

RECLAMATION DISTRICT NO. 1601

FINANCIAL STATEMENTS
AND
ACCOUNTANTS' COMPILATION REPORT

SEPTEMBER 19, 2023

Butterfield + Co CPAs, Inc.



Accountants' Compilation Report

The Board of Trustees of
Reclamation District No. 1601

Management is responsible for the accompanying financial statements of **Reclamation District No. 1601** (the District), which comprise the statement of assets, liabilities and equity – modified cash basis as of September 19, 2023, and the related statement of revenue and expenses by project - modified cash basis for the period from July 1, 2023 through September 19, 2023, and for determining that the modified cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared in accordance with the modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's assets, liabilities, equity, revenues, and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The supplementary information included in the budget vs. actual report for the period July 1, 2023 through September 19, 2023 and the general and administrative coverage ratio calculation for the period July 1, 2023 through September 19, 2023 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

We are not independent with respect to **Reclamation District No. 1601**.

Butterfield + Co. CPAs, Inc.

Butterfield + Co. CPAS, Inc.
Certified Public Accountants
Stockton, California
September 19, 2023

Reclamation District 1601
Statement of Assets, Liabilities and Equity - Modified Cash
As of September 19, 2023

	Sep 19, 23
ASSETS	
Current Assets	
Checking/Savings	
1000-00 · Checking account	41,031.02
1025-00 · Savings account - Ag	636.60
1035-00 · BOS - General Revolving Account	428,677.20
1045-00 · BOS - Mitigation Site Trust	40,043.54
1065-00 · BOS - Five Yr Plan-TW 18-1	256.56
1070-00 · BOS - TIMES Project-TW 21-1	147.78
1075-00 · BOS - Wetland Dev - SMFA	1,330,837.31
Total Checking/Savings	1,841,630.01
Accounts Receivable	
1220-00 · Accounts Receivable-Assessments	542,549.89
1225-00 · Accounts receivable - other	6,245.10
Total Accounts Receivable	548,794.99
Total Current Assets	2,390,425.00
Fixed Assets	
1500-00 · FMV - Land- Chevron Point	6,500,000.00
1510-00 · FMV - Machinery and Equipment	578,068.00
1515-00 · FMV - Pump House and Pumps	650,000.00
1520-00 · FMV - Warehouse	150,000.00
1525-00 · FMV - Vehicles	81,000.00
Total Fixed Assets	7,959,068.00
TOTAL ASSETS	10,349,493.00
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000-00 · Accounts Payable	9,808.89
Total Accounts Payable	9,808.89
Other Current Liabilities	
2200-00 · Payroll Liabilities	149.27
Total Other Current Liabilities	149.27
Total Current Liabilities	9,958.16
Total Liabilities	9,958.16
Equity	
3100-00 · Fair Market Value of Assets	7,959,068.00
3140-00 · Fund Balance	1,912,207.17
Net Income	468,259.67
Total Equity	10,339,534.84
TOTAL LIABILITIES & EQUITY	10,349,493.00

Reclamation District 1601
Statement of Revenue and Expenses by Project - Modified Cash
July 1 through September 19, 2023

	21-1.0 TIMES Project	DWR Trust
Income		
4000-00 · Assessment Income	0.00	0.00
4010-00 · State Assistance Income	0.00	0.00
4020-00 · Delta Levee Subvention Income	0.00	0.00
4080-00 · Miscellaneous Income	0.00	0.00
4090-00 · Interest Income	38.22	0.00
4099.10 · Rental Income	0.00	0.00
Total Income	38.22	0.00
Gross Profit	38.22	0.00
Expense		
6000-00 · GENERAL AND ADMINISTRATIVE		
6010-00 · Accounting	345.00	0.00
6012-00 · Communications	0.00	0.00
6014-00 · Dues and Subscriptions	0.00	0.00
6020-00 · Engineering	8,867.50	0.00
6022-00 · Insurance		
6022-10 · General Insurance	0.00	0.00
6022-20 · Health Insurance	0.00	0.00
6022-30 · Workers compensation	0.00	0.00
Total 6022-00 · Insurance	0.00	0.00
6024-00 · Legal	1,734.20	0.00
6026-00 · Office expense	0.00	0.00
6028-01 · Wages	0.00	0.00
6028-02 · Payroll Taxes	0.00	0.00
6028-04 · Employee retirement	0.00	0.00
6029-00 · Payroll services fee	0.00	0.00
6030-00 · Repairs and Maintenance	0.00	0.00
6035-00 · Rent	0.00	0.00
6036-00 · Utilities		
6036-01 · Pump #7964854299-3	0.00	0.00
6036-02 · Pump # 7964854299-5	0.00	0.00
Total 6036-00 · Utilities	0.00	0.00
6037-00 · Telephone	0.00	0.00
6039-01 · Reimbursed expenses	0.00	0.00
6040-00 · Supplies	0.00	0.00
6042-00 · Oil & Fuel		
6042-01 · Gasoline		
6042-10 · Rick Carter	0.00	0.00
6042-15 · Ricky Carter Jr.	0.00	0.00
6042-16 · Grant Haney	0.00	0.00
Total 6042-01 · Gasoline	0.00	0.00
6042-02 · Diesel/Bulk Gas	0.00	0.00
Total 6042-00 · Oil & Fuel	0.00	0.00
6046-00 · Contract Labor	61,799.68	0.00
6047-00 · Consulting	30.00	0.00
6050-00 · Permits, licenses & other fees	0.00	0.00
6053-00 · DWR expense	0.00	2,149.04
6059-00 · Habitat Mitigation Enhancement	7,058.75	0.00
6060-00 · Wetland Development expense	0.00	0.00
6220-00 · Security Expense	0.00	0.00
Total 6000-00 · GENERAL AND ADMINISTRATIVE	79,835.13	2,149.04
6222-00 · Shared habitat expense	0.00	0.00

Reclamation District 1601
Statement of Revenue and Expenses by Project - Modified Cash
 July 1 through September 19, 2023

	21-1.0 TIMES Project	DWR Trust
7000-00 · ROUTINE LEVEE MAINTENANCE		
7012-00 · Rodent Control	0.00	0.00
7024-00 · Levee Vegetation Control & Mng	0.00	0.00
7036-00 · Engineering Subvention Expense	0.00	0.00
	0.00	0.00
Total 7000-00 · ROUTINE LEVEE MAINTENANCE	0.00	0.00
Total Expense	79,835.13	2,149.04
Net Income	-79,796.91	-2,149.04

Reclamation District 1601
Statement of Revenue and Expenses by Project - Modified Cash
July 1 through September 19, 2023

	General Administrative	SMFA - Wetland Development
Income		
4000-00 · Assessment Income	656,824.02	0.00
4010-00 · State Assistance Income	0.00	225,000.00
4020-00 · Delta Levee Subvention Income	0.00	0.00
4080-00 · Miscellaneous Income	366.71	0.00
4090-00 · Interest Income	0.10	0.00
4099.10 · Rental Income	395.01	0.00
Total Income	657,585.84	225,000.00
Gross Profit	657,585.84	225,000.00
Expense		
6000-00 · GENERAL AND ADMINISTRATIVE		
6010-00 · Accounting	8,920.80	300.00
6012-00 · Communications	1,725.60	0.00
6014-00 · Dues and Subscriptions	101.94	0.00
6020-00 · Engineering	26,248.26	0.00
6022-00 · Insurance		
6022-10 · General Insurance	1,419.00	0.00
6022-20 · Health Insurance	8,250.25	0.00
6022-30 · Workers compensation	1,809.25	0.00
Total 6022-00 · Insurance	11,478.50	0.00
6024-00 · Legal	10,340.06	0.00
6026-00 · Office expense	501.38	0.00
6028-01 · Wages	23,479.67	0.00
6028-02 · Payroll Taxes	1,859.49	0.00
6028-04 · Employee retirement	3,844.67	0.00
6029-00 · Payroll services fee	35.00	0.00
6030-00 · Repairs and Maintenance	7,547.81	0.00
6035-00 · Rent	1,050.00	0.00
6036-00 · Utilities		
6036-01 · Pump #7964854299-3	0.00	312.84
6036-02 · Pump # 7964854299-5	38,593.95	0.00
Total 6036-00 · Utilities	38,593.95	312.84
6037-00 · Telephone	455.59	0.00
6039-01 · Reimbursed expenses	1,110.53	0.00
6040-00 · Supplies	2,429.62	0.00
6042-00 · Oil & Fuel		
6042-01 · Gasoline		
6042-10 · Rick Carter	531.59	0.00
6042-15 · Ricky Carter Jr.	999.34	0.00
6042-16 · Grant Haney	184.26	0.00
Total 6042-01 · Gasoline	1,715.19	0.00
6042-02 · Diesel/Bulk Gas	5,072.86	0.00
Total 6042-00 · Oil & Fuel	6,788.05	0.00
6046-00 · Contract Labor	0.00	0.00
6047-00 · Consulting	6,250.01	0.00
6050-00 · Permits, licenses & other fees	67.52	0.00
6053-00 · DWR expense	0.00	0.00
6059-00 · Habitat Mitigation Enhancement	0.00	0.00
6060-00 · Wetland Development expense	0.00	256,075.73
6220-00 · Security Expense	640.00	0.00
Total 6000-00 · GENERAL AND ADMINISTRATIVE	153,468.45	256,688.57
6222-00 · Shared habitat expense	0.00	2,680.65

Reclamation District 1601
Statement of Revenue and Expenses by Project - Modified Cash
 July 1 through September 19, 2023

	General Administrative	SMFA - Wetland Development
7000-00 · ROUTINE LEVEE MAINTENANCE		
7012-00 · Rodent Control	203.65	0.00
7024-00 · Levee Vegetation Control & Mng	0.00	0.00
7036-00 · Engineering Subvention Expense	0.00	0.00
Total 7000-00 · ROUTINE LEVEE MAINTENANCE	203.65	0.00
Total Expense	153,672.10	259,369.22
Net Income	503,913.74	-34,369.22

Reclamation District 1601
Statement of Revenue and Expenses by Project - Modified Cash
July 1 through September 19, 2023

	2023 Flood Event (Subventions)	Subventions - Other (Subventions)
Income		
4000-00 · Assessment Income	0.00	0.00
4010-00 · State Assistance Income	0.00	0.00
4020-00 · Delta Levee Subvention Income	0.00	124,352.00
4080-00 · Miscellaneous Income	0.00	0.00
4090-00 · Interest Income	0.00	0.00
4099.10 · Rental Income	0.00	0.00
Total Income	0.00	124,352.00
Gross Profit	0.00	124,352.00
Expense		
6000-00 · GENERAL AND ADMINISTRATIVE		
6010-00 · Accounting	0.00	0.00
6012-00 · Communications	0.00	0.00
6014-00 · Dues and Subscriptions	0.00	11.99
6020-00 · Engineering	0.00	0.00
6022-00 · Insurance		
6022-10 · General Insurance	0.00	0.00
6022-20 · Health Insurance	0.00	0.00
6022-30 · Workers compensation	0.00	0.00
Total 6022-00 · Insurance	0.00	0.00
6024-00 · Legal	0.00	0.00
6026-00 · Office expense	0.00	0.00
6028-01 · Wages	0.00	11,776.50
6028-02 · Payroll Taxes	0.00	935.93
6028-04 · Employee retirement	0.00	0.00
6029-00 · Payroll services fee	0.00	0.00
6030-00 · Repairs and Maintenance	0.00	5,052.99
6035-00 · Rent	0.00	0.00
6036-00 · Utilities		
6036-01 · Pump #7964854299-3	0.00	0.00
6036-02 · Pump # 7964854299-5	0.00	0.00
Total 6036-00 · Utilities	0.00	0.00
6037-00 · Telephone	0.00	0.00
6039-01 · Reimbursed expenses	0.00	0.00
6040-00 · Supplies	0.00	0.00
6042-00 · Oil & Fuel		
6042-01 · Gasoline		
6042-10 · Rick Carter	0.00	0.00
6042-15 · Ricky Carter Jr.	0.00	0.00
6042-16 · Grant Haney	0.00	0.00
Total 6042-01 · Gasoline	0.00	0.00
6042-02 · Diesel/Bulk Gas	0.00	0.00
Total 6042-00 · Oil & Fuel	0.00	0.00
6046-00 · Contract Labor	0.00	0.00
6047-00 · Consulting	0.00	0.00
6050-00 · Permits, licenses & other fees	0.00	0.00
6053-00 · DWR expense	0.00	0.00
6059-00 · Habitat Mitigation Enhancement	0.00	0.00
6060-00 · Wetland Development expense	0.00	0.00
6220-00 · Security Expense	0.00	0.00
Total 6000-00 · GENERAL AND ADMINISTRATIVE	0.00	17,777.41
6222-00 · Shared habitat expense	0.00	0.00

Reclamation District 1601
Statement of Revenue and Expenses by Project - Modified Cash
July 1 through September 19, 2023

	2023 Flood Event (Subventions)	Subventions - Other (Subventions)
7000-00 · ROUTINE LEVEE MAINTENANCE		
7012-00 · Rodent Control	0.00	131.86
7024-00 · Levee Vegetation Control & Mng	0.00	0.00
7036-00 · Engineering Subvention Expense	6,293.75	19,487.88
Total 7000-00 · ROUTINE LEVEE MAINTENANCE	6,293.75	19,619.74
Total Expense	6,293.75	37,397.15
Net Income	-6,293.75	86,954.85

Reclamation District 1601
Statement of Revenue and Expenses by Project - Modified Cash
July 1 through September 19, 2023

	Total Subventions	TOTAL
Income		
4000-00 · Assessment Income	0.00	656,824.02
4010-00 · State Assistance Income	0.00	225,000.00
4020-00 · Delta Levee Subvention Income	124,352.00	124,352.00
4080-00 · Miscellaneous Income	0.00	366.71
4090-00 · Interest Income	0.00	38.32
4099.10 · Rental Income	0.00	395.01
Total Income	124,352.00	1,006,976.06
Gross Profit	124,352.00	1,006,976.06
Expense		
6000-00 · GENERAL AND ADMINISTRATIVE		
6010-00 · Accounting	0.00	9,565.80
6012-00 · Communications	0.00	1,725.60
6014-00 · Dues and Subscriptions	11.99	113.93
6020-00 · Engineering	0.00	35,115.76
6022-00 · Insurance		
6022-10 · General Insurance	0.00	1,419.00
6022-20 · Health Insurance	0.00	8,250.25
6022-30 · Workers compensation	0.00	1,809.25
Total 6022-00 · Insurance	0.00	11,478.50
6024-00 · Legal	0.00	12,074.26
6026-00 · Office expense	0.00	501.38
6028-01 · Wages	11,776.50	35,256.17
6028-02 · Payroll Taxes	935.93	2,795.42
6028-04 · Employee retirement	0.00	3,844.67
6029-00 · Payroll services fee	0.00	35.00
6030-00 · Repairs and Maintenance	5,052.99	12,600.80
6035-00 · Rent	0.00	1,050.00
6036-00 · Utilities		
6036-01 · Pump #7964854299-3	0.00	312.84
6036-02 · Pump # 7964854299-5	0.00	38,593.95
Total 6036-00 · Utilities	0.00	38,906.79
6037-00 · Telephone	0.00	455.59
6039-01 · Reimbursed expenses	0.00	1,110.53
6040-00 · Supplies	0.00	2,429.62
6042-00 · Oil & Fuel		
6042-01 · Gasoline		
6042-10 · Rick Carter	0.00	531.59
6042-15 · Ricky Carter Jr.	0.00	999.34
6042-16 · Grant Haney	0.00	184.26
Total 6042-01 · Gasoline	0.00	1,715.19
6042-02 · Diesel/Bulk Gas	0.00	5,072.86
Total 6042-00 · Oil & Fuel	0.00	6,788.05
6046-00 · Contract Labor	0.00	61,799.68
6047-00 · Consulting	0.00	6,280.01
6050-00 · Permits, licenses & other fees	0.00	67.52
6053-00 · DWR expense	0.00	2,149.04
6059-00 · Habitat Mitigation Enhancement	0.00	7,058.75
6060-00 · Wetland Development expense	0.00	256,075.73
6220-00 · Security Expense	0.00	640.00
Total 6000-00 · GENERAL AND ADMINISTRATIVE	17,777.41	509,918.60
6222-00 · Shared habitat expense	0.00	2,680.65

Reclamation District 1601
Statement of Revenue and Expenses by Project - Modified Cash
 July 1 through September 19, 2023

	Total Subventions	TOTAL
7000-00 · ROUTINE LEVEE MAINTENANCE		
7012-00 · Rodent Control	131.86	335.51
7024-00 · Levee Vegetation Control & Mng	0.00	0.00
7036-00 · Engineering Subvention Expense	25,781.63	25,781.63
Total 7000-00 · ROUTINE LEVEE MAINTENANCE	25,913.49	26,117.14
Total Expense	43,690.90	538,716.39
Net Income	80,661.10	468,259.67

Reclamation District 1601
Budget vs. Actual
July 1 through September 19, 2023

	Jul 1 - Sep 19, 23	Budget	\$ Over Budget	% of Budget
Income				
4000-00 · Assessment Income	656,824.02	656,824.02	0.00	100.0%
4075-00 · Land Lease (117 & 394.5)	0.00	78,700.00	-78,700.00	0.0%
4080-00 · Miscellaneous Income	366.71	0.00	366.71	100.0%
4090-00 · Interest Income	0.10	0.00	0.10	100.0%
4099.10 · Rental Income	395.01	1,580.00	-1,184.99	25.0%
Total Income	657,585.84	737,104.02	-79,518.18	89.2%
Gross Profit	657,585.84	737,104.02	-79,518.18	89.2%
Expense				
6000-00 · GENERAL AND ADMINISTRATIVE				
6010-00 · Accounting	8,920.80	38,000.00	-29,079.20	23.5%
6012-00 · Communications	1,725.60	6,000.00	-4,274.40	28.8%
6014-00 · Dues and Subscriptions	101.94	5,250.00	-5,148.06	1.9%
6016-00 · Equipment Rent	0.00	2,000.00	-2,000.00	0.0%
6020-00 · Engineering	26,248.26	55,000.00	-28,751.74	47.7%
6022-00 · Insurance				
6022-10 · General Insurance	1,419.00	25,000.00	-23,581.00	5.7%
6022-20 · Health Insurance	8,250.25	35,000.00	-26,749.75	23.6%
6022-30 · Workers compensation	1,809.25	5,000.00	-3,190.75	36.2%
6022-40 · Auto Insurance	0.00	3,500.00	-3,500.00	0.0%
Total 6022-00 · Insurance	11,478.50	68,500.00	-57,021.50	16.8%
6023-00 · Contingency Reserve	0.00	4,279.02	-4,279.02	0.0%
6024-00 · Legal	10,340.06	20,000.00	-9,659.94	51.7%
6026-00 · Office expense	501.38	4,000.00	-3,498.62	12.5%
6028-01 · Wages	23,479.67	90,000.00	-66,520.33	26.1%
6028-02 · Payroll Taxes	1,859.49	8,500.00	-6,640.51	21.9%
6028-04 · Employee retirement	3,844.67	7,000.00	-3,155.33	54.9%
6029-00 · Payroll services fee	35.00	250.00	-215.00	14.0%
6030-00 · Repairs and Maintenance	7,547.81	50,000.00	-42,452.19	15.1%
6034-00 · Miscellaneous	0.00	100.00	-100.00	0.0%
6035-00 · Rent	1,050.00	4,200.00	-3,150.00	25.0%
6036-00 · Utilities				
6036-02 · Pump # 7964854299-5	38,593.95	120,000.00	-81,406.05	32.2%
Total 6036-00 · Utilities	38,593.95	120,000.00	-81,406.05	32.2%
6037-00 · Telephone	455.59	2,500.00	-2,044.41	18.2%
6038-00 · Parking & Tolls	0.00	25.00	-25.00	0.0%
6039-01 · Reimbursed expenses	1,110.53	4,500.00	-3,389.47	24.7%
6040-00 · Supplies	2,429.62	12,500.00	-10,070.38	19.4%
6042-00 · Oil & Fuel				
6042-01 · Gasoline				
6042-10 · Rick Carter	531.59	4,000.00	-3,468.41	13.3%
6042-15 · Ricky Carter Jr.	999.34	5,000.00	-4,000.66	20.0%
6042-16 · Grant Haney	184.26	0.00	184.26	100.0%
Total 6042-01 · Gasoline	1,715.19	9,000.00	-7,284.81	19.1%
6042-02 · Diesel/Bulk Gas	5,072.86	9,000.00	-3,927.14	56.4%
6042-03 · Oil	0.00	2,000.00	-2,000.00	0.0%
Total 6042-00 · Oil & Fuel	6,788.05	20,000.00	-13,211.95	33.9%
6043-00 · Taxes and licenses	0.00	1,000.00	-1,000.00	0.0%
6047-00 · Consulting	6,250.01	15,000.00	-8,749.99	41.7%
6050-00 · Permits, licenses & other fees	67.52	4,500.00	-4,432.48	1.5%
6051-01 · Pump station repair & mainten	0.00	100,000.00	-100,000.00	0.0%
6220-00 · Security Expense	640.00	3,600.00	-2,960.00	17.8%
6225-00 · Solar Array Project Expenses	0.00	50,000.00	-50,000.00	0.0%
6227-00 · Aerial Veg Control Expense	0.00	40,000.00	-40,000.00	0.0%
6230-00 · Website expense	0.00	400.00	-400.00	0.0%
Total 6000-00 · GENERAL AND ADMINISTRATIVE	153,468.45	737,104.02	-583,635.57	20.8%

Reclamation District 1601
Budget vs. Actual
July 1 through September 19, 2023

	<u>Jul 1 - Sep 19, 23</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
7000-00 · ROUTINE LEVEE MAINTENANCE				
7012-00 · Rodent Control	203.65	0.00	203.65	100.0%
Total 7000-00 · ROUTINE LEVEE MAINTENANCE	203.65	0.00	203.65	100.0%
Total Expense	153,672.10	737,104.02	-583,431.92	20.8%
Net Income	503,913.74	0.00	503,913.74	100.0%

Reclamation District 1601
General and Administrative Coverage Ratio
July 1, 2023 through September 19, 2023

(100% of G & A + 35% of Subvention Expenses - G & A Income)

Routine Levee Maintenance	30,978.47
Subvention Wages	<u>12,712.43</u>
Subvention Expenses	<u>43,690.90</u>
X 35%	<u><u>15,291.82</u></u>
G & A Expenses	153,672.10
35 % of Subvention Expenses	<u>15,291.82</u>
Total Non Reimbursable	<u>168,963.92</u>
Total G & A Income	657,585.84
Less State Assistance Income	-
Less Non Reimbursable Expenses	<u>(168,963.92)</u>
G & A Income	<u><u>488,621.93</u></u>