

RECLAMATION DISTRICT NO. 1601

FINANCIAL STATEMENTS
AND
ACCOUNTANTS' COMPILATION REPORT

AUGUST 20, 2024

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 August 20, 2024, and the related statement of revenue and expenses by project - modified cash basis for the period from July 1, 2024 through August 20, 2024, 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.

The modified cash basis of accounting requires all reported assets and liabilities to be settled in or paid with cash and cash equivalents. The District reports capital assets at the fair market value at February 21, 2023 as determined and approved by management. Management has not determined the effects of this departure from the modified cash basis of accounting on the financial statements.

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, 2024 through August 20, 2024 and the general and administrative coverage ratio calculation for the period July 1, 2024 through August 20, 2024 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
August 20, 2024

Reclamation District 1601
Statement of Assets, Liabilities and Equity - Modified Cash
As of August 20, 2024

	Aug 20, 24
ASSETS	
Current Assets	
Checking/Savings	
1000-00 · Checking account	39,039.72
1025-00 · Savings account - Ag	637.15
1035-00 · BOS - General Revolving Account	512,664.25
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	2,137,820.97
1075-00 · BOS - Wetland Dev - SMFA	1,465,851.49
Total Checking/Savings	4,196,313.68
Accounts Receivable	
1220-00 · Accounts Receivable-Assessments	538,240.97
1225-00 · Accounts receivable - other	21,379.12
Total Accounts Receivable	559,620.09
Total Current Assets	4,755,933.77
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	12,715,001.77
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000-00 · Accounts Payable	29,630.17
Total Accounts Payable	29,630.17
Other Current Liabilities	
2200-00 · Payroll Liabilities	3,434.21
Total Other Current Liabilities	3,434.21
Total Current Liabilities	33,064.38
Total Liabilities	33,064.38
Equity	
3100-00 · Fair Market Value of Assets	7,959,068.00
3140-00 · Fund Balance	4,043,562.31
Net Income	679,307.08
Total Equity	12,681,937.39
TOTAL LIABILITIES & EQUITY	12,715,001.77

Reclamation District 1601
Statement of Revenue and Expenses by Project - Modified Cash
July 1 through August 20, 2024

	21-1.0 TIMES Project	DWR Trust
Income		
4000-00 · Assessment Income	0.00	0.00
4075-00 · Land Lease (117 & 394.5)	0.00	0.00
4086-00 · Insurance Proceeds	0.00	0.00
4090-00 · Interest Income	3,830.25	0.00
4099-00 · Reimbursed	0.00	0.00
4099.10 · Rental Income	0.00	0.00
	3,830.25	0.00
Total Income	3,830.25	0.00
Gross Profit	3,830.25	0.00
Expense		
6000-00 · GENERAL AND ADMINISTRATIVE		
6010-00 · Accounting	155.00	0.00
6012-00 · Communications	0.00	0.00
6014-00 · Dues and Subscriptions	0.00	0.00
6018-00 · Equipment Purchases	0.00	0.00
6019-00 · Extraction Costs	0.00	0.00
6020-00 · Engineering	412.50	0.00
6022-00 · Insurance		
6022-20 · Health Insurance	0.00	0.00
6022-30 · Workers compensation	0.00	0.00
	0.00	0.00
Total 6022-00 · Insurance	0.00	0.00
6024-00 · Legal	153.40	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		
6036-02 · Pump # 7964854299-5	0.00	0.00
	0.00	0.00
Total 6036-00 · Utilities	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		
6042-18 · Dominic Calabro	0.00	0.00
6042-15 · Ricky Carter Jr.	0.00	0.00
	0.00	0.00
Total 6042-01 · Gasoline	0.00	0.00
6042-02 · Diesel/Bulk Gas	0.00	0.00
6042-03 · Oil	0.00	0.00
	0.00	0.00
Total 6042-00 · Oil & Fuel	0.00	0.00
6047-00 · Consulting	420.00	0.00
6048-00 · Construction	113,397.80	0.00
6053-00 · DWR expense	0.00	1,967.42
6220-00 · Security Expense	0.00	0.00
6225-00 · Solar Array Project Expenses	0.00	0.00
	114,538.70	1,967.42
Total 6000-00 · GENERAL AND ADMINISTRATIVE	114,538.70	1,967.42

Reclamation District 1601
Statement of Revenue and Expenses by Project - Modified Cash
July 1 through August 20, 2024

	21-1.0 TIMES Project	DWR Trust
7000-00 · ROUTINE LEVEE MAINTENANCE		
7012-00 · Rodent Control	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	114,538.70	1,967.42
Net Income	-110,708.45	-1,967.42

Reclamation District 1601
Statement of Revenue and Expenses by Project - Modified Cash
July 1 through August 20, 2024

	General Administrative	SMFA - Wetland Development
Income		
4000-00 · Assessment Income	657,166.91	0.00
4075-00 · Land Lease (117 & 394.5)	39,421.19	0.00
4086-00 · Insurance Proceeds	184,499.93	0.00
4090-00 · Interest Income	0.12	0.00
4099-00 · Reimbursed	1,008.78	0.00
4099.10 · Rental Income	131.67	0.00
Total Income	882,228.60	0.00
Gross Profit	882,228.60	0.00
Expense		
6000-00 · GENERAL AND ADMINISTRATIVE		
6010-00 · Accounting	3,502.00	155.00
6012-00 · Communications	865.49	0.00
6014-00 · Dues and Subscriptions	3.98	0.00
6018-00 · Equipment Purchases	193.65	0.00
6019-00 · Extraction Costs	502.84	0.00
6020-00 · Engineering	3,971.68	0.00
6022-00 · Insurance		
6022-20 · Health Insurance	3,667.52	0.00
6022-30 · Workers compensation	2,996.32	0.00
Total 6022-00 · Insurance	6,663.84	0.00
6024-00 · Legal	4,899.48	0.00
6026-00 · Office expense	377.51	0.00
6028-01 · Wages	19,675.80	0.00
6028-02 · Payroll Taxes	1,534.25	0.00
6028-04 · Employee retirement	2,738.63	0.00
6029-00 · Payroll services fee	52.00	0.00
6030-00 · Repairs and Maintenance	2,077.28	0.00
6035-00 · Rent	700.00	0.00
6036-00 · Utilities		
6036-02 · Pump # 7964854299-5	24,390.23	0.00
Total 6036-00 · Utilities	24,390.23	0.00
6039-01 · Reimbursed expenses	1,093.19	0.00
6040-00 · Supplies	571.87	103.29
6042-00 · Oil & Fuel		
6042-01 · Gasoline		
6042-18 · Dominic Calabro	527.83	0.00
6042-15 · Ricky Carter Jr.	340.91	0.00
Total 6042-01 · Gasoline	868.74	0.00
6042-02 · Diesel/Bulk Gas	1,085.85	0.00
6042-03 · Oil	621.83	0.00
Total 6042-00 · Oil & Fuel	2,576.42	0.00
6047-00 · Consulting	0.00	0.00
6048-00 · Construction	0.00	0.00
6053-00 · DWR expense	0.00	0.00
6220-00 · Security Expense	340.00	0.00
6225-00 · Solar Array Project Expenses	3,137.83	0.00
Total 6000-00 · GENERAL AND ADMINISTRATIVE	79,867.97	258.29

Reclamation District 1601
Statement of Revenue and Expenses by Project - Modified Cash
July 1 through August 20, 2024

	General Administrative	SMFA - Wetland Development
7000-00 · ROUTINE LEVEE MAINTENANCE		
7012-00 · Rodent Control	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	79,867.97	258.29
Net Income	802,360.63	-258.29

Reclamation District 1601
Statement of Revenue and Expenses by Project - Modified Cash
July 1 through August 20, 2024

	2023 Flood Event (Subventions)	Subventions - Other (Subventions)
Income		
4000-00 · Assessment Income	0.00	0.00
4075-00 · Land Lease (117 & 394.5)	0.00	0.00
4086-00 · Insurance Proceeds	0.00	0.00
4090-00 · Interest Income	0.00	0.00
4099-00 · Reimbursed	0.00	0.00
4099.10 · Rental Income	0.00	0.00
	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
6014-00 · Dues and Subscriptions	0.00	0.00
6018-00 · Equipment Purchases	0.00	0.00
6019-00 · Extraction Costs	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
	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	3,612.00
6028-02 · Payroll Taxes	0.00	276.32
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		
6036-02 · Pump # 7964854299-5	0.00	0.00
	0.00	0.00
Total 6036-00 · Utilities	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		
6042-18 · Dominic Calabro	0.00	0.00
6042-15 · Ricky Carter Jr.	0.00	0.00
	0.00	0.00
Total 6042-01 · Gasoline	0.00	0.00
6042-02 · Diesel/Bulk Gas	0.00	0.00
6042-03 · Oil	0.00	0.00
	0.00	0.00
Total 6042-00 · Oil & Fuel	0.00	0.00
6047-00 · Consulting	0.00	0.00
6048-00 · Construction	0.00	0.00
6053-00 · DWR expense	0.00	0.00
6220-00 · Security Expense	0.00	0.00
6225-00 · Solar Array Project Expenses	0.00	0.00
	0.00	0.00
Total 6000-00 · GENERAL AND ADMINISTRATIVE	0.00	3,888.32

Reclamation District 1601
Statement of Revenue and Expenses by Project - Modified Cash
July 1 through August 20, 2024

	2023 Flood Event (Subventions)	Subventions - Other (Subventions)
7000-00 · ROUTINE LEVEE MAINTENANCE		
7012-00 · Rodent Control	0.00	61.82
7036-00 · Engineering Subvention Expense	3,625.00	2,544.25
Total 7000-00 · ROUTINE LEVEE MAINTENANCE	3,625.00	2,606.07
Total Expense	3,625.00	6,494.39
Net Income	-3,625.00	-6,494.39

Reclamation District 1601
Statement of Revenue and Expenses by Project - Modified Cash
July 1 through August 20, 2024

	Total Subventions	TOTAL
Income		
4000-00 · Assessment Income	0.00	657,166.91
4075-00 · Land Lease (117 & 394.5)	0.00	39,421.19
4086-00 · Insurance Proceeds	0.00	184,499.93
4090-00 · Interest Income	0.00	3,830.37
4099-00 · Reimbursed	0.00	1,008.78
4099.10 · Rental Income	0.00	131.67
Total Income	0.00	886,058.85
Gross Profit	0.00	886,058.85
Expense		
6000-00 · GENERAL AND ADMINISTRATIVE		
6010-00 · Accounting	0.00	3,812.00
6012-00 · Communications	0.00	865.49
6014-00 · Dues and Subscriptions	0.00	3.98
6018-00 · Equipment Purchases	0.00	193.65
6019-00 · Extraction Costs	0.00	502.84
6020-00 · Engineering	0.00	4,384.18
6022-00 · Insurance		
6022-20 · Health Insurance	0.00	3,667.52
6022-30 · Workers compensation	0.00	2,996.32
Total 6022-00 · Insurance	0.00	6,663.84
6024-00 · Legal	0.00	5,052.88
6026-00 · Office expense	0.00	377.51
6028-01 · Wages	3,612.00	23,287.80
6028-02 · Payroll Taxes	276.32	1,810.57
6028-04 · Employee retirement	0.00	2,738.63
6029-00 · Payroll services fee	0.00	52.00
6030-00 · Repairs and Maintenance	0.00	2,077.28
6035-00 · Rent	0.00	700.00
6036-00 · Utilities		
6036-02 · Pump # 7964854299-5	0.00	24,390.23
Total 6036-00 · Utilities	0.00	24,390.23
6039-01 · Reimbursed expenses	0.00	1,093.19
6040-00 · Supplies	0.00	675.16
6042-00 · Oil & Fuel		
6042-01 · Gasoline		
6042-18 · Dominic Calabro	0.00	527.83
6042-15 · Ricky Carter Jr.	0.00	340.91
Total 6042-01 · Gasoline	0.00	868.74
6042-02 · Diesel/Bulk Gas	0.00	1,085.85
6042-03 · Oil	0.00	621.83
Total 6042-00 · Oil & Fuel	0.00	2,576.42
6047-00 · Consulting	0.00	420.00
6048-00 · Construction	0.00	113,397.80
6053-00 · DWR expense	0.00	1,967.42
6220-00 · Security Expense	0.00	340.00
6225-00 · Solar Array Project Expenses	0.00	3,137.83
Total 6000-00 · GENERAL AND ADMINISTRATIVE	3,888.32	200,520.70

Reclamation District 1601
Statement of Revenue and Expenses by Project - Modified Cash
July 1 through August 20, 2024

	Total Subventions	TOTAL
7000-00 · ROUTINE LEVEE MAINTENANCE		
7012-00 · Rodent Control	61.82	61.82
7036-00 · Engineering Subvention Expense	6,169.25	6,169.25
Total 7000-00 · ROUTINE LEVEE MAINTENANCE	6,231.07	6,231.07
Total Expense	10,119.39	206,751.77
Net Income	-10,119.39	679,307.08

Reclamation District 1601
Budget vs. Actual
July 1 through August 20, 2024

	Jul 1 - Aug 20, 24	Budget	\$ Over Budget	% of Budget
Income				
4000-00 · Assessment Income	657,166.91	666,727.22	-9,560.31	98.6%
4075-00 · Land Lease (117 & 394.5)	39,421.19	78,700.00	-39,278.81	50.1%
4086-00 · Insurance Proceeds	184,499.93	0.00	184,499.93	100.0%
4090-00 · Interest Income	0.12	0.00	0.12	100.0%
4099-00 · Reimbursed	1,008.78	0.00	1,008.78	100.0%
4099.10 · Rental Income	131.67	1,580.00	-1,448.33	8.3%
Total Income	882,228.60	747,007.22	135,221.38	118.1%
Gross Profit	882,228.60	747,007.22	135,221.38	118.1%
Expense				
6000-00 · GENERAL AND ADMINISTRATIVE				
6010-00 · Accounting	3,502.00	40,000.00	-36,498.00	8.8%
6012-00 · Communications	865.49	6,000.00	-5,134.51	14.4%
6014-00 · Dues and Subscriptions	3.98	5,250.00	-5,246.02	0.1%
6016-00 · Equipment Rent	0.00	35,000.00	-35,000.00	0.0%
6018-00 · Equipment Purchases	193.65	0.00	193.65	100.0%
6019-00 · Extraction Costs	502.84	0.00	502.84	100.0%
6020-00 · Engineering	3,971.68	57,000.00	-53,028.32	7.0%
6022-00 · Insurance				
6022-10 · General Insurance	0.00	15,000.00	-15,000.00	0.0%
6022-20 · Health Insurance	3,667.52	25,000.00	-21,332.48	14.7%
6022-30 · Workers compensation	2,996.32	5,000.00	-2,003.68	59.9%
6022-40 · Auto Insurance	0.00	5,000.00	-5,000.00	0.0%
Total 6022-00 · Insurance	6,663.84	50,000.00	-43,336.16	13.3%
6023-00 · Contingency Reserve	0.00	51,407.22	-51,407.22	0.0%
6024-00 · Legal	4,899.48	40,000.00	-35,100.52	12.2%
6026-00 · Office expense	377.51	4,000.00	-3,622.49	9.4%
6028-01 · Wages	19,675.80	100,000.00	-80,324.20	19.7%
6028-02 · Payroll Taxes	1,534.25	8,500.00	-6,965.75	18.1%
6028-04 · Employee retirement	2,738.63	9,000.00	-6,261.37	30.4%
6029-00 · Payroll services fee	52.00	250.00	-198.00	20.8%
6030-00 · Repairs and Maintenance	2,077.28	50,000.00	-47,922.72	4.2%
6035-00 · Rent	700.00	4,200.00	-3,500.00	16.7%
6036-00 · Utilities				
6036-02 · Pump # 7964854299-5	24,390.23	151,000.00	-126,609.77	16.2%
Total 6036-00 · Utilities	24,390.23	151,000.00	-126,609.77	16.2%
6037-00 · Telephone	0.00	2,500.00	-2,500.00	0.0%
6039-01 · Reimbursed expenses	1,093.19	4,500.00	-3,406.81	24.3%
6040-00 · Supplies	571.87	6,000.00	-5,428.13	9.5%
6042-00 · Oil & Fuel				
6042-01 · Gasoline				
6042-18 · Dominic Calabro	527.83	3,000.00	-2,472.17	17.6%
6042-15 · Ricky Carter Jr.	340.91	5,000.00	-4,659.09	6.8%
Total 6042-01 · Gasoline	868.74	8,000.00	-7,131.26	10.9%
6042-02 · Diesel/Bulk Gas	1,085.85	12,000.00	-10,914.15	9.0%
6042-03 · Oil	621.83	2,000.00	-1,378.17	31.1%
Total 6042-00 · Oil & Fuel	2,576.42	22,000.00	-19,423.58	11.7%

Reclamation District 1601
Budget vs. Actual
July 1 through August 20, 2024

	Jul 1 - Aug 20, 24	Budget	\$ Over Budget	% of Budget
6043-00 · Taxes and licenses	0.00	1,000.00	-1,000.00	0.0%
6047-00 · Consulting	0.00	10,000.00	-10,000.00	0.0%
6050-00 · Permits, licenses & other fees	0.00	3,000.00	-3,000.00	0.0%
6051-01 · Pump station repair & mainten	0.00	30,000.00	-30,000.00	0.0%
6220-00 · Security Expense	340.00	6,000.00	-5,660.00	5.7%
6225-00 · Solar Array Project Expenses	3,137.83	25,000.00	-21,862.17	12.6%
6227-00 · Aerial Veg Control Expense	0.00	25,000.00	-25,000.00	0.0%
6230-00 · Website expense	0.00	400.00	-400.00	0.0%
Total 6000-00 · GENERAL AND ADMINISTRATIVE	79,867.97	747,007.22	-667,139.25	10.7%
Total Expense	79,867.97	747,007.22	-667,139.25	10.7%
Net Income	802,360.63	0.00	802,360.63	100.0%

Reclamation District 1601
General and Administrative Coverage Ratio
July 1, 2024 through August 20, 2024

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

Routine Levee Maintenance	6,231.07
Subvention Wages	<u>3,888.32</u>
Subvention Expenses	<u>10,119.39</u>
X 35%	<u><u>3,541.79</u></u>
G & A Expenses	78,926.88
35 % of Subvention Expenses	<u>3,541.79</u>
Total Non Reimbursable	<u>82,468.67</u>
Total G & A Income	882,228.60
Less State Assistance Income	-
Less Non Reimbursable Expenses	<u>(82,468.67)</u>
G & A Income	<u><u>799,759.93</u></u>