(12,182)
Net pension liability	57,435	89,053
	\$ 776,890	\$ 794,819
 Supplemental Disclosure of Non-Cash Activities		
Donated capital assets	\$ 90,081	\$ 22,833

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

NOTES TO BASIC FINANCIAL STATEMENTS

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

Notes to Basic Financial Statements
June 30, 2019 and 2018

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Rio Linda/Elverta Community Water District (District) have been prepared in conformity with generally accepted accounting principles as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. In addition, the District applies Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee of Accounting Procedures issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The more significant of the District's accounting policies are described below.

Reporting Entity: The District was formed on November 9, 1948, and provided water and sewer services. Sewer services were transferred to Sacramento County in 1976. The District no longer provides sewer service. The District currently provides domestic water service and fire flows to approximately 4,637 metered accounts, including procurement, quality, and distribution. The District is governed by a Board of Directors consisting of five directors elected by residents of the District.

Basis of Presentation – Fund Accounting: The District's resources are allocated to and accounted for in these basic financial statements as an enterprise fund type of the proprietary fund group. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other policies. Net position for the enterprise fund represent the amount available for future operations.

Basis of Accounting: The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The enterprise fund type is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the balance sheet. Net position is segregated into amounts invested in capital assets, net of related debt, amounts restricted, and amounts unrestricted. Enterprise fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

The District uses the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Earned but unbilled water services are accrued as revenue.

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

39

Notes to Basic Financial Statements
June 30, 2019 and 2018

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Basis of Accounting: (continued)

Operating revenues and expenses consist of those revenues and expenses that result from the ongoing principle operations of the District. Operating revenues consist primarily of charges for services. Non-operating revenues and expenses consist of those revenues and expenses that are related to financing and investing types of activities and result from nonexchange transactions or ancillary activities.

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.

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

Cash and Cash Equivalents: For purposes of the statement of cash flows, the District considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Cash and cash equivalents held include bank deposits, Local Agency Investment Fund (LAIF), an investment pool managed by the State of California, and money market mutual funds.

Restricted Assets: Certain proceeds of the District's long-term debt are classified as restricted investments on the balance sheet because their use is limited by applicable debt covenants and ordinances. In addition, proceeds from the surcharge levied on customer accounts are restricted for capital improvements. Certain other amounts received by the District are restricted for other purposes.

Investments: Investments are stated at their fair value, which represents the quoted or stated market value. Investments that are not traded on a market, such as investments in external pools, are valued based on the stated fair value as represented by the external pool.

Inventory: Inventory consists primarily of materials used in the construction and maintenance of the water distribution facilities and is valued on a first-in, first-out basis.

Capital Assets: Capital assets are recorded at historical cost. Donated assets are valued at acquisition value on the date received. Self-constructed assets are recorded based on the amount of direct labor, material, and certain overhead charged to the asset construction. Depreciation is calculated using the straight-line method over estimated useful lives of 8 to 60 years for transmission and distribution, and 3 to 50 years for general plant assets.

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

Notes to Basic Financial Statements
June 30, 2019 and 2018

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Capital Assets: (continued)

Maintenance and repairs are charged to operations when incurred. It is the District's policy to capitalize all capital assets with an initial cost of more than \$1,500 and an estimated useful life in excess of two years. Costs of assets sold or retired (and the related amounts of accumulated depreciation) are eliminated from the balance sheet in the year of sale or retirement, and the resulting gain or loss is recognized in operations.

Accounts Receivable: The District issues water invoices bi-monthly based on meter readings. Delinquent water invoices may have a lien placed on the property. The District does not provide for an allowance for uncollectible accounts due to the lien process.

Deferred Outflows and Inflows of Resources: Pursuant to GASB Statement No. 63, "*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*," and GASB Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*," the District recognizes deferred outflows and inflows of resources.

In addition to assets, the Statement of Financial Position will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is defined as a consumption of net position by the District that is applicable to a future reporting period. The District has one item which qualifies for reporting in this category. Please refer to Note 7 for a detailed listing of the deferred outflows of resources the District has recognized.

In addition to liabilities, the Statement of Financial Position will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources is defined as an acquisition of net position by the District that is applicable to a future reporting period. The District has two items which qualify for reporting in this category. Please refer to Notes 7 and 8 for a detailed listing of the deferred inflows of resources.

Unearned Revenues: Unearned revenue represents funds received for future rental income on various cell tower leases.

Contributed Facilities: The District receives facilities (hydrant, pipes, valves, etc.), from developers resulting from developers preparing the sites to connect to the District. The District records these items as capital assets and depreciates them over their estimated useful life.

Property Taxes: Property tax revenue is recognized in the fiscal year for which the tax and assessment is levied. The County of Sacramento levies, bills, and collects property taxes and special assessments for the District. Under the County's "Teeter Plan", the County remits the entire amount levied and handles all delinquencies, retaining interest, and

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

40

Notes to Basic Financial Statements
June 30, 2019 and 2018

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Property Taxes: (continued)

penalties. Secured property tax is due in two installments, on November 1 and February 1, and becomes a lien on July 1. It becomes delinquent on December 10 and April 10, respectively. Unsecured property tax is due on July 1 and becomes delinquent on August 31.

Compensated Absences: The District has a policy whereby employees can accrue up to a maximum of 240 hours of vacation leave. All accrued vacation leave will be paid to the employee on termination of employment. Accumulated unpaid vacation leave is accrued when earned. Employees accrue sick leave, but any remaining balance at termination of employment is not paid out to the employee; thus, the District does not accrue a liability for sick leave, except for those that have contracts that specifically state that sick leave will be paid out upon termination.

New Accounting Pronouncements: During the year ended June 30, 2018, the District implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*.

NOTE 2: CASH AND INVESTMENTS

Cash and investments as of June 30, 2019 and 2018, are classified in the accompanying financial statements as follows:

	2019	2018
Cash and cash equivalents	\$ 2,259,237	\$ 1,366,441
Restricted cash and investments	1,479,705	1,533,974
Total Cash and Investments	\$ 3,738,942	\$ 2,900,415

Cash and investments as of June 30, 2019 and 2018, consisted of the following:

	2019	2018
Deposits with financial institutions		
Total Cash	\$ 3,028,707	\$ 2,392,798
Investments in Local Agency Investment Fund (LAIF)	205,000	15,993
Held by Bond Trustee:		
Money market mutual fund	201,027	65,127
Negotiable certificates of deposits	254,368	377,386
Government agency securities	49,840	49,111
Total Investments	710,235	507,617
Total Cash and Investments	\$ 3,738,942	\$ 2,900,415

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

Notes to Basic Financial Statements
June 30, 2019 and 2018

NOTE 2: CASH AND INVESTMENTS - CONTINUED

Investment Policy: California statutes authorize districts to invest idle, surplus, or reserve funds in a variety of credit instruments as provided for in the California Government Code, Section 53600, Chapter 4 – Financial Affairs. The list below identifies the investment types that are authorized by the District’s investment policy.

This table does not address investments of debt proceeds held by the bond trustee that are governed by the provisions of debt agreements of the District, rather than the general provisions of the California Government Code or the District’s investment policy. During the year ended June 30, 2019, the District’s permissible investments included the following instruments:

- Investment pool authorized under \$50 million¹ Liquid CA Account Statutes governed by Government Code Sections 16429.1-16429.4 AKA Local Agency Investment Fund of LAIF.
- California Employers Retiree Benefit Trust (CEBRT).
- Money Market Mutual Funds governed by Government Code Sections 53601.6(b).

The District complied with the provisions of the California Government Code pertaining to the types of investments held, the institutions in which deposits were made, and the security requirements. The District will continue to monitor compliance with applicable statutes pertaining to public deposits and investments.

Investments Authorized by Debt Agreements: Investments of debt proceeds held by the bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the District’s investment policy. The Water Revenues Refunding Bond agreements contain certain provisions that address interest rate risk and credit risk, but not concentration of credit risk.

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 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 is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

41

Notes to Basic Financial Statements
June 30, 2019 and 2018

NOTE 2: CASH AND INVESTMENTS – CONTINUED

Information about the sensitivity of the fair value of the District’s investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the District’s investments by maturity:

	Total	12 Months or Less	13-24 Months	25-60 Months
Local Agency Investment Fund	\$ 205,000	\$ 205,000	\$ -	\$ -
Held by Bond Trustee:				
Money market mutual fund	201,027	201,027	-	-
Negotiable certificates of deposits	254,368	48,892	205,476	-
Government agency securities	49,840	49,840	-	-
Total Investments	<u>\$ 710,235</u>	<u>\$ 504,759</u>	<u>\$ 205,476</u>	<u>\$ -</u>

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, the District’s investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

	Minimum Legal Rating	Total	Ratings as of Year End	
			AAA	Not Rated
Local Agency Investment Fund	N/A	\$ 205,000	\$ -	\$ 205,000
Held by Bond Trustee:				
Money market mutual fund	N/A	201,027	-	201,027
Negotiable certificates of deposits	N/A	254,368	-	254,368
Government agency securities	A	49,840	49,840	-
Total Investments		<u>\$ 710,235</u>	<u>\$ 49,840</u>	<u>\$ 660,395</u>

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

Notes to Basic Financial Statements
June 30, 2019 and 2018

NOTE 2: CASH AND INVESTMENTS - CONTINUED

The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits:

- The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure public agency deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

At June 30, 2019, the carrying amount of the District's deposits were \$3,738,942 and the balances in financial institutions were \$3,779,136. Of the balance in financial institutions, \$1,058,230 was covered and \$2,720,906 was not covered by federal depository insurance. As of June 30, 2019, District investments in the following investment types were held by the same broker-dealer (counterparty) that was used by the District to buy the securities:

Reported Investment Type	Amount
Money market mutual funds	\$ 201,028
Negotiable certificates of participation	254,368
Government agency securities	49,840

Investment in LAIF: LAIF is stated at amortized cost, which approximates fair value. The LAIF is a special fund of the California State Treasury through which local governments may pool investments. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

42

Notes to Basic Financial Statements
June 30, 2019 and 2018

NOTE 3: CAPITAL ASSETS

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

	Balance at June 30, 2018	Additions	Disposals	Transfers/ Adjustments	Balance at June 30, 2019
Capital assets not being depreciated:					
Land	\$ 496,673	\$ 80,000	\$ -	\$ -	\$ 576,673
Construction in progress	<u>1,250,106</u>	<u>84,085</u>	<u>(21,092)</u>	<u>-</u>	<u>1,313,099</u>
Total capital assets not being depreciated	<u>1,746,779</u>	<u>164,085</u>	<u>(21,092)</u>	<u>-</u>	<u>1,889,772</u>
Capital assets being depreciated:					
Water system facilities	20,717,060	43,252	-	-	20,760,312
General plant assets	712,767	80,252	(59,620)	-	733,399
Intangible assets	<u>373,043</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>373,043</u>
Total capital assets being depreciated	<u>21,802,870</u>	<u>123,504</u>	<u>(59,620)</u>	<u>-</u>	<u>21,866,754</u>
Less: Accumulated depreciation					
Water system facilities	(7,965,838)	(575,176)	-	-	(8,541,014)
General plant assets	(492,299)	(45,136)	56,808	-	(480,627)
Intangible assets	<u>(244,422)</u>	<u>(16,710)</u>	<u>-</u>	<u>-</u>	<u>(261,132)</u>
Total accumulated Depreciation	<u>(8,702,559)</u>	<u>(637,022)</u>	<u>56,808</u>	<u>-</u>	<u>(9,282,773)</u>
Net assets being depreciated	<u>13,100,311</u>	<u>(513,518)</u>	<u>(2,812)</u>	<u>-</u>	<u>12,583,981</u>
Net capital assets	<u>\$ 14,847,090</u>	<u>\$ (349,433)</u>	<u>\$ (23,904)</u>	<u>\$ -</u>	<u>\$ 14,473,753</u>

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

Notes to Basic Financial Statements
June 30, 2019 and 2018

NOTE 3: CAPITAL ASSETS – CONTINUED

Capital asset activity for the year ended June 30, 2018, was as follows:

	Balance at June 30, 2017	Additions	Disposals	Transfers/ Adjustments	Balance at June 30, 2018
Capital assets not being depreciated:					
Land	\$ 496,673	\$ -	\$ -	\$ -	\$ 496,673
Construction in progress	<u>637,767</u>	<u>686,561</u>	<u>-</u>	<u>(74,222)</u>	<u>1,250,106</u>
Total capital assets not being depreciated	<u>1,134,440</u>	<u>686,561</u>	<u>-</u>	<u>(74,222)</u>	<u>1,746,779</u>
Capital assets being depreciated:					
Water system facilities	20,562,699	298,289	(218,150)	74,222	20,717,060
General plant assets	606,507	107,122	(862)	-	712,767
Intangible assets	<u>373,043</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>373,043</u>
Total capital assets being depreciated	<u>21,542,249</u>	<u>405,411</u>	<u>(219,012)</u>	<u>74,222</u>	<u>21,802,870</u>
Less: Accumulated depreciation					
Water system facilities	(7,569,537)	(588,402)	192,101	-	(7,965,838)
General plant assets	(444,099)	(49,062)	862	-	(492,299)
Intangible assets	<u>(227,712)</u>	<u>(16,710)</u>	<u>-</u>	<u>-</u>	<u>(244,422)</u>
Total accumulated Depreciation	<u>(8,241,348)</u>	<u>(654,174)</u>	<u>192,963</u>	<u>-</u>	<u>(8,702,559)</u>
Net assets being depreciated	<u>13,300,901</u>	<u>(248,763)</u>	<u>(26,049)</u>	<u>74,222</u>	<u>13,100,311</u>
Net capital assets	<u>\$ 14,435,341</u>	<u>\$ 437,798</u>	<u>\$ (26,049)</u>	<u>\$ -</u>	<u>\$ 14,847,090</u>

Depreciation expense in the amount of \$637,022 and \$654,174 was recorded for the years ended June 30, 2019 and 2018, respectively, and is included with depreciation expense on the Statement of Revenues, Expenses, and Changes in Net Position.

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

43

Notes to Basic Financial Statements
June 30, 2019 and 2018

NOTE 4: LONG-TERM LIABILITIES

2015 Water Revenue Refunding Bonds: On April 1, 2015, the District entered into a loan agreement with Umpqua Bank to issue Series 2015 Water Revenue Refunding Bonds at an interest rate of 3.61%, the proceeds of which were used to provide financing for the refunding and defeasance of the District's 2003 Water Revenue Refunding Bonds. These 2003 Bonds were issued to refund debt used to finance certain capital improvements to the District's water system. Semi-annual principal payments, ranging from \$48,776 to \$136,000, and semi-annual interest payments, ranging from \$1,210 to \$40,642, are due on May 1 and November 1, through November 1, 2031. As of June 30, 2019, the District's loan balance was \$2,091,606.

Safe Drinking Water State Revolving Fund Loan: On June 30, 2011, the District finalized the Safe Drinking Water Loan funding agreement in the amount of \$7,499,045 at an interest rate of 2.57% to be paid over 20 years. The loan proceeds will assist the District in complying with the State safe drinking water standards. The project was completed in June 2015, and the actual borrowed by the District was only \$7,179,073. Semi-annual loan payments of \$230,677 are due on January 1 and July 1, through July 1, 2035. As of June 30, 2019, the District's loan balance was \$4,364,411.

Water Meter Replacement Loan: In July 2015, the District entered into an installment purchase agreement with Holman Capital Corporation for \$499,835 at an interest rate of 3.10% to be paid over 10 years. The agreement is for the acquisition and installation of 813 meters and solar-powered data collectors that will electronically connect to the existing automatic meter reading system, and installation of a dashboard system that will provide water data analytics to detect leaks, high water users, and overall system performance. Semi-annual loan payments of \$29,257 are due on January 23 and July 23, through July 23, 2025. As of June 30, 2019, the District's loan balance was \$342,486.

Installment Sale Agreement: On March 1, 2018, the District entered into an installment sale agreement with Opus Bank for \$3,870,000 at an interest rate of 3.28%. Proceeds from the agreement are for the construction of Well 10 and Well 16. Assuming the entire amount of the loan is borrowed by the District, semi-annual principal payments, ranging from \$90,000 to \$160,000, and semi-annual interest payments, ranging from \$2,624 to \$74,046, are due on April 1 and October 1, through April 1, 2033. Although \$99,141 was drawn down in the year ended June 30, 2018, this amount was paid in full during the year ended June 30, 2019.

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

Notes to Basic Financial Statements
June 30, 2019 and 2018

NOTE 4: LONG-TERM LIABILITIES - CONTINUED

The activity of the District's long-term liabilities during the year ended June 30, 2019, was as follows:

	Balance July 1, 2018	Additions	Reductions	Balance June 30, 2019	Due Within One Year
State safe drinking water loan	\$ 4,706,952	\$ -	\$ (342,541)	\$ 4,364,411	\$ 174,579
2015 water revenue refunding	2,224,769	-	(133,163)	2,091,606	139,015
Water meter replacement loan	389,304	-	(46,818)	342,486	48,281
Opus Bank loan	99,141	-	(99,141)	-	-
Subtotal bonds and loans payable	7,420,166	-	(621,663)	6,798,503	361,875
Compensated absences	22,142	36,958	(22,142)	36,958	36,958
Net pension liability	1,033,555	-	(45,925)	987,630	-
Other post-employment benefits	262,349	22,178	(72,954)	211,573	-
	<u>\$ 8,738,212</u>	<u>\$ 59,136</u>	<u>\$ (762,684)</u>	<u>\$ 8,034,664</u>	<u>\$ 398,833</u>

The activity of the District's long-term liabilities during the year ended June 30, 2018, was as follows:

	Balance July 1, 2017	Additions	Reductions	Balance June 30, 2018	Due Within One Year
State safe drinking water loan	\$ 5,040,853	\$ -	\$ (333,901)	\$ 4,706,952	\$ 170,177
2015 water revenue refunding	2,353,846	-	(129,077)	2,224,769	133,163
Water meter replacement loan	434,703	-	(45,399)	389,304	46,818
Opus Bank loan	-	99,141	-	99,141	90,000
Subtotal bonds and loans payable	7,829,402	99,141	(508,377)	7,420,166	440,158
Compensated absences	21,579	29,744	(29,181)	22,142	22,142
Net pension liability	902,961	130,594	-	1,033,555	-
Other post-employment benefits	282,824	10,265	(30,740)	262,349	-
	<u>\$ 9,036,766</u>	<u>\$ 269,744</u>	<u>\$ (568,298)</u>	<u>\$ 8,738,212</u>	<u>\$ 462,300</u>

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

44

Notes to Basic Financial Statements
June 30, 2019 and 2018

NOTE 4: LONG-TERM LIABILITIES - CONTINUED

The annual requirements to amortize the outstanding debt as of June 30, 2019, are as follows:

	Principal	Interest	Total
2020	\$ 361,875	\$ 128,048	\$ 489,923
2021	551,444	171,650	723,094
2022	564,630	156,507	721,137
2023	579,796	140,995	720,791
2024	595,776	125,087	720,863
2025-2030	3,677,206	406,078	4,083,284
2031-2032	467,775	10,814	478,589
	\$ 6,798,503	\$ 1,139,178	\$ 7,937,681

Pledged Revenue: The District pledged future water system revenues, net of specified expenses, to repay the 2015 Water Revenue Refunding Bonds in the original amount of \$2,688,622. Proceeds of the refunded bonds funded the acquisition and construction of certain facilities, as indicated above. The Bonds are payable solely from water customer net revenues and are payable through November 2031. Annual principal and interest payments on the Bonds are expected to require less than 80% of net revenues. Total principal and interest remaining to be paid on the Bonds was \$2,441,721 and \$2,722,875 at June 30, 2019 and 2018, respectively.

The District pledged surcharge fee revenues, to repay the 2011 State Safe Drinking Water Loan in the amount up to \$7,499,045. Proceeds of the Loan funded the construction of wells to meet State safe drinking water standards. Annual principal and interest payments on the Loan are expected to be fully recovered by the surcharge fees from customers. Total principal and interest paid on the loan from surcharge fees was \$461,355 and \$461,355 for the years ended June 30, 2019 and 2018, respectively. The total surcharge fee revenues were \$949,903 and \$743,152 for the years ended June 30, 2019 and 2018, respectively. The District is required to maintain net revenues at least 1.2 times total annual debt service. The District's surcharge revenues exceeded this requirement at June 30, 2019 and 2018. Total principal and interest remaining to be paid on the Bonds was \$5,032,952 and \$5,494,307 at June 30, 2019 and 2018, respectively.

Arbitrage Rebate Liability: Section 148(f) of the Internal Revenue Code requires issuers of tax-exempt state and local bonds to remit to the federal government amounts equal to (a) the excess of the actual amounts earned on all "Non-Purpose Investments" allocable to "Gross Proceeds" of an issue of municipal obligations less the amount that would have been earned if the investments bore a rate equal to the amount that would have been earned if the investments bore a rate equal to the yield on the issue, plus (b) all income attributable to the excess. Issuers must make rebate payments at least once every five years and upon final retirement or redemption of the bonds. There was no arbitrage liability at June 30, 2018 and 2017.

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

Notes to Basic Financial Statements
June 30, 2019 and 2018

NOTE 5: UNEARNED REVENUE

In August 2014, the District assigned the right to receive rental income on various cell tower leases for a period of 20 years to Wireless Capital Partners, LLC, in exchange for \$985,101 of cash. The District is also entitled to receive 50% of any rental increases after the expiration of the current leases. The District will recognize the revenue from this agreement over a period of 20 years, or \$49,255 annually. The balance of unearned revenue at June 30, 2019, was \$755,052

NOTE 6: NET POSITION

Restrictions: Restricted net position consist of constraints placed on net position use through external requirements imposed by creditors (such as through debt covenants), grantors, contributors, or laws and regulations of other governments or constraints by law through constitutional provisions or enabling legislation. Restricted net position consisted of the following at June 30:

	2019	2018
Debt service reserve on 2015 Water Revenue Refunding Bonds	\$ 240,878	\$ 238,432
Debt service reserve on State Loan	461,355	461,355
Total Cash and Investments	\$ 702,233	\$ 699,787

The restrictions for debt service represent debt service and other reserves required by the related debt covenants. The restriction for State Loan repayment represents surcharges collected under Ordinance No. 2009-03 passed by the Board in May 2009 to fund projects to comply with a State of California Department of Public Health Compliance Order and to repay the State Loan per the loan agreement.

NOTE 7: DEFINED BENEFIT PENSION PLAN

Plan Description: The District contributes to the California Public Employees Retirement System (PERS), a cost sharing multiple-employer public employee defined benefit pension plan. The District participates in the miscellaneous 2% at 55 risk pool. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public employers within the State of California. PERS require agencies with less than 100 active members in the plan to participate in the risk pool. All full and part-time District employees working at least 1,000 hours per year are eligible to participate in PERS. Under PERS, benefits vest after five years of service. Upon retirement, participants are entitled to an annual retirement benefit, payable for life, in an amount equal to a benefit factor times the monthly average salary of their highest twelve consecutive months, full-time equivalent, monthly pay. A menu of benefit provisions as well as other requirements is established by State statutes within the Public Employees' Retirement Law. The Plan selects optional benefit provisions from the benefit menu by a contract with PERS and adopts those benefits through District resolution. PERS issues a separate comprehensive annual financial report. Copies of the PERS' annual

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

45

Notes to Basic Financial Statements
June 30, 2019 and 2018

NOTE 7: DEFINED BENEFIT PENSION PLAN - CONTINUED

financial report may be obtained from the PERS Executive Office, 400 P Street, Sacramento, California 95814.

Funding Policy: Active plan members were required to contribute 7% of their annual covered salary. Starting in December 2011, the District contributed 3.5% on behalf of the employees. The District is required to contribute at an actuarially determined rate. The District has two tiers of participants, classic and PEPRA. The required employer contribution rate for the classic plan for fiscal year 2018/2019, 2017/2018, and 2016/2017 was 6.933%, 8.418%, and 8.377%, respectively. The required employer contribution rate for the PEPRA plan for fiscal year 2018/2019, 2017/2018, and 2016/2017 was 6.842%, 6.533%, and 6.555%, respectively. The contribution requirements of the plan members and the District are established and may be amended by PERS. The District's contributions for the years June 30, 2019, 2018, and 2017, were \$137,446, \$126,796, and \$118,924, respectively, which were equal to the required contributions each year.

At June 30, 2019, the District reported a liability of \$987,630 in the Statement of Net Position for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all Pension Plan participants, which was actuarially determined.

For the fiscal year ended June 30, 2019, the District recognized a pension expense of \$148,275 in its financial statements. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits.

Actuarial Assumptions

The total pension liability in the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions. Total pension liability represents the portion of the actuarial present value of projected benefit payments attributable to past periods of service for current and inactive employees.

- Discount Rate – 7.15%
- Investment Rate – 7.15%
- Inflation Rate – 2.5%
- Salary Increases – Varies by Entry Age and Service
- COLA Increases – up to 2.5%
- Post-Retirement Mortality – Derived using CalPERS' Membership Data for all Funds

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

Notes to Basic Financial Statements
June 30, 2019 and 2018

NOTE 7: DEFINED BENEFIT PENSION PLAN – CONTINUED

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2014, through June 30, 2017.

The long-term expected rate of return on pension plan investments (7.15%) was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	New Strategic Allocation	Real Return Years 1 - 10(a)	Real Return Years > 10(b)
Global equity	50.0%	4.80%	5.98%
Global fixed income	28.0%	1.00%	2.62%
Inflation sensitive	0.0%	77.00%	1.81%
Private equity	8.0%	6.30%	7.23%
Real estate	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
	<u>100.00%</u>		

(a) An expected inflation of 2.5% used for this period

(b) An expected inflation of 3.0% used for this period

The discount rate used to measure the total pension liability was 7.15 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from the District will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension fund's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. In theory, the discount rate may differ from the long-term expected rate of return discussed previously. However, based on the projected availability of the pension fund's fiduciary net position, the discount rate is equal to the long-term expected rate of return on pension plan investments, and was applied to all periods of projected benefit payments to determine the total pension liability.

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

46

Notes to Basic Financial Statements
June 30, 2019 and 2018

NOTE 7: DEFINED BENEFIT PENSION PLAN - CONTINUED

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.15%) or 1 percentage point higher (8.15%) than the current rate:

	Discount Rate		
	1% Decrease 6.65%	Discount Rate 7.15%	1% Increase 8.15%
Plan's net pension liability	\$ 1,568,905	\$ 987,630	\$ 507,797

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Detailed information about the pension fund's fiduciary net position is available in the separately issued PERS comprehensive annual financial report which may be obtained by contacting PERS.

For the year ended June 30, 2019, the District recognized pension expense of \$148,275. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$ 84,998	\$ -
Differences between Expected and Actual Experience	24,999	-
Differences between Projected and Actual Investment Earnings	4,883	-
Differences between Employer's Contributions and Proportionate Share of Contributions	541	2,525
Change in Employer's Proportion	9,898	2,667
Pension Contributions Made Subsequent to Measurement Date	137,445	-
	<u>\$ 262,764</u>	<u>\$ 5,192</u>

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

Notes to Basic Financial Statements
June 30, 2019 and 2018

NOTE 7: DEFINED BENEFIT PENSION PLAN – CONTINUED

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to net pension liability to be recognized in future periods in a systematic and rational manner.

\$137,446 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2020	\$ 100,442
2021	58,633
2022	(30,065)
2023	(8,883)
Total	<u>\$ 120,127</u>

NOTE 8: OTHER POST EMPLOYMENT BENEFITS (OPEB) LIABILITY

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	July 1, 2018
Measurement Date	June 30, 2019
Measurement Period	July 1, 2018 to June 30, 2019

Plan Description: The District's retiree healthcare benefit is not subject to the Public Employees' Medical & Hospital Care Act (PEMHCA). The District provides funding in varying amounts to eligible retirees to assist eligible retirees with their cost of maintaining healthcare insurance.

Retiree health benefits vary by tier, which is based on date of hire, as follows:

Tier 1: Hired prior to January 1, 2003: Eligible for District-paid retiree health benefits after the later of age 50 and 5 years of service. Coverage will be for retiree and one eligible dependent, up to \$600/month for retiree and \$800/month for retiree plus one coverage.

Tier 2: Hired on or after January 1, 2003 but prior to May 1, 2004: The District contributes a percentage of the premium for retiree and one eligible dependent, up to a maximum of \$600/month for retiree and \$800/month for retiree plus one coverage, based on years of service at retirement, as follows:

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

47

Notes to Basic Financial Statements
June 30, 2019 and 2018

NOTE 8: OTHER POST EMPLOYMENT BENEFITS (OPEB) LIABILITY – CONTINUED

Plan Description: (continued)

Years of Service	District Share	Retiree Share
0 -9.9	0% (\$0/\$0)	100%
10	50%(\$300/\$400)	50%
11	55% (\$330/\$440)	45%
12	60% (\$360/\$480)	40%
13	65% (\$390/\$520)	35%
14	70% (\$420/\$560)	30%
15	75% (\$450/\$600)	25%
16	80% (\$480/\$640)	20%
17	85% (\$510/\$680)	15%
18	90% (\$540/\$720)	10%
19	95% (\$570/\$760)	5%
20+	100% (\$600/\$800)	0%

Tier 3: Hired on or after May 1, 2004 and before January 1, 2013: Eligible for District-paid benefits after the later of age 50 and 5 years of service. Benefit of \$300/month for the retiree only.

Tier 4: Hired on or after January 1, 2013: Eligible for District-paid benefits after the later of age 62 and 20 years of service. Benefits limited to \$300/month for the retiree only.

Benefits for all tiers end at eligibility for Medicare (age 65). Benefits are reduced for employees working less than full-time for the 3-year period before retirement.

One retired General Manager is receiving District-paid benefits of \$300/month until age 65. One retired management employee is receiving benefits being provided according to special arrangements not expected to be repeated in the future. The retired management employee is receiving District-paid benefits equal to elected healthcare coverage; the retired management employee is receiving District-paid benefits not to exceed \$1,050 per month for retiree and spouse coverage.

Current Board members and the General Manager will not be entitled to District-paid retiree health benefits upon retirement.

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

Notes to Basic Financial Statements
June 30, 2019 and 2018

NOTE 8: OTHER POST EMPLOYMENT BENEFITS (OPEB) LIABILITY - CONTINUED

Plan Description: (continued)

Plan membership as of July 1, 2017, consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments	3
Active plan members	7

Contributions: The contribution requirements of the District are established and may be amended by the District’s board. While GASB Statement 75 requires that the liability for all post-employment benefits be measured, it does not require that an agency “pre-fund” the accrued liability. The District will pay for the post-employment healthcare cost on a “pay-as-you-go” basis. The provisions of GASB Statement 75 determine the amount that must be presented as an annual expense and accrued liability on the District’s financial statements. The contributions made on behalf of the plan members for the year ended June 30, 2019 were \$22,178.

Net OPEB Liability: The District’s net OPEB liability was measured as of June 30, 2018 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2017. Standard actuarial update procedures were used to project/discount from valuation to measurement dates.

Net OPEB Liability: (continued)

Actuarial assumptions. The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	3.00 percent
Healthcare cost trend rate	6.00 percent for 2017; 5.00 percent for 2018; 5.00 percent for 2019; and 5.00 percent for 2020 and later years

Pre-retirement mortality rates were based on the RP-2014 Employee Mortality Table for Males or Females, as appropriate, without projection. Post-retirement mortality rates were based on the RP-2014 Health Annuitant Mortality Table for Males or Females, as appropriate, without projection.

Actuarial assumptions used in the July 1, 2017 valuation were based on a review of plan experience during the period July 1, 2015 to June 30, 2017.

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

48

Notes to Basic Financial Statements
June 30, 2019 and 2018

NOTE 8: OTHER POST EMPLOYMENT BENEFITS (OPEB) LIABILITY - CONTINUED

Discount rate. GASB 75 requires a discount rate that reflects the following:

- a) The long-term expected rate of return on OPEB plan investments – to the extent that the OPEB plan’s fiduciary net position (if any) is projected to be sufficient to make projected benefit payments and assets are expected to be invested using a strategy to achieve that return;
- b) A yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher – to the extent that the conditions in (a) are not met.

To determine a resulting single (blended) rate, the amount of the plan’s projected fiduciary net position (if any) and the amount of projected benefit payments is compared in each period of projected benefit payments. The discount rate used to measure the District’s Total OPEB liability is based on these requirements and the following information:

Reporting Date	Measurement Date	Long-Term Expected Return of Plan Investments (if any)	Municipal Bond 20-Year High Grade Rate Index	Discount Rate
July 1, 2018	July 1, 2017	5.75%	3.62%	3.62%
June 30, 2019	June 30, 2018	5.75%	3.13%	5.01%

Changes in the Net OPEB Liability

The table below shows the changes in the total OPEB liability, the Plan Fiduciary Net Position, and the net OPEB liability during the measurement period ending on June 30, 2019 for the District.

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

Notes to Basic Financial Statements
June 30, 2019 and 2018

NOTE 8: OTHER POST EMPLOYMENT BENEFITS (OPEB) LIABILITY - CONTINUED

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (c) = (a) - (b)
Balance at June 30, 2017	\$ 282,824	\$ -	\$ 282,824
Changes recognized for the service period:			
Service cost	1,739		1,739
Interest	8,526		8,526
Changes of assumptions	(9,723)		(9,723)
Employer contributions	-	21,017	(21,017)
Benefit payments	(21,017)	(21,017)	
Net changes	(20,475)	-	(20,475)
Balance at June 30, 2018	\$ 262,349	\$ -	\$ 262,349
Changes recognized for the service period:			
Service cost	1,649		1,649
Interest	9,099		9,099
Changes of assumptions	(22,885)		(22,885)
Employer contributions		38,534	(38,534)
Investment income		105	(105)
Benefit payments	(22,178)	(22,178)	
Net changes	(34,315)	16,461	(50,776)
Balance at June 30, 2019	\$ 228,034	\$ 16,461	\$ 211,573

Sensitivity of the District's Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1- percentage point lower 4.01 percent) or 1-percentage-point higher (6.01 percent) than the current discount rate:

	1% Decrease 4.01%	Trend Rate 5.01%	1% Increase 6.01%
District's proportionate share of the net OPEB liability	\$ 227,683	\$ 211,573	\$ 197,101

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

Notes to Basic Financial Statements
June 30, 2019 and 2018

NOTE 8: OTHER POST EMPLOYMENT BENEFITS (OPEB) LIABILITY – CONTINUED

Sensitivity of the District’s Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.00 percent decreasing to 4.00 percent) or 1- percentage-point higher (5.00 percent increasing to 6.00 percent) than the current healthcare cost trend rates:

	1% Decrease 4.00%	Trend Rate 5.00%	1% Increase 6.01%
District's proportionate share of the net OPEB liability	\$ 199,587	\$ 211,573	\$ 224,959

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2019, the District’s deferred outflows of resources and deferred inflows of resources to OPEB from the following sources are:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in assumptions	\$ -	\$ 26,737
Differences in projected and actual return on plan assets	-	74
Totals	<u>\$ -</u>	<u>\$ 26,811</u>

Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The recognition period differs depending on the source of the gain or loss. The amortization period for the change in assumptions is 6.8 years.

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

Notes to Basic Financial Statements
June 30, 2019 and 2018

NOTE 8: OTHER POST EMPLOYMENT BENEFITS (OPEB) LIABILITY – CONTINUED

Amounts reported as deferred outflows and deferred inflows of resources will be recognized in OPEB expense as follows:

<u>Year Ending June 30,</u>		
2020	\$	(4,459)
2021		(4,459)
2022		(4,459)
2023		(4,459)
2024		(4,156)
2025		(3,011)
2026		<u>(1,808)</u>
Totals	\$	<u><u>(26,811)</u></u>

Net OPEB Expense

For the year ended June 30, 2019, the District's OPEB expense was \$(10,081). Detail of the expense is shown below:

Service Cost	\$1,739
Interest Cost	8,526
Recognition of Deferred Outflows and Inflows:	
Changes of assumptions	<u>(4,367)</u>
Net OPEB Expense	<u><u>\$8,835</u></u>

NOTE 9: INSURANCE

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

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

50

Notes to Basic Financial Statements
June 30, 2019 and 2018

NOTE 9: INSURANCE - continued

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

Coverage	ACWA/JPIA Self-Insured Retention	Re- insurance/Excess Commercial Insurance	Deductible
General Liability	\$ 5,000,000	\$ 55,000,000	None
Auto Liability	5,000,000		
Employment Practices Liability	5,000,000		
Property Damage	100,000	500,000,000	\$1,000 - \$50,000
Public Employee Theft, Depositors Forgery, and Funds Transfer Fraud	100,000	n/a	\$1,000

The District continues to carry commercial insurance for all other risks of loss to cover all claims for risk of loss to which the District is exposed. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 10: PRIOR PERIOD ADJUSTMENT

In fiscal year 2017-18, a prior period adjustment to reduce net position was recorded for \$260,371 to restate the beginning balance of the net OPEB liability.

NOTE 11: SUBSEQUENT EVENT

Management has evaluated subsequent events through October 10, 2019, the date on which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION SECTION

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT
Required Supplementary Information
Pensions
June 30, 2019

51

Rio Linda/Elverta Community Water District – Schedule of the District’s proportionate share of the Net Pension Liability:

Last 10 Fiscal years*

Measurement Date	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District’s proportion of the net pension liability	0.02621%	0.02599%	0.02490%	0.02825%	0.02825%
District’s proportionate share of the net pension liability	\$987,630	\$1,033,555	\$902,961	\$611,042	\$611,042
District’s covered payroll	605,031	523,983	516,107	377,098	377,098
District’s proportionate share of the net pension liability as a percentage of its covered payroll	163.24%	197.25%	174.96%	162.04%	162.04%
Plan Fiduciary net position as a percentage of the total pension liability	77.02%	75.87%	81.32%	78.76%	78.76%

CALPERS - Schedule of District contributions:

Last 10 Fiscal Years*

Measurement Date	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Actuarially determined contribution	\$ 126,796	\$ 118,924	\$ 95,128	\$ 70,003	\$ 70,003
Contributions in relation to the actuarially determined contribution	126,796	118,924	95,128	70,003	70,003
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District’s covered payroll	\$ 605,031	\$ 523,983	\$ 516,107	\$ 377,098	\$ 377,098
Contributions as a percentage of covered payroll	20.96%	22.70%	18.43%	18.56%	18.56%

* Fiscal year ended June 30, 2015 was the first year of implementation.

Additional years will be presented as they become available.

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT
Required Supplementary Information
Other Post-Employment Benefits
June 30, 2019

Last 10 Fiscal years*

	2019	2018
Net OPEB liability		
Service cost	\$ (1,649)	\$ 1,739
Interest	(9,099)	8,526
Plan contributions	(38,534)	-
Investment earnings	(105)	-
Other	(682)	-
Change in assumptions	(22,885)	(9,723)
Benefit payments	22,178	(21,017)
Net change in Net OPEB liability	(50,776)	(20,475)
Net OPEB liability - beginning	262,349	282,824
Net OPEB liability - ending	\$ 211,573	\$ 262,349
Covered payroll	\$ 668,161	\$ 604,181
Net OPEB liability (asset) as a percentage of covered payroll	31.66%	43.42%
Plan fiduciary net position as a percentage of the total OPEB	7.22%	0.00%

* Fiscal year ended June 30, 2018 was the first year of implementation. Additional years will be presented as they become available.



Items for Discussion and Action
Agenda Item: 4.6

Date: October 21, 2019

Subject: Consider approving an addendum to the Employment Agreement with General Manager, Tim Shaw

Staff Contact: Timothy R. Shaw

Recommended Committee Action:

This item was not discussed at Committee. Direction for this item was provided by the Board at the September 16th meeting.

Current Background and Justification:

The direction provided at the September 16th Board meeting, subsequent to the annual performance review of the General Manager, was to prepare an addendum to the GM Employment Agreement. The Board directed changes to be addressed in the addendum included:

1. \$1,500 per year increase in annual salary (equivalent to \$57.69 biweekly salary increase, approximately a 1.4% pay increase).
2. Increase in the number of hours of annual vacation leave from 96-hours to 120-hours, and increase the cap on accrual to be consistent with the Personnel Handbook policy.
3. Increase the hours of Admin Leave from 48-hours to 64-hours.

The addendum prepared for the Boards consideration addresses items 1 and 2. The Admin Leave element, Item 3, needs to be addressed through revising a Personnel Handbook Policy, which will need to be addressed separately. That item is not yet ready for Board consideration.

Conclusion:

I recommend the Board approve the addendum to the Rio Linda Elverta Community Water District General Manager Employment Agreement.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Ridilla: _____ Harris: _____ Jason Green _____ Gifford _____ Reisig _____
(A) Yea (N) Nay (Ab) Abstain (Abs) Absent

RLECWD Agenda Item Checklist

Item 4.6

Date

Initial Potential Meeting Date

10/21/19

Circle High/Medium/Low priority of Item and Identify if in line with Mission/
Goal/Strategic Planning issues or state of emergency

Consider approving an addendum to the Employment Agreement with General Manager,
Tim Shaw

N/A

Staff Work Completed

(Includes reviewing, researching item with other resources (ACWA, JPIA, RWA, SGA, other
Water or special districts, District Engineer, Legal Counsel then laying out business cases,
pros and cons, options and recommendations based on best information available, etc.

Committee Review of Item and Staff Work

N/A

Review by appropriate Executive or Ad Hoc Committees, to prepare board recommendations

Formal Legal Counsel Review

Legal Counsel should have enough time to review all potential legal matters
for correctness and legality

10-17-19
JMS

GM Review

10/21/19

Actual Meeting Date Set for Agenda Item

10/21/19

October 21, 2019

Employment Agreement Addendum

The below described amendments are hereby authorized to the *Employment Agreement Rio Linda Elverta Community Water District - District General Manager*, dated September 17, 2018 (Agreement),

Section 3 Compensation

The current base salary will be increased by \$1,500 annually (\$57.69 biweekly). This adjustment is pursuant to section 3.1 of the Agreement; *an annual performance evaluation will be completed... and a merit increase may be awarded by the Board.*

Section 3.7 Vacation Leave

Section 3.7 of the Agreement is hereby amended to read:

Employee shall accrue vacation leave at a rate of one hundred twenty (120) hours per year. The Employee may accrue up to a total of three hundred (300) hours of vacation leave. Once the Employee accrues the maximum three hundred (300) hours of vacation leave, no additional accrual will occur until Employee's bank of vacation leave is reduced below three hundred (300) hours. The Employee may opt to sell unused vacation once annually in accordance with the provisions detailed in the Vacation Cash-Out Policy in the Personnel Handbook.

The above described amendments will become effective on the beginning of the pay period immediately following execution of this addendum by both parties to the Agreement.

IN WITNESS WHEREOF, this addendum has been entered into by and between Employee and the District as of October 21, 2019.

DISTRICT:
Rio Linda Elverta Community Water
District, a California county water district

EMPLOYEE:

By: _____
John Ridilla, President

By: _____
Timothy R. Shaw, an individual

Date Signed: _____

Date Signed: _____

Approved as to Form and Content:

By: _____
Barbara Brenner, District Legal Counsel

**EMPLOYMENT AGREEMENT
RIO LINDA ELVERTA COMMUNITY WATER DISTRICT
DISTRICT GENERAL MANAGER**

THIS EMPLOYMENT AGREEMENT ("Agreement") is made and entered into this 17th day of September 2018 ("Effective Date"), by and between the Rio Linda Elverta Community Water District, a California county water district (the "District") and Timothy Shaw ("Employee"), an individual. This Agreement supersedes the prior employment agreement, dated December 4, 2017. The District and Employee may individually be referred to herein as "Party" or collectively as "Parties". There are no other parties to this Agreement.

RECITALS

A. The District has created the position of District manager ("General Manager"), pursuant to Water Code section 30540(a), to be the administrative head of the District government under the direction and control of the District's Board of Directors ("Board"); and

B. The Board has conducted a performance evaluation of the Employee and determined the Employee has successfully completed the probation period.

C. The Parties desire to execute this Agreement to implement revisions to the prior employment agreement.

NOW, THEREFORE, in consideration of the mutual covenants entered into between the Parties, and in consideration of the benefits that accrue to each, it is agreed as follows:

Section 1. Recitals. The recitals set forth above ("Recitals") are true and correct and are hereby incorporated into and made part of this Agreement by this reference. In the event of any inconsistency between the Recitals and Sections 1 through 9 of this Agreement, Sections 1 through 9 shall prevail.

Section 2. Appointment of General Manager, Duties and Term

Section 2.1 Appointment of General Manager. The Board hereby appoints Employee to the position of General Manager, in and for the District, to perform the function and duties of the General Manager as specified in this Agreement, and Employee accepts such appointment and employment pursuant to the terms of this Agreement.

Section 2.2 Term. The term of this Agreement shall commence on the Effective Date and shall continue until terminated by one or both of the Parties ("Term"), as outlined in Section 5 of this Agreement.

Section 2.3. General Manager Duties. For the Term, Employee shall perform the functions of the General Manager position in accordance with Water Code sections 30580 and 30581, the terms of this Agreement, and the District's General Manager job description which is

attached hereto as **Exhibit A**. Employee's duties, responsibilities, and limitations as General Manager include, but are not limited to:

A. Under administrative direction of the Board, Employee shall be in charge of the administrative public relations, personnel and general affairs of the District. Employee shall represent the Board's policies and programs with other employees, community organizations and the general public. Employee shall report to the Board as needed, including at regular and special meetings, work with other employees of the District, including preparation of contracts, review of budget requests, and to make those recommendations reasonably necessary to run the District.

B. Employee does not have authority to enter into any contract in excess of ten thousand Dollars (\$10,000.00) without the express consent of the Board. Employee has authority to enter into any contract up to twenty-five thousand dollars (\$25,000.00), which expenditure is set forth in the approved annual budget, consistent with District Ordinance or any modification thereto, which sets forth the General Manager's contracting authority.

C. Employee shall conduct the business of the District and report to the District at general or other meetings noticed by the District. Employee shall otherwise have the responsibility and authority for operation of all works of the District, including its infrastructure, reservoirs, tanks, water treatment plants, water conveyance, water pipelines, and any and all other equipment and property. Employee shall be responsible for supervising and directing personnel at the District, including personnel actions. However, Employee shall not have the authority to alter the job position or compensation of any employee without express permission and consent of the Board.

D. Employee shall become fully aware and knowledgeable of the requirements of the applicable job duties of the General Manager. Employee acknowledges receipt of a copy of the job description for General Manager for the Rio Linda Elverta Community Water District, attached (Exhibit A). Employee represents to have the time, skill and background in order to properly effectuate those job duties.

Section 2.4 No Secondary Employment. Employee agrees to devote all of his or her productive time, ability and attention to the District's business. During the Term of this Agreement, Employee shall not hold secondary employment, and shall be employed exclusively by the District, subject to any exceptions approved in writing by the Board. Provided, however, that Employee has the right to volunteer for such nonprofit organizations as he or she may see fit; and further provided that such volunteer services shall not interfere with his or her duties as General Manager.

Section 2.5 Exempt Position. The position of General Manager is an exempt position for purposes of the Fair Labor Standards Act of 1938 (29 U.S.C. § 201 et seq.). The general business hours for District employees are Monday through Friday, 7:00 a.m. to 4:00 p.m. This full-time employment will typically average forty (40) hours of work per week. Employee's typical working hours will be during regular business hours, plus evening hours as needed to attend Board meetings and other District business. However, it is recognized by the Parties that Employee's hours may exceed forty (40) hours of work per week. As such, Employee shall not receive overtime or extra compensation for hours worked outside of general business hours, which are necessary to fulfill the duties of the General Manager position.

Section 2.6 At-Will Employment. Employee is an "at will" employee serving at the pleasure of the Board, as provided in Water Code section 30544. Accordingly, the Board may terminate Employee's employment at any time, with or without cause, by a three-fifths (3/5) vote of the Board.

Section 2.7 No Property Right in Employment. Employee understands and agrees that the terms of his employment are governed only by this Agreement and that no right of employment for any specific term is created by this Agreement. Employee further understands that based on his "at will" employment status, he acquires no property interest in his employment by virtue of this Agreement, and that he is not entitled to an administrative hearing or other due process for any disciplinary actions, including termination, by the District.

Section 2.8 No Membership in Bargaining Unit. Employee understands that he is not a member of any bargaining unit and is not covered by the terms of any Memorandum of Understanding with any represented or unrepresented group of District employees

Section 3. Compensation.

3.1 Base Salary. Employee shall be paid at a rate of One Hundred Eight Thousand One Hundred Fifty Dollar (\$108,150.00, effective January 24, 2018) ("Base Salary") per year. Payments will be made on regularly scheduled payroll dates, and shall be subject to all applicable payroll withholdings. Such compensation shall be the only compensation the District pays, and the Employee receives for Employee's services under this Agreement. An annual COLA will be automatically applied on December 1st each year, equal to the Consumer Price Index of Western Cities published by the Bureau of Labor Statistics with implicit price deflator as published by Bureau of Economic Analysis and not to exceed 3% in any one year. In addition, an annual performance evaluation will be completed each May and a merit increase may be awarded by the Board.

3.2 Pro rata Decrease. Employee acknowledges that the Base Salary may be subject to a pro rata decrease based on the Board's adoption of an unpaid Mandatory Furlough Program adopted as a budgetary measure.

Section 3.3 Health, Dental, and Vision Insurance Benefits. During the Term of this Agreement, effective on January 22, 2018 the District agrees to contribute to basic medical insurance premiums, including dental and vision in the following manner: the District will pay one hundred percent (100%) of the premium for the Employee plus three eligible dependents.

Section 3.4 Life Insurance. The District shall pay for term life and accidental death and dismemberment insurance coverage for Employee with a death benefit equal to \$50,000 as part of group coverage for all full-time District employees. The District's obligation to provide life insurance coverage is subject to the availability of group coverage at reasonable rates for all full-time, regular employees.

Section 3.5 Retirement Benefits. The District participates in the Public Employees Retirement System ("CalPERS"). Employee is considered as a "New Member" under Government Code Section 7522.04 and is eligible for the Tier 2% @ 62 retirement formula.

Section 3.6 Deferred Compensation. Employee may enroll in the Deferred Compensation Plan. The District will contribute one percent (1%) of his Base Salary on an annual basis either throughout the year or annually, as determined by the District in addition to Employee's Base Salary.

Section 3.7 Vacation Leave. Employee shall accrue vacation leave at a rate of 4 hours per semimonthly pay period, or up to a maximum of ninety-six (96) hours per year. The Employee may accrue up to a total of two hundred forty (240) hours of vacation leave. Once Employee accrues the maximum two hundred forty (240) hours of vacation leave, no additional accrual will occur until Employee's bank of vacation leave is reduced below two hundred forty (240) hours. The employee may opt to sell unused vacation, once annually, at the rate of pay at time of sellback not to leave a balance less than forty (40) hours.

Section 3.8 Sick Leave. Employee shall accrue sick leave at a rate of 4 hours for every biweekly pay period, up to a maximum of two hundred forty (240) hours. Employee shall begin accruing sick leave on the first day of his employment with the District. Sick back is not permitted to be sold back.

Section 3.9 Cellular Phone. The District shall provide Employee with a cellular phone for the Term of the Agreement, which shall be used for business calls. The District shall not be responsible for charges or fees incurred by Employee's use of the cellular phone for personal purposes.

Section 3.10. Holidays. Employee shall be entitled to observe, with pay, the observed holidays outlined in the District's Personnel Handbook.

Section 3.12. District-Related Business Travel Reimbursement. Employee's duties require that he or she have continuously available transportation for District business or other related purposes. A District owned vehicle is typically available for such travel. If Employee uses his own vehicle for District-related business due to convenience or unavailability of a District owned vehicle, the District shall reimburse Employee for any District-related business travel at the Internal Revenue Service ("IRS") mileage rate, which may change from time to time.

Section 4. Performance Evaluation. Performance evaluations, shall be conducted annually in May of each year. The process, at a minimum, shall include the opportunity for both parties to: (A) prepare a written evaluation, (B) meet and discuss the evaluation, and (C) present a written summary of the evaluation results.

Section 5. Termination of Employment and Severance.

Section 5.1. Voluntary Resignation. Employee may resign at any time and agrees to give the District at least forty-five (45) days advance written notice of the effective date of Employee's resignation, unless the Parties otherwise agree in writing. If Employee retires from full time public service with the District, Employee shall provide at least four (4) months advance written notice. Employee's actual retirement date will be mutually established between the Parties. During the notice period, all rights and obligations of the Parties under this Agreement shall remain in full force and effect. Promptly after the effective date of resignation, the District shall pay to Employee all salary and benefit amounts both accrued and owing under this Agreement. In the event of voluntary resignation, Employee shall not be entitled to Severance as set forth in Section 5.3 of this Agreement.

Section 5.2. Termination by the Board. The Board may terminate this Agreement and remove Employee from his position as the General Manager at any time with or without cause by a three-fifths (3/5) vote of the entire Board. Employee shall not be removed from office during or within a period of ninety (90) days following any general or special municipal election held at which a member of the Board is elected. Upon termination, for any reason, the District shall compensate Employee for all accrued vacation leave. This compensation shall be based upon Employee's salary as of the date of employment termination.

Section 5.3. Termination Without Good Cause. In the event the District terminates this Agreement without cause, the District shall pay Employee a sum equal to three (3) months Base Salary ("Severance"). This potential Severance is subject to the restrictions of Government Code section 53260, which sets out the maximum amount of Severance pay that Employee may receive. Any cash settlement related to the termination of this Agreement received by Employee from the District shall be fully reimbursed to the District if Employee is convicted of a crime involving an abuse of his office or position while employed with the District pursuant to Government Code section 53243.2. This Severance shall be paid in the same manner as other employees, unless otherwise agreed to by the District and Employee. In the event the District terminates this Agreement, Employee shall be entitled to continued medical and dental benefits at his or her cost pursuant to the provisions of the federal Consolidated Omnibus Budget Reconciliation Act.

Section 5.4. Termination For Good Cause. The District may at any time immediately terminate this Agreement for Good Cause as defined in this Section 5.4. If Employee is terminated for good cause, the District shall not be required to pay any Severance under this Agreement, and the District shall have no obligation to Employee beyond those benefits accrued as of Employee's last day of employment and those the District is obligated to provide under federal or state law.

"Good Cause" for purposes of this Agreement, means a fair and honest cause or reason for termination. These reasons include, but are not limited to:

1. Conviction of a felony;
2. Disclosing confidential information of the District;
3. Gross carelessness or misconduct;
4. Unjustifiable and willful neglect of the duties described in this Agreement;
5. Mismanagement;

6. Nonperformance of duties;
7. Any conduct which violates the District's Personnel Rules and for which a District employee may be terminated;
8. Repeated and protracted unexcused absences from General Manager's office and duties;
9. Willful destruction or misuse of District property;
10. Conduct that in any way has a direct, substantial, and adverse effect on the District's reputation;
11. Willful violation of federal, state or District discrimination laws;
12. Continued substance abuse which adversely affects performance of Employee's duties as General Manager;
13. Refusal to take or subscribe any oath or affirmation which is required by law; or
14. Permanent disability of Employee, or Employee becoming otherwise unable to perform the duties of General Manager, by reason of sickness, accident, illness, injury, mental incapacity or health for a period of six (6) weeks following the exhaustion of all available leave balances and any applicable Family Medical Leave Act or California Medical Leave Act leaves, or where the same occurs for forty (40) working days over a sixty (60) working day period following exhaustion of such leaves.

Notwithstanding any provision in this Agreement to the contrary, the Board may suspend Employee with full pay and benefits at any time during the Term of this Agreement.

Section 6. Indemnification. The District shall defend, hold harmless and indemnify Employee against any tort, personnel, civil rights or professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of Employee's duties as General Manager in accordance with California's Tort Claims Act (Government Code § 825 et seq.), and shall provide a defense to Employee in accordance with Government Code sections 995-996.5. The District may decline to defend or indemnify Employee only as permitted by the Government Code. The District may compromise and settle any such claim or suit and pay the amount of any resulting settlement or judgment. Provided, however, that the District's duty to defend and indemnify shall be contingent upon Employee's good faith cooperation with such defense. In the event the District provides funds for legal criminal defense pursuant to this Section, Employee shall reimburse the District for such legal criminal defense funds if Employee is convicted of a crime involving an abuse of office or position, as provided by Government Code sections 53243-53243.4.

Section 7. Notices. Any notice or communication required hereunder between the District and Employee must be in writing, and may be given either personally, by registered or certified mail (return receipt requested), or by Federal Express, UPS or other similar couriers providing overnight delivery. If personally delivered, a notice or communication shall be deemed to have been given when delivered to the Party to whom it is addressed. If given by registered or certified mail, such

notice or communication shall be deemed to have been given and received on the first to occur of (i) actual receipt by any of the addressees designated below as the party to whom notices are to be sent, or (ii) five (5) days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail, if given by Federal Express or similar courier, a notice or communication shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Any Party hereto may at any time, by giving ten (10) days written notice to the other Party hereto, designate any other address in substitution of the address to which such notice or communication shall be given. Such notices or communications shall be given to the Parties at their addresses set forth below:

If to the District
 Rio Linda Elverta Community Water District
 730 L Street
 Rio Linda, CA 95673
 Tel: (916) 991-1000

With a courtesy copy to:
 Churchwell White LLP
 1414 K Street, 3rd Floor
 Sacramento, California 95814
 Attention: Barbara A. Brenner, Esq.
 Tel: (916) 468-0950

If to Employee:
 Timothy Shaw
 1378 Eagle Lane
 Olivehurst, CA 95961
 530 742-1138

Section 8. Exhibits. All "Exhibits" referred to below or attached to herein are, by this reference, incorporated into this Agreement:

<u>Exhibit Designation</u>	<u>Exhibit Title</u>
Exhibit A	Job Description
Exhibit B	Health Insurance Benefits
Exhibit C	Personnel Policy

Section 9. General Provisions

Section 9.1 Modification. No alteration, amendment, modification, or termination of this Agreement shall be valid unless made in writing and executed by all Parties to this Agreement.

Section 9.2 Waiver. No covenant, term, or condition, or the breach thereof, shall be deemed waived, except by written consent of the Party against whom the waiver is claimed, and any waiver of the breach of any covenant, term, or condition shall not be deemed to be a waiver of any preceding or succeeding breach of the same or any other covenant, term, or condition.

Section 9.3 Assignment. No Party to this Agreement shall assign, transfer, or otherwise

dispose of this Agreement in whole or in part to any individual, firm, or corporation without the prior written consent of the other Party. Subject to the forgoing provisions, this Agreement shall be binding upon, and inure to the benefit of, the respective successors and assigns of the Parties hereto.

Section 9.4 Authority. All Parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement and the names, titles, and capacities herein stated on behalf of any entities, persons, states, or firms represented or purported to be represented by such entities, persons, states or firms and that all former requirements necessary or required by the state or federal law in order to enter into the Agreement have been fully complied with. Further, by entering into this Agreement, neither Party hereto shall have breached the terms or conditions of any other contract or agreement to which such Party is obligated, which such breach would have a material effect hereon.

Section 9.5 Drafting and Ambiguities. Each Party acknowledges that it has reviewed this Agreement with its own legal counsel and, based upon the advice of that counsel, freely entered into this Agreement. Each Party has participated fully in the review and revision of this Agreement. Any rule of construction that ambiguities are to be resolved against, the drafting party does not apply in interpreting this Agreement.

Section 9.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the state of California.

Section 9.7 Venue. Venue for all legal proceedings shall be in the Superior Court of California for Sacramento County.

Section 9.8 Severability. If this Agreement in its entirety is determined by a court to be invalid or unenforceable, this Agreement shall automatically terminate as of the date of final entry of judgment. If any provision of this Agreement shall be determined by a court to be invalid and unenforceable, or if any provision of this Agreement is rendered invalid or unenforceable according to the terms of any federal or state statute, which becomes effective after the Effective Date of this Agreement, the remaining provisions shall continue in full force and effect and shall be construed to give effect to the intent of this Agreement.

Section 9.9 Counterparts. This Agreement may be executed simultaneously and in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

Section 9.10 Entire Agreement. This Agreement, together with its specific references, attachments and exhibits, constitutes the entire agreement of the Parties with respect to the subject matters hereof, and supersedes any and all prior negotiations, understanding and agreements with respect hereto, whether oral or written.

Section 9.11 Supersedes Prior Agreements. It is the intention of the Parties hereto that this Agreement shall supersede any prior agreements, discussions, commitments, or representations whether, written, electronic or oral, between the Parties with respect to the subject matter of this Agreement.

Section 9.12 Mandatory and Permissive. "Shall" and "will" and "agrees" are mandatory. "May" and "can" are permissive.

Section 9.13 Successors and Assigns. All representations, covenants, and warranties specifically set forth in this Agreement by or on behalf of, or for the benefit of, any or all of the Parties hereto, shall be binding upon, and inure to the benefit of, such Party, its successors and assigns.

Section 9.14 Headings. The headings in this Agreement are included for convenience only and neither affect the construction or interpretation of any section in this Agreement, nor affect any of the rights or obligations of the Parties to this Agreement.

Section 9.15 Attorney's Fees and Costs. If any action at law or in equity, including action for declaratory relief, is brought to enforce or interpret provisions of this Agreement, the prevailing Party shall be entitled to reasonable attorney's fees and costs, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which such Party may be entitled.

Section 9.16 Necessary Acts and Further Assurances. The Parties shall, at their own cost and expense, execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to evidence or carry out the intent and purposes of this Agreement.

Section 9.17 Time is of the Essence. Time is of the essence in this Agreement for each covenant and term of a condition herein.

[SIGNATURES ON FOLLOWING PAGE.]

IN WITNESS WHEREOF, this Agreement has been entered into by and between EMPLOYEE and the DISTRICT as of January 22, 2018.

DISTRICT:

Rio Linda Elverta Community Water District,
a California county water district

By: Mary Harris
Mary Harris, President

Date Signed: 10-17-2018

Approved as to Form and Content:

By: Barbara A. Brenner
Barbara A. Brenner, District General
Counsel

EMPLOYEE:

By: Timothy R. Shaw
Timothy R. Shaw, an individual

Date Signed: 10-17-2018

EXHIBIT A**GENERAL MANAGER/BOARD SECRETARY**GENERAL STATEMENT OF DUTIES:

As the statutory chief executive officer, performs high level administrative, technical and professional work in directing and supervising the administration and operations of the District.

SUPERVISION RECEIVED:

Works under the broad policy guidance of the Board receiving direction only through a vote taken by the Board.

SUPERVISION EXERCISED:

Exercises supervision over all District employees either directly or through subordinate supervisors.

ESSENTIAL DUTIES AND RESPONSIBILITIES:

Has full charge and control of the administration, maintenance, operation, and construction of the water-works system of the district; manages and supervises all operations of the District to achieve goals within available resources.

Prescribes the duties of District employees and fixes and alters the compensation of employees subject to approval by the board; plans and organizes workloads and staff assignments; trains, motivates and evaluates immediate subordinates; reviews progress and directs changes as needed.

Provides leadership and direction in the development of short and long range plans; Provides professional advice to the Board of Directors; gathers, interprets, and prepares data for studies, reports and recommendations; communicates official plans, policies and procedures to staff and the general public.

Advises the Board of financial conditions and current and future District needs; as chief fiscal officer, (a) prepares the annual budget for Board consideration and adoption, and maintains proper budgetary control through the establishment and maintenance of a budgetary accounting system in a manner consistent with state law; and (b) prior to the issuance of checks to pay demands made against the District, reviews and approves such demands as required under the Government Code.

Acts as agent of the Board of Directors in relationships with other consultants, contractors, engineers, legal counsel, accountants, and auditors employed and retained by the District.

Acts as representative of the District in working with county, regional, state and federal agencies concerned with water and construction projects.

Acts as the District's public relations officer, endeavoring to keep the community informed of the District's efforts to operate and maintain an efficient program.

Acts as the purchasing agent of the District, developing specifications for purchases and assuring conformance to District purchasing policy.

Serves as custodian of official District records and public documents; performs certification and recording

for the District as required on legal documents and other records requiring such certification; seals and attests by signature to ordinances, resolutions, and contracts, easements, deeds, bonds or other documents requiring District certification.

Attends all meetings of the Board and committees; addresses all matters coming before the Board and, to such extent reasonably possible, prepares written reports on all matters coming before the Board; oversees an accurate recording of the proceedings, preparation of the minutes proper legislative terminology, recording, indexing and filing for the public record; distributes information as requested.

Prepares or supervises the preparation of agendas, materials, minutes and records of meetings.

Oversees the compilation of resolutions and ordinances into the District policy manual.

Prepares and advertises meeting agendas, bid and other advertisements, and legal notices of public hearings and special meetings.

Performs the duties of Administrative Assistant and Operations Superintendent as needed.

PERIPHERAL DUTIES:

Attends local, regional and national meetings, seminars and workshops related to duties and responsibilities.

Accepts claims for damages and other legal papers served on the District.
Assures the proper response to complaints regarding water quality, leaks, pressure loss or no water and to complaints regarding billings; explains findings to property owners if necessary; makes adjustments to billings when appropriate.

DESIRED MINIMUM QUALIFICATIONS

Education and Experience:

Graduation from an accredited four-year college or university with a degree in public administration, political science, business management or a closely related field; seven (7) years of experience as a manager or assistant manager in a California governmental agency operating a water utility (a masters degree or registration as a professional engineer may be substituted for two years of experience); possession of a current California Department of Health Water Treatment Operator Grade II (or higher) certificate or the ability to obtain one within one year of employment; possession of a valid Class C California driver's license or the ability to obtain one within one (1) month of employment.

Necessary Knowledge, Skills and Abilities:

Considerable knowledge of modern policies and practices of public administration; working knowledge of utility law, finance, human resources, and management; skill in preparing and administering public agency budgets; skill in planning, directing and administering governmental programs; ability to prepare and analyze comprehensive reports; ability to carry out assigned projects to their completion; ability to communicate effectively verbally and in writing; ability to establish and maintain effective working relationships with employees, officials and the public; some knowledge of civil engineering principles, practices and methods as applicable to a water utility setting; working knowledge of applicable laws, standards and regulations relating to construction, inspection, safety and traffic control; skill in reading and interpreting construction drawings, plans and specifications.

SPECIAL REQUIREMENTS:

Must be bondable.
Must pass a drug screening test.
Must pass pre-employment physical.

TOOLS AND EQUIPMENT USED:

Requires frequent use of personal computer (including a local area network, data base and word-processing and spreadsheet programs), calculator, telephone, copy machine, fax machine, motor vehicle and mobile radio.

PHYSICAL DEMANDS:

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Work is performed mostly in office settings. Some outdoor work is required in the inspection of various construction sites or facilities. Hand-eye coordination is necessary to operate computers and various pieces of office equipment.

While performing the duties of this job, the employee is occasionally required to stand; walk; use hands to finger, handle, feel or operate objects, tools, or controls; and reach with hands and arms. The employee is occasionally required to sit; climb or balance; stoop, kneel, crouch, or crawl; talk or hear; and smell.

The employee must occasionally lift and/or move up to 25 pounds.

Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception, and the ability to adjust focus.

WORK ENVIRONMENT:

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee occasionally works in outside weather conditions. The employee occasionally works near moving mechanical parts and in high, precarious places and is occasionally exposed to wet and/or humid conditions, fumes or airborne particles, toxic or caustic chemicals, risk of electrical shock, and vibration.

The noise level in the work environment is usually quiet to moderate.

SELECTION GUIDELINES:

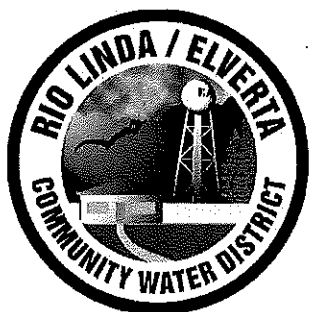
Formal application, rating of education and experience; oral interview and reference check; job related tests may be required; driving records will be evaluated; drug screening is mandatory, as is a physical to determine capability to meet the physical demands of the job.

GENERAL

The duties listed above are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to the position.

The job description does not constitute an employment agreement between the employer and employee and is subject to change by the employer as the needs of the employer and requirements of the job change.

Anything contained within this job description which conflicts with state law or Chapter 2.10 of the Policy Manual is invalid.



**Items for Discussion and Action
Agenda Item: 4.7**

Date: October 21, 2019

Subject: Board of Directors vote to fill vacancies on the Sacramento Local Agency Formation Commission (LAFCo)

Staff Contact: Timothy R. Shaw

Recommended Committee Action:

This item was not discussed at Committee do to the obvious nature of the item requiring a straight-forward Board action

Current Background and Justification:

The District received the ballot and candidates' profiles from Sacramento LAFCo, dated September 24, 2019. The ballot instructions provide that the RLECWD Board needs to vote at a properly noticed meeting prior to November 21st in order for the RLECWD votes to count.

The ballot is included with your Board packets. The RLECWD Board nominated Director Jason Green for both vacancies (Commissioner and Alternate-Commissioner).

There are dozens of Special Districts in Sacramento County which will be voting to fill these vacancies.

Conclusion:

I recommend the Board vote to choose a commissioner and vote to choose an alternate commissioner (both votes can be for the same candidate, simple majority wins).

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Ridilla: _____ Harris: _____ Jason Green _____ Gifford _____ Reisig _____
(A) Yea (N) Nay (Ab) Abstain (Abs) Absent

RLECWD Agenda Item Checklist

Item 4.7

Date

Initial Potential Meeting Date10/21/19

Circle High/Medium/Low priority of Item and Identify if in line with Mission/
Goal/Strategic Planning issues or state of emergency

Board of Directors vote to fill vacancies on the Sacramento Local Agency Formation
 Commission (LAFCo)

10/18/19**Staff Work Completed**

(Includes reviewing, researching item with other resources (ACWA, JPIA, RWA, SGA, other
 Water or special districts, District Engineer, Legal Counsel then laying out business cases,
 pros and cons, options and recommendations based on best information available, etc.

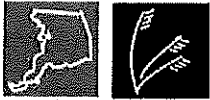
Committee Review of Item and Staff WorkN/A

Review by appropriate Executive or Ad Hoc Committees, to prepare board recommendations

Formal Legal Counsel ReviewN/A

Legal Counsel should have enough time to review all potential legal matters
 for correctness and legality

GM Review10/21/19**Actual Meeting Date Set for Agenda Item**10/21/19



Sacramento

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

DATE: September 24, 2019
TO: Special Districts' Selection Committee
FROM: Donald Lockhart, Executive Officer
RE: **Selection of Special District Commissioner**
Term of Office: January 1, 2020 to December 31, 2023
and Selection of Alternate Special District Commissioner
Term of Office: January 1, 2020 to December 31, 2021
for the Sacramento Local Agency Formation Commission

Pursuant to the provisions of Section 56332 of the Government Code, the Executive Officer has determined that a meeting of the Special District Selection Committee for the purpose of selecting a Special District Commissioner [Office No. 6] and Alternate Special District Commissioner [for Offices No. 6 & 7] to serve on the Sacramento Local Agency Formation Commission is not feasible. 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.

Please see the attached Ballot

Please select one candidate for Special District Commissioner and one candidate for Alternate Special District Commissioner.

Please return the ballot to the LAFCo office no later than:

4:00 P.M. on THURSDAY, NOVEMBER 21, 2019

To be valid, selection of a candidate must be done 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.

Any ballot received after the date specified above 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 selection held in the same format as the initial selection. The LAFCo Executive Officer will announce the results of the selection within seven days of the specified date.

If you have questions, please contact Sacramento LAFCo at (916) 874-6458.

Return ballot to:
Sacramento LAFCo
1112 "I" Street; Suite 100
Sacramento, CA 95814

or e-mail to: **Diane.Thorpe@SacLAFCo.org**



Ballot

Agenda Item 4.7

LAFCo Special District Commissioner & Alternate

Commissioner & Alternate Commissioner

Please select one candidate from each COLUMN

Ballot A

Commissioner - Office No. 6

Please select **ONE** candidate **BELOW**

Jason Green
Rio Linda Elverta Community Water District

Michael Hanson
Arcade Creek Recreation & Park District

Lindsey Liebig
Herald Fire Protection District

Charlea Moore
Rio Linda Elverta Recreation & Park District

Elliot Mulberg
Florin Resource Conservation District

Gary Page
Fair Oaks Water District

Brandon Rose
Sacramento Municipal Utility District

Michael Yearwood
Cordova Recreation & Park District

Ballot B

Alternate Commissioner - for Offices No. 6 & 7

Please select **ONE** candidate **BELOW**

Jason Green
Rio Linda Elverta Community Water District

Michael Hanson
Arcade Creek Recreation & Park District

Lindsey Liebig
Herald Fire Protection District

Charlea Moore
Rio Linda Elverta Recreation & Park Dis-

Michael Yearwood
Cordova Recreation & Park District

Ballot must be received by **4:00 pm on Thursday November 21, 2019**

Special Districts must return the ballots to LAFCo by the date specified above. Any ballot received after the specified date shall not be valid. *The information below must be complete*

The candidate who receives the most votes will be determined the winner outright.

The LAFCo Executive Officer will announce the results of the election within seven days of the specified date.

Name of Special District

Street Address

Date of Meeting

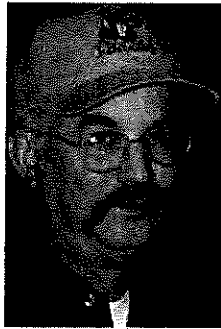
District Phone Number

Signature of Secretary or Clerk of the Board

Phone Number

Print Name

E-mail Address



Jason A. Green

[REDACTED]
[REDACTED]

Seven-year resident of Rio Linda.

Appointed Board Member for Rio Linda Elverta Community Water District in February 2019.

Currently employed as an electrician in IBEW Local 340 and have been an electrician in the construction industry for 30-years.

President of the Rio Linda/Elverta Historical Society. Member of Rio Linda Grange and participate in several non-profit community benefit organizations, e.g. Rio Linda Food Closet.

Michael Hanson[REDACTED]
Sacramento, CA 95841
[REDACTED]

SUMMARY

Information Technology Professional proven experience including roles as a manager, project manager, systems analyst, systems integrator and software developer of systems in the mainframe and midrange environments. Experienced in all stages of software development life cycle, from analysis through implementation. Successfully managed numerous projects and led teams in system & vendor selection, analysis of business requirements, vendor management, system development & implementation. Strengths include:

- Project Manager
- Vendor Management
- Systems Integration
- Database Analysis
- Application Architecture
- System Analysis
- Software Development Lifecycle
- Managing Projects Across Technologies

Elected to Arcade Creek Recreation and Park District 2014

- Serve as Chair 2015
- Serve as director 2016
 - Lead in the Master Plan project
- Serve as Secretary/Treasurer 2017

PROFESSIONAL EXPERIENCE**CSAA IG, Glendale AZ****1993-Present**

Previously, CSAA, San Francisco, CA

*AAA Membership and Insurance Co.***Project Manager****2002 – Present**

As an EDS/HP employee supporting CSAA (outsourced in 1996), led projects involved in mainframe upgrades and support activities.

- Created proposal to upgrade all application software to a consistent and supportable level. The application software would not be supported under the new operating system (the environment was scheduled to be upgraded). Worked with leadership to document proposal and create the accepted SOW. (Project size >65K staff hours)
- Managed teams' efforts associated with the application. Assumed role as the Technical Lead and Application Architect. Needed to allow concurrent business changes to occur while upgrading the infrastructure. Delivered a consolidated toolset for mainframe application support including the customized Configuration Management tool, the approach to managing DB2, and the build process itself.

66

- Reviewed infrastructure requirements and worked with senior management to create an accepted SOW to upgrade the system software.
- Managed a multi-stage mainframe software upgrade the environment to supported levels. Managed the efforts of EDS, Mphasis, and CSAA teams to upgrade the environment with minimal interruption to the business.
- Technical lead for the CSAA account for the mainframe portion of the Data Replication Project by providing stats and coordinating various teams. In addition, provided communication and follow-through for questions/concerns related to the midrange portion of the effort. Help to coordinate the efforts to deliver a successful data replication environment where the mainframe and midrange have replication in place for Disaster Recovery purposes.
- Manage mainframe hardware upgrades. Managed 4 mainframe CPU upgrades for the CSAA account. The scope included the coordination of the teams, the actual upgrade itself, and validation all components would continue to support the business/applications in the new environment as they did on the current hardware including the encryption coprocessor.
- Manage mainframe system software upgrades. Managed migrations from IBM OS/390 through z/OS 1.13, DB2 v7 through DB2 v10, and similar upgrades to CICS, Datacom, and the infrastructure in general. Each major upgrade required a level of acceptance testing and burn-in prior to moving the upgrades to production.

Team Lead

1996 – 2002

As a Systemhouse/MCI/WorldCom employee supporting CSAA (outsourced in 1996), led teams addressing improvements in the Travel/Touring and Membership area.

- Coordinated the install of the TripTik system developed by the AAA National team to automate the Tourbook and map process used to support members in their travels. This was a client-server app where workstations would communicate to a SUN Sparc back-office server.
- Lead the development of the processes internal to CSAA to handle "vanity cards." This is the AAA VISA cards for the CSAA members which allowed them to autopay their membership. Later, added the capability to Autopay their insurance premiums as well.
- Scheduled to manage the Claims replacement project (HAL), a Client-Server application. Studied the architecture and status with the current PM who then was able to stay and complete the project.

Team Lead

1993 – 1996

Managed team supporting Travel and Touring

- Brought onboard to support the project replacing all Membership, Insurance, and Claims. The architecture of the system was client-server based with the data storage being DB2 on the mainframe and the client residing on workstations running OS/2 and communicating to the mainframe. Directed the efforts of the Membership team (and supported other team's efforts) related to productionalizing the system.

Michael Hanson

Agenda Item # 7

Education: BA in Management, St. Mary's College, Moraga CA.

Lindsey Liebig

Galt, CA 95632 | [REDACTED] | [REDACTED]

[REDACTED] | lindsey@heraldfire.com

Education

BACHELOR OF SCIENCE | 2008 | CAL POLY SAN LUIS OBISPO, CA

- Major: Agricultural Business
- Minor: Wine & Viticulture
- Concentration: Fair & Event Planning and Marketing

Experience

EXECUTIVE DIRECTOR | SACRAMENTO COUNTY FARM BUREAU | MARCH 2018 - PRESENT

- Manage all organizational functions including personnel, budget, legislative advocacy, communications and membership development.
- Responsible for event management for fundraising events, membership recruitment activities and business member development.
- Manage Board of Directors, committees and advisory groups within the organization.

PROGRAM DIRECTOR | CALIFORNIA FARM BUREAU FEDERATION | DECEMBER 2013 – MARCH 2018

- Managed the Young Farmers & Ranchers and Leadership Farm Bureau programs including committee development, leadership development, event planning and fundraising.
- Assisted with marketing campaigns and membership development efforts for the statewide organization.
- Responsible for organizing conferences, meetings and agricultural tours for members and legislative officials.

PROGRAM COORDINATOR | SACRAMENTO COUNTY FARM BUREAU | JANUARY 2012 – DECEMBER 2013

- Responsible for various member programs and events within the county including safety seminars, fundraising dinners, legislative tours and educational presentations.
- Responsible for organizing events, fundraising efforts and membership recruitment.

MARKETING CONSULTANT | CALIFORNIA SPECIALIZED TRAINING INSTITUTE | JUNE 2008 – JULY 2013

- Managed marketing efforts for the training division of the Governor's Office of Emergency Services.
- Responsible for course catalog, course marketing, website and social media functions.
- Assisted in curriculum development for federal grant funding applications.

Community Involvement

- Board Chair, Herald Fire Protection District – Elected to 4-year term in 2016
- Member, Protest Provisions Rewrite Working Group, CSDA/CALAFCO – 2019
- Alternate Representative, Sacramento Central Groundwater Authority – 2018 – present
- Member, Sacramento LAFCo Special District Advisory Committee – 2019
- President, Sacramento Farm Bureau Foundation for Ag Education – 2015 – present
- President, National Sigma Alpha Educational Foundation – 2019
- Past President, Sigma Alpha National Sorority – 2012-2016

Charlea R Moore

• Elverta, CA 95626

Applicant Statement for the Special District LAFCO Representative

I moved from Glassboro New Jersey to Rio Linda Elverta in 1981, along with my 3 year old daughter and my husband.

Almost immediately I became involved with Sacramento County Service Area #3 which was the forerunner of our current independant Parks and Recreation District serving the Rio Linda Elverta Communities. This involvement was the result of reading a statement in the local paper, indicating that the Parks Advisory Board had determined that there were sufficient equestrian trails in the area. I was very happy to advocate for additional trails and in the process begin my education in local governance processes.

Over the next several decades I was appointed to numerous County and Local advisory boards, steering committees and ad hoc committees. My interest expanded to include growth issues, flood issues and agriculture/suburban/urban issues.

I learned a great deal about how government works and how Special Districts fit into the process. I became a strong advocate for local governance after going through 3 incorporation attempts in the Rio Linda Elverta communities and in the education process I switched from anti-incorporation to pro-incorporation for unincorporated communities.

In about 1992 I was appointed to the RLE CPAC in and served during the Community Plan Update. I am familiar with the governance process and with procedures for arriving at a decision as a board member. I have served several terms on CPAC under four different County Supervisors since that initial appointment. All of these experiences were very educational for me.

In 2002 I successfully ran for the Rio Linda Elverta Recreation and Parks District. I truly enjoyed and have greatly benefited from the experience of becoming an elected board member. I ran again in 2016 and am currently serving as Secretary for the RLE Recreation and Parks District.

I believe that my history in the community and experience as an elected public official will be an asset for Special Districts as a LAFCO Special District Board member.

Thank you,

Charlea R. Moore

Resume
Elliot Mulberg

████████████████████
████████████████████
Elk Grove, CA 95758
████████████████████
████████████████████

Community Service:

Florin Resource Conservation District / Elk Grove Water District - Director

Sacramento LAFCO Special District Advisory Committee

California Special District Association Legislative Committee

Friends of Stone Lakes National Wildlife Refuge

Elk Grove Western Festival

Rotary Club of Elk Grove

Past Community Service:

Sacramento Local Agency Formation Commission

Chair 2003, Vice Chair 2002

Special District Commissioner 2001- 2006, Special District Alternate 1995-2001

Elk Grove (now Cosumnes) Community Services District (parks and fire services) -Director 1994 – 2006

CALAFCO (statewide association of LAFCo's) Board of Directors

Special District Representative 2001-2006

California Special District Association Sacramento Chapter - Treasurer 1995-99

Sacramento Regional Council of Recreation & Park Agencies Vice President 1995

Franklin Laguna Area Community Planning Advisory Council Secretary 1993-1994

Elk Grove Historical Society President 2000, 2001

Professional Experience:

Environmental/ LAFCO Consultant– E Mulberg & Associates 2011-Present, CEQA analysis, municipal service reviews for water districts ,sewer districts, reclamation districts, resource conservation districts, health care districts, full service cities; sphere of influence updates; change of organization analysis annexations, consolidations, dissolutions; Solano LAFCO Executive Officer; Senior Air Quality Scientist, and Senior Air Quality Planner Michael Brandman Associates 2008-2011, Senior Analyst Monterey LAFCO 2006-08. Air Pollution Specialist CA Air Resources Board 25 years.

Professional Affiliations:

American Planning Association

Association of Environmental Professionals

American Meteorological Society

Education:

B.S. St. Louis University

M.S. UCLA



Gary Page

[REDACTED]
Fair Oaks, California 95628
[REDACTED]
[REDACTED]

Profile

Passionate to improve government services, for over 40 years, Gary is dedicated to public and community servant-leadership.

Formal Education

Eastern Michigan University:
Bachelor of Science Degree in Public Administration

Southern Illinois University at Edwardsville:
Master of Science Degree in Urban Affairs and Public Policy Analysis

“Real Work” Experience

US Air Force: Security Police and Law Enforcement
Gravel Pit: Sand Plant Operator
Sweat Shop (2 days): Molten metal pourer
Can Factory: Fork Lift Operator
General Motors Assembly Plant: Parts Production

Professional Experience

Current: California Department of Education - Education Programs Consultant
Illinois State Auditor General - Senior Management Auditor
California State Auditor General – Management Auditor
California Department of Education – Internal Auditor
Certified Fraud Examiner

Skills

Skilled at writing for various audiences and purposes

- State Legislatures for information/action
 - Organizational studies (management/systems/outcomes)
 - Legislation (bill analysis)
 - Program Advocacy (met with advocates/legislators)
- Local decision makers for desirable outcomes (Sacramento City Superintendent)
- General public for program awareness/promotion (TechWire contributor)
- School community for information/action (announcements/fundraisers)
- Teachers to establish and promote community/action (EdSynergy Publisher)
- Established non-profit foundation (501 c3) (Met Sacramento)
- Wrote school policies (Met Sacramento)
- Wrote model curriculum standards (California CTE)
- Wrote contract proposals and contracts (UC Davis C-STEM Center)

Leadership Team Experience

- Grassroots advocacy/representation/results
 - Fair Oaks Water District 3 Director
 - Royal Rangers (Wrote a federal grant to get land to build a Camp)
 - Neighborhood Association (Website - Built a Park – Park Day)
 - Sacramento County Alliance of Neighborhoods (Community Support)
 - Environmental Council of Sacramento (Won Smart Growth Policies)
 - Sacramento County Water Forum (Interest-based negotiation)
- Educational leadership
 - Team Lead: Coordinated Compliance Reviews
 - Met Sacramento (Board President/Treasurer/Secretary)
 - Alliance for California Computing Education for Students and Schools (ACCESS)
 - National Visiting Committee member (Mid-Pacific ICT)
 - ICT (Information and Communication Technologies) Sector Lead
 - Project Lead the Way (California)
 - C-STEM (UC Davis)
 - Exploring Computer Science (UCLA/LAUSD)

Technology and Social Media

- Website Designer/Developer (Responsive Web Design)
- ICT Sector Lead (CTE Sector and Pathways)
 - Information Support and Services
 - Networking
 - Software and Systems Development
 - Games and Simulation
- Listserv Publisher (3900 teachers/administrators)

www.EdSynergy.org Blog (Collaborating to Transform Education)
Responsive to Mobile
Search Engine Optimization
Twitter Feed with Re-Tweets
Easy to Maintain and Sustain (WordPress)

Worked with Google/Cisco/Adobe/Code.org to promote technologies

Issue Analysis/Problem Solving

Master's Degree in Public Policy Analysis

Issue Analysis

Program Design

Program Implementation

Program Evaluation

Performance/Management Auditor in Illinois and California

Legal Research

Gathering evidence (data) to support conclusions (findings)

Focus on Problem Identification (corrective actions)

Systems Focus

Input/Process/Output

Budget Systems

Reporting Systems

Systems include people!

BRANDON ROSE**70**

██████████ Fair Oaks ██████████ ██████████
[linkedin.com/in/brandonrose](https://www.linkedin.com/in/brandonrose) · [facebook.com/BrandonRoseSMUDDirector](https://www.facebook.com/BrandonRoseSMUDDirector)

Thank you for consideration as the Special District Commissioner to the Sacramento Local Agency Formation Commission (LAFCO). As fellow governing board members, I know you understand the vital role our special districts serve in Sacramento. Our agencies provide a diverse set of unique services across the County and we are called on time and time again when our communities are in need. I believe that as special districts, we have our hands on the pulse of our diverse populace and it is critical that our unique voice, insights and interests be strongly represented on the Commission. That is why I consider representing special districts on a regional body such as LAFCO a vitally important role. Please find my professional and academic qualifications as well as dedication to public service below. Thank you for your support and please don't hesitate to contact me directly at 916-844-5510 if I can be of service or you have any questions.

PUBLIC SERVICE**2017 – CURRENT****DIRECTOR, SACRAMENTO MUNICIPAL UTILITY DISTRICT, WARD 1**

As a board member, I work with my fellow directors to establish policies and values about how the organization best represents the community. The Board sets the budget (\$1.75 billion), governance structures, the long-term strategic direction and monitors compliance. I actively engage the public, strategic partners and government organizations across a spectrum of issues.

2008 – 2017**DIRECTOR, FAIR OAKS RECREATION AND PARK DISTRICT**

As an elected member of the Board of Directors and past chair, I worked in conjunction with the district administrator to determine long term policy development and strategic planning. As former chair of the Personnel and Management Committee I was responsible for updates to personnel policies as well as negotiations with the employees association and management. As chair of the Finance and Budget Committee, I direct the drafting and approval of the annual budget. In addition, as board chair, I focused on completion of a long term master plan.

2011 – 2019**CHAIR & SPECIAL DISTRICT REPRESENTATIVE, SACRAMENTO COUNTY TREASURY OVERSIGHT COMMITTEE**

The Special District Representative is elected by the region's local governments to oversee the County's pooled investment funds, which total approximately \$4 billion. Duties include review of the annual investment policy; quarterly review of investments; and causation and review of an annual portfolio audit. Board Chair 2014-2018.

2010 – 2011**MEMBER, SPECIAL DISTRICT ADVISORY COMMITTEE; SACRAMENTO COUNTY LOCAL AGENCY FORMATION COMMISSION**

The advisory committee provided a forum for valuable learning and information exchange with LAFCO staff.

WORK EXPERIENCE

2007 – CURRENT

AIR POLLUTION SPECIALIST, CALIFORNIA AIR RESOURCES BOARD

Duties in the Mobile Source Control Division include research, analysis and development of public health regulations including economic analysis, emission modeling as well as report, database, and training development. My current focus is on commercial fleet electrification and supporting the adoption of battery and fuel cell trucks and buses.

2004 – 2007

ENERGY SPECIALIST, CALIFORNIA ENERGY COMMISSION

I was lead for the Solar Rebate program's Performance Based Incentive pilot and managed the list of eligible equipment. In addition, I co-authored the New Solar Homes Partnership Program and the Emerging Renewables Program Guidebooks. I was a member of the California Solar Initiative Submetering Committee Working Group, as well as the Office of the State Fire Marshal Photovoltaic Building Standards Task Force. Activities included presenting at Solar Power International Conference, the California Council for Affordable Housing, and testifying at California Public Utilities Commission proceedings

2003 – 2004

RESEARCH ASSISTANT IV (HYDROLOGY), UC DAVIS

I conducted fluvial geomorphologic surveying and data collection of Sierra Nevada streams in the Feather River watershed as part of a larger CalFed Bay Delta effort.

1998 – 2002

ASSISTANT POOL MANAGER, SUNRISE RECREATION & PARK DISTRICT

Duties included working with the management team to ensure smooth operation of the aquatic division.

EDUCATION

2004

ENVIRONMENTAL POLICY ANALYSIS & PLANNING, UC DAVIS


Specialization in City and Regional Planning with a focus in Public Lands Management and Land Use Planning.

Study Abroad in Wilderness & Natural Area Management, University of Tasmania, Australia

MEMBERSHIPS

- Professional Engineers in California Government
- Young Professional in Energy
- Environmental Council of Sacramento (Past President)

Michael Yearwood

 Rancho Cordova, CA 95670

Service to My Community

Cordova Recreation and Park District (Board Chairperson)
2015-Present: Director

As a Cordova Recreation and Park District (CRPD) Board Member I am responsible for the budget and for setting policies that safeguard the vitality of the district. The five non-partisan members of the Board of Directors are elected to four-year terms by residents located within CRPD's boundaries. The elected board is held accountable to the following laws that govern public officials: The Brown Act, California Public Records Act, FPPC Reporting Requirements and biannual ethics training.

Specific functions and duties of my role as a Board Director are:

1. To perform its legal responsibility.
2. To set up by-laws, regulations and operation procedures
3. To select, employ, and if necessary, dismiss the District Administrator.
4. To control the operating budget, the financial plans and the insurance program.
5. To care and maintain property.
6. To be responsible for program.
7. To assure personnel policies.
8. To maintain good public relations.
9. To appoint, commission, supervise and receive reports from committees and the District Administrator.

BOARD MEMBERS RESPONSIBILITIES

1. Board members should understand the significance and importance of recreation in the community.
2. Board members should be aware of the relationship of the recreation services to other community services.
3. Board members should look objectively at their specific responsibility as board members and at local community recreation needs, and keep abreast of changing conditions, continuously reassessing their efforts and reasons for service.
4. Board members should have the courage to resist pressures of all types and insist upon high standards for their agencies, particularly in regard to competent, professional personnel.
5. Board members should be aware of their role as board members, acting in concert with their fellow board members without usurping the functions of the District Administrator.

Michael Yearwood

 Rancho Cordova, CA 95670

Rancho Cordova Athletic Association

2013: Founding Member
2013-2015: Secretary
2016: CRPD Representative

Leadership Rancho Cordova

2014-2016: Governing Board
2014: Graduate of Class VIII

Rancho Cordova Youth Soccer Club (RCSC)

2002: Coach
2003: U-6 Age Coordinator
2004: Coach & U-8 Boys Age Coordinator
2005: Coach & U-8 Girls Age Coordinator
2006: Coach & U-6 Age Coordinator
2007-2009: Club Manager & Coach
2012: Coach

American River Youth Soccer League (ARYSL)

2007-2009: Board Member – RCSC Representative
2010: League Treasurer

Cordova Girls Softball League

2010-2011: League Vice President
2011-2012: League Vice President
2012-2013: Secretary
2013-2014: Secretary
2014-2015: NORCAL Representative

Folsom Cordova Unified School District

Cordova High School Site Council
2014-2015: Parent Representative

Cordova Lane Elementary School Site Council

1998-2006: Elected Parent Representative

Navigator Elementary School Site Council

2006-2008: Elected Parent Representative

Measure M & P Oversight Committees

2014-2016: Parent/PTSO Member Representative



73

Items for Discussion and Action
Agenda Item: 4.8

Date: October 21, 2019

Subject: Authorize any new Board Member Assignments (committees and other) announced by the Chair pursuant to District Policy 2.01.065

Staff Contact: Timothy R. Shaw

Recommended Committee Action:

N/A

Current Background and Justification:

District policy and various statutes stipulate Board approval of any Board Member assignments.

Conclusion:

I recommend the Board consider approving any specific nominations and assignments as may be deemed necessary and appropriate.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Ridilla:___ Harris:___ Jason Green ___ Gifford ___ Reisig ___.

(A) Yea (N) Nay (Ab) Abstain (Abs) Absent



Information Items
Agenda Item: 5.1

Date: October 21, 2019

Subject: District Reports

Staff Contact: Timothy R. Shaw, General Manager

1. DISTRICT ACTIVITY REPORT

- a. Operations Report
- b. Conservation Report

RIO LINDA/ELVERTA C.W.D. 2019

REPORT OF DISTRICT OPERATIONS

SOURCE WATER DATA

Water Production (Million Gallons)

January	February	March	April	May	June	Year To Date
35.3	31.1	35.1	46.3	66.8	97.5	
35,329,525	31,146,049	35,054,556	46,348,893	66,841,098	97,476,534	
July	August	Sept.	Oct.	Nov.	Dec.	
115.4	108.9	96.1				632.50
115,381,642	108,930,566	96,056,970				
Gallons = Multiply M.G. by: 1,000,000			Monthly Total		Gallons	
Cubic Feet = Divide gallons by: 7.48			96,056,970		632,565,833	
Hundred Cu Ft. = Divide cu. ft. by: 100			12,841,841		84,567,625	
Acre Ft. = Divide gallons by: 325,829			128,418		845,676	
			294.81		1,941	

DISTRIBUTION SYSTEM DATA

Water Quality Complaints

Complaints Total (Low Psi Complaints)

January	February	March	April	May	June	Year To Date
2 (1)	1 (1)	2 (2)	0	3 (2)	6 (4)	
July	August	Sept.	Oct.	Nov.	Dec.	
1 (1)	2 (2)	3 (3)				20

New Services

New Construction	0	1
Existing Homes	1	2
Paid prior to increase. (2 not installed)	0	0
Total of Service Connections to Date ----->		4640

Distribution System Failures/Repairs

Deterioration September 1 thru 30	7	49
Damaged September 1 thru 30	0	2

Bacteriological Sampling

Routine Bacteriological Samples (Distribution System)	16	149
Raw Water Bacteriological Samples (at Wells)	8	34

September 1, 2019 - September 30, 2019

7 -Distribution leaks repaired by District staff, 0 - by Contractor or with Contractor assistance.

Work Orders Issued - 88

Work Orders Completed - 37

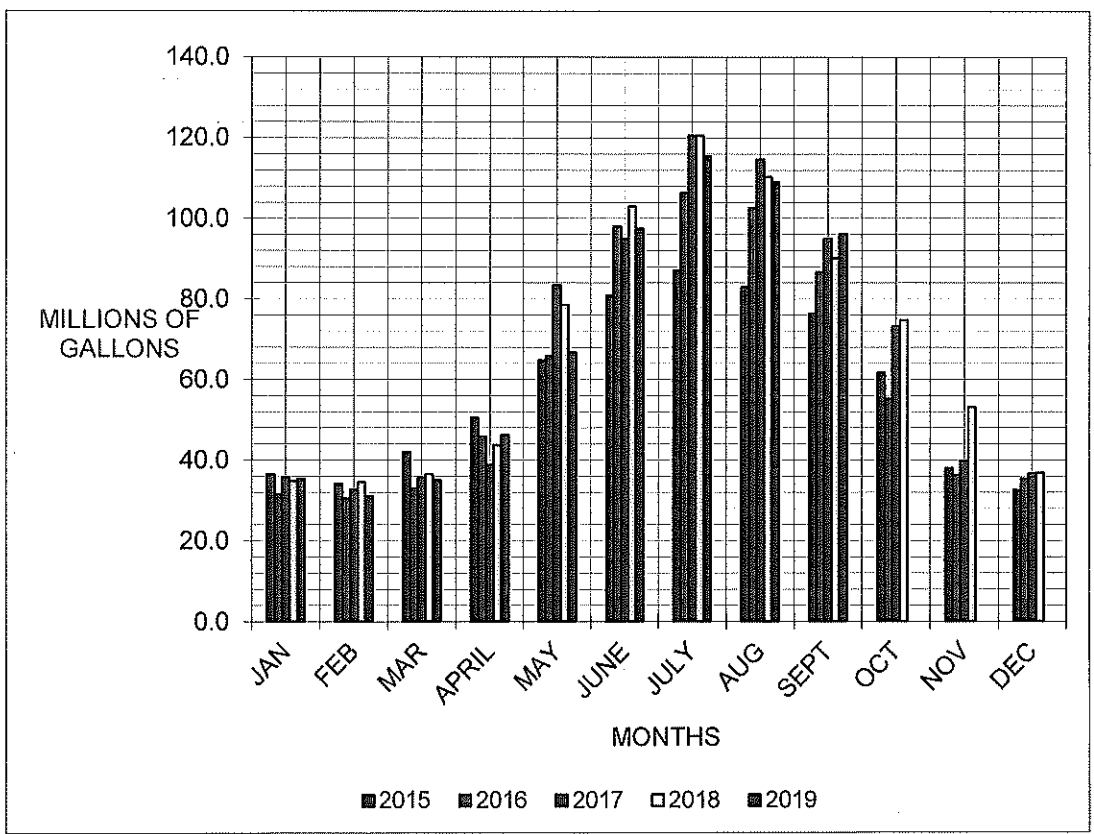
USA's Issued - 77

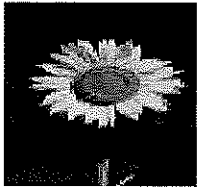
Change Out Meter - 51	Change Out Meter - 5	
General Complaint - 1	Flow Test - 1	
Flow Test - 1	Get Current Read - 3	
Get Current Read - 2	Install New Service - 1	
Install New Service - 1	Line Leak - 3	
Line Leak - 3	NSF Tag Property - 1	
NSF Tag Property - 1	Other Work - 1	
Other Work - 1	Possible Leak - 8	
Possible Leak - 13	Pressure Complaint - 4	
Pressure Complaint - 3	New Service Quote - 1	
Pull Meter - 1	Tag Property - 2	
New Service Quote - 1	Turn Off Service - 4	
Tag Property - 2	Turn On Service - 1	
Turn Off Service - 4	Water Waster - 2	
Turn On Service - 1		
Water Waster - 2		

RIO LINDA/ELVERTA C.W.D. WATER PRODUCTION

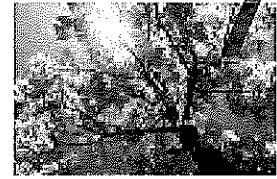
2015 \ 2019

Water Production in Million Gallons							SSWD Water Purchases				
Month	2015	2016	2017	2018	2019	Avg.	2015	2016	2017	2018	2019
JAN	36.5	31.5	35.6	34.8	35.3	34.7	0.0	0.0	0.0	0.0	0.0
FEB	34.1	30.5	32.7	34.5	31.1	32.6	0.0	0.0	0.0	0.0	0.0
MAR	42.0	33.0	35.6	36.5	35.1	36.4	0.0	0.0	0.0	0.0	0.0
APRIL	50.5	45.8	38.8	43.7	46.3	45.0	0.0	0.0	0.0	0.0	0.0
MAY	64.8	65.9	83.4	78.5	66.8	71.9	0.0	0.0	0.0	0.0	0.0
JUNE	80.8	98.0	94.9	102.9	97.5	94.8	0.0	0.0	0.0	0.0	0.0
JULY	87.0	106.4	120.5	120.5	115.4	110.0	0.0	0.0	0.0	0.0	0.0
AUG	83.0	102.6	114.6	110.3	108.9	103.9	0.0	0.0	0.0	0.0	0.0
SEPT	76.4	86.7	94.9	90.1	96.1	88.8	0.0	0.0	0.0	0.0	0.0
OCT	61.7	55.2	73.2	74.7		66.2	0.0	0.0	0.0	0.0	
NOV	38.0	36.3	39.7	53.1		41.8	0.0	0.0	0.0	0.0	
DEC	32.5	35.4	36.7	36.8		35.4	0.0	0.0	0.0	0.0	
TOTAL	687.3	727.3	800.6	816.4	632.5	757.9	0.0	0.0	0.0	0.0	0.0





Conservation Report *September 2019*



77

Supplies (kits):	Shower heads(9) Kitchen Aerators(21) Bathroom Aerators(19) Shower Timer(14) Nozzle(80) Toilet Tabs(31) Moisture Meters(0) Water Bottles(37) Toilet Tummy(0) Retro-Fit Kits(30) Welcome Kits(1) Kids Kit(73)
Water Waste (calls, emails, letter, leaks detected, and fixed):	3 Water Waste Call(s) 6 contacts about possible leaks using the AMI system - 4 were called, 1 was mailed, 1 was emailed 5 was confirmed resolved as of 9/30/19
Water Schedule:	given to customers with all violation letters and new applications
Surveys	0
Workshops, Webinar, Meetings:	N/A
Fines:	None
Other Tasks:	<ul style="list-style-type: none">● Assisted with payments and new customers● Printed stamps● Closed accounts and final billed customers● Created/completed work orders● Scanned and uploaded documents into UMS● Mailed out application requests to new owners● Entered ACH forms into UMS● Sent out utility demands● Picked up/dropped off Mr. Leaky● Ordered and designed Water Utility Operator Polos● Inventoried and packed conservation items for Country Faire (9/21/19)● Processed bills● Rereads for 9/20/19 billing cycle● Created Newsletter for 9/20/19 billing cycle
Grant Updates:	None



Information Items
Agenda Item: 5.2

Date: October 21, 2019

Subject: Board Reports

Staff Contact: Timothy R. Shaw, General Manager

2. BOARD REPORTS

1. Announce ad hoc committee(s) dissolved by requirements in Policy 2.01.065
2. Regional Water Authority – Gifford (Primary), Shaw
3. Sacramento Groundwater Authority – Harris
4. LAFCO – Jason Green (nominated)
5. Executive Committee – Harris, Jason Green
6. ACWA/JPIA – Ridilla
7. Ad Hoc Committee's
8. Other Reports

**SACRAMENTO GROUNDWATER AUTHORITY
REGULAR MEETING OF THE BOARD OF DIRECTORS**

Thursday, October 10, 2019; 9:00 a.m.

5620 Birdcage Street, Suite 110

Citrus Heights, CA 95610

(916) 967-7692

Agenda

The Board will discuss all items on this agenda, and may take action on any of those items, including information items and continued items. The Board may also discuss other items that do not appear on this agenda, but will not act on those items unless action is urgent, and a resolution is passed by a two-thirds (2/3) vote declaring that the need for action arose after posting of this agenda.

The public shall have the opportunity to directly address the Board on any item of interest before or during the Board's consideration of that item. Public comment on items within the jurisdiction of the Board is welcomed, subject to reasonable time limitations for each speaker. Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the Authority's Administrative Office at the address listed above. In compliance with the Americans with Disabilities Act, if you have a disability and need a disability-related modification or accommodation to participate in this meeting, please contact the Executive Director of the Authority at (916) 967-7692. Requests must be made as early as possible, and at least one full business day before the start of the meeting. The Board of Directors may consider any agenda item at any time during the meeting.

1. CALL TO ORDER AND ROLL CALL

2. PUBLIC COMMENT: Members of the public who wish to address the Board may do so at this time. Please keep your comments to less than three minutes.

3. CONSENT CALENDAR

Minutes of August 8, 2019 meeting

Action: Approve August 8, 2019 meeting minutes

4. SUSTAINABLE GROUNDWATER MANAGEMENT ACT AND GROUNDWATER SUSTAINABILITY PLAN DEVELOPMENT UPDATE

Information Update: Rob Swartz, Manager of Technical Services

5. SACRAMENTO REGIONAL WATER BANK

Information Presentation: Rob Swartz, Manager of Technical Services

Action Item: Authorize the Executive Director to enter into a Water Management Options Pilot Memorandum of Agreement with the Regional Water Authority and United States Bureau of Reclamation

6. EXECUTIVE DIRECTOR'S REPORT

7. DIRECTORS' COMMENTS

ADJOURNMENT

Next SGA Board of Director's Meeting – December 12, 2019, 9:00 a.m. at the RWA/SGA office, 5620 Birdcage Street, Ste. 110, Citrus Heights.

Notification will be emailed when the SGA electronic packet is complete and posted on the SGA website at <http://www.sgah2o.org/meetings/board-meetings/>

Agenda
Rio Linda / Elverta Community Water District
Executive Committee

80

Visitors/Depot Center
 6730 Front Street
 Rio Linda, CA 95673

October 7, 2019
 6:00 p.m.

Minutes:

The meeting was called to order at 6:05 P.M. The meeting was attended by Director Harris, Director Green General Manager Tim Shaw and District Engineer Mike Vasquez. There were no members of the public in attendance.

Call to Order

Public Comment None present.

Items for Discussion:

1.	Review and discuss the expenditures of the District for the Month of August 2019.
	<i>Director Green asked for and received clarification of the Wage Works items in the report. Activity on Wage Works is the employees flexible spending accounts and is NOT District financial activity, Employee payroll deductions are processed through our accounts, but the money spent is employee money.</i>
	<i>Director Harris requested additional information and assurances regarding the August 20th payment to Anthem Blue Cross for now deceased retiree Gerald Wickham. The District was aware of his passing on Sept. 1, 2019 and has taken actions to reconcile any overcharge for retiree medical insurance.</i>
2.	Review and discuss the financial reports for the Month of August 2019.
	<i>The Executive Committee forwarded this item onto the October 21st Board agenda with the Committee's recommendation for approval.</i>
3.	Discuss expressing annual salaries for FLSA exempt employees (Tim and Pat) as biweekly salaries.
	<i>The General Manager summarized the written staff report for this item and providing additional clarifications requested by the Committee</i>
	<i>The Executive Committee forwarded the item onto the October 21st Board agenda with the Committee's recommendation for Board approval.</i>
4.	Discuss the anticipated attendance of Sher Edling LLP at the 10-21-2019 Board meeting.
	<i>The General Manager provided very basic, general background information to the Committee regarding the existing litigation and existing engagement of specialty Legal Counsel (Sher Edling LLP). There will be a closed session item on the October 21st Board agenda to allow new Board Members to meet Sher Edling personnel and receive an update on existing litigation.</i>
5.	Discuss the current status of entitlement requests for Elverta Specific Plan projects.
	<i>The General Manager provided an update to the Committee on recent correspondence with Sacramento County Planning regarding a project in Elverta Specific Plan. There is no need to forward an item onto the Board's agenda at this time.</i>
6.	Update to the Capital Improvement Plan projects list.
	<i>The District Engineer provided an oral summary of his written report. Director Harris inquired as to why the District has not initiated one of the small, lower priority pipe improvement projects. The District Engineer and General Manager clarified the status of the not yet Board approve projects list and the consequences on higher priority projects if lower-cost, lower priority projects or started now.</i>
7.	Discuss Forthcoming Method for Reducing Vehicle Operating Costs.
	<i>The General Manager summarized the written reports and additional documents associated with this</i>

<p><i>item. Director Harris inquired to clarify the differences between the written report and independent research she had performed. The difference are generally explained by the government contract vs. private sector. For example, the cost to government agencies for the GPS devices is only \$0.01 each.</i></p> <p><i>Director Green asked about the option to use GPS tracking in the existing District cell phones provided to the employees. The General Manager explained the pre-existing lawsuits that have resulted from such practices and the additional benefits for the vehicle GPS system, including tracking wasteful vehicle idling practices, smog test avoidance, and maintenance notifications.</i></p> <p><i>There is no Board Action required for this item.</i></p>
<p>8. Discuss the need, process and funding for authorizing the filling of the Operations Foreman position.</p>
<p><i>The General Manager summarized the written reports and expanded on the organizational structure improvements that should be considered in conjunction with this item. For example, the Position Description for Foreman should be improved to reflect the requirement to have and maintain Backflow Tester certification. Such improvements in position description will entail a meet and confer process with Teamsters Local 150.</i></p> <p><i>The Committee forwarded this item onto the October 21st Board agenda with the Committee's recommendation for Board approval.</i></p>
<p>9. Report from District Engineer on current and future projects.</p>
<p><i>The District Engineer summarized his written report and expanded in the area of Well 16 bid documents, which need to be updated then forwarded to Legal Counsel for review.</i></p> <p><i>There is no Board action required to the update item. There will need to be a Board approval of Well 16 bid specifications documents and Board authorization to solicit bid responses. The Well 16 construction Board actions can only be considered if all document prep and Legal Counsel review has been completed in time for posting the October 21st Board agenda and documents.</i></p>

Directors' and General Manager Comments

Sacramento LAFCo election to fill vacancies will be on the October 21, 2019 Board meeting agenda.

The General Manager also reported that the annual financial audit has been recently completed, but we have not yet received the written report. The Committee directed that the written report be placed on the October 21st agenda if received in time. This would preclude having to wait until the November regular Board meeting.

Items Requested for Next Month's Committee Agenda

- Need for updating fees (other than the Service Application fee recently updated).

Adjournment

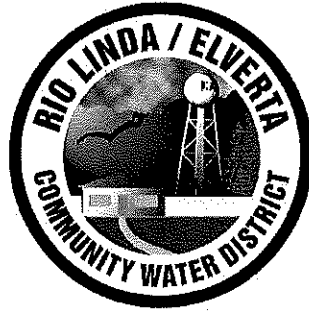
Meeting was adjourned at 7:11 P.M.

Next Executive Committee meeting: Monday, November 4, 2019 at 6:00 p.m.



**PENDING AND COMPLETED ITEMS
10-21-2019 BOARD OF DIRECTORS MEETING**

1. **Strategic Planning:** The strategic planning workshop was a success. The revised strategic plan is on the Oct. 21st Board agenda to consider adoption. **Pending**
2. **Update the District's Capital Improvement Projects List.** The October 7th Executive Committee received an update from the District Engineer. The Sept 25th meeting with the District Engineer and Operations Superintendent provided additional refinements. **Pending**
3. **Transitioning from California Bank and Trust to Umpqua:** Staff received various training. The District has achieved a new normal for banking. **Complete**
4. **Transition to Outsource printing, folding and mailing of bimonthly bills:** We have coordinated through ABS Direct and CUSI for minor format changes needed to mail the bills using double window envelopes (eliminates the cost of printed envelopes) ABS has offered to use our existing supply of bill paper and envelopes and temporarily (until the existing stock is consumed) deduct that charge from their bills. Thus, we will accelerate the transition to the next billing cycle in November 2019. **Pending**
5. **SB-998 Implementation.** Staff is coordinating with other water agencies in our region to share best practices and policies for the new requirements for termination of water services. Tangibly, outsource bill printing, folding, stuffing and mailing will free up person-hours to expend on the new termination of service mandates in SB 998 **Pending**
6. **SB-606 and AB-1668 planning for compliance-** The current rate structure, with high fixed price percentage, limited monetary incentive for conservation, and no distinction/address of indoor water use vs. outdoor water use needs to be studied. **Pending**
7. **SB 13:** Was signed into law on October 13th. We will place an item on the November 4th Executive Committee to discuss the District's current policies relevant to Accessory Dwelling Units (ADUs). **Pending**
8. **GPS Tracking of Field Vehicles:** The District has installed the GPS tracking units of four F-150s. The software has been configured and the District ratepayer have begun to save money on unnecessary vehicle idling and vehicle maintenance. Safety and operational strategies are improved. **Completed**



Agenda Item: 6

Date: October 21, 2019

Subject: Public Comment for Closed Session

Staff Contact: Timothy R. Shaw, General Manager

6. PUBLIC COMMENT FOR CLOSED SESSION

Public comment for closed session items only. The public is invited to comment on any item listed on the closed session agenda. Each speaker is limited to 2 minutes.



**Closed Session
Agenda Item: 7.1**

Date: October 21, 2019

Subject: Closed Session

Staff Contact: Timothy R. Shaw, General Manager

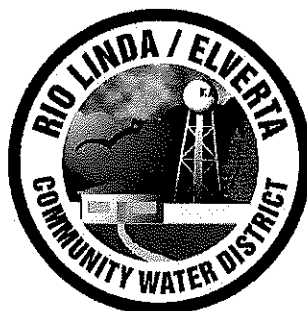
7. **CLOSED SESSION** - The Board of Directors will convene to Closed Session to discuss the following item.

1.1.1. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:** (Pursuant to paragraph (1) of subsection (d) of Government Code Section 54956.9)

Two Cases:

Rio Linda Elverta Community Water District v. United States, Case No. 1:17-cv-00859

Rio Linda Elverta Community Water District v. United States, Case No. 2:17-cv-01349



**Reconvene Open Session
Agenda Item: 8.1**

Date: October 21, 2019

Subject: Report of Action Taken in Closed Session

Staff Contact: Timothy R. Shaw, General Manager

8.1 Report of Action Taken in Closed Session

The Board will disclose any reportable actions taken and/or directed in closed session.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Ridilla: _____ Harris: _____ Jason Green _____ Gifford _____ Reisig _____

(A) Yea (N) Nay (Ab) Abstain (Abs) Absent