

RECLAMATION DISTRICT NO. 1601

FINANCIAL STATEMENTS
AND
INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

SEPTEMBER 21, 2021

Butterfield + Co CPAs, Inc.



Independent 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 21, 2021, and the related statement of revenue and expenses by project - modified cash basis for the period from July 1, 2021 through September 21, 2021, 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, 2021 through September 21, 2021 and the general and administrative coverage ratio calculation for the period July 1, 2021 through September 21, 2021 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 21, 2021

Reclamation District 1601
Statement of Assets, Liabilities and Equity - Modified Cash
As of September 21, 2021

	Sep 21, 21
ASSETS	
Current Assets	
Checking/Savings	
1000-00 · Checking account	40,080.47
1025-00 · Savings account - Ag	635.95
1030-00 · 446A-County Revolving Account	913,461.02
1050-00 · 440A-Mitigation Site Trst Fund	39,914.95
1094.13 · 496B -Habitat Enhan Ph 2 14-1.1	95,483.93
1100-00 · 497B - Five-Year Plan 18-1.0	5,405.60
1111-00 · 446C-Wetland Develop(SMFA)	1,051,996.30
Total Checking/Savings	2,146,978.22
Accounts Receivable	
1225-00 · Accounts receivable - other	890.92
Total Accounts Receivable	890.92
Other Current Assets	
1040-00 · 455A-FEMA Account (County)	49.00
Total Other Current Assets	49.00
Total Current Assets	2,147,918.14
TOTAL ASSETS	2,147,918.14
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2200-00 · Payroll Liabilities	2,272.64
Total Other Current Liabilities	2,272.64
Total Current Liabilities	2,272.64
Total Liabilities	2,272.64
Equity	
3140-00 · Fund Balance	1,491,394.82
Net Income	654,250.68
Total Equity	2,145,645.50
TOTAL LIABILITIES & EQUITY	2,147,918.14

Reclamation District 1601
Statement of Revenue and Expenses by Project - Modified Cash
July 1 through September 21, 2021

	14-1.1 Habitat Mitig Enhanc Ph 2	18-1.0 DWR 5 Year Plan
Income		
4000-00 · Assessment Income	0.00	0.00
4010-10 · State Assistance Reimbursements	0.00	0.00
4075-00 · Land Lease (117 & 394.5)	0.00	0.00
4080-00 · Miscellaneous Income	0.00	0.00
4090-00 · Interest Income	0.00	0.00
4099-00 · Reimbursed expenses	0.00	0.00
4100-00 · Sale of assets	0.00	0.00
Total Income	0.00	0.00
Gross Profit	0.00	0.00
Expense		
6000-00 · GENERAL AND ADMINISTRATIVE		
6010-00 · Accounting	532.58	184.50
6012-00 · Communications	0.00	0.00
6020-00 · Engineering	0.00	0.00
6022-00 · Insurance		
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	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
6034-00 · Miscellaneous	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
6038-00 · Parking & Tolls	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
6042-25 · Marvis McBride	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
6050-00 · Permits, licenses & other fees	0.00	0.00
6051-01 · Pump station repair	0.00	0.00
6053-00 · DWR expense	0.00	0.00
6059-00 · Habitat Mitigation Enhancement	15,647.00	0.00
6060-00 · Wetland Development expense	0.00	0.00
6220-00 · Security Expense	0.00	0.00
6225-00 · Solar Array Project Expenses	0.00	0.00
6230-00 · Website expense	0.00	0.00
Total 6000-00 · GENERAL AND ADMINISTRATIVE	16,179.58	184.50

Reclamation District 1601
Statement of Revenue and Expenses by Project - Modified Cash
 July 1 through September 21, 2021

	14-1.1 Habitat Mitig Enhan Ph 2	18-1.0 DWR 5 Year Plan
7000-00 · ROUTINE LEVEE MAINTENANCE		
7035-00 · Accounting Subvention Expense	0.00	0.00
7036-00 · Engineering Subvention Expense	0.00	0.00
Total 7000-00 · ROUTINE LEVEE MAINTENANCE	0.00	0.00
Total Expense	16,179.58	184.50
Net Income	-16,179.58	-184.50

Reclamation District 1601
Statement of Revenue and Expenses by Project - Modified Cash
July 1 through September 21, 2021

	DWR-DMP	DWR Trust
Income		
4000-00 · Assessment Income	0.00	0.00
4010-10 · State Assistance Reimbursements	0.00	0.00
4075-00 · Land Lease (117 & 394.5)	0.00	0.00
4080-00 · Miscellaneous Income	0.00	0.00
4090-00 · Interest Income	0.00	0.00
4099-00 · Reimbursed expenses	0.00	0.00
4100-00 · Sale of assets	0.00	0.00
Total Income	0.00	0.00
Gross Profit	0.00	0.00
Expense		
6000-00 · GENERAL AND ADMINISTRATIVE		
6010-00 · Accounting	0.00	0.00
6012-00 · Communications	0.00	0.00
6020-00 · Engineering	2,298.25	0.00
6022-00 · Insurance		
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	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
6034-00 · Miscellaneous	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
6038-00 · Parking & Tolls	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
6042-25 · Marvis McBride	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
6050-00 · Permits, licenses & other fees	0.00	0.00
6051-01 · Pump station repair	0.00	0.00
6053-00 · DWR expense	0.00	1,363.41
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
6225-00 · Solar Array Project Expenses	0.00	0.00
6230-00 · Website expense	0.00	0.00
Total 6000-00 · GENERAL AND ADMINISTRATIVE	2,298.25	1,363.41

Reclamation District 1601
Statement of Revenue and Expenses by Project - Modified Cash
 July 1 through September 21, 2021

	DWR-DMP	DWR Trust
7000-00 · ROUTINE LEVEE MAINTENANCE		
7035-00 · Accounting Subvention Expense	0.00	0.00
7036-00 · Engineering Subvention Expense	0.00	0.00
Total 7000-00 · ROUTINE LEVEE MAINTENANCE	0.00	0.00
Total Expense	2,298.25	1,363.41
Net Income	-2,298.25	-1,363.41

Reclamation District 1601
Statement of Revenue and Expenses by Project - Modified Cash
July 1 through September 21, 2021

	General Administrative	SMFA - Wetland Development
Income		
4000-00 · Assessment Income	591,793.53	0.00
4010-10 · State Assistance Reimbursements	0.00	0.00
4075-00 · Land Lease (117 & 394.5)	38,825.10	0.00
4080-00 · Miscellaneous Income	4,144.00	0.00
4090-00 · Interest Income	0.04	0.00
4099-00 · Reimbursed expenses	701.25	0.00
4100-00 · Sale of assets	5,000.00	0.00
Total Income	640,463.92	0.00
Gross Profit	640,463.92	0.00
Expense		
6000-00 · GENERAL AND ADMINISTRATIVE		
6010-00 · Accounting	9,103.76	522.33
6012-00 · Communications	749.86	0.00
6020-00 · Engineering	32,124.08	0.00
6022-00 · Insurance		
6022-20 · Health Insurance	12,724.07	0.00
6022-30 · Workers compensation	1,312.12	0.00
Total 6022-00 · Insurance	14,036.19	0.00
6024-00 · Legal	9,007.61	101.92
6026-00 · Office expense	1,182.02	0.00
6028-01 · Wages	27,430.83	0.00
6028-02 · Payroll Taxes	2,098.46	0.00
6028-04 · Employee retirement	4,075.32	0.00
6029-00 · Payroll services fee	31.50	0.00
6030-00 · Repairs and Maintenance	16,419.96	0.00
6034-00 · Miscellaneous	1,248.25	0.00
6035-00 · Rent	975.00	0.00
6036-00 · Utilities		
6036-01 · Pump #7964854299-3	0.00	56.77
6036-02 · Pump # 7964854299-5	28,196.24	0.00
Total 6036-00 · Utilities	28,196.24	56.77
6037-00 · Telephone	396.09	0.00
6038-00 · Parking & Tolls	1.75	0.00
6039-01 · Reimbursed expenses	1,237.80	0.00
6040-00 · Supplies	320.97	0.00
6042-00 · Oil & Fuel		
6042-01 · Gasoline		
6042-10 · Rick Carter	573.17	0.00
6042-25 · Marvis McBride	424.24	0.00
Total 6042-01 · Gasoline	997.41	0.00
6042-02 · Diesel/Bulk Gas	343.19	0.00
Total 6042-00 · Oil & Fuel	1,340.60	0.00
6050-00 · Permits, licenses & other fees	10.27	0.00
6051-01 · Pump station repair	14,392.48	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	169,982.23
6220-00 · Security Expense	265.30	0.00
6225-00 · Solar Array Project Expenses	360.00	0.00
6230-00 · Website expense	125.00	0.00
Total 6000-00 · GENERAL AND ADMINISTRATIVE	165,129.34	170,663.25

Reclamation District 1601
Statement of Revenue and Expenses by Project - Modified Cash
 July 1 through September 21, 2021

	General Administrative	SMFA - Wetland Development
7000-00 · ROUTINE LEVEE MAINTENANCE		
7035-00 · Accounting Subvention Expense	0.00	0.00
7036-00 · Engineering Subvention Expense	0.00	0.00
Total 7000-00 · ROUTINE LEVEE MAINTENANCE	0.00	0.00
Total Expense	165,129.34	170,663.25
Net Income	475,334.58	-170,663.25

Reclamation District 1601
Statement of Revenue and Expenses by Project - Modified Cash
July 1 through September 21, 2021

	Subventions	TOTAL
Income		
4000-00 · Assessment Income	0.00	591,793.53
4010-10 · State Assistance Reimbursements	384,333.00	384,333.00
4075-00 · Land Lease (117 & 394.5)	0.00	38,825.10
4080-00 · Miscellaneous Income	0.00	4,144.00
4090-00 · Interest Income	0.00	0.04
4099-00 · Reimbursed expenses	0.00	701.25
4100-00 · Sale of assets	0.00	5,000.00
Total Income	384,333.00	1,024,796.92
Gross Profit	384,333.00	1,024,796.92
Expense		
6000-00 · GENERAL AND ADMINISTRATIVE		
6010-00 · Accounting	0.00	10,343.17
6012-00 · Communications	0.00	749.86
6020-00 · Engineering	0.00	34,422.33
6022-00 · Insurance		
6022-20 · Health Insurance	0.00	12,724.07
6022-30 · Workers compensation	0.00	1,312.12
Total 6022-00 · Insurance	0.00	14,036.19
6024-00 · Legal	0.00	9,109.53
6026-00 · Office expense	0.00	1,182.02
6028-01 · Wages	2,581.74	30,012.57
6028-02 · Payroll Taxes	197.51	2,295.97
6028-04 · Employee retirement	0.00	4,075.32
6029-00 · Payroll services fee	0.00	31.50
6030-00 · Repairs and Maintenance	0.00	16,419.96
6034-00 · Miscellaneous	0.00	1,248.25
6035-00 · Rent	0.00	975.00
6036-00 · Utilities		
6036-01 · Pump #7964854299-3	0.00	56.77
6036-02 · Pump # 7964854299-5	0.00	28,196.24
Total 6036-00 · Utilities	0.00	28,253.01
6037-00 · Telephone	0.00	396.09
6038-00 · Parking & Tolls	0.00	1.75
6039-01 · Reimbursed expenses	0.00	1,237.80
6040-00 · Supplies	0.00	320.97
6042-00 · Oil & Fuel		
6042-01 · Gasoline		
6042-10 · Rick Carter	0.00	573.17
6042-25 · Marvis McBride	0.00	424.24
Total 6042-01 · Gasoline	0.00	997.41
6042-02 · Diesel/Bulk Gas	0.00	343.19
Total 6042-00 · Oil & Fuel	0.00	1,340.60
6050-00 · Permits, licenses & other fees	0.00	10.27
6051-01 · Pump station repair	0.00	14,392.48
6053-00 · DWR expense	0.00	1,363.41
6059-00 · Habitat Mitigation Enhancement	0.00	15,647.00
6060-00 · Wetland Development expense	0.00	169,982.23
6220-00 · Security Expense	0.00	265.30
6225-00 · Solar Array Project Expenses	0.00	360.00
6230-00 · Website expense	0.00	125.00
Total 6000-00 · GENERAL AND ADMINISTRATIVE	2,779.25	358,597.58

Reclamation District 1601
Statement of Revenue and Expenses by Project - Modified Cash
July 1 through September 21, 2021

	Subventions	TOTAL
7000-00 · ROUTINE LEVEE MAINTENANCE		
7035-00 · Accounting Subvention Expense	1,479.00	1,479.00
7036-00 · Engineering Subvention Expense	10,469.66	10,469.66
Total 7000-00 · ROUTINE LEVEE MAINTENANCE	11,948.66	11,948.66
Total Expense	14,727.91	370,546.24
Net Income	369,605.09	654,250.68

Reclamation District 1601
Budget vs. Actual
July 1 through September 21, 2021

	Jul 1 - Sep 21, 21	Budget	\$ Over Budget	% of Budget
Income				
4000-00 · Assessment Income	591,793.53	591,793.53	0.00	100.0%
4075-00 · Land Lease (117 & 394.5)	38,825.10	77,650.20	-38,825.10	50.0%
4080-00 · Miscellaneous Income	4,144.00	0.00	4,144.00	100.0%
4090-00 · Interest Income	0.04	0.00	0.04	100.0%
4099-00 · Reimbursed expenses	701.25	0.00	701.25	100.0%
4100-00 · Sale of assets	5,000.00	0.00	5,000.00	100.0%
Total Income	640,463.92	669,443.73	-28,979.81	95.7%
Gross Profit	640,463.92	669,443.73	-28,979.81	95.7%
Expense				
6000-00 · GENERAL AND ADMINISTRATIVE				
6010-00 · Accounting	9,103.76	38,000.00	-28,896.24	24.0%
6011-00 · Capital Acquisitions	0.00	55,000.00	-55,000.00	0.0%
6012-00 · Communications	749.86	6,000.00	-5,250.14	12.5%
6014-00 · Dues and Subscriptions	0.00	2,500.00	-2,500.00	0.0%
6016-00 · Equipment Rent	0.00	2,000.00	-2,000.00	0.0%
6020-00 · Engineering	32,124.08	55,000.00	-22,875.92	58.4%
6022-00 · Insurance				
6022-10 · General Insurance	0.00	25,000.00	-25,000.00	0.0%
6022-20 · Health Insurance	12,724.07	50,000.00	-37,275.93	25.4%
6022-30 · Workers compensation	1,312.12	5,000.00	-3,687.88	26.2%
6022-40 · Auto Insurance	0.00	3,500.00	-3,500.00	0.0%
Total 6022-00 · Insurance	14,036.19	83,500.00	-69,463.81	16.8%
6023-00 · Contingency Reserve	0.00	49,568.73	-49,568.73	0.0%
6024-00 · Legal	9,007.61	20,000.00	-10,992.39	45.0%
6026-00 · Office expense	1,182.02	4,000.00	-2,817.98	29.6%
6028-01 · Wages	27,430.83	85,000.00	-57,569.17	32.3%
6028-02 · Payroll Taxes	2,098.46	8,500.00	-6,401.54	24.7%
6028-04 · Employee retirement	4,075.32	9,000.00	-4,924.68	45.3%
6029-00 · Payroll services fee	31.50	250.00	-218.50	12.6%
6030-00 · Repairs and Maintenance	16,419.96	35,000.00	-18,580.04	46.9%
6034-00 · Miscellaneous	1,248.25	1,000.00	248.25	124.8%
6035-00 · Rent	975.00	4,000.00	-3,025.00	24.4%
6036-00 · Utilities				
6036-02 · Pump # 7964854299-5	28,196.24	100,000.00	-71,803.76	28.2%
Total 6036-00 · Utilities	28,196.24	100,000.00	-71,803.76	28.2%
6037-00 · Telephone	396.09	2,500.00	-2,103.91	15.8%
6038-00 · Parking & Tolls	1.75	25.00	-23.25	7.0%
6039-01 · Reimbursed expenses	1,237.80	4,500.00	-3,262.20	27.5%
6040-00 · Supplies	320.97	12,500.00	-12,179.03	2.6%
6042-00 · Oil & Fuel				
6042-01 · Gasoline				
6042-10 · Rick Carter	573.17	2,750.00	-2,176.83	20.8%
6042-25 · Marvis McBride	424.24	4,000.00	-3,575.76	10.6%
Total 6042-01 · Gasoline	997.41	6,750.00	-5,752.59	14.8%
6042-02 · Diesel/Bulk Gas	343.19	3,750.00	-3,406.81	9.2%
6042-03 · Oil	0.00	2,000.00	-2,000.00	0.0%
Total 6042-00 · Oil & Fuel	1,340.60	12,500.00	-11,159.40	10.7%

Reclamation District 1601
Budget vs. Actual
July 1 through September 21, 2021

	Jul 1 - Sep 21, 21	Budget	\$ Over Budget	% of Budget
6043-00 · Taxes and licenses	0.00	100.00	-100.00	0.0%
6047-00 · Consulting	0.00	3,500.00	-3,500.00	0.0%
6050-00 · Permits, licenses & other fees	10.27	1,000.00	-989.73	1.0%
6051-01 · Pump station repair	14,392.48	50,000.00	-35,607.52	28.8%
6220-00 · Security Expense	265.30	2,500.00	-2,234.70	10.6%
6225-00 · Solar Array Project Expenses	360.00	20,000.00	-19,640.00	1.8%
6230-00 · Website expense	125.00	2,000.00	-1,875.00	6.3%
Total 6000-00 · GENERAL AND ADMINISTRATIVE	165,129.34	669,443.73	-504,314.39	24.7%
Total Expense	165,129.34	669,443.73	-504,314.39	24.7%
Net Income	475,334.58	0.00	475,334.58	100.0%

Reclamation District 1601
General and Administrative Coverage Ratio
July 1, 2021 through September 21, 2021

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

Routine Levee Maintenance	11,948.66
Subvention Wages	<u>2,779.25</u>
Subvention Expenses	<u>14,727.91</u>
X 35%	<u><u>5,154.77</u></u>
G & A Expenses	165,129.34
35 % of Subvention Expenses	<u>5,154.77</u>
Total Non Reimbursable	<u>170,284.11</u>
Total G & A Income	640,463.92
Less State Assistance Income	-
Less Non Reimbursable Expenses	<u>(170,284.11)</u>
G & A Income	<u><u>470,179.81</u></u>