



PUBLIC NOTICE
Special Meeting of the:
Honey Lake Valley Resource Conservation District
Attachments available 10/26/18 at www.honeylakevalleyrcd.org

Date: Tuesday, October 30, 2018

Location: **USDA Service Center**
170 Russell Avenue, Suite C
Susanville, Ca. 96130
(530) 257-7271 x100

Time: **5:30 PM**

AGENDA

NOTE: THE HONEY LAKE VALLEY RESOURCE CONSERVATION DISTRICT MAY ADVISE ACTION ON ANY OF THE AGENDA ITEMS SHOWN BELOW.

NOTE: IF YOU NEED A DISABILITY-RELATED MODIFICATION OR ACCOMODATION, INCLUDING AUXILIARY AIDS OR SERVICES, TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT THE DISTRICT OFFICE AT THE TELEPHONE NUMBER AND ADDRESS LISTED ABOVE AT LEAST A DAY BEFORE THE MEETING.

I. CALL TO ORDER. PLEDGE OF ALLEGIANCE. ROLL CALL

II. APPROVAL OF AGENDA

Tie to the Strategic Plan: Strategic Issue 1 – Build HLVRCD leadership & organizational capacity.

III. PUBLIC COMMENT

Per RCD Board Policy No. 5030.4.1, during this portion of the meeting any member of the public is permitted to make a brief statement, express his/her viewpoint, or ask a question regarding matters related to the District. Five (5) minutes may be allotted to each speaker and a maximum of twenty (20) minutes to each subject matter.

IV. CONSENT ITEMS

- A. Approval of 9/25/18 and 10/8/18 special meeting minutes (attachment)
- B. Treasurer's Report (attachment)
- C. Correspondence

Tie to the Strategic Plan: Strategic Issue 1 – Build HLVRCD leadership & organizational capacity.

V. REPORTS

- A. District Manager Report (attachment) – Sims
- B. NRCS Agency Reports – Vacant
- C. Lassen SWAT – Sims/Tippin

- D. WAC Report – Langston
- E. Modoc Regional RCD/CARCD Report – Tippin
- F. Fire Safe Council Report – Johnson
- G. IRWMP Report – Claypool
- H. Unagendized reports by board members

Tie to the Strategic Plan: Strategic Issue 1 – Build HLVRCD leadership & organizational capacity.

VI. ITEMS FOR BOARD ACTION AND/OR DISCUSSION – RCD

- A. Consideration and approval to donate \$500 to the Conservation Strategy Group (attachment)

Tie to the Strategic Plan: Strategic Issue 1 – Build HLVRCD leadership & organizational capacity & 2 – Stay Relevant to the Conservation Needs of the Community & 3 – Capture Conservation Opportunities, as Appropriate.

- B. Consideration and approval of CARCD resolutions for the 2018 Annual Business Meeting (attachment)

Tie to the Strategic Plan: Strategic Issue 1 – Build HLVRCD leadership & organizational capacity.

- C. 1st reading of 2019 RCD Calendar (attachment)

Tie to the Strategic Plan: Strategic Issue 1 – Build HLVRCD leadership & organizational capacity.

- D. Employee Benefits Update (attachment)

Tie to the Strategic Plan: Strategic Issue 1 – Build HLVRCD leadership & organizational capacity.

- E. Consideration and approval of Auditing Services (attachment)

Tie to the Strategic Plan: Strategic Issue 1 – Build HLVRCD leadership & organizational capacity.

- F. Consideration and approval of FYE17 Audit (attachment)

Tie to the Strategic Plan: Strategic Issue 1 – Build HLVRCD leadership & organizational capacity.

- G. Discussion regarding appointing a representative for the BLM Resource Advisory Committee

Tie to the Strategic Plan: Strategic Issue 1 – Build HLVRCD leadership & organizational capacity & 2 – Stay Relevant to the Conservation Needs of the Community & 3 – Capture Conservation Opportunities, as Appropriate.

- H. Consideration and approval to pay sponsorship dues of \$50 to the North Cal-Neva Resource Conservation and Development Council, Inc. (attachment)

Tie to the Strategic Plan: Strategic Issue 1 – Build HLVRCD leadership & organizational capacity & 2 – Stay Relevant to the Conservation Needs of the Community

- I. Consideration and Approval to become a CSDA Lassen Chapter Member

Tie to the Strategic Plan: Strategic Issue 1 – Build HLVRCD leadership & organizational capacity & 2 – Stay Relevant to the Conservation Needs of the Community & 3 – Capture Conservation Opportunities, as Appropriate.

VII. RECESS OF RCD PORTION OF MEETING

VIII. ITEMS FOR BOARD ACTION AND/OR DISCUSSION– WATERMASTER

- A. Consideration and approval of Lozano Smith, LLP invoice 2064422 and 2064423 for \$3,480.00 (attachment)

Tie to the Strategic Plan: Strategic Issue 1.4 – Watermaster services are professional provided.

- B. 1st reading of 2017/18 SRWSA Annual use Report (attachment)

Tie to the Strategic Plan: Strategic Issue 1.4 – Watermaster services are professional provided.

IX. RECESS OF WATERMASTER PORTION OF MEETING

X. RECONVENE RCD PORTION OF MEETING

XI. ADJOURNMENT

The next Honey Lake Valley RCD meeting will be **November 28, 2018 at 5:30 PM - please note new time.**
The location is the USDA Service Center, 170 Russell Avenue, Suite C, Susanville, CA.

I certify that on Monday, October 26, 2018 agendas were posted as required by Government Code Section 54956 and any other applicable law.



Ian Sims
District Manager

HONEY LAKE VALLEY
RESOURCE CONSERVATION DISTRICT
www.honeylakevalleyrcd.org

SPECIAL MEETING MINUTES

Date: Tuesday, September 25, 2018

Location: USDA Service Center, 170 Russell Avenue, Suite C, Susanville, CA 96130

Present: Board: Jesse Claypool
Laurie Tippin
Dave Schroeder
Wayne Langston

Staff: Ian Sims

Attendees:

I. CALL TO ORDER, PLEDGE OF ALLEGIANCE, ROLL CALL

Board Chair Jesse Claypool called the meeting to order at 3:43 pm, pledge of allegiance was recited, and quorum was noted. Board Member William Johnson was absent.

II. APPROVAL OF AGENDA

Board Member Wayne Langston made a motion to approve the agenda, Board Member Dave Schroeder seconded, and the motion passed. All.

III. PUBLIC COMMENT

Per RCD Board Policy No. 5030.4.1, during this portion of the meeting any member of the public is permitted to make a brief statement, express his/her viewpoint, or ask a question regarding matters related to the District. Five (5) minutes may be allotted to each speaker and a maximum of twenty (20) minutes to each subject matter.

IV. CONSENT ITEMS

A. Approval of 8/31/18 special meeting minutes

B. Correspondence

Board directed to have the Treasurer's Report distilled into a one-page summary report and to have this detail included monthly within the agenda which was not specified in the minutes. In addition, item VIA title was amended to remedy a formatting error and include Laurie Tippin as primary CARCD appointment and William Johnson as the alternate. Laurie Tippin made a motion to approve the consent items, Dave Schroeder seconded, and the motion passed. All.

V. REPORTS

A. District Manager Report – Sims

(Please see September Agenda on HLVRCDC website)

B. NRCS Agency Report – Peitz

Susanville DC position should be filed by November, EQUIP debuting new online platform

C. Lassen SWAT – Tippin/Sims

F. WAC Report – Langston

Claypool suggested facilitating a Watermaster Advisory Committee workshop to review the Watermaster Complaint process and discuss potential options to improve the complaint form and review process. Also recommend was sending Mitch to a side by side training class.

G. Modoc Regional RCD/CARCD Report – Tippin

Tentative meeting 10/24

H. Fire Safe Council Report – Johnson

I. IRWMP Report – Claypool

J. Unagendized Reports by Board Members

Laurie Tippin made a note to staff to bring back the monthly email reminders prompting Board members of requested agenda items prior to agenda posting.

VI. ITEMS FOR BOARD ACTION AND/OR DISCUSSION – RCD

A. Discussion regarding employee benefits (attachment) - Sims.

This discussion will continue with additional outreach to staff and District's payroll operator to identify best benefit options.

B. Consideration and approval of amended RCD Board Meeting schedule for remainder of 2018 – Sims

The RCD Board Meeting schedule will be amended for the rest of the calendar year as various scheduling conflicts have arisen. October's Board meeting will be dependent on the availability of the District's auditor in order to facilitate the approval of the FYE17 audit. November/December's Board meeting will be combined around the holidays and the rescheduled date is to be determined.

VII. RECESS OF RCD PORTION OF MEETING

Per Government Code 54952.3, the RCD portion of the meeting was recessed in order for the WM Board to convene.

VIII. ITEMS FOR BOARD ACTION AND/OR DISCUSSION - WATERMASTER

A. Consideration and approval of Lozano Smith, LLP invoice 2062190 and 2062191 for \$1,075.20

Wayne Langston made a motion to approve item VIIIA, Dave Schroeder seconded, and motion passed. All.

IX. RECESS OF WM PORTION OF MEETING

X. RECONVENE RCD PORTION OF MEETING

XI. ADJOURNMENT

Laurie Tippin made a motion to adjourn the meeting, Dave Schroeder seconded, and the meeting was adjourned at 5:27 PM. All.

The next scheduled Honey Lake Valley RCD meeting is **Wednesday, October 24, 2018** at **5:30 pm** at the USDA Service Center, 170 Russell Avenue, Suite C, Susanville, CA 96130.

Respectfully submitted,



Ian Sims

District Manager

APPROVED: _____
Jesse Claypool, RCD Board Chairperson

DATE: October 24, 2018

HONEY LAKE VALLEY
RESOURCE CONSERVATION DISTRICT
www.honeylakevalleyrcd.org

SPECIAL MEETING MINUTES

Date: Monday, October 8, 2018

Location: USDA Service Center, 170 Russell Avenue, Suite C, Susanville, CA 96130

Present: Board: Jesse Claypool
William Johnson
Dave Schroeder
Wayne Langston

Staff: Ian Sims
Mitch Otto

Attendees: Jay Dow and Counsel
RCD Counsel
Members of the Watermaster Advisory Committee

I. CALL TO ORDER, PLEDGE OF ALLEGIANCE, ROLL CALL

Board Chair Jesse Claypool called the meeting to order at 10:05 am, pledge of allegiance was recited, and quorum was noted. Board Member Laurie Tippin was absent.

II. APPROVAL OF AGENDA

Board Member Dave Schroeder made a motion to approve the agenda, Board Member Wayne Langston seconded, and the motion passed. All.

III. PUBLIC COMMENT

No public comment.

IV. ITEMS FOR BOARD ACTION AND/OR DISCUSSION – RCD

A. MOTION TO OPEN PUBLIC HEARING ON JAY DOW COMPLAINT APPEAL FILED 7/31/18 (attachments) – Otto/Sims

Board Member William Johnson made a motion to open the public hearing at 10:15 am, Board Member Wayne Langston seconded and the motion passed. All. Please see attached, public hearing proceedings for details.

B. MOTION TO CLOSE PUBLIC HEARING ON JAY DOW COMPLAINT APPEAL FILED 7/31/18 – Otto/Sims

Board Member David Schroeder made a motion to close the public hearing at 10:45 am, Board Member William Johnson seconded and the motion passed. All. Dow and RCD counsel agreed to enter closed session for the Watermaster Board to deliberate and confirm decision in order to issue Dow a timely response. Watermaster Board entered closed session at 10:45 am.

C. CONSIDERATION AND APPROVAL TO UPHOLD, MODIFY, OR REVERSE WATERMASTER'S DECISION

Watermaster Board resumed open session at 10:55 am, Watermaster Board concluded unanimously to uphold the Watermaster's decision. The Watermaster Board will issue Jay Dow a written confirmation of the Board's decision within 10 days. Please see attached, public hearing proceedings for details.

XI. ADJOURNMENT

Board Member William Johnson made a motion to adjourn the meeting, Dave Schroeder seconded, and the meeting was adjourned at 11:00 AM. All.

The next scheduled Honey Lake Valley RCD meeting is **Wednesday, October 24, 2018** at **5:30 pm** at the USDA Service Center, 170 Russell Avenue, Suite C, Susanville, CA 96130.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ian Sims", written in a cursive style.

Ian Sims
District Manager

APPROVED: _____
Jesse Claypool, RCD Board Chairperson

DATE: **October 24, 2018**

BEFORE
THE WATERMASTER BOARD
OF THE HONEY LAKE VALLEY
RESOURCE CONSERVATION DISTRICT
STATE OF CALIFORNIA

In the Matter of) SUSAN RIVER WATERMASTER: JAY
) DOW APPEAL; OCTOBER 8, 2018
THE JUNE 6, 2018 APPEAL BY JAY DOW) HEARING
OF THE WATERMASTER'S APPLICATION)
OF THE 1940 DECREE, AS) A DECISION OF THE BOARD PURSUANT
SUBSEQUENTLY INTERPRETED) TO SECTION 6.6 OF ARTICLE IV OF THE
) RULES AND REGULATIONS OF THE
) HONEY LAKE VALLEY RESOURCE
) CONSERVATION DISTRICT
)
)
)

Hearing Date: October 8, 2018

Attending: Honey Lake Valley Resource Conservation District Board Members
Present: Board Chair, Jesse Claypool; Treasurer, Wayne Langston;
Director, David Schroeder; and Director, William Johnson

Jay Dow
Bradley J. Herrema, Brownstein Hyatt Farber Schreck, LLP

Ian Sims, District Manager
Mitch Otto, Deputy Watermaster
William P. Curley III, Lozano Smith

Location: USDA Service Center, 170 Russell Avenue, Suite C, Susanville, CA 96130

The appeal submitted by Jay Dow and the Dow-Bonomini Family 2013 Trust, as heard, pursuant to Section 6.6 of Article VI of the Susan River Watermaster Rules and Regulations ("SRWRR"). Based upon the following analysis and discussion, and all oral and written materials referenced or relied upon in the appeal hearing, which are hereby incorporated by reference, this Board denies the appeal of Mr. Dow.

WATERMASTER'S INTERPRETATION OF THE WATER RIGHTS OF THE PARTIES TO THE APPEAL.

Based on the public hearing that was held on October 8, 2018, at USDA Service Center, 170 Russell Avenue, Suite C, Susanville, CA 96130, and the oral and written testimony and evidence presented to the Board of Directors ("Board") for the Honey Lake Valley Resource Conservation District ("District") at that hearing, the Board finds that Ian Sims, District Manager, and Mitch Otto Deputy Watermaster, (hereinafter collectively referred to as "Watermaster"¹) acted well within

¹ SRWRR Article 1, Section 1.1(o) - "Watermaster" means the Honey Lake Valley Resource Conservation District, including the Watermaster Board, all Decisionmakers and its agents, employees, and designees.

their authority when they allowed the Lassen Irrigation Company (“LIC”) to simultaneously divert water under its Schedule 6 right, and to store water under its paragraph 50 right in April and May 2018. Nothing in the 1940 Decree, as interpreted by subsequent judicial consideration, expressly rejects or prohibits the administrative interpretation made in good faith by the Watermaster. Despite other interpretations being possible under the Decree, as interpreted, the simultaneous drawing down and recharging of the storage facilities, while it could be done in an “on-off” basis, is not prohibited under the Decree, as interpreted. Further, nothing expressly prohibits the simultaneous application of all available water rights held by a party to the Decree. Therefore, Mr. Dow’s suggested solution/relief that the LIC, under the supervision of the District, release into the Susan River an amount of water equal to what was diverted into Leavitt Lake in April and May of 2018, for use by Schedule 3, Schedule 5 priority 3, and Schedule 6 users, which is requested in Mr. Dow’s June 6, 2018 Complaint (“Complaint”), is hereby denied. The Board also finds that the Watermaster’s interpretation of LIC’s water rights is consistent with the 1940 Decree and the appellate court decision in *Dow v. Lassen Irrigation Co.* (2013) 216 Cal.App.3d 766.

BACKGROUND/FACTS

On May 7, 2018, Mr. Sims, sent a letter to Mr. Dow in response to Mr. Dow’s efforts to readdress *Dow v. Lassen* with the District. Mr. Sims asserted the District’s position that the rights granted to LIC in paragraph 21 may be exercised concurrently so that LIC can “... divert water into an otherwise full Lake Leavitt at the same time it is simultaneously releasing water from the reservoir for use by its shareholders. In such an instance, the water passing through the lake is water available to the LIC under its Schedule 6 right, which by the terms of paragraph 21 takes priority over Dow’s rights.” (Dow, at p. 790.) The letter also advised Mr. Dow about the proper procedures for filing a water rights dispute within the Susan River Watermaster Service Area (“SRWSA”). In response, Mr. Dow filed the Complaint with the District and alleged that the Watermaster permitted LIC to divert under its Schedule 6 right and store under its paragraph 50 rights under the 1949 Decree in April and May 2018. As a result, Mr. Dow further alleges that his Schedule 3, Schedule 5 priority 3, and Schedule 6 rights were violated.

GOVERNING LAW

A. The Initial 1940 Decree

A commitment by the District, as Watermaster, to faithfully and correctly administer the 1940 Decree, and specifically LIC’s rights under the Decree, as they may be interpreted and amended by the Lassen County Superior Court, or any other court or regulatory agency with jurisdiction.

B. Court Decisions Interpreting the Initial 1940 Decree

As set forth in the Court of Appeal’s decision in *Dow v. Lassen Irrigation Company*, and the subsequently entered Judgment in *J.J. Fleming v. J.B. Bennett*, Lassen County Superior Court Case No. 4573; October 1, 2014, this interpretation has currently been explained as:

"Specifically, notwithstanding the general provisions in paragraph 21 that the interrelated irrigation rights in Schedules 3, 4, 5, and 6 may be exercised only from March through October, and that during that period those irrigation rights are superior to any storage rights in the Decree, the [Lassen] Irrigation Company can either: (1) divert under its Schedule 6 right, at up to 36.65 cfs, or; (2) store up to the capacity of its reservoirs, estimated at 31,500 acre-feet, between March 1 and

July 1, when the flow of the Susan River is in excess of 20 cfs, immediately above Willow Creek and at all other times when the flow is in excess of 5 cfs."²

"Significantly, the exception in paragraph 21 pertaining to the [Lassen] Irrigation Company also specifies that the [Lassen] Irrigation Company's rights to divert and store water subject to the flow requirements immediately above Willow Creek are irrespective of and notwithstanding the allotments granted to users in said Schedule 3 and 6 and to users of third priority class in said Schedule 5. This provision is significant because essentially it gives the [Lassen] Irrigation Company's rights a different priority than they would otherwise have under the terms of the Decree."³

"What this means is that, provided the required flow immediately above Willow Creek is met, the exception in paragraph 21 pertaining to the Irrigation Company allows the Irrigation Company to exercise its rights to direct diversion under Schedule 6 or to storage under paragraph 50 irrespective of the allotments granted to all other users on the Susan River except for those with points of diversion above the confluence with Willow Creek. In essence, then, the Irrigation Company must leave enough water in the river: (1) to satisfy the users along the river from immediately below the McCoy Flat and Hog Flat Reservoirs, down to the confluence of the river with Willow Creek (*i.e.*, those users in the first and second priority classes in Schedule 5); and (2) to meet the minimum flow requirements immediately above Willow Creek. If it does so, then the Irrigation Company can divert up to 36.65 cfs for direct application to beneficial use (or for storage) under its Schedule 6 right, or it can store up to the capacity of its reservoirs, estimated at 31,500 acre-feet, under paragraph 50."⁴

ANALYSIS AND DISCUSSION

A. Jay Dow's Appeal Hearing Argument

During the hearing, Mr. Dow's counsel Bradley J. Herrema, reiterated the statements made by Mr. Dow in his Complaint, arguing that "[T]he Watermaster permitted Lassen Irrigation Co. (LIC) to concurrently divert under its Schedule 6 right and store under its paragraph 50 right in April and May 2018. This reduces the water that is available to my ranches pursuant to my water rights in Schedule 3, Schedule 5 priority 3, and Schedule 6."⁵ Mr. Herrema pointed out that all points of diversion are downstream of the confluence of the Susan River and Willow Creek and therefore below all of LIC's points of diversions.⁶

According to Mr. Herrema, the *Dow v. Lassen Irrigation Co.* appellate court decision interprets the 1940 Decree as allowing the LIC to either: (1) Divert (directly or to storage) pursuant to its Schedule 6 right; or, (2) Store pursuant to its Paragraph 50 right.⁷ It is therefore Mr. Dow's position that LIC may only exercise one right or the other. To support Mr. Dow's position, Mr. Herrema

² *Dow*, 216 Cal.App.3d at 785.

³ *Id.* at 788

⁴ *Id.* at 789.

⁵ Brownstein Hyatt Farver Schreck, LLP ("BHFS") Presentation Slide 6.

⁶ BHFS Presentation Slide 5.

⁷ BHFS Presentation Slide 8.

states that the appellate court defines “or” as “a choice between alternatives.”⁸ Mr. Herrema further asserted that “[W]hile both 2014 BB&K Memo and August 16, 2018, Lozano Smith memo state that rights may be concurrently exercised, this is not stated in either Decree or appellate court decision.”⁹

B. Watermaster’s Position

The Watermaster interprets the *Dow v. Lassen Irrigation Co.* appellate court decision as granting LIC the right to exercise all its rights, including: (1) divert up to 36.65 cfs for direct application to beneficial use (or for storage) under its Schedule 6 right; or (2) it can store up to the capacity of its reservoirs, estimated at 31,500 af, under Paragraph 50, provided the 20 cfs/5 cfs minimum flows above the confluence of Willow Creek and the Susan River are met.¹⁰ Mr. Herrema disagrees with the Watermaster’s interpretation of the language in the *Dow v. Lassen Irrigation Co.* decision, and interprets the language as meaning that the LIC may: (1) directly divert to beneficial use pursuant to Schedule 6 when releasing previously stored water for beneficial use; or (2) may divert to storage in reservoirs, pursuant to Schedule 6, when releasing previously stored water for beneficial use.

In *Dow v. Lassen*, the court found that paragraph 21 supports the interpretation that “as long as the minimum flows at Willow Creek are met, the Irrigation Company can either (1) divert under its Schedule 6 right, at up to 36.75 cfs, or (2) store up to the capacity of its reservoir, estimated at 31,500 acre-feet.” The court further found that LIC’s right to divert and store water subject to the flow requirements above Willow Creek are “irrespective of and notwithstanding the allotments granted to users in said Schedule 3 and 6 and to users of third priority class in said Schedule 5.”

The Court took it one step further and provided an example to illustrate LIC’s right to divert and store water:

“For example, as long as the minimum flow requirements immediately above Willow Creek are satisfied and the Irrigation Company leaves enough additional water in the river to satisfy the users on the river above the confluence with Willow Creek, the Irrigation Company can directly divert up to 36.65 cfs under its Schedule 6 right, irrespective of other users like Dow with rights under the third priority class in Schedule 5 and the first priority class in Schedule 6. This is true even if the Irrigation Company has already stored all the water it is entitled to store under paragraph 50 of the Decree. **That means there may be times when Dow is not receiving all of the water to which he is entitled under Schedules 5 and 6 but the Irrigation Company is able to divert water into an otherwise full Lake Leavitt at the same time it is simultaneously releasing water from the reservoir for use by its shareholders.** In such an instance, the water passing through the lake is water available to the Irrigation Company under its Schedule 6 right, which by the terms of paragraph 21, takes priority over Dow’s rights.”¹¹
[Emphasis added.]

⁸ *Dow*, 216 Cal.App.3d at 784; BHFS Presentation Slide 9.

⁹ BHFS Presentation Slide 9.

¹⁰ May 7, 2018 Letter from Ian Sims to Jay Dow.

¹¹ *Dow*, 216 Cal.App.3d at 789.

C. Board Concurrence with Watermaster's Position

The Board is unpersuaded by Mr. Herrema's interpretation of the *Dow v. Lassen Irrigation Co.* decision. Mr. Herrema failed to present sufficient evidence to overrule the Watermaster's interpretation of the *Dow v. Lassen Irrigation Co.* decision. In support of the Watermaster's position, William P. Curley III provided a clear example of how the appellate court in *Dow v. Lassen Irrigation Co.* interpreted the 1940 Decree as giving the LIC the right to "simultaneously" divert and store water. From the court's example, it is evident to the Board that, as long as water remains in the Susan River to satisfy the first and second priority classes in Schedule 5 and the 20 cfs flow requirement at Willow Creek, LIC can divert water to the extent of its Schedule 6 rights or its storage rights under the 1940 Decree. For the foregoing reasons, the Board concludes that the Watermaster's interpretation of LIC's water rights is consistent with the 1940 Decree and the appellate court decision in *Dow v. Lassen Irrigation Co.*

DECISION

The Board finds that the Watermaster's interpretation of LIC's water rights is consistent with the 1940 Decree and the appellate court decision in *Dow v. Lassen Irrigation Co.*, which grants LIC the right to simultaneously (1) divert under its Schedule 6 right, and (2) store up to the capacity of its reservoirs. Therefore, the Watermaster may continue to allow LIC to exercise its water rights consistent with this decision. Accordingly, Mr. Dow's appeal is denied and rejected. This decision is final for all proposes pursuant to the Susan River Watermaster Rules and Regulations.

HONEY LAKE VALLEY RESOURCE
CONSERVATION DISTRICT
170 RUSSELL AVE STE C
SUSANVILLE CA 96130

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Not for Profit Business Chkg

Account: XXXXXXXX2639

Account #	XXXXXXXX2639	Statement Dates	08-31-18 thru 09-30-18
Beginning Balance	45,283.66		
0 Deposits/Credits	0.00		
18 Checks/Debits	18,577.70		
Service Charge	0.00		
Interest Paid	0.00		
Ending Balance	26,705.96		

Transactions

Date	Description	Amount
9-04	POS Pur 7410 Singleton Singleton Auman Pc 530-2571040 CA	180.00 -
9-04	POS Pur 2581 Google *Gs Google *Gsuite_hone Cc@google.com CA	45.00 -
9-04	Rec POS 2581 Intuit *Qb Intuit *Qb Online 800-286-6800 CA	35.00 -
9-05	POS Pur 7410 Amazon.com Amazon.com Seattle WA	87.45 -
9-06	POS Pur 7410 Cts*Fronti Cts*Frontier Online 800-921-8101 Ct	83.01 -
9-10	POS Pur 7410 Southwes Southwes 5261485 800-435-9792 TX	238.96 -
9-10	POS Pur 7410 Uscc Call Uscc Call Center 888-944-9400 IL	111.60 -
9-13	POS Pur 7410 California California Associat 916-4577904 CA	385.00 -
9-13	POS Pur 7410 California California Associat 916-4577904 CA	345.00 -
9-28	Rec POS 2581 Adobe *Acr Adobe *Acropro Subs 800-833-6687 CA	14.99 -
9-28	POS Pur 7410 The Ups St 550 W. Plumb Lane Reno Nv	9.63 -

Checks

Check #	Date	Amount	Check #	Date	Amount	Check #	Date	Amount
2943	9-18	347.39	2946	9-12	699.00	2949	9-26	440.00
2944	9-19	10,000.00	2947	9-26	90.00			
2945	9-11	5,228.71	2948	9-26	236.96			

* Indicates a Gap in Check Number Sequence

End of Statement

HONEY LAKE VALLEY RESOURCE
CONSERVATION DISTRICT
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Not for Profit Business Chkg

Account: XXXXXXXX4218

Account #	XXXXXXXX4218	Statement Dates	08-31-18 thru 09-30-18
Beginning Balance	139,143.98		
2 Deposits/Credits	5,240.54		
13 Checks/Debits	20,202.52		
Service Charge	0.00		
Interest Paid	0.00		
Ending Balance	124,182.00		

Transactions

<u>Date</u>	<u>Description</u>	<u>Amount</u>
9-04	POS Pur 2732 Cascade Wi Cascade Wireless LL Susanville CA	32.08 -
9-04	Intuit Payroll S Quickbooks Honey Lake Valley Reso	4,870.32 -
9-05	POS Rtn 2732 Cascade Wi Cascade Wireless LL Susanville CA	11.83
9-06	POS Pur 2732 Uscc Call Uscc Call Center 888-944-9400 IL	57.20 -
9-06	POS Pur 2732 Shell Oil Shell Oil 636512200 Standish CA	20.00 -
9-11	Deposit	5,228.71
9-14	Employment Devel Edd Eftpmt Honey Lake Valley Reso	37.80 -
9-14	Employment Devel Edd Eftpmt Honey Lake Valley Reso	685.08 -
9-14	Irs Usat taxpymt Honey Lake Valley Reso	3,339.56 -
9-18	Intuit Payroll S Quickbooks Honey Lake Valley Reso	6,286.68 -

Checks

<u>Check #</u>	<u>Date</u>	<u>Amount</u>	<u>Check #</u>	<u>Date</u>	<u>Amount</u>	<u>Check #</u>	<u>Date</u>	<u>Amount</u>
1723	9-18	900.00	1726*	9-12	699.00	1728	9-26	90.00
1724	9-19	226.80	1727	9-17	2,958.00			

* Indicates a Gap in Check Number Sequence

Continued on Next Page

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CONSERVATION DISTRICT
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Business PMMI

Account: XXXXXXXX5247

Account #	XXXXXXXX5247	Statement Dates	08-31-18 thru 09-30-18
Beginning Balance	33,819.92		
0 Deposits/Credits	0.00		
0 Checks/Debits	0.00		
Service Charge	0.00		
Interest Paid	2.87		
Ending Balance	33,822.79		

Transactions

<u>Date</u>	<u>Description</u>	<u>Amount</u>
9-28	Int Pmt Sys-Gen	2.87

Interest Summary

Interest Earned	8/31/18 thru 9/30/18
Days in Statement Period	31
Interest Earned	2.87
Annual Percentage Yield Earned	.10%
Interest Paid this Year	27.17
Interest Withheld this Year	0.00

End of Statement

HONEY LAKE VALLEY RCD
SNC-LCWRP
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Business MMI

Account: XXXXXXXX6331

Account #	XXXXXXXX6331	Statement Dates	09-01-18 thru 09-30-18
Beginning Balance	26,399.31		
0 Deposits/Credits	0.00		
0 Checks/Debits	0.00		
Service Charge	0.00		
Interest Paid	2.17		
Ending Balance	26,401.48		

Transactions

Date	Description	Amount
9-28	Int Pmt Sys-Gen	2.17

Interest Summary

Interest Earned	9/01/18 thru 9/30/18
Days in Statement Period	30
Interest Earned	2.17
Annual Percentage Yield Earned	.10%
Interest Paid this Year	19.73
Interest Withheld this Year	0.00

End of Statement

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Business MMI

Account: XXXXXXXX6331

Account #	XXXXXXXX6331	Statement Dates	08-01-18 thru 08-31-18
Beginning Balance	26,397.07		
0 Deposits/Credits	0.00		
0 Checks/Debits	0.00		
Service Charge	0.00		
Interest Paid	2.24		
Ending Balance	26,399.31		

Transactions

<u>Date</u>	<u>Description</u>	<u>Amount</u>
8-31	Int Pmt Sys-Gen	2.24

Interest Summary

Interest Earned	8/01/18 thru 8/31/18
Days in Statement Period	31
Interest Earned	2.24
Annual Percentage Yield Earned	.10%
Interest Paid this Year	17.56
Interest Withheld this Year	0.00

End of Statement

HONEY LAKE VALLEY RESOURCE
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Not for Profit Business Chkg

Account: XXXXXXXX2639

Account #	XXXXXXXX2639	Statement Dates	07-31-18 thru 08-30-18
Beginning Balance	32,547.13		
1 Deposits/Credits	13,868.55		
10 Checks/Debits	1,132.02		
Service Charge	0.00		
Interest Paid	0.00		
Ending Balance	45,283.66		

Transactions

Date	Description	Amount
8-02	POS Pur 2581 Google*Gsu Google*Gsuite Honey Cc Google.com CA	45.31 -
8-02	Rec POS 2581 Intuit *Qb Intuit *Qb Online 800-286-6800 CA	35.00 -
8-10	POS Pur 2581 Lozano Smi Lozano Smith Llp 559-431-5600 CA	464.00 -
8-14	POS Pur 2581 Ucd Ag & N Ucd Ag & Natural Rs 530-750-1211 CA	25.00 -
8-28	Deposit	13,868.55
8-28	Rec POS 2581 Adobe *Acr Adobe *Acropro Subs 800-833-6687 CA	14.99 -

Checks

Check #	Date	Amount	Check #	Date	Amount	Check #	Date	Amount
2936	8-07	233.50	2940	8-14	35.99	2942	8-17	11.14
2939*	8-30	206.40	2941	8-08	60.69			

* Indicates a Gap in Check Number Sequence

Continued on Next Page

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Not for Profit Business Chkg

Account: XXXXXXXX4218

Account #	XXXXXXXX4218	Statement Dates	07-31-18 thru 08-30-18
Beginning Balance	154,531.73		
1 Deposits/Credits	172.72		
10 Checks/Debits	15,560.47		
Service Charge	0.00		
Interest Paid	0.00		
Ending Balance	139,143.98		

Transactions

Date	Description	Amount
8-07	Intuit Payroll S Quickbooks Honey Lake Valley Reso	4,870.32 -
8-15	Employment Devel Edd Eftpmt Honey Lake Valley Reso	37.80 -
8-15	Employment Devel Edd Eftpmt Honey Lake Valley Reso	708.78 -
8-15	Irs Usatapytmt Honey Lake Valley Reso	3,520.26 -
8-21	Intuit Payroll S Quickbooks Honey Lake Valley Reso	4,870.32 -
8-28	Deposit	172.72
8-30	POS Pur 2732 Amazon.com Amazon.com Seattle WA	653.52 -

Checks

Check #	Date	Amount	Check #	Date	Amount	Check #	Date	Amount
1717	8-07	233.49	1721	8-14	35.99			
1720*	8-14	576.69	1722	8-15	53.30			

* Indicates a Gap in Check Number Sequence

Continued on Next Page

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Business PMMI

Account: XXXXXXXX5247

Account #	XXXXXXXX5247	Statement Dates	07-31-18 thru 08-30-18
Beginning Balance	33,817.05		
0 Deposits/Credits	0.00		
0 Checks/Debits	0.00		
Service Charge	0.00		
Interest Paid	2.87		
Ending Balance	33,819.92		

Transactions

<u>Date</u>	<u>Description</u>	<u>Amount</u>
8-30	Int Pmt Sys-Gen	2.87

Interest Summary

Interest Earned	7/31/18 thru 8/30/18
Days in Statement Period	31
Interest Earned	2.87
Annual Percentage Yield Earned	.10%
Interest Paid this Year	24.30
Interest Withheld this Year	0.00

End of Statement

Honey Lake Valley RCD District Manager Report

Ian Sims – District Manager

October 30, 2018

RCD Administration:

- Auditing Services RFP has closed, one response received
- CalTrans Adopt-A-Highway cleanup day for the spring
- Singleton-Auman currently reconciling QuickBooks to ensure correct reconciliation and proper balancing moving forward
- Met with Edward Jones Investments regarding employee benefits
- CSDA Local Chapter Meeting

Susan River Water Master Service

- October WAC meeting 10/8/18, next meeting November 8th
- Draft 2018 SRWSA Annual Use Report final
- Dow Public Hearing occurred 10/8/18 at 10am

DWR: Lahontan Basin IRWM (DACI Grant)

- MHI survey in Lassen Irrigation Company service area
- Lahontan Basin IRWM plan updated to Prop. 1 planning standards pending RWMG review and DWR submittal
- DACI Outreach contacts collected, met with Modoc County, Modoc Watermaster Service, Modoc NRCS this month
- Draft Project Solicitation Package (PSP) for Prop. 1 Implementation funds out now
- Sierra Water Workgroup DACI Conference Nov. 8-9
- Submitted 3rd invoice, pending payment for 2nd

DOC: RCD Accreditation Program

- 4th invoice submitted
- Pending payment for 3rd invoice

SWRCB: Storm Water Resource Planning Grant

- All project closeout documents submitted, waiting for final review from SWRCB and release of retention payment to close out contract with Dyer Engineering Consultants

SNC: Lassen Creek Watershed

- Update with Phil Nemir regarding mechanical operators in November

CalRecycle: Farm and Ranch Solid Waste Cleanup and Abatement Grant

- Bertotti project being drafted for submission before Nov. 9th

Special Weed Action Team

- Developing Strategic Plan

Plans for Next Month:

- Continue work on open grants/agreements: SNC, SWRP, DOC, CalRecycle, DACI
- CARCD and DACI conferences

WHO IS THE CONSERVATION STRATEGY GROUP (CSG)?

The Conservation Strategy Group is a consulting and advocacy firm based in Sacramento, primarily assisting environmental organizations, land trusts, and public agencies. CSG specializes in environmental and natural resources strategy and advocacy through performance of the following:

- Policy development, research, and strategic plan development and coalition building
- Legislative and administrative lobbying
- Strategic alliances with firms specializing in resources law, public opinion polling, campaign strategy and media and public relations used in service of client needs

WHAT DOES CSG DO FOR YOUR DISTRICT?

Bring in funding both directly to RCDs (through DOC) and through grant programs to our partners like the conservancies, CALFIRE, DFW, DWR and others; make agency partners aware of RCDs to bring in contracts and make it easier for you to do your work; and solve problems that keep you from being able to do your job.

WHAT HAS CSG DONE FOR RCDs IN THE PAST 5.5 YEARS?

- **Department of Conservation RCD Assistance Program:** CSG was instrumental in getting \$2.5 million to the DOC budget for capacity building funding. 11 RCDs received \$10,000-\$15,000 for “bootstrap RCDs” and 48 of RCDs received about \$46,000 as part of the REV program.
- **Increasing visibility and understanding of RCDs:**
 - CSG, along with CARCD and individual RCDs, continues to meet with CALFIRE, Department of Fish and Wildlife, and Wildlife Conservation Board, among others, to build up relationships and legitimize the work of the RCDs to help secure future grant funding from these agencies.
 - CSG has organized meetings for RCDs with members of the Legislature to discuss the importance of funding for Healthy Soils, Forest Health and other key programs and how RCDs fit in to the overall state conservation/natural resources protection framework.
 - Creating opportunities by raising awareness in our partners.
- **2017 State Responsibility Area (SRA) Funds:** This year, the Governor’s budget includes \$10 million from SRA fees for “forest health” grants. CSG worked with the Legislature to encourage appropriation of those funds.
- **2018 Major initiatives on forest health** including allowing advanced funding for CALFIRE grant programs, restoration and fire prevention grants, and research for forest health efforts. Most importantly raised the profile of the really critical role that RCDs play in forest health and fire prevention.
- **CSG worked with the legislature this year to obtain \$5 million for work to stop the spread of shot hole borers and \$2 million for Weed Management Areas.**
- **Monitor and Report on funding** opportunities for RCDs including, but not limited to:

- Wildlife Conservation Board: In Stream Flows Program (\$200 m)
- Department of Fish and Wildlife: Watershed Restoration Program (\$285m)
- Coastal Conservancy, Sierra Nevada Conservancy, and other conservancies
- CalFire: SRA, Healthy Forests, Urban Forestry
- Natural Resources Agency: Urban Streams Program

WHAT IS CSG WORKING ON FOR RCDs RIGHT NOW AND IN THE FUTURE?

- **Department of Conservation RCD Assistance Program:** Working to turn the one-time appropriation into ongoing funding for RCDs.
- **Cap and Trade:** CSG is advocating for a significant investment in natural resources including funding for the healthy soils program, the SALC program, healthy forests, and others that could benefit RCD priorities.
- **Parks Bond-** Were instrumental in getting the parks bond (Prop 68) passed which provides billions of dollars in funding for conservation. This bond includes specific funding to DOC for RCDs.
- **Prop 3 (Water Bond slated for November 2018 ballot)** – CSG wrote the language that is included in Prop 3 for RCDs (\$13 million) and the Watershed Coordinator Program (\$10 million). If passed, CSG will work to help get the funding to RCDs.
- **Wildlife Conservation Board** – CSG worked with the Legislature to create a \$3 million pollinators program at WCB. CSG is working with WCB to ensure that RCDs are a big part of this program as it is developed.

WHAT IS NEEDED TO KEEP CSG WORKING ON BEHALF OF RCDs IN CALIFORNIA?

We want to thank all the RCDs who have donated their hard earned funds to the CSG effort. It has truly been appreciated! Over the past 5.5 years we have generously received over \$216,000 in donations from 36 individual RCDs and 4 regional efforts. The average donation has been around \$2,000. However, **CARCD has contributed over \$46,000 of our own budget.**

If we do not receive enough RCD contributions this year to cover our contract, **we will have to put our work with CSG on hold** – which would be a very difficult decision to make after building so much forward momentum this past year.

CSG provides all of these services at a discounted rate to CARCD. Most of their clients pay at least \$60,000 a year or more. **Our contract with CSG is \$48,000 per year-** that works out to a yearly contribution of about \$1,000 per RCD if we can get just half of the 98 RCDs to contribute!

Suggested Donations Amounts:

\$250/year – RCDs with an annual budget of less than \$50,000/year

\$1,000/year – RCDs with an annual budget around \$150,000/year

\$3,000/year – RCDs with an annual budget of over \$500,000/year

MATCH CHALLENGE: The Inland Empire RCD has offered to **match \$20,000** toward CARCD operations this year to free up space in their budget for them to fund CSG work on behalf of Districts. So please consider a donation of **any amount** and that amount will be matched by Inland Empire RCD. **Every little bit helps!**



Ian Sims <isims@honeylakevalleyrcd.us>

Resolutions for Consideration at CARCD Annual Business Meeting

1 message

Karen Buhr <carcd@memberclicks-mail.net>

Thu, Sep 27, 2018 at 1:14 PM

Reply-To: karen-buhr@carcd.org

To: isims@honeylakevalleyrcd.us



CALIFORNIA ASSOCIATION OF
RESOURCE
CONSERVATION DISTRICTS

Dear RCD Members,

CARCD is very appreciative of all the hard work the RCD community has engaged in as it strives towards the goal of being visible, relevant and excellent!! We have all rolled up our sleeves and the results of that effort are being realized and becoming more apparent every day. As a network we are getting stronger and more able to reach our goals. In order to be able to meet the growing needs you have, CARCD has also been working hard to strengthen its ability to support you.

As a small part of this effort, the CARCD Board is proposing that the CARCD membership approve five resolutions at the 2018 Annual Business Meeting. These proposed resolutions have been developed following a facilitated effort lead by Solid Ground to address opportunities for strategic development. Solid Ground is the same consulting firm that has been supplied to many RCDs to guide internal improvements and collaboration. CARCD is dedicated to improving communication at all levels and strengthening both its leadership and fiscal position. We feel the proposed resolutions will be a strong step in the right direction.

As part of this strategic development process we have reviewed where we were a few years ago, where we are today and where we want to be as an organization so that the RCDs can depend on us to represent them. We recognize some challenges we face and the need for organizational changes that help further our RCD network including:

1. Recognizing that CARCD can better tap into the important strengths RCD board members and management staff have.
2. While many CARCD regions are operating very effectively, others are struggling.
3. While CARCD has been successful in tapping some new funding source (Bechtel Grants, one-time state funding to support RCD development efforts among others) we believe that many more opportunities exist by better engaging our many stakeholders. Stakeholders may also provide expertise about operations of a non-profit organization (yes CARCD is a non-

profit) that our current Board members lack. Having the ability to bring a few of our stakeholders into CARCD would open many opportunities.

4. CARCD communication strategies need to be better developed.
5. CARCD has difficulty recruiting and retaining board members.
6. The dues structure does not adequately cover CARCD's needs including funding our lobbyists who have done incredible work to support our network.

As a board, we are attempting to address some of these challenges. We decided that addressing all of these challenges at once was not achievable. Instead, we focused on the first 5 key elements that we thought were obtainable, effective and of the highest priority. They were selected to make a shift in the right direction. The following is a summary of and rationale for the five proposed resolutions. They attempt to address the challenges with engagement, recruiting board members, and bringing a broader knowledge set to the CARCD staff and board.

The purpose of these resolutions is to correct some of the challenges that keep the board from fully functioning to represent and support RCDs. They are intended to be a starting point. We encourage and hope for further discussion around CARCD's critical issues and hope that you will be part of our evolution and growth. Please be engaged with us! We are here to represent you and want to hear your opinions on these resolutions and the future growth and evolution of CARCD and would love to have you participate in our future.

If you have not done so, please submit a delegate credential which gives dues-paying RCDs the ability to vote at our business meeting on November 17th. The delegate credential submission form, as well as resolutions can be found on the [conference announcements page](#).

Thank you,

Karen

[Resolution No. 18-01 \(pdf link\)](#)

Summary: This resolution would allow CARCD to add up to three stakeholders to the CARCD Board.

Rationale: Having members who are not affiliated with RCDs could broaden the expertise of the CARCD Board, open up funding and create opportunities for RCDs. It also strengthens partnerships and builds advocates for RCDs by bringing partners into "the family". The non-RCD members would not be a voting majority and thus would not give up RCD control of CARCD. We feel that the benefits far outweigh any risks.

[Resolution No. 18-02 \(pdf link\)](#)

Summary: This resolution would create three new seats on the CARCD Board to be filled by RCD District Managers/Executive Directors elected at large by their peers.

Rationale: Over the last year the CARCD Board has had the opportunity to hear from a few RCD District Managers/Executive Directors during our Board meetings. We have found their input to be very useful for us to fully understand the day-to-day workings of RCDs. By providing a seat on the CARCD Board, we can ensure to have their input going forward. It also allows RCD staff to vote for their own leadership building engagement, participation and advocacy. Some may argue that this gives too much authority to RCD staff in running CARCD. Three seats held by RCD staff would constitute a small percentage of CARCD Board Members.

[Resolution No. 18-03 \(pdf link\)](#)

Summary: This resolution would allow RCD District Managers/Executive Directors to serve as Regional Chairs or Vice-Chairs if no RCD Director was willing to serve in this capacity.

Rationale: As described above, a few CARCD regions are not functioning, mainly due to lack of willingness of any RCD Director to assume the position of Regional Chair. In fact, two regional chair

positions are currently vacant with no prospects to fill those seats. This would provide an opportunity for the Region to function by allowing a manager of an RCD to assume the Chair position if it is vacated by all of the directors in the region. Some might argue that providing this alternative to having an RCD Director be the Regional Chair will lead to more Directors opting out of assuming this position thereby moving towards a scenario of the Regions being run by RCD staff. While this is always a possibility, RCD Directors can avoid this by stepping up.

[Resolution No. 18-04 \(pdf link\)](#)

Summary: This resolution would provide a seat on the CARCD Board for the CARCD Executive Director.

Rationale: Many non-profits allow their executive director to be on the Board. We put a lot of responsibility on our Executive Director and she represents us in discussions with many agencies and stakeholders. She is also able to bring unique insight of the day to day operations and other expertise that no other board members possess. This resolution would provide additional stature to the CARCD Executive Director position both in working with the CARCD Board, with RCDs and with stakeholders.

[Resolution No. 18-05 \(pdf link\)](#)

Summary: This resolution would substitute three RCD Directors elected at-large for the current ten Regional Chairs serving on the CARCD Board.

Rationale: Being a Regional Chair and serving on the CARCD Board is a large responsibility and can put an added burden on some RCD Directors. It may be a factor in deciding not to take on a Regional Chair position. This resolution is expected to make it easier to get a full board of directors and more diverse members that may not have as much time to devote to the position but would still be valuable members. While this resolution would not preclude a Regional Chair from being elected as a CARCD Board Member, it would remove the automatic requirement that Regional Chairs will serve as CARCD Board Members. The con for this resolution is that it would reduce the RCD representation on the CARCD Board.



**California Association of
Resource Conservation Districts**

*Your partner in local conservation and
sustainable agriculture*

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This email was sent to isims@honeylakevalleyrcd.us by karen-buhr@carcd.org

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Resolution No. 18-01

A Resolution for the updating of the California Association of Resource Conservation Districts Bylaws to allow a limited number of strategic partners to serve on the board of directors

WHEREAS, current approved Bylaws for the California Association of Resource Conservation District (CARCD) were amended and approved in 2017; and

WHEREAS, Article VI of the CARCD Bylaws specify that the CARCD board of directors be comprised of a president, vice-president, secretary/treasurer, NACD representative and the chairs of the 10 CARCD regions; and

WHEREAS, Article VI of the CARCD bylaws also specify that the immediate Past President and the President of the California Association of District Employees shall serve as ex-officio members of the board of directors; and

WHEREAS, the current makeup of the board of directors does not provide opportunities for CARCD to get policy input from strategic partners on improving the service it can provide to RCDs and landowners.

WHEREAS, the current makeup of the board of directors may limit opportunities for strategic partners to financially assist CARCD while also serving on the board of directors; and

WHEREAS, the CARCD board of directors agrees that a broader range of participation would be significantly beneficial for CARCD to get policy input and possible financial support: and

NOW, THEREFORE, BE IT RESOLVED, that the first paragraph of Article VI Board of Directors, Section 1 Membership, of the CARCD Bylaws be amended to read as follows:

The Board shall consist of the Regional Chairs from each of the Regions, the president, the Vice president, the Secretary-Treasurer, ~~and the NACD Board Member~~ and up to three members who are not affiliated with any RCD. The three non-affiliate members shall be appointed by the president and approved by the Board of Directors. Nothing in these Bylaws precludes an officer from serving as the NACD Board Member, however, if an officer is also the NACD Board Member, this Board Member shall have only one vote.

Additionally, if this resolution is approved by the General membership and other resolutions amending this same paragraph are also approved at the same meeting, the totality of the amendments shall be incorporated into the Bylaws as if they were all adopted as one resolution. If this resolution is adopted at the 2018 annual meeting, it shall become effective on January 1, 2019.



Resolution No. 18-02

A Resolution for the updating of the California Association of Resource Conservation Districts Bylaws to allow a limited number of RCD District Managers / Executive Directors to serve on the board of directors

WHEREAS, current approved Bylaws for the California Association of Resource Conservation District (CARCD) were amended and approved in 2017; and

WHEREAS, Article VI of the CARCD Bylaws specify that the CARCD board of directors be comprised of a president, vice-president, secretary/treasurer, NACD representative and the chairs of the 10 CARCD regions; and

WHEREAS, Article VI of the CARCD bylaws also specify that the immediate Past President and the President of the California Association of District Employees shall serve as ex-officio members of the board of directors; and

WHEREAS, the District Managers and Executive Directors of resource conservation districts are in a unique position to understand how CARCD policy and efforts can both assist and potentially hamper the resource conservation districts from serving their constituents; and

WHEREAS, the current makeup of the board of directors does not provide opportunities for CARCD to get input from District Managers / Executive Directors of resource conservation districts on improving the service it can provide to RCDs and landowners; and

WHEREAS, the CARCD board of directors agrees that a broader range of participation would be significantly beneficial to CARCD.

NOW, THEREFORE, BE IT RESOLVED, that the first paragraph of Article VI Board of Directors, Section 1 Membership, of the CARCD Bylaws be amended to read as follows:

The Board shall consist of the Regional Chairs from each of the Regions, the president, the Vice president, the Secretary-Treasurer, ~~and the NACD Board Member~~ and up to three members who are either District Managers or Executive Directors of resource conservation districts that are member districts. The three District Manager or Executive Directors members shall be nominated and elected by their peers representing member district at the annual meeting. Nothing in these Bylaws precludes an officer from serving as the NACD Board Member, however, if an officer is also the NACD Board Member, this Board Member shall have only one vote.

Additionally, if this resolution is approved by the General membership and other resolutions amending this same paragraph are also approved at the same meeting, the totality of the amendments shall be incorporated into the Bylaws as if they were all adopted as one resolution. If this resolution is adopted at the 2018 annual meeting it becomes effective at the 2019 annual meeting.



Resolution No. 18-03

A Resolution for the updating of the California Association of Resource Conservation Districts Bylaws to allow RCD District Managers / Executive Directors to serve as Regional Chairs / Regional Vice-Chairs

WHEREAS, current approved Bylaws for the California Association of Resource Conservation District (CARCD) were amended and approved in 2017; and

WHEREAS, Article I of the CARCD Bylaws specify that there be ten representative geographical regions; and

WHEREAS, Article V of the CARCD bylaws specify that Regions elect a Regional Chair and Vice Chair who must be directors of member districts; and

WHEREAS, in recent years Regions have had difficulty recruiting directors to serve as Regional Chairs and Regional Vice-Chairs; and

WHEREAS, it is more important to CARCD and resource conservation districts to have functioning Regions than to allow Regions to not function due to the inability to recruit directors of member resource conservation districts to serve as Regional Chairs and Regional Vice-Chairs; and

WHEREAS, if District Managers or Executive Directors of member resource conservation districts can serve as Regional Chairs or Regional Vice-Chairs of Regions, more Regions could be functional.

NOW, THEREFORE, BE IT RESOLVED, that the second paragraph of Article V Regions, Section 1, of the CARCD Bylaws be amended to add the following after the second sentence of the first paragraph:

In the event that no directors of member districts are willing to assume the position of Regional Chair or Regional Vice-Chair, then the Region may elect either a District Manager or Executive Director of resource conservation districts that are member districts to serve as Regional Chair or Regional Vice- Chair or both. A Regional Chair who is not a district director may serve on the CARCD board of directors but does not have a vote nor can they serve on the Executive Committee.

Additionally, if this resolution is approved by the General membership and other resolutions amending this same paragraph are also approved at the same meeting, the totality of the amendments shall be incorporated into the Bylaws as if they were all adopted as one resolution. This resolution change, if adopted at the 2018 annual meeting, becomes effective on January 1, 2019.



Resolution No. 18-04

A Resolution for the updating of the California Association of Resource Conservation Districts Bylaws to include the Association Executive Director on the board of directors

WHEREAS, current approved Bylaws for the California Association of Resource Conservation District (CARCD) were amended and approved in 2017; and

WHEREAS, Article VI of the CARCD Bylaws specify that the CARCD board of directors be comprised of a president, vice-president, secretary/treasurer, NACD representative and the chairs of the 10 CARCD regions; and

WHEREAS, Article VI of the CARCD bylaws also specify that the immediate Past President and the President of the California Association of District Employees shall serve as ex-officio members of the board of directors; and

WHEREAS, the CARCD Executive Director is the person responsible for implementing and directing the day-to-day operations of the CARCD and, as a result, has the most knowledge of the issues facing the CARCD and the effect of decisions of the CARCD board of directors; and

WHEREAS, while the CARCD Executive Director attends meeting of the board of directors and executive committee, the Executive Director is not a member of either the board of directors or executive committee; and

WHEREAS, in many similar organizations and corporations, the executive director has a seat on the board of directors and executive committee; and

WHEREAS, the CARCD board of directors and the executive committee believe the organization would benefit from having the input of the executive director as a peer rather than as a staff member.

NOW, THEREFORE, BE IT RESOLVED, that the first paragraph of Article VI Board of Directors, Section 1 Membership, of the CARCD Bylaws be amended to read as follows:

The Board shall consist of the Regional Chairs from each of the Regions, the president, the Vice president, the Secretary-Treasurer, ~~and the NACD Board Member~~ and the CARCD executive director. Nothing in these Bylaws precludes an officer from serving as the NACD Board Member, however, if an officer is also the NACD Board Member, this Board Member shall have only one vote.

NOW, THEREFORE, BE IT RESOLVED, that the following is added to Article VI Board of Directors, Section 2 Compensation, of the CARCD Bylaws as follows:

The CARCD executive director shall not receive any additional compensation in their role as a member of the CARCD board of directors; however, their compensation as executive director shall not be affected.

NOW, THEREFORE, BE IT RESOLVED, that the first sentence of Article VI Board of Directors, Section 5 Executive Committee, of the CARCD Bylaws shall be amended to read as follows:

There shall be an Executive Committee of the Board consisting of the President, Vice-President, Secretary-Treasurer, NACD Board Member, Immediate Past President ~~for the first year following election of a new President, and~~ two Regional Chairs elected by the Regional Chairs and the CARCD Executive Director.

NOW, THEREFORE, BE IT RESOLVED, if this resolution is approved by the General membership and other resolutions amending this same paragraph are also approved at the same meeting, the totality of the amendments shall be incorporated into the Bylaws as if they were all adopted as one resolution. If this resolution is adopted at the 2018 annual meeting is shall become effective on January 1, 2019.



Resolution No. 18-05

A Resolution for the updating of the California Association of Resource Conservation Districts Bylaws to eliminate the provisions that Regional Chairs serve on the board of directors and instead having three members-at large

WHEREAS, current approved Bylaws for the California Association of Resource Conservation District (CARCD) were amended and approved in 2017; and

WHEREAS, Article VI of the CARCD Bylaws specify that the CARCD board of directors be comprised of a president, vice-president, secretary/treasurer, NACD representative and the chairs of the 10 CARCD regions; and

WHEREAS, Article VI of the CARCD bylaws also specify that the immediate Past President and the President of the California Association of District Employees shall serve as ex-officio members of the board of directors; and

WHEREAS, the current makeup of the board of directors specifies that there be 13 members; and

WHEREAS, the board of directors would like to add members representing District Managers / Executive Directors from member districts and strategic partners; and

WHEREAS, doing this would create a board of directors of 18 members which becomes potentially unworkable due to its size; and

WHEREAS, in order to create opportunities to bring new voices to the board of directors while not creating an unworkable situation, it is necessary to review the need to have 10 Regional Chairs represented on the board of directors; and,

WHEREAS, the member districts would be adequately represented by having the four officers and three at-large representatives on the board of directors which would retain a majority of board of directors being directors of member districts.

NOW, THEREFORE, BE IT RESOLVED, that the first paragraph of Article VI Board of Directors, Section 1 Membership, of the CARCD Bylaws be amended to read as follows:

The Board shall consist of ~~the Regional Chairs from each of the Regions~~, the President, the Vice-President, the Secretary-Treasurer, and the NACD Board Member and three members who are directors of member districts. Nothing in these Bylaws precludes an officer from serving as the NACD Board Member, however, if an officer is also the NACD Board Member, this Board Member shall have only one vote. The three members who are directors from member districts shall be voted on by the full membership at the annual meeting. The nominating committee may nominate directors for these positions and nominations may be made from the floor during the meeting.

NOW, THEREFORE BE IT RESOLVED, all other references in the CARCD Bylaws to Regional Chairs serving on the board of directors are stricken.

NOW, THEREFORE BE IT RESOLVED, if this resolution is approved by the General membership and other resolutions amending this same paragraph are also approved at the same meeting, the totality of the amendments shall be incorporated into the Bylaws as if they were all adopted as one resolution. If this resolution is adopted at the 2018 annual meeting it shall become effective at the 2019 annual meeting.



HONEY LAKE VALLEY RESOURCE CONSERVATION DISTRICT

January 2019						
Su	M	Tu	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

January		
01/01/19 (Tue)	New Year's Day	Holiday
01/10/19 (Thu)	Organizational Meeting	WAC Meeting
01/21/19 (Mon)	Martin Luther King Day	Holiday
01/23/19 (Wed)	Organizational Meeting, Adopt Calendar, FYE19 Mid-Year Budget Review, WAC Appointments	RCD Meeting

February 2019						
Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28		

February		
02/18/19 (Mon)	President's Day	Holiday
02/27/19 (Wed)	FYE18 Audit, 1st Reading - Strategic/Annual Operations Plan (AOP) Review, FYE20 RCD/WM Budget Review	RCD Meeting

March 2019						
Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

March		
03/01/19 (Fri)	Irrigation Season Begins	Deadline
03/10/19 (Sun)	Daylight Savings (move clocks ahead 1 hour)	
03/14/19 (Thu)	FYE20 Budget Review, Direct Billing	WAC Meeting
03/27/19 (Wed)	1st Reading - FYE20 RCD/WM Budget, 2nd Reading - Strategic/AOP	RCD Meeting

April 2019						
Su	M	Tu	W	Th	F	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

April		
04/24/19 (Wed)	Adopt Strategic/AOP, 2nd Reading - FYE20 RCD/WM Budget HWY Cleanup Month	RCD Meeting

May 2019						
Su	M	Tu	W	Th	F	Sa
		1	2	3	4	
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

May		
05/01/19 (Wed)	Update WM Control Cards	Deadline
05/09/19 (Thu)		WAC Meeting
05/22/19 (Wed)	Budget Hearing - Approve FYE20 RCD/WM Budget, Initiate WM Assessment Apportionment	RCD Meeting
05/27/19 (Mon)	Memorial Day	Holiday

June 2019						
Su	M	Tu	W	Th	F	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

June		
06/15/19 (Sat)	Apportionment and Assessment Letters Due to Water Users	Deadline
06/27/19 (Thu)	Review RCD Board Appointments	RCD Meeting



HONEY LAKE VALLEY RESOURCE CONSERVATION DISTRICT

July 2019						
Su	M	Tu	W	Th	F	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

August 2019						
Su	M	Tu	W	Th	F	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

September 2019						
Su	M	Tu	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

October 2019						
Su	M	Tu	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

November 2019						
Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

December 2019						
Su	M	Tu	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

July		
07/04/19 (Thu)	Independence day	Holiday
07/11/19 (Thu)		WAC Meeting
07/24/19 (Wed)	Certify Apportionments to Auditor, Initiate FYE19 Audit	RCD Meeting

August		
08/10/19 (Sat)	Certified Apportionments due to Auditor	Deadline
08/28/19 (Wed)	DM Evaluation	RCD Meeting

September		
09/02/19 (Mon)	Labor Day	Holiday
09/12/19 (Thu)	Draft 2018/19 SRWSA Annual Use Report	WAC Meeting
09/25/19 (Wed)	1st Reading - 2018/19 SRWSA Annual Use Report, HWY Cleanup	RCD Meeting

October		
10/14/19 (Mon)	Indigenous Peoples Day	Holiday
10/23/19 (Wed)	2nd Reading - 2018/19 SRWSA Annual Use Report, 1st Reading - 2020 RCD Calendar	RCD Meeting
10/31/19 (Thu)	Irrigation Season Ends - Direct Billing	Deadline

November		
11/03/19 (Sun)	Daylight Savings (move clocks back 1 hour)	Holiday
11/11/19 (Mon)	Veterans Day	Holiday
11/14/19 (Thu)	Approve 2018/19 SRWSA Annual Use Report, WM Evaluation	WAC Meeting
11/28/19 (Thu)	Thanksgiving	Holiday
11/27/19 (Wed)	Approve 2018/19 SRWSA Annual Use Report (submit to Court pending approval), 2nd Reading - 2020 RCD Calendar	RCD Meeting

December		
12/25/19 (Wed)	Meeting status subject to change	RCD Meeting
12/25/19 (Wed)	Christmas Day	Holiday
12/31/19 (Tue)	SRWSA Annual Use Report submitted to Court	Deadline

403(b) Plans

A 403(b) plan is a salary deferral retirement savings plan available to employees of public schools or tax-exempt 501(c)(3) organizations.

These schools and organizations include:

- Elementary and secondary schools
- Colleges and universities
- Nonprofit hospitals and health care agencies
- Charities and religious organizations

Types of 403(b) Plans

Two types of plans are available:

ERISA – (Employee Retirement Income Security Act) – Most 501(c)(3) nonprofit organizations, with the exception of religious organizations and certain qualified church-controlled organizations, are subject to ERISA. They require annual IRS Form 5500 filings and are subject to ERISA nondiscrimination testing requirements, with the exception of the Average Deferral Percentage (ADP) test and the top-heavy test. ERISA 403(b) plans with 100 or more eligible employees also require an independent audit.

Non-ERISA – These plans are salary deferral agreements between individuals and plan providers. No IRS Form 5500 filing or discrimination testing is required. Only public education institutions, governmental nonprofit organizations and religious organizations can offer non-ERISA plans, as they are exempt from ERISA.

Features of 403(b) Plans			
Investment Options	You may invest assets in either annuities or mutual funds.		
2018 Contributions	Salary deferral limits are the lesser of 100% of compensation or \$18,500. Total employee and employer 403(b) contributions cannot exceed the lesser of 100% of your eligible compensation or \$55,000 (2017), unless you're older than 50; then your total contributions cannot exceed \$61,000 ¹ (2017).	Salary Deferral Limit	\$18,500*
		Catch-up Contribution	\$6,000*
		TOTAL	\$24,500*
Calculating Contributions	If you meet specific requirements, it is possible you may be eligible for additional 403(b) catch-up contributions.		
Catch-up Contributions	The 403(b) offers a \$6,000 catch-up contribution if you are age 50 or older in 2017. If you have 15 or more years of service at a qualified organization, you also may be eligible for an additional \$3,000 catch-up contribution. ² If you're age 50 or older, this could result in a total salary deferral of \$27,500 in 2018.		
Roth Contributions	If the employer allows, employees may choose to make pretax or after-tax (Roth) salary deferral contributions.		

¹ The compensation set aside for the pretax 403(b) is not included in the individual's gross income for the year. The 403(b) salary deferral amount is subject to Social Security taxes (FICA and Medicare), unless the individual is exempt from Social Security taxes.

² Qualified organizations include health care, education and religious.

*Indexed annually for cost of living

Features of 403(b) Plans

Distributions	<p>A distribution may be made if you meet one of the following conditions:</p> <ul style="list-style-type: none"> • Separation from service • Age 59½ • Death • Disability • Financial hardship (if the plan permits) • Plan termination • Qualified Domestic Relations Order (QDRO)
Penalties	<p>If you receive a distribution before age 59½, it is subject to a 10% early withdrawal penalty in addition to ordinary income tax, unless certain exceptions apply. If you separate from service the year you turn 55 or older, you can receive distributions directly from the plan and avoid the 10% penalty; however, a mandatory 20% withholding applies. You also will owe ordinary income taxes on the distribution.</p>
Penalty Exceptions	<p>The following are exempt from the 10% penalty when a distribution is made:</p> <ul style="list-style-type: none"> • Death • Disability • Separation from service in the year you turn age 55 or older • Substantial equal periodic payments • QDRO • Rollover to a traditional IRA <p>Once you are eligible for a distribution, you may make a direct rollover to a traditional IRA.</p>
Required Minimum Distributions	<p>Generally, required minimum distributions (RMDs) must begin at age 70½. However, the plan may state that you wait until the year when you turn age 70½ or the year you separate from service with the employer sponsoring your plan.</p> <p>There is an exception to this rule. If your pre-1987 account value has been separately tracked by the vendor, the account holder can delay RMDs until age 75 or the date you leave the employer sponsoring your plan. Contributions made and all earnings credited after Dec. 31, 1986, must begin no later than the year you turn age 70½ or the year you terminate employment with the employer sponsoring your plan.</p>
Rollovers	<p>You can roll 403(b) assets to an IRA if you meet a triggering event, such as separation from service. If you receive a distribution of 403(b) assets, you may avoid the 20% mandatory withholding and taxes by rolling the 403(b) directly to an IRA. If you receive the distribution directly, you can still roll it to an IRA by depositing it within 60 calendar days.</p>
Rollover Exemptions	<ul style="list-style-type: none"> • RMDs • Substantially equal periodic payments made during your life expectancy or the joint life expectancy of you and the designated beneficiary • Payments made during a period of 10 or more years • Hardship distributions • Loans that are considered distributions

Edward Jones, its employees and financial advisors cannot provide tax or legal advice. Please consult your attorney or qualified tax advisor regarding your situation.



Michael R Jones

Financial Advisor

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 Susanville, CA 96130
 530-257-0470

www.edwardjones.com

Member SIPC

Edward Jones[®]
 MAKING SENSE OF INVESTING

Simplified Employee Pension (SEP) Plans

Description

A Simplified Employee Pension (SEP) Plan is a type of business retirement plan that allows an employer to contribute tax-deductible dollars to the owner's and the employee's retirement account. SEP IRA plans are funded in a similar manner as a Profit Sharing plan, in the sense that each eligible employee generally gets the same percentage of their individual compensation amount, and that percentage is at the discretion of the owner(s) from year to year.

The SEP can be set up by any type of business, including a sole proprietor, partnership, limited liability company (LLC), corporation (S or C), non-profit organization and government entity.

Contributions

- Contributions to the accounts of eligible employer(s) and employee(s) are made entirely by the business.
- The contributions are a business tax deduction and grow tax deferred until distribution.
- The contribution limit is the lesser of 25 percent of compensation or \$54,000 (2017) and \$55,000 (2018).
- The compensation cap on which SEP contributions can be based is \$270,000 (2017) and \$275,000 (2018).
- Annual contributions to the plan are not mandatory, and may range from 0 to 25 percent.
- All contributions must be made in cash.

Eligibility

An employer can elect to exclude employees using multiple requirements. The employer can require the employee to:

- Attain age 21, and,
- Perform services during at least three of the immediately preceding five years (there is no number of hours requirement, and no distinction between full and part-time employees), and,
- Have current compensation of at least \$600 (2017/2018).
- The employer can exclude those employees covered by a collective bargaining agreement (generally union employees) whose retirement benefits were bargained for in good faith.
- The employer can also exclude nonresident alien employees who have received no U.S. source wages, salaries, or other personal services compensation from you.

The employer can reduce or eliminate these requirements if desired. Employers are subject to the same eligibility requirements as the employees.

Vesting

The SEP IRA does not offer a vesting schedule. All contributions are immediately 100 percent vested to the employee.

Deadlines

An existing employer has until their tax-filing deadline including extensions to establish and fund a SEP IRA.

Additional Information

- Low cost - The Simplified Employee Pension is an inexpensive business retirement plan.
- Requires no special IRS filing - Simplified Employee Pension Plans do not require the filing of IRS form 5500.

Edward Jones, its employees and financial advisors do not provide tax or legal advice. This information is believed to be reliable, but its accuracy and completeness are not guaranteed. It should be used for broadly informational purposes only. You should consult with your tax professional for advice about your specific situation.

SIMPLE IRA

Description

The SIMPLE (Savings Incentive Match Plan for Employees) IRA is a business sponsored retirement plan which allows employees to contribute to the plan through salary deferrals. The business is responsible to make contributions to the plan through a matching or non-elective contribution.

Suitability

This plan is suitable for sole proprietors, partnerships, non-profit organizations, government entities, and corporations who do not maintain, during any part of the calendar year, another qualified plan with respect to which contributions are made or benefits are accrued for service in the calendar year. The employer must have 100 or fewer employees who have earned at least \$5,000 in compensation for the prior year.

Contributions

The SIMPLE IRA is funded by both employee and employer contributions. An eligible employee is allowed to defer the lesser of 100 percent of their salary or the applicable deferral limit below

Year	Deferral Limit	Catch-up for Age 50 and up
2017	\$12,500	\$3,000
2018	\$12,500	\$3,000

The business is required to make one of the following mandatory contributions:

- A dollar for dollar match of the employee's deferral (if any) up to 3 percent of the employee's annual compensation (no compensation cap). The match can be reduced to as low as 1 percent for two years out of any five year period; or,
- A non-elective contribution of 2 percent of the employee's compensation (capped at \$270,000 for 2017 and \$275,000 for 2018) for eligible employees. It's given to employees who are eligible, whether or not they contribute.

Notes:

- Catch-up contributions apply to anyone who reaches age 50 (or over) during the calendar year.
- Contributions to the SIMPLE IRA are excludable from a participant's federal income tax and thus not subject to federal income tax withholding.
- Matching and non-elective contributions are a business tax deduction.
- Salary deferral contributions to a SIMPLE IRA are subject to FICA (Social Security and Medicare) and FUTA (federal unemployment) taxes, as well as taxes arising under the Railroad Retirement Act (RRTA).
- Matching and non-elective contributions to the employee's SIMPLE IRA are not subject to federal income tax withholding, FICA, FUTA, or RRTA taxes.
- All contributions must be made in cash.

Maximum Eligibility Requirements

Employers can restrict participation to employees who had at least \$5,000 compensation in any 2 previous years, and are reasonably expected to receive \$5,000 of compensation in the current year. The employer can also exclude employees covered by a collective bargaining agreement whose retirement benefits were bargained for in good faith, and nonresident alien employees who have received no U.S. source wages, salaries, or other personal services compensation.

Vesting

The SIMPLE IRA does not offer a vesting schedule, all contributions are 100 percent vested to the employee.

Deadlines

- An existing employer may establish a SIMPLE IRA plan effective on any date between January 1 and October 1, provided that the employer did not previously maintain a SIMPLE IRA. If an employer previously maintained a SIMPLE IRA, it may only establish a SIMPLE effective on January 1.
- Employee salary deferrals must be deposited as soon as administratively feasible, but no later than the 30th day following the month of deferral.
 - Note: The DOL has provided a safe harbor for the deposit of deferrals for small plans (less than 100 participants). If deferrals are deposited to the plan within 7 business days of receipt or withholding, they will be considered timely and meet the above deadline.
- Employer matching and non-elective contributions must be deposited by the business tax-filing deadline including extensions.
- The deadline to make changes to an existing SIMPLE, such as employee eligibility or matching contribution amounts, is November 2nd prior to the year for which the change(s) are to become effective.

Additional Information

Early Withdrawal Penalty - A 25 percent penalty applies to withdrawals taken during the first two-year period of participation (exceptions apply). After this period, a 10 percent penalty applies to early withdrawals (exceptions apply). The two-year period begins on the date of the first contribution.

This information is approved for use with the public

Edward Jones, its employees and financial advisors do not provide tax or legal advice. This information is believed to be reliable, but its accuracy and completeness are not guaranteed. It should be used for broadly informational purposes only. You should consult with your tax professional for advice about your specific situation.

PROFESSIONAL AUDIT SERVICES PROPOSAL
for
HONEY LAKE VALLEY RESOURCE CONSERVATION DISTRICT
Fiscal Year Ended June 30, 2018

Please Respond to:

LARRY BAIN, CPA
AN ACCOUNTING CORPORATION
2148 Frascati Drive
El Dorado Hills, CA 95762
Email: lpbain@sbcglobal.net
Ph: (916)601-8894 Fax: (916)941-8350

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LARRY BAIN, CPA

AN ACCOUNTING CORPORATION

2148 Frascati Drive, El Dorado Hills, CA 95762/ (916) 601-8894
lpbain@sbcglobal.net

Honey Lake Valley Resource Conservation District
170 Russell Ave, Suite C
Susanville, CA 96130

Dear Board of Directors

We are pleased to submit this proposal to audit Honey Lake Valley Resource Conservation District's (the "District") financial records for the fiscal year ending June 30, 2018. Our firm is committed to ensuring that the District benefits from high quality work from the initial planning phases of the audit to the issuance of the final report. We will provide guidance to District staff to improve internal controls, accounting practices, transparency and will complete your audit in a timely manner.

We understand financial reports are most useful when delivered on time. With anticipated cooperation from District's staff we are confident that we will meet your required deadlines. We are a firm that has a comprehensive understanding of your District's functions as a high percent of our audits are local government. The firm is properly licensed with the California Board of Accountancy and all the professional staff assigned to the engagement meet, the requirements to perform governmental audits. This proposal is a firm and irrevocable offer until 90 days from date of proposal.

As President of Larry Bain, CPA, An Accounting Corporation, I certify that I am entitled to represent the firm, empowered to submit the bid, and authorized to sign a contract with the District.

I appreciate the opportunity to demonstrate our qualifications and look forward to hearing from you.

Very truly yours,

Larry Bain, CPA
President
October 4, 2018

Proposal for Audit

October 4, 2018

EXECUTIVE SUMMARY

We will audit the financial statements of the government-type activities information and fiduciary activities, which comprise the basic financial statements of the District, as of June 30, 2018. Larry Bain, CPA is your engagement partner as well as supervisory partner. Susan Tang, MSA, is the alternate partner and is responsible for leading the day-to-day execution of the audit in Larry Bain's absence.

We will test internal controls over financial reporting in accordance with U.S. generally accepted audit standards, and issue a report on their considerations.

We may also provide a management letter, including comments on internal control weaknesses and suggestions for improvement, if deemed necessary. At the time of the audit, a letter will be sent to the Board of Directors including required information related to the audit.

As part of our engagement, we will apply certain limited procedures to the District's required supplementary information, in accordance with auditing standards generally accepted in the United States of America. The following required supplementary information is required by U.S. generally accepted accounting principles and will be subject to certain limited review procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Budget Comparison Information

To meet the requirements of this request for proposals, the audits shall be performed in accordance with United States generally accepted auditing standards including: the standards set forth for financial audits in the Governmental Accounting Standards Board (GASB); Audits of State, Local Governments, and Non-Profits Organizations; and the State of California Controller's Minimum Audit Requirements for California Special District. Any revisions of these standards must be followed.

The audits will include tests of accounting records and procedures we consider necessary to enable us to express such an opinion and to render the required reports. If our opinion on the financial statements or the report on internal controls and compliance opinion is other than unqualified, we will discuss the reasons with management in advance.

Although we will advise you regarding generally accepted accounting principles the financial statements are the responsibility of management. Our responsibility is to express an opinion on the financial statements based on our audit.

We believe in effective communication and your auditor, our President Larry Bain, CPA will be available to present and discuss the annual financial statements with your Board. Should any irregularities and illegal acts, or indications of illegal acts come to light we will immediately communicate in writing such findings to the District Manager and Board of Director.

Proposal for Audit

October 4, 2018

Our firm's policy is to retain all audit working papers for seven years, unless the firm is notified in writing by the District to extend the retention period. We will make working papers available to the District, parties designated by State and Federal Government and/or agencies thereof, and Auditor of entities in which District is a sub recipient of grant funds. In addition, we will respond to reasonable inquiries of the successor auditors and allow the successor auditors to review working papers relating to matters of continuing accounting significance.

It is our understanding that the District's Finance department staff will be available during interim and audit field work to assist the firm by providing access and direction to information, documentation, and be available for explanations of inquiries. It is also our understanding that the District's staff will provide clerical assistance for preparation of confirmation letters and other routine correspondence and the District will be responsible for the preparation of the Management Discussion and Analysis.

INDEPENDENCE

The firm of Larry Bain, CPA, An Accounting Corporation is independent with respect to their relationship with the District. The firm has not engaged in any professional relationships with the District, its agencies, component units, staff, or members of the Board for the past five years, thus free of any conflicts of interest and impairments to independence that could arise from such relationships. If any such professional relationships do occur, the firm will provide written notice of such relationships entered into during the period of this Agreement.

LICENSE TO PRACTICE

Larry Bain, CPA, An Accounting Corporation is a California licensed firm that is enrolled in one of the AICPA's practice monitoring programs. We are committed to periodic peer review as part of our membership in the program. The review concluded that Larry Bain, CPA, An Accounting Corporation does comply with the stringent quality control standards set by the AICPA. The review is administered by the California Society of Certified Public Accountants, in coordination with the AICPA.

Larry Bain, CPA, An Accounting Corporation has never been subject to any disciplinary action with state regulatory bodies or professional organizations. Larry Bain, CPA, An Accounting Corporation has also never had a federal or state desk review or field review of its audits.

EXPERIENCE OF THE FIRM

Our firm conducts over 50 governmental audits per year and all staff combined have over 75,000 hours of governmental audit experience. Our firm's partners have combined over 43 years of auditing experience. Our firm is devoted almost entirely to audits of local government agencies with resource conservation districts among the firm's cliental.

Proposal for Audit

October 4, 2018

REFERENCES

Larry Bain, CPA, An Accounting Corporation believes in strong customer service and client relations. We strongly encourage you to contact the following references listed as they can provide you with experience and service they have received from Larry Bain, CPA, An Accounting Corporation.

Napa County Resource Conservation District

Contact: Anna Mattinson, Office Manager
(707) 252-4219
1303 Jefferson St, Suite 500B
Napa, CA 95449

Tahoe Resource Conservation District

Contact: Nicole Cartwright, Executive Director
(530) 543-1501
870 Emerald Bay Road, Suite 108
South Lake Tahoe, CA 96150

Colusa County Resource Conservation District

Contact: Patti Turner, Executive Director
(530) 458-5131
100 Sunrise Blvd, Suite B
Colusa, CA 95932

City of Loyalton

Contact: Traci Smith, City Bookkeeper
(530) 993-6750
P.O. Box 128
Loyalton, CA 96118

Lake Shastina Community Services District

Contact: Debbie Nelle, Senior Accounting Clerk
(530) 938-3281
16320 Everhart Dr.
Weed, CA 96094

Over the last five years we have performed 45 to 50 special district audits annually including the following:

City of Ione	Rancho Murieta Community Service District
City of Angels Camp	Eastern Sierra Community Service District
City of Bishop	Los Molinos Community Services District
Calaveras Public Utility District	Saddle Creek Community Service District
San Andreas Sanitary District	Midway Heights County Water District
Bishop Rural Fire Protection District	Corning Water District
San Andreas Fire District	Florin County Water District
Altaville Fire District	Del Paso Water District
Copperopolis Fire Protection District	Jackson Valley Irrigation District
Monte Rio Fire District	Coast Life Support District

Proposal for Audit

October 4, 2018

QUALIFICATIONS OF FIRM

Larry Bain, CPA, an Accounting Corporation established in 2001, is firm located in El Dorado Hills, CA specializing government audits. Our audit staff include three full time employees, two independent contractors whom are CPAs and one part-time employee.

Partners:

Larry Bain – is a Certified Public Accountant who graduated from California State University, Chico with a Bachelor of Science degree in Business Administration with an emphasis in accounting. While at California State University, Chico was a member of Beta Alpha Psi accounting honors society. During Larry’s 25 years of auditing, he has audited over one hundred different special district and local government clients. He is currently the Supervising Auditor for over fifty municipal audits and special districts.

Susan Tang – graduated from California State University, Sacramento with a Master of Science degree in Accounting and passed the CPA Exam in 2002. During Susan’s 18 years of accounting, she has audited over 75 different special district, local government, corporate clients, and pension plans.

Professional Staff:

Natasha Dunlap – is a senior auditor who graduated from California State University, Sacramento with a Bachelor of Science degree in Business Administration with an emphasis in accounting. She has over four years of governmental auditing experience and has worked on audits for over 50 special district and local governments as well as 10 Single Audits. Natasha is currently preparing for the CPA exam.

Nicole Bain – is a staff auditor who graduated from California State University, Sacramento with a Bachelor of Science degree in Business Administration. She has over two year of auditing experience and is currently studying for the CPA exam.

In some cases, the engagement partners, managers, other supervisory staff and specialist may change if personnel leave the firm, are promoted or are assigned to another office.

Single Audit Specialist:

Linda Foster – Linda is a Certified Public Accountant who graduated from California State University, Sacramento with a Bachelor of Science in Business Administration with a concentration in Accounting and Finance. She also holds a Master of Science Degree in Taxation from Golden State University. Linda has approximately 27 years of audit experience and supervised the Single Audit section of the Governmental Audit Department while employed with Bartig, Basler & Ray/Gallina LLP. During that time, she personally managed approximately nine Single Audits per year and reviewed the reports and workpapers for nearly all governmental Single Audits the firm performed (approximately twenty cities and counties per year in the State of California and some cities in Nevada) for technical sufficiency. Linda is an independent contractor for Larry Bain, CPA, An Accounting Corporation.

Proposal for Audit

October 4, 2018

CONTINUING EDUCATION OF FIRM

Our firm maintains the knowledge, skills and abilities required in the circumstances by participating in general and industry specific continuing professional education (CPE) and profession development activities that should enable the firm to accomplish firm responsibilities and satisfy applicable CPE requirements of the AICPA, state CPA Societies State Board of Accountancy and other applicable regulators. We also monitor the compliance of per diem employees with CPE requirements. We implement this policy by participating in professional development programs; evaluating knowledge and expertise required to perform an engagement prior to accepting the client engagement; and receiving professional publications, such as the Journal of Accountancy to keep abreast of changes in accounting standards and any client industry specific pronouncement.

Additionally, our staff is also required to review and understand all new Governmental Accounting Standards Board (GASB) Standards prior to performing audits each fiscal/ calendar year.

Our staff is update to date on the continuing professional education and combined have taken and completed the following course as well as others:

California Ethics
Single Audit
GASB 34 Fund Financial Statements
GASB 34 Budgetary Reporting
GASB 34 Infrastructure Assets
Employee Benefits Plan ERISA and Tax Requirements
Retirement Plans – Plan Loans
Risk Based Audits Substantive Analytical Procedures
Risk Based Audits Testing and Evaluating Controls
Risk Based Audits Efficient Audit Programs
Risk Based Audits Special Considerations

Single Audit – Background Information
Single Audits – Reporting Under the Single Audit
Audits of Local Governments – Background information
Audits of Local Governments – Pre-engagement Activities
Audits of Local Governments – Concluding the Audit
Audits of Local Governments – Auditor’s Sampling
Audits of Local Governments – Auditor’s Report
Audits of Nonprofit Organizations – Special Considerations
Quality Control – Professional development
Preparing Financial Statements Supplementary Information

October 4, 2018

APPROACH TO THE AUDIT

Preliminary Planning

We will begin work on the engagement with planning activities conducted from our location. While much of this work is not visible to the District, it is integral to a smooth on-site audit. We will contact the District during this segment to discuss the list of required information so that we can tailor the list to ensure that we are requesting information in the most efficient manner possible for your staff and the audit.

During the planning segment, we will begin the risk assessment as required under AICPA standards. This process will involve gathering information about the District from a variety of sources and using our existing knowledge of how similar entities operate to begin identifying risks that could be present in the District's operations. Our audit approach will be specifically tailored to address these risks, resulting in an audit that is more effective and efficient for the District.

Key Tasks:

- Review prior year audit and other audits similar in nature to the District.
- Set up workpaper templates.
- Document research on the District's economic environment and financial history.
- Review Board minutes to become familiar with major recent events.
- Review District procedures manuals to gain preliminary understanding of internal control systems.
- Review any new standards or regulations that may pertain to District.
- Document general risks common to most District audits.
- Conduct entrance conference with District personnel.
- Tailor the list of requested schedules and documents to the District's system.
- Develop audit plan based on information obtained.
- Perform quality control review of audit plan.
- Review documentation of long-term debt (if any)
- Select necessary samples for further review during interim fieldwork. The sample size population will be sixty for the first year under audit and sample size will be reviewed for subsequent years. Sample size will also be based on the level of activity in each category and whether additional testing is necessary.

Interim Fieldwork

We will arrive on-site for interim fieldwork prepared to ask thoughtful questions necessary to complete our audit planning. Interim fieldwork also gives us an opportunity to begin audit testing, which reduces backlog of District's staff time and resource near the end of the audit.

Key Tasks:

- Make general inquiries of key individuals as required by professional standards.
- Issue internal control and walkthrough documents for District response.
- Document our complete understanding of key aspects of the District's internal controls related to significant account balances.
- Perform tests of internal controls.
- Finish gathering the information needed for risk assessment that we began in the planning segment above that could not be efficiently gathered from other sources.
- Conduct progress conferences with District staff.

Proposal for Audit

October 4, 2018

Final Planning

Prior to beginning final fieldwork, we will perform a preliminary analysis of the data you send in advance so that our approach to the audit is organized and methodical.

Key Tasks:

- Perform preliminary analytical procedures based on trial balance data.
- Select any additional samples considered necessary.

Year-end Fieldwork

With the groundwork laid during the planning phase, our focus during year-end fieldwork will be to ensure the accuracy of significant financial statement account balances. This involves general, overall procedures designed to detect items not included in the financial records that should be included as well as a tailored audit approach for each significant account balance. Based on the risks identified earlier in the process, we expect to employ a variety of approaches to verify the accuracy of the District's financial statements, including analytical procedures and sampling for further tests of details.

The key to this segment of the audit will be the detailed client participation schedule we will prepare which lists the items needed for the audit. We will provide this schedule well in advance of our visit to help your staff prepare for the audit and reduce the need for requests during fieldwork.

Key Tasks:

- Perform tests to address the risks of material misstatement present in all significant account balances of the District.
- Make inquiries about unusual patterns identified during preliminary analysis of District.
- Make a preliminary communication of any issues that could result in findings.
- Conduct progress conferences and final exit conference with District personnel.
- Review budget for legal compliance.

Reporting

After completing our audit work, we will prepare the following reports for District's review:

- Independent Auditor's Report on Basic Financial Statements.

We will prepare the draft reports using checklists from the PPC guide.

After receiving your acceptance of the draft reports, we will issue final reports within the deadline outlined.

MANAGEMENT RESPONSIBILITIES

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. You are also responsible for making management decisions and performing management functions; for designating an individual with suitable skill, knowledge, or experience to oversee our assistance with the preparation of your evaluating the adequacy and results of those services and accepting responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of government-type activities and fiduciary activities information in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted - access to persons within the District from whom we determine it necessary to obtain audit evidence.

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

You are responsible for the design and implementation of programs and internal controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the District involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegation of fraud or suspected fraud affecting the government received in communication from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Proposal for Audit

October 4, 2018

COST PROPOSAL

Fees for our services are based primarily on the estimated time required for the audit, the level of expertise of the individuals involved and the amount projected for out-of-pocket expenses. In connection with the annual audit we will assist with and prepare the following:

- Assist and review the preparation of the basic financial statements, notes to the basic financial statements, and report on internal control.
- Management letter covering any observations made during the course of the audit

We anticipate that we will incur expenses for meals and mileage, however, these costs will be included in the annual audit rate quoted below and will not be billed additionally to the District.

In summary, our proposed total fees for the one year contract term.

District audit, fiscal year ended June 30, 2018	\$4,200
-------------------------------------------------	---------

The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit.

In addition to the above-described services, we will provide necessary accounting assistance throughout the year on an “as needed” basis. Our hourly fee for special projects is \$95 to \$150 per hour, depending on the level of service and staff assigned to the engagement. This proposal is made under the assumption the District will not be subject to the Uniform Guidance Single Audit requirements. If a Single Audit is required we would amend our engagement fee accordingly and come to a written agreement with the District prior to conducting any additional work.

**HONEY LAKE VALLEY RESOURCE
CONSERVATION DISTRICT**

**AUDIT REPORT
JUNE 30, 2017**

**HONEY LAKE VALLEY RESOURCE CONSERVATION DISTRICT
AUDITED FINANCIAL STATEMENTS
JUNE 30, 2017**

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Honey Lake Valley Resource Conservation District
Susanville, CA

Board of Directors:

We have audited the accompanying financial statements of the governmental activities, and each major fund of Honey Lake Valley Resource Conservation District, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic 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 opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the Honey Lake Valley Resource Conservation District, as of June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters*Required Supplementary Information*

Management has omitted the management's discussion and analysis and budgetary comparison information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 11, 2018, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulation, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Respectfully submitted,

SingletonAuman PC
Susanville, CA
May 11, 2018

FINANCIAL SECTION

HONEY LAKE VALLEY RESOURCE CONSERVATION DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2017

		<u>Governmental Activities</u>
Assets		
Cash in Banks	\$	134,237
Prepaid Expenses		-
Accounts Receivable		-
Capital Assets:		
Vehicles and Equipment, Net		4,002
Total assets	\$	<u>138,239</u>
Liabilities		
Accounts Payable	\$	68,210
Total liabilities	\$	<u>68,210</u>
Net Position		
Net Investment in Capital Assets	\$	4,002
Restricted		125,805
Unrestricted		(59,778)
Total Net Position	\$	<u>70,029</u>

The accompanying notes are an integral part of this statement.

**HONEY LAKE VALLEY RESOURCE CONSERVATION DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017**

<u>Governmental Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Total Governmental Activities</u>
Resource Conservation	\$ 152,478	\$ -	\$ 32,739	\$ (119,739)
Watermaster	150,648	39,008	-	(111,640)
Total Governmental Activities	<u>\$ 303,126</u>	<u>\$ 39,008</u>	<u>\$ 32,739</u>	<u>(231,379)</u>
 General Revenues:				
Property Taxes				115,433
Interest				34
Other Income				184
Total General Revenue				<u>115,651</u>
 Special Items:				
Insurance Reimbursement				55,000
Legal Settlement				(53,890)
				<u>1,110</u>
 Change in Net Position				 <u>(114,618)</u>
 Net Position Beginning				 <u>184,647</u>
Net Position Ending				<u><u>\$ 70,029</u></u>

The accompanying notes are an integral part of this statement.

**HONEY LAKE VALLEY RESOURCE CONSERVATION DISTRICT
GOVERNMENTAL FUNDS BALANCE SHEET
JUNE 30, 2017**

	<u>General Fund</u>	<u>Watermaster Fund</u>	<u>Total</u>
Assets			
Cash in Banks	\$ 1,198	\$ 133,039	\$ 134,237
Prepaid Expenses	-	-	-
Accounts Receivable	-	-	-
Total Assets	<u>\$ 1,198</u>	<u>\$ 133,039</u>	<u>\$ 134,237</u>
Liabilities and Fund Balance			
Liabilities:			
Accounts Payable	\$ 60,976	\$ 7,234	\$ 68,210
Total Liabilities	<u>60,976</u>	<u>7,234</u>	<u>68,210</u>
Fund Balance:			
Restricted	-	125,805	125,805
Unassigned	(59,778)	-	(59,778)
Total Fund Balance	<u>(59,778)</u>	<u>125,805</u>	<u>66,027</u>
Total Liabilities and Fund Balance	<u>\$ 1,198</u>	<u>\$ 133,039</u>	<u>\$ 134,237</u>

The accompanying notes are an integral part of this statement.

**HONEY LAKE VALLEY RESOURCE CONSERVATION DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO
THE STATEMENT OF NET POSITION
JUNE 30, 2017**

Total Fund Balances - Governmental Funds	\$ 66,027
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not reported in the funds	4,002
Total Net Position - Governmental Activities	<u>\$ 70,029</u>

The accompanying notes are an integral part of this statement

**HONEY LAKE VALLEY RESOURCE CONSERVATION DISTRICT
STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>General Fund</u>	<u>Watermaster Fund</u>	<u>Total</u>
Revenue:			
Charges for Services		\$ 115,433	\$ 115,433
Property Taxes		39,008	39,008
Grant Revenue	\$ 32,739	-	32,739
Interest & Other Income	-	218	218
	<u>32,739</u>	<u>154,659</u>	<u>187,398</u>
Total Revenue			
Expenditures:			
Salaries	21,209	130,844	152,053
Office Supplies	2,581	2,341	4,922
Project Costs	118,150	-	118,150
Professional Fees	5,795	13,885	19,680
Liability Insurance	305	305	610
Other Expenditures	3,294	3,273	6,567
	<u>151,334</u>	<u>150,648</u>	<u>301,982</u>
Total Expenditures			
Revenue Over (Under) Expenditures Before Special Item:	(118,595)	4,011	(114,584)
Special Item Income (Expense)	-	1,110	1,110
	<u>(118,595)</u>	<u>5,121</u>	<u>(113,474)</u>
Revenue Over (Under) Expenditures			
Fund Balance, July 1	58,817	120,684	179,501
	<u>58,817</u>	<u>120,684</u>	<u>179,501</u>
Fund Balance, June 30	\$ (59,778)	\$ 125,805	\$ 66,027
	<u><u>(59,778)</u></u>	<u><u>125,805</u></u>	<u><u>66,027</u></u>

The accompanying notes are an integral part of this statement.

**HONEY LAKE VALLEY RESOURCE CONSERVATION DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUE AND EXPENDITURES AND
CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
JUNE 30, 2017**

Net Changes in fund balances - total governmental funds \$ (113,474)

Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:

The depreciation of capital assets used in governmental activities is not reported in the funds. (1,144)

Changes in net position of governmental activities - statement of activities \$ (114,618)

The accompanying notes are an integral part of this statement

HONEY LAKE VALLEY RESOURCE CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Honey Lake Valley Resource Conservation District (District) is a special district established in 1954 in Lassen County by the State of California under provisions of Division 9 Chapter 3 of the California Public Resource Code. The District is responsible for soil conservation, water conservation, water distribution, flood control, erosion control, erosion prevention, or erosion stabilization projects, within or adjacent to the District's boundaries. The District was appointed as Watermaster effective January 1, 2007. Substantial funding for the District is from State and Federal Grants, and from property taxes levied on landowners within the District's Boundaries. Lassen County bills and collects the property taxes and subsequently remits the monies to the District.

The District accounts for its financial transactions in accordance with accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA).

1. Reporting Entity

The District's combined financial statements include the accounts of all its operations. The District evaluated whether any other entity should be included in these financial statements. The criteria for including organizations as component units within the District's reporting entity, as set forth in GASB Statement No. 14 "The Financial Reporting Entity" and GASB Statement No. 39 "Determining Whether Certain Organizations Are Component Units," include whether:

- The organization is legally separate (can sue and be sued in its name)
- The District holds the corporate powers of the organization
- The District appoints a voting majority of the organization's board
- The District is able to impose its will on the organization
- The organization has the potential to impose a financial benefit/burden on the District
- There is fiscal dependency by the organization on the District
- The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government
- The primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization
- The economic resources received or held by an individual organization that the specific primary government is entitled to, or has the ability to otherwise access, are significant to that primary government

Based on these criteria, the District has no component units. Additionally, the District is not a component unit of any other reporting entity as defined by the GASB Statement.

HONEY LAKE VALLEY RESOURCE CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

2. Basis of Presentation, Basis of Accounting

a. Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The District does not allocate indirect expenses in the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the District's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The District reports the following major governmental funds:

General Fund: This is the District's primary operating fund. It accounts for all financial resources of the district except those required to be accounted for in another fund.

Watermaster Fund: This is the program fund of the District. It represents resources restricted for the administration and management of the Watermaster Service, which was transferred from the Department of Water Resources.

HONEY LAKE VALLEY RESOURCE CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

b. Measurement Focus, Basis of Accounting

Government-wide Financial Statements: These financial statements are reported using the economic resources measurement focus. They are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include county assessments, grants, entitlements, and donations. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Investment earnings are recorded as earned, since they are both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

When the District incurs an expense for which both restricted and unrestricted resources may be used, it is the District's policy to use restricted resources first, then unrestricted resources.

3. Assets, Liabilities, and Equity

a. Deposits & Investments

Cash and investments are composed of the following amounts as of June 30, 2017:

	<u>Restricted</u>	<u>Unrestricted</u>	<u>Total</u>
Cash on hand and in banks	\$ 133,039	\$ 1,198	\$ 134,237

Cash balances held in banks are insured to \$250,000 by the Federal Depository Insurance Corporation. All cash held by the financial institutions is fully insured or collateralized.

HONEY LAKE VALLEY RESOURCE CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

b. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated fixed assets are recorded at their estimated fair value at the date of the donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. It is the Districts policy to capitalize all assets that have an expected useful of five years or more, and a cost of \$5,000 or more.

Capital assets are being depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
General Plant/Structures	50
Vehicles	10
Office Equipment	5-7
Field Equipment	5-7

Gain or loss is recognized when assets are retired from service or are otherwise disposed.

c. Receivable and Payable Balances

The District believes that sufficient detail of receivable and payable balances is provided in the financial statements to avoid the obscuring of significant components by aggregation. Therefore, no disclosure is provided which disaggregates those balances.

There are no significant receivables which are not scheduled for collection within one year of year end.

d. Budgetary Accounting

The District adopts its budget by July 1st of each year. Supplemental appropriations are adopted throughout the year as necessary.

e. Use of Estimates

The preparation of financial statements in conformity with Accounting Principles Generally Accepted in the United States of America requires the use of management's estimates. Actual results could differ from those estimates.

HONEY LAKE VALLEY RESOURCE CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

f. Components of Net Position

For Government-Wide Financial Statements, equity is classified in three components as follows:

Net Investment in Capital Assets consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of debt borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position consists of net assets with restrictions placed on the use either by external groups such as contributors, grantors or regulations of other governments, or law through constitutional provisions or enabling legislation.

Unrestricted Net Position consists of all other net assets that do not meet the definition of “restricted” or “net investment in capital assets.”

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.

The District can assign balances for specific future uses; however, these assignments are not disclosed on the Statement of Net Position.

g. Equity Classifications

Fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance – represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted Fund Balance – represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance – represents amounts that can only be used for a specific purpose because of a formal action by the District’s governing board. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the governing board. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

**HONEY LAKE VALLEY RESOURCE CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

Assigned Fund Balance – represents amounts which the District intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the governing board or body to which the governing board delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debts service or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund’s primary purpose. Assignments within the general fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the District.

Unassigned Fund Balance – represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

NOTE 2 – COMPLIANCE AND ACCOUNTABILITY

1. Finance-Related Legal and Contractual Provisions

In accordance with GASB Statement No. 38, "Certain Financial Statement Note Disclosures," violations of finance-related legal and contractual provisions, if any, are reported below, along with actions taken to address such violations:

<u>Violation</u>	<u>Action Taken</u>
None reported	Not applicable

2. Deficit Fund Net Assets of Individual Funds

Following are funds having deficit fund net assets at year end, if any, along with remarks which address such deficits:

<u>Fund Name</u>	<u>Deficit Amount</u>	<u>Remarks</u>
None	n/a	n/a

HONEY LAKE VALLEY RESOURCE CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 3 – CAPITAL ASSETS

A summary of changes in fixed assets follows:

	Balance 6/30/16	Additions	Dispositions	Balance 6/30/17
Equipment	\$ 25,987	\$ -	\$ -	\$ 25,987
Vehicles	11,435	-	-	11,435
	<u>37,422</u>	<u>-</u>	<u>-</u>	<u>37,422</u>
Accumulated Depreciation	<u>(32,276)</u>	<u>(1,144)</u>	<u>-</u>	<u>(33,420)</u>
Property, Plant and Equipment, Net	<u>\$ 5,146</u>	<u>\$ (1,144)</u>	<u>\$ -</u>	<u>\$ 4,002</u>

Depreciation was charged to funds as follows:

General Fund	<u>\$ 1,144</u>
Total	<u>\$ 1,144</u>

NOTE 4 – COMMITMENTS AND CONTINGENCIES

Litigation

The District is currently not involved in any litigation, however any adverse outcomes are expected to be covered by the Districts liability insurance. In the opinion of management and legal council, the disposition of all litigation pending will not have a material effect on the financial statements.

State and Federal Allowances, Awards, and Grants

The District has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursement will not be material.

NOTE 5 – RISK MANAGEMENT AND LITIGATION

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and customers; and natural disasters. The District has managed these risks by obtaining coverage from commercial insurance

HONEY LAKE VALLEY RESOURCE CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

companies as well as providing employee education and prevention programs. All risk management activities are accounted for in the General Fund. Expenses and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported are considered.

The District's attorney estimates that the amount of actual or potential claims against the District as of June 30, 2017 will not materially affect the financial condition of the District. Therefore, the funds contain no provision for estimated claims. Information relating to an analysis of claims activities for the year was not available.

NOTE 6 – SPECIAL ITEM

During the year the District settled its ongoing litigation with the Lassen Irrigation Company in relation to actions by the prior Watermaster. The total settlement paid by the District was \$53,890.41. This expenditure was covered by the District's liability insurance which paid the District \$55,000 to cover this claim.

NOTE 7 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through May 11, 2018, which is the date the financial statements were available to be issued.

**REQUIRED SUPPLEMENTARY
INFORMATION**

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING
STANDARDS***

Board of Directors
Honey Lake Valley Resource Conservation District
Susanville, CA 96130

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Honey Lake Valley Resource Conservation District as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated May 11, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses, or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control described in the accompanying schedule of findings and questioned cost that we consider to be material weaknesses. See findings 2017-1 and 2017-2.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

District's Response to Findings

The District's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of the Report

This purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

SingletonAuman PC
Susanville, CA
May 11, 2018

**HONEY LAKE VALLEY RESOURCE CONSERVATION DISTRICT
COMBINED SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2017**

EXECUTIVE SUMMARY

The Honey Lake Valley Resource Conservation District (District) is a special district established in 1954 in Lassen County by the State of California under provisions of Division 9 Chapter 3 of the California Public Resource Code. The District is responsible for soil conservation, water conservation, water distribution, flood control, erosion control, erosion prevention, or erosion stabilization projects, within or adjacent to the District's boundaries. The District was appointed as Watermaster effective January 1, 2007.

The quality of the District's internal controls is highly dependent upon involvement in the day to day operations by the District employees. Also, due to the limited number of employees of the District, there is an inability to segregate the custody of and accountability for District assets in the manner generally required for model systems of internal accounting controls. A summary of the auditors' results follows:

1. **Type of Auditors' Report on Financial Statements:** Unmodified
2. **Internal Control Findings:** 2 Material Weaknesses.
3. **Material Noncompliance Noted:** None.

**HONEY LAKE VALLEY RESOURCE CONSERVATION DISTRICT
COMBINED SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2017**

**YELLOW BOOK SECTION
Internal Control – Material Weakness**

Finding 2017-1: Lack of Segregation of Duties

Criteria upon which audit finding is based (Legal Citation):

Yellow Book paragraphs 5.10 – 5.14 and Appendix I, SAS No. 122.

Finding (Condition):

An inadequate segregation of duties exists.

Amount of Questioned Cost, How Computed and Prevalence:

None.

Effect:

The Honey Lake Valley Resource Conservation District has exposure to risk of financial statement misstatement and the potential risk for fraud.

Cause:

Due to the number of personnel assigned to duties that involve access to the general ledger and other accounting records and who also have custody of and responsibility for handling cash and other assets, an inadequate segregation of duties exists.

Recommendation:

We recommend that the Honey Lake Valley Resource Conservation District employees and board maintain diligence for the potential risks of not having an adequate segregation of duties.

District's Response:

Due to the number of employees of the District it is not possible for the District to cost effectively mitigate this finding. The District cannot, with its current budget hire an adequate number of employees to ensure that custody of assets and accountability for assets is separated.

The District does however believe that being aware of this weakness will insure that existing employees and District members will maintain diligence to potential risks of not having an adequate segregation of duties.

Expected Completion Date

Ongoing.

**HONEY LAKE VALLEY RESOURCE CONSERVATION DISTRICT
COMBINED SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2017**

**YELLOW BOOK SECTION
Internal Control – Material Weakness**

Finding 2017-2 Financial Reporting

Criteria Upon Which Audit Finding is Based (Legal Citation)

Statement on Auditing Standards No. 122.

Finding (Condition)

Similar to many other small special districts, the District does not have accounting processes in place to ensure that complete and accurate financial statements, MD&A and footnote disclosures are prepared in accordance with GAAP prior to the annual audit. Management relies upon the auditor to recommend footnote disclosures for the financial statements and to prepare adjusting journal entries for approval in order to report financial information in accordance with GAAP on the accrual basis.

Amount of Questioned Cost, How Computed and Prevalence

None.

Effect

There is a risk that a material financial statement misstatement may exist and not be prevented or detected by the District's system of internal control.

Cause

This condition has always existed at the District and is being reported in accordance with Statement on Auditing Standards No. 122 (SAS 122).

Recommendation

We recommend that the District consider the cost benefit of hiring an accountant familiar with GAAP or hiring an independent CPA firm to compile financial statements in conformity with GAAP on the accrual basis.

District's Response

The District will continue to prepare financial statements on the cash basis for interim periods. The District will rely on the auditor to report in accordance with GAAP on the accrual basis.

Expected Completion Date

Ongoing.

**HONEY LAKE VALLEY RESOURCE CONSERVATION DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
(FINDINGS FROM THE JUNE 30, 2016 AUDIT REPORT)
JUNE 30, 2017**

Finding 2016-1: Lack of Segregation of Duties

An inadequate segregation of duties exists

Status

Not Implemented. See current year Finding 2017-1

Finding 2016-2: Accounting Processes and Financial Statement Preparation

The District does not have policies and procedures in place to ensure that complete and accurate financial statements, footnote disclosures, and management's discussion and analysis are prepared in accordance with GAAP prior to the annual audit. Management relies upon the auditor to recommend footnote disclosures for the financial statements and to prepare significant and numerous adjusting journal entries for approval in order to report financial information in accordance with GAAP.

Status

Not Implemented. See current year finding 2017-2

**HONEY LAKE VALLEY RESOURCE CONSERVATION DISTRICT
CORRECTIVE ACTION PLAN
JUNE 30, 2017**

Persons Monitoring Corrective Action Plan

Board of Directors

Finding 2017-1: Lack of Segregation of Duties

Finding (Condition)

Due to the number of employees an inadequate segregation of duties exists.

Corrective Action Planned

Due to the number of employees of the District it is not possible for the District to cost effectively mitigate this finding. The District cannot, with its current budget hire an adequate number of employees to ensure that custody of assets and accountability for assets is separated.

The District does however believe that being aware of this weakness will insure that existing employees and District members will maintain diligence to potential risks of not having an adequate segregation of duties.

Expected Completion Date

Ongoing.

Finding 2017-2: Financial Statement Preparation

Finding (Condition)

Similar to many other small special districts, the District does not have accounting processes in place to ensure that complete and accurate financial statements, MD&A and footnote disclosures are prepared in accordance with GAAP prior to the annual audit. Management relies upon the auditor to recommend footnote disclosures for the financial statements and to prepare adjusting journal entries for approval in order to report financial information in accordance with GAAP on the accrual basis.

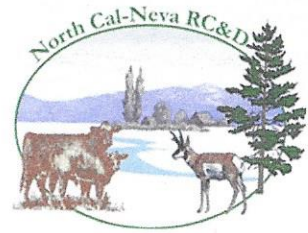
Corrective Action Planned

The District will continue to prepare financial statements on the cash basis for interim periods. The District will rely on the auditor to report in accordance with GAAP on the accrual basis.

Expected Completion Date

Ongoing.

North Cal-Neva Resource Conservation and Development Council, Inc.
P.O. Box 1434
Alturas, CA 96101
Tel 530-233-4314 ext. 114
ncnrc_d@frontier.com



To conserve and develop our natural resources to fortify economic diversity through community participation

September 24, 2018

Honey Lake Valley RCD
170 Russell St., Suite C
Susanville, CA 96130

RE: Sponsorship Fees for FY 2018/19

Dear Sponsor,

In the past Honey Lake RCD has been a great supporter of the North Cal-Neva Resource Conservation and Development (RC&D) Council, Inc. both by participating in bi-annual meetings and with a small monetary fee (called a sponsorship fee) of \$50.00 per year.


We are requesting your support again. The North Cal-Neva RC&D Council is unique in that our coverage area includes five Counties (Modoc, Lassen, Shasta, Plumas and N. Washoe County) in two states (California and Nevada) and have the ability to work beyond County and State Boundaries. The North Cal-Neva RC&D Council is also a 501 (c) 3 – Not for Profit organization. This makes us eligible to apply for funds of those who might not qualify or the capacity to pursue. In the past we have had Counties, Cities, CSD's, Tribes, RCD's, and non-profit organizations participate, providing great networking opportunities throughout our coverage area.

In the past your contribution assisted the RC&D with small overhead costs that were vital to the operation of the Council. We also know that member participation is even more vital to the future of our organization. In the past the fee scale was based on the type of member with Counties paying more than smaller districts.

At the Spring 2018 meeting the Full Council make a decision to lower all fees to \$50 per year in hopes that the lower fees would encourage participation in the Bi-Yearly meetings. This is crucial in providing the Council with direction on yearly work plans, as well as better understanding how you can utilize the RC&D Council to assist your organization. We understand that we have not been a presence in some organizations lately and governing bodies may not know who we are or what we can provide. We would be more than happy to attend meetings to fill you in on the work that we have done and re-introduce the RC&D Council to new leaders.

We are including a short questionnaire for you to complete. This will provide us with representative information, identifies issues or concerns, along with ways you think the RC&D Council could be of assistance. We are also including an invoice that includes the new membership fee. If you have any questions, please feel free to contact the North Cal-Neva RC&D Council Executive Director Stacey Hafen at 530.233.4314 Ext. 114.

Sincerely,


Pearce Flournoy
Chairman



Lozano Smith, LLP

ATTORNEYS AT LAW

7404 North Spalding Avenue
 Fresno, CA 93720-3370
 (559) 431-5600
 Federal Tax ID: 80-0874383
 lozanosmith.com

October 10, 2018

Ian Sims
 Honey Lake Valley Resource Conservation District
 170 Russell Avenue, Suite C
 Susanville, CA 96130

Client: 001839

For Professional Services Rendered Through September 30, 2018

ACCOUNT SUMMARY

Matter	Invoice #	Previous Balance	Current Charges	Less Payments	Total Due
000001	2064422	\$1,131.00	\$1,682.00	\$348.00	\$2,465.00
000002	2064423	\$2,902.20	\$1,798.00	\$2,610.00	\$2,090.20

Total Current Charges	\$3,480.00
Previous Balance	\$4,033.20
Less Payments	(\$2,958.00)
Total due	\$4,555.20



October 10, 2018

Ian Sims
Honey Lake Valley Resource Conservation District
170 Russell Avenue, Suite C
Susanville, CA 96130

Client: 001839
Matter: 000001
Invoice # 2064422

Page: 1

RE: General Legal Matters

For Legal Services Rendered Through September 30, 2018

Legal Services

Date	Person	Description of Legal Services	Time	Rate	Amount
09/01/2018	WPC	Notice to I. Sims /J. Claypool regarding re-noticing hearing.	0.40	\$290.00	\$116.00
09/01/2018	WPC	Teleconference with B. Herrema (Thursday).	0.20	\$290.00	\$58.00
09/01/2018	WPC	Attorney B. Herrema; continuance; further document review/send to I. Sims.	0.30	\$290.00	\$87.00
09/07/2018	WPC	Hearing (Dow) scheduling process.	0.30	\$290.00	\$87.00
09/07/2018	WPC	Hearing re-scheduling activity.	0.20	\$290.00	\$58.00
09/10/2018	WPC	Hearing regarding J. Dow logistics.	0.20	\$290.00	\$58.00
09/12/2018	WPC	B. Herrema: unavailable October 1st; check October 8th with I. Sims.	0.20	\$290.00	\$58.00
09/12/2018	WPC	Confer with B. Herrema regarding calendar and process issues.	0.40	\$290.00	\$116.00
09/14/2018	WPC	Confer with B. Herrema regarding hearing date; email correspondence regarding date.	0.30	\$290.00	\$87.00
09/17/2018	WPC	Email correspondence with B. Herrema regarding process.	0.40	\$290.00	\$116.00
09/17/2018	WPC	Meeting/litigation calendaring efforts with B. Herrema.	0.30	\$290.00	\$87.00
09/18/2018	WPC	Teleconference with B. Herrema regarding J. Dow appeal.	0.40	\$290.00	\$116.00
09/18/2018	WPC	Confirm October 8th and process; seek notice waiver.	0.30	\$290.00	\$87.00
09/19/2018	WPC	Return B. Herrema's call; message.	0.10	\$290.00	\$29.00
09/19/2018	WPC	Client process confirmation: Board hearing conclusion.	0.30	\$290.00	\$87.00
09/20/2018	WPC	Hearing script.	0.20	\$290.00	\$58.00
09/20/2018	WPC	Teleconference and email correspondence with J. Montoya/I. Sims regarding appeal hearing.	0.50	\$290.00	\$145.00
09/24/2018	WPC	Hearing protocols.	0.40	\$290.00	\$116.00
09/25/2018	WPC	Herrema queries: J. Montoya.	0.20	\$290.00	\$58.00
09/27/2018	WPC	Prepare outline and prepare for hearing.	0.20	\$290.00	\$58.00
Total Legal Services			5.80		\$1,682.00

Legal Services Recap

Person		Time	Rate	Amount
WPC	William P. Curley III	5.80	\$290.00	\$1,682.00

Invoice Summary

Totals

Total Legal Services	\$1,682.00
Total Current Charges	\$1,682.00
Previous Balance	\$1,131.00
<i>Less Payments</i>	<i>(\$348.00)</i>
Total Due	<u><u>\$2,465.00</u></u>

October 10, 2018

Ian Sims
Honey Lake Valley Resource Conservation District
170 Russell Avenue, Suite C
Susanville, CA 96130

Client: 001839
Matter: 000002
Invoice # 2064423

Page: 1

RE: Water Master - Water Matters

For Legal Services Rendered Through September 30, 2018

Legal Services

Date	Person	Description of Legal Services	Time	Rate	Amount
09/04/2018	JM	Telephone call to I. Sims regarding Jay Dow Watermaster dispute and public hearing request; review I. Sims request for continuance of public hearing.	0.50	\$290.00	\$145.00
09/05/2018	JM	Follow-up email and telephone call to I. Sims regarding Jay Dow Watermaster dispute and public hearing request; conference call with I. Sims regarding rescheduling hearing.	0.30	\$290.00	\$87.00
09/06/2018	JM	Email from I. Sims regarding Jay Dow Watermaster dispute and public hearing availability.	0.10	\$290.00	\$29.00
09/10/2018	JM	Email exchange I. Sims regarding Jay Dow Watermaster dispute and public hearing availability; email and teleconference with Jay Dow's attorney B. Herrema regarding public hearing and notice.	0.70	\$290.00	\$203.00
09/11/2018	JM	Email exchange with I. Sims regarding scheduling public hearing.	0.20	\$290.00	\$58.00
09/12/2018	JM	Email exchange with I. Sims regarding public hearing dates proposed by Jay Dow.	0.20	\$290.00	\$58.00
09/13/2018	JM	Email exchange with Jay Dow's counsel regarding scheduling public hearing.	0.10	\$290.00	\$29.00
09/17/2018	JM	Email exchange with I. Sims regarding public hearing for Jay Dow matter.	0.20	\$290.00	\$58.00
09/20/2018	JM	Legal review and analysis of case file for Jay Dow Watermaster dispute and dispute procedures; prepare for conference call with Jay Dow's attorney B. Herrema regarding public hearing procedures and notice; draft and send advisor email to Jay Dow regarding same.	2.10	\$290.00	\$609.00
09/21/2018	JM	Draft and send notice email mail to B. Herrema.	0.30	\$290.00	\$87.00
09/25/2018	JM	Email from Jay Dow's attorney B. Herrema regarding public hearing procedures and notice; review B. Herrema request for additional information; various email exchange with I. Sims regarding same.	0.90	\$290.00	\$261.00

Legal Services

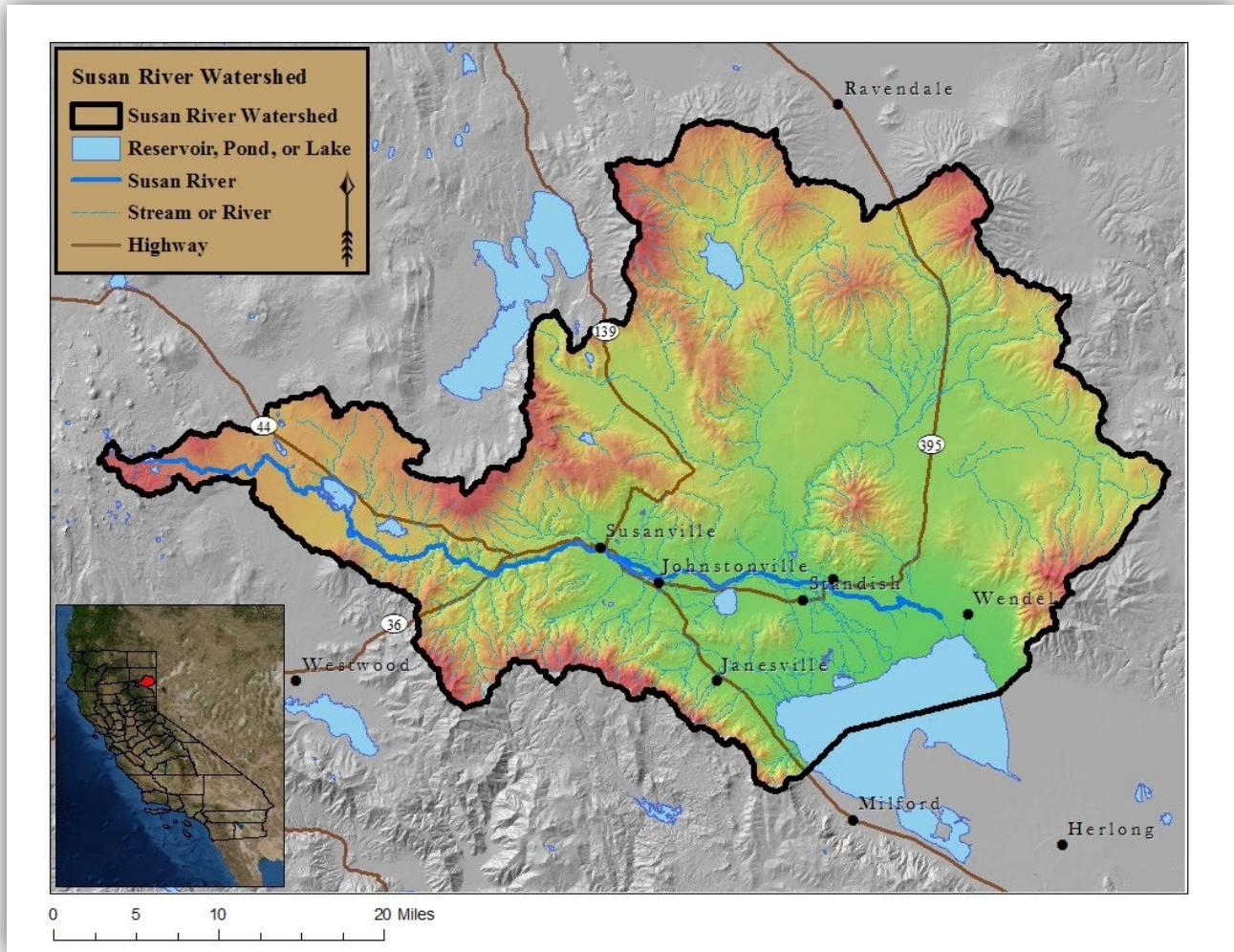
Date	Person	Description of Legal Services	Time	Rate	Amount
09/26/2018	JM	Draft and send email to Jay Dow's attorney B. Herrema in response to inquires regarding public hearing procedures and notice.	0.60	\$290.00	\$174.00
Total Legal Services			6.20		\$1,798.00

Legal Services Recap

Person	Time	Rate	Amount
JM Jose Montoya	6.20	\$290.00	\$1,798.00

Invoice Summary

	<u>Totals</u>
Total Legal Services	\$1,798.00
Total Current Charges	\$1,798.00
Previous Balance	\$2,902.20
<i>Less Payments</i>	<i>(\$2,610.00)</i>
Total Due	<u>\$2,090.20</u>



Susan River

Watermaster Service Area

Annual Use Report - 2017/18
Lassen County, California

Decree No.'s 4573, 8174 and 8175
Submitted on **December 31, 2018**, to
The Presiding Judge, Lassen County Superior Court



Prepared By:

Honey Lake Valley Resource Conservation District
170 Russell Ave.
Susanville, CA 96130

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Contents

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Watermaster Activities and Fiscal Information: 7

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General Description:

The Susan River service area is located in the southern part of Lassen County in the vicinity of the town of Susanville. There are approximately 246 water right owners in the service area with total continuous allotments of 351.922 cubic feet per second in addition to storage rights held by several users. The source of supply is comprised of three stream systems as follows: Susan River, Baxter Creek, Parker Creek and their associated tributaries.

Susan River has its sources on the east slope of the Sierra Nevada Mountains in the southwesterly portion of Lassen County immediately east of Lassen National Park at an elevation of about 7,900 feet. Its channel runs easterly from Silver Lake through McCoy Flat Reservoir, through Susanville, and easterly on to Honey Lake.

Susan River has four major tributaries: Paiute Creek (entering from the north at Susanville), Gold Run and Lassen Creeks (entering from the south between Susanville and Johnstonville), and Willow Creek (entering from the north above Standish). Gold Run Creek and Lassen Creek rise on the north slope of Diamond Mountain at an elevation of about 7,600 feet. The watersheds of Paiute Creek and Willow Creek are lower and they rise on the south slopes of Round Valley Mountains.

A short distance below the confluence of Willow Creek and Susan River the river channel divides into three branches known as Tanner Slough Channel on the north, Old Channel in the middle, and Dill Slough Channel on the south. Two channels which take off of Dill Slough on the south are known as Hartson Slough and Whitehead Slough.

The Baxter Creek stream system is situated in Honey Lake Valley on the east slope of the Sierra Nevada about 10 miles southeast of Susanville in the southern portion of Lassen County. The principal streams in the Baxter Creek stream system are Baxter Creek (which rises in the extreme western portion of the basin and flows in an easterly direction), Elysian Creek, Sloss Creek, and Bankhead Creek (a tributary to Baxter Creek from the south). Elysian Creek has three tributaries: North Fork Elysian Creek, South Fork Elysian Creek, and Kanavel Creek.

Parker Creek is situated in Honey Lake Valley on the east slope of the Sierra Nevada about 15 miles southeast of Susanville in the southern portion of Lassen County. It has its source on the east slope of Diamond Mountain and flows in an easterly direction for about 5 miles into Honey Lake. The primary area of water use in the Susan River service area is in Honey Lake Valley between Susanville and the northwest shore of Honey Lake, 25 miles in length. The valley floor is at an elevation of about 4,000 feet.

Water Supply:

The water supply in the Susan River service area comes from two major sources snowmelt runoff and springs. The snowpack on the Willow Creek Valley and Paiute Creek watersheds, which embrace more than half of the Susan River stream system, melts early in the spring and usually is entirely depleted by the first of May. The irrigation requirements from this portion of the stream system after the first of May are almost entirely dependent upon the flow of perennial springs which remain constant throughout the year. Under normal conditions, the flows of Lassen Creek, Gold Run Creek, Baxter Creek, Parker Creek, and the Susan River above Susanville are well sustained by melting snows until early June. The flow from perennial springs in this portion of the water system is comparatively small. The Lassen Irrigation Company stores supplemental water in Hog Flat Reservoir and McCoy Flat Reservoir, located on the headwaters of the Susan River. This stored water is released into the Susan River, which is used as a conveyance and commingled with the natural flow usually during June and July. It is then diverted into the A and B Canal leading to Lake Leavitt for further distribution by the irrigation district.

Methods of Distribution:

Irrigation in the Susan River service area is accomplished by placing diversion dams in the main channel of the stream system, to raise the water to the level required to divert into the canals, sloughs and ditches. These dams for diversion are relatively large on the Susan River compared to those on the smaller tributaries. Various methods of irrigation are practiced; the most common approach is by flooding. With this technique, water is transported by a main conveyance channel along the high point of the lands to be irrigated. It is then dispersed by

laterals along the higher ridges of the tract from which it can be distributed over the area to be irrigated by the smaller laterals of the ditch system. Sub-irrigation occurs in some areas incidental to surface irrigation or because of seepage from ditches or creek channels. During the past several years, numerous users have increased the use of sprinkler irrigation by wheel lines to improve the efficiency of their irrigation systems.

Watermaster Activities and Fiscal Information:

The FY 17/18 Watermaster budget in the amount of \$182,000 was adopted on 5/24/2017. Notification regarding the budget, apportionment, and assessment was mailed to the users on 6/9/2017. There were no objections to the apportionment. The budget, apportionment, and assessments were approved and certified to the Lassen County Auditor and the Lassen County Supervisors prior to August 10, 2017.

An audit for FYE 2017 has been completed and is available on the Honey Lake Valley RCD website.

2017/18 Water Allocation and Distribution:

The Susan River Watermaster Service Area experienced a fair amount of precipitation in March and April, but very little snow-melt runoff through early spring of 2018. The general availability of water for the various stream systems is described below.

Parker Creek: First priority water rights were served through the Spring.

Baxter/Elysian Creek: First priority users of both Baxter Creek and Elysian Creek could divert their full allotment until early June at which time the available water continued to drop off through the months of July and August.

Paiute Creek: The water supply in Paiute Creek continued through early summer.

Lassen Creek: There was sufficient water in Lassen Creek to meet the allocated water use until June, at which time it began to taper off.

Hills Creek: The water supply in Hills Creek continued into August.

Gold Run Creek: The water supply in Gold Run Creek exceeded the allocated water use through May at which time it began to diminish, stock water was available throughout the course of the Season.

Susan River: Full allocations were available through early May and diminished throughout the course of the season.

Lower Susan River Below the Confluence of Willow Creek: Full allocations were available through early May and slowed through the rest of the season. Stock water was available to the upper-end water users through Sept.

Willow Creek: Full allocations were available through the month of May and slowly diminished during the season.

Bankhead/Sloss Creek: Irrigation water was available until May.

LIC Storage Reservoirs: McCoy Flat and Hog Flat Reservoirs reached partial capacity by the start of irrigation season with McCoy Flat holding 4,576.68 acre-feet of water and Hog Flat reserving 2,490.98 acre-feet. LIC board members chose to utilize all of the water from Hog and McCoy Flats this irrigation season and both were completely drained by 8/30/18.

Miscellaneous notable events:

1. There was one complaint filed with the Watermaster during the 2018 water season.
2. One electronic measurement device was installed at the start of the irrigation season and the Honey Lake Valley RCD has plans to implement three more devices before the start of the 2019 irrigation season.

Appendices A-F

Appendix A: Susan River at Susanville

SUSAN RIVER at SUSANVILLE

DAY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER
1	24	172	85	54	80	36	6	7
2	19	189	76	53	80	48	6	7
3	22	166	71	52	78	50	6	
4	20	149	75	50	77	49	6	
5	14	161	69	49	76	49	6	
6	14	184	66	48	76	49	6	
7	19	877	61	48	76	48	6	
8	28	363	63	46	75	47	6	
9	43	255	58	46	73	46	6	
10	41	228	53	47	73	45	8	
11	41	212	53	45	72	44	7	
12	41	173	48	44	71	40	7	
13	116	154	48	43	55	32	7	
14	209	141	46	41	54	20	7	
15	117	144	66	40	53	16	7	
16	94	162	66	40	51	14	7	
17	81	130	76	42	50	13	7	
18	56	127	69	41	48	11	7	
19	68	120	66	83	45	10	7	
20	72	111	64	88	43	9	7	
21	152	109	63	88	40	7	7	
22	1111	107	63	87	40	7	7	
23	444	100	62	86	40	6	7	
24	272	96	63	85	39	6	7	
25	203	90	76	84	38	6	7	
26	148	110	87	84	37	6	7	
27	128	88	71	83	37	6	7	
28	131	86	64	82	37	6	7	
29	144	86	59	82	37	6	7	
30	158	84	57	81	37	6	7	
31	152	-	55	-	37	6		

- = NO DATA AVAILABLE

Appendix B: Susan River at the Confluence of Willow Creek

SUSAN RIVER at the CONFLUENCE of WILLOW CREEK

DAY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER
1	8	92	28	9	5	3	0	0
2	13	92	22	7	7	3	0	0
3	12	91	21	10	7	4	0	
4	12	87	25	12	4	3	0	
5	12	74	22	14	3	4	0	
6	12	55	25	13	3	5	0	
7	14	-	26	10	4	4	0	
8	18	-	23	15	3	3	0	
9	33	-	27	15	3	3	0	
10	35	11	18	-	3	3	0	
11	34	40	33	13	3	3	1	
12	30	91	17	13	3	1	0	
13	43	89	25	10	4	1	0	
14	34	85	23	7	3	0	2	
15	36	85	17	6	3	0	2	
16	24	88	23	5	3	0	3	
17	34	86	34	5	4	0	1	
18	28	82	37	5	4	0	1	
19	25	81	32	4	4	0	0	
20	23	77	31	4	4	2	0	
21	40	72	27	4	4	1	0	
22	-	70	23	4	4	0	0	
23	-	64	15	3	4	0	0	
24	-	55	17	3	4	0	0	
25	-	41	41	3	3	0	0	
26	-	15	35	3	3	0	0	
27	36	30	36	3	3	0	0	
28	89	36	25	3	3	0	0	
29	90	33	19	3	3	0	0	
30	90	33	14	3	3	0	0	
31	90	-	13	-	3	0		

- = NO DATA AVAILABLE

Appendix C: Willow Creek at the Confluence of the Susan River

WILLOW CREEK at the CONFLUENCE of the SUSAN RIVER

DAY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER
1	22	21	21	18	10	6	6	4
2	26	22	22	16	10	6	6	5
3	25	21	21	17	9	6	5	
4	27	21	21	16	7	6	5	
5	26	21	21	16	7	7	5	
6	26	19	19	15	7	7	5	
7	27	17	17	14	7	7	5	
8	29	18	18	14	6	6	5	
9	34	16	16	13	7	6	5	
10	38	15	15	-	8	6	4	
11	41	16	16	13	8	6	4	
12	42	15	15	13	7	6	5	
13	45	16	16	13	7	6	5	
14	33	16	16	12	7	6	5	
15	69	16	16	12	7	6	5	
16	67	17	17	11	7	6	4	
17	73	18	18	12	7	6	3	
18	71	19	19	12	7	6	4	
19	68	18	18	11	6	6	4	
20	65	18	18	11	6	6	4	
21	62	19	19	11	6	6	4	
22	-	19	19	10	6	6	4	
23	-	18	18	10	6	6	4	
24	-	18	18	10	6	6	4	
25	-	23	23	9	6	6	4	
26	-	26	26	9	6	6	4	
27	-	27	27	11	6	6	4	
28	38	24	24	11	6	6	4	
29	84	24	24	10	6	6	4	
30	78	22	22	10	6	6	4	
31	74		20		6	6		

- = NO DATA AVAILABLE

Appendix D: McCoy Flat Reservoir Outflows

MCCOY FLAT RESERVOIR OUTFLOWS

DAY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER
1	-	-	-	-	52.87	35.36	-	-
2	-	-	-	-	52.87	35.36	-	-
3	-	-	-	-	52.87	35.36	-	-
4	-	-	-	-	52.87	35.36	-	-
5	-	-	-	-	52.87	35.36	-	-
6	-	-	-	-	52.87	32.71	-	-
7	-	-	-	-	52.87	32.71	-	-
8	-	-	-	-	52.87	32.71	-	-
9	-	-	-	-	46.75	32.71	-	-
10	-	-	-	-	46.75	32.71	-	-
11	-	-	-	-	46.75	32.71	-	-
12	-	-	-	-	46.75	32.71	-	-
13	-	-	-	-	25.81	7.55	-	-
14	-	-	-	-	25.81	7.55	-	-
15	-	-	-	-	25.81	7.55	-	-
16	-	-	-	-	25.22	7.55	-	-
17	-	-	-	-	25.22	7.55	-	-
18	-	-	-	58.46	25.22	7.55	-	-
19	-	-	-	58.46	25.22	6.81	-	-
20	-	-	-	58.46	25.22	6.81	-	-
21	-	-	-	58.46	25.22	6.81	-	-
22	-	-	-	58.46	25.22	6.81	-	-
23	-	-	-	58.46	25.22	4.14	-	-
24	-	-	-	58.46	25.22	4.14	-	-
25	-	-	-	52.87	25.22	4.14	-	-
26	-	-	-	52.87	25.22	3	-	-
27	-	-	-	52.87	25.22	3	-	-
28	-	-	-	52.87	25.22	1.17	-	-
29	-	-	-	52.87	25.22	1.17	-	-
30	-	-	-	52.87	22.32	0.5	-	-
31	-	-	-	-	22.32	-	-	-

- = NO WATER USED OR NOT MEASURED

Appendix E: Hog Flat Reservoir Outflows

HOG FLAT RESERVOIR OUTFLOWS

DAY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER
1	-	-	-	20.57	16.39	-	-	-
2	-	-	-	20.57	16.39	-	-	-
3	-	-	-	20.57	16.39	-	-	-
4	-	-	-	20.57	16.39	-	-	-
5	-	-	-	20.57	16.39	-	-	-
6	-	-	-	20.57	16.39	-	-	-
7	-	-	-	20.57	16.39	-	-	-
8	-	-	-	20.57	16.39	-	-	-
9	-	-	-	20.57	13.31	-	-	-
10	-	-	-	20.57	13.31	-	-	-
11	-	-	-	20.57	13.31	-	-	-
12	-	-	-	20.57	13.31	-	-	-
13	-	-	-	20.57	10.82	-	-	-
14	-	-	20.57	20.57	10.82	-	-	-
15	-	-	20.57	20.57	10.82	-	-	-
16	-	-	20.57	20.57	10.82	-	-	-
17	-	-	20.57	20.57	10.82	-	-	-
18	-	-	20.57	18.43	9.16	-	-	-
19	-	-	20.57	18.43	9.16	-	-	-
20	-	-	20.57	18.43	8.53	-	-	-
21	-	-	20.57	18.43	8.53	-	-	-
22	-	-	20.57	18.43	8.53	-	-	-
23	-	-	20.57	18.43	6.73	-	-	-
24	-	-	20.57	18.43	6.73	-	-	-
25	-	-	20.57	16.39	5.11	-	-	-
26	-	-	20.57	16.39	5.11	-	-	-
27	-	-	20.57	16.39	3.65	-	-	-
28	-	-	20.57	16.39	0.78	-	-	-
29	-	-	20.57	16.39	0.78	-	-	-
30	-	-	20.57	16.39	-	-	-	-
31	-	-	20.57	-	-	-	-	-

- = NO WATER USED OR NOT MEASURED

Appendix F: Susan River Watermaster Spot Checks

DIVERSION # 11

OLD CHANNEL WILL GO HERE

DIVERSION #41

DAY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER
1	-	-	-	20.57	62.33	31.82	-	-
2	-	-	-	20.57	62.33	31.82	-	-
3	-	-	-	20.57	62.33	31.82	-	-
4	-	-	-	20.57	62.33	31.82	-	-
5	-	-	-	20.57	62.33	31.82	-	-
6	-	-	-	20.57	62.33	29.44	-	-
7	-	-	-	20.57	62.33	29.44	-	-
8	-	-	-	20.57	62.33	29.44	-	-
9	-	-	-	20.57	54.05	29.44	-	-
10	-	-	-	20.57	54.05	29.44	-	-
11	-	-	-	20.57	54.05	29.44	-	-
12	-	-	-	20.57	54.05	29.44	-	-
13	-	-	-	20.57	32.97	6.8	-	-
14	-	-	20.57	20.57	32.97	6.8	-	-
15	-	-	20.57	20.57	32.97	6.8	-	-
16	-	-	20.57	20.57	32.44	6.8	-	-
17	-	-	20.57	20.57	32.44	6.8	-	-
18	-	-	20.57	69.2	30.94	6.8	-	-
19	-	-	20.57	69.2	30.94	6.13	-	-
20	-	-	20.57	69.2	30.38	6.13	-	-
21	-	-	20.57	69.2	30.38	6.13	-	-
22	-	-	20.57	69.2	30.38	6.13	-	-
23	-	-	20.57	69.2	28.76	3.73	-	-
24	-	-	20.57	69.2	28.76	3.73	-	-
25	-	-	20.57	62.33	27.3	3.73	-	-
26	-	-	20.57	62.33	27.3	2.7	-	-
27	-	-	20.57	62.33	25.98	2.7	-	-
28	-	-	20.57	62.33	23.4	-	-	-
29	-	-	20.57	62.33	23.4	-	-	-
30	-	-	20.57	62.33	22.32	-	-	-
31	-	-	20.57	-	22.32	-	-	-

- = NO WATER USED OR NOT MEASURED

DIVERSION #43

DAY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER
1	-	-	2.23	-	-	-	-	-
2	-	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-	-
4	-	-	-	-	-	-	-	-
5	-	-	-	2.23	-	-	-	-
6	-	-	-	-	-	-	-	-
7	-	-	-	2.23	-	-	-	-
8	-	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-	-
11	-	-	-	-	-	-	-	-
12	-	-	-	-	-	-	-	-
13	-	-	-	-	-	-	-	-
14	-	-	-	-	-	-	-	-
15	-	-	2.23	2.23	-	-	-	-
16	-	-	-	-	-	-	-	-
17	-	-	-	-	-	-	-	-
18	-	-	-	-	-	-	-	-
19	-	-	-	-	-	-	-	-
20	-	-	-	-	-	-	-	-
21	-	-	2.23	-	-	-	-	-
22	-	-	-	-	-	-	-	-
23	-	-	-	-	-	-	-	-
24	-	-	-	-	-	-	-	-
25	-	-	-	-	-	-	-	-
26	-	-	-	-	-	-	-	-
27	-	-	-	-	-	-	-	-
28	-	-	-	-	-	-	-	-
29	-	-	-	-	-	-	-	-
30	-	-	-	-	-	-	-	-
31	-	-	2.23	-	-	-	-	-

- = NO WATER USED OR NOT MEASURED

DIVERSION #46

DAY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER
1	-	-	4.39	-	-	-	-	-
2	-	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-	-
4	-	-	-	-	-	-	-	-
5	-	-	-	-	-	-	-	-
6	-	-	-	-	-	-	-	-
7	-	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-	-
11	-	-	-	1.98	-	-	-	-
12	-	-	-	-	-	-	-	-
13	-	-	-	1.36	-	-	-	-
14	-	-	-	-	-	-	-	-
15	-	-	-	1.32	-	-	-	-
16	-	-	-	-	-	-	-	-
17	-	-	3.63	-	-	-	-	-
18	-	-	-	1.01	-	-	-	-
19	-	-	-	-	-	-	-	-
20	-	-	-	-	-	-	-	-
21	-	-	3.25	-	-	-	-	-
22	-	-	-	-	-	-	-	-
23	-	-	-	-	-	-	-	-
24	-	-	-	-	-	-	-	-
25	-	-	-	0.75	-	-	-	-
26	-	-	-	-	-	-	-	-
27	-	-	-	0.65	-	-	-	-
28	-	-	-	-	-	-	-	-
29	-	-	-	0.59	-	-	-	-
30	-	-	-	-	-	-	-	-
31	-	-	2.65	-	-	-	-	-

- = NO WATER USED OR NOT MEASURED

DIVERSION #47

DAY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER
1	-	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-	-
4	-	-	-	-	-	-	-	-
5	-	-	-	2.26	-	-	-	-
6	-	-	-	-	-	-	-	-
7	-	-	-	2.16	-	-	-	-
8	-	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-	-
11	-	-	-	-	-	-	-	-
12	-	-	-	-	-	-	-	-
13	-	-	-	-	-	-	-	-
14	-	-	-	-	-	-	-	-
15	-	-	3.14	-	-	-	-	-
16	-	-	-	-	-	-	-	-
17	-	-	-	-	-	-	-	-
18	-	-	-	-	-	-	-	-
19	-	-	-	-	-	-	-	-
20	-	-	-	-	-	-	-	-
21	-	-	-	-	-	-	-	-
22	-	-	3.12	-	-	-	-	-
23	-	-	-	-	-	-	-	-
24	-	-	-	-	-	-	-	-
25	-	-	-	2.46	-	-	-	-
26	-	-	-	-	-	-	-	-
27	-	-	-	2.34	-	-	-	-
28	-	-	-	-	-	-	-	-
29	-	-	-	-	-	-	-	-
30	-	-	-	-	-	-	-	-
31	-	-	-	-	-	-	-	-

- = NO WATER USED OR NOT MEASURED

DIVERSION #50

DAY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER
1	-	-	3.36	-	-	-	-	-
2	-	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-	-
4	-	-	-	-	-	-	-	-
5	-	-	-	2.12	-	-	-	-
6	-	-	-	-	-	-	-	-
7	-	-	-	2.29	-	-	-	-
8	-	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-	-
11	-	-	-	-	-	-	-	-
12	-	-	-	-	-	-	-	-
13	-	-	-	-	-	-	-	-
14	-	-	-	-	-	-	-	-
15	-	-	2.22	-	-	-	-	-
16	-	-	-	-	-	-	-	-
17	-	-	3.36	-	-	-	-	-
18	-	-	-	-	-	-	-	-
19	-	-	-	-	-	-	-	-
20	-	-	-	-	-	-	-	-
21	-	-	2.26	-	-	-	-	-
22	-	-	-	-	-	-	-	-
23	-	-	-	-	-	-	-	-
24	-	-	-	-	-	-	-	-
25	-	-	-	-	-	-	-	-
26	-	-	-	-	-	-	-	-
27	-	-	-	-	-	-	-	-
28	-	-	-	-	-	-	-	-
29	-	-	-	-	-	-	-	-
30	-	-	-	-	-	-	-	-
31	-	-	3.2	-	-	-	-	-

- = NO WATER USED OR NOT MEASURED

DIVERSION #52

DAY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER
1	-	-	8.89	-	-	-	-	-
2	-	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-	-
4	-	-	-	-	-	-	-	-
5	-	-	-	5.98	-	-	-	-
6	-	-	-	-	-	-	-	-
7	-	-	-	5.82	-	-	-	-
8	-	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-	-
11	-	-	-	4.78	-	-	-	-
12	-	-	-	-	-	-	-	-
13	-	-	-	4.56	-	-	-	-
14	-	-	-	-	-	-	-	-
15	-	-	8.85	4.42	-	-	-	-
16	-	-	-	-	-	-	-	-
17	-	-	9.12	-	-	-	-	-
18	-	-	-	3.12	-	-	-	-
19	-	-	-	-	-	-	-	-
20	-	-	-	3.85	-	-	-	-
21	-	-	7.76	-	-	-	-	-
22	-	-	9.97	-	-	-	-	-
23	-	-	-	-	-	-	-	-
24	-	-	-	-	-	-	-	-
25	-	-	-	-	-	-	-	-
26	-	-	-	-	-	-	-	-
27	-	-	-	-	-	-	-	-
28	-	-	-	-	-	-	-	-
29	-	-	-	-	-	-	-	-
30	-	-	-	-	-	-	-	-
31	-	-	7.42	-	-	-	-	-

- = NO WATER USED OR NOT MEASURED

DIVERSION #75

DAY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER
1	-	-	13.37	-	-	-	-	-
2	-	-	12.81	-	3.65	-	-	-
3	-	-	10.54	-	-	-	-	-
4	-	-	-	-	-	-	-	-
5	-	-	-	-	2.11	-	-	-
6	-	-	-	-	2.13	-	-	-
7	-	-	5.41	-	-	-	-	-
8	-	-	-	-	-	-	-	-
9	-	-	-	-	2.13	-	-	-
10	-	-	-	-	2.05	-	-	-
11	-	-	13.11	5.51	-	-	-	-
12	-	-	-	-	-	-	-	-
13	-	-	-	5.42	1.96	-	-	-
14	-	-	11.46	-	-	-	-	-
15	-	-	-	3.72	-	-	-	-
16	-	-	10.85	-	-	-	-	-
17	-	-	-	-	1.85	-	-	-
18	-	-	15.21	3.45	-	-	-	-
19	-	-	-	-	1.91	-	-	-
20	-	-	-	3.24	-	-	-	-
21	-	-	5.71	-	-	-	-	-
22	-	-	6.32	-	-	-	-	-
23	-	-	-	-	1.85	-	-	-
24	-	-	-	-	-	-	-	-
25	-	-	-	2.05	1.75	-	-	-
26	-	-	-	2.08	-	-	-	-
27	-	-	-	-	1.82	-	-	-
28	-	-	-	2.12	-	-	-	-
29	-	-	9.86	2.31	-	-	-	-
30	-	-	-	-	1.77	-	-	-
31	-	-	8.85	-	-	-	-	-

- = NO WATER USED OR NOT MEASURED

DIVERSION #76

DAY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER
1	-	-	-	6.23	-	-	-	-
2	-	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-	-
4	-	-	-	7.12	-	-	-	-
5	-	-	-	7.25	-	-	-	-
6	-	-	-	-	-	-	-	-
7	-	-	-	-	-	-	-	-
8	-	-	-	7.72	-	-	-	-
9	-	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-	-
11	-	-	9.78	-	-	-	-	-
12	-	-	-	-	-	-	-	-
13	-	-	-	-	-	-	-	-
14	-	-	-	-	-	-	-	-
15	-	-	-	-	-	-	-	-
16	-	-	-	-	-	-	-	-
17	-	-	-	-	-	-	-	-
18	-	-	-	-	-	-	-	-
19	-	-	-	-	-	-	-	-
20	-	-	-	-	-	-	-	-
21	-	-	6.21	-	-	-	-	-
22	-	-	6.16	-	-	-	-	-
23	-	-	-	-	-	-	-	-
24	-	-	-	-	-	-	-	-
25	-	-	-	-	-	-	-	-
26	-	-	-	-	-	-	-	-
27	-	-	-	-	-	-	-	-
28	-	-	-	-	-	-	-	-
29	-	-	-	-	-	-	-	-
30	-	-	-	-	-	-	-	-
31	-	-	-	-	-	-	-	-

- = NO WATER USED OR NOT MEASURED

DIVERSION #83

DAY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER
1	-	-	2.89	1.66	-	-	-	-
2	-	-	3.31	-	1.01	-	-	-
3	-	-	2.92	-	-	-	-	-
4	-	-	-	2.09	-	-	-	-
5	-	-	-	2.12	0.62	-	-	-
6	-	-	-	-	0.57	-	-	-
7	-	-	2.77	-	-	-	-	-
8	-	-	-	2.16	-	-	-	-
9	-	-	-	-	0.59	-	-	-
10	-	-	-	-	0.54	-	-	-
11	-	-	3.79	1.71	-	-	-	-
12	-	-	-	-	-	-	-	-
13	-	-	-	1.42	0.62	-	-	-
14	-	-	3.32	-	-	-	-	-
15	-	-	-	1.12	-	-	-	-
16	-	-	3.02	-	-	-	-	-
17	-	-	-	-	0.58	-	-	-
18	-	-	4.07	1.05	-	-	-	-
19	-	-	-	-	0.55	-	-	-
20	-	-	-	1.01	-	-	-	-
21	-	-	3.42	-	-	-	-	-
22	-	-	2.98	-	-	-	-	-
23	-	-	-	-	0.49	-	-	-
24	-	-	-	-	-	-	-	-
25	-	-	-	0.54	0.51	-	-	-
26	-	-	-	0.53	-	-	-	-
27	-	-	-	-	0.48	-	-	-
28	-	-	-	0.56	-	-	-	-
29	-	-	2.76	0.51	-	-	-	-
30	-	-	-	-	0.51	-	-	-
31	-	-	2.55	-	-	-	-	-

- = NO WATER USED OR NOT MEASURED

DIVERSION #84

DAY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER
1	21.45	-	7.32	-	-	-	-	-
2	-	-	6.98	-	1.77	-	-	-
3	-	-	6.77	-	-	-	-	-
4	-	-		4.12	-	-	-	-
5	-	-		4.16	0.82	-	-	-
6	-	-		-	0.8	-	-	-
7	-	-	7.11	-	-	-	-	-
8	4.6	-		3.82	-	-	-	-
9	-	-		-	0.8	-	-	-
10	-	-		-	-	-	-	-
11	-	-	7.96	2.86	-	-	-	-
12	51.46	-		-	-	-	-	-
13	-	-		2.32	-	-	-	-
14	-	-	4.17	-	-	-	-	-
15	-	-		2.5	-	-	-	-
16	-	-	3.19	-	-	-	-	-
17	-	-		-	-	-	-	-
18	-	-	10.51	2.23	-	-	-	-
19	-	-		-	-	-	-	-
20	-	-		1.98	-	-	-	-
21	-	-	6.6	-	-	-	-	-
22	-	-	5.83	0.63	-	-	-	-
23	-	-		-	-	-	-	-
24	-	-	3	-	-	-	-	-
25	-	-		0.98	-	-	-	-
26	-	10.67		-	-	-	-	-
27	-	-		-	-	-	-	-
28	-	-		-	-	-	-	-
29	-	-	5.83	3.5	-	-	-	-
30	-	4.82		-	-	-	-	-
31	-	-	5.66	-	-	-	-	-

- = NO WATER USED OR NOT MEASURED

DIVERSION #112

DAY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER
1	3.22	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-	-
3	-	18.66	1.24	-	-	-	-	-
4	-	-	-	-	-	-	-	-
5	-	-	-	4.4	-	-	-	-
6	3.22	9.08	-	-	-	-	-	-
7	-	-	1	4.4	-	-	-	-
8	2.04	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-	-
10	-	30.2	2.66	-	-	-	-	-
11	-	-	-	2.04	-	-	-	-
12	0.59	-	-	-	-	-	-	-
13	-	16.71	-	-	-	-	-	-
14	-	-	3.23	-	-	-	-	-
15	10.03	-	-	2.04	-	-	-	-
16	-	12.56	-	-	-	-	-	-
17	-	-	-	-	-	-	-	-
18	-	-	9.08	2.99	-	-	-	-
19	4.02	-	-	-	-	-	-	-
20	-	8.13	-	-	-	-	-	-
21	-	-	4.78	-	-	-	-	-
22	31.58	-	-	2.04	-	-	-	-
23	-	3.32	-	-	-	-	-	-
24	-	-	3.32	-	-	-	-	-
25	-	-	-	0.47	-	-	-	-
26	28.83	3.32	-	-	-	-	-	-
27	-	-	-	-	-	-	-	-
28	-	-	-	-	-	-	-	-
29	-	-	4.4	-	-	-	-	-
30	18.66	1.47	-	-	-	-	-	-
31	-	-	-	-	-	-	-	-

- = NO WATER USED OR NOT MEASURED